

The background is a dark blue color with several large, overlapping red circles of varying sizes. The circles are semi-transparent, allowing the blue background to show through. The text is positioned on the left side of the image.

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An update on the SA equity market

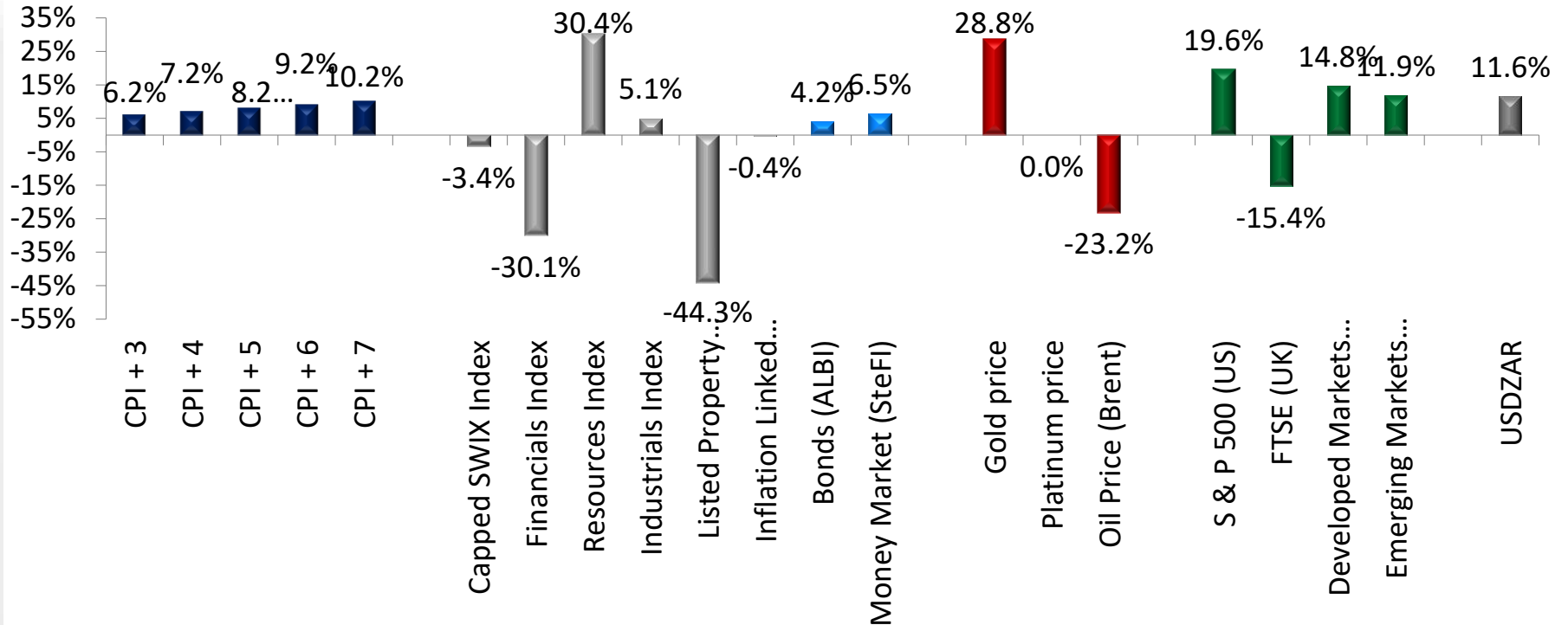
Wayne Dennehy

29 July 2021

Asset class returns



One year to August 2020

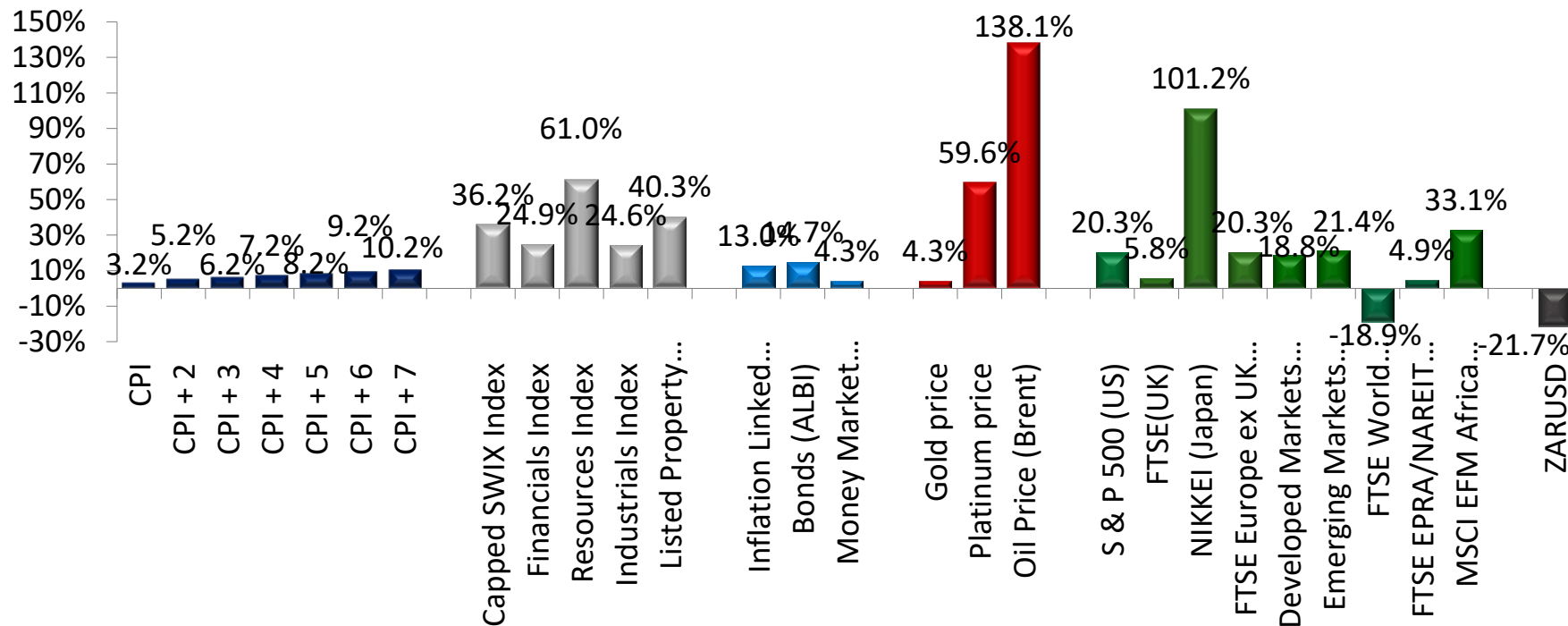


Sources: Iress. Bloomberg. MSCI. Momentum Investments

Asset class returns



One year to April 2021



Sources: Iress. Bloomberg. MSCI. Momentum Investments

Sector analysis

One year to March 2021

Key

Resources

Financials

Industrials



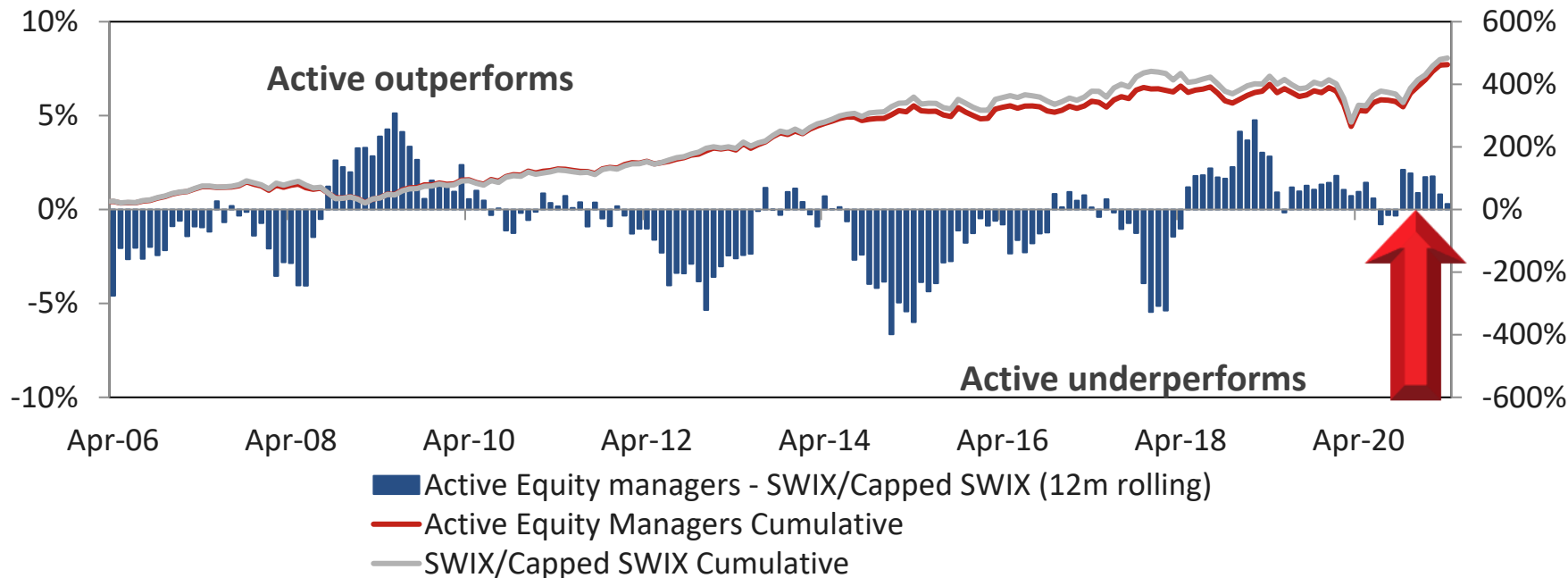
| | | | | | |
|---|--------------------|---------|--|------------------------|---------|
