

Key market performance drivers

Monthly charts to 28 February 2021



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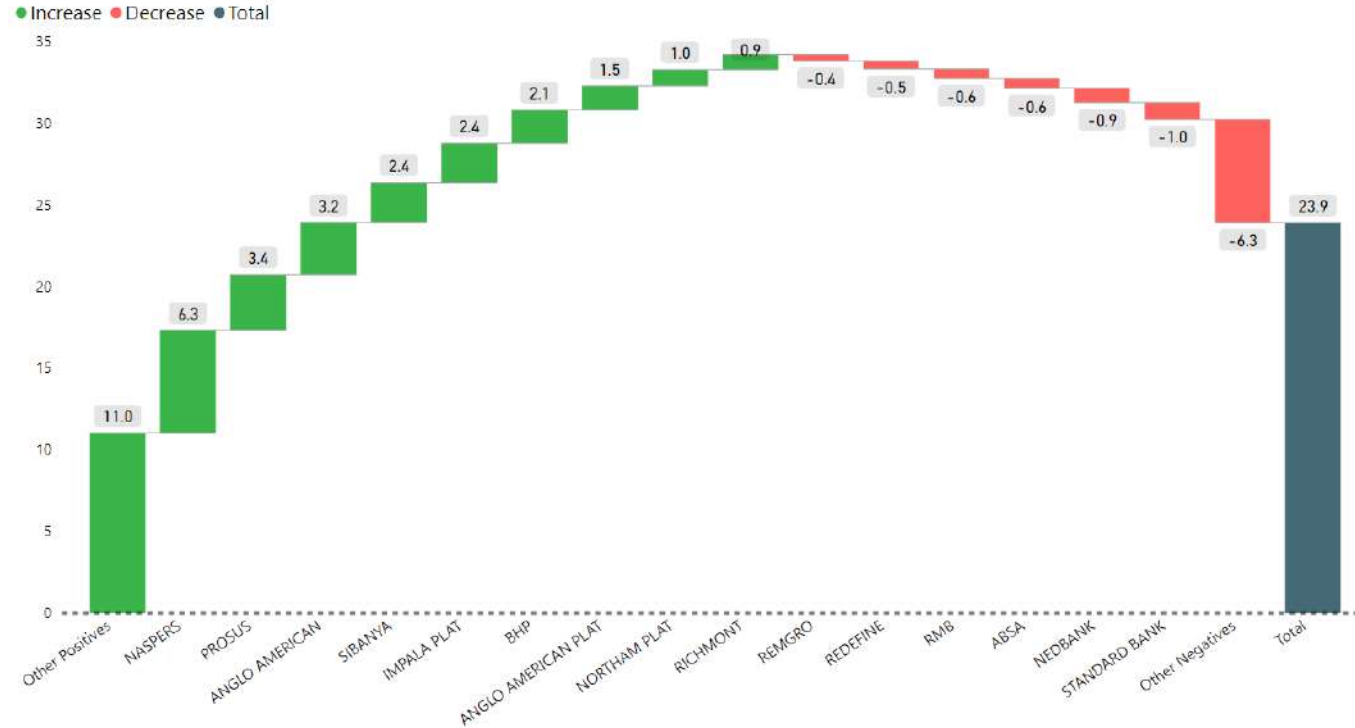
01

Market Concentration

Market concentration



One-year Capped SWIX contributions ending February 2021





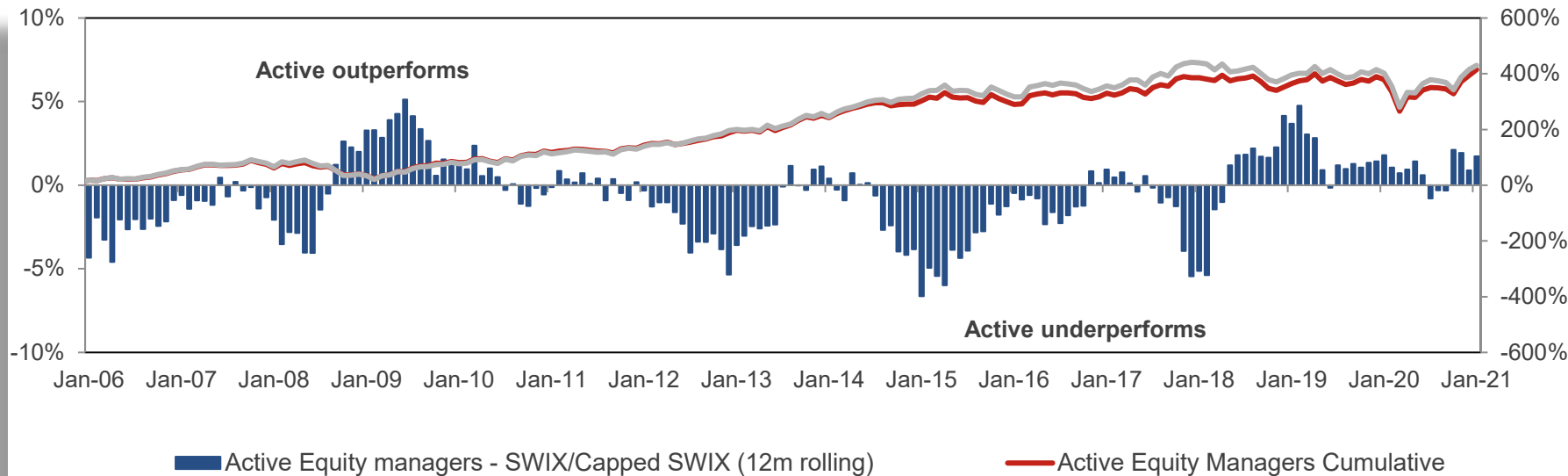
02

Active Index
Analysis

Active index analysis: Equities



One-year rolling active to January 2021



The median of the active equity investment managers outperformed the SWIX/Capped SWIX composite benchmark for the 12-month period ending January 2021.

(SWIX until 31 October 2017 and Capped SWIX thereafter)

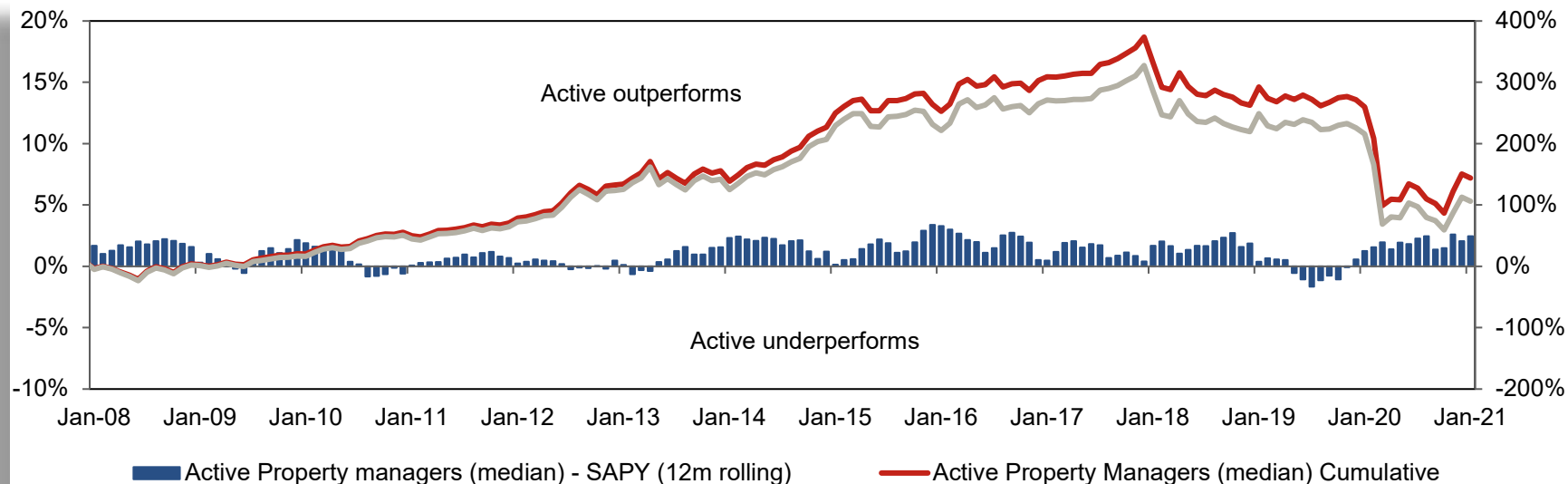
Data lagged by one month

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

Active index analysis: Property



One-year rolling active to January 2021



The median return of the active property investment managers have outperformed the SAPY for a 12-month period ending January 2021.

