



Key market performance drivers

Monthly charts to 31 May 2019

Signatory of:



momentum
investments

Market concentration

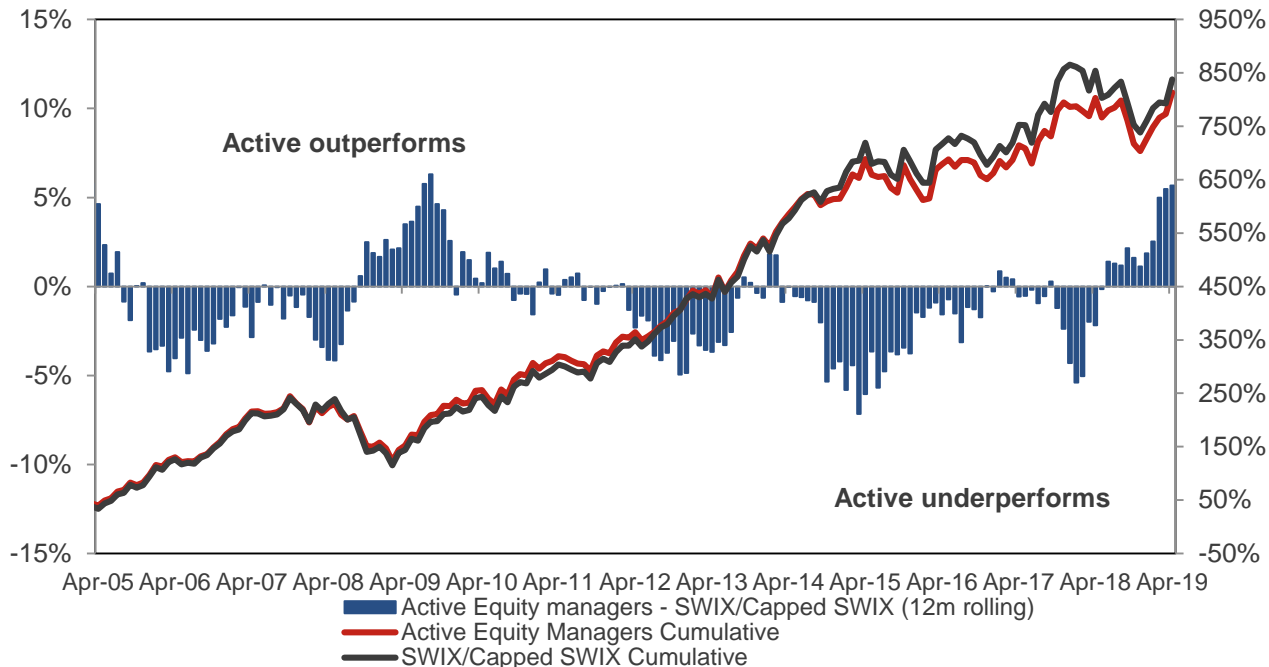
One-year Capped SWIX contributions ending May 2019



Source: StatPro, Power BI and Momentum Investments

Active index analysis

One-year rolling active to April * 2019



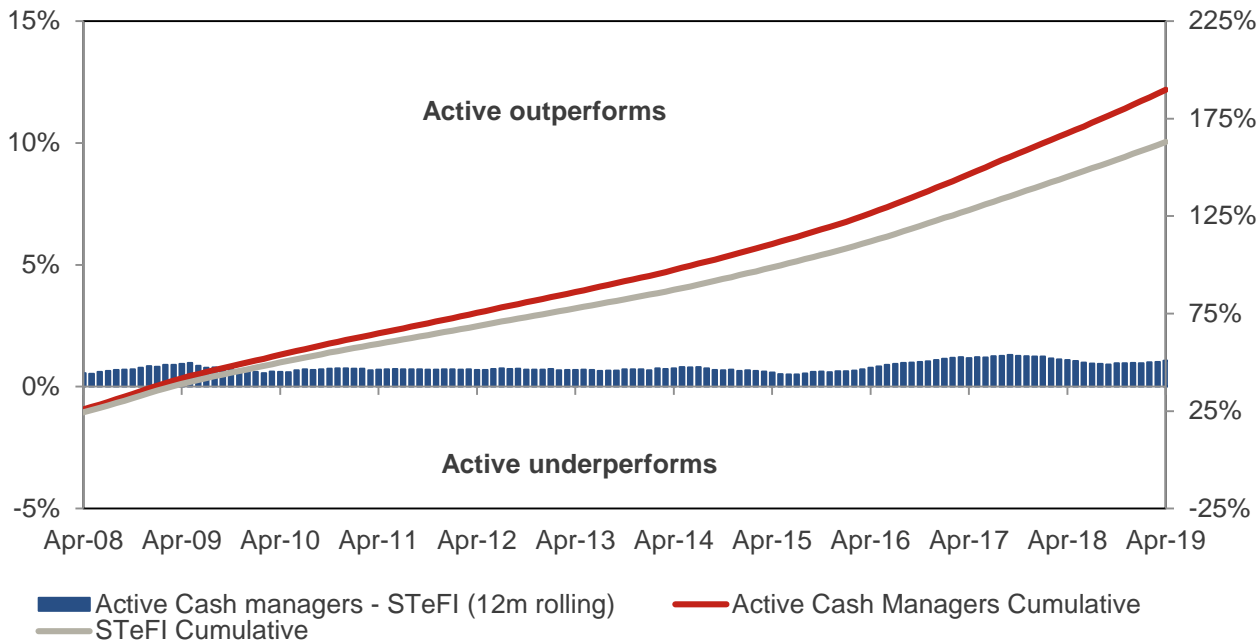
* Lagged by one month due to availability of data

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™, IRESS and Momentum Investments

Active versus tracker: Cash

One-year rolling average to April* 2019



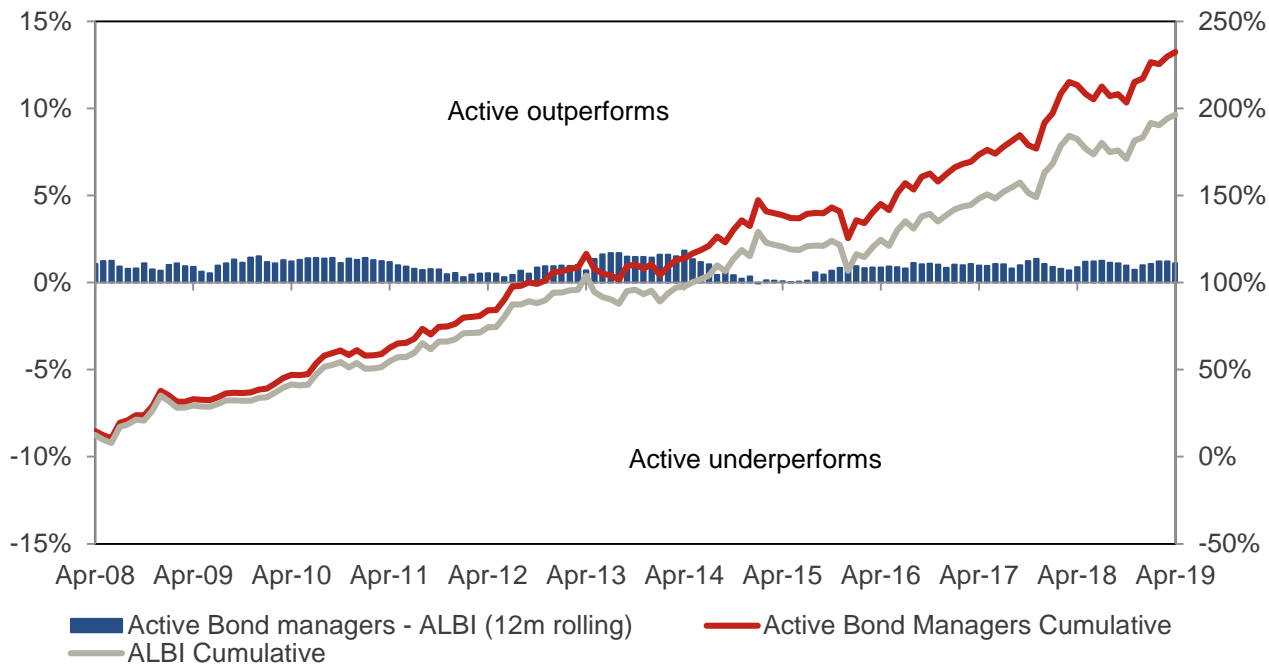
* Lagged by one month due to availability of data

