

Key market performance drivers

Monthly charts to 31 December 2021



momentum
investments

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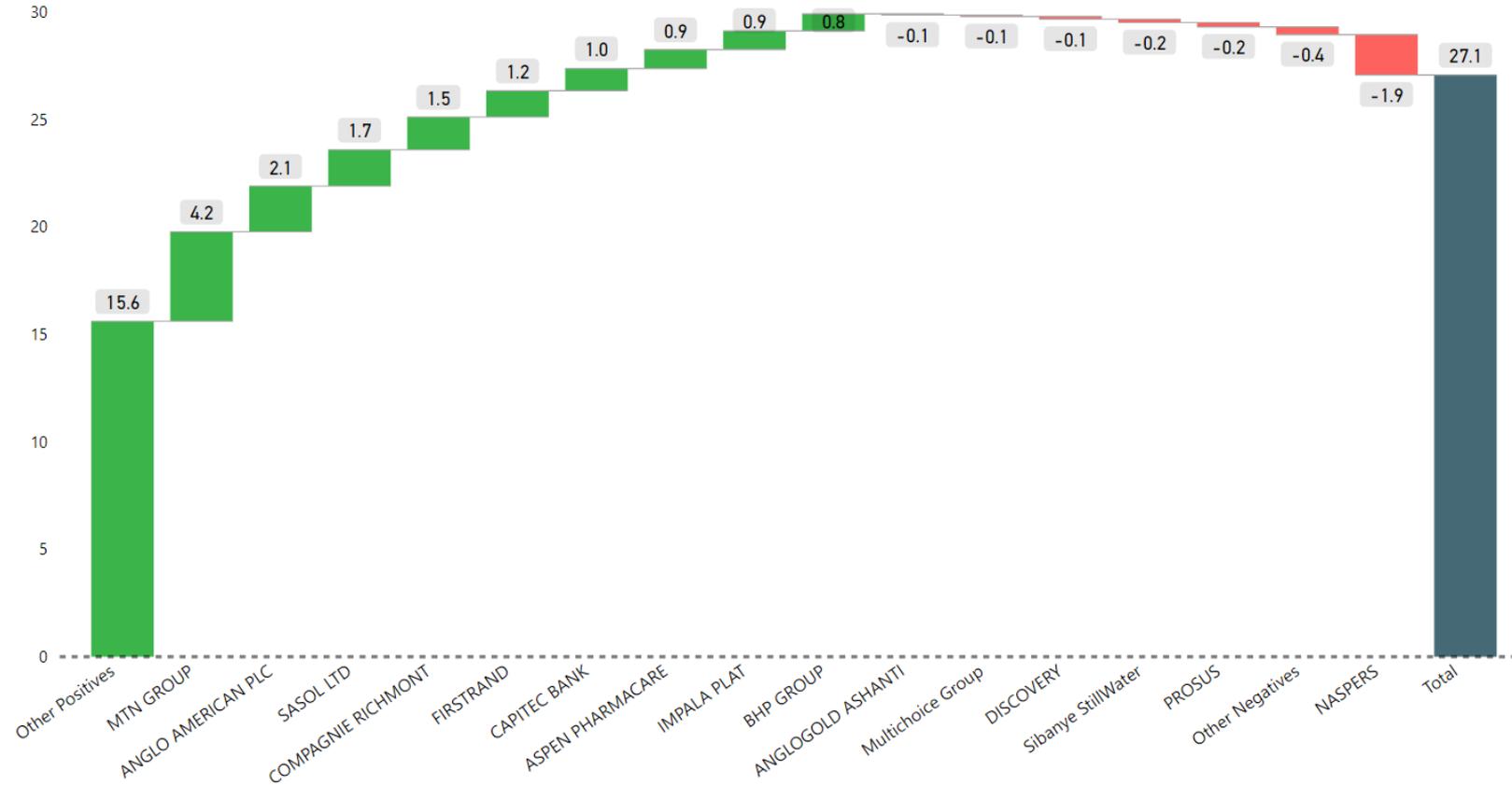
06 Volatility and international flows

Market
concentration

01

One-year Capped SWIX contributions to December 2021

● Increase ● Decrease ● Total



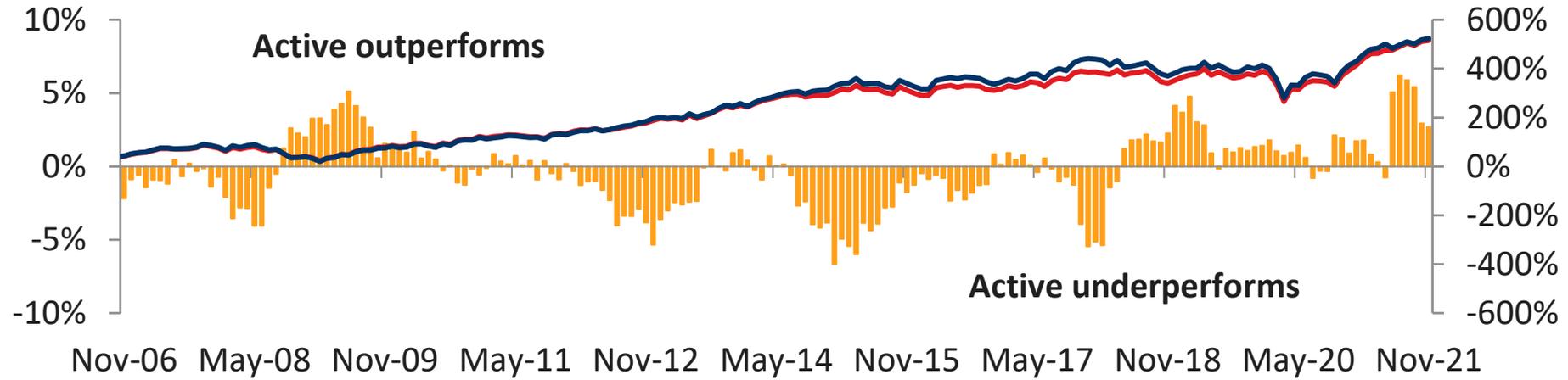
Active index
analysis

02

Active index analysis: Equities



One-year rolling active returns to November 2021



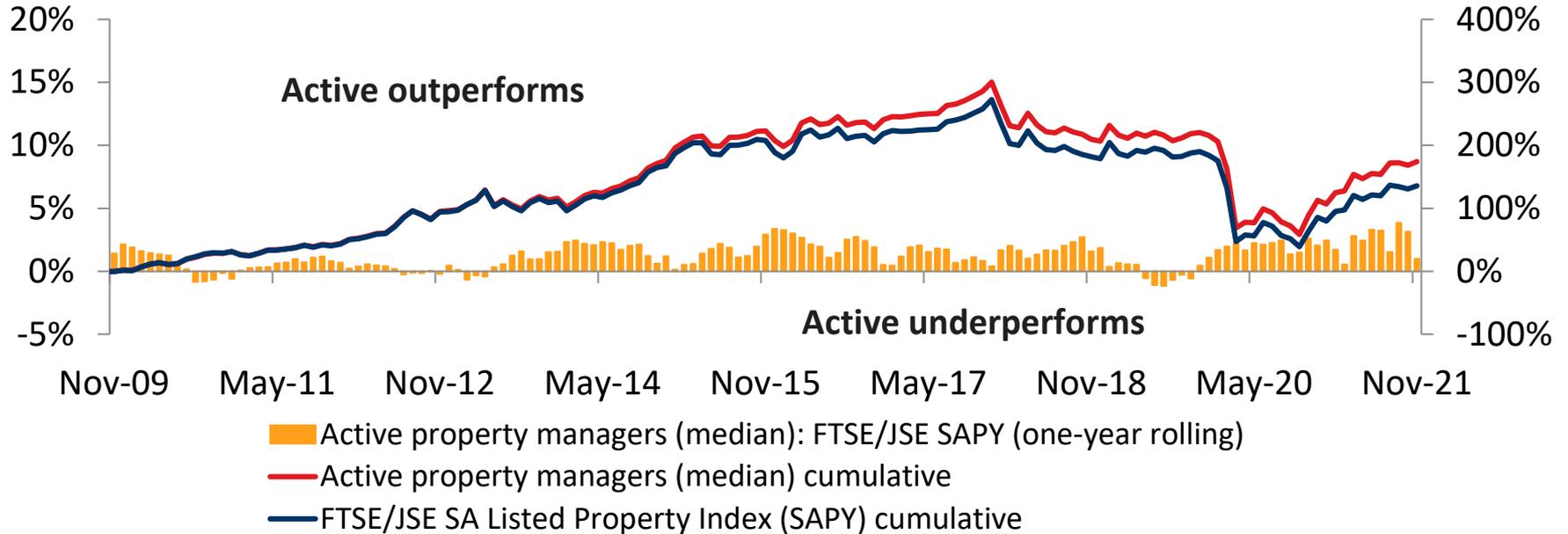
- Active equity managers: FTSE/JSE SWIX/Capped SWIX (one-year rolling)
- Active equity managers cumulative
- FTSE/JSE Shareholder-weighted Index (SWIX)/Capped SWIX cumulative

The median of the active equity investment managers outperformed the SWIX/Capped SWIX composite benchmark for a one-year period ending November 2021

Active index analysis: Property



One-year rolling active returns to November 2021

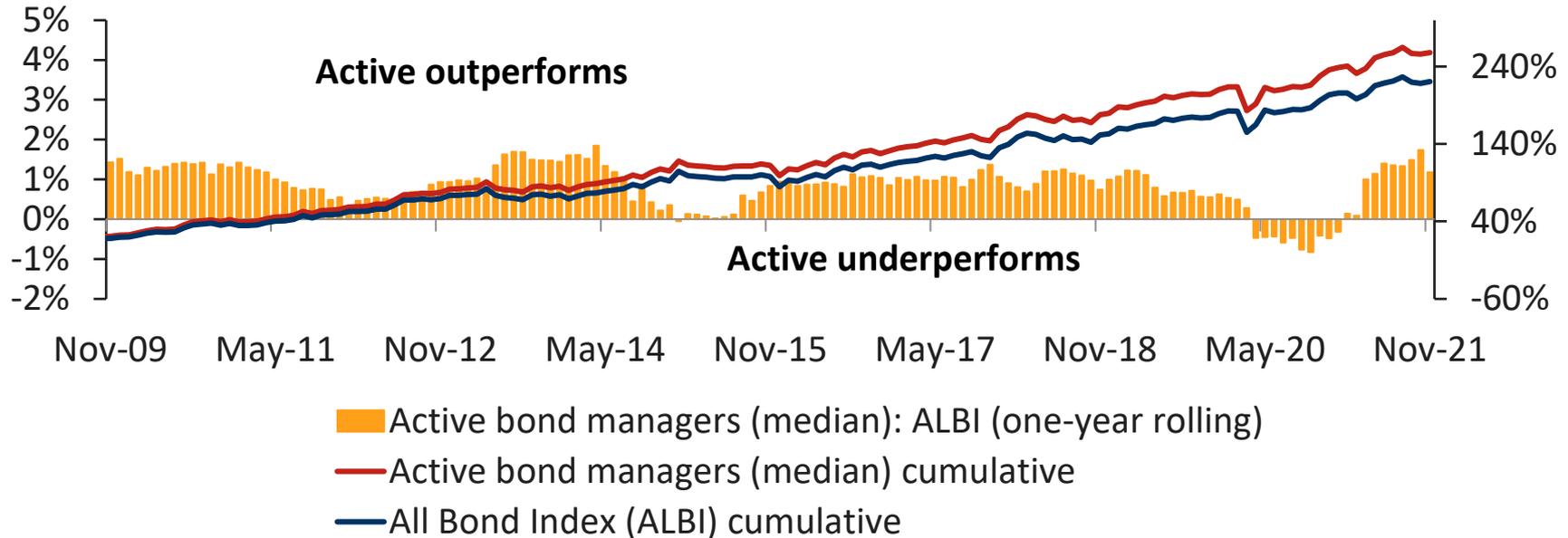


The median return of the active property investment managers outperformed the SAPY for a one-year period ending November 2021

