



Key market performance drivers

Monthly charts to 31 January 2019

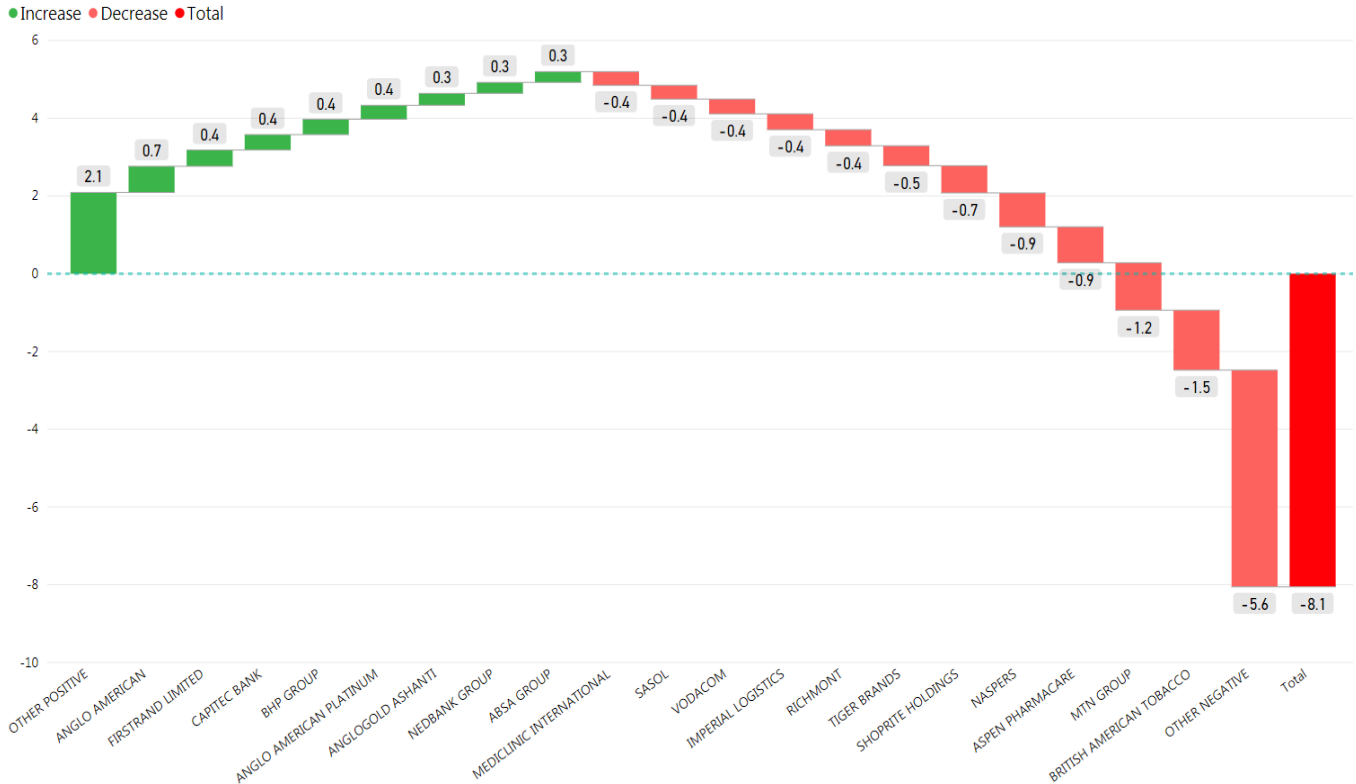
Signatory of:



momentum
investments

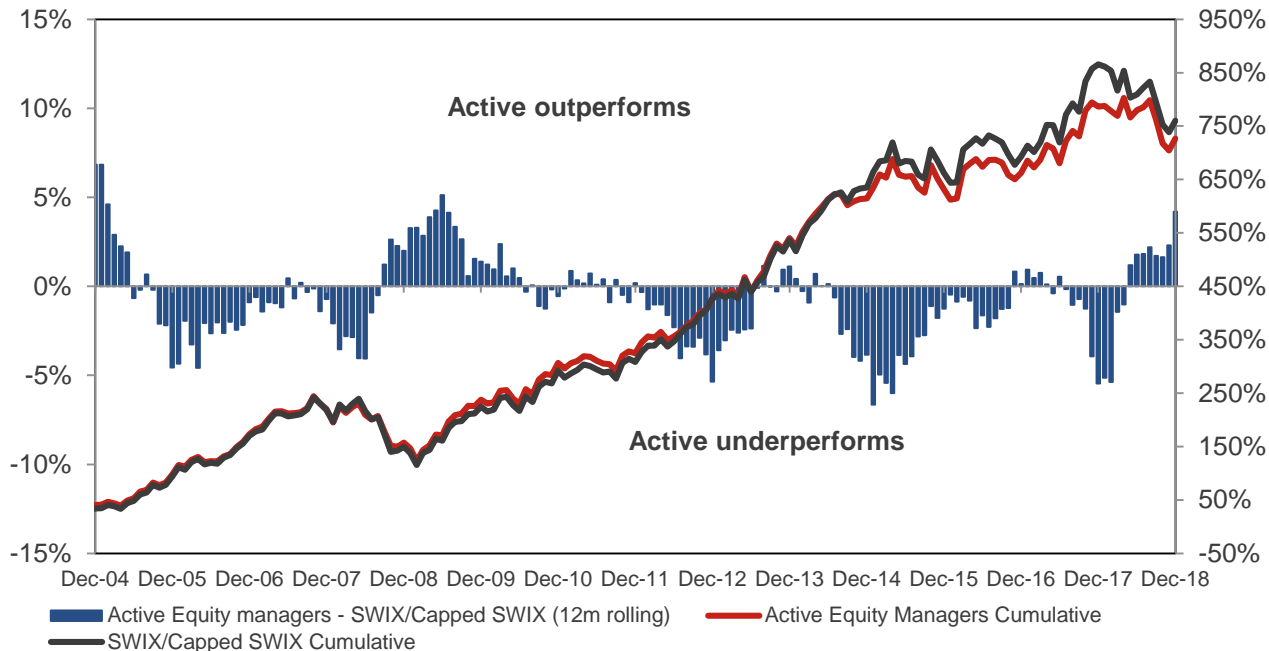
Market concentration

One-year Capped SWIX contributions ending January 2019



Active index analysis

One-year rolling active to December* 2018



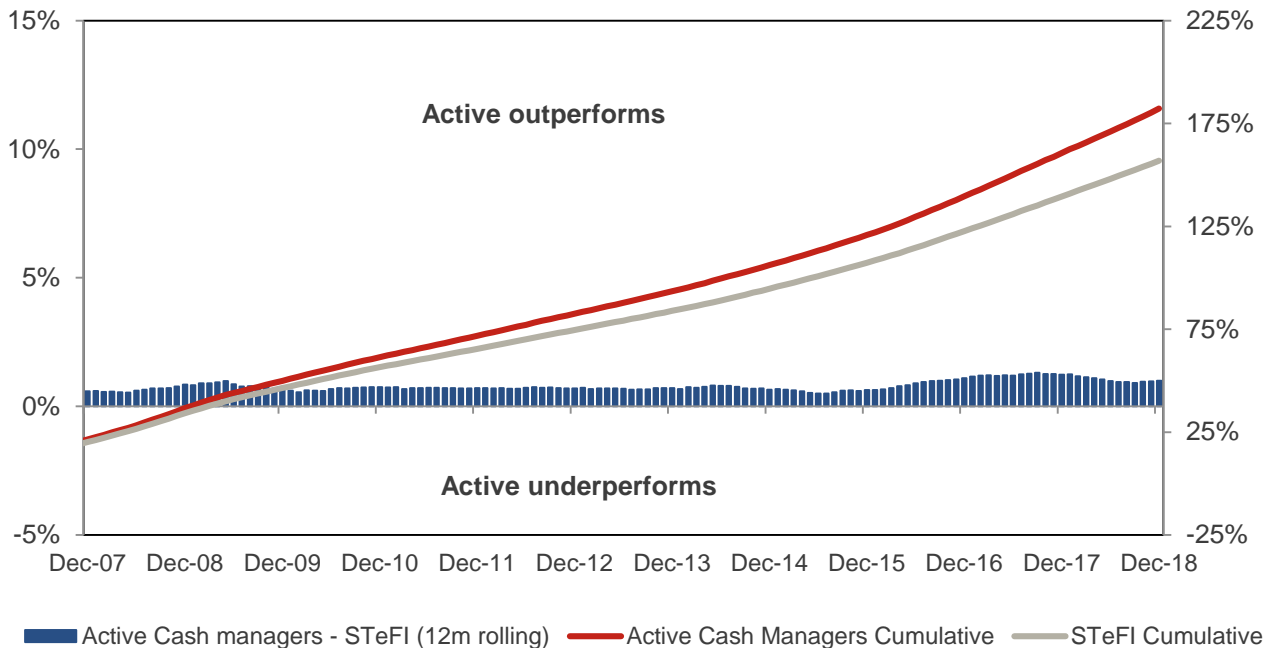
* Lagged by one month due to availability of data

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 December* 2018



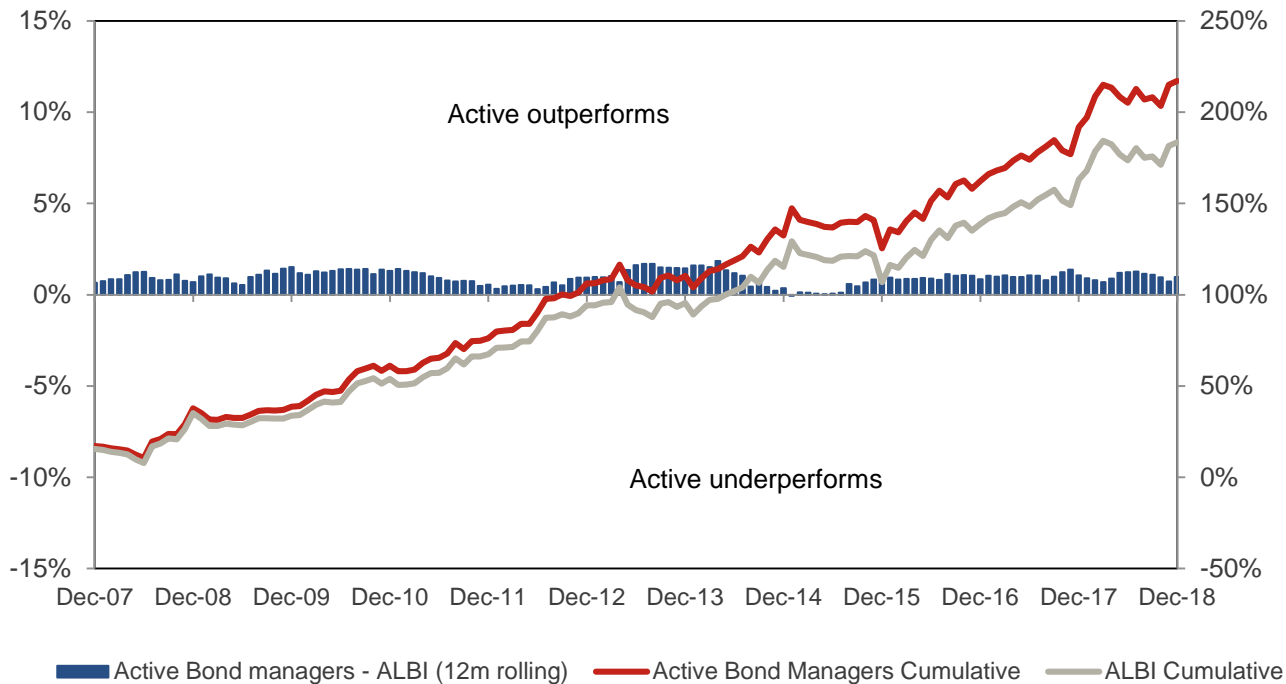
* Lagged by one month due to availability of data

