CORONATION EQUITY

as at 31 March 2011

PORTFOLIO MANAGER COMMENTARY

The fund outperformed its benchmark by 4.5% p.a. over a rolling 3-year period (11.9% versus 7.4% p.a.) and by 1.1% p.a. over a rolling 5-year period (13.4% versus 12.3% p.a.). The fund is one of the top performing funds in its sector over all meaningful periods.

The first quarter of 2011 proved to be quite an eventful one. News headlines were dominated by the political unrest in North Africa and the Middle East. The oil price moved sharply higher in February as the unrest reached Libya and raised concerns that it could spread to other oil producers such as Saudi Arabia. This coupled with rising global food prices, fuelled concerns over inflation which threatens to slow down the global economic recovery. To add to this uncertainty, global markets were also impacted by renewed sovereign debt concerns in the Eurozone as well as the devastating earthquake and risk of a possible nuclear meltdown in Japan. This initially saw risk assets sell-off as risk appetite waned before recovering towards the end of the quarter.

These events are likely to see the US Federal Reserve keep interest rates lower for longer. The combination of accommodative global monetary and fiscal policy together with rising food and oil prices is likely to lead to higher inflation. In this scenario, equities remain our preferred asset class for producing inflation-beating returns. We continue to find more value in global equities and are close to the maximum offshore limit.

The FTSE/JSE All Share Index returned 1.1% for the quarter, masking significant intra-quarter volatility. Resources continue to lead the market higher returning 2.8%, while industrials returned -0.3% and financials 0.7%. We remain underweight resources with the view that the upside to long-term valuations, based on mid-cycle earnings, is not attractive enough to justify a higher weighting. Our preferred resource exposure remains Sasol given its long-life assets, low cost base and attractive valuation at 10 times our assessment of normal earnings. We remain underweight gold and platinum producers given our concerns over declining grades and significant cost pressures faced by these businesses. During the quarter we added to our holding in Mondi Limited, an integrated global paper and packaging company with operations based primarily in Europe and Africa. Mondi enjoys a leading market and cost position in many of the segments in which it operates. Earnings are currently depressed and should recover strongly with the global economy. Approximately 60% of revenue is exposed to faster growing emerging markets, and with its low-cost producer status has remained profitable when the majority of the industry was either loss-making or breaking even. Management are very return-focused and extremely shareholder-friendly. Mondi offers good value, trading at 9.6 times our assessment of normal earnings in euros.

Banks returned 1.1% for the quarter, marginally outperforming other financials. We remain overweight banks and have added to our position during the quarter. Valuations of the large commercial banks remain attractive at 10 times 1-year forward earnings and price-to-book ratios of 1.8 times.

We remain concerned over the strength of the rand and underlying inflationary pressures faced by the real economy (labour, electricity, property rates and taxes). These concerns were reinforced during the quarter by a disappointing Budget speech. Expected budget deficits for the upcoming fiscal years were revised higher, which means funding is likely to remain high when compared to prior years. While supply was relatively well-absorbed last year, this was on the back of strong foreign buying. It is doubtful whether this will continue into the future. The likely outcome is higher bond yields and a weaker currency. It is for this reason that approximately 59% of our client portfolios are invested in rand-hedge counters that are attractively valued and globally diversified.

Inflation remains a threat to the South African economy. We believe the market is underestimating the extent of food inflation and pass-through into second round effects, especially in the current low interest rate environment and continued high wage settlements (without commensurate productivity gains). Given these pressures, we continue to favour defensive businesses that are undervalued and enjoy pricing power such as Naspers, SABMiller, Famous Brands, AVI and the Spar Group. We continue to find value in selected small caps with many trading at around 6 times our assessment of normal earnings. Approximately a third of our client portfolios are now invested in shares outside the FTSE/JSE ALSI40. The fund currently offers 36% upside to our assessment of fair value for the underlying counters.

In conclusion, markets remain challenging. In an environment fraught with uncertainty, we remain resolute to our proven investment philosophy of investing for the long-term. We believe this is the best way to add value for our clients.

