

Key market performance drivers

Monthly charts to 30 June 2021

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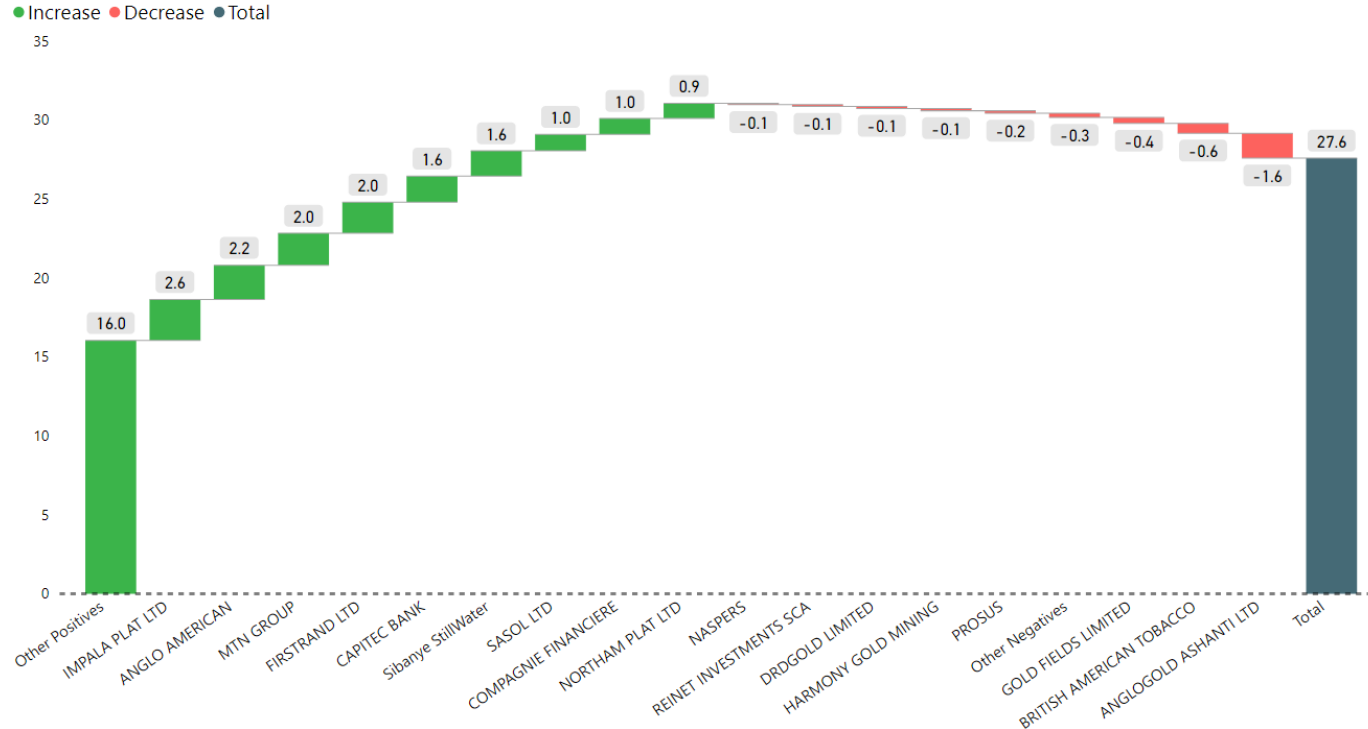
01

Market
Concentration

Market concentration



One-year Capped SWIX contributions ending June 2021





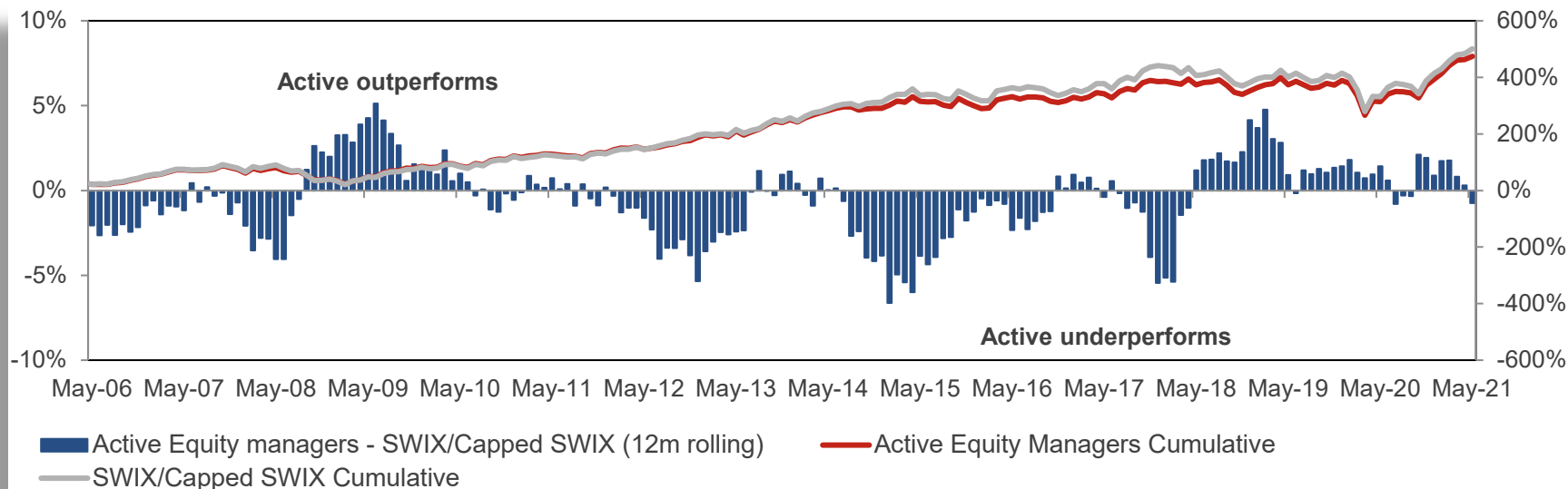
02

Active Index Analysis

Active index analysis: Equities



One-year rolling active to May 2021



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

(SWIX until 31 October 2017 and Capped SWIX thereafter)

