



# CORESHARES S&P 500 MINIMUM DISCLOSURE DOCUMENT (FACTSHEET)

## FUND INFORMATION

31 October 2018

<b>Classification</b>	Specialist securities	<b>Launch date</b>	23 May 2016
<b>Benchmark</b>	S&P 500® Index	<b>Share code</b>	CSP500
<b>Size</b>	US\$45 241 171 / R669 569 324	<b>Asset Manager</b>	CoreShares Asset Management
<b>Listing price</b>	US\$2.05	<b>Distribution dates</b>	March, September
<b>Current price / NAV</b>	US\$2.72 / R40.20	<b>Last 12 month distributions</b>	38.51 cpu
<b>Annual fee</b>	0.45%	<b>Market Maker</b>	MCB Stockbrokers (SEM) Bridge Stockbrokers
<b>TER</b>	0.50%	<b>Custodian</b>	Société Générale Securities Services
<b>Shares in issue</b>	16 654 084	<b>Exchange</b>	The Stock Exchange of Mauritius & The Johannesburg Stock Exchange
<b>Risk profile</b>	Aggressive (5/5) ●●●●●		

## OBJECTIVE

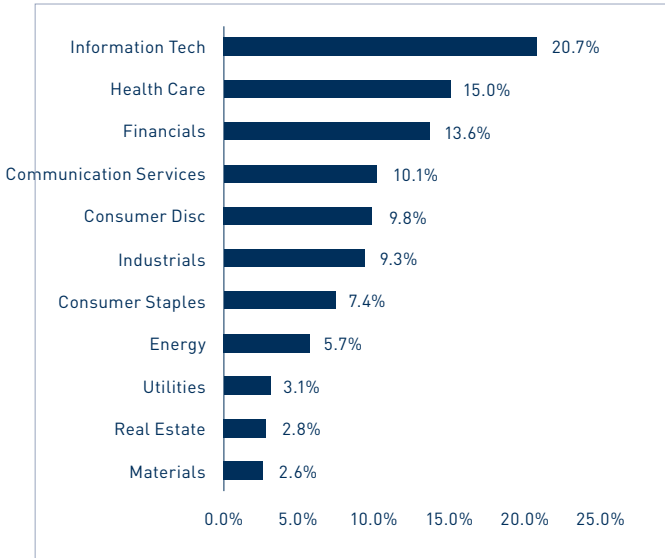
The investment policy of the portfolio shall be to track the price and yield performance of the S&P 500® Index as closely as possible. The methodology employed by S&P uses US companies as a starting universe then filters according to size – Companies must have an unadjusted market cap of US\$5.3 billion or more, Liquidity-Adequate liquidity and reasonable price and weighting-float adjusted market cap.

## WHY CHOOSE THIS FUND?

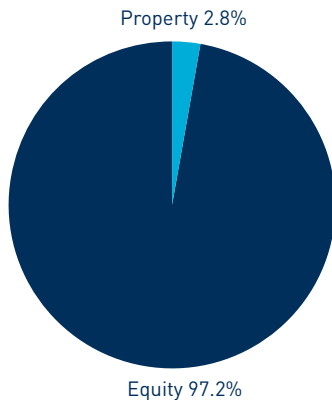
The S&P 500® is widely regarded as the best single gauge of large-cap US equities. The CoreShares S&P 500 is an Exchange Traded Fund (ETF), that tracks the performance of the S&P 500® Index. The benefits of CoreShares S&P 500 are the following:

- Created in 1957, the S&P 500 was the first US market Cap weighted equity market index
- Includes 500 of the top companies in leading industries in the US economy
- Transparent
- Offers semi-annual distribution
- Own a piece of the largest stocks listed in the USA
- Cost efficient
- Accessible
- Useful asset allocation tool for professional investors
- No prescribed fixed investment period

**SECTOR WEIGHTINGS**



**ASSET ALLOCATION**



**RISKS**

As with all investments, there are certain risks of investing in CoreShares S&P 500:

- Index Tracking Risks – the ETFs returns not match the index returns due to operating costs
- An investment in the ETF involves risks similar to those of investing in any fund or ETF of equity securities such as liquidity risk and capital risk

**WHERE TO VIEW THE INDEX AND ITS PERFORMANCE**

S&P 500 Index can be found under the ticker code: SPX

Index information and performance can be found on: <https://us.spindices.com/indices/equity/sp-500>

**TOP 10 CONSTITUENTS\***

Constituents	Weight [%]
Apple Inc.	4,38
Microsoft Corp	3,57
Amazon.com Inc	2,86
Berkshire Hathaway B	1,75
Johnson & Johnson	1,64
JP Morgan Chase & Co	1,60
Facebook Inc A	1,60
Exxon Mobil Corp	1,47
Alphabet Inc C	1,45
Alphabet Inc A	1,42

\*The investment policy of the CoreShares S&P 500 ETF shall be to track the S&P 500 Index to the fullest extent possible, either by investing in the Vanguard S&P 500 UCITS ETF or directly. Therefore depending on the means of tracking the index to the fullest extent the constituents are a result of holding the above mentioned ETF or holding securities directly.

