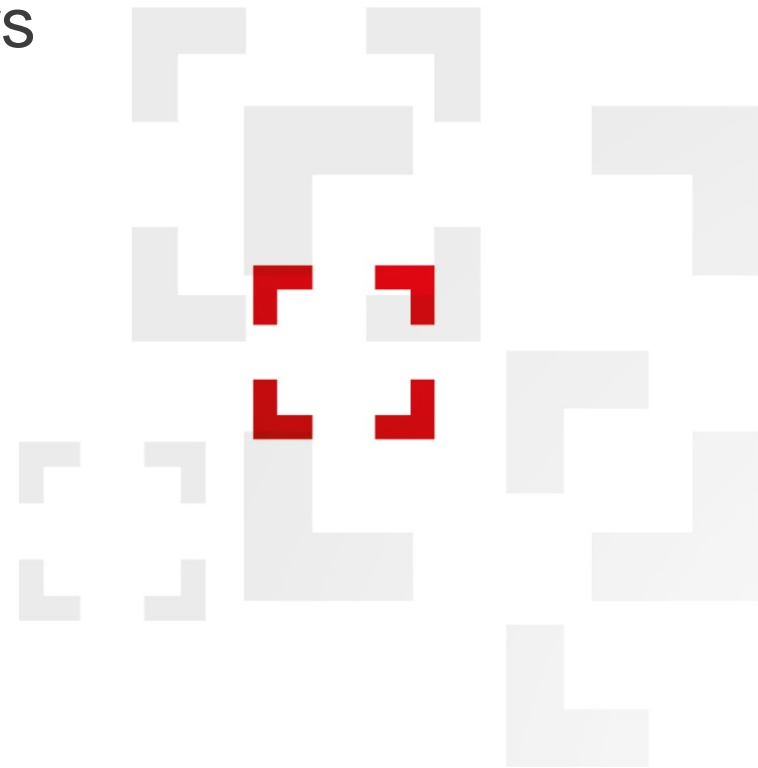


Key market performance drivers

Monthly charts

November 2016



Market returns concentration

One-year returns ending:



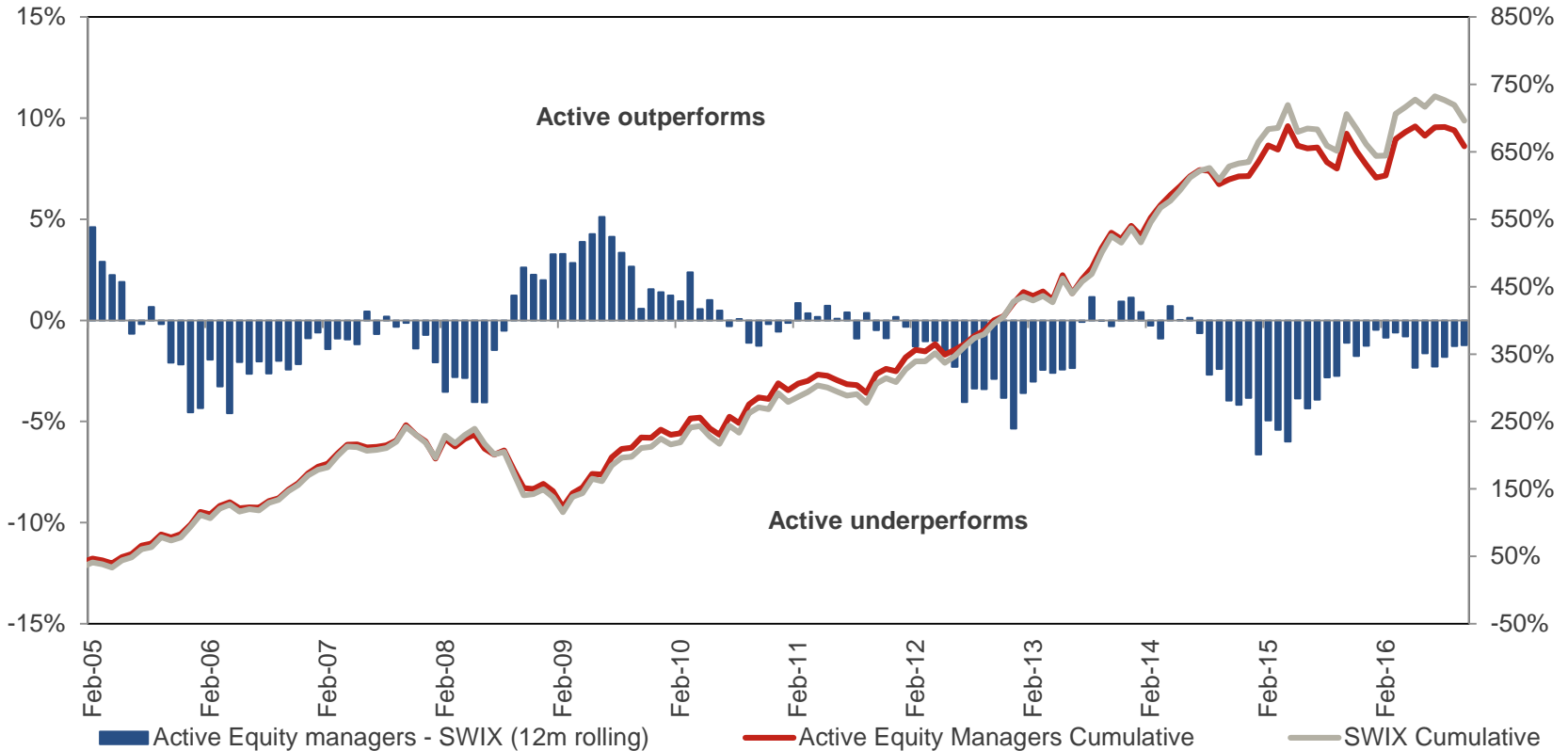
November-16			October-16			September-16		
	ANGLO			NASPERS			NASPERS	
	LONMIN			ANGLO			SIBANYE GOLD LTD	
	STANDARD BANK GP			SHOPRIT			HARMONY	
	BHPBILL			ANGLOGOLD ASHANTI LTD			ANGLO	
Top 5	SHOPRIT	91%	Top 5	SIBANYE GOLD LTD	181%	Top 5	ANGLOGOLD ASHANTI LTD	90%
Top 6	KUMBA IRON ORE	97%	Top 6	SAPPI	192%	Top 6	BRITISH AMERICAN TOBACCO	96%
	ANGLOGOLD ASHANTI LTD			TIGBRANDS			LONMIN	
	FIRSTSTRAND			GFIELDS			IMPALA PLATINUM HOLDINGS	
	HARMONY			IMPALA PLATINUM HOLDINGS			GFIELDS	
Top 10	ASSORE	116%	Top 10	NORTHAM	230%	Top 10	SAPPI	116%
	ARM			KUMBA IRON ORE			SHOPRIT	
	SAPPI			SANLAM			NORTHAM	
	TIGBRANDS			EXXARO			TIGBRANDS	
	EXXARO			ARM			ANGLO AMERICAN PLATINUM LIMITED	
	NORTHAM			CLICKS GROUP LTD			CLICKS GROUP LTD	
	SIBANYE GOLD LTD			STANDARD BANK GP			VODACOM	
	IMPALA PLATINUM HOLDINGS			ASSORE			ASPEN	
	BARWORLD			NEW EUROPE PROPERTY INVESTMENTS PLC			PAN-AF	
	CLICKS GROUP LTD			ANGLO AMERICAN PLATINUM LIMITED			CAPITEC	
Top 20	ANGLO AMERICAN PLAT	142%	Top 20	BLUETEL	288%	Top 20	EXXARO	134%
Remaining	(Positive)	31%	Remaining	(Positive)	57%	Remaining	(Positive)	15%
Negative	(57Shares)	-73%	Negative	(74 Shares)	-244%	Negative	(75 Shares)	-49%

Market-cap weighted returns: 10 shares contributed 116% 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 October* 2016



Median of Active Equity Managers vs SWIX

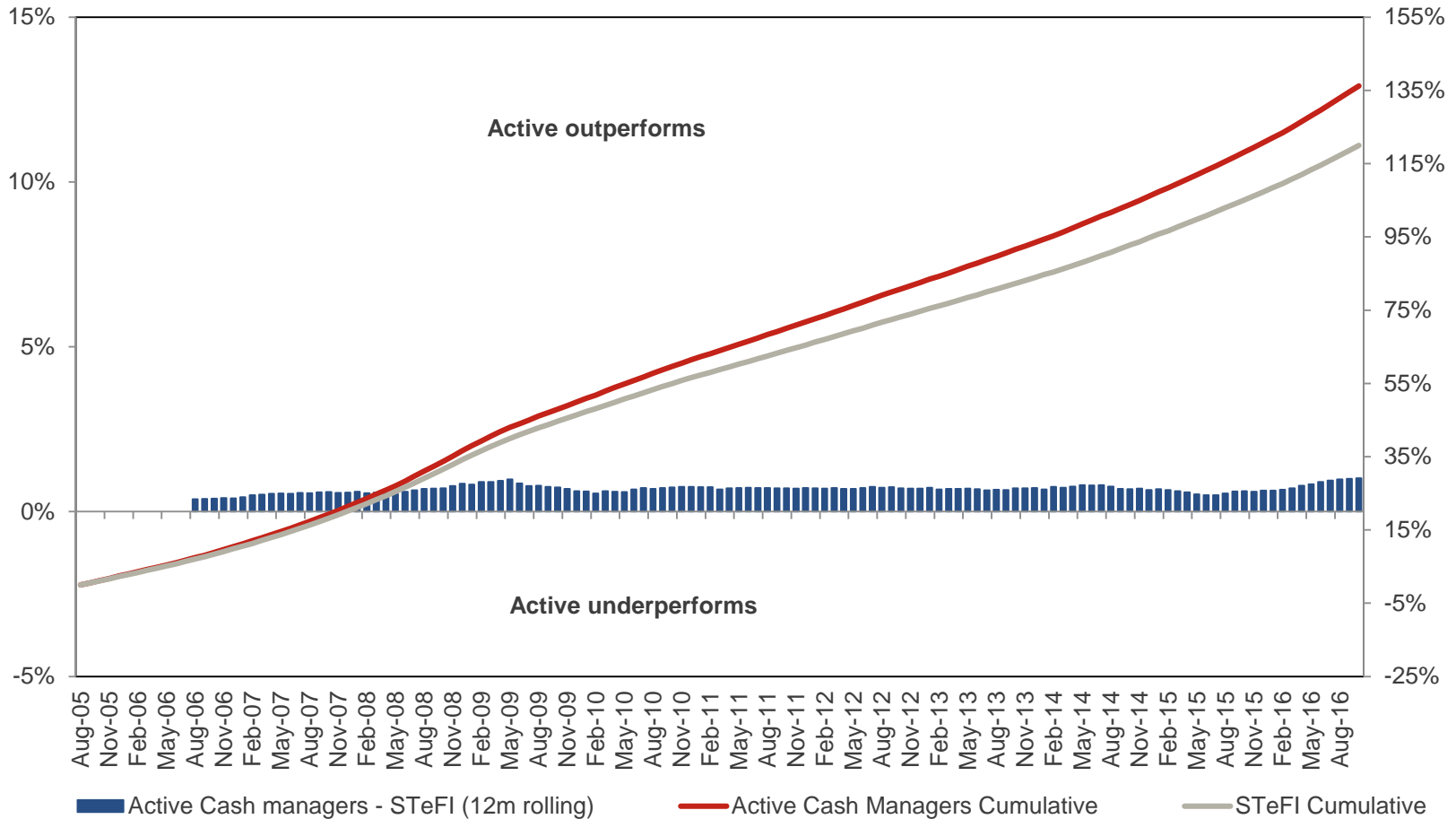
The median of the active equity managers underperformed the SWIX for the year ended October 2016