| 1 Chemicals | Basic Materials | 317.40% | 7 Travel and Leisure | Consumer Discretionary | 41.51% |
| 2 Alternative Energy | Energy | 306.45% | 8 Software and Computer Services | Technology | 39.37% |
| 3 Precious Metals and Mining | Basic Materials | 139.06% | 9 Construction and Materials | Industrials | 36.04% |
| 4 Finance and Credit Services | Financials | 135.22% | 10 Real Estate Investment Trusts | Real Estate | 32.23% |
| 5 Industrial Transportation | Industrials | 125.66% | 11 General Industrials | Industrials | 31.97% |
| 6 Oil | Energy | 95.41% | 12 Investment Banking and Brokerage | Financials | 28.41% |
| 7 Industrial Metals and Mining | Basic Materials | 94.33% | 13 Real Estate Investment and Ser | Real Estate | 26.99% |
| | Consumer | | 14 Life Insurance | Financials | 25.88% |
| 8 Retailers | Discretionary | 88.69% | 25 Electronic and Electrical Equipment | Industrials | 24.57% |
| | Consumer | | 26 Beverages | Consumer Staples | 23.20% |
| 9 Consumer Services | Discretionary | 67.61% | 27 Personal Care | Consumer Staples | 14.80% |
| | Consumer | | 28 Food Producers | Consumer Staples | 9.63% |
| 10 Automobiles and Parts | Discretionary | 61.21% | 29 Closed End Investments | Financials | 5.59% |
| 11 Telecommunications Service Providers | Telecommunications | 60.13% | 30 Tobacco | Consumer Staples | 0.96% |
| 12 Pharmaceuticals and Biotechnolgy | Health Care | 52.26% | 31 Health Care Providers | Health Care | -0.98% |
| | Consumer | | 32 Non-life Insurance | Financials | -9.02% |
| 13 Personal Goods | Discretionary | 49.33% | 33 Open End and Misc Investment Vehicles | Financials | -11.98% |
| 14 Industrial Materials | Basic Materials | 48.53% | | | |
| 15 Banks | Financials | 47.37% | | | |
| 16 Industrial Support Services | Industrials | 43.51% | | | |

