



UNIT TRUSTS ABRIDGED ANNUAL REPORT

2020



CORONATION

TRUST IS EARNED™



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Report by the Chairman and Managing Director

Coronation's focus on its key strategic objectives and its valuation-based investment philosophy enabled the business to continue to deliver on behalf of our clients, notwithstanding the escalating health, economic and market uncertainties brought on by the Covid-19 crisis.

WE WERE PRIVILEGED TO BE ABLE TO CONTINUE TO OPERATE AT FULL CAPACITY DURING THE ECONOMIC LOCKDOWN.

2020 will always be remembered as the year in which a novel coronavirus brought the global economy and community to a standstill. Across the world, governments, policymakers and business leaders struggled to find the balance between attending to the humanitarian crisis while trying to mitigate the economic damage of the consequent lockdowns. This conflux of a health and an economic crisis that has affected every economy and sector of society across the world is unique in modern history.

As one of the largest collective investment scheme managers in the country and custodian of the long-term savings of millions of ordinary South Africans, we were privileged to be able to continue to operate at full capacity during the economic lockdown, to retain our full employee complement and to safeguard the money our clients have entrusted to us.

Local and global economic backdrop

This was a tough year. Businesses closed their doors, household income stress escalated and the Covid-19 related increase in unemployment peaked in the region of two million. Government implemented a hard lockdown in an attempt to contain the spread of the virus and simultaneously implemented access to relief funds, notably by deploying the Unemployment Insurance Fund surplus to support many of those suddenly faced with a temporary or permanent loss of income. Government and business also combined efforts in fighting the new health and economic issues, including through establishing the Solidarity Fund, while the South African Reserve

Bank implemented three rate cuts totaling 275 basis points.

However, the critical headwinds to growth that challenged South Africa in 2019 persisted. On the fiscal front, government continued to experience a deterioration in its balance sheet, exacerbated by falling investor confidence and the debt burden it took on in an attempt to save the economy from collapse as a result of Covid-19.

Credit rating agencies downgraded South Africa's sovereign credit rating three times in the first half of 2020, with Moody's finally reducing South Africa to junk status in April. This was subsequently followed by further downgrades by all three major ratings agencies, as concerns about fiscal sustainability continued to grow, despite the Minister of Finance's commitment to take firm action to reduce government expenditure.

While the economy recovered somewhat in the second half of 2020 as the lockdown was relaxed, the level of permanent economic scarring as a result of the crisis remains unknown. Globally, the full economic damage and fiscal cost of Covid-19 have yet to be tallied, with a second wave of infections in several countries preventing a return to 'normal', and economic activity slowing again.

Massive central bank monetary easing and fiscal stimulus programmes will continue to aid the recovery, but in October the International Monetary Fund forecast that global growth would contract by 4.4% this year as a result of Covid-19.



WE CONTINUE TO INVEST IN OUR BUSINESS, PEOPLE AND SYSTEMS TO REMAIN A WORLD-CLASS ASSET MANAGEMENT COMPANY.

Long-term performance

In spite of this difficult backdrop, we were able to deliver on our commitments to our clients through ongoing positive long-term performance across our portfolios, with our unit trust fund range delivering good relative performance over this period. This is evidenced in the long-term track records of our funds, of which 16 out of 23 have ranked first in their respective industry peer groups since their inception dates. For more details on our funds, please download the comprehensive fact sheets from our website: www.coronation.com.

While net client cash outflows from longer-term funds were broadly in line with retail investment industry experience, we expect flows to remain under pressure, given the growth constraints faced by the South African economy, coupled with household financial stress and a general lack of domestic investor confidence.

2020 YTD	1 YEAR	3 YEARS	5 YEARS	10 YEARS
Domestic indices				
Local equities (ALSI)	2.0%	2.4%	4.8%	9.6%
Local listed property (ALPI)	(47.2%)	(25.2%)	(15.2%)	0.8%
Local bonds (BEASSA (TR) ALBI)	3.6%	7.3%	7.6%	7.6%
Local cash (STeFI 3m)	5.6%	6.5%	6.7%	6.1%
Inflation (CPI)	3.1%	4.1%	4.7%	5.1%
Global indices				
Global equities (MSCI ACWI)	10.4%	7.1%	10.3%	8.5%
Global emerging market equities (MSCI GEM)	10.5%	2.4%	9.0%	2.5%
Global Bonds (Bloomberg Barclays Agg)	6.2%	4.1%	3.9%	2.4%
ZAR/Dollar exchange rate	15.1	13.5	13.8	7.0

As at 30 September 2020
Source: IRESS

Enhancing our value proposition

Coronation remained fully operational in service of our clients and stakeholders throughout the pandemic. While successfully transitioning the majority of our employees to work remotely, we remained focused on delivering an exceptional client experience through increased client communication and digital thought-leadership events.

