

# Key market performance drivers

Monthly charts to 30 June 2023



**momentum**  
investments

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Market  
concentration

01

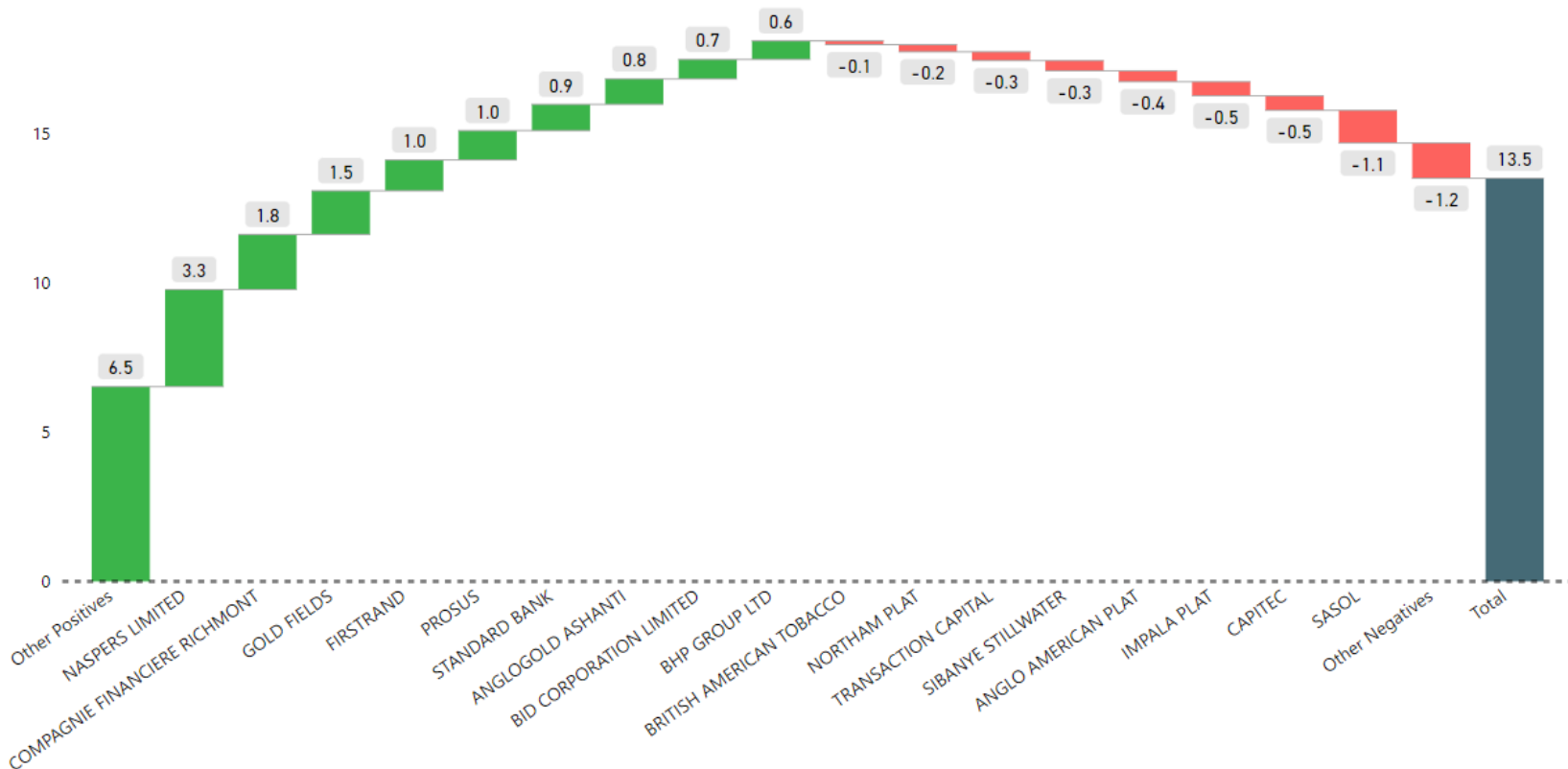


# One-year Capped SWIX contributions to June 2023



● Increase ● Decrease ● Total

20



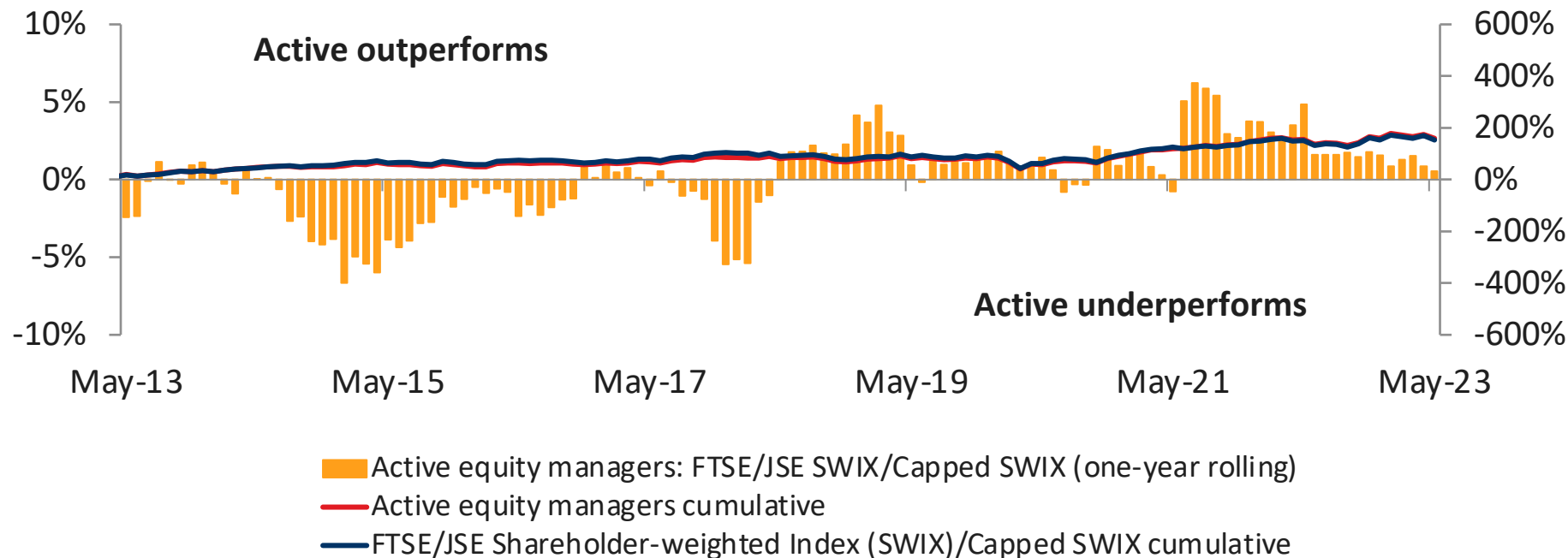
Active index  
analysis

02

# Active index analysis: Equities



One-year rolling active returns to May 2023



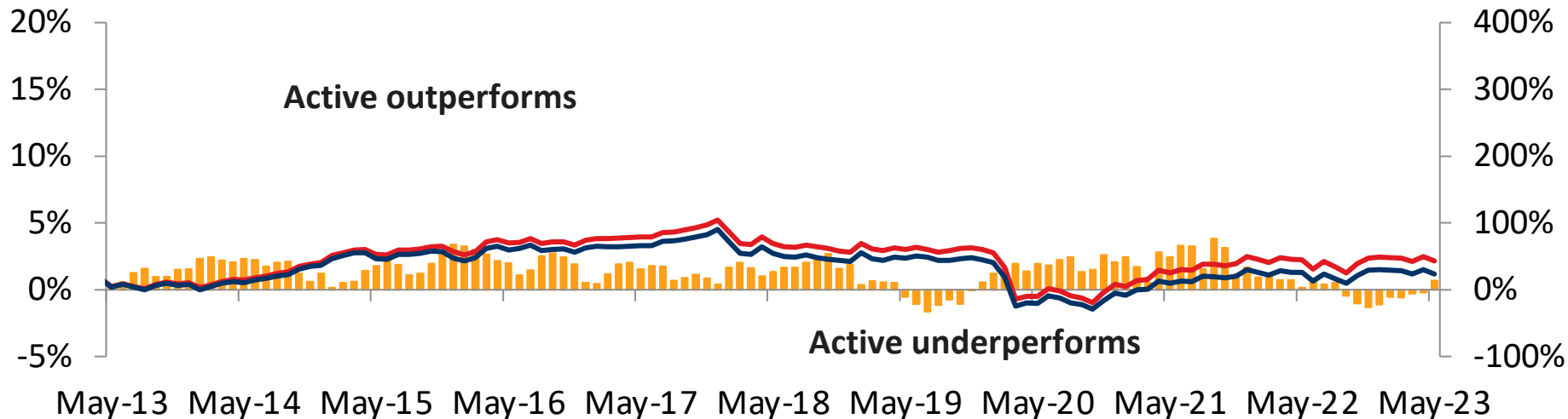
The median of the active equity investment managers outperformed the SWIX/Capped SWIX composite benchmark for a one-year period ending May 2023

Sources: Alexander Forbes SA Equity Manager Watch™, IRESS and Momentum Investments  
SWIX until 31 October 2017 and Capped SWIX thereafter. Data lagged by one month.

# Active index analysis: Property



One-year rolling active returns to May 2023



- Active property managers (median): FTSE/JSE SAPY (one-year rolling)
- Active property managers (median) cumulative
- FTSE/JSE SA Listed Property Index (SAPY) cumulative

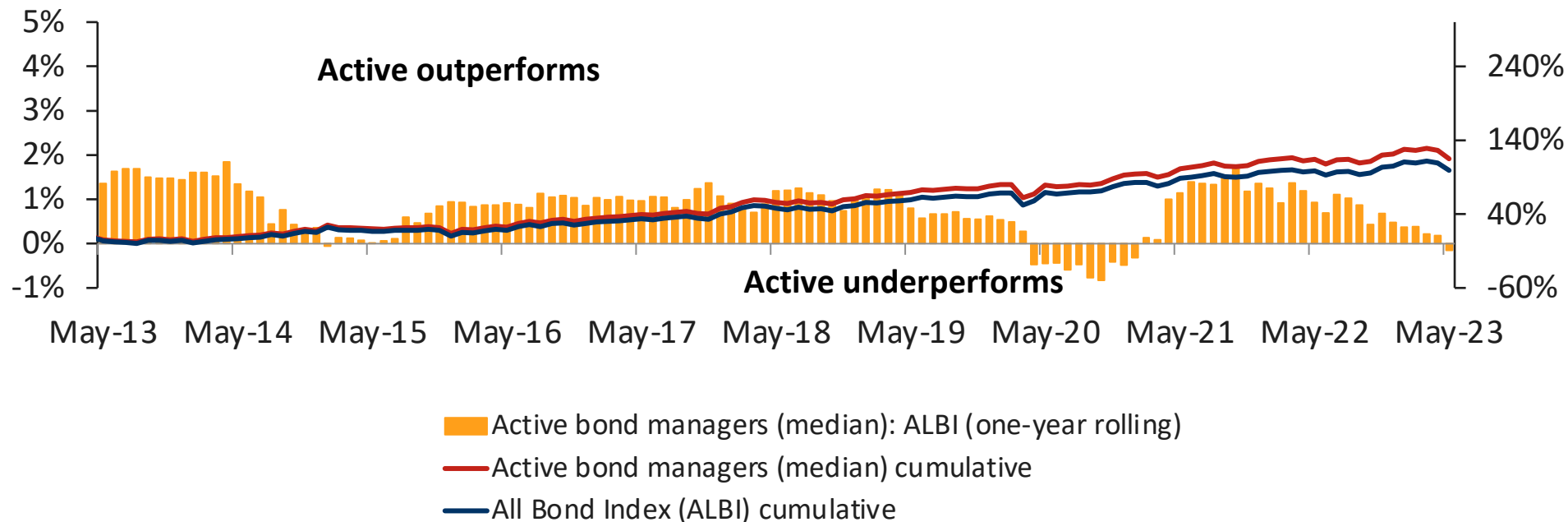
The median return of the active property investment managers underperformed the SAPY for a one-year period ending May 2023

Sources: Alexander Forbes SA Property Manager Watch™, IRESS and Momentum Investments  
Data lagged by one month.

