CORONATION CAPITAL PLUS FUND

Fund Information as at 31 October 2023

CORONATION
TRUST IS EARNED™

WHAT IS THE FUND'S OBJECTIVE?

The fund is in the first instance managed to achieve reasonable investment growth over the medium to long term. Our intent is that the fund should produce an annualised return of at least inflation plus 4% over time. In addition, we aim to achieve less volatility than the average balanced fund. It is specifically managed to suit investors who want to draw an income over an extended period of time.

WHAT DOES THE FUND INVEST IN?

Capital Plus can invest in a wide range of assets, such as shares, bonds, listed property and cash, both in South Africa and internationally, in a manner similar to that usually employed by retirement funds. As the fund actively seeks to curb risk and volatility, only a maximum of 70% of its investments may be held in growth assets like shares and listed property. Shares usually offer the best growth, but this comes with the greatest risk of short-term losses. The fund's exposure to shares is therefore carefully balanced with more stable investments like bonds. Maximum exposure to foreign assets is 45%. The fund is mandated to use derivative instruments for efficient portfolio management purposes.

IMPORTANT PORTFOLIO CHARACTERISTICS AND RISKS

Risk Profile

5/10
Moderate

Maximum growth/ minimum income exposures

- Growth Assets: 70%
- Income Assets: 30%

The fund is tactically managed to protect and grow capital, as well as secure an attractive income. A large and experienced investment team actively seeks out the best potential opportunities for income and growth, while carefully considering the different risks within the fund.

The fund is diversified across a range of assets reflecting its dual objectives of reasonable growth and capital stability. This includes a selection of shares we believe are attractively valued and may offer strong long-term returns, as well as strategic positions in quality income assets.

HOW LONG SHOULD INVESTORS REMAIN INVESTED?

The recommended investment term is three years and longer. The fund's exposure to shares may result in short-term price fluctuations, making it unsuitable to investors who can only invest for short periods.

WHO SHOULD CONSIDER INVESTING IN THE FUND?

- Pensioners and other investors requiring an income, especially those in the first half of retirement.
- Living annuity investors seeking a fund that aims to achieve both income and capital growth.
- Investors requiring a low-risk fund, which offers a reasonable rate of return, for their retirement annuity, provident fund, preservation fund or pension fund.
- Conservative investors who want to protect their savings.
- Trusts, endowments, foundations and charities who require long-term funding of a moderate spending rule.

WHAT COSTS CAN I EXPECT TO PAY?

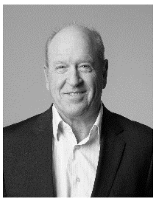
An annual fee of 1.15% (excl. VAT) is payable.

The annual management fee is accrued daily and paid monthly. Fund expenses 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 fund costs.

We do not charge fees to access or withdraw from the fund.

More detail is available on www.coronation.com.

WHO ARE THE FUND MANAGERS?



CHARLES DE KOCK

BCom (Hons), MCom (Economics)

PALLAVI AMBEKAR

CA (SA), CFA

NEILL YOUNG

BBusSc (Hons Fin), CA (SA), CFA

GENERAL FUND INFORMATION

Launch Date	2 July 2001
Fund Class	A
Benchmark	CPI + 4%
ASISA Fund Category	South African – Multi-asset – High Equity
Income Distribution	Quarterly (March, June, September, December)
Investment minimum	R5 000 or R500/m debit order
Bloomberg Code	CORCAPP
ISIN Code	ZAE000031514
JSE Code	CCPF

