

## NORTHSTAR BCI GLOBAL FLEXIBLE FEEDER FUND (A)

MINIMUM DISCLOSURE DOCUMENT | 31 OCTOBER 2023

### INVESTMENT OBJECTIVE

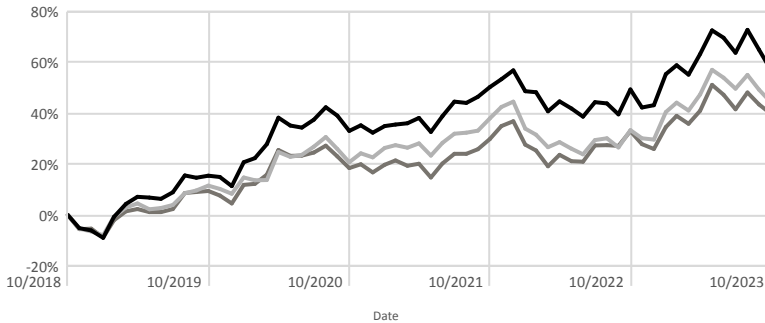
Northstar BCI Global Flexible Feeder Fund's objective is to deliver long term capital growth by investing in various asset classes.

### INVESTMENT POLICY

The portfolio will apart from assets in liquid form, invest solely in the participatory interests of the Northstar Global Flexible Fund, established under the Sanlam Global Funds Plc domiciled in Ireland. The underlying portfolio is a multi-asset flexible fund that is primarily managed with an equity bias investing in equities, interest bearing instruments and securities, non-equity securities, property and property related securities, preference shares, money-market instruments as well as participatory interests in collective investment schemes. To the extent that the assets in the portfolio are exposed to exchange rate risk, the manager may enter into financial transactions for the exclusive purpose of hedging such exchange rate risk subject to the conditions and limits as stipulated by the Act. For the purpose of this portfolio, the manager shall reserve the right to close the portfolio to new investors in order to manage the portfolio in accordance with its mandate.

### PERFORMANCE (Net of Fees)

Performance: 5 years



— Northstar BCI Global Flexible Feeder Fund (A) — ASISA Category  
— Fund Benchmark

Cumulative (%)	1 Year	3 Years	5 Years	10 Years	Since Inception
Fund	5.13	17.98	56.92	-	84.15
Fund Benchmark	5.16	18.06	39.74	-	52.15
ASISA Category	8.18	19.48	44.18	-	56.64

Annualised (%)	1 Year	3 Years	5 Years	10 Years	Since Inception
Fund	5.13	5.67	9.43	-	10.17
Fund Benchmark	5.16	5.69	6.92	-	6.88
ASISA Category	8.18	6.11	7.59	-	7.38

Inception date: 03 Jul 2017

#### Risk Statistics

##### Fund / Fund Benchmark

Standard Deviation	1 Year	3 Years	Maximum Drawdown	1 Year	3 Years
Fund	16.55%	12.77%	Fund	-9.13%	-11.57%
Fund Benchmark	14.90%	12.31%	Fund Benchmark	-7.51%	-12.94%

##### Highest and Lowest: Calendar year performance since inception

Fund	High	18.91%	Fund Benchmark	High	17.09%
	Low	-8.75%		Low	-7.75%

### MONTHLY RETURNS (%)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2023	8.5	2.3	-2.3	5.2	5.7	-1.7	-3.5	5.5	-4.5	-4.8	-	-	9.69
2022	-5.2	-0.3	-5.0	2.8	-1.9	-2.2	4.1	-0.4	-3.0	7.0	-4.7	0.6	-8.75
2021	1.9	0.4	0.4	1.6	-4.0	4.7	4.1	-0.3	1.7	2.6	2.1	2.2	18.48
2020	8.5	1.4	4.5	8.1	-2.2	-0.6	2.3	3.6	-2.3	-4.3	1.6	-2.1	18.91
2019	-3.1	9.1	5.1	2.7	-0.2	-0.5	2.5	6.0	-0.8	0.7	-0.4	-3.2	18.45
2018	1.0	-2.3	-3.2	5.8	1.6	8.7	0.2	13.4	-3.8	-2.2	-5.2	-0.9	11.93

Effective 25/08/2023: Northstar Sanlam Collective Investments Global Flexible Feeder Fund amalgamated with Northstar BCI Global Flexible Feeder Fund. Annualised return is the weighted average compound growth rate over the period measured.

