

PORTFOLIO MANAGER COMMENTARY

The past quarter was another strong period for equities and the fund also performed well against its benchmark. The continuation of the 're-risking' trade has seen continued foreign inflows into the SA market as well as greater appetite for higher yielding assets, especially since the returns on cash have reduced further with the cut in local interest rates. The Top 40 Index returned 3.8% for the quarter while the fund returned 6.3%.

One of our longstanding positions, Naspers, has again come through strongly for the fund. Its investment case has been stated many times on these fact sheets, but the market has now really started to appreciate the value of the underlying businesses. Given the strong performance we have started to reduce our holding although we are still positive on the long-term fundamentals. In contrast a share that has been a major disappointment in the market, Sasol, has now become our largest holding. Sasol has spent billions on capital expenditure over the past five years without seeing a significant return on this investment, either directly in profits or even through increased volumes or efficiencies. They have been plagued by start-up issues, new technologies which by their nature are less stable, and more recently the strength of the rand. We are confident that the operational issues will be resolved and that we will see improved volumes and operating efficiencies from the group over the next few years. This alone should drive value creation for shareholders, with added optionality of a weaker rand to drive earnings growth further.

A year ago in the March 2009 commentary I made a specific point about gold and gold shares. We were at the nadir of the market decline, markets were awash with pessimism and the supposed safety of gold and gold shares was the popular opinion. The dollar price of gold did indeed do well as many investors fled equities and bonds to the yellow metal's safe haven resulting in the price of gold rising by 22% (in dollars) over that period. As an SA investor, however, the strength of the rand meant investors lost 6%. That however was a compelling investment compared to the investors in SA gold shares which over the same period returned between -11% (Goldfields) to -31% for Harmony. At the end of the commentary I made the flippant remark of the only gold I would own is All Gold (The successful product of TigerBrands the branded food company). Over the past year TigerBrands has delivered a 38% total return! The point of this is not a generous round of backslapping, but to emphasise that successful investing is not about reading the latest financial newspaper and deciding what's hot. It is about carefully assessing the long-term fundamentals of a company, reaching an appropriate valuation and only buying those businesses that are trading at a discount to that fair value. Fads come and go, and as quickly as we were through the theme buying of construction stocks and global commodity producers, we ended up in the gold buying craze. We have now come full circle and once again pundits are singing the praises of the Chinese growth miracle and the benefits of owning global commodity players to feed the Chinese dragon. While this indeed might be true, if the companies are overvalued, we have no place for them in our portfolio.

We have been as surprised as most people with the sudden resumption of risk appetite. While we felt valuations were cheap a year ago we never forecast the spectacular returns we have seen over the past year. The result of this is that certain parts of the market are looking expensive and as a result we are sitting more defensively positioned, mainly in the industrials where we have favoured fast moving consumer goods businesses and telco's, which tend to be fairly defensive. We are still fairly big in the banking sector where our long-held view of earnings normalising over the next two years from a period of cyclically low earnings is coming through. We expect markets to remain fairly volatile and investors should expect returns to be volatile in the short term. We believe that over the long term the fund will continue to deliver on its superb track record of outperformance.

Portfolio managers

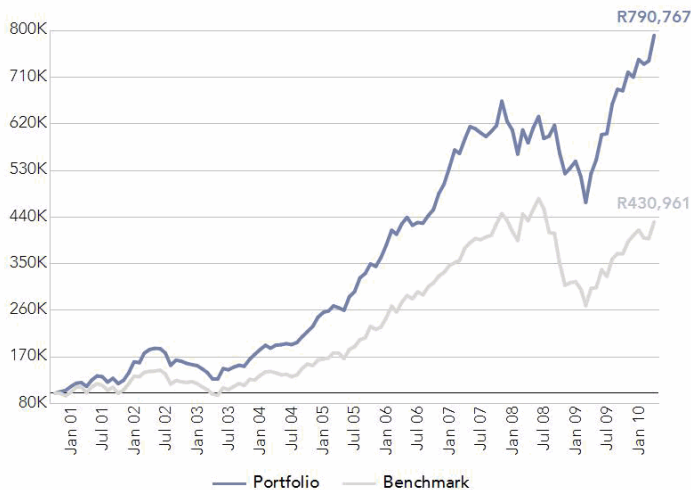
Neville Chester and Pallavi Ambekar

Fund category Domestic - Equity - Large Cap
Fund description Aims to outperform the FTSE/JSE Top 40 Index, is actively managed and typically holds no more than 20 large cap stocks at any point in time.
Launch date 01 October 2000
Portfolio manager/s Neville Chester and Pallavi Ambekar

