

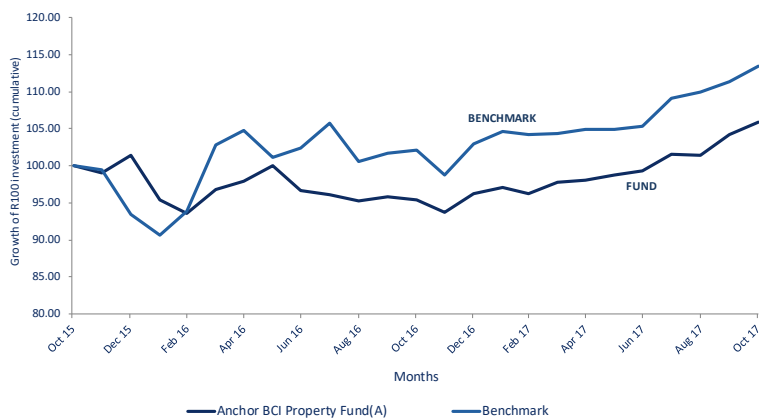
INVESTMENT OBJECTIVE

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

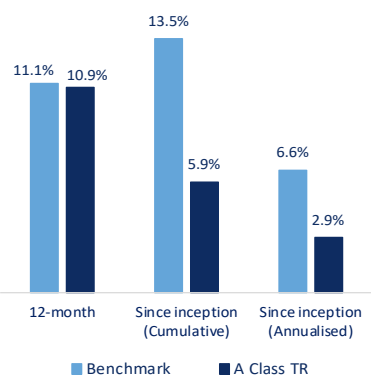
The fund aims to achieve an above-benchmark total return for investors over the medium-to long-term. The portfolio will invest at least 80% of the market value of the portfolio in shares listed on the FTSE/ JSE Real Estate industry group or similar sector of an international stock exchange. Up to 10% 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



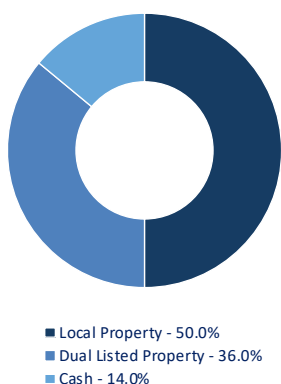
Investment performance is for illustrative purposes only and calculated by taking actual initial fees and ongoing fees into account for amount shown with income reinvested on reinvestment date.

PERFORMANCE AT 31 OCT 2017



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

ASSET ALLOCATION AT 31 OCT 2017



TOP HOLDINGS AT 31 OCT 2017



FUND MANAGER COMMENTARY AT 31 OCT 2017

Although bond yields weakened sharply after the Finance Minister's maiden medium term budget policy statement (MTBPS) and our investment grade rating seems increasingly tenuous, the property market was once again positive in October. This was primarily because of the rand-hedge qualities of some local listings.

The prospects in SA, however, are not improving. Indeed, on the last day of the month, Octodec reported a 0.8% YoY rise in distribution against forecast and guidance of a 6% YoY increase. Citing a slowdown in residential rentals in the CBD hubs of Johannesburg and Tshwane as the main reason, the company added that forecasts going forward should reflect current conditions for at least 12-18 months.

With the office sector in a situation of oversupply and retail sales trends under pressure at shopping centres and malls, this proves there is no hiding place in any category, with the exception perhaps of specialised industrial property. This as evidenced by the success of Equites Property Fund, up 7.4% MoM and 42.5% YTD.

The fund returned 1.60% for the month and is now up over 10% for 2017, a satisfying performance after a difficult 2016. The main positive contributors included index-heavyweight NepiRockcastle (+9%), MAS Real Estate (+10.4%) and Resilient REIT (+7.3%). The difficulty experienced by the local real estate investment trusts (REITs) was evident in Arrowhead (-2.8%) and Texton (-1.7%). In the current environment, the fund seeks to remain positioned as balanced as possible given the potential for binary outcomes in the next few months.

RISK PROFILE: MODERATE-HIGH

Low	Mod-Low	Mod	Mod-High	High
<ul style="list-style-type: none"> 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
High	2.4%	3.4%	2.8%
Low	-1.0%	-5.9%	-0.9%

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
R99.68

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

PORTFOLIO VALUE
R46.95 million

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	1.43%
Performance Fee	None

TER and Transaction Cost (incl. VAT)	
Basic	1.77%
Portfolio Transaction Cost	0.15%
Total Investment Cost	1.92%

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

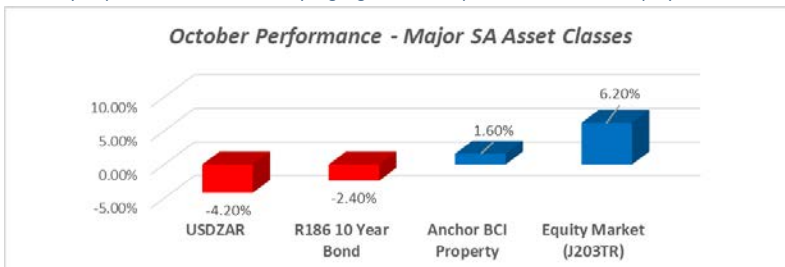
DISCLAIMER

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

The SA property market was resilient overall in October. Given the newsflow, and moves in the fixed-income and currency markets, this seems like something of a surprise. However, the answer once again lies in the detail of what the composition of the market is and the natural balance the investor gets from rand-hedge qualities of offshore focused, SA-listed property companies. The graph below shows the performances of the four major asset classes. The currency impact is even more starkly highlighted in the performance of the equity market.



The focus in the month was on the MTBPS. The new Minister of Finance did not balk at airing the dirty laundry of SA's fiscal position, although there was not much detail on how to clean it. Rather, the implicit message may have been that government and politicians needed to act decisively and quickly to shore-up investor confidence. This message was either missed by the markets, or they ascribe little confidence to its execution. The R186 weakened by over 6% as yields touched 2017 highs of 9.4%. The currency also broke through R14/\$1, again marking a YTD low.

The last two months of the year, normally associated with the holiday season, will be seminal for SA financial markets. Both Moody's and S&P are due to review the sovereign rating on 24 November. A downgrade to junk would not be welcome but the probability has risen. The ANC elective conference in mid-December is of course also key to the way forward. Markets will probably take a wait-and-see approach but there will be lots of newsflow that may cause reactions. The property sector will be no different. At a fundamental level, however, the local operating environment will remain difficult and higher yields are unlikely to be enticing until there is some clarity.

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

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 Email: clientservices@bcis.co.za
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Custodian/Trustee Information

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