

LONG TERM OBJECTIVE

The Coronation Medical Aid Cash Strategy complies with Regulation 30 of the Medical Schemes Act. The Strategy has a low-risk approach suitable for medical aid schemes seeking returns that are superior to those of overnight cash rates, while taking into consideration capital protection and liquidity requirements. The portfolio duration is limited to 180 days and the maximum term to maturity of an individual instrument does not exceed 3 years.

INVESTMENT APPROACH

Coronation is a long-term, valuation-driven investment house. Our aim is to identify mispriced assets trading at discounts to their fair value through extensive proprietary research. The fixed income portfolios are positioned on a long term strategic market view, but this is balanced by taking advantage of shorter-term tactical opportunities when the market lags or runs ahead of that strategic view. As active managers, we consider investment decisions across the full spectrum of potential return enhancers. These include duration and yield curve positions, inflation-linked assets as well as yield enhancement through credit enhanced assets. We aim to maximise returns by actively combining both a top-down and a bottom-up approach to portfolio construction.

STRATEGY RETURNS GROSS OF FEES

| Period | Strategy | Benchmark | Active Return |
|------------------------------|----------|-----------|---------------|
| Since Inception (cumulative) | 297.1% | 230.2% | 66.9% |
| Since Inception p.a. | 7.8% | 6.7% | 1.1% |
| Latest 15 years p.a. | 7.3% | 6.1% | 1.2% |
| Latest 10 years p.a. | 7.5% | 6.2% | 1.3% |
| Latest 5 years p.a. | 6.9% | 5.7% | 1.2% |
| Latest 3 years p.a. | 7.1% | 5.9% | 1.2% |
| Latest 1 year | 9.4% | 8.2% | 1.2% |
| Year to date | 3.0% | 2.7% | 0.3% |
| Month | 0.8% | 0.7% | 0.1% |

ASSET ALLOCATION

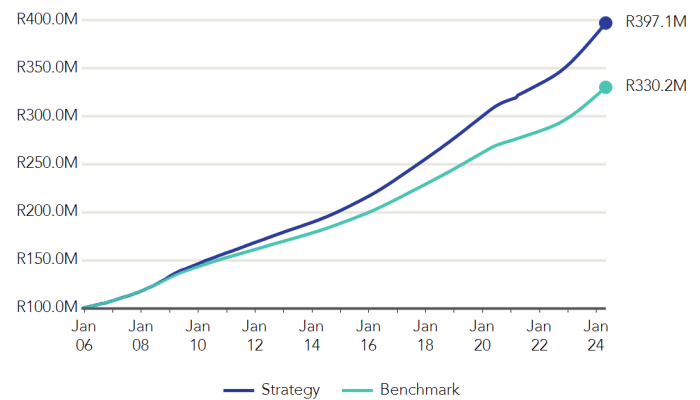
| Asset Type | % Strategy |
|-------------------------------|------------|
| Floating Rate NCDs | 56.3% |
| Fixed Rate NCDs | 14.9% |
| Floating Rate Corporate Bonds | 13.5% |
| Cash | 11.5% |
| Government ILBs | 2.9% |
| Floating Rate Other | 0.6% |
| Fixed Rate Corporate Bonds | 0.3% |

GENERAL INFORMATION

| | |
|-------------------|--|
| Inception Date | 01 December 2005 |
| Strategy Size * | R237.6 million |
| Strategy Status | Open |
| Mandate Benchmark | Short Term Fixed Interest 3-month Index (STeFI 3m) |
| Dealing Frequency | Daily |
| Base Currency | ZAR |
| Regulation 30 | Yes |

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

GROWTH OF R100M INVESTMENT



Benchmark: Short Term Fixed Interest 3-month Index (STeFI 3m)

EFFECTIVE MATURITY PROFILE

| Term | % Strategy |
|----------------|------------|
| Call | 4.2% |
| 0 to 2 months | 18.9% |
| 2 to 4 months | 17.5% |
| 4 to 6 months | 1.5% |
| 6 to 9 months | 13.6% |
| 9 to 12 months | 24.8% |
| 1 to 3 years | 19.6% |

STRATEGY STATISTICS

| | |
|-------------------|-----|
| Modified Duration | 0.2 |
|-------------------|-----|

PORTFOLIO MANAGERS**Nishan Maharaj - BSc (Hons), MBA**

Nishan is Head of Fixed Interest at Coronation and a portfolio manager across all fixed interest strategies. He joined Coronation in 2012 has 21 years' investment experience.

**Mauro Longano - BScEng (Hons), CA (SA)**

Mauro is a portfolio manager and Head of Fixed Interest research. He co-manages various fixed income strategies for institutional and retail clients. Mauro joined Coronation in 2014 and has 13 years' investment industry experience.

**Sinovuyo Ndaleni - BBusSc**

Sinovuyo is an analyst and portfolio manager in the Fixed Interest team at Coronation. She co-manages our Medical Aid Cash and Strategic Cash Strategies, as well as our Defensive Income and Money Market unit trust funds. Sinovuyo joined Coronation in 2016 and has eight years' investment experience.

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