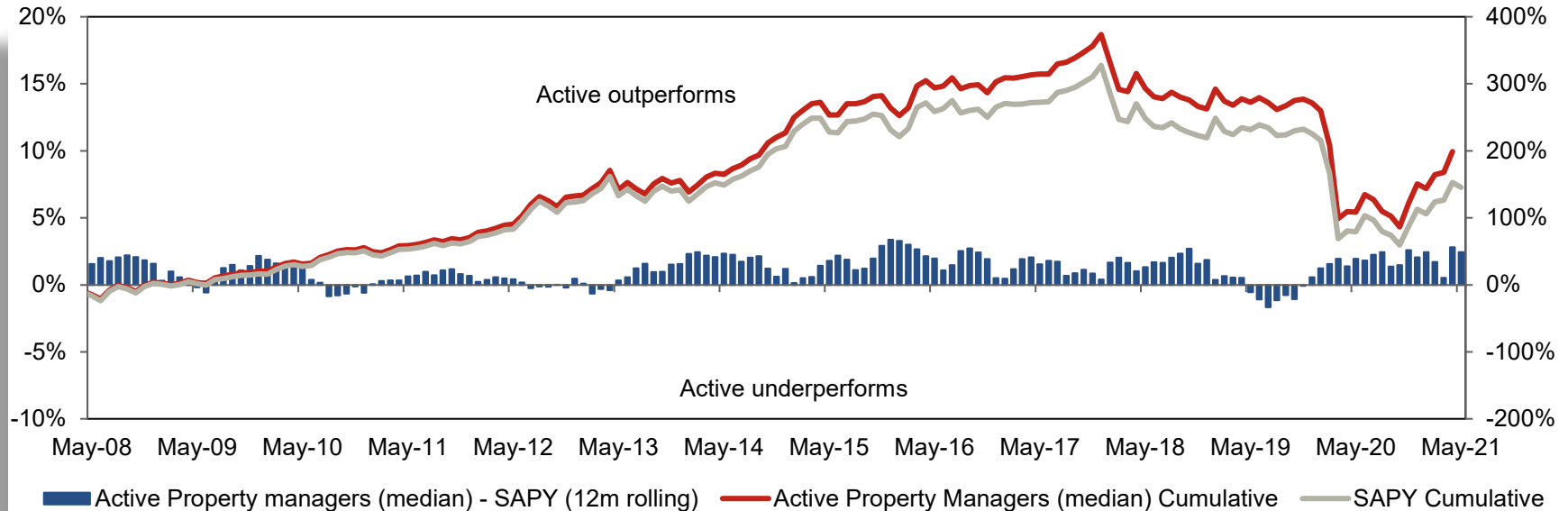
Data lagged by one month

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

Active index analysis: Property



One-year rolling active to May 2021



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

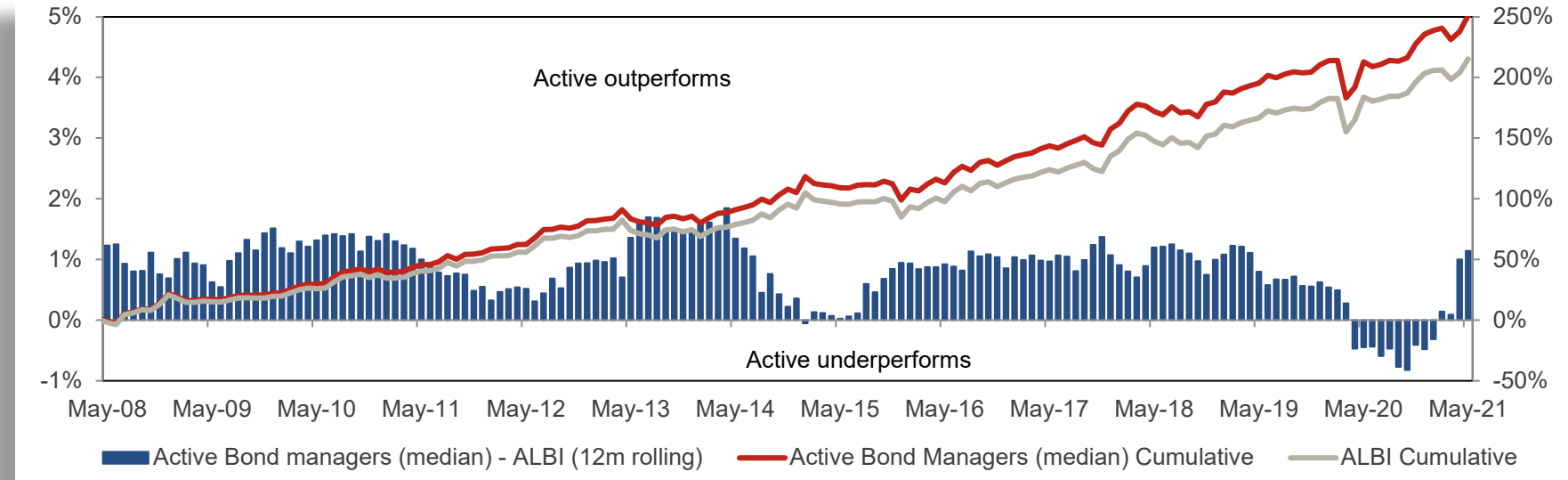
Data lagged by one month

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

Active index analysis: Bonds



One-year rolling active to May 2021



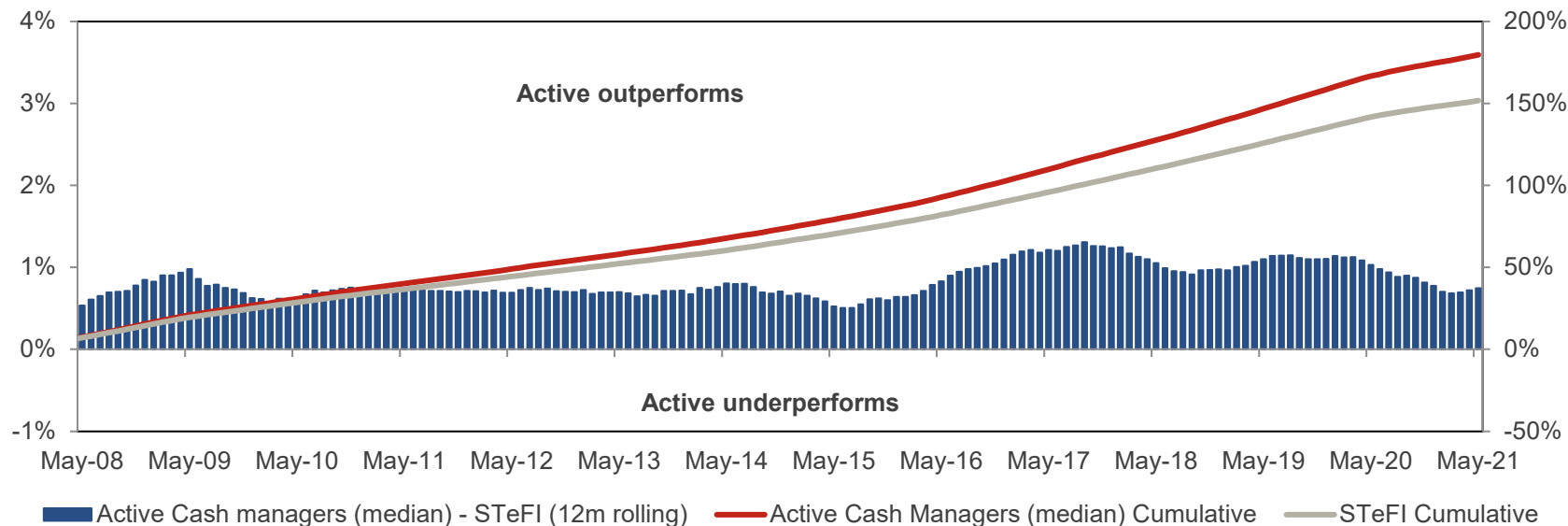
The median of the active bond investment managers outperformed the ALBI for the 12-month period ending May 2021.

Data lagged by one month

Active index analysis: Cash



One-year rolling active to May 2021



The median of the active money market investment managers outperformed the SteFI for the 12-month period ending May 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 June 2021

ZAR	Styles	One month to June 2021	Three months to June 2021	One year to June 2021	Three years to June 2021	Five years to June 2021	Ten years to June 2021	Twenty years to June 2021
Value	Book to Price	3,94	6,66	24,10	-0,30	-1,75	-3,00	-0,37
	Dividend Yield	1,53	1,09	13,65	1,73	3,92	0,46	3,36
	Earnings Yield	-0,69	0,65	7,80	-1,83	0,39	-1,13	0,00
	Cash Flow Yield	1,92	3,45	7,78	-4,13	0,44	-0,13	1,23
	Sales to Price	-2,50	4,28	12,21	0,77	1,28	-1,12	-0,16
Quality	ROE	-2,16	-8,48	-13,61	0,07	2,91	2,14	0,88
	ROIC LT	0,89	-0,88	-7,45	-2,33	-1,16	-1,39	-0,53
	Income to Sales	-0,12	-5,57	-12,29	-1,02	-0,62	0,37	-0,23
	Low market beta	2,45	-2,18	-9,91	-3,51	-3,37	1,04	0,21
	Low Debt/Equity	0,67	-3,85	-12,31	-0,50	0,42	-0,56	-0,97
	EBIT Margin Stability	-0,04	-0,67	-11,10	-1,93	-3,19	1,64	0,61
Growth	Earnings Growth	0,23	-2,28	-7,62	5,21	5,21	2,34	0,59
	Sales Growth	2,90	-1,66	6,77	5,24	1,81	1,71	0,13
	12M Earning Growth	-0,57	-3,49	6,16	11,20	3,56	0,16	5,23
Momentum	FY1 Earnings Revisions	2,70	8,64	3,83	5,11	3,77	5,13	7,83
	Short Term Momentum	0,83	2,43	-4,20	-2,46	-1,45	1,25	-0,20
	Medium Term Momentum	2,13	3,51	-8,53	6,84	2,84	5,96	5,56
Size	Size	-1,49	-6,15	-10,07	3,53	2,59	1,31	-0,06

Quality continues to lag behind Momentum and Value

Source: FactSet, Momentum Global Investment Management and Momentum Investments



04

Sector Analysis

Sector Analysis

FTSE/JSE sectors decomposed

Three months to June 2021

Key

Resources

Financials

Industrials



1 Industrial Support Services	Industrials	30,95%	17 Non-life Insurance	Financials	6,46%
2 Finance and Credit Services	Financials	22,84%	18 Industrial Transportation	Industrials	5,79%
3 Personal Goods	Consumer Discretionary	21,90%	19 Life Insurance	Financials	5,75%
4 Beverages	Consumer Staples	18,81%	20 Closed End Investments	Financials	4,53%
5 Travel and Leisure	Consumer Discretionary	16,15%	21 Personal Care	Consumer Staples	4,05%
6 Construction and Materials	Industrials	15,99%	22 Chemicals	Basic Materials	3,28%
7 Retailers	Consumer Discretionary	14,88%	23 Automobiles and Parts	Consumer Discretionary	3,12%
8 General Industrials	Industrials	12,39%	24 Electronic and Electrical Equipment	Industrials	1,80%
9 Pharmaceuticals and Biotechnology	Health Care	11,59%	25 Food Producers	Consumer Staples	1,79%
10 Real Estate Investment Trusts	Real Estate	11,52%	26 Investment Banking and Brokerage	Financials	1,06%
11 Real Estate Investment and Services	Real Estate	11,31%	27 Industrial Metals and Mining	Basic Materials	-0,18%
12 Telecommunications Service Providers	Telecommunications	9,72%	28 Tobacco	Consumer Staples	-1,32%
13 Banks	Financials	9,30%	29 Industrial Materials	Basic Materials	-2,59%
14 Consumer Services	Consumer Discretionary	9,06%	30 Precious Metals and Mining	Basic Materials	-13,78%
15 Health Care Providers	Health Care	8,87%	31 Software and Computer Services	Technology	-14,78%
16 Oil	Energy	7,76%	32 Alternative Energy	Energy	-32,35%

Sector Analysis

FTSE/JSE sectors decomposed

One Year to June 2021

Key

Resources

Financials

Industrials

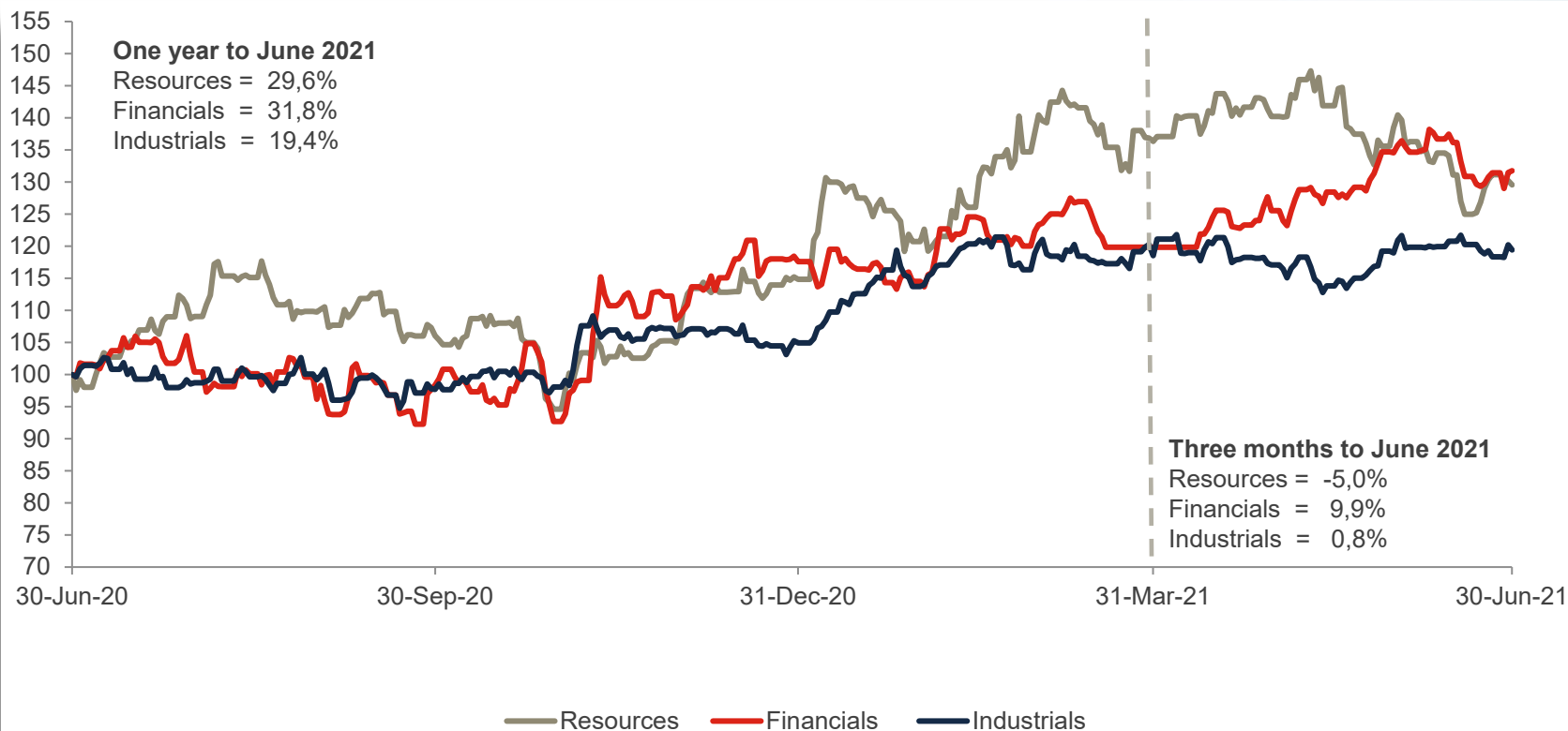


1 Alternative Energy	Energy	233,99%	17 Closed End Investments	Financials	33,23%
2 Finance and Credit Services	Financials	100,79%	18 Automobiles and Parts	Consumer Discretionary	29,68%
3 Industrial Transportation	Industrials	90,44%	19 Industrial Materials	Basic Materials	29,62%
4 Retailers	Consumer Discretionary	89,33%	20 Travel and Leisure	Consumer Discretionary	27,23%
5 Industrial Support Services	Industrials	80,98%	21 Real Estate Investment and Services	Real Estate	26,67%
6 Consumer Services	Consumer Discretionary	75,93%	22 Real Estate Investment Trusts	Real Estate	26,11%
7 Chemicals	Basic Materials	64,04%	23 Precious Metals and Mining	Basic Materials	22,20%
Electronic and Electrical					
8 Equipment	Industrials	60,83%	24 Personal Care	Consumer Staples	21,90%
9 Personal Goods	Consumer Discretionary	59,94%	25 Health Care Providers	Health Care	14,95%
10 Oil	Energy	51,21%	26 Food Producers	Consumer Staples	13,75%
Telecommunications Service					
11 Providers	Telecommunications	50,81%	27 Pharmaceuticals and Biotechnology	Health Care	12,04%
12 Banks	Financials	50,56%	28 Life Insurance	Financials	11,91%
13 Industrial Metals and Mining	Basic Materials	44,00%	29 Investment Banking and Brokerage	Financials	11,15%
14 Construction and Materials	Industrials	42,56%	30 Non-life Insurance	Financials	-3,15%
15 General Industrials	Industrials	42,23%	31 Software and Computer Services	Technology	-5,19%
16 Beverages	Consumer Staples	38,08%	32 Tobacco	Consumer Staples	-12,16%