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

One-year rolling average to October* 2016



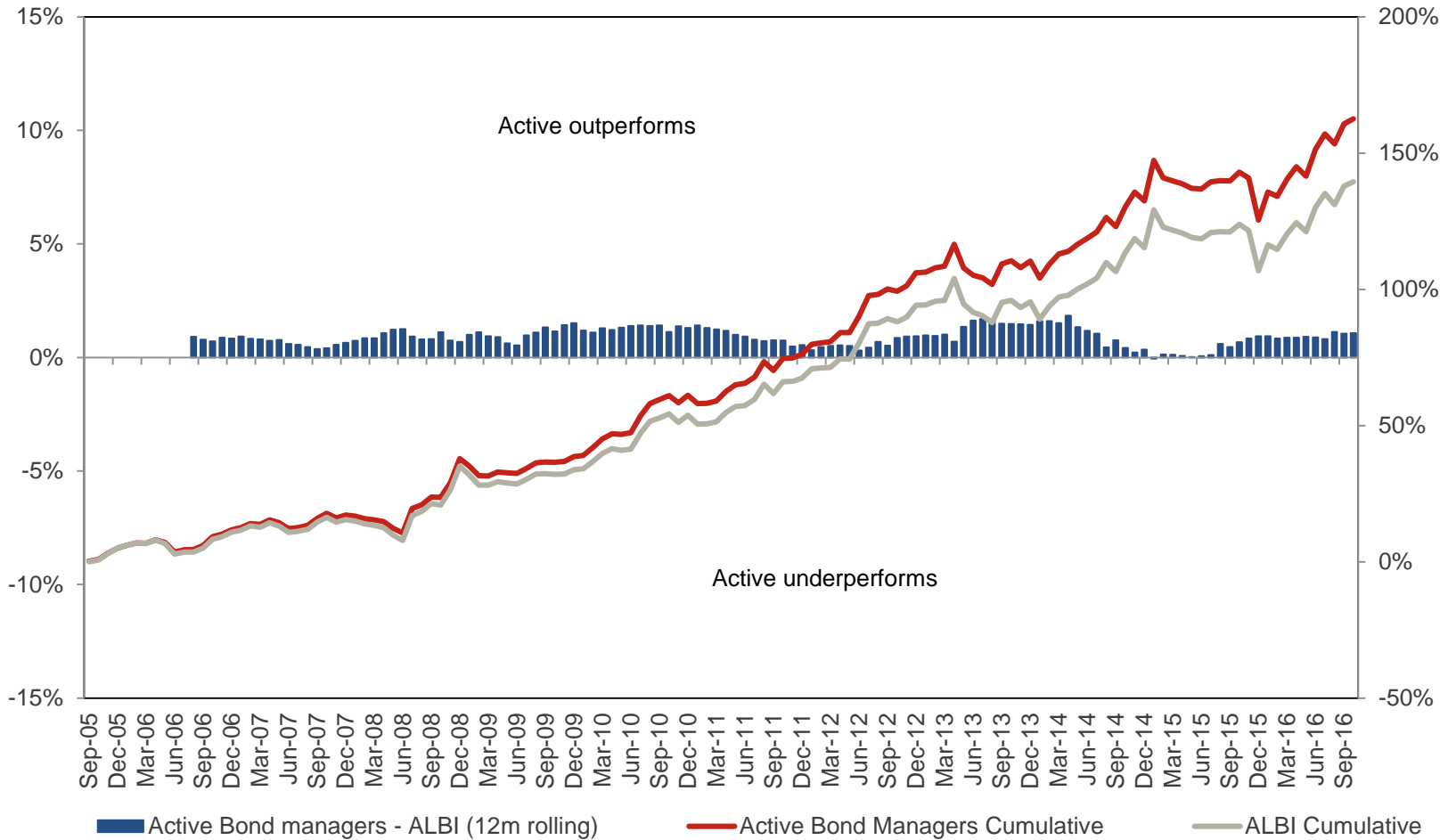
Median of Active Money Market Managers vs STEFI

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

One-year rolling average to October* 2016



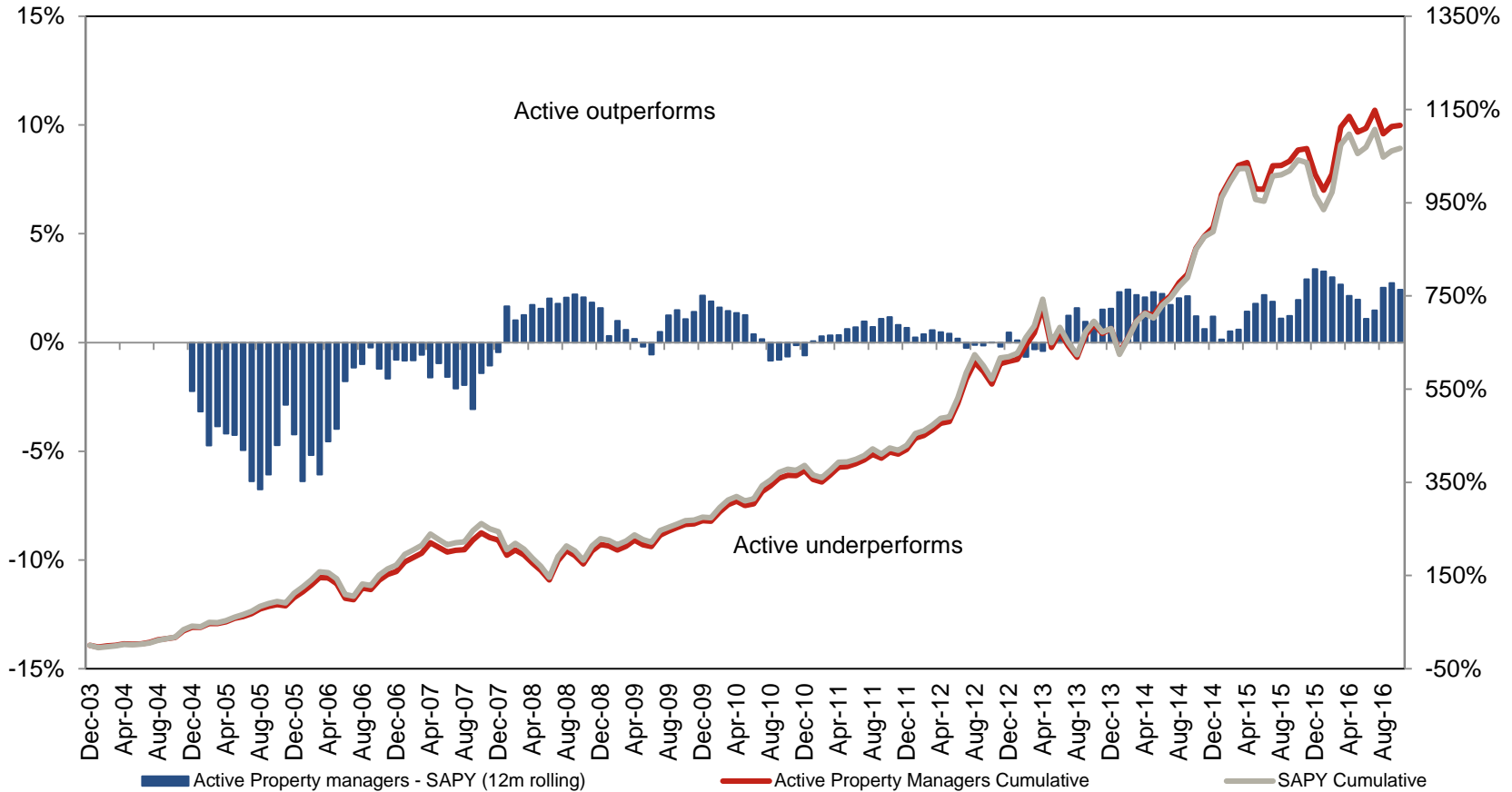
Median of Active Bond Managers vs ALBI

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

One-year rolling average to October* 2016



Median of Active Property Managers vs SAPY

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 Oct 2016



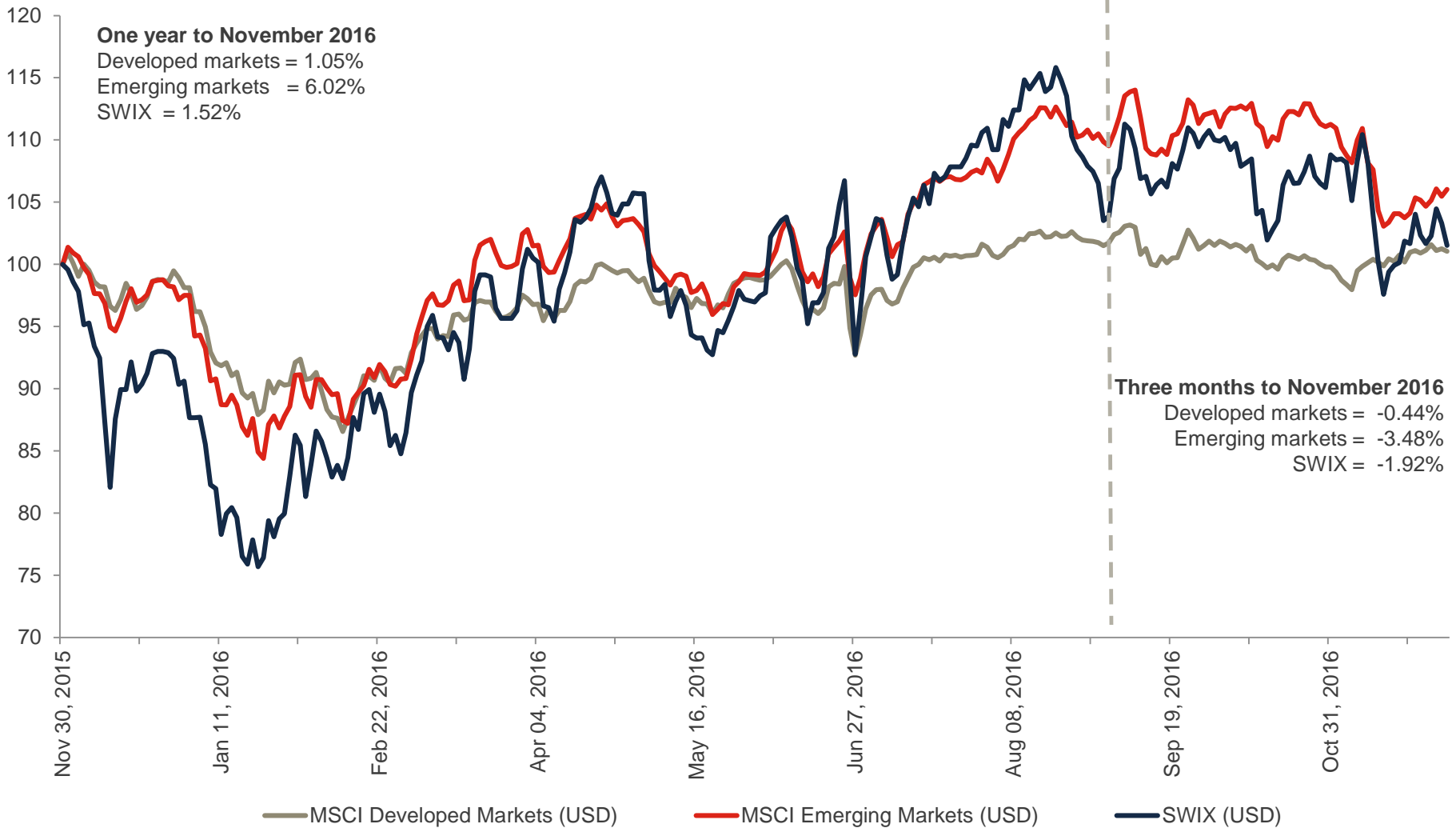
ZAR	Styles	One month to Oct 2016	Three months to Oct 2016	One year to Oct 2016	Three years to Oct 2016	Five years to Oct 2016	Ten years to Oct 2016	Twenty years to Oct 2016
Value	Book to Price	6.96	6.64	14.08	-1.00	-2.95	-2.10	2.55
	Dividend Yield	-0.22	4.28	9.30	0.15	-1.97	1.35	4.35
	Earnings Yield	8.72	12.94	5.52	-0.19	-0.57	-0.45	2.87
	Cash Flow Yield	7.15	11.05	20.61	0.57	1.51	-0.60	3.31
	Sales to Price	-0.13	3.78	10.87	-1.84	-2.69	-2.26	2.59
Quality	ROE	-0.98	-1.35	-8.03	-2.17	0.36	0.53	-1.93
	ROIC LT	0.41	4.18	4.70	-2.41	0.05	-0.26	-2.29
	Income to Sales	8.90	4.51	-1.22	0.02	1.46	0.87	-1.03
	Low market beta	5.18	0.30	8.68	6.43	5.83	-1.51	1.65
	Low Debt/Equity	9.48	5.45	1.16	-1.39	-0.75	-2.10	-1.26
	EBIT Margin Stability	0.62	4.62	2.30	4.16	6.10	4.81	-0.49
Growth	Earnings Growth	10.19	8.97	-5.56	0.65	-0.01	-1.06	-1.34
	Sales Growth	-1.02	1.22	-8.74	-0.59	1.21	1.05	-0.07
	12M Earning Growth	-4.66	-10.21	-8.14	-1.67	-4.55	1.15	5.71
Momentum	FY1 Earnings Revisions	-2.90	-4.81	-8.30	6.06	4.99	9.43	8.12
	Short Term Momentum	-3.50	-7.31	11.83	4.15	2.23	0.92	-1.20
	Medium Term Momentum	-3.52	-4.83	-10.88	5.61	7.62	5.22	6.88
Size	Size	-3.27	-9.23	-7.23	-2.02	-2.17	0.04	-0.65

The Value and some Quality factors had strong returns for the shorter term . Overall, the various momentum factors are strong in the longer term especially FY1 Earnings Revisions and Medium Term Momentum.