Active index analysis: Bonds



One-year rolling active returns to November 2021

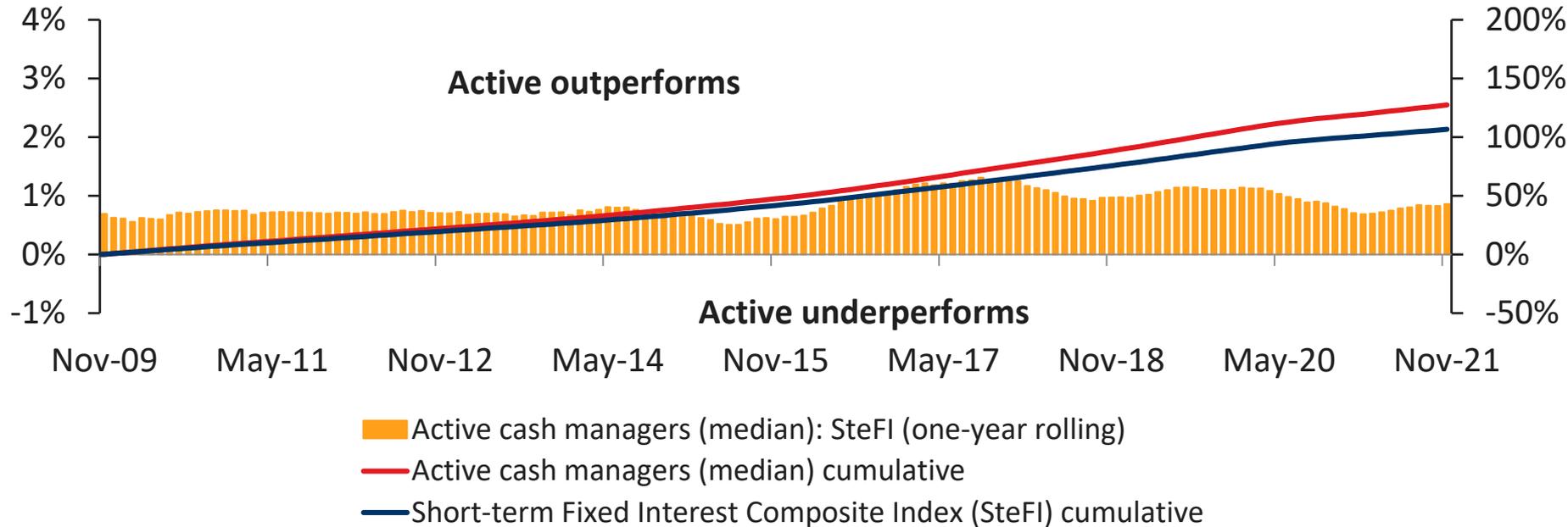


The median of the active bond investment managers outperformed the ALBI for the one-year period ending November 2021

Active index analysis: Cash



One-year rolling active returns to November 2021



The median of the active money market investment managers outperformed the SteFI for the one-year period ending November 2021

Style
analysis

03

Style returns heat map for South Africa to December 2021

In the last year, value outperformed quality and momentum

ZAR	Styles	One month to December 2021	Three months to December 2021	One year to December 2021	Three years to December 2021	Five years to December 2021	Ten years to December 2021	Twenty years to December 2021
Value	Book to price	2,47	4,66	24,46	6,37	-0,69	-1,78	-0,14
	Dividend yield	-0,76	-3,49	-9,17	0,50	1,27	-0,34	2,49
	Earnings yield	-1,17	-1,11	-1,10	-0,02	-2,29	-1,13	-0,61
	Cash flow yield	0,10	-0,54	14,82	0,04	-0,28	0,83	1,07
	Sales to price	-0,38	-2,19	12,75	3,69	1,29	-0,47	-0,31
Quality	ROE	-1,70	-4,59	-25,54	-4,67	1,43	0,47	0,32
	ROIC LT	-1,75	-4,04	-12,00	-4,03	-4,27	-2,30	-0,83
	Income to sales	-1,74	-3,18	-11,05	-2,29	-1,74	-0,25	-0,05
	Low market beta	-0,47	1,44	-8,85	-5,84	-3,37	0,90	-0,05
	Low debt/equity	2,66	2,90	-9,25	-0,83	-1,40	-0,87	-1,01
	EBIT margin stability	-0,76	-4,24	-7,25	-0,68	-3,70	0,71	0,30
Growth	Earnings growth	-1,98	-0,87	-7,65	3,64	2,82	1,50	0,20
	Sales growth	1,39	2,91	-2,64	3,63	0,69	1,22	-0,02
	12M earnings growth	1,49	2,43	-3,66	9,50	4,66	-0,09	4,38
Momentum	FY1 earnings revisions	0,69	-3,89	5,73	5,78	4,15	4,37	7,33
	Short-term momentum	-0,33	-8,46	-4,24	-2,14	-2,11	0,51	-0,78
	Medium-term momentum	0,51	0,45	-2,48	7,48	4,08	5,56	5,52
Size	Size	-0,55	-7,08	-20,80	-1,66	2,35	0,05	-0,47

Source: FactSet, Momentum Global Investment Management and Momentum Investments

Sector
analysis

04

FTSE/JSE sectors decomposed

Three months to December 2021

Key

FTSE/JSE Resources



FTSE/JSE Financials

FTSE/JSE Industrials

1 Closed-end investments	Financials	73,47%	17 Beverages	Consumer staples	4,79%
2 Personal goods	Consumer discretionary	55,17%	18 Real estate investment and services	Real estate	4,58%
3 Precious metals and mining	Basic materials	29,34%	19 Consumer services	Consumer discretionary	4,45%
4 Travel and leisure	Consumer discretionary	28,59%	20 Software and computer services	Technology	4,38%
5 Industrial metals and mining	Basic materials	19,94%	21 Health care providers	Health care	4,18%
6 Telecommunications service providers	Telecommunications	13,71%	22 Banks	Financials	2,38%
7 Tobacco	Consumer staples	12,68%	23 General industrials	Industrials	1,83%
8 Construction and materials	Industrials	11,99%	24 Industrial transportation	Industrials	1,31%
9 Electronic and electrical equipment	Industrials	11,56%	25 Alternative energy	Energy	1,18%
10 Non-life insurance	Financials	10,25%	26 Retailers	Consumer discretionary	-2,84%
11 Finance and credit services	Financials	10,12%	27 Life insurance	Financials	-4,54%
12 Real estate investment trusts	Real estate	9,82%	28 Oil	Energy	-5,78%
13 Industrial materials	Basic materials	9,12%	29 Food producers	Consumer staples	-6,54%
14 Investment banking and brokerage	Financials	6,87%	30 Chemicals	Basic materials	-7,86%
15 Personal care	Consumer staples	6,82%	31 Automobiles and parts	Consumer discretionary	-10,16%
16 Industrial support services	Industrials	4,81%	32 Pharmaceuticals and biotechnology	Health care	-16,31%

Sources: Barra and Deutsche Securities

FTSE/JSE sectors decomposed

One year to December 2021

Key

FTSE/JSE Resources



FTSE/JSE Financials

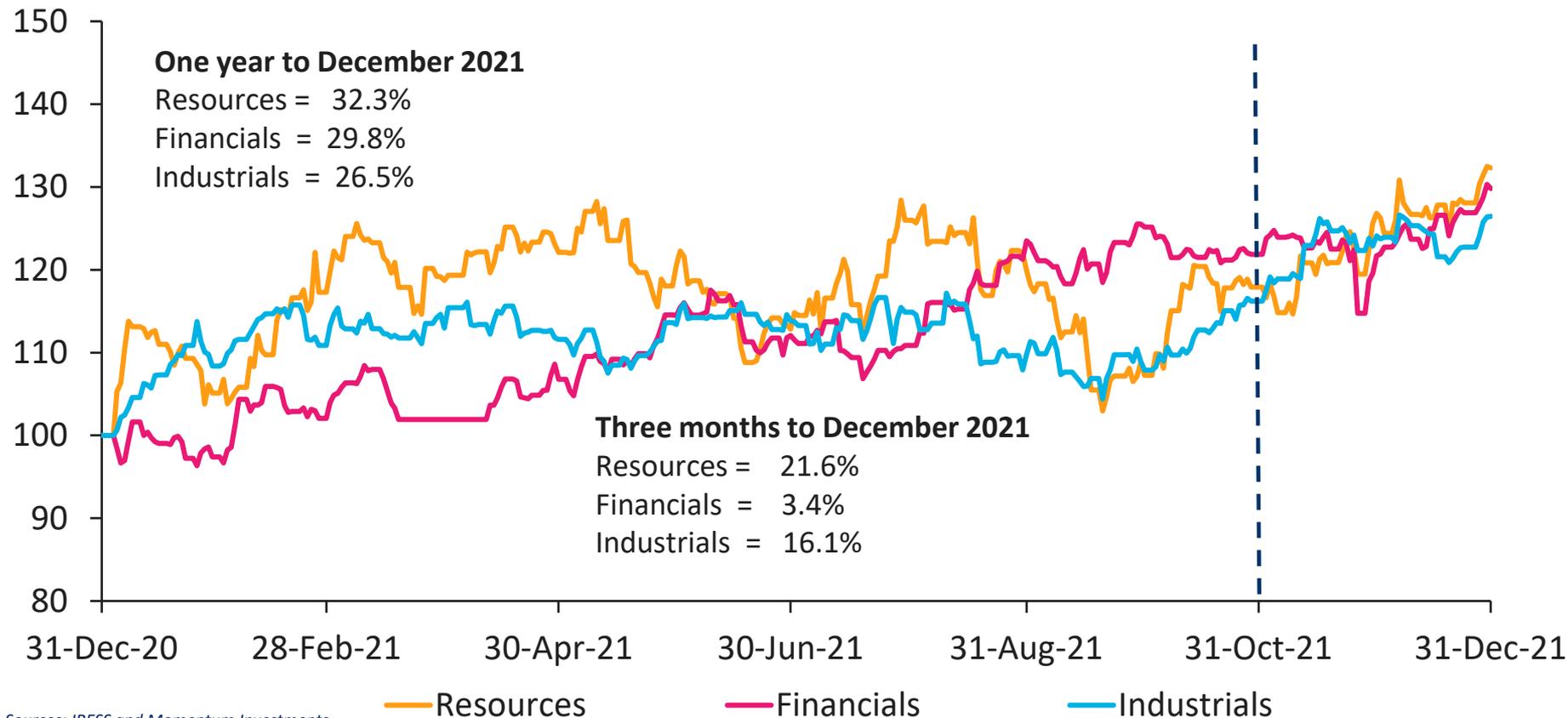
FTSE/JSE Industrials

1 Travel and leisure	Consumer discretionary	107,40%	17 Industrial metals and mining	Basic materials	39,13%
2 Personal goods	Consumer discretionary	86,55%	18 Retailers	Consumer discretionary	38,56%
3 Telecommunications service providers	Telecommunications	85,64%	19 General industrials	Industrials	36,94%
4 Chemicals	Basic materials	83,48%	20 Real estate investment and services	Real estate	32,89%
5 Finance and credit services	Financials	83,28%	21 Banks	Financials	31,93%
6 Pharmaceuticals and biotechnology	Health care	76,34%	22 Health care providers	Health care	30,68%
7 Industrial support services	Industrials	72,71%	23 Personal care	Consumer staples	28,81%
8 Consumer services	Consumer discretionary	71,43%	24 Investment banking and brokerage	Financials	26,46%
9 Alternative energy	Energy	69,59%	25 Industrial materials	Basic materials	24,45%
10 Industrial transportation	Industrials	64,19%	26 Tobacco	Consumer staples	16,10%
11 Construction and materials	Industrials	58,65%	27 Precious metals and mining	Basic materials	14,07%
12 Electronic and electrical equipment	Industrials	55,69%	28 Life insurance	Financials	11,60%
13 Closed-end investments	Financials	52,47%	29 Beverages	Consumer staples	8,93%
14 Automobiles and parts	Consumer discretionary	51,72%	30 Non-life insurance	Financials	7,53%
15 Oil	Energy	39,83%	31 Food producers	Consumer staples	1,38%
16 Real estate investment trusts	Real estate	39,50%	32 Software and computer services	Technology	-17,56%

