

LONG TERM OBJECTIVE

The Coronation Global Equity Fund of Funds aims to deliver capital growth through a focused portfolio of the best equity managers globally. The Strategy invests in top-quality long-only equity funds (typically 10) and is broadly diversified across geographic regions including emerging markets. The underlying fund managers have well-established track records with a similar investment approach to ours, and have been thoroughly evaluated by Coronation's due diligence team. The objective is to outperform the MSCI All Country World Index over a 5-year period.

INVESTMENT APPROACH

Coronation is a long-term, valuation-driven investment house, focused on bottom-up stock picking. 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. We select managers who share a similar investment philosophy to ours. 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)	392.8%	296.2%	96.6%
Since Inception p.a.	6.9%	6.0%	0.9%
Latest 20 years p.a.	8.9%	8.2%	0.7%
Latest 15 years p.a.	12.2%	12.2%	0.0%
Latest 10 years p.a.	7.7%	8.9%	(1.2)%
Latest 5 years p.a.	8.3%	10.9%	(2.6)%
Latest 1 year	25.6%	23.2%	2.4%
Year to date	8.2%	8.2%	0.0%
Month	2.5%	3.1%	(0.6)%

SECTOR EXPOSURE

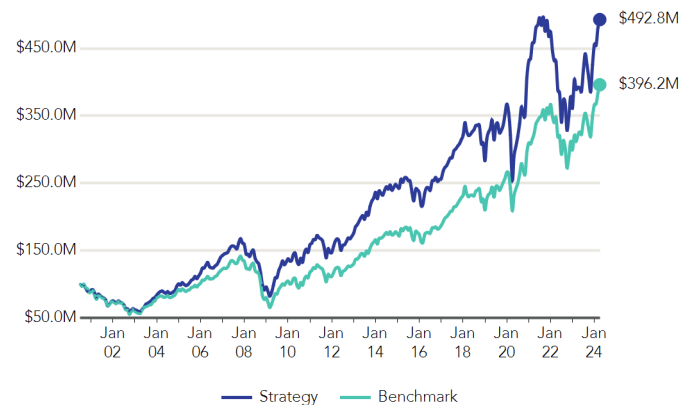
Sector	% Strategy
Consumer Discretionary	21.5%
Communication Services	16.0%
Financials	15.7%
Information Technology	14.5%
Industrials	11.9%
Materials	6.2%
Healthcare	5.7%
Consumer Staples	3.1%
Real Estate	1.8%
Energy	1.4%
Utilities	0.1%
Interest Bearing	2.1%

GENERAL INFORMATION

Inception Date	01 July 2000 *
Strategy Size †	\$615.0 million
Strategy Status	Open
Mandate Benchmark	MSCI Daily TR Net All Country World USD (NDUEACWF Index)
Redemption Terms	An anti-dilution levy will be charged
Base Currency	USD

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

GROWTH OF US\$100M INVESTMENT



Benchmark: MSCI Daily TR Net All Country World USD (NDUEACWF Index)





TOP 5 HOLDINGS




Holding	% Strategy
EGERTON CAPITAL EQ F-I USD	26.7%
EMINENCE LONG FUND	26.4%
LONE MONTEREY	15.2%
TREMBLANT LONG FUND	13.5%
CONTRARIUS GLOBAL EQUITY FUND LTD OPEN-END FUND	12.6%

GEOGRAPHIC EXPOSURE

Region	% Strategy
North America	73.0%
Europe	18.0%
Asia	6.0%
CEEMEA	0.5%
Japan	0.4%
Interest Bearing	2.1%

CURRENCY EXPOSURE

Currency		% Strategy
USD		74.9%
EUR		9.2%
GBP		4.9%
CAD		3.4%

Currency		% Strategy
CNY		2.6%
NOK		1.0%
Other		4.0%

PORTFOLIO MANAGERS



Tony Gibson - BCom

Tony is a founding member and a former Chief Investment Officer of Coronation. He has 43 years' investment experience.



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 24 years' investment experience.

REGULATORY DISCLOSURE AND DISCLAIMER

The Prospectus and a Summary of Investor Rights can be sourced on the following link: <https://www.coronation.com/en/institutional/strategy-information/literature/>.

The information contained herein is not approved for use by the public and must be read together with our [Disclaimer](#) that contains important information. If you are in possession of a physical copy of this document and you are unable to access our [Disclaimer](#) online, kindly contact us at cib@coronation.com and a copy will be sent to you via email.

