CORONATION GLOBAL MANAGED [USD] FUND

as at 30 June 2010

CORONATION FUND MANAGERS

PORTFOLIO MANAGER COMMENTARY

Equity markets increased for the first few months of the year before the European debt crisis led to fears of a double-dip recession and a resultant significant decline in the markets over the past few months. The MSCI World Index has now declined by almost 10% year to date. Similar to the market decline of September/October 2008, we believe that the selling has now become indiscriminate (largely due to hedge fund 'de-risking', i.e. selling equities at any cost) and this creates significant opportunity which the fund has been taking advantage of. As a result the fund's equity exposure is at the top of its expected range at around 75%.

'Double-dip' has now become consensus. We don't believe that we can forecast the economy over the shorter term with a high degree of conviction and so we spend our time focusing on the individual stocks in the portfolio and the earnings streams we believe they will generate over the longer term (5 years). We then value those long-term earning streams and buy those shares that are trading well below what we believe they are worth. In this regard, we don't believe that the longer-term (5 years) earnings outlook, and hence fair values for Pfizer, Johnson & Johnson, Teva, CVS Caremark, Safeway, Time Warner Cable, YUM Brands, Coca-Cola or Kraft (all portfolio holdings) have changed very much over the past several months. Yet in most cases their share prices are lower and therefore their valuations are more, not less, attractive.

In terms of portfolio activity, a number of the large cap US technology stocks have become attractive again with many of them now trading on around 10x earnings ex their net cash balances. We added small positions in Microsoft, Cisco, Oracle and eBay after having sold them earlier in the year. We also continue to believe that the large cap pharmaceutical stocks are pricing in negative growth into perpetuity and we added to the fund's pharmaceutical positions and now own a handful of them, including Johnson & Johnson, Pfizer, Merck and Novartis.

Spain is one of the markets investors hate most today. When investors are just about throwing up equities in revulsion it can be very profitable to invest in these equities and we believe that Banco Santander, the largest bank in Spain, is one such opportunity. Over the past several years Banco Santander have expanded their operations over Europe and Latin America to the point today where only around 20% of earnings actually come from Spain. The Spanish business is where the risk primarily sits and in this regard we believe that the bank has adequate provision against further defaults in Spain. The Latin American business (operations in Brazil, Mexico and Chile which today contribute around 40% of earnings) is the jewel in the crown and is growing its NAV by 20% p.a. as a result of low banking penetration, economic expansion and rising disposable incomes. There are undoubtedly risks attached to Banco Santander, but at the fund's purchase price (1.2x Price/ Tangible Book Value, 7x earnings and a dividend yield of 8%) we believe that we were being more than compensated for such risks and that there was substantial potential upside.

Within emerging markets valuations of a number of stocks have also started to become very attractive again and we added to the fund's holdings in two of the Chinese internet gaming companies, Netease.com and Sohu.com after they experienced share price declines of 30% due to concerns of regulatory intervention and slowing growth.

Internet penetration (the number of individuals who have access to the internet) has increased significantly over the past several years, as has the Chinese online gaming industry.

China internet users	2005	2006	2007	2008	2009	2010E
Internet users (millions)	111	137	210	298	384	476
growth rate		23%	53%	42%	29%	24%
China Online Gaming Revenue	**2005**	**2006**	**2007**	**2008**	**2009**	**2010E**
Revenue ($ billions)	0.6	1.0	1.8	2.7	3.7	4.8
growth rate		67%	80%	50%	37%	30%

There are currently over 400 million internet users in China and internet penetration is now approaching 30%. We believe that it will ultimately reach 50% or 60%, and could go a lot higher. This means that another 300 to 500 million internet users will be added in China over the next several years. Internet gaming is a very popular, mainly social, cheap pastime in China. The industry has been growing by well over 30% p.a. over the past several years driven by increasing internet penetration and rising disposable income levels. Whilst we do not expect these historic growth rates to be repeated, we do believe that the industry will continue to show double-digit growth. All of Netease.com's earnings and over half of Sohu.com's earnings come from internet gaming. Both companies have large net cash positions (over 25% of its market capitalisation in the case of Netease.com and almost 35% in the case of Sohu.com) and both trade on low double-digit ratings on this year's earnings, which we believe is very attractive and more than prices in the market's current concern of regulatory risk.