To maintain and enhance our core objective of delivering investment excellence in this fast-paced and competitive industry, where regulatory compliance and client service are critical aspects of running a sustainable business, we have continued to invest in

information technology and information systems infrastructure. Current projects include upgrades to Coronation Online Services, our direct client service platform, and improving our data management systems.

We will continue to invest in our business and people, and to extract synergies and benefits from system implementations in our quest to remain a world-class asset management company.

Stewardship

The global focus on stewardship and responsible investment has sharpened, with regulations being tightened in the EU and the UK.

We are members of several voluntary codes, such as the Task Force on Climate-Related Financial Disclosures and Climate Action 100+. This year, we achieved the highest Principles for Responsible Investment ratings of either A or A+ in all categories.

We published our second annual Stewardship Report for the calendar year 2019 in the first half of this year, which outlines in detail our stewardship approach and our views on key themes, as well as our investee company engagement and voting activities. You can also read about the findings of our first operational carbon footprint analysis in the Company's Integrated Annual Report. We will continue to use the learnings from this exercise to improve our operational efficiencies to soften and offset our impact on the environment.

Corporate citizenship

Coronation continues to play its part as an active corporate citizen, both in our efforts to build a strong and transformed financial services industry and to support the communities in which we operate. Over and above business-as-usual corporate social investment activities, we were committed to Covid-19 relief efforts, with our employees

being the lead corporate payroll contributors to the Solidarity Fund.

It has been heartening, in the depth of the recent crisis, to see how civil society and the private sector have rallied to support government and non-governmental organisation relief efforts. I believe that this inherent spirit of co-operation and compassion that South Africans habitually display during hard times will play a vital role in the recovery of our country.

Looking forward

We continue to focus on the long term, both from a business and an investment perspective. The full impact of Covid-19 on businesses, economies and societies are yet to be seen and will play out in the years to come. In this unparalleled time, Coronation has proven its resilience and sustainability through delivering on all of our key strategic objectives and continuing to deliver the above-average investment results our clients expect of us.

As always, we are grateful to the financial advice community and our direct clients for their continued trust, and would like to thank you for your ongoing support.

THE CORONATION CLIENT CHARTER

Our commitment to you

*We strive to
always put clients
first*

*We have an
unwavering
commitment to
the long term*

*We focus on
producing top
performance over
all meaningful
periods*

*We are
uncompromising
about ethics*



Performance

For comprehensive current and historic fund information, please refer to the minimum disclosure documents available on www.coronation.com.

	1-YEAR ANNUALISED RETURN TO 30 SEPTEMBER 2020	BENCHMARK RETURN TO 30 SEPTEMBER 2020	1-YEAR ANNUALISED RETURN TO 30 SEPTEMBER 2019
Balanced Defensive Fund	2.9%	3.1%	5.7%
Balanced Plus Fund	3.7%	6.6%	2.1%
Bond Fund	0.4%	3.6%	11.0%
Capital Plus Fund	1.1%	3.1%	3.4%
Equity Fund	7.9%	3.7%	1.0%
Financial Fund	(27.6%)	(30.9%)	(9.8%)
Global Capital Plus [ZAR] Feeder Fund	12.2%	11.9%	11.2%
Global Emerging Markets Flexible [ZAR] Fund	25.4%	22.4%	14.3%
Global Equity Select [ZAR] Feeder Fund	19.1%	22.3%	8.6%
Global Managed [ZAR] Feeder Fund	16.8%	21.5%	8.5%
Global Opportunities Equity [ZAR] Feeder Fund	14.9%	22.3%	0.9%
Global Strategic USD Income [ZAR] Feeder Fund	11.3%	12.1%	10.1%
Industrial Fund	3.2%	4.3%	2.3%
Jibar Plus Fund	6.6%	5.6%	8.1%
Market Plus Fund	2.8%	6.6%	3.7%
Money Market Fund	6.4%	5.6%	7.8%
Optimum Growth Fund	24.6%	12.3%	15.5%
Property Equity Fund	(50.7%)	(47.2%)	(7.4%)
Resources Fund	32.3%	27.3%	6.2%
SA Equity Fund	2.0%	0.9%	(1.0%)
Smaller Companies Fund	(5.7%)	(6.8%)	1.1%
Strategic Income Fund	3.5%	6.2%	8.9%
Top 20 Fund	3.9%	0.9%	2.4%

