



# CORONATION GLOBAL CAPITAL PLUS FUND

*A sub-fund of the Coronation Global Opportunities Fund domiciled in Ireland*

31 DECEMBER 2011

**CORONATION**  
FUND MANAGERS

<b>Fund purpose</b>	Diversified exposure to global assets with a focus on capital preservation
<b>Fund category</b>	USD Moderate Allocation*
<b>Benchmark</b>	50% USD 3-month LIBOR and 50% 3-month EURIBOR
<b>Performance fee hurdle</b>	Benchmark + 1.5%
<small>*Morningstar classification</small>	
The name of the fund was recently changed from Global Latitude to Global Capital Plus	



## HIGHLIGHTS

- Single investment solution for investors seeking access to the best investment ideas around the globe within a capital preservation conscious framework
- Combines the exceptional track record of our international funds and our local absolute return funds
- A fund blending the investment experience of two highly-rated investment managers
- Fund aimed at investors wanting to externalise rands by investing all or part of their individual offshore investment allowance

## 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 while preserving capital. 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 and currencies. The intent is to remain fully invested in foreign assets. The fund will hold its exposure to foreign assets in a variety of currencies, primarily the US dollar, British pound, euro and Japanese yen. Our objective is to achieve real returns on capital over a 3 – 5 year period while preserving capital over any 12-month period.

## INVESTOR PROFILE

The fund is suitable for investors:

- seeking to utilize their offshore allowance
- who want conservatively managed exposure to offshore markets
- seeking exposure to foreign asset markets to access a broader opportunity set
- seeking to diversify their portfolios into a conservatively constructed offshore fund

## GENERAL INFORMATION

<b>Fund launch date</b>	1 September 2009
<b>Fund domicile</b>	Dublin, Ireland
<b>Listing</b>	Irish Stock Exchange
<b>Base currency</b>	USD
<b>Investment minimum</b>	USD 15 000
<b>Liquidity</b>	Daily
<b>Redemption notice</b>	1 business day preceding the dealing day
<b>Redemption payout</b>	3 business days after the dealing day
<b>Pricing time</b>	17h00 Irish time (forward pricing)
<b>Unit type</b>	Accumulation
<b>ISIN code</b>	IE00B3LSMH47
<b>Bloomberg</b>	CORGLTD ID
<b>SEDOL</b>	B3LSMH4
<b>Fund class</b>	D
<b>Class launch date</b>	1 May 2011

## 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.

## CORONATION FEES<sup>1</sup>

Initial	0.00%
Annual management	0.75% - 2.85%

### Fee Methodology

The fund charges a performance-related fee, designed to reflect its dual long-term return optimisation and short-term capital preservation intent. A base fee of 1.35% per annum is charged (this could increase should the fund achieve its return objectives).

When the fund produces a return above the performance fee hurdle, 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 US 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 1/365<sup>th</sup> of the annual fee cap applied daily.

## TOTAL EXPENSE RATIO (TER)<sup>2</sup>

1.69% which includes a performance-related fee of 0.14%

## 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.



## ADVICE FEES

Where investments are placed on your behalf by a financial advisor, initial fees are negotiated directly between you and your advisor, within the range of 0.00% - 3.00%. Coronation may share a portion of their annual management fee with the financial advisor as a subsidy for advice costs incurred and additional ongoing fees are negotiated directly between you and your advisor. The total ongoing fee, including the subsidy paid by Coronation, may be negotiated to a maximum of 1.00% per annum.

### 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.

## RISK OF MONETARY LOSS

The fund is suitable as a single international holding and as a diversifier of local portfolio. The recommended investment term is three years or longer.

## INVESTMENT TEAM

We have one of the most experienced and talented investment teams in the country operating in a culture of excellence. Led by Chief Investment Officer Karl Leinberger, the team is made up of 50 investment professionals of which the absolute unit forms a part. Key focus areas include equity research, with dedicated teams based in Cape Town covering South African, Pan-African and emerging markets. Our team also comprises experienced fixed income and quantitative research teams and a London-based international multi-management team. Our team of ten senior portfolio managers is supported by dedicated dealing and implementation teams.

### Investment team facts:

- Includes three former chief investment officers
- 26 members with a decade or more in the industry (9 team members have more than 15 years experience)

## 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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