

CORONATION GLOBAL STRATEGIC USD INCOME [ZAR] FEEDER FUND

Fund Information as at 31 May 2026

WHAT IS THE FUND'S OBJECTIVE?

The fund aims to achieve a higher return than a US dollar term bank deposit. It is mainly focused on delivering short-term income.

WHAT DOES THE FUND INVEST IN?

The fund invests between 75% and 100% of its assets in a wide variety of fixed income assets. This may include bonds, money market instruments and other debt securities issued by international governments, banks and other companies or institutions.

Up to 25% of the fund may be invested in listed property, preference shares and other forms of hybrid debt or equity instruments.

While the fund may invest in instruments in any currency, its effective exposure to the US dollar will at least be 75% at all times.

The average duration in the fund will typically not exceed three years.

IMPORTANT PORTFOLIO CHARACTERISTICS AND RISKS

Risk Profile



Maximum growth/ minimum income exposures



The fund is tactically managed to secure an attractive income, while protecting capital.

Its investments are carefully researched by a large and experienced investment team and subjected to a strict risk management process. The fund is actively positioned to balance long-term strategic positions with shorter-term tactical opportunities to achieve the best possible income.

While the fund is managed in a conservative and defensive manner, it is not guaranteed to always outperform cash over short periods of time, and may suffer capital losses primarily as a result of interest rate movements or negative credit events.

Capital growth, if any, will generally come from capital market changes such as falling interest rates or movements in foreign currencies.

This feeder fund aims to remain fully invested in units in the offshore domiciled Global Strategic USD Income Fund. The only other assets that will be held at feeder fund level are local and foreign cash holdings for liquidity purposes.

HOW LONG SHOULD INVESTORS REMAIN INVESTED?

The recommended investment term is 12-months and longer. Given its limited exposure to growth assets, the fund is not suited for long investment terms.

WHO SHOULD CONSIDER INVESTING IN THE FUND?

Conservative investors who are looking for an intelligent alternative to US dollar bank deposits.

WHAT COSTS CAN I EXPECT TO PAY?

An annual fee of 0.80% is payable.

Of the annual fee, 0.30% is collected at feeder fund level, while the balance of the fee is collected in the master fund. The component of the fund fee charged at feeder fund level is subject to VAT. Fund expenses that are incurred in the fund include administrative, trading, custody and audit charges. All performance information is disclosed after deducting all fees and other portfolio costs.

We do not charge any fees to access or withdraw from the fund.

More detail is available on www.coronation.com

WHO ARE THE FUND MANAGERS?



NISHAN MAHARAJ
BSc (Hons), MBA



SEAMUS VASEY
BCom (Hons), MSc

GENERAL FUND INFORMATION

Launch Date	30 August 2013
Fund Class	A
Benchmark	110% of Secured Overnight Financing Rate (SOFR)
ASISA Fund Category	Global – Multi-asset – Income
Income Distribution	Semi-annually (March & September)
Investment Minimum	R5 000 or R500/m debit order
Bloomberg Code	CORGSIF
ISIN Code	ZAE000181012
JSE Code	CGSUI

CORONATION GLOBAL STRATEGIC USD INCOME [ZAR] FEEDER FUND

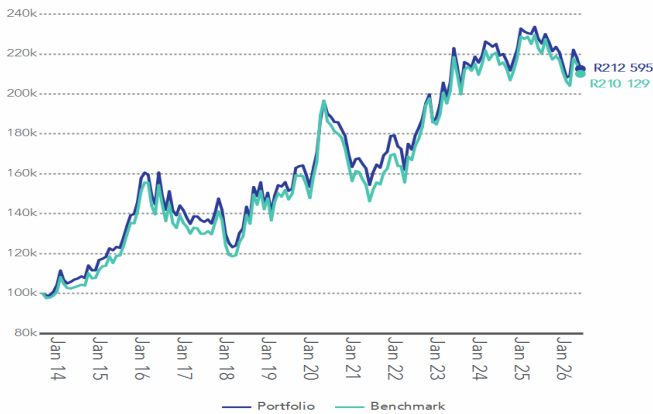
CLASS A as at 31 May 2026

ASISA Fund Category	Global - Multi-Asset - Income
Launch date	30 August 2013
Fund size	R 3.13 billion
NAV	212.59 cents
Benchmark	110% of SOFR
Portfolio manager/s	Nishan Maharaj and Seamus Vasey

