

DATE OF ISSUE: 14 DECEMBER 2018  
30 NOVEMBER 2018

### FUND INFORMATION

#### Fund Managers

Ian Anderson & Richard Henwood

#### ASISA sector classification

Global - Real Estate - General

Size: R215m

#### Risk profile

Conservative	Cautious	Moderate	Moderate Aggressive	Aggressive

#### Benchmark

GPR 250 REIT Index Total Return (TR) in rand

#### Recommended investment term

3 to 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

16 April 2009

#### Distribution dates

31 December

#### Payment dates

5 to 7 working days after declaration

#### NAV on reporting dates

Class A 347.27 cents per unit

Class C 347.27 cents per unit

#### Distribution (last 12 months)

Class A 0.01 cents per unit

Class C 0.01 cents per unit

**The underlying fund is a roll up fund and does not distribute any income, therefore the feeder fund will only distribute once a year any cash interest earned, which is likely to be very low.**

#### 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 0.00% and Class C 0.00%

##### No performance fee

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

#### TER/TC\* (VAT Inclusive)

	Class A	Class C
TER at 30 Sep 2018	1.85%	1.85%
TC at 30 Sep 2018	0.09%	0.09%
Total Investment Charges	1.94%	1.94%

\*Please refer to Disclosures on page 2 for details

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 9900

### INVESTMENT OBJECTIVE AND MANDATE

The Bridge Global Property Income Feeder Fund is a specialist global property portfolio with the objective of providing investors with long-term capital appreciation. It achieves this by investing in the Bridge Global Property Income Fund (BGPIF) which is domiciled in Ireland. The BGPIF invests in real estate securities listed on international stock exchanges.

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

### BENEFITS

- High income yield
- Long-term growth in income
- Long-term capital growth
- Global diversification

### RISKS

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

### PAST PORTFOLIO PERFORMANCE

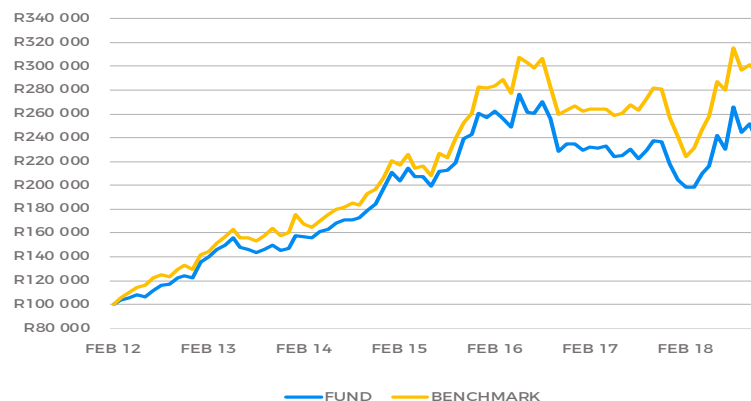
Term	Class A (inception Apr 2009)		Class C (inception Oct 2013)	
	Class A	Benchmark <sup>1</sup>	Class C	Benchmark <sup>1</sup>
1 year	-0.64%	4.60%	-0.64%	4.60%
3 year (annualised)	-1.00%	4.14%	-0.99%	4.14%
5 year (annualised)	10.17%	14.81%	10.34%	14.81%
7 year (annualised)	13.28%	17.93%	-	-
Since inception (annualised)	16.07%	19.08%	9.88%	13.93%
Lowest 12 month return	-18.87%		-18.87%	
Highest 12 month return	44.53%		38.41%	

1) GPR 250 REIT Index (TR) in rand.

The past portfolio performance is calculated on rolling monthly basis. Lump sum, NAV to NAV and distributions reinvested. Annualised return is weighted average compound growth rate over 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.

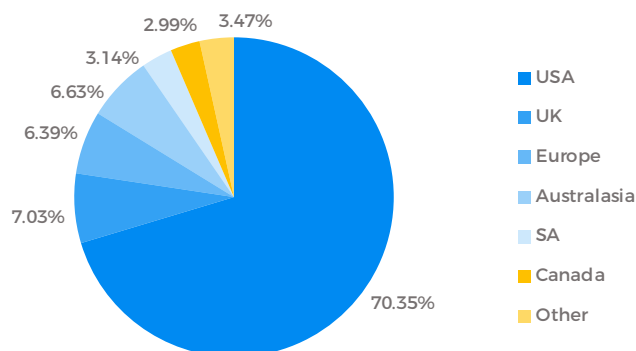
### LONG-TERM TRACK RECORD

ILLUSTRATIVE GROWTH OF R100 000 INVESTED AT 1 MARCH 2012 (CLASS A)\*

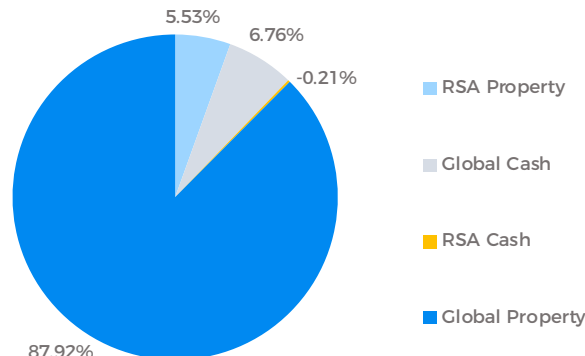


\*Illustrative purposes only assuming all distributions reinvested and ongoing fees included  
Bridge Fund Managers assumed the investment management responsibilities of the fund from 1 March 2012

