



Key market performance drivers

Monthly charts to 30 June 2019

Signatory of:

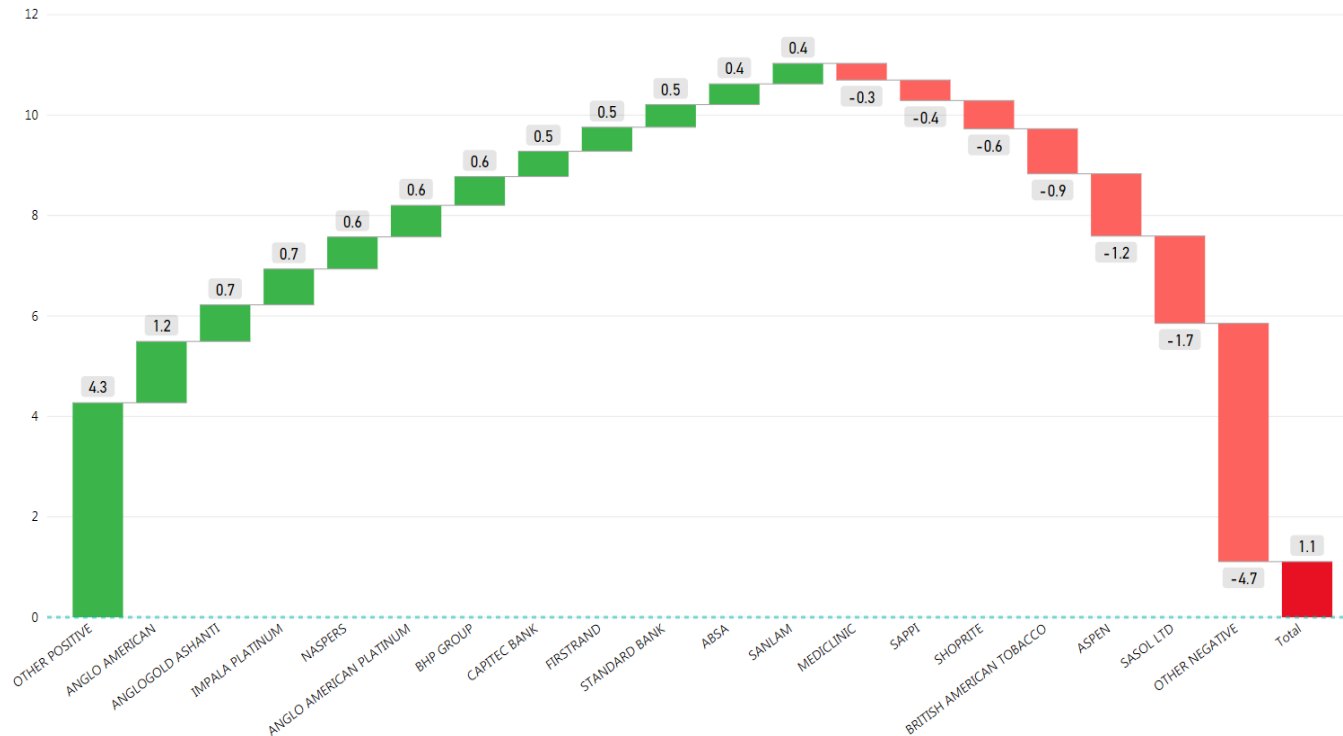


momentum
investments

Market concentration

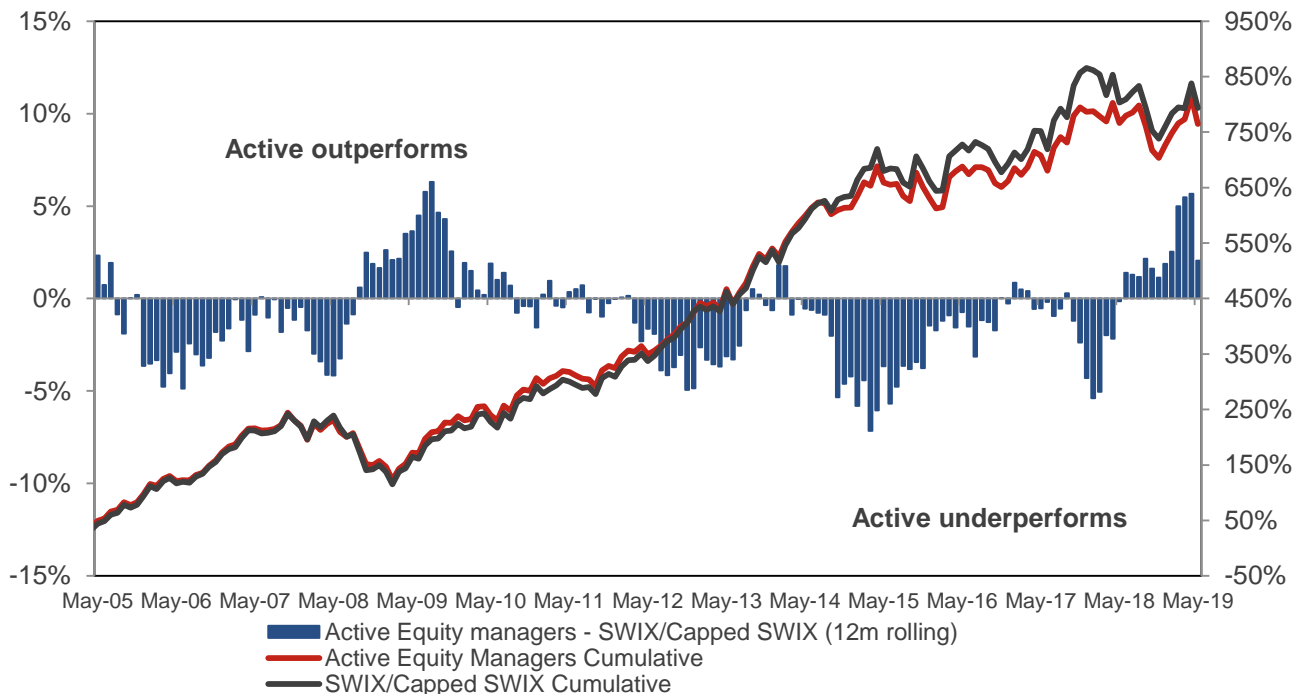
One-year Capped SWIX contributions ending June 2019

● Increase ● Decrease ● Total



Active index analysis

One-year rolling active to May * 2019



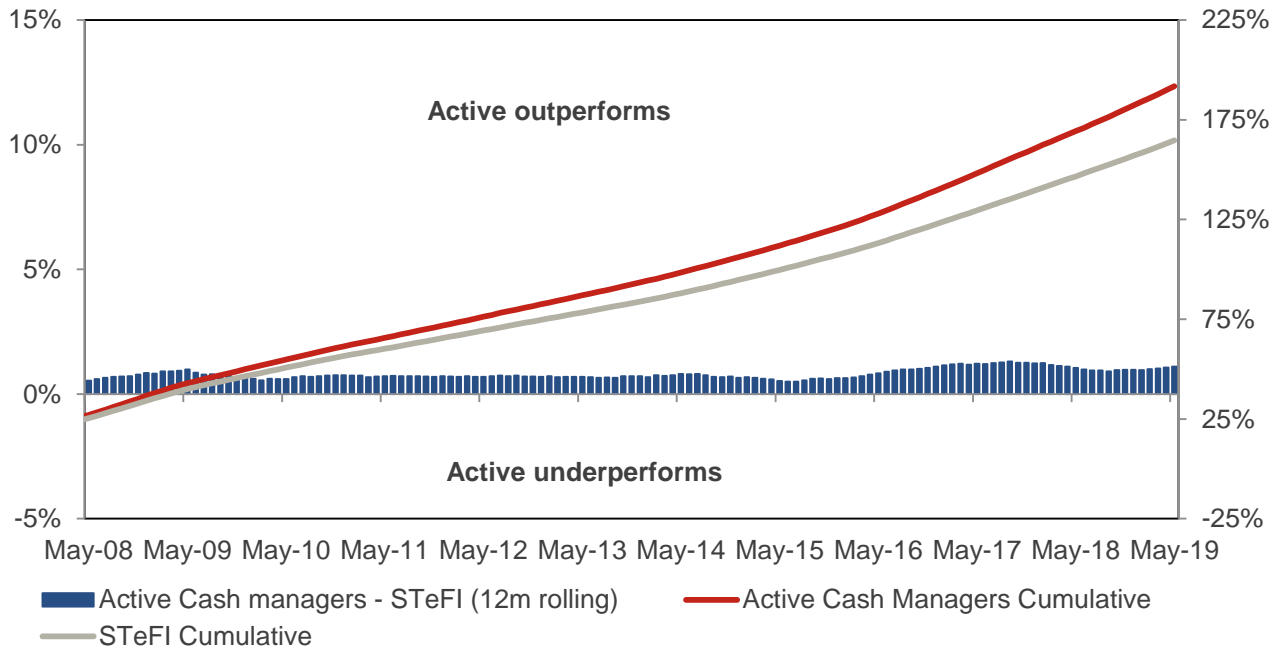
* Lagged by one month due to availability of data

The median of the active equity investment managers outperformed the SWIX/Capped SWIX composite benchmark (SWIX until 31 October 2017 and Capped SWIX thereafter)

Source: Alexander Forbes SA Equity Manager Watch™, IRESS and Momentum Investments

Active versus tracker: Cash

One-year rolling average to May* 2019



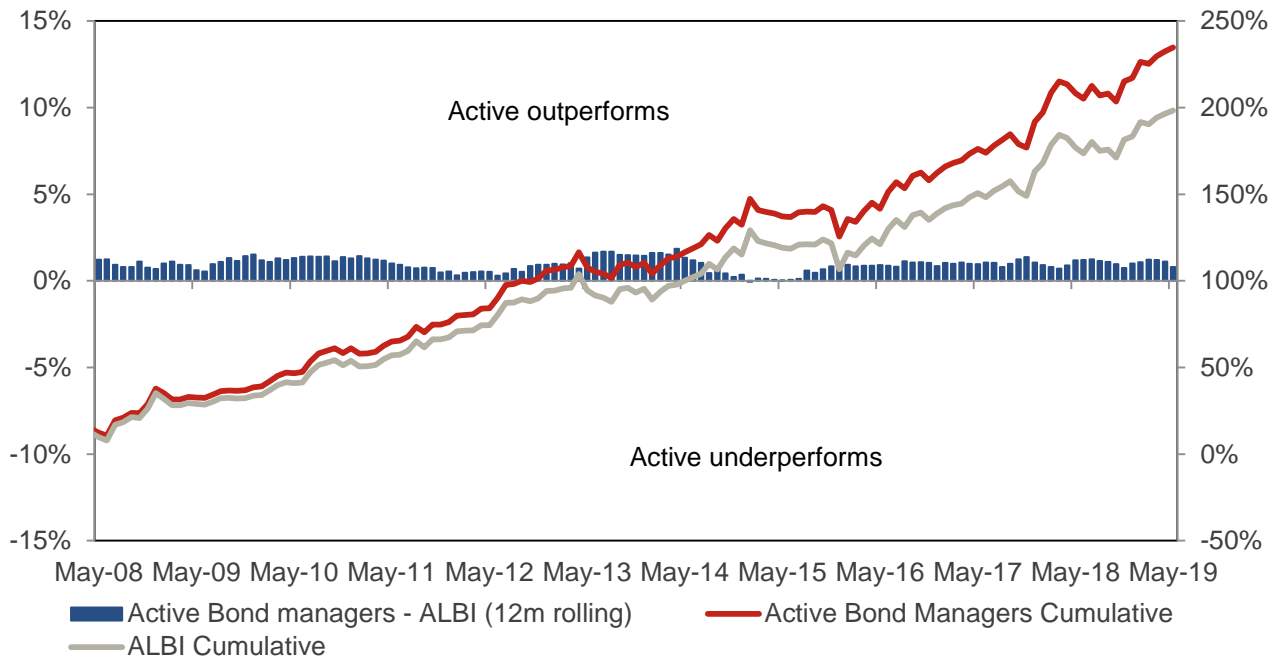
* Lagged by one month due to availability of data