Total Expense Ratio	1 Year	3 Year
Fund management fee	0.91%	0.91%
Fund expenses	0.80%	0.80%
VAT	0.07%	0.07%
Transaction costs (inc. VAT)	0.04%	0.04%
Total Investment Charge	0.01%	0.01%
	0.92%	0.92%

PERFORMANCE AND RISK STATISTICS

GROWTH OF A R100,000 INVESTMENT (AFTER FEES)



PERFORMANCE FOR VARIOUS PERIODS (AFTER FEES) (ZAR)

	Fund	Benchmark	Active Return
Since Launch (unannualised)	112.6%	110.1%	1.2%
Since Launch (annualised)	6.1%	6.0%	0.1%
Latest 10 years (annualised)	2.8%	3.1%	(0.3)%
Latest 5 years (annualised)	6.6%	7.5%	(0.9)%
Latest 3 years (annualised)	(1.6)%	(1.3)%	(0.3)%
Latest 1 year	(6.6)%	(5.8)%	(0.9)%
Year to date	(0.9)%	(0.4)%	(0.5)%

	Fund
Modified Duration	1.3
Yield (Net of Fees)	3.6%

PERFORMANCE FOR VARIOUS PERIODS (AFTER FEES) (USD)

	Fund	Benchmark	Active Return
Since Launch (unannualised)	34.2%	32.9%	1.3%
Since Launch (annualised)	2.3%	2.3%	0.1%
Year to date	1.2%	1.7%	(0.5)%

RISK STATISTICS SINCE LAUNCH

	Fund	Benchmark
Annualised Deviation	13.2%	13.7%
Sharpe Ratio	0.04	0.03
Maximum Gain	30.7%	33.0%
Maximum Drawdown	(23.2)%	(25.6)%
Positive Months	52.3%	51.0%

	Fund	Date Range
Highest annual return	36.7%	Feb 2015 - Jan 2016
Lowest annual return	(18.8%)	Jun 2020 - May 2021

MONTHLY PERFORMANCE RETURNS (AFTER FEES)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund 2026	(2.9)%	0.4%	6.3%	(1.8)%	(2.6)%								(0.9)%
Fund 2025	(0.6)%	(0.3)%	(0.2)%	1.5%	(2.6)%	(1.0)%	2.1%	(1.7)%	(2.1)%	0.9%	(1.2)%	(2.9)%	(7.9)%
Fund 2024	1.6%	3.2%	(0.5)%	(0.6)%	0.6%	(2.6)%	0.4%	(1.7)%	(2.2)%	2.6%	2.4%	4.7%	7.9%
Fund 2023	3.5%	5.5%	(3.4)%	3.6%	8.3%	(4.2)%	(5.0)%	6.5%	(0.5)%	(0.8)%	2.5%	(1.4)%	14.6%
Fund 2022	(3.1)%	(0.7)%	(6.1)%	8.0%	(1.6)%	4.1%	2.1%	2.5%	4.1%	2.3%	(6.9)%	1.3%	5.0%
Fund 2021	2.4%	0.2%	(1.6)%	(1.4)%	(5.1)%	4.0%	2.5%	(0.9)%	3.8%	1.0%	4.6%	0.2%	9.7%

PORTFOLIO DETAIL

ASSET ALLOCATION BY INSTRUMENT TYPE

	% of Fund
Developed Market (Investment Grade)	82.2%
Fixed Rate Bonds	27.6%
Floating Rate Bonds	42.8%
Inflation Rate Bonds	11.9%
Emerging Market (Investment Grade)	3.2%
Fixed Rate Bonds	2.0%
Floating Rate Bonds	1.1%
Developed Market (High Yield)	1.9%
Emerging Market (High Yield)	2.8%
Convertibles and Hybrids	5.5%
Listed Property	2.4%
ETF	0.0%
Cash & Money Market	2.0%
Total	100.0%

