



Corporate and
Investment Banking

Standard Bank African
Total Return Index

 Standard Bank

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The Standard Bank Africa Total Return Index

The SBAFRITR Index is an efficient and cost-effective manner to provide investors access to the broader African market (excluding South Africa, Lesotho and Swaziland), which is generally expensive and hard to access. The SBAFRITR Index is dollar-based and currently represents exposure to 33 African countries.

In accordance with the Index Rules Document, the Index will rebalance twice a year to determine which shares qualify in terms of the rules requirements. This will then make up the composition of the Index for the next six-month period.

Stocks in the Index will be selected from the equities with their primary listing in relevant stock exchanges in Africa (Local Shares) and equities with their primary listing in major stock exchanges outside Africa (International Shares) which have exposure to Africa, excluding South Africa. The shares with primary listings in major stock exchanges outside Africa must adhere to stringent rules to ensure the bulk of the shares included have a minimum of 85% of the company's total revenue being generated in Africa.

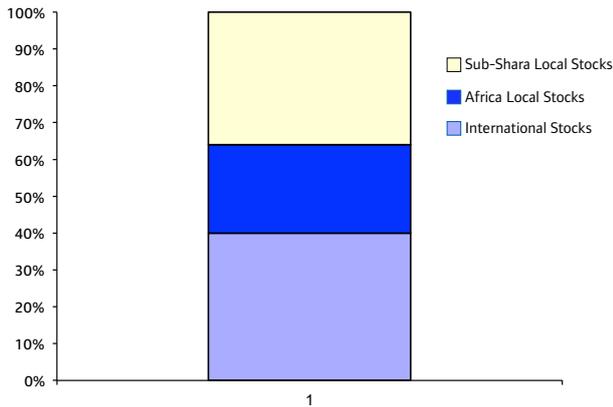
The initial set of stocks comprising the International and Local Shares undergo a filtering process whereby only shares with the correct geographical allocation of business, sufficient market capitalisation and liquidity that meet specific predetermined criteria are selected for further analysis. Stocks then undergo an optimisation process to maximise diversification across sectors and geographical regions.



Standard Bank African Total Return Index (SBAFRITR)

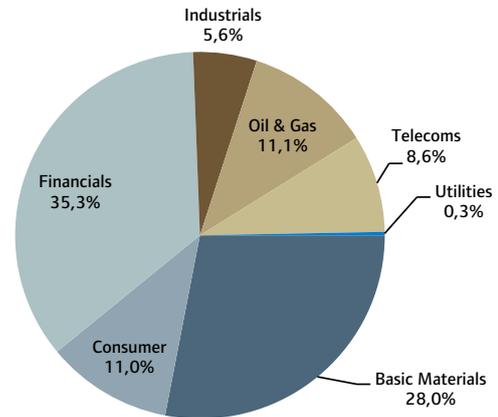
The SBAFRTR Index, as of Rebalancing date 17 October 2012, has the following exposures:

The number of stocks represented by the SBAFRITR Index by region:



Source: Bloomberg, Global Markets Research

SBAFRITR Index by sector allocation:

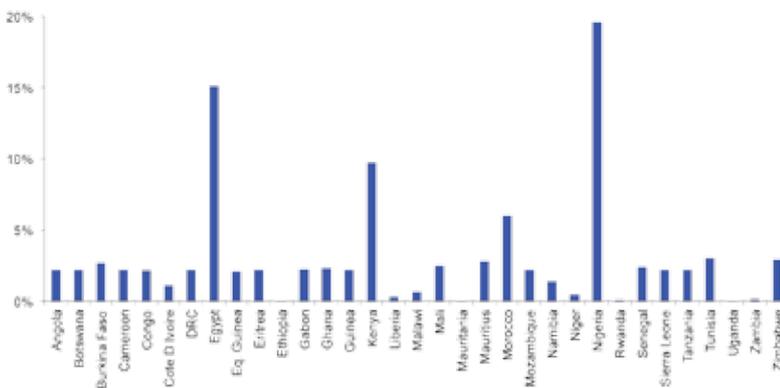


Source: Bloomberg, Global Markets Research

The number of stocks represented by the SBAFRITR Index by region:

Exchanges	Region	Number of Stock
Local	Sub-Sahara	50
	North Africa	44
International		73
Total		167

SBAFRITR Index by country exposure:



Source: Bloomberg, Global Markets Research



The SBAFRITR Index is well diversified across different sectors. The Basic Materials and the Financials sectors are dominant which is reflective of the International Shares, which tend to be involved in mining operations and a large weighting of banking stocks on the local exchanges.

