CORONATION JIBAR PLUS FUND

Fund Information as at 31 July 2019

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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 typically 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?

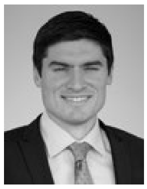
An annual fee of 0.45% (excl. VAT) is payable.

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

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CLASS A as at 31 July 2019

Fund category	South African - Interest Bearing - Short Term
Launch date	03 April 2000
Fund size	R 3.04 billion
NAV	1102.37 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	0.52%	0.52%
Fund management fee	0.45%	0.45%
Fund expenses	0.01%	0.01%
VAT	0.06%	0.06%
Transaction costs (inc. VAT)	0.00%	0.00%
Total Investment Charge	0.52%	0.52%

PERFORMANCE AND RISK STATISTICS

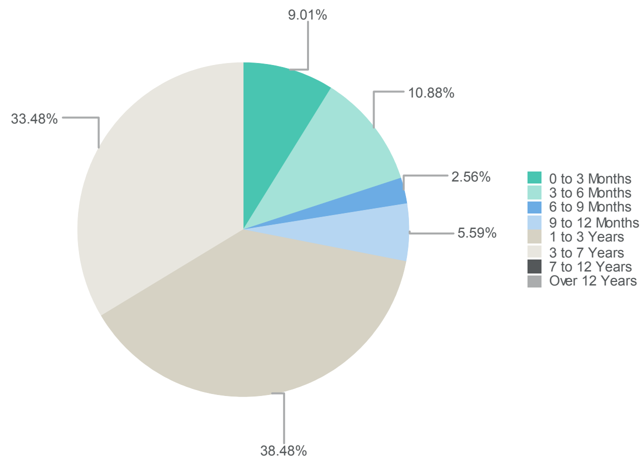
GROWTH OF A R100,000 INVESTMENT (AFTER FEES)

Portfolio R531 662
Benchmark R434 832

PORTFOLIO DETAIL

MATURITY PROFILE

As at 31 Jul 2019



PERFORMANCE FOR VARIOUS PERIODS (AFTER FEES)

	Fund	Benchmark	Active Return
Since Launch (unannualised)	431.7%	334.8%	96.8%
Since Launch (annualised)	9.0%	7.9%	1.1%
Latest 15 years (annualised)	7.7%	7.1%	0.6%
Latest 10 years (annualised)	7.4%	6.2%	1.1%
Latest 5 years (annualised)	7.8%	6.7%	1.0%
Latest 3 years (annualised)	8.3%	7.1%	1.2%
Latest 1 year	8.1%	7.0%	1.2%
Year to date	4.6%	4.0%	0.6%
	Fund		
Yield	8.2%		

MATURITY PROFILE DETAIL

As at 31 Jul 2019	
0 to 3 Months	9.0%
3 to 6 Months	10.9%
6 to 9 Months	2.6%
9 to 12 Months	5.6%
1 to 3 Years	38.5%
3 to 7 Years	33.5%
7 to 12 Years	0.0%
Over 12 Years	0.0%

Average Duration in days	70

RISK STATISTICS SINCE LAUNCH

	Fund	Benchmark
Annualised Deviation	1.4%	0.6%
Sharpe Ratio	0.51	N/A
Maximum Gain	141.2%	N/A
Maximum Drawdown	(0.3)%	N/A
Positive Months	98.3%	N/A
	Fund	**Date Range**
Highest annual return	18.6%	May 2000 - Apr 2001
Lowest annual return	5.8%	Feb 2013 - Jan 2014

INCOME DISTRIBUTIONS

Declaration	Payment	Amount	Interest
28 Jun 2019	01 Jul 2019	23.42	23.42
29 Mar 2019	01 Apr 2019	21.76	21.76
31 Dec 2018	02 Jan 2019	22.55	22.55
28 Sep 2018	01 Oct 2018	20.93	20.93

MONTHLY PERFORMANCE RETURNS (AFTER FEES)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund 2019	0.66%	0.59%	0.61%	0.72%	0.67%	0.61%	0.69%						**4.60%**
Fund 2018	0.72%	0.63%	0.61%	0.67%	0.66%	0.62%	0.69%	0.64%	0.61%	0.69%	0.71%	0.66%	**8.20%**
Fund 2017	0.71%	0.59%	0.69%	0.66%	0.74%	0.68%	0.70%	0.71%	0.63%	0.69%	0.64%	0.63%	**8.40%**

Issue date: 2019/08/22

Please refer to page 4 of the Comprehensive Fact Sheet for important additional infomation, including change in cost disclosures.

