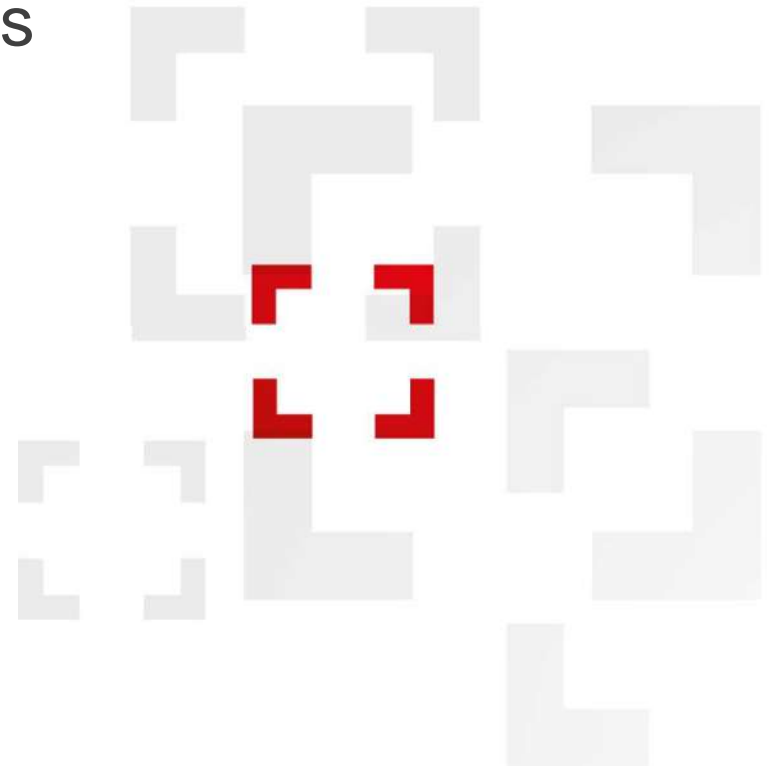


Key market performance drivers

Monthly charts

September 2016



Market returns concentration

One-year returns ending:



September-16

NASPERS		
SIBANYE GOLD LTD		
HARMONY		
ANGLO		
Top 5	ANGLOGOLD ASHANTI LTD	90%
Top 6	BRITISH AMERICAN TOBACCO	96%
LONMIN		
IMPALA PLATINUM HOLDINGS		
GFIELDS		
Top 10	SAPPI	116%
SHOPRIT		
NORTHAM		
TIGBRANDS		
ANGLO AMERICAN PLATINUM LIMITED		
CLICKS GROUP LTD		
VODACOM		
ASPEN		
PAN-AF		
CAPITEC		
Top 20	EXXARO	134%
Remaining	(Positive)	15%
Negative	(75 Shares)	-49%

August-16

NASPERS		
SIBANYE GOLD LTD		
BRITISH AMERICAN TOBACCO		
SABMILLER PLC		
Top 5	ANGLOGOLD ASHANTI LTD	92%
Top 6	HARMONY	97%
GFIELDS		
STEINHOFF INTL HLD NV		
SAPPI		
Top 10	LONMIN	110%
TIGBRANDS		
SHOPRIT		
CLICKS GROUP LTD		
REINET INVESTMENTS		
CAPITEC		
NEW EUROPE PROPERTY INVESTMENTS PLC		
ASPEN		
PAN-AF		
BLUETEL		
Top 20	ANGLO	121%
Remaining	(Positive)	12%
Negative	(74 Shares)	-33%

July-16

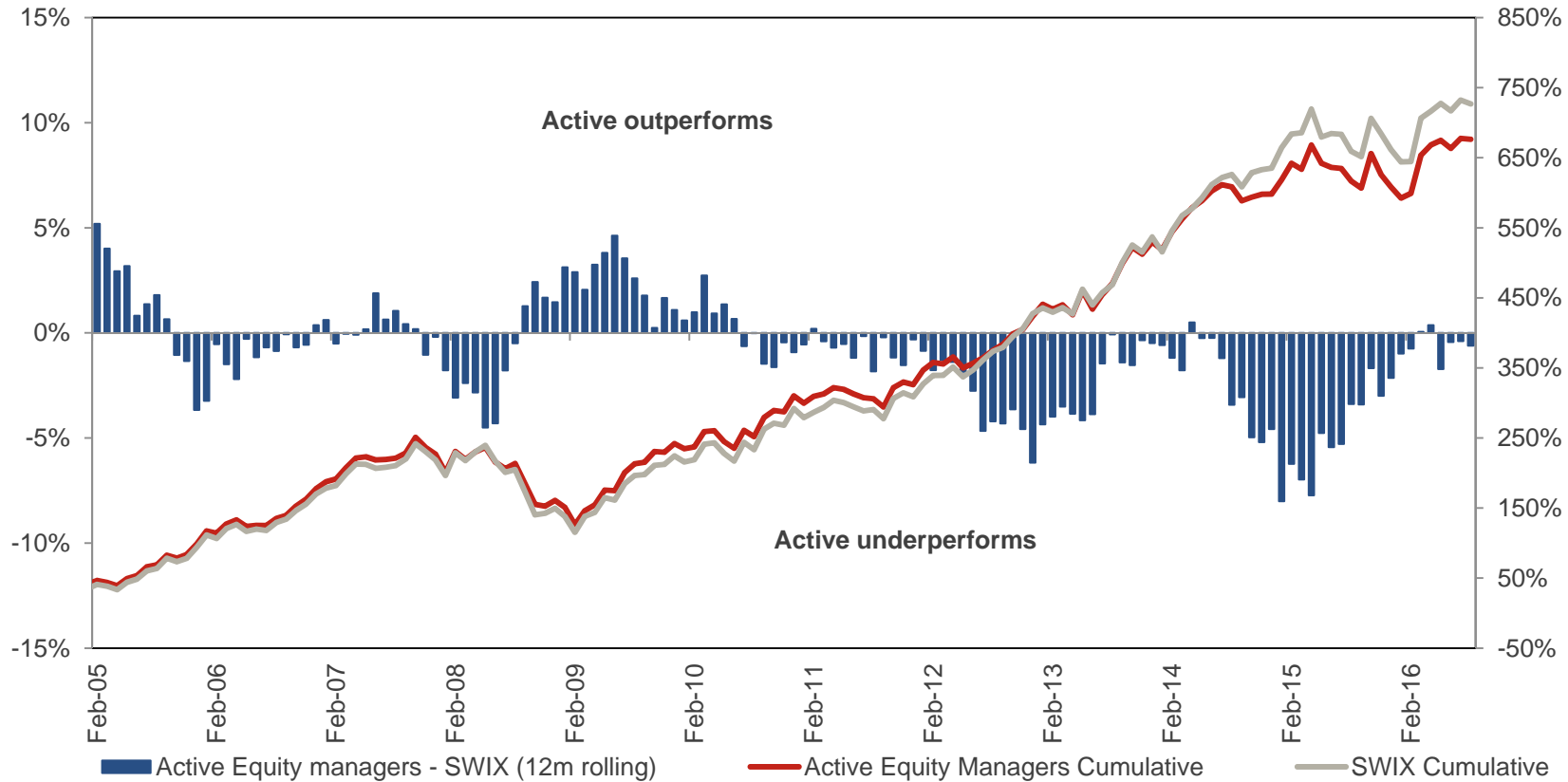
NASPERS		
ANGLOGOLD ASHANTI LTD		
SIBANYE GOLD LTD		
HARMONY		
Top 5	GFIELDS	81%
Top 6	BRITISH AMERICAN TOBACCO	87%
SABMILLER PLC		
STEINHOFF INTL HLD NV		
SAPPI		
Top 10	TIGBRANDS	103%
SHOPRIT		
ANGLO AMERICAN PLATINUM		
LONMIN		
RESILIENT REIT LTD		
IMPALA PLATINUM HOLDINGS		
PAN-AF		
CAPITEC		
CLICKS GROUP LTD		
NORTHAM		
Top 20	VODACOM	119%
Remaining	(Positive)	14%
Negative	(72 Shares)	-32%

Market-cap weighted returns: 10 shares contributed 116% to the return of the SWIX, while 20 shares contributed 134%

Source: Barra, Deutsche Securities and Momentum Investments

Active-index analysis

One-year rolling active to August* 2016



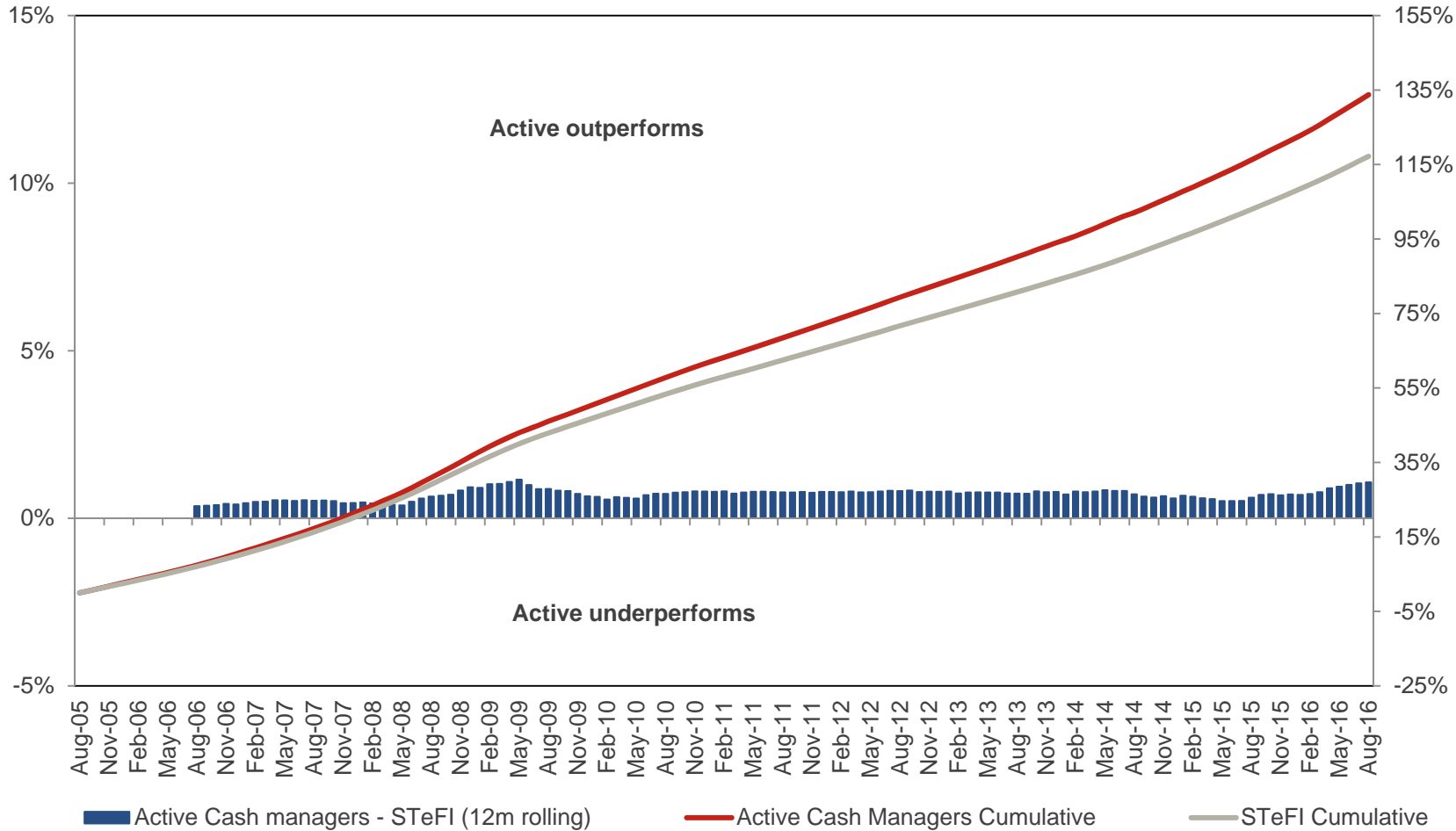
The average of the active equity managers underperformed the SWIX for the year ended August 2016

