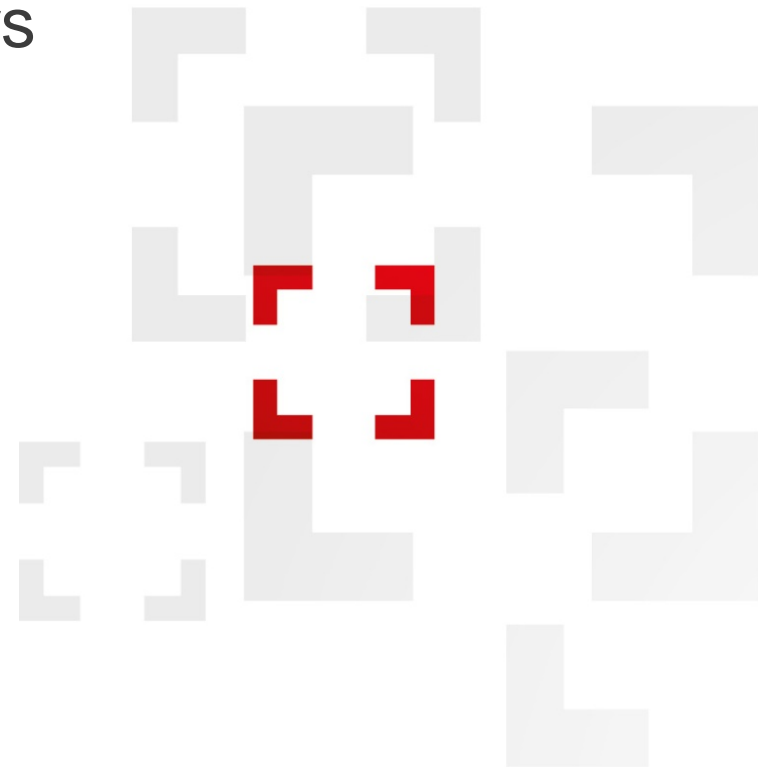


Key market performance drivers

Monthly charts

May 2016



Market returns concentration

One-year returns ending:



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%

March-16

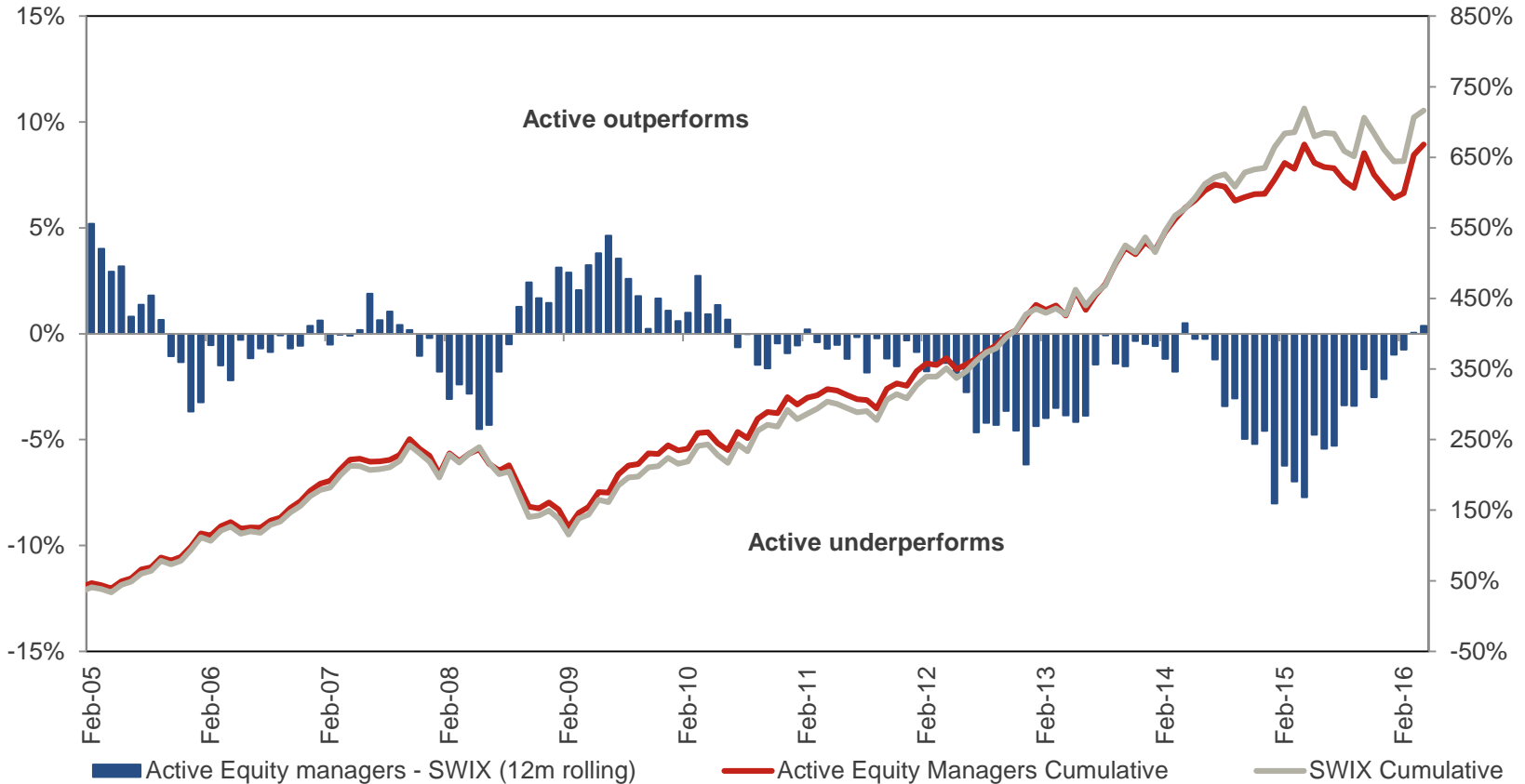
BRITISH AMERICAN TOBACCO		
SABMILLER PLC		
NASPERS		
STEINHOFF		
Top 5	BRAIT	89%
Top 6	SIBANYE GOLD LTD	100%
	ANGLOGOLD ASHANTI	
	SASOL	
	HARMONY	
Top 10	BIDVEST	122%
	NEW EUROPE PROPERTY INVPLC	
	REINET INVESTMENTS	
	VODACOM	
	RESILIENT REIT LTD	
	SAPPI	
	OLDMUTUAL	
	MONDI LTD	
	MONDI PLC	
	PICKNPAY	
Top 20	TRUWORTHS INTERNATIONAL	145%
Remaining	(Positive)	22%
Negative	(81 Shares)	-67%

Market-cap weighted returns: 10 shares contributed 112% to the return of the SWIX, while 20 shares contributed 129%

Source: Barra, Deutsche Securities and Momentum Investments

Active-index analysis

One-year rolling active to April* 2016



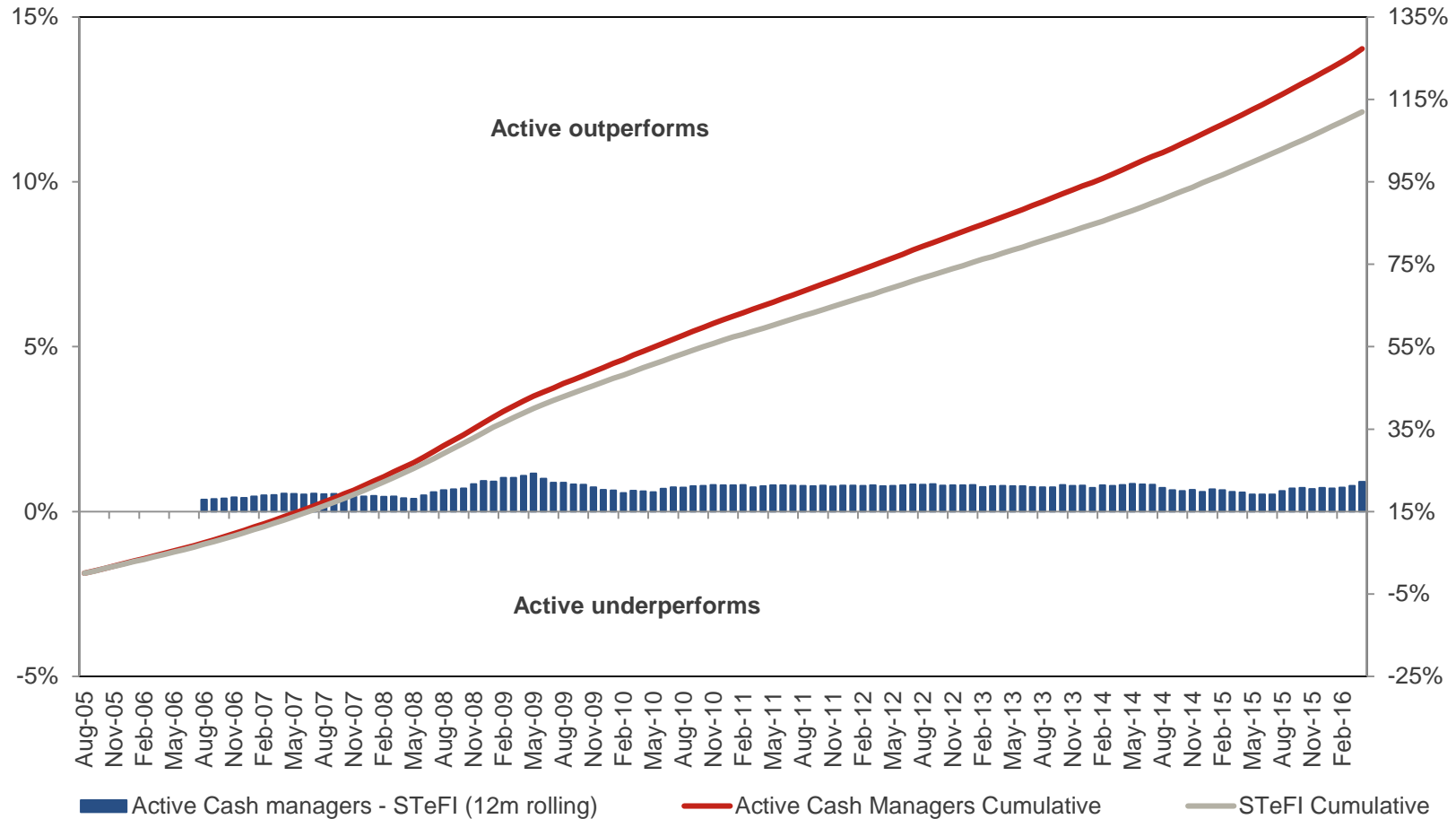
The average of the active equity managers outperformed the SWIX for the year ended April 2016

