

WHAT IS THE FUND'S OBJECTIVE?

Top 20 aims to outperform the equity market over the long term.

WHAT DOES THE FUND INVEST IN?

The fund's managers actively seek out attractively valued shares that could offer strong long-term growth.

The fund would typically hold shares in a maximum of 20 companies selected from all equities listed on the JSE. Its investments will therefore always be concentrated and limited to shares in large companies listed in South Africa.

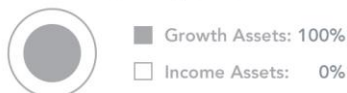
While investments in foreign markets are specifically excluded, the fund can invest in foreign companies that are listed locally. There are no restrictions on how much exposure the fund can have to different sectors (for example, to mining, financial or industrial companies). The fund will remain fully invested in shares at all times. The fund is mandated to use derivative instruments for efficient portfolio management purposes.

IMPORTANT PORTFOLIO CHARACTERISTICS AND RISKS

Risk Profile



Maximum growth/ minimum income exposures



The Top 20 Fund focuses on a limited number of shares we believe are attractively valued and offer superior long-term growth, and avoid those shares that we view as least attractive. Consequently, its investment performance will often look very different from that produced by the overall market.

The fund can only invest in shares that are listed in South Africa. As a result, it cannot provide diversification into other asset classes or geographies. While the fund can invest in smaller companies, it is expected to always have an allocation biased towards larger companies.

Shares can be volatile investments and the risk of capital loss over the short term is high. However, given its focus on investing only in attractively valued shares that could offer long-term growth, the fund may preserve capital better than its benchmark over the long run.

HOW LONG SHOULD INVESTORS REMAIN INVESTED?

The fund is managed to deliver the best possible returns over the long term; an investment horizon of 10 years or more is therefore ideal. It is not suitable as a single investment for investors who need to preserve their capital over five years or less.

WHO SHOULD CONSIDER INVESTING IN THE FUND?

Investors who are building wealth, and who

- are comfortable with full exposure to shares in large companies listed in SA;
- accept that the fund may underperform the market significantly in the short term in pursuit of superior long-term gains;
- are holding Top 20 as one of multiple equity funds in their investment portfolio.

WHAT COSTS CAN I EXPECT TO PAY?

An annual fee of a minimum of 0.50% and a maximum of 3.00%, depending on the fund's performance, is payable.

If the fund's return (after fees and costs) is equal to that of its benchmark, a fee of 1.00% will be charged. We share in 20% of performance above the benchmark, up to a maximum total annual fee of 3.00%. Performance is measured over a rolling 24-month period.

When the fund return is below the benchmark over a rolling 60-month period the fee is discounted by 0.50%.

All fees exclude VAT. 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. We do not charge fees to access or withdraw from the fund.

More detail is available on www.coronation.com.

WHO ARE THE FUND MANAGERS?



NEVILLE CHESTER
BCom, CA (SA), CFA



PALLAVI AMBEKAR
CA (SA), CFA



NICHOLAS STEIN
CA (SA), CFA

GENERAL FUND INFORMATION

Launch Date	2 October 2000
Fund Class	A
Benchmark	FTSE/JSE Capped All Share Index (CAPI)
Fund Category	South African – Equity – General
Regulation 28	Does not comply
Income Distribution	Semi-annually (March & September)
Investment minimum	R5 000 or R500/m debit order
Bloomberg Code	CORTP20
ISIN Code	ZAE000026431
JSE Code	CNTF