FTSE/JSE sectors



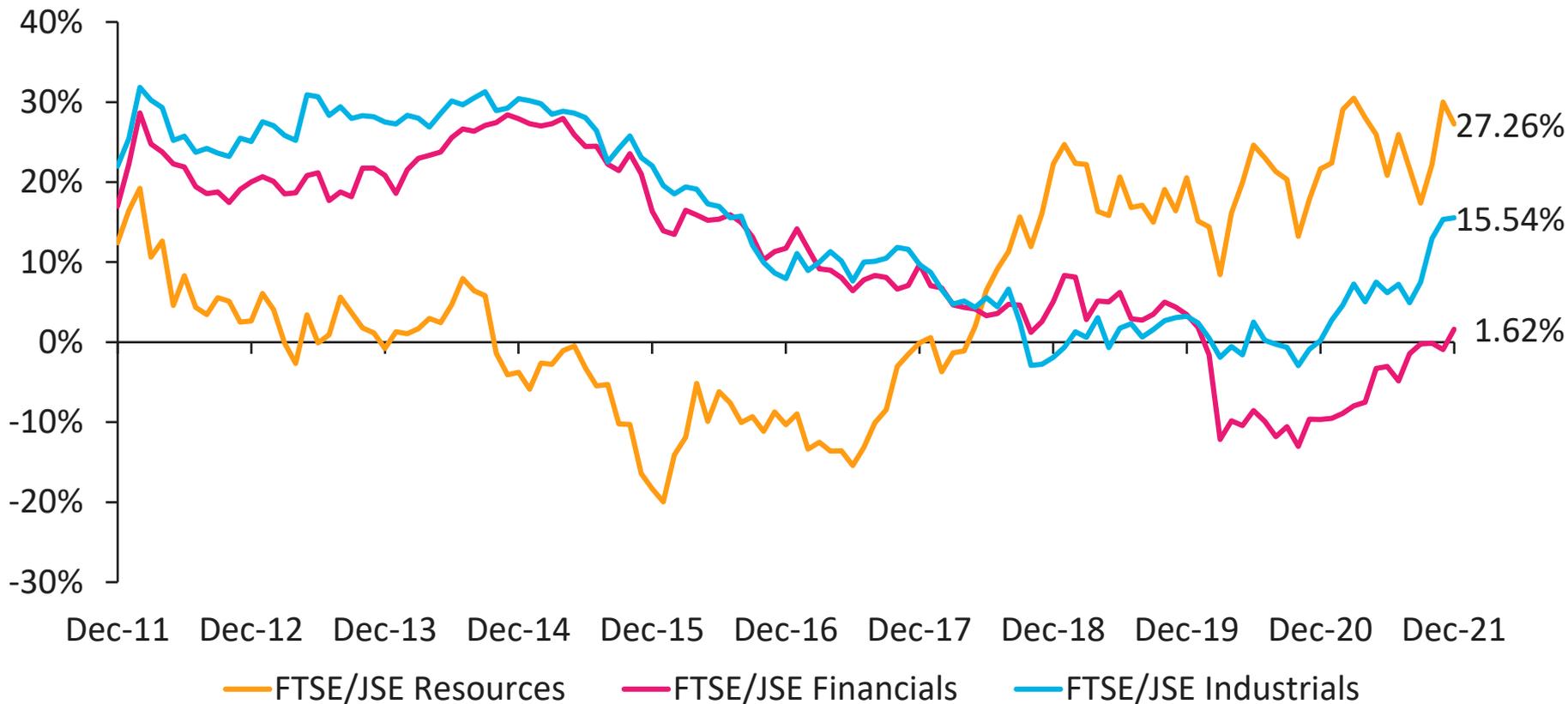
One-year rolling returns to December 2021



