

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 may represent up to 45% of its assets. 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



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 annual management fee is 1.25%.

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

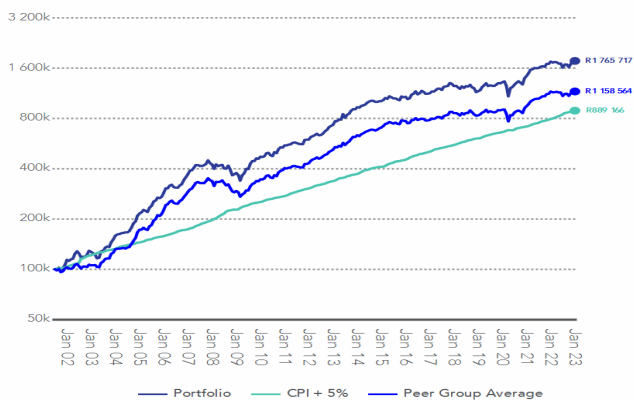
Launch Date	2 July 2001
Fund Class	A
Benchmark	CPI + 5%
ASISA Fund Category	Worldwide – Multi-asset – Flexible
Regulation 28	Does not comply
Income Distribution	Semi-annually (March & September)
Investment minimum	R5 000 or R500/m debit order
Bloomberg Code	CORMKPL
ISIN Code	ZAE000031506
JSE Code	CMPF

CLASS A as at 31 December 2022

ASISA Fund Category	Worldwide - Multi Asset - Flexible
Launch date	02 July 2001
Fund size	R 4.30 billion
NAV	9702.89 cents
Benchmark	CPI + 5%
Portfolio manager/s	Neville Chester, Nicholas Stein and Nicholas Hops

PERFORMANCE AND RISK STATISTICS

GROWTH OF A R100,000 INVESTMENT (AFTER FEES)



PERFORMANCE FOR VARIOUS PERIODS (AFTER FEES)

	Fund	CPI +5%	Peer Group Average
Since Launch (unannualised)	1665.7%	789.2%	1058.6%
Since Launch (annualised)	14.3%	10.7%	12.1%
Latest 20 years (annualised)	14.1%	10.5%	12.7%
Latest 15 years (annualised)	10.0%	10.6%	8.6%
Latest 10 years (annualised)	9.2%	10.2%	8.3%
Latest 5 years (annualised)	7.2%	9.9%	6.2%
Latest 3 years (annualised)	10.3%	10.3%	8.7%
Latest 1 year	0.9%	12.1%	0.0%
Year to date	0.9%	12.1%	0.0%

RISK STATISTICS SINCE LAUNCH

	Fund	Peer Group Average
Annualised Deviation	11.1%	9.0%
Sharpe Ratio	0.60	0.50
Maximum Gain	36.7%	34.9%
Maximum Drawdown	(24.4)%	(22.4)%
Positive Months	65.1%	66.3%

	Fund	Date Range
Highest annual return	50.0%	Aug 2004 - Jul 2005
Lowest annual return	(20.1)%	Mar 2008 - Feb 2009

MONTHLY PERFORMANCE RETURNS (AFTER FEES)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund 2022	(1.4)%	0.9%	(0.5)%	(1.7)%	(0.1)%	(5.4)%	4.4%	(0.1)%	(3.5)%	4.4%	5.7%	(1.3)%	0.9%
Fund 2021	4.1%	4.8%	0.7%	1.7%	(0.2)%	0.2%	1.9%	0.8%	(0.8)%	4.0%	0.0%	3.3%	22.1%
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)%

	1 Year	3 Year
Total Expense Ratio	1.28%	1.11%
Fund Management Fee	1.24%	1.24%
Adjusted for out/(under)-performance	(0.25)%	(0.41)%
Fund expenses	0.14%	0.16%
VAT	0.15%	0.12%
Transaction costs (inc. VAT)	0.24%	0.23%
Total Investment Charge	1.53%	1.35%

PORTFOLIO DETAIL

EFFECTIVE ASSET ALLOCATION EXPOSURE

Sector	31 Dec 2022
Domestic Assets	67.3%
Equities	48.4%
Basic Materials	12.8%
Industrials	0.4%
Consumer Goods	5.8%
Health Care	0.6%
Consumer Services	4.4%
Telecommunications	1.9%
Financials	14.7%
Technology	7.7%
Derivatives	0.0%
Real Estate	3.2%
Bonds	16.6%
Cash	(0.8)%
Other (Currency Futures)	0.0%
International Assets	32.7%
Equities	26.2%
Preference Shares & Other Securities	0.0%
Real Estate	0.6%
Bonds	4.6%
Commodities	0.0%
Cash	1.1%

