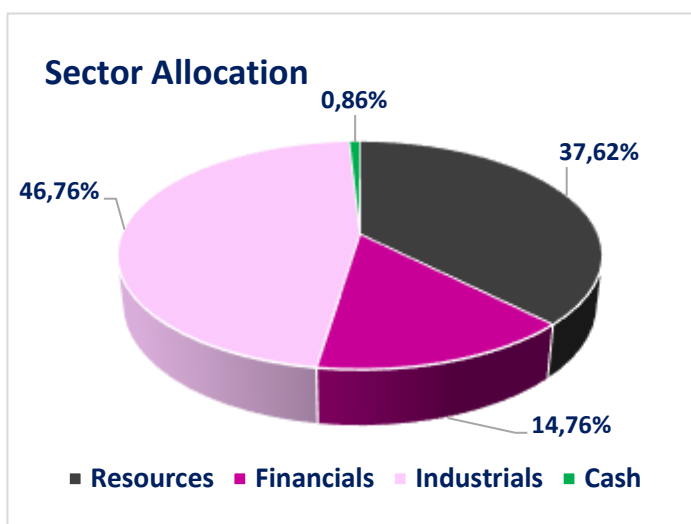


HOUSEVIEW FUND COMMENTARY

Fund Size: R288,057,717.17

Inception Date: October 2014

Top Ten Holdings			
	Shares	Sector	Weight
1	BHP	Industrials	11.20%
2	AGL	Resources	10.88%
3	CFR	Industrials	8.71%
4	NPN	Industrials	7.64%
5	PRX	Industrials	7.46%
6	MTN	Industrials	5.18%
7	IMP	Resources	4.50%
8	SSW	Resources	4.02%
9	SBK	Financials	3.67%
10	APN	Industrials	3.32%
	Total		66.58%



FUND PERFORMANCE

PERFORMANCE								
	1 month	3 Months	6 Months	Y-t-d	1 Year	3 Years	Since Inception	Since Inception (Annualized)
Fund	-2.16%	-0.02%	2.52%	16.14%	28.78%	35.45%	78.01%	8.70%
Benchmark	-0.84%	1.04%	7.49%	18.80%	29.72%	27.77%	65.32%	7.45%

RISK ANALYSIS

12 MONTH RISK METRICS				
Beta	Tracking error	Standard Deviation (fund)	Standard Deviation (Benchmark)	Active share
0.99	4.50	19.77	19.41	30.34

RECENT TRANSACTIONS

The transactions for August 2021 are as follows:

Purchases

Telkom
MTN

Sales

Thungela
African Rainbow Minerals

Market Performance

South African listed Equities underperformed all other asset classes in August with the All Share posting a rand total return loss of 1.7%. Bonds returned a positive 1.7% over the month, while Property was the top performer with a total return of +7.5%. Small Caps and Mid-Caps returned +7% and +3.7% respectively, while Large Caps posted a total return loss of -3.4% in August.

Within SA Financials (+11.4%), the Financials industry group gained +12.3% driven by the strong performance from Banks (+15.3%) and Life Insurance (+12.3%). The Real Estate industry group returned +6.9% with returns of +7.3% from REIT's and +5.9% from Real Estate Dev & Services.

SA Industrials lost 4.4% in August. Technology (-12.2%) was the worst performing industry group. The performance of Consumer Discretionary (-9.8%), was dragged down by Personal Goods (-14.3%) but small caps Automobiles, Consumer Services and Travel & Leisure posted positive total returns of +15.7%, +12.8% and +6.3% respectively. Meanwhile, the Retailers returned +5.7%.

Telecommunications (+16.4%) was the top performing industry group, with solid performance coming from MTN (+26.6%). Health Care gained +8.3%. Performance with Consumer Staples (+4.4%) was mixed, Personal Care, Drug and Grocery Stores gained +8.6% in August, while Beverages and Tobacco lost 1.2% and 0.7% respectively.

SA Resources shed 4.8% over the month with the worst sector performance coming from Precious Metals and Mining (-10.8%). Both platinum & gold miners delivered negative total returns, while Industrial Metals & Mining also fell (-3%). Energy gained 7% in August (Thungela +35.2%, Montauk +20%) and Industrial Materials (Sappi) gained 6.8%. Chemicals posted a total return of +2.5% over the month (Omnia +7.9%), Sasol +2.2%).

2021 Year to date, Property has outperformed with a total return of +27.4% followed by the ALSI (+15.9%). The ALBI has posted a total return of +7.7% and Cash +2.5%.

Following the strong performance from SA Financials in August, it has overtaken SA Resources to be the year-to-date best performing sector (+23.5% vs +19.9%). SA Industrials has produced a year-to-date total return of +9.8%.

MTN (+122%), Distell (+89%), Investec (+73%) and Pepkor (+69%) are the top performing companies within the Large and Mid-Cap universe year-to-date.

The rand strengthened to 14.52 against the US dollar (0.27% month on month) from R 14.56. The currency strengthened slightly against the euro at 17.12 (+1.15% month on month) and strengthened against the pound at 19.69 (+2.77% month on month). SA's five-year CDS spread narrowed by 8.27% during August 2021 by (16.52bps) from 200 to 183.23 points & a 9.38% narrowing since the beginning of the year.

On the news front, the big news this month was the announcement by DMRE which gazetted the amendment of schedule 2 of the regulation act which will see the maximum threshold for embedded generation without licensing lifted 100-fold from 1MW to 100MW. Changes in the regulation are expected to ease pressure on the national grid over the next 3-5 years. The size of the nominal economy in 2020 now is estimated 11% larger than previously measured at R5.521 trillion. Prior years were also revised higher with the impact ranging from 9.1% to 11% versus prior official statistics. Apart from shifting the base year and weights to 2015 (from 20210), methodology and coverage of surveys were improved.

In terms of company news, post a successful exchange offer (with a strong acceptance level), Naspers's free float has halved to 50% with NPN now constituting 14.2% of MSCI SA, 3.2% EMEA and 0.4% of EM. Additionally, Prosus is to pay \$4.7bn for 100% of Indian bill payments focused BillDesk – if combined with Pay, it would form the 7th largest online payment (by TPV) platform globally. MCG was ordered to pay 50% of a \$4.4bn tax bill by a Nigerian tribunal which caused a sell-off in the stock.

In August 2021, SA Equities had net foreign outflows of ZAR 17 billion whereas SA bonds had a net outflow of ZAR -13.40 billion. In terms of SA Equities, stripping out the dual listed companies, foreigners were sellers to the value of ZAR-12.2 billion. The foreign selling in August was, however, distorted by the Naspers share exchange for Prosus (at a ratio of 2.27443 Prosus shares for every share of Naspers held). Stripping Naspers out along with the dual-listed companies would have resulted in net foreign equity inflows of R20.2bn in August. Meanwhile, Cumulative inflows into emerging market

Bonds and Equities year to date are now +\$50.20 billion and +\$95.6 billion respectively. FirstRand, MTN & Amplats were the most bought stocks by foreigners whereas Naspers, Sibanya and AngloGold were the most sold stocks.

Portfolio Performance

The portfolio returned -2.16% during the month, underperforming the CAPI index which returned -0.84%. Positive contributors to performance for the month included the fund's overweight positions in Aspen, MTN & Standard Bank as well as underweight position in AngloGold & Goldfields. Negative contributors to performance included the funds overweight positions in Prosus, Impala & Royal Bafokeng as well as underweight positions in Capitec, Sanlam & Clicks.

Cachalia Capital Investment team

From our Corner in the Sky