

# Key market performance drivers

Monthly charts to 31 October 2023

# Table of contents

01

Market concentration

02

Active index analysis

03

Style analysis

04

Sector analysis

05

Index return charts

06

Volatility and international flows

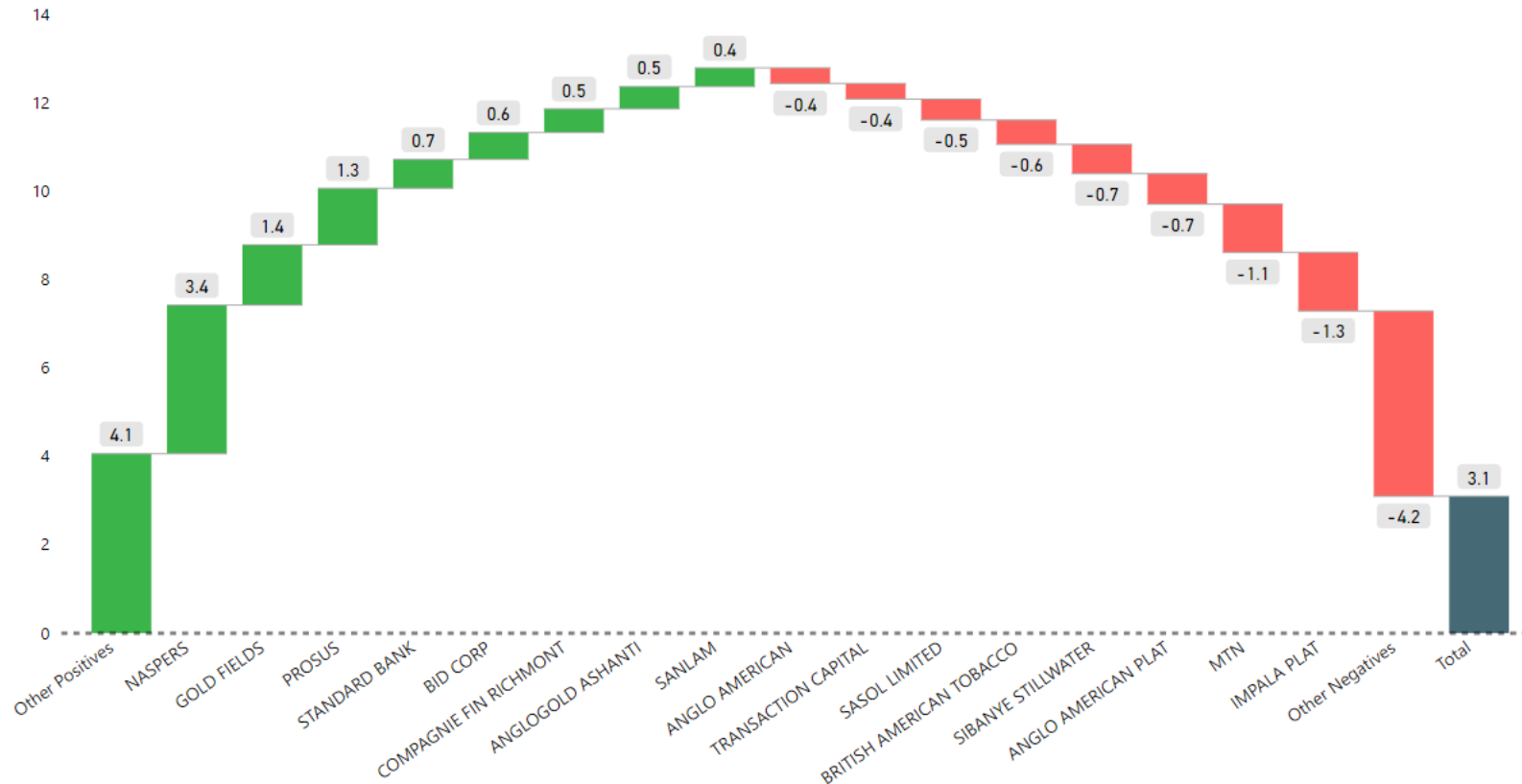
Market  
concentration

01

# One-year Capped SWIX contributions to October 2023



● Increase ● Decrease ● Total



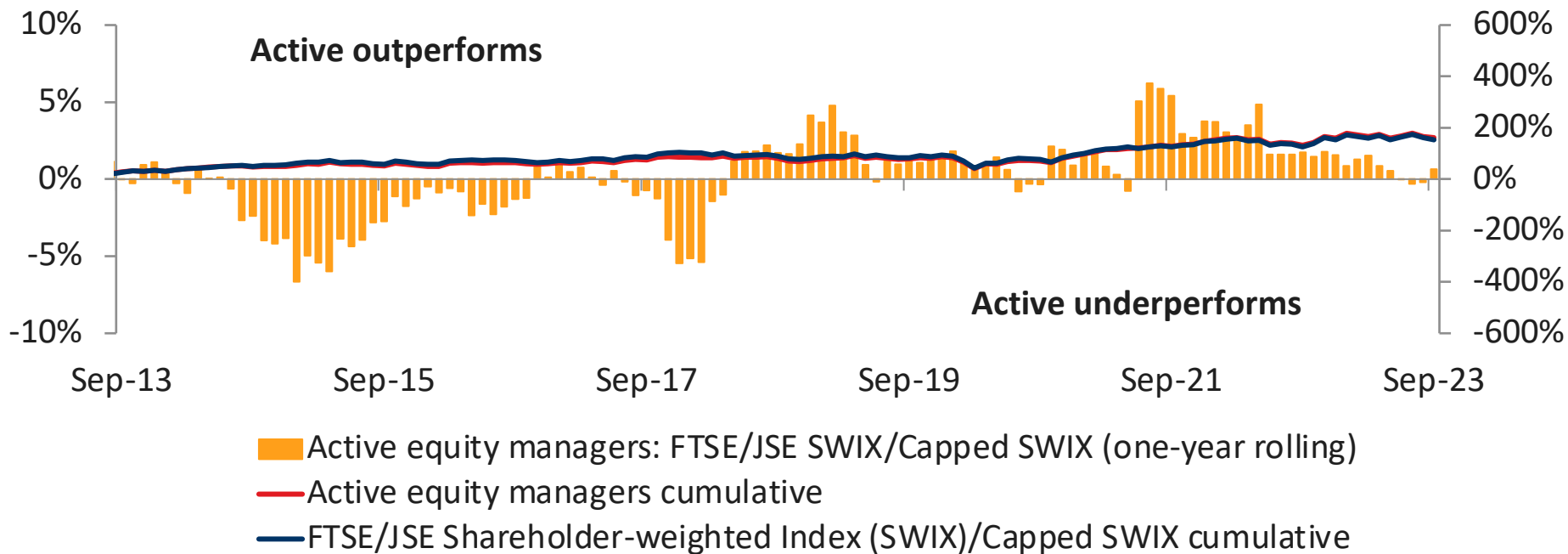
Active index  
analysis

02

# Active index analysis: Equities



One-year rolling active returns to September 2023



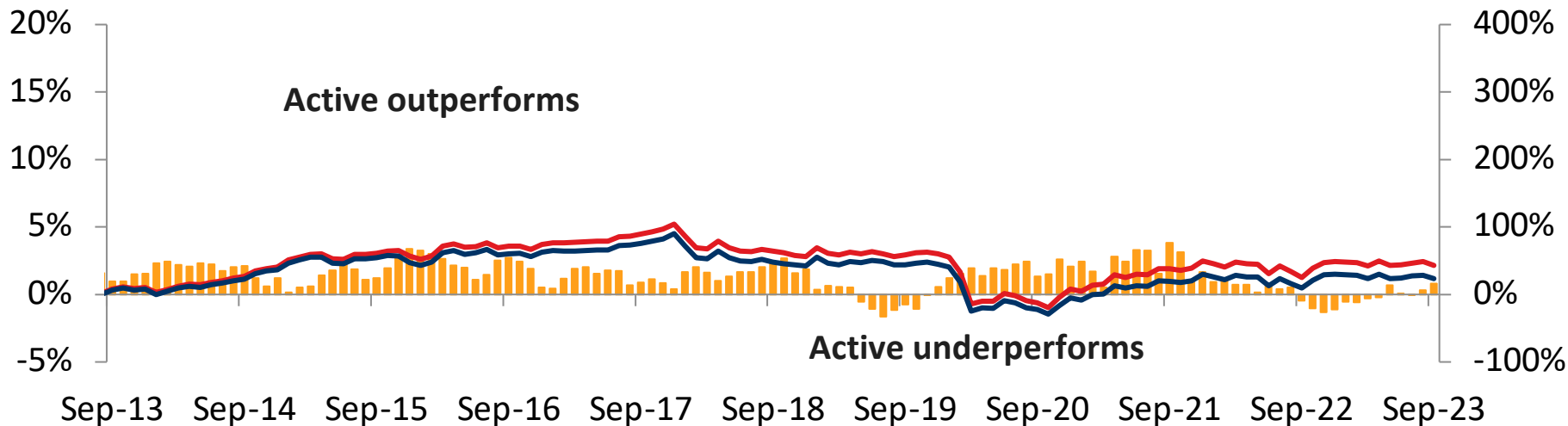
The median of the active equity investment managers outperformed the SWIX/Capped SWIX composite benchmark for a one-year period ending September 2023

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 September 2023



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

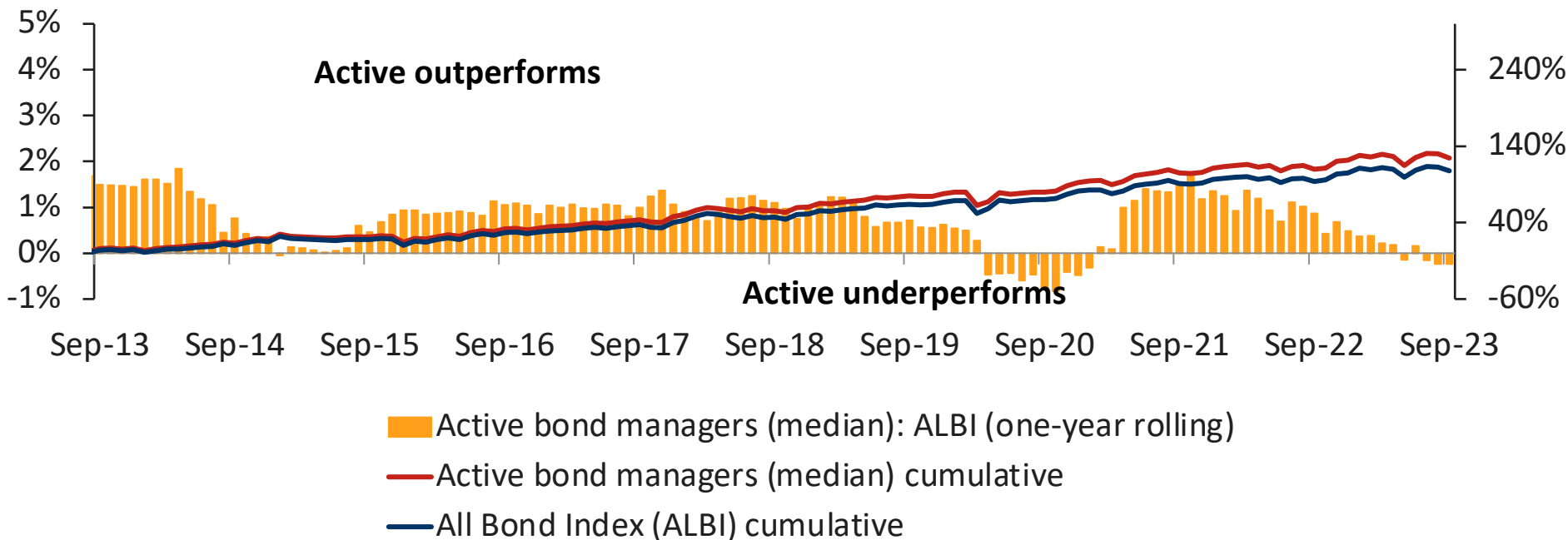
The median return of the active property investment managers have outperformed the SAPY for a one-year period ending September 2023