CORONATION TOP 20 FUND

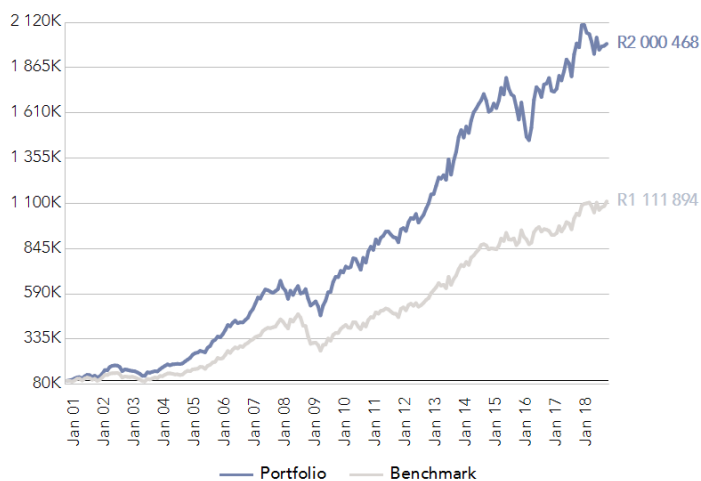
CLASS A as at 31 August 2018

Fund category	South African - Equity - General
Launch date	01 October 2000
Fund size	R19.96 billion
NAV	14017.00 cents
Benchmark/Performance	FTSE/JSE Capped All Share Index
Fee Hurdle	
Portfolio manager/s	Neville Chester, Pallavi Ambekar and Nicholas Stein

Total Expense Ratio	1 Year	3 Year
Fee for performance in line with benchmark	0.76%	0.90%
Adjusted for out/(under)-performance	1.00%	1.00%
Fund expenses	(0.35)%	(0.23)%
VAT	0.01%	0.02%
Transaction costs (inc. VAT)	0.09%	0.11%
Total Investment Charge	0.26%	0.27%
	1.02%	1.17%

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)	1900.5%	1011.9%	888.6%
Since Launch (annualised)	18.2%	14.4%	3.8%
Latest 15 years (annualised)	18.6%	16.1%	2.6%
Latest 10 years (annualised)	12.5%	10.5%	1.9%
Latest 5 years (annualised)	7.5%	9.9%	(2.4)%
Latest 3 years (annualised)	6.8%	8.7%	(1.9)%
Latest 1 year	(0.1)%	6.6%	(6.7)%
Year to date	(3.0)%	1.0%	(4.0)%

RISK STATISTICS SINCE LAUNCH

	Fund	Benchmark
Annualised Deviation	16.2%	17.3%
Sharpe Ratio	0.61	0.35
Maximum Gain	46.6%	37.4%
Maximum Drawdown	(31.7)%	(43.4)%
Positive Months	60.9%	59.5%

	Fund	Date Range
Highest annual return	68.9%	May 2005 - Apr 2006
Lowest annual return	(31.7)%	May 2002 - Apr 2003

MONTHLY PERFORMANCE RETURNS (AFTER FEES)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund 2018	(0.3)%	(2.1)%	(3.4)%	4.8%	(3.4)%	0.9%	0.2%	0.6%					(3.0)%
Fund 2017	4.2%	(1.5)%	3.0%	3.6%	(1.1)%	(3.9)%	6.8%	3.2%	(1.1)%	6.3%	0.1%	(2.1)%	18.1%
Fund 2016	(1.4)%	4.8%	10.3%	4.3%	(1.0)%	(2.3)%	4.2%	0.3%	1.8%	(4.0)%	(0.3)%	1.0%	18.3%
Fund 2015	2.7%	4.2%	(2.2)%	5.5%	(3.4)%	(1.8)%	(0.6)%	(3.7)%	(4.2)%	6.1%	(5.6)%	(6.2)%	(9.8)%
Fund 2014	(2.4)%	4.6%	3.0%	1.3%	1.6%	1.3%	2.1%	(2.2)%	(3.7)%	0.6%	2.3%	(1.6)%	6.8%
Fund 2013	3.9%	(0.6)%	1.6%	(2.1)%	9.4%	(6.4)%	6.1%	4.0%	6.0%	2.7%	(2.8)%	4.2%	27.9%
Fund 2012	5.3%	2.5%	(0.6)%	2.8%	(4.7)%	2.4%	2.0%	3.4%	2.7%	4.6%	0.1%	4.1%	26.9%
Fund 2011	(2.9)%	3.9%	1.3%	2.6%	0.1%	(1.8)%	(1.6)%	(0.4)%	(2.9)%	8.3%	0.8%	(1.8)%	5.2%
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%

PORTFOLIO DETAIL

EFFECTIVE ASSET ALLOCATION EXPOSURE

Sector	31 Aug 2018
Domestic Assets	100.0%
Equities	94.7%
Basic Materials	23.3%
Consumer Goods	13.9%
Health Care	8.0%
Consumer Services	18.9%
Telecommunications	7.2%
Financials	23.2%
Real Estate	5.4%
Cash	0.0%