Source: Morningstar

All performance returns are quoted in rand and stated net of fees for the respective retail classes as at 30 September 2020.

For full details on fund fees, please download the fee schedule available in the Personal Investments section of www.coronation.com or contact Client Service on 0800 22 11 77.

For full details on fund composition, benchmarks and highest and lowest annual returns, please refer to the respective comprehensive fact sheets available in the Personal Investments section of www.coronation.com.



Schedule of distributions

DISTRIBUTION TO UNIT HOLDERS

FOR THE YEAR ENDED 30 SEPTEMBER 2020 (CENTS PER UNIT)

FUND NAME AND CLASS	31 DEC 2019	31 MAR 2020	30 JUN 2020	30 SEP 2020
Balanced Defensive Fund A	2.01	1.88	1.68	1.80
Balanced Plus Fund A	-	155.16	-	92.01
Bond Fund R	-	61.21	-	59.49
Capital Plus Fund A	45.26	30.31	36.74	32.97
Equity Fund A	-	177.30	-	171.35
Financial Fund A	-	-	-	312.81
Industrial Fund P	-	198.89	-	216.87
Jibar Plus Fund A	23.35	20.22	13.17	12.18
Market Plus Fund A	-	135.90	-	91.31
Property Equity Fund A	131.91	52.15	29.95	0.74
Resources Fund P	-	250.55	-	196.87
SA Equity A	-	1.40	-	1.37
Smaller Companies Fund R	-	204.99	-	36.40
Strategic Income Fund A	30.60	28.55	19.10	16.63
Top 20 Fund A	-	165.16	-	192.26

	2019			2020								
	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
Money Market												
Class A	0.62	0.59	0.62	0.62	0.57	0.61	0.53	0.50	0.52	0.41	0.37	0.33

Distributions history shown for primary unit class of each fund. Distributions history for other unit classes are available from Client Service on request. Contact 0800 22 11 77 or clientservice@coronation.com.



Abridged financial statements

CORONATION FUNDS ABRIDGED INCOME STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

RAND	BALANCED DEFENSIVE FUND	BALANCED PLUS FUND
Net income/(loss) from operations before finance costs	860 558 338	3 122 671 373
Total finance costs	1 231 279 971	2 222 123 072
Distributions	1 231 367 275	2 227 778 038
Withholding tax on foreign dividends	(87 304)	(5 654 966)
Change in net assets attributable to unit holders	(370 721 633)	900 548 301

RAND	GLOBAL CAPITAL PLUS [ZAR] FEEDER FUND	GLOBAL EMERGING MARKETS FLEXIBLE [ZAR] FUND
Net income from operations before finance costs	305 056 033	995 869 960
Total finance costs	-	12 266 172
Distributions	-	5 376 963
Withholding tax on foreign dividends	-	6 889 209
Change in net assets attributable to unit holders	305 056 033	983 603 788

RAND	GLOBAL OPPORTUNITIES EQUITY [ZAR] FEEDER FUND	JIBAR PLUS FUND
Net income/(loss) from operations before finance costs	1 064 835 778	214 947 341
Total finance costs	-	206 990 855
Distributions	-	206 990 855
Withholding tax on foreign dividends	-	-
Change in net assets attributable to unit holders	1 064 835 778	7 956 486

RAND	RESOURCES FUND	SA EQUITY FUND
Net income from operations before finance costs	186 743 057	39 477 227
Total finance costs	20 087 664	45 879 487
Distributions	20 087 664	45 738 202
Withholding tax on foreign dividends	-	141 285
Change in net assets attributable to unit holders	166 655 393	(6 402 260)

Copies of the audited annual financial statements of the manager and of the scheme managed by it, are available, free of charge, on request by an investor.

