

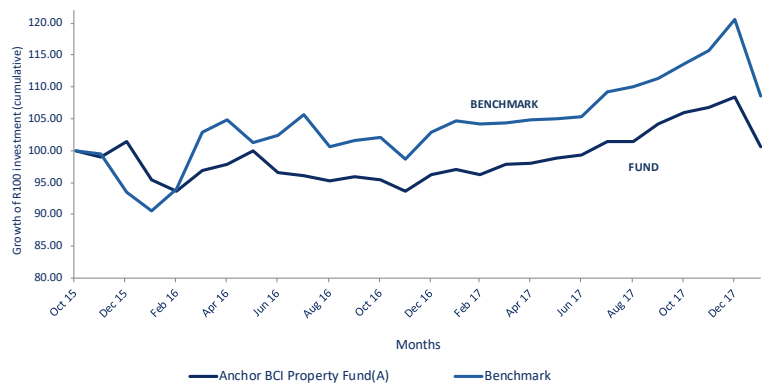
INVESTMENT OBJECTIVE

The Anchor BCI Property Fund aims to deliver both a high-income yield as well as capital growth over the medium-to long-term.

INVESTMENT PHILOSOPHY

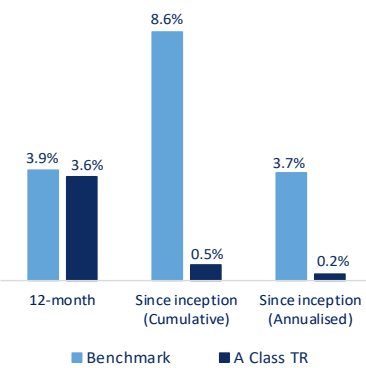
The fund aims to achieve an above-benchmark total return for investors over the medium-to long-term. The portfolio will invest at least 80% of the market value of the portfolio in shares listed on the FTSE/ JSE Real Estate industry group or similar sector of an international stock exchange. Up to 10% of the portfolio may be invested in shares outside the property sector in companies that conduct similar business activities in order to achieve the fund's objective. 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



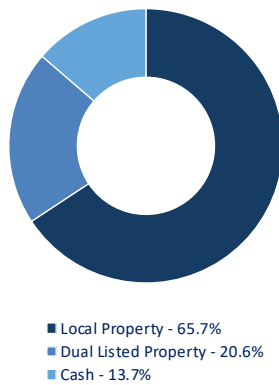
Investment performance is for illustrative purposes only and calculated by taking actual initial fees and ongoing fees into account for amount shown with income reinvested on reinvestment date.

PERFORMANCE AT 31 JAN 2018

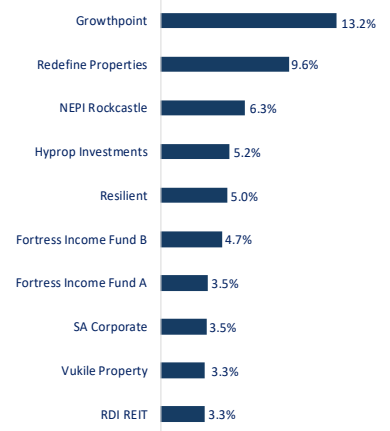


Annualised return is the weighted average compound growth rate over the period measured

ASSET ALLOCATION AT 31 JAN 2018



TOP HOLDINGS AT 31 JAN 2018



FUND MANAGER COMMENTARY AT 31 JAN 2018

The January bloodbath in the sector was led by the Resilient Group of Companies:

- Greenbay Properties -29%
- Fortress B -28%
- NEPI Rockcastle -25%
- Resilient -23%

Offshore holdings also felt the pain, both from the "side-draft" effect and the fact that the rand continued to strengthen, finishing the month well below R12/\$. The only bright spots were high-yielding local stocks, Emira (+9.8% MoM), Accelerate (+6.5% MoM) and SAC (+4.4% MoM).

