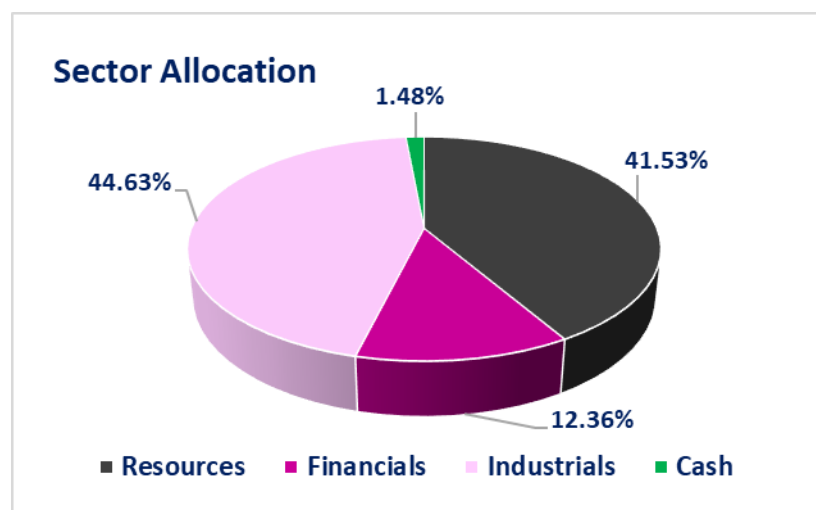


## HOUSEVIEW FUND COMMENTARY

**Fund Size:** R289 564 894.68

**Inception Date:** October 2014

Top Ten Holdings			
	Shares	Sector	Weight
1	NPN	Industrials	14.66%
2	BHP	Resources	10.49%
3	AGL	Resources	10.22%
4	CFR	Industrials	7.66%
5	PRX	Industrials	6.82%
6	IMP	Resources	5.48%
7	SSW	Resources	4.40%
8	NHM	Resources	3.27%
9	SBK	Financials	3.07%
10	MNP	Industrials	3.02%
	<b>Total</b>		<b>69.09%</b>



### FUND PERFORMANCE

PERFORMANCE								
	1 month	3 Months	6 Months	Y-t-d	1 Year	3 Years	Since Inception	Since Inception (Annualized)
<b>Fund</b>	1.65%	15.16%	29.30%	15.16%	66.17%	45.42%	76.51%	9.01%
<b>Benchmark</b>	2.03%	12.76%	24.58%	12.76%	55.84%	28.71%	56.93%	7.08%

### RISK ANALYSIS

12 MONTH RISK METRICS				
Beta	Tracking error	Standard Deviation (fund)	Standard Deviation (Benchmark)	Active share
0.95	4.28	21.33	21.92	32.02

### RECENT TRANSACTIONS

The transactions for March 2021 are as follows:

#### Purchases

None

#### Sales

None

## Market Performance

South African Equities delivered another month of positive total returns in March with the All-Share index recording a rand total return of +1.6%. SA Property provided a total return of +1.2%. Bonds underperformed, with the ALBI losing 2.5% over the month.

Within equities, SA Industrials and SA Financials had similar total returns of +1.9% and +1.7% respectively, while Resources lagged with a total return of +1.2%.

Small Caps were the largest outperformers over the month, returning +7.7% with solid performances coming from M&R +41%, Hammerson +27% and Metair, Tsogo Sun Hotels and Raubex, each posting gains of 24% in March.

Mid-Caps returned +3.3% while Large Caps only eked out a total return of +0.9%. Within the large and Mid-Cap universe, top performance came from RBPlats (+28.3%), MTN (+19.5%), Amplats (+9.3%), Shoprite (+18.1%) and TFG (+16.9%). Liberty (-16.2%), Montauk Renewables (-15.7%), Redefine (-9.6%), BHP Group (-7.2%) and Prosus (-6.9%) were the worst performers.

Year to date (Q1 2021), the All Share has posted a positive total return of +13.1% and the SAPY +6.4%. The ALBI has lost 1.7%

Within equities, SA Resources has posted a positive total return of +18.7% year-to-date and SA Industrials +13.0%. SA Financials are lagging with a total return of +3.8%.

Small Caps are the current year-to-date leaders with a solid total return of +21.2% (Steinhoff +125%, Motus +56.6%, City Lodge +53.2%, Tsogo Sun Hotels +45.2%, Reunert +44.8%).

Large Caps have returned +13.6% and Mid-Caps 9.4%. Within this universe, the top year-to-date performers are RBPlats (+77%), Montauk Renewable (+60.3%), Sasol (+58.1%), Amplats (+51.6%) and Textainer (45.1%), while the worst performers are DRDGold (-22.5%), Discovery (-13.7%), Harmony (-12.6%), AB Inbev (-10.3%) and Sirius (-5.8%).

The rand strengthened slightly to 14.78 against the US dollar (+2.30% month on month) from R 15.09. The currency was also strengthened against the euro at 17.32 (+4.90% month on month) and strengthened against the pound at 20.35 (3.1% month on month). SA's five-year CDS spread widened by 3% during March 2021 by (6bps) from 233 to 239 points & a 13.4% widening since the beginning of the year.

On the news front, President Ramaphosa's 30 March evening address, The President made two key announcements. First, the government has added an additional 20 million J&J doses to the 11 million already in the pipeline. These will come from the Aspen plant in Gqeberha. The government plans to vaccinate healthcare workers in the next 6 weeks (original expectations were end April). The government is also finalising a deal to procure 20 million Pfizer doses. Second, the government has banned off-site liquor purchases over Easter while increasing the number of people permitted to be in a place of worship. The ANC's NEC resolved to suspend members who have been charged with corruption should they fail to voluntarily step aside in 30 days – a move that could push party Secretary General Ace Magashule from power.

The JSE has discontinued some sub-sector indices and rolled up some names to already existing sub-sector indices. Affected sectors included Gold Mining and PGM's (combined under Precious Metals and Mining), General Miners (now rolled up under Industrial Metals) and MCG as well as TKG which are now part of Mobile Telecoms. These changes took effect on 19 March 2021 and will distort historical comparisons.

In March 2021, SA Equities had net foreign inflows of USD 0.05 billion whereas SA bonds had a net outflow of USD -1.01 billion. Meanwhile, Cumulative inflows into emerging market Bonds and Equities year to date are now +\$29.0 billion and +\$72.3 billion respectively. Naspers & MTN were the most bought stocks by foreigners whereas Sibanye and Impala were the most sold stocks.

## **Portfolio Performance**

The portfolio returned 1.65% during the month, underperforming the CAPI index which returned 2.03%. Positive contributors to performance for the month included the fund's overweight positions in Impala, Northam & Royal Bafokeng as well as underweight position in Sanlam & Glencore. Negative contributors to performance included the funds overweight positions in Naspers, Prosus & Sibanye as well as underweight positions in Amplats, AngloGold & Foschini.

## **Cachalia Capital Investment team**

### **From our Corner in the Sky**