Source: Barra and Deutsche Securities

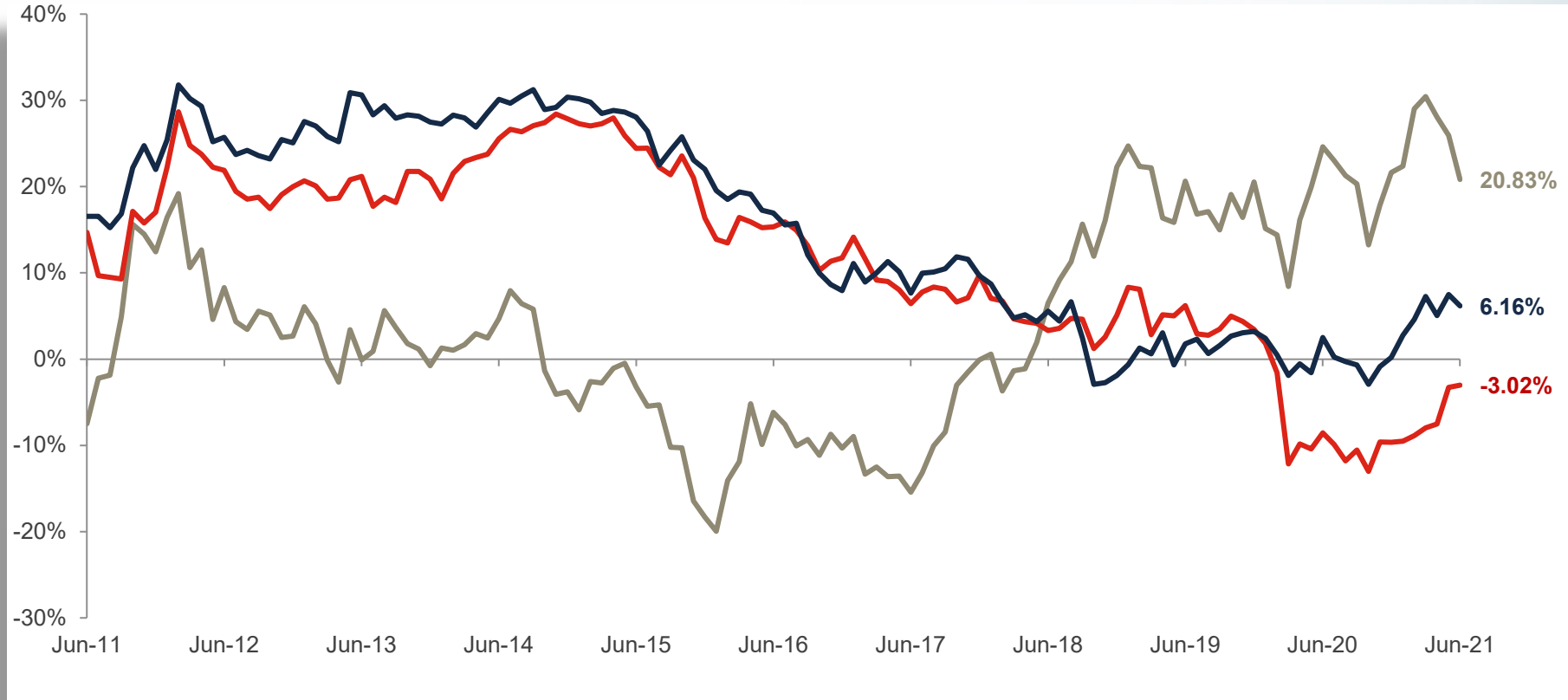
FTSE/JSE sectors

One year rolling to June 2021



FTSE/JSE sectors

Ten years rolling to June 2021



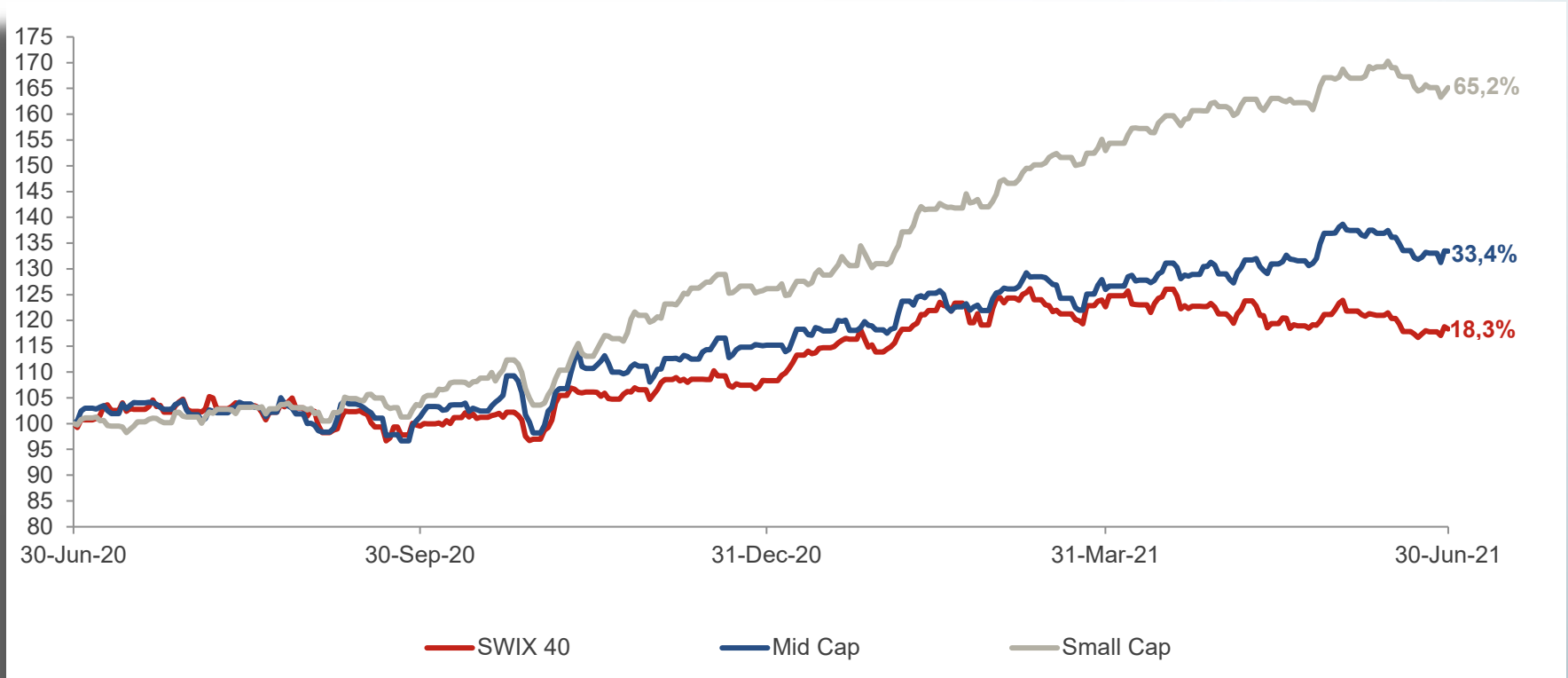
Source: IRESS and Momentum Investments

Resources Financials Industrials

FTSE/JSE market caps



One year to June 2021





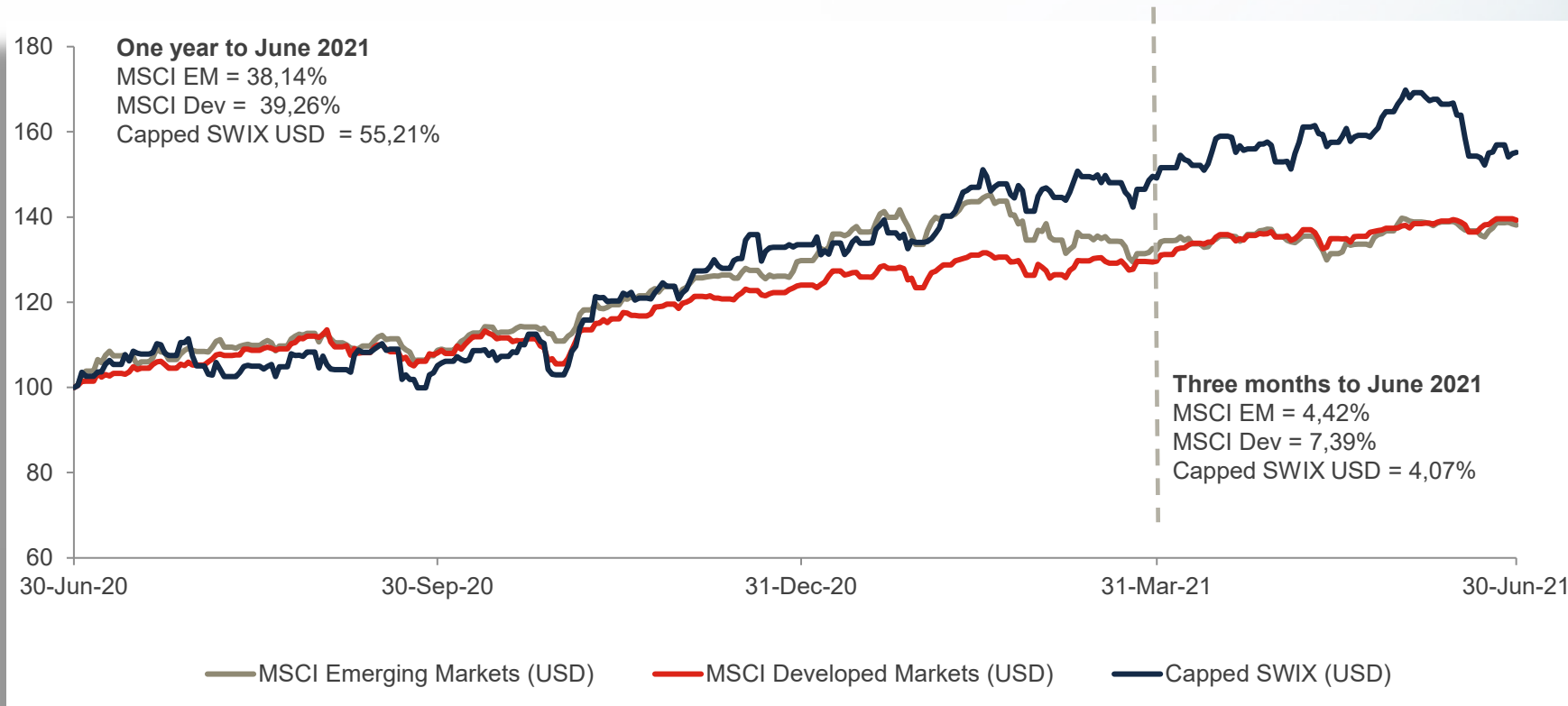
05

Indexed Return Charts

MSCI developed and emerging markets



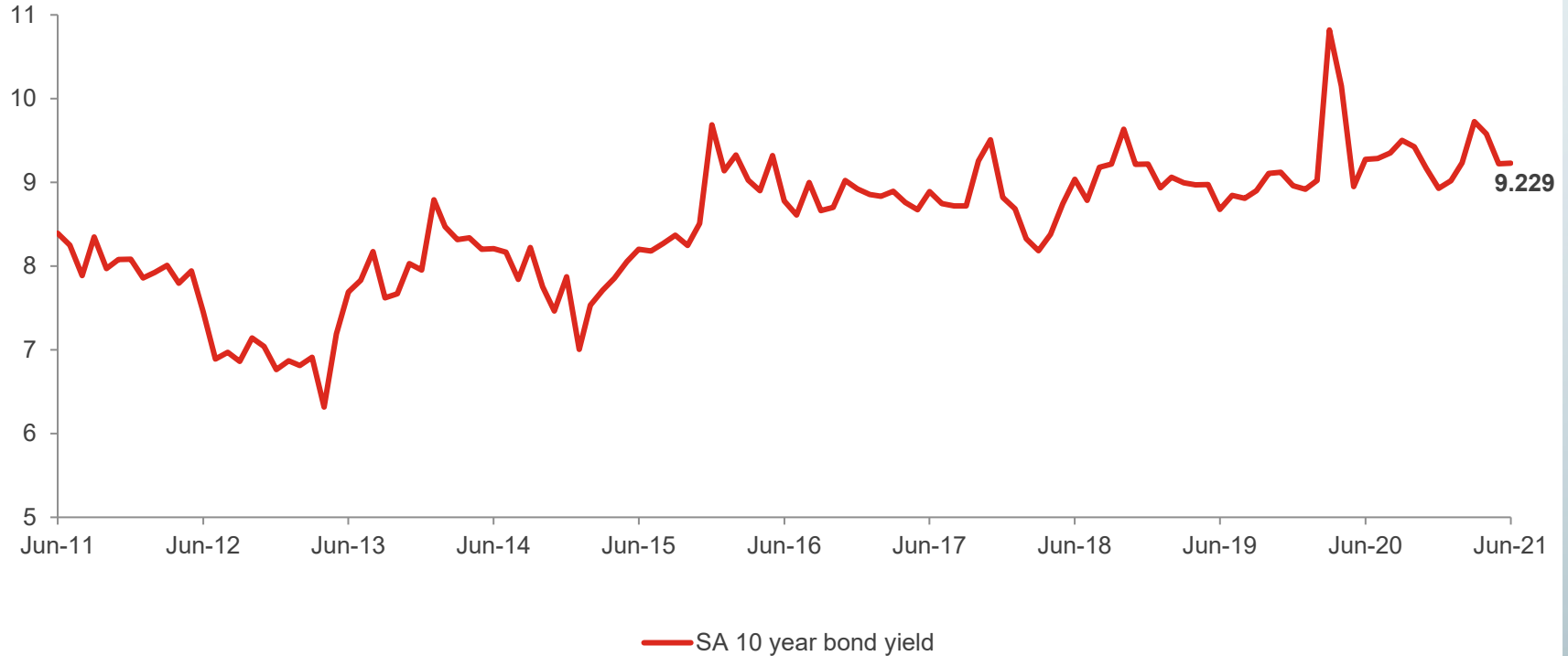
One year to June 2021



SA 10-year bond yields



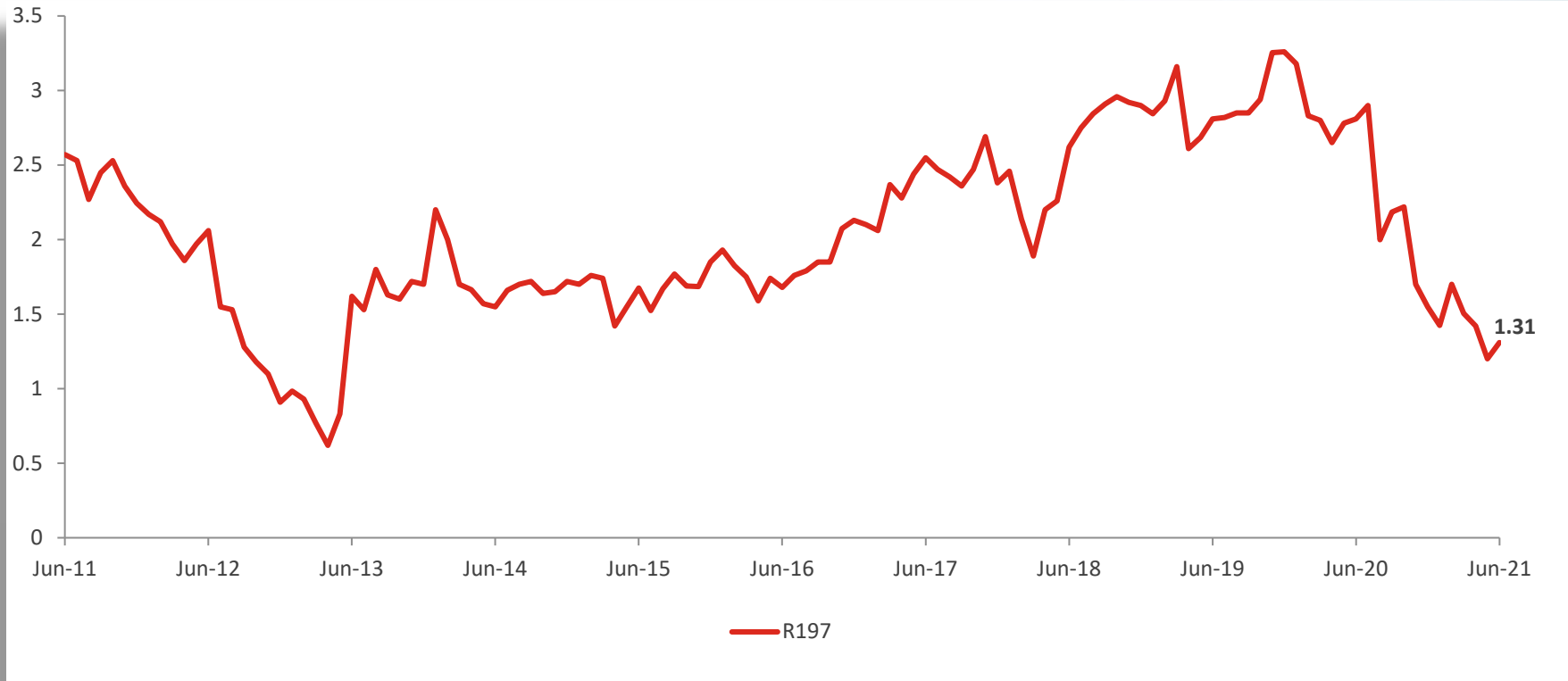
Ten years to June 2021



Yield of R197 (inflation-linked bond)



