

FUND INFORMATION

Fund Manager

Ian Anderson, Andrew Dowse & Richard Henwood

ASISA sector classification

South African - Equity - General

Size: R331 m

Risk profile

Conservative	Cautious	Moderate	Moderate Aggressive	Aggressive

Benchmark

Average of the ASISA South African Equity General sector

Recommended investment term

Longer than 5 years

Minimum lump sum investment

R 5 000

Minimum debit order investment

R 500

Valuation time

15h00

Cut-off time for transaction

14h00

Inception date

02 July 2013

Distribution dates

March, June, September, December

Payment dates

5 to 7 working days after declaration

NAV on reporting dates

Class A 125.76 cents per unit

Class C 125.75 cents per unit

Distribution (last 12 months)

Class A 5.39 cents per unit

Class C 5.78 cents per unit

FEES (VAT exclusive)

Maximum initial advisor fee

Class A 3.00% (if applicable)

Maximum annual advisor fee

Class A 1.00% (if applicable)

Maximum initial manager fee

Class A and Class C 0.00%

Annual management fee

Class A 1.00% and Class C 0.75%

No performance fee

Class C is accessible via LISP platforms. LISPs may charge additional administration fees

TER/TC* (VAT Inclusive)

	Class A	Class C
TER at 31 Dec 2018	1.20%	0.92%
TC at 31 Dec 2018	0.28%	0.28%
Total Investment Charges	1.48%	1.19%

*Please refer to Disclosures on page 2 for details

TC are elevated due to the rapid increase in the fund's size over the review period. We expect the TC's to normalise as the fund matures.

Prices are published daily on our website and in national newspapers:
www.bridgefm.co.za

Manager

Bridge Collective Investments (RF) (Pty) Ltd
5th Floor Protea Place, 40 Dreyer Street, Claremont, Western Cape 7708.
021 492 0200

Trustee and Custodian

Société Générale Johannesburg Branch
160 Jan Smuts Avenue, Rosebank, 2196
011 448 8800

INVESTMENT OBJECTIVE AND MANDATE

The investment objective of the portfolio is to seek a high level of income (more in the form of dividends) and long-term growth in dividend income in excess of the rate of inflation such that the portfolio will produce a total return in excess of the average of the ASISA South African Equity General sector at lower levels of volatility. Income will be a key component of the portfolio. The risk profile of this portfolio to the investor will be above average, due to its prominent exposure to the equity risk factor.

This fund is available to be used within our Tax-Free Savings Plan, by virtue of S12T of the Income Tax Act.

BENEFITS

- Above-average income yield (mainly dividends)
- Above-inflation growth in income
- Long-term capital growth

RISKS

- Investment risk (capital risk)
- Market risk (liquidity risk)
- Valuation risk (pricing risk/failure)
- Currency risk (exchange rate risk)

HISTORIC INCOME YIELD*

Class A as at	Historic net yield	3yr historic income growth
31/01/2019	4.31%	8.58%

* The historic net yield is the amount of income (after costs but before withholding taxes), expressed as a percentage of the current capital price, which the portfolio delivered to investors over the last 12 months. The 3yr historic income growth is the per annum compound growth of the income paid to investors over the last three years.

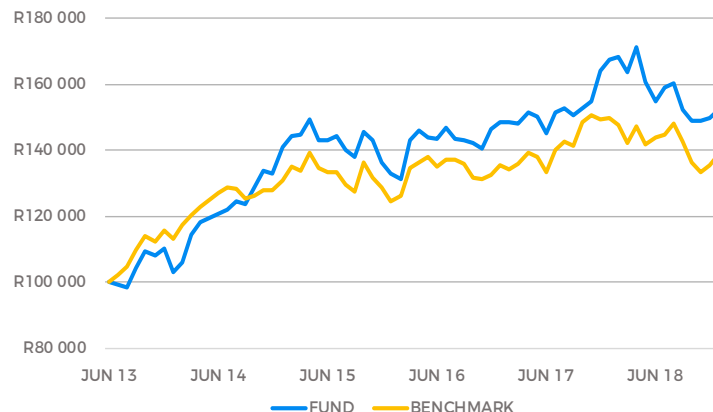
PAST PORTFOLIO PERFORMANCE

Term	Class A (inception Jul 2013)		Class C (inception Oct 2013)	
	Class A	Benchmark ¹	Class C	Benchmark ¹
1 year	-9.18%	-7.17%	-8.91%	-7.17%
3 year (annualised)	4.55%	3.77%	4.85%	3.77%
5 year (annualised)	8.11%	4.24%	8.42%	4.24%
Since inception (annualised)	7.81%	6.04%	7.58%	4.47%
Lowest 12 month return	-9.18%		-8.91%	
Highest 12 month return	36.99%		37.34%	

