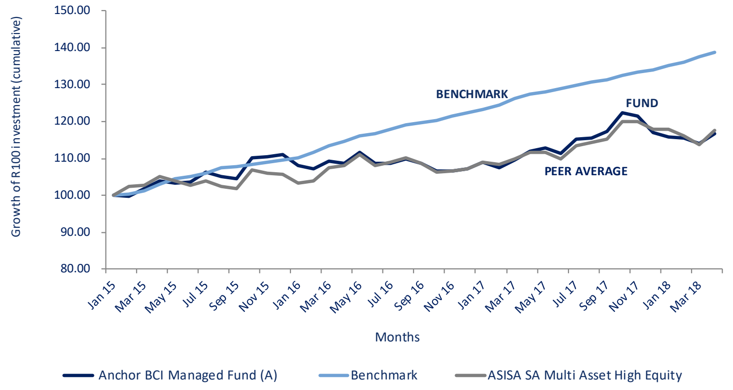
INVESTMENT OBJECTIVE

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

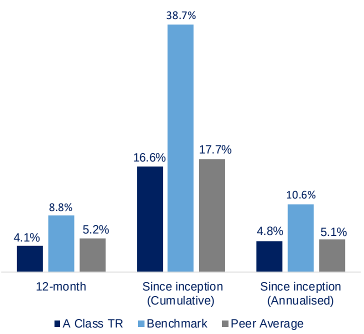
The fund will be managed in compliance with Regulation-28 investment guidelines. The net equity exposure will range between 0% and 75%. In order to achieve its objective, the investments normally to be included in the portfolio may comprise a combination of assets in liquid form, money market instruments, 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.

CUMULATIVE PERFORMANCE VS. BENCHMARK SINCE INCEPTION



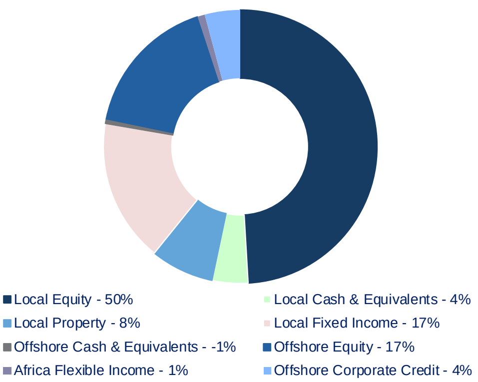
Investment performance is for illustrative purposes only and calculated by taking actual initial fees and ongoing fees into account for amount shown with income reinvested on reinvestment date.

PERFORMANCE AT 30 APR 2018

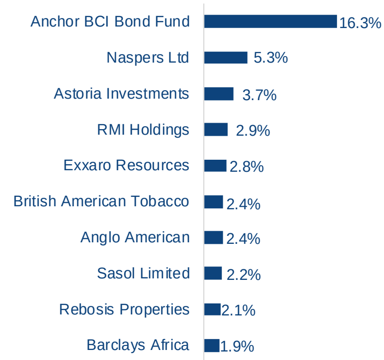


Annualised return is the weighted average compound growth rate over the period measured

ASSET ALLOCATION AT 30 APR 2018



TOP HOLDINGS AT 30 APR 2018



FUND MANAGER COMMENTARY AT 30 APRIL 2018

Global markets were reasonably firm in April (MSCI World +1.2%), and a bout of rand weakness on the back of tightening monetary conditions in the US gave further impetus to gains on the local bourse. The JSE's Capped SWIX Index delivered a 4% return for the month, led higher by Naspers which gained close to 6% after a torrid 1Q18 share price performance. Likewise, MTN clawed back 5% of its 1Q losses.

On the fixed-income side, with the rand being c. USc50 weaker against the greenback, and the higher oil price (which means petrol is likely going to cost R1/litre more next month in addition to the VAT increase), it is unlikely that the SA Reserve Bank (SARB) will cut interest rates in May. Perhaps the cut will now only happen in 3Q18, especially if the rand is able to recover slightly. Phase one of Ramaphoria has also now passed with a rapid appreciation of the rand and a runaway bond bull market, which means asset prices are again tracking international developments. We hold that phase two will be the recovery of growth, corporate earnings and consumer spending.

Although this is a slower-moving development, the SA GDP upgrades that we are seeing from many of the international agencies, indicate to us that broad consensus growth is still coming and SA bonds still have attractive real returns in any investment-grade country.

The fund delivered a return of 2.3% for April. During the month, we switched our holdings of Shoprite into Pick n Pay, at a similar weighting (2%). Pick n Pay's recent results highlighted two important points for us: 1) the company appears to have gained market share in its final fiscal quarter, which is encouraging for operational leverage if sustained; and 2) the non-repeat of the Group's voluntary retrenchment programme costs, plus the annualisation of the benefits, should provide a 25%-30% tailwind to its FY19 results. This places Pick n Pay at parity with Shoprite on a forward P/E basis, with significantly more operating leverage.

RISK PROFILE: MODERATE

Low	Mod-Low	**Mod**	Mod-High	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 reflect 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.

HIGH / LOW MONTHS BY YEAR

Dates	2015	2016	2017	2018
High	5.4%	2.8%	4.4%	2.3%
Low	-1.2%	-2.5%	-3.7%	-1.5%

FUND NAME
Anchor BCI Managed Fund (Reg. 28 Compliant)

ISIN NUMBER
ZAE000200598

INCEPTION DATE
2 February 2015

BENCHMARK
CPI for all urban areas +5.00% p.a.

