CORONATION MARKET PLUS FUND

Fund Information as at 30 November 2021

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WHAT IS THE FUND'S OBJECTIVE?

Market Plus aims to maximise long-term investment growth, at lower levels of risk than a fund that is only invested in shares.

WHAT DOES THE FUND INVEST IN?

Market Plus can invest in a wide range of assets such as shares, bonds, listed property and cash, both in South Africa and internationally.

It will typically have a strong bias towards shares, which offer the highest expected long-term returns. But unlike an equity fund, it does not have to remain fully invested in shares when we believe the stock market is too expensive.

Foreign investments (excluding Africa) may represent up to 40% of its assets. The fund is mandated to use derivative instruments for efficient portfolio management purposes.

IMPORTANT PORTFOLIO CHARACTERISTICS AND RISKS

Risk Profile

7/10
Aggressive

Maximum growth/ minimum income exposures

- Growth Assets: 100%
- Income Assets: 0%

Market Plus represents Coronation's view on the best combination of different assets that could maximise long-term returns at a reasonable level of risk.

The fund is primarily invested in shares, and will actively seek out only those investments we believe are attractively valued and may offer superior long-term growth.

Market Plus will typically have more exposure to shares than a traditional balanced fund. Shares can be volatile investments and there is a risk of capital loss, especially over the short term. However, the fund is managed with a strong emphasis on instrument valuation and it is therefore unlikely to lose money over the longer term. It may still produce negative returns in extreme years, but at a lower level than a pure equity fund.

HOW LONG SHOULD INVESTORS REMAIN INVESTED?

The recommended investment term for this fund is five years and longer.

WHO SHOULD CONSIDER INVESTING IN THE FUND?

Long-term investors who are building wealth and

- can stay invested for at least five years (preferably longer);
- seek to preserve the purchasing power of their savings over the long term by investing in a diversified portfolio;
- are not dependent on an income from their investment;
- who do not need to accept the investment constraints applicable to retirement savers.

WHAT COSTS CAN I EXPECT TO PAY?

The fund fees recently changed to a fixed fee from the performance related fee previously used.

The new fixed fee is 1.25%.

From 1 April 2021 to 31 March 2022, the lowest of the previously used performance-related fee and the new fixed fee will be accrued daily. From 1 April 2022, only the new fixed fee will apply.

TFI Class A - An annual fee of 1.25% is payable. This class is only available for Tax Free Investments.

All fees exclude VAT. Fund expenses that are 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 portfolio costs.

More detail is available on www.coronation.com.

WHO ARE THE FUND MANAGERS?

NEVILLE CHESTER
BCom, CA (SA), CFA

NICHOLAS STEIN
CA (SA), CFA

NICHOLAS HOPS
BBusSc,CFA

GENERAL FUND INFORMATION

Launch Date	2 July 2001
Fund Class	A
Benchmark	Composite: 52.5% equity, 22.5% bonds, 5% cash, 20% international*
Fund Category	Worldwide – Multi-asset – Flexible
Regulation 28	Does not comply
Income Distribution	Semi-annually (March & September)
Investment minimum	R5 000 or R500/m debit order
Bloomberg Code	CORMKPL
ISIN Code	ZAE000031506
JSE Code	CMPF

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

CORONATION MARKET PLUS FUND

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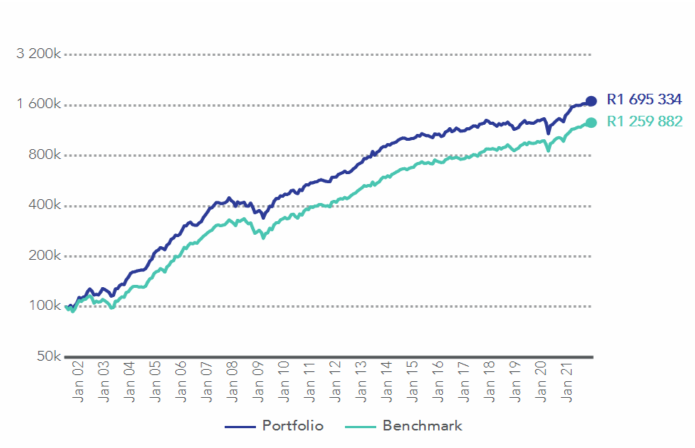
CLASS A as at 30 November 2021