The problem with the sharp drop in share prices of the Resilient Group of companies, where the focus is primarily offshore, is that valuations are not cheap. In particular, NEPI Rockcastle and Fortress -B- trade at substantial premiums to NAV and dividend yields that, at the end of 2017, were 5% or less. However, this has always been known to SA investors and the extent of the concern now points to extraneous fear factors. Time will tell whether there is substance to these rumours, but we felt it prudent to cut our exposure to the Group and replace it with a call option where downside is limited to premium spent. This is a strategy that takes cognisance of benchmark risk, if these stocks were to snap back aggressively whilst retaining some sense of prudence facing the "unknown unknowns".

RISK PROFILE: MODERATE-HIGH

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

- This portfolio carries exposure to mainly property securities.
- Property by nature is a moderate risk investment.
- Where the asset allocation contained in this MDD reflect offshore exposure, the portfolio is exposed to currency risks.
- The portfolio is exposed to interest rate risks and is sensitive to inflation and interest rate cycles.
- The portfolio is suitable for medium term investment horizons

HIGH / LOW MONTHS BY YEAR

Dates	2015	2016	2017	2018
High	2.4%	3.4%	2.8%	-7.2%
Low	-1.0%	-5.9%	-0.9%	-7.2%

FUND NAME

Anchor BCI Property Fund

ISIN NUMBER

ZAE000208369

INCEPTION DATE

2 November 2015

BENCHMARK

South African Property Index (Total Return)

MINIMUM INVESTMENTS

R25,000 lump sum
 R1,000 monthly debit order

FUND CLASSIFICATION

SA Real Estate General

UNIT PRICE

R93.13

DISTRIBUTIONS

Quarterly Declaration Date: 28 Feb, 31 May, 31 Aug and 30 Nov

2016 Distribution (cpu): Feb: 0.05; May: 1.48; Aug: 0.54; Nov: 1.34

2017 Distribution (cpu): Feb: 0.08; May: 1.71; Aug: 0.41; Nov: 1.60

PORTFOLIO VALUE

R46.23 million

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	1.43%
Performance Fee	None

TER and Transaction Cost (incl. VAT)	
Basic	1.74%
Portfolio Transaction Cost	0.23%
Total Investment Cost	1.97%

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@bc-transact.co.za

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. 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

It really should have been the dawn of a new era for South Africa in 2018. Equity markets around the world were up substantially and SA came out of the blocks fast as we eagerly awaited the start of a Cyril Ramaphosa-led ANC. An uptick in consumer and corporate confidence was noticeable and SA Inc. stocks prospered in the early part of the month. This rally fizzled out however, and nowhere was this more acutely felt than in the listed-property sector.

The woes in this asset class were largely caused by short sellers zeroing in on the Resilient Group of companies (aka the Des De Beer stable). Rumours and theories abounded, but essentially the fear was that the Group was the subject of a report from offshore-based Viceroy Research, who are credited with uncovering the issues at Steinhoff. The initial find (Steinhoff) catapulted the research house to guru-like status and various "bets" were taken as to which company might be next. Although this turned out to be Capitec - in what looks like a fairly sensationalist piece of work - the spotlight remained on Resilient in the aftermath of the report.

It now seems that there may be more local reports in the offing as stories continue to circulate. The facts are:

- The sector lost 10% in January, it's worst ever one-month drop (J253).
- The Resilient Group accounted for 43% of the index (on a free float basis) at the end of 2017. This figure was 47% on a full market-cap basis.
- The contagion effects were very real and the income-generating sector is on high alert.
- Resilient and Fortress published results that were in-line with expectations. Management are saying there is no malfeasance problems.

This situation will continue to unfold in February but hopefully the dust settles. In addition, there is the State of the Nation (SONA) speech scheduled for February and the budget speech on 21 February. A plan to restore Eskom's credibility will also be a key focus of attention, as will overseas markets where yields are rising, and Property stocks are under pressure.

FUND MANAGER



Glen Baker has a B Com Honours degree and has completed the JSE and Safex exams. He has 25 years' experience in financial markets. In that time, he has headed up equity derivatives divisions at major local and international institutions. He has both equity and fixed income experience. He was most recently at RMB before joining Anchor Capital in Feb 2013.

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