

CORONATION LATITUDE [ZAR] FUND

Class A

as at 31 December 2009

CORONATION 
FUND MANAGERS

An exciting fourth quarter brought a fitting end to an exciting calendar year. Equity markets around the world continued to rally with global risk appetite rising further as evidence of a global economic recovery started surfacing. Global equity markets returned just over 4% over the quarter, but the emerging markets universe was very strong with an 8.6% return over the three months (all international returns in US dollars).

The fund returned 2.1% in US dollars over the quarter - a pleasing result which brings the calendar year return to a very exciting 26.2%. These numbers are way ahead of the fund's benchmark and we must stress that it's way ahead of our own internal expectations. Last year was a truly remarkable year and the sharp reversal in prices of a lot of financial instruments cannot be expected to be repeated in 2010. Of course, the sharp appreciation of the rand against most major currencies has meant that returns to rand investors have been a lot more muted, marginally positive over the quarter and marginally negative over the 12-month period. We continue to manage the fund in dollar terms, assuming that the investor has already taken the decision to externalise his assets by investing in our fund.

The fund continued to benefit from its exposure to equities, commodities and listed property, although the bulk of the returns over the quarter were generated by equities. The exposure to gold produced about 20% of this quarter's positive return, whilst the positions in wheat and corn also did well. Natural gas was a disappointment. Within equities Heidelberg Cement, the tobacco companies and the pharmaceuticals added significant value, whilst the UBS position detracted. The fund's exposure to US inflation linkers also contributed positively. Our currency overlay added marginally to overall performance.

The most notable change in the portfolio structure over the quarter has been a halving of the fund's exposure to gold as the metal continued to scale new heights on uncertainty around global currencies and developed world fiscal deficits. Equity exposure increased slightly, with the new positions all focusing on defensive names with reasonable business outlooks. The overall exposure to risky assets now stands at 41%, somewhat below the maximum 50% limit. This reflects a cautious stance towards growth assets that have already appreciated significantly in price. The expectations discounted by these prices are already high by our assessment and one has to be careful to commit new capital to equity markets in the short term. Longer term, we are comfortable that the stocks in our portfolio will contribute positively to the fund's performance, with enough margin for safety in case operating conditions turn out worse than what our base case assumptions predict.

We also continue to evaluate opportunities to deploy our cash holdings, seeing that cash is not earning much at the moment. One has to be careful though, that in an attempt to put the cash to work, one doesn't expose the fund to too much risk and thus we will continue to be vigilant.

Portfolio managers

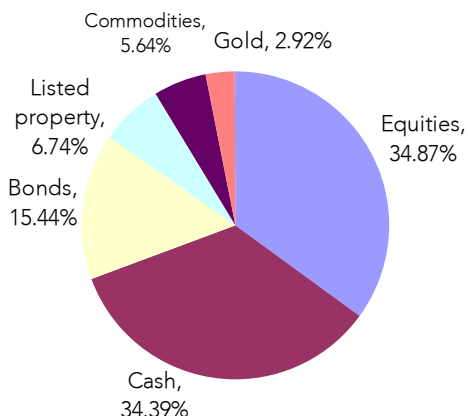
Tony Gibson and Louis Stassen

Fund category	Foreign Asset Allocation Flexible
Fund description	Aims to provide long-term capital growth by investing in the best global investment ideas.
Launch date	1 November 2008

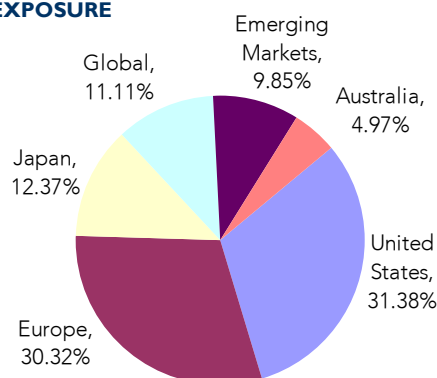
Portfolio managers	Tony Gibson and Louis Stassen
Fund size	R50.91 million
NAV	100.19 cents
Benchmark	50% USD 3 month LIBOR and 50% 3 month EURIBOR

PORTFOLIO DETAIL

EFFECTIVE ASSET ALLOCATION EXPOSURE



EQUITY EXPOSURE



CURRENCY ALLOCATION

Currency	% of Fund
Euro	15%
US Dollar	45%
British Pound	20%
Japanese Yen	10%
Asia (ex Japan)	10%

MONTHLY PERFORMANCE RETURNS (ZAR)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Fund 2009	5.7%	-6.1%	-0.9%	-7.3%	2.3%	-2.9%	5.9%	1.8%	0.0%	2.8%	-3.4%	1.2%
Fund 2008											0.8%	-2.7%

FEES (excl. VAT)

Initial Fee	Coronation: 0.00%
Annual Management Fee - performance related	Discounted: 0.75% Standard: 1.50% Maximum: 2.50% Sharing rate: 10%

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. 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, sectors and currencies. Our objective is to achieve real returns on capital in US dollars over a 3 – 5 year period.

INVESTMENT MANDATE

As a global flexible fund with a developed market bias, the portfolio is constructed from the bottom up, based on the valuation prospects of individual assets and the various asset classes globally. No more than 20% of the fund is invested with other investment managers and all managers are subject to ongoing performance and risk analysis. In addition, the fund may invest in exchange traded funds where appropriate. A minimum of 85% of the fund's assets is invested offshore.

PERFORMANCE AND RISK STATISTICS¹

PERFORMANCE FOR VARIOUS PERIODS

ZAR Return	Fund	Mean of Category	Benchmark
Since inception	-3.3%	-6.5%	-15.7%
Latest 1 year (annualised)	-2.0%	-3.1%	-20.4%

USD Return	Fund	Mean of Category	Benchmark
Since inception	22.7%	18.6%	7.0%
Latest 1 year (annualised)	26.2%	24.8%	2.5%

RISK STATISTICS SINCE INCEPTION

	Fund	Benchmark
Annualised deviation	13.7%	13.4%
Sharpe ratio	-0.93	-1.84
Maximum gain	7.8%	4.3%
Maximum drawdown	-14.4%	-22.4%
Positive months	50.0%	35.7%

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.

Total Expense Ratio (TER)
2.25% per annum

When applicable, Coronation shares in the fund performance above the performance fee hurdle. 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 return in line with or below the performance fee hurdle, a standard minimum fee will be levied. If the fund produces a negative return over a rolling 12-month period, the discounted minimum fee applies.

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