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

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

Active versus tracker: Bonds

One-year rolling average to April* 2019



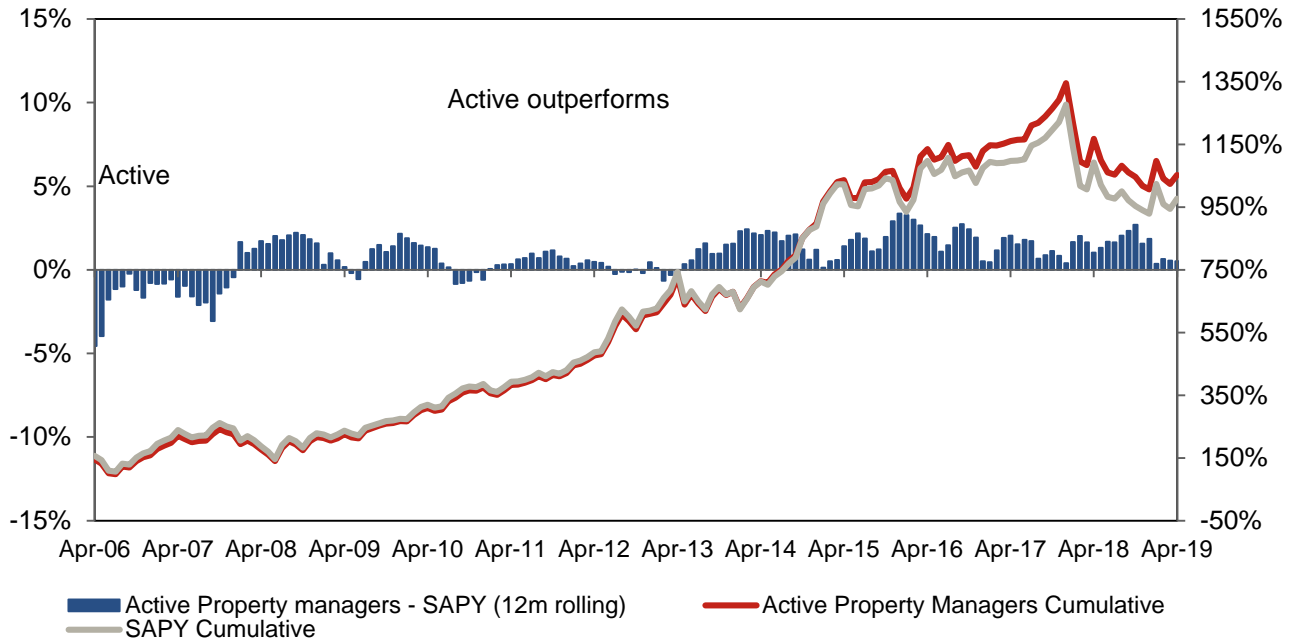
* Lagged by one month due to availability of data

The median of the active bond investment managers outperformed the ALBI

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

Active versus tracker: Property

One-year rolling average to April* 2019



* 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™, IRESS and Momentum Investments

Style returns for South Africa

Data to May 2019

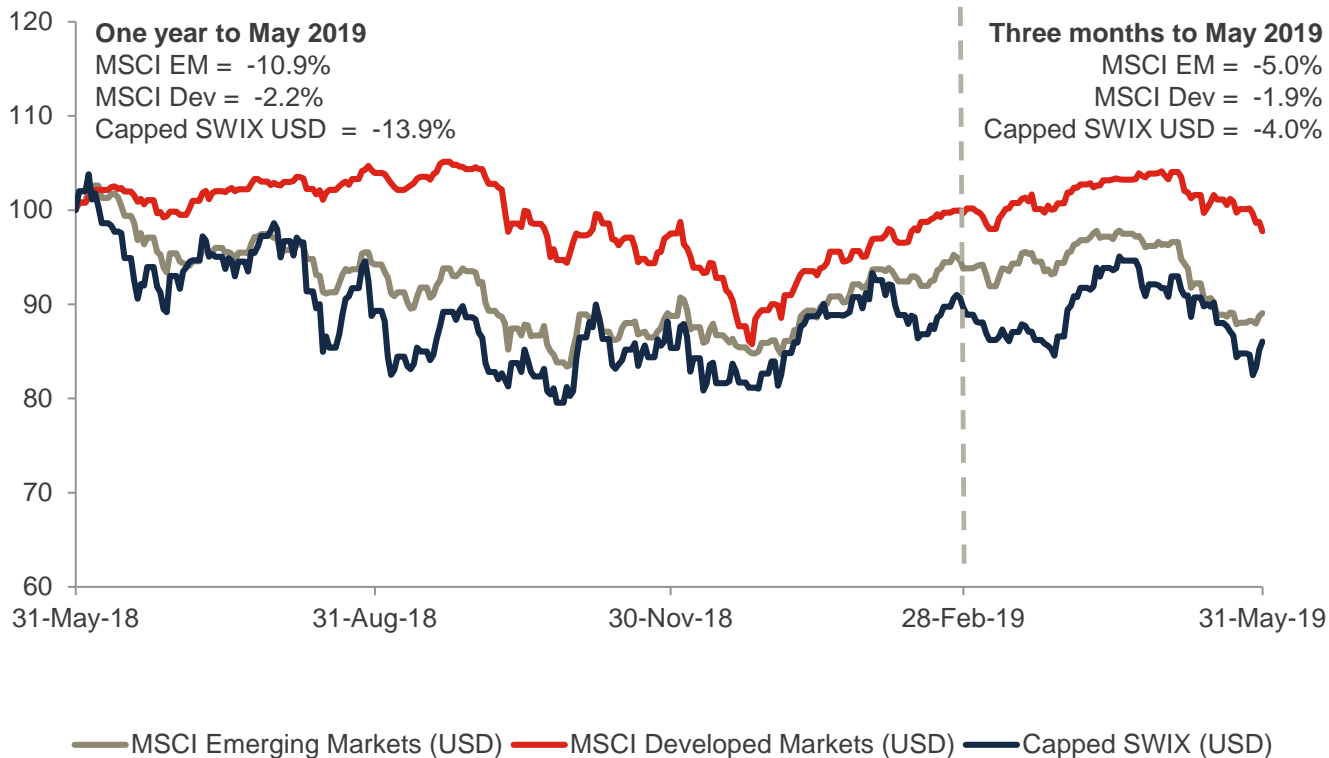
ZAR	Styles	One month to May 2019	Three months to May 2019	One year to May 2019	Three years to May 2019	Five years to May 2019	Ten years to May 2019	Twenty years to May 2019
Value	Book to Price	-3.61	-8.88	-15.42	-6.46	-4.55	-3.89	1.40
	Dividend Yield	0.80	3.26	2.96	1.59	0.69	-0.35	4.51
	Earnings Yield	-0.59	-2.36	-8.07	-0.97	-0.17	-0.71	2.10
	Cash Flow Yield	-0.50	-3.01	-1.81	7.02	3.47	1.52	3.92
	Sales to Price	-0.09	-1.16	-7.83	-2.14	-2.55	-3.31	2.28
Quality	ROE	0.89	2.57	0.02	1.65	1.29	0.81	-1.01
	ROIC LT	-1.34	-1.21	-8.62	-2.79	-2.02	-0.40	-2.23
	Income to Sales	2.49	4.32	3.51	2.04	2.37	2.19	-1.31
	Low market beta	1.79	-0.28	-5.89	-2.55	-0.07	-0.32	1.42
	Low Debt/Equity	-0.21	1.55	-2.87	-0.91	-1.89	-2.63	-1.48
	EBIT Margin Stability	1.16	-0.42	-6.51	-2.61	0.14	2.71	1.96
Growth	Earnings Growth	0.42	0.40	5.29	5.04	5.46	1.13	-2.05
	Sales Growth	-0.32	-0.42	-0.59	-2.39	-2.02	-0.96	-4.24
	12M Earning Growth	-0.02	3.45	-1.01	-2.25	-2.52	-2.78	3.90
Momentum	FY1 Earnings Revisions	3.06	2.89	20.85	10.32	10.26	8.36	10.33
	Short Term Momentum	0.35	-0.78	-3.37	1.96	5.93	0.45	2.60
	Medium Term Momentum	3.93	3.01	2.05	-0.92	1.50	4.49	7.10
Size	Size	0.78	1.70	7.82	1.67	0.96	-0.15	0.67

Momentum and size outperformed over the three month period. Value underperformed over the three month period.

Source: FactSet, Momentum Global Investment Management and Momentum Investments

MSCI developed and emerging markets

One year to May 2019



SA 10-year bond yields

Ten years to May 2019



— SA 10 year bond yield

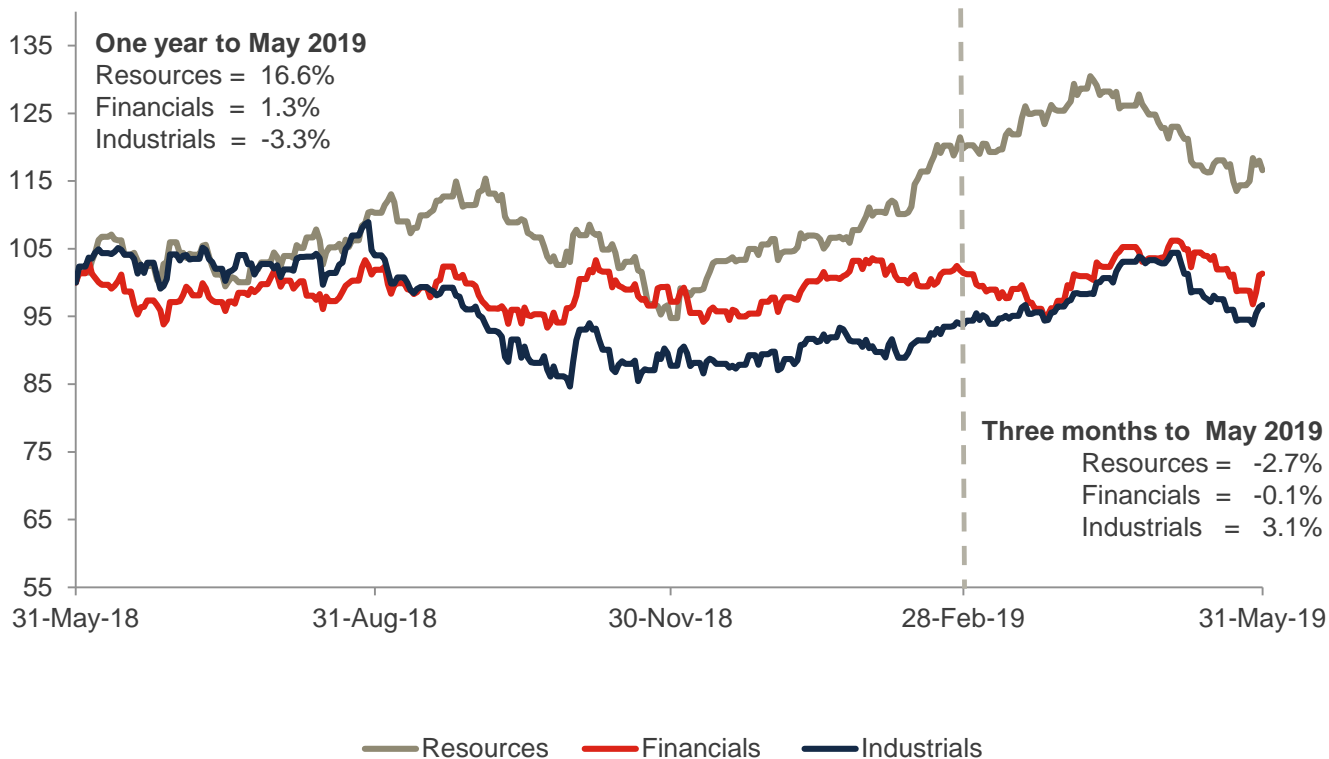
Yield of R197 (inflation-linked bond)

