

# Key market performance drivers

Monthly charts to 30 November 2020

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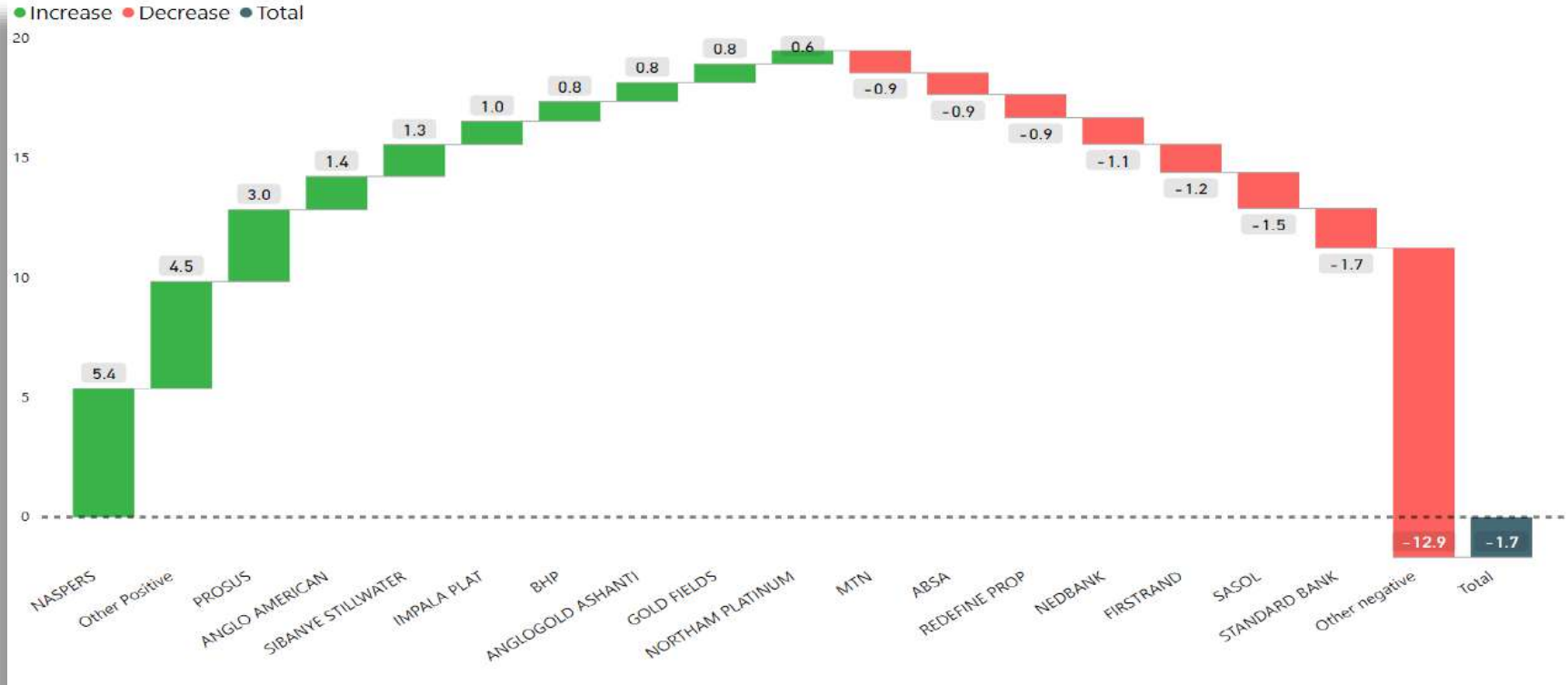
01

Market  
concentration

# Market concentration



## One-year Capped SWIX contributions ending November 2020





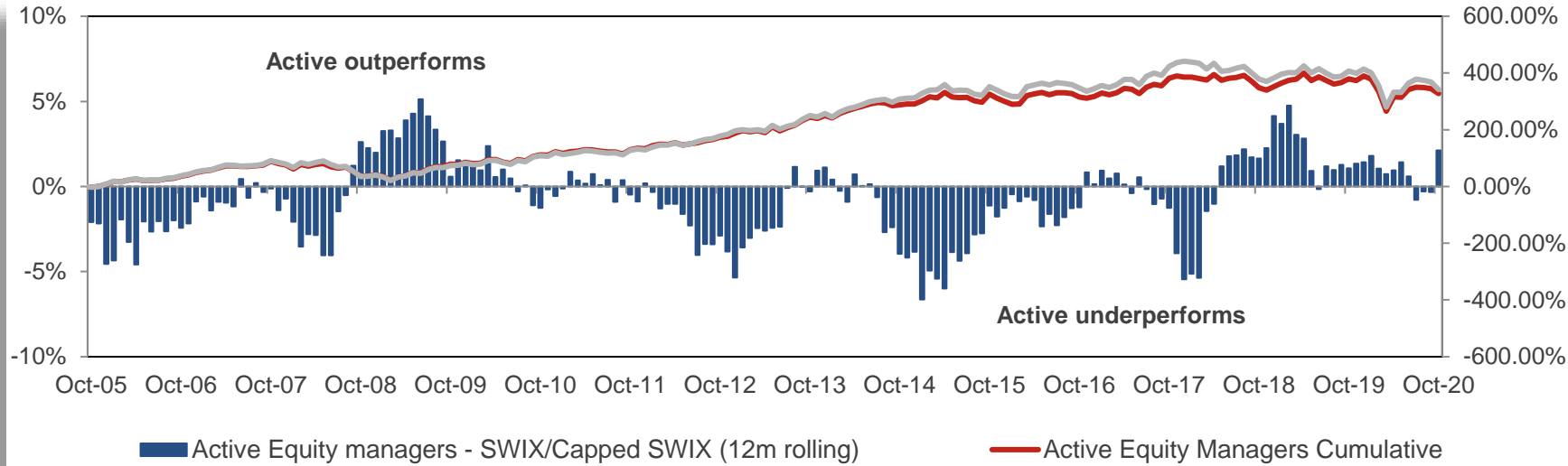
02

Active index analysis

# Active index analysis: Equities



## One-year rolling active to October 2020



The median of the active equity investment managers outperformed the SWIX/Capped SWIX composite benchmark for the 12-month period ending October 2020.

(SWIX until 31 October 2017 and Capped SWIX thereafter)

Data lagged by one month

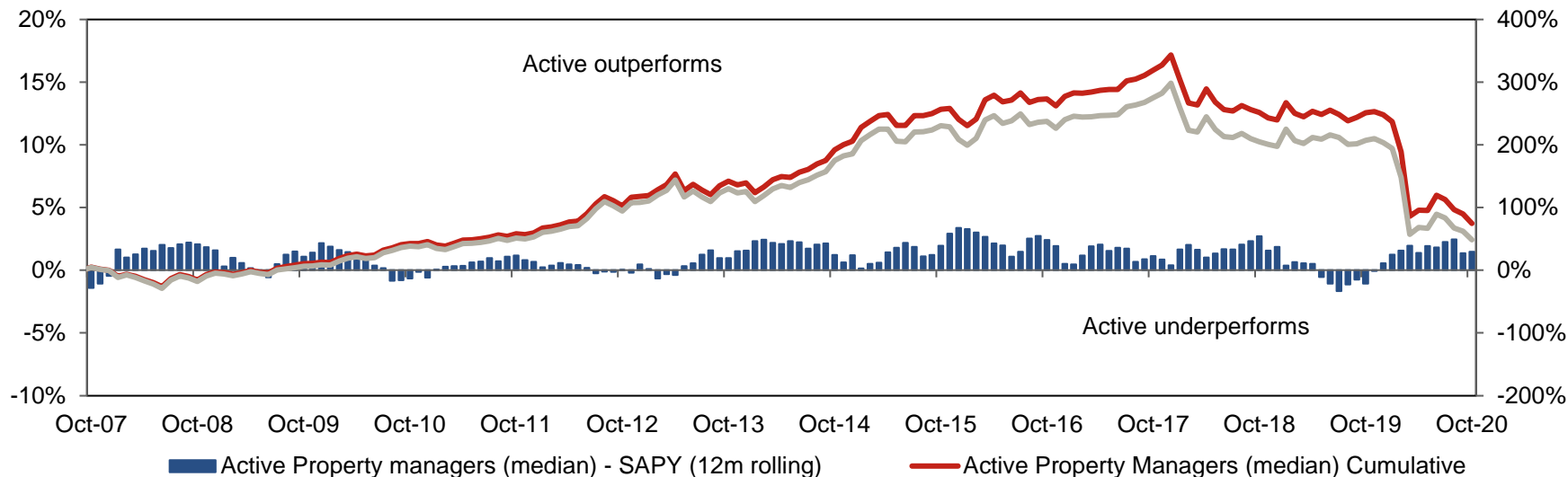
Source: Alexander Forbes SA Equity Manager Watch™, IRESS and Momentum Investments



# Active index analysis: Property



One-year rolling active to October 2020



The median return of the active property investment managers outperformed the SAPY for the 12-month period ending October 2020.

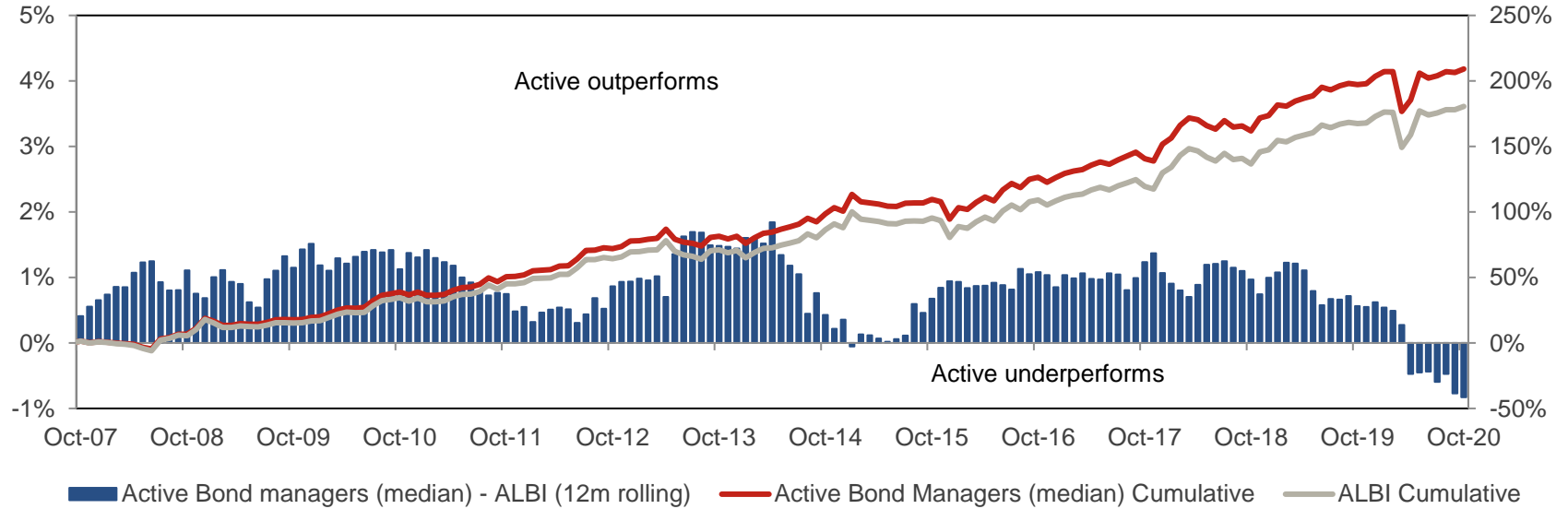
Data lagged by one month

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

# Active index analysis: Bonds



## One-year rolling active to October 2020



The median of the active bond investment managers underperformed the ALBI for the 12-month period ending October 2020.