Source: Barra and Deutsche Securities

Active index analysis: Equity



One-year rolling returns to March 2021



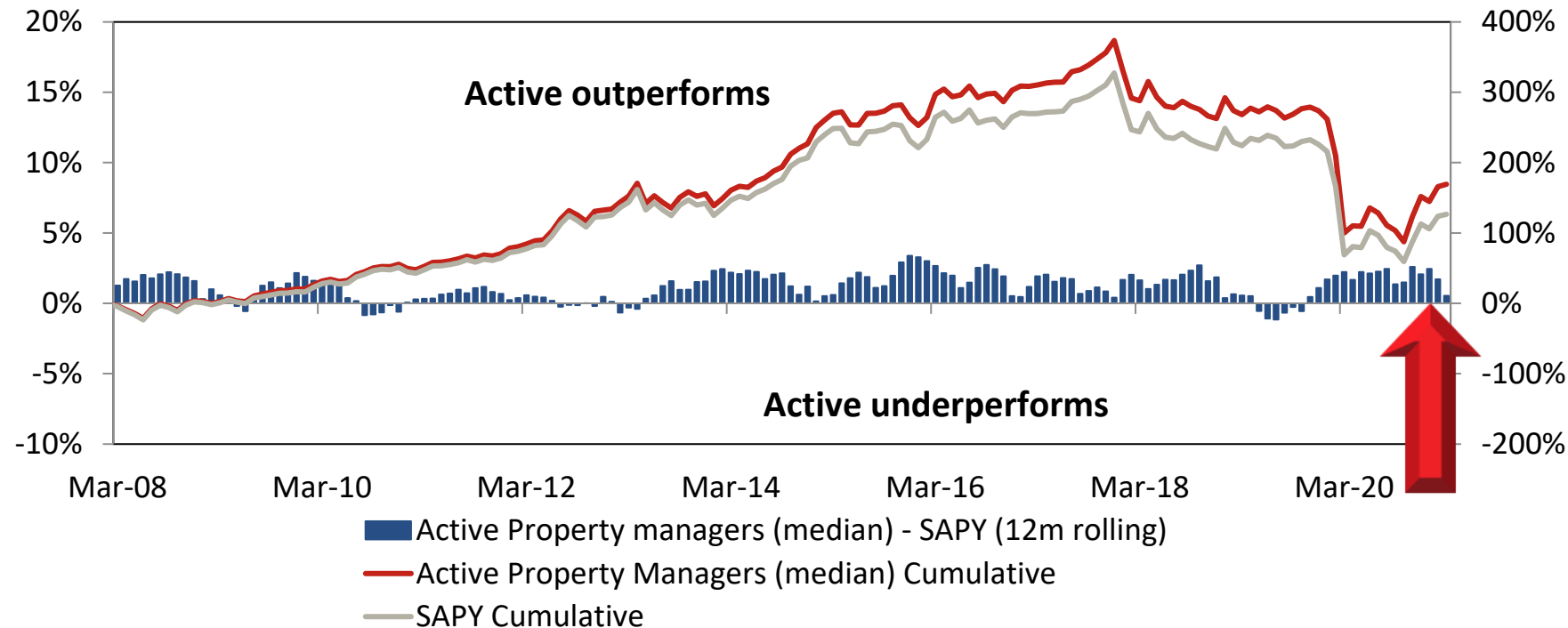
Sources: Alexander Forbes SA Equity Manager Watch™. Iress and Momentum Investments

(Swix until 31 October 2017 and Capped Swix thereafter)

Active index analysis: Property



One-year rolling returns to 31 March 2021



Sources: Alexander Forbes SA Equity Manager Watch™. IRESS and Momentum Investments

