

WHAT IS THE FUND'S OBJECTIVE?

Capital Plus is in the first instance managed to achieve reasonable investment growth over the medium to long term. Our intent is that the fund should produce an annualised return of at least inflation plus 4% over time. In addition, we aim to preserve capital over any 18-month period. It is specifically managed to suit investors who want to draw an income over an extended period of time.

WHAT DOES THE FUND INVEST IN?

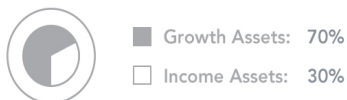
Capital Plus can invest in a wide range of assets, such as shares, bonds, listed property and cash, both in South Africa and internationally. As the fund actively seeks to curb risk and volatility, only a maximum of 70% of its investments may be held in growth assets like shares and listed property. Shares usually offer the best growth, but this comes with the greatest risk of short-term losses. The fund's exposure to shares is therefore carefully balanced with more stable investments like bonds. Maximum exposure to foreign assets is 30% (excluding Africa). 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 fund is tactically managed to protect and grow capital, as well as secure an attractive income. A large and experienced investment team actively seeks out the best potential opportunities for income and growth, while carefully considering the different risks within the fund.

Capital Plus is specifically managed to reduce the probability of losing money over any 18-month period, although it cannot guarantee protection against losses.

The fund is diversified across a range of assets reflecting its dual objectives of reasonable growth and capital stability. This includes a selection of shares we believe are attractively valued and may offer strong long-term returns, as well as strategic positions in quality income assets.

HOW LONG SHOULD INVESTORS REMAIN INVESTED?

The recommended investment term is three years and longer. The fund's exposure to shares may result in short-term price fluctuations, making it unsuitable to investors who can only invest for short periods.

WHO SHOULD CONSIDER INVESTING IN THE FUND?

- Pensioners and other investors requiring an income, especially those in the first half of retirement.
- Living annuity investors seeking a fund that aims to achieve both income and capital growth.
- Investors requiring a low-risk fund, which offers a reasonable rate of return, for their retirement annuity, provident fund, preservation fund or pension fund.
- Conservative investors who want to protect their savings.
- Trusts, endowments, foundations and charities who require long-term funding of a moderate spending rule.

WHAT COSTS CAN I EXPECT TO PAY?

An annual fee of 1.25% (excl. VAT) is payable.

The annual management fee is accrued daily and paid monthly. Fund expenses incurred in the fund include fees payable to unconnected international fund managers on a portion of assets situated offshore as well as trading, custody and audit charges. All performance information is disclosed after deducting all fees and other fund 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?



CHARLES DE KOCK

BCom (Hons), MCom
(Economics)



PALLAVI AMBEKAR

CA (SA), CFA

GENERAL FUND INFORMATION

Launch Date	2 July 2001
Fund Class	A
Benchmark	CPI + 4%
Fund Category	South African – Multi-asset – Medium Equity
Regulation 28	Complies
Income Distribution	Quarterly (March, June, September, December)
Investment minimum	R5 000 or R500/m debit order
Bloomberg Code	CORCAPP
ISIN Code	ZAE000031514
JSE Code	CCPF

CORONATION CAPITAL PLUS FUND

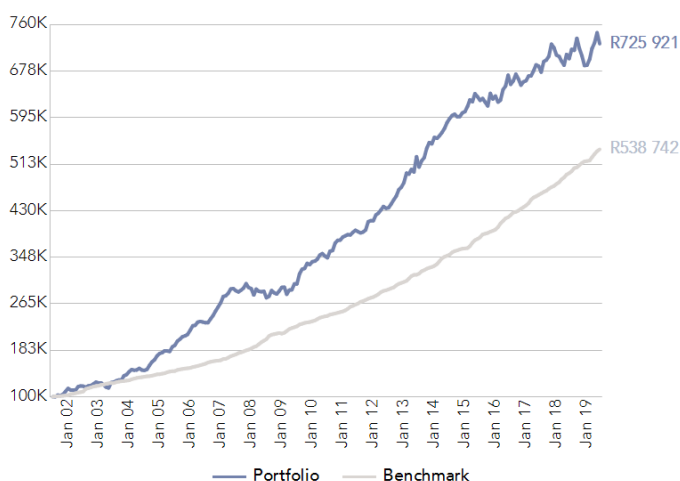
CLASS A as at 31 May 2019

Fund category	South African - Multi Asset - Medium Equity
Launch date	02 July 2001
Fund size	R14.49 billion
NAV	4115.31 cents
Benchmark/Performance	CPI + 4% p.a.
Fee Hurdle	
Portfolio manager/s	Charles de Kock and Pallavi Ambekar