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 August* 2016

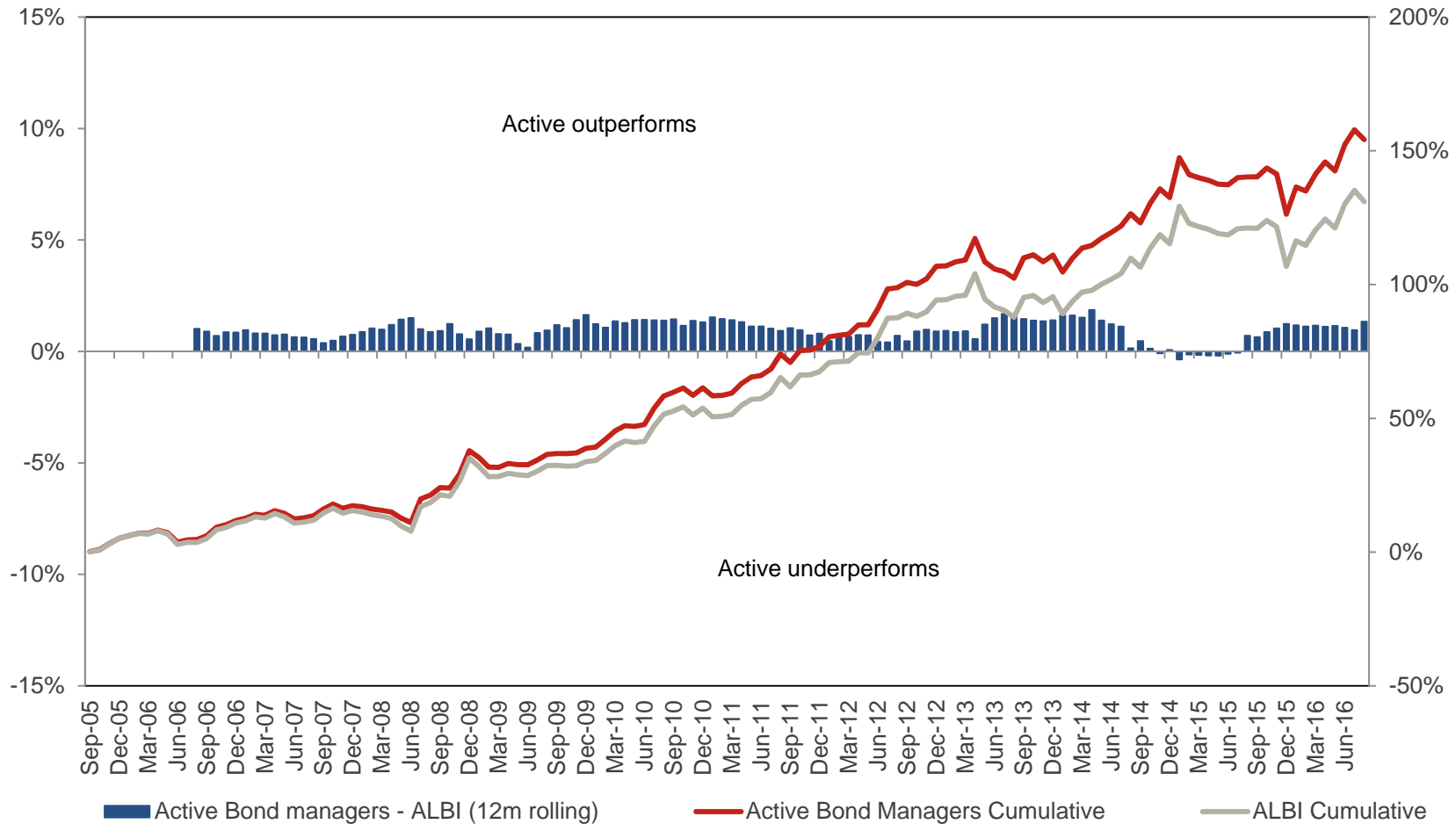


Source: Alexander Forbes S.A. Money Market Manager Watch™ Survey, INET BFA and Momentum Investments

* Lagged by one month due to availability of data

Active versus tracker: Bonds (lagged by one month)

One-year rolling average to August* 2016

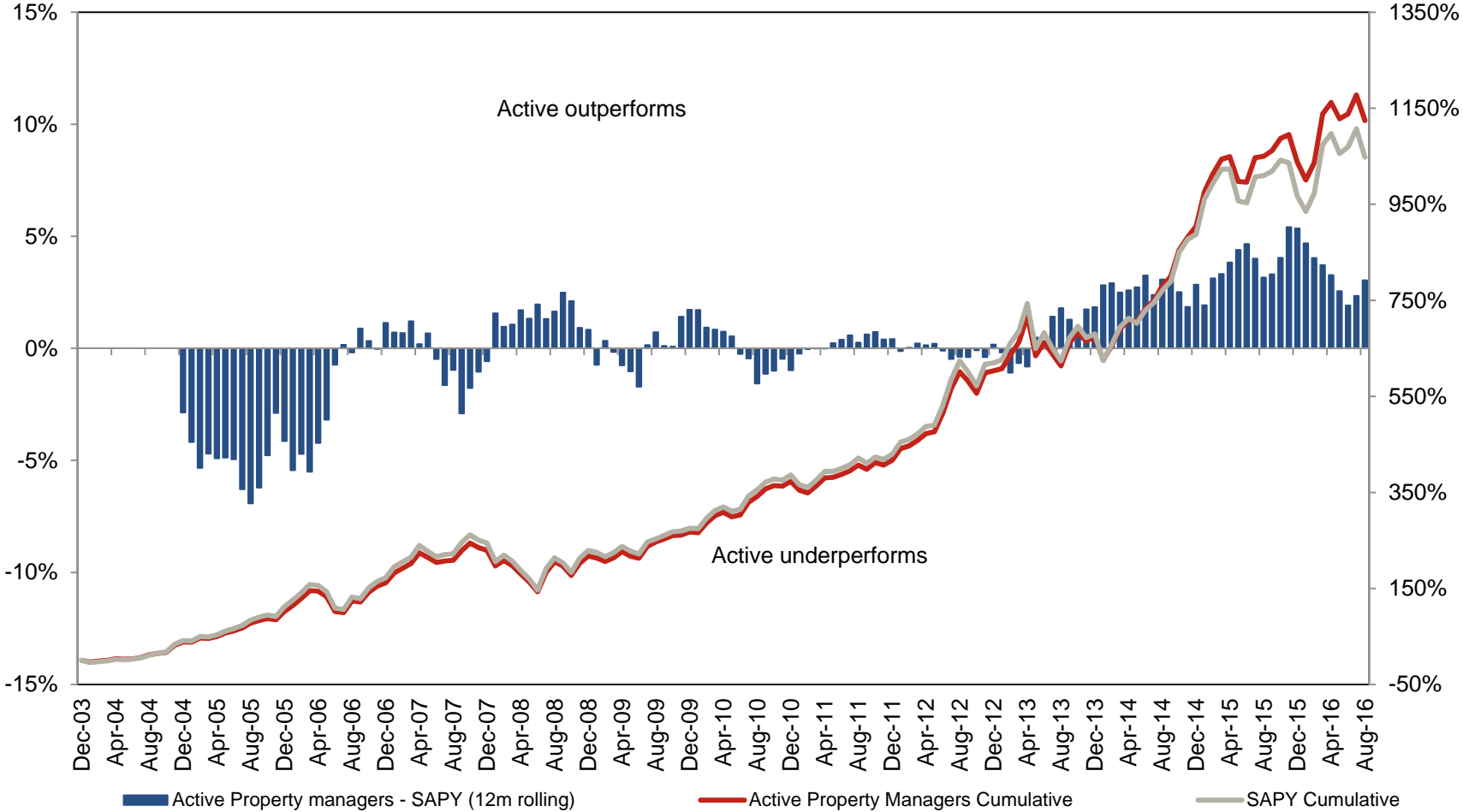


Source: Alexander Forbes S.A Bond Manager Watch™ Survey, INET BFA and Momentum Investments

* Lagged by one month due to availability of data

Active versus tracker: Property (lagged by one month)

One-year rolling average to August* 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 Aug 2016



ZAR	Styles	One month to Aug 2016	Three months to Aug 2016	One year to Aug 2016	Three years to Aug 2016	Five years to Aug 2016	Ten years to Aug 2016	Twenty years to Aug 2016
Value	Book to Price	1.44	-0.13	7.97	-1.91	-4.26	-2.36	2.15
	Dividend Yield	2.08	-3.05	5.60	-0.05	-2.78	1.40	4.16
	Earnings Yield	4.65	-2.78	-3.78	-2.88	-2.43	-0.99	2.57
	Cash Flow Yield	3.10	3.85	12.64	-1.92	-0.30	-1.21	2.91
	Sales to Price	2.77	2.57	8.03	-0.36	-3.02	-2.25	2.58
Quality	ROE	0.99	-1.82	-5.49	-1.67	0.95	0.65	-1.96
	ROIC LT	3.74	4.78	3.03	-3.89	-0.11	-0.70	-2.29
	Income to Sales	0.42	-6.77	-2.53	-1.45	0.56	0.43	-1.24
	Low market beta	1.03	1.23	13.20	6.82	5.82	-1.46	1.68
	Low Debt/Equity	0.50	1.86	-2.65	-2.99	-1.20	-3.11	-1.72
	EBIT Margin Stability	3.58	2.11	1.27	3.89	6.69	4.39	-0.56
Growth	Earnings Growth	2.27	-4.47	-7.49	-1.90	-0.81	-1.56	-1.54
	Sales Growth	2.03	-2.86	-2.77	-1.13	1.38	1.22	0.01
	12M Earning Growth	-6.16	-0.22	-2.74	-0.34	-3.53	1.39	6.00
Momentum	FY1 Earnings Revisions	-4.01	-4.62	-3.00	7.07	5.62	9.72	8.25
	Short Term Momentum	-3.94	1.34	18.26	5.15	3.32	1.28	-1.29
	Medium Term Momentum	-2.27	-2.24	-1.18	5.99	8.13	5.48	6.89
Size	Size	-4.68	-0.13	-2.05	-0.11	-0.81	0.59	-0.45

The Value and some Quality factors had strong returns for the shorter term. Overall, the various momentum factors have been 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 September 2016



Source: INET BFA, MSCI and Momentum Investments

SA 10-year bond yields

Five years to September 2016



SA 10-year bond yields decreased by 34 bps for September 2016
Source: INET BFA and Momentum Investments

Yield of R197 (inflation-linked bond)

