

LONG TERM OBJECTIVE

The Coronation Houseview Equity Strategy represents our best investment view for an equity mandate. The portfolio is constructed on a clean-slate basis with no reference to a benchmark. It seeks to identify the best risk adjusted returns in the market and aims to outperform the equity market over meaningful periods (defined as at least 5 years).

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 underlying 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 clean-slate 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 the probability of a permanent loss of capital.

STRATEGY RETURNS GROSS OF FEES

Period	Strategy	Benchmark	Active Return
Since Inception (cumulative)	12,376.4%	6,878.3%	5,498.1%
Since Inception p.a.	16.2%	14.1%	2.1%
Latest 20 years p.a.	14.4%	12.8%	1.6%
Latest 15 years p.a.	13.1%	11.9%	1.2%
Latest 10 years p.a.	11.5%	9.7%	1.8%
Latest 5 years p.a.	18.8%	18.5%	0.3%
Latest 1 year	25.7%	36.0%	(10.3)%
Year to date	26.0%	36.4%	(10.4)%
Month	0.1%	2.3%	(2.2)%

TOP 10 HOLDINGS

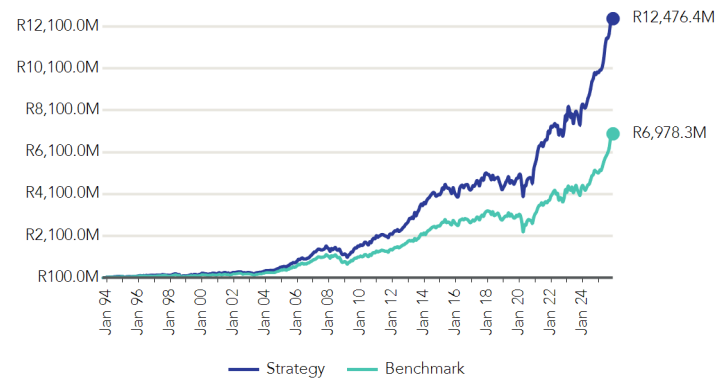
Holding	% Strategy
NASPERS LTD	9.9%
CAPITEC BANK HOLDINGS LTD	6.5%
STANDARD BANK GROUP LTD	6.4%
QUILTER PLC	5.5%
NORTHAM PLATINUM HOLDINGS LTD	5.5%
ANGLOGOLD ASHANTI PLC	5.3%
PROSUS	5.2%
CIE FINANCIERE RICHEMO-A REG	4.6%
ADVTECH LTD	3.5%
DIS-CHEM PHARMACIES LTD	3.5%

GENERAL INFORMATION

Inception Date	01 October 1993
Strategy Size †	R47.78 billion
Strategy Status	Open
Mandate Benchmark	JSE Capped Shareholder Weighted Index (Capped SWIX*)
Dealing Frequency	Daily
Base Currency	ZAR

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

GROWTH OF R100M INVESTMENT



Benchmark: JSE Capped Shareholder Weighted Index (Capped SWIX*)

*FTSE/JSE Capped Shareholder Weighted Index from 01 May 2017. Previously 50 Low Resources (inception to 31 January 2002) and FTSE/JSE Shareholder Weighted Index (01 February 2002 to 30 April 2017).











PERFORMANCE & RISK STATISTICS (Since inception)

	Strategy	Benchmark
Average Annual Return	17.8%	15.7%
Tracking Error	4.5%	
Information Ratio	0.5	
Annualised Standard Deviation	16.8%	16.8%
Maximum Drawdown	(40.8)%	(41.0)%

TRACKING ERROR



SECTOR EXPOSURE

Sector		% Strategy	Sector		% Strategy
Financials		27.4%	Telecommunications		2.9%
Basic Materials		21.3%	Health Care		2.3%
Technology		17.9%	Industrials		0.7%
Consumer Services		16.7%	Derivatives		0.6%
Consumer Goods		9.8%	Interest Bearing		0.4%

PORTFOLIO MANAGERS

**Karl Leinberger** - BBusSc, CFA

Karl is Chief Investment Officer (CIO) and manages Coronation's Houseview Strategies. He joined Coronation in 2000 and became Head of Research in 2005. In 2008, he was appointed as CIO. Karl has 25 years' investment experience.

**Sarah-Jane Alexander** - BBusSc, CFA

Sarah-Jane manages assets within the Coronation Houseview Equity Strategy. She also co-manages Coronation's Houseview balanced strategies and has research responsibilities across a range of financial services and hospital stocks, among others. Sarah-Jane joined Coronation in 2008 as an equity analyst and has 21 years' investment experience.

REGULATORY DISCLOSURE AND DISCLAIMER

The content of this document and any information provided may be of a general nature and is not based on any analysis of the investment objectives, financial situation or particular needs of any potential investor. As a result, there may be limitations as to the appropriateness of any information given. It is therefore recommended that any potential investor first obtain the appropriate legal, tax, investment or other professional advice and formulate an appropriate investment strategy that would suit the risk profile of the potential investor prior to acting upon such information and to consider whether any recommendation is appropriate considering the potential investor's own objectives and particular needs. Neither Coronation Fund Managers Limited nor any subsidiary of Coronation Fund Managers Limited (collectively "Coronation") is acting, purporting to act and nor is it authorised to act in any way as an adviser. Any opinions, statements or information contained herein may change and are expressed in good faith. Coronation does not undertake to advise any person if such opinions, statements or information should change or become inaccurate. This document is for information purposes only and does not constitute or form part of any offer to the public to issue or sell, or any solicitation of any offer to subscribe for or purchase an investment, nor shall it or the fact of its distribution form the basis of, or be relied upon in connection with any contract for investment. The value of the investments may go down as well as up and past performance is not necessarily a guide to future performance. Coronation Fund Managers Limited is a full member of the Association for Savings and Investment SA (ASISA), Coronation Asset Management (Pty) Ltd (FSP 548), Coronation Investment Management International (Pty) Ltd (FSP 45646) and Coronation Alternative Investment Managers (Pty) Ltd (FSP 49893) are authorised financial services providers. Coronation Life Assurance Company Limited is a licenced insurer under the Insurance Act, No.18 of 2017.