

Key market performance drivers

Monthly charts to 31 October 2021

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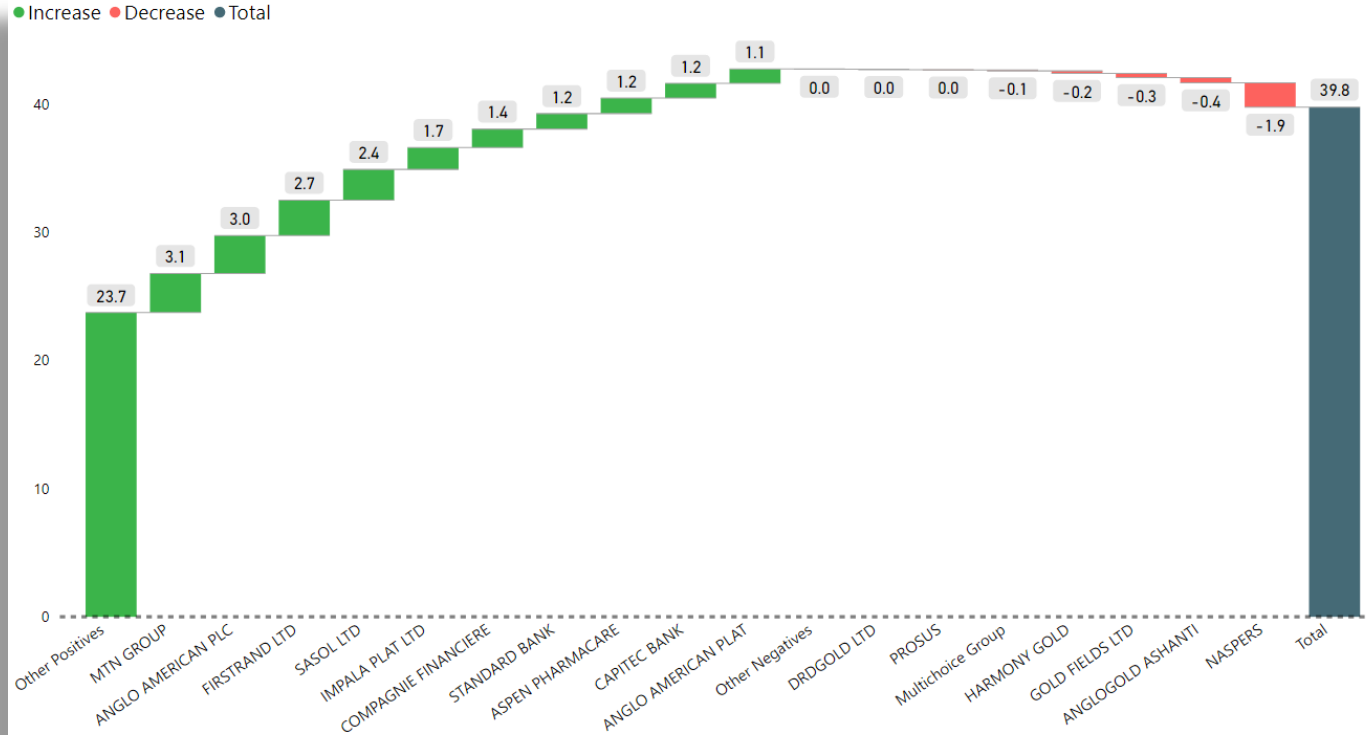


01

Market
Concentration

Market concentration

One-year Capped SWIX contributions ending October 2021





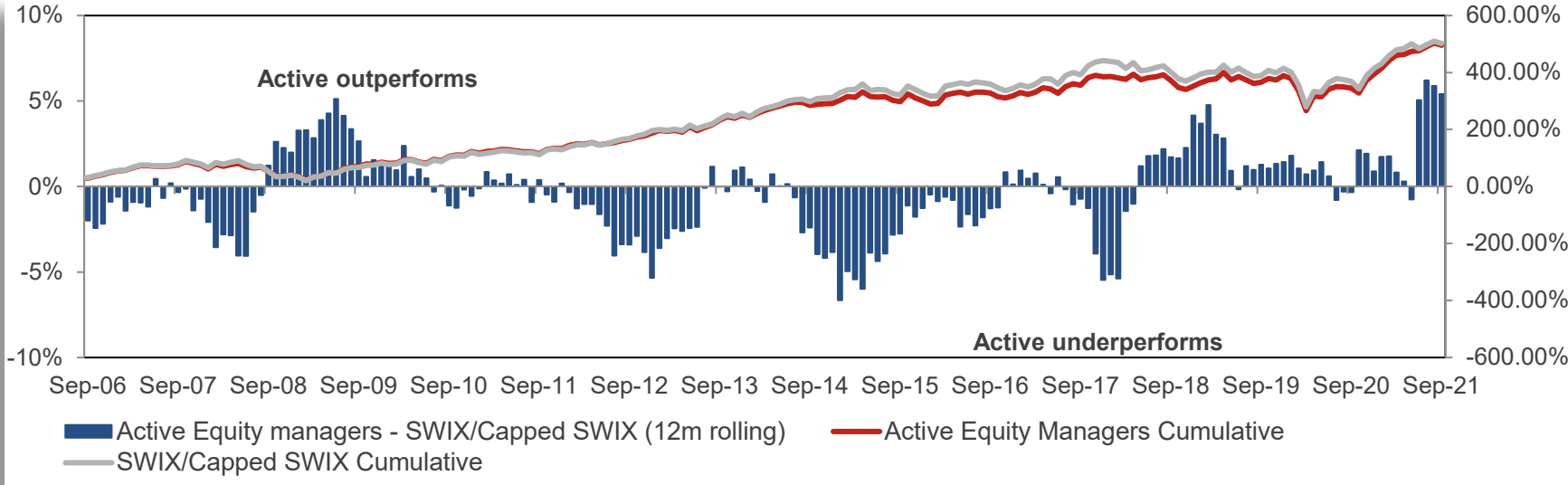
02

Active Index
Analysis

Active index analysis: Equities



One-year rolling active to September 2021



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

(SWIX until 31 October 2017 and Capped SWIX thereafter)

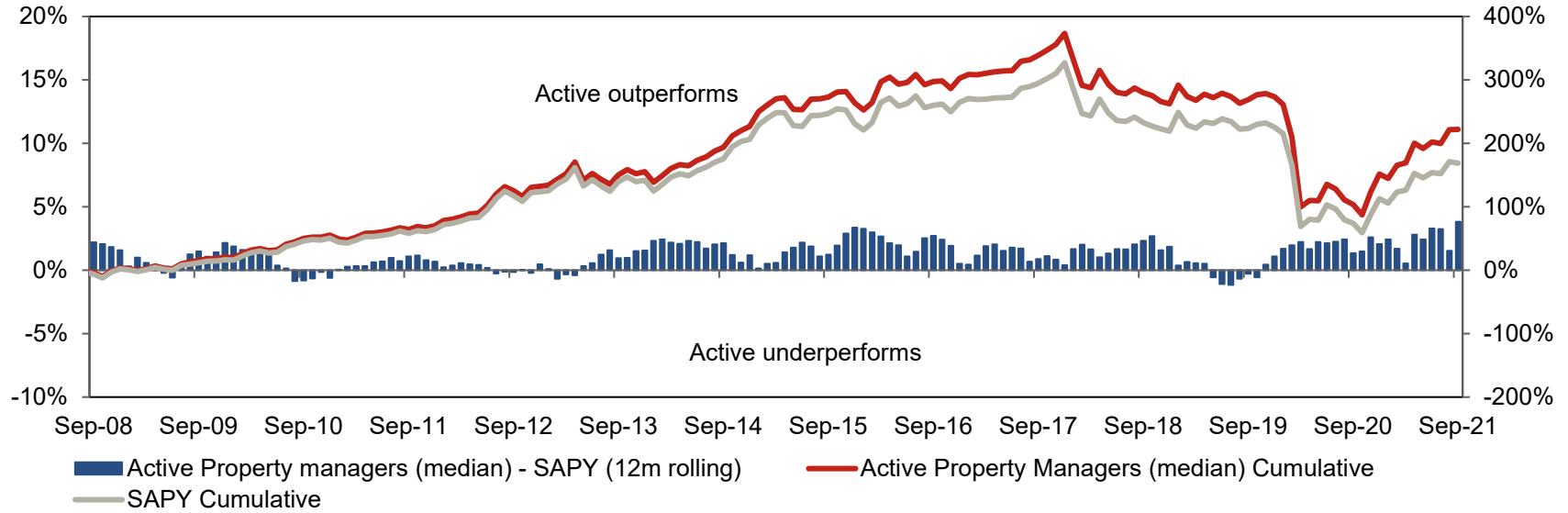
Data lagged by one month

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

Active index analysis: Property



One-year rolling active to September 2021



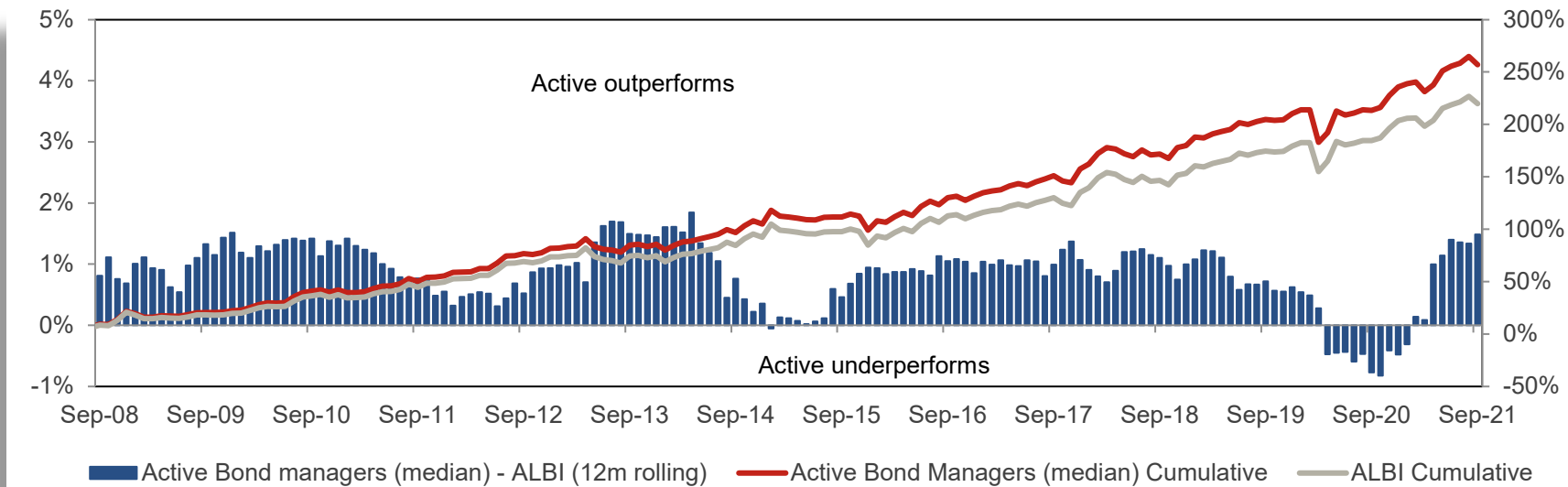
The median return of the active property investment managers have outperformed the SAPY for a 12-month period ending September 2021.

