



Key market performance drivers

Monthly charts to 31 August 2018

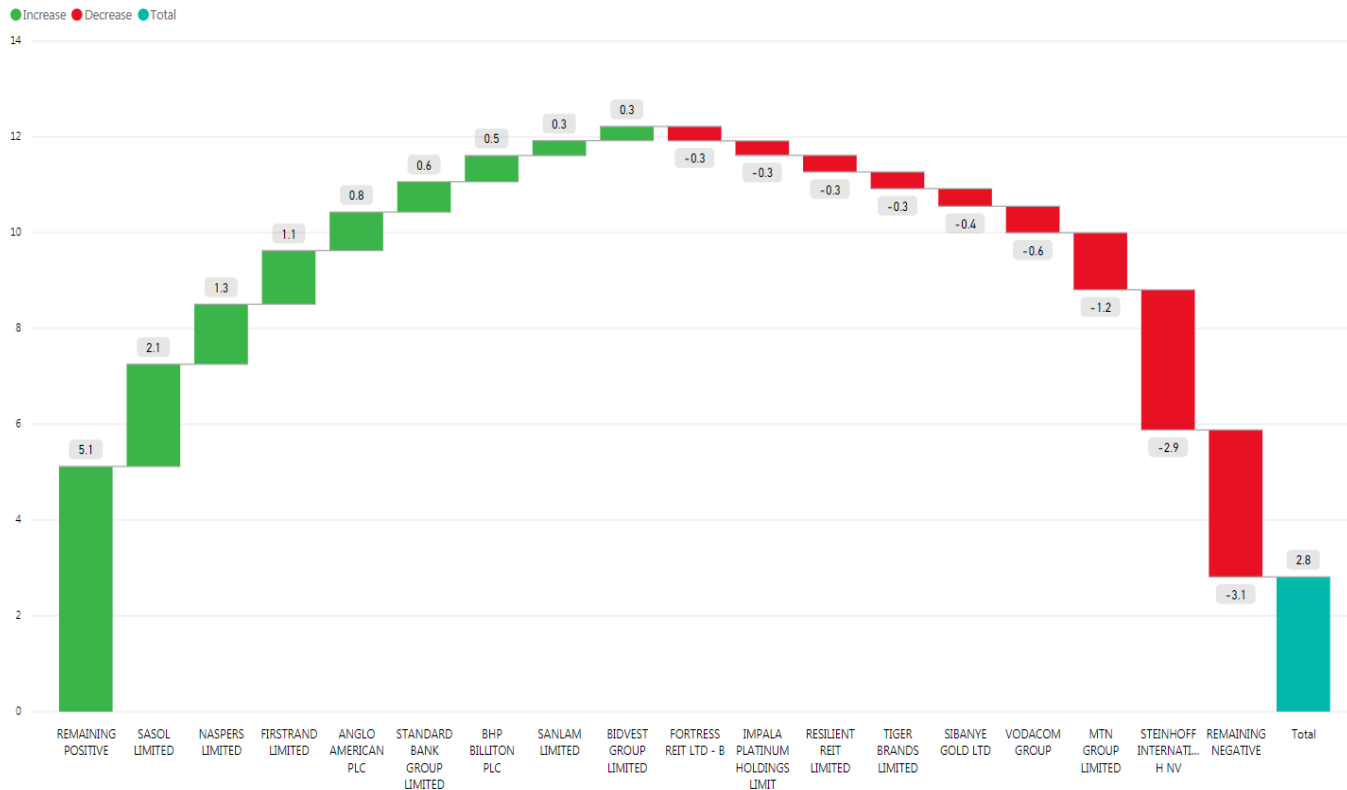
Signatory of:



momentum
investments

Market concentration

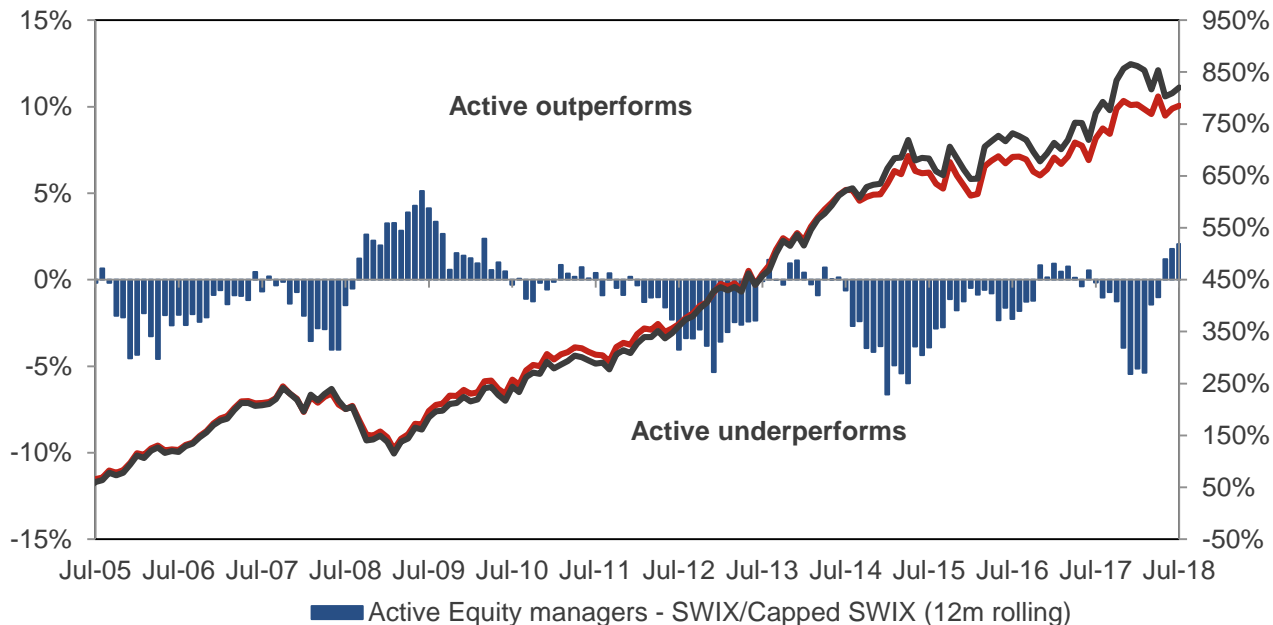
One-year Capped SWIX contributions ending August 2018



Source: StatPro, Power BI and Momentum Investments

Active index analysis

One-year rolling active to July* 2018



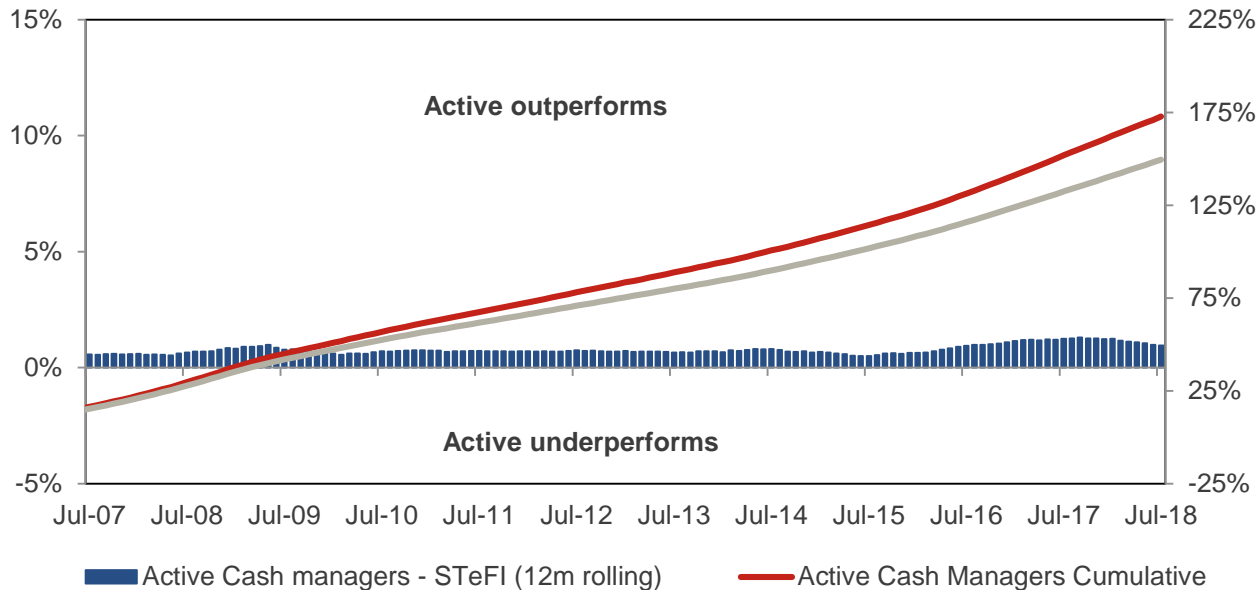
* Lagged by one month due to availability of data

The median of the active equity investment managers outperformed the SWIX/Capped SWIX composite benchmark (SWIX until 31 October 2017 and Capped SWIX thereafter)

Source: Alexander Forbes SA Equity Manager Watch™, INET BFA and Momentum Investments

Active versus tracker: Cash

One-year rolling average to July* 2018



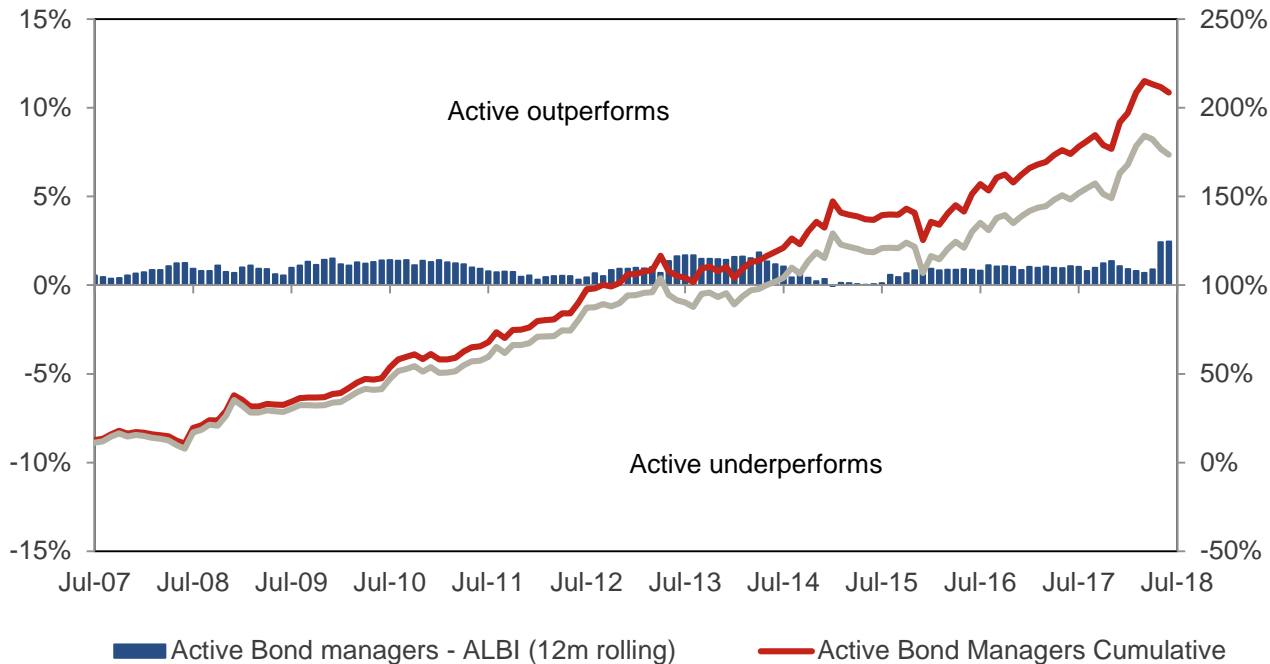
* Lagged by one month due to availability of data