FTSE/JSE sectors



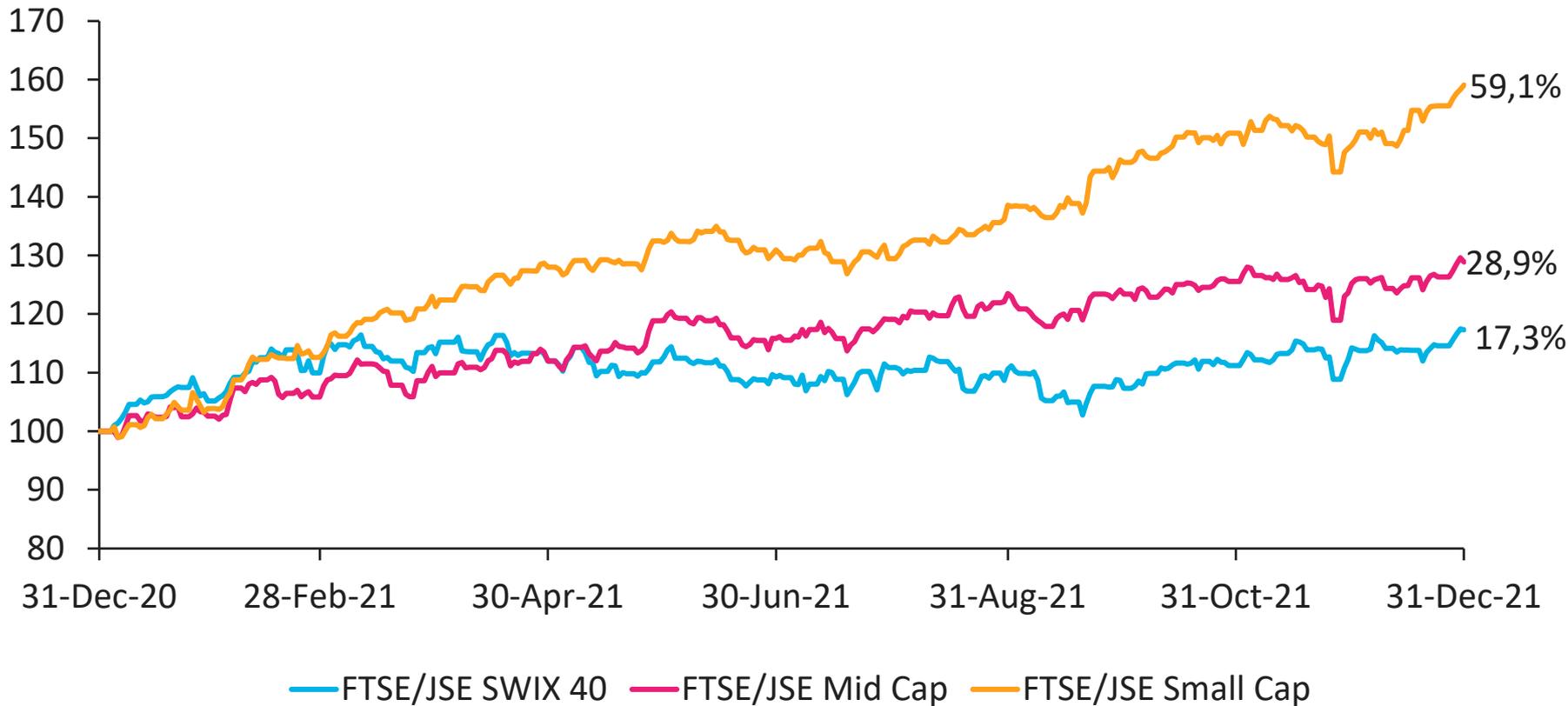
Ten years rolling to December 2021



FTSE/JSE market caps



One year to December 2021



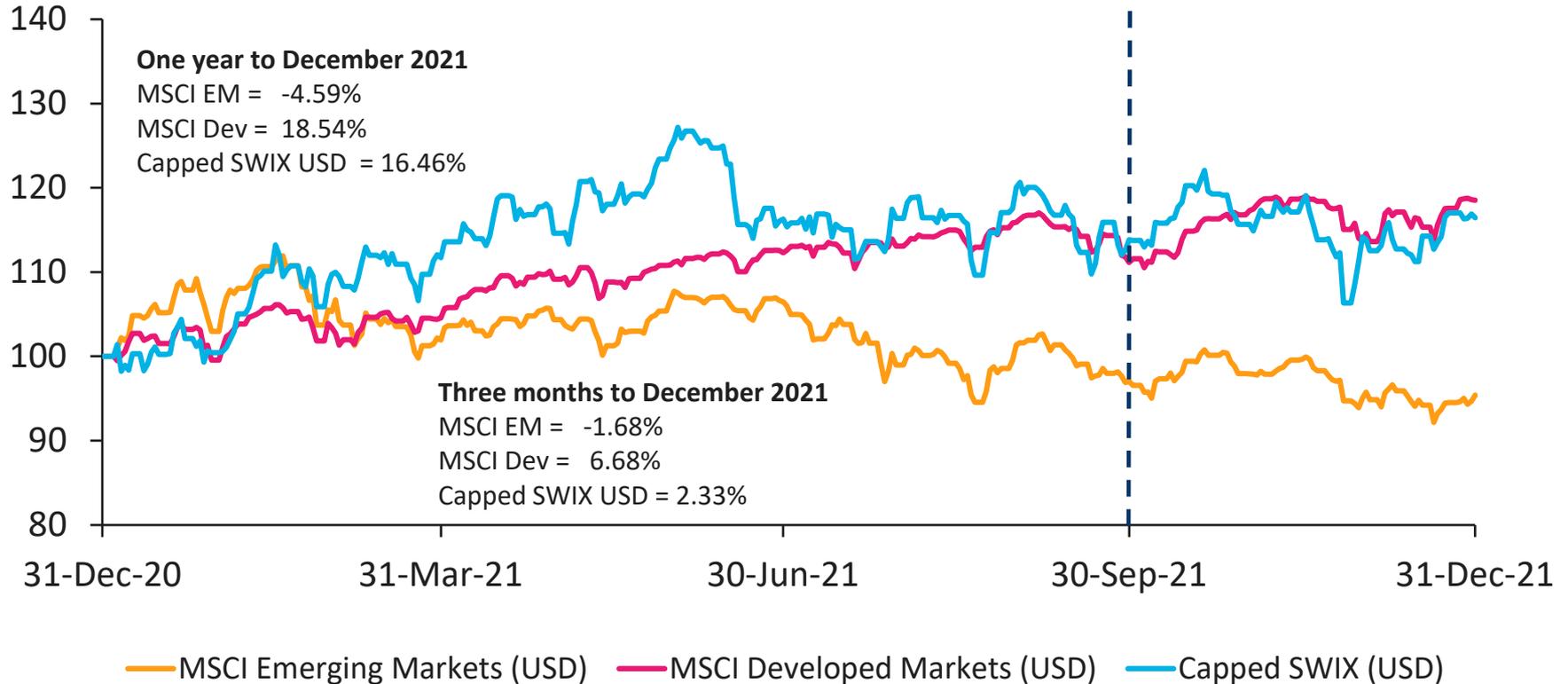
Index return
charts

05

MSCI developed and emerging markets



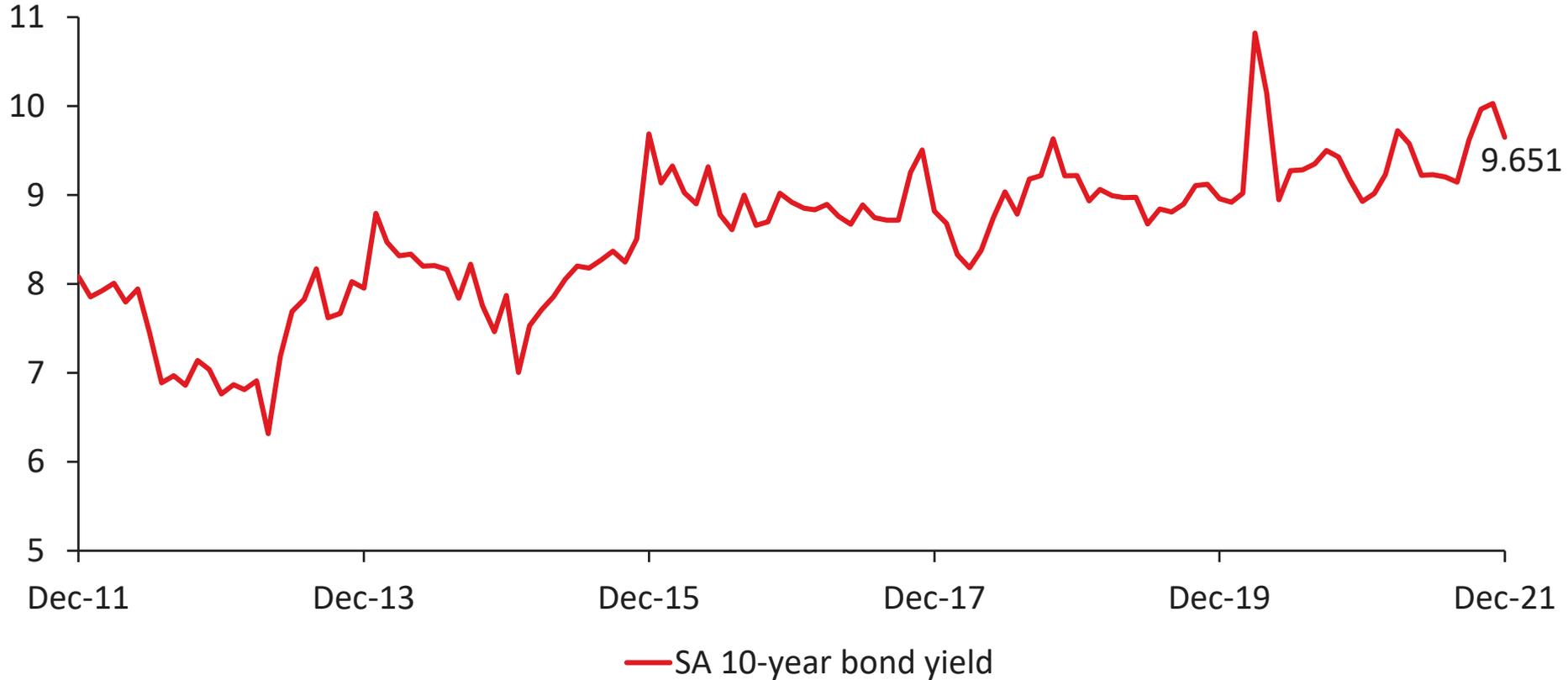
One year to December 2021



SA 10-year bond yields



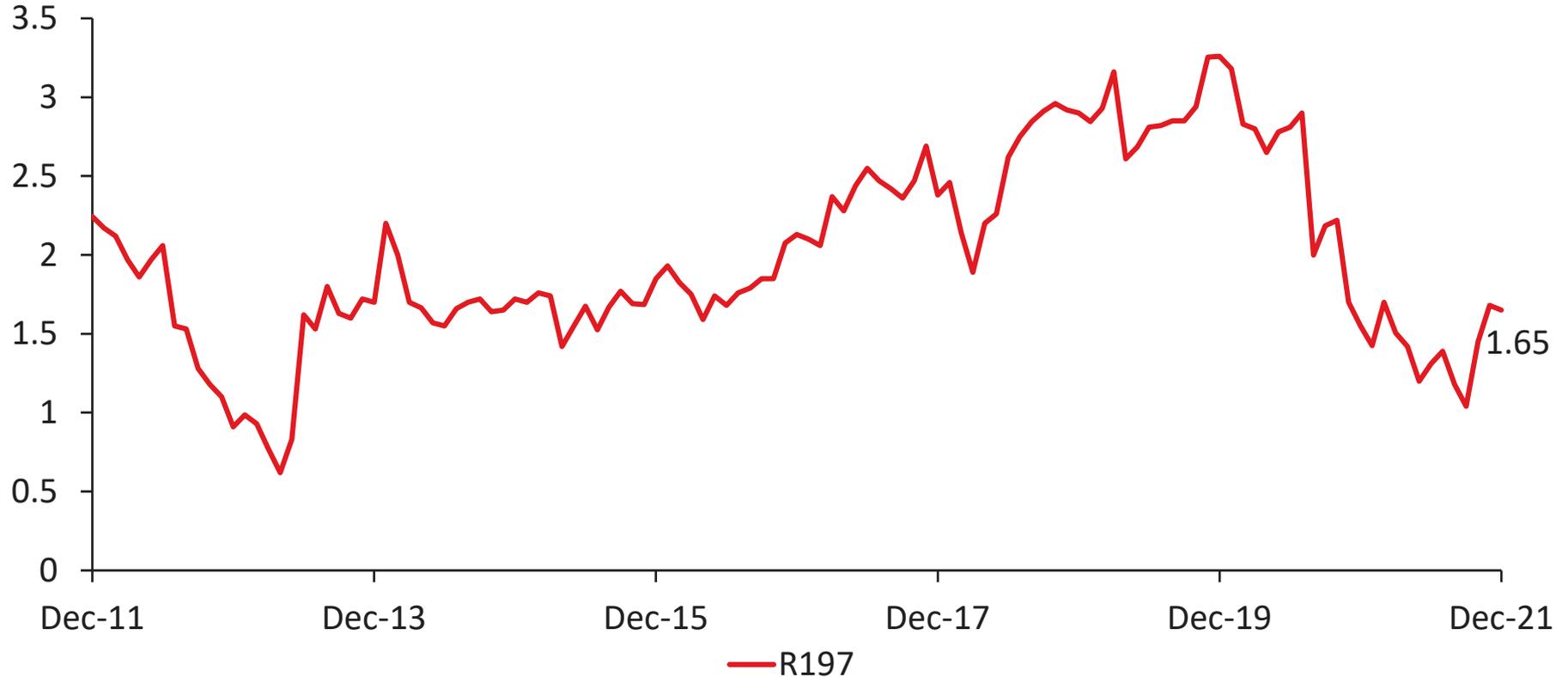
Ten years to December 2021



Yield of R197 (inflation-linked bond)