Global bonds have continued to appreciate, with US and German bonds now yielding less than 3%. Given current government debt levels, new funding that will be needed, historical valuation ranges and our fair values for these bonds, we believe that they are ridiculously over valued and are an accident waiting to happen. As such, the fund holds no government bonds, preferring cash instead. Although cash may be yielding nothing, it also does not carry the risk of a capital loss that government bonds do. Our negative view on global bonds means that we are cautious on corporate bonds as well and the fund therefore only holds a small position in corporate bonds.

We believe that there is selected value in listed property stocks, mainly in Asia, and the fund has 6% in total invested in several property stocks that are yielding between 6% - 8% and in all cases trading at or below NAV.

After 10 years of no returns, we believe that global equities are very attractive and that the fund, with slightly over 70% of its assets invested in global equities, is well placed to generate above average returns over the next few years.

Portfolio manager
Gavin Joubert

CORONATION GLOBAL MANAGED [USD] FUND

A sub-fund of the Coronation Global Opportunities Fund domiciled in Ireland

as at 30 June 2010

CORONATION FUND MANAGERS

Currency	USD	Fund size	US$30.41 million
Minimum Investment	US$15,000.00	Benchmark	Composite:60% MSCI (TR) Index & 40% Citigroup World Government Bond Index
Launch date	01 March 2010	Liquidity	Daily
Portfolio manager/s	Gavin Joubert	Notice period	1 business day preceding dealing day
Annual management fee	1.50%	Redemption payout	2 days after dealing day
Annual outperformance	15% of returns above Composite Benchmark with 1.50% cap	Bloomberg	CORGMFA ID
Fund domicile	Ireland	ISIN	IE00B3PR9321
Listing	Irish Stock Exchange	SEDOL	B3PR932

PERFORMANCE AND RISK STATISTICS

INVESTMENT MANDATE

Global Managed is managed with the aim of maximizing risk adjusted returns available from a global portfolio. The portfolio is constructed on a clean slate basis and is broadly diversified across countries, including the developed economies of the US, Europe and Japan as well as emerging markets. It can invest in all listed asset classes including shares, listed property, conventional bonds, inflation-linked bonds, cash and other appropriate instruments. Up to 20% of the fund can be invested with other fund managers, selected for specific specialised skills. Exchange traded funds and other liquid instruments that enable the most efficient implementation of specific views may be used. Active asset allocation and security selection strategies appropriate to the needs of investors with medium to longer time horizons are followed. The intent is to keep the fund fully invested in foreign assets at all times.

PERFORMANCE FOR VARIOUS PERIODS

	Fund	Benchmark	Outperformance
Since Inception (unannualised)	(7.3)%	(4.6)%	(2.7)%
Year to date	(7.3)%	(4.6)%	(2.7)%

PORTFOLIO DETAIL

GEOGRAPHIC ASSET ALLOCATION EXPOSURE

Sector	30 Jun 2010
Equities	**75.5%**
North America	39.8%
Europe	23.5%
Asia	6.0%
Japan	5.0%
Latin American	1.1%
Gold	**3.2%**
Property	**5.5%**
Asia	3.0%
Europe	1.3%
Japan	1.2%
Cash	**15.8%**
USD	13.5%
Other	2.3%

TOP 10 HOLDINGS

As at 30 Jun 2010	% of Fund
SPDR Gold Trust	3.2%
Johnson & Johnson	2.6%
Symantec Corp	2.5%
Safeway Inc	2.4%
CVS Caremark Corp	2.3%
OAO Gazprom Reg	2.2%
Pfizer Inc	2.2%
Warner Music Group Corp	2.0%
Time Warner Cable Inc	1.9%
Teva Pharmaceutical Industries Ltd	1.9%

MONTHLY PERFORMANCE

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund 2010			2.1%	0.3%	(7.2)%	(2.5)%							(7.3)%
Fund 2009													0.0%
Fund 2008													0.0%

Client Service 0800 22 11 77 **Fax:** (021) 680 2500 **Email** clientservice@coronation.co.za **Website** www.coronation.com