

## LONG TERM OBJECTIVE

The Coronation Domestic Houseview Strategy is a clean slate fully discretionary portfolio, which represents our best investment view for a domestic balanced portfolio in all major domestic asset classes – equities, property, bonds and cash. The Strategy's objective is to deliver the best risk-adjusted returns available across all the listed asset classes. In achieving this it aims to outperform the benchmark over meaningful periods (defined as at least 5 years).

## INVESTMENT APPROACH

Coronation is a long-term, valuation-driven investment house. Our aim is to identify mispriced assets trading at discounts to their long-term underlying value (fair value) through extensive proprietary research. The Portfolio is constructed on a clean-slate basis based on the relative risk-adjusted upside to fair value of each underlying asset. 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 the probability of a permanent loss of capital.

## STRATEGY RETURNS GROSS OF FEES

Period	Strategy	Benchmark	Active Return
Since Inception (cumulative)	2,676.0%	1,549.8%	1,126.2%
Since Inception p.a.	14.6%	12.2%	2.4%
Latest 20 years p.a.	14.5%	11.8%	2.7%
Latest 15 years p.a.	10.6%	8.9%	1.7%
Latest 10 years p.a.	10.6%	9.3%	1.3%
Latest 5 years p.a.	8.7%	7.2%	1.5%
Latest 1 year	13.4%	12.3%	1.1%
Year to date	0.4%	1.9%	(1.5)%
Month	(1.8)%	(2.9)%	1.1%

## PERFORMANCE &amp; RISK STATISTICS (Since inception)

	Strategy	Benchmark
Annualised Standard Deviation	12.7%	12.5%
Maximum Drawdown	(29.9)%	(32.3)%

## ASSET ALLOCATION

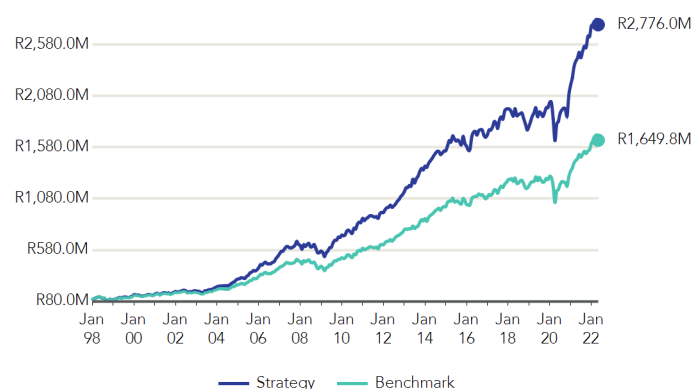
Asset Type	% Strategy
Equities	74.3%
Bonds	21.1%
Property	3.5%
Hedge Funds	1.1%

## GENERAL INFORMATION

Inception Date	01 January 1998
Strategy Size †	R18.01 billion
Strategy Status	Open
Mandate Benchmark	65% FTSE/JSE Africa Capped Shareholder Weighted Index (Capped SWIX); 25% JSE ASSA All Bond Index (ALBI) and 10% Short Term Fixed Interest 3-month Index (STeFI 3m)
Dealing Frequency	Daily
Base Currency	ZAR
Regulation 28	Yes

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

## GROWTH OF R100M INVESTMENT



Benchmark: 65% FTSE/JSE Africa Capped Shareholder Weighted Index (Capped SWIX); 25% JSE ASSA All Bond Index (ALBI) and 10% Short Term Fixed Interest 3-month Index (STeFI 3m)

## TOP 10 HOLDINGS

Holding	% Strategy
RSA FIX 9.000% 310140	10.2%
PROSUS	7.3%
ANGLO AMERICAN PLC	4.4%
FIRSTRAND LIMITED	4.3%
GLENCORE XSTRATA PLC	4.1%
STANDARD BANK GROUP LTD	3.4%
COMPAGNIE FINANCIERE RICHEMONT SA	2.9%
RSA FIX 6.250% 310336	2.8%
BRITISH AMERICAN TOBACCO PLC	2.8%
SASOL LIMITED	2.7%

## EFFECTIVE MATURITY PROFILE\*

Term	% Strategy (incl. Cash)	% Strategy (excl. Cash)
0 to 1 year	0.3%	1.9%
1 to 3 years	0.1%	0.1%
3 to 7 years	1.1%	1.1%
7 to 12 years	2.7%	2.7%
Over 12 years	16.9%	16.6%

## MODIFIED DURATION\*

Portfolio	1.5
Fixed Income Assets	7.3

## PORTFOLIO MANAGERS



Karl Leinberger - BBusSc, CA (SA), CFA

Karl is Chief Investment Officer (CIO) and manager of Coronation's Houseview strategies. He joined Coronation in 2000 as an equity analyst, was made Head of Research in 2005 and became CIO in 2008. Karl has 21 years' investment experience.



Sarah-Jane Alexander - BBusSc, CFA

Sarah-Jane manages assets within the Coronation Houseview Equity Strategy. She also co-manages Coronation's Houseview balanced strategies and has research responsibilities across a range of financial services and hospital stocks, among others. Sarah-Jane joined Coronation in 2008 as an equity analyst and has 18 years' investment experience.

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\* For SA Fixed Income investments only. Excludes equities, property and preference shares.