

# Key market performance drivers

Monthly charts to 31 March 2021

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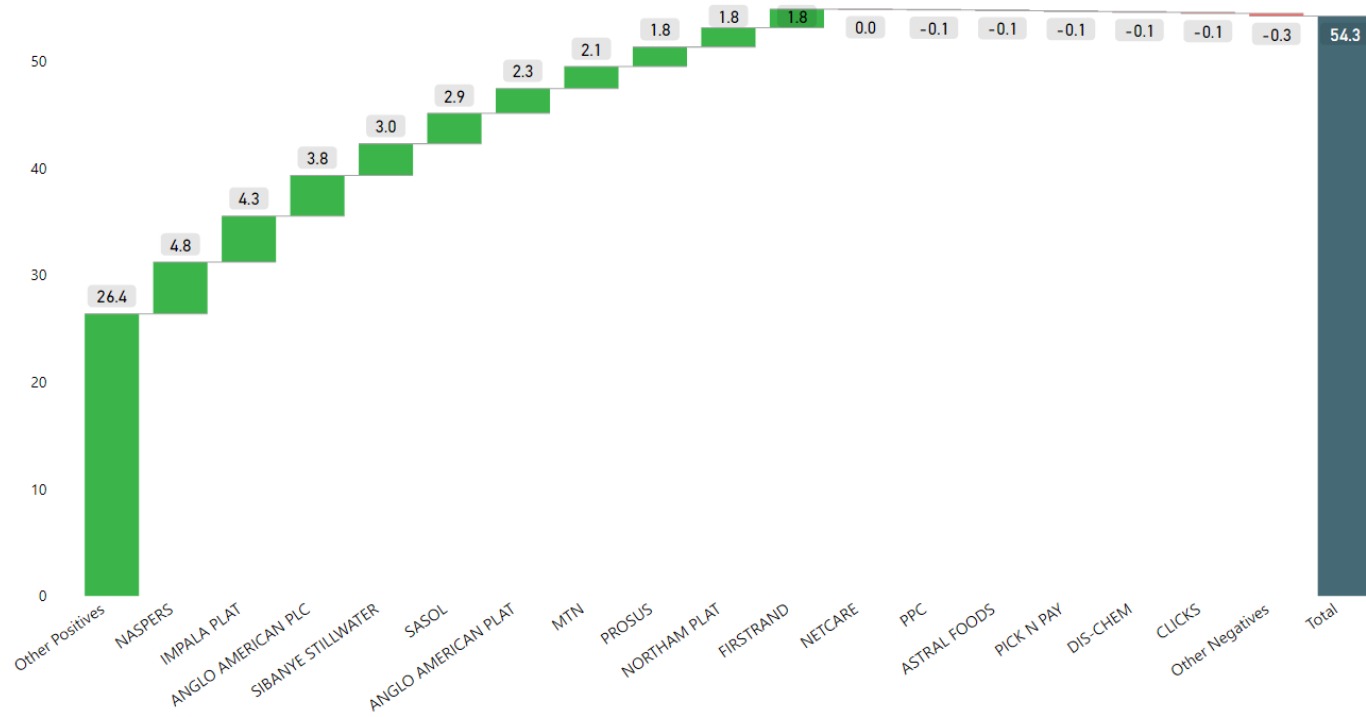
Market  
Concentration

# Market concentration



## One-year Capped SWIX contributions ending March 2021

● Increase ● Decrease ● Total





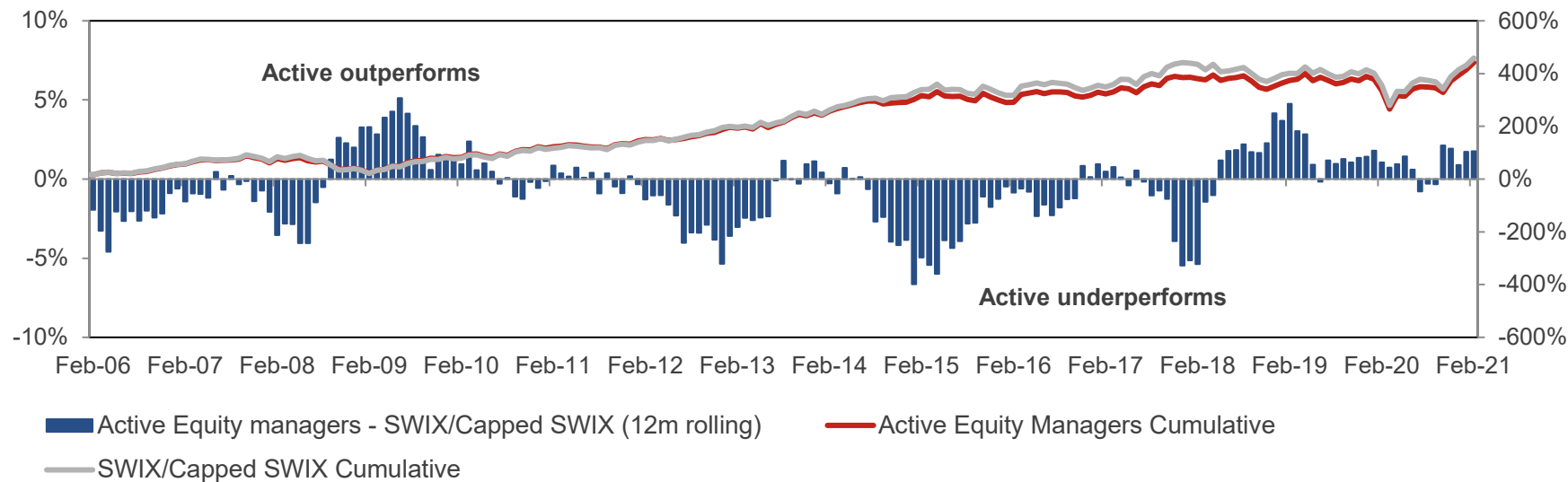
02

## Active Index Analysis

# Active index analysis: Equities



## One-year rolling active to February 2021



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

(SWIX until 31 October 2017 and Capped SWIX thereafter)

Data lagged by one month

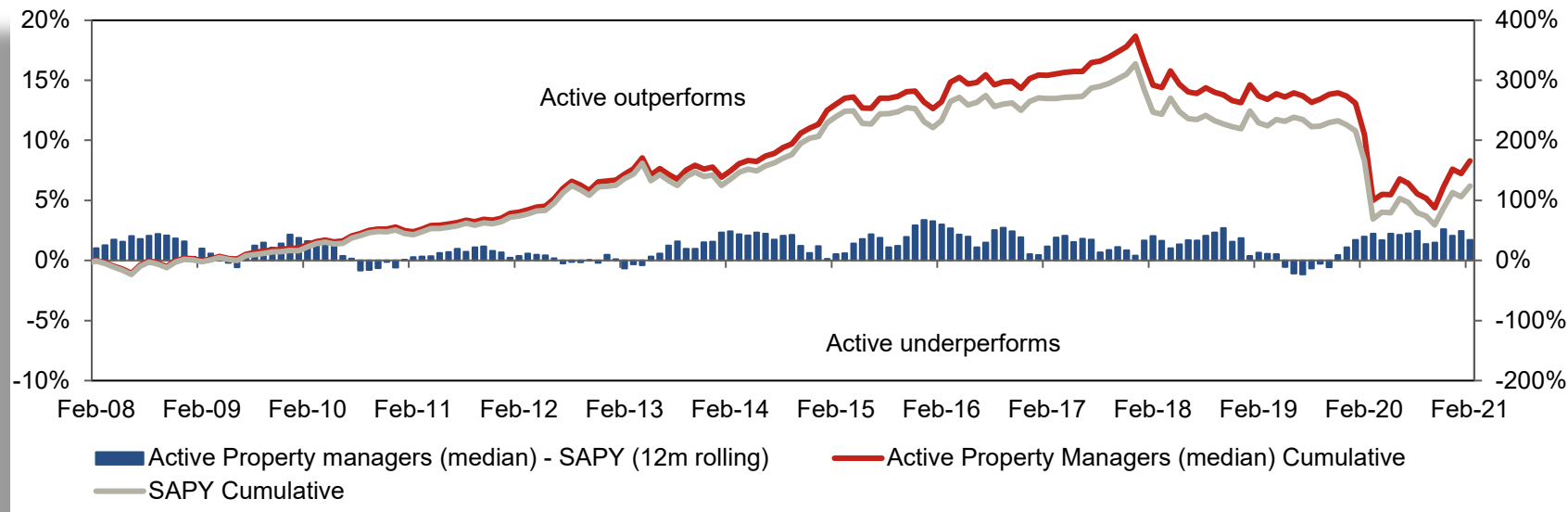
Source: Alexander Forbes SA Equity Manager Watch™, IRESS and Momentum Investments