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 April* 2016

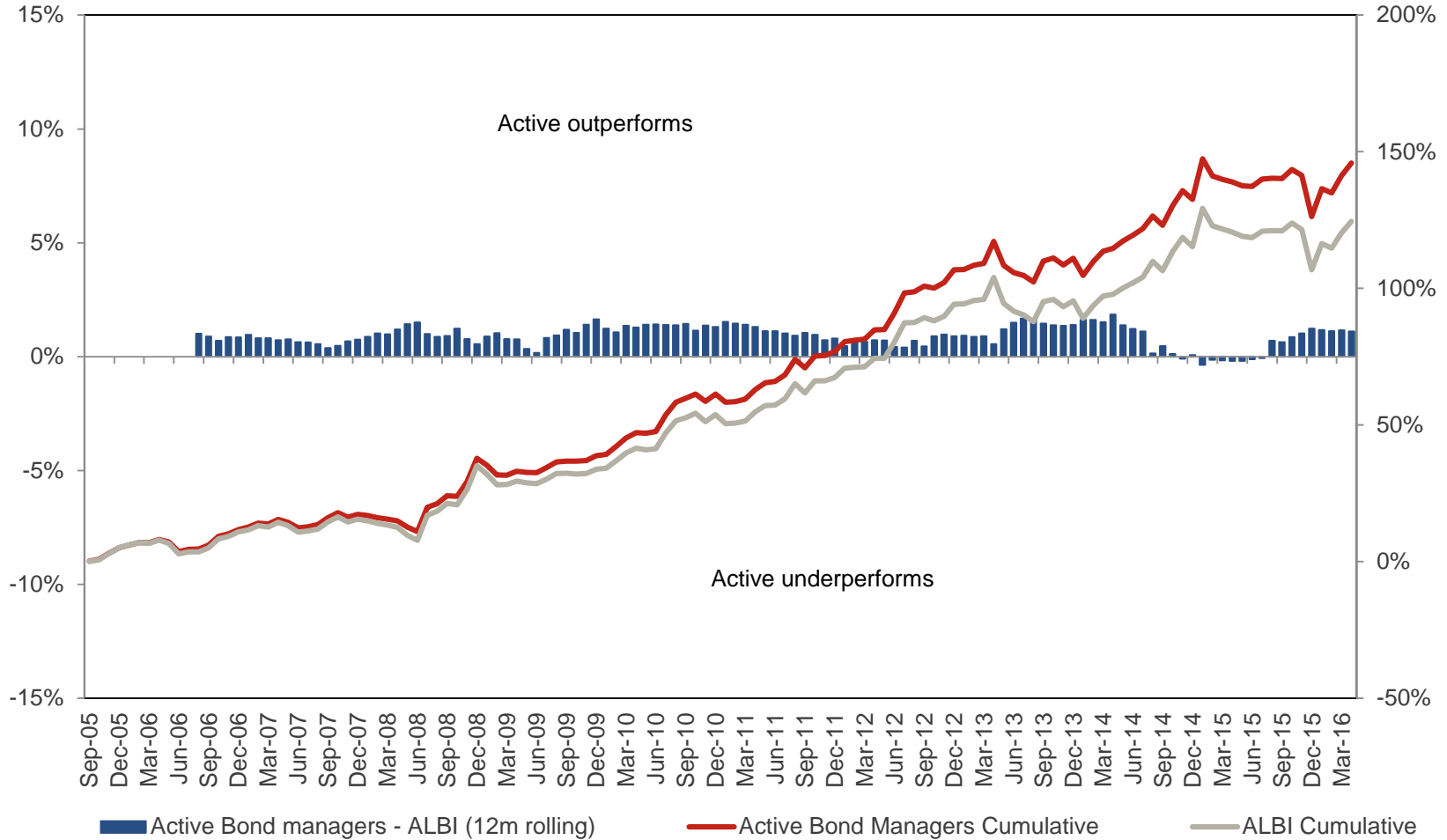


Source: Alexander Forbes S.A. Money Market Manager Watch™ Survey, INET BFA and Momentum Investments

* Lagged by one month due to availability of data

Active versus tracker: Bonds (lagged by one month)

One-year rolling average to April* 2016

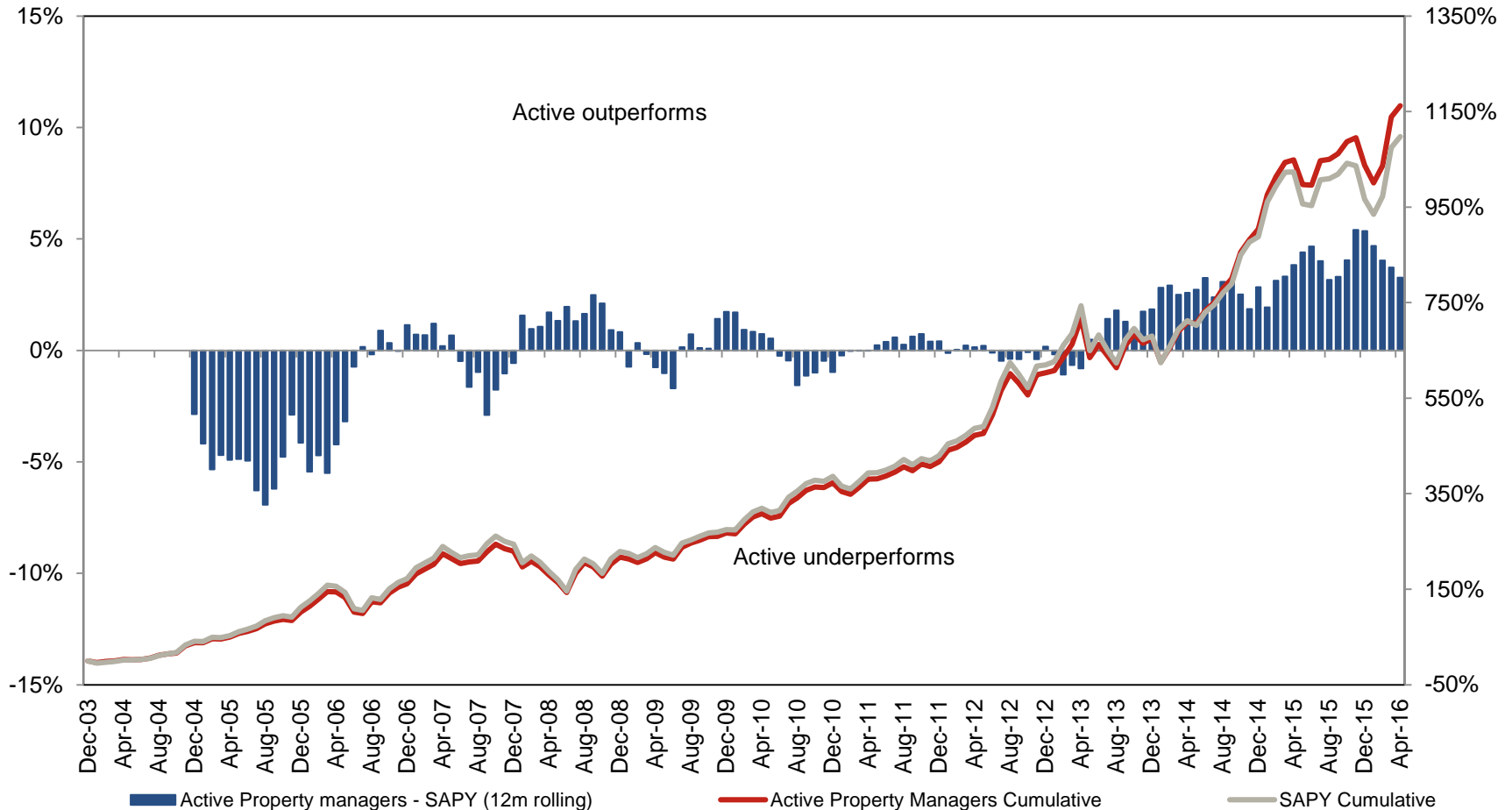


Source: Alexander Forbes S.A Bond Manager Watch™ Survey, INET BFA and Momentum Investments

* Lagged by one month due to availability of data

Active versus tracker: Property (lagged by one month)

One-year rolling average to April* 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 May 2016



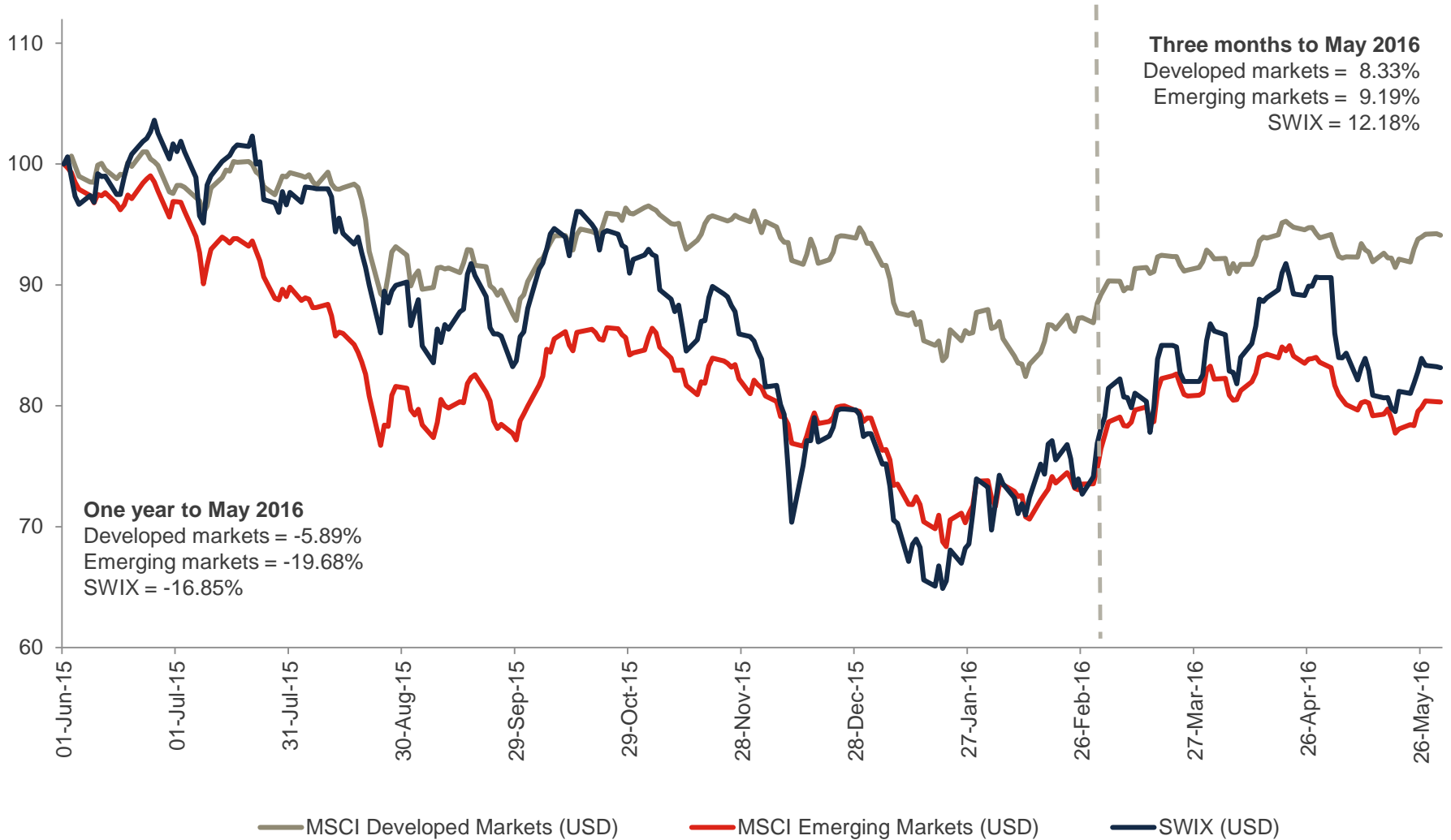
ZAR	Styles	One month to May 2016	Three months to May 2016	One year to May 2016	Three years to May 2016	Five years to May 2016	Ten years to May 2016	Twenty years to May 2016
Value	Book to Price	-0.04	2.86	4.50	-1.69	-4.55	-2.02	2.07
	Dividend Yield	1.67	4.17	5.65	-0.27	-2.19	1.51	4.03
	Earnings Yield	0.52	2.94	-4.14	-2.22	-1.68	-0.82	2.73
	Cash Flow Yield	-4.07	0.46	3.54	-3.52	-0.91	-1.25	2.72
	Sales to Price	-1.16	1.90	1.80	-1.95	-3.11	-2.20	2.51
Quality	ROE	0.50	0.28	-2.24	-2.18	1.80	0.77	-1.75
	ROIC LT	-1.98	0.35	-3.64	-5.29	-1.50	-0.98	-2.61
	Income to Sales	2.62	-0.61	6.20	0.45	2.28	0.77	-0.75
	Low market beta	3.30	-4.29	10.21	6.92	5.00	-1.60	1.75
	Low Debt/Equity	1.84	-3.04	-3.41	-3.67	-2.17	-2.91	-1.84
	EBIT Margin Stability	1.26	2.48	3.74	3.60	6.58	4.02	-0.59
Growth	Earnings Growth	1.68	-0.08	-3.04	-1.76	0.35	-1.21	-1.49
	Sales Growth	3.86	2.05	-0.28	-0.02	2.03	1.52	0.33
	12M Earning Growth	1.74	1.32	0.14	-0.20	-4.00	1.39	6.10
Momentum	FY1 Earnings Revisions	-0.63	-1.79	1.30	7.29	6.38	10.46	8.64
	Short-term Momentum	-4.73	-3.72	15.52	3.87	3.56	0.22	-1.63
	Medium-term Momentum	2.41	-1.32	5.94	7.24	9.66	5.42	6.87
Size	Size	0.76	-1.87	-0.44	-1.60	-0.60	0.56	-0.58