# Active index analysis: Bonds



One-year rolling active returns to May 2023



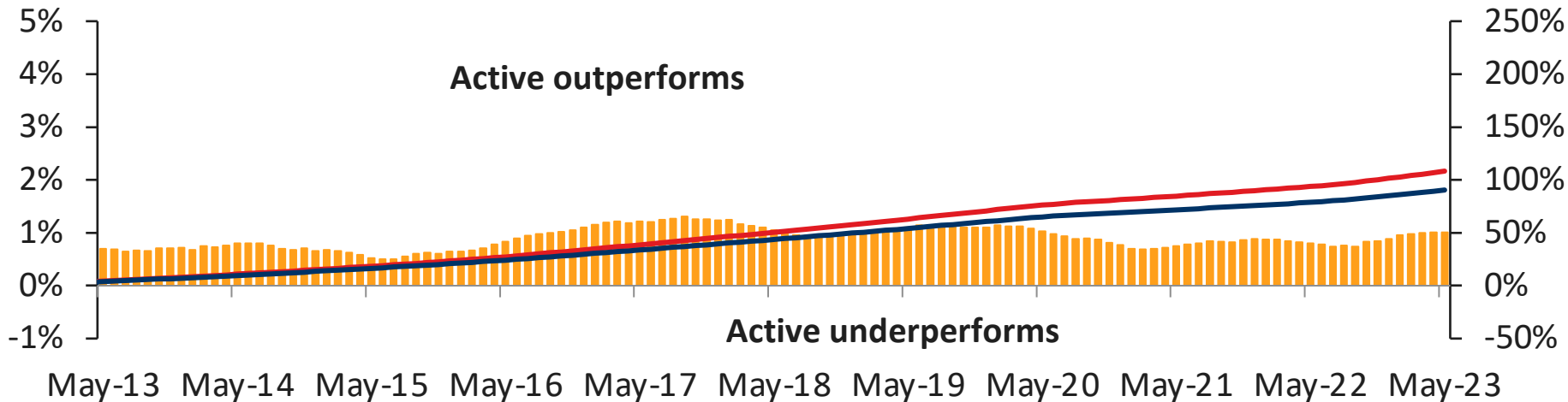
The median of the active bond investment managers underperformed the ALBI for the one-year period ending May 2023



# Active index analysis: Cash



One-year rolling active returns to May 2023



- Active cash managers (median): SteFI (one-year rolling)
- Active cash managers (median) cumulative
- Short-term Fixed Interest Composite Index (SteFI) cumulative

The median of the active money market investment managers outperformed the SteFI for the one-year period ending May 2023

Sources: Alexander Forbes SA Money Market Manager Watch™, IRESS and Momentum Investments  
Data lagged by one month.

Style  
analysis

03

# Style returns heat map for South Africa to June 2023



In the last year, value outperformed quality and momentum

ZAR	Styles	One month to June 2023	Three months to June 2023	One year to June 2023	Three years to June 2023	Five years to June 2023	Ten years to June 2023	Twenty years to June 2023
Value	Book to Price	0.05	0.26	0.65	12.45	2.48	-0.22	-0.22
	Dividend Yield	0.38	-1.90	1.76	2.82	0.01	0.96	1.98
	Earnings Yield	0.61	0.56	-0.35	3.58	-0.51	-0.79	-0.11
	Cash Flow Yield	3.44	-0.64	3.96	7.20	0.28	0.99	1.27
	Sales to Price	3.48	-1.25	-3.65	3.79	0.30	-0.15	-0.51
Quality	ROE	3.11	3.20	-1.76	-9.40	-2.88	-0.87	1.01
	ROIC LT	-1.12	-2.49	-8.57	-9.34	-5.52	-4.20	-2.12
	Income to Sales	-1.42	0.73	2.87	-3.87	-0.46	-0.57	0.29
	Low market beta	0.26	-1.05	6.74	-1.99	-1.31	0.55	-0.80
	Low Debt/Equity	-1.34	-0.73	1.62	-3.50	0.08	-0.56	-1.09
	EBIT Margin Stability	3.44	1.60	-3.75	-7.42	-3.39	-1.84	-0.43
Growth	Earnings Growth	-2.79	-4.13	-0.74	-4.79	1.77	0.91	0.67
	Sales Growth	-2.51	-3.10	-11.06	-2.52	0.28	-0.85	0.03
	12M Earning Growth	-0.43	5.59	-1.78	-0.31	5.28	1.23	3.96
Momentum	FY1 Earnings Revisions	-1.66	1.00	2.45	-0.25	2.15	3.83	6.74
	Short Term Momentum	-5.63	-3.58	-6.03	-9.54	-6.37	-1.67	-1.18
	Medium Term Momentum	-2.48	-0.45	-0.83	-3.67	3.60	3.45	4.49
Size	Size	2.39	4.12	4.95	-5.30	0.95	0.71	0.42

Source: FactSet, Momentum Global Investment Management and Momentum Investments

Sector  
analysis

04

# FTSE/JSE sectors decomposed

Three months to May 2023

Key

FTSE/JSE Resources

FTSE/JSE Financials

FTSE/JSE Industrials



1 Precious Metals and Mining	Basic Materials	29.84%	17 Tobacco	Consumer Staples	-8.34%
2 Pharmaceuticals and Biotechnology	Health Care	19.38%	18 Life Insurance	Financials	-8.98%
3 Personal Goods	Consumer Discretionary	12.39%	19 Non-life Insurance	Financials	-9.19%
4 Real Estate Investment and Services	Real Estate	6.76%	20 Industrial Support Services	Industrials	-9.32%
5 Travel and Leisure	Consumer Discretionary	4.41%	21 Industrial Materials	Basic Materials	-10.70%
6 General Industrials	Industrials	-1.13%	22 Chemicals	Basic Materials	-11.27%
7 Industrial Transportation	Industrials	-1.49%	23 Closed End Investments	Financials	-11.35%
8 Investment Banking and Brokerage	Financials	-2.99%	24 Banks	Financials	-12.65%
9 Beverages	Consumer Staples	-3.93%	25 Construction and Materials	Industrials	-12.67%
10 Health Care Providers	Health Care	-5.31%	26 Oil	Energy	-15.28%
11 Electronic and Electrical Equipment	Industrials	-5.73%	27 Telecommunications Service Providers	Telecommunications	-15.75%
12 Software and Computer Services	Technology	-6.64%	28 Retailers	Consumer Discretionary	-19.22%
13 Consumer Services	Consumer Discretionary	-6.83%	29 Alternative Energy	Energy	-19.44%
14 Personal Care	Consumer Staples	-7.35%	30 Automobiles and Parts	Consumer Discretionary	-21.25%
15 Real Estate Investment Trusts	Real Estate	-7.55%	31 Food Producers	Consumer Staples	-23.19%
16 Industrial Metals and Mining	Basic Materials	-8.32%	32 Finance and Credit Services	Financials	-77.92%



# FTSE/JSE sectors decomposed

One year to May 2023

Key

FTSE/JSE Resources

FTSE/JSE Financials

FTSE/JSE Industrials

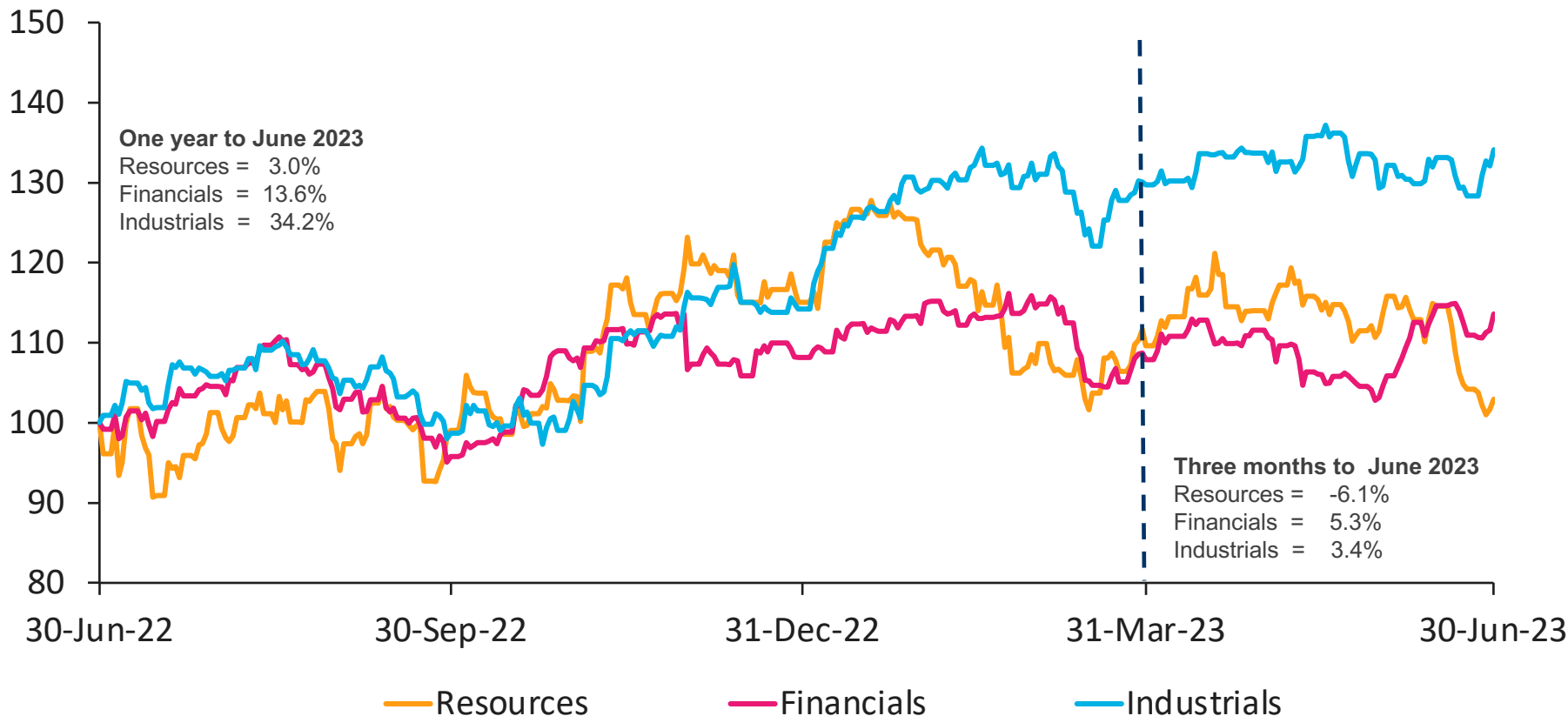


1 Personal Goods	Consumer Discretionary	84.88%	17 Closed End Investments	Financials	-5.30%
2 Software and Computer Services	Technology	68.34%	18 Non-life Insurance	Financials	-6.42%
3 Electronic and Electrical Equipment	Industrials	45.32%	19 Real Estate Investment Trusts	Real Estate	-9.33%
4 Industrial Transportation	Industrials	18.48%	20 Industrial Metals and Mining	Basic Materials	-9.85%
5 Real Estate Investment and Services	Real Estate	17.42%	21 Life Insurance	Financials	-11.57%
6 Beverages	Consumer Staples	16.48%	22 Banks	Financials	-13.26%
7 Health Care Providers	Health Care	15.94%	23 Consumer Services	Consumer Discretionary	-15.05%
8 Precious Metals and Mining	Basic Materials	13.59%	24 Oil	Energy	-16.91%
9 Travel and Leisure	Consumer Discretionary	11.30%	25 Industrial Materials	Basic Materials	-19.09%
10 Pharmaceuticals and Biotechnology	Health Care	7.95%	26 Retailers	Consumer Discretionary	-21.35%
11 General Industrials	Industrials	5.09%	Telecommunications Service		
12 Food Producers	Consumer Staples	2.56%	27 Providers	Telecommunications	-24.82%
13 Industrial Support Services	Industrials	2.35%	28 Alternative Energy	Energy	-27.71%
14 Investment Banking and Brokerage	Financials	1.91%	29 Construction and Materials	Industrials	-27.72%
15 Tobacco	Consumer Staples	-2.19%	30 Automobiles and Parts	Consumer Discretionary	-31.50%
16 Personal Care	Consumer Staples	-3.30%	31 Chemicals	Basic Materials	-38.08%
			32 Finance and Credit Services	Financials	-83.84%