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 September 2023



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

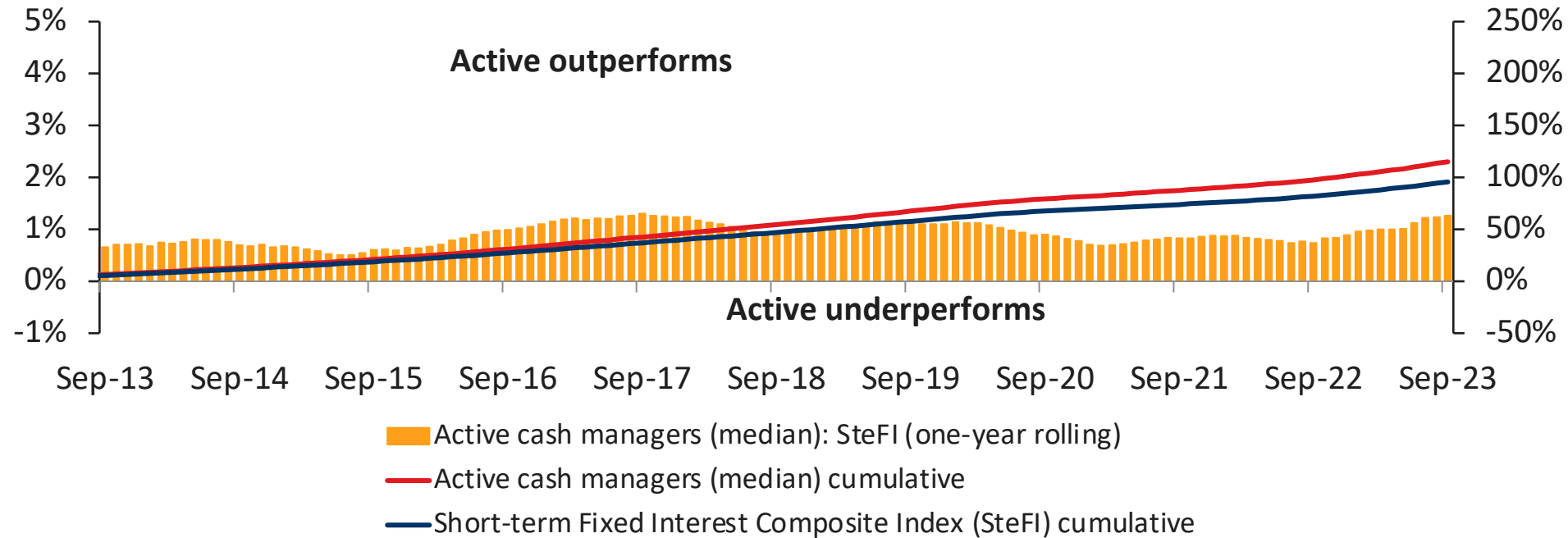
Sources: Alexander Forbes SA Bond Manager Watch™, IRESS and Momentum Investments  
Data lagged by one month.



# Active index analysis: Cash



One-year rolling active returns to September 2023



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



In the last year, value outperformed quality and momentum

ZAR	Styles	One month to October 2023	Three months to October 2023	One year to October 2023	Three years to October 2023	Five years to October 2023	Ten years to October 2023	Twenty years to October 2023
Value	Book to Price	0.16	-1.79	-2.96	13.99	1.93	-0.65	-0.46
	Dividend Yield	1.43	0.46	-1.69	3.92	0.17	1.31	2.06
	Earnings Yield	1.05	-0.68	1.78	3.38	-0.13	-0.64	-0.24
	Cash Flow Yield	-2.61	0.51	3.88	8.68	0.93	1.05	1.14
	Sales to Price	-1.65	-0.92	-3.62	2.76	0.06	-0.47	-0.97
Quality	ROE	-0.06	-0.47	4.27	-9.87	-2.36	-0.04	1.20
	ROIC LT	2.23	-3.76	-11.91	-8.92	-4.81	-3.80	-2.36
	Income to Sales	0.15	-0.15	4.41	-3.39	-0.61	-0.25	0.41
	Low market beta	0.98	2.25	4.87	-1.59	-2.09	0.70	-0.82
	Low Debt/Equity	1.20	3.58	8.28	-0.62	0.82	-0.27	-0.84
	EBIT Margin Stability	2.65	3.08	1.73	-5.58	-2.83	-1.63	-0.32
Growth	Earnings Growth	0.92	-2.48	-1.50	-1.32	1.34	1.55	0.71
	Sales Growth	0.65	-3.50	-7.17	-3.79	-0.65	-0.76	0.13
	12M Earning Growth	-1.37	-3.10	-1.24	-3.82	4.29	0.89	3.39
Momentum	FY1 Earnings Revisions	-1.18	-6.28	-0.89	-2.35	0.91	3.24	6.46
	Short Term Momentum	-0.44	-0.40	-3.17	-8.62	-4.50	-1.31	-1.16
	Medium Term Momentum	2.49	3.45	3.95	-4.61	5.34	3.64	4.73
Size	Size	1.06	-1.97	4.13	-4.74	1.38	0.92	0.88

