

Key market performance drivers

Monthly charts to 30 September 2019

Signatory of:

Market concentration



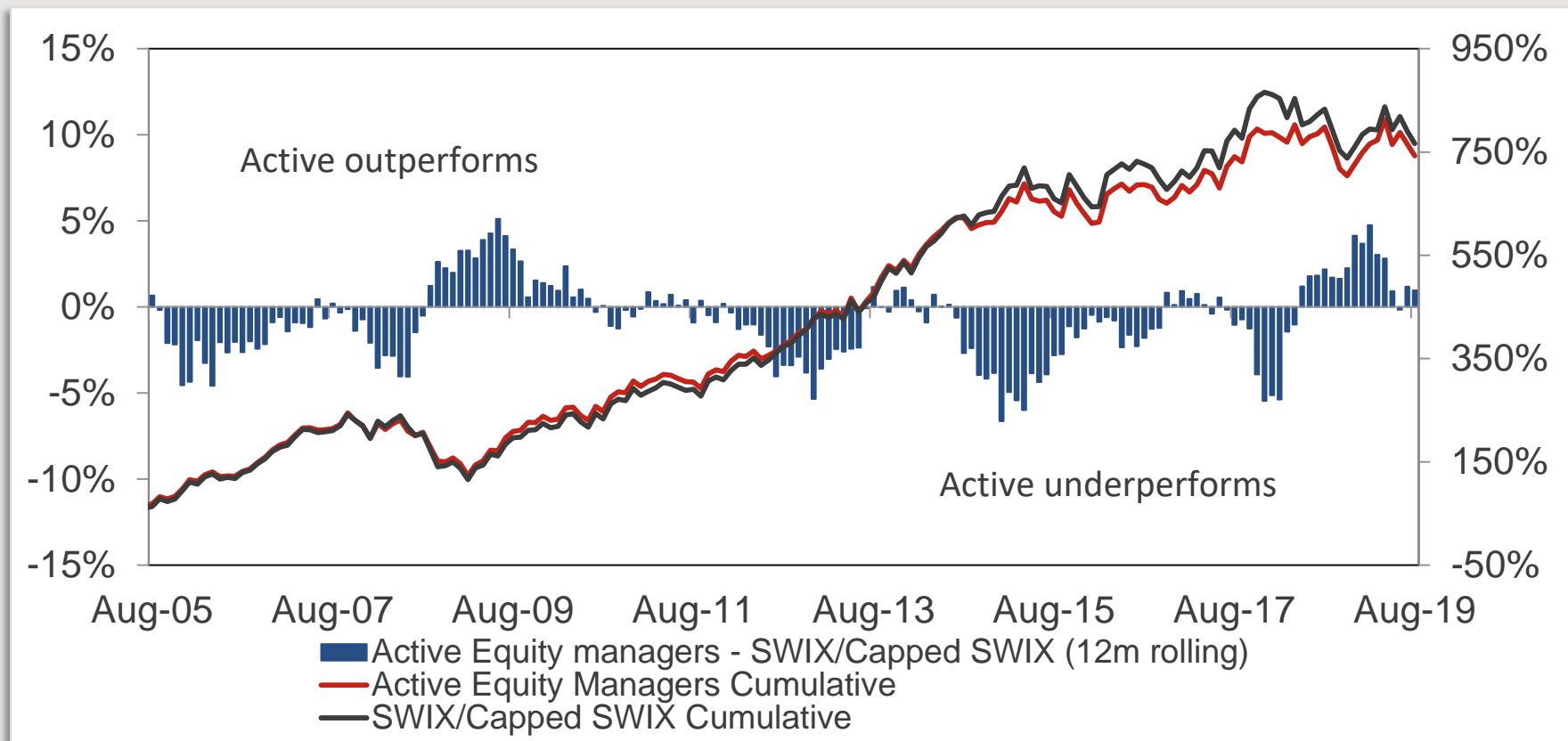
One-year Capped SWIX contributions ending September 2019



Active index analysis



One-year-rolling active to August* 2019



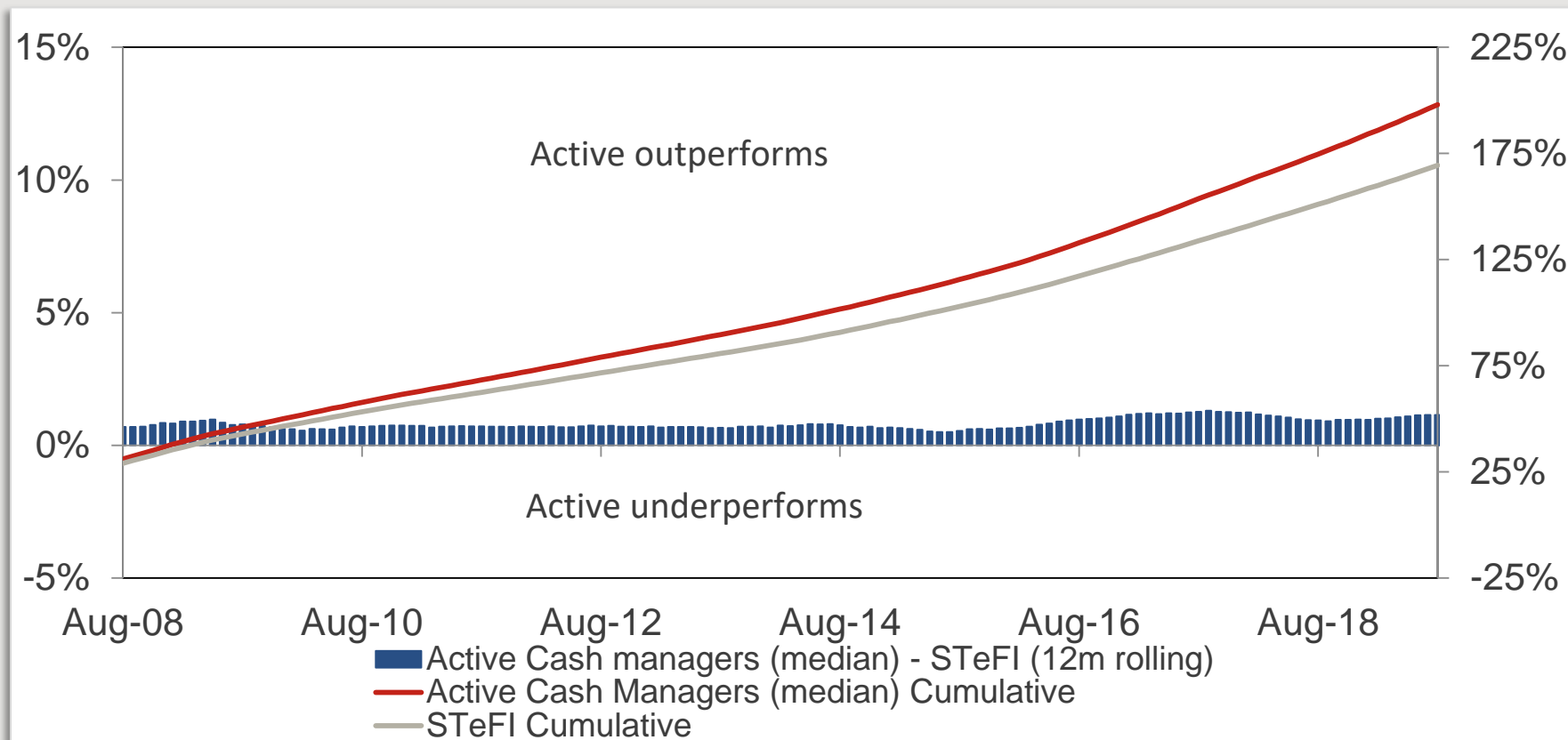
* Lagged by one month due to availability of data

The median of the active equity investment managers outperformed the SWIX/Capped SWIX composite benchmark for the 12 month period ending August 2019. (SWIX until 31 October 2017 and Capped SWIX thereafter)

Active versus tracker: Cash



One-year rolling average to August* 2019



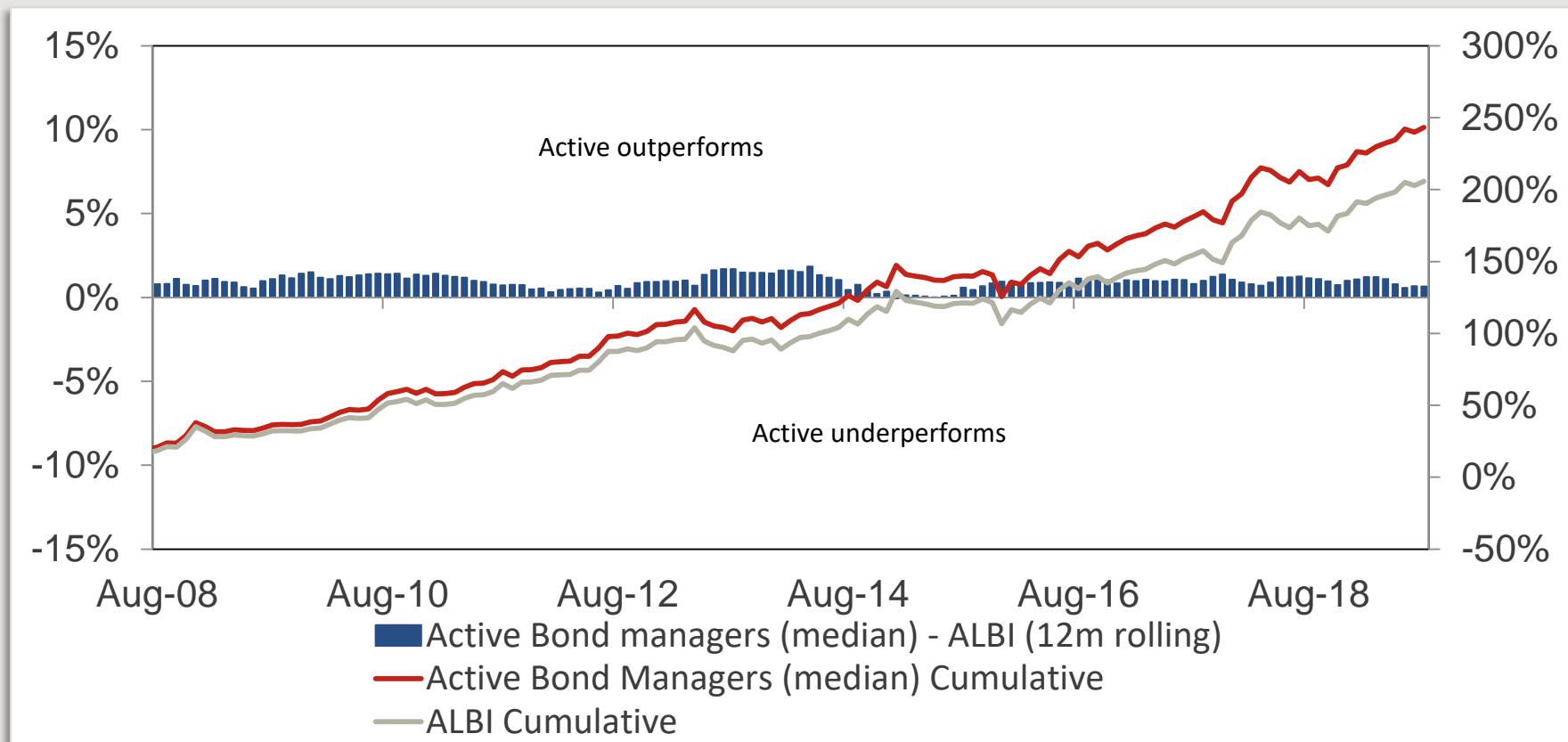
* Lagged by one month due to availability of data

The median of the active money market investment managers outperformed the SteFI for the 12 month period ending August 2019