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

Source: FactSet, Momentum Global Investment Management and Momentum Investments

MSCI developed and emerging markets

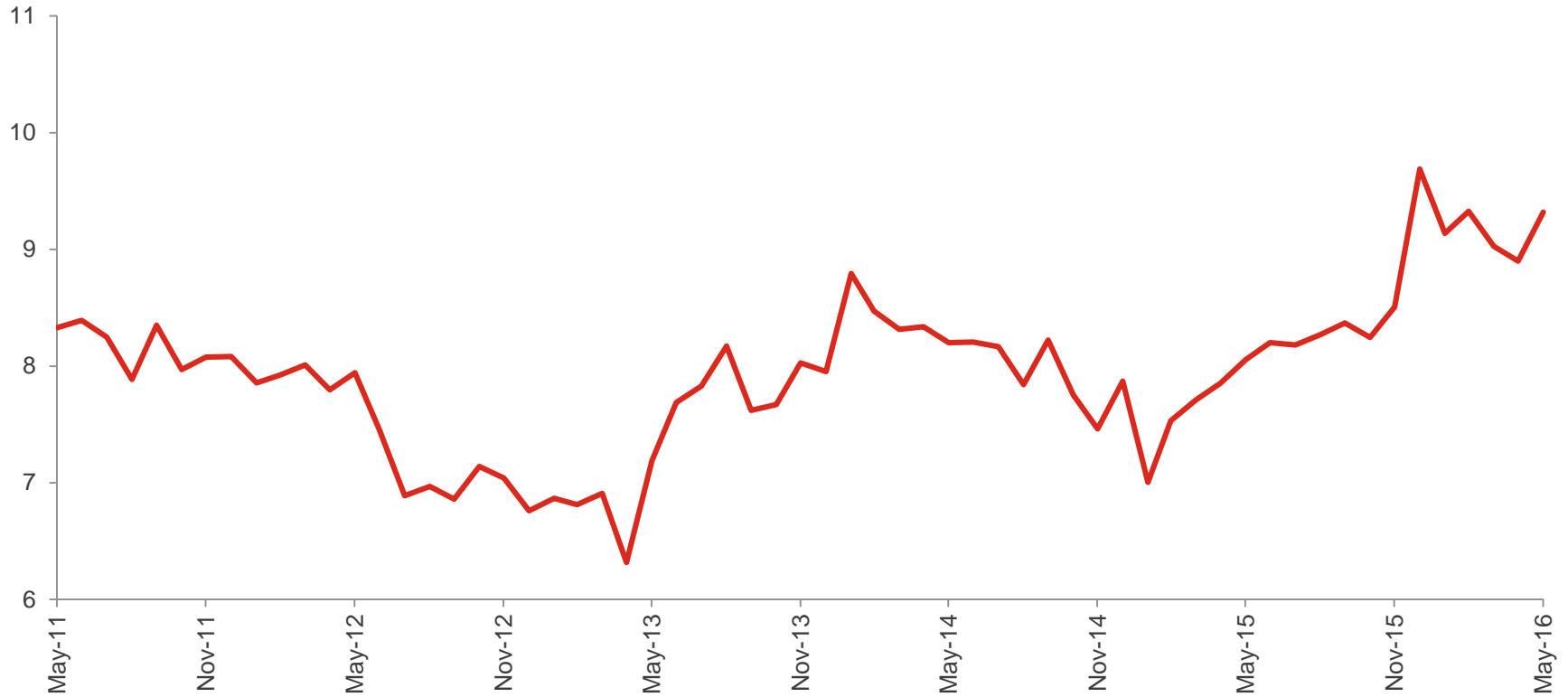
One year to May 2016



Source: INET BFA, MSCI and Momentum Investments

SA 10-year bond yields

Five years to May 2016



— SA 10 year bond yield

SA 10-year bond yields increased by 42 bps for May 2016

Source: INET BFA and Momentum Investments

Yield of R197 (inflation-linked bond)

Since May 2001 to May 2016



Inflation-linked bond yields ended marginally higher for May 2016

Source: INET BFA and Momentum Investments

FTSE/JSE sectors

One year to May 2016

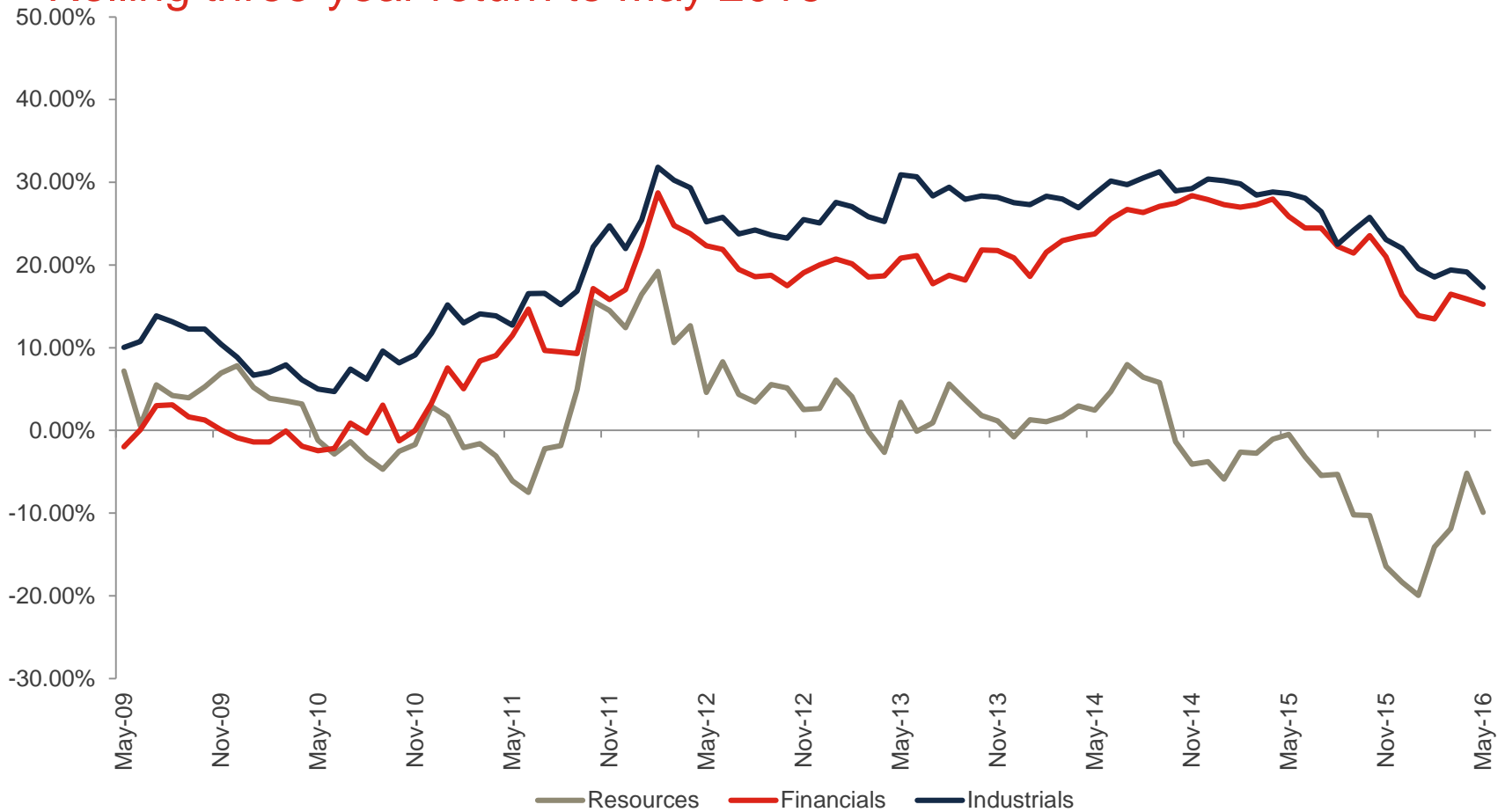


All sectors delivered positive returns for the three months- and one year ending May 2016

Source: INET BFA and Momentum Investments

FTSE/JSE sectors

Rolling three-year return to May 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 May 2016)



Three months to May 2016

1	Platinum Mining	Mining	28.3%	19	Household Goods	Consumer Goods	8.9%
2	General Mining	Mining	24.7%	20	Real Estate Investment & Services	Financials	8.7%
3	Media	Consumer Services	22.5%	21	Real Estate Investment Trusts	Financials	8.0%
4	Food Producers	Consumer Goods	17.9%	22	Fixed Line Telecommunications	Telecommunication	7.4%
5	Non-life Insurance	Financials	17.4%	23	Banks	Financials	7.3%
6	Industrial Engineering	Industrials	17.2%	24	Beverages	Consumer Goods	6.6%
7	Tobacco	Consumer Goods	15.6%	25	General Financial	Financials	6.5%
8	Pharmaceuticals & Biotechnology	Health Care	14.8%	26	Health Care Equipment & Services	Health Care	6.4%
9	Travel & Leisure	Consumer Services	13.7%	27	Support Services	Industrials	6.2%
10	Chemicals	Basic Materials	12.7%	28	Electronic & Electrical Equipment	Industrials	4.9%
11	Life Insurance	Financials	12.7%	29	Construction & Materials	Industrials	3.2%
12	Food & Drug Retailers	Consumer Services	12.3%	30	Mobile Telecommunications	Telecommunication	0.0%
13	Industrial Transportation	Industrials	12.1%	31	Software & Computer Services	Technology	-1.1%
14	Industrial Metals	Basic Materials	11.9%	32	Automobiles & Parts	Consumer Goods	-1.4%
15	Forestry & Paper	Basic Materials	11.9%	33	Personal Goods	Consumer Goods	-7.3%
16	Equity Investment Instruments	Financials	11.2%	34	Gold Mining	Mining	-7.8%
17	General Industrials	Industrials	10.0%	35	Coal Mining	Mining	-12.4%
18	General Retailers	Consumer Services	9.9%				

Key

Resources

Financials

Industrials

Platinum and General Mining were the best-performing sector for the last three months

Source: Barra, Deutsche Securities and Momentum Investments

FTSE/JSE sectors

Decomposed (one year to May 2016)