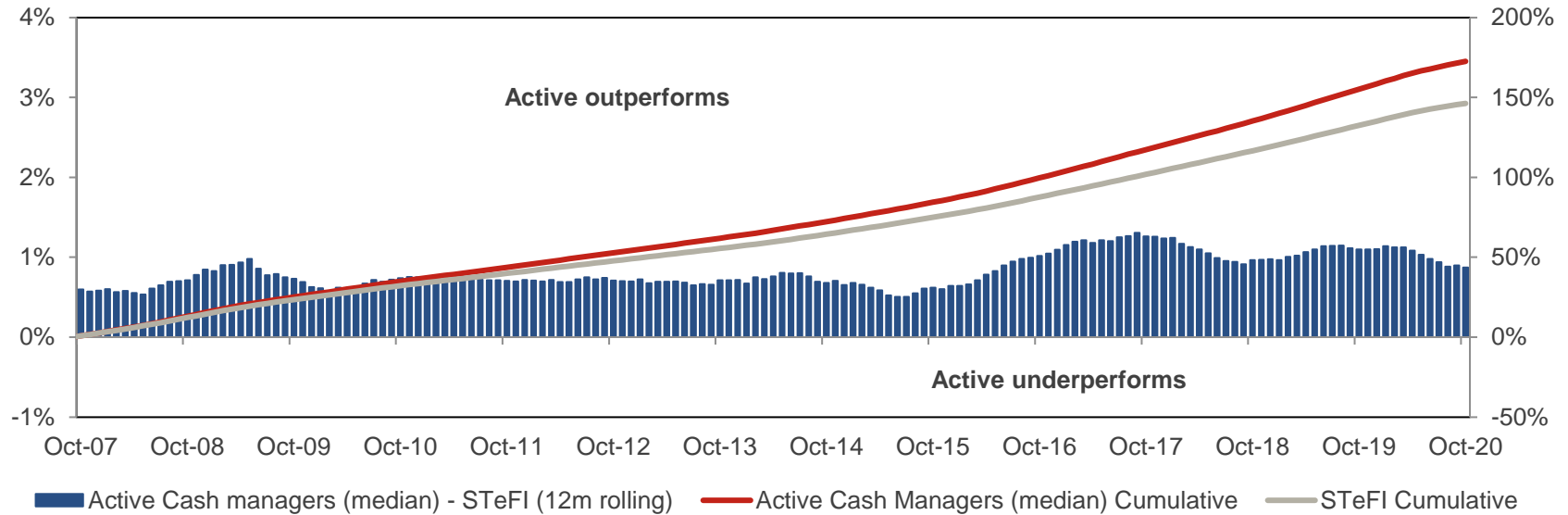
Data lagged by one month



# Active index analysis: Cash



## One-year rolling active to October 2020



The median of the active money market investment managers outperformed the SteFI for the 12-month period ending October 2020.

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 November 2020

ZAR	Styles	One month to November 2020	Three months to November 2020	One year to November 2020	Three years to November 2020	Five years to November 2020	Ten years to November 2020	Twenty years to November 2020
Value	Book to Price	15,89	13,69	-1,80	-6,50	-2,70	-4,76	-0,43
	Dividend Yield	15,60	16,10	7,11	5,19	5,32	0,26	3,66
	Earnings Yield	9,00	14,00	14,80	-0,56	0,28	-1,18	0,40
	Cash Flow Yield	7,53	11,19	-5,80	-3,59	2,34	0,33	1,59
	Sales to Price	4,34	14,10	7,95	-0,68	1,78	-1,26	-0,03
Quality	ROE	-4,87	-3,16	5,42	8,19	3,98	3,41	1,43
	ROIC LT	-5,60	-4,57	-6,22	-1,73	-1,57	-1,57	-1,12
	Income to Sales	-3,21	-2,08	5,16	0,97	0,43	1,17	-0,27
	Low market beta	0,56	-2,85	-10,97	0,33	-0,82	1,82	0,49
	Low Debt/Equity	0,18	-3,29	6,15	1,72	1,38	0,01	-0,61
	EBIT Margin Stability	-0,62	1,05	3,58	1,31	-2,56	2,84	1,01
Growth	Earnings Growth	6,19	-2,50	7,36	5,65	3,21	2,47	0,39
	Sales Growth	4,95	5,09	6,38	4,18	-0,44	2,06	-0,32
	12M Earning Growth	-3,50	-7,53	22,68	9,72	2,93	-0,03	4,95
Momentum	FY1 Earnings Revisions	-6,45	-3,02	-4,06	2,12	0,49	4,97	7,35
	Short Term Momentum	-3,27	-2,08	-6,26	-1,12	0,63	0,68	-0,50
	Medium Term Momentum	-10,41	-9,95	12,24	7,43	1,39	6,58	5,76
Size	Size	-0,44	-1,50	5,77	6,60	4,32	2,38	0,36

Value has made a significant turn around in the last three months, outperforming quality and momentum

Source: FactSet, Momentum Global Investment Management and Momentum Investments



04

Sector analysis

# Sector analysis



## FTSE/JSE sectors decomposed

### Three months to November 2020

1 Oil & Gas Producers	Financial Services	104,11%	17 Real Estate Investment Trusts	Financials	5,03%
2 Fixed-line Telecommunications	Telecommunications	38,11%	18 Mobile Telecommunications	Telecommunications	3,72%
3 Support Services	Industrials	36,38%	19 Media	Consumer Services	3,10%
4 General Retailers	Consumer Services	29,15%	20 Real Estate Investment & Services	Financials	2,35%
5 Banks	Financials	26,54%	21 Life Insurance	Financials	1,94%
6 Software & Computer Services	Technology	23,66%	22 Non-life Insurance	Financials	0,27%
7 Industrial Transportation	Industrials	22,27%	23 Industrial Metals & Mining	Industrials	-0,75%
8 Travel & Leisure	Travel & Leisure	21,34%	24 Construction & Materials	Industrials	-0,92%
9 Electronic & Electrical Equipment	Industrials	18,85%	25 Healthcare Equipment & Service	Healthcare	-1,30%
10 Personal Goods	Consumer Goods	16,33%	26 Tobacco	Consumer Goods	-2,98%
11 General Industrials	Industrials	12,40%	27 Chemicals	Basic Materials	-5,34%
12 Forestry & Paper	Basic Materials	12,17%	Household Goods & Home		
13 Beverages	Consumer Goods	9,28%	28 Construction	Consumer Goods	-5,38%
14 Food Producers	Consumer Goods	8,20%	29 Automobiles & Parts	Consumer Goods	-5,99%
15 Food & Drug Retailers	Consumer Services	7,80%	30 Mining	Basic Materials	-7,32%
16 Financial Services	Financials	7,07%	31 Pharmaceuticals & Biotechnology	Healthcare	-8,50%
			32 Equity Investment Instruments	Financials	-14,64%

Key

Resources

Financials

Industrials

Source: Barra and Deutsche Securities

# Sector analysis



FTSE/JSE sectors decomposed

## One year to November 2020

1 Media	Consumer Services	51,66%	17 Mobile Telecommunications	Telecommunications	-14,30%
<b>2 Industrial Metals &amp; Mining</b>	<b>Industrials</b>	<b>51,04%</b>	18 Beverages	Consumer Goods	-15,04%
<b>3 Oil &amp; Gas Producers</b>	<b>Financial Services</b>	<b>47,87%</b>	19 Industrial Transportation	Industrials	-17,67%
<b>4 Mining</b>	<b>Basic Materials</b>	<b>31,62%</b>	20 General Retailers	Consumer Services	-18,77%
5 Personal Goods	Consumer Goods	17,64%	21 Life Insurance	Financials	-22,03%
6 Support Services	Industrials	10,98%	22 Construction & Materials	Industrials	-22,25%
7 Pharmaceuticals & Biotechnology	Healthcare	1,81%	23 Banks	Financials	-23,15%
8 Tobacco	Consumer Goods	1,39%	24 Automobiles & Parts	Consumer Goods	-26,91%
<b>9 Forestry &amp; Paper</b>	<b>Basic Materials</b>	<b>0,52%</b>	25 General Industrials	Industrials	-27,90%
10 Equity Investment Instruments	Financials	-3,00%	26 Healthcare Equipment & Service	Healthcare	-30,64%
11 Software & Computer Services	Technology	-4,48%	27 Fixed-line Telecommunications	Telecommunications	-32,17%
12 Food Producers	Consumer Goods	-6,37%	28 Travel & Leisure	Travel & Leisure	-36,88%
13 Food & Drug Retailers	Consumer Services	-7,80%	29 Real Estate Investment & Services	Financials	-37,70%
14 Financial Services	Financials	-9,86%	30 Electronic & Electrical Equipment	Industrials	-41,94%
Household Goods & Home					
15 Construction	Consumer Goods	-11,11%	<b>31 Chemicals</b>	<b>Basic Materials</b>	<b>-46,75%</b>
16 Non-life Insurance	Financials	-12,40%	32 Real Estate Investment Trusts	Financials	-47,72%

