



A JSE / Deutsche Bank initiative

An easy way of  
investing offshore



Exchange Traded Funds – ETFs

Itrix DJ EURO STOXX 50

Itrix FTSE®100

## Itrix ETFs allow you to

- ¥ Diversify your investment portfolio offshore
- ¥ Buy and sell conveniently through a local broker
- ¥ Invest at extremely low cost
- ¥ Trade real time in a liquid investment
- ¥ View what's in your investment portfolio at any time
- ¥ Have full price transparency
- ¥ Receive the backing of JSE guaranteed settlement

## Contents

### Introducing ETFs

- 02 Exchange Traded Funds:  
Efficient, Transparent and Flexible

### Advantages

- 03 Key advantages of Itrix ETFs

### ETF Knowledge

- 06 Key features - Itrix DJ EURO STOXX 50 ETF
- 07 Key features - Itrix FTSE<sup>®</sup>100 ETF

### Appendix

- 08 Know your investment (Disclaimers)
  - 10 Key points
  - 10 Stay up-to-date
  - 10 Further information
- 

## Exchange Traded Funds: Efficient, Transparent, Flexible

Exchange Traded Funds (ETFs) are passive investment funds that track the performance of an index by investing directly in the underlying blue chip constituent shares. ETFs therefore allow investors to buy and sell an entire basket of stocks with a single trade.

Itrix currently provides two groundbreaking ETFs in South Africa - the Itrix DJ EURO STOXX 50<sup>®</sup> and Itrix FTSE100 which track the Dow Jones EURO STOXX 50<sup>®</sup> and the FTSE<sup>®</sup>100 indices respectively.

ETFs are usually offered at lower costs than traditional managed investment funds because no active management is required. ETFs are listed on stock exchanges and can therefore be traded like single shares. Market makers provide real-time buy and sell prices and ensure liquidity.

The international ETF market has grown exponentially in recent years as investors have become more aware of the negative impact of high costs on performance.

According to Morgan Stanley<sup>1</sup>, the global ETF market currently has some \$336bn under management and is still growing strongly due to rising institutional and hedge fund use.

**ETF = Efficient, Transparent and Flexible**

## Key advantages of Itrix ETFs

### Invest Internationally through your local broker

Itrix ETFs offer investors the ability to achieve exposure to international blue chip stocks on the JSE. Investors can trade some of the world's major indices on a real-time basis via their local broker.

Investing in Itrix ETFs is the easiest and most cost efficient way to gain international equity market exposure.

### Diversify risk

Investing in international stock markets allows SA investors to diversify their portfolio, reduce risk and enhance their investment performance.

Itrix ETFs also serve to diversify currency exposure, as the rand value of the international equities will reflect rand strength or weakness.

### No exchange control restrictions

An investment in Itrix does not constitute a portion of South African individuals' foreign exchange allowance which means that SA individual residents may invest as much as they want in Itrix. Institutional investors will be subject to exchange controls, which cap their offshore investments to between 15% and 20% of their retail assets.

### An easy way to achieve market performance

By purchasing an Itrix ETF, investors are able to achieve full index exposure with a single, easy transaction. It would be difficult for individual investors to track an index by directly investing in its constituents, as the cost of buying the individual stocks is prohibitive.

Investors in Itrix ETFs receive the return of the index, and avoid the risks associated with actively managed funds, which can frequently underperform their benchmark indices.

## Designed to be cost efficient

Itrix ETFs are extremely cost efficient with an all-in fee<sup>2</sup> of between 0.20% to 1% per annum<sup>3</sup>.

Furthermore Itrix ETFs charge no upfront fee and use wholesale rates to exchange your currency.

This is in contrast to many traditional investment funds, where the distributors have minimum investment amounts, upfront subscription fees and much higher management fees.

## Trade ETFs like ordinary shares

**Itrix ETFs offer the same trading opportunities as single shares on the JSE and can therefore be traded whenever the market is open.**

In contrast, traditional funds typically only offer the opportunity to buy or sell units at the closing Net Asset Value (NAV) on each day.

Short sales on Itrix ETFs will also be possible.

