

Sygnia Itrix FTSE 100 ETF

Minimum Disclosure Document (MDD)
Regional - Equity - General

31 December 2023

Portfolio Managers **Sygnia Asset Management**
Inception **10 October 2005**
Fund Size **R 1.359 Billion**
NAV Price **18 185 cents**
Units in Issue **7 475 604**

Investment Objective

To replicate the price and yield performance of the FTSE 100 Index

Income Distribution

Bi-Annually (December and June)

Payment: 17 Jan 2023 - 116.2466 cents per unit

Payment: 13 Jul 2023 - 299.47679 cents per unit

Standard Bank Trustees (021 441 4100)

Trustees

Fund Information	
Classification	Regional - Equity - General
Asset Allocation	100% Offshore Equity
NAV/Index Ratio	ca. 1/1000
Financial Year End	31 December
Index Tracking	Fund tracks the FTSE 100 Index
Dividend Distribution	Semi-annual distribution
NAV Publication	Daily on sygnia.co.za
Portfolio Valuation	Close of relevant market
Foreign exchange source	World Market fix rate 16:00pm EST

Cumulative Investment Performance

Growth of R100 invested on 31 October 2005

Investment: R284.06
Benchmark: R286.18



Cumulative investment performance is for illustrative purposes only and is calculated using the NAV before any distributable income and management fee.

Top 10 Holdings

Instrument	Percent
Shell Ord Shs	8.6%
Astrazeneca Ord Shs	8.0%
HSBC Holdings Ord Shs	6.3%
Unilever Ord Shs	4.8%
BP Ord Shs	3.9%
Rio Tinto Ord Shs	3.2%
Diageo Ord Shs	3.2%
Relx Ord Shs	3.0%
GlaxoSmithKline Ord Shs	3.0%
Glencore Ord Shs	2.9%

Historical Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2020	3.2%	-7.8%	-5.5%	8.9%	-3.1%	0.0%	-0.5%	2.6%	-6.5%	-7.4%	10.5%	0.2%	-7.2%
2021	2.1%	3.7%	-0.4%	2.4%	-2.2%	1.3%	3.0%	-0.9%	1.4%	4.9%	-0.8%	6.7%	23.0%
2022	-3.0%	-0.2%	-6.4%	3.6%	-0.3%	-4.5%	5.4%	-4.0%	-4.2%	8.9%	2.5%	-0.8%	-4.0%
2023	9.2%	5.0%	-4.3%	8.0%	1.1%	-1.1%	-2.6%	1.3%	-2.0%	-4.8%	7.3%	0.8%	18.0%

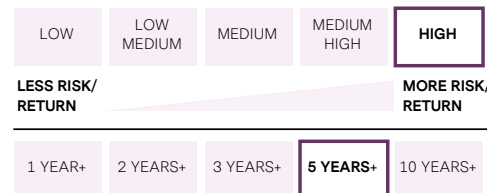
Since inception performance figures are available on request.

Risk Statistics

	Fund	^BM
% Negative Months	45.0%	45.0%
Average Negative Month	-3.0%	-3.0%
Largest Drawdown	-18.7%	-18.7%
Standard Deviation	15.2%	15.2%
Downside Deviation	8.1%	8.2%
Highest Annual Return: Nov 2020 - Oct 2021	28.6%	28.7%
Lowest Annual Return: Nov 2019 - Oct 2020	-17.3%	-17.3%
Annualised Tracking Error (Active Return) (12 Mths)	0.1%	-
Annualised Tracking Error (Std Dev of Active Return) (60 Mths)	0.3%	-

The risk statistics reflected above are calculated on a 60-month or since-inception basis, depending on which period is shorter.

Minimum Disclosure Document - Issue Date: 09 Jan 2024



Listing Information	
Exchange	JSE Limited
Exchange Code	SYGUK
Trading Currency	ZAR
Portfolio Currency	GBP
ISIN	ZAE000249520
RIC	SYGUKJJ
Bloomberg Ticker	SYGUK SJ EQUITY
Trading Hours	9:00 am - 16:50 pm
Transaction cut-off	JSE trading hours

Asset Allocation

Asset	Percent	Allocation
International Equity	98.4%	

Sector Allocation

Sector	Percent	Allocation
Financials	19.0%	
Consumer Staples	16.8%	
Industrials	12.9%	
Energy	12.6%	
Health Care	11.9%	
Materials	9.3%	
Consumer Discretionary	7.1%	
Utilities	4.1%	
Other	6.4%	