Ten years to May 2019



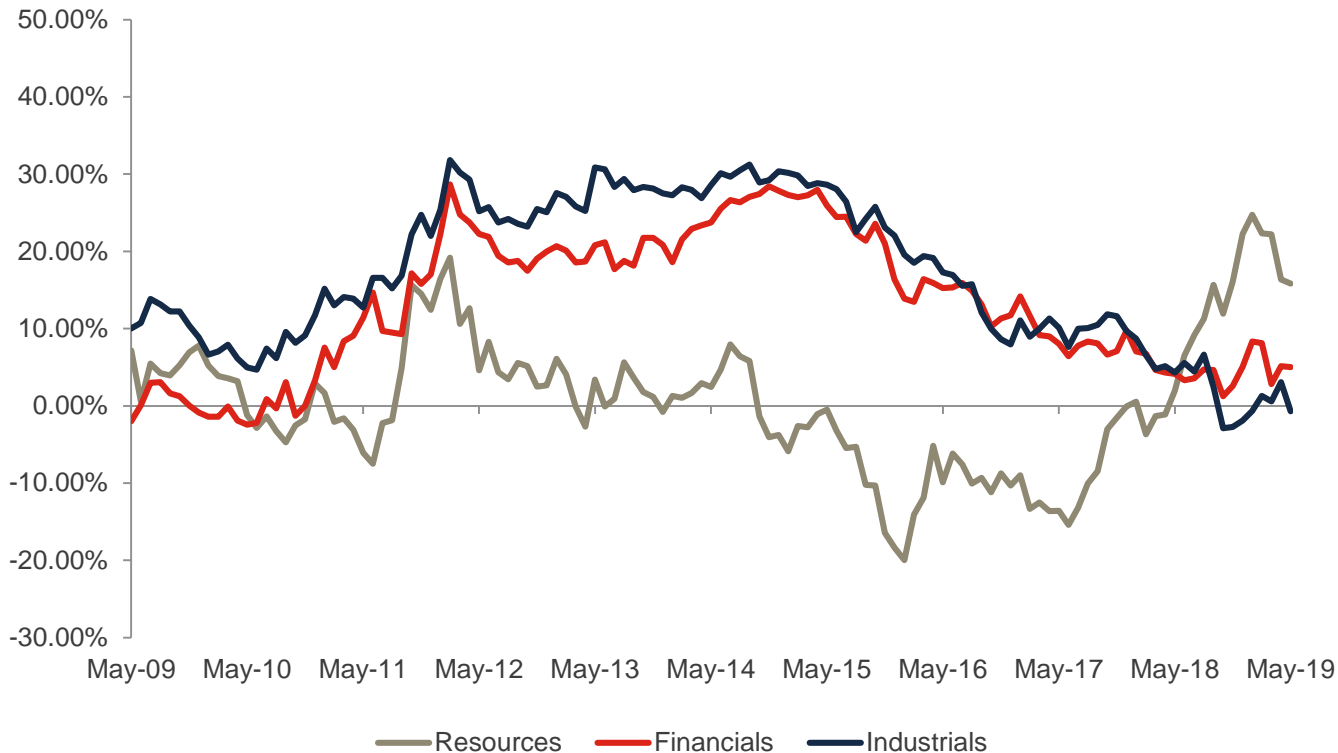
FTSE/JSE sectors

One year to May 2019



FTSE/JSE sectors

Rolling three years to May 2019



FTSE/JSE sectors

Decomposed

Three months to May 2019

1	Fixed-line Telecommunications	Telecommunications	30.99%	18	Real Estate Investment Trusts	Financials	-1.76%
2	Industrial Metals & Mining	Basic Materials	21.18%	19	Real Estate Investment & Services	Financials	-1.77%
3	Software & Computer Services	Technology	20.99%	20	General Retailers	Consumer Services	-2.34%
4	Mobile Telecommunications	Telecommunications	18.61%	21	Industrial Transportation	Industrials	-2.98%
5	Beverages	Consumer Goods	7.85%	22	General Industrials	Industrials	-3.29%
6	Media	Consumer Services	7.46%	23	Financial Services	Financials	-3.36%
7	Equity Investment Instruments	Financials	4.20%	24	Construction & Materials	Industrials	-4.37%
8	Automobiles & Parts	Consumer Goods	3.01%	25	Travel & Leisure	Travel & Leisure	-5.29%
9	Banks	Financials	2.60%	26	Food Producers	Consumer Goods	-6.08%
10	Food & Drug Retailers	Consumer Services	2.18%	27	Industrial Engineering	Industrials	-6.93%
11	Tobacco	Consumer Goods	0.69%	28	Forestry & Paper	Basic Materials	-12.80%
12	Non-life Insurance	Financials	-0.36%	29	Chemicals	Basic Materials	-13.16%
13	Personal Goods	Consumer Goods	-0.55%	30	Healthcare Equipment & Service	Healthcare	-16.89%
14	Support Services	Industrials	-0.92%	31	Pharmaceuticals & Biotechnology	Healthcare	-27.35%
15	Mining	Basic Materials	-1.29%	32	Oil & Gas Producers	Basic Materials	-27.82%
16	Electronic & Electrical Equipment	Industrials	-1.57%	33	Household Goods & Home Construction	Consumer Goods	-34.95%
17	Life Insurance	Financials	-1.63%				

Key

Resources

Financials

Industrials

FTSE/JSE sectors

Decomposed

One year to May 2019

1	Fixed-line Telecommunications	Telecommunications	89.22%	18	Beverages	Consumer Goods	-6.28%
2	Industrial Metals & Mining	Basic Materials	64.58%	19	Personal Goods	Consumer Goods	-7.32%
3	Mining	Basic Materials	38.38%	20	Electronic & Electrical Equipment	Industrials	-7.63%
4	Software & Computer Services	Technology	25.34%	21	Mobile Telecommunications	Telecommunications	-9.02%
5	Household Goods & Home Construction	Consumer Goods	19.62%	22	Real Estate Investment Trusts	Financials	-10.54%
6	Media	Consumer Services	12.09%	23	General Retailers	Consumer Services	-13.77%
7	Banks	Financials	10.66%	24	Travel & Leisure	Travel & Leisure	-14.71%
8	Automobiles & Parts	Consumer Goods	10.58%	25	Tobacco	Consumer Goods	-16.78%
9	Technology Hardware & Equipment	Technology	8.01%	26	Chemicals	Basic Materials	-18.86%
10	Non-life Insurance	Financials	1.13%	27	Forestry & Paper	Basic Materials	-19.05%
11	Life Insurance	Financials	0.33%	28	Food Producers	Consumer Goods	-23.35%
12	Support Services	Industrials	-1.81%	29	Industrial Transportation	Industrials	-25.21%
13	Real Estate Investment & Services	Financials	-3.18%	30	Construction & Materials	Industrials	-27.64%
14	Food & Drug Retailers	Consumer Services	-3.46%	31	Healthcare Equipment & Service	Healthcare	-31.21%
15	General Industrials	Industrials	-3.82%	32	Industrial Engineering	Industrials	-33.10%
16	Equity Investment Instruments	Financials	-3.84%	33	Oil & Gas Producers	Basic Materials	-52.78%
17	Financial Services	Financials	-6.18%	34	Pharmaceuticals & Biotechnology	Healthcare	-57.13%