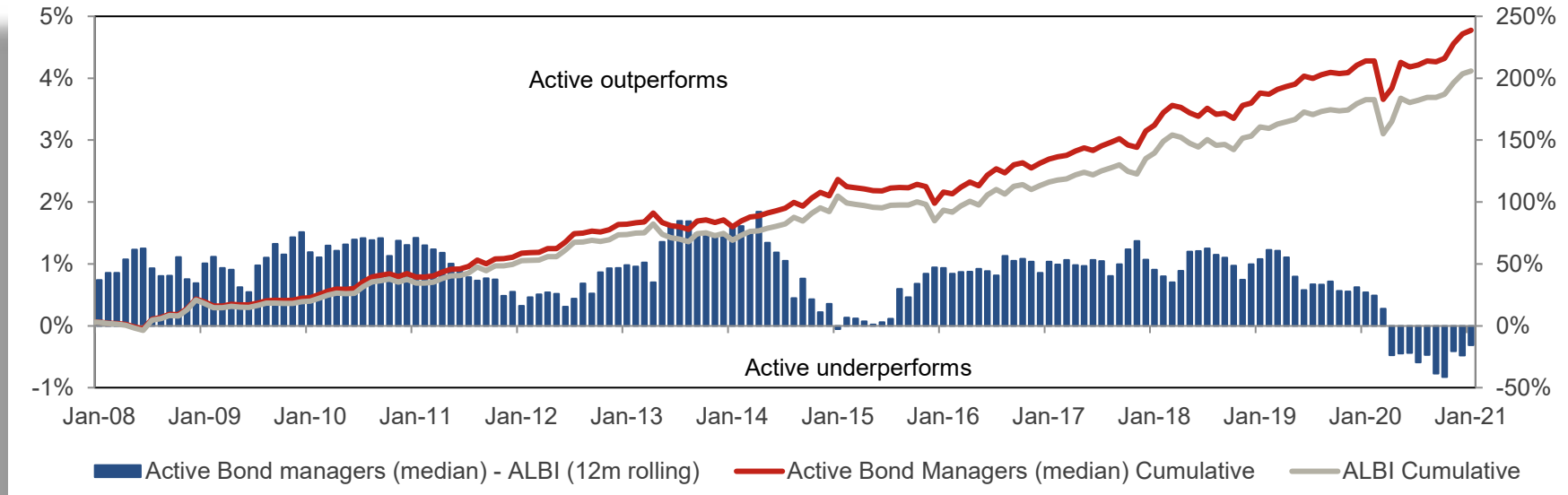
Data lagged by one month

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

Active index analysis: Bonds



One-year rolling active to January 2021



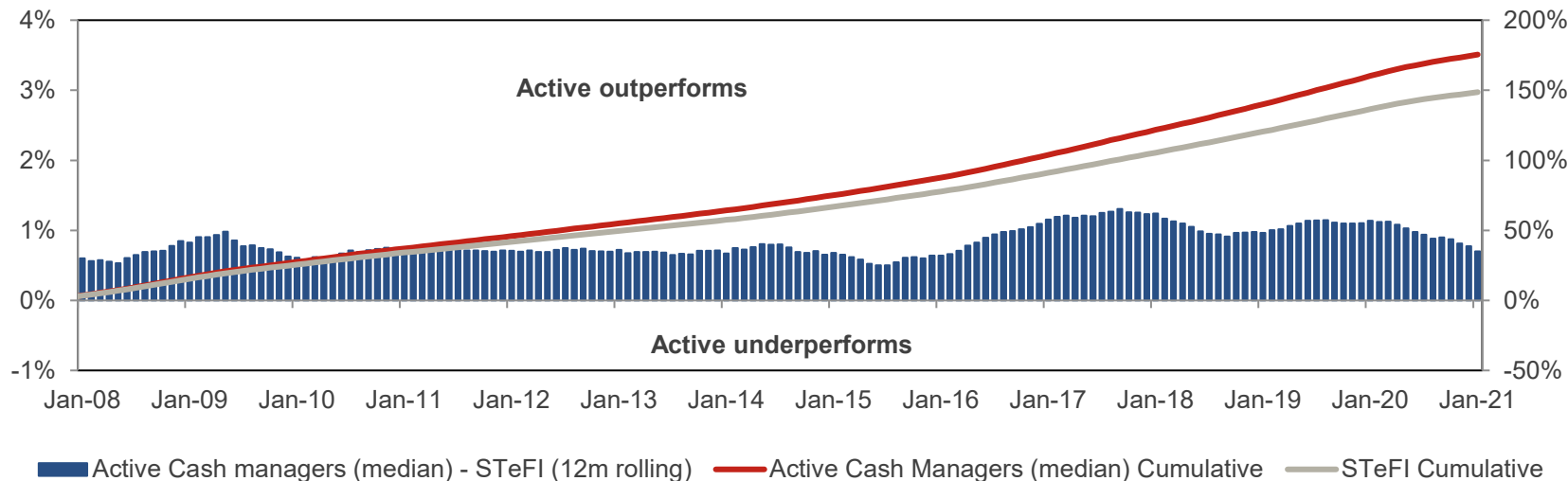
The median of the active bond investment managers underperformed the ALBI for the 12-month period ending January 2021.

Data lagged by one month

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

Active index analysis: Cash

One-year rolling active to January 2021



The median of the active money market investment managers outperformed the STeFI for the 12-month period ending January 2021.

Data lagged by one month

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



03

Style Analysis

Style Analysis



Style returns heat map for South Africa to February 2021

ZAR	Styles	One month to February 2021	Three months to February 2021	One year to February 2021	Three years to February 2021	Five years to February 2021	Ten years to February 2021	Twenty years to February 2021
Value	Book to Price	-0,06	5,73	13,08	-4,36	-3,39	-4,10	-0,43
	Dividend Yield	1,78	4,26	16,49	4,84	4,59	1,07	3,78
	Earnings Yield	-1,55	-1,10	16,39	-2,41	-0,03	-1,04	-0,09
	Cash Flow Yield	1,65	0,41	-2,68	-4,39	0,52	0,15	1,25
	Sales to Price	-1,45	1,82	10,24	-1,64	0,81	-1,05	-0,11
Quality	ROE	-2,61	-2,77	3,94	4,81	4,85	3,28	1,18
	ROIC LT	-3,17	-0,27	-5,71	-3,77	-0,89	-1,54	-0,83
	Income to Sales	-2,24	-3,93	1,84	0,79	-0,60	0,80	-0,55
	Low market beta	-2,87	-6,72	-18,65	-1,95	-3,50	1,22	0,37
	Low Debt/Equity	-2,00	-2,79	3,88	0,56	0,88	-0,12	-0,80
	EBIT Margin Stability	-5,27	-7,72	-5,31	-2,66	-2,95	1,99	0,49
Growth	Earnings Growth	-3,35	-4,92	-2,58	5,36	4,13	2,29	0,08
	Sales Growth	0,35	1,47	9,25	5,21	2,06	2,20	0,09
	12M Earning Growth	3,62	1,66	17,00	11,93	4,12	-0,09	5,10
Momentum	FY1 Earnings Revisions	2,28	2,11	-3,51	2,04	1,55	4,82	7,48
	Short Term Momentum	-0,23	-1,84	-13,92	-3,75	-2,11	0,93	-0,31
	Medium Term Momentum	-4,32	-3,71	-2,33	5,87	2,51	6,33	5,55
Size	Size	-0,29	-0,38	5,51	5,01	4,43	2,08	0,27

Value has outperformed quality and momentum in the last 12 months

Source: FactSet, Momentum Global Investment Management and Momentum Investments



04

Sector Analysis

Sector Analysis



FTSE/JSE sectors decomposed

Three months to February 2021

Household Goods & Home					
1 Construction	Consumer Goods	144,32%	18 Life Insurance	Financials	11,87%
2 Oil & Gas Producers	Oil & Gas Producers	123,06%	19 General Industrials	Industrials	11,78%
3 Chemicals	Basic Materials	44,91%	20 Industrial Transportation	Industrials	11,23%
4 Software & Computer Services	Technology	42,16%	21 Media	Consumer Services	9,30%
5 Fixed-line Telecommunications	Telecommunications	30,46%	22 Healthcare Equipment & Service	Healthcare	8,72%
6 Electronic & Electrical Equipment	Industrials	29,84%	23 Banks	Financials	8,64%
7 Support Services	Industrials	29,12%	24 Financial Services	Financials	8,23%
8 Mining	Basic Materials	28,02%	25 Mobile Telecommunications	Telecommunications	7,99%
9 Alternative Energy	Basic Materials	24,34%	26 Automobiles & Parts	Consumer Goods	5,22%
10 Industrial Metals & Mining	Basic Materials	23,15%	27 Food & Drug Retailers	Consumer Services	3,83%
11 Real Estate Investment Trusts	Financials	21,63%	28 Food Producers	Consumer Goods	3,18%
12 Forestry & Paper	Basic Materials	18,02%	29 Non-life Insurance	Financials	-1,19%
13 General Retailers	Consumer Services	17,72%	30 Tobacco	Consumer Goods	-2,17%
14 Travel & Leisure	Travel & Leisure	16,60%	31 Construction & Materials	Industrials	-2,42%
Real Estate Investment &					
15 Services	Financials	15,78%	32 Equity Investment Instruments	Financials	-9,57%
16 Pharmaceuticals & Biotechnology	Healthcare	14,25%	33 Beverages	Consumer Goods	-9,67%
17 Personal Goods	Consumer Goods	12,62%			

Key

Resources

Financials

Industrials

Source: Barra and Deutsche Securities

Sector Analysis



FTSE/JSE sectors decomposed

One Year to February 2021

1 Oil & Gas Producers	Oil & Gas Producers	229,85%	17 Food & Drug Retailers	Consumer Services	9,62%
2 Industrial Metals & Mining	Basic Materials	150,70%	18 Financial Services	Financials	9,24%
3 Mining	Basic Materials	74,43%	19 Chemicals	Basic Materials	6,19%
4 Software & Computer Services	Technology	67,04%	20 Construction & Materials	Industrials	3,91%
Household Goods & Home					
5 Construction	Consumer Goods	60,45%	21 Life Insurance	Financials	3,25%
6 Fixed-line Telecommunications	Telecommunications	59,09%	22 Beverages	Consumer Goods	1,56%
7 Support Services	Industrials	56,89%	23 Non-life Insurance	Financials	0,14%
8 Media	Consumer Services	52,62%	24 Travel & Leisure	Travel & Leisure	-2,91%
9 Personal Goods	Consumer Goods	41,70%	25 General Industrials	Industrials	-2,93%
10 Pharmaceuticals & Biotechnology	Healthcare	39,91%	26 Banks	Financials	-5,28%
11 Forestry & Paper	Basic Materials	32,51%	27 Tobacco	Consumer Goods	-7,31%
12 Alternative Energy	Basic Materials	24,34%	28 Electronic & Electrical Equipment	Industrials	-11,51%
13 General Retailers	Consumer Services	15,81%	29 Automobiles & Parts	Consumer Goods	-12,23%
14 Industrial Transportation	Industrials	14,35%	30 Real Estate Investment & Services	Financials	-13,77%
15 Food Producers	Consumer Goods	12,32%	31 Real Estate Investment Trusts	Financials	-16,66%
16 Mobile Telecommunications	Telecommunications	11,50%			

