



Key market performance drivers

Monthly charts to 31 July 2018

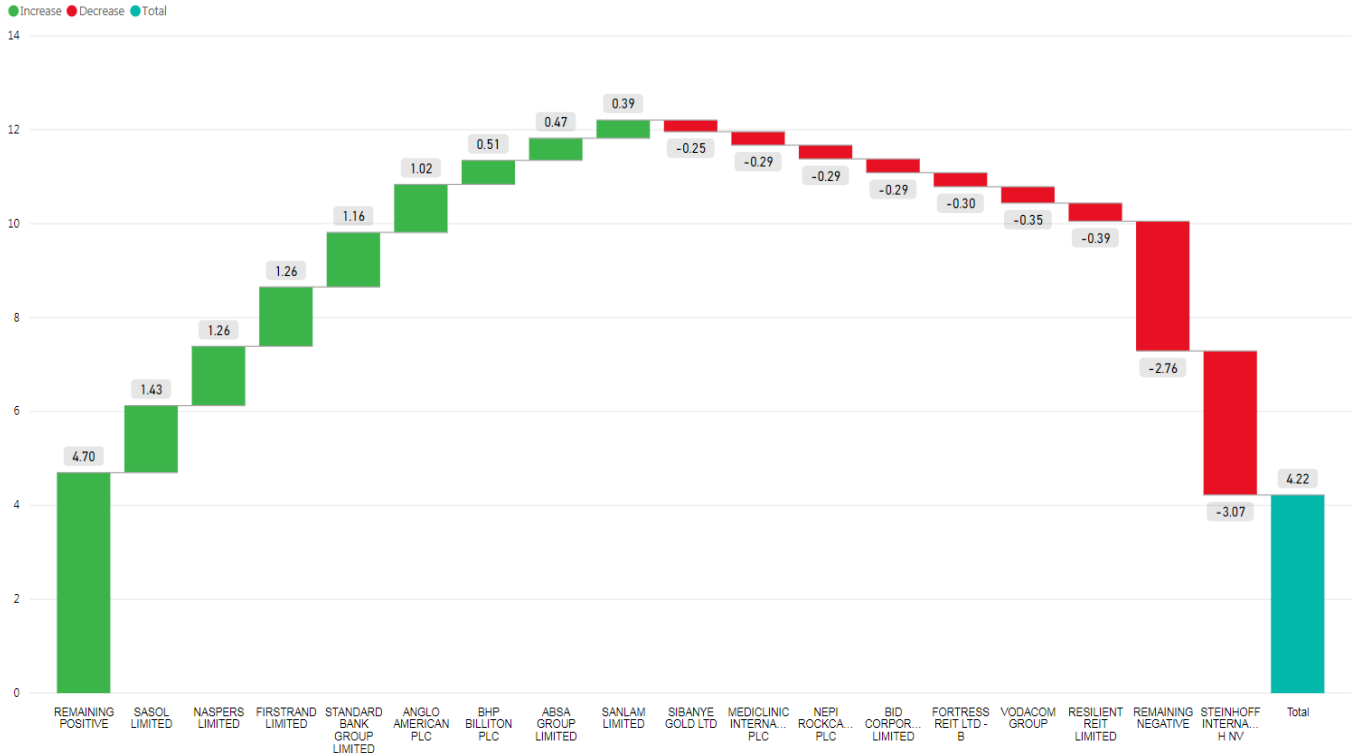
Signatory of:



momentum
investments

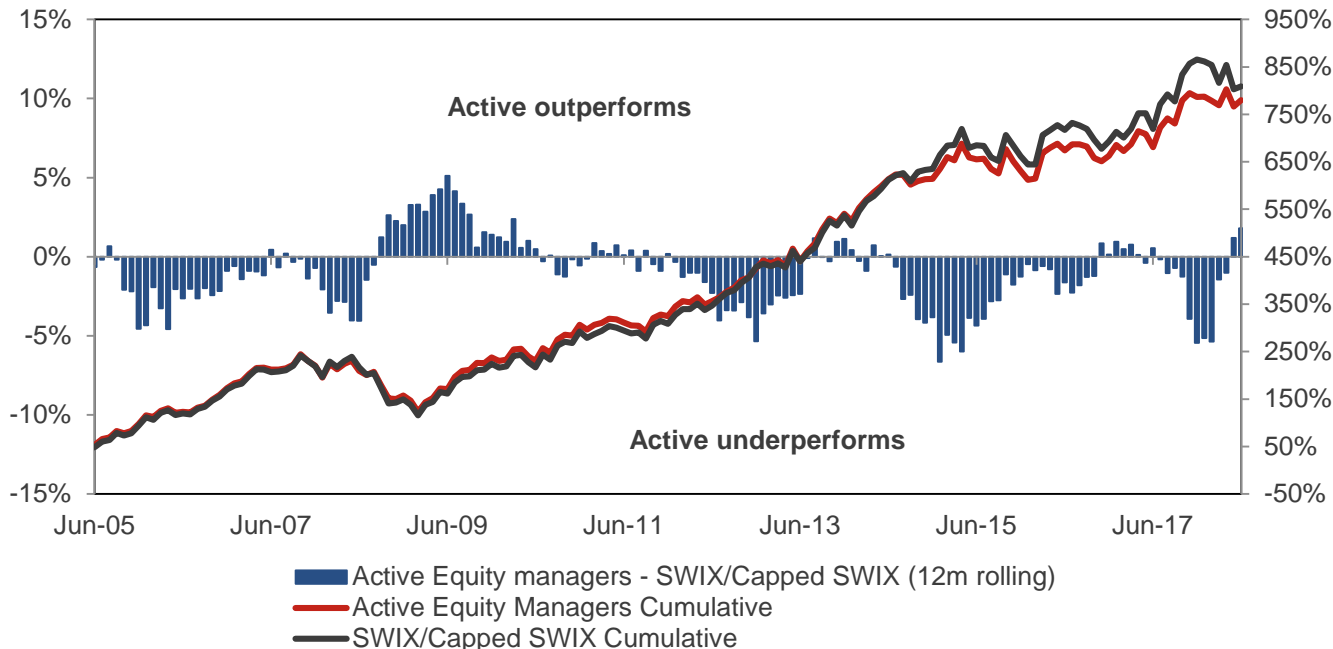
Market concentration

One-year Capped SWIX contributions ending July 2018



Active index analysis

One-year rolling active to June* 2018



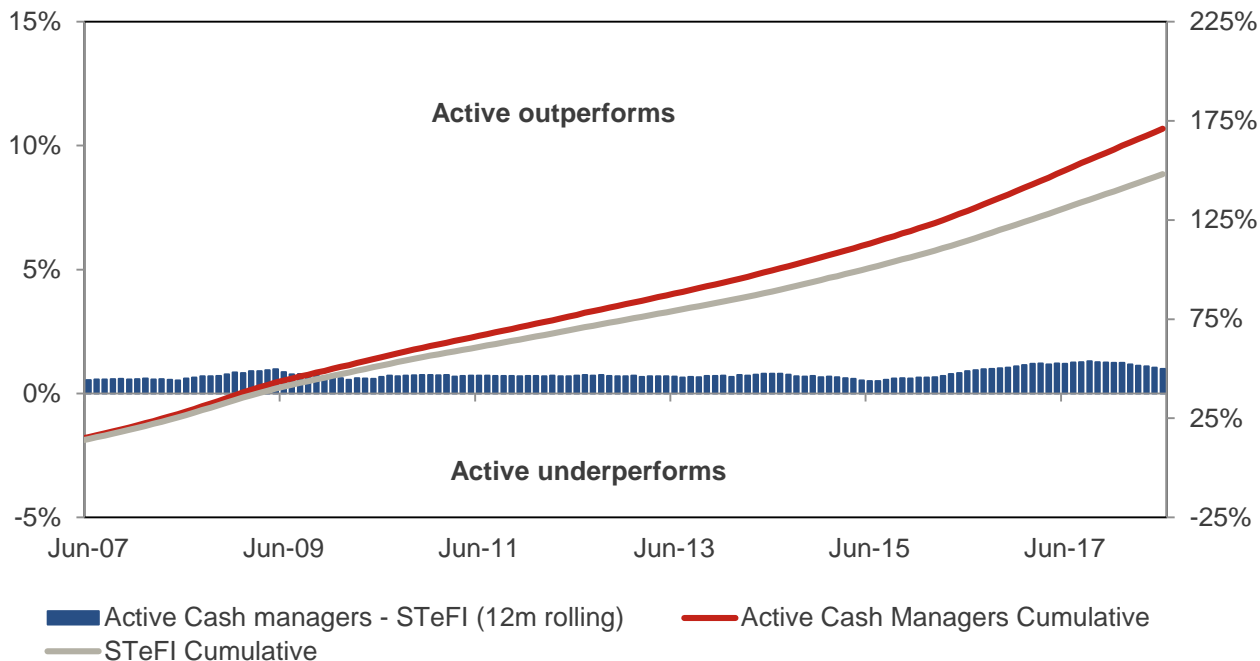
* Lagged by one month due to availability of data

The median of the active equity investment managers underperformed 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 June* 2018



