

ANCHOR BCI BOND FUND

A CLASS | July 2024

Minimum Disclosure Document | Issued 08 August 2024

ANCHOR

NAVIGATING
CHANGE

INVESTMENT OBJECTIVE

The **Anchor BCI Bond Fund** seeks to achieve an investment medium for investors, with its main objective being the maximum total return by primarily investing in bonds.

INVESTMENT PHILOSOPHY

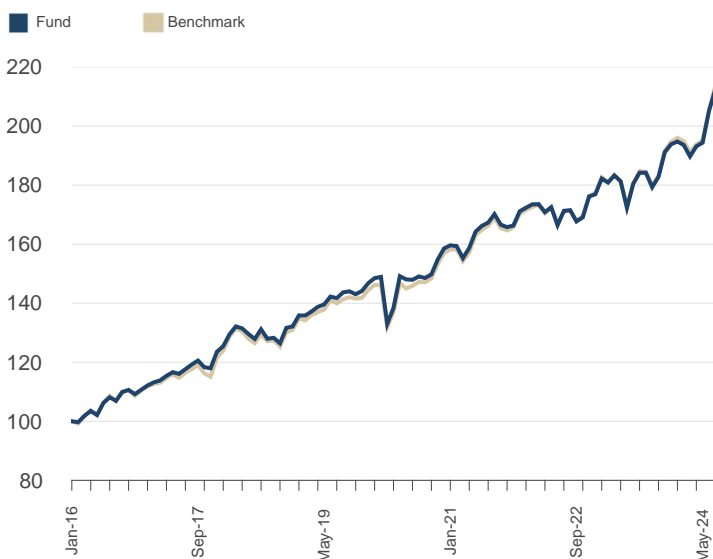
The investments normally to be included in the portfolio will comprise a combination of assets in liquid form and a combination of gilts and interest-bearing securities, including loan stock, semi-gilts, notes, debentures, debenture bonds, preference shares, money-market instruments, bonds, corporate debt, convertible equities and non-equity securities. 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.

MONTHLY RETURNS (%)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2024	0.5	-0.6	-2.0	1.8	0.6	5.5	3.6						9.6
2023	3.0	-0.7	1.3	-1.1	-5.0	4.7	2.1	0.0	-2.7	2.0	4.6	1.4	9.6
2022	0.7	0.7	0.0	-1.6	1.0	-3.5	2.9	0.1	-2.2	0.8	4.2	0.4	3.4
2021	0.7	-0.2	-2.6	2.2	3.5	1.2	0.7	1.7	-2.1	-0.5	0.3	2.9	7.9
2020	1.1	0.3	-10.7	4.1	7.7	-0.7	-0.1	0.8	-0.3	0.8	3.4	2.4	8.0
2019	2.8	0.0	1.0	1.1	0.6	1.9	-0.4	1.4	0.2	-0.7	0.8	1.8	11.1
2018	1.5	3.2	2.1	-0.5	-1.4	-1.3	2.6	-2.4	0.3	-1.5	4.1	0.4	7.0
2017	1.3	1.0	0.6	1.4	1.1	-0.5	1.4	1.3	1.1	-1.9	-0.3	4.7	11.6
2016		-0.3	2.1	1.6	-1.3	4.0	1.8	-1.1	2.8	0.6	-1.3	1.4	10.7

FUND PERFORMANCE SINCE INCEPTION

Growth of R100 investment (cumulative).



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

FUND INFORMATION

Risk profile:

LOW LOW-MOD MOD MOD-HIGH HIGH

Inception Date 8 Feb 2016
Benchmark JSE All Bond Index (ALBI)

Fund Classification SA Interest Bearing Variable Term
Distributions Quarterly Declaration Date:
31 Mar/30 Jun/30 Sep/31 Dec

Fees (Incl. VAT):

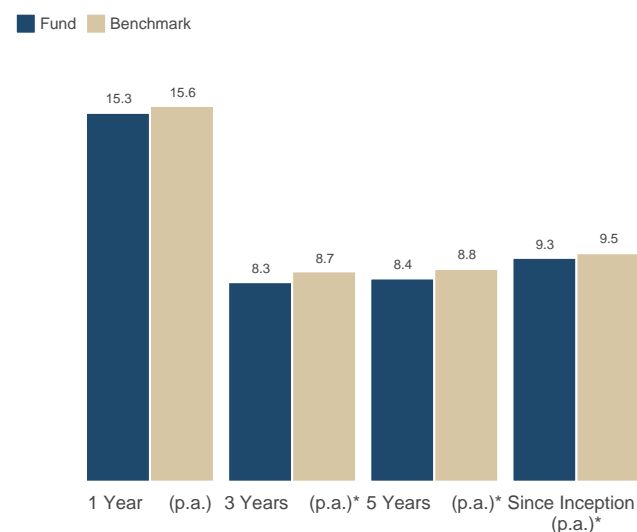
Annual Management Fee 0.63%
Total Expense Ratio (TER) Mar 24: 0.65% (PY): 0.65%

