

PORTFOLIO MANAGER COMMENTARY

Green Shoots, Moss or Yellow Weeds?

The fund returned 14.64% for the quarter against 7.71% for the benchmark. For the year to June, the fund returned -42.35% against the benchmark's -42.65%.

The greatest contributors to quarterly performance were Mondri, Pallinghurst Resources, Metorex, Sappi and our preference for Anglo American over BHP Billiton. Our holdings in AngloGold and Sasol detracted from performance.

During the quarter, we took advantage of lower price levels to add to some of our existing holdings, primarily Sappi, Zimplats and the Palladium and Aluminium ETF's. As was indicated in the previous quarter's commentary, we believe that BHP Billiton is relatively expensive compared to Anglo American and during the quarter we further reduced our holding in BHP Billiton, while increasing our weighting in Anglo American.

We also initiated a position in Pan African Resources ("PAN"), a low cost, unhedged and debt-free gold producer. PAN has some interesting exploration projects, primarily Phoenix Platinum, which owns the rights to Platinum Group Metals (PGMs) contained in surface tailings dumps. At current prices one effectively gets the exploration assets for free, while the existing gold business is at a substantial discount to our assessment of intrinsic value.

The past quarter has indeed been a more cheerful one for investors following the bloodbath experienced in the second half of 2008. By the end of June, the FTSE/JSE Resources Index has rallied 42% from the November lows and most market commentators have been talking about 'green shoots'¹ and some have even been brave enough to suggest that the commodity supercycle is alive and well. The term 'green shoots' has definitely become one of the most overused terms of the quarter and a recent Bloomberg article even highlighted some interesting comments from market commentators trying to pour cold water on any signs of a global recovery. One market commentator even coined the word moss. "It may be green shoots, but they are growing slowly. It's moss." Nouriel Roubini, or better known in the market as Dr Doom, believes he is seeing more yellow weeds than green shoots. The market appears to be obsessed with trying to time exactly when the economy will recover. It appears that economists are cooking up an alphabet soup in trying to explain the shape of the economic recovery with terms like 'V-shaped', 'W-shaped', 'Tick-shaped' or 'Square root-shaped' being some of the more commonly used phrases.

History has taught us that our ability to time the market successfully on a consistent basis is limited. As admirers of Warren Buffet, we have learnt that when you waste time worrying about questions that can't be answered, you spend less time on the few things that can be answered. We do not know exactly when the global economy will recover, but neither do we believe that this is a question that can be answered with any great certainty. Instead, we remain focused on long-term valuations and looking for opportunities that we believe have been mispriced by the market.

The fund remains fairly concentrated with our top 10 holdings accounting for 76% of the fund. The constituents of the top 10 have not changed since the previous quarter and we continue to believe that despite short-term market uncertainty, the fund should be able to deliver superior returns relative to the benchmark over the long term.

Portfolio managers

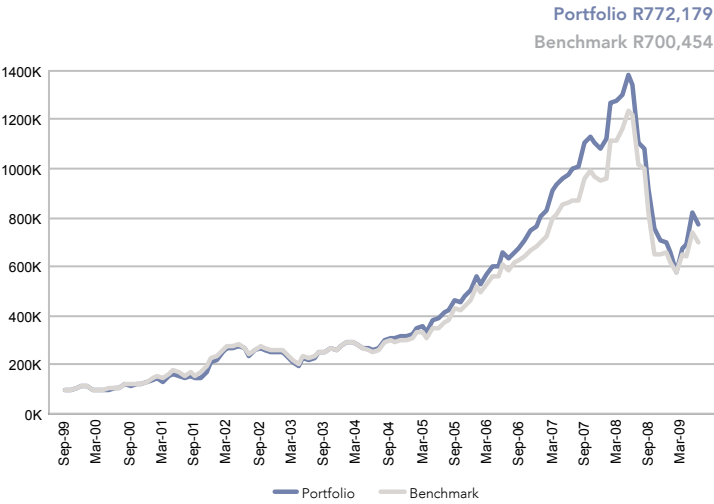
Henk Groenewald and Duane Cable

Fund category Domestic - Equity - Resources & Basic Industries
Fund description Invests in a broad range of resource and basic industry counters that are affected by changes in the commodity cycle.
Launch date 01 October 1999
Portfolio manager/s Henk Groenewald and Duane Cable

Fund size R141.49 million
NAV 5987.28 cents
Benchmark Resources & Basic Industries Sector Mean
Risk profile Cons Mod Aggr