# Active index analysis: Property



One-year rolling active to February 2021



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

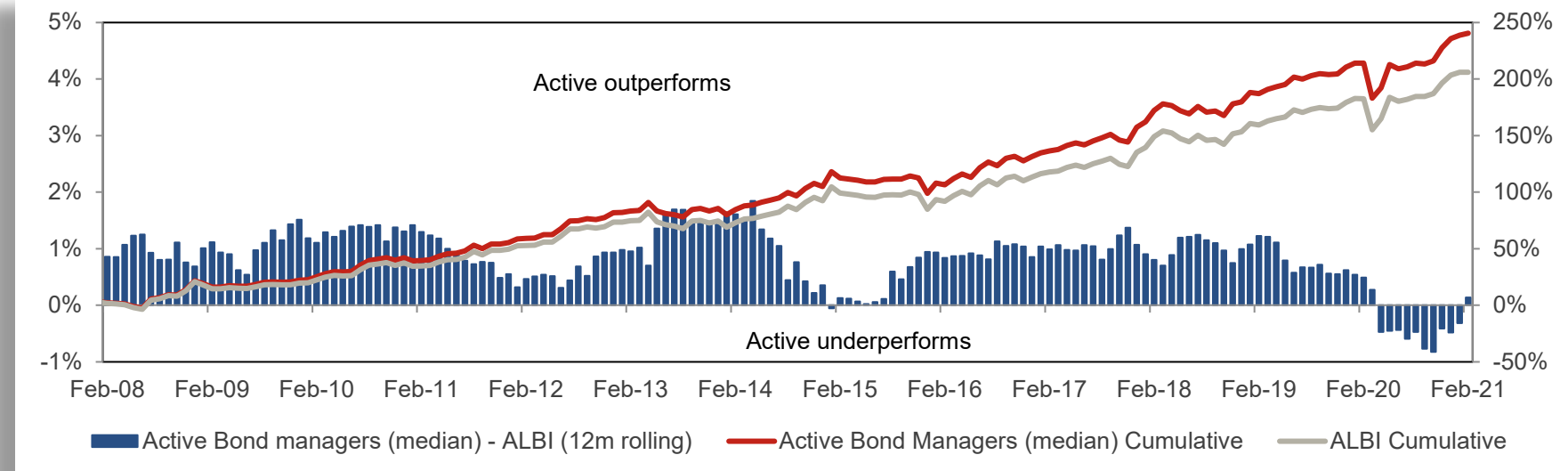
Data lagged by one month

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

# Active index analysis: Bonds



One-year rolling active to February 2021



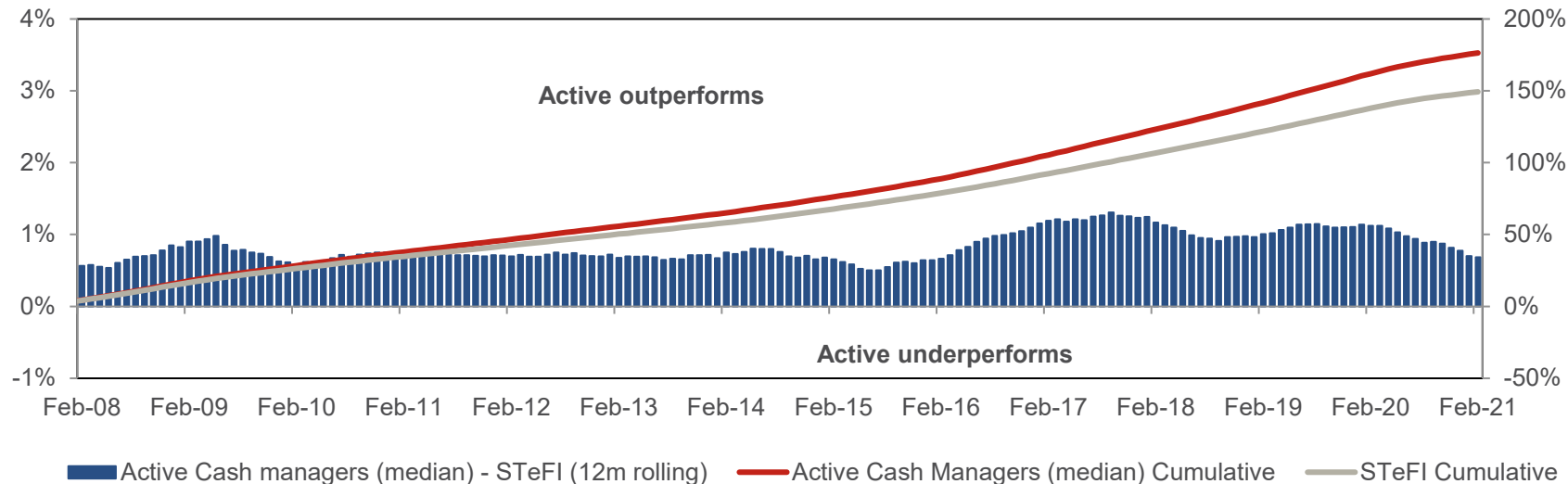
The median of the active bond investment managers outperformed the ALBI in the last month of a 12-month period ending February 2021.

Data lagged by one month



# Active index analysis: Cash

One-year rolling active to February 2021



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

ZAR	Styles	One month to March 2021	Three months to March 2021	One year to March 2021	Three years to March 2021	Five years to March 2021	Ten years to March 2021	Twenty years to March 2021
Value	Book to Price	4,27	5,89	21,68	-3,04	-2,70	-3,76	-0,30
	Dividend Yield	-3,88	-2,17	21,88	2,75	3,54	0,61	3,54
	Earnings Yield	-0,25	-1,45	18,74	-3,08	-0,19	-1,00	-0,10
	Cash Flow Yield	-0,20	2,69	9,95	-5,50	0,17	0,09	1,12
	Sales to Price	-0,08	1,96	15,19	-1,34	0,23	-1,16	-0,18
Quality	ROE	-1,98	-5,38	-8,71	3,51	4,81	3,12	1,26
	ROIC LT	-1,32	-2,46	-5,88	-3,63	-1,04	-1,34	-0,90
	Income to Sales	0,86	-1,24	-4,92	1,82	-0,09	1,07	-0,17
	Low market beta	-1,45	-4,64	-23,69	-2,51	-2,80	1,09	0,10
	Low Debt/Equity	0,32	-1,32	-10,89	0,63	1,72	-0,02	-0,69
	EBIT Margin Stability	0,85	-5,34	-1,79	-1,77	-2,88	2,07	0,52
Growth	Earnings Growth	4,20	-0,68	-4,08	7,42	5,50	2,96	0,47
	Sales Growth	0,06	2,00	0,49	6,26	2,46	2,18	0,22
	12M Earning Growth	5,35	6,93	25,24	13,46	5,03	0,45	5,61
Momentum	FY1 Earnings Revisions	-0,08	0,24	-3,27	2,28	1,81	4,56	7,36
	Short Term Momentum	-0,20	0,00	-15,34	-3,88	-2,18	1,00	-0,59
	Medium Term Momentum	-3,33	-6,14	-10,48	4,91	2,18	5,83	5,41
Size	Size	-2,95	-4,47	1,64	5,27	3,71	1,65	0,32

Value has continued to outperform quality and momentum in the one year to March 2021 and growth shows strong returns over all time periods



04

## Sector Analysis

# Sector Analysis

FTSE/JSE sectors decomposed

Three months to March 2021

Key

Resources

Financials

Industrials



1 Alternative Energy	Energy	60,30%	17 Pharmaceuticals and Biotechnology	Health Care	13,93%
2 Chemicals	Basic Materials	48,95%	18 Software and Computer Services	Technology	13,61%
3 Electronic and Electrical Equipment	Industrials	46,36%	19 General Industrials	Industrials	9,98%
4 Consumer Services	Consumer Discretionary	31,15%	20 Real Estate Investment Trusts	Real Estate	8,75%
5 Industrial Transportation	Industrials	29,35%	21 Personal Goods	Consumer Discretionary	8,64%
6 Industrial Support Services	Industrials	25,49%	22 Health Care Providers	Health Care	8,32%
7 Oil	Energy	25,17%	23 Investment Banking and Brokerage	Financials	6,53%
8 Finance and Credit Services	Financials	24,35%	24 Personal Care	Consumer Staples	5,83%
9 Retailers	Consumer Discretionary	24,01%	25 Real Estate Investment and Services	Industrials	5,13%
10 Travel and Leisure	Consumer Discretionary	22,88%	26 Tobacco	Consumer Staples	4,96%
11 Precious Metals and Mining	Basic Materials	20,91%	27 Food Producers	Consumer Staples	3,84%
12 Automobiles and Parts	Consumer Discretionary	20,37%	28 Banks	Financials	2,55%
Telecommunications Service			29 Life Insurance	Financials	-1,03%
13 Providers	Telecommunications	19,94%	30 Non-life Insurance	Financials	-4,29%
14 Industrial Materials	Basic Materials	18,79%	31 Beverages	Consumer Staples	-4,34%
15 Construction and Materials	Industrials	18,03%	32 Closed End Investments	Financials	-10,99%
16 Industrial Metals and Mining	Basic Materials	17,69%			

# Sector Analysis

FTSE/JSE sectors decomposed

One Year to March 2021

Key

Resources

Financials

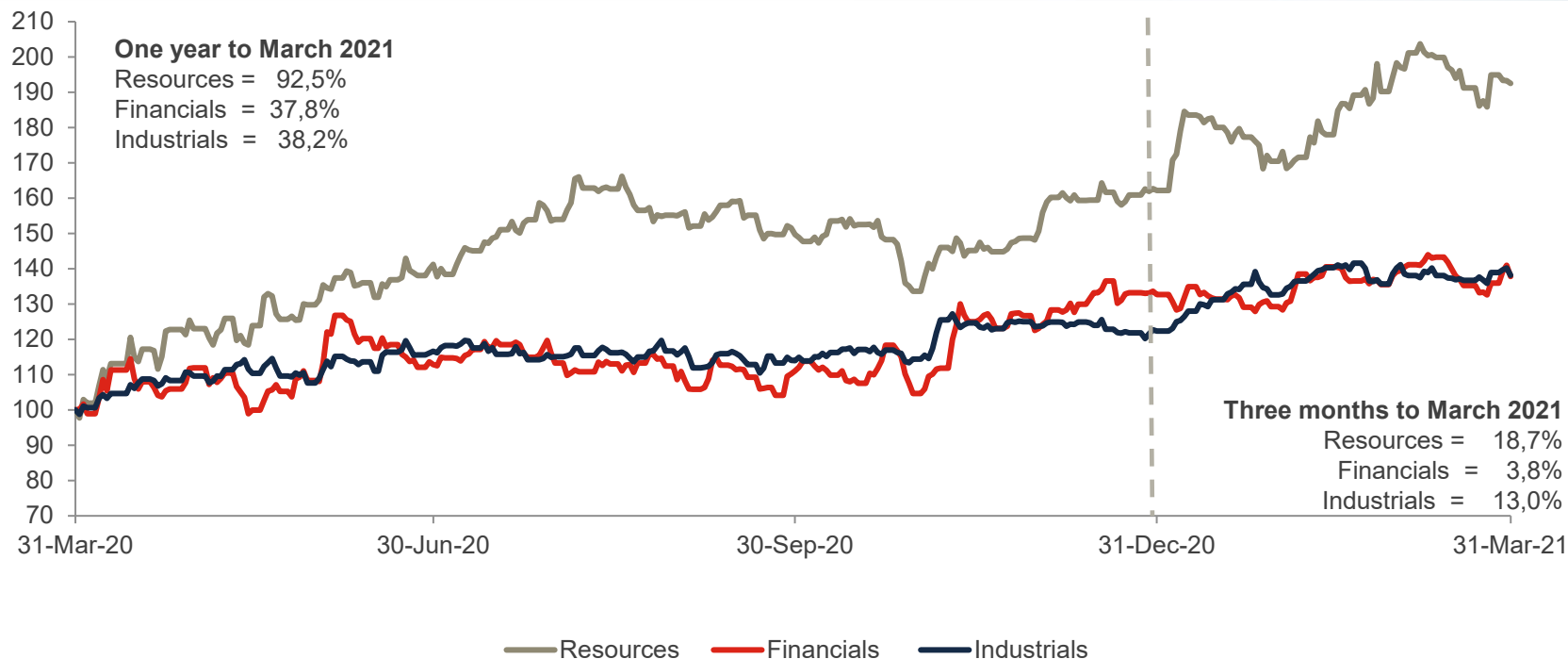
Industrials



1 Chemicals	Basic Materials	317,40%	17 Travel and Leisure	Consumer Discretionary	41,51%
2 Alternative Energy	Energy	306,45%	18 Software and Computer Services	Technology	39,37%
3 Precious Metals and Mining	Basic Materials	139,06%	19 Construction and Materials	Industrials	36,04%
4 Finance and Credit Services	Financials	135,22%	20 Real Estate Investment Trusts	Real Estate	32,23%
5 Industrial Transportation	Industrials	125,66%	21 General Industrials	Industrials	31,97%
6 Oil	Energy	95,41%	22 Investment Banking and Brokerage	Financials	28,41%
7 Industrial Metals and Mining	Basic Materials	94,33%	23 Real Estate Investment and Services	Real Estate	26,99%
8 Retailers	Consumer Discretionary	88,69%	24 Life Insurance	Financials	25,88%
9 Consumer Services	Consumer Discretionary	67,61%	25 Electronic and Electrical Equipment	Industrials	24,57%
10 Automobiles and Parts	Consumer Discretionary	61,21%	26 Beverages	Consumer Staples	23,20%
11 Telecommunications Service Providers	Telecommunications	60,13%	27 Personal Care	Consumer Staples	14,80%
12 Pharmaceuticals and Biotechnology	Health Care	52,26%	28 Food Producers	Consumer Staples	9,63%
13 Personal Goods	Consumer Discretionary	49,33%	29 Closed End Investments	Financials	5,59%
14 Industrial Materials	Basic Materials	48,53%	30 Tobacco	Consumer Staples	0,96%
15 Banks	Financials	47,37%	31 Health Care Providers	Health Care	-0,98%
16 Industrial Support Services	Industrials	43,51%	32 Non-life Insurance	Financials	-9,02%
			33 Open End and Misc. Investment Vehicles	Financials	-11,98%