One year to May 2016

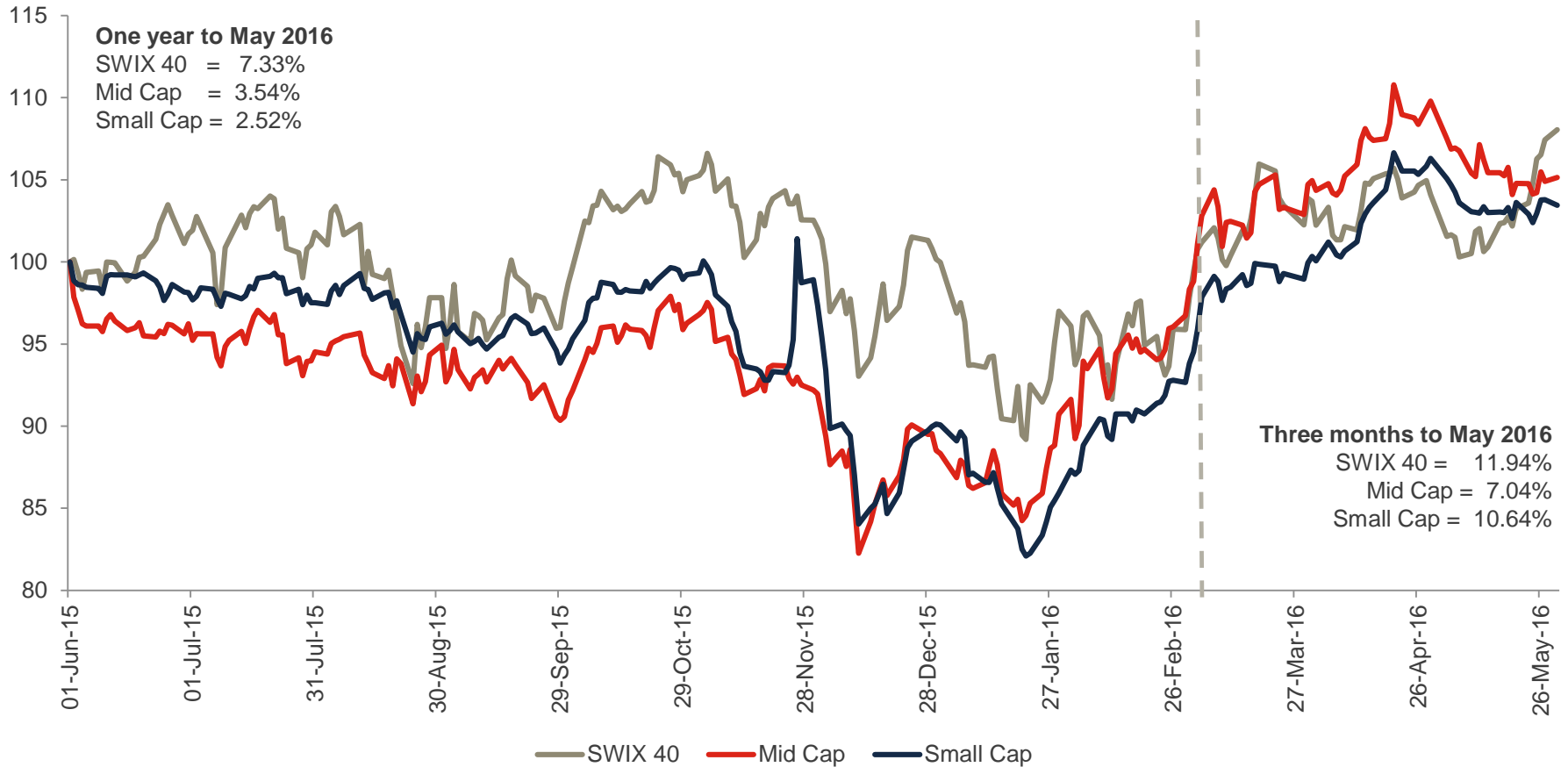
1	Gold Mining	Mining	73.3%	19	General Retailers	Consumer Services	-7.5%
2	Beverages	Consumer Goods	52.6%	20	Personal Goods	Consumer Goods	-9.9%
3	Tobacco	Consumer Goods	49.9%	21	Pharmaceuticals & Biotechnology	Health Care	-10.4%
4	Media	Consumer Services	29.6%	22	Fixed Line Telecommunications	Telecommunication	-11.1%
5	Household Goods	Consumer Goods	25.0%	23	Electronic & Electrical Equipment	Industrials	-11.2%
6	Forestry & Paper	Basic Materials	21.5%	24	Industrial Transportation	Industrials	-13.9%
7	Real Estate Investment & Services	Financials	17.7%	25	Banks	Financials	-14.2%
8	Chemicals	Basic Materials	13.9%	26	Software & Computer Services	Technology	-19.0%
9	Equity Investment Instruments	Financials	13.3%	27	General Mining	Mining	-22.0%
10	Food & Drug Retailers	Consumer Services	12.2%	28	Platinum Mining	Mining	-23.3%
11	Real Estate Investment Trusts	Financials	9.9%	29	Coal Mining	Mining	-23.9%
12	Non-life Insurance	Financials	9.5%	30	Industrial Engineering	Industrials	-25.6%
13	Food Producers	Consumer Goods	9.2%	31	Construction & Materials	Industrials	-25.6%
14	General Financial	Financials	6.2%	32	Mobile Telecommunications	Telecommunication	-29.7%
15	Health Care Equipment & Services	Health Care	4.9%	33	Support Services	Industrials	-30.6%
16	General Industrials	Industrials	2.0%	34	Industrial Metals	Basic Materials	-31.8%
17	Life Insurance	Financials	-2.4%	35	Automobiles & Parts	Consumer Goods	-41.4%
18	Travel & Leisure	Consumer Services	-7.3%				

Key
 Resources
 Financials
 Industrials

Source: Barra, Deutsche Securities and Momentum Investments

FTSE/JSE market caps

One year to May 2016

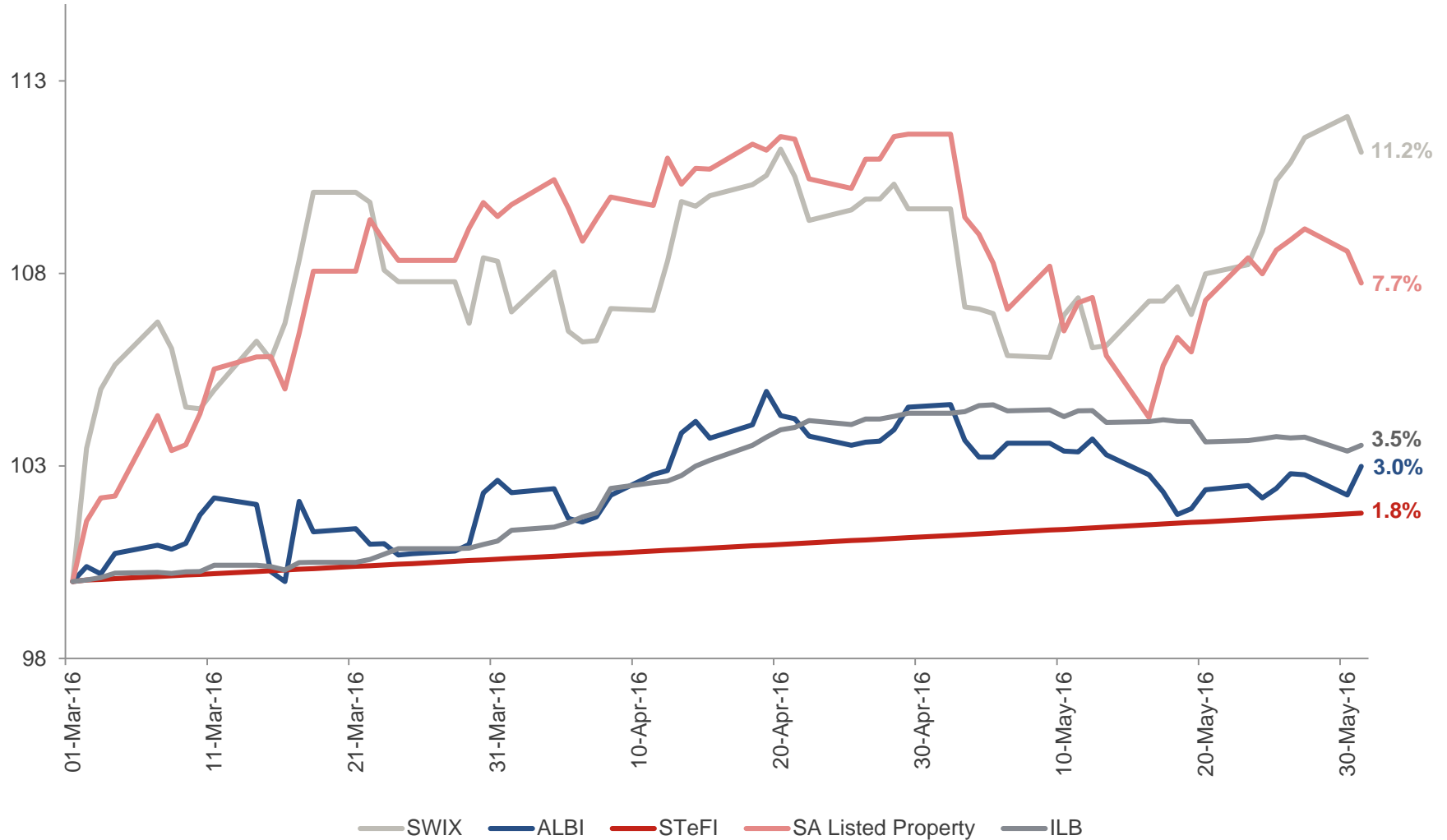


The FTSE/JSE Large Cap, Mid-cap and Small-cap indices had great returns for the last three months

