

## LONG TERM OBJECTIVE

The Coronation Managed Strategy is an aggressive, clean slate fully discretionary balanced portfolio. The Strategy's objective is to outperform its peer group or a composite benchmark over meaningful periods (defined as at least 5 years). The Strategy is managed in accordance with the limits of Regulation 28 of the Pension Funds Act.

## 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 business value (fair value) through extensive proprietary research. In calculating fair values, through our fundamental research, we focus on through-the-cycle normalised earnings and/or free cash flows using a long-term time horizon. The Portfolio is constructed on a cleanslate basis based on the relative risk-adjusted upside to fair value of each underlying security. 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 a permanent loss of capital.

## STRATEGY RETURNS GROSS OF FEES

Period	Strategy	Benchmark	Active Return
Since Inception (cumulative)	4,524.8%	2,549.8%	1,975.0%
Since Inception p.a.	15.4%	13.0%	2.4%
Latest 20 years p.a.	15.4%	14.3%	1.1%
Latest 15 years p.a.	12.1%	10.1%	2.0%
Latest 10 years p.a.	11.0%	9.5%	1.5%
Latest 5 years p.a.	10.4%	8.8%	1.6%
Latest 1 year	11.0%	7.3%	3.7%
Year to date	8.0%	5.9%	2.1%
Month	(0.1)%	(0.2)%	0.1%

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

	Strategy	Benchmark
Annualised Standard Deviation	11.9%	11.4%
Maximum Drawdown	(23.5)%	(27.7)%

## ASSET ALLOCATION

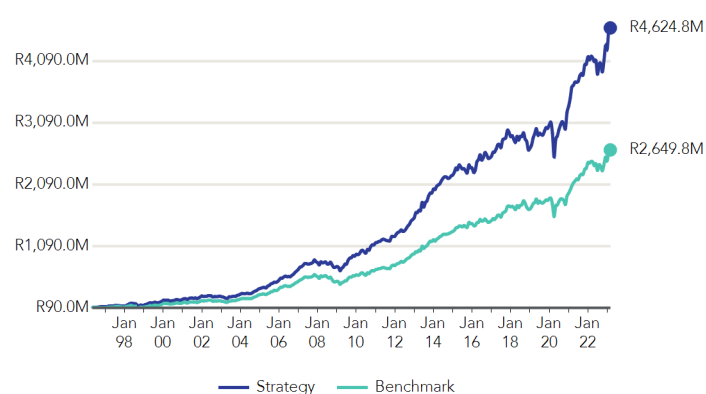
Asset Type	% Strategy
Local Equities	42.8%
Foreign Equities	29.1%
Local Bonds	16.3%
Foreign Bonds	5.1%
Local Real Estate	3.1%
Local Hedge	1.2%
Cash	1.1%
Foreign Real Estate	0.7%
Local Commodities	0.6%

## GENERAL INFORMATION

Inception Date	01 May 1996
Strategy Size †	R19.01 billion
Strategy Status	Open
Mandate Benchmark	Median of Peer Group
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: Median of Peer Group

## TOP 10 HOLDINGS

Holding	% Strategy
CORO GBL EQUITY FOF-Z	13.8%
RSA FIX 6.500% 280241	9.7%
PROSUS	5.1%
CORONATION GLB EQ SE-Z USD	4.6%
CORONATION GEM EQUITY FUND	4.0%
STANDARD BANK GROUP LTD	4.0%
ANGLO AMERICAN PLC	2.8%
NEDBANK GROUP LIMITED	2.7%
BRITISH AMERICAN TOBACCO PLC	2.2%
MTN GROUP LIMITED	2.2%

## EFFECTIVE MATURITY PROFILE\*

Term	% Strategy (incl. Cash)	% Strategy (excl. Cash)
0 to 1 year	2.4%	2.4%
1 to 3 years	0.9%	0.9%
3 to 7 years	2.0%	2.0%
7 to 12 years	1.0%	1.0%
Over 12 years	12.0%	12.0%

## MODIFIED DURATION\*

Portfolio	1.2
Fixed Income Assets	6.5

## PORTFOLIO MANAGERS



Neville Chester - BCom, CA (SA), CFA

Neville is a senior member of the investment team with 25 years' investment experience. He manages Coronation's Aggressive Equity Strategy and is co-manager of the Coronation Top 20 and Market Plus unit trust funds.



Nic Stein - BBusSc, CA (SA), CFA

Nic is a portfolio manager and analyst within the Coronation investment team with 14 years' investment experience. He co-manages the Coronation Aggressive Equity and Managed strategies as well as the Coronation Resources, Top 20 and Market Plus unit trust funds.

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