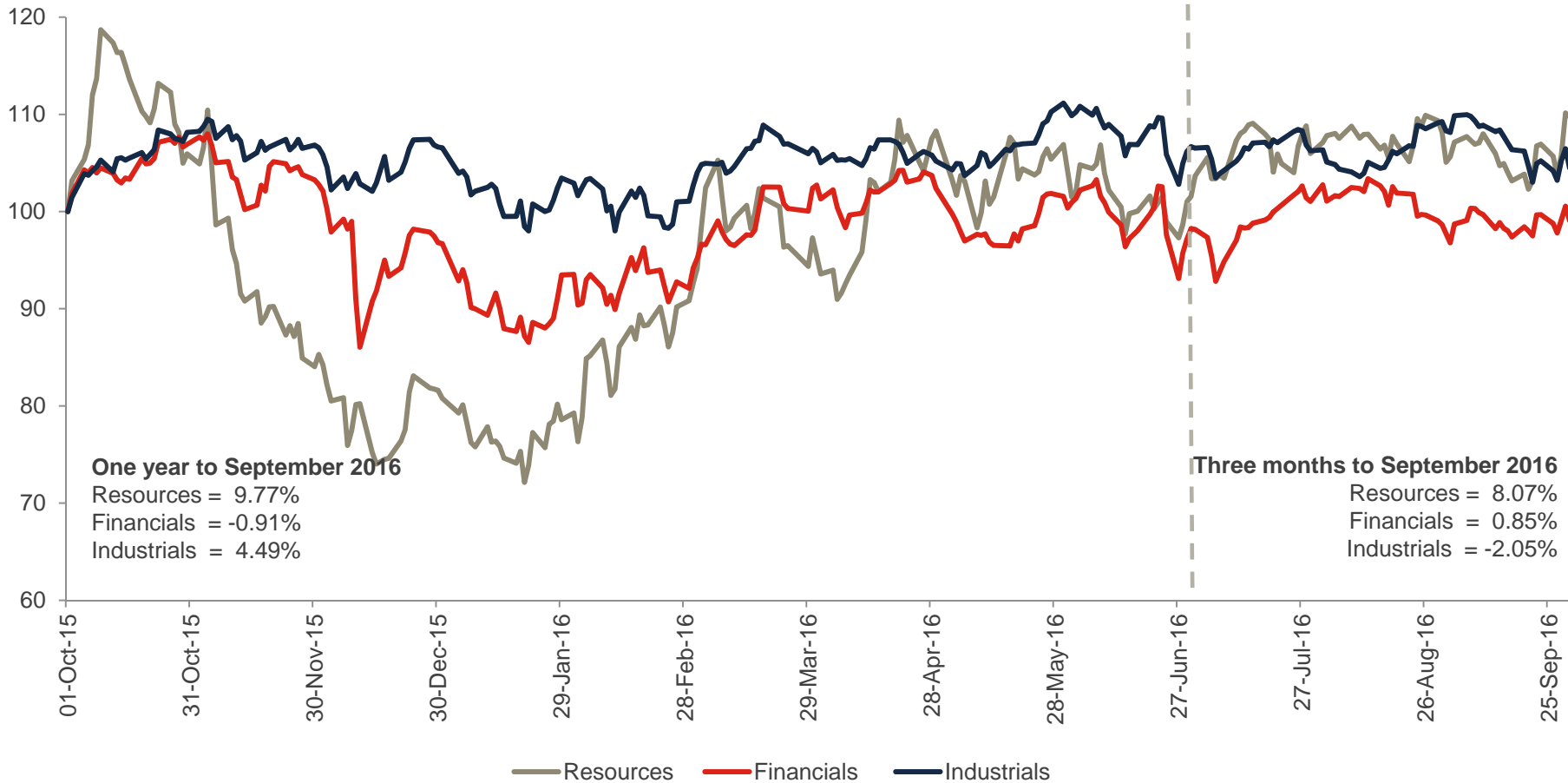
Since May 2001 to September 2016



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

FTSE/JSE sectors

One year to September 2016

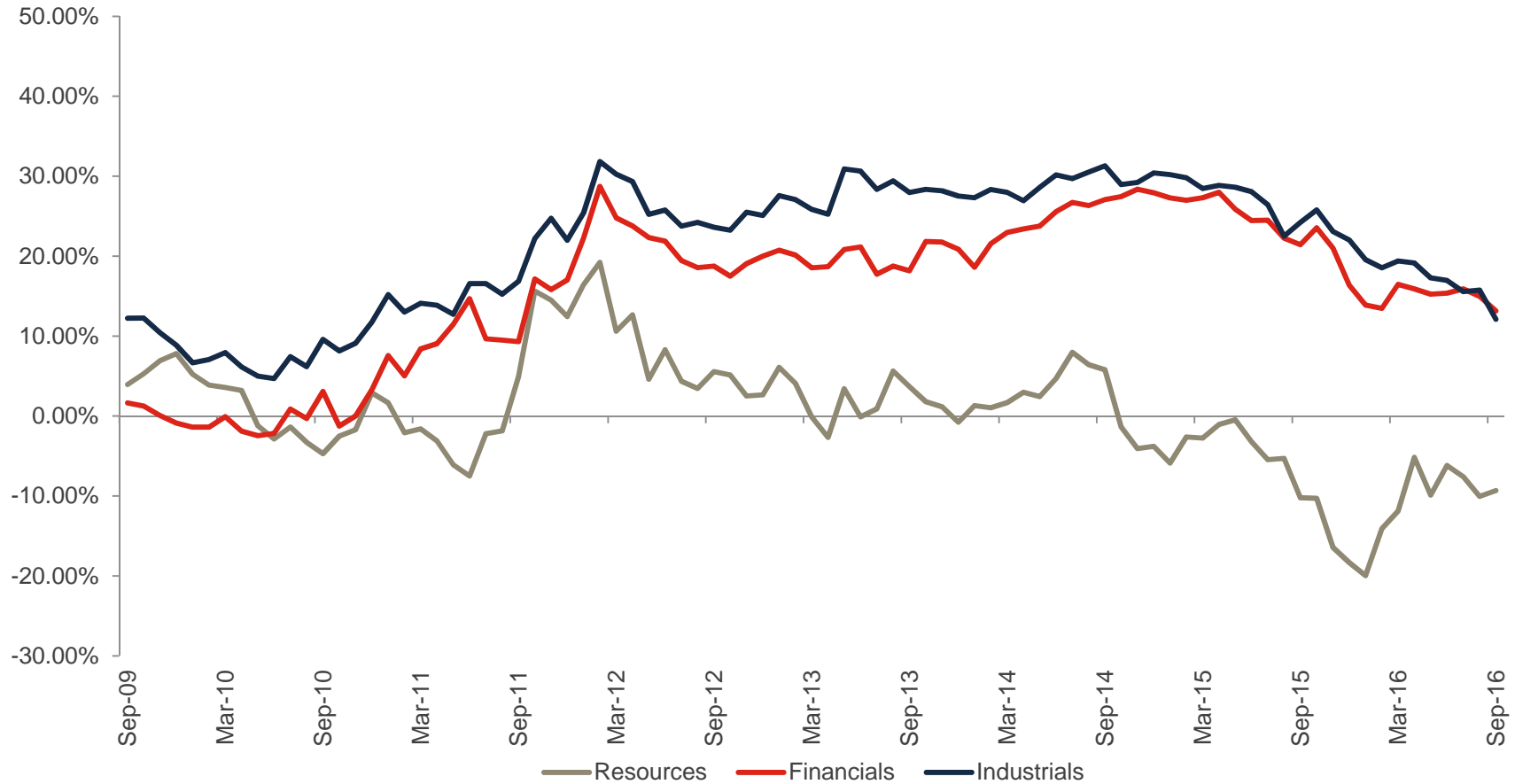


FTSE/JSE Resources was the only sector to have positive returns for the three-month and one-year periods

Source: INET BFA and Momentum Investments

FTSE/JSE sectors

Rolling three-year return to September 2016



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

Source: INET BFA and Momentum Investments

Returns are annualised

FTSE/JSE sectors

Decomposed (three months to September 2016)



Three months to Sept 2016

1	Coal Mining	Mining	26.8%	19	Real Estate Investment Trusts	Financials	-1.1%
2	Platinum Mining	Mining	22.6%	20	Life Insurance	Financials	-1.5%
3	Software & Computer Services	Technology	19.7%	21	Automobiles & Parts	Consumer Goods	-1.9%
4	General Mining	Mining	16.7%	22	Electronic & Electrical Equipment	Industrials	-2.8%
5	Travel & Leisure	Consumer Services	14.6%	23	Tobacco	Consumer Goods	-5.1%
6	Construction & Materials	Industrials	12.3%	24	Equity Investment Instruments	Financials	-5.3%
7	Industrial Metals	Basic Materials	10.8%	25	Beverages	Consumer Goods	-5.7%
8	Banks	Financials	9.9%	26	General Financial	Financials	-6.2%
9	Industrial Transportation	Industrials	7.7%	27	Real Estate Investment & Services	Financials	-6.4%
10	Forestry & Paper	Basic Materials	7.7%	28	Household Goods	Consumer Goods	-6.8%
11	Media	Consumer Services	6.2%	29	Health Care Equipment & Services	Health Care	-6.9%
12	Food Producers	Consumer Goods	5.1%	30	General Retailers	Consumer Services	-7.7%
13	Industrial Engineering	Industrials	2.9%	31	Fixed Line Telecommunications	Telecommunication	-8.7%
14	Non-life Insurance	Financials	2.5%	32	Gold Mining	Mining	-10.0%
15	Food & Drug Retailers	Consumer Services	1.6%	33	Support Services	Industrials	-12.6%
16	Personal Goods	Consumer Goods	1.3%	34	Pharmaceuticals & Biotechnology	Health Care	-12.8%
17	General Industrials	Industrials	0.4%	35	Mobile Telecommunications	Telecommunication	-14.3%
18	Chemicals	Basic Materials	-0.8%				

Key

Resources

Financials

Industrials

Coal and Platinum 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 September 2016)



One year to Sept 2016

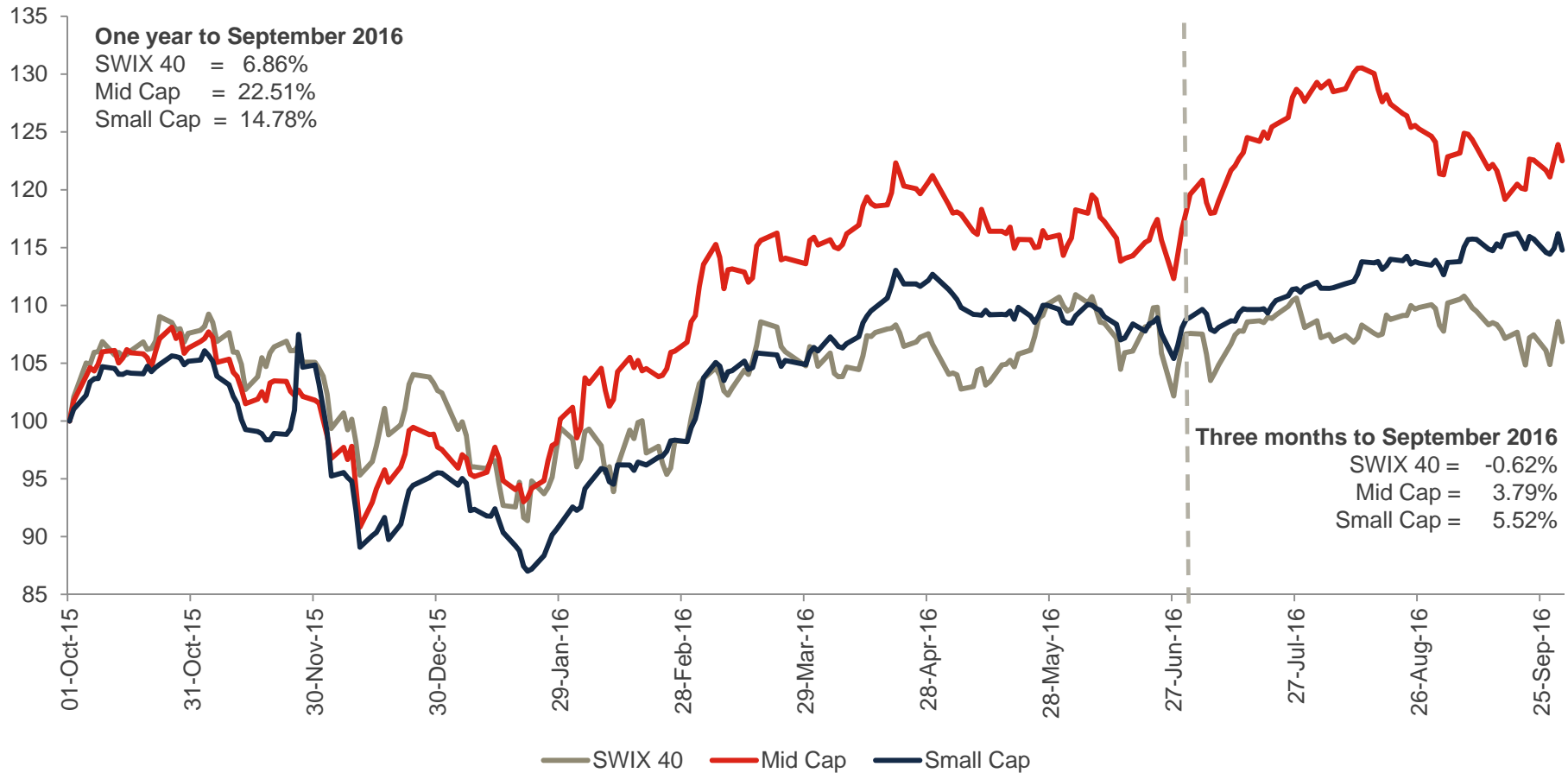
1	Gold Mining	Mining	128.7%	19	Software & Computer Services	Technology	2.6%
2	Industrial Metals	Basic Materials	84.1%	20	Industrial Transportation	Industrials	2.4%
3	Platinum Mining	Mining	73.3%	21	Equity Investment Instruments	Financials	1.9%
4	Coal Mining	Mining	64.8%	22	Real Estate Investment Trusts	Financials	-0.6%
5	Media	Consumer Services	37.2%	23	Construction & Materials	Industrials	-0.9%
6	Travel & Leisure	Consumer Services	20.3%	24	Health Care Equipment & Services	Health Care	-0.9%
7	Tobacco	Consumer Goods	19.7%	25	Life Insurance	Financials	-1.4%
8	General Industrials	Industrials	15.2%	26	Fixed Line Telecommunications	Telecommunication	-3.0%
9	Food Producers	Consumer Goods	14.2%	27	Electronic & Electrical Equipment	Industrials	-4.5%
10	General Mining	Mining	13.9%	28	Household Goods	Consumer Goods	-5.7%
11	Forestry & Paper	Basic Materials	12.0%	29	General Retailers	Consumer Services	-6.8%
12	Food & Drug Retailers	Consumer Services	10.1%	30	General Financial	Financials	-10.1%
13	Pharmaceuticals & Biotechnology	Health Care	7.6%	31	Real Estate Investment & Services	Financials	-10.2%
14	Non-life Insurance	Financials	6.6%	32	Personal Goods	Consumer Goods	-20.3%
15	Chemicals	Basic Materials	5.1%	33	Mobile Telecommunications	Telecommunication	-21.3%
16	Banks	Financials	4.8%	34	Automobiles & Parts	Consumer Goods	-28.8%
17	Industrial Engineering	Industrials	3.2%	35	Support Services	Industrials	-37.9%
18	Beverages	Consumer Goods	2.7%				

