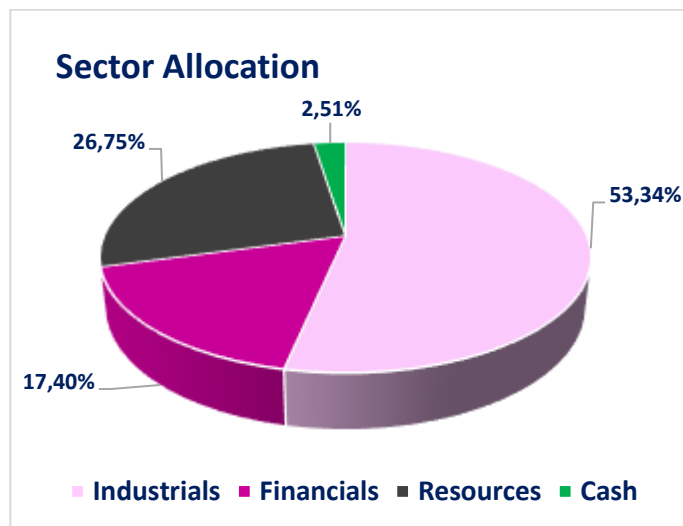


HOUSEVIEW FUND COMMENTARY

Fund Size: 364,985,693.06

Inception Date: January 2014

Top Ten Holdings			
	Shares	Sector	Weight
1	NPN	Industrials	8.52%
2	PRX	Industrials	7.85%
3	MTN	Industrials	7.78%
4	APN	Industrials	6.39%
5	AGL	Resources	6.12%
6	IMP	Resources	5.17%
7	SBK	Financials	4.66%
8	SSW	Resources	4.15%
9	BTI	Industrials	3.88%
10	CFR	Industrials	3.85%
	Total		58.37%



FUND PERFORMANCE

PERFORMANCE								
	1 month	3 Months	6 Months	Y-t-d	1 Year	3 Years	Since Inception	Since Inception (Annualized)
Fund	-1.45%	1.10%	-1.49%	14.07%	28.14%	40.04%	97.92%	9.11%
Benchmark	-1.49%	3.14%	3.81%	16.87%	30.16%	23.42%	77.63%	7.61%

RISK ANALYSIS

12 MONTH RISK METRICS				
Beta	Tracking error	Standard Deviation (fund)	Standard Deviation (Benchmark)	Active share
1.03	6.01	18.68	17.23	42.71

RECENT TRANSACTIONS

The transactions for September 2021 are as follows.

Purchases

None

Sales

None

Market Performance

US inflation concerns and China's Evergrande woes weighed on global markets in September. The All Share posted a 3.1% total return decline. Bonds lost 2.1% over the month, and Property fell 0.8%. Small Caps outperformed with a total return of +5.6%, while Mid-Caps returned +0.5% and Large Caps lost -4.5%.

SA Financials posted a total return of +1.7%. The Financials industry group gained +2.1% with top performance coming from Finance & Credit Service: +8.5% (TransCap) and Investment Banking: +6.1% (RMIH, Remgro).

Performance was mixed within SA Industrials lost 0.8% in September. Health Care (+16.4%) was the top performing industry group, with Pharmaceuticals (Aspen +39.5%) recording a 38% total return. Telecommunications posted a gain of 4.7%. Consumer Staples industry group lost 1% over the month: Food Producers gained 6.4%, Personal Care, Drug & Grocery Stores lost 2.7% and the Tobacco and Beverages sectors were mostly flat. Technology (-2.2%) posted a total return loss for the seventh consecutive month. Retailers (-6.2%) were the worst performing equity sector within Consumer Discretionary (-2.6%), followed by Personal Goods (-1.8%). Industrials (-2.8%) was the worst performing industry group in September, with heavyweight Mondi losing 7.5%. Outperformance came from PPC (+23.7%), Raubex (+22.9%), M&R (+16.2%) and Barloworld (+13.9%).

SA Resources shed 9.3% over the month with the worst sector performance coming from Precious Metals (-13.3%) and Industrial Metals (-11%). Chemicals posted a total return of +25.4% over the month (Sasol +27.4%) and the Energy industry group returned +11.2%.

In Q3 2021, SAPY posted a rand total return gain of 5.9% vs a gain of 0.4% for the ALBI and a loss of 0.8% for the ALSI.

Within equities, SA Financials returned +12% in Q3, while SA Resources and SA Industrials lost 3.6% and 4.3% respectively. Small Cap stocks outperformed with a total return of +11.7%. Mid-Caps returned +7.20%, while Large Caps posted a loss of 3.4% over the quarter.

2021 Year to date, Property has outperformed with a total return of +26.4% followed by the ALSI (+12.2%). The ALBI has posted a total return of +5.4% and Cash +2.8%.

SA Financials are the best year-to-date performers (+25.5%). SA Industrials and SA Resources have produced similar total returns of +8.9% and 8.8% respectively. Small Caps have outperformed in 2021 with a massive +46.3% total return. Mid-Caps returned +24.5% and Large Caps are lagging with a total return of just +8.0%

The rand weakened to 15.07 against the US dollar (3.79% month on month) from R 14.52. The currency weakened against the euro at 17.25 (+1.13% month on month) and weakened against the pound at 20.30 (1.68% month on month). SA's five-year CDS spread widened by 14.42% during August 2021 by (26.43bps) from 183.23 to 209.66 points & a 3.69% widening since the beginning of the year.

On the news front, On 30th September, President Ramaphosa moved the country to level 1, effectively lifting the country's mobility as COVID-19 cases drop to a weekly average of 1500, a far cry from the 20 000 peak in July. Despite the country's slow vaccine rollout, SA has now fully vaccinated 20% of its adult population with 60% of people over the age of 60 now having received at least one dose. The government still expects to vaccinate 70% of SA's population by year end. The President lobbied UK PM Boris Johnson to remove SA from the UK Red list. Additionally, a foreign delegation arrived on 28 September for talks on R76bn in funding towards ending SA's reliance on coal

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 September 2021, SA Equities had net foreign outflows of ZAR 3.7 billion **whereas SA bonds had a net outflow of ZAR -35.20 billion**. In terms of SA Equities, stripping out the dual listed companies, there was foreign buying to the value of ZAR 1.8 billion. Ex the dual listed, the largest inflows were into SA financials to the value of R3.9 bn. SA Industrials and SA Resources saw outflows of R1.0bn and

R1.1bn respectively over the month. Meanwhile, Cumulative inflows into emerging market Bonds and Equities year to date are now +\$51.30 billion and +\$103.5 billion respectively. FirstRand, MTN & Pepkor were the most bought stocks by foreigners whereas Naspers, Sibanya and Shoprite were the most sold stocks.

Portfolio Performance

The portfolio returned -1.45% during the month, slightly underperforming the Capped Swix index which returned -1.44%. Positive contributors to performance for the month included the fund's overweight positions in Aspen, MTN & Astral as well as underweight position in Amplats & Kumba Iron Ore. Negative contributors to performance included the funds overweight positions in Sibanya, Impala & Royal Bafokeng as well as underweight positions in Glencore, RMI & Discovery.

Cachalia Capital Investment team

From our Corner in the Sky