Key

Resources

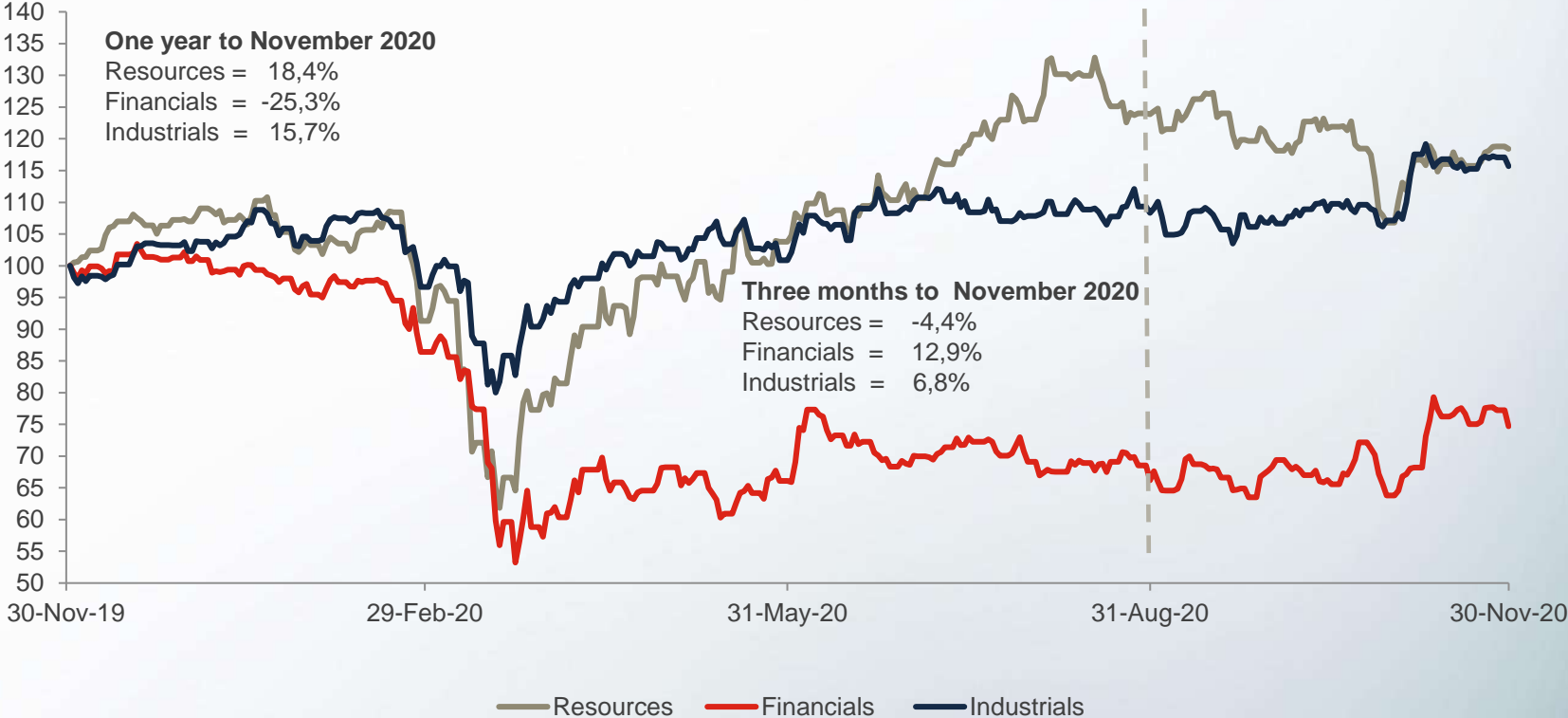
Financials

Industrials

Source: Barra and Deutsche Securities

# FTSE/JSE sectors

One year rolling to November 2020



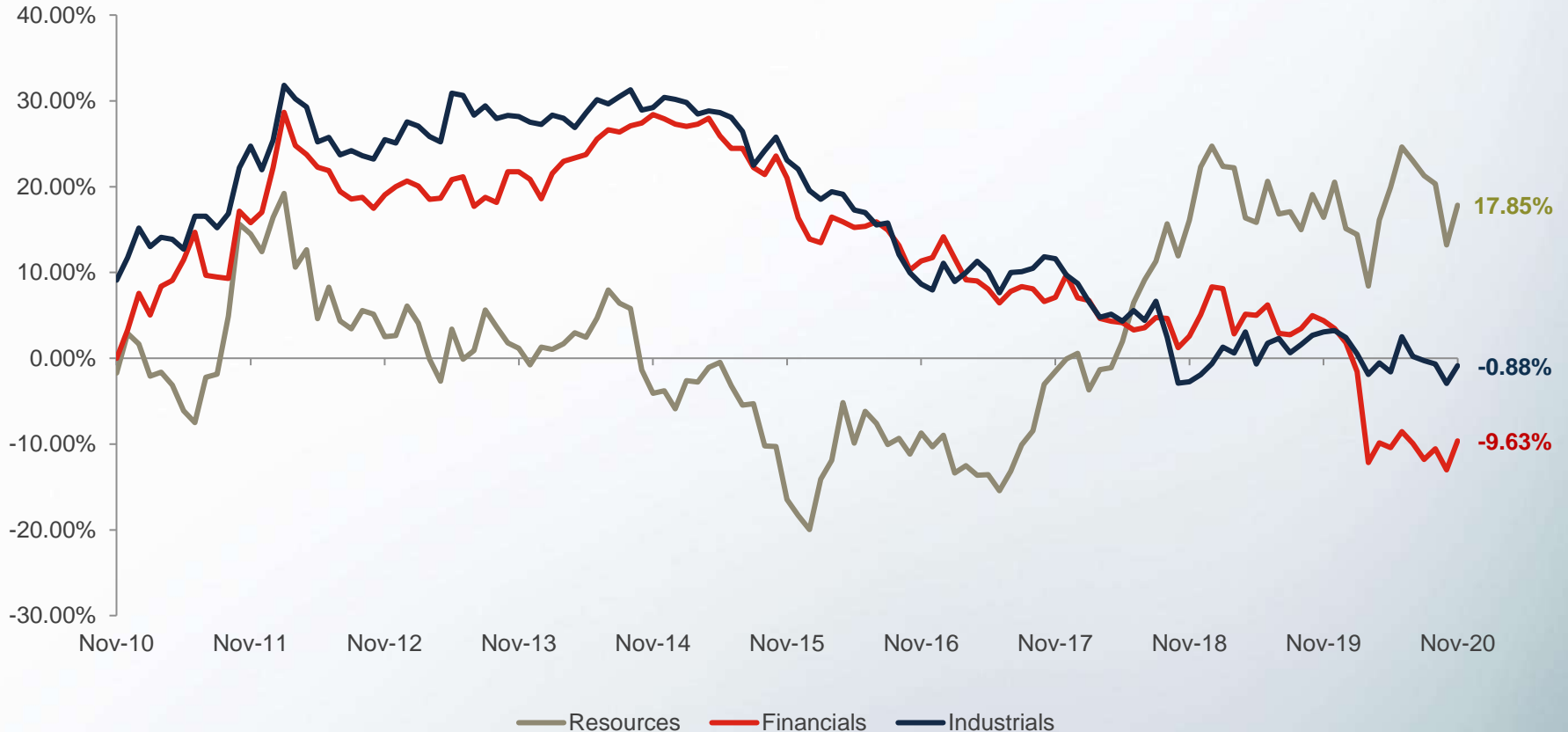
Source: IRESS and Momentum Investments



# FTSE/JSE sectors



Ten years rolling to November 2020

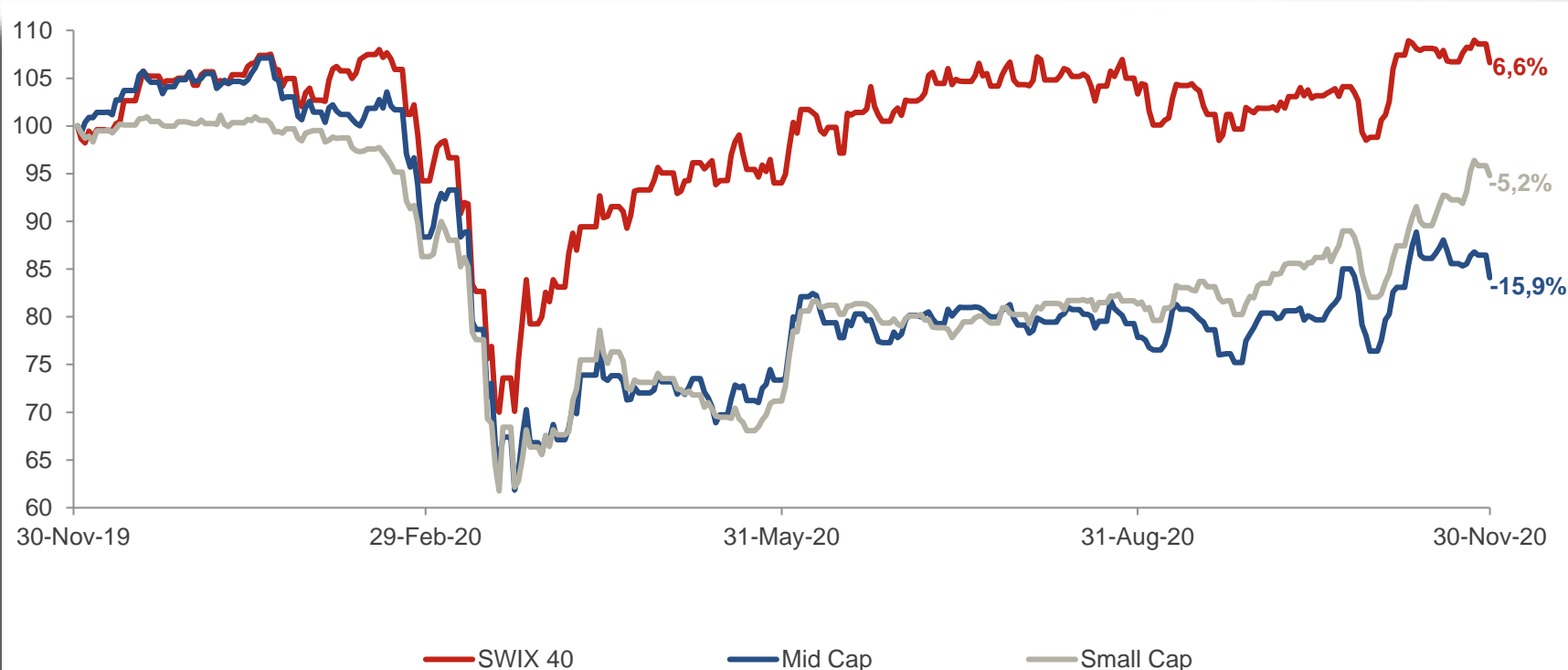


Source: IRESS and Momentum Investments