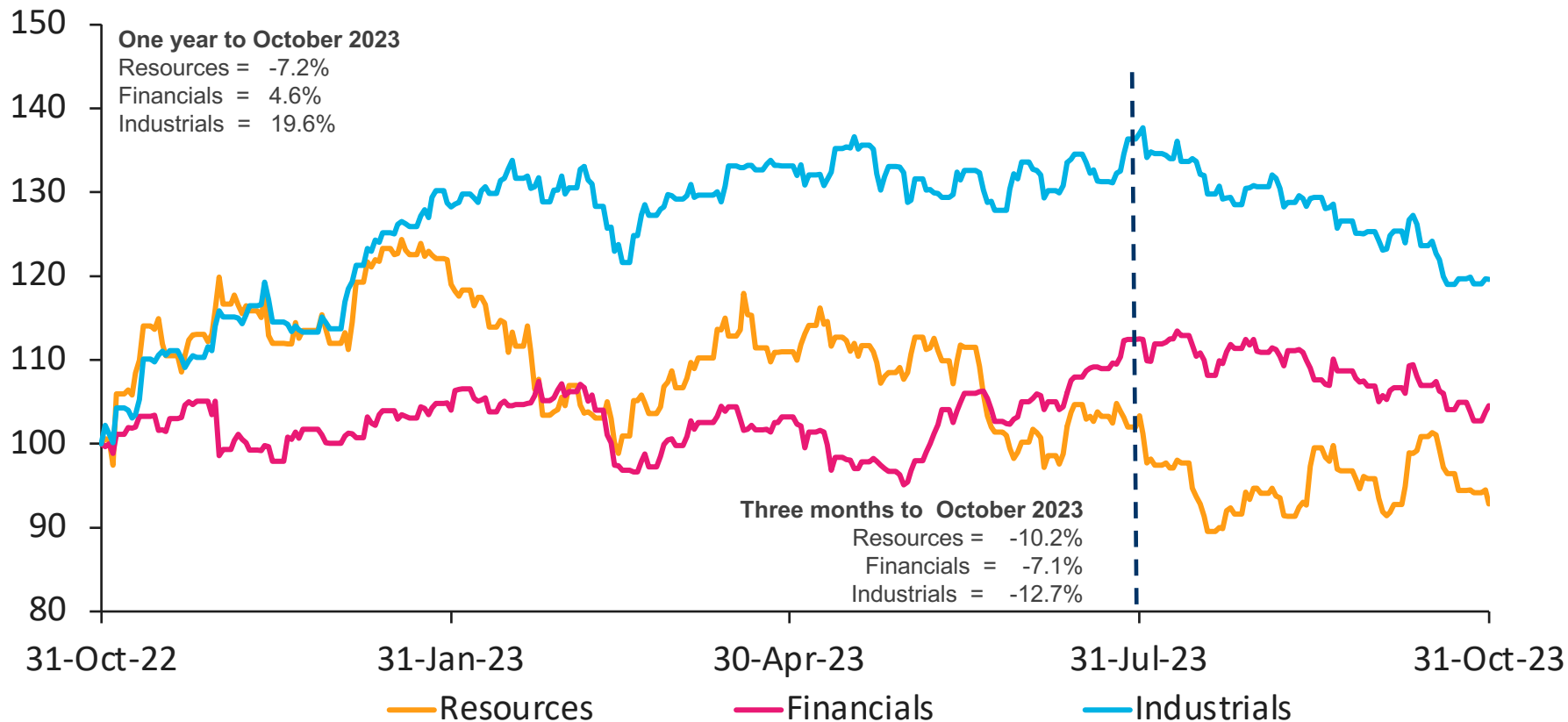
Sector  
analysis

04

# FTSE/JSE sectors



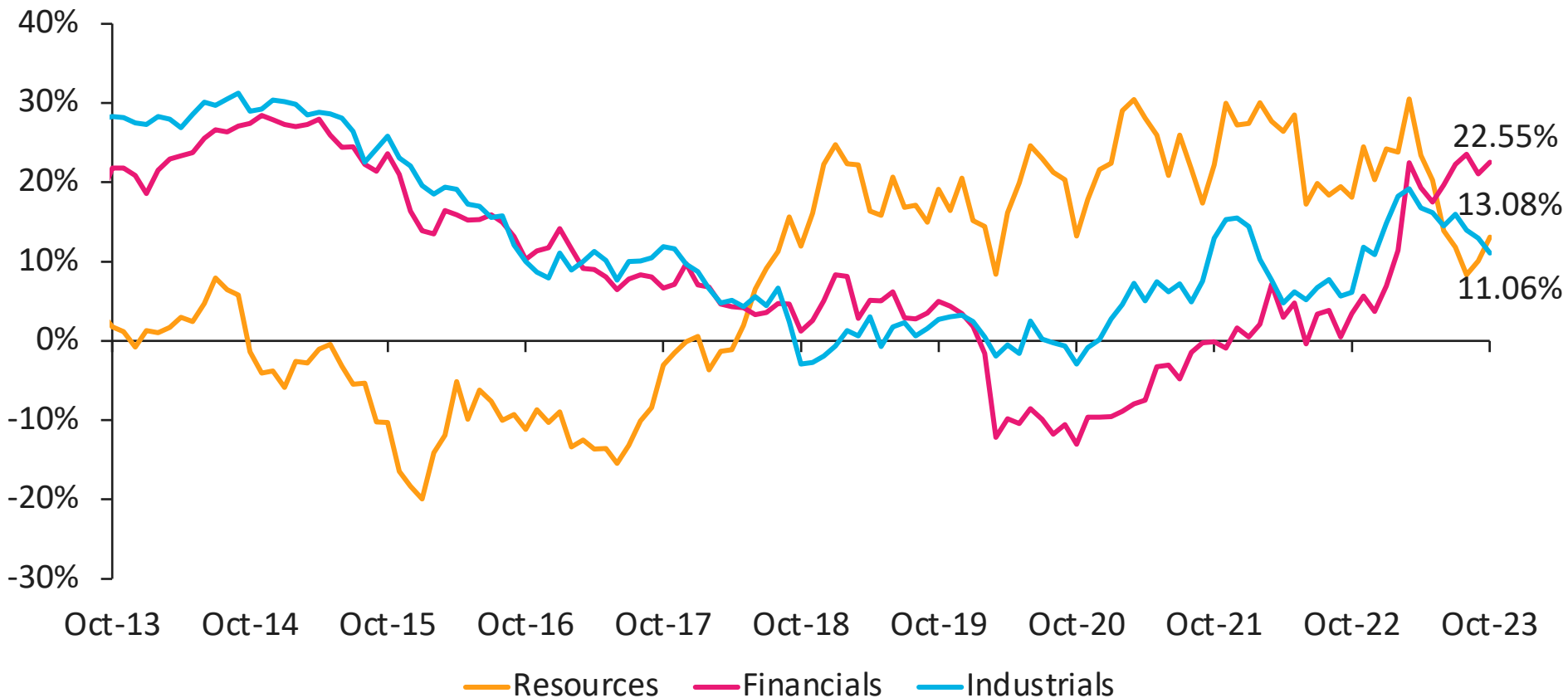
Cumulative one year to October 2023



# FTSE/JSE sectors



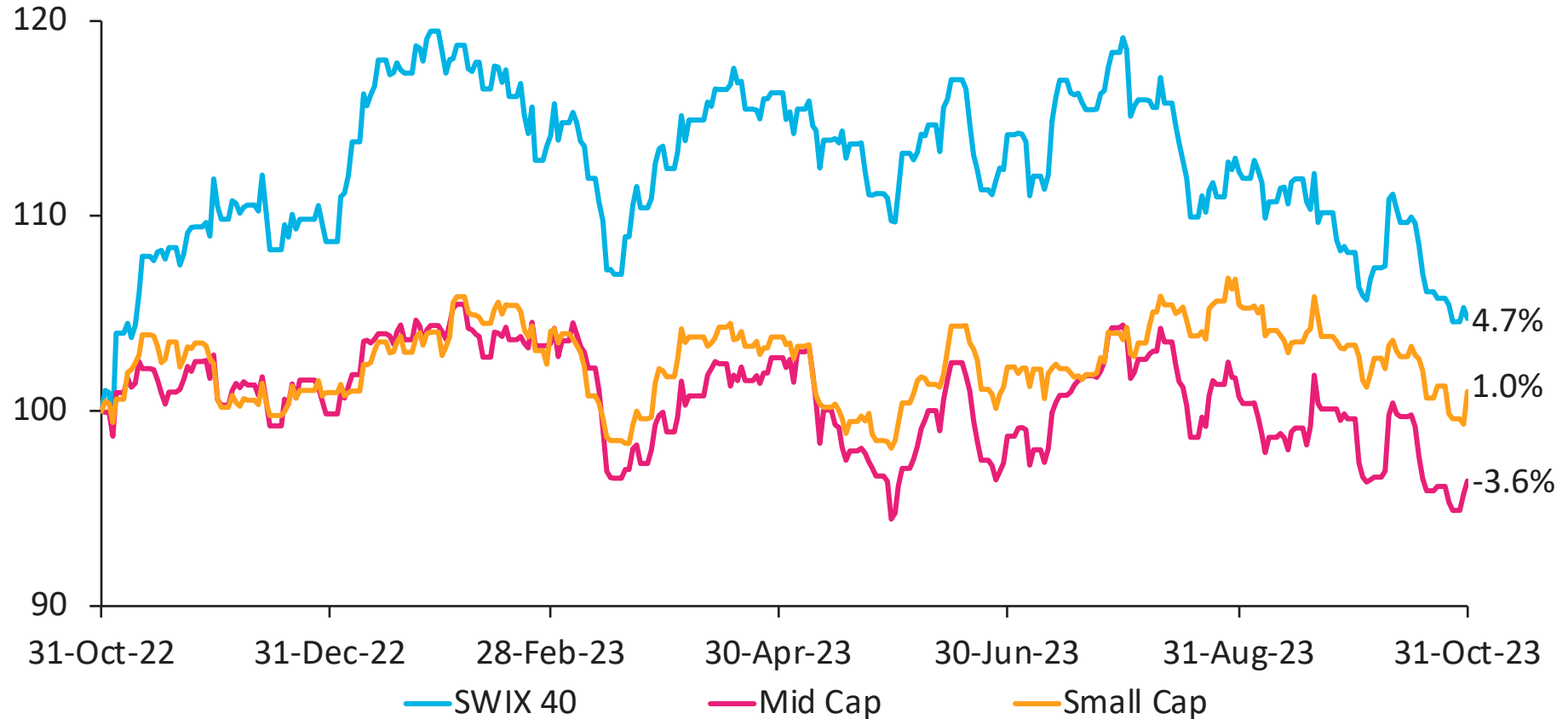
Ten-year rolling 12 months to October 2023



