CORONATION

ABSOLUTE BOND STRATEGY

INSTITUTIONAL STRATEGY FACT SHEET AS AT 31 OCTOBER 2026

CORONATION
TRUST IS EARNED™

LONG TERM OBJECTIVE

The Coronation Absolute Bond Strategy aims to protect capital regardless of the interest rate cycle. This Strategy therefore offers lower volatility and greater focus on capital preservation when compared to traditional bond portfolios.

INVESTMENT APPROACH

Coronation is a long-term, valuation-driven investment house. Our aim is to identify mispriced assets trading at discounts to their fair value through extensive proprietary research. The fixed income portfolios are positioned on a long term strategic market view, but this is balanced by taking advantage of shorter-term tactical opportunities when the market lags or runs ahead of that strategic view. As active managers, we consider investment decisions across the full spectrum of potential return enhancers. These include duration and yield curve positions, inflation-linked assets as well as yield enhancement through credit enhanced assets. We aim to maximise returns by actively combining both a top-down and a bottom-up approach to portfolio construction.

STRATEGY RETURNS GROSS OF FEES

Period	Strategy	Benchmark	Active Return
Since Inception (cumulative)	910.3%	239.7%	670.6%
Since Inception p.a.	10.3%	5.3%	5.0%
Latest 20 years p.a.	10.2%	5.5%	4.7%
Latest 15 years p.a.	9.5%	5.0%	4.5%
Latest 10 years p.a.	9.8%	4.7%	5.1%
Latest 5 years p.a.	10.2%	5.0%	5.2%
Latest 3 years p.a.	12.1%	3.9%	8.2%
Latest 1 year	9.6%	5.2%	4.4%
Year to date	6.5%	5.1%	1.4%
Month	0.8%	0.7%	0.1%

ASSET ALLOCATION

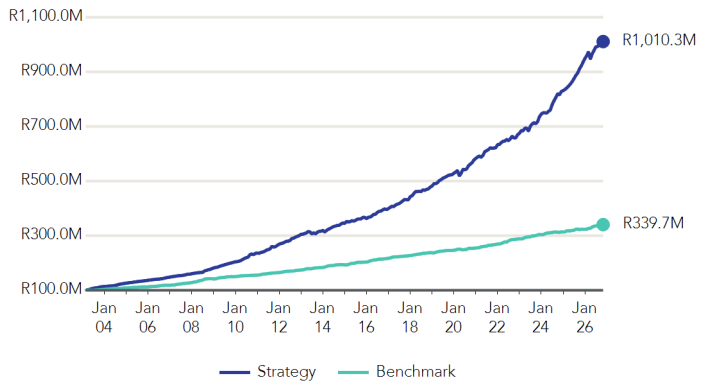
Asset Type	% Strategy
Fixed Rate Government Bonds	31.5%
Corporate ILBs	28.1%
Government ILBs	11.4%
Floating Rate Corporate Bonds	10.5%
Fixed Rate Corporate Bonds	8.1%
Fixed Rate NCDs	3.8%
Other	2.1%
Fixed Rate Other	2.0%
Floating Rate NCDs	1.7%
Cash	0.7%
Floating Rate Other	0.1%

GENERAL INFORMATION

Inception Date	01 March 2003
Strategy Size *	R4.68 billion
Strategy Status	Open
Mandate Benchmark	Consumer Price Index (CPI)
Performance Target	CPI + 2% (gross of fees and taxes) over a rolling 12 month period
Dealing Frequency	Daily
Base Currency	ZAR

*Strategy assets under management as at the most recent quarter end.

GROWTH OF R100M INVESTMENT



Benchmark: Consumer Price Index (CPI)

EFFECTIVE MATURITY PROFILE

Term	% Strategy
0 to 1 year	6.5%
1 to 3 years	32.7%
3 to 7 years	35.5%
7 to 12 years	17.9%
Over 12 years	7.3%

STRATEGY STATISTICS

Modified Duration (incl. inflation-linked bonds)	3.4
Modified Duration (excl. inflation-linked bonds)	2.1

PORTFOLIO MANAGERS



Nishan Maharaj - BSc (Hons), MBA

Nishan is Head of Fixed Income at Coronation and a portfolio manager across all fixed income strategies. He joined Coronation in 2012 has 24 years' investment experience



Mauro Longano - BScEng (Hons), CA (SA)

Mauro is a portfolio manager and Head of Fixed Income Research at Coronation. He co-manages various fixed income strategies for institutional and retail clients. Mauro joined Coronation in 2014 and has 16 years' investment experience.

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