

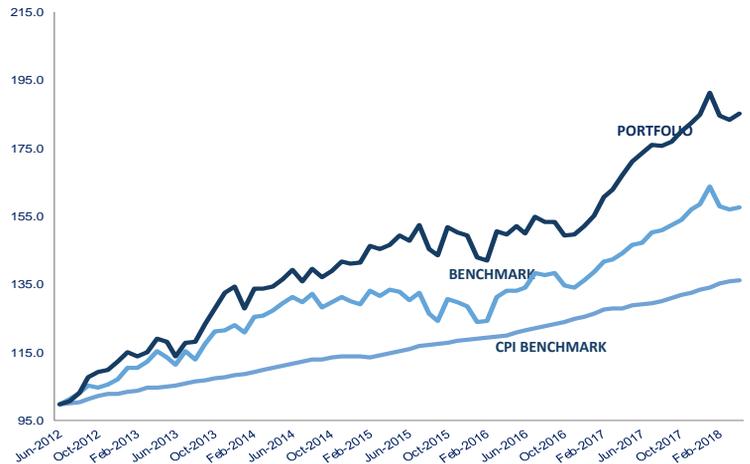
## PROFILE AND OBJECTIVE

The objective of this portfolio is to create a balanced offshore investment mix, with a combination of equities, government bonds, corporate bonds, property and cash. The equity portion will range between 50% to 75%, depending on the view of markets. The yield component aims to achieve 4%-6%, while adding some defensiveness to the portfolio mix. The benchmark is 60% MSCI World Index, 30% JP Morgan Global Aggregate Bond Index and 10% S&P Global REIT Index.

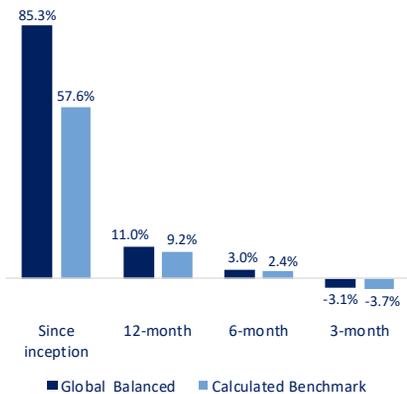
## SUITABLE FOR

This is an attractive alternative for individuals who wish to invest conservatively in offshore markets, while taking some equity risk. This should be viewed as a long-term investment, with the equity component biased towards high-quality counters.

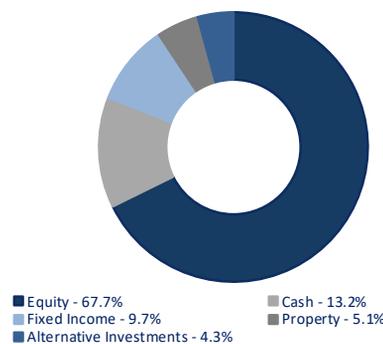
## MODEL PORTFOLIO PERFORMANCE VS. BENCHMARK SINCE INCEPTION



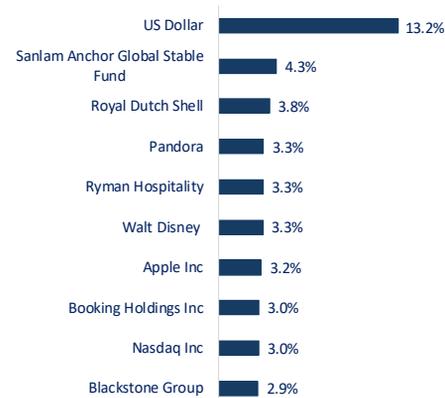
## PERFORMANCE AT 30 APR 2018



## ASSET ALLOCATION AT 30 APR 2018



## TOP HOLDINGS AT 30 APR 2018



## FUND MANAGER COMMENTARY AT 30 APRIL 2018

Global markets were firmer in April as the rhetoric and anxiety around a possible global trade war eased, and US President Donald Trump's focus shifted to sanctions on Iran. US interest rates ground higher as commodity prices are expected to drive inflation, with the 2-year US treasury yield now as high as before the onset of the 2008 global financial crisis (GFC). Brent oil rose comfortably above \$70/bbl during the month, with worries about the supply impact of potential Iranian sanctions. Offsetting the valuation impact of inflationary concerns and rising rates, the US earnings season has been particularly firm with tax cuts and the weak dollar driving 20% EPS growth for those S&P companies which have reported 1Q18 results (60% of companies reported 1Q earnings in April). European markets were up strongly, with euro weakness aiding export-heavy sectors. The MSCI World Index delivered a 1.2% return in April, following a weak 1Q18. The Composite benchmark returned 0.4%.

The portfolio delivered a return of 1.0% for the month, with the recent inclusion of Ulta Beauty contributing significantly (the share price is up 22.8% in April; ~60bps of alpha), while Royal Dutch Shell's 12.2% share-price gain also added value. Other notable performers included Facebook (+7.6%) and Admiral (+6.2%), with the former's 1Q18 results handsomely outperforming expectations amid sharply rising average revenue per user (ARPU; +30% YoY) and sequential growth in user numbers (+3% QoQ). We believe Facebook – despite regulatory concerns – continues to represent compelling value at a sub-20x forward P/E. On the negative side, Sleep Number Corp (-19.4%) was a detractor after disappointing results. During the month, we added Anglo American plc to the portfolio at a 2% weight. Commodity prices remain well-supported, while recent newsflow from some majors suggests supply-side discipline. Furthermore, Anglo represents compelling value at a 7.5x spot P/E.

## FACTS AND FIGURES

### PORTFOLIO MANAGER

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.

### INCEPTION DATE

June 2012

### BENCHMARK

60% MSCI World Index,  
30% JP Morgan Global Aggregate Bond Index  
and 10% S&P Global REIT Index

### MINIMUM INVESTMENT

\$150,000

### FEE

1.25% p.a. (excl. VAT)

This portfolio can be managed as a segregated portfolio in or out of an offshore endowment.

### (\* ) DISCLAIMER:

The returns quoted on this model portfolio are indicative and calculated gross of all fees, brokerage and costs. Consequently, individual client portfolio returns may differ to the returns quoted due to this factor and portfolio manager discretion around weightings of shares.

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