

FUND OBJECTIVE

This 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.

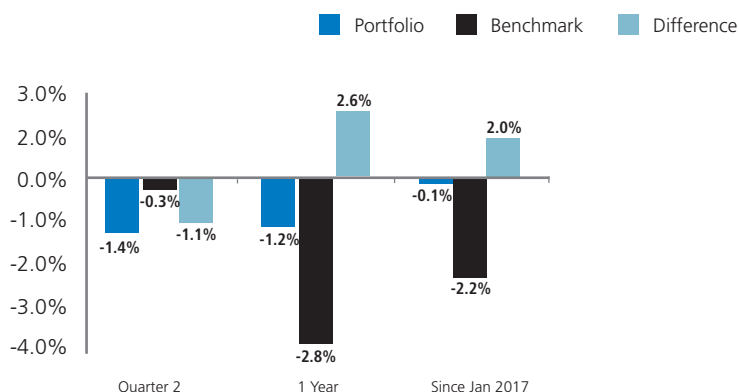
STRATEGY

The Bifm Local Equity Fund 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.

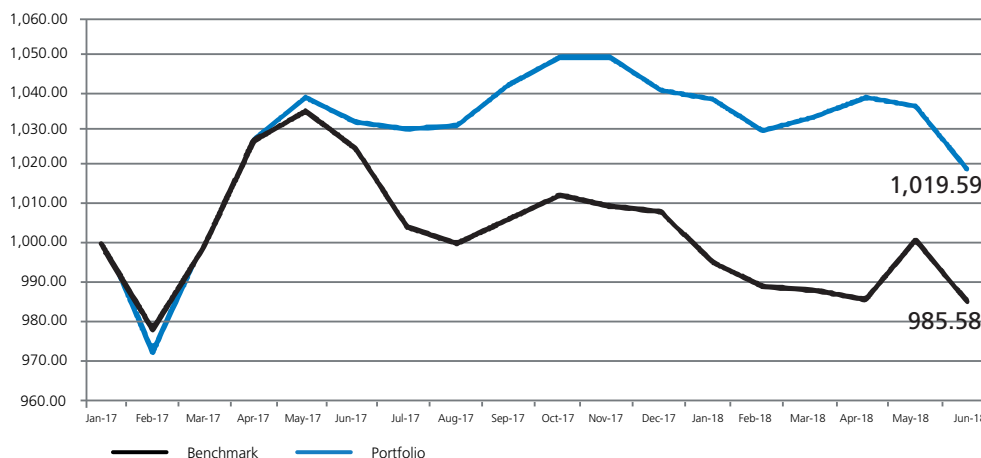
WHY CHOOSE THIS FUND?

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.

QUARTERLY PERFORMANCE



CUMULATIVE PERFORMANCE



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:	BWP12 609 065.72

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 50676, Fairgrounds Office Park
Gaborone, Botswana

Postal Address

Private Bag BR185, Broadhurst
Gaborone, Botswana

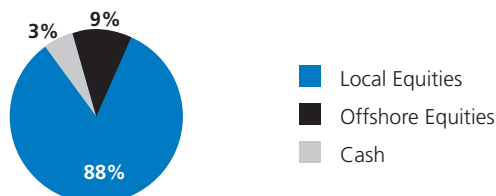
T: +(267) 395 1564
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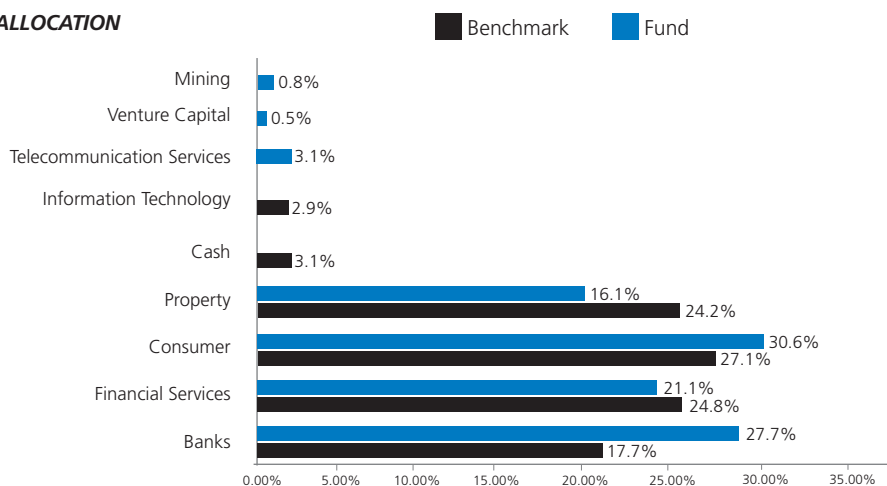
Collective Investment Undertakings (CIUs) are generally long-term investments. The value of units may go down as well as up and past performance is not necessarily a guide to future performance. Unit trusts are traded at ruling prices. Commissions and incentives may be paid and if so, would be included 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 2018

The Bifm Local Equity Unit Trust Fund declined by 1.35% over the second quarter, underperforming the benchmark (Domestic Companies Index, DCI) by 1.05%. Over a 12-month horizon, the fund, although still in negative territory and showing a decline of 1.21%, outperformed the benchmark by 2.55%. The underperformance of the Fund over the quarter was driven by an off-benchmark bet in Emerging Markets.

Within the local market, while recent sentiments have been positive after Mr. Masisi's ascension to the presidential position in the second quarter, the equity market instead reflected the many challenges that have persisted and are yet to change. These challenges range from high unemployment, low consumer discretionary income, restrictive policies that hinder investment and business activity, as well as a low-interest rate environment that has affected the large cap banking stocks. Detractors as well as contributors to the fund relative performance were therefore noted from all sectors; property, consumer, banking, financials and telecommunications.

QUARTERLY COMMENTARY

The local market continued to show strain over the quarter. We continue to carry a positive outlook on the local equity market, supported by positive expectations on both the global as well as the local market. On the global front, we note a more synchronised recovery with positive data coming from most major developed economies. This should support commodity prices. Within the Southern African region, we have noted the seamless transitions of State Heads and the resulting optimistic reception by the markets.

The local sentiment has been positive following Mr. Masisi's ascendance to the presidency, driven by the promise to focus on creating employment and policy reviews. In addition, the focus on increased spending indicated at this year's budget speech has been positively received. We, however, note the many risks to our outlook. On the global front, these are the persistence of trade wars between the USA and other major Emerging Market economies such as China. Locally, these have been identified as continued trends of high unemployment and constrained consumer income.

Taking the above into consideration we continue to see opportunities in counters that are diversified regionally and across various sectors.

TOTAL EXPENDITURE RATIO (T.E.R.) – 2.60%

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