Fund category	Worldwide - Multi Asset - Flexible
Launch date	02 July 2001
Fund size	R 4.39 billion
NAV	9640.99 cents
Benchmark/Performance Fee Hurdle	Composite (52.5% equity, 22.5% bonds, 20% international, 5% cash)
Portfolio manager/s	Neville Chester, Nicholas Stein and Nicholas Hops

	CLASS A		CLASS TFI A	
	1 Year	3 Year	1 Year	3 Year
Total Expense Ratio	1.02%	1.03%	1.59%	1.63%
Fund Management Fee	1.24%	1.24%	1.24%	1.26%
Adjusted for out/(under)-performance	(0.50)%	(0.50)%	0.00%	0.00%
Fund expenses	0.16%	0.18%	0.16%	0.18%
VAT	0.11%	0.11%	0.19%	0.19%
Transaction costs (inc. VAT)	0.22%	0.20%	0.22%	0.20%
Total Investment Charge	1.24%	1.23%	1.81%	1.83%

PERFORMANCE AND RISK STATISTICS

GROWTH OF A R100,000 INVESTMENT (AFTER FEES)



PERFORMANCE FOR VARIOUS PERIODS (AFTER FEES)

	Fund	Benchmark	Active Return
Since Launch (unannualised)	1595.3%	1159.9%	435.4%
Since Launch (annualised)	14.9%	13.2%	1.7%
Latest 20 years (annualised)	14.9%	13.3%	1.6%
Latest 15 years (annualised)	11.0%	10.8%	0.2%
Latest 10 years (annualised)	11.0%	11.4%	(0.4)%
Latest 5 years (annualised)	8.6%	10.5%	(1.9)%
Latest 3 years (annualised)	13.8%	13.7%	0.1%
Latest 1 year	21.8%	19.8%	2.0%
Year to date	18.2%	16.5%	1.7%

RISK STATISTICS SINCE LAUNCH

	Fund	Benchmark
Annualised Deviation	11.1%	10.2%
Sharpe Ratio	0.64	0.54
Maximum Gain	36.7%	29.3%
Maximum Drawdown	(24.4)%	(23.6)%
Positive Months	66.5%	67.3%
	Fund	**Date Range**
Highest annual return	50.0%	Aug 2004 - Jul 2005
Lowest annual return	(20.1%)	Mar 2008 - Feb 2009

PORTFOLIO DETAIL

EFFECTIVE ASSET ALLOCATION EXPOSURE

Sector	30 Nov 2021
Domestic Assets	74.8%
Equities	52.0%
Basic Materials	16.2%
Industrials	0.8%
Consumer Goods	3.0%
Health Care	1.5%
Consumer Services	7.6%
Telecommunications	0.1%
Financials	13.7%
Technology	5.9%
Derivatives	0.5%
Consumer Staples	1.5%
Energy	1.1%
Other	0.0%
Preference Shares & Other Securities	0.3%
Real Estate	5.2%
Bonds	19.4%
Commodities	0.0%
Cash	(2.6)%
Other (Currency Futures)	0.5%
International Assets	25.2%
Equities	18.8%
Real Estate	0.5%
Bonds	2.4%
Cash	3.5%

TOP 10 HOLDINGS

As at 30 Sep 2021	% of Fund
Anglo American Plc	5.1%
Prosus	5.0%
Glencore Xstrata Plc	3.5%
Nedbank Group Ltd	2.7%
AngloGold Ashanti Limited	2.5%
Egerton Capital Equity Fund	2.5%
British American Tobacco Plc	2.5%
Quilter plc	2.0%
Momentum Metropolitan Holdings	2.0%
Naspers Ltd	1.9%

INCOME DISTRIBUTIONS

Declaration	Payment	Amount	Dividend	Interest
30 Sep 2021	01 Oct 2021	193.11	113.14	79.98
31 Mar 2021	01 Apr 2021	175.22	114.85	60.37
30 Sep 2020	01 Oct 2020	91.31	45.12	46.19
31 Mar 2020	01 Apr 2020	135.90	59.22	76.68