# FTSE/JSE sectors

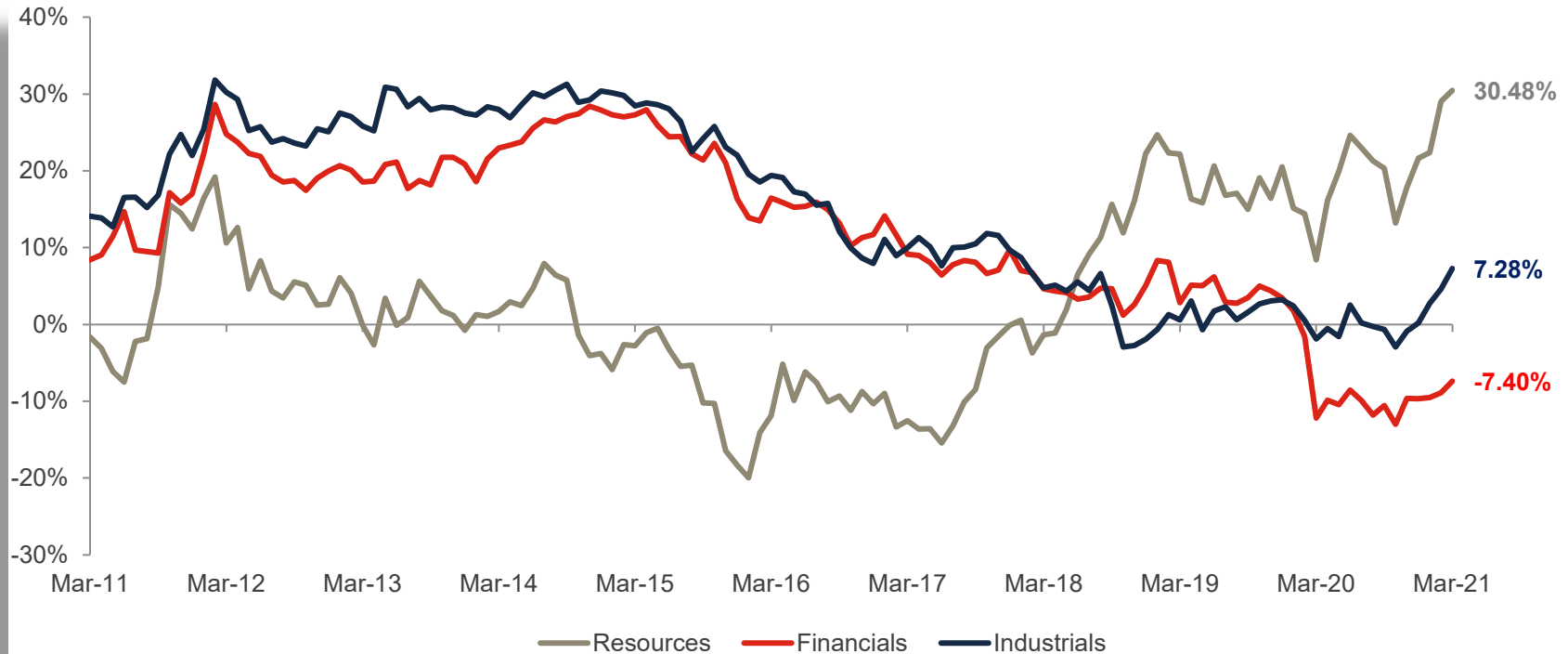
One year rolling to March 2021





# FTSE/JSE sectors

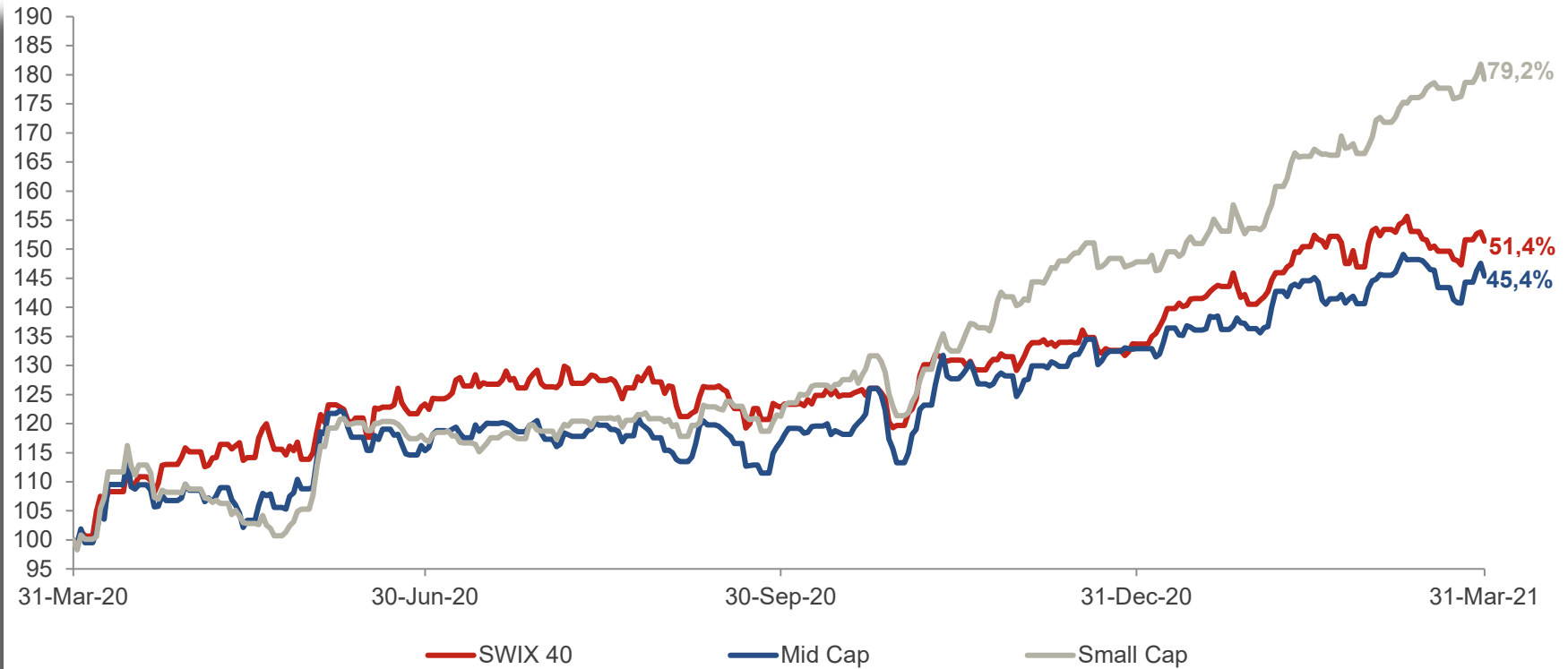
Ten years rolling to March 2021



# FTSE/JSE market caps



One year to March 2021





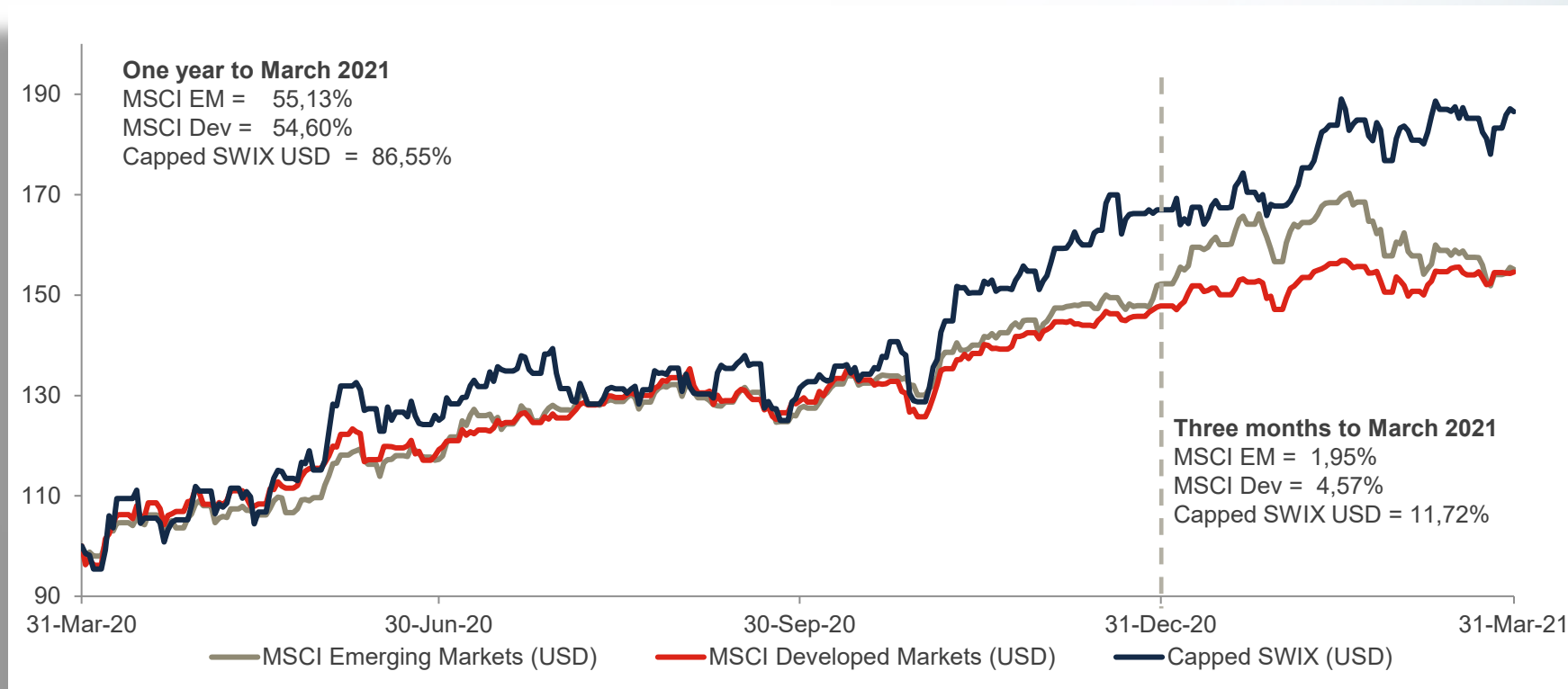
05

## Indexed Return Charts

# MSCI developed and emerging markets



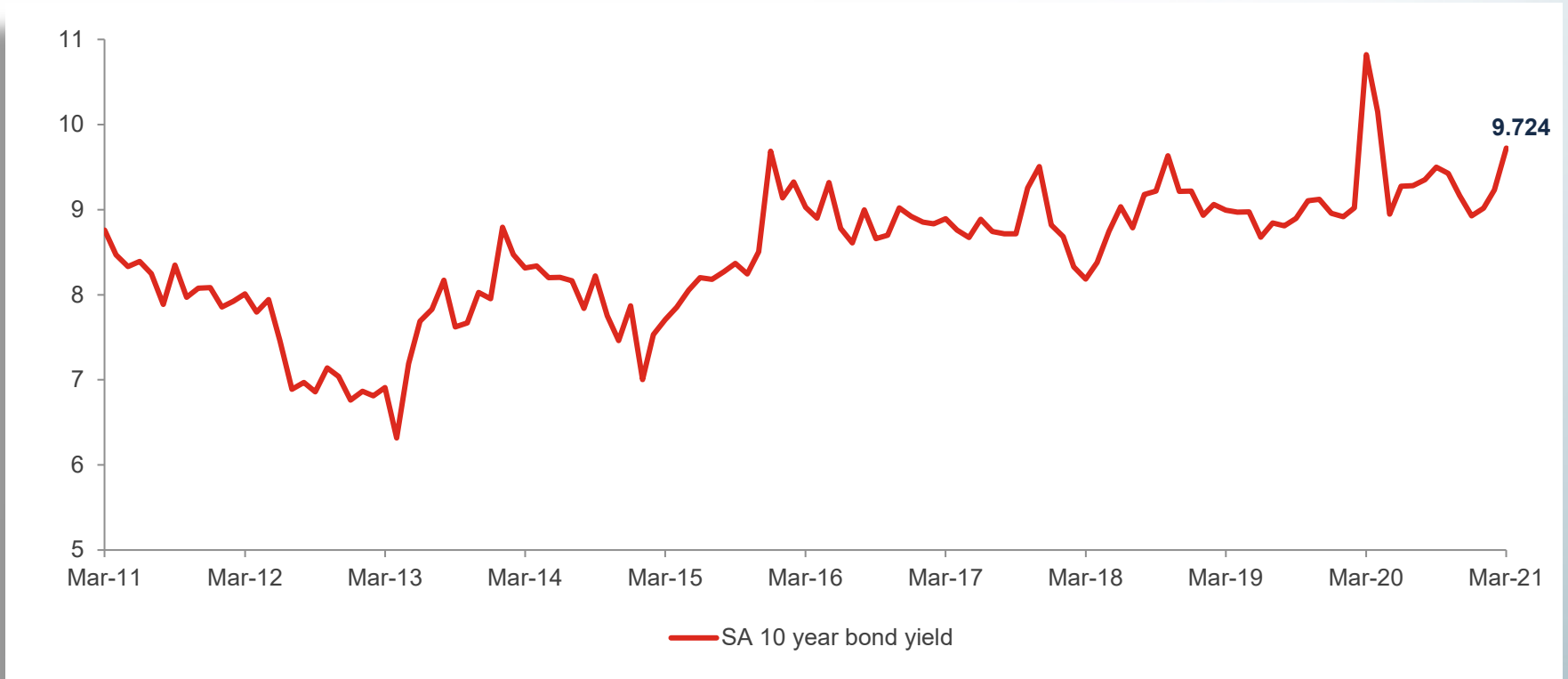