ASSET ALLOCATION BY ISSUER TYPE

	% of Fund
Corporations	50.4%
Sovereigns	45.2%
Cash	2.0%
Multi-National	0.0%
REITS	2.4%
Total	100.0%

ASSET ALLOCATION BY RATINGS BAND

	% of Fund
Investment Grade	90.7%
Sub-Investment Grade	4.7%
Other instruments	4.6%
Total	100.0%

TOP 5 ISSUER EXPOSURE

	% of Fund
US Treasury	35.2%
Federal Government of Germany	3.6%
UBS	2.5%
Government of the United Kingdom	2.4%
NatWest	2.4%

INCOME DISTRIBUTIONS

Declaration	Payment	Amount	Dividend	Interest
30 Mar 2026	01 Apr 2026	0.00	0.00	0.00
29 Sept 2025	01 Oct 2025	0.00	0.00	0.00

Please note that the commentary is for the US dollar retail class of the Fund. The feeder Fund is 100% invested in the underlying US dollar Fund. However, given small valuation, trading and translation differences for the two Funds, investors should expect differences in returns in the short term. Over the long term, we aim to achieve the same outcome in US dollar terms for both Funds.

Performance

The defining feature of Q1 was not how it started, but how it ended, and what this heralds for the rest of 2026 and beyond. At this stage, a rapid de-escalation and reopening of the Strait of Hormuz would likely provide for a significant positive impulse across most risk assets. But a prolonged conflict introduces stagflationary dynamics that would test prevailing asset pricing, as well as policymakers' resolve, resources and analytical frameworks. The range of potential outcomes across all relevant time horizons is especially wide at this point and balancing prudence and opportunism wisely is the challenge.

Against this backdrop, the Fund returned 0.2% for the quarter against the benchmark return of 1.0%.

The US Federal Open Market Committee (FOMC) had started 2026 with a policy rate range of 3.50-3.75% after having cut three times in the last four months of 2025. Initially, market expectations were strongly tilted towards a progression of the cutting cycle over the coming year, with a policy rate of well below 3% by year-end consistently priced. The Fed had become more cautious, however, and greater data dependency was cited alongside warnings of premature easing. The outbreak of the Middle East conflict naturally led to a sea-change in the environment. Rate-cut expectations were curtailed entirely, with even the potential for a hike required in the US in the coming months partially priced during March. The FOMC chose to restrain these expectations by signalling a preference for waiting and assessing the nature of the oil shock, rather than potentially pre-emptively tightening into what could be a more growth-damaging supply shock. Somewhat uniquely among the world's larger economies, policy expectations at quarter-end were still for net easing of rates in the US over a forward two-year horizon, even if the next 12 months were priced for no rate changes.

Among other major central banks, the swing in rate expectations following the onset of the energy crisis sparked in late February was equally dramatic. In the eurozone, prior expectations were for flat rates for an extended period before the potential for modest tightening from two years onwards. At quarter-end, this had pivoted to three hikes of 25 basis points (bps) each fully priced over the next 12 months. Even more dramatic was the swing in the UK. At end 2025 another two cuts had been anticipated, likely in the latter half of 2026. By the close of Q1, this had swung to two fully priced hikes in the coming months – a very different interest rate environment entirely. In Japan, the adjustment was less extreme. With the BoJ still enacting their normalisation strategy at the start of the year, pricing for this process was merely accentuated.