MONTHLY PERFORMANCE RETURNS (AFTER FEES)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund 2021	4.1%	4.8%	0.7%	1.7%	(0.2)%	0.2%	1.9%	0.8%	(0.8)%	4.0%	0.0%		**18.2%**
Fund 2020	1.1%	(5.7)%	(13.7)%	11.8%	1.7%	3.2%	2.8%	2.2%	(2.0)%	(2.4)%	9.0%	3.0%	**8.9%**
Fund 2019	1.5%	4.2%	2.7%	2.7%	(3.8)%	1.1%	(0.7)%	(0.2)%	1.8%	2.3%	(0.4)%	1.6%	**13.3%**
Fund 2018	0.4%	(2.1)%	(2.1)%	3.5%	(2.1)%	2.4%	(0.5)%	2.4%	(3.4)%	(1.3)%	(5.1)%	1.2%	**(6.9)%**
Fund 2017	2.5%	(0.2)%	2.0%	2.1%	0.0%	(1.8)%	4.5%	0.6%	0.7%	4.1%	(1.3)%	(2.9)%	**10.4%**

Issue date: 2021/12/09

Please refer to page 4 of the Comprehensive Fact Sheet for important additional infomation, including change in cost disclosures.

Please note that the commentary is for the retail class of the fund.

Despite a very volatile period, the Fund added to its overall gains in the quarter, ending up 25% for the year ended September. This was a pleasing outcome given the volatile markets we have experienced the past year. What is even more exciting is that we think the Fund is particularly well-positioned to deliver strong returns in the medium term, given some of the asset-specific opportunities that we currently see in the market.

The most significant change over the last year has been reducing our exposure to global equity in the Fund and increasing exposure to JSE-listed stocks. Having been overweight global equities, we have steadily reduced this exposure into the very strong run that global developed markets have experienced over the past 12 months. We have also skewed what global exposure we have towards emerging markets, which have generally underperformed the developed markets, particularly with China stocks underperforming on the back of concerns around their recent structural changes implemented in the pursuit of 'common prosperity'.

Countering this, we have increased our exposure to JSE-listed equity. We think the JSE screens as offering exceptional value at the moment. We are overweight resources, which have been and should continue to be significant cash generators, with most of that cash being returned to shareholders via dividends and share buybacks. We are also overweight the global shares listed on the JSE: Naspers/Prosus, ABI, British American Tobacco, Aspen and Quilter. The balance is exposed to pure SA stocks, and although we are underweight these, we do think there is great value in this sector as well, and with our increased exposure to domestic bonds, we pick up a lot more SA-specific exposure at the overall portfolio level.

The last quarter was all about China's multiple announcements, expressing the desire for a more equitable split of wealth, and more responsible behaviour by the large, listed corporates, especially when it comes to data security and treatment of new economy or so-called 'Gig economy' workers. This is not significantly different to the desires of most Western democracies. What has made the Chinese impact so much greater on equity prices has been the suddenness of the announcements and, of course, the immediate and comprehensive execution of these policies. Our biggest exposure to these is through our holding in Prosus and Naspers via their holding in Tencent. These kinds of announcements are to be expected and have occurred before in China. The most recent being in 2018, when they clamped down aggressively on the amount of time minors were spending gaming online. We have found that Tencent has always managed itself impeccably through these times, complying with new regulations, yet still maintaining the high levels of innovation and development that keep consumers interested in their products and active within their 'ecosystem'. That has helped the company maintain its dominant position in providing digital services in the Chinese market. We expect this to be the case during the current regulatory cycle.

What is also important to bear in mind is that Tencent has been a significant investor in many other technology businesses both inside and outside China. Today, the core business of Tencent makes up a much smaller part of the overall value of the business. The investment portfolio at spot market prices makes up approximately 40% of the market capitalisation of Tencent today. As such, we think there is a lot of value in Tencent at today's market prices. Over and above this, as investors in Prosus, we are increasingly exposed to a basket of high growth internet businesses outside of China. Prosus has stepped up its investment, with large portfolio investments in classifieds, food delivery and payments. The market continues to give no recognition to the value of these businesses in the share price of Prosus. They recently concluded a share swap transaction to partly deal with the multiple discounts to NAV in the structure. We expect further steps to be taken over time to deal with this.