CORONATION CAPITAL PLUS FUND

CORONATION
TRUST IS EARNED™

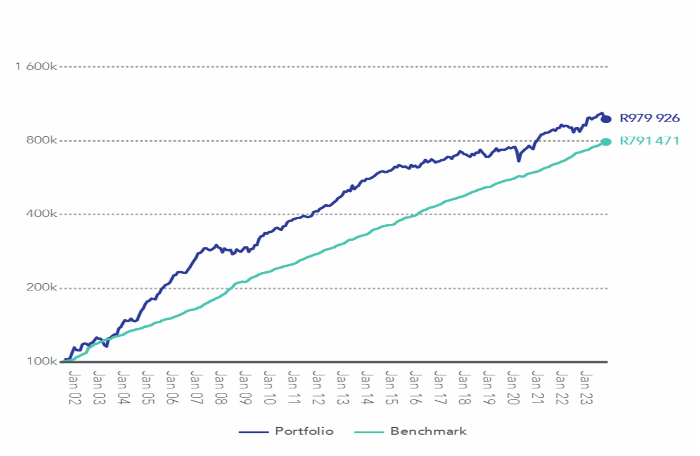
CLASS A as at 31 October 2023

ASISA Fund Category	South African - Multi Asset - High Equity
Launch date	02 July 2001
Fund size	R12.48 billion
NAV	4725.54 cents
Benchmark	CPI + 4% p.a.
Portfolio manager/s	Charles de Kock, Pallavi Ambekar and Neill Young

	1 Year	3 Year
Total Expense Ratio	1.56%	1.53%
Fund management fee	1.14%	1.16%
Fund expenses	0.24%	0.20%
VAT	0.17%	0.17%
Transaction costs (inc. VAT)	0.11%	0.10%
Total Investment Charge	1.67%	1.64%

PERFORMANCE AND RISK STATISTICS

GROWTH OF A R100,000 INVESTMENT (AFTER FEES)



PERFORMANCE FOR VARIOUS PERIODS (AFTER FEES)

	Fund	Benchmark	Peer Group Average
Since Launch (unannualised)	879.9%	691.5%	882.8%
Since Launch (annualised)	10.8%	9.7%	10.8%
Latest 20 years (annualised)	10.3%	9.5%	10.8%
Latest 15 years (annualised)	8.7%	9.2%	8.8%
Latest 10 years (annualised)	5.9%	9.2%	6.4%
Latest 5 years (annualised)	6.8%	9.0%	7.1%
Latest 3 years (annualised)	9.9%	10.0%	10.4%
Latest 1 year	8.5%	9.5%	6.1%
Year to date	6.1%	8.2%	3.3%

RISK STATISTICS SINCE LAUNCH

	Fund	Peer Group Average
Annualised Deviation	7.5%	8.7%
Downside Deviation	4.8%	5.5%
Sharpe Ratio	0.42	0.36
Maximum Gain	29.5%	29.5%
Maximum Drawdown	(12.8)%	(18.0)%
Positive Months	67.9%	65.3%
	Fund	**Date Range**
Highest annual return	33.8%	Aug 2004 - Jul 2005
Lowest annual return	(9.3%)	Apr 2019 - Mar 2020

PORTFOLIO DETAIL

EFFECTIVE ASSET ALLOCATION EXPOSURE

Sector	31 Oct 2023
Domestic Assets	**60.0%**
Equities	**22.2%**
Basic Materials	3.7%
Industrials	0.1%
Consumer Goods	1.8%
Health Care	0.2%
Consumer Services	5.3%
Telecommunications	0.9%
Financials	7.1%
Technology	3.5%
Derivatives	(0.5)%
Real Estate	**1.7%**
Bonds	**26.8%**
Commodities	**2.8%**
Cash	**6.5%**
International Assets	**40.0%**
Equities	**31.4%**
Preference Shares & Other Securities	**0.0%**
Real Estate	**0.0%**
Bonds	**10.1%**
Cash	**(1.5)%**

TOP 10 HOLDINGS

As at 30 Sep 2023	% of Fund
Prosus Nv	3.3%
FirstRand Limited	2.0%
Standard Bank Of SA Ltd	1.9%
Cie Financiere Richemont Ag	1.7%
British American Tobacco Plc	1.4%
Glencore Plc	1.2%
Nedbank Ltd	1.1%
Mtn Group Ltd	1.0%
Outsurance Group Ltd	0.8%
Anglo American Plc	0.7%