BOND FUND	CAPITAL PLUS FUND	EQUITY FUND	FINANCIAL FUND
81 347 789	137 636 335	526 340 609	(60 572 225)
266 146 827	485 721 222	149 156 570	14 043 406
266 146 827	485 829 282	148 248 197	14 160 330
-	(108 060)	908 373	(116 924)
(184 799 038)	(348 084 887)	377 184 039	(74 615 631)

GLOBAL EQUITY SELECT [ZAR] FEEDER FUND	GLOBAL MANAGED [ZAR] FEEDER FUND	GLOBAL STRATEGIC USD INCOME [ZAR] FEEDER FUND	INDUSTRIAL FUND
126 267 666	1 167 861 047	271 155 136	22 406 424
-	-	-	16 286 101
-	-	-	16 249 516
-	-	-	36 585
126 267 666	1 167 861 047	271 155 136	6 120 323

MARKET PLUS	MONEY MARKET FUND	OPTIMUM GROWTH FUND	PROPERTY EQUITY FUND
114 919 041	459 704 632	2 104 983 327	(679 393 327)
120 509 393	459 704 632	15 990 167	62 859 755
120 958 398	459 704 632	3 196 347	63 114 518
(449 005)	-	12 793 820	(254 763)
(5 590 352)	-	2 088 993 160	(742 253 082)

SMALLER COMPANIES FUND	STRATEGIC INCOME FUND	TOP 20 FUND
(10 820 562)	1 661 421 362	753 005 197
4 635 513	3 030 206 320	513 780 569
4 642 675	3 030 882 385	516 560 019
(7 162)	(676 065)	(2 779 450)
(15 456 075)	(1 368 784 958)	239 224 628



Abridged financial statements

CORONATION FUNDS ABRIDGED BALANCE SHEETS

AS AT 30 SEPTEMBER 2020

RAND	BALANCED DEFENSIVE FUND	BALANCED PLUS FUND
Total assets	28 418 288 311	81 032 619 714
Total liabilities, excluding net assets attributable to unit holders	713 174 916	1 338 488 017
Net assets attributable to unit holders	27 705 113 395	79 694 131 697

RAND	GLOBAL CAPITAL PLUS [ZAR] FEEDER FUND	GLOBAL EMERGING MARKETS FLEXIBLE [ZAR] FUND
Total assets	3 363 723 095	4 876 145 523
Total liabilities, excluding net assets attributable to unit holders	17 458 063	24 205 711
Net assets attributable to unit holders	3 346 265 032	4 851 939 812

RAND	INDUSTRIAL FUND	JIBAR PLUS FUND
Total assets	656 488 744	4 013 294 206
Total liabilities, excluding net assets attributable to unit holders	11 842 536	64 414 314
Net assets attributable to unit holders	644 646 208	3 948 879 892

RAND	RESOURCES FUND	SA EQUITY FUND
Total assets	781 892 063	1 158 304 222
Total liabilities, excluding net assets attributable to unit holders	10 980 567	28 247 506
Net assets attributable to unit holders	770 911 496	1 130 056 716

Copies of the audited annual financial statements of the manager and of the scheme managed by it, are available, free of charge, on request by an investor.

BOND FUND	CAPITAL PLUS FUND	EQUITY FUND	FINANCIAL FUND
3 053 220 607	12 111 707 716	6 825 601 933	181 533 893
158 391 815	144 829 902	104 397 658	14 491 547
2 894 828 792	11 966 877 814	6 721 204 275	167 042 346

GLOBAL EQUITY SELECT [ZAR] FEEDER FUND	GLOBAL MANAGED [ZAR] FEEDER FUND	GLOBAL OPPORTUNITIES EQUITY [ZAR] FEEDER FUND	GLOBAL STRATEGIC USD INCOME [ZAR] FEEDER FUND
963 429 731	7 817 348 793	7 705 848 149	2 106 223 485
4 108 632	6 634 170	9 710 968	12 108 983
959 321 099	7 810 714 623	7 696 137 181	2 094 114 502