The median of the active money market investment managers outperformed the SteFI

Source: Alexander Forbes SA Money Market Manager Watch™, INET BFA and Momentum Investments

Active versus tracker: Bonds

One-year rolling average to July* 2018



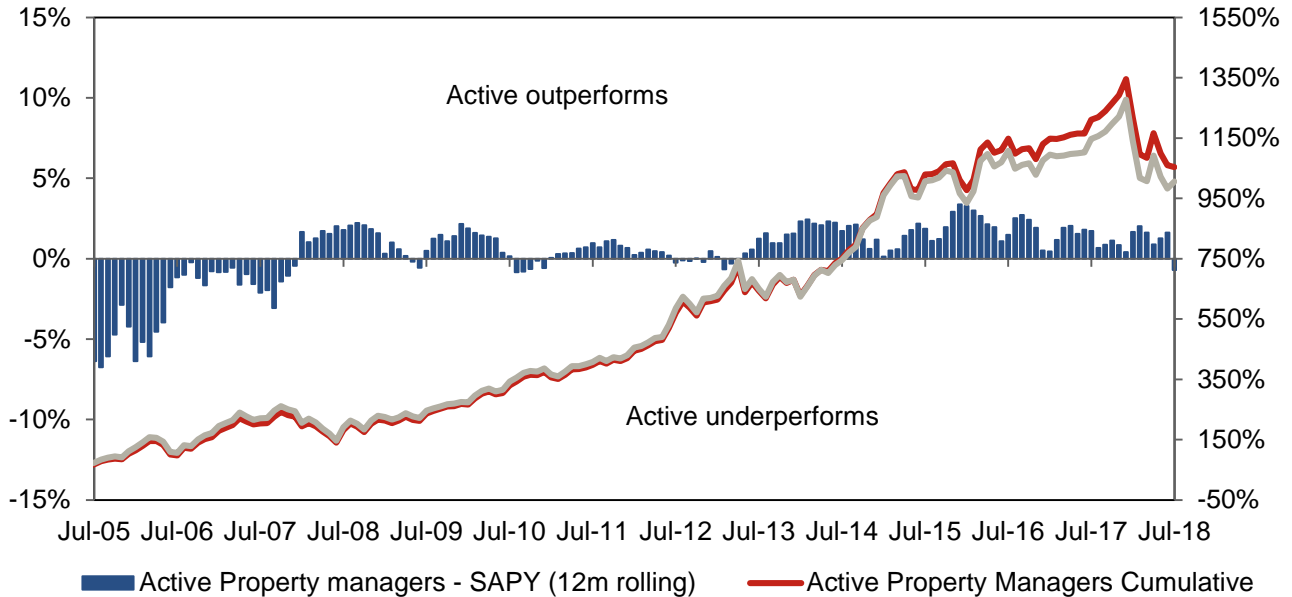
* Lagged by one month due to availability of data

The median of the active bond investment managers outperformed the ALBI

Source: Alexander Forbes SA Bond Manager Watch™, INET BFA and Momentum Investments

Active versus tracker: Property

One-year rolling average to July* 2018



* Lagged by one month due to availability of data

The median of the active property investment managers outperformed the SAPY

Source: Alexander Forbes SA Property Manager Watch™, INET BFA and Momentum Investments

Style returns for South Africa

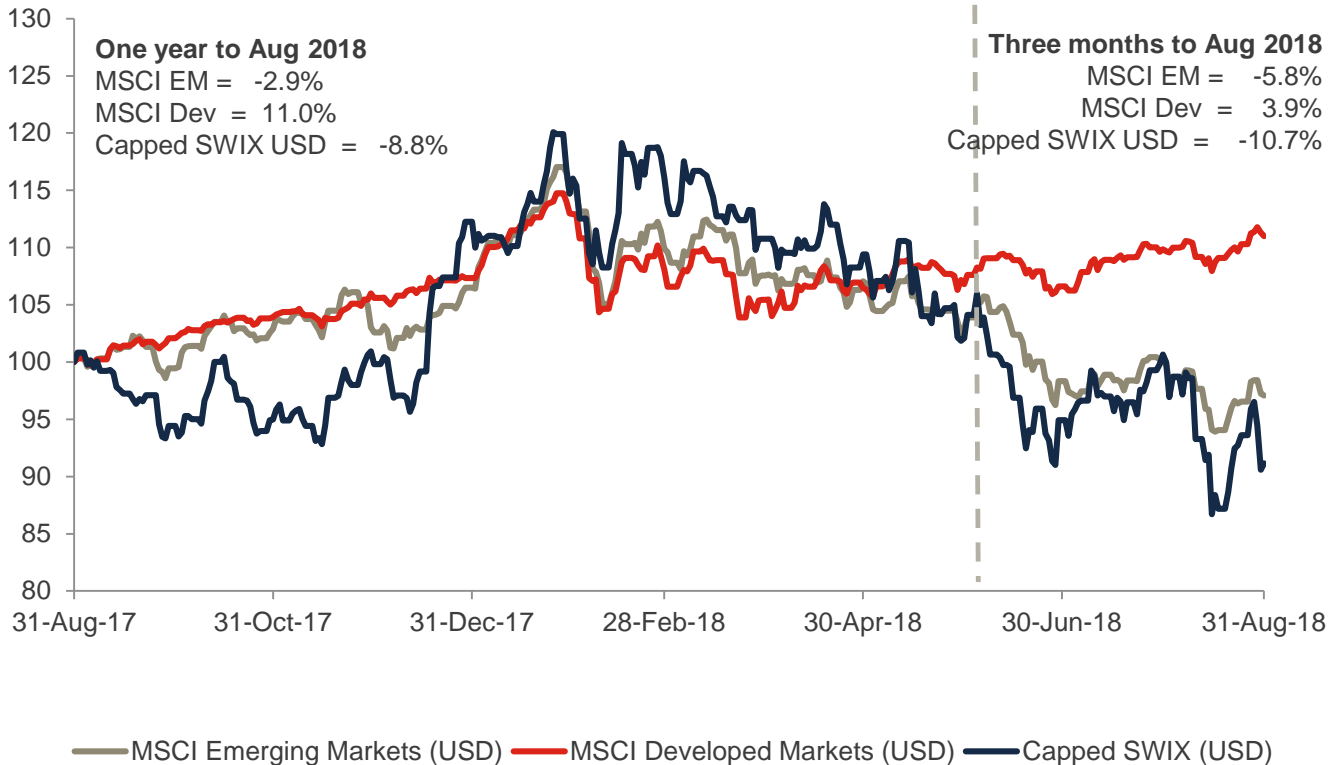
Data to August 2018

ZAR	Styles	One month to August 2018	Three months to August 2018	One year to August 2018	Three years to August 2018	Five years to August 2018	Ten years to August 2018	Twenty years to August 2018
Value	Book to Price	-0.68	3.40	-4.80	3.50	-0.43	-1.67	2.78
	Dividend Yield	1.13	1.24	2.64	0.77	0.18	1.81	5.56
	Earnings Yield	0.07	-1.41	0.12	2.37	2.18	1.05	3.45
	Cash Flow Yield	-1.23	-1.04	-0.88	13.17	3.76	0.94	4.34
	Sales to Price	-1.59	-4.07	-6.91	3.65	-1.67	-3.17	3.63
Quality	ROE	-0.63	-2.31	9.51	0.12	0.11	0.34	-1.36
	ROIC LT	0.08	1.29	3.68	0.09	-2.13	0.92	-1.59
	Income to Sales	0.63	1.79	5.42	0.64	2.20	2.87	-1.61
	Low market beta	1.05	-1.71	-0.60	0.60	1.14	-1.09	1.15
	Low Debt/Equity	-1.52	-1.45	0.52	-1.11	-2.15	-1.98	-1.73
	EBIT Margin Stability	-1.83	-2.23	4.41	-2.40	-0.46	4.96	2.58
Growth	Earnings Growth	2.25	3.62	10.08	4.33	5.47	-1.33	-2.10
	Sales Growth	-0.26	0.93	0.00	-3.71	-2.18	-2.85	-3.51
	12M Earning Growth	-3.22	-5.83	-8.69	-5.53	-4.69	-4.91	3.08
Momentum	FY1 Earnings Revisions	1.86	1.76	5.91	4.77	7.42	7.95	9.80
	Short Term Momentum	-0.87	-4.44	7.93	7.84	5.34	1.44	1.38
	Medium Term Momentum	0.57	-0.38	2.69	-2.68	1.53	2.62	6.81
Size	Size	0.04	3.68	4.41	-0.76	0.16	-0.18	0.71

The Momentum factor had weak returns for the quarter but stronger returns for longer periods

