

## LONG TERM OBJECTIVE

The Coronation Aggressive Equity Strategy is our aggressive offering within our equity product range. The Strategy is constructed on a clean-slate basis with no reference to a benchmark, and seeks to outperform the equity market over meaningful periods (defined as at least 5 years).

## 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 underlying 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 clean-slate 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 the probability of a permanent loss of capital.

## STRATEGY RETURNS GROSS OF FEES

| Period                       | Strategy | Benchmark | Active Return |
|------------------------------|----------|-----------|---------------|
| Since Inception (cumulative) | 2,117.5% | 1,386.1%  | 731.4%        |
| Since Inception p.a.         | 15.8%    | 13.6%     | 2.2%          |
| Latest 20 years p.a.         | 14.6%    | 12.5%     | 2.1%          |
| Latest 15 years p.a.         | 12.6%    | 10.8%     | 1.8%          |
| Latest 10 years p.a.         | 8.9%     | 6.6%      | 2.3%          |
| Latest 5 years p.a.          | 17.3%    | 13.6%     | 3.7%          |
| Latest 1 year                | 23.7%    | 22.0%     | 1.7%          |
| Year to date                 | 2.6%     | 2.2%      | 0.4%          |
| Month                        | 1.4%     | (0.4)%    | 1.8%          |

## TOP 10 HOLDINGS

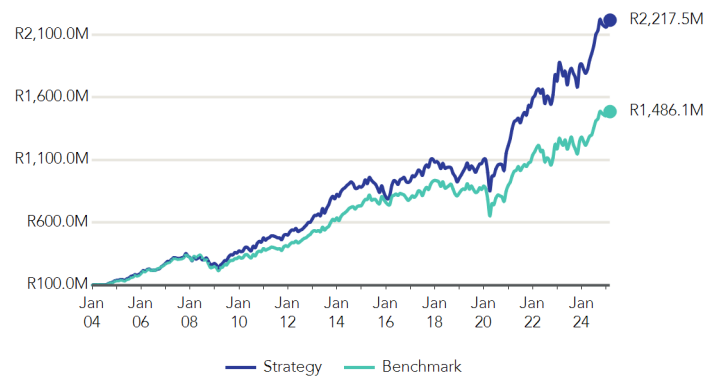
| Holding                      | % Strategy |
|------------------------------|------------|
| PROSUS                       | 11.0%      |
| STANDARD BANK GROUP LTD      | 7.1%       |
| ANHEUSER-BUSCH INBEV SA/NV   | 7.1%       |
| NASPERS LTD                  | 6.7%       |
| NEDBANK GROUP LTD            | 5.0%       |
| ANGLOGOLD ASHANTI PLC        | 4.4%       |
| QUILTER PLC                  | 4.3%       |
| INVESTEC LTD                 | 3.0%       |
| CIE FINANCIERE RICHEMO-A REG | 2.8%       |
| DIS-CHEM PHARMACIES LTD      | 2.6%       |

## GENERAL INFORMATION

|                   |  |
|-------------------|--|
| Inception Date    | 01 January 2004                                      |
| Strategy Size †   | R18.05 billion                                       |
| Strategy Status   | Open   |
| Mandate Benchmark | JSE Capped Shareholder Weighted Index (Capped SWIX*) |
| Dealing Frequency | Daily  |
| Base Currency     | ZAR  |

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

## GROWTH OF R100M INVESTMENT



Benchmark: JSE Capped Shareholder Weighted Index (Capped SWIX\*)

\*FTSE/JSE Capped Shareholder Weighted Index from 01 May 2017. Previously 50 Low Resources (inception to 31 January 2002) and FTSE/JSE Shareholder Weighted Index (01 February 2002 to 30 April 2017).

## PERFORMANCE &amp; RISK STATISTICS (Since inception)

|                               | Strategy | Benchmark |
|-------------------------------|----------|-----------|
| Average Annual Return         | 17.0%    | 14.8%     |
| Tracking Error                | 4.6%     |           |
| Information Ratio             | 0.5      |           |
| Annualised Standard Deviation | 14.5%    | 14.5%     |
| Maximum Drawdown              | (33.2)%  | (37.0)%   |

## TRACKING ERROR



## SECTOR EXPOSURE

| Sector             | % Strategy |
|--------------------|------------|
| Financials         | 32.6%      |
| Technology         | 20.8%      |
| Basic Materials    | 15.5%      |
| Consumer Services  | 13.6%      |
| Consumer Goods     | 10.5%      |
| Telecommunications | 3.7%       |

| Sector           | % Strategy |
|------------------|------------|
| Industrials      | 1.6%       |
| Health Care      | 1.4%       |
| Derivatives      | 0.2%       |
| Interest Bearing | 0.1%       |

## 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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