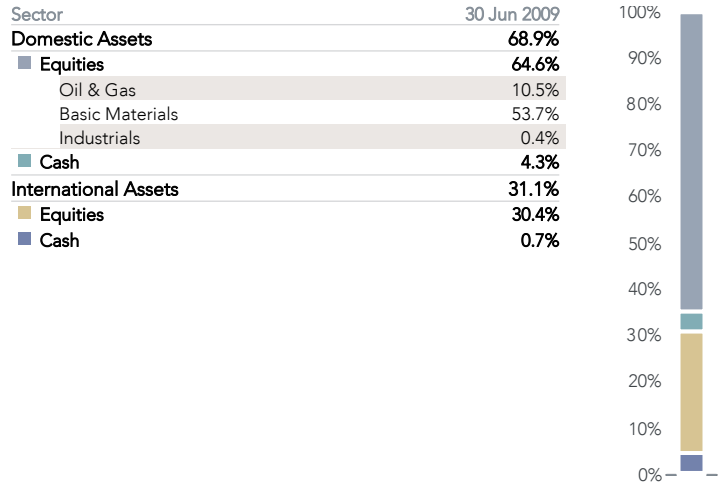
PERFORMANCE AND RISK STATISTICS¹

GROWTH OF A R100,000 INVESTMENT



PORTFOLIO DETAIL

EFFECTIVE ASSET ALLOCATION EXPOSURE



PERFORMANCE FOR VARIOUS PERIODS

	Fund	Benchmark	Outperformance
Since Inception (unannualised)	672.2%	600.5%	71.7%
Since Inception (annualised)	23.3%	22.1%	1.2%
Latest 5 years (annualised)	24.0%	22.5%	1.6%
Latest 3 years (annualised)	5.6%	4.9%	0.7%
Latest 1 year (annualised)	(42.3)%	(42.7)%	0.3%
Year to date	10.7%	6.6%	4.1%
2008	(35.2)%	(30.6)%	(4.6)%
2007	41.8%	39.5%	2.3%
2006	50.1%	46.1%	4.1%
2005	60.0%	55.6%	4.4%

TOP 10 HOLDINGS

As at 30 Jun 2009	% of Fund
Anglo American Plc	16.8%
Impala Platinum Holdings Ltd	12.4%
Mondi Plc	11.0%
Sasol Limited	10.5%
Anglogold Limited	6.6%
Pallinghurst Resources Ltd	4.0%
BHP Billiton Plc	3.9%
Zimplats Holdings Ltd	3.9%
OAO Gazprom Reg	3.5%
Exxaro Resources Ltd	3.0%

RISK STATISTICS SINCE INCEPTION

	Fund	Benchmark
Annualised Deviation	25.1%	24.5%
Sharpe Ratio	0.52	0.48
Maximum Gain	93.4%	75.6%
Maximum Drawdown	(57.9)%	(53.4)%
Positive Months	63.2%	61.5%

INCOME DISTRIBUTIONS

Declaration	Payment	Amount	Dividend	Interest
31 Mar 2009	01 Apr 2009	23.74	22.09	1.65
30 Sep 2008	01 Oct 2008	87.32	83.57	3.75
31 Mar 2008	01 Apr 2008	39.88	25.30	14.58
28 Sep 2007	01 Oct 2007	49.52	37.48	12.04

MONTHLY PERFORMANCE RETURNS

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund 2009	(5.6)%	(11.8)%	16.0%	2.5%	18.7%	(5.9)%							10.7%
Fund 2008	3.8%	13.3%	0.7%	1.8%	6.2%	(2.9)%	(17.8)%	(2.1)%	(14.6)%	(18.0)%	(6.3)%	(1.4)%	(35.2)%
Fund 2007	5.8%	3.2%	9.3%	3.0%	2.9%	1.2%	2.9%	0.8%	9.5%	2.4%	(2.5)%	(2.4)%	41.8%

FEES (excl. VAT)

Initial Fee	Coronation: 0.00%
Annual Management Fee*	1.00%

* 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	1.18% per annum
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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.

Unit trusts should be considered a medium- to long-term investment. The value of units may go down as well as up. Past performance is not necessarily an indication of future performance. Unit trusts are traded at ruling prices and can engage in scrip lending and borrowing. Fluctuations or movements in exchange rates may cause the value of underlying investments to go up or down. Instructions must reach the Management Company before 2pm (12pm for the Money Market Fund) to ensure same day value. Fund valuations take place at approximately 15h00 each business day and forward pricing is used. Coronation is a Full member of the Association for Savings & Investment SA (ASISA). ¹Performance is quoted from Morningstar as at 30 June 2009 for a lump sum investment using Class A NAV prices with income distributions reinvested. Performance figures are quoted after the deduction of all costs incurred within the fund. ²The TER is calculated as a percentage of the average NAV of the portfolio incurred as charges, levies and fees in the management of the portfolio for a rolling 12-month period to end March 2009, as well as the actual performance fee incurred over the 12 months to end March 2009. A higher TER ratio does not necessarily imply a poor return nor does a low TER imply a good return. The current disclosed TER cannot be regarded as an indication of future TER's.