



CORESHARES™

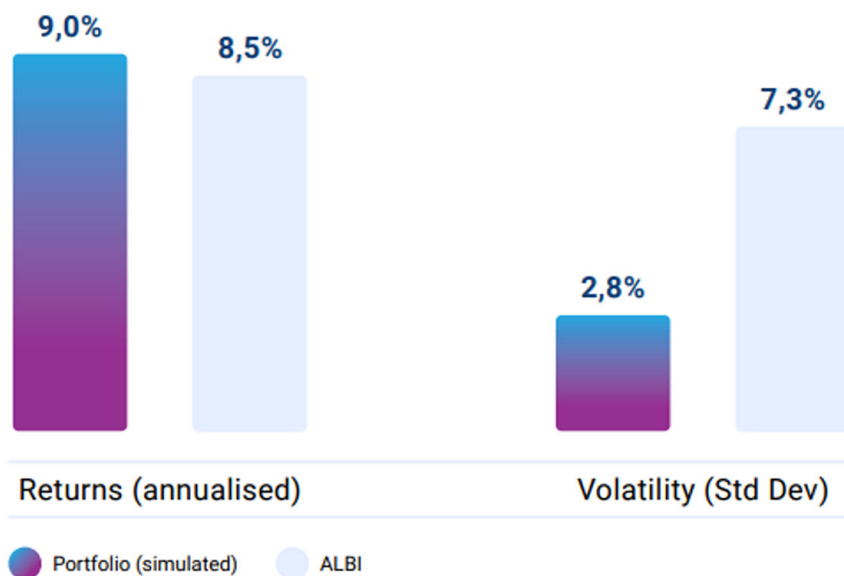
Introducing the Coreshares income AMETF

A ground-breaking first for South Africa

This milestone follows the introduction of new legislation allowing ETFs to house more flexible investment strategies, including multi-asset strategies and those that incorporate asset classes that can't easily be indexed, such as credit.

The CoreShares Income AMETF, which is easily accessible via the JSE, is a holistic strategic income solution. And considering the high real yields on offer in domestic and offshore markets, it is coming to market at an opportune time. The strategy is targeted at investors who are seeking bond-like returns, but with lower risk.

Bond-like returns with less risk



Source: 10X, Bloomberg, Refinitiv, back-tested portfolio returns September 2003 – March 2023 Past performance is not a guarantee of future performance. Simulated returns provided for illustrative purposes only.

The Income AMETF offers investors access to the same strategy as the R3.8bn 10X Income Fund, but is conveniently accessible via a JSE listing (as an actively managed ETF). Both the unit trust and AMETF are co-managed by Anton Eser and Chris Eddy. Anton, the CIO of 10X, brings decades of experience in managing global credit and fixed income portfolios. Chris, head of multi-asset funds, is responsible for the multi-asset positioning across the 10X range of portfolios.

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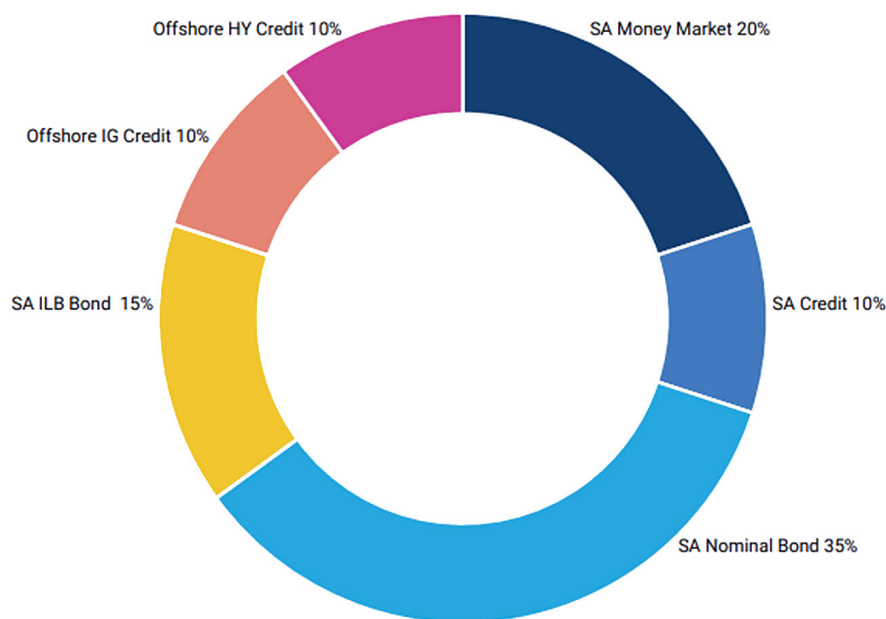
Sonja De Bruyn (Non-executive chair), Tobias van Heerden (CEO), Samer Salty (Director), Marc Balkin (Non-executive director), Burchert Johannes (Non-executive director), Yvonne Maitin (Non-executive director), Kelly Ford (Non-executive director), Hendrik Beets (Non-executive director), Jacob Myburgh (Non-executive director)