## Tight Spreads and Liquidity

Itrix ETFs are an attractive index-tracking investment because tight buy and sell spreads are assured. Deutsche Bank AG is a designated market-maker for Itrix and will continuously quote buy and sell prices around the net asset value during the trading hours of the JSE.

Deutsche Bank AG is also committed to ensuring a high level of daily liquidity in Itrix ETFs.

**All-in fee** - Compensation of the investment management company, which is included in the daily NAV calculation and covers certain costs. Details can be found in the offering circular or at [www.itrix.co.za](http://www.itrix.co.za)

**Benchmark** - A standard, used for comparison.

**Market maker** - The market maker will facilitate the market by continuously quoting bid/offer prices at which it will buy and sell the ETF participatory interests. This guarantees liquidity in the market for investors wishing to buy and sell their ETF securities.

**Net Asset Value (NAV) per ETF unit** - The total value of the ETF after fees, divided by the issued participatory interest. The NAV is published daily.

**Spread** - Difference between the bid and the ask price. This includes the currency spread.

¥ 2 Transaction costs are not considered

¥ 3 Fees vary between 0.20% to 1% p.a depending on the amount invested — see the offering circular and/or the website [www.itrix.co.za](http://www.itrix.co.za) for more detail

## Transparency

The exact composition of the Itrix ETF and its net asset value are published on the Itrix website <http://www.itrix.co.za>. This allows investors to view which shares are included in the index and the individual weightings at any given time. Unit trusts typically only provide this constituent information on a monthly or quarterly basis.

The price of Itrix is always transparent as it reflects the prevailing index level and the exchange rate.

## Convenience

The ETF portfolio efficiently integrates corporate actions, such as dividend payments or stock splits, for each constituent of the index.

## Dividend Income

The Itrix DJ EURO STOXX 50 and Itrix FTSE100 ETFs will pay a twice-annual dividend to investors based on the net dividends received from the index constituents. These dividends are paid in rands, but are regarded as foreign dividends in the hands of the investor.

## Guaranteed Trades

The JSE guarantees the settlement of all Itrix ETF trades on the exchange.

## How to Price Itrix

The price of Itrix reflects the prevailing index level and the exchange rate where:

$$\frac{\text{Index Level}}{1000} \times \text{exchange rate}$$

Assume the following:

