

## 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)	5,804.9%	3,086.0%	2,718.9%
Since Inception p.a.	15.3%	12.9%	2.4%
Latest 20 years p.a.	14.5%	12.3%	2.2%
Latest 15 years p.a.	13.1%	11.4%	1.7%
Latest 10 years p.a.	10.2%	8.8%	1.4%
Latest 5 years p.a.	14.5%	11.2%	3.3%
Latest 1 year	21.1%	16.0%	5.1%
Year to date	18.5%	13.7%	4.8%
Month	2.4%	2.2%	0.2%

## PERFORMANCE & RISK STATISTICS (Since inception)

	Strategy	Benchmark
Annualised Standard Deviation	11.7%	11.2%
Maximum Drawdown	(23.5)%	(27.7)%

## ASSET ALLOCATION

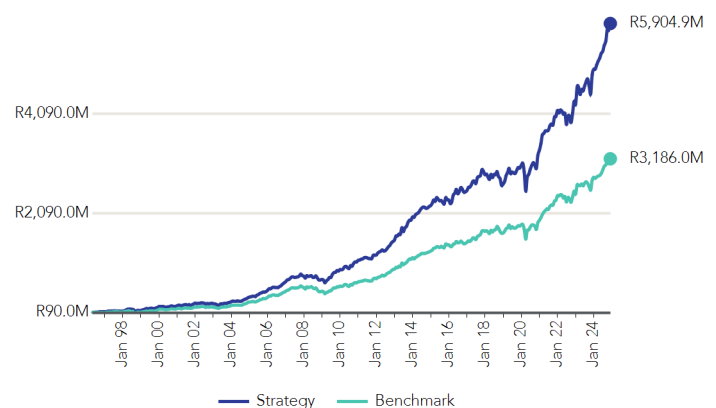
Asset Type	% Strategy
Local Equities	40.8%
Foreign Equities	27.0%
Local Bonds	12.6%
Local Real Estate	8.0%
Foreign Bonds	7.8%
Local Hedge	1.5%
Cash	1.2%
Foreign Real Estate	0.6%
Local Commodities	0.5%

## GENERAL INFORMATION

Inception Date	01 May 1996
Strategy Size †	R23.41 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
CORONATION GLOBAL EQUITY FUND OF FUNDS CLASS Z	11.8%
RSA FIX 6.500% 280241	6.4%
CORONATION GLOBAL EMERGING MARKETS EQUITY FUND	6.2%
PROSUS	4.4%
CORONATION GLOBAL EQUITY SELECT FUND CLASS Z	3.7%
NASPERS LTD	2.4%
ANHEUSER-BUSCH INBEV SA/NV	2.1%
STANDARD BANK GROUP LTD	2.0%
ATTACQ LTD	2.0%
QUILTER PLC	1.8%

## EFFECTIVE MATURITY PROFILE\*

Term	% Strategy (incl. Cash)	% Strategy (excl. Cash)
0 to 1 year	1.5%	2.8%
1 to 3 years	0.4%	0.4%
3 to 7 years	4.1%	4.1%
7 to 12 years	0.3%	0.3%
Over 12 years	6.5%	6.4%

## MODIFIED DURATION\*

Portfolio	0.8
Fixed Income Assets	5.8

## 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.



Nicholas Hops - BBusSc, CFA

Nicholas is Head of South African Equity Research and a portfolio manager at Coronation. He co-manages the Market Plus, Industrial and Resources unit trust funds. Nicholas joined Coronation in 2014 and has 11 years' investment experience.

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