

PORTFOLIO MANAGER COMMENTARY

The start of 2011 has been eventful with uprisings in North Africa and the Middle East as well as the catastrophic earthquake in Japan dominating news headlines. Food and energy prices have risen sharply and global inflation expectations have increased. Commodity prices continue to trend upwards, but oil has been pushed up substantially on the back of the protests in the Middle East. World markets have been volatile with developed markets outperforming our local market. The S&P 500 and the FTSE 100 are up 5.92% and 3.5% respectively in dollar terms versus the FTSE/JSE All Share Index which is down -0.9% in dollar terms.

Against this backdrop the fund returned 2.2% versus the FTSE/JSE Top 40 Index return of 2.17%. Longer term, the fund has outperformed the index, returning 16.28% and 16.51% over a 3-year and 5-year period versus 4.68% and 12.5% for the index over similar periods. British American Tobacco (BTI), a top five holding in the fund, was the top contributor to performance for the quarter, returning 10.8%. Despite declining cigarette volumes, BTI has managed to grow revenues through pricing. This value over volume strategy combined with a cost saving programme has delivered earnings growth of 14% CAGR (in pound sterling) over the past 5 years. The company is highly cash generative, pays out 65% of earnings to shareholders as dividends and has re-initiated a share buyback programme. The company trades on a normal PE ratio of 12 times, with a 5% dividend yield and continues to look like a compelling investment.

Resources shares had a hard run towards the end of last year and this continued into the first month of 2011. We took the opportunity to reduce our holding in Anglo American and sell out of Exxaro. Anglos is now no longer the biggest position in the fund, but it remains a significant holding as we continue to believe that their future expansion in base and bulk metals will add value to shareholders. We have maintained our resource weighting by initiating a position in BHP Billiton. On the back of excellent interim results, Billiton announced a higher than expected \$80 billion project pipeline over the next 5 years, which we believe will lead to good production growth. This in combination with a strong balance sheet and a willingness to return cash to shareholders makes Billiton an attractive investment.

Banks have underperformed the index for the quarter and we continued to maintain our exposure. Recent results showed muted revenues with the unwind in impairment provisions delivering some earnings growth. We continue to believe that the banks will deliver double-digit earnings growth on the back of further reductions in provisions, positive endowment and better cost discipline. In addition, South African banks remain well capitalised (even after Basel 3 estimates) and will possibly be in a position to return excess capital to shareholders.

The fund currently prefers exposure to companies which have global exposure and relatively defensive business models where valuations are attractive. In an uncertain environment, we will continue to invest your money in assets that we feel will deliver good returns over the longer term.

Portfolio managers

Neville Chester and Pallavi Ambekar

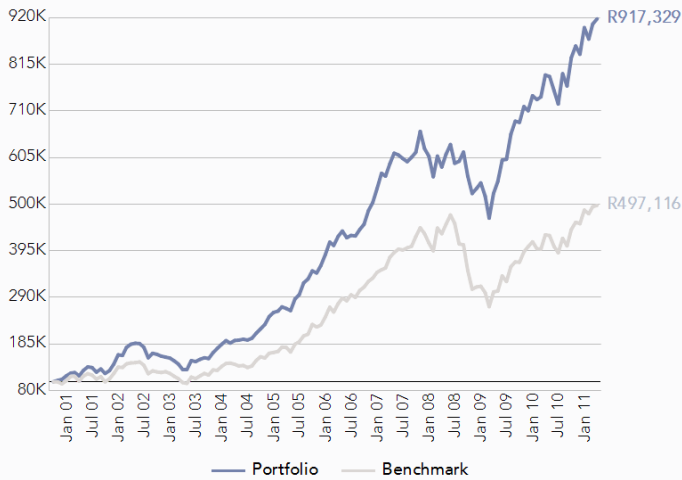
Fund category Domestic - Equity - Large Cap
Fund description Aims to outperform the FTSE/JSE Top 40 Index, is actively managed and typically holds no more than 20 large cap stocks at any point in time.
Launch date 01 October 2000
Portfolio manager/s Neville Chester and Pallavi Ambekar

Fund size R 7.04 billion
NAV 7690.95 cents
Benchmark FTSE/JSE Africa Top 40 Index
Risk profile



PERFORMANCE AND RISK STATISTICS¹

GROWTH OF A R100,000 INVESTMENT



PERFORMANCE FOR VARIOUS PERIODS

	Fund	Benchmark	Outperformance
Since Inception (unannualised)	817.3%	397.1%	420.2%
Since Inception (annualised)	23.5%	16.5%	7.0%
Latest 10 years (annualised)	23.3%	17.3%	6.0%
Latest 5 years (annualised)	16.5%	12.5%	4.0%
Latest 3 years (annualised)	16.3%	4.7%	11.6%
Latest 1 year (annualised)	16.0%	15.4%	0.7%
Year to date	2.2%	2.2%	0.0%
2010	20.6%	17.2%	3.4%
2009	35.9%	31.7%	4.1%
2008	(9.9)%	(23.6)%	13.7%

RISK STATISTICS SINCE INCEPTION

	Fund	Benchmark
Annualised Deviation	18.3%	20.4%
Sharpe Ratio	0.76	0.34
Maximum Gain	46.6%	37.4%
Maximum Drawdown	(31.7)%	(43.4)%
Positive Months	62.7%	59.5%

MONTHLY PERFORMANCE RETURNS

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund 2011	(2.9)%	3.9%	1.3%										2.2%
Fund 2010	(1.2)%	0.8%	6.7%	(0.4)%	(4.0)%	(4.0)%	9.4%	(3.5)%	8.3%	3.2%	(2.2)%	7.2%	20.6%
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%

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.

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 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.

Total Expense Ratio (TER)²	3.04% per annum, which includes a performance fee of 1.89%
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PORTFOLIO DETAIL

EFFECTIVE ASSET ALLOCATION EXPOSURE

Sector	31 Mar 2011	%
Domestic Assets	91.8%	
■ Equities	89.9%	
Oil & Gas	9.5%	
Basic Materials	19.2%	
Industrials	2.5%	
Consumer Goods	11.6%	
Health Care	3.2%	
Consumer Services	12.0%	
Telecommunications	10.0%	
Financials	22.0%	
■ Real Estate	2.3%	
■ Cash	(0.4)%	
International Assets	8.2%	
■ Equities	8.2%	

TOP 10 HOLDINGS

As at 31 Mar 2011	% of Fund
MTN Group Ltd	10.0%
Sasol Ltd	9.5%
Standard Bank of SA Ltd	8.8%
British American Tobacco Plc	8.2%
Anglo American Plc	7.3%
SABMiller Plc	6.7%
Naspers Ltd	6.1%
FirstRand	5.4%
BHP Billiton Plc	4.6%
Woolworths Holdings Ltd	4.6%

INCOME DISTRIBUTIONS

Declaration	Payment	Amount	Dividend	Interest
31 Mar 2011	01 Apr 2011	131.89	130.12	1.77
30 Sep 2010	01 Oct 2010	51.23	49.81	1.42
31 Mar 2010	01 Apr 2010	17.09	15.71	1.38
30 Sep 2009	01 Oct 2009	20.47	18.03	2.44

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

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.