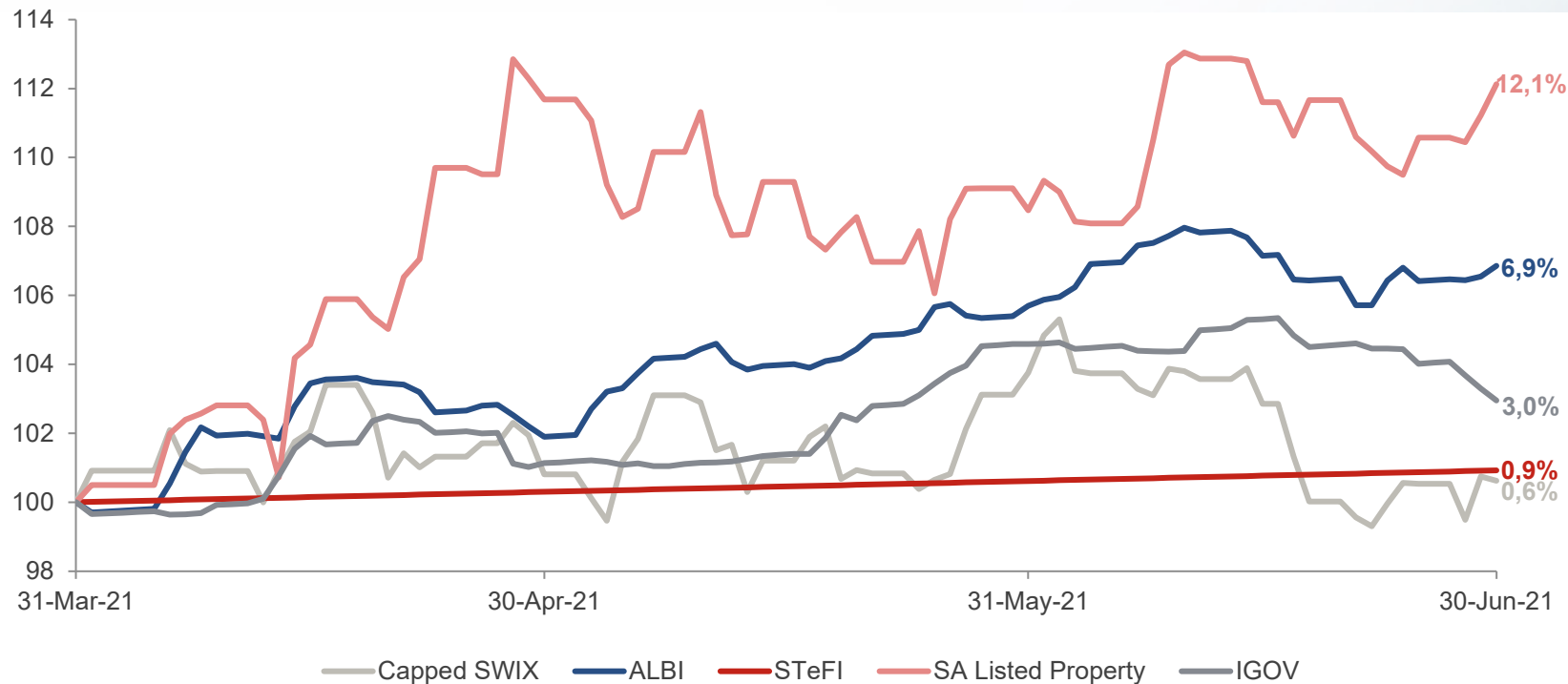
Ten years to June 2021



Local asset classes



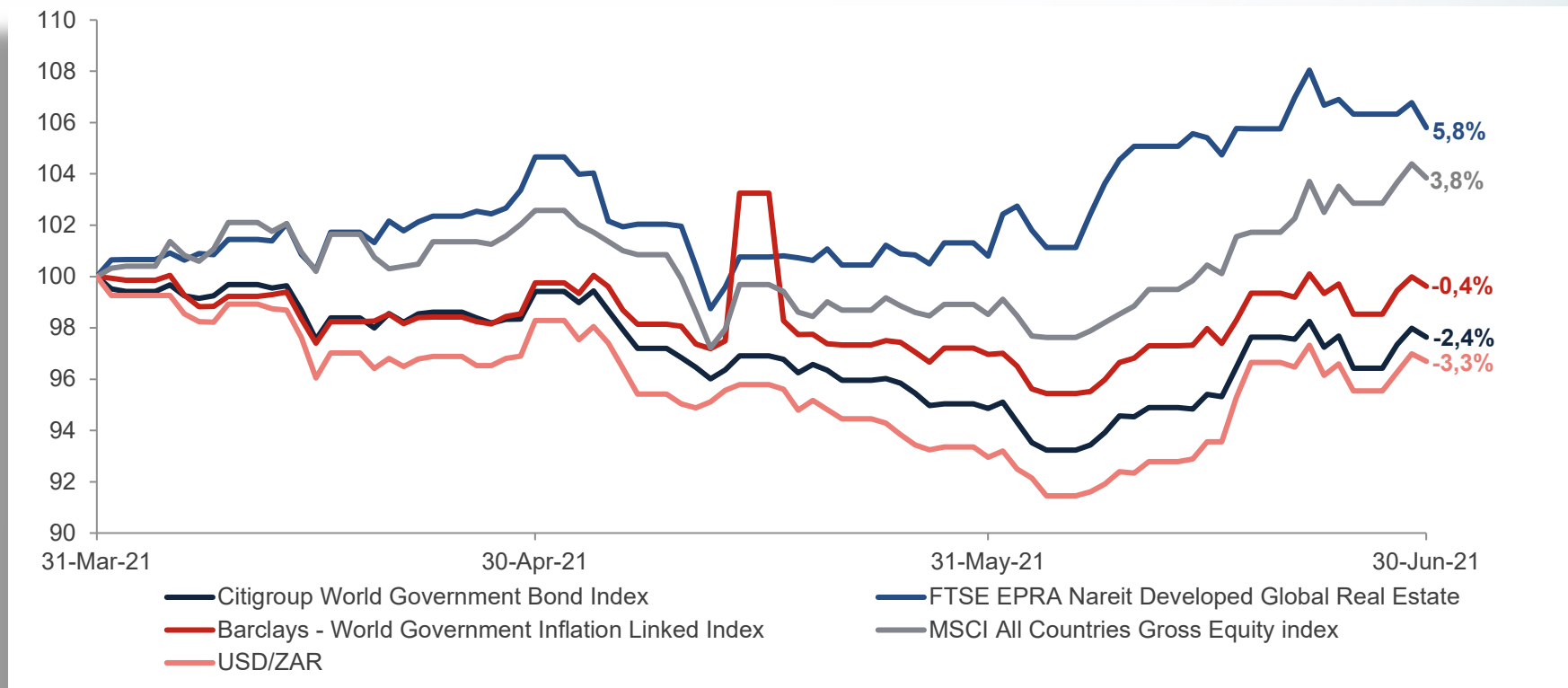
Three months to June 2021



* CPI lagged by one month due to availability of data

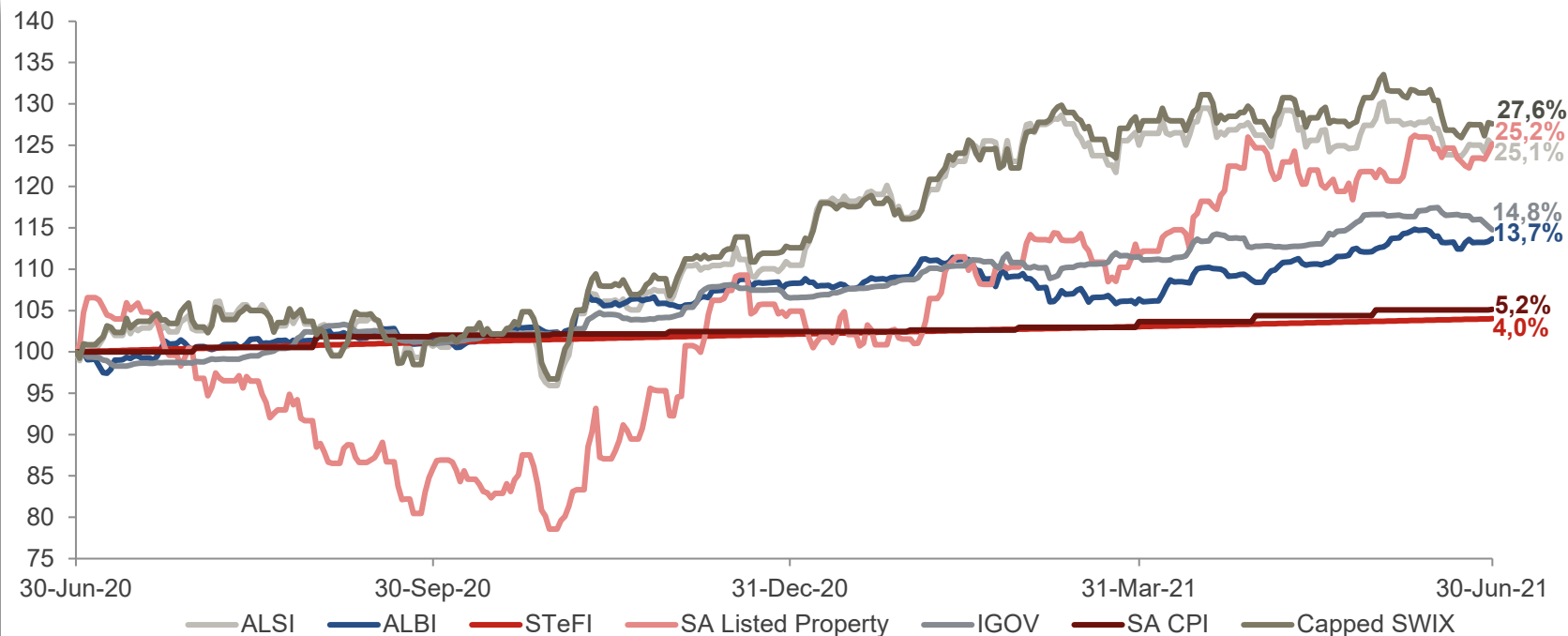
Global asset classes

Three months to June 2021



Local asset classes

One year to June 2021

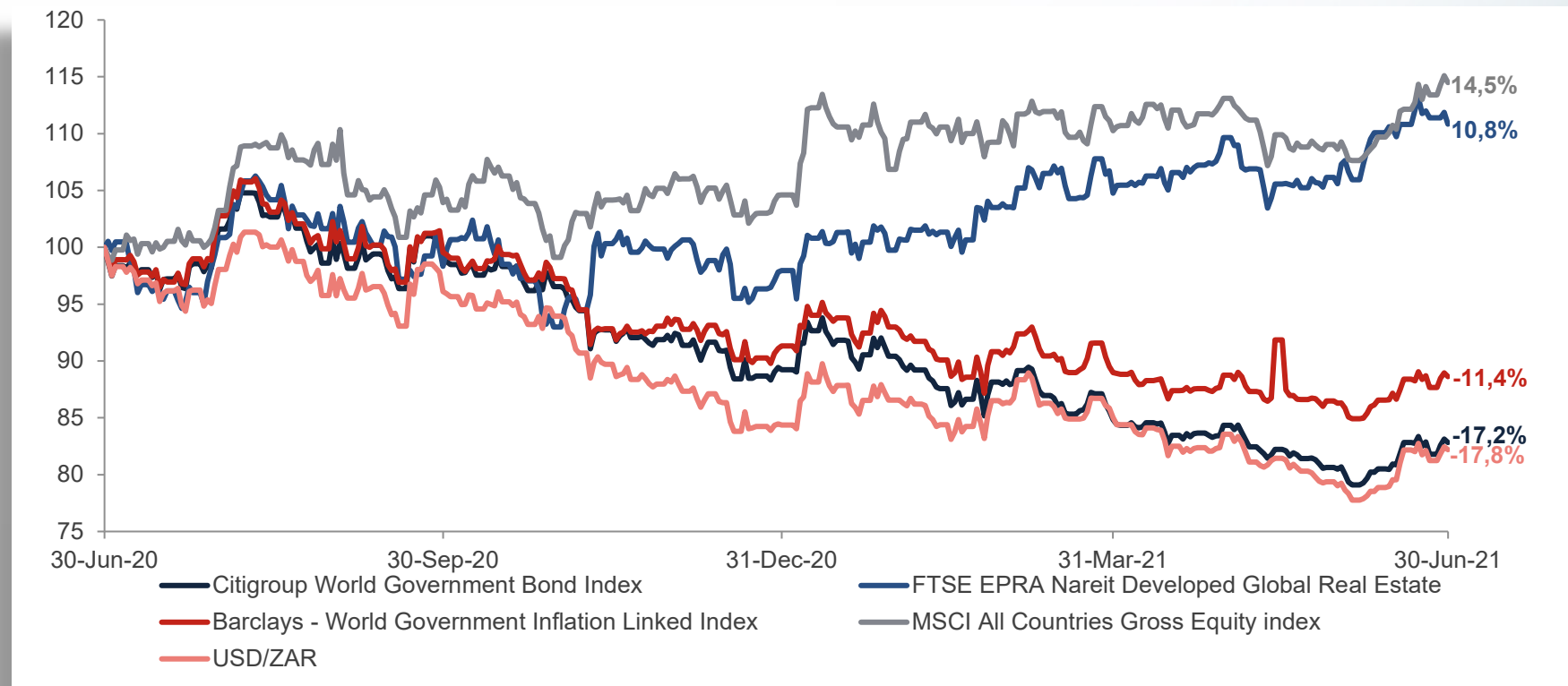


