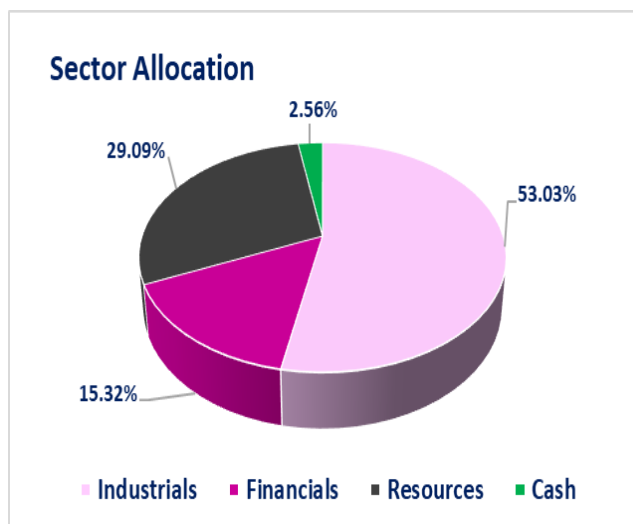


HOUSEVIEW FUND COMMENTARY

Fund Size: 384,734,981.51

Inception Date: January 2014

Top Ten Holdings			
	Shares	Sector	Weight
1	MTN	Industrials	8.43%
2	PRX	Industrials	8.03%
3	NPN	Industrials	7.96%
4	AGL	Resources	6.47%
5	IMP	Resources	5.77%
6	CFR	Industrials	5.56%
7	APN	Industrials	5.32%
8	SSW	Resources	4.26%
9	SBK	Financials	4.00%
10	BTI	Financials	3.75%
	Total		59.54%



FUND PERFORMANCE

PERFORMANCE								
	1 month	3 Months	6 Months	Y-t-d	1 Year	3 Years	Since Inception	Since Inception (Annualized)
Fund	1,57%	3,99%	3,76%	20,37%	25,29%	62,21%	108,85%	9.64%
Benchmark	0,90%	2,05%	3,57%	21,01%	27,56%	37,90%	83,92%	7.91%

RISK ANALYSIS

12 MONTH RISK METRICS				
Beta	Tracking error	Standard Deviation (fund)	Standard Deviation (Benchmark)	Active share
1.07	5.12	16.27	14.41	41.83

RECENT TRANSACTIONS

The transactions for November 2021 are as follows.

Purchases

None

Sales

None

Market Performance

Equities outperformed all other asset classes in November with the All Share posting a rand total return of +4.5% for the month. Property posted a total return of +2.2% in November, while Bonds eked out a total return of +0.7%. Large Cap stocks were the top performers, gaining +6.3%. Mid-Caps and Small Caps posted total return losses of -1.6% and -1.7% respectively.

SA Resources returned +6.5% in November with the performance once again being led by Precious Metals (+10.2%). Industrial Metals and Mining returned +5.8% and Chemicals +3.1%. The Industrial Materials (-4.1%) and Oil, Gas & Coal (-7.1%) equity sectors posted total return losses over the month.

SA Industrials posted a positive total return in November of +5.7%. Consumer Discretionary (+19.0%) was the top performing Industry group driven by Personal Goods (+26.4%). Travel & Leisure (-16.7%) was the worst performing equity sector within the group, impacted by the discovery of the new Covid-19 variant, Omicron. Telecommunications (+11%), was the only other Industrials industry group to show a positive performance in November. Health Care (-5.5%) was the worst performer, followed by Technology (-4%), Industrials (-1.9%) and Consumer Staples (-1.6%)

SA Financials lost 1.9% in November, dragged down by the poor performance from Banks (-5.4%) and Life Insurance (-9.0%) (Sanlam -11.7%, Old Mutual -8.9%, Momentum -8.3%). Top performance came from REIT's: +3.2% (Fortress B +22%, Redefine +11.1%).

2021 Year to date, Property has outperformed with a total return of +26.9% followed by the ALSI (+23.3%). The ALBI has posted a total return of +5.6% and Cash +3.5%.

SA Resources (+25.6%) and SA Industrials (+22.9%) have overtaken SA Financials (+19.6%) to be the top performing broad equity sectors year-to-date. Small caps have outperformed in 2021 YTD with a large +48.2% total return, double that of Mid-Caps +23.6% and Large Caps +22.1% total returns.

Of the industry groups year-to-date, top performance has come from Energy: +104.0%, Telecommunications: +89.9% (MTN +168%, Telkom +70%), Consumer Discretionary: +72.7% (Travel & Leisure 78%, Personal Goods +84%) and Health Care +50.4% (Aspen +92%).

The Industrials industry group returned +23.9%, with positive total returns across all equity sectors, the largest being Industrial Support services (+97%) and Industrial Transport (+58.2%). Consumer Staples have posted year-to-date gain of +14.8% with top performance of 20.5% coming from Personal Care, Drug & Grocery Stores (Dis-Chem +68%, Shoprite +45%).

Technology (-18.5%) is the only industry group to show a negative total return performance year to date with Prosus and Naspers each shedding 19%.

The rand weakened to 15.89 against the US dollar (-4.20% month on month) from R 15.25. The currency weakened against the euro at 18.01 (-2.50% month on month) and weakened against the pound at 21.12 (-1.30% month on month). SA's five-year CDS spread widened by 16.28% during November 2021 by (33.66bps) from 206.73 to 240.39 points & a 18.89% widening since the beginning of the year.

On the news front, SA authorities/scientists alerted the world to the new Omicron COVID-19 variant. On Friday 26 November, the All-Share index was down – 2.8% as the UK, then most of the rest of the world slapped travel bans on South Africa. Moderna said a new vaccine may be needed due to the mutations of the new variant – another negative. On monetary policy, the MPC hiked the policy rate by 25bp to 3.75% in a 3 vs 2 split decision at its 18 November meeting.

In terms of company news, Naspers published 1H22 results with revenues and EBITDA both worse than consensus. Vodacom is looking to close the recently announced acquisition of the higher growth 55% stake in Vodafone Egypt and 30% CIVH equity stake (domestic broadband). SBK and FSR's 3Qtr pre-close calls showed results were broadly on track with loan growth starting to accelerate.

In November 2021, foreigners continued to be large sellers of SA equities to the value of R18.4bn. Stripping out the dual-listed companies, there was still foreign selling to the value of R11 billion. Ex the dual-listed's, the largest outflows were from SA Resources to the value of R4.5 billion. This was closely followed by SA Industrials with outflows of R4.3 billion. SA Financials saw outflows of R2.1 billion. SA Industrials saw outflows of R2.1 billion while SA Financials had small inflows of R0.7bn over the month. Meanwhile, Cumulative inflows into emerging market Bonds and Equities year to date are

now +\$106.9 billion and +\$49.2 billion respectively. Pepkor, Bidcorp & Sasol were the most bought stocks by foreigners whereas Naspers, Sibanya and Amplats were the most sold stocks.

Portfolio Performance

The portfolio returned 1.57% during the month, outperforming the Capped SWIX index which returned 0.90%. Positive contributors to performance for the month included the fund's overweight positions in Richemont, Royal Bafokeng & MTN as well as underweight position in Sanlam & Bidcorp. Negative contributors to performance included the funds overweight positions in Naspers, Prosus & Aspen as well as underweight positions in AngloGold, Goldfields & Shoprite.

Cachalia Capital Investment team

From our Corner in the Sky