Source: FactSet , Momentum Global Investment Management and Momentum Investments

MSCI developed and emerging markets

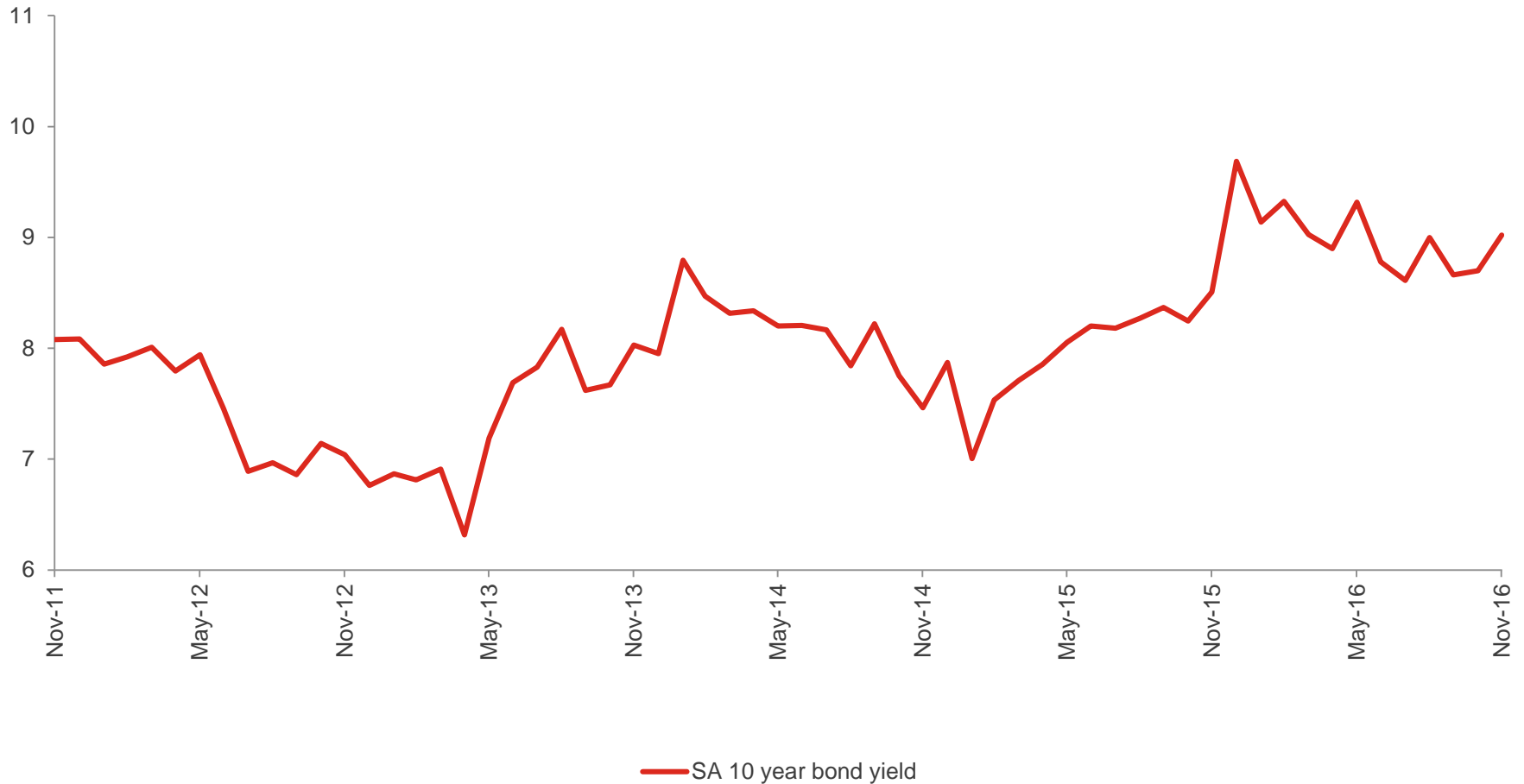
One year to November 2016



Source: INET BFA, MSCI and Momentum Investments

SA 10-year bond yields

Five years to November 2016



SA 10-year bond yields increased by 32 bps for November 2016

Source: INET BFA and Momentum Investments

Yield of R197 (inflation-linked bond)

Since May 2001 to November 2016

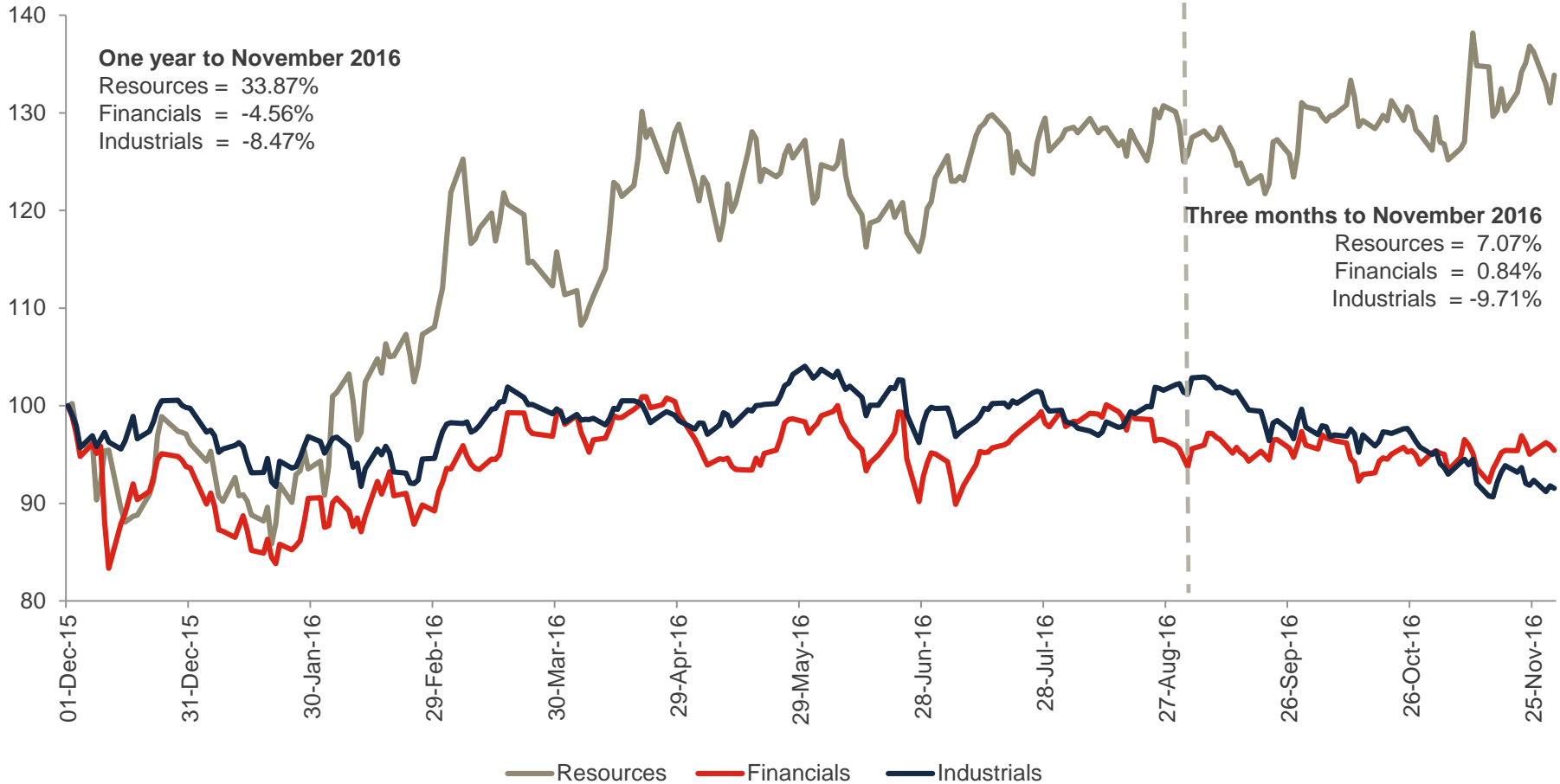


Inflation-linked bond yields were higher for November 2016

Source: INET BFA and Momentum Investments

FTSE/JSE sectors

One year to November 2016

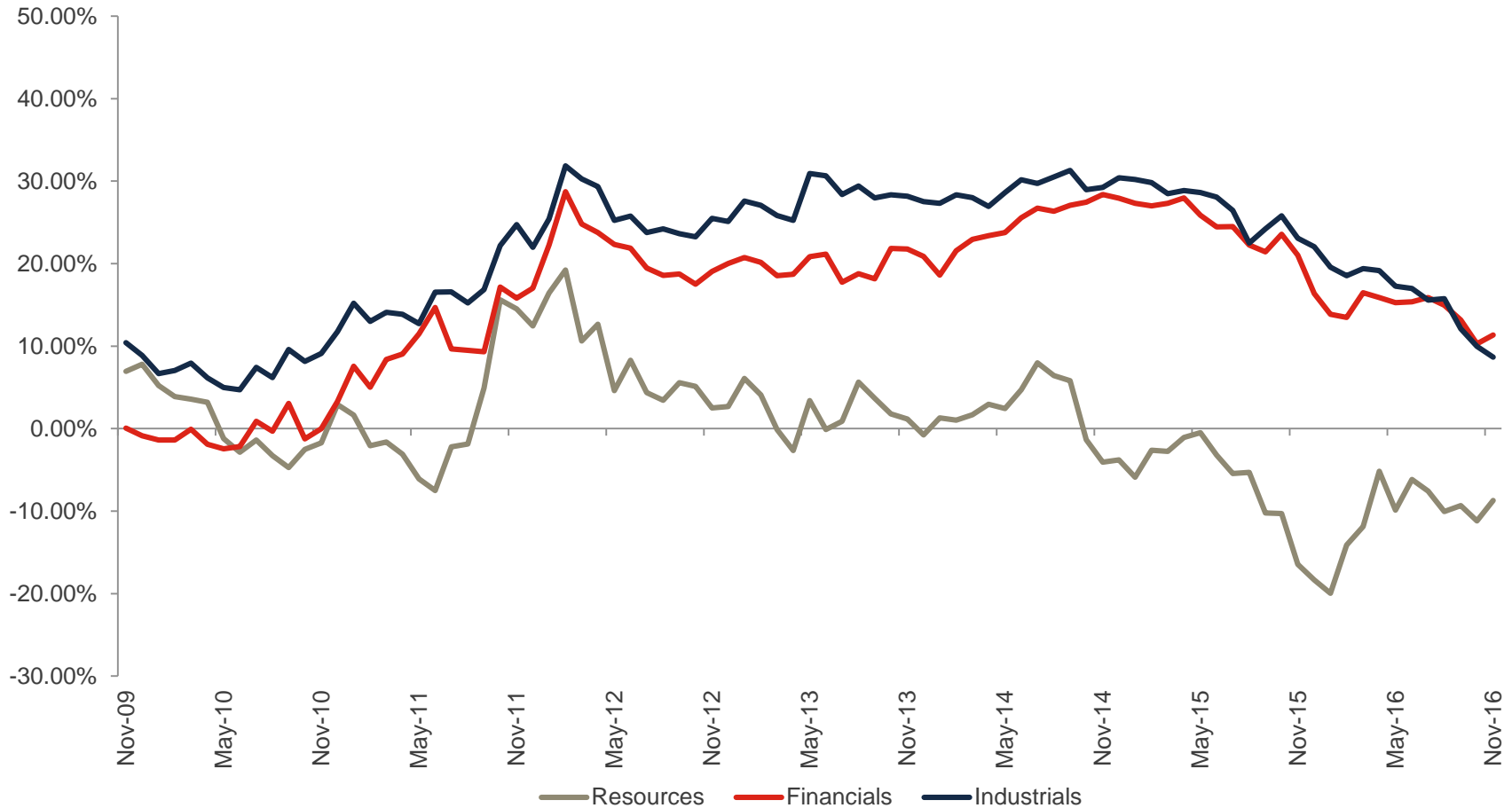


FTSE/JSE Resources had exceptional returns for the three-month and one-year periods

