How you can use unit trusts to invest offshore

ETF: Exchange Traded Funds
FSCA: Financial Sector Conduct Authority
JSE: Johannesburg Stock Exchange

Investing offshore in Rands

- Local manager investing in offshore markets and offering a foreign fund based in rands
- Local manager whose offshore partner manages a rand-denominated foreign fund
- Local manager investing in its own offshore fund as a rand-based feeder fund
- Local multi-manager investing in offshore unit trust (mutual) funds
- Local manager's foreign fund that tracks an index on a foreign market.
- ETFs listed on the JSE that track an index on a foreign market

Investing offshore in foreign currency

You need a foreign currency bank account, and to use your offshore allowance

- up to R1 million (no tax clearance)
- up to R10 million (tax clearance required)

FSCA REGISTERED FUNDS

- Local manager's offshore fund
- Offshore manager's fund
- Offshore manager's index fund
- Offshore manager's ETF

NON-FSCA REGISTERED FUNDS

- Offshore branch of a local life company's endowment policy
- Offshore mutual funds, index funds and ETFs not registered with the FSCA

NB: Many South African equity, fixed-income and multi-managed funds can invest up to 45% of the fund, offshore.