



# AS Forum BCI Cautious Fund of Funds

Minimum Disclosure Document  
Date of Issue : 15 November 2017

month ended 31 October 2017

## Portfolio Information

The portfolio is a cautious managed fund of funds. The investment objective is to provide the investor with a high level of income coupled with stable capital growth over the short term. The portfolio is suitable for the investor looking for protection against inflation balanced with the need for a regular income stream. A limited level of capital protection is afforded to the investor whereby equity exposure is limited to a maximum of 40% within the portfolio.

Investments will be made across a spread of asset classes and (apart from assets in liquid form) invest in equity securities, property securities and non-equity securities. The fund may make use of both domestic and global managers. The asset allocation is compliant with Regulation 28 of the Pension Funds Act.

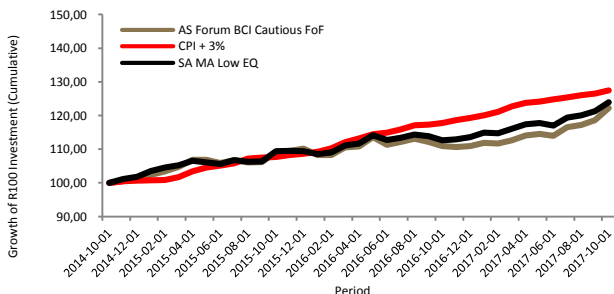
### Low - Medium Risk

This portfolio has relatively low equity exposure, resulting in relatively low volatility compared to higher risk portfolios. Where the asset allocation contained in this MDD reflects offshore exposure, the portfolio is exposed to currency risks. The portfolio is exposed to default and interest rate risks. Therefore, it is suitable for medium term investment horizons. The expected potential long term investment returns are lower over the medium to long term than higher risk portfolios.

Fund Classification	SA Multi-Asset Low Equity		
Benchmark	CPI + 3%		
Fund Size	R101 million		
Launch Date	1 November 2006		
Portfolio Manager	Tavonga Chivizhe and Investment Committee of A S Sure Investment Services		
Risk Classification	Low *	Med *	High
JSE Code	MAFC		
ISIN Code	ZAE000086872		

## Performance (Net of Fees)

Investment performance is for illustrative purposes only and calculated by taking actual initial fees and ongoing fees into account for amount shown with income reinvested on reinvestment date.



Annualised return is the weighted average compound growth rate over the period measured.

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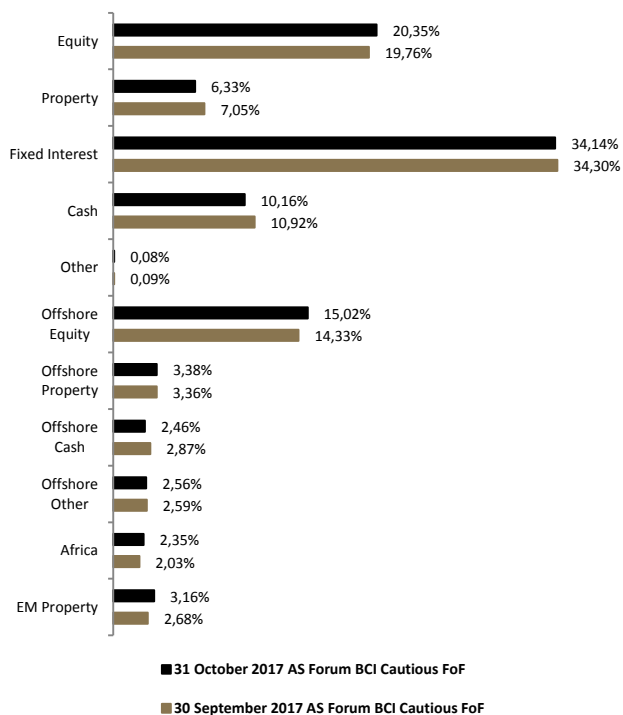
Period	Fund	CPI + 3%
Inception annualised	8,87%	8,93%
12 months	10,18%	8,21%
24 months annualised	5,81%	8,76%
36 months annualised	6,91%	8,42%

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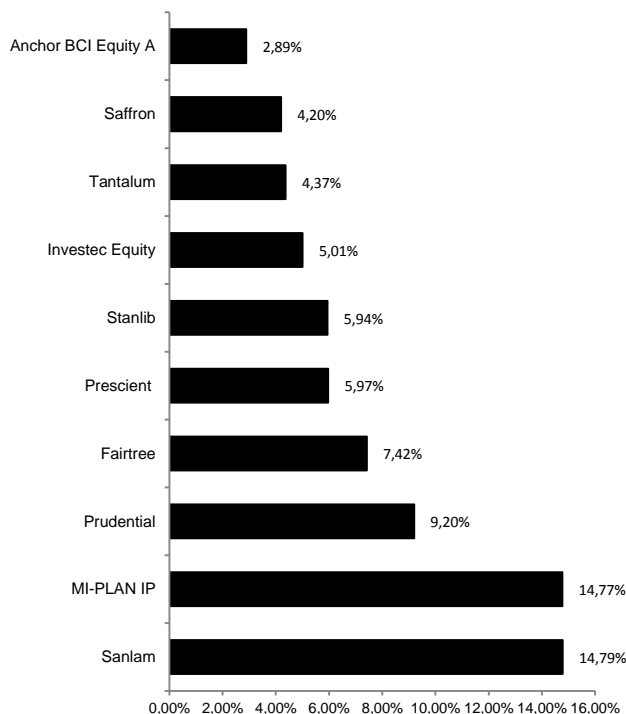
## Distribution Information

Feb-16	May-16	Aug-16	Nov-16
1.12	0.99	1.40	1.31
Feb-17	May-17	Aug-17	Nov-17
1.30	1.30	1.41	

## Asset Allocation



## Manco Allocation



A S Sure Investment Services  
(Pty) Limited

Authorised Financial Services Provider  
(FSP # 8213)



Awards  
2013



Awards  
2014

BOUTIQUE  
+ COLLECTIVE  
INVESTMENTS



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## Market Commentary

\*South African index returns are quoted in Rands, while all other return figures are quoted in USD terms.