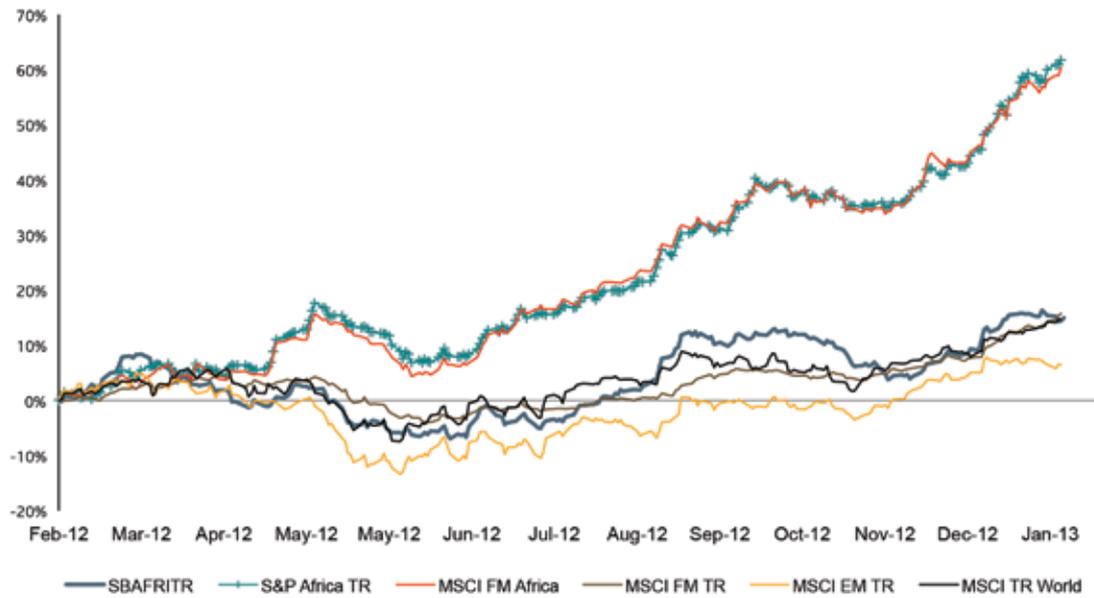
Top 10 share holdings (as at 17 October 2012):

Company name	Bloomberg ticker	Sector	Weight
OPHIR ENERGY PLC	OPHR LN	Oil and Gas	4,66%
ZENITH BANK PLC	ZENITHBA NL	Financials	4,10%
GUARANTY TRUST BANK	GUARANTY NL	Financials	3,83%
FIRST BANK OF NIGERIA PLC	FIRSTBAN NL	Financials	3,41%
RANDGOLD RESOURCES LTD	RRS LN	Basic Materials	2,98%
EAST AFRICAN BREWERIES LTD	EABL KN	Consumer	2,83%
SEMAFO INC	SMF CN	Basic Materials	2,42%
NIGERIAN BREWERIES PLC	NB NL	Consumer	2,41%
EFG-HERMES HOLDING SAE	HRHO EY	Financials	2,33%
NEVSUN RESOURCES LTD	NSU CN	Basic Materials	2,24%

