

SAFFRON BCI FLEXIBLE FUND

CLASS A

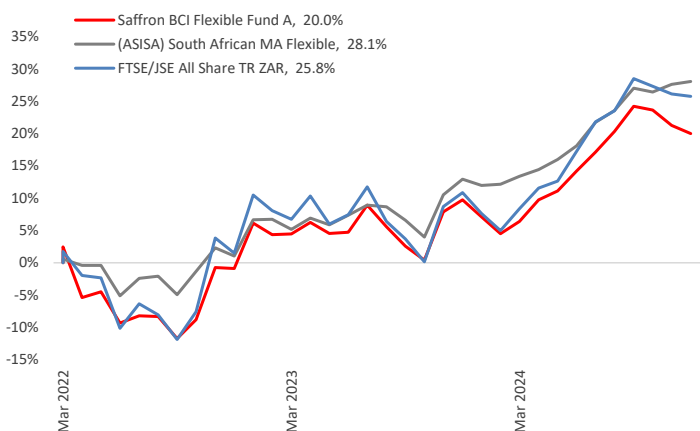
Minimum Disclosure Document (MDD)

31 December 2024



Fund Performance

Since launch cumulative performance graph



Monthly %	Jan'24	Feb'24	Mar'24	Apr'24	May'24	Jun'24	Jul'24	Aug'24	Sept'24	Oct'24	Nov'24	Dec'24
Fund	-2.41	-2.43	1.80	3.16	1.25	2.76	2.59	2.72	3.24	-0.48	-1.91	-1.05
Benchmark	-0.85	0.19	1.07	0.94	1.36	1.82	3.08	1.52	2.80	-0.49	0.96	0.34
ALSI TR	-2.93	-2.44	3.23	2.95	0.96	4.08	3.92	1.38	4.04	-0.92	-0.94	-0.29

Yearly %	Dec'23	Dec'24
Fund	10.74	9.33
Benchmark	11.76	13.41
ALSI TR	9.25	13.44

	Cumulative Return (%)				Annualised Return (%)			
	Fund	Benchmark	ALSI TR	Inflation	Fund	Benchmark	ALSI TR	Inflation
1 Year	9.33	13.41	13.44	2.93	9.33	13.41	13.44	2.93
3 Years								
5 Years								
10 Years								
Inception	19.99	28.11	25.78	15.77	6.80	9.34	8.62	5.42

Fund Holdings

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



Risk Statistics (3 Year Rolling)

Standard Deviation	-
Sharpe Ratio	-
Information Ratio	-
Maximum Drawdown	-

Highest and Lowest Annual Returns

Time Period: Since Inception to 31/12/2024

Highest Annual %	23.15%
Lowest Annual %	0.13%

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.

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

Fund Objective

The Saffron BCI Flexible Fund is a flexible portfolio that aims to deliver a high long-term total return by investing across asset classes.

Investment Policy

The portfolio may invest in equity securities, interest bearing securities, property shares, property related securities, preference shares, money market instruments, non-equity securities, notes and assets in liquid form. 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	25 March 2022
Fund Size	ZAR 533.18 million
NAV Price (Fund Inception)	100.00 cents
NAV Price as at month end	124.38 cents
JSE Code	MSMT
ISIN Number	ZAE000168233
ASISA Fund Classification	South African - Multi Asset - Flexible
Benchmark	South African - Multi Asset - Flexible - Average
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)

02/01/2025	0.76
01/07/2024	2.07
02/01/2024	1.90

Income Declaration Date	30 June & 31 December
Income Payment Date	2nd business day of July & January

Cost Ratios

TER**:	TC:	TIC:
1.49% (PY: 1.69%)	0.02% (PY: 0.04%)	1.51% (PY: 1.73%)
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 30 September 2024.

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

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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.

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The Saffron BCI Flexible Fund posted a -3.32% return vs the All-Share Index of -2.03% for the final quarter of 2024. The Flexible Fund, which invests in South African listed instruments only returned +9.33% in 2024 delivering a robust performance versus the benchmark (Flexible Fund Peer Group Average, many with significant offshore exposure) returned 13.41%. The Flexible Fund's annual (rolling 12 month) distribution for 2024 was 3.97%, surpassing the ALSI's annual dividend yield of 3.80% and the TOP40 dividend yield of 3.50%. From a risk perspective, the Saffron BCI Flexible Fund has delivered an annualised standard deviation of returns of 11.92% from inception versus an ALSI of 14.73%, Top40 of 15.62% and ALBI (SA All Bond Index) of 8.28% over the same period.

After a series of elections worldwide during the 2024 year, the final quarter consisted of the most anticipated, being the US elections, which closed off with a clean red sweep solidifying the Republican's position for the next administration. While the Biden admin continued its support for Ukraine, this is likely to come to an end with Trump's admin as he focuses on domestic issues and applies pressure on other NATO members to increase contributions.

