

CORONATION GLOBAL OPPORTUNITIES EQUITY [ZAR] FEEDER FUND

Fund Information as at 31 December 2021

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

Risk Profile



Maximum growth/ minimum income exposures



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.

This feeder fund aims to remain fully invested in units in the offshore domiciled Global Opportunities Equity Fund. The only other assets that will be held at feeder fund level are local and foreign cash holdings for liquidity purposes.

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.

Of the annual fee, 0.40% is collected at feeder fund level, while the balance of the fee is collected in the master fund.

The component of the fund fee charged at feeder fund level is subject to VAT. Fund expenses that are incurred in the fund include annual fees paid to unconnected underlying fund managers, administrative, trading, custody and audit charges. All performance information is disclosed after deducting all fees and other portfolio costs.

We do not charge any fees to access or withdraw from the fund.

More detail is available on www.coronation.com.

WHO IS THE FUND MANAGER?



TONY GIBSON
BCom



KARL LEINBERGER
BBusSc, CA (SA), CFA

GENERAL FUND INFORMATION

Launch Date	1 August 1997
Fund Class	A
Benchmark	MSCI All Country World Index
Fund Category	Global – Equity – General
Regulation 28	Does not comply
Investment Minimum	R5 000 or R500/m debit order
Bloomberg Code	CORINFF
ISIN Code	ZAE000019774
JSE Code	CNIG

CORONATION GLOBAL OPPORTUNITIES EQUITY [ZAR] FEEDER FUND

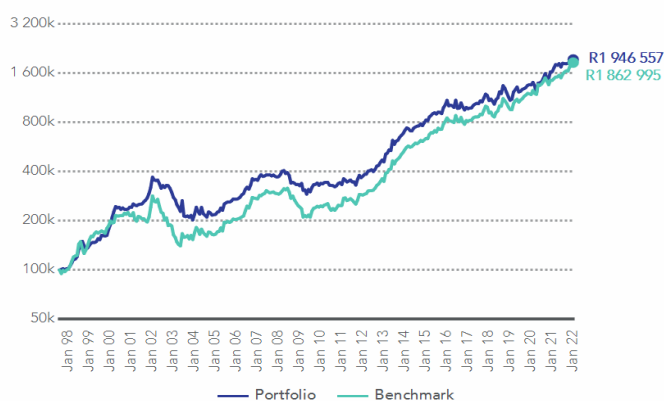
CLASS A as at 31 December 2021

Fund category	Global - Equity - General
Launch date	01 August 1997
Fund size	R 8.62 billion
NAV	18043.79 cents
Benchmark/Performance	MSCI All Country World Index
Fee Hurdle	
Portfolio manager/s	Tony Gibson and Karl Leinberger

	1 Year	3 Year
Total Expense Ratio	1.79%	1.84%
Fund management fee	0.85%	0.85%
Fund expenses	0.88%	0.93%
VAT	0.06%	0.06%
Transaction costs (inc. VAT)	0.20%	0.21%
Total Investment Charge	1.99%	2.05%

PERFORMANCE AND RISK STATISTICS

GROWTH OF A R100,000 INVESTMENT (AFTER FEES)



PERFORMANCE FOR VARIOUS PERIODS (AFTER FEES) - (ZAR)

	Fund	Benchmark	Active Return
Since Launch (unannualised)	1846.6%	1763.0%	83.6%
Since Launch (annualised)	12.9%	12.7%	0.2%
Latest 20 years (annualised)	8.6%	9.9%	(1.2)%
Latest 15 years (annualised)	12.0%	13.7%	(1.6)%
Latest 10 years (annualised)	17.9%	20.5%	(2.7)%
Latest 5 years (annualised)	14.9%	17.9%	(3.0)%
Latest 3 years (annualised)	21.2%	24.7%	(3.5)%
Latest 1 year	18.8%	28.6%	(9.9)%
Year to date	18.8%	28.6%	(9.9)%

PERFORMANCE FOR VARIOUS PERIODS (AFTER FEES) - (USD)

