

**1. Investment Objective**

The portfolio invests in equity-, property, target return, bond- and money-market collective investment schemes. The primary investment objective of the portfolio is to provide the investor with long term capital growth as well as a reasonable level of income. The fund complies with Regulation 28 in terms of Prudential Investment Guidelines.

**2. Managers Comment**

**Review:** The fund showed a return of 0.60% for the month while the FTSE/JSE All Share Index showed a return of -2.24% over the same period.

**Outlook:** The fund performed badly since February 2020 because of the coronavirus crash, with the Dow Jones going negative more than 30% as well as the indices of most other first world countries. However, as most first world countries are busy phasing out their lockdowns, their indices are busy making a comeback and we have therefore switched on the 10<sup>th</sup> of June 2020, 25% to three of the best offshore funds available in South Africa, namely Old Mutual Global Equity, Blue Alpha BCI Global Equity and Miplan Global Macro Fund, with the balance to local Income Funds.

Kanaan Trust

**3. Competitive Advantage**

The fund manager's successful macro top-down approach, enabled him to switch timeously and totally to the Money Market before the 1987 crash, literally weeks before the July 1998 crash, before the March 2000 Technology crash and before the 2001/2002 SA Currency crash.

**4. Market Niche**

The fund is PIGS compliant and also suitable for compulsory funds, prudential guideline investments, etc., where Money Market type funds will be a minimum of 25% at all times. The portfolio is ideal for an investor who wishes to gain exposure to the stock, bond and money markets, but is not confident in his own ability to time his entry into, or exit out of, the stock market as a whole or specific market sectors. The portfolio manager makes these decisions on behalf of the investors in the portfolio.

**5. Performance since inception – 16 February 2005**

**Original Net Asset Value (16 February 2005):** R 99.84 per unit

**Current Net Asset Value (31 Aug 2021):** R 196.76 per unit <sup>(1)</sup>

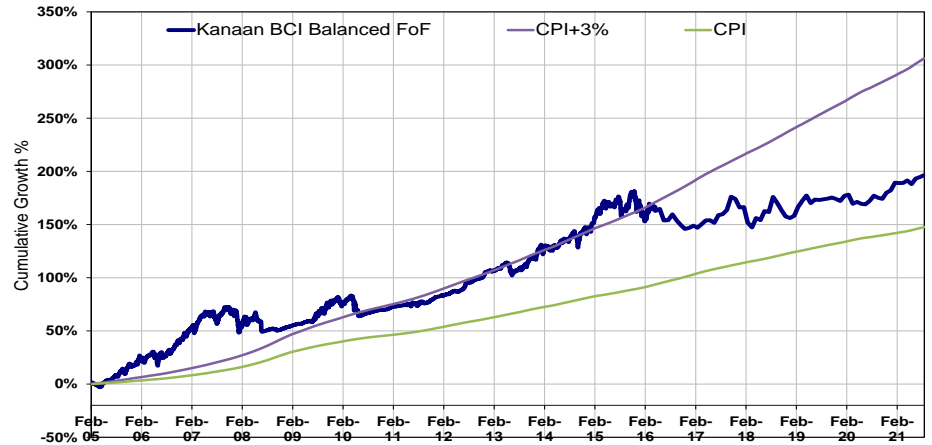
**Annualised Return:** 6.79% <sup>(2)</sup>

