

WHAT IS THE FUND'S OBJECTIVE?

Market Plus aims to maximise long-term investment growth, at lower levels of risk than a fund that is only invested in shares.

WHAT DOES THE FUND INVEST IN?

Market Plus can invest in a wide range of assets such as shares, bonds, listed property and cash, both in South Africa and internationally.

It will typically have a strong bias towards shares, which offer the highest expected long-term returns. But unlike an equity fund, it does not have to remain fully invested in shares when we believe the stock market is too expensive.

Foreign investments (excluding Africa) may represent up to 40% of its assets. 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



Market Plus represents Coronation's view on the best combination of different assets that could maximise long-term returns at a reasonable level of risk.

The fund is primarily invested in shares, and will actively seek out only those investments we believe are attractively valued and may offer superior long-term growth.

Market Plus will typically have more exposure to shares than a traditional balanced fund. Shares can be volatile investments and there is a risk of capital loss, especially over the short term. However, the fund is managed with a strong emphasis on instrument valuation and it is therefore unlikely to lose money over the longer term. It may still produce negative returns in extreme years, but at a lower level than a pure equity fund.

HOW LONG SHOULD INVESTORS REMAIN INVESTED?

The recommended investment term for this fund is five years and longer.

WHO SHOULD CONSIDER INVESTING IN THE FUND?

Long-term investors who are building wealth and

- can stay invested for at least five years (preferably longer);
- seek to preserve the purchasing power of their savings over the long term by investing in a diversified portfolio;
- are not dependent on an income from their investment;
- who do not need to accept the investment constraints applicable to retirement savers.

WHAT COSTS CAN I EXPECT TO PAY?

An annual fee of a minimum of 0.75% and a maximum of 2.40% is payable, depending on the fund's performance.

If the fund's return (after fees and costs) is equal to that of its benchmark, an annual fee of 1.25% will be charged. We share in 20% of performance above the benchmark plus 2%, up to a maximum annual total fee of 2.40%. Performance is measured over a rolling 24-month period.

When the fund underperforms the benchmark over any 60-month period, the fee is reduced by 0.50%.

TFI Class A - An annual fee of 1.25% is payable as of 01 February 2019. This class is only available for Tax Free Investments.

All fees exclude VAT. Fund expenses that are 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 portfolio costs.

More detail is available on www.coronation.com.

WHO ARE THE FUND MANAGERS?



**NEVILLE
CHESTER**
BCom, CA (SA), CFA



**NICHOLAS
STEIN**
CA (SA), CFA

GENERAL FUND INFORMATION

Launch Date	2 July 2001
Fund Class	A
Benchmark	Composite: 52.5% equity, 22.5% bonds, 5% cash, 20% international
Fund Category	Worldwide – Multi-asset – Flexible
Regulation 28	Does not comply
Income Distribution	Semi-annually (March & September)
Investment minimum	R5 000 or R500/m debit order
Bloomberg Code	CORMKPL
ISIN Code	ZAE000031506
JSE Code	CMPF

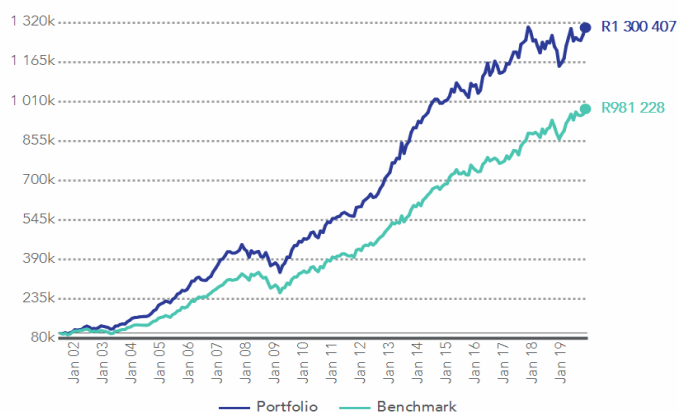
CLASS A as at 31 October 2019

Fund category	Worldwide - Multi Asset - Flexible
Launch date	02 July 2001
Fund size	R 4.29 billion
NAV	7948.57 cents
Benchmark/Performance	Composite (52.5% equity, 22.5% bonds, 20% international, 5% cash)
Fee Hurdle	
Portfolio manager/s	Neville Chester and Nicholas Stein

	CLASS A		CLASS TFI A	
	1 Year	3 Year	1 Year	3 Year
Total Expense Ratio	1.17%	1.31%	1.76%	1.75%
Fund Management Fee	1.25%	1.25%	1.39%	1.37%
Adjusted for out/(under)-performance	(0.38)%	(0.26)%	0.00%	0.00%
Fund expenses	0.18%	0.18%	0.18%	0.18%
VAT	0.12%	0.14%	0.20%	0.20%
Transaction costs (inc. VAT)	0.16%	0.15%	0.16%	0.15%
Total Investment Charge	1.33%	1.46%	1.92%	1.90%

