

WHAT IS THE FUND'S OBJECTIVE?

Top 20 aims to outperform the equity market over the long term.

WHAT DOES THE FUND INVEST IN?

The fund's managers actively seek out attractively valued shares that could offer strong long-term growth.

The fund would typically hold shares in a maximum of 20 companies selected from all equities listed on the JSE. Its investments will therefore always be concentrated and limited to shares in large companies listed in South Africa.

While investments in foreign markets are specifically excluded, the fund can invest in foreign companies that are listed locally. There are no restrictions on how much exposure the fund can have to different sectors (for example, to mining, financial or industrial companies). The fund will remain fully invested in shares at all times. 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 can only invest in shares that are listed in South Africa. As a result, it cannot provide diversification into other asset classes or geographies. While the fund can invest in smaller companies, it is expected to always have an allocation biased towards larger companies.

Shares can be volatile investments and the risk of capital loss over the short term is high. However, given its focus on investing only in attractively valued shares that could offer long-term growth, the fund may preserve capital better than its benchmark over the long run.

HOW LONG SHOULD INVESTORS REMAIN INVESTED?

The fund is managed to deliver the best possible returns over the long term; an investment horizon of 10 years or more is therefore ideal. It is not suitable as a single investment for investors who need to preserve their capital over five years or less.

WHO SHOULD CONSIDER INVESTING IN THE FUND?

Investors who are building wealth, and who

- ▶ are comfortable with full exposure to shares in large companies listed in SA;
- ▶ accept that the fund may underperform the market significantly in the short term in pursuit of superior long-term gains;
- ▶ are holding Top 20 as one of multiple equity funds in their investment portfolio.

WHAT COSTS CAN I EXPECT TO PAY?

An annual fee of a minimum of 0.50% and a maximum of 3.00%, depending on the fund's performance, is payable.

If the fund's return (after fees and costs) is equal to that of its benchmark, a fee of 1.00% will be charged. We share in 20% of performance above the benchmark, up to a maximum total annual fee of 3.00%. Performance is measured over a rolling 24-month period.

When the fund return is below the benchmark over a rolling 60-month period the fee is discounted by 0.50%.

All fees exclude VAT. 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. 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?



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



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

GENERAL FUND INFORMATION

Launch Date	2 October 2000
Fund Class	A
Benchmark	FTSE/JSE Capped All Share Index (CAPI)
Fund Category	South African – Equity – General
Regulation 28	Does not comply
Income Distribution	Semi-annually (March & September)
Investment minimum	R5 000 or R500/m debit order
Bloomberg Code	CORTP20
ISIN Code	ZAE000026431
JSE Code	CNTF

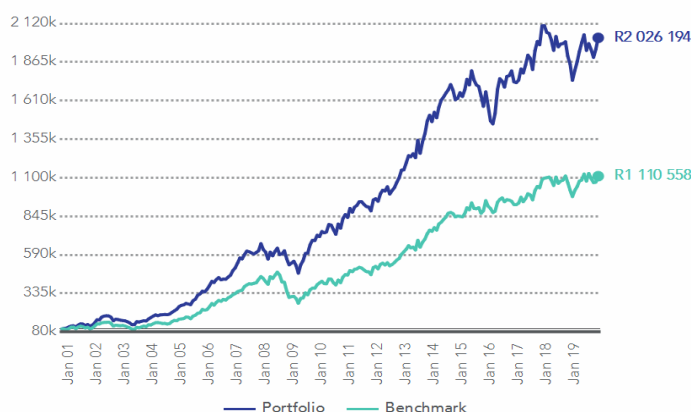
CLASS A as at 31 October 2019

Fund category	South African - Equity - General
Launch date	01 October 2000
Fund size	R19.35 billion
NAV	13361.61 cents
Benchmark/Performance	FTSE/JSE Capped All Share Index
Fee Hurdle	
Portfolio manager/s	Neville Chester and Nicholas Stein

