ANCHOR BCI GLOBAL CAPITAL PLUS FEEDER FUND A CLASS | December 2017
MINIMUM DISCLOSURE DOCUMENT

Issue Date: 12 January 2018

INVESTMENT OBJECTIVE

Achieve maximum long-term returns with diversification of risk.

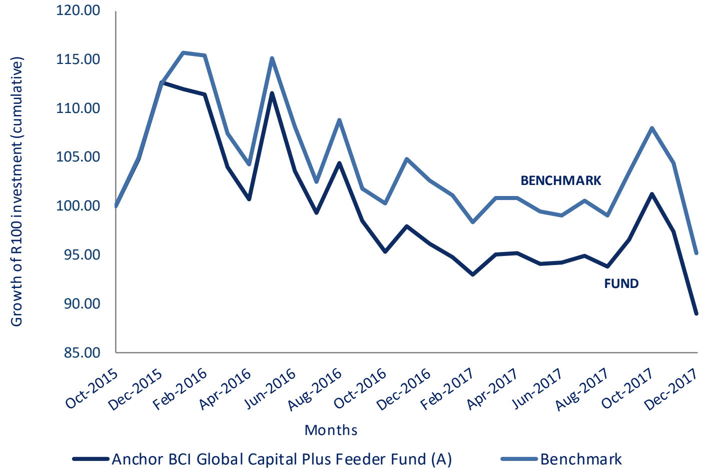
INVESTMENT PHILOSOPHY

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.

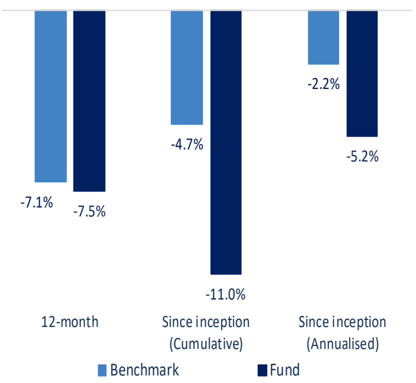
The fund will invest most of its assets in bonds and aims to generate moderate to low capital growth with a focus on capital preservation. The fund will invest primarily in large developed markets, specifically avoiding assets that are most likely to be correlated with South African domestic investments. 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



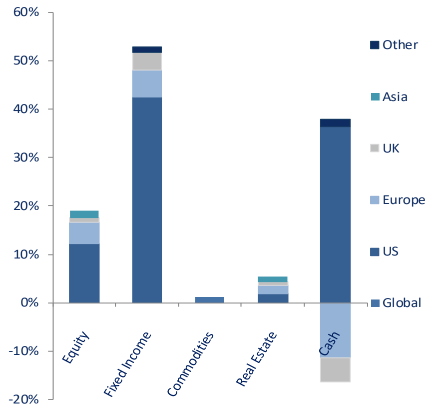
Investment performance is for illustrative purposes only and calculated by taking actual initial fees and ongoing fees into account for amount shown with income reinvested on reinvestment date.

PERFORMANCE AT 31 DEC 2017



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

ASSET ALLOCATION AT 31 DEC 2017



TOP THEMES AT 31 DEC 2017

EQUITY	US	12.5%
	EU	4.7%
	Asia	1.6%
FIXED INCOME	US	43.8%
	EU	5.6%
	UK	3.9%
OTHER	Euro	-11.7%
	US REITs	1.9%
	GBP	-5.2%

FUND MANAGER COMMENTARY AT 31 DEC 2017

The fund was down 8.6 % in December, with the feeder fund up 0.4% in US dollar terms and the South African rand almost 10% stronger against the US dollar following the much-anticipated ANC Elective Conference which delivered a Cyril Ramaphosa victory in what is seen as a business and growth-friendly outcome.

There was very little trading activity in the fund during the month, besides currency and bond futures being rolled, we allowed some equity index options to expire. We took some profits in British Land and trimmed a couple of other positions where conviction is not as high at current levels. Finally, we switched some of the long-term US treasury exposure into some investment-grade credit, slightly lowering the fund's exposure to interest rate risk.

The fund's equity allocation delivered the bulk of the return for the month, with particularly strong contributions from JD.com, FedEx and Synchrony. In property, the only meaningful contribution came from British Land, which was up c. 17% in US dollar terms in the last six weeks of the year as its strategy of developing mixed-use office/shopping centres is proving successful in attracting strong leasing demand, despite the uncertainty created by Brexit. Fixed income was a detractor for the month, predominantly the European sovereign bond exposure which suffered from a late month sell-off on low liquidity. Credit exposure contributed some yield to the fund's performance, but not much in the way of capital gains as credit spreads remained fairly static.

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%	-8.6%

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
R89.01

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 Cost (incl VAT)	
Basic	2.39% *
Portfolio Transaction Cost	0.00%
Total Investment Charge	2.39%

*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 calculations are based upon the portfolio's direct costs for the financial year ended 31 August 2017, whilst the underlying portfolio's ratio and cost calculations are based upon their most recent published figures, being 30 September 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

The S&P 500 produced another positive return in December, making 2017 the first year in the index's 90-year history with a positive return in every calendar month. Although the 22% return for the year is only the thirty-third best annual return for the S&P 500, the year stood out for the consistency with which stocks performed. While it was the tech stocks that drove the early gains for the year (the much talked about FAANG stocks [Facebook, Apple, Amazon, Netflix and Google (now Alphabet)] and Microsoft contributed 25% of the annual performance between them), it was the old economy stocks that led the way in December. US energy stocks were up meaningfully as Brent crude oil finished the year strongly, ending 2017 at $68/barrel – up 50% off its June lows and 5% in December as an explosion at a major Libyan pipeline dragged on supply. US airlines also rallied on news of strong demand and improved pricing power, while offline retailers continued their fight to regain market share from the likes of Amazon. Technology retailer, Best Buy reported surprisingly good results from its Black Friday trading as it achieved some success in luring shoppers back offline. Meanwhile, home-improvement and appliance retailer, Lowe's, announced that it had created a new position of chief digital officer, where it employed Vikram Singh from Amazon, showing its intent to fight for its share of online sales – both stocks were up over 10% in December. US banks, key beneficiaries of new tax legislation signed into law by President Donald Trump in late December, were also up strongly for the month. The new legislation is expected to deliver $1.5trn in tax relief to companies and individuals over the next 10 years.

European stocks were lower in December as a strong euro weighed on the export-heavy German index and continued uncertainty in Spain, regarding the sovereignty of the Catalan region, dragged on sentiment. In emerging markets, Brazil led the way as its miners benefitted from a rally in iron ore prices.

US 10-year bond yields ended the month and year roughly where they started, despite three rate hikes by the US Federal Reserve (Fed) in 2017 (this followed one rate hike in each of the previous two years). The US Fed's mid-December rate increase was very much in-line with expectations as was the European Central Bank's (ECB's) announcement at its December meeting that it would continue its quantitative easing (QE) purchases through September 2018. ECB President, Mario Draghi's press conference after the rate announcement indicated that the ECB were encouraged by European economic activity but remained concerned at the lack of inflation (particularly in wages). European bonds, much like the US treasuries, were largely unaffected by the ECB meeting, but late in the month European yields spiked in light volume on hawkish comments from some ECB members.

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
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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

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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.

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