# FTSE/JSE market caps



Cumulative one year to October 2023



Index return  
charts

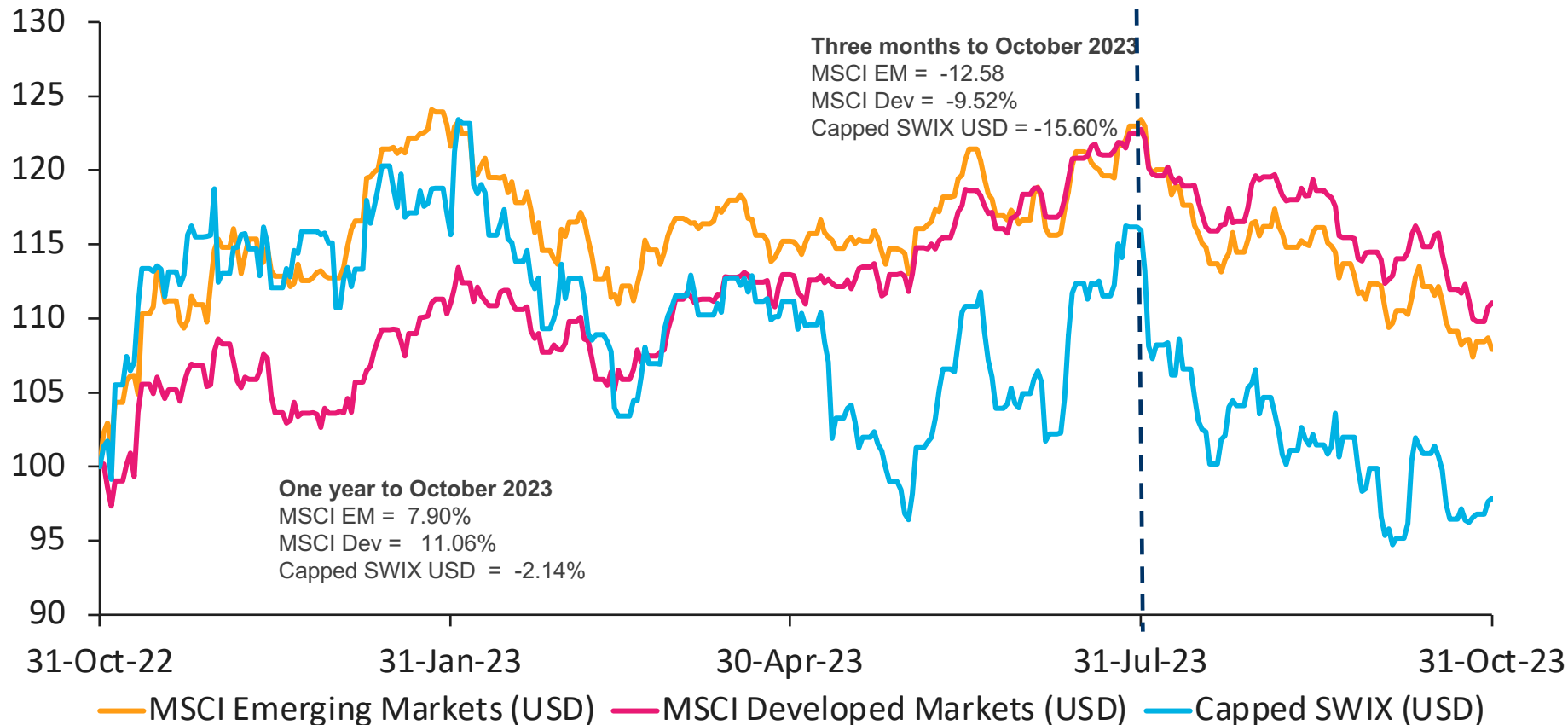
05



# MSCI developed and emerging markets



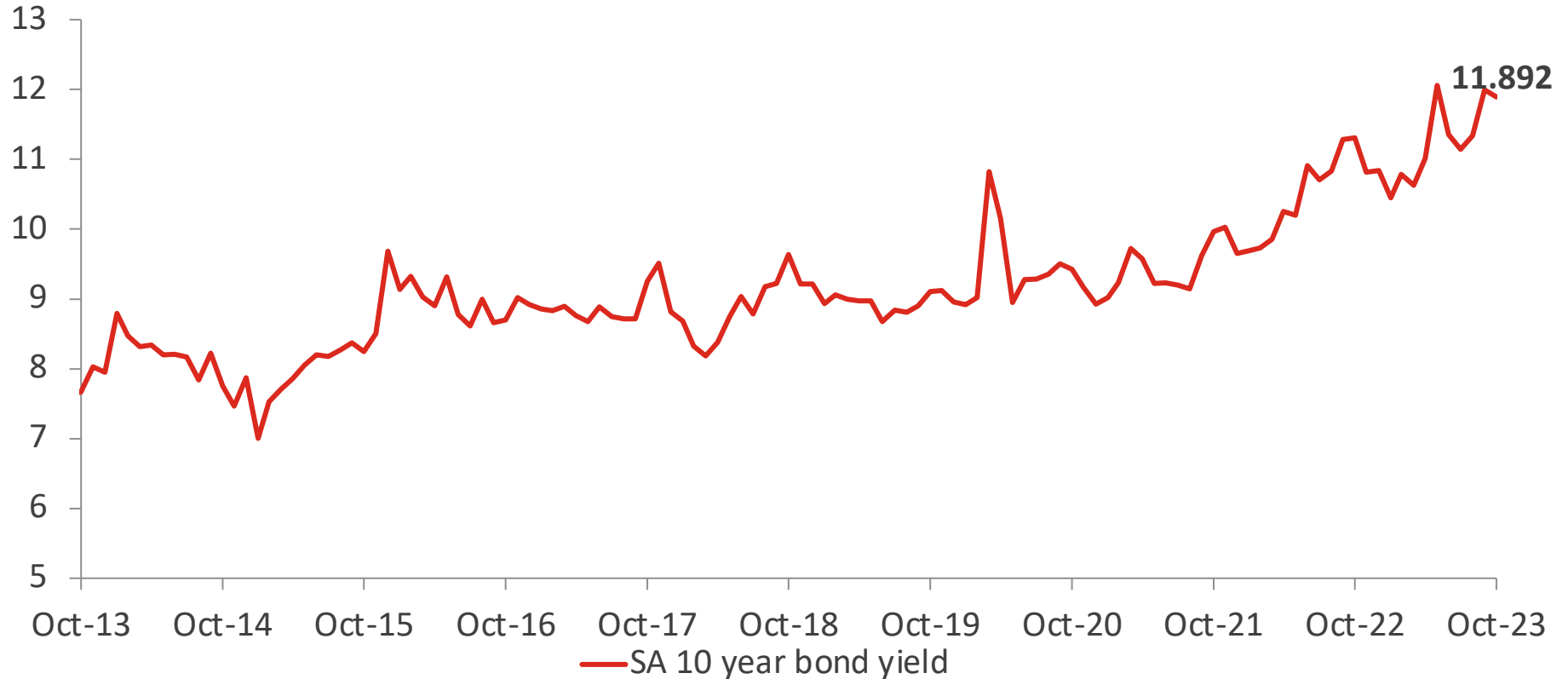
One year to October 2023



# SA 10-year bond yields



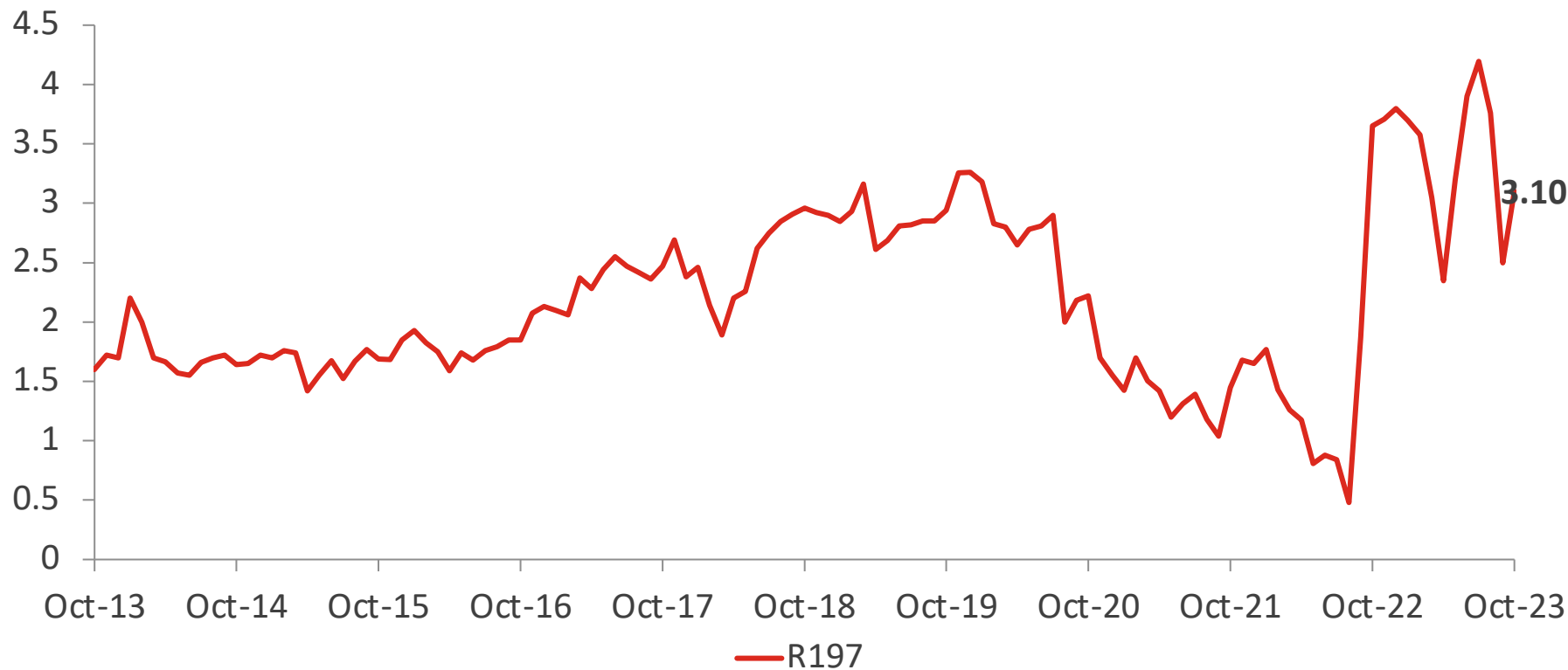
Ten years to October 2023



# Yield of R197 (inflation-linked bond)



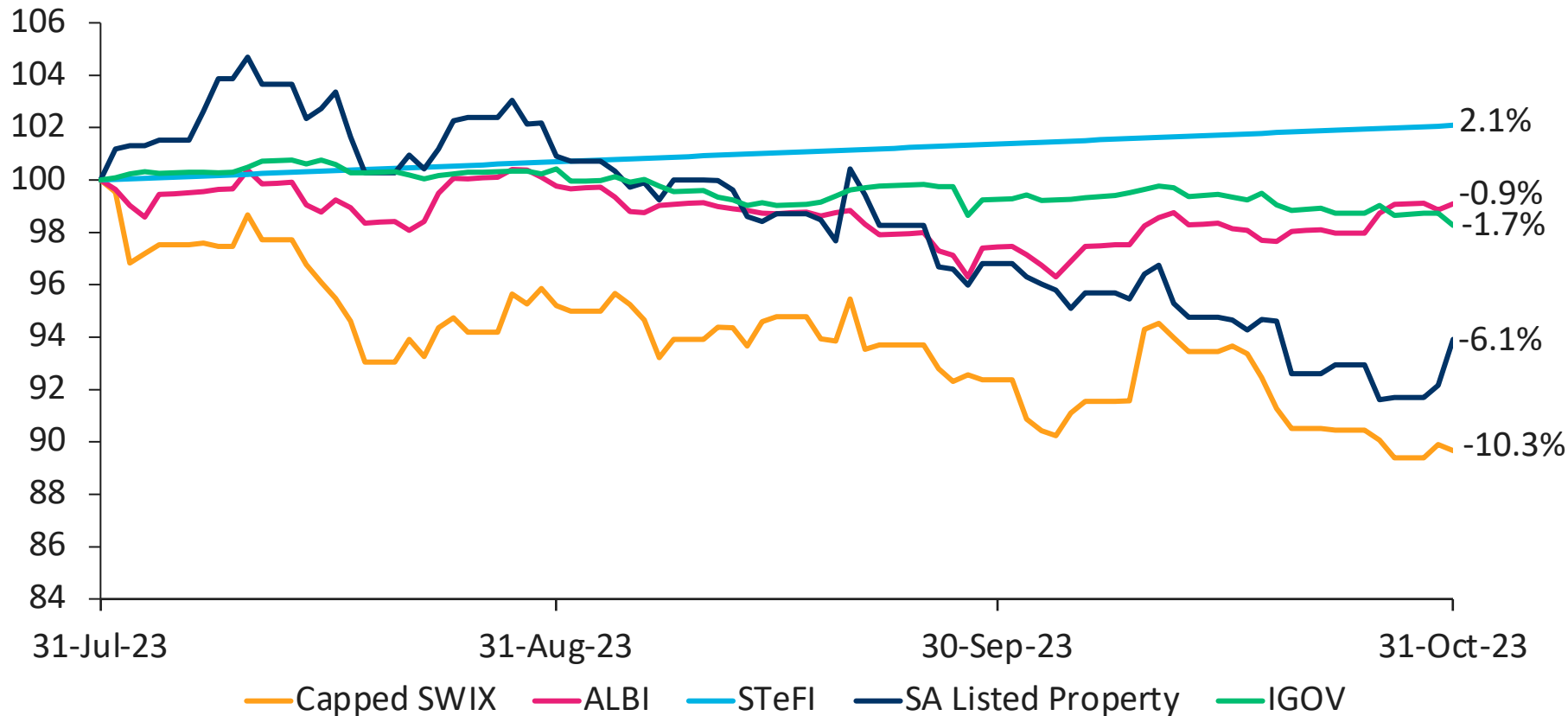
Ten years to October 2023



# Local asset classes



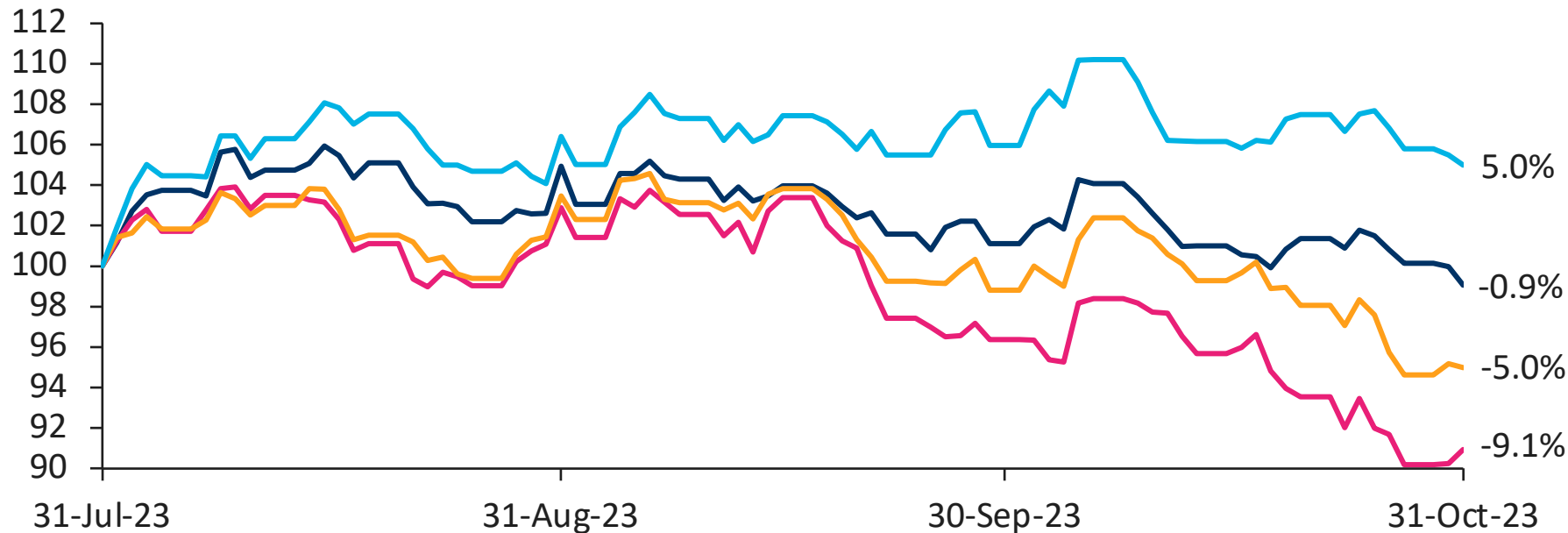
Three months to October 2023



# Global asset classes



Three months to October 2023



