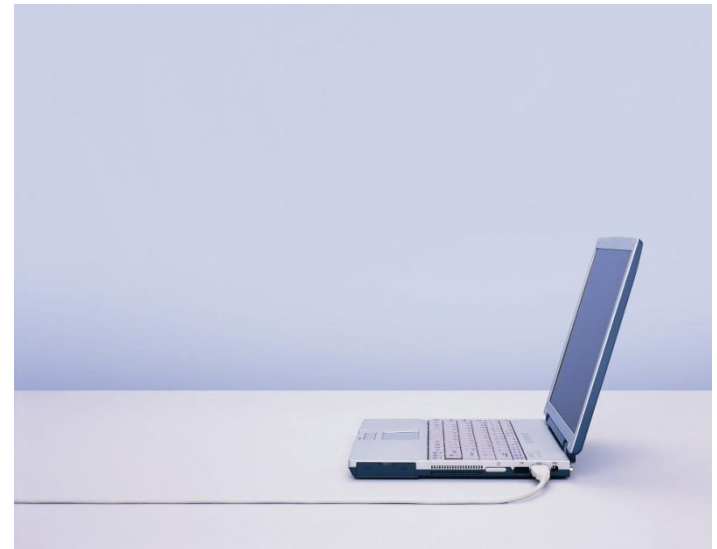


Getting Started in Shares

Brought to you by:

JSE Limited &

Online Share Trading





Topics of discussion

- What is investing
- Asset classes
- Understanding the share market
- Why the share market
- Risk
- Develop an investment strategy
- Choosing companies to invest in
- Exchange traded funds
- Where to buy shares
- Why Standard Online Share Trading
- Costs
- Next steps



Why are we providing free education?



3

- A study found that people do not invest in shares when they do not understand them.
- An educated investor is more likely to be a successful investor and hence a long term investor.
- We want our clients to be successful so that they continue to use our system to invest.





Investing



What is investing?



5

- Proactive use of money to grow capital
- Focus on the return
- Risk Management
- Different from saving - saving focuses on safety of principle
- Longer term view > 5 years
- Investing is NOT gambling





Assets Classes



Asset Classes?



7

- Asset class refers to a set of related investments that have similar **risk** and **return** characteristics
- Subject to the same laws and regulations
- Used for diversification purposes.



Asset class risk





Understanding the Share Market



What is a share?



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- A share gives you a ‘share’ of the assets and profits of a company. e.g. with Pick ’n Pay you own a small part of every store.
- If a company does well (is growing its profits) then its share price should rise.
- Likewise if a company is not doing well (is making losses) then its share price should fall.
- Owning a share means that you can profit from share price movements and share income (dividends).
- You get to vote at the AGM

What is a share market?



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- Like any other market.
- Requires buyers and sellers.
- Stock is bought or sold when buyers and sellers agree on a price.
- Companies gather to issue shares in return for cash in order to expand and grow their business (e.g. Pick 'n Pay may issue shares to grow the number of supermarkets it has).
- Managed centrally by the JSE with its fully automated systems



What are share indices?



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- “The market performed well today” – what do they mean when they refer to the “market”?
- An index is a way of measuring the performance of a selection of shares across the market.
- When an index is up it means that on balance the share price of most of the shares in that index have increased that day. If the index is down then on balance most share prices of the shares on the market have decreased that day.
- **Indices are used as a tool to measure your success.**

Examples of well known indices are:

	All Share	29100	+2.1%
	Nikkei	7 433	+3.7%
	Dow Jones	7 650	+2.9%
	FTSE-100	3 993	+5.5%



What is a dividend?



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- Dividends are distributions of a companies' earnings to shareholders. The dividend earned on shares depends on the profits earned by the company and payment is decided by the company.
- The return that you receive from dividends can be expressed as % and is referred to as the dividend yield (like interest).
 - e.g. if you purchased Shoprite in Jan 2008 @ R43.80 you would have received a divided payment of 155c per share in 2008. This is a return of 3.5% per share. ($R1.55 / R43.80 = 3.5\%$)
 - In 2009 Dividend was 200c (DY = 4.6% @ price of R43.80)



Why the share market?

Why the share market?