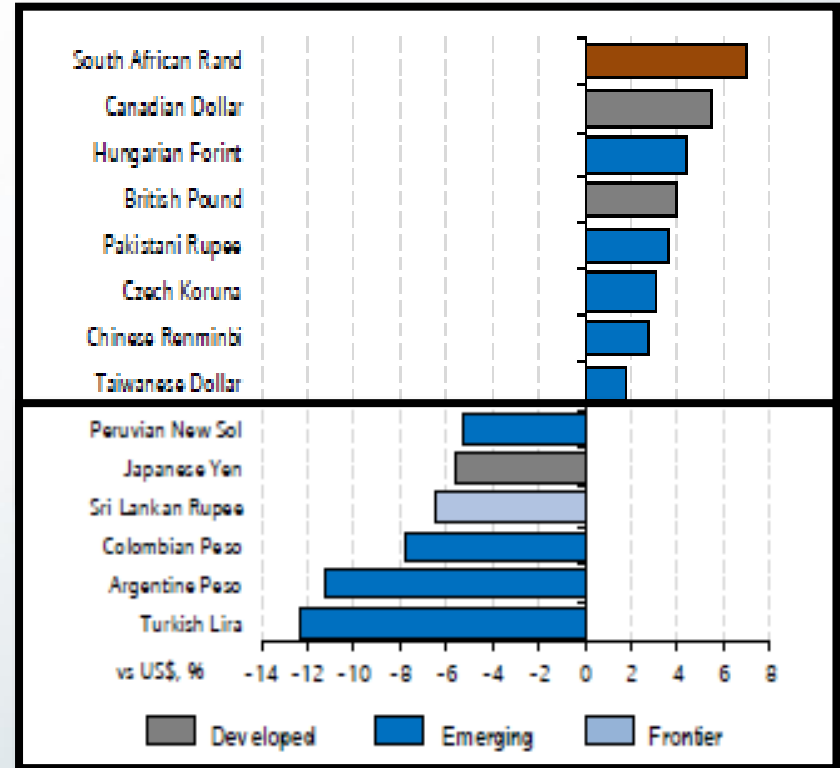
YTD global currencies: The rand has done well



