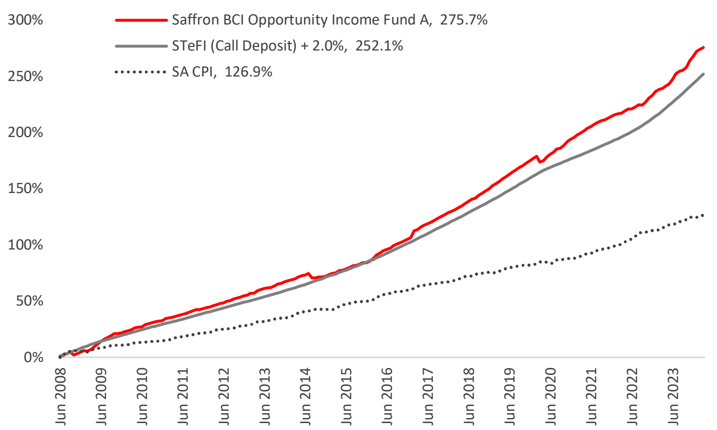
SAFFRON BCI OPPORTUNITY INCOME FUND

CLASS A

Minimum Disclosure Document (MDD)
31 March 2024

Fund Performance

Since launch cumulative performance graph



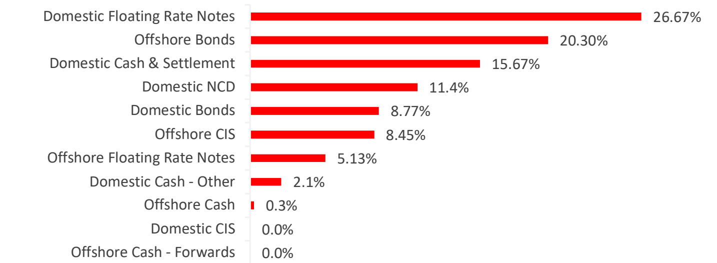
Monthly %	Apr'23	May'23	Jun'23	Jul'23	Aug'23	Sep'23	Oct'23	Nov'23	Dec'23	Jan'24	Feb'24	Mar'24
Fund	0.63	0.58	1.26	1.32	0.66	0.29	0.71	1.52	1.15	1.19	0.48	0.49
Benchmark	0.75	0.80	0.80	0.84	0.84	0.81	0.84	0.81	0.84	0.84	0.79	0.84

Yearly %	Mar'13	Mar'14	Mar'15	Mar'16	Mar'17	Mar'18	Mar'19	Mar'20	Mar'21	Mar'22	Mar'23	Mar'24
Fund	7.66	8.16	3.17	8.94	11.87	9.08	10.01	6.77	9.47	5.93	6.89	10.77
Benchmark	7.06	6.97	7.67	8.13	9.09	8.96	8.70	8.70	5.88	5.69	7.82	10.27

	Cumulative Return (%)				Annualised Return (%)			
	Fund	Benchmark	Cash	Inflation	Fund	Benchmark	Cash	Inflation
1 Year	10.77	10.27	8.10	5.56	10.77	10.27	8.10	5.56
3 Years	25.42	25.66	18.41	19.39	7.84	7.91	5.80	6.09
5 Years	46.59	44.63	30.99	28.56	7.95	7.66	5.55	5.15
10 Years	121.18	117.55	78.47	64.60	8.26	8.08	5.96	5.11
Inception	275.74	252.33	157.49	130.57	8.72	8.28	6.15	5.42

Fund Holdings

Asset Allocation (%); *(May not add up to 100% due to rounding)*



Risk Statistics (3 Year Rolling)

Standard Deviation	1.26
Sharpe Ratio	-0.32
Information Ratio	-0.02
Maximum Drawdown	-0.07

Highest and Lowest Annual Returns

Time Period: Since Inception to 31/03/2024

Highest Annual %	18.73%
Lowest Annual %	2.84%

Risk Profile

Low-Moderate Risk

Where the asset allocation contained in this MDD reflects offshore and equity exposure, the portfolio is exposed to currency and equity risks. The portfolio is exposed to default and interest rate risks. Therefore, it is suitable for medium term investment horizons. The expected potential long-term investment returns are lower but less volatile over the medium to long term than higher risk portfolios.

Effective 25/03/2022: Manager change from SCI. Removel of Regulation 28. Annualised return is the weighted compound growth rate over the period measured.

Fund Objective

The Saffron BCI Opportunity Income Fund is a specialist income portfolio that seeks investment opportunities that meet the objective of delivering an enhanced level of income and stability on capital invested.