Key

Resources

Financials

Industrials

Source: Barra and Deutsche Securities

FTSE/JSE sectors

One year rolling to February 2021



FTSE/JSE sectors

Ten years rolling to February 2021

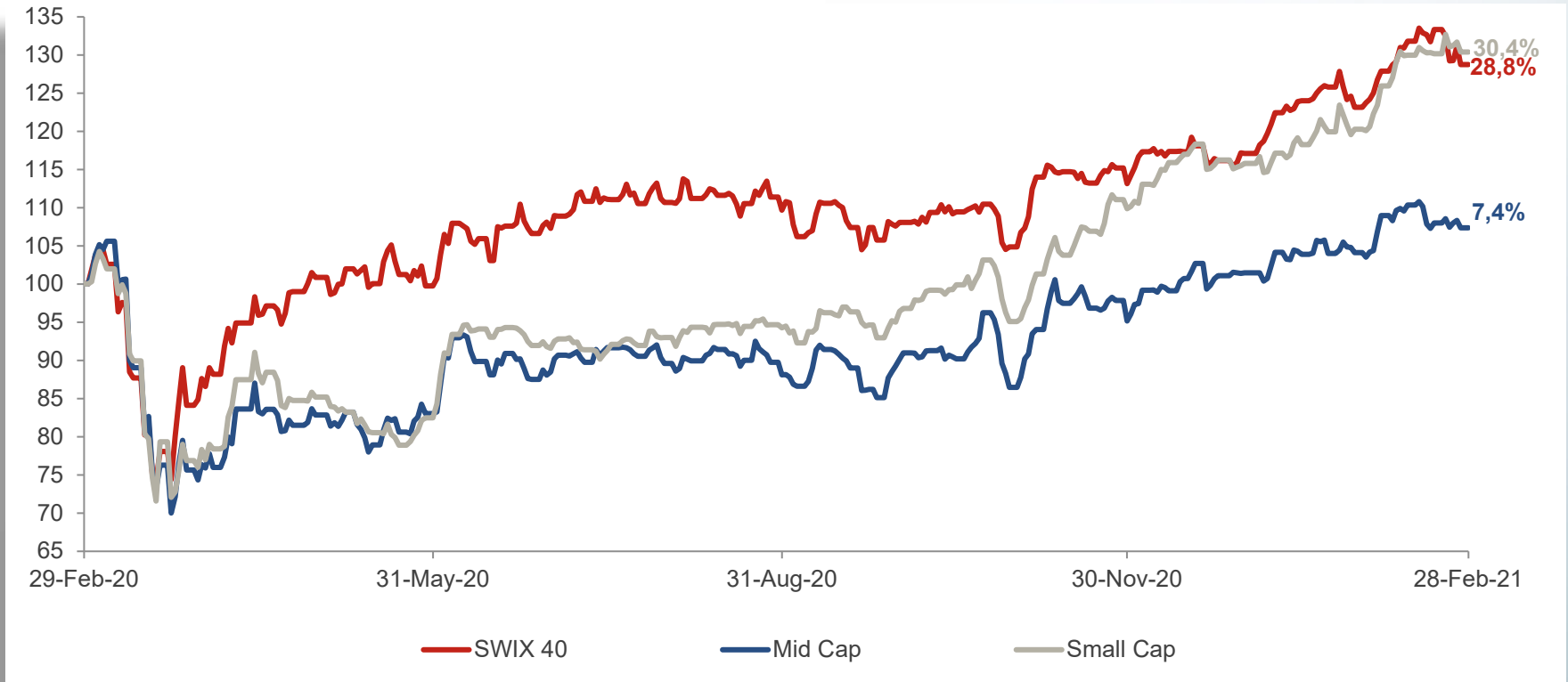


Source: IRESS and Momentum Investments

FTSE/JSE market caps



One year to February 2021





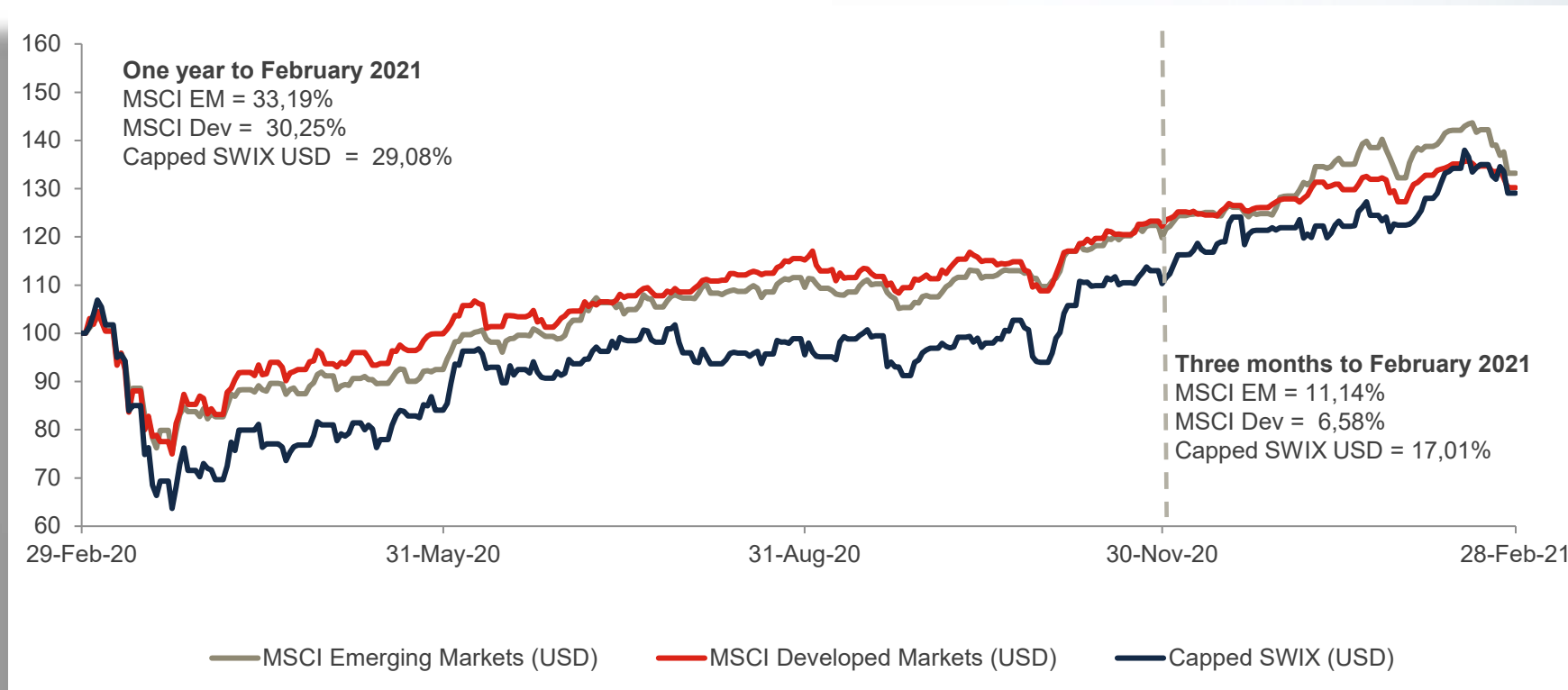
05

Indexed Return Charts

MSCI developed and emerging markets



One year to February 2021



SA 10-year bond yields



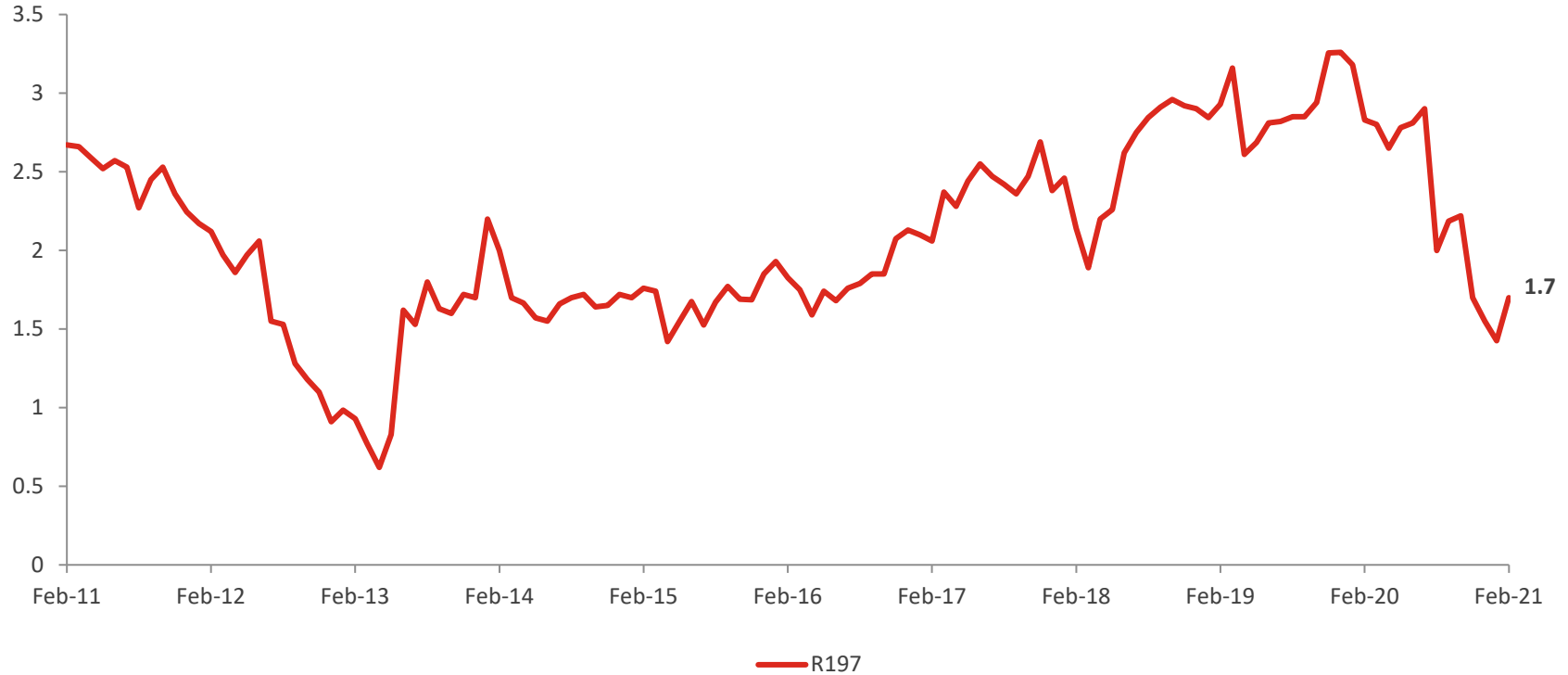
Ten years to February 2021



Yield of R197 (inflation-linked bond)



