

## LONG TERM OBJECTIVE

The Coronation Core Equity Strategy is our benchmark cognisant offering within our equity product range. The Strategy is constructed with reference to a benchmark, and seeks to outperform the equity market over meaningful periods (defined as at least 5 years).

## INVESTMENT APPROACH

Coronation is a long-term, valuation-driven investment house. Our aim is to identify mispriced assets trading at discounts to their long-term underlying value (fair value) through extensive proprietary research. In calculating fair values, through our fundamental research, we focus on through-the-cycle normalised earnings and/or free cash flows using a long-term time horizon. The Portfolio is constructed with reference to a benchmark based on the relative risk-adjusted upside to fair value of each underlying security.

## STRATEGY RETURNS GROSS OF FEES

Period	Strategy	Benchmark	Active Return
Since Inception (cumulative)	908.0%	697.6%	210.4%
Since Inception p.a.	17.1%	15.2%	1.9%
Latest 10 years p.a.	14.2%	13.2%	1.0%
Latest 5 years p.a.	5.2%	5.8%	(0.6)%
Latest 1 year	(11.3)%	(11.1)%	(0.2)%
Year to date	(13.0)%	(13.6)%	0.6%
Month	(6.3)%	(6.1)%	(0.2)%

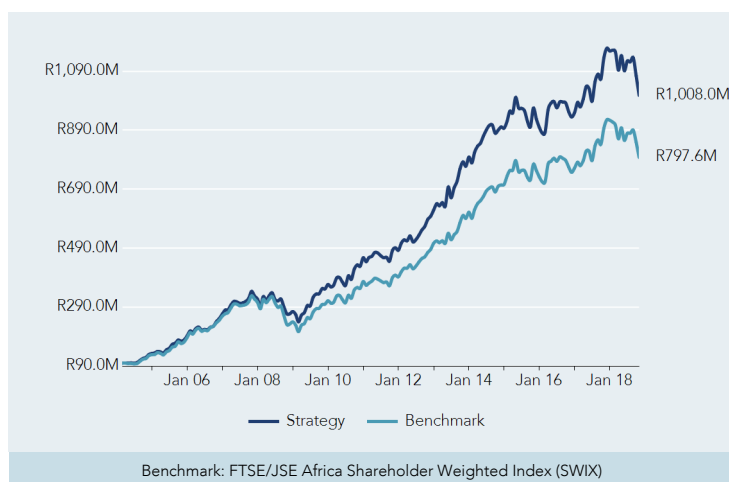
## TOP 10 HOLDINGS

Holding	% Strategy
NASPERS LIMITED	14.1%
BRITISH AMERICAN TOBACCO PLC	6.4%
STANDARD BANK GROUP LTD	6.3%
SASOL LIMITED	6.2%
ANGLO AMERICAN PLC	5.3%
MTN GROUP LIMITED	4.7%
NEDBANK GROUP LIMITED	3.9%
FIRSTRAND LIMITED	3.6%
REMGRO LIMITED	3.0%
WOOLWORTHS HOLDINGS LIMITED	2.9%

## GENERAL INFORMATION

Inception Date	01 March 2004
Strategy Size	R14.46 billion
Strategy Status	Open
Mandate Benchmark	FTSE/JSE Africa Shareholder Weighted Index (SWIX)
Dealing Frequency	Daily
Base Currency	ZAR

## GROWTH OF R100M INVESTMENT



## PERFORMANCE & RISK STATISTICS (Since inception)

	Strategy	Benchmark
Average Annual Return	18.2%	16.3%
Tracking Error	3.0%	
Information Ratio	0.6	
Annualised Standard Deviation	14.0%	14.1%
Maximum Drawdown	(30.1)%	(37.0)%

## TRACKING ERROR



**SECTOR EXPOSURE**

Sector	% Strategy
Financials	28.6%
Consumer Services	25.5%
Basic Materials	20.1%
Consumer Goods	10.1%
Telecommunications	4.7%
Health Care	4.5%
Industrials	3.5%

Sector	% Strategy
Metals	1.7%
Derivatives	0.8%
Specialist Securities	0.4%
Technology	0.1%

**PORTFOLIO MANAGERS**



**Quinton Ivan** - BBusSc, Bcom (Hons), CA (SA), CFA

Quinton is head of SA Equity research and co-manages Coronation's Core Equity Strategy. He also has research responsibilities for a number of retail, pharmaceutical and construction stocks. Quinton joined Coronation in 2005 and has 13 years' investment experience.



**Neill Young** - BBusSc, CA (SA), CFA

Neill joined Coronation in 1998 and co-manages Coronation's Core Equity Strategy. His research responsibilities extend to the platinum sector as well as a number of financial stocks. Neill has 20 years' investment experience.

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