ANCHOR CAPITAL

ANCHOR BCI ACPI GLOBAL BALANCED FEEDER FUND| February 2018
MINIUMUM DISCLOSURE DOCUMENT

Issue Date: 08 March 2018

INVESTMENT OBJECTIVE

The Anchor BCI ACPI Global Balanced Feeder Fund aims to outperform the US dollar Libor 1-year Index by 3% p.a.

INVESTMENT PHILOSOPHY

The Anchor BCI ACPI Global Balanced Feeder Fund will, apart from assets in liquid form, invest solely in the participatory interest of the ACPI Balanced UCITS Fund.

The underlying portfolio invests in equity securities.

The fund has the ability to invest in other collective investments schemes with similar objectives.

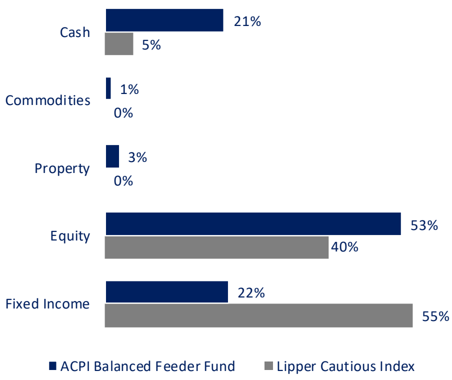
CUMULATIVE PERFORMANCE VS. BENCHMARK SINCE INCEPTION

The performance will be shown once the required regulatory period has passed (12 months after inception date).

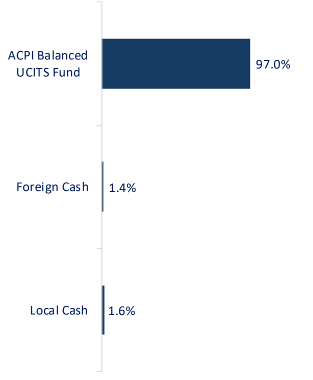
PERFORMANCE AT 28 FEB 2018

The performance will be shown once the required regulatory period has passed (12 months after inception date).

ASSET ALLOCATION AT 28 FEB 2018



TOP HOLDINGS AT 28 FEB 2018



FUND MANAGER COMMENTARY AT 28 FEB 2018

Equity: Attribution: -3.0% vs. -1.7% Lipper Equity Index

- World equities bore the brunt of the sell-off through February with dispersion between styles, regions and sectors being minimal initially, although some degree of dispersion has emerged from the lows.
- At the portfolio level, the broad based sell-off has meant that the traditional fundamental investment approach has taken something of a back seat for the time being. Only limited outperformance can be seen from our array of active managers. Not owning Tech, the seemingly perfect safe haven in today's market, in any significant way, detracted from many of our global managers' relative returns.
- On the positive side, there was a strong relative performance from our holding in the **Vulcan Value Equity Fund** (-1.4% vs -3.7%) and similarly the **Pinebridge Asia Ex-Japan Equity Fund** (-1.4%) held up well, relative to the small cap benchmark (-5.1%).

Fixed Income Attribution: -0.2% vs. –1.0% Lipper Fixed Income Index

- Fixed income was weaker in February following the pronounced move in rates, particularly in the US.
- The Citi World Government Bond Index fell -0.7%, whilst the Barclays Global Aggregate Bond Index lost -0.9% during the month. High yield was -0.9%, whilst investment grade was -2.1%, given the more elevated moves at the back end of government yield curves.
- The ACPI Balanced UCITS Fund's fixed-income portfolio detracted -0.2% from overall returns, with slightly negative returns across our credit and absolute return strategies and our US Treasury positions detracting -11bps - the latter position being the greatest detractor within the fixed-income book.

Portfolio Changes

- We fully redeemed the Kames Global High Yield Fund during the month. The primary reason for this is the negligible yield currently on offer within the asset class, particularly against what we now observe within the broader bond and risk spectrums.
- We have allocated the proceeds of the sale into the Jupiter Asia Equity Income Fund where, although taking equity risk, we are attaining a headline 5% dividend yield (gross) which has visibly grown over the last 5 years. This yield also, importantly, remained resilient during the worst of the region's crisis in late 2015/early 2016.