Simulated Historical Performance

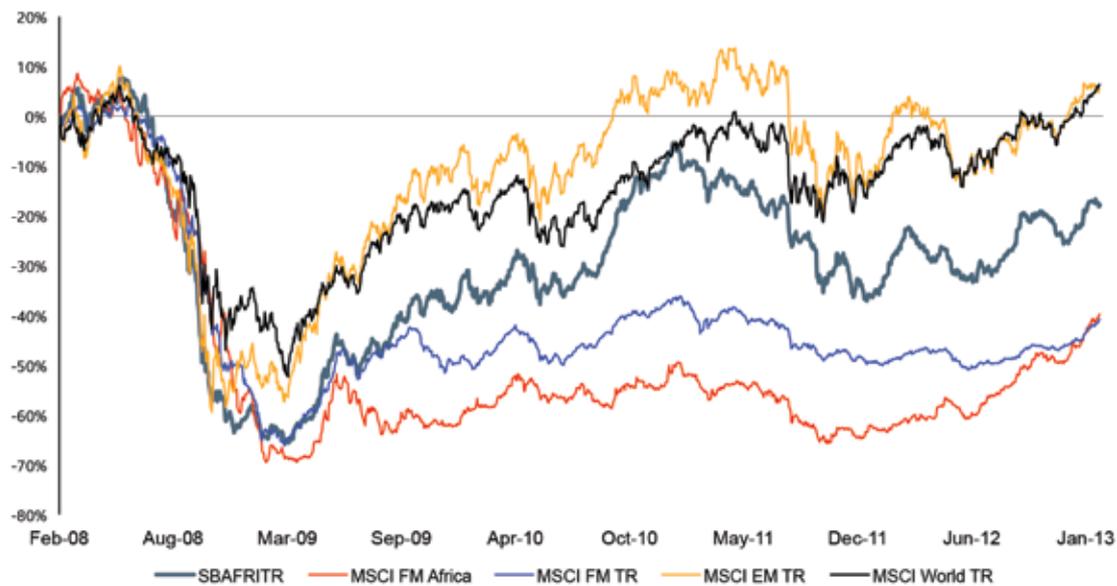
The past performance of the SBAFRTR Index has been simulated using the Index Rules for five years. The performance of the Index is compared to other-well know Africa and Emerging market indices for a 1- and 5-year period (ended 31 January 2013).

SBAFRTR Index performance vs. MSCI and S&P African Frontier Indices (1-year):



Source: Bloomberg, Global Markets Research

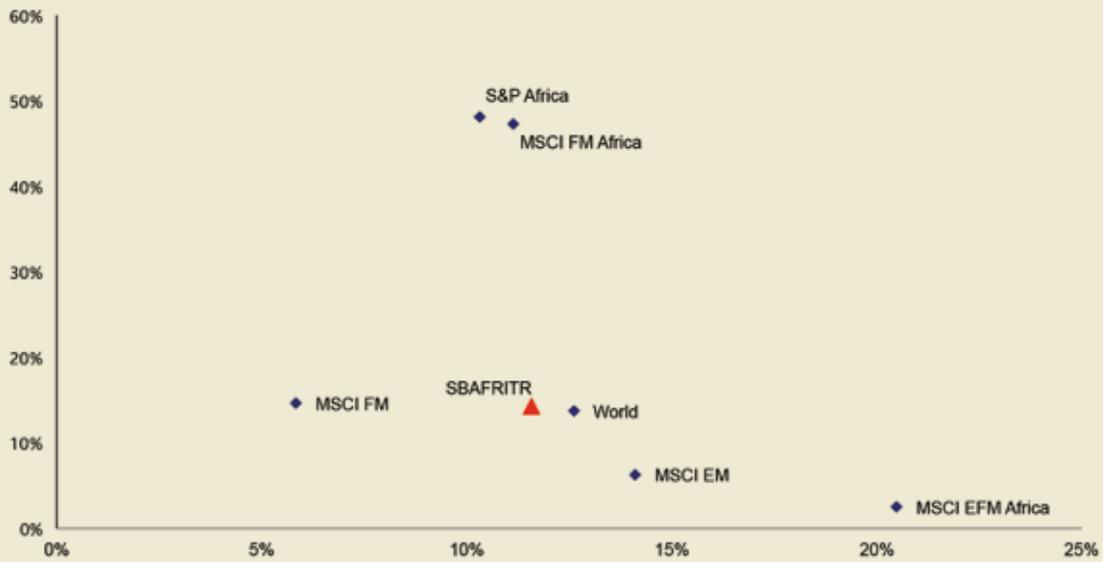
SBAFRTR Index performance vs. MSCI (5-year):



Source: Bloomberg, Global Markets Research



Risk-adjusted return: SBAFRITR Index vs. MSCI set of indices (1-year ended 31 January 2013).



