

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.

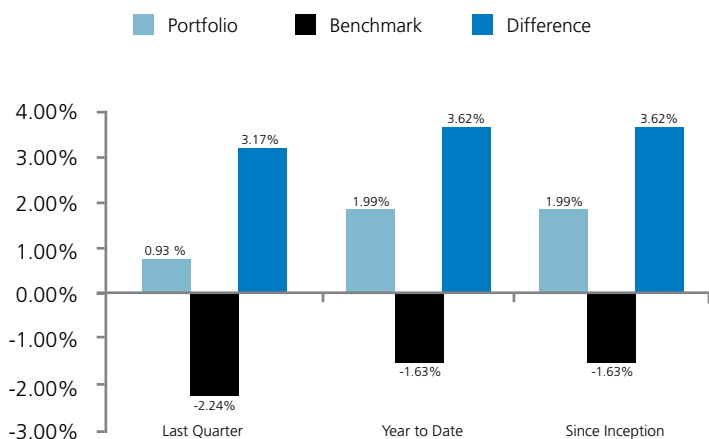
STRATEGY

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.

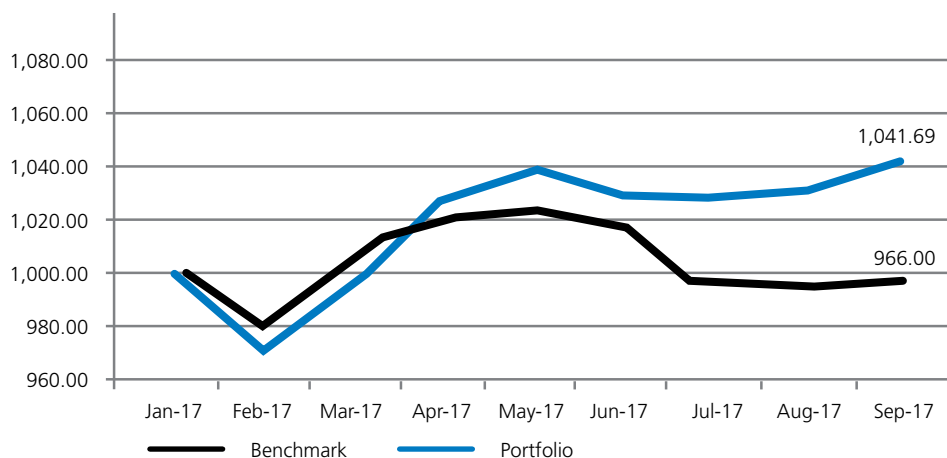
WHY CHOOSE THIS FUND?

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: BWP11 676 943.57

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

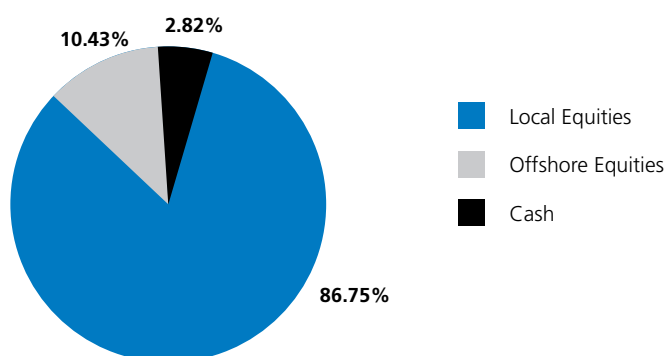
Postal Address
 Private Bag BR185, Broadhurst
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T: +(267) 395 1564
 F: +(267) 390 0358
 E: retailservices@bifm.co.bw

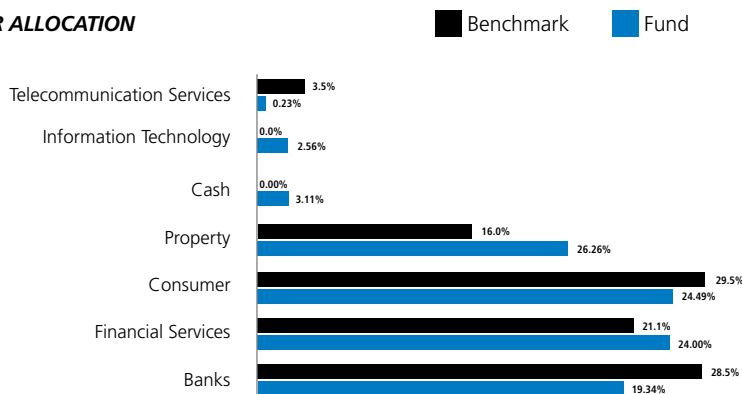
Collective Investment Undertakings (CIUs) are generally long-term investments. The value of units may go down as well as up and past performance is not necessarily a guide to future performance. Unit trusts are traded at ruling prices. Commissions and incentives may be paid and if so, would be included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



SECTOR ALLOCATION



PERFORMANCE FOR Q3 2017

The Bifm Local Equity Fund returned 0.93% for the second quarter, outperforming the official benchmark DCI return of -2.24% by 3.17%. The outperformance of the fund was driven by some of our active positions on counters within the banking, consumer and property sectors. Our underweight exposures to FNBB and Stanchart as well as an overweight exposure to Turnstar aided fund relative performance. FNBB's and Stanchart's share prices depreciated by 14.65% and 11.25%, respectively, whereas Turnstar's share price appreciated by 1.88%. The consumer sector presented a mixed bag of performance. Our overweight exposure to Sefalana detracted fund relative performance as the counter's share price declined by 1.52%. Our underweight exposure to Choppies, on the other hand, aided fund relative performance as the counter's share price declined by 5.47%.

QUARTERLY COMMENTARY

Broadly speaking, the local bourse presents few bargains. Apart from our strong convictions on the specific counters, we are largely pessimistic of the local environment due to an expected subdued economy in 2017. This would largely be a result of increased unemployment and constrained consumer income which would drag down demand. Defensive counters within industries such as the FMCG had shown signs of strain in the second quarter and continue to face pressure as they balance maintaining current business operations and seeking opportunities to grow their business within this environment. It is those companies with local-only operations that are to face larger headwinds relative to those with regional presence.

TOTAL EXPENDITURE RATIO (T.E.R.) - 2.46%

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