

INVESTMENT OBJECTIVE

The **Anchor BCI Property Fund** aims to deliver both a high income yield as well as capital growth over the medium to long-term.

INVESTMENT PHILOSOPHY

The fund aims to achieve an above-benchmark total return for investors over the medium to long-term. The portfolio will invest at least 80% of the market value of the portfolio in shares listed on the FTSE/JSE Real Estate industry group or similar sector of an international stock exchange. Up to 10% of the portfolio may be invested in shares outside the property sector in companies that conduct similar business activities in order to achieve the fund's objective. The portfolio may invest in listed and unlisted financial instruments. The manager may also include forward currency, interest rate and exchange rate swap transactions for efficient portfolio management purposes.

FUND INFORMATION

Risk profile:

LOW LOW-MOD MOD MOD-HIGH HIGH

Inception Date 02 Nov 2015
Benchmark SA Listed Property Index (J253T)

Fund Classification SA Real Estate General
Distributions Quarterly Declaration Date:
28 Feb/31 May/31 Aug/30 Nov

Fees (Incl. VAT):

Annual Management Fee 1.44%
Total Expense Ratio (TER) Jun 19: 1.61% (PY) 1.60%

Portfolio Value R83.00 mn
Unit Price 75.23 cpu

MONTHLY RETURNS (%)

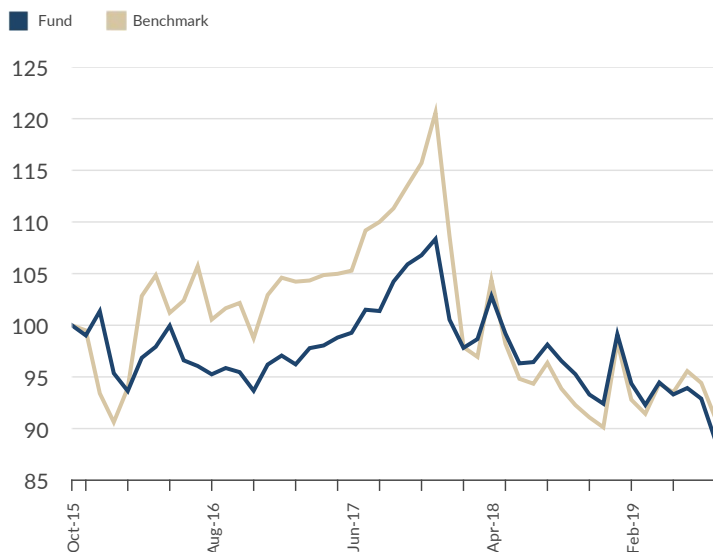
YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2019	7.3	-4.8	-2.2	2.4	-1.2	0.7	-1.1	-4.3					-3.8
2018	-7.2	-2.7	0.9	4.2	-3.5	-2.9	0.1	1.8	-1.6	-1.3	-2.1	-0.9	-14.7
2017	0.9	-0.9	1.6	0.3	0.8	0.5	2.2	-0.1	2.8	1.6	0.8	1.5	12.6
2016	-5.9	-1.8	3.4	1.1	2.1	-3.4	-0.6	-0.8	0.6	-0.4	-1.9	2.7	-5.1
2015											-1.0	2.4	1.4

RISK PROFILE: MODERATE-HIGH

- This portfolio carries exposure to mainly property securities.
- Property by nature is a moderate risk investment.
- Where the asset allocation contained in this MDD reflects offshore exposure, the portfolio is exposed to currency risks.
- The portfolio is exposed to interest rate risks and is sensitive to inflation and interest rate cycles.
- The portfolio is suitable for medium-term investment horizons

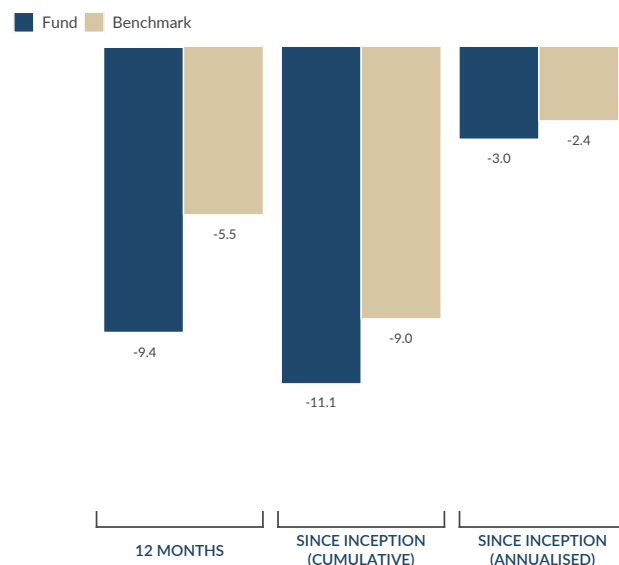
FUND PERFORMANCE SINCE INCEPTION

Growth of R100 investment (cumulative).

