CORONATION JIBAR PLUS FUND

Fund Information as at 30 November 2017

CORONATION
TRUST IS EARNED™

WHAT IS THE FUND'S OBJECTIVE?

The fund aims to deliver a higher return than bank deposits and traditional money market funds.

WHAT DOES THE FUND INVEST IN?

The fund will only invest in South African money market instruments. These include a wide range of instruments issued by banks, corporations and other institutions. The fund will primarily invest in floating-rate instruments, and has a maximum duration of two years.

IMPORTANT PORTFOLIO CHARACTERISTICS AND RISKS

Risk Profile

1/10
Conservative

Maximum growth/
minimum income exposures

Growth Assets: 0%
Income Assets: 100%

The fund is designed to protect capital, while providing a steady stream of income over time. This is achieved by holding floating rate notes that provide a higher yield than the prevailing money market rate. Floating rate notes will also protect the investment against interest rate volatility or unexpected interest rate changes.

Our fixed income investment team researches the full spectrum of money market instruments.

The fund's investments are subjected to a strict risk management process. All factors that could affect these investments are carefully monitored, including inflation as well as currency and interest rates.

While the risk of losing money over all investment periods is low, the fact that the fund can take somewhat more risk than a traditional money market fund is reflected in its fluctuating rather than constant daily price.

HOW LONG SHOULD INVESTORS REMAIN INVESTED?

The recommended term for this investment is one month and longer. Given its lack of exposure to growth assets, the fund is not suited for lengthy investment terms.

WHO SHOULD CONSIDER INVESTING IN THE FUND?

Risk averse investors who seek

- protection against possible interest rate volatility;
- an alternative to bank deposits or money market funds that may deliver better returns;
- fast access to their money, and who don't want to commit their cash for a specific period;
- capital protection, but not long-term capital growth.

WHAT COSTS CAN I EXPECT TO PAY?

An annual fee of 0.45% (excl. VAT) is payable.

Fund expenses that are incurred in the fund include trading, custody and audit charges. All performance information is disclosed after deducting all fees and other portfolio costs.

More detail is available on www.coronation.com.

WHO ARE THE FUND MANAGERS?

NISHAN MAHARAJ
BSc (Hons), MBA

MAURO LONGANO
BScEng (Hons), CA (SA)

SINOVUYO NDALENI
BBusSc

GENERAL FUND INFORMATION

Launch Date	3 April 2000
Fund Class	A
Benchmark	Alexander Forbes STeFI 3-month Index
Fund Category	South African – Interest Bearing – Short Term
Regulation 28	Does not comply
Income Distribution	Quarterly (March, June, September, December)
Investment Minimum	R5 000 or R500/m debit order
Bloomberg Code	CORINBR
ISIN Code	ZAE000023867
JSE Code	CIMF

CORONATION JIBAR PLUS FUND

CLASS A as at 30 November 2017

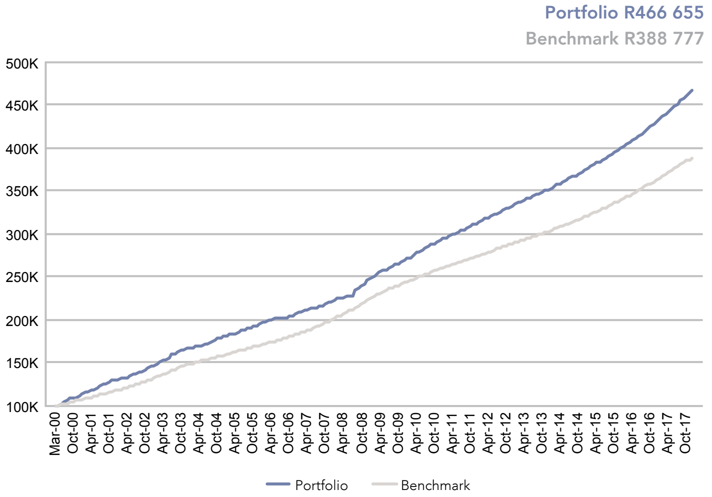
CORONATION
TRUST IS EARNED™

Fund category	South African - Interest Bearing - Short Term
Launch date	03 April 2000
Fund size	R 2.06 billion
NAV	1107.13 cents
Benchmark/Performance Fee Hurdle	Alexander Forbes 3-month (SteFI) Index
Portfolio manager/s	Nishan Maharaj, Mauro Longano and Sinovuyo Ndaleni