* The Global Equity Fund of Funds was launched in January 2008 under the Coronation Universal Fund, a non-UCITS open-ended umbrella unit trust, at \$10 per unit. Performance figures prior to this date refer to the Global Equity Fund of Funds, a sub-fund of the Coronation Retail Fund 2, which has been liquidated. The majority of investors in the latter transferred their holdings into the new Coronation Universal Fund in January 2008. The funds have similar investment objectives and strategies but different fee structures.

REVIEW FOR THE QUARTER

The Strategy returned 8.2% for the quarter (Q1-24) ahead of the benchmark return of 8.2%, bringing the rolling 12-month performance to 25.6% against the 23.2% returned by the MSCI All Country World Index (ACWI).

Good economic data made for strong equity market performance in Q1-24. The US economy grew more than expected in the final quarter of 2023, and leading indicators showed that it continued to grow steadily in Q1-24. Global economic data was generally encouraging and boosted prospects that a soft landing was still possible, boosting investor sentiment. The strong economy does bring into question the US Federal Reserve's willingness to cut rates quite as they were projecting in December, especially since inflation is proving stickier than anticipated and the bond market retreated, paring back on the number and depth of expected rate cuts for 2024. This didn't stop equities from powering ahead, led by developed and growth stocks.

Japan was the best-performing region in Q1-24, advancing 11.2% (in US dollar terms). The weakest return was from the Pacific ex-Japan with -1.7% (in US dollar terms). Europe rose 5.4% and North America advanced 10.1% (both in US dollar terms). Developed markets outperformed emerging markets, advancing 9.0% compared to 1.9% (both in US dollar terms).

Amongst the global sectors, IT (+12.1%), industrials (+9.2%) and telecommunications (+12.7%) were the best-performing sectors for the quarter. The worst-performing sectors were utilities (0.6%), real estate (0.0%) and materials (2.6%).

The Strategy enjoyed a good quarter in which very strong performances from Egerton Capital and Lone Monterey were essentially negated by a poor return from Contrarius Global Equity and the remaining Strategy's, which were marginally behind the index.

Lone Monterey advanced 15.0% for the quarter, continuing its recovery from a period of weak performance. Meta (+37.3%), Taiwan Semiconductors (+31.3%), ASML (+28.0%), KKR (+21.6%), and Amazon (+18.7%) were the key contributors to performance but there was a long list of stocks making positive contributions and only one detractor, United Healthcare (-2.8%).

Egerton Capital returned 14.9%, driven by big contributions from its financial and industrial stocks. General Electric (+37.5%), Safran (+28.6%), and Rolls Royce (+41.0%) were some of the top industrial names, while Munich Re (+17.8%) and Fiserv Inc (+20.3) were the big contributors within financials. Positions in Meta (+37.3%), Amazon (+18.7%) and Microsoft (+12.1%) also generated positive performance.

Eminence Capital was behind the index at 5.7%. Positions in Entain (-19.7%), Zillow Group (-15.7%), Smartsheet Inc (-19.5%), and HDFC Bank (-15.4%) were the big detractors over the quarter. On the positive side, Verano Holdings (+33.0%), Green Thumb Industries (+29.9%), and Amazon (+18.7%) were among those positions that limited the losses.

Tremblant Capital returned 7.0%. Its concentrated portfolio had several laggards over the quarter, with Charter Communications (-25.2%), Smartsheet (-19.5%), Five9 Inc. (-21.1%), and Air Products & Chemical (-10.9%) being the key detractors. However, the portfolio did benefit from Spotify (+40.4%), Doordash (+39.3%), Meta (+37.3%), and Uber Technologies (+25.0%) helping to limit the losses.

After a period of strong performance, Contrarius Global Equity had a poor quarter, returning -7.0%, well behind the index. Although the Strategy contains Meta (+37.3%), Coinbase (+52.4%), Amazon (+18.7%), and JD.com (+21.5%), which had a positive impact on performance, a number of its bigger holdings had a more significant (negative) impact and dragged performance down. Tesla (-29.3%), WW International (-78.9%), Warner Brothers (-23.3%), Paramount (-20.1%) and Snap Inc. (-35.0%) were the main drivers of the negative return.

Outlook

2024 was expected to be a year of interest rate cuts after the bout of high inflation in 2022/3 had been brought under control. However, at the time of writing, US inflation prints came in higher than expected, meaning that a US rate cut in June is now highly unlikely and pushing out the timing and number of cuts for 2024. The ongoing wars in Ukraine and the Middle East only add to the uncertainty. Despite this, economic data continues to be resilient, and markets are expecting a good earnings season, which is about to start (at the time of writing). European equities are looking more attractively valued compared to US stocks. Artificial intelligence has driven US markets to new highs in recent months, and any setbacks, coupled with rates remaining at current levels, may lead to a pause in the market euphoria.