RISK PROFILE: MODERATE-HIGH

Low	Mod-Low	Mod	**Mod-High**	High

- This portfolio holds more equity exposure than a medium-risk portfolio but less than a high-risk portfolio. In turn, the expected volatility is higher than a medium-risk portfolio, but less than a high-risk portfolio. The probability of losses is higher than that of a medium-risk portfolio, but less than a high-risk portfolio and the expected potential long-term investment returns could therefore be higher than a medium-risk portfolio.
- Where the asset allocation contained in this MDD reflects offshore exposure, the portfolio is exposed to currency risks
- The portfolio is exposed to equity as well as default and interest rate risks.
- Therefore, it is suitable for medium- to long-term investment horizons.

FUND NAME
Anchor BCI ACPI Global Balanced Feeder Fund

ISIN NUMBER
ZAE000221867

INCEPTION DATE
22nd June 2017

BENCHMARK
USD Libor 1 year index plus 3% p.a., calculated over a rolling 1 year period

MINIMUM INVESTMENTS
R25,000 lump sum
R1,000 monthly debit order

UNIT PRICE
R96.68

FUND CLASSIFICATION
Global Multi Asset Flexible

DISTRIBUTIONS
Semi-annually.
Declaration Date:28 Feb/31 Aug
2017 Distribution: Aug: 0
2018 Distribution: Feb: 0

PORTFOLIO VALUE
R41.93 million

BOUTIQUE COLLECTIVE INVESTMENTS

FEES & FAIS DISCLOSURE

Initial fees (BCI) (incl VAT)	0.00%
Advisory Fee (Max) (incl VAT)	3.42%
Ongoing Advisory Fee (Max) (incl VAT)	1.14%
Annual Management Fee (incl VAT)	
Class A	0.29%
Performance fee	None
TER and Transaction Costs (incl VAT)	
Basic	-
Portfolio Transaction Cost	-
Total Investment Charge	-

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 investment decisions of the investment manager and the TER. The TER and Transaction Costs cannot be determined accurately because of the short life span of the Fund. Calculations are based on actual data where possible and best estimates where actual data is not available..

FAIS CONFLICT OF INTEREST DISCLOSURE

Please note that your financial advisor may be a related party to the co-naming partner and/or BCI. It is your financial advisor's responsibility to disclose all fees he/she receives from any related party. The portfolio's TER includes all fees paid by portfolio to BCI, the trustees, the auditors, banks, the co-naming partner, underlying portfolios, and any other investment consultants/ managers as well as distribution fees and LISP rebates, if applicable. The portfolio's performance numbers are calculated net of the TER expenses. The investment manager earns a portion of the service charge and performance fees where applicable. In some instance portfolios invest in other portfolios which forms part of the BCI Schemes. These investments will be detailed in this document, as applicable.

Boutique Collective Investments adopted the ASISA Standard on Effective Annual Cost ("EAC"). The EAC measure allows you to compare charges on your investments as well as their impact on your investment returns prior to investing. For further information regarding the ASISA Standard on Effective Annual Cost and access to the EAC calculator please visit our website at www.bcis.co.za

SUBSCRIPTIONS

Valuation time	15h00
Transaction cut-off time	14h00
Payment reference	Initials and Surname

Please send proof of deposit to fax (011) 263 6152 or e-mail instructions@bci-transact.co.za

MARKET COMMENTARY

- Risk assets corrected quite sharply through the early part of February with many equity indices falling into official "correction" territory (-10% from the recent highs). Although recovering quite sharply in some instances, skittishness and quite significant intra-day volatility was prevalent throughout the rest of the month. The recovery in the S&P 500 Index from the low, for instance, was the fastest four-day positive change since the end of the eurozone crisis in 2011.
- The catalyst which appears to have initially spooked markets in early February, causing some degree of broader panic over an eventful one-week period, appears to have been signs that US wage growth is finally starting to gain traction after average hourly earnings grew by +2.9% YoY in January, above an expected +2.6%, and the highest rate of growth since 2008.
- Further to this, headline CPI inflation was unchanged at +2.1% YoY in January, but the bigger story was the broad-based +0.3% MoM increase in core CPI, which means that on a three-month annualised term, core inflation climbed to a six-year high of +2.9%.
- Perhaps the final missing piece of the inflation jigsaw, which has restrained inflation in the US since the financial crisis, the threat of faster wage growth spurring the Federal Reserve to take a more hawkish stance on interest rate policy potentially means that equities aren't going to enjoy a benign inflationary and/or interest rate policy backdrop through 2018, much like they did during 2017.
- Bonds, having already started to reprice with yields moving progressively higher during the back end of January, sold off further on the news with the US 10-Yr Treasury moving from 2.5% at the beginning of the month to 2.9% at month-end, which further impacted risk appetite within the broader complexes.
- For equity markets in general, the pullback has been quite significant. Japan, for example, has witnessed its sharpest correction in over a decade, whilst broad market indices in the US declined at their fastest pace since 2011.
- The MSCI AC World TR Index ended February down -4.2%, whilst the Barclays Global Aggregate Bond Index lost -0.9%, both though showing significant recovery from their mid-month lows.