Total Expense Ratio	1 Year	3 Year
Fund management fee	1.55%	1.61%
Fund expenses	1.25%	1.29%
VAT	0.13%	0.13%
Transaction costs (inc. VAT)	0.18%	0.18%
Total Investment Charge	0.06%	0.06%
	1.61%	1.67%

PERFORMANCE AND RISK STATISTICS

GROWTH OF A R100,000 INVESTMENT (AFTER FEES)



PORTFOLIO DETAIL

EFFECTIVE ASSET ALLOCATION EXPOSURE

Sector	31 May 2019
Domestic Assets	74.6%
Equities	30.5%
Basic Materials	5.3%
Industrials	0.8%
Consumer Goods	5.4%
Health Care	0.6%
Consumer Services	8.3%
Telecommunications	1.5%
Financials	7.2%
Technology	1.4%
Derivatives	0.1%
Preference Shares & Other Securities	1.4%
Real Estate	6.8%
Bonds	32.3%
Commodities	1.4%
Cash	2.4%
Other (Currency Futures)	(0.1)%
International Assets	25.4%
Equities	16.7%
Real Estate	0.7%
Bonds	4.2%
Commodities	0.4%
Cash	3.3%

PERFORMANCE FOR VARIOUS PERIODS (AFTER FEES)

	Fund	Benchmark	Peer Group Average
Since Launch (unannualised)	625.9%	438.7%	544.4%
Since Launch (annualised)	11.7%	9.9%	11.0%
Latest 15 years (annualised)	11.2%	9.7%	10.3%
Latest 10 years (annualised)	9.2%	9.2%	8.9%
Latest 5 years (annualised)	4.4%	9.0%	5.1%
Latest 3 years (annualised)	2.7%	8.8%	3.0%
Latest 1 year	3.8%	8.5%	4.6%
Year to date	5.5%	4.1%	5.1%

TOP 10 HOLDINGS

As at 31 Mar 2019	% of Fund
Naspers Ltd	3.8%
British American Tobacco Plc	2.9%
Anglo American Plc	2.4%
Egerton Capital Equity Fund	2.2%
Contrarius Global Absolute Fund	1.9%
Standard Bank of SA Ltd	1.8%
Maverick Capital	1.6%
Lansdowne Capital	1.4%
MTN Group Ltd	1.3%
Spar Group Ltd	1.2%

RISK STATISTICS SINCE LAUNCH

	Fund	Benchmark
Annualised Deviation	6.9%	1.5%
Downside Deviation	3.6%	N/A
Sharpe Ratio	0.52	1.15
Maximum Gain	29.5%	26.9%
Maximum Drawdown	(8.3)%	(0.9)%
Positive Months	67.4%	92.1%
	Fund	Date Range
Highest annual return	33.8%	Aug 2004 - Jul 2005
Lowest annual return	(6.2)%	Nov 2007 - Oct 2008

INCOME DISTRIBUTIONS

Declaration	Payment	Amount	Dividend	Interest
29 Mar 2019	01 Apr 2019	28.71	8.00	20.71
31 Dec 2018	02 Jan 2019	36.53	8.81	27.72
28 Sep 2018	01 Oct 2018	31.85	12.31	19.54
29 Jun 2018	02 Jul 2018	37.38	12.62	24.76

MONTHLY PERFORMANCE RETURNS (AFTER FEES)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund 2019	1.6%	2.7%	1.4%	2.5%	(2.6)%								5.5%
Fund 2018	(0.3)%	(1.2)%	(1.1)%	2.8%	(1.1)%	2.4%	(0.3)%	3.0%	(2.4)%	(1.8)%	(2.4)%	0.1%	(2.5)%
Fund 2017	1.3%	0.0%	1.4%	1.6%	(0.3)%	(1.6)%	2.8%	0.4%	1.0%	3.0%	(0.9)%	(1.8)%	6.9%
Fund 2016	(1.7)%	0.5%	3.0%	0.9%	3.0%	(2.4)%	0.9%	1.9%	(1.3)%	(1.7)%	0.9%	0.3%	4.3%
Fund 2015	1.5%	1.9%	(0.5)%	2.3%	(0.9)%	(1.0)%	0.6%	(1.1)%	(1.1)%	3.6%	(1.6)%	0.9%	4.6%
Fund 2014	(0.3)%	0.8%	1.0%	1.3%	1.8%	1.2%	1.0%	0.4%	(0.7)%	0.0%	1.1%	0.4%	8.1%
Fund 2013	3.5%	(0.4)%	1.7%	(1.0)%	5.5%	(3.5)%	2.2%	1.1%	3.2%	1.9%	(0.5)%	2.1%	16.8%

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

The first three months of 2019 saw a broad rebound in almost every asset class after a very difficult final quarter in 2018. The S&P 500 posted its strongest first quarter since 1998, gaining 13.7% year to date. Meanwhile, 10-year US Treasuries gained 2.9%, German Bund yields fell below zero and credit spreads saw broad tightening. The repricing in global bond markets was largely driven by a change in expectation for further interest rate hikes in the US to potential rate cuts over the next twelve months. The positive performance also fed through into the South African asset classes. During the quarter, the FTSE/JSE Shareholder Weighted All Share Index (SWIX) returned 3.9%, bonds returned 3.8%, and domestic property continued to lag at 1.3%. Against this backdrop, the fund had a decent quarter delivering a return of 5.8%.

