

# Key market performance drivers

Monthly charts to 31 May 2021

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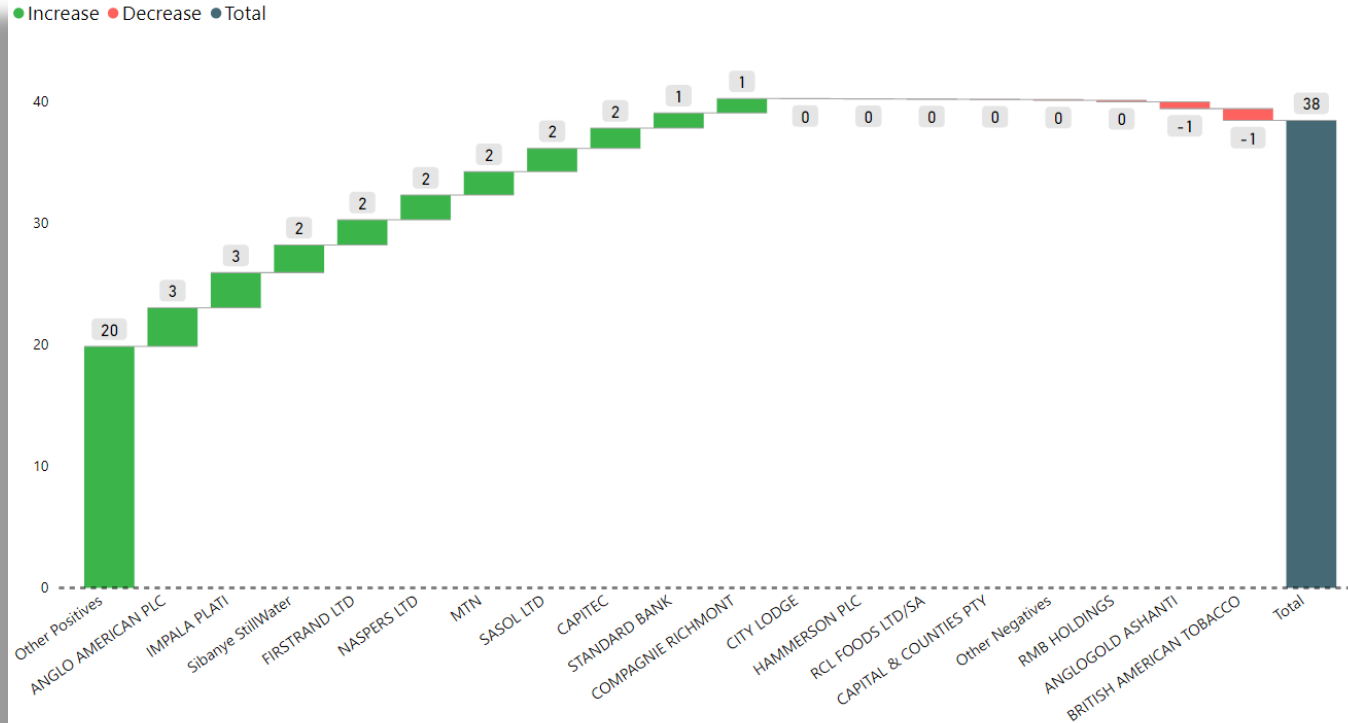
01

Market  
Concentration

# Market concentration



## One-year Capped SWIX contributions ending May 2021





02

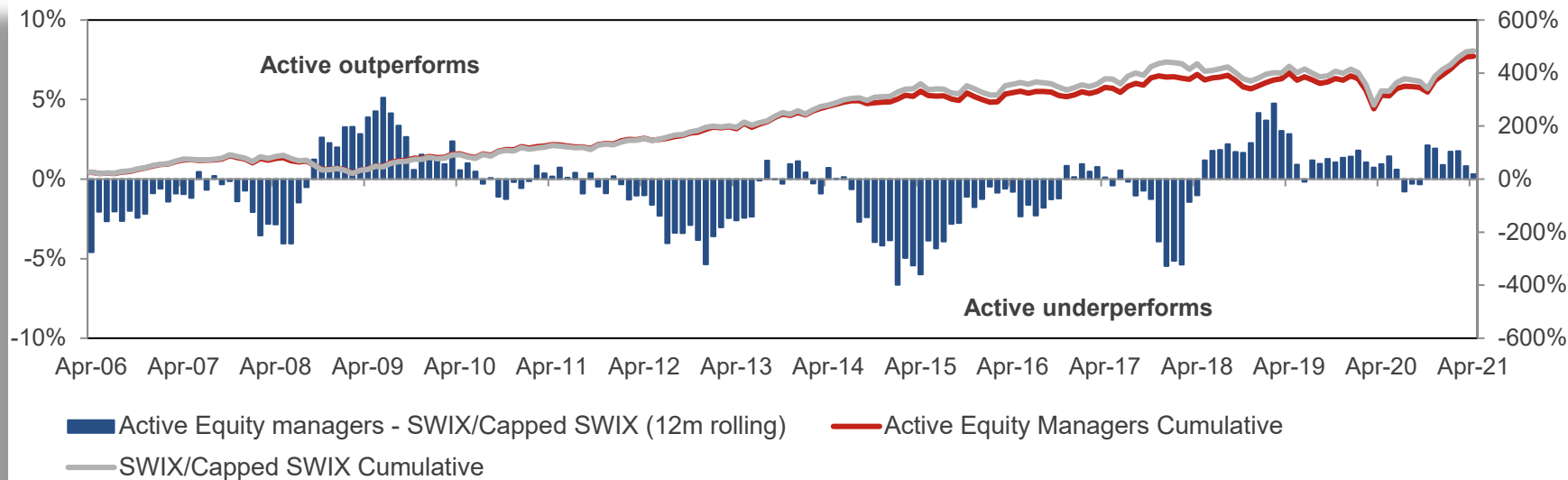
Active Index  
Analysis



# Active index analysis: Equities



One-year rolling active to April 2021



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

(SWIX until 31 October 2017 and Capped SWIX thereafter)