The median of the active money market investment managers outperformed the STeFI

Source: Alexander Forbes SA Money Market Manager Watch™, IRESS and Momentum Investments

Active versus tracker: Bonds

One-year rolling average to May* 2019



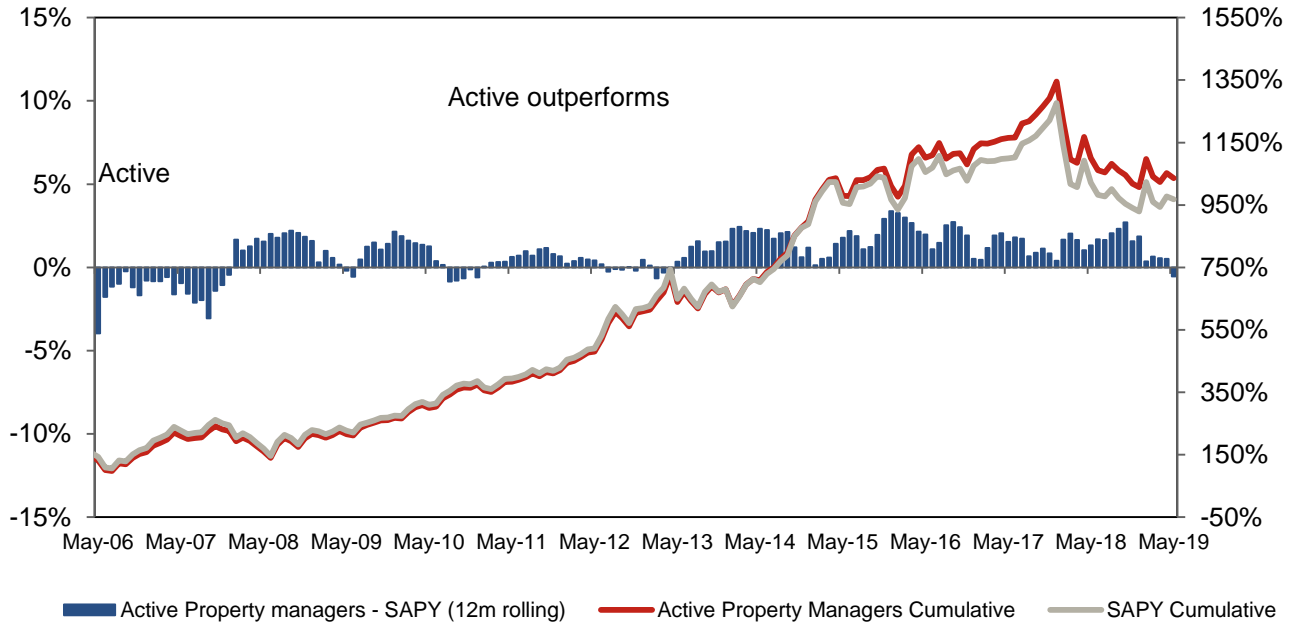
* Lagged by one month due to availability of data

The median of the active bond investment managers outperformed the ALBI

Source: Alexander Forbes SA Bond Manager Watch™, IRESS and Momentum Investments

Active versus tracker: Property

One-year rolling average to May* 2019



* Lagged by one month due to availability of data

The median of the active property investment managers underperformed the SAPY

Source: Alexander Forbes SA Property Manager Watch™, IRESS and Momentum Investments

Style returns for South Africa

Data to June 2019

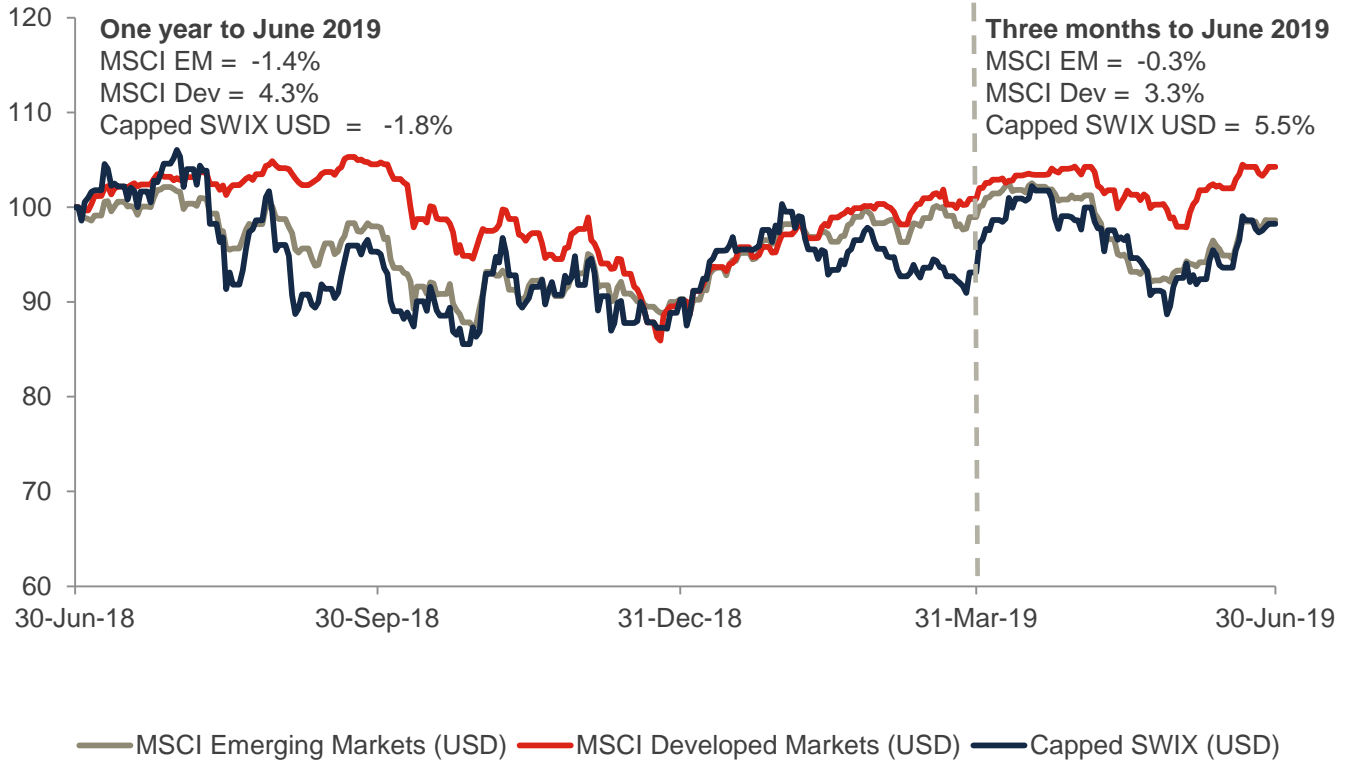
ZAR	Styles	One month to June 2019	Three months to June 2019	One year to June 2019	Three years to June 2019	Five years to June 2019	Ten years to June 2019	Twenty years to June 2019
Value	Book to Price	-0.58	-6.16	-17.70	-6.70	-4.95	-4.32	1.18
	Dividend Yield	-0.37	0.53	2.40	2.19	0.49	-0.30	4.42
	Earnings Yield	-0.63	-1.75	-6.62	-0.65	-0.62	-0.79	2.00
	Cash Flow Yield	1.37	0.89	0.08	5.86	3.67	1.50	3.79
	Sales to Price	-3.81	-3.45	-9.08	-3.19	-2.63	-3.89	1.96
Quality	ROE	0.48	2.16	1.65	1.85	1.43	1.06	-1.13
	ROIC LT	1.49	-0.33	-7.91	-3.11	-2.04	-0.24	-2.34
	Income to Sales	-0.78	1.30	1.03	2.68	2.12	2.23	-1.24
	Low market beta	-0.23	-1.50	-3.31	-2.55	-0.04	-0.25	1.58
	Low Debt/Equity	-0.24	-0.31	-4.36	-1.29	-1.76	-2.72	-1.15
	EBIT Margin Stability	0.70	2.05	-4.17	-2.25	0.73	3.04	1.89
Growth	Earnings Growth	1.56	-0.10	4.78	6.32	5.55	1.28	-2.05
	Sales Growth	-0.70	0.51	-1.83	-1.96	-2.31	-1.03	-4.51
	12M Earning Growth	4.57	5.87	4.10	-1.70	-2.08	-2.23	3.71
Momentum	FY1 Earnings Revisions	1.29	0.51	21.20	10.44	9.91	8.40	10.09
	Short Term Momentum	4.39	1.28	0.78	2.40	6.97	1.23	2.85
	Medium Term Momentum	5.70	5.17	6.01	0.49	2.51	5.26	7.53
Size	2.71	5.19	9.82	1.92	1.10	0.28	0.46	

Momentum and size have outperformed over all periods. Value underperformed over the one year period.

