

## FUND OBJECTIVE

The fund aims to provide capital growth and create wealth over the long term by investing mainly in listed local equities. The fund is high risk and targets investors with a high risk appetite and a long term investment horizon.

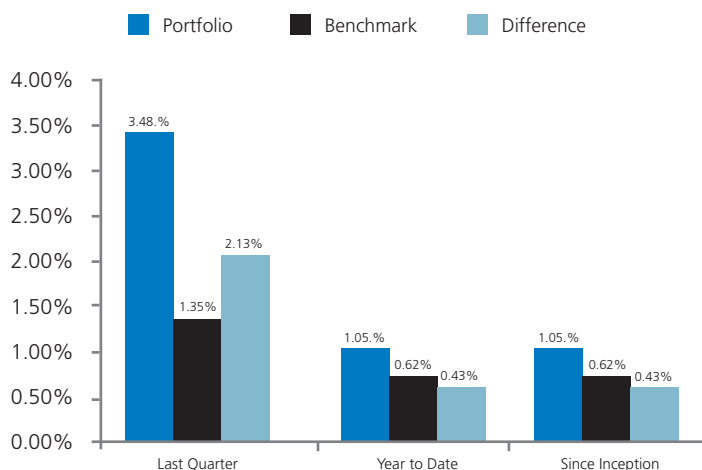
## STRATEGY

The BIFM Local Equity Fund is a fund that invests predominantly in listed local equities, with leeway to invest in offshore equities and convertible bonds up to a limit of 20% and 10% respectively.

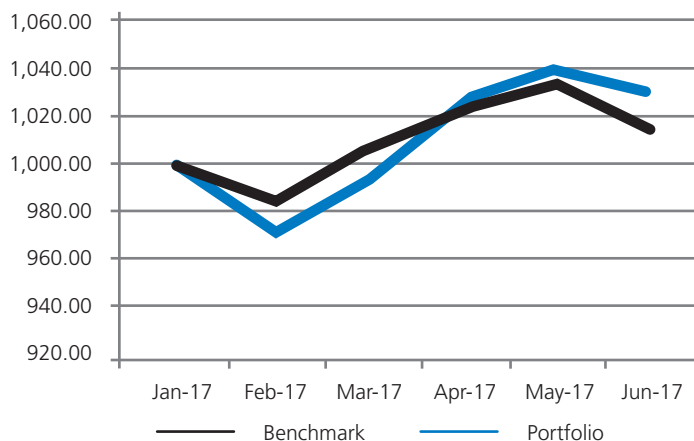
## WHY CHOOSE THIS FUND?

The fund is appropriate for investors with an appetite for high risk and tolerance for periods of high volatility who wish to generate capital growth over the long term period.

## PERFORMANCE



## CUMULATIVE RETURNS SINCE INCEPTION



## QUICK FACTS

### Risk Profile

Low	Low - Med	Med	Med-high	High
				●

### Fund Information

Portfolio Manager:	Bifm Investments Team
Launch Date:	February 2017
Minimum Investment:	P 1000 lump sum P 200 debit order
Fund Size:	BWP10,416,836.31

### Fees

Initial Fund Fee:	5 %
Annual Management Fee:	2 %
Fees are shown excluding VAT	

### Income Distribution

Income Distribution Dates: Semi-Annual  
Jun, Dec

### Contact Details

#### Trustees and Custodians

Stanbic Bank Botswana  
Private Bag 00168  
Gaborone

#### Physical Address

Bifm Unit Trusts (Pty) Ltd  
Plot 66458, Fairgrounds Office Park  
Gaborone, Botswana

