

# CORONATION GLOBAL CAPITAL PLUS FUND

## [USD HEDGED CLASS A]

Fund Information as at 31 May 2025

### WHAT IS THE FUND'S OBJECTIVE?

Global Capital Plus is in the first instance managed to achieve reasonable investment growth over time. Our intent is that the fund should meaningfully outperform an investment in developed market cash over time. In addition, we aim to preserve capital over any 12-month period.

### WHAT DOES THE FUND INVEST IN?

Global Capital Plus can invest in all listed asset classes including shares, listed property, bonds and cash. The fund will primarily have exposure to developed economies (including the US, Europe and Japan) but can also invest in emerging markets.

The fund is managed to suit the needs of more conservative investors who want to invest for longer than three years. Exposure to growth assets (shares and listed property), which pose more risk than income assets, will typically not exceed 50%.

The intent is to keep the fund fully invested in foreign assets at all times. While the underlying exposure in this class is to diversified assets across international markets, all returns are fully hedged back into US Dollar.

The fund is allowed to make use of exchange traded funds and financial instruments to implement its investment views.

### IMPORTANT PORTFOLIO CHARACTERISTICS AND RISKS

Global Capital Plus aims to protect capital over any 12-month period in all market conditions, while offering real investment growth over the long term. However, capital is not guaranteed.

The fund invests in a broad range of different assets and many countries.

Its exposure to shares, which offer the best long-term investment growth, could help maximise returns. However, with this long-term growth comes short-term volatility, which may affect the fund's returns. This risk is mitigated to some extent as growth asset exposure will not exceed 50%.

Global currency movements may intensify investment gains or declines.

### HOW LONG SHOULD INVESTORS REMAIN INVESTED?

An investment term of more than three years is recommended.

### WHO SHOULD CONSIDER INVESTING IN THE FUND?

Investors who are building wealth, and who

- seek a single international investment that will give them access to some of the best opportunities around the globe, while aiming to protect their capital;
- require conservative exposure to offshore markets;
- do not require an income from their investment.

### WHAT COSTS CAN I EXPECT TO PAY?

An annual fee of 1.25% is payable.

Fund expenses that are incurred in the fund include administrative, trading, custody and audit charges. Performance information is disclosed after deducting all fees and other portfolio costs.

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

Large investments or redemptions (exceeding 5% of fund value) may be subject to an anti-dilution levy to defray dealing costs and expenses. This levy, where applicable, is applied fully for the benefit of the fund.

More detail is available on [www.coronation.com](http://www.coronation.com).

### WHO ARE THE FUND MANAGERS?



**NEIL PADOA**

BEconSc (AcSci),

FFA, CFA

### GENERAL FUND INFORMATION

Fund Launch Date	1 September 2009
Class	USD Hedged Class A
Class Type	Accumulation
Class Launch Date	1 December 2011
Fund Domicile	Ireland
Currency	US Dollar
Benchmark	Secured Overnight Financing Rate (SOFR) + 1.5%
Investment Minimum	US\$500
Bloomberg	CORGLTF
ISIN	IE00B430YJ17

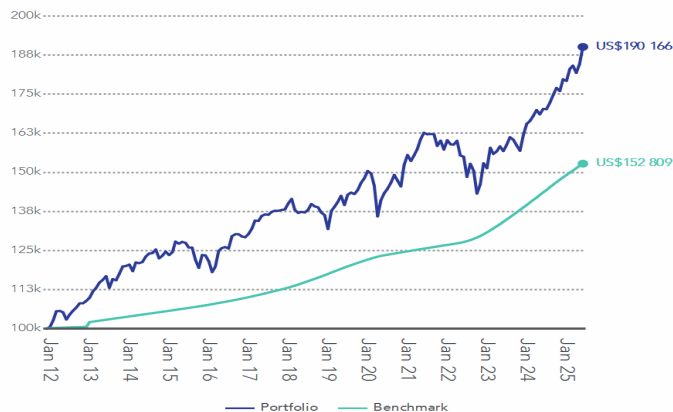
# CORONATION GLOBAL CAPITAL PLUS FUND [USD HEDGED CLASS]

CLASS A as at 31 May 2025

Launch date	01 December 2011
Fund size	US\$ 672.57 million
NAV	19.02
Benchmark	SOFR + 1.5%
Portfolio manager/s	Neil Padoa