Active versus tracker: Bonds



One-year rolling average to August* 2019



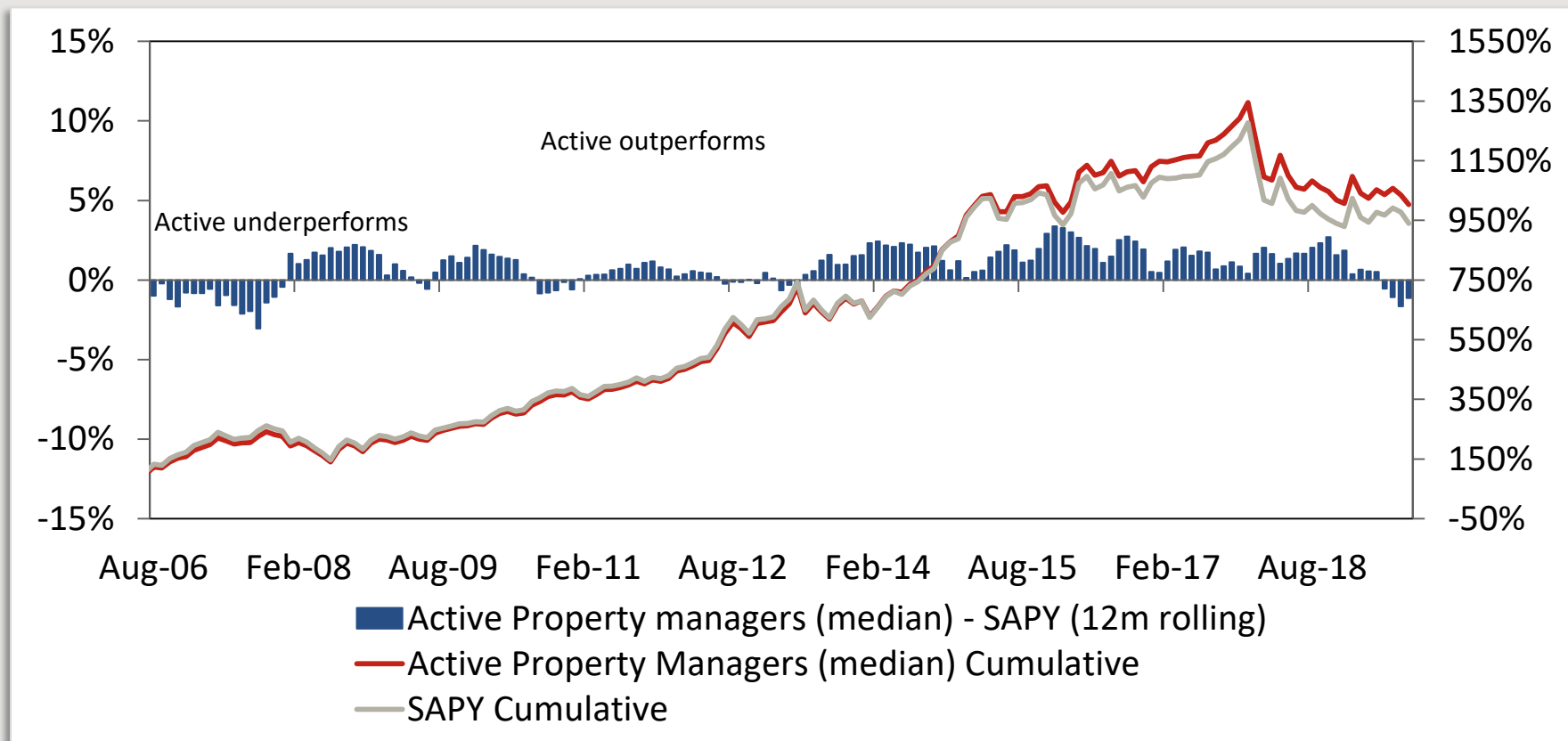
* Lagged by one month due to availability of data

The median of the active bond investment managers outperformed the ALBI for the 12 month period ending August 2019

Active versus tracker: Property



One-year rolling average to August* 2019



* Lagged by one month due to availability of data

The median of the active property investment managers underperformed the SAPY for the 12 month period ending August 2019

Style returns for South Africa



Data to September 2019

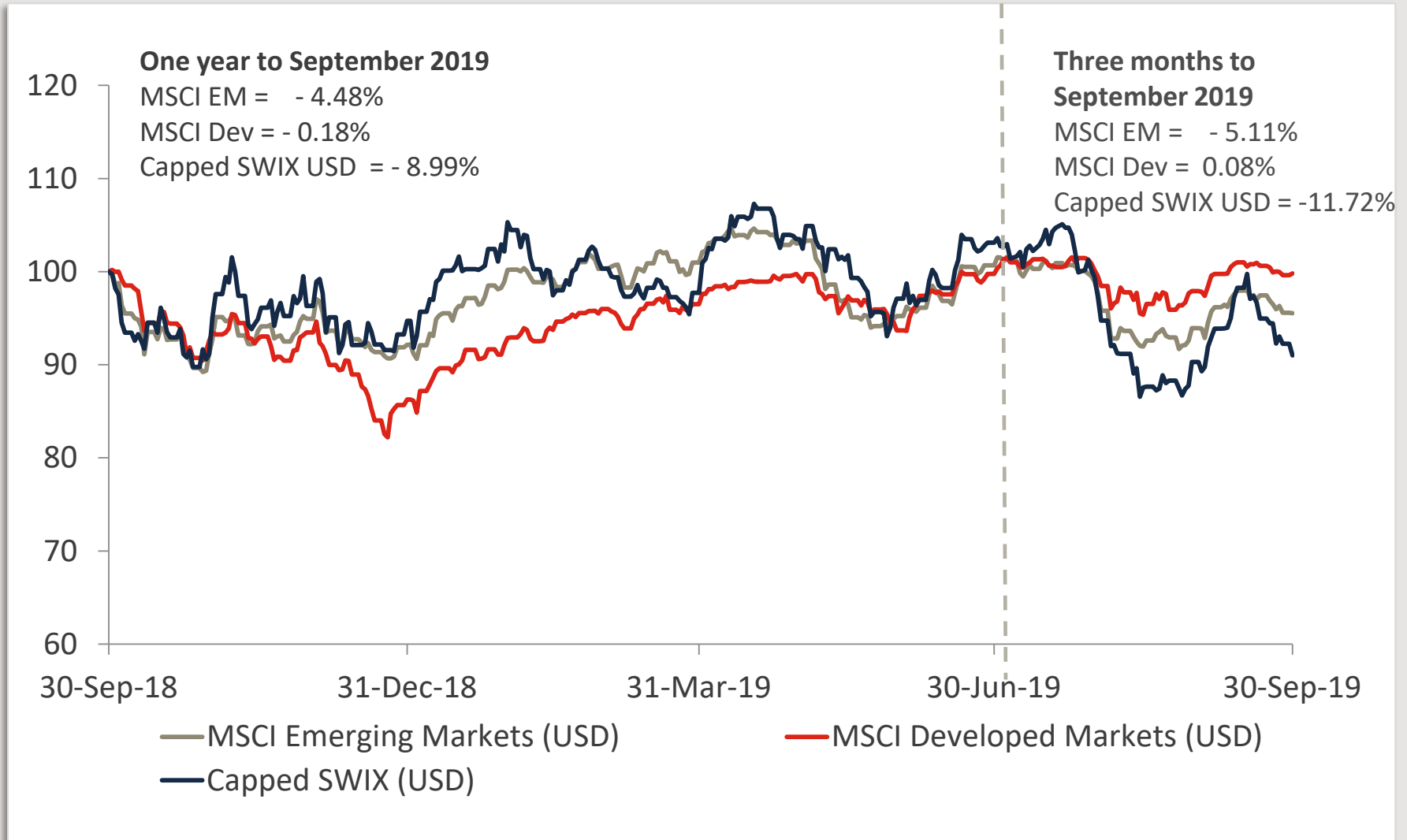
ZAR	Styles	One month to Sep 2019	Three months to Sep 2019	One year to Sep 2019	Three years to Sep 2019	Five years to Sep 2019	Ten years to Sep 2019	Twenty years to Sep 2019
Value	Book to Price	-1.25	0.26	-19.89	-7.02	-4.79	-4.20	0.37
	Dividend Yield	-2.92	-1.28	-1.94	1.23	0.86	-0.65	3.57
	Earnings Yield	-1.04	-5.56	-14.33	-1.76	-1.93	-1.38	1.14
	Cash Flow Yield	-0.47	-0.39	-1.18	4.40	4.63	1.08	3.17
	Sales to Price	1.71	-5.54	-15.06	-6.35	-3.10	-4.60	0.82
Quality	ROE	1.48	-0.87	1.40	2.88	1.35	1.04	-0.75
	ROIC LT	-3.03	-3.80	-10.14	-4.15	-3.10	-0.52	-2.50
	Income to Sales	0.25	-0.46	-0.92	5.02	1.19	2.50	-1.06
	Low market beta	0.16	3.20	-1.28	-0.61	0.72	0.18	0.92
	Low Debt/Equity	0.91	-0.34	-2.86	-0.05	-2.15	-2.39	-0.96
	EBIT Margin Stability	-2.07	-1.52	-4.83	-4.00	0.33	3.16	1.49
Growth	Earnings Growth	0.38	0.27	2.82	8.47	4.98	1.62	-1.37
	Sales Growth	-1.16	-4.77	-7.65	-2.61	-2.57	-1.40	-4.62
	12M Earning Growth	-3.57	1.16	8.83	-0.79	-1.59	-1.90	2.96
Momentum	FY1 Earnings Revisions	-3.47	-0.08	17.81	10.28	8.74	7.97	10.52
	Short Term Momentum	-2.12	6.17	14.41	3.85	7.19	2.07	2.76
	Medium Term Momentum	-1.66	6.29	15.06	2.72	3.02	5.74	7.50
Size	Size	-0.76	-0.12	9.05	3.37	1.31	0.34	0.48

Momentum and size has outperformed over all periods.