Source: INET BFA and Momentum Investments

Local asset classes

Three months to May 2016

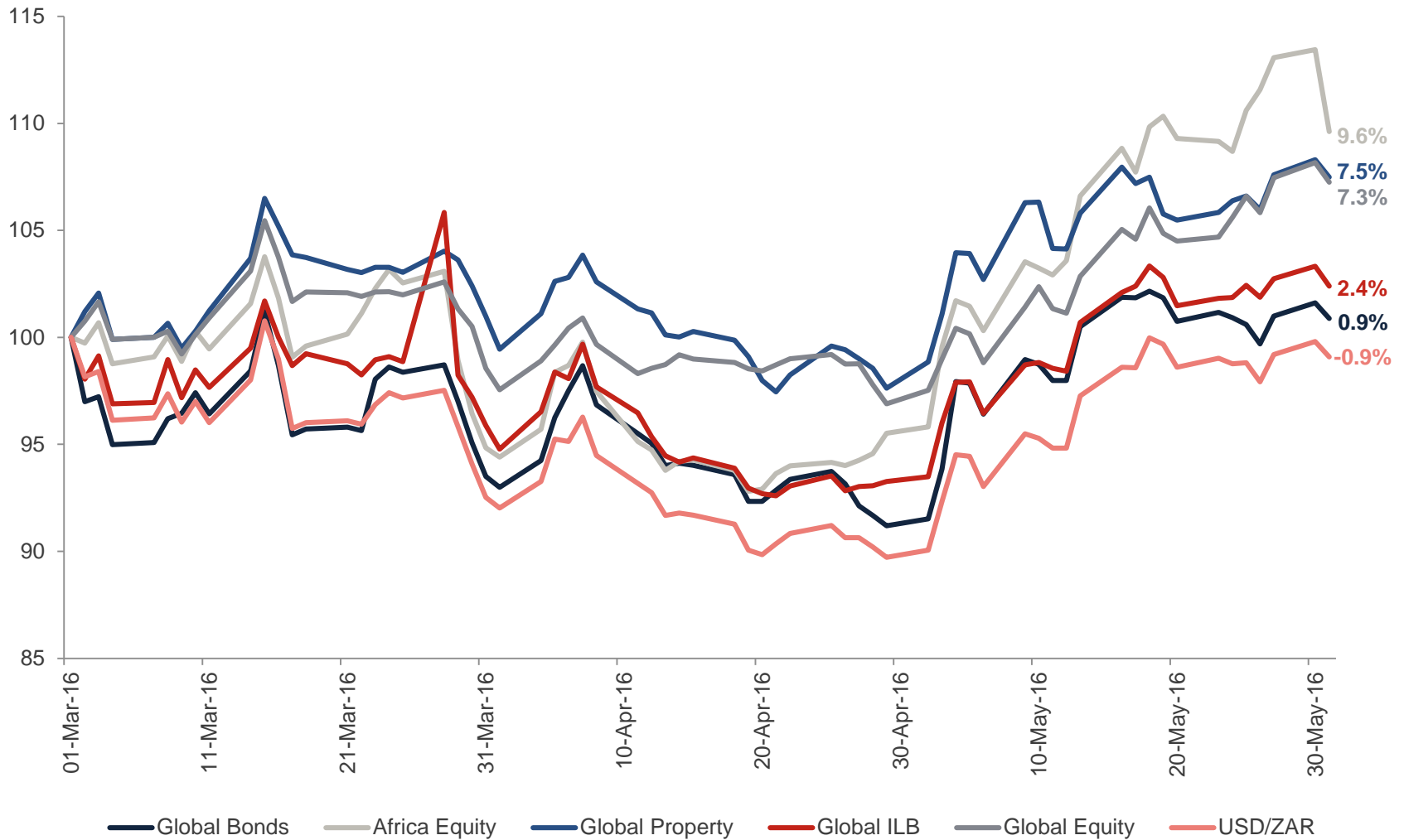


Source: INET BFA and Momentum Investments

All returns in rand terms

Global asset classes

Three months to May 2016

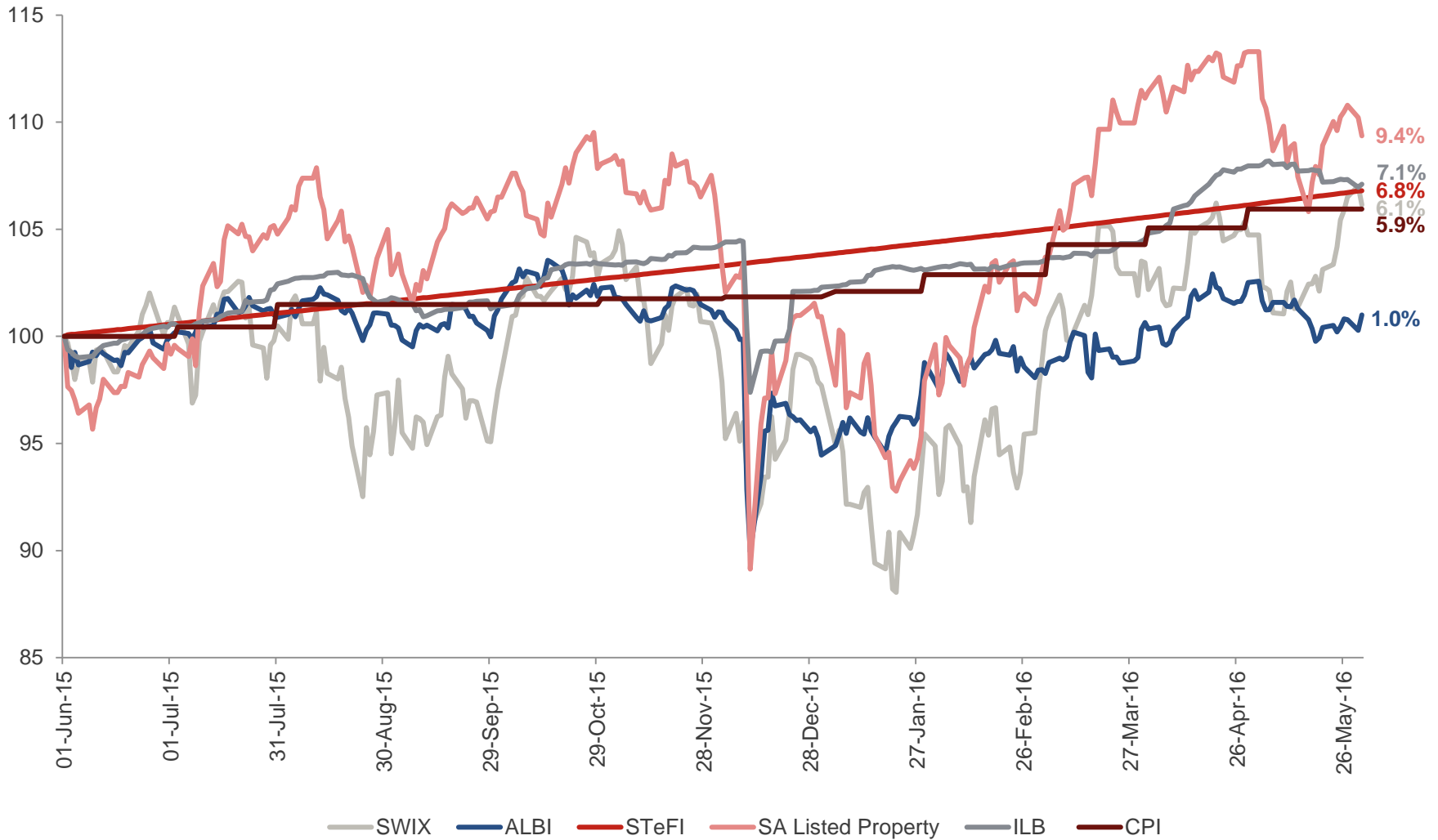


Source: INET BFA and Momentum Investments

All returns in rand terms

Local asset classes

One year to May 2016



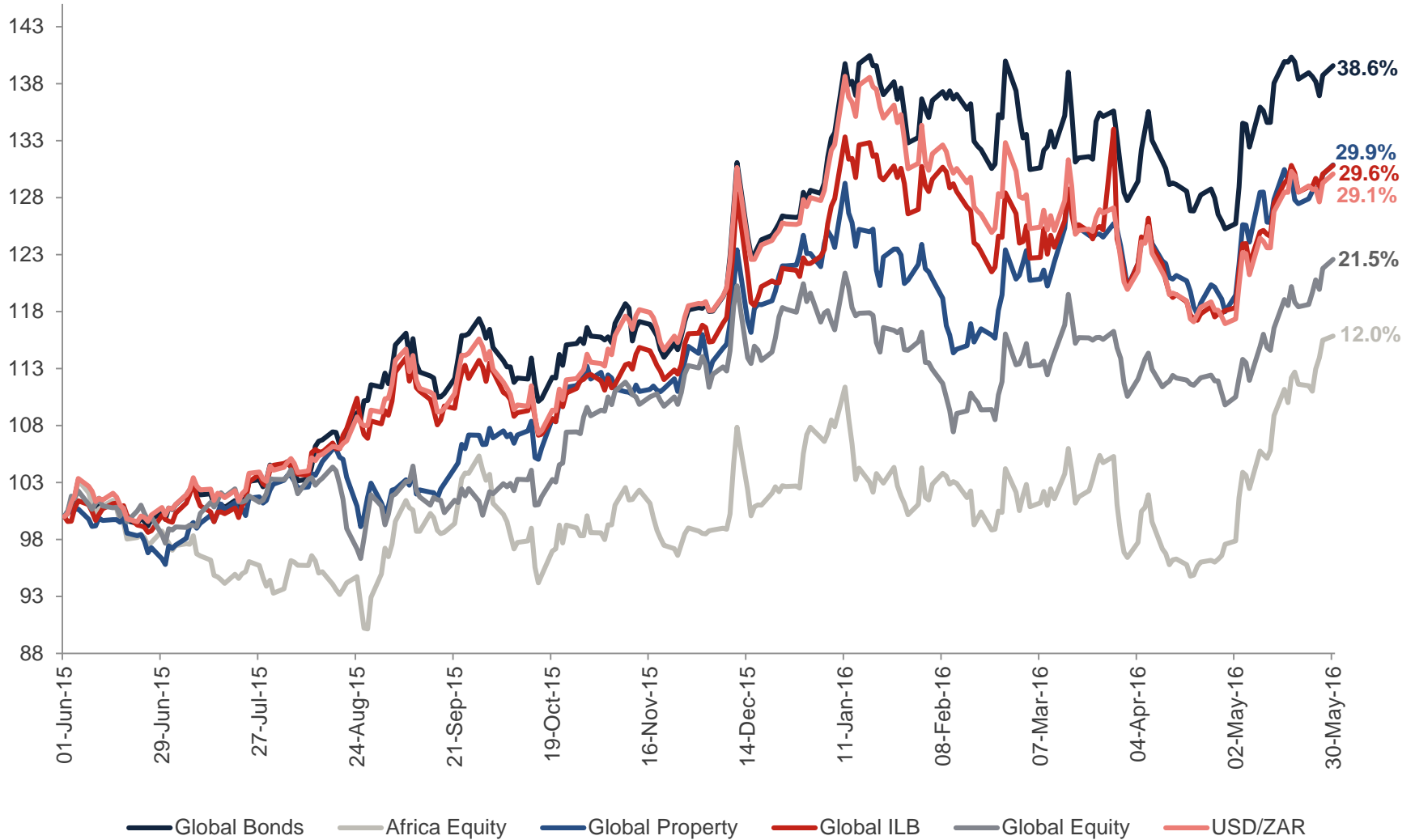
Source: INET BFA and Momentum Investments

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

All returns in rand terms

Global asset classes

One year to May 2016

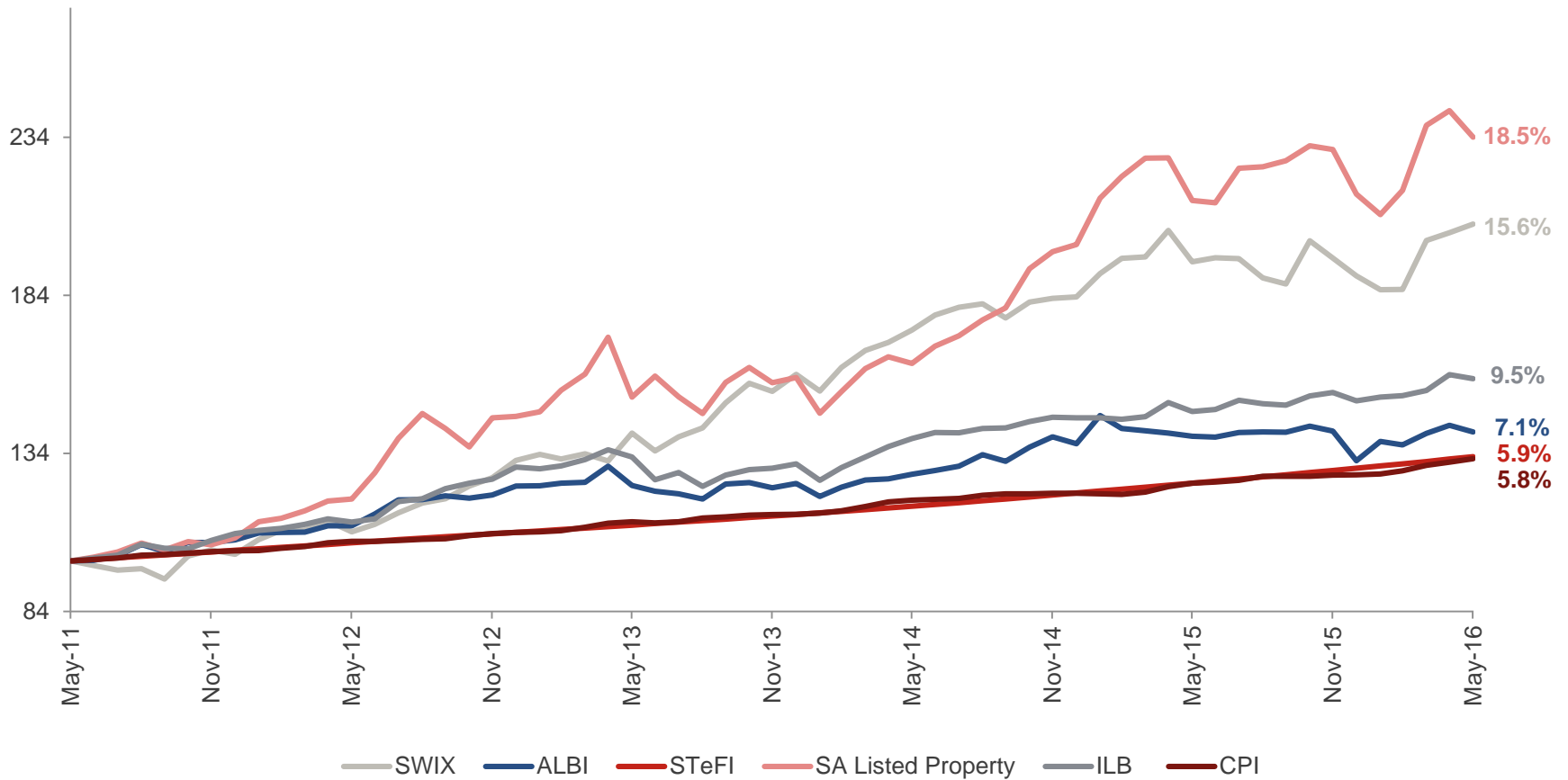


Source: INET BFA and Momentum Investments

All returns in rand terms

Local asset classes

Five years to May 2016



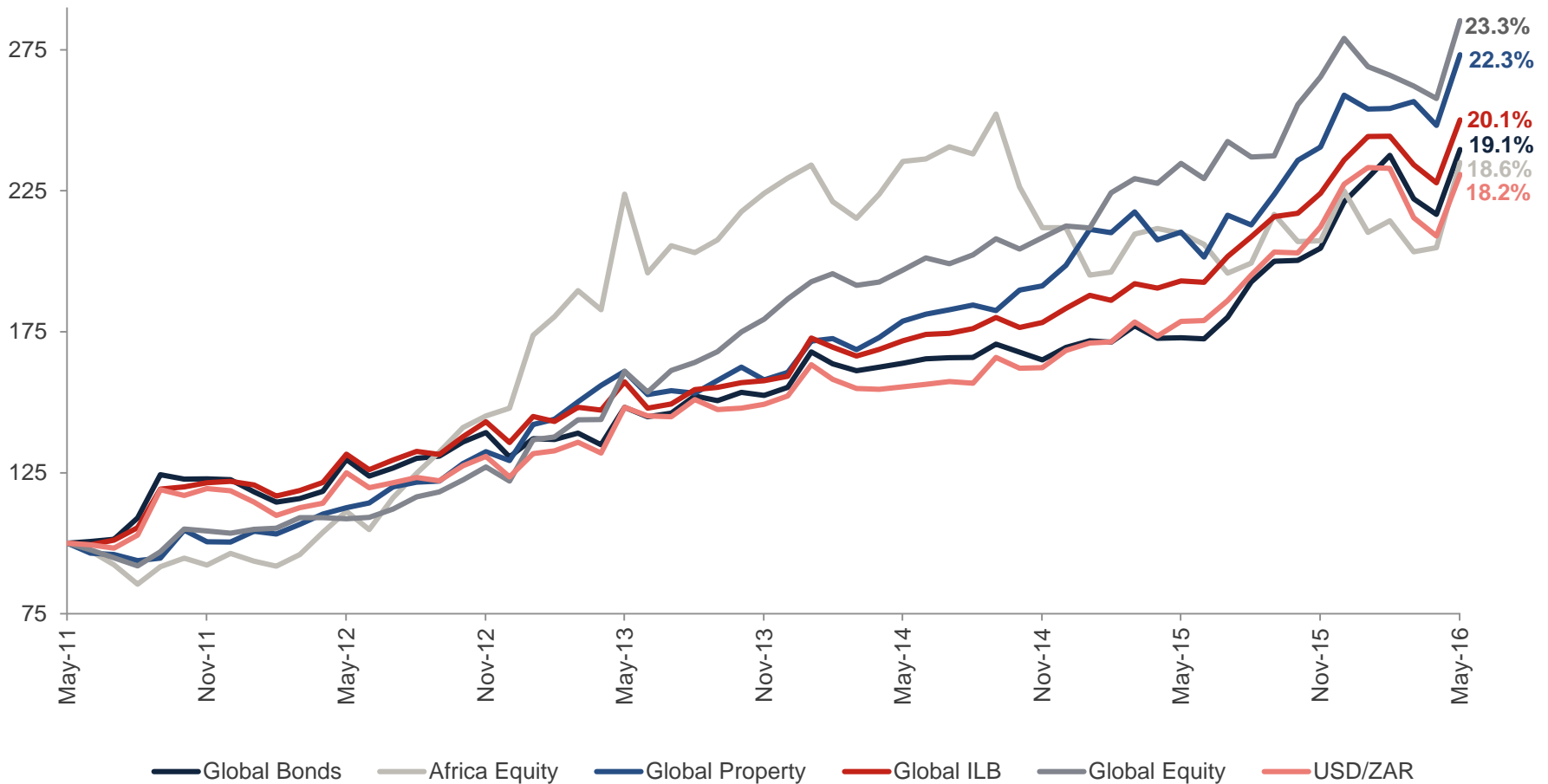
The FTSE/JSE SA Listed Property and the FTSE/JSE SWIX remained in the lead for the five-year period. All the depicted asset classes ended the period ahead of inflation* (five-year inflation was 5.8%).