Key

Resources

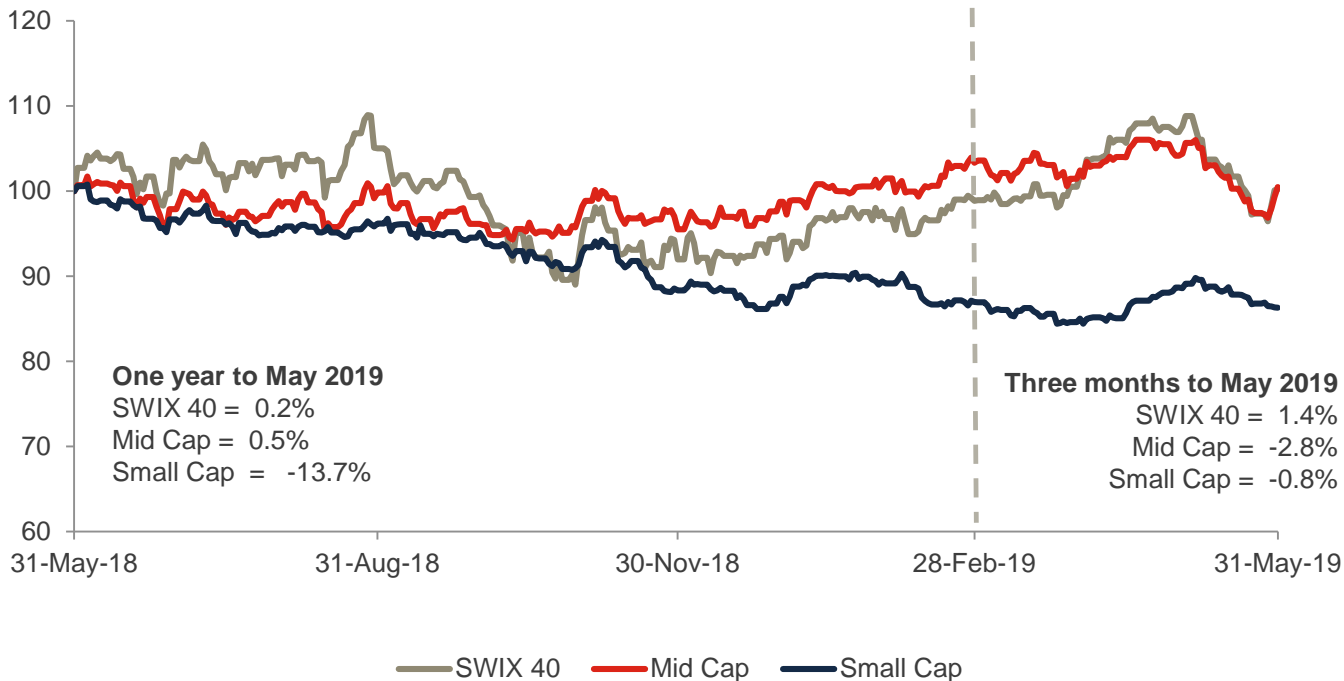
Financials

Industrials

Source: Barra, Deutsche Securities and Momentum Investments

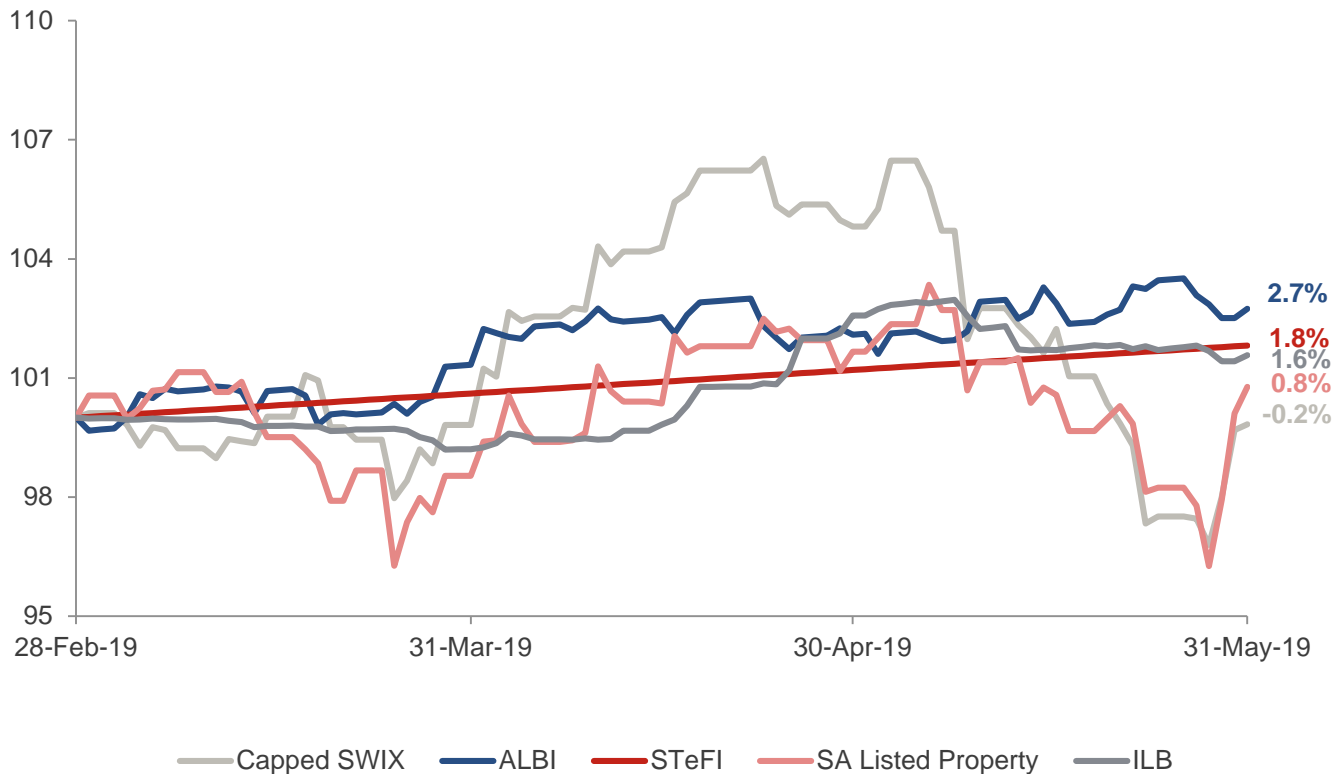
FTSE/JSE market caps

One year to May 2019



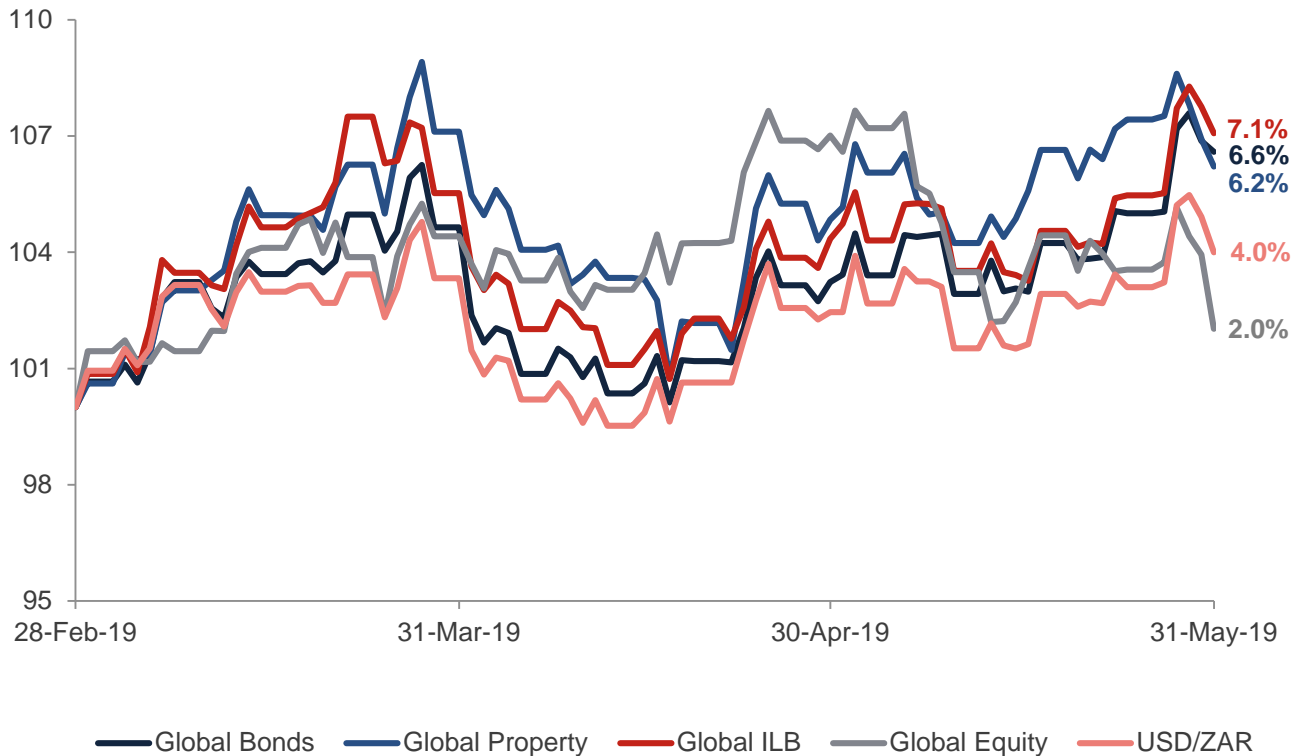
Local asset classes

Three months to May 2019



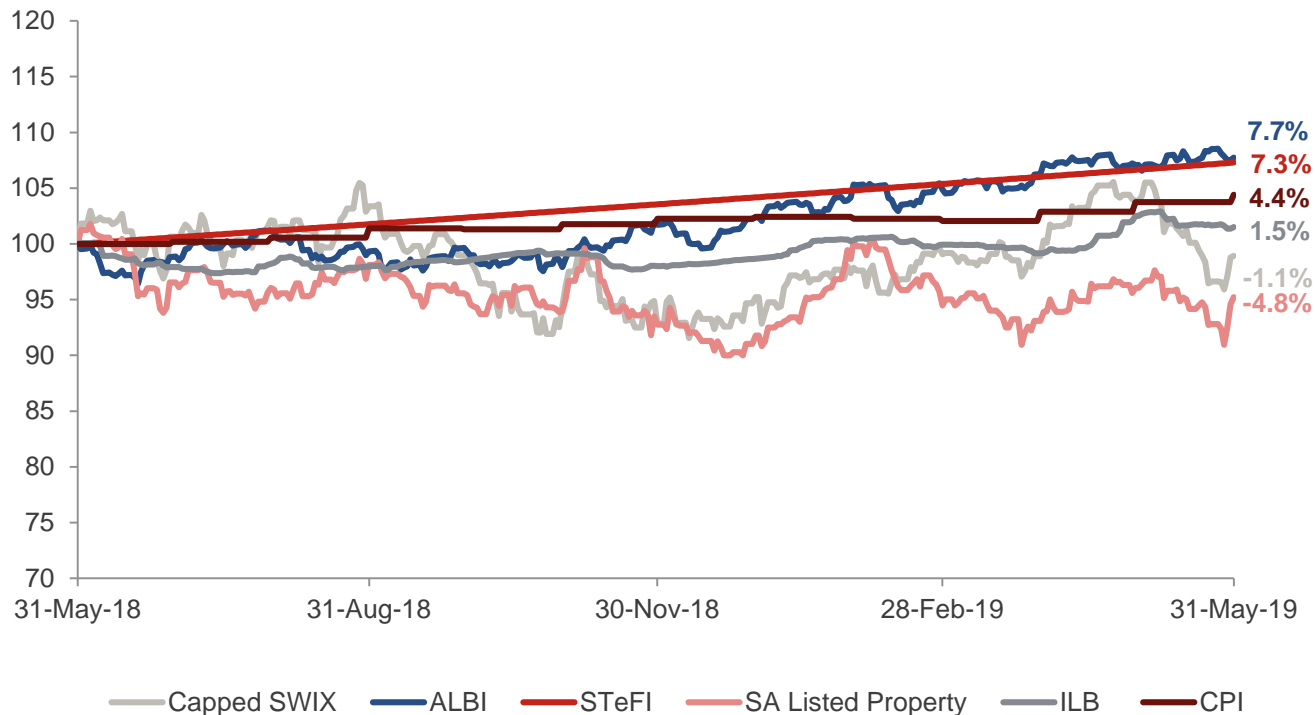
Global asset classes

Three months to May 2019



