

SESIKILE BCI GLOBAL PROPERTY FUND

Minimum Disclosure Document (Fund Fact Sheet)



FUND OBJECTIVE

The Sesfikile BCI Global Property Fund is a global property portfolio which focus on predominantly developed property markets with an objective to provide the investor with income as well as capital growth. The portfolio may from time to time invest in listed and unlisted financial instruments, including forward currency, interest rate and exchange rate swap transactions. The portfolio's global property exposure will always exceed 80% of the portfolio's asset value. Up to 10% of the portfolio may be invested in shares outside the property sector in companies that conduct similar business activities.

FUND INFORMATION

ASISA Fund Classification	Global Real Estate - General
Fund Managers	Evan Jankelowitz, Mohamed Kalla and Kundayi Munzara
Risk profile	Moderate/ Aggressive
Benchmark	FTSE EPRA/NAREIT Developed Rental Index Net Total Return
ISIN number	ZAE000216495
JSE code	SPFA1
Portfolio launch date	1 June 2016
Minimum investment	Class A1: Lump sum R25 000 / Debit order R1 000 per month
Fees	Initial Fee: nil Annual Service Fee: Class A1 1.15% (incl. VAT) Performance Fee: nil
Portfolio size	R 385 871 899
Total Expense Ratio*	31/03/2018:1.28% 31/12/2017:1.27% 30/09/2017(PY):1.27%
Distribution frequency	Quarterly
Income distribution dates	28 Feb/31 May/31 Aug/30 Nov
Income payment date	Second working day after declaration
Income Distribution	31/08/18: 0.43 cents per unit 31/05/18: 0.46 cents per unit 28/02/18: 0.21 cents per unit 30/11/17: 0.27 cents per unit
Month-end fund price	97.40 cents per unit
Portfolio valuation time	15h00
Transaction cut off time	14h00
Daily price information	Local newspaper and www.bcis.co.za
Issue date	15 September 2018

This Fund Fact Sheet should be viewed in conjunction with the Fund Information Sheet and the Portfolio Manager Commentary Sheet | *Class A1

TOP 10 HOLDINGS

Prologis Inc	4.85%
Invitation Homes Inc	4.16%
Avalonbay Communities Inc	3.69%
Host Hotels & Resorts	3.68%
Vonovia	3.46%
Equinix Inc	3.25%
Essex Property Trust Inc	3.05%
Welltower Inc	2.92%
Hudson Pacific Properties Inc	2.90%
Regency Centers	2.85%

Top 10 holdings as at 30 June 2018

FUND PERFORMANCE AS AT 31 AUGUST 2018

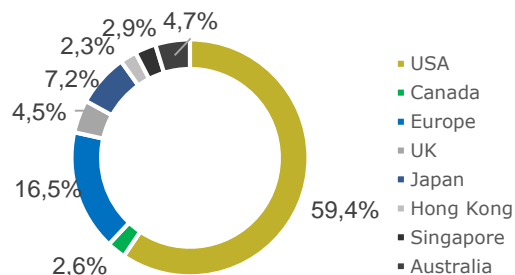
	Fund A1 (after fees)	Benchmark
1 year	20.78%	19.65%
Since inception (Annualised)	0.33%	1.18%

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

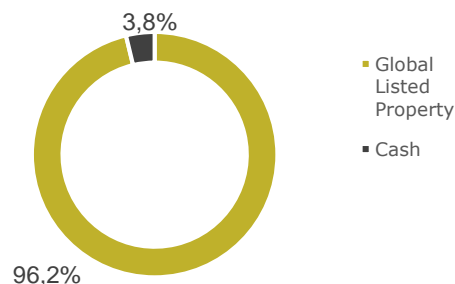
HIGHEST AND LOWEST MONTHLY RETURNS

Highest (August 2018)	15.49%
Lowest (October 2016)	-10.17%

REGIONAL OR COUNTRY ALLOCATION



ASSET ALLOCATION



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FUND STRATEGY

The Fund's objective is to deliver USD total returns that outperform the FTSE EPRA/NAREIT Developed Rental Net Index ("Index") over a 3 to 5 year investment horizon. Our macro-economic views inform our regional allocations while our sector themes inform our stock picking to deliver outperformance without exposing clients to unnecessary risk.

INVESTMENT POLICY

The policy is to invest in globally listed Real Estate Investment Trusts ("REITs") or listed property companies. The investment manager will also be allowed to invest in financial instruments (derivatives) and cash as allowed by the act from time to time in order to achieve its investment objective. Furthermore, and as legislation permits, the manager shall be permitted to invest in offshore listed property investments on behalf of the Sesfikile BCI Global Property Fund.

WHY CHOOSE THIS FUND

The Fund offers investors:

- The ability to access the most sought after real estate in via investment in blue-chip listed property companies or REITs in developed markets including:
 - Northern America (USA and Canada)
 - Europe
 - United Kingdom
 - Asia Pacific (Japan, HK, Singapore)
 - Australia)
- Geographical and sector diversification with low asset concentration risk
- Cost effective offshore solution managed by an experienced team
- Liquidity as investors are able to access US Dollar Returns by investing Rands while enjoying the usual benefits of a Collective Investment Scheme which include daily pricing and 48-hour liquidity.