The FTSE100 index level is trading at 5000 points

The ZAR/GBP rate = 10

$$\text{Itrix Price} = \frac{5000}{1000} \times 10 = R50$$

Assume the currency was to change to ZAR/GBP rate = 12

$$\text{Itrix Price} = \frac{5000}{1000} \times 12 = R60$$

## Key features - Itrix FTSE<sup>®</sup>100 ETF

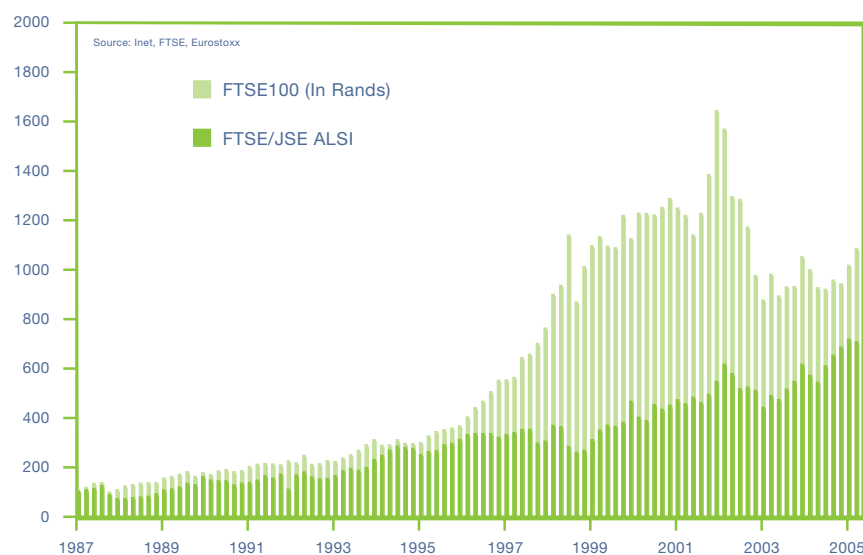
<b>Asset Manager</b>	Itrix Managers (Proprietary) Limited c/o JSE Limited, One Exchange Square, 2 Gwen Lane, Sandton, Johannesburg, South Africa
<b>Investment Management Company</b>	DB Platinum Advisors with registered office at 2 Boulevard Konrad Adenauer L-115 Luxembourg
<b>Reference Index</b>	FTSE <sup>®</sup> 100
<b>Listing</b>	JSE Limited
<b>All-in fee</b>	Between 0.20% and 1% per annum <sup>4</sup>
<b>Bid — Offer Spreads</b>	Expected to be below 1% during official exchange trading hours and under normal market conditions <sup>5</sup>
<b>Denomination</b>	Expected to be 1/1000 of the Reference Index level on the Launch Date
<b>Trading hours</b>	During market hours on every exchange business day on which the FTSE <sup>®</sup> 100 index is calculated and on which the JSE is open
<b>IPO Launch Date</b>	19 September 2005
<b>Listing Date</b>	10 October 2005
<b>JSE Code</b>	ITXUK
<b>Fiscal year</b>	1 January — 31 December
<b>Distribution</b>	A dividend based on the net dividend yield of the index is paid typically in or around March and September each year
<b>Trustee</b>	Standard Bank of South Africa Limited
<b>Distribution Agent</b>	Deutsche Bank AG
<b>NAV Publication</b>	Available at the registered office of the Asset Managers, the Trustee, the Distributor and <a href="http://www.itrix.co.za">http://www.itrix.co.za</a>

The underlying:  
The FTSE<sup>®</sup>100

The underlying of the Itrix FTSE<sup>®</sup>100 ETF is the FTSE<sup>®</sup>100 index, the most important United Kingdom Blue Chip index.

The index is a free float market capitalisation weighted Index, containing the 100 largest United Kingdom shares in terms of market capitalisation that are listed on the London Stock Exchange

### FTSE<sup>®</sup>100



<sup>4</sup> Fees vary btwn 0.20% and 1% pa depending on the amount invested — see the offering circular and/or website [www.itrix.co.za](http://www.itrix.co.za) for more detail

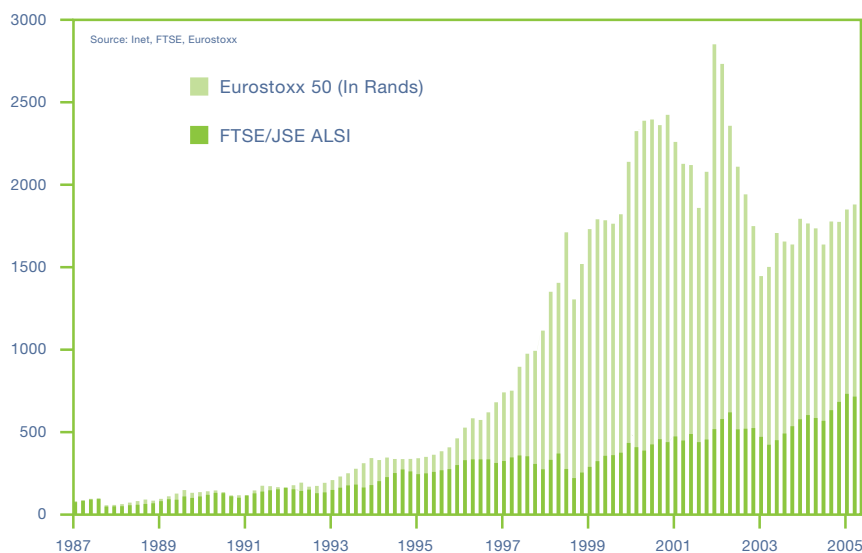
<sup>5</sup> This may vary according to market conditions and currency fluctuations



