

All Weather BCI Equity Fund

The All Weather BCI Equity Fund is a general equity portfolio targeting high long-term capital growth. It invests in a mix of South African and offshore securities – equities, notes, ETF's, property units, REIT's, money-market instruments, bonds, and other collective investment schemes.

WHAT IS THE FUND'S OBJECTIVE?

The fund seeks to achieve long-term capital growth by investing in equities that are mispriced relative to their intrinsic value. Our philosophy is based on the belief that the market continually misprices assets due to underestimated risks or unrecognized long-term potential. We apply a detailed bottom-up research process to identify these opportunities.

WHAT DOES THE FUND INVEST IN?

The fund primarily invests in South African listed equities across various sectors. It may also include exposure to global equities for diversification. The fund focuses on companies with strong fundamentals, sustainable moats, and attractive valuations, using a style-agnostic approach (not limited to growth, value, quality, or momentum). Derivatives may be used for efficient portfolio management or hedging, but not for leverage or speculation.

IMPORTANT PORTFOLIO CHARACTERISTICS AND RISKS

Risk Profile

Aggressive

Growth Assets: 100%

Income Assets: 0%

The fund's managers use a robust bottom-up fundamental research process to select shares with competitive advantages, sustainable business models, and material ESG considerations integrated into valuations. Key risks include market volatility, potential capital loss in the short term, sector concentration, liquidity constraints, and exposure to macroeconomic factors like currency, interest rates, and commodities. Risk is managed through diversification, position limits, and ongoing monitoring, but shares remain volatile investments.

HOW LONG SHOULD INVESTORS REMAIN INVESTED?

The fund is designed for long-term investors with a horizon of at least 5-7 years or more, allowing time for mis-pricings to correct and fundamentals to drive returns. It is not suitable for those needing capital preservation over shorter periods.

WHO SHOULD CONSIDER INVESTING IN THE FUND?

Investors who are building wealth, and who

- are comfortable with a portfolio fully invested in equities;
- accept potential short-term underperformance in pursuit of superior long-term gains;

- do not require income in the short term;
- seek exposure to South African and select global equities through a single fund.

The fund is suitable for those with a high risk tolerance and a focus on intrinsic value investing.