PERFORMANCE AND RISK STATISTICS

GROWTH OF A R100,000 INVESTMENT (AFTER FEES)



PERFORMANCE FOR VARIOUS PERIODS (AFTER FEES)

	Fund	Benchmark	Active Return
Since Launch (unannualised)	1200.4%	881.2%	319.2%
Since Launch (annualised)	15.0%	13.3%	1.8%
Latest 15 years (annualised)	13.6%	13.4%	0.2%
Latest 10 years (annualised)	10.9%	11.4%	(0.5)%
Latest 5 years (annualised)	5.3%	7.7%	(2.4)%
Latest 3 years (annualised)	5.1%	8.5%	(3.5)%
Latest 1 year	7.4%	11.1%	(3.7)%
Year to date	11.9%	11.4%	0.5%

RISK STATISTICS SINCE LAUNCH

	Fund	Benchmark
Annualised Deviation	10.4%	9.9%
Sharpe Ratio	0.66	0.52
Maximum Gain	36.7%	29.3%
Maximum Drawdown	(24.4)%	(23.6)%
Positive Months	65.9%	66.8%

	Fund	Date Range
Highest annual return	50.0%	Aug 2004 - Jul 2005
Lowest annual return	(20.1)%	Mar 2008 - Feb 2009

MONTHLY PERFORMANCE RETURNS (AFTER FEES)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund 2019	1.5%	4.2%	2.7%	2.7%	(3.8)%	1.1%	(0.7)%	(0.2)%	1.8%	2.3%			11.9%
Fund 2018	0.4%	(2.1)%	(2.1)%	3.5%	(2.1)%	2.4%	(0.5)%	2.4%	(3.4)%	(1.3)%	(5.1)%	1.2%	(6.9)%
Fund 2017	2.5%	(0.2)%	2.0%	2.1%	0.0%	(1.8)%	4.5%	0.6%	0.7%	4.1%	(1.3)%	(2.9)%	10.4%

PORTFOLIO DETAIL

EFFECTIVE ASSET ALLOCATION EXPOSURE

Sector	31 Oct 2019
Domestic Assets	69.8%
■ Equities	46.3%
Basic Materials	12.5%
Industrials	1.7%
Consumer Goods	6.5%
Health Care	2.4%
Consumer Services	8.9%
Telecommunications	2.5%
Financials	9.2%
Technology	2.8%
Derivatives	(0.2)%
Other	0.0%
■ Real Estate	6.5%
■ Bonds	16.1%
■ Commodities	2.1%
■ Cash	(5.5)%
■ Other (Currency Futures)	4.3%
International Assets	30.2%
■ Equities	22.7%
■ Real Estate	1.4%
■ Bonds	4.0%
■ Cash	2.1%

TOP 10 HOLDINGS

As at 30 Sep 2019	% of Fund
British American Tobacco Plc	4.9%
Anglo American Plc	4.7%
Naspers Ltd	4.1%
Egerton Capital Equity Fund	3.1%
Standard Bank Group Ltd	2.9%
MTN Group Ltd	2.6%
Northam Platinum Ltd	2.4%
Contrarius Global Absolute Fund	2.3%
Maverick Capital	2.2%
Prosus	2.1%

INCOME DISTRIBUTIONS

Declaration	Payment	Amount	Dividend	Interest
30 Sep 2019	01 Oct 2019	153.97	65.70	88.27
29 Mar 2019	01 Apr 2019	152.46	59.00	93.47
28 Sep 2018	01 Oct 2018	177.41	84.31	93.10
29 Mar 2018	03 Apr 2018	127.63	38.32	89.31

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

The fund had a good relative quarter, delivering a return of 0.8% relative to the benchmark return of -1.0%. This saw the year-to-date return move to 9.4%, which is 0.5% ahead of the fund's benchmark and a pleasing absolute return following a number of periods of very low returns from multi-asset funds. It has continued to be an exceptionally difficult market, with many asset classes struggling and, as such, we are very happy to have been able to achieve this result.

We have been fairly active in our global allocation, moving the overall currency exposure, as the rand has been very volatile. We have taken advantage of selloffs to reduce our US dollar exposure and then re-established these positions as the rand has strengthened. The rand has moved within an 11% range this quarter and a 16% range this year, reflecting local factors and the volatility globally.

