

## WHAT IS THE FUND'S OBJECTIVE?

Global Capital Plus is in the first instance managed to achieve reasonable investment growth over time. Our intent is that the fund should meaningfully outperform an investment in developed market cash over time. In addition, we aim to preserve capital over any 12-month period.

## WHAT DOES THE FUND INVEST IN?

Global Capital Plus can invest in all listed asset classes including shares, listed property, bonds and cash. The fund will primarily have exposure to developed economies (including the US, Europe and Japan) but can also invest in emerging markets.

The fund is managed to suit the needs of more conservative investors who want to invest for longer than three years. Exposure to growth assets (shares and listed property), which pose more risk than income assets, will typically not exceed 50%.

The intent is to keep the fund fully invested in foreign assets at all times. It will have exposure to a variety of currencies, with a general bias towards developed markets, specifically to the US dollar and euro.

The fund is allowed to make use of exchange traded funds and financial instruments to implement its investment views.

## IMPORTANT PORTFOLIO CHARACTERISTICS AND RISKS

Global Capital Plus aims to protect capital over any 12-month period in all market conditions, while offering real investment growth over the long term. However, capital is not guaranteed.

The fund invests in a broad range of different assets and many countries.

Its exposure to shares, which offer the best long-term investment growth, could help maximise returns. However, with this long-term growth comes short-term volatility, which may affect the fund's returns. This risk is mitigated to some extent as growth asset exposure will not exceed 50%.

Global currency movements may intensify investment gains or declines.

## HOW LONG SHOULD INVESTORS REMAIN INVESTED?

An investment term of more than three years is recommended.

## WHO SHOULD CONSIDER INVESTING IN THE FUND?

Investors who are building wealth, and who

- seek a single international investment that will give them access to some of the best opportunities around the globe, while aiming to protect their capital;
- require conservative exposure to offshore markets;
- do not require an income from their investment.

## WHAT COSTS CAN I EXPECT TO PAY?

An annual fee of 1.25% is payable.

Fund expenses that are incurred in the fund include administrative, trading, custody and audit charges. Performance information is disclosed after deducting all fees and other portfolio costs.

We do not charge fees to access or withdraw from the fund. All fees exclude VAT.

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.

More detail is available on [www.coronation.com](http://www.coronation.com).

## WHO ARE THE FUND MANAGERS?



**LOUIS STASSEN**  
BSc, BCom (Hons), CFA



**NEIL PADOA**  
BEconSc (AcSci),  
FFA, CFA

## GENERAL FUND INFORMATION

|                                  |  |
|----------------------------------|--|
| <b>Fund Launch Date</b>          | 1 September 2009                                 |
| <b>Class</b>                     | Houseview Currency Class<br>(Previously Class D) |
| <b>Class Type</b>                | Accumulation                                     |
| <b>Class Launch Date</b>         | 5 May 2011                                       |
| <b>Fund Domicile</b>             | Ireland  |
| <b>Morningstar Fund Category</b> | USD – Moderate Allocation                        |
| <b>Listing</b>                   | Irish Stock Exchange                             |
| <b>Currency</b>                  | US Dollar  |
| <b>Benchmark</b>                 | Secured Overnight Financing Rate (SOFR) + 1.5%*  |
| <b>Investment Minimum</b>        | US\$15 000                                       |
| <b>Bloomberg</b>                 | CORGLTD  |
| <b>ISIN</b>                      | IE00B3LSMH47                                     |

\* Benchmark change. Please refer to page 4 for more details.

# CORONATION GLOBAL CAPITAL PLUS FUND [HOUSEVIEW CURRENCY CLASS]

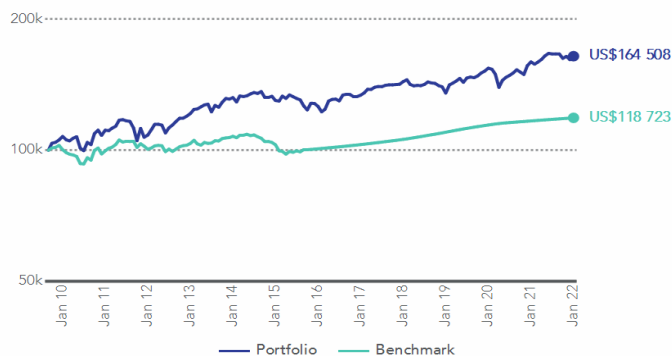
CLASS D as at 31 December 2021

|                       |                              |
|-----------------------|------------------------------|
| Launch date           | 01 September 2009            |
| Fund size             | US\$ 773.07 million          |
| NAV                   | 14.03                        |
| Benchmark/Performance | SOFR + 1.5%*                 |
| Fee Hurdle            |                              |
| Portfolio manager/s   | Louis Stassen and Neil Padoa |

