



ASHBURTON WORLD GOVERNMENT BOND ETF

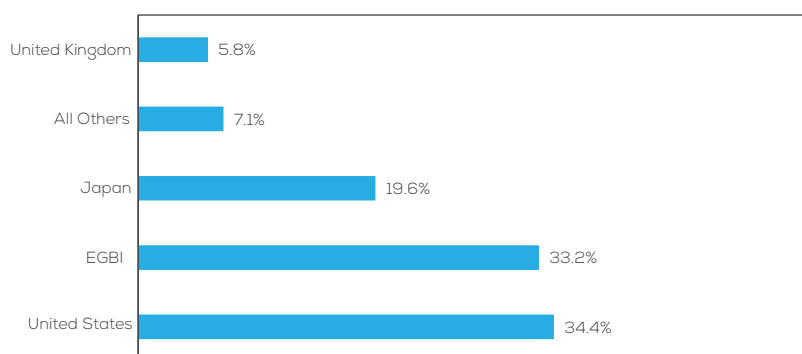
Information sheet

World government bond exposure

The Ashburton World Government Bond ETF provides investors with cost efficient exposure to the global bond market by tracking the Citi World Government Bond Index (WGBI). This will be the first global bond ETF listed locally on the JSE. The WGBI measures the performance of fixed-rate, local currency, investment grade sovereign bonds. It consists of countries that meet specific criteria for market size, credit quality, and barriers to entry. The WGBI is a widely used benchmark that currently comprises sovereign debt from over twenty countries, including the US, UK, Canada, Germany, Japan, Australia and France.

The ETF will invest into the underlying bonds directly and not via any synthetic exposures. The ETF will be run on an optimised basis, which takes into account country exposure, maturity bucket exposure, duration and convexity versus the benchmark in order to ensure trading efficiencies are realised.

Regional exposure breakdown



Source: Citi Group Fixed Income Indices Factsheet, December 2017

Total returns of the WGBI (Unhedged)	USD	EUR	JPY	GBP	ZAR
1 Year	8.16%	-6.17%	4.87%	-4.31%	-4.73%
3 Year	2.39%	-0.93%	-0.08%	4.27%	3.10%
5 Year	0.45%	1.59%	5.24%	3.17%	6.62%

Source: Bloomberg. Ashburton Investments, January 2018

FUND INFORMATION

Fund name	Ashburton World Government Bond ETF
Share Code	ASHWGB
Income distribution	Quarterly
Benchmark	Citi World Government Bond Index
Risk profile	Medium Risk
Total Expense Ratio	0.45% (targeted) incl VAT
Management fee	0.34% (VAT excl)
Offer opens	Friday, 9 February (09:00)
Offer closes	Monday, 5 March (12:00)
Listing date	Tuesday, 13 March
ISIN	ZAE000254413
Trustee	Standard Chartered Bank
Fund managers	Ashburton Fund Mangers

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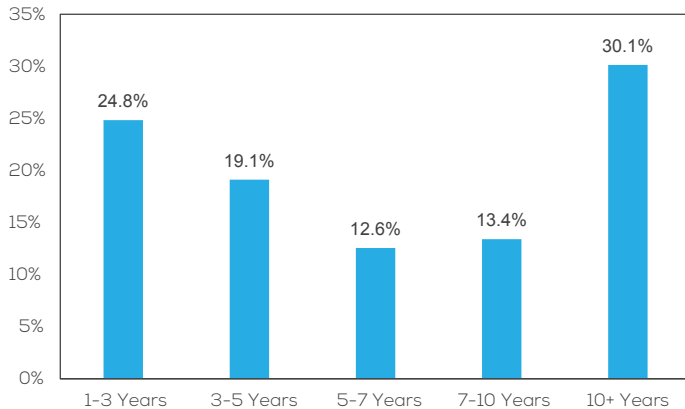
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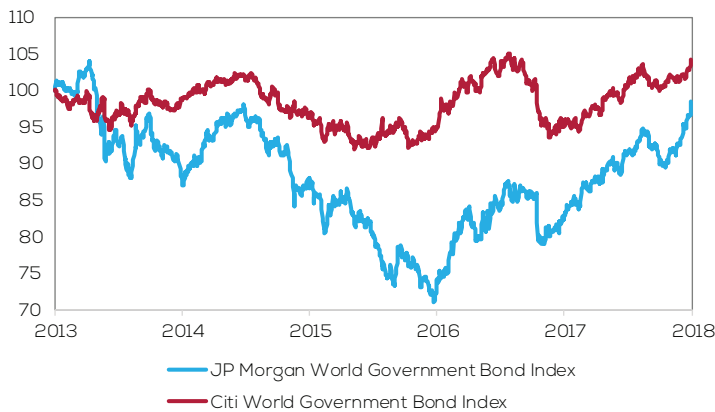
Website: www.ashburtoninvestments.com



Maturity buckets exposure



Source: Citi Group Fixed Income Indices Factsheet, December 2017



Source: Bloomberg. Ashburton Investments

Why invest in the Ashburton World Government Bond ETF

- The fund offers direct, cost efficient exposure to global investment grade fixed income securities, and through the holding of the fund, investors can access bonds that are diversified among issuers, region, credit quality and term structure.
- The fund will comprise of fixed coupon rate bonds as opposed to floating rate securities. This should provide investors with a steady and predictable stream of income.
- The WGBI boasts exposure to some of the well-respected countries globally, with stable monetary policies and superior sovereign debt ratings.
- The fund has exposure to emerging market countries, which have experienced tighter monetary policies over the past few years, benefiting investors in search for higher yielding assets.
- Exposure to only investment grade bonds will ensure lower default risk.
- First JSE listed ETF providing investors with access to global bond markets.
- The ETF is not a typical feeder fund as it will hold underlying physical bonds.
- Local investors will not have to use their offshore allowance to gain further access to markets ex-SA.

Disclaimer

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