MARKET PLUS	MONEY MARKET FUND	OPTIMUM GROWTH FUND	PROPERTY EQUITY FUND
3 778 509 840	8 001 614 537	11 706 818 909	621 331 712
65 426 868	33 898 775	95 927 313	1 283 403
3 713 082 972	7 967 715 762	11 610 891 596	620 048 309

SMALLER COMPANIES FUND	STRATEGIC INCOME FUND	TOP 20 FUND
100 162 811	47 054 051 553	17 954 695 353
832 071	779 054 083	372 112 347
99 330 740	46 274 997 470	17 582 583 006



Report of the trustee

We, Standard Chartered Bank, Johannesburg Branch, in our capacity as trustee of the Coronation Unit Trust Scheme (the scheme) have prepared a report in terms of Section 70(1)(f) of the Collective Investment schemes Control Act, 45 of 2002, as amended (the Act), for the period 1 October 2019 up to and including 30 September 2020 (the Report). The Report is available from us and/or Coronation Management Company (RF) (Pty) Limited (the Manager).

This letter is an abridged version of the Report.

Having fulfilled our duties as required by the Act, we confirm that the Manager of the scheme has in general administered the scheme:

- (i) within the limitations on the investment and borrowing powers of the Manager imposed by the Act; and
- (ii) in accordance with the provisions of the Act and the deed.

We do however wish to bring to your attention the following instances of where the Manager

has not administered the scheme in accordance with the said limitations and provisions:

Some errors and timing differences resulted in contraventions of some of the limitations referred to in (i) and some of the provisions referred to in (ii) above. These contraventions were in our view not material and where appropriate the portfolios were compensated by the Manager for loss (if any) that may have been suffered by the portfolios as a result of these contraventions.

Should any investor require a copy of the Report, kindly contact the Manager.

Yours sincerely,

Charl Steyn
Manager
Trustee Services

Chantell Kruger
Senior Manager
Trustee Services

30 October 2020

COMPANY INFORMATION

Coronation Management Company (RF) (Pty) Ltd

Board of Directors

Shams Pather (Chairman)*, Anton Pillay (Managing Director), Lulama Boyce*, Madichaba Nhlumayo*, Alexandra Watson*

* *Independent non-executive director*

Company Secretary

Nazrana Hawa

Registration number

1995/010002/07

Bankers

Nedbank Corporate Services, South Wing,
Clock Tower Precinct, V&A Waterfront,
Cape Town 8001

Auditor

Ernst & Young Inc., Ernst & Young House,
35 Lower Long Street, Cape Town 8001

Client service

0800 22 11 77

Email

clientservice@coronation.com

Website

www.coronation.com

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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. Where foreign securities are included in a fund it may 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. The Coronation Money Market fund is not a bank deposit account. The fund has a constant price, and the total return is made up of interest received and any gain or loss made on any particular instrument, in most cases the return will merely have the effect of increasing or decreasing the daily yield, but in the case of abnormal losses it can have the effect of reducing the capital value of the portfolio. Excessive withdrawals could place the fund under liquidity pressures, in such circumstances a process of ring-fencing of redemption instructions and managed pay-outs over time may be followed. A fund of funds invests in collective investment schemes that levy their own fees and charges, which could result in a higher fee structure for this fund. A feeder fund invests in a single fund of a collective investment scheme, which levies its own charges and could result in a higher fee structure for the feeder fund. 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. Unit trusts are traded at ruling prices set on everyday trading. Forward pricing is used. For Domestic Unit Trust Funds and Tax Free Investments, including rand-denominated Offshore Unit Trust Funds, 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). For these Funds, instructions must reach the Management Company before 14h00 (12h00 for the Money Market Fund) to ensure same day value. For Offshore Unit Trust Funds that are denominated in a foreign currency, fund valuations take place at approximately 17h00 each business day (Irish Time) and instructions must reach the Management Company before 12h00 (SA Time) to ensure the value of the next business day. For Retirement Products, fund valuations take place at approximately 15h00 each business day, except at month end when valuation is performed at approximately 17h00 (JSE market close). For these Products, instructions must reach the Management Company before 14h00 to ensure the value of the next business day. Additional information such as fund prices, brochures, application forms and a schedule of fund fees and charges is available on our website, www.coronation.com. Coronation Fund Managers Limited is a Full member of the Association for Savings & 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.

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