

PORTFOLIO MANAGER COMMENTARY

The past few months saw disruptions in the Middle East and North Africa as well as the tragic earthquake, tsunami and nuclear threat in Japan. These events resulted in major swings in sentiment and in global markets. With this backdrop, the fund appreciated by 5.04% (in rands) in the first quarter of 2011. Given that the fund is fully invested offshore, we believe that the dollar returns of the fund are more relevant and in this regard the fund appreciated by 2.96% over the period. Since the fund launched almost one and a half years ago in October 2009, the fund's return in dollars is 11.8% per annum.

The global events over the past few months have had little impact on our long-term views. We value businesses based on the earnings streams that we believe they will generate over the next 5 years or longer. In this regard we don't believe that events in either the Middle East or Japan will have an impact on the long-term earnings power of Heineken for example. A few months ago we believed that Heineken was worth around 50 euros a share (compared to the current 37 euros) and today we still believe that Heineken is worth around 50 euros a share. The most important by-product of the disruptions in the Middle East is the oil price. A higher oil price (should it be a sustainably higher oil price) could have an impact on the valuations of a few of the fund's holdings, but it is our view that the recent spike in oil prices has been driven by speculation and short-term money, and does not represent a new permanently higher level.

With regards to Japan, the fund had very low exposure (3% of fund) prior to the tragic events the country had to face. We did increase the fund's Japanese exposure marginally to 5% of fund, mainly through buying more defensive businesses (convenience retailers, drugstore chains) that had declined by 20% or more, yet who will be largely unaffected by what is happening. Whilst there are a handful of Japanese stocks that are clearly attractive, in general we continue to hold the view that there is better value in the US and Europe. The long-term fundamentals of Japan are poor (ageing population, deflation and high debt levels), the currency is arguably overvalued and Japanese management teams continue to prefer to build empires instead of focusing on doing what is best for shareholders. Additionally, whilst Japanese companies look cheap on Price/Book valuations (1x P/B), that single metric in isolation is misleading in our view as one has to take into account the ROE that Japanese companies generate (the lowest in the world) as well as the fact that many Japanese companies are serial acquirers (and as such the book value is overstated due to Goodwill). Lastly, reality is that in most cases the large cash balances are unlikely to be returned to shareholders. On other valuation metrics (P/E and Free Cash Flow yields), the valuations of most Japanese companies are generally not that attractive, either in absolute terms or when compared with their Western (US/European) equivalents.

Besides marginally adding to the fund's Japanese exposure, we also bought new positions in two of the global luxury goods companies, LVMH and PPR. Both companies experienced sharp declines due to their Japan exposure (approximately 10% - 15% of revenue) as well as concerns over global growth. LVMH are the owners of Louis Vuitton, Moët Hennessy and a whole range of other luxury goods brands, including having a large stake in Hermes and potentially owning Bulgari, which they have recently offered to buy. Scale is important in the luxury goods industry and LVMH are one of the key consolidators. The revenue and earnings streams of LVMH have also proven to be more resilient to economic downturns than that of a luxury goods company like Richemont, whose focus is more on watches and jewellery as opposed to LVMH's focus on fashion and leather goods. Although we believe Richemont is a great business, the share in our view did not get cheap enough during the recent turmoil, whereas LVMH and PPR did.

PPR is much smaller than LVMH and their main brand is Gucci, which generates the majority of the group's profits. We believe the long-term prospects for global luxury goods companies are very positive, driven by emerging markets where millions of individuals every year move into the target market of these companies. Today we estimate that between 40% and 50% of LVMH's profits come from emerging markets (directly and through travel). At the time of purchase, PPR was trading on 12x 2011 earnings and LVMH on 16x 2011 earnings. LVMH's short-term valuation metrics may not appear particularly appealing, but we believe that this is a very high quality business that can grow earnings in the double digits for many years to come.

We continue to hold the view that equities are by far the most attractive asset class globally and as a result the equity exposure of the fund (73%) continues to be at the high end of its expected range. We are also finding decent selected value in listed property and continued to add exposure in this area over the past few months to the point where it now makes up just over 5% of fund. We believe that global bonds are overvalued and have no exposure in this area. A small part of the fund (3.7%) is invested in selected corporate bonds where we feel the yield compensates one for the potential de-rating risk.