# FTSE/JSE market caps



One year to November 2020





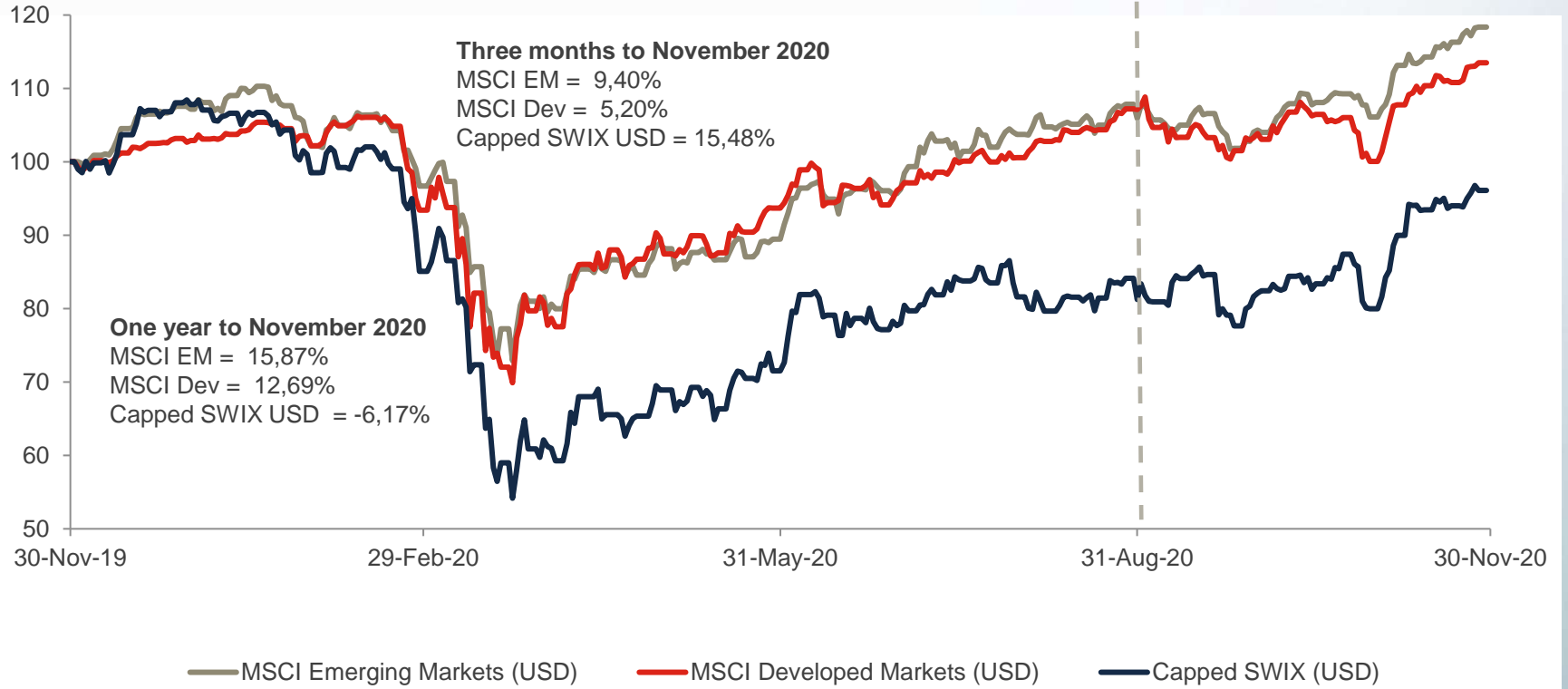
05

Indexed return  
charts

# MSCI developed and emerging markets



One year to November 2020



# SA 10-year bond yields



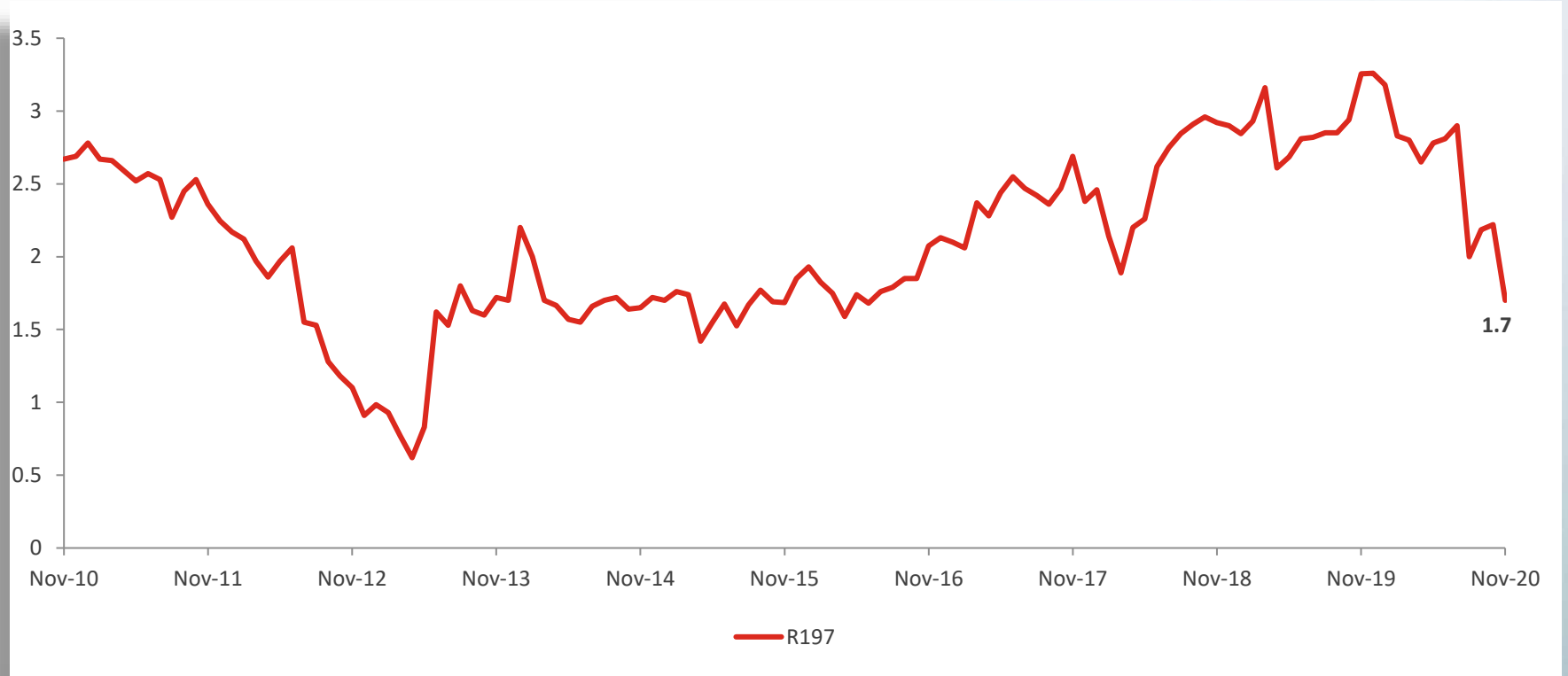
Ten years to November 2020



# Yield of R197 (inflation-linked bond)



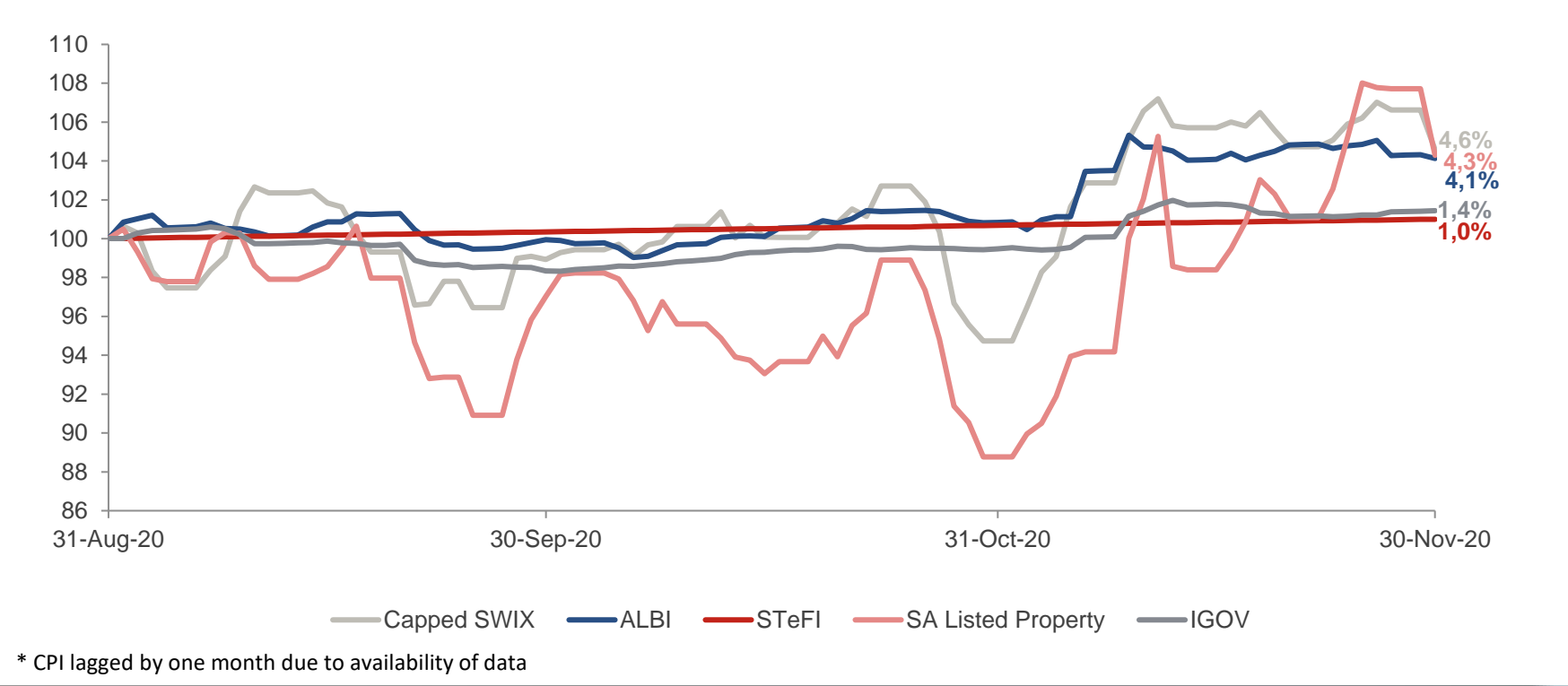
