



CORONATION GLOBAL CAPITAL PLUS [ZAR] FUND

31 DECEMBER 2011

Please note that this fund was renamed from CORONATION LATITUDE [ZAR] FUND to the above, effective 1 February 2011

CORONATION
FUND MANAGERS

Fund purpose

Diversified exposure to global assets with a focus on capital preservation

Fund category

Foreign – Asset Allocation – Flexible

Benchmark

50% USD 3-month LIBOR and 50% 3-month EURIBOR

Performance fee hurdle

Benchmark + 1.5%

Risk profile*

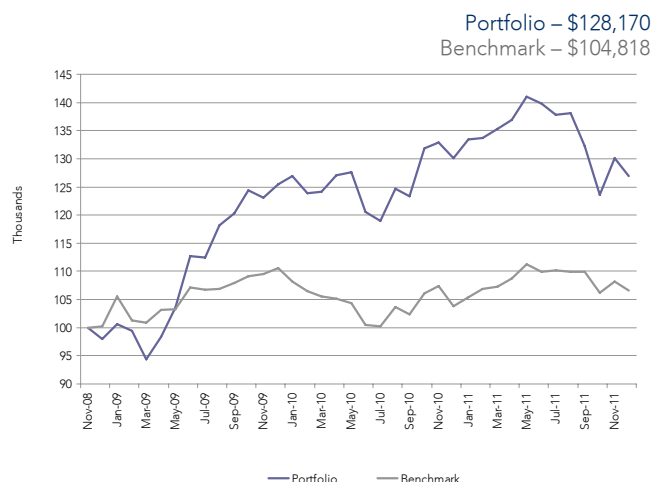


**Although the fund is a conservative multi asset fund aiming to preserve capital and is thus classified as a conservative to moderate risk fund, the fund has significant foreign asset exposure and is therefore subject to currency volatility. For the rand investor the risk profile of the fund should be considered moderate to high risk.*

HIGHLIGHTS

- A single investment solution for investors looking for the best opportunities around the globe with a focus on capital preservation
- Combines the exceptional track record of our international funds and our local absolute return funds
- Has produced a return more than 3 times that of its US dollar and euro cash benchmark since launch in 2008

LONG-TERM TRACK RECORD



INVESTMENT OBJECTIVE

The fund provides investors with access to the best investment ideas from around the world with the aim of achieving long-term capital growth with a capital preservation bias. It blends individual asset selection with limited exposure to some of the best global investment managers to reflect Coronation's view across asset classes, regions, categories and currencies. Our objective is to achieve real returns on capital in US dollars over a 3 – 5 year period while preserving capital (in US dollars) over any 12-month period. The intent of the portfolio managers is to remain fully invested in foreign assets and, while the fund is rand-denominated, performance should be evaluated in US dollars if used as a single investment. The fund will hold its exposure to foreign assets in a variety of currencies, primarily the US dollar, British pound, euro and Japanese yen.

INVESTOR PROFILE

The fund is suitable for investors:

- who want conservatively managed exposure to offshore markets
- who are over-exposed to South African investments and seek to diversify their portfolios into a conservatively constructed offshore fund
- seeking exposure to foreign asset markets to access a broader opportunity set
- aiming to better match their existing investment portfolios to their expected future liabilities that are priced in foreign currency terms (examples include healthcare and energy costs)
- seeking additional foreign exposure without using their offshore allowance

INVESTMENT MANDATE

Global Capital Plus is managed with an absolute return orientation, meaning that we emphasise the management and diversification of risk and construct the portfolio on a clean slate basis. It is broadly diversified across countries, including the developed economies of the US, Europe and Japan as well as emerging markets. It can invest in all listed asset classes including shares, listed property, conventional bonds, inflation-linked bonds, cash and other appropriate instruments. Up to 20% of the fund can be invested with other global fund managers, selected for specific specialised skills. Extensive use is made of exchange traded funds and other liquid instruments that enable the most efficient implementation of specific views. Active asset allocation and security selection strategies appropriate to the needs of conservative investors with medium to longer time horizons are followed. Exposure to growth assets, defined as shares and listed property, will not exceed 50%. The intent is to keep the fund fully invested in foreign assets at all times, with a minimum offshore exposure level of 85%.

RISK OF MONETARY LOSS

The recommended investment term is three years or longer. The recommended use of the fund is as a diversifier of an existing portfolio of primarily domestic assets. The fund is broadly diversified, managed within conservative risk constraints and our intent is to preserve capital over any 12-month period.

CORONATION FEES (excl. VAT)¹

Initial	0.00%
Annual management	0.75% - 2.85%

Fee Methodology

The fund charges a performance related fee, designed to reflect its dual return optimisation and capital preservation intent. A base fee of 1.35% per annum is charged, that will increase or decrease depending on whether the fund has achieved its return and capital preservation objectives.

When the fund produces a return above foreign cash + 1.5%, 15% of the outperformance up to a maximum of 1.50% per annum is payable as a performance fee. When the fund does not preserve capital in dollar terms, the base fee is discounted to 0.75%. Performance is measured over a 12-month period to reflect its short term capital preservation intent. Fees are accrued daily and collected monthly, with 1/12th of the annual fee cap applied every month-end.

TOTAL EXPENSE RATIO (TER)²

2.17% which includes a performance-related fee of 0.26%

ADVICE FEES

Coronation does not provide financial advice and therefore does not charge advice fees. However, investments are often placed on your behalf by a financial advisor, in which case fees are negotiated directly between you and your advisor, within the following ranges:

Initial	0.00% - 3.00%
Ongoing	0.00% - 1.00% when the initial fee is less than 1.50%
	0.00% - 0.50% when the initial fee is more than 1.50%

Sharing of annual management fees

A portion of Coronation's annual management fee may be paid to administration platforms as a subsidy for administrative and advice costs incurred when investing through these channels. Where commission and incentives are paid, these are included in the overall costs.

INVESTMENT PHILOSOPHY

The fund is actively managed through an integrated process of top down asset allocation and bottom up stock selection. Overall portfolio risk is managed through the inclusion of non-correlated asset classes and stocks are selected giving equal weightings to upside return and downside risk. We make no reference to a benchmark and employ a common-sense valuation driven process that identifies mispriced assets trading at discounts or premiums to their long-term business values. Typically only those growth assets that display a substantial 'margin of safety' to Coronation's fair value qualify for inclusion in the portfolio.

GENERAL INFORMATION

Launch date	22 September 2008
Income distribution	Bi-annually (March and September)
Investment minimum	R5 000 lump sum or R500 monthly debit order
Regulation 28	Does not comply

The fund may be closed to new investors at Coronation's discretion



PORTFOLIO MANAGERS

- TONY GIBSON, BCom**
 Tony is a founder member of Coronation and a former CIO. He was responsible for establishing Coronation's international business in the mid-1990s, and has managed the Coronation Global Equity Alternative Strategy Fund since launch in 1996. He also manages the Coronation Global Equity Fund of Funds for institutional investors only and the Coronation World Equity [ZAR] Fund of Funds. Tony is co-manager of the Coronation Global Capital Plus Fund.
- LOUIS STASSEN, BSc, BCom (Hons), CFA**
 Louis is a founder member and former CIO of Coronation. He is a senior portfolio manager within the investment team responsible for the absolute return unit which he established in 1999. He also co-manages the Coronation Global Capital Plus Fund. Louis has more than 20 years' industry experience and has worked in the investment teams of Allan Gray, Syfrets Managed Assets and Standard Bank in London.

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