Key
 Resources
 Financials
 Industrials

Source: Barra, Deutsche Securities and Momentum Investments

FTSE/JSE market caps

One year to September 2016

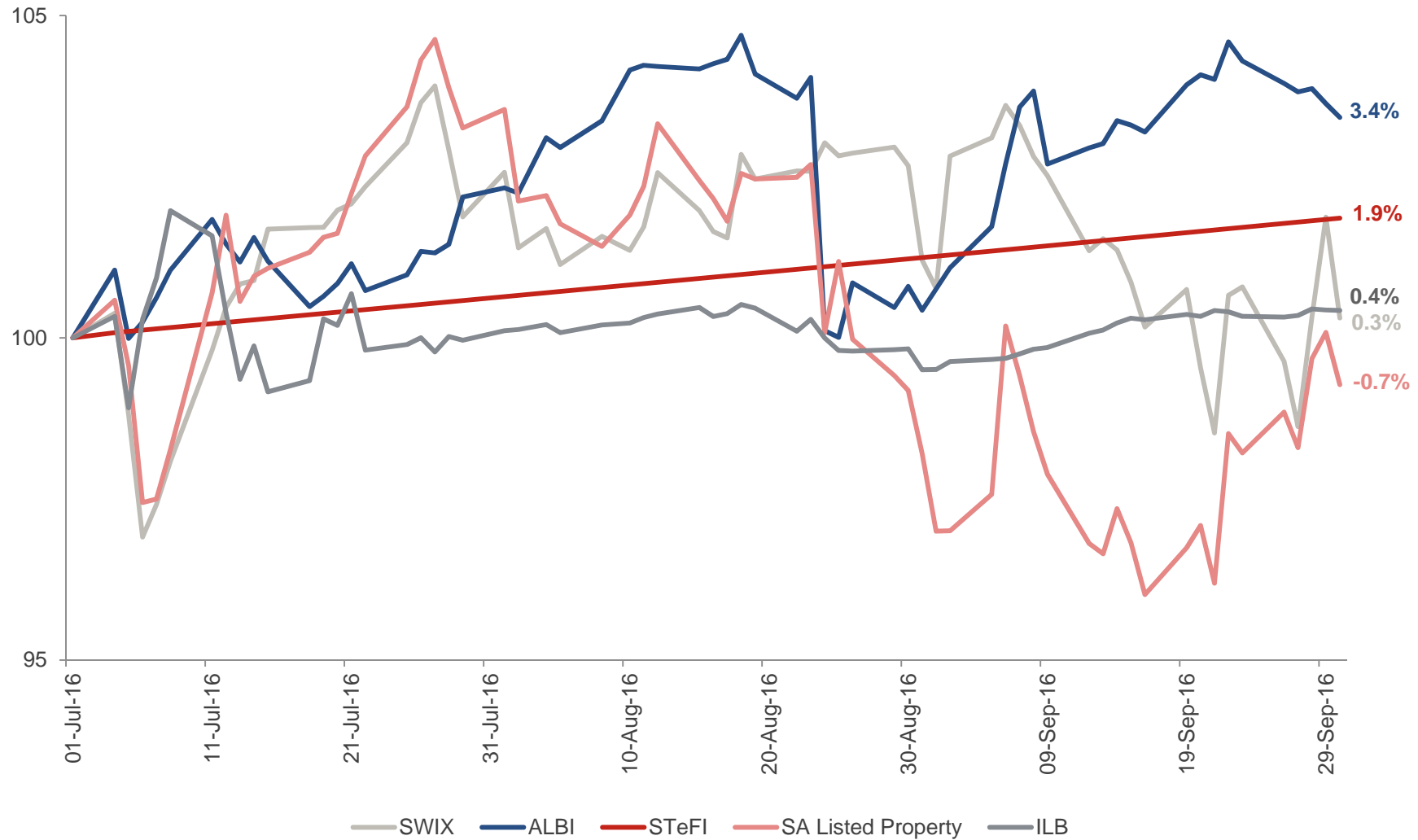


While all of the market caps performed well for the last year, the FTSE/JSE Mid Cap and Small Cap Indices had double-digit returns for the period