Ten years to November 2020



# Local asset classes



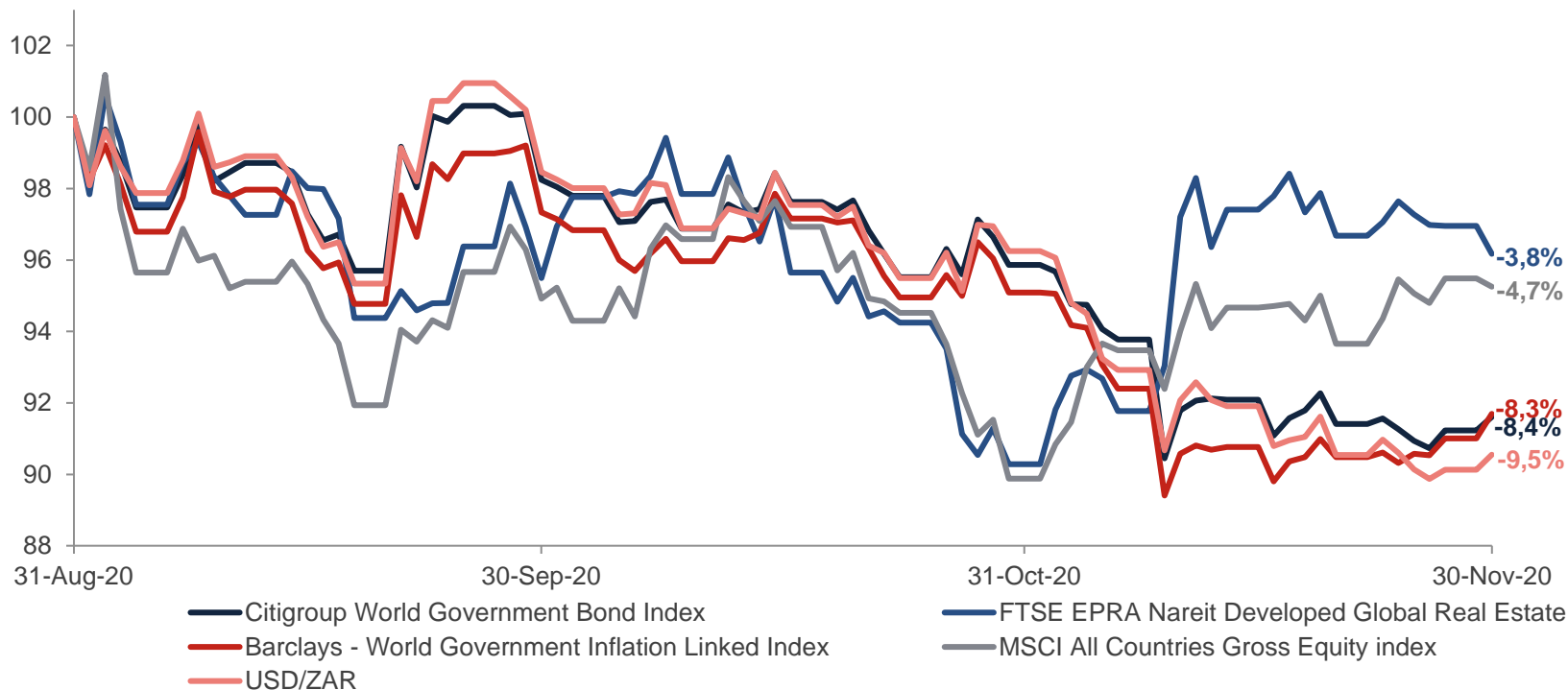
Three months to November 2020





# Global asset classes

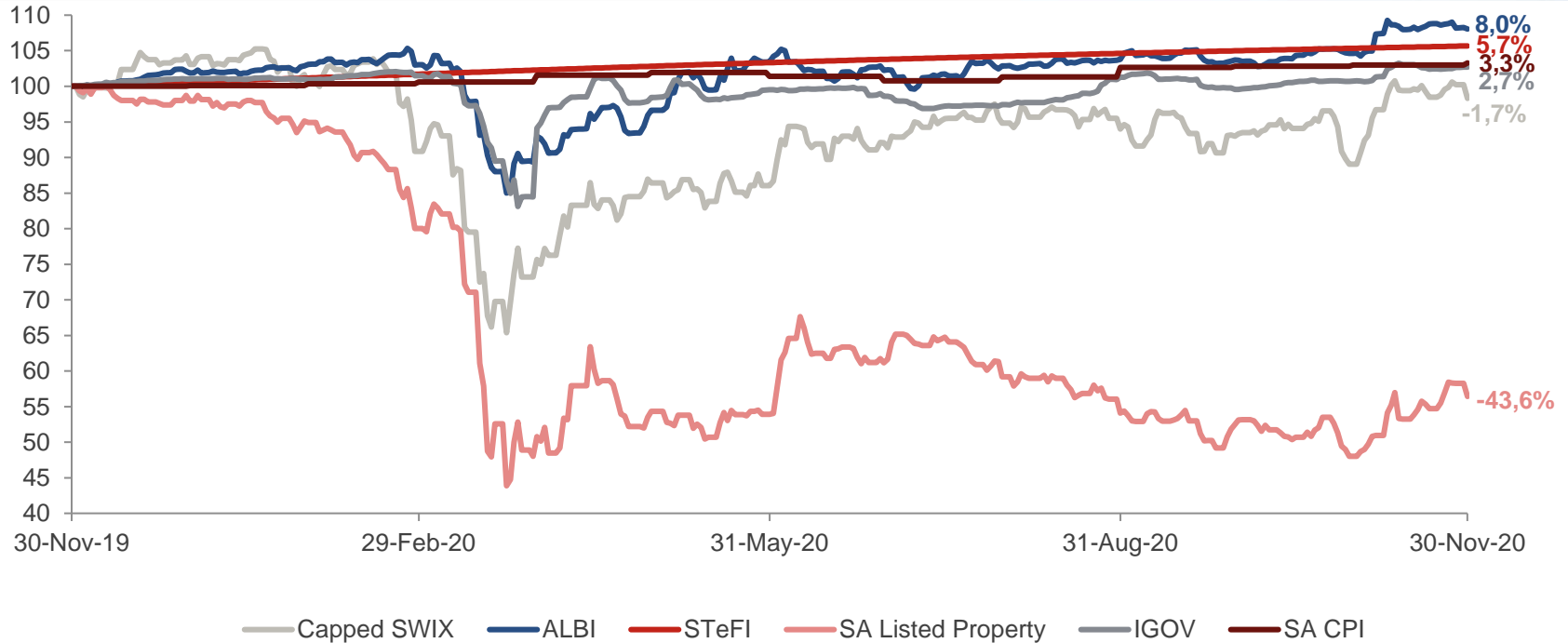
Three months to November 2020



# Local asset classes



One year to November 2020

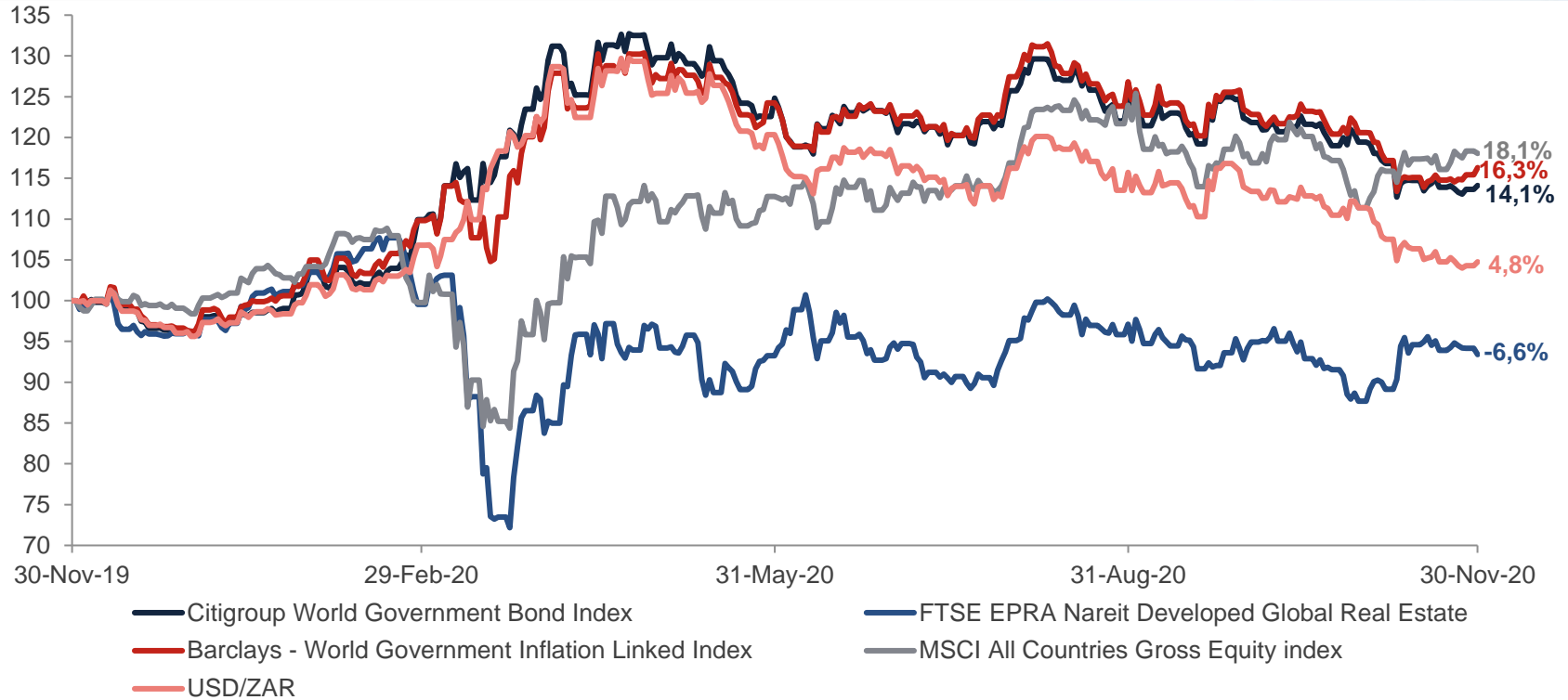


\* CPI lagged by one month due to availability of data

