CORONATION GLOBAL MANAGED FUND

Fund Information as at 31 August 2024

CORONATION
TRUST IS EARNED™

WHAT IS THE FUND'S OBJECTIVE?

Global Managed seeks to balance long term real returns and the risk of loss by investing in a range of listed asset classes around the world. Our intent is to outperform an equity-biased benchmark over all five year periods

WHAT DOES THE FUND INVEST IN?

Global Managed will have a bias towards shares, but can invest in a variety of assets including listed property, bonds and cash. The fund primarily invests in developed economies (including the US, Europe and Japan) but is also mandated to invest in emerging markets.

The intent is to keep the fund fully invested in foreign assets at all times. Its exposure will be in a variety of currencies, primarily the US dollar, British pound, euro and yen.

The fund may use exchange traded funds and other financial instruments (eg. derivatives) to implement specific investment views.

IMPORTANT PORTFOLIO CHARACTERISTICS AND RISKS

Global Managed aims to balance long-term real returns and the risk of loss.

The fund will have a sizeable exposure to shares, which typically offer the best returns over the long run

Global Managed will only invest in assets we view as being attractively valued and that could offer strong long-term investment growth. The fund's share selection is the result of rigorous international research conducted by Coronation's investment team.

While shares typically offer superior long-term returns, this comes with higher levels of risk and volatility. We have a disciplined approach to reducing risk, but shares can be volatile investments and may suffer capital losses over the short term. Global currency movements may intensify investment gains or declines.

HOW LONG SHOULD INVESTORS REMAIN INVESTED?

An investment term of more than five 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;
- require a fund which balances long-term real returns and the risk of loss;
- do not require an income from their investment.

WHAT COSTS CAN I EXPECT TO PAY?

An annual fee of 1.25% is payable.

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

We do not charge any fees to access or withdraw from the fund.

More detail is available on www.coronation.com.

WHO ARE THE FUND MANAGERS?

NEIL PADOA
BEconSc (AcSci),

FFA, CFA

GENERAL FUND INFORMATION

Launch Date	1 March 2010
Class	A
Class Type	Accumulation
Fund Domicile	Ireland
Morningstar Fund Category	USD – Aggressive Allocation
Currency	US Dollar
Benchmark	60% MSCI All Country World Index and 40% Bloomberg Global Bond Aggregate
Investment Minimum	US$500
Bloomberg	CORGMFA
ISIN	IE00B3PR9321
SEDOL	B3PR932

CORONATION GLOBAL MANAGED FUND

CORONATION
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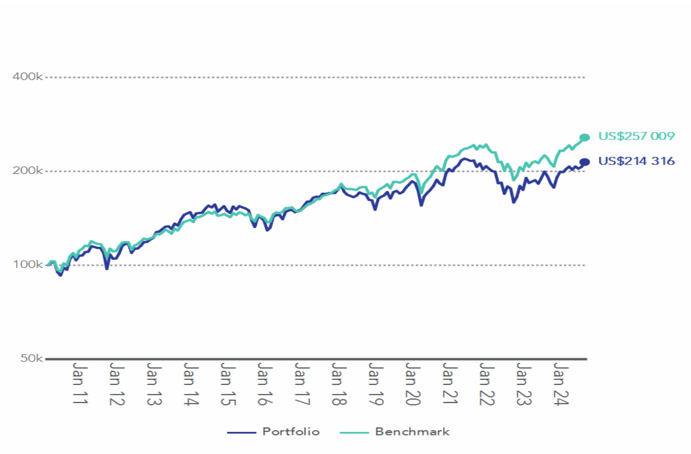
CLASS A as at 31 August 2024

Launch date	01 March 2010
Fund size	US$ 852.52 million
NAV	21.34
Benchmark	Composite: 60% MSCI All Country World Index & 40% Bloomberg Global Bond Aggregate
Portfolio manager/s	Neil Padoa

	1 Year	3 Year
Total Expense Ratio	1.31%	1.32%
Fund management fee	1.25%	1.25%
Fund expenses	0.07%	0.07%
VAT	0.00%	0.00%
Transaction costs (inc. VAT)	0.13%	0.11%
Total Investment Charge	1.44%	1.43%

PERFORMANCE AND RISK STATISTICS

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



RETURNS VS BENCHMARK (AFTER FEES)