* CPI lagged by one month due to availability of data

Global asset classes



One year to June 2021

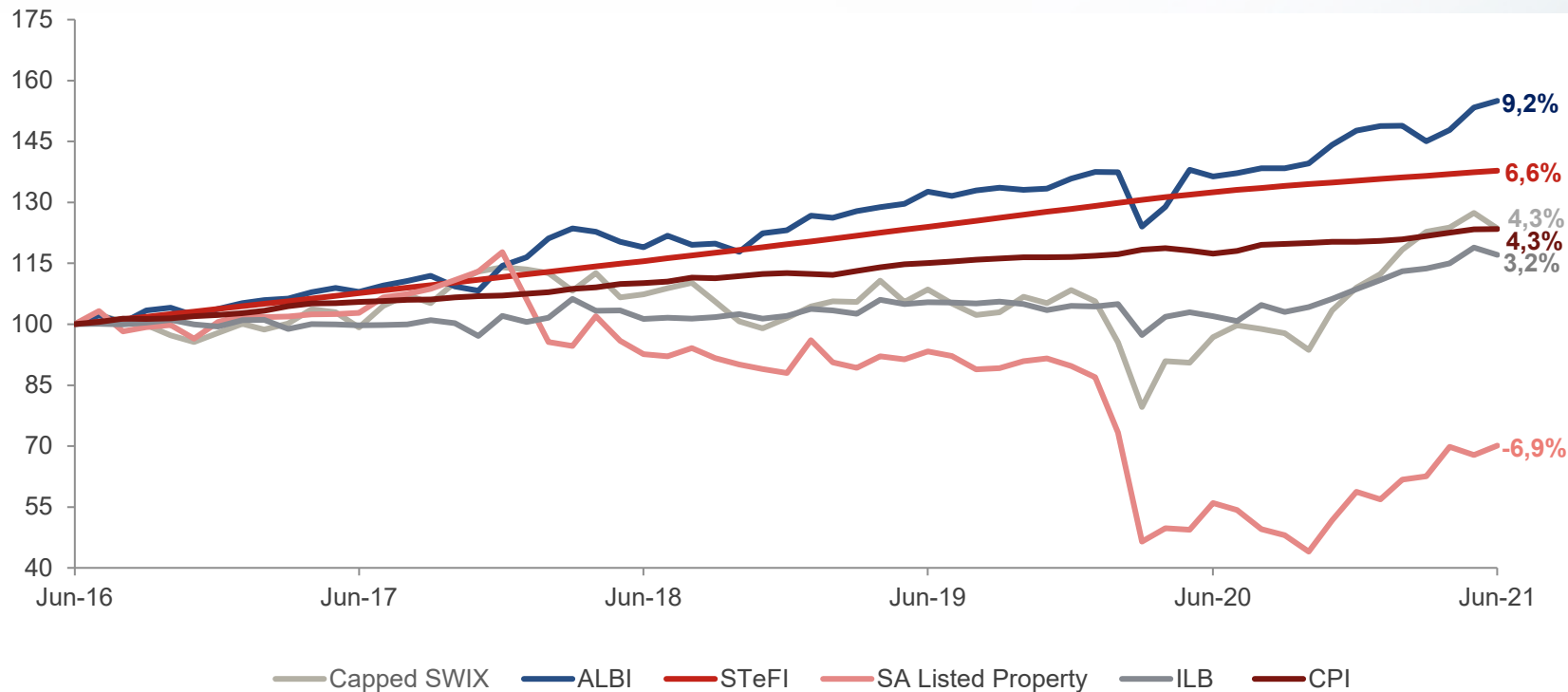


Source: IRESS and Momentum Investments

Local asset classes



Five years to June 2021

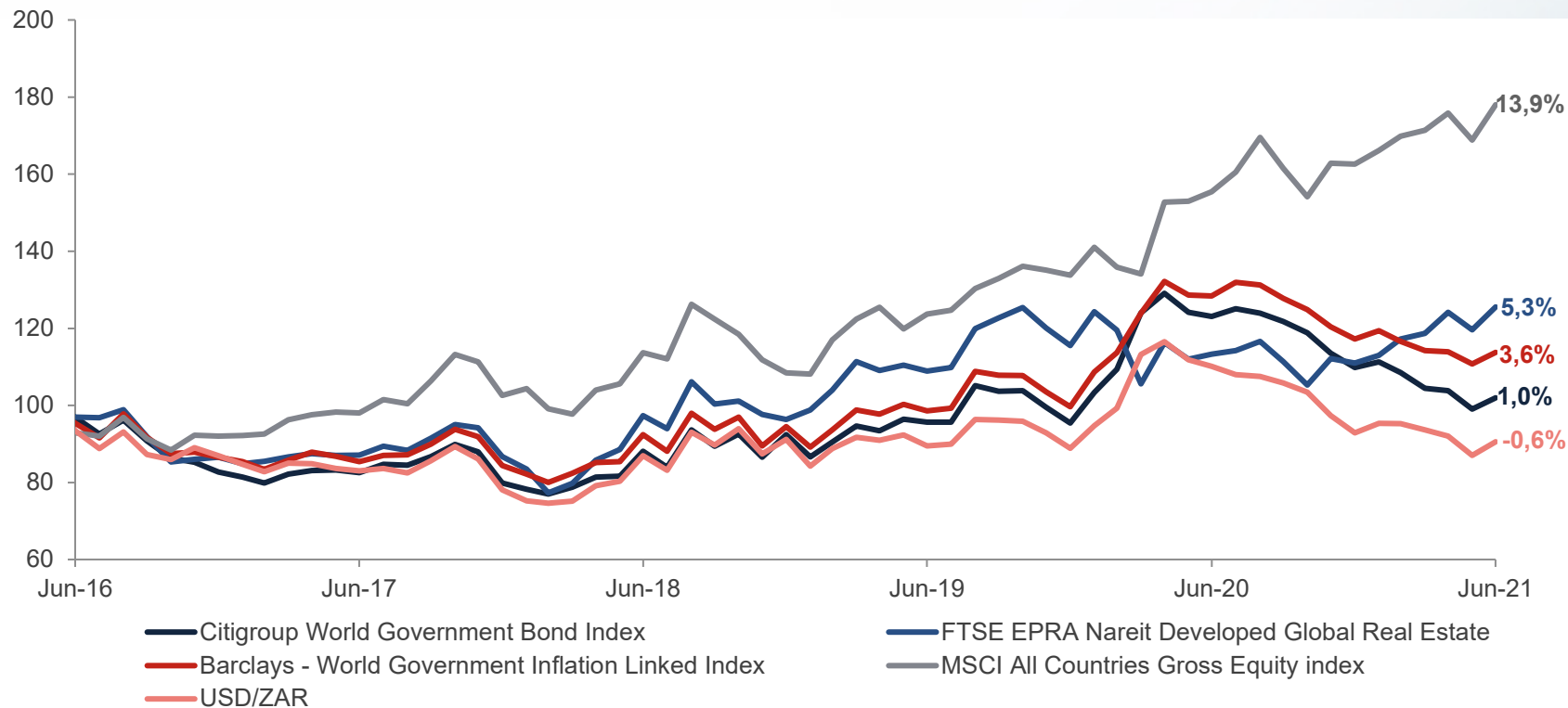


* CPI lagged by one month due to availability of data

Global asset classes