Across global duration, the quarter had two quite distinct chapters. In the US, Treasury yields had a constructive first few weeks of the year. An improving cyclical backdrop; low energy prices; firming Fed rate cut expectations, and dawning optimism around the reduced hampering effect of US tariffs, especially following the US Supreme Court's ruling against the emergency use of blanket tariffs, all helped push long-dated interest rates to levels last seen in 2024. But then the escalation of conflict in the Middle East changed all of that. US yields were driven higher as inflation expectations and risk premia were both notched higher, alongside a sharp readjustment to monetary policy expectations. Whatever safe-haven bid arose over this time was overwhelmed. The net result for US Treasuries was actually a reasonably intra-quarter increase in yields from the start of the year to quarter-end, albeit with substantial trade-quarter ranges. Despite this, US Treasuries were actually one of the better-behaved G10 sovereign bond markets in Q1. The more substantial underperformers included Greece, the UK, and Italy.

US inflation-linkers mostly didn't have a strong Q1. Even as the events of March led to a spike in near-term inflation expectations, the increase in expected inflation accrual was matched by the rise in real rates. Indeed, longer-term inflation break-evens only saw modest rises from what was priced before the Middle East crisis. The clear message from markets was of anchored long-term inflation expectations consistent with other energy price shocks that have proven short-lived and been relatively quickly reversed.

The hard currency Emerging Market (EM) sovereign debt universe experienced a difficult quarter overall. From historically compressed spread levels, the sharp and substantial onset of the Middle East conflict motivated a repricing of risk premia across the complex. Unsurprisingly, oil-importing EMs were especially hard hit. And if this included having limited central bank flexibility and already deteriorating current account balances, then the sell-off was more acute. Yet, considering how historically tight these spreads had been, the overall widening seen was relatively modest.

The local EM sovereign debt asset class performed even more poorly than its Eurobond counterpart. Both capital and currency losses against the US dollar played their part. The yield on the J.P. Morgan GBI-EM Global Diversified Index started the year at 5.9% before reaching a low of 5.8% during February, but ended the quarter at c. 6.4%. However, there was some differentiation, as Brazil, Colombia, and the Dominican Republic posted strong positive quarters of +6.1%, +4.1%, and +4.4% in USD, respectively. The worst performers were Thailand, Turkey, and South Africa with -8.0%, -7.7%, and -6.9% (in USD).

US Investment Grade (IG) credit started 2026 by powering from already historically rich levels to spreads on par with or better than those experienced during the pre-GFC heyday. But while spreads were offering very little fundamental protection, outright yields remained reasonably attractive – especially when placed in the context of the past 10 years or so. With corporate credit fundamentals remaining solid; earnings healthy and supply absorption still seemingly vigorous, the spread widening seen as a consequence of the Middle East crisis was relatively contained, helped by yield-focused buyers belying spread weakness as it arose. The US IG Index (ICE BofA US Corporate Index) saw a low option-adjusted spread (essentially the yield spread over the risk-free rate) of 73bps reached during Q1 before selling off to a high of 94bps – the equivalent move was from a recent low of 79bps to over 120bps during the trauma instigated by the 'Liberation Day' events of April 2025. Unsurprisingly, greater susceptibility was seen across longer maturity and weaker quality credits – a typical, generalised risk-shock pattern.

The experience within the US high-yield (HY) space was of a similar configuration. The ICE BofA US High Yield Index started the year at unattractive valuation levels (c. 280bps spread level for the Index), before powering to a low of 264bps. Prior to the energy price surge later in the quarter, the most notable idiosyncratic features of major credit markets were the AI-related disruption theme and mounting anxiety about the inner workings of certain private credit managers. Following the geopolitical shock in the Middle East, a spread high of 346bps was seen in the HY index towards the end of the quarter. This is a meaningful sell-off, but doesn't reflect market stress and certainly didn't provide a broad-based bouquet of mispriced credits to accumulate, even if individual opportunities did present themselves.

Listed property assets had a fairly wide-ranging quarter, even relative to benchmark stock indices. The first two months saw widespread gains across geographies and sectors. Cyclical data flow was undoubtedly more supportive; energy prices had been receding, and interest rate expectations had been moving favourably in key markets. The result was broadly etched in the FTSE EPRA Global REIT Index (net TR, USD), which had nearly managed to clock double-digit gains by the end of February for the YTD. This was entirely unwound during March as the interest-rate-sensitive REIT sector took a double hit from concerns about revised growth outlooks for the rest of 2026 across all markets. A relatively more buffered region was North America, which still managed to achieve a positive total return of 5.0% for the quarter. But this was the exception rather than the rule, and the spectre of some form of stagflationary impulse was the overriding influence for the asset class over the latter part of Q1.