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 December* 2018



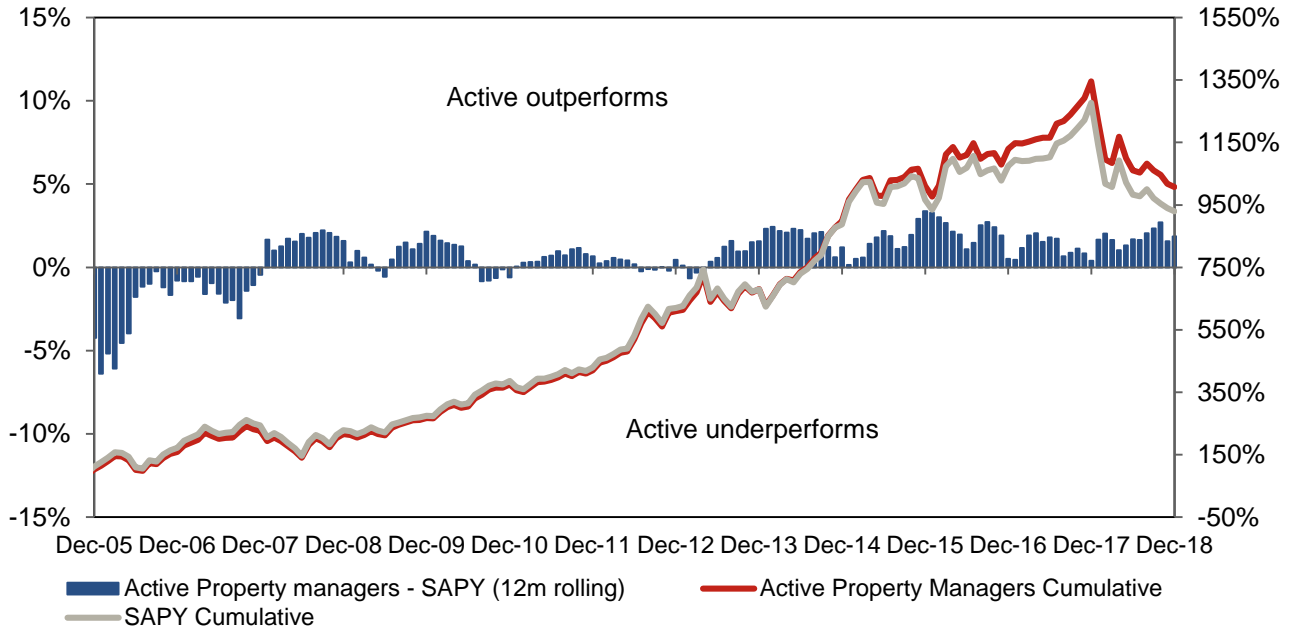
* Lagged by one month due to availability of data

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 December* 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

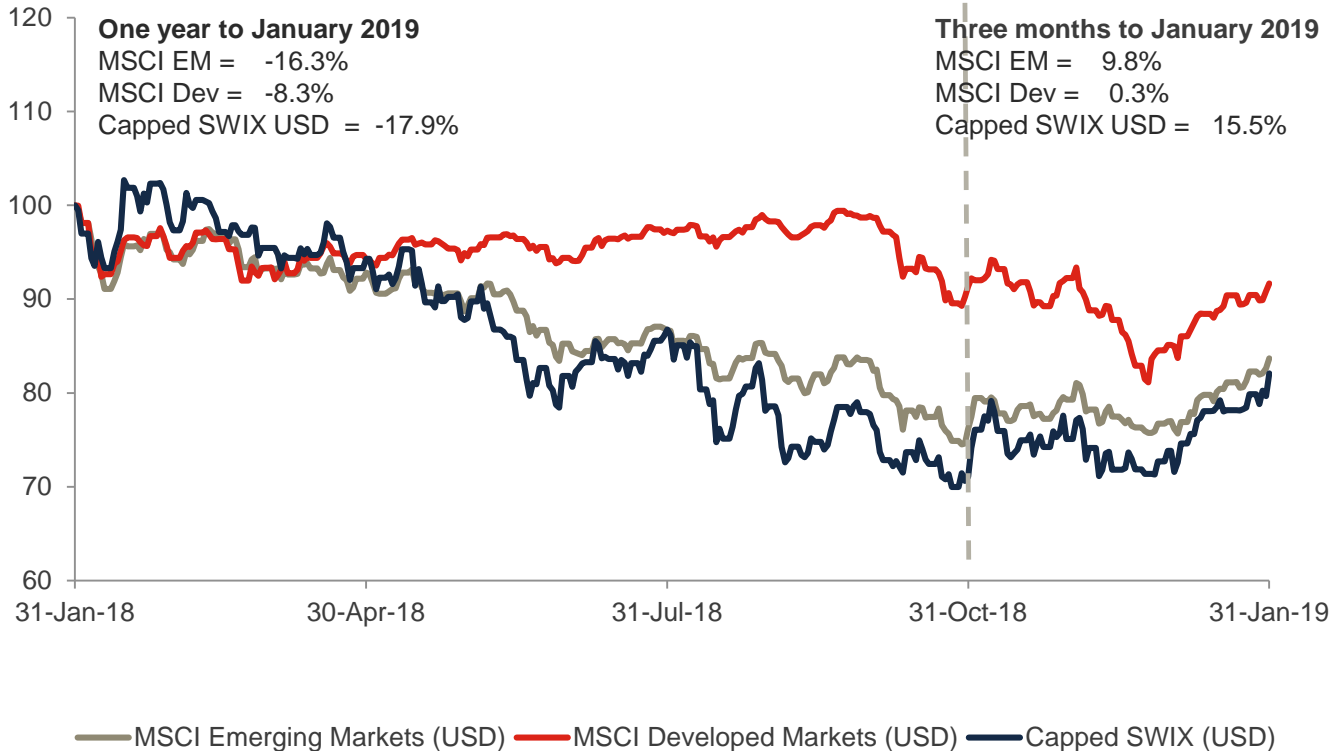
Data to January 2019

ZAR	Styles	One month to Jan 2019	Three months to Jan 2019	One year to Jan 2019	Three years to Jan 2019	Five years to Jan 2019	Ten years to Jan 2019	Twenty years to Jan 2019
Value	Book to Price	0.09	-7.47	-2.80	1.55	-2.14	-2.94	2.25
	Dividend Yield	4.27	-1.66	8.77	1.78	0.78	0.42	5.14
	Earnings Yield	1.99	0.23	2.83	3.66	2.42	0.67	3.04
	Cash Flow Yield	0.41	0.74	8.41	11.83	4.76	2.45	4.34
	Sales to Price	-2.38	-3.23	-1.78	2.94	-2.20	-3.11	3.12
Quality	ROE	-2.40	0.14	2.43	0.71	0.47	1.23	-1.14
	ROIC LT	3.48	-3.11	1.03	-0.19	-1.90	0.37	-1.64
	Income to Sales	3.91	-0.64	3.23	0.45	2.77	2.22	-1.58
	Low market beta	-0.36	-2.10	4.12	-1.73	0.55	-1.33	1.66
	Low Debt/Equity	-0.37	-2.79	-1.90	-2.32	-2.54	-2.17	-1.76
	EBIT Margin Stability	0.35	-3.45	-0.28	-3.41	0.02	2.54	2.52
Growth	Earnings Growth	0.52	-2.41	3.05	3.87	5.33	1.41	-2.01
	Sales Growth	-1.25	-2.07	-1.13	-3.46	-2.64	-0.62	-4.18
	12M Earning Growth	0.54	-1.93	-3.10	-4.39	-3.78	-3.20	3.03
Momentum	FY1 Earnings Revisions	2.22	2.06	8.19	6.69	8.07	8.10	9.96
	Short Term Momentum	-0.01	-0.64	-5.32	2.21	4.52	-0.26	1.90
	Medium Term Momentum	-0.29	0.55	-6.62	-4.90	1.15	3.32	7.03
Size	Size	0.95	5.62	-0.90	-0.65	0.73	-0.16	0.54

Momentum and Size outperformed over the three month period.