|                              |        |        |
|------------------------------|--------|--------|
| Total Expense Ratio          | 1 Year | 3 Year |
| Fund management fee          | 1.35%  | 1.35%  |
| Fund expenses                | 1.25%  | 1.25%  |
| VAT                          | 0.10%  | 0.10%  |
| Transaction costs (inc. VAT) | 0.00%  | 0.00%  |
| Total Investment Charge      | 0.06%  | 0.06%  |
|                              | 1.41%  | 1.41%  |

## PERFORMANCE AND RISK STATISTICS

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



### PERFORMANCE FOR VARIOUS PERIODS (AFTER FEES)

|                              | Fund  | Benchmark |
|------------------------------|-------|-----------|
| Since Launch (unannualised)  | 64.5% | 18.7%     |
| Since Launch (annualised)    | 4.1%  | 1.4%      |
| Latest 10 years (annualised) | 4.3%  | 1.7%      |
| Latest 5 years (annualised)  | 4.2%  | 2.9%      |
| Latest 3 years (annualised)  | 6.7%  | 2.6%      |
| Latest 1 year                | 3.0%  | 1.7%      |
| Year to date                 | 3.0%  | 1.7%      |

### RISK STATISTICS SINCE LAUNCH

|                      | Fund    | Benchmark |
|----------------------|---------|-----------|
| Annualised Deviation | 7.5%    | 3.6%      |
| Sharpe Ratio         | 0.48    | N/A       |
| Maximum Gain         | 16.4%   | N/A       |
| Maximum Drawdown     | (10.5)% | N/A       |
| Positive Months      | 60.1%   | N/A       |

|                       | Fund   | Date Range          |
|-----------------------|--------|---------------------|
| Highest annual return | 17.1%  | Jul 2010 - Jun 2011 |
| Lowest annual return  | (7.4)% | Sep 2014 - Aug 2015 |

### MONTHLY PERFORMANCE RETURNS (AFTER FEES)

|           | Jan    | Feb    | Mar    | Apr  | May    | Jun    | Jul  | Aug    | Sep    | Oct    | Nov    | Dec    | YTD    |
|-----------|--------|--------|--------|------|--------|--------|------|--------|--------|--------|--------|--------|--------|
| Fund 2021 | (1.2)% | 1.1%   | 1.4%   | 2.0% | 1.3%   | (0.3)% | 0.0% | 0.0%   | (2.3)% | 1.1%   | (1.8)% | 1.9%   | 3.0%   |
| Fund 2020 | (0.6)% | (2.6)% | (6.7)% | 3.8% | 1.6%   | 1.0%   | 1.3% | 1.7%   | (1.2)% | (1.3)% | 4.8%   | 2.0%   | 3.4%   |
| Fund 2019 | 4.4%   | 0.9%   | 1.1%   | 1.4% | (2.1)% | 2.4%   | 0.5% | (0.3)% | 0.9%   | 1.6%   | 1.0%   | 1.6%   | 14.1%  |
| Fund 2018 | 1.0%   | (2.5)% | (0.8)% | 0.2% | (0.1)% | 0.6%   | 1.4% | (0.5)% | (0.2)% | (1.2)% | (0.6)% | (3.3)% | (5.9)% |
| Fund 2017 | 1.3%   | 1.9%   | (0.1)% | 1.2% | 0.4%   | (0.1)% | 0.7% | 0.3%   | 0.0%   | 0.2%   | 0.2%   | 1.4%   | 7.4%   |

