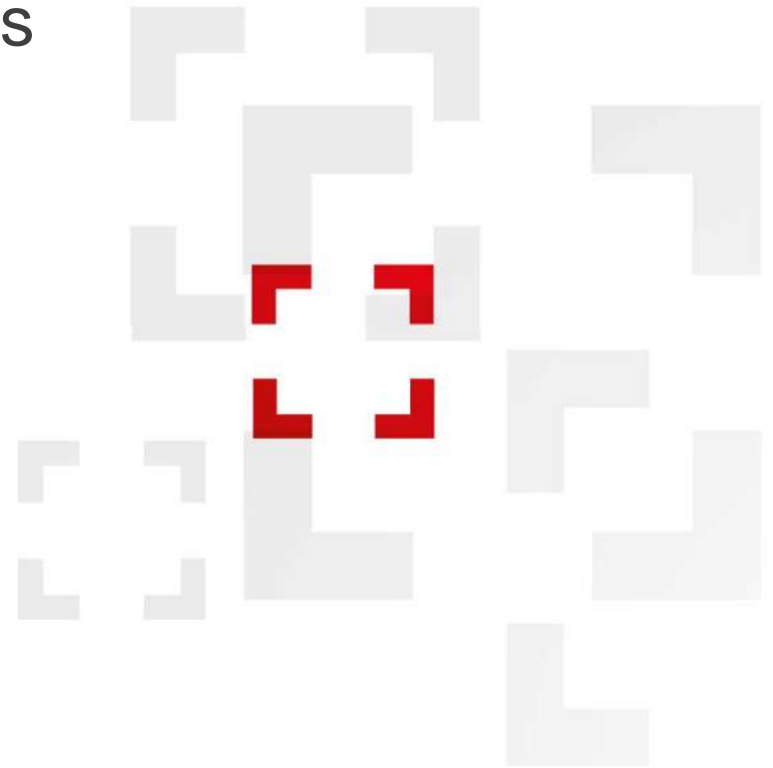


Key market performance drivers

Monthly charts

June 2016



Market returns concentration

One-year returns ending:



June-16

NASPERS		
BRITISH AMERICAN TOBACCO		
ANGLOGOLD ASHANTI LTD		
SABMILLER PLC		
Top 5	SIBANYE GOLD LTD	96%
Top 6	HARMONY	102%
GFIELDS		
STEINHOFF INTL HLD NV		
SAPPI		
Top 10	REINET INVESTMENTS	121%
TIGBRANDS		
RESILIENT REIT LTD		
VODACOM		
CLICKS GROUP LTD		
FORTRESSB		
BLUETEL		
REDEFINE		
NEW EUROPE PROPERTY INVPLC		
ANGLO AMERICAN PLATINUM		
Top 20	BRAIT	142%
Remaining (Positive)		17%
Negative	(86 Shares)	-59%

May-16

NASPERS		
BRITISH AMERICAN TOBACCO		
SABMILLER PLC		
STEINHOFF INTL HLD NV		
Top 5	SASOL	92%
Top 6	SIBANYE GOLD LTD	97%
ANGLOGOLD ASHANTI LTD		
BRAIT		
SAPPI		
Top 10	REINET INVESTMENTS	112%
HARMONY		
RESILIENT REIT LTD		
VODACOM		
TIGBRANDS		
NEW EUROPE PROPERTY INVPLC		
GFIELDS		
FORTRESSB		
CLICKS GROUP LTD		
TRUWORTHS INTERNATIONAL		
Top 20	CAPITEC	129%
Remaining (Positive)		16%
Negative	(79 Shares)	-45%

April-16

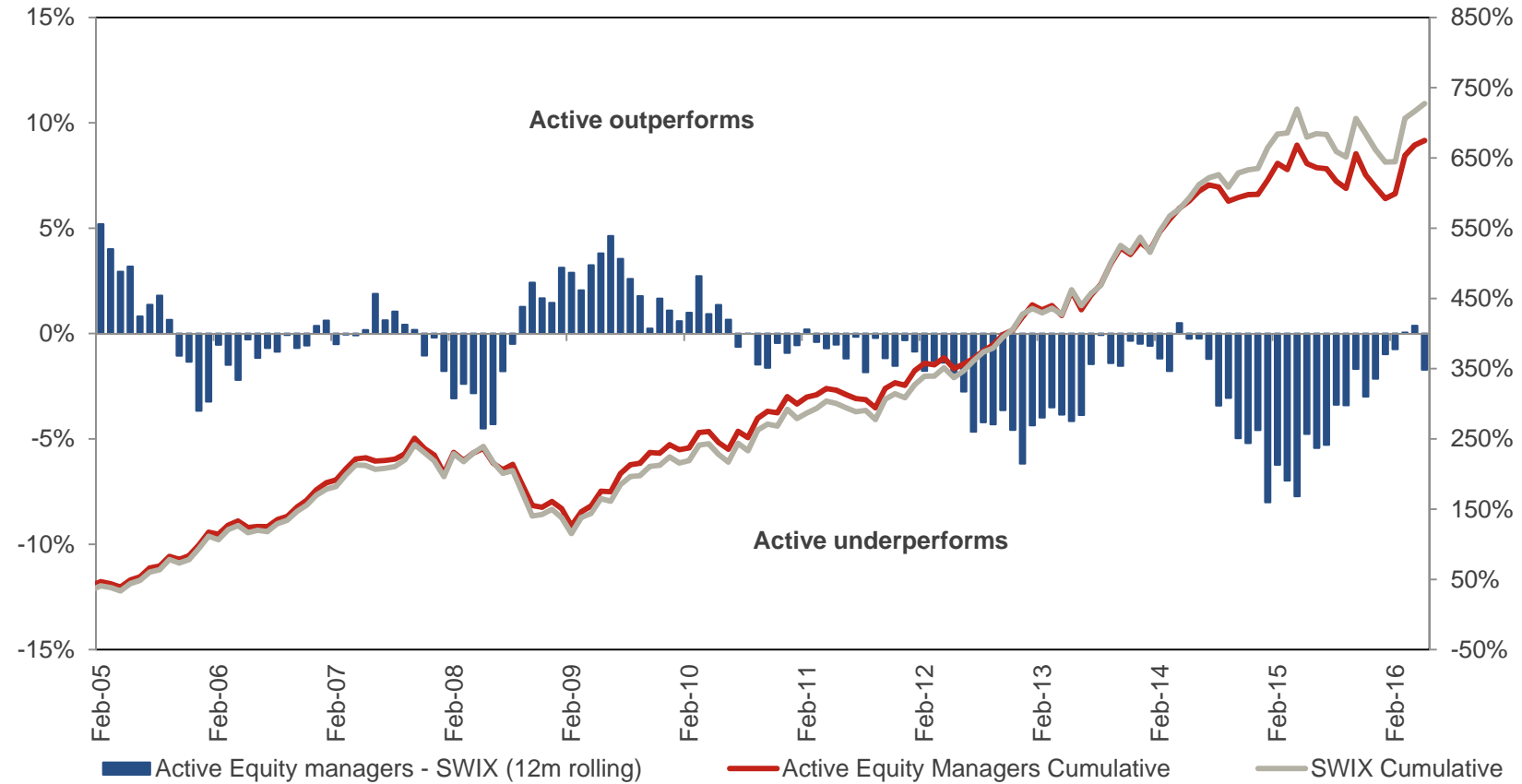
BRITISH AMERICAN TOBACCO		
SABMILLER PLC		
STEINHOFF INTL HLD NV		
BRAIT		
Top 5	NASPERS	112%
Top 6	SIBANYE GOLD LTD	125%
ANGLOGOLD ASHANTI LTD		
BIDVEST		
HARMONY		
Top 10	RESILIENT REIT LTD	154%
TRUWORTHS INTERNATIONAL		
REINET INVESTMENTS		
NEW EUROPE PROPERTY INVPLC		
TIGBRANDS		
VODACOM		
SAPPI		
ANGLO AMERICAN PLATINUM		
FORTRESSB		
GFIELDS		
Top 20	BLUETEL	186%
Remaining (Positive)		32%
Negative	(76 Shares)	-118%

Market-cap weighted returns: 10 shares contributed 121% to the return of the SWIX, while 20 shares contributed 142%

Source: Barra, Deutsche Securities and Momentum Investments

Active-index analysis

One-year rolling active to May* 2016



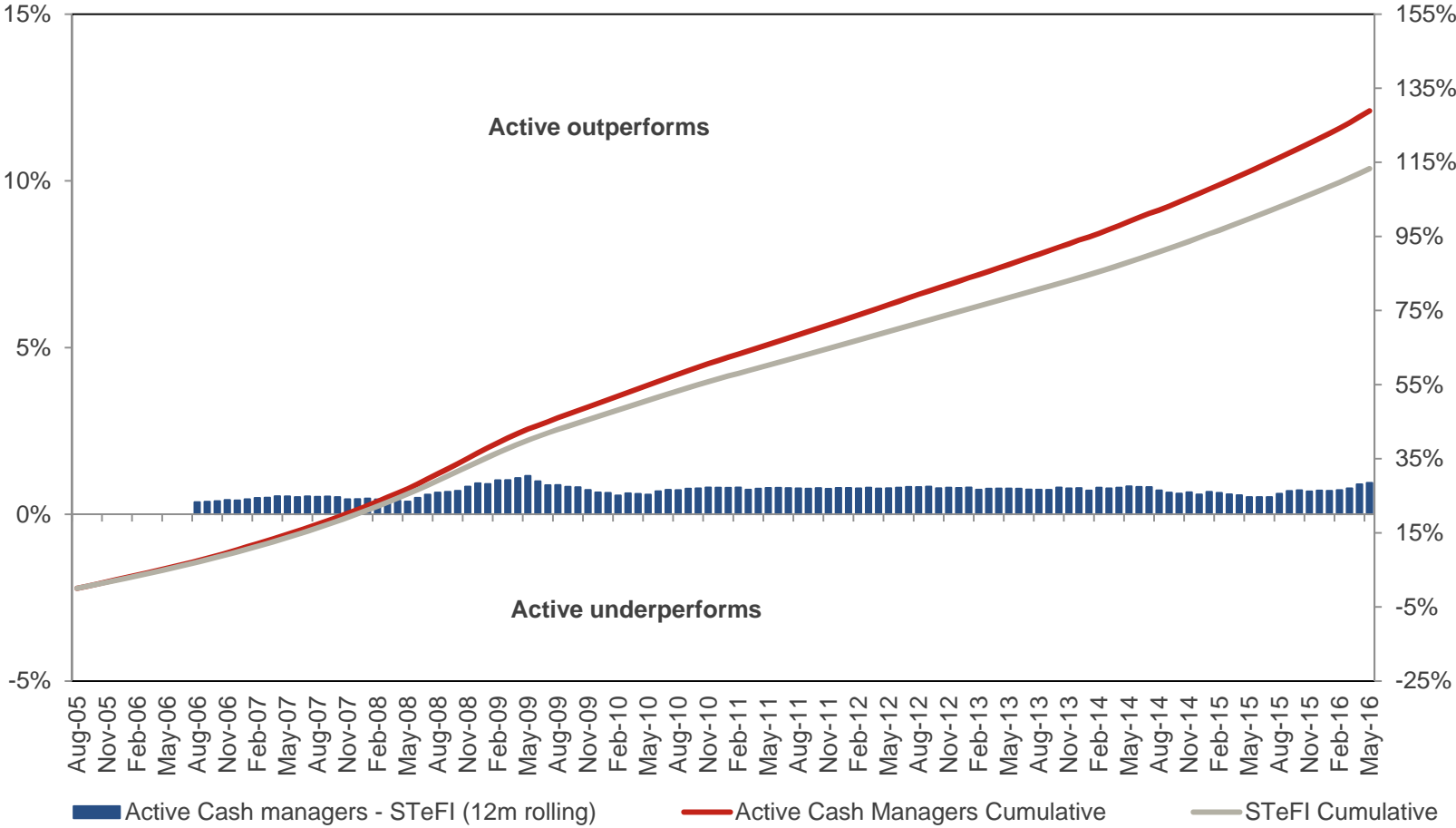
The average of the active equity managers underperformed the SWIX for the year ended May 2016

Source: Alexander Forbes S.A. Equity Manager Watch™ Survey, INET BFA and Momentum Investments

* Lagged by one month due to availability of data

Active versus tracker: Cash (lagged by one month)