Source: INET BFA and Momentum Investments

FTSE/JSE sectors

Rolling three-year return to November 2016



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

Source: INET BFA and Momentum Investments

Returns are annualised

FTSE/JSE sectors

Decomposed (three months to November 2016)



Three months to Nov 2016

1	General Mining	Mining	30.5%	19	Food & Drug Retailers	Consumer Services	-4.0%
2	Coal Mining	Mining	29.9%	20	Real Estate Investment & Services	Financials	-4.4%
3	Industrial Engineering	Industrials	22.5%	21	General Industrials	Industrials	-4.8%
4	Fixed Line Telecommunications	Telecommunication	16.6%	22	Mobile Telecommunications	Telecommunication	-5.1%
5	Banks	Financials	14.6%	23	Real Estate Investment Trusts	Financials	-5.4%
6	Personal Goods	Consumer Goods	10.3%	24	Travel & Leisure	Consumer Services	-5.5%
7	Non-life Insurance	Financials	10.2%	25	Life Insurance	Financials	-5.8%
8	Industrial Metals	Basic Materials	9.9%	26	Equity Investment Instruments	Financials	-8.4%
9	Software & Computer Services	Technology	7.3%	27	General Retailers	Consumer Services	-9.2%
10	Industrial Transportation	Industrials	6.6%	28	Beverages	Consumer Goods	-13.2%
11	Automobiles & Parts	Consumer Goods	6.1%	29	Tobacco	Consumer Goods	-14.3%
12	Chemicals	Basic Materials	4.0%	30	Media	Consumer Services	-14.4%
13	Electronic & Electrical Equipment	Industrials	3.6%	31	Pharmaceuticals & Biotechnology	Health Care	-16.0%
14	Support Services	Industrials	0.3%	32	Health Care Equipment & Services	Health Care	-22.7%
15	Food Producers	Consumer Goods	0.2%	33	Platinum Mining	Mining	-22.7%
16	Forestry & Paper	Basic Materials	-0.6%	34	Household Goods	Consumer Goods	-24.2%
17	General Financial	Financials	-2.1%	35	Gold Mining	Mining	-38.6%
18	Construction & Materials	Industrials	-2.3%				

Key

Resources

Financials

Industrials

General and Coal Mining were the best-performing sectors for the last three months

Source: Barra, Deutsche Securities and Momentum Investments

FTSE/JSE sectors

Decomposed (one year to November 2016)



One year to Nov 2016

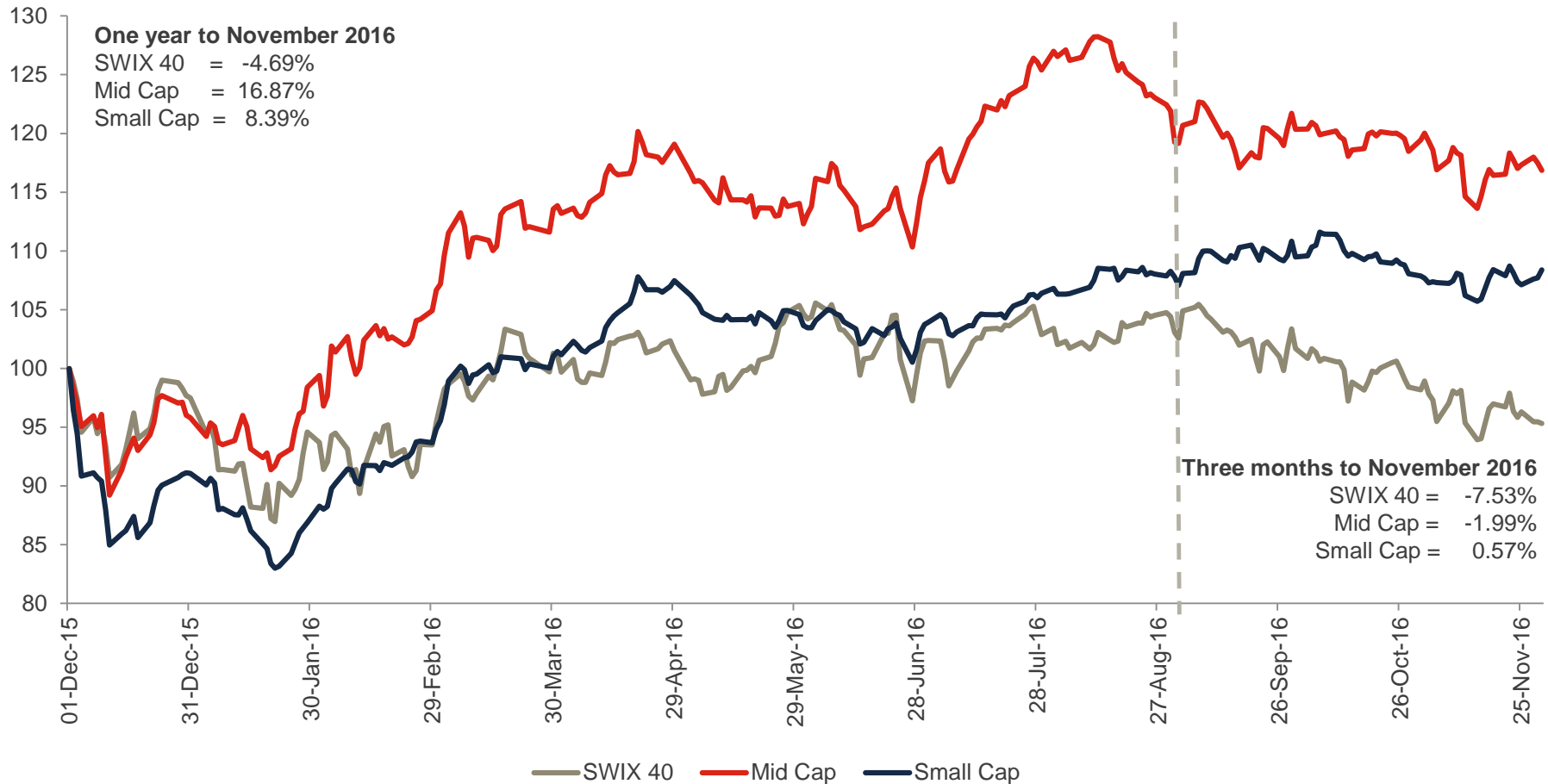
1	Industrial Metals	Basic Materials	226.5%	19	Tobacco	Consumer Goods	-4.1%
2	Coal Mining	Mining	119.5%	20	Media	Consumer Services	-4.5%
3	General Mining	Mining	67.5%	21	Equity Investment Instruments	Financials	-4.5%
4	Gold Mining	Mining	61.4%	22	Electronic & Electrical Equipment	Industrials	-5.0%
5	Industrial Engineering	Industrials	25.0%	23	Pharmaceuticals & Biotechnology	Health Care	-5.4%
6	Fixed Line Telecommunications	Telecommunication	22.4%	24	Real Estate Investment Trusts	Financials	-5.5%
7	Non-life Insurance	Financials	18.6%	25	Mobile Telecommunications	Telecommunication	-11.1%
8	Food Producers	Consumer Goods	15.6%	26	Personal Goods	Consumer Goods	-12.7%
9	Banks	Financials	14.7%	27	Life Insurance	Financials	-13.7%
10	Platinum Mining	Mining	10.6%	28	Automobiles & Parts	Consumer Goods	-14.5%
11	Food & Drug Retailers	Consumer Services	10.1%	29	Beverages	Consumer Goods	-14.7%
12	Travel & Leisure	Consumer Services	9.8%	30	General Retailers	Consumer Services	-16.1%
13	General Industrials	Industrials	9.4%	31	Real Estate Investment & Services	Financials	-18.0%
14	Industrial Transportation	Industrials	9.0%	32	Health Care Equipment & Services	Health Care	-18.8%
15	Software & Computer Services	Technology	5.6%	33	General Financial	Financials	-19.9%
16	Chemicals	Basic Materials	-0.1%	34	Household Goods	Consumer Goods	-21.0%
17	Construction & Materials	Industrials	-2.0%	35	Support Services	Industrials	-21.1%
18	Forestry & Paper	Basic Materials	-3.4%				

Key
 Resources
 Financials
 Industrials

Source: Barra, Deutsche Securities and Momentum Investments

FTSE/JSE market caps

One year to November 2016

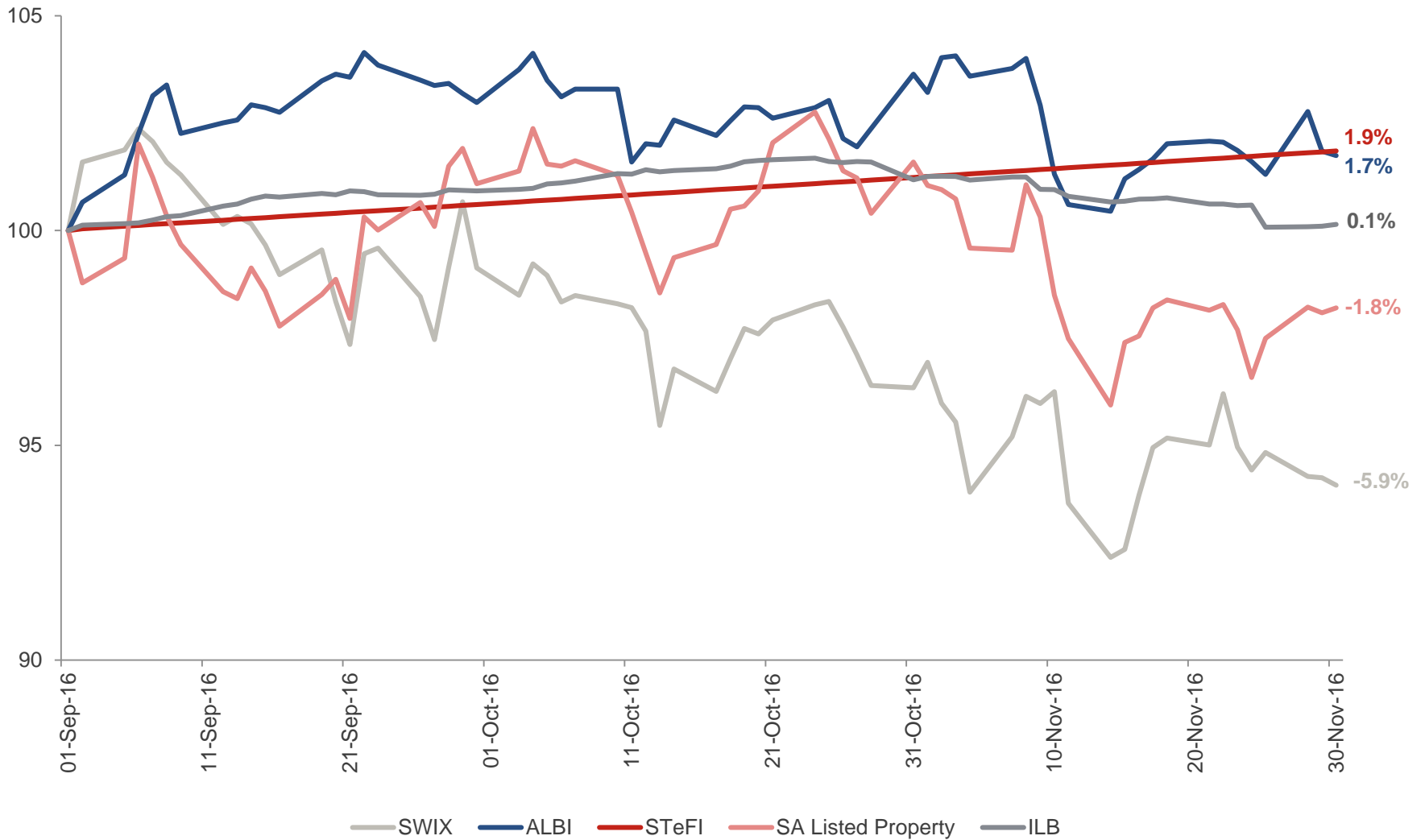


The FTSE/JSE Mid Cap and Small Cap Indices had positive returns for the one year period, whereas the SWIX 40 struggled over the 3- and 12 month period.