	1 Year	3 Year
Total Expense Ratio	0.55%	0.53%
Fund management fee	0.45%	0.45%
Fund expenses	0.04%	0.02%
VAT	0.06%	0.03%
Transaction costs (inc. VAT)	0.00%	0.00%
Total Investment Charge	0.55%	0.53%

PERFORMANCE AND RISK STATISTICS

GROWTH OF A R100,000 INVESTMENT (AFTER FEES)



PERFORMANCE FOR VARIOUS PERIODS (AFTER FEES)

	Fund	Benchmark	Active Return
Since Launch (unannualised)	366.7%	288.8%	77.9%
Since Launch (annualised)	9.1%	8.0%	1.1%
Latest 15 years (annualised)	8.1%	7.5%	0.5%
Latest 10 years (annualised)	7.8%	6.9%	0.9%
Latest 5 years (annualised)	7.0%	6.2%	0.9%
Latest 3 years (annualised)	7.7%	6.7%	1.0%
Latest 1 year	8.4%	7.2%	1.3%
Year to date	7.7%	6.5%	1.2%

	Fund
Yield	8.6%

RISK STATISTICS SINCE LAUNCH

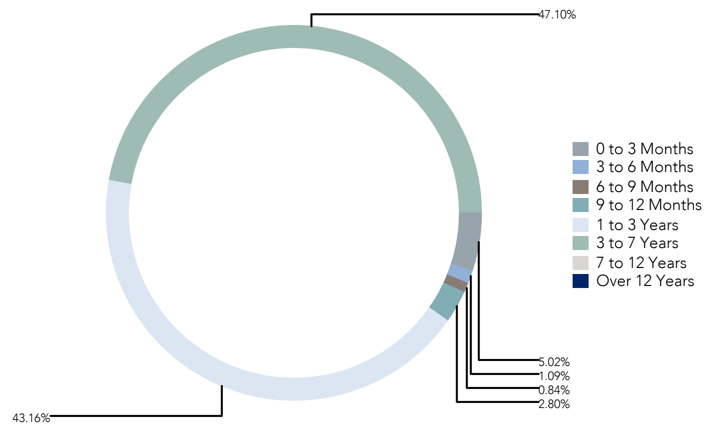
	Fund	Benchmark
Annualised Deviation	1.5%	0.7%
Sharpe Ratio	0.49	N/A
Maximum Gain	111.7%	N/A
Maximum Drawdown	(0.3)%	N/A
Positive Months	98.1%	N/A

	Fund	Date Range
Highest annual return	18.6%	May 2000 - Apr 2001
Lowest annual return	5.8%	Feb 2013 - Jan 2014

PORTFOLIO DETAIL

MATURITY PROFILE

As at 30 Nov 2017



MATURITY PROFILE DETAIL

As at 30 Nov 2017

0 to 3 Months	5.0%
3 to 6 Months	1.1%
6 to 9 Months	0.8%
9 to 12 Months	2.8%
1 to 3 Years	43.2%
3 to 7 Years	47.1%
7 to 12 Years	0.0%
Over 12 Years	0.0%
Average Duration in days	53

INCOME DISTRIBUTIONS

Declaration	Payment	Amount	Interest
29 Sep 2017	02 Oct 2017	21.94	21.94
30 Jun 2017	03 Jul 2017	23.37	23.37
31 Mar 2017	03 Apr 2017	22.48	22.48
30 Dec 2016	03 Jan 2017	22.71	22.71

MONTHLY PERFORMANCE RETURNS (AFTER FEES)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund 2017	0.71%	0.59%	0.69%	0.66%	0.74%	0.68%	0.70%	0.71%	0.63%	0.69%	0.64%		7.70%
Fund 2016	0.55%	0.62%	0.55%	0.58%	0.67%	0.64%	0.63%	0.69%	0.68%	0.67%	0.67%	0.71%	7.90%
Fund 2015	0.55%	0.50%	0.59%	0.54%	0.52%	0.56%	0.72%	0.57%	0.45%	0.60%	0.52%	0.46%	6.80%

Please note that the commentary is for the retail class of the fund.

The fund generated a return of 2.04% for the quarter and 8.45% over a rolling 12-month period, which is ahead of the 3-month STeFI benchmark return of 7.21%. The fund continues to produce strong returns against its benchmark over the long term.