The spotlight was on Minister Malusi Gigaba over the past month, as he delivered the 20<sup>th</sup> Medium-Term Budget Policy Statement. Minister Gigaba failed to offer the economy and Ratings agencies the policy certainty it currently needs. As a result, the market nervously reacted, pushing the 10-year Government bond yield from +8.8% to +9.4% (its highest since 2016).

Despite the volatile backdrop, the JSE closed the month mainly in the green, delivering +6.26% overall. Resources sustained their recovery since June of this year, posting a +6.37% return for the month. The star performer however, was the large rand-hedge industrial counters, returning 8.14% for the month. Financials posted the weakest sector return, at +2.1%.

In the US, equity markets continued to notch up higher, as favourable economic data showed a 3% year-on-year GDP growth, despite the recent hurricanes. The S&P500 closed the month 2.33% higher, ignoring the ongoing probe by special counsel Robert Mueller (into alleged Russian meddling in the 2016 U.S. presidential election, which could implicate President Donald Trump negatively), as well as uncertainty surrounding the new Fed chair.

October also saw the long-anticipated official announcement of Europe's plan on their Quantitative Easing program. The European Central Bank announced its intention to begin weaning the eurozone countries off billions of euros of monetary stimulus. This saw the Euro marginally losing some ground against some major currencies. Equity markets responded in kind, with MSCI Europe returning a flat 0.48%.

In Asia, Japan made the headlines, as Prime Minister Shinzo Abe was re-elected, following his overwhelming victory in a snap election. The equity market rallied by 8.1% in local currency terms, reaching a 21-year record high. Similarly, Chinese markets edged higher, as the China National Conference took place, solidifying President Xi Jinping's reign and vision. By month end, MSCI China's H-shares posted a +5.64% return, outperforming most major markets.

On the commodities front, the global oil benchmark, Brent crude (+7.9%), logged its fourth consecutive month-on-month gain, reaching a high of \$61.21/bbl. This was buoyed by reports that OPEC and other oil producers would extend production cuts beyond the current March 2018 end date.

\*All performance figures are quoted in US dollars, unless otherwise stated. All market performances are shown in their respective local currencies

## Fee Information

Distribution Frequency	Quarterly: Feb May Aug and Nov
Payment Date	2 <sup>nd</sup> working day Mar Jun Sep and Dec
Minimum Lump Sum	R25 000
Minimum Monthly Investment	R1000
Advisory Fee (Maximum)	1.14% (incl VAT)
Initial Fee	0.00% (incl VAT)

TER<sup>1</sup> 1.8% (incl VAT)

Please note: A higher TER ratio does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TER's. Transaction costs are a necessary cost in administering the Fund and impacts Fund returns.

It should not be considered in isolation as returns may be impacted by many other factors over time including market returns the type of fund the investments decisions of the investment manager and the TER.

The TER and Transaction cost were calculated based upon figures for the past financial year end 31 August 2017.

TER %: 1.81% \*PFC TER% 0.00% Transaction costs 0.33% Total Cost % 2.14%

\*Performance fees included in TER

## Highest and Lowest Monthly Returns

Year	Highest	Lowest
2016	2.46%	-2.04%
2015	2.82%	-0.84%
2014	1.41%	-0.78%
2013	4.08%	-2.84%
2012	2.32%	-0.31%

Annual Management Charge 1.14% (incl VAT)

Performance Fee: 15% (sharing rate) of outperformance above the benchmark (hurdle rate) over a 24 month rolling period, capped at 0.57% p.a. (incl VAT).

Please note that your financial advisor may be a related party to A S Sure Investment Services and/or Boutique Collective Investments (RF) (Pty) Ltd. It is your financial advisor's responsibility to disclose all fees received from any related party. The portfolio's Total Expense Ratio (TER) includes all fees paid by the portfolio to BCI, trustees, auditors, banks, the co-managing partner, underlying portfolios and any other investment consultants or managers, as well as distribution fees and LISP rebates, where applicable. The portfolio's performance numbers are calculated net of the TER expenses.

Performance fees will be calculated and accrued on a daily basis based upon the daily outperformance, in excess of the benchmark, multiplied by the share rate and paid over to the manager monthly

## Subscriptions

## Industry Accolades

Morningstar South Africa Fund Awards  
2014 Best Fund House (Small Range) (Finalist)\*

Morningstar South Africa Fund Awards  
2013 Best Fund House (Small Range) (Finalist)\*

Morningstar South Africa Fund Awards  
2013 South African-Multi Asset-High Equity Category (Second)\*

\* details available from A S Sure Investment Services (Pty) Ltd

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