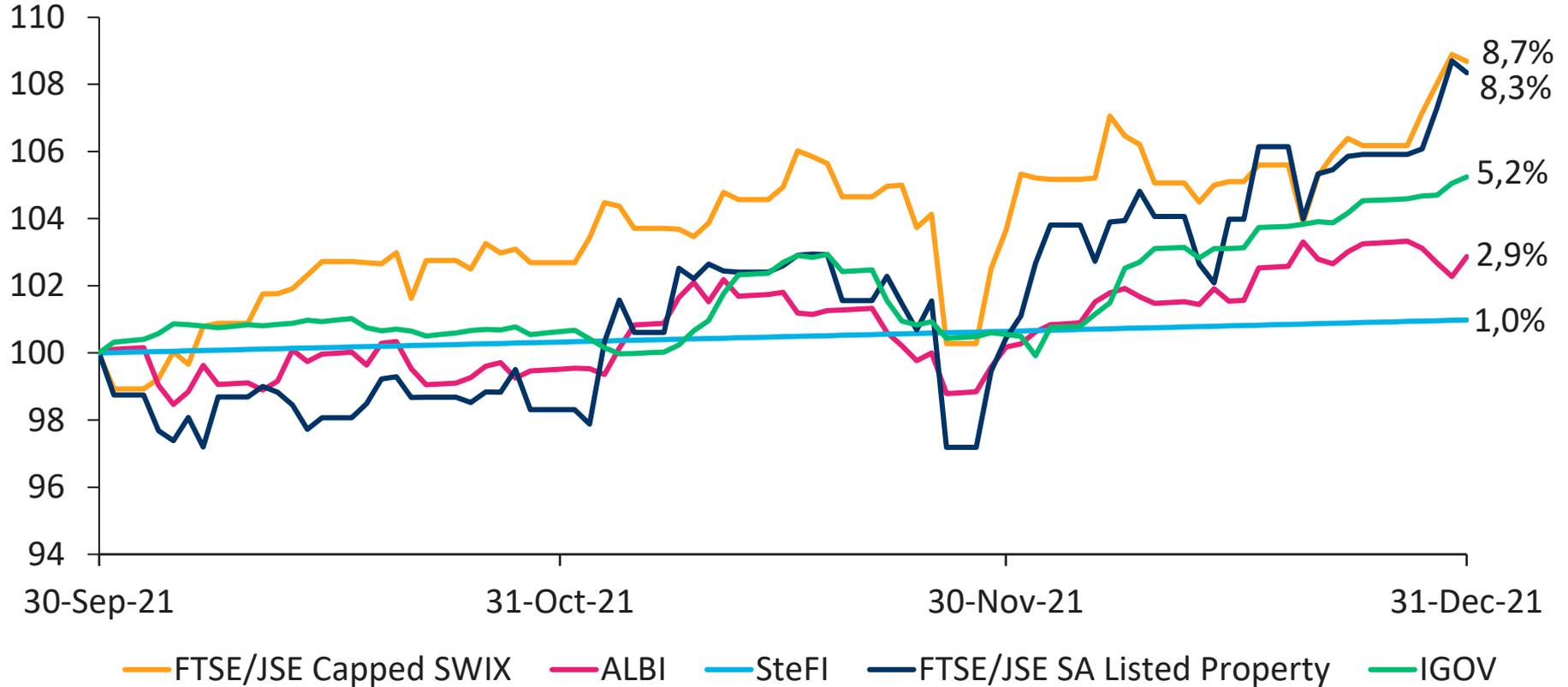
Ten years to December 2021



Local asset classes



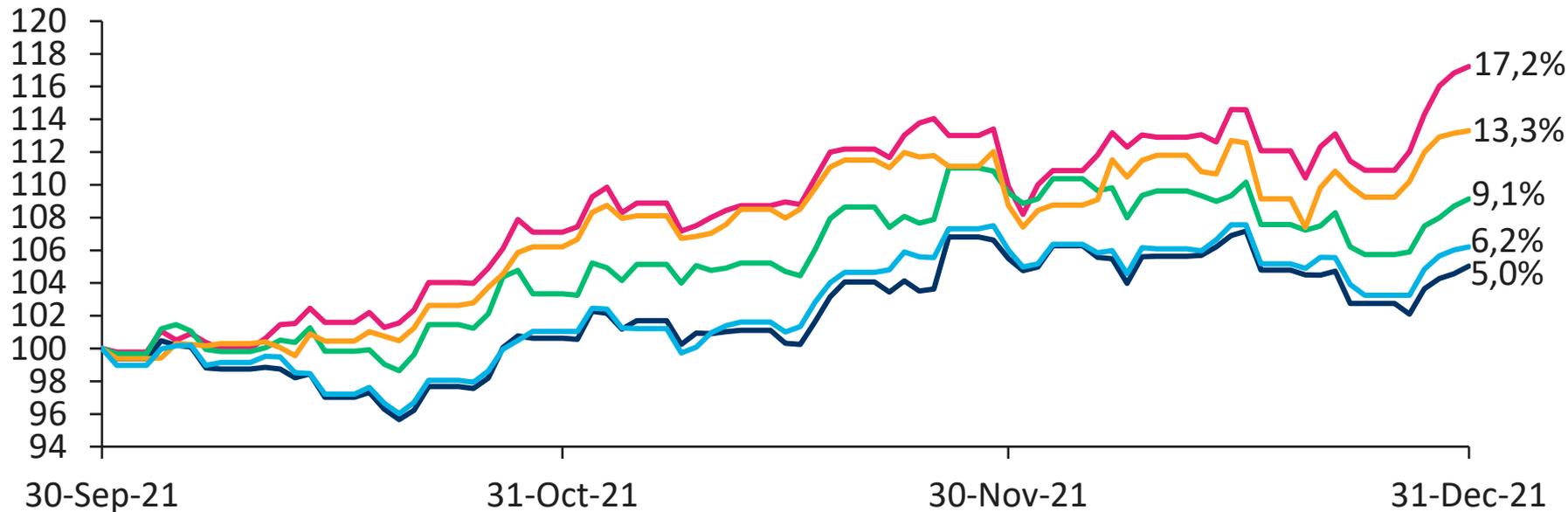
Three months to December 2021



Global asset classes



Three months to December 2021



— Citigroup World Government Bond Index

— Barclays - World Government Inflation Linked Index

— US dollar/Rand

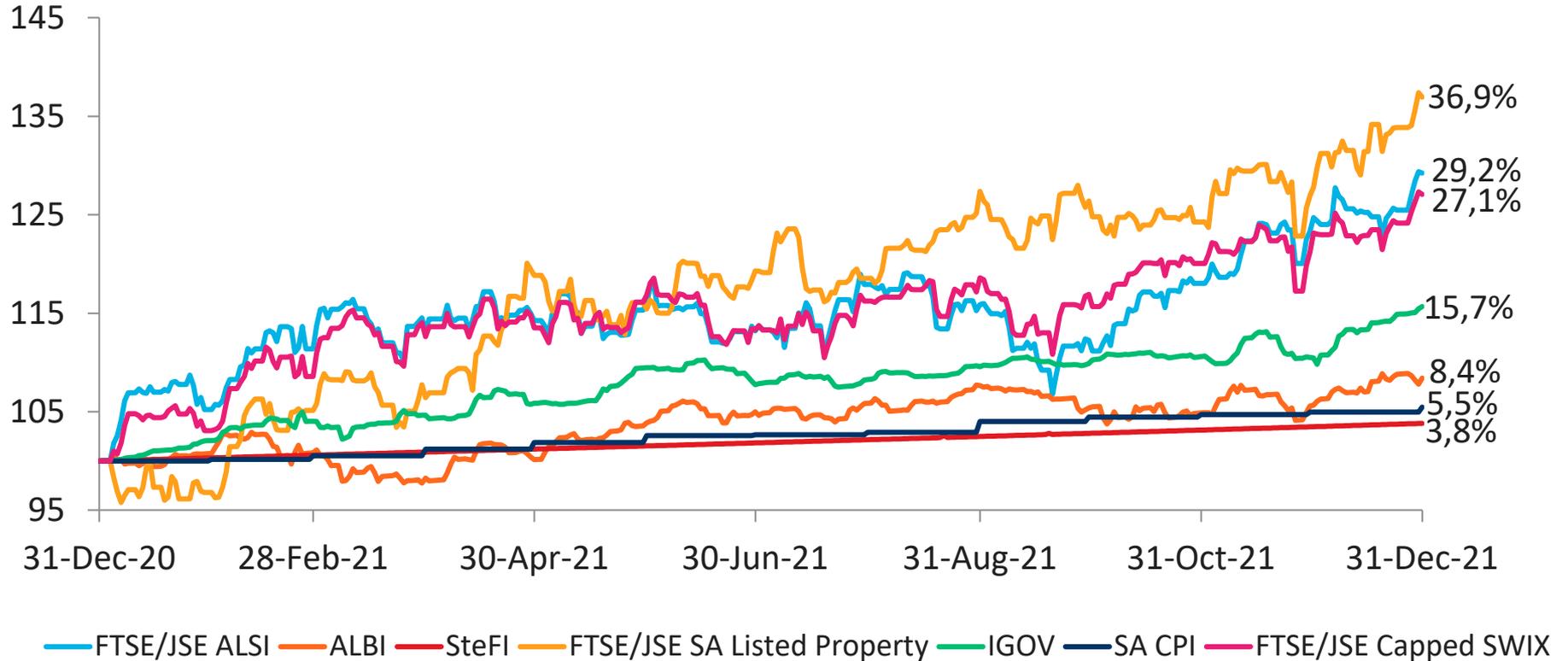
— FTSE EPRA Nareit Developed Global Real Estate