# FTSE/JSE sectors



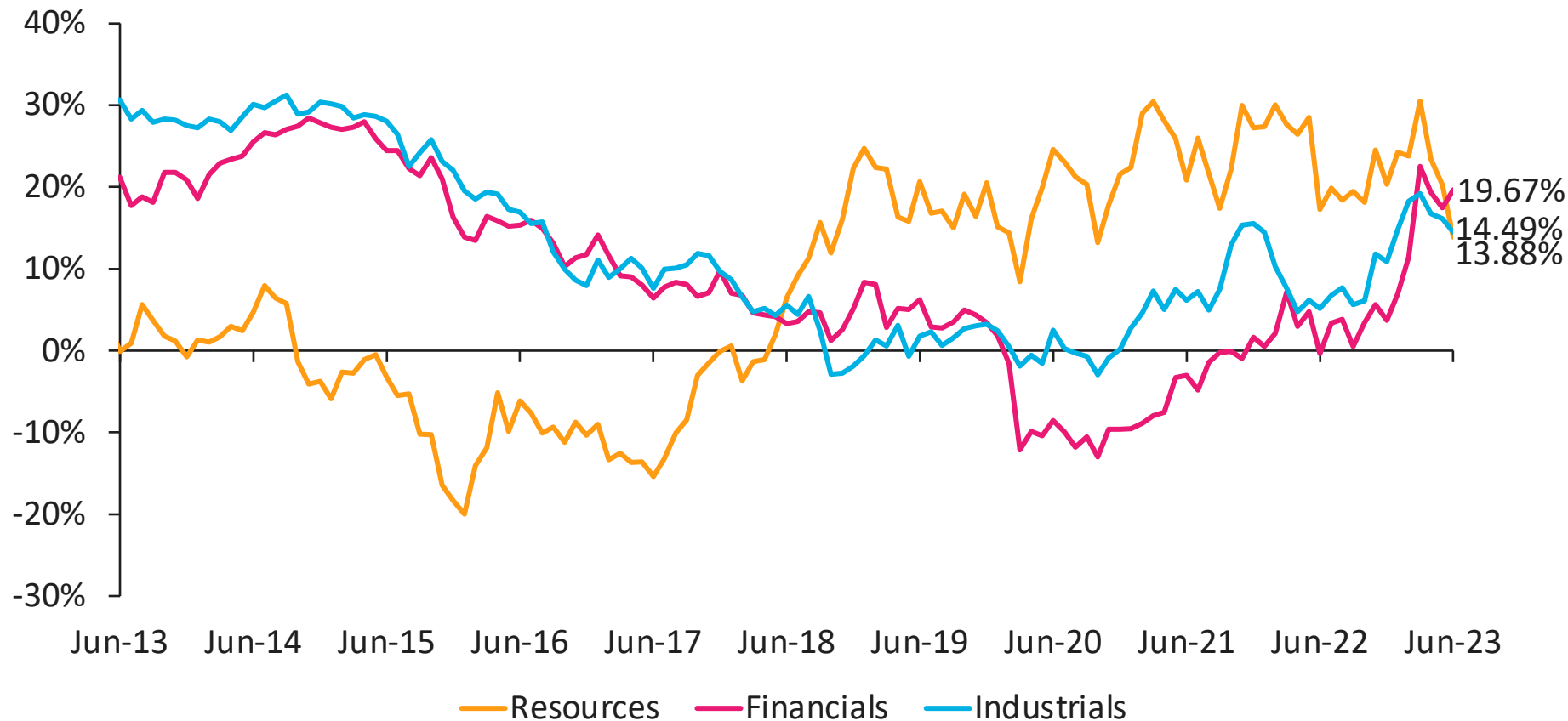
Cumulative one year to June 2023



# FTSE/JSE sectors



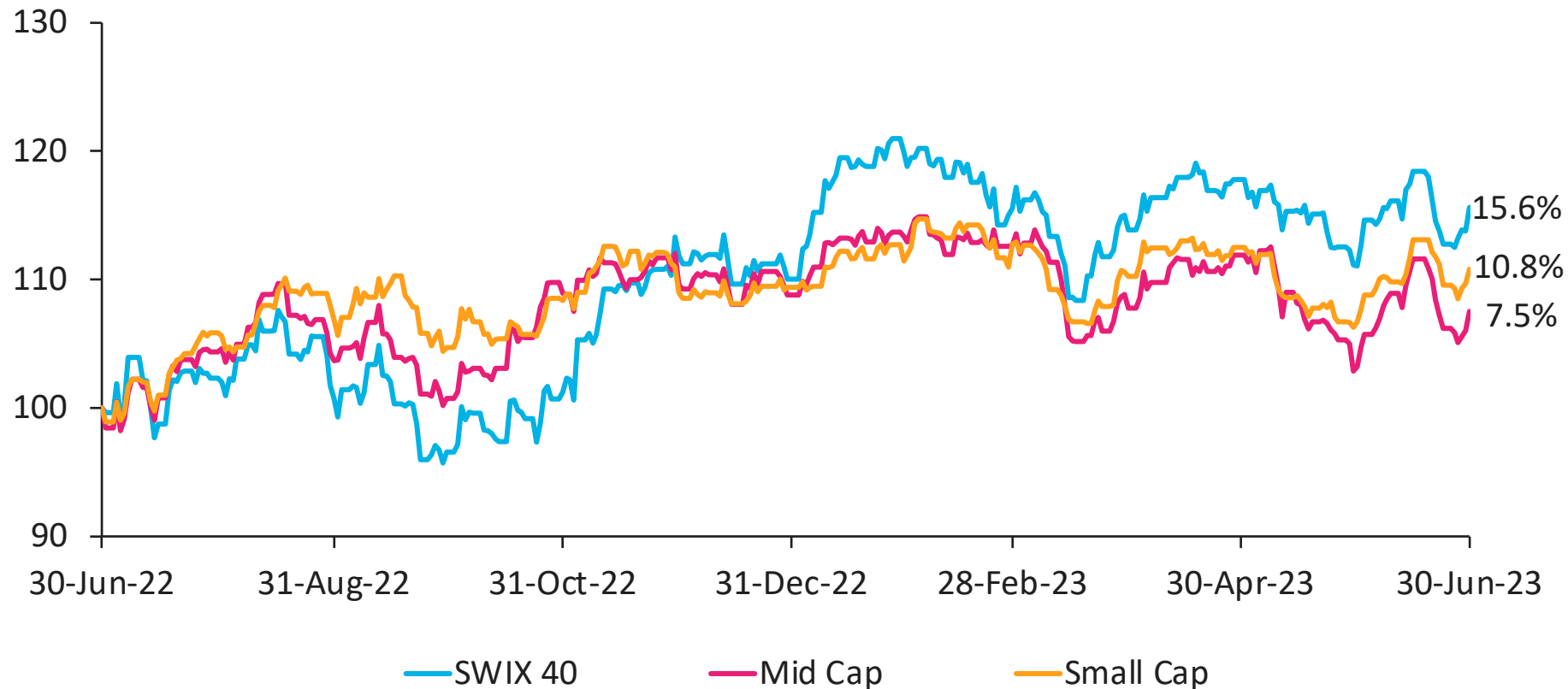
Ten-year rolling 12 months to June 2023



# FTSE/JSE market caps



Cumulative one year to June 2023



Index return  
charts

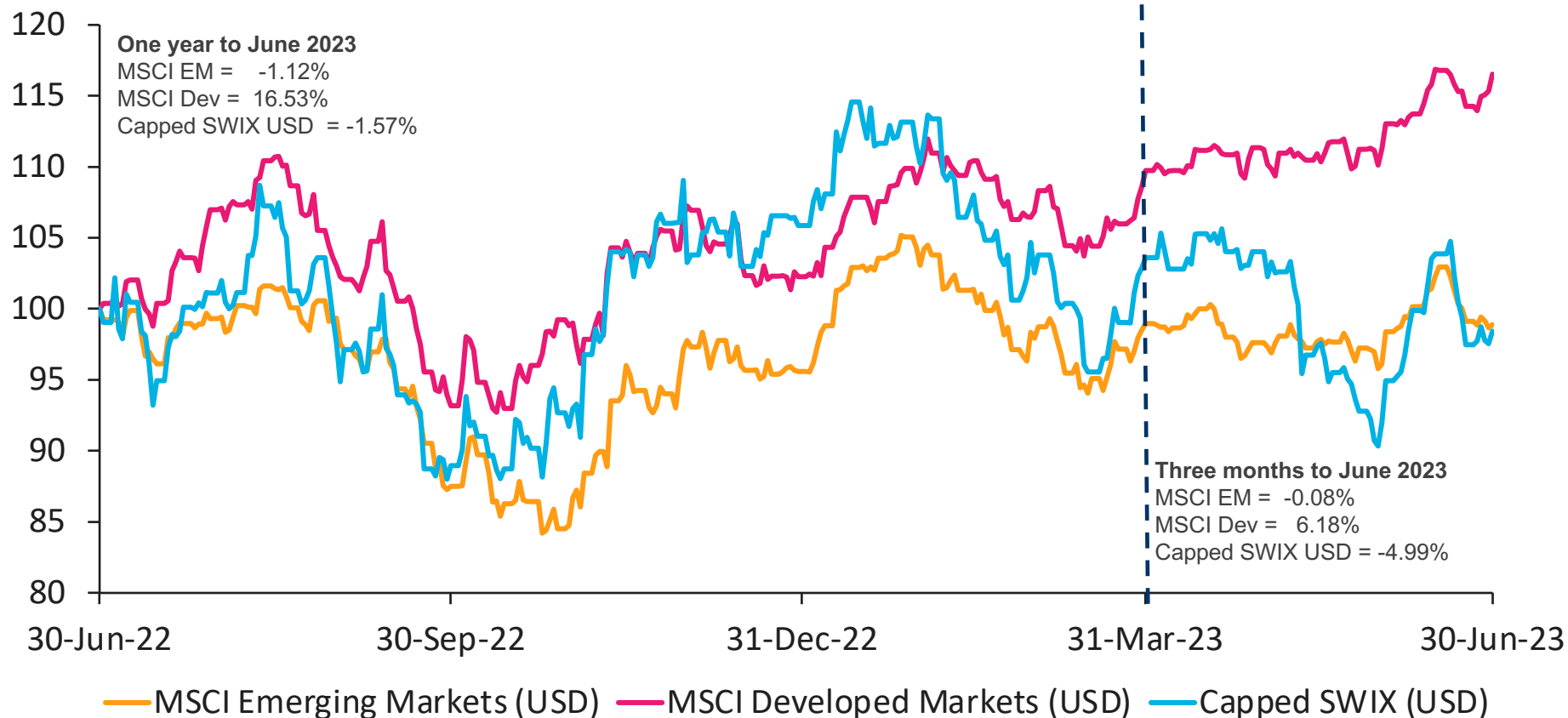
05



# MSCI developed and emerging markets



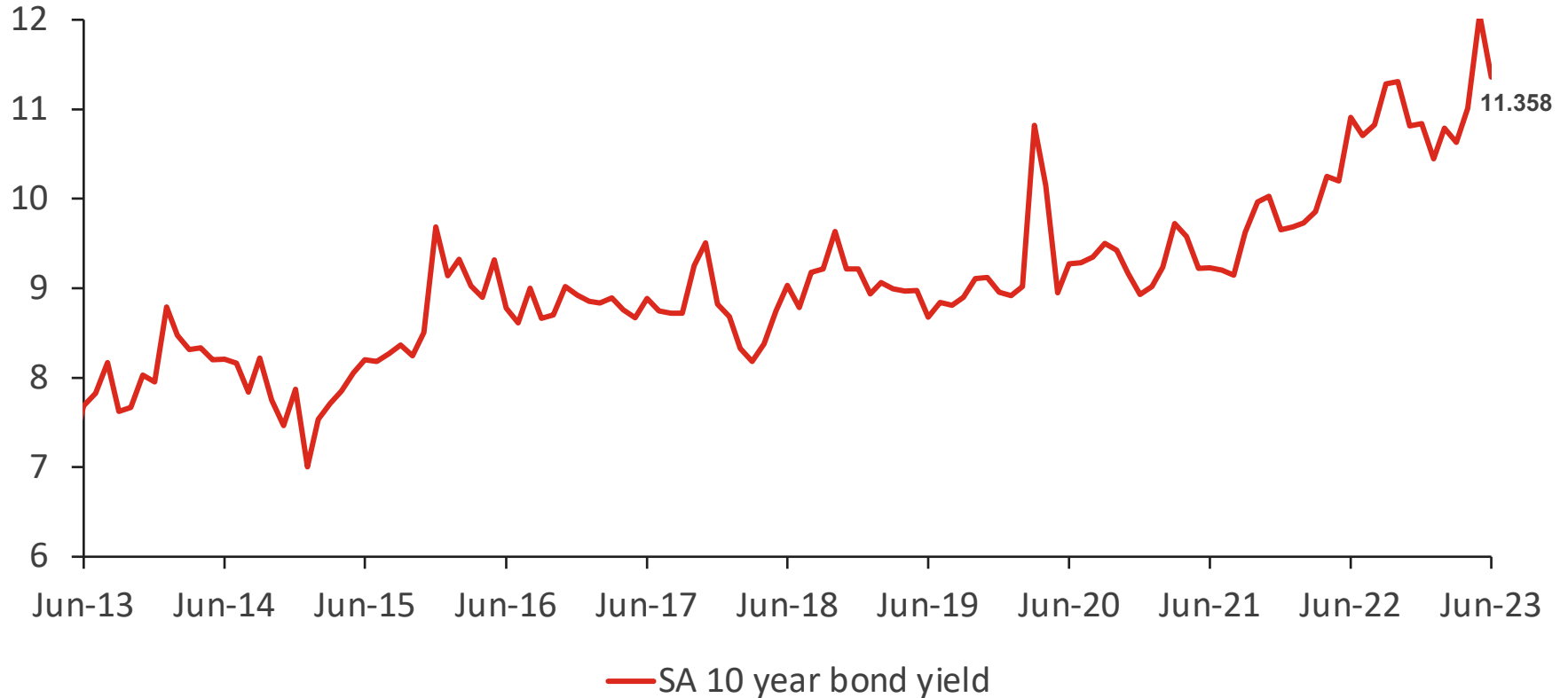
