

The fund returned 1.3% over the past quarter, bringing the return for the year to date to 11.3%, and for the past year to 25.8%. The annualised return for the past four years now stands at 29.9%. Importantly this performance has again been achieved within the risk tolerance level set for the fund, as demonstrated by a relatively low level of downside volatility in the fund and high risk adjusted performance numbers.

During the past quarter the fund had significant hedging in place over the equity component of the portfolio, allowing us to utilise this sell-off to buy shares at attractive valuations. A new addition to the fund is Elleries, which we see as a cheap entry into Abil. This purchase was motivated by the proposed take-over of Elleries, which we believe has a high likelihood of going through. Abil management are extremely competent, with a long history in credit granting and risk management. This transaction will allow them to add 1.4 million new customers and extend the existing store footprint substantially. Added to this, the potential to extract surplus capital from the company, lower the cost of credit to existing customers, and significantly reduce the costs of running the business, makes us very optimistic about the prospects going forward.

During the quarter we reduced our position in Sasol on the back of a favourable resolution of the windfall tax issue and an increasing oil price, resulting in an increasing share price. We remain very positive on the prospects for the company, and it remains a large position in the fund, so this is essentially a risk management exercise. The take-out transaction of Primedia was finally consummated during the quarter, and this added meaningfully to fund performance.

Listed property continued to perform extremely well, and the fund continues to hold a small position with a few high quality property companies. This includes holdings in 'A' shares such as ApexHi 'A' and Hospitality 'A' where there is capital protection inherent in the capital structure of the companies.

The international component of the fund detracted slightly from overall performance on the back of positive hard currency returns, but a further appreciation in the currency. We remain committed to a 15% international holding, which is seen as strategic to reduce risk of capital loss in the fund, but also on the back of attractive developed market equity valuations.

Effective equity exposure in the fund is currently around 61%, with material hedging in place. We believe the fund is well placed to continue meeting return and risk objectives.

Edwin Schultz and Gavin Joubert
Portfolio Managers

CORONATION ABSOLUTE

Class A
as at 30 September 2007

CORONATION
FUND MANAGERS

Fund category
Fund description

Domestic Asset Allocation Flexible
Aims to maintain a real growth rate of 6% per annum, and preserve capital over any rolling 36-month period.
2 December 2002

Portfolio manager/s
Fund size
NAV
Benchmark/performance fee hurdle

Edwin Schultz and Gavin Joubert
R2.1 billion
2909.77 cents
CPIX + 6%

Launch date

PORTFOLIO DETAIL

EFFECTIVE ASSET ALLOCATION EXPOSURE

Sector	30 Sep 2007
Domestic Assets	84.75%
Equity	60.96%
Oil & Gas	3.33%
Basic Materials	8.84%
Industrials	7.06%
Consumer Goods	13.30%
Healthcare	4.25%
Consumer Services	18.22%
Telecommunications	2.29%
Financials	11.88%
Derivatives	(8.21%)
Preference Shares & Other Securities	2.16%
Real Estate	4.12%
Fixed Interest	1.74%
Cash	15.50%
International Assets	15.52%
Equity	12.78%
Fixed Interest	1.94%
Cash	0.80%

TOP 10 HOLDINGS

As at 30 September 2007	% of Fund
Naspers Ltd – N ordinary shares	5.22%
Woolworths Ltd	4.67%
Network Healthcare Holdings Ltd	4.28%
Impala Platinum Holdings Ltd	4.03%
JSE Ltd	3.78%
Absa Group Ltd – Ordinary and Preference Shares	3.66%
Sasol Ltd	3.34%
Remgro Ltd	3.32%
Standard Bank Group Ltd	3.11%
Tiger Brands Ltd	3.08%
Total	38.49%

INCOME DISTRIBUTIONS

Declaration	Payment	Amount	Dividend	Interest
30/09/2007	01/10/2007	28.56	19.38	9.18
31/03/2007	01/04/2007	15.85	9.15	6.70
30/09/2006	01/10/2006	37.01	28.30	8.71
31/03/2006	01/04/2006	37.06	26.03	11.03