The generally strong asset class performances reflect higher investor risk appetite but do not necessarily come with more positivity on the longer-term growth outlook. Growth in both developed and emerging markets is still expected to slow and many key issues remain unresolved. The US and China have yet to come to a trade agreement that is satisfactory to both parties. The Brexit process continues to drag on, with no clear plan. Large emerging markets, such as Brazil and Turkey, have come out of crisis mode but still seem to hit pockets of turbulence.

In line with this, South Africa's growth outlook continues to be muted. Rising commodity prices and increased political stability should have led to a more positive picture. However, Eskom's financial and operational issues have quashed any optimistic momentum. While increased government support has temporarily settled Eskom's financial issues, solving their operational issues will present more of a challenge. We expect that load shedding will be more frequent going forward and will have a negative impact on the current productivity and profitability of South African corporates. Businesses will also delay or scrap new investments and this will negatively impact future growth.

Despite this more cautious outlook, the fund still has a 75% position in domestic assets. Within this, the largest local allocation is to fixed-income assets and cash (32.6% of fund), with a weighted average yield of 9.5%. This yield handily meets the fund's mandate of delivering returns of CPI +4%. The risk of a downgrade to our sovereign rating has been delayed, with Moody's deciding not to change their credit outlook at the end of March. While bonds have reacted positively, we think this is a stay of execution rather than an absolute pardon. The risk of a downgrade may still re-emerge in the coming months, but for now the real yields on our portfolio of fixed-income assets remain attractive, given a benign inflation outlook.

We have kept our South African equity exposure fairly constant at 31.6% of the portfolio, with a high weighting to rand-hedge shares. Some of our large equity positions, such as British American Tobacco and MTN posted robust recoveries after delivering good financial results. Resource counters in particular have had a big re-rating, and we took the opportunity of share price strength to sell out of our Anglo American Platinum position. We have also taken up select small exposures to domestically-focused defensive businesses. While we are cautious about our South African growth outlook, our investment discipline is to focus on valuations. If an attractive opportunity presents itself at the right price, we will act accordingly.

South African property shares have continued to deliver a lacklustre performance. Landlords have now finalised an agreement to support Edcon, either via rental reduction or with a recapitalisation. These actions will result in muted distribution growth going forward. While yields are looking reasonable, we have chosen to largely maintain our exposure to domestic property at 7.5%.

At the start of the year our international exposure was relatively low at 22.6%. We bought currency futures to take advantage of attractive exchange rates and exposure now sits at 25%. Our offshore exposure is still mainly allocated to global equities. All the underlying international investments have delivered good alpha in the last quarter, further assisted by the rand weakness.

In summary, the fund has had an encouraging start to the year. Although the fund has been ahead of inflation over all time periods, it has only beaten its benchmark over the longer term time horizons. While the ongoing global uncertainties create much volatility and can result in a range of positive or adverse growth outcomes, our unwavering focus is to build a diversified portfolio that can absorb unanticipated shocks. In this manner, we want to deliver on the fund's dual mandate of beating inflation by 4% over time and protecting capital over all rolling 18-month periods. Longer-term performance also meets these criteria.

Portfolio managers
Charles de Kock and Pallavi Ambekar
as at 31 March 2019

IMPORTANT INFORMATION THAT SHOULD BE CONSIDERED BEFORE INVESTING IN THE CORONATION CAPITAL PLUS FUND

The Capital Plus Fund should be considered a medium- to 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. The fund is mandated to invest up to 30% (including a maximum exposure of 5% to Africa, excluding South Africa) of its portfolio into foreign securities and may as a result be exposed to macroeconomic, settlement, political, tax, reporting or illiquidity risk factors that may be different to similar investments in the South African markets. Fluctuations or movements in exchange rates may cause the value of underlying investments to go up or down. Asset allocation and top 10 holdings are reflected on a look-through basis. Any African exposure (ex SA) is reflected under international assets. The fund is managed in line with Regulation 28 limits, although it is not required as per the fund's supplemental deed. 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 peer group average is calculated as the average return of all the funds in the respective ASISA category (excluding Coronation Funds in that category).

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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