Source: INET BFA and Momentum Investments

Local asset classes

Three months to November 2016



Source: INET BFA and Momentum Investments

All returns in rand terms

Global asset classes

Three months to November 2016

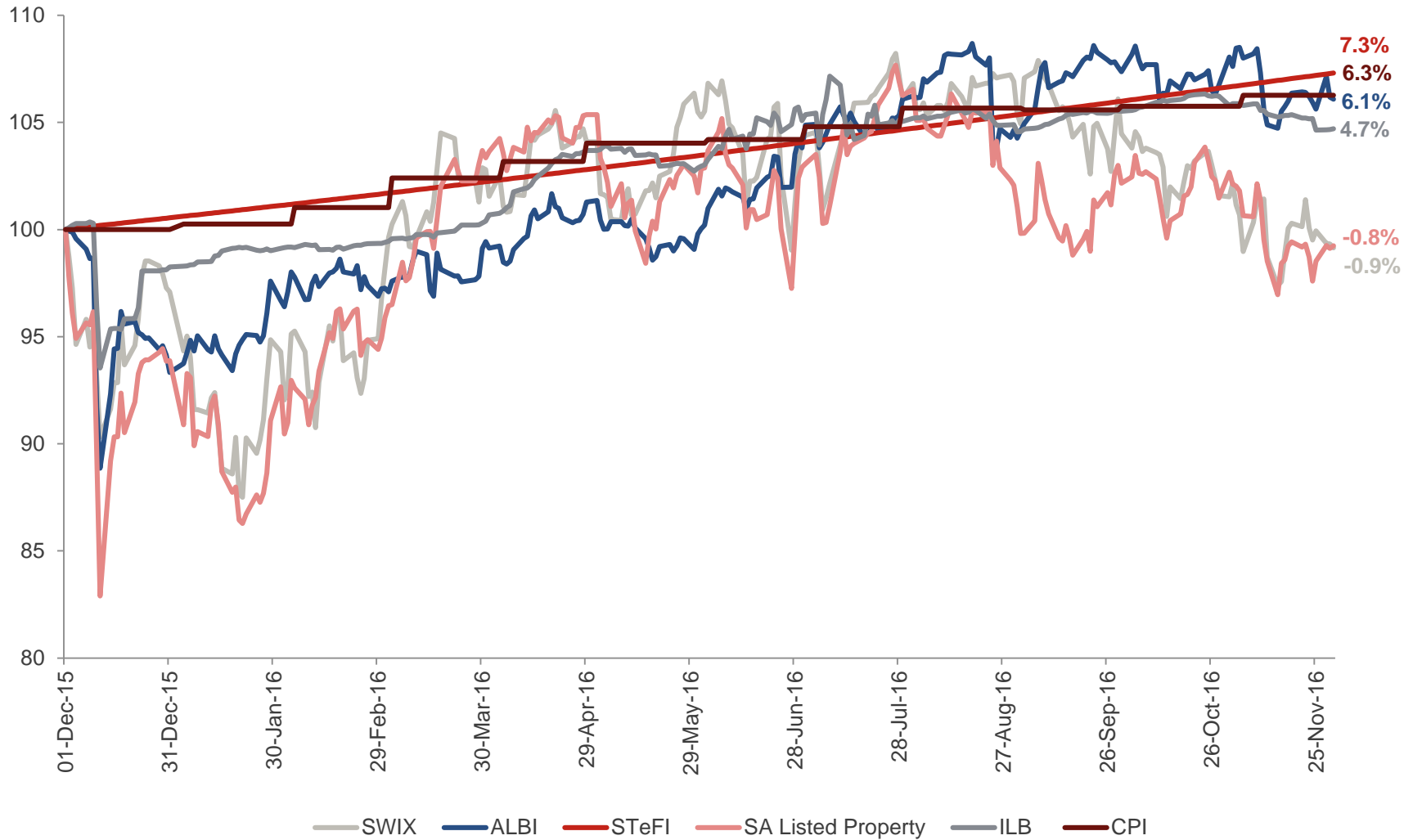


Source: INET BFA and Momentum Investments

All returns in rand terms

Local asset classes

One year to November 2016



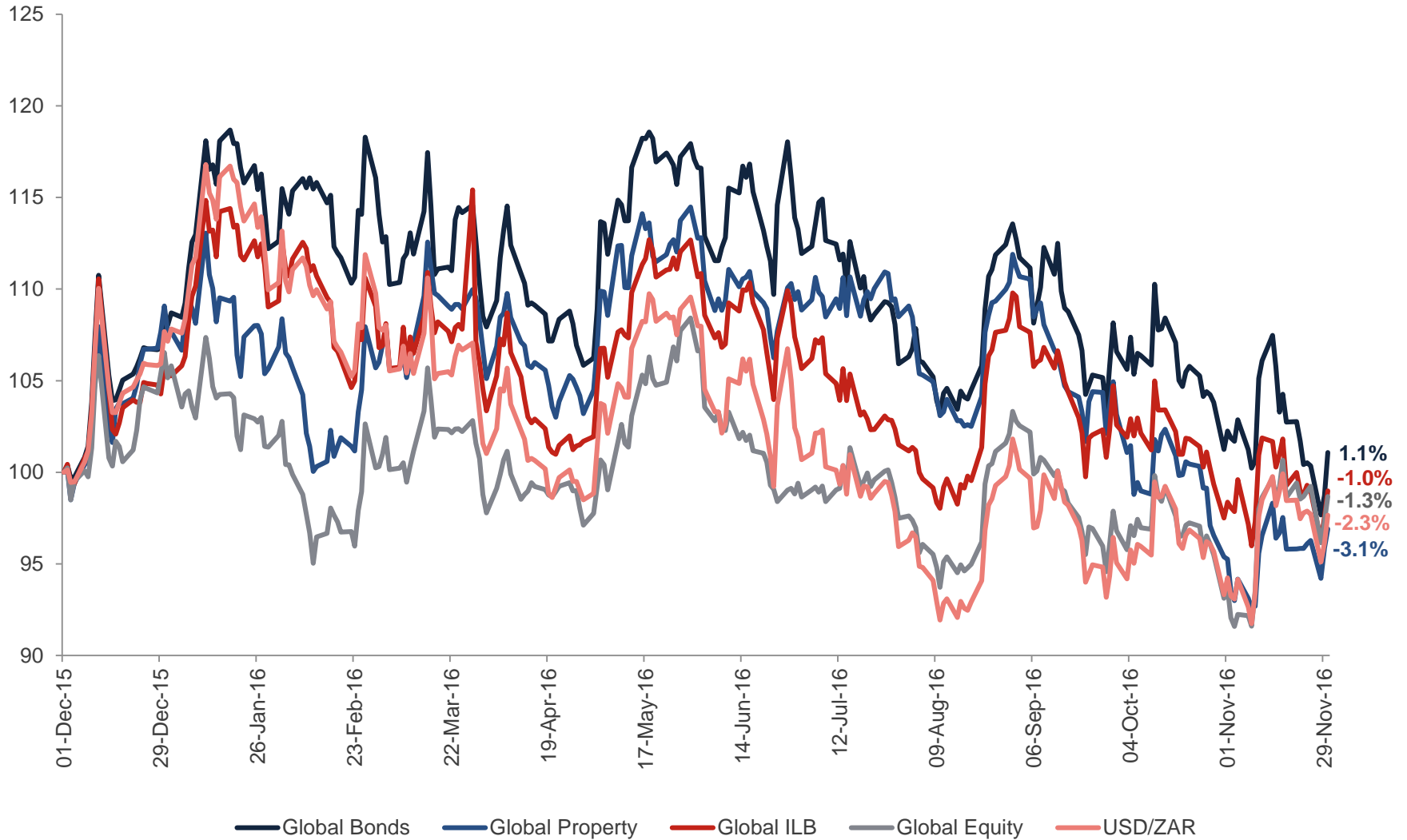
Source: INET BFA and Momentum Investments

