

## LONG TERM OBJECTIVE

The Coronation Managed Strategy is an aggressive, clean slate fully discretionary balanced portfolio. The Strategy's objective is to outperform its peer group or a composite benchmark over meaningful periods (defined as at least 5 years). The Strategy is managed in accordance with the limits of Regulation 28 of the Pension Funds Act.

## 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 business 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 cleanslate 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 a permanent loss of capital.

## STRATEGY RETURNS GROSS OF FEES

Period	Strategy	Benchmark	Active Return
Since Inception (cumulative)	5,205.9%	2,791.3%	2,414.6%
Since Inception p.a.	15.2%	12.7%	2.5%
Latest 20 years p.a.	15.0%	13.1%	1.9%
Latest 15 years p.a.	13.4%	11.7%	1.7%
Latest 10 years p.a.	9.4%	8.2%	1.2%
Latest 5 years p.a.	12.9%	10.1%	2.8%
Latest 1 year	16.6%	10.1%	6.5%
Year to date	6.5%	4.6%	1.9%
Month	1.9%	1.8%	0.1%

## PERFORMANCE & RISK STATISTICS (Since inception)

	Strategy	Benchmark
Annualised Standard Deviation	11.8%	11.3%
Maximum Drawdown	(23.5)%	(27.7)%

## ASSET ALLOCATION

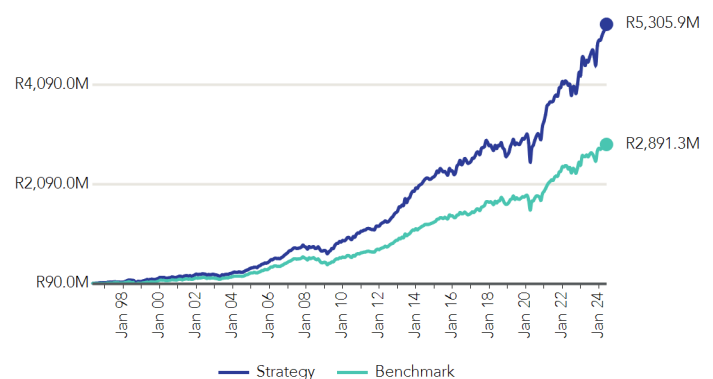
Asset Type	% Strategy
Local Equities	42.5%
Foreign Equities	27.4%
Foreign Bonds	11.0%
Local Bonds	9.7%
Local Real Estate	5.7%
Local Hedge	1.6%
Cash	1.3%
Foreign Real Estate	0.8%

## GENERAL INFORMATION

Inception Date	01 May 1996
Strategy Size †	R21.35 billion
Strategy Status	Open
Mandate Benchmark	Median of Peer Group
Dealing Frequency	Daily
Base Currency	ZAR
Regulation 28	Yes

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

## GROWTH OF R100M INVESTMENT



Benchmark: Median of Peer Group

## TOP 10 HOLDINGS

Holding	% Strategy
CORO GBL EQUITY FOF-Z	11.5%
CORONATION GEM EQUITY FUND	6.6%
PROSUS	5.8%
CORONATION GLOBAL EQUITY SELECT FUND CLASS Z	4.0%
RSA FIX 6.500% 280241	3.2%
BRITISH AMERICAN TOBACCO PLC	2.0%
STANDARD BANK GROUP LTD	1.9%
ANHEUSER-BUSCH INBEV SA/NV	1.9%
QUILTER PLC	1.8%
CIE FINANCIERE RICHEMO-A REG	1.8%

## EFFECTIVE MATURITY PROFILE\*

Term	% Strategy (incl. Cash)	% Strategy (excl. Cash)
0 to 1 year	(2.7)%	1.8%
1 to 3 years	0.2%	0.2%
3 to 7 years	3.7%	3.6%
7 to 12 years	1.5%	1.4%
Over 12 years	3.3%	3.1%

## MODIFIED DURATION\*

Portfolio	0.5
Fixed Income Assets	8.9

## PORTFOLIO MANAGERS



Neville Chester - BCom, CA (SA), CFA

Neville is a senior member of the investment team with 27 years' investment experience. He manages Coronation's Aggressive Equity Strategy and is co-manager of the Coronation Top 20 and Market Plus unit trust funds.



Nic Stein - BBusSc, CA (SA), CFA

Nic is a portfolio manager and analyst within the Coronation investment team with 15 years' investment experience. He co-manages the Coronation Aggressive Equity and Managed strategies as well as the Coronation Resources, Top 20 and Market Plus unit trust funds.

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\* For SA Fixed Income investments only. Excludes international investments, equities, property and preference shares.