ANCHOR CAPITAL

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

Issue Date: 17 July 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.

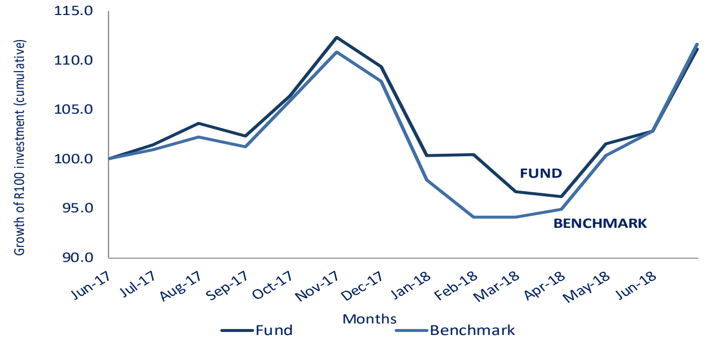
INVESTMENT PHILOSOPHY

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.

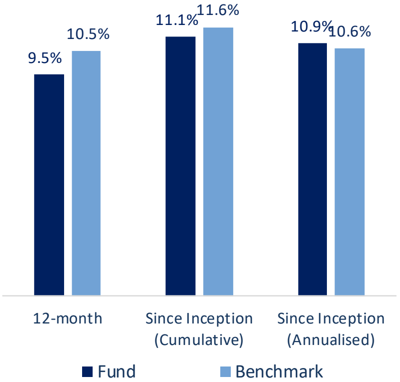
The fund has the ability to invest in other collective investments schemes with similar objectives.

CUMULATIVE PERFORMANCE VS. BENCHMARK SINCE INCEPTION



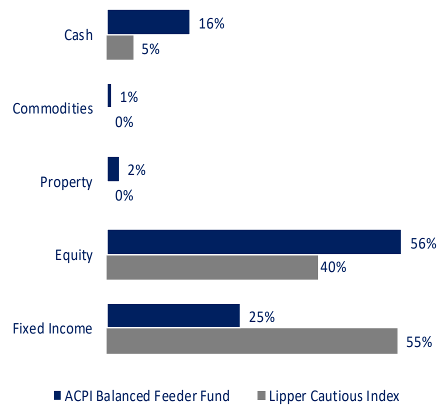
Investment performance is for illustrative purposes only and calculated by taking actual initial fees and ongoing fees into account for amount shown with income reinvested on reinvestment date.

PERFORMANCE AT 30 JUN 2018

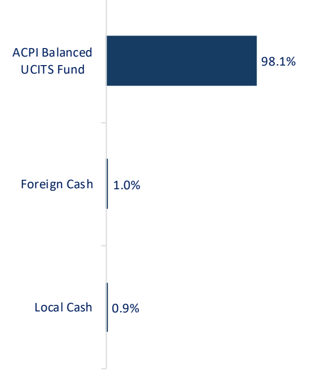


Annualised return is the weighted average compound growth rate over the period measured.

ASSET ALLOCATION AT 30 JUN 2018



TOP HOLDINGS AT 30 JUN 2018



FUND MANAGER COMMENTARY AT 30 JUN 2018

Equity attribution: -0.8% vs. -0.3% Lipper Equity Index

- The portfolio's exposure to Asian equities was particularly weak, impacted by macro-related concerns and China in particular. The Chinese government is currently aiming to rectify imbalances which have been built over recent years, whilst also grappling with the increasing trade-war prospects. However, Chinese equity markets are renowned for their skittishness which is often driven by the fact that 90%-plus of the market capitalisation of China's A-share market is owned by retail investors who often move *en masse* and are known for their impulsive behaviour. Price action has also potentially been exacerbated by the fact that equities are commonly used as collateral by investors when securing other finance-related assets. In an economy which is trying to deleverage and is indeed slowing, the collateral unwind is adding to this steady rate of decline. Chinese equities never went into this recent sell-off egregiously overvalued, indeed the Shanghai A-shares Index is today on a forward price/book multiple of 1.4x book value. Eventually, equities will find a floor but, for now, the hysteria and the composition of ownership within Chinese A-shares are overshadowing fundamental aspects.
- The Asian equity exposure in the Balanced Fund detracted –93bps from the overall NAV. Elsewhere, within the portfolio, the more defensive value skew was able to offset overall portfolio weakness to some extent although not completely. Solid performances from the Sector Value Health Care Fund (+1.5%) and the Morgan Stanley Global Brands Income Fund (+3.6%) were accretive.

Fixed income attribution: 0.0% vs -1.0% Lipper Fixed Income Index

- Fixed income markets were again weak during June with the prospects of tighter monetary policy impacting the asset class.
- Credit spreads in the developed world have been relatively stable with overall modest declines reflecting the move in rates as opposed to anything more sinister.

Portfolio changes

None

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
22 June 2017

BENCHMARK
USD Libor 1-year index plus 3% p.a., calculated over a rolling 1-year period (converted to ZAR)

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

UNIT PRICE
R111.14

FUND CLASSIFICATION
Global Multi Asset Flexible

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

PORTFOLIO VALUE
R58.70mn

BOUTIQUE COLLECTIVE INVESTMENTS

FEES & FAIS DISCLOSURE

Initial fees (BCI) (incl VAT)	0.00%
Advisory Fee (Max) (incl VAT)	3.45%
Ongoing Advisory Fee (Max) (incl VAT)	1.15%
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 reacted quite materially to a cocktail of factors in June, which pushed the equity markets of some regions into a firm correction (<10% from the recent high) or outright bear-market (<20% from the recent high) territory.
- Rising oil prices (WTI +10.6%) and escalating tensions around trade, particularly between the US, China and Europe, collectively unnerved global sentiment. Those pressures were not alleviated by the US Federal Reserve (Fed) after it went ahead and raised interest rates by 0.25%. However, a more hawkish accompanying statement was enough to send the US dollar and bond yields initially higher although longer-dated securities rallied towards month-end on the flight to perceived safety against a broad risk-off undertone. The Fed's median dot for this year went from 3 hikes to 4, whilst the dot for 2019 was also moved up to 3 more increases, which is what really surprised markets.
- US dollar strength and the prospect of tighter US dollar liquidity more broadly impacted emerging markets with currencies, equities and bonds all weaker on the month. A number of central banks have remained active in the foreign-exchange market as they aim to prop up their domestic currencies against a stronger dollar.
- Sentiment towards the asset class has also not been helped by weaker-than-expected economic activity data out of China and the imposition of a 25% trade tariff on $50bn worth of goods from China to the US by the Trump administration. This was also followed up during the month by the prospect of the US administration imposing a 10% tariff on a further $200bn of Chinese goods if China retaliates. Trade-war rhetoric didn't only extend to adversaries, with the US threatening a 10% levy on all car imports from Europe, unless Europe rescinds its recently imposed tariffs on a range of US products. These tarifss were also imposed in retaliation for the US imposing tariffs on European-made steel and aluminium.

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