**ANNUALISED PAST PORTFOLIO PERFORMANCE ENDING 31 OCTOBER 2018**

	1 Year	Since inception
CSP500 (5pm SA Time)	11,4%	20,1%
S&P 500 Index (Official index closing time)	9,2%	18,7%
Lowest 12 month return		Highest 12 month return
-2,5%		41,0%

Source: CoreShares Asset Management  
 The past portfolio performance is calculated on a rolling monthly basis, lump sum, NAV to NAV and distributions reinvested. Annualised return is weighted average compound growth rate over period measured. The investor performance may differ as a result of advisor fees (where applicable), actual investment date, date of reinvestment and dividend withholding tax. Past performance is not necessarily a guide to future performance. The lowest and highest returns show the lowest and highest consecutive 12 month return experienced since inception.  
 Please note that this portfolio invests in markets which keep different trading hours to South Africa which would affect pricing of currencies as well as that of the underlying instruments held in the portfolio.  
 Accordingly the return profile of the portfolio, which is priced in Rands at a point in time may differ to the official index return, in part, due to these reasons. (Return differential: 1.37%, Daily tracking error: 0.9%)

**HOW TO INVEST (CORESHARES S&P 500)**

CoreShares S&P 500 is listed on the stock exchange of Mauritius and the Johannesburg Stock Exchange which means it can be bought or sold just like shares, throughout the day.

For trading in Mauritius, contact our market maker:  
 MCB Stockbrokers Ltd  
 Kevin Rangasami  
 T: +230 202 5806

**MANAGER INFORMATION**

CoreShares Global Investments PCC  
 22 Saint Georges Street, Port Louis, Mauritius.

Coreshares Index Tracker Managers (RF) (Pty) Ltd  
 4<sup>th</sup> Floor, Grindrod Tower, 8A Protea Place, Sandton.  
 PO Box 78011, Sandton, 2146.

## DIFFERENCE BETWEEN ETFs AND UNIT TRUSTS

ETFs and Unit Trusts are both CISA portfolios and therefore they are regulated by the Financial Services Board – however ETFs are listed on the JSE and are therefore also regulated by the JSE. ETFs and Unit Trusts may seem similar in nature as they both hold a basket of shares but there are many differences between the two.

The differences not only lie within the investment approach but also:

- Trading – ETFs are listed on the JSE
- Transparency – You know exactly what shares the ETF holds
- Fees and minimum investment differs between the funds
- ETFs take a passively managed approach whereas active Unit Trusts focus more on an active strategy

## DISCLAIMER

CoreShares Index Tracker Managers (RF) (Pty) Ltd (“the Manager”), Registration number 2006/006498/07, is a company incorporated in South Africa as a Manager of collective investments schemes in securities (“CIS”) in terms of Section 42 of the Collective Investments Schemes Control Act (“CISA”) and is supervised by the Financial Sector Conduct Authority (FSCA). The Manager entered into a Representative Agreement with the Issuer (CoreShares Global Investments PCC) the terms of which in accordance of Section 65 of CISA and makes the Manager responsible for, amongst other matters, the marketing and distribution of the Foreign Collective Investment Scheme (“FCIS”) to South African Investors. The Manager therefore may be used as the primary contact point for this ETF. The registered address of the Manager is 5 Arundel Close, Kingsmead Office Park, Durban, 4001. The Custodian is Société Générale Johannesburg Branch.

This document is provided for information purposes only and is not a solicitation or an offer to buy or sell any securities mentioned herein. CoreShares S&P 500 Exchange Traded Fund is authorised by the Financial Services Commission of Mauritius (“FSC”) and is suitable only for such persons described in the relevant prospectus and the Securities Act 2005. The portfolios track the performance of a particular index and so outperformance of the index is not the objective. Past performance is not necessarily a guide to future performance. The price of units and the income derived from them can go up as well as down and you may not get back the original amount invested. The Manager does not provide any guarantee either with respect to the capital or return of a portfolio.

This document and any other information supplied in connection with the Manager is not advice as defined and/or contemplated in terms of the Financial Advisory and Intermediary Services Act and, therefore, investors are encouraged to obtain their own independent advice prior to buying participatory interests in a CIS portfolios issued by the Manager.