Total Expense Ratio	1 Year	3 Year
Fee for performance in line with benchmark	1.32%	0.89%
Adjusted for out/(under)-performance	1.00%	1.00%
Fund expenses	0.15%	(0.23)%
VAT	0.01%	0.01%
Transaction costs (inc. VAT)	0.16%	0.11%
Total Investment Charge	0.28%	0.26%
	1.60%	1.15%

PERFORMANCE AND RISK STATISTICS

GROWTH OF A R100,000 INVESTMENT (AFTER FEES)



PORTFOLIO DETAIL

EFFECTIVE ASSET ALLOCATION EXPOSURE

Sector	31 Oct 2019
Domestic Assets	100.0%
■ Equities	98.6%
Basic Materials	27.8%
Consumer Goods	13.8%
Health Care	7.4%
Consumer Services	18.5%
Telecommunications	5.6%
Financials	20.9%
Technology	4.6%
■ Real Estate	1.4%
■ Cash	0.0%

PERFORMANCE FOR VARIOUS PERIODS (AFTER FEES)

	Fund	Benchmark	Active Return
Since Launch (unannualised)	1926.2%	1010.6%	915.6%
Since Launch (annualised)	17.1%	13.4%	3.6%
Latest 15 years (annualised)	15.6%	14.1%	1.5%
Latest 10 years (annualised)	10.9%	11.0%	(0.1)%
Latest 5 years (annualised)	4.5%	5.6%	(1.1)%
Latest 3 years (annualised)	5.3%	6.4%	(1.1)%
Latest 1 year	9.4%	9.2%	0.2%
Year to date	11.9%	9.3%	2.6%

TOP 10 HOLDINGS

As at 30 Sep 2019	% of Fund
Anglo American Plc	10.5%
British American Tobacco Plc	10.3%
Northam Platinum Ltd	9.0%
Naspers Ltd	8.4%
Standard Bank Of SA Ltd	7.9%
Nedbank Ltd	6.3%
Mtn Group Ltd	5.9%
Mondi Limited	5.0%
Prosus Nv	4.5%
Distell Group Ltd	4.2%

RISK STATISTICS SINCE LAUNCH

	Fund	Benchmark
Annualised Deviation	16.0%	17.0%
Sharpe Ratio	0.55	0.31
Maximum Gain	46.6%	37.4%
Maximum Drawdown	(31.7)%	(43.4)%
Positive Months	60.7%	59.4%

INCOME DISTRIBUTIONS

Declaration	Payment	Amount	Dividend	Interest
30 Sep 2019	01 Oct 2019	248.39	247.74	0.65
29 Mar 2019	01 Apr 2019	193.09	192.30	0.78
28 Sep 2018	01 Oct 2018	363.05	353.41	9.64
29 Mar 2018	03 Apr 2018	146.83	146.31	0.52

	Fund	Date Range
Highest annual return	68.9%	May 2005 - Apr 2006
Lowest annual return	(31.7)%	May 2002 - Apr 2003

MONTHLY PERFORMANCE RETURNS (AFTER FEES)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund 2019	3.2%	3.5%	3.1%	2.6%	(5.1)%	2.3%	(2.0)%	(2.6)%	2.8%	3.9%			11.9%
Fund 2018	(0.3)%	(2.1)%	(3.4)%	4.8%	(3.4)%	0.9%	0.2%	0.6%	(4.8)%	(2.8)%	(5.7)%	3.8%	(12.2)%
Fund 2017	4.2%	(1.5)%	3.0%	3.6%	(1.1)%	(3.9)%	6.8%	3.2%	(1.1)%	6.3%	0.1%	(2.1)%	18.1%
Fund 2016	(1.4)%	4.8%	10.3%	4.3%	(1.0)%	(2.3)%	4.2%	0.3%	1.8%	(4.0)%	(0.3)%	1.0%	18.3%
Fund 2015	2.7%	4.2%	(2.2)%	5.5%	(3.4)%	(1.8)%	(0.6)%	(3.7)%	(4.2)%	6.1%	(5.6)%	(6.2)%	(9.8)%
Fund 2014	(2.4)%	4.6%	3.0%	1.3%	1.6%	1.3%	2.1%	(2.2)%	(3.7)%	0.6%	2.3%	(1.6)%	6.8%
Fund 2013	3.9%	(0.6)%	1.6%	(2.1)%	9.4%	(6.4)%	6.1%	4.0%	6.0%	2.7%	(2.8)%	4.2%	27.9%
Fund 2012	5.3%	2.5%	(0.6)%	2.8%	(4.7)%	2.4%	2.0%	3.4%	2.7%	4.6%	0.1%	4.1%	26.9%
Fund 2011	(2.9)%	3.9%	1.3%	2.6%	0.1%	(1.8)%	(1.6)%	(0.4)%	(2.9)%	8.3%	0.8%	(1.8)%	5.2%
Fund 2010	(1.2)%	0.8%	6.7%	(0.4)%	(4.0)%	(4.0)%	9.4%	(3.5)%	8.3%	3.2%	(2.2)%	7.2%	20.6%

