



DIGIWEALTH
GLOBAL WEALTH FOR ALL

xAI Global Equity Fund

Name	xAI USA Equity Fund
Version	Version 1
Last Review Date	7 January 2026
Frequency of Review	Quarterly or Rebalance Triggers
Next Review Date	31 March 2026
Plan Owner	Windall Bekker
Responsible Business	Management



1 XAI GLOBAL EQUITY FUND

1.1 Background

We created the optimal USA-focused fund using Satrix ETFs by allocating primarily to Satrix S&P 500 and Satrix Nasdaq 100 for direct US exposure, with a minor allocation to Satrix MSCI World to provide slight diversification within developed markets while maintaining a strong US tilt (~96% effective US exposure). This builds on the growth-optimized approach, reducing any non-US elements compared to global funds, to maximize US market upside.

1.2 Key Updates

Satrix ETF TERs remain competitive; no major changes noted as of January 7, 2026.

1.3 Fund Overview

- Objective: Long-term capital growth with focused USA exposure, emphasizing large-cap stability and tech-driven growth.
- Weighted TER: Approximately 0.33%
- Rebalancing: Quarterly or as needed
- Risk Profile: Aggressive (full equity, currency risk)
- Benchmark Comparison: Blends S&P 500 and Nasdaq-100 with a touch of MSCI World for enhanced performance potential.



2 CONSTITUENTS AND ALLOCATIONS

2.1 Optimal USA Fund

Benchmark	Allocation	TER	Key Rationale
S&P 500 Index	50%	0.25%	Core holding for broad US large-cap exposure across sectors; provides stability and consistent returns.
Nasdaq-100 Index	40%	0.46%	Growth tilt via leading US tech and innovation companies; historical outperformance in bull markets.
MSCI World Index	10%	0.25%	Adds minor diversification with ~70% US weighting; hedges pure US risks cost-effectively.

2.2 Why This Allocation

- High US Focus: Effective US exposure of ~96% (50% + 40% + 10%*70%), minimizing non-US holdings while using available Satrix ETFs.
- Balances Stability and Growth: S&P 500 offers diversified sector coverage, Nasdaq boosts potential returns from tech, and small MSCI World reduces volatility without diluting USA emphasis.
- Optimized for Performance: Based on historical data, this mix aims for higher returns than pure S&P 500, with moderated risk compared to full Nasdaq.
- Overall: Growth-oriented USA fund, more aggressive than balanced global versions, targeting US economic strength.



3 RISK AND RETURNS

3.1 xAI USA Equity Fund Returns

Period	Fund Returns	Notes
Past Quarter (Q4 2025)	~4-7% (non-annualized total return)	Estimated from late-2025 US market trends; tech-led gains.
3 Months	~5-8% (non-annualized)	Similar to quarter; strong US indices performance.
6 Months	~10-13% (non-annualized)	Mid-2025 to end-2025; includes US recovery.
1 Year	~22-27%	Blended; Nasdaq tilt boosted returns in strong 2025 US markets.
3 Years (annualized)	~17-21%	Driven by US/tech recovery; higher than global averages.
5 Years (annualized)	~16-19%	Long-term US growth benefits.

3.2 Constituent Returns

ETF Name	Past Quarter	3 Months	6 Months	1 Year	3 Years p.a.	5 Years p.a.
Satrix S&P 500	~4-6%	~5-7%	~10-12%	~20-25%	~16-19%	~15-17%
Satrix Nasdaq 100	~5-8%	~6-9%	~12-15%	~25-30%	~20-25%	~18-22%
Satrix MSCI World	~3-5%	~4-6%	~8-10%	~18-22%	~14-17%	~13-15%

3.3 Notes:

- Returns are total returns in ZAR terms, influenced by USD/ZAR fluctuations (rand movements affected 2025 gains).
- Short-term periods are non-annualized total returns.
- Longer periods are annualized.
- US-focused ETFs led gains due to tech and economic strength in 2025.
- Past performance is not indicative of future results.



3.4 Max Loss and Volatility

ETF Name	Volatility (Annualized, approx. 3-5 Year)	Maximum Drawdown (Historical, approx.)	Notes
xAI USA Equity Fund	~18-23%	~30-37%	Blended; higher due to Nasdaq tilt.
Satrix S&P 500	16-20%	-25% to -32% (2022)	US-focused stability.
Satrix Nasdaq 100	22-28%	-35% to -40% (2022 tech correction)	Highest volatility from tech.
Satrix MSCI World	15-18%	-25% to -30% (2022)	Moderate due to diversification.



4 HISTORICAL PERFORMANCE CONTEXT

(Note: Based on pre-2026 data; actual 2026 performance may vary with market conditions.
Past performance is no guarantee of future results.)

4.1 Implementation Notes

- How to Build It: Allocate proportionally (e.g., R10,000 total: R5,000 STX500, R4,000 STXNDQ, R1,000 STXWDM).
- Advantages: Low costs, high US exposure, JSE-listed in ZAR (no offshore needs).
- Risks: Equity volatility, heavy US concentration, ZAR currency fluctuations.

This USA fund prioritizes maximum growth from US markets with balanced allocation!