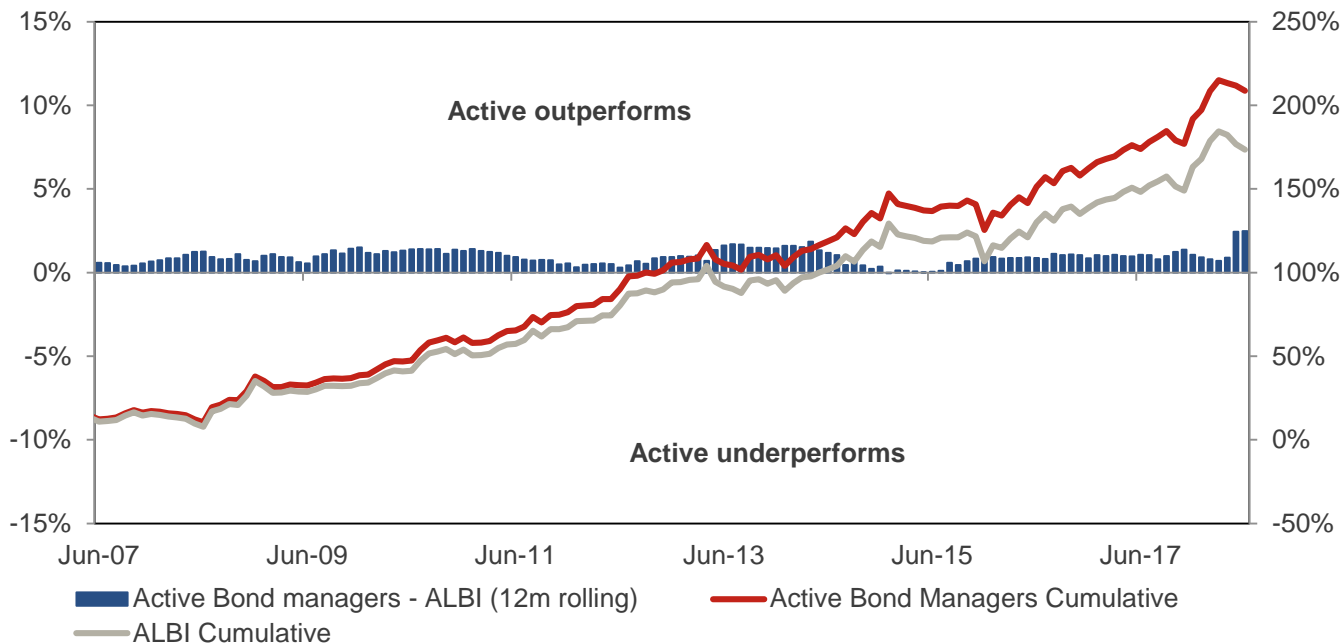
* Lagged by one month due to availability of data

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 June* 2018



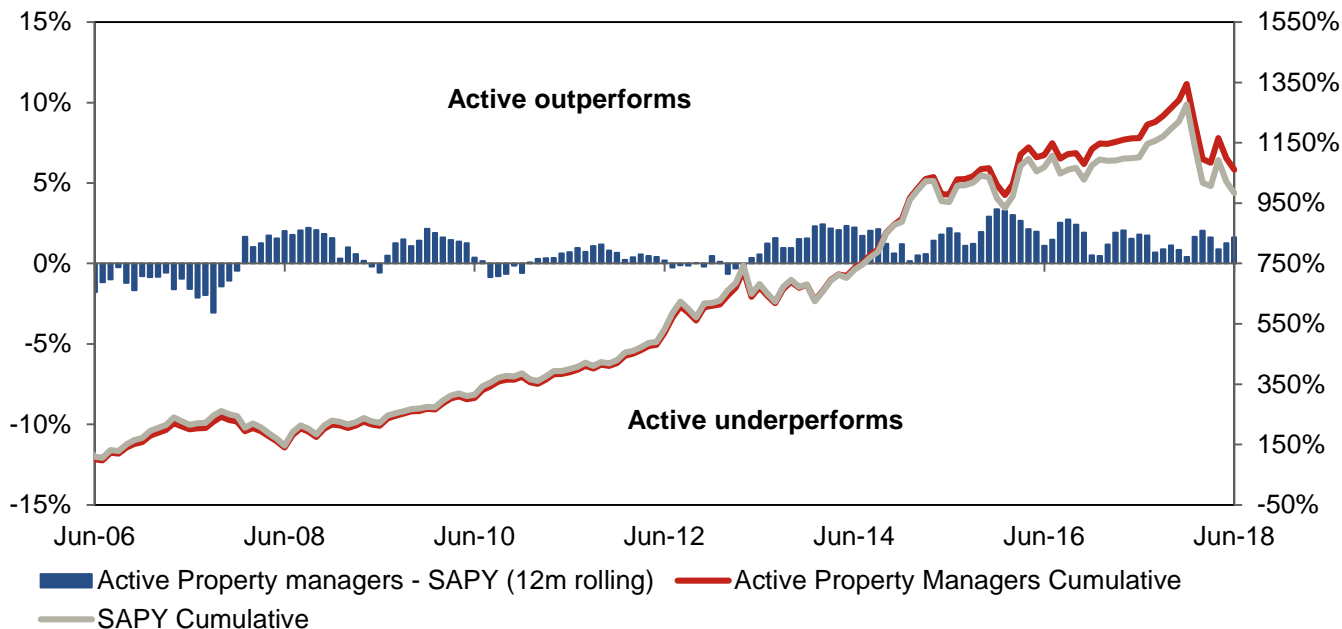
* Lagged by one month due to availability of data

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 June* 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

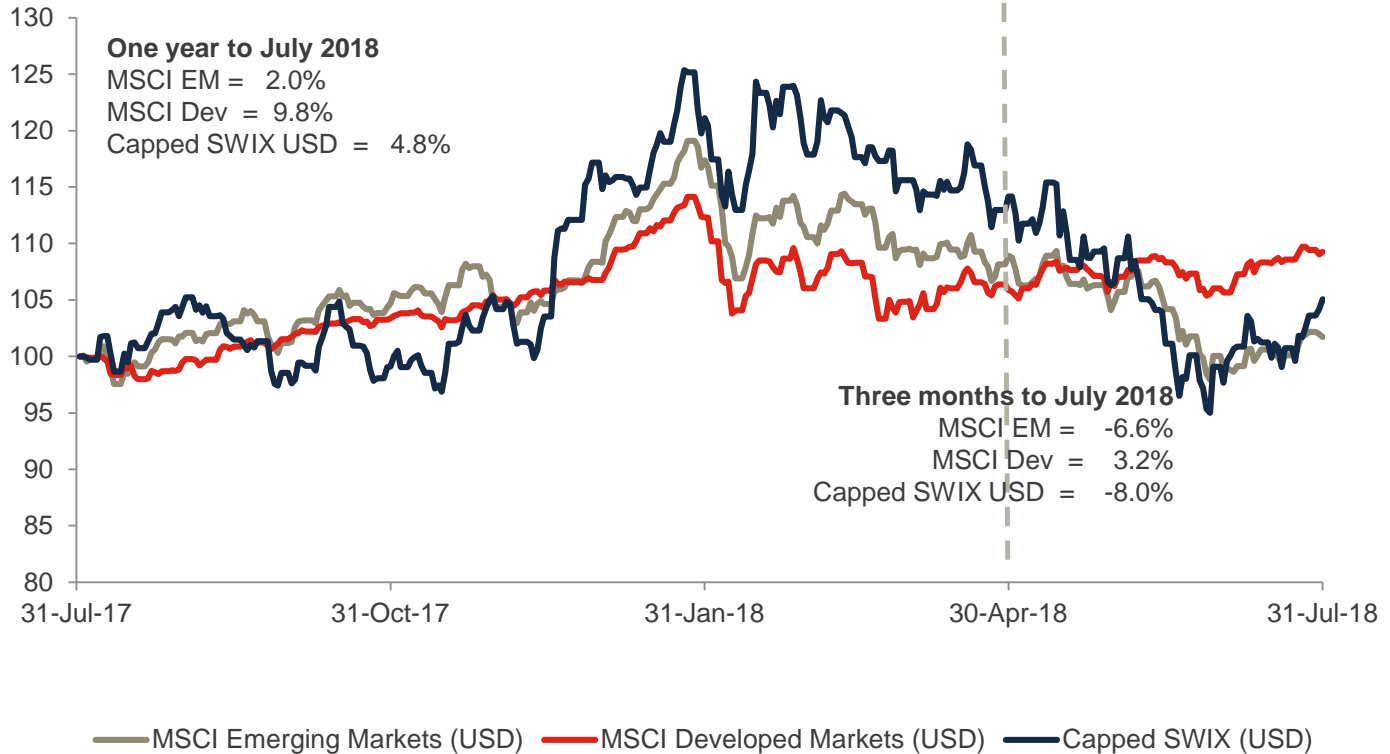
Data to July 2018

ZAR	Styles	One month to July 2018	Three months to July 2018	One year to July 2018	Three years to July 2018	Five years to July 2018	Ten years to July 2018	Twenty years to July 2018
Value	Book to Price	2.37	3.13	-4.28	3.87	-0.08	-1.58	3.21
	Dividend Yield	-0.09	1.20	-1.66	0.50	-0.44	1.94	6.11
	Earnings Yield	0.61	0.55	0.49	2.45	2.31	1.13	4.06
	Cash Flow Yield	0.73	1.91	1.73	13.36	4.45	1.25	4.92
	Sales to Price	0.13	-4.44	-5.20	4.28	-1.34	-2.56	3.92
Quality	ROE	-0.53	-0.79	10.38	0.24	0.03	0.41	-1.09
	ROIC LT	0.44	-0.50	1.37	-0.90	-2.13	1.11	-1.42
	Income to Sales	-0.54	4.51	3.07	0.80	1.82	2.77	-1.72
	Low market beta	0.06	1.62	-3.04	0.44	0.92	-1.12	1.17
	Low Debt/Equity	-1.17	0.80	2.93	-1.22	-2.01	-2.04	-1.81
	EBIT Margin Stability	1.27	-0.78	4.50	-2.18	0.27	5.32	2.79
Growth	Earnings Growth	-0.68	6.28	9.98	4.03	4.86	-1.96	-2.11
	Sales Growth	0.66	4.45	-1.56	-4.27	-1.62	-2.66	-3.52
	12M Earning Growth	-1.96	-0.98	-2.47	-4.08	-3.82	-5.00	3.27
Momentum	FY1 Earnings Revisions	-1.01	-1.57	6.27	4.47	6.99	7.84	9.75
	Short Term Momentum	-3.68	-4.33	9.10	7.77	5.66	1.70	1.30
	Medium Term Momentum	-2.52	-2.39	2.40	-2.90	1.58	2.48	6.29
Size	2.98	1.17	4.37	-1.07	0.45	-0.43	0.43	

