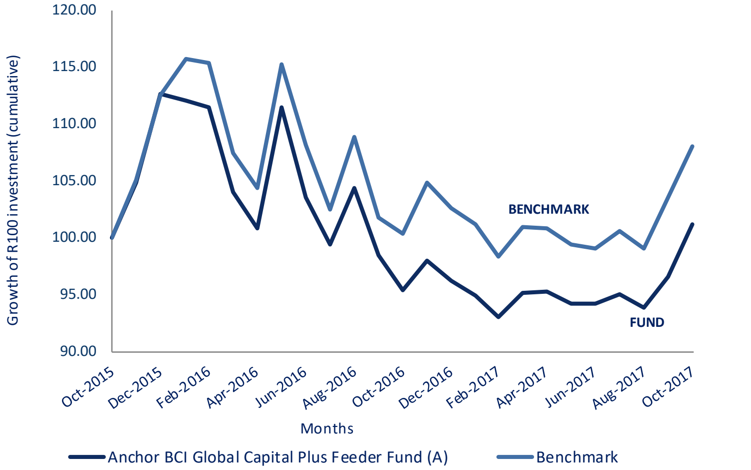
ANCHOR BCI GLOBAL CAPITAL PLUS FEEDER FUND A CLASS | October 2017
MINIMUM DISCLOSURE DOCUMENT
Issue Date: 08 November 2017

INVESTMENT OBJECTIVE
Achieve maximum long-term returns with diversification of risk.

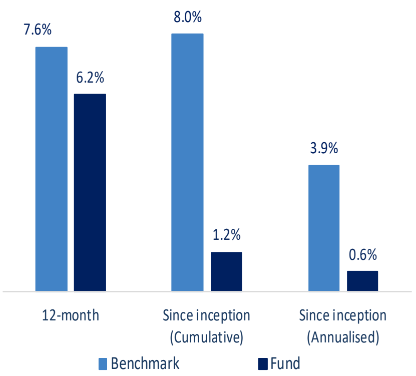
INVESTMENT PHILOSOPHY
The fund aims to achieve maximum long-term return with diversification of risk. The Fund will invest solely in the participatory interests of the Anchor Global Capital Plus fund.
The Anchor Global Capital Plus fund is a multi-asset class portfolio which invests in bonds, stocks, listed real estate and commodities (occasionally using ETFs and other collective investment funds with similar objectives). The portfolio is constructed from the top down, focussing on macro-economic trends to identify asset classes and regions that are most likely to benefit from prevailing economic conditions.
The fund will invest most of its assets in bonds and aims to generate moderate to low capital growth with a focus on capital preservation. The fund will invest primarily in large developed markets, specifically avoiding assets that are most likely to be correlated with South African domestic investments. The fund will make extensive use of diversification as well as quantitative and qualitative risk management to achieve capital preservation and is able to use financial derivative instruments for hedging or investment purposes (but not to gain leverage). The fund can invest in other collective investment schemes and exchange-traded funds.

CUMULATIVE PERFORMANCE VS. BENCHMARK SINCE INCEPTION



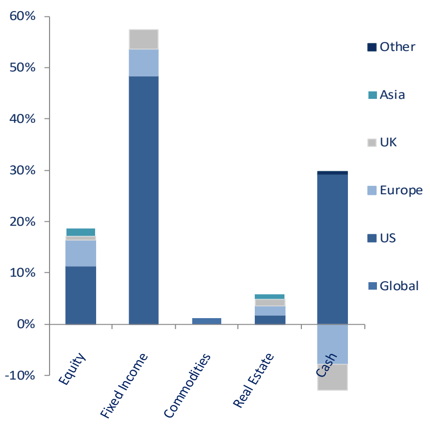
Investment performance is for illustrative purposes only and calculated by taking actual initial fees and ongoing fees into account for amount shown with income reinvested on reinvestment date.

PERFORMANCE AT 31 OCT 2017



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

ASSET ALLOCATION AT 31 OCT 2017



TOP THEMES AT 31 OCT 2017

EQUITY	US	11.6%
	EU	5.1%
	Asia	1.5%
FIXED INCOME	US	49.5%
	EU	5.5%
	UK	3.9%
OTHER	Euro	-8.0%
	US REITs	1.9%
	GBP	-5.2%

FUND MANAGER COMMENTARY AT 31 OCT 2017
The fund was up 4.8% in October, with the feeder fund down 0.2% in US dollar terms and the South African rand 4.2% weaker against the greenback, as Finance Minister Malusi Gigaba delivered a disappointing maiden medium-term budget policy statement (MTBPS).
We added incrementally to equity exposure in the month and took the opportunity to cut some US long-bond exposure as US bond yields briefly backed up in the middle of the month after weaker-than-expected US inflation numbers. In property, we took profits in Digital Realty into the month as the re-rating seemed to have overshot on the excitement of the completion of the merger with Du Pont and the rating for the combined entity looked a bit high for the likely 4%–5% earnings growth the company expects to generate, going forward. We continue to look for opportunities to allocate capital in equities and property should the markets provide more attractive entry points. The fund's fixed-income exposure was relatively flat for the month, with positive contributions from European bonds (on a currency hedged basis) after European bonds rallied on the European Central Bank's (ECB's) plan to run quantitative easing (QE) for longer than anticipated. In US bonds, a small tightening of credit spreads was offset by slightly higher interest rates. Property shares added marginal value in the month, predominantly from US industrial real estate investment trusts (REITs). The big disappointment for the month was the fund's equity portfolio where Healthcare stocks contributed much of the decline as that sector continued to face headwinds and remains largely out of favour. Poor results from Chipotle, where same-store-sales disappointed, and General Electric (GE), which seems like it still has challenges in its power business and appears to require further restructuring under its new CEO, were a big disappointment for markets and also contributed to equity underperformance.