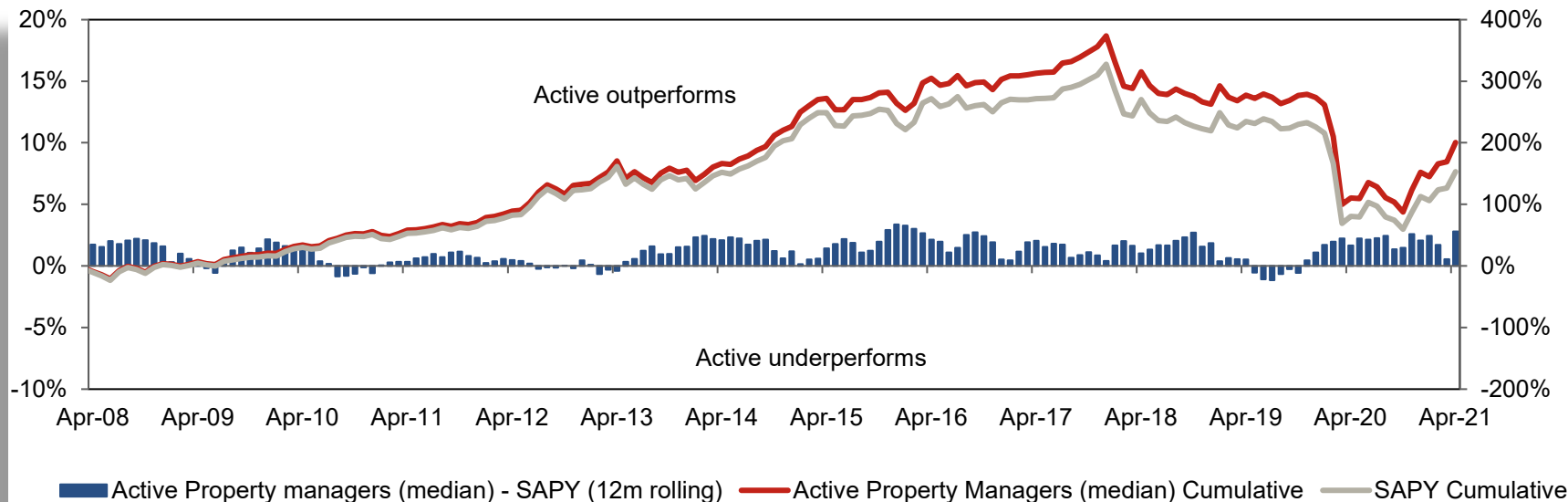
Data lagged by one month

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

# Active index analysis: Property



One-year rolling active to April 2021



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

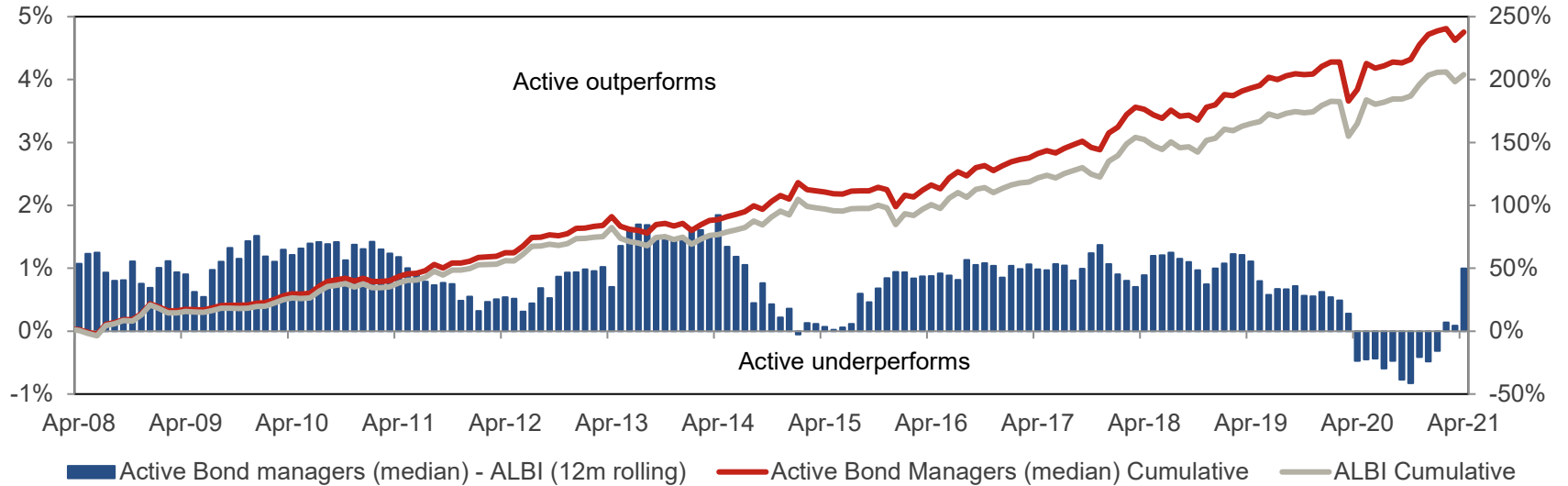
Data lagged by one month

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

# Active index analysis: Bonds



One-year rolling active to April 2021



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

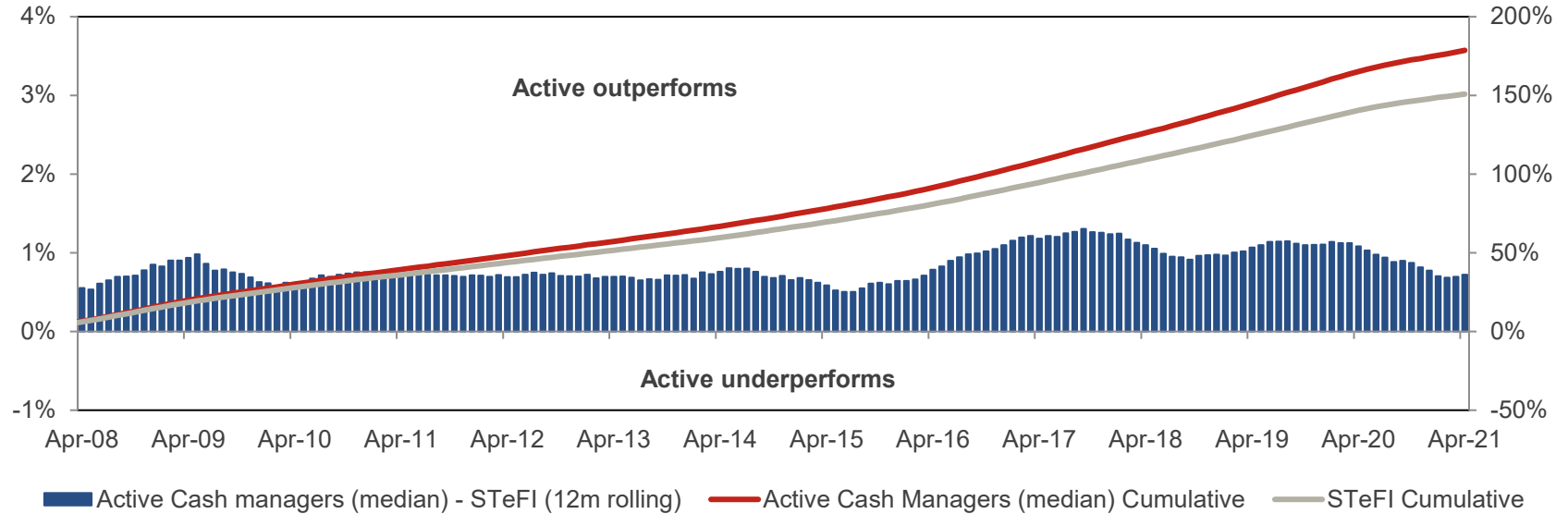
Data lagged by one month



# Active index analysis: Cash



One-year rolling active to April 2021



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

ZAR	Styles	One month to May 2021	Three months to May 2021	One year to May 2021	Three years to May 2021	Five years to May 2021	Ten years to May 2021	Twenty years to May 2021
Value	Book to Price	-2,21	6,99	35,96	-1,69	-2,58	-3,56	-0,57
	Dividend Yield	-3,44	-4,36	24,18	1,78	2,88	0,34	3,35
	Earnings Yield	0,31	1,09	21,52	-2,14	-0,40	-1,04	-0,06
	Cash Flow Yield	0,58	1,33	20,36	-4,93	0,70	-0,10	1,07
	Sales to Price	2,35	6,78	21,11	0,92	1,77	-0,67	-0,05
Quality	ROE	-1,21	-8,30	-12,00	1,35	3,10	2,45	0,78
	ROIC LT	-0,58	-3,07	-11,06	-3,16	-1,57	-1,54	-0,64
	Income to Sales	-1,33	-4,61	-11,91	-0,54	-1,41	0,43	-0,48
	Low market beta	-3,98	-6,01	-18,04	-5,07	-3,85	0,57	0,13
	Low Debt/Equity	-0,17	-4,20	-13,27	-0,36	0,65	-0,76	-1,06
	EBIT Margin Stability	-1,34	0,22	-5,37	-1,76	-3,40	1,58	0,59
Growth	Earnings Growth	0,46	1,60	-7,64	5,73	4,46	2,40	0,38
	Sales Growth	-4,79	-4,43	-1,20	4,47	0,75	1,39	-0,21
	12M Earning Growth	0,46	2,28	6,63	11,17	4,31	0,15	5,11
Momentum	FY1 Earnings Revisions	0,46	5,83	-0,83	4,54	3,06	4,80	7,60
	Short Term Momentum	-3,79	1,39	-7,50	-2,68	-1,08	1,24	-0,43
	Medium Term Momentum	0,22	-1,99	-13,12	6,63	2,38	6,01	5,09
Size	Size	0,93	-7,60	-12,18	4,72	3,26	1,33	-0,20

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

Key

Resources

Financials

Industrials



## Three months to May 2021

1 Finance and Credit Services	Financials	37,26%	17 Health Care Providers	Health Care	12,85%
2 Automobiles and Parts	Consumer Discretionary	31,09%	18 Pharmaceuticals and Biotechnol	Health Care	12,75%
3 Travel and Leisure	Consumer Discretionary	27,90%	19 Non-life Insurance	Financials	11,32%
4 Construction and Materials	Industrials	27,83%	Real Estate Investment and		
5 Beverages	Consumer Staples	26,68%	20 Services	Real Estate	10,32%
6 Retailers	Consumer Discretionary	25,03%	21 Food Producers	Consumer Staples	9,84%
7 Closed End Investments	Financials	24,55%	22 Real Estate Investment Trusts	Real Estate	9,29%
Telecommunications Service			23 Precious Metals and Mining	Basic Materials	8,45%
8 Providers	Telecommunications	21,07%	24 Personal Care	Consumer Staples	7,93%
9 General Industrials	Industrials	19,74%	25 Investment Banking and Brokerage	Financials	7,45%
10 Industrial Support Services	Industrials	19,22%	26 Life Insurance	Financials	4,35%
11 Consumer Services	Consumer Discretionary	17,44%	27 Tobacco	Consumer Staples	2,73%
12 Chemicals	Basic Materials	17,43%	28 Industrial Metals and Mining	Basic Materials	2,65%
13 Industrial Transportation	Industrials	16,23%	29 Industrial Materials	Basic Materials	1,34%
14 Banks	Financials	15,89%	30 Oil	Energy	0,03%
Electronic and Electrical			31 Software and Computer Services	Technology	-14,03%
15 Equipment	Industrials	15,32%	32 Alternative Energy	Energy	-32,74%
16 Personal Goods	Consumer Discretionary	14,08%			

Source: Barra and Deutsche Securities

# Sector Analysis

FTSE/JSE sectors decomposed

Key

Resources

Financials

Industrials

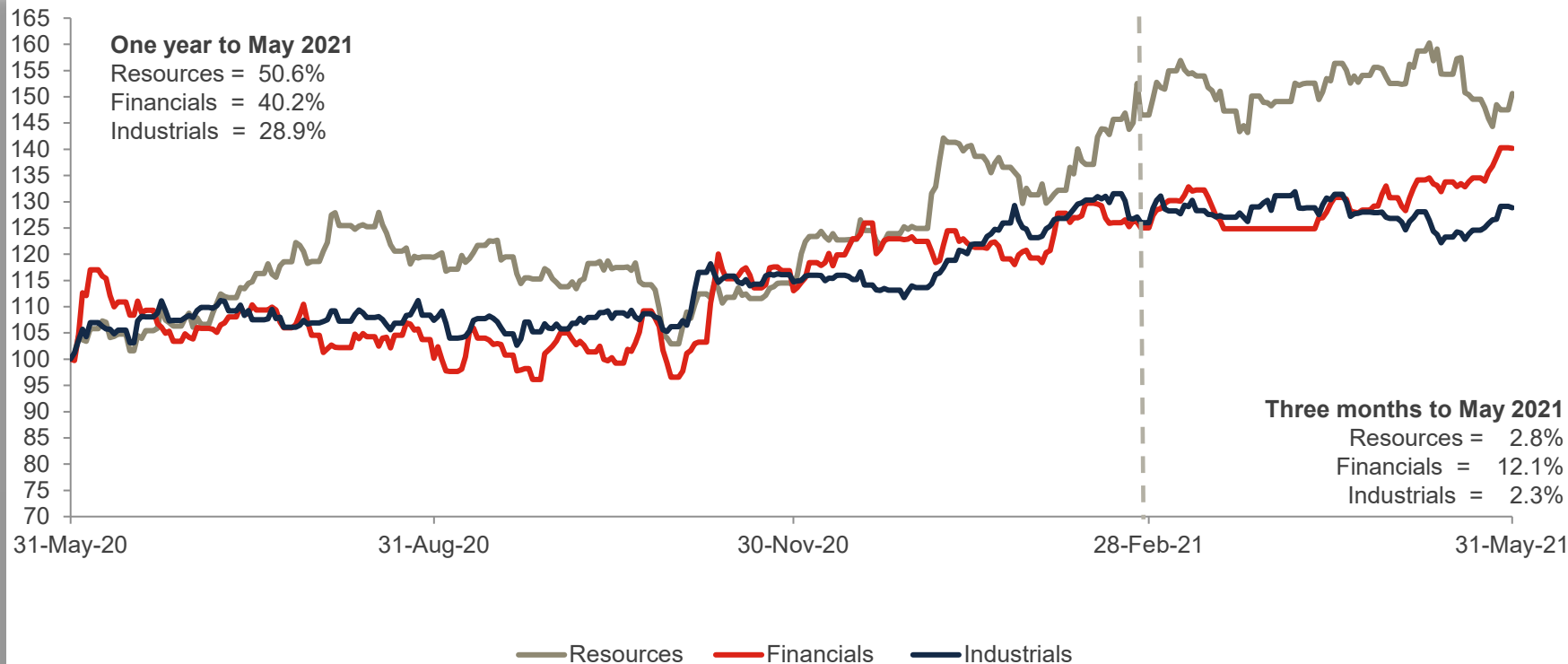


## One Year to May 2021

1 Alternative Energy	Energy	203,21%	18 Real Estate Investment Trusts	Real Estate	41,91%
2 Chemicals	Basic Materials	136,63%	19 Beverages	Consumer Staples	40,45%
3 Consumer Services	Consumer Discretionary	110,45%	20 Closed End Investments	Financials	39,58%
4 Finance and Credit Services	Financials	109,13%	21 Industrial Materials	Basic Materials	30,79%
5 Industrial Support Services	Industrials	103,39%	22 Electronic and Electrical Equipment	Industrials	29,55%
6 Retailers	Consumer Discretionary	103,33%	23 Personal Care	Consumer Staples	24,49%
7 Industrial Transportation	Industrials	85,70%	24 Food Producers	Consumer Staples	24,33%
8 Travel and Leisure	Consumer Discretionary	82,75%	25 Life Insurance	Financials	21,06%
9 Automobiles and Parts	Consumer Discretionary	77,10%	26 Real Estate Investment and Services	Real Estate	20,92%
10 Personal Goods	Consumer Discretionary	66,07%	27 Investment Banking and Brokerage	Financials	19,67%
11 Industrial Metals and Mining	Basic Materials	60,53%	28 Pharmaceuticals and Biotechnolgy	Health Care	14,88%
Telecommunications Service			29 Health Care Providers	Health Care	11,36%
12 Providers	Telecommunications	58,84%	30 Software and Computer Services	Technology	9,40%
13 Precious Metals and Mining	Basic Materials	57,88%	31 Non-life Insurance	Financials	-0,02%
14 Banks	Financials	57,26%	32 Open End Investments	Financials	-10,53%
15 Construction and Materials	Industrials	55,76%	33 Tobacco	Consumer Staples	-19,35%
16 Oil	Energy	45,39%			
17 General Industrials	Industrials	44,98%			