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

MSCI developed and emerging markets

One year to July 2018



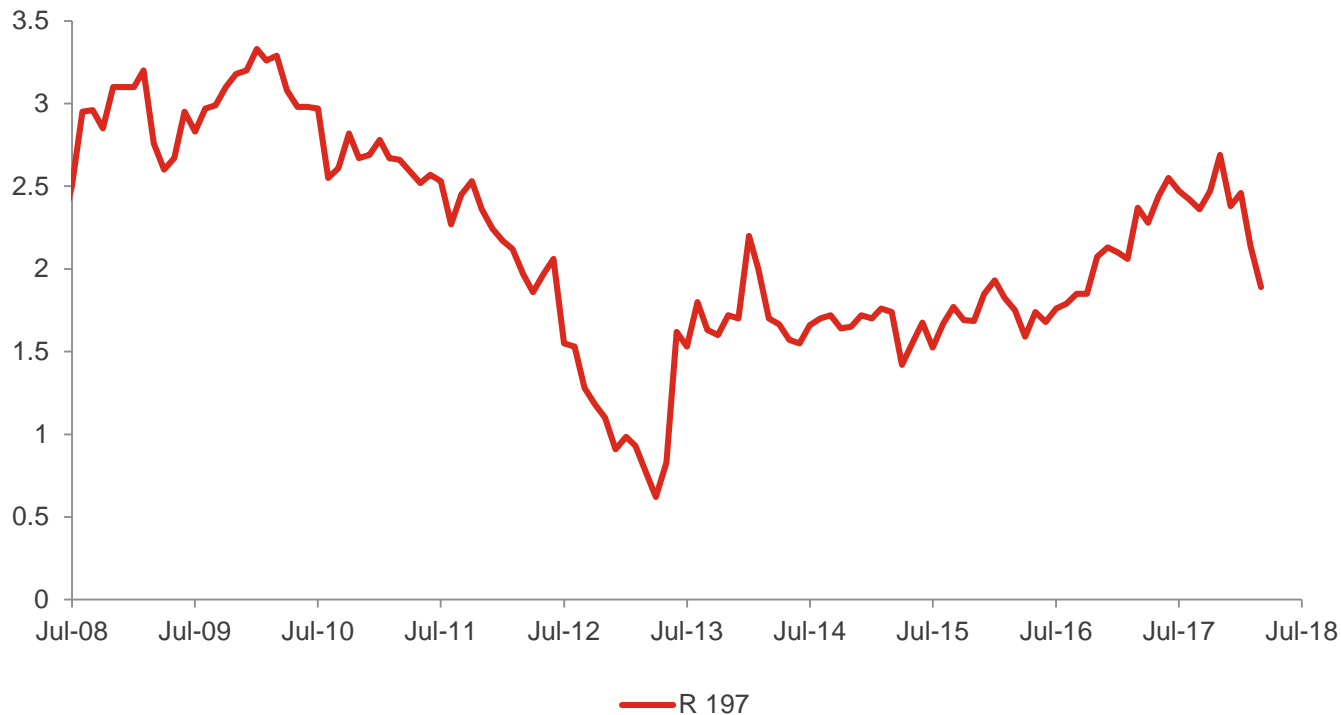
SA 10-year bond yields

Ten years to July 2018



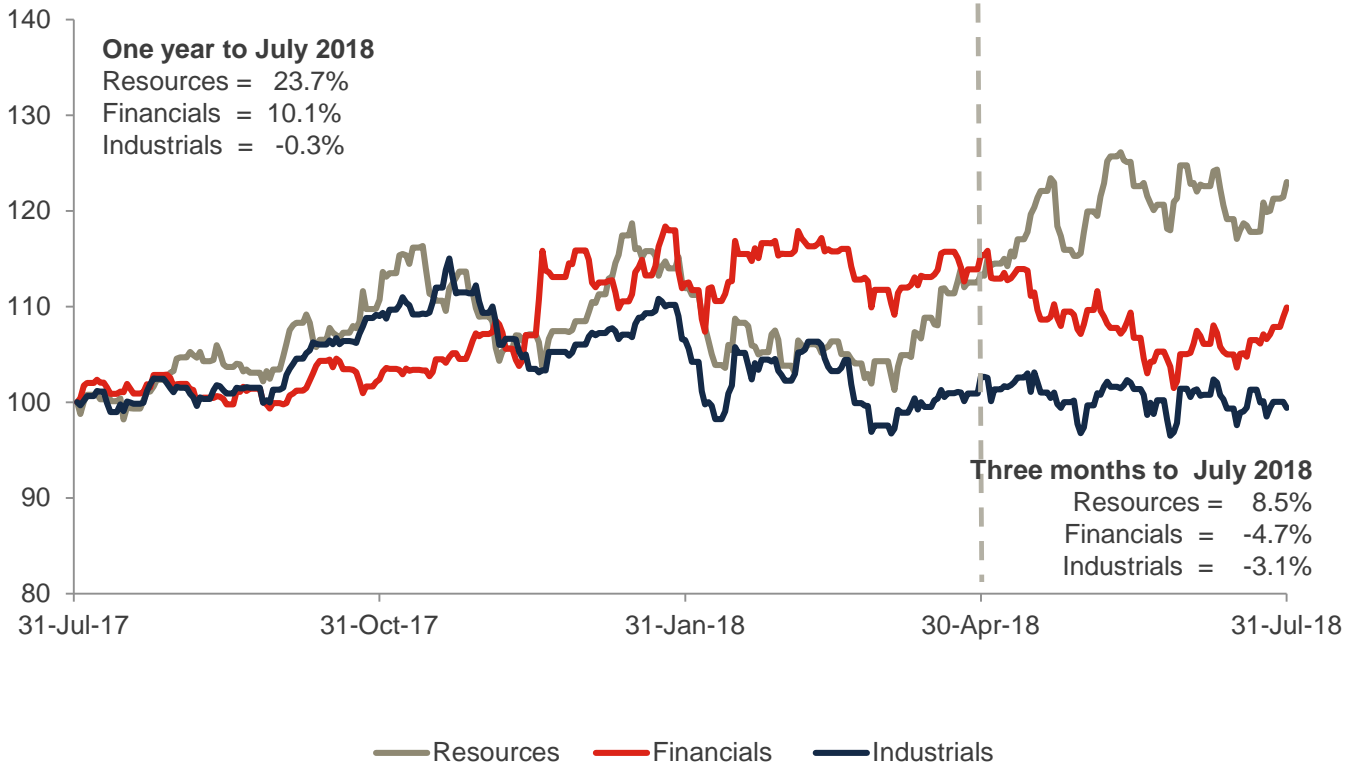
Yield of R197 (inflation-linked bond)

Ten years to July 2018



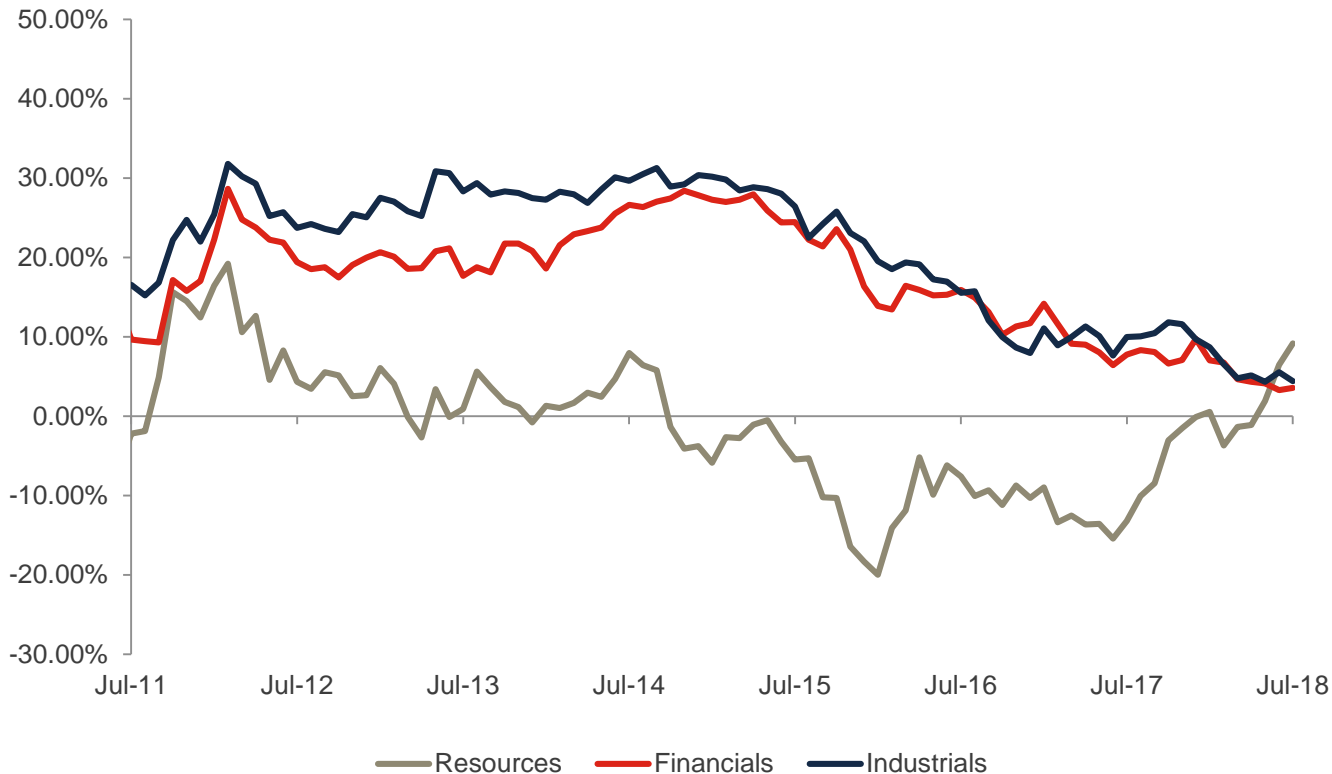
FTSE/JSE sectors

One year to July 2018



FTSE/JSE sectors

Rolling three years to July 2018



FTSE/JSE sectors

Decomposed

Three months to July 2018

1	Household Goods & Home Construction	Consumer Goods	29.69%	18	Pharmaceuticals & Biotechnology	Healthcare	-5.01%
2	Oil & Gas Producers	Financial Services	29.15%	19	Food Producers	Consumer Goods	-5.46%
3	Technology Hardware & Equipment	Technology	18.32%	20	Non-life Insurance	Financials	-5.63%
4	Chemicals	Basic Materials	13.35%	21	Fixed-line Telecommunications	Telecommunications	-7.08%
5	Forestry & Paper	Basic Materials	13.33%	22	Life Insurance	Financials	-7.18%
6	Industrial Metals & Mining	Industrials	8.15%	23	Mobile Telecommunications	Telecommunications	-8.52%
7	Software & Computer Services	Technology	7.29%	24	Real Estate Investment & Services	Financials	-8.57%
8	Tobacco	Consumer Goods	7.01%	25	Real Estate Investment Trusts	Financials	-9.06%
9	Electronic & Electrical Equipment	Industrials	6.29%	26	Food & Drug Retailers	Consumer Services	-9.87%
10	Media	Consumer Services	5.97%	27	Industrial Transportation	Industrials	-10.58%
11	Mining	Basic Materials	2.76%	28	Beverages	Consumer Goods	-10.65%
12	Equity Investment Instruments	Financials	1.91%	29	General Industrials	Industrials	-13.32%
13	Travel & Leisure	Travel & Leisure	-0.83%	30	Construction & Materials	Industrials	-14.89%
14	Banks	Financials	-1.66%	31	Healthcare Equipment & Service	Healthcare	-17.04%
15	Support Services	Industrials	-2.26%	32	General Retailers	Consumer Services	-18.31%
16	Financial Services	Financials	-3.13%	33	Industrial Engineering	Industrials	-24.72%
17	Personal Goods	Consumer Goods	-3.14%	34	Automobiles & Parts	Consumer Goods	-27.84%