**Benchmark Annualised Return:** 8.86%

(1) Net of Distributions paid

(2) Calculated and supplied by Money Mate

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


**6. Monthly Performance**

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD	BENCH YTD
2005			-1.54%	-1.36%	4.80%	0.31%	3.49%	1.13%	6.76%	-1.53%	3.00%	1.40%	17.21%	5.39%
2006	6.37%	-1.35%	1.95%	1.43%	-1.38%	1.55%	-0.43%	2.79%	1.42%	3.57%	3.22%	3.94%	25.32%	6.94%
2007	2.15%	0.36%	4.55%	3.39%	1.75%	-1.31%	0.16%	-0.57%	2.20%	2.98%	-2.35%	0.10%	14.00%	9.89%
2008	-9.29%	6.01%	-2.23%	1.03%	1.34%	-1.90%	-5.66%	1.07%	0.17%	-1.00%	0.91%	0.97%	-9.15%	11.23%
2009	0.97%	0.67%	0.63%	0.29%	1.05%	-0.10%	2.51%	3.06%	1.58%	2.40%	1.16%	2.03%	17.46%	10.28%
2010	-2.52%	-0.15%	2.74%	-0.36%	-6.10%	-2.33%	1.12%	0.68%	0.58%	0.56%	0.23%	0.28%	-5.41%	8.00%
2011	1.14%	0.41%	0.32%	0.40%	0.56%	0.32%	0.10%	1.01%	-0.83%	0.69%	1.31%	1.38%	6.99%	7.97%
2012	0.67%	0.42%	0.71%	1.15%	-0.28%	0.88%	3.27%	0.41%	1.38%	0.49%	1.42%	1.90%	13.10%	9.13%
2013	-0.14%	0.70%	0.94%	1.68%	-0.03%	-4.07%	1.57%	-0.04%	2.27%	3.01%	0.93%	3.00%	10.05%	9.26%
2014	-0.31%	1.18%	-1.01%	1.53%	0.25%	1.64%	0.89%	1.06%	0.60%	0.27%	2.10%	0.37%	8.86%	8.98%
2015	1.90%	3.47%	2.04%	0.68%	1.13%	-1.09%	2.26%	-3.40%	-0.68%	5.87%	1.30%	-3.02%	10.58%	7.93%
2016	-4.25%	-0.25%	1.91%	-1.04%	2.81%	-4.10%	0.07%	2.17%	-2.16%	-1.73%	-1.48%	0.42%	-7.64%	9.51%
2017	0.84%	-0.80%	1.38%	1.41%	0.07%	-0.99%	2.90%	0.36%	1.50%	4.73%	-0.75%	-2.94%	7.76%	8.79%
2018	0.13%	-5.48%	-1.79%	3.56%	-0.77%	3.36%	-0.37%	5.46%	-2.06%	-2.52%	-2.23%	-0.57%	-3.73%	7.91%
2019	0.79%	3.25%	2.18%	1.81%	-2.57%	1.24%	-0.15%	0.24%	0.22%	0.40%	-0.51%	-0.69%	6.25%	7.46%
2020	1.83%	0.35%	-3.10%	0.67%	-0.67%	-0.19%	1.20%	1.81%	-0.69%	-0.39%	2.12%	0.77%	3.66%	6.71%
2021	2.58%	-0.15%	0.05%	0.82%	-1.20%	1.82%	0.49%	0.60%					5.09%	4.73%

\* Performance figures calculated and supplied by Money Mate.

Highest and Lowest Monthly returns for each calendar year highlighted in yellow.

**7. Portfolio Information**

Managed By:	Andre and Gert Delpont of Kanaan Trust (FSP 528)	Initial Charge:	Advisor's Fee (Max) - 3.450%
Portfolio Value:	R 42.53 million	Distribution 2021:	Jun: 1.99
Minimum Investment:	None	Distribution 2020:	Dec 2.89; Jun: 2.56; Feb: 3.60
Benchmark:	CPI + 3%	Distribution 2019:	Aug: 2.54, Feb: 1.89
Income Declaration:	31 Dec/31 Jun	Valuation time:	08h00 (T+1)
Income Payment:	2nd working day of Jan/Jul	Transaction time:	14h00
Classification:	SA Multi Asset High Equity	JSE Code:	MXMB
<b>Total Annual Service Fee:</b>	<b>1.15% (incl. VAT)</b>	ISIN Number:	ZAE000062469
		Performance Fee:	see * below

Please note that in most cases where the FSP is a related party to Kanaan Trust and/or Boutique Collective Investments (RF) (Pty) Ltd, Kanaan Trust and/or distributor earns additional fees apart from the FSP's client advisory fees. It is the FSP's responsibility to disclose additional fees to you as the client. Such fees are included in the Total Expense Ratio (TER) and paid out of the portfolio's service charge. Performance numbers are calculated net of all portfolio expenses and costs. A copy of our conflict of interest policy is available on our website as well as on request