Data lagged by one month

Active index analysis: Bonds



One-year rolling active to September 2021



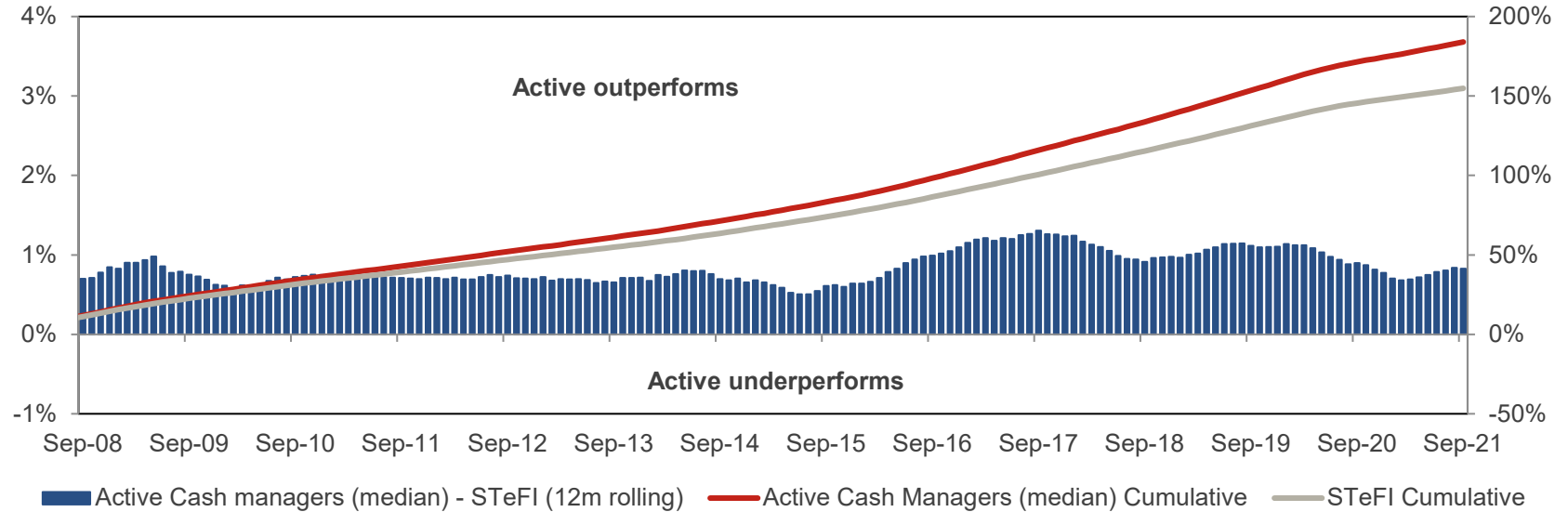
The median of the active bond investment managers outperformed the ALBI for the 12-month period ending September 2021.

Data lagged by one month

Active index analysis: Cash



One-year rolling active to September 2021



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

ZAR	Styles	One month to October 2021	Three months to October 2021	One year to October 2021	Three years to October 2021	Five years to October 2021	Ten years to October 2021	Twenty years to October 2021
Value	Book to Price	3,06	12,76	42,10	3,09	-0,77	-1,86	-0,01
	Dividend Yield	-3,84	-8,09	7,36	-1,19	1,65	-0,16	2,51
	Earnings Yield	-0,21	-2,03	8,56	-0,75	-1,48	-1,02	-0,23
	Cash Flow Yield	0,05	9,07	20,28	-0,39	0,59	1,05	1,44
	Sales to Price	-1,96	4,97	17,06	3,00	1,89	-0,40	-0,11
Quality	ROE	-1,80	-9,31	-27,03	-3,14	1,71	1,03	1,02
	ROIC LT	-2,89	-9,60	-15,71	-4,34	-3,95	-1,95	-0,84
	Income to Sales	-0,52	-3,94	-13,47	-2,13	-1,19	0,13	0,00
	Low market beta	3,06	2,46	-10,29	-5,33	-3,55	1,13	-0,14
	Low Debt/Equity	1,49	-3,97	-11,63	-1,91	-1,67	-1,21	-1,18
	EBIT Margin Stability	-2,26	-0,94	-7,47	-1,63	-3,88	1,10	0,46
Growth	Earnings Growth	1,08	-1,89	0,11	3,60	3,53	1,76	0,56
	Sales Growth	1,07	-3,67	-0,11	2,68	1,10	1,15	-0,01
	12M Earning Growth	2,13	-5,55	-7,50	8,49	3,58	-0,49	4,71
	FY1 Earnings Revisions	-1,68	-0,74	3,06	4,91	4,62	4,83	7,53
Momentum	Short Term Momentum	-3,91	-0,54	-5,02	-0,53	-0,92	0,65	-0,37
	Medium Term Momentum	0,07	1,23	-14,69	8,61	3,74	5,68	5,54
	Size	-5,62	-10,21	-18,78	0,74	2,12	-0,03	-0,37

Over the last year Value has outperformed Quality and Momentum

Source: FactSet, Momentum Global Investment Management and Momentum Investments



04

Sector Analysis

Sector Analysis

FTSE/JSE sectors decomposed

Three months to October 2021

Key

Resources

Financials

Industrials



1 Alternative Energy	Energy	68,18%	Real Estate Investment and 17 Services	Real Estate	7,63%
2 Travel and Leisure	Consumer Discretionary	45,12%	18 Personal Care	Consumer Staples	7,55%
3 Biotechnolgy Pharmaceuticals and	Health Care	35,03%	19 Oil	Energy	6,79%
4 Closed End Investments	Financials	30,77%	20 Electronic and Electrical Equipment	Industrials	6,76%
5 Consumer Services	Consumer Discretionary	26,90%	21 Food Producers	Consumer Staples	5,54%
6 Finance and Credit Services	Financials	22,44%	22 General Industrials	Industrials	4,47%
7 Automobiles and Parts Telecommunications Service	Consumer Discretionary	20,19%	23 Real Estate Investment Trusts	Real Estate	3,36%
8 Providers	Telecommunications	19,50%	24 Non-life Insurance	Financials	3,24%
9 Chemicals	Basic Materials	17,50%	25 Beverages	Consumer Staples	2,58%
10 Life Insurance	Financials	13,61%	26 Personal Goods	Consumer Discretionary	1,67%
11 Construction and Materials	Industrials	12,89%	27 Industrial Materials	Basic Materials	-0,08%
Investment Banking and 12 Brokerage	Financials	12,87%	28 Tobacco	Consumer Staples	-0,52%
13 Health Care Providers	Health Care	11,26%	29 Retailers	Consumer Discretionary	-2,26%
14 Banks	Financials	9,21%	30 Software and Computer Services	Technology	-6,77%
15 Industrial Support Services	Industrials	8,98%	31 Industrial Metals and Mining	Basic Materials	-7,84%
16 Industrial Transportation	Industrials	8,44%	32 Precious Metals and Mining	Basic Materials	-9,52%

Source: Barra and Deutsche Securities

Sector Analysis

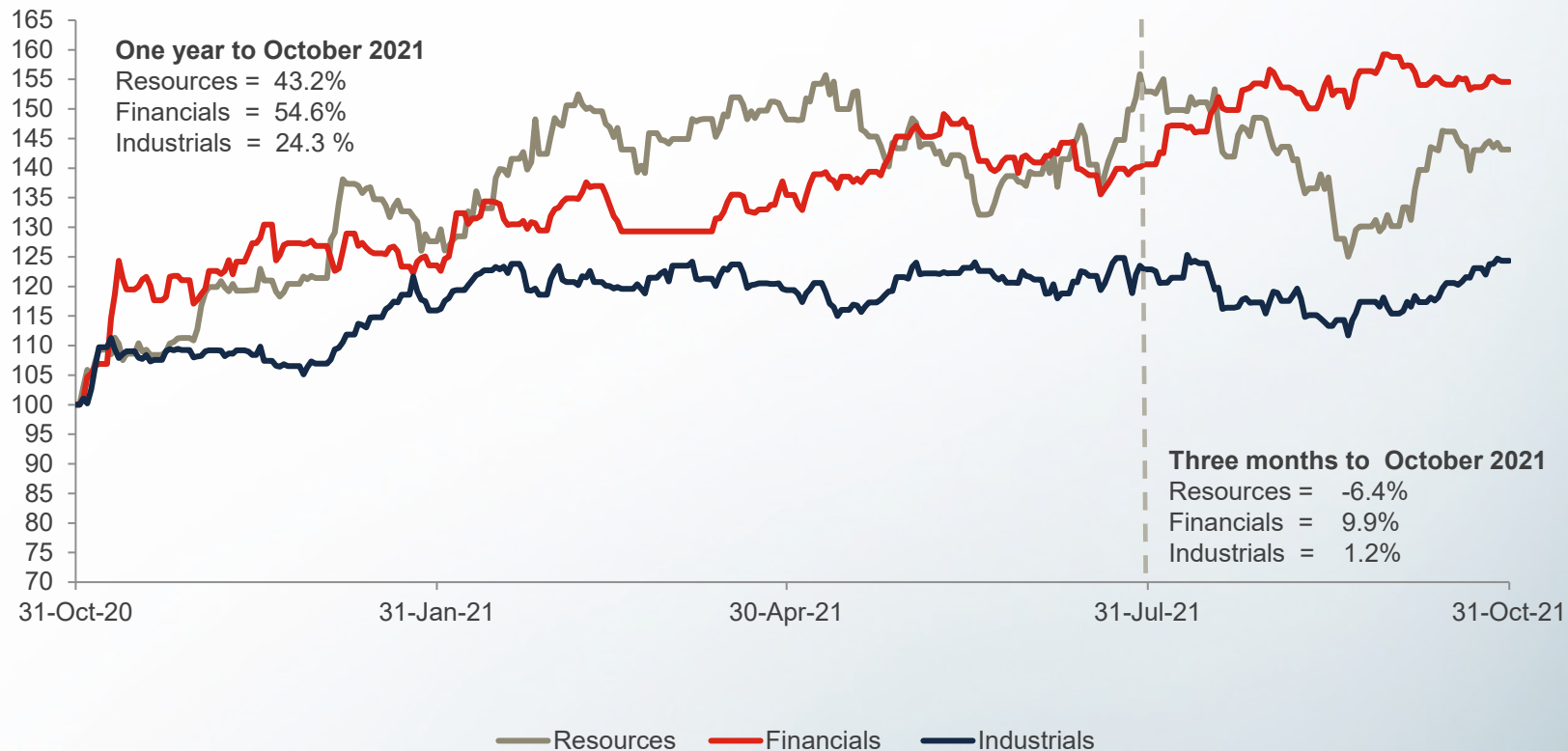
FTSE/JSE sectors decomposed

One year to October 2021

1 Chemicals	Basic Materials	168,10%	17 Electronic and Electrical Equipment	Industrials	60,97%
2 Alternative Energy	Energy	147,32%	18 Real Estate Investment Trusts	Real Estate	59,83%
3 Travel and Leisure	Consumer Discretionary	137,01%	19 Construction and Materials	Industrials	59,46%
4 Biotechnology and Pharmaceuticals	Health Care	125,51%	20 Industrial Metals and Mining	Basic Materials	57,95%
5 Finance and Credit Services	Financials	124,24%	21 Banks	Financials	57,68%
6 Consumer Services	Consumer Discretionary	99,40%	22 Life Insurance	Financials	46,53%
7 Industrial Transportation	Industrials	96,24%	23 Industrial Materials	Basic Materials	46,08%
8 Oil	Energy	89,23%	24 Investment Banking and Brokerage	Financials	37,52%
9 Personal Goods	Consumer Discretionary	89,07%	25 Personal Care	Consumer Staples	36,91%
10 Real Estate Investment and Services	Real Estate	88,74%	26 Health Care Providers	Health Care	32,70%
11 Industrial Support Services	Industrials	83,65%	27 Beverages	Consumer Staples	31,72%
12 Closed End Investments	Financials	83,45%	28 Precious Metals and Mining	Basic Materials	20,85%
13 Automobiles and Parts	Consumer Discretionary	81,75%	29 Tobacco	Consumer Staples	12,62%
14 Retailers	Consumer Discretionary	72,39%	30 Food Producers	Consumer Staples	11,40%
15 General Industrials	Industrials	69,62%	31 Non-life Insurance	Financials	5,59%
16 Telecommunications Service Providers	Telecommunications	66,31%	32 Software and Computer Services	Technology	-17,32%