Key

Resources

Financials

Industrials

FTSE/JSE sectors

Decomposed

One year to July 2018

1	Oil & Gas Producers	Financial Services	81.81%	18	Food Producers	Consumer Goods	-0.83%
2	Industrial Metals & Mining	Industrials	53.98%	19	Financial Services	Financials	-4.48%
3	Chemicals	Basic Materials	32.30%	20	Mobile Telecommunications	Telecommunications	-4.51%
4	Banks	Financials	31.56%	21	Equity Investment Instruments	Financials	-4.52%
5	Non-life Insurance	Financials	28.67%	22	Industrial Engineering	Industrials	-6.33%
6	Life Insurance	Financials	16.89%	23	Tobacco	Consumer Goods	-7.96%
7	Technology Hardware & Equipment	Technology	16.63%	24	Pharmaceuticals & Biotechnology	Healthcare	-8.34%
8	Mining	Basic Materials	14.22%	25	Healthcare Equipment & Service	Healthcare	-8.42%
9	Forestry & Paper	Basic Materials	13.54%	26	Industrial Transportation	Industrials	-8.96%
10	Media	Consumer Services	11.66%	27	Real Estate Investment & Services	Financials	-12.64%
11	Construction & Materials	Industrials	7.74%	28	Real Estate Investment Trusts	Financials	-14.50%
12	General Retailers	Consumer Services	7.63%	29	Beverages	Consumer Goods	-16.04%
13	Food & Drug Retailers	Consumer Services	5.56%	30	Fixed-line Telecommunications	Telecommunications	-16.80%
14	General Industrials	Industrials	4.72%	31	Automobiles & Parts	Consumer Goods	-16.92%
15	Personal Goods	Consumer Goods	4.04%	32	Support Services	Industrials	-44.95%
16	Electronic & Electrical Equipment	Industrials	3.74%	33	Software & Computer Services	Technology	-49.63%
17	Travel & Leisure	Travel & Leisure	1.35%	34	Household Goods & Home Construction	Consumer Goods	-96.23%