— Citigroup World Government Bond Index

— FTSE EPRA Nareit Developed Global Real Estate

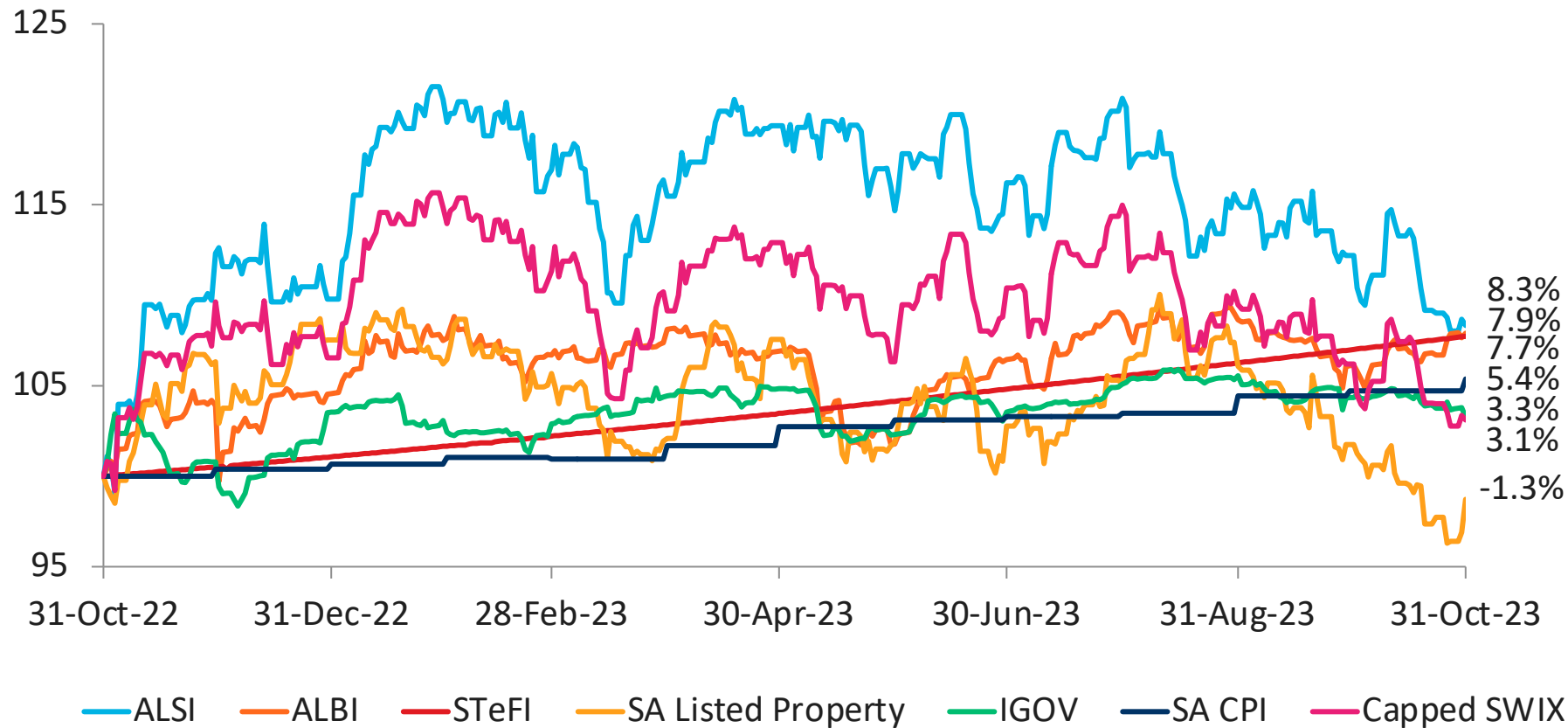
— MSCI All Countries Gross Equity index

— USD/ZAR

# Local asset classes



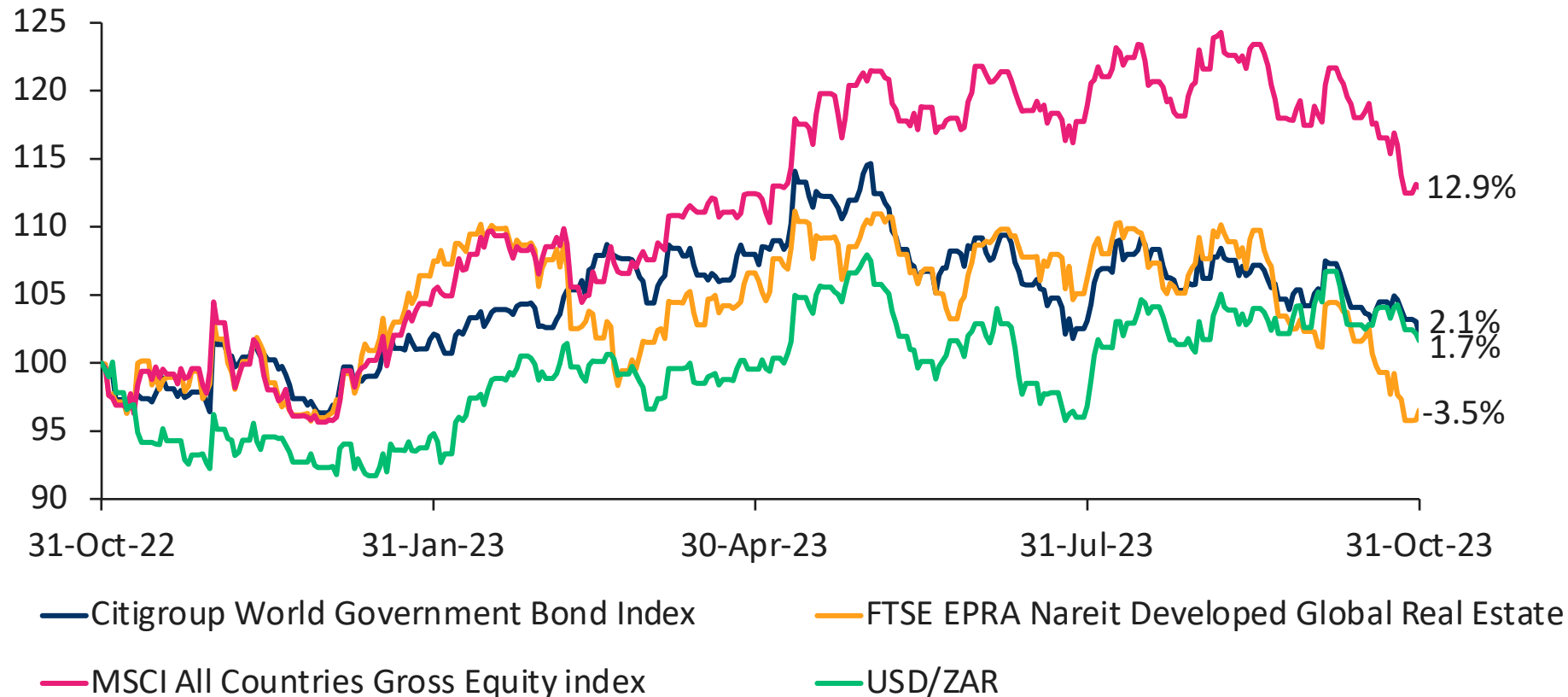
One year to October 2023



# Global asset classes



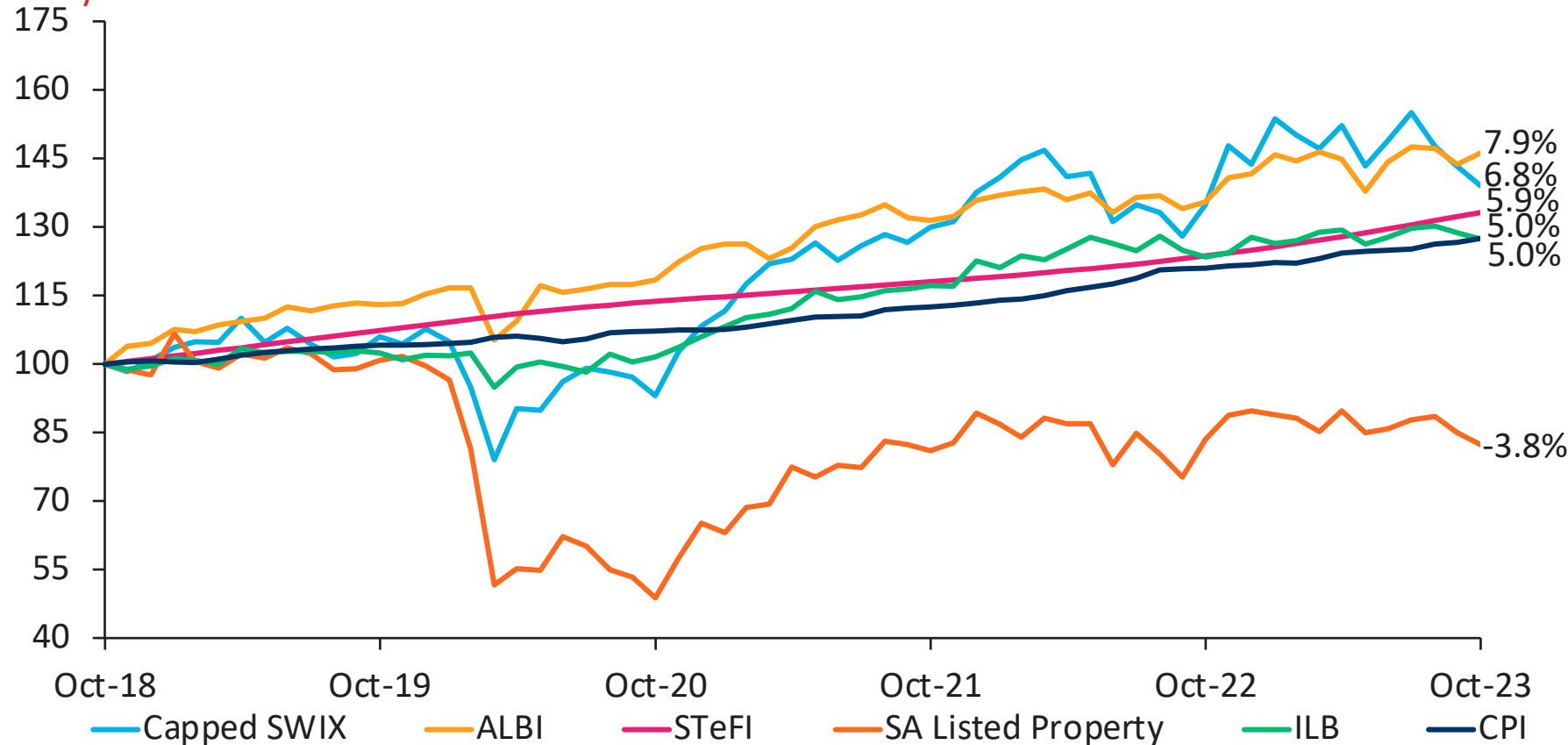
One year to October 2023



# Local asset classes



Five years to October 2023



Sources: IRESS and Momentum Investments

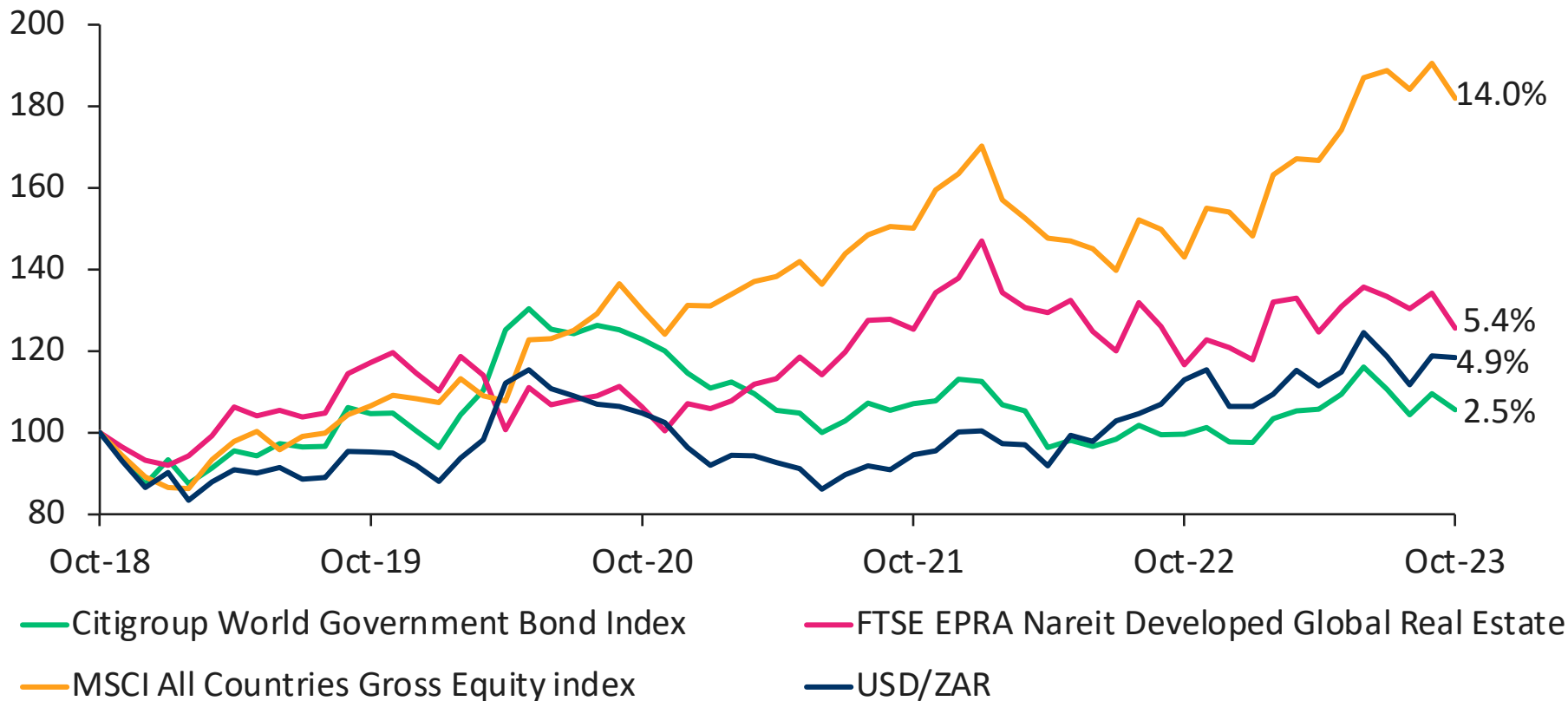
\*CPI lagged by one month due to availability of data.