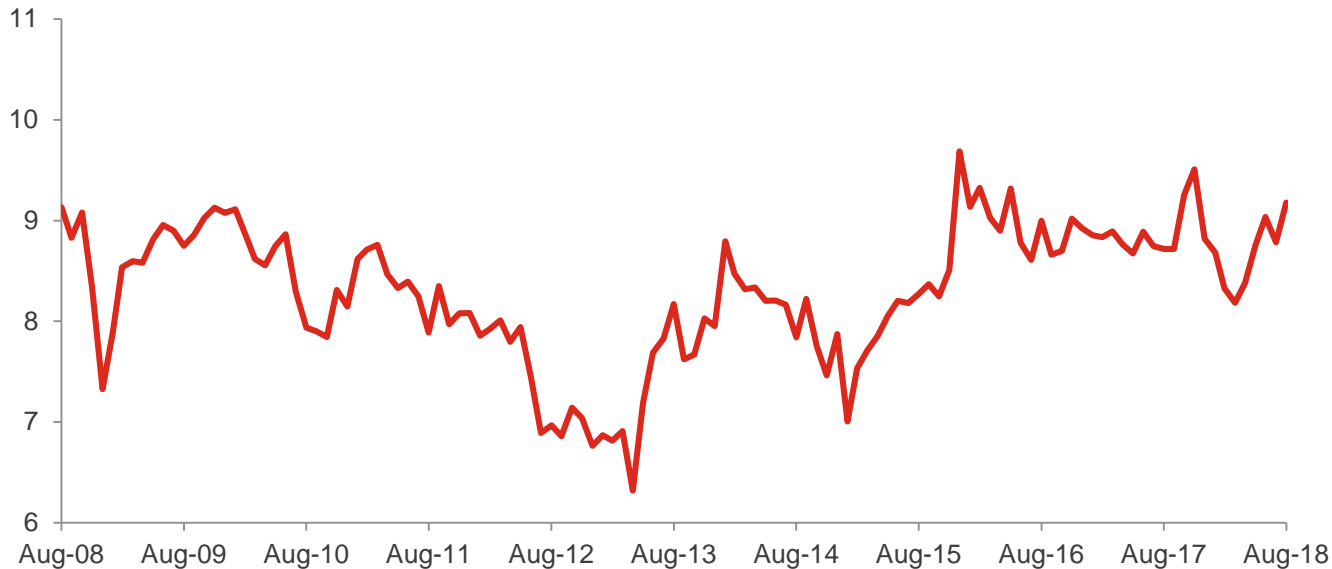
MSCI developed and emerging markets

One year to August 2018



SA 10-year bond yields

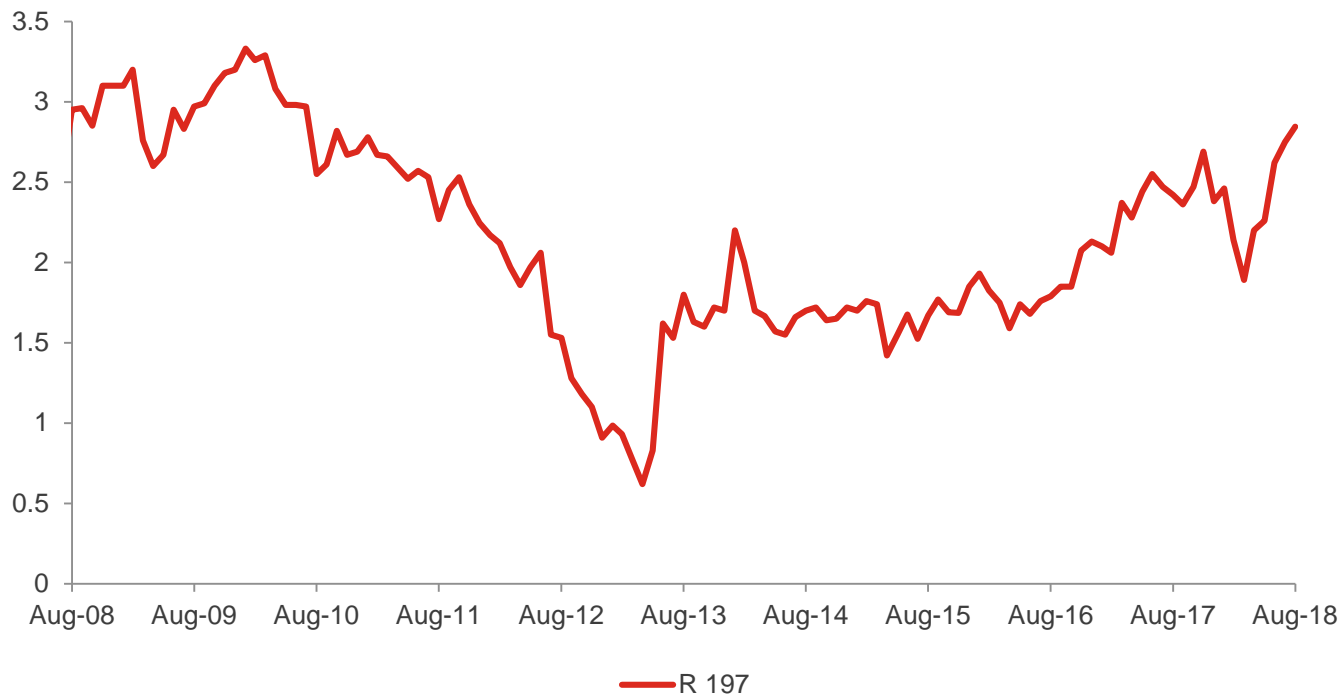
Ten years to August 2018



— SA 10 year bond yield

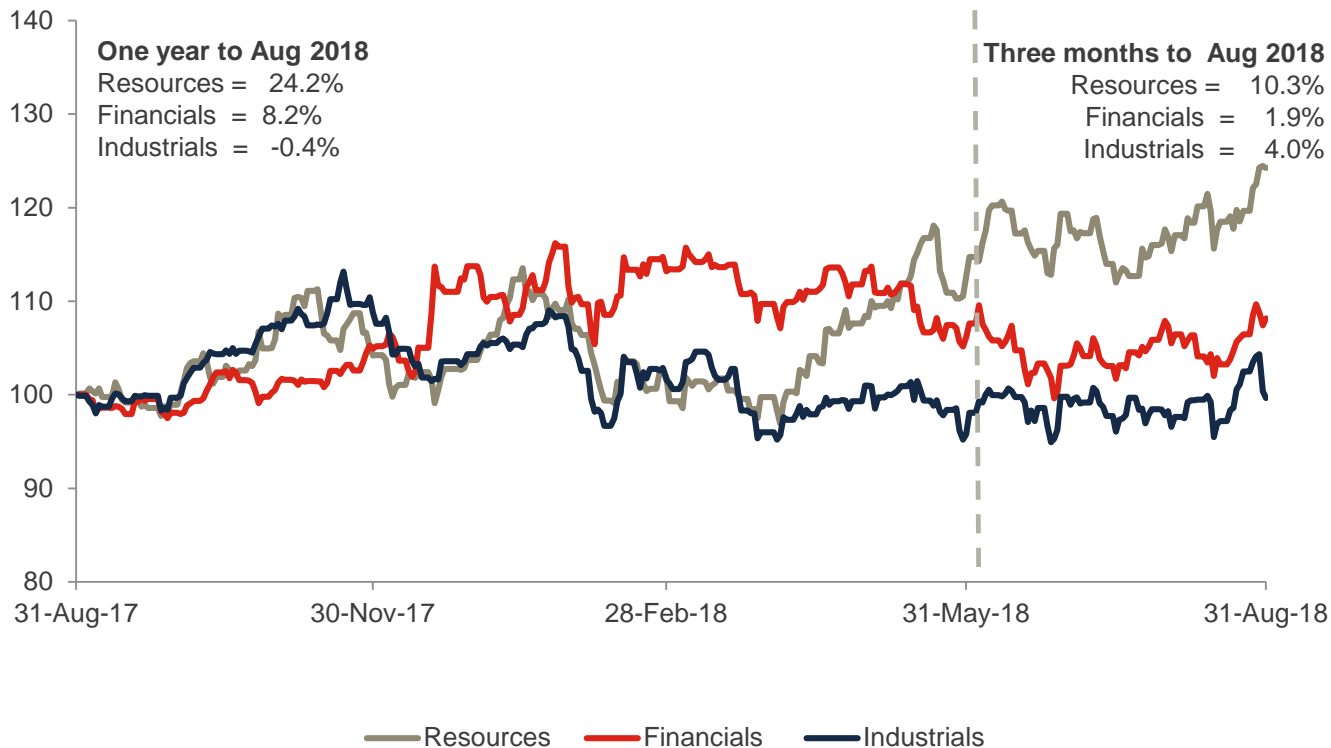
Yield of R197 (inflation-linked bond)