MSCI developed and emerging markets

One year to January 2019



SA 10-year bond yields

Ten years to January 2019



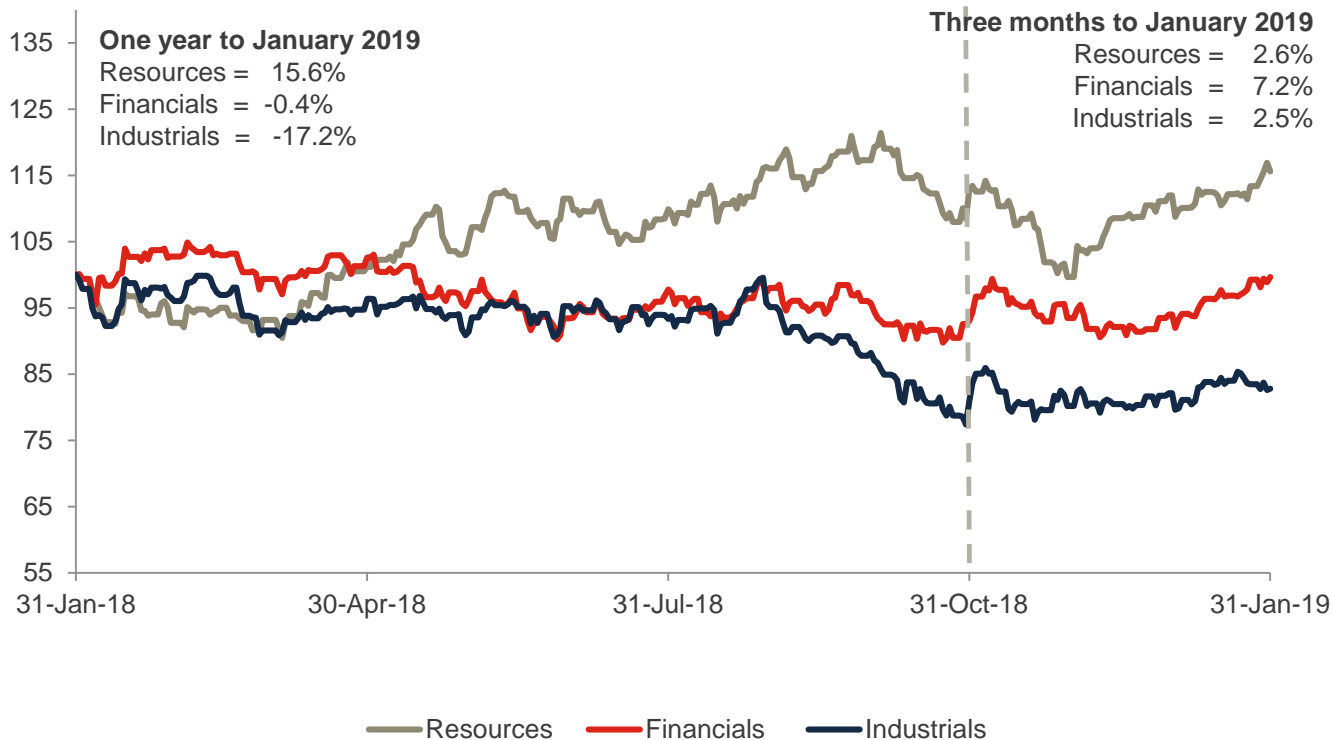
Yield of R197 (inflation-linked bond)

Ten years to January 2019



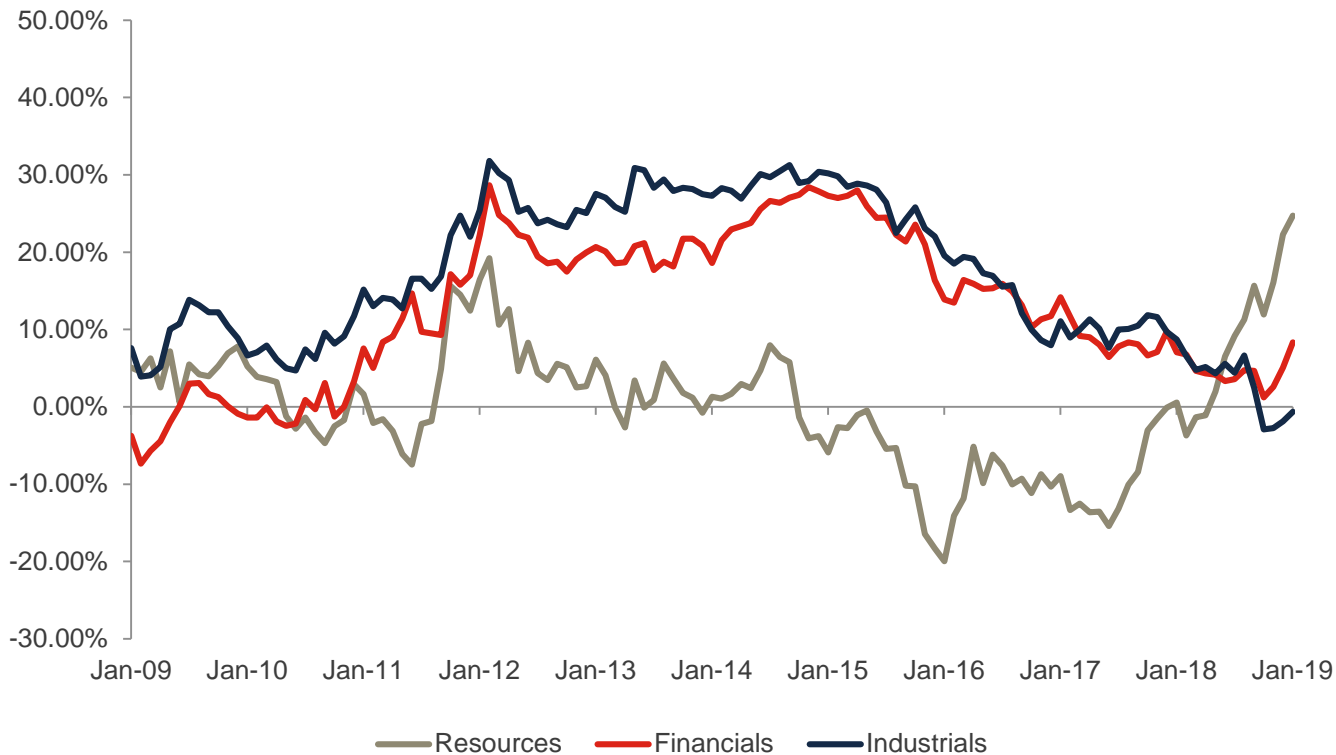
FTSE/JSE sectors

One year to January 2019



FTSE/JSE sectors

Rolling three years to January 2019



FTSE/JSE sectors

Decomposed

Three months to January 2019

1	Fixed-line Telecommunications	Telecommunications	38.95%	18	Financial Services	Financials	-9.80%
2	Oil & Gas Producers	Basic Materials	36.34%	19	Construction & Materials	Industrials	-11.30%
3	Banks	Financials	34.05%	20	Media	Consumer Services	-11.66%
4	Industrial Metals & Mining	Basic Materials	26.62%	21	Healthcare Equipment & Service	Healthcare	-12.44%
5	Technology Hardware & Equipment	Technology	26.02%	22	Industrial Engineering	Industrials	-12.91%
6	Non-life Insurance	Financials	24.54%	23	Real Estate Investment & Services	Financials	-13.10%
7	Mining	Basic Materials	19.76%	24	Food Producers	Consumer Goods	-18.03%
8	Life Insurance	Financials	18.18%	25	Beverages	Consumer Goods	-19.41%
9	Automobiles & Parts	Consumer Goods	14.49%	26	Mobile Telecommunications	Telecommunications	-23.45%
10	General Retailers	Consumer Services	9.91%	27	Equity Investment Instruments	Financials	-25.40%
11	General Industrials	Industrials	3.68%	28	Industrial Transportation	Industrials	-27.73%
12	Electronic & Electrical Equipment	Industrials	2.25%	29	Personal Goods	Consumer Goods	-29.24%
13	Travel & Leisure	Travel & Leisure	1.32%	30	Tobacco	Consumer Goods	-45.26%
14	Food & Drug Retailers	Consumer Services	-0.80%	31	Support Services	Industrials	-48.02%
15	Chemicals	Basic Materials	-2.36%	32	Software & Computer Services	Technology	-51.58%
16	Forestry & Paper	Basic Materials	-3.81%	33	Pharmaceuticals & Biotechnology	Healthcare	-51.98%
17	Real Estate Investment Trusts	Financials	-7.75%	34	Household Goods & Home Construction	Consumer Goods	-97.30%

Key

Resources

Financials

Industrials

FTSE/JSE sectors

Decomposed

One year to January 2019

1	Fixed-line Telecommunications	Telecommunications	39.25%	18	General Industrials	Industrials	-13.07%
2	Oil & Gas Producers	Basic Materials	36.34%	19	Healthcare Equipment & Service	Healthcare	-13.49%
3	Mining	Basic Materials	19.95%	20	Travel & Leisure	Travel & Leisure	-14.96%
4	Banks	Financials	9.11%	21	General Retailers	Consumer Services	-16.39%
5	Non-life Insurance	Financials	4.77%	22	Personal Goods	Consumer Goods	-19.62%
6	Forestry & Paper	Basic Materials	3.71%	23	Equity Investment Instruments	Financials	-23.30%
7	Industrial Metals & Mining	Basic Materials	2.65%	24	Beverages	Consumer Goods	-24.15%
8	Automobiles & Parts	Consumer Goods	2.22%	25	Support Services	Industrials	-26.19%
9	Electronic & Electrical Equipment	Industrials	1.01%	26	Industrial Transportation	Industrials	-27.73%
10	Life Insurance	Financials	0.38%	27	Mobile Telecommunications	Telecommunications	-28.47%
11	Real Estate Investment Trusts	Financials	-4.12%	28	Food Producers	Consumer Goods	-28.52%
12	Chemicals	Basic Materials	-5.25%	29	Industrial Engineering	Industrials	-31.32%
13	Food & Drug Retailers	Consumer Services	-7.25%	30	Software & Computer Services	Technology	-34.02%
14	Real Estate Investment & Services	Financials	-8.81%	31	Tobacco	Consumer Goods	-39.36%
15	Financial Services	Financials	-8.90%	32	Pharmaceuticals & Biotechnology	Healthcare	-43.56%
16	Media	Consumer Services	-10.01%	33	Household Goods & Home Construction	Consumer Goods	-75.74%
17	Construction & Materials	Industrials	-11.84%				