One year to June 2023



# SA 10-year bond yields



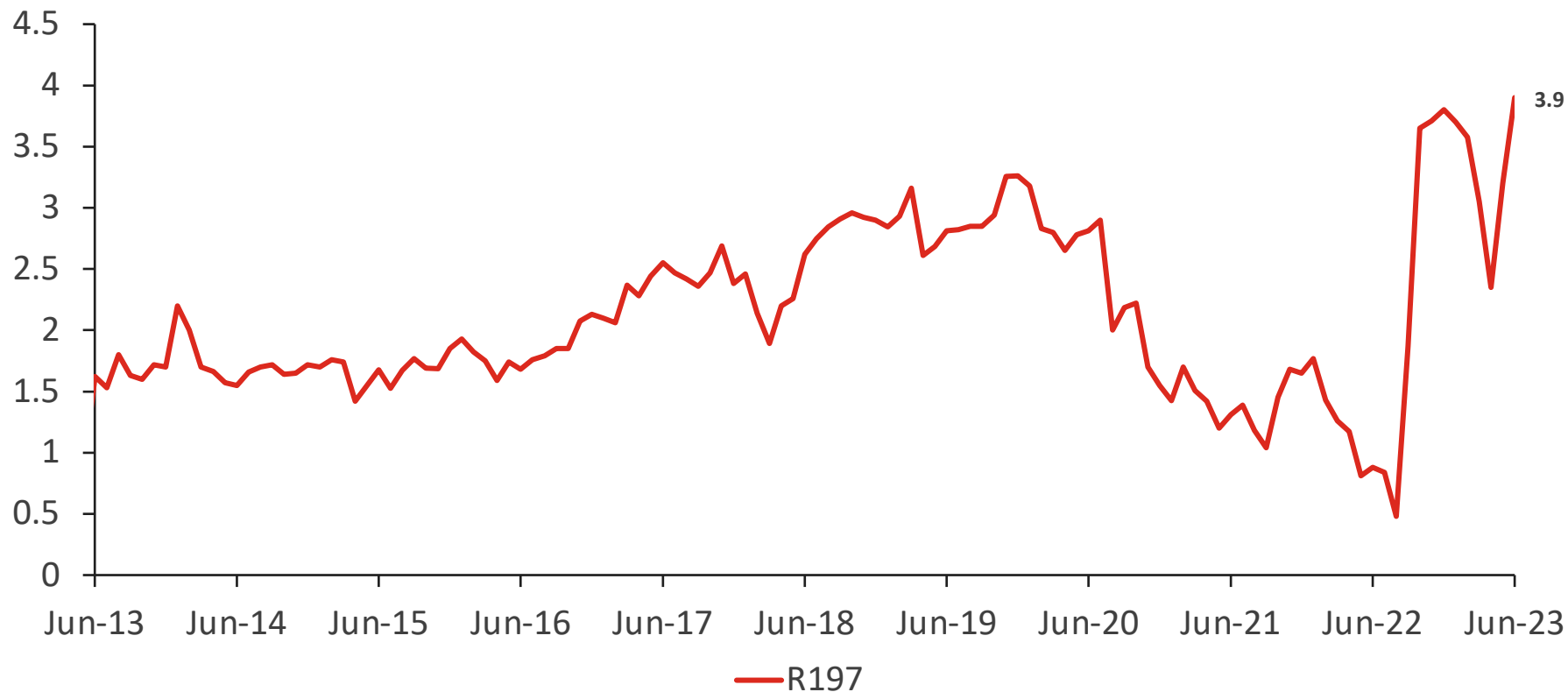
Ten years to June 2023



# Yield of R197 (inflation-linked bond)



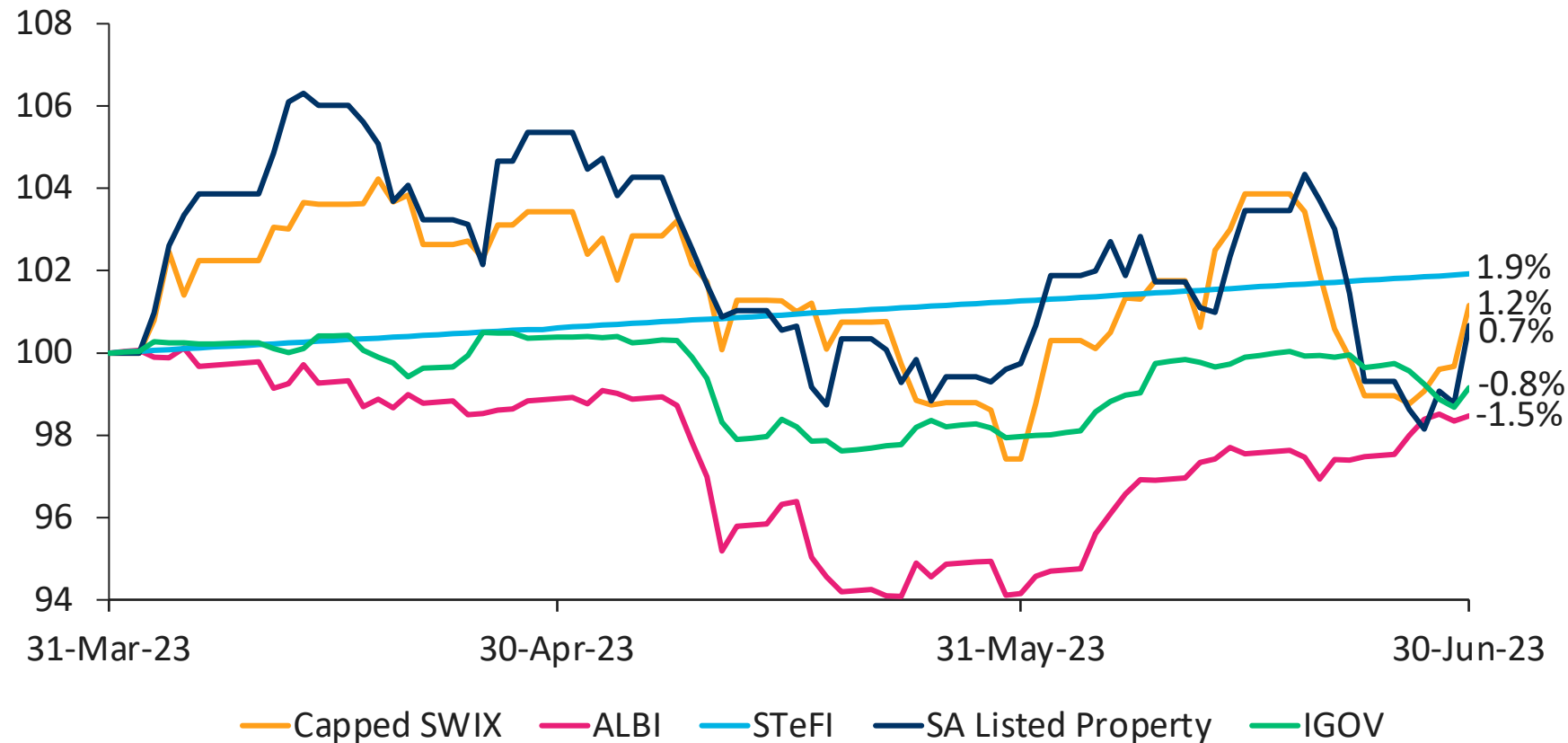
Ten years to June 2023



# Local asset classes



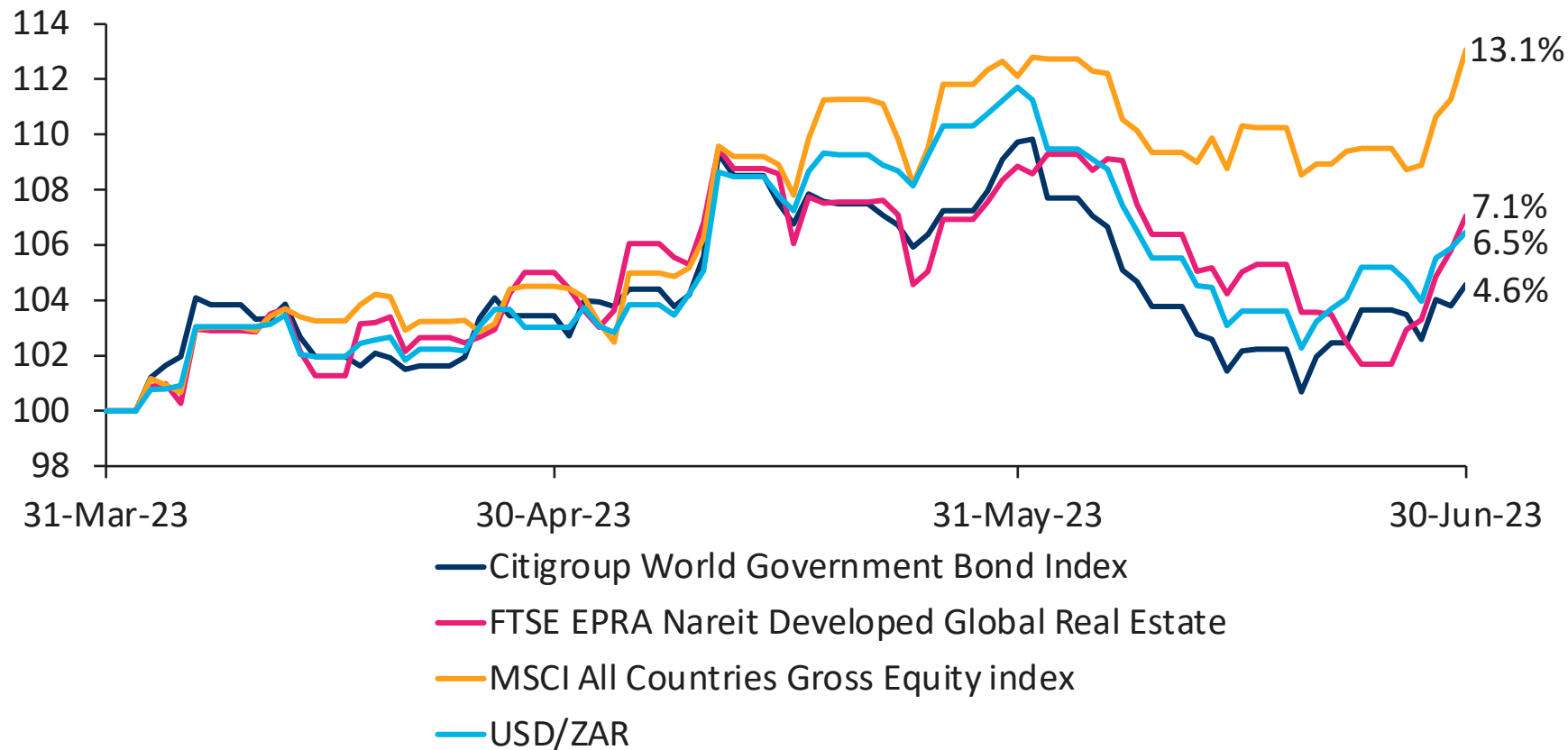
Three months to June 2023



# Global asset classes



Three months to June 2023

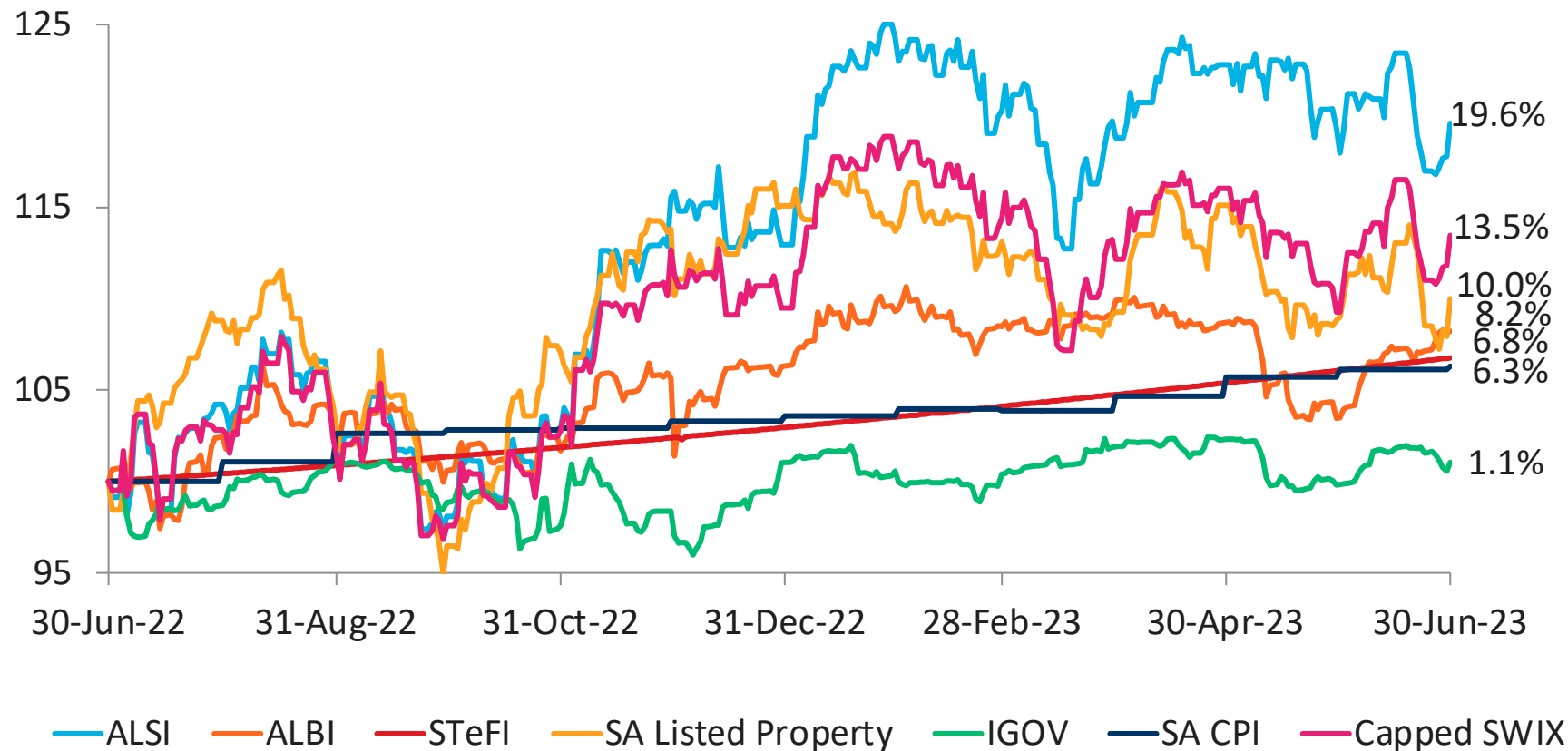




