

► **INVESTMENT OBJECTIVE**

The BlueAlpha BCI Balanced Fund is a managed portfolio with the objective to offer investors a moderate to high long term total return.

► **INVESTMENT PHILOSOPHY**

The portfolio will be managed in compliance with prudential investment guidelines for retirement funds in South Africa to the extent allowed for by the Act. The portfolio's net equity exposure will range between 0% and 75% of the portfolio's net asset value. The portfolio has the option to invest in a combination of assets in liquid form, money market instruments, interest bearing securities, bonds, debentures, corporate debt, equity securities, property securities, preference shares, convertible equities, non-equity securities, or collective investment schemes.

► **ASSET ALLOCATION**

	Domestic %	Foreign %	Total %
Equities	47%	28%	75%
Property	9%	0%	9%
Fixed Income	10%	0%	10%
Cash	5%	1%	6%
<b>Total</b>	<b>71%</b>	<b>29%</b>	<b>100</b>

► **SECTOR ALLOCATION**

Net Cash	6%
Bonds	10%
Basic Materials	8%
Consumer Goods	6%
Consumer Services	27%
Financials	27%
Health Care	9%
Industrials	2%
Technology	5%

► **TOP TEN HOLDINGS**

RSA 10.5% (R186)	10%
Naspers	4%
FirstRand	3%
Capitec	3%
Old Mutual	3%
Pick n Pay	3%
Mr Price	3%
Nedbank	2%
Sasol	2%
Abbvie	2%

► **RETURN SUMMARY (Net of Fees)**

Performance will only be displayed 6 months after launch.

► **RISK PROFILE: MEDIUM RISK**



► **FUND INFORMATION**

<b>Portfolio Manager:</b>	Richard Pitt, Walter Jacobs
<b>Launch date:</b>	September 2018
<b>Portfolio value:</b>	R 43 million
<b>NAV price at month end:</b>	92.51 cpu
<b>ASISA category:</b>	SA Multi Asset High Equity
<b>Benchmark:</b>	Average of the SA Multi Asset High Equity ASISA category, calculated over a 1 year rolling period
<b>Minimum Lump sum:</b>	None *
<b>Minimum monthly investment:</b>	None
<b>Date of Income Declaration:</b>	28 Feb/ 31 Aug
<b>Date of Income Payment:</b>	2 <sup>nd</sup> working day: Mar/Sep
<b>JSE Code:</b>	BABFC
<b>ISIN Number:</b>	ZAE000261103
<b>Valuation:</b>	Daily
<b>Valuation time:</b>	15:00
<b>Transaction time:</b>	14:00
<b>Regulation 28:</b>	Yes

► **FEE STRUCTURE**

<b>Annual Service Fee:</b>	0.98% incl. VAT
<b>Initial fee:</b>	0.00%
<b>Performance fee:</b>	None
<b>Advisory fee (max):</b>	0.00%

► **TOTAL EXPENSE RATIO (TER)**

	Jun '18	Sept '17
<b>Total TER</b>	N/A	N/A
<b>Performance Fee incl. in TER</b>	N/A	N/A
<b>Transaction Cost</b>	N/A	N/A
<b>Total Investment Charge</b>	N/A	N/A

The TER and Transaction Costs cannot be determined accurately because of the short life span of the Financial Product. Calculations are based on actual data where possible and best estimates where actual data is not available.

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BOUTIQUE  
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## INFORMATION AND DISCLOSURES

**Investment Manager:** BlueAlpha Investment Management Pty (Ltd) is an authorized Financial Service Provider FSP number 118

- 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.bci.co.za](http://www.bci.co.za)
- Valuation takes place daily and prices can be viewed on our website ([www.bcis.co.za](http://www.bcis.co.za)) or in the daily newspaper.
- Actual annual performance figures are available to existing investors on request.
- Upon request the Manager will provide the investor with portfolio quarterly investment holdings reports.

### Management Company Information

Boutique Collective Investments (RF) (Pty) Limited | Cantina Building Bella Rosa Village, Bella Rosa Str, Belville, 7530  
Tel: 021 007 1500/1/2 | 021 914 1880 + Fax: 086 502 5319 | Email: [clientservices@bcis.co.za](mailto:clientservices@bcis.co.za) + [www.bcis.co.za](http://www.bcis.co.za).

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### Custodian / Trustee Information

The Standard Bank of South Africa Limited – Trustee Services  
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.

## EXPECTED TOTAL EXPENSE RATIO (TER)

Please note: 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. It should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of Fund, the investment decisions of the investment manager and the TER. The prior year TER and Transaction cost calculations are based upon the portfolio's direct costs for the financial year ended 31 August 2017, whilst the underlying portfolios' ratio and cost calculations are based upon their most recent published figures, being 30 June 2018.

## EFFECTIVE ANNUAL COST (EAC)

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](http://www.bcis.co.za).

**\*Fixed Administration Fee:** R10 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.

## PERFORMANCE REPORTING

Investment performance is for illustrative purposes only and calculated by taking actual initial fees and ongoing fees into account for amount shown with income reinvested on reinvestment date

## RISK PROFILE

Medium Risk

- This portfolio has a balanced exposure to various asset classes. It has more equity exposure than a low risk portfolio but less than a high-risk portfolio. In turn the expected volatility is higher than a low risk portfolio, but less than a high-risk portfolio. Expected potential long term returns could be higher than other risk profiles and in turn the risk of potential capital losses is higher.
- Where the asset allocation contained in this MDD reflect offshore exposure, the portfolio is exposed to currency risks. Therefore, it is suitable for long term investment horizons.
- The portfolio is exposed to equity as well as 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.

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**Disclaimer:** Boutique Collective Investments (RF) (Pty) Ltd ("BCI") is a registered Manager of the Boutique Collective Investments Scheme, approved in terms of the Collective Investments Schemes Control Act, No 45 of 2002 and is a full member of the Association for Savings and Investment SA. Collective Investment Schemes in securities are generally medium to long term investments. The value of participatory interests may go up or down and past performance is not necessarily an indication of future performance. The Manager does not guarantee the capital or the return of a portfolio. Collective Investments are traded at ruling prices and can engage in borrowing and scrip lending. A schedule of fees, charges and maximum commissions is available on request. BCI reserves the right to close the portfolio to new investors and reopen certain portfolios from time to time in order to manage them more efficiently. Additional information, including application forms, annual or quarterly reports can be obtained from BCI, free of charge. Performance fees will be calculated and accrued on a daily basis based upon the daily outperformance, in excess of the benchmark, multiplied by the share rate and paid over to the manager monthly. Performance figures quoted for the portfolio are from MoneyMate and Bloomberg as at the date of this document for a lump sum investment, using NAV-NAV with income reinvested and do not take any upfront manager's charge into account. Income distributions are declared on the ex-dividend date. Actual investment performance will differ based on the initial fee charge applicable, the actual investment date, the date of reinvestment and dividend withholding tax. Investments in foreign securities may include additional risks such as potential constraints on liquidity and repatriation of funds, macroeconomic risk, political risk, foreign exchange risk, tax risk, settlement risk as well as potential limitations on the availability of market information. 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. 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.