

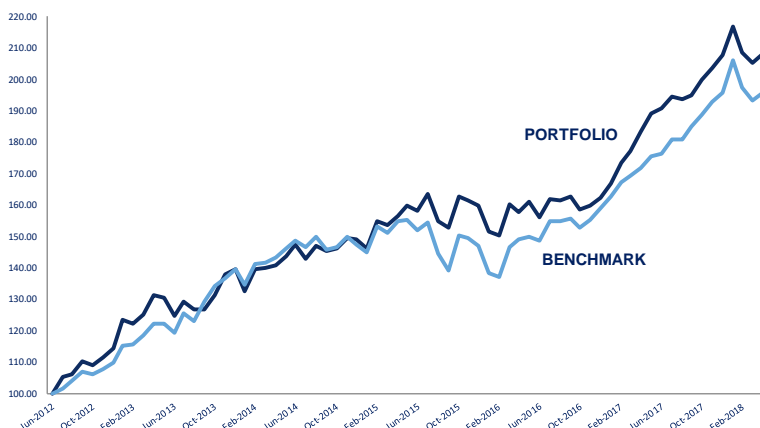
PROFILE AND OBJECTIVE

The portfolio seeks to offer investors long-term capital growth through active stock selection within the global developed equity market. The focus is on quality companies with strong global franchises and long-term growth potential. Emerging market (EM) exposure will generally be taken through the companies themselves. The portfolio might, from time to time, take exchange traded fund (ETF) positions in high-conviction thematic ideas.

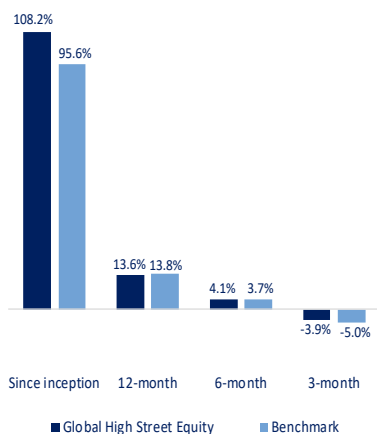
SUITABLE FOR

The portfolio is suitable for investors seeking exposure to the global equity market with maximum capital appreciation as their primary goal over the long term. Investors should have a tolerance for short-term market volatility in order to achieve long-term objectives.

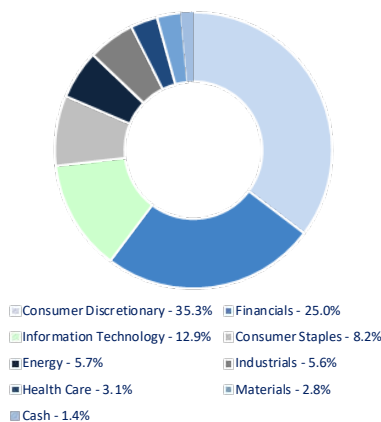
MODEL PORTFOLIO PERFORMANCE VS. BENCHMARK SINCE INCEPTION



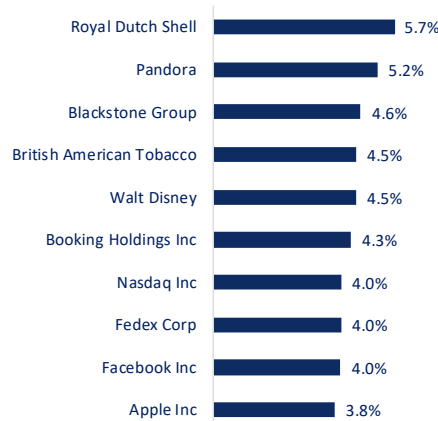
PERFORMANCE AT 30 APR 2018



SECTOR ALLOCATION AT 30 APR 2018



TOP HOLDINGS AT 30 APR 2018



PORTFOLIO COMMENTARY AT 30 APR 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.

PORTFOLIO MANAGEMENT

Anchor Private Clients (APC) runs a robust investment process, in consultation with Anchor Asset Management. The product of this process is segregated mandates, of which the Global High Street Equity mandate is one. The APC investment process takes inputs from Anchor Asset Management and overlays metrics appropriate for private client portfolio management.

FACTS AND FIGURES

INCEPTION DATE
July 2012

BENCHMARK
MSCI World

MINIMUM INVESTMENTS
\$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.

The portfolio delivered a return of 1.4% for the month, with the recent inclusion of Ulta Beauty contributing significantly (the share price is up 23% in April; ~60bps of alpha), while Royal Dutch Shell's 12% share-price gain also added value. Other notable performers included Facebook (+7.6%) and Admiral (+6%), 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 (-20%) was a detractor after disappointing results. During the month, we added Anglo American plc to the portfolio at a 3% 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.

(* 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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