Source: FactSet, Momentum Global Investment Management and Momentum Investments

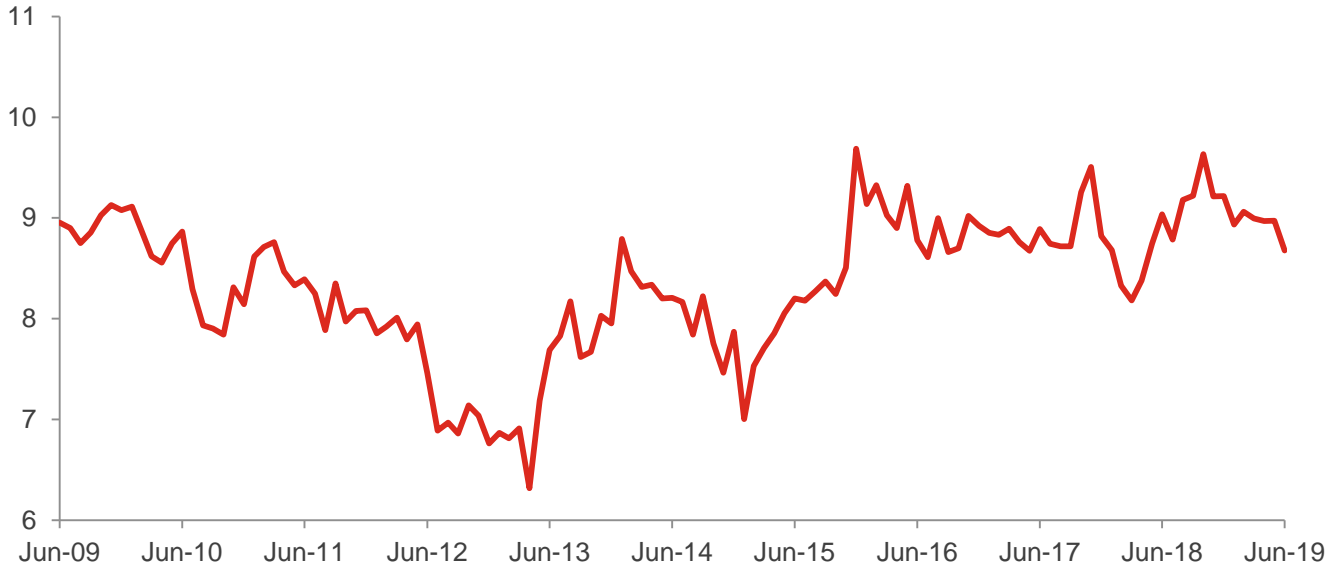
MSCI developed and emerging markets

One year to June 2019



SA 10-year bond yields

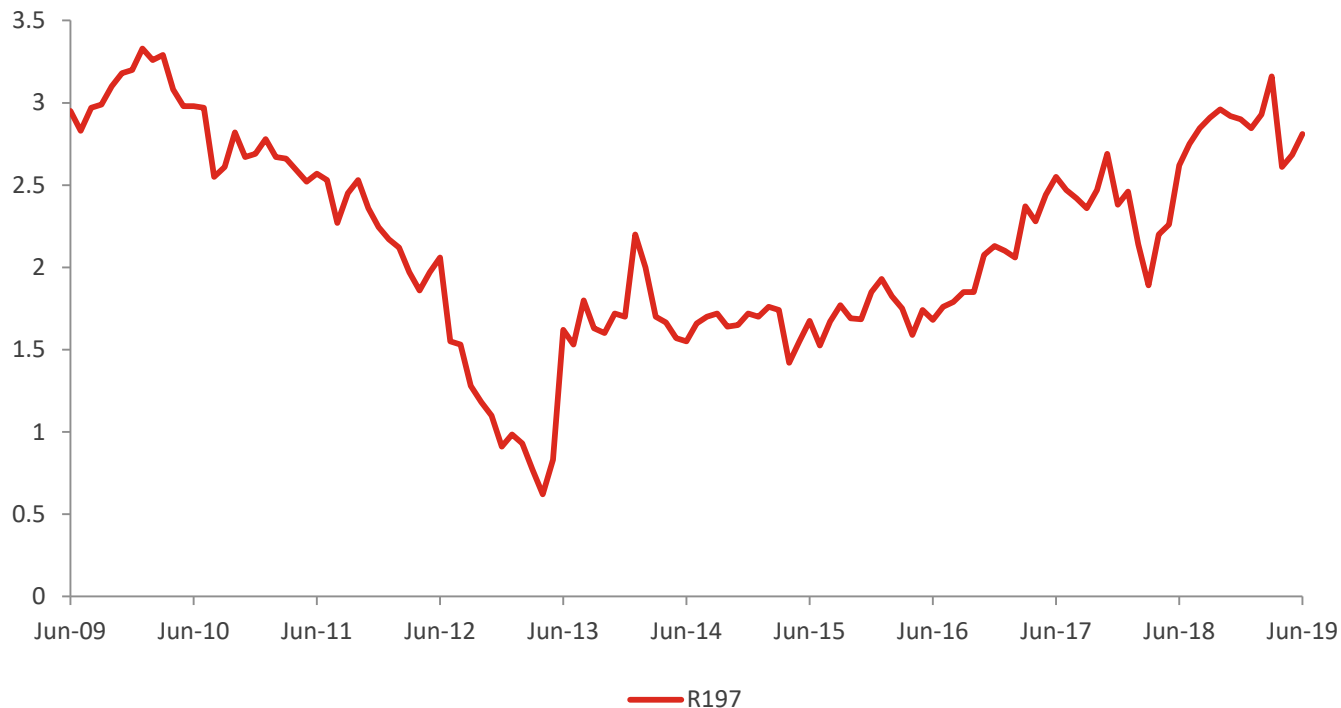
Ten years to June 2019



— SA 10 year bond yield

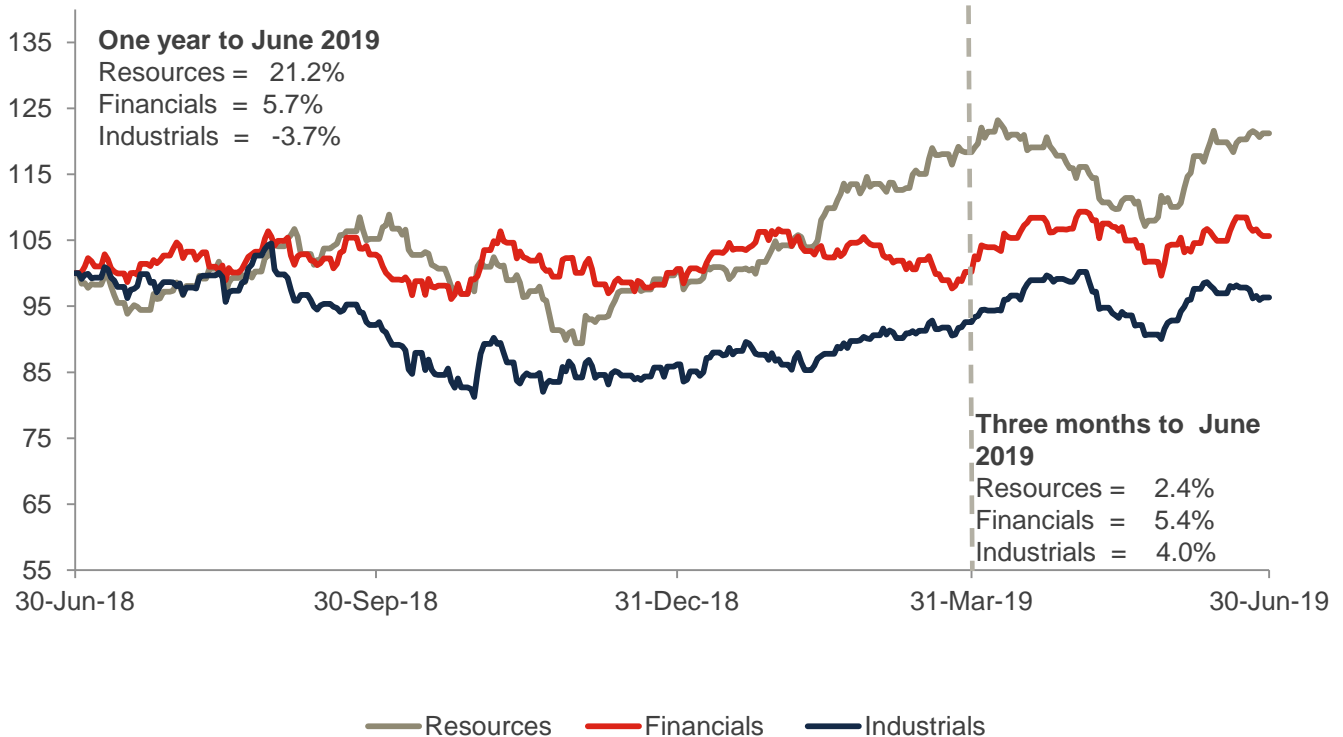
Yield of R197 (inflation-linked bond)

Ten years to June 2019



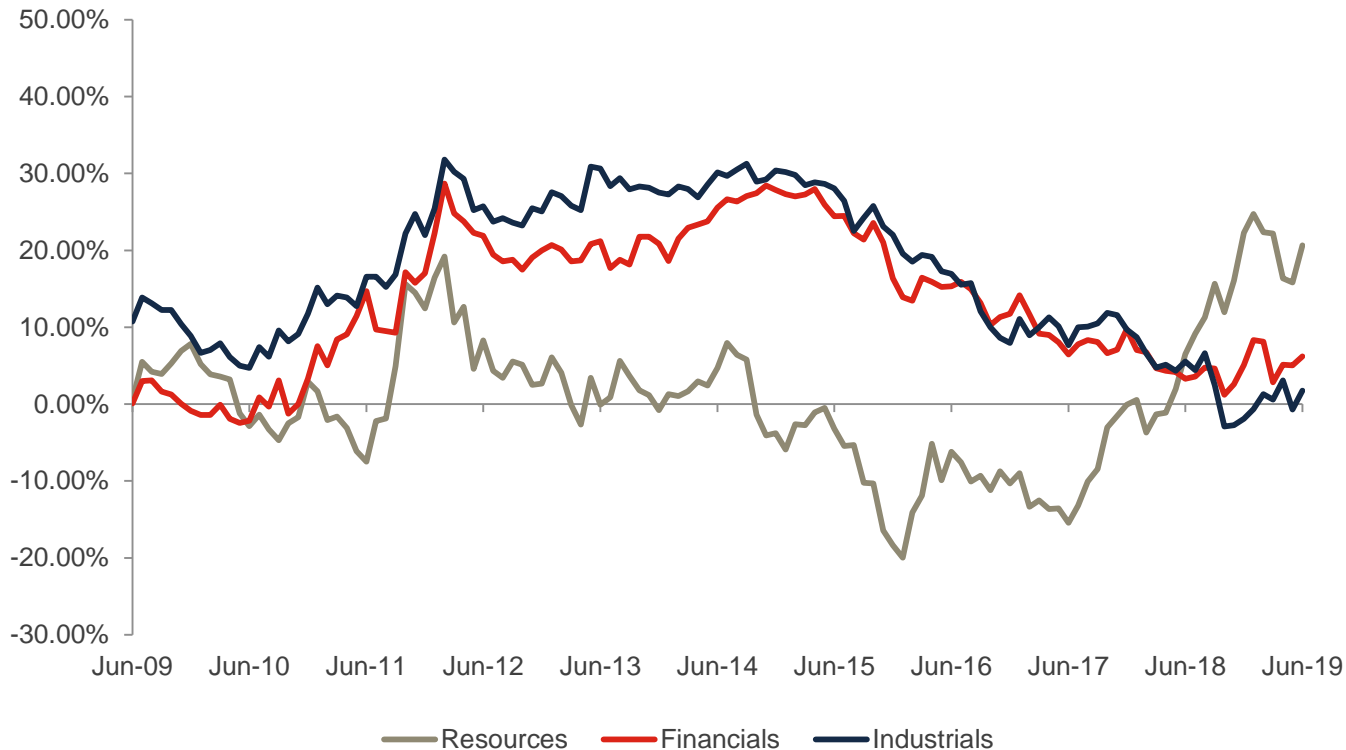
FTSE/JSE sectors

One year to June 2019



FTSE/JSE sectors

Rolling three years to June 2019



FTSE/JSE sectors

Decomposed

Three months to June 2019

1	Fixed-line Telecommunications	Telecommunications	29.68%	17	Financial Services	Financials	0.29%
2	Software & Computer Services	Technology	23.81%	18	Non-life Insurance	Financials	-0.41%
3	Mobile Telecommunications	Telecommunications	17.64%	19	Travel & Leisure	Travel & Leisure	-0.86%
4	Industrial Metals & Mining	Basic Materials	14.29%	20	General Industrials	Industrials	-0.92%
5	Personal Goods	Consumer Goods	14.21%	21	Electronic & Electrical Equipment	Industrials	-3.06%
6	Banks	Financials	9.74%	22	Forestry & Paper	Basic Materials	-4.30%
7	Mining	Basic Materials	8.04%	23	Food Producers	Consumer Goods	-5.35%
8	Pharmaceuticals & Biotechnology	Healthcare	7.38%	24	Automobiles & Parts	Consumer Goods	-6.58%
9	Life Insurance	Financials	6.13%	25	Equity Investment Instruments	Financials	-7.59%
10	General Retailers	Consumer Services	5.07%	26	Support Services	Industrials	-8.48%
11	Food & Drug Retailers	Consumer Services	3.36%	27	Industrial Transportation	Industrials	-8.68%
12	Media	Consumer Services	3.36%	28	Industrial Engineering	Industrials	-13.14%
13	Beverages	Consumer Goods	2.64%	29	Healthcare Equipment & Service	Healthcare	-14.96%
14	Real Estate Investment Trusts	Financials	1.61%	30	Tobacco	Consumer Goods	-15.73%
15	Real Estate Investment & Services	Financials	1.61%	31	Chemicals	Basic Materials	-21.29%
16	Construction & Materials	Industrials	0.63%	32	Household Goods & Home Construction	Consumer Goods	-30.85%