# FTSE/JSE sectors

One year rolling to May 2021

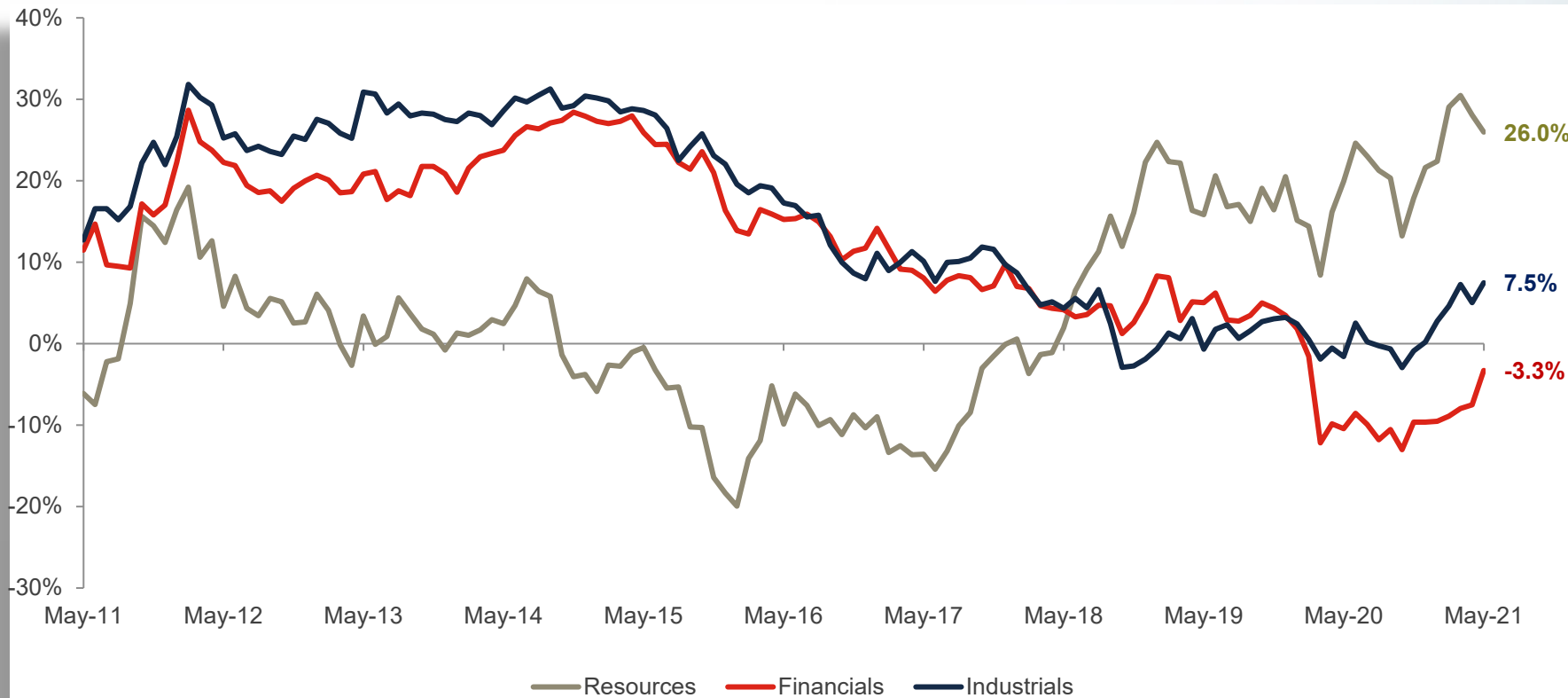




# FTSE/JSE sectors



Ten years rolling to May 2021

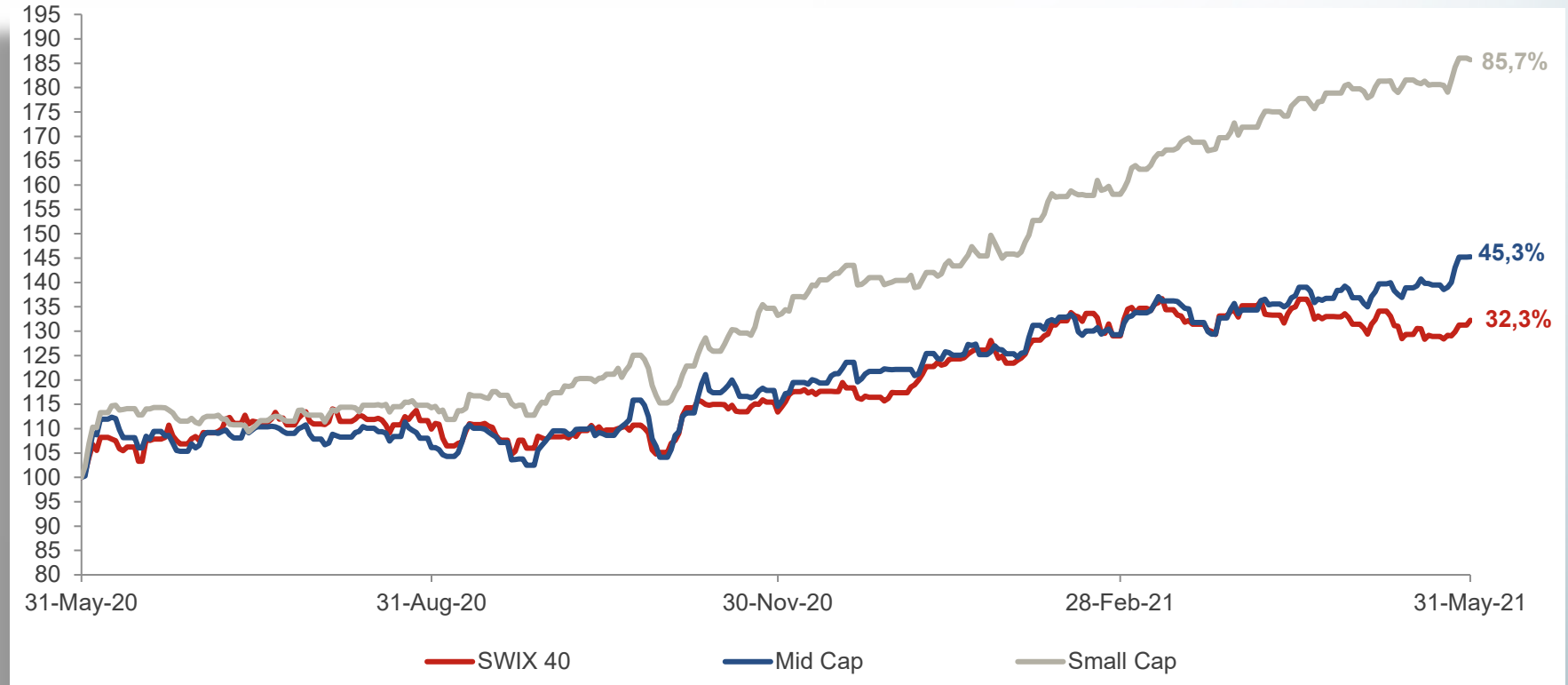


Source: IRESS and Momentum Investments

# FTSE/JSE market caps



One year to May 2021





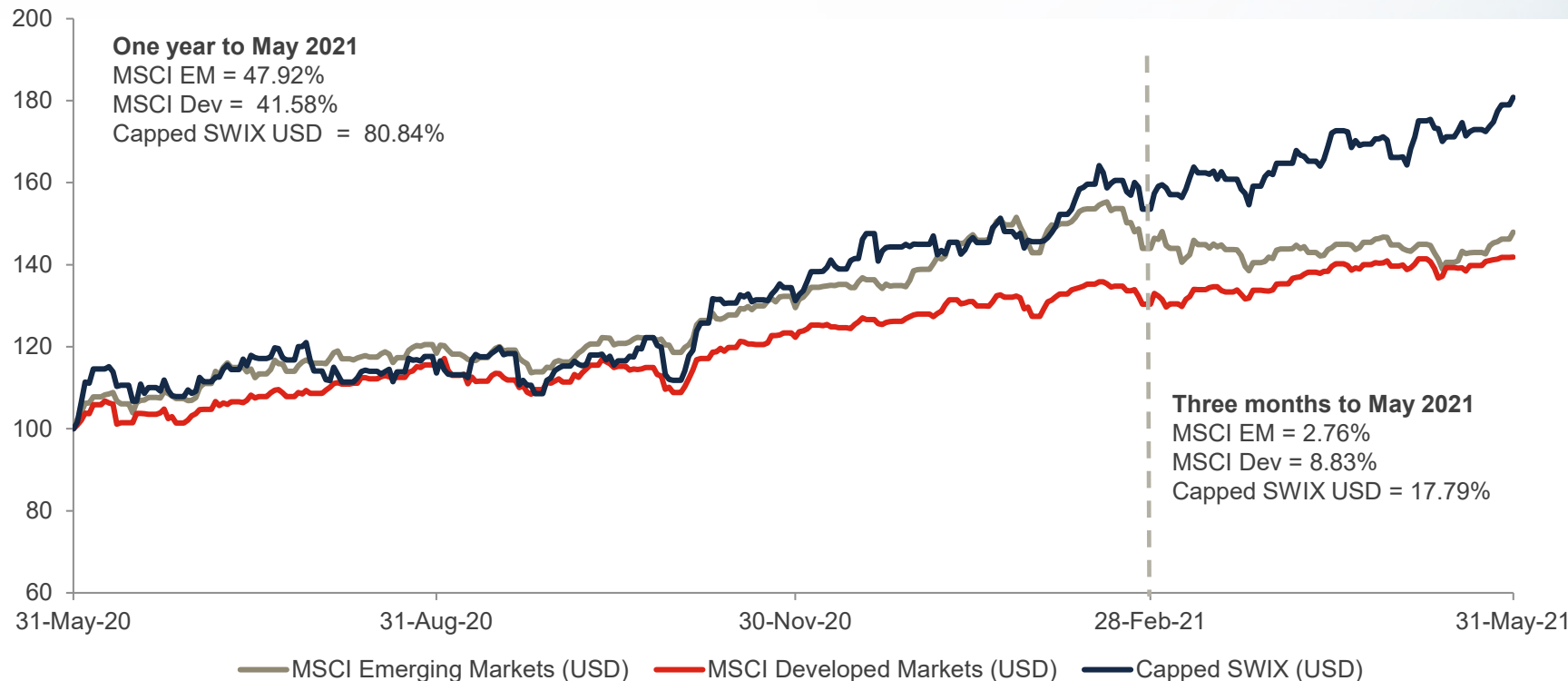
05

## Indexed Return Charts

# MSCI developed and emerging markets



One year to May 2021