FUND MANAGERS

Fund Manager - Anchor BCI ACPI Global Balanced Feeder Fund: The investment manager of this portfolio is Anchor Capital Asset Management an authorised Financial Services Provider (FSP 39834), where the Investment Managers of the underlying portfolio that the Anchor BCI ACPI Global Balanced Feeder Fund invests into is managed by ACPI Investment Managers.

Fund Manager - ACPI Balanced UCITS Fund:

Marcus Szemruk holds a BSC. in Banking and Finance from Loughborough University and holds the Securities Institute Certificate in Investment Management (CertIM). Marcus has worked in the financial services industry since 1999. Marcus joined ACPI in 2005 initially as a member of the Multi-Manager team researching external hedge fund strategies. From 2008 he has been additionally responsible for all external long-only manager research. He has been the portfolio manager of the ACPI Balanced UCITS Fund since December 2008. He previously worked at a London based fund of hedge funds and was an analyst at Philips and Drew and USB Global Asset Management.

INFORMATION AND DISCLOSURES

Investment Manager
Anchor Capital (Pty) Ltd is an authorised Financial Services Provider FSP 39834.

- Additional information, including application forms, annual or quarterly reports can be obtained from BCI, free of charge or can be accessed on our website (www.bcis.co.za)
- Valuation takes place daily and prices can be viewed on our website (www.bcis.co.za) or in the daily newspaper.
- Actual annual percentage figures are available to existing investors on request.
- Upon request the Manager will provide the investor with quarterly portfolio investment holdings reports

Management Company Information
Boutique Collective Investments (RF) (Pty) Ltd
Catnia Building
Bella Rosa Village, Bella Rosa Street
Belville, 7530
Tel: 021 007 1500/1/2 | 021 914 1220, Fax: 086 502 5319
Email: clientservices@bcis.co.za
www.bcis.co.za

Custodian/Trustee Information
The Standard Bank South Africa Ltd
Tel: 021 441 4100

DISCLAIMER

Boutique Collective Investments (RF) (Pty) Ltd ("BCI") is a registered Manager of the Boutique Collective Investments Scheme, approved in terms of the Collective Investments Schemes Control Act, No 45 of 2002 and is a full member of the Association for Savings and Investment SA. Collective Investment Schemes in securities are generally medium to long term investments. The value of participatory interests may go up or down and past performance is not necessarily an indication of future performance. The Manager does not guarantee the capital or the return of a portfolio. Collective Investments are traded at ruling prices and can engage in borrowing and scrip lending. A schedule of fees, charges and maximum commissions is available on request. BCI reserves the right to close the portfolio to new investors and reopen certain portfolios from time to time in order to manage them more efficiently. Performance figures quoted for the portfolio are from Morningstar, as at the date of this document for a lump sum investment, using NAV-NAV with income reinvested and do not take any upfront manager's charge into account. Income distributions are declared on the ex-dividend date. Actual investment performance will differ based on the initial fees charge applicable, the actual investment date, the date of reinvestment and dividend withholding tax. Investments in foreign securities may include additional risks such as potential constraints on liquidity and repatriation of funds, macroeconomic risk, political risk, foreign exchange risk, tax risk, settlement risk as well as potential limitations on the availability of market information. Certain investments - including those involving futures, options, equity swaps, and other derivatives may give rise to substantial risk and might not be suitable for all investors.
A feeder fund is a portfolio that invests in a single portfolio of collective investment schemes, which levies its own charges and which could result in a higher fee structure for the feeder fund. Boutique Collective Investments (RF) Pty Ltd retains full legal responsibility for the third party named portfolio. Although reasonable steps have been taken to ensure the validity and accuracy of the information in this document, BCI does not accept any responsibility for any claim, damages, loss or expense, however it arises, out of or in connection with the information in this document, whether by a client, investor or intermediary. This document should not be seen as an offer to purchase any specific product and is not to be construed as advice or guidance in any form whatsoever. Investors are encouraged to obtain independent professional investment and taxation advice before investing with or in any of BCI/the Manager's products.

BOUTIQUE COLLECTIVE INVESTMENTS