Key

Resources

Financials

Industrials

FTSE/JSE sectors

Decomposed

One year to June 2019

1	Fixed-line Telecommunications	Telecommunications	96.82%	18	General Retailers	Consumer Services	-5.59%
2	Industrial Metals & Mining	Basic Materials	82.63%	19	General Industrials	Industrials	-5.95%
3	Mining	Basic Materials	51.65%	20	Real Estate Investment Trusts	Financials	-6.71%
4	Software & Computer Services	Technology	31.15%	21	Electronic & Electrical Equipment	Industrials	-9.83%
5	Automobiles & Parts	Consumer Goods	26.21%	22	Support Services	Industrials	-10.89%
6	Banks	Financials	13.17%	23	Travel & Leisure	Travel & Leisure	-12.10%
7	Life Insurance	Financials	11.72%	24	Forestry & Paper	Basic Materials	-21.50%
8	Non-life Insurance	Financials	8.75%	25	Construction & Materials	Industrials	-22.79%
9	Personal Goods	Consumer Goods	4.39%	26	Tobacco	Consumer Goods	-23.49%
10	Mobile Telecommunications	Telecommunications	2.54%	27	Food Producers	Consumer Goods	-25.00%
11	Media	Consumer Services	2.11%	28	Healthcare Equipment & Service	Healthcare	-26.57%
12	Real Estate Investment & Services	Financials	1.64%	29	Chemicals	Basic Materials	-28.88%
13	Household Goods & Home Construction	Consumer Goods	0.76%	30	Industrial Transportation	Industrials	-29.06%
14	Beverages	Consumer Goods	-1.92%	31	Industrial Engineering	Industrials	-33.16%
15	Food & Drug Retailers	Consumer Services	-3.85%	32	Oil & Gas Producers	Basic Materials	-52.01%
16	Equity Investment Instruments	Financials	-4.89%	33	Pharmaceuticals & Biotechnology	Healthcare	-57.56%
17	Financial Services	Financials	-5.27%				