	Fund	Benchmark
Since Launch (unannualised)	114.3%	157.0%
Since Launch (annualised)	5.4%	6.7%
Latest 10 years (annualised)	3.2%	5.6%
Latest 5 years (annualised)	4.7%	6.9%
Latest 3 years (annualised)	(0.4%)	1.9%
Latest 1 year	11.3%	16.7%
Year to date	7.5%	10.2%

RISK STATISTICS SINCE LAUNCH

	Fund	Benchmark
Annualised Deviation	13.2%	10.2%
Sharpe Ratio	0.32	0.55
Maximum Gain	21.7%	23.0%
Maximum Drawdown	(27.7)%	(23.2)%
Positive Months	60.9%	61.5%
	Fund	**Date Range**
Highest annual return	34.6%	Apr 2020 - Mar 2021
Lowest annual return	(23.2%)	Oct 2021 - Sep 2022

PORTFOLIO DETAIL

EFFECTIVE ASSET ALLOCATION EXPOSURE

Sector	31 Aug 2024
Equities	63.8%
Infrastructure	4.9%
Property	2.6%
Convertible Bonds	1.8%
High Yield Bonds	3.3%
Fixed Income	23.0%
Inflation-linked bonds	9.1%
Investment Grade	13.9%
Cash	0.6%

TOP 10 HOLDINGS

As at 30 Jun 2024	% of Fund
Amazon.com	2.4%
Philip Morris	2.4%
Alphabet	2.2%
Canadian Pacific Kansas City	2.1%
British American Tobacco	2.1%
Charles Schwab	2.1%
Interactive Brokers	2.1%
Canadian National Railway	1.9%
Flutter Entertainment	1.9%
Airbus Group Se	1.9%

MONTHLY PERFORMANCE (AFTER FEES)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund 2024	(0.2)%	2.3%	1.9%	(2.3)%	2.5%	(1.6)%	1.3%	3.6%					**7.5%**
Fund 2023	9.2%	(3.7)%	1.1%	1.0%	(2.6)%	4.4%	4.7%	(3.5)%	(4.9)%	(3.1)%	7.6%	4.4%	**14.2%**
Fund 2022	(2.0)%	(1.5)%	(0.7)%	(8.0)%	0.4%	(7.8)%	5.5%	(1.6)%	(9.8)%	4.2%	8.4%	(2.9)%	**(16.1)%**
Fund 2021	(1.7)%	2.8%	1.8%	3.7%	1.2%	(0.7)%	(1.0)%	0.4%	(4.6)%	2.5%	(4.2)%	2.4%	**2.1%**
Fund 2020	(1.4)%	(5.3)%	(10.5)%	7.1%	2.6%	2.2%	3.0%	4.5%	(2.7)%	(1.3)%	9.2%	3.3%	**9.5%**

Issue date: 2024/09/09

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

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

Performance

Markets continued their advance in the second quarter of 2024 (Q2-24), rising 3% over the period and rounding off a very strong first half of the year with gains of just over 11% (as measured by the MSCI All Country World Index). Returns continue to be led by an increasingly narrow US market, with the S&P 500, Nasdaq and Magnificent 7 up 15%, 17% and 37%, respectively, year to date. Looking more closely at the US, around 60% of YTD gains have been driven by just five stocks – Apple, Nvidia, Microsoft, Amazon, and Meta – with Nvidia alone accounting for almost a third of market returns at the half-year mark. In fact, in Q2-24, an equally weighted S&P 500 Index returned a negative 2.6%, marking the second-worst underperformance on record when compared to the headline index's 4% gain and the worst market breadth in well over 20 years. In contrast, the global bond market declined by 1% over the quarter, bringing its YTD decline to -3%. The Fund declined 1.5% for the quarter, underperforming the benchmark.

While our fixed income holdings again outperformed over the quarter, delivering a positive return compared to the index's decline, our equity holdings lagged the market.