## PERFORMANCE AND RISK STATISTICS

### GROWTH OF A \$100,000 INVESTMENT (AFTER FEES)



### PERFORMANCE FOR VARIOUS PERIODS (AFTER FEES)

	Fund	Benchmark
Since Launch (unannualised)	90.2%	52.8%
Since Launch (annualised)	4.9%	3.2%
Latest 10 years (annualised)	4.1%	3.7%
Latest 5 years (annualised)	5.8%	4.4%
Latest 3 years (annualised)	7.0%	6.2%
Latest 1 year	11.6%	6.4%
Year to date	6.1%	2.4%

### RISK STATISTICS SINCE LAUNCH

	Fund	Benchmark
Annualised Deviation	6.1%	0.5%
Sharpe Ratio	0.56	N/A
Maximum Gain	13.5%	N/A
Maximum Drawdown	(12.0)%	N/A
Positive Months	61.7%	N/A

	Fund	Date Range
Highest annual return	15.9%	Apr 2020 - Mar 2021
Lowest annual return	(9.6%)	Oct 2021 - Sep 2022

### MONTHLY PERFORMANCE RETURNS (AFTER FEES)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund 2025	2.1%	0.6%	(1.3)%	1.5%	3.0%								6.1%
Fund 2024	0.6%	0.9%	1.2%	(0.8)%	1.0%	(0.1)%	1.2%	1.5%	1.3%	(0.6)%	2.1%	(0.3)%	8.3%
Fund 2023	4.3%	(1.3)%	0.5%	1.0%	(1.0)%	1.3%	1.5%	(0.5)%	(1.1)%	(1.1)%	3.1%	2.2%	9.3%
Fund 2022	(0.8)%	(0.1)%	0.8%	(2.9)%	(0.3)%	(4.2)%	2.8%	(1.5)%	(4.8)%	2.1%	4.6%	(1.0)%	(5.6)%
Fund 2021	(1.2)%	1.1%	1.4%	2.0%	1.3%	(0.3)%	0.0%	0.0%	(2.3)%	1.1%	(1.8)%	1.9%	3.0%

Total Expense Ratio	1 Year	3 Year
Fund management fee	1.34%	1.34%
Fund expenses	1.25%	1.25%
VAT	0.09%	0.09%
Transaction costs (inc. VAT)	0.00%	0.00%
Total Investment Charge	0.03%	0.04%
	1.38%	1.38%

## PORTFOLIO DETAIL

### EFFECTIVE ASSET ALLOCATION EXPOSURE

Sector	31 May 2025
Equities	27.3%
Infrastructure	2.5%
Property	2.7%
Convertible Bonds	0.8%
High Yield Bonds	3.1%
Fixed Income	52.9%
Corporate	26.5%
Government	19.0%
Inflation-linked bonds	7.4%
Cash	10.7%

### TOP 10 HOLDINGS

As at 31 Mar 2025	% of Fund
Airbus Group Se	1.0 %
Rolls-royce	0.9 %
Eiffage	0.8 %
Cellnex Telecom	0.8 %
Warner Bros Discovery	0.8 %
Vinci	0.8 %
Microsoft	0.7 %
Flutter Entertainment	0.7 %
Charles Schwab	0.7 %
Amazon.com	0.7 %

### CURRENCY ALLOCATION

Currency as at 31 May 2025	
US Dollar	100%
This fund is available in 3 hedged currency classes (Euro, Pound Sterling & US Dollars) as well as a Houseview currency class. This is the fact sheet for the US Dollar hedged currency class.	

Please note that the commentary is for the retail class of the Fund.

## Performance and fund positioning

The first quarter of 2025 (Q1) saw a reversal of recent trends: global equity markets declined 1%, and the US underperformed most other regions, with the S&P 500 declining 4%. In contrast, global bond markets posted solid gains, up 3%. Against the benchmark return of 1.1%, the Fund continued to perform well, gaining 1.4%. For the last 12 months, the Fund posted a return of 7.0% compared to the benchmark return of 5.1%.

At quarter-end, the portfolio was positioned as follows:

- 11% in short-dated US T-bills
- 24% in developed market government bonds
- 27% in investment-grade corporate bonds
- 7.5% in US inflation-linked bonds
- 4% in high yield fixed income
- 5.5% in real assets (listed infrastructure and property)
- 21% effective equity

In fixed income markets, we continue to maintain our conservative positioning. The Fund's duration of one year remains very short, with a yield to maturity (YTM) of 5%. This compares to the Global Aggregate Bond Index, with a duration of 6-7 years and a YTM of 3.6%. With credit spreads in both the investment grade and high yield markets at very low levels, we believe now is not the time to be reaching for yield. Notably, this conservative positioning has not come at the expense of returns, with the fixed income portion of the portfolio returning over 6% for the last year. This is well ahead of inflation and the global fixed income index, which returned 3%. Furthermore, it leaves the Fund well positioned, with plenty of liquidity to take advantage of stresses in both equity and credit markets that have started to emerge in April.