Source: INET BFA and Momentum Investments

Local asset classes

Three months to September 2016

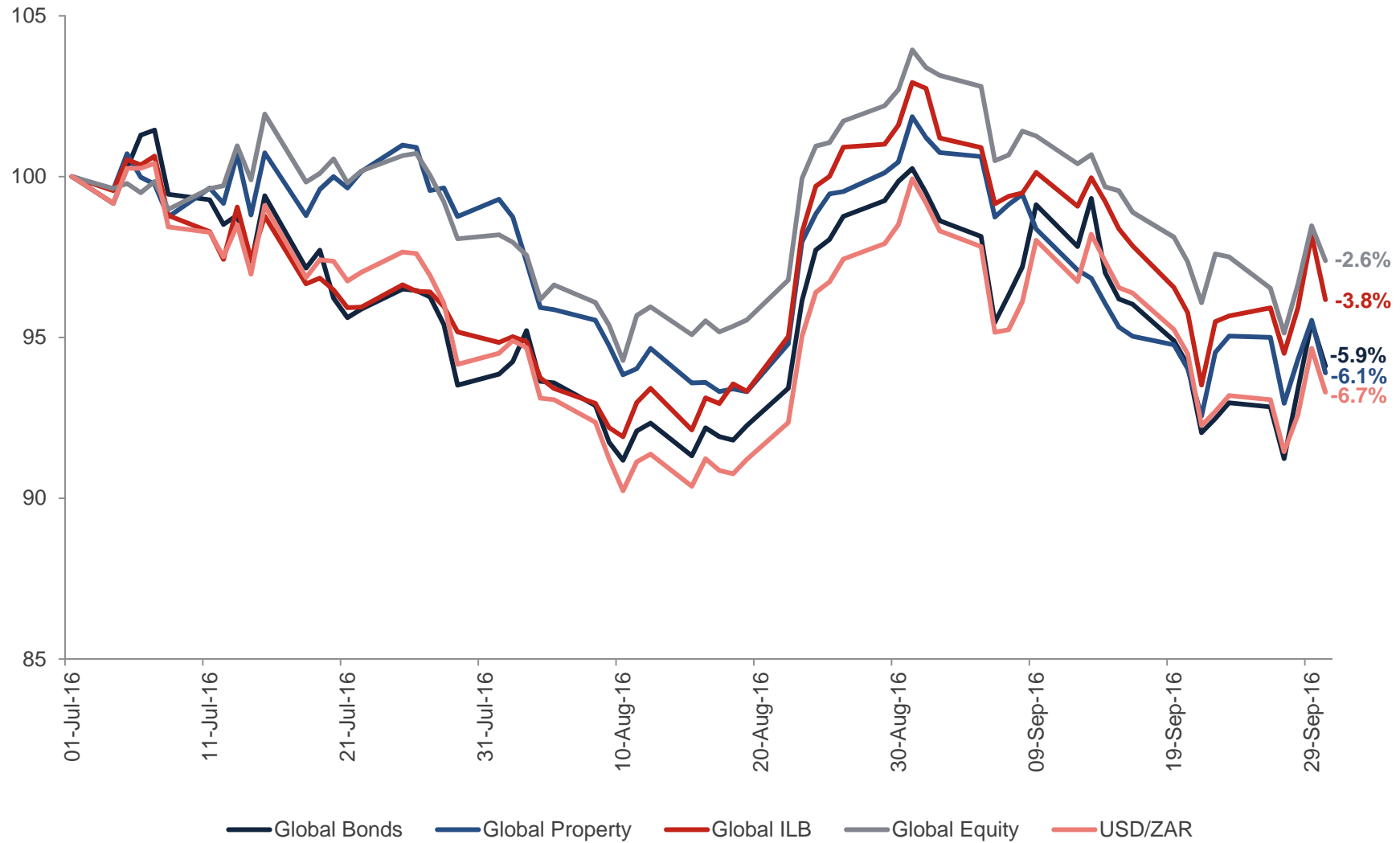


Source: INET BFA and Momentum Investments

All returns in rand terms

Global asset classes

Three months to September 2016

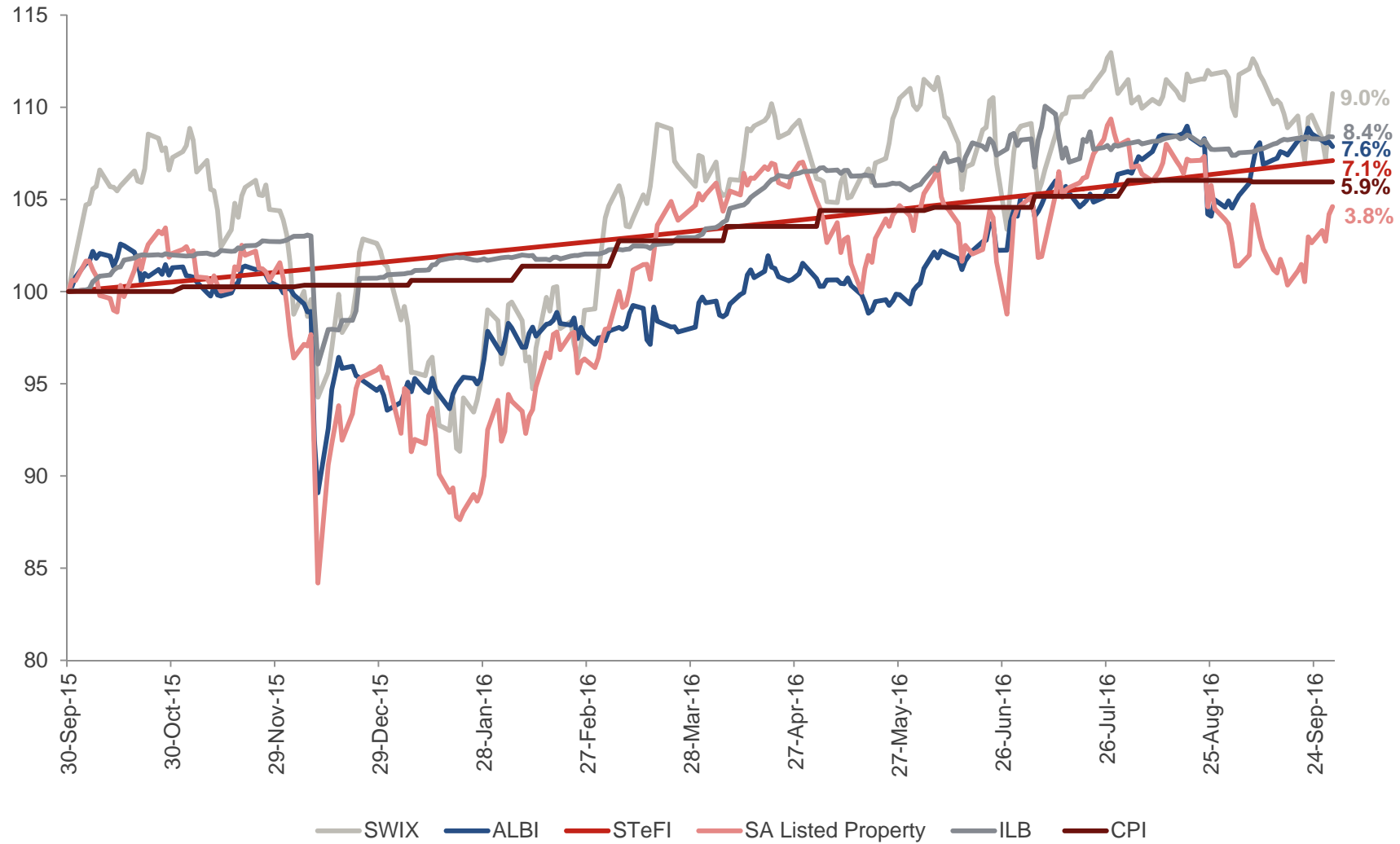


Source: INET BFA and Momentum Investments

All returns in rand terms

Local asset classes

One year to September 2016



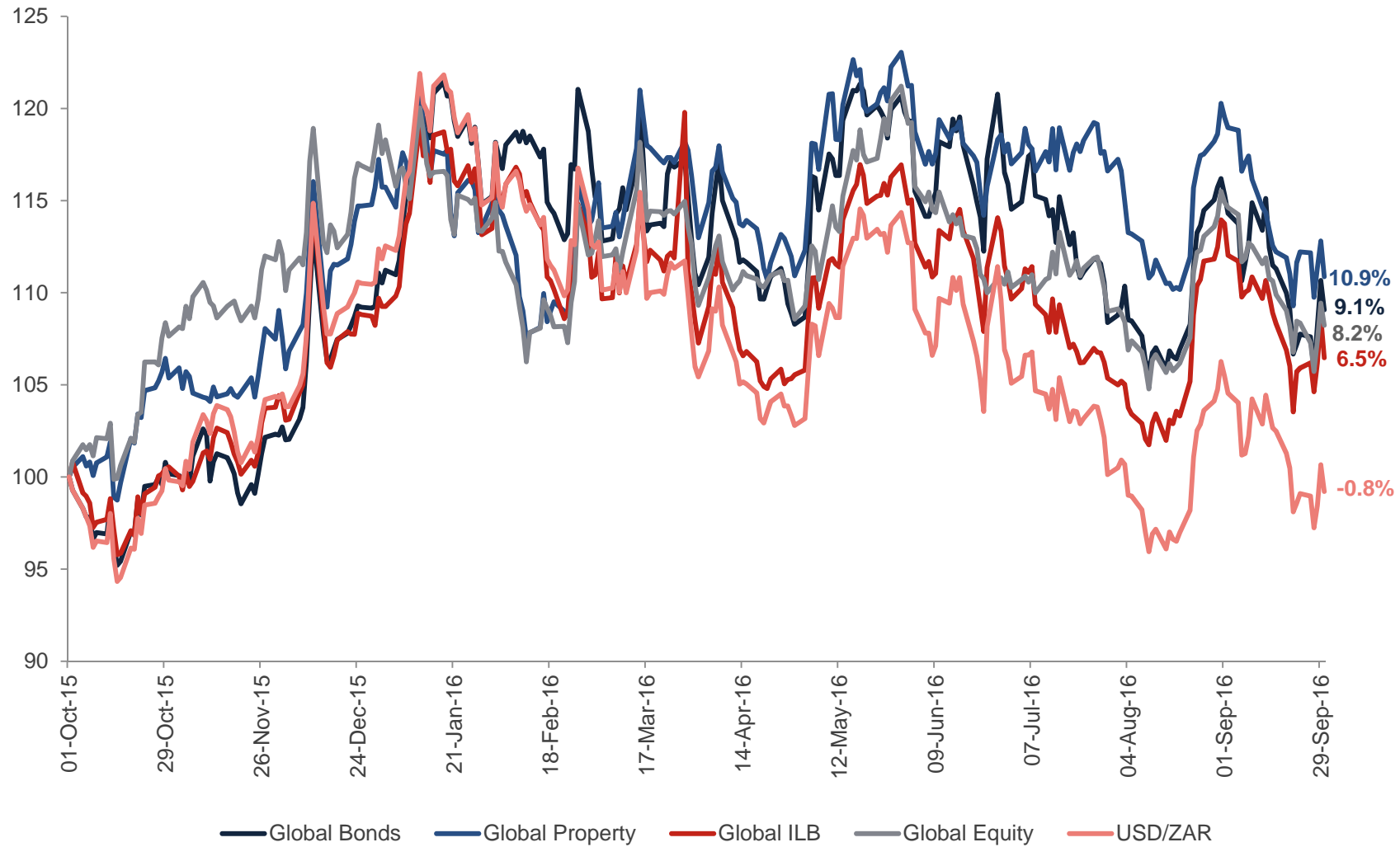
Source: INET BFA and Momentum Investments

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

All returns in rand terms

Global asset classes

One year to September 2016

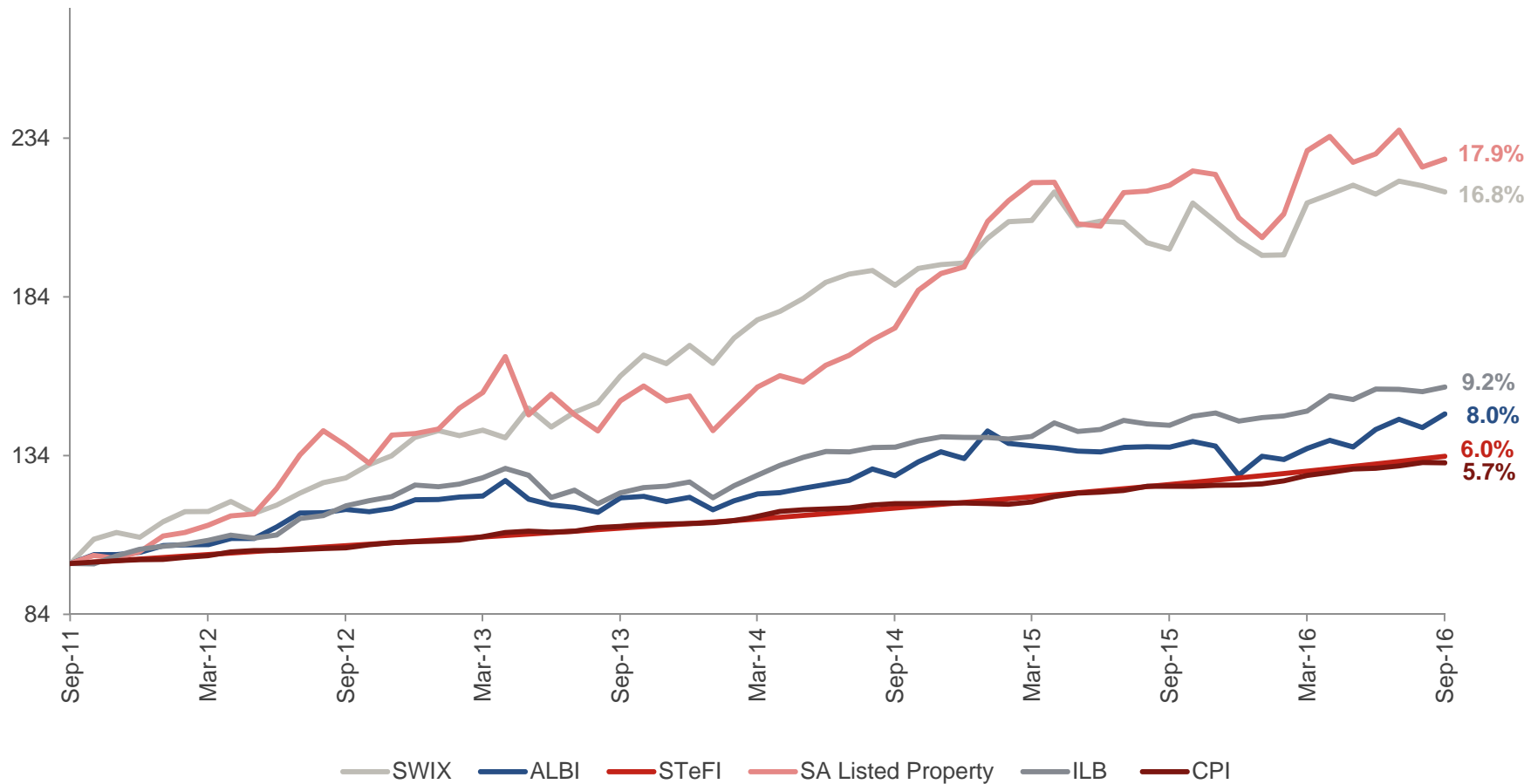


Source: INET BFA and Momentum Investments

All returns in rand terms

Local asset classes

Five years to September 2016



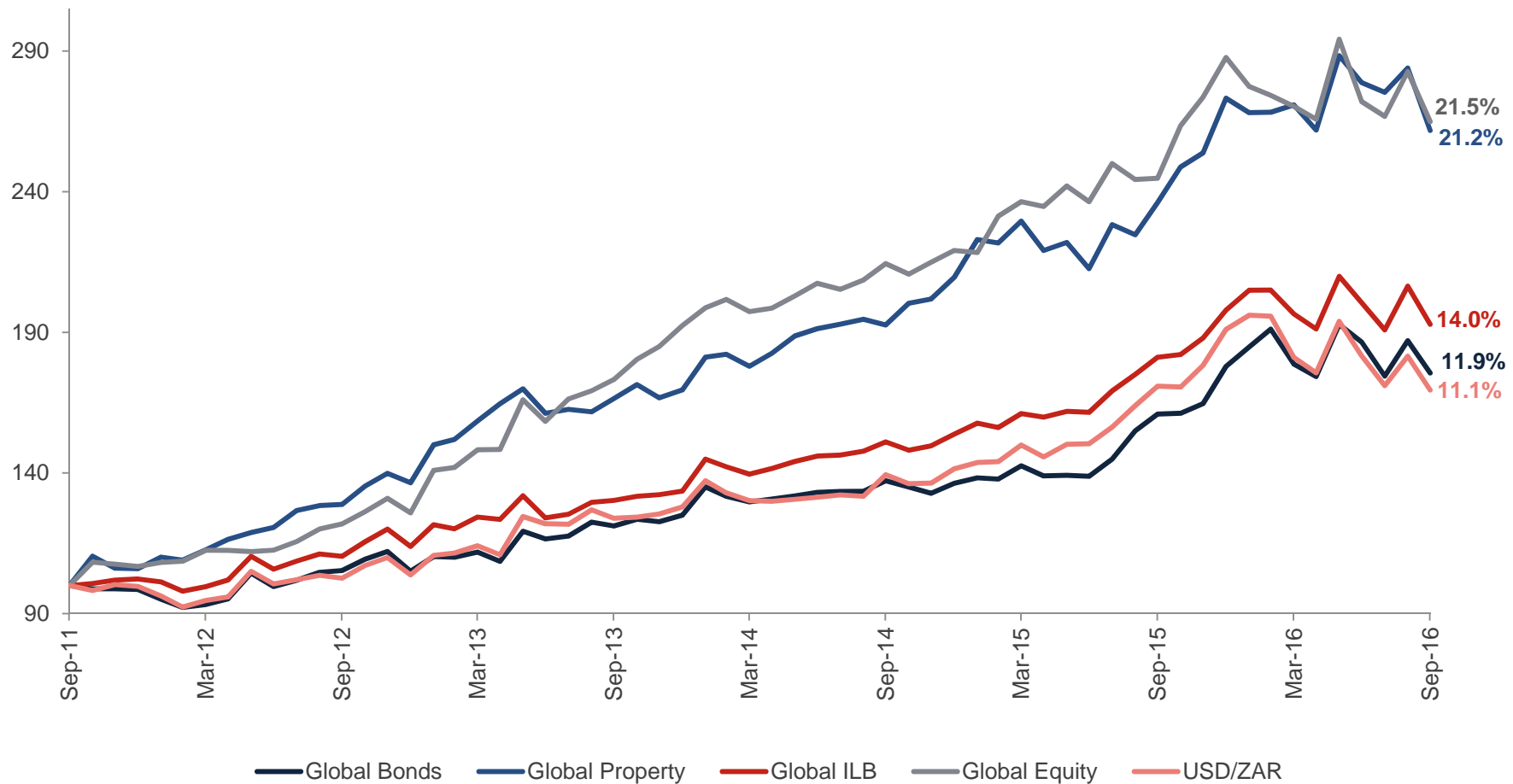
The FTSE/JSE SA Listed Property and the FTSE/JSE SWIX remained in the lead for the five-year period. All the depicted asset classes ended the period ahead of inflation* (five-year inflation was 5.7%).

