

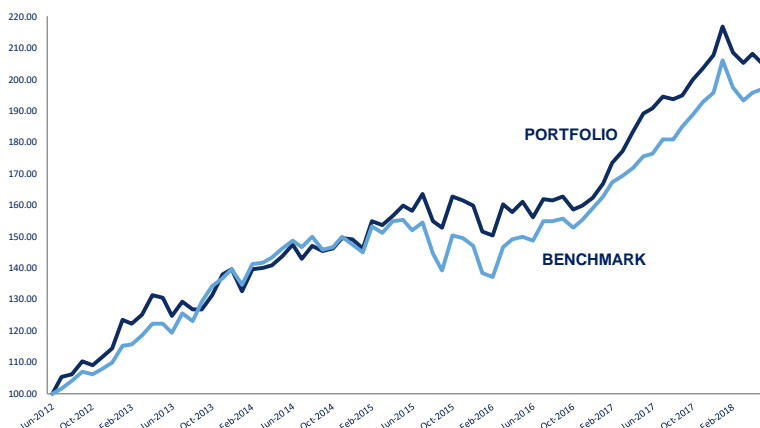
## PROFILE AND OBJECTIVE

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.

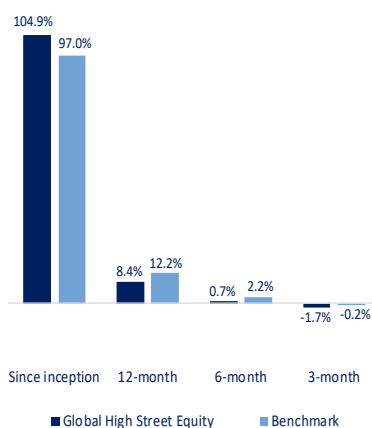
## SUITABLE FOR

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.

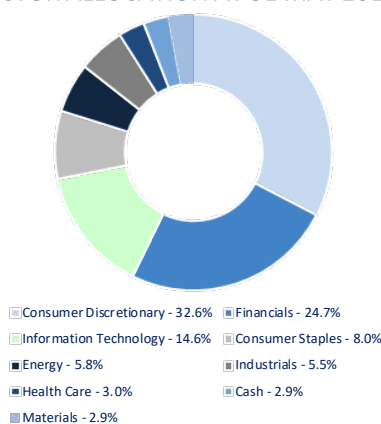
## MODEL PORTFOLIO PERFORMANCE VS. BENCHMARK SINCE INCEPTION



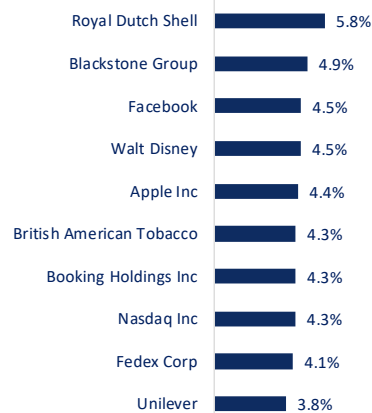
## PERFORMANCE AT 31 MAY 2018



## 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 supercharged solid underlying earnings growth.

Towards the end of the month, political turmoil, which had been simmering beneath the surface since 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 High Street Model Portfolio returned -1.6%, dragged lower by the holding in Pandora A/S. Pandora'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. The turmoil in Italy also spread across European financials, further detracting from performance.

On the positive side, US tech stocks rallied hard with Apple (+13.5% MoM), Facebook (+11.5% MoM) and PayPal (+10.0% MoM) the big contributors. The Apple rally started with the company reporting better-than-expected results at the beginning of the month, as both revenue and earnings exceeded consensus estimates.

## 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.

### (\* 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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