# Global asset classes



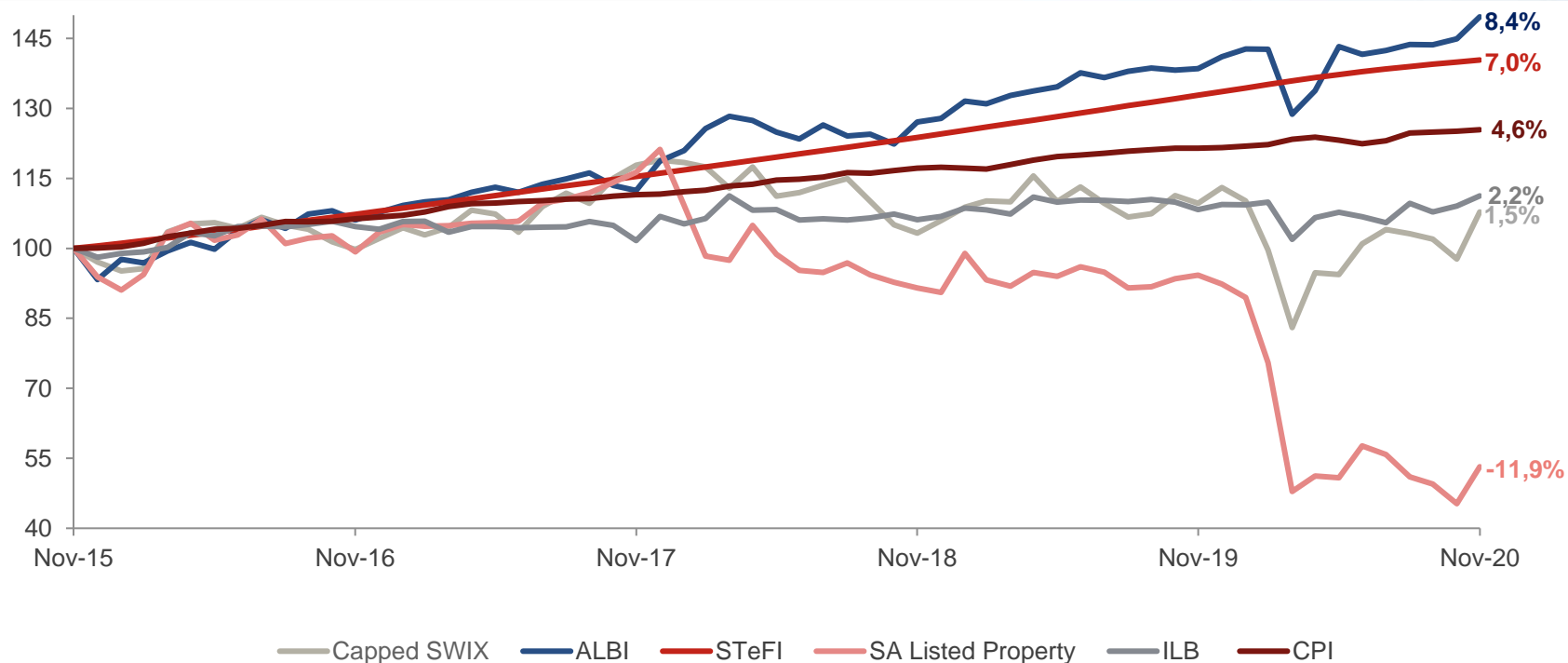
## One year to November 2020



# Local asset classes



Five years to November 2020

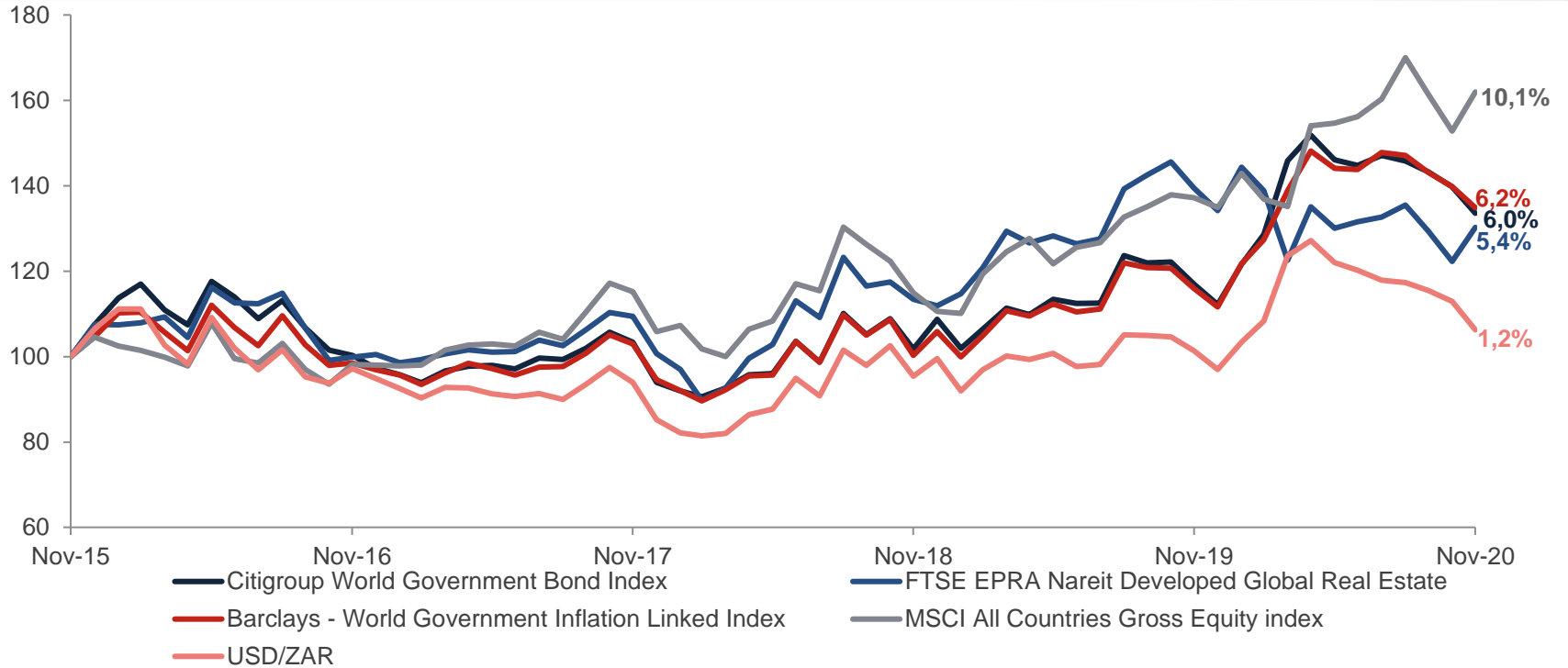


\* CPI lagged by one month due to availability of data

# Global asset classes



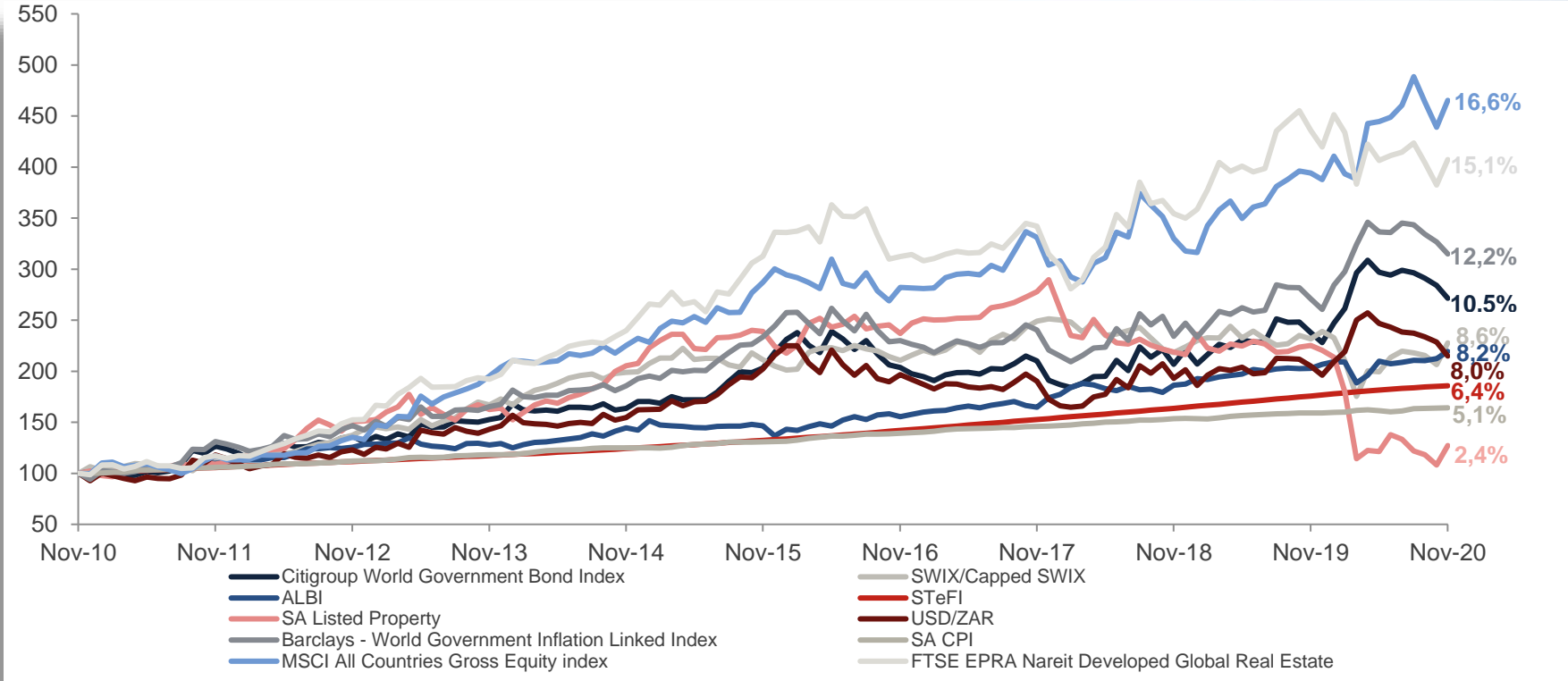
## Five years to November 2020



# Asset classes



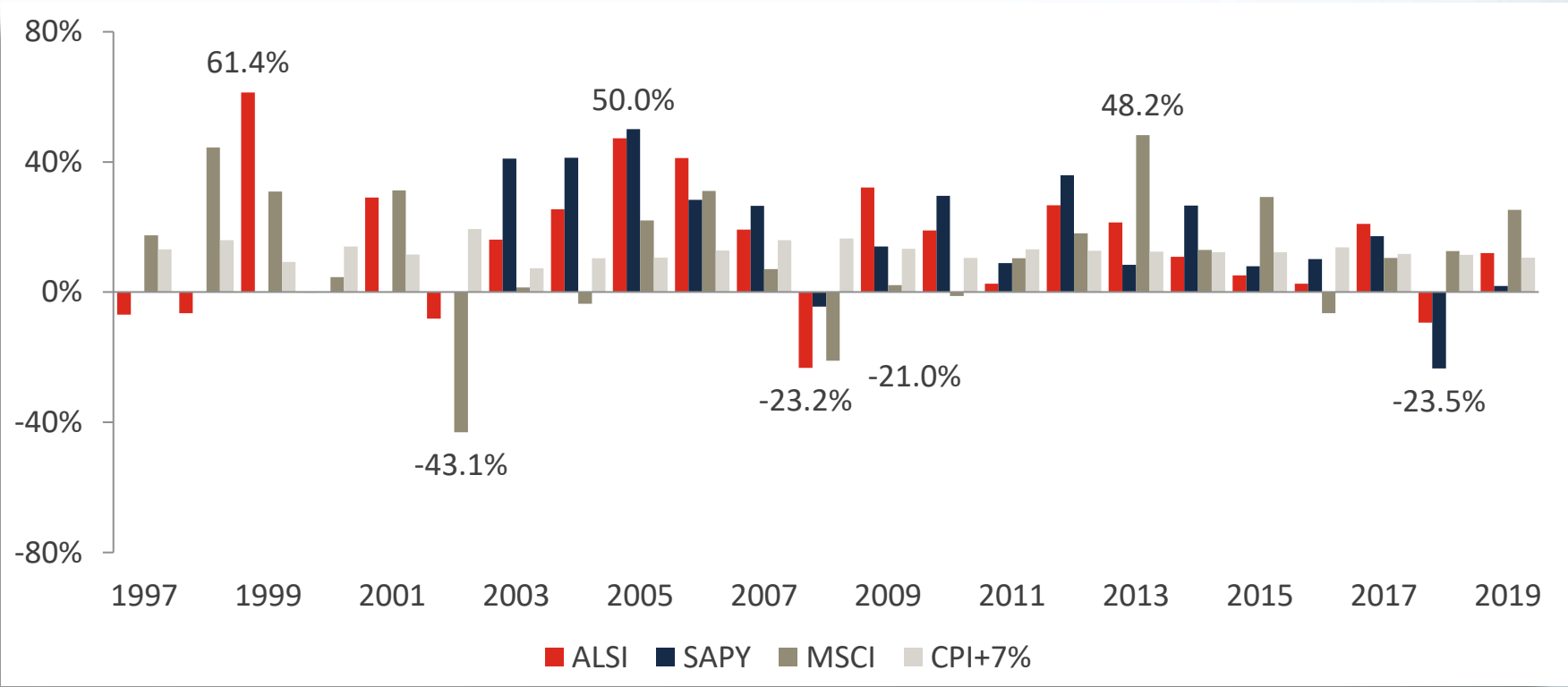
