

# ANCHOR BCI MANAGED FUND

A CLASS | January 2020

Minimum Disclosure Document | Issued 11 February 2020

ANCHOR

NAVIGATING  
CHANGE

## INVESTMENT OBJECTIVE

The **Anchor BCI Managed Fund** is a moderate-risk profile portfolio with the objective to offer investors a moderate to high long-term total return.

## INVESTMENT PHILOSOPHY

The fund will be managed in compliance with Regulation-28 investment guidelines. The net equity exposure will range between 0% and 75%. In order to achieve its objective, the investments normally to be included in the portfolio may comprise a combination of assets in liquid form, money market instruments, interest-bearing securities, bonds, debentures, corporate debt, equity securities, property securities, preference shares, convertible equities and non-equity securities. The portfolio may 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.

## FUND INFORMATION

Risk profile:

LOW

LOW-MOD

MOD

MOD-HIGH

HIGH

Inception Date

02 Feb 2015

Benchmark

ASISA SA Multi Asset High Equity Category Average

Fund Classification

SA Multi Asset High Equity

Distributions

Semi-annual Declaration Date:  
28 Feb/31Aug

### Fees (Incl. VAT):

Annual Management Fee 1.44%

Total Expense Ratio (TER) Sep 19: 1.58%

Portfolio Value

R466.56 mn

Unit Price

110.22 cpu

## MONTHLY RETURNS (%)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2020	0.8												0.8
2019	2.3	2.3	1.9	4.5	-3.6	1.7	-1.1	-0.9	0.4	1.7	-0.5	0.7	9.5
2018	-1.0	-0.1	-1.5	2.3	-2.2	2.0	0.3	2.6	-2.5	-4.5	-1.6	0.5	-5.8
2017	1.5	-1.4	2.0	2.3	0.9	-1.5	3.7	0.2	1.4	4.4	-0.9	-3.7	9.0
2016	-2.5	-0.9	2.0	-0.8	2.8	-2.5	-0.1	0.9	-1.1	-1.9	0.1	0.6	-3.3
2015	-0.2	2.0	1.9	-0.6	0.4	2.5	-1.2	-0.4	5.4	0.4	0.3	10.9	

## RISK PROFILE: MODERATE

- 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

Growth of R100 investment (cumulative).

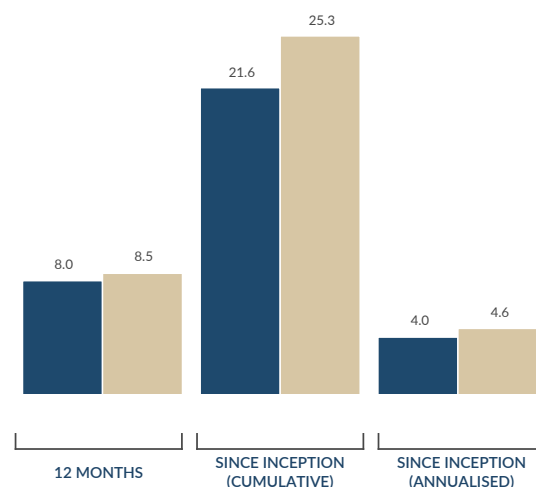
■ Fund ■ Benchmark



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.

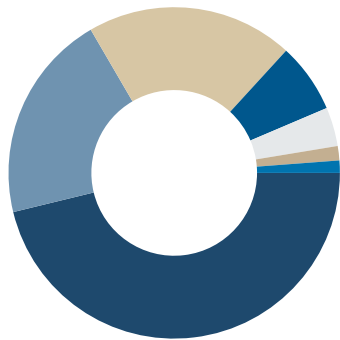
## FUND PERFORMANCE AT 31 JAN 2020 (%)

■ Fund ■ Benchmark



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

## ASSET ALLOCATION AT 31 JAN 2020 (%)



- Local Equity - 46.2
- Offshore Equity - 20.4
- Local Bonds - 20.2
- Local Cash - 6.8
- Offshore Bonds - 3.8
- Offshore Cash - 1.4
- Local Property - 1.2

## FUND MANAGER



Peter Little



Peter Armitage

## INFORMATION & DISCLOSURES

ISIN Number ZAE000200598  
Distributions 2018 (CPU) Feb 1.30; Aug 1.79 | 2019 (CPU) Feb 1.47; Aug 1.61

## 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@bcis-transact.co.za](mailto:instructions@bcis-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 | 021 914 1880 | Fax: 086 502 5319  
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## 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).

## 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. 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.

## TOP TEN HOLDINGS AT 31 JAN 2020 (%)

Naspers Limited	5.7
SA Govt - 2030 Bond	2.6
SA Govt - 2026 Bond	2.4
Standard Bank Group Limited	2.3
Prosus	2.3
Anglo American Plc	2.1
Exxaro Resources	2.1
Sasol	2.0
SA Govt - 2031 Bond	1.9
Investec Limited	1.8

## FUND MANAGER COMMENTARY AT 31 JAN 2020

The Anchor BCI Managed Fund started the year on a positive note - up 0.8% in January. This was slightly ahead of its peer group, which rose by 0.7% MoM. It was left to our offshore exposure to do most of the heavy lifting in the fund for January, with our offshore allocation component contributing 1.5% to the fund's performance, predominantly from the impact of currency, as the rand weakened c. 7% against the US dollar in January. Domestic bonds also made a positive contribution to performance in a month which saw global yields drop meaningfully and the SA Reserve Bank cut local interest rates by 0.25%. Domestic equity was the biggest drag on returns as the local equity market was pulled down, along with other emerging markets (EMs), over fears of the economic impact of the new coronavirus in China and its knock-on effect, particularly to commodity producing EMs. Within our domestic equity allocation, we achieved some outperformance with exposure to Reinet and Transaction Capital - their share price were both up 16% for the month. Meanwhile, the laggards included those stocks sensitive to industrial commodities such as Exxaro (-7% MoM) and Sasol, which suffered from a plunging oil price and an update which included further disappointing news around its Lake Charles Project in the US.

## FEE DETAILS

	Class A
Initial fees (BCI) (incl. VAT)	0%
Advisory Fee (Max) (incl VAT)	0%
Ongoing Advisory Fee (Max) (incl VAT)	1.15%
Annual Management Fee (incl VAT)	
Class A	1.44%
Performance Fee	None
TER and Transaction Cost (incl VAT)	
Basic	1.58%
Portfolio Transaction Cost	0.32%
Total Investment Charge	1.90%

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 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 August 2019, whilst the underlying portfolios ratio and cost calculations are based upon their most recent published figures, being 30 September 2019.

## CUSTODIAN / TRUSTEE INFORMATION

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

**BOUTIQUE**  
+ COLLECTIVE  
INVESTMENTS