

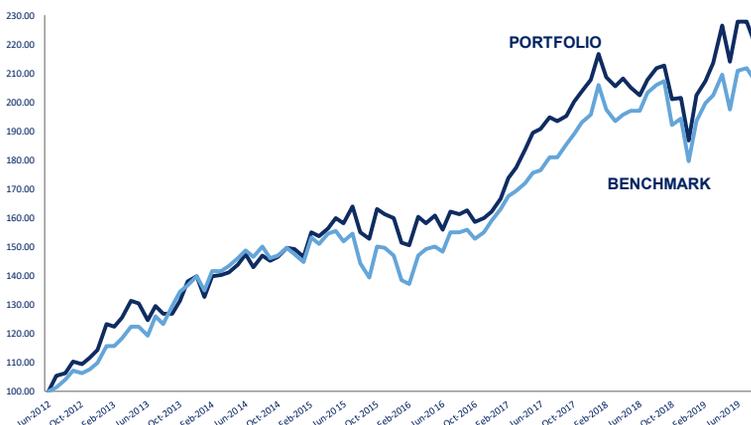
## PROFILE AND OBJECTIVE

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.

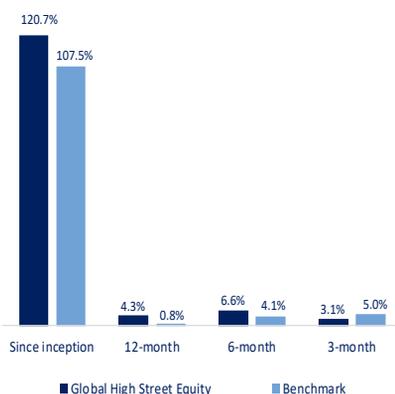
## SUITABLE FOR

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.

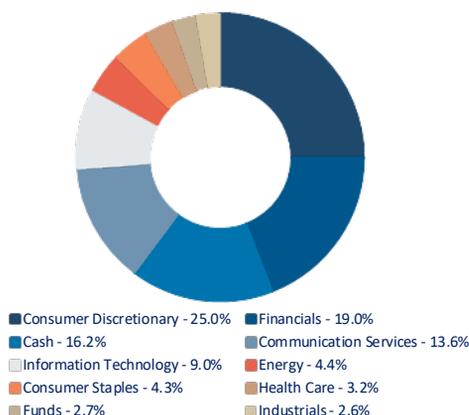
## MODEL PORTFOLIO PERFORMANCE VS. BENCHMARK SINCE INCEPTION



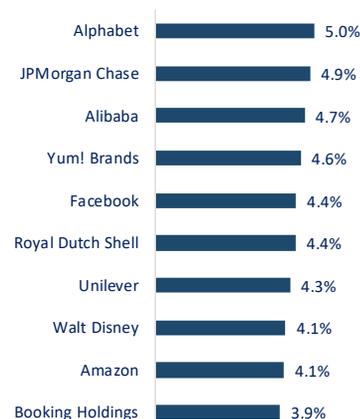
## PERFORMANCE AT 31 AUG 2019



## SECTOR ALLOCATION AT 31 AUG 2019



## TOP HOLDINGS AT 31 AUG 2019



## PORTFOLIO COMMENTARY AT 31 AUG 2019

A familiar theme played out in August as the US corporate earnings season wrapped up and an escalation in trade wars stepped in to fill the vacuum. The first day of August saw US President Donald Trump tweet that \$300bn of Chinese imports not already subject to tariffs would be subjected to 10% tariffs from the beginning of September. China responded by halting US farm imports and devaluing its currency and global stocks tumbled 5% in the first few trading days of August. The rest of the month was a rollercoaster, which saw markets rally as Trump agreed to delay some tariffs until mid-December before China rattled markets again with a threat of additional tariffs on US imports. However, China flip-flopped late in the month, suggesting that the retaliation would be delayed. The net result was a monthly drop of 2% for the MSCI World Index, only its second negative month in 2019, with the MSCI Emerging Market Index again lagging - down 4.9% for August.

Emerging market currencies also had a torrid month with the Argentine peso leading the decliners - down 26% for the month as incumbent President Mauricio Macri looks likely to lose out to his populist rival Alberto Fernandez in Argentina's elections, possibly reversing the hard-fought reforms Macri has implemented since taking over the presidency in 2015.

The Brazilian real, South African rand and Mexican peso were down 8%, 5.6% and 4.5%, respectively, for August.

The Anchor High Street Equity Model Portfolio underperformed the benchmark MSCI World Index return in August with a return of -3.1% vs -2.0%. ULTA Beauty was the major contributor to this underperformance. ULTA sank 32% in the last few days of August after lowering its full-year guidance. Prudential (-18.9%) and Anglo American (-12.8%) also detracted from the returns. Conversely, Home Depot (+6.7%), Unilever (+5.1%), Booking Holdings (+4.2%) and Yum Brands (+4.2%) helped stem the tide.

During the month, US home improvement retailer, Home Depot released 2Q19 results. The results were roughly in-line with expectations, with a marginal miss in terms of revenue (\$30.84bn [+1.2% YoY] vs Street expectations of \$30.99bn). However, this was offset by a gain on earnings per share (EPS) - adjusted EPS came in at \$3.17 (+3.9% YoY) vs Street expectations of \$3.08. Meanwhile, same-store sales rose by 3% YoY vs consensus expectation of 3.5% YoY growth. Following positive price movement, we elected to take some profit on the position in Home Depot.

## 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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