Ten years to August 2018



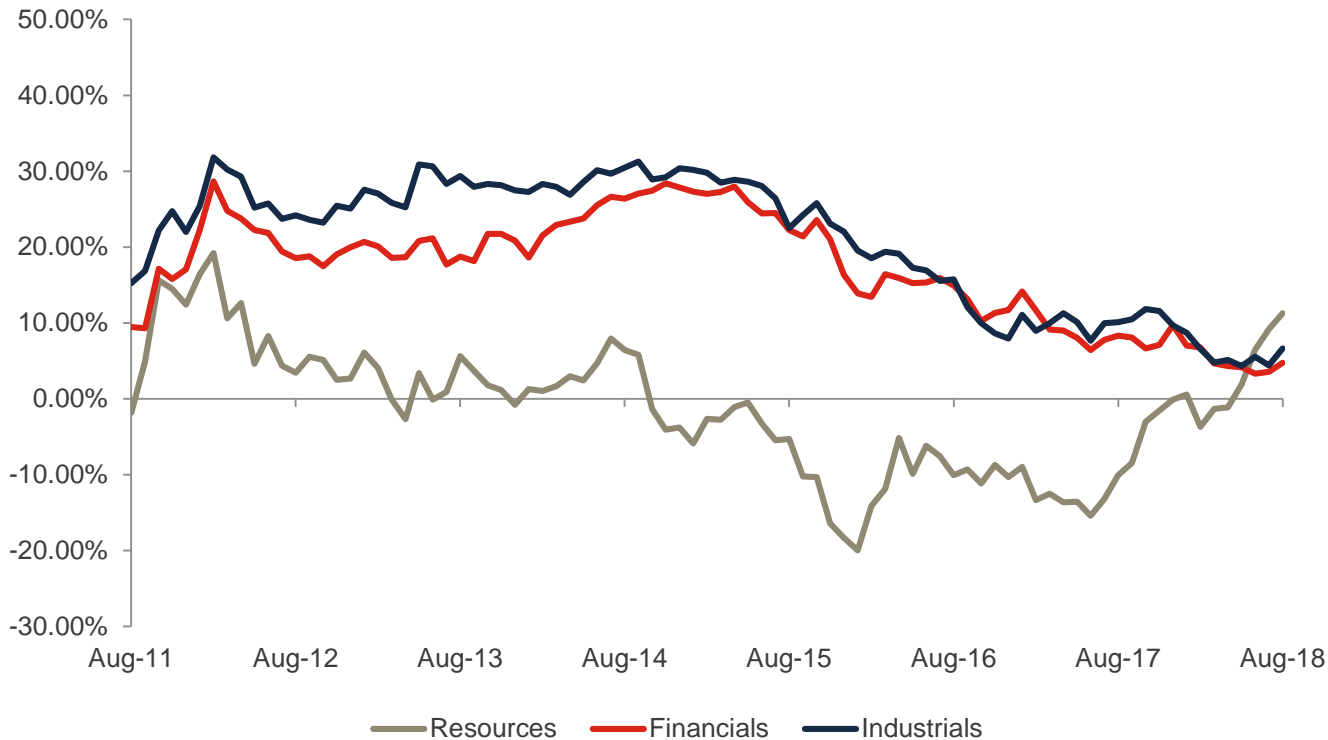
FTSE/JSE sectors

One year to August 2018



FTSE/JSE sectors

Rolling three years to August 2018



FTSE/JSE sectors

Decomposed

Three months to August 2018

1	Household Goods & Home Construction	Consumer Goods	150.00%	18	Fixed-line Telecommunications	Telecommunications	1.64%
2	Chemicals	Basic Materials	23.50%	19	Oil & Gas Producers	Financial Services	0.52%
3	Forestry & Paper	Basic Materials	18.93%	20	Industrial Transportation	Industrials	0.04%
4	Equity Investment Instruments	Financials	17.62%	21	Food Producers	Consumer Goods	-1.97%
5	Pharmaceuticals & Biotechnology	Healthcare	16.34%	22	Industrial Metals & Mining	Industrials	-2.06%
6	Personal Goods	Consumer Goods	11.93%	23	Non-life Insurance	Financials	-2.20%
7	Tobacco	Consumer Goods	11.28%	24	Electronic & Electrical Equipment	Industrials	-3.06%
8	Software & Computer Services	Technology	9.02%	25	Healthcare Equipment & Service	Healthcare	-3.73%
9	Technology Hardware & Equipment	Technology	8.01%	26	Real Estate Investment Trusts	Financials	-3.85%
10	Media	Consumer Services	7.92%	27	General Retailers	Consumer Services	-5.13%
11	Mining	Basic Materials	4.69%	28	Support Services	Industrials	-7.56%
12	Financial Services	Financials	3.63%	29	Travel & Leisure	Travel & Leisure	-9.95%
13	Food & Drug Retailers	Consumer Services	3.53%	30	Beverages	Consumer Goods	-11.91%
14	Real Estate Investment & Services	Financials	3.45%	31	Automobiles & Parts	Consumer Goods	-12.64%
15	Banks	Financials	3.20%	32	Construction & Materials	Industrials	-12.97%
16	General Industrials	Industrials	2.64%	33	Mobile Telecommunications	Telecommunications	-18.00%
17	Life Insurance	Financials	2.59%	34	Industrial Engineering	Industrials	-21.40%

Key

Resources

Financials

Industrials

FTSE/JSE sectors

Decomposed

One year to August 2018

1	Oil & Gas Producers	Financial Services	75.35%	18	Food Producers	Healthcare	-0.10%
2	Chemicals	Basic Materials	47.10%	19	Financial Services	Healthcare	-1.11%
3	Industrial Metals & Mining	Industrials	27.88%	20	Mobile Telecommunications	Financials	-3.05%
4	Forestry & Paper	Basic Materials	23.51%	21	Equity Investment Instruments	Travel & Leisure	-4.89%
5	Banks	Financials	23.50%	22	Industrial Engineering	Financials	-5.79%
6	Non-life Insurance	Financials	20.90%	23	Tobacco	Consumer Goods	-7.31%
7	Technology Hardware & Equipment	Technology	16.63%	24	Pharmaceuticals & Biotechnology	Industrials	-7.33%
8	Life Insurance	Financials	14.61%	25	Healthcare Equipment & Service	Consumer Goods	-8.06%
9	Personal Goods	Consumer Goods	14.25%	26	Industrial Transportation	Consumer Goods	-8.75%
10	Media	Consumer Services	11.19%	27	Real Estate Investment & Services	Financials	-10.16%
11	Food & Drug Retailers	Consumer Services	9.44%	28	Real Estate Investment Trusts	Telecommunications	-13.93%
12	Equity Investment Instruments	Financials	7.74%	29	Beverages	Consumer Goods	-16.19%
13	Mining	Basic Materials	7.35%	30	Fixed-line Telecommunications	Industrials	-16.88%
14	General Retailers	Consumer Services	7.33%	31	Automobiles & Parts	Telecommunications	-27.71%
15	General Industrials	Industrials	5.38%	32	Support Services	Industrials	-50.16%
16	Construction & Materials	Industrials	4.98%	33	Software & Computer Services	Technology	-51.57%
17	Electronic & Electrical Equipment	Industrials	1.52%	34	Household Goods & Home Construction	Consumer Goods	-95.55%