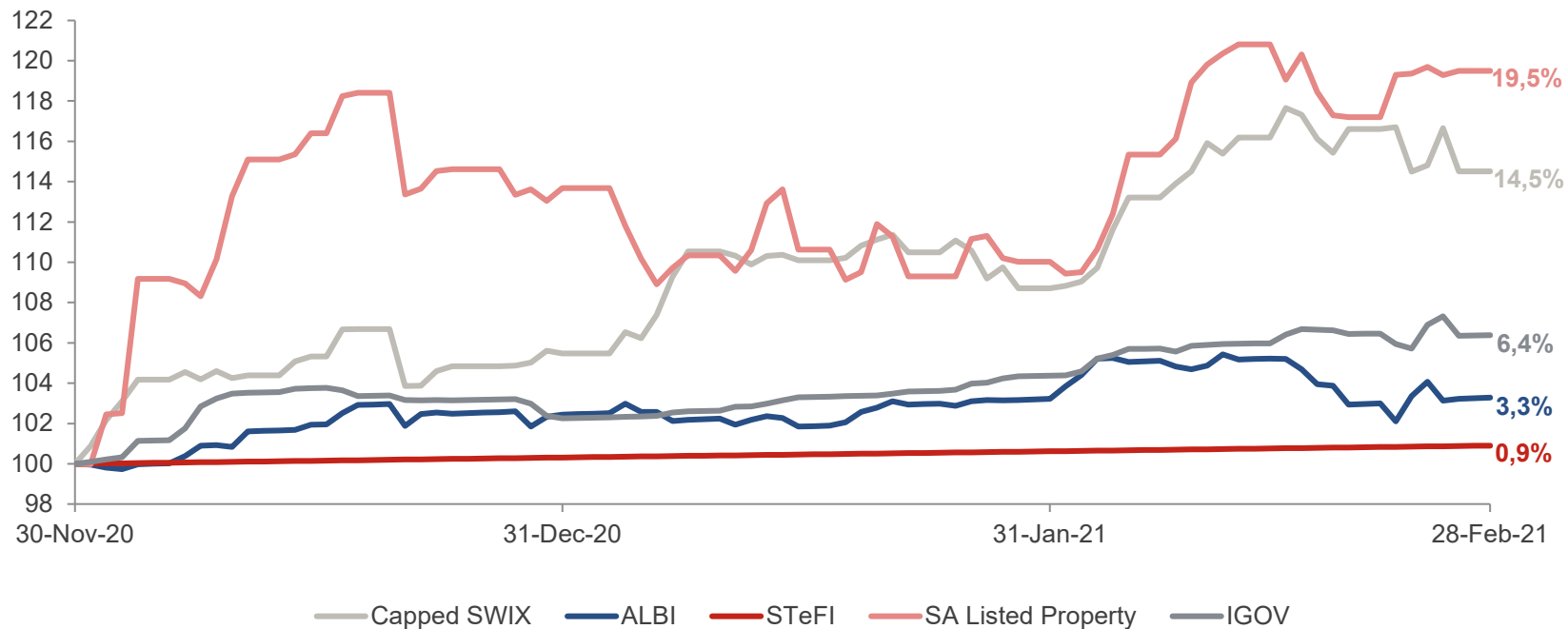
Ten years to February 2021



Local asset classes



Three months to February 2021

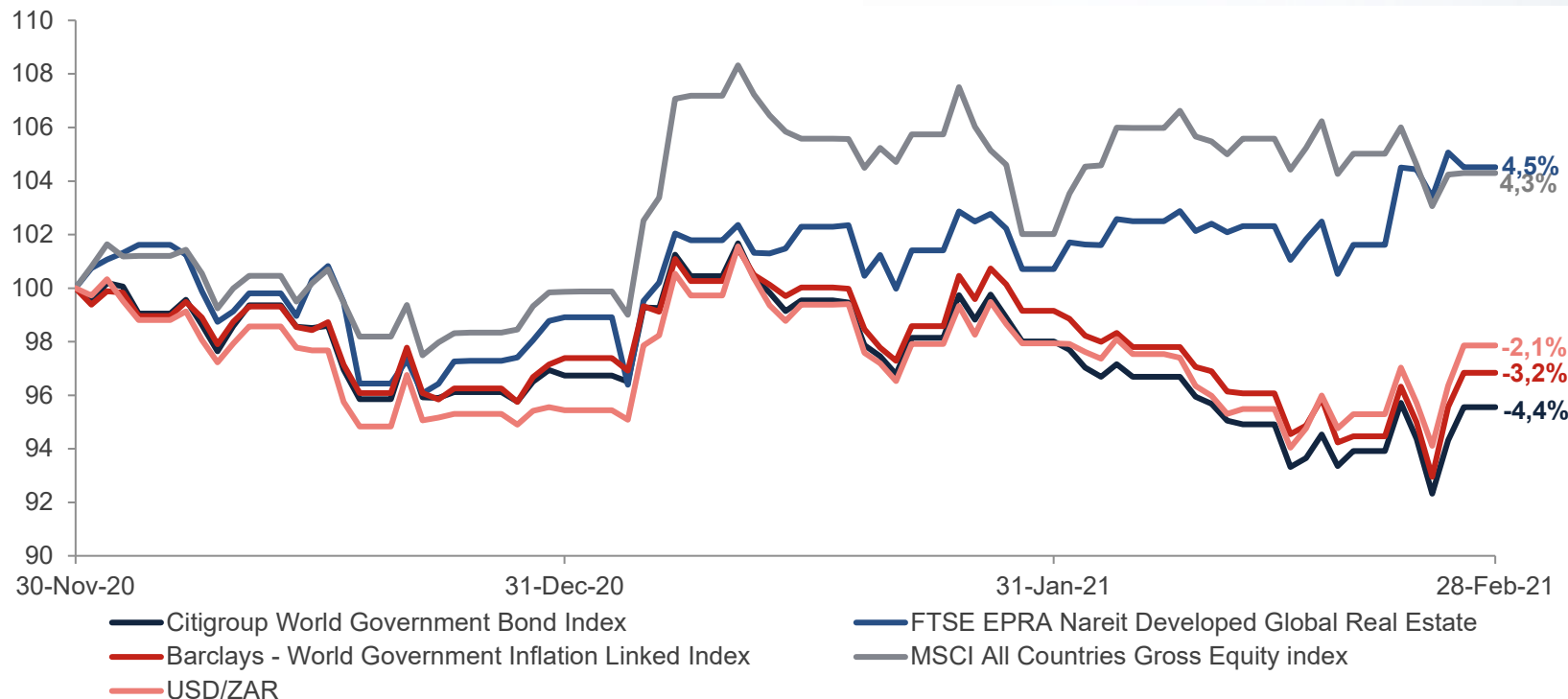


* CPI lagged by one month due to availability of data

Global asset classes

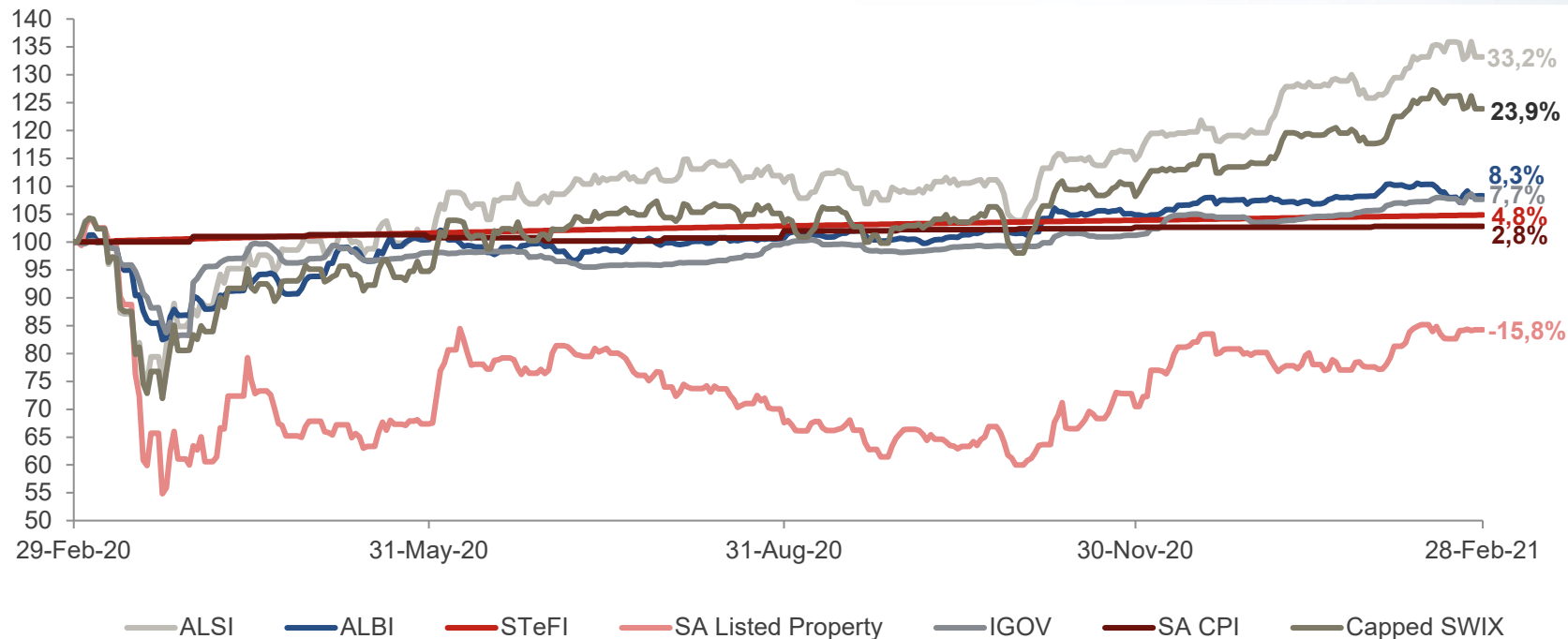


Three months to February 2021



Local asset classes

One year to February 2021