Portfolio Performance Analysis

Period	Sygnia Itrix FTSE 100**	FTSE100 Index (ZAR)**	FTSE100 Index (GBP)**	Sygnia Itrix FTSE 100 (TR)
1 Year	18.0%	18.2%	3.8%	20.9%
3 Years	11.7%	11.6%	6.2%	14.5%
5 Years	7.9%	7.9%	2.8%	11.0%
10 Years	4.4%	4.4%	1.4%	7.5%
Since Inception	5.9%	6.0%	2.1%	8.9%

Performance of the fund is calculated by Sygnia Asset Management as at reporting date.

Performance figures greater than one year are annualised.

*A positive performance in currency reflects a depreciation of ZAR against base currency and vice versa.

**Price return.

Annual Management Fee

*Broker/Other Platform (excl VAT)	*Sygnia Alchemy Platform (excl VAT)
*First R 10 Million	*First R 2 Million
0.75%pa	0.55%pa
*R 10 Million-R 100 Million	*R 2 Million-R 100 Million
0.60%pa	0.50%pa
*Over R 100 Million	*Over R 100 Million
0.40%pa	0.30%pa
VAT	
0.12%	0.08%
Total Expense Ratio (TER)	
0.88% (Dec 2023)	0.64% (Dec 2023)
Transaction Costs (TC)	
0.04% (Dec 2023)	0.03% (Dec 2023)
Total Investment Charge (TIC)	
0.92% (Dec 2023)	0.67% (Dec 2023)

Excess management fees for investors over R100m are included in the above TER, and distributed back to the investor at each distribution date.

Sygnia

Sygnia Itrix FTSE 100 ETF

Fund commentary

Minimum disclosure document (MDD)
Regional – Equity – General

4th Quarter 2023

Market performance

At the December 2023 Federal Open Market Committee (FOMC) meeting, the US Federal Reserve (the Fed) cut its median interest expectation for 2024 by 50 bps, from 5.125% to 4.625%. This very dovish move was amplified by Fed Chair Jerome Powell's comments at the subsequent press conference. The shift in the Fed's reaction function reduces the risk of a recession and brought Christmas early to markets, effectively bringing some of 2024's gains forward into late 2023. The markets' jubilation reflects the potential for downside inflation surprises this year, and while bonds and stocks have gotten ahead of themselves in the short term, the underlying trend remains solid.

In the US, the procyclical fiscal policy tailwind is coming to an end, as is the period of excess pandemic savings, and higher interest rates will impact with a lag. However, a soft landing remains our base-case scenario, as financial conditions have eased in the wake of the dovish Fed and rising equity markets, business and consumer confidence indices are holding steady, US banks and household contagion risks are low and have healthy balance sheets, house price falls will be limited by low supply and unemployment has not yet been impacted by falling job openings. Importantly, disinflation is on track, with Shelter inflation set to drop dramatically, oil prices falling and productivity improving, lowering the unit labour costs and offsetting wage inflation. And because 2024 is an election year, pressure will be on the Fed to stay dovish – as a result, we remain overweight US.

President Xi Jinping rang in the new year declaring China's focus on "high-quality development", but while China's economic data are holding steady, a recovery is unlikely. Consumer and business confidence remain depressed after falling house prices, insufficient government fiscal thrust and a sharp fall in exports. In one of China's biggest-ever bankruptcies, shadow banking giant Zhongzhi Enterprise Group filed for bankruptcy as a result of the property crisis, putting more stress on already fragile consumer and investor sentiment. In addition, China released draft gaming regulations that sent Tencent – and consequently Naspers – plunging. Naspers closed 18% down on the day, but the share price recovered half its losses after authorities said they would listen to feedback from industry players, over 100 online games were approved and the head of publishing in the Communist Party's Publicity Department was removed. Unfortunately, the damage to investor confidence had already been done.

