

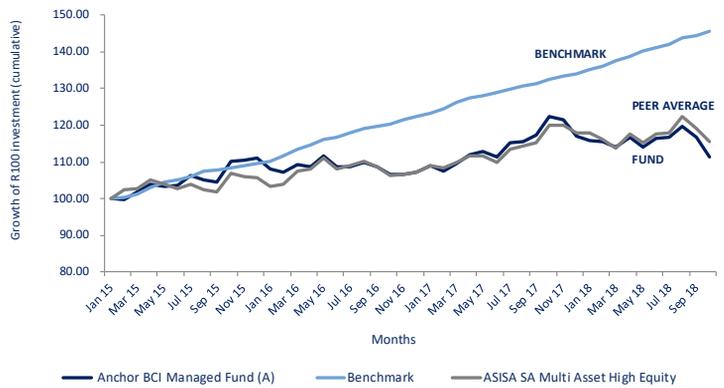
INVESTMENT OBJECTIVE

The Anchor BCI Managed Fund is a moderate-risk profile portfolio with the objective to offer investors a moderate to high long-term total return.

INVESTMENT PHILOSOPHY

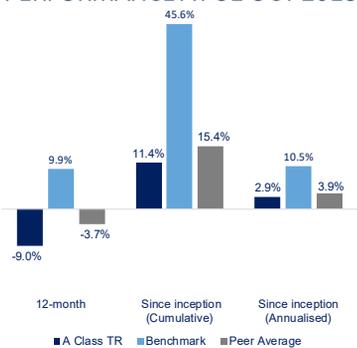
The fund will be managed in compliance with Regulation-28 investment guidelines. The net equity exposure will range between 0% and 75%. In order to achieve its objective, the investments normally to be included in the portfolio may comprise a combination of assets in liquid form, money market instruments, interest-bearing securities, bonds, debentures, corporate debt, equity securities, property securities, preference shares, convertible equities and non-equity securities. The portfolio may invest in listed and unlisted financial instruments. The manager may also include forward currency, interest rate and exchange-rate swap transactions for efficient portfolio management purposes.

CUMULATIVE PERFORMANCE VS. BENCHMARK SINCE INCEPTION



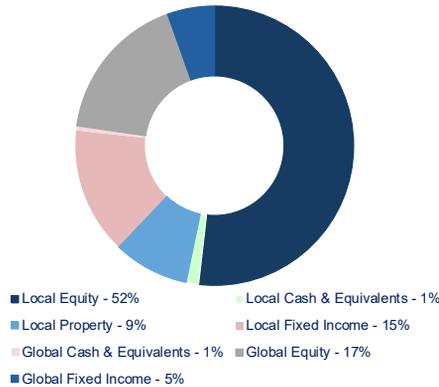
Investment performance is for illustrative purposes only and calculated by taking actual initial fees and ongoing fees into account for amount shown with income reinvested on reinvestment date.

PERFORMANCE AT 31 OCT 2018

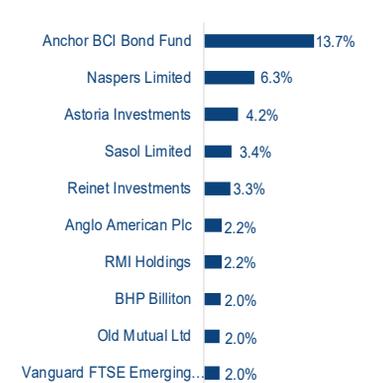


Annualised return is the weighted average compound growth rate over the period measured

ASSET ALLOCATION AT 31 OCT 2018



TOP HOLDINGS AT 31 OCT 2018



FUND MANAGER COMMENTARY AT 31 OCT 2018

The Anchor BCI Managed Fund decreased 4.5% in October in a category which averaged a negative return of 2.9%. 2018 continues to prove that it is a tough year for equity markets, with emerging markets (EMs) in general facing a torrid time. This is important for this fund, since its domestic equity exposure is about half of the fund's portfolio and approximately 60%-70% of the fund's return over time. YTD, the fund's SA equity allocation was down 8.2%, comfortably outperforming the Capped Swix which was down 11.7%. We are getting to close to being fully invested in our domestic and offshore equity allocation as we believe there is now tremendous value in the market. This comes after a number of very high-quality companies experienced sharp share price declines. In addition, any positive resolution of global trade wars could see a sharp bounce-back for world markets, which are down 3.9% YTD (MSCI World Index).

Domestic property has also been a bright spot for the fund in 2018, with our holdings roughly flat for the year, while the local index is down over 20% - we have been fairly underweight property which has helped. As managers, we continue to stress the attractiveness of yield in the sector even in the absence of capital growth as is currently being felt.