One-year rolling average to May* 2016

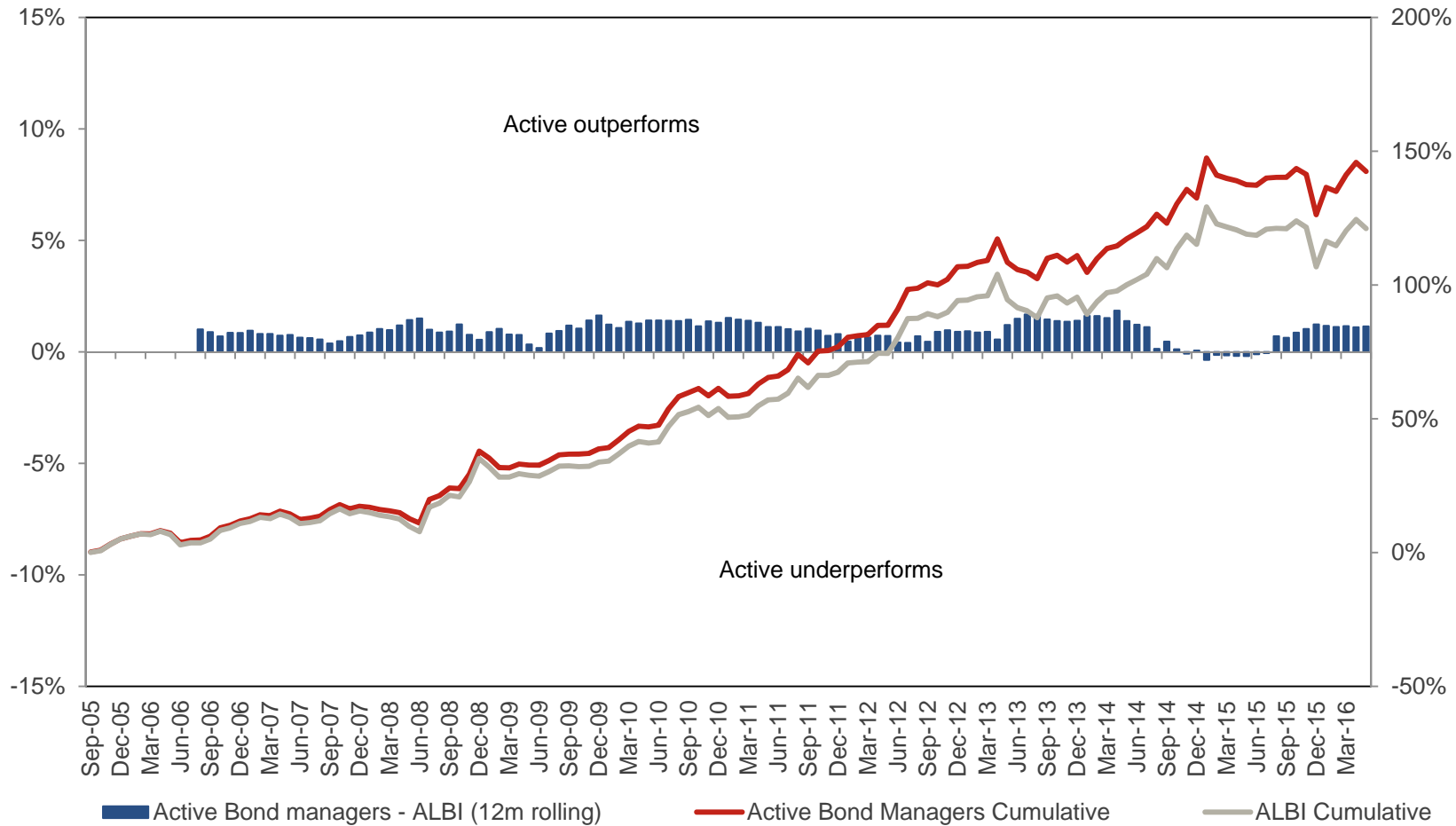


Source: Alexander Forbes S.A. Money Market Manager Watch™ Survey, INET BFA and Momentum Investments

* Lagged by one month due to availability of data

Active versus tracker: Bonds (lagged by one month)

One-year rolling average to May* 2016

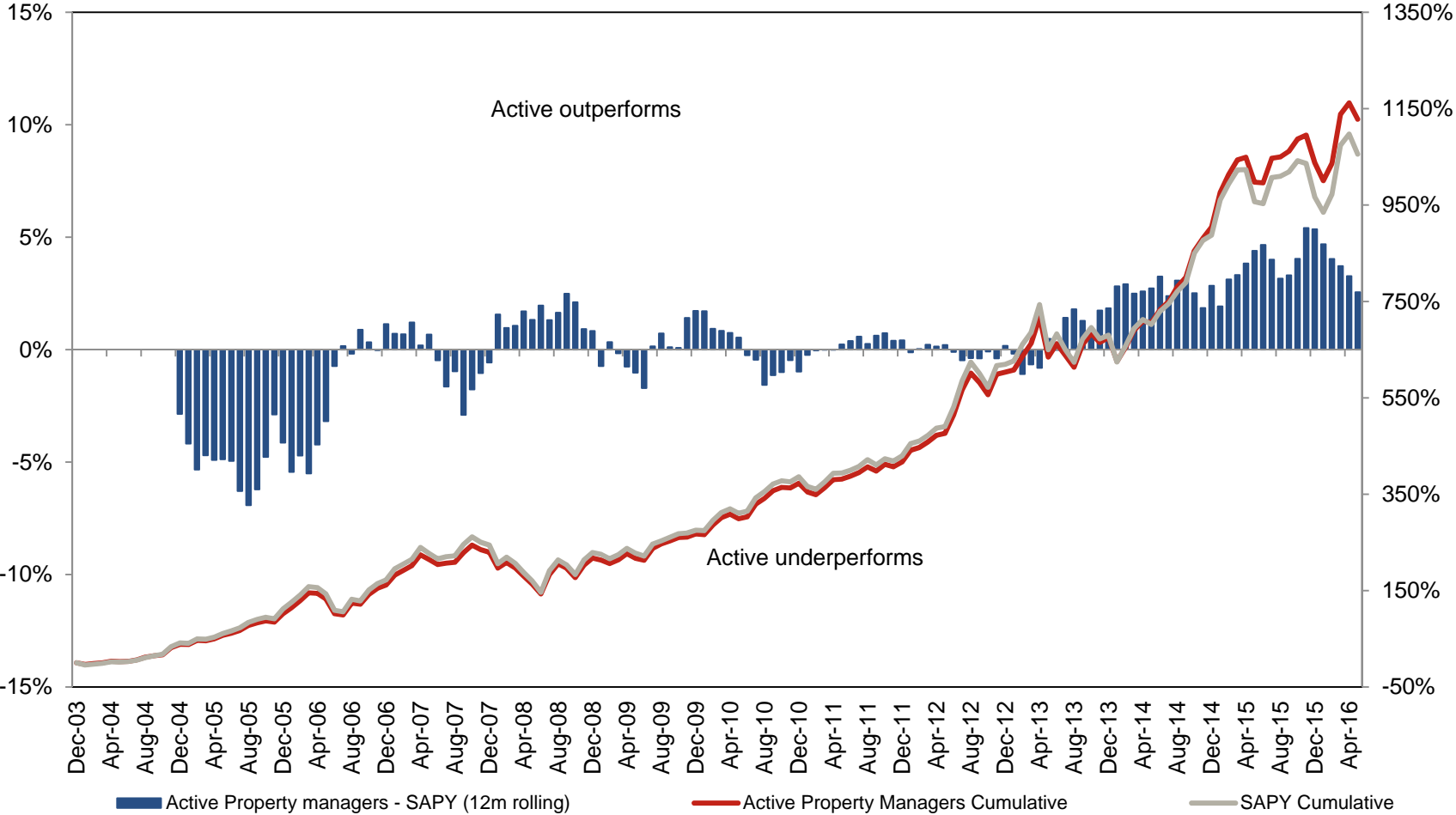


Source: Alexander Forbes S.A Bond Manager Watch™ Survey, INET BFA and Momentum Investments

* Lagged by one month due to availability of data

Active versus tracker: Property (lagged by one month)

One-year rolling average to May* 2016



Source: Alexander Forbes S.A. Property Manager Watch™, INET BFA and Momentum Investments

* Lagged by one month due to availability of data

Style returns for South Africa

Data to June 2016



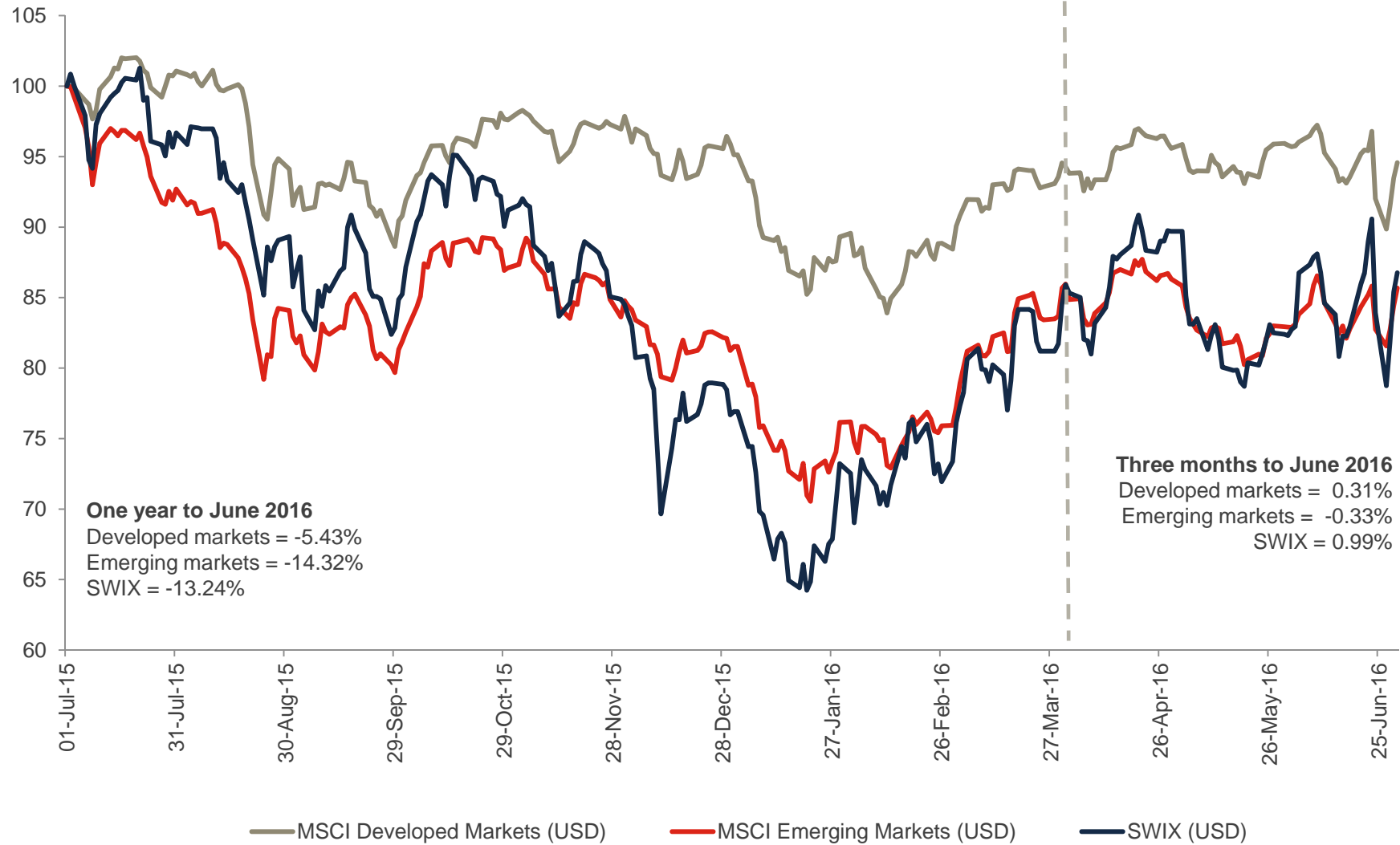
ZAR	Styles	One month to June 2016	Three months to June 2016	One year to June 2016	Three years to June 2016	Five years to June 2016	Ten years to June 2016	Twenty years to June 2016
Value	Book to Price	-0.28	1.83	7.08	-2.25	-4.25	-2.15	2.16
	Dividend Yield	-3.58	-0.78	1.83	-1.61	-2.99	1.23	3.99
	Earnings Yield	-4.56	-2.25	-8.76	-4.27	-2.66	-1.25	2.45
	Cash Flow Yield	3.24	2.10	9.12	-2.02	-0.69	-1.14	2.83
	Sales to Price	-0.07	-0.96	4.41	-2.36	-3.50	-2.48	2.27
Quality	ROE	-1.18	0.90	-3.88	-2.85	1.37	0.64	-1.81
	ROIC LT	-1.17	-0.24	-4.07	-5.19	-1.61	-1.13	-2.55
	Income to Sales	-4.01	-2.97	0.33	-1.11	1.36	0.57	-0.92
	Low market beta	0.03	0.69	11.71	6.15	5.47	-1.45	1.58
	Low Debt/Equity	1.85	2.66	-1.61	-3.19	-1.54	-2.88	-1.58
	EBIT Margin Stability	-1.09	0.90	-0.50	2.91	6.48	3.75	-0.55
Growth	Earnings Growth	-3.43	-0.81	-5.97	-3.37	-0.53	-1.58	-1.65
	Sales Growth	-2.41	1.54	-1.16	-1.09	1.60	1.31	0.08
	12M Earning Growth	3.21	3.84	2.71	0.54	-3.23	1.46	6.26
Momentum	FY1 Earnings Revisions	-0.87	-1.26	1.67	7.43	6.33	9.99	8.55
	Short Term Momentum	2.72	-1.24	17.23	5.03	3.95	0.61	-1.37
	Medium Term Momentum	-0.17	0.21	3.06	7.62	9.09	5.42	6.99
Size	Size	1.89	-0.58	-1.44	0.02	0.03	0.31	-0.36

The short-term returns for some Quality and Growth factors were good. There were strong returns for periods longer than a year from the Momentum factors, particularly Short- and Medium-term Momentum.