Source: Bloomberg, Global Markets Research

Index Construction and Calculation Methodology

The Index is constructed on the basis of a set of rigid and transparent procedures, a summary of which is given below.

The initial set of stocks comprising the International and Local Shares undergo a filtering process whereby only shares with the geographical allocation of business, market capitalisation and liquidity that meet specific criteria are selected for further analysis.

Deriving the Eligible Securities Included in the SBAFRITR Index

Initial share selection

Shares in the Index will be selected from the equities with their primary listing in relevant stock exchanges in Africa (Local Shares) and equities with primary listing in major stock exchanges outside Africa (International Shares) which have exposure to Africa.

International Shares

International Shares undergo a filtering process based on geographical location of the company's operations, liquidity and market capitalisation. Only companies with an exposure to Africa (excluding South Africa, Lesotho and Swaziland) of more than 40%, determined through either their revenue, income or assets, are considered. Shares must also have an average daily liquidity exceeding USD50 000 and a market capitalisation of USD20 million or more on the relevant index calculation date.

Local Shares

Local Shares are shares with their primary listing on exchanges in Africa, excluding South Africa, Swaziland and Lesotho. These shares undergo a filtering process based on liquidity and market capitalisations. Only shares with an average daily liquidity exceeding USD10 000 are considered for inclusion in the SBAFRITR Index, subject to a maximum of 15 Local Shares per country. Where more than 15 Local Shares meet this requirement in any country, only the 15 Local Shares with the highest average daily liquidity on the relevant index calculation date will be included in the SBAFRITR Index. Shares with a market capitalisation of USD20 million or more on the relevant index calculation date are also considered for inclusion in the SBAFRITR Index.



Allocation of Shares on the Rebalancing Date

Rebalancing occurs semi-annually on the third Wednesday of April and October of each year. Local Shares constitute a minimum of 60% of the entire SBAFRITR Index and of these, 60% is allocated to Sub-Saharan Shares with the remaining 40% allocated to North African Shares. North Africa is allocated as 25% to Egypt, 10% to Morocco and 5% to Tunisia (in each case expressed as a percentage of the portion of the SBAFRITR Index allocated to Local Shares). International Shares are to constitute a maximum of 40% of the SBAFRITR Index.

Local Shares

Constraints:

1. The weight allocated to any share should not exceed 5% of the overall SBAFRITR Index; and
2. The combined weight of shares allocated to any country should not exceed 20% of the overall SBAFRITR Index. The country to which any share will be allocated will be the country in which such share has its primary listing.

International Shares

An optimisation process is applied to International Shares to find weights for them in the SBAFRITR Index that would make the SBAFRITR Index as broadly distributed among African countries as possible. In mathematical terms, the optimisation seeks to minimise the standard deviation of the weights allocated to the countries. This means that the optimisation procedure tries putting a greater emphasis on those International Shares that deal in the countries which were underrepresented in the initial allocation through Local Shares and vice versa.

This optimisation is conducted under the following constraints:

1. International Shares constitute a maximum of 40% of the overall SBAFRITR Index.

2. The weight allocated to any share cannot exceed 5% of the overall SBAFRITR Index.
3. The combined weight of shares allocated to any country should not exceed 20% of the overall SBAFRITR Index. The country to which any share will be allocated will be determined by the geographical allocation of their revenue, income or assets. A minimum of 80% of the shares will need to have at least 85% exposure to Africa, and the remainder of the shares will have to have a minimum of 40% exposure to Africa.

SBAFRITR Index Calculation Methodology

Treatment of cash dividends

The cash dividend, net of fees and taxes, are converted into USD on the day the dividend is actually received and is placed in an interest-bearing account at an interest rate of LIBID. At the end of the semi-annual period, the accumulated dividends and interest are re-invested into the equities included in the rebalanced SBAFRITR Index on the Rebalancing Date.