Source: INET BFA and Momentum Investments

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

Global asset classes

Five years to May 2016



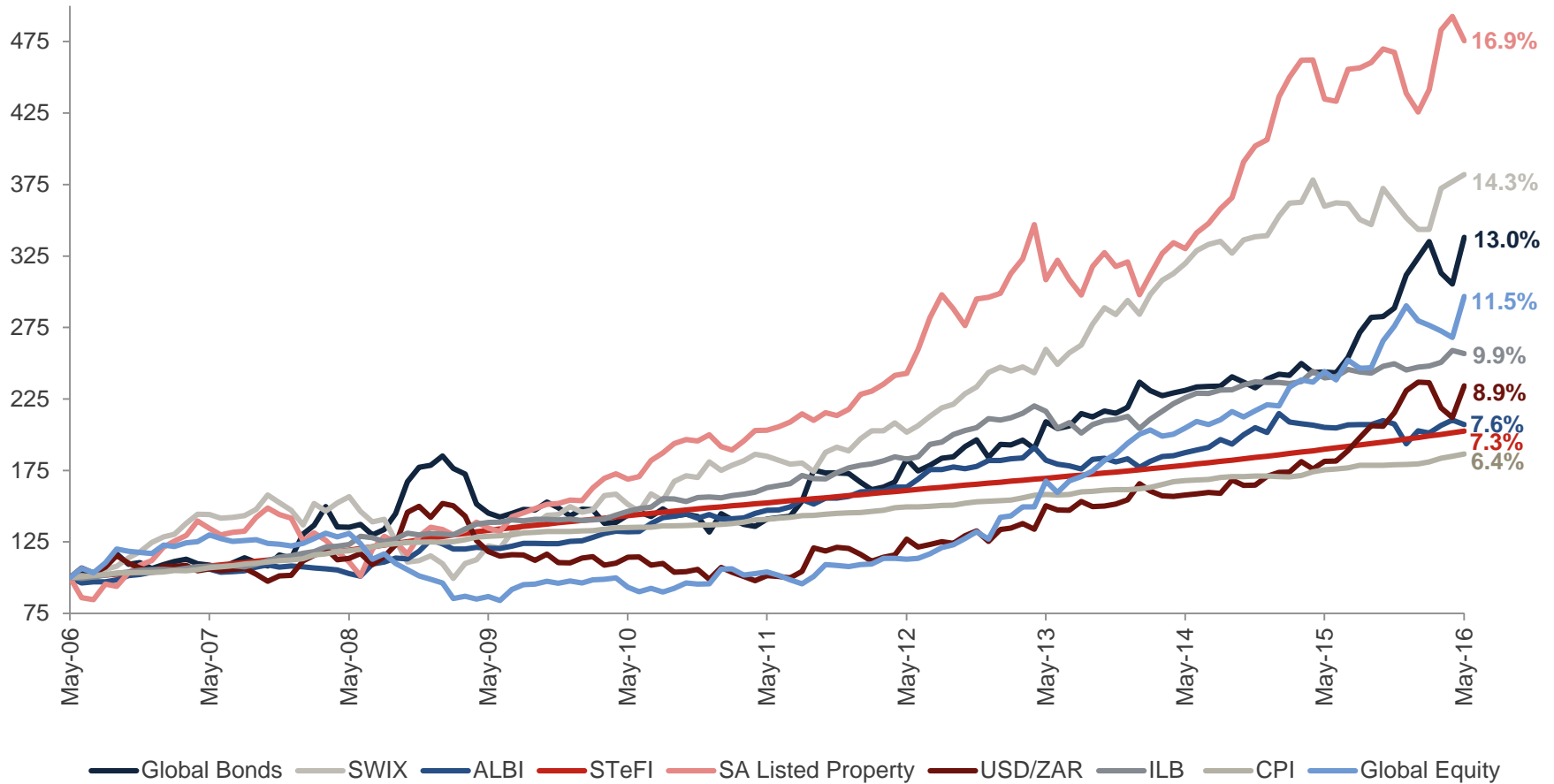
Global equity had the best return for the five-year period, with 23.3%, followed by global property with 22.3%

Source: INET BFA and Momentum Investments

All returns in rand terms

Asset classes

Ten years to May 2016



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

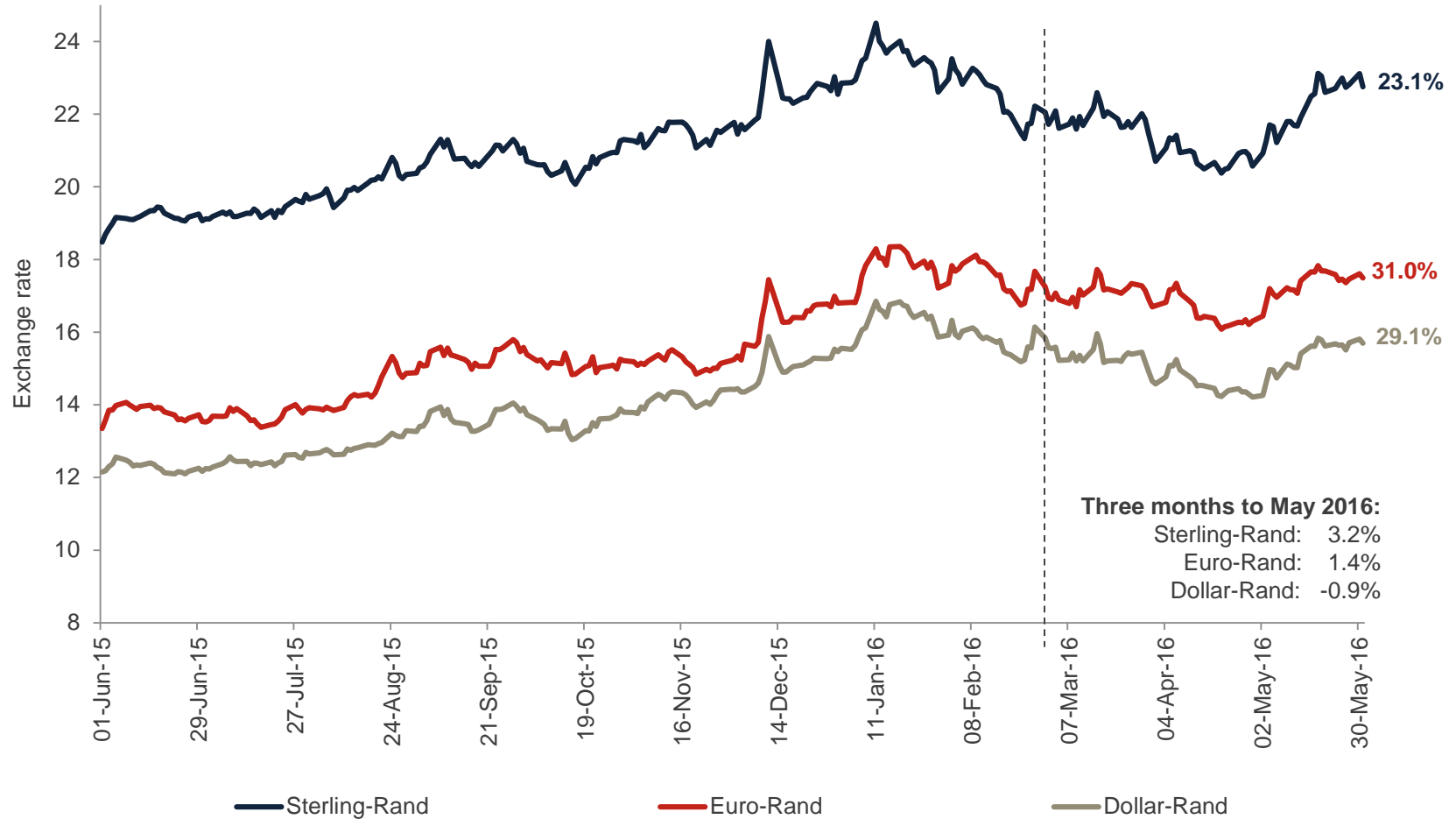
Source: INET BFA and Momentum Investments