¹ Average of the ASISA South African Equity General sector. The past portfolio performance is calculated on a rolling monthly basis, lump sum, NAV to NAV and distributions reinvested. Annualised return is the weighted average compound growth rate over the period measured. The investor performance may differ as a result of advisor fees (where applicable), actual investment date, date of reinvestment and dividend withholding tax. Past performance is not necessarily a guide to future performance. The lowest and highest returns show the lowest and highest consecutive 12 month return each class has experienced since its inception. Actual annual figures are available to the investor on request.

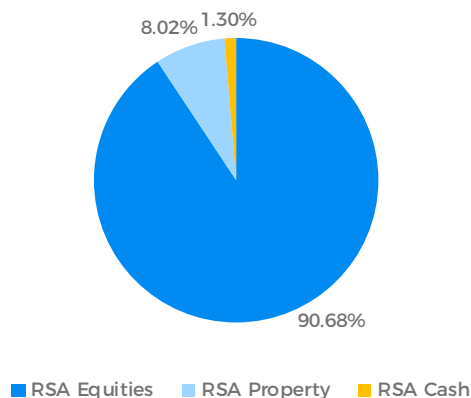
LONG-TERM TRACK RECORD

ILLUSTRATIVE GROWTH OF R100 000 INVESTED AT INCEPTION (CLASS A)*



*Illustrative purposes only assuming all distributions reinvested and ongoing fees included

ASSET ALLOCATION



TOP 10 HOLDINGS

Security	Weighting (%)
Mr Price Group Limited	4.53%
Standard Bank Group Limited	4.37%
Clicks Group Limited	4.29%
MTN Group Limited	4.24%
British American Tobacco	4.22%
Firststrand Limited	4.22%
Woolworths Holdings Limited	4.20%
Investec plc	4.17%
Mondi plc	4.16%
Sanlam Limited	4.16%

MONTHLY COMMENTARY

The US Federal Reserve (the Fed) decided to maintain the target range for the federal funds rate following the conclusion of their January policy meeting. Importantly for global financial markets, the Fed's message was more dovish as the committee members highlighted the elevated levels of uncertainty around Brexit, ongoing trade negotiations between the US and China, the prolonged US government shutdown and the impact on the global economy of significantly tighter monetary conditions in the US following last year's interest rate hikes and quantitative tightening to reduce the size of the Fed's balance sheet. According to the latest Bloomberg forecasts, analysts expect the Fed to remain on hold throughout 2019 given the uncertainties mentioned above, as well as lower inflation expectations following a sharp drop in the oil price during 2018.

US equity markets soared as the political and economic backdrop improved in January. The S&P 500 Index gained 8.0%, helped by a slew of positive surprises as companies began reporting fourth-quarter earnings. According to FactSet, by the end of January, with 46% of the companies in the S&P 500 Index having reported results, 70% of the companies had reported a positive earnings per share surprise while 60% had reported a positive revenue surprise, with average earnings growth of 12.4% versus analyst expectations of 12.2%. Caterpillar, the equipment manufacturer often considered a proxy for the global economy, missed analyst estimates and provided weaker guidance, citing increased tariffs and the slowdown in China for their disappointing numbers, and highlighting some of the uncertainties the Fed mentioned in their January statement.

Global bond yields declined markedly throughout January, with the yield on 10-year US Treasuries declining to 2.63% by the end of month, the lowest level in a year. The yield on German 10-year Bunds dropped to just 0.15% on the more benign global monetary policy outlook. The US yield curve flattened throughout 2018 as the outlook for global growth deteriorated and the Fed continued to tighten monetary policy.

The improving global backdrop for risky assets helped the rand gain 7.7% against the US dollar, making it the strongest currency in the world during January. The strong rand took some of the shine off the SA equity market, as the FTSE/JSE All Share Index (ALSI) gained 2.8% in January. The SA retailers were very much in focus, following weak trading updates from Mr Price (down 9.4% in January), Truworths (down 9.1%) and Woolworths (down 8.9%). AVI (down 8.5%) and Vodacom (down 8.7%) also released weaker than expected trading statements during January. The SA banks seemed to benefit from the sell-off in other sectors, as Standard Bank was up 9.1%, Investec plc was up 8.8% and Firststrand gained 5.8%.