MINIMUM INVESTMENTS
R25,000 lump sum
R1,000 monthly debit order

FUND CLASSIFICATION
SA Multi Asset High Equity

UNIT PRICE
R110.46

DISTRIBUTIONS
Semi-annual Declaration Date: 28 Feb/31 Aug

2016 Distribution (cpu): Feb 0.33; Aug 0.93

2017 Distribution (cpu): Feb 1.18; Aug 1.46

2018 Distribution (cpu): Feb 1.30

PORTFOLIO VALUE
R607.88 million

BOUTIQUE COLLECTIVE INVESTMENTS

FEES & FAIS DISCLOSURE

Initial fees (BCI) (incl VAT)	0.00%
Advisory Fee (Max) (incl VAT)	3.45%
Ongoing Advisory Fee (Max) (incl VAT)	1.15%

Annual Management Fee (incl VAT)

Class A	1.44%

Performance fee: 15% of the outperformance above benchmark, calculated over a 1 year rolling period, capped at a max of 2% p.a

TER and Transaction Cost (incl VAT)

Basic	Dec 17: 1.70% (PY): 1.62%
Portfolio Transaction Cost	Dec 17: 0.53% (PY): 0.45%
Total Investment Charge	Dec 17: 2.23% (PY): 2.07%

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 TER and Transaction Costs cannot be determined accurately because of the short life span of the Fund. Calculations are based on actual data where possible and best estimates where actual data is not available. The TER and Transaction cost calculations are based upon the portfolio's direct costs for the financial year ended 31 August 2017, whilst the underlying portfolio's ratio and cost calculations are based upon their most recent published figures, being 31 December 2017.

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.

SUBSCRIPTIONS

Valuation time	15h00
Transaction cut-off time	14h00
Payment reference	Initials and Surname

Please send proof of deposit to fax (011) 263 6152 or e-mail instructions@bci-transact.co.za

MARKET COMMENTARY

April saw the rhetoric and anxiety around global trade wars ease as US President Donald Trump's focus shifted to sanctions. Seven Russian oligarchs with close links to the government, their companies, 17 Russian government officials and a bank were slapped with sanctions, ostensibly as punishment for Russia's involvement in the Syrian war. Trump is also unlikely to extend Iranian sanction-relief at the upcoming mandatory review in May. US interest rates ground higher, but unlike the spike experienced early in the year when wage inflation surprised, the latest rate sell-off has been a grind higher with rising commodity prices expected to drive inflation. US 2-year government bond yields are now as high as they've been since before the onset of the global financial crisis (GFC) in 2008.

US 10-year bond yields breached 3% for the first time since the 2013 taper tantrum, though their rise has been less steady than the shorter-term rates. This, as concerns around the length of the current economic cycle, the impact of quantitative easing (QE) in Europe and Japan and the increase in the issuance of shorter-term debt by the US have impacted the long-term US interest rates. Rising US rates dragged the dollar higher, arresting a slide that's seen the US currency fall against other major currencies for over a year. The British pound was softer with continued Brexit uncertainty and economic growth and inflation coming in below expectations.

US Brent crude oil rose comfortably back above $70/bbl during the month, aided by concerns around the supply impact of potential Iranian sanctions, surprising drawdowns in US oil and gasoline inventories during the month and rhetoric from the Saudis about targeting $80/bbl prices.

S&P companies started reporting 1Q18 earnings in April with c. 60% of S&P 500 companies posting results during the month. The impact of tax cuts and sustained dollar weakness drove earnings over 20% higher YoY (for companies that have reported) - more than 6% ahead of expectations. Tax cuts and currency weakness should sustain earnings growth for the remainder of 2018, but with 1Q18 out of the way, 12-month earnings forecasts now start to incorporate 1Q19, which is expected to see the return of mid-single digit growth as the tax and currency impacts fade.

Global equities delivered positive returns for the first time in three months. European stocks were up strongly during the month, with euro weakness providing some relief for their export-heavy corporates. Emerging markets were also generally stronger (with the exception of sanction-affected Russian stocks) - India led the way with a recovery from its recent slump. Amongst the sectors, energy companies were the standout performers and the yield-sensitive consumer staples companies continued their slide (the S&P 500 Consumer Staples Index is now down 11% YTD).

FUND MANAGER

Peter Armitage is a CA(SA) and has worked in the local investment industry for 20 years. He ran the investment teams at Merrill Lynch and Nedcor Securities and prior to Anchor Capital was CIO of Investec Wealth & Investment. Peter is SA's most highly rated investment analyst, with 21 number one ratings in the annual Financial Mail survey. The Fund is co-managed with Peter Little.

Peter Little has a B Com degree and is a CFA charter holder. He has worked in the financial services industry for more than 20 years, on both the buy and sell side, in London for the first 8 years and New York for the next 8 years before moving to Anchor Capital in 2013. He has worked for a number of global investment banks, Including JP Morgan, RBS and Barclays Capital. Most recently Peter was at Credit Suisse Asset Management in New York where he was head of portfolio management for the systematic hedge funds.

INFORMATION AND DISCLOSURES

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

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
Email: clientservices@bcis.co.za
www.bcis.co.za

Custodian/Trustee Information
The Standard Bank South Africa Ltd
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 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 fees will be calculated and accrued on a daily basis based upon the daily outperformance, in excess of the benchmark, multiplied by the share rate and paid over to the manager monthly. 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.

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.

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