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

The fund generated a return of 2.0% for the quarter to end-June 2019 (Q2-19) and 8.1% over a rolling 12-month period, which is ahead of the three-month STeFI benchmark return of 6.9%.

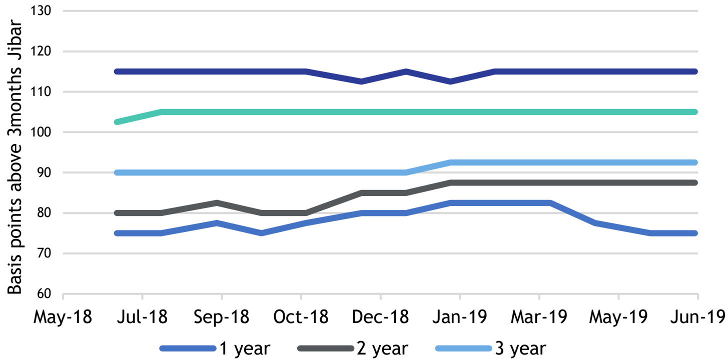
The quarter was marked by a disappointing contraction in GDP of 3.2% quarter-on-quarter, seasonally adjusted and annualised. This was considerably worse than expected, with the extent of the weakness being relatively broad-based. While power outages in the first quarter of 2019 would have contributed to this outcome, the data is testament to very constrained domestic demand. According to our internal forecasts, the economy is now likely to grow by 0.7% in 2019.

Headline inflation in May printed at 4.5% year-on-year, which was at the midpoint of the South African Reserve Bank's (SARB's) target range. This continues to be affected by muted inflation in food, discretionary services and goods. Our current expectation is for CPI to average 4.4% in 2019 and 5% in 2020. Longer term, the risk of higher food prices and administered price increases should be moderated by the weaker demand environment. The outlook for fuel prices also looks to be more benign, given the impact of weaker global growth on the oil price, together with recent rand strength.

The SARB's Monetary Policy Committee (MPC) left the repo rate unchanged at 6.75% at their last meeting in May. The vote was split 3:2, with two members voting for a 25 basis points (bps) cut and three members voting to keep rates steady. This split does highlight the narrative that there is room for monetary policy to provide some support to the weak economy, particularly given the muted inflation outlook. However, the MPC reiterated that the challenges facing the economy are primarily structural in nature and cannot be resolved by monetary policy alone. The interest rate market is currently pricing two 25bps interest rate cuts over the next year, which is in line with our own internal interest rate expectations. Should this outcome materialise, one can expect the absolute yield on the fund to decrease, given that the majority of the investments are held in floating-rate instruments.

Spreads on negotiable certificates of deposit (NCDs), as reflected above the three-month Jibar reference rate, have remained stable. The exception has been one-year instruments, which saw spreads decreasing from 85bps to 75bps. The contraction in NCD spreads will continue to be positive for the fund, although the benefit is only received when an NCD is sold back to the issuing bank. As such, while there is no immediate yield uplift, the benefit should materialise over time as the fund routinely creates liquidity by trading in these instruments. Going forward, we continue to see the risks to NCD spreads as being broadly balanced, with the fund well placed to handle adverse market moves.

FLOATING-RATE NCD SPREADS ABOVE JIBAR



Source: Bloomberg

The period saw robust issuance from banks, state-owned enterprises and corporates. Support for primary market auctions remained strong, despite the tight spreads on offer. Based on our internal fair value models, credit spreads on new issues generally reflect as being expensive and hence we remain cautious. We continue to only invest in instruments that are attractively priced relative to their underlying risk profile, with capital preservation and liquidity remaining key focus areas for the fund.

Portfolio managers
Nishan Maharaj, Mauro Longano and Sinovuyo Ndaleni
as at 30 June 2019

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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 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.

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 2018 (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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