Key

Resources

Financials

Industrials

Source: Barra, Deutsche Securities and Momentum Investments

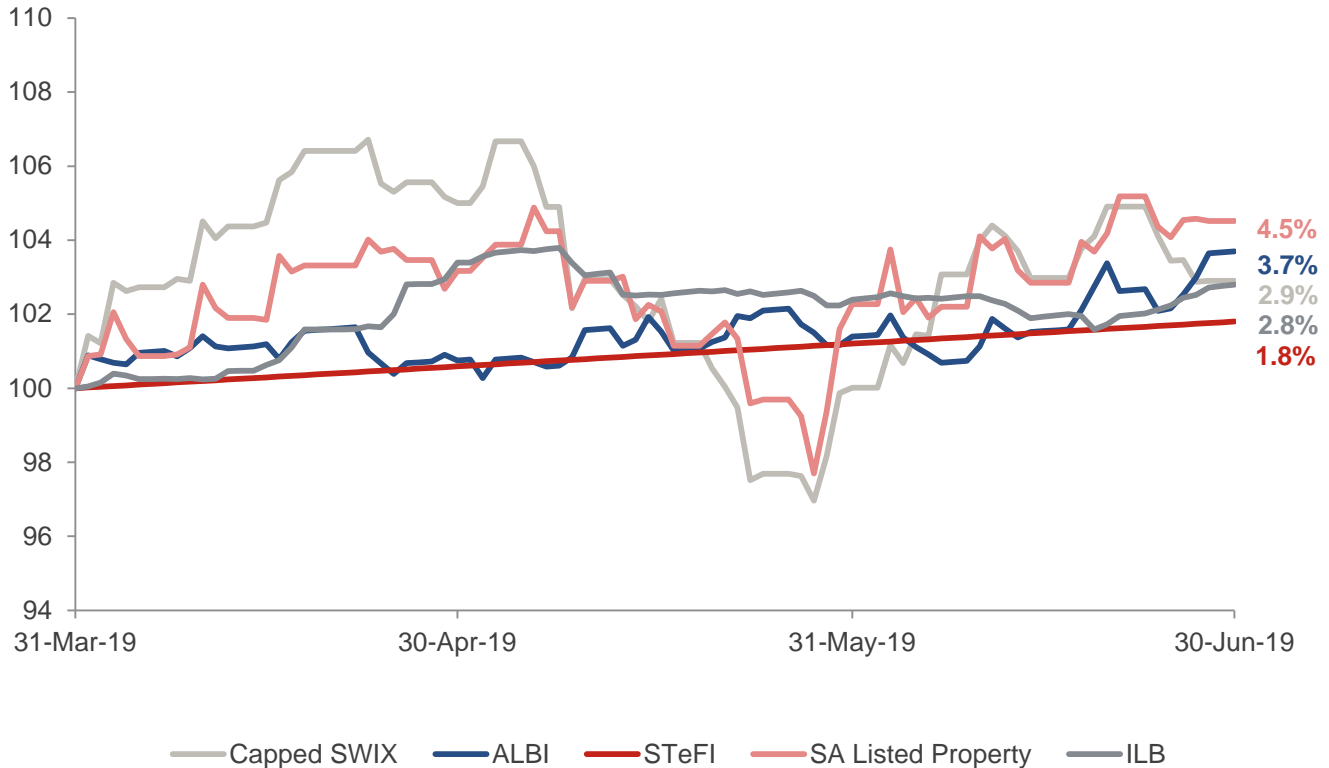
FTSE/JSE market caps

One year to June 2019



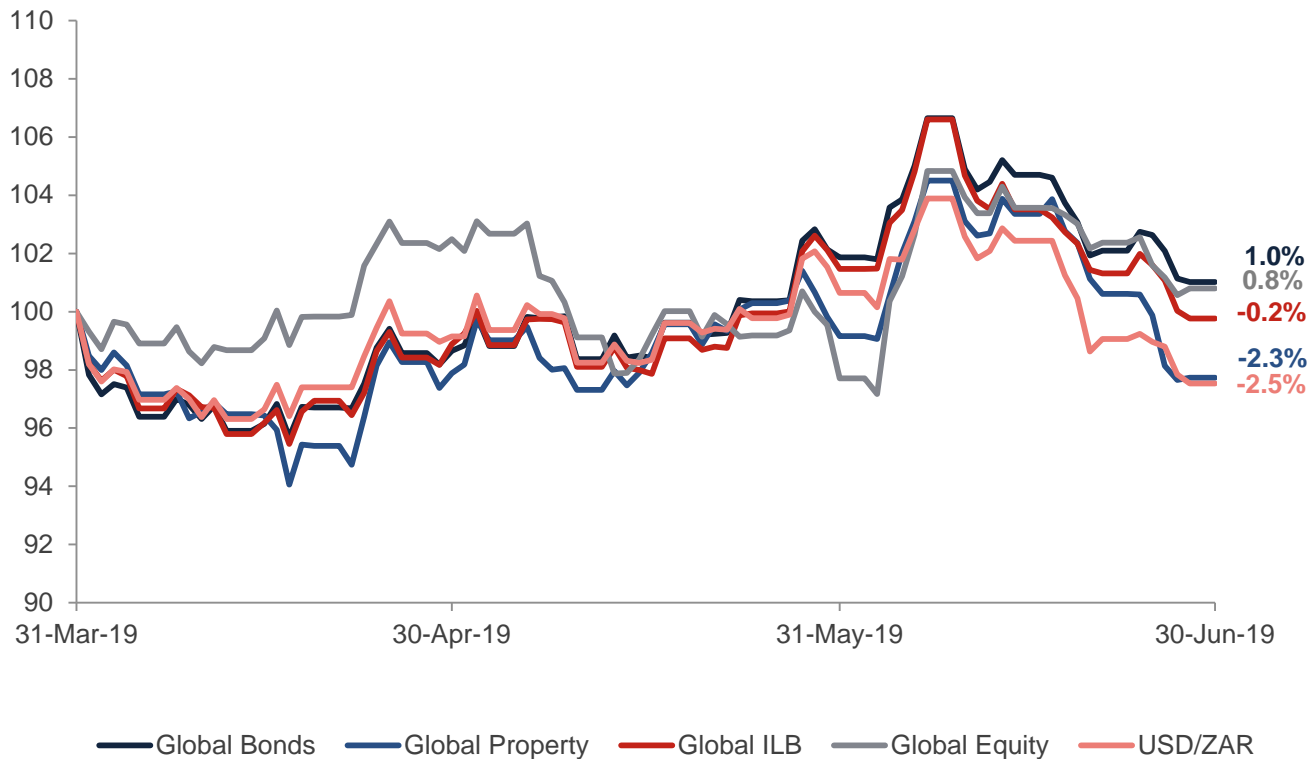
Local asset classes

Three months to June 2019



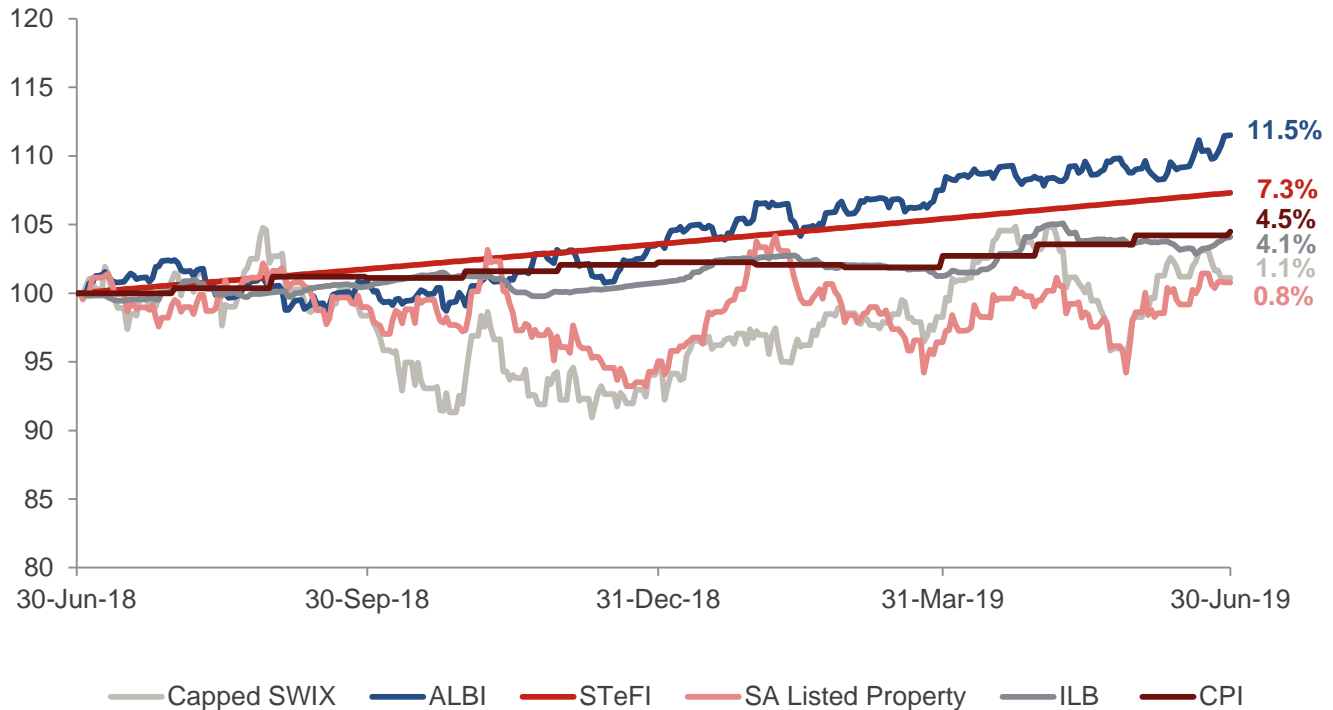
Global asset classes

Three months to June 2019



Local asset classes

One year to June 2019

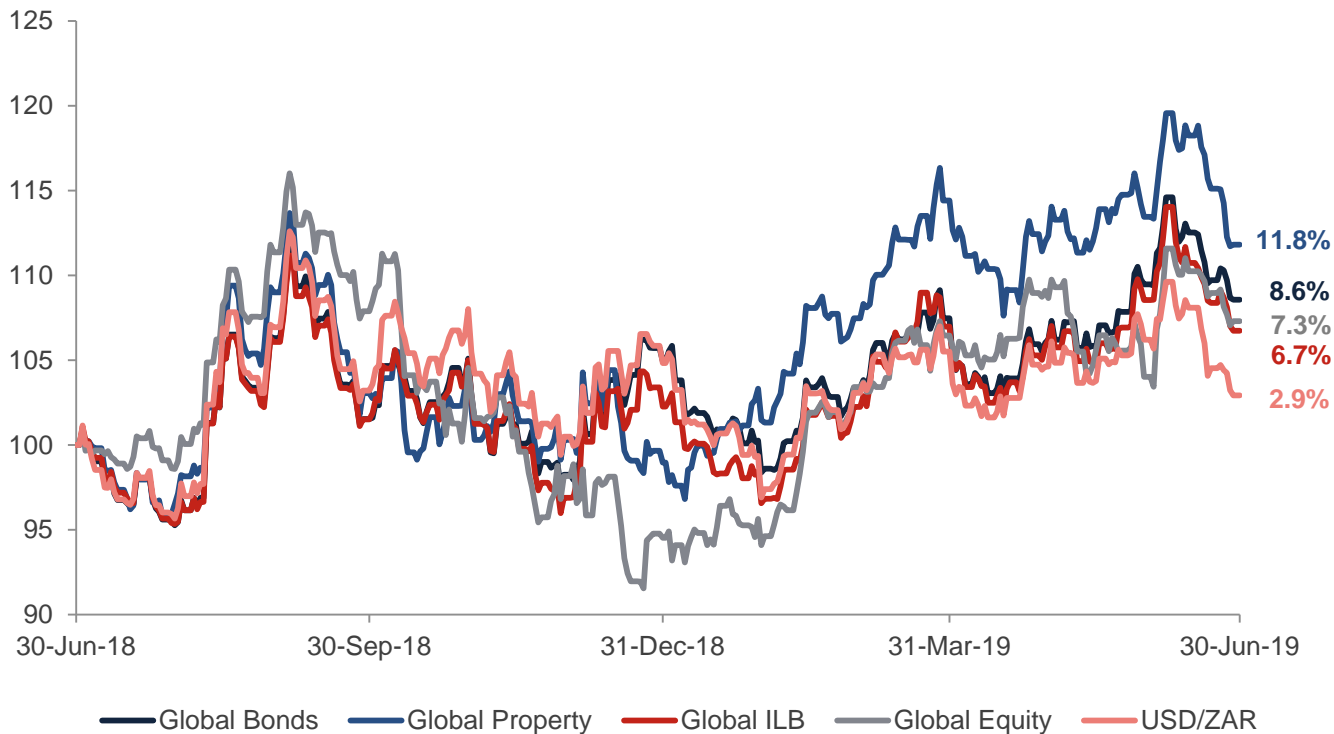


* CPI lagged by one month due to availability of data

Source: IRESS and Momentum Investments

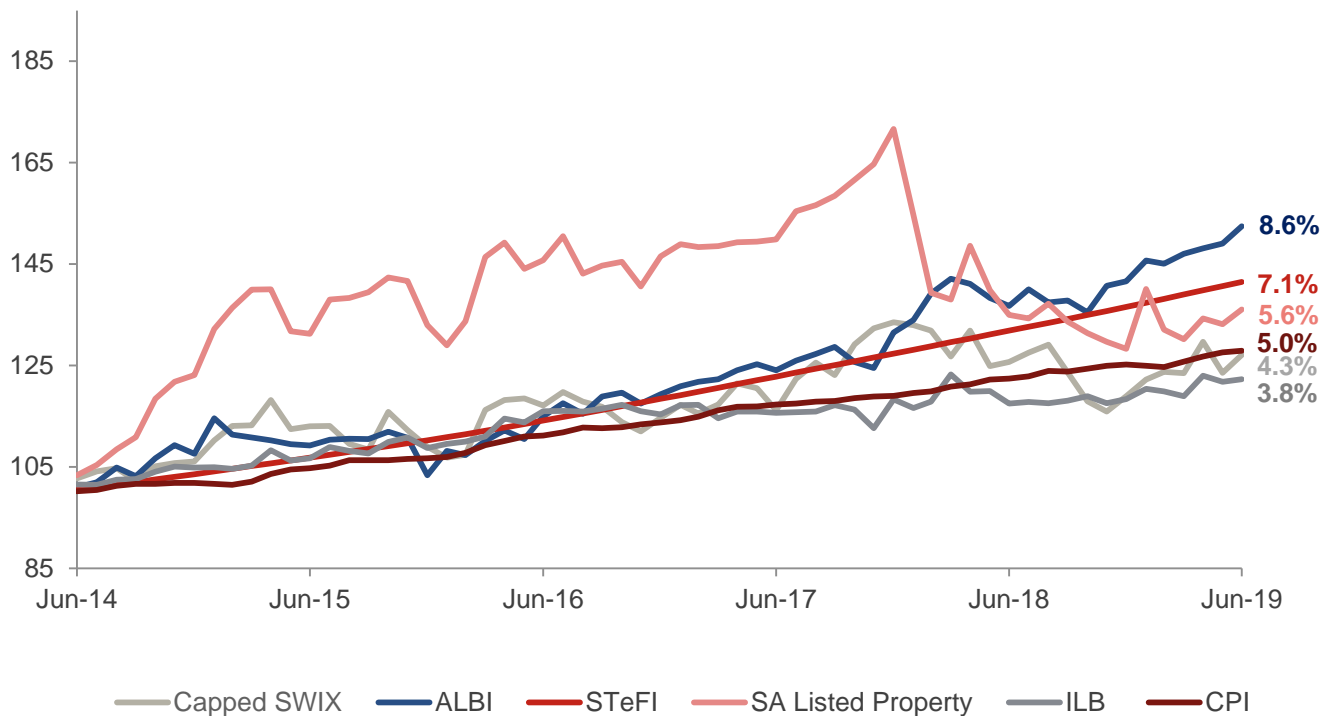