The All Bond Index gained 1.11% in September. This strong performance showed gains across the curve, with longer-dated bonds of 12+ years performing best (+1.38%), followed by the belly of the curve (7 to 12 years) which performed almost as well (+0.79%). Short-dated bonds (1-3 years) were up 0.58%, and bonds maturing over 3-7years gained 0.51%. Inflation-linkers (+1.07%) rose after a small gain in August. Cash returned 0.54%.

		M	Q	Custom	Y	YTD
30/09/2017		1m	3m	6m	12m	YTD
GREENER	All Bond	1.11%	3.7%	5.2%	8.2%	7.8%
GOVI	GOVI	1.08%	3.7%	5.4%	8.4%	8.0%
OTHI	OTHI	1.18%	3.7%	4.9%	7.8%	7.4%
JAPI01	Bonds 1-3 Years	0.58%	2.7%	4.7%	9.0%	7.4%
JAPI02	Bonds 3-7 Years	0.51%	3.1%	5.6%	10.3%	9.1%
JAPI03	Bonds 7-12 Years	0.79%	3.6%	6.1%	9.6%	8.9%
JAPI04	Bonds 12+Years	1.38%	4.0%	5.0%	7.2%	7.2%
STF3M	Cash	0.54%	1.7%	3.5%	7.2%	5.3%
J251	Preference Share Index	0.62%	0.2%	1.5%	4.5%	2.5%
BEASSACILI	BEASSA Composite Inflation-Linked All Bond Index	1.07%	1.4%	2.4%	0.9%	1.8%
BARCLAYSBNDR	Barclays Global Aggregate Bond Index (ZAR)	3.22%	5.5%	5.5%	-2.5%	5.2%
BARCLAYSBNDU	Barclays Global Aggregate Bond Index ($)	-0.90%	1.8%	4.4%	-1.3%	6.3%
CPIX	South Africa CPI	0.10%	0.5%	1.1%	4.7%	3.4%

Source: Deutsche Securities

Political surprises, low inflation and central banks' balance sheets dominated news flow this month. In Europe, Germany's election – which was widely expected to yield an overwhelming victory for Angela Merkel and see a coalition between the CDU and SPD – saw a surprise increase in support for the populist right-wing party AfD. SPD withdrew as CDU coalition partner, and due to diminished support Ms Merkel now needs to form a new coalition. This is likely to take time. In Japan, Prime Minister Abe called snap elections for 22 October. His popularity has risen meaningfully in recent opinion polls, and he is running on a platform of increased spending on education, constitutional reform and a stronger leadership position in the face of ongoing missile threats from North Korea. An emerging opposition coalition could increase uncertainty, and bears watching.

Global economic data continue to suggest decent underlying momentum across developed and emerging economies, but inflation has remained lower than activity data might suggest. Indices tracking global GDP, like JP Morgan's global manufacturing tracker, suggests global growth will be about 3.6% this year. In the US, GDP estimates for the second quarter were revised up slightly from 3.0% to 3.1%. Underlying data show emerging growth in capital expenditure on equipment, decent accumulation of inventories too, and an improved trade performance. Income and consumption data were a bit weaker, with nominal income growth at 0.1% month-on-month (m/m) in August, and real growth falling as a result of rising inflation. The August payrolls report showed growth of 156K from 189K the month before, and the unemployment rate ticked up to 4.4% from 4.3% in July. The September hurricanes are expected to temporarily drag third-quarter GDP and employment numbers weaker, with the GDP figure currently tracking about 2.0%.

Inflation is still well below the Federal Reserve's (Fed) target – although there are some tentative signs of an acceleration at headline level. Core personal consumption expenditures undershot consensus forecasts in August, rising just 0.1% m/m and moderating to 1.3% year-on-year (y/y) from 1.4% y/y. However, headline CPI was up 0.4% m/m, and 1.9% y/y, ahead of the consensus forecast, driven mostly by rising gasoline prices. Core inflation was a little higher on the month as some transitory disinflation (communication and medical costs) has moved out of the data. In September, the Fed announced the start of its balance sheet normalisation in October (somewhat earlier than the market expected), and signalled that it is still broadly on track to raise rates again in December.

Eurozone growth remains resilient, although a stronger euro could detract in the longer term. Gains in the Purchasing Managers Index (PMI) were healthy in September, after some weaker prints in July and August. With PMI levels now almost as high as the record peaks registered in April and May of this year, the outlook for euro area manufacturing is still good, and export-oriented new orders showed particular strength in September, despite the recently stronger currency. Importantly, the PMI data suggest tightening capacity, with backlogs lengthening, and signs of pipeline production prices rising. Elsewhere, euro area economic sentiment jumped to a 10-year high in September, reflecting good manufacturing sentiment as well as strong consumer sentiment with both current and future purchase intentions up, and employment intentions high across all sectors. Euro area unemployment was steady at 9.1% in August. The impact of the German election may dampen sentiment in coming months, but overall underlying growth momentum supports above-trend GDP growth for the region of about 2% in 2017.