Fund activity

While individual security selection ensures that recycling across the Fund's core holding of high-quality, short-dated corporate debt is an ongoing feature of the Fund in all environments, Q1 saw this become more lopsided than usual. From the last few months of 2025 and into January and February of this year, the Fund had found it increasingly harder to replace richly-priced holdings that were being trimmed or sold entirely. The net result was an overall reduction of spread risk, in particular, during these months.

The Fund had still found a range of opportunities across select duration exposures; inflation-linked instruments; and in particular, listed property exposures. But despite this, the Fund was running low aggregate risk across all its opportunity vectors as the crisis in the Middle East burst onto the scene. Thus, with the combination of ample liquidity and abundant risk capacity, the advent of the generalised risk-off event was one that the Fund could use to increase risk taking, rather than seek enhanced risk mitigation measures. The bulk of the Fund's activity in March was in accumulating spread assets that had cheapened.

Indeed, the bigger regret (from an asset pricing perspective only), is that the substantial left-tail events that could subsequently arise from the unfolding energy crisis haven't been more meaningfully priced. Hence, while many global fixed income markets have experienced quick and sharp weakness, these have been from especially rich levels and the subsequent cheapening has been useful, but not overwhelming. The net result is that, while the Fund has opportunistically added risk in the past few weeks, the extent of weakness across global FI markets hasn't reflected enough of the potential downsides perceived as within reasonable bounds to warrant taking larger positions here. Hence, the Fund remains well supplied with both liquidity and risk appetite to capitalise even further on more widespread adjustment in risk premia, if this were to occur.

Portfolio managers
Nishan Maharaj and Seamus Vasey
as at 31 March 2026

IMPORTANT INFORMATION THAT SHOULD BE CONSIDERED BEFORE INVESTING IN THE CORONATION GLOBAL STRATEGIC USD INCOME [ZAR] FEEDER FUND

Unit trusts should be considered a medium- to long-term investment. The value of units may go down as well as up, and therefore Coronation does not make any guarantees with respect to the protection of capital or returns. Past performance is not necessarily an indication of future performance. The fund is mandated to invest up to 100% of its portfolio into foreign securities and may as a result be exposed to macroeconomic, settlement, political, tax, reporting or illiquidity risk factors that may be different to similar investments in the South African markets. Fluctuations or movements in exchange rates may cause the value of underlying investments to go up or down. The yield shown is an estimate (gross of fees) in part based on market assumptions and forecasts. The yield is calculated by taking the interest and income receivable of all the instruments in the fund divided by the net asset value, expressed as a nominal annual rate. It is provided to give an approximate indication of the achievable yield for an investment made at the reporting date. Actual experience may differ, based on changes in market values, interest rates and changes in costs actually experienced during the investment period. The yield disclosed on the MDD is current and calculated as at the MDD reporting date. A feeder fund invests in a single fund of a collective investment scheme, which levies its own charges and could result in a higher fee structure for the feeder fund. The asset allocation by instrument type are reflected on a look-through basis. The asset allocation by issuer type and top issuer exposures are not reflected on a look-through basis. Coronation Management Company (RF) (Pty) Ltd is a Collective Investment Schemes Manager approved by the Financial Sector Conduct Authority in terms of the Collective Investment Schemes Control Act. Portfolio managed by Coronation Asset Management (Pty) Ltd (FSP 548), an authorised financial services provider. The Management Company reserves the right to close the fund to new investors if we deem it necessary to limit further inflows in order for it to be managed in accordance with its mandate. Unit trusts are allowed to engage in scrip lending and borrowing. Standard Chartered has been appointed as trustees for the fund (www.sc.com/za; 011-2176600). Coronation is a full member of the Association for Savings & Investment SA (ASISA).