Source: FactSet , Momentum Global Investment Management and Momentum Investments

MSCI developed and emerging markets

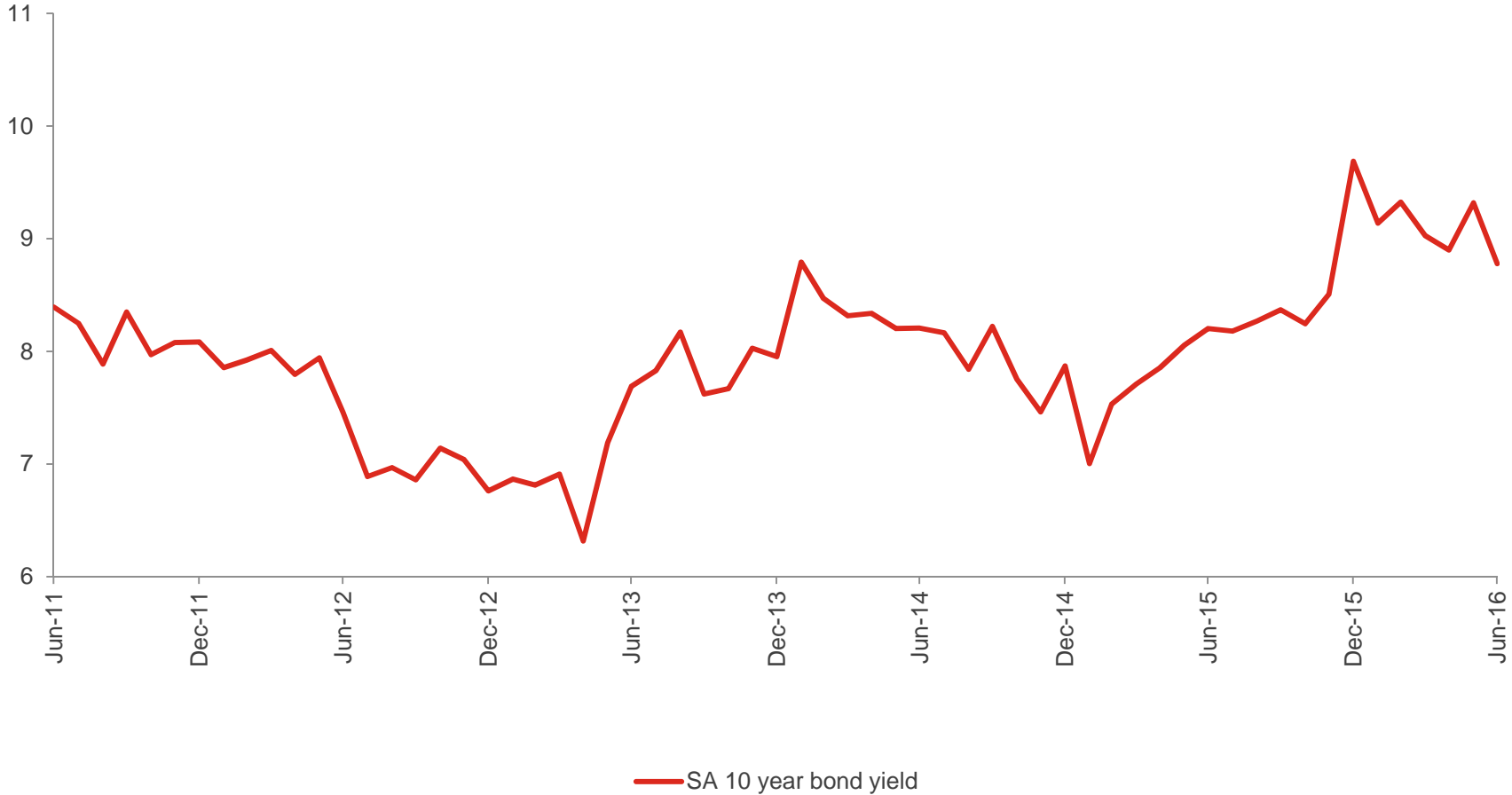
One year to June 2016



Source: INET BFA, MSCI and Momentum Investments

SA 10-year bond yields

Five years to June 2016



SA 10-year bond yields decreased by 54 bps for June 2016
Source: INET BFA and Momentum Investments

Yield of R197 (inflation-linked bond)

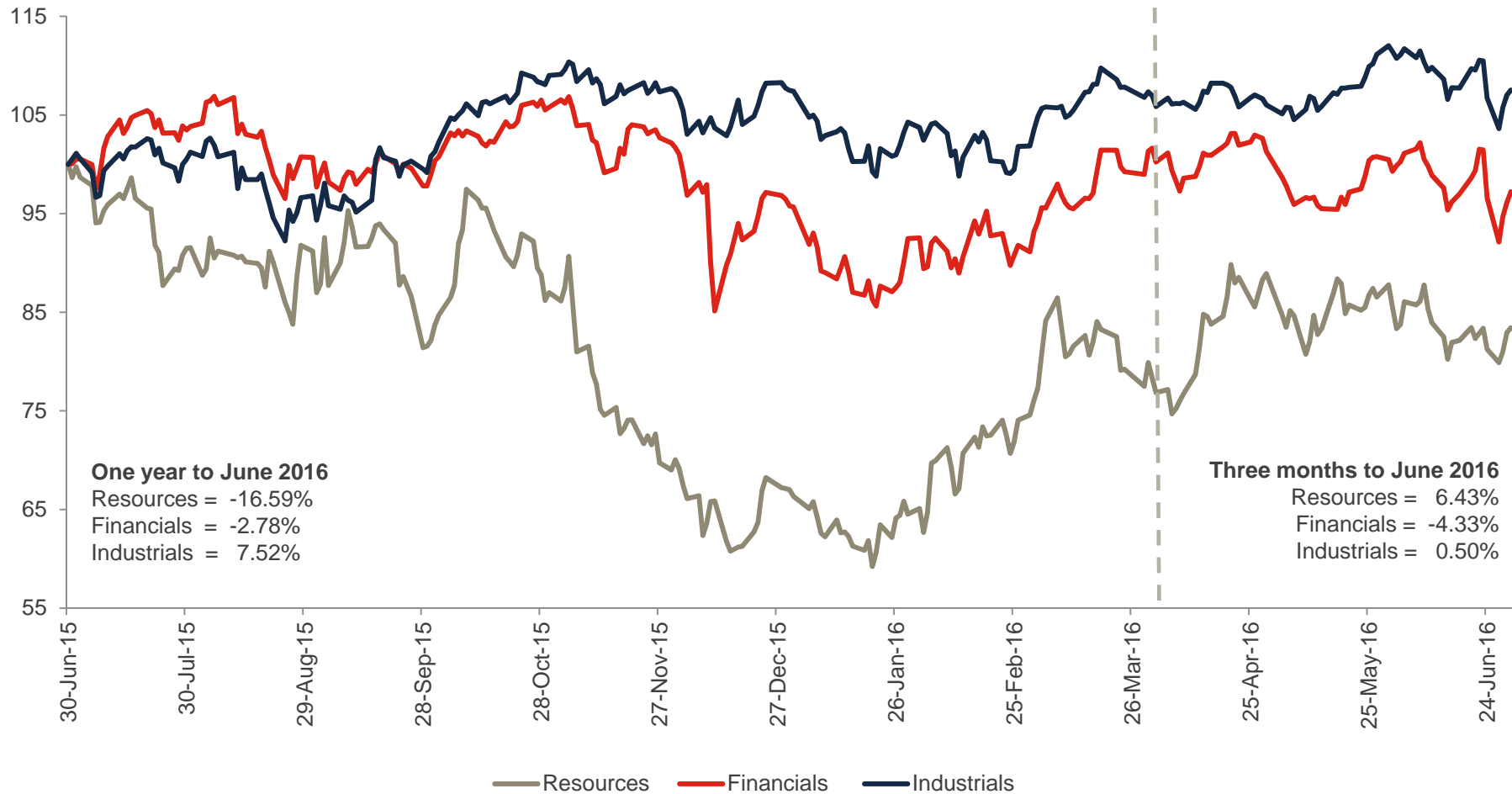
Since May 2001 to June 2016



Inflation-linked bond yields ended marginally lower for June 2016
Source: INET BFA and Momentum Investments

FTSE/JSE sectors

One year to June 2016

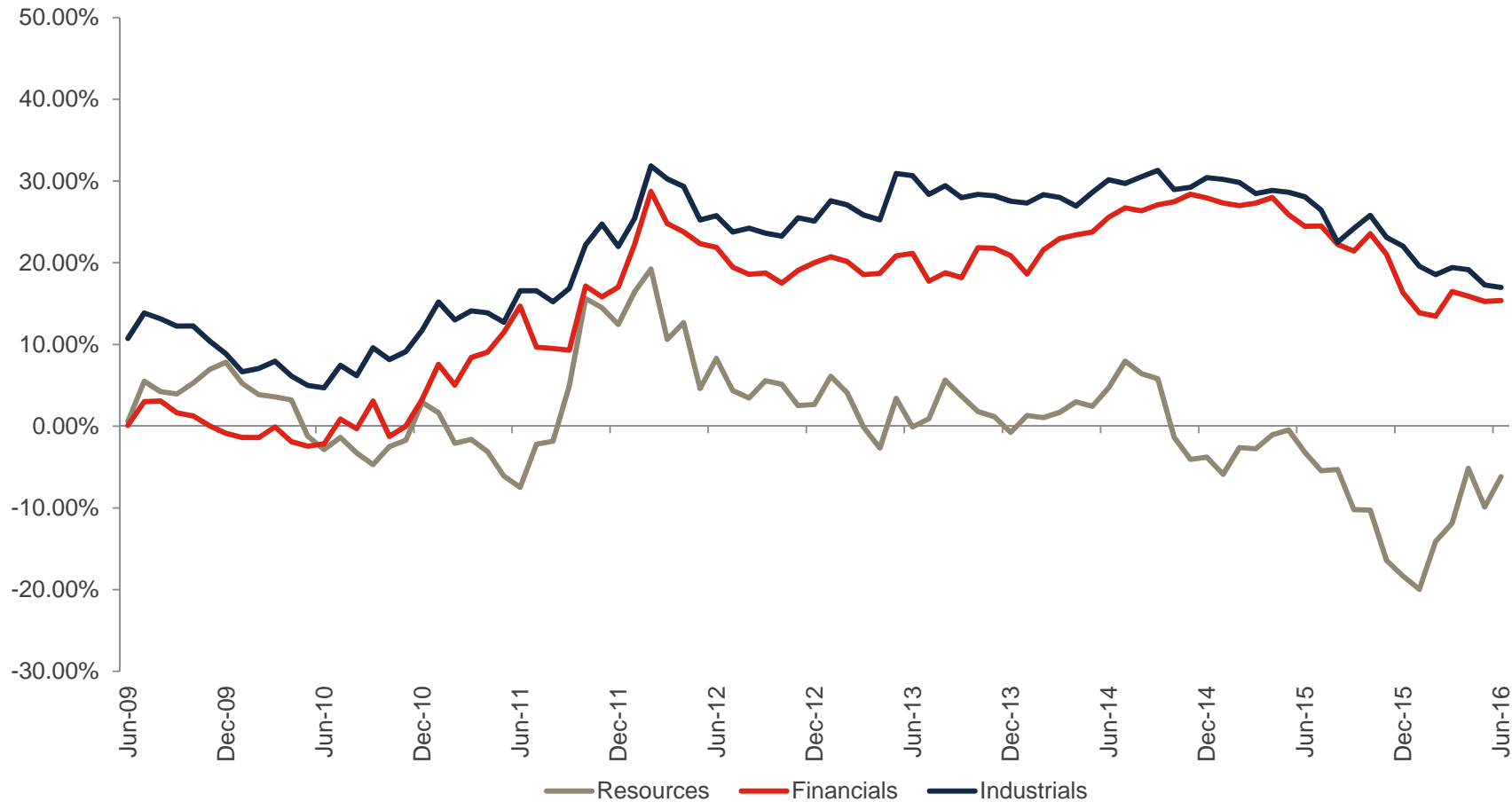


FTSE/JSE Resources had the best return for the last quarter with 6.43%

Source: INET BFA and Momentum Investments

FTSE/JSE sectors

Rolling three-year return to June 2016



The three-year rolling picture has remained relatively unchanged since 2012, with industrials ahead of financials, while resources continued to lag

Source: INET BFA and Momentum Investments

Returns are annualised

FTSE/JSE sectors

Decomposed (three months to June 2016)