## Ten years to November 2020



\* 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

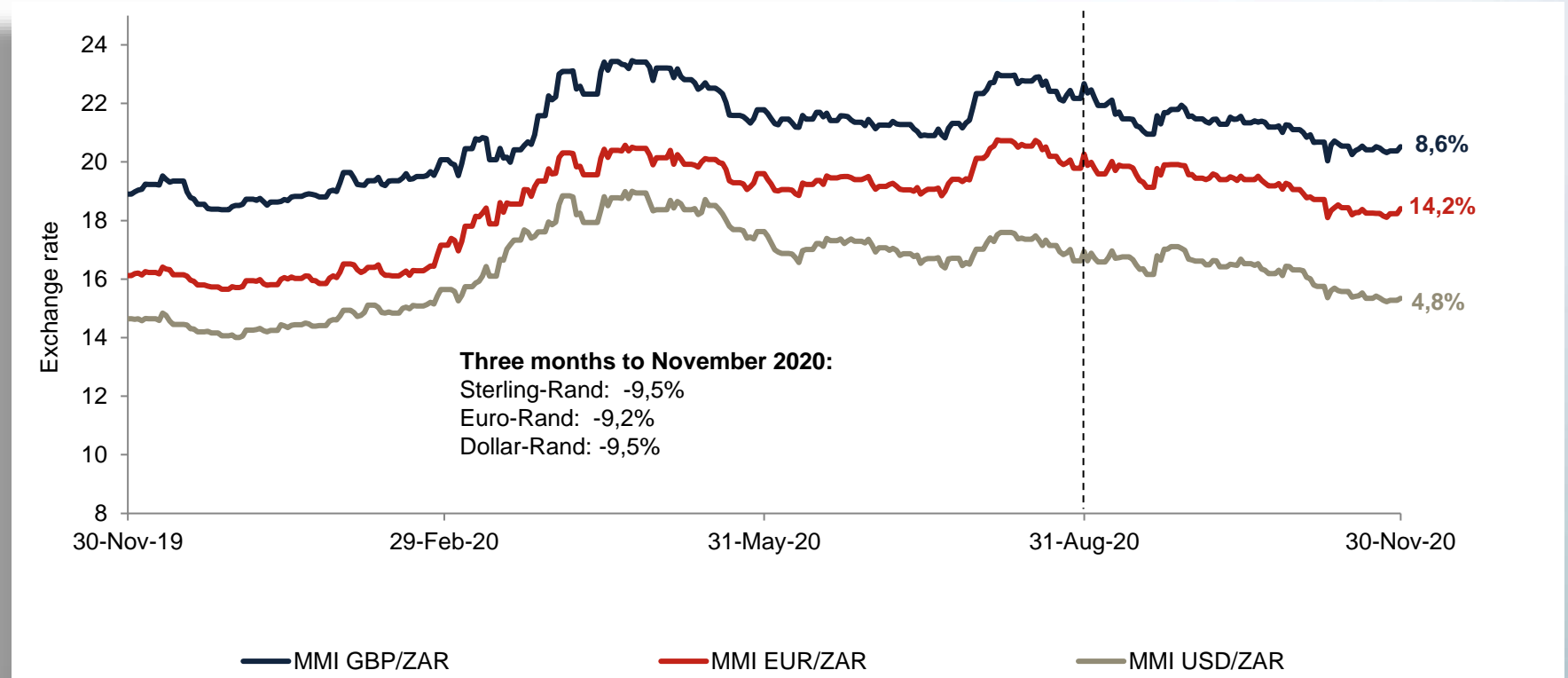
Source: IRESS and Momentum Investments



# Exchange rates



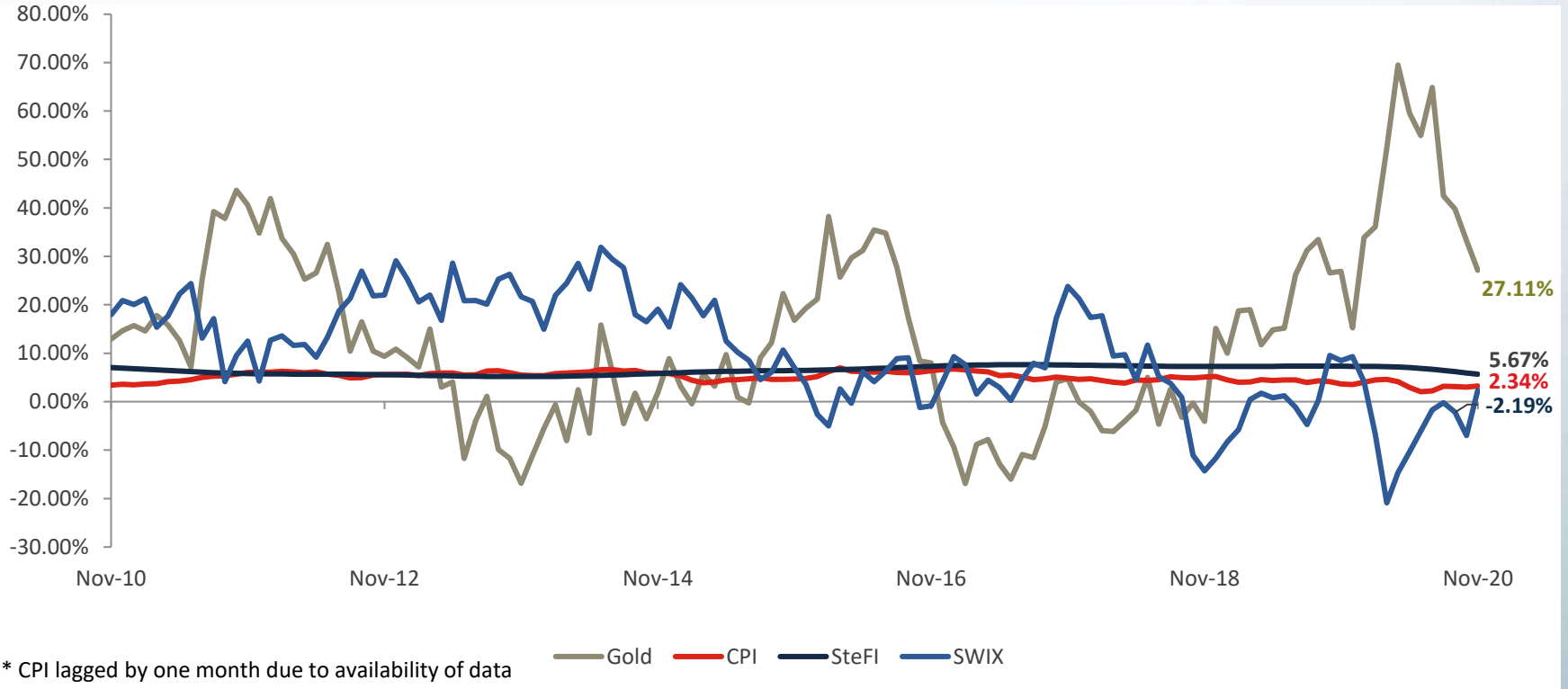
One year to November 2020



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



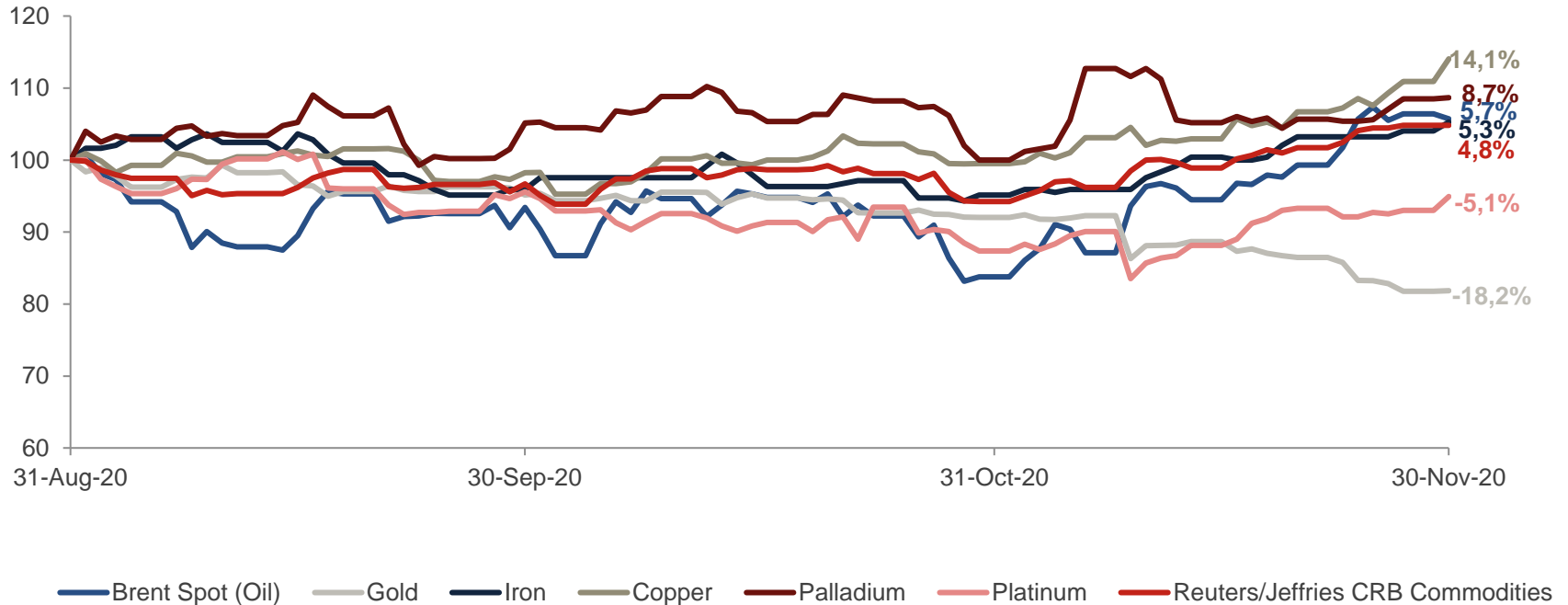
## Ten-year rolling returns to November 2020