#### Postal Address

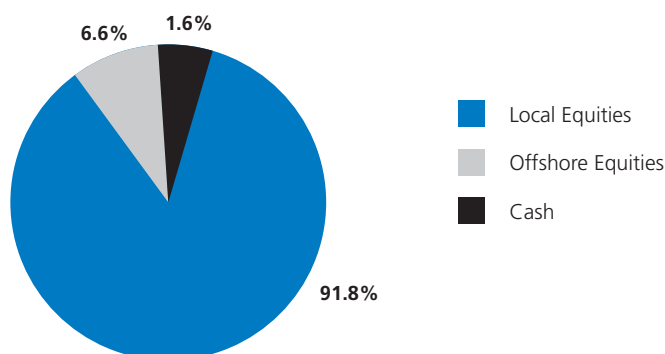
Private Bag BR185, Broadhurst  
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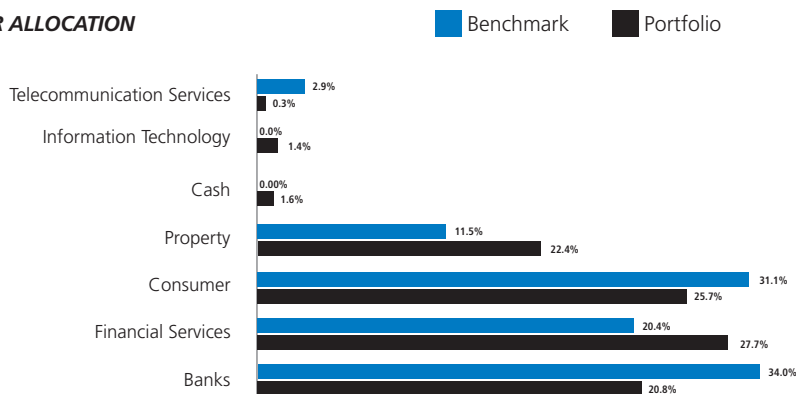
Collective Investment Undertakings (CIUs) are generally long-term investments. The value of units may go down as well as up and past performance is not necessarily a guide to future performance. Unit trusts are traded at ruling prices. Commissions and incentives may be paid and if so, would be included in the overall costs. Forward pricing is used. Different classes of units apply to these funds and are subject to different fees and charges. A schedule of fees and charges and maximum commissions is available on request from Bifm Unit Trusts (Pty) Limited. Unit trust prices are calculated on a net asset value basis, defined as the total market value of all assets in the unit trust fund including any income accruals and less any permissible deductions (which may without limitation include brokerage fees, VAT, bank charges, audit fees, trustee fees and the annual management fee) from the fund divided by the number of units in issue. Performance figures are based on lump sum investments with income distributions reinvested. The investment objective of the fund shall be compared with the investor's objective, before an investment decision is made by the investor. The Total Expense Ratio (TER) cannot be taken as an indication of fund performance. The current TER cannot be regarded as an indication of the future TER. The fund is managed to comply with the Collective Investment Undertakings Act Cap 56:09 (and shall be amended from time to time). Exposures in excess of the limits will be corrected immediately except where due to market value fluctuations or capital withdrawals in which case they will be corrected within a reasonable time period. Bifm Unit Trusts (Pty) Limited, Company Registration Number: CO2009/2597, is approved by the Non-Bank Financial Institutions Regulatory Authority as a Unit Trust Management Company. Bifm Unit Trusts (Pty) Limited does not provide advice on investments, but does present clients with information on all Bifm Unit Trusts CIU funds. The fund prospectus may be acquired free of charge, from Bifm Unit Trusts (Pty) Ltd.

\*The price, which will apply to an instruction received on a Saturday/Sunday or public holiday will be that of the following Monday/trading day\*

## ASSET CLASS EXPOSURE



## SECTOR ALLOCATION



## PERFORMANCE FOR Q2 2017

The Bifm Local Equity Fund returned 3.48% for the second quarter, outperforming the official benchmark DCI return of 1.35% by 2.13%. The outperformance of the fund was driven by some of our active positions on counters within the retail, banking and property sectors. Our overweight positions on Barclays and Sefalana which appreciated by 3.51% and 4.30% respectively over the quarter aided fund relative performance, while our call to be underweight Standard Chartered and FAR Properties also contributed positively to the fund's outperformance, as the latter two counters lost 14.15% and 4.30% respectively.

## QUARTERLY COMMENTARY

The central bank has maintained loose monetary policy throughout the year; with current interest rates at historic lows, with a view of stimulating credit demand and by extension more economic activity. Credit growth has not shown signs of improvement yet however. For the year to April 2017, credit growth in the economy was 3.4%, significantly lower than the previous years' growth of 9.5%. We expect the rest of the year to remain challenging for local businesses. The Business Expectations Survey shows that local business expectations for demand for their products and services, investment in PPE, production and profitability have been revised down for 2017. Even the most defensive sectors of the economy such as retail are showing signs of distress. We anticipate that businesses with a focus outside of Botswana will outperform.

## TOTAL EXPENDITURE RATIO (T.E.R.) - 2.38%

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