Three months to June 2016

1	Industrial Metals	Basic Materials	39.6%	19	General Retailers	Consumer Services	-1.1%
2	Fixed Line Telecommunications	Telecommunication	20.1%	20	Forestry & Paper	Basic Materials	-1.5%
3	Gold Mining	Mining	16.4%	21	Food & Drug Retailers	Consumer Services	-1.6%
4	Travel & Leisure	Consumer Services	14.0%	22	Non-life Insurance	Financials	-2.3%
5	General Mining	Mining	12.7%	23	Banks	Financials	-3.1%
6	Pharmaceuticals & Biotechnology	Health Care	12.6%	24	Industrial Transportation	Industrials	-4.5%
7	Support Services	Industrials	11.9%	25	Coal Mining	Mining	-5.3%
8	Food Producers	Consumer Goods	10.9%	26	Software & Computer Services	Technology	-5.3%
9	General Industrials	Industrials	9.1%	27	Beverages	Consumer Goods	-5.3%
10	Media	Consumer Services	8.6%	28	Life Insurance	Financials	-6.6%
11	Tobacco	Consumer Goods	8.6%	29	Construction & Materials	Industrials	-7.4%
12	Automobiles & Parts	Consumer Goods	6.4%	30	Electronic & Electrical Equipment	Industrials	-7.7%
13	Mobile Telecommunications	Telecommunication	6.3%	31	Chemicals	Basic Materials	-8.2%
14	Equity Investment Instruments	Financials	5.7%	32	Real Estate Investment & Services	Financials	-9.2%
15	Platinum Mining	Mining	5.1%	33	General Financial	Financials	-10.0%
16	Health Care Equipment & Services	Health Care	2.1%	34	Household Goods	Consumer Goods	-13.0%
17	Industrial Engineering	Industrials	0.3%	35	Personal Goods	Consumer Goods	-13.1%
18	Real Estate Investment Trusts	Financials	-1.0%				

Key

Resources

Financials

Industrials

Industrial Metals (Kumba Iron Ore) and Fixed Line Telecommunications (Telkom) were the best-performing sectors for the last three months

Source: Barra, Deutsche Securities and Momentum Investments

FTSE/JSE sectors

Decomposed (one year to June 2016)



One year to June 2016

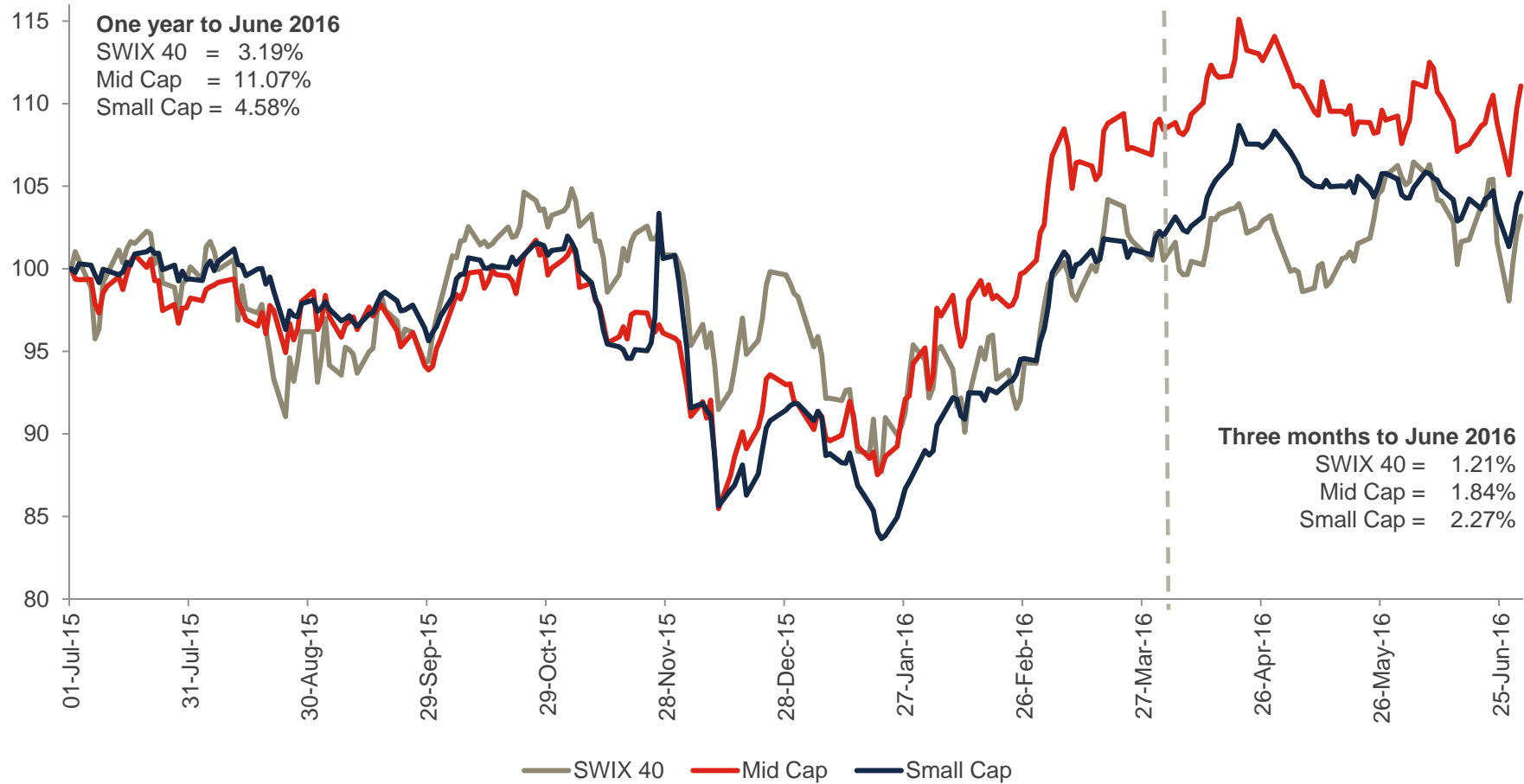
1	Gold Mining	Mining	133.4%	19	Life Insurance	Financials	-1.9%
2	Tobacco	Consumer Goods	48.3%	20	General Financial	Financials	-4.5%
3	Beverages	Consumer Goods	36.5%	21	Chemicals	Basic Materials	-7.9%
4	Media	Consumer Services	18.3%	22	General Retailers	Consumer Services	-7.9%
5	Fixed Line Telecommunications	Telecommunication	15.0%	23	Platinum Mining	Mining	-10.4%
6	Equity Investment Instruments	Financials	14.2%	24	Industrial Transportation	Industrials	-11.1%
7	General Industrials	Industrials	13.7%	25	Banks	Financials	-12.7%
8	Food Producers	Consumer Goods	12.9%	26	Electronic & Electrical Equipment	Industrials	-12.7%
9	Forestry & Paper	Basic Materials	12.7%	27	Personal Goods	Consumer Goods	-12.8%
10	Household Goods	Consumer Goods	11.6%	28	Industrial Engineering	Industrials	-15.5%
11	Non-life Insurance	Financials	10.4%	29	Software & Computer Services	Technology	-17.5%
12	Real Estate Investment Trusts	Financials	9.4%	30	Construction & Materials	Industrials	-18.2%
13	Health Care Equipment & Services	Health Care	6.4%	31	General Mining	Mining	-18.6%
14	Real Estate Investment & Services	Financials	4.8%	32	Coal Mining	Mining	-20.7%
15	Food & Drug Retailers	Consumer Services	4.5%	33	Mobile Telecommunications	Telecommunication	-24.4%
16	Travel & Leisure	Consumer Services	3.3%	34	Support Services	Industrials	-34.4%
17	Pharmaceuticals & Biotechnology	Health Care	1.5%	35	Automobiles & Parts	Consumer Goods	-42.2%
18	Industrial Metals	Basic Materials	0.0%				

Key
 Resources
 Financials
 Industrials

Source: Barra, Deutsche Securities and Momentum Investments

FTSE/JSE market caps

One year to June 2016

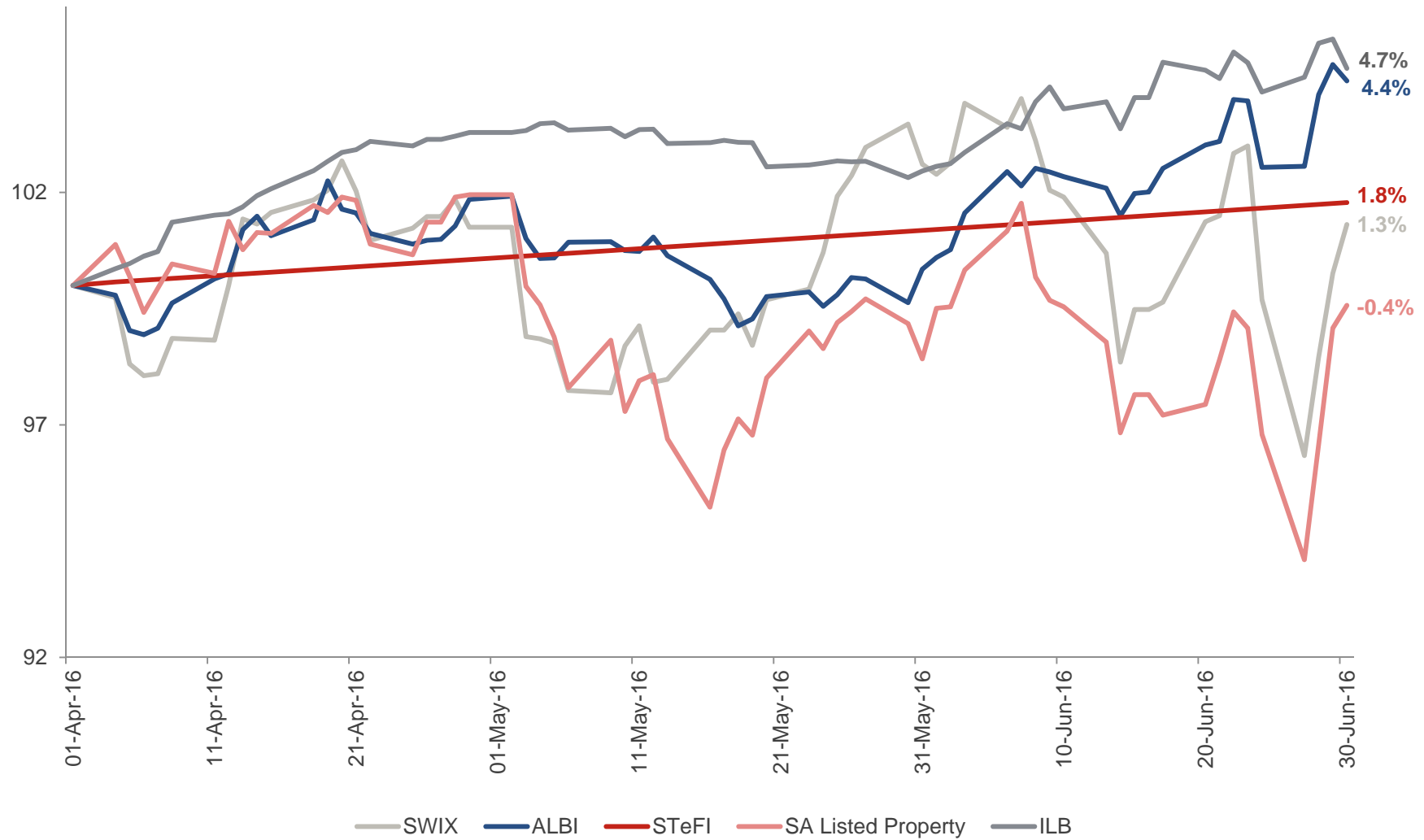


The FTSE/JSE Large Cap, Mid-cap and Small-cap indices all had positive returns for the last year and quarter

