CORONATION
GLOBAL MANAGED STRATEGY
INSTITUTIONAL STRATEGY FACT SHEET AS AT 31 MARCH 2019

CORONATION
TRUST IS EARNED™

LONG TERM OBJECTIVE

The Coronation Global Managed Strategy provides investors with access to the best investment ideas from around the world, with the aim of maximising long-term capital growth. It blends individual asset selection to reflect Coronation's view across asset classes, regions and currencies. The intent is to remain fully invested in foreign assets. The Strategy will hold its exposure to foreign assets in a variety of currencies, primarily the US dollar, British pound, euro and Japanese yen. The Strategy's objective is to outperform the global markets as measured by an equity-biased composite benchmark over a 5-year period.

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 business 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 on a cleanslate basis based on the relative risk-adjusted upside to fair value of each underlying security. The Portfolio is constructed with no reference to a benchmark. We do not equate risk with tracking error, or divergence from a benchmark, but rather with a permanent loss of capital.

STRATEGY RETURNS GROSS OF FEES

Period	Strategy	Benchmark	Active Return
Since Inception (cumulative)	102.5%	81.0%	21.5%
Since Inception p.a.	7.8%	6.5%	1.3%
Latest 5 years p.a.	4.1%	4.6%	(0.5)%
Latest 3 years p.a.	6.8%	7.0%	(0.2)%
Latest 1 year	0.8%	1.6%	(0.8)%
Year to date	11.6%	8.1%	3.5%
Month	1.2%	1.3%	(0.1)%

PERFORMANCE & RISK STATISTICS (Since inception)

	Strategy	Benchmark
Annualised Standard Deviation	12.2%	8.6%
Maximum Drawdown	(15.7)%	(11.1)%

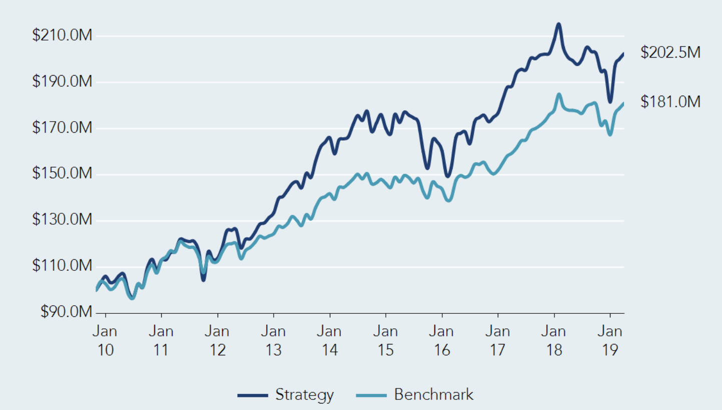
ASSET ALLOCATION

Asset Type	% Strategy
Equities	58.3%
Cash	18.9%
Bonds	11.4%
Property	9.9%
Commodities	1.5%

GENERAL INFORMATION

Inception Date	01 November 2009
Strategy Size	$898.4 million
Strategy Status	Open
Mandate Benchmark	60% MSCI Daily TR Net All Country World USD (NDUEACWF Index) and 40% Bloomberg Barclays Global Aggregate Bond TR Unhedged USD (LEGATRUU Index)
Redemption Terms	An anti-dilution levy will be charged
Base Currency	USD

GROWTH OF US$100M INVESTMENT



Benchmark: 60% MSCI Daily TR Net All Country World USD (NDUEACWF Index) and 40% Bloomberg Barclays Global Aggregate Bond TR Unhedged USD (LEGATRUU Index)

TOP 10 HOLDINGS

Holding	% Strategy
ALPHABET INC-CL A (USA)	3.6%
US T-BILL 0.000% 150819 (USA)	3.6%
BRITISH AMERICAN TOBACCO PLC (GBR)	3.6%
CHARTER COMMUNICATIONS INC-A (USA)	3.5%
REMGRO 2.625% 220321 (JEY)	2.9%
REDEFINE PRP 1.500% 160921 (ZAF)	2.9%
US T-BILL 0. 000% 200619 (USA) (USA)	2.2%
BLACKSTONE GROUP LP (USA)	2.2%
FIRSTRAND BANK LTD FRN 3.481% 210519 (ZAF)	2.2%
BARCLAYS GROUP AFRICA FRN 6.250% 250423 (ZAF)	2.1%

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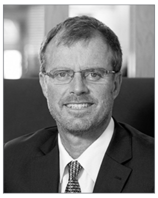
GEOGRAPHIC EXPOSURE

Region	% Strategy
North America	62.8%
Europe	21.0%
CEEMEA	13.1%
Asia	1.3%
Japan	1.2%
LATAM	0.4%
Other	0.2%

CURRENCY EXPOSURE

Currency	% Strategy
USD	79.9%
EUR	17.3%
GBP	2.5%
ZAR	2.2%
HKD	1.2%
JPY	1.2%
CNY	(5.7)%
Other	1.4%

PORTFOLIO MANAGERS



Louis Stassen - BSc, BCom (Hons), CFA

Louis is a founding member and former chief investment officer of Coronation, with 29 years' investment experience. As head of Global Developed Markets, he is a key decision maker within the global investment team and co-manager across all Global Multi-Asset Class strategies.

Neil Padoa - BEconSc, FFA

Neil is a portfolio manager and head of Global Developed Markets research. He joined Coronation in May 2012 and has 11 years' investment experience. Neil is co-manager of the Global Managed and Global Equity strategies.