Investment Policy

In order to achieve this objective, the investments normally to be included in the portfolio will comprise a combination of assets in liquid form, bonds, inflation linked bonds, loan stock, notes, debentures, debenture bonds, convertible bonds, preference shares, listed property securities and property related securities, money market instruments, corporate debt, convertible equities, other interest-bearing securities and non-equity securities. The portfolio may also invest in participatory interests and other forms of participation in portfolios of collective investment schemes. The portfolio may from time to time invest in listed and unlisted financial instruments. The manager may also include forward currency, interest rate and exchange rate swap transactions for efficient portfolio management purposes.

Fund Information

Fund Manager	Brandon Quinn
Launch Date	02 June 2008
Fund Size	ZAR 999.33 million
NAV Price (Fund Inception)	100.00 cents
NAV Price as at month end	130.70 cents
JSE Code	MIPP
ISIN Number	ZAE000120044
ASISA Fund Classification	South African - Multi Asset - Income
Benchmark	STeFI Call Deposit index plus 2% p.a.
Minimum Investment Amount	None
Monthly Fixed Admin Fee*	R15 excl. VAT on all direct investor accounts with balances of less than R100,000
Valuation	Daily
Portfolio Valuation Time	15:00
Transaction Cut Off Time	14:00
Regulation 28 Compliant	No

Distribution History (cents per unit)

02/04/2024	2.18	03/04/2023	2.29	01/04/2022	0.05
02/01/2024	2.41	03/01/2023	2.06	25/03/2022	1.37
02/10/2023	2.40	03/10/2022	2.09	03/01/2022	1.53
03/07/2023	2.33	01/07/2022	1.81	01/10/2021	1.54

Income Declaration Date	31 March, 30 June, 30 September & 31 December
Income Payment Date	2nd business day of April, July, October & January

Cost Ratios (%)

TER**: 1.26% (PY: 1.26%)	TC: 0.01% (PY: 0.01%)	TIC: 1.27% (PY: 1.27%)
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.

Fees (Incl. VAT) (%)

Annual Service Fee	1.15
Initial Advisory Fee (Max)	3.45
Annual Advice Fee	0.00 - 1.15 (if applicable)
Initial Fee	0.00
Performance Fee	None

Information & Disclosures

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.

Valuation takes place daily and prices can be viewed on our website (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.

* 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 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 31 December 2023, whilst the underlying portfolios' ratio and cost calculations are based upon their most recent published figures, being 31 December 2023.

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.

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

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.

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 figures quoted for the portfolio is from Morningstar, 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 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.

Boutique Collective Investments (RF) Pty Ltd retains full legal responsibility for the third party named portfolio.

Income funds derive their income from interest-bearing instruments in accordance with Section 100(2) of the Act. The yield is a current yield and is calculated daily.

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.

Please refer to the retention portfolio's MDD for the portfolio's performance disclosures including the impact of the retention portfolio.

Access the BCI Privacy Policy and the BCI Terms and Conditions on the BCI website (www.bcis.co.za).

Investment Manager

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Custodian / Trustee Information

The Standard Bank of South Africa Ltd
Tel: +27 (21) 441 4100

Fund Manager Quarterly Comment - As at 31 March 2024

The fund (Class A) returned +2.17% and +10.77% over the quarter and year respectively, while the benchmark (STeFI Call Deposit +2.0%) returned +1.64% and +10.27%. Over a rolling one-year period, the fund return beat the enhanced cash benchmark during a period of notable market volatility. The 1-year average for the ASISA category was 8.24%. Currency hedged offshore debt (c. +1.47%) and Domestic Floating Rate Notes (c. +0.84%) were the main contributors to the return over the quarter.

The first quarter of 2024 saw central banks maintaining steady rates amid signs of improved economic growth, alongside hints of potential rate cuts, have stirred cautious anticipation in the markets. Bond yields and the US Dollar Index saw increases, while the decline of the South African rand reflected amplified challenges encountered by emerging markets. With major central banks indicating approaching the peak of rate cycles, persistent risks from unexpected inflation and geopolitical tensions contribute to ongoing market volatility.

The Federal Reserve left rates unchanged for the fifth consecutive meeting in March, in line with expectations, keeping the Federal funds target rate range at 5.25 – 5.50%. Although the FOMC statement was largely unchanged, markets focused on updated projections and cues about the timing of rate cuts from Chair Powell's press conference. Despite robust economic growth, the 'dot plot' still indicates potential interest rate cuts this year, despite upward revisions to GDP and inflation forecasts. Powell remained noncommittal on timing, emphasising the need for confidence in inflation progress. Discussion on Quantitative Tightening (QT) hinted at a slowdown, but no firm commitment was made. Over the quarter, the yields on US 5-year and 10-year generic bonds saw increases of 37 and 32 bps, respectively, while the US Dollar Index (DXY) displayed a noteworthy gain of +3.11%. Taking a broader annual perspective, the 5-year and 10-year yields increased by +64 bps and +73 bps respectively. Additionally, during this period, the DXY registered a gain of +1.93%.