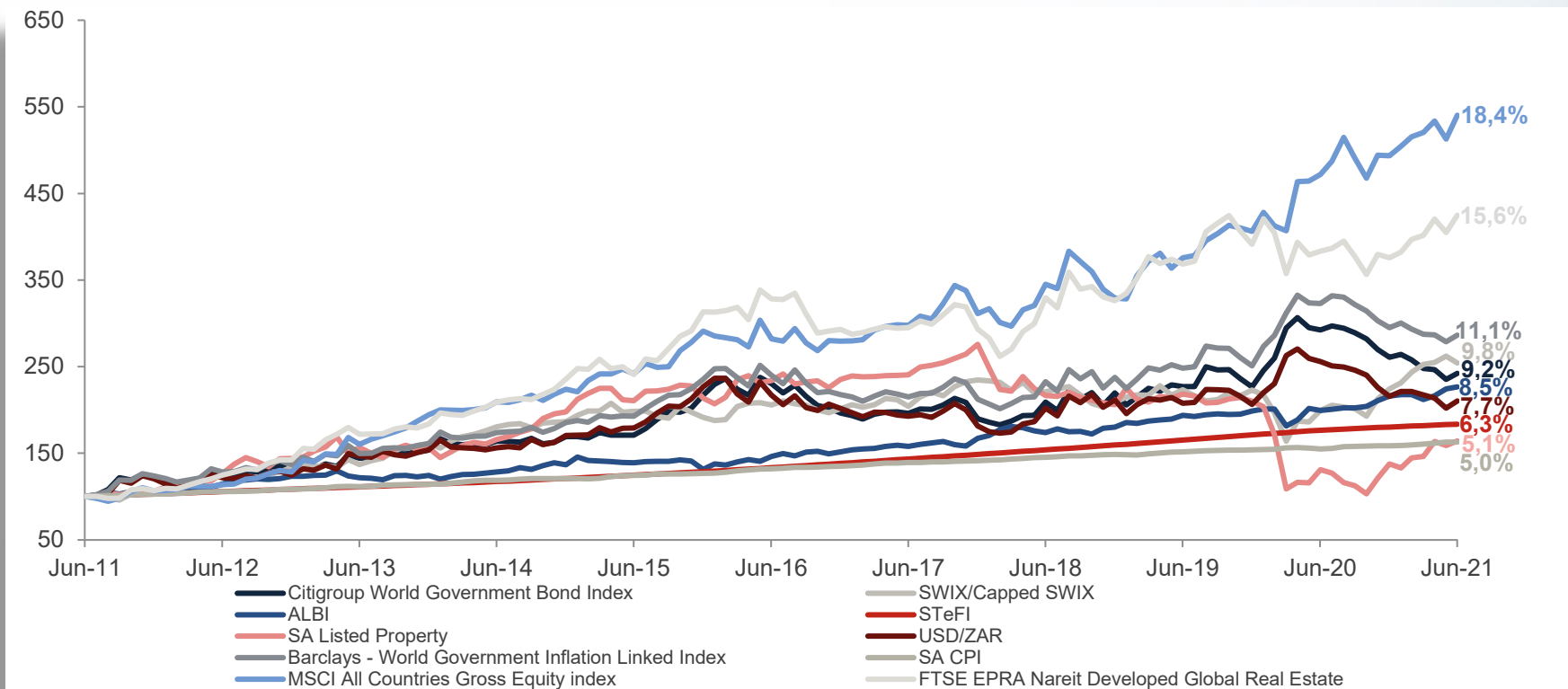
Five years to June 2021



Asset classes



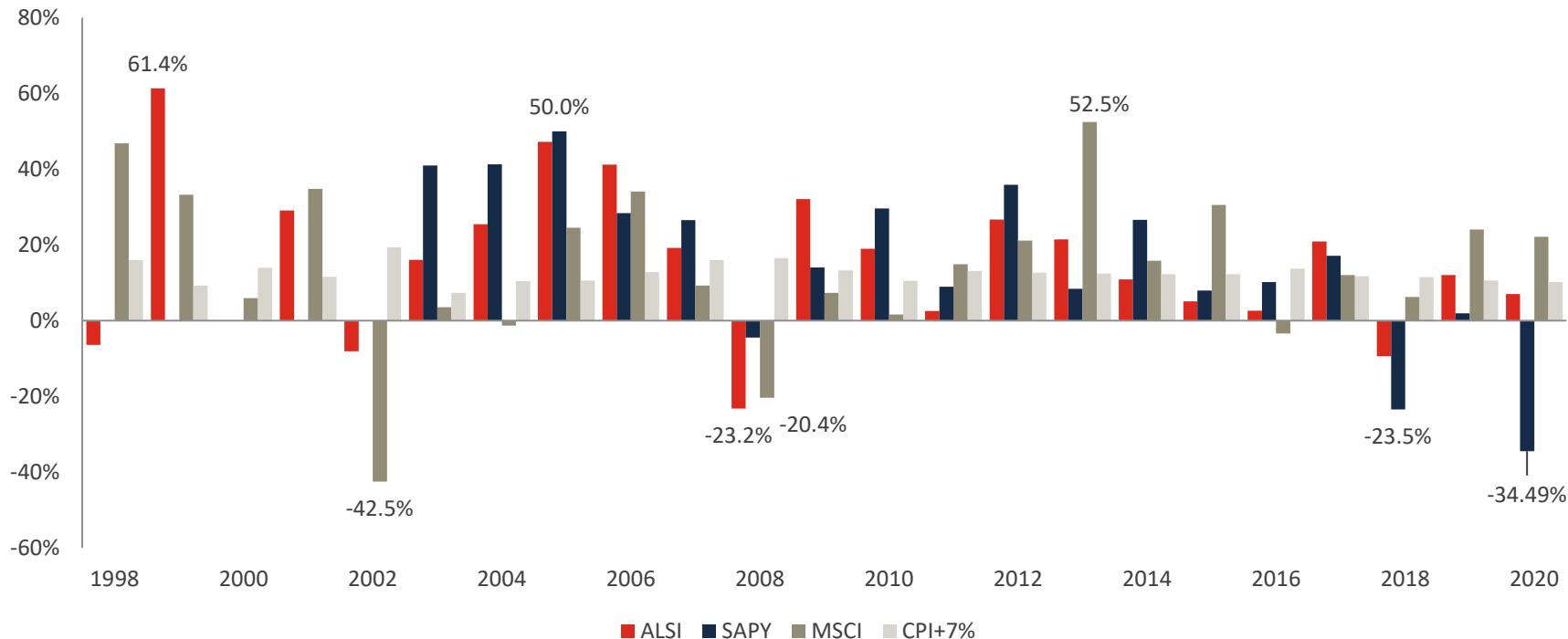
Ten years to June 2021



* CPI lagged by one month due to availability of data

Source: IRESS and Momentum Investments

Annual asset class returns



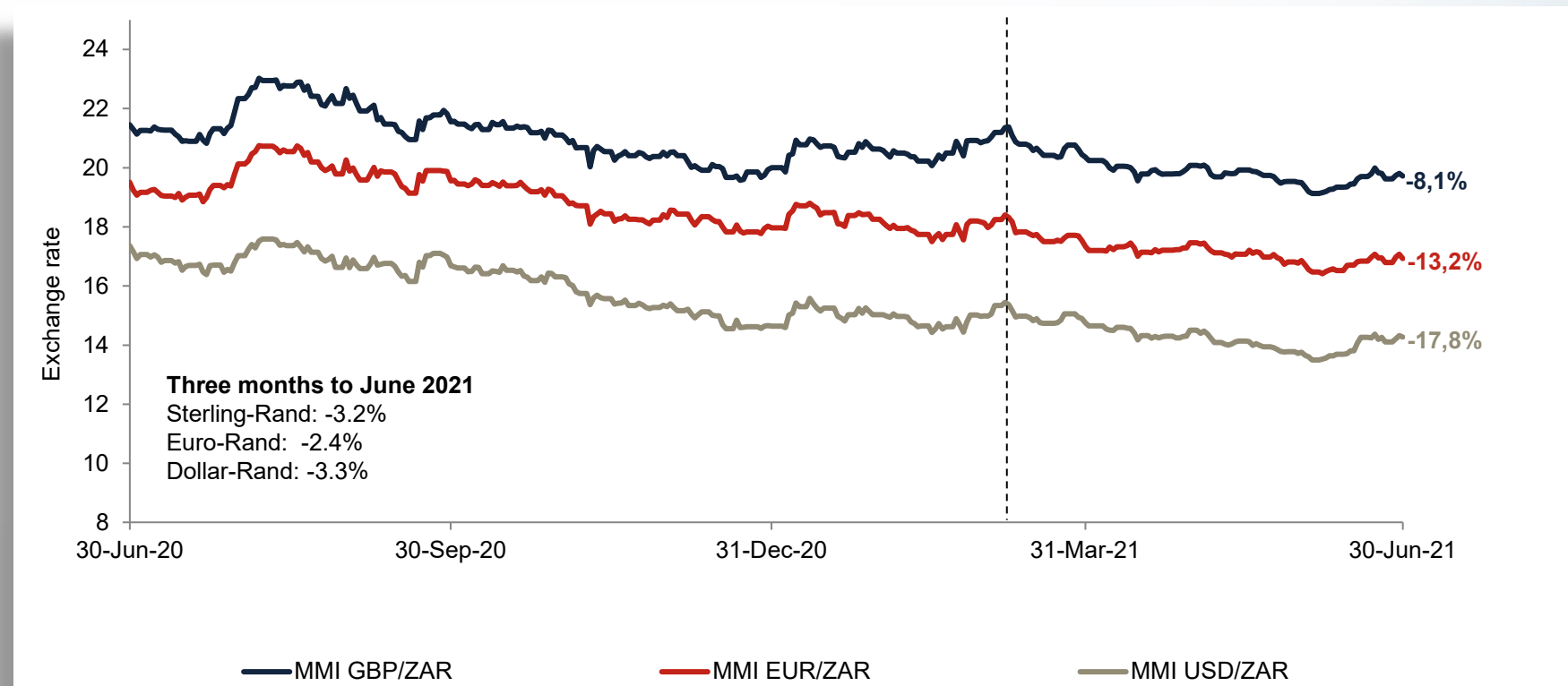
* CPI lagged by one month due to availability of data