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

All returns in rand terms

Exchange rates

One year to May 2016

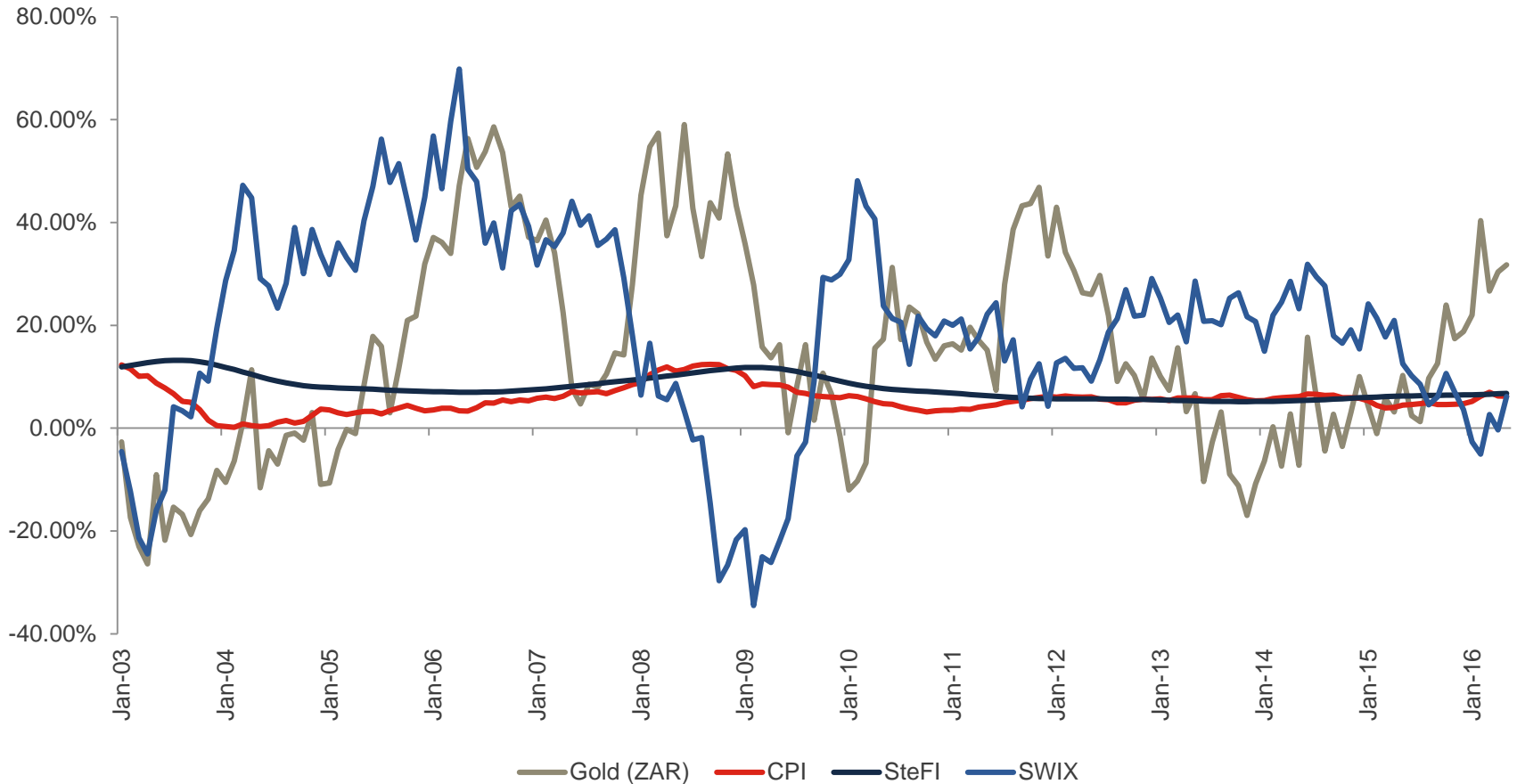


The rand appreciated against the dollar for the last quarter

Source: INET BFA and Momentum Investments

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

One-year rolling returns to May 2016



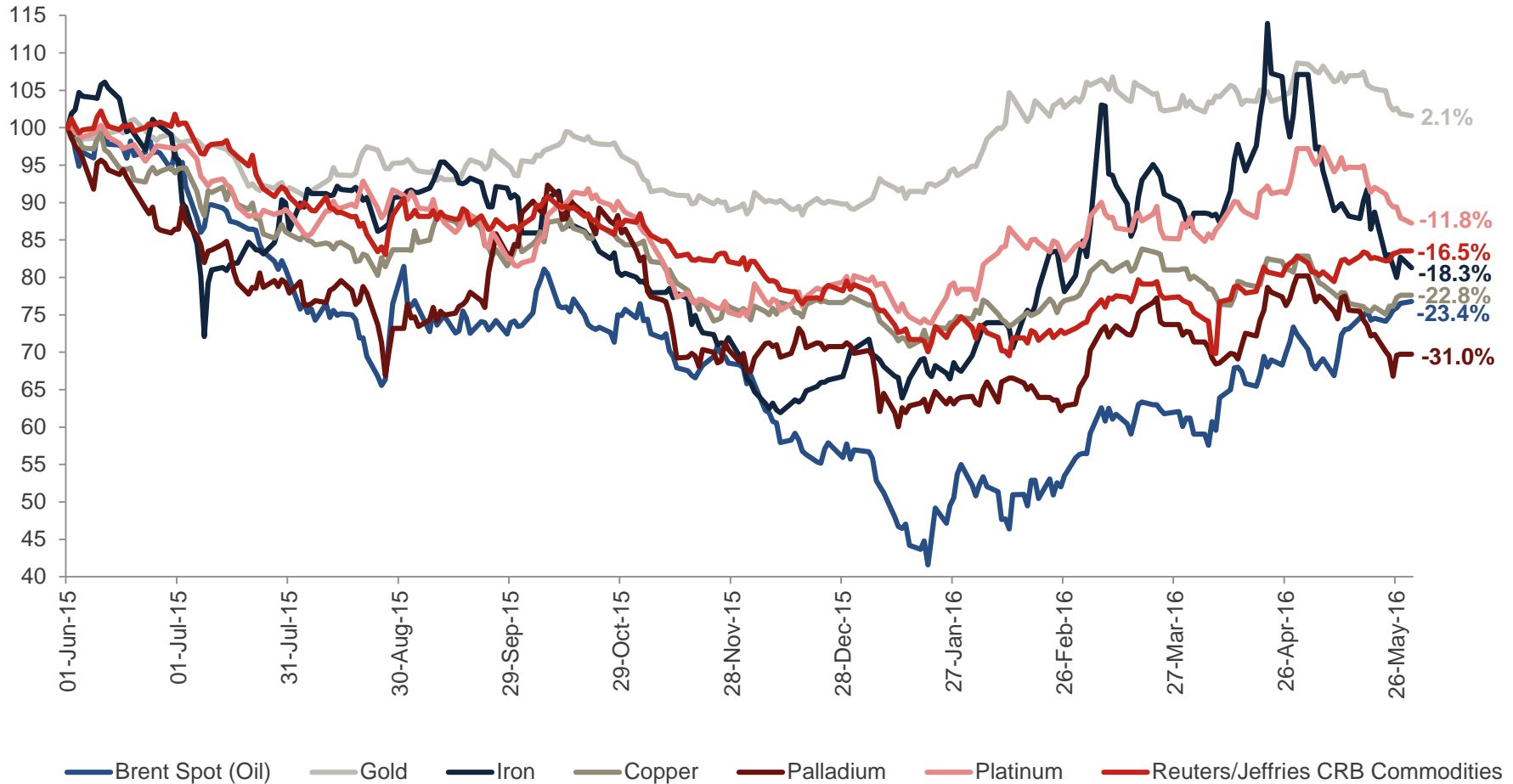
Returns from the gold price in rand terms for the one-year rolling period are showing their diversification benefits compared with equities. The returns were higher than those of the equity market for May 2016.

Source: INET BFA and Momentum Investments

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

Commodities

One year to May 2016



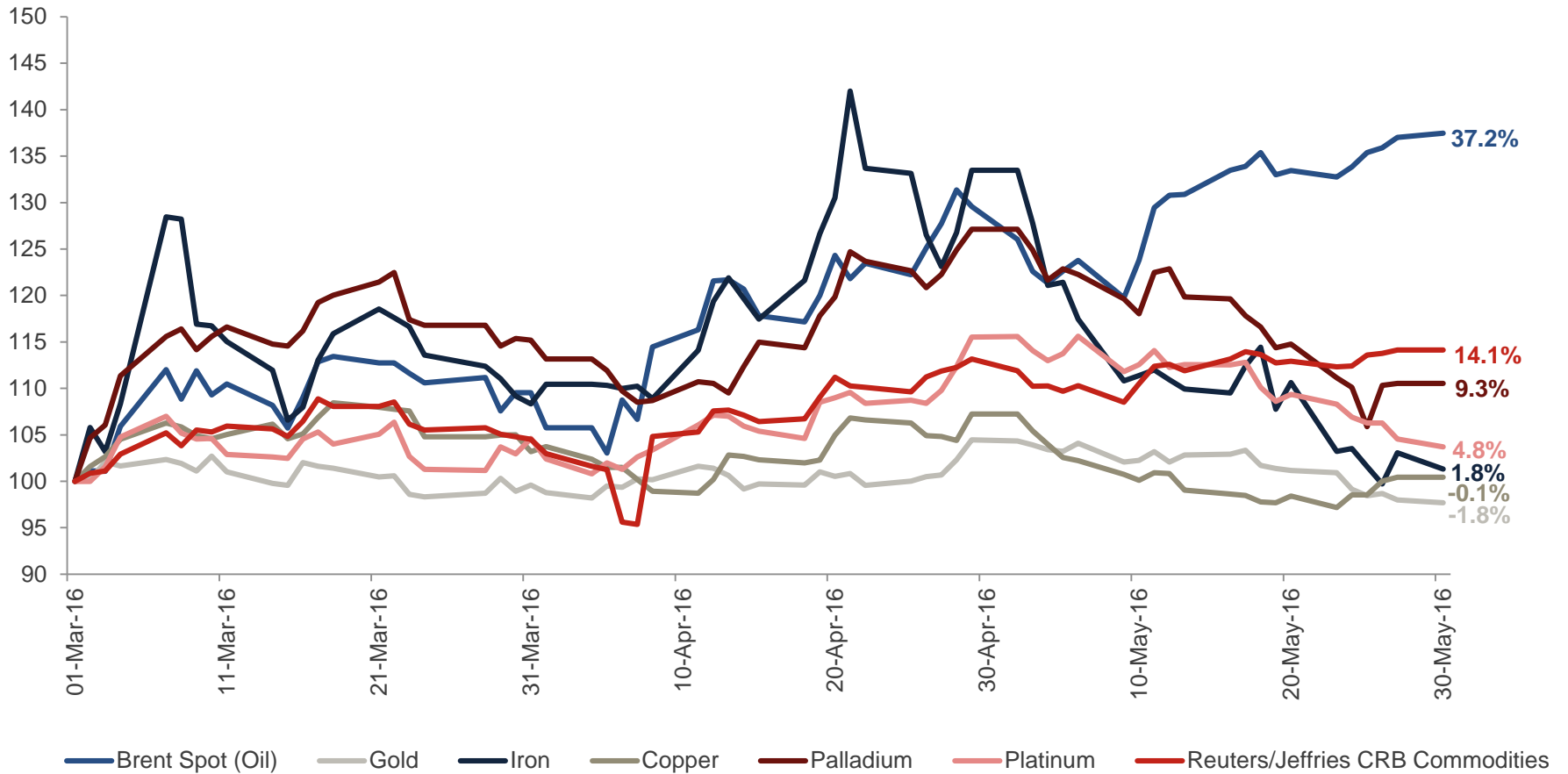
Gold was the only commodity with positive dollar returns over the one-year period

Source: INET BFA, FT.com and Momentum Investments

All returns in dollar terms

Commodities

Three months to May 2016



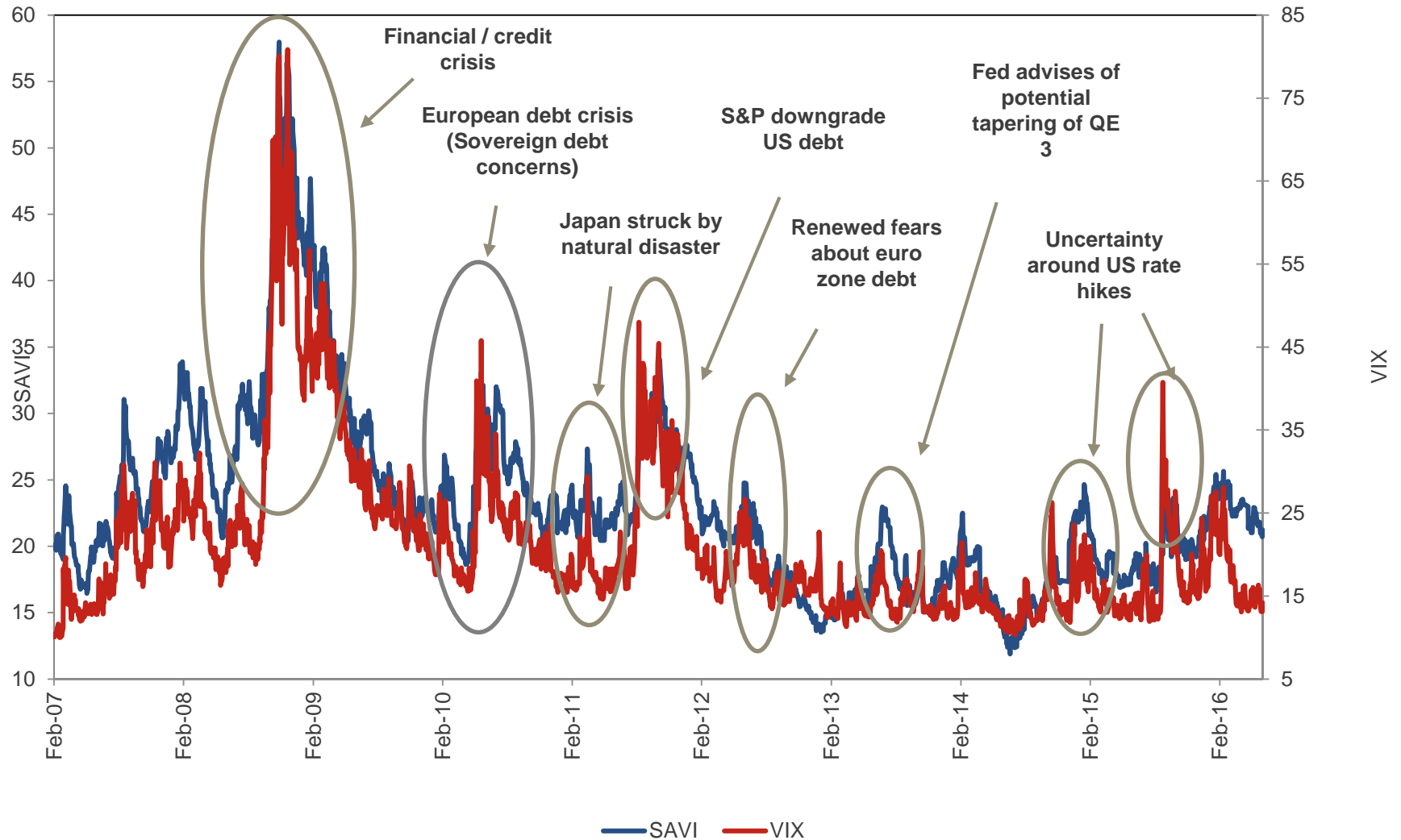
The return from Brent crude has been excellent the last three months, due to dollar depreciation as well decreased supply from Shale oil

