

Getting Started in Shares

Standard Online Share Trading

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0860 121 161



Creating wealth on the JSE

Key points

We need to be in control of our investments

Wealth creation takes times

What this presentation is about

- How to create wealth for you and your family
- Help you understand the stock market
 - Johannesburg Stock Exchange (JSE)
- Costs and returns
 - Low costs, high returns
- Help you make informed decisions
 - How to educate yourself
- Freedom from money worries
 - Comfortable retirement
 - Holidays
 - Children's education



Wealth begins with better knowledge

Creating wealth on the JSE

Current position

The stock market is for rich people?

I don't know how to start?

There is too much to learn?

But where are we?

- Can we afford to retire?
 - Only 6% of South Africans will be able to retire comfortably
 - ▶ What will we have to give up in retirement?
 - We're changing jobs
 - ▶ No more 1 job and then pension
 - We don't save enough
 - ▶ We save only 1.5% of income on average
 - We're living longer
 - ▶ At age 60, there is a 50% chance you will live to 90



The stock market scares us ..

Creating wealth on the JSE

Current position

The stock market is for rich people?

I don't know how to start?

There is too much to learn?

But where are we?

- We have investments, but;
 - Costs are eroding the benefits
 - Performance is modest (partly due to costs)
 - We don't actually know what's happening to them
- The stock market scares us
 - It is only for professionals
 - It is for rich people
 - It is for 'connected' people



The stock market is not rocket science ..

Creating wealth on the JSE

Where we want to be

We want a comfortable retirement, kids education, an exotic holiday

The ideal position

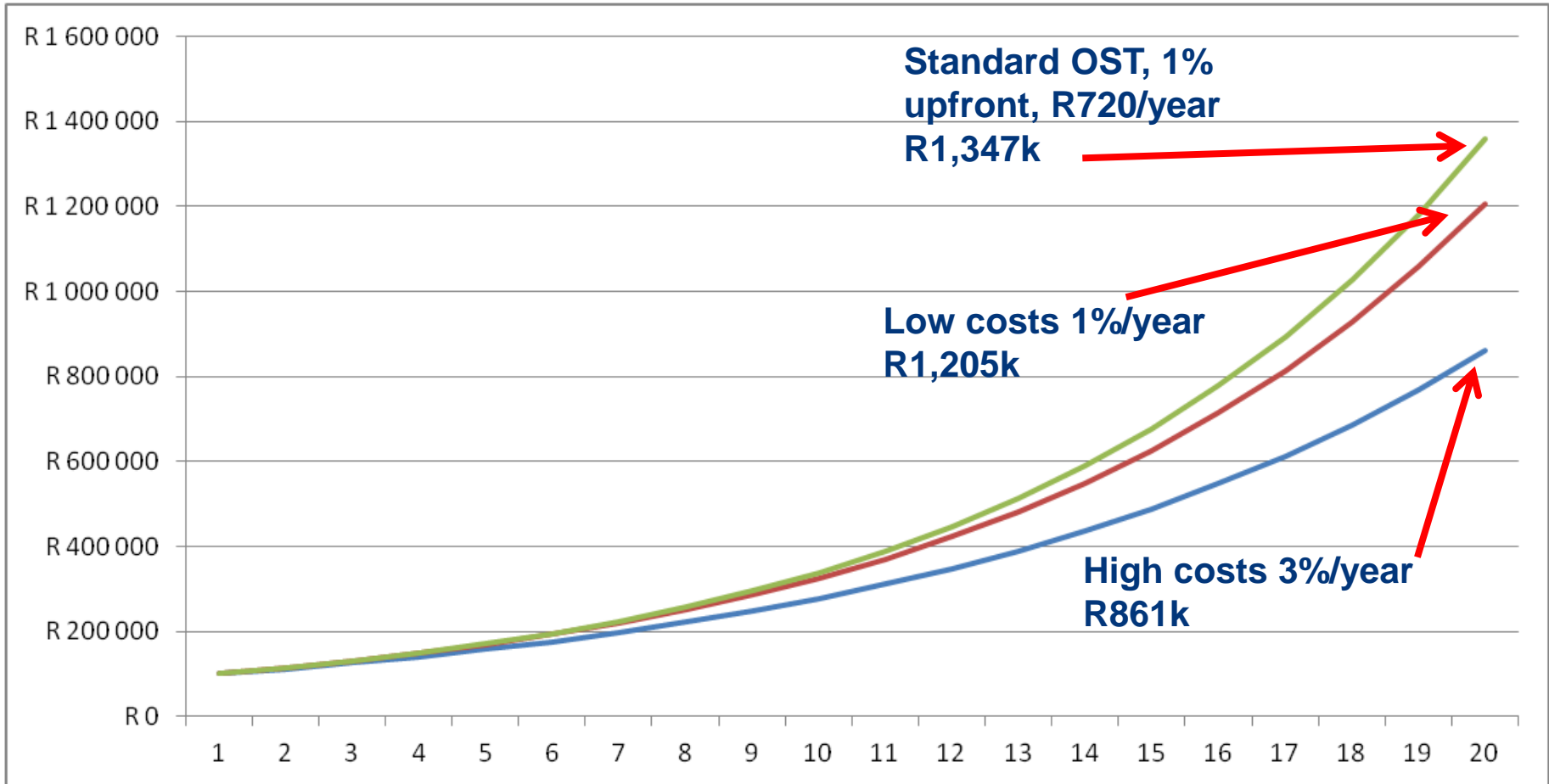
- An investment portfolio with two key characteristics
 - Low cost
 - Market performance (or better)
- Investment portfolio offering;
 - Capital growth (share price increasing)
 - Income (dividends – your share of profits)
- Knowledgeable enough to make investment decisions
- Confident enough to implement a strategy that works for us
- In control of your investments
 - On the road to financial freedom



Financially independent

How do we create wealth?