2023 saw the world's hottest 12 months on record, with the global near-surface temperature 1.4°C above average, its warmest in 174 years. Despite this, China connected the greatest number of new coal plants in history and US oil production hit the highest level of any country in history. Not surprising, then, that the 2023 UN Climate Change Conference (COP28) was a disappointment. Instead of explicitly phasing out fossil fuels, COP28 agreed to transition away from them. While this includes tripling renewable energy targets, Professor Michael Mann of the University of Pennsylvania described

the conference's failure to phase out fossil fuels as "devastating". The first comprehensive assessment of progress under the Paris Agreement highlighted that current efforts are not enough to limit global warming to 1.5oC, and governments are expected to revise their Nationally Determined Contributions upwards. We expect more volatile weather patterns to disrupt global trade.

As South Africa heads into elections this year, we still face a lack of service delivery. The Department of Water and Sanitation's Blue Drop Report for 2023 reported that 46% of the water supply system in South Africa is undrinkable. Dr Anthony Turton of the University of the Free State believes that 90% of the country's wastewater works are to some extent dysfunctional. Eskom's system status outlook for 2024 is dire, with a likely shortfall of over 2 001 MW every week. PetroSA wants to partner with Russia's Gazprombank in a R3.7bn deal to restart the gas-to-liquid refinery in Mossel Bay. The unusually strict criteria of the project bid saw the other 19 bidders disqualified, but Gazprombank is under US sanctions due to Russia's invasion of Ukraine. The government announced a new nuclear procurement process for 2 500 MW of power, claiming that the National Regulator of South Africa (NERSA) had approved the procurement process. However, none of the details requested by NERSA in September have yet been provided. The state attorney's office sent an inquiry to the Department of Home Affairs, asking why the visa backlog continues to grow and now sits at close to 100 000 applications.

Our outlook remains steady. The US economy will remain resilient despite the lagged effects of monetary tightening in 2024. Growth and inflation will slow, but the scope for interest rate cuts, improved productivity, global product disinflation and strong household and business balance sheets reduce the risk of recession. While the US remains expensive relative to history, we remain overweight US within global equity allocations and neutral global bonds. China needs a huge government fiscal campaign to revive growth – which is unlikely, as growth is stable despite being low. Absent a fix to the property sector, a strong revival of consumer and business confidence is unlikely. US rate-cut expectations have grown quickly, as has the belief in a soft landing. This leaves markets vulnerable to bad news in the short term, such as higher inflation numbers or rising oil prices caused by geopolitical risks. With weather volatility likely to increase and 2024 being a bumper year for national elections – nearly half the world's population will have the opportunity to vote for new leadership – there is no shortage of potential risks to precipitate short- or long-term stumbles in the market.

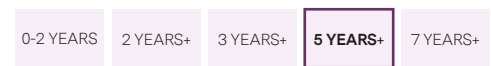
RISK PROFILE



LESS RISK/
RETURN

MORE RISK/
RETURN

TIME HORIZON



Fund performance

The Sygnia Itrix FTSE 100 ETF delivered 3.0% for the quarter, marginally below its benchmark, the FTSE 100 Index. The fund benefited from exposure to Rio Tinto PLC, Rolls-Royce Holdings PLC and Relx PLC, while its exposure to BP PLC, AstraZeneca PLC and Unilever PLC detracted from performance.

There were several changes to the tracked index's constituents over the period, including the addition of Intermediate Capital Group PLC and the removal of Hargreaves Lansdown PLC.

The fund remains true to its investment objective of delivering returns that mirror those of the FTSE 100 Index.

Disclaimer

The Sygnia Group is a member of the Association for Savings and Investment SA. Sygnia Itrix (RF) (Pty) Ltd is a registered and approved Manager under the Collective Investment Schemes Control Act, 2002. Sygnia Asset Management (Pty) Limited (FSP 873), an authorised financial services provider, is the appointed investment manager of the Fund. Sygnia Itrix does not provide any guarantee with respect to the capital or return of the portfolio. Collective Investment Schemes (CIS) are generally medium to long-term investments. Collective investment schemes are traded at ruling prices and can engage in borrowing and scrip lending. The value of investments/units may go down as well as up and past performance is not necessarily an indicator of future performance. ETFs trade on stock exchanges and may therefore incur additional costs associated with listed securities. Unlike a unit trust, which can be bought or sold only once per day, an ETF can be traded intraday, during exchange trading hours. ETFs may invest in foreign securities, which may be exposed to macroeconomic, settlement, political, tax, liquidity, and foreign exchange risks. Performance is calculated for the portfolio, and the individual investor performance may differ as a result of trading cost, price paid for investment share. Additional information on the Index including its performance and tracking error can be viewed on the relevant Minimum disclosure document (MDD) on www.sygnia.co.za. A schedule of fees, charges and where the ETF engages in securities lending activities, information on such securities lending activities may be requested via admin@sfs.sygnia.co.za or 0860 794 642. The complete terms and conditions of your ETF investment are contained in the fund's offering circular, pre-listing statement, programme memorandum and/or supplemental deed and index constituents with prices are published daily on Sygnia's website. The documents/information may be obtained from www.sygnia.co.za or on request from Sygnia. Nothing in this document shall be considered to state or imply that the Fund is suitable for a particular type of investor. All the portfolio options presented are approved collective investment schemes in terms of the Collective Investment Schemes Control Act, No 45 of 2002 ("CISCA"). The Manager has the right to close any portfolios to new investors to manage them more efficiently in accordance with their mandates. A copy of the Minimum disclosure document (MDD) is available on our website: www.sygnia.co.za.