## PORTFOLIO DETAIL

### EFFECTIVE ASSET ALLOCATION EXPOSURE

|                       | 31 Dec 2021 |
|-----------------------|-------------|
| Equities              | 29.2%       |
| Infrastructure        | 5.0%        |
| Property              | 1.6%        |
| Convertible Bonds     | 2.1%        |
| High Yield Bonds      | 8.9%        |
| Commodities           | 8.3%        |
| Merger Arbitrage      | 2.8%        |
| Hedged Equity         | 0.3%        |
| Fixed Income          | 40.3%       |
| T-Bills               | 21.5%       |
| Inflation break-evens | 2.0%        |
| Investment Grade      | 16.8%       |
| Cash                  | 1.5%        |

### TOP 10 HOLDINGS

| As at 31 Dec 2021                           | % of Fund |
|---|-----------|
| Getlink Se                                  | 1.6%      |
| Vinci Sa                                    | 1.5%      |
| British American Tobacco                    | 1.3%      |
| National Grid Plc Common Stock Gbp 12.43129 | 1.3%      |
| 51job Inc Adr                               | 1.1%      |
| Charter Communication A                     | 1.1%      |
| World Quantum Growth Acquisi                | 1.0%      |
| Alphabet Inc                                | 1.0%      |
| Visa Inc                                    | 1.0%      |
| Heineken Holdings Nv                        | 0.9%      |

### CURRENCY ALLOCATION

| Currency as at 31 Dec 2021 | % of Fund |
|----------------------------|-----------|
| US Dollar                  | 85.2%     |
| Other                      | 14.8%     |

This fund is available in 3 hedged currency classes (Euro, Pound Sterling & US Dollars) as well as a Houseview currency class. This is the fact sheet for the Houseview currency D class.

**Please note that the commentary is for the retail class of the Fund.**

Global equity markets ended the year on a high note, advancing 6.7%, bringing the gain for 2021 to 18.5%. Within equity markets, the S&P500 Index bested the rest of the world by the largest margin in two decades. A specific sub-set highlights the gap: the S&P 500 Index returned 28.7% in 2021 compared to the MSCI Emerging Markets Index, which declined 2.5%. As a result of sustained outperformance, the US now represents over 60% of the MSCI All Country World Index, up from 45% in the early 2010s. Global bond markets fared less well than equities as inflation fears picked up and investors began to price in a series of rate hikes. The bond index (Bloomberg Barclays Global Aggregate Bond Index) was negative for the quarter, bringing the full-year decline to -4.7%. According to LPL research, 2021 ranked the third-worst year for US bonds in four and a half decades.

The Fund was both well-diversified and well-positioned from an asset allocation point of view, with an appropriately conservative allocation to equities, no exposure to longer duration developed market government bonds and a healthy allocation to commodities. It returned 1.2% for the quarter and 3.0% for the year. Over the long term, the Fund has delivered returns well ahead of its benchmark (and inflation).

At quarter-end, the Fund was positioned as follows:

- 29% effective equity
- 5% in listed infrastructure assets
- 8% in commodity-related assets, with gold (the metal) accounting for over half this exposure and the balance in a basket of diversified miners
- 11% in high yield fixed income
- 40% in investment-grade fixed income (with 22% in short-dated Treasury bills and 17% in investment-grade credit)

The remaining 7% is invested across a range of other assets.

Liberty Media Corporation, which owns Formula 1, positively contributed to the Fund's returns. F1 is the third or fourth most-watched event on earth. So no doubt many readers will have witnessed the dramatic season finale where the two leading drivers (Lewis Hamilton and Max Verstappen) began the final race of the year tied on points. It was a high stakes race of winner takes all, and in a turn of events resembling a Hollywood-scripted drama, it all came down to the final lap. Excitement, drama, emotion, history and fierce rivalry such as this draws the crowds both track-side and on TV (increasingly direct to consumer on any device too) and is exactly what makes live sports valuable. We think F1 is a unique asset, and in the hands of Liberty (with John Malone as Chairman), the company has been undergoing a transformation over the last few years. While Covid-19 heavily impacted the last two seasons, if economies and societies start to normalise (as we expect), combined with the changes Liberty has been making, the value of this unique franchise should become evident. F1 has high barriers to entry, is currently under-monetised yet still exhibits fantastic economics, with high margins and limited capex requirements resulting in strong cash conversion. It has a dynamic new CEO Stefano Domenicali (with a background as CEO of Lamborghini and at F1 with Ferrari) and optionality from M&A and higher broadcast fees.