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

All returns in rand terms

Global asset classes

One year to November 2016

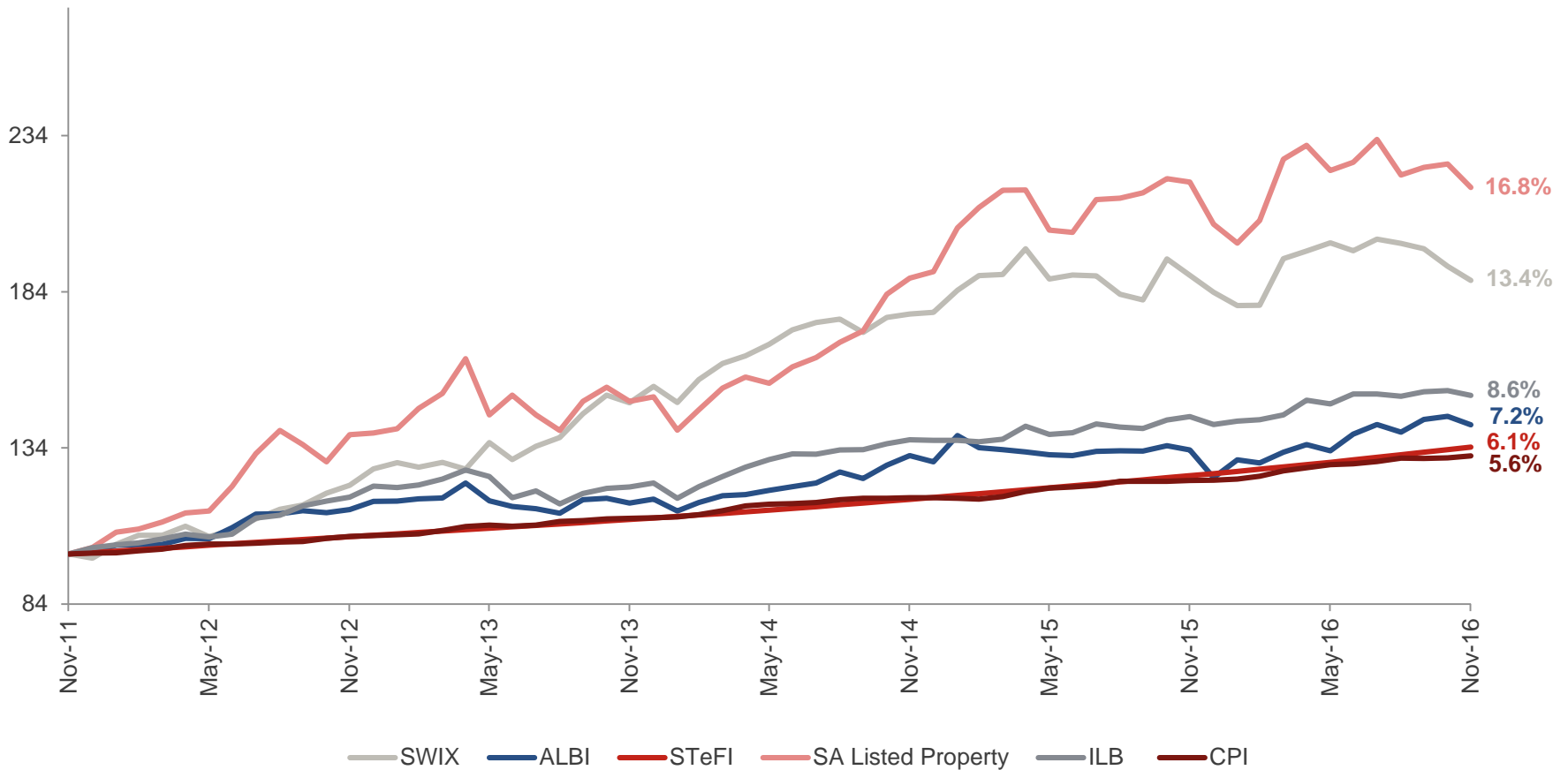


Source: INET BFA and Momentum Investments

All returns in rand terms

Local asset classes

Five years to November 2016



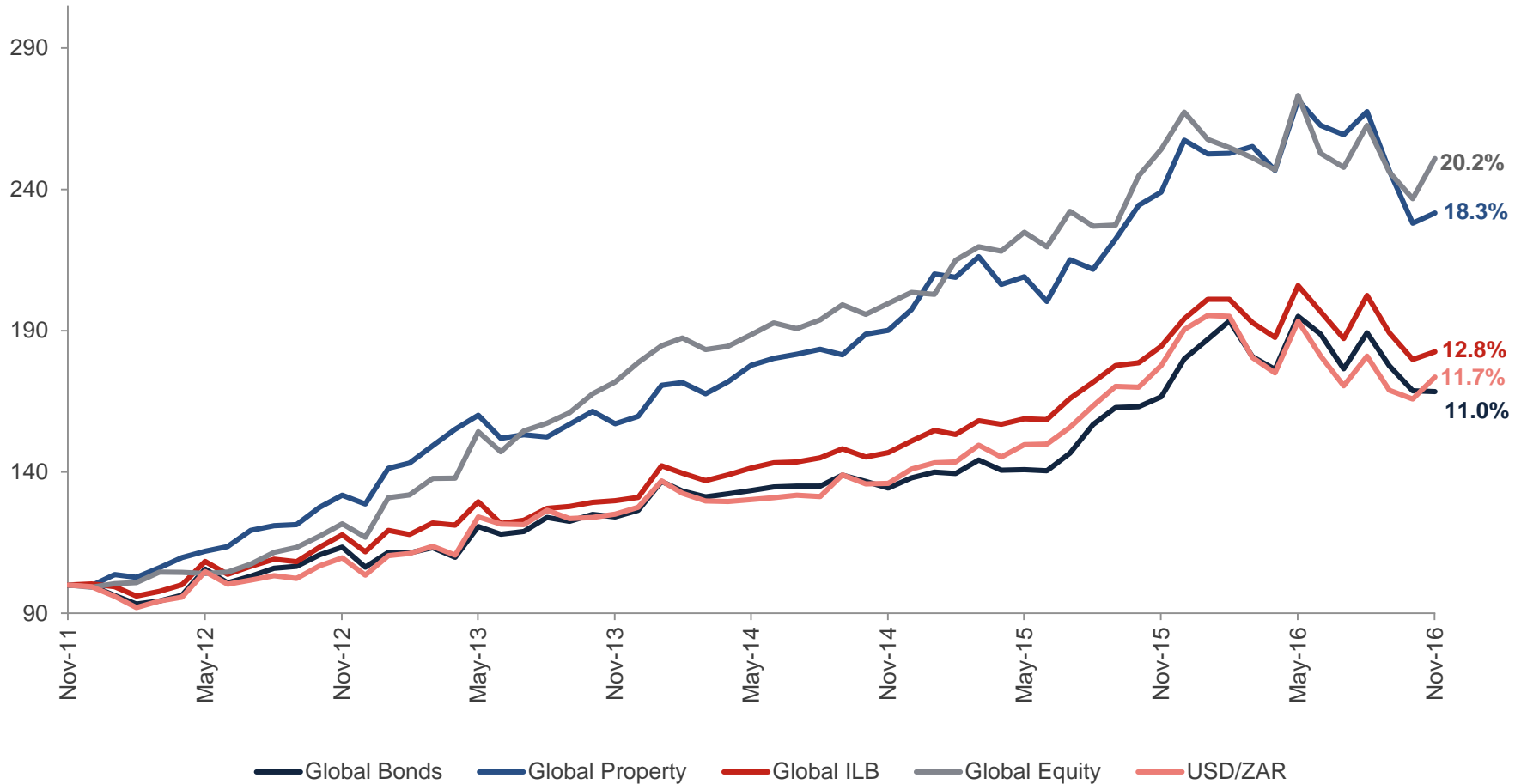
The FTSE/JSE SA Listed Property and the FTSE/JSE SWIX remained in the lead for the five-year period. All the depicted asset classes ended the period ahead of inflation* (five-year inflation was 5.6%).

Source: INET BFA and Momentum Investments

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

Global asset classes

Five years to November 2016



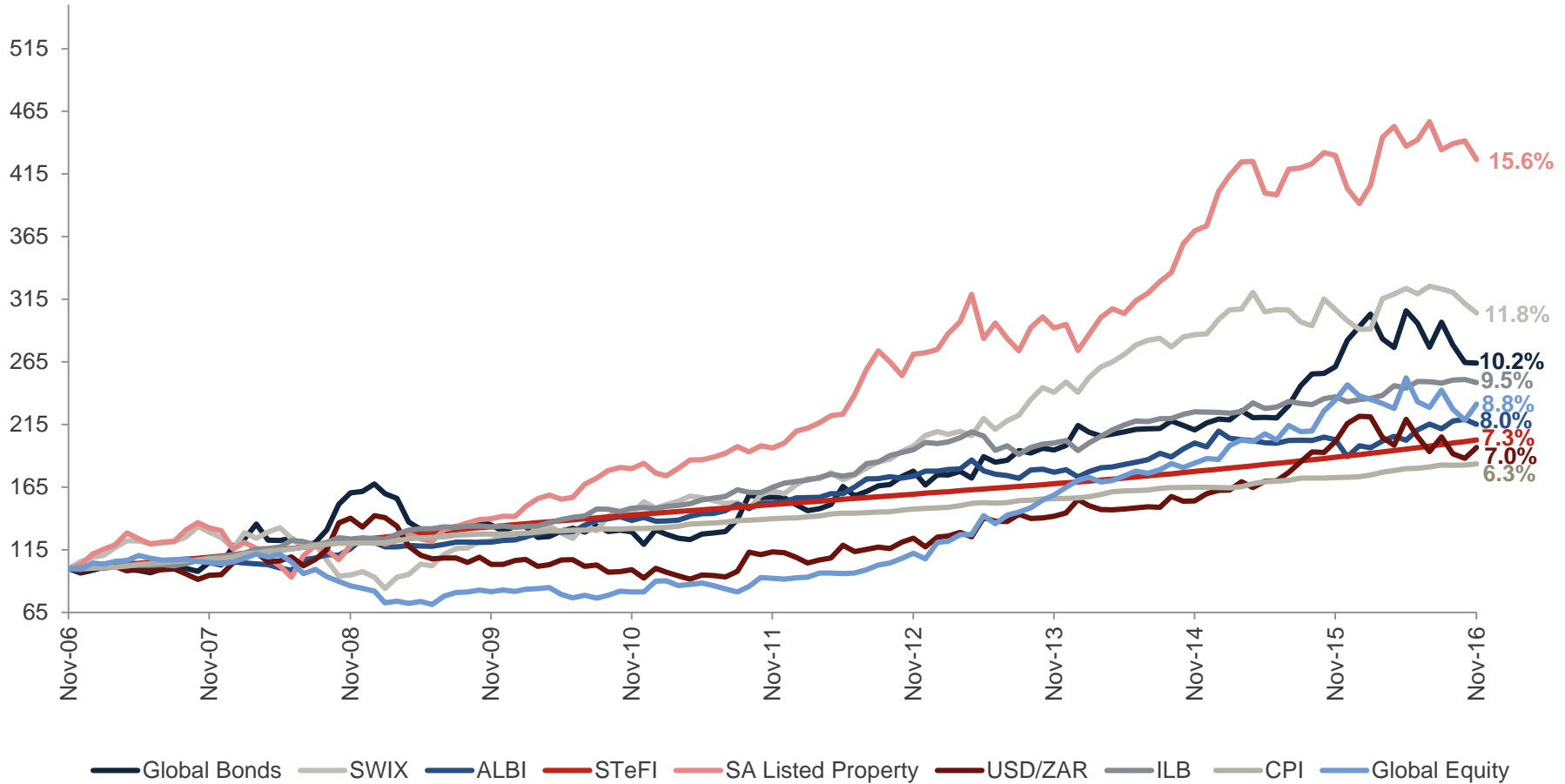
Global equity had the best return for the five-year period, with 20.2%, followed by global property with 18.3%

Source: INET BFA and Momentum Investments

All returns in rand terms

Asset classes

Ten years to November 2016



For the 10-year period to November, 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 November 2016

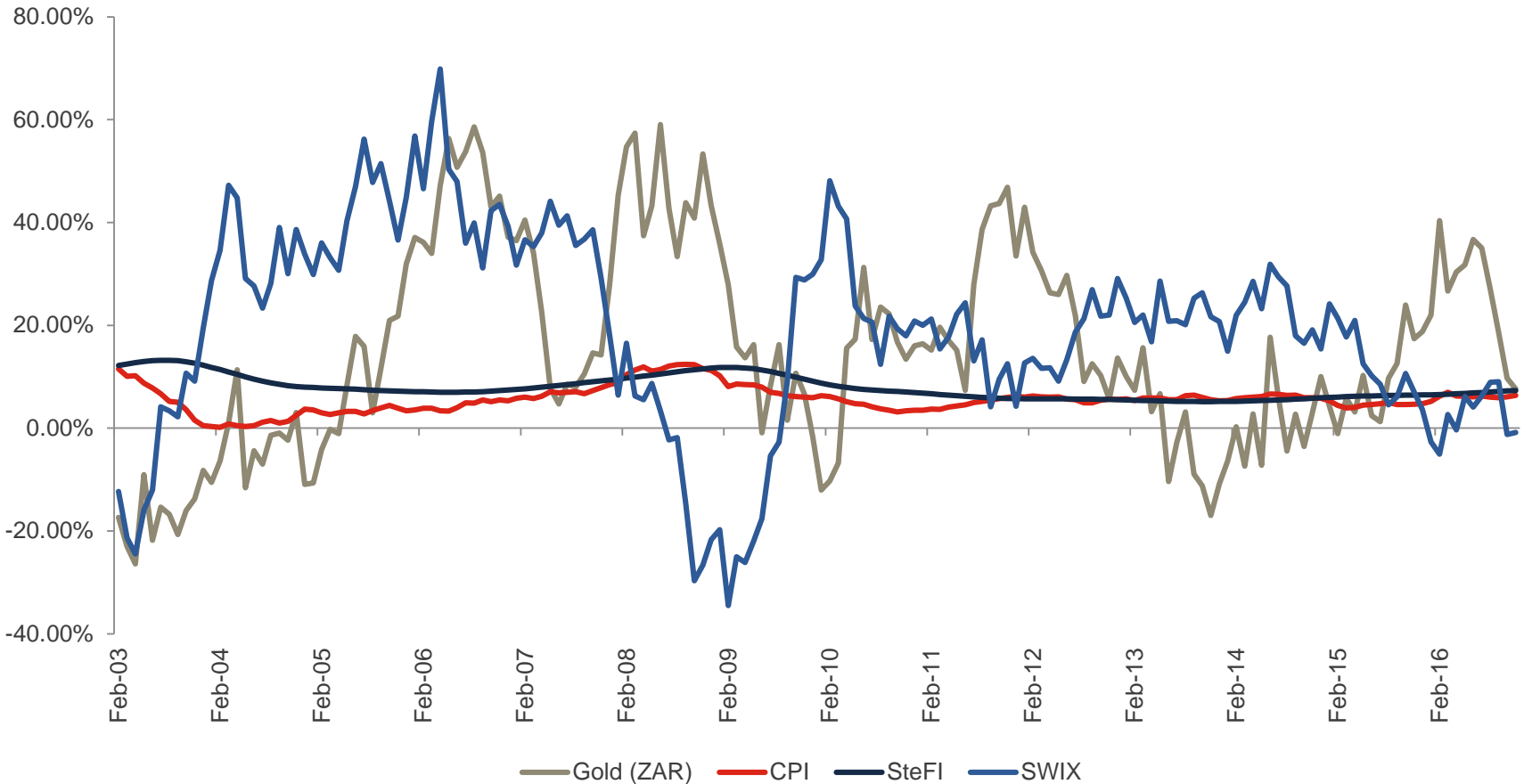


The rand appreciated against all currencies for the last 12- and 3 months period.