MSCI developed and emerging markets



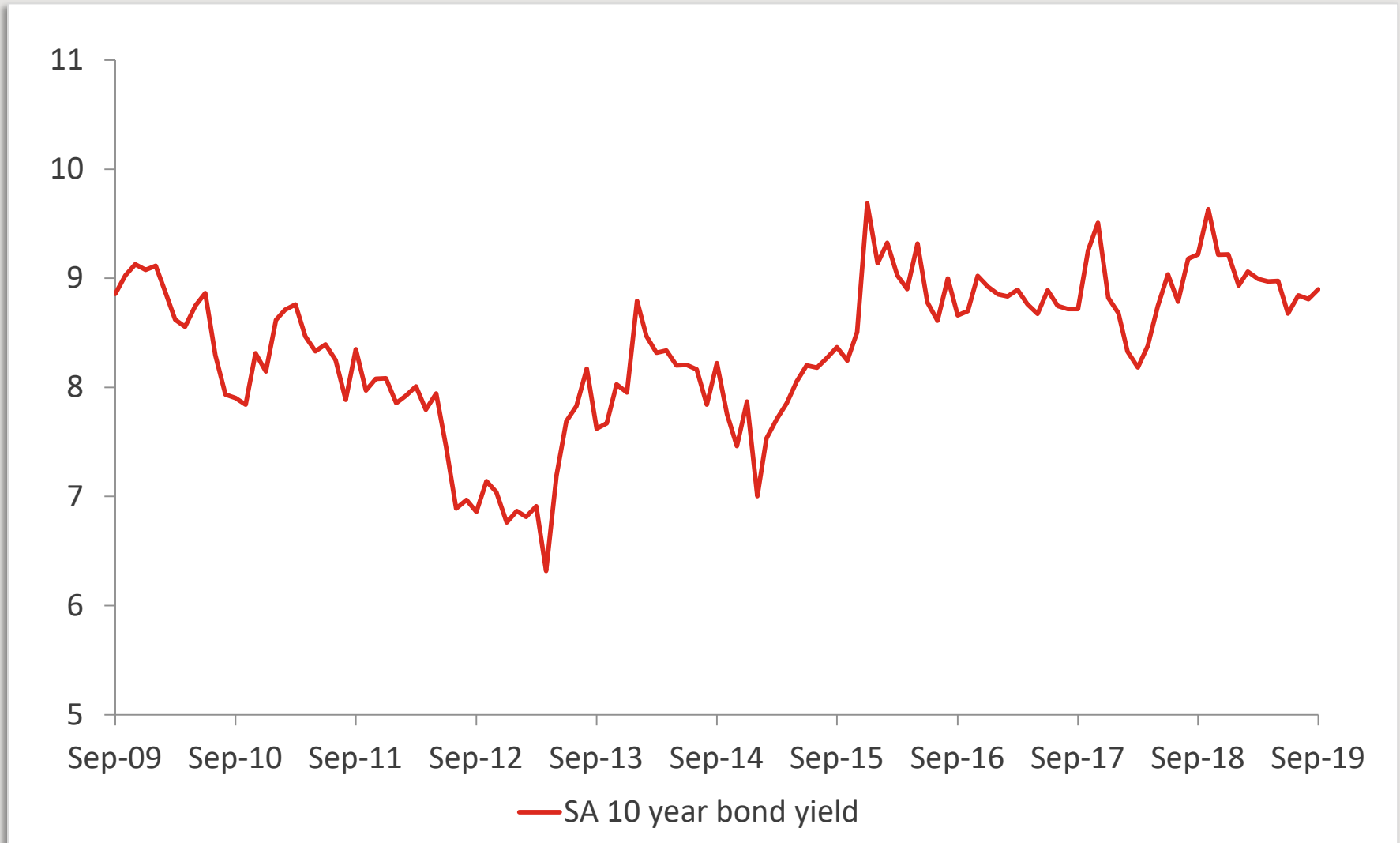
One year to September 2019



SA 10-year bond yields



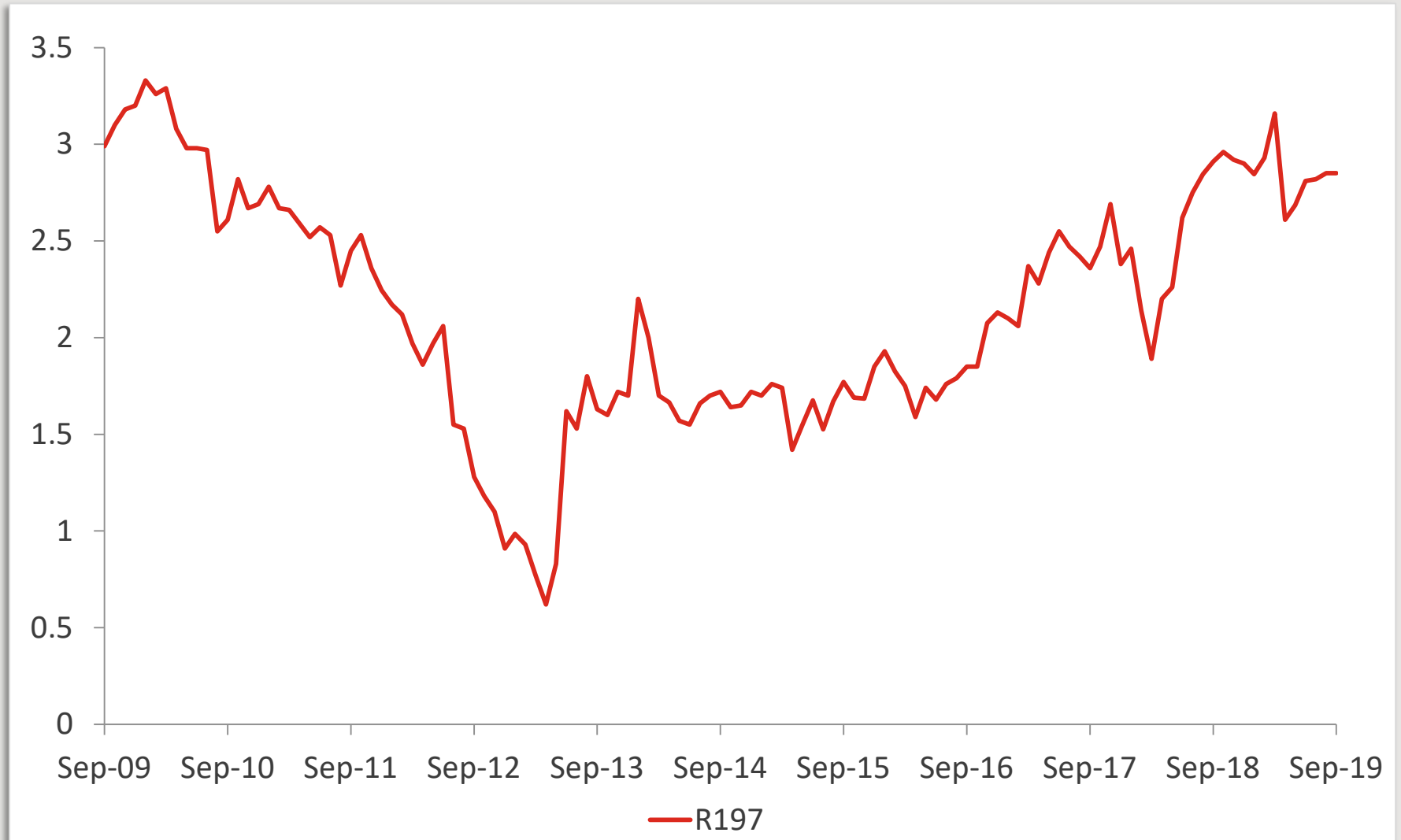
Ten years to September 2019



Yield of R197 (inflation-linked bond)



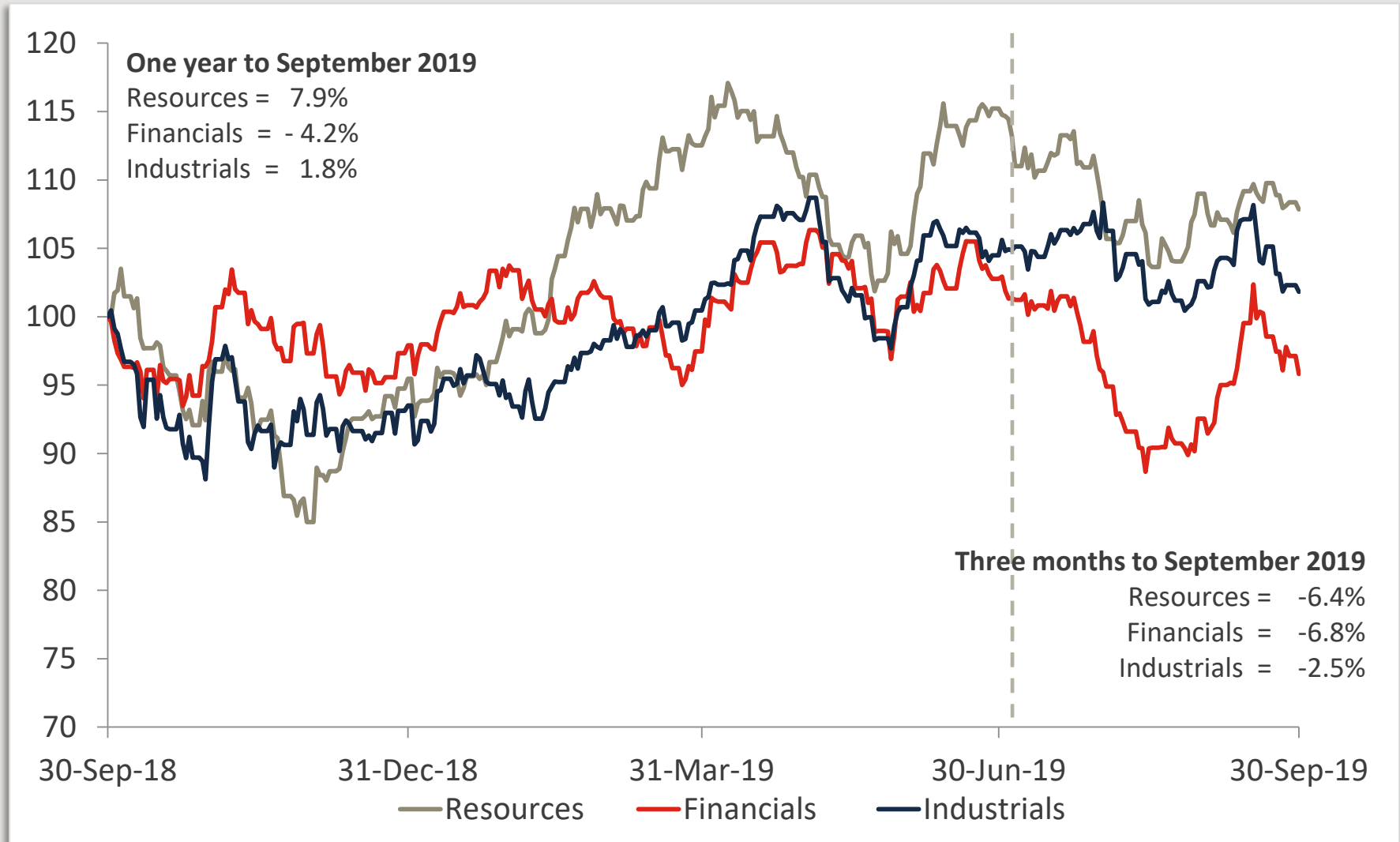
Ten years to September 2019



FTSE/JSE sectors



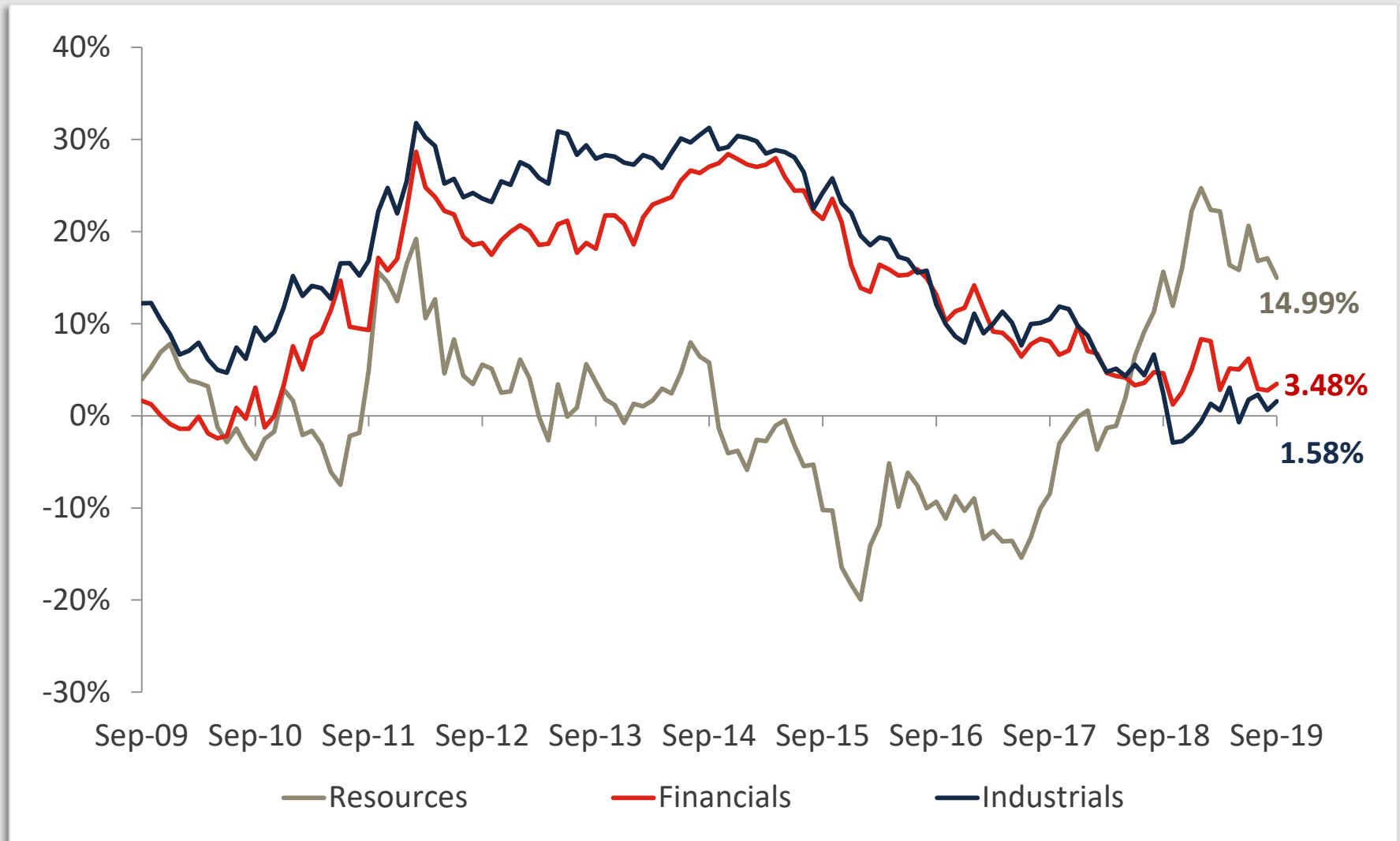
One year to September 2019



FTSE/JSE sectors



Three-years-rolling to September 2019



FTSE/JSE sectors



Decomposed

Three Months to September 2019

1 Equity Investment Instruments	Financials	20.67%	17 Real Estate Investment Trusts	Financials	-6.16%
2 Tobacco	Consumer Goods	13.69%	18 Mobile Telecommunications	Telecommunications	-6.16%
3 Beverages	Consumer Goods	13.43%	19 Financial Services	Financials	-7.30%
4 Construction & Materials	Industrials	4.80%	20 Life Insurance	Financials	-7.55%
5 Healthcare Equipment & Service	Healthcare	3.56%	21 Banks	Financials	-7.75%
6 Real Estate Investment & Services	Financials	2.75%	22 Software & Computer Services	Technology	-7.82%
7 Electronic & Electrical Equipment	Industrials	2.18%	23 General Retailers	Consumer Services	-7.89%
8 Automobiles & Parts	Consumer Goods	0.74%	24 General Industrials	Industrials	-8.01%
9 Mining	Basic Materials	0.14%	25 Support Services	Industrials	-9.83%
10 Food Producers	Consumer Goods	-0.27%	26 Pharmaceuticals & Biotechnology	Healthcare	-13.18%
11 Non-life Insurance	Financials	-0.71%	27 Forestry & Paper	Basic Materials	-14.79%
12 Media	Consumer Services	-1.74%	28 Industrial Engineering	Industrials	-18.15%
13 Industrial Transportation	Industrials	-2.77%	29 Industrial Metals & Mining	Industrials	-19.34%
14 Food & Drug Retailers	Consumer Services	-3.58%	30 Fixed-line Telecommunications	Telecommunications	-23.43%
15 Personal Goods	Consumer Goods	-5.01%	31 Household Goods & Home Construction	Consumer Goods	-24.62%
16 Travel & Leisure	Travel & Leisure	-5.44%	32 Chemicals	Basic Materials	-25.70%