Key

Resources

Financials

Industrials

Source: Barra, Deutsche Securities and Momentum Investments

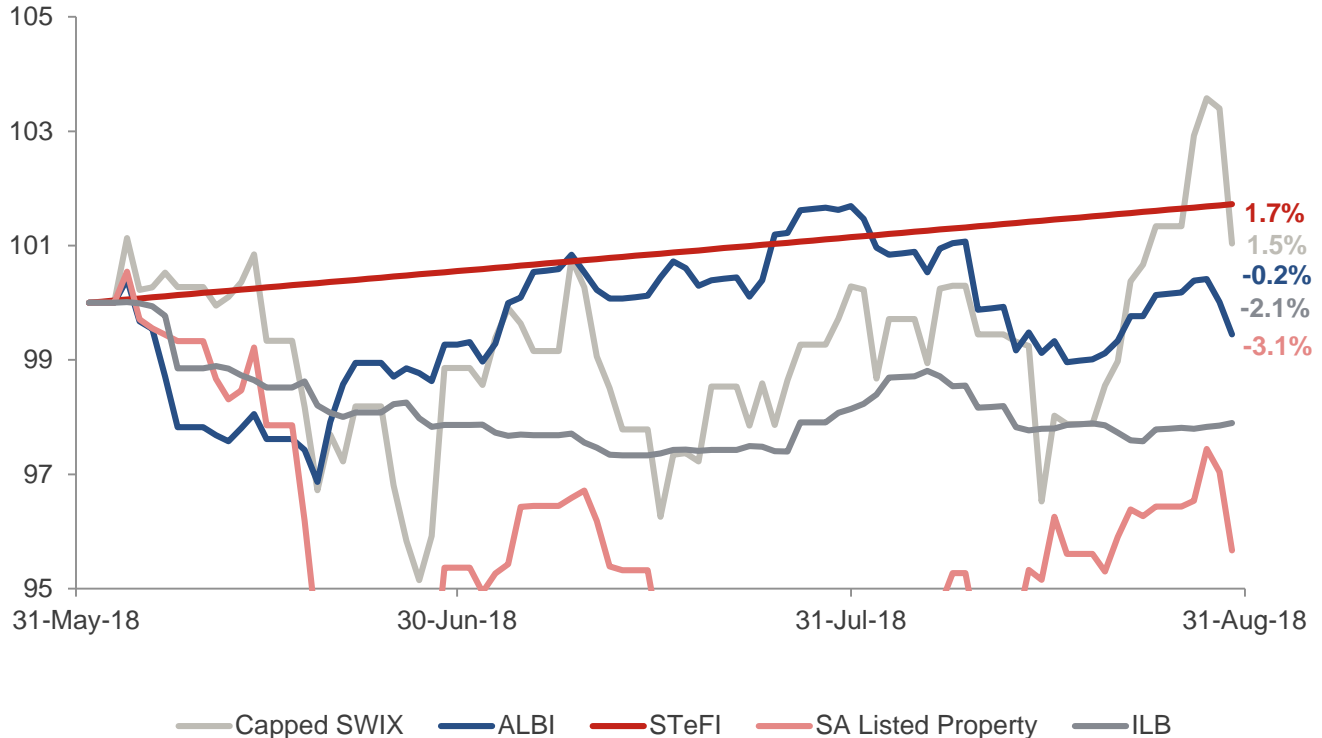
FTSE/JSE market caps

One year to August 2018



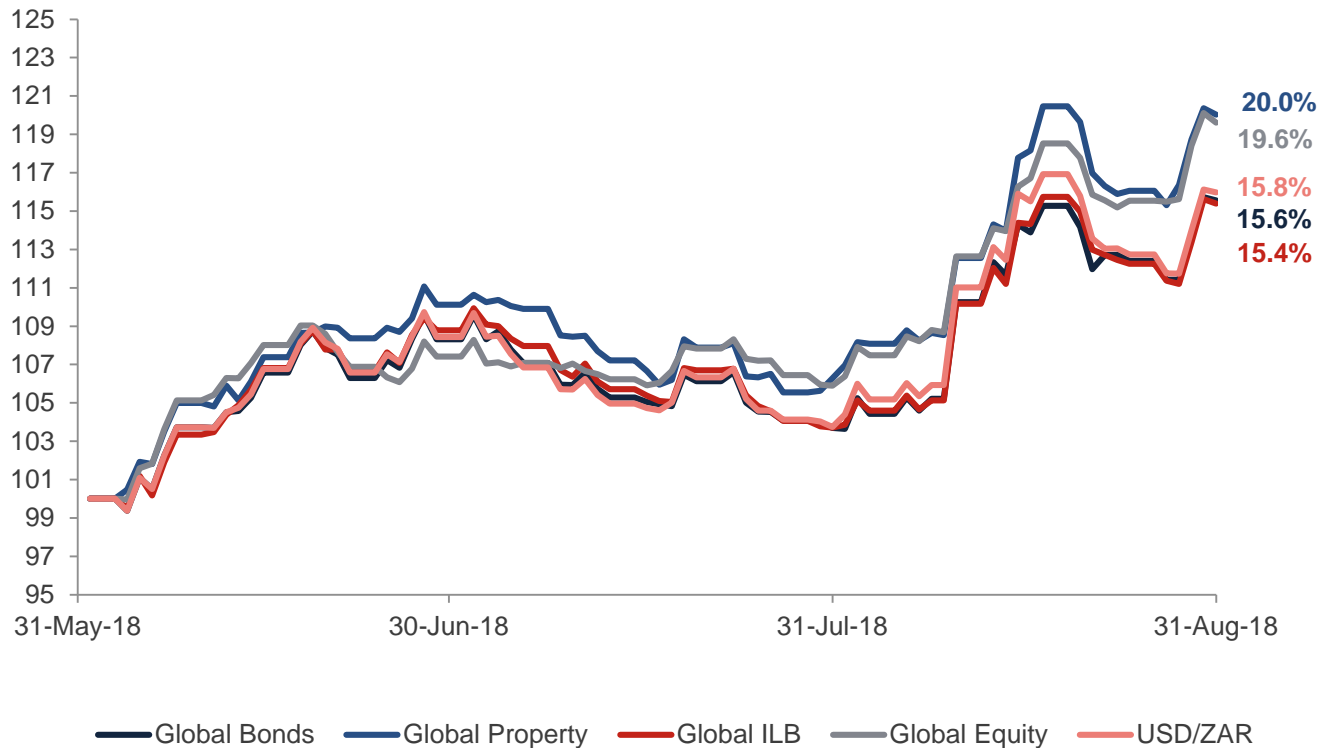
Local asset classes

Three months to August 2018



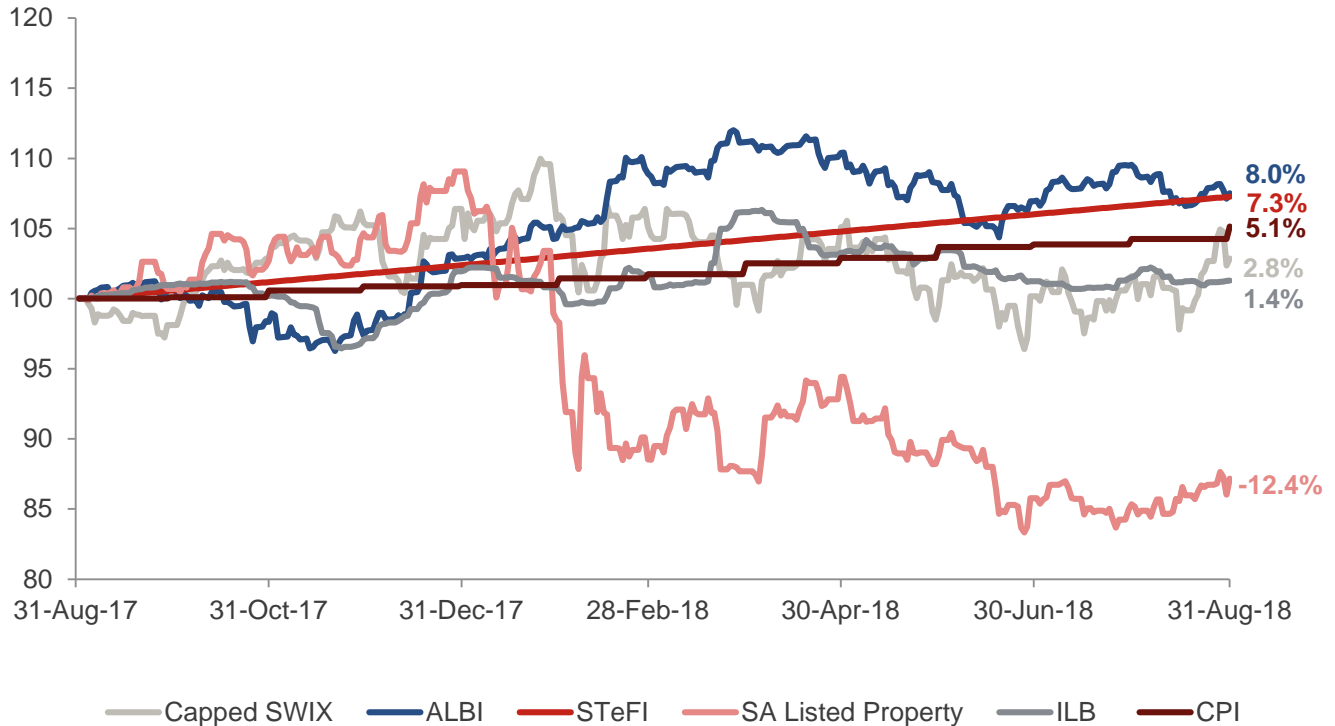
Global asset classes

Three months to August 2018



Local asset classes

One year to August 2018

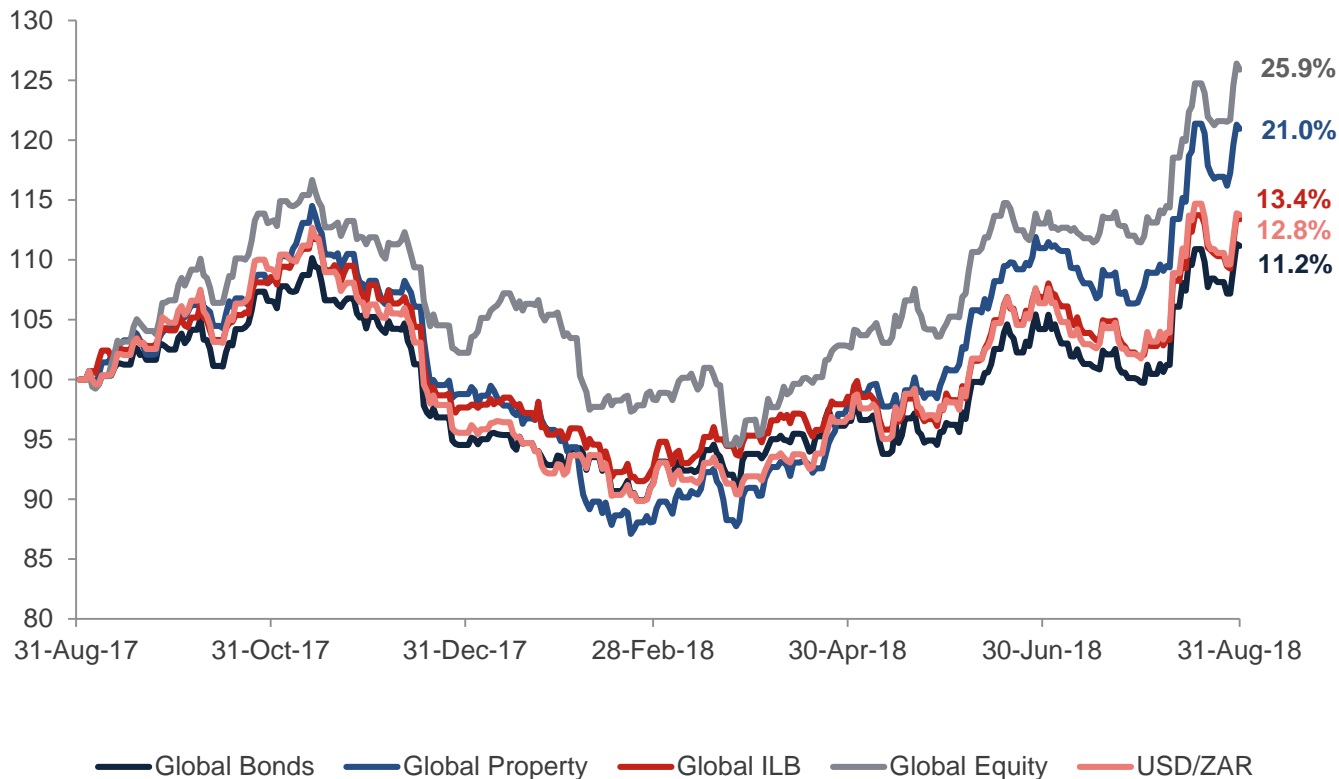


* CPI lagged by one month due to availability of data

Source: INET BFA and Momentum Investments

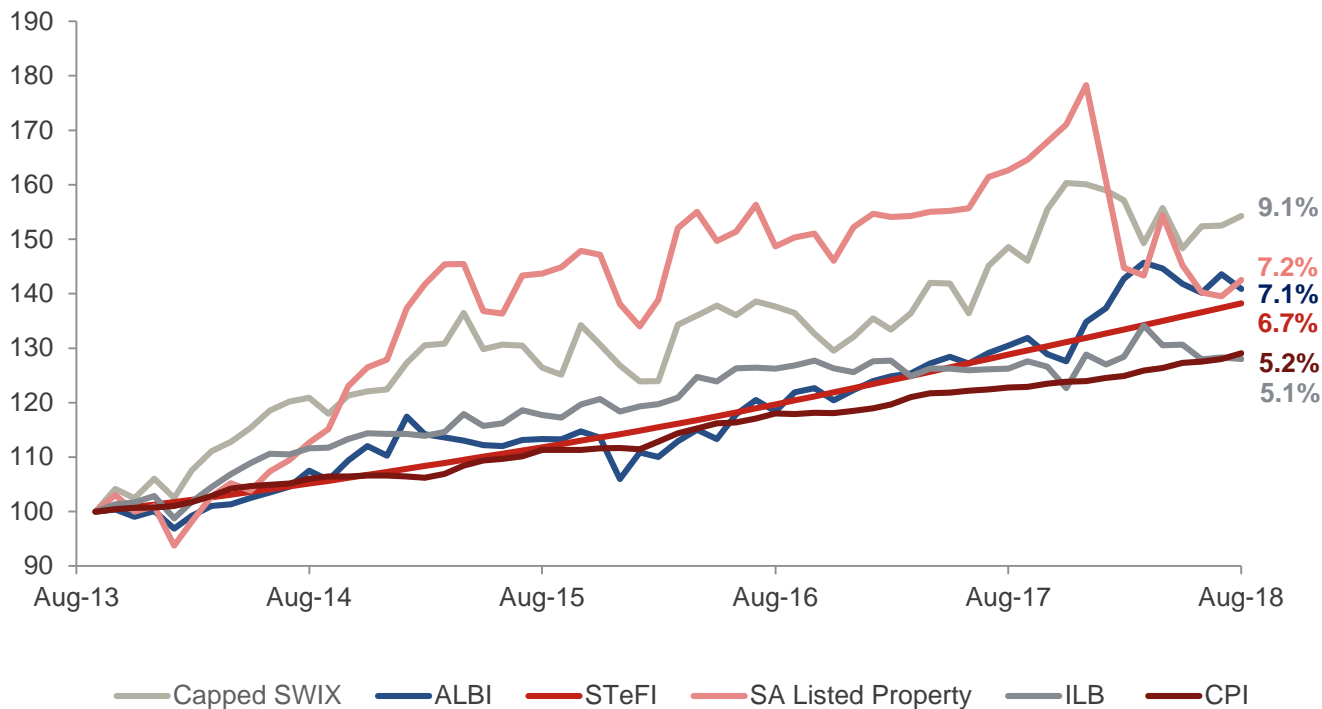