SYGNIA COLLECTIVE INVESTMENTS RF (PTY) LTD
Registration No. 2009/003063/07

A member of the Association for Savings & Investment SA

CAPE TOWN: 7th Floor, The Foundry, Cardiff Street, Green Point, 8001

T +21 446 4940

JOHANNESBURG: Unit 40, 6th Floor, Katherine & West Building, West Street, Sandton T +10 595 0550

www.sygnia.co.za | info@sygnia.co.za

Sygnia 

Important information to consider before investing

Investment Objective and Strategy

The investment policy of the Sygnia Itrix FTSE 100 ETF is to track the FTSE 100 Index as closely as possible, by buying only FTSE 100 securities in which are excluded from the Index from time to time as a result of quarterly Index review or corporate actions or which are required to be sold to ensure that the portfolio holds FTSE 100 securities in the same weighting as they are included in the Index.

This is a high risk, passively managed index tracking fund which objective is to replicate the price and yield performance of the FTSE 100 Index as closely as possible by physically holding a portfolio of securities equivalent to the basket of securities comprising the index. Index Performance data can be sourced from Bloomberg, Reuters, other data providers and at www.sygnia.co.za.

Balancing risk and reward

The FTSE 100 Index is a market capitalisation weighted index representing the performance of the 100 largest UK – domiciled companies, which pass screening for size and liquidity. Index constituents are all traded on the London Stock Exchange SETS trading system. For changes to the index constituents please refer to the published SENS. The recommended investment term for investors in the Sygnia Itrix FTSE 100 ETF is a minimum of five years.

Collective Investment Schemes (CIS) are generally medium-to long-term investments. The value of units may go down as well as up and past performance is not necessarily an indicator of future performance. CIS are traded at ruling prices and can engage in borrowing and scrip lending. Equity markets are volatile and the price of equities fluctuate based on a number of factors such as changes in the economic climate, general movements in interest rates and the political and social environment which will also affect the value of the securities held in the unit trust, thereby affecting the overall value of the unit trust. There are regulations in place which limit the amount that a unit trust may invest in securities, thereby spreading the risk across securities, asset classes and companies. The fund may also be exposed to liquidity risk. This relates to the ability of the unit trust to trade out of a security held in the portfolio at or near to its fair value.

Annualised performance figures represent the geometric average return earned by the fund over the given time period. Unannualised performance represents the total return earned by the fund over the given time period, expressed as a percentage.

Performance is calculated based on the NAV to NAV calculation of the portfolio. Individual investor performance may differ as a result of initial fees, the actual investment date and dividend withholding tax.

Fees

Sygnia Itrix ETFs are Exchange Traded Funds that trade on stock exchanges and may therefore incur additional costs associated with listed securities. Sygnia Itrix does not provide advice and therefore does not charge advice fees. A schedule of fees and charges is available on request from Sygnia Itrix. Permissible deductions may include management fees, brokerage, STT, auditor's fees, bank charges and trustee fees.

What is the Total Expense Ratio (TER) and Transaction Costs (TC)?

The total expense ratio (TER) is the annualised percentage of the fund's average assets under management that has been used to pay the fund's actual expenses over the past three years. Transaction costs are a necessary cost in administering the fund and impact fund returns. They should not be considered in isolation as returns may be impacted by many other factors over time, including market returns, the type of financial product, the investment decisions of the investment manager and the TER. Since fund returns are quoted after the deduction of these expenses, the TER and Transaction Costs should not be deducted again from the published returns. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return.

