

## Market Review – May 2020

The US, Europe and South Africa, among others, have begun easing lockdown measures. Most businesses and schools are resuming operations. Productivity levels still not at full scale. Mines like AngloGold Ashanti had to shut down some underground operations after a number of their employees tested positive for the Coronavirus.

### Local Markets

The healthcare sector at the top this month, led by Aspen with a positive 20.8% return for the month. The rand gained 5% against the dollar – ending the month at 17.5/\$. The All Bond Total Return index jumped 7% while property extended losses by 1.2%.

Equity Indices	May	YTD
Health Care	7.23%	-11.71%
Telecommunication	6.40%	-21.80%
Basic Materials	5.51%	-4.85%
Industrials	1.95%	-33.92%
Top40 - (Tradable)	0.42%	-8.41%
All Share	0.29%	-11.56%
Mid Cap	0.21%	-31.25%
SA Listed Property (J253)	-1.22%	-47.09%
Consumer Goods	-2.70%	-4.44%
Technology	-2.82%	22.98%
Consumer Services	-2.99%	-29.29%
Financials	-3.27%	-36.69%
Small Cap	-3.66%	-29.99%

Financials still negatively impacted by the economic environment and interest rate cuts issues by the South African reserve bank – now at 200 basis points for the year. 22% of shares in the Top40 index are positive in 2020. The biggest winner is Gold Fields (43%) followed by Prosus (35%) and the biggest loser this year so far is Redefine Properties (-74.6%)

<i>JSE Top 40 - Top performing shares</i>					
Share Code	Company Name	Industry Sector	Market Cap (Rmn)	May	YTD
APN	ASPEN PHARMACARE HOLDINGS LT	Consumer, Non-cyclical	63,995	20.8%	17.2%
NHM	NORTHAM PLATINUM LTD	Basic Materials	55,133	18.6%	-11.3%
AMS	ANGLO AMERICAN PLATINUM LTD	Basic Materials	298,058	13.7%	-15.1%
NRP	NEPI ROCKCASTLE PLC	Financial	51,255	12.0%	-27.7%
AGL	ANGLO AMERICAN PLC	Basic Materials	457,754	11.1%	-8.3%
MTN	MTN GROUP LTD	Communications	103,522	10.9%	-34.7%
<i>JSE Top 40 - Worst performing shares</i>					
Share Code	Company Name	Industry Sector	Market Cap (Rmn)	May	YTD
ABG	ABSA GROUP LTD	Financial	67,167	-11.1%	-45.6%
SSW	SIBANYE STILLWATER LTD	Basic Materials	88,870	-14.3%	-9.8%
RDF	REDEFINE PROPERTIES LTD	Financial	11,471	-15.4%	-74.6%
OMU	OLD MUTUAL LTD	Financial	51,559	-16.3%	-42.9%
INP	INVESTEC PLC	Financial	32,226	-17.3%	-52.5%
INL	INVESTEC LTD	Financial	31,778	-20.8%	-48.4%

### International Markets

The Nasdaq Composite Index now sits at a positive 5.6% return for the year. Other indices remain in the red; it might be a while before we see a full recovery across all global markets.

Region	International Markets	USD	ZAR
Americas	S&P 500 index	4.53%	-0.54%
Americas	Nasdaq Composite index	6.75%	1.58%
Americas	Dow Jones Industrial Average	4.26%	-0.79%
Europe and Middle East	Euro Stoxx 50 price EUR	5.71%	0.59%
Europe and Middle East	FTSE 100 Index	0.80%	-4.08%
Europe and Middle East	CAC 40 index	4.21%	-0.84%
Europe and Middle East	Deutsche Borse AG German Stock Index DAX	8.25%	3.00%
Asia	Nikkei 225	7.46%	2.25%
Asia	Hong Kong Hang Seng index	-6.85%	-10.39%

### Emperor Asset Management

Emperor's lower risk portfolios came on top in the month. These are more exposed to bonds and other fixed income instruments. Our momentum portfolio ended the month at a -2.3%, bringing down the performance of our segregated portfolios. With the stronger rand, our rand denominated international bundle returns were about flat.

Investment Products		This Month	YTD
Segregated Portfolios	Leveraged Equity (RFS)	-0.81%	14.75%
Segregated Portfolios	Long-Short 140/40 (SJR)	-1.94%	8.66%
Easy Equities - Bundles	Core Income Plus (Elbrus)	3.81%	4.55%
Easy Equities - Bundles	Core Conservative (Kilimanjaro)	4.00%	7.21%
Easy Equities - Bundles	Core Moderate (Denali)	3.13%	5.77%
Easy Equities - Bundles	Core Balanced (Aconcagua)	2.79%	3.53%
Easy Equities - Bundles	Core Flexible Equity (Everest)	0.92%	-0.73%
Easy Equities - Bundles	Core International Portfolio (ZAR)	0.20%	23.95%
Easy Equities - Bundles	Core International Equity Bundle (USD)	6.22%	6.36%
Easy Equities - Bundles	Enhanced Conservative (Kilimanjaro)	3.11%	5.82%
Easy Equities - Bundles	Enhanced Moderate (Denali)	1.82%	4.60%
Easy Equities - Bundles	Enhanced Balanced (Aconcagua)	1.30%	1.60%
Easy Equities - Bundles	Enhanced Flexible Equity (Everest)	-1.45%	0.31%
Easy Equities - Bundles	Shariah	-1.24%	-3.79%
Easy Equities - Bundles	COVID-19 Bundle (ZAR)	-3.40%	14.86%
Easy Equities - Bundles	COVID-19 Bundle (USD)	6.33%	18.03%
Easy Equities - Bundles	Enhanced USD Bundle	8.63%	8.63%
Easy Equities - Bundles	Quality Building Block	0.29%	-12.50%
Easy Equities - Bundles	Stability Building Block	0.30%	-22.09%
Easy Equities - Bundles	Value Building Block	4.77%	-7.21%
Easy Equities - Bundles	Momentum Building Block	-2.33%	-15.20%

All Performance data sourced from Bloomberg on 31 May 2020.

**Happy investing!**

**Disclaimer:**

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