Key

Resources
Financials
Industrials

Decomposed

One Year to September 2019

1 Fixed-line Telecommunications	Telecommunications	43.06%	18 Tobacco	Consumer Goods	-9.87%
2 Mining	Basic Materials	42.30%	19 General Industrials	Industrials	-10.56%
3 Beverages	Consumer Goods	42.04%	20 Financial Services	Financials	-12.22%
4 Automobiles & Parts	Consumer Goods	31.87%	21 General Retailers	Consumer Services	-12.62%
5 Industrial Metals & Mining	Industrials	27.11%	22 Travel & Leisure	Travel & Leisure	-13.77%
6 Media	Consumer Services	14.35%	23 Food Producers	Consumer Goods	-14.70%
7 Mobile Telecommunications	Telecommunications	10.29%	24 Healthcare Equipment & Service	Healthcare	-15.74%
8 Software & Computer Services	Technology	9.46%	25 Construction & Materials	Industrials	-17.24%
9 Equity Investment Instruments	Financials	4.69%	26 Support Services	Industrials	-19.65%
10 Banks	Financials	2.97%	27 Industrial Transportation	Industrials	-27.25%
11 Real Estate Investment & Services	Financials	1.47%	28 Forestry & Paper	Basic Materials	-34.44%
12 Personal Goods	Consumer Goods	-2.17%	29 Industrial Engineering	Industrials	-43.44%
13 Electronic & Electrical Equipment	Industrials	-2.70%	30 Pharmaceuticals & Biotechnology	Healthcare	-45.94%
14 Food & Drug Retailers	Consumer Services	-3.99%	31 Oil & Gas Producers	Financial Services	-51.36%
15 Non-life Insurance	Financials	-7.42%	32 Chemicals	Basic Materials	-51.75%
16 Life Insurance	Financials	-7.84%	33 Household Goods & Home Construction	Consumer Goods	-57.39%
17 Real Estate Investment Trusts	Financials	-9.37%			