HOW ARE UNITS PRICED AND AT WHICH PRICE WILL MY TRANSACTION BE EXECUTED?

Unit trusts are traded at ruling prices set on every trading day. Fund valuations take place at approximately 15h00 each business day, except at month end when the valuation is performed at approximately 17h00 (JSE market close) and forward pricing is used. Instructions must reach the Management Company before 14h00 (12h00 for the Money Market Fund) to ensure same day value. The payment of withdrawals may be delayed in extraordinary circumstances, when the manager with the consent of the fund trustees deem this to be in the interest of all fund investors. These circumstances may include periods when significant underlying markets suspend trading which will prevent accurate valuation of the instruments held in the fund. When the suspension of trading relates to only certain assets held by the fund, these assets may be side-pocketed. This process allows normal liquidity on the assets that can be valued, but will delay liquidity on the affected portion of the fund. If the fund is faced with excessive withdrawals, the affected withdrawals may be ring-fenced, which is the separation and delayed sale of the assets reflecting the interest of the liquidity seeking investors. It ensures that the sale of a large number of units will not force Coronation to sell the underlying investments in a manner that may have a negative impact on remaining investors of the fund.

HOW WAS THE PERFORMANCE INFORMATION INCLUDED IN THIS FACT SHEET CALCULATED?

Performance is calculated by Coronation as at the last day of the month for a lump sum investment using Class A NAV prices with income distributions reinvested. All underlying price and distribution data is sourced from Morningstar. Performance figures are quoted after the deduction of all costs (including manager fees and trading costs) incurred within the fund. Note that individual investor performance may differ as a result of the actual investment date, the date of reinvestment of distributions and dividend withholding tax, where applicable. Annualised performance figures represent the geometric average return earned by the fund over the given time period. Unannualised performance represents the total return earned by the fund over the given time period, expressed as a percentage.

HOW ARE THE BENCHMARK RETURNS CALCULATED?

The benchmark used for performance purposes is 110% of Secured Overnight Financing Rate (SOFR). From 1 December 2021 the benchmark changed from the 110% of USD 3-month LIBOR to 110% of the Secured Overnight Financing Rate (SOFR). The benchmark returns shown in this MDD will be spliced between the previously applicable index values and the new benchmark from 1 December 2021.

WHAT IS THE TOTAL EXPENSE RATIO (TER) AND TRANSACTION COSTS (TC)?

TER is calculated as a percentage of the average net asset value of the portfolio incurred as charges, levies and fees in the management of the portfolio over the period referenced. The TER charged by any underlying fund held as part of a fund's portfolio is included in the fund expenses portion of the TER, but trading and implementation costs incurred in managing the underlying fund are excluded. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER may not necessarily be an accurate indication of future TER's. The 1 year TER is for the 12 months to end of the previous financial year (updated annually). The 3 year TER is for a rolling 36-month period to the last available quarter end (December, March, June and September).

Transaction costs are a necessary cost in managing a fund and impacts the fund's return. They should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of fund, the investment decisions of the investment manager and the TER.

The Total Investment Charge is the sum of the Total Expense Ratio (TER) and transaction costs.

ADVICE AND PLATFORM COSTS

Coronation does not provide financial advice. If you appoint an adviser, advice fees are contracted directly between you and the adviser. For more information please contact the relevant platform (Linked Investment Service Provider or Life Assurance Provider).

WHERE CAN I FIND ADDITIONAL INFORMATION?

Additional information such as daily fund prices, brochures, application forms and a schedule of fund fees and charges is available on our website, www.coronation.com

IMPORTANT INFORMATION REGARDING TERMS OF USE

This document is for information purposes only and does not constitute or form part of any offer to issue or sell, or any solicitation of any offer to subscribe for or purchase any particular investment. Opinions expressed in this document may be changed without notice at any time after publication. We therefore disclaim any liability for any loss, liability, damage (whether direct or consequential) or expense of any nature whatsoever which may be suffered as a result of or which may be attributable, directly or indirectly, to the use of or reliance upon the information.