FTSE/JSE sectors

One year rolling to October 2021



FTSE/JSE sectors



Ten years rolling to October 2021

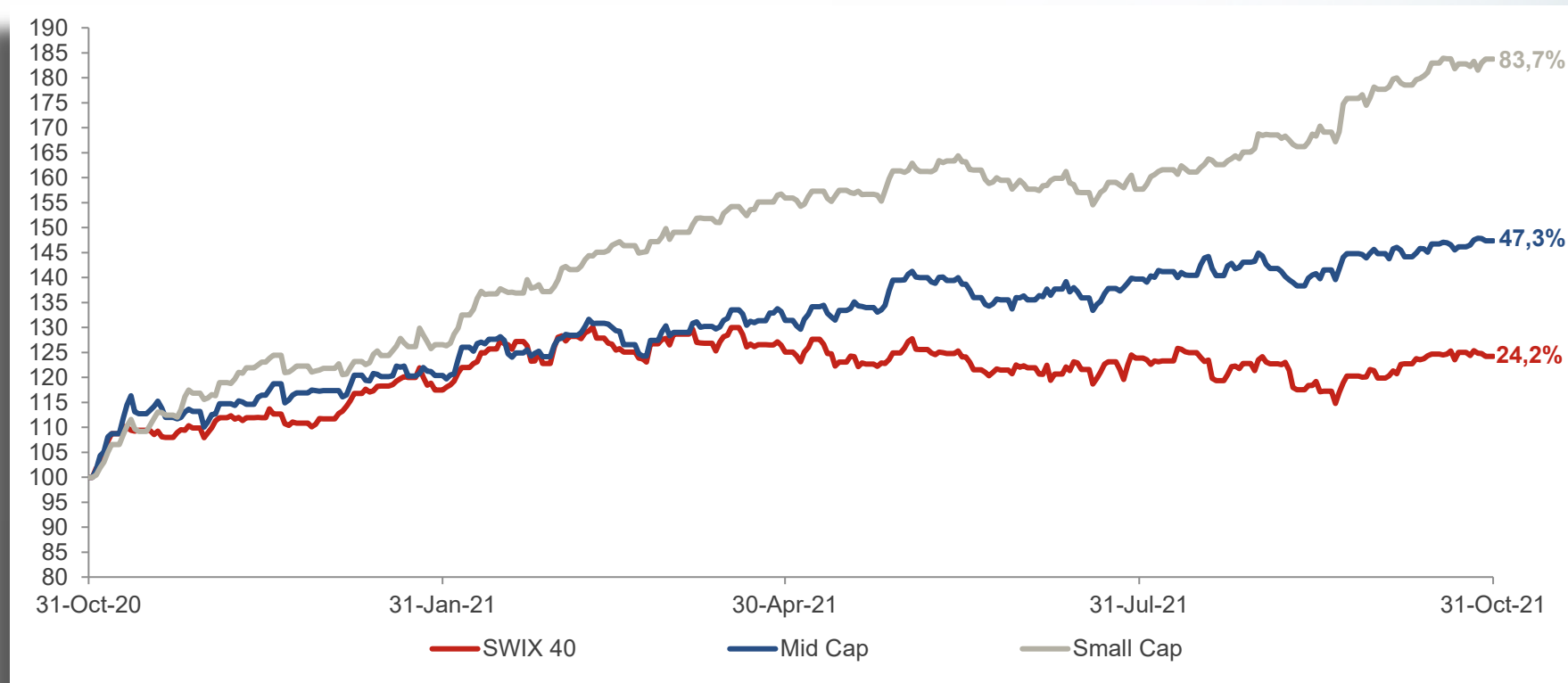


Source: IRESS and Momentum Investments

FTSE/JSE market caps



One year to October 2021





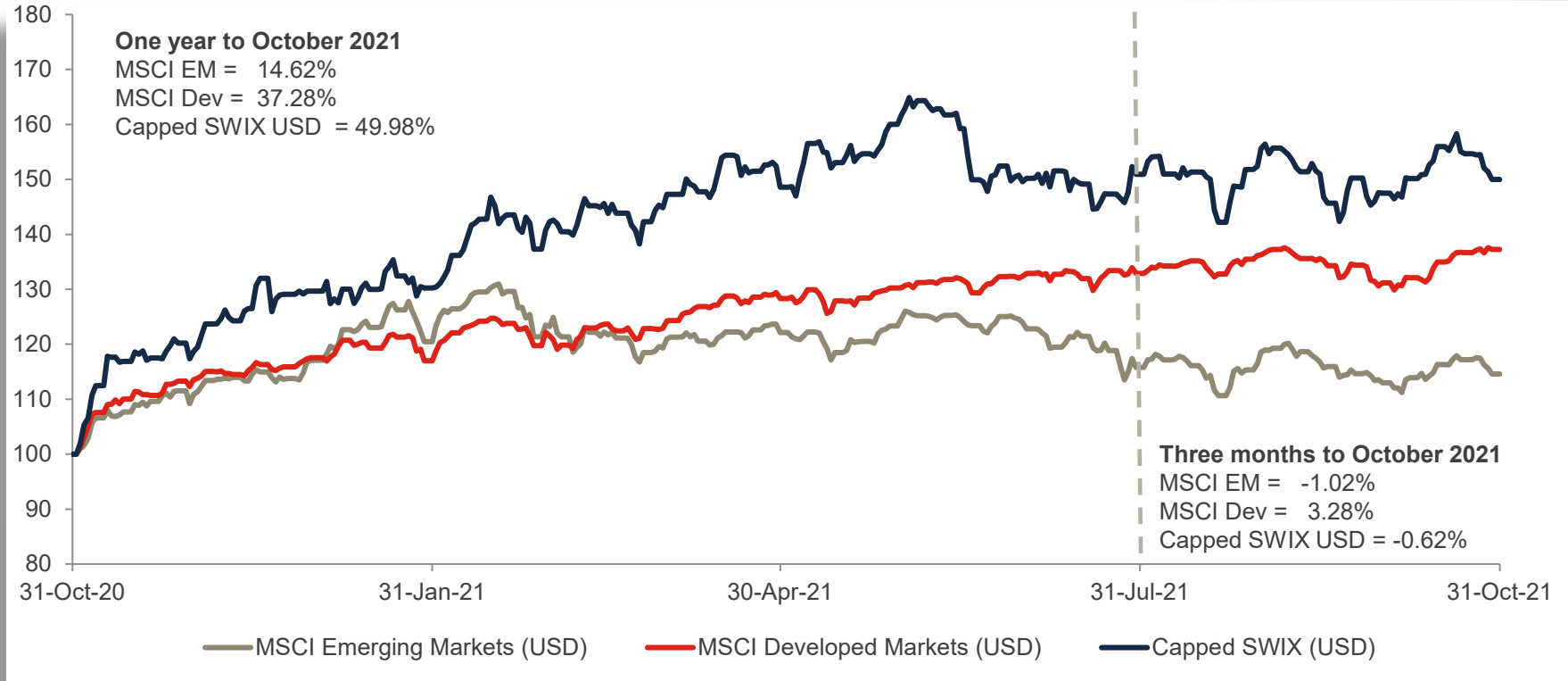
05

Indexed Return
Charts

MSCI developed and emerging markets

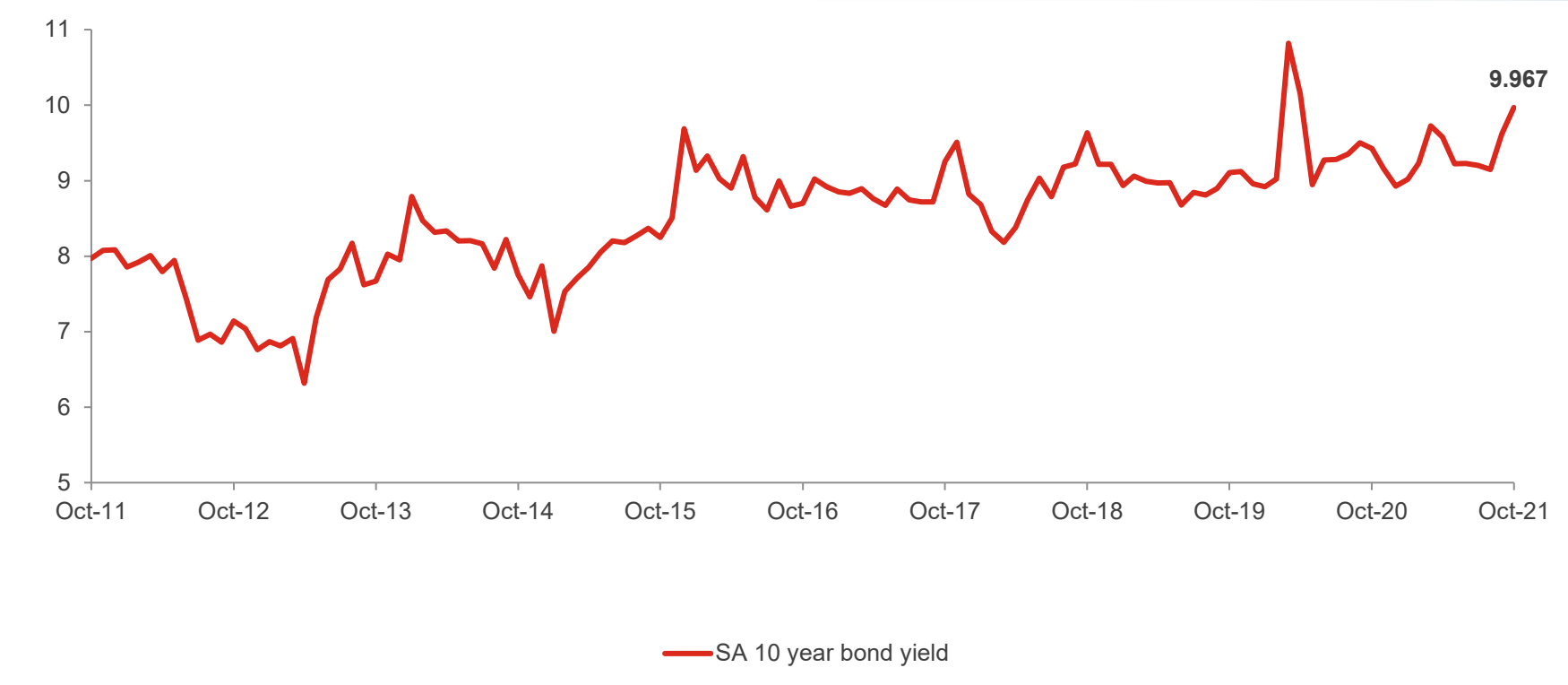


One year to October 2021



SA 10-year bond yields

Ten years to October 2021



Source: IRESS and Momentum Investments

Yield of R197 (inflation-linked bond)