Global asset classes

One year to June 2019



Local asset classes

Five years to June 2019

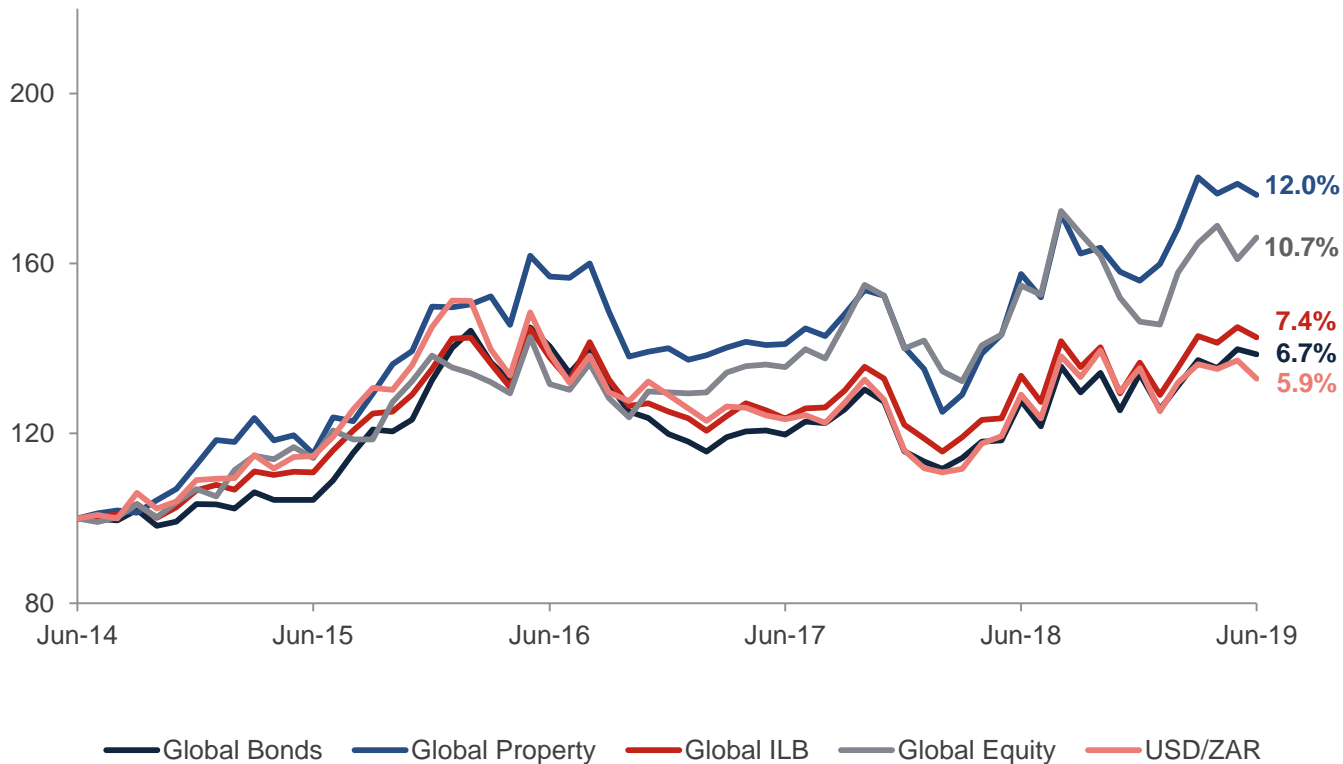


* CPI lagged by one month due to availability of data

Source: IRESS and Momentum Investments

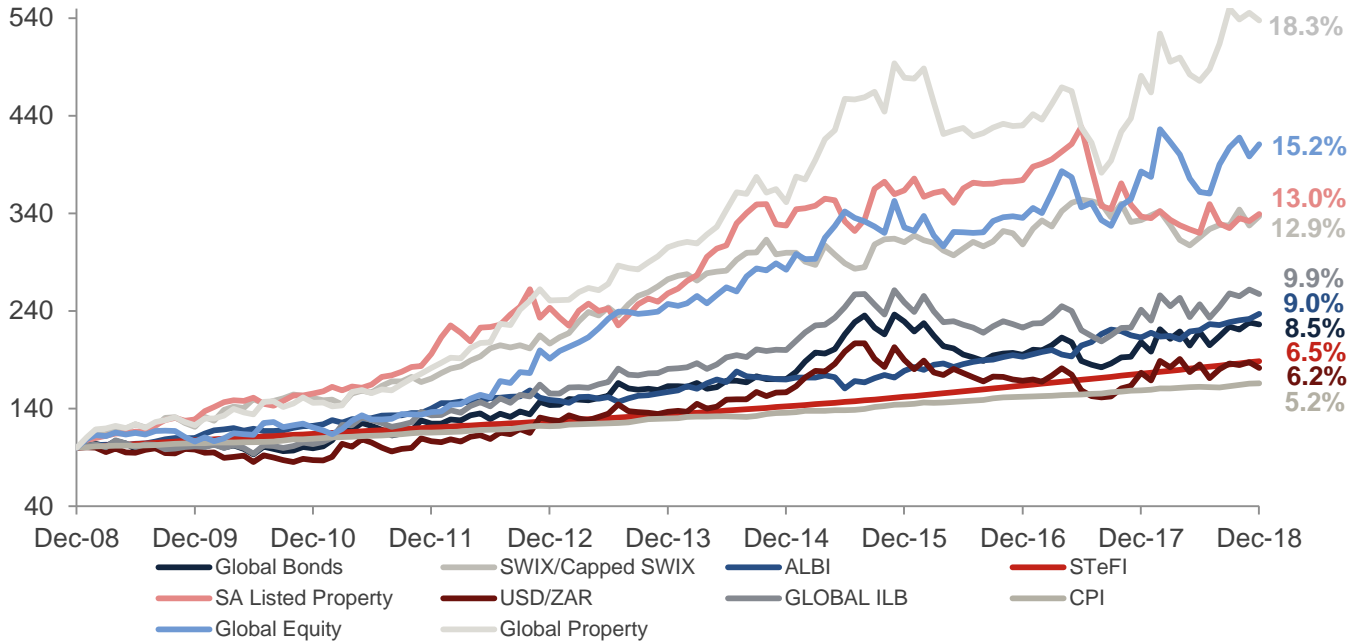
Global asset classes

Five years to June 2019



Asset classes

Ten years to June 2019

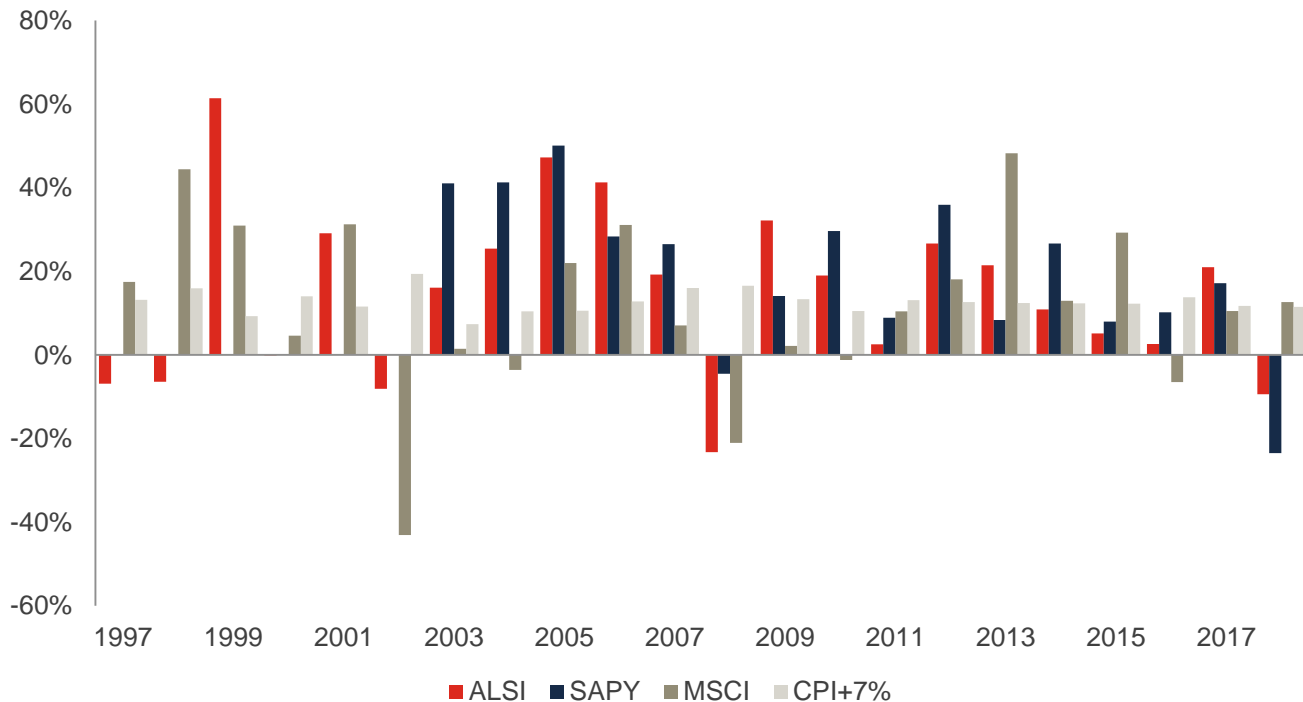


* CPI lagged by one month due to availability of data

For the 10-year period to May 2019, the SWIX/Capped SWIX composite and SA Listed Property outperformed.