Source: IRESS and Momentum Investments

Exchange rates



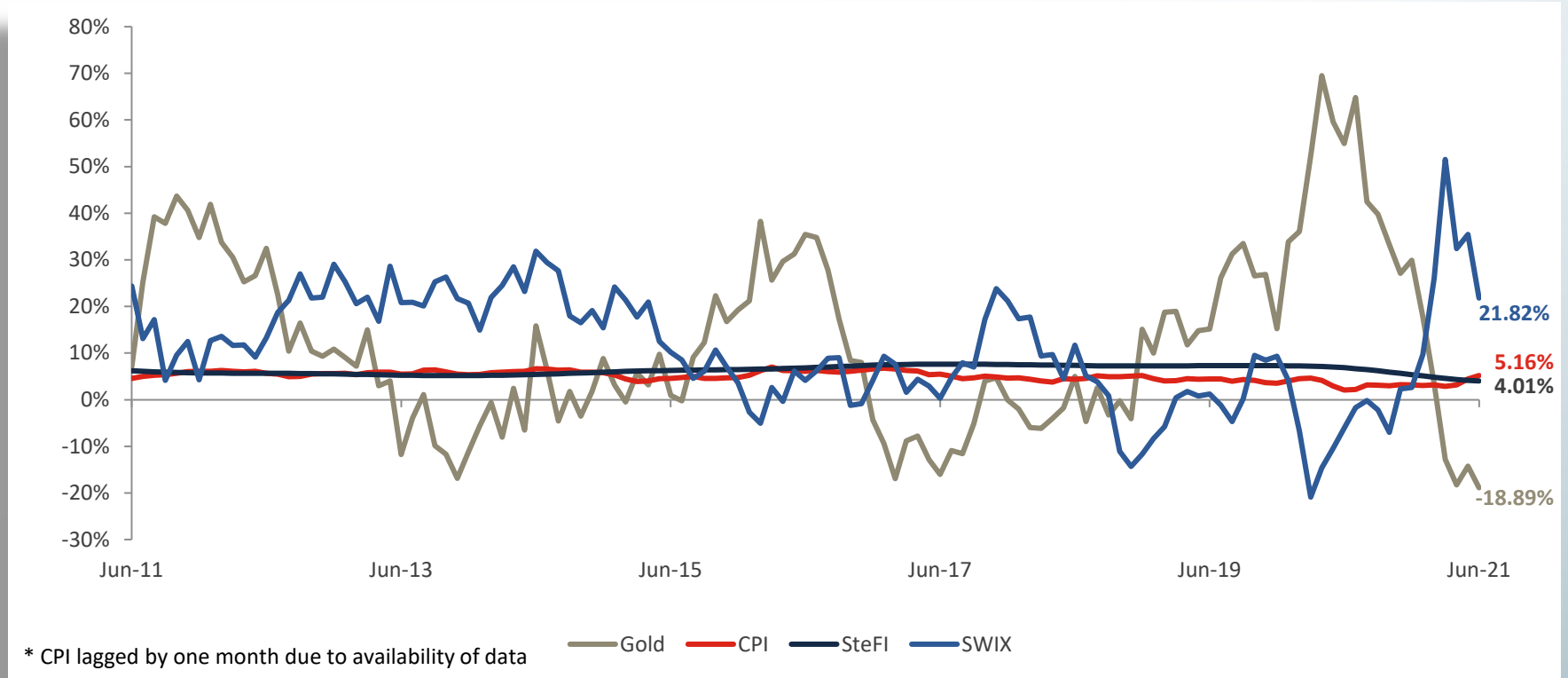
One year to June 2021



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



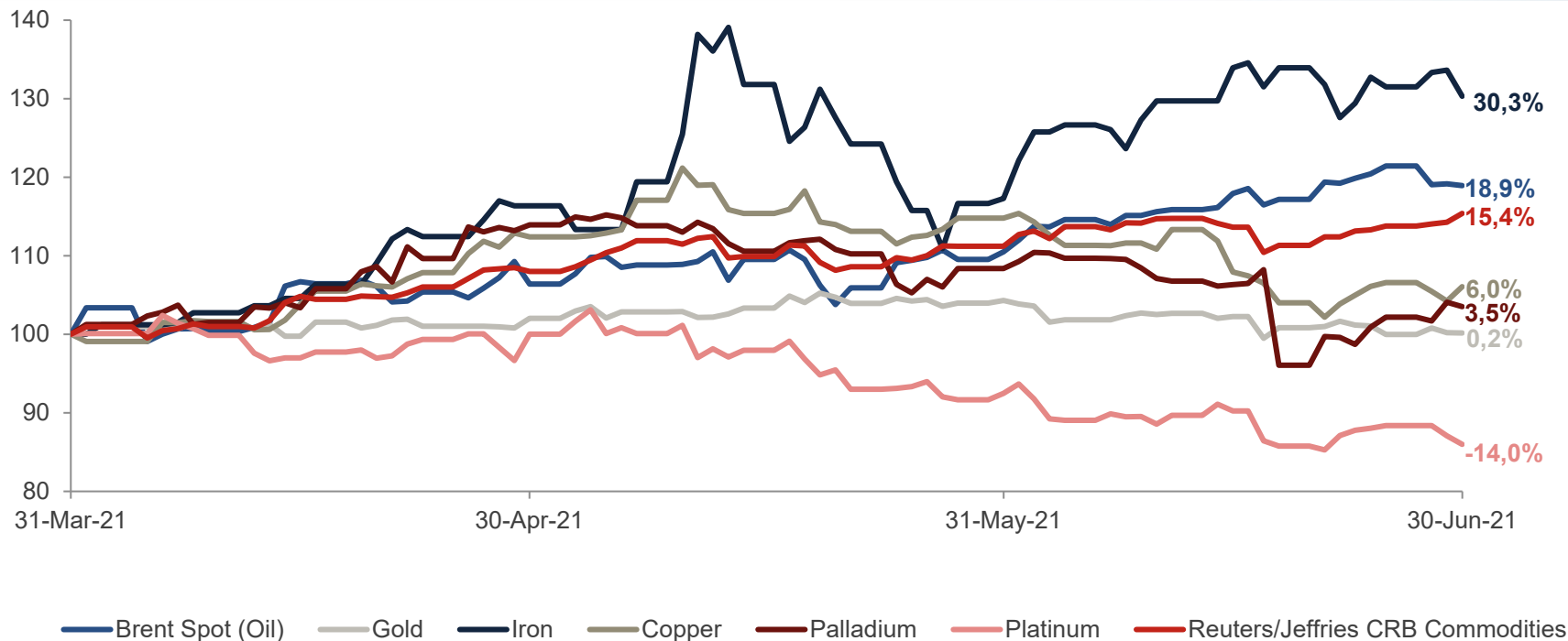
Ten-year rolling returns to June 2021



Commodities



Three months to June 2021

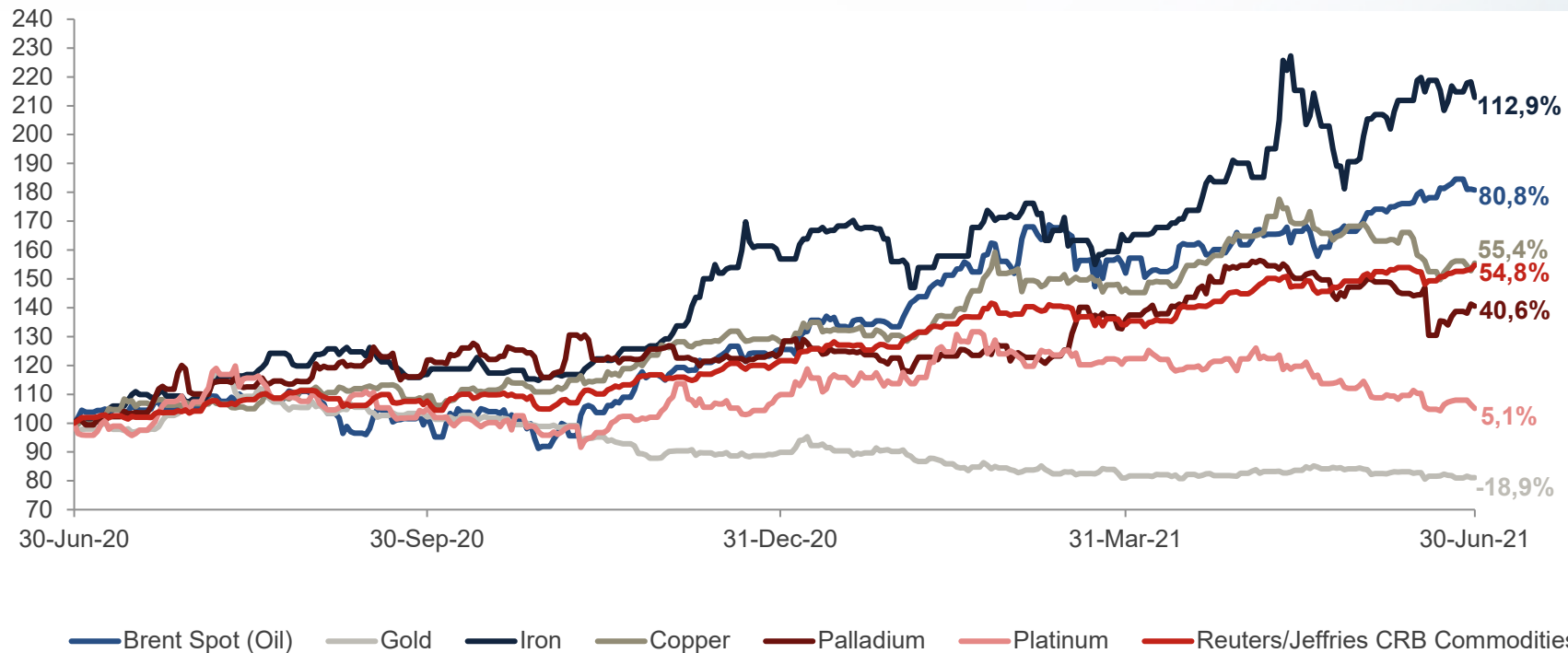


All returns are in dollar terms

Commodities



One year to June 2021



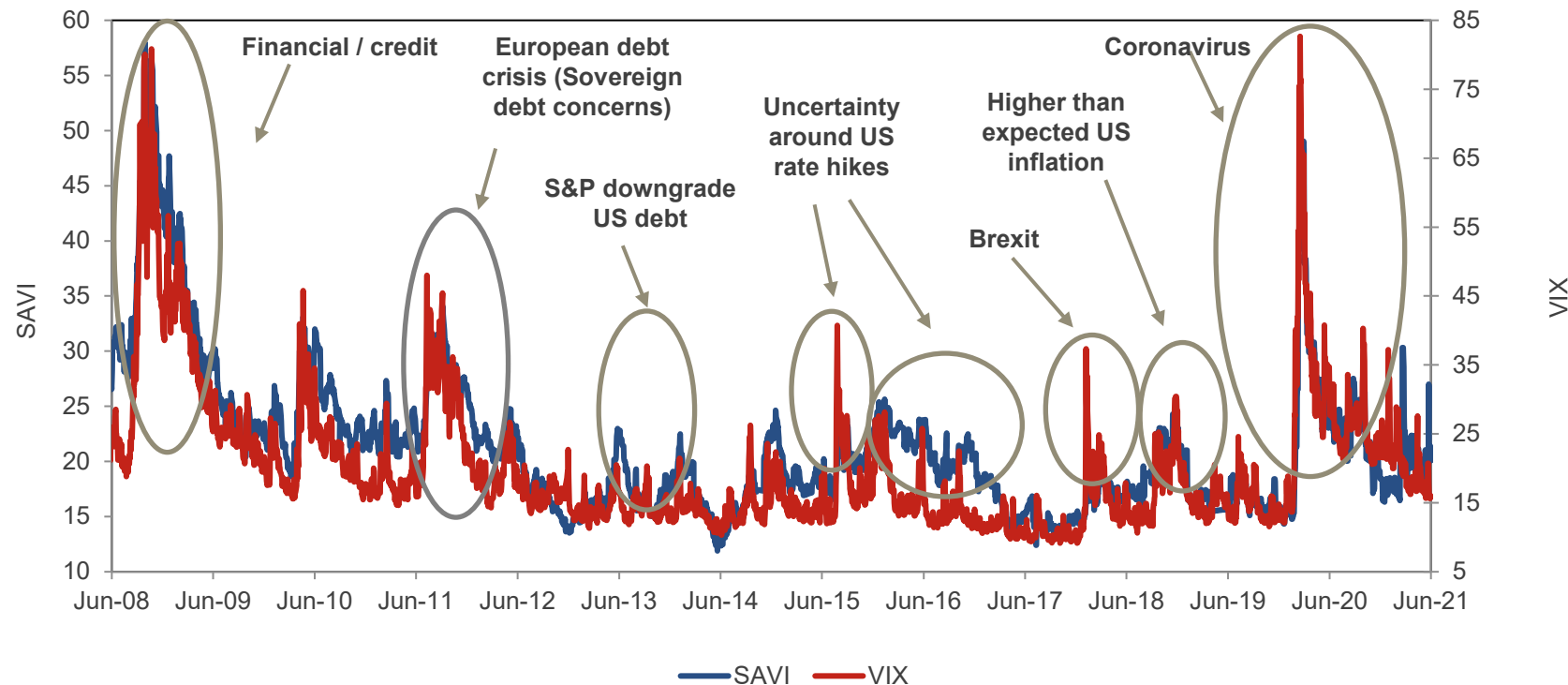
All returns are in dollar terms