Source: INET BFA and Momentum Investments

Local asset classes

Three months to June 2016

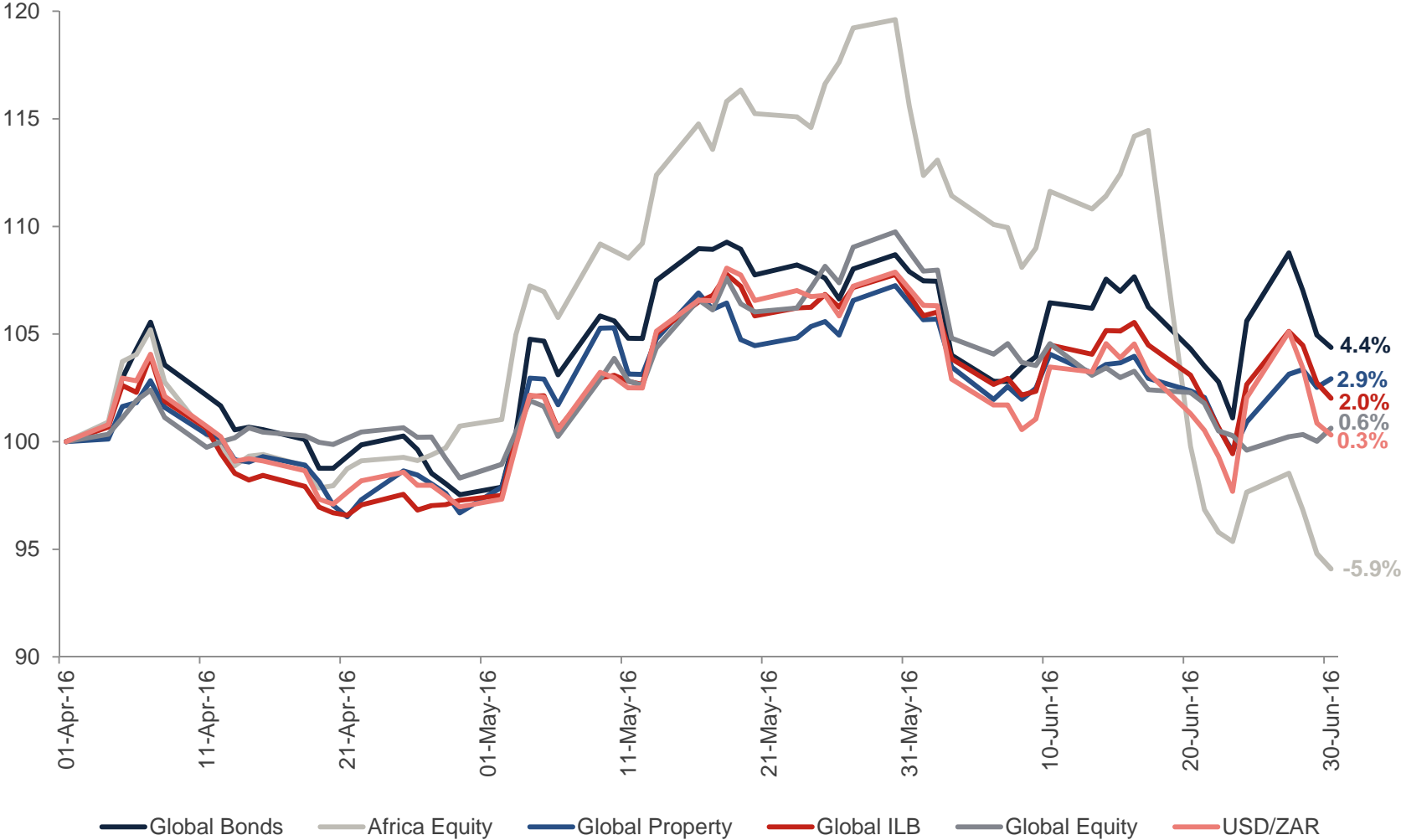


Source: INET BFA and Momentum Investments

All returns in rand terms

Global asset classes

Three months to June 2016

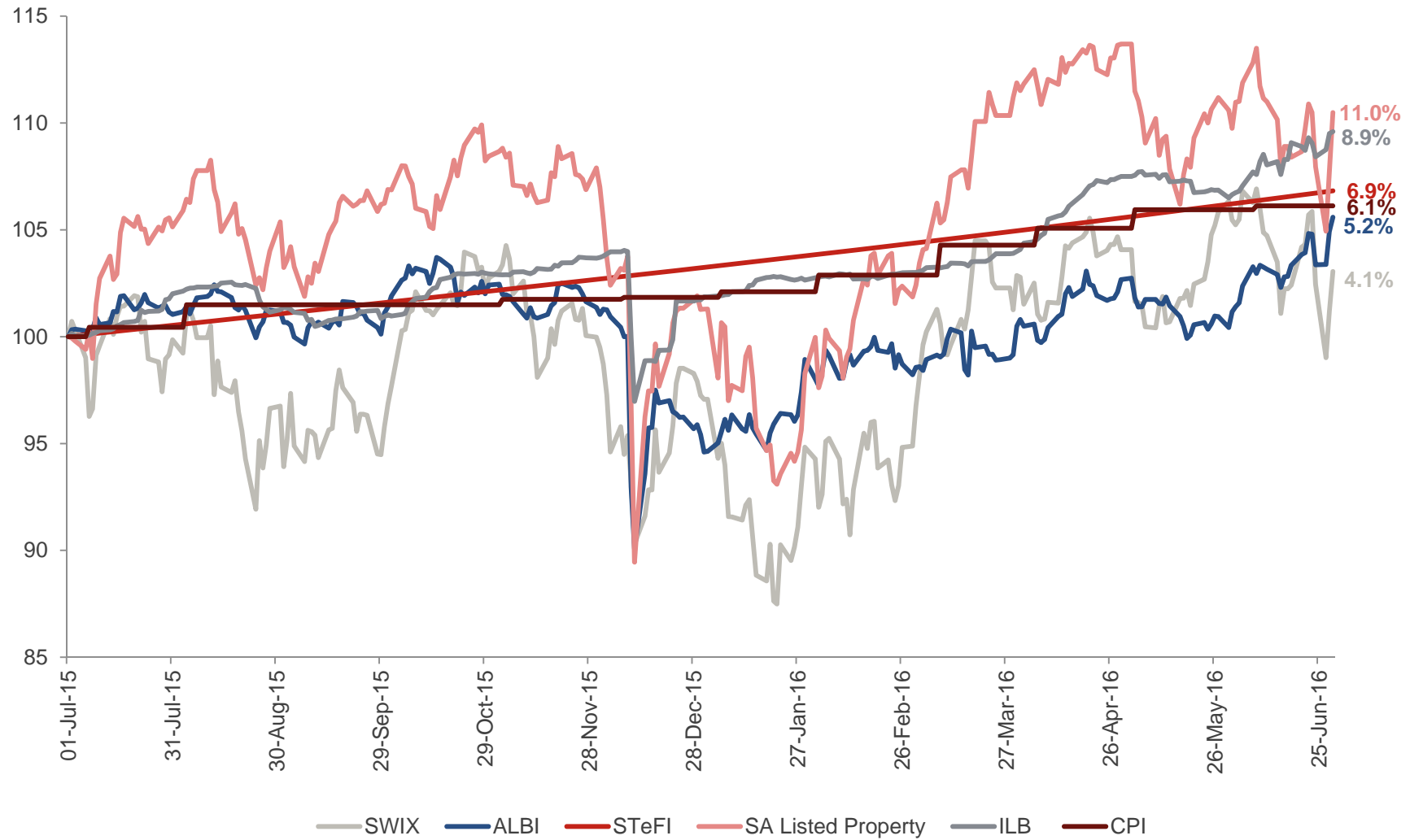


Source: INET BFA and Momentum Investments

All returns in rand terms

Local asset classes

One year to June 2016



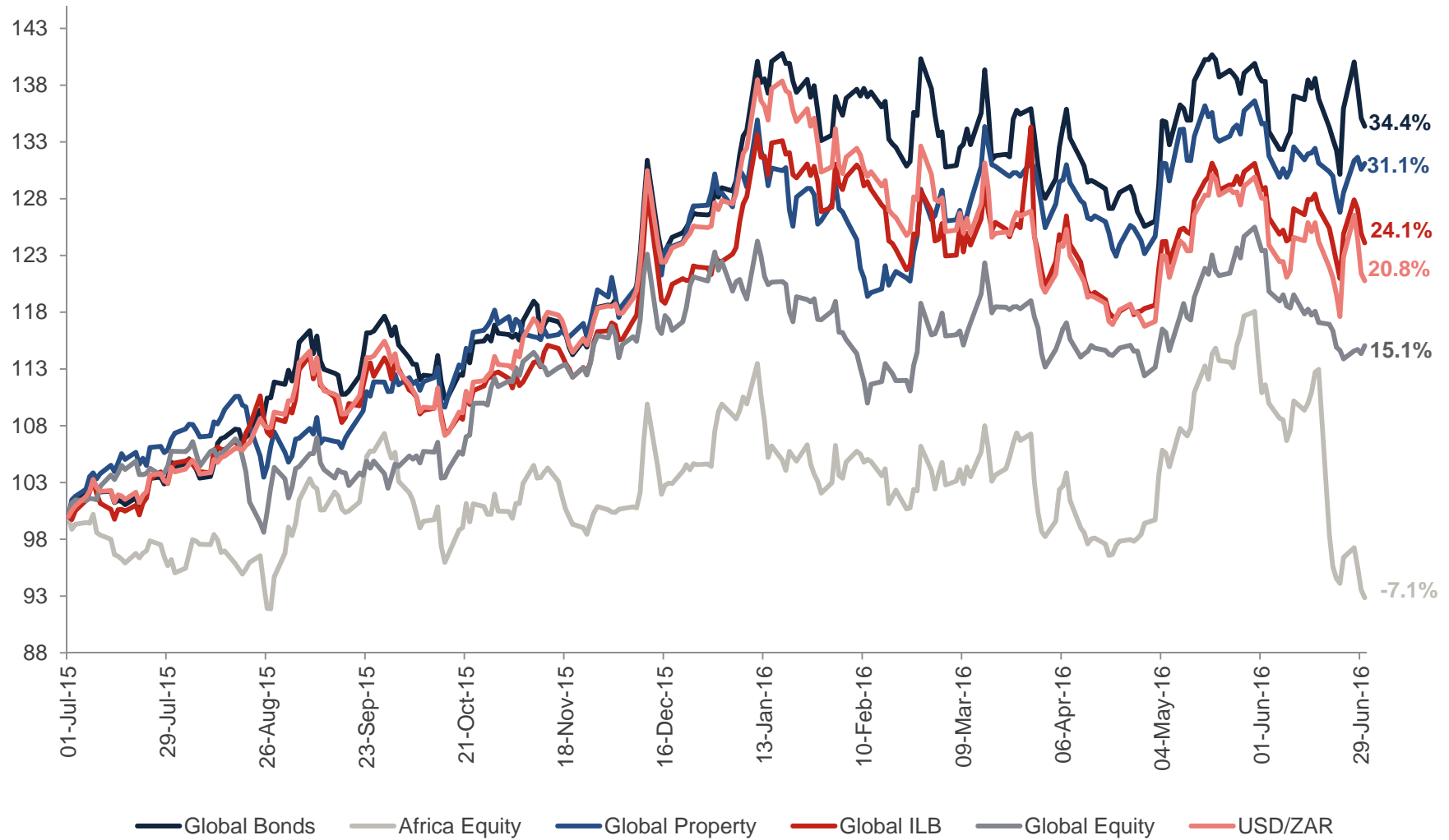
Source: INET BFA and Momentum Investments