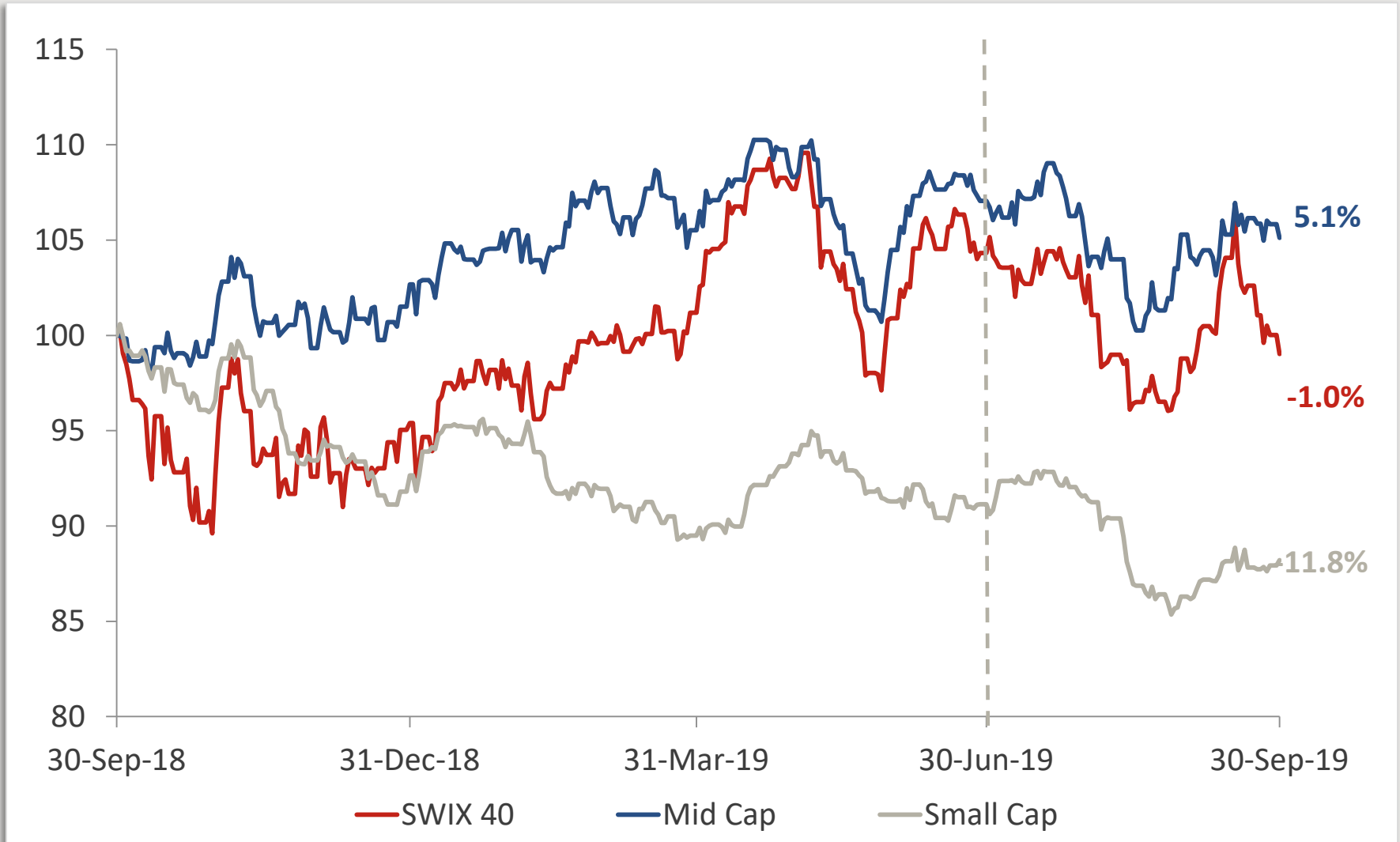
Key

Resources
Financials
Industrials

FTSE/JSE market caps



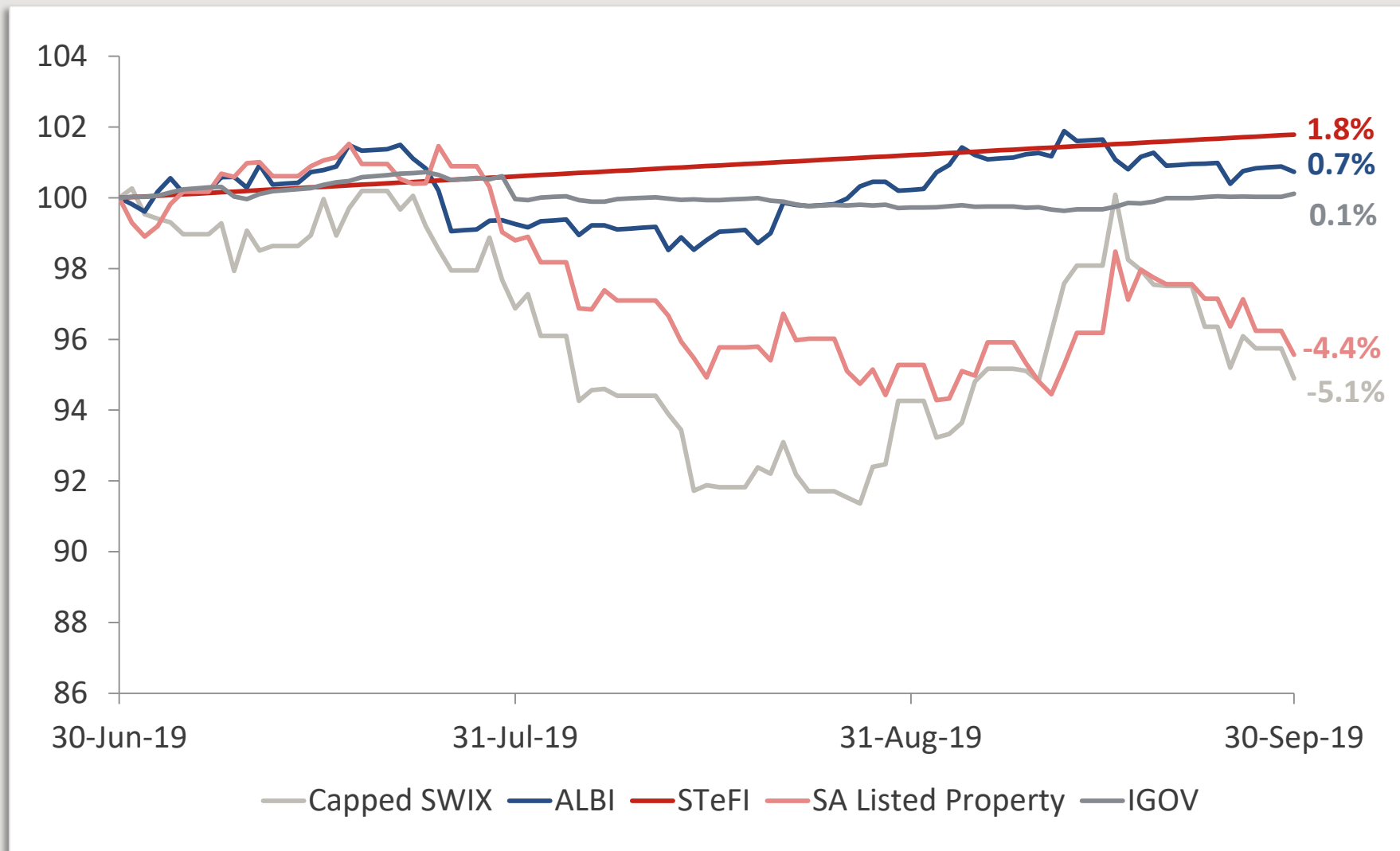
One year to September 2019



Local asset classes



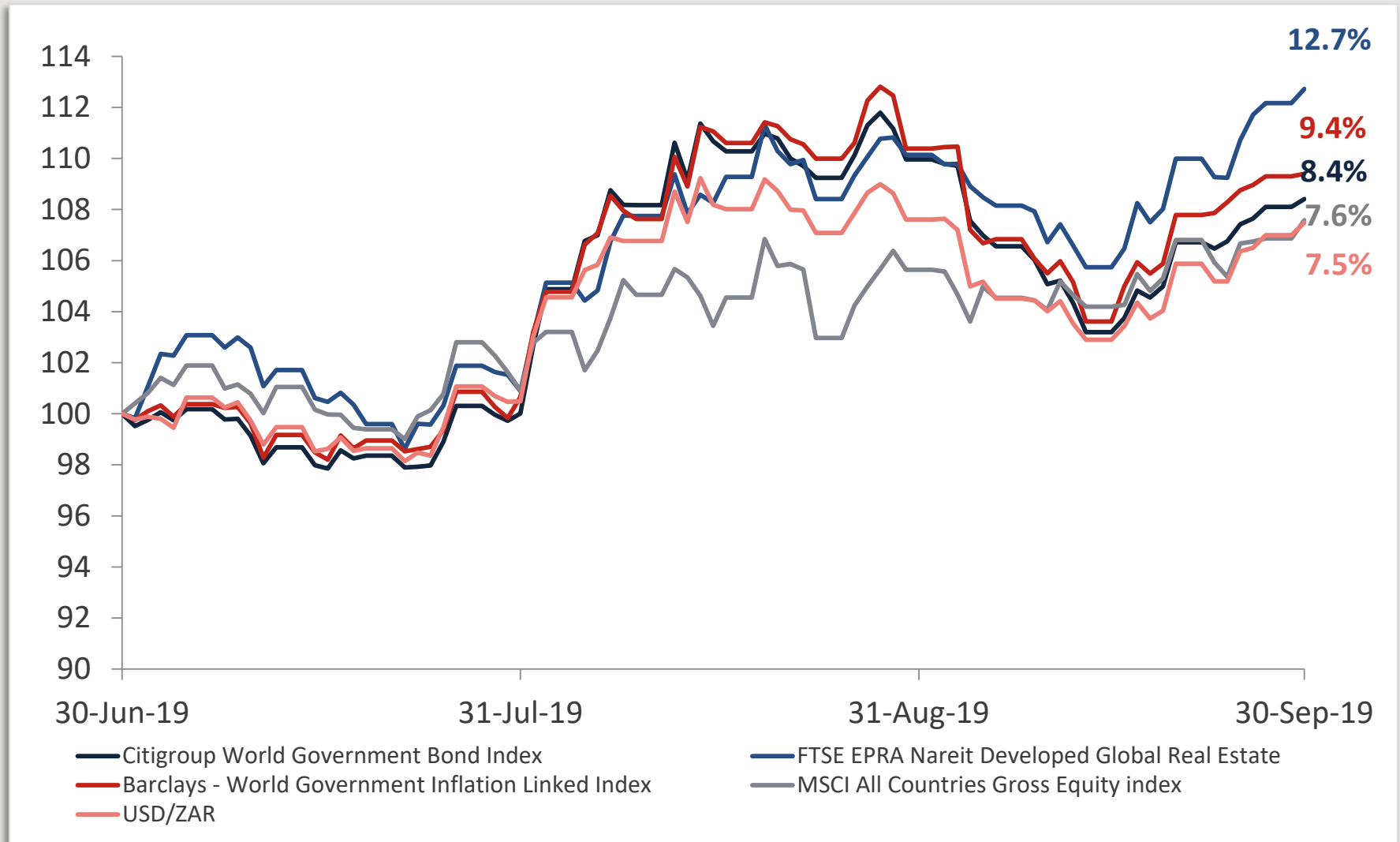
Three months to September 2019



Global asset classes



Three months to September 2019



Local asset classes



One year to September 2019

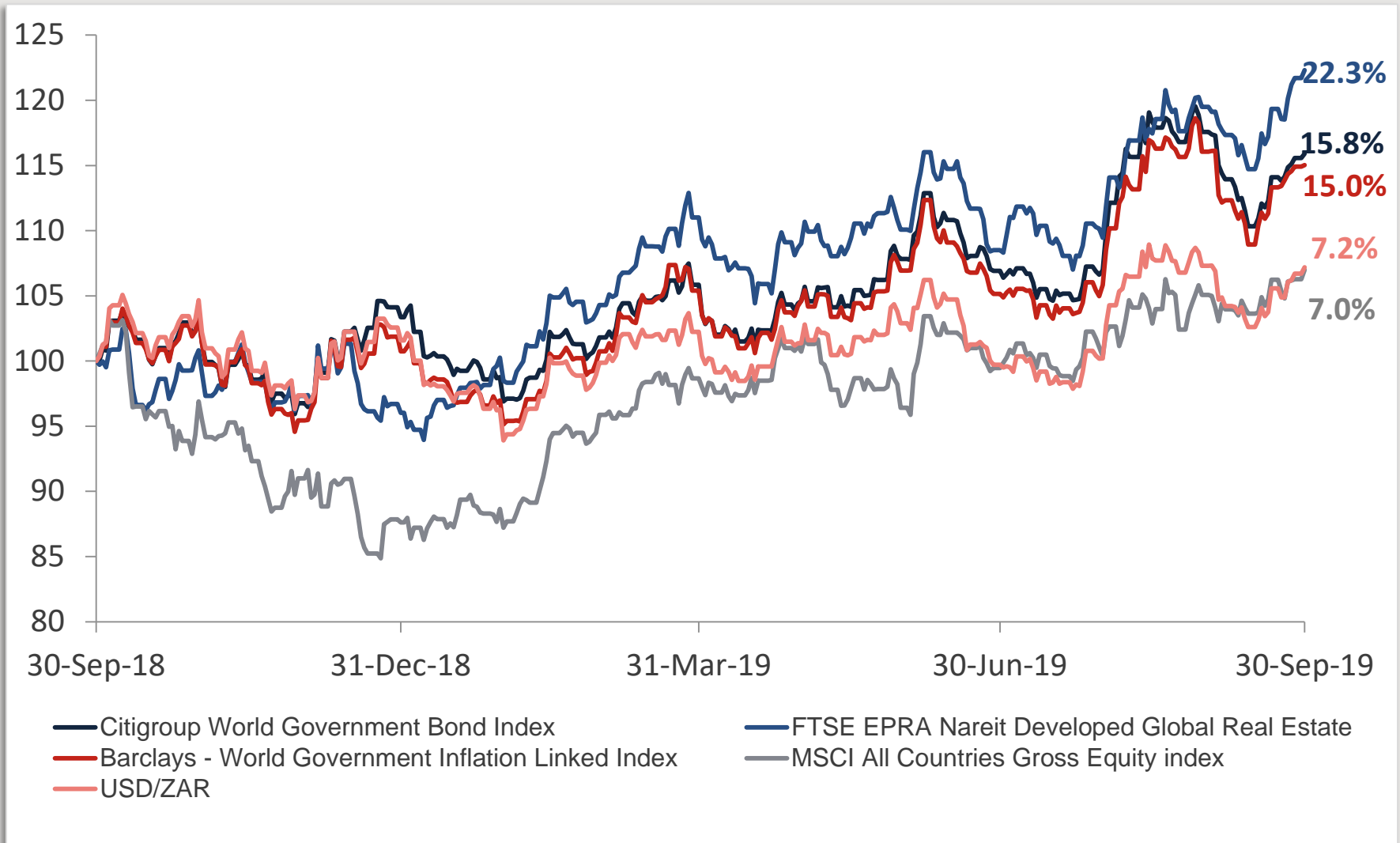


* CPI lagged by one month due to availability of data

Global asset classes