Source: INET BFA, FT.com and Momentum Investments

All returns in dollar terms

SAVI-VIX

Since February 2007 to May 2016

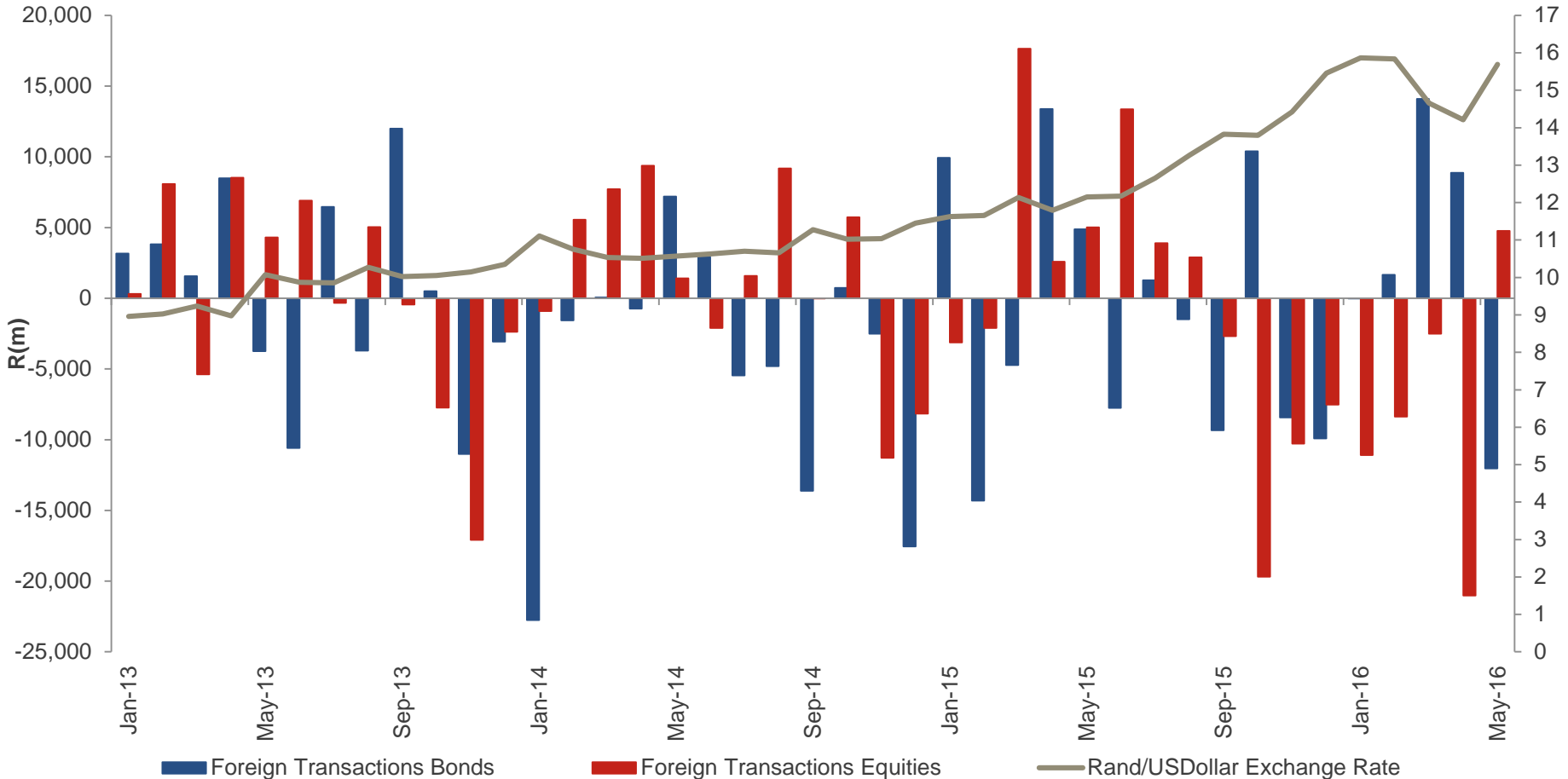


Source: INET BFA and Momentum Investments

Foreign transactions

2013 to 2016

m



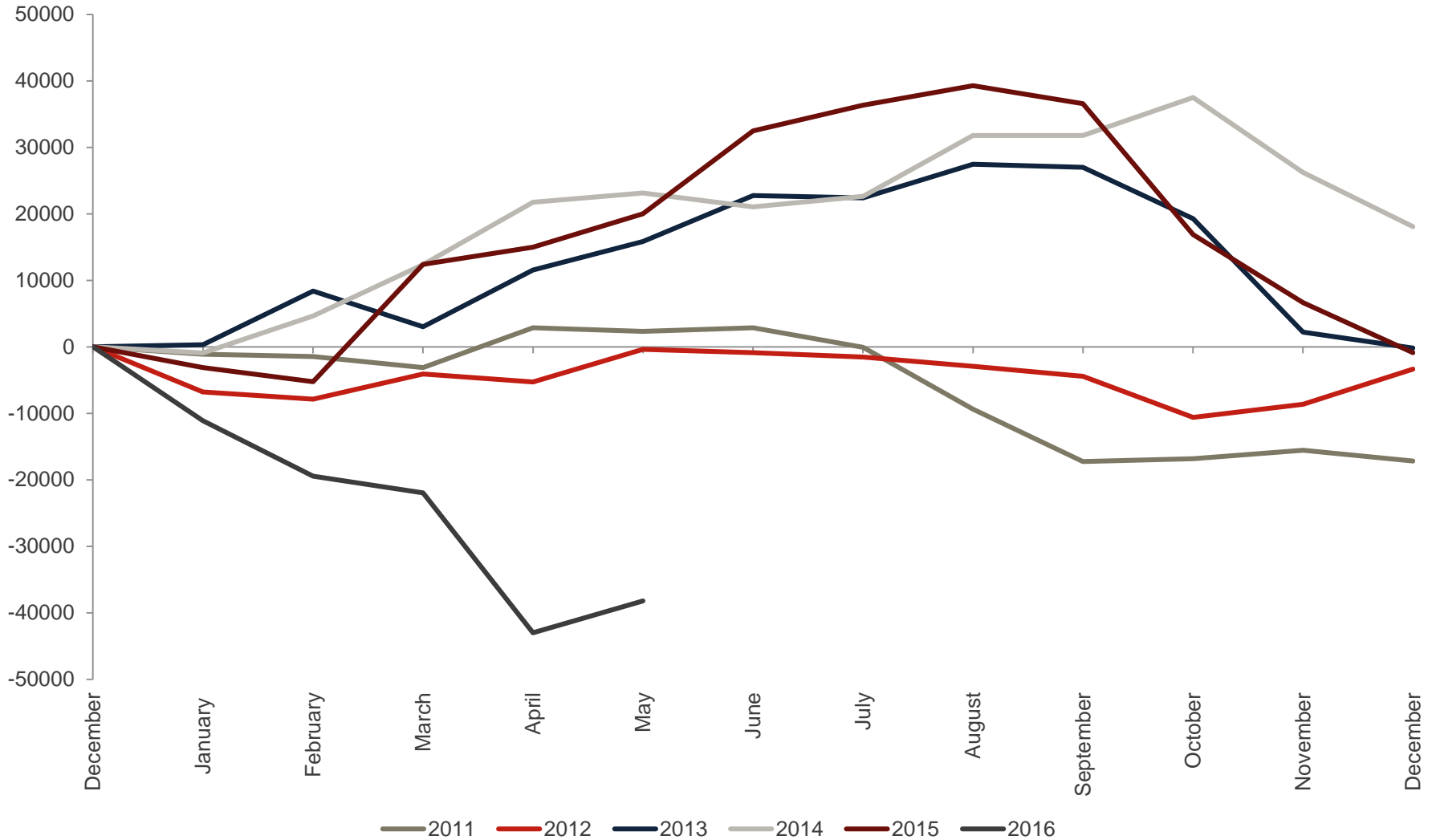
There have been mixed results over the years. For May 2016, net outflows have taken place from local bonds and net inflows from equities.

Source: INET BFA and Momentum Investments

Cumulative foreign transaction equities

2011 to 2016

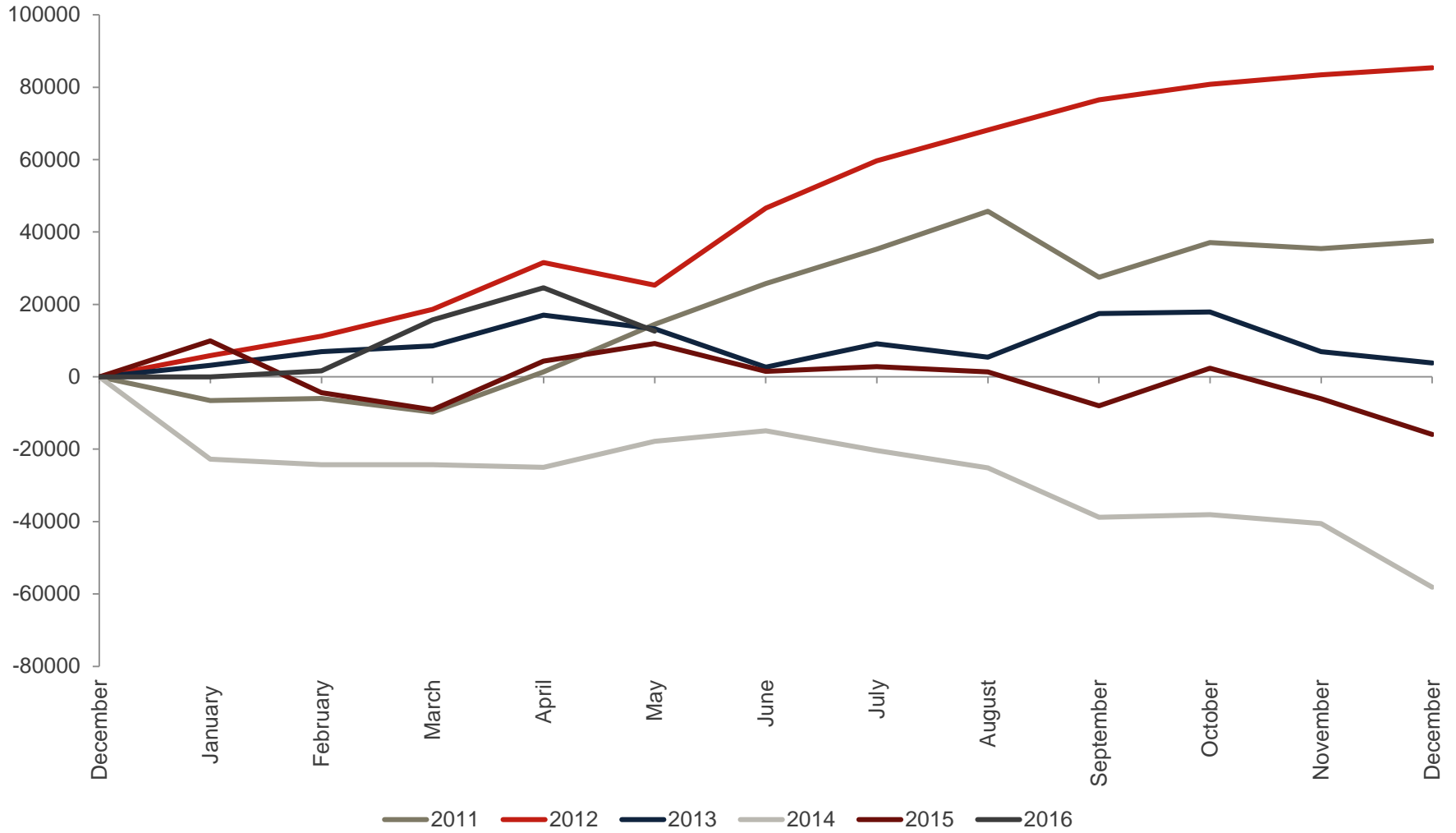
m



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 May 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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