Despite some short-term concerns about the softness in metal prices, we have maintained our overweight in resources. Importantly, we were underweight platinum group metals, which is the sector that bore the brunt of the recent sell-off and we were underweight iron ore as we hold no BHP Billiton or direct exposure to Kumba Iron Ore. The iron ore price was completely unsustainable at over $200, especially given widely available resources and China's many directives to the steel industry to reduce production.

We have been overweight coal through our position in Exxaro Resources and Glencore, which has benefited handsomely from the recent price surge. We believe Glencore is being a responsible miner by maintaining ownership of its coal assets and running them down in a sustainable manner, rather than merely disposing of them into less transparent hands. This also benefits shareholders, as they are receiving significant cash flows from these assets as coal prices rise, which also benefits a green transition as it makes renewable energy sources more cost-competitive.

As alluded to earlier, the Fund has continued to invest in longer-dated South African government bonds. While we expect global bonds to sell off, given their exceptionally low yields, we still believe the SA bonds offer value. With real yields in excess of 5%, they are already pricing in significant risk of default, which we believe is unlikely in the medium term. The rand should remain supported by very positive terms of trade conditions, which we expect to persist, and this will also support these real yields. The new Finance Minister remains committed to the fiscal prudence undertaken by his predecessor, but we will need to wait for the Medium Term Budget Policy Statement (MTBPS) in November to see any specific changes to the outlook.

With the combination of a portfolio of bonds yielding in excess of 10% and domestic equities offering meaningful dividend yields and capital return potential, we remain optimistic on the Fund's ability to generate double-digit returns over the medium return, subject, as always, to the risks of short-term volatility brought about by global and local market conditions.

Portfolio managers
Neville Chester, Nicholas Stein and Nicholas Hops
as at 30 September 2021

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IMPORTANT INFORMATION THAT SHOULD BE CONSIDERED BEFORE INVESTING IN THE CORONATION MARKET PLUS FUND

The Market 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 fund is mandated to invest up to 35% (excluding Africa) 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. Asset allocation and top 10 holdings are reflected on a look-through basis. Any African exposure (ex SA) is reflected under international assets. 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 Asset Management (Pty) (FSP 548) Ltd, 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.

The current performance fee methodology results in a fee of 1.25% when the portfolio's performance equals that of the benchmark (net of fees), with a minimum fee of 0.75% and a maximum fee of 2.40%.

From 1 April 2021 to 31 March 2022, the lower of the 2 possible fees stated below will be accrued daily;

- The current performance-related fee with CAPI as the SA equity component of the benchmark
- The new fixed fee of 1.25%

From 1 April 2022, only the new fixed fee will apply.

HOW ARE THE BENCHMARK RETURNS CALCULATED?

The benchmark used for performance purposes is a composite benchmark consisting of 52.5% Domestic Equity (CSWIX), 22.5% Domestic Bonds (ALBI), 5% Domestic Cash (STF3M), 14.5% International Equity (ACWI), 3.5% International Bonds (BGBA) and 2% International Cash (USD3MLIBOR). From 1 April 2021 the SA equity component of the composite benchmark is the FTSE/JSE Capped Shareholders Weighted Index which replaces the FTSE/JSE Capped All Share Index (CAPI). The benchmark returns shown in this MDD will be spliced between the previously applicable benchmark (CAPI) up to 31 March 2021 and the new index returns from 1 April 2021.

*Benchmark change due to LIBOR being discontinued: The publication of LIBOR will cease on 31 December 2021 for most of the currency and term combinations that are currently in use. As a result of these upcoming changes, we wish to notify you that USD LIBOR will be replaced by the Secured Overnight Financing Rate ("SOFR") as a component of the Market Plus composite benchmark. This change will be 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 Market Plus benchmark will be: 52.5% Domestic Equity (CSWIX), 22.5% Domestic Bonds (ALBI), 5% Domestic Cash (STF3M), 14.5% International Equity (ACWI), 3.5% International Bonds (BGBA) and 2% International Cash (SOFR).

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 TFI Class TER and Transaction Costs cannot be determined accurately because of the short life span of the class. Calculations are based on actual data where possible and best estimates where actual data is not available. 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