MONTHLY PERFORMANCE RETURNS

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Fund 2007	5.31%	-0.61%	3.00%	3.57%	0.43%	-1.97%	-1.43%	1.09%	1.65%			
Fund 2006	4.95%	-0.12%	2.28%	1.00%	-0.84%	-0.11%	0.26%	3.10%	3.11%	4.55%	4.04%	3.88%
Fund 2005	2.01%	2.04%	-0.69%	-0.78%	5.58%	2.01%	5.60%	2.16%	2.70%	-0.40%	2.22%	4.43%

FEES (excl. VAT)

Initial Fee*	Coronation: 0.00% (Direct)
Annual Management Fee - performance related**	Minimum - standard: 1.25% Minimum - discounted: 0.75% Maximum: 3.75% Sharing rate: 20%

* An initial fee of 0.25% will be charged on all investments placed via administration platforms like Linked Investment Service Providers (LISP's).

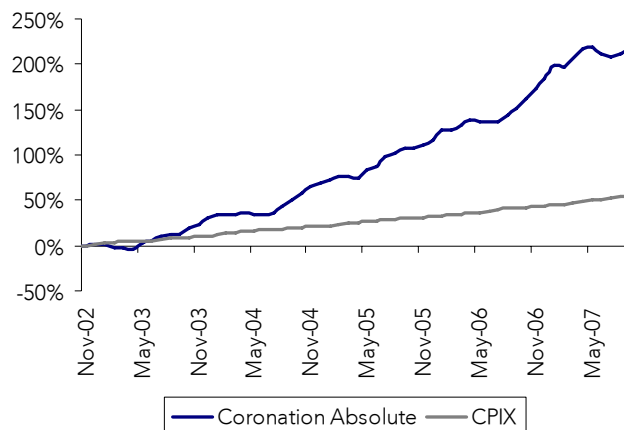
** A portion of Coronation's annual management fee may be paid to administration platforms like LISP's as a payment for administrative and distribution services.

Advice Costs (excluding VAT)

- Initial and ongoing advice fees may be facilitated on agreement between the Client and Financial Advisor.
- An Initial advice fee may be negotiated to a maximum of 3% and is applied to each contribution and deducted before investment is made.
- Ongoing advice fees may be negotiated to a maximum of 1% per annum (if initial advice fee greater than 1.5% is selected, then the maximum annual advice fee is 0.5%), charged by way of unit reduction and paid to the Financial Advisor monthly in arrears. This annual advice fee is not part of the normal annual management fee as disclosed above.
- Where commission and incentives are paid, these are included in the overall costs.

PERFORMANCE AND RISK STATISTICS¹

CUMULATIVE PERFORMANCE SINCE INCEPTION



PERFORMANCE FOR VARIOUS PERIODS

	Fund	Benchmark	Out-performance
Year to date	11.34%	10.78%	0.56%
Latest 12 months (annualised)	25.81%	12.43%	13.38%
Latest 36 months (annualised)	28.03%	11.39%	16.65%
Since inception (annualised)	27.02%	10.92%	16.10%
2006	29.17%	8.97%	20.20%
2005	30.13%	10.03%	20.09%
2004	30.91%	10.29%	20.62%
2003	28.65%	10.05%	18.60%

RISK STATISTICS SINCE INCEPTION

	Fund	CPIX
Annualised deviation	8.61%	1.39%
Sharpe ratio	2.06	N/A
Maximum gain	31.34%	N/A
Maximum drawdown	-5.23%	N/A
Positive months	70.69%	N/A

Total Expense Ratio (TER)²

3.83% per annum, which includes a performance fee of 2.37%

When applicable, Coronation shares in the fund performance above the benchmark. This performance fee is accrued daily, based on performance over a rolling 12-month period, and paid to Coronation monthly. If the fund produces a positive return in line with or below the benchmark, the standard minimum fee will be levied. If the fund produces a negative return over a rolling 36-month period, the discounted minimum fee applies.

For further information regarding our fee structure please contact us or visit our website.