Source: INET BFA and Momentum Investments

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

One-year rolling returns to November 2016



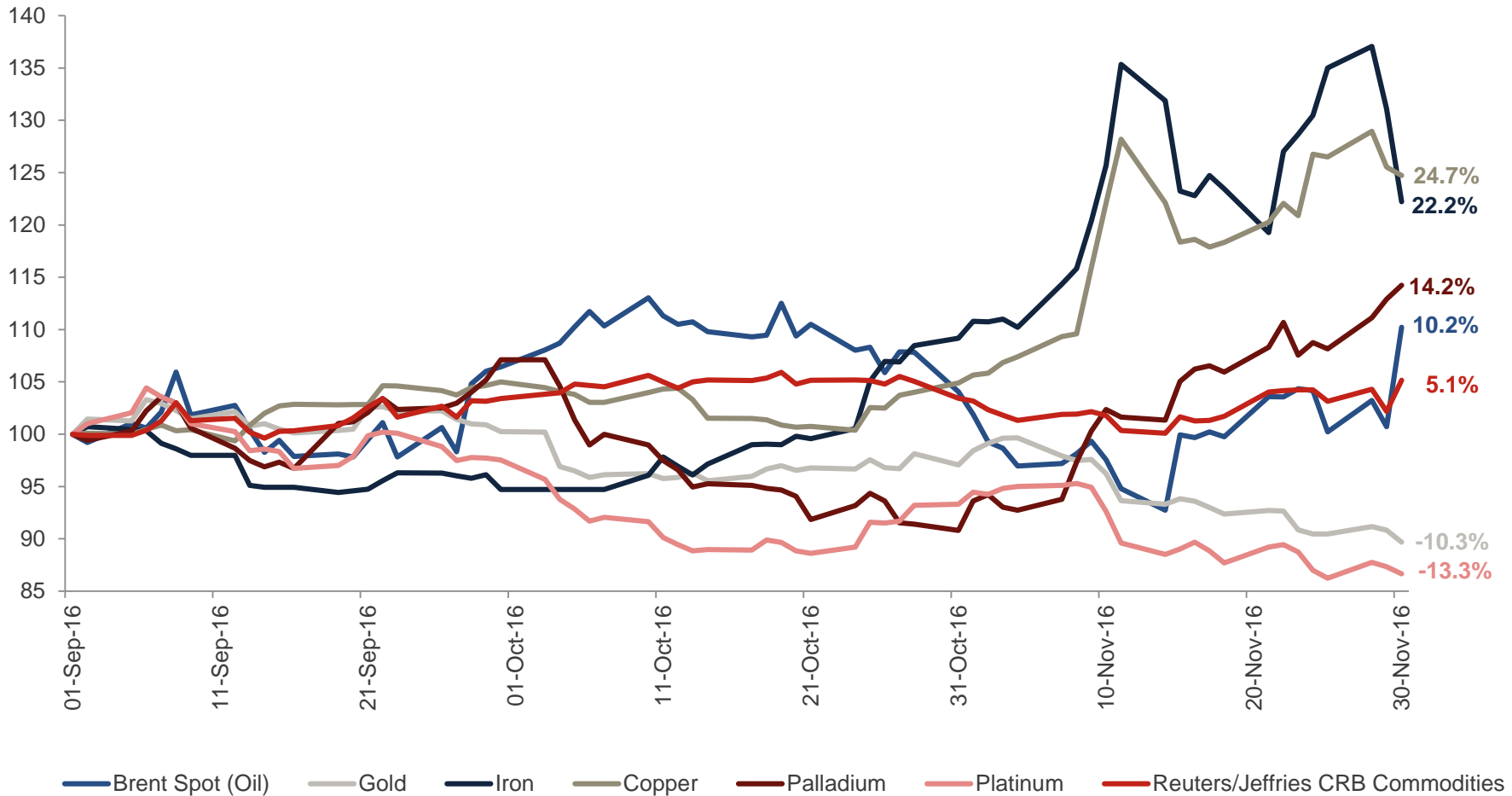
Returns from the gold price in rand terms for the one-year rolling period are showing their diversification benefits compared with equities. The returns were higher than those of the equity market for November 2016.

Source: INET BFA and Momentum Investments

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

Commodities

Three months to November 2016



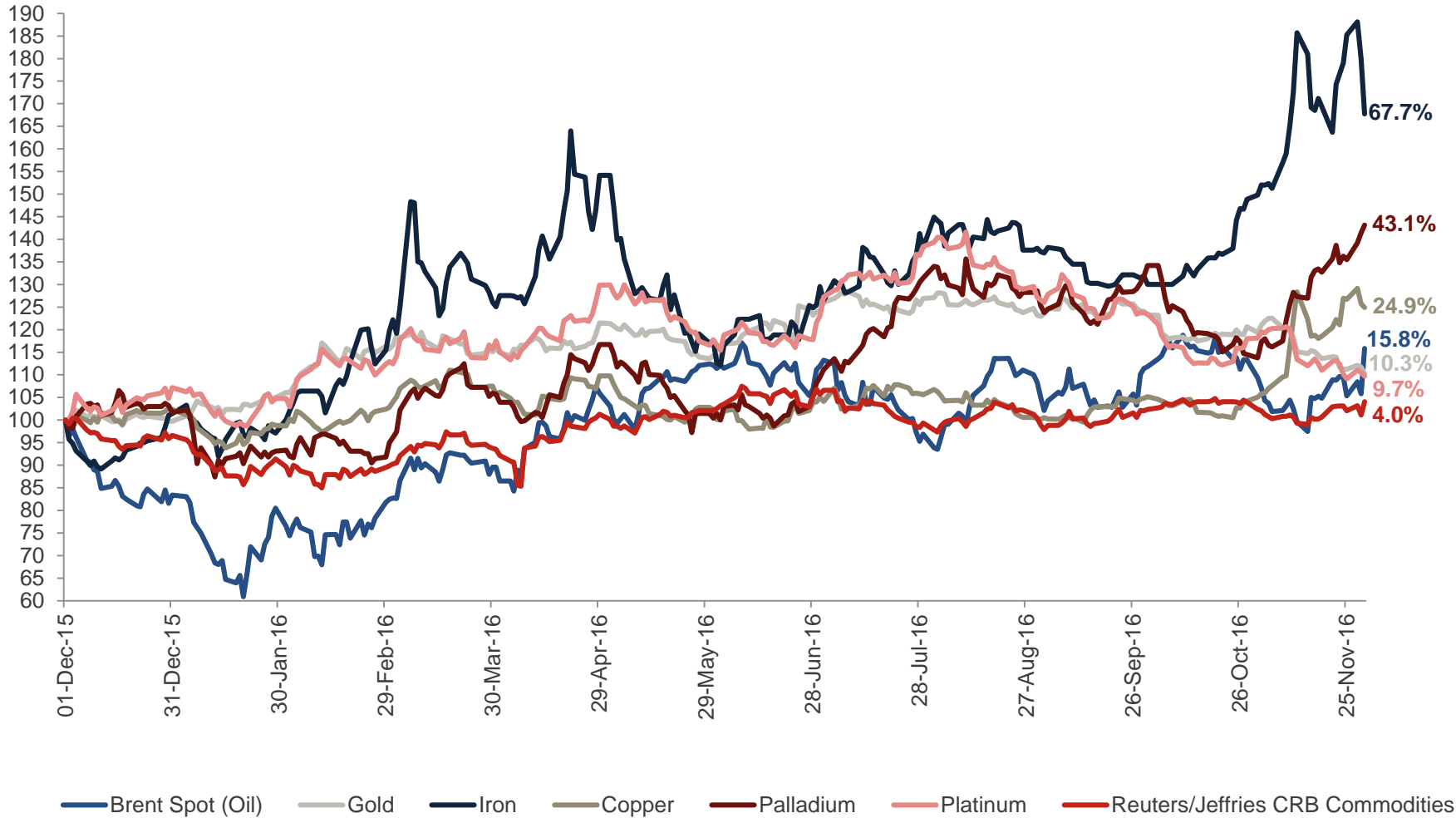
Copper and Iron ore were the best performing commodities over the last three months

