

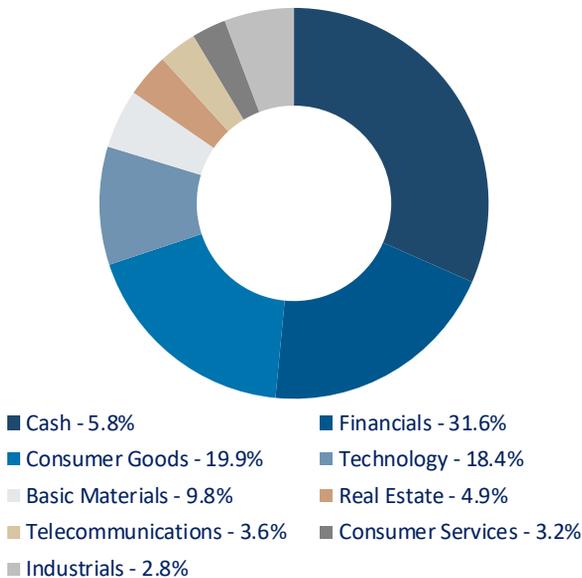
PROFILE AND OBJECTIVE

The portfolio seeks to offer investors long-term capital growth through active stock selection within the South African equity market. A minimum of 75% of the portfolio's assets will be invested in domestic equities at all times. The portfolio is differentiated by being prepared to invest in "off the radar screen" shares and taking high-conviction positions when a potential winner is identified.

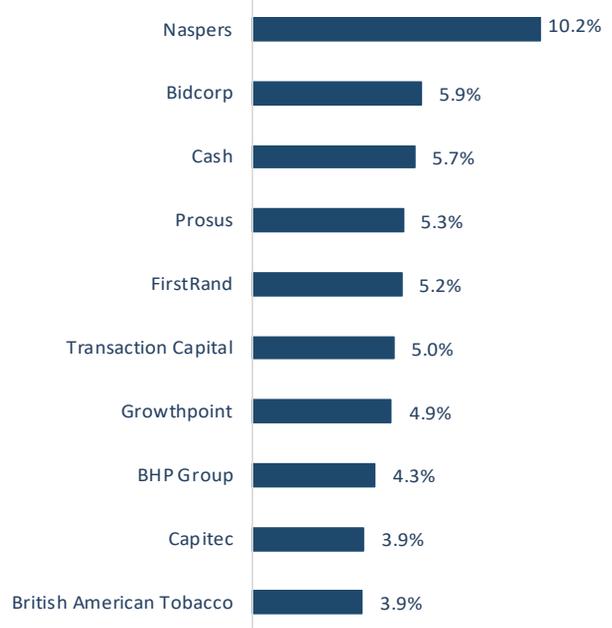
SUITABLE FOR

This portfolio is suitable for high-net-worth private clients that seek above-average growth in capital invested. Investors accept that the portfolio may underperform the market in the short term in pursuit of superior long-term gains. The risk associated with this portfolio will be the same as the risk associated with SA equities. Volatility of capital can occur over the short term. The portfolio can invest in less liquid counters and is not limited to any sectors of the JSE.

ASSET & SECTOR ALLOCATION AT 30 SEP 2020



TOP HOLDINGS AT 30 SEP 2020



MARKET COMMENTARY AT 30 SEP 2020

The South African market fell along with global markets in September (FTSE/JSE Capped SWIX -1.1% MoM), retreating towards a double-digit YTD drop (-9.8%). In a reversal of the trend seen earlier in the year, it was the domestically exposed counters that performed best, up over 4% MoM in aggregate, with particularly strong contributions from local banks (+8.6% MoM) and a double-digit return from local retailers (+11% MoM). Those sectors were led by Capitec (+24% MoM), as its 1H20 results feedback pointed to a strong recovery in its second quarter and the addition of 800,000 new clients, and Shoprite (+26% MoM), which was able to grow turnover by 6.4% YoY despite the pandemic. The stalwarts from the first part of the year, gold miners and Naspers/Prosus, had their second consecutive negative monthly contribution.

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 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 2013

BENCHMARK

FTSE/JSE Capped SWIX J433T Index

MINIMUM INVESTMENT

R1,000,000

FEE

1.25% p.a. (excl. VAT)

This portfolio can be structured in a segregated portfolio or housed in a structured equity note. The latter negates dividend withholding tax and a capital guarantee can be provided. The fund may use gearing from time to time.

DISCLAIMER

Individual client returns may differ due to timing, tax implications, client preferences, portfolio manager discretion and whether we receive cash or shares to seed investments.