One year to March 2021



# SA 10-year bond yields



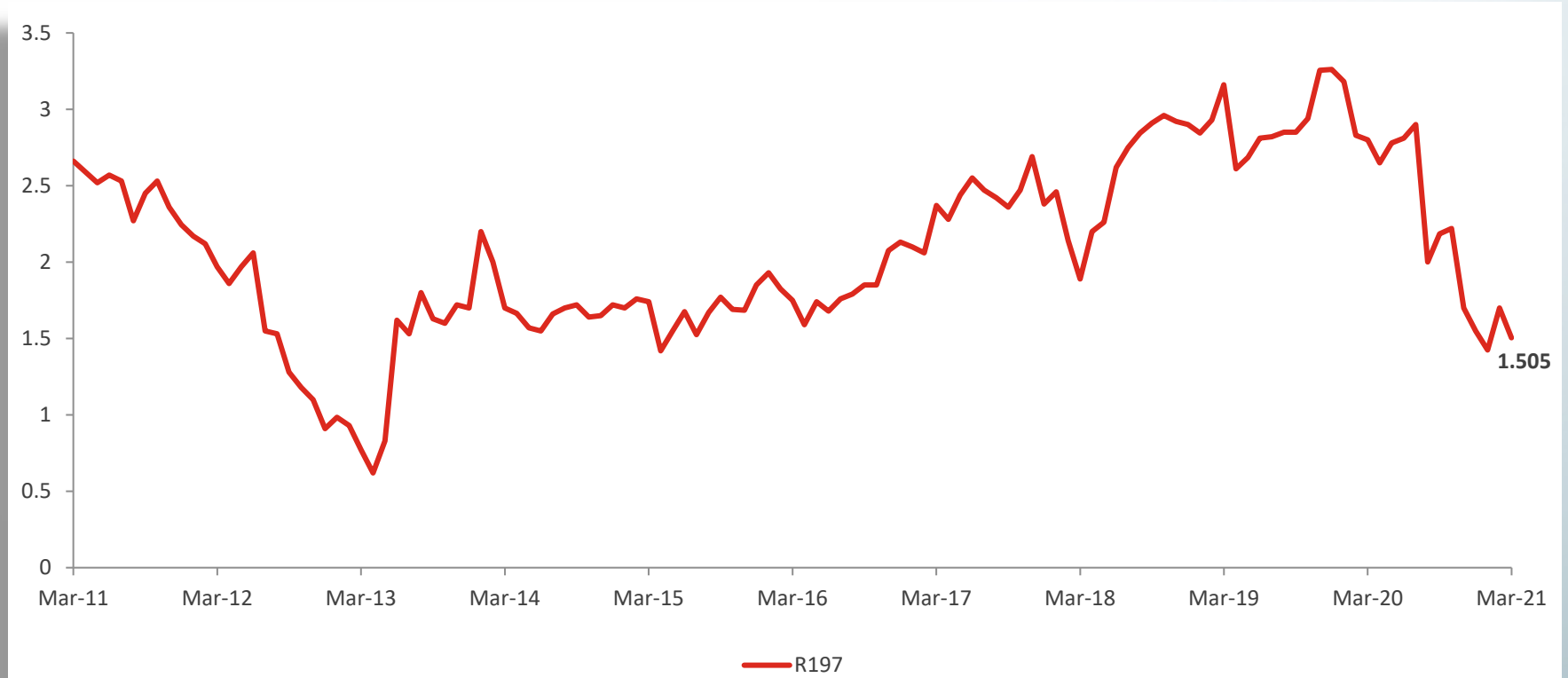
Ten years to March 2021



# Yield of R197 (inflation-linked bond)



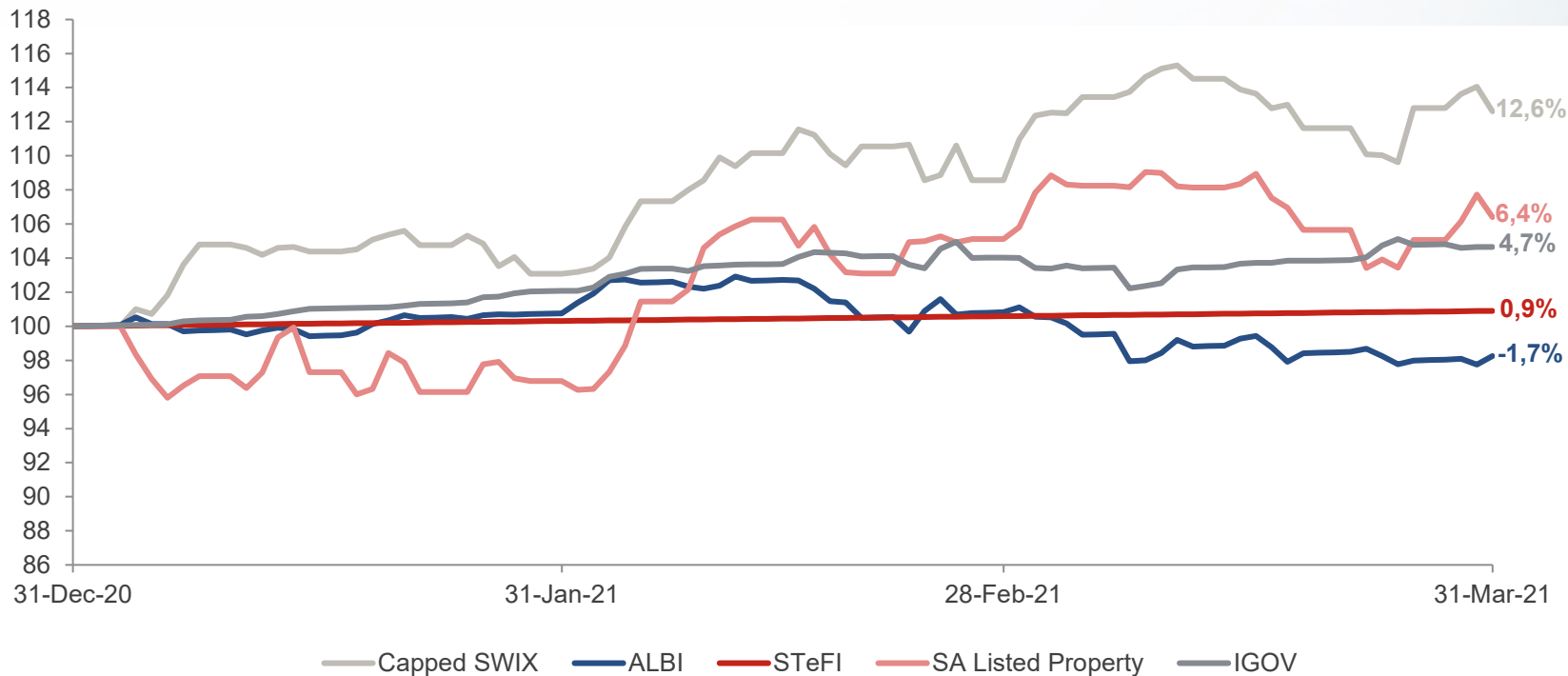
Ten years to March 2021



# Local asset classes



Three months to March 2021



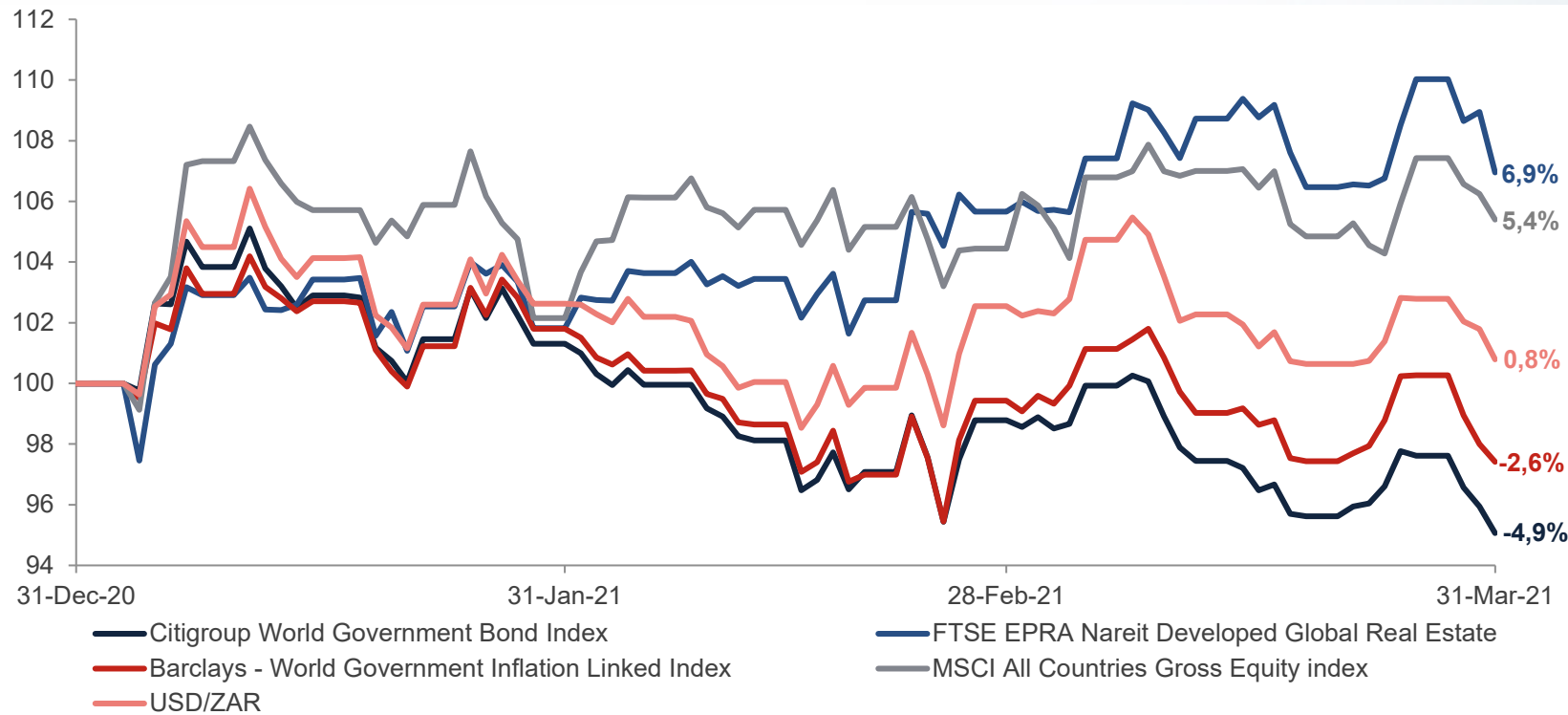
\* CPI lagged by one month due to availability of data



