The fund aims to achieve a higher return than a US dollar term bank deposit. It is mainly focused on delivering short-term income.

The fund invests between 75% and 100% of its assets in a wide variety of fixed income assets. This may include bonds, money market instruments and other debt securities issued by international governments, banks and other companies or institutions.

Up to 25% of the fund may be invested in listed property, preference shares and other forms of hybrid debt or equity instruments.

While the fund may invest in instruments in any currency, its effective exposure to the US dollar will at least be 75% at all times. The fund is mandated to use derivative instruments for efficient portfolio management purposes.

The average duration in the fund will typically not exceed three years.

The fund is tactically managed to secure an attractive income, while protecting capital.

Its investments are carefully researched by a large and experienced investment team and subjected to a strict risk management process. The fund is actively positioned to balance long-term strategic positions with shorter-term tactical opportunities to achieve the best possible income.

While the fund is managed in a conservative and defensive manner, it is not guaranteed to always outperform cash over short periods of time, and may suffer capital losses primarily as a result of interest rate movements or negative credit events.

Capital growth, if any, will generally come from capital market changes such as falling interest rates or movements in foreign currencies.

The recommended investment term is 12-months and longer. Given its limited exposure to growth assets, the fund is not suited for long investment terms.

Conservative investors who are looking for an intelligent alternative to US Dollar bank deposits.

An annual fee of 0.50% 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.

**WHAT IS THE FUND'S OBJECTIVE?**

**WHAT DOES THE FUND INVEST IN?**

**IMPORTANT PORTFOLIO CHARACTERISTICS AND RISKS**

**HOW LONG SHOULD INVESTORS REMAIN INVESTED?**

**WHO SHOULD CONSIDER INVESTING IN THE FUND?**

**WHAT COSTS CAN I EXPECT TO PAY?**

**WHO ARE THE FUND MANAGERS?**

**GENERAL FUND INFORMATION**

<table>
<thead>
<tr>
<th>Fund Launch Date</th>
<th>30 December 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class</td>
<td>P</td>
</tr>
<tr>
<td>Class Type</td>
<td>Accumulation</td>
</tr>
<tr>
<td>Class Launch Date</td>
<td>30 August 2013</td>
</tr>
<tr>
<td>Fund Domicile</td>
<td>Ireland</td>
</tr>
<tr>
<td>Morningstar Fund Category</td>
<td>Global Bond – USD Hedged</td>
</tr>
<tr>
<td>Currency</td>
<td>US Dollar</td>
</tr>
<tr>
<td>Benchmark</td>
<td>110% of USD 3-month LIBOR</td>
</tr>
<tr>
<td>Bloomberg</td>
<td>CORGSUP</td>
</tr>
<tr>
<td>ISIN</td>
<td>IE00BBPV5092</td>
</tr>
<tr>
<td>SEDOL</td>
<td>BBPV509</td>
</tr>
</tbody>
</table>
**CORONATION GLOBAL STRATEGIC USD INCOME FUND**

**CLASS P as at 29 February 2020**

- **Launch date**: 30 August 2013
- **Fund size**: US$ 422.33 million
- **NAV**: 1140.95 cents
- **Benchmark/Performance**: 110% of USD 3-month LIBOR
- **Fee Hurdle**: 110% of USD 3-month LIBOR
- **Portfolio manager/s**: Stephen Peirce, Nishan Maharaj & Seamus Vasey

### PERFORMANCE AND RISK STATISTICS

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

![Graph showing growth of investment](image)