## Key features - Itrix DJ EURO STOXX 50 ETF

<b>Asset Manager</b>	Itrix Managers (Proprietary) Limited c/o JSE Limited, One Exchange Square, 2 Gwen Lane, Sandton, Johannesburg, South Africa
<b>Investment Management Company</b>	DB Platinum Advisors with registered officers at 2 Boulevard Konrad Adenauer L-115 Luxembourg
<b>Reference Index</b>	DJ EURO STOXX 50 <sup>a</sup>
<b>Listing</b>	JSE Limited
<b>All-in fee</b>	Between 0.20% and 1% per annum <sup>6</sup>
<b>Bid — Offer Spreads</b>	Expected to be below 1% during official exchange trading hours and under normal market conditions <sup>7</sup>
<b>Denomination</b>	Expected to be 1/1000 of the Reference Index level on the Launch Date
<b>Trading hours</b>	During market hours on every exchange business day on which the DJ EURO STOXX 50 <sup>a</sup> index is calculated and on which the JSE is open
<b>IPO Launch Date</b>	19 September 2005
<b>Listing Date</b>	10 October 2005
<b>JSE Code</b>	ITXEU
<b>Fiscal year</b>	1 January — 31 December
<b>Distribution</b>	A dividend based on the net dividend yield of the index is paid typically in or around March and September each year
<b>Trustee</b>	Standard Bank of South Africa Limited
<b>Distribution Agent</b>	Deutsche Bank AG
<b>NAV Publication</b>	Available at the registered office of the Asset Managers, the Trustee, the Distributor and <a href="http://www.itrix.co.za">http://www.itrix.co.za</a>

Dow Jones EURO STOXX50®



The underlying : The Dow Jones EURO STOXX 50<sup>a</sup> Index

The underlying of the Itrix DJ EURO STOXX 50 ETF is the Dow Jones Euro STOXX 50<sup>a</sup>. This is one of the most widely-known European Blue Chip Indices.

The index is a free float market capitalisation weighted Index, containing 50 highly liquid blue chip stocks from countries within the Eurozone.

<sup>6</sup> Fees vary btwn 0.20% and 1% pa depending on the amount invested — see the offering circular and/or website [www.itrix.co.za](http://www.itrix.co.za) for more detail

<sup>7</sup> This may vary according to market conditions and currency fluctuations

## Know Your Investment

### Important

An investment in the Itrix DJ EURO STOXX 50 ETF or the Itrix FTSE<sup>®</sup>100 ETF contains certain risks. Investors in the DJ EURO STOXX 50 ETF or the FTSE<sup>®</sup>100 ETF are fully exposed to the positive and negative changes in the underlying index. Prospective investors in the Itrix DJ EURO STOXX 50 ETF or the Itrix FTSE<sup>®</sup>100 ETF should realise that it can have a value at any time below the purchase price and should be prepared to sustain a loss on the purchase price at which a prospective investor purchased the Itrix DJ EURO STOXX 50 ETF or the Itrix FTSE<sup>®</sup>100 ETF. The price of a participatory interest depends on the level of the Dow Jones EURO STOXX 50 index and the FTSE<sup>®</sup>100 index for the Itrix DJ EURO STOXX 50 ETF and for the Itrix FTSE<sup>®</sup>100 ETF respectively.

**For further information on additional risks, please also refer to the Risk Factors section in the Offering Circular of the Itrix DJ EURO STOXX 50 ETF or the Itrix FTSE<sup>®</sup>100 ETF.**

The DJ EURO STOXX 50 index is denominated in Euro and the FTSE<sup>®</sup>100 index is denominated in GBP. Given that the Itrix ETF s are quoted in Rands, the price of the participatory interest traded on the JSE will be subject to the effect of exchange rate fluctuations. This may have a positive or an adverse effect on the price or return of your participatory interest.

This document contains a brief summary description of the Itrix DJ EURO STOXX 50 ETF and the Itrix FTSE<sup>®</sup>100 ETF. A complete description of the Itrix DJ EURO STOXX 50 ETF and the Itrix FTSE<sup>®</sup>100 ETF is included in the latest version of the Offering Circular issued by the manager. Copies of the Offering Circular and the annual reports can be obtained from the registered office of the manager or from offices of the JSE free of charge, or are available on the web-site [www.itrix.co.za](http://www.itrix.co.za).