Key

Resources

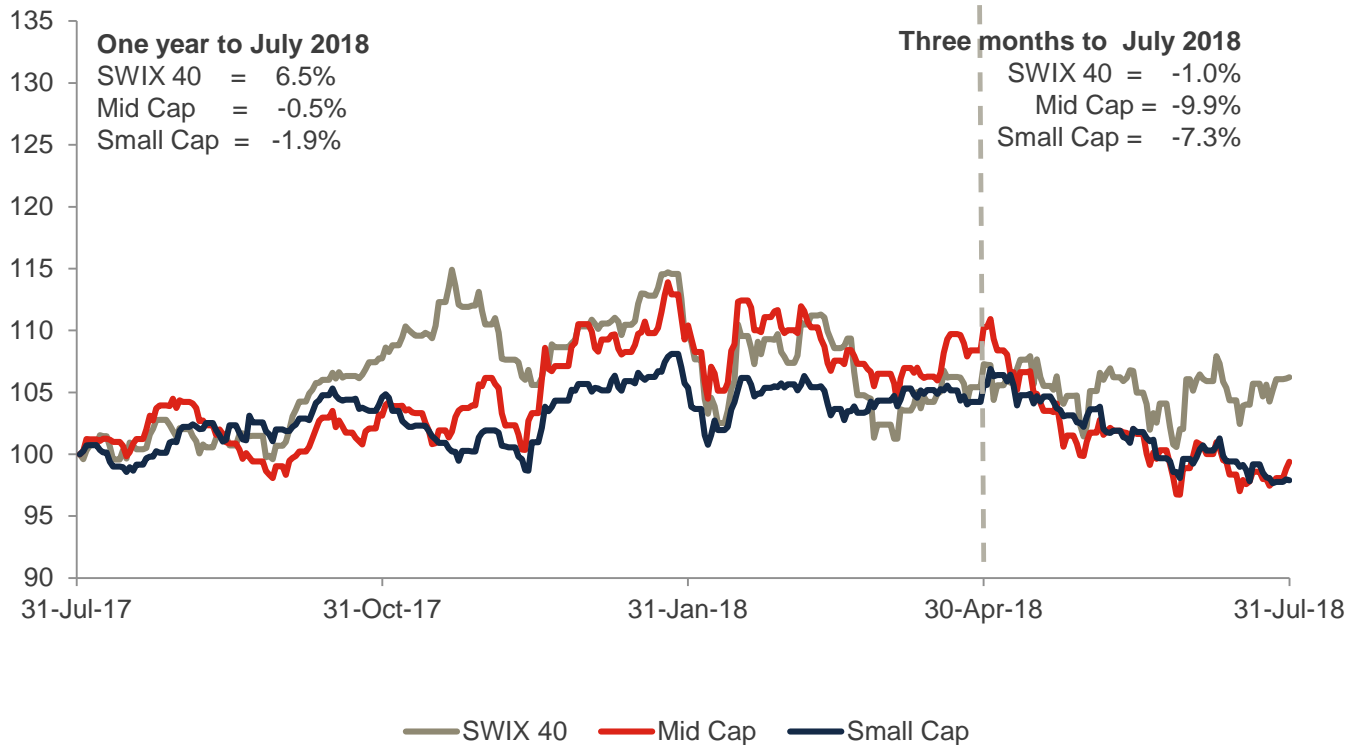
Financials

Industrials

Source: Barra, Deutsche Securities and Momentum Investments

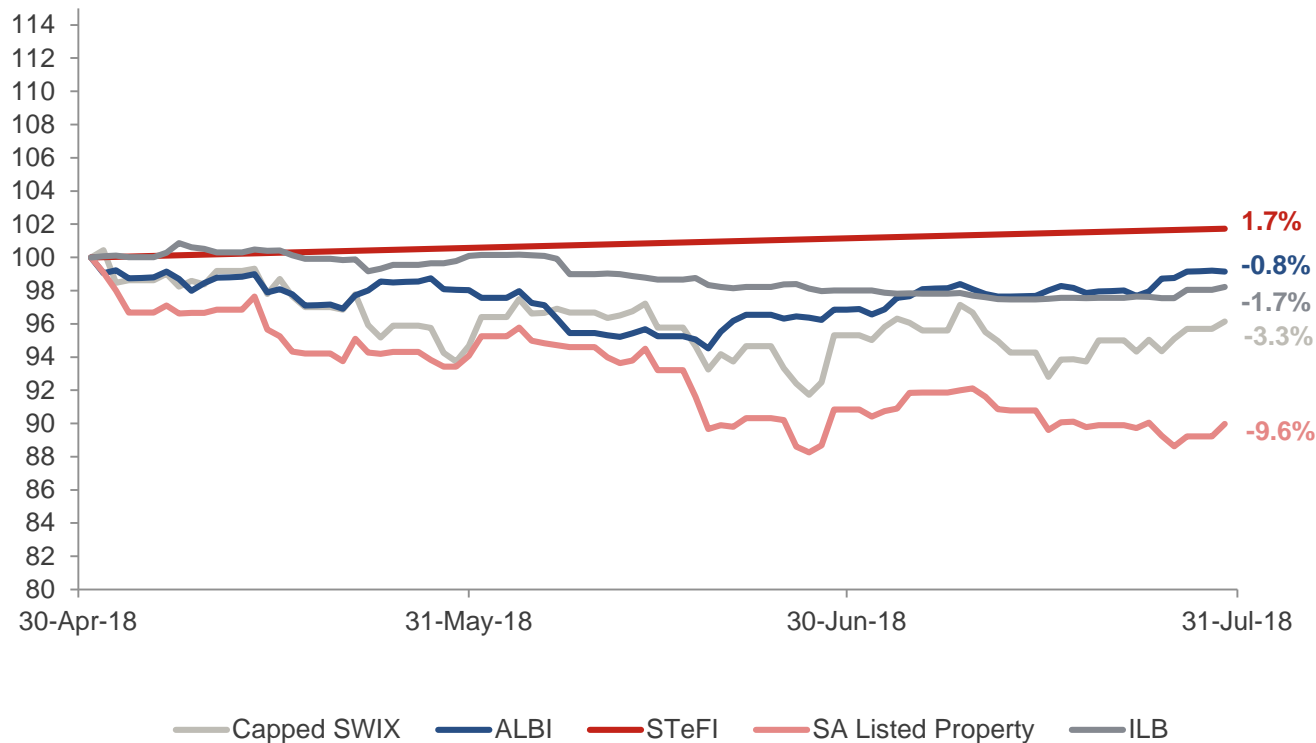
FTSE/JSE market caps

One year to July 2018



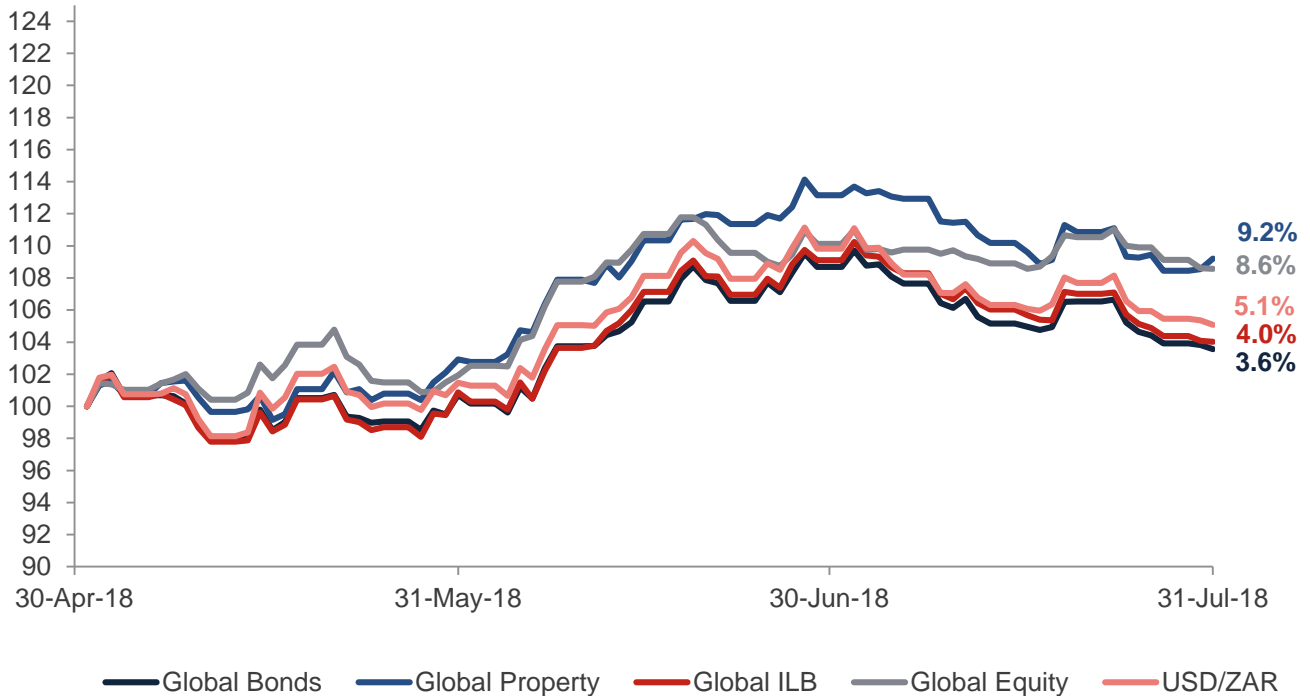
Local asset classes

Three months to July 2018



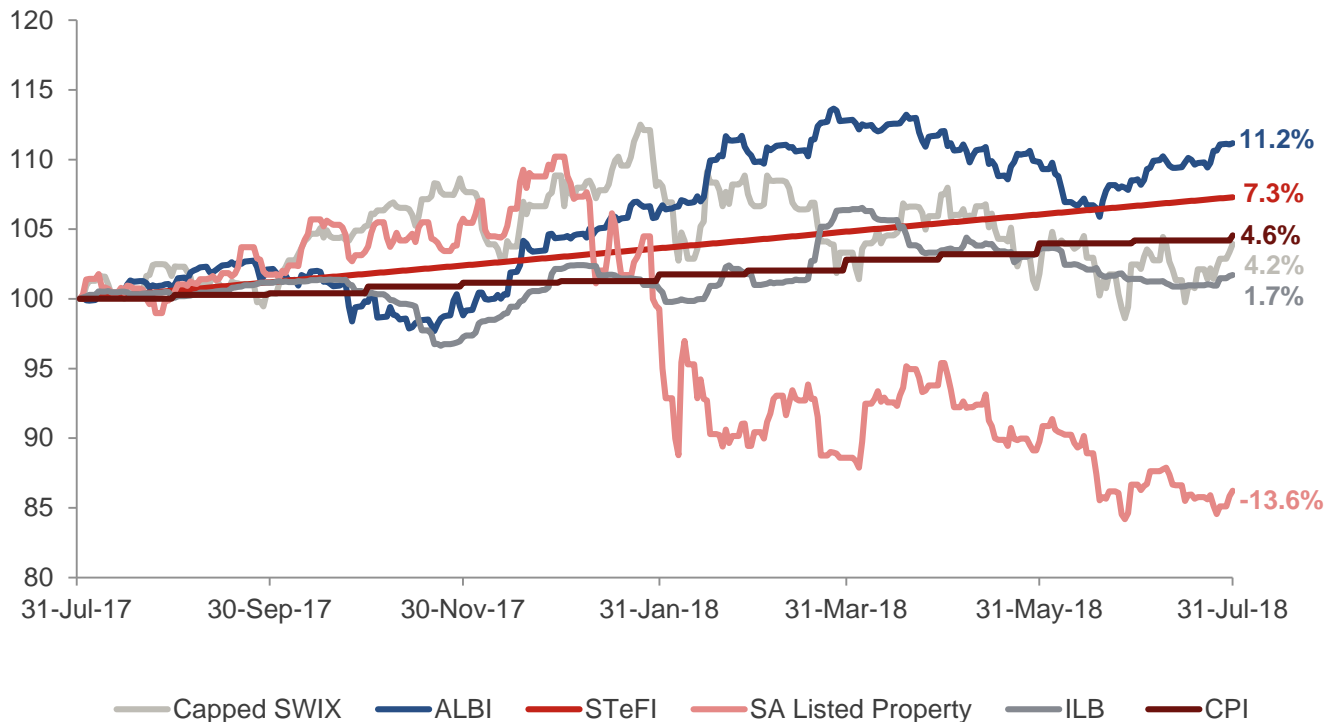
Global asset classes

Three months to July 2018



Local asset classes

One year to July 2018

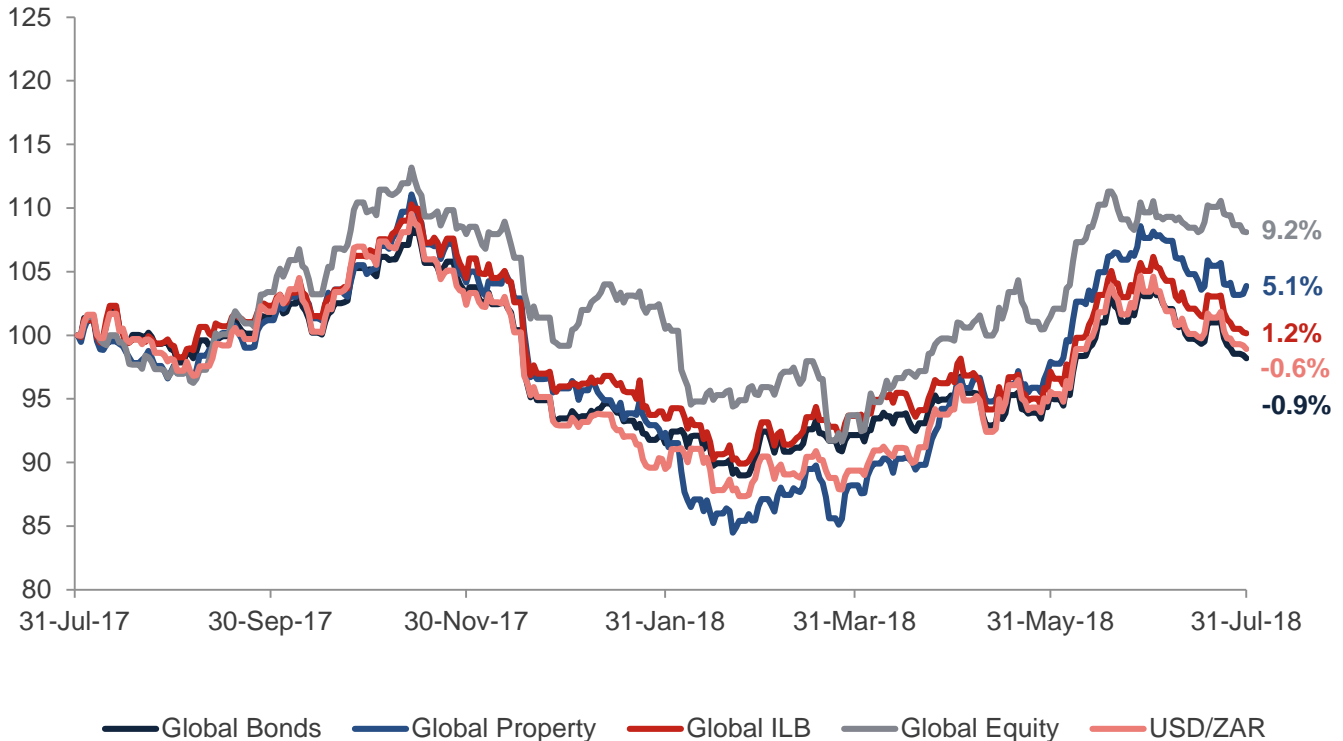


* CPI lagged by one month due to availability of data

