

CORONATION GLOBAL CAPITAL PLUS FUND [HOUSEVIEW CURRENCY CLASS P]

Fund Information as at 31 October 2018

WHAT IS THE FUND'S OBJECTIVE?

Global Capital Plus is in the first instance managed to achieve reasonable investment growth over time. Our intent is that the fund should meaningfully outperform an investment in developed market cash over time. In addition, we aim to preserve capital over any 12-month period.

WHAT DOES THE FUND INVEST IN?

Global Capital Plus can invest in all listed asset classes including shares, listed property, bonds and cash. The fund will primarily have exposure to developed economies (including the US, Europe and Japan) but can also invest in emerging markets.

The fund is managed to suit the needs of more conservative investors who want to invest for longer than three years. Exposure to growth assets (shares and listed property), which pose more risk than income assets, will typically not exceed 50%.

The intent is to keep the fund fully invested in foreign assets at all times. It will have exposure to a variety of currencies, with a general bias towards developed markets, specifically to the US dollar and euro.

The fund is allowed to make use of exchange traded funds and financial instruments to implement its investment views.

IMPORTANT PORTFOLIO CHARACTERISTICS AND RISKS

Global Capital Plus aims to protect capital over any 12-month period in all market conditions, while offering real investment growth over the long term. However, capital is not guaranteed.

The fund invests in a broad range of different assets and many countries.

Its exposure to shares, which offer the best long-term investment growth, could help maximise returns. However, with this long-term growth comes short-term volatility, which may affect the fund's returns. This risk is mitigated to some extent as growth asset exposure will not exceed 50%.

Global currency movements may intensify investment gains or declines.

HOW LONG SHOULD INVESTORS REMAIN INVESTED?

An investment term of more than three 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, while aiming to protect their capital;
- require conservative exposure to offshore markets;
- do not require an income from their investment.

WHAT COSTS CAN I EXPECT TO PAY?

An annual fee of 0.85% is payable.

If the fund performance over any 24-month period is negative in USD, the fee is reduced to 0.35%. The underperformance reduction ceased as of 01 October 2018. All fees exclude VAT.

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

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

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.

More detail is available on www.coronation.com.

WHO ARE THE FUND MANAGERS?

TONY GIBSON

BCom

LOUIS STASSEN

BSc, BCom (Hons), CFA

NEIL PADOA

BEconSci (AcSci), FFA

GENERAL FUND INFORMATION

| | |
|----------------------------------|----------------------------|
| Fund Launch Date | 1 September 2009 |
| Class | Houseview Currency Class P |
| Class Type | Accumulation |
| Class Launch Date | 28 August 2013 |
| Fund Domicile | Ireland |
| Morningstar Fund Category | USD – Moderate Allocation |
| Listing | Irish Stock Exchange |
| Currency | US Dollar |
| Benchmark | USD 3-month LIBOR +1.5% |
| Bloomberg | CORGLTP |
| ISIN | IE00BBT3KJ57 |
| SEDOL | BBT3KJ5 |

CORONATION GLOBAL CAPITAL PLUS FUND [HOUSEVIEW CURRENCY]

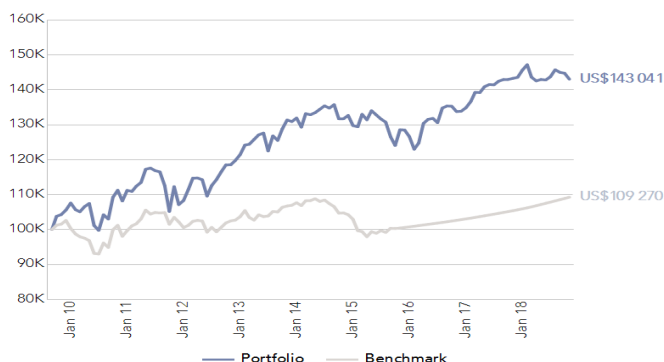
CLASS P as at 31 October 2018

| | |
|-----------------------|---|
| Launch date | 28 August 2013 |
| Fund size | US\$ 898.64 million |
| NAV | 11.30 |
| Benchmark/Performance | 100% USD 3-month LIBOR+1.5% |
| Fee Hurdle | |
| Portfolio manager/s | Tony Gibson, Louis Stassen and Neil Padoa |

| | | |
|--|--------|---------|
| Total Expense Ratio | 1 Year | 3 Year |
| Fee for performance in line with benchmark | 1.00% | 0.98% |
| Adjusted for out/(under)-performance | - | (0.26)% |
| Fund expenses | 0.09% | 0.10% |
| VAT | 0.00% | 0.00% |
| Transaction costs (inc. VAT) | 0.08% | 0.09% |
| Total Investment Charge | 1.17% | 0.91% |