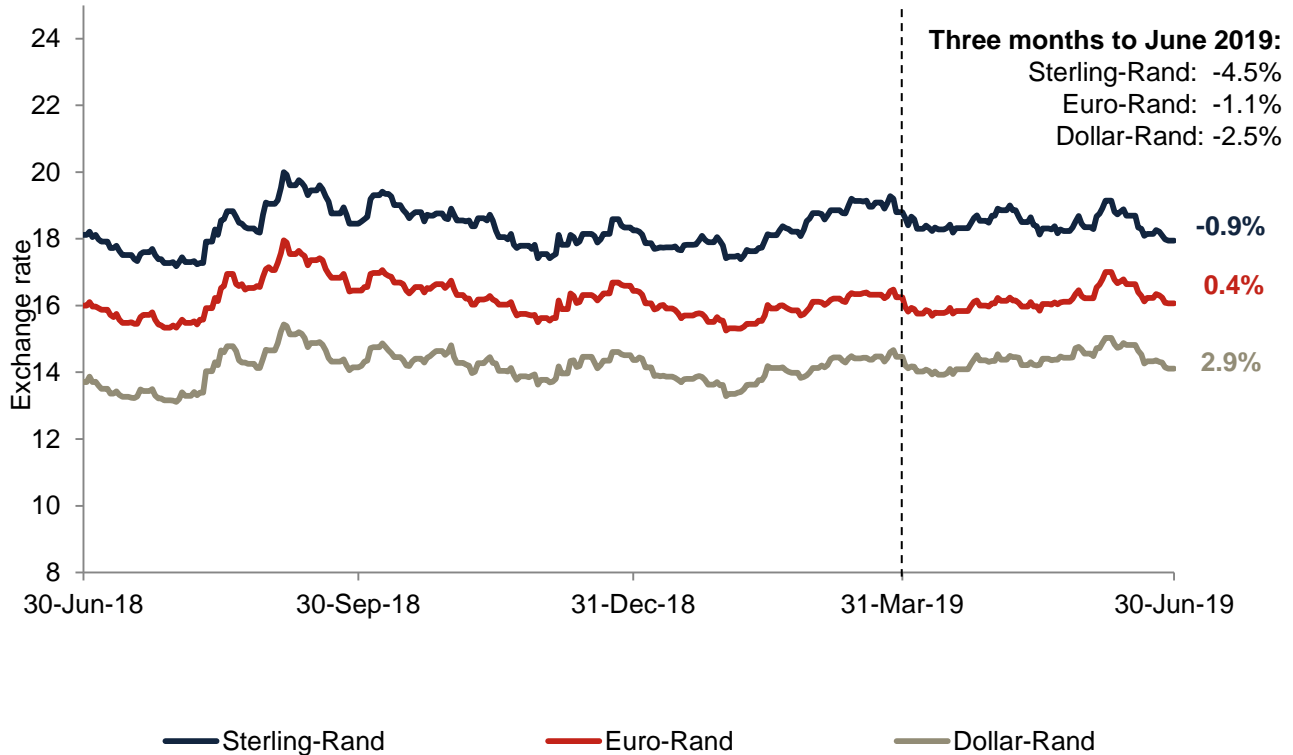
Source: IRESS and Momentum Investments

Annual asset class returns



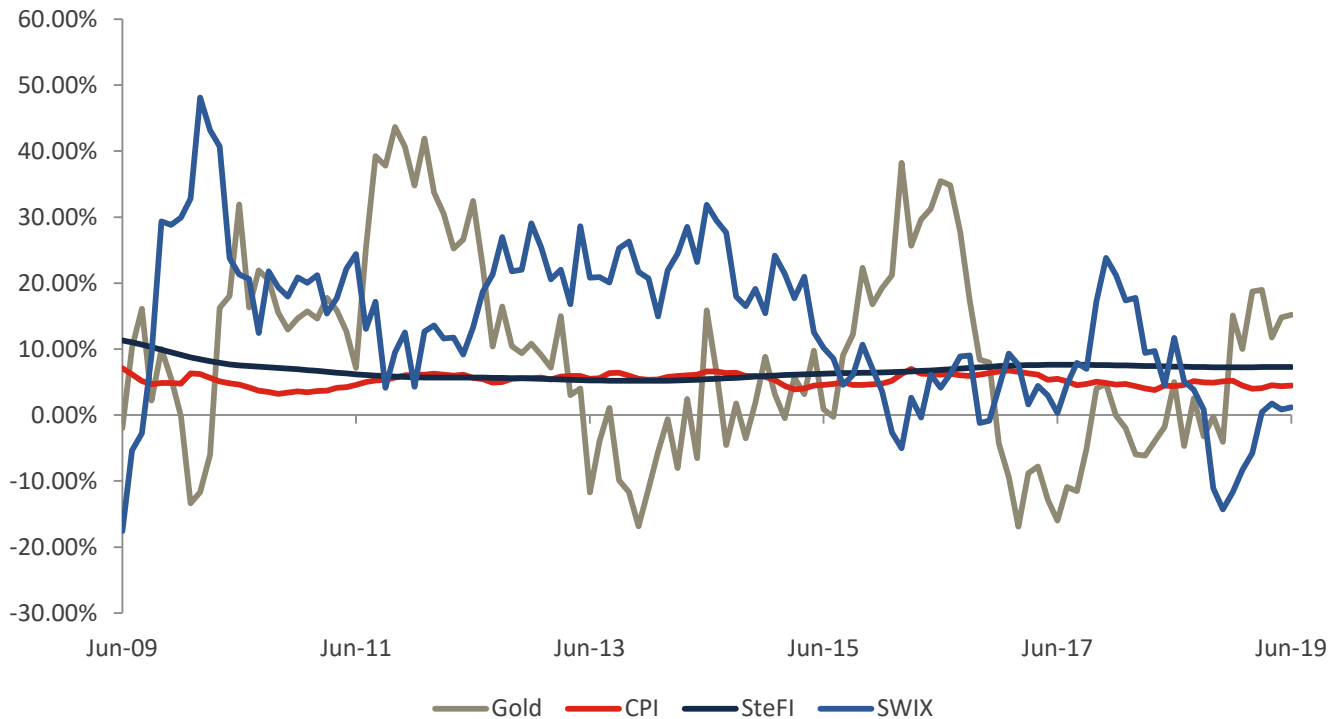
Exchange rates

One year to June 2019



Gold (rands), FTSE/JSE SWIX, CPI, SteFI

One-year rolling returns to June 2019

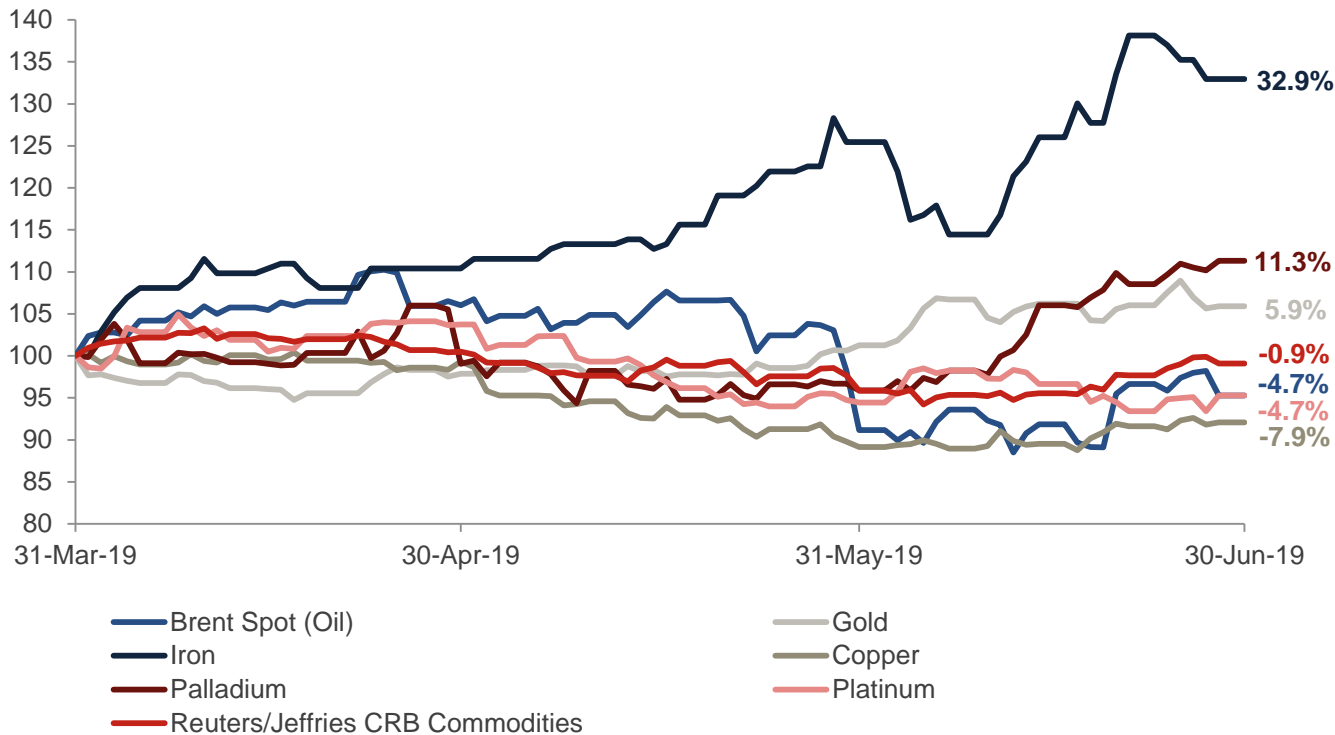


* CPI lagged by one month due to availability of data

Source: IRESS and Momentum Investments

Commodities

Three months to June 2019

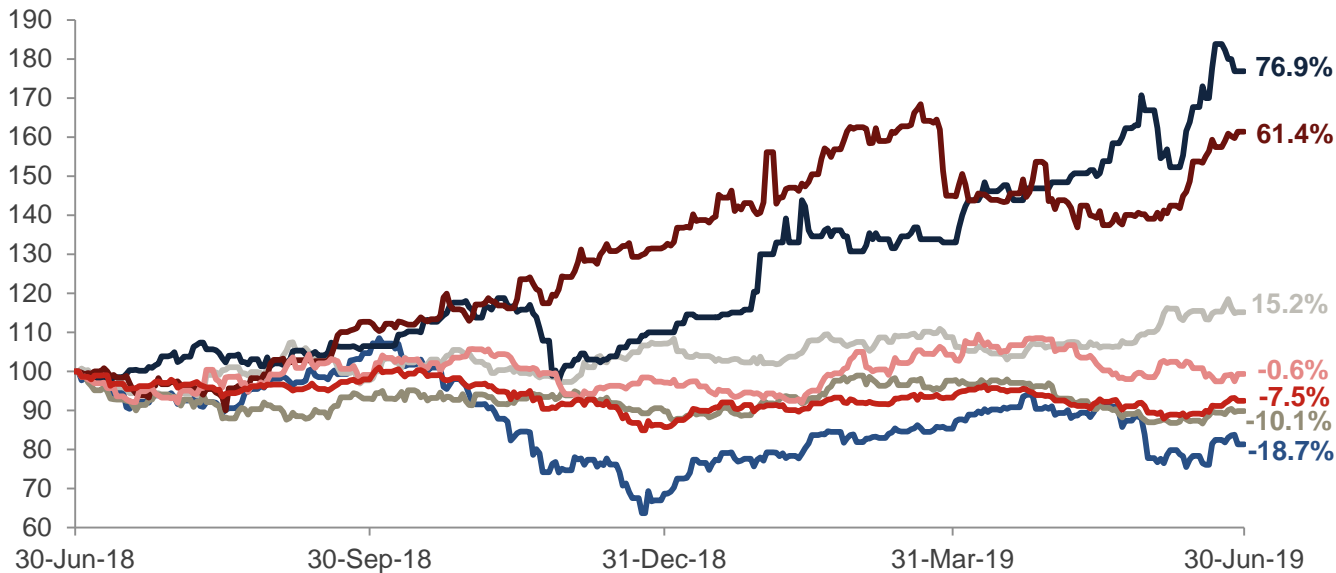


All returns are in dollar terms

Source: IRESS, FT.com and Momentum Investments

Commodities

One year to June 2019



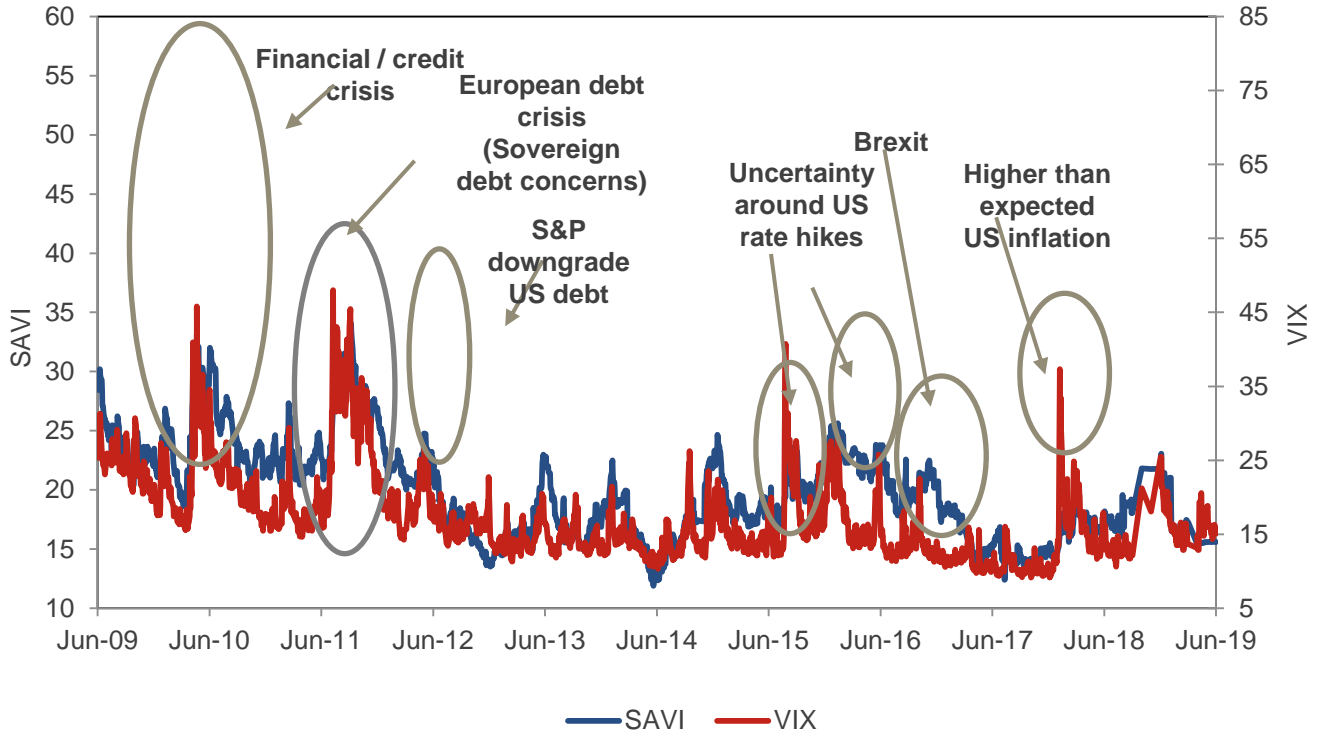
- Brent Spot (Oil)
- Iron
- Palladium
- Reuters/Jeffries CRB Commodities
- Gold
- Copper
- Platinum