# Local asset classes



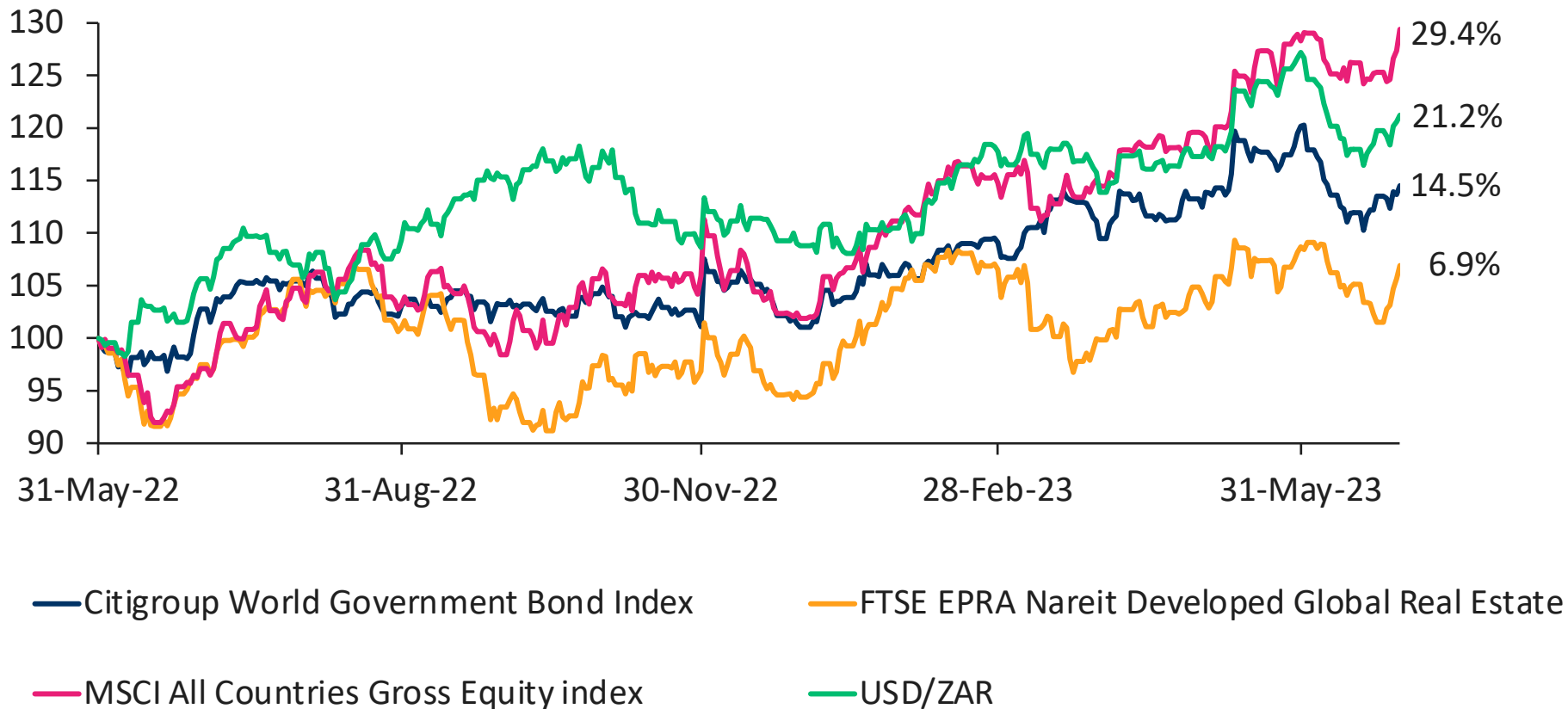
One year to June 2023



# Global asset classes

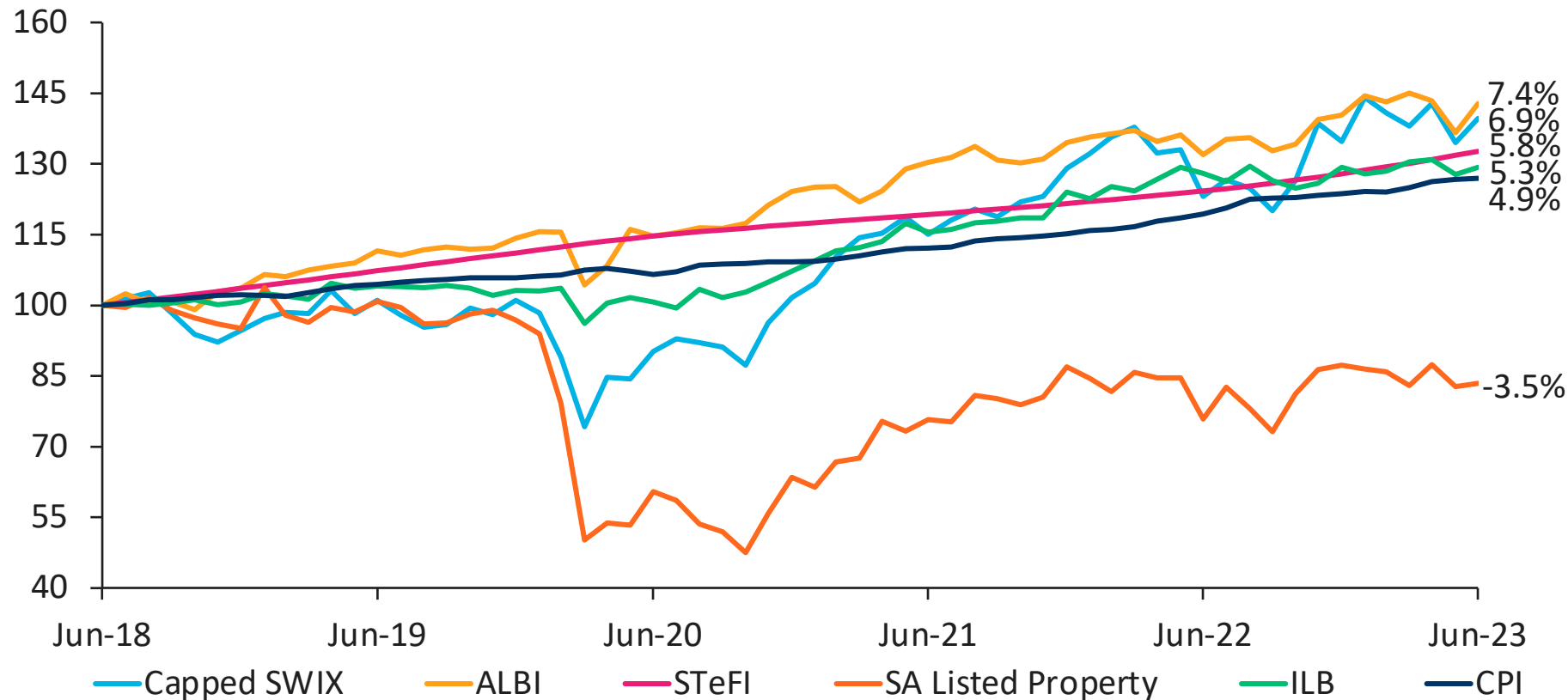


One year to June 2023



# Local asset classes

Five years to June 2023



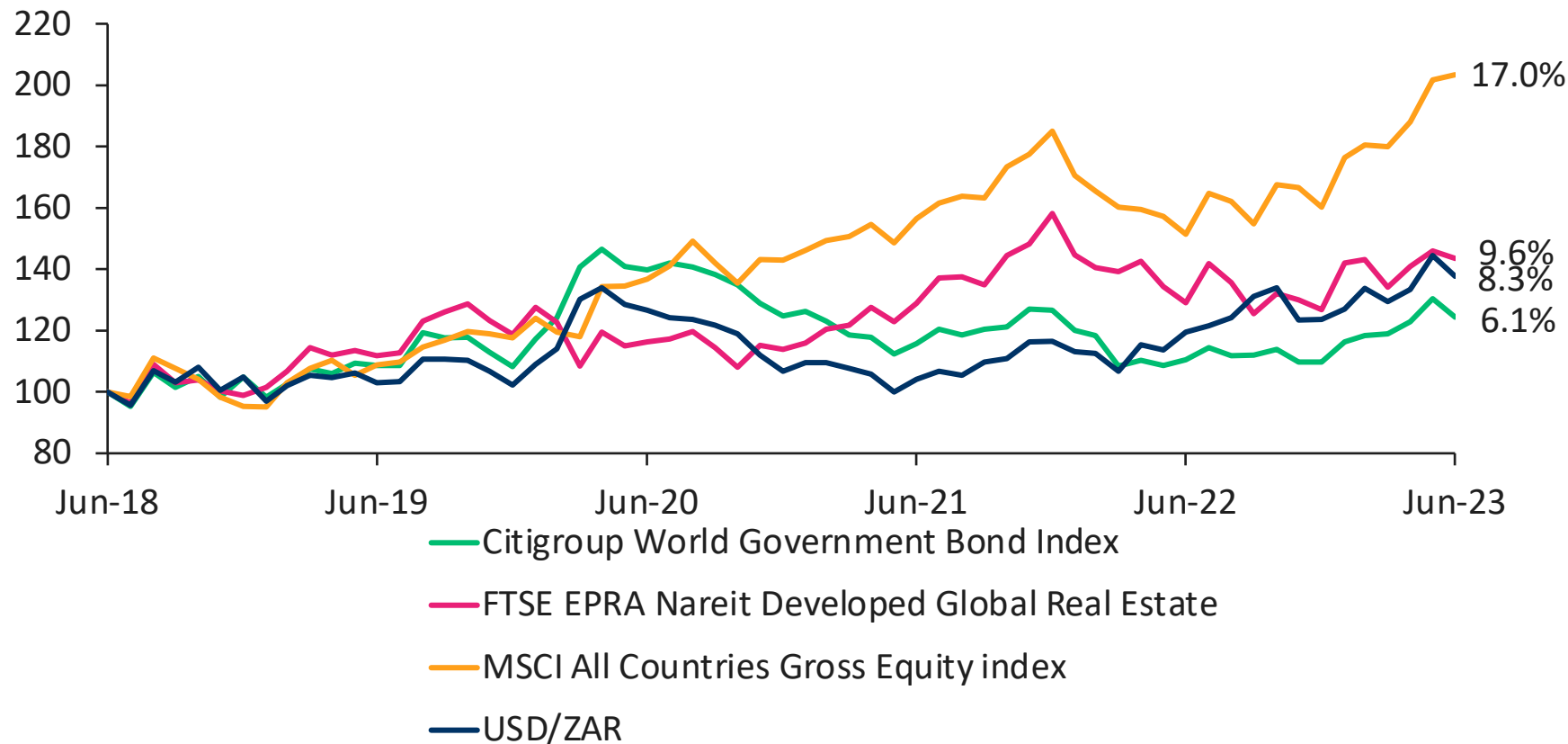
Sources: IRESS and Momentum Investments

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