Source: INET BFA and Momentum Investments

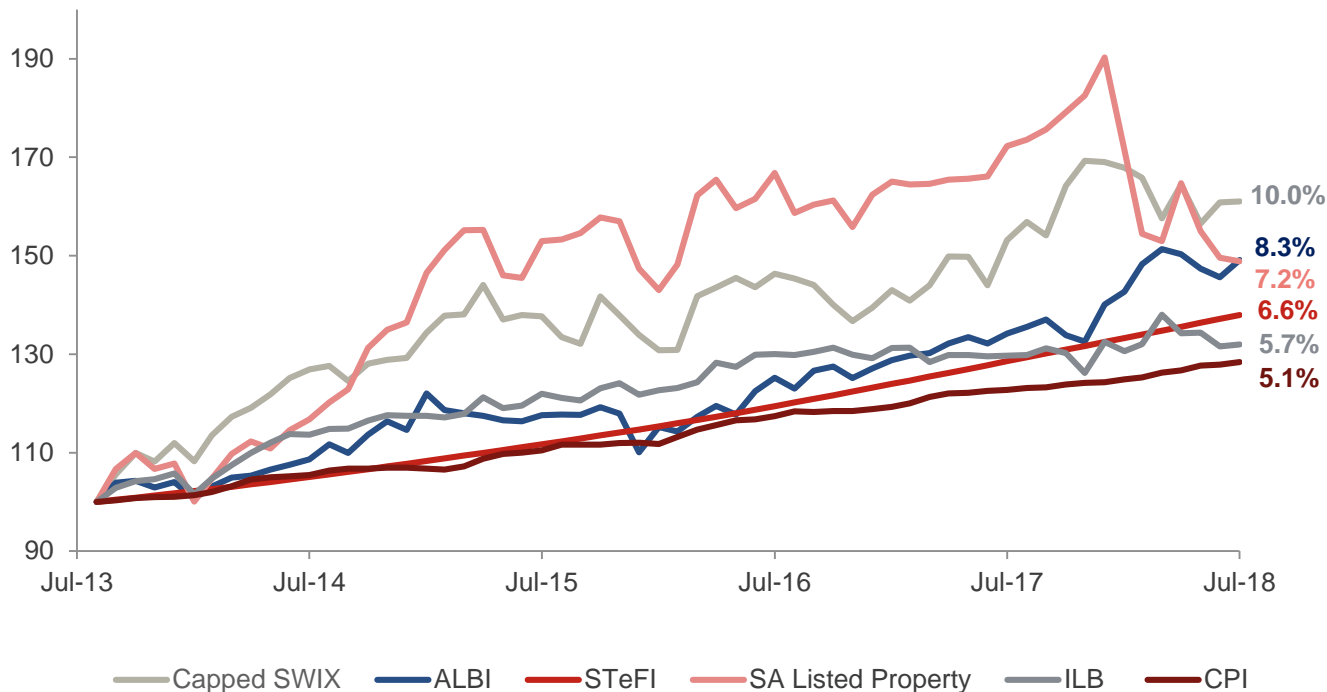
Global asset classes

One year to July 2018



Local asset classes

Five years to July 2018

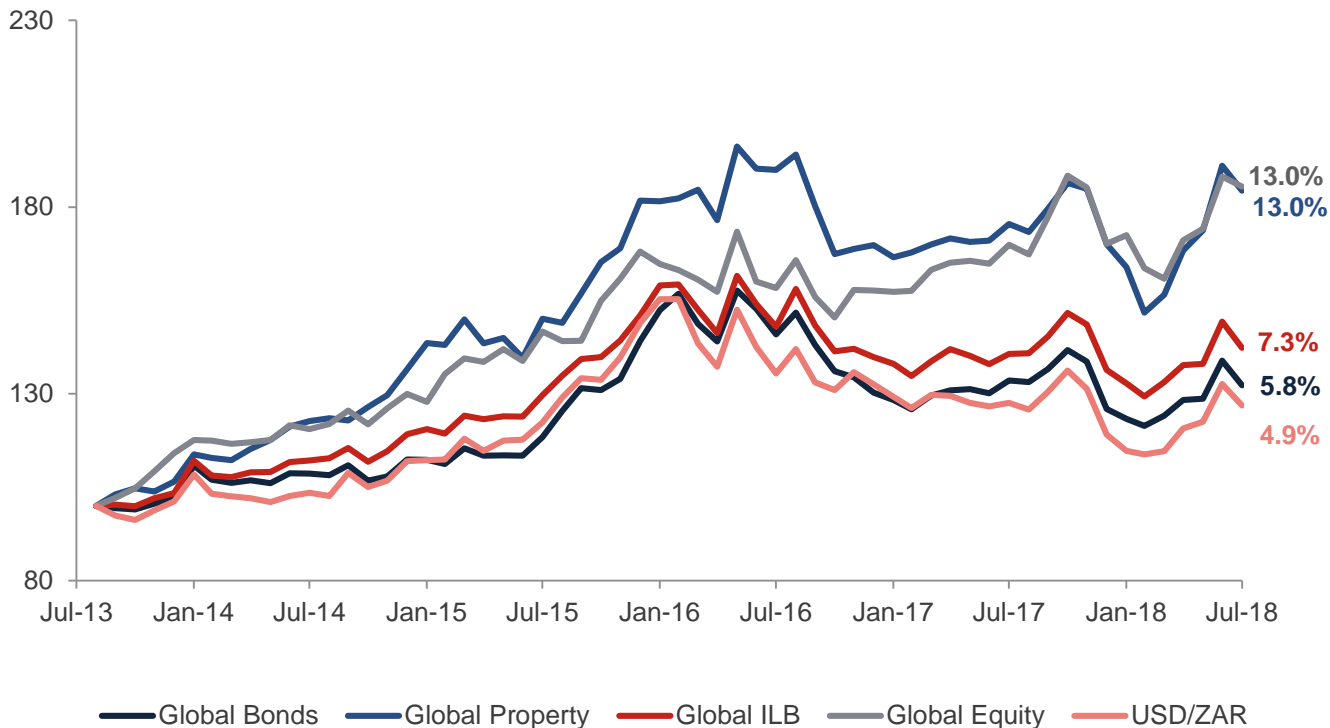


* CPI lagged by one month due to availability of data

Source: INET BFA and Momentum Investments

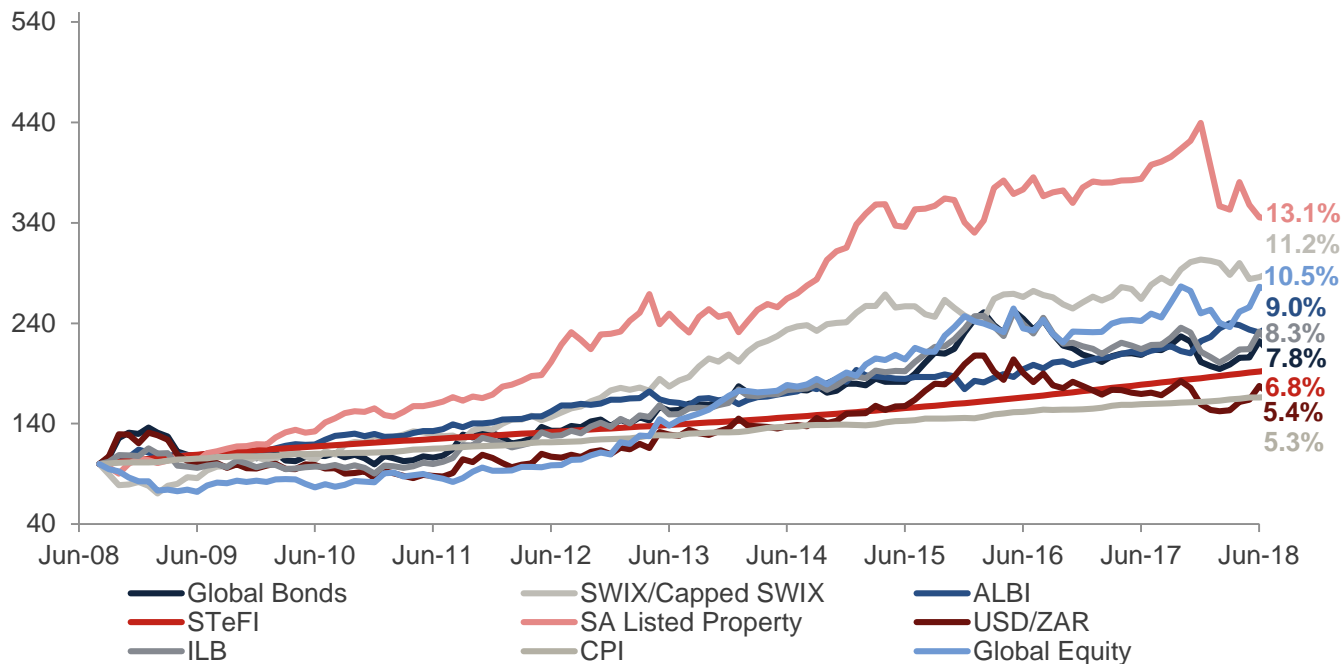
Global asset classes

Five years to July 2018



Asset classes

Ten years to July 2018



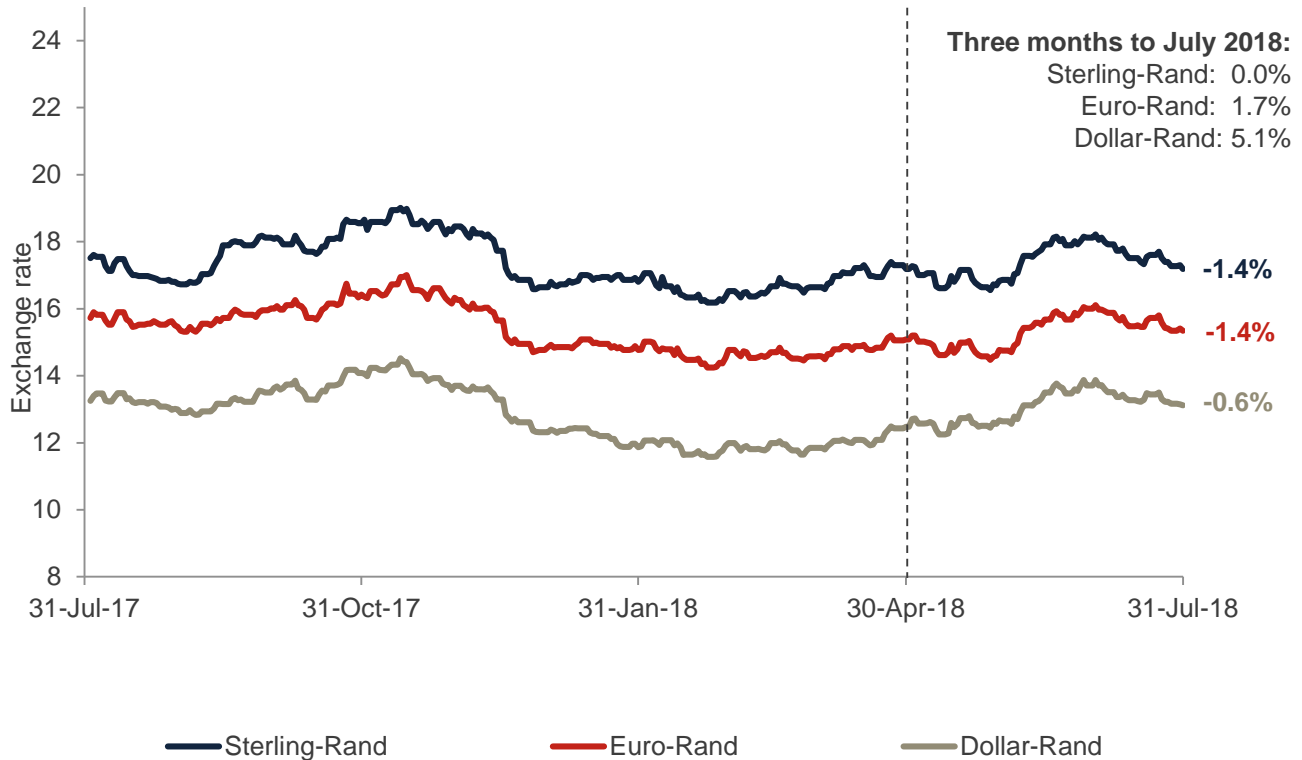
* CPI lagged by one month due to availability of data