# Global asset classes



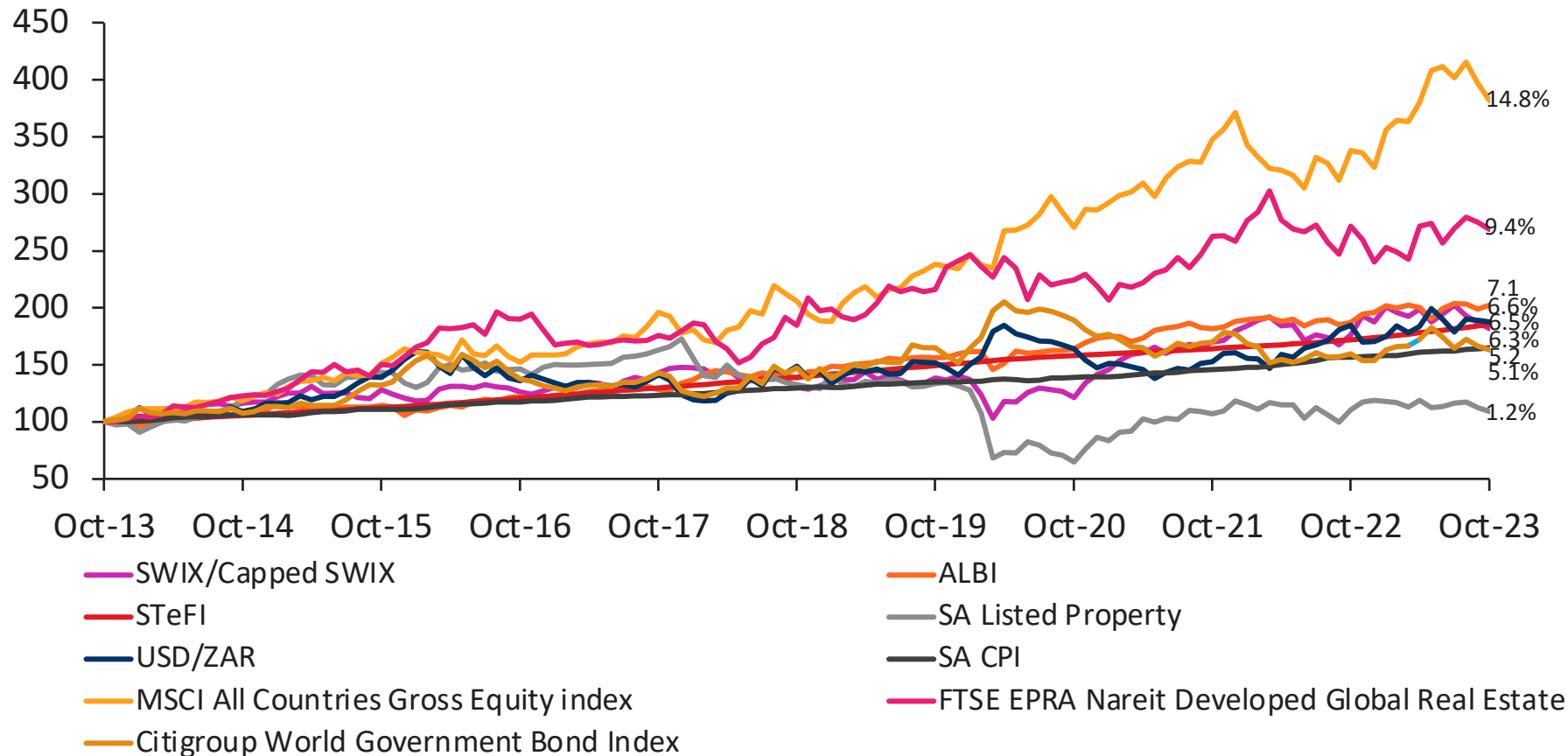
Five years to October 2023



# Asset classes



Ten years to October 2023



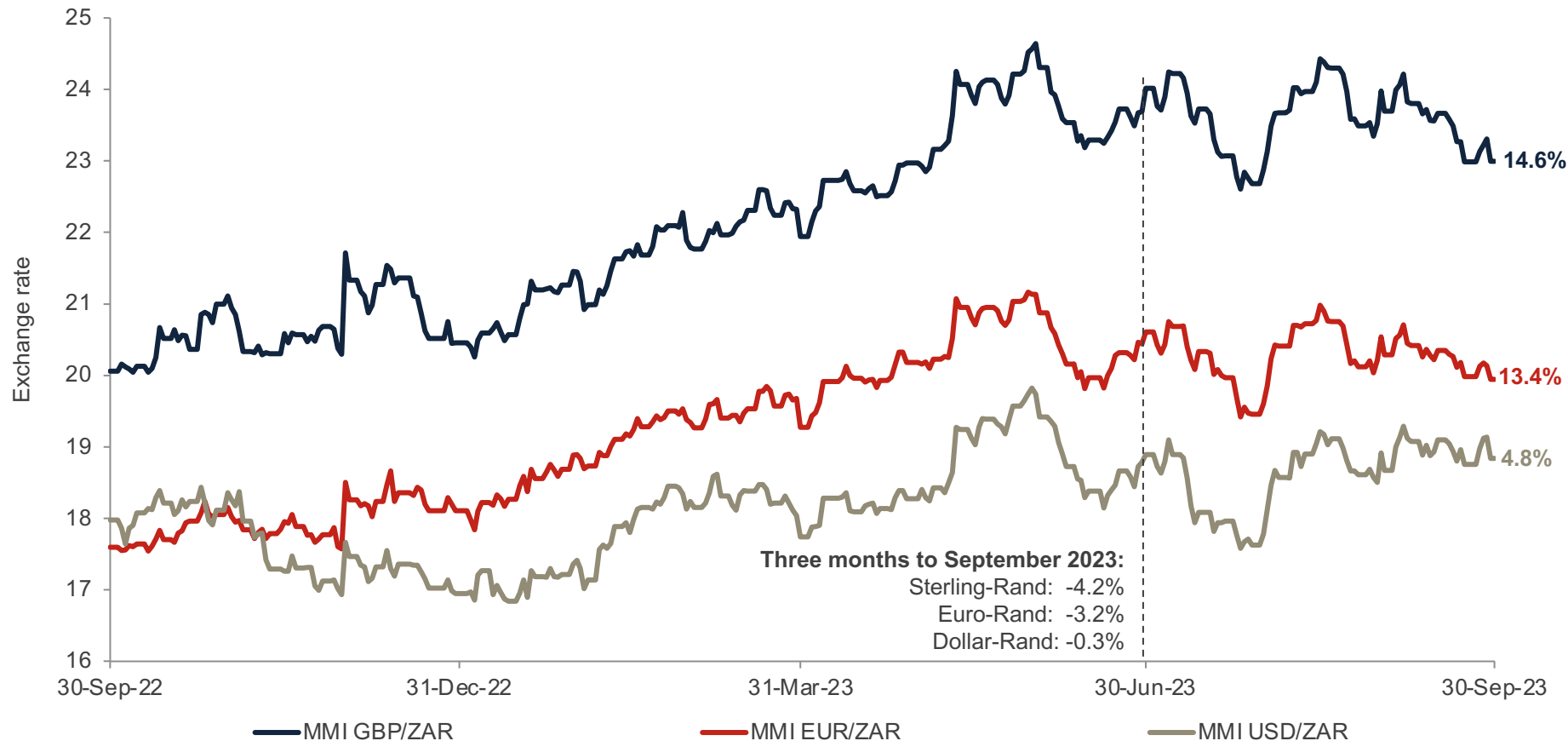
Sources: IRESS and Momentum Investments

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

# Exchange rates



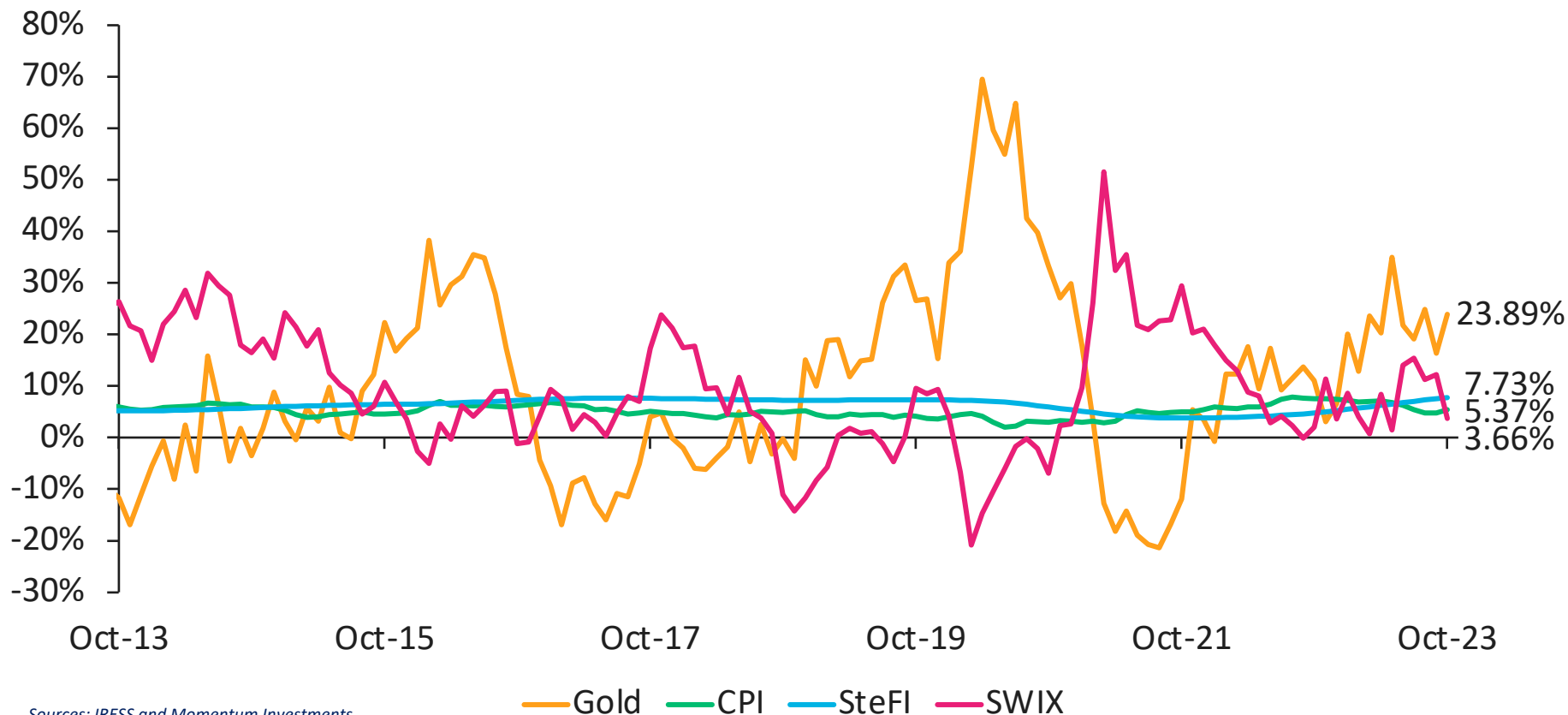
One year to September 2023



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



Ten-year rolling returns to October 2023



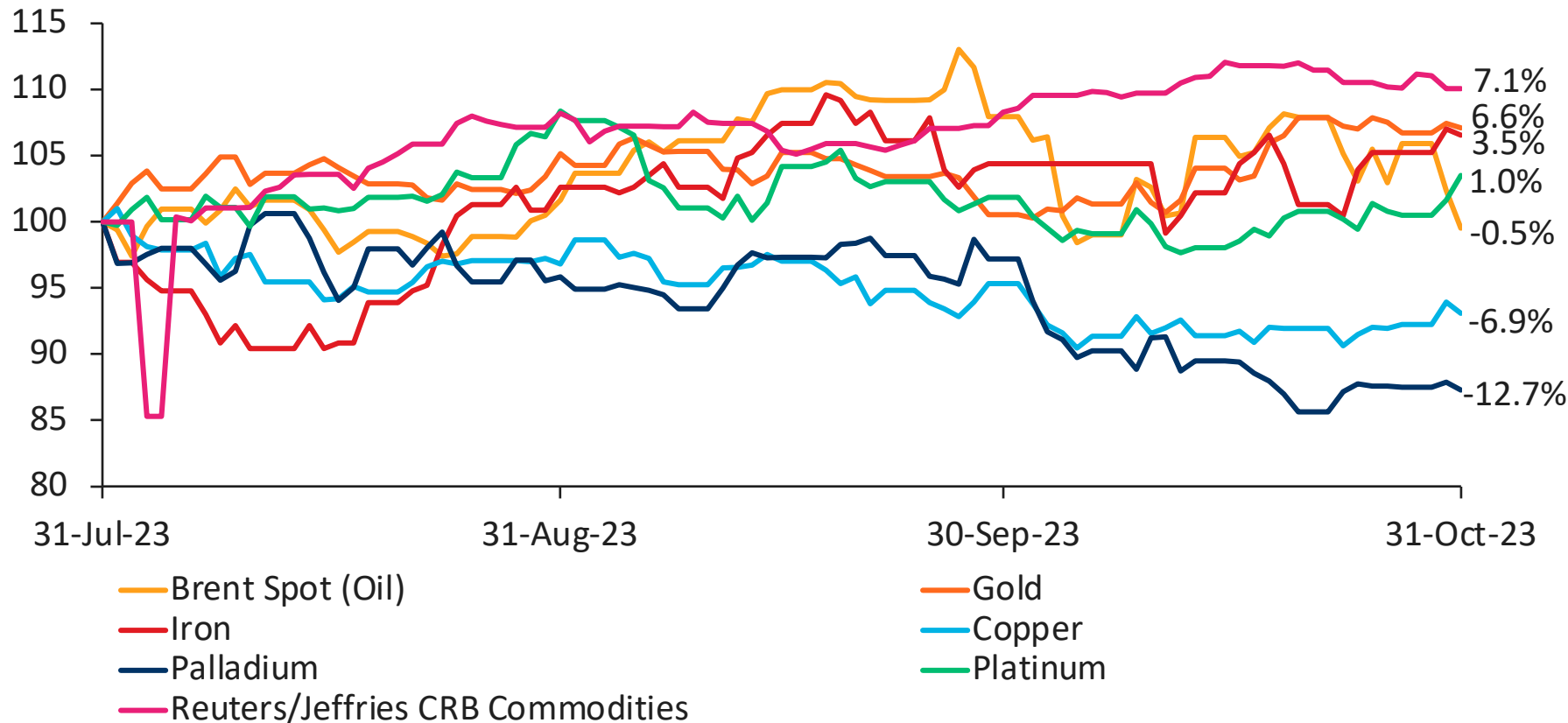
Sources: IRESS and Momentum Investments

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

# Commodities



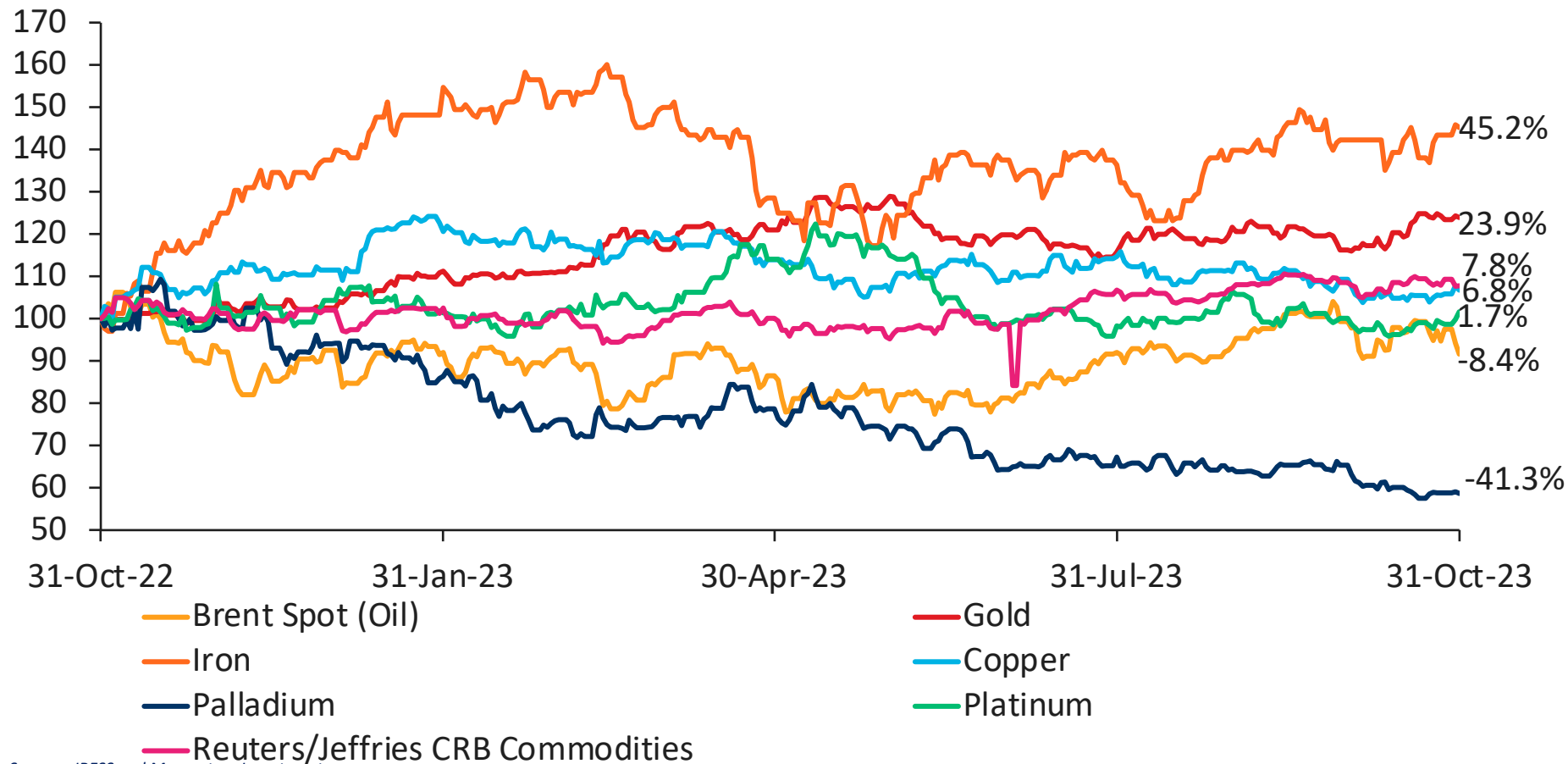
Three months to October 2023



# Commodities



One year to October 2023



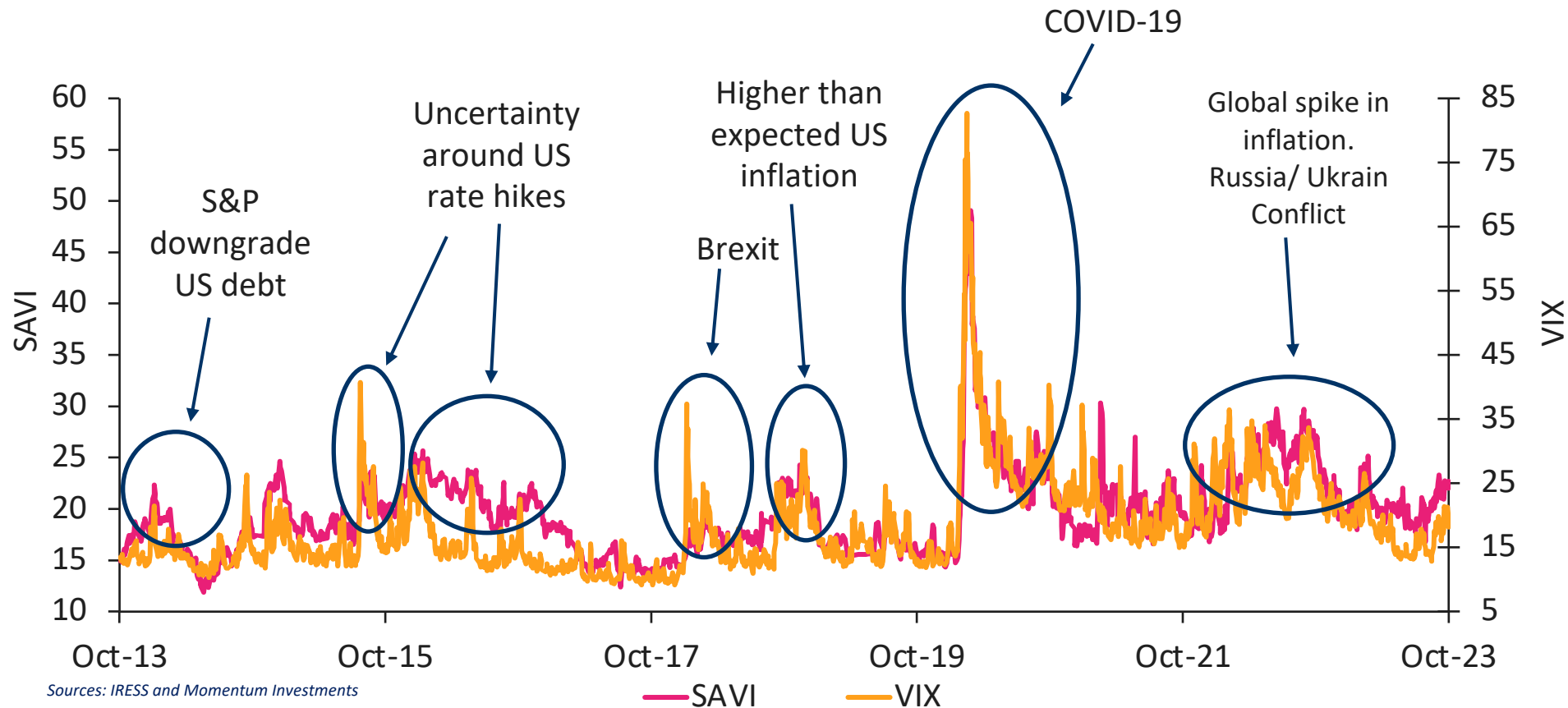
Volatility and  
international flows

06

# SAVI compared to the VIX



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

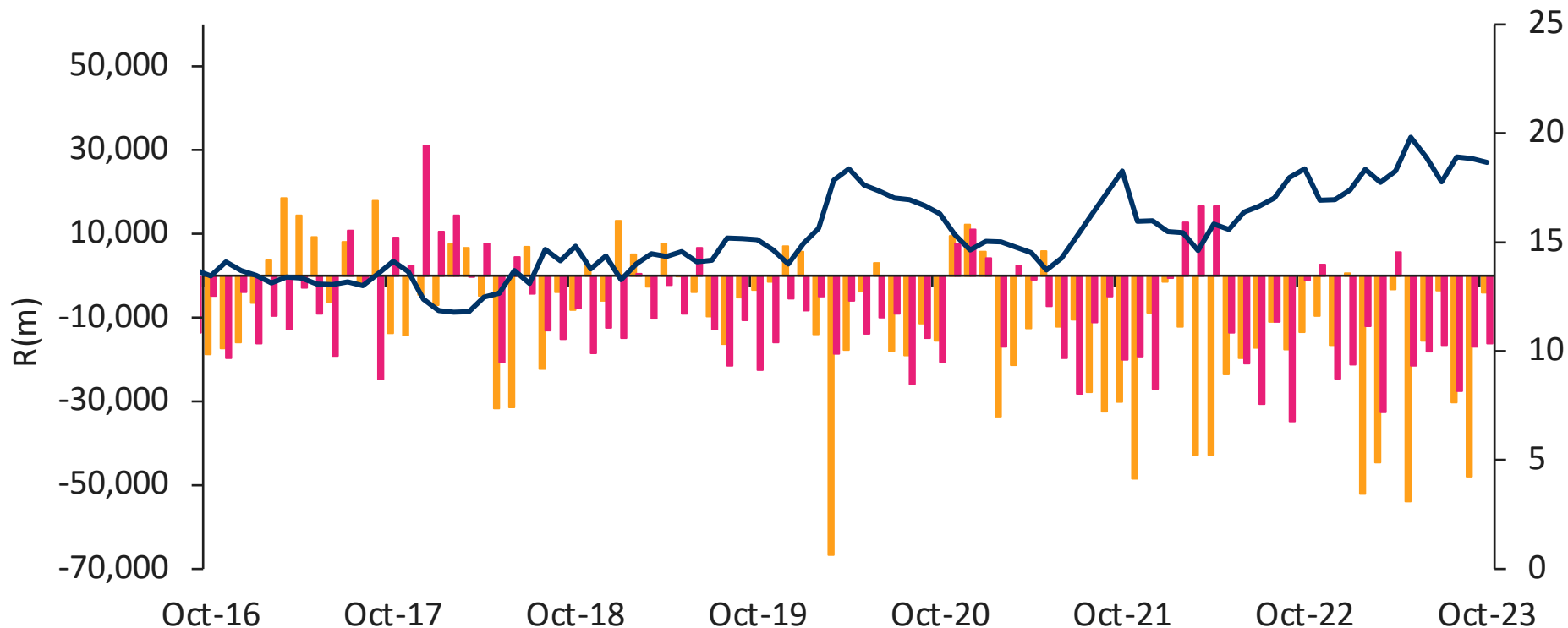




# Foreign transactions



2016 to 2023



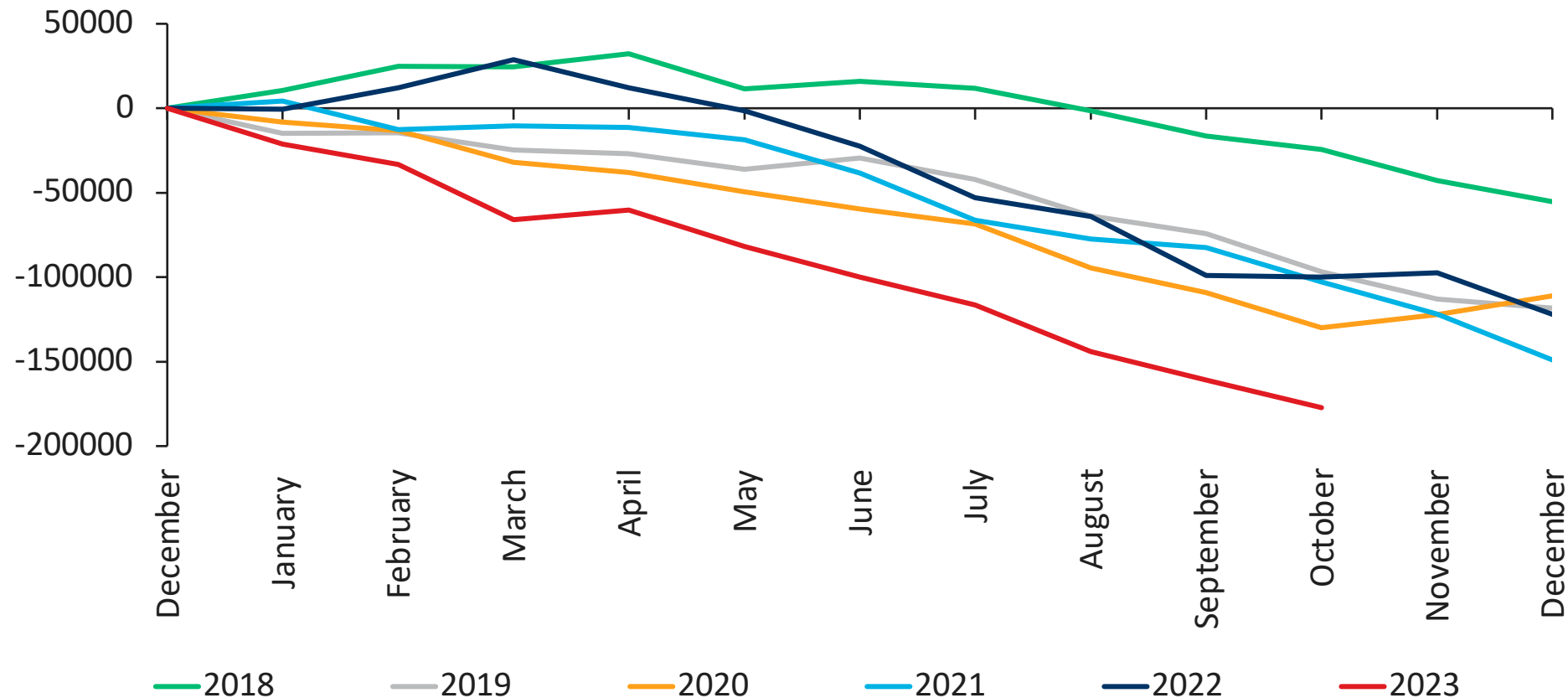
Foreign transactions bonds Foreign transactions equities Rand/US dollar exchange rate