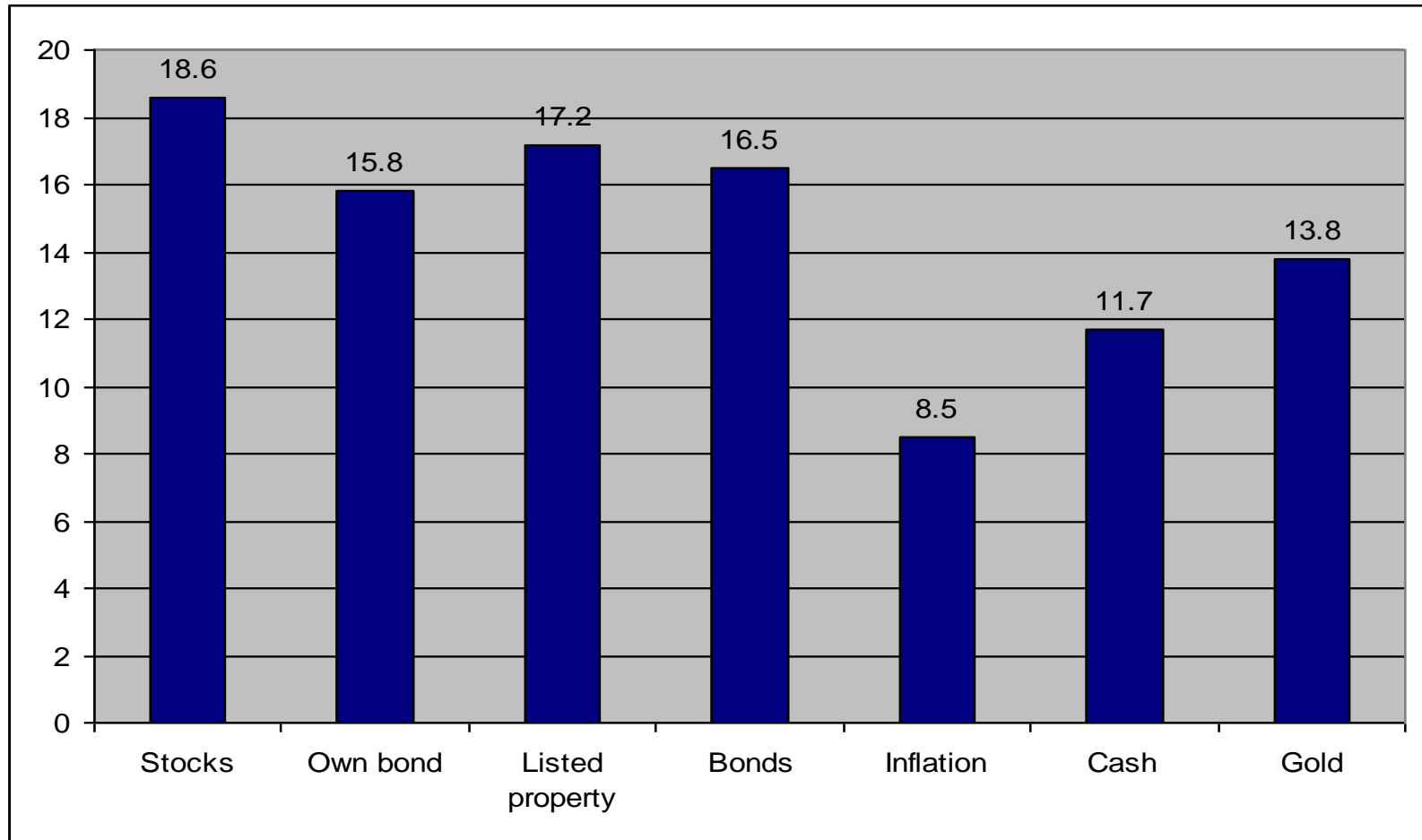


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- Different types of return:
 - Growth (reinvests profits to grow the business)
 - Income (distributes most profits as dividends)
- Liquidity
 - Ease, speed and cost of buying/selling – Online brokers
- Accessibility
 - 24/7 Online access – brokers and other info websites
- Transparent costs
 - You know exactly what the costs will be



Long term comparisons? 1990-2009



* Average return per annum



Why the share market?



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Long Term Reward

Standard Bank - an investment of R5000 in 1990 when the share price was R1.77 is now worth +R280,000 at a share price of R102.00 (Jan 2012), a return of over 6,000% excluding dividends.

Losses can occur

Didata (lost 90% from the highs of 2000) From R67.00 Nov 2000 to R3.00 Nov 2002. Delisted in 2010 @ R13.06

Most losses occur because of lack of knowledge and/or

Neglect



How to be profitable in the share market



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You can make money with shares in two ways:

1. Buying a share at a low price and selling that share at a higher price at a future date. This is referred to as capital growth
 - buying Shoprite on 2 Jan 2008 for 4380c
 - selling on 17 Jan 2012 for 13610c. A profit of 9230c per share or a return of over 200% over that period of time.
2. Receiving dividends from owning a share. This is referred to as income.
 - Shoprite paid a dividend per share of 155c in 2008, 200c in 2009, 227c in 2010 and 253c in 2012. Based on the cost of 4380c that is a yield of over 20% just on dividends.