#### PERFORMANCE (AFTER FEES)

<table>
<thead>
<tr>
<th>Period</th>
<th>Fund</th>
<th>Benchmark</th>
<th>Active Return</th>
</tr>
</thead>
<tbody>
<tr>
<td>Since Launch (unannualised)</td>
<td>24.1%</td>
<td>9.6%</td>
<td>14.5%</td>
</tr>
<tr>
<td>Since Launch (annualised)</td>
<td>2.7%</td>
<td>1.1%</td>
<td>1.6%</td>
</tr>
<tr>
<td>Latest 5 years (annualised)</td>
<td>1.8%</td>
<td>1.6%</td>
<td>0.2%</td>
</tr>
<tr>
<td>Latest 3 years (annualised)</td>
<td>2.2%</td>
<td>2.3%</td>
<td>(0.1)%</td>
</tr>
<tr>
<td>Latest 1 year</td>
<td>2.8%</td>
<td>2.5%</td>
<td>0.4%</td>
</tr>
<tr>
<td>Year to date</td>
<td>0.4%</td>
<td>0.3%</td>
<td>(0.7)%</td>
</tr>
</tbody>
</table>

#### Portfolio Detail

- **Government Bonds**: 29.31%
- **Corporate Bonds (fixed)**: 37.86%
- **Inflation Linked Bonds**: 1.09%
- **Money Market NCDs (fixed)**: 1.09%
- **Property**: 1.98%
- **Corporate Bonds (floating)**: 13.46%
- **Cash**: 15.22%

### RISK STATISTICS SINCE LAUNCH

- **Annualised Deviation**: Fund 1.5% | Benchmark 0.3%
- **Sharpe Ratio**: Fund 1.34 | N/A
- **Maximum Gain**: Fund 5.4% | N/A
- **Maximum Drawdown**: Fund (1.0)% | N/A
- **Positive Months**: Fund 75.5% | N/A

#### MONTHLY PERFORMANCE RETURNS (AFTER FEES)

<table>
<thead>
<tr>
<th>Month</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
<th>YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund 2020</td>
<td>(0.1)%</td>
<td>(0.3)%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(0.4)%</td>
</tr>
<tr>
<td>Fund 2019</td>
<td>1.3%</td>
<td>0.4%</td>
<td>0.4%</td>
<td>0.5%</td>
<td>(0.1)%</td>
<td>0.4%</td>
<td>0.0 %</td>
<td>0.0 %</td>
<td>0.8%</td>
<td>0.5%</td>
<td>0.2%</td>
<td>0.4%</td>
<td>5.0%</td>
</tr>
<tr>
<td>Fund 2018</td>
<td>0.2%</td>
<td>(0.8)%</td>
<td>0.1%</td>
<td>0.2%</td>
<td>(0.1)%</td>
<td>0.1%</td>
<td>0.5%</td>
<td>(0.3)%</td>
<td>0.4%</td>
<td>0.1%</td>
<td>(0.7)%</td>
<td>0.1%</td>
<td>(0.2)%</td>
</tr>
</tbody>
</table>

**Total Expense Ratio**
- **Fund management fee**: 0.58%
- **Fund expenses**: 0.07%
- **VAT**: 0.00%
- **Transaction costs (inc. VAT)**: 0.01%
- **Total Investment Charge**: 0.58%

**Please refer to page 4 of the Comprehensive Fact Sheet for important additional information, including change in cost disclosures.**
The US-China trade negotiations remained a dominate factor in markets during the fourth quarter. Optimism that a preliminary deal could be struck, bolstered bond yields to modest levels in the US and cut yields in numerous central banks. Analysts once again demonstrated their willingness to maintain accommodative policies. Corporate bonds enjoyed another strong quarter of outperformance. In stark contrast to 2018, when most asset classes were down, both credit and equity markets in the US and globally had relatively stable, at around 2.00%, the year-end. Ending the year at 1.92%, US inflation-linked bonds traded in a tight range (and even more so when looking at the real rates of US inflation-linked bonds) during the quarter, ending the year at 1.92%. The unwind of early October of 1.53% to 1.92% at the near-end accounted for most of the move higher in nominal yields another indicator consistent with diminishing expectations of a recession.

The Fed’s Dot Plot for 2020 and 2021 (which was shifted lower with every update during 2019), now projects unchanged rates in 2020 and one increase in 2021. At the year end, market pricing is still consistent, with a 70% chance of one further cut in the policy rate by the end of the year. This is priced out around half a cut for 2020 and 2021 during the final quarter. With rate expectations now largely on hold, the Treasury Bill curve was essentially flat out to one year (yields of around 1.5%) and appeared relatively expensive versus alternative assets.