*CPI is lagged by one month due to availability of inflation data

All returns in rand terms

Global asset classes

One year to June 2016

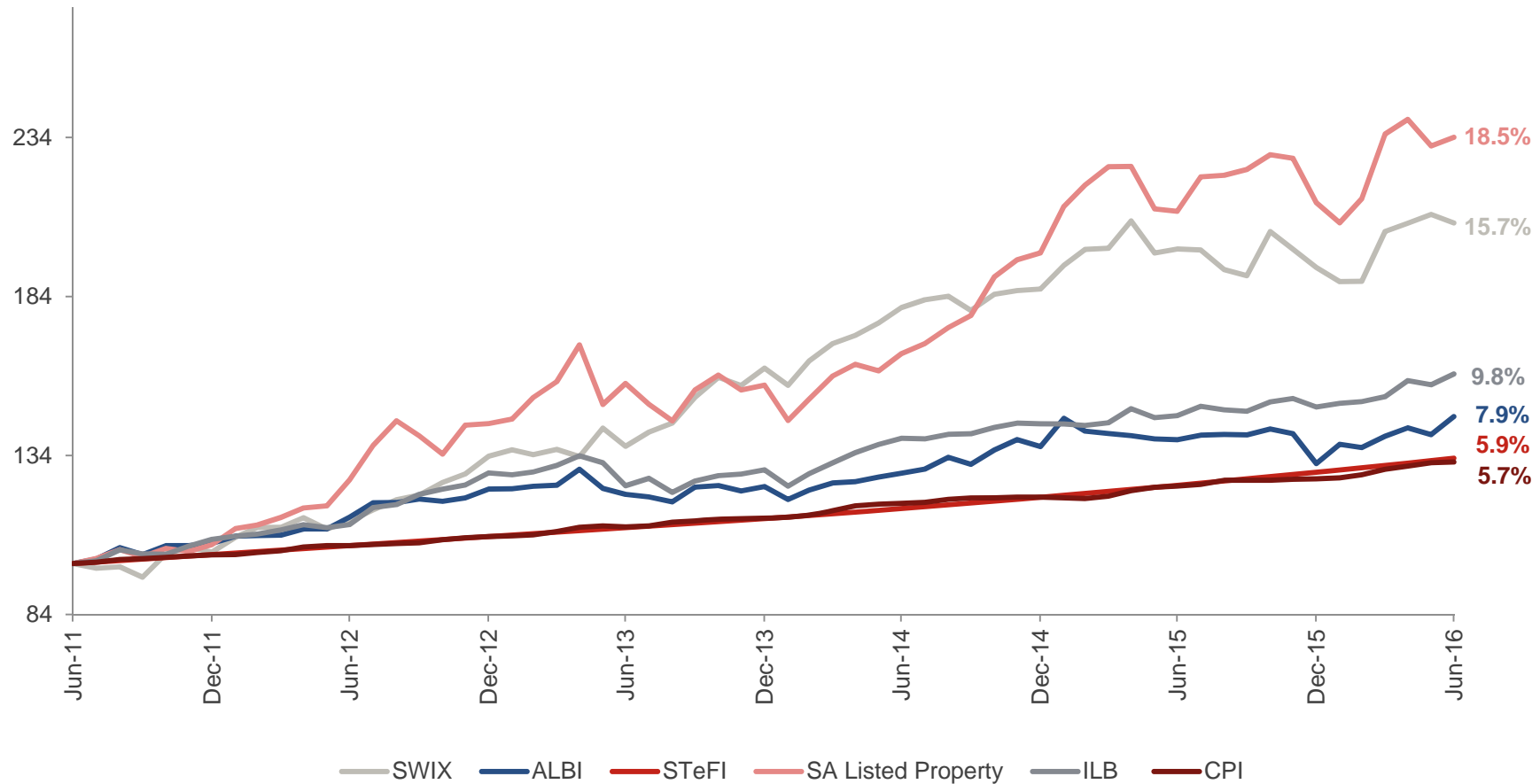


Source: INET BFA and Momentum Investments

All returns in rand terms

Local asset classes

Five years to June 2016



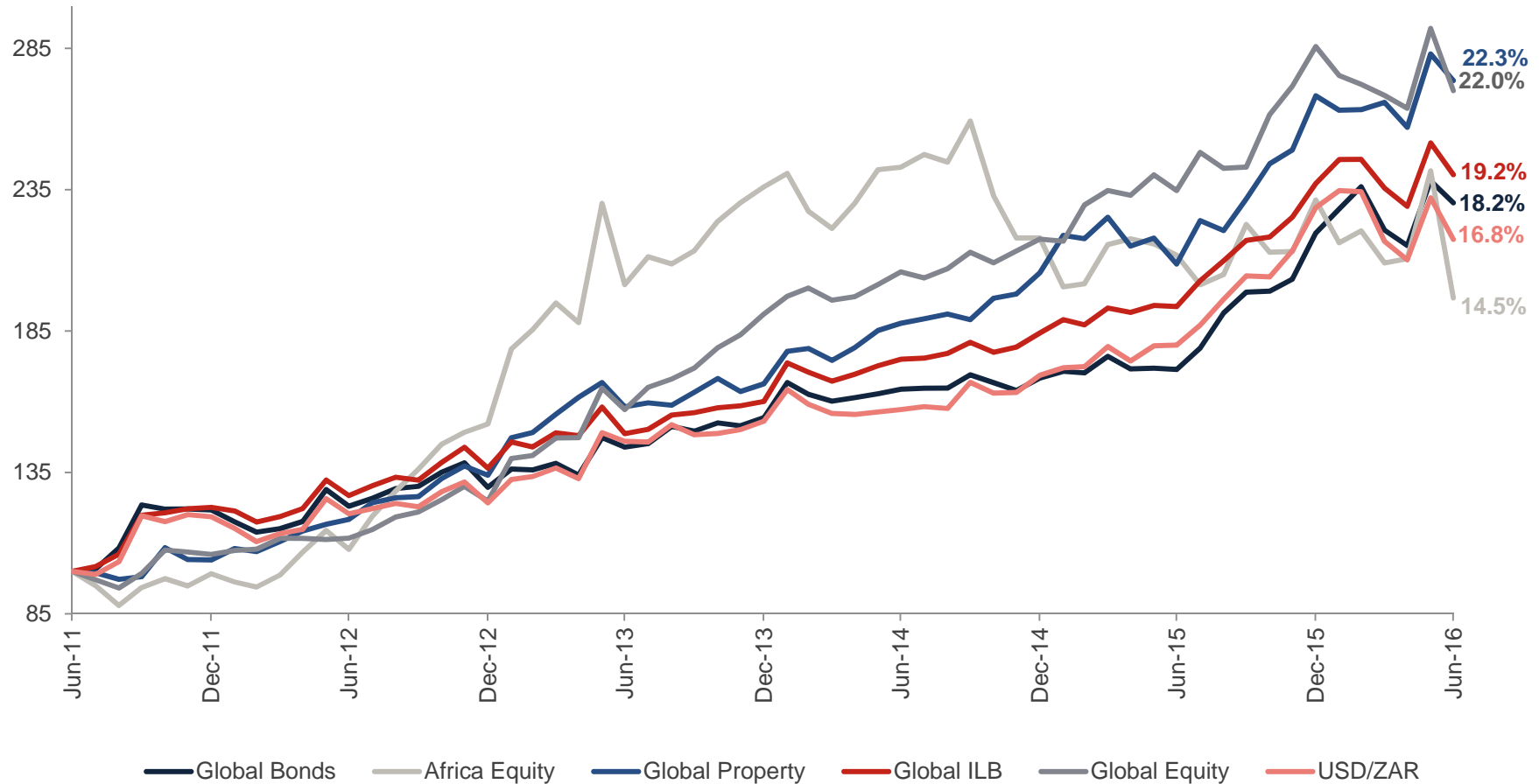
The FTSE/JSE SA Listed Property and the FTSE/JSE SWIX remained in the lead for the five-year period. All the depicted asset classes ended the period ahead of inflation* (five-year inflation was 5.7%).

Source: INET BFA and Momentum Investments

*CPI is lagged by one month due to availability of inflation data

Global asset classes

Five years to June 2016



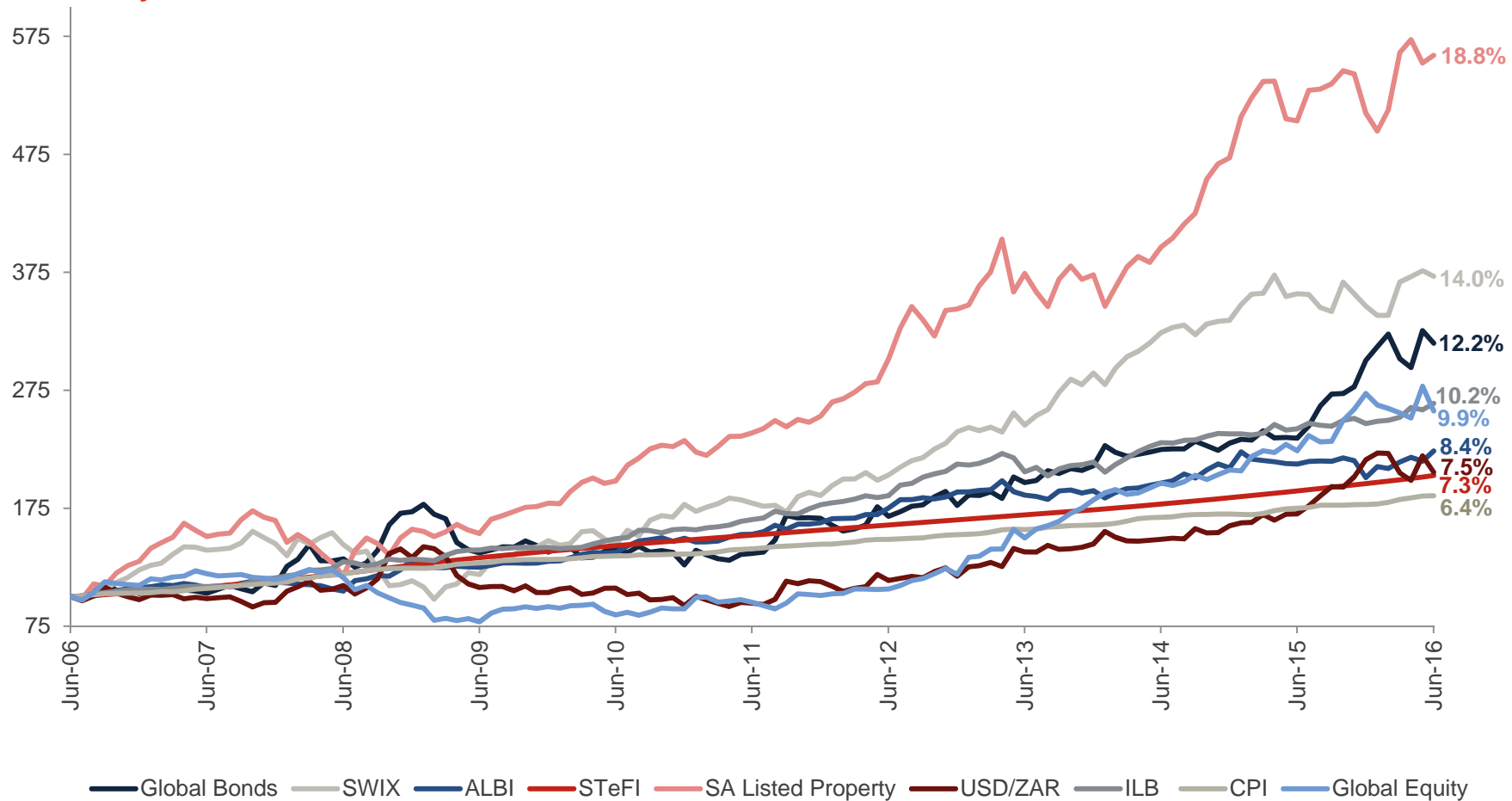
Global property had the best return for the five-year period, with 22.3%, followed closely by global equity with 22.0%

Source: INET BFA and Momentum Investments

All returns in rand terms

Asset classes

Ten years to June 2016



For the 10-year period to June, the FTSE/JSE SA Listed Property continued to outperform, followed by the SWIX and Global Bonds

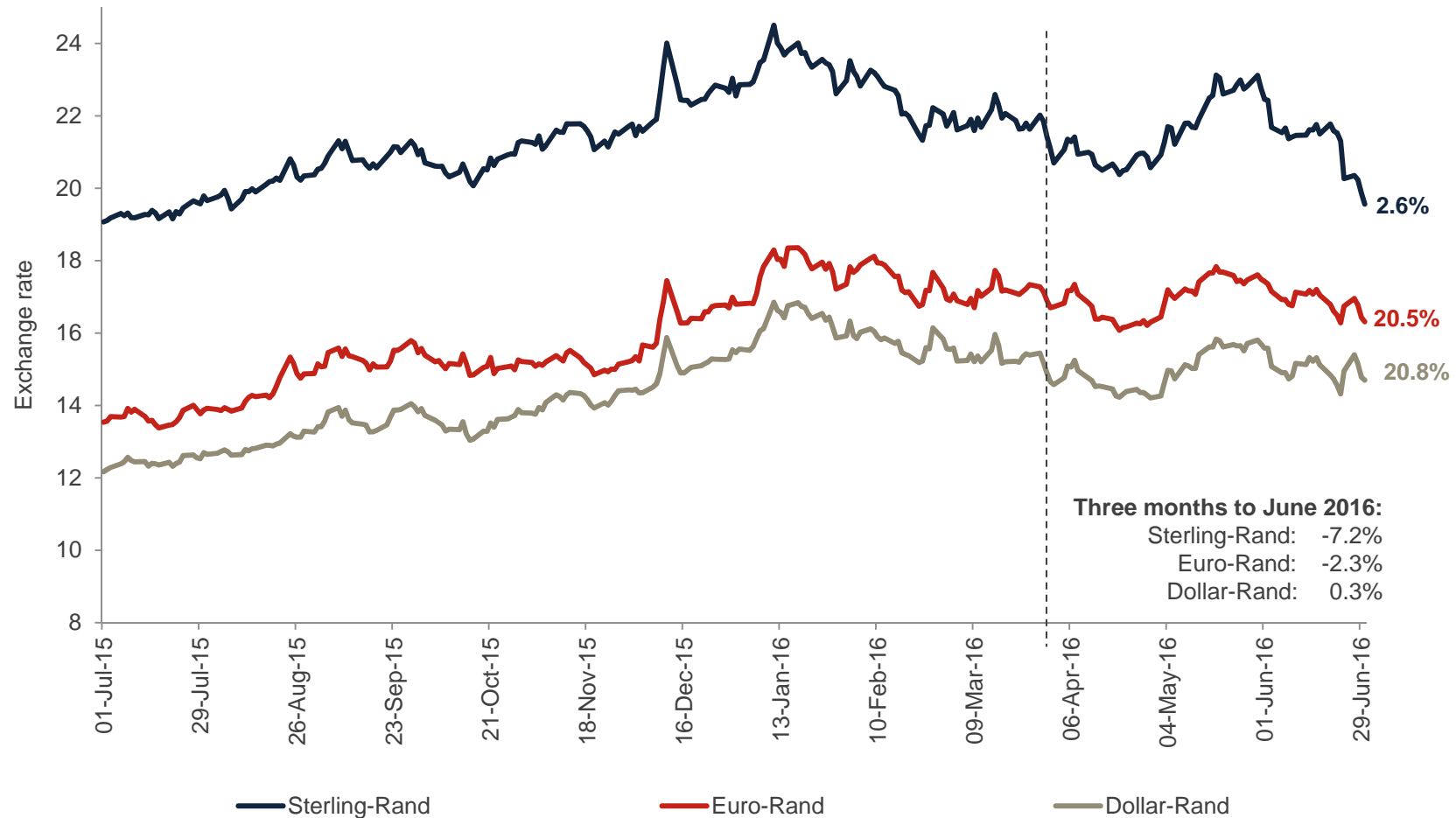
Source: INET BFA and Momentum Investments