Together with declining global bond yields, the rand's strength pushed South African bond yields lower. The yield on government's benchmark R186 and R2030 bonds declined by 30 basis points during the month. The key risk facing the bond market in South Africa remains a Moody's downgrade of the country's sovereign credit-rating to below investment grade. The slowdown in economic activity in the second half of 2018 and Eskom's ongoing woes have heightened the risk of a downgrade, although no decision is expected until after the general election, expected to take place in May this year.

South Africa's listed property sector finally caught a bid as the prices of risky assets soared during January. The FTSE/JSE SA Listed Property (SAPY) Index gained 9.2% in January, its best monthly return since March 2016 when government bond yields in South Africa also fell by 30 basis points. The one-year forward yield on the sector has now fallen to 8.9% suggesting the sector is fairly valued relative to bonds, given the headwinds facing the sector in 2019. However, there are still significant opportunities in many of the smaller and medium-sized property companies, although the associated risks have increased following a significant deterioration in property fundamentals during 2018.

The Bridge Equity Income Growth Fund advanced by 1.5% in January. The Fund continues to allocate approximately 90% of the portfolio to high quality businesses that are expected to deliver double-digit earnings growth over the medium and long term and reward shareholders with above-average dividend yields. The Fund also allocates 10% of the portfolio to listed property companies that offer an acceptable income yield and above-average income growth prospects, while at the same time providing an adequate level of property and geographic diversification.

HOW TO INVEST

- Visit our website at www.bridgefm.co.za and download an application form.
- Complete the relevant sections and return all required documentation and proof of payment to us via fax: + 27 (0) 31 571 0761 or email: investments@bridgefm.co.za
- If you have any queries regarding this form please contact your financial service advisor or our Client services department on 0800 117 842.

DISCLOSURES

Management Company and Mandate

Bridge Collective Investments (RF) (Pty) Ltd ("the Manager"), Registration number 2008/022492/07, is a company incorporated in South Africa acting as a manager of collective investments schemes in securities in terms of Section 42 of the Collective Investments Schemes Control Act and is supervised by the Financial Sector Conduct Authority. The registered address of the Manager is 5th Floor Protea Place, 40 Dreyer Street, Claremont, Western Cape, 7708. The Trustee and Custodian is Société Générale Johannesburg Branch. **The Investment Management of the portfolios is outsourced to Bridge Fund Managers (Pty) Ltd, an authorised financial services provider, FSP 29834.** Client administration is outsourced to Maitland Group South Africa Limited, Tel: 021 681 8059; Address: Maitland House 1, River Park, Gloucester Road, Mowbray, 7700, Cape Town.

Performance

Collective investment schemes are generally medium to long-term investments. The value of participatory interests or the investment may go down as well as up. Past performance is not necessarily a guide to future performance. Collective investment schemes are traded at ruling prices and can engage in borrowing and scrip lending. Past portfolio performance is measured on a rolling monthly basis.

Fees

A schedule of fees and charges and maximum commissions is available on request from the manager. There are no performance fees charged in the portfolio. Commission and incentives may be paid and if so, would be included in the overall costs. The manager does not provide any guarantee either with respect to the capital or the return of a portfolio. Participatory interests in the portfolios issued by the manager qualify as investment instruments for the purposes of Tax Free Savings and Investment account by virtue of Section 12T of the Income Tax Act.

Tax-Free Savings Plan

If you wish to invest in a Tax-Free Savings and Investment Plan please ensure that you fill in the correct application form. Bridge is required by law not to accept contributions in excess of the annual (R33 000) and lifetime limits (R500 000). Bridge does not monitor the contributions you may have with other service providers. Consequently, you undertake to advise Bridge when your aggregate contribution across service providers has reached the annual limit (R33 000) and the lifetime limits (R500 000). Bridge is not responsible for the tax penalty which you may incur as a result of excess contributions made by you into the Investment Plan. A 40% penalty is payable on the contribution above limit. Bridge does not charge any fees for withdrawal of the tax free investment.

General

The General Investor Report is published on a quarterly basis and is available on request and on our website. The portfolio may borrow up to 10% of its net assets on a temporary basis. Such borrowings are permitted only to meet the portfolio's obligations in relation to (i) the administration of the Fund relating to purchase or sale transactions; and/or (ii) the redemption or cancellation of participatory interests in the portfolio. Borrowings in relation to (i) above are only permitted for a period of up to 8 calendar days, and 61 calendar days in respect of (ii). The annual report, brochures, application form is available on our website. The portfolio may be closed to new investments at any time in order to be managed in accordance with its mandate. Forward pricing is used. Information on this document shall not be construed as financial advice as defined and/or contemplated in terms of the Financial Advisory and Intermediary Services Act, Act 37 of 2002 ("the FAIS Act").