— MSCI All Countries Gross Equity index

Local asset classes



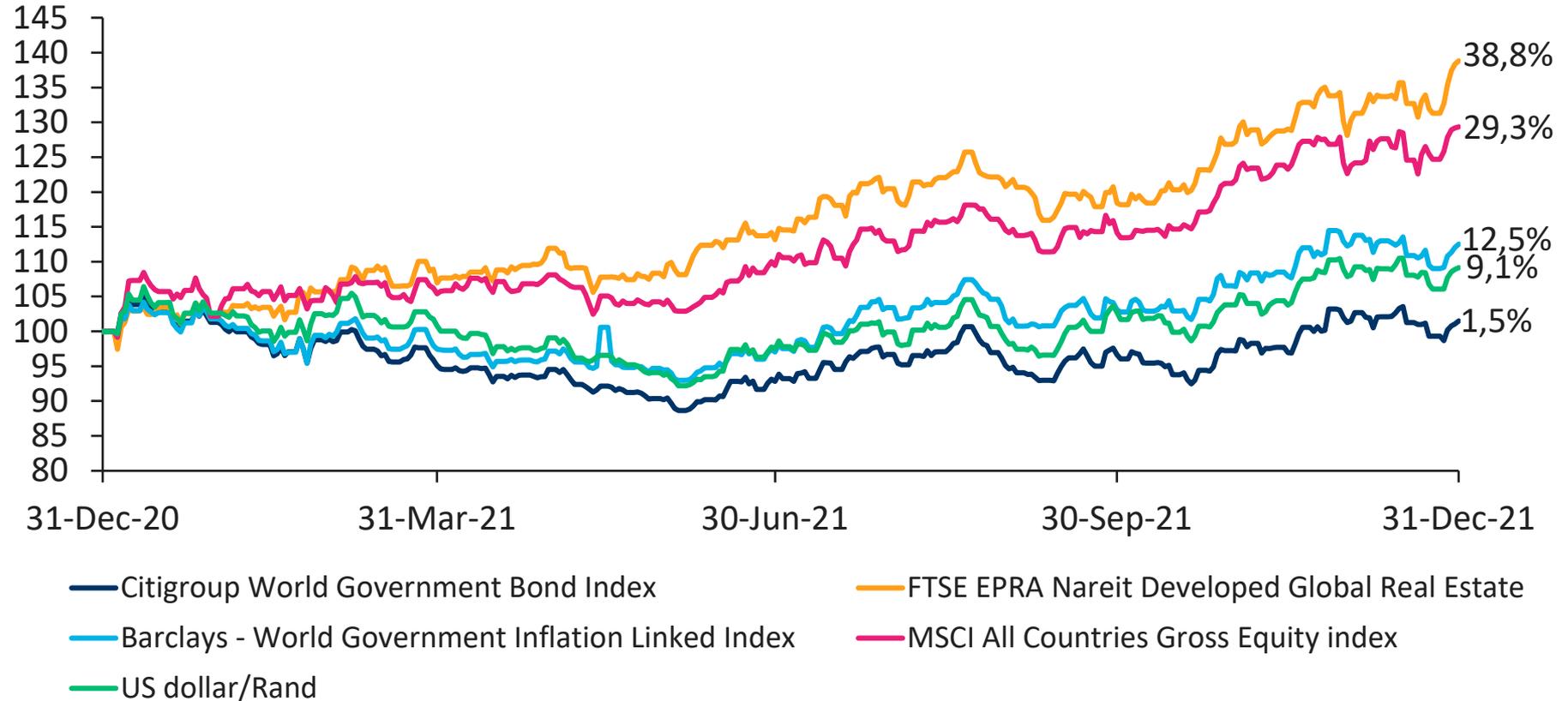
One year to December 2021



Global asset classes



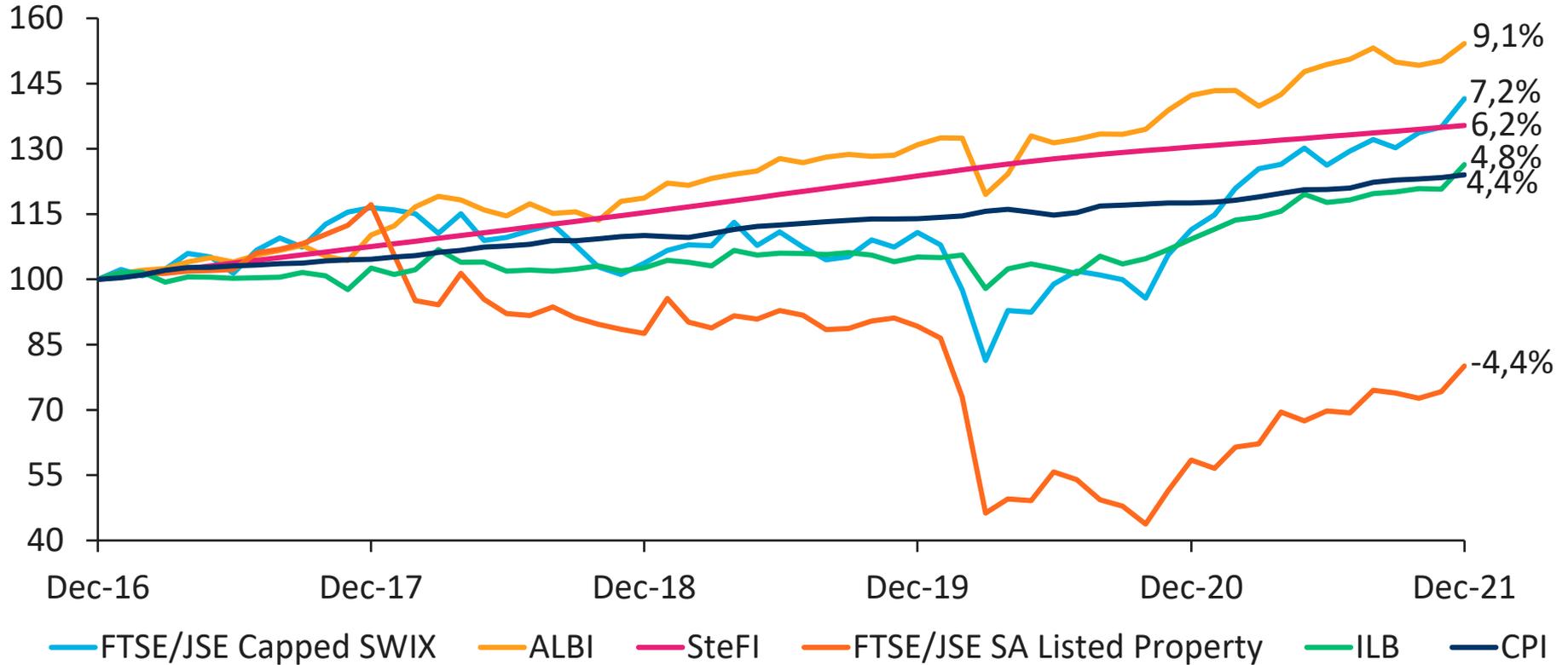
One year to December 2021



Local asset classes



Five years to December 2021

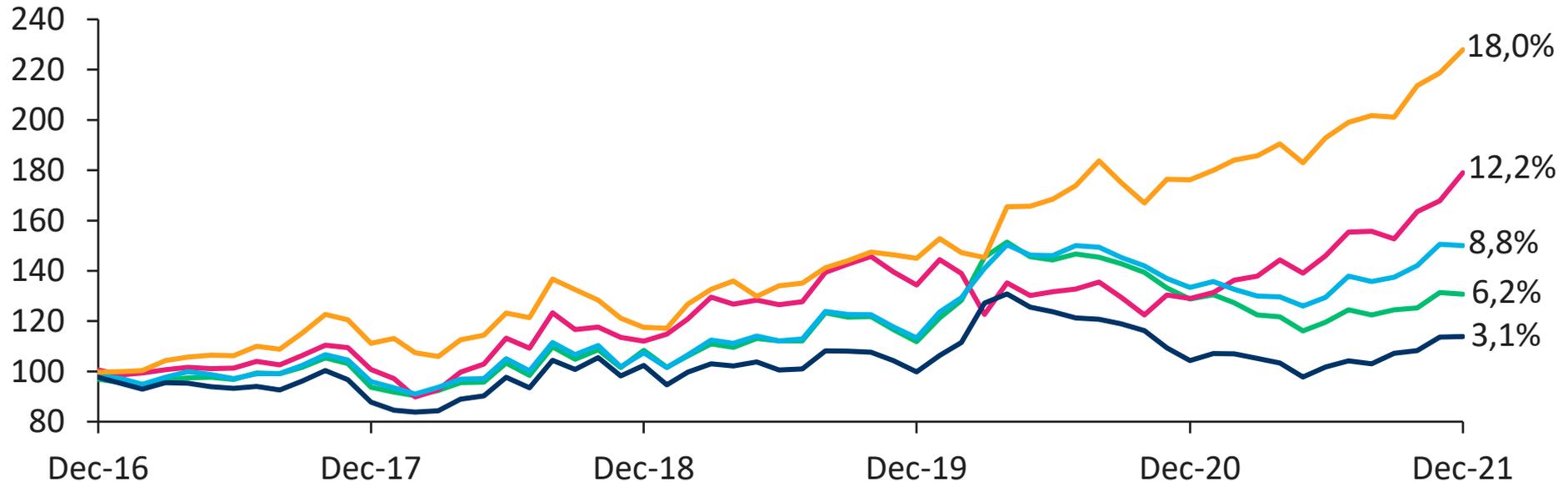


Sources: IRESS and Momentum Investments
*CPI lagged by one month due to availability of data.

Global asset classes



Five years to December 2021



Citigroup World Government Bond Index

FTSE EPRA Nareit Developed Global Real Estate

Barclays - World Government Inflation Linked Index

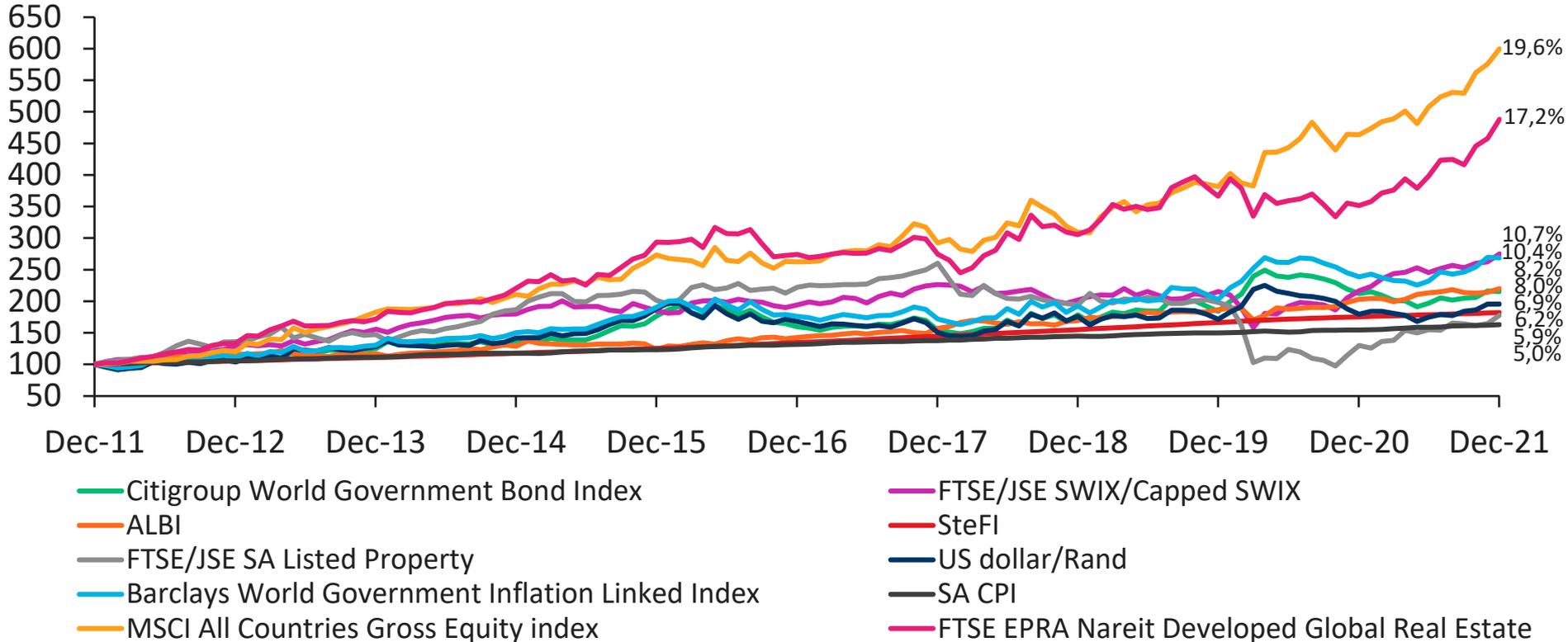
MSCI All Countries Gross Equity index

US dollar/Rand

Asset classes



Ten years to December 2021

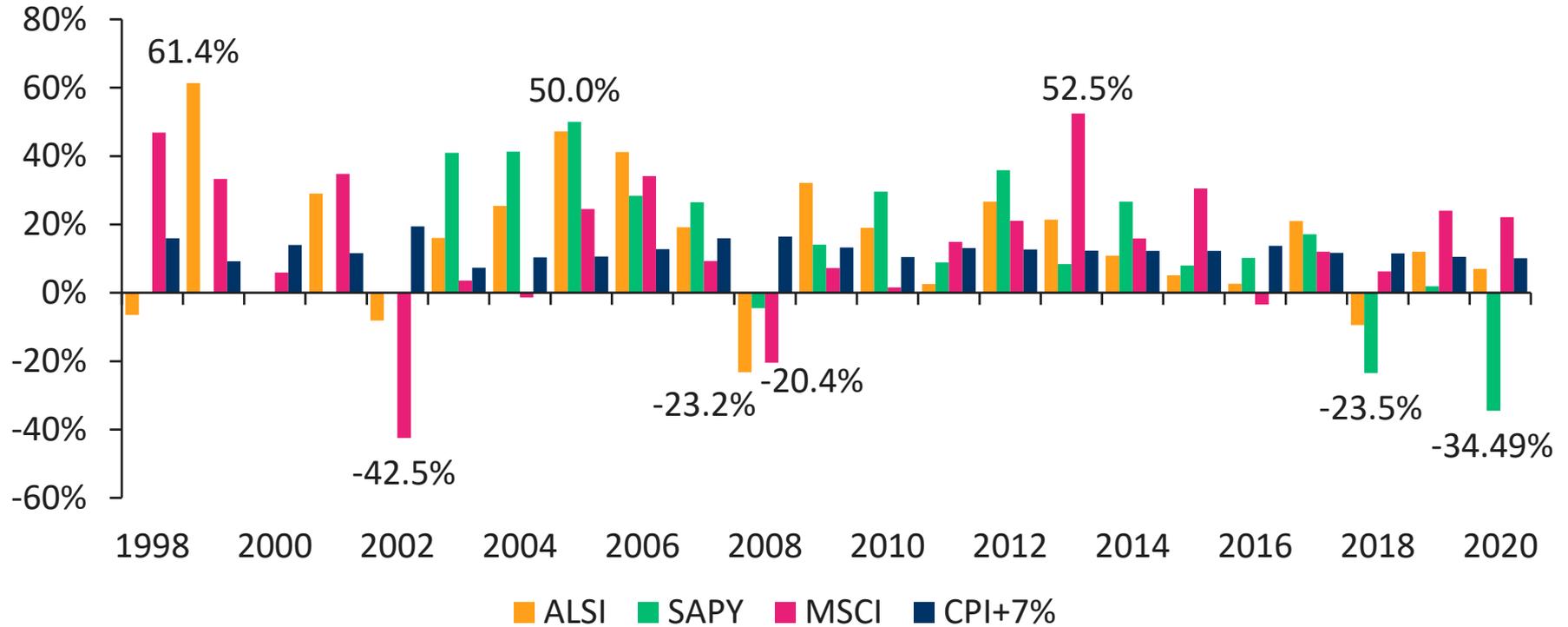


Sources: IRESS and Momentum Investments
 *CPI lagged by one month due to availability of data.

Annual asset class returns



Ten-year rolling returns to December 2020

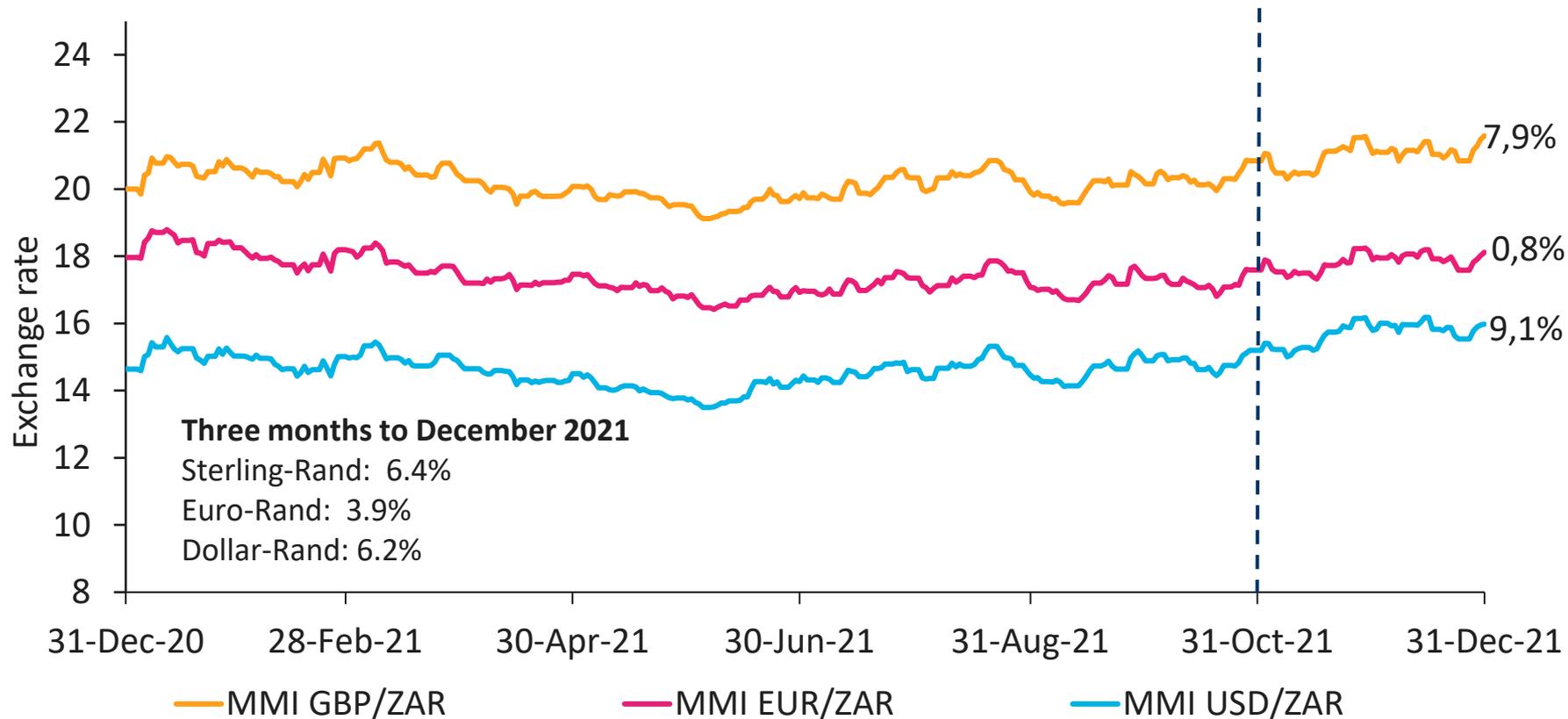


Sources: IRESS and Momentum Investments
*CPI lagged by one month due to availability of data.