Within our offshore allocation we have continued to reduce our global equity allocation, through both outright sales and derivative protection strategies. We have reduced developed market equities, as the US markets hit all-time highs early in July and reduced some of our emerging market exposure where our internally managed building block has delivered an outstanding performance (well ahead of its benchmark).

We have added to our international property allocation, as this is one asset class that has failed to perform on the back of lower yields, as other concerns, which we believe are short-term in nature, have weighed on the respective share prices.

We increased our weighting to local listed equity as the JSE sold off in August, although our stock selection remains biased towards global companies listed on the JSE. Any pure domestically focused South African business has continued to have a torrid time, and few have shown results reflecting any sign of a turnaround.

The big contributor to our local equity returns this quarter has been our exposure to platinum, mainly through Northam Platinum. The listed platinum miner delivered a return in excess of 40% as the price of the overall platinum-group metals (PGM) basket rose, and the company showed improving results and strong cash generation. The progress on Booyssendal - its new, low-cost, mechanised mine - continues to be in line with project and budget, and this is gaining further recognition in the market. We also benefited from owning Impala Platinum and Royal Bafokeng Platinum. The fundamentals driving the higher prices in the PGM markets are firmly in place, as continued demand from automobile manufacturers - due to tightening emissions standards - meets declining supply from an industry that has not invested in new mines for close on a decade.

Our holding in Distell, the African cider, wine and spirits producer, also delivered a positive return this quarter as their results showcased a business that has managed to maintain market share and revenue growth in a tough environment and opened up operating margins through significant efficiency programmes. This should continue into the period ahead and will be further boosted from initiatives into Africa, where its products are gaining much traction and new routes to market take hold.

A big contributor to the fund's relative performance this quarter (and year) was having virtually no exposure to Sasol. After a series of disappointing updates about their giant Lake Charles Chemicals Project (LCCP) this year, the company managed to further disappoint the market with a weak trading update, followed a month later by a delay in the production of their results due to auditor concerns around controls at the LCCP. This delay was extended further and, as it stands, we have yet to see Sasol's June year-end results. These are all concerning issues; however, the market has now taken an extremely dim view on the group and its management, with the share price down over 40% since the beginning of the year. At these levels, despite the challenges the group faces, we think the share offers sufficient margin of safety to own a position and we have built a position in Sasol in the fund.

On the disappointing side, most exposure to South Africa-facing companies struggled in the quarter. The sentiment locally remains poor, and the brutally tough economic environment means there is very little revenue growth to be had for purely South African companies. Foreign investors have generally been sellers, putting more pressure on the share prices of most domestic stocks. While the banks we own all showed decent earnings numbers for the half year, they have all sold down further as concerns over the general outlook for South Africa, and worries over potential debt downgrades, has weighed on sentiment.

Our exposure to locally listed property has remained a weak spot in our performance. The UK-domiciled but South African-listed Intu has continued to struggle against the backdrop of bad news relating to Brexit and persistent worries over its debt structure. The new management team has undertaken to dispose of its very attractive Spanish assets, and we hope that by year end this will have alleviated some of the funding concerns. Local property remains weak as the tough trading environment takes its toll on retail centres and the weak economic conditions, as well as oversupply in key nodes, see very negative reversions in office rentals. We have improved the quality of the property exposure and the majority of it now comprises of fairly defensive and lowly-gear property counters.

We have continued to increase our exposure to domestic government bonds as the real yields remain attractive. While fiscal concerns remain, and the risk of the loss of our last investment grade rating is high, we think this is more than reflected in the prices of these assets. Our real yields are some of the highest available globally and make a compelling lower risk investment for the fund.

We continue to be optimistic about the return potential of the fund. Despite global macro conditions remaining fragile as trade wars and extreme political events remain prevalent and the local gloom that has descended on our economy, we feel that forward-looking returns can be very significant. A number of the building blocks in the portfolio are now very attractively priced and should be able to deliver strong returns in the period ahead. It is in tough environments where active management can add significant value, and we remain excited about the asset allocations in the fund.

Portfolio managers
Neville Chester and Nicholas Stein
as at 30 September 2019

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

The Market 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 35% (excluding 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. 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 TFI Class TER and Transaction Costs cannot be determined accurately because of the short life span of the class. Calculations are based on actual data where possible and best estimates where actual data is not available.

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

This document is for information purposes only and does not constitute or form part of any offer to issue or sell, or any solicitation of any offer to subscribe for or purchase any particular investment. Opinions expressed in this document may be changed without notice at any time after publication. We therefore disclaim any liability for any loss, liability, damage (whether direct or consequential) or expense of any nature whatsoever which may be suffered as a result of or which may be attributable, directly or indirectly, to the use of or reliance upon the information.