Much has been written over the last two years about the narrowness of equity market returns. Returns in 2023 and 2024 were dominated by the US and, more specifically, by a narrow cohort of US-listed large capitalisation technology shares. Indeed, over 60% of US returns over these two years were generated by the Magnificent 7 group of companies consisting of Alphabet, Amazon, Apple, Meta, Microsoft, Nvidia and Tesla.

While we owned and continue to own some of these names, the market's seeming obsession with a small group of technology companies created significant opportunities for stock pickers in large parts of the market, both in the US and elsewhere, that were totally ignored by investors. As a result, our analysts uncovered many good ideas across geography and sector. These are high-quality companies with strong growth prospects trading on depressed valuation metrics.

Many of these names performed strongly for the portfolio in the second half of 2024 and continued to do so in the first quarter of 2025. The first quarter of this year has also ushered in a very welcome and healthy broadening out of market returns. It is our strong belief, as long-term focused and patient stock pickers, that strong company fundamentals will be rewarded in time. It is thus pleasing to see the share prices of many of the abovementioned names responding strongly, with the gap between fundamentals and share prices starting to close. This comes against the backdrop of weaker US equity market performance, with market participants beginning to cast their nets wider than a small group of large capitalisation US technology shares. We believe this remains a very attractive environment for bottom-up stock pickers willing to take the long view.

Shares of Rolls-Royce, the British aerospace and defence company, performed strongly in the quarter. Rolls-Royce is a high-quality company with its key product - aircraft engines for longer haul widebody planes - holding a 55% market share and operating in a stable duopoly with GE Aerospace. The company has significant pricing power, generates the majority of revenue in its key civil aerospace division from long-term services contracts, which ensures excellent earnings visibility, and has a strong multi-year growth runway underpinned by growth in global air travel.

But the business has also been historically under-managed, generating operating margins well below peers such as Safran and GE Aerospace. This changed in early 2023 with the appointment of Tufan Erginbilgic as CEO. He has wasted no time since joining, implementing a headcount reduction, renegotiating onerous contracts with airlines, refining servicing contracts and, most importantly, making significant improvements to engine efficiency. His appointment has been nothing short of revolutionary, improving customer satisfaction whilst also growing earnings strongly. Operating margins in the civil aerospace segment have increased from break-even levels in 2021 to 17% today, but there is still scope to increase this further, with peers earning margins in the mid-20s range. After its strong run, Rolls-Royce trades on 23x forward earnings, a level we

continue to find attractive considering its strong growth outlook and potential for further margin gains, driving robust earnings growth for many years to come.

Flutter detracted from returns in the quarter. Flutter is the leading online gambling and sports betting operator in the world, and it has the leading position in the large and fast-growing US market. Gambling stocks underperformed in the quarter after customer-friendly sports results, concerns of potential competition from prediction markets, and rising fears of a US recession. We believe these concerns to be temporary. In our view, Flutter's scale and superior product offering is a formidable moat, and ongoing efforts to legalise online betting in multiple markets will provide a structural tailwind for the entire industry for years to come. The US is now Flutter's largest market - here, margins are still well below normal, and growth is likely to be supported by additional states legalising online betting, underpinning our expectation of more than 20% annual earnings growth for Flutter over the next few years. The stock trades on 26x forward P/E, which we consider attractive given the growth outlook.

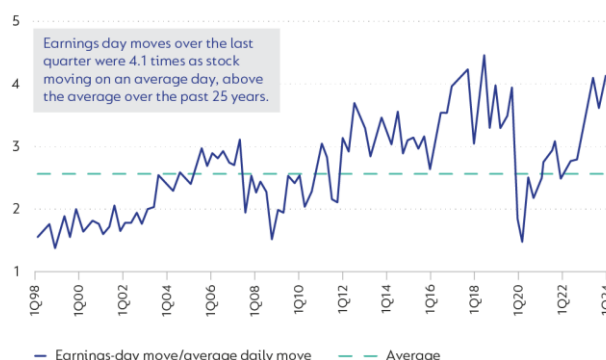
## Developments post quarter end

In early April, markets sold off heavily following the announcement of the Trump administration's tariff plan. A negative reaction is understandable, considering the opening gambit is far worse than initial expectations. The sell-off has, in our view, been indiscriminate, reflecting widespread fear and de-risking, as opposed to a rational reassessment of specific company fundamentals. We have spoken before about increasing volatility in markets - the chart below illustrates this neatly.