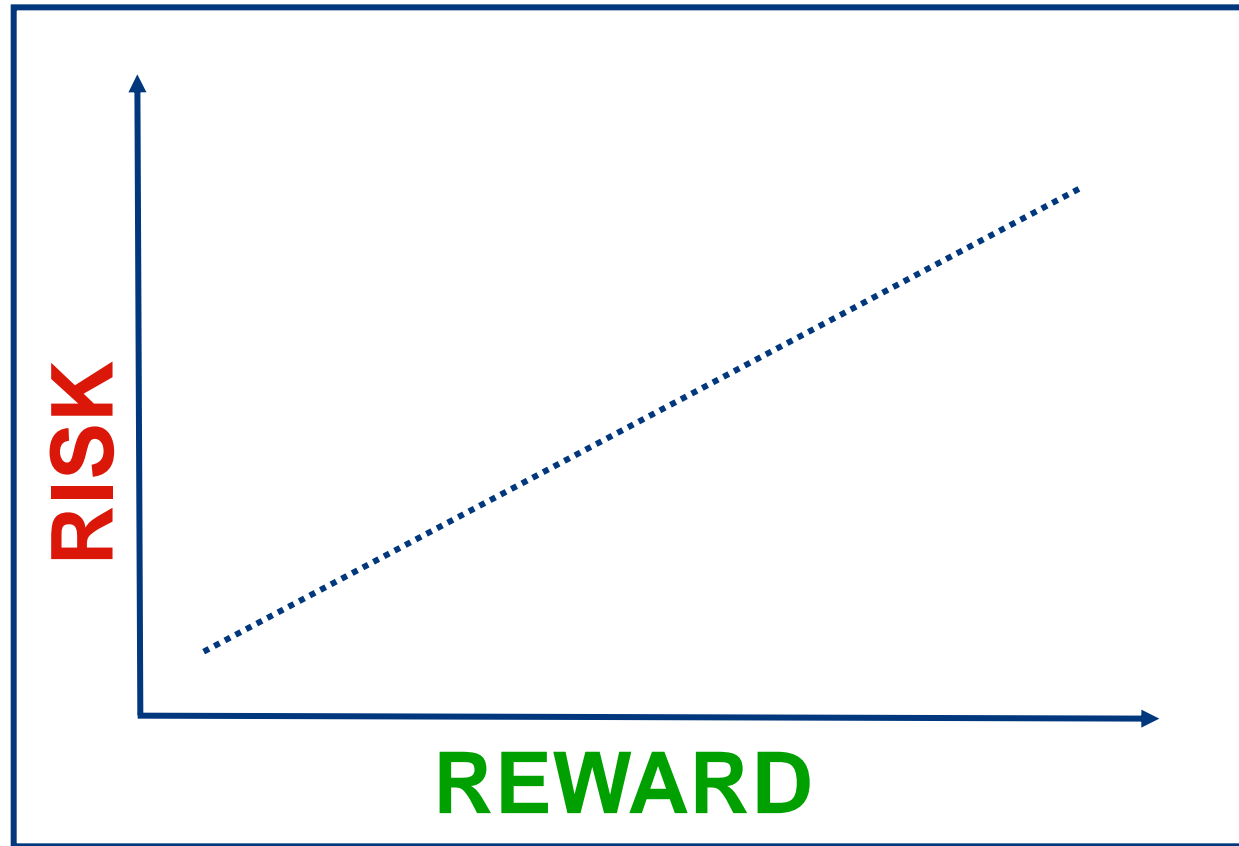
Risk



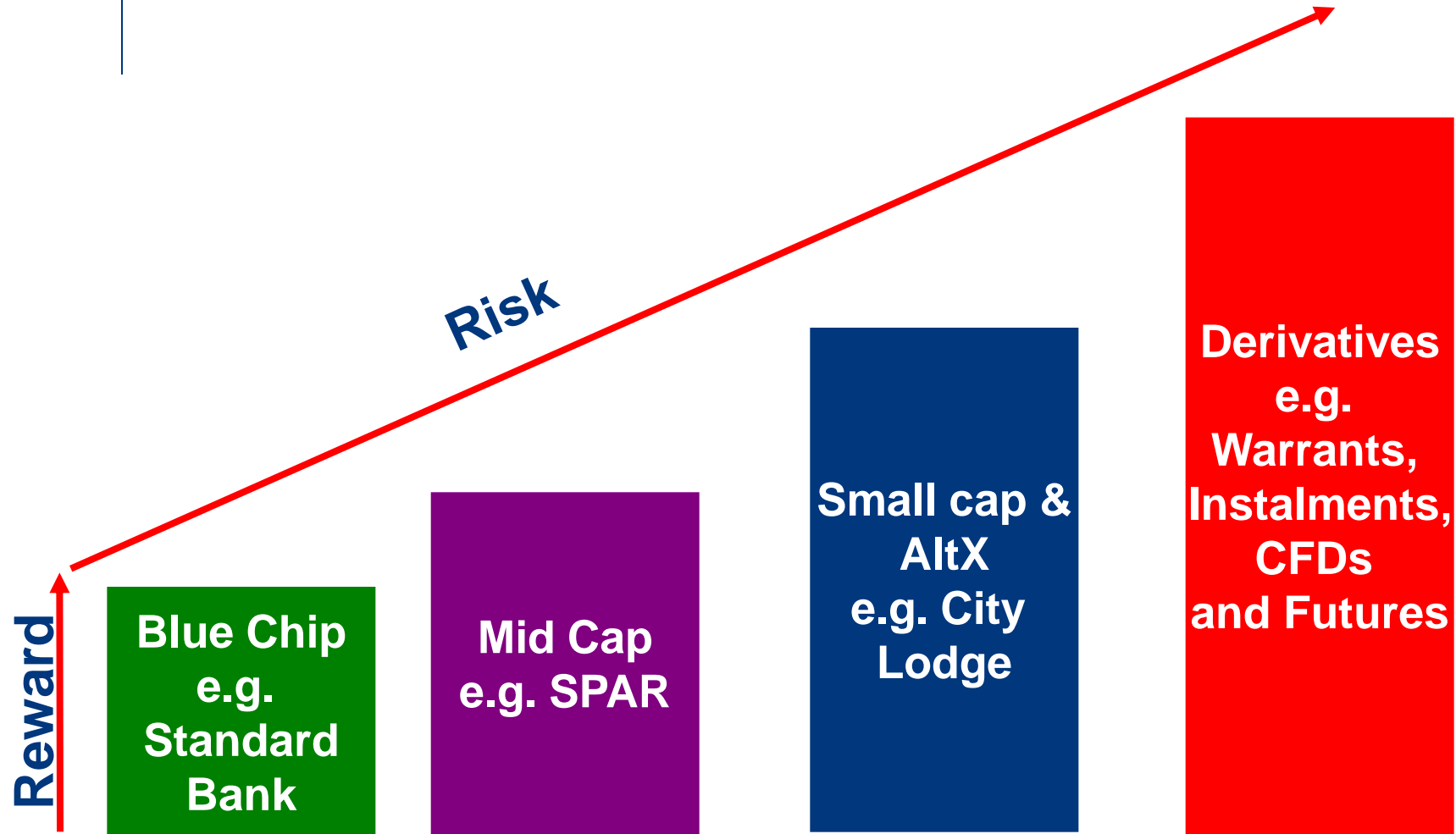
Risk



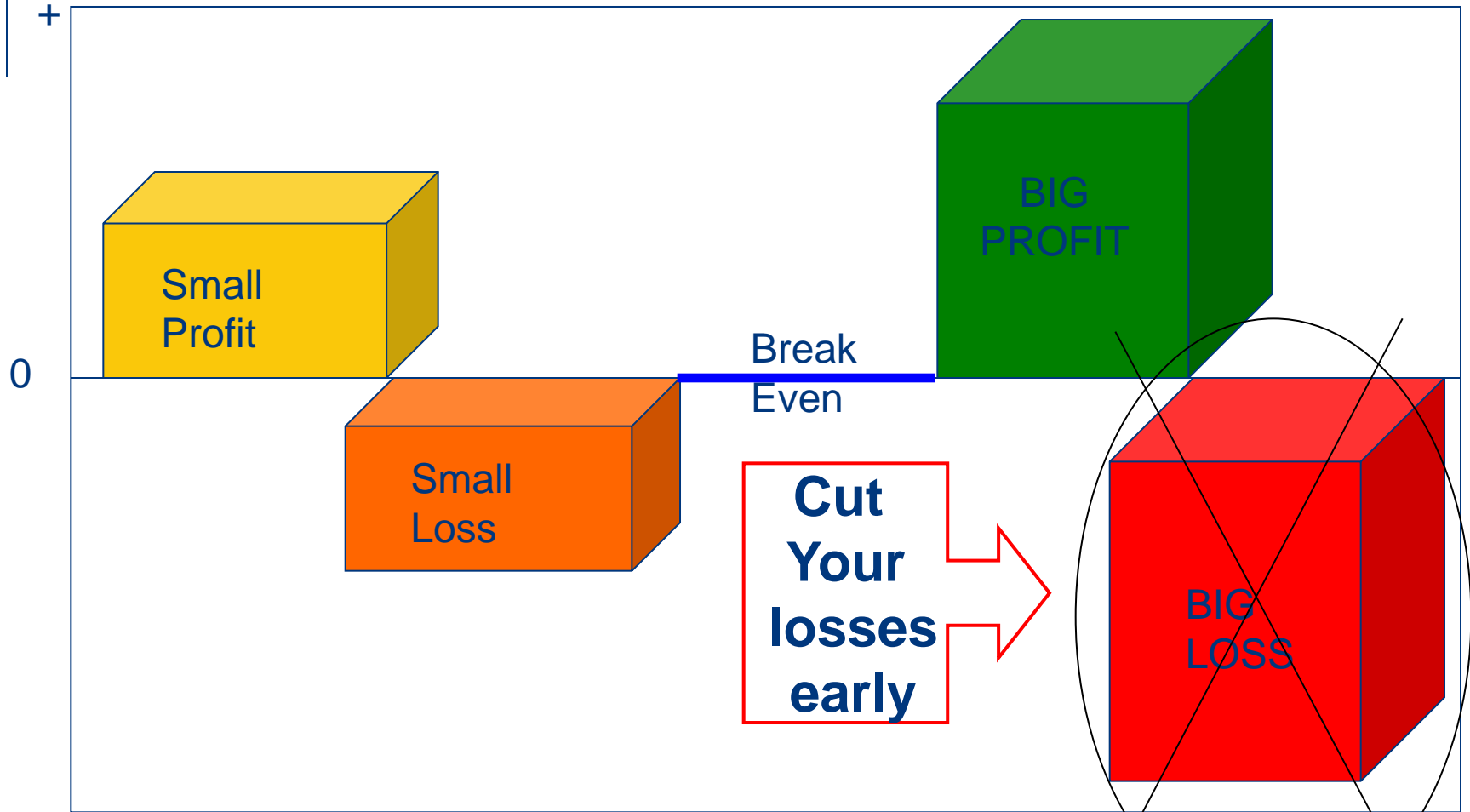
Can't have one without the other



Shares – risk breakdown



Managing risk – 5 possible outcomes



Make sure you do not lose money and then you're half way there!





Develop an investment strategy



Advice vs. research



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- Common sense
- Research is easier than you think
 - It's already part our regular life
- How much time is enough ?
 - How much time did you spend when you bought your last house or car ?
- Hot tips are not a strategy
 - They tend to be a “self fulfilling prophecy”



Factors to take into account



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- What stage of life are you at?
 - Single
 - Married with children
 - Retirement
- What knowledge stage are you at?
- Know your risk profile and risk tolerance
 - Being able to master risk is being able to master the markets.
- What is your investment time frame?
- Success depends on ensuring that your investment strategy fits your personal characteristics and goals.





Choosing companies to invest in



Choosing companies to invest in



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Fundamental Analysis

- **“The story”**- what the company does & what its outlook is (e.g. Pick 'n Pay is a supermarket chain. The outlook could be good for the economy and hence for personal spending could lead to more purchases at Pick 'n Pay hence the profits could be up and hence the share price could go up as well)
- **“The numbers”** – review the financial statements of the company to see how healthy it is. (Look at the income statement to see the profitability of Pick 'n Pay . Look at the balance sheet to see how financially secure it is). Look at the Price Earnings (PE) Ratio.

Technical Analysis

- **“The picture”** – look at the history of the companies share price in a price chart (e.g. look at the past performance to see if the share is rising or falling, what is its trend?)



The story (e.g. Pick 'n Pay)



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Nature of Business:

The company, which is domiciled and incorporated in the Republic of South Africa and listed on the JSE Ltd, is an investment holding company. The group comprises trading subsidiaries that retail food, clothing and general merchandise throughout Southern Africa and in New South Wales, Australia, both on an owned and franchise basis. Subsidiary companies also on occasion acquire and develop strategic retail and distribution sites.