ZAR outperforming EM FX



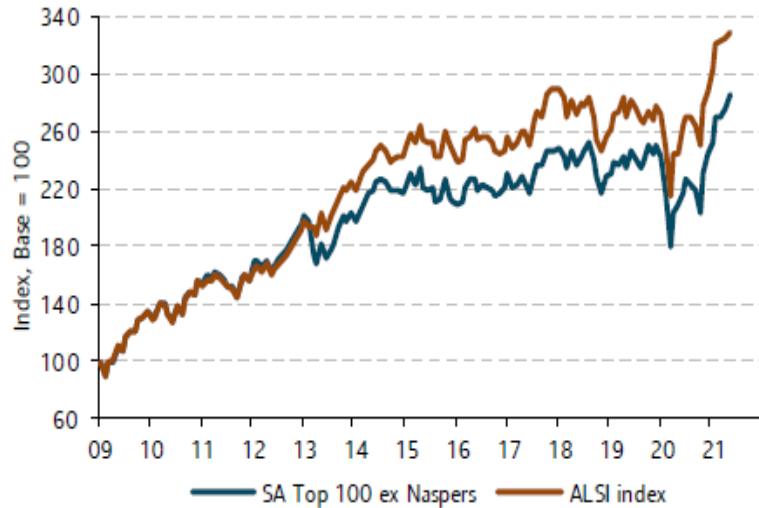
Global FX vs USD (YTD) % change



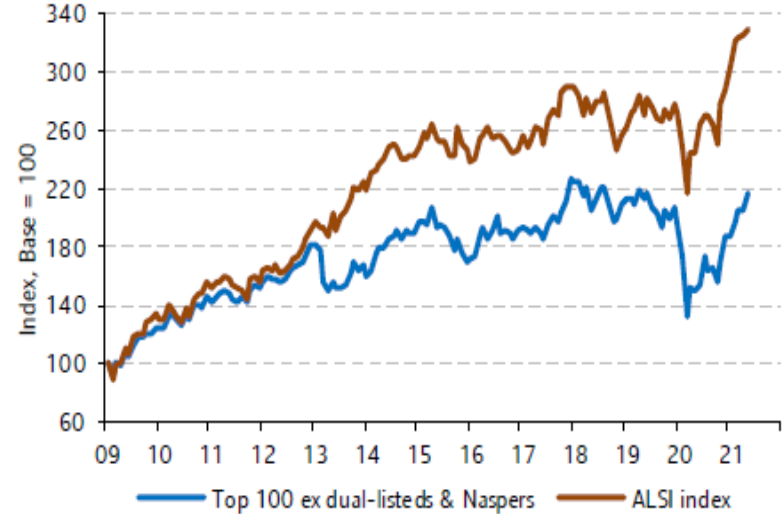
SA equity returns



SA top 100 Equity ex-NPN index returns



SA top 100 equity ex-NPN and dual-listed index returns



Note: Dual listed: Anglo, BHP Billiton, BATS, Capco, Glencore, Hammerson, Intu Prop, Investec plc, Mediclinic, Mondi plc, Old Mutual plc, Richemont, SABMiller, South32, Steinhoff, AB InBev, Prosus.

Constructing the equity part of your portfolio [™]



*Diversify
by style*



*Diversify by
investment
manager*



*Diversify
between active
and passive*

The effect of blending styles in equity



With only one style. the journey is wild

Blended styles gives a smoother journey

Don't try and time equity risk premia

Combine active and passive equity risk premia

SA equity funds at 31 March 2021



Diversification is key

| | |
|--|--------|
| Number of equity funds in SA on 31 March 2021 in the ASISA equity sector | 164 |
| Best fund return for 12 months | 101% |
| Worst fund return for 12 months | 9% |
| Capped SWIX Index Fund (59/164) | 53% |
| Momentum Trending Smart Beta Fund: Three-year ranking | 16/164 |

Source: ASISA report to 31 March 2021

CIS disclosures

Collective investments are generally medium- to long-term investments. The value of participatory interests may go down as well as up and past returns are not necessarily a guide to the future. Momentum Collective Investments (RF) (Pty) Ltd (the management company) does not provide any guarantee, either with respect to the capital or the return of this investment fund. Additional information on the proposed investment including, but not limited to, brochures, application forms, the annual report and any half-yearly report can be obtained, free of charge, at momentuminv.co.za or on request from the management company. A schedule of fees and charges and maximum commissions is available on request from the management company. CISs are traded at ruling prices and can engage in borrowing and securities lending. The CIS may borrow up to 10% of the market value of the investment fund to bridge insufficient liquidity. Different classes of units apply to investment funds, which are subject to different fees and charges. Forward pricing is used.

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Thank you for joining us

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A fund of funds, apart from investments in liquid form, consists solely of participatory interests in investment funds of CIS, which may levy their own charges and could result in a higher fee structure for fund of funds than some other forms of CISs.

All investment fund returns are calculated for a class. Individual investor returns may differ as a result of fees, actual date(s) of investment, date(s) of reinvestment of income and withholding tax. All investment fund returns shown are after the deduction of the total investment charges (TIC) but exclude any initial or ongoing advisory fees that may, if applicable, be charged separately. Annualised returns, also known as compound annualised growth rates, are calculated from cumulative returns and provide an indication of the average annual return achieved from an investment that was held for the stated period. Actual annual figures are available from the management company on request. All investment fund return figures quoted (tables and charts where present) are based on a lump sum investment, using net asset value (NAV) to NAV prices with income distributions reinvested on the ex-dividend date. Inflation figures, where present, are lagged by one month. Cash figures, where present, are Short-term Fixed Interest Composite Index returns. All figures quoted in are in rand terms.

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