

INVESTMENT OBJECTIVE

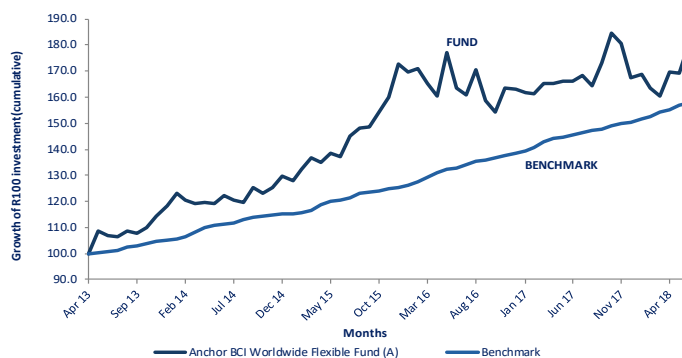
The Anchor BCI Worldwide Flexible Fund aims to provide investors with a moderate to high long-term total return by way of a worldwide flexible portfolio actively investing across different asset classes.

INVESTMENT PHILOSOPHY

The portfolio is a rand-denominated worldwide fund that has the flexibility to invest in equities, bonds, property and cash both globally and in South Africa.

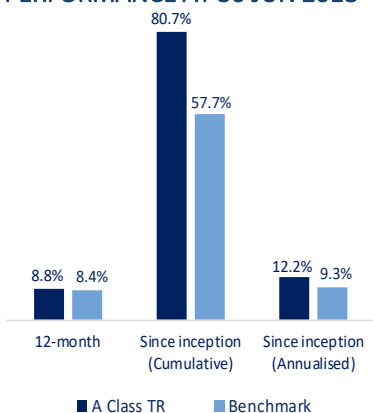
The heart of our philosophy is investing in companies with a durable competitive advantage that are underappreciated by investors and, consequently, trade for less than they are worth. They have enduring qualities and a history of attractive returns on capital. Ideally, they are led by highly talented management teams. The portfolio may, from time to time, 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



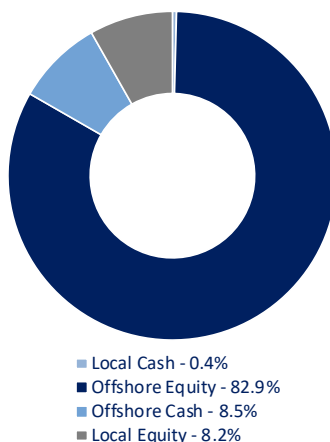
Investment performance is for illustrative purposes only and calculated by taking actual initial fees and ongoing fees into account for amount shown with income reinvested on reinvestment date.

PERFORMANCE AT 30 JUN 2018

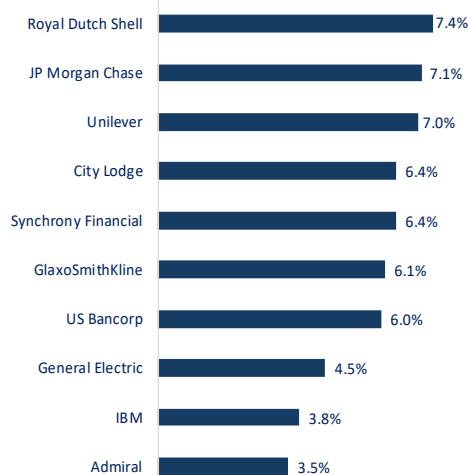


Annualised return is the weighted average compound growth rate over the period measured.

ASSET ALLOCATION AT 30 JUN 2018



TOP HOLDINGS AT 30 JUN 2018



QUARTERLY FUND MANAGER COMMENTARY

The fund achieved a return of 8.8% over the past 12 months, and an annualised return of 12.2% over the period since its inception in mid-May 2013. This compares with the benchmark return of 8.4% and 9.3%, respectively. The fund's performance over the past 12 months can also be compared against the S&P 500 Index, up 17.8% (in rand terms), and the FTSE All World Index, up 13.9% (also in rand terms).

No major changes were made to the portfolio in 2Q18, with the exception of two small holdings in Oaktree Capital and Zambeef being sold in their entirety. This reduced the number of equity holdings in the portfolio to 22, which is consistent with our approach of having a concentrated portfolio of long-term investments,

while still being adequately diversified. In response to the announcement that conglomerate, General Electric, was to be partially split up, we revised our view of the company and decided to increase our minor stake in that business. Other additions to the portfolio included US Bancorp and JD.com.

The fund's equity content ended the quarter at 91.1%, up slightly from 88.8% at the end of March 2018. Emerging market (EM) equity exposure decreased to 11.3% from 14.4% in 1Q18. Cash holdings, representing 8.9% of the fund, were invested primarily in US dollars.