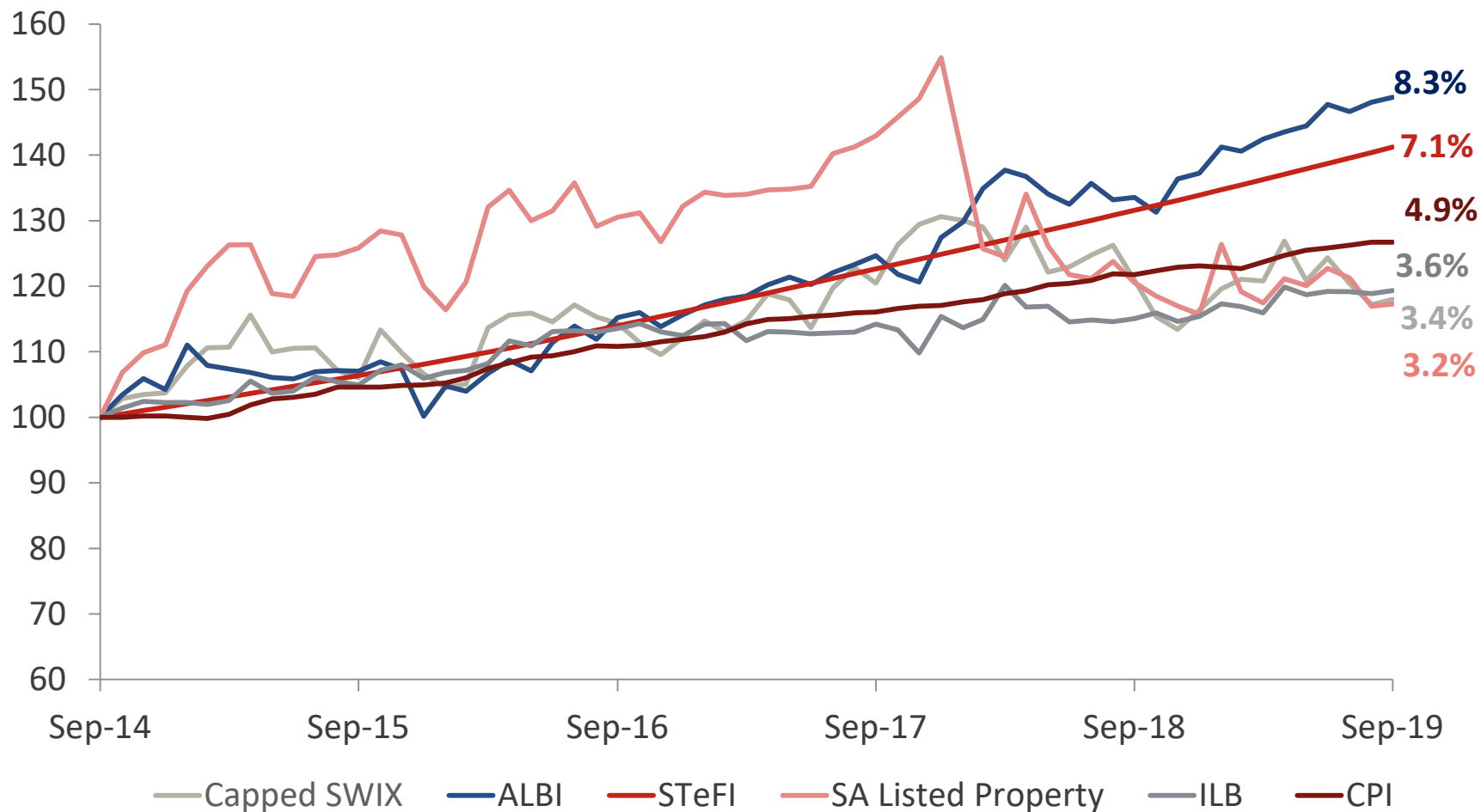
One year to September 2019



Local asset classes



Five years to September 2019

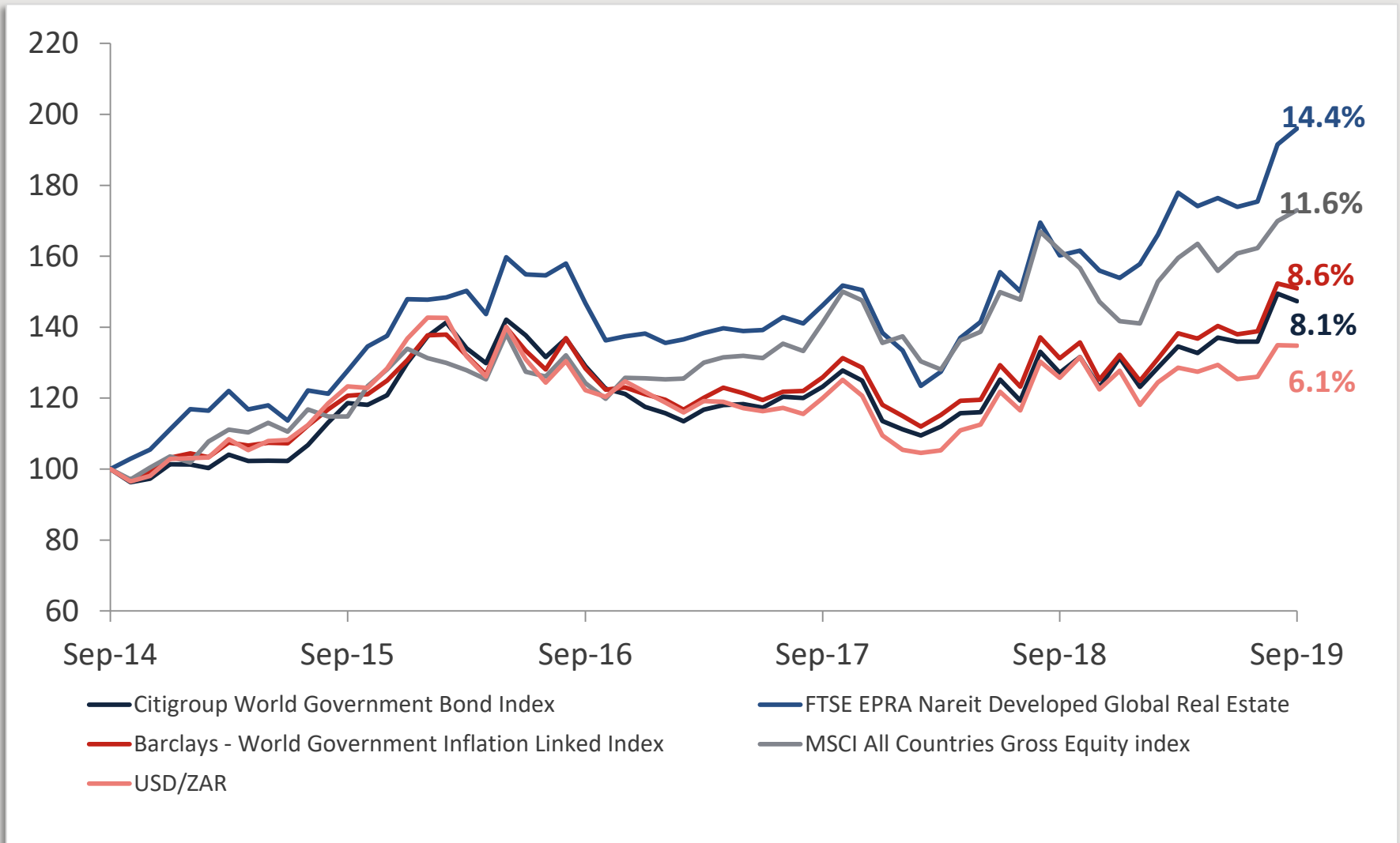


* CPI lagged by one month due to availability of data

Global asset classes



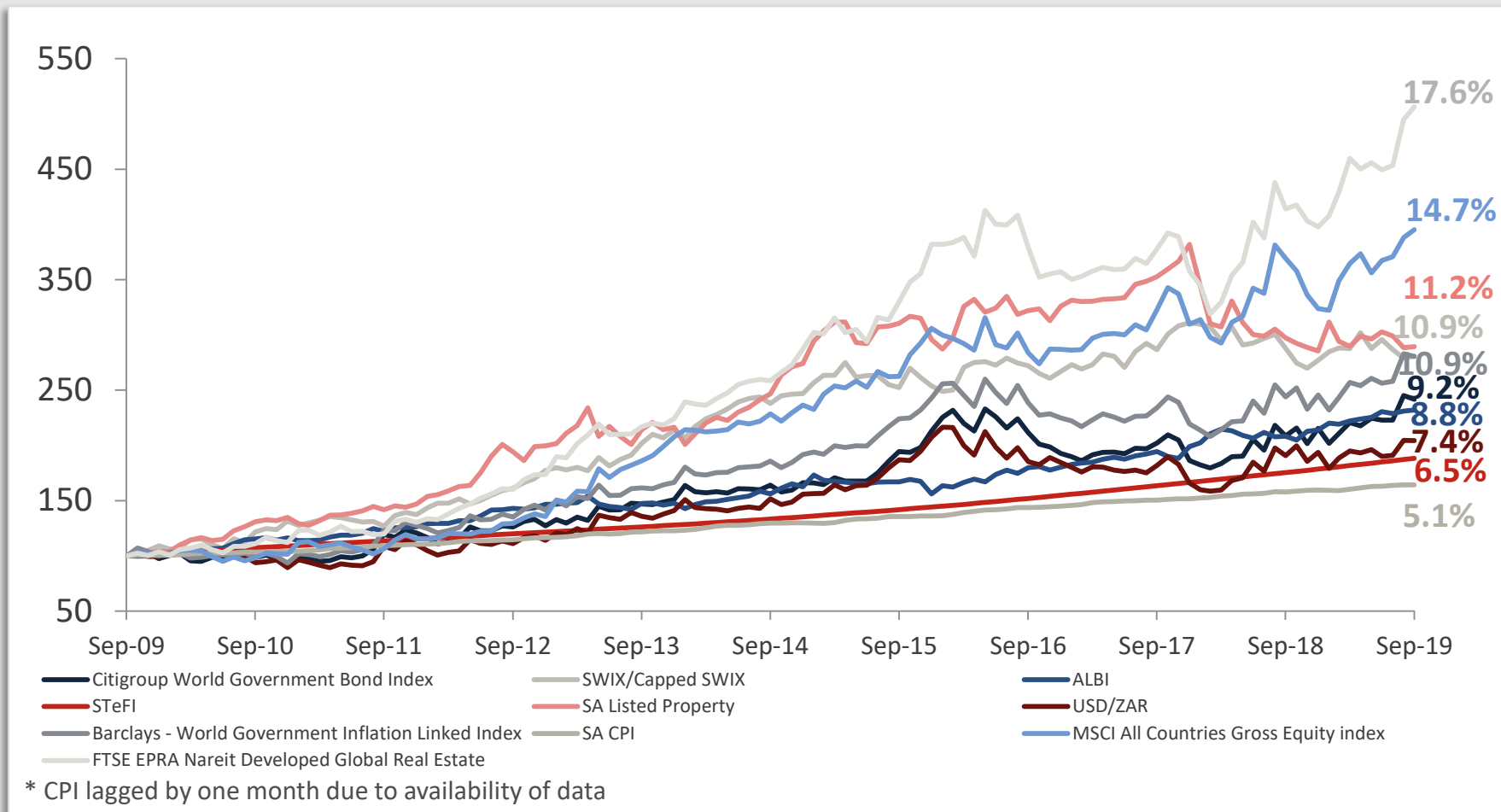
Five years to September 2019



Asset classes

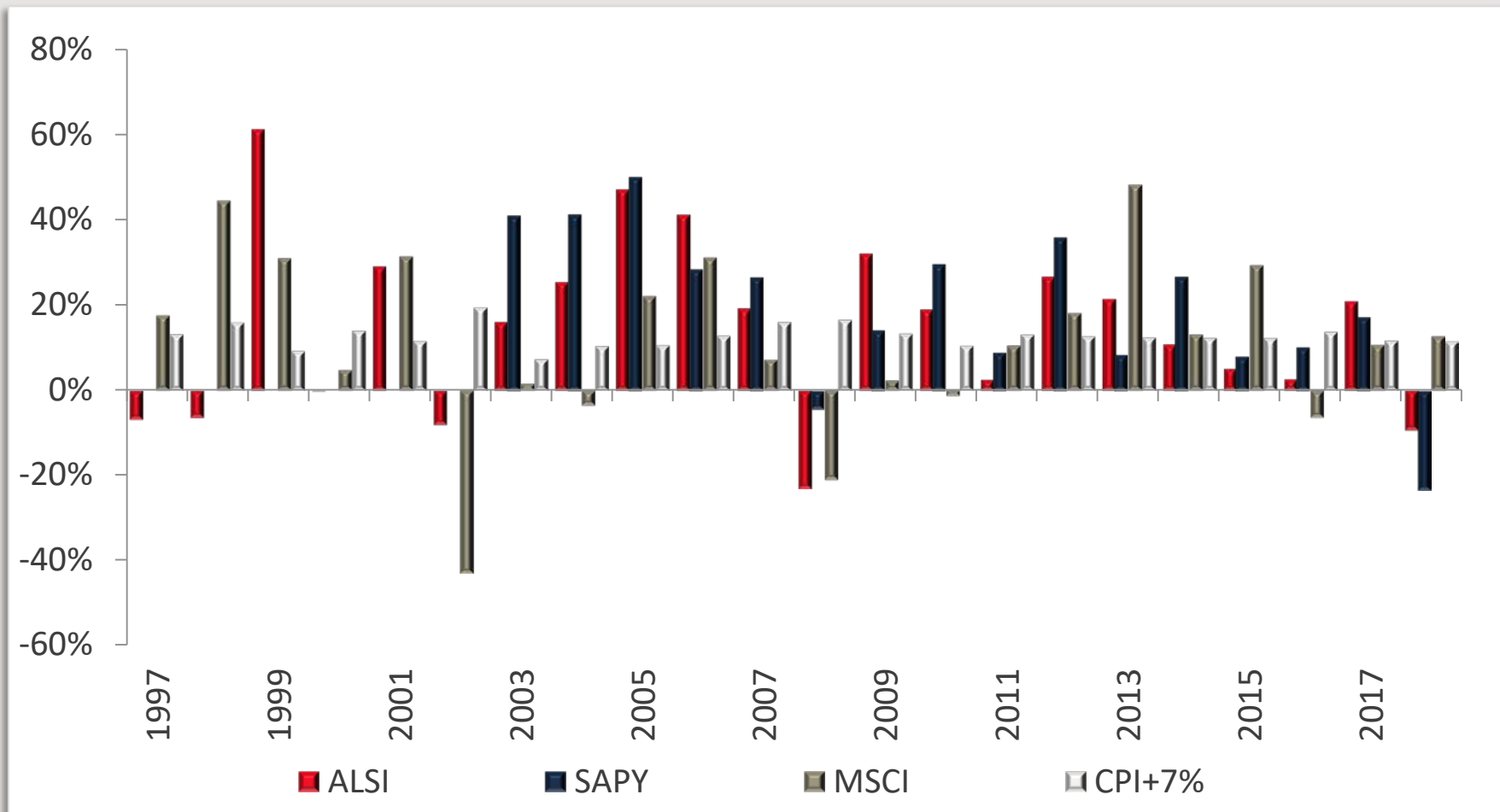


Ten years to September 2019



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

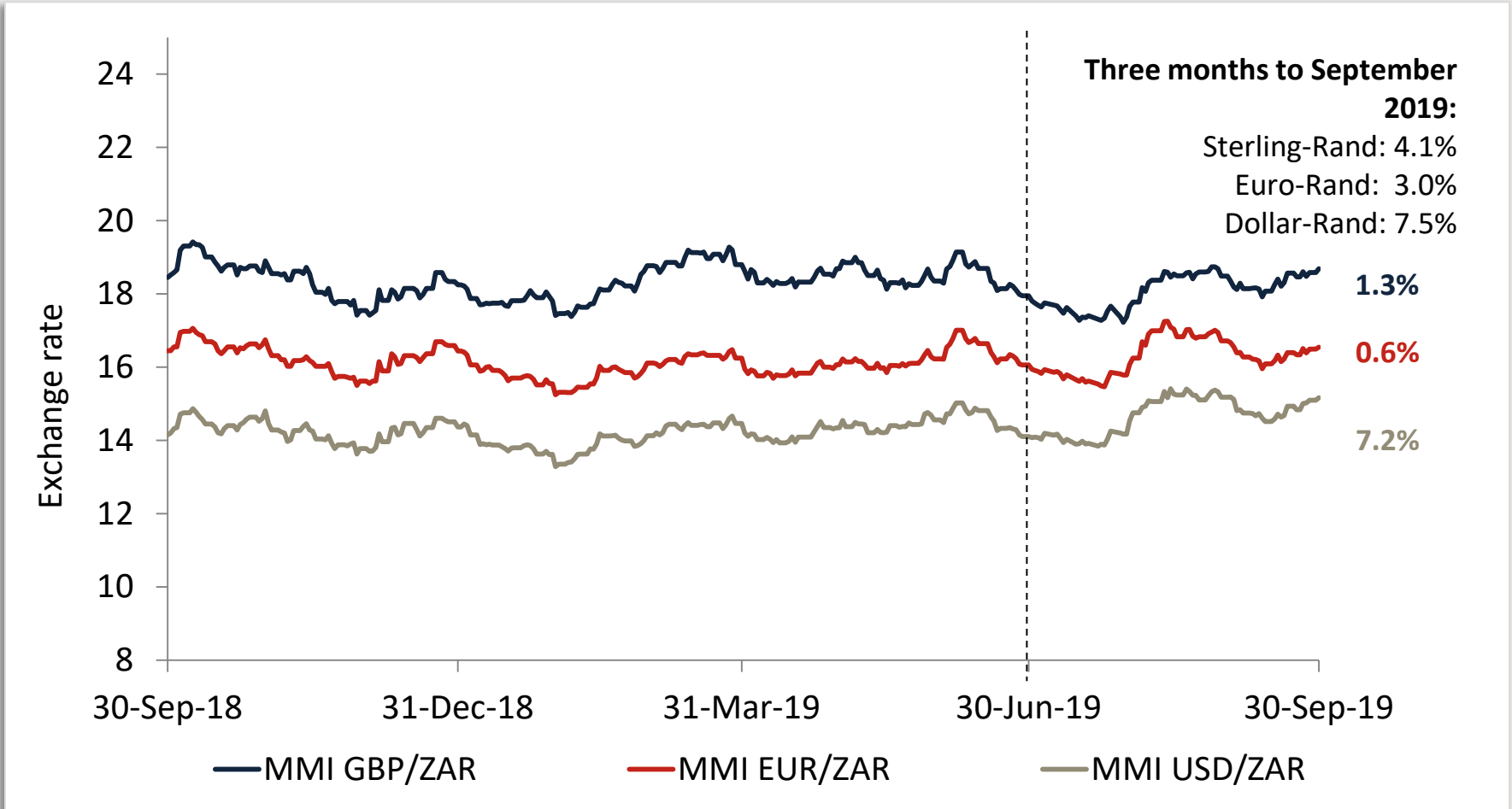
Annual asset class returns