Source: INET BFA and Momentum Investments

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

Global asset classes

Five years to September 2016



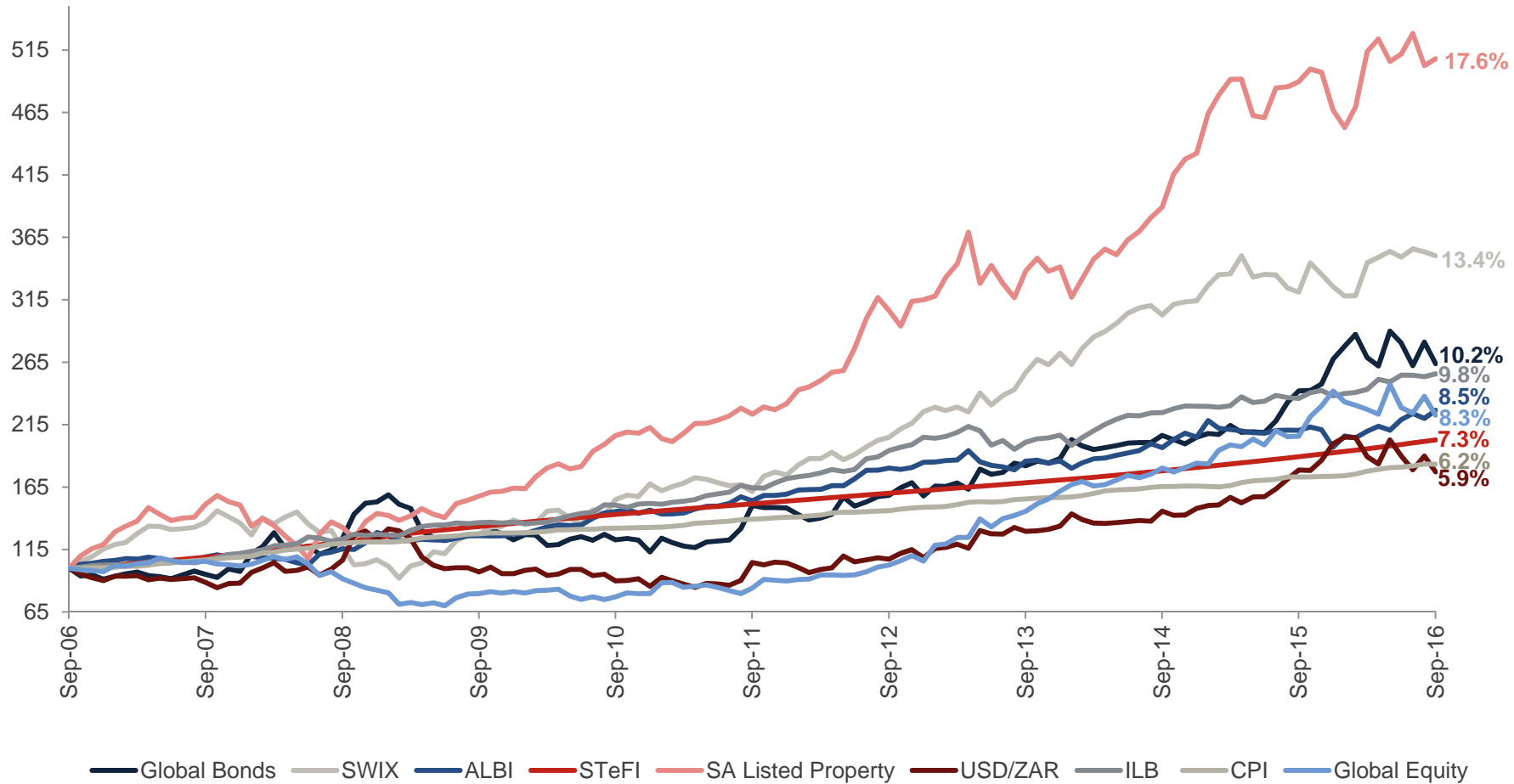
Global equity had the best return for the five-year period, with 21.5%, followed closely by global property with 21.2%

Source: INET BFA and Momentum Investments

All returns in rand terms

Asset classes

Ten years to September 2016



For the 10-year period to September, the FTSE/JSE SA Listed Property continued to outperform, followed by the SWIX and global bonds

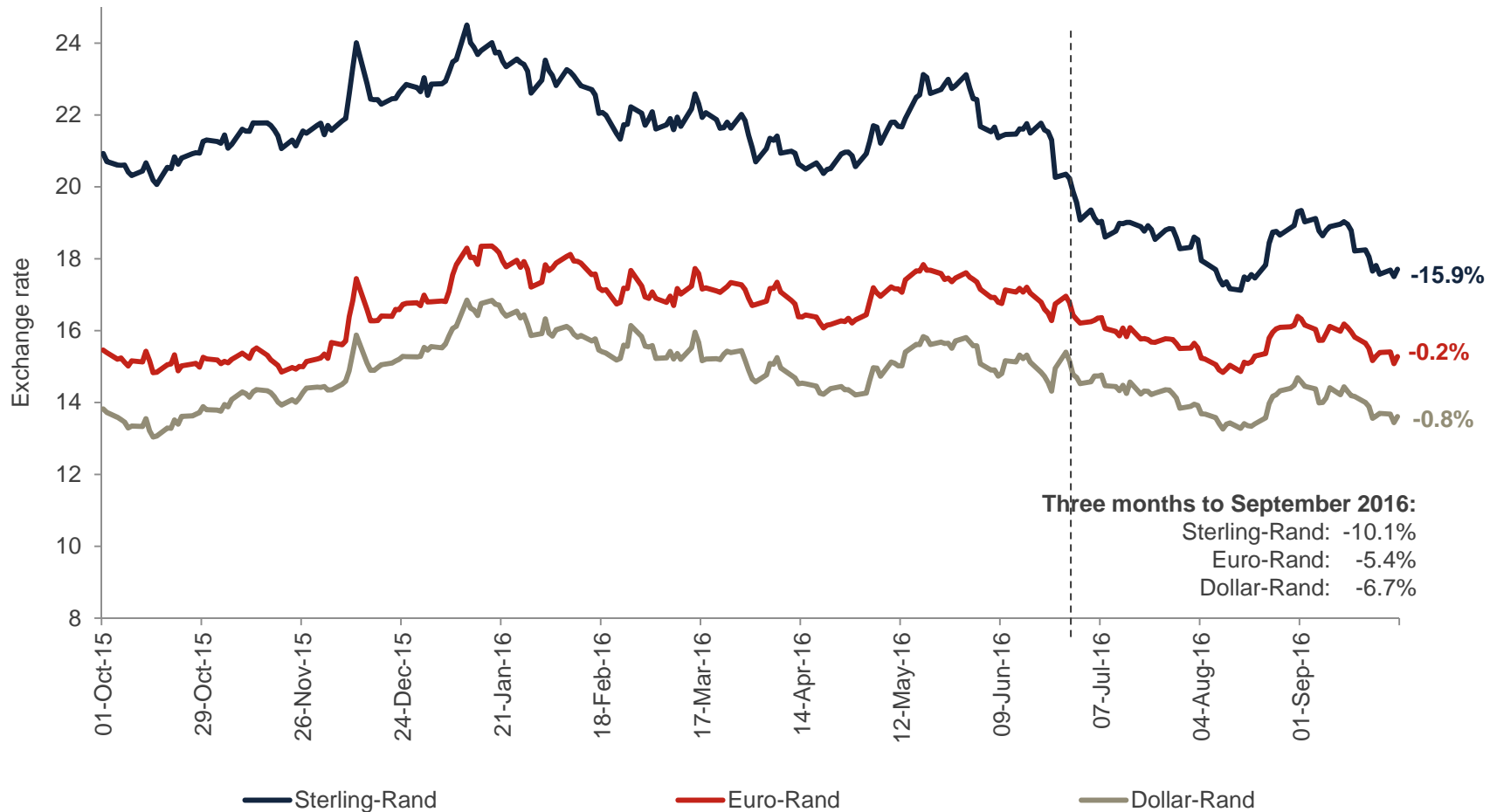
Source: INET BFA and Momentum Investments

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

All returns in rand terms

Exchange rates

One year to September 2016

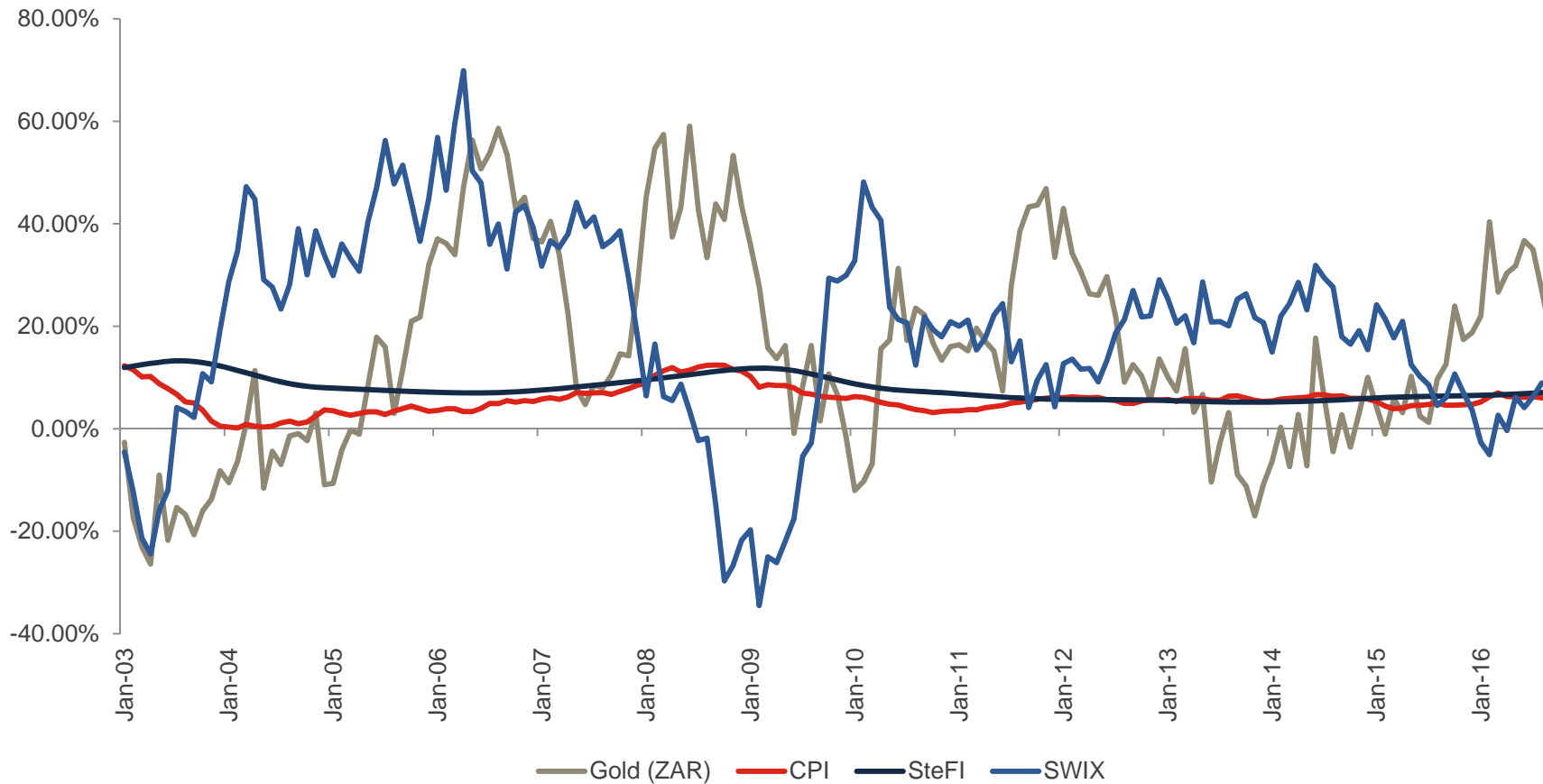


The rand appreciated against all currencies for the last one-year and three-month periods.