Corporate actions

Rules for the treatment of corporate actions follow market standard for Emerging Market products. For more information on the treatment of corporate actions consult the Index Rules document.

Calculation of the Index on the Rebalancing Date

Once the share weights are allocated on the Rebalancing Date, the corresponding number of shares for each designated share counter is determined based on the closing share price in USD on the Rebalancing Date. The numbers of shares are then scaled to ensure that the SBAFRITR Index is equal to the value of the previous index based on the last day's closing price. This amount, together with the accumulated cash dividends and interest thereon less rebalancing costs, will constitute one unit of the SBAFRITR Index.

For a more indepth description of the index calculation methodology refer to the Index Rules document.



Appendix

Share Composition of the SBAFRITR Index

Weights as of 31 January 2013 (previous Rebalancing Date)

Local			International		
Name	Ticker	Weight	Name	Ticker	Weight
SONATEL	SNTS BC	0,978%	TULLOW OIL PLC	TLW LN	1,635%
SOC AFRICAINE DE PLANTATIONS	SPHC BC	0,147%	FIRST QUANTUM MINERALS LTD	FM CN	0,047%
SOC CAOUTCHOUC GRAND BEREBY	SOGC BC	0,065%	RANDGOLD RESOURCES LTD	RRS LN	2,240%
PALMCI	PALC BC	0,055%	IAMGOLD CORP	IMG CN	0,027%
LETSHEGO HOLDINGS LTD	LETSHEGO BG	0,282%	AFRICAN MINERALS LTD	AMI LN	1,274%
BOTSWANA INSURANCE HLDGS LTD	BIHL BG	0,059%	AFREN PLC	AFR LN	0,039%
EFG-HERMES HOLDING SAE	HRHO EY	1,863%	AFRICA OIL CORP	AOI CN	0,033%
ORASCOM TELECOM MEDIA AND TE	OTMT EY	1,993%	PALADIN ENERGY LTD	PDN AU	1,725%
ORASCOM CONSTRUCTION INDS	OCIC EY	1,572%	SEMAFO INC	SMF CN	1,730%
COMMERCIAL INTERNATIONAL BAN	COMI EY	1,330%	RESOLUTE MINING LTD	RSG AU	0,056%
ORASCOM TELECOM HOLDING	ORTE EY	1,410%	OPHIR ENERGY PLC	OPHR LN	3,983%
PALM HILLS DEVELOPMENTS SAE	PHDC EY	0,936%	MAUREL ET PROM	MAU FP	0,890%
T M G HOLDING	TMGH EY	0,824%	PERSEUS MINING LTD	PRU AU	0,102%
EZZ STEEL	ESRS EY	0,644%	CENTAMIN PLC	CEY LN	0,022%
CITADEL CAPITAL SAE	CCAP EY	0,638%	SUNDANCE RESOURCES LTD	SDL AU	1,101%
TELECOM EGYPT	ETEL EY	0,461%	AUSDRILL LTD	ASL AU	0,196%
PIONEERS HOLDING	PIOH EY	0,270%	CHARIOT OIL & GAS LTD	CHAR LN	0,046%
SIX OF OCTOBER DEVELOPMENT	OCDI EY	0,266%	TRANSGLOBE ENERGY CORP	TGL CN	0,029%
EGYPTIAN FIN & INDUSTRIAL	EFIC EY	0,224%	VAALCO ENERGY INC	EGY US	0,717%
AMER GROUP HOLDING	AMER EY	0,222%	KENMARE RESOURCES PLC	KMR LN	0,881%
EGYPTIAN RESORTS CO	EGTS EY	0,205%	KOSMOS ENERGY LTD	KOS US	0,150%
EAST AFRICAN BREWERIES LTD	EABL KN	3,395%	BANRO CORPORATION	BAA CN	0,486%
KENYA COMMERCIAL BANK LTD	KNCB KN	1,897%	BOWLEVEN PLC	BLVN LN	0,950%
EQUITY BANK LTD	EQBNK KN	1,687%	NEVSUN RESOURCES LTD	NSU CN	1,941%
SAFARICOM LTD	SAFCOM KN	1,268%	AFRICAN BARRICK GOLD PLC	ABG LN	0,558%
CO-OPERATIVE BANK OF KENYA L	COOP KN	0,362%	DISCOVERY METALS LTD	DML AU	0,661%
BRITISH AMERICAN TOBACCO-KEN	BATK KN	0,402%	MART RESOURCES INC	MMT CN	0,042%
MUMIAS SUGAR CO LTD ORD 5.00	MSUG KN	0,257%	AVION GOLD CORP	AVR CN	0,058%
KENYA POWER & LIGHTING LTD	KPLL KN	0,276%	AVOCET MINING PLC	AVM LN	0,037%
BARCLAYS BANK LTD	BCBL KN	0,314%	GRYPHON MINERALS LTD	GRY AU	0,031%
UCHUMI SUPERMARKET LTD	UCSP KN	0,204%	PZ CUSSONS PLC	PZC LN	0,046%
BAMBURI CEMENT CO LTD	BMBC KN	0,223%	ENDEAVOUR MINING CORP	EDV CN	0,061%
KENOLKOBIL LTD GROUP	KNOC KN	0,151%	MINERAL DEPOSITS LTD	MDL AU	0,064%
ATHI RIVER MINING LTD	ARML KN	0,158%	SHANTA GOLD LTD	SHG LN	0,653%
DIAMOND TRUST BANK KENYA LTD	DTKL KN	0,110%	AMPELLA MINING LTD	AMX AU	0,031%
NATION MEDIA GROUP	NMG KN	0,107%	BELLZONE MINING PLC	BZM LN	2,274%
MAROC TELECOM	IAM MC	1,957%	BANCO BPI SA.- REG SHS	BPI PL	3,358%
ATTIJARIWAFI BANK	ATW MC	1,210%	GOLDEN STAR RESOURCES LTD	GSC CN	0,113%
DOUJA PROM ADDOHA	ADH MC	0,947%	AMARA MINING PLC	AMA LN	0,522%

