

WHAT IS THE FUND'S OBJECTIVE?

SA Income Fund aims to achieve a higher return than a traditional money market or ultra-short duration income fund.

WHAT DOES THE FUND INVEST IN?

SA Income can invest in South African bonds, fixed deposits, and other interest-bearing securities which have a fixed maturity date and either have a predetermined cash flow profile or are linked to benchmark yields.

The fund does not invest in any equity securities, real estate securities or cumulative preference shares. The fund will not invest in any assets deemed offshore for SARB reporting purposes.

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

SA Income is tactically managed to secure an attractive return, while protecting capital. The fund's weighted average modified duration is limited to a maximum of two.

Its investments are carefully researched by a large and experienced investment team and subjected to a strict risk management process. The fund is actively positioned to balance long-term strategic positions with shorter-term tactical opportunities to achieve the best possible income.

While the fund is managed in a conservative and defensive manner, there are no guarantees it will always outperform cash over short periods of time. Capital losses are possible, especially in the case of negative credit events affecting underlying holdings.

HOW LONG SHOULD INVESTORS REMAIN INVESTED?

The recommended investment term is six months and longer. Given its lack of exposure to growth assets, the fund is not suited for investment terms of longer than five years.

WHO SHOULD CONSIDER INVESTING IN THE FUND?

Investors who

- ▶ are looking for an intelligent alternative to cash or bank deposits over periods from 6 to 36 months;
- ▶ seek managed exposure to South African income generating investments;
- ▶ believe in the benefits of active management within the fixed interest universe;
- ▶ do not have appetite for exposure to offshore assets;
- ▶ the fund is particularly suited to those who require exposure to South African interest bearing securities as part of a diversified portfolio.

WHAT COSTS CAN I EXPECT TO PAY?

The annual management fee is 0.65%.

Fund expenses that are incurred in the fund include 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?



NISHAN MAHARAJ
BSc (Hons), MBA



MAURO LONGANO
BScEng (Hons), CA (SA)

GENERAL FUND INFORMATION

Launch Date	29 November 2023
Fund Class	A
Benchmark	Alexander Forbes STeFI Composite Index
ASISA Fund Category	South African – Interest Bearing – Short Term
Regulation 28	Complies
Income Distribution	Quarterly (March, June, September, December)
Investment minimum	R5 000 or R500/m debit order
ISIN Code	ZAE000327565
JSE Code	CSSIA

CLASS A as at 31 January 2024

ASISA Fund Category	South African – Interest Bearing – Short Term
Launch date	29 November 2023
Fund size	R255.73 million
NAV	101.13 cents
Benchmark	AF STeFI Composite Index
Portfolio manager/s	Nishan Maharaj and Mauro Longano

	1 Year *	3 Year *
Total Expense Ratio	0.78%	0.77%
Fund management fee	0.65%	0.65%
Fund expenses	0.03%	0.02%
VAT	0.10%	0.10%
Transaction costs (inc. VAT)	0.00%	0.00%
Total Investment Charge	0.78%	0.77%

PERFORMANCE AND RISK STATISTICS

PERFORMANCE FOR VARIOUS PERIODS (AFTER FEES)

	Fund	Benchmark	Active Return
Since Launch (unannualised)	1.7%	1.4%	0.4%
Year to date	0.8%	0.7%	0.1%

Yield (Net of Fees)	8.9%
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RISK STATISTICS

Current	Fund
Weighted average time to maturity (credit)	1.9 years
Modified Duration	0.9 years
Modified Duration (ex Inflation Linked Bonds)	0.6 years

Risk statistics will be published once a 12-month record has been established.

CREDIT RATINGS

	% of Fund
AAA+ to A-	95.3%
BBB+ to B-	0.4%
CCC+ to C-	0.0%
CLNs	3.0%
No Rating	1.2%

INCOME DISTRIBUTIONS

Declaration	Payment	Amount	Dividend	Interest
29 Dec 2023	02 Jan 2024	0.59	0.00	0.59

MONTHLY PERFORMANCE RETURNS (AFTER FEES)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund 2024	0.8%												0.8%
Fund 2023												1.0%	1.0%

PORTFOLIO DETAIL

ASSET ALLOCATION BY INSTRUMENT TYPE

	% of Fund
Cash and Money Market NCDs	38.7%
Floating Rate bonds	21.9%
Fixed Rate bonds	20.0%
Inflation-Linked bonds	16.4%
Credit Linked Notes (CLNs)	3.0%
Total	100.0%

ASSET ALLOCATION BY ISSUER TYPE

	% of Fund
Banks and Insurers: NCDs & Deposits	38.7%
Government	25.5%
Banks: Senior Debt	16.7%
Other Corporates	12.3%
Insurers	2.6%
Banks: Subordinated debt (>12m)	2.4%
State Owned Enterprises	1.4%
Banks: Subordinated debt (<12m)	0.4%
Total	100.0%

TOP 5 CREDIT EXPOSURE

	% of Fund
Republic Of South Africa	28.1%
Nedbank Ltd	13.4%
Absa Bank Ltd	12.7%
Standard Bank Of SA Ltd	10.7%
Sa Reserve Bank	10.4%

TOP 5 REFERENCE ENTITY EXPOSURE

	% of Fund
Republic of South Africa	2.6%
MTN	0.5%

100% of CLN exposure is issuer valued with a daily or at worst weekly price frequency

*As this is a newly launched fund, the TER and TC's are based on an estimated calculation.

Please refer to page 4 of the Comprehensive Fact Sheet for important additional information, including change in cost disclosures.

IMPORTANT INFORMATION THAT SHOULD BE CONSIDERED BEFORE INVESTING IN THE CORONATION SA INCOME FUND

Unit trusts should be considered medium- to long-term investments. 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. Fluctuations or movements in exchange rates may cause the value of underlying investments to go up or down. The asset allocation by instrument type are reflected on a look-through basis. The asset allocation by issuer type and top issuer exposures are not reflected on a look-through basis. The yield shown is an estimate in part based on market assumptions and forecasts. The yield is calculated by taking the interest and income receivable of all the instruments in the fund divided by the net asset value, expressed as a nominal annual rate. It is provided to give an approximate indication of the achievable yield for an investment made at the reporting date. Actual experience may differ, based on changes in market values, interest rates and changes in costs actually experienced during the investment period. The yield disclosed on the MDD is current and calculated as at the MDD reporting date.

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?

As this is a new fund the fact sheet does not include performance information yet. Once performance information is available the following will apply:

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.

WHAT IS THE TOTAL EXPENSE RATIO (TER) AND TRANSACTION COSTS (TC)?

The TER and Transaction Costs cannot be determined accurately because of the short life span of the Financial Product. Calculations are based on actual data where possible and best estimates where actual data is not available.

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

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