# Global asset classes



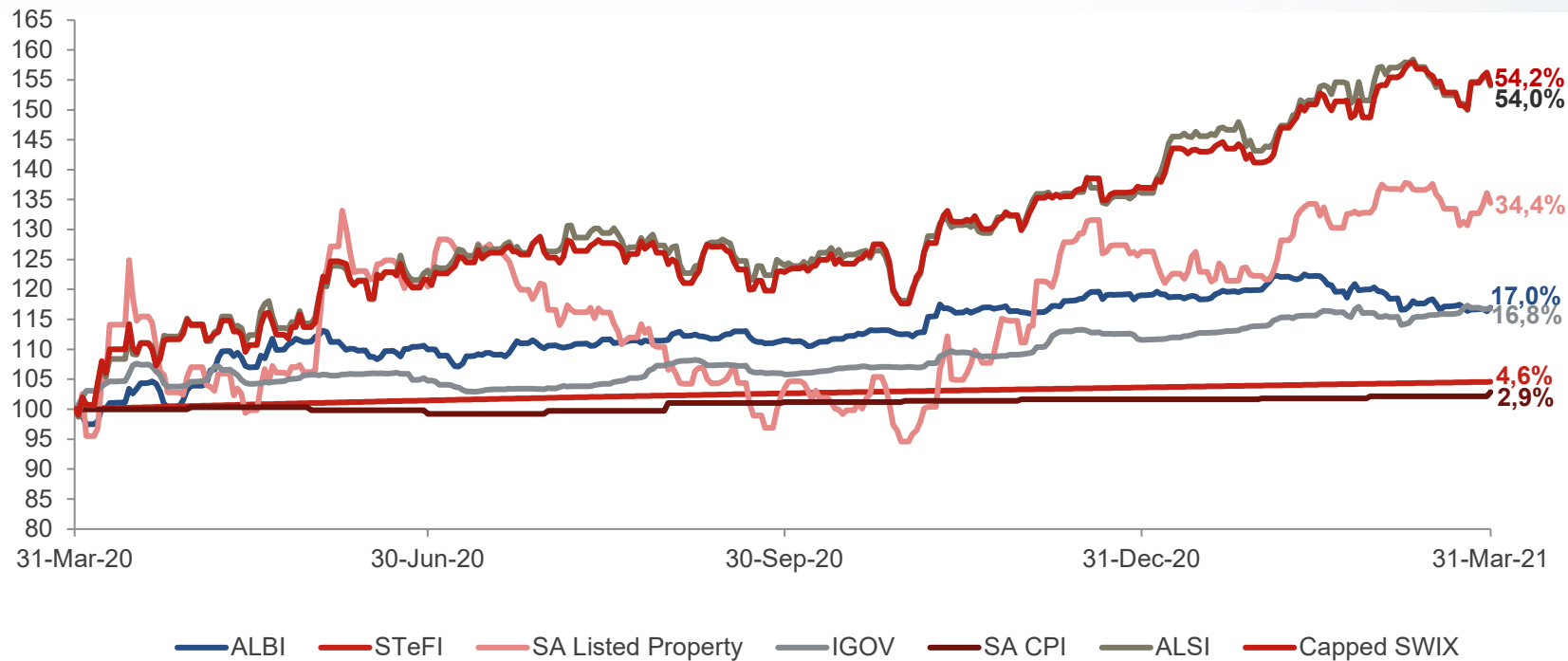
Three months to March 2021



# Local asset classes



One year to March 2021

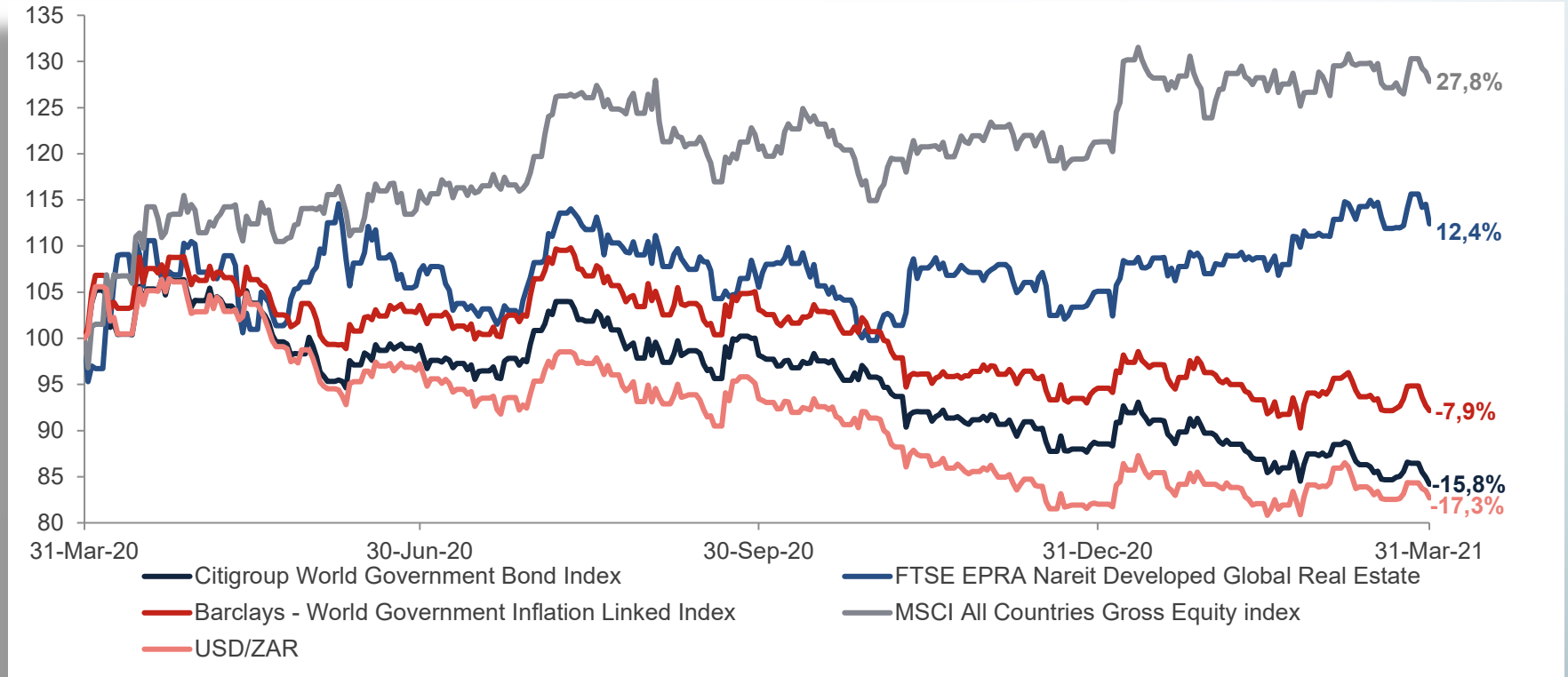


\* CPI lagged by one month due to availability of data

# Global asset classes



One year to March 2021

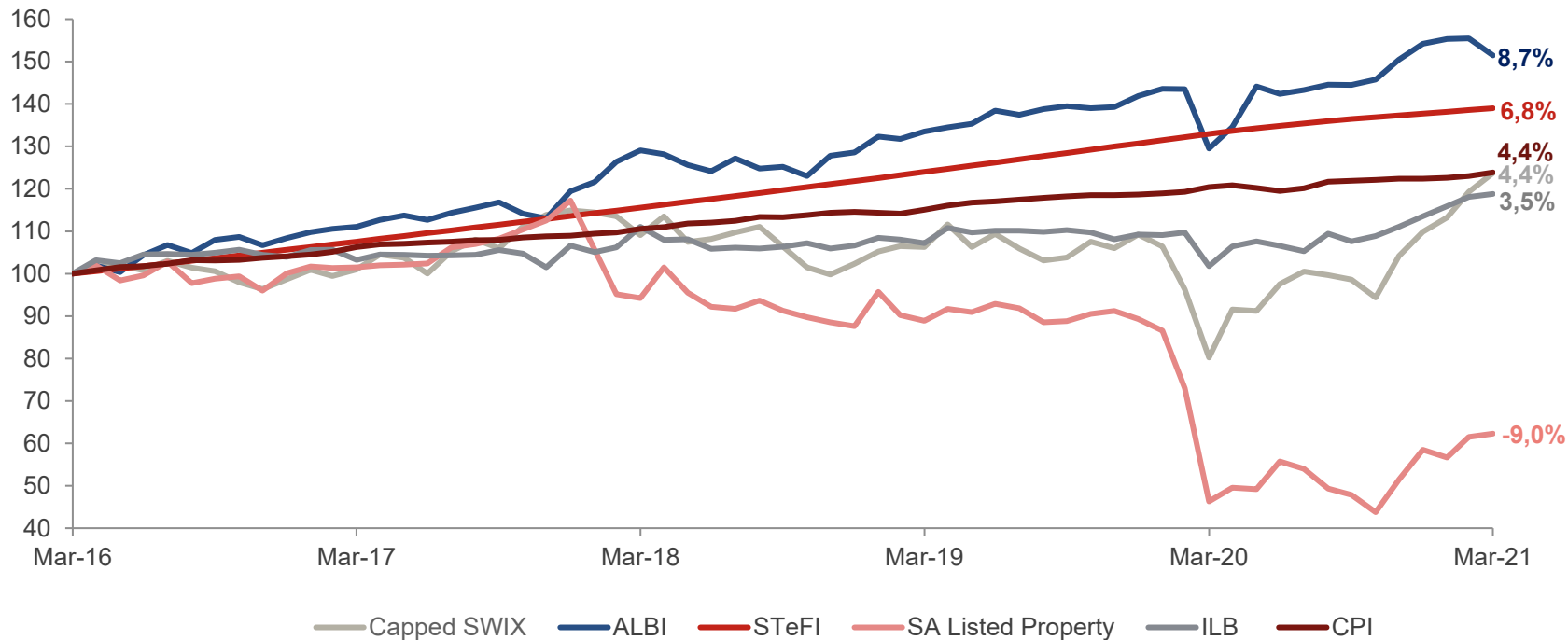


Source: IRESS and Momentum Investments

# Local asset classes



Five years to March 2021

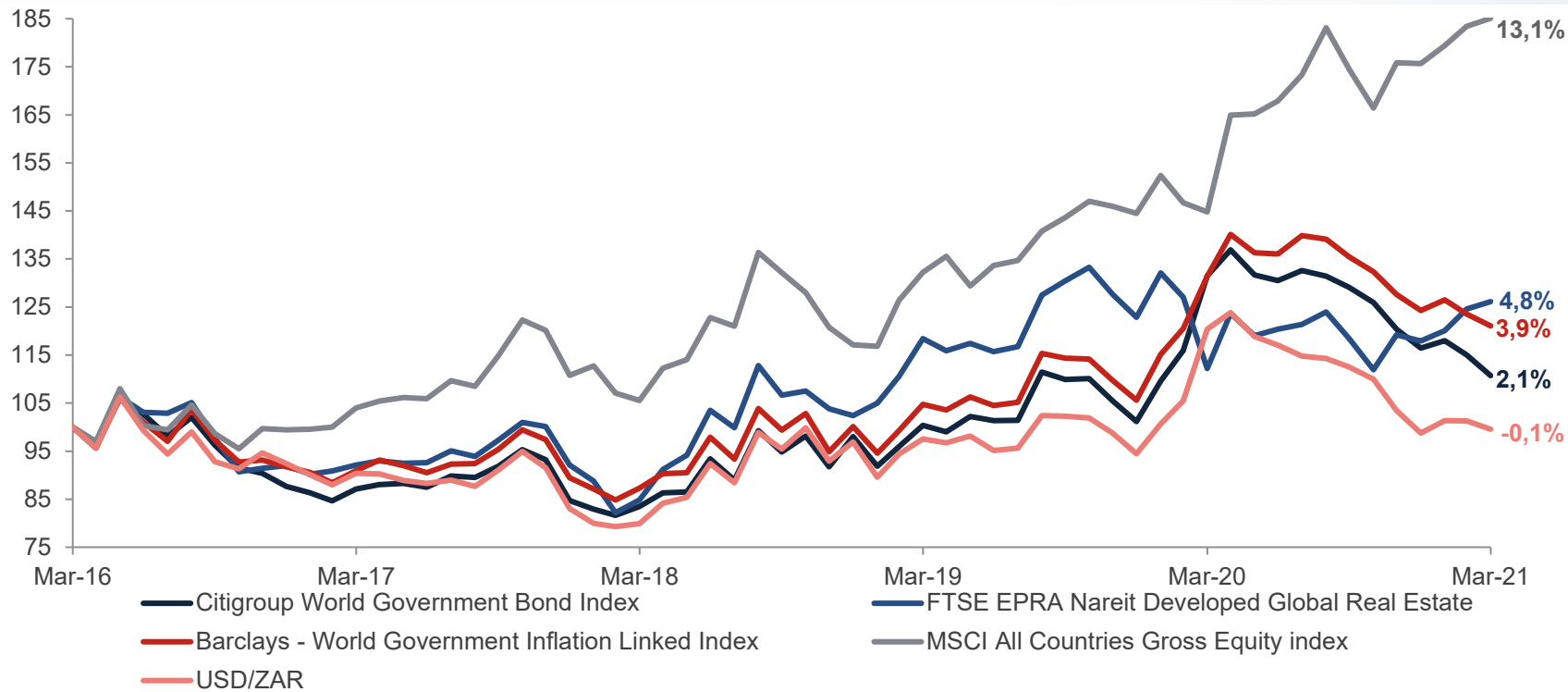


\* CPI lagged by one month due to availability of data