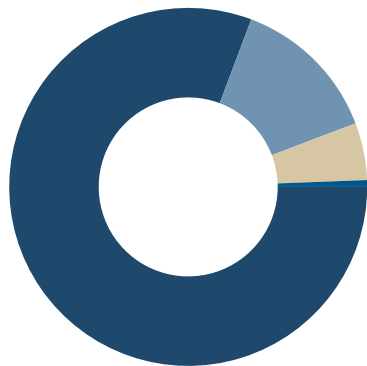


Investment performance is for illustrative purposes only and calculated by taking actual initial fees and ongoing fees into account for the amount shown with income reinvested on reinvestment date.

FUND PERFORMANCE AT 31 AUG 2019 (%)



Annualised return is the weighted average compound growth rate over the period measured.



- Local Property - 80.7
- Local Cash - 13.5
- Local Property Fund - 5.2
- Offshore Property Fund - 0.6

FUND MANAGER



Glen Baker

INFORMATION & DISCLOSURES

ISIN Number ZAE000208369
 Distributions 2017 (CPU) Nov 1.60 | 2018 (CPU) Feb 0.31; May 1.86; Aug 0.58; Nov 2.31 | 2019 (CPU) Feb 0.76; May 1.82; Aug 0.78

INVESTMENT MANAGER

Anchor Capital (Pty) Ltd is an authorised Financial Services Provider FSP 39834.
 • Additional information, including application forms, annual or quarterly reports can be obtained from BCI, free of charge or can be accessed on our website (www.bcis.co.za)
 • Valuation takes place daily and prices can be viewed on our website (www.bcis.co.za) or in the daily newspaper.
 • Actual annual percentage figures are available to existing investors on request.
 • Upon request the Manager will provide the investor with quarterly portfolio investment holdings reports.

SUBSCRIPTIONS

Valuation time 15h00
 Transaction cut-off time 14h00
 Payment reference Initials and Surname
 Minimum investment amount None*

Please send proof of deposit to fax (011) 263 6152 or e-mail instructions@bci-transact.co.za
 *Fixed Administration Fee: R10 excluding VAT which will apply to all direct investor accounts with balances of less than R100 000 at month end, unless an investor transacts online, in which case no such fee will be levied.

MANAGEMENT COMPANY INFORMATION

Boutique Collective Investments (RF) (Pty) Ltd,
 Catnia Building Bella Rosa Village, Bella Rosa Street, Belville, 7530
 Tel: 021 007 1500/1/2 | 021 914 1880 | Fax: 086 502 5319
 Email: clientservices@bcis.co.za | www.bcis.co.za

FAIS CONFLICT OF INTEREST DISCLOSURE

Please note that your financial advisor may be a related party to the co-naming partner and/or BCI. It is your financial advisor's responsibility to disclose all fees he/she receives from any related party. The portfolio's TER includes all fees paid by portfolio to BCI, the trustees, the auditors, banks, the co-naming partner, underlying portfolios, and any other investment consultants/ managers as well as distribution fees and LISP rebates, if applicable. The portfolio's performance numbers are calculated net of the TER expenses. The investment manager earns a portion of the service charge and performance fees where applicable. In some instance portfolios invest in other portfolios which forms part of the BCI Schemes. These investments will be detailed in this document, as applicable. Boutique Collective Investments adopted the ASISA Standard on Effective Annual Cost ("EAC"). The EAC measure allows you to compare charges on your investments as well as their impact on your investment returns prior to investing. For further information regarding the ASISA Standard on Effective Annual Cost and access to the EAC calculator please visit our website at www.bcis.co.za.

