

ANCHOR BCI GLOBAL FLEX INCOME FUND

B CLASS | August 2024

Minimum Disclosure Document | Issued 05 September 2024



NAVIGATING
CHANGE

INVESTMENT OBJECTIVE

The **Anchor BCI Global Flexible Income Fund** aims to achieve a higher return than US dollar term bank deposits.

INVESTMENT PHILOSOPHY

The Anchor BCI Global Flexible Income Fund is a global flexible income portfolio with the objective of achieving a higher return than US dollar fixed term bank deposits. Investments to be acquired for the portfolio may include equity securities, property securities, property related securities, interest-bearing securities and instruments, non-equity securities, money market instruments, preference shares and assets in liquid form. The portfolio may also invest in participatory interests and other forms of participation in portfolios of collective investment schemes, registered in South Africa and 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's maximum equity exposure will be limited to 10% of the portfolio's net asset value. The portfolio may from time to time invest in listed and unlisted financial instruments, in order to achieve the portfolio's investment objective. The manager may only include forward currency, interest rate and exchange rate swap transactions for efficient portfolio management purposes.

FUND INFORMATION

Risk profile:



Inception Date	14 Sep 2020
Benchmark	110% of US Secured Overnight Financing Rate - ZAR
Fund Classification	Global Multi Asset Income
Distributions	Semi-annual Declaration Date: 30 Jun/31 Dec
Fees (Incl. VAT):	
Annual Management Fee	0.75%
Total Expense Ratio (TER)	Jun 24: 0.72% (PY): 0.74%
Portfolio Value	R164.59 mn
Unit Price	101.12 cpu

MONTHLY RETURNS (%)

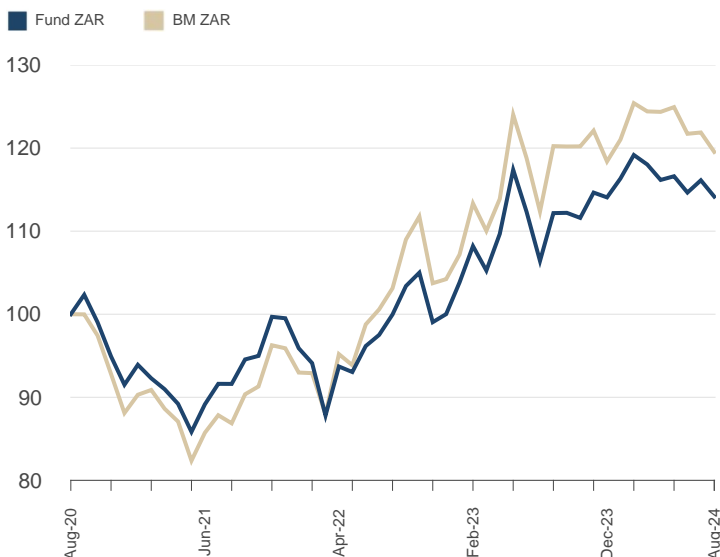
YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2024	2.0	2.4	-1.0	-1.6	0.4	-1.7	1.3	-1.7					0.1
2023	3.8	4.2	-2.7	4.2	7.0	-4.3	-5.3	5.4	0.0	-0.5	2.7	-0.5	14.1
2022	-3.6	-1.9	-6.7	6.7	-0.7	3.4	1.4	2.5	3.4	1.6	-5.7	1.0	0.5
2021	2.6	-1.7	-1.4	-1.9	-3.8	3.9	2.8	0.0	3.2	0.5	5.0	-0.2	8.7
2020									2.3	-3.3	-4.1	-3.6	-8.5

RISK PROFILE: MODERATE

- This portfolio holds exposure to bonds which have credit and interest rate risks. We consider the risk to be higher than a low-risk equity portfolio, but less than that of a high risk portfolio. In turn, the expected volatility is higher than a low-risk portfolio, but less than that of a high-risk portfolio.
- Where the asset allocation contained in this MDD reflects offshore exposure, the portfolio is exposed to currency risks.
- This portfolio is exposed to potential 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.