Complaints

Bridge shall, wherever possible, avoid situations causing a conflict of interest. Where it is not possible to avoid such conflict, Bridge shall advise you of such conflict in writing at the earliest reasonable opportunity and shall mitigate the conflict of interest in accordance with its conflict of interest Management Policy. You may send a blank email with a subject "conflict of interest" to the compliance officer, should you need a copy of this policy. Complaints should be directed to the Compliance Officer. The Complaints Resolution Policy is available on request. The Compliance Officer's email address is compliance@bridgefm.co.za. Bridge Collective Investments (RF) (Pty) Ltd and Bridge Fund Managers (Pty) Ltd (collectively referred to as "Bridge") are members of the Bridge Financial Services Group and are supervised by the Financial Sector Conduct Authority.

Total expense ratio (TER) and transaction costs

Total expense ratio (TER) is a measure of a portfolio's assets that have been expended as payment for services rendered in the management of the portfolio or collective investment scheme (CIS), expressed as a percentage of the average daily value of the portfolio or CIS calculated over rolling three year periods coinciding with a calendar quarter end and annualised. Transaction costs (TC) is a measure to determine the costs incurred in buying and selling the underlying assets of a portfolio or CIS, expressed as a percentage of the average daily value of the portfolio or CIS calculated over a period of three years on an annualised basis. TC are a necessary cost in administering the portfolio or CIS and impacts 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 portfolio or CIS, the investment decisions of the investment manager and the TER. Total investment charges is a measure of the total value of portfolio incurred as costs relating to the investment of the portfolio or CIS. **A higher TER / TC does not necessarily imply a poor return, nor does a low TER / TC imply a good return.** The current TER may not necessarily be an accurate indication of future TER / TC's. The effective annual cost (EAC) is a measure which allows you to compare the cost that you can expect to incur when you invest in different financial products.

Contact details

Clients can contact our Client Services centre on 0800 117 842 or email investments@bridgefm.co.za to request an EAC statement.

QUARTERLY GENERAL INVESTOR REPORT

PARTICIPATORY INTERESTS	UNITS	UNIT PRICE	TER @ 31/12/2018
CLASS A	28 511 729.98	125.40	1.20%
CLASS C	232 821 733.88	125.44	0.92%

ADHERENCE TO POLICY OBJECTIVE

This portfolio adhered to the agreed investment policy objective throughout the period

PORTFOLIO COMPOSITION AND CHANGES FOR 3 MONTHS

EQUITY	START %	END %	CHANGE
AVI LIMITED	4.13	3.99	-0.14
BRIT AMERICAN TOBACCO	4.09	3.84	-0.25
BIDVEST GROUP LTD	4.10	3.98	-0.12
COM FINANCIERE RICHEMONT SA	3.98	4.01	0.03
CLICKS GROUP LTD	4.03	4.23	0.20
FIRSTRAND LTD	3.98	3.90	-0.08
INVESTEC PLC	3.90	3.97	0.07
LIBERTY HOLDINGS LTD	3.90	4.06	0.16
LIFE HEALTHCARE GRP HLDGS	3.89	4.00	0.11
MONDI PLC	3.94	4.01	0.07
MR PRICE GROUP LTD	4.14	3.96	-0.18
MTN GROUP LTD	4.30	4.11	-0.19
NEDBANK GROUP LRD	0.00	1.17	1.17
NETCARE LTD	3.66	3.94	0.28
OLD MUTUAL LTD	3.96	2.83	-1.13
REUNERT LTD	4.11	4.20	0.09
SANLAM LTD	4.04	4.11	0.11
STANDARD BK GRP LTD	4.06	4.07	0.01
SPAR GROUP	4.04	4.15	0.11
TIGER BRANDS LTD	4.03	3.93	-0.10
THE FOSCHINI GROUP LTD	4.04	3.75	-0.29
VODACOM GROUP	4.09	4.21	0.12
WOOLWORTHS HLDS LTD	3.99	3.89	-0.10
TOTAL EQUITY	88.40	88.31	

PROPERTY	START %	END %	CHANGE
ACCELERATE PROP FUND LTD	2.18	1.67	-0.51
ARROWHEAD PROP LTD A	2.08	1.55	-0.53
DELTA PROPERTY FUND LTD	2.71	2.08	-0.63
FAIRVEST PROP HLDS	2.71	2.58	-0.13
TOTAL PROPERTY	9.68	7.88	