Portfolio managers
Karl Leinberger and Quinton Ivan

CORONATION EQUITY

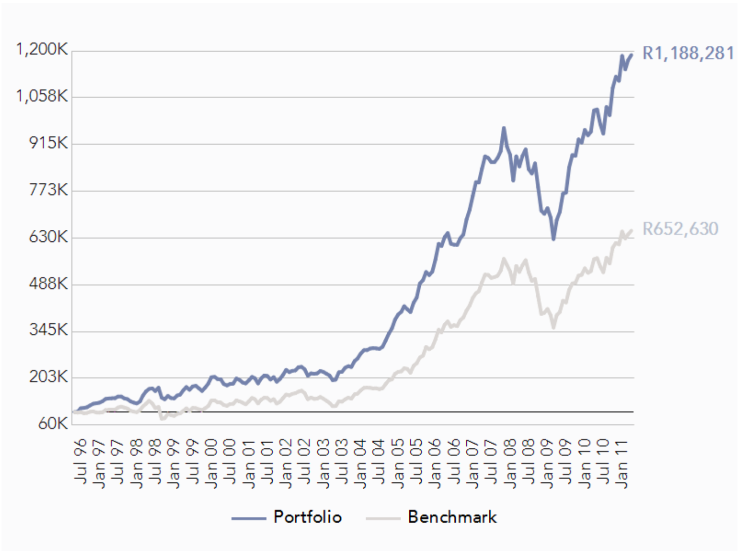
as at 31 March 2011

CORONATION FUND MANAGERS

Fund category	Domestic - Equity - General	Fund size	R 3.33 billion
Fund description	An emphasis on active stock selection and will remain fully invested in domestic equities at all times.	NAV	8500.82 cents
Launch date	15 April 1996	Benchmark/Performance Fee Hurdle	FTSE/JSE Shareholders Weighted All Share Index
Portfolio manager/s	Karl Leinberger and Quinton Ivan	Risk profile	

PERFORMANCE AND RISK STATISTICS[1]

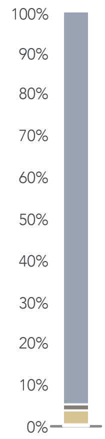
GROWTH OF A R100,000 INVESTMENT



PORTFOLIO DETAIL

EFFECTIVE ASSET ALLOCATION EXPOSURE

Sector	31 Mar 2011
Domestic Assets	**96.3%**
Equities	**95.4%**
Oil & Gas	9.0%
Basic Materials	21.6%
Industrials	9.3%
Consumer Goods	8.9%
Health Care	2.3%
Consumer Services	14.7%
Telecommunications	9.0%
Financials	16.8%
Technology	0.2%
Derivatives	3.7%
Real Estate	**1.4%**
Cash	**-0.4%**
International Assets	**3.7%**
Equities	**3.3%**
Real Estate	**0.4%**



PERFORMANCE FOR VARIOUS PERIODS

	Fund	Benchmark	Outperformance
Since Inception (unannualised)	1088.3%	552.6%	535.7%
Since Inception (annualised)	18.0%	13.4%	4.6%
Latest 10 years (annualised)	20.3%	17.9%	2.4%
Latest 5 years (annualised)	13.4%	12.2%	1.2%
Latest 3 years (annualised)	11.9%	7.4%	4.5%
Latest 1 year (annualised)	16.6%	15.4%	1.2%
Year to date	0.2%	0.4%	(0.2)%
2010	23.5%	20.9%	2.6%
2009	33.1%	29.9%	3.2%
2008	(18.4)%	(21.7)%	3.2%

TOP 10 HOLDINGS

As at 31 Mar 2011	% of Fund
MTN Group Ltd	9.0%
Sasol Ltd	9.0%
Standard Bank of SA Ltd	8.1%
SABMiller Plc	6.1%
Naspers Ltd	5.3%
Anglo American Plc	5.1%
BHP Billiton Plc	4.5%
Impala Platinum Holdings Ltd	3.4%
British American Tobacco Plc	3.0%
ABSA Group Ltd	2.7%

RISK STATISTICS SINCE INCEPTION

	Fund	Benchmark
Annualised Deviation	16.9%	20.2%
Sharpe Ratio	0.39	0.10
Maximum Gain	47.4%	43.5%
Maximum Drawdown	(35.1)%	(41.0)%
Positive Months	62.6%	61.5%

INCOME DISTRIBUTIONS

Declaration	Payment	Amount	Dividend	Interest
31 Mar 2011	01 Apr 2011	81.19	77.39	3.80
30 Sep 2010	01 Oct 2010	61.62	55.95	5.67
31 Mar 2010	01 Apr 2010	16.82	14.41	2.41
30 Sep 2009	01 Oct 2009	23.33	21.41	1.92

MONTHLY PERFORMANCE RETURNS

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund 2011	(3.5)%	2.5%	1.3%										0.2%
Fund 2010	(1.7)%	1.1%	6.8%	0.3%	(4.4)%	(3.0)%	8.6%	(2.4)%	8.3%	3.2%	(1.1)%	6.9%	23.5%
Fund 2009	(4.0)%	(9.4)%	9.2%	3.6%	7.9%	0.4%	10.0%	4.5%	(0.3)%	5.7%	(1.1)%	4.2%	33.1%

FEES (excl. VAT)

Initial Fee	Coronation: 0.00%
Annual Management Fee* Class A:**	Minimum: 1.10% Maximum: 3.00% Sharing Rate: 15.00%
Annual Management Fee* Class R:	Standard: 1.00%

* A portion of Coronation's annual management fee may be paid to administration platforms like LISP's as a payment fore administrative and distribution services.

**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 24-month period, and paid to Coronation monthly. If the fund produces a return in line with or below the benchmark for the relevant 24-month period, the minimum fee applies. For further information regarding our fee structure please contact us or visit our website.

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). [1]Performance as calculated by Coronation as at 31 March 2011 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. [2]The 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 2010. 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.

Total Expense Ratio (TER)[2]	Class A: 1.96% per annum, which includes a performance fee of 0.72%

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.