*CPI is lagged by one month due to availability of inflation data

All returns in rand terms

Exchange rates

One year to June 2016

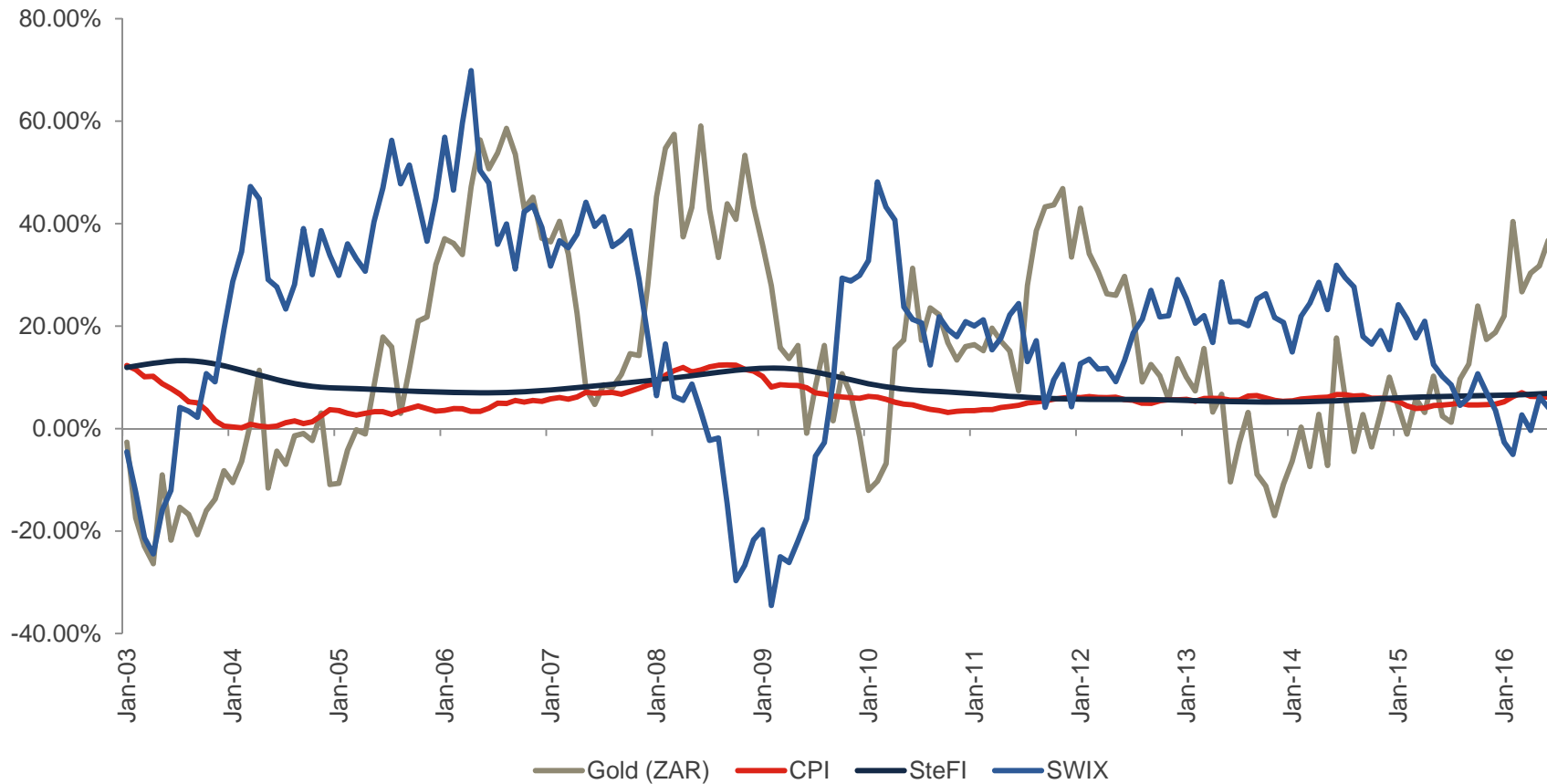


The rand appreciated against the euro and pound for the last quarter

Source: INET BFA and Momentum Investments

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

One-year rolling returns to June 2016

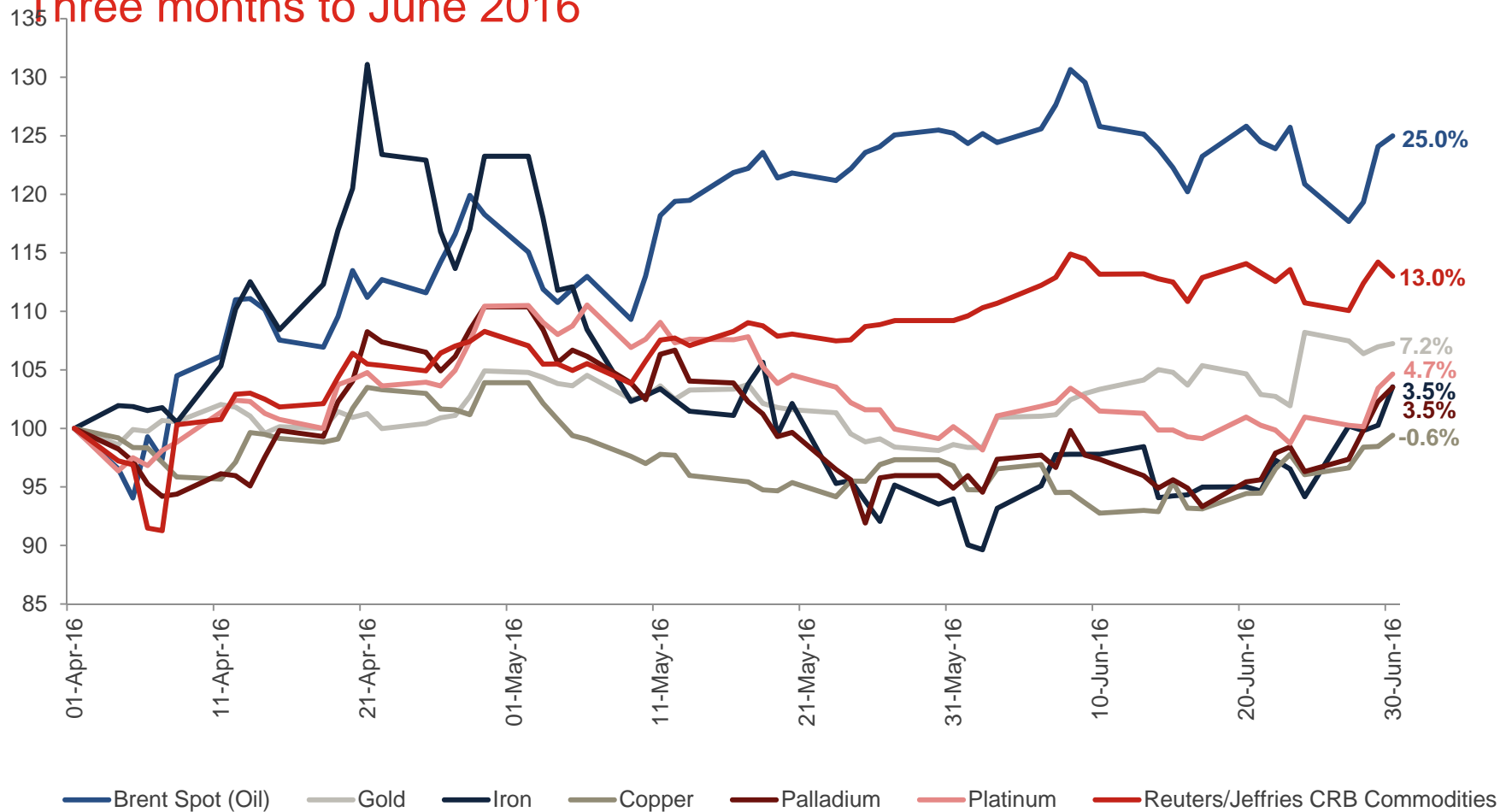


Returns from the gold price in rand terms for the one-year rolling period are showing their diversification benefits compared with equities. The returns were higher than those of the equity market for June 2016.

Source: INET BFA and Momentum Investments *CPI is lagged by one month due to availability of inflation data

Commodities

Three months to June 2016



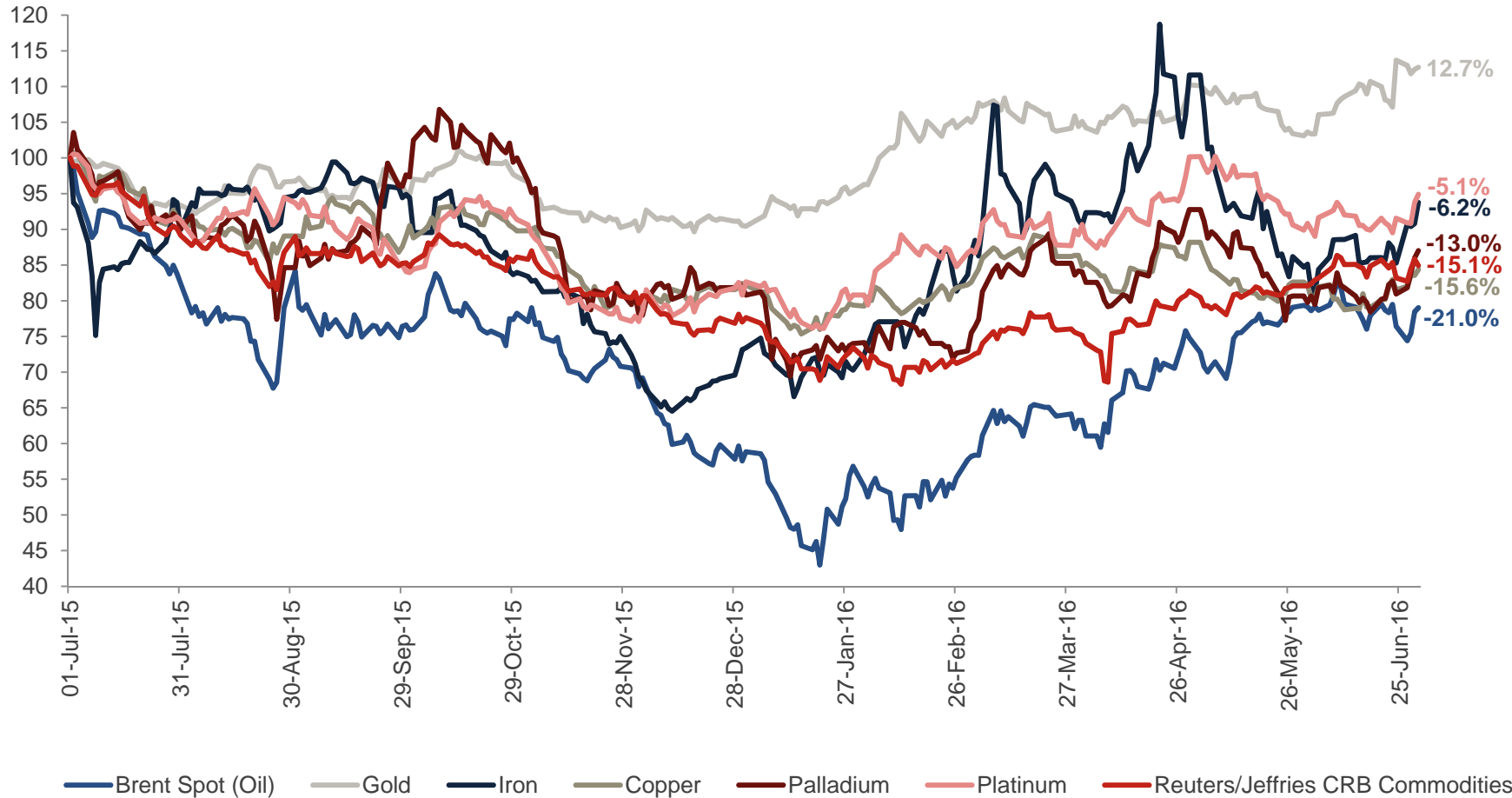
The return from Brent crude has been excellent the last three months, due to dollar depreciation as well decreased supply from Shale oil

Source: INET BFA, FT.com and Momentum Investments

All returns in dollar terms

Commodities

One year to June 2016

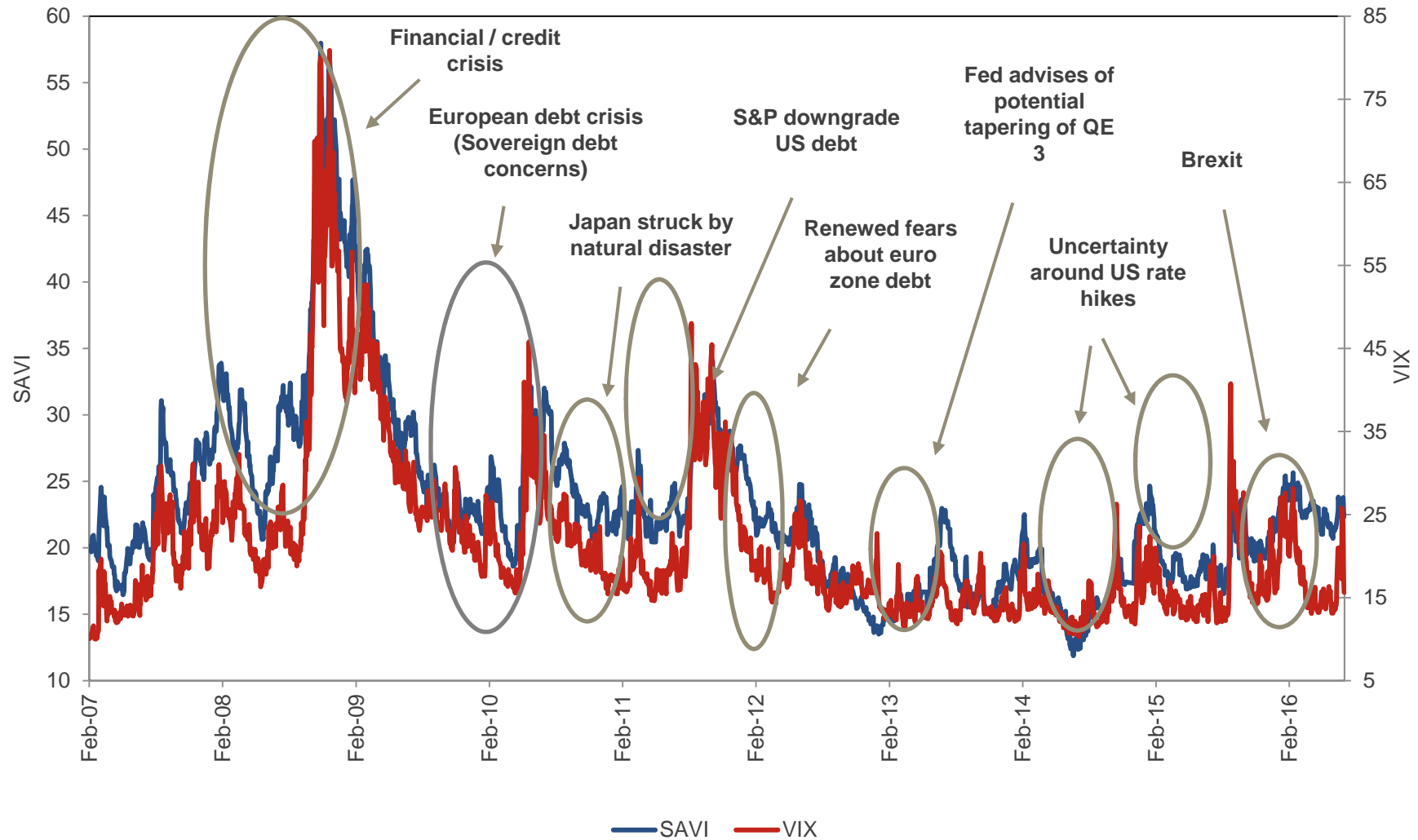


Gold was the only commodity with positive dollar returns over the one-year period