RISK PROFILE: MODERATE

Low	Mod-Low	Mod	Mod-High	High

- This portfolio has a balanced exposure to various asset classes. It has more equity exposure than a low risk portfolio but less than a high-risk portfolio. In turn the expected volatility is higher than a low risk portfolio, but less than a high-risk portfolio.
- Where the asset allocation contained in this MDD reflect offshore exposure, the portfolio is exposed to currency risks
- The portfolio is exposed to equity as well as default and interest rate risks.
- The portfolio is suitable for medium term investment horizons
- The probability of losses is higher than that of a low risk portfolio, but less than a high-risk portfolio and moderate long term investment returns are expected.

HIGH / LOW MONTHS BY YEAR

Dates	2016	2017
High	10.7%	4.8%
Low	-7.1%	-1.9%

FUND NAME
Anchor BCI Global Capital Plus Feeder Fund

ISIN NUMBER
ZAE000209086

INCEPTION DATE
2 November 2015

BENCHMARK
Composite benchmark of 50% USD 3-month LIBOR and 50% 3-month EURIBOR plus 2.5% p.a. calculated over a rolling 1-year period (converted to rand)

MINIMUM INVESTMENTS
R25,000 lump sum
R1000 monthly debit order

FUND CLASSIFICATION
Global Multi-Asset Flexible

DISTRIBUTIONS
Semi-Annual Declaration Date: 28 Feb/31 Aug
2016 Distribution (cpu): Feb: 0; Aug: 0
2017 Distribution (cpu): Feb 0; Aug 0

PORTFOLIO VALUE
R17.25 million

UNIT PRICE
R101.24

BOUTIQUE COLLECTIVE INVESTMENTS

ANCHOR CAPITAL

ANCHOR BCI GLOBAL CAPITAL PLUS FEEDER FUND A CLASS | October 2017

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 Cost (incl VAT)	
Basic	2.66% *
Portfolio Transaction Cost	0.00%
Total Investment Charge	2.66%

*A feeder fund is a portfolio that invests in a single portfolio of a collective investment scheme, which levies its own charges and which could result in a higher fee structure for the feeder fund.

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

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

US Companies started reporting 3Q17 earnings in October, with 60% of S&P 500 companies reporting by month-end. Earnings were c. 5% ahead of expectations for the companies reporting - they delivered around 8% of earnings growth, in aggregate. Tech companies led the way with the FAANG companies (Facebook, Apple, Amazon, Netflix and Google) and Microsoft (too tricky to come up with a cool sounding acronym when you try to include "M" into FAANG!) contributing more than half of the S&P 500 returns in October (and 90% of the NASDAQ's returns). Amazon, Microsoft, Netflix and Google all reported stellar 3Q17 earnings, leaving their shares up 15%, 12%, 8% and 6%, respectively, for the month. Despite Apple not yet releasing its results, it was up 10% in October on reports that orders for its new iPhone X were extremely strong. Oil continued to grind higher, breaching $ 60/bbl late in the month (for the first time since mid-2015). Interest rates also pushed higher in the month, as market participants speculated on who would be chairing the US Federal Reserve (Fed) next year, with concerns that they might not be as accommodative as the current Fed Chair, Janet Yellen, has been. Higher US rates also pushed the US dollar higher. US Investment-grade credit spreads dropped below 1% in October, reaching levels not seen since before the 2008 global financial crisis, but this was offset by rising interest rates that left most global bond indices flat for the month.

Japan was comfortably the leading global equity market, with the Nikkei Index up over 8% in the month. Prime Minister Shinzo Abe successfully negotiated another general election, winning his fourth term at the helm in Japan and comfortably maintaining his supermajority in congress. The victory should allow him to ensure that loose monetary conditions remain and that structural reforms are accelerated, both of which seem to be having some success in spurring the Japanese economy back to life. In emerging markets (EMs), the BRICs lead switched hands again as last month's winners (Brazil and Russia) were comfortably eclipsed by India and China, whose equity indices were both up over 5% in October. Indian markets found some support from their large concentration of oil companies and some corporate activity in the telecoms sector. In Europe, the ECB announced during the month that it would start tapering its quantitative easing (QE) programme next year, halving the amount of bonds it buys each month to EUR30bn from January, but maintaining the buying until at least September and probably beyond that. This was better than the markets had been hoping for, expectations were that bond buying would end much sooner and European bonds rallied on the announcement, pushing the euro lower against most currencies. Late in October, the US released 3Q17 GDP growth of 3% (higher than the 2.6% expected by economists), largely shrugging off the impact of hurricanes during the quarter.

FUND MANAGER

Peter Little has a B Com degree and is a CFA charter holder. He has worked in the financial services industry for more than 20 years, on both the buy and sell side, in London for the first 8 years and New York for the next 8 years before moving to Anchor Capital in 2013. He has worked for a number of global investment banks, Including JP Morgan, RBS & Barclays Capital. Most recently Peter was at Credit Suisse Asset Management in New York where he was head of portfolio management for the systematic hedge funds.

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 1880, 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