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

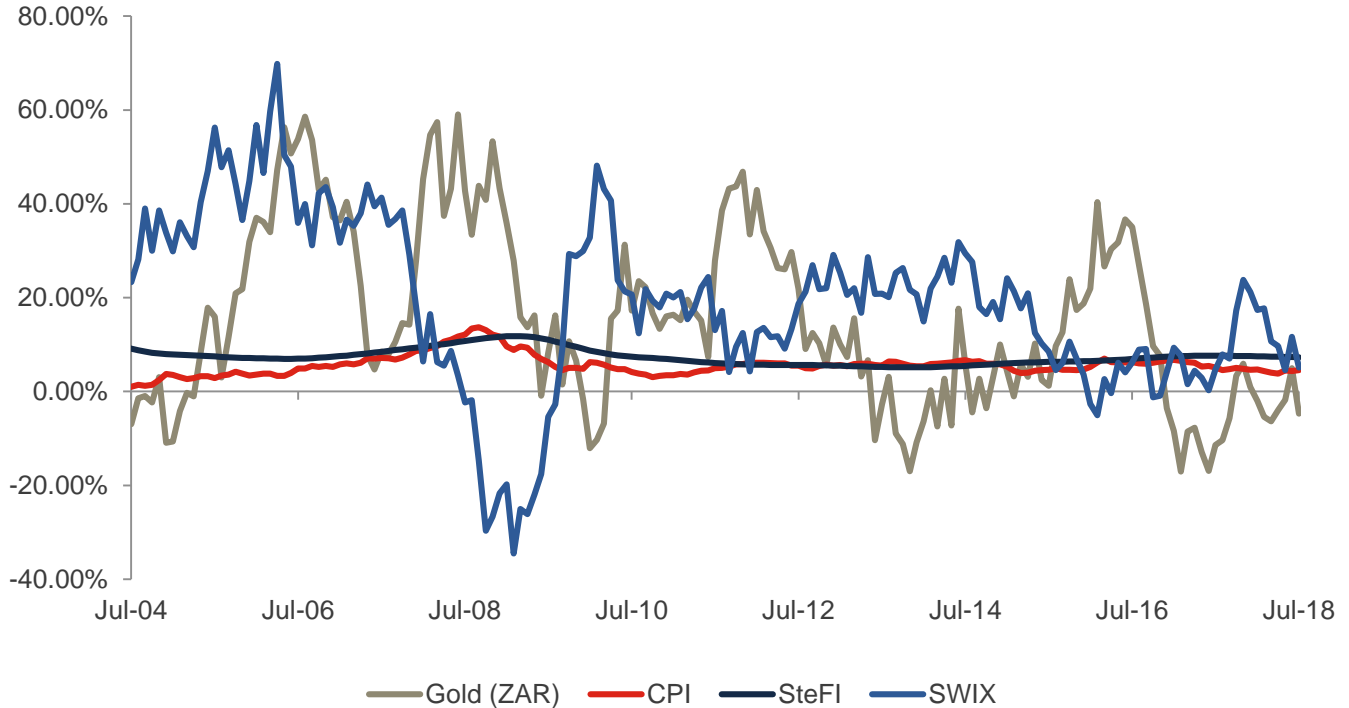
Exchange rates

One year to July 2018



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

One-year rolling returns to July 2018

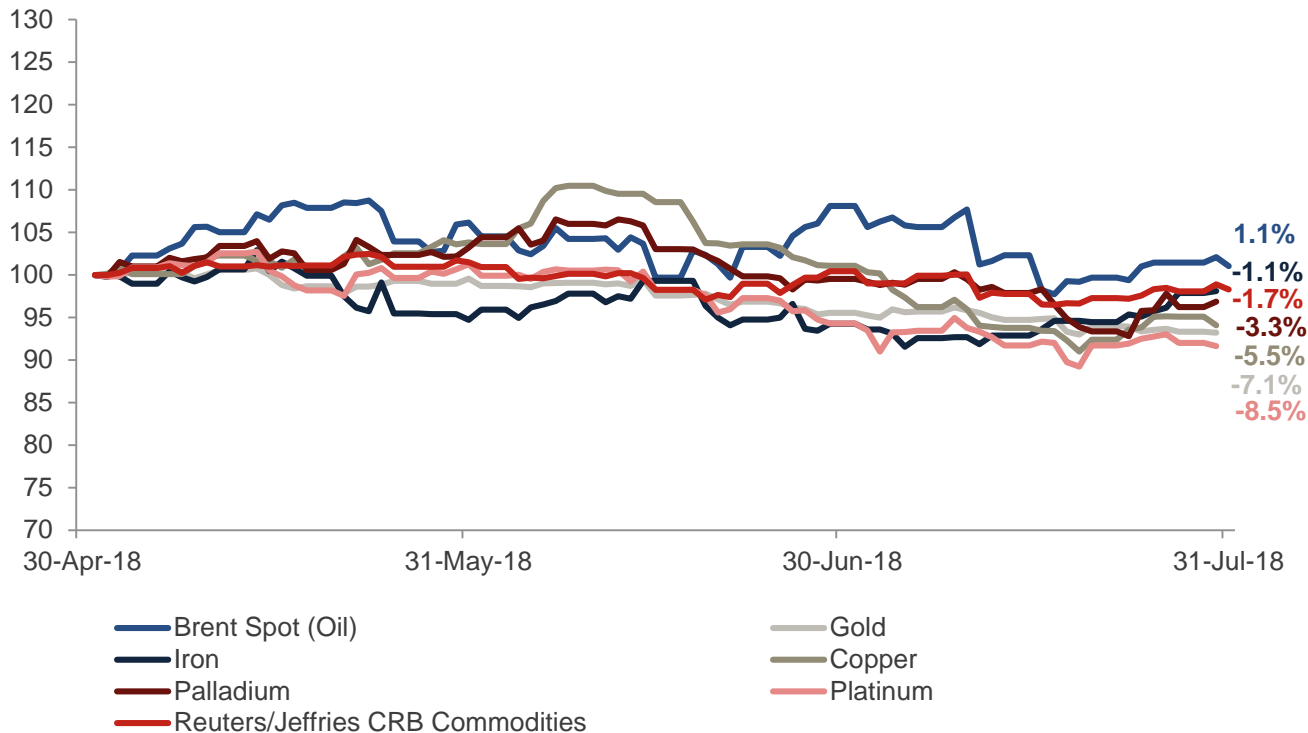


* CPI lagged by one month due to availability of data

Source: INET BFA and Momentum Investments

Commodities

Three months to July 2018



All returns are in dollar terms

Source: INET BFA, FT.com and Momentum Investments

Commodities