Ten years to October 2021

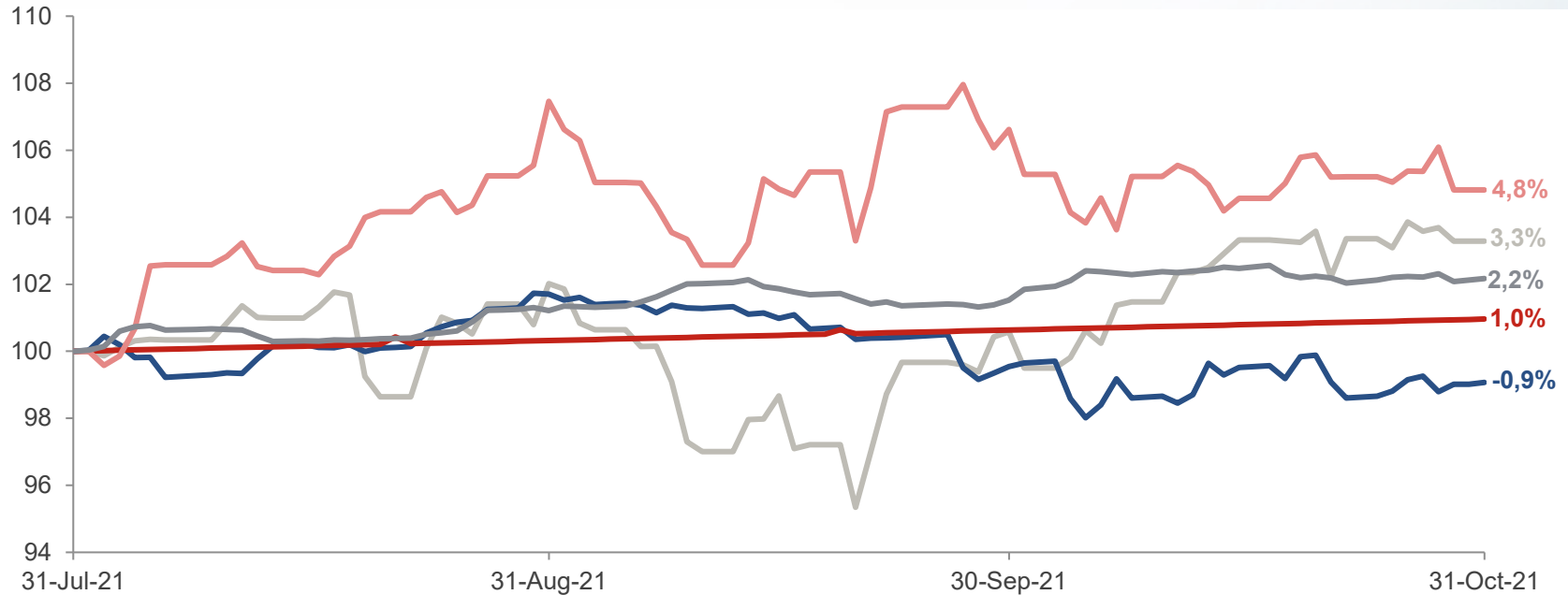


Source: IRESS and Momentum Investments

Local asset classes



Three months to October 2021



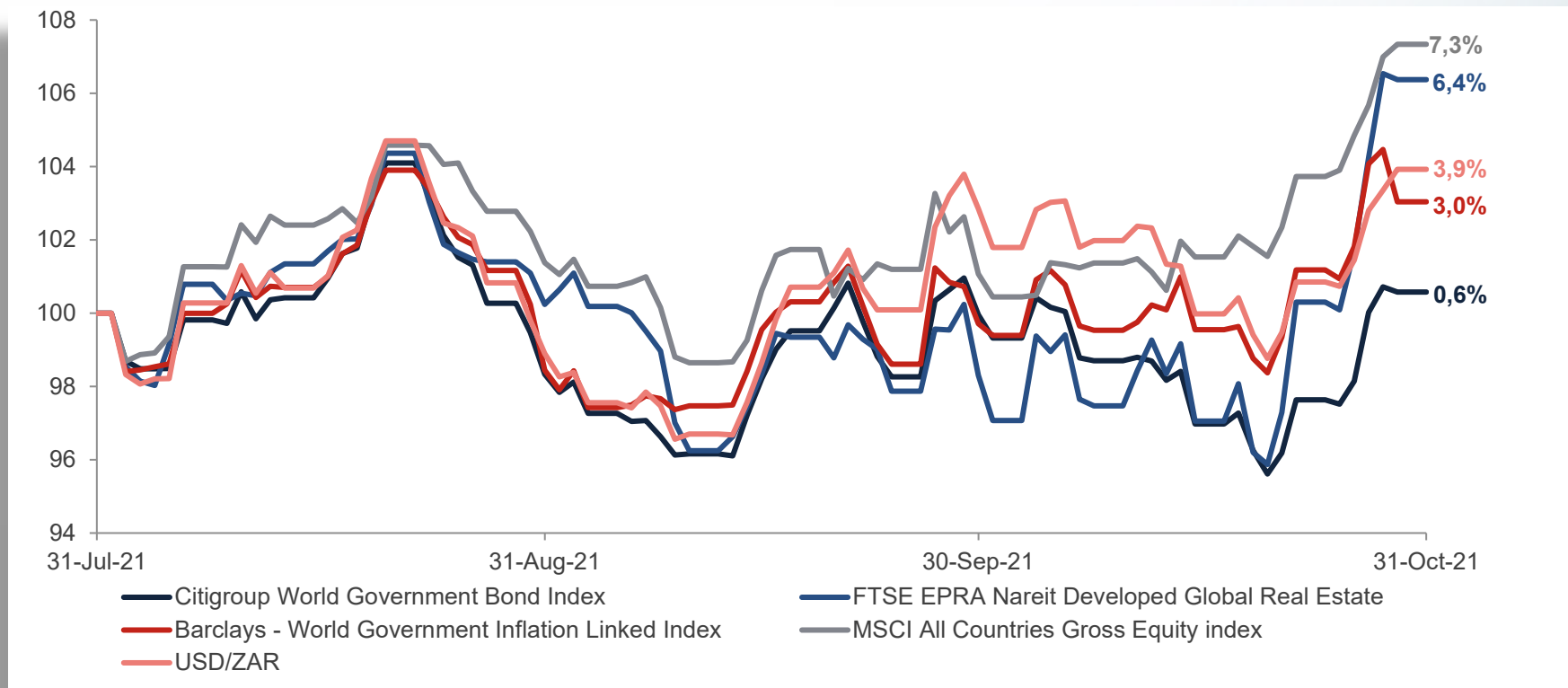
* CPI lagged by one month due to availability of data

Legend: Capped SWIX (grey line), ALBI (blue line), STeFI (thick red line), SA Listed Property (red line), IGOV (dark grey line)