In Europe, division in Germany and France escalated. Germany's Chancellor, Olaf Scholz, fired the finance minister, triggering a crisis within the coalition government. France's Prime minister, Michael Barnier, was overthrown by parliament which was in disarray.

The year concluded with notable geopolitical instability, particularly in the Middle East, where Syria's Assad regime was overthrown, and the Israel-Hamas conflict continued to escalate with broader regional impacts. Asia also experienced political unrest with South Korea's attempted declaration of "emergency martial law" and his subsequent impeachment.

The South African bourse struggled over the quarter. The JSE ALSI closed down -2.03% but posting +13.38% for 2024. The Top40 lost -3.52% in Q4 but delivered +10.65% for the year. A small-cap rally in the fourth quarter accounted for most of the differential, following the announcement of the GNU and buoyed by cheap valuations, which offset concerns around country and liquidity risk. Volatility between the small caps in the ALSI and the Top40 was notable. While small caps surged on speculative activity and optimism regarding undervaluation, Top40 counters were more subdued, weighed down by greater exposure to global macroeconomic headwinds and earnings concerns. This divergence highlights the disparity in market dynamics, with smaller companies benefiting from localised sentiment shifts, while larger caps remained constrained by global risk-off trends.

The South African fixed income market was marginally positive over the quarter. The ALBI posted +0.47% and the South African 10yr government bond rallying from 9.76% to 9.13%.

On a sectoral level, Financials were slightly down in Q4 (-0.84%), but performed well for the year at +21.61%. Industrials were flat in Q4, but performed well in 2024 (+17.25%) after the South African elections coupled with a decrease in Eskom loadshedding, bolstered sentiment. Property performed well at +28.96% for the year but consolidated its gains during Q4 (+0.43%). Resources took the wooden spoon in 2024 being down (-12.29%) and Q4 (-7.23%) with key components firmly sliding into negative territory. The sector's poor performance would have been exacerbated without the strong gains seen in gold stocks. Resource shares were weighed down by the absence of substantial Chinese stimulus measures, as the world's largest commodity consumer grappled with deflationary pressures. Additionally, a robust USD in Q4 exerted further downward pressure on commodity prices. The ZAR closed the year at flat for 2024, giving up its gains in the final quarter by losing c.8% against the Greenback.

In the fourth quarter, the MSCI World Index delivered a strong performance with a gain of 9.11%, culminating in an impressive annual return of 21.02%. In contrast, the MSCI Emerging Markets (EM) Index underperformed, posting a slight decline of 0.24% in Q4 and a more modest annual gain of 9.09%. Benefiting from central bank rate cuts, the MSCI World Growth Index outpaced its value counterpart, achieving an exceptional annual return of 31.79% compared to 18.37% for the MSCI World Value Index.

The U.S. equity market remained resilient, with the S&P 500 advancing 12.15% in Q4 and delivering a remarkable year-to-date (YTD) return of 27.04%. Similarly, the Nasdaq saw robust growth, climbing 15.97% in Q4 and closing the year with a stellar 29.73% gain.

In Asia, performance was mixed. The Chinese Hang Seng Index ended the year up 19.49%, though it declined 10.51% in Q4 following a sharp rally in late September. Meanwhile, Japan's Nikkei 225 rose 2.96% in Q4 and recorded a solid annual gain of 19.84%.

Operation Vulindlela, spearheaded by South Africa's centrist GNU government, remains a credible reform initiative targeting infrastructure improvements and fiscal consolidation. The government reported a 0.4% primary budget surplus for FY24, reflecting an improvement to prudent fiscal management. Eskom has achieved a significant milestone, with loadshedding ceasing since March 2024, though Gauteng faces prolonged water challenges expected to persist until at least 2028, highlighting the urgency of infrastructure repairs.

Transnet's 1H25 results, released in December, showcased progress under the October 2023 recovery plan but reflected mixed financial outcomes. Revenue grew by 6% to R42 billion, supported by volume growth and tariff increases. Operating expenses outpaced revenue growth, rising 10.2% to R28 billion due to higher employee, security, and energy costs. This follows S&P Global's decision in November to place Transnet's BB- issuer credit rating on credit watch negative, citing elevated leverage concerns.

Commodities delivered mixed results in Q4 and throughout 2024. Gold ended the year at \$2,625, gaining an impressive 27.47% annually despite a slight Q4 decline of 1.35%. Natural gas saw a robust annual surge of 50.89%, with a notable Q4 increase of 24.31% driven by heightened demand during the Northern Hemisphere winter. Brent crude closed 2024 at c. \$74.60, slipping 1.65% for the year but edging up 1.46% in Q4.

To conclude, global equity markets showed significant strength over the final quarter, whereas domestic markets encountered challenges to performance. Shifting monetary and fiscal policies, geopolitics have created distinct global and sectoral trends.

The fund is currently conservatively positioned in both equities and bonds with a high probability of upweighting both asset classes in the near term.

Portfolio Manager
Brandon Quinn
BCom, CFA