Cost are hugely important, they eat away at your profits



Starting at R100,000, growing 15% a year for 20 years. Different costs.

Creating wealth on the JSE

Where we want to be

Standard Online Share Trading fees and costs

Costs are critical

Keep them small

- A Standard Online Share Trading account costs R60 (in. vat) per month
 - First month free
 - You do not need to deposit money UNTIL you want to buy shares
- Brokerage fee of R50 or 0.5% plus fees and taxes

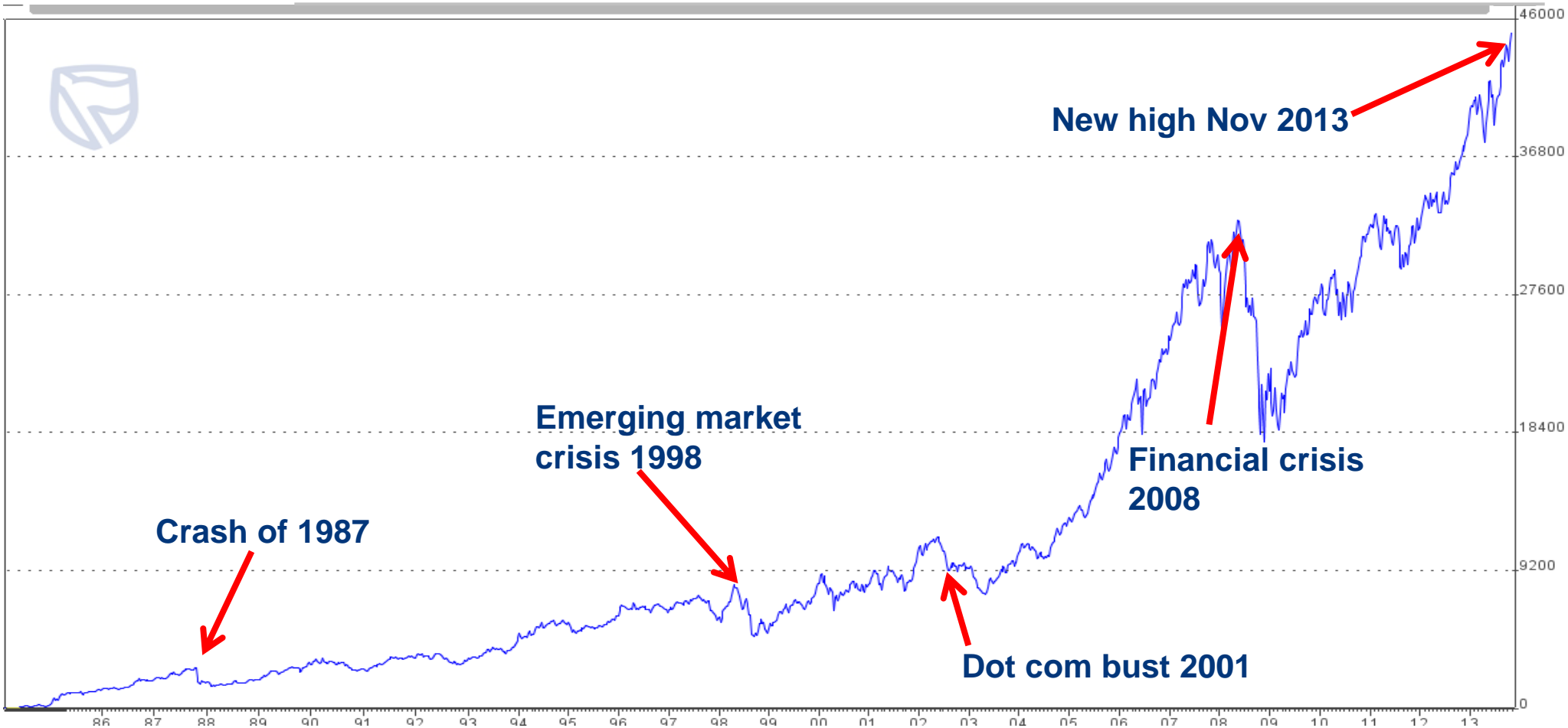
Projected costs of shares	R 10,000.00
Securities Transfer Tax @ 0.25%	R 25.00
STRATE Fees	R 10.92
Investor Protection Levy	R 0.02
Brokerage	R 50.00
VAT on Charges	R 8.53
Total Trading Costs	R 94.47
Costs as a %	0.94%



You do not need to bank with Standard Bank

How do we create wealth?