# SA 10-year bond yields



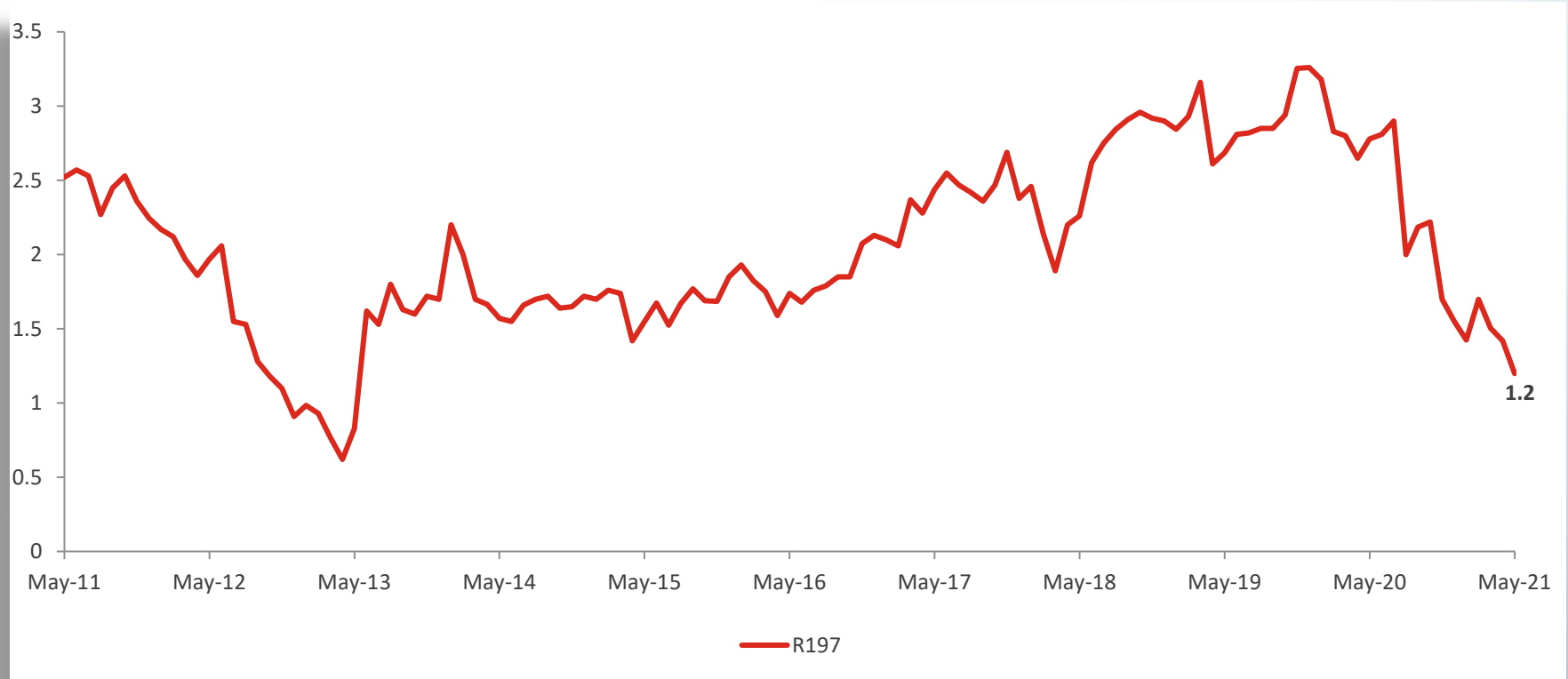
Ten years to May 2021



# Yield of R197 (inflation-linked bond)



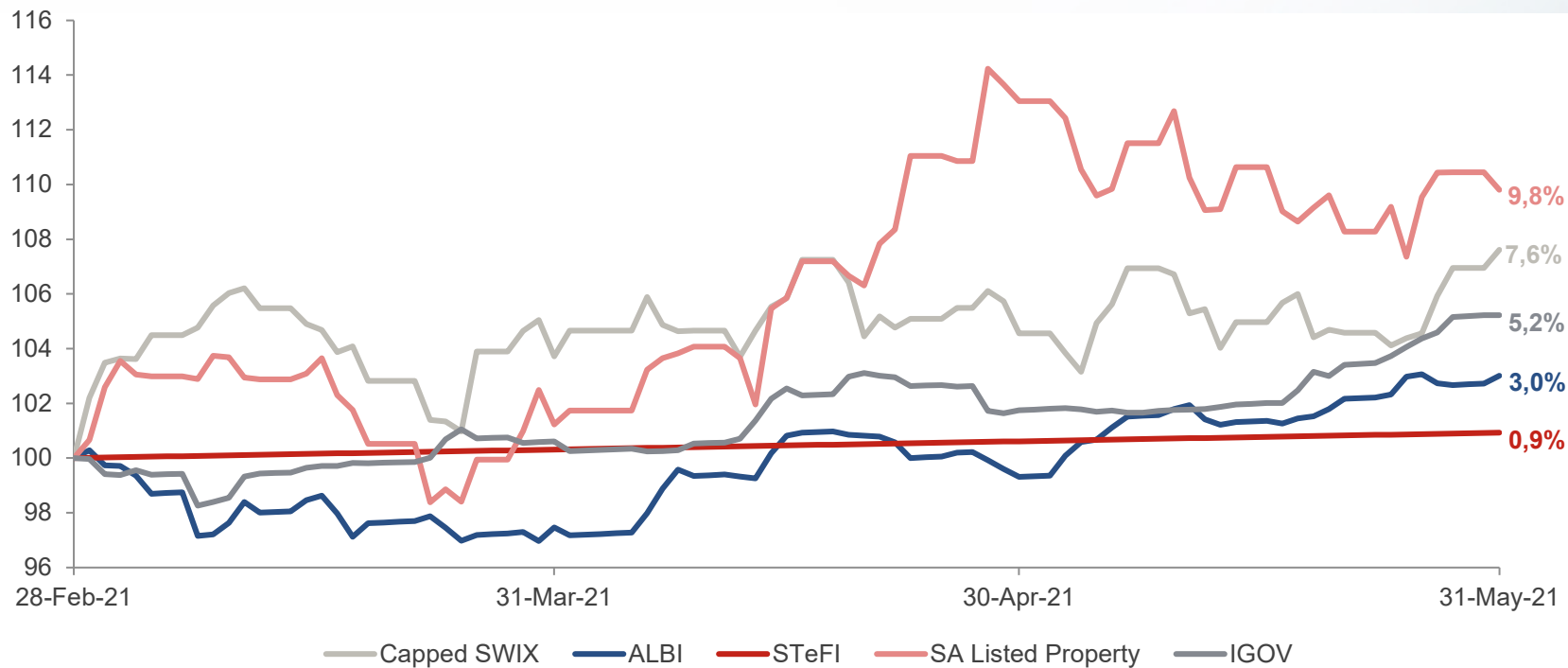
Ten years to May 2021



# Local asset classes



Three months to May 2021



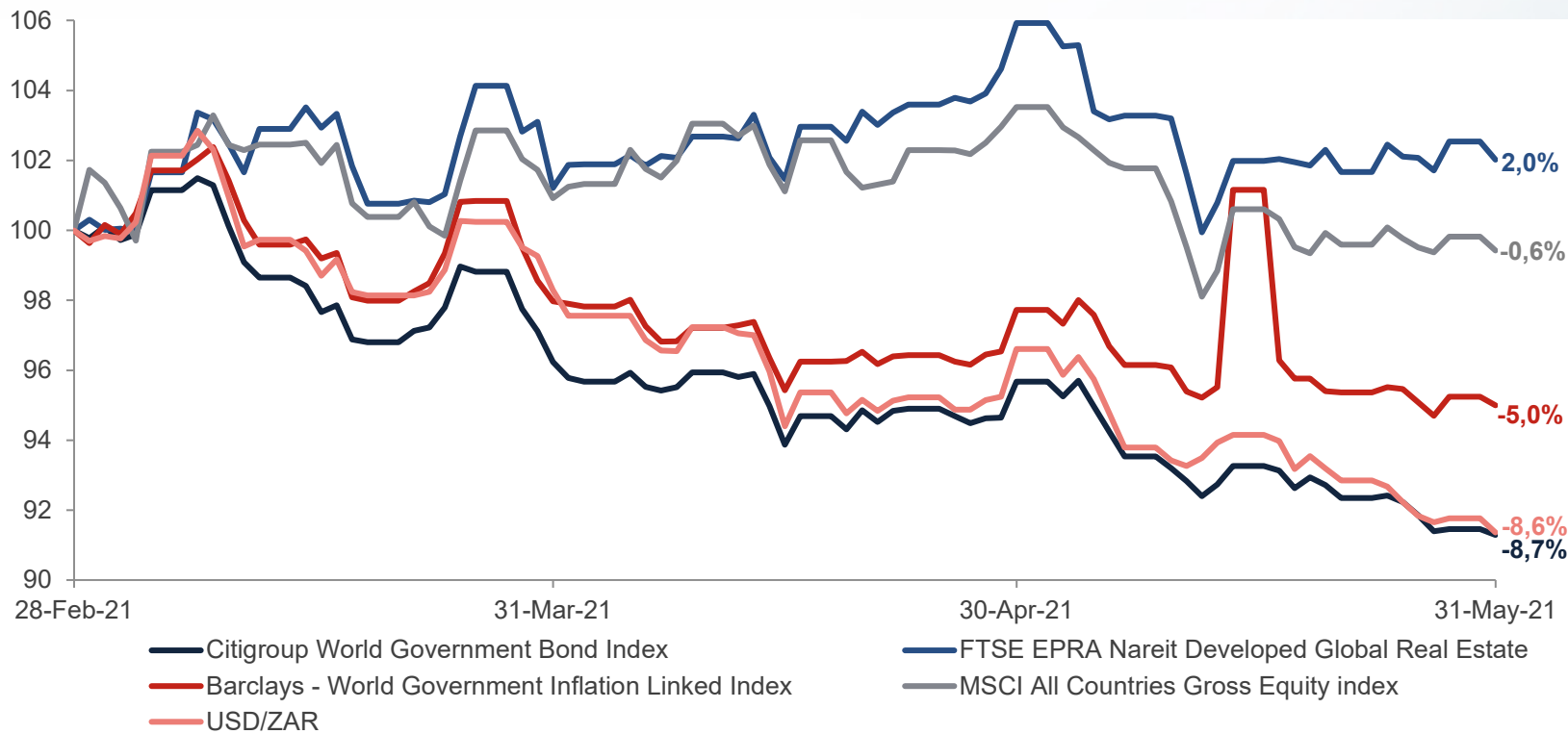
\* CPI lagged by one month due to availability of data