RISK PROFILE: MODERATE

	Low	Mod-Low	Mod	Mod-High	High
<ul style="list-style-type: none"> 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	2015	2016	2017	2018
High	5.4%	2.8%	4.4%	2.6%
Low	-1.2%	-2.5%	-3.7%	-4.5%

FUND NAME

Anchor BCI Managed Fund (Reg. 28 Compliant)

ISIN NUMBER

ZAE000200598

INCEPTION DATE

2 February 2015

BENCHMARK

CPI for all urban areas +5.00% p.a.

MINIMUM INVESTMENTS

Minimum monthly investment: None

Minimum lump sum: None*

Please refer to page two under Subscriptions

FUND CLASSIFICATION

SA Multi Asset High Equity

UNIT PRICE

R103.91

DISTRIBUTIONS

Semi-annual Declaration Date: 28 Feb/31 Aug

2016 Distribution (cpu): Feb 0.33; Aug 0.93

2017 Distribution (cpu): Feb 1.18; Aug 1.46

2018 Distribution (cpu): Feb 1.30; Aug 1.79

PORTFOLIO VALUE

R542.68m

FEES & FAIS DISCLOSURE

Initial fees (BCI) (incl VAT)	0.00%
Advisory Fee (Max) (incl VAT)	0.00%
Ongoing Advisory Fee (Max) (incl VAT)	1.15%

Annual Management Fee (incl VAT)	
Class A	1.44%
Performance fee:	None

TER and Transaction Cost (incl VAT)	
Basic	1.62%
Portfolio Transaction Cost	0.45%
Total Investment Charge	2.07%

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.

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@bc-transact.co.za

*Fixed Administration Fee: R10 excluding VAT which will apply to all direct investor accounts with balances of less than R100 000 at month end, unless an investor transacts online, in which case no such fee will be levied.

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 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. 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. Should the portfolio invest into another Anchor BCI co-named portfolio, the investing fund will be reimbursed for any net investment management fees incurred by the investment so that there is no additional fee payable to Anchor.

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. 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.

MARKET COMMENTARY

Markets globally had a rough October with the S&P 500 Index experiencing its worst month in over 7 years. The month started with an escalation of the tension between Italy and the European Union (EU). China's A50 Index of large-cap onshore stocks had its worst start to the month since January 2016 as foreigners dumped \$1.4bn of onshore shares via the Hong Kong exchange link. International events started to weigh on the US stock market, with the S&P 500 dropping over 5% in the two days leading up to the start of the third-quarter earnings announcements.

During the month, over 60% of S&P 500 companies reported 3Q18 earnings, which grew by over 23% in aggregate (more than 6% ahead of expectations). However, despite this, results did nothing to shake fears that this would be as good as it gets for US corporates. Large-cap US tech companies, which have been dragging markets higher for most of the year, pulled markets down this past month as Amazon and Google, reporting earnings on the same day, delivered revenue growth that disappointed and kicked off the second leg down for equity markets late in the month.

A two-day rally into month-end was just about enough to haul US markets back into positive territory for the year. However, after the damage done in October it was very difficult to find another market still up YTD. The one exception being the Brazilian stock market which, despite an 11% weakening of the Brazilian real YTD, remains marginally higher in US dollar terms for the year. The MSCI Emerging Market Index more than doubled its YTD losses in October, leaving it down 16% for the year.

Amongst the turmoil, the US dollar kept its haven-status with the Dollar Index another 2% higher during the month. Oil dipped in October with the focus shifting from supply concerns to demand worries. This despite the US releasing 3Q18 economic growth data which comfortably beat expectations (up 3.5% vs expectations of 3.3% growth). There was no sign of growing inflation pressure as the US Federal Reserve (Fed's) preferred gauge of inflation came out in-line with expectations at 2%.

October was red across the board on the JSE, with the FTSE JSE All Share Index (J203) closing 6.0% lower. Disappointing performances from heavyweight constituents including Naspers (-15.0%), BHP Billiton (-4.1%), British American Tobacco (-3.6%), Richemont (-7.0%) and Glencore (-1.7%) conspired to pull the JSE lower. The large mining majors (Anglo American, BHP Billiton, Glencore) also weighed on the resources sector despite gold counters putting in a good showing, with the Resi-20 declining by 4.2% (+14% YTD). Once again, industrial shares were the worst hit with the Indi-25 dropping 8.6% (-20.6% YTD), dragged down by the fall in the Naspers and Richemont share prices.

The rand (-4.6% for October) was under pressure during the month as the medium-term budget policy statement (MTBPS) and the Moody's reaction to it weighed on the local currency. YTD, the rand is down 16.2% vs the greenback.

FUND MANAGER



Peter Armitage is a CA(SA) and has worked in the local investment industry for 20 years. He ran the investment teams at Merrill Lynch and Nedcor Securities and prior to Anchor Capital was CIO of Investec Wealth & Investment. Peter is SA's most highly rated investment analyst, with 21 number one ratings in the annual Financial Mail survey. The Fund is co-managed with Peter Little.



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 and 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

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 Email: clientservices@bcis.co.za
www.bcis.co.za

Custodian/Trustee Information

The Standard Bank South Africa Ltd
 Tel: 021 441 4100