Stock market is best performing asset class – over the long term



Crashes are scary at the time, but soon fade into history

Creating wealth on the JSE

Where we want to be

Excludes dividends paid out, average 2%/year

Annualised return since inception is ~17% (MorningStar)

All Share Index since 1977

- December 1977
—243
- December 1987
—1,819
- December 1997
—6,202
- December 2007
—21,509
- Current
—45,556



All Share Index represents the market overall performance

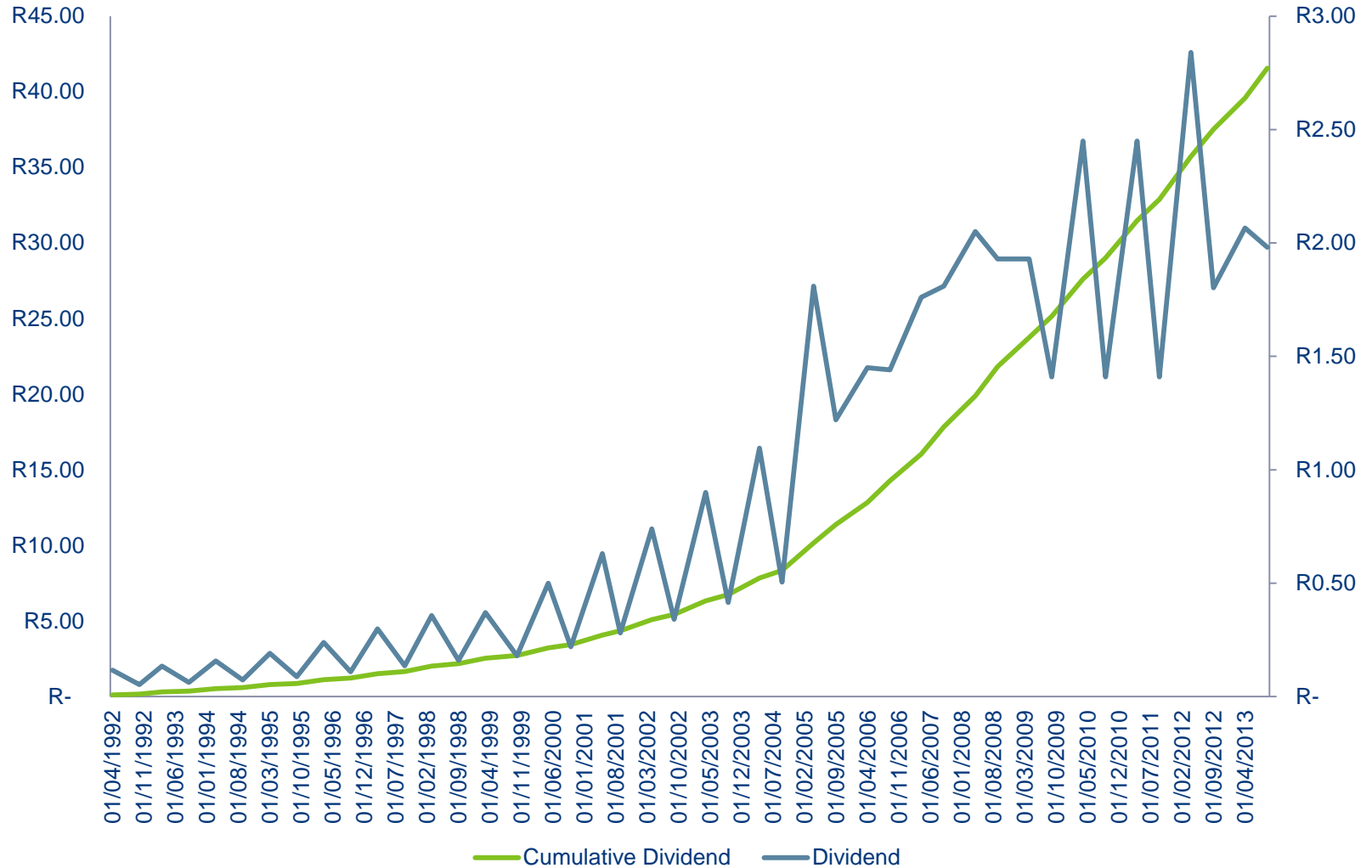
Creating wealth on the JSE

Where we want to be

Where would you be if you had bought 1050 SBK @ R4.76 on Jan 2nd 1992?