Investment in the portfolio carries substantial risk. There can be no assurance that the investment objectives will be achieved and investment results may vary substantially over time. Investment in the portfolio is not intended to be a complete investment programme for any investor. Prospective investors should carefully consider whether this investment is suitable for them in light of their circumstances and financial resources

Collective Investment Schemes in Securities (CIS) are generally medium to long term investments. The value of participatory interests may go down as well as up. CIS are traded at ruling prices and can engage in borrowing and scrip lending. A schedule of fees and charges is available on request from the company. Commission and incentives may be paid and if so, would be included in the overall costs. The portfolios track the performance of a particular index and so outperformance of the index is not the objective and, therefore, there are no performance fees at all.

Unlike traditional unit trusts, Exchange Traded Funds (ETFs) are CIS that trade on stock exchanges. Trading in ETFs will incur the normal costs associated with listed securities, including brokerage, settlement costs, other statutory costs and administrative costs. The price at which ETFs trade on an Exchange may differ from the Net Asset Value price published at the close of the trading day, because of intra-day price movements in the value of the constituent basket of securities. The portfolio is valued on every business day at 17h00.

The current price means the net asset value, which is the total market value of all assets in the portfolio including any income accruals and less any quantifiable and non-quantifiable deductions from the portfolio divided by the number of participatory interests in issue.

The ETFs trade on the JSE during JSE trading hours. The NAV is published daily and is available on the website [www.coreshares.co.za](http://www.coreshares.co.za)

CoreShares S&P 500 tracks the performance of the S&P 500® Index. For a tracking error of the portfolio refer to the Minimum Disclosure Document. The index and its performance as tracked by the exchange traded fund can be viewed on the website [www.coreshares.co.za](http://www.coreshares.co.za). The General Investor Report is published on a quarterly basis and is available on request and on our website.

The Manager shall, wherever possible, avoid situations causing a conflict of interest. Where it is not possible to avoid such conflict, The Manager shall advise you of such conflict in writing at the earliest reasonable opportunity and shall mitigate the conflict of interest in accordance with its conflict of interest Management Policy. You may send a blank email with a subject “conflict of interest” to the compliance officer, should you need a copy of this policy. Complaints should be directed to the Compliance Officer. The Complaints Resolution Policy is available on request. The Compliance Officer’s email address is [compliance@coreshares.co.za](mailto:compliance@coreshares.co.za).

Total expense ratio (TER) is a measure of a portfolio’s assets that have been expended as payment for services rendered in the management of the portfolio or collective investment scheme, expressed as a percentage of the average daily value of the portfolio or collective investment scheme calculated over a period of a financial year by the manager of the portfolio or collective investment scheme. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs. The financial year of the portfolios is 31 December each year. The portfolio currently does not charge any initial fees, performance fees or advisory fees.

This document is for informational purposes and may be amended without notice

Trustee and custodian: Société Générale Johannesburg Branch Telephone 011 448 8427 Address: 160 Jan Smuts Avenue, Rosebank

Issued 26 November 2018

500: **V.SP18\_10\_23**

# CORESHARES S&P 500 MINIMUM QUARTERLY GENERAL INVESTOR REPORT

July - September 2018

**Number of Units**

16 504 084

**Net Asset Value per unit**

US\$2.92 / R41.31

**TER**

0.50%

**ADHERENCE TO INVESTMENT POLICY OBJECTIVE**

The Investment policy of the CoreShares S&P 500 ETF shall be to track the S&P 500 index to the fullest extent possible, either by investing in the Vanguard S&P 500 UCITS ETF or directly. Therefore depending on the means of tracking the index to the fullest extent the constituents are a result of holding the above mentioned ETF or holdings Securities directly. During the period under review, the portfolio adhered to its investment policy objective which is to track the S&P 500 Index.

**PORTFOLIO CONSTITUENTS AND CHANGES FOR THE QUARTER**

EQUITY	30 JUN'18(%)	30 SEP'18(%)	CHANGE (%)
APPLE INC	3,95	4,21	0,26
MICROSOFT CORP	3,29	3,57	0,28
EXXON MOBIL CORP	1,52	1,46	-0,06
JOHNSON & JOHNSON	1,41	1,51	0,10
BERKSHIRE HATHAWAY B	1,56	1,70	0,14
JP MORGAN CHASE & CO	1,54	1,54	0,00
AMAZON.COM INC	2,97	3,34	0,37
FACEBOOK INC A	2,02	1,61	-0,41
ALPHABET INC A	1,46	1,47	0,00
ALPHABET INC C	1,47	1,50	0,02

\*Top ten holdings quarterly change for the CoreShares S&P500. To view full holdings visit [www.coreshares.co.za](http://www.coreshares.co.za) or email [info@coreshares.co.za](mailto:info@coreshares.co.za)