Exchange rates



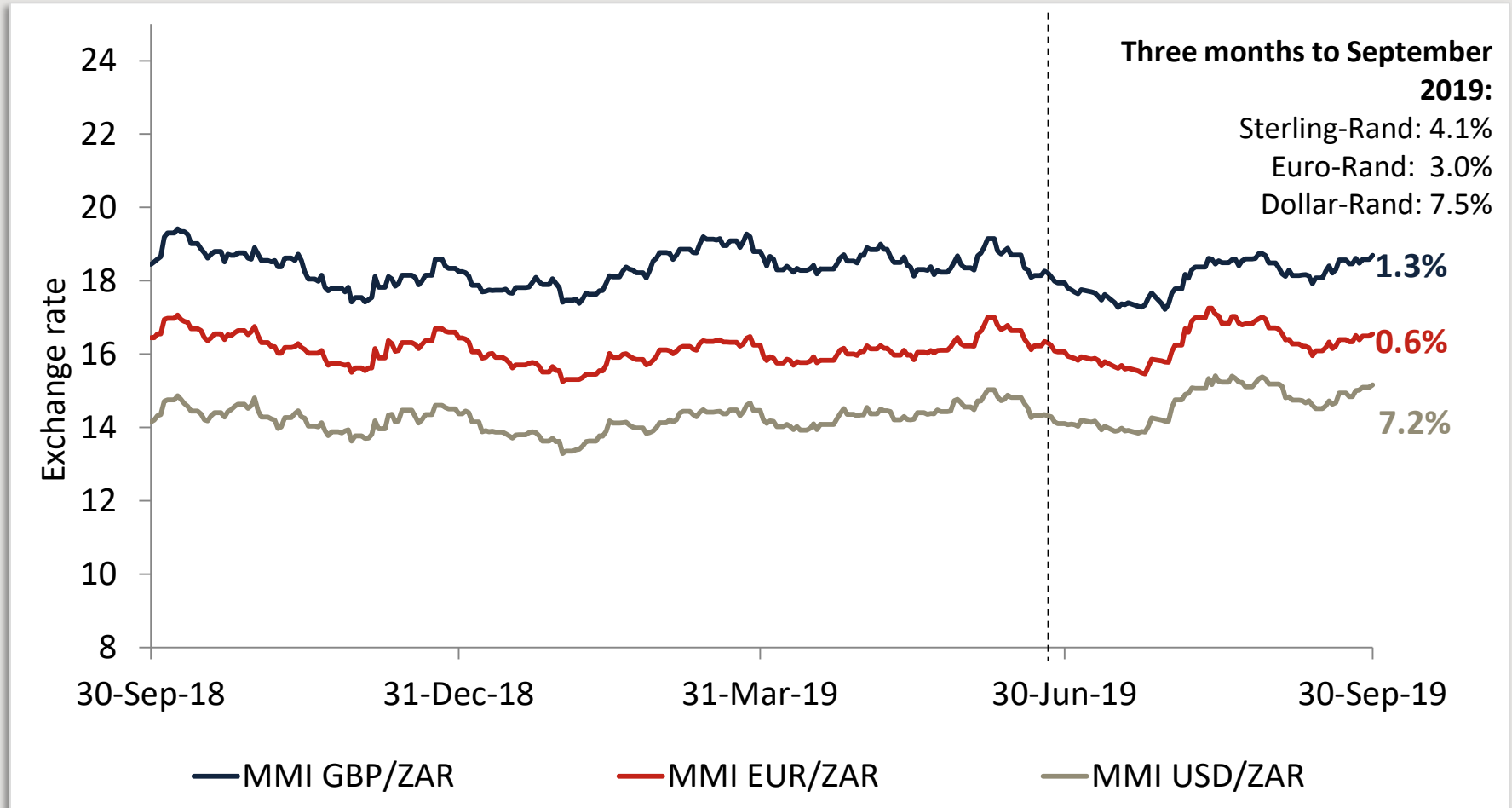
One year to September 2019



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



One-year rolling returns to September 2019

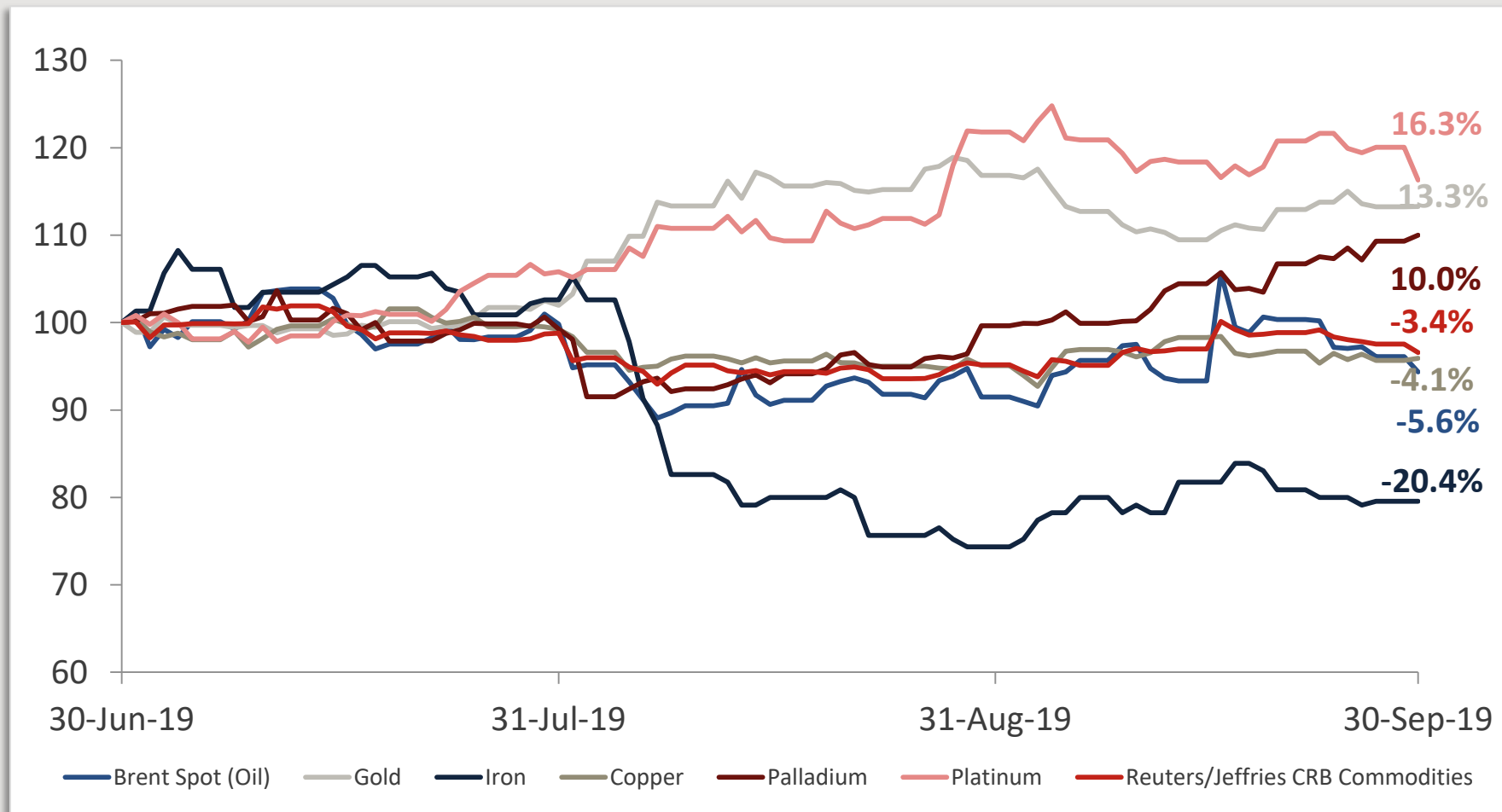


* CPI lagged by one month due to availability of data

Commodities



Three months to September 2019

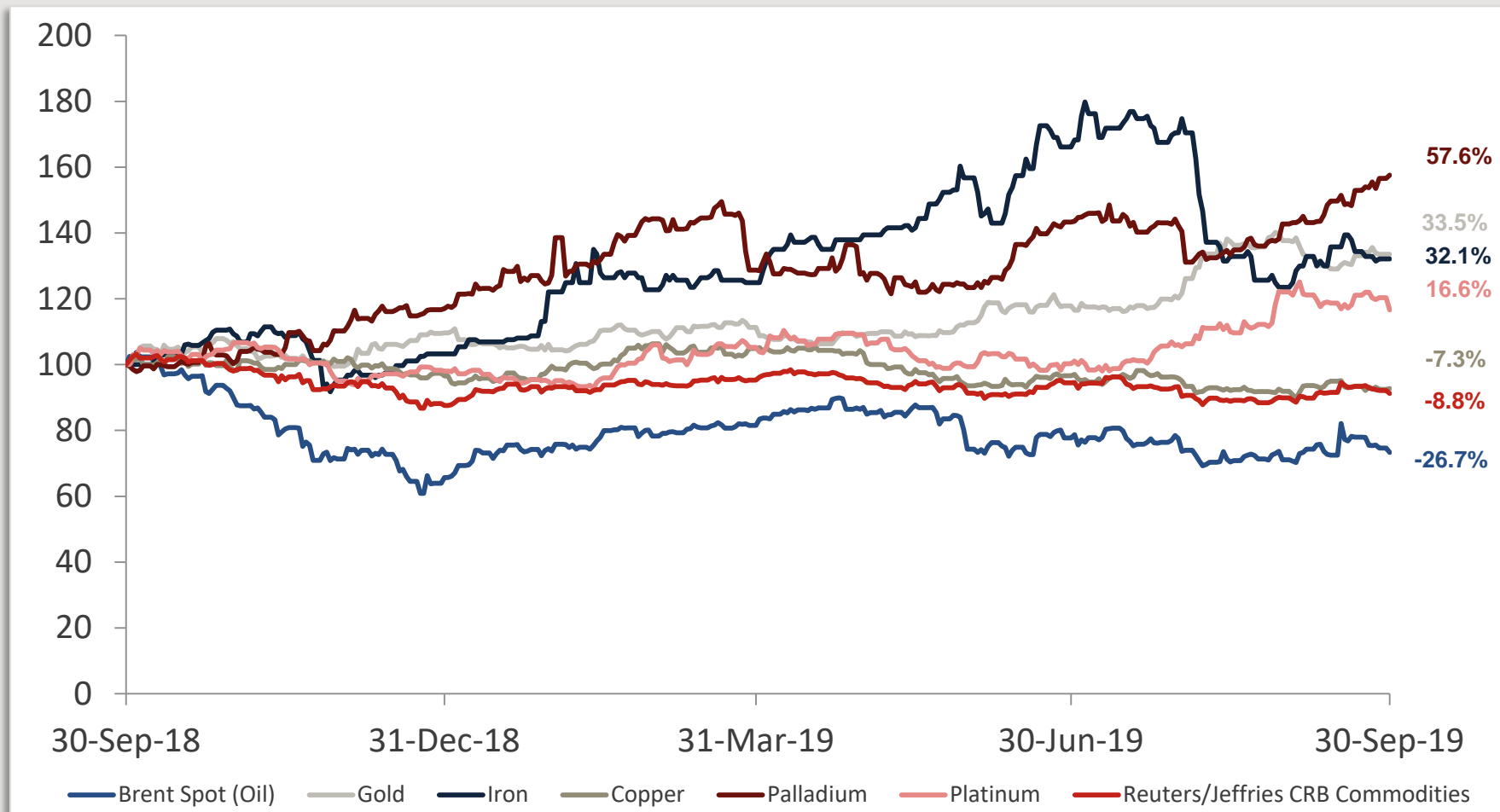


All returns are in dollar terms

Commodities



One year to September 2019

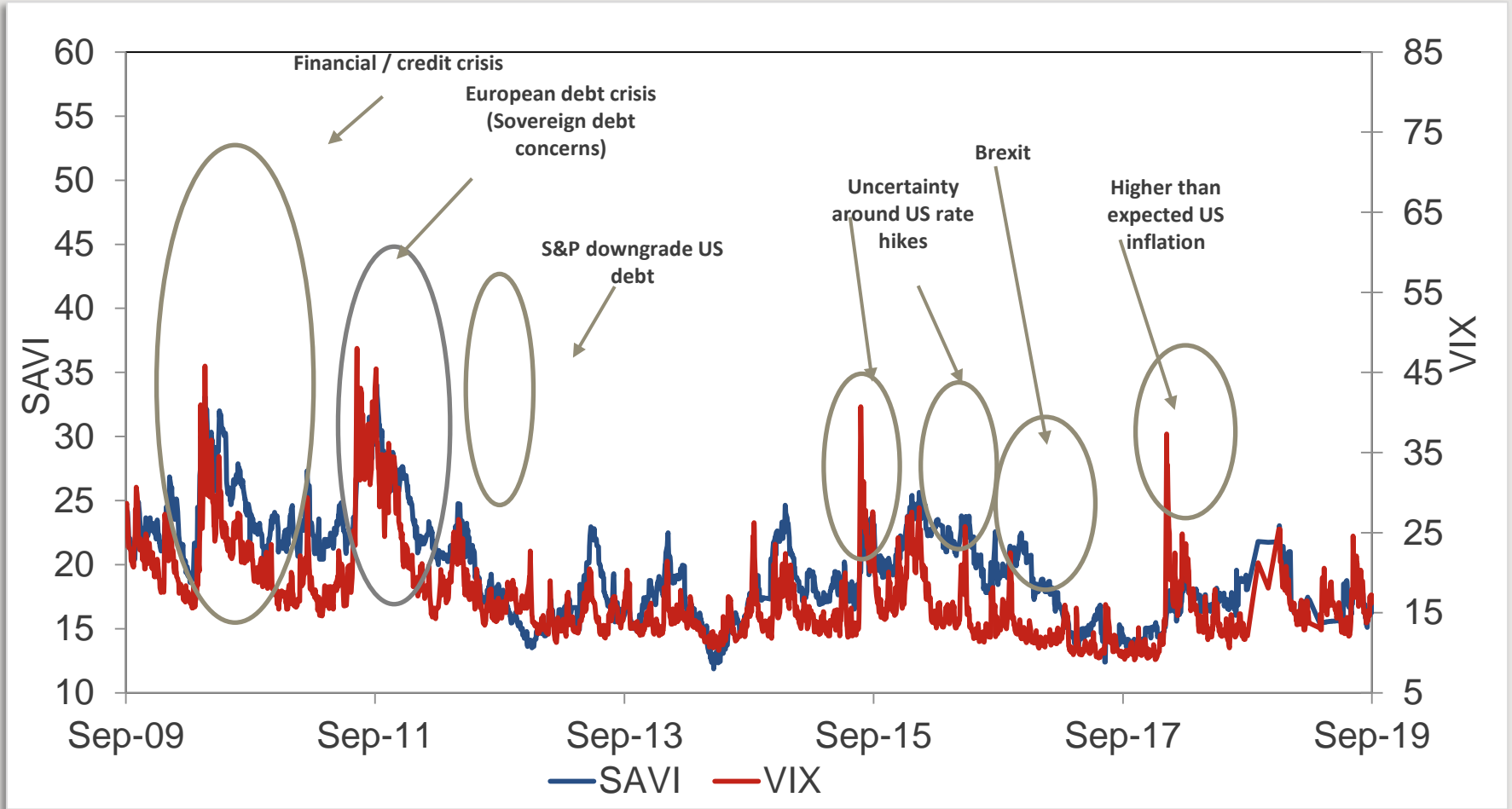