*R43,600 in dividends
Shares worth R132,000
Return of 3500%*

SBK Dividends since 1992



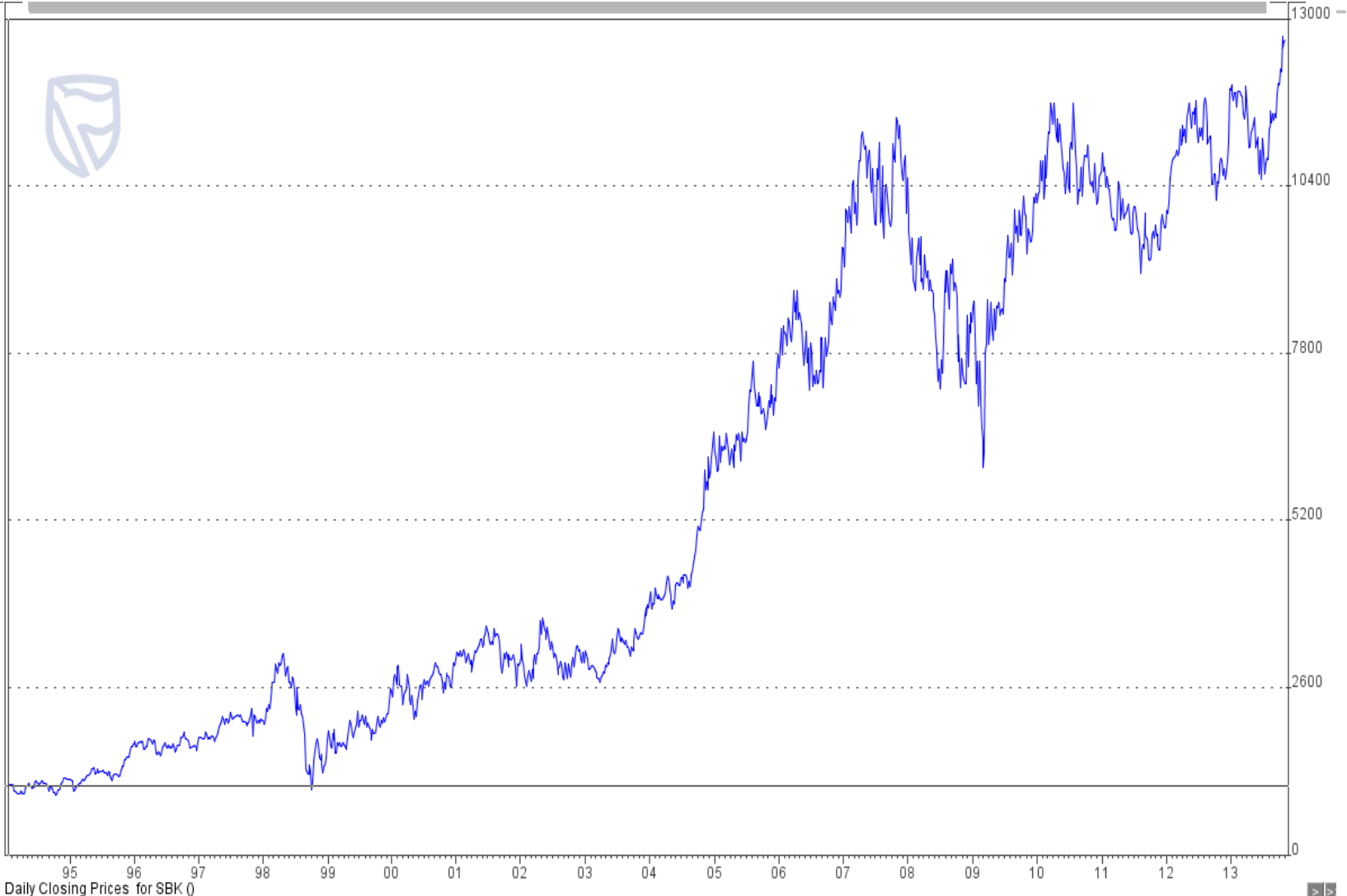
Creating wealth on the JSE

Where we want to be

Where would you be if you had bought 1050 SBK @ R4.76 on Jan 2nd 1992?

*R43,600 in dividends
Shares worth R132,000
Return of 3500%*

SBK Share price



The proposal



Take control

Creating wealth on the JSE

Proposal

Take control

Formed in 1886

Located in Sandton

- Increase your knowledge and expertise
- Get involved in investing on the JSE
 - Start managing your investments
 - ▶ Build a blue chip investment portfolio
 - Keep your costs low



The JSE is totally electronic

Creating wealth on the JSE

Proposal

Largest exchange in Africa

One of the top 10 exchanges in the world

The JSE

- Over 100 years old
 - +/-400 listed shares
- Offers;
 - Shares
 - Exchange Traded Funds/Notes
 - Derivatives
- Completely electronic
- Top regulated exchange globally



You have to buy and sell shares via a stock broker

Creating wealth on the JSE

Proposal

We want a comfortable retirement

We want to be in control of our investments

How?

- Investing in the stock market
 - Educate yourself
 - Low cost structure
 - Time
 - ▶ Investing is not a get rich quick
- Exchange Traded Funds (ETF's)
 - Like unit trusts
 - ▶ Cheaper
 - ▶ Track the market



The stock market is not as hard as we think ..

Creating wealth on the JSE

Proposal

Exchange Traded Funds/Notes

Trade on the JSE

Track a benchmark

Like unit trusts, but cheaper

- Index ETF's
 - Top40, Resi10, Indi25, Fini15, MidCap, Property
- Energy
 - Coal, WTI Oil, SB Africa Commodity Index
- Metals
 - Gold, silver, platinum, palladium & copper
- Agricultural
 - Wheat, corn
- International
 - Emerging Markets, US, EU, UK, Japan, China, Africa
- Debt



The Top40 ETF's out perform 85% of general equity unit trusts

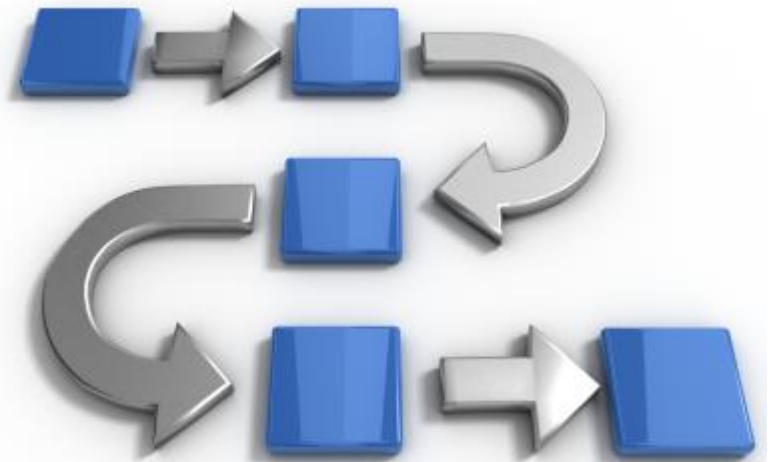
Proposal

Standard Online Share Trading

You do not need to bank with Standard Bank

South Africa's largest online stock broker

- Making it easy
 - Education
 - ▶ Face to face classes
 - ▶ Online classes (webinars)
 - ▶ Online Videos (YouTube)



