ANCHOR BCI AFRICA FLEX INCOME FUND

A CLASS | March 2024

Minimum Disclosure Document | Issued 08 April 2024

ANCHOR | NAVIGATING CHANGE

INVESTMENT OBJECTIVE

The **Anchor BCI Africa Flexible Income Fund's** objective is to maximise income for investors by investing in mainly African interest-bearing securities.

INVESTMENT PHILOSOPHY

In order to achieve its objective, the investments normally to be included in the portfolio may comprise a combination of assets in liquid form, money market instruments, bonds, debentures, convertible securities, cash deposits, corporate debt, listed property, preference shares, non-equity securities, equity securities and any other securities which are considered to be consistent with the portfolio's primary objective and the Act my allow from time to time. 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. The maximum effective equity exposure (including international equity) will be 10% and a maximum effective property exposure (including international property) of 25%. The portfolio's African exposure, excluding South Africa, will always exceed 80% of the portfolio's asset value.

FUND INFORMATION

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

Inception Date	08 Mar 2016
Benchmark	SteFI Composite Index +2% p.a. over a rolling 1-year period
Fund Classification	Regional - Interest - Bearing - Variable
Distributions	Quarterly Declaration Date: 31 Mar/30 Jun/30 Sep/31 Dec

Fees (Incl. VAT):

Annual Management Fee	0.81%
Total Expense Ratio (TER)	Dec 23: 1.67% (PY): 1.67%

Portfolio Value	R185.28 mn
Unit Price	124.62 cpu

MONTHLY RETURNS (%)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2024	0.1	2.8	1.4										4.3
2023	4.0	1.3	-2.9	1.0	4.8	0.3	-0.5	-0.4	-0.8	-0.5	5.4	6.3	19.1
2022	-1.7	-3.5	-2.6	0.4	-1.3	-5.6	1.1	4.4	-2.6	3.4	5.3	0.4	-2.8
2021	1.2	-0.7	-2.3	1.0	-0.8	1.7	1.5	0.6	0.3	-1.1	-0.8	2.2	2.9
2020	4.3	0.9	-12.7	2.7	7.0	4.3	0.1	1.9	-1.7	0.9	2.4	0.6	9.8
2019	0.0	3.8	2.5	0.8	1.3	1.4	1.4	3.5	0.1	0.6	-1.4	-0.2	14.5
2018	-1.2	-1.3	0.4	2.2	0.2	2.9	0.9	3.4	0.4	0.3	-3.2	2.5	7.4
2017	-1.8	-0.1	1.0	1.1	0.8	-0.3	1.5	1.4	1.7	2.7	-1.1	-3.3	3.5
2016			-0.5	0.1	3.3	0.1	-0.3	4.1	-1.5	-1.6	-1.3	0.9	3.1

RISK PROFILE: MODERATE

- This portfolio holds exposures to bonds which have credit and interest rate risks. We consider the risk to be higher than a low risk equity portfolio, but less than that of a high risk portfolio. In turn, the expected volatility is higher than a low-risk portfolio, but less than that of a high risk portfolio.
- Where the asset allocation contained in this MDD reflects offshore exposure, the portfolio is exposed to currency risks.
- This portfolio is exposed to potential default and interest rate risks.
- The portfolio is suitable for medium-term investment horizons.
- The probability of losses is higher than that of a low-risk portfolio, but less than a high-risk portfolio and moderate long term investment returns are expected.

ASSET & SECTOR ALLOCATION AT 31 MAR 2024 (%)

African Bonds - 88.1 | Local Cash - 7.4 | Offshore Cash - 4.5

FUND PERFORMANCE AT 31 MAR 2024 (%)

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

COUNTRY ALLOCATION AT 31 MAR 2024 (%)

TOP TEN HOLDINGS AT 31 MAR 2024 (%)

Morocco - 2042 Bond	10.6
Ivory Coast - 2033 Bond	8.5
Namibia - 2025 Bond	7.3
Investec Call	6.1
Cameroon - 2025 Bond	5.2
Rwanda - 2031 Bond	5.0
MTN - 2026 Bond	4.3
Senegal - 2028 Bond	4.0
Ethiopia - 2024 Bond	3.9
Benin - 2032 Bond	3.8

FUND MANAGER

Nolan Wapenaar

FUND MANAGER COMMENTARY AT 31 MAR 2024

The European Central Bank (ECB) is set to start its interest rate cutting cycle in June. The US is seeing softer wage growth, downward revisions to its January's non-farm payrolls data, and we continue to maintain that base effects will see shelter inflation recede in the coming months. June does feel like a reasonable expectation for the global interest rate-cutting cycle to start. We continue to believe that yields are approximately fair at the moment. As we see confirmation of the trajectory towards lower interest rates there is some upside in bonds. We think the US 10-year bond will trade at around a 3.75% yield in one year. That gives investors a c. 2.5% capital gain on top of the 4.3% yield. This month, several African states reported good news, signifying that they are adjusting to the higher interest rate regime. In particular, Zambia seems to have resolved the issues with creditors around restructuring its bonds. At the same time, Egypt and the Ivory Coast are also significantly stronger over the period. We continue to hold a positive outlook on this asset class.

INFORMATION & DISCLOSURES

ISIN Number	ZAE000212882
Distributions	2022 (CPU) Jun 1.74; Sep 1.86; Dec 1.61 | 2023 (CPU) Mar 1.87; Jun 1.92; Sep 0.92; Dec 1.37 | 2024 (CPU) Mar 1.34

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	0.81%
Performance Fee	15% of outperformance of benchmark over a rolling 1 year capped at 1.0% p.a.
TER and Transaction Cost (incl VAT)	
Basic	Dec 23: 1.67% (PY): 1.67%
Portfolio Transaction Cost	Dec 23: 0.00% (PY): 0.00%
Total Investment Charge	Dec 23: 1.67% (PY): 1.67%
Performance fee incl in TER	Dec 23: 0.78% (PY): 0.78%

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 monthly investment	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.

DISCLAIMER

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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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