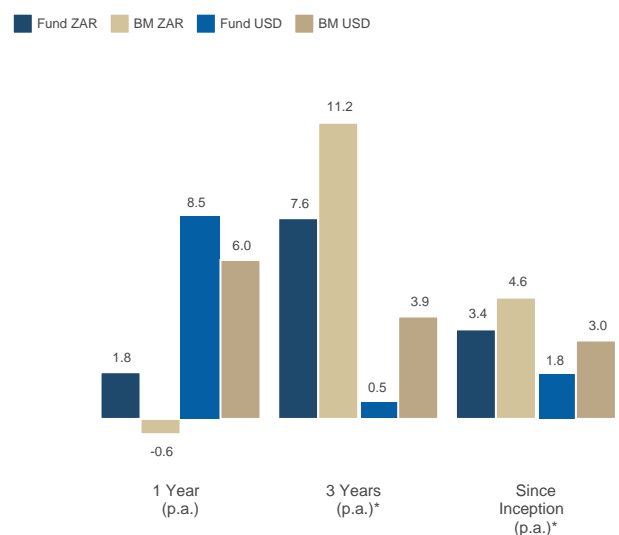
FUND PERFORMANCE SINCE INCEPTION

Growth of R100 investment (cumulative).



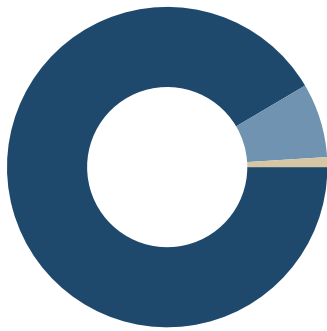
Investment performance is for illustrative purposes only and calculated by taking actual initial fees and ongoing fees into account for the amount shown with income reinvested on reinvestment date.

FUND PERFORMANCE AT 31 AUG 2024 (%)



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

ASSET ALLOCATION AT 31 AUG 2024 (%)



Offshore Bonds - 91.5 Forex - 7.5 Cash - 1.0

FUND MANAGER



Nolan Wapenaar

INFORMATION & DISCLOSURES

ISIN Number ZAE000288834
 Distributions 2022 (CPU) Dec 1.46 | 2023 (CPU) Jun 1.84; Dec 1.93 | 2024 (CPU) Jun 1.87

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,
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 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 instances 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, 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. 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 AUG 2024 (%)

Offshore Cash	7.4
Ebay - 2027 Bond	4.6
Met Life - 2028 Bond	4.4
Goldman Sachs - 2026 Bond	4.3
ACA Corp - 2026 Bond	2.6
Charles Schwab - 2034 Bond	2.3
Lloyds - 2029 Bond	2.3
Apple - 2033 Bond	2.2
Dell - 2028 Bond	2.2
Philip Morris - 2034 Bond	2.2

FUND MANAGER COMMENTARY AT 31 AUG 2024

Considering the global environment, we are increasingly convinced that interest rate cuts are on the horizon. A September interest rate cut seems highly likely. Cuts in Europe and the UK are also within the realm of possibility. We understand that the market is forward-looking and that a shallow rate-cutting cycle is already priced in. Market speculation revolves around the pace of the US economy's slowdown and the potential for a recession. We maintain our view that the US will demonstrate more resilience than many anticipate. However, we believe that when interest rate cuts materialise, there will be a positive market reaction simply from the confirmation that the moment has finally arrived. We also observe that historically, the Fed has cut rates more than markets anticipate. Therefore, while a rate-cutting cycle is already priced in, the risks are tilted towards more cuts than we, or the market, expect. This is especially true as the anecdotal evidence of a slowing US economy is gradually mounting. We expect the combination of high yields (compared to historical norms) and likely gains as interest rate cuts materialise will bolster this asset class. The global environment will grapple with a decelerating US economy, but once the dust settles, lower borrowing costs for many of our issues should be supportive of this portfolio. For now, the name of the game is patience as we navigate through volatility and into the interest rate-cutting cycle.

FEE DETAILS

	Class B
Initial Fees (BCI) (Incl. VAT)	0%
Annual Management Fee (Incl. VAT)	
Class B	0.75%
Performance Fee	None
TER and Transaction Cost (Incl. VAT)	
Basic	Jun 24: 0.72% (PY): 0.74%
Portfolio Transaction Cost	Jun 24: 0.00% (PY): 0.00%
Total Investment Charge	Jun 24: 0.72% (PY): 0.74%

A higher TER 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 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 30 June 2024.

CUSTODIAN / TRUSTEE INFORMATION

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 Tel: 021 441 4100