Foreign Securities

The fund invests in foreign securities, which may be exposed to macroeconomic, settlement, political, tax, reporting or illiquidity risk factors that may be different to similar investments in South African markets. Fluctuations or movements in exchange rates may cause the value of underlying investments to go up or down.

Cumulative Investment Performance

Cumulative investment performance is for illustrative purposes only. The investment performance is calculated by taking all ongoing fees into account for the amount shown, with income reinvested on the reinvestment date.

Exchange Traded Funds vs Unit Trusts

Whilst both unit trusts and ETFs are regulated and registered under the Collective Investment Scheme Control Act, ETFs trade on stock exchanges just like any other listed, tradable security. Unlike a unit trust, which can be bought or sold only at the end of the trading day, an ETF can be traded intraday, during exchange trading hours.

How are NAV prices calculated?

Net Asset Value (NAV) prices are calculated on a net asset value basis, which is the total market value of all assets in the portfolio including any income accruals and less any permissible deductions from the portfolio divided by the number of units in issue. The price at which ETFs trade on an Exchange may differ from the NAV price published at the close of the trading day, because of intraday price movements in the value of the constituent basket of securities.

Disclaimer

Sygnia Itrix (RF) (Pty) Ltd is a registered and approved Manager under the Collective Investment Schemes Control Act, 2002 (Act No 45 of 2002). Sygnia Asset Management (Pty) Ltd (FSP No 873), an authorised financial services provider, is the appointed investment manager of the fund. Sygnia Itrix does not provide any guarantee with respect to the capital or return of the portfolio. Nothing in this minimum disclosure document will be considered to state or imply that the collective investment scheme or portfolio is suitable for a particular type of investor.

This document is for information purposes only and does not constitute or form any part of any offer to issue or sell, or any solicitation of any offer to subscribe for or purchase any particular investment. Whilst reasonable care was taken in ensuring that the information contained in this document is accurate, Sygnia accepts no liability in respect of any damages and/or loss (whether direct or consequential) or expense of any nature which may be suffered as a result of reliance, directly or indirectly, on the information in this document. Additional information such as fund prices, brochures, application forms and a schedule of fees and charges be requested via admin@sfs.sygnia.co.za or 0860 794 642 (0860 SYGNIA).

You should be aware that certain transactions give rise to substantial risk. Product values may be affected by market values, interest rates, exchange rates, volatility, dividend yields and issuer credit ratings. The complete terms and conditions of your ETF investment are contained in the fund's offering circular, pre-listing statement, programme memorandum and/or supplemental. These documents may be obtained from www.sygnia.co.za or on request from Sygnia.

Sygnia Limited and any of its affiliates may make markets or hold units in the fund or hold positions in the investments in which the fund invests. As set out in the offering circular, the sale of securities is subject to restrictions in some jurisdictions. In particular, any direct or indirect distribution of this document into the United States, Canada or Japan, or to U.S. persons or U.S. residents, is prohibited.

Index Disclaimer

The FTSE 100 Index is calculated by FTSE International Limited. FTSE International Limited does not sponsor, endorse or promote this product.

All copyright in the index values and constituent list vests in FTSE International Limited. Sygnia Itrix has obtained full licence from FTSE International Limited to use such copyright in the creation of this product.

"FTSE™", "FT-SE®" and "Footsie®" are trademarks jointly owned by the London Stock Exchange Plc and The Financial Times Limited and are used by FTSE International Limited under licence.

CAPE TOWN: 7th Floor, The Foundry, Cardiff Street, Green Point, 8001 T +27 21 446 4940

JOHANNESBURG: Unit 40, 6th Floor Katherine & West Building, West Street, Sandton, 2196 T +27 10 595 0550

DURBAN: Office 2, 2nd Floor Ridgeview, 1 Nokwe Avenue, Ridgeside, Umhlanga Ridge, 4319 T +27 31 001 0650

www.sygnia.co.za | info@sygnia.co.za

SYGNIA ITRIX (RF) (PTY) LTD
Registration No. 2004/035580/07

Minimum Disclosure Document - Issue Date: 09 Jan 2024

Sygnia 