

# ANCHOR BCI FLEXIBLE FUND

CLASS | October 2024

Minimum Disclosure Document | Issued 13 November 2024

# ANCHOR

NAVIGATING  
CHANGE

## INVESTMENT OBJECTIVE

The **Anchor BCI Flexible Fund** is a domestic flexible portfolio that aims to provide investors with a moderate term total return by way of actively investing across different asset classes.

## INVESTMENT PHILOSOPHY

The portfolio may invest in global and local equity securities, government bonds, corporate bonds and inflation linked bonds, debentures, fixed interest securities, property shares, property related securities, preference shares, money market instruments and assets in liquid form. The portfolio may also invest in participatory interests and other forms of participation in portfolios of collective investment schemes or other similar schemes operated in territories with a regulatory environment which is to the satisfaction of the manager and trustee of a sufficient standard to provide investor protection at least equivalent to that in South Africa and which is consistent with the portfolio's primary objective. The portfolio may from time to time invest in listed and unlisted financial instruments. The manager may include the following unlisted financial instruments: forward currency, interest rate and exchange rate swap transactions for efficient portfolio management purposes. The manager shall have the maximum flexibility to vary assets between the various markets and asset classes to reflect the changing economic and market conditions and may have an up to 100% exposure to equities.

## FUND INFORMATION

Risk profile:

LOW

LOW-MOD

MOD

MOD-HIGH

HIGH

Inception Date

12 Nov 2024

Benchmark

Inflation (SA CPI) + 5% p.a.

Fund Classification

Worldwide Multi Asset Flexible

Distributions

Semi-annual

Declaration Date: 30 June/31 Dec

Fees (Incl. VAT):

Annual Management Fee 0.51%

Total Expense Ratio (TER) -

Portfolio Value

R689.94 mn

Unit Price

100.13 cpu

## RISK PROFILE: MODERATE-HIGH

- 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 reflects 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.

## FUND PERFORMANCE SINCE INCEPTION

Performance will be shown once the required regulatory period has passed (12 months after inception date).

## FUND PERFORMANCE AT 31 OCT 2024 (%)

Performance will be shown once the required regulatory period has passed (12 months after inception date).



Local Equity - 100.0

## FUND MANAGER

Anchor Capital Investment Team

## INFORMATION & DISCLOSURES

ISIN Number ZAE000175642

Distributions

## 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](http://www.bcis.co.za))
- Valuation takes place daily and prices can be viewed on our website ([www.bcis.co.za](http://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](mailto:clientservices@bcis.co.za) | [www.bcis.co.za](http://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](http://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 part of the Apex Group 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. 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](http://www.bcis.co.za)).

**BOUTIQUE**  
+ COLLECTIVE  
INVESTMENTS

Naspers Limited	15.4
Richemont	11.5
Absa Group Limited	7.6
Reinet Investments	7.2
Standard Bank Group Limited	7.1
Quilter Plc	4.8
Sun International	4.8
The Foschini Group	4.5
Shoprite Holdings Limited	4.4
Investec Plc	4.1

## FUND MANAGER COMMENTARY AT 31 OCT 2024

After seven consecutive positive months, South African (SA) equities finally wobbled in October (FTSE/JSE Capped SWIX Index -0.9% MoM), tracking global markets lower. There were very few hiding places on the local bourse, with precious metals being one of the few areas with positive share price action. Gold shares (+8% MoM) tracked the price of the yellow metal higher, while platinum miners (+16% MoM) were the star performers in the month, boosted by reports that the US had asked its G7 partners to consider sanctions on Russia's platinum group metals (PGM) exports. Investment companies Naspers (-1.2% MoM) and Prosus (-2.3% MoM) held up relatively well in light of a 9% MoM drop in the share price of their largest investment, Chinese tech conglomerate Tencent (-6.8% MoM when measured in SA rand terms). Even the rand-hedge component of the SA bourse could not take advantage of the tailwind a weak local currency provided to deliver decent rand share price performance in October. AB InBev (-8% MoM) was one of the shares among that cohort which disappointed. Global luxury goods company Richemont (-7% MoM) was another rand-hedge stock that failed to take advantage of the weaker local currency, with its share price coming under pressure as luxury peers announced disappointing results, weighed down by weak sales to Chinese consumers. Developed market (DM) equities experienced only their second negative month of the year (MSCI World Index -2.0% MoM), with weakness across most regions and sectors. US corporates started reporting 3Q24 earnings, with about half of S&P 500 companies reporting earnings during October. Those companies which reported results delivered aggregate earnings growth of c. 8% YoY, well ahead of analyst expectations for 2% YoY earnings growth. However, the stronger-than-anticipated earnings were insufficient to appease investors, with muted forward guidance, geopolitical risk, and higher rates providing a strong headwind for stocks. Emerging market (EM) equities also struggled in October (MSCI EM -4.3% MoM). The excitement around China's stimulus package, announced in September, was short-lived, as a lack of additional stimulus measures from the Chinese government saw many investors abandon their investments in Chinese equities almost as quickly as they had piled into them after the initial stimulus announcements.

## FEE DETAILS

	Class A
Advisory Fee (Max) (incl. VAT)	0%
Ongoing Advisory Fee (Max) (incl. VAT)	1.15%
Annual Management Fee (incl. VAT)	
Class A	0.51%
Performance Fee	None
TER and Transaction Cost (incl. VAT)	
Basic	-
Portfolio Transaction Cost	-
Total Investment Charge	-

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 TERs. 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 cannot be determined accurately because of the short life span of the Fund. Calculations are based on actual data where possible and best estimates when actual data is not available.

## CUSTODIAN / TRUSTEE INFORMATION

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