Global asset classes

One year to August 2018



Local asset classes

Five years to August 2018

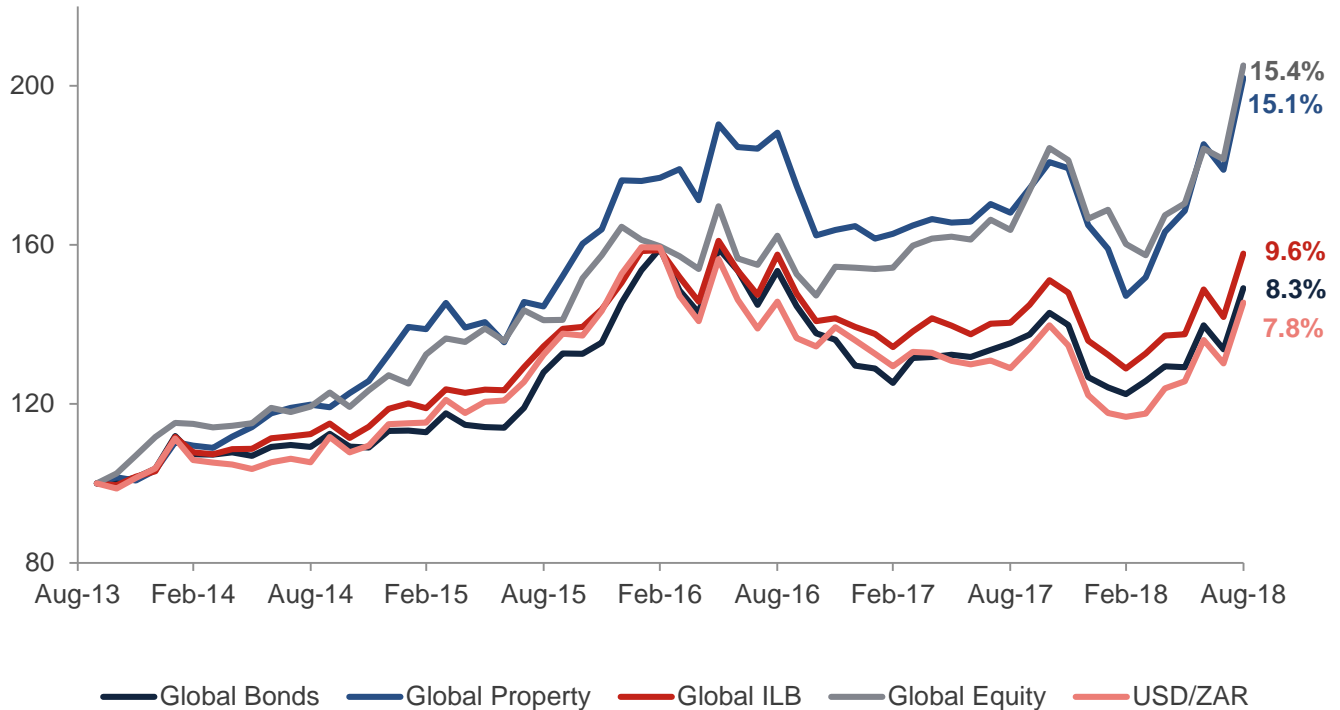


* CPI lagged by one month due to availability of data

Source: INET BFA and Momentum Investments

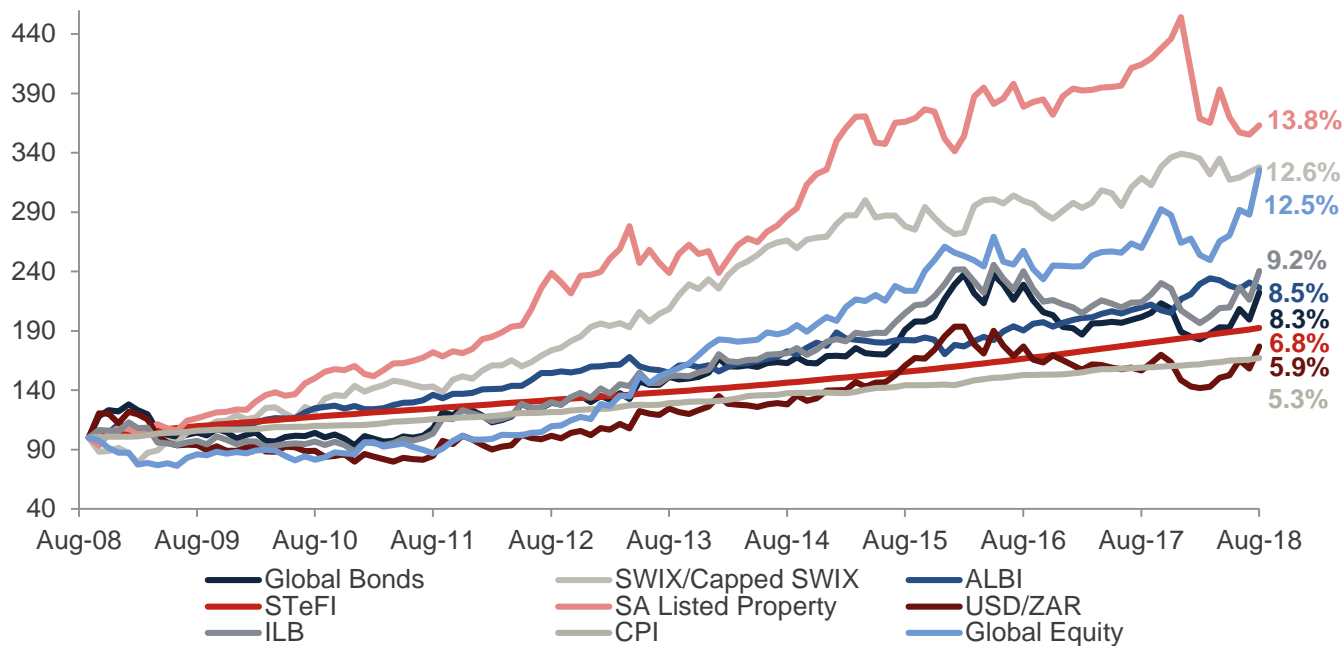
Global asset classes

Five years to August 2018



Asset classes

Ten years to July 2018



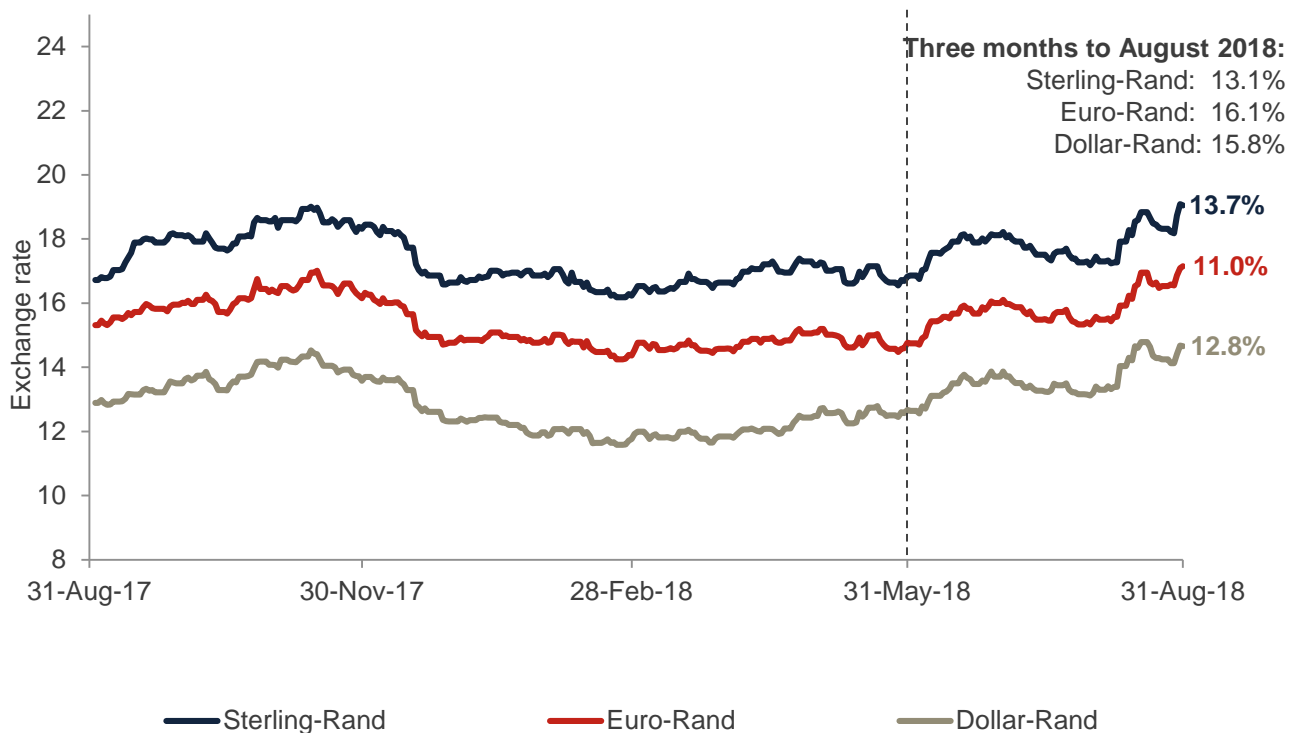
* CPI lagged by one month due to availability of data

For the 10-year period to July 2018, the FTSE/JSE SA Listed Property continued to outperform, followed by the SWIX/Capped SWIX composite and global equity