Portfolio manager

Gavin Joubert

CORONATION GLOBAL MANAGED [ZAR] FUND

CLASS A as at 31 March 2011

CORONATION
FUND MANAGERS

Fund category Foreign - Asset Allocation - Flexible
Fund description Diversified exposure to global assets with a focus on maximising returns over the long term.
Launch date 29 October 2009
Portfolio manager/s Gavin Joubert

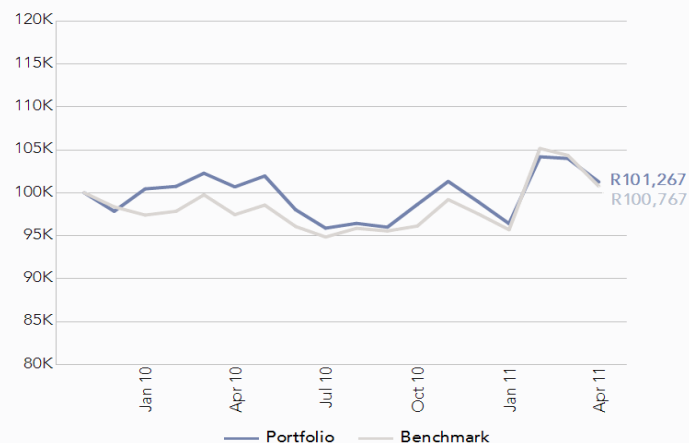
Fund size R194.97 million
NAV 100.71 cents
Benchmark/Performance Fee Hurdle Composite: 60% MSCI (TR) Index & 40% Citigroup World Government Bond Index

Risk profile



PERFORMANCE AND RISK STATISTICS¹

GROWTH OF A R100,000 INVESTMENT



PORTFOLIO DETAIL

GEOGRAPHIC ASSET ALLOCATION EXPOSURE

Sector	31 Mar 2011
Equities	73.1%
North America	38.2%
Europe	24.1%
Asia	5.9%
Japan	5.0%
Latin American	1.4%
South Africa	(1.6)%
Commodities	2.1%
North America	2.1%
Property	5.2%
Asia	3.3%
Europe	1.2%
Japan	0.7%
Bonds	3.7%
Europe	2.8%
North America	0.9%
Cash	15.8%
USD	8.2%
ZAR	4.6%
Other	3.0%

RISK AND RETURNS VS BENCHMARK (ZAR)

	Fund	Benchmark	Outperformance
Since inception (unannualised)	1.3%	0.8%	0.5%
Since inception (annualised)	0.9%	0.5%	0.4%
Latest 1 year (annualised)	0.6%	3.4%	(2.8)%
Year to date	5.0%	5.3%	(0.3)%
Annualised Deviation	10.1%	10.6%	
Sharpe Ratio	(0.58)	(0.6)%	
Downside Deviation	3.9%	3.2%	
Positive Months	47.1%	41.2%	

TOP 10 HOLDINGS

As at 31 Mar 2011	% of Fund
Warner Music Group Corp	3.8%
Heineken Holdings Ltd	3.6%
Great Wall Motor Company Ltd	2.9%
Safeway Inc	2.8%
Microsoft Corp	2.7%
Tesco Plc	2.7%
Cisco Systems Inc	2.5%
CVS Caremark Corp	2.5%
Imperial Tobacco Group PLC	2.3%
Vodafone Group Plc	2.2%

PERFORMANCE FOR VARIOUS PERIODS (USD)

	Fund	Benchmark	Outperformance
Since inception (unannualised)	17.1%	16.5%	0.6%
Since inception (annualised)	11.8%	11.4%	0.4%
Latest 1 year (annualised)	8.6%	11.6%	(3.1)%
Year to date	3.0%	3.2%	(0.2)%

INCOME DISTRIBUTIONS

Declaration	Payment	Amount	Dividend	Interest
30 Sep 2010	01 Oct 2010	0.12	0.12	0.00

MONTHLY PERFORMANCE - ZAR RETURNS

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund 2011	8.1%	(0.2)%	(2.6)%										5.0%
Fund 2010	0.3%	1.5%	(1.6)%	1.3%	(3.9)%	(2.2)%	0.6%	(0.5)%	2.8%	2.7%	(2.3)%	(2.6)%	(4.0)%
Fund 2009											(2.2)%	2.7%	0.5%

FEES (excl. VAT)

Initial Fee	Coronation: 0.00%
Annual Management Fee - performance related*	Minimum: 1.35% Maximum: 2.35% Sharing Rate: 15.00%

* 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.

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 benchmark for the relevant 12-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). ¹Performance 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. 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. 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	2.01% per annum, which includes a performance fee of 0.07%
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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.