# Global asset classes

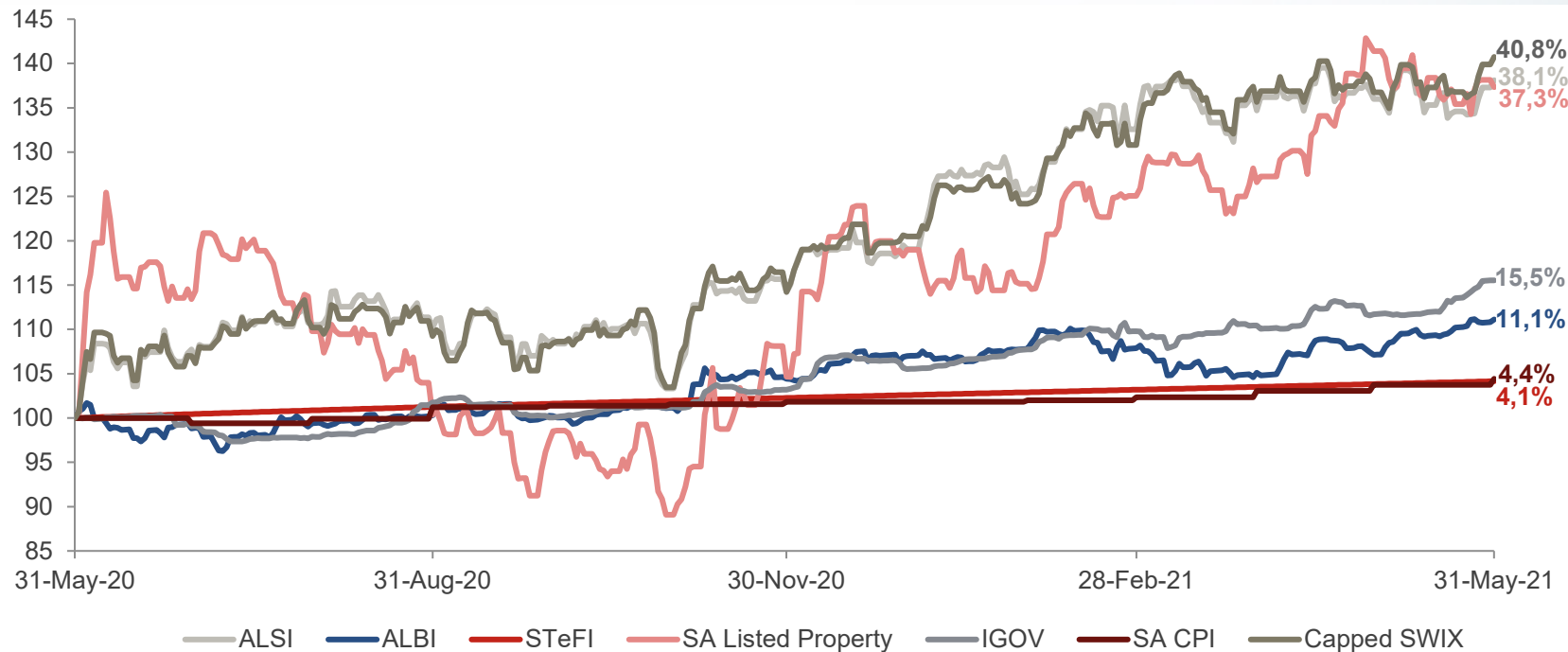


Three months to May 2021



# Local asset classes

One year to May 2021

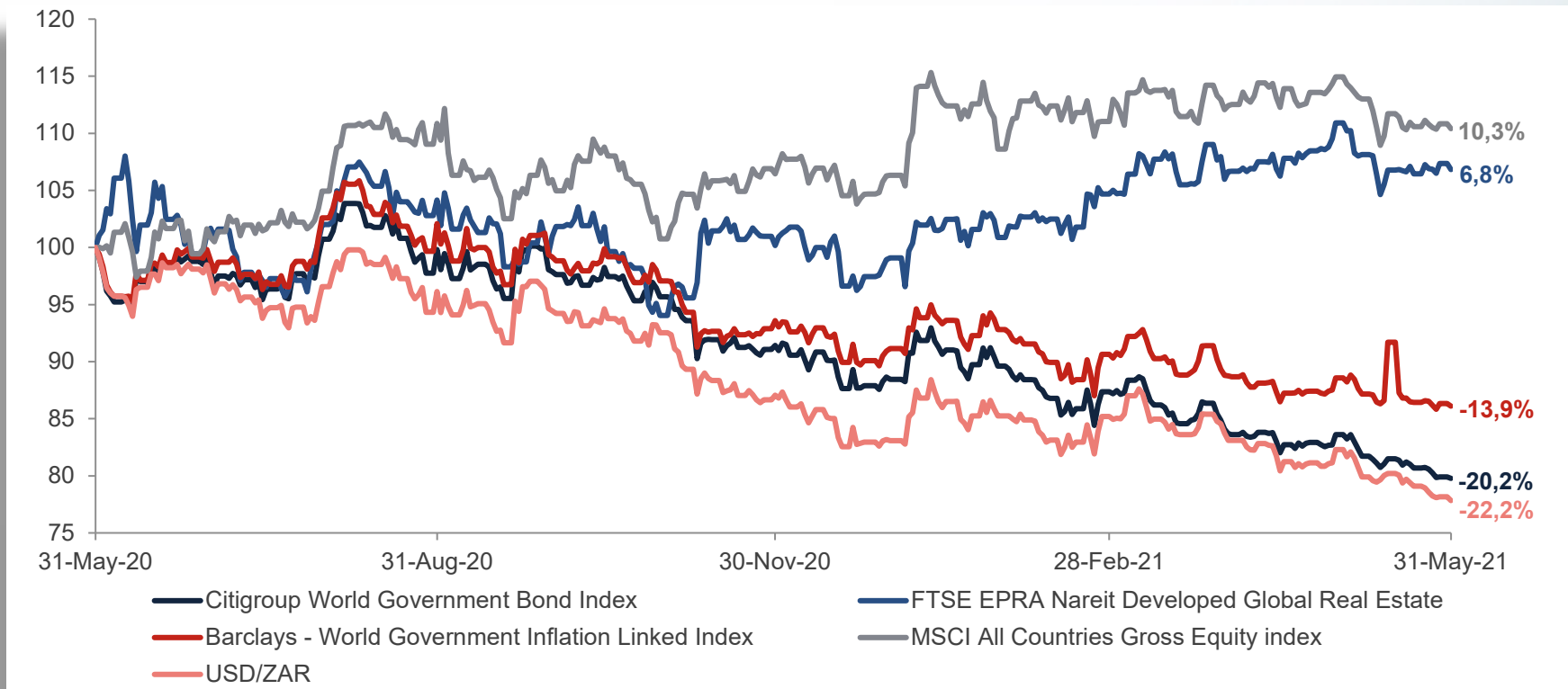


\* CPI lagged by one month due to availability of data

# Global asset classes



One year to May 2021

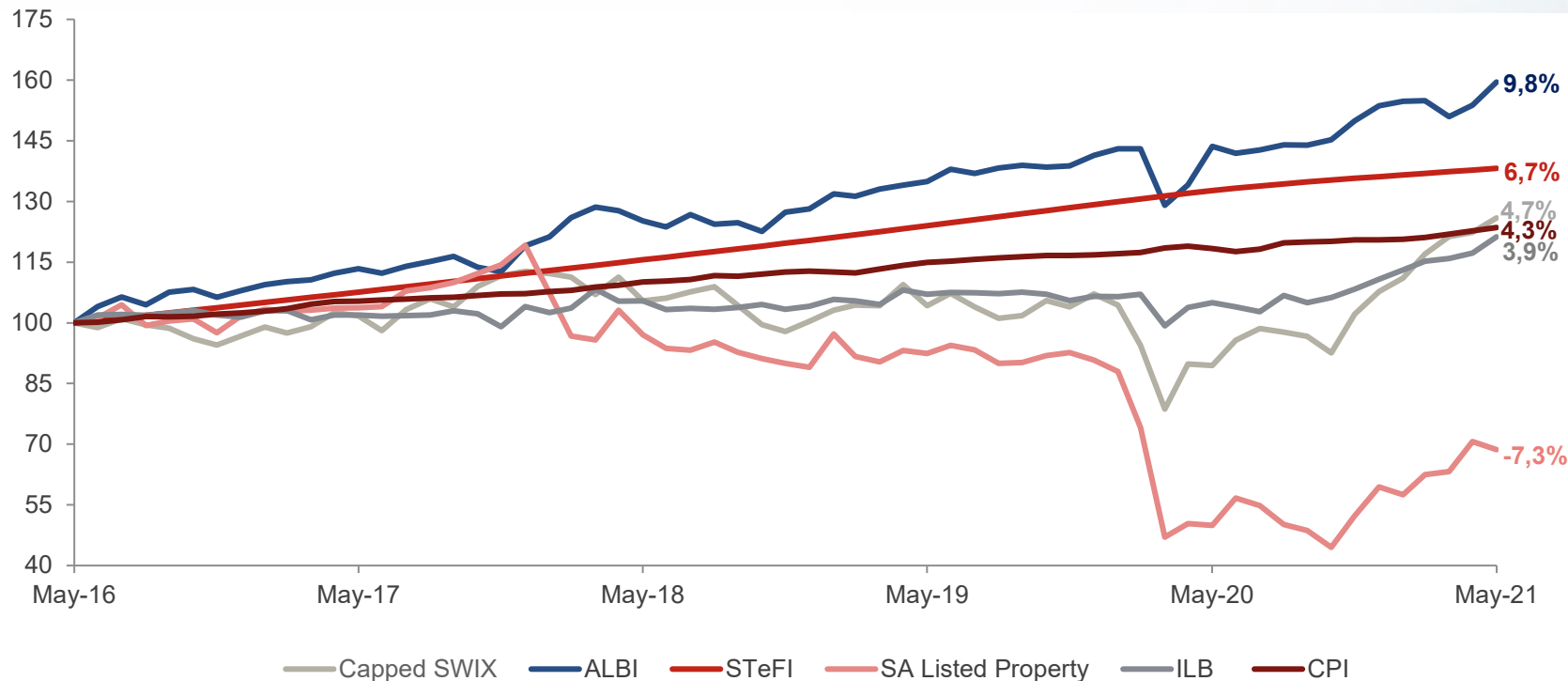


Source: IRESS and Momentum Investments