Past performance is no guarantee of future results and no assurance can be given that the structure described herein would yield favorable results. Although the information herein has been obtained from sources believed to be reliable, the manager does not guarantee its accuracy, completeness or fairness. Opinions and estimates may be changed without notice and involve a number of assumptions that may not prove valid. This document and the information contained therein, does not constitute the provision of investment advice; its sole purpose is the description of the Itrix DJ EURO STOXX 50 ETF and the Itrix FTSE<sup>®</sup>100 ETF and its participatory interest issued by the manager. Any investment decision should be based on the Offering Circular and the ancillary documents. For further information, please contact your personal client advisor or stockbroker.

The Dow Jones Euro STOXX 50<sup>®</sup> index and its related trademarks are proprietary to STOXX Limited and/or Dow Jones & Company, Inc. The Index and related trademarks have been licensed by Deutsche Bank AG and sub-licensed by Itrix. The Itrix DJ EURO STOXX 50 ETF is not sponsored, sold, endorsed or promoted by STOXX or Dow Jones.

STOXX and Dow Jones make STOXX and Dow Jones will not have any liability in connection with the products.

Specifically: STOXX and Dow Jones make no warranty, express or implied and disclaim any and all warranty about: The results to be obtained by the [products], the owner of the [products] or any other person in connection with the use of the [relevant index] and the data included in the relevant index; The accuracy or completeness of the [relevant index] and its data; The merchantability and the fitness for a particular purpose or use of the relevant index and its data; STOXX and Dow Jones will have no liability for any errors, omissions or interruptions in the [relevant index] or its data; Under no circumstances will STOXX or Dow Jones be liable for any lost profits or indirect, punitive, special or consequential damages or losses, even if STOXX or Dow Jones knows that they might occur.

The licensing agreement between Deutsche Bank and STOXX and the sublicense agreement between Deutsche Bank and the issuer is solely for their benefit and not for the benefit of the owners of the [products] or any other third parties.

The securities in the Itrix FTSE<sup>®</sup>100 are not in anyway sponsored, endorsed, sold or promoted by FTSE International Limited ( FTSE ) or by the London Stock Exchange Plc (the Exchange ) or by The Financial Times Limited ( FT ) and neither FTSE nor the Exchange nor FT makes any warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use to the FTSE<sup>®</sup>100 Index (the Index ) and/or the figure at which the said Index stands at any particular time on any particular day or otherwise. The Index is compiled and calculated by FTSE. However, neither FTSE nor Exchange nor FT shall be liable (whether in negligence or otherwise) to any person for any error in the Index and neither FTSE or Exchange or FT shall be under any obligation to advise any person of any error therein. FTSE<sup>®</sup> is a trademark of the Exchange and FT and is used by FTSE under licence. Itrix FTSE<sup>®</sup>100 ETF is not sponsored, sold, endorsed or promoted by FTSE.

As described in the Offering Circular issued by the manager, there are restrictions on the distribution of participatory interest issued by the Itrix CIS. In particular, the participatory interest issued by the Itrix CIS have not been registered under the US Securities Act of 1933, as amended and may not be offered or sold in the United States, to US persons or to US residents.

**This document and the information contained herein may only be distributed and published in jurisdictions in which such distribution and publication is permitted. Any direct or indirect distribution of this document into the United States, the United Kingdom, Canada or Japan, or to US persons or US residents is prohibited.**

Trading of participatory interests on an exchange may incur additional costs, including trading fees (STRATE), brokerage, administration fees and Uncertificated Securities Tax (UST) etc. The price at which a participatory interest trades on an exchange may differ from the price at which a manager repurchases participatory interests and the price published daily in the press in the listing of unit trust prices .

## Key points about Itrix

- ¥ Invest internationally through your local broker
- ¥ An easy means to track international market performance
- ¥ Very cost efficient
- ¥ An ETF is traded just like a single share
- ¥ Tight bid-offer spreads and daily liquidity
- ¥ Complete transparency through daily published index constituents
- ¥ Settlement is guaranteed by the JSE

## Stay up-to-date

Log onto <http://www.itrix.co.za> where information concerning quoted prices as well as the index constituents is available daily.

## Further Information

Website: <http://www.itrix.co.za>  
Telephone: 08600 ITRIX (48749)