Global asset classes

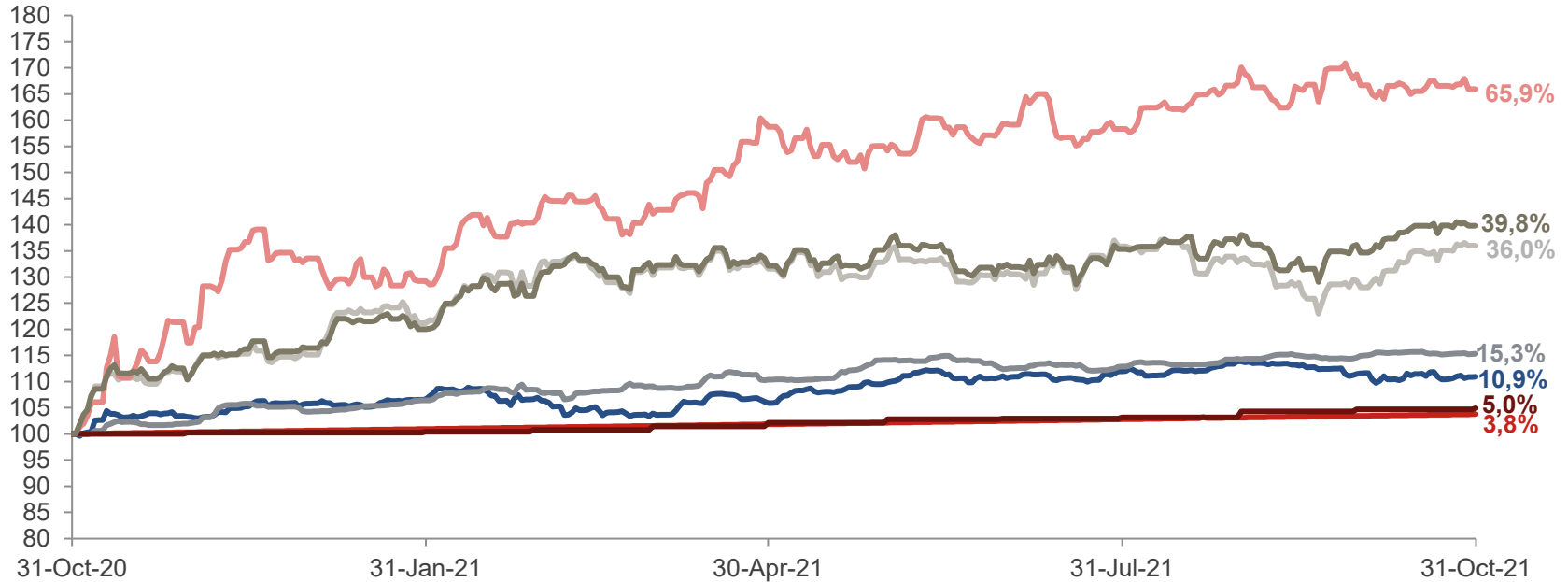


Three months to October 2021



Local asset classes

One year to October 2021



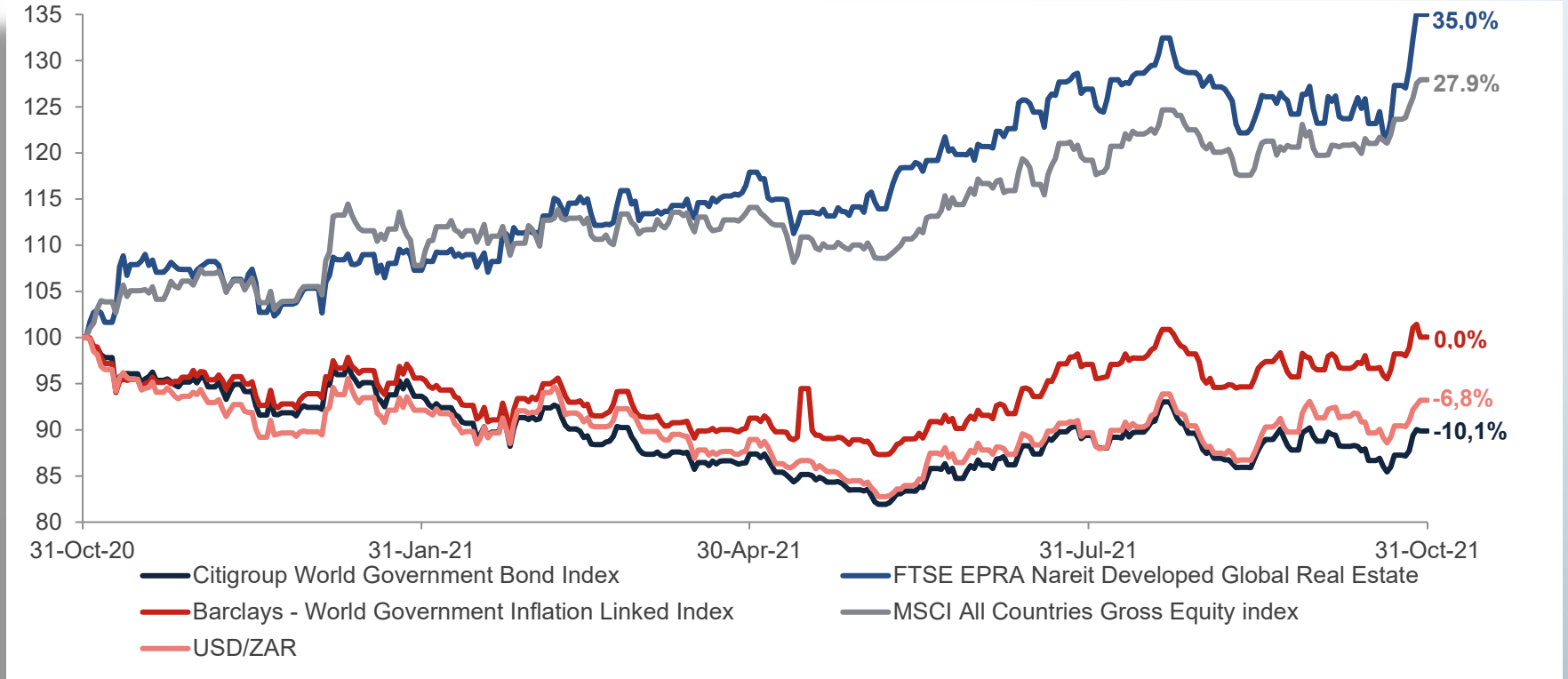
* CPI lagged by one month due to availability of data

Legend: TeFI (blue), SA Listed Property (red), IGOV (grey), SA CPI (dark red), Capped SWIX (green)