Local asset classes

One year to May 2019



* CPI lagged by one month due to availability of data

Source: IRESS and Momentum Investments

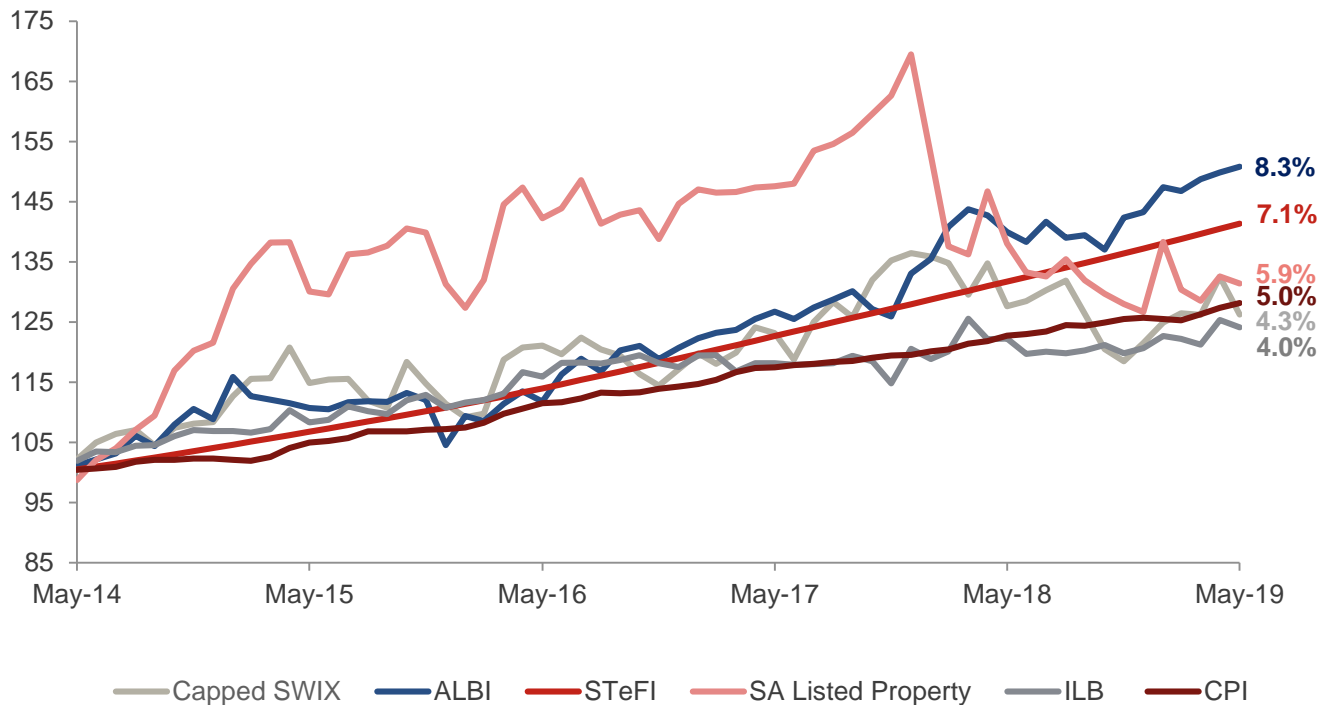
Global asset classes

One year to May 2019



Local asset classes

Five years to May 2019

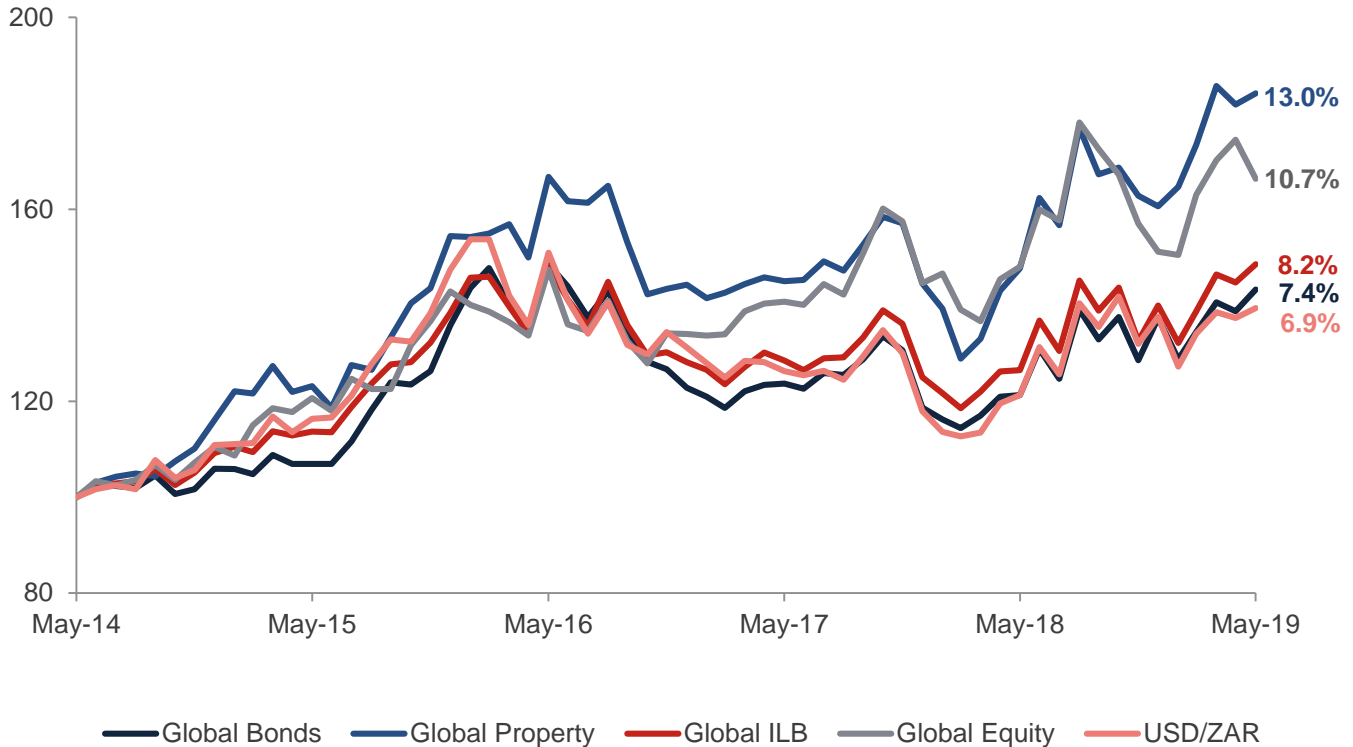


* CPI lagged by one month due to availability of data