## GEOGRAPHICAL ALLOCATION



## ASSET ALLOCATION



## TOP 5 HOLDINGS OF UNDERLYING FUND

Security	Weighting (%)
Equity Residential	3.24%
Healthcare Realty Trust Incorporated	3.21%
Cubesmart	3.21%
Liberty Property Trust	3.20%
Boston Properties Incorporated	3.19%

## TOP 5 SECTORS OF UNDERLYING FUND

Sector	Weighting (%)
Retail	33.01%
Office	25.68%
Multi	13.42%
Industrial	9.61%
Apartments	3.95%

## MONTHLY COMMENTARY

The US Federal Reserve (the Fed) opted to leave interest rates unchanged following the conclusion of their November policy meeting. At the time of the meeting, the committee felt that the risks to the economic outlook in the United States appeared roughly balanced. Since the meeting, the outlook for global growth had deteriorated as tensions between the United States and China escalated, the United Kingdom and Europe appear no closer to a Brexit deal and violent protests have erupted in France. Both the German and Japanese economies contracted in the third quarter, highlighting the risks posed to global growth by the escalation in trade tensions between the United States and China.

The Fed is still expected to hike interest rates by 0.25% when they meet again in December, although the probability, according to Bloomberg, has declined to less than 70%. Importantly, the probability of another rate hike during 2019 has now reduced to less than 34%. The front of the US yield curve has inverted after the yield on 2-year US Treasuries rose above the yield on 5-year US Treasuries. The yield on 10-year US Treasuries has been falling on expectations of lower global inflation and economic growth and is now below 3% again.

Global listed property markets posted strong gains in November on the back of declining long bond yields. The GPR 250 REIT Index advanced by 3.9% in November and is now back into positive territory for the year. US REITs advanced 5.1%, while strong gains were also registered in Hong Kong (+9.3%) and Japan (+4.4%). UK REITs declined by 5.3% in November as the prices of Intu (down 42.7%) and Hammerson (down 12.1%) following the withdrawal of a bid by a consortium to acquire Intu and Intu's announcement that it would need to substantially reduce its dividend next year in order to fund the company's capital expenditure programme.

The tailwinds which helped generate substantial returns for global real estate investors following the global financial crisis of 2008 and 2009 have recently turned into headwinds. The Fed has been raising official interest rates, while the European Central Bank remains committed to removing some stimulus at the end of this year. Investors are also likely to focus on the potential for further technical disruption following the rapid growth of online retailers, like Amazon and Alibaba, which have had a negative impact on bricks and mortar retailers and their landlords. The issue is being compounded by the capital structure of many retailers that were taken private over the past decade and who now have significant debt and limited balance sheet flexibility to adapt to the threat posed by the online retailers. Further bankruptcies and store closures are expected in 2019 and 2020.

Despite these short-term headwinds, global real estate markets are offering significant relative value for longer-term investors. Listed property companies, on average, are trading at deep discounts to the underlying value of their property portfolios and on forward dividend yields well above the yields on longer-dated, investment-grade corporate bonds. Most companies are expected to produce inflation-beating dividend growth over the medium term, while increased levels of corporate activity, particularly in those sectors and markets offering the deepest discounts to net asset value, is expected to drive share price appreciation in the short term.

The Bridge Global Property Income Feeder Fund declined by 6.5% in November, on the back of the stronger rand. The Fund continues to favour investments in high quality Real Estate Investment Trusts (REITs) that are expected to withstand the impact of increased borrowing costs on their profits and dividends when bond yields and official interest rates do start rising. The Fund is well diversified both geographically and by property-type.

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## HOW TO INVEST

- Visit our website at [www.bridgefm.co.za](http://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](mailto: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](mailto: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](mailto:investments@bridgefm.co.za) to request an EAC statement.

**QUARTERLY GENERAL INVESTOR REPORT**

<b>PARTICIPATORY INTERESTS</b>	<b>UNITS</b>	<b>UNIT PRICE</b>	<b>TER @ 30/09/2018</b>
CLASS A	46 804 981.73	360.77	1.85%
CLASS C	15 826 694.25	360.78	1.85%

**ADHERENCE TO POLICY OBJECTIVE**

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

**PORTFOLIO COMPOSITION AND CHANGES FOR 3 MONTHS**

<b>PROPERTY FUND</b>	<b>START %</b>	<b>END %</b>	<b>CHANGE</b>
BRIDGE GBL PROP INCOME FUND	100.56	99.19	-1.37
<b>TOTAL PROPERTY FUND</b>	<b>100.56</b>	<b>99.19</b>	