TOP 10 HOLDINGS

As at 31 Dec 2022	% of Fund
Prosus	5.8%
Standard Bank Group Ltd	4.1%
Anglo American Plc	3.8%
Impala Platinum Holdings Ltd	3.0%
Anheuser-Busch Inbev SA/NV	2.1%
Sasol Ltd	2.1%
Compagnie Financiere Richemont SA	1.9%
Nedbank Group Ltd	1.9%
MTN Group Ltd	1.8%
British American Tobacco Plc	1.7%

INCOME DISTRIBUTIONS

Declaration	Payment	Amount	Dividend	Interest
30 Sep 2022	03 Oct 2022	182.47	97.46	85.01
31 Mar 2022	01 Apr 2022	137.74	42.26	95.48
30 Sep 2021	01 Oct 2021	193.11	113.14	79.98
31 Mar 2021	01 Apr 2021	175.22	114.85	60.37

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

Performance and fund positioning

The Fund bounced back strongly in the fourth quarter of 2022 (Q4-22), managing to bring the full-year return positive – a very pleasing result in a year where global markets have sold off dramatically and local markets have been extremely volatile. The Fund's quarterly return of 8.9% was ahead of the quantitative benchmark, mainly driven by having kept a higher weighting to SA equities, which significantly outperformed global equities in the quarter.

As a flexible fund, Market Plus has the ability to hold a higher weighting to equity than those funds that have to adhere to Regulation 28 (Reg 28) limits. For most of Q4-22, the Fund kept its weighting over the Reg 28 limit of 75%, given what we saw as compelling value in the local equity market, and, increasingly, value appearing in global equity markets as the inflation and interest rate led sell-off continued in those markets. It has been a difficult call to make, as SA bonds are also trading at very attractive levels for long-term investors, but we felt that the upside from equity was likely to be significantly better.

Within our SA equity selection, our overweight position in commodities added to performance as markets once again started to price in commodity prices remaining higher for longer. In the year-end trading updates, all the major mining companies indicated lower volumes than expected. This indicates that prices are likely to remain higher for longer as supply has continuously disappointed. The strong cash flows these companies will generate from these above normal commodity prices will predominantly be returned to shareholders, making resources shares very attractive from a total return perspective.

The Fund also benefited from our investment in Naspers/Prosus and Richemont, both of whom have significant China exposure. While the market panicked initially when Xi Jinping was, unsurprisingly, re-elected for a third term as Chinese president and general secretary of the Communist Party, it quickly responded to his announcements of reopening for business, and later, the end of China's zero-Covid policy.

Our exposure to the SA banking sector was performing well initially on the back of strong pre-close updates but increasing concerns locally about continued power shortages and then the potential resignation of the president, saw their share prices come under pressure. They have not recovered, despite President Cyril Ramaphosa comfortably being re-elected as head of the ANC. The next big driver towards which the market will likely shift its focus is the upcoming announcement from the Financial Action Task Force on the potential 'grey listing' of SA. Given the narrative around this event, there is likely more upside than downside, as most participants are expecting the grey listing to occur. Should it be deferred, we should see the banks outperform.

Within the Fund's global exposure, our emerging markets (EM) position (which detracted earlier in the year) came through strongly as the market has started to recognise the relative cheapness of many EMs versus developed markets. It also benefited from the Chinese exposure in the last month, as referenced above. As the developed equity markets have continued to underperform, we have started adding exposure here, adding around 3% to global equity in the quarter.

We have maintained a high exposure to SA government bonds but have also been adding to global credits as they are now offering decent returns as the yield curve has pushed out. We are still avoiding most foreign sovereigns, where yields still do not compensate for the risk.

In our property exposure, our focus has shifted towards a few specific names, adding to Attacq, which delivered very strong results, and whose Waterfall node remains the most promising in the Gauteng region. Our exposure to RMH reduced as the company paid out the proceeds from its portfolio sale to shareholders as a special dividend. Given the relative attractiveness of SA bonds, we still do not have much exposure to SA property.

Outlook

Despite the extremely wild ride we have experienced in the last few years with Covid, which was followed by a major European war, the Fund has managed to deliver solid returns. Our three-year numbers (from the start of 2020) are just in double-digit territory at 10.2%, delivering comfortable inflation-beating returns for this period. Given the yields available on our equity and fixed income holdings, we are confident that the Fund should be able to keep up this level of return over the medium term.

Portfolio managers

Neville Chester, Nicholas Stein and Nicholas Hops
as at 31 December 2022

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 45% 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 peer group average is calculated as the average return of all the funds in the ASISA South African - Multi Asset - Flexible category (excluding Coronation Funds in that category).

BENCHMARK DETAILS

The benchmark used for performance purposes is the Consumer Price Index (CPI) + 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 over the period referenced. 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 underlying 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 previous financial year (updated annually). The 3 year TER is for a rolling 36-month period to the last available 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. 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

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