

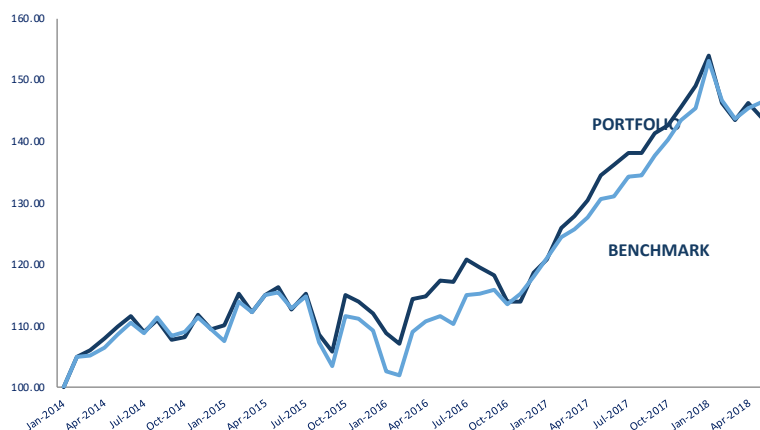
PROFILE AND OBJECTIVE

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.

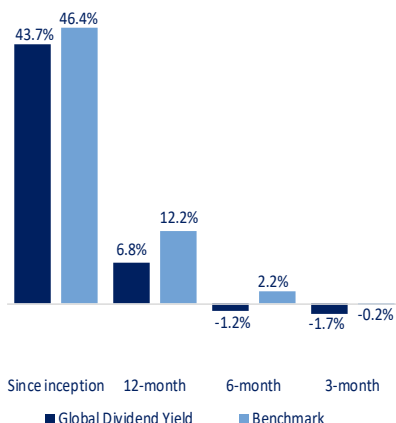
SUITABLE FOR

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.

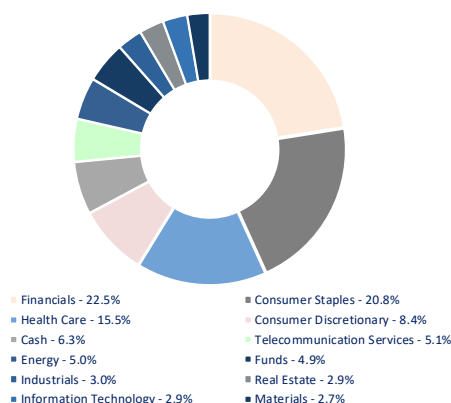
MODEL PORTFOLIO PERFORMANCE VS. BENCHMARK SINCE INCEPTION



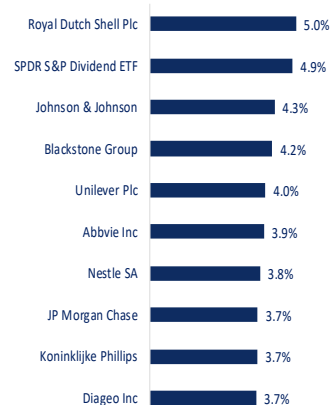
PERFORMANCE AT 31 MAY 2018



SECTOR ALLOCATION AT 31 MAY 2018



TOP HOLDINGS AT 31 MAY 2018



PORTFOLIO COMMENTARY AT 31 MAY 2018

May picked up where April left off – US interest rates continued to grind higher, with US 2-year bond yields touching levels last seen before the collapse of Lehman Brothers in 2008.

The remaining 40% of S&P 500 companies which hadn't reported earnings in April, reported in early May, keeping aggregate earnings growth above 20% YoY as a weak US dollar and lower taxes super-charged solid underlying earnings growth.

Towards the end of the month, political turmoil, which had been simmering beneath the surface since the Italian elections in March, boiled over disrupting global markets and thrusting the unity of the European Union (EU) into the spotlight again.

Against this backdrop, the Anchor Capital Global Dividend Model Portfolio returned -1.8%, dragged lower by the holding in Pandora A/S. This compares to the MSCI World Index benchmark's 0.7% return.

Pandora A/S's share price fell after the company reported lower-than-expected 1Q18 profit and flagged a slowdown in China sales. Overall, Pandora reported that sales rose 6% YoY to DKK5.2bn (DKK1: \$0.16), while 1Q18 EBITDA came in at DKK1.67bn – below the DKK1.75bn consensus estimate. Meanwhile, the turmoil in Italy spread across European and UK financials detracting from performance, while UK Telecoms and Tobacco also impacted the portfolio

On the positive side, US tech stocks rallied hard with Apple (13.5%) the big contributor to the portfolio. The Apple share price rally started with the company reporting better-than-expected results at the beginning of the month, with revenue of \$52.9bn and earnings of \$2.10/share both exceeding consensus estimates. iPhone unit sales were up 3.0% YoY to 52.2mn units but Apple's cash on hand fell to \$267.2bn in the quarter – its lowest since June 2017. Apple also extended its capital return programme with the company announcing a \$100bn share buyback and increasing its dividend by 16% YoY.

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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