DISCLAIMER

Boutique Collective Investments (RF) (Pty) Ltd ("BCI") is a registered Manager of the Boutique Collective Investments Scheme, approved in terms of the Collective Investments Schemes Control Act, No45 of 2002 and is a full member of the Association for Savings and Investment SA. Collective Investment Schemes in securities are generally medium to long term investments. The value of participatory interests may go up or down and past performance is not necessarily an indication of future performance. The Manager does not guarantee the capital or the return of a portfolio. Collective Investments are traded at ruling prices and can engage in borrowing and scrip lending. A schedule of fees, charges and maximum commissions is available on request. BCI reserves the right to close the portfolio to new investors and reopen certain portfolios from time to time in order to manage them more efficiently. Performance figures quoted for the portfolio are from Morningstar, as at the date of this document for a lump sum investment, using NAV-NAV with income reinvested and do not take any upfront manager's charge into account. Income distributions are declared on the ex-dividend date. Actual investment performance will differ based on the initial fees charge applicable, the actual investment date, the date of reinvestment and dividend withholding tax. Investments in foreign securities may include additional risks such as potential constraints on liquidity and repatriation of funds, macroeconomic risk, political risk, foreign exchange risk, tax risk, settlement risk as well as potential limitations on the availability of market information. Should the portfolio invest in another Anchor BCI co-named portfolio, the investing fund will be reimbursed for any net investment management fees incurred by the investment so that there is no additional fee payable to Anchor. Certain investments - including those involving futures, options, equity swaps, and other derivatives may give rise to substantial risk and might not be suitable for all investors. Boutique Collective Investments (RF) Pty Ltd retains full legal responsibility for the third party named portfolio. Although reasonable steps have been taken to ensure the validity and accuracy of the information in this document, BCI does not accept any responsibility for any claim, damages, loss or expense, however it arises, out of or in connection with the information in this document, whether by a client, investor or intermediary. This document should not be seen as an offer to purchase any specific product and is not to be construed as advice or guidance in any form whatsoever. Investors are encouraged to obtain independent professional investment and taxation advice before investing with or in any of BCI/the Manager's products.

Growthpoint Properties	13.8
Redefine Properties Limited	8.5
NEPI Rockcastle Plc	6.6
Nedgroup Inv Property Fund	5.2
Equites Property Fund Limited	4.7
Resilient REIT Limited	4.7
Vukile Property Fund Limited	4.3
Hyprop Investments Limited	4.1
Fortress Income Fund Limited A	4.0
Fortress Income Fund Limited B	3.1

FUND MANAGER COMMENTARY AT 31 AUG 2019

As South Africa (SA) continues to battle the toughest trading conditions and economic environment in decades, companies reporting results are the clearest indicators of the current malaise. Retailers, Massmart, which recorded a half-year loss, Shoprite, where profits were down 18% YoY, and Truworths, where operating margins halved from 19% to 9%, are all conserving cash by reducing new store roll-outs, shutting underperforming stores and lowering stock levels. This obviously has a knock-on effect on the property sector, where share prices anticipate a 12- to 18-month lag on the "real time" economy. Some property companies reported results in August (including Tower, Resilient, Emira), while others issued pre-close, trading updates (Delta, Rebosis, Redefine). However, all are commenting on the negative rental reversions and tenants that are under pressure. Nevertheless, as bad as current market forces appear to be, we believe that the worst is generally priced-in. Among the 21 stocks in the FTSE JSE SA Listed Property Index (JSAPY), 7 reached five-year or lifetime lows, including large-cap counters such as Redefine and Hyprop. Outside of these are other stocks that have also reached lifetime lows after falling out of the index, including Arrowhead, Octodec, Indluplace, Rebosis and Delta. Whilst it is difficult to forecast exactly when the turnaround will happen, business models in the property sector that focus on ensuring clean capital structures. i.e lowering loan-to-value ratios (which are too high), whilst also focusing on net property income and enabling good tenant experiences, will emerge as good investments at current prices.

FEE DETAILS

	Class A
Initial fees (BCI) (incl. VAT)	0%
Advisory Fee (Max) (incl VAT)	0%
Ongoing Advisory Fee (Max) (incl VAT)	1.15%
Annual Management Fee (incl VAT)	
Class A	1.44%
Performance Fee	None
TER and Transaction Cost (incl VAT)	
Basic	Jun 19: 1.61% (PY): 1.60%
Portfolio Transaction Cost	Jun 19: 0.24% (PY): 0.29%
Total Investment Charge	Jun 19: 1.85% (PY): 1.89%

A higher TER ratio does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TER's. Transaction Costs are a necessary cost in administering the Fund and impacts Fund returns. The TIC should not be considered in isolation as returns may be impacted by many other factors over me including market returns, the type of Fund, the investment decisions of the investment manager and the TER. The TER and Transaction Cost calculations are based upon the portfolio's direct costs for the financial year ended 31 August 2018, whilst the underlying portfolios ratio and cost calculations are based upon their most recent published figures, being 30 June 2019.

CUSTODIAN / TRUSTEE INFORMATION

The Standard Bank of South Africa Ltd
 Tel: 021 441 4100

