

## LONG TERM OBJECTIVE

The Coronation Africa Frontiers Strategy aims to maximise the long-term risk-adjusted returns available from investments on the continent through capital growth of the underlying stocks selected. It is a flexible portfolio primarily invested in listed African equities or stocks listed on developed and emerging market exchanges where a substantial part of their earnings are derived from the African continent. The Strategy may hold cash and interest bearing assets where appropriate.

## INVESTMENT APPROACH

Coronation is a long-term, valuation-driven investment house, focused on bottom-up stock picking. 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 clean-slate 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	LIBOR	Active Return
Since inception cum.	87.4%	11.3%	76.0%
Since Inception p.a.	5.3%	0.9%	4.4%
Latest 10 years p.a.	1.5%	0.9%	0.6%
Latest 5 years p.a.	(1.2)%	1.5%	(2.7)%
Latest 1 year	(15.2)%	1.0%	(16.2)%
Year to date	(18.9)%	0.6%	(19.5)%
Month	0.8%	0.0%	0.8%

For a side-by-side comparison of gross and net performance, please refer to <http://www.coronation.com/us/strategy-performance>

## SECTOR EXPOSURE

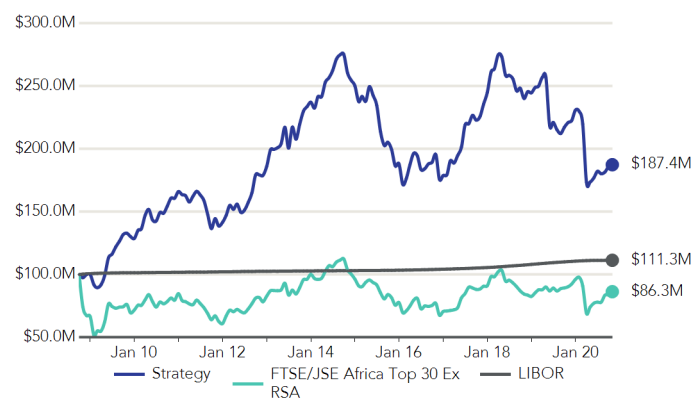
Sector	% Strategy
Consumer Goods	29.1%
Financials	27.9%
Basic Materials	12.1%
Telecommunications	8.3%
Health Care	7.2%
Consumer Services	5.7%
Oil & Gas	3.9%
Industrials	3.2%
Technology	0.9%
Utilities	0.7%
Interest Bearing	1.0%

## GENERAL INFORMATION

Inception Date	01 October 2008
Strategy Size *	\$318.3 million
Strategy Status	Open
Target	Outperform ICE LIBOR USD 3 Month (US0003M Index)
Redemption Terms	An anti-dilution levy will be charged
Base Currency	USD

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

## GROWTH OF US\$100M INVESTMENT



Target: Outperform ICE LIBOR USD 3 Month (US0003M Index)

The performance shown is gross of fees.

## GEOGRAPHIC EXPOSURE

Country	% Strategy
Egypt	40.8%
Nigeria	15.8%
Kenya	14.6%
Zimbabwe	12.9%
South Africa	3.5%
Tanzania	2.6%
Botswana	2.5%
Ghana	2.1%
Senegal	1.9%
United Kingdom	1.0%
Uganda	0.7%
Zambia	0.3%
Namibia	0.2%
Other	0.1%
Interest Bearing	1.0%

## PORTFOLIO MANAGER



Peter Leger - BScEng, BCom (Hons), CFA

Peter is head of Global Frontier Markets and manager across all strategies within the investment unit. He joined Coronation in 2005 and has 22 years' experience in African financial markets as both a portfolio manager and research analyst.

## FUND MANAGERS

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The volatility of the Benchmark represented in the growth chart above may be materially different from that of the Strategy. In addition, the holdings in the accounts comprising the Strategy may differ significantly from the securities that comprise the Benchmark. The Benchmark has not been selected to represent an appropriate benchmark to compare the Strategy's performance, but rather is disclosed to allow for comparison of the Strategy's performance to that of a well-known and widely recognized Benchmark. Material facts in relation to the Benchmark are available here: <https://www.theice.com/iba/libor>. In addition, for further information, we have also included the FTSE/JSE Africa Top 30 Ex RSA Index above. Material facts in relation to this benchmark are available here: <https://www.jse.co.za/services/marketdata/indices/ftse-jse-africa-index-series/all-africa>.

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