Source: INET BFA and Momentum Investments

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

One-year rolling returns to September 2016



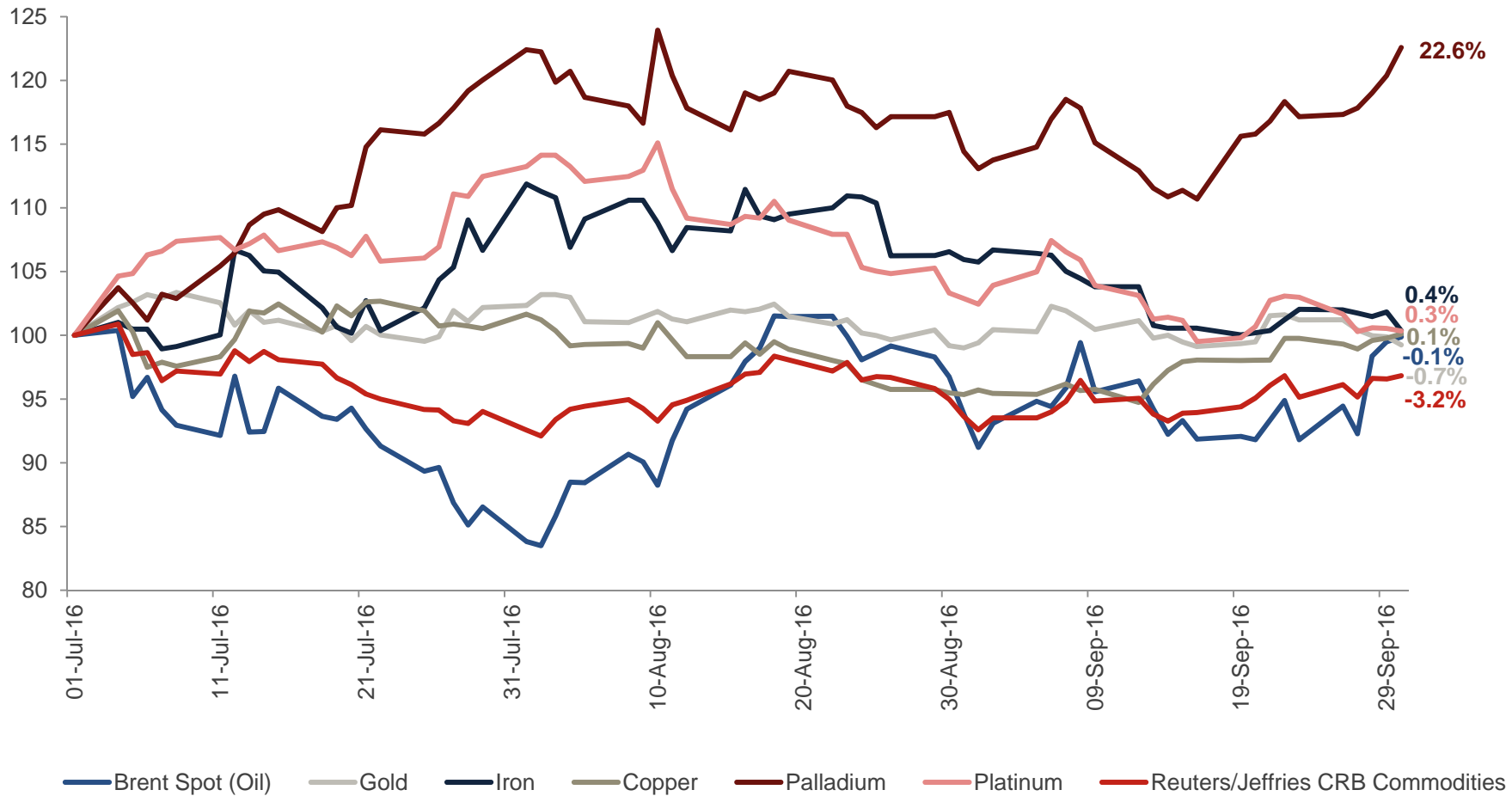
Returns from the gold price in rand terms for the one-year rolling period are showing their diversification benefits compared with equities. The returns were higher than those of the equity market for September 2016.