# Global asset classes



Five years to June 2023

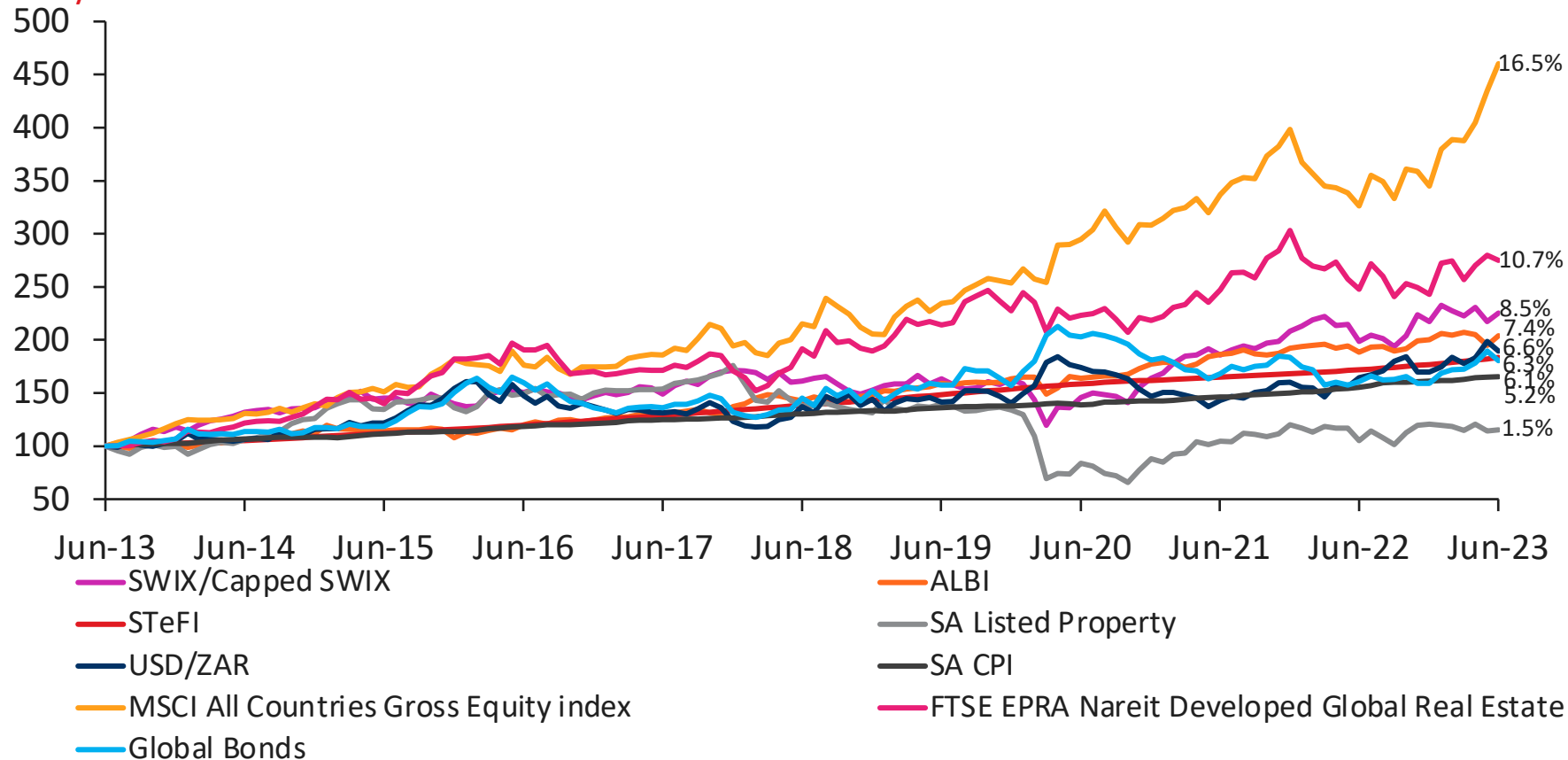


Sources: IRESS and Momentum Investments

# Asset classes



Ten years to June 2023



Sources: IRESS and Momentum Investments

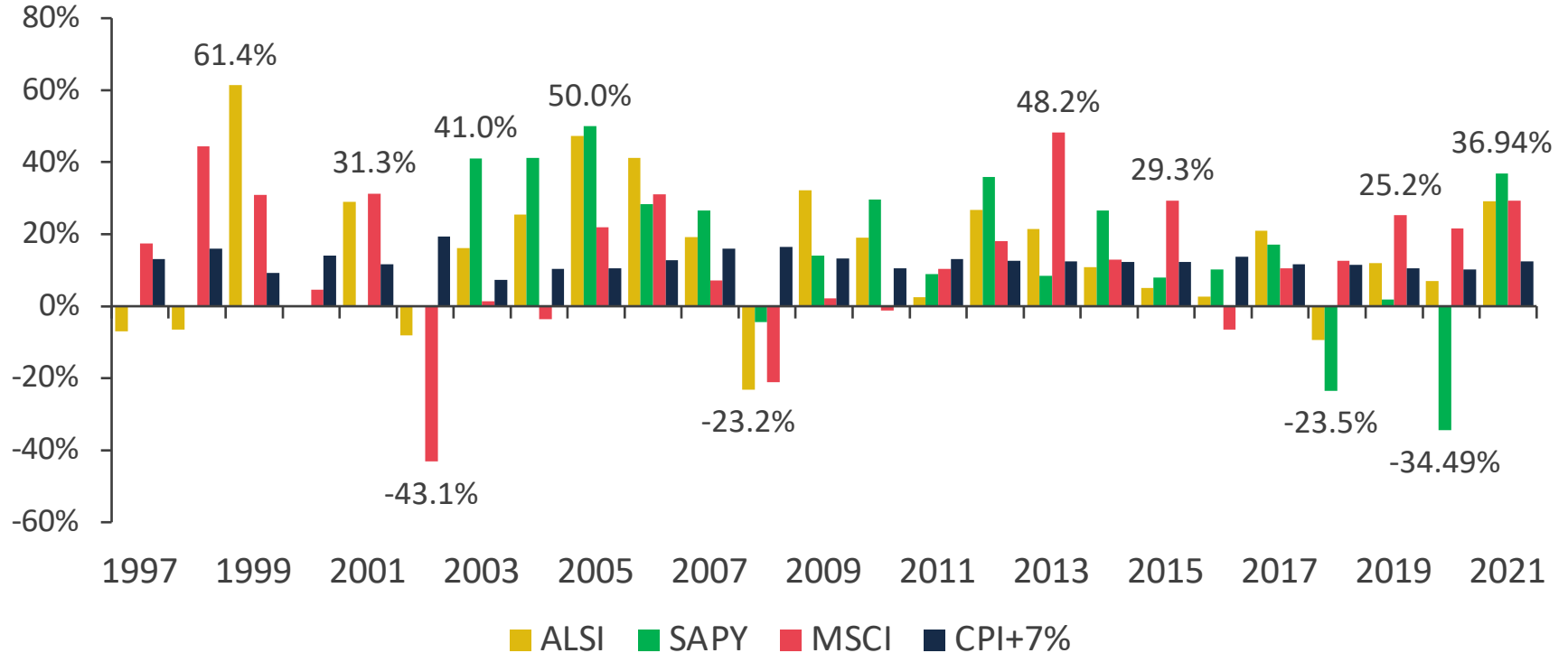
\*CPI lagged by one month due to availability of data.



# Annual asset class returns



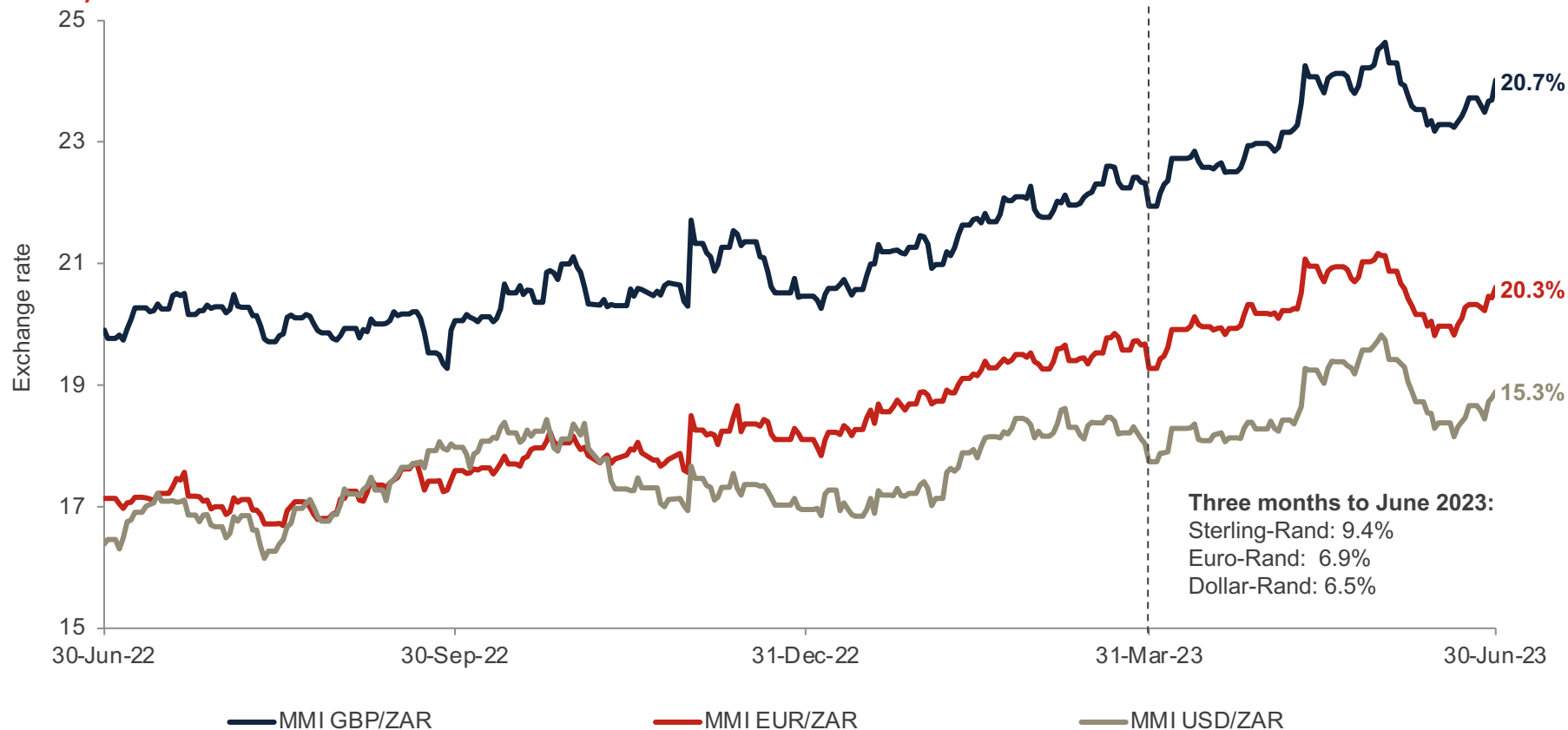
Ten-year annual returns to December 2021