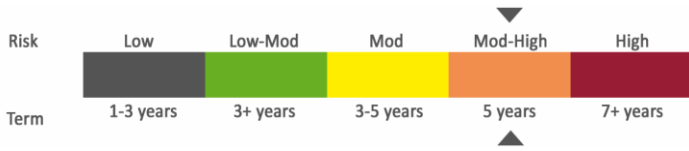
\*Performance Fee: Additional 15% + 3% (where 100% accrues to the asset manager) (sharing rate) of outperformance above benchmark (hurdle rate), capped at 2% p.a. The fees are accrued on a daily basis and paid out on a monthly basis. Any shortfall to the hurdle rate is carried forward for set-off against future positive outperformances. Fee example: 0% performance fee if portfolio performs in line with its benchmark. Performance fees accrue to the investment manager for Class A. When the portfolio underperforms, the PDF is not applicable, but on going fees as mentioned in paragraph 10 will continue.

The fund's name changed from Xhilitator to Kanaan from 01 March 2013.

## Minimum Disclosure Document

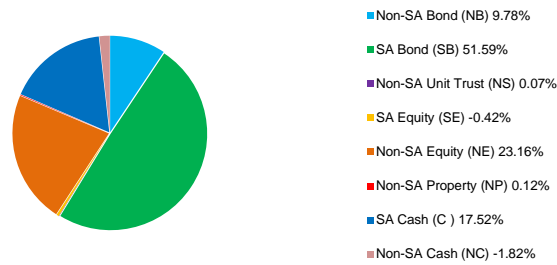
**8. Risk Measure**

Standard Deviation: 2.264  
 Risk Level: Moderate / Aggressive

**Risk disclosure**


Medium – 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 reflect 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.

**9. Asset Allocation**

**10. Total Expense Ratio**

Total Expense Ratio (inc VAT)	2.20% (PY): 1.99%
Portfolio Transaction Costs (inc VAT)	0.04% (PY): 0.03%
Total Investment Charge (TER+TC)	2.24% (PY): 2.02%
Performance Fees (inc VAT)	0.00% (PY): 0.00%

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 Jun 2020, whilst the underlying portfolios' ratio and cost calculations are based upon their most recent published figures, being 30-Jun-21.

**12. Information and Disclosures**
**Investment Manager**

Kanaan Trust is an authorized Financial Service Provider, FSP 528.

**Additional Information**

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
- Access the BCI Privacy Policy and the BCI Terms and Conditions on the BCI website ([www.bcis.co.za](http://www.bcis.co.za)).

**Custodian:** The Standard Bank of South Africa Limited: Tel (021) 007 441-4100. Management Company: Boutique Collective Investments (RF) (Pty) Limited, Catnia Building, Bella Rosa Village, Bella Rosa Street, Bellville, 7530. Tel: 021 007 1500/1/2 Email: [clientservices@bcis.co.za](mailto:clientservices@bcis.co.za). Registration No 2003/024082/07. 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. Performance figures quoted for the portfolio are from MoneyMate, as at the date of this MDD 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. 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. Boutique Collective Investments (RF) Pty Ltd 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/the Manager's products. A fund of funds is a portfolio that invests in portfolios of collective investment schemes that levy their own charges, which could result in a higher fee structure. Performance fees are calculated and accrued on a daily basis based upon the daily outperformance, in excess of the benchmark, multiplied by the share rate and paid over to the manager monthly.

**Effective Annual Cost ("EAC"):**

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).

# Monthly Fixed Administration Fee: R15 excluding 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.

**11. How to Invest**

Your broker can invest your funds directly into Kanaan Balanced through our Manco: **Boutique Collective Investments**  
 Or through one of the following platforms: **Met Odyssey, Momentum Wealth, Glacier of Sanlam, AIMS of ABSA, PSG Wealth**  
 Alternatively contact Kanaan Trust at 031 561 2208 or [secretary@kanaantrust.com](mailto:secretary@kanaantrust.com)