	Fund	Benchmark	Active Return
Since Launch (unannualised)	459.3%	438.3%	21.0%
Since Launch (annualised)	7.3%	7.1%	0.2%
Latest 15 years (annualised)	6.0%	7.6%	(1.6)%
Latest 10 years (annualised)	10.1%	12.6%	(2.5)%
Latest 5 years (annualised)	11.6%	14.4%	(2.8)%
Latest 3 years (annualised)	17.1%	20.4%	(3.3)%
Latest 1 year (annualised)	9.3%	18.5%	(9.2)%
Year to date	9.3%	18.5%	(9.2)%
2020	15.4%	16.3%	(0.9)%
2019	27.2%	26.6%	0.6%

MONTHLY PERFORMANCE (AFTER FEES) - (ZAR)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund 2021	5.6%	4.7%	(1.1)%	2.5%	(4.7)%	5.5%	(0.6)%	(0.1)%	0.2%	3.8%	0.5%	1.5%	18.8%
Fund 2020	3.8%	(4.7)%	(10.9)%	16.4%	0.3%	1.7%	5.0%	6.8%	(5.7)%	(1.1)%	9.9%	0.2%	20.5%
Fund 2019	1.6%	10.6%	3.3%	4.0%	(6.9)%	1.1%	2.8%	1.0%	1.6%	3.2%	0.9%	(0.4)%	24.3%
Fund 2018	2.3%	(3.0)%	(4.2)%	6.7%	2.2%	9.0%	(2.4)%	11.9%	(3.5)%	(6.0)%	(5.7)%	(5.0)%	0.4%
Fund 2017	1.1%	0.0%	3.6%	1.9%	1.2%	(0.6)%	4.2%	(1.6)%	5.4%	6.0%	(1.9)%	(6.9)%	12.3%

PORTFOLIO DETAIL

GEOGRAPHIC ASSET ALLOCATION EXPOSURE

31 Dec 2021

Equities	99.8%
Global (7 Funds)	93.9%
Equity futures	5.9%
Cash	0.2%

TOP 5 HOLDINGS

As at 31 Dec 2021

Egerton Capital Equity Fund
Lansdowne Capital
Contrarius Global Equity Fund
Select Equity Group
Tremblant Capital

RISK STATISTICS SINCE LAUNCH

	Fund	Benchmark
Annualised Deviation	16.3%	16.6%
Sharpe Ratio	0.35	0.34
Maximum Gain	51.7%	53.2%
Maximum Drawdown	(45.3)%	(50.7)%
Positive Months	62.1%	58.7%

	Fund	Date Range
Highest annual return	66.2%	Apr 1999 - Mar 2000
Lowest annual return	(36.1)%	Oct 2002 - Sep 2003

Please note that the commentary is for the US dollar retail class of the Fund. The feeder Fund is 100% invested in the underlying US dollar Fund. However, given small valuation, trading and translation differences for the two Funds, investors should expect differences in returns in the short term. Over the long term, we aim to achieve the same outcome in US dollar terms for both Funds.

The Fund was flat for the quarter, against a benchmark return of +6.7%, bringing the rolling 12-month performance to 9% against the 18.5% returned by the MSCI All Country World Index.

Global equity markets had a strong quarter, rising 6.7% to close out another year of positive gains. Markets had a good start in October, but the new highs were short-lived on the discovery of a further Covid-19 variant, later named Omicron, that caused some governments to bring in restrictions, limit travel, and bring forward booster vaccination programs to prevent its spread. Markets sold off on this news but did recover later in December as it became clearer that while Omicron was much more infectious, it was generally a milder illness for those infected. In parallel to this was the ongoing rise in inflation, which is proving more persistent than the US Federal Reserve and others originally anticipated. The Bank of England raised rates during the quarter on inflation worries, while the Fed turned far more hawkish. It accelerated its tapering process and cleared the way for a potential increase in rates in mid-2022, with the dot plot suggesting as many as three rate hikes before the end of the year.

North America was the best performing region in the fourth quarter of 2021 (Q4-21), advancing 10.0% (in US dollar terms). The weakest return was from Japan, which declined 3.9% (in US dollar terms). Europe rose 5.7% and the Pacific ex-Japan was flat (both in US dollar terms). Developed markets rose 7.9% strongly outperforming emerging markets, which declined 1.3% (both in US dollar terms).