Source: INET BFA, FT.com and Momentum Investments All returns in dollar terms

SAVI-VIX

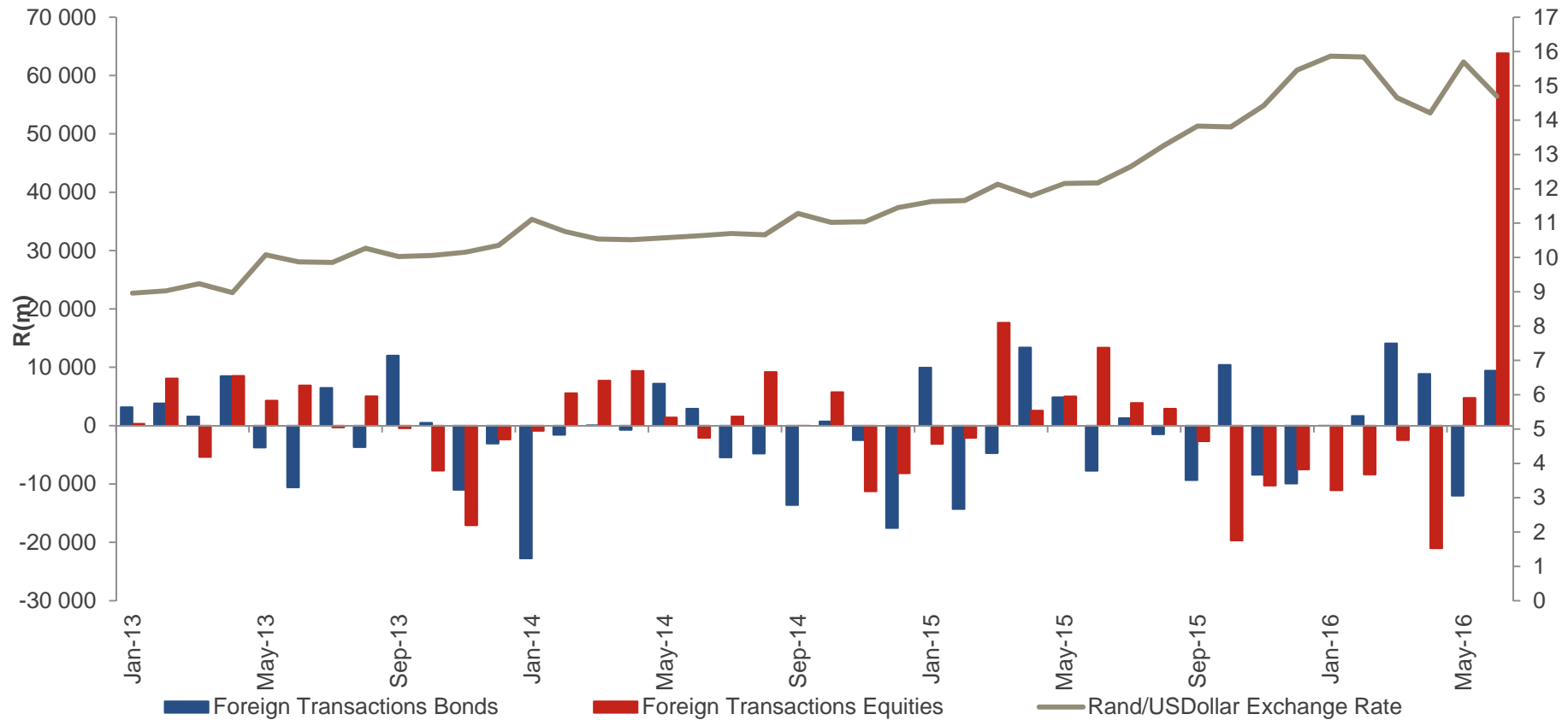
Since February 2007 to June 2016



Source: INET BFA and Momentum Investments

Foreign transactions 2013 to 2016

m



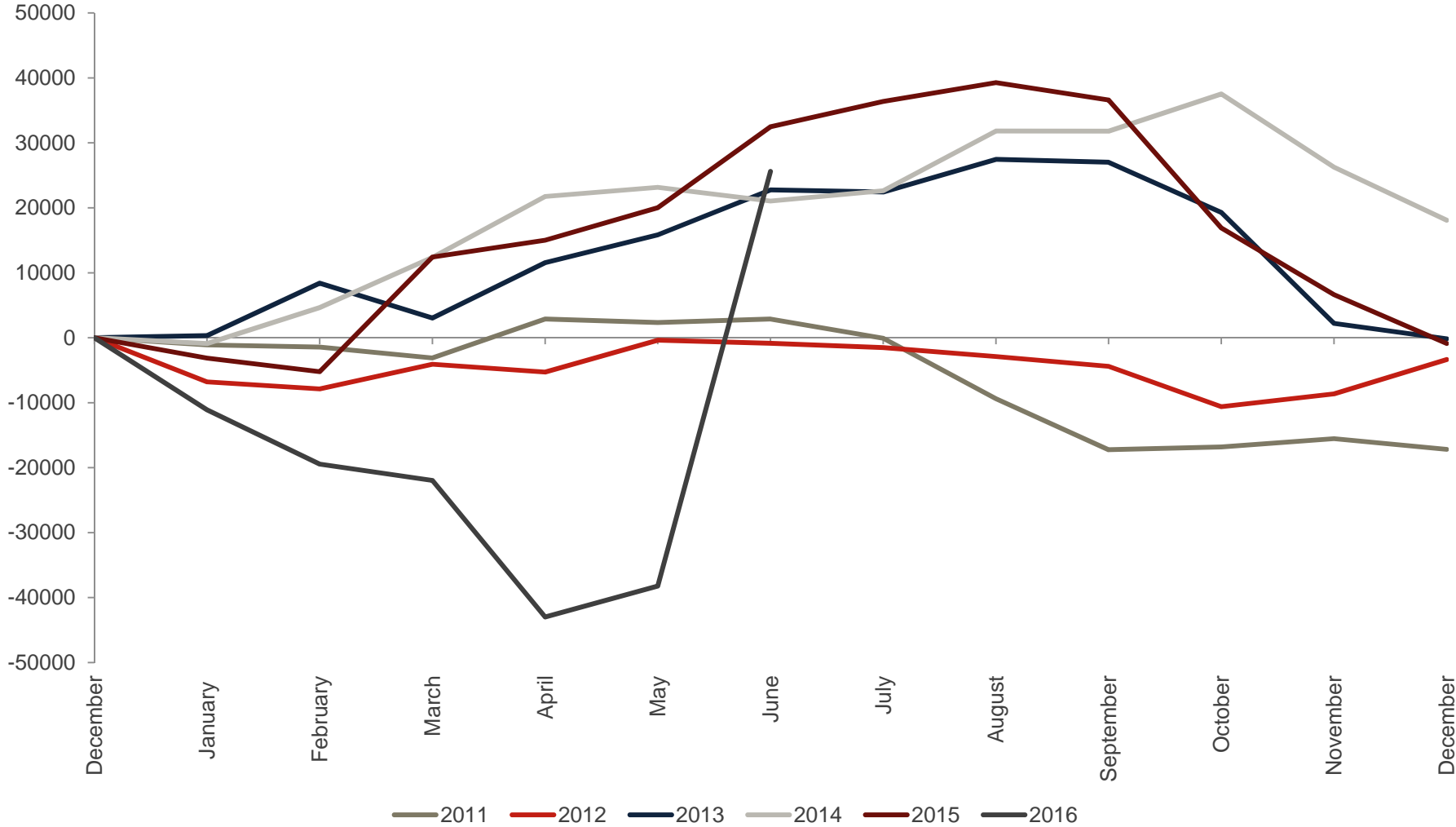
The South African stock market saw record equity net inflows of R63.8 billion for June 2016 and net inflows have taken place from local bonds

Source: INET BFA and Momentum Investments

Cumulative foreign transaction equities

2011 to 2016

m

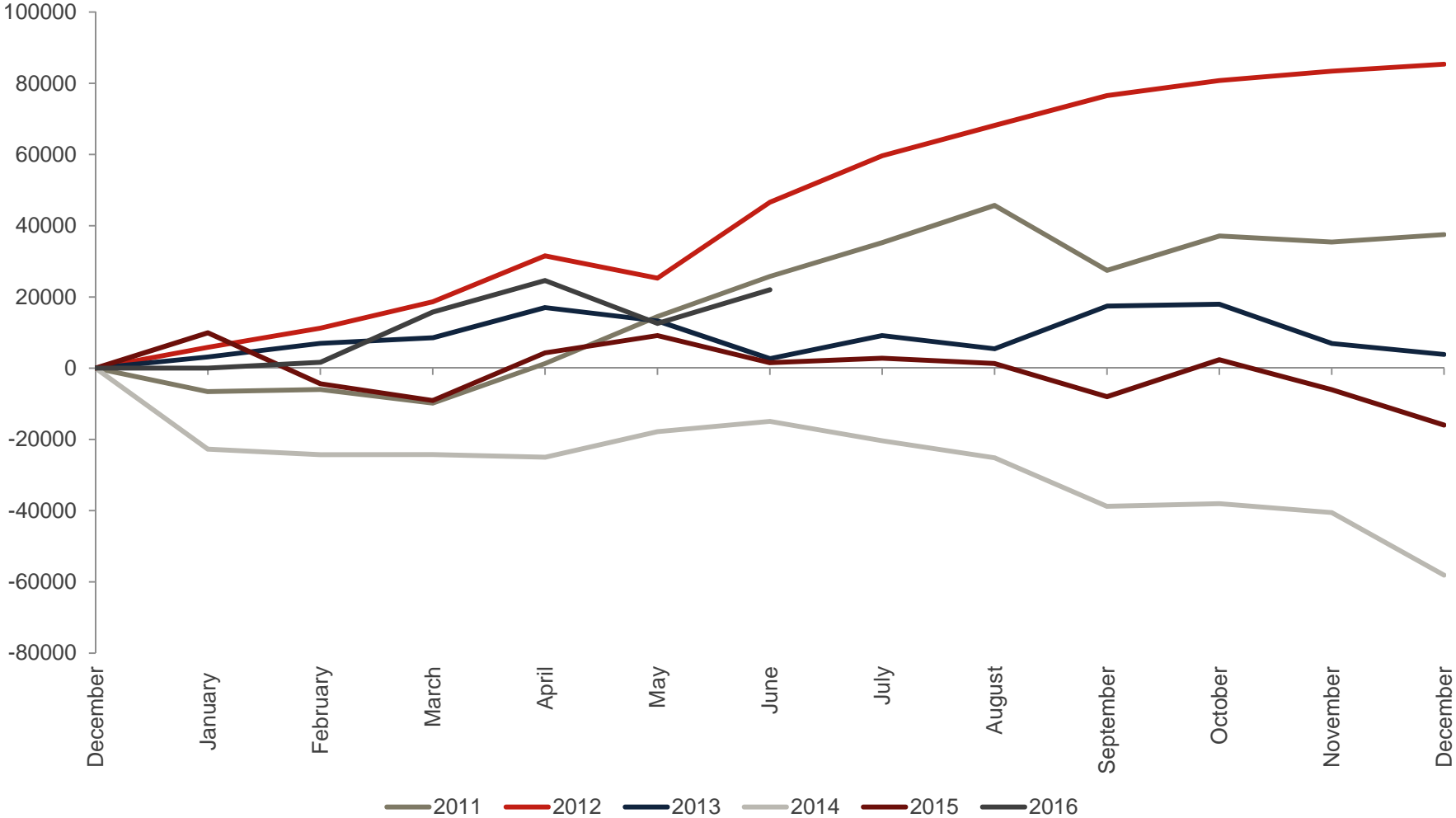


Source: INET BFA and Momentum Investments

Cumulative foreign transaction bonds

2011 to 2016

m



Source: INET BFA and Momentum Investments

End of key market performance drivers monthly charts for June 2016



Thank you

Disclaimer



1. Sources: Momentum Investments (Pty) Ltd, INET BFA, 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.
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