[Sector: Retail-Food & Drug Retailers](#)

Employees: 54 700

[Directors](#)

Controlled by:

Pick n Pay Holdings Ltd

[List of major share holders](#)

[List of major share holdings in other companies](#)

[Brands](#)

Physical Address:

Pick'n Pay Office Park, 101 Rosmead Avenue, Kenilworth, Cape Town, 7708

E-mail:

glea@pnp.co.za

Postal address:

PO Box 23087, Claremont, 7735

Regd. address:

Pick'n Pay Office Park, 101 Rosmead Avenue, Kenilworth, Cape Town, 7708

Web address:

<http://www.picknpay.co.za>

Telephone: 021-658-1000

Fax: 021-797-0314

Company secretary:

G F Lea

Transfer secretary:

[Computershare Investor Services](#)

Auditors:

Ernst & Young (Australia), KPMG Inc

Bankers:

Absa Bank Ltd, First National Bank of SA Ltd

Legal Rep:

Edward Nathan Sonnenbergs

Sponsor:

Investec Bank Ltd

[Segmental Reporting](#)

[Capital Structure](#)

[Dividend History](#)

Corporate Events

Next AGM will be held in June 2010

[Company News](#)

[Results Summaries](#)

From the Standard Online Share
Trading Website



The numbers (e.g. Pick 'n Pay)



Pick n Pay



Reviewed condensed consolidated results for the year ended 28 February 2011

Financial highlights - continuing operations

	Turnover R' billion	EBITDA R'million	Headline earnings cents per share	Total dividend cents per share
2011:	51.9	2 160.9	189.35	142.50
2010:	49.0	2 271.3	231.71	174.50

Result overview - continuing operations

The 2011 financial year was the toughest trading year in our Group's history. We undertook a number of significant and challenging steps to transform the business, at the same time we experienced an exceedingly difficult trading environment.

Despite our disappointment in the result, we have achieved much over the year:

- We completed the consolidation of our 3 inland regions into one which will realise tangible improvements in operating efficiencies and cost reductions.
- With the roll-out of SAP complete, we now have a fully integrated system across the business, with improved in-store disciplines, more efficient business processes and more timely information for performance management.
- We have completed the extension of our Longmeadow Distribution Centre, which now stands at 65,000 square metres. We have introduced automated replenishment which has improved store strike rates. Longmeadow now processes 50% of our inland grocery value, with 1 million cases handled each week from 44 major suppliers who deliver direct to the facility. Although significant improvements have been made, the facility is not yet optimal and every effort is being made to ensure that Longmeadow becomes the blueprint that we roll out to distribution centres in the Western Cape, Kwa-Zulu Natal, Eastern Cape and Gauteng over the next 3 to 5 years.
- We opened 2 stores in Zambia, which have been extremely well received and are trading ahead of expectations.
- We increased our footprint in the LSM 4 - 7 market, and are showing strong growth in this sector from both Boxer and our Pick n Pay stores converted from Score.
- We opened our new flagship store "PnP on Nicol" - it is not only a world class retail destination, it is truly a store for the future - built and operated entirely on sustainable, environmentally friendly principles in line with International best practice. Customer reaction has been overwhelmingly positive and we are looking to roll-out the most successful innovations to selected stores.
- After a tough time with a national labour strike over our busiest trading period, we have negotiated a three year wage deal with the Union. We are confident that Pick n Pay and SACCAWU can now work together to improve the relationship.
- A great deal of work was done on our new loyalty programme "Smart Shopper" during the year under review, and we were thrilled by its launch in March 2011. The programme was based on significant customer research and it will provide our Smart Shoppers with meaningful reward and revolutionise the way we engage with customers.

Group turnover at R51.9 billion for the year is 5.9% above last year. Turnover growth has been modest, impacted by our national labour strike and customers exercising caution despite the dramatic fall in food inflation and many price decreases. Group like for like turnover is up 2.0% for the year.

Gross profit margin has fallen from 18.0% last year to 17.5% this year, due to aggressive investment in price to regain lost ground after the national strike and the effect of increased franchise participation.

Trading profit is down 13.5% to R1 417.7 million, due to the lower gross profit margin and cost inflation exceeding internal sales price inflation. In addition, we experienced operational difficulties at Longmeadow which had a material negative effect on our result.

EBITDA (earnings before Interest, tax, depreciation and capital items) at R2 160.9 million is down less than trading profit at 4.9%, demonstrating our ability to generate cash.

Headline earnings per share at 189.35 cents is 18.3% down on last year.

The **total dividends** per share for the year of 142.50 cents for Pick n Pay Stores Limited and 69.28 cents for Pick n Pay Holdings Limited are 18.3% and 18.4% down on last year, respectively.

Operational highlights

Pick n Pay and Boxer combined, increased turnover by 5.9% for the year. On average Pick n Pay's corporate internal food price inflation was 1.3% for the financial year, against an average of 8.7% last year.

We have seen strong growth in certain areas, including Private Label, Liquor, and most notably Clothing. Our Clothing division has grown turnover significantly over last year, demonstrating the positive acceptance by customers of our clothing, which offers good quality at an affordable price. We have also experienced encouraging growth in the LSM 4 - 7 market, with good performances from Boxer and the Pick n Pay franchise stores converted from Score. During the year we opened 4 new Pick n Pay corporate supermarkets, 13 Pick n Pay franchise stores, 33 liquor stores (franchise and corporate), 11 clothing stores and 6 stores across our Boxer formats.

In the year ahead we plan to open a further 12 new corporate and 7 new franchise supermarkets, as well as 10 clothing stores and approximately 45 liquor stores (corporate and franchise). In the Boxer stable, we will open 13 supermarkets, 7 Punch stores, 5 liquor stores and 5 Boxer Builders.

We continue our expansion into Africa. We now have two stores in Zambia and the support from our new Zambian customers has been extremely gratifying. We are once again accounting for our share of profits of our 25%.

