

## WHAT IS THE FUND'S OBJECTIVE?

Global Opportunities Equity seeks to give investors access to some of the best fund managers across the globe. Our intent is to outperform its benchmark over any five year period.

## WHAT DOES THE FUND INVEST IN?

Global Opportunities Equity is a multi-manager fund which invests in a limited number of strategies (funds and segregated mandates) managed by top-quality managers that mainly have exposure to shares in developed markets. It is also mandated to include some exposure to emerging markets.

Typically, six to ten strategies are included. Each strategy is selected based on its long-term track record of outperforming the market, its investment philosophy and the quality of its fund managers.

The fund is mandated to use derivative instruments for efficient portfolio management purposes.

## IMPORTANT PORTFOLIO CHARACTERISTICS AND RISKS

Global Opportunities Equity invests in equity funds that mostly cover developed markets, including the US, Europe and Japan.

The fund is well-diversified; it has exposure to a range of different countries, industries and fund manager styles. The fund managers included in the fund are well-established and have been rigorously researched and vetted.

While we have a disciplined approach to carefully balance the risks across the different funds, shares can be volatile investments and there is a meaningful risk of capital loss over the short term. Global currency movements may intensify investment gains or declines.

## 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

- want exposure to some of the world's top equity funds as part of a diversified investment portfolio;
- accept that the fund may underperform the market significantly in the short term in pursuit of superior long-term gains;
- are overexposed to South Africa and require an international investment;
- do not require an income from their investment

## WHAT COSTS CAN I EXPECT TO PAY?

An annual fee of 0.85% is payable.

All fees exclude VAT. 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](http://www.coronation.com).

## WHO IS THE FUND MANAGER?



**TONY GIBSON**  
BCom



**KARL LEINBERGER**  
BBusSc, CA (SA), CFA

## GENERAL FUND INFORMATION

<b>Launch Date</b>	12 May 2008
<b>Class</b>	A
<b>Class Type</b>	Accumulation
<b>Fund Domicile</b>	Ireland
<b>Morningstar Fund Category</b>	Global – Large Cap Blend – Equity
<b>Currency</b>	US Dollar
<b>Benchmark</b>	MSCI All Country World Index
<b>Investment Minimum</b>	US\$15 000
<b>Bloomberg</b>	CORWDEA
<b>ISIN</b>	IE00B2RGGV79
<b>SEDOL</b>	B2RGGV7

# CORONATION GLOBAL OPPORTUNITIES EQUITY FUND

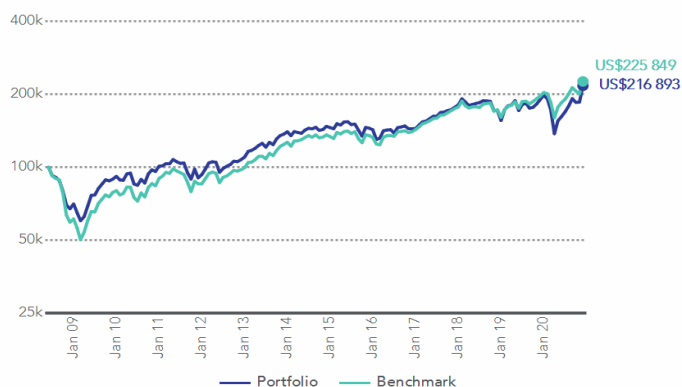
CLASS A as at 30 November 2020

Launch date	12 May 2008
Fund size	US\$ 2.43 billion
NAV	21.54
Benchmark/Performance	MSCI All Country World Index
Fee Hurdle	
Portfolio manager/s	Tony Gibson and Karl Leinberger

Total Expense Ratio	1 Year	3 Year
Fund management fee	1.84%	1.89%
Fund expenses	0.85%	0.91%
VAT	0.99%	0.99%
Transaction costs (inc. VAT)	0.00%	0.00%
Total Investment Charge	0.25%	0.19%
	2.09%	2.08%

