



# CINNABAR

## CINNABAR BCI BALANCED FUND OF FUNDS (A)

MANAGED BY: CINNABAR ASSET MANAGEMENT (PTY) LTD - AUTHORISED FSP 832

MINIMUM DISCLOSURE DOCUMENT

31 AUGUST 2018

### INVESTMENT OBJECTIVE

The Cinnabar BCI Balanced Fund of Funds aims to deliver a moderate to high long term total return.

### INVESTMENT UNIVERSE

The portfolio will be managed in compliance with prudential investment guidelines for retirement funds in South Africa to the extent allowed for by the Act, with a maximum equity exposure of 75% of the portfolio's asset value. Investments to be included in the portfolio will, apart from cash, consist of participatory interests and other forms of participation of local and global 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, investing in equity securities, property securities, non-equity securities, money market instruments, preference shares, bonds and other interest bearing instruments and securities.

### PERFORMANCE (Net of Fees)

Performance will be displayed 6 months after the launch date.

Cumulative (%)	1 Year	3 Years	5 Years	10 Years	Since Inception
<b>Fund</b>					
<b>Fund Benchmark</b>					
<b>ASISA Category Average</b>					
<b>Annualised (%)</b>					
<b>Fund</b>					
<b>Fund Benchmark</b>					
<b>ASISA Category Average</b>					
Inception date: 02 Mar 2018					
** Annualised return is the weighted average compound growth rate over the period measured.					
<b>Highest and lowest calendar year performance since inception</b>					
<b>High</b>	-				
<b>Low</b>	-				

### FUND INFORMATION

Portfolio Manager:	Cinnabar Asset Management
Launch date:	02 Mar 2018
Portfolio Value:	R 47 322 625
NAV Price (Fund Inception):	100 cents
NAV Price as at month end:	103.18 cents
JSE Code:	CBCBFA
ISIN Number:	ZAE000254157
ASISA Category:	SA - Multi Asset - High Equity
Fund Benchmark:	SA Multi Asset High Equity average
Minimum lump sum:	R 25 000
Minimum monthly investment:	R 1 000
Valuation:	Daily
Valuation time:	08:00 (T+1)
Transaction time:	14:00
Regulation 28:	Yes
Date of Income Declaration:	28 February/31 August
Date of Income Payment:	2nd working day of Mar/Sep

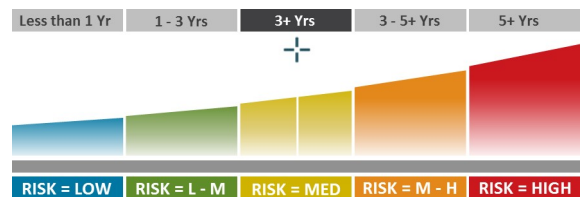
### Income Distribution (cpu)

<b>31 Aug 2018</b>
1.53

### 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% (Incl. VAT)
Performance Fee:	None
<b>* Total Expense Ratio (TER):</b>	Jun 18 : 1.87% (PY:N/A%)
Performance fees incl in TER:	Jun 18 : 0.00% (PY:N/A%)
<b>Portfolio Transaction Cost:</b>	Jun 18 : 0.25% (PY:N/A%)
<b>Total Investment Charge:</b>	Jun 18 : 2.12% (PY:N/A%)
	<i>All Values (Incl. VAT)</i>

### RISK PROFILE



#### Medium Risk

- 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.



**PORTFOLIO HOLDINGS**

Asset Allocation (%)	As at 31 Aug 2018	Top Holdings (%)	As at 31 Aug 2018
Domestic Equity	38.77	Satrix Capped Swix All Share Index A2	22.2
Domestic Bonds	22.38	STANLIB Income D	9.5
Domestic Cash	13.69	Nedgroup Inv Core Income C	9.5
Offshore Equity	13.08	Laurium Flexible Prescient B4	9.4
Domestic Property	6.57	Northstar SCI Managed B	8.5
Offshore Property	1.84	PSG Flexible E	8.5
Offshore Bonds	1.57	Coronation Balanced Plus P	8.1
Offshore Cash	0.89	Satrix Bond Index A2	6.1
Africa Cash	0.48	Satrix World Equity Tracker S USD Acc	6.1
Africa Equity	0.27	Prudential Inflation Plus B	6.0
Unit Trusts	0.20		
Africa Bond	0.07		
Other	0.19		

**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.

**PROJECTED 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).

**Fund**

* Total Expense Ratio (TER)	Transactional Cost (TC)	Total Investment Charge (TER & TC)
1.87%	0.25%	2.12%
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**

Cinnabar Asset Management (Pty) Ltd is an authorised Financial Service Provider FSP 832.

- 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



**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 ASISA. 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. BCI 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. Additional information, including application forms, annual or quarterly reports can be obtained from BCI, free of charge. Performance figures quoted for the portfolio are from Morningstar, as at the date of this minimum disclosure 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. BCI 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's products. A fund of funds is a portfolio that invests in portfolios of collective investment schemes that levy their own charges, which could result in a higher fee structure.