Here again, inflation remains subdued. Flash estimates for headline inflation was 1.5% y/y in September – flat compared to the August print. Despite this, the European Central Bank (ECB) signalled in September that it expected to provide more detail about its plans to taper the current quantitative easing programme from the beginning of 2018 at their October meeting.

In Japan, following the very strong second-quarter GDP data of 4.0% quarter-on-quarter (seasonally adjusted and annualised), business conditions remain good. The Tankan survey , Japan's broadest business survey, showed that aggregate business conditions for the third quarter of this year were at their strongest levels since 1991, with strong external demand visibly boosting conditions for machinery and chemicals. The labour market is also showing signs of tightness, especially small and medium enterprise employment, but large firm hiring has lagged. This is holding back wage inflation which is still very low. Core CPI continues to deliver a sustained undershoot of its 2% target, but accelerated to 0.7% y/y in August.

Amongst its peers, the UK continues to fare poorly. Rising inflation is weighing on real income growth, and employment has stagnated. Ongoing concerns about the economic impact of Brexit and ongoing political uncertainty are likely to weigh on growth. A tricky combination of stubborn inflation pressure and weak growth has prompted the Bank of England to be much more hawkish, and the market expects the Monetary Policy Committee (MPC) to raise the base rate by 25bps in November.

In South Africa, uncertainty surrounding political outcomes at the ANC December electoral conference and the implications for policy going forward continue to dominate news flow. This, coupled with clear evidence of a meaningful deterioration in government finances is keeping confidence weak. Activity indicators so far in the third quarter of this year have been mixed – the PMI for September posted a modest recovery to 44.9 – still well below the breakeven level of 50 and bringing the third-quarter average to 43.9 – well below the 47.6 achieved in the second quarter. Surprisingly, vehicle sales were strong again in September, up 7.0% y/y after a gain of 7.6% y/y in August. Trade data for August showed another solid surplus of R5.9bn, and ongoing support for the currency, while credit extension to the private sector was slightly stronger at 6.0% y/y (from 5.7%) as corporate lending picked up.

The good news was largely limited to inflation, which, despite rising fuel prices, remains broadly on a moderating course. August CPI rose to 4.8% y/y from 4.6%, owing to higher petrol prices, but the underlying data – including food inflation – were softer, and core inflation was just 4.3% y/y. Despite this, and contrary to consensus expectations, the SA Reserve Bank decided to leave the repo rate unchanged at 6.75% at the September MPC meeting.

In recent months, external influences have overwhelmingly benefited South African fixed-income assets – and also the rand – along with other emerging markets. Developments that destabilise these supportive influences could potentially leave South African bonds in a precarious position, given the weak domestic fundamentals. As such, a defensive stance and an emphasis on relative value propositions within fixed income portfolios remain appropriate.

Portfolio managers
Nishan Maharaj, Mauro Longano and Sinovuyo Ndaleni
as at 30 September 2017

IMPORTANT INFORMATION THAT SHOULD BE CONSIDERED BEFORE INVESTING IN THE CORONATION JIBAR PLUS FUND

Unit trusts should be considered medium- to long-term investments. 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 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. Coronation Management Company (RF) (Pty) Ltd is a Collective Investment Schemes Manager approved by the Financial Services Board in terms of the Collective Investment Schemes Control Act. Portfolio managed by Coronation Asset Management (Pty) (FSP 548) Ltd, 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.

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. 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 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 September 2016 (updated annually). The 3 year TER is for a rolling 36-month period to the last 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 advisor, advice fees are contracted directly between you and the advisor. We will facilitate the collection of advice fees only upon receiving your instruction, up to a maximum of an initial fee of 3.00% and an ongoing fee of 1.00% per annum (where an initial advice fee of more than 1.50% is selected, the maximum annual advice fee that we will collect is 0.50%). Advice fees are usually collected through the redemption of units. You may cancel the instruction to facilitate the payment of advice fees at any time. Advisors will only share in Coronation fees subject to prior approval by and/or disclosure to the investor. A portion of Coronation's annual management fee may be paid to administration platforms such as Linked Investment Service Providers (LISPs) as a payment for administration and distribution services.

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

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