Source: IRESS and Momentum Investments

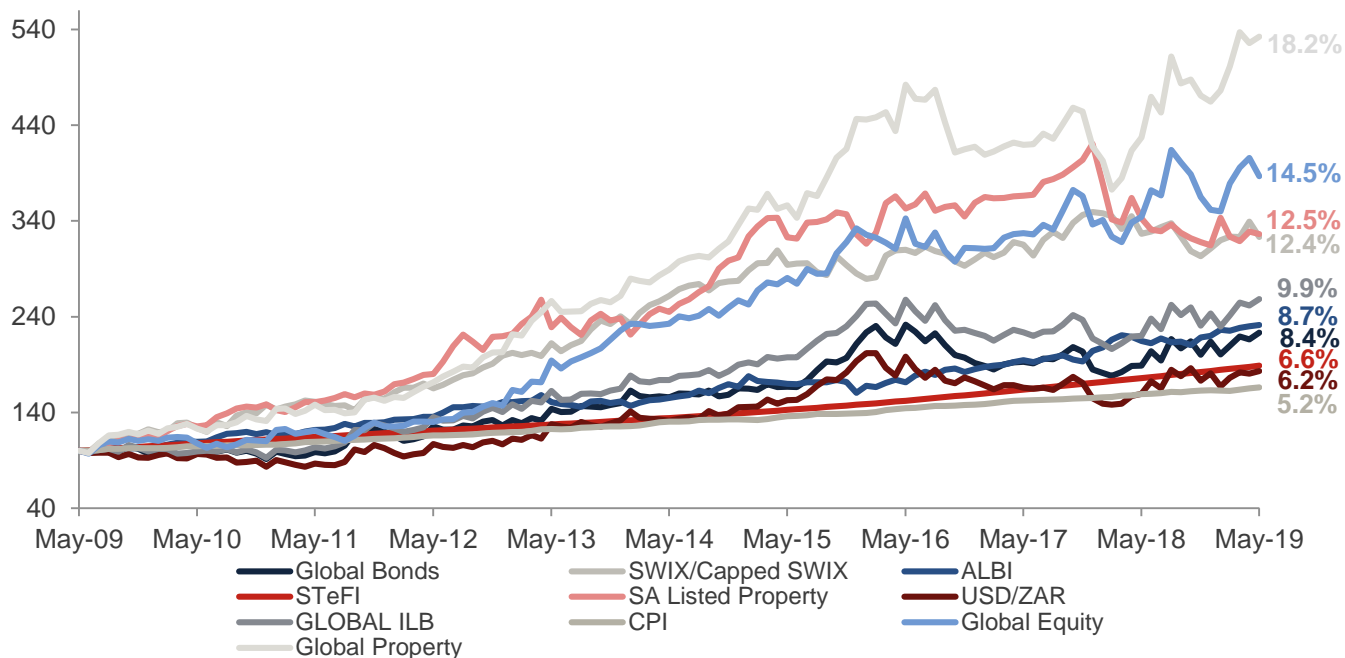
Global asset classes

Five years to May 2019



Asset classes

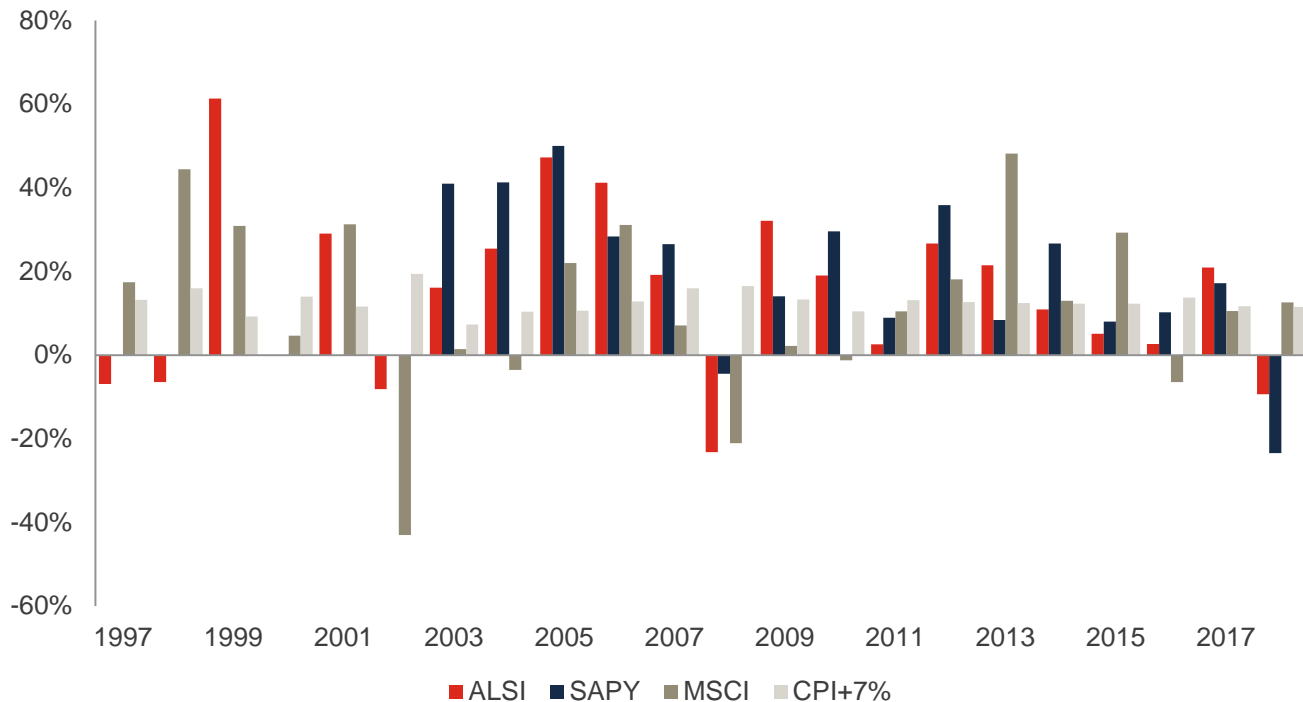
Ten years to May 2019



* CPI lagged by one month due to availability of data

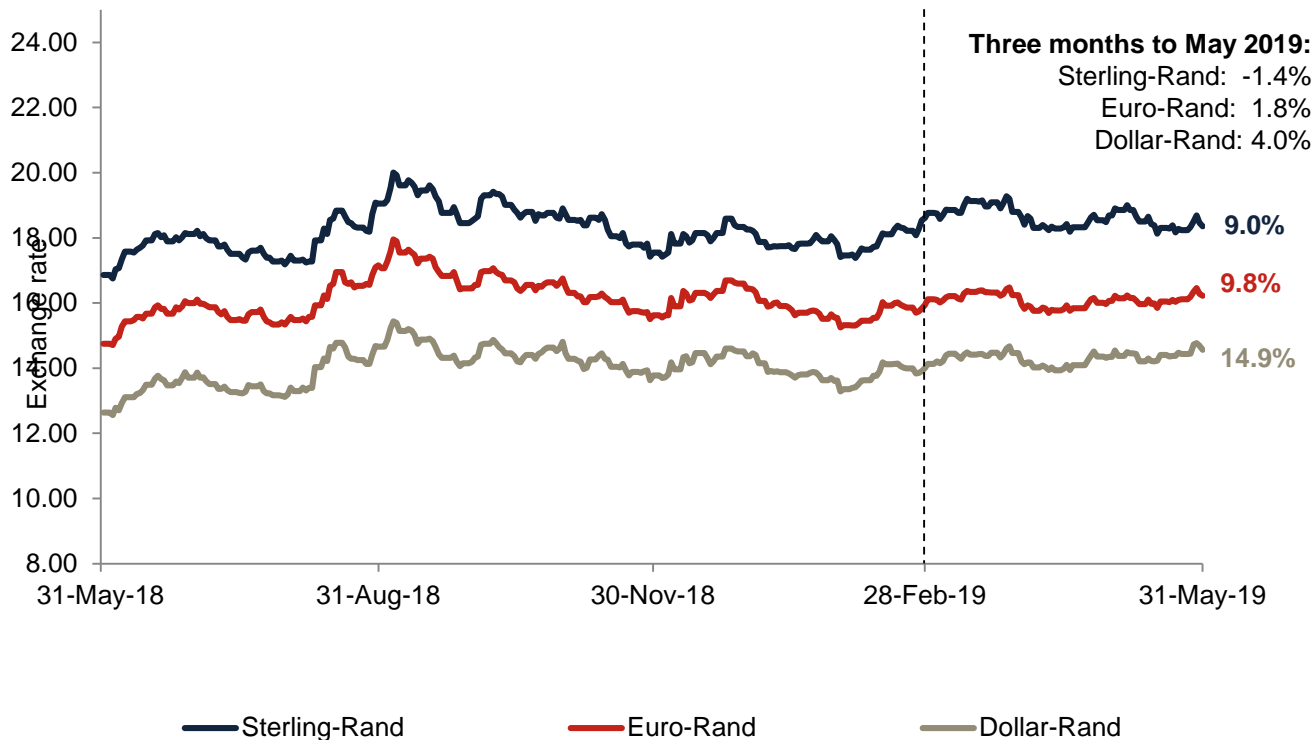
For the 10-year period to May 2019, the SWIX/Capped SWIX composite and SA Listed Property outperformed.