### FUND INFORMATION

Portfolio Manager:	Adrian Clayton & Mark Seymour
Launch date:	03 Jul 2017
Portfolio Value:	R 217 472 815
NAV Price (Fund Inception):	1001.71 cents
NAV Price as at month end:	1,844.48 cents
JSE Code:	NSCGF
ISIN Number:	ZAE000245999
ASISA Category:	Global Multi Asset Flexible
Fund Benchmark:	EAA Fund USD Flexible Allocation
Minimum Investment Amount:	None
#Monthly Fixed Admin Fee:	Refer page 2 notes
Valuation:	Daily
Valuation time:	08:00 (T+1)
Transaction time:	14:00
Regulation 28:	No

### FEE STRUCTURE

Annual Service Fee:	0.39% (Incl. VAT)
Performance Fee:	None
* Total Expense Ratio (TER):	Jun 23 : 1.78% (PY: 1.78%)
Performance fees incl in TER:	Jun 23 : 0.00% (PY: 0.00%)
Portfolio Transaction Cost:	Jun 23 : 0.17% (PY: 0.17%)
Total Investment Charge:	Jun 23 : 1.94% (PY: 1.94%)

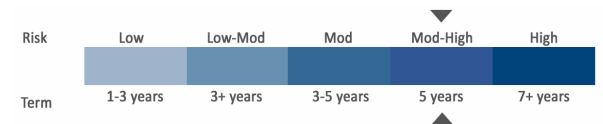
All percentages include VAT, where applicable

### Income Distribution (cpu)

Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23
-	0.00	-	-	-	-
May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23
-	-	-	0.11	-	-

Date of Income Declaration: 30 June/31 December  
Date of Income Payment: 2nd working day of Jul/Jan

### RISK PROFILE



#### Moderate - High Risk

- This portfolio holds more equity exposure than a medium risk portfolio but less than a high-risk portfolio. In turn the expected volatility is higher than a medium risk portfolio, but less than a high-risk portfolio. The probability of losses is higher than that of a medium risk portfolio, but less than a high-risk portfolio and the expected potential long term investment returns could therefore be higher than a medium risk portfolio.
- Where the asset allocation contained in this MDD reflects offshore exposure, the portfolio is exposed to currency risks.
- The portfolio is exposed to equity as well as default and interest rate risks.
- Therefore, it is suitable for medium to long term investment horizons.

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## PORTFOLIO HOLDINGS

Effective Exposure (%)	As at 30 Sep 2023	Top Holdings (%)	As at 30 Sep 2023
Offshore Equity	67.74	Northstar Global Income Fund CI A	10.1
Unit Trusts	9.93	SPDR® Gold Shares	7.0
Offshore Bonds	9.26	Mastercard Inc Class A	3.6
Offshore Cash	5.17	Visa Inc Class A	3.5
Offshore Property	1.02	Philip Morris International Inc	2.5
Domestic Cash	0.56	L3Harris Technologies Inc	2.5
Other	6.32	Thermo Fisher Scientific Inc	2.4
		United States Treasury Notes 0.125%	2.4
		Reckitt Benckiser Group PLC	2.3
		Medtronic PLC	2.2

Derivative exposure included above (look-through on underlying funds included) 0.00%

## INFORMATION AND DISCLOSURES

### Risks

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. Where foreign securities are included in the portfolio there may be 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.

### \* 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 ("PY") TER and Transaction cost calculations are based upon the portfolio's direct costs for the financial year ended 30 June 2023, whilst the underlying portfolios' ratio and cost calculations are based upon their most recent published figures, being 30 June 2023.

### Effective Annual Cost:

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). BCI calculates the EAC as per the ASISA standard for a period of 3 years up till the most recent TER reporting period.

#Monthly Fixed Admin Fee: R15 excl. 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.