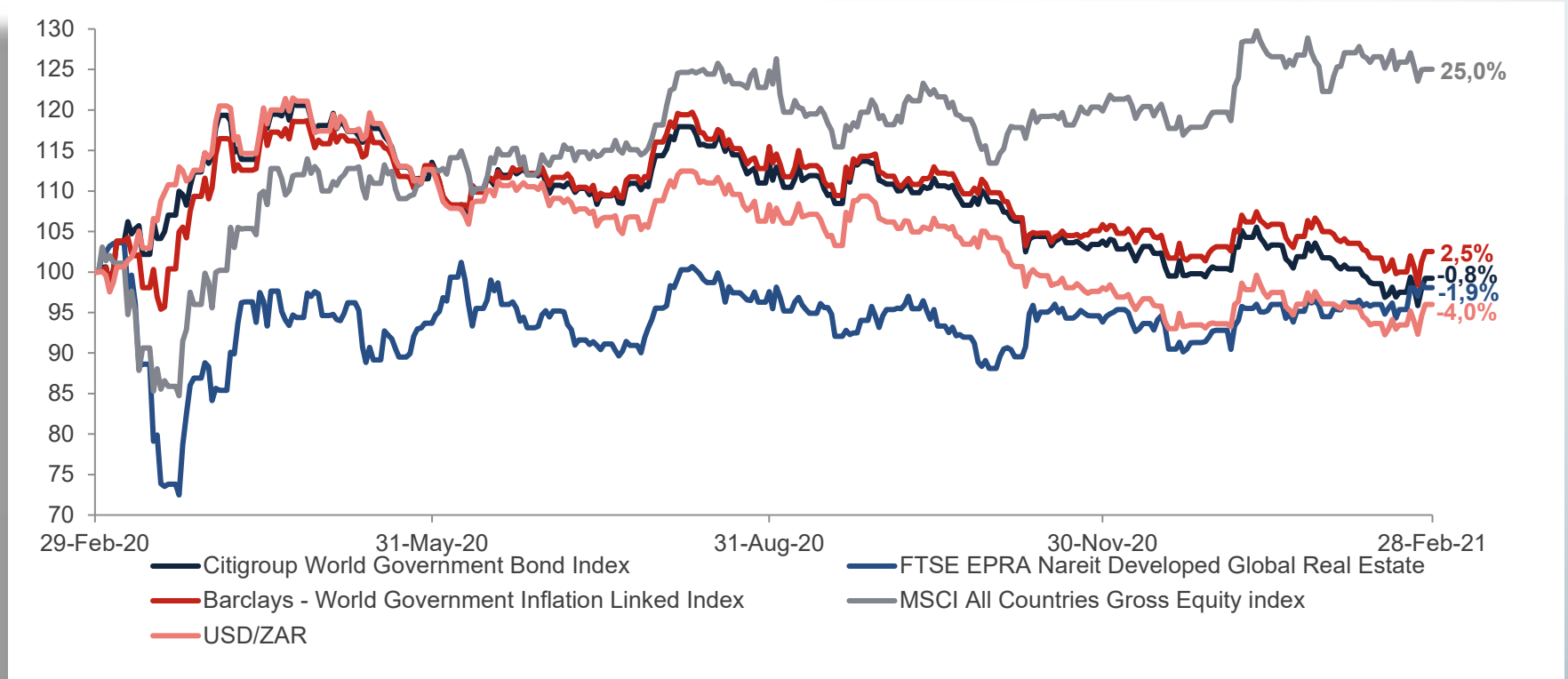


* CPI lagged by one month due to availability of data

Global asset classes

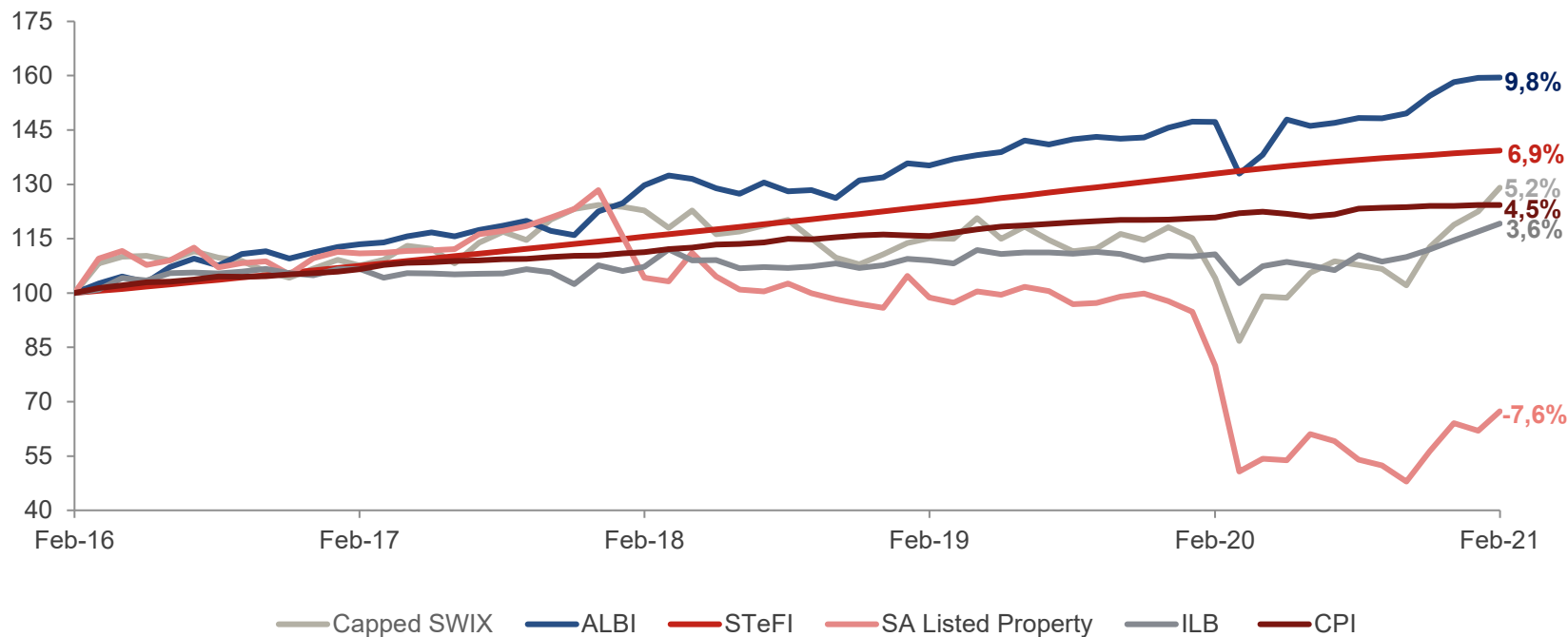


One year to February 2021



Local asset classes

Five years to February 2021

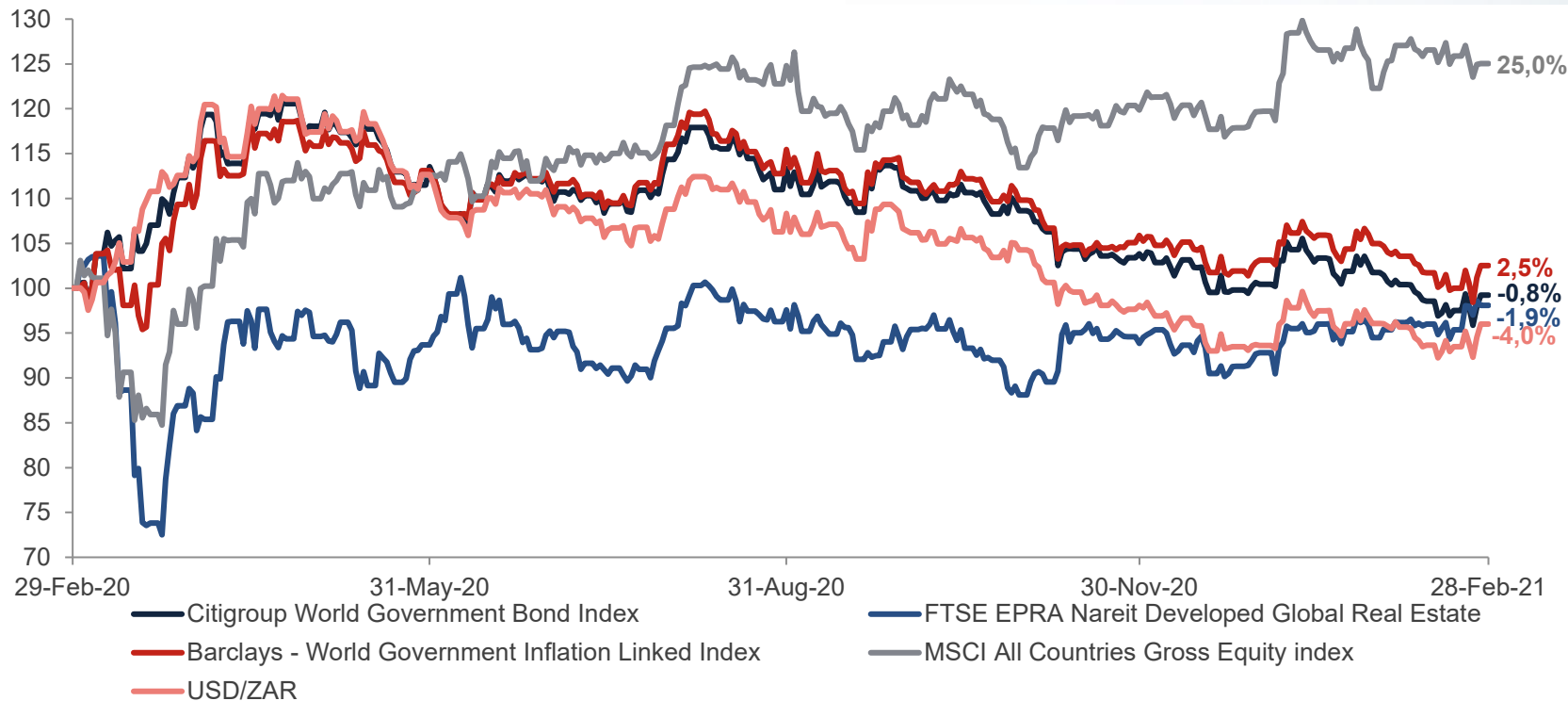


* CPI lagged by one month due to availability of data

Global asset classes



