

## 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)	4,389.7%	2,458.9%	1,930.8%
Since Inception p.a.	14.8%	12.5%	2.3%
Latest 20 years p.a.	14.6%	13.3%	1.3%
Latest 15 years p.a.	12.7%	11.3%	1.4%
Latest 10 years p.a.	8.7%	7.6%	1.1%
Latest 5 years p.a.	10.0%	7.8%	2.2%
Latest 1 year	9.5%	6.6%	2.9%
Year to date	4.8%	3.4%	1.4%
Month	(3.4)%	(2.3)%	(1.1)%

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

	Strategy	Benchmark
Annualised Standard Deviation	11.8%	11.3%
Maximum Drawdown	(23.5)%	(27.7)%

## ASSET ALLOCATION

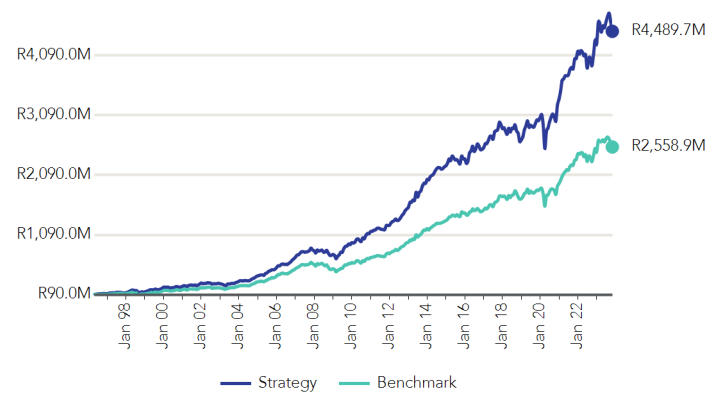
Asset Type	% Strategy
Local Equities	40.3%
Foreign Equities	27.7%
Foreign Bonds	12.0%
Local Bonds	9.9%
Local Real Estate	7.1%
Local Hedge	1.3%
Cash	1.0%
Foreign Real Estate	0.6%
Local Commodities	0.1%

## GENERAL INFORMATION

Inception Date	01 May 1996
Strategy Size †	R19.37 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	10.2%
CORONATION GEM EQUITY FUND	5.5%
PROSUS	4.9%
STANDARD BANK GROUP LTD	3.7%
NEDBANK GROUP LIMITED	3.0%
BRITISH AMERICAN TOBACCO PLC	2.5%
RSA FIX 6.500% 280241	2.1%
MTN GROUP LIMITED	2.0%
CIE FINANCIERE RICHEMO-A REG	1.9%
ATTACQ LIMITED	1.8%

## EFFECTIVE MATURITY PROFILE\*

Term	% Strategy (incl. Cash)	% Strategy (excl. Cash)
0 to 1 year	(3.1)%	2.5%
1 to 3 years	0.8%	0.8%
3 to 7 years	3.1%	2.9%
7 to 12 years	0.8%	0.7%
Over 12 years	3.5%	3.3%

## MODIFIED DURATION\*

Portfolio	0.5
Fixed Income Assets	10.2

## PORTFOLIO MANAGERS



Neville Chester - BCom, CA (SA), CFA

Neville is a senior member of the investment team with 26 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.