Fund size R 4.15 billion
NAV 6696.16 cents
Benchmark/Performance Fee Hurdle FTSE/JSE Africa Top 40 Index
Risk profile Cons Mod Aggr

PERFORMANCE AND RISK STATISTICS¹

GROWTH OF A R100,000 INVESTMENT



PERFORMANCE FOR VARIOUS PERIODS

	Fund	Benchmark	Outperformance
Since Inception (unannualised)	690.8%	331.0%	359.8%
Since Inception (annualised)	24.3%	16.6%	7.7%
Latest 5 years (annualised)	24.5%	19.4%	5.0%
Latest 3 years (annualised)	10.2%	4.3%	5.9%
Latest 1 year (annualised)	50.9%	42.6%	8.3%
Year to date	6.3%	3.8%	2.4%
2009	35.9%	31.7%	4.1%
2008	(9.9)%	(23.6)%	13.7%
2007	13.5%	19.0%	(5.4)%
2006	38.6%	40.9%	(2.3)%

RISK STATISTICS SINCE INCEPTION

	Fund	Benchmark
Annualised Deviation	18.5%	20.8%
Sharpe Ratio	0.78	0.32
Maximum Gain	46.6%	37.4%
Maximum Drawdown	(31.7)%	(43.4)%
Positive Months	64.0%	60.5%

MONTHLY PERFORMANCE RETURNS

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund 2010	(1.2)%	0.8%	6.7%										6.3%
Fund 2009	(5.5)%	(9.5)%	11.9%	5.1%	8.8%	0.3%	9.4%	4.4%	(0.4)%	5.2%	(1.3)%	4.8%	35.9%
Fund 2008	(7.6)%	8.3%	(4.1)%	5.0%	3.5%	(6.7)%	0.8%	3.5%	(8.8)%	(6.9)%	2.1%	2.4%	(9.9)%

FEES (excl. VAT)

Initial Fee	Coronation: 0.00%
Annual Management Fee - performance related*	Minimum - standard: 1.00% Minimum - discounted: 0.50% Maximum: 3.00% Sharing Rate: 20.00%

* 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	2.78% per annum, which includes a performance fee of 1.63%
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When applicable, Coronation shares in the fund performance above the benchmark. This performance fee is accrued daily, based on performance over a rolling 24-month period, and paid to Coronation monthly. If the fund produces a return in line with the benchmark, the standard minimum fee will be levied. If the fund produces a return below the benchmark, over a rolling 24-month period, the discounted minimum fee applies.

PORTFOLIO DETAIL

EFFECTIVE ASSET ALLOCATION EXPOSURE

Sector	31 Mar 2010	100%
Domestic Assets	90.9%	
■ Equities	90.3%	
Oil & Gas	10.5%	
Basic Materials	10.7%	
Industrials	10.3%	
Consumer Goods	14.4%	
Health Care	3.4%	
Consumer Services	10.7%	
Telecommunications	14.4%	
Financials	15.9%	
■ Cash	0.6%	
International Assets	9.1%	
■ Equities	9.1%	

TOP 10 HOLDINGS

As at 31 Mar 2010	% of Fund
Sasol Limited	10.5%
MTN Group Ltd	10.0%
British American Tobacco Plc	9.1%
Standard Bank of SA Ltd	7.7%
Anglo American Plc	7.5%
Naspers Ltd	6.6%
SABMiller Plc	5.5%
Bidvest Group Limited	5.5%
Nedbank Group Ltd	5.3%
Vodacom Group	4.3%

INCOME DISTRIBUTIONS

Declaration	Payment	Amount	Dividend	Interest
31 Mar 2010	01 Apr 2010	17.09	15.71	1.38
30 Sep 2009	01 Oct 2009	20.47	18.03	2.44
31 Mar 2009	01 Apr 2009	209.46	207.04	2.42
30 Sep 2008	01 Oct 2008	93.07	91.71	1.36

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 31 March 2010 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 December 2009, as well as the actual performance fee incurred over the 12 months to end December 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.