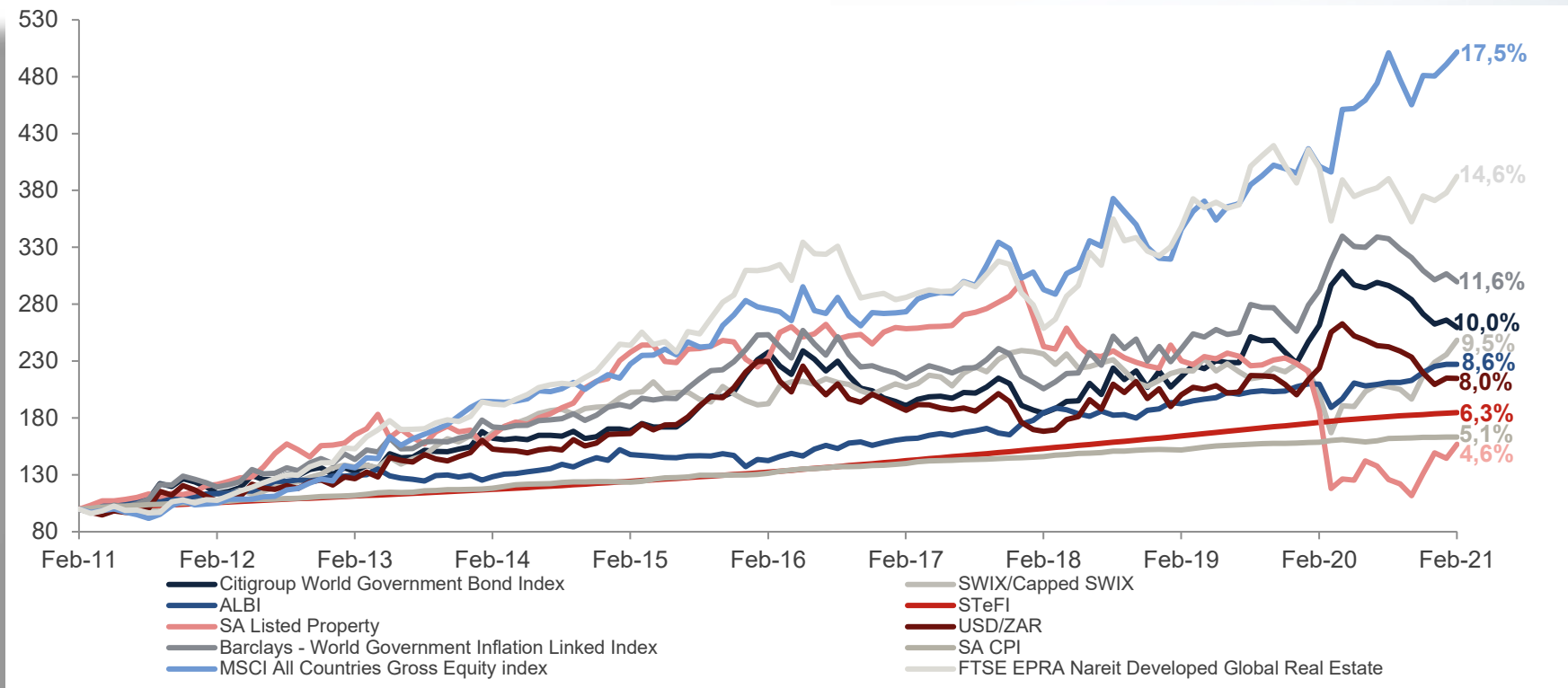
Five years to February 2021



Asset classes



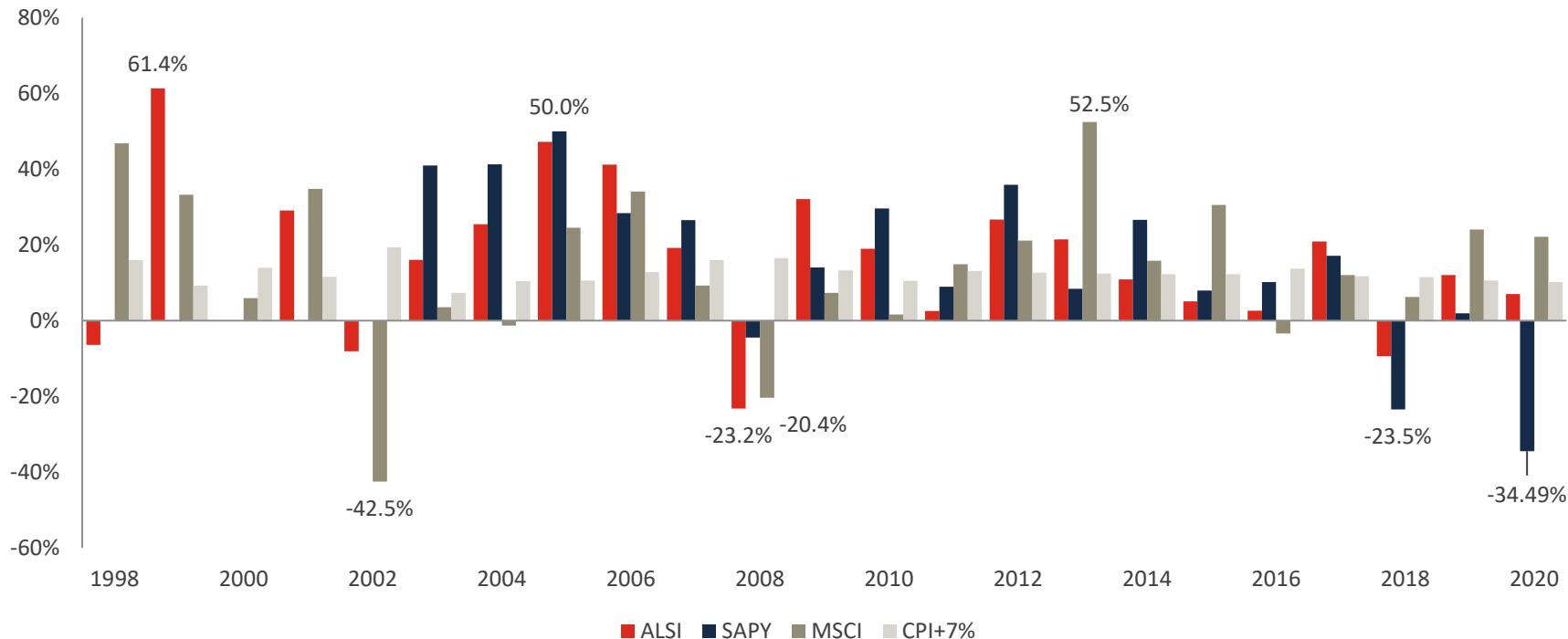
Ten years to February 2021



* CPI lagged by one month due to availability of data

Source: IRESS and Momentum Investments

Annual asset class returns



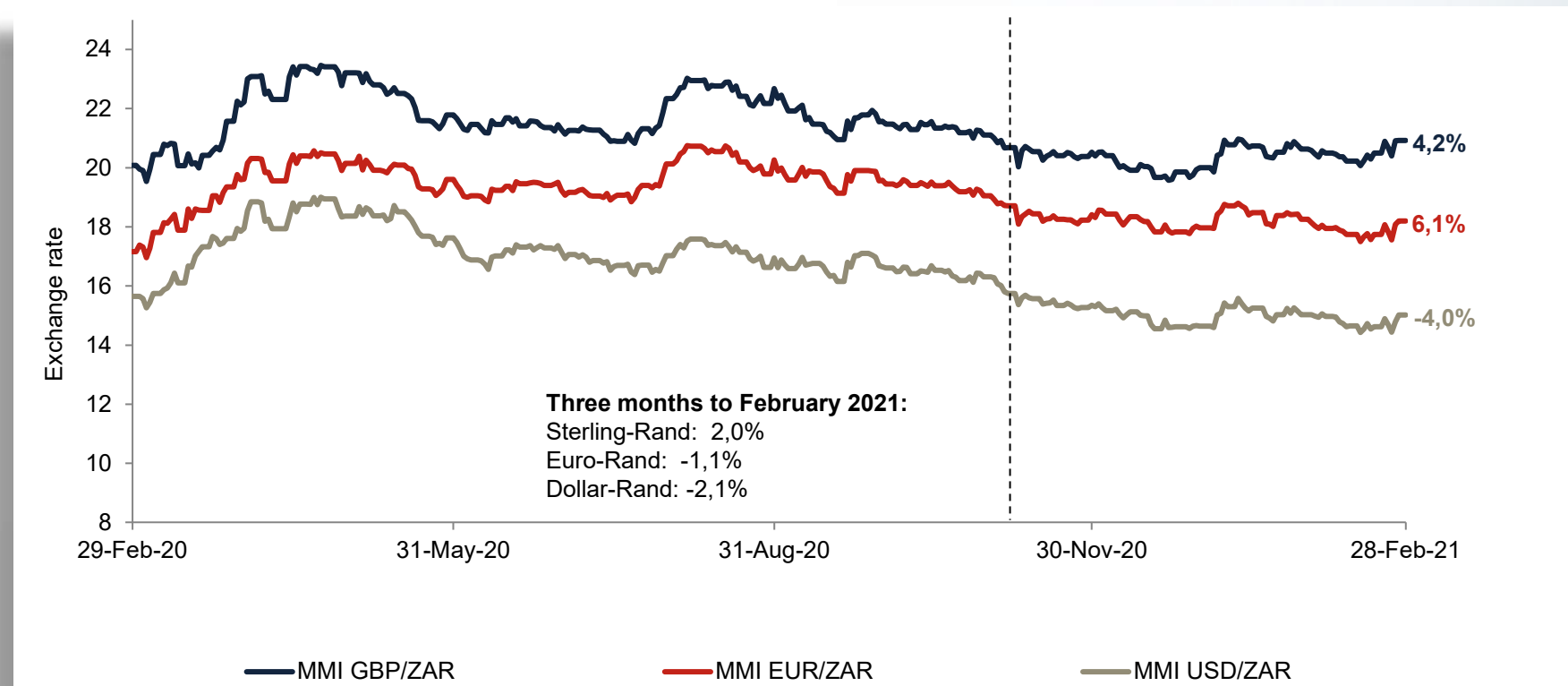
* CPI lagged by one month due to availability of data