# Global asset classes



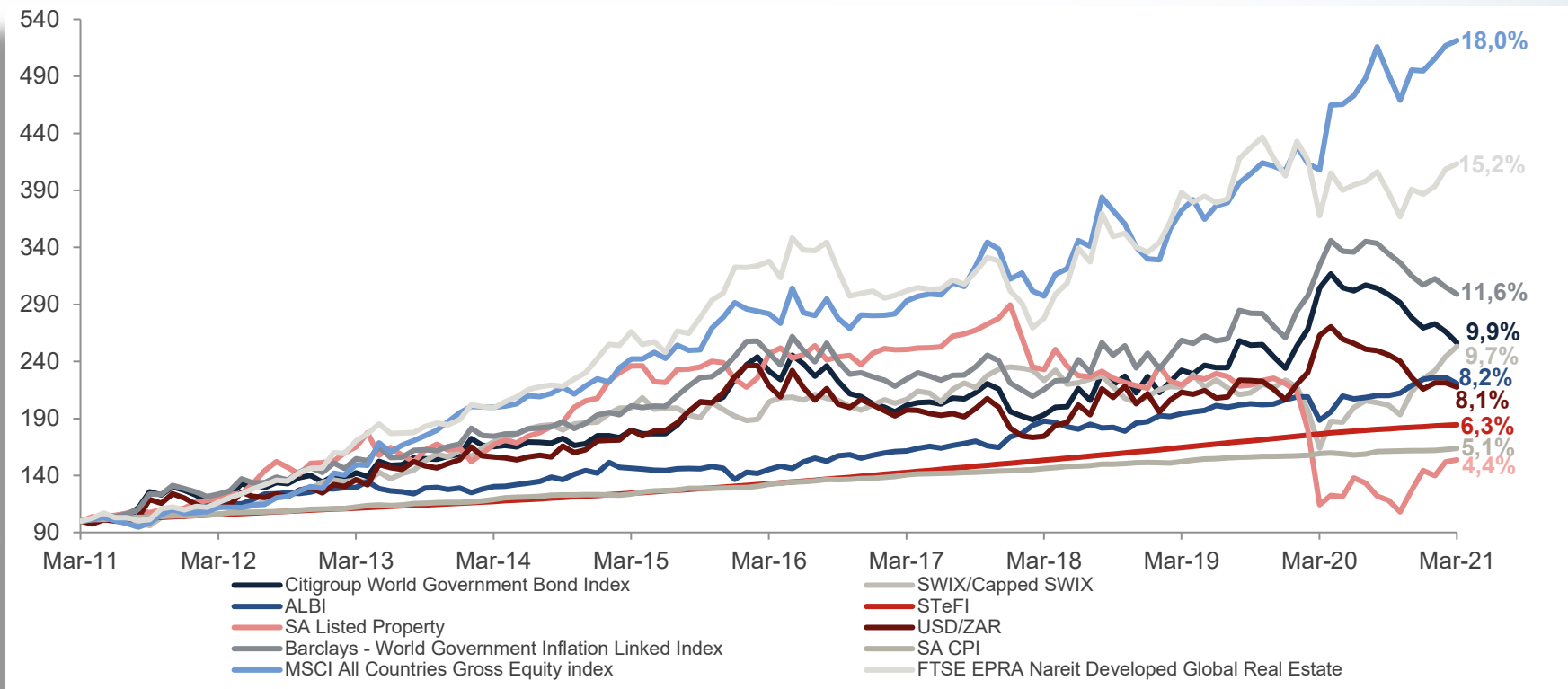
Five years to March 2021



# Asset classes



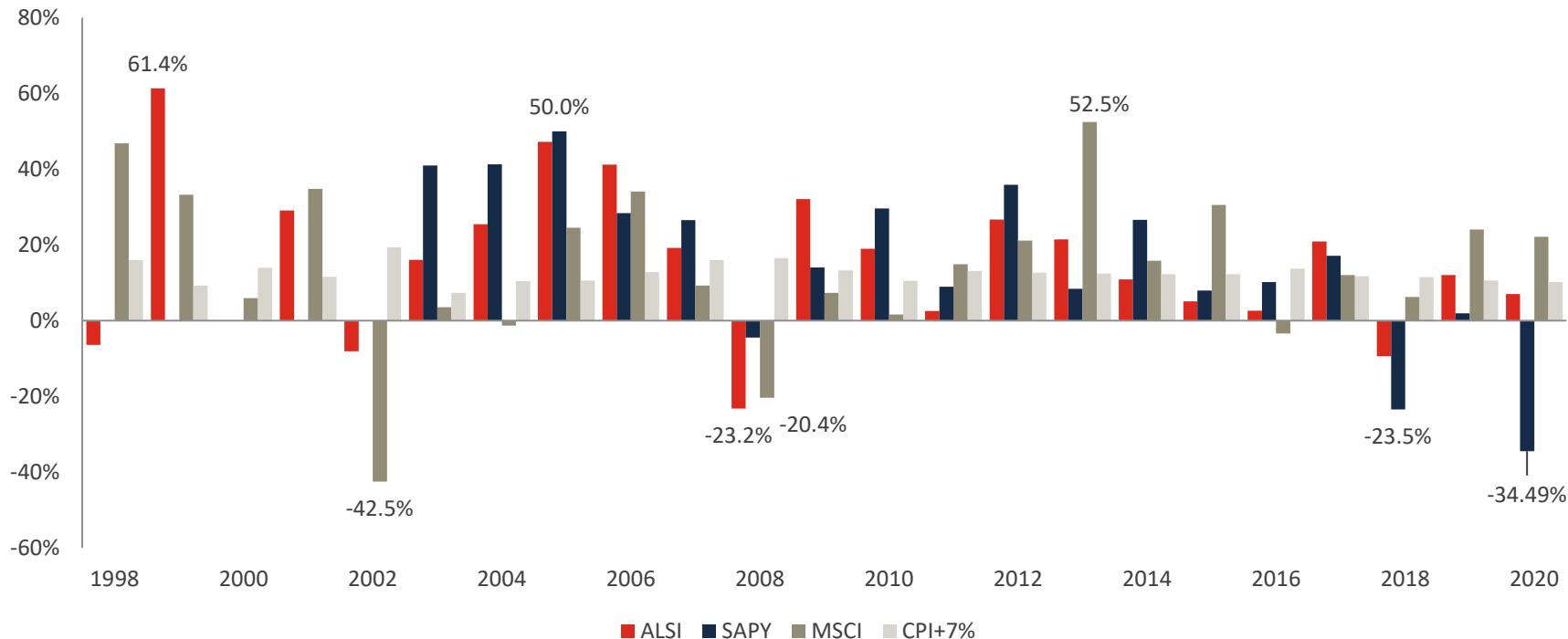
Ten years to March 2021



\* 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

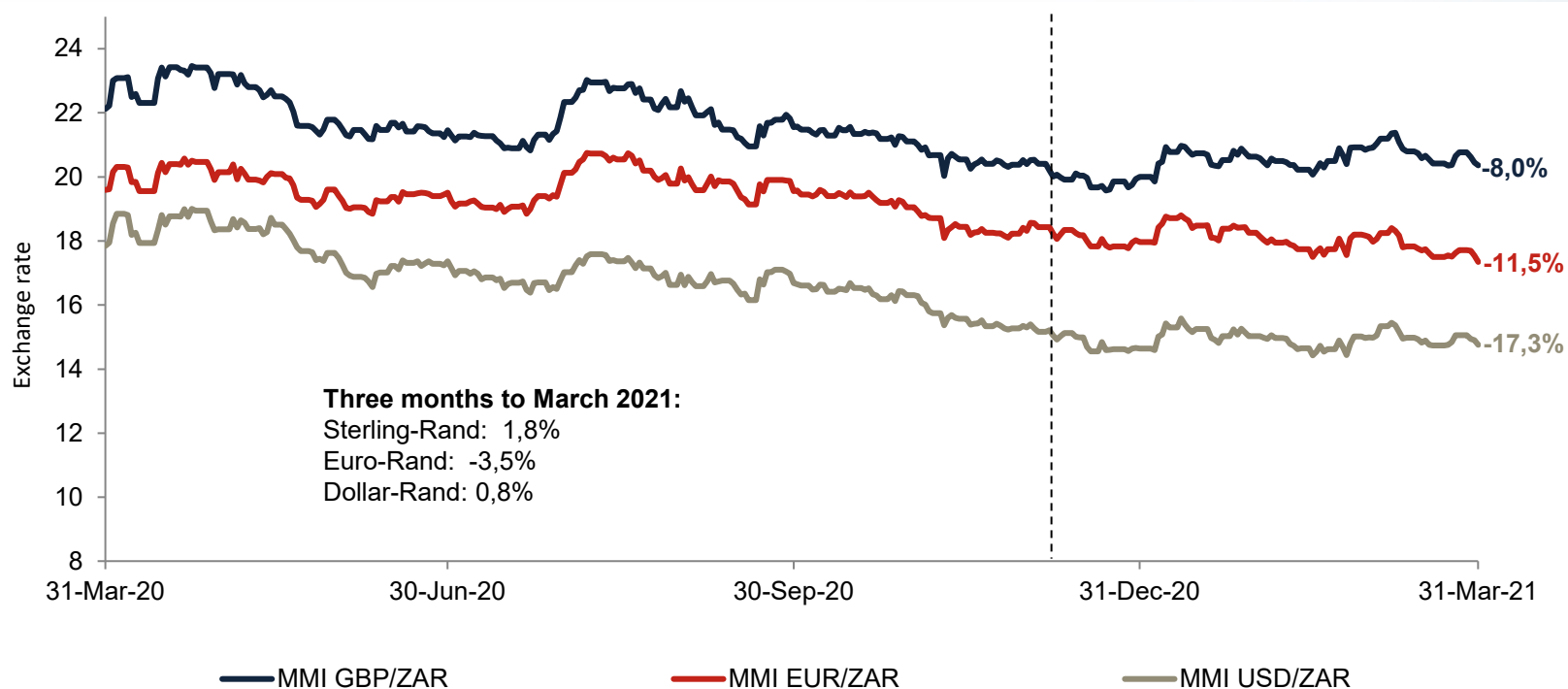
Source: IRESS and Momentum Investments



# Exchange rates



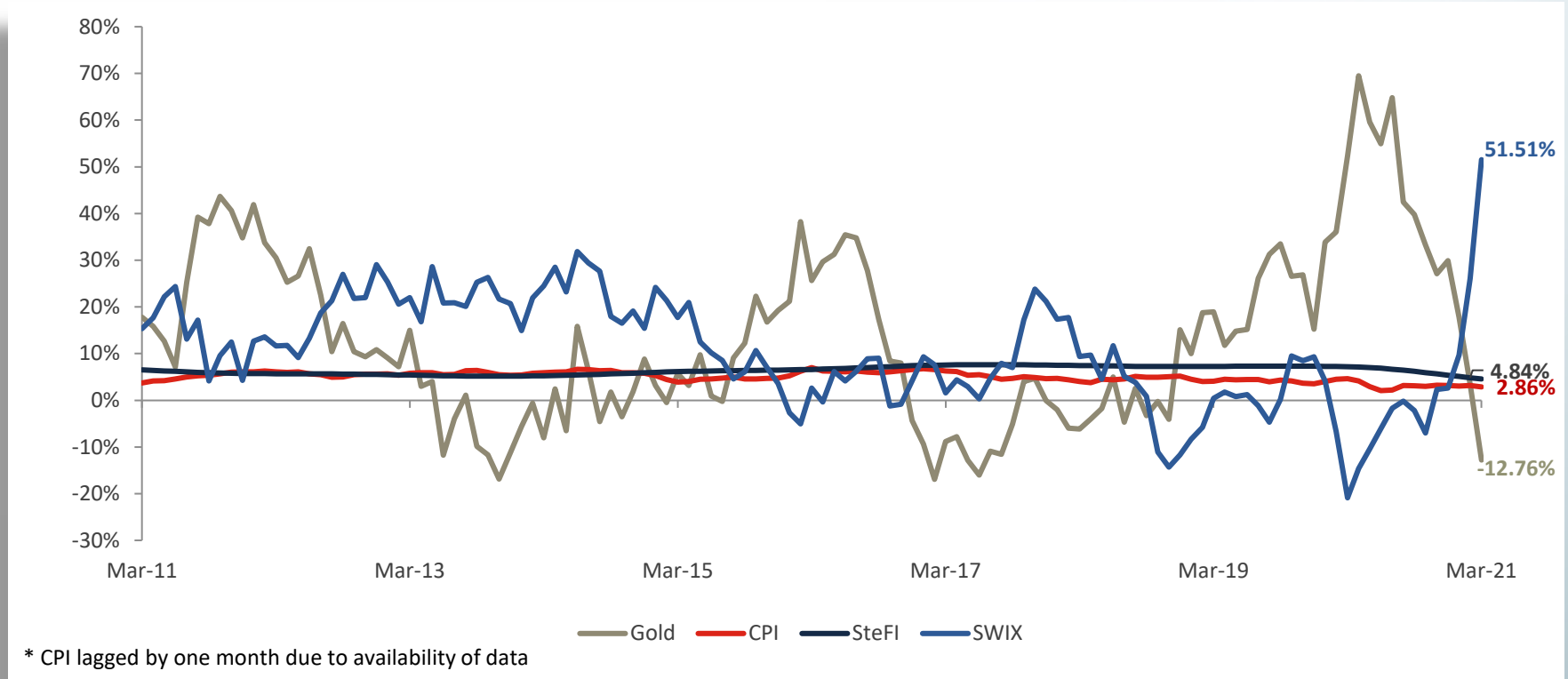
One year to March 2021



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



