



# STEWART BCI ABSOLUTE RETURN FUND OF FUNDS (A)

MANAGED BY: BRUCE STEWART - AUTHORISED FSP 37812

MINIMUM DISCLOSURE DOCUMENT

31 OCTOBER 2018

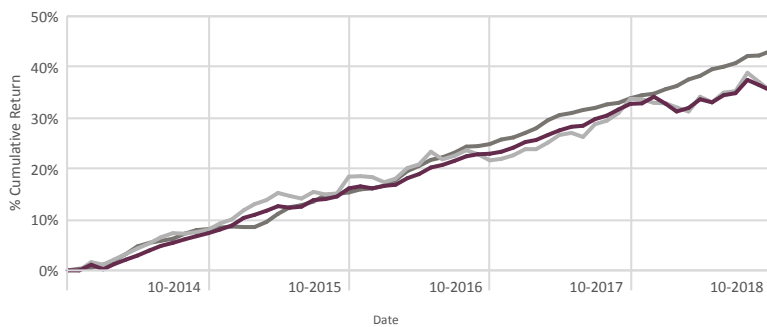
## INVESTMENT OBJECTIVE

The primary objective is seeking positive returns more than inflation for all urban areas plus 2% per annum over 3-year rolling periods.

## INVESTMENT UNIVERSE

The Stewart BCI Absolute Return Fund of Funds is a cautious fund of funds portfolio with a primary objective of seeking positive returns more than inflation for all urban areas plus 2% per annum over 3-year rolling periods. To provide a limited level of capital protection, the portfolio's equity exposure may be as high as 40% of the portfolio's net asset value. The underlying portfolios may invest in, amongst others, equity securities, property securities, non-equity securities, money market instruments, preference shares, bonds and other interest bearing instruments and securities.

## PERFORMANCE (Net of Fees)



	Cumulative (%)	1 Year	3 Years	5 Years	10 Years	Since Inception
<b>Fund</b>		1.94	16.57	35.32	94.67	108.43
<b>Fund Benchmark</b>		7.01	24.14	43.14	101.46	132.69
<b>ASISA Category Average</b>		1.10	14.21	35.18	121.31	118.53
<b>Annualised (%)</b>						
<b>Fund</b>		1.94	5.24	6.24	6.89	6.90
<b>Fund Benchmark</b>		7.01	7.47	7.44	7.26	7.98
<b>ASISA Category Average</b>		1.10	4.53	6.21	8.27	7.37

Inception date: 01 Nov 2007

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

### Highest and lowest calendar year performance since inception

High	11.05
Low	3.10

## MONTHLY RETURNS

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
<b>2018</b>	-1.0	-1.1	0.5	1.3	-0.4	1.1	0.3	1.9	-0.7	-0.8	-	-	0.92
<b>2017</b>	0.9	0.4	0.8	0.8	0.5	0.1	1.0	0.5	0.9	0.9	0.0	1.0	8.07
<b>2016</b>	0.4	0.2	1.1	0.7	1.1	0.5	0.6	0.7	0.4	0.1	0.3	0.6	6.86
<b>2015</b>	1.4	0.6	0.7	0.8	-0.3	0.1	1.2	0.2	0.4	1.3	0.4	-0.4	6.72
<b>2014</b>	-0.9	1.0	0.9	0.8	1.0	0.9	0.5	0.7	0.6	0.5	0.7	0.8	7.64
<b>2013</b>	0.7	0.2	1.0	1.3	-0.3	-1.0	0.2	-0.1	1.4	1.0	0.0	1.1	5.61

## FUND INFORMATION

Portfolio Manager:	Bruce Stewart
Launch date:	01 Nov 2007
Portfolio Value:	R 58 332 864
NAV Price (Fund Inception):	100 cents
NAV Price as at month end:	115.97 cents
JSE Code:	SARBA
ISIN Number:	ZAE000105375
ASISA Category:	SA Multi Asset Low Equity
Fund Benchmark:	CPI + 2%p.a
Minimum lump sum:	None
Minimum monthly investment:	None
#Monthly Fixed Admin Fee:	R10 excl. VAT on all direct investor accounts with balances of less than R100 000
Valuation:	Daily
Valuation time:	08:00 (T+1)
Transaction time:	14:00
Regulation 28:	Yes
Date of Income Declaration:	28 Feb/31 May/31 Aug/30 Nov
Date of Income Payment:	2nd day of Mar/Jun/Sep/Dec