Exchange rates



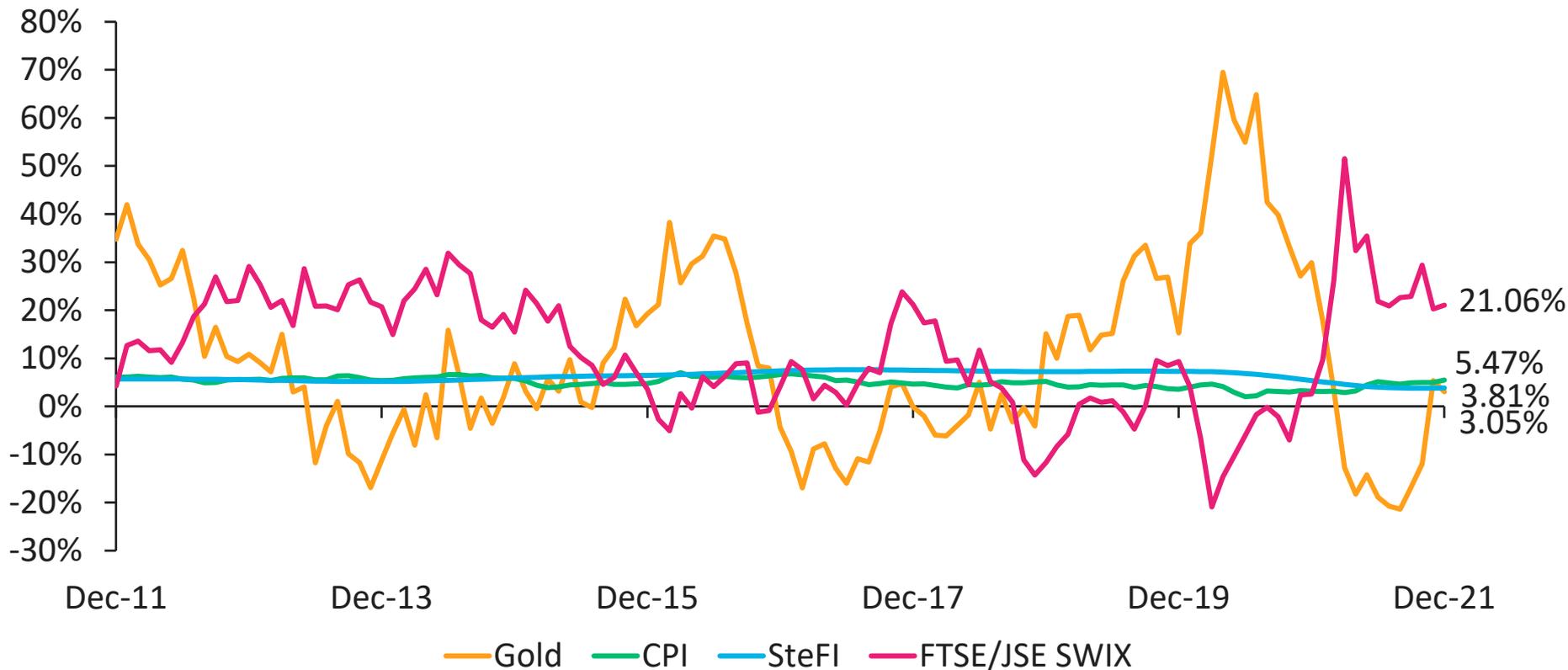
One year to December 2021



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



Ten-year rolling returns to December 2021

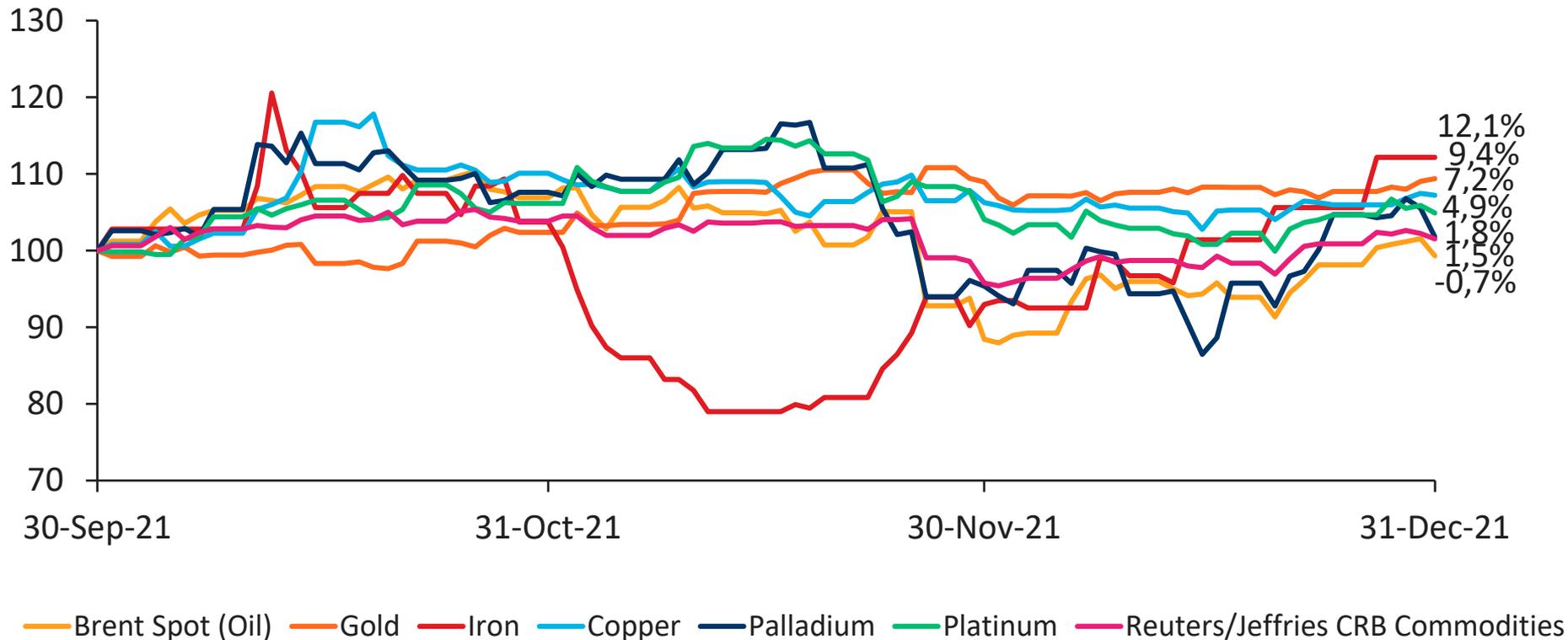


Sources: IRESS and Momentum Investments
*CPI lagged by one month due to availability of data.