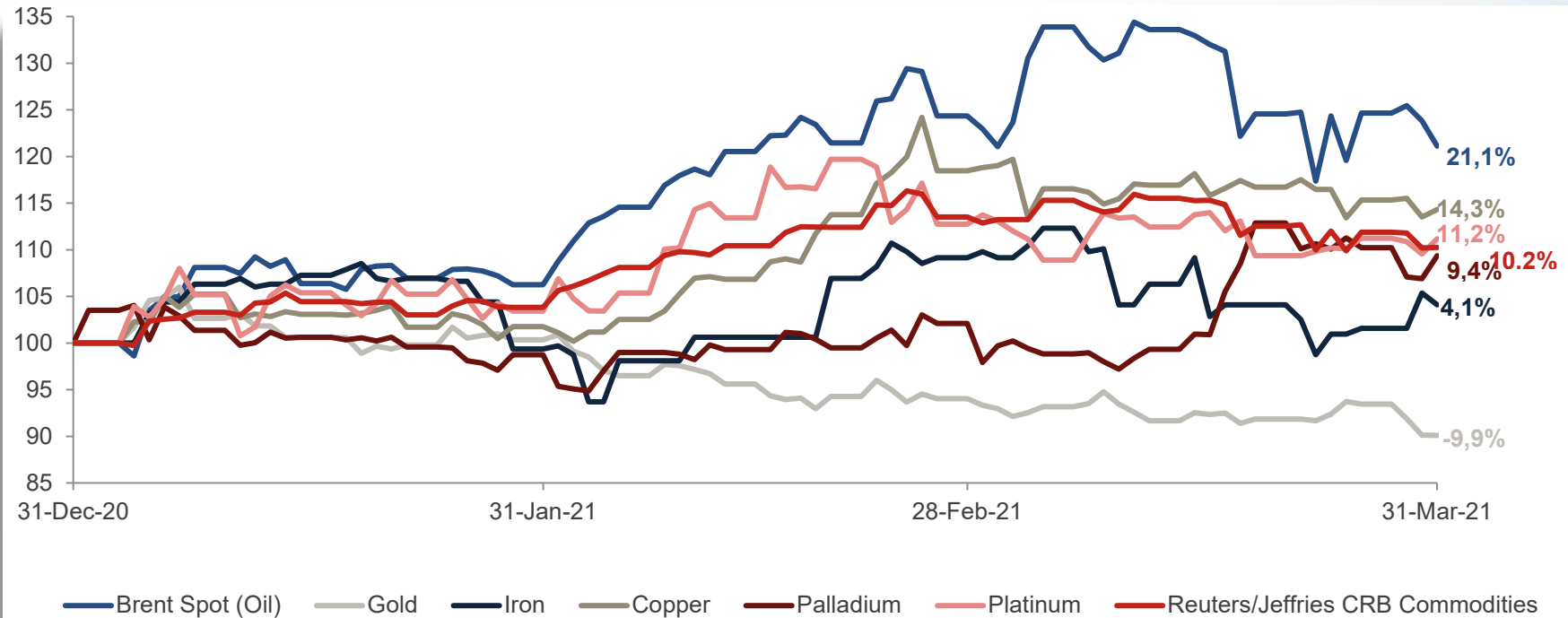
One-year rolling returns to March 2021



# Commodities



Three months to March 2021

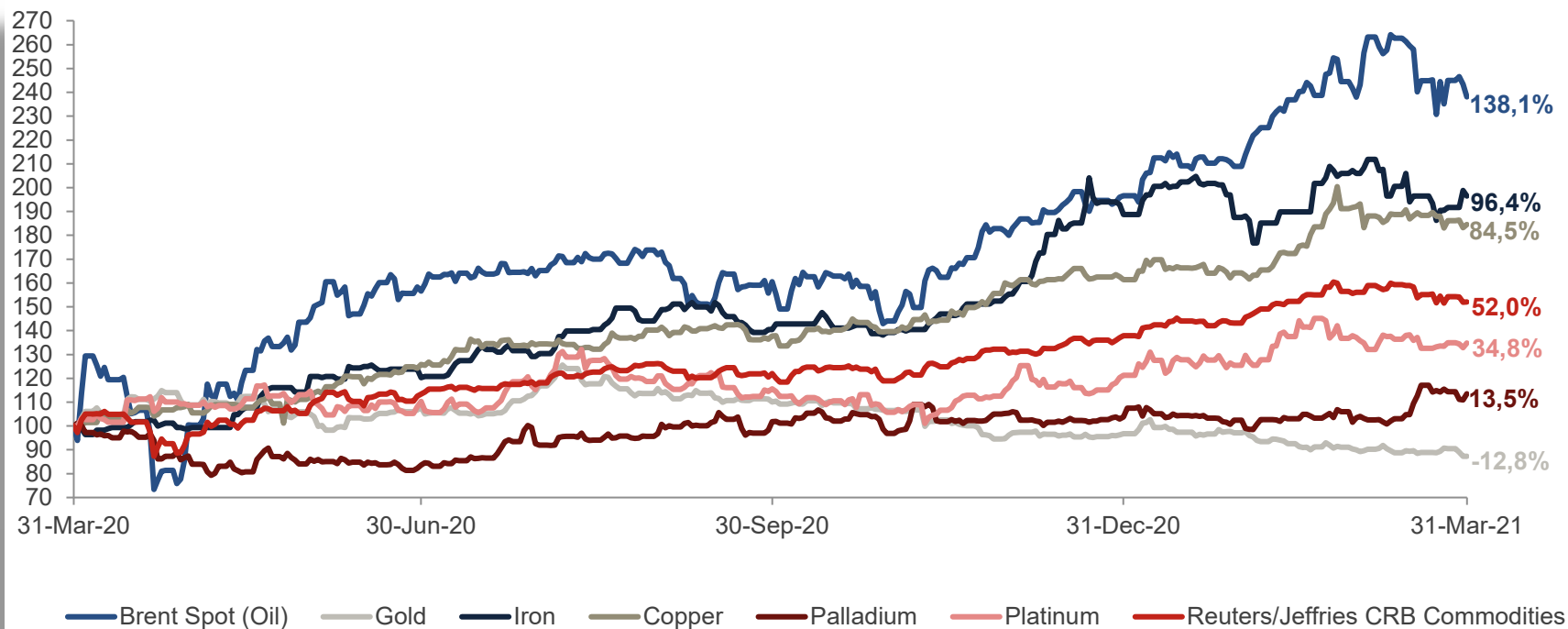


All returns are in dollar terms

# Commodities



One year to March 2021



All returns are in dollar terms



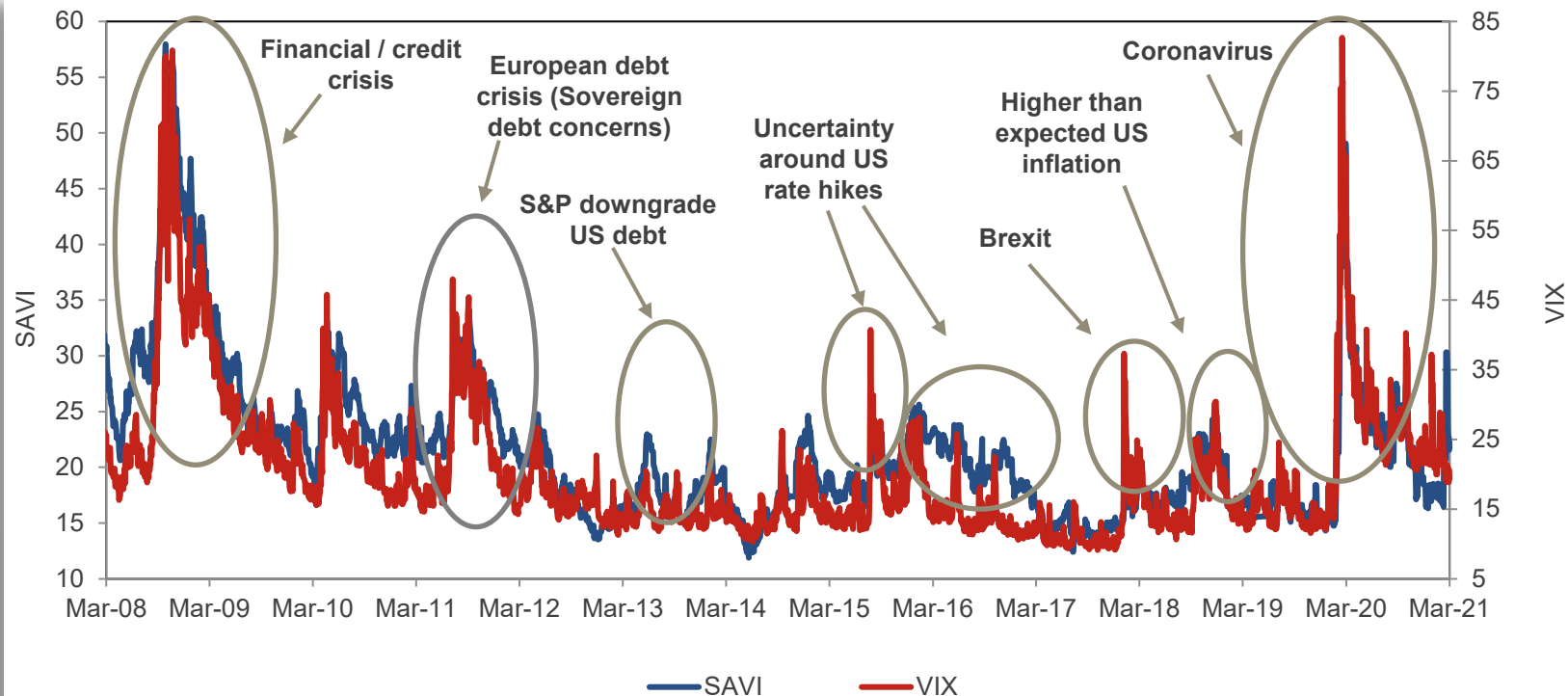
06

Volatility and  
international flows

# SAVI-VIX



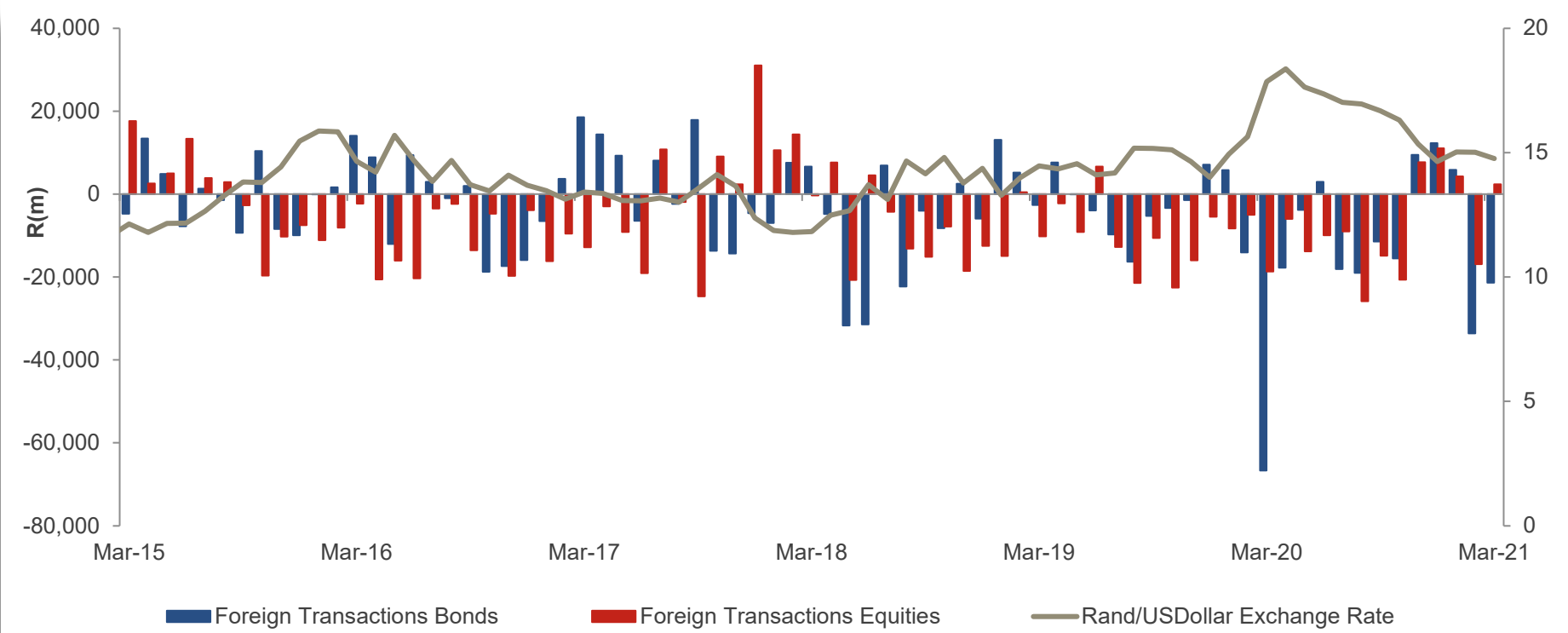
March 2021



# Foreign Transactions



2016 to 2021



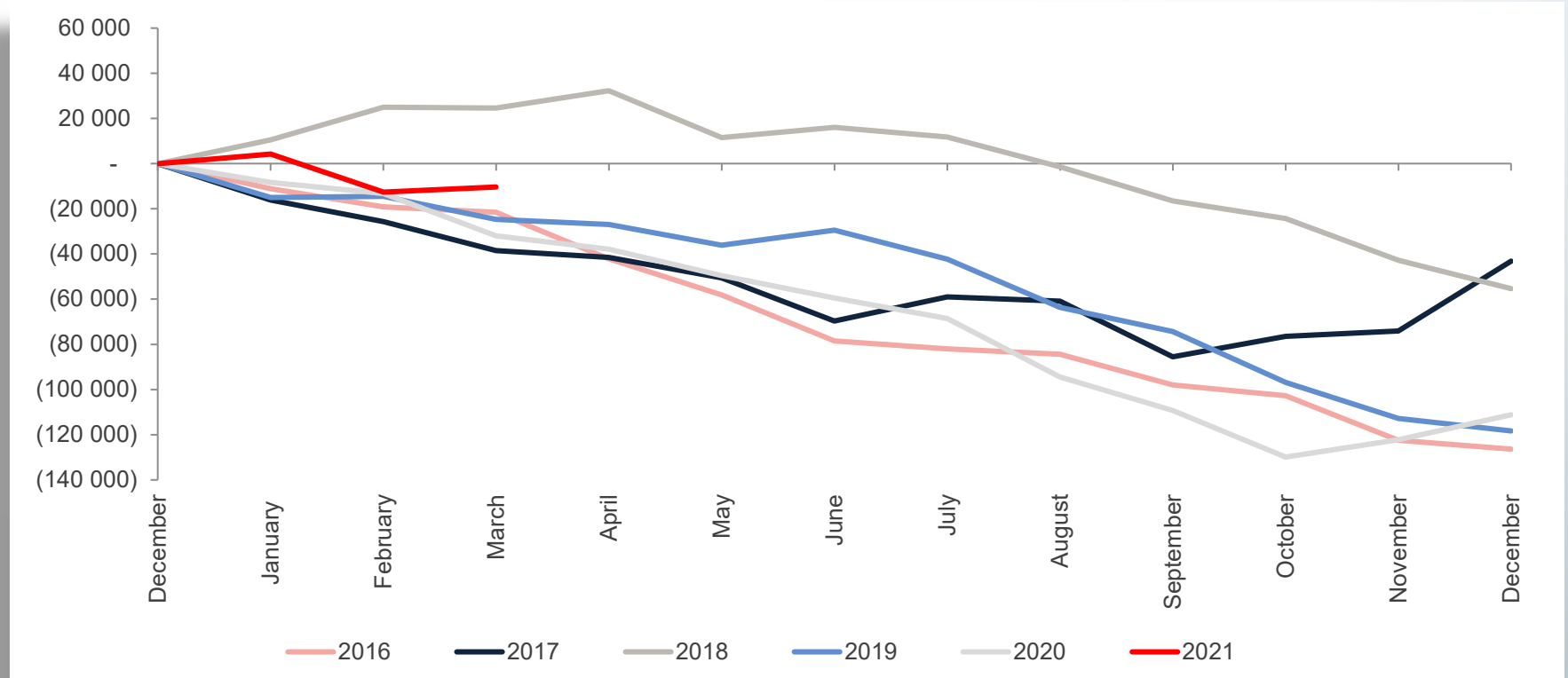