Figure 1

**EARNINGS DAY MOVES WERE 4.1 TIMES AN AVERAGE DAILY MOVE LAST QUARTER, ABOVE LONG-TERM AVERAGE**

Average earnings day move/Average daily move 1 month before and after earnings; S&P 500 stocks



Source: Bloomberg, Goldman Sachs Global Investment Research

For investors who allocate capital with a long-term horizon and who have a robust assessment of what a stock is worth, this volatility is an opportunity to be exploited. The volatility in recent days has been even more extreme, with the intraday range on a single day (9 April) matching that of entire years.

Re-examining the investment cases for every company we cover, our team has found that the earnings power of certain businesses is unscathed, others are likely to suffer only a temporary hit, for some, it is too hard to figure out, and, finally, there are those businesses with a high probability of impairment. We have followed our valuation discipline and responded to the changed opportunity set. This has caused portfolio turnover to be higher than usual, but the end result is a portfolio with a higher concentration of what we consider to be long-term winners at more attractive valuations (and therefore higher expected future returns). We have also sold some short-dated US T-bills to fund a higher allocation to equities and selected bonds where credit spreads have increased to more attractive levels. We would not be surprised to see continued market volatility and are prepared to take advantage of additional opportunities as they arise.

Thank you for your support and interest in the Fund.

**Portfolio manager**  
**Neil Padoa**

as at 31 March 2025

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

The Global 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 top 10 holdings are reflected on a look-through basis. The fund is mandated to invest up to 100% 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. Coronation 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. Coronation Global Fund Managers (Ireland) Limited is authorised in Ireland and regulated by the Central Bank of Ireland. The fund is approved under Section 65 of the Collective Investment Schemes Control Act by the Financial Sector Conduct Authority of South Africa. Portfolio managed by Coronation Investment Management International (Pty) Ltd (FSP45646), an authorised financial services provider.

JP Morgan (Ireland) has been appointed as the fund's trustees ([www.jpmorgan.com](http://www.jpmorgan.com); t: +353-1-612-4000), and its custodian is JP Morgan Administration Services (Ireland) Limited ([www.jpmorgan.com](http://www.jpmorgan.com); t: +353-1-612-4000). Coronation is a full member of the Association for Savings & Investment SA (ASISA).

#### HOW ARE UNITS PRICED AND AT WHAT PRICE WILL MY TRANSACTION BE EXECUTED?

Unit trusts are traded at ruling prices set on every business day. Fund valuations take place at approximately 17h00 each business day (Irish Time) and forward pricing is used. Instructions must reach Coronation before 12h00 (SA Time) to ensure the value of the same business day. You can expect to receive withdrawal payouts three to four business days after the dealing day. Large investments or redemptions (exceeding 5% of fund value) may be subject to an anti-dilution levy to defray dealing costs and expenses. This levy, where applicable, is applied fully for the benefit 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 USD Hedged Currency Class A NAV prices. All underlying price and distribution data are 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.

#### HOW ARE THE BENCHMARK RETURNS CALCULATED?

The benchmark used for performance purposes is the Secured Overnight Financing Rate (SOFR) + 1.5%. From 1 December 2021 the benchmark changed from the USD 3-month LIBOR + 1.5% to the Secured Overnight Financing Rate (SOFR) + 1.5%. The benchmark returns shown in this MDD will be spliced between the previously applicable index values and the new benchmark from 1 December 2021.

#### 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 [www.coronation.com](http://www.coronation.com). You will also find additional information on the considerations pertinent to investing in a fund denominated in a foreign currency and domiciled in an offshore jurisdiction.

The Prospectus of Coronation Global Opportunities Fund and Fund KIID can be sourced on the following link: <https://www.coronation.com/en/institutional/strategy-information/literature/ucits-fund-library/umbrella-fund>.

A summary of Investor Rights can be sourced on the following link: <https://www.coronation.com/en/institutional/about-us/ucits-v-disclosure/>.

#### IMPORTANT INFORMATION REGARDING TERMS OF USE

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