Global asset classes



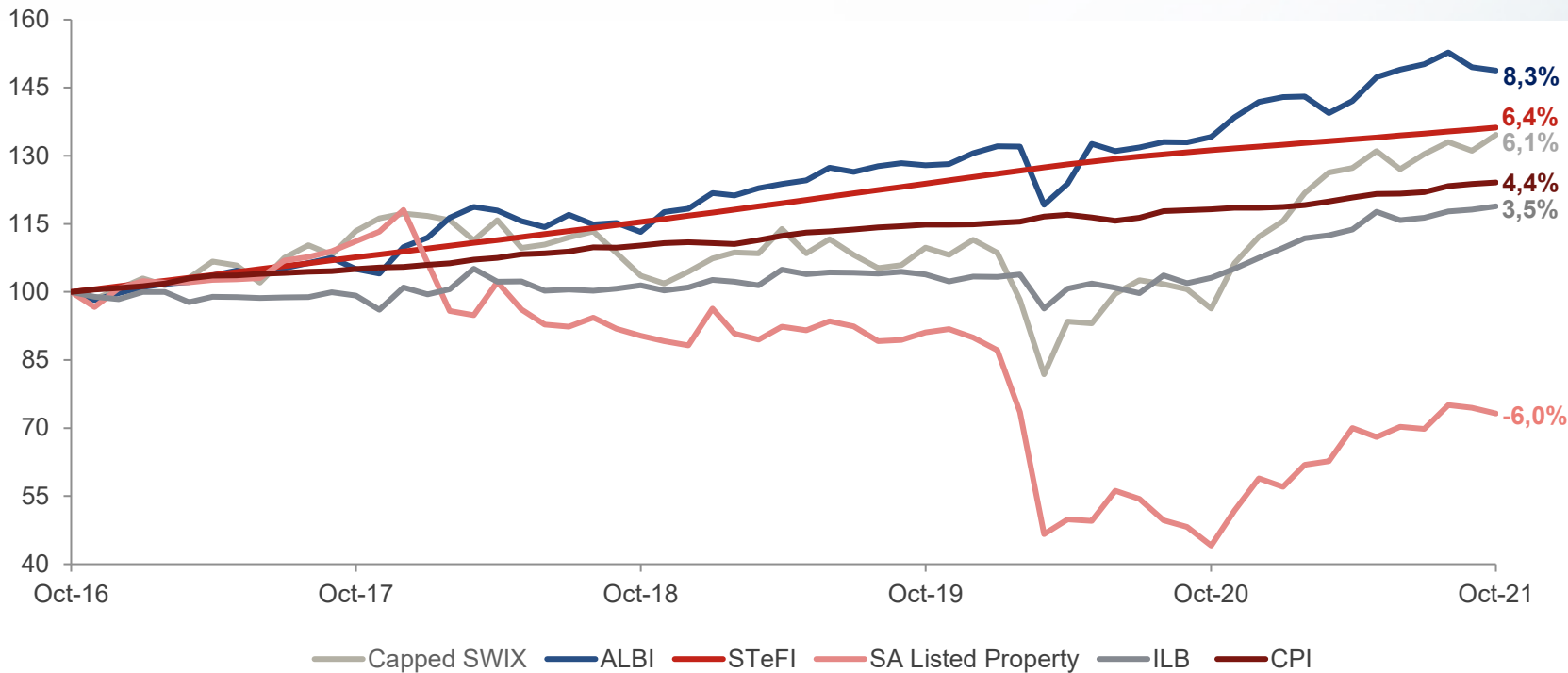
One year to October 2021



Local asset classes



Five years to October 2021

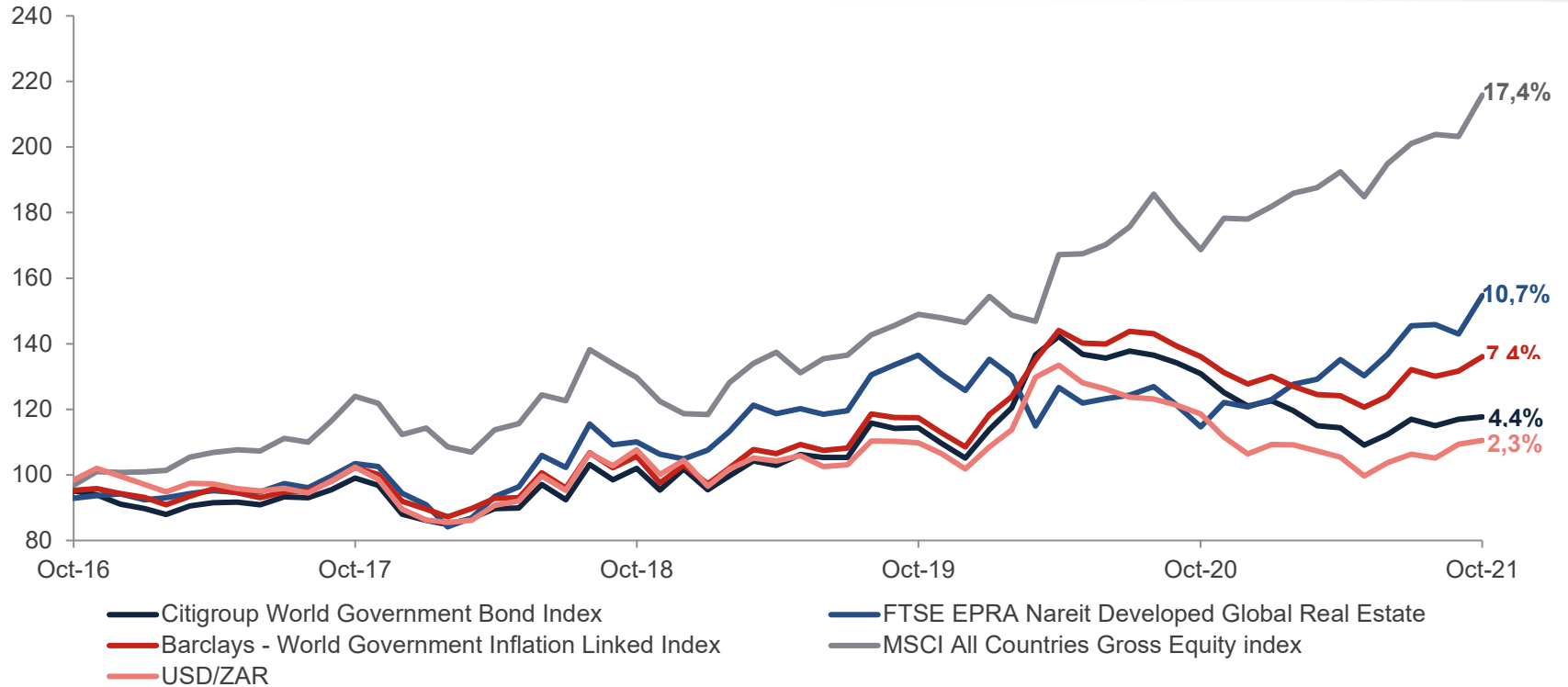


* CPI lagged by one month due to availability of data

Global asset classes



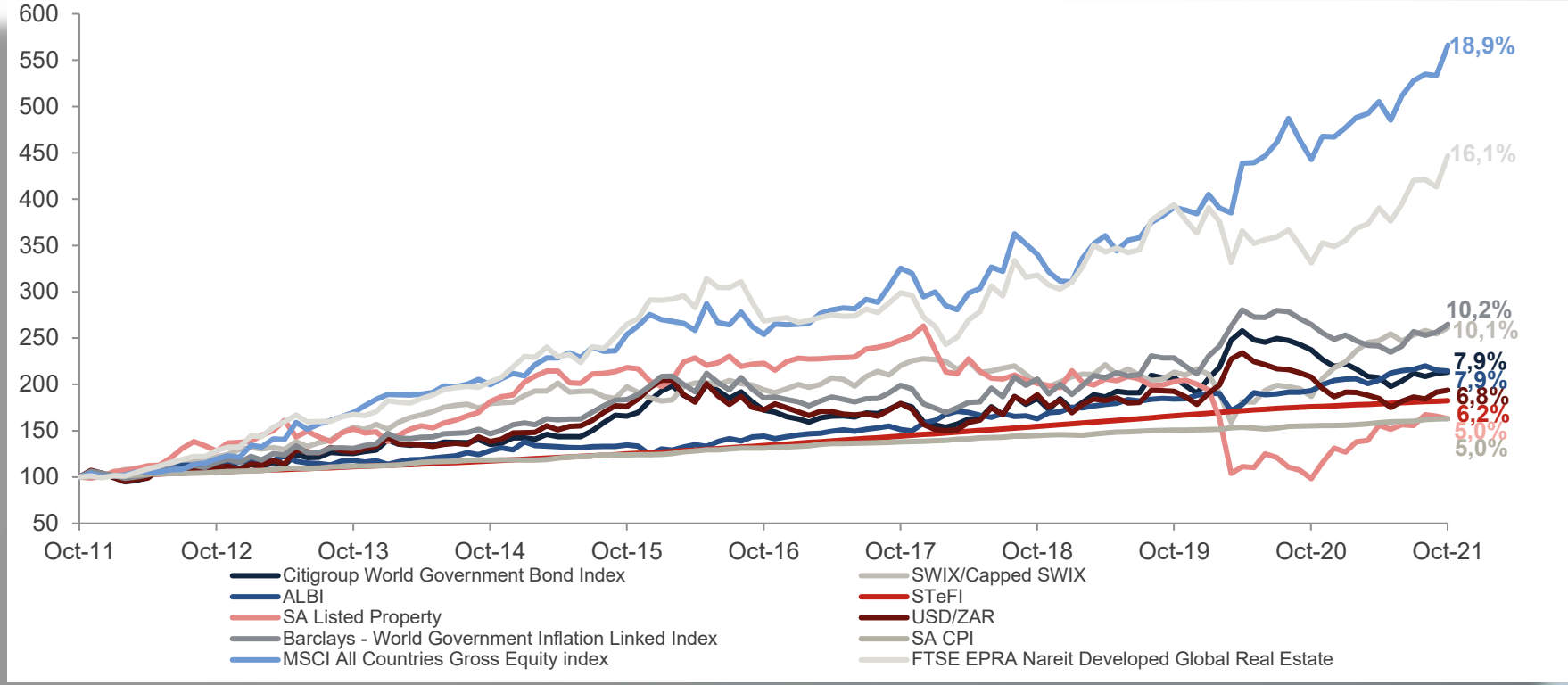
Five years to October 2021



Asset classes



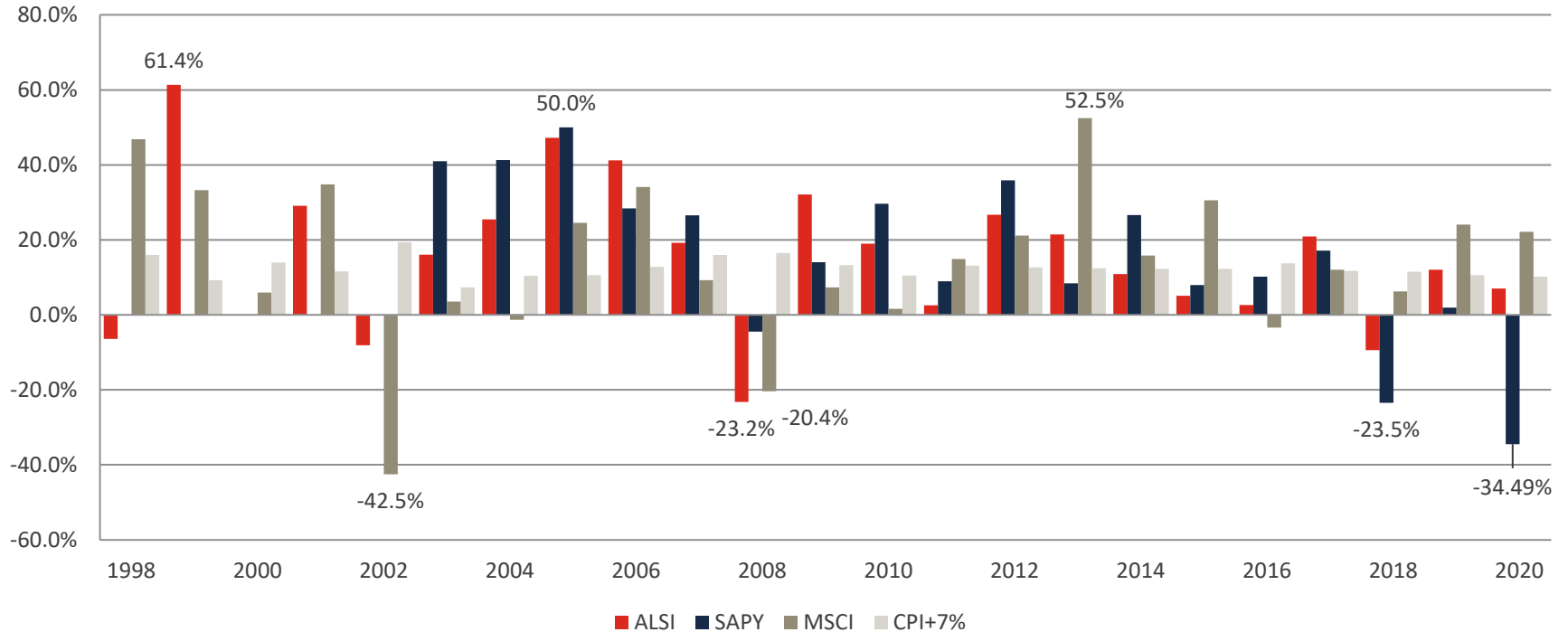
Ten years to October 2021



* CPI lagged by one month due to availability of data