# Exchange rates



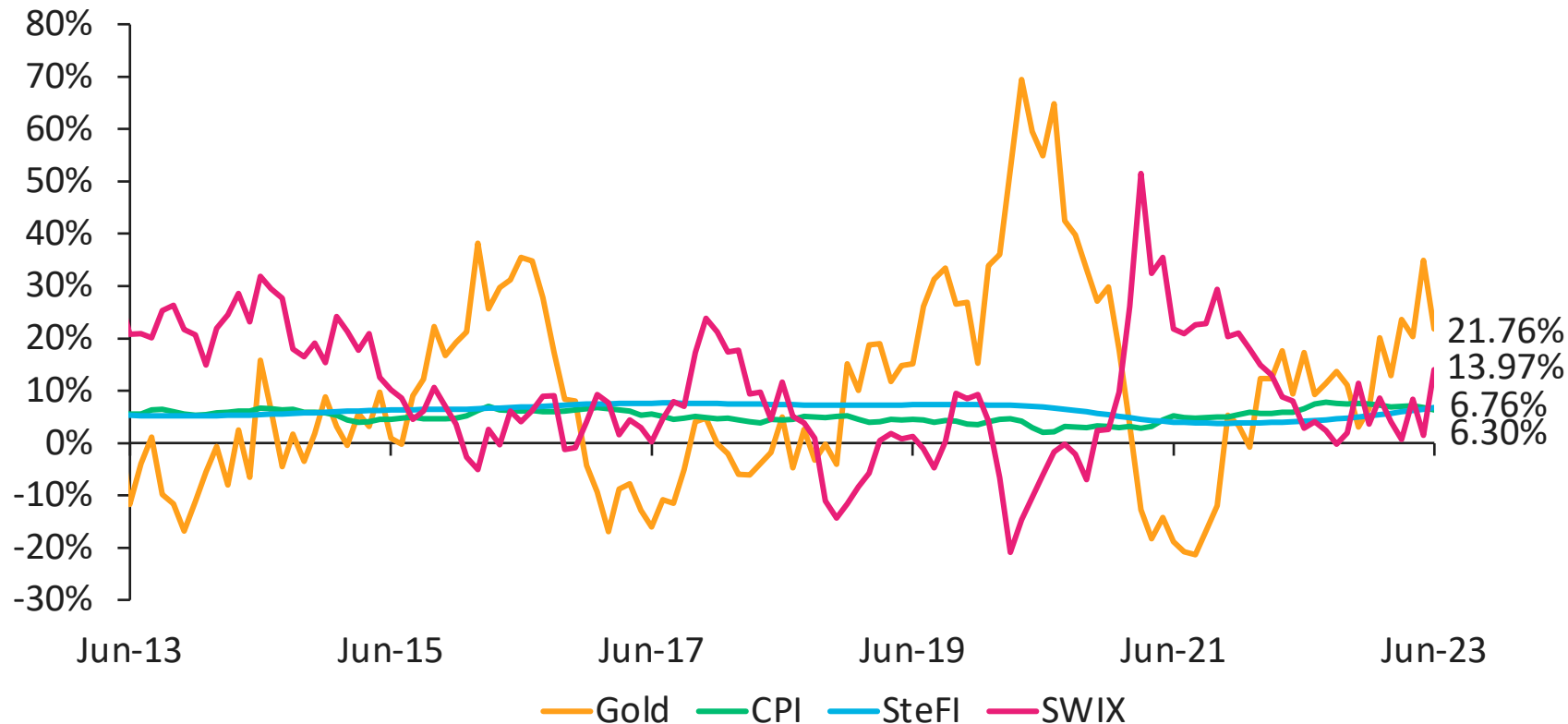
One year to June 2023



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



Ten-year rolling returns to June 2023

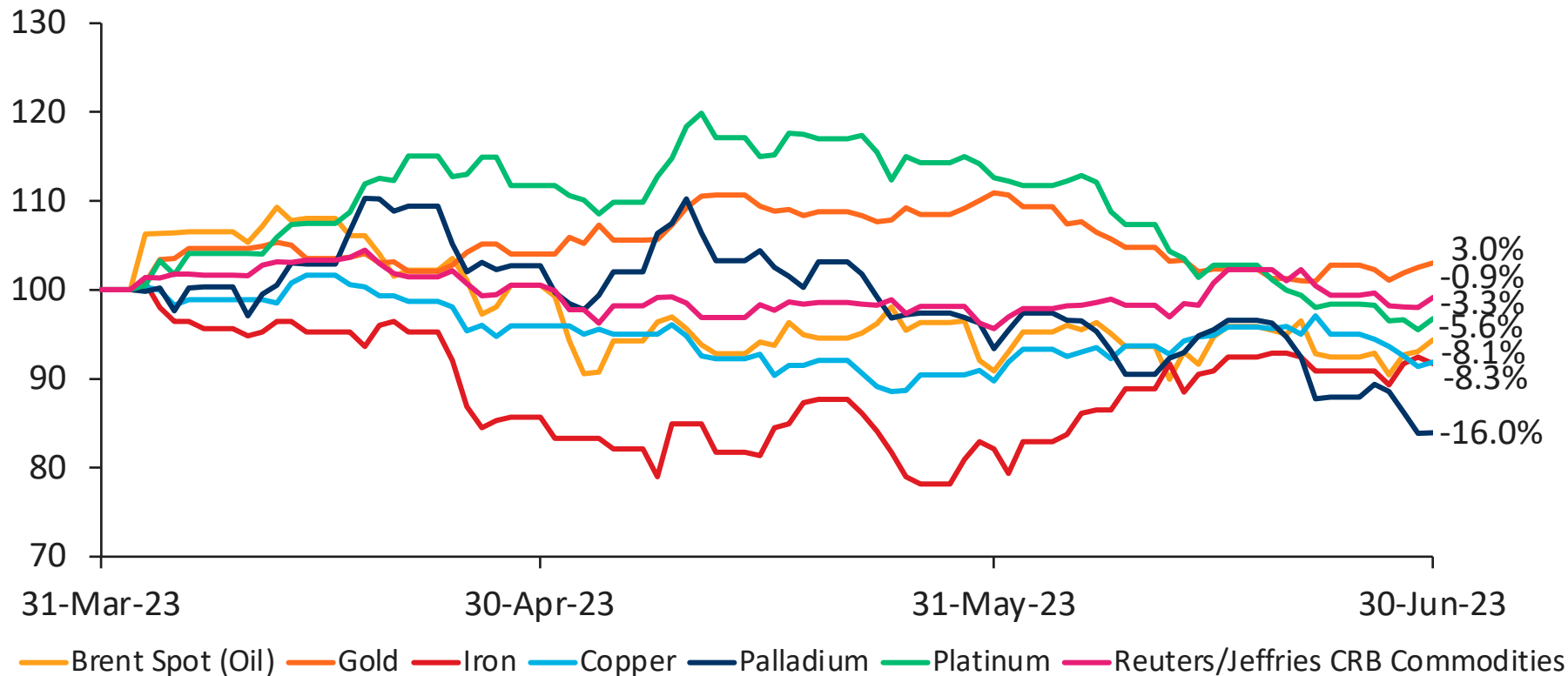


Sources: IRESS and Momentum Investments  
\*CPI lagged by one month due to availability of data.