Key

Resources

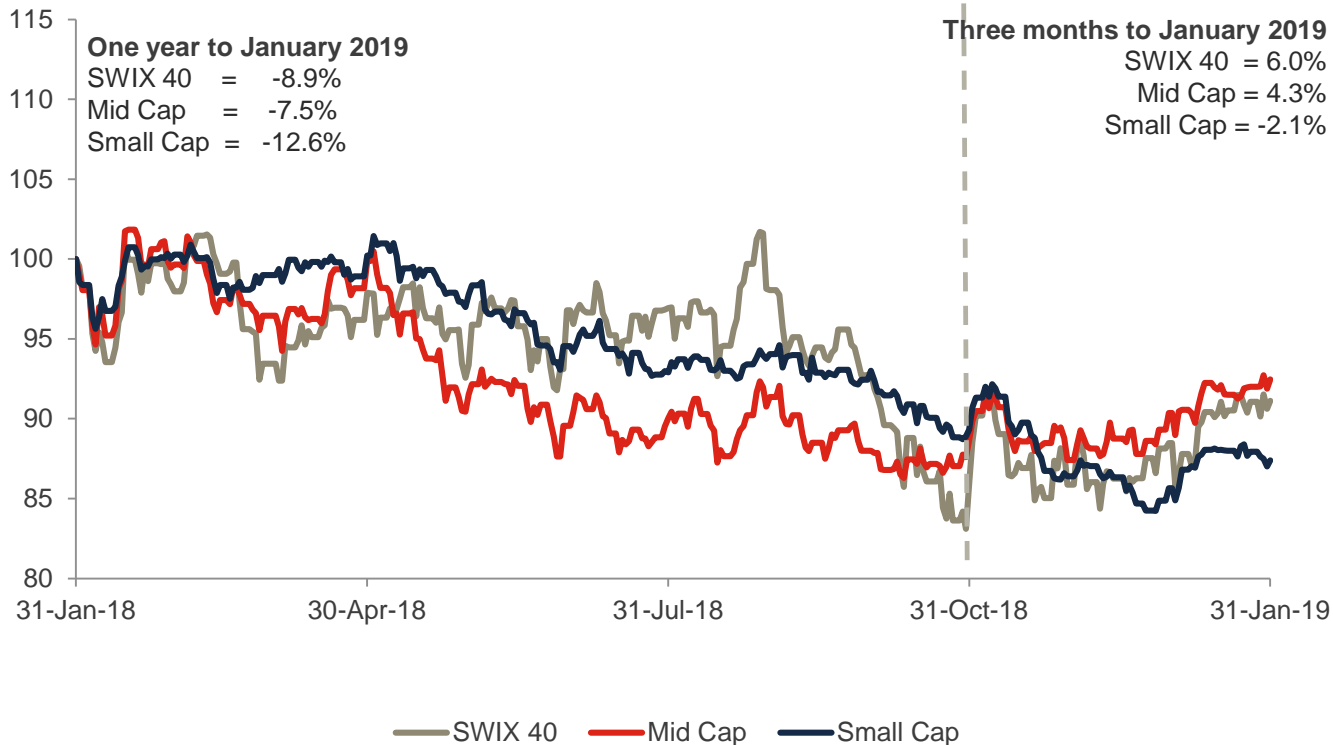
Financials

Industrials

Source: Barra, Deutsche Securities and Momentum Investments

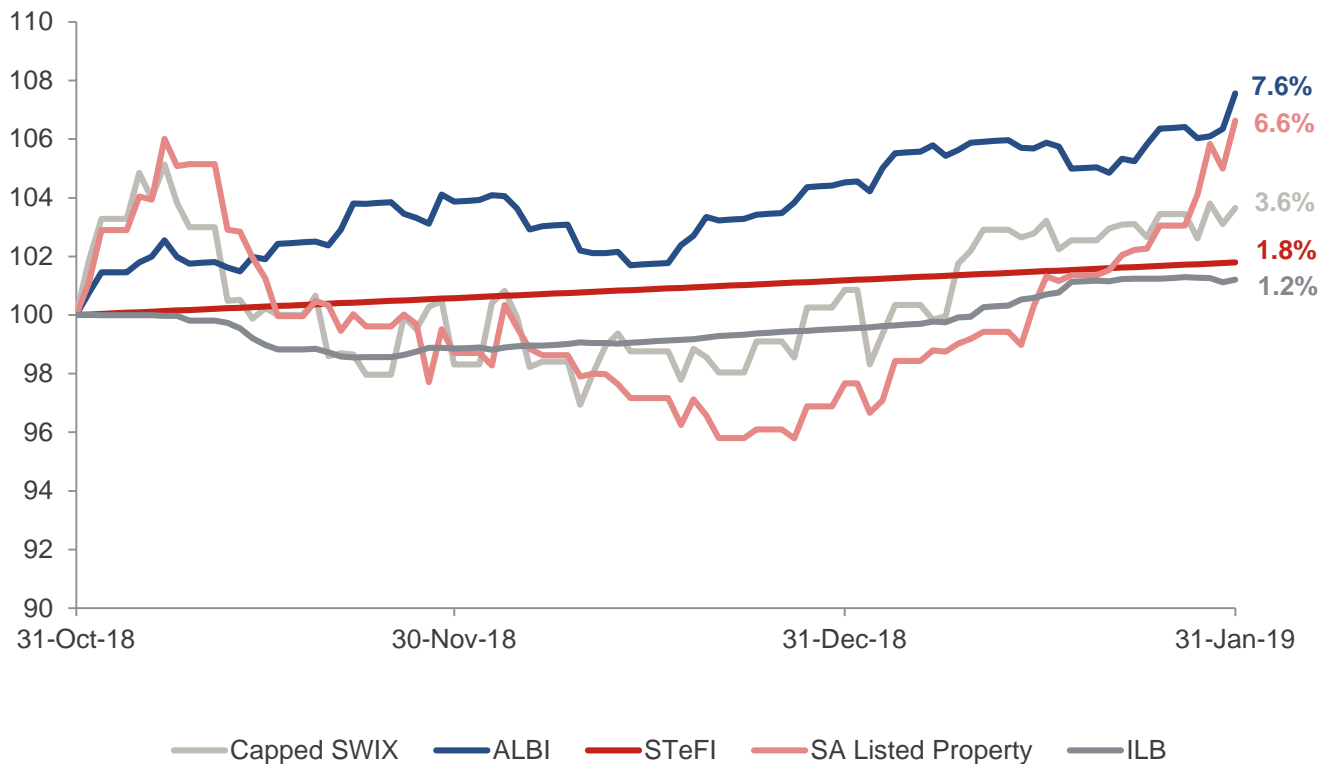
FTSE/JSE market caps

One year to January 2019



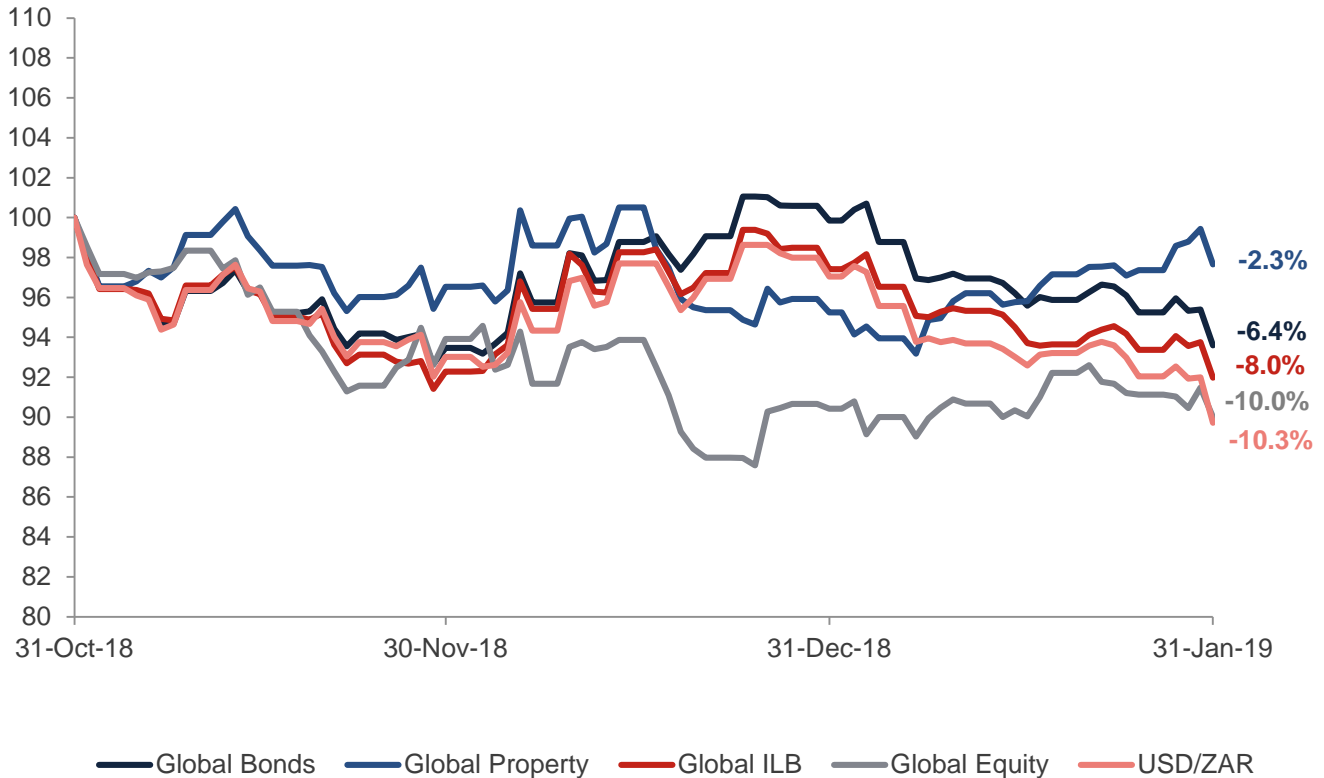
Local asset classes

Three months to January 2019



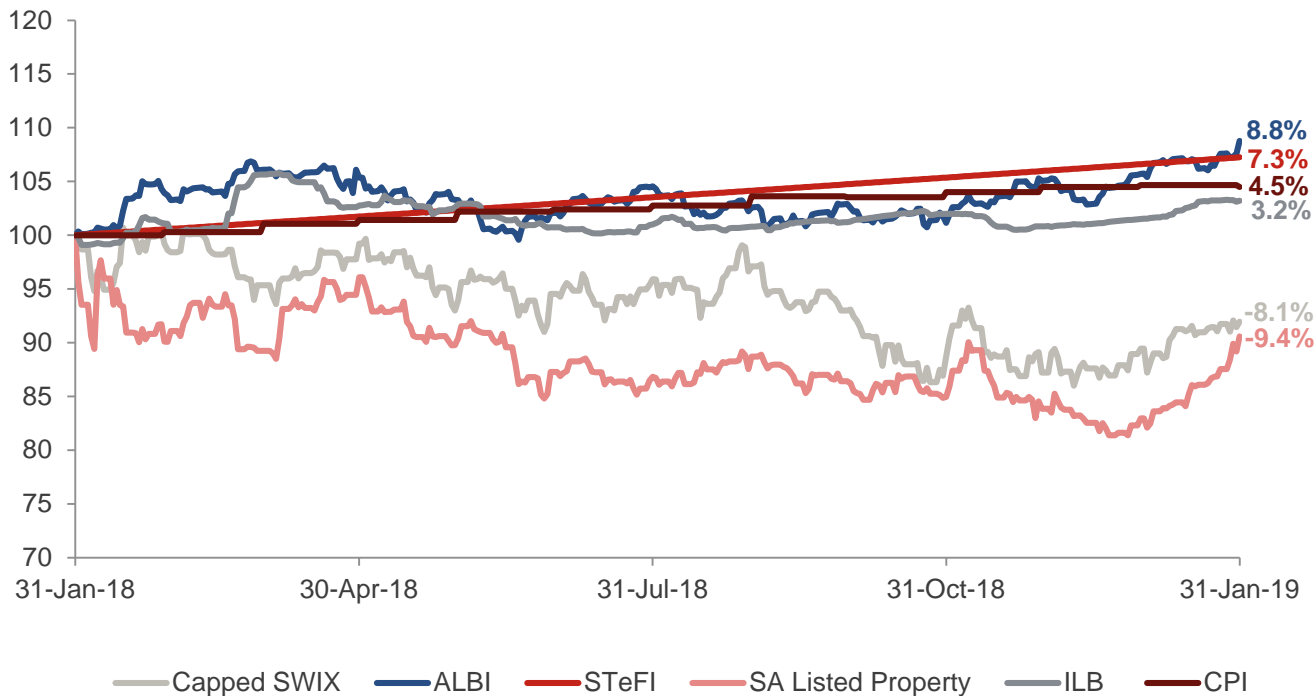
Global asset classes

Three months to January 2019



Local asset classes