### Total Investment Charges

* Total Expense Ratio (TER)	Transactional Cost (TC)	Total Investment Charge (TER & TC)
1.78%	0.17%	1.94%
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 the buying and selling of the assets underlying the Fund.	Of the value of the Fund was incurred as costs relating to the investment of the Fund.

### 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 instances portfolios invest in other portfolios which form part of the BCI Scheme. These investments will be detailed in this document, as applicable.

### Investment Manager

Northstar Asset Management (Pty) Ltd is an authorised Financial Service Provider FSP 601.

- 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](http://www.bcis.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  
Catnia Building,  
Bella Rosa Village, Bella Rosa Street,  
Bellville, 7530  
Tel: +27 (0)21 007 1500/1/2  
+ Email: [clientservices@bcis.co.za](mailto:clientservices@bcis.co.za) + [www.bcis.co.za](http://www.bcis.co.za)

### Custodian / Trustee Information

The Standard Bank of South Africa Limited  
Tel: 021 441 4100

### 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 ASISA. 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. BCI 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 figures quoted for the portfolio are 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. BCI 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's products. Access the BCI Privacy Policy and the BCI Terms and Conditions on the BCI website ([www.bcis.co.za](http://www.bcis.co.za)). A feeder fund is a portfolio that invests in a single portfolio of collective investment schemes, which levies its own charges and which could result in a higher fee structure for the feeder fund.

## Q3 2023 Northstar Global Flexible Fund Commentary

The third quarter of 2023 was unfriendly to investors both with regards to equity returns and so too bonds.

We believe that we are nearing the top of a global rising interest rate cycle, but the higher for longer mantra pushed by central banks, finally gripped market participants this quarter and bond yields rose in sympathy. Tighter monetary conditions reflected in higher positive real yields stunted equity enthusiasm and consequently, bond and equity returns were negative. The Barclays Global Bond Index fell 3.6% in Q3 and the MSCI World Index fell 3.4%.

Besides Norway, which rose by 11% based on its oil bias, developed markets delivered a poor showing with all regions negative and Europe under the most pressure, losing 4.9% in dollars for the quarter. North America fell 3.1% and the Pacific 2.6%. Emerging markets declined 2.8% in Q3. A very strong dollar remained a theme and all developed market currencies weakened relative to the dollar, with Sterling down by 4% and the Euro 3%.

The rand (-9.7%) is the 3<sup>rd</sup> worst performing currency against the dollar year-to-date after the Turkish Lira (-31.7%) and Egyptian Pound (-19.9%) but ironically, is one of the few currencies that held up well in this past quarter.

Against all these moving parts, the Northstar Global Flexible fund returned -3.30% in Q3 whereas the 60% equity and 40% bond proxy or benchmark, fell 3.43%. The fund had an average equity weighting of 64.39% for the period in question and these equities (-3.76%) slightly underperformed the MSCI World Index, which dropped by 3.4%. The stocks that added the most to performance were Blackstone, Google and Broadridge whereas the top detractors were Estee Lauder, Delta Airlines and L3Harris.

Over the past year, the fixed income component of the fund has significantly outperformed its benchmark and this trend continued over the quarter under review. This is ascribable to being underweight bonds at 22.5% versus the 40% benchmark and being shorter duration. The fund's bond holdings lost 1.3% over the quarter, whereas the bond benchmark fell 3.6%.

As we enter the final quarter of the year, we near a possible fulcrum in economic conditions in the western world, which could be meaningfully impactful for markets. High interest rates are beginning to impact the robustness of the US economy – this is seen in credit extension, rising defaults and manufacturing surveys. If the economy falters, which it typically does at the end of a rising rate cycle, defensive sectors outperform and bond yields rally.

The Northstar Global Flexible Fund is close to double the benchmark weight in Consumer Staples (12.12% versus the benchmark at 7.35%) and has a heavy skew towards Healthcare at 20.17% versus the benchmark of 12.75%. These are defensive sectors that we anticipate will outperform in a slowing environment. Conversely, the fund is underweight more cyclical sectors such as Consumer discretionary, Energy, Information Technology and Materials.

We believe that the portfolio is appropriately positioned for an anticipated economic slowdown.