Wealth creation starts with education

Proposal

Standard Online Share Trading - face to face courses

*These courses
are FREE to
clients*

*You are
welcome to
bring a friend
along*

- 5 hours, Saturday
 - Introduction to investing
 - Understanding company financials and announcements
 - Derivatives course
- 8 hours, Saturday
 - Technical analysis
- 90 minutes, week day evening
 - Introduction to CFD's
 - Trade to Trade Well
 - Trading index futures



Start with Introduction to Investing

Proposal

Standard Online Share Trading – online live webinar's

*These courses
are FREE to
clients*

*Webinars
require a PC
with internet and
speakers*

*Attend from
anywhere*

- 60 minutes, weekday lunch time and evening with live Q&A

- Some examples of recent webinars
 - Direct Exposure to commodities on the JSE
 - Fundamental Investing - Intrinsic Valuation
 - Technical Analysis - where is the price most likely to go next?
 - Listed property quarterly review
 - Understanding warrants



They last an hour or less

Proposal

Get shown the basics on products and features

Attend from anywhere

Trading Tips

Standard Online Share Trading – Online Videos (YouTube)

15 Aug 2013 - OST Content on YouTube | How-to guides and Product Presentations (10 New)

We are creating a series of videos hosted on our YouTube playlist aimed at providing access to product basics and also useful website feature and how-to guides. The whole list is accessible [here](#): (right click on link and open in new window), or click the individual links below:

Feature and How-to Guides:

[Learn how to set up a price alert with Standard Online Share Trading](#)

[Learn how to use the Share Filter with Standard Online Share Trading](#)

[Learn how to find a share with Standard Online Share Trading](#)

[Learn how to use the Quotes Page with Standard Online Share Trading](#)

[Learn how to place and monitor an order with Standard Online Share Trading](#)

[Learn how to place a Covered Call order with Standard Online Share trading](#)

[Learn how to set up a watch list with Standard Online Share Trading](#)

[Learn how to set up a SENS announcement watch list with Standard Online Share Trading](#)

[Learn how to set up an SMS watch list with Standard Online Share Trading](#)

Product Basics and Trading/Investing Tips:

[General trading tips with Simon Brown and Brett Duncan](#)

[Warrants trading tips with Simon Brown and Brett Duncan](#)

[Alternative investment products - ETFs and ETNs](#)

[The basics of Share Instalments](#)

[The basics of Knockout Warrants](#)

[The basics of Warrants Pricing](#)

[The basics of Warrants](#)

[Covered Calls](#)

If you would like to give feedback on any of the videos or make a request for a topic, please send us an email at securities@standardbank.co.za



They last an hour or less

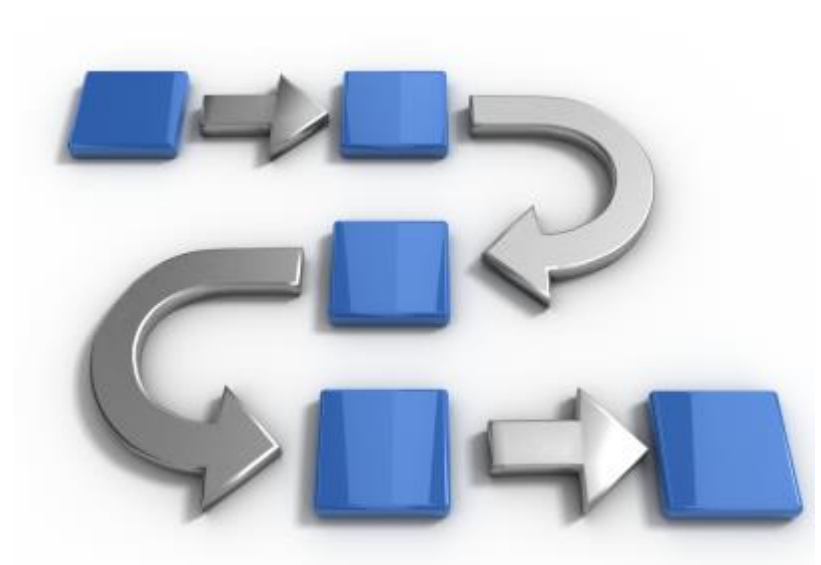
Proposal

Standard Online Share Trading

Company and economic research

Free for clients

- Makes it easy
 - Education
 - ▶ Face to face classes
 - ▶ Online classes (webinars)
 - ▶ Online Videos (YouTube)
 - Research



Quality research is important

Company research updated as required

Consensus research updated weekly

■ Company analysis

Equity Research

Northam Platinum

Company update



Recommendation: **BUY**

Target Price: **R 41.75**

Region: **CEEMEA/South Africa**

*Stock ratings are relative to the relevant country benchmark.
*Target price is for 12 months

Proactively managing the status quo

14 September 2012

- **Event:** We hosted Northam Platinum for a Cape Town management lunch.
- **Zondereinde continues to progress well:** Northam noted that it's various depth extension and increased Merensky exposure projects are progressing

■ Consensus forecasts

	Company	Code	Details	Cur. Yr1 EPS	Prev. EPS	Move	Cur. Yr1 DPS	Prev. DPS	Move	Cur. Recom.	Prev. Recom.	Cur. Update	Prev. Update	Tools
1	ABIL	ABL	details	357	357		183.8	183.8		BUY	BUY	14-Sep-12	13-Sep-12	T R S P C H W
2	ARCMITTAL	ACL	details	11.8	11.8		61.7	61.7		SELL	SELL	14-Sep-12	13-Sep-12	T S P C H W



Quality research is important

Proposal

Standard Online Share Trading - Research

Use the research to add to your view

Build a investment case for a stock

■ Economic outlook

Economic Strategy
South Africa: Weekly Outlook

Standard Bank

Current account shuts the door to further rate cuts — for now

14 September 2012

- **We forecast a marginal increase in CPI inflation to 5.0% y/y in August** from 4.9% y/y in July. Inflation likely reached its trough of 4.9% y/y in July — a month in which we also saw the largest petrol price cut in over three years (-85c/l; -7% m/m). The transport index (w=18.80) is likely to have increased by 2.5% in August, mainly due the 80c/l increase in the price of petrol.