06

Volatility and
international flows

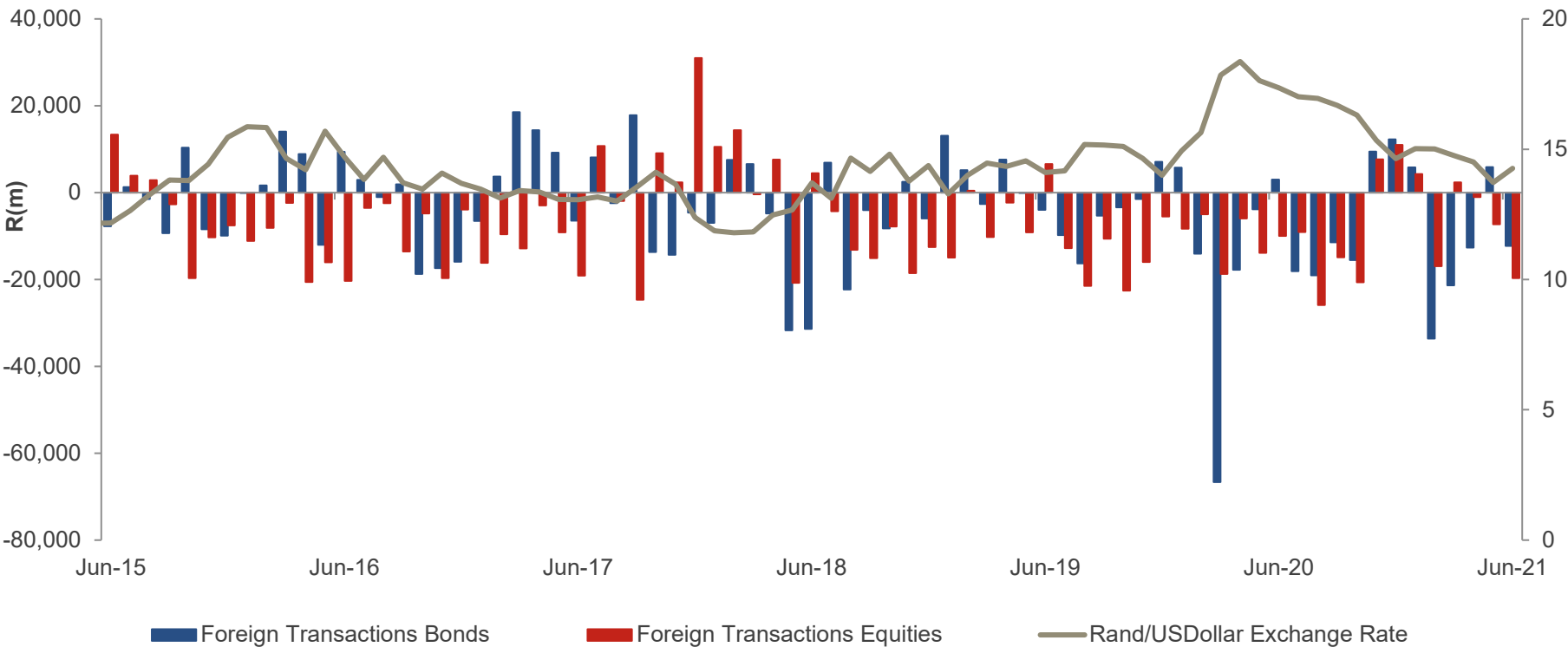
June 2021



Foreign Transactions



2016 to 2021

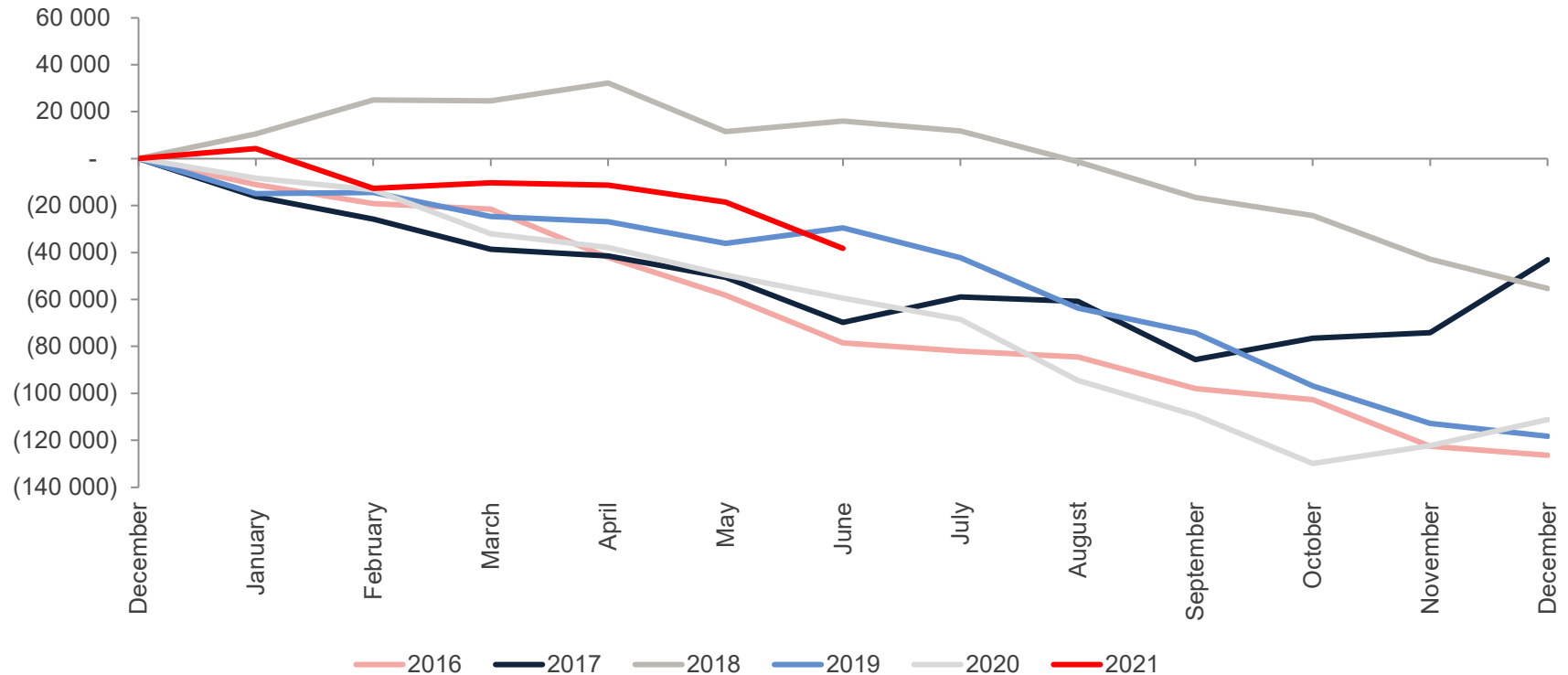


Source: IRESS and Momentum Investments

Cumulative foreign transaction: Equities



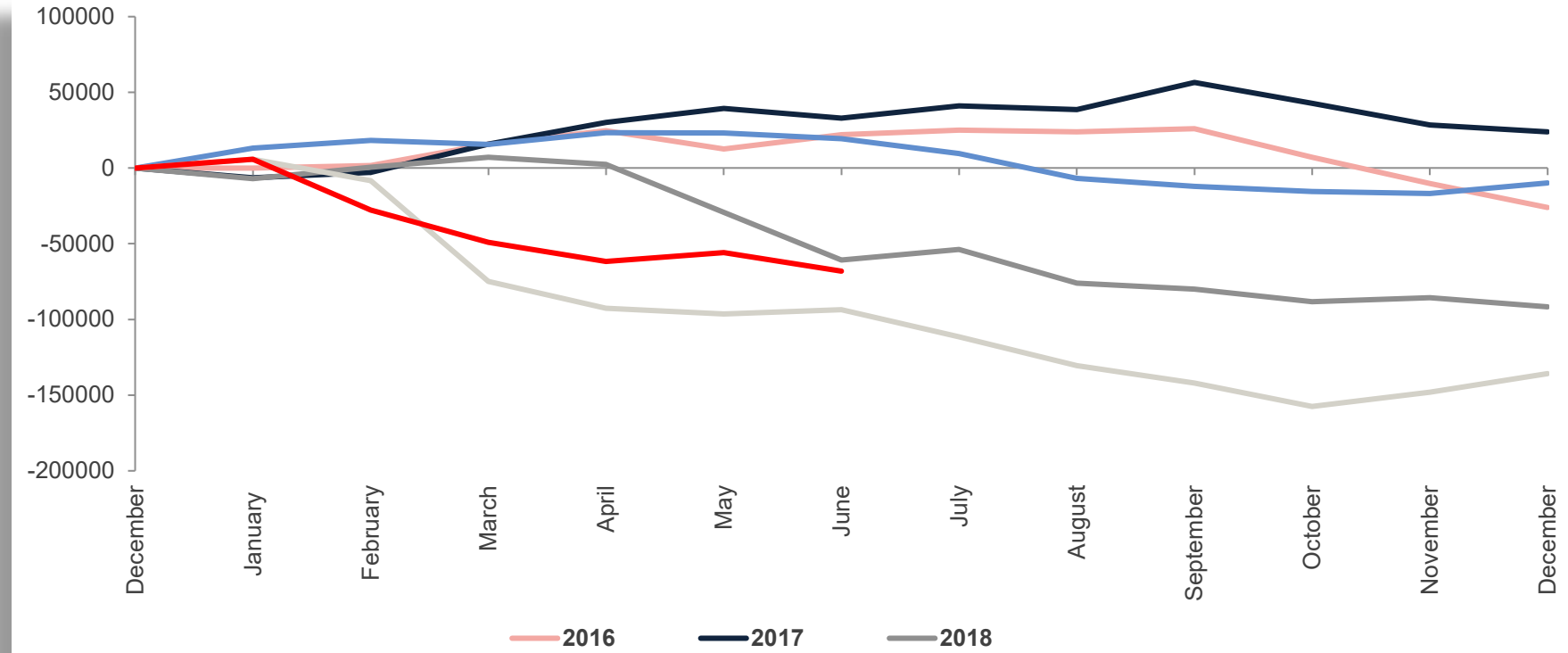
2016 to 2021



Cumulative foreign transaction: Bonds



2016 to 2021



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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