Local			International		
Name	Ticker	Weight	Name	Ticker	Weight
BANQUE CENTRALE POPULAIRE	BCP MC	0,604%	CIRCLE OIL PLC	COP LN	0,032%
BANQUE MAROCAINE DU COMMERCE	BCE MC	0,224%	WEST AFRICAN MINERALS CORPOR	WAFM LN	0,031%
ALLIANCES DEVELOPPEMENT IMMO	ADI MC	0,209%	TIGER RESOURCES LTD	TGS AU	0,747%
MANAGEM	MNG MC	0,247%	MAUREL & PROM NIGERIA	MPNG FP	0,050%
LAFARGE CIMENTS	LAC MC	0,126%	CANACO RESOURCES INC	CAN CN	0,656%
DELTA HOLDING SA	DHO MC	0,096%	PMI GOLD CORP	PMV CN	0,122%
Wafa ASSURANCE	WAA MC	0,109%	AZUMAH RESOURCES LTD	AZM AU	0,099%
HOLCIM MAROC SA	HOL MC	0,102%	AFRICAN ENERGY RESOURCES-CDI	AFR AU	0,042%
SAMIR	SAM MC	0,072%	STE INTERNAT PLANTS HEVEAS	SIPH FP	0,047%
COMPAGNIE GENERALE IMMOBILIE	CGI MC	0,074%	TERANGA GOLD CORP	TGZ CN	0,064%
SOCIETE METALLURGI D'IMITER	SMI MC	0,074%	SABLE MINING AFRICA LTD	SBLM LN	0,068%
CIMENTS DU MAROC	CMA MC	0,052%	OREZONE GOLD CORP	ORE CN	0,047%
MAURITIUS COMMERCIAL BANK	MCB MP	1,714%	NOBLE MINERAL RESOURCES LTD	NMG AU	0,110%
STATE BANK OF MAURITIUS LTD	SBM MP	0,520%	LUCARA DIAMOND CORP	LUC CN	0,479%
TERRA MAURICIA LTD	TERA MP	0,239%	HANA MINING LTD	HMG CN	0,799%
NEW MAURITIUS HOTELS LTD	NMH MP	0,252%	TOTAL GABON	EC FP	0,366%
ROGERS AND CO LTD	ROGERS MP	0,120%	EQUATORIAL RESOURCES LTD	EQX AU	0,546%
SWAN INSURANCE COMPANY LTD	SWAN MP	0,053%	AGRITERRA LTD	AGTA LN	0,454%
LUX ISLAND RESORTS LTD	NRL MP	0,050%	SIERRA RUTILE LTD	SRX LN	0,431%
ZENITH BANK PLC	ZENITHBA NL	4,483%	BEACON HILL RESOURCES PLC	BHR LN	0,231%
GUARANTY TRUST BANK	GUARANTY NL	4,543%	OBTALA RESOURCES LTD	OBT LN	0,244%
FBN HOLDINGS PLC	FBNH NL	3,552%	TOWER RESOURCES PLC	TRP LN	0,053%