One year to January 2019

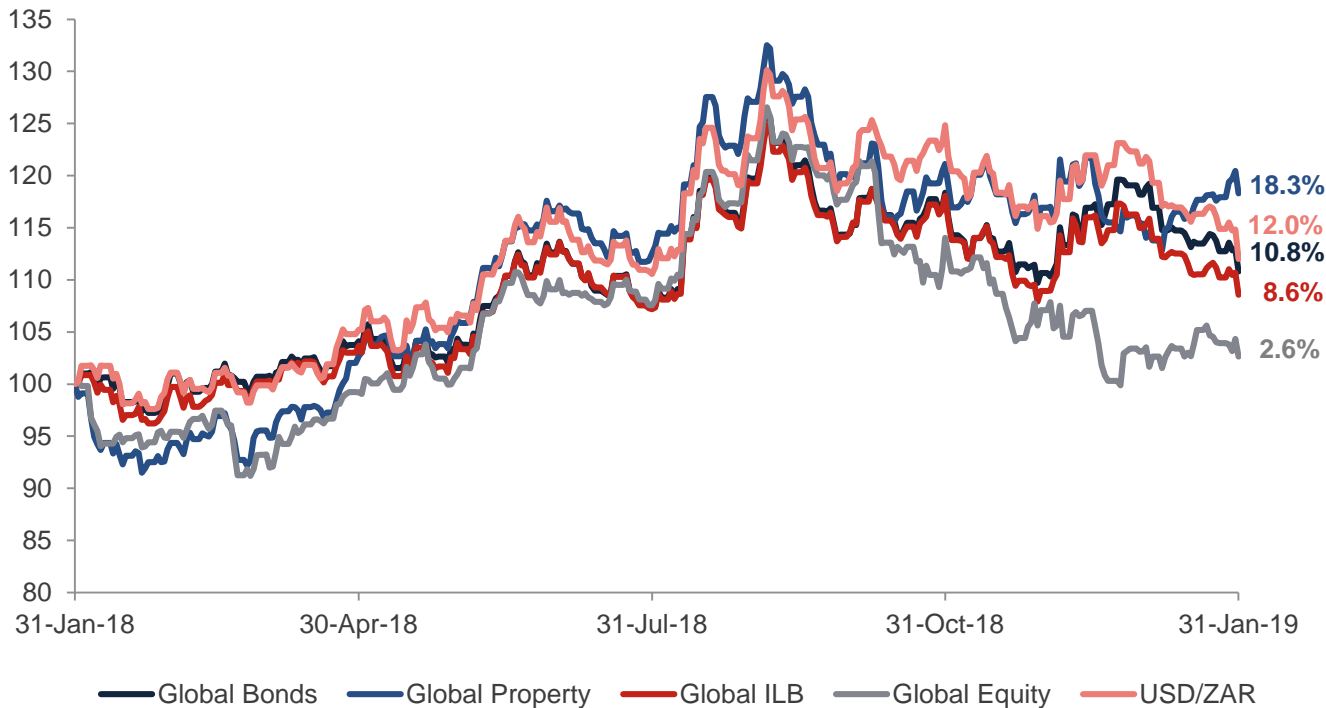


* CPI lagged by one month due to availability of data

Source: INET BFA and Momentum Investments

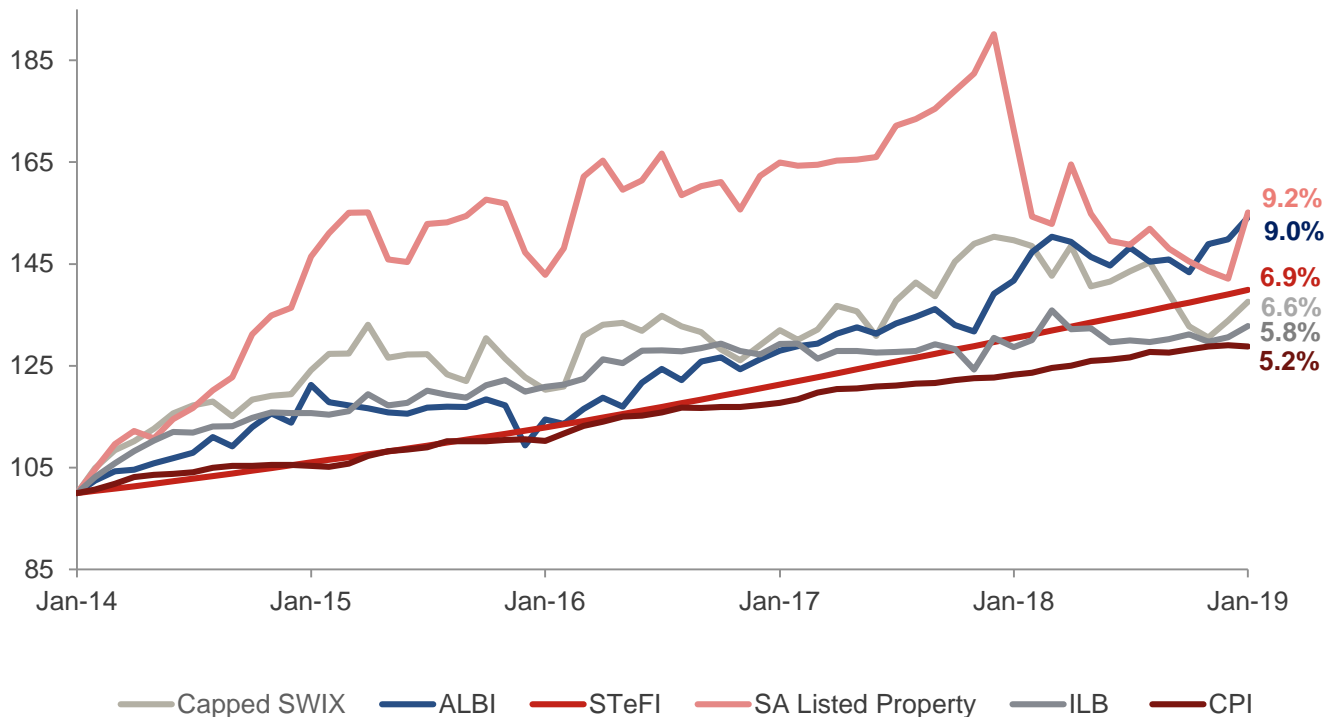
Global asset classes

One year to January 2019



Local asset classes

Five years to January 2019

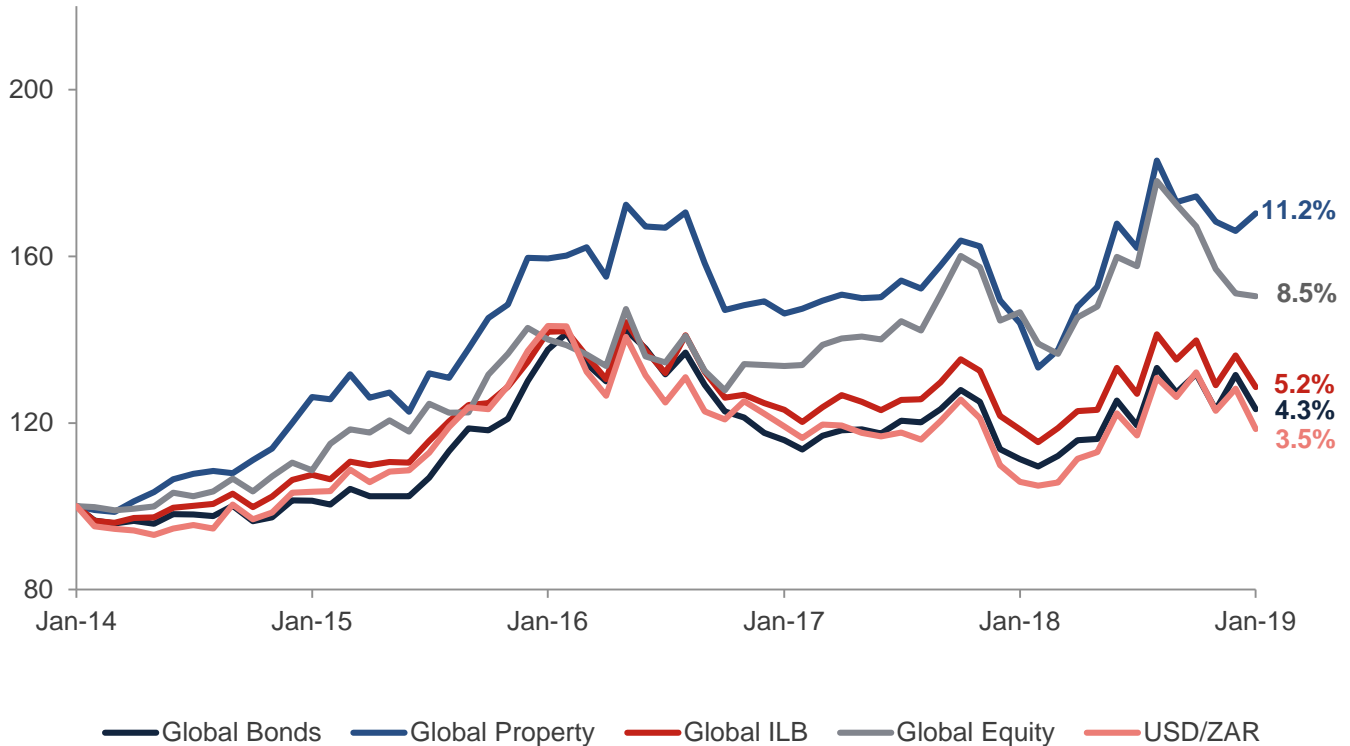


* CPI lagged by one month due to availability of data

Source: INET BFA and Momentum Investments