PERFORMANCE AND RISK STATISTICS

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



PORTFOLIO DETAIL

EFFECTIVE ASSET ALLOCATION EXPOSURE

| Sector | 31 Oct 2018 |
|------------------|-------------|
| Equities | 27.5% |
| Merger Arbitrage | 0.4% |
| Property | 12.8% |
| Commodities | 3.8% |
| Bonds | 17.3% |
| Cash | 38.3% |

PERFORMANCE FOR VARIOUS PERIODS (AFTER FEES)

| | Fund | Benchmark | Active Return |
|-----------------------------|--------|-----------|---------------|
| Since Launch (unannualised) | 43.0% | 9.3% | 33.8% |
| Since Launch (annualised) | 4.0% | 1.0% | 3.0% |
| Latest 5 years (annualised) | 1.7% | 0.5% | 1.2% |
| Latest 3 years (annualised) | 3.6% | 2.8% | 0.8% |
| Latest 1 year | (0.2)% | 3.7% | (3.8)% |
| Year to date | (1.8)% | 3.1% | (4.9)% |

TOP 10 HOLDINGS

As at 30 Sep 2018

| |
|-----------------------------|
| Alphabet Inc |
| Blackstone Group |
| British American Tobacco |
| Charter Communications |
| Heineken |
| Intu Properties |
| Philip Morris International |
| Twenty-First Century Fox |
| Unibail Group |
| Vivendi |

RISK STATISTICS SINCE LAUNCH

| | Fund | Benchmark |
|----------------------|---------|-----------|
| Annualised Deviation | 7.4% | 4.2% |
| Sharpe Ratio | 0.49 | N/A |
| Maximum Gain | 16.4% | N/A |
| Maximum Drawdown | (10.5)% | N/A |
| Positive Months | 60.9% | N/A |

| | Fund | Date Range |
|-----------------------|--------|---------------------|
| Highest annual return | 17.1% | Jul 2010 - Jun 2011 |
| Lowest annual return | (6.8)% | Jun 2011 - May 2012 |

CURRENCY ALLOCATION

Currency as at 31 Oct 2018

| | |
|-----------|------|
| US Dollar | 100% |
|-----------|------|

This fund is available in 3 hedged currency classes (Euro, Pound Sterling & US Dollars) as well as a Houseview currency class. This is the fact sheet for the Houseview currency D class.

MONTHLY PERFORMANCE RETURNS (AFTER FEES)

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | YTD |
|-----------|--------|--------|--------|------|--------|--------|------|--------|--------|--------|------|------|--------|
| Fund 2018 | 1.1% | (2.4)% | (0.7)% | 0.3% | (0.1)% | 0.6% | 1.4% | (0.5)% | (0.2)% | (1.2)% | | | (1.8)% |
| Fund 2017 | 1.3% | 1.9% | 0.0% | 1.2% | 0.4% | (0.1)% | 0.7% | 0.3% | 0.0% | 0.2% | 0.2% | 1.4% | 8.0% |
| Fund 2016 | (2.8)% | 1.4% | 4.5% | 0.9% | 0.2% | (0.9)% | 3.2% | 0.4% | (0.1)% | (1.1)% | 0.1% | 0.7% | 6.5% |

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

Despite more clouds gathering on the horizon of global growth prospects during the quarter, global equity market participants preferred to focus on continued strong profit growth numbers - especially out of the US - to register very strong returns over the period. The MSCI All Country World Index returned 4.3% over the quarter, almost matching the year-to-date number of 3.8%. At the same time, investors have had to adjust their interest rate expectations for the US upwards, as was discussed in a few of our earlier quarterly reports. This was in response to a US economy continuing to surprise on the upside in terms of growth and the sustainability thereof.

We continue to monitor escalations in the trade war dialogue primarily between the US and China. However, we believe investors should exercise judgement when headline-grabbing pronouncements are made. As we argued in the prior quarter, we think the bigger issue that investors need to focus on is the process of interest rate normalisation in the US. Ten-year yields in the US have moved from 2.9% at the end of June to 3.1% at the end of September and have subsequently moved to over 3.2%. The global bond index, in fact, generated negative returns over the last three months, resulting in a negative 1.3% return over the last year. We continue to exercise caution with regards to the bond market, despite the weakness over the last few years. Investors should be reminded that in Europe the process of interest rate normalisation has barely started, hence we continue to advise exercising caution when calibrating expectations for equity market returns over the next few years.