INCOME DISTRIBUTIONS

Declaration	Payment	Amount	Dividend	Interest
29 Sep 2023	02 Oct 2023	51.04	15.21	35.83
30 Jun 2023	03 Jul 2023	44.87	12.42	32.45
31 Mar 2023	03 Apr 2023	35.90	6.59	29.31
30 Dec 2022	03 Jan 2023	35.45	8.02	27.43

MONTHLY PERFORMANCE RETURNS (AFTER FEES)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund 2023	7.4%	0.3%	(1.7)%	1.6%	0.4%	2.2%	0.8%	1.1%	(3.5)%	(2.3)%			**6.1%**
Fund 2022	(1.6)%	0.7%	(0.4)%	(1.4)%	0.1%	(4.5)%	3.8%	0.2%	(3.3)%	3.6%	3.1%	(0.8)%	**(0.7)%**
Fund 2021	2.7%	2.8%	0.3%	1.4%	0.1%	0.6%	1.5%	1.0%	(1.2)%	2.5%	0.2%	3.1%	**16.0%**
Fund 2020	0.8%	(4.0)%	(9.2)%	7.8%	1.8%	1.8%	1.3%	2.1%	(1.7)%	(1.5)%	6.3%	2.2%	**6.8%**
Fund 2019	1.6%	2.7%	1.4%	2.5%	(2.6)%	1.2%	0.2%	(0.1)%	1.0%	1.3%	(0.8)%	0.7%	**9.2%**
Fund 2018	(0.3)%	(1.2)%	(1.1)%	2.8%	(1.1)%	2.4%	(0.3)%	3.0%	(2.4)%	(1.8)%	(2.4)%	0.1%	**(2.5)%**
Fund 2017	1.3%	0.0%	1.4%	1.6%	(0.3)%	(1.6)%	2.8%	0.4%	1.0%	3.0%	(0.9)%	(1.8)%	**6.9%**

Issue date: 2023/11/09

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.

Performance

The performance of global investment markets in the past quarter has been dominated by the growing realisation that the US Federal Reserve Board intends to leave policy rates higher for longer. While the US economy continued to exhibit resilience and inflation moderated, expectations of a soft landing were beginning to build. Stubbornly higher rates may threaten this. This, along with concerns about weak growth in China and fragility in its property sector, has been reflected in asset prices. Some of the substantial gains achieved in the first half of the year have reversed.

In the latest quarter, the MSCI World Index retreated -3.5%, the MSCI Emerging Market (EM) Index -2.9% and the FTSE World Government Bond Index (WGBI) -4.3% (all in USD). Strong global equity market gains in the first half of the year, combined with rand weakness, have resulted in healthy positive real returns year to date for South African investors of 23.5% (MSCI World), 13.2% (MSCI EM) and 8.2% (WGBI) respectively.

In contrast, domestic asset returns have been dismal. Year to date, the FTSE/JSE Capped Shareholder Weighted Index is essentially flat, listed property is down -4.5%, the FTSE/JSE All Bond Index has delivered a meagre 1.5%, and the rand has weakened 10% against the US dollar. These returns are, in part, a reflection of the attractive yields on offer in developed markets. But equally, they are all a reflection of increasingly evident inhibitors to growth in the domestic economy, the weakening commodity cycle and the fiscal pressure that results. National Treasury has communicated the need for budgetary restraint, but they appear increasingly isolated. The likelihood of any meaningful belt-tightening coming to pass seems low – particularly in an election year when policies such as the introduction of National Health Insurance and an extension of the Social Relief of Distress grant are likely to be central to an ANC campaign.

With this as context, the Fund has delivered a strong performance with a top quartile return of 8.6% year to date and 15% for the past 12 months, putting it ahead of its target of CPI+4% over one and three years, as well as since inception. The Fund has delivered positive real returns over five and 10 years.