Annual asset class returns



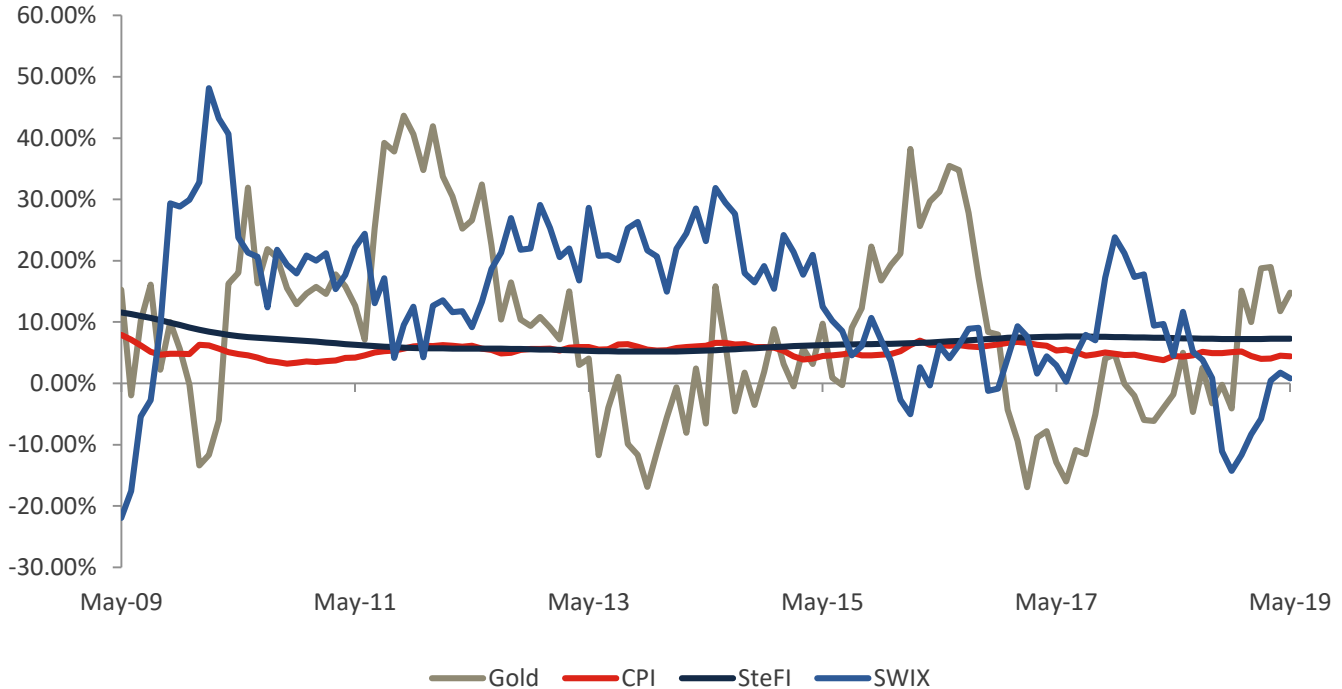
Exchange rates

One year to May 2019



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

One-year rolling returns to May 2019

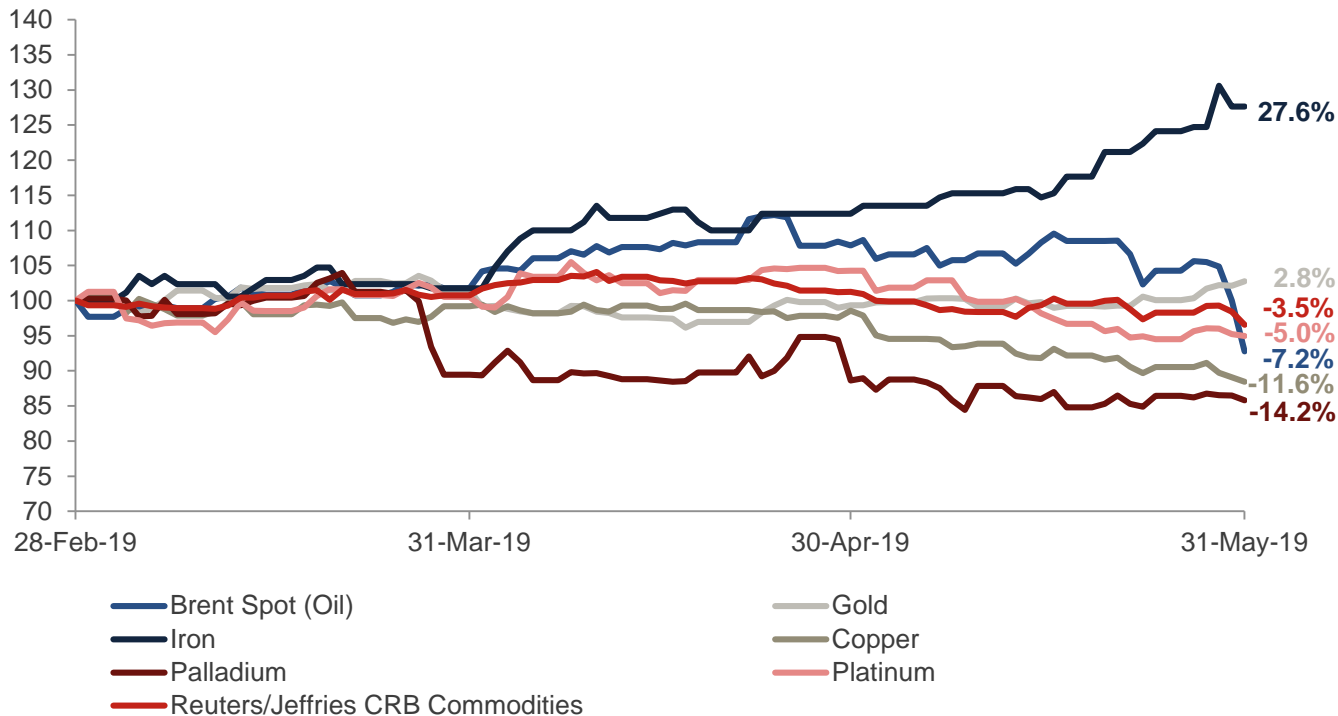


* CPI lagged by one month due to availability of data

Source: IRESS and Momentum Investments

Commodities

Three months to May 2019



All returns are in dollar terms

Source: IRESS, FT.com and Momentum Investments

Commodities

One year to May 2019



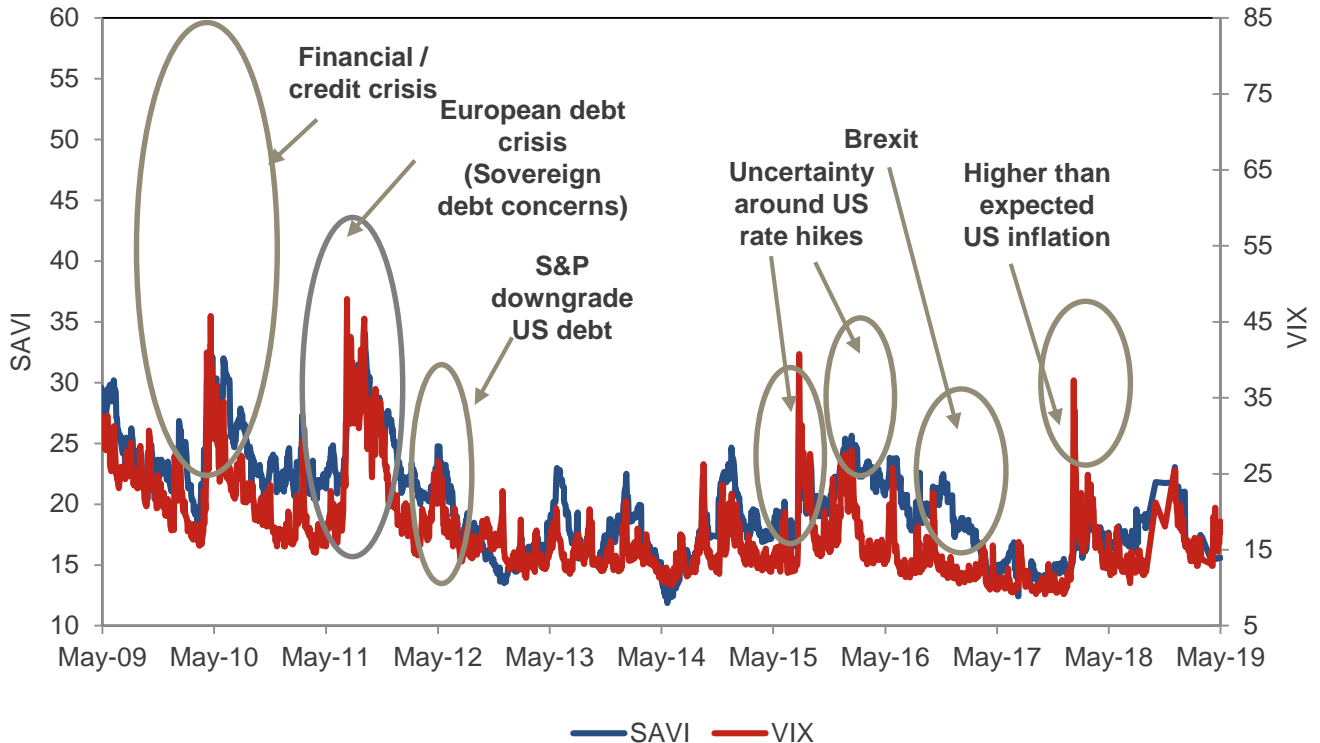
- Brent Spot (Oil)
- Iron
- Palladium
- Reuters/Jeffries CRB Commodities
- Gold
- Copper
- Platinum