Source: IRESS and Momentum Investments

# Cumulative foreign transaction: Equities



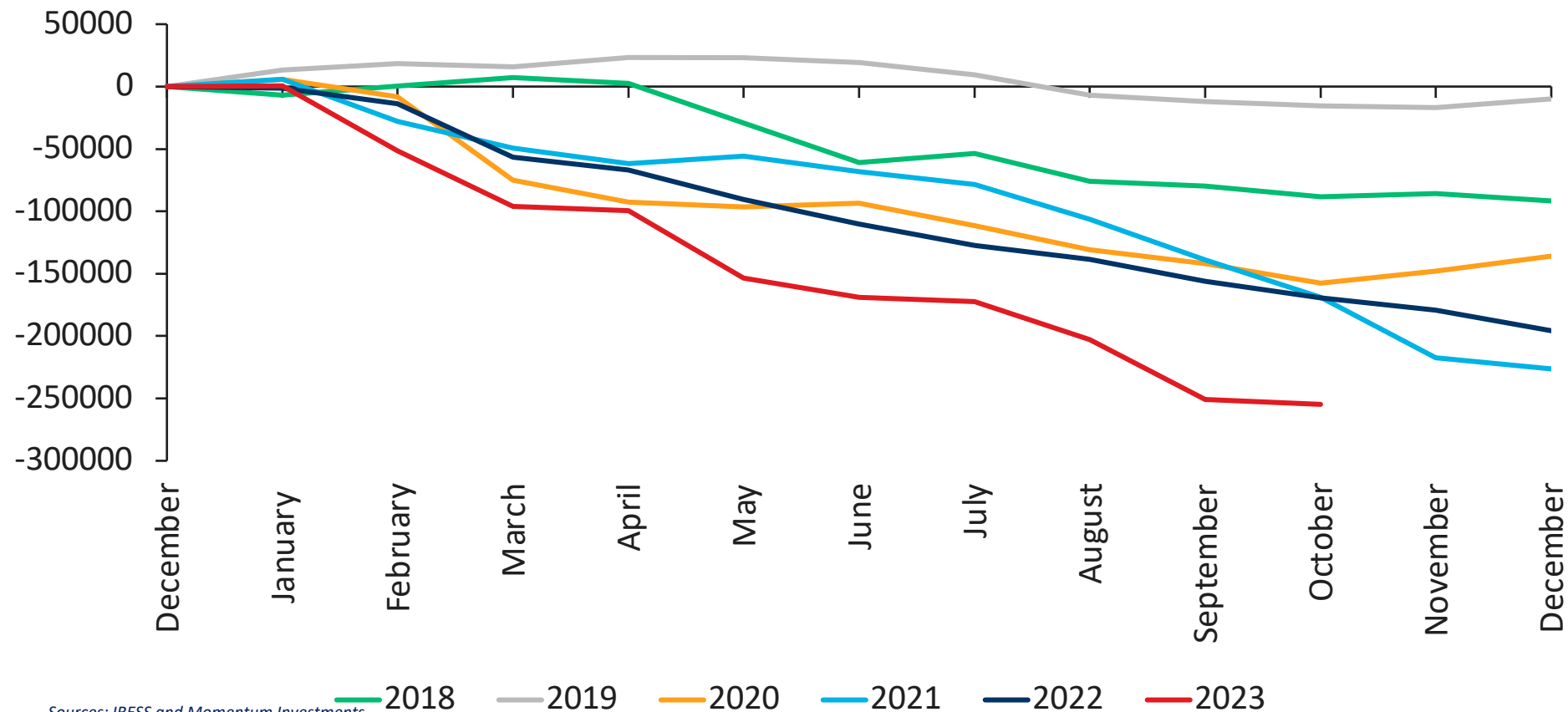
2018 to 2023



# Cumulative foreign transaction: Bonds



2018 to 2023



Sources: IRESS and Momentum Investments



**m**omentum  
investments

Thank you



## Disclaimer

This presentation is applicable to the following Momentum Investments authorised financial services providers in terms of the Financial Advisory and Intermediary Services Act, 2002 (FAIS) and registered entity:

- Momentum Asset Management (Pty) Ltd (FSP 623)
- Momentum Outcome-based Solutions (Pty) Ltd (FSP 19840)
- Momentum Investment Consulting (Pty) Ltd (FSP 32726)
- Momentum Alternative Investments (Pty) Ltd (FSP 34758)
- Momentum Collective Investments (RF) (Pty) Ltd (registration number: 1987/004287/07)

The information used to prepare this document includes information from third-party sources and is for information purposes only. Although reasonable steps have been taken to ensure the validity and accuracy of the information contained herein, Momentum Metropolitan Life Limited does not guarantee the accuracy, content, completeness, legality or reliability of the information contained herein and no warranties and/or representations of any kind, expressed or implied, are given to the nature, standard, accuracy or otherwise of the information provided.

Neither Momentum Metropolitan Life Limited, its affiliates, directors, officers, employees, representatives or agents (the Momentum Parties) have any liability to any persons or entities receiving the information made available herein for any claim, damages, loss or expense, including, without limitation, any direct, indirect, special, incidental, punitive or consequential cost, loss or damages, whether in contract or in delict, arising out of or in connection with information made available herein and you agree to indemnify the Momentum Parties accordingly. For further information, please visit us at [momentum.co.za](http://momentum.co.za). Momentum Investments is part of Momentum Metropolitan Life Limited, an authorised financial services and registered credit provider, and rated B-BBEE level 1.