Research Strategists

Thabi Leoka*
Thabi.Leoka@standardbank.co.za

■ FX report

■ Technical analysis report

Technical Research
South Africa: Equities: Trade Alert

Standard

BHP Billiton plc: breached major resistance trendline

14 September 2012

- **BIL daily chart:** Positive breakout confirmed.
- **BIL relative to Top40:** Breached resistance trendline of bear trend.
- **BIL relative to the Metals Index:** Bullish.
- **BIL relative to peers:** Outperforming both AGL and EXX.

Online Share Trading

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Quality research is important

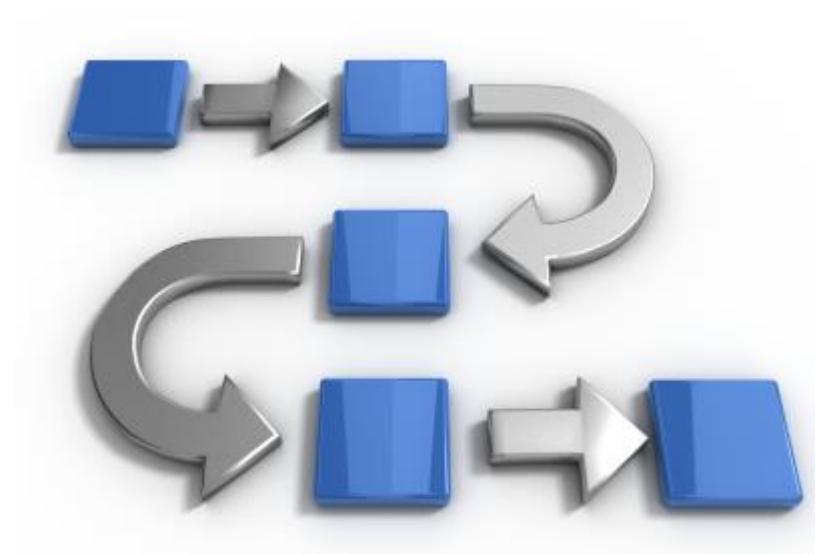
Proposal

Standard Online Share Trading

Historic information on all listed companies

Price and fundamental

- Makes it easy
 - Education
 - ▶ Face to face classes
 - ▶ Online classes (webinars)
 - ▶ Online Videos (YouTube)
 - Research
 - Company information, news and annual reports



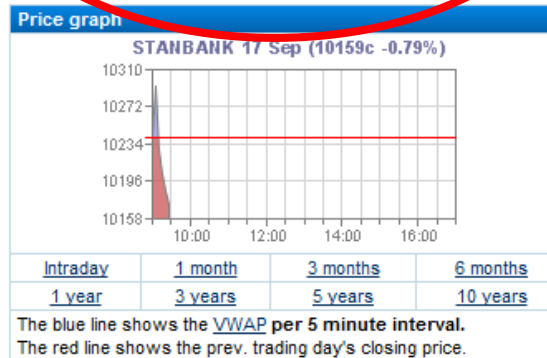
A listed company has to keep investors informed

Standard Online Share Trading – Company information

Lookup Options	
Name	STANBANK
Price Type	<input type="radio"/> Delayed <input checked="" type="radio"/> Live
Action	<input type="button" value="Quote"/> <input type="button" value="Trade"/>
<p>Note: Enter the first few letters of a company's name, share code or product code and click quote to view the current price or click trade to place an order</p>	

Information, tools and links	
Price History	Price Chart
News	Add to Watchlist
Research Reports	Company Profile
Results Summaries	Directors Dealings
Detailed Forecasts	Company Directors
Company Activities	Company News
Dividend History	Share Forum

Product Information	
Company Name:	Standard Bank Group Ltd
Share Code:	SBK
Sector:	Financials - Banks - Banks
Subsector:	Banks
Type of share:	Ordinary
Warrants:	Warrants associated with this share
SSF's:	SSF's associated with this share
CFD's:	CFD's associated with this share
Share Status:	Trading/Open



Day comparison : STANBANK		
	Last traded - Mon 17 Sep 2012 09:21	Previous - Fri 14 Sep 2012 22:37
Last Price:	10159c	10240c
Move :	-81c	-199c
Move% :	-0.79%	-1.91%
Volume:	155 634	11 113 511
Value:	R 15 945 174	R 1 140 691 607
Deals:	273	8 132
High:	10340c	10659c
Low:	10159c	10064c

Bid & Offer : STANBANK(Live)						
As at 17 Sep 2012 09:21						
	Bids to Buy			Offers to Sell		
#	Ord	Volume	Price(c)	Price(c)	Volume	Ord
1	2	1 056	10159	10169	997	2
2	1	600	10158	10170	167	1
3	3	1 275	10157	10178	1 708	2
4	1	952	10156	10179	2 620	1
5	2	2 829	10151	10180	3 761	1

Note: Ord = Number of orders making up a bid or offer.