Source: IRESS and Momentum Investments

Annual asset class returns

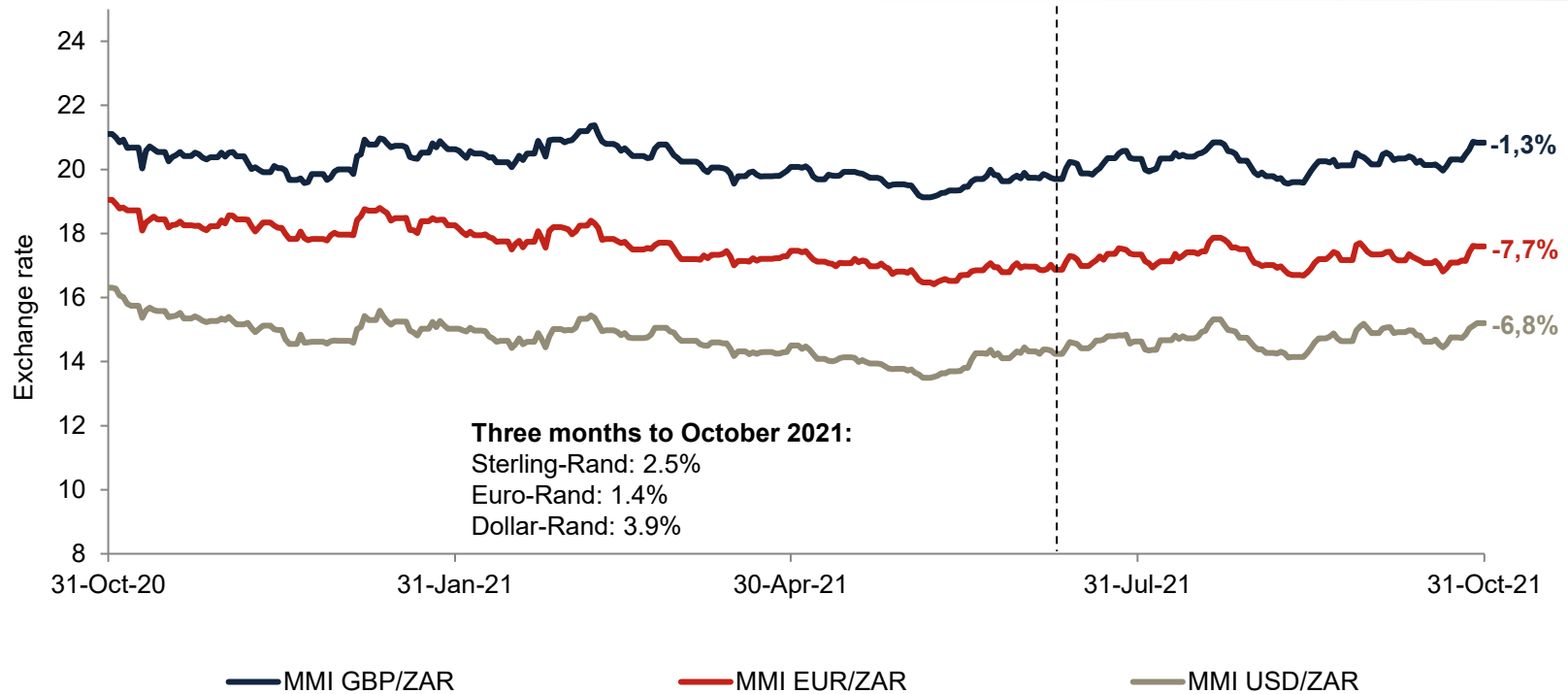


* CPI lagged by one month due to availability of data

Source: IRESS and Momentum Investments

Exchange rates

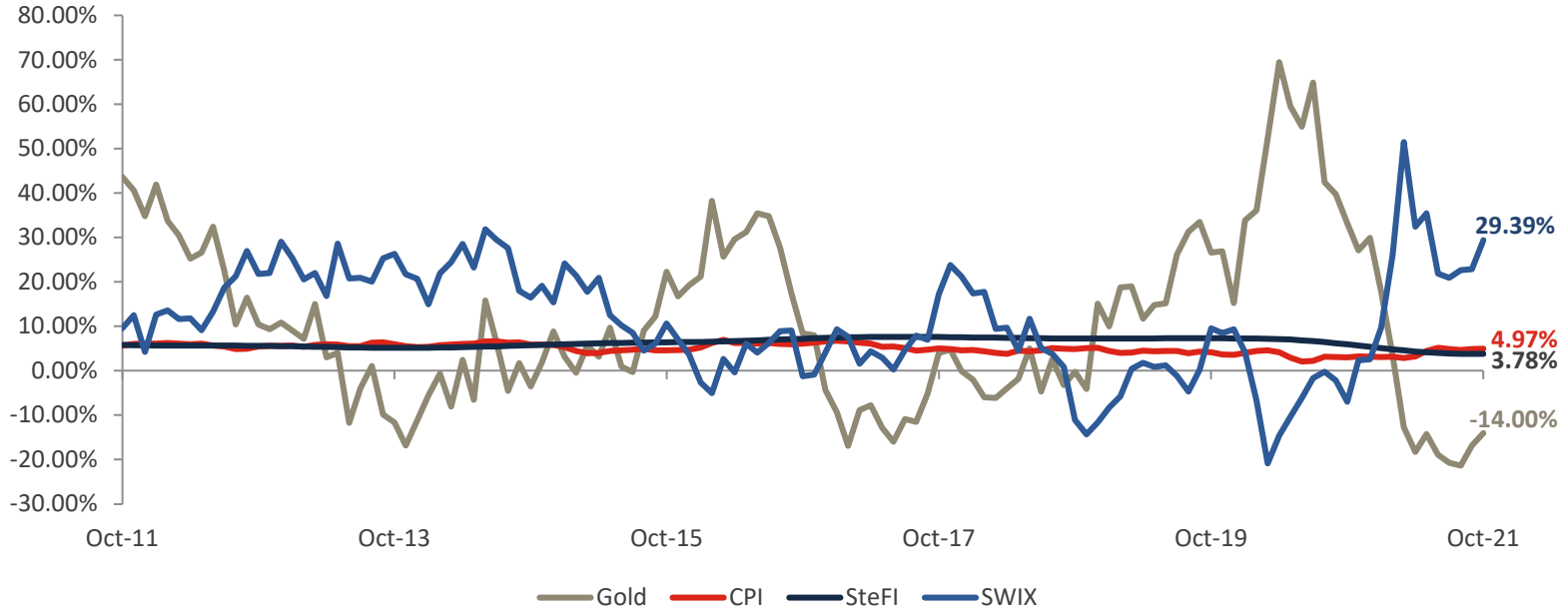
One year to October 2021



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



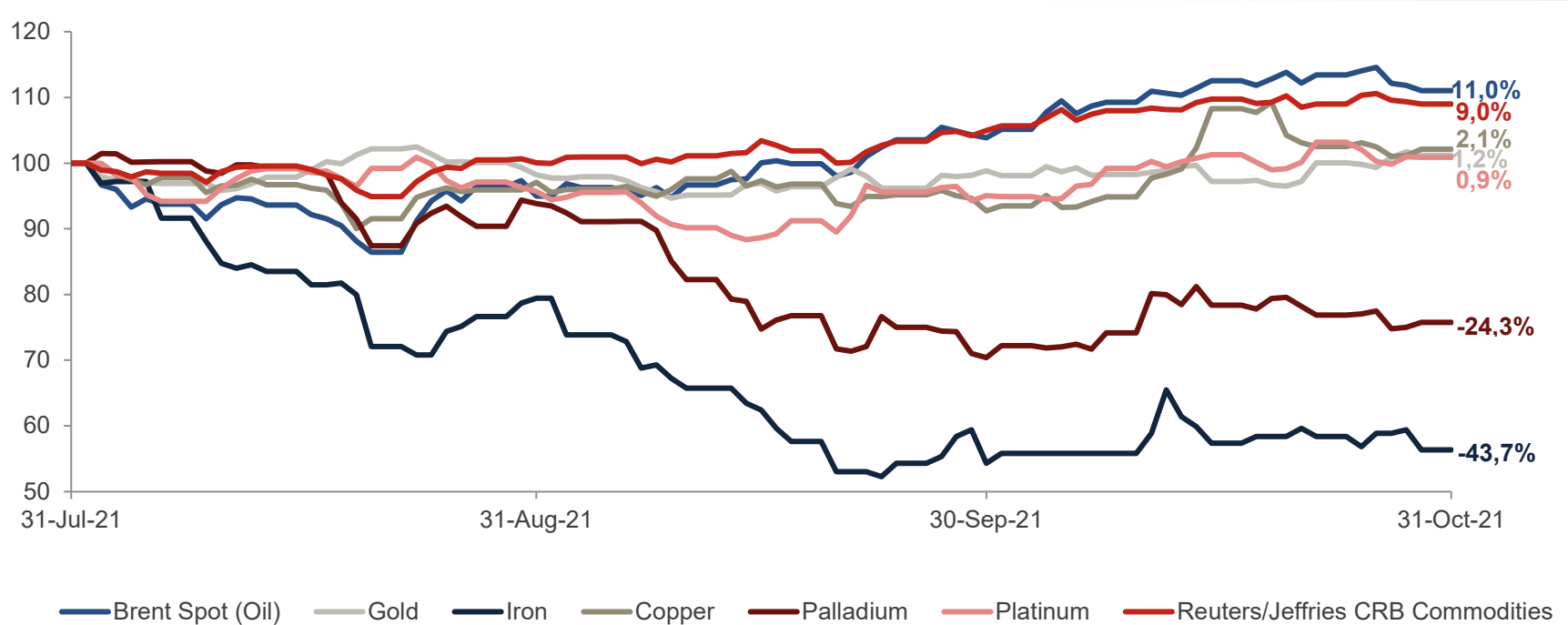
Ten-year rolling returns to October 2021