# Commodities



Three months to November 2020

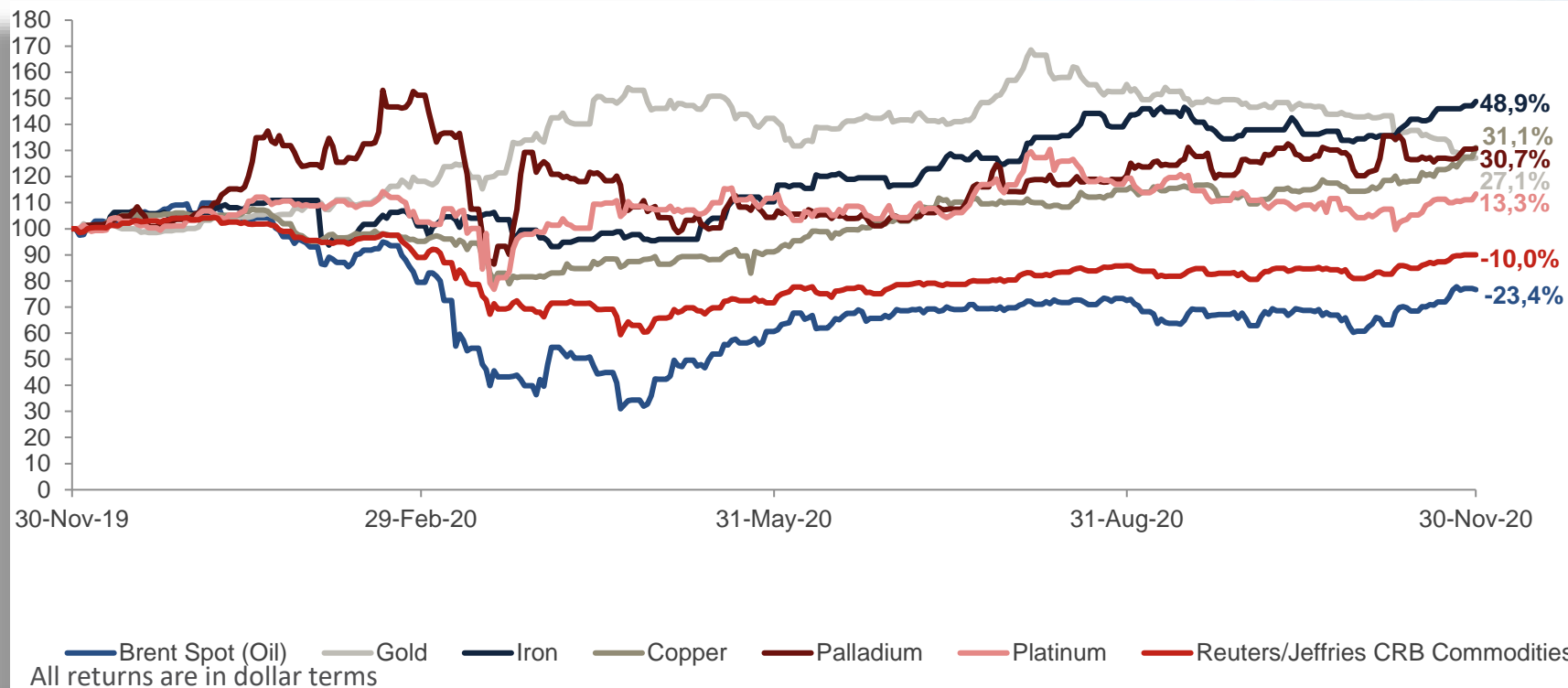


All returns are in dollar terms

# Commodities



One year to November 2020





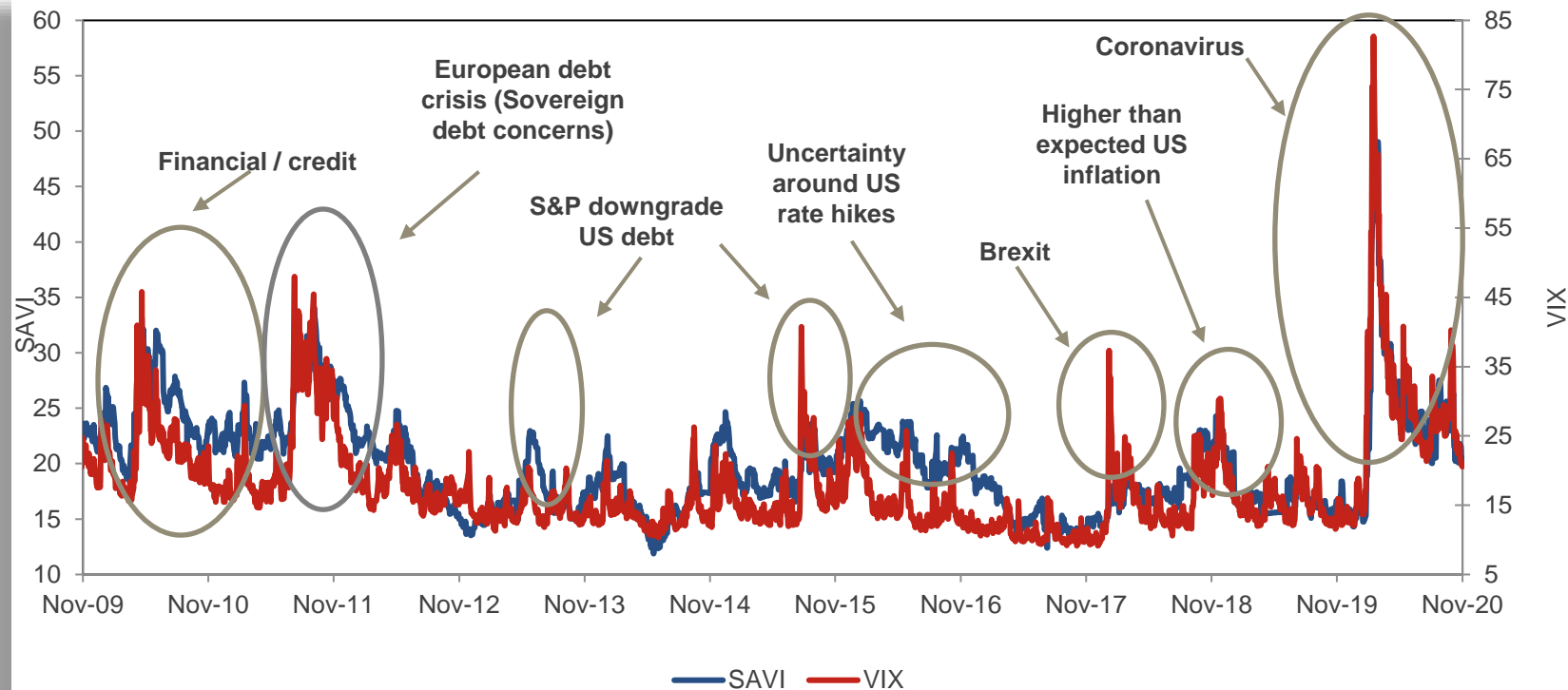
06

Volatility and  
international flows

# SAVI-VIX



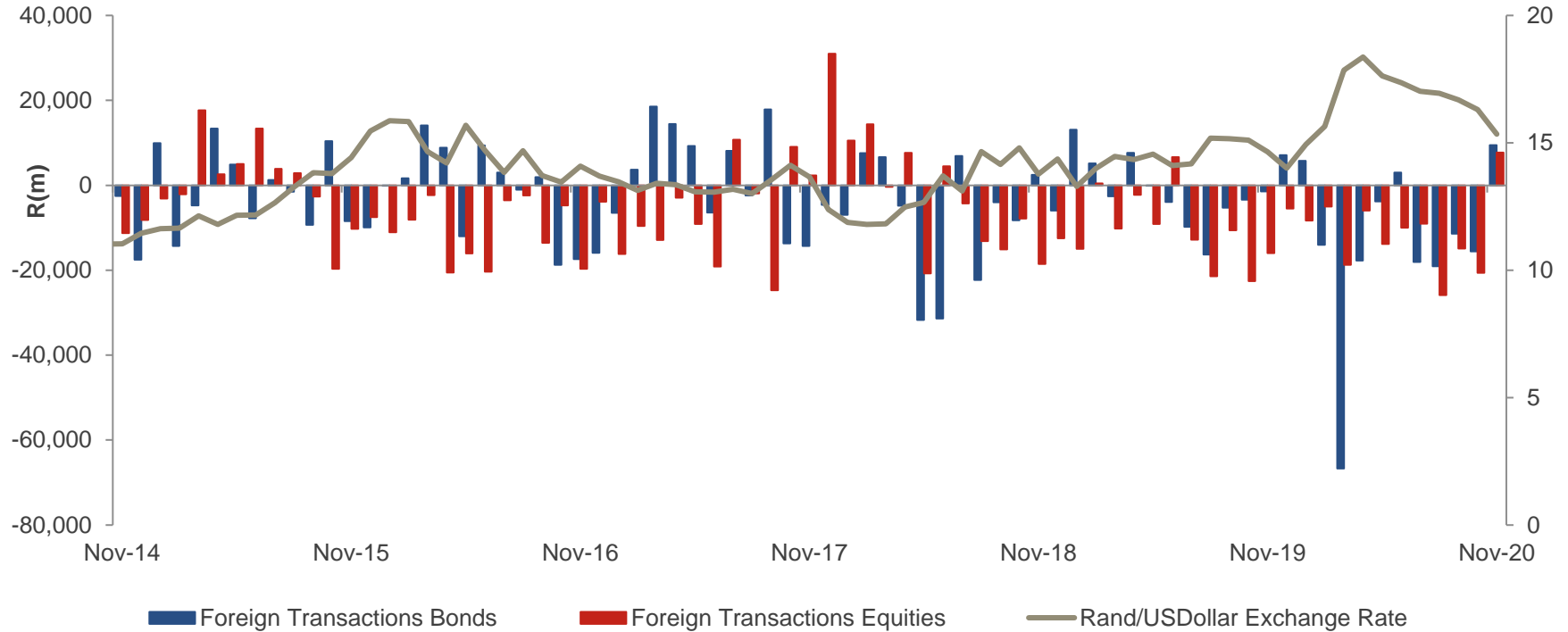
November 2020



# Foreign transactions



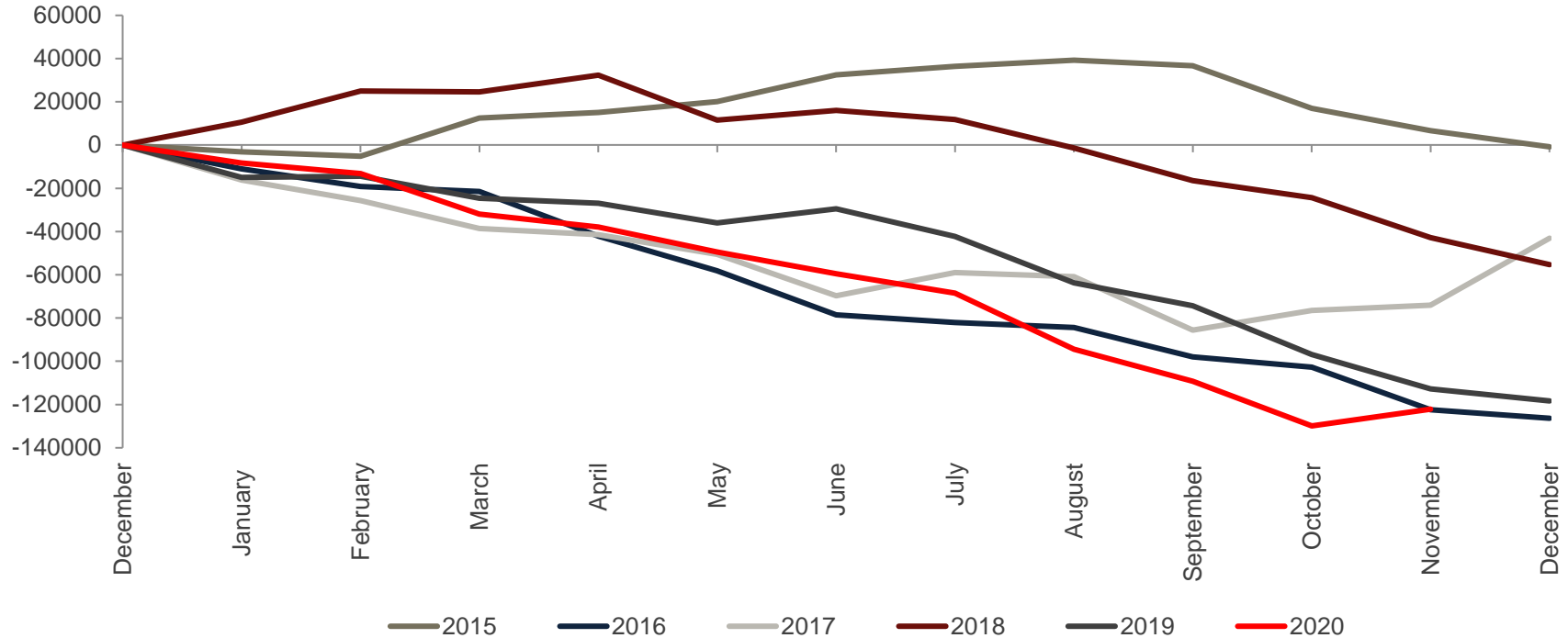
2015 to 2020



# Cumulative foreign transaction: Equities



2015 to 2020

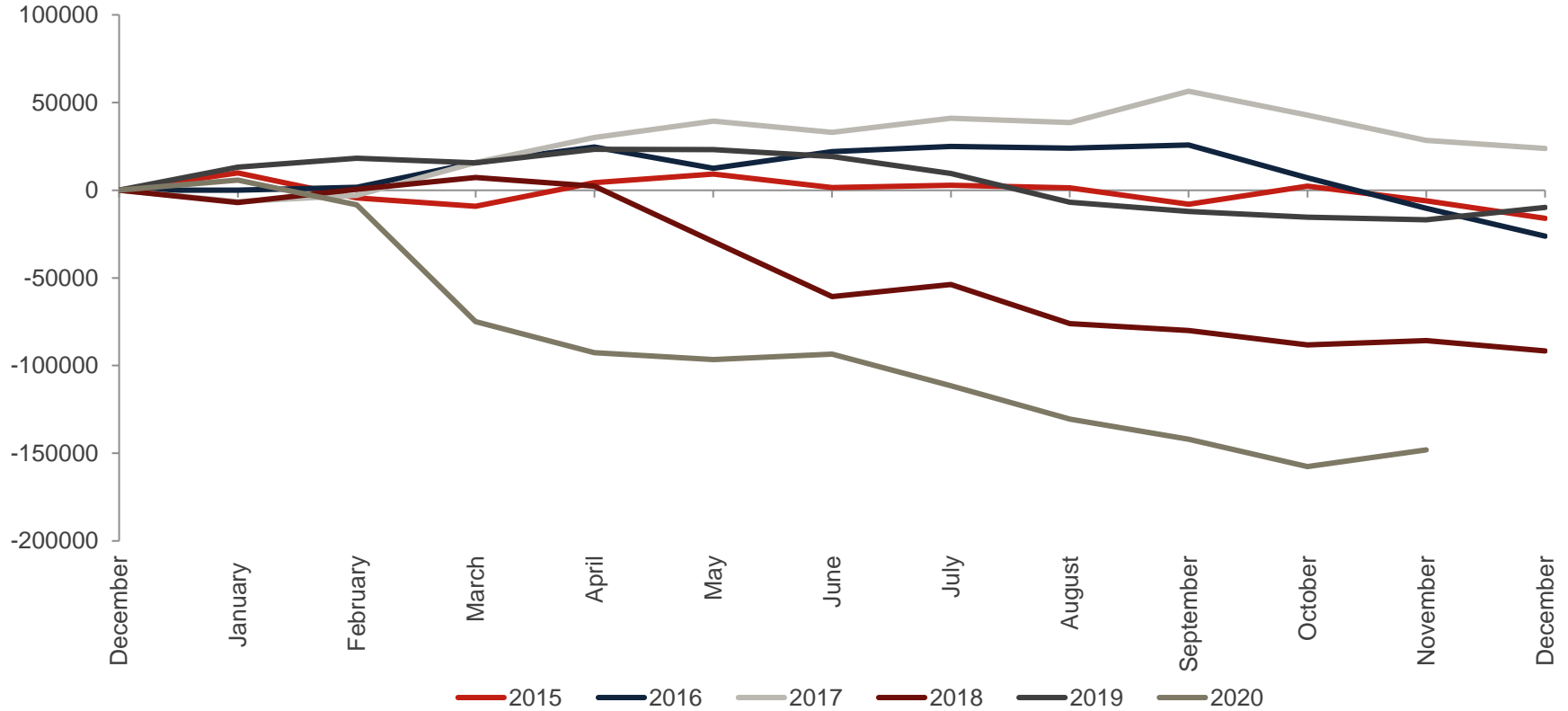




# Cumulative foreign transaction: Bonds



2015 to 2020



**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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