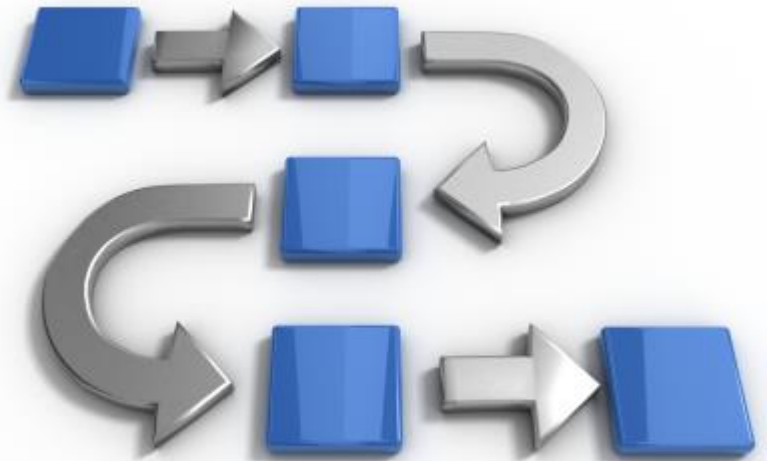
- STANBANK
 - Dir Dealings
 - Directors
 - Shareholders
 - Holdings
 - Brands
 - Cap Structure
 - Dividend History
 - Forecasts
 - Co News
 - Results Summaries
 - Full glossy financials in PDF format
 - Financials : Jun 2012- Dec 2010
 - Financials : Dec 2010- Jun 2009
 - Financials : Jun 2009- Dec 2007
 - Financials : Dec 2007- Jun 2006

Proposal

Standard Online Share Trading

*Everything you
need to make
that decision*

- Makes it easy
 - Education
 - ▶ Face to face classes
 - ▶ Online classes (webinars)
 - ▶ Online Videos (YouTube)
 - Research
 - Company information, news and annual reports
 - Online charts & live prices



Everything you need to make your investment decision

Creating wealth on the JSE

Proposal

Standard Online Share Trading – Online charting, end of day

End of day
online charting

■ End of day charts



Data back to 1994

Proposal

Standard Online Share Trading – Online charting, intraday charting

Full range of indicators and oscillators

Used by traders

■ Intraday charting (R99 per month)



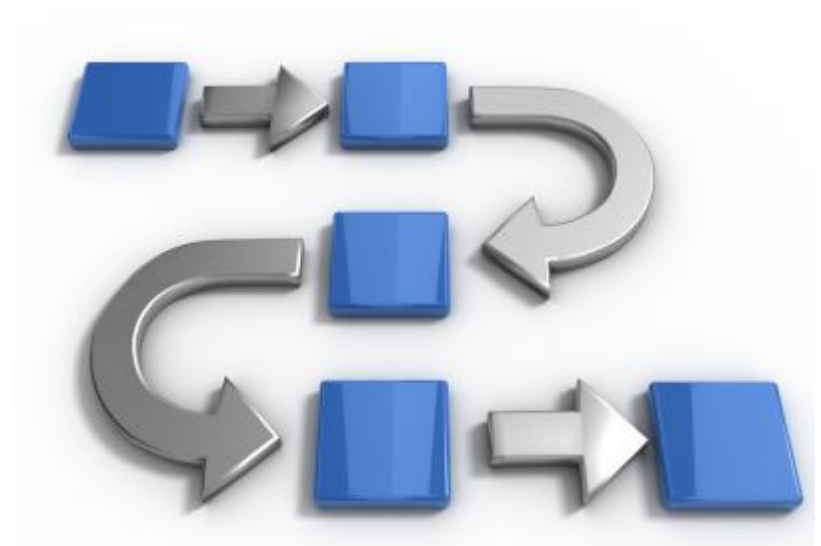
1, 5, 15, 30 and 60 minute charts on all stocks and indices

Proposal

Standard Online Share Trading

Everything you need to make that decision

- Makes it easy
 - Education
 - ▶ Face to face classes
 - ▶ Online classes (webinars)
 - Research
 - Company information, news and annual reports
 - Online charts & live prices
 - Search/filter tools



Everything you need to make your investment decision

Creating wealth on the JSE

Proposal

Standard Online Share Trading – filter function

Search for;
shares,
warrants,
installments

Instruments > Filters > Share filter

Criteria	Options	Value
Dividend yield	>	3
AND		
Price/earnings ratio	<	15
AND		
Market capitalisation (mil.)	>	10000
AND		
% Price change (52 week)	>	25
AND		
Ratio - NAV%Price	<	1

Sector is: All

Profile Media consensus recommendation is: Buy

Exclude warrants:

Sort by: Prev. day volume



Over 50 search criteria

Creating wealth on the JSE

Proposal

Standard Online Share Trading – filter function

*Search for;
shares,
warrants,
installments*

Name	Stock Code	Profile Media Consensus Rec.	Delayed Price *	Dividend yield	PE ratio	Market cap. (mil.)
A E C I	AFE	BUY	7 849.00	3.14%	13.89	10 028
EXXARO	EXX	BUY	16 490.00	5.22%	7.35	58 247
SASOL	SOL	BUY	37 499.00	4.23%	8.81	240 457
BHPBILL	BIL	BUY	26 875.00	3.04%	10.35	580 978
ABIL	ABL	BUY	3 160.00	5.47%	9.69	25 332
MTN GROUP	MTN	BUY	15 437.00	4.96%	13.41	285 821