Another notable development over the last three months has been the increased cost of capital in emerging market equities. This subset underperformed their developed market complex by 6% over the quarter, on top of an underperformance of almost 10% in the prior three month-period. This has meant that over most periods emerging markets have now underperformed developed markets, with the US equity market continuing to be the stand-out performer over the last decade. Emerging market currencies shared in this adjustment, with the Russian ruble, South African rand and Indian rupee all depreciating by around 12% during 2018. The Turkish lira is down almost 37%, but we view this as mostly self-inflicted, as the political regime continued to alienate foreign investors with illogical and, at times, contradictory actions. Developed economies' currencies generally depreciated only slightly against the US dollar over the quarter (around 2%).

Healthcare was the best performing equity sector this past quarter, with information technology (IT) again registering a strong performance. Laggards were energy (after a very strong second quarter), utilities and real estate. Since the start of the year, the laggards have included consumer staples (in line with higher long bond rates), financials (slightly more perplexing given the higher interest rate expectations), materials (concerns over emerging market growth prospects) and telecommunications (also higher interest rates), with IT by far the best performer and healthcare a clear second.

Listed property had a tough quarter, with essentially a flat performance. UK property continued to suffer from a weaker fundamental outlook, with further uncertainty regarding the Brexit outcome muddying the waters. Our property holdings, which have a disproportionate exposure to the UK, suffered as a result, although the potential bid for UK Real Estate Investment Trust Intu after quarter end, has lifted the prices of some of these counters. We await further news on that front.

Against the backdrop of rising interest rates, it was perhaps not surprising that the gold price came under more pressure. We have added marginally to our position in physical gold and continue to view it as a hedge against a world ruled by uncertainty.

The fund returned 0.6% over the quarter, resulting in a disappointing 12-month return of 0.8%. Given the reasonably buoyant equity market, we believe we could have done better. We are however pleased with the fund's three-year return of 4.8% p.a. Since inception, the fund has returned 4.0% p.a. - again a credible performance, given the portfolio's low risk appetite.

The disappointing return over the last twelve months is primarily a result of poor stock picking, although the relatively low exposure to equities didn't help overall returns. We continue to exercise caution in the portfolio positioning, as explained in the opening paragraphs. The fund's low tolerance for risk will be our main focus when we consider portfolio actions.

We often reflect on positions in the fund that detracted from performance, which should highlight the learning process with which we approach investments. In this commentary, we thought it appropriate to discuss Advance Auto Parts in more detail. Advance is the second largest retailer in the auto parts sector in the US and sells both to the do-it-yourself customer as well as the professional mechanical workshop. We initially invested in this stock in August 2017 after we met the new management team at a conference in the US. This team was brought in to fix a business that was cobbled together through acquisitions, and which had failed to deliver on the promised cost-savings and integration benefits. At the time, their operating margin was about half that of the industry leader, and the new team had concrete plans to partially close the gap. At the same time, unusual weather had also adversely impacted industry sales, and there was a lot of speculation about Amazon making a stronger push into the category. We thought the weather issue was temporary and believed that the category was less attractive to an online retailer than generally believed. While the management team has yet to deliver on their promise to increase margins, a more normal winter has seen industry volumes pick up again. The Amazon threat has also subsided, with the result that the stock has been our biggest contributor to alpha over the last year. Given that the margin improvement still needs to be delivered (arguing for a degree of implementation risk), we have reduced our position to less than half of what it was at its peak. We continue to see some value in the stock and are watching the execution of the turnaround fund closely.

Portfolio managers
Tony Gibson, Louis Stassen and Neil Padoa
as at 30 September 2018

CORONATION GLOBAL CAPITAL PLUS FUND [HOUSEVIEW CURRENCY]

Important Information

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

The Global Capital Plus 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 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. The top 10 holdings are reflected on a look-through basis. 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.

Northern Trust Fiduciary Services has been appointed as the fund's trustees (www.northerntrust.com; t: +353-1-542-2000), 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) one day prior to the dealing date. You can expect to receive withdrawal payouts three business days after the dealing date. 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 P NAV prices. Class A and Class D NAV prices were used for the period prior to the launch of Class P. All underlying price and distribution data are 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. 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 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 September 2017 (updated annually). The 3 year TER is for a rolling 36-month period to the last 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.

IMPORTANT INFORMATION REGARDING TERMS OF USE

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