All returns are in dollar terms

SAVI-VIX



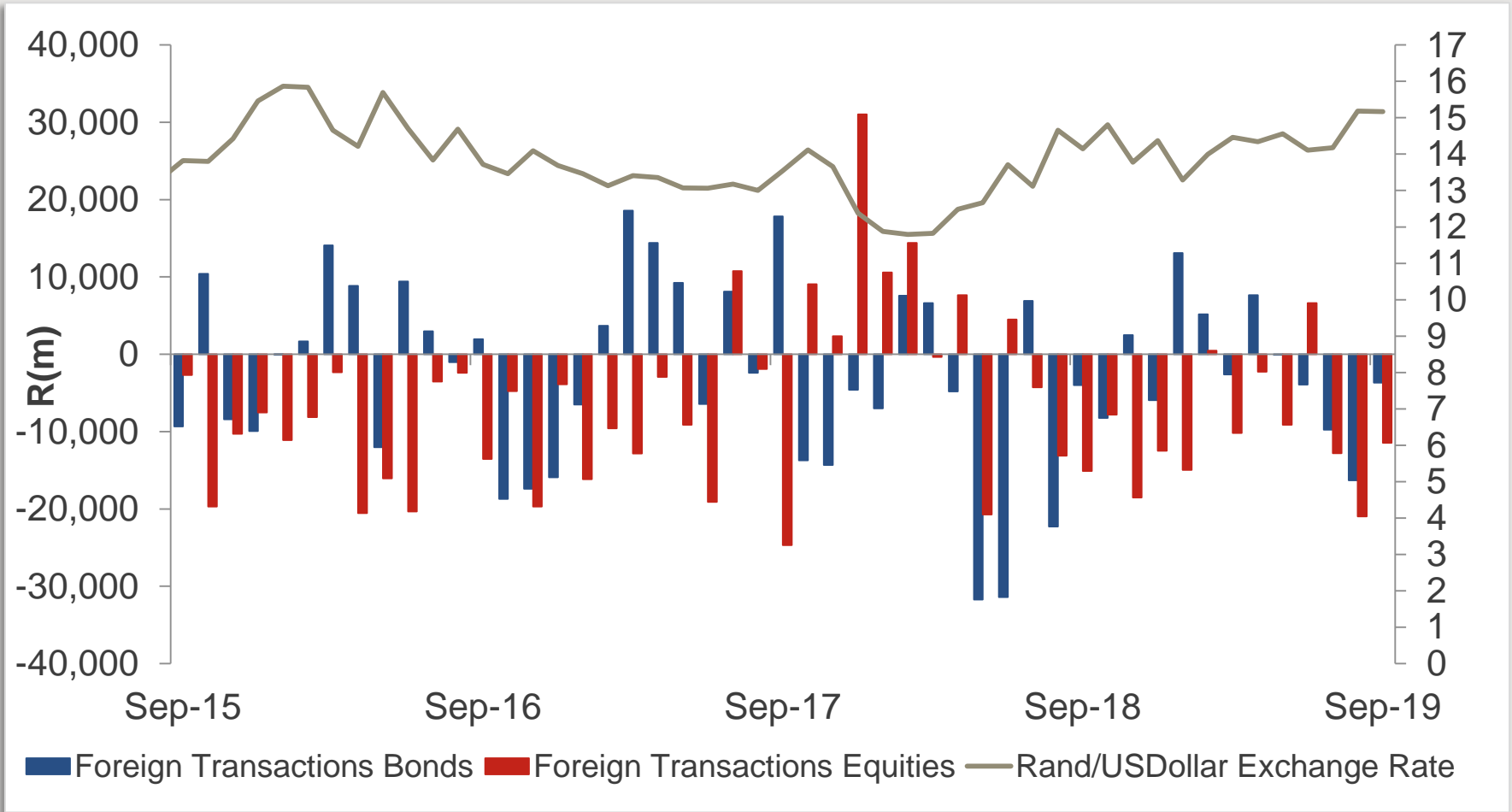
Since September 2009 to September 2019



Foreign transactions



2015 to 2019

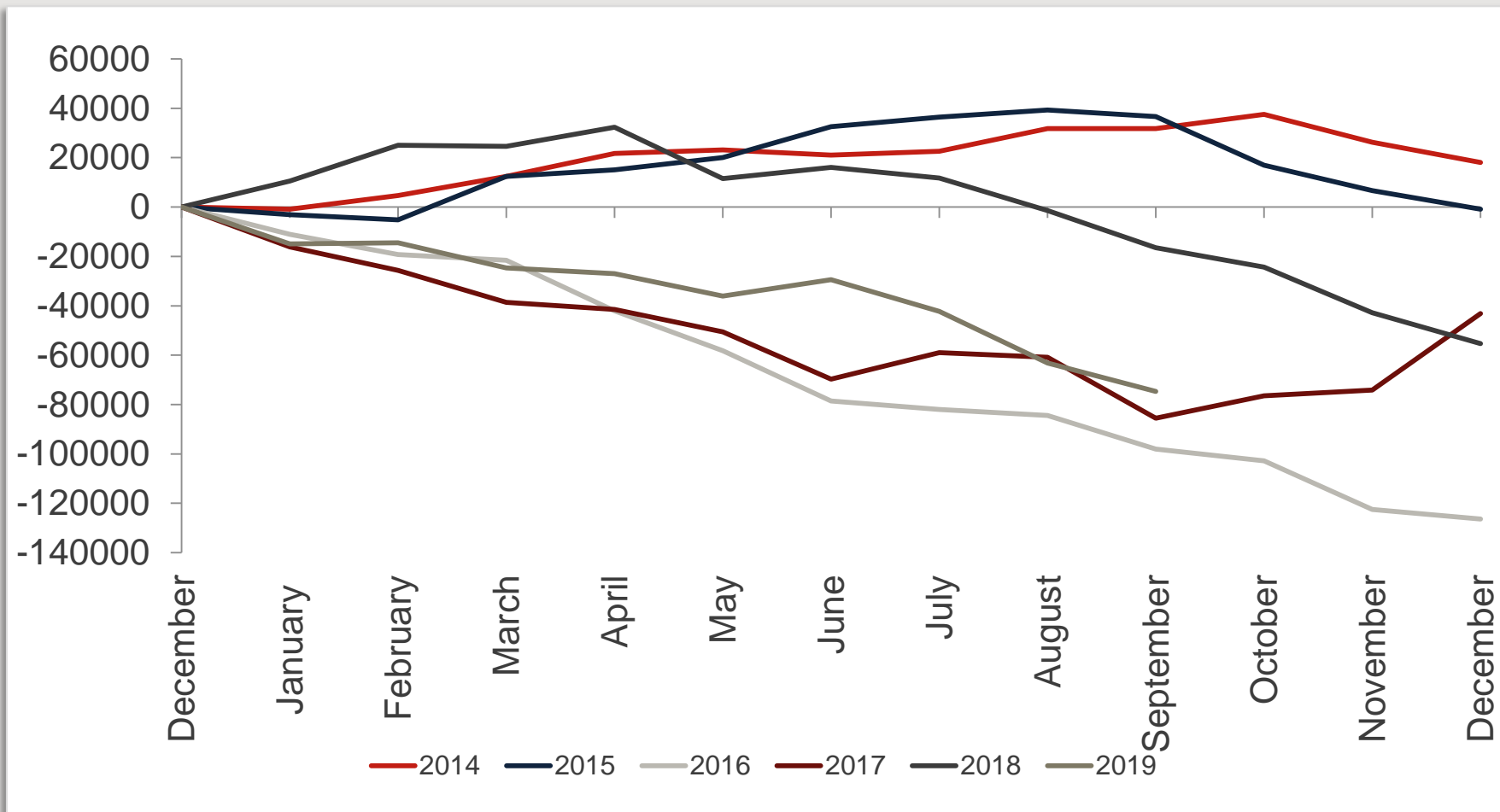


All returns are in dollar terms

Cumulative foreign transaction equities



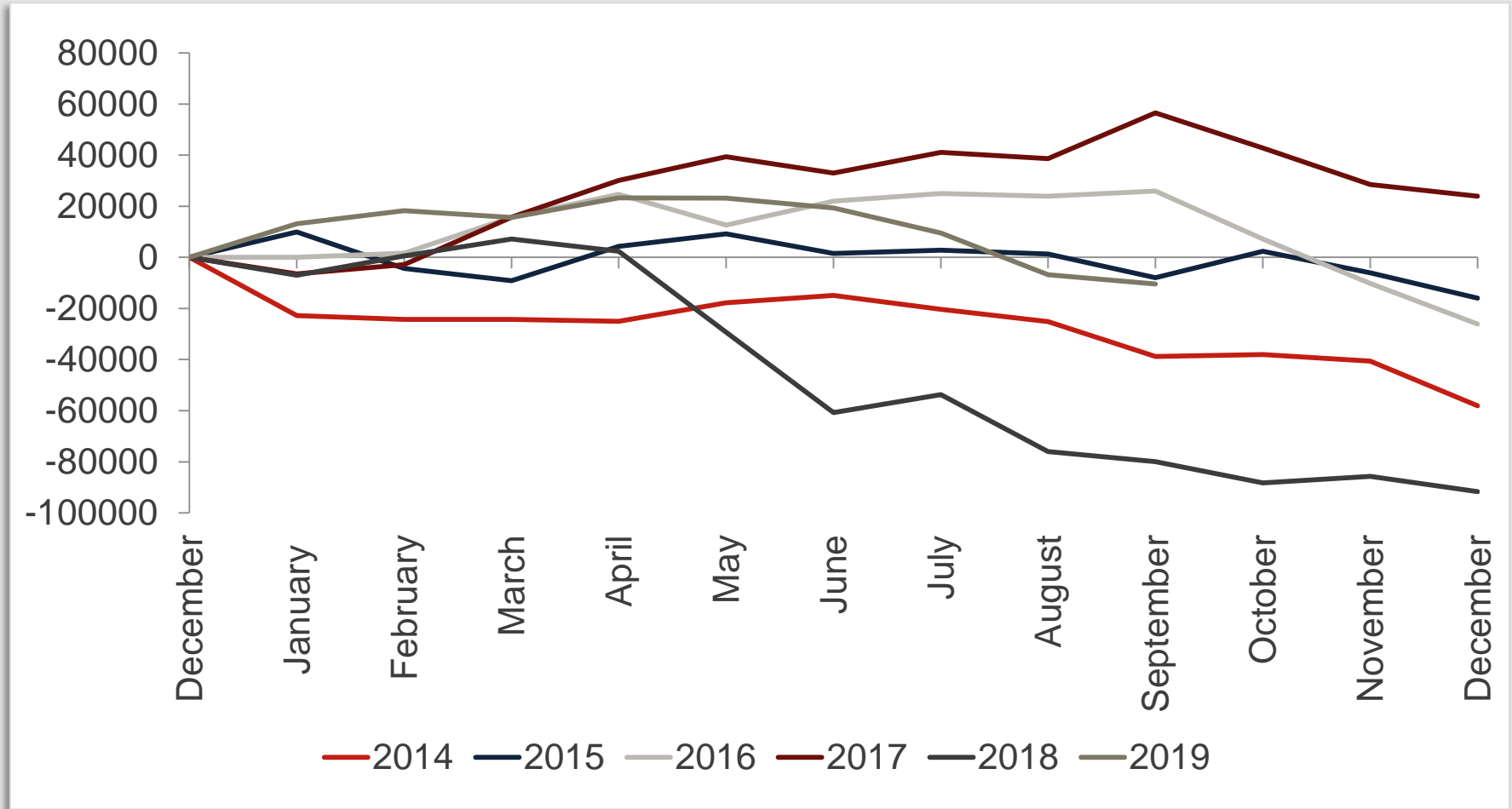
2014 to 2019



Cumulative foreign transaction bonds



2014 to 2019



Thank you

Signatory of:



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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