All returns are in dollar terms

Source: IRESS, FT.com and Momentum Investments

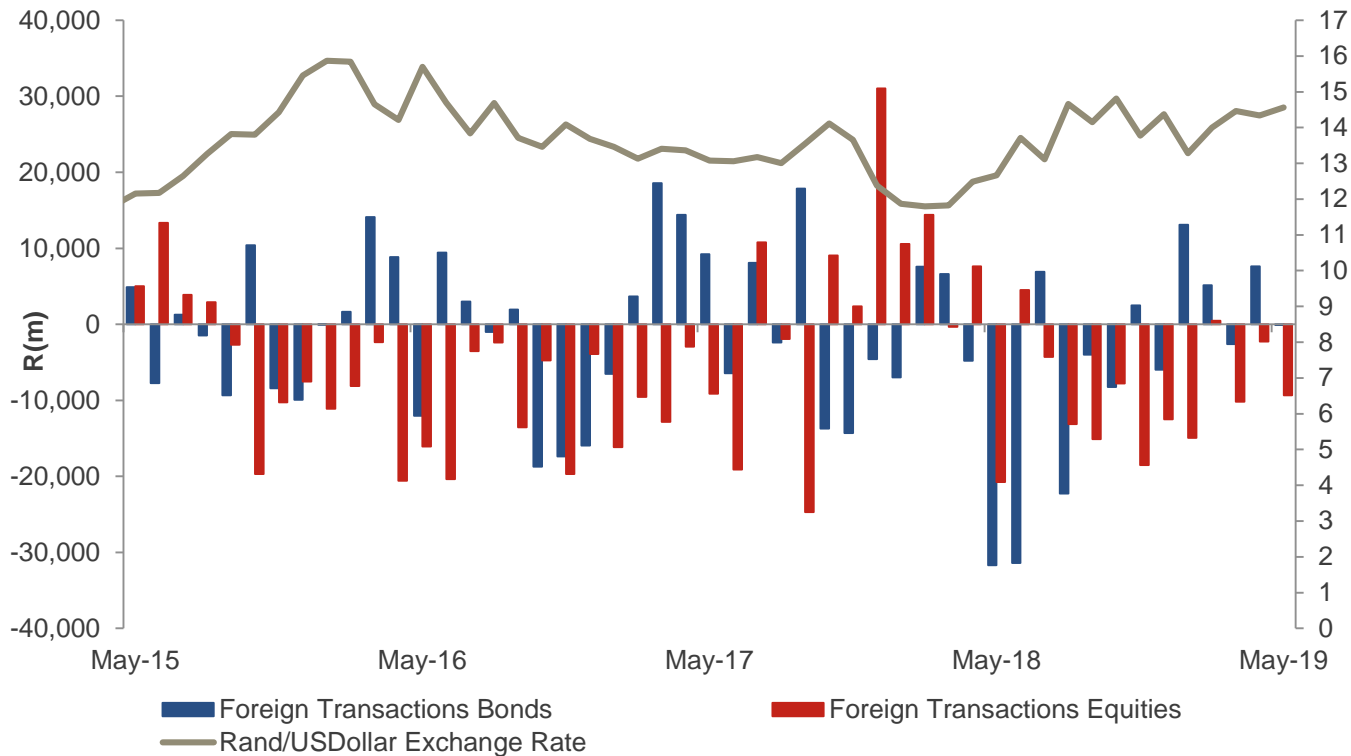
SAVI-VIX

Since May 2009 to May 2019



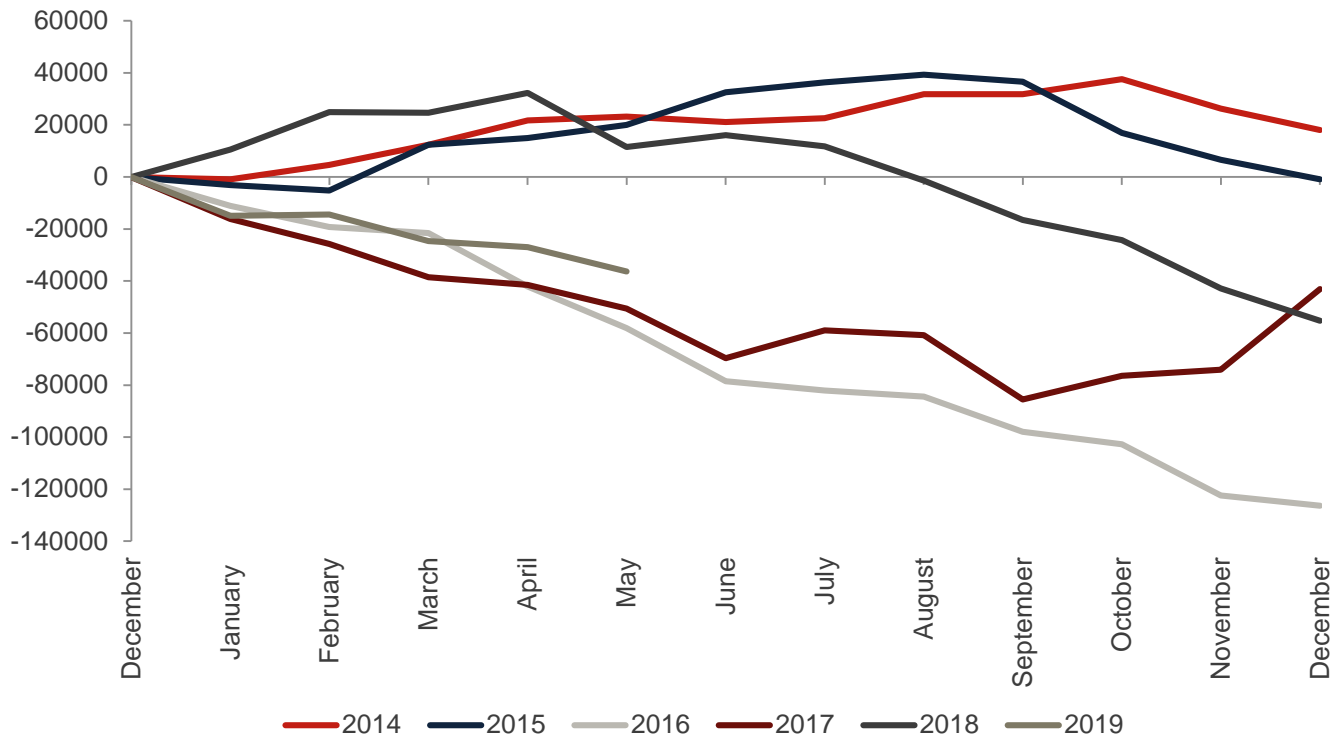
Foreign transactions

2015 to 2019



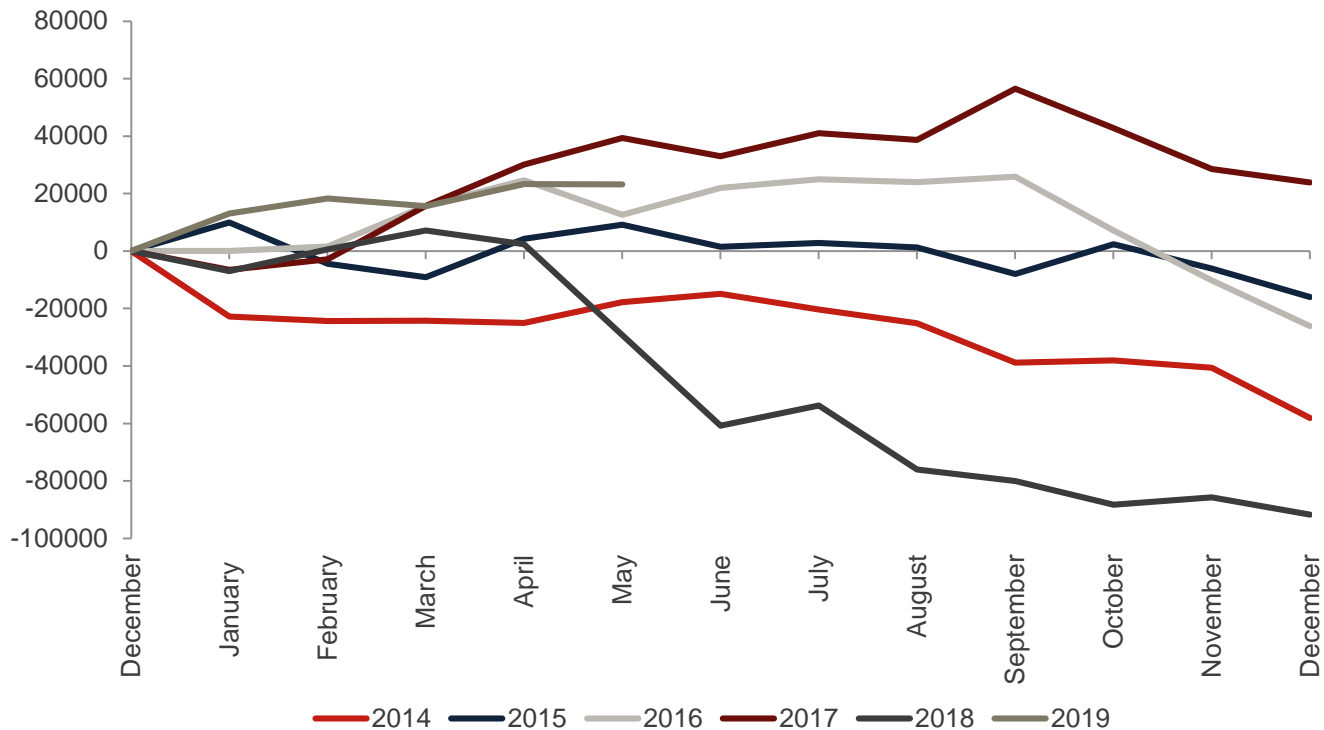
Cumulative foreign transaction equities

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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