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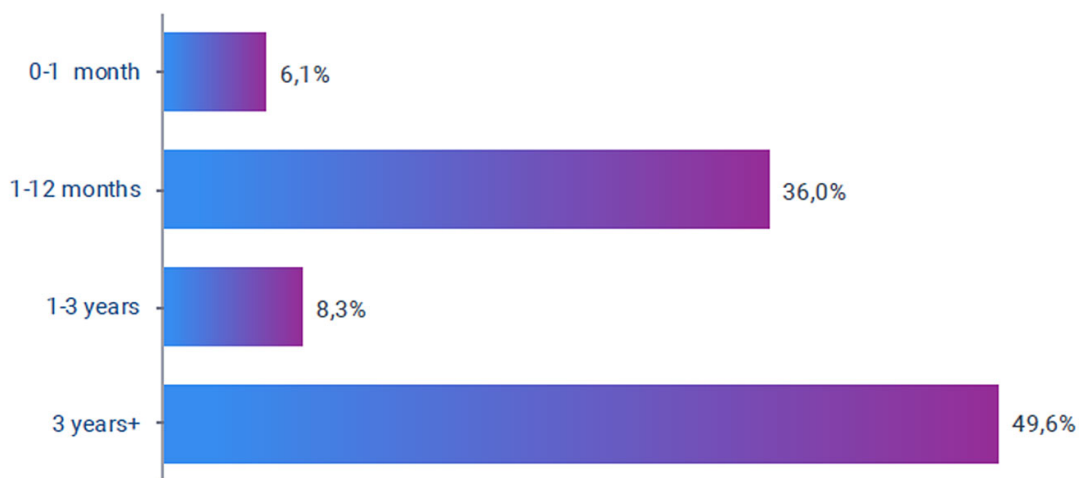
The strategy seeks to deliver returns of inflation (as measured by CPI) plus 2.5 percentage points over rolling 3-year periods and is underpinned by a robust asset allocation approach. To manage risk and ensure diversified sources of income, the portfolio is invested across both fixed and floating rate securities including money market instruments, nominal and inflation-linked South African bonds, SA credit, global investment grade credit and global high yield credit.

Credit risk is managed through diversification at a geographic, sector and issuer level, an example of which is the global exposure consisting of 425 issuers. Interest rate risk in the portfolio is limited to a maximum duration of 3 years.

Strategic asset allocation



Maturity profile



Thanks to the introduction of the AMETF framework, investors can now simply buy such a strategy on the JSE within a stockbroking or share-trading account. The Income AMETF has multiple use cases, depending on the client. It can be used as a complete fixed income solution in multi-asset portfolios, or as a higher yielding alternative to park liquidity in a brokerage account, for example. The strategy may have particular application for those in retirement looking to secure a reliable income stream as part of one's broader 'draw down strategy'.

The Income AMETF is now listed on the JSE as of Thursday, 18 May 2023.

ETF key facts

Fund name	CoreShares Income AMETF
JSE Ticker	INCOME
Investment approach	Asset allocation implemented with efficient risk management
ASISA Classification	South Africa – Multi-Asset – Income
Benchmark	STeFI Composite +1%
Return objective	CPI+2.5% over rolling 3 year period
Fees	0.38% Management Fee (ex VAT)
Listing Date	18 May 2023
Listing AUM	R500m
Market Maker	Jane Street (Tel: 010 492 8645)
Current Yield*	9.2% as at 28 April 2023

* 10X Income Fund