* CPI lagged by one month due to availability of data

Commodities

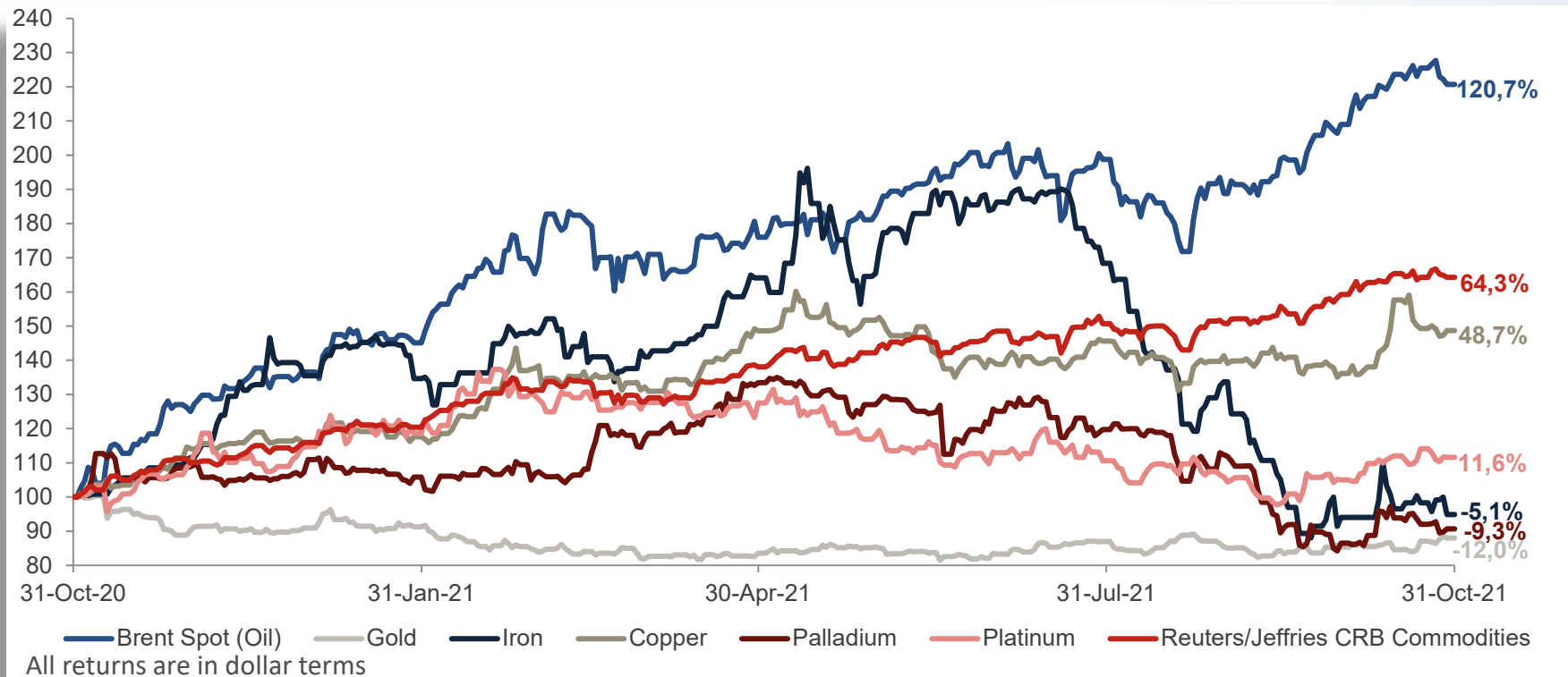
Three months to October 2021



All returns are in dollar terms

Commodities

One year to October 2021



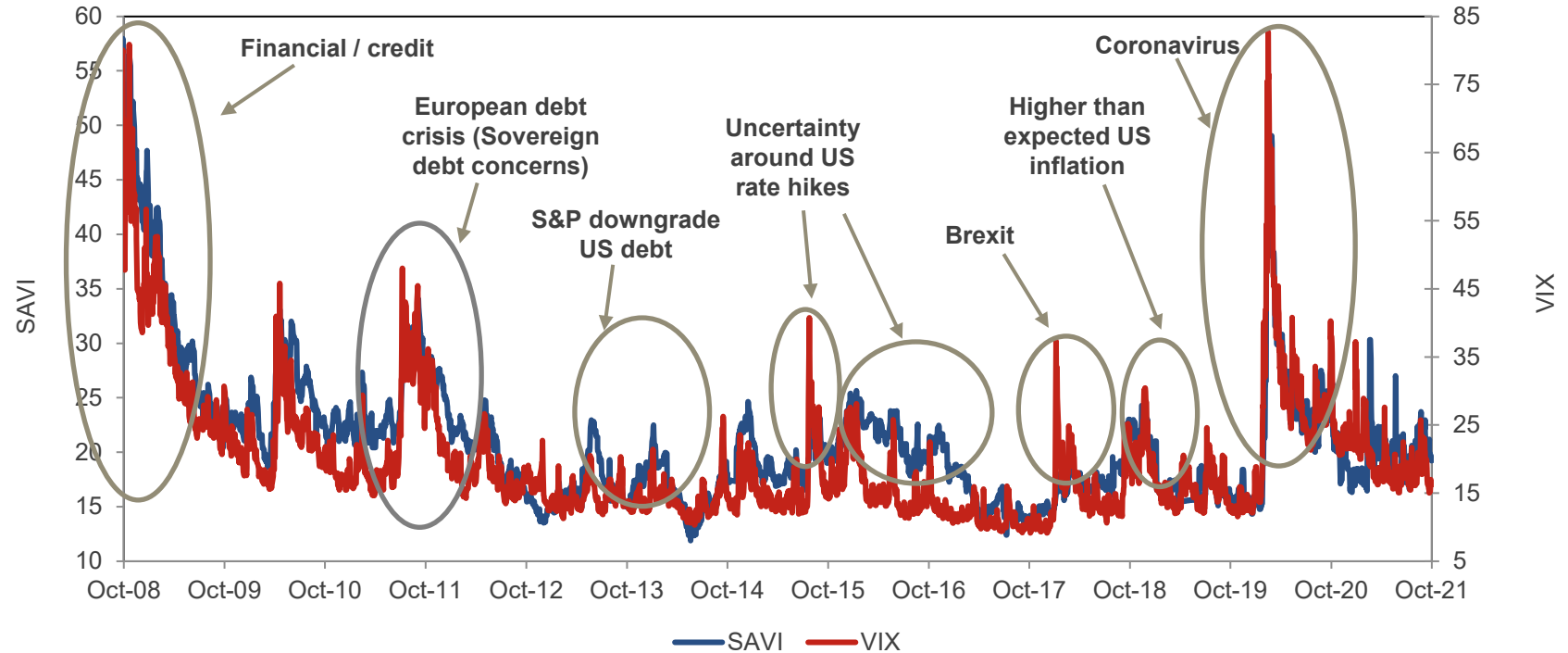


06

Volatility and
international flows

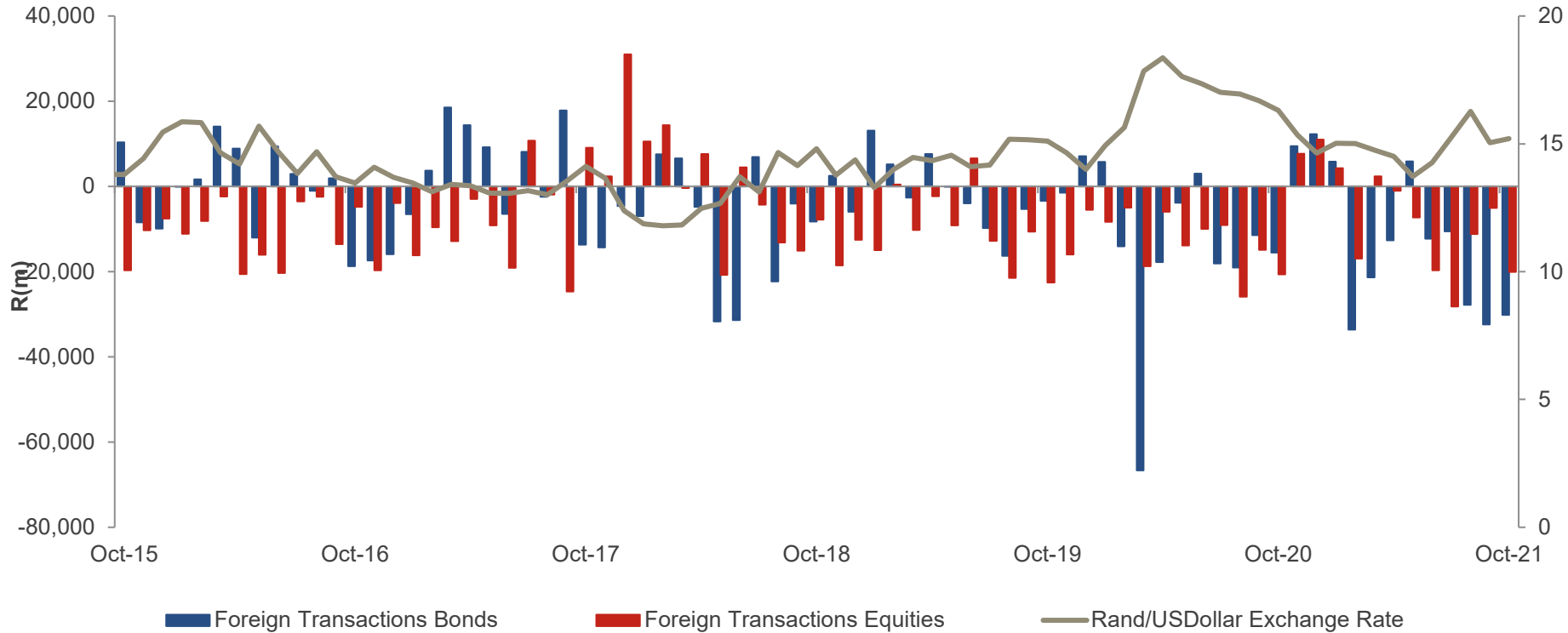
SAVI-VIX

October 2021



Foreign Transactions

2016 to 2021

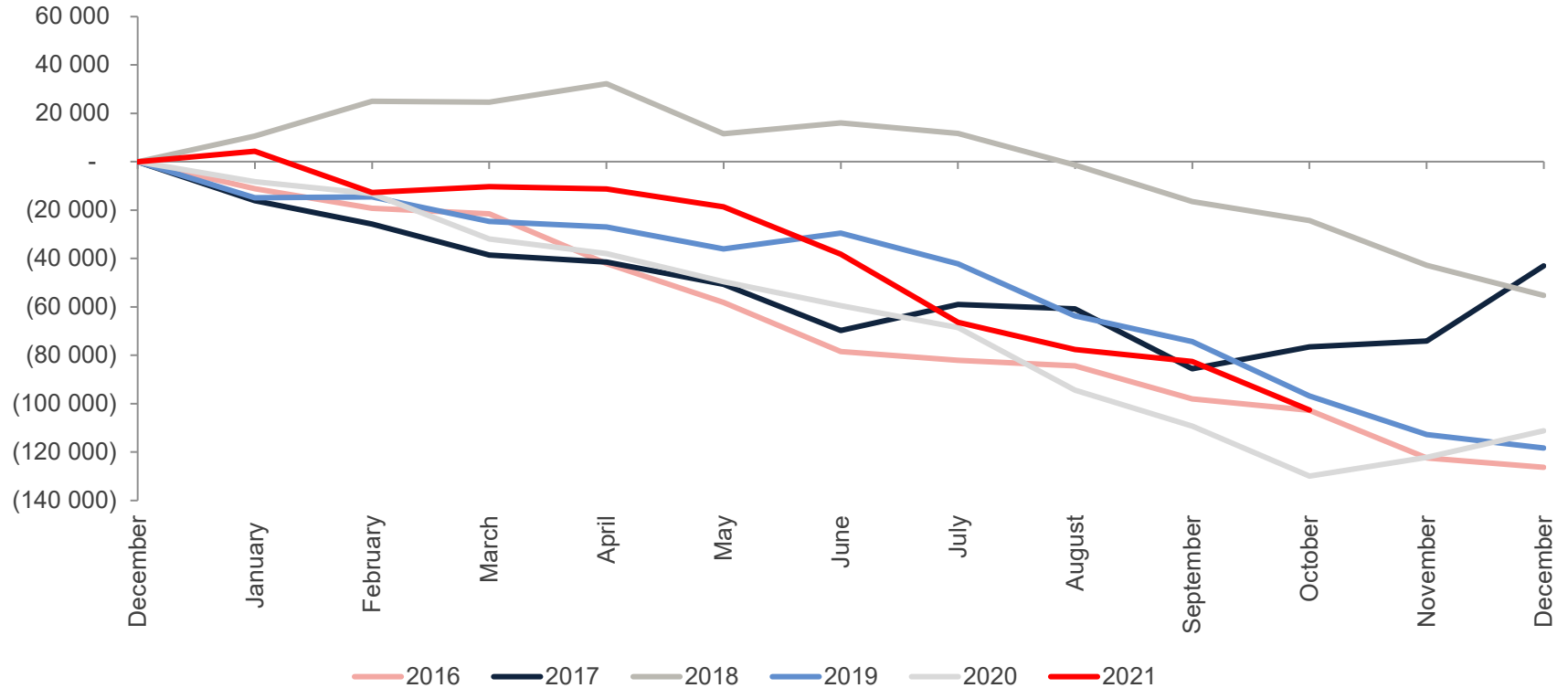


Source: IRESS and Momentum Investments

Cumulative foreign transaction: Equities

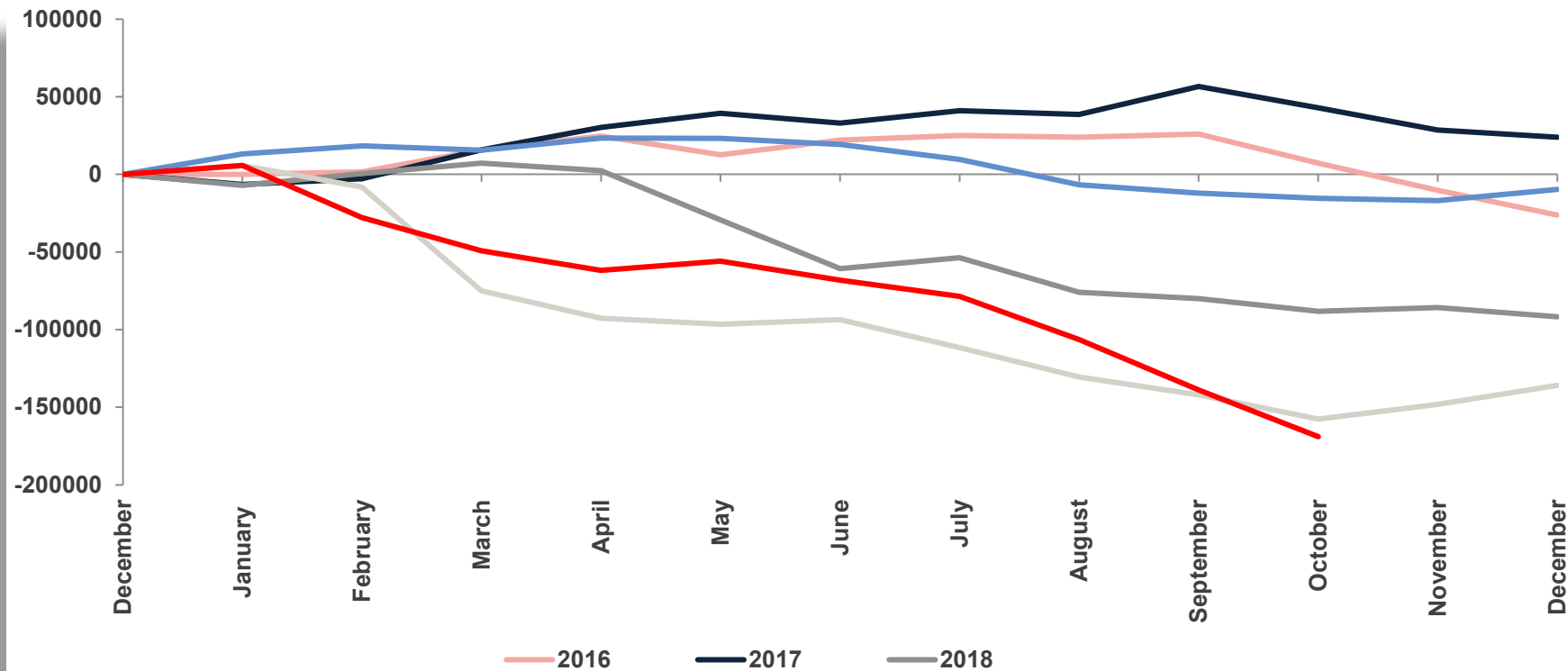


2016 to 2021



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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