Portfolio Value R2368.85 mn
Unit Price 102.29 cpu

RISK PROFILE: LOW-MODERATE

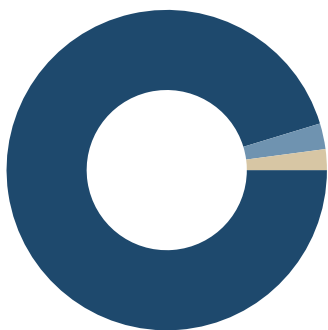
- This portfolio has relatively low equity exposure, resulting in relatively low volatility compared to higher risk portfolios.
- Where the asset allocation contained in this MDD reflects offshore exposure, the portfolio is exposed to currency risks.
- The portfolio is exposed to default and interest rate risks.
- The portfolio is suitable for medium-term investment horizons.
- The expected potential long term investment returns are lower over the medium to long term than higher risk portfolios.

FUND PERFORMANCE AT 31 JUL 2024 (%)



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

ASSET ALLOCATION AT 31 JUL 2024 (%)



■ Nominal Bonds - 95.3 ■ Floating Rate Bonds - 2.6 ■ Cash - 2.1

FUND MANAGER



Nolan Wapenaar

INFORMATION & DISCLOSURES

ISIN Number ZAE000212874
 Distributions 2022 (CPU) Sep 2.24; Dec 2.24 | 2023 (CPU) Mar 2.27; Jun 2.30; Sep 2.25; Dec 2.19 | 2024 (CPU) Mar 2.13; Jun 2.26

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.

SUBSCRIPTIONS

Valuation time 15h00
 Transaction cut-off time 14h00
 Payment reference Initials and Surname
 Minimum investment amount None*

Please send proof of deposit to fax (011) 263 6152 or e-mail instructions@bci-transact.co.za

*Fixed Administration Fee: R15 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.

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

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. BCI calculates the EAC as per the ASISA standard for a period of 3 years up until the most recent TER reporting period.

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, No45 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. Income funds derive their income from interest-bearing instruments in accordance with Section 100(2) of the Act. The yield is a current yield and is calculated daily. 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. Access the BCI Privacy Policy and the BCI Terms and Conditions on the BCI website (www.bcis.co.za).



TOP TEN HOLDINGS AT 31 JUL 2024 (%)

Republic Of South Africa - 2037 Bond	22.0
Republic Of South Africa - 2035 Bond	12.1
Republic Of South Africa - 2040 Bond	12.0
Republic Of South Africa - 2032 Bond	8.6
Republic Of South Africa - 2036 Bond	7.9
Standard Bank of South Africa Limited - 2028 Bond	7.4
Republic of Sourh Africa - 2053 Bond	5.5
Republic Of South Africa - 2044 Bond	4.0
Investec Call	2.4
Republic of South Africa - 2048 Bond	1.7

FUND MANAGER COMMENTARY AT 31 JUL 2024

The global interest rate-cutting cycle is picking up steam. Several developed market central banks, including the Swiss National Bank (SNB), Bank of Canada (BoC) and the European Central Bank (ECB), have begun easing. In a narrow vote, the Bank of England (BoE) became the latest major central bank to lower its policy interest rate. At the opposite end, the Bank of Japan (BoJ) raised its key policy rate to 0.25% from 0%-0.1% and unveiled a detailed plan to slow its bond-buying programme. While the US Federal Reserve (Fed) held rates steady in July, it indicated that inflation was getting closer to its target, suggesting a cut could be achieved as soon as September. As the market ramped up bets that the Fed will start cutting interest rates in September, the policy-sensitive US 2-year bond yield rallied by 44 bps over the month. The US yield curve bull steepened as the 2v10 spread ended the month at -23 bps compared to -38 bps at the end of June. Locally, the political risk premium on the government bond curve continued to recede while traders increased bets for a September cut. The South African Reserve Bank (SARB) kept the policy rate steady in July, with a third of the Monetary Policy Committee (MPC) favouring a rate cut, clearly signalling that easing is nearing. Regarding local interest rate expectations, the forward rate agreement (FRA) curve is fully pricing in two quarter-point cuts by the end of 2024. The fund is strategically managed to secure an attractive return by investing primarily in a range of local fixed-rate government and corporate bonds.

FEE DETAILS

	Class A
Initial fees (BCI) (incl. VAT)	0%
Annual Management Fee (incl VAT)	
Class A	0.63%
Performance Fee	None
TER and Transaction Cost (incl VAT)	
Basic	Mar 24: 0.65% (PY): 0.65%
Portfolio Transaction Cost	Mar 24: 0.00% (PY): 0.00%
Total Investment Charge	Mar 24: 0.65% (PY): 0.65%

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. The TIC should not be considered in isolation as returns may be impacted by many other factors over me 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 December 2023, whilst the underlying portfolios ratio and cost calculations are based upon their most recent published figures, being 31 March 2024.

CUSTODIAN / TRUSTEE INFORMATION

The Standard Bank of South Africa Ltd
 Tel: 021 441 4100