Portfolio actions and fund positioning

The most significant contributor to Fund performance year to date remains its allocation to global assets, with both equity and bond selection delivering good returns. We continue to have meaningful exposure to global assets, currently at 41% of the Fund (45% gross of currency protection). Global equity indices have rebounded strongly over the past 12 months, and the US, in particular, certainly does not look inexpensive, but the breadth of that market has been exceptionally narrow. We continue to see attractive investment opportunities in select global equities but remain mindful of the risk of a general drawdown and have therefore retained the 30% put protection we hold over this portion of the portfolio. In addition, we continue to hold a diversified basket of global corporate bonds where we consider yields attractive.

Earlier in the year, we bought shorter-dated US Treasuries (USTs) (above 4.5% on the two-year) as yields were appealing relative to offshore cash. More recently, the yield curve has flattened somewhat, and the yield on the 10-year UST has moved above 4.6% (heading rapidly towards 5% as we write), driven in part by the factors discussed earlier. It's early days, but for the first time we can recall, longer-dated global sovereign debt is starting to look interesting. Towards the end of the quarter, we elected to add duration and initiated a small position in the US 10-year bond.

Domestic assets also contributed positively to Fund returns. Equities made a larger contribution, but both equities and bonds delivered positive returns, and good selection resulted in the outperformance of their respective benchmark indices. While real yields on SA government bonds appear attractive, we are alive to the increasingly challenged fiscal position in which SA finds itself and the implications for longer-term debt sustainability. For this reason, we continue to limit the duration of the bond carve-out and balance the holding of government nominal bonds with meaningful exposure to both inflation linkers and corporate paper. Within domestic equities, Standard Bank, OUTsurance and Prosus were the most significant contributors to returns year to date; Anglo American, Impala Platinum and British American Tobacco were the largest detractors.

During the quarter, we reduced exposure to risk assets in the Fund. We reduced SA equities slightly (commodity stocks in particular) and switched some of the Fund's direct global equity exposure to exposure via the Coronation Global Capital Plus Fund. We retain sufficient cash to take advantage of opportunities should they present themselves. This action is supported by cash now offering an acceptable yield.

Outlook

Higher developed market long bond rates logically imply that the market should apply a higher discount rate in valuing assets. For this reason, broad equity indices are likely to remain constrained for as long as uncertainty remains around the likelihood of recession and the commencement of a rate-cutting cycle. At the same time, the yield on longer-dated global bonds becomes more attractive and presents an interesting entry point for the first time since the Global Financial Crisis.

Back home, a weaker commodity cycle and increasingly evident infrastructural constraints (power, rail, roads, water) will place more significant pressure on economic growth and social stability. We are of the view that it is only the higher quality domestic businesses that will be able to navigate a low- or no-growth economy successfully, and it is these companies that feature in the domestic equity carve-out of the portfolio, along with a significant holding in SA-listed global-facing businesses.

Despite this, we continue to see opportunities in instrument selection, particularly in the global space. Our bottom-up assessment of expected returns by asset class gives us confidence in being able to deliver targeted returns for clients over the medium term.

Portfolio managers
Pallavi Ambekar, Charles de Kock and Neill Young
as at 30 September 2023

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

The Capital 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) Ltd (FSP 548) , 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 respective ASISA category (excluding Coronation Funds in that category).

BENCHMARK DETAILS

The benchmark used for performance purposes is CPI + 4%.

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.

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

This document is for information purposes only and does not constitute or form part of any offer to issue or sell, or any solicitation of any offer to subscribe for or purchase any particular investment. Opinions expressed in this document may be changed without notice at any time after publication. We therefore disclaim any liability for any loss, liability, damage (whether direct or consequential) or expense of any nature whatsoever which may be suffered as a result of or which may be attributable, directly or indirectly, to the use of or reliance upon the information.