

# ANCHOR GLOBAL BALANCED (USD)

JANUARY 2024

ANCHOR

NAVIGATING  
CHANGE

## PORTFOLIO PROFILE AND OBJECTIVE

The objective of this portfolio is to create a balanced offshore investment mix with a combination of equities, government bonds, corporate bonds, property, and cash. The equity portion will range between 50% to 75%, depending on the view of markets. The yield component aims to achieve 2%-4% while adding some defensiveness to the portfolio mix. The benchmark is 60% MSCI World Index and 40% Bloomberg Barclays Global Aggregate Bond Index.

This is an attractive alternative for individuals who wish to invest conservatively in offshore markets while taking some equity risk. This should be viewed as a long-term investment, with the equity component biased towards high-quality counters.

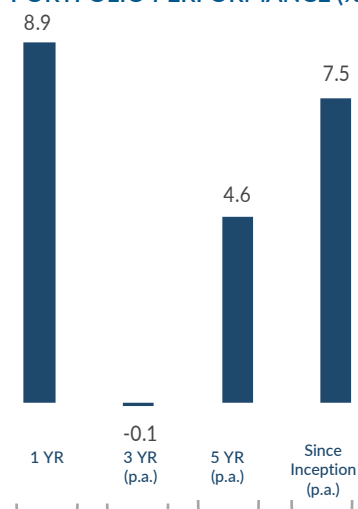
## PORTFOLIO COMMENTARY

The year started on a generally positive note for investors (MSCI World +1.2% MoM), albeit with a somewhat rocky path to that outcome. The first couple of weeks of January saw investors start to question their level of optimism around US Federal Reserve (Fed) rate cuts expected in 2024 after the release of a slew of stronger-than-anticipated economic data. On the inflation front, US headline inflation for December accelerated more than anticipated (3.4% YoY), while core inflation slowed less than expected (3.9% YoY). US 10-year government bond yields pushed higher during the early stages of January as Fed rate cut optimism waned, producing a headwind for equity markets, which were generally in negative territory MTD by mid-January. Ultimately, positive sentiment prevailed, and US rates faded into month end, ending January largely unchanged (3.9% p.a.). The European Central Bank (ECB) and the Fed both voted unanimously to keep rates on hold at their respective January meetings (as expected), and the US dollar started the year on a positive note, strengthening against all major currency pairs. Brent crude oil (+6.1% MoM) bounced back above US\$80/bbl.

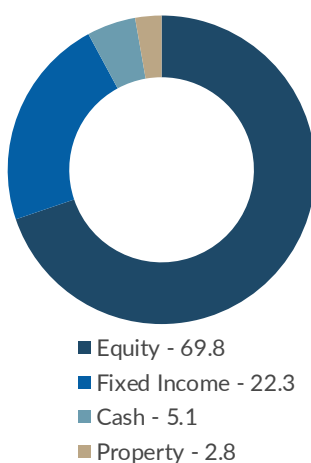
Around one-third of S&P 500 companies reported 4Q23 earnings in January, with earnings essentially flat in aggregate vs 4Q22 for those companies reporting. This was c. 6% ahead of expectations for a soft final quarter of 2023 for corporate earnings. Emerging market (EM) equities continued their disappointing run of form into 2024 (MSCI EM -4.6% MoM). Chinese equities were once again the biggest detractor from performance.

The Anchor Global Balanced Model Portfolio returned 1.2%, outperforming the composite benchmark return of 0.2%. Technology and related counters drove the performance in January, with ASML (+14.9%), Constellation Software (+11.6%) and Fortinet (+10.2%) recording good gains. Consumer-related shares detracted as concerns around consumer health continued.

## PORTFOLIO PERFORMANCE (%)



## ASSET ALLOCATION (%)



## DISCLAIMER

This portfolio can be structured in a segregated portfolio or housed in an offshore endowment. The fund may use gearing from time to time. 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 from the returns quoted due to this factor, timing, tax implications, client preferences, portfolio manager discretion and whether we receive cash or shares to seed investments and portfolio manager discretion around weightings of shares. Past performance is not necessarily an indication of future performance. The Portfolio Manager does not guarantee the

## PORTFOLIO INFORMATION

### Risk profile:

LOW LOW-MOD MOD MOD-HIGH HIGH

Inception Date JULY 2012

Minimum Investments US\$150,000

Portfolio Manager Peter Little

### Fees (excl. VAT):

Annual Management Fee 1.25%

Brokerage Fee Brokerage is exchange dependent

## MONTHLY RETURN

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2024	1.2%												1.2%
2023	6.8%	-2.4%	2.0%	2.3%	-1.3%	3.1%	2.3%	-3.5%	-3.5%	-2.9%	7.8%	4.3%	14.9%
2022	-5.0%	-5.2%	0.5%	-8.0%	0.1%	-6.4%	6.1%	-4.3%	-6.6%	3.2%	5.3%	-2.2%	-21.2%
2021	-0.8%	3.1%	0.3%	3.2%	-0.1%	2.2%	0.9%	1.3%	-4.0%	3.8%	-3.3%	1.7%	8.1%
2020	-0.7%	-4.9%	-9.7%	7.9%	1.8%	1.2%	3.5%	5.3%	-2.4%	-1.0%	7.1%	4.2%	11.3%
2019	6.5%	1.2%	2.6%	4.2%	-3.7%	5.0%	0.2%	-2.1%	0.8%	1.1%	1.8%	2.1%	21.1%
2018	3.5%	-3.5%	-0.5%	1.0%	-0.4%	-0.9%	2.1%	1.2%	0.1%	-3.9%	-0.2%	-4.7%	-6.3%
2017	2.1%	3.6%	1.3%	2.6%	2.5%	1.5%	1.4%	-0.2%	0.7%	1.6%	1.4%	1.3%	21.5%
2016	-4.4%	-0.5%	6.0%	-0.7%	1.6%	-1.3%	3.1%	-1.0%	0.1%	-2.6%	0.1%	1.6%	1.8%
2015	0.1%	3.6%	-0.8%	0.9%	1.9%	-1.0%	3.2%	-4.7%	-1.3%	5.8%	-1.0%	-0.7%	5.8%
2014	-4.8%	4.5%	0.0%	0.5%	1.6%	1.9%	-2.3%	2.7%	-1.8%	1.4%	2.0%	-0.4%	5.0%
2013	2.2%	-1.0%	1.0%	3.4%	-0.7%	-3.7%	3.7%	0.3%	4.3%	3.8%	3.5%	1.5%	19.5%
2012							0.7%	2.5%	4.5%	1.4%	0.3%	2.5%	12.6%

## TOP-TEN HOLDINGS (%)

Sanlam Anchor Global Stable Fund	15.3
iShares 1-5Y INV Grade Corp	6.5
iShares Core U.S. Aggregate	5.0
Constellation Software	4.6
Boston Scientific	4.6
UBS Emerging Market Note	4.1
US Dollar	3.9
Scottish Mortgage	3.5
JP Morgan Chase	3.3
Citigroup	3.3

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