All returns are in dollar terms

Source: IRESS, FT.com and Momentum Investments

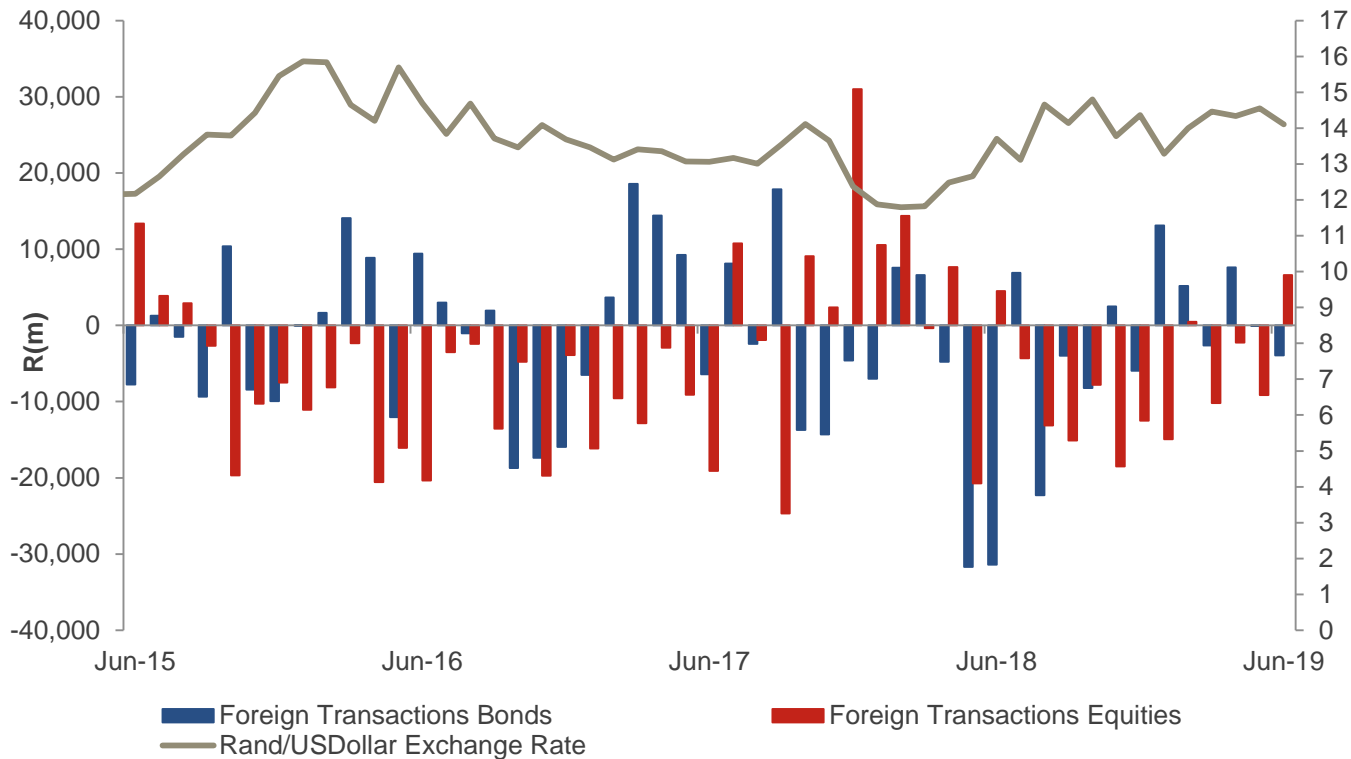
SAVI-VIX

Since June 2009 to June 2019



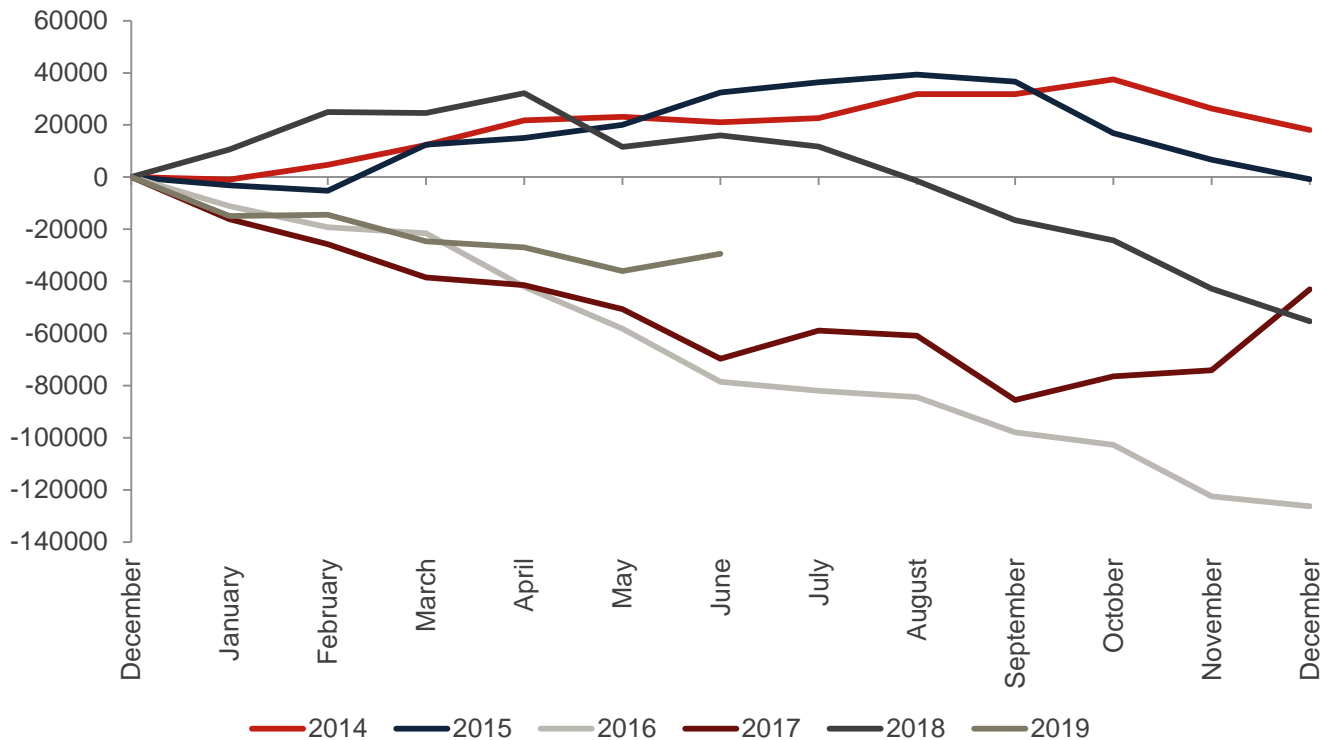
Foreign transactions

2015 to 2019



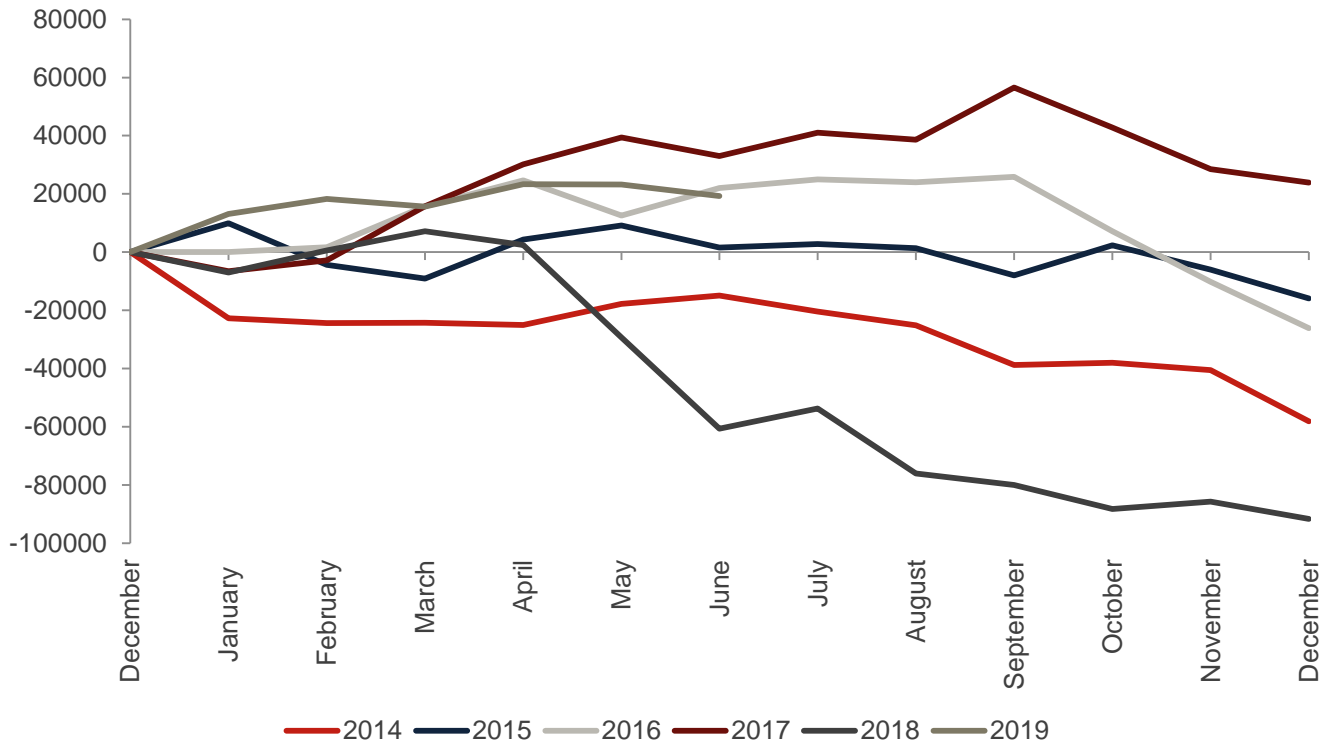
Cumulative foreign transaction equities

2014 to 2019



Cumulative foreign transaction bonds

2014 to 2019





momentum
investments

Disclaimer

1. Sources: Momentum Investments, I-Net Bridge, www.msci.com, www.yieldbook.com, www.ft.com.
2. Returns for periods exceeding one year are annualised.
3. The return for Consumer Price Index (CPI) is to the end of the previous month. Due to the reweighting of the CPI from January 2009, this number reflects a compound of month-on-month CPI returns. The historical numbers used are the official month-on-month numbers based on a composite of the previous inflation series (calculations before January 2009) and the revised inflation series (calculations after January 2009).
4. The MSCI World index (All Countries) returns are adjusted to correspond with global investment prices received.
5. FTSE/JSE disclaimer: www.jse.co.za
6. The information reproduced in this document has been compiled by or arrived at by Investments from sources believed to be reliable.
7. Reasonable steps have been taken to ensure the validity and accuracy of the information in this document. However, Momentum Investments does not accept any responsibility for any claim, damages, loss or expense, howsoever arising out of or in connection with the information in this document, whether by a client, investor or intermediary.
8. The content used in this document is sourced from various media publications, the Internet and Momentum Investments. For further information, please visit us at www.momentuminv.co.za.
9. Momentum Investments is a division of MMI Group Limited, which is an authorised financial services and credit provider.