Source: INET BFA, FT.com and Momentum Investments

All returns in dollar terms

Commodities

One year to November 2016

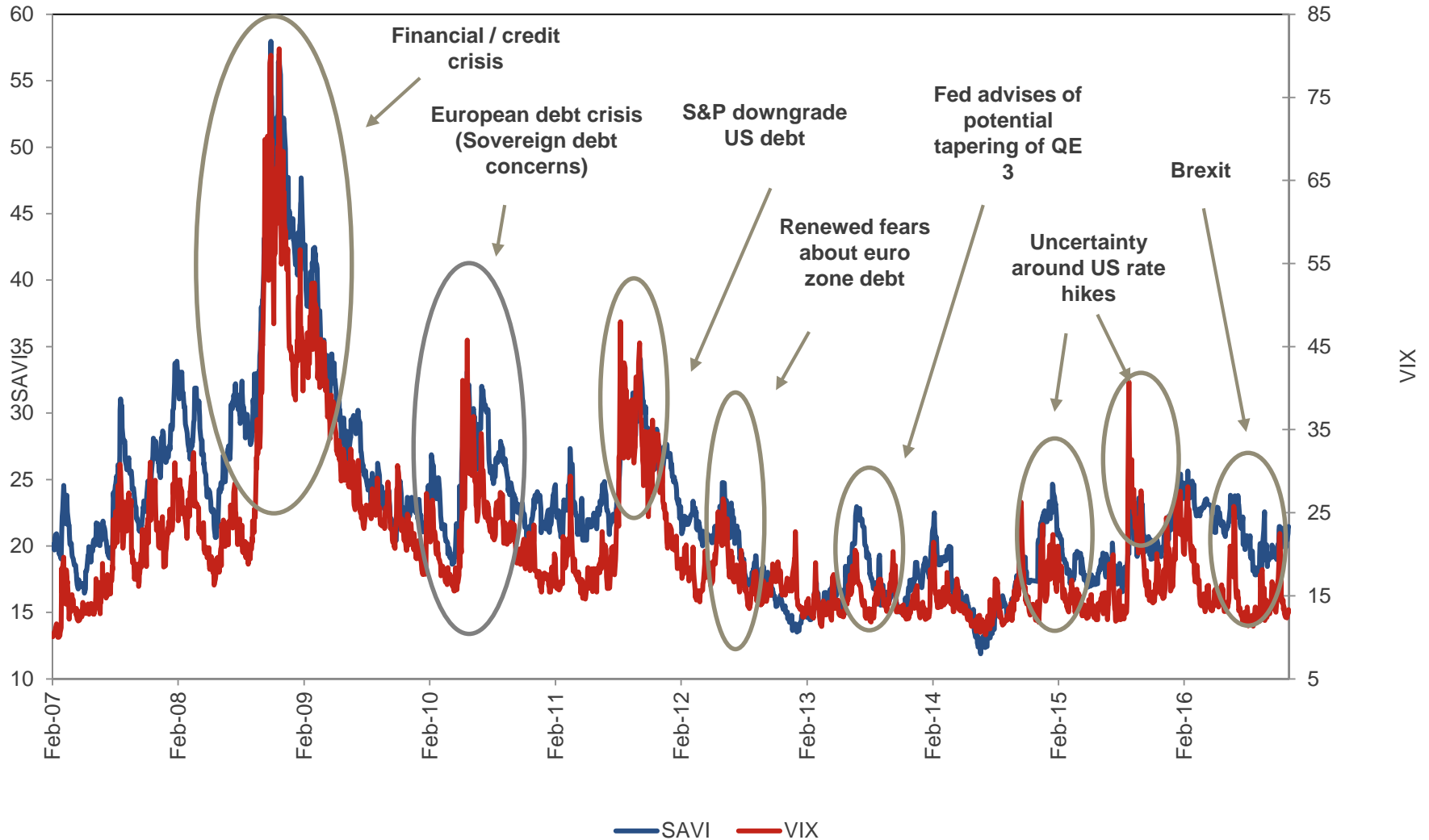


Source: INET BFA, FT.com and Momentum Investments

All returns in dollar terms

SAVI-VIX

Since February 2007 to November 2016

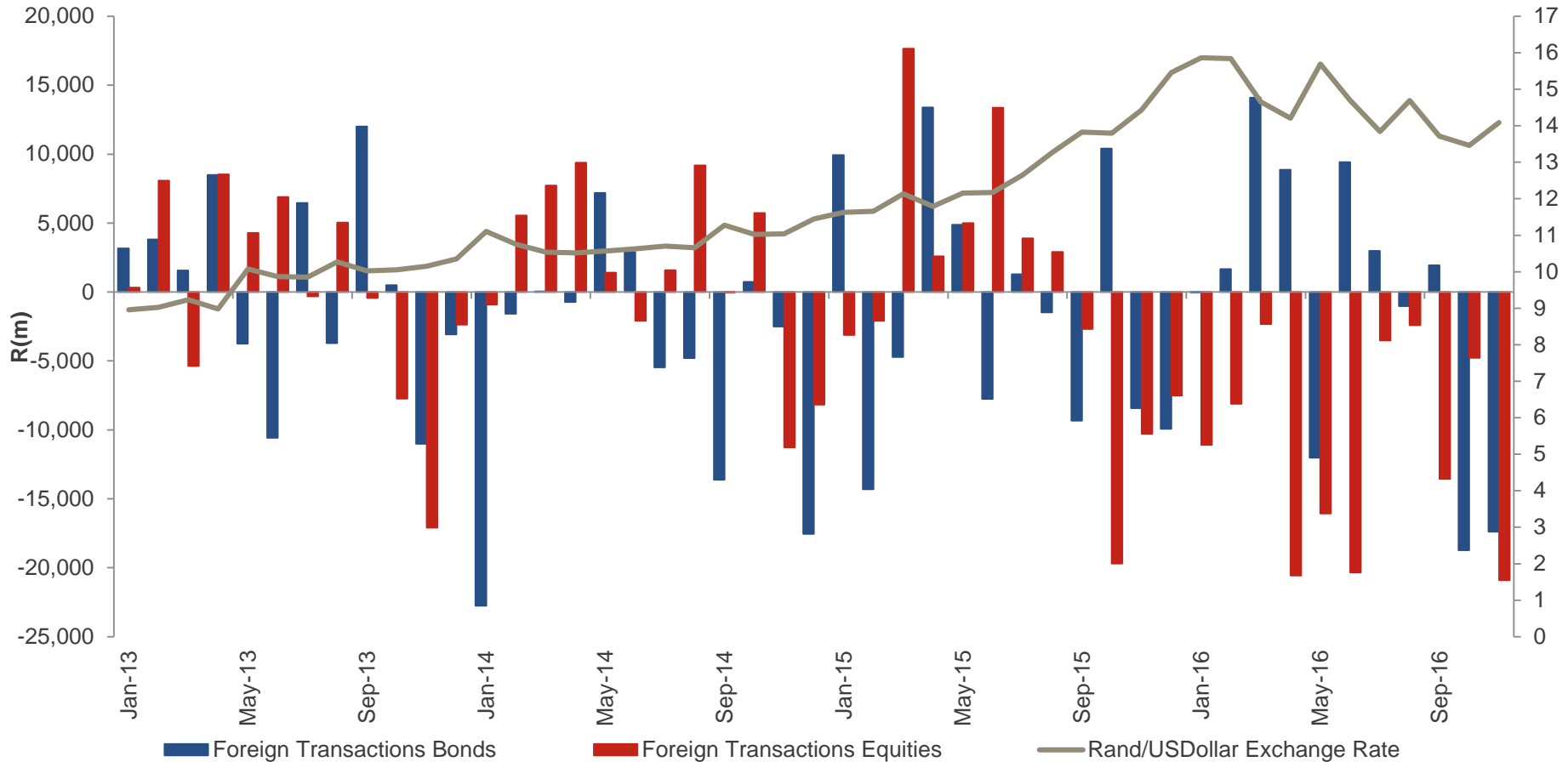


Source: INET BFA and Momentum Investments

Foreign transactions

2013 to 2016

m



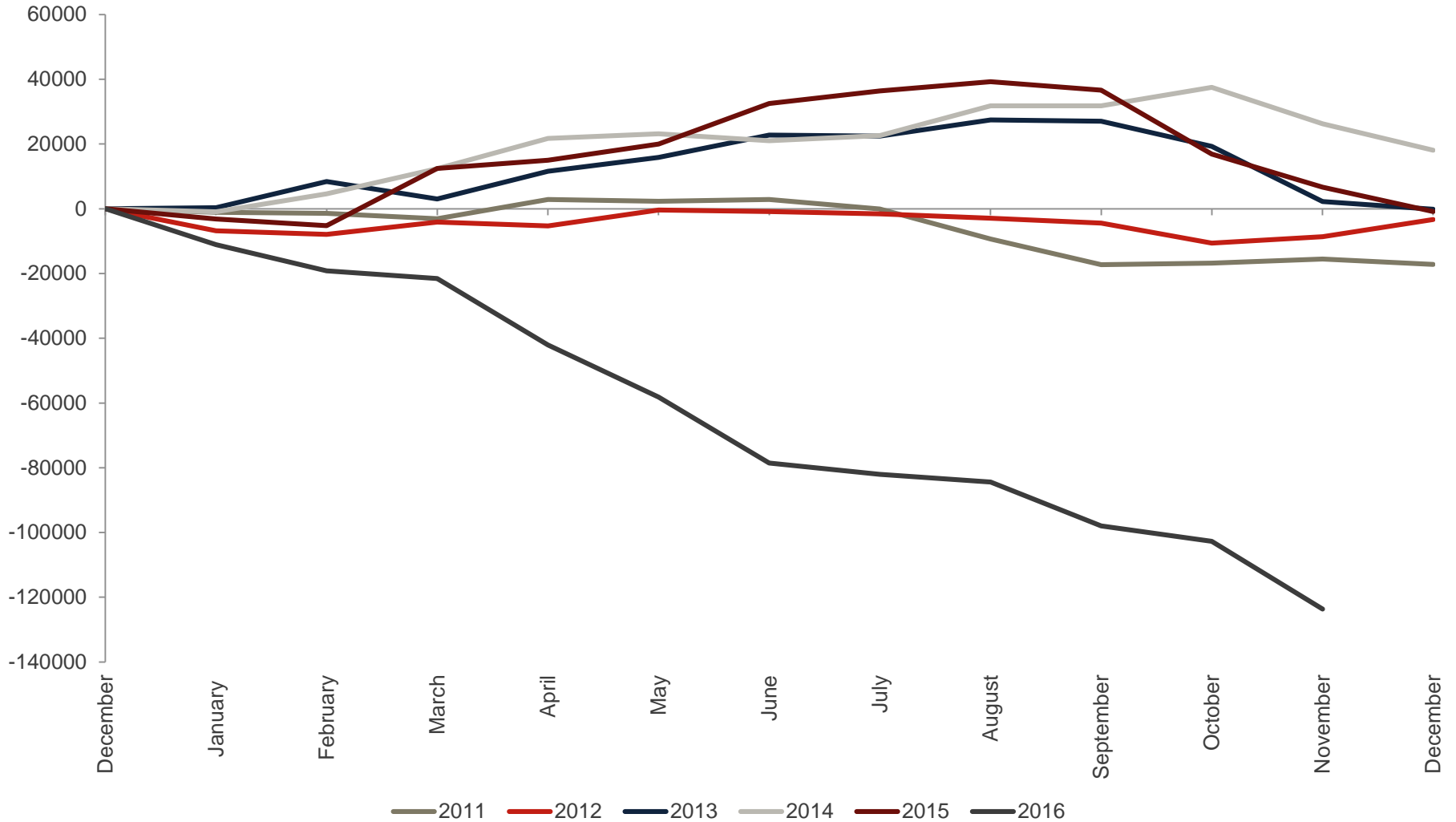
There have been mixed results over the years. However, for November 2016 net outflows have taken place for both Bonds and Equities

Source: INET BFA and Momentum Investments

Cumulative foreign transaction equities

2011 to 2016

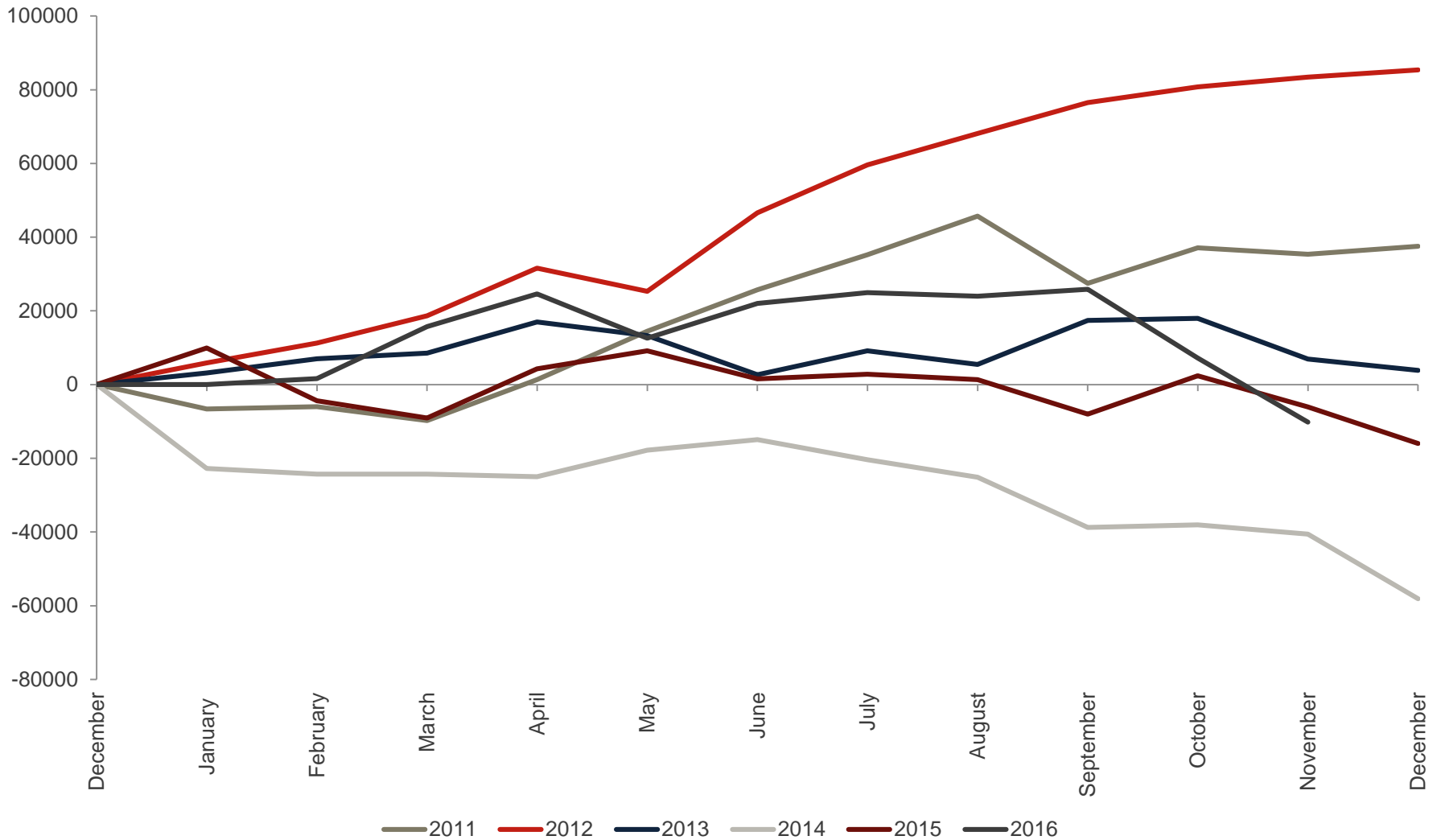
m



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 November 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.
5. FTSE/JSE disclaimer: www.jse.co.za
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