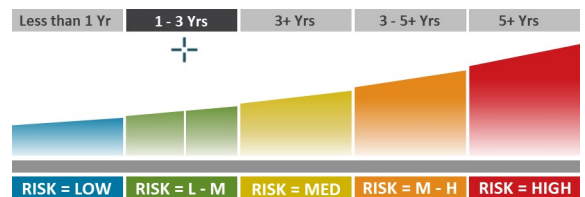
## Income Distribution (cpu)

Nov-17	Feb-18	May-18	Aug-18
-	1.64	1.11	1.46

## FEE STRUCTURE

Annual Service Fee:	1.15% (Incl. VAT)
Initial Advisory Fee (Max):	3.45% (Incl. VAT)
Annual Advice Fee:	0 - 1.15% (if applicable)
Initial Fee:	0.00% (if applicable)
Performance Fee:	None
<b>* Total Expense Ratio (TER):</b>	Jun 18 : 1.93% (PY: 1.87%)
Performance fees incl in TER:	Jun 18 : 0.00% (PY: 0.00%)
<b>Portfolio Transaction Cost:</b>	Jun 18 : 0.06% (PY: 0.03%)
<b>Total Investment Charge:</b>	Jun 18 : 1.99% (PY: 1.90%)
	<i>All Values (Incl. VAT)</i>

## RISK PROFILE



### Low - Medium Risk

- 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.
- Therefore, it is suitable for medium term investment horizons.
- The expected potential long term investment returns may be lower over the medium to long term than higher risk portfolios.

**BOUTIQUE**  
+ COLLECTIVE  
INVESTMENTS

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## PORTFOLIO HOLDINGS

Asset Allocation (%)	As at 30 Sep 2018	Top Holdings (%)	As at 30 Sep 2018
Domestic Bonds	38.87	BCI Income Plus C	16.2
Domestic Cash	25.80	Coronation Strategic Income P	15.2
Domestic Equity	12.98	Allan Gray Stable C	11.8
Offshore Equity	8.15	Sanlam Select Defensive Balanced A1	11.5
Domestic Property	4.78	Satrix Low Equity Balanced Index B1	11.5
Offshore Bonds	3.96	PSG Stable D	11.4
Offshore Cash	2.62	BCI Best Blend Cautious B1	8.6
Offshore Property	1.12	Prudential Inflation Plus B	7.2
Africa Bond	0.41	Momentum Money Market C1	2.5
Africa Equity	0.33		
Unit Trusts	0.31		
Africa Property	0.05		
Other	0.62		

## INFORMATION AND DISCLOSURES

### Risks

Where foreign securities are included in the portfolio there may be 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.

### \* Total Expense Ratio (TER)

Please note: 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 prior year ("PY") TER and Transaction cost calculations are based upon the portfolio's direct costs for the financial year ended 31 August 2017, whilst the underlying portfolios' ratio and cost calculations are based upon their most recent published figures, being 30 June 2018.

**Effective Annual Cost:** 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).

**#Monthly Fixed Admin Fee:** R10 excl. 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.

### Fund

* Total Expense Ratio (TER)	Transactional Cost (TC)	Total Investment Charge (TER & TC)
1.93%	0.06%	1.99%
Of the value of the Fund was incurred as expenses relating to the administration of the Fund.	Of the value of the Fund was incurred as costs relating to the buying and selling of the assets underlying the Fund.	Of the value of the Fund was incurred as costs relating to the investment of the Fund.

### 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 form part of the BCI Scheme. These investments will be detailed in this document, as applicable.

### Investment Manager

Bruce Stewart Investment & Financial Planner (Pty) Ltd is an authorised Financial Service Provider FSP 37812.

- ✦ 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 performance figures are available to existing investors on request.
- ✦ Upon request the Manager will provide the investor with portfolio quarterly investment holdings reports.

### Management Company Information

Boutique Collective Investments (RF) (Pty) Limited  
Catnia Building,  
Bella Rosa Village, Bella Rosa Street,  
Bellville, 7530  
Tel: 087 057 0571 021 914 1880 + Fax: 086 502 5319  
+ Email: [clientservices@bcis.co.za](mailto:clientservices@bcis.co.za) + [www.bcis.co.za](http://www.bcis.co.za)

### Custodian / Trustee Information

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

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INVESTMENTS

## DISCLAIMER

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