One year to July 2018

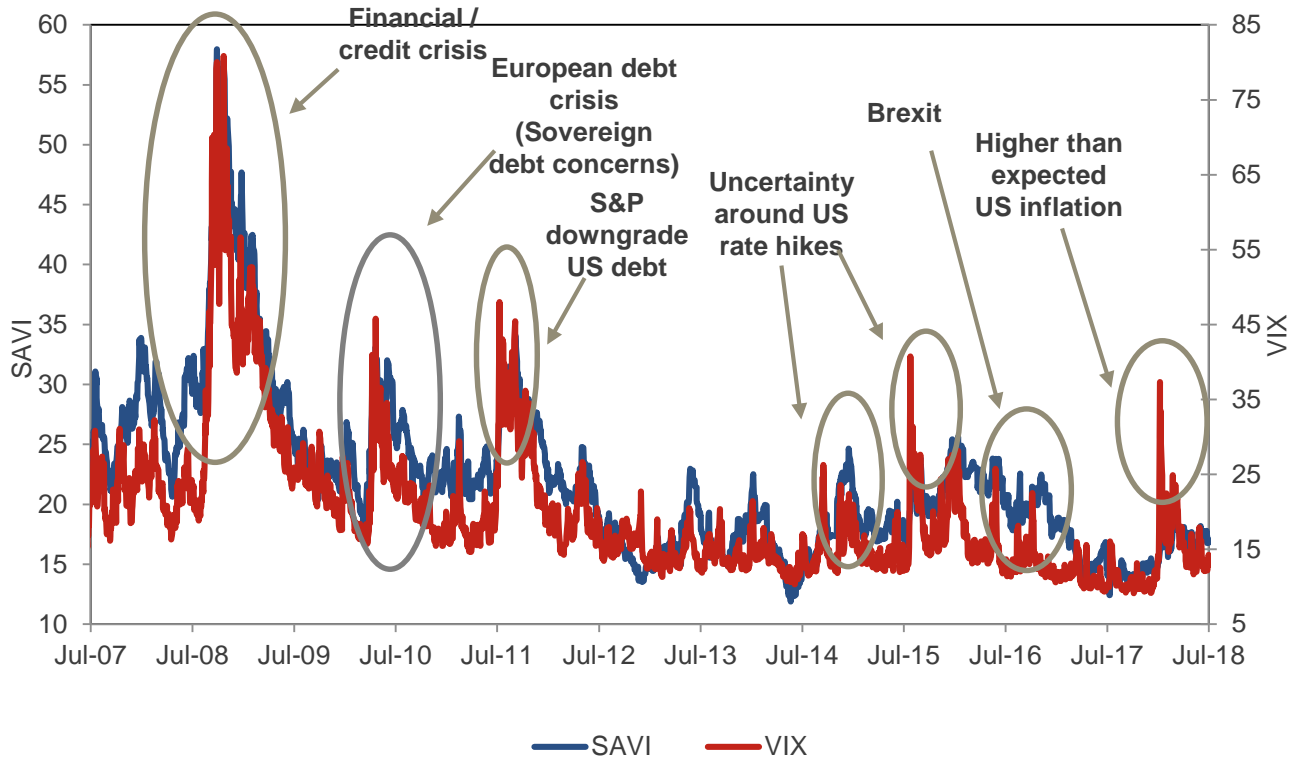


All returns are in dollar terms

Source: INET BFA, FT.com and Momentum Investments

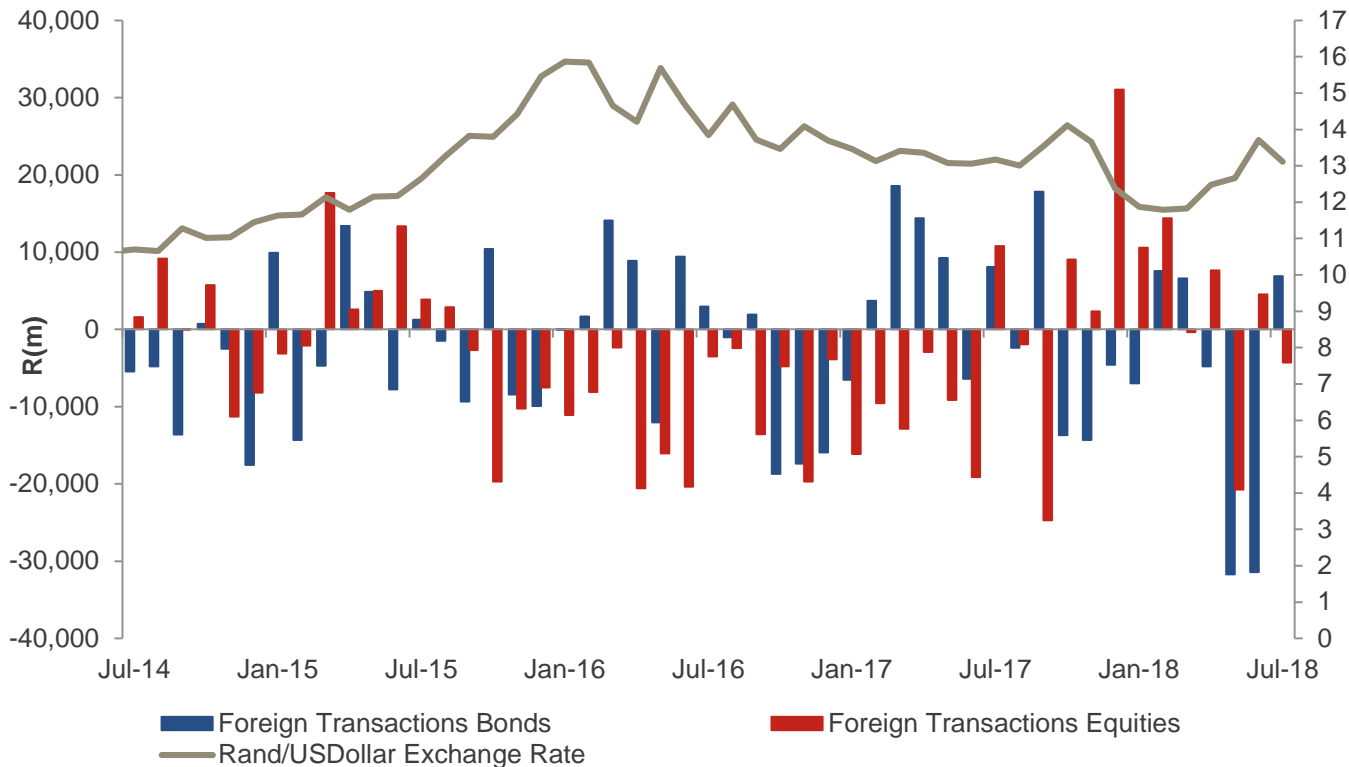
SAVI-VIX

Since July 2007 to July 2018



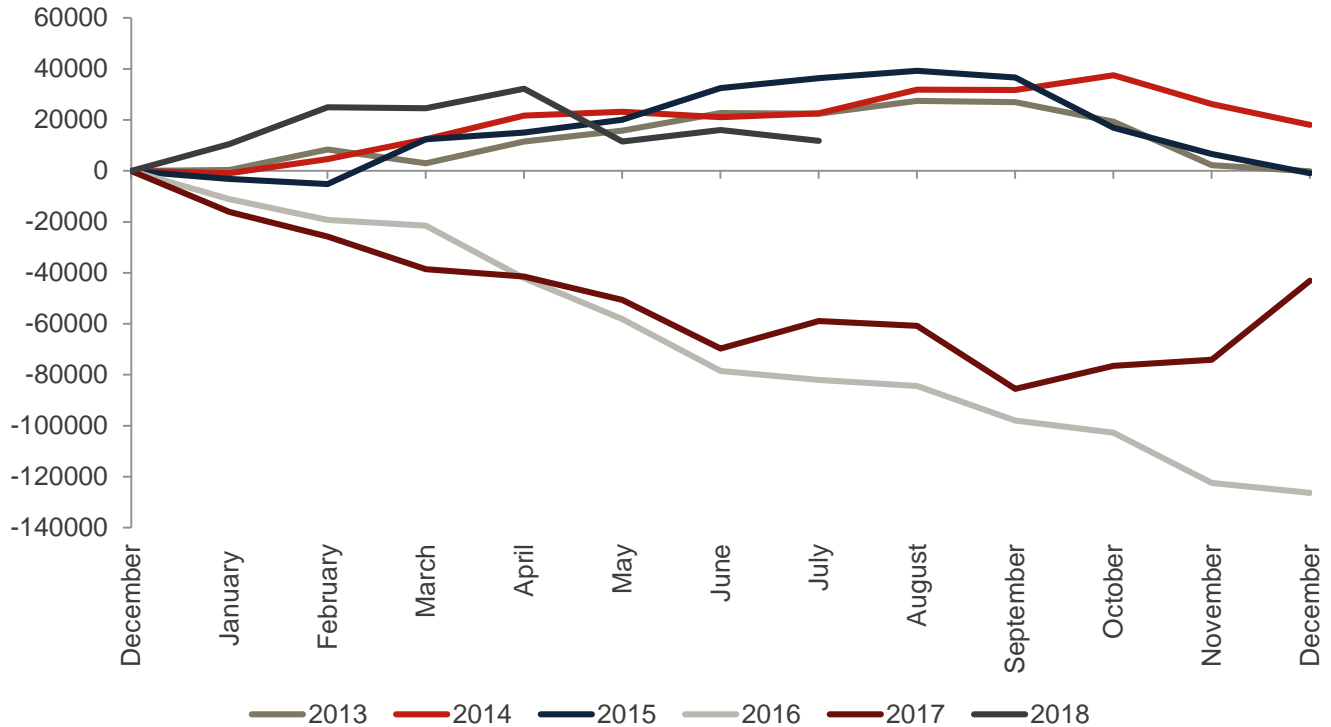
Foreign transactions

2014 to 2018



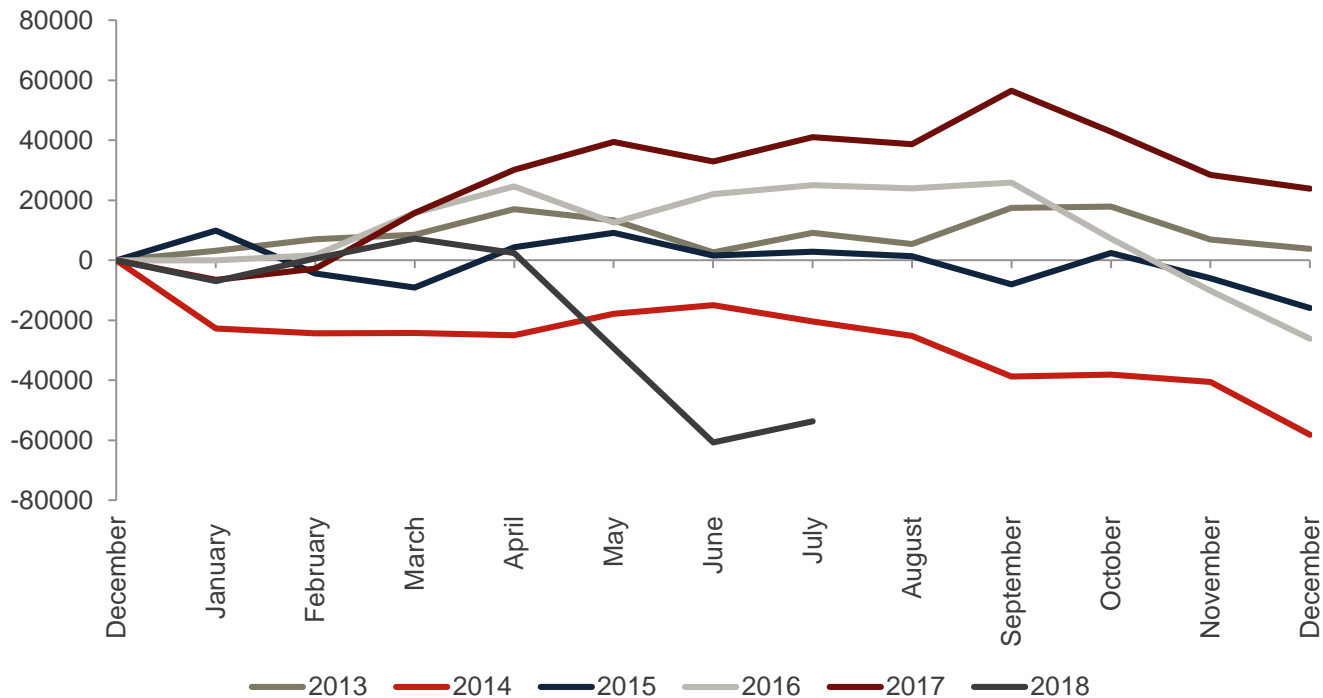
Cumulative foreign transaction equities

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.
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