# Local asset classes



Five years to May 2021

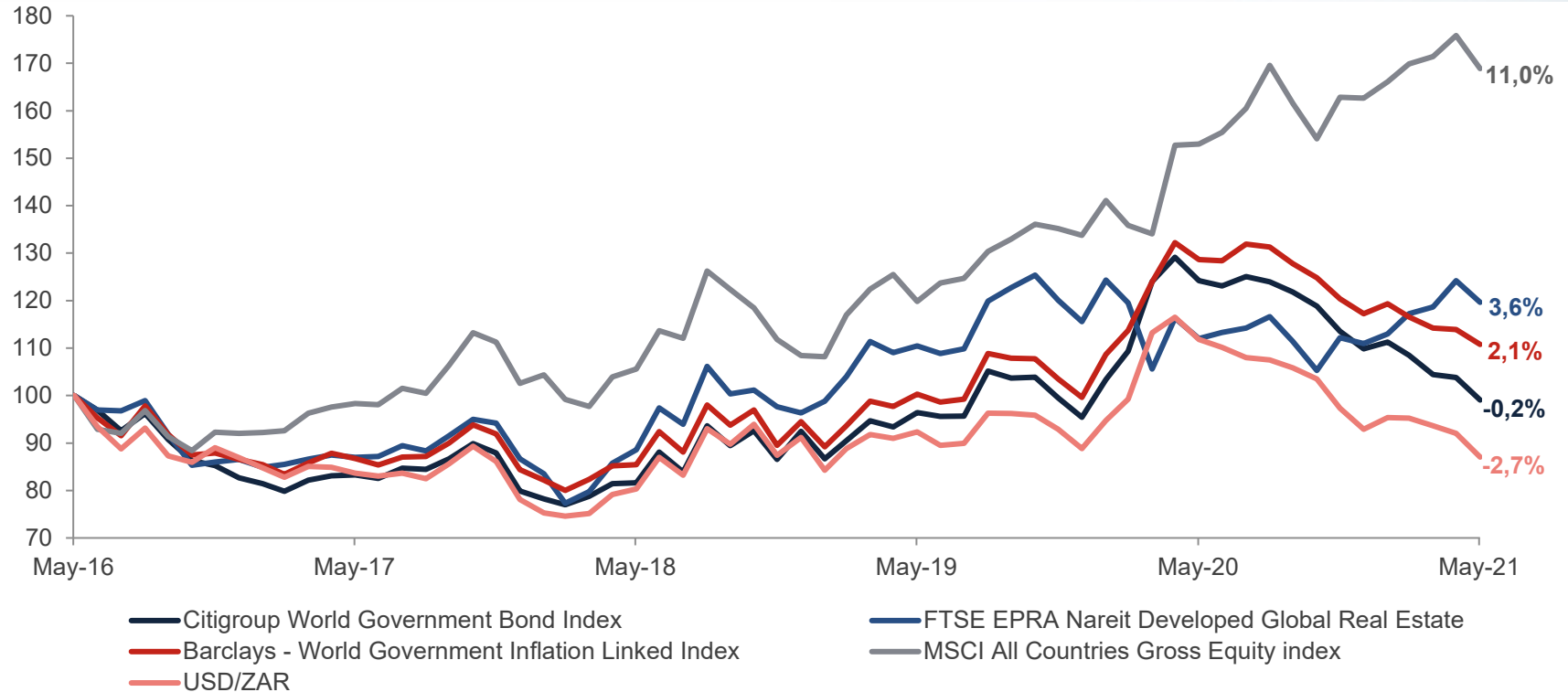


\* CPI lagged by one month due to availability of data

# Global asset classes



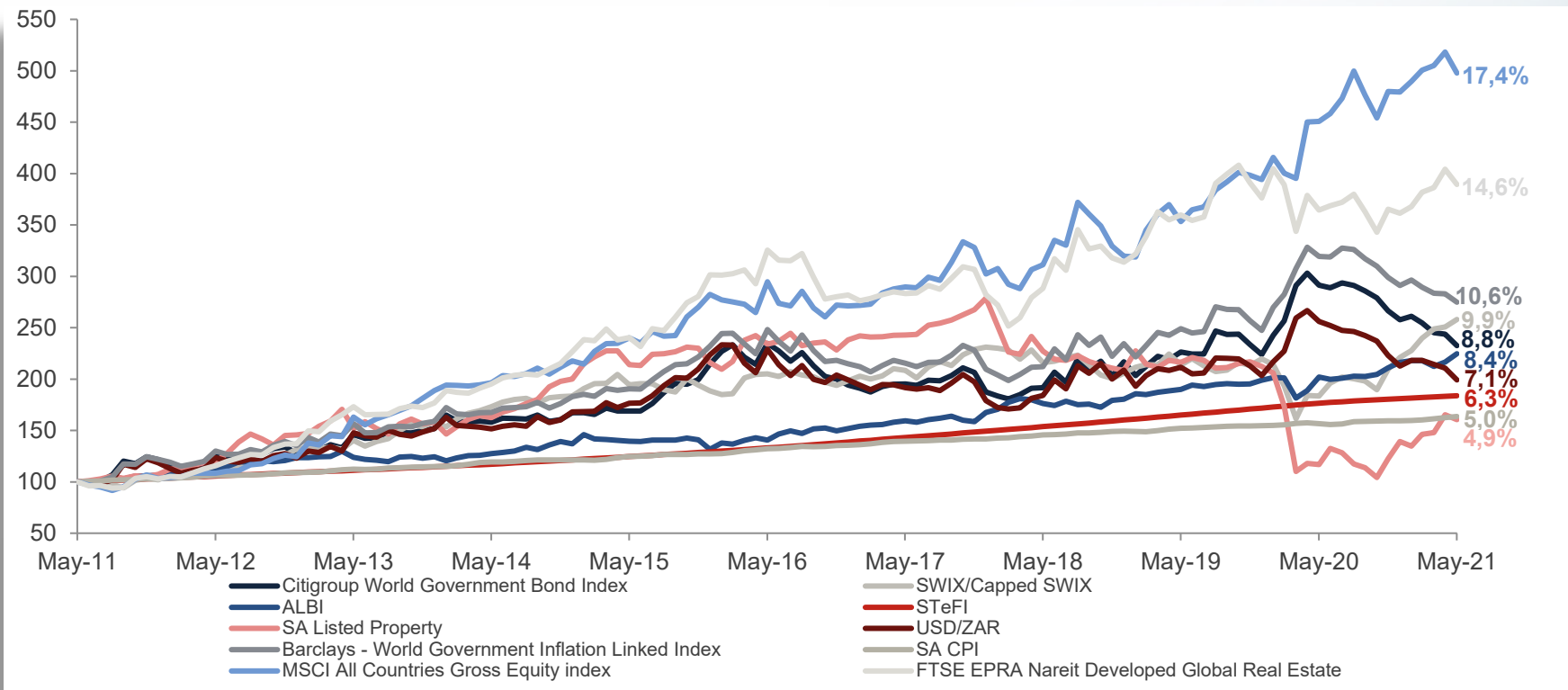
Five years to May 2021



# Asset classes



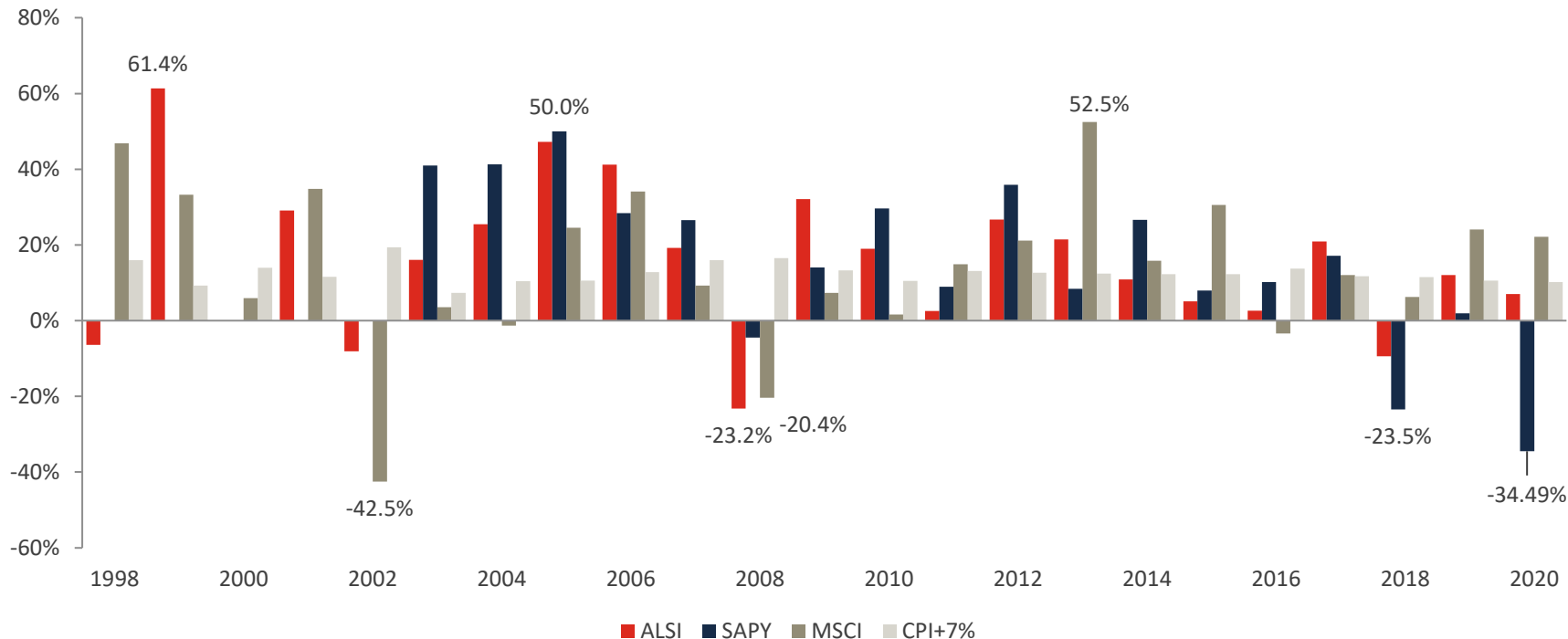
Ten years to May 2021



\* 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