Fund positioning

Airbus was the largest detractor in the quarter, declining by 25%. Its share price fell after a poor update from management in which 2024 delivery and earnings guidance was cut. Whilst we acknowledge this temporary setback, the future remains incredibly bright for the company. Airbus manufactures narrowbody and widebody airframes in a duopoly with Boeing. The industry structure has been remarkably stable for decades, a testament to the almost insurmountable barriers to entry that new competitors face. Coming out of Covid, Airbus has emerged even stronger as competitor Boeing entered the downturn with a weak balance sheet (versus Airbus' net cash position) and then suffered a series of well-publicised technical and quality issues. Airbus now stands with a backlog of over 8 500 planes on order. Considering that annual production is currently 770 planes (and growing), this equates to a multi-year backlog which underpins our very healthy growth forecasts, with Airbus continuing to gain share in a growing industry. So, what contributed to the recent earnings downgrade? The company – and, in fact, the whole aerospace industry – is still suffering from post-Covid supply chain bottlenecks that have caused delays in the production ramp-up of Airbus' most popular aircraft family (and biggest EBIT contributor by far), the A320neo narrowbody. Despite these delays, we believe it's only a matter of time before deliveries and, therefore, profits and sustainable free cash flow ramp up to management's ambitious long-term targets, which see a production run-rate for the key A320 family that is almost 50% higher than that achieved today. In addition, Airbus has a fortress balance sheet with a €10bn net cash position, and we expect returns to shareholders to continue to increase.

The Taiwan Semiconductor Manufacturing Company, or TSMC, was the second largest contributor, climbing 28% during the quarter. TSMC is the world's leading semiconductor foundry. With an over 50% share of global semiconductor production, including a market share north of 90% in the most advanced, leading-edge semiconductors, TSMC is quite simply one of the most important companies globally. As the world's leading foundry, TSMC manufactures and supplies its chips to the world's largest companies, including all of Nvidia's GPUs. The largest hyper scalers like Microsoft Azure and Amazon AWS rely on Nvidia for their AI chips, but Nvidia relies on TSMC to make them. It is thus a direct beneficiary of the rapid growth in high-performance computing and the buildout of "AI factories", supporting a very healthy mid to high teens revenue growth outlook whilst earning very attractive ROEs of around 25%. Unlike Nvidia, TSMC has not benefited from significant price hikes (yet), which provides positive optionality going forward for its all-important products. Considering the above, we do find it surprising that TSMC trades on 22x forward earnings, roughly half the rating of Nvidia, and this with far less optimism baked into its earnings outlook.

Outside of equities, we have slowly increased the Fund's exposure to residential real estate, which now sits at nearly 3%, including holdings in the US, Germany and Australia. US Apartment REITs surged in a 2021 post-COVID rally, only to slump from 2022 onwards as demand slowed, occupancies decreased, and inflation pressured cost bases. In addition, certain markets suffered excess supply from a mini-construction boom. Higher interest rates, of course, increased borrowing costs (on variable notes and new issuance of debt). The outlook is, however, more favourable in certain supply constrained sub-markets. Single-family home costs are expected to remain high, and for many, renting is now more affordable than owning a home. In addition, both wage growth and employment have been strong. We added two REITs this year, acquired at approximately 4.5% starting dividend yields with earnings streams that we expect to grow 5-6% per year, which should deliver shareholder returns of c.10% before any closing of the NAV discount.

In fixed income, we continue to favour the short end of the curve and have kept the Fund's duration low. Credit spreads have reduced, and high yield bonds have rallied, leading us to have relatively low credit exposure, and to reduce high-yield exposure (two instruments were sold, and one matured). Finally, we added c.2% to inflation-linked bond exposure at real yields over 2%.

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

- 61% effective equity
- 7% in real assets (listed infrastructure and property)
- 5% in high yield fixed income
- 8% in inflation-linked assets
- 17% in investment-grade fixed income instruments

The remaining 2% was invested in various other assets.

Outlook

The first six months of the year have been a difficult time to be an active investor, and even more so for contrarian ideas. US markets have advanced in the face of building macroeconomic and geopolitical risks; in fact, the S&P 500 has now gone almost a full year without a one-day drop larger than 2%. Whilst this complacency points to a worrying setup at the index level, we continue to find many compelling bottom-up stock ideas, often in lesser-known names. We thus remain very optimistic about the outlook for our portfolio of companies, even though the same cannot be said for markets in general.

Thank you for your support and interest in the Fund.

Portfolio manager
Neil Padoa
as at 30 June 2024

IMPORTANT INFORMATION THAT SHOULD BE CONSIDERED BEFORE INVESTING IN THE CORONATION GLOBAL MANAGED FUND

The Global Managed 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; t: +353-1-612-4000), and its custodian is JP Morgan Administration Services (Ireland) Limited (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 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)?

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. 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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