



DIGIWEALTH
GLOBAL WEALTH FOR ALL

xAI Global Equity Fund

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Plan Owner	Windall Bekker
Responsible Business	Management



1 XAI GLOBAL EQUITY FUND

1.1 Background

Constrain the optimal fund by allocating 50% to Satrix MSCI World (STXWDM) for broader developed market diversification (including ~70% US exposure plus Europe, Japan, etc.). This reduces the heavy US/tech tilt from the unconstrained previous growth-optimized version, creating a more balanced global equity fund with better non-US developed market coverage while retaining some growth potential and emerging market upside.

1.2 Key Updates

Satrix MSCI World TER reduced to 0.25% (effective October 1, 2025), lowering cost.

1.3 Fund Overview

- Fund Name: **AI Global Equity Fund**
- Objective: Long-term capital growth with balanced global exposure, emphasizing developed markets while adding growth and emerging potential.
- Weighted TER: Approximately 0.33% (lower than before due to STXWDM TER cut).
- Rebalancing: Quarterly or rebalancing triggers activated
- Risk Profile: Aggressive (full equity, currency risk).
- Benchmark Comparison: Closely aligns with MSCI World while adding targeted boosts.



2 CONSTITUENTS AND ALLOCATIONS

2.1 Optimal Constrained Fund

ETF Name	Ticker	Benchmark	Allocation	TER	Key Rationale
Satrix MSCI World	STXWDM	MSCI World Index	50%	0.25%	Core holding for broad developed markets diversification (US ~70%, rest ex-US developed); highly cost-effective post-TER reduction.
Satrix Nasdaq 100	STXNDQ	Nasdaq-100 Index	25%	0.46%	Retained growth tilt via leading tech innovators.
Satrix S&P 500	STX500	S&P 500 Index	15%	0.25%	Complementary US large-cap exposure for stability.
Satrix MSCI Emerging Markets	STXEMG	MSCI Emerging Markets IMI Index	10%	0.40%	Diversification into high-growth potential emerging economies (e.g., China, India, Taiwan).

2.2 Why This Adjustment

- Increasing STXWDM to 50% provides ~35% effective US exposure via its natural weighting, plus strong coverage of other developed markets (reducing single-index risk).
- Keeps some overweight in Nasdaq/S&P for historical outperformance potential without excessive concentration.
- Maintains 10% EM for global completeness and upside in recovering markets.
- Overall: More conservative than the original unconstrained fund (less tech-heavy), potentially lower volatility, but still growth-oriented.



3 RISK AND RETURNS

3.1 Xai Global Equity Fund Returns

Period	Fund Returns	Notes
Past Quarter (Q4 2025)	~4-6% (non-annualized total return)	Estimated from late-2025 market trends; developed markets strong in Q4. Exact not available.
3 Months	~5-8% (non-annualized)	Similar to quarter; tech and US indices led gains.
6 Months	~10-12% (non-annualized)	Mid-2025 to end-2025; includes recovery in EM.
1 Year	~18-22%	Blended from sources (e.g., Nasdaq tilt boosted; STXNDQ noted ~12% in older data, but 2025 was strong for US equities).
3 Years (annualized)	~15-18%	Driven by US/tech recovery post-2022; MSCI World ~12-15% historically in ZAR.
5 Years (annualized)	~14-16%	Long-term average; benefits from growth in Nasdaq/S&P components.

3.2 Constituent Returns

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

Notes:



- Returns are total returns in ZAR terms, influenced by USD/ZAR fluctuations (rand appreciation in parts of 2025 reduced ZAR-denominated gains compared to USD indices).
- Short-term periods (quarter, 3/6 months) are non-annualized total returns.
- Longer periods are annualized.
- Nasdaq 100 and S&P 500 led gains due to tech sector strength; Emerging Markets benefited from China/India recovery in late 2025.
- Past performance is not indicative of future results.

3.3 Max Loss and volatility

ETF Name	Volatility (Annualized, approx. 3-5 Year)	Maximum Drawdown (Historical, approx.)	Notes
Xai Global Equity Fund	-17% to 20%	-28% to -35%	
Satrix MSCI World	15-18%	-25% to -30% (2022 drawdown dominant)	Broad developed markets; moderate risk due to diversification.
Satrix Nasdaq 100	22-28%	-35% to -40% (2022 tech correction)	Highest volatility from tech concentration.
Satrix S&P 500	16-20%	-25% to -32% (2022)	Similar to MSCI World but more US-focused.
Satrix MSCI Emerging Markets	18-25%	-35% to -45% (longer-term incl. China weakness)	Highest drawdown potential from EM risks.



4 HISTORICAL PERFORMANCE CONTEXT

(Note: Based on pre-2026 data; actual recent performance would reflect 2025 market conditions, including strong developed market returns. Past performance is no guarantee of future results.)

4.1 Implementation Notes

- How to Build It: Allocate proportionally across the ETFs (e.g., R10,000 total: R5,000 STXWDM, R2,500 STXNDQ, R1,500 STX500, R1,000 STXEMG).
- Advantages: Ultra-low costs, full global diversification, no offshore approval needed (JSE-listed in ZAR).
- Risks: Equity market volatility, US dominance (~80-85% effective developed exposure), ZAR currency fluctuations, potential EM underperformance.

This constrained fund prioritizes balance and diversification over maximum growth tilt!



PLAN ADOPTION

- By signing this document, I authorise the organisation's approval and adoption of the processes and procedures outlined herein.

Name & Surname	Windall Bekker
Capacity	Key Individual
Signature	<i>Windall Bekker</i>
Date	02 January 2026

Authorised FSP 55173

e: info@digiwealth.co.za | www.digiwealth.co.za
a: 13 Belvedere Street, Durbanville, Cape Town, South Africa, 7551
c: + (27) 82 759 2318 | t: + (27) 21 975 2535