The real drama during the quarter has been taking place in the US repo market, where liquidity dried up as the large US banks pulled back (mostly due to regulatory capital considerations, run-up to the year-end, and also due to an outflow of cash for tax payments), prompting overnight rates to briefly touch 10%. The Fed was caught on the back foot and had to respond to this demand for US dollars in the banking system allowed the fund to purchase non-US denominated assets (principally in yen, sterling and euros), and hedge them back into USD dollars in the future, thus getting paid for lending dollars in the near-term.

With quantitative easing of €20 billion a month currently back in operation and unemployment rates at low levels (1.53%), coupled with lower short rates, the slope of the yield curve once again in positive territory, suggesting a lower recessionary probability although it remains extremely flat out to five-year maturities. Within US inflation-linked markets, wider break-even rates of inflation and lower Treasury yields for lower inflation rates of October of 1.53% to 1.92" at the near-end accounted for most of the move higher in nominal yields another indicator consistent with diminishing expectations of a recession.

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Better news on trade, low volatility and easing from numerous central banks boosted the appeal of emerging market debt. Emerging markets (EM) posted another quarter of solid returns, both in local currency terms and a reversal of the weakness in foreign exchange volatility and the strength of local EM bonds post many stronger returns when measured in US dollars. In the dollar market, the spread on hard currency EM debt index fell from 337 basis points (bps) to 277 bps. Corporate bonds produced robust returns during the quarter, outperforming government bonds for the fourth consecutive quarter and by the largest annual margin (6.5% in US investment grade) since 2012. In the last 20 years, total returns on corporate bonds were only higher in 2009. The outperformance was broad-based, with longer-dated and lower-rated sectors of the market producing the best returns, with the only exception being the very weakest sector (CCC-rated) of the sub-investment grade universe, a sign perhaps that exuberance does know some bounds. Total issuance within US investment-grade was $1.17 trillion during 2019, 1.4% lower than in 2018, but within sub-investment grade, it was 57% higher, at $315 billion. The fund’s overall exposure to credit reduced during the quarter as new investments were concentrated within shorter maturities, the credit quality of our holdings has also become more concentrated within much higher more liquid instruments as the yield sacrifice associated with these positions has narrowed. The fund continues to hold credit protection via options linked to the spread on the US investment-grade index to limit downside in the event of spread widening.

Property stocks returned 2% for the quarter, bringing the annual return to a very healthy 23%. European and UK REITs were notable outperformers, with US dollar returns boosted by euro and pound strength in the quarter. For Europe, a 6% local currency return translated to 9% in US dollars. For UK REITs, a 12% Sterling return translated to over 20% in US dollars as the pound rallied following Boris Johnson’s comprehensive election victory. The US, Japan and Hong Kong were marginal underperformers. The fund’s exposure to listed property was relatively stable, at around 2.4% of fund. The fund’s holding in Land Securities was sold and our holding of Klepiere was reduced after a strong recovery in recent months. A small holding in Redefine properties was initiated. Our exposure to property was also reduced via the sale of Corwil. Overall, the fund continues to hold defensive alternatives. After strong returns across all asset classes in 2019, 2020 promises to be more challenging.

Portfolio managers
Nathan Maharaj and Seamus Vasey
as at 31 December 2019
Unit trusts 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 yield shown is an estimate (gross of fees) in part based on market assumptions and forecasts. The yield is calculated by taking the interest and income receivable of all the instruments in the fund divided by the net asset value, expressed as a nominal annual rate. It is provided to give an approximate indication of the achievable yield for an investment made at the reporting date. Actual performance may differ, based on changes in market values, interest rates and changes in costs actually experienced during the investment period. 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: +33-1-612-4000), and its custodian is JP Morgan Administration Services (Ireland) Limited (www.jpmorgan.com; t: +33-1-612-4000). 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 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 P NAV prices. Class A 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 represents 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 2019 (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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