



South African Reserve Bank
Financial Surveillance Department

2017-02-24

Exchange Control Circular No. 6/2017

Collective investment scheme management companies permitted to inward list exchange traded funds referencing offshore assets

The attention of Authorised Dealers and Authorised Dealers in foreign exchange with limited authority is drawn to the announcement by the Minister of Finance in the 2017 Budget speech regarding exchange traded funds referencing offshore assets.

In terms thereof, local collective investment scheme management companies registered with the Financial Services Board and regulated under the Collective Investment Scheme Control Act (2002) will be allowed to inward list exchange traded funds referencing foreign assets on the JSE Limited. These exchange traded funds will not be restricted in terms of the amount they can invest offshore.

Investments into these funds will be classified as foreign assets for prudential purposes. South African institutional investors and Authorised Dealers will be allowed to invest in such funds, subject to their respective macro-prudential limits.

Qualifying collective investment scheme management companies wishing to inward list exchange traded funds referencing foreign assets on the JSE Limited, require prior written approval from the Financial Surveillance Department.

The amended Manual and guideline document may be accessed on the SARB website: www.reservebank.co.za by following the links: Home>Regulation and supervision>Financial surveillance and exchange controls> Currency and exchanges documents.


Head of Department: Financial Surveillance