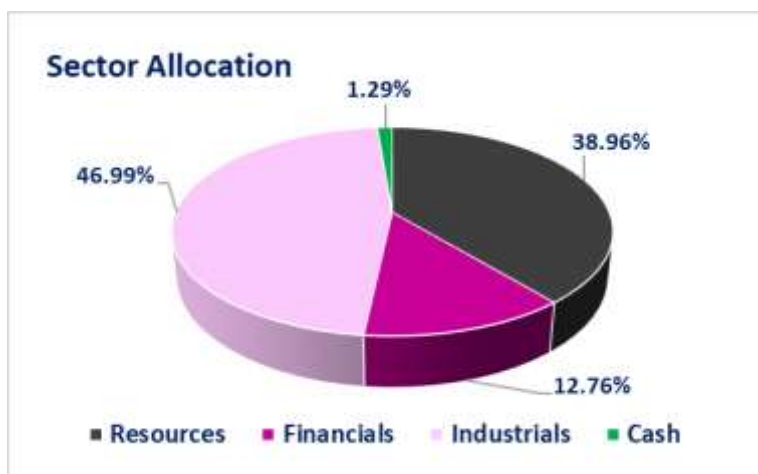


HOUSEVIEW FUND COMMENTARY

Fund Size: R266 801 776.85

Inception Date: October 2014

Top Ten Holdings			
	Shares	Sector	Weight
1	NPN	Industrials	15.62%
2	BHP	Resources	11.07%
3	AGL	Resources	9.53%
4	CFR	Industrials	8.14%
5	PRX	Industrials	7.88%
6	IMP	Resources	4.48%
7	SSW	Resources	4.32%
8	SBK	Financials	3.34%
9	BTI	Industrials	3.12%
10	MNP	Industrials	3.08%
	Total		70.57%



FUND PERFORMANCE

PERFORMANCE								
	1 month	3 Months	6 Months	Y-t-d	1 Year	3 Years	Since Inception	Since Inception (Annualized)
Fund	5.48%	23.41%	18.73%	5.48%	19.47%	25.78%	61.66%	7.77%
Benchmark	4.12%	22.02%	13.54%	4.12%	13.06%	12.80%	44.90%	5.95%

RISK ANALYSIS

12 MONTH RISK METRICS				
Beta	Tracking error	Standard Deviation (fund)	Standard Deviation (Benchmark)	Active share
1.03	4.84	32.18	30.82	32.06

RECENT TRANSACTIONS

The transactions for January 2021 are as follows:

Purchases

None

Sales

Royal Bafokeng Platinum

Market Performance

South African Equities delivered steady performance in January posting a rand total return gain of +5.2%. Large Caps dominated with a total return of +5.8%. Small caps and Mid-caps returned 3.9% and 2.6% respectively.

In January, the ALBI provided a monthly total return of just +0.7%. Following two months of solid total return performance (Nov: +17.5%, Dec: +13.7%), SA Listed Property came under pressure in January, shedding 3.2%.

Within equities, SA Industrials outperformed with a total return of +8.4%. Performance was driven by a recovery in Technology: +14%, with Naspers and Prosus returning +15.2% and 9.2% respectively. Health Care gained +10.8% in January (Aspen +14.1%, Netcare +7%). Performance was mixed within Consumer Goods: +4.7% (Richemont +6.7%, BATS +1%, AB InBev -7.3%). The Industrial group returned +4.1% (General Industrials +3.6%, Industrial Transport +2.8%, Construction -0.1%) and the Telecommunication group +2.7% (Fixed Line +9.7%, Mobile +2.4%). Within Consumer Services (+2%), General Retailers posted a total return of +8% in January with solid performance coming from Truworths (+21.1%), Woolworths (+13.6%) and Pepkor (+8.1%). Travel & Leisure (+0.6%) and Food & Drug Retailers (-0.4%) were virtually flat, while Media was the worst performer, shedding 3.7%.

SA Resources gained +5.1% in January, with solid total return performance coming through from Forestry & Paper (Sappi +30.2%) and Chemicals (Sasol +23.2%). Of the Mining sectors, Coal returned +8.7% and General Mining +5.6% (Glencore +10.2%, BHP Group +7.2%, Anglo +3.2%). Gold Mining gained +5.1% (Gold Fields +8.2%, AngloGold +5.6%, Harmony -2.6%, DRDGold -9.8%) and Platinum lost 0.1% (Amplats +5.2%, Implats +2.6%, Sibanye -1.7%). Industrial Metals was the worst of the resources, shedding 2.3% over the month.

SA Financials lost 2.6% in January. Banks shed 3.7% with negative total return performance across the board (FirstRand -6.4%, Nedbank -5.5%, Absa -4.7%, Capitec -3.2%, Standard Bank -0.9%). REIT's lost 3.7% (Fortress B -13.6%, Resilient -5.9%, Fortress A -4.2%, Growthpoint -3.6%). Life Insurance shed 2.6% in January, dragged down by Discovery (-16.2%).

The rand could not hold on to its December gains and weakened to 15.53 against the US dollar, but clawed back to close the month at 15.16, 3.2% weaker month on month. The currency was also weaker against the euro at 18.42 (-2.6% month on month) and the pound at 20.77 (-3.4% month on month). SA's five-year CDS spread widened by 12% during January 2021 by (24bps) from 202 to 226 points.

On the news front, Global economic data continued to show a recovery in growth, although renewed covid-19 restrictions dampened the rebound. Globally, infection rates remained high as more contagious strains spread. The slow progress of vaccination programmes in many countries and vaccine supply concerns curbed the positive market sentiment. With major central banks holding rates steady, attention shifted to a potential third US stimulus package of US\$1.9 trillion. The South African Reserve Bank (SARB) also decided to keep the policy rate unchanged. South Africa remains in an "adjusted level 3" lockdown, with 4th quarter 2020 high-frequency data indicating that the economic recovery is losing steam.

In terms of company announcements, December sales update for General Retailers showed a slowdown in momentum, Pepkor was probably the best amongst peers as Pepkor released a Qtr. 1 FY21 sales update (Oct to Dec). Truworth's Christmas sales update and half 1 HY21 earnings guidance – Half 1 FY21 HEPS guided to declines of -4% to -9% to between 332c and 350 c with implied Nov/Dec SA sales down only -3%.

Spectrum allocation looks set to go ahead in March despite both Telkom & MTN raising legal arguments against parts of the allocation, according to media reports. The last time legal disputes occurred in 2016, spectrum allocation was deferred.

In January 2021, SA Equities had net foreign inflows of USD 0.34 billion whereas SA bonds had a net inflow of USD 0.54 billion. Meanwhile, Cumulative inflows into emerging market Bonds and Equities year to date are now +\$13.4 billion and +\$23.8 billion respectively. Bytes Technology & Naspers were the most bought stocks by foreigners whereas Sibanya and Sasol were the most sold stocks.

Portfolio Performance

The portfolio returned 5.48% during the month, outperforming the CAPI index which returned 4.12%. Positive contributors to performance for the month included the fund's overweight positions in Prosus, Naspers & Aspen Pharmacare as well as underweight position in Capitec & Discovery. Negative contributors to performance included the funds overweight positions in Northam, Sibanya & Astral as well as underweight positions in Sappi, Goldfields & Life healthcare.

Cachalia Capital Investment team**From our Corner in the Sky**