NIGERIAN BREWERIES PLC	NB NL	2,733%	JACKA RESOURCES LTD	JKA AU	0,049%
ACCESS BANK PLC	ACCESS NL	1,327%	AUREUS MINING INC	AUE LN	0,253%
UNITED BANK FOR AFRICA PLC	UBA NL	1,260%	KATANGA MINING LTD	KAT CN	0,473%
NESTLE NIGERIA PLC	NESTLE NL	0,934%	GEODRILL LTD	GEO CN	0,104%
GUINNESS NIGERIA PLC	GUINNESS NL	0,628%	GEMFIELDS PLC	GEM LN	0,028%
DIAMOND BANK PLC	DIAMONDB NL	0,701%	BAOBAB RESOURCES PLC	BAO LN	0,764%
OANDO PLC	OANDO NL	0,434%	GOLDEN RIM RESOURCES LTD	GMR AU	0,028%
ECOBANK TRANSNATIONAL INC	ETI NL	0,374%	HUMMINGBIRD RESOURCES PLC	HUM LN	0,206%
DANGOTE CEMENT PLC	DANGCEM NL	0,324%	ADC AFRICAN DEVELOPMENT CORP	AZC GR	0,222%
SKYE BANK PLC	SKYEBANK NL	0,386%	LINDIAN RESOURCES LTD	LIN AU	0,076%
FIRST CITY MONUMENT BANK PLC	FCMB NL	0,400%	MWANA AFRICA PLC	MWA LN	0,058%
FLOUR MILLS NIGERIA PLC	FLOURMIL NL	0,329%	MAWSON WEST LIMITED	MWE CN	0,107%
SOCIETE MODERNE DE CERAMIQUE	SOMOC TU	0,375%			
CARTHAGE CEMENT	CC TU	0,309%			
ENNAKL	NAKL TU	0,268%			
ADWYA SA	ADWYA TU	0,261%			

Local		
Name	Ticker	Weight
SOCIETE ELECTROSTAR	LSTR TU	0,195%
POULINA GROUP HOLDING	PGH TU	0,208%
BANQUE DE TUNISIE	BT TU	0,194%
GIF FILTER	GIF TU	0,137%
ARTES	ARTES TU	0,159%
SOC TUNISIENNES DE VERRERIES	SOTUV TU	0,128%
SOCIETE DE PRODUCTION AGRICO	SOPAT TU	0,109%
TUNISIE PROFILES ALUMINIUM	TPR TU	0,112%
SOC TUNSIENNE D'ENTREPRISES	SOTET TU	0,100%
TUNIS RE	TRE TU	0,089%
SOC DE TRANSPORT HYDROCARBUR	STPIL TU	0,079%
ZAMBEEF PRODUCTS PLC	ZAMBEEF ZL	0,051%
DELTA CORPORATION LTD	DLTA ZH	2,061%
ECONET WIRELESS ZIMBABWE LTD	ECO ZH	1,149%
INNSCOR AFRICA LTD	INN ZH	0,292%
SEED CO	SEED ZH	0,052%
DAIRIBORD HOLDINGS LTD	DZL ZH	0,067%

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