

CORONATION PROPERTY EQUITY

Class A

as at 30 September 2007

The domestic listed property index performed exceptionally well over the past quarter, returning 9.5%. The strong performance was driven by declining bond rates, and continued strong growth in underlying distributions. In this context the performance of the fund was disappointing, returning 5% for the quarter. This brings the return for the year-to-date to 18.7%, and to 38,6% for the year.

The fund remains more cautiously positioned, with 15.4% invested outside domestic listed property shares. This caused fund performance to lag that of the index.

We have also continued to build the position in Liberty International, which is now at the maximum permissible level of 10%. The share performance was flat over the quarter, thus detracting from performance relative to domestic shares. We do however believe that nervousness in the UK listed property environment has created a great buying opportunity in a quality company, and that patience here will be rewarded with good returns over time.

Within the local property environment, we continue to expect good distribution growth, but believe that a large portion of this is already priced into the market. Our focus is also on the quality counters with sustainable rental streams through the cycle.

As such, the fund holdings remain concentrated in a few shares such as Hyprop, Fountainhead, Acucap, ApexHi A and Liberty International. During the quarter we purchased more Sycom into a weak share price. Our position in Acucap was also substantially increased as Atlas shares were swapped into Acucap with the take-out transaction.

We remain committed to a more cautious positioning in the fund, as driven by our fundamental analysis of underlying shares, and believe that this will benefit unit-holders in the longer term.

Edwin Schultz
Portfolio Manager

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CORONATION
FUND MANAGERS

Fund category Domestic Real Estate General
Fund description Invests in quality listed property assets with the aim to produce high income yields and long-term capital growth.
Launch date 20 November 2000

Portfolio manager Edwin Schultz
Fund size R1.2 billion
NAV 3012.92 cents
Benchmark/performance fee hurdle Flexible Property Funds Mean

PORTFOLIO DETAIL

EFFECTIVE ASSET ALLOCATION EXPOSURE

Sector	30 Sep 2007
Domestic Assets	100.00%
Preference Shares & Other Securities	5.92%
Real Estate	92.25%
Cash	1.83%
International Assets	0.00%

TOP 10 HOLDINGS

As at 30 September 2007	% of Fund
Fountainhead Property Trust	15.74%
Hyprop Investments Ltd	15.27%
Growthpoint Properties Ltd	12.71%
Apexhi "A"	10.59%
Acucap Properties Ltd	9.71%
Liberty International Plc	9.37%
Syfrets and CU Property Fund	8.76%
Resilient Property Income Fund	6.77%
Hospitality Property Fund A	3.28%
Foord Compass Debentures	3.03%
Total	95.23%

INCOME DISTRIBUTIONS

Declaration	Payment	Amount	Dividend	Interest
30/09/2007	01/10/2007	48.59	3.48	45.11
30/06/2007	01/07/2007	33.27	-	33.27
31/03/2007	01/04/2007	30.11	-	30.11
31/12/2006	01/01/2007	36.97	-	36.97

MONTHLY PERFORMANCE RETURNS

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Fund 2007	6.76%	2.30%	3.97%	5.27%	-1.68%	-3.78%	-0.93%	1.51%	4.36%			
Fund 2006	5.73%	5.98%	6.20%	-0.22%	-4.15%	-12.36%	-0.57%	10.64%	0.18%	8.27%	5.16%	2.59%
Fund 2005	0.68%	5.25%	-0.06%	1.45%	5.22%	2.12%	2.66%	4.88%	2.41%	1.32%	-1.44%	7.53%

FEES (excl. VAT)

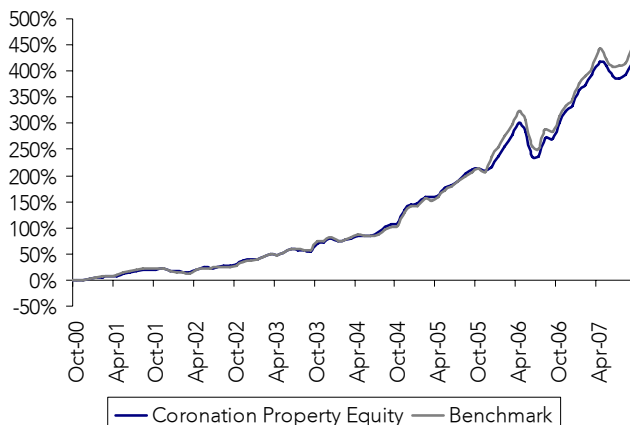
Initial Fee	Coronation: 0.00%
Annual Management Fee**	1.25%
* A portion of Coronation's annual management fee may be paid to administration platforms like LISP's as a payment for administrative and distribution services.	
Total Expense Ratio (TER)²	1.41% per annum

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	18.68%	22.10%	-3.42%
Latest 12 months (annualised)	38.63%	41.73%	-3.10%
Latest 36 months (annualised)	34.91%	37.66%	-2.75%
Latest 60 months (annualised)	31.93%	33.74%	-1.81%
Since inception (annualised)	26.71%	26.24%	0.47%
2006	28.40%	25.19%	3.21%
2005	36.69%	42.07%	-5.38%
2004	35.27%	35.00%	0.27%
2003	30.11%	33.39%	-3.29%

RISK STATISTICS SINCE INCEPTION

	Fund	Benchmark
Annualised deviation	12.13%	13.05%
Sharpe ratio	1.40	1.37
Maximum gain	54.76%	40.98%
Maximum drawdown	-16.66%	-17.09%
Positive months	73.17%	69.51%