PICK N PAY STORES LIMITED - REG. NO. 1968/008034/06 SHARE CODE: PIK ISIN CODE

Statement of comprehensive income

	Reviewed Year to Feb 2011 Rm	Growth %	Audited Year to Feb 2010* Rm
Continuing operations			
Revenue (note 3)	52 216.7		49 323.8
Turnover	51 945.8	5.9	49 068.6
Cost of merchandise sold	(42 859.6)		(40 245.0)
Gross profit	9 086.2		8 823.6
Other trading income	231.4		186.5
Trading expenses	(7 899.9)		(7 371.4)
Trading profit	1 417.7	(13.5)	1 638.7
Interest received	39.5		68.7
Interest paid	(111.0)		(26.2)

Statement of financial position

	Reviewed Feb 2011 Rm	Audited Feb 2010 Rm
Assets		
Non-current assets		
Intangible assets	404.5	1 126.7
Property, equipment and vehicles	3 401.8	3 415.5
Operating lease asset	19.5	33.5
Participation in export partnerships	48.2	50.6
Deferred tax	85.8	98.1
Loans	90.2	124.7
Investment in associate	9.9	—
Investments	0.2	0.2
	4 060.1	4 849.3
Current assets		



From the Standard Online Share Trading Website



The Picture (e.g. Pick 'n Pay)



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From the Standard Online Share
Trading Website



Profile Consensus forecast



Standard Online Share Trading

Home My account Easy Trader Instruments Market Info Tools Help Contact us ** New Features ** Log off

Tools > Research > Buy / sell consensus

Sort by Company

Note: This is a consensus forecast for various shares listed on the JSE. This is what the South African broker community (analysts) forecast and recommends for the shares over a 12-month period. This data is collected once per day, averaged and redistributed to us by Profile Media. **Please note that these forecasts should not be used or relied upon in isolation. Please use with caution.**

	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	355.8	354.7	▲	187.5	187.7	▼	BUY	BUY	17-Jan-12	16-Jan-12	I R S P C H W
2	ARCMITL	ACL	details	162	162		77.6	77.6		SELL	HOLD	17-Jan-12	16-Jan-12	I S P C H W
3	ACUCAP	ACP	details	292.9	292.9		292.9	292.9		HOLD	HOLD	16-Jan-12	12-Jan-12	I S P C H W
4	ADVTECH	ADH	details	42.6	42.6		25	25		BUY	N/A	16-Aug-11	15-Aug-11	I R S P C H W
5	AVENG	AEG	details	335.4	368	▼	118	131.4	▼	HOLD	BUY	17-Jan-12	16-Jan-12	I R S P C H W
6	AECI	AFE	details	669.3	669.3		248.1	248.1		HOLD	HOLD	17-Jan-12	16-Jan-12	I R S P C H W
7	ANGLO	AGL	details	3891.1	3964.8	▼	564.9	565.1	▼	BUY	BUY	17-Jan-12	16-Jan-12	I R S P C H W
8	ADCOCK	AIP	details	558.9	558.9		208.8	208.8		HOLD	HOLD	17-Jan-12	16-Jan-12	I R S P C H W
9	ALTECH	ALT	details	508.9	508.9		348	348		HOLD	BUY	17-Jan-12	16-Jan-12	I R S P C H W
10	AMPLATS	AMS	details	2652.3	2704.3	▼	1092.6	1119.5	▼	BUY	BUY	17-Jan-12	16-Jan-12	I R S P C H W
11	ANGGOLD	ANG	details	2970.6	2970.6		396.9	396.9		BUY	BUY	17-Jan-12	16-Jan-12	I R S P C H W
12	ASPEN	APN	details	614.3	614.3		147.9	147.9		HOLD	BUY	17-Jan-12	16-Jan-12	I R S P C H W

From the Standard Online Share Trading Website



The website (e.g. Pick 'n Pay)



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Equity Research

South Africa: Company Note

Grindrod Limited — Initiation of coverage

A diversified transport company

Grindrod's shipping division currently contributes half the company's profits, the other half coming from its Trading, Freight and Financial divisions.

Shipping and freight demand fundamentals are attractive

The long-term fundamentals for Grindrod's principal three divisions of Shipping, Trading and Freight are good since each is driven by the level of global trade in goods which has been increasing at a multiple of world GDP growth for some time. In particular, Grindrod is driven by international trade volumes of commodities and its businesses are essentially US dollar-denominated. The urgent need for most countries to expand their trade infrastructure, especially developing countries such as SA and Mozambique, will spur growth at Grindrod's Ports and Terminals business. However, negative world ship supply factors in the form of an unusually large newbuild order



12 November 2010

Greg Brady
Securities@standardbank.co.za

JSE code	GND
Recommendation	Buy
Current price (R)	18.72
Target price (R)	22.90
Implied price return (%)	22.3%
Dividend (12/09) (c)	60
Dividend yield (%)	3.2
Shares in issue (m)	454.503
Share free float (%)	85.0
Market cap (R'm)	8508
Net debt / (Cash)	1184
Enterprise value	9692

We help you by providing a range of research reports that covers:

- Fundamentals
- Stocks
- Technical's
- Currencies
- Economics



From the Standard Bank
Online Share Trading Website



Using the website



Shares > Quote

Account: 511014

Lookup Options	
Name	<input type="text" value="PICKNPAY"/>
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:	Pik N Pay Stores Ltd
Share Code:	PIK
Sector:	Consumer Services - Retail - Food & Drug Retailers
Subsector:	Food Retailers & Wholesalers
Type of share:	Ordinary
Instalments:	Instalments associated with this share
SSF's:	SSF's associated with this share
CFD's:	CFD's associated with this share
Share Status:	Trading/Open



The blue line shows the daily closing price. A blue graph indicates the product value has increased in the period above, while a red graph indicates it has decreased.