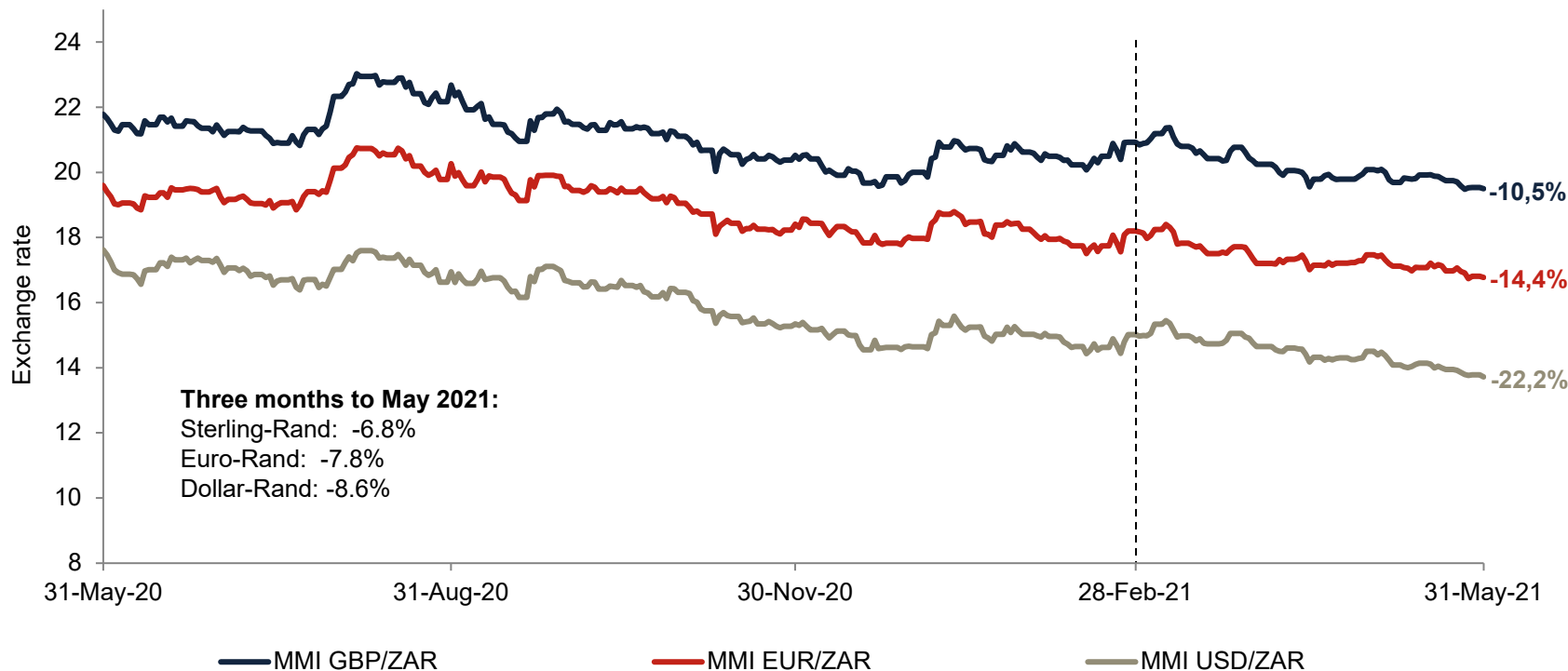
Source: IRESS and Momentum Investments



# Exchange rates



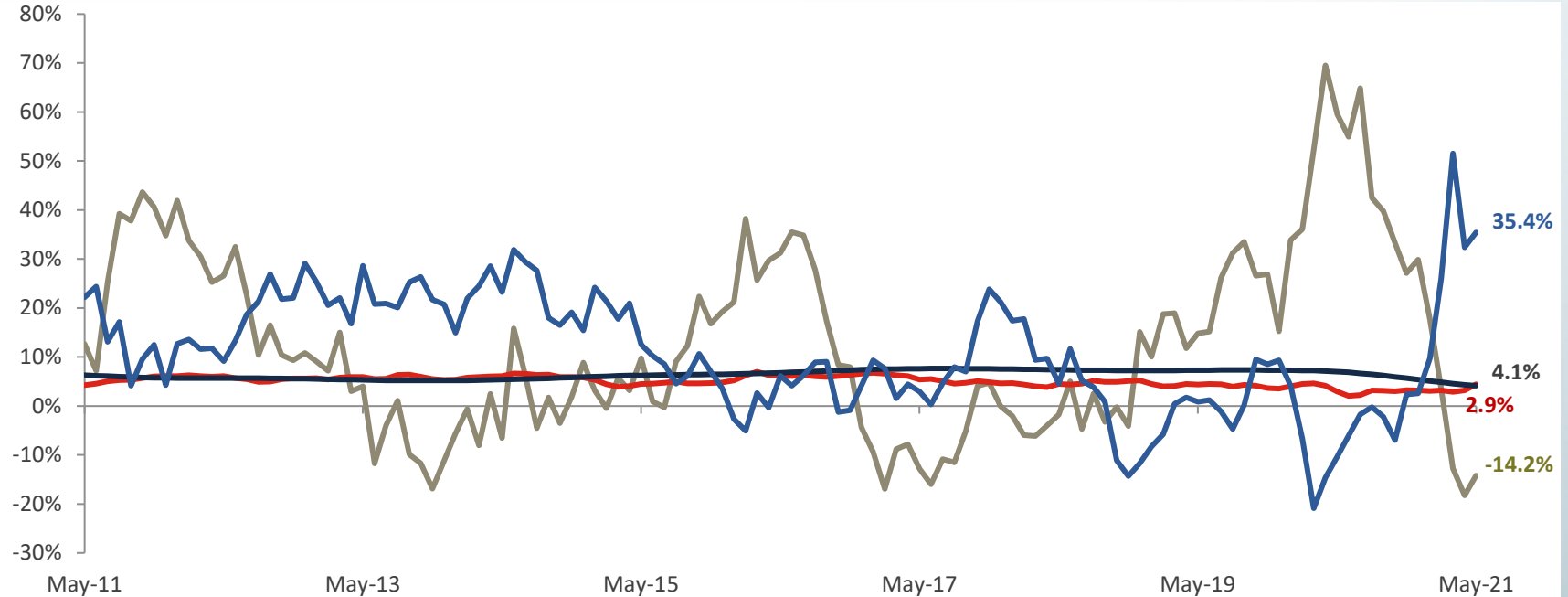
One year to May 2021



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



Ten-year rolling returns to May 2021



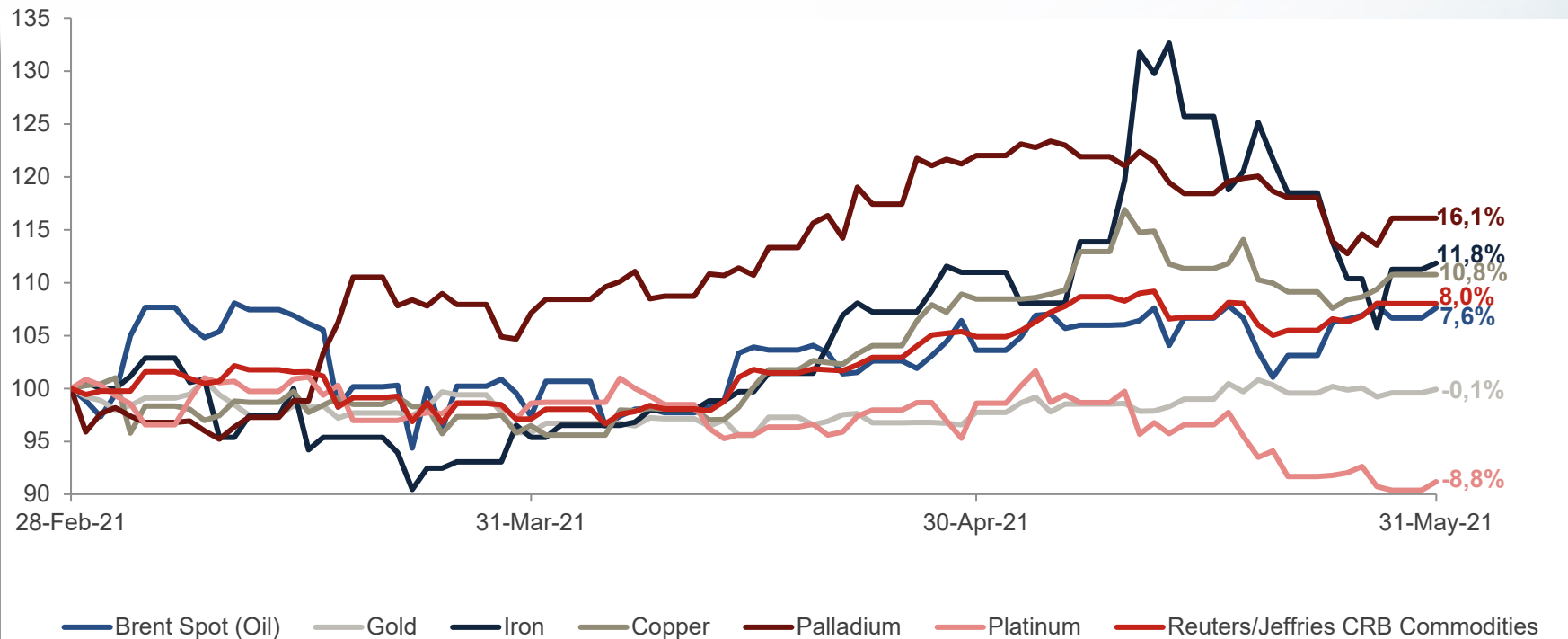
\* CPI lagged by one month due to availability of data