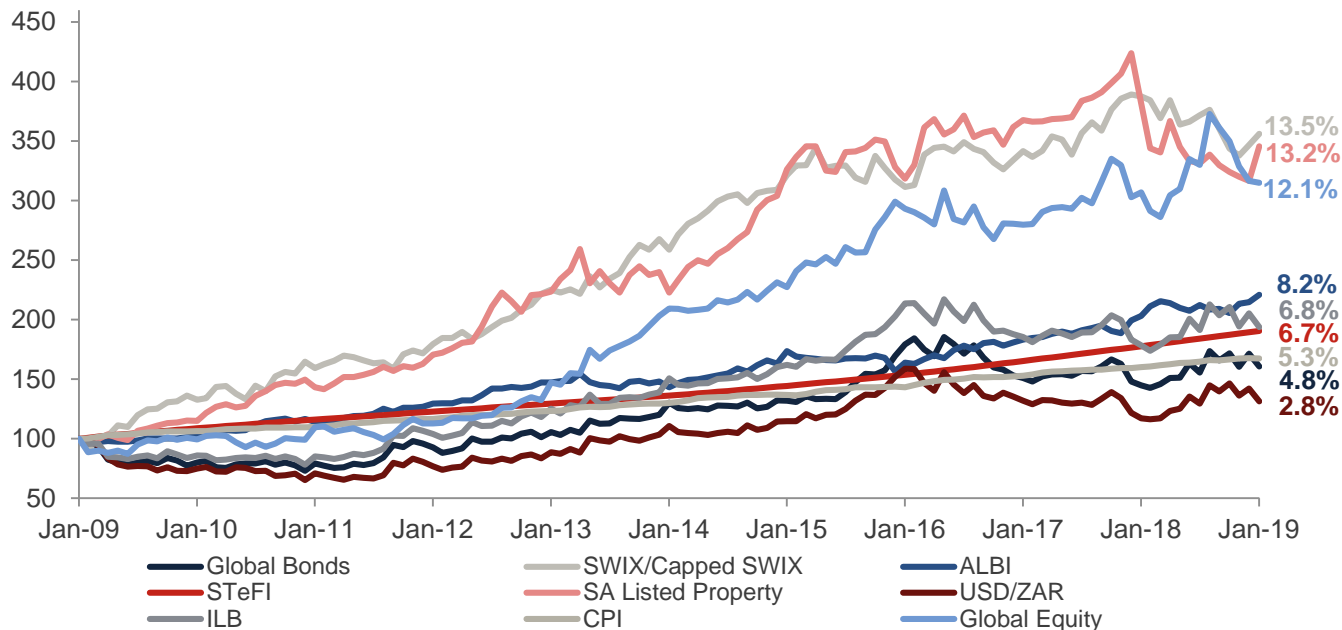
Global asset classes

Five years to January 2019



Asset classes

Ten years to January 2019

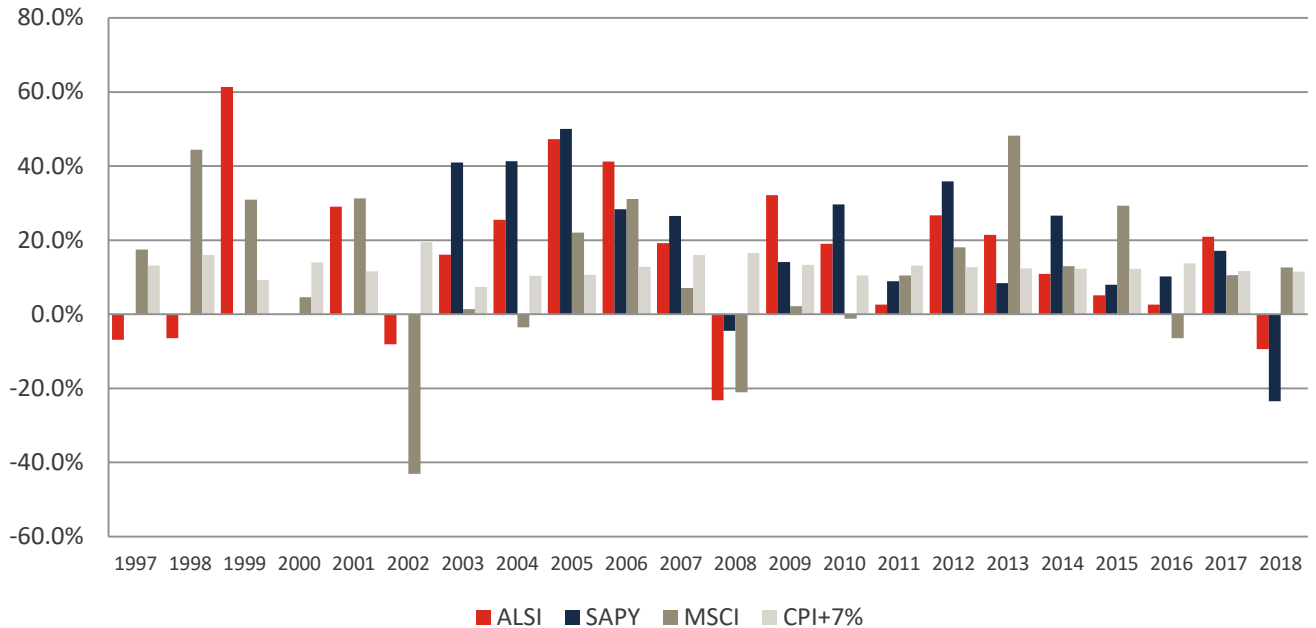


* CPI lagged by one month due to availability of data

For the 10-year period to December 2018, the SWIX/Capped SWIX composite, SA Listed Property and Global Property outperformed.

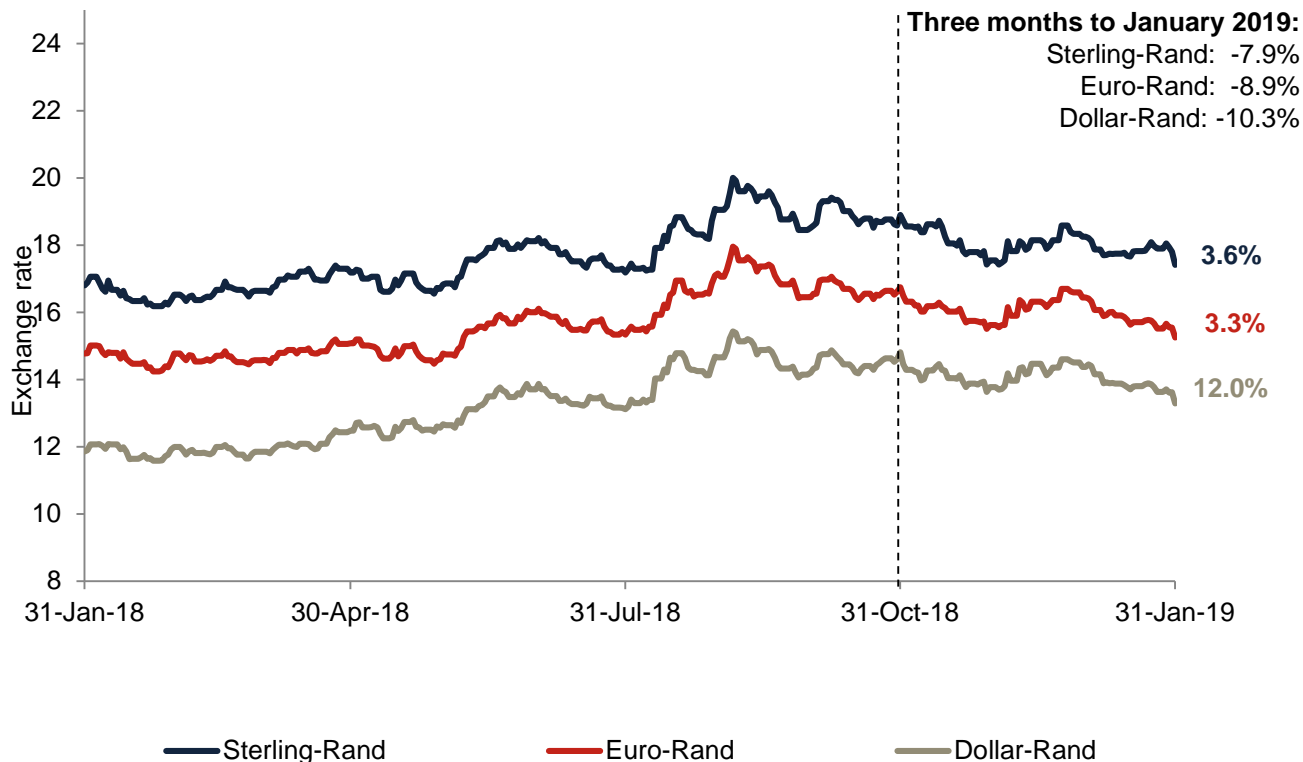
Source: INET BFA and Momentum Investments