FUND MANAGER INFORMATION

The three founding directors, Evan Jankelowitz, Mohamed Kalla and Kundayi Munzara co-manage the Sesfikile BCI Global Property Fund. Evan previously co-managed the award winning Stanlib Property Income Fund which he left as the best performing fund in the sector. Mohamed was a top rated sell-side analyst at BJM Securities while Kundayi was previously Head of Research at Investec Property. The investment team also includes Anil Ramjee who is a dedicated global REIT analyst.



Evan Jankelowitz
BCom (Hons), CFA



Mohamed Kalla
BCom, CFA



Kundayi Munzara
BSc (Hons), CFA

MARKET REVIEW

Global REITs (as per EPRA/NAREIT Developed Rental Index, USD) closed the month 1.5% in the green, outperforming global Equities (MSCI World Index) that gained 1.3% but underperforming the S&P 500 that delivered 3.3% for the month. US 10-year Treasury yields went from 2.96% at the start of the month and closed the month 10bps lower at 2.86% as the US trade war with China continued. Over the month US REITs were the best performing region achieving total returns of 3.1% followed by Canadian REITs up 2.4%. UK and European REITs posted negative returns of -3.1% and -0.3%, respectively as the regional laggards.

The US economy continues to deliver strong gains as second quarter GDP growth was revised to 4.2% slightly stronger than the 4.1% previously estimated. Furthermore, wages grew 2.9% y/y in August the fastest rate in nine years. The US economy added 201,000 jobs in August which beat market expectations of 190,000 jobs, however unemployment remained flat at 3.9%.

This month we saw more results come out of UK and European property companies where its becoming even more evident that property fundamentals are becoming more bifurcated; German residential names continued to post strong double digit FFO growth, lower vacancies and accelerating like on like rental growth, cap rates continue to fall in Paris office, and we are seeing more evidence of rental growth in Spanish office and retail. On the other hand, e-commerce continues to decimate the UK high street and Company Voluntary Agreements (CVAs) have started to spread and affect even the dominant malls held by the likes of Hammerson and Intu. Pan-European large mall REIT Unibail-Rodamco (now URW) managed to acquire Westfield but it appears investors are not impressed with their US mall exposure (now 18%) and we believe the negative sentiment towards malls that started in the US in 2017 has spread to mainland Europe this year. Despite Brexit fears London office continues to beat expectations with record leasing recorded in Q2 and demand keeping cap rates lower than projected. Logistics demand remains unabated with Europe starting to benefit from a rise in e-commerce and a stronger consumer environment.

Overall balance sheets appear to be in good shape and companies have aggressively fixed low funding rates for long periods and these interest rates are likely to start rising in the near term. We are relatively positive on the macroeconomic backdrop in Europe and supply appears to be well below demand in most sectors.

Global REITs have delivered 2.7% in USD (21.8% in Zar) in the first eight months of the year which is on track for our projected 7% for 2018. At current levels the starting point is a 4.2% forward dividend yield and 6-7% earnings or FFO growth over the next 2 years. The risk remains the bond yields but at a +200bps carry of dividend yields to bonds, there is sufficient margin of safety. We are constructive on global REITs and are comfortable with our outlook for 7-9% per annum over the next 2 years.

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TER AND TRANSACTION COST (INCL. VAT)

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 ("PY") TER and Transaction cost calculations are based upon the portfolio's direct costs for the financial year ended 30 September 2017, whilst the underlying portfolios' ratio and cost calculations are based upon their most recent published figures, being 31 March 2018.

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Class	Total Expense Ratio (TER)	Transaction Cost(TC)	Total Investment Charges (TER+ TC)
A1	1.28%	0.37%	1.65%
	Of the value of the fund was incurred as expenses relating to the administration of the fund	Of the value of the fund was incurred as costs relating to buying and selling of assets underlying the fund	Of the value of the fund was incurred as costs relating to the investment of the fund

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.

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 that he/she receives from any related party. The portfolio's TER includes all fees paid by the 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 list 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 instances, portfolios invest in other portfolios which forms part of the BCI Schemes. These investments will be detailed in this document as applicable.

RISK DISCLOSURE

- This portfolio carries exposure to mainly property securities.
- Property by nature is a moderate risk investment.
- Where the asset allocation contained in this MDD reflect offshore exposure, the portfolio is exposed to currency risks.
- The portfolio is exposed to interest rate risks and is sensitive to inflation and interest rate cycles.
- The portfolio is suitable for medium term investment horizons

INVESTMENT MANAGER

Sesfikile Capital (Pty) Ltd is an authorised Financial Service Provider FSP 39946.

- 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.sesfikilecapital.com.
- Valuation takes place daily and prices can be viewed on 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.

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 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 figures quoted for the portfolio is from Morningstar, as at the date of this minimum disclosure 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 fees 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.

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