TOP 10 HOLDINGS

As at 30 Jun 2018	% of Fund
Naspers Ltd	11.7%
British American Tobacco Plc	10.5%
MTN Group Ltd	8.3%
Standard Bank of SA Ltd	8.1%
Anglo American Plc	7.0%
Old Mutual LTD	5.5%
INTU Properties	5.5%
Mondi Limited	5.2%
Distell Group Ltd	4.6%
Investec Limited	4.4%

INCOME DISTRIBUTIONS

Declaration	Payment	Amount	Dividend	Interest
29 Mar 2018	03 Apr 2018	146.83	146.31	0.52
29 Sep 2017	02 Oct 2017	216.30	215.76	0.54
31 Mar 2017	03 Apr 2017	121.09	120.83	0.26
30 Sep 2016	03 Oct 2016	180.76	180.76	0.00

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

The fund delivered a return of 2.2% for the quarter which was behind the benchmark return of 2.9%. While the short-term performance is disappointing, our aim is to deliver outperformance over longer-term time periods. To this end, the fund's returns since inception are compelling, with alpha of 4% per annum, net of fees. The South African market started 2018 with a rally of optimism in local counters, driven by foreigners buying into the positive economic growth story after the ANC elective conference. This rally has faltered as the reality of weak reported results by domestic companies has revealed an economy that is still under pressure. While we are cautiously optimistic on the change in political leadership, we also recognise that the structural reforms needed will be tough to implement.

Despite domestic valuations becoming more palatable, we remain very selective with our local investment exposure. We have increased our holdings in both Standard Bank and Nedbank. Underlying economic improvement as well as market share gains should contribute to good advances growth. This, together with stringent cost control, will lead to improving returns on equity. Both banks also have reasonable exposure to African economies which are recovering strongly off very depressed bases. At current share price levels, we think their ratings do not fully reflect these companies' ability to deliver low teens earnings growth and decent dividend returns in the medium term.

During the quarter, Old Mutual (which is a Top 10 holding in the fund), implemented the first phase of its managed separation process. The company split into Quilter Cheviot (the UK wealth business) and Old Mutual Ltd (which mainly consists of Old Mutual Emerging Markets and a 55% stake in Nedbank). We continue to think that both components are attractive investments. Quilter is well placed across the value chain to benefit from the growth in retirement capital as a result of pension reforms in the UK. Old Mutual Ltd owns a mature but cash generative life insurance business and there should be further value unlock when it unbundles a c.35% stake in Nedbank in the coming six months.

Our exposure to rand hedge shares have had a mixed performance. Naspers and Mondi have performed well, while shares such as British American Tobacco (BTI) and Intu (ITU) have lagged. We think BTI is a compelling investment opportunity from a local and global perspective. Valuation multiples are at an all-time low due to investor concerns around changes in nicotine consumption due to the introduction of next generation products. BTI is introducing its own portfolio of next generation products and is continuing to compete strongly in traditional combustible cigarettes. We think the risk of disruption by new entrants is limited due to onerous regulatory barriers and that the traditional incumbents will prevail in this growing sector of the tobacco industry. ITU has come under further pressure as Hammerson retracted its buyout offer. This potential commercial deal as well as others e.g. the potential Klépierre/Hammerson deal and potential split of the Capco business, are starting to highlight the value that is emerging in the property sector. ITU now trades at a 50% discount to its underlying NAV, providing us with a sufficient valuation buffer.

The volatility we are seeing from macro-driven global flows of money into and out of our market is unsettling and disruptive. We will remain constant in applying our long-term valuation driven process to help us identify the right holdings for the fund, regardless of the macro theme of the moment. We believe this patience and discipline will deliver strong results and support your returns over the medium to long term.

Portfolio managers
Neville Chester and Pallavi Ambekar
as at 30 June 2018

IMPORTANT INFORMATION THAT SHOULD BE CONSIDERED BEFORE INVESTING IN THE CORONATION TOP 20 FUND

The Top 20 Fund should be considered a 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. Asset allocation and top 10 holdings are 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) (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. The fund's performance and fee benchmark is the FTSE/JSE Capped All Share Index (CAPI). The CAPI replaced the FTSE/JSE Top 40 Index from 1 Oct 2016. The fund benchmark shown in this MDD is therefore a splice of the current and historical benchmarks. Note that we use the formal SA – Equity – General category benchmark as specified in the ASISA Standard on Fund Classification, which is currently the FSTE/JSE All Share Index, for compliance monitoring purposes.

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 2017 (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 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

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