Annual Asset Class Returns



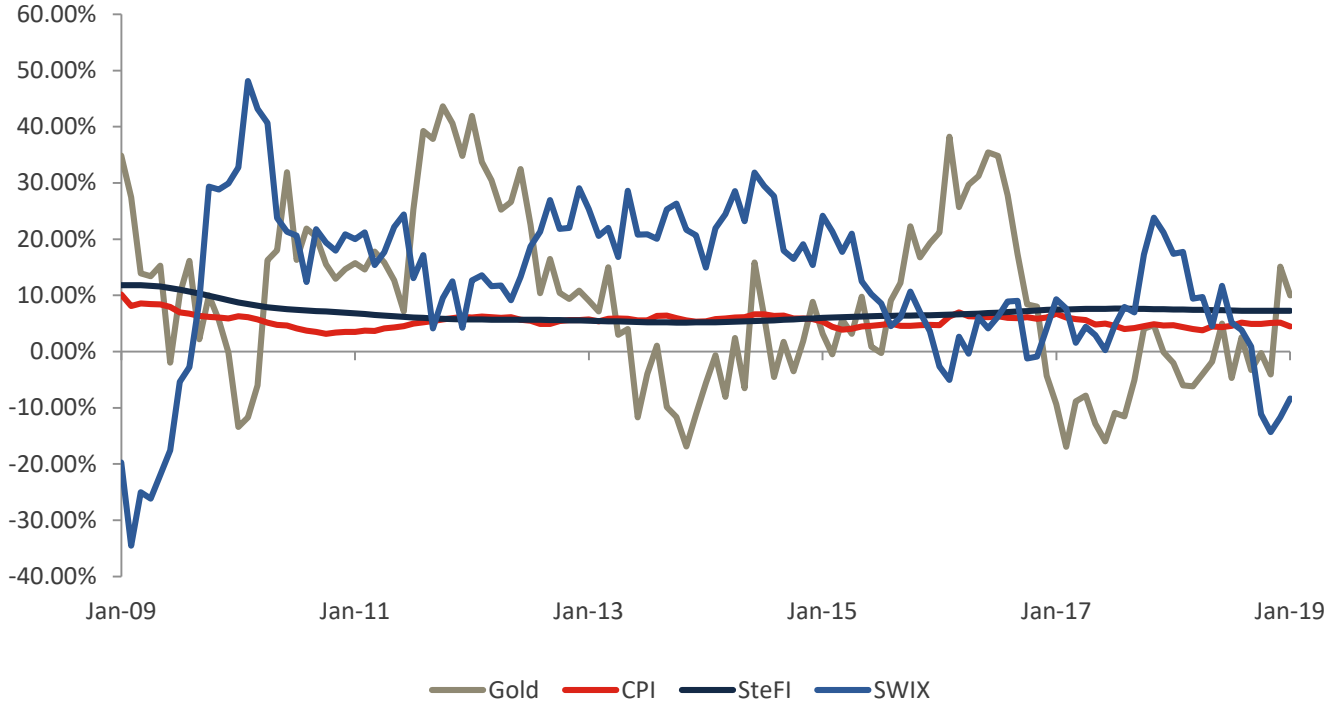
Exchange rates

One year to January 2019



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

One-year rolling returns to January 2019

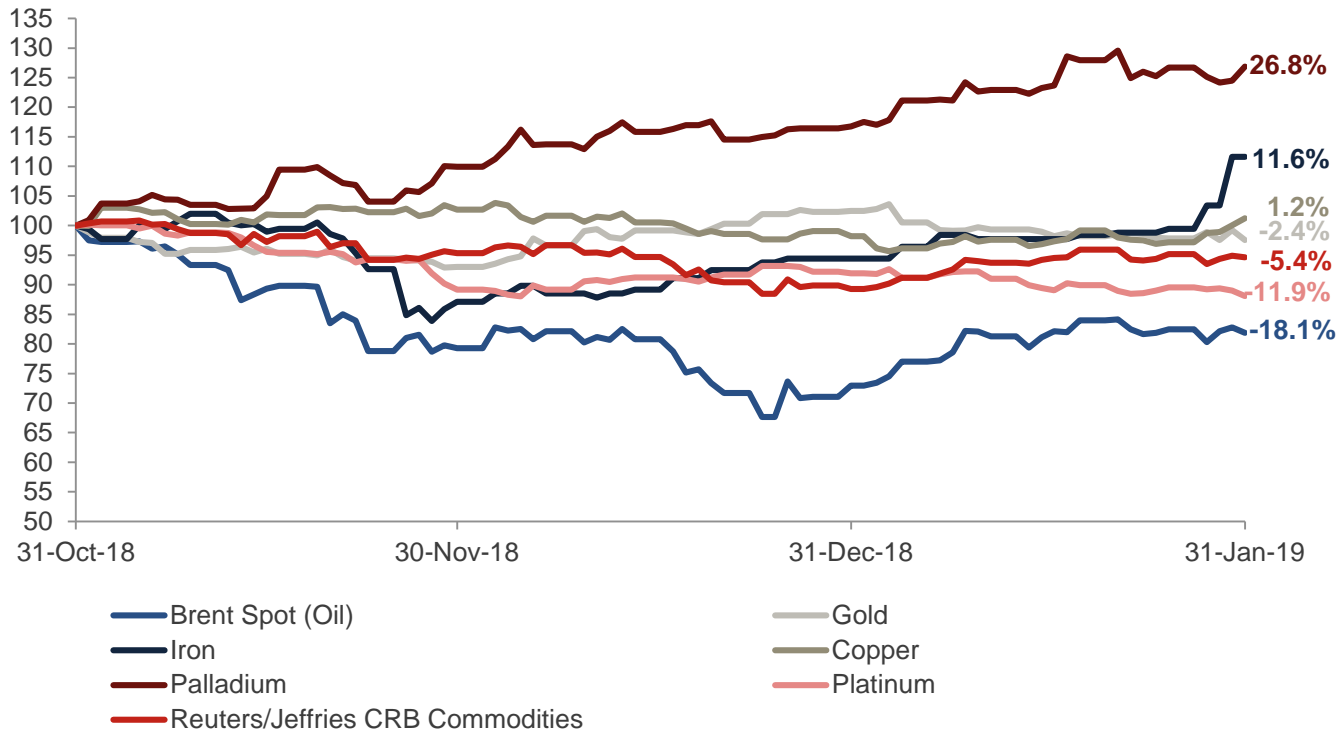


* CPI lagged by one month due to availability of data

Source: INET BFA and Momentum Investments

Commodities

Three months to January 2019

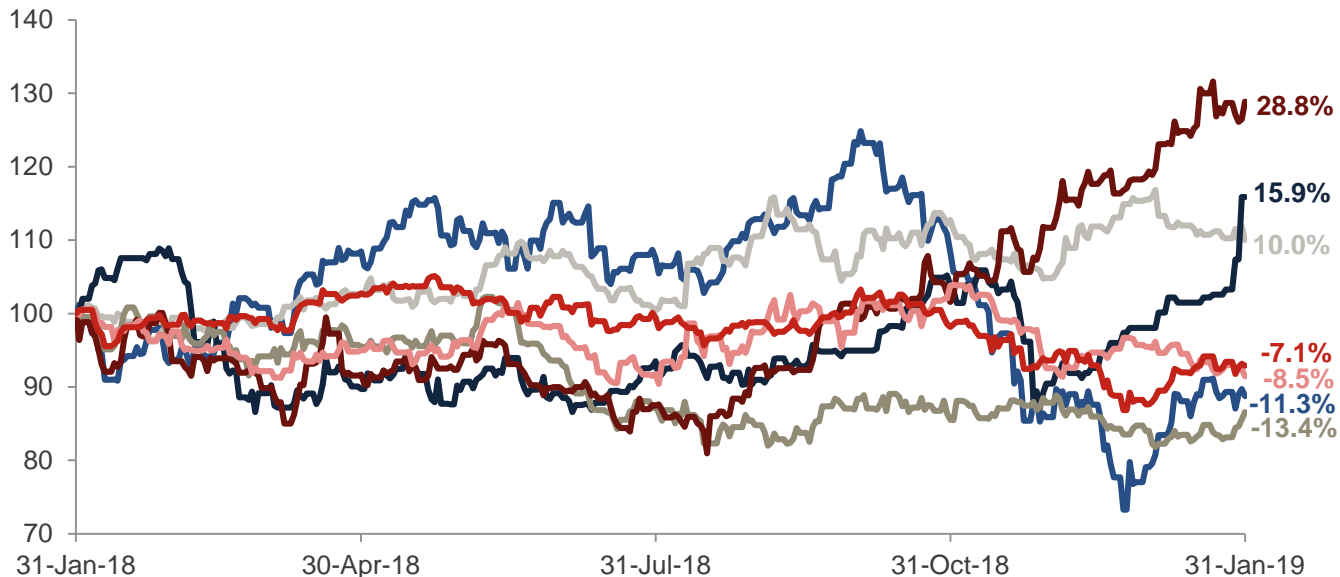


All returns are in dollar terms

Source: INET BFA, FT.com and Momentum Investments

Commodities

One year to January 2019



— Brent Spot (Oil)