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

The fund had a good relative quarter, delivering a return of -1.9% relative to the benchmark return of -5.1%. This saw the year-to-date return move to 7.7%, which is 2.3% ahead of the fund's benchmark and, pleasingly, ahead of most of the fund's competitors. It has continued to be an exceptionally difficult market, and the ability to deliver a meaningful positive return this year is a gratifying outcome.

The big contributor to this quarter has been our exposure to platinum through Northam Platinum. The listed platinum miner delivered a return in excess of 40% as the price of the overall platinum group metals' (PGMs) basket rose, and the company showed improving results and strong cash generation. The progress on Booyseindal - its new, low-cost, mechanised mine - continues to be in line with project and budget, and this is gaining further recognition in the market. 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.

After a number of disappointing results periods, Woolworths came through with a much-improved performance as their South African (SA) clothing business showed signs of a turnaround. While the Australian operations remain weak, the improved results from SA clothing and continued strong performance from SA food saw the share price move up strongly as the market repriced expectations for the group going forward. With Australia likely to show much stronger earnings over the next few years as significant one-off's drop out of the base, the expectation now is for strong earnings growth from the group in the years ahead.

A big contributor to the fund's relative performance this quarter (and this year) was 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 SA-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 SA 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 SA, and worries over potential debt downgrades, has weighed on sentiment.

The much-hyped Naspers/Prosus unbundling occurred towards the end of the quarter and has proved to be a damp squib. The reduced discount that Prosus trades at relative to its underlying holdings has been replaced by a larger discount at the Naspers level and, on the whole, shareholders are no better off currently than where they started at. Tencent, the key driver of the group's performance, has also underperformed this quarter, putting additional pressure on the share price. Ultimately, it is likely that the discount will narrow, and we do expect management to take further actions to reduce the discount at which the overall group trades.

Global macro conditions remain fragile as trade wars and extreme political events remain prevalent. Locally, the gloom that has descended on the domestic economy looks unlikely to lighten and the Medium-Term Budget Policy Statement that will be delivered at the end of October is unlikely to bring any cheer. However, it is in this tough environment where active management can add significant value and we remain excited about the positions in the fund and the potential for great long-term returns from these levels.

Portfolio managers**Neville Chester and Nicholas Stein**

as at 30 September 2019

IMPORTANT INFORMATION THAT SHOULD BE CONSIDERED BEFORE INVESTING IN THE CORONATION TOP 20 FUND

The Top 20 Fund should be considered a 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. Asset allocation and top 10 holdings are reflected on a look-through basis. 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 fund's performance and fee benchmark is the FTSE/JSE Capped All Share Index (CAPI). The CAPI replaced the FTSE/JSE Top 40 Index from 1 Oct 2016. The fund benchmark shown in this MDD is therefore a splice of the current and historical benchmarks. Note that we use the formal SA – Equity – General category benchmark as specified in the ASISA Standard on Fund Classification, which is currently the FSTE/JSE All Share Index, for compliance monitoring purposes.

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

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.