Source: IRESS and Momentum Investments

Exchange rates



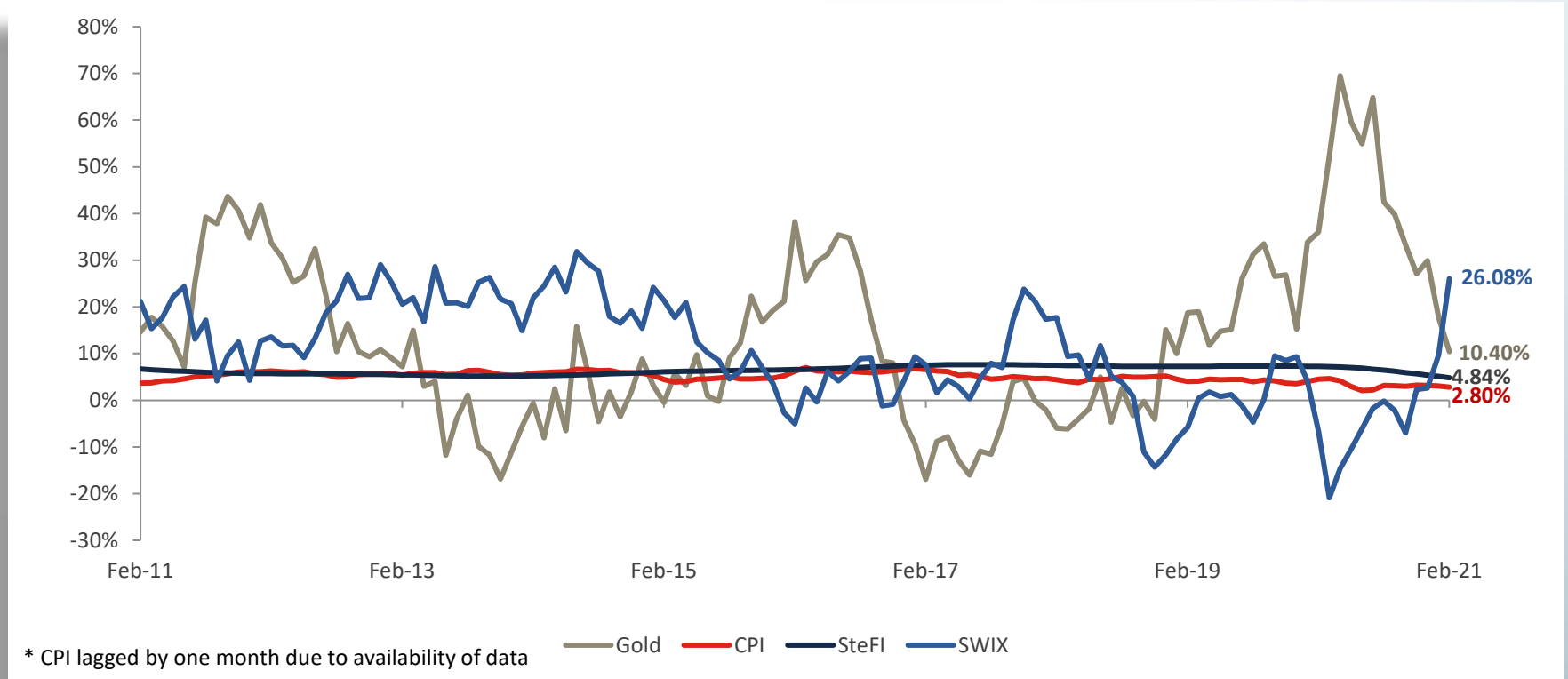
One year to February 2021



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



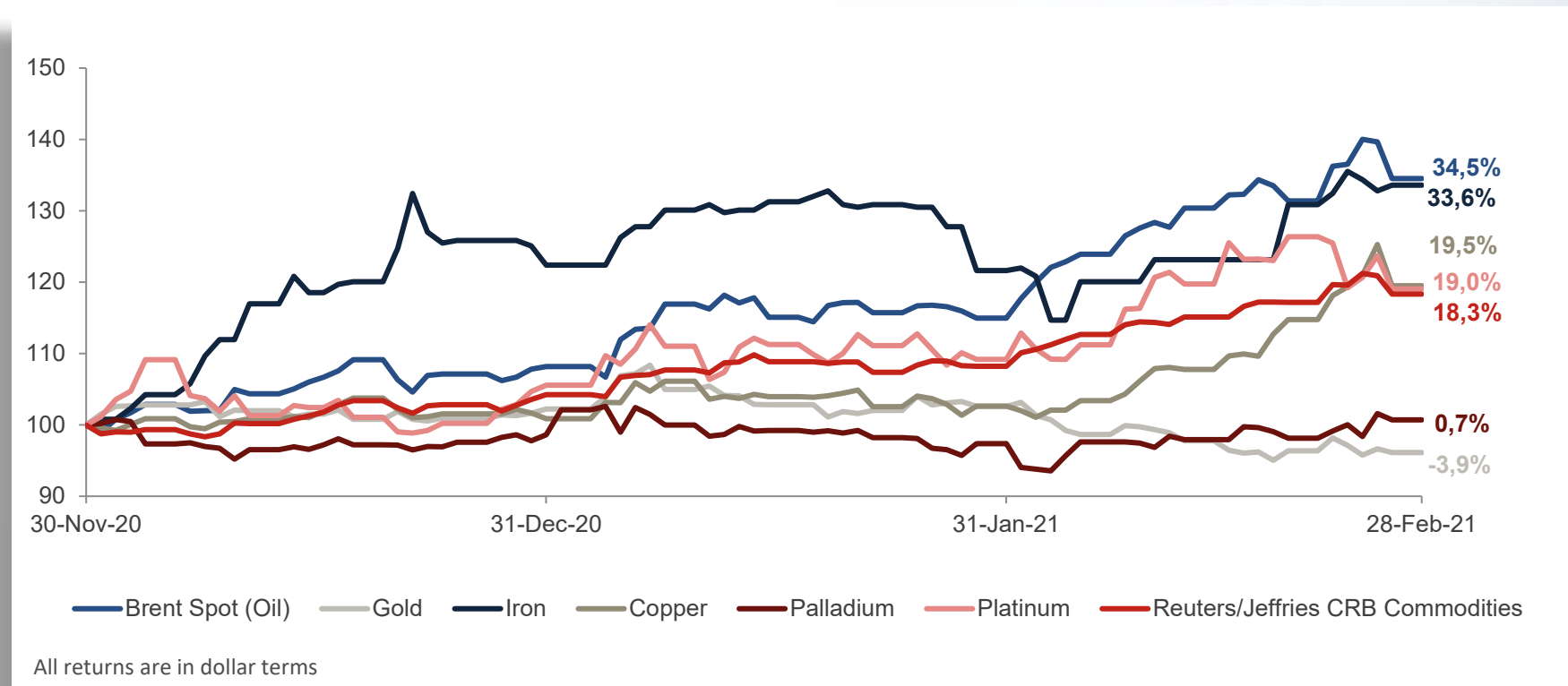
Ten-year rolling returns to February 2021