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REVIEW FOR THE QUARTER

No sooner had the dust settled on 2018 than global investors changed their focus from recessionary fears to the more dovish commentary from both the US and European central banks in response to the weaker global economic outlook amidst heightened trade war fears. Expectations around future interest rate moves repriced significantly, with investors now expecting the next move to be a decline in short rates in the US. While this outlook continues to discount a significantly more dovish scenario than suggested by the US Federal Reserve's dot plot, this divergent interest rate view has been a feature of the market for quite some time. We continue to hold a slightly more hawkish view with regards to interest rates and believe the market has become too complacent about inflationary pressures as well as interest rates. Long bonds also repriced, with 10-year Treasuries now trading around 2.5% after touching 3.2% in the fourth quarter of 2018 (Q4-18).

Global equities performed well, almost fully erasing the declines of Q4-18, with the MSCI All Country World Index returning 12.2% over the quarter (Q1-19) on a net basis. As a result, the lagging 12-month performance has turned positive again, achieving 2.6% (net). The US outperformed Europe by about 3% over Q1-19 and by 12.5% over the last year. Japan was a notable laggard over these periods, returning 6.6% over Q1-19, and negative 7.6% over the last year. Emerging markets (as measured by the MSCI Emerging Markets Index) also underperformed their developed market peers by generating 9.9% (net) over Q1-19 and negative 7.4% (net) over the year. China bounced back strongly, as would have been expected given the slightly improved macroeconomic backdrop, but still performed poorly over the last 12 months. Information technology was the best-performing sector given the reduced long-term discount rate, while interest rate sensitive sectors such as real estate and consumer discretionary also did well. Energy rebounded on the back of the stronger oil price. Healthcare and financials were the laggards, with financials suffering from the flattening of, and drop in, the yield curve.

Surprisingly, the US dollar also strengthened by 2.2% against the euro and by 1.1% against the yen, contributing to the underperformance of the other regions. Gold was marginally positive over Q1-19.

As alluded to above, global bonds (as measured by the Bloomberg Barclays Global Aggregated Bond Index) had a good quarter, producing a positive return of 2.2% despite the stronger US dollar suppressing non-US asset returns. Over the last 12 months, the total return for global bonds was still marginally negative though. Global listed property performed well against the more benign outlook for interest rates, returning almost 15% over Q1-19. All regions were strong, led by the US, although Japan again lagged the rest of the world. Retail property stocks rebounded from their oversold levels.

The strategy had a strong quarter, both relative and absolute, the best performance in absolute terms since inception and close to the best performance on a relative basis. Over the last one, three and five years to end-March 2019, the strategy is now marginally behind its benchmark, but still well ahead over longer time periods and since inception.

While we increased the strategy's equity exposure over Q1-19, we averaged an equity exposure of 60% so far this year, thus not fully benefiting from the sharp bounce in equity prices. Our property exposure, while lagging the overall property index returns, still contributed strongly to the good performance. Our fixed interest component was very conservatively positioned, thus not participating in the downward move in long bonds. Over the last 12 months the major detractors were our UK property holdings.

Within equities, it was pleasing that some of our detractors in previous quarters turned around strongly in Q1-19 to contribute to performance. British American Tobacco was the biggest contributor (arguably from a very oversold position), followed by Altice USA which has rerated on slightly better-than-expected results and rumours of an asset sale that will help the company delever quicker than expected. Airbus continued to perform well, aided of late by the misfortunes of its biggest competitor, Boeing. Philip Morris, Charter Communications and Pershing Square Holdings (Pershing) also materially added to the strategy's outperformance.

Amongst our detractors Aspen stands out given the sharp sell-off in its share post the release of its latest set of results. The market focused on the risk of an unsuccessful proposed infant milk formula transaction, which will lead to a breach of bank covenants. Subsequent to quarter end, more positive news about this transaction has been released, and we remain positive that, post this transaction, the leverage will be much more manageable. CVS and Walgreens also detracted from performance on poorer results announcements and continued unease about Amazon's intentions to enter the pharmaceutical space.

We have somewhat reduced both our equity and listed-property exposure into the rally, and hence the strategy is marginally conservatively positioned. While equity valuations are not high, we remain circumspect regarding US interest rates while also keeping an eye on geopolitical developments.

Pershing is a stock we have held in the strategy for a long time. We received some questions about this holding, as it represents an investment into a strategy that is actively managed by Bill Ackman, an activist investment manager with a great track record, until a few years ago. The strategy is a permanent capital vehicle with a relatively high fee structure. This means that unless Ackman performs very well, the strategy will tend to perform worse than the market after fees. At the time of investing, Ackman's fortunes have turned for the worse, following some high-profile disasters, such as investing in Valeant Pharmaceuticals and shorting Herbalife. We bought into the strategy at a discount to net asset value (NAV) of about 15% - 20%, which consists of only listed equities.

Interventions by Ackman since we established our holding included buying back 10% of the strategy at a 15% discount to NAV and investing another 10% into the strategy in his personal capacity. Over the last 12 - 18 months, his fortunes started changing materially, to the extent that the strategy has outperformed the S&P 500 Index by more than 20% over this time. Investors have continued to remain on the sidelines though, as is evidenced by the current discount to NAV of 27%. We believe that this level of discount is unsustainable, and that a number of alternative actions could help realise some or all of this value. In all of these outcomes investors will benefit substantially. At the same time though, we have reduced exposure to the stock somewhat, as we are worried that the asset values are now at challengingly high levels. This experience has again highlighted the benefit of taking a longer-term investment view. While these high-conviction ideas do not always work out as well as Pershing, we will continue to look for ideas across the investment spectrum, in both conventional and unconventional sectors and circumstances.