## PERFORMANCE AND RISK STATISTICS

### GROWTH OF A \$100,000 INVESTMENT (AFTER FEES)



### PERFORMANCE FOR VARIOUS PERIODS (AFTER FEES)

	Fund	Benchmark	Active Return
Since Launch (unannualised)	116.9%	125.8%	(9.0)%
Since Launch (annualised)	6.4%	6.7%	(0.3)%
Latest 10 years (annualised)	8.5%	10.4%	(1.9)%
Latest 5 years (annualised)	8.4%	10.8%	(2.4)%
Latest 3 years (annualised)	7.1%	9.0%	(1.9)%
Latest 1 year	14.2%	15.0%	(0.8)%
Year to date	9.5%	11.1%	(1.6)%

### RISK STATISTICS SINCE LAUNCH

	Fund	Benchmark
Annualised Deviation	17.6%	16.9%
Sharpe Ratio	0.33	0.37
Maximum Gain	47.6%	34.8%
Maximum Drawdown	(39.9)%	(49.8)%
Positive Months	62.7%	63.3%

	Fund	Date Range
Highest annual return	50.0%	Apr 2009 - Mar 2010
Lowest annual return	(24.0)%	Apr 2019 - Mar 2020

### MONTHLY PERFORMANCE (AFTER FEES)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund 2020	(3.4)%	(9.9)%	(20.3)%	13.1%	4.1%	4.5%	5.7%	7.3%	(3.6)%	0.2%	16.9%		9.5%
Fund 2019	11.1%	3.5%	1.0%	4.1%	(9.0)%	5.8%	1.4%	(4.7)%	0.8%	3.2%	4.3%	4.3%	27.2%
Fund 2018	6.0%	(2.9)%	(3.5)%	1.1%	0.9%	0.8%	1.8%	(0.3)%	(0.3)%	(8.4)%	0.2%	(9.2)%	(13.8)%
Fund 2017	3.6%	2.8%	0.8%	2.2%	2.4%	(0.1)%	3.7%	0.5%	1.4%	0.9%	2.2%	2.3%	25.2%
Fund 2016	(8.8)%	1.3%	7.2%	0.8%	0.3%	(3.2)%	5.3%	0.6%	1.0%	(2.5)%	(0.1)%	0.2%	1.2%

## PORTFOLIO DETAIL

### GEOGRAPHIC ASSET ALLOCATION EXPOSURE

	30 Nov 2020
Equities	89.6%
Global (7 Funds)	89.6%
Equity futures	10.3%
Cash	0.1%

### TOP 5 HOLDINGS

As at 30 Sep 2020
Egerton Capital Equity Fund
Coronation Global Emerging Markets Fund
Maverick Capital
Coronation Global Equity Select Fund
Tremblant Capital

The Fund advanced 9.5% against a benchmark advance of 8.1% in the third quarter of 2020 (Q3-20), bringing the rolling 12-month performance to 4.8 % against the 10.4% returned by the MSCI All Country World Index.

The Covid-19 pandemic continued to impact the global economy. The initial strong rebounds turned more subdued toward the end of the third quarter as the second wave of the pandemic rolled through the US and Europe. Localised actions and restrictions rather than national lockdowns prevented a second full-scale economic retreat, but the effects were still a drag on the much-needed recovery. However, supported by monetary and fiscal policy, equity markets rose over the period. Emerging markets performed well, aided by a weakening US dollar and a stronger-than-expected recovery in China.

North America was the best-performing region in Q3-20, advancing 9.5% (in US dollar terms). The weakest return was from Pacific ex-Japan, which advanced 2.0% (in US dollar terms). Europe rose 4.6% and Japan rose 7.1% (both in US dollar terms). Emerging markets advanced 9.6% compared to developed markets, which rose 8.1% (both in US dollar terms).

Among the global sectors, information technology (IT) (+11.6%), industrial (+11.3%) and consumer discretionary (+15.7%) were the best-performing sectors for the quarter. The worst-performing sectors were energy (-16.9%), financials (+1.2%) and real estate (+1.4%). On a look-through basis, the Fund's largest exposures are to consumer discretionary, IT and consumer staples.

The two best-performing Funds for the quarter, Contrarius Global Equity and Egerton, returned 14.1% and 13.6% respectively, while the Coronation Global Emerging Market Fund, Eminence, Lone Pine and Tremblant also had strong quarters. Lansdowne Developed Markets Fund continues to struggle and Maverick Capital trailed the index over the quarter.