Source: IRESS and Momentum Investments



# Cumulative foreign transaction: Equities



2016 to 2021

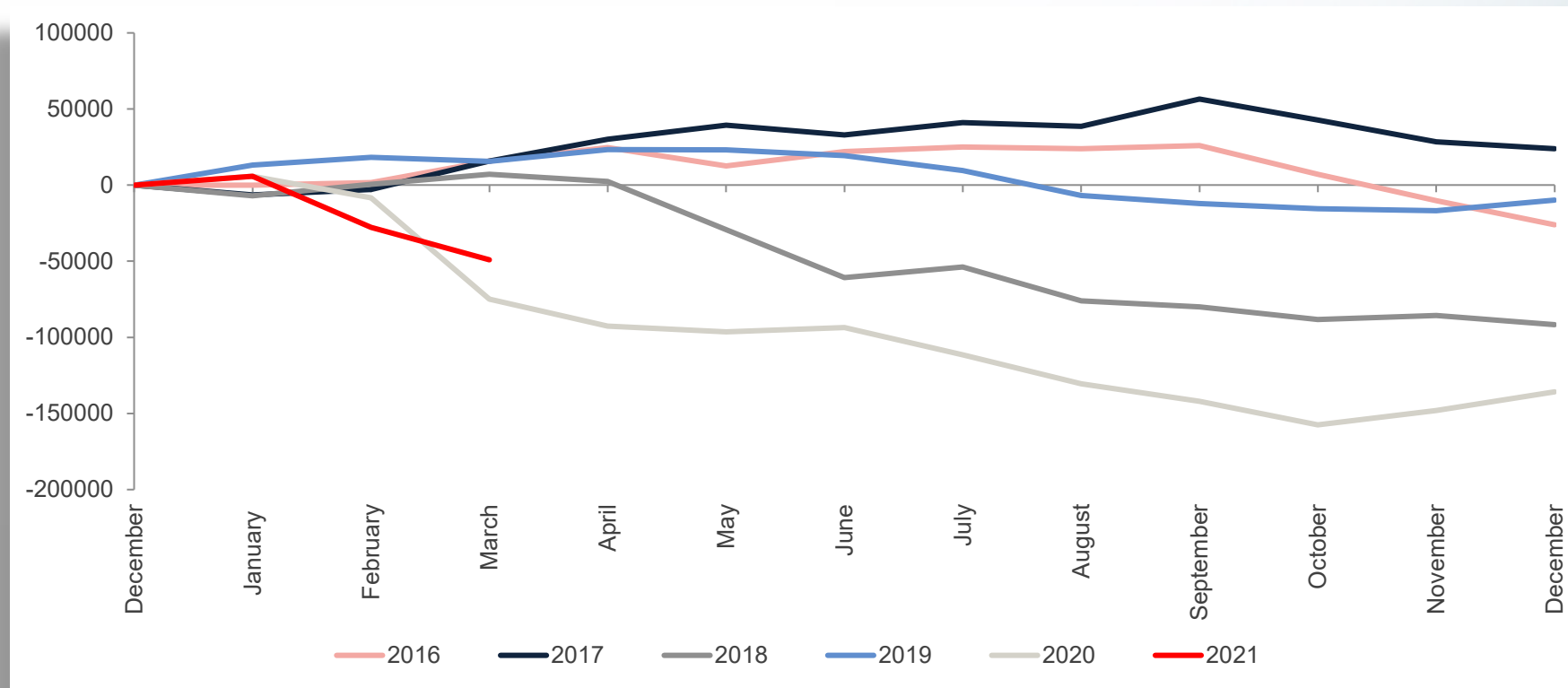


Source: IRESS and Momentum Investments

# 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](http://www.msci.com), [www.yieldbook.com](http://www.yieldbook.com), [www.ft.com](http://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.
5. FTSE/JSE disclaimer: [www.jse.co.za](http://www.jse.co.za)
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