RISK PROFILE: MEDIUM - HIGH

	Low	Mod-Low	Mod	Mod-High	High
<ul style="list-style-type: none"> This portfolio holds more equity exposure than a medium risk portfolio but less than a high-risk portfolio. In turn the expected volatility is higher than a medium risk portfolio, but less than a high-risk portfolio. The probability of losses is higher than that of a medium risk portfolio, but less than a high-risk portfolio and the expected potential long term investment returns could therefore be higher than a medium 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. Therefore, it is suitable for medium to long term investment horizons. 					

HIGH / LOW MONTHS BY YEAR

Dates	2014	2015	2016	2017	2018
High	4.5%	7.8%	10.4%	6.5%	6.8%
Low	-2.4	-1.2%	-7.7%	-7.2%	-3.0%

FUND NAME
Anchor BCI Worldwide Flexible Fund

ISIN NUMBER
ZAE000175683

INCEPTION DATE
14th May 2013

BENCHMARK
Inflation (SA CPI) + 4% p.a.

MINIMUM INVESTMENTS
R25,000 lump sum
R1,000 monthly debit order

FUND CLASSIFICATION
Worldwide Multi Asset Flexible

UNIT PRICE
R134.96

DISTRIBUTIONS
Semi-annually Declaration Date: 28 Feb/31 Aug

2016 Distribution (cpu): Feb 0.77; Aug 0.61

2017 Distribution (cpu): Feb 0.49; Aug 0.43

2018 Distribution (cpu): Feb 0.51

PORTFOLIO VALUE
R459.47 million

BOUTIQUE
+ COLLECTIVE
INVESTMENTS

FEES & FAIS DISCLOSURE

Initial fees (BCI) (incl VAT)	0.00%
Advisory Fee (Max) (incl VAT)	3.45%
Ongoing Advisory Fee (Max) (incl VAT)	1.15%

Annual Management Fee (incl VAT)

Class A	1.15%
Performance fee	None

TER and Transaction Cost (incl VAT)

Basic	Mar 18: 1.32% (PY): 1.24%
Portfolio Transaction Cost	Mar 18: 0.06% (PY): 0.04%
Total Investment Charge	Mar 18: 1.38% (PY): 1.28%

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 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 31 March 2018.

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. 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.

QUARTERLY MARKET COMMENTARY

The volatility of 1Q18 continued into the second quarter of this year. There is no doubt that global markets are being disrupted by gradual increases in interest rates as quantitative easing (QE) is withdrawn. And, for the first time in generations, a trade war between major world powers is now underway, with likely negative consequences for global trade. These two factors were enough for global investors to turn sellers of EM bonds and equities. A narrow segment of the market - technology shares - recovered in 2Q18 and continued their positive momentum of recent periods, outperforming all other major asset classes.

During the period under review, the fund benefited from high exposure to the US and limited exposure to EMs. Aside from two Chinese companies, JD.com and Yum China, that are both listed in the US, City Lodge is now arguably our only true EM investment. On the other hand, what has detracted from the fund's potential performance is the current modest exposure to high-growth companies. This includes companies like MasterCard, Alphabet, Schibsted, JD.com etc. which we own and companies like Amazon and Netflix, which we do not own. To be more specific, many current high-growth companies are tech companies and the fund had 13.6% invested in this category at quarter end. However, for various reasons - including valuation, increased regulation and potential anti-trust activity - we are reluctant to wade too deep into the largest of these companies at the moment. If anything, we could have done that a few years ago.

A global tech unit has been established at Anchor Capital with the intention of enhancing our coverage of the digital revolution that is disrupting many industries across the world. The manager of the fund is leading that effort.

The Anchor BCI Worldwide Flexible Fund celebrated its fifth birthday on 13 May 2018. When we launched the fund five years ago, the purpose was to help our clients diversify their savings away from South Africa. Five years later, and we continue to believe that was absolutely the right decision. The rand has weakened over the period and the fund, through its various offshore investments, has solidly beaten the local equity market. It has also comfortably outperformed the stated benchmark of South African consumer price index (CPI) +4% over the period.

If we look ahead to the next five years, we firmly believe that South Africans should still be diversifying their savings by investing offshore. The darkest clouds are hopefully clearing in this country, but it is far from balmy weather.

With the formative years now behind us, we are committed to providing a world-class investment case for you over the next five years. To all our investors to date, thank you for your support. It has been an absolute pleasure and privilege to manage your savings.

FUND MANAGER



David Gibb has a BSc (Med) degree from the University of Cape Town together with CA (SA) and CFA qualifications. Having joined the local investment industry in 1994, David has many years of experience in both equity research and fund management, including running the equity research team at Stanlib. His focus is global investments with a bias towards equities. David runs the Anchor BCI Worldwide Flexible Fund.

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

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 Tel: 021 441 4100