Day comparison : PICKNPAY		
	Last traded - Tue 19 Jul 2011 13:56	Previous - Mon 18 Jul 2011 00:00
Last Price:	4115c	4100c
Move :	15c	-100c
Move% :	+0.37%	-2.38%
Volume:	769 524	671 147
Value:	R 31 592 415	R 27 580 037
Deals:	498	631
High:	4129c	4172c

Bid & Offer : PICKNPAY(Live)						
As at 19 Jul 2011 13:56						
	Bids to Buy			Offers to Sell		
#	Ord	Volume	Price(c)	Price(c)	Volume	Ord
1	2	1 363	4115	4117	1 936	3
2	1	120	4110	4120	1 446	1
3	1	10 695	4105	4129	195	1
4	1	4 260	4101	4130	15 000	1
5	1	3 322	4100	4133	10 785	1

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



Share filter (searching for income)



Criteria	Options	Value
Dividend yield	>	3
AND		
Price/earnings ratio	<	20
AND		
Unused	=	
AND		
Unused	=	
AND		
Unused	=	
Sector is:		
	All	
Profile Media consensus recommendation is:		
	Buy	
Exclude warrants:		
	<input type="checkbox"/>	
Sort by:		
	Prev. day volume	
<input type="button" value="Filter"/> <input type="button" value="Reset"/>		



Using the website



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Find or trade shares > **Share filter**

Quotes bank balance : 9986c
The market is open ■

13 Apr 2010 13:47 (Delayed)

Name	Stock Code	Profile Media Consensus Rec.	Delayed Price *	Dividend yield	PE ratio
OCEANA	OCE	BUY	3,000.00	6.13%	10.74
KELLY	KEL	BUY	561.00	3.83%	9.09
DISTELL	DST	BUY	6,601.00	3.84%	14.47
HOSP A	HPA	BUY	1,301.00	8.72%	10.59
FAMBRANDS	FBR	BUY	2,780.00	3.27%	15.99
INVICTA	MT	BUY	2,890.00	4.64%	6.96
OCTODEC	OCT	BUY	1,465.00	8.77%	10.69
DCENTRIX	DCT	BUY	389.00	7.79%	6.34
BRAIT	BAT	BUY	2,000.00	8.96%	12.40
BASREAD	BSR	BUY	1,330.00	3.10%	4.07
ASTRAL	ARL	BUY	11,375.00	6.14%	12.81
RAINBOW	RBW	BUY	1,590.00	4.56%	12.68
VUKILE	VKE	BUY	1,224.00	8.24%	11.89
LEWIS	LEW	BUY	5,901.00	5.47%	9.53
BATS	BTI	BUY	25,398.00	4.88%	13.30
FOSCHNI	FOS	BUY	6,925.00	4.11%	12.44
MET LTD	MET	BUY	1,571.00	6.35%	7.00
GUJMA AST	GUJ	BUY	128.00	5.95%	7.90
GRINDROD	GND	BUY	1,695.00	3.53%	8.97
MUSTEK	MST	BUY	300.00	3.45%	4.95
ABSA	ASA	BUY	14,003.00	3.19%	12.71
GROWPNT	GRT	BUY	1,532.00	7.72%	9.20
REDEFINE	RDF	BUY	793.00	7.10%	13.20
ESORFRANK	ESR	BUY	350.00	4.18%	4.49





Exchange Traded Funds (ETFs)



ETF's



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- **ETF or Exchange Traded Fund:** Is a financial instrument that is listed on and trades through the JSE just like a share does, but instead of tracking the performance of a single share, it can track a whole range of things – anything from an index (a group of shares) to a commodity price, an exchange rate, and even instruments listed on other exchanges – like a bond index.
- This makes the business of getting exposure to an industry or sector very easy, because instead of having to buy 15 different shares to get exposure to the Financial sector for instance, you now buy just one instrument - The Satrix Fini. And all the usual benefits that accrue to the owners of the underlying shares, also accrue to the owners of the ETF, namely dividends, interest etc .



ETF's in summary



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- Trades like a normal share but benchmarks the market
- Can track anything – from an Index to a Commodity
- Allows you to get exposure easier and cheaper
- Market makers offer you fair value
- Dividends or Interest is paid



Examples of ETF's and ETN's



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- Satrix.co.za (local indices, Rafi, dividend)
- DB x-trackers.co.za (international indices and currencies)
- ABSA (NewGold, local indices and Shari'ah)
- PropTrax (property index)
- Investec Z-Shares (bond market)
- RMB BIPS (local indices and inflation linked bonds)
- Nedbank BettaBeta Equally-Weighted Top40
- Standardbank – (African index, various commodities including gold, platinum)





Where to buy shares, ETF's, Trade and Invest in the Stock Market?



Where to buy shares?



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- Shares are purchased and sold through a registered stockbroker
- There are two types of brokers, online (discount) and full service brokers:
 - **Full Service stockbrokers:**
 - Give advice and trade over the phone
 - Have high fees and minimum investment amounts (e.g. 1.3%-1.75% and R300K- R1m)
 - **Online Stockbrokers:**
 - Trade via a website (like internet banking)
 - Provide telephonic support
 - Give buy and sell recommendations online
 - Have low fees (0.5%) and no minimum investment amounts.
 - Have many tools that help you to manage your share portfolio





Why Standard Online Share Trading ?



Why Standard Online Share Trading ?