# Commodities

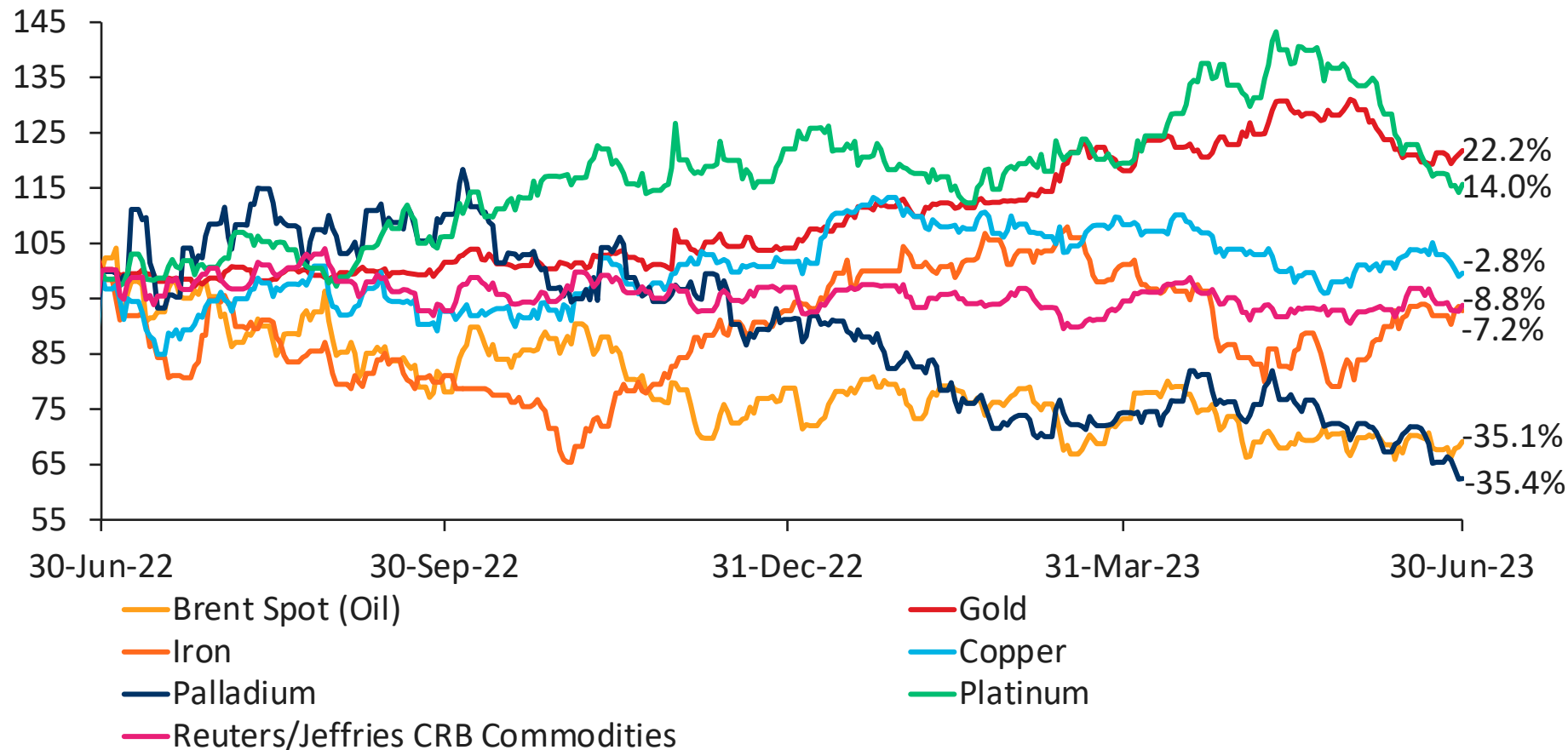


Three months to June 2023



# Commodities

One year to June 2023



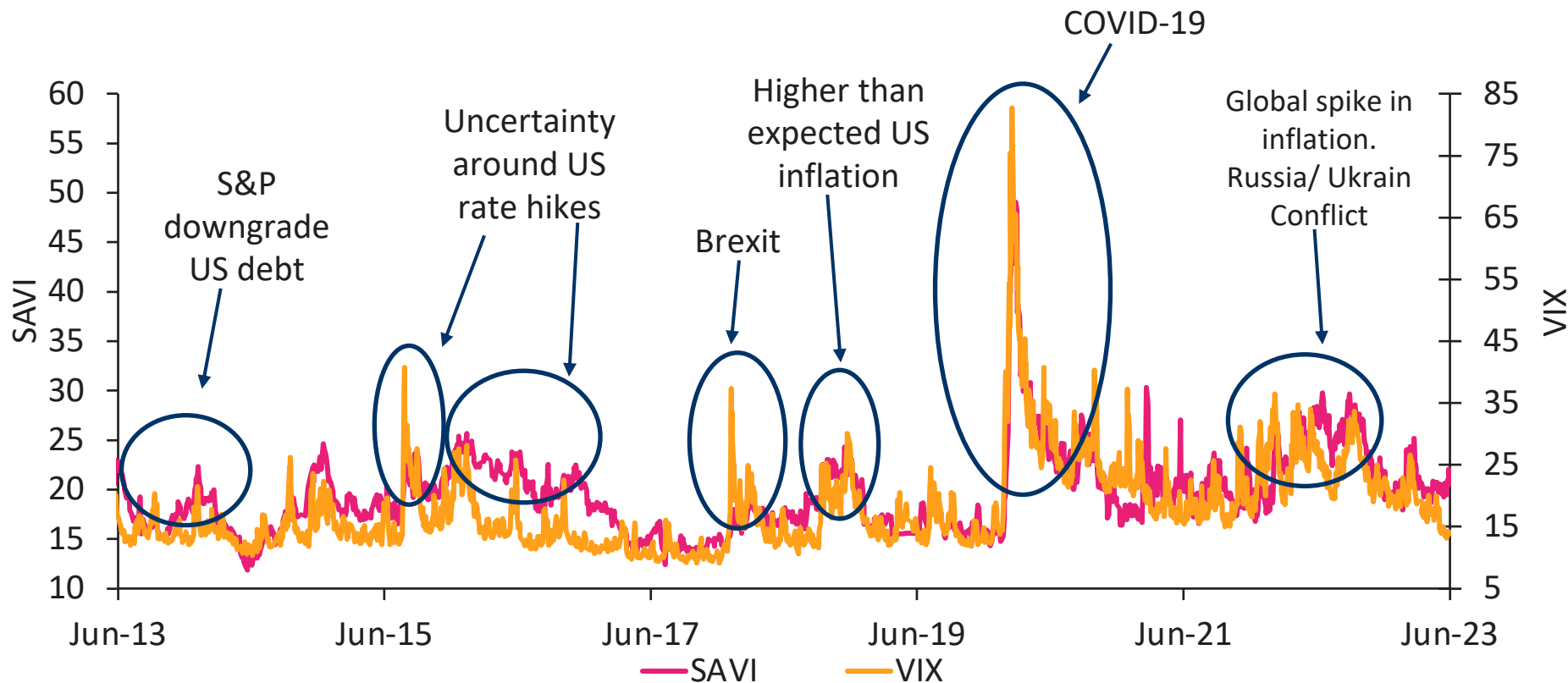
Volatility and  
international flows

06

# SAVI compared to the VIX

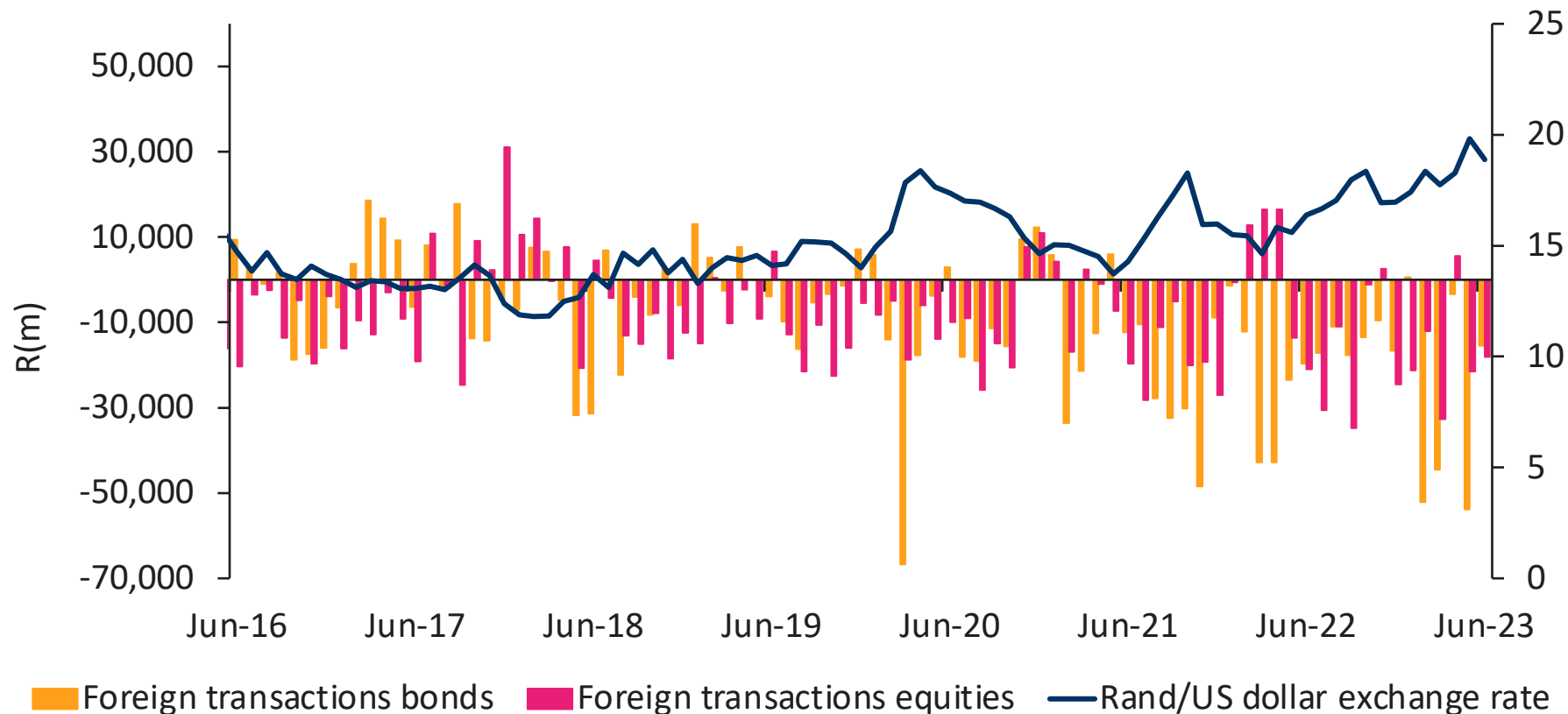


South African Volatility Index (SAVI) compared to the CBOE Volatility Index (VIX) to June 2023



# Foreign transactions

2016 to 2023

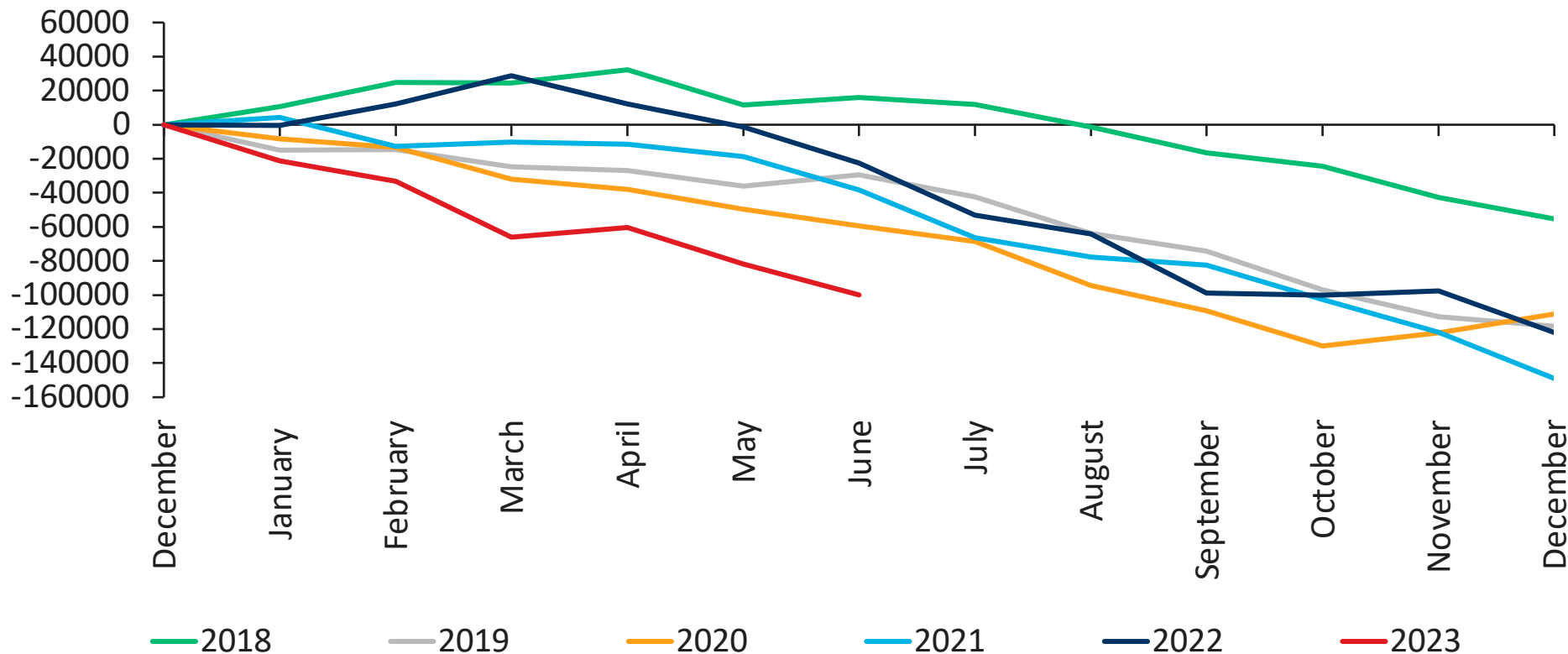




# Cumulative foreign transaction: Equities



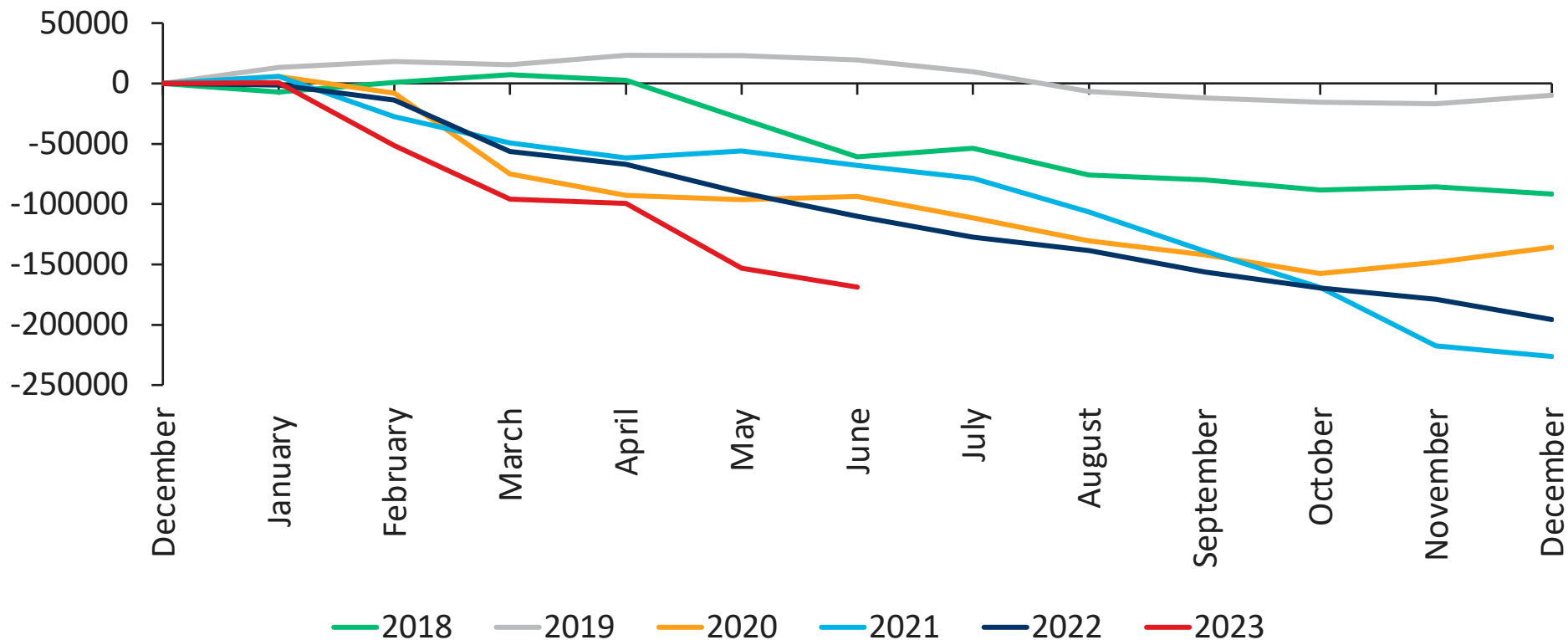
2018 to 2023



# Cumulative foreign transaction: Bonds



2018 to 2023





**m**omentum  
investments

Thank you



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