

## LONG TERM OBJECTIVE

The Coronation Managed Strategy is an aggressive, clean slate fully discretionary balanced portfolio. The Strategy's objective is to outperform its peer group or a composite benchmark over meaningful periods (defined as at least 5 years). The Strategy is managed in accordance with the limits of Regulation 28 of the Pension Funds Act.

## 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)	3,008.6%	1,754.8%	1,253.8%
Since Inception p.a.	15.2%	12.8%	2.4%
Latest 20 years p.a.	14.0%	12.8%	1.2%
Latest 15 years p.a.	13.1%	11.8%	1.2%
Latest 10 years p.a.	11.7%	11.1%	0.7%
Latest 5 years p.a.	6.1%	5.8%	0.3%
Latest 1 year	7.5%	4.0%	3.6%
Year to date	1.8%	0.2%	1.6%
Month	1.8%	0.8%	0.9%

## PERFORMANCE &amp; RISK STATISTICS (Since inception)

	Strategy	Benchmark
Annualised Standard Deviation	11.9%	11.6%
Maximum Drawdown	(23.5)%	(27.7)%

## ASSET ALLOCATION

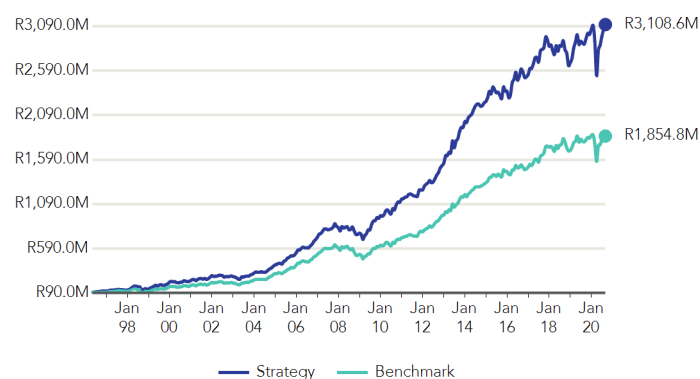
Asset Type	% Strategy
Local Equities	41.2%
Foreign Equities	23.5%
Local Bonds	22.8%
Local Commodities	4.9%
Local Real Estate	3.8%
Foreign Bonds	1.3%
Local Hedge	1.3%
Cash	0.5%
Foreign Real Estate	0.4%
Foreign Commodities	0.3%

## GENERAL INFORMATION

Inception Date	01 May 1996
Strategy Size †	R15.91 billion
Strategy Status	Open
Mandate Benchmark	Median of Peer Group
Dealing Frequency	Daily
Base Currency	ZAR
Regulation 28	Yes

†Strategy assets under management as at the most recent quarter end.

## GROWTH OF R100M INVESTMENT



Benchmark: Median of Peer Group

## TOP 10 HOLDINGS

Holding	% Strategy
CORO GBL EQUITY FOF-Z	15.7%
CORONATION GEM EQUITY FUND	7.5%
NASPERS LIMITED	6.8%
ANGLO AMERICAN PLC	4.3%
RSA FIX 6.250% 310336	4.1%
RSA FIX 6.500% 280241	3.3%
BRITISH AMERICAN TOBACCO PLC	2.7%
NEW GOLD ISSUER LIMITED	2.6%
IMPALA PLATINUM HOLDINGS LTD	1.9%
STANDARD BANK GROUP LTD	1.8%

## EFFECTIVE MATURITY PROFILE\*

Term	% Strategy (incl. Cash)	% Strategy (excl. Cash)
0 to 1 year	1.4%	5.4%
1 to 3 years	4.3%	4.2%
3 to 7 years	3.6%	3.5%
7 to 12 years	3.0%	2.9%
Over 12 years	8.0%	7.7%

## MODIFIED DURATION\*

Portfolio	1.5
Fixed Income Assets	7.4

## PORTFOLIO MANAGERS



Neville Chester - BCom, CA (SA), CFA

Neville is a senior member of the investment team with 23 years' investment experience. He joined Coronation in 2000 and manages Coronation's Aggressive Equity Strategy. He also co-manages the Coronation Top 20 and Market Plus unit trust funds.



Nic Stein - BBusSc, CA (SA), CFA

Nic joined the Coronation investment team in 2009 as an equity analyst and has 11 years' investment experience. He currently co-manages Coronation's Aggressive Equity Strategy and the Coronation Resources unit trust fund. Nic also analyses several shares spanning mining and the financial services sectors.

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\* For SA Fixed Income investments only. Excludes international investments, equities, property and preference shares.