The European Central Bank (ECB) rate decision in March saw rates unchanged for the fourth consecutive meeting, with the Deposit rate remaining at 4.00%. However, the focus shifted to future policy adjustments, with hints from President Lagarde suggesting a potential rate cut in June pending confirmation of softening wage data. Lagarde emphasised improving inflation confidence but underscored the need for further evidence. Lagarde's discussion on market expectations and rejection of waiting for Fed actions suggest independent ECB decision-making.

The Bank of England's Monetary Policy Committee (MPC) voted 8–1 to maintain the Bank Rate at 5.25%, with one member advocating for a 0.25% reduction. Despite the market's upward shift in implied policy rates for advanced economies, UK GDP and market sector output are anticipated to rebound in the first half of the year, supported by fiscal measures in the Spring Budget 2024. While CPI inflation fell to 3.4% in February, services inflation remains high at 6.1%, prompting expectations for a slight drop below the 2% target in Q2 2024. The MPC asserts its commitment to price stability, indicating a continued need for restrictive monetary policy to address inflationary pressures, with ongoing monitoring of economic data to guide future adjustments in Bank Rate.

The VIX Index, a measure of market volatility, closed at 13.01, marking an increase of 0.56. The J.P. Morgan Emerging Market Bond Index (EMBI) Sovereign Spread tightened by 51 bps, finishing the quarter at 294 bps, with the index delivering a positive return of +1.40%. The 5-year Credit Default Swap (CDS) for South Africa widened to 259 bps, showing a significant increase of 56 bps. In contrast, Brazil's CDS widened slightly (+5 bps) to 138 bps, and Turkey's to 310 bps (+27 bps increase). Turning to the energy sector, Brent crude oil concluded the quarter at USD 87.00 per barrel, marking a significant increase of +12.93%. Commodity price movements over the quarter, on which most emerging market economies are dependent, showed the CRB Food, CRB Commodities and CRB Metals Index returning +12.23%, +4.82 and -3.82%, with metals experiencing a divergent trend. Gold and copper posted positive returns of +5.40% and +3.58% respectively, while iron ore, platinum and palladium lost -28.63%, -8.13% and -7.61% respectively. Over the last 12 months, gold was the best performer at +13.23%, and palladium the worst performer at -30.55%.

The South African rand depreciated by -2.83% against the USD over the quarter, aligning with the prevailing trend in metals markets. Over the preceding one-year period, the USDZAR exchange rate depreciated by -6.10%, while the CRB Metals Index recorded a loss of -7.89%. The rand also weakened against the euro (-0.95%) and the pound (-2.30%) over the quarter. Within the South African asset class landscape, the top-performing asset class for the quarter was listed property (JSAPYTR Index) at +3.85%, followed by cash (STEFI Index) at +2.04%. Nominal bonds (ALBTR Index) returned -1.80%, inflation-linked bonds (CILITR Index) -0.33% and equity (JALSHTR Index) -2.25%. Over a 1-year period, property emerged as the standout asset class with a return of +20.47%.

The South African Reserve Bank (SARB) kept its repo rate at 8.25% in March, in line with expectations. In South Africa, inflation is above targets, especially in food prices due to bad weather. The unstable rand is influenced by global interest rates and local economic challenges. Despite some growth challenges in 2023, the SARB expects gradual improvement, particularly in the private sector. The 3-month JIBAR rate decreased slightly to 8.35% over the quarter, but rising by 39bps over the year, impacting the fund's increased running yield. The 12-month T-bill average yield was flat at 9.13%. The SAGB yield curve saw significant widening, with the short-end R186 and R2032 lifting by 61bps and 87bps, and the long-end R209 and R2040 lifting by 82bps and 77bps, respectively.

In March, the fund elected to side pocket, by way of a retention fund, its exposure to two RedInc Rentals notes on the back of significantly reduced liquidity and uncertainty surrounding the obligor's future repayment prospects. It should be noted that at the time of the creation of the retention fund, the instruments had not missed any coupon payments. The purpose of a side pocket is to provide protection for all investors where the quantum of a potential asset write-down is uncertain.

Looking ahead: Whilst major central banks have signalled being at the peak of the rate cycle, risks remain from inflation surprises particularly against a backdrop of volatile energy markets and numerous global geo-political risks. The long end of the SA FRA curve remains flat, and at the time of writing, is expected to peak at c. 8.36%.

The fund continues to offer an attractive gross running yield of 10.33% per annum and is strategically positioned in the short end for stable policy rates and tactically positioned in longer duration bonds to capture higher yields and normalised inflation expectations. The fund duration was higher at quarter-end at 1.19 year. High cash balances will allow the fund to benefit from value opportunities that are likely to present in this late stage of the global business cycle to achieve our objective of Cash (STeFI Call Deposit) +2.0%.

Portfolio Manager
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BCom, CFA

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