Amongst the global sectors, IT (+13.1%), utilities (+10.7%), and real estate (+10.2%) were the best performing sectors for the quarter. The worst performing sectors were telecoms (-1.9%), financials (+3.3%), and energy (+3.6%). On a look-through basis, the Fund's largest exposures are to consumer discretionary, IT and communication services, and it has very little exposure to utilities and real estate.

Performance was weak from all the underlying managers, but Tremblant Capital and our emerging markets exposure through Coronation Global Emerging Markets Fund had the biggest impact.

Tremblant Capital returned -4.5%, some distance behind the index and closing out a difficult year for them. This quarter their consumer discretionary stocks detracted significantly from performance, while stocks in IT and communication services also held back returns. Doordash (-27.7%), Twitter (-28.4%), Nordstrom (-14.5%) and Carlotz (-40.4%) were some examples of this. Their consumer staples and real estate positions did well but the exposure to these is small and therefore did not impact performance as much.

Coronation Global Emerging Markets Fund lagged the index by 4.2% over the quarter, bringing alpha to -11% for the year. The fund's top three sectors all detracted over the quarter, with positive contributions only from two of its smallest sector exposures, materials and energy. Sendas Distribuidora (-31.8%), Yandex (-24.1%), Sberbank (-14.7%) and Mercadolibre (-19.7%) were amongst some of the biggest detractors for the quarter. AngloGold (+31.2%), LVMH (+15.5%) and MediaTek (+18.0%) and Petroleo Brasileiro (+14.1%) provided positive returns for the quarter.

Contrarius Global Equity had a negative return of -1.0% for the 3-month period but did deliver a very good 12-month return of 42.4%, twice that of the index. A large exposure to communication service stocks (AMC Networks (-26.1%), Sinclair Broadcast (-15.9%) and Iheartmedia (-21.6%)) did the most damage over the quarter, while financials such as Coinbase (-21.0%) also detracted. Most other sectors made very little impact but consumer discretionary stocks such as Macy's (+16.5%), Signet Jewellers (+10.4%), and Marks & Spencer (+26.7%) provided a large positive contribution.

Egerton returned 4.7%, slightly lagging the index over the quarter, while for the full year they were also behind by 5%. Good returns from their industrials and consumer discretionary exposure provided solid contributions to performance but these were offset by weaker returns from their IT and financials exposure.

Crosby Street also lagged the index, returning 4.9% to finish the year with a disappointing 9.5%. On the negative side, Worldline (-27.1%), Fidelity National (-10.0%), Shiseido (-17.1%) and Prudential (-12.0%) were amongst the largest detractors. There were several positive returns as well but only Qualcomm (+42.3%) and Interactive Brokers (+27.6%) were big enough to make a difference.

Outlook

While the future of the pandemic is difficult to predict, the feeling is that people are learning to live with the virus and the new normal is emerging. The global economy should be much better than the prior two years although with much diminished fiscal support as governments seek to repair the damage to their finances. Monetary policy will also be less supportive, although central banks will move carefully to moderate inflation while limiting any damage to the economic recovery. US equity market valuations look high but this is tempered by wide valuation dispersion which look attractive for active managers. In addition, valuations in Europe and Asia are very attractive and offer long-term opportunities.

Portfolio managers

Tony Gibson and Karl Leinberger
as at 31 December 2021

IMPORTANT INFORMATION THAT SHOULD BE CONSIDERED BEFORE INVESTING IN THE CORONATION GLOBAL OPPORTUNITIES [ZAR] FEEDER FUND

The Global Opportunities Equity [ZAR] Feeder 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. 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. The top 10 holdings are reflected on a look-through basis. A feeder fund invests in a single fund of a collective investment scheme, which levies its own charges and could result in a higher fee structure for the feeder fund. 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 Investment Management International (Pty) Ltd (FSP45646), 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.

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 our website, www.coronation.com

IMPORTANT INFORMATION REGARDING TERMS OF USE

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