— Gold — CPI — SteFI — SWIX

# Commodities



Three months to May 2021

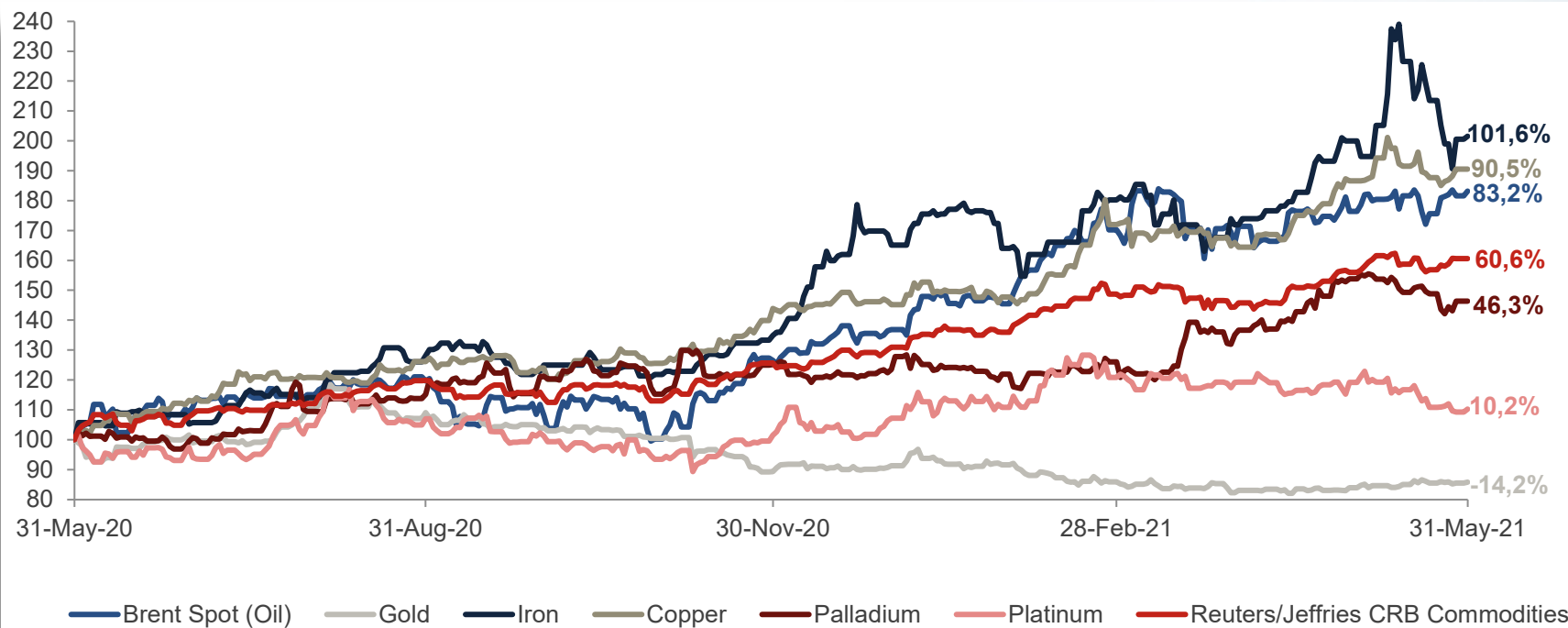


All returns are in dollar terms

# Commodities



One year to May 2021



All returns are in dollar terms



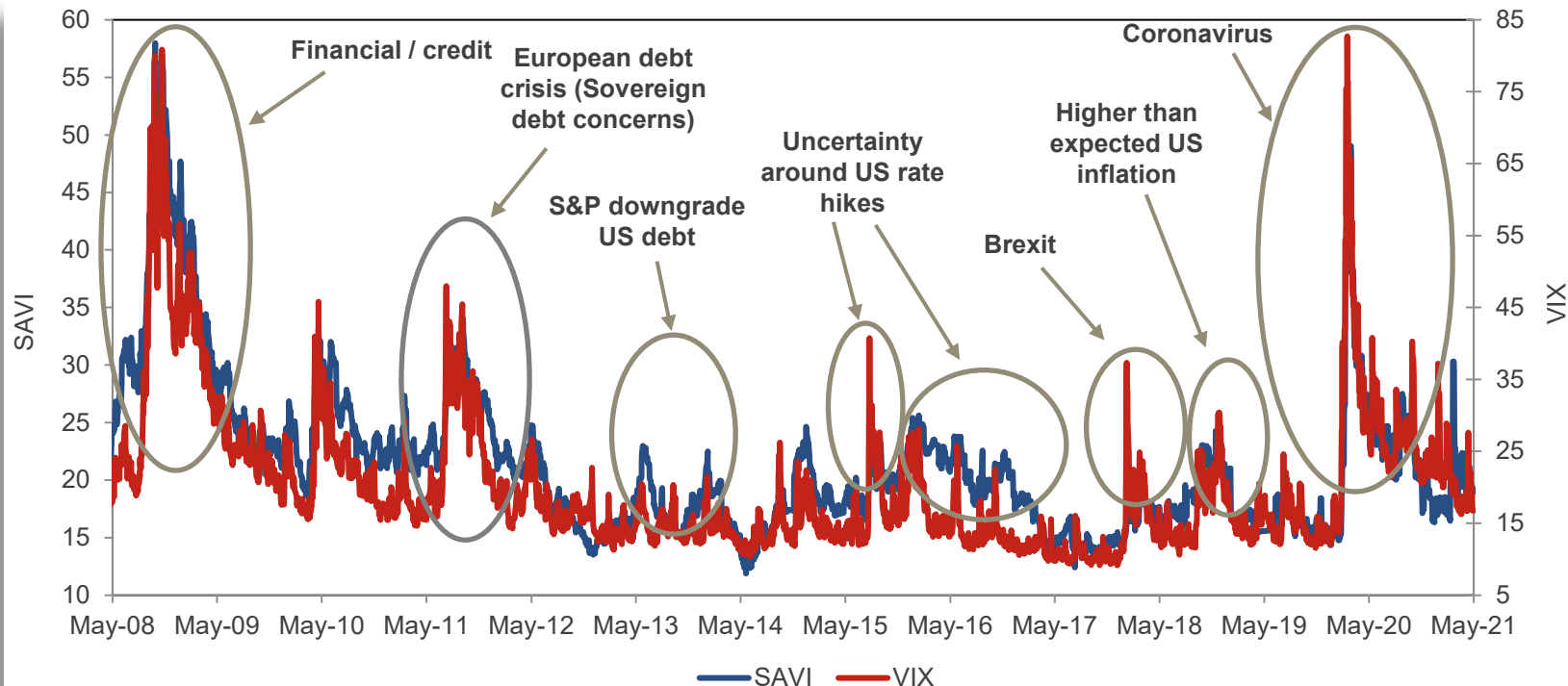
06

Volatility and  
international flows

# SAVI-VIX



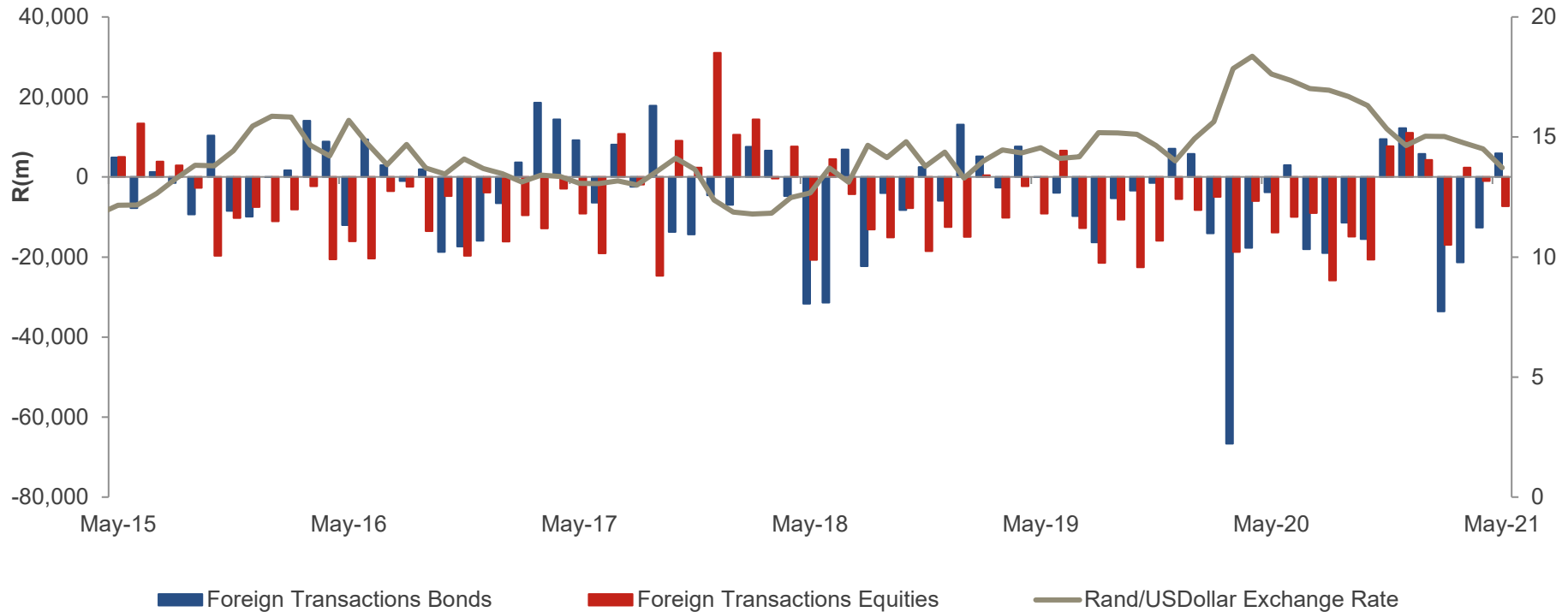
May 2021



# Foreign Transactions



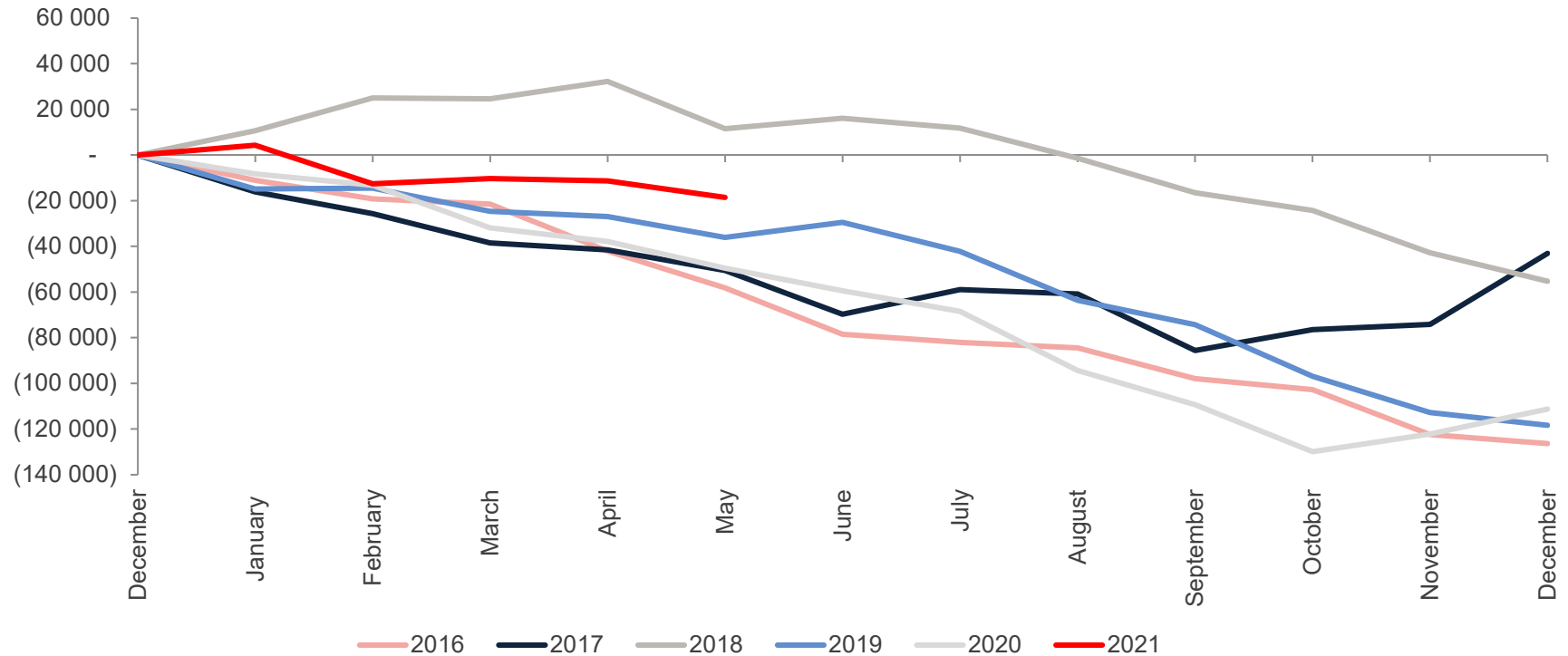
2016 to 2021



# Cumulative foreign transaction: Equities



2016 to 2021

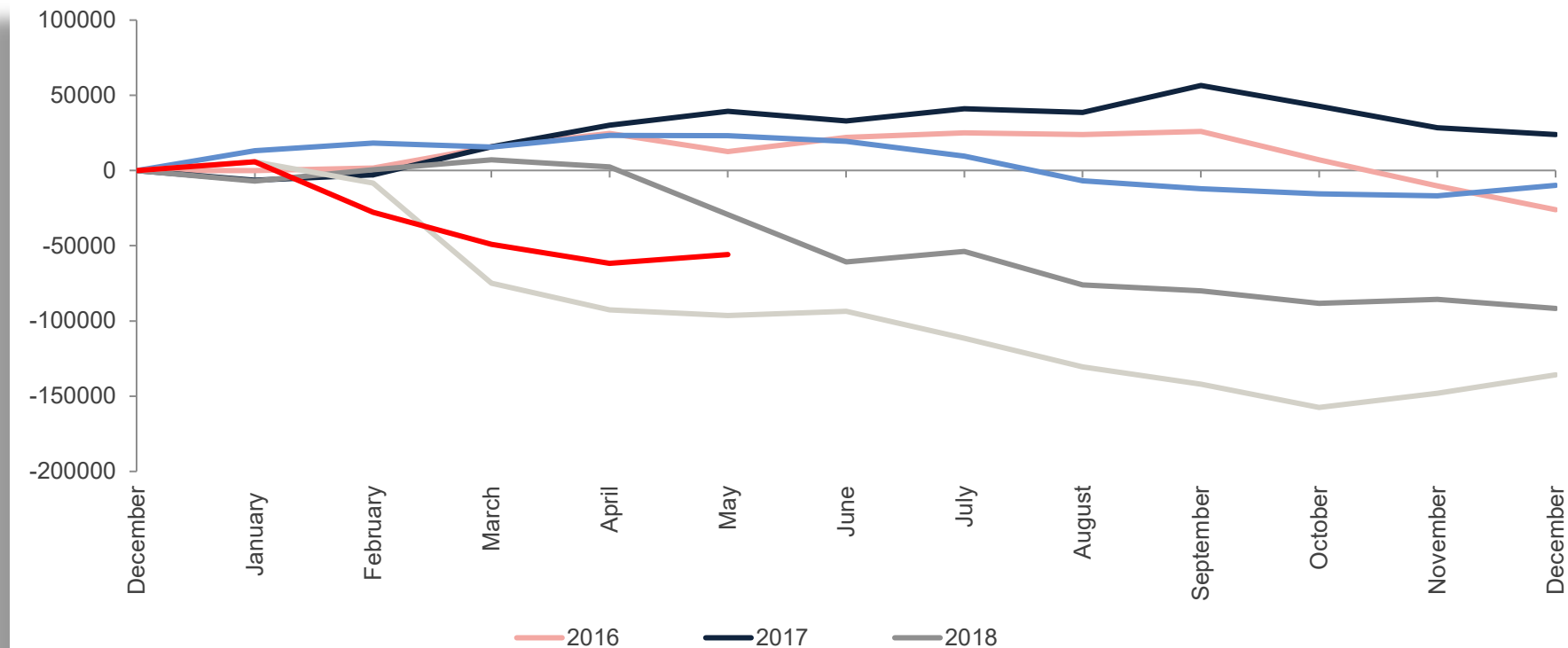




# Cumulative foreign transaction: Bonds



2016 to 2021



**momentum**  
investments

Thank you



# Disclaimer



1. Sources: Momentum Investments, I-Net Bridge, [www.msci.com](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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