Contrarius continues to rebound after a poor period of performance, rising 58.0% compared to the market advance of 28.9% over the past six months. Retaining faith in Bed Bath & Beyond has proved correct and it has risen some 250% since its low in March as it continues to broaden out, grow its online offering and reduce reliance on its 'bricks and mortar' storefronts. Scientific Games, Signet Jewelers, Overstock, Freeport-McMoran and Teck Resources also all contributed significantly to performance for the quarter.

Egerton is also enjoying a run of strong performance, mostly because of large exposures to consumer discretionary and IT stocks. Alibaba, Facebook and Amazon performed well, all still benefitting from the Covid-19 era. DR Horton, a US housebuilder, is benefitting from a demand for houses driven by low interest rates while Canadian Pacific Railway rose from its Covid-19 lows on an improving economy.

Coronation Global Emerging Market Fund enjoyed another strong quarter, generating alpha over 1%. Stocks such as JD.com, Alibaba, Wuliangye Yibin were significant contributors to the outperformance, while Taiwan Semiconductors, Infosys and Stonoco also performed well.

Lansdowne retained exposure to the airlines it held going into the lockdown. Unfortunately, the early recovery in flying stalled late in Q3-20 as the pandemic moved into its second wave, causing the airlines to decline again, with IAG being an acute example of this. This held back some strong performance from its materials stocks Arcelor Mittal and Freeport-McMoran, which rose on expectations of economic recovery.

Maverick underperformed for the quarter, despite holding many of the same IT and consumer discretionary stock held by the better performing managers. However, as with Lansdowne, exposure to the airline industry through a holding in Rolls Royce hurt performance over the quarter.

### Outlook

Equity markets have rallied strongly since the lows at the start of the pandemic, overshadowing its deep economic impact. Monetary and fiscal policy eased the initial shock, but, as the pandemic drags on, it is becoming more difficult to ignore its impact and, to many, equity valuations look stretched. In particular, the US, in an election year, is struggling to extend its Covid-19 related fiscal programmes and, at the time of writing, all negotiations on these had been terminated by President Donald Trump until after the election in November. This is not a good outcome. However, compared to other options, equities are also attractive, especially when one can run a select portfolio of stocks that offer long-term value, as our managers are able to do. We expect they will continue to generate alpha in these markets.

### **Portfolio managers**

**Tony Gibson and Karl Leinberger**

as at 30 September 2020

### IMPORTANT INFORMATION THAT SHOULD BE CONSIDERED BEFORE INVESTING IN THE CORONATION GLOBAL OPPORTUNITIES EQUITY FUND OF FUNDS

The Global Opportunities Equity Fund of Funds 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. The top holdings are not reflected on a look-through basis. The fund is mandated to invest up to 100% 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. A fund of funds invests in collective investment schemes that levy their own fees and charges, which could result in a higher fee structure for this fund. Coronation 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. Coronation Global Fund Managers (Ireland) Limited is authorised in Ireland and regulated by the Central Bank of Ireland. The fund is approved under Section 65 of the Collective Investment Schemes Control Act by the Financial Sector Conduct Authority of South Africa. Portfolio managed by Coronation International Limited, a firm authorised and regulated by the Financial Conduct Authority.

JP Morgan (Ireland) has been appointed as the fund's trustees ([www.jpmorgan.com](http://www.jpmorgan.com); t: +353-1-612-4000), and its custodian is JP Morgan Administration Services (Ireland) Limited ([www.jpmorgan.com](http://www.jpmorgan.com); t: +353-1-612-4000). Coronation is a full member of the Association for Savings & Investment SA (ASISA).

### HOW ARE UNITS PRICED AND AT WHAT PRICE WILL MY TRANSACTION BE EXECUTED?

Unit trusts are traded at ruling prices set on every business day. Fund valuations take place at approximately 17h00 each business day (Irish Time) and forward pricing is used. Instructions must reach Coronation before 12h00 (SA Time) one day prior to the dealing date. You can expect to receive withdrawal payouts three business days after the dealing day. Large investments or redemptions (exceeding 5% of fund value) may be subject to an anti-dilution levy to defray dealing costs and expenses. This levy, where applicable, is applied fully for the benefit 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 2020 (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 [www.coronation.com](http://www.coronation.com). You will also find additional information on the considerations pertinent to investing in a fund denominated in a foreign currency and domiciled in an offshore jurisdiction.

### IMPORTANT INFORMATION REGARDING TERMS OF USE

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