Commodities



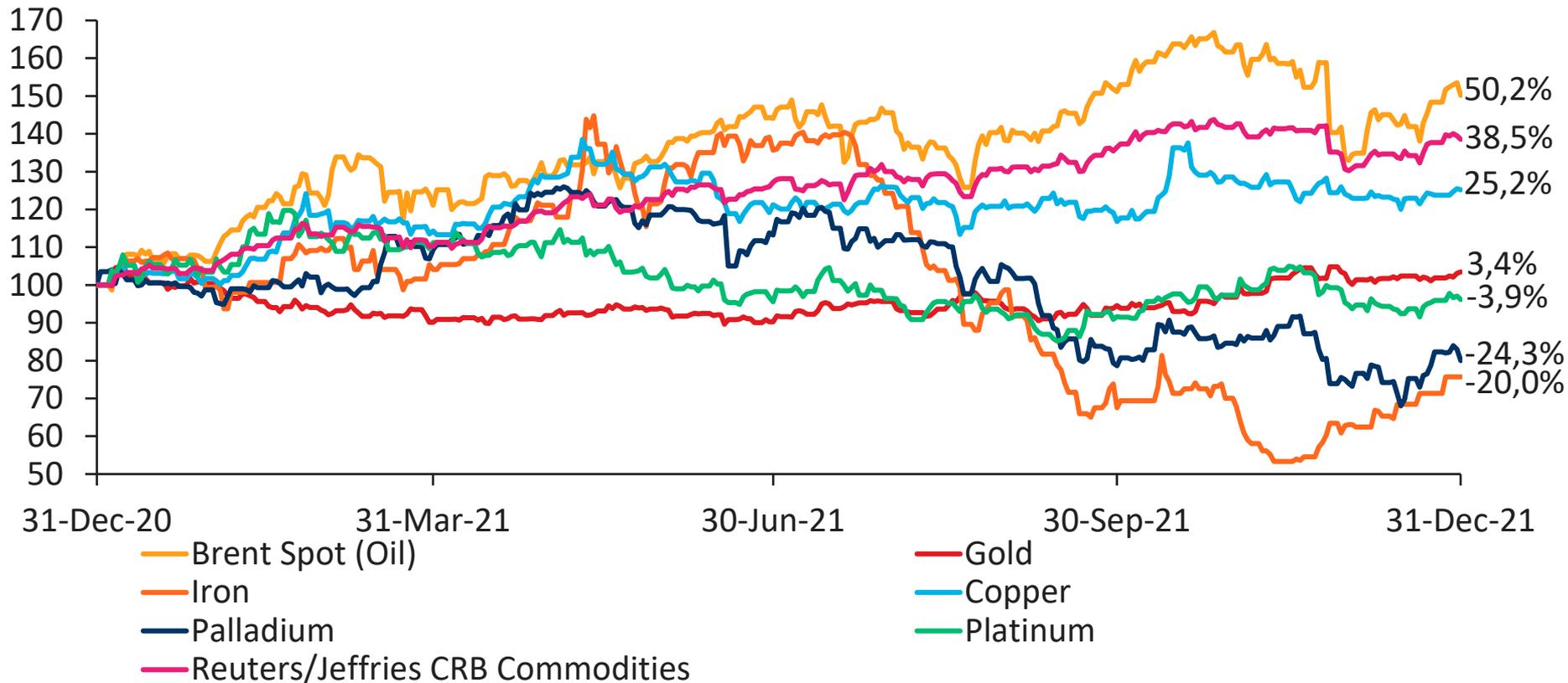
Three months to December 2021



Commodities



One year to December 2021



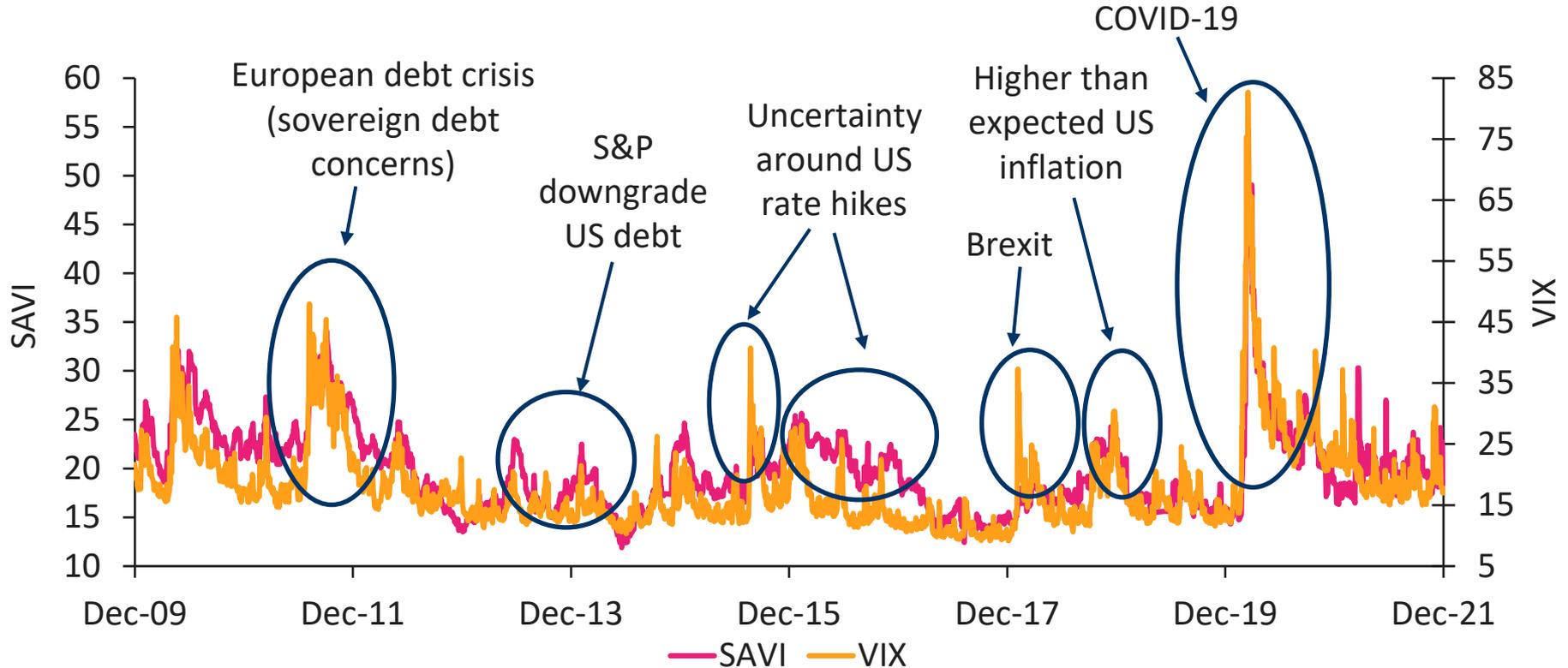
Volatility and
international flows

06

SAVI compared to the VIX



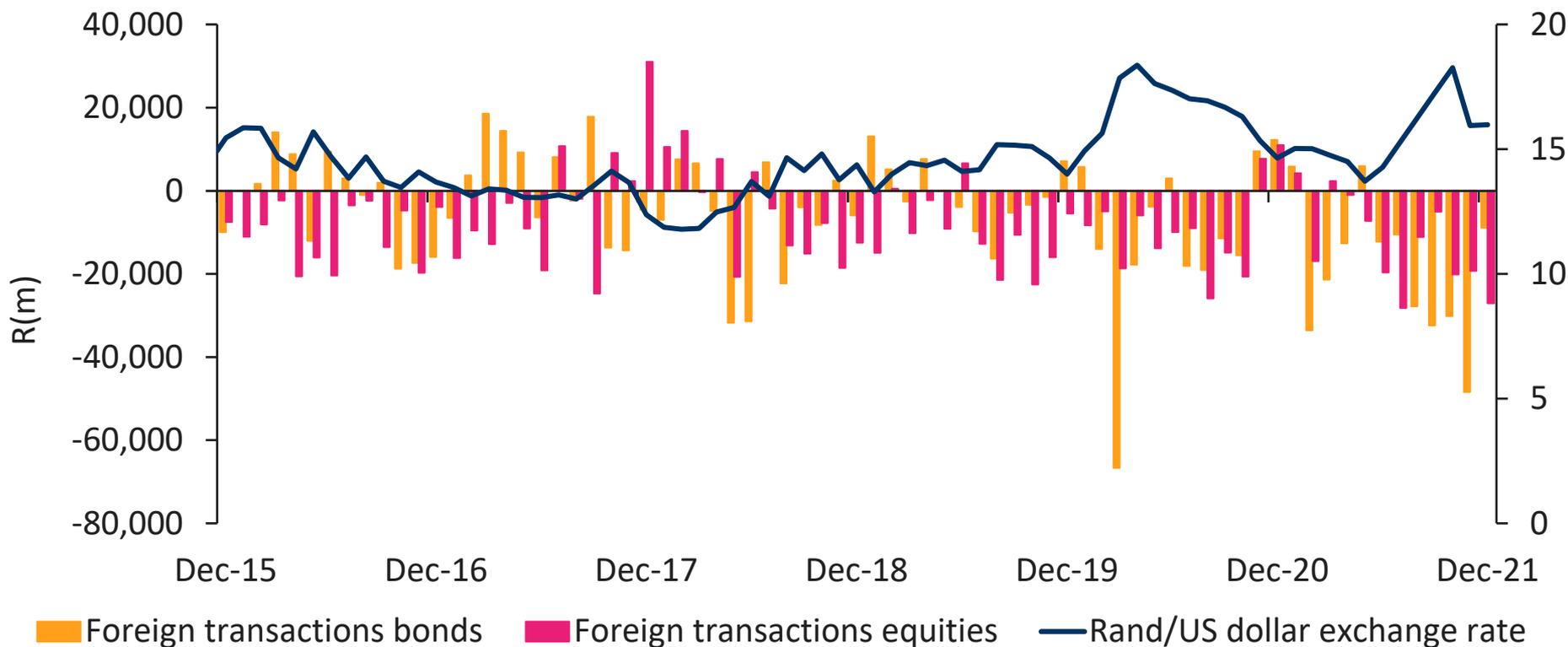
South African Volatility Index (SAVI) compared to the CBOE Volatility Index (VIX) to December 2021



Foreign transactions



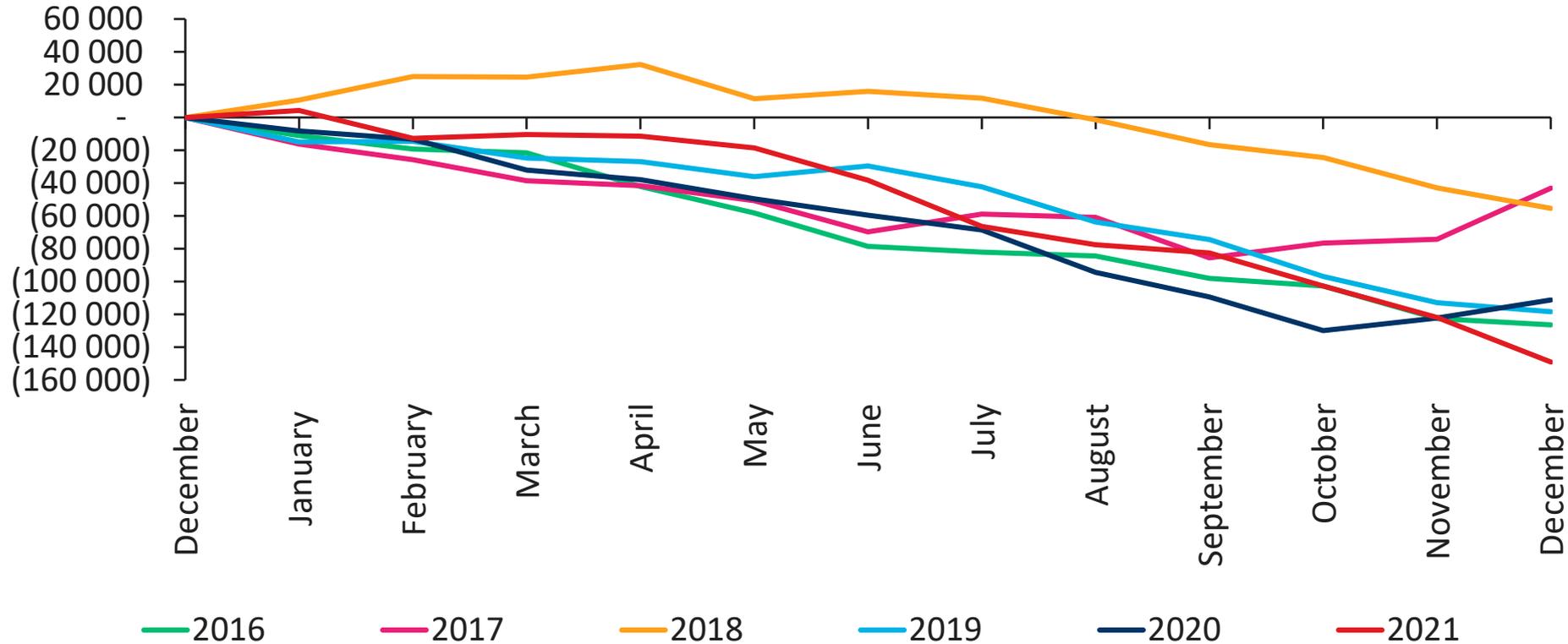
2016 to 2021



Cumulative foreign transaction: Equities



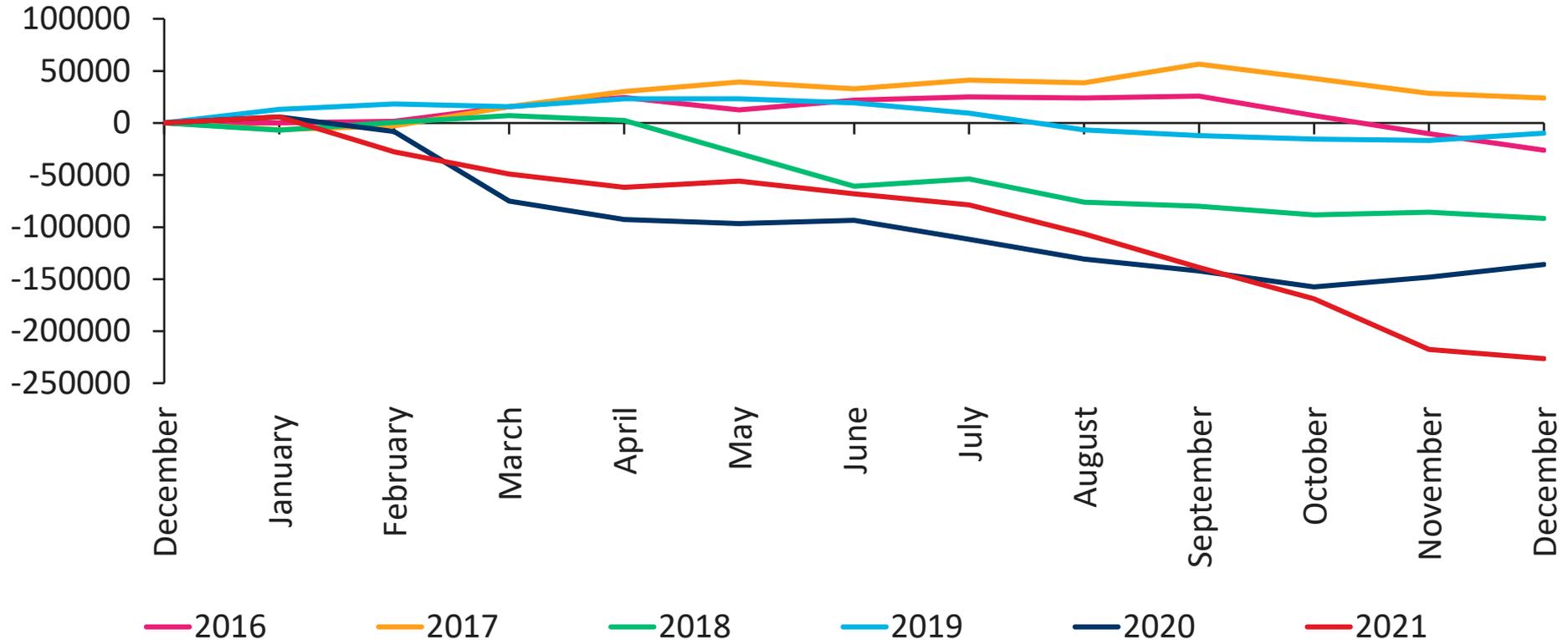
2016 to 2021



Cumulative foreign transaction: Bonds



Cumulative foreign transaction: Bonds





momentum
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Thank you



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