Commodities



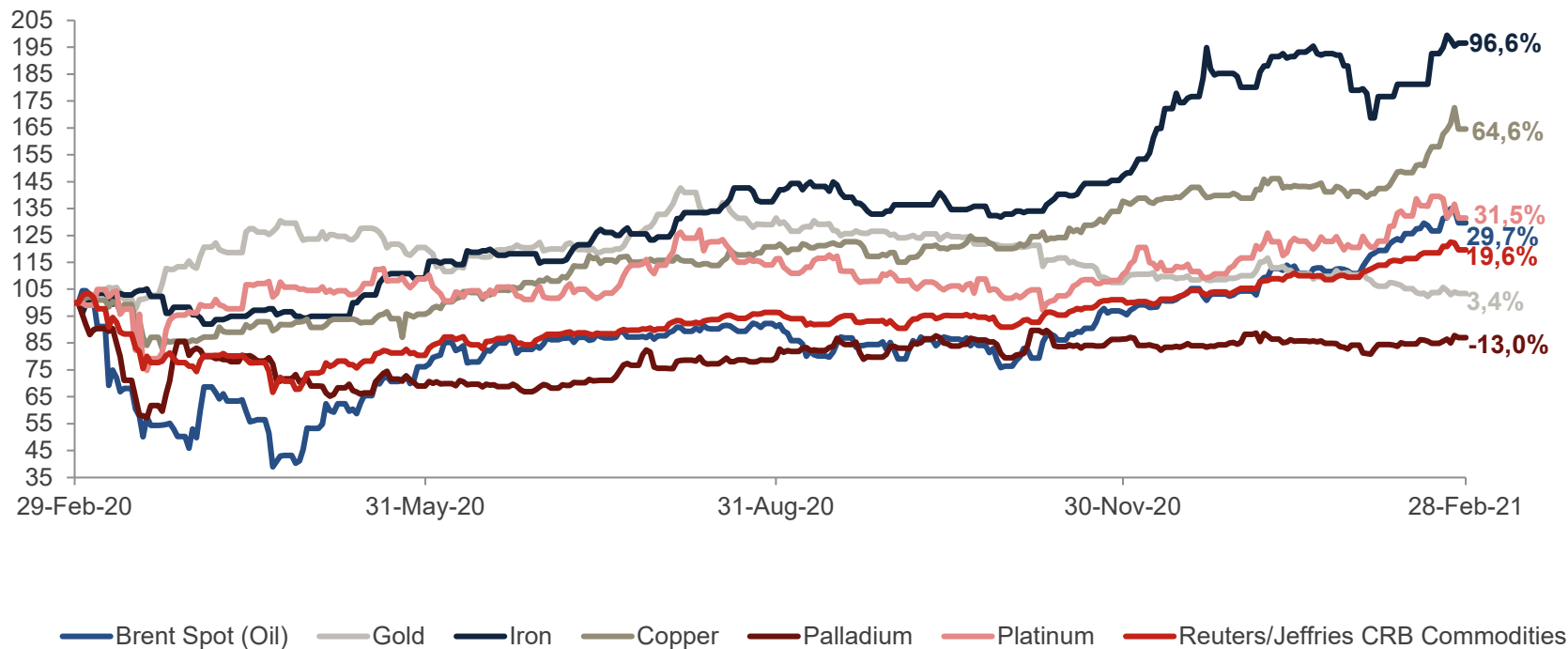
Three months to February 2021



Commodities



One year to February 2021



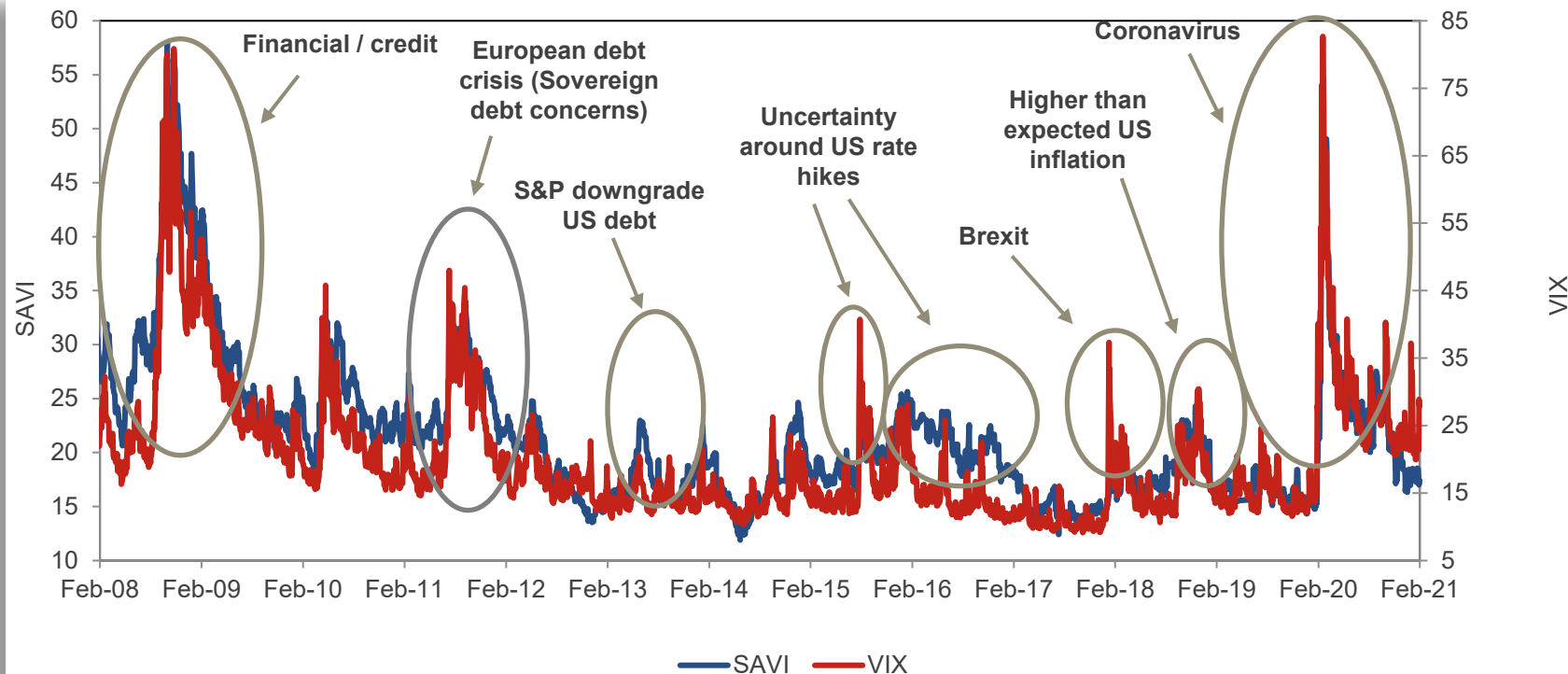
All returns are in dollar terms



06

Volatility and
international flows

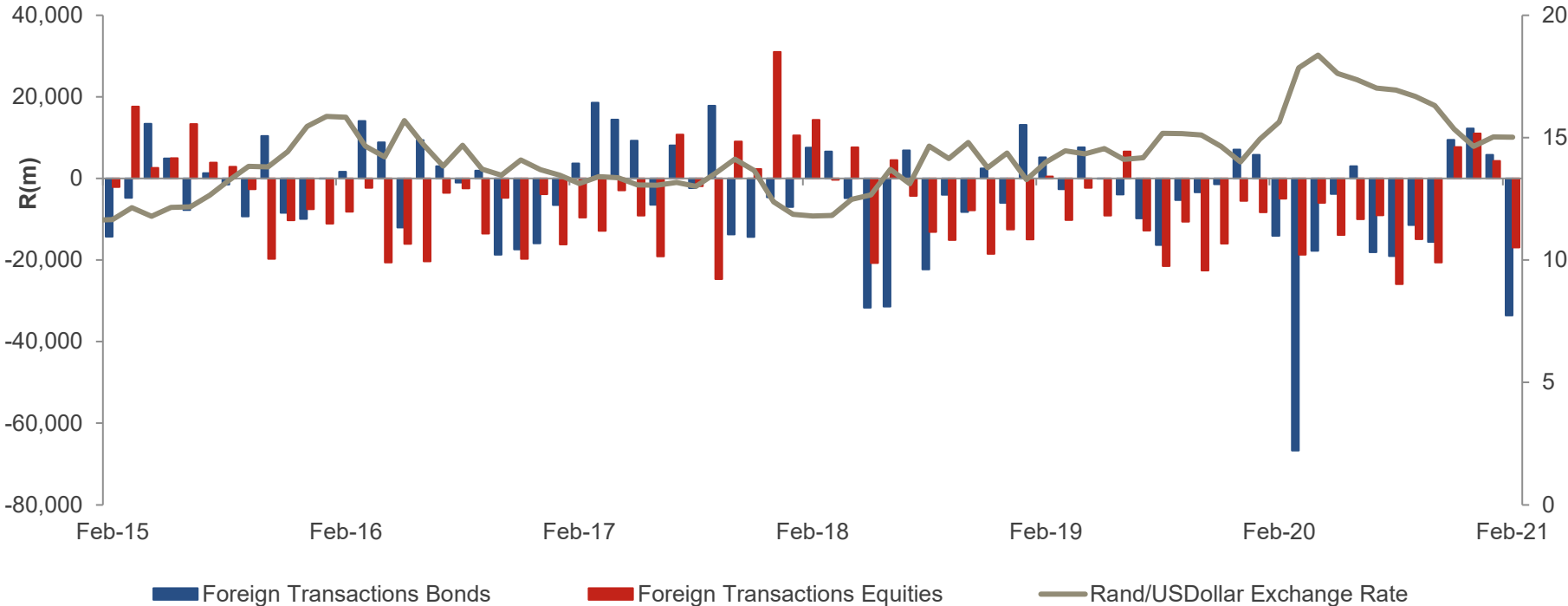
February 2021



Foreign Transactions



2016 to 2021

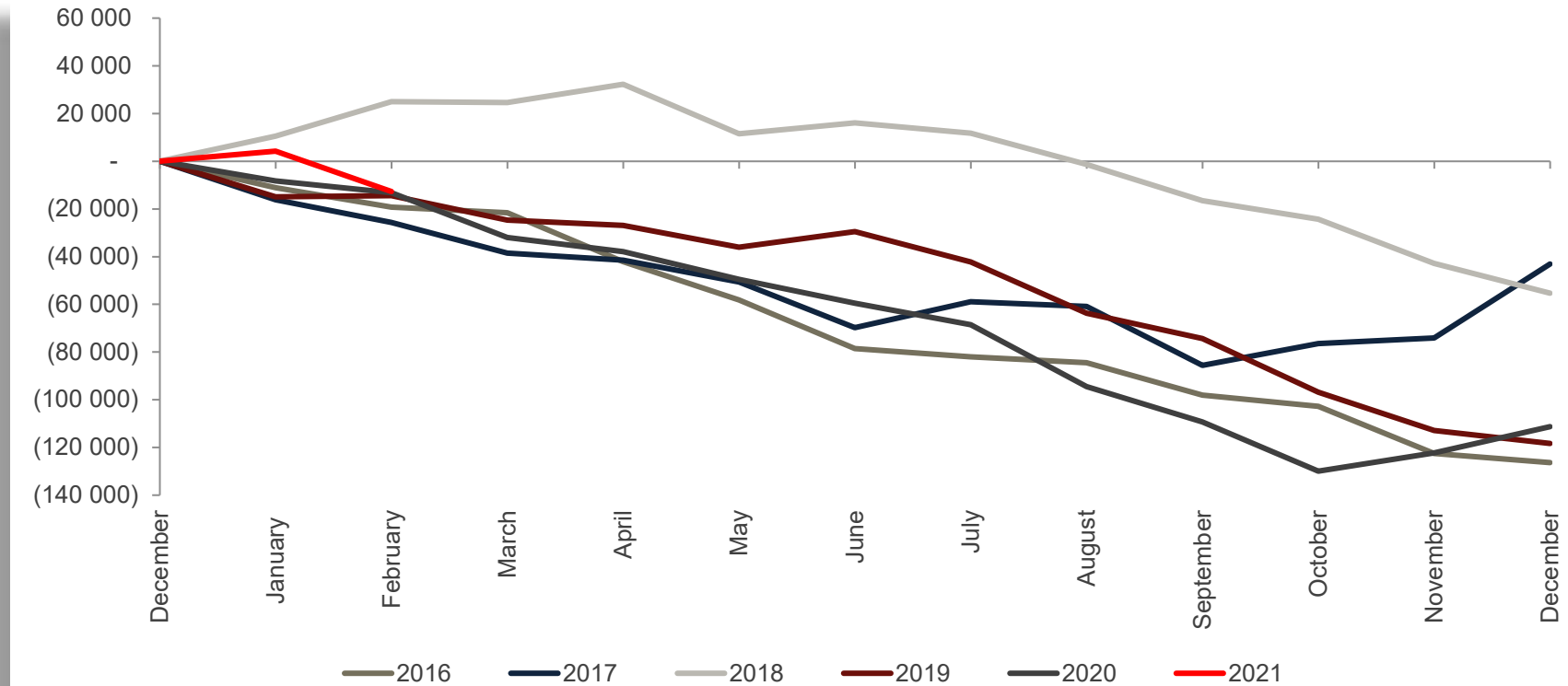


Source: IRESS and Momentum Investments

Cumulative foreign transaction: Equities



2016 to 2021

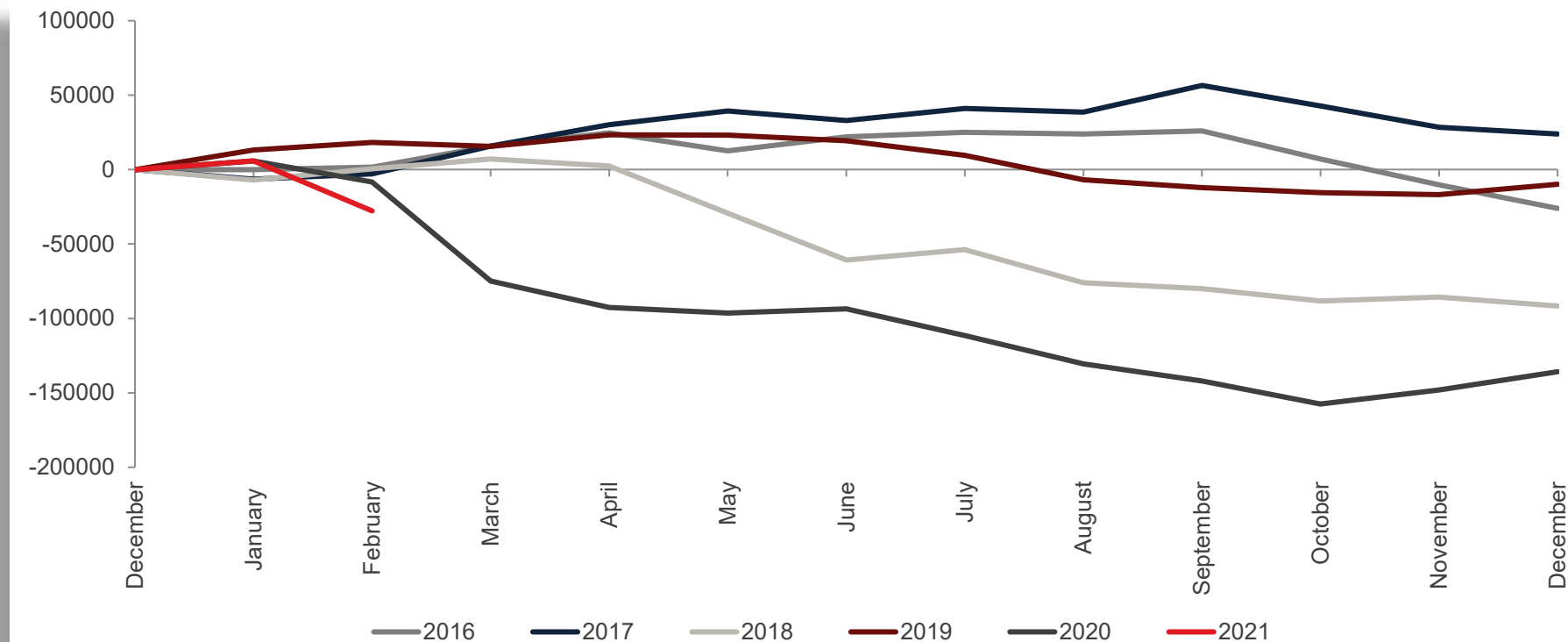


Source: IRESS and Momentum Investments

Cumulative foreign transaction: Bonds



2016 to 2021



Source: IRESS and Momentum Investments

momentum
investments

Thank you



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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