Records :

6



Returns a list of stocks to start investigating

Benefits

*Let's quickly
learn something*

PE example

- Price earnings ratio (PE ratio)
- Price is the share price on the JSE
- Earnings is profit per share
- Price divided by earnings = PE or valuation
- Use PE ratio as a simple tool to indicate value



PE is one of the most widely used ratios

Creating wealth on the JSE

Benefits

PE example

PE is a simple tool to help determine value

*“Price is what you pay
Value is what you get”
W Buffett*

	Company ABC	Company XYZ
Share price	R24.00	R75.00
EPS (profit/share)	R2.00	R15.00
PE (price/earnings)	12x	5x
	Seems cheap, but PE suggests valuation is high	Seems expensive, but PE suggests valuation is low



PE is one of the most widely used ratios



What's in it for you?

Creating wealth on the JSE

Benefits

You do not need to bank with Standard Bank

South Africa's largest online stock broker

Benefits

- Wealth creation
- Save on costs
- Be in control
- Empowered to make informed decisions
- Help you family, friends and colleagues
 - Especially your children
 - ▶ Leave them an inheritance
 - ▶ Impart investing knowledge to them



You have to go through a stock broker

Creating wealth on the JSE

Benefits

Investing is not rocket science

Anybody can be an investor

Concerns

- Don't have enough;
 - Money
 - ▶ Start small, but start today
 - Knowledge
 - ▶ We'll help you
 - Time required for research and learning's
 - ▶ Does not need to take lots of time
- Jargon
 - Big words meaning simple things
- Tax
 - Tax is a by product of successful investing



Sounds great, but..

Benefits

Standard Online Share Trading has all the tools and information you need

Concerns

- Tools required
 - Standard OST offers;
 - ▶ Everything you need
 - Courses (face to face and webinar's)
 - Research
 - Charts
 - Alerts
 - Historic data (+20 years)
 - All financial reports of listed companies



Trader or investor, Standard Online Share Trading has the tools for you

Let's take
some Q's

Conclusion

*Take control of
your wealth
creation*

Retire in style

Conclusion

- It is easy
 - Anybody CAN do it
 - Everybody HAS to do it
- It is important
 - Take control of your future
- The tools are available
- Education is critical



Remember time is your biggest asset

Where to now?



Take the plunge .. Take control ..

Next steps

Start your investment journey

The website is very much like online banking platform

Trade any JSE listed products

- Open a Standard Online Share Trading account

www.securities.co.za

- First month is free
 - There after R60 per month
 - No deposit needed
 - ▶ Only when you want to buy shares
- Do not need to bank with Standard Bank
 - All new clients will need to be FICA'd



Open a Standard Online Share Trading Account

Creating wealth on the JSE

Next steps

South Africa's largest stock broker

The screenshot shows the Standard Bank Online Share Trading website. At the top, the Standard Bank logo and 'Online Share Trading' are displayed. A navigation menu includes links for Home, About us, Getting started, Tools & Resources, Products, Knowledge centre, Fees and costs, and Contact us. The main banner features the text 'Let's get you TRADING' and 'CFDS CONFIDENTLY THROUGH' with a green upward-trending arrow and a laptop icon labeled 'Online Share Trading'. Below this, a 'Click here.' link is present. A 'Login' section on the right contains fields for Username and Password, with links for 'Forgotten your password?' and 'Terms & conditions', and a 'Login' button. A row of three buttons is shown: 'Learn about our offering' (Products), 'Try out Online Share Trading' (Demos), and 'Sign up' (First month free). A hand icon is pointing at the 'Sign up' button, which is circled in red. Below this row, a section titled 'Online Share Trading at a glance' contains buttons for 'Open an account', 'Products', 'Knowledge Centre', 'Fees & costs', and 'Contact us'. A 'Contact us' section at the bottom right provides the phone number 'South Africa: 0860 121 161'.



www.securities.co.za

Creating wealth on the JSE

Next steps

Attend a free course

All courses can be booked online

Wealth begins with education

Widest education offering

Held regularly in Johannesburg, Cape Town & Durban

Wealth begins with better knowledge - upcoming courses/presentations				
Date	City	Topic	Cost	RSVP
13 Oct	Joburg	Introduction to Technical Analysis (full day)	Free	Book
15 Oct	Joburg	Introduction to Contracts For Difference (CFDs)	Free	Book
20 Oct	Joburg	Introduction to investing	Free	Book
23 Oct	Cape Town	Trade to trade well	Free	Book
24 Oct	Cape Town	Trading Index Futures	Free	Book
25 Oct	Cape Town	Introduction to Contracts For Difference (CFDs)	Free	Book
27 Oct	Durban	Introduction to investing	Free	Book
27 Oct	Cape Town	Derivatives half-day course	Free	Book
-- Full list of upcoming courses --				



Book to attend the next course (Introduction to investing)

Next steps

A simpler DIY investing option

Part of Standard Bank Internet Banking

Purchase on 25th of every month (next trading day if holiday or weekend)

■ Auto Share Invest

– Minimum R500 per selected share per month

▶ +/-100 shares to select from

■ Including Exchange Traded Funds

– It is a monthly recurring purchase order and payment online.

– Sales done weekly - Friday

– The proceeds of the sale will automatically be paid into your bank account after five business days.



Easy way to start

Contact details

Standard Online Share Trading

www.securities.co.za

securities@standardbank.co.za

0860 121 161

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