In terms of detractors, Airbus underperformed this quarter due to the emergence of the Omicron variant and the ensuing increased travel restrictions across different regions. Some airlines revised near-term plans in an already weak late autumn flying schedule, although the pace of new customer bookings was relatively resilient.

The market was also somewhat captivated by whether Airbus would make its annual delivery target of 600 aircraft in 2021. At the time of writing, the company has not yet released official figures, but it has reached the desired number for the year, according to the press. The late drive to achieve delivery targets is an annual fascination for some market participants, but we view it as noise and observe it with indifference, other than for the potential buying opportunities it could present. The company has aimed to make its delivery plan less seasonal, but Covid-19 disruptions have set back that intention. Either way, demand for new aircraft is determined by long-term fundamentals while supply is affected by minor production issues, which frequently occur due to the aerospace supply chain's complexity, but tend to be resolved in a matter of weeks or a few months. The lumpiness of monthly deliveries is, therefore, largely irrelevant to the intrinsic value of Airbus, despite the occasional severity of share price moves.

The most important long-term debate among investors and industry participants is about whether Airbus can or should increase its very successful narrow-body aircraft (A320neo family) production rate from the current level of mid-40 units per month to a record more than 70 by around mid-decade. A320s are the company's most important models, contributing almost the entirety of the Commercial division's EBIT and, even when other programmes' profitability ramps up, will be making up at least three-quarters of the total. Unnerved by naturally pessimistic views on the production ramp-up issue by lessors and aircraft engine OEMs, the market seems to be pricing in a figure in the mid-50s. However, our analysis on demand and market share trends suggests that a rate close to 70 is feasible, and there is further upside towards the end of the 2020s. Various pieces of anecdotal evidence support this (e.g. Allegiant Air's CEO in the US recently noted there are no free A320 production slots until 2026-28).

We continue to be bullish on Airbus's bolstered strategic position in the global duopoly coming out of the Covid-19 crisis, which, combined with a strong balance sheet, sets it up well for the next decade. We expect this to translate into strong earnings and free cash flow growth over several years and believe the shares remain attractively valued.

We continue to find and own a range of businesses that we think offer the prospect of strong dollar-denominated returns. In addition, the Fund's portfolio construction is balanced through holdings of long-duration inflation-linked infrastructure assets, undervalued commodity businesses, gold, and select reasonably priced credits (both investment grade and high yield).

Thank you for your continued support and interest in the Fund.

**Portfolio managers**

**Neil Padoa and Louis Stassen**

as at 31 December 2021

### IMPORTANT INFORMATION THAT SHOULD BE CONSIDERED BEFORE INVESTING IN THE CORONATION GLOBAL CAPITAL PLUS FUND

The Global Capital 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 top 10 holdings are 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. 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 Investment Management International (Pty) Ltd (FSP45646), an authorised financial services provider.

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 D NAV prices. Class A NAV prices were used for the period prior to the launch of Class D. All underlying price and distribution data are 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.

\*Benchmark change due to LIBOR being discontinued: The publication of LIBOR ceased on 31 December 2021 for most of the currency and term combinations that are currently in use. As a result USD LIBOR has been replaced by the Secured Overnight Financing Rate ("SOFR") in the Coronation Global Capital Plus Fund [Houseview Currency Class] benchmark. This change is effective from 1 December 2021. SOFR is an emerging standard for short-term USD interest rates in global financial markets and is calculated by the New York Federal Reserve. The new Global Capital Plus Fund [Houseview Currency Class] benchmark will be: The Secured Overnight Financing Rate (SOFR) + 1.5%.

### 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 the current financial year (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. The Prospectus of Coronation Global Opportunities Fund and Fund KIID can be sourced on the following link: <https://www.coronation.com/en/institutional/strategy-information/literature/ucits-fund-library/umbrella-fund>. A summary of Investor Rights can be sourced on the following link: <https://www.coronation.com/en/institutional/about-us/ucits-v-disclosure/>.

### IMPORTANT INFORMATION REGARDING TERMS OF USE

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