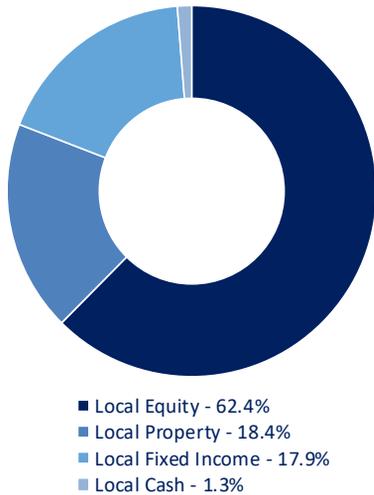


## PROFILE AND OBJECTIVE

The fund will be managed in compliance with Regulation-28 investment guidelines, in order to achieve its balanced objective. The investments normally held in the portfolio may comprise a combination of assets in liquid form, money market instruments, interest-bearing securities, bonds, debentures, corporate debt, equity securities, property securities and preference shares.

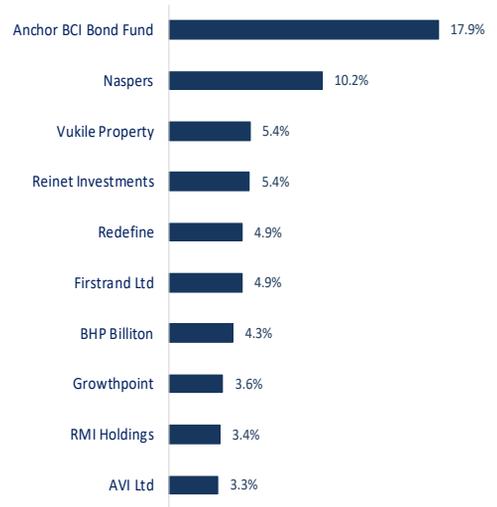
### ASSET ALLOCATION AT 30 SEP 2018



## SUITABLE FOR

This segregated portfolio is suitable for investors who wish to save for their retirement and whose investment would be in a retirement annuity, provident fund, preservation fund or pension fund. This portfolio generally holds more equity exposure than low-risk portfolios but less than high-risk portfolios. In turn, the expected volatility will be higher than cash but lower than equities. The portfolio is suitable for investors looking for a long-term, balanced investment, with moderate levels of risk.

### TOP HOLDINGS AT 30 SEP 2018



## MARKET COMMENTARY AT 30 SEP 2018

Continuing trade war worries, a widely expected US Federal Reserve (Fed) 25-bpt rate hike and a more hawkish tone to the Fed's outlook in the post-meeting statement took their toll on some global markets. It was red across the board on the JSE for September with the capped Swix down around 4% for the month. The rand erasing some of the previous month's losses to end September 3.7% stronger partly explains some of the sizeable monthly moves, particularly in the industrials sector. The Regulation 28 Fund was down 2.5% for the month. Our fixed-income allocation contributed positively to the performance during September, including the distribution that was paid out of the Bond fund, and we continue to hold the view that SA bonds are slightly cheap.

Macro and company specific conditions meant another difficult month for the listed property sector (bellwether stock, Growthpoint, declined by 4%), although we remain firm in our belief that absolute returns will be provided by this sector. SA equity market volatility continues and we remain alert to the opportunities this provides to buy great companies at attractive prices. In SA, we feel that we are at the bottom of the cycle, but it will take time to return to required growth levels. Many shares are now trading at low valuations on low earnings, which sets these shares up for attractive price appreciation when confidence returns.

## 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 Reg 28 mandate is one. The APC investment process takes inputs from Anchor Asset Management and overlays metrics appropriate for private client portfolio management.

## QUARTERLY ASSET ALLOCATION



## FACTS AND FIGURES

### INCEPTION DATE

November 2016

### BENCHMARK

SA Multi-Asset High Equity Average

### MINIMUM INVESTMENT

R1,500,000

### FEE

1.25% p.a. (excl. VAT)

### DISCLAIMER

Individual client returns may differ due to timing, client preferences and whether we receive cash or shares to seed investments.