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- **Lowest minimum brokerage (0.5% with R50 min)**
- **The biggest online broker in South Africa**
- **Education is our differentiator**
- **Buy and sell recommendations and research.**
- All the information needed to make your investment decisions
- Interest paid for any cash kept in the share account. The money is available on demand.
- Lots of tools e.g. SMS / email share price alerts to keep you in touch with the market.
- Online charts
- Various Trading products like CFD's, Alsi Futures, Currency Futures, ETC
- **You do not need to have a Standard Bank account!**



Educate yourself! **Free courses**



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Name	Duration	When
Introduction to investing	5 hours	Saturday morning
Introduction to fundamentals	1.5 hours	Mid-week evening
Technical analysis	8 hours	Saturday
Trade to trade well	2 hour	Mid-week evening
Advanced fundamentals	5 hours	Saturday morning
Introduction to share installments	1 hour	Mid-week evening
Half day detailed warrants course	4 hours	Saturday morning
Introduction to CFD's	1.5 hours	Mid-week evening
Futures (Index trading strategies)	1.5 hours	Mid-week evening
JSE Investment outlook	1.5 hours	Mid-week evening



These courses can easily cost around R10,000



Online courses



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- You also have access online courses on our website:
 - All Face to Face courses
 - Basics of investing (80 page 5 unit PDF document)
 - Introduction to investing (flash presentation)
 - Technical analysis (flash presentation)
 - Derivatives (flash presentation)
 - Warrants
 - Share instalments





Costs



Online Share Trading Costs



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- Brokerage is charged at **0.5%** of the trade with a minimum fee of **R50** plus statutory taxes (detailed below).
- Monthly fees of R50.00 (incl VAT). This fee waived if you trade 3 or more times in a month.
- There is no minimum amount to open an account.

Worked Example

Projected costs of shares	R 5,000.00	R 12,000.00
Securities Transfer Tax @ 0.25%	R 12.50	R 30.00
STRATE Fees	R 10.92	R 10.92
Investor Protection Levy	R 0.01	R 0.02
Brokerage	R 50.00	R 60.00
VAT on Charges	R 8.53	R 14.13
Total Trading Costs	R 81.96	R 115.07
Costs as a %	1.64%	0.96%

Economics of scale



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- Make sure your trading costs are ideally not more than 5%.
- If your costs exceed 5 % look at alternatives to gain market exposure
- Alternatives such as:
 - Auto Share Invest (ASI), part of SB Internet Banking



Auto Share Invest (ASI)



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- For Standard Bank Internet Clients only
- You select a share or shares you would like to invest in with a minimum of R500 per selected share(s) per month.
- You then set a monthly recurring purchase order and payment online.
- Once a month your share purchase instruction is given to SBG Securities to buy the shares on the JSE. SBG Securities will buy the required quantity and, based on the price it pays for the shares on the day of purchase, allocate the shares to your online ASI account.
- If you want to sell your shares you simply select the future sale date (all sales are done on a Friday or the day before if that Friday is a public holiday)
- The proceeds of the sale will automatically be paid into your bank account after five business days.
- There are many arguments that suggest a long-term buy and hold strategy using ASI is the best route to future wealth, rather than regularly buying and selling.

• For more information go to www.standardbank.co.za





Next Steps?



Register Online at www.securities.co.za



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Attend Free presentations



Special Announcements	
	Anglo American PLC : Earnings Revision
	BHP Billiton PLC : Earnings Revision
	Allocation date of dividends
	JSE data fees for 2012
	Deposits into SBG Securities Trust Account
	Free TA, Daily Standard, Warrants and Currency reports via email



Equities (Top 40)				
Top Gainers			Top Losers	
NASPERS-N-	37750c	▲ 1.7%	TRUWTHS	7632c ▼ -2.8%
REMGRO	12227c	▲ 1.7%	IMPLATS	17161c ▼ -2.4%
INVPLC	4470c	▲ 1.4%	BIDVEST	16360c ▼ -1.4%
MASSMART	18396c	▲ 1.4%	STEINHOFF	2430c ▼ -1.4%
LONMIN	12270c	▲ 1.2%	CAPSHOP	3851c ▼ -1.0%
Trade	Up	Down	Same	Total*
Shares	139	119	318	576
Value	R4.2B	R5.6B	R45.8M	R9.9B

*Only traded items. As at 18 Jan 16:06

Wealth begins with better knowledge - Upcoming courses/presentations				
Date	City	Topic	Cost	RSVP
19 Jan	Joburg	Introduction to Contracts For Difference (CFDs)	Free	Book
21 Jan	Cape Town	Detailed option course (warrants & instalments)	Free	Book
21 Jan	Durban	Understanding company financials and announcements	Free	Book
23 Jan	Joburg	Trading Index Futures	Free	Book
04 Feb	Durban	Introduction to Technical Analysis **Revised**	Free	Book
08 Feb	Durban	Introduction to Contracts For Difference (CFDs)	Free	Book
11 Feb	Joburg	Introduction to investing	Free	Book
18 Feb	Cape Town	Understanding company financials and announcements	Free	Book

-- Full list of upcoming courses --

News Headlines		
Source	Date	Headline
Sens	15:59	BITOY - Toyota Financial Services (South Africa) (Proprietary) Limited -
Sens	15:41	TAS - Taste Holdings Limited - Voluntary sales update
Sens	15:20	BCK - Blackstar Group SE - Blackstar Q4 net asset value ("NAV") update
Sens	15:20	CSO - Capital Shopping Centres Group Plc - Notification of 2011 annual results
Sens	15:18	BIRPIF - Resilient Property Income Fund Limited - Interest Rate Reset
Sens	15:16	BINRA - South African National Roads Agency SOC Limited - New Financial
Sens	15:15	BCK - Blackstar Group - SE Acquisition of a 28% interest in Mvelaphanda Group
Inet	15:02	Merkel to open World Economic Forum annual meeting
Sens	15:00	MVG - Mvelaphanda Group Limited - Acquisition of a 28% interest in Mvela Group

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