— Iron

— Palladium

— Reuters/Jeffries CRB Commodities

— Gold

— Copper

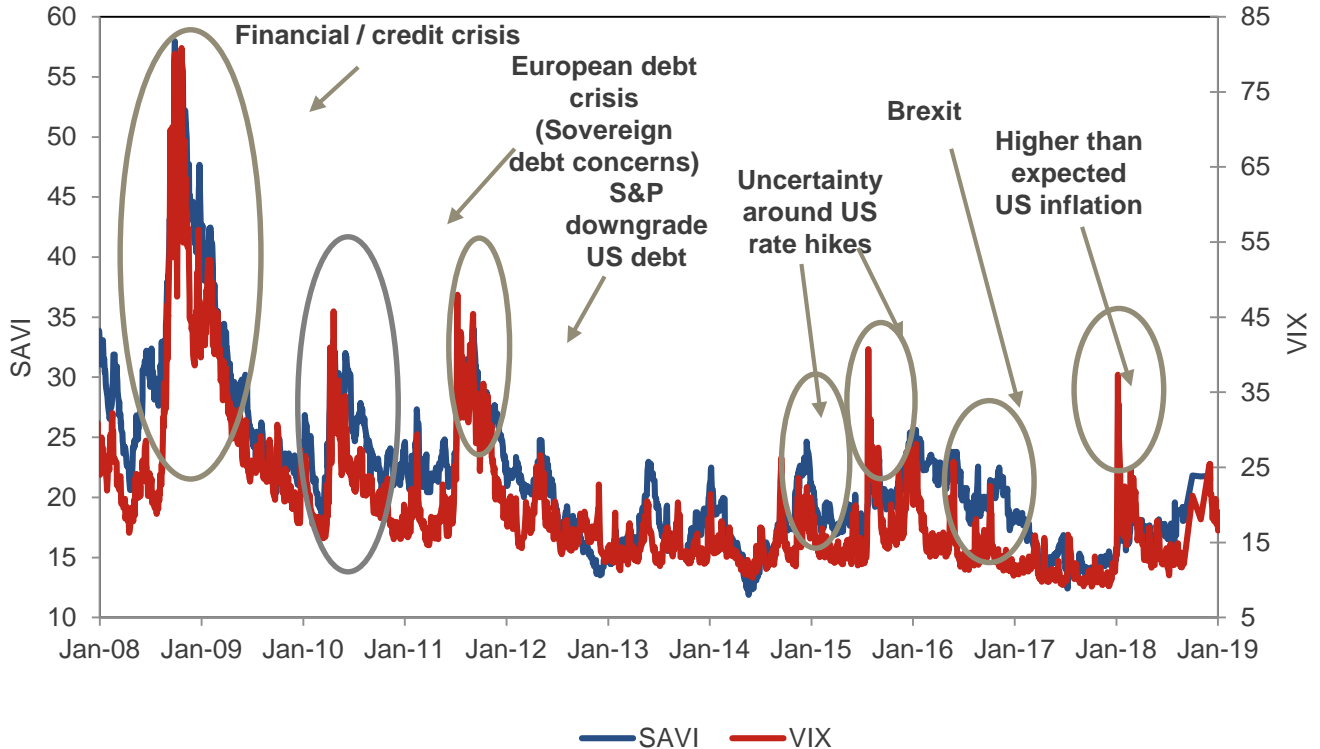
— Platinum

All returns are in dollar terms

Source: INET BFA, FT.com and Momentum Investments

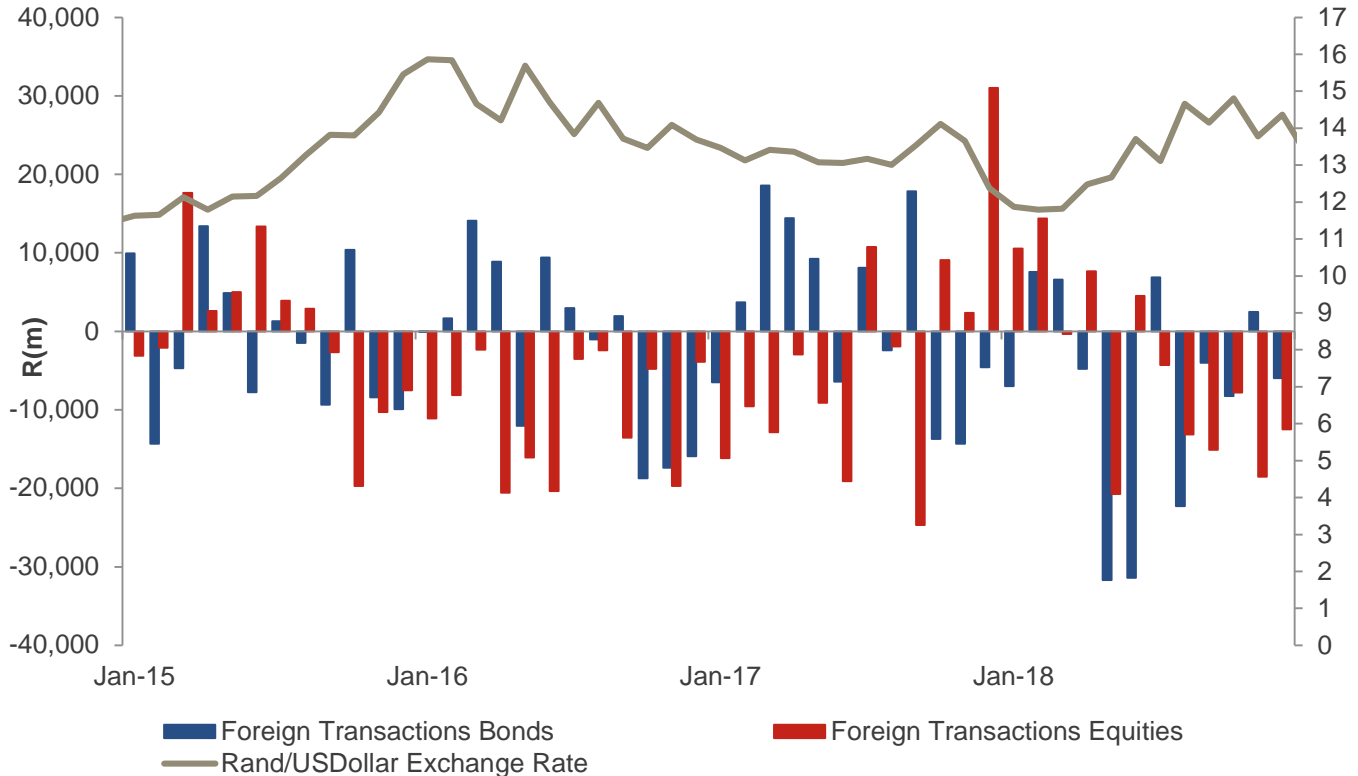
SAVI-VIX

Since January 2008 to January 2019



Foreign transactions

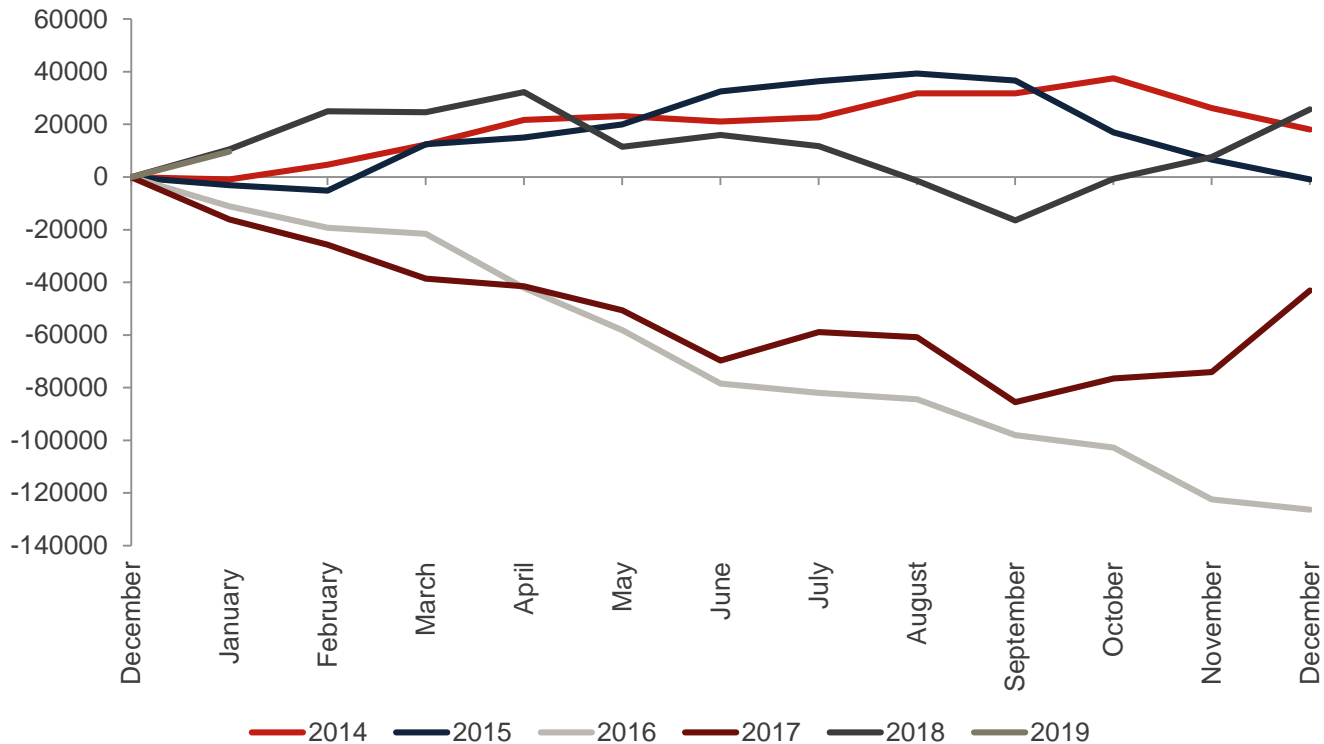
2015 to 2019



Source: INET BFA and Momentum Investments

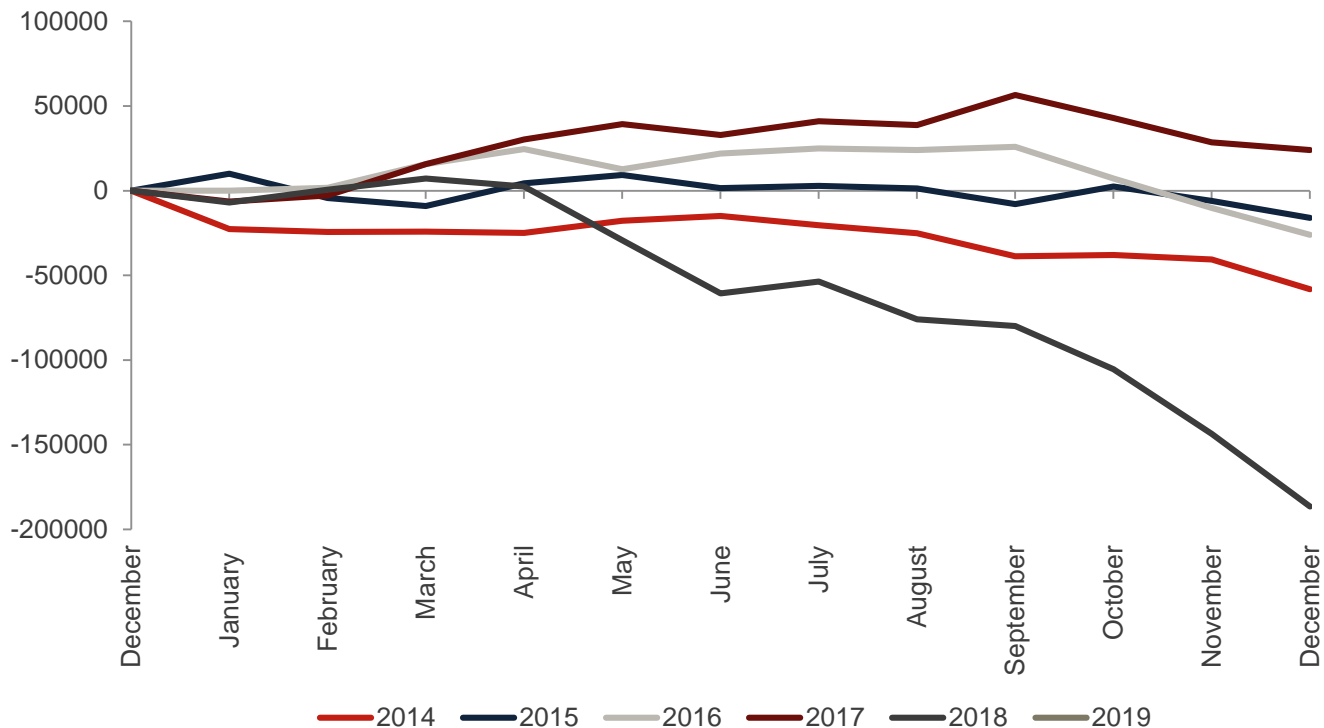
Cumulative foreign transaction equities

2014 to 2019



Cumulative foreign transaction bonds

2014 to 2019





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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