Source: INET BFA and Momentum Investments

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

Commodities

Three months to September 2016

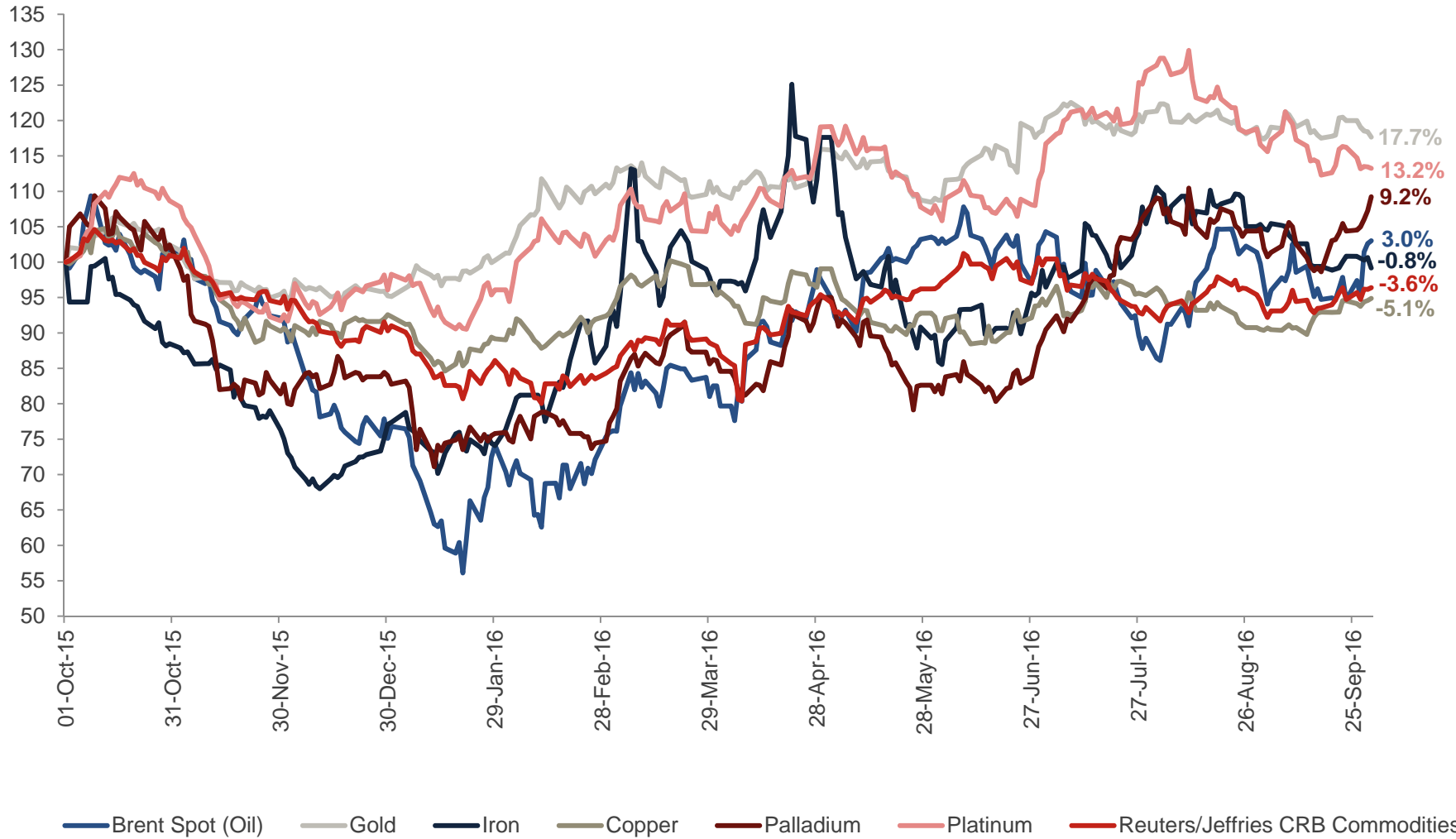


Palladium had an exceptional return for the last three months at 22.6%

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

Commodities

One year to September 2016

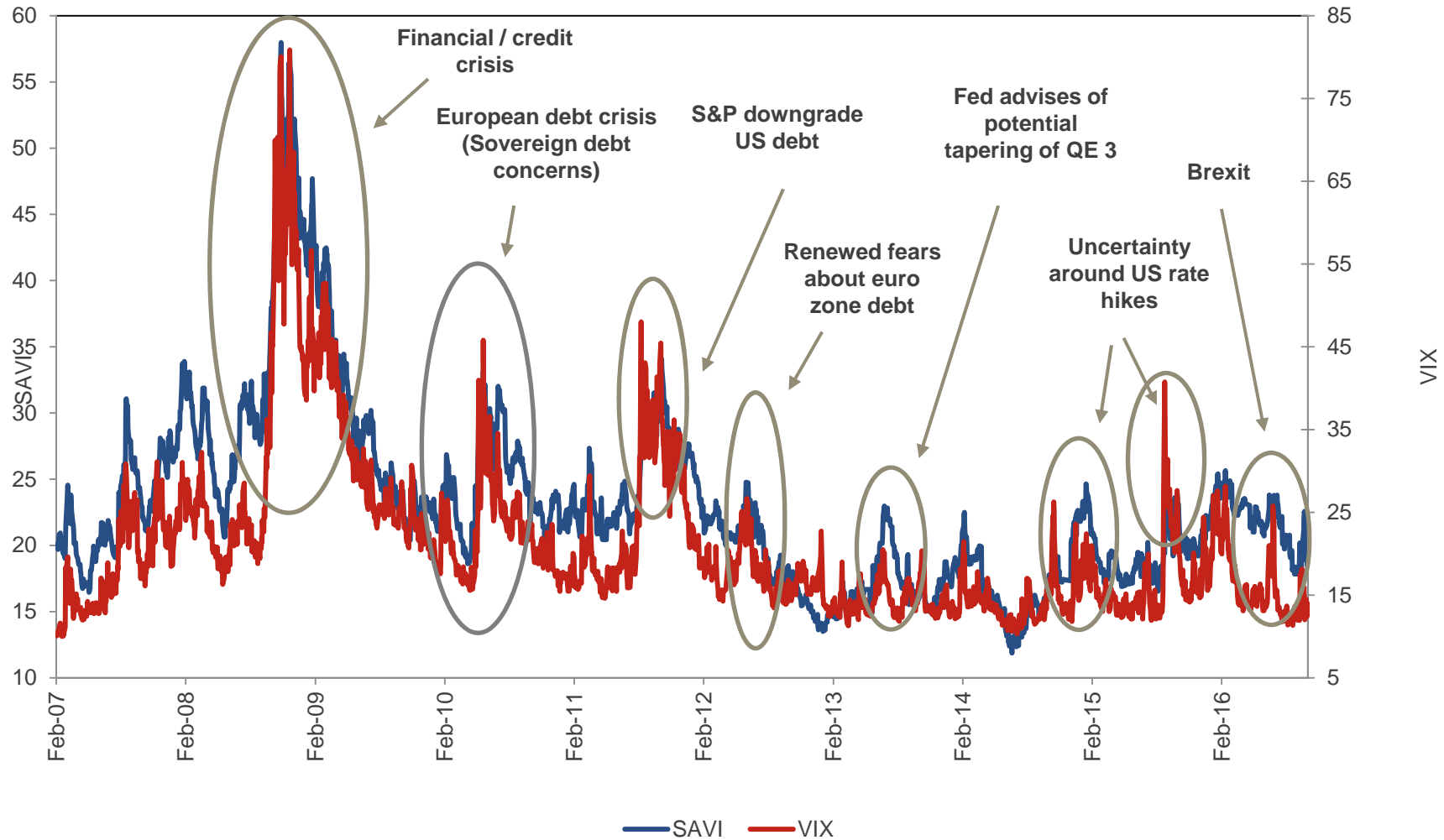


Source: INET BFA, FT.com and Momentum Investments

All returns in dollar terms

SAVI-VIX

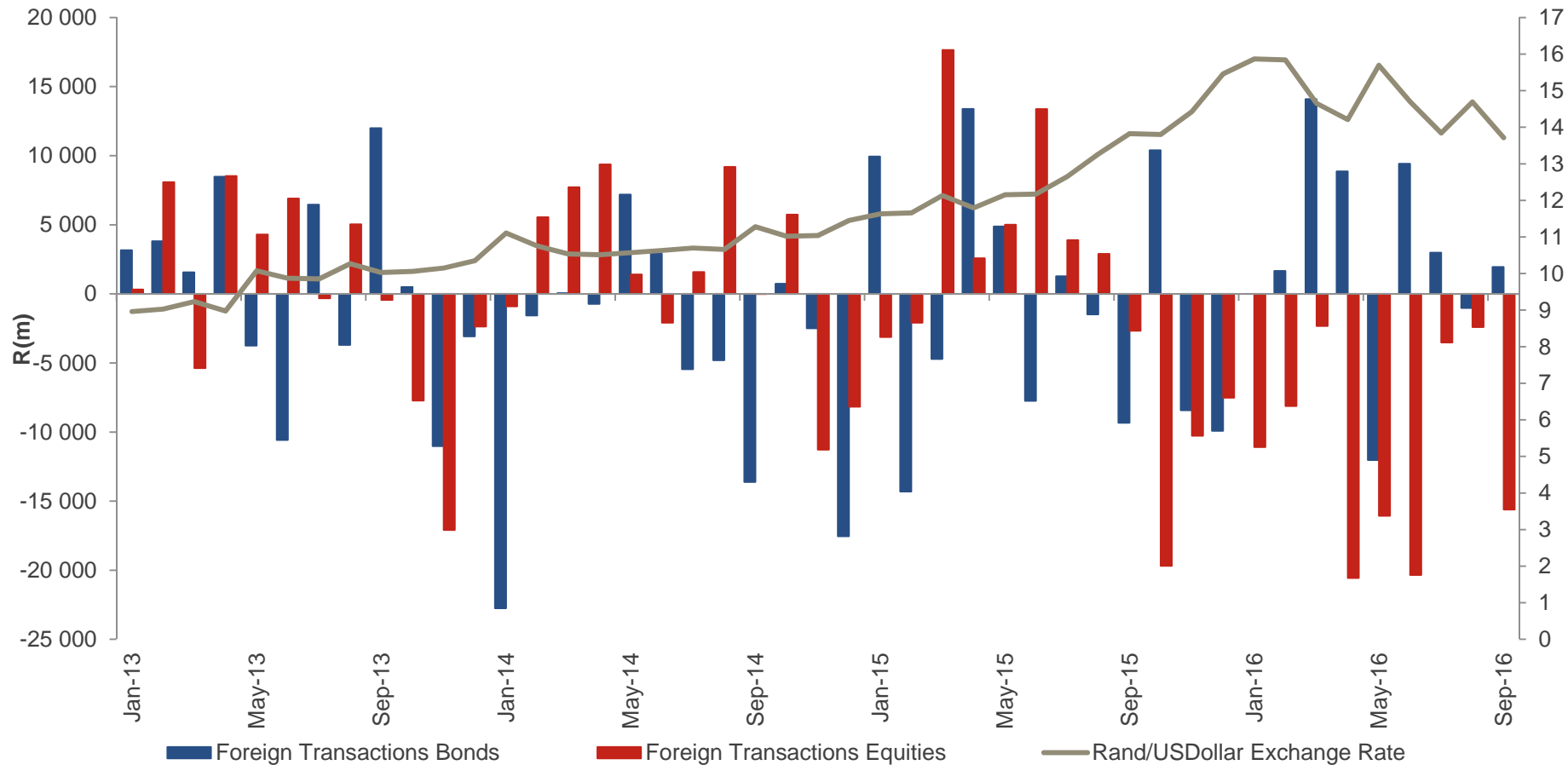
Since February 2007 to September 2016



Source: INET BFA and Momentum Investments

Foreign transactions

2013 to 2016



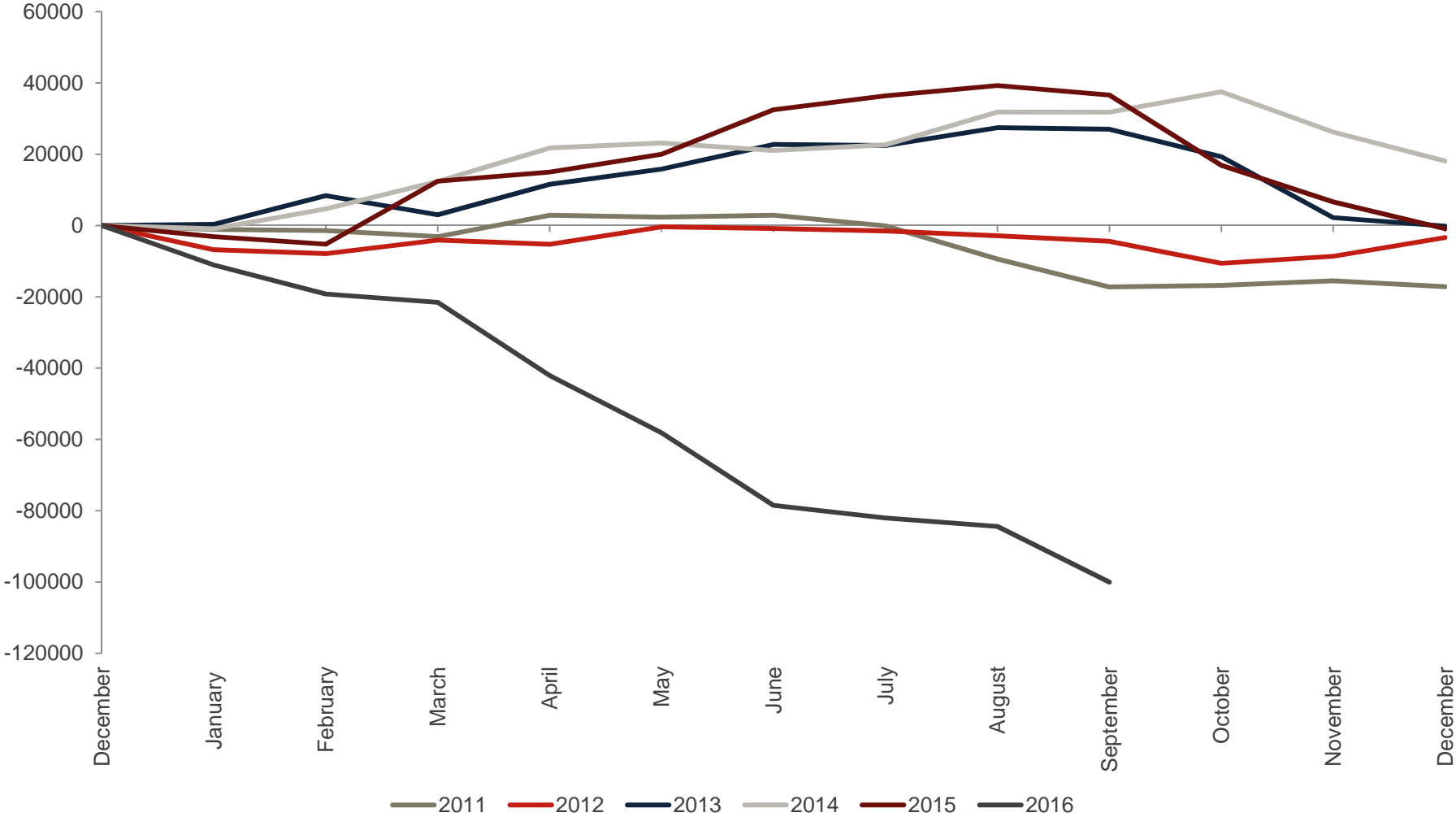
There have been mixed results over the years. However, for the 13th month in a row net outflows have taken place from equities.

Source: INET BFA and Momentum Investments

Cumulative foreign transaction equities

2011 to 2016

m

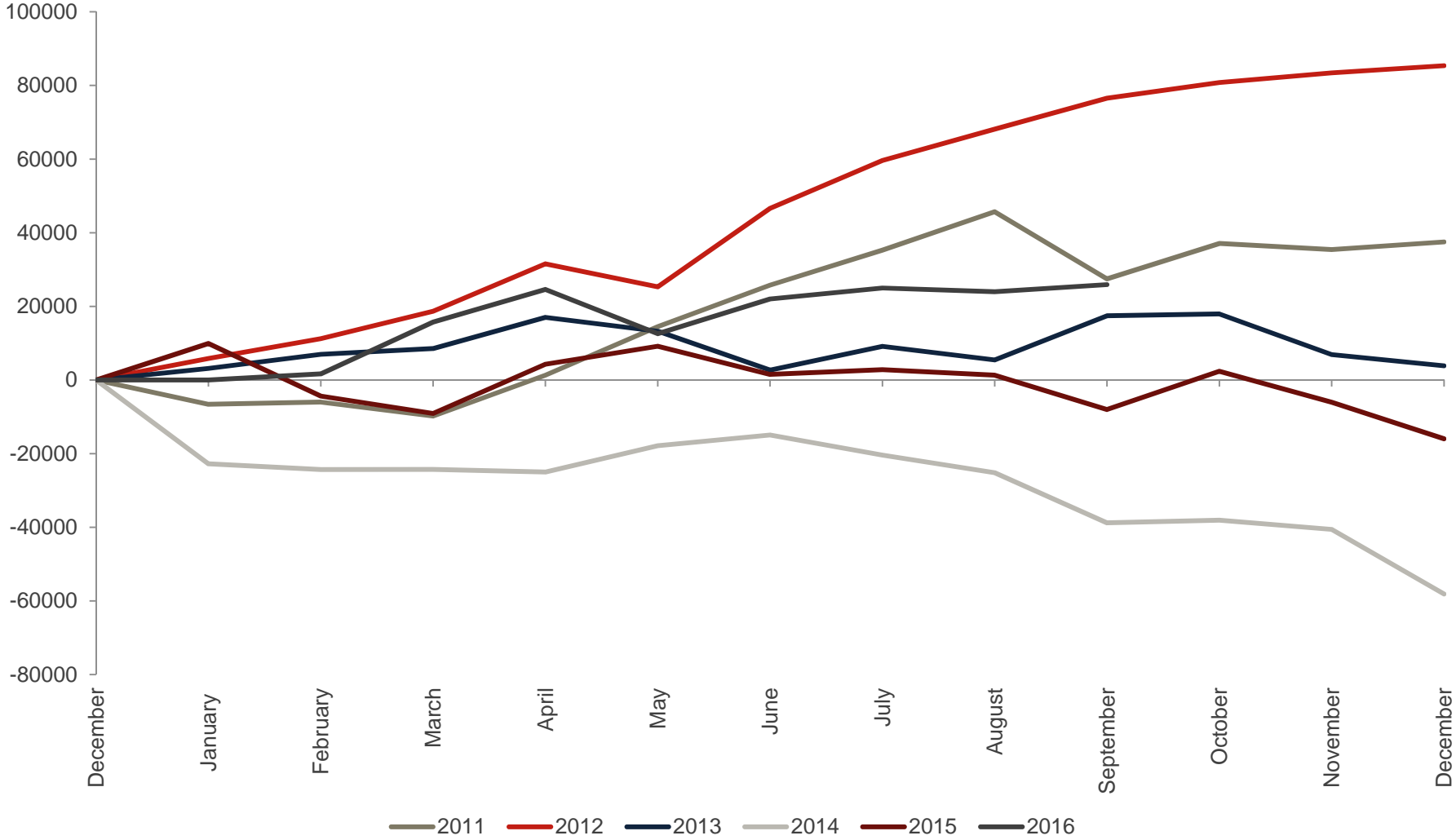


Source: INET BFA and Momentum Investments

Cumulative foreign transaction bonds

2011 to 2016

m



Source: INET BFA and Momentum Investments

End of key market performance drivers monthly charts for September 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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