

## 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)	1,059.4%	814.2%	245.2%
Since Inception p.a.	17.5%	15.7%	1.8%
Latest 15 years p.a.	17.7%	16.0%	1.7%
Latest 10 years p.a.	15.6%	14.6%	1.0%
Latest 5 years p.a.	6.5%	7.0%	(0.5)%
Latest 1 year	1.4%	1.8%	(0.4)%
Year to date	13.5%	12.1%	1.4%
Month	5.3%	5.7%	(0.4)%

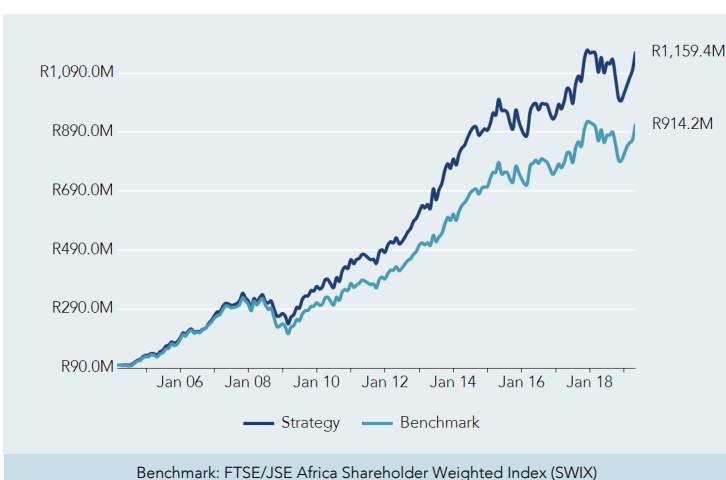
## TOP 10 HOLDINGS

Holding	% Strategy
NASPERS LIMITED	17.6%
STANDARD BANK GROUP LTD	6.8%
SASOL LIMITED	5.5%
BRITISH AMERICAN TOBACCO PLC	5.4%
ANGLO AMERICAN PLC	5.4%
MTN GROUP LIMITED	5.0%
NEDBANK GROUP LIMITED	3.9%
FIRSTRAND LIMITED	3.3%
REMGRO LIMITED	2.7%
SPAR GROUP	2.6%

## GENERAL INFORMATION

Inception Date	01 March 2004
Strategy Size	R14.04 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	18.6%	16.8%
Tracking Error	3.0%	
Information Ratio	0.6	
Annualised Standard Deviation	13.9%	14.0%
Maximum Drawdown	(30.1)%	(37.0)%

## TRACKING ERROR



**SECTOR EXPOSURE**

Sector	% Strategy
Consumer Services	29.0%
Financials	27.0%
Basic Materials	20.4%
Consumer Goods	9.0%
Telecommunications	5.0%
Health Care	3.5%
Industrials	3.1%

Sector	% Strategy
Derivatives	1.5%
Metals	1.0%
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 14 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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