



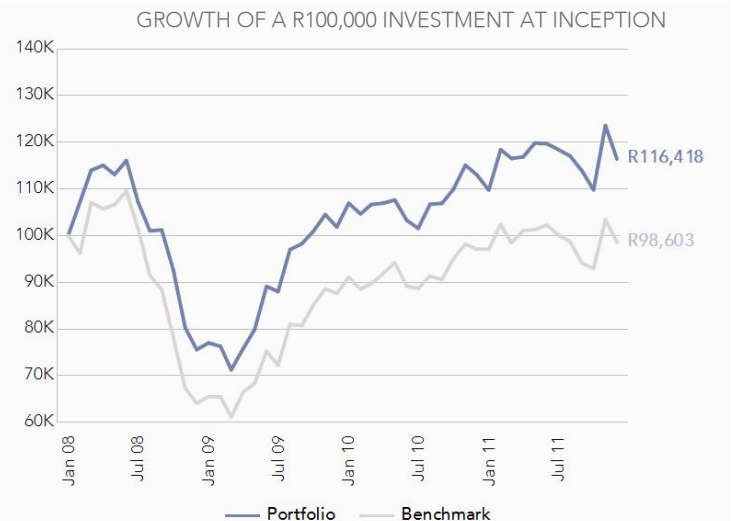
**CORONATION GLOBAL EMERGING MARKETS FLEXIBLE [ZAR]**  
31 DECEMBER 2011

**CORONATION**  
FUND MANAGERS

**Fund purpose** Exposure to emerging market equities  
**Fund category** Foreign – Asset Allocation – Flexible  
**Benchmark** Returns in excess of the MSCI Emerging Markets Index (ZAR)  
**Risk profile**



**LONG-TERM TRACK RECORD**



**HIGHLIGHTS**

- Actively managed portfolio of emerging market equities
- Outperformed the MSCI Emerging Markets Index by 4% per annum since launch
- Best performing fund in category over 3 years

**INVESTMENT OBJECTIVE**

Global Emerging Markets Flexible aims to deliver capital growth with lower volatility that is available through investing in relevant indices. This will be achieved through focused stock picking. The fund aims to provide investors with access to the best opportunities presented in the emerging markets equity universe.

**GENERAL INFORMATION**

**Launch date** 28 December 2007  
**Income distribution** Annually (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*

**INVESTMENT MANDATE**

The fund predominantly invests in equity securities of companies based in emerging markets or in equity securities that derive a significant portion of their revenue from emerging economies. In addition, the fund can invest in cash but will remain biased towards equities at all times. Cash exposure will normally be to investment-grade US dollar and euro denominated instruments.

Emerging markets in which the fund may invest currently include, but are not limited to, Argentina, Brazil, Chile, China, Colombia, Croatia, Czech Republic, Egypt, Hungary, India, Indonesia, Israel, Jordan, South-Korea, Malaysia, Mexico, Morocco, Pakistan, Peru, Philippines, Poland, Russia, South Africa, Taiwan, Thailand and Turkey. Up to 20% of the fund can be invested with other fund managers.

**INVESTOR PROFILE**

The fund is suitable for investors:

- looking for exposure to emerging markets assets
- who are in their wealth build-up phase and require little income yield in the short term
- seeking a diversification of returns within a total investment solution
- able to withstand short-term market fluctuations in pursuit of maximum total returns over the long term

**RISK OF MONETARY LOSS**

The recommended use of the fund is as a diversifier of an existing portfolio. If used as a single investment it should be with the objective of maximising returns over periods of five years or longer. The fund will be primarily invested in shares, the asset class with the highest expected returns, but also the highest level of variability from year to year.

## CORONATION FEES (excl. VAT)<sup>1</sup>

Initial	0.00%
Annual management	1.35% - 3.00%

### Fee Methodology

The fund charges a performance-related fee, designed to reflect its maximisation of returns 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 benchmark over rolling 12-month periods, 20% of the outperformance up to a maximum of 1.65% per annum is payable as a performance fee. Fees are accrued daily and collected monthly, with 1/12th of the annual performance fee cap applied monthly.

Coronation reserves the right to charge an exit penalty of 2% should repurchases be made from the fund within a period of less than six months from the time of investment. Should an exit penalty be levied under this provision, such penalty will be applied for the benefit of the remaining investors in the fund.

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

2.53% which includes a performance-related fee of 0.50%

## INVESTMENT PHILOSOPHY

The fund follows a valuation-driven investment philosophy, with a strong focus on potential downside risk in each investment made. The portfolio is constructed from the bottom-up, with a focus on holding those shares which offer the most attractive fair value relative to current market prices. In calculating fair values through our proprietary research, we place the emphasis on normalised earnings and/or free cash flows rather than current earnings, using a long-term time horizon rather than focusing on current news flow and price momentum.



## 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 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. Our dedicated emerging markets team, headed up by Gavin Joubert, comprises a total of 7 analysts based in Cape Town.

### Investment team facts:

- We have three former chief investment officers
- 23 members with a decade or more in the industry (13 team members have more than 15 years' experience)
- Dedicated quantitative research, dealing and implementation

## PORTFOLIO MANAGERS

- **GAVIN JOUBERT, BBusSc, CA(SA), CFA**  
Head of Coronation's Emerging Markets team, Gavin has 15 years' experience as an investment analyst and portfolio manager. He has managed a range of South African equity and balanced funds and currently co-manages Coronation's range of emerging market funds. Prior to joining Coronation in 1999, Gavin qualified as a chartered accountant with Ernst & Young and worked for Merrill Lynch and CSFB in London.
- **SUHAIL SULEMAN, BBusSc, CFA**  
Suhail joined Coronation's Emerging Markets team in 2007 as a research analyst and became co-manager of the Coronation Global Emerging Markets Flexible Fund when it launched end-2007. He currently co-manages the entire range of Global Emerging Markets funds. Prior to joining Coronation, he was a portfolio manager with Futuregrowth Asset Management where he managed structured credit and developmental equity investment funds in the fixed interest team as well as a research analyst with Oasis Asset Management.