ANCHOR BCI BOND FUND

A CLASS | March 2024

Minimum Disclosure Document | Issued 08 April 2024

ANCHOR | NAVIGATING CHANGE

INVESTMENT OBJECTIVE

The **Anchor BCI Bond Fund** seeks to achieve an investment medium for investors, with its main objective being the maximum total return by primarily investing in bonds.

INVESTMENT PHILOSOPHY

The investments normally to be included in the portfolio will comprise a combination of assets in liquid form and a combination of gilts and interest-bearing securities, including loan stock, semi-gilts, notes, debentures, debenture bonds, preference shares, money-market instruments, bonds, corporate debt, convertible equities and non-equity securities. The portfolio may, from time to time, 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.

MONTHLY RETURNS (%)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2024	0.5	-0.6	-2.0										-2.1
2023	3.0	-0.7	1.3	-1.1	-5.0	4.7	2.1	0.0	-2.7	2.0	4.6	1.4	9.6
2022	0.7	0.7	0.0	-1.6	1.0	-3.5	2.9	0.1	-2.2	0.8	4.2	0.4	3.4
2021	0.7	-0.2	-2.6	2.2	3.5	1.2	0.7	1.7	-2.1	-0.5	0.3	2.9	7.9
2020	1.1	0.3	-10.7	4.1	7.7	-0.7	-0.1	0.8	-0.3	0.8	3.4	2.4	8.0
2019	2.8	0.0	1.0	1.1	0.6	1.9	-0.4	1.4	0.2	-0.7	0.8	1.8	11.1
2018	1.5	3.2	2.1	-0.5	-1.4	-1.3	2.6	-2.4	0.3	-1.5	4.1	0.4	7.0
2017	1.3	1.0	0.6	1.4	1.1	-0.5	1.4	1.3	1.1	-1.9	-0.3	4.7	11.6
2016		-0.3	2.1	1.6	-1.3	4.0	1.8	-1.1	2.8	0.6	-1.3	1.4	10.7

FUND INFORMATION

Risk profile: LOW | LOW-MOD | MOD | MOD-HIGH | HIGH

Inception Date	08 Feb 2016
Benchmark	JSE All Bond Index (ALBI)
Fund Classification	SA Interest Bearing Variable Term
Distributions	Quarterly Declaration Date: 31 Mar/30 Jun/30 Sep/31 Dec

Fees (Incl. VAT):

Annual Management Fee	0.63%
Total Expense Ratio (TER)	Dec 23: 0.65% (PY): 0.65%
Portfolio Value	R2527.24 mn
Unit Price	95.62 cpu

RISK PROFILE: LOW-MODERATE

- This portfolio has relatively low equity exposure, resulting in relatively low volatility compared to higher risk portfolios.
- Where the asset allocation contained in this MDD reflects offshore exposure, the portfolio is exposed to currency risks.
- The portfolio is exposed to default and interest rate risks.
- The portfolio is suitable for medium-term investment horizons.
- The expected potential long term investment returns are lower over the medium to long term than higher risk portfolios.

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 MAR 2024 (%)

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

ASSET ALLOCATION AT 31 MAR 2024 (%)

Nominal Bonds - 93.9 Cash - 3.5 Floating Rate Bonds - 2.6

TOP TEN HOLDINGS AT 31 MAR 2024 (%)

Republic Of South Africa - 2037 Bond	18.0
Republic Of South Africa - 2035 Bond	13.2
Republic Of South Africa - 2032 Bond	11.1
Republic Of South Africa - 2040 Bond	10.3
Republic Of South Africa - 2044 Bond	6.3
Republic Of South Africa - 2031 Bond	6.2
Standard Bank of South Africa Limited - 2028 Bond	6.2
Republic Of South Africa - 2030 Bond	5.5
Investec Call	3.5
Republic Of South Africa - 2036 Bond	2.6

FUND MANAGER

Nolan Wapenaar

FUND MANAGER COMMENTARY AT 31 MAR 2024

We have observed persistent global inflationary pressures since the beginning of the year. While headline inflation across various economies continues to decline gradually, core inflation remains elevated. Recent economic data from the US suggest robust economic activity, with low unemployment rates, strong wage growth, and job gains. The persistence of elevated inflation and ongoing US economic strength will likely postpone the start of interest rate cuts and reduce the depth of the rate-cutting cycle. Throughout 1Q24, the market has aggressively adjusted interest rate expectations as investors expressed increasing doubts regarding the extent of monetary easing in 2024, particularly for the US Federal Reserve (Fed). At the start of this year, the derivatives market had priced in about six 25-bp cuts to the Fed funds rate by year-end. However, by the end of 1Q24, the probability of this event had effectively diminished to zero, with the market now pricing in around three 25-bp cuts to the Fed funds rate by year-end. Consequently, benchmark 10-year yields across major economies have repriced higher over the quarter, with US Treasury, UK gilt, and German bund yields rising by 34 bps, 40 bps, and 35 bps, respectively. Locally, South African government bond (SAGB) yields increased in 1Q24, with yields on the R186, R2035, and R2044 up by 60 bps, 91 bps, and 79 bps, respectively. The market now expects only one 25-bp cut to the repo rate in 2024, compared to the three 25-bp cuts priced in at the start of this year. Elevated US yields, extensive loadshedding, and high social and political tensions have contributed to curve steepening and local currency depreciation. The fund is strategically managed to secure an attractive return by investing primarily in a range of fixed-rate government and corporate bonds.

INFORMATION & DISCLOSURES

ISIN Number	ZAE000212874
Distributions	2022 (CPU) Jun 2.25; Sep 2.24; Dec 2.24 | 2023 (CPU) Mar 2.27; Jun 2.30; Sep 2.25; Dec 2.19 | 2024 (CPU) Mar 2.13

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.

FEE DETAILS

	Class A
Initial fees (BCI) (incl. VAT)	0%
Annual Management Fee (incl VAT)	
Class A	0.63%
Performance Fee	None
TER and Transaction Cost (incl VAT)	
Basic	Dec 23: 0.65% (PY): 0.65%
Portfolio Transaction Cost	Dec 23: 0.00% (PY): 0.00%
Total Investment Charge	Dec 23: 0.65% (PY): 0.65%

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 December 2023, whilst the underlying portfolios ratio and cost calculations are based upon their most recent published figures, being 31 December 2023.

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: R15 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,
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CUSTODIAN / TRUSTEE INFORMATION

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

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. BCI calculates the EAC as per the ASISA standard for a period of 3 years up until the most recent TER reporting period.

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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.Income funds derive their income from interest-bearing instruments in accordance with Section 100(2) of the Act. The yield is a current yield and is calculated daily. 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. Access the BCI Privacy Policy and the BCI Terms and Conditions on the BCI website (www.bcis.co.za).

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