

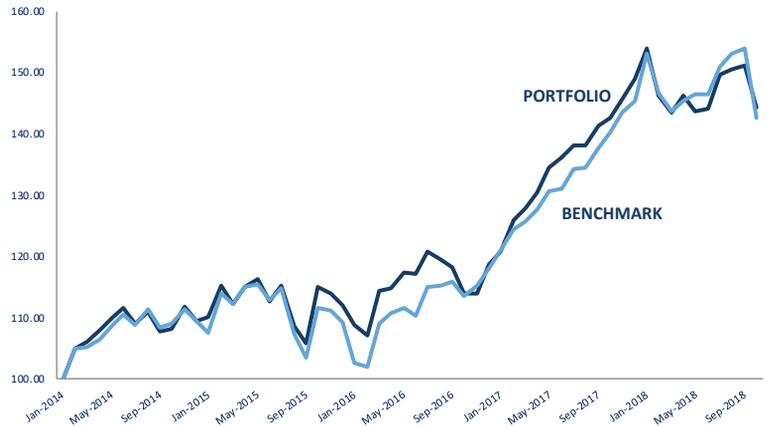
PROFILE AND OBJECTIVE

The portfolio seeks to offer investors long-term capital growth together with attractive yield, through active stock selection within global equity markets. The focus is on quality, durable companies with a strong, global competitive advantage and long-term growth potential. The portfolio might, from time to time, take exchange traded fund (ETF) positions in high-conviction thematic ideas.

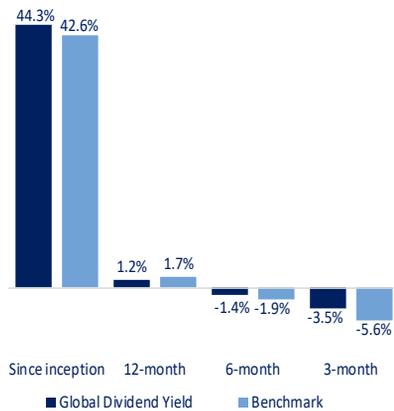
SUITABLE FOR

The portfolio is suitable for investors seeking exposure to the global equity market with maximum capital appreciation and an attractive yield 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.

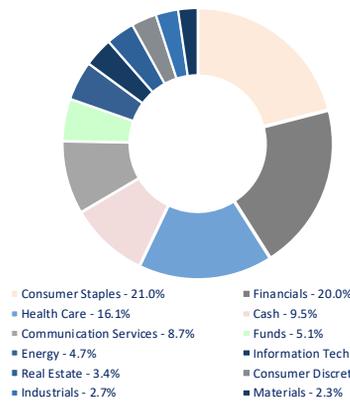
MODEL PORTFOLIO PERFORMANCE VS. BENCHMARK SINCE INCEPTION



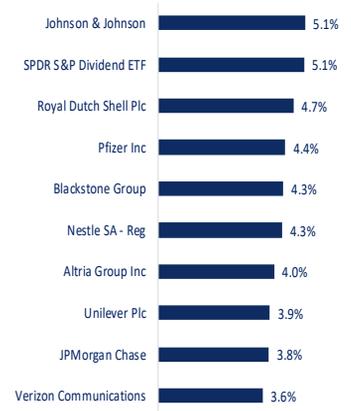
PERFORMANCE AT 31 OCT 2018



SECTOR ALLOCATION AT 31 OCT 2018



TOP HOLDINGS AT 31 OCT 2018



PORTFOLIO COMMENTARY AT 31 OCT 2018

Markets globally had a rough October with the S&P 500 Index experiencing its worst month in over 7 years. The month started with an escalation of the tension between Italy and the European Union (EU) over Italy's proposed debt-fuelled budget, driving the spread between Italian and German bond yields to levels last seen during the European debt crisis in 2011/2012. China's A50 Index of large-cap onshore stocks had its worst start to the month since January 2016 as foreigners dumped \$1.4bn of onshore shares via the Hong Kong exchange link. International events started to weigh on the US stock market, with the S&P 500 dropping over 5% in the two days leading up to the start of the third-quarter earnings announcements.

During the month, over 60% of S&P 500 companies reported 3Q18 earnings, which grew by over 23% in aggregate (more than 6% ahead of expectations). However, despite this, results did nothing to shake fears that this would be as good as it gets for US corporates. Large-cap US tech companies, which have been dragging markets higher for most of the year, pulled markets down this month as Amazon and Google, reporting earnings on the same day, delivered revenue growth that disappointed and kicked off the second leg down for equity markets late in the month.

A two-day rally into month-end was just about enough to haul US markets back into positive territory for the year. However, after the damage done in October it was very difficult to find another market still up YTD.

Amongst the turmoil, the US dollar kept its haven-status with the Dollar Index another 2% higher during the month. Oil dipped in October with the focus shifting from supply concerns to demand worries. This despite the US releasing 3Q18 economic growth data which comfortably beat expectations (up 3.5% vs expectations of 3.3% growth). GDP was driven by 4% growth in personal consumption (vs expectations of 3.3%) and no sign of growing inflation pressure as the US Federal Reserve (Fed's) preferred gauge of inflation came out in-line with expectations at 2%.

Against this backdrop the Anchor Capital Global Dividend model portfolio returned -4.5%, outperforming the benchmark MSCI World's return of -7.3%. Return for the year to date performance now stands at -3.2% with return over the last year being 1.2%.

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 Dividend Yield 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

January 2014

BENCHMARK

MSCI World

MINIMUM INVESTMENT

\$150,000

FEE

1.25% p.a. (excl. VAT)

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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