Source: INET BFA and Momentum Investments

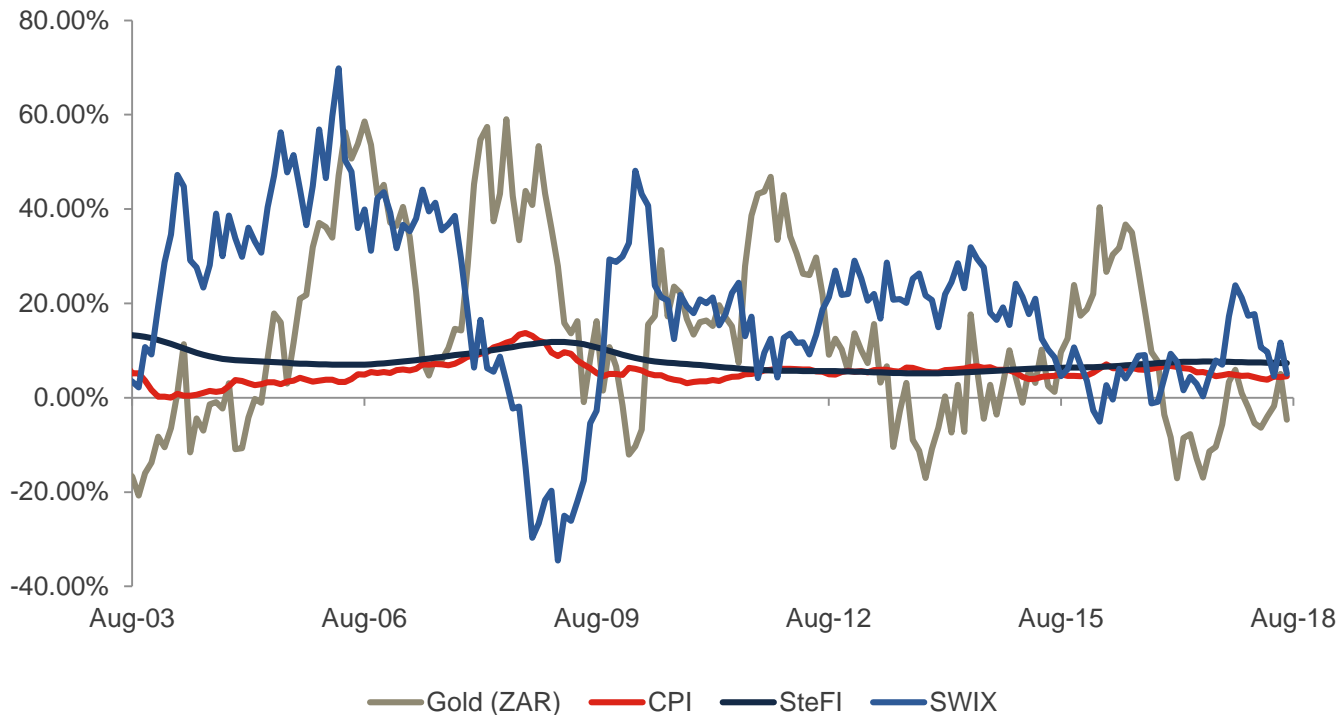
Exchange rates

One year to August 2018



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

One-year rolling returns to August 2018

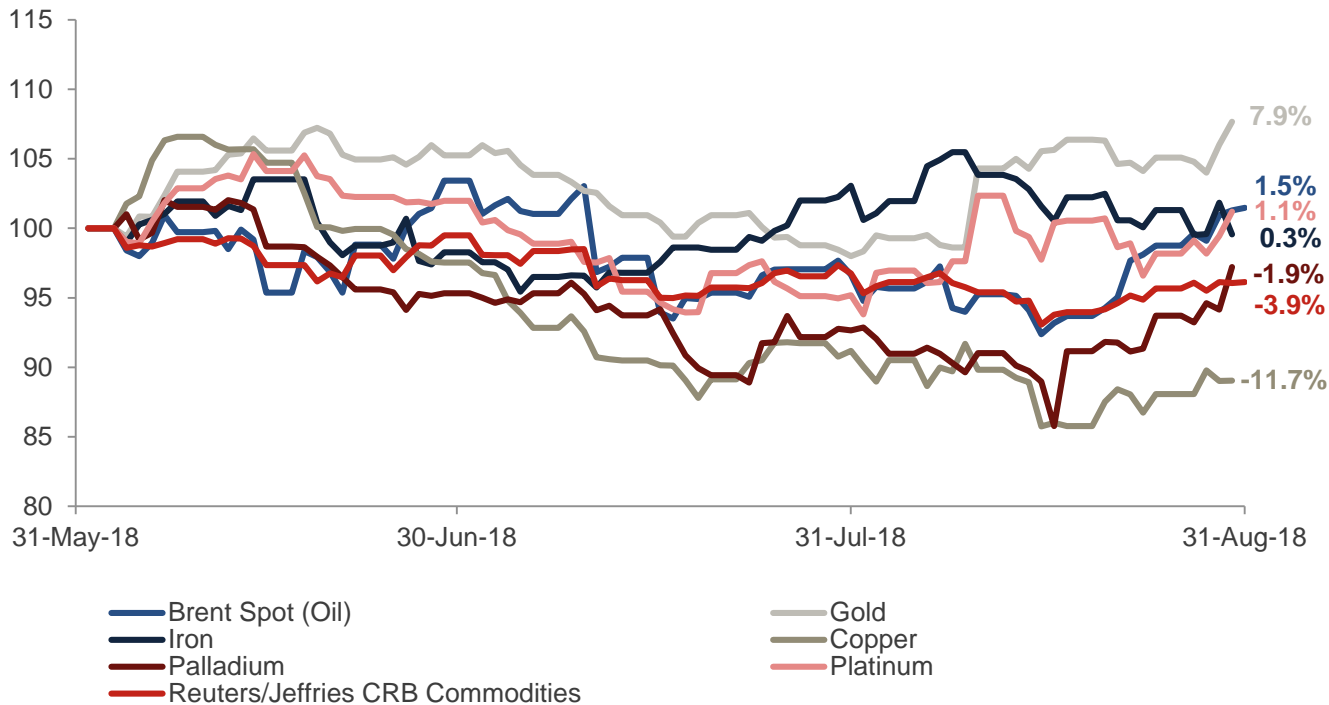


* CPI lagged by one month due to availability of data

Source: INET BFA and Momentum Investments

Commodities

Three months to August 2018

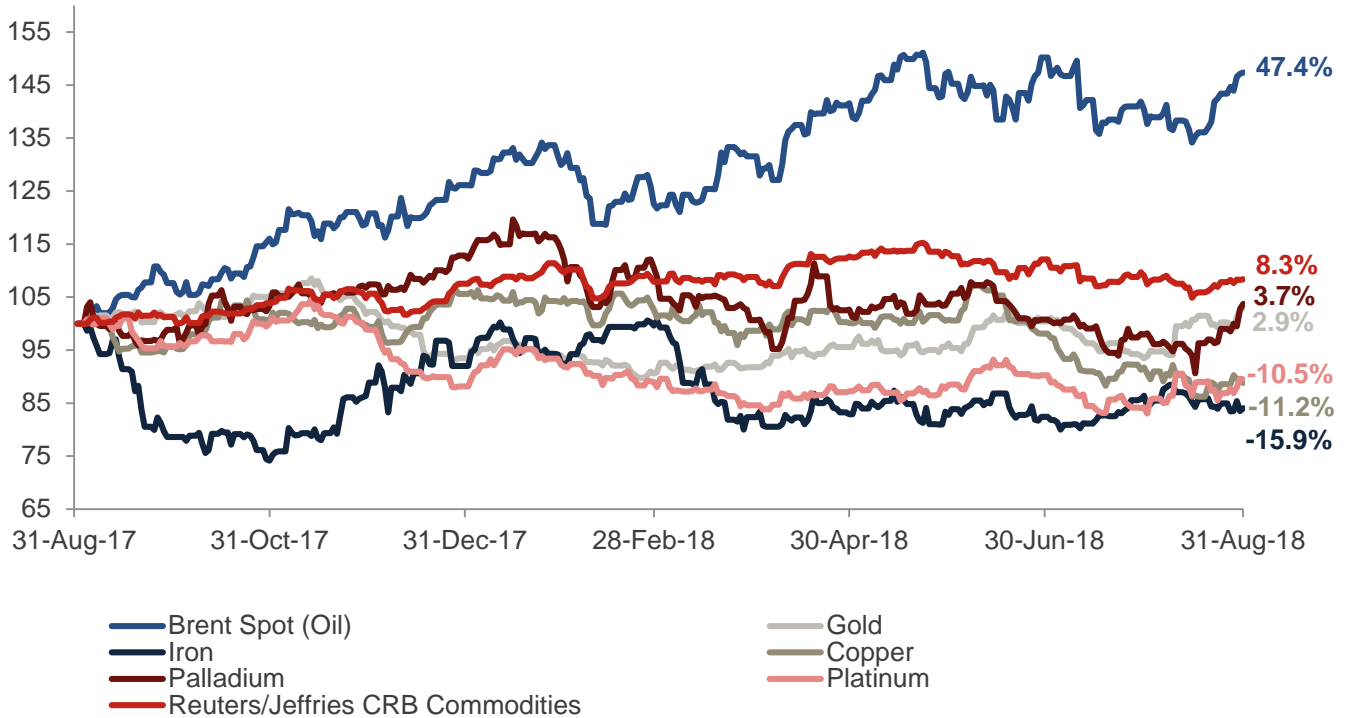


All returns are in dollar terms

Source: INET BFA, FT.com and Momentum Investments

Commodities

One year to August 2018

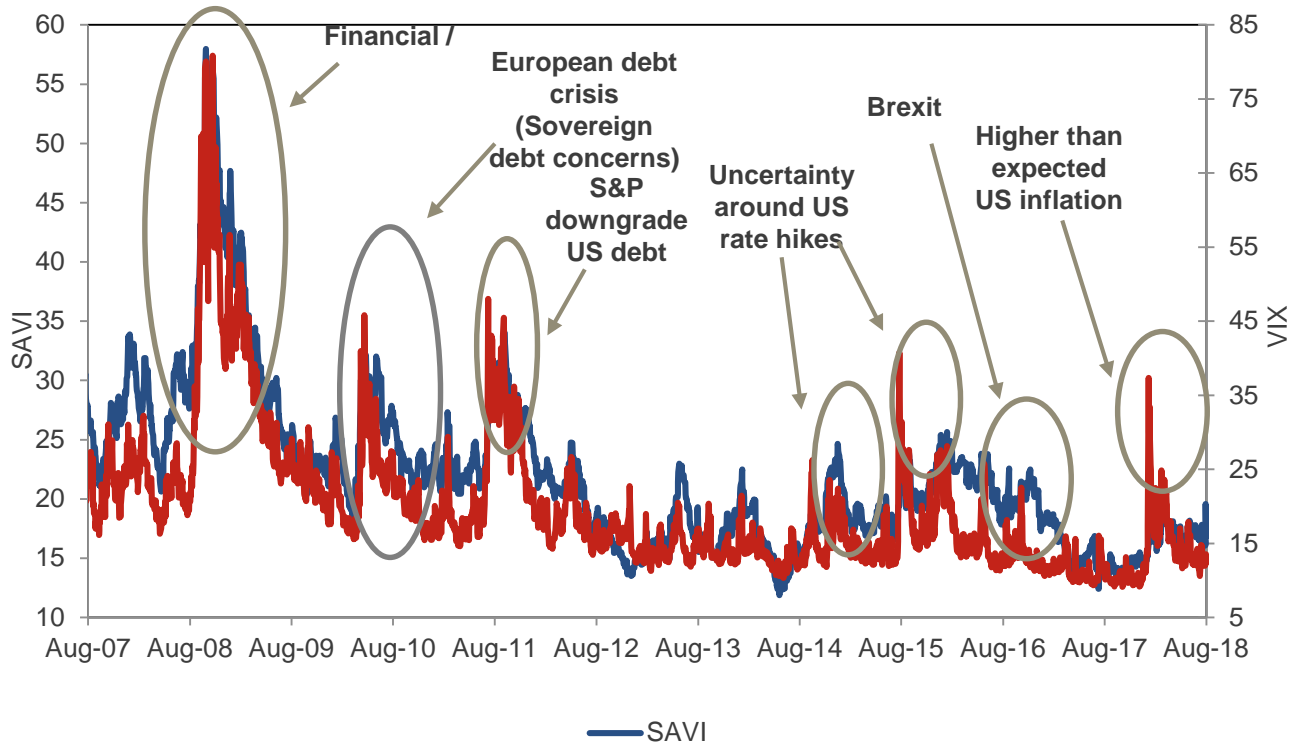


All returns are in dollar terms

Source: INET BFA, FT.com and Momentum Investments

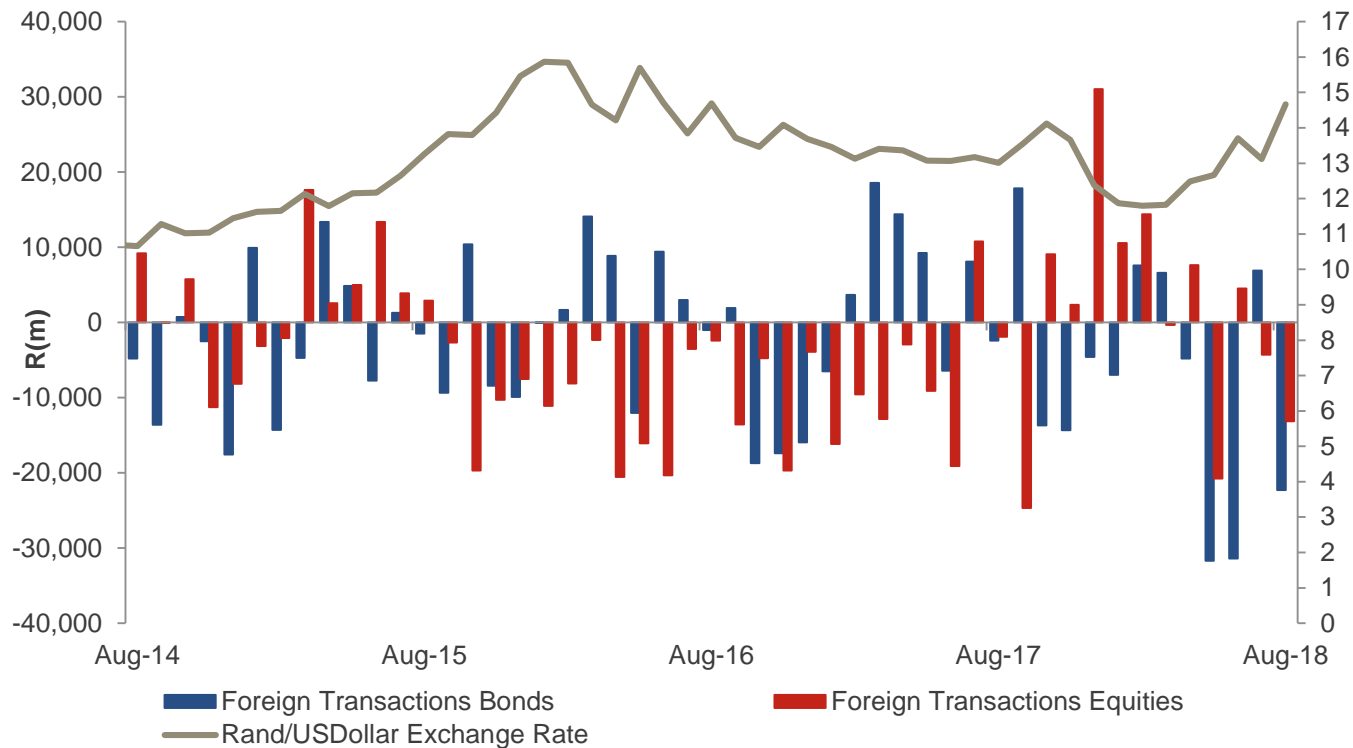
SAVI-VIX

Since August 2007 to August 2018



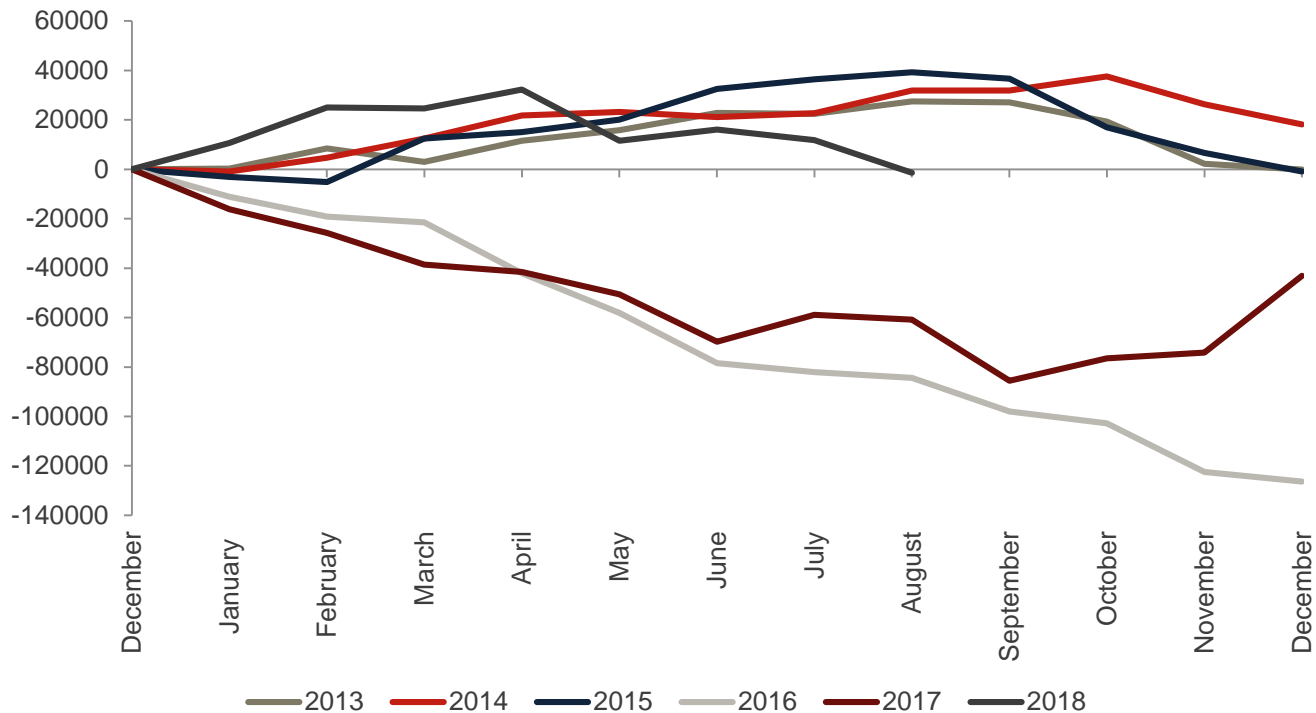
Foreign transactions

2014 to 2018



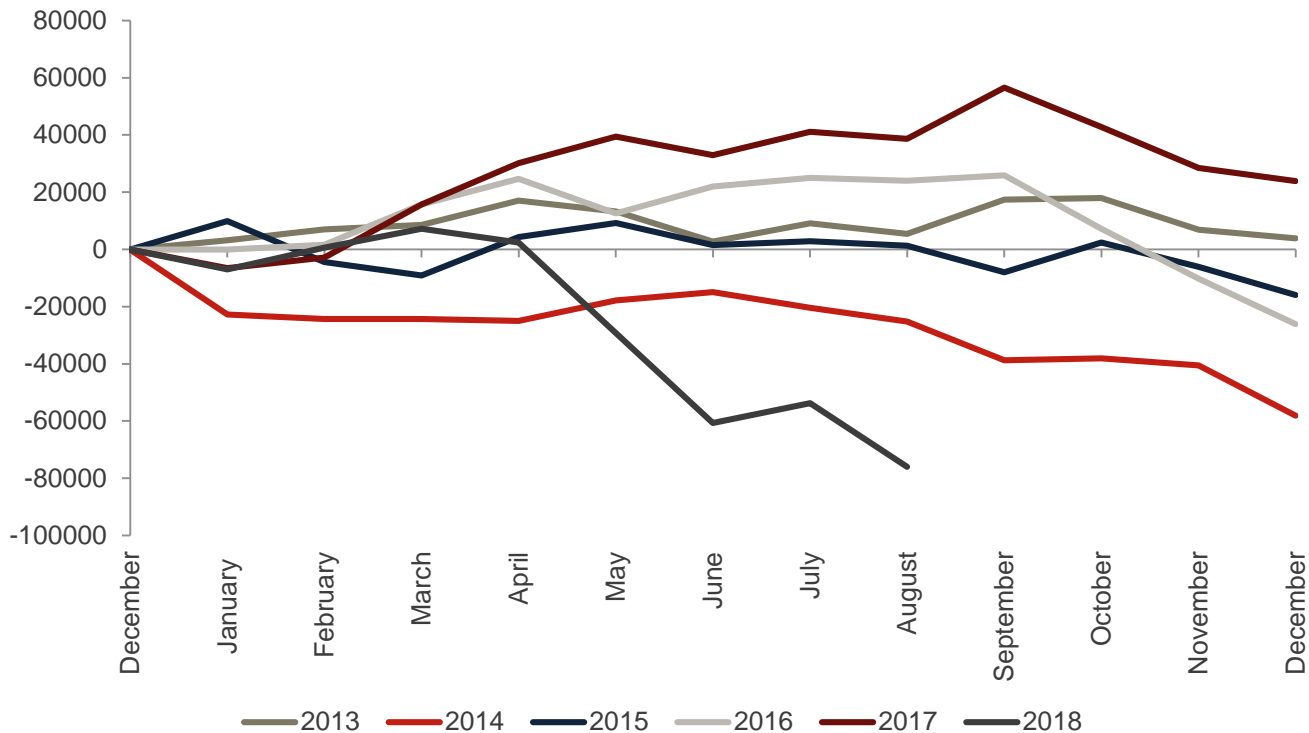
Cumulative foreign transaction equities

2013 to 2018



Cumulative foreign transaction bonds

2013 to 2018





momentum
investments

Disclaimer

1. Sources: Momentum Investments, I-Net Bridge, 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
6. The information reproduced in this document has been compiled by or arrived at by Investments from sources believed to be reliable.
7. Reasonable steps have been taken to ensure the validity and accuracy of the information in this document. However, Momentum Investments does not accept any responsibility for any claim, damages, loss or expense, howsoever arising out of or in connection with the information in this document, whether by a client, investor or intermediary.
8. The content used in this document is sourced from various media publications, the Internet and Momentum Investments. For further information, please visit us at www.momentuminv.co.za.
9. Momentum Investments is a division of MMI Group Limited, which is an authorised financial services and credit provider.