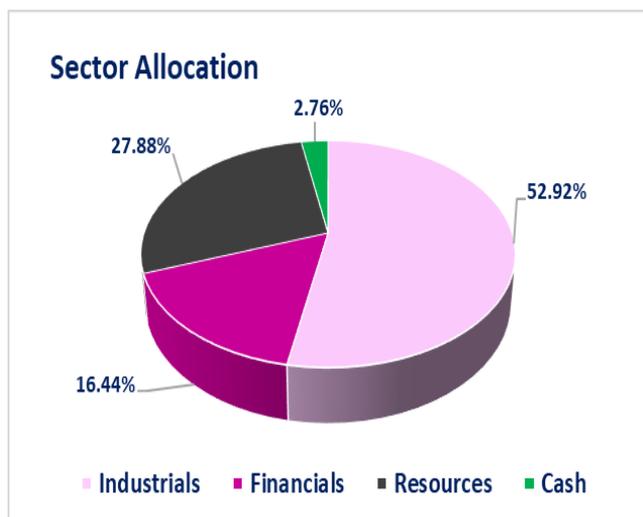


HOUSEVIEW FUND COMMENTARY

Fund Size: 400,845,891.00

Inception Date: January 2014

Top Ten Holdings			
	Shares	Sector	Weight
1	MTN	Industrials	9.08%
2	PRX	Industrials	7.79%
3	NPN	Industrials	7.69%
4	AGL	Resources	6.81%
5	IMP	Resources	6.16%
6	CFR	Industrials	5.43%
7	APN	Industrials	4.81%
8	SSW	Resources	4.27%
9	SBK	Financials	4.15%
10	BTI	Industrials	3.90%
	Total		60.08%



FUND PERFORMANCE

PERFORMANCE								
	1 month	3 Months	6 Months	Y-t-d	1 Year	3 Years	Since Inception	Since Inception (Annualized)
Fund	4.28%	10.04%	11.25%	25.52%	25.52%	64.43%	110.12%	9.62%
Benchmark	4.84%	8.56%	11.96%	26.87%	26.87%	40.69%	86.20%	7.99%

RISK ANALYSIS

12 MONTH RISK METRICS				
Beta	Tracking error	Standard Deviation (fund)	Standard Deviation (Benchmark)	Active share
1.09	5.05	16.24	14.19	42.58

RECENT TRANSACTIONS

The transactions for December 2021 are as follows.

Purchases

ABSA, MTN, ARL, SSW

Sales

RBP

Market Performance

SA Listed Property was the top performing asset class over the month with a rand total return of +7.9%. The All Share posted a total return of +4.8% in December and the ALBI a total return of +2.7%

SA Financials and SA Resources outperformed with total returns of +8.6% and +5.3% respectively in December, while SA Industrials gained +2.9%.

All equity sectors within SA Financials posted positive total returns in December with top major sector performance coming from Banks (+9.8%) and REIT's (+8%). For Resources, top performance came from Industrial Metals & Mining (+8.8%) while Chemicals (-2.2%) recorded the largest underperformance. Within SA Industrials, Travel & leisure returned +16.8%, followed by Tobacco (+10.3%) and Leisure Goods (+10.2%). Industrial Support Services (-5.5%), Pharmaceuticals (-5.1%) and Food Producers (-2.9%) were the only sectors within SA Industrials to post losses in December.

In Q4 2021, equities were the best performing asset class with a total return of +15.1%, boosted by strong performance from SA Resources +21.6% (Precious Metals & Mining +30.0%, Industrial Metals and Mining +22.6%) and SA Industrials +16.1% (Personal Goods +55.2%, Leisure Goods +35.5%, Travel Telecommunication Service providers +13.7%, Tobacco +12.7%). SA Financials only managed a total return of +3.4% in Q4 with mixed sub-sector returns (Investment Banking & Brokerage +6.5%, Banks +3.2%, Life Insurance -4.8%).

The SAPY posted a rand total return of +8.3% in Q4 vs +5.9% in Q3. The ALBI posted a total return of +2.9% in Q4 and Cash a total return of +1% (+0.4% and +1% respectively in Q3).

Following its dismal performance in 2020 (-34.5%), Property was the best performing asset in 2021, with the SAPY delivering a total return of +36.9%, its best annual performance since 2005 (+50%). SA Equities were the second-best performing asset class, with the ALSI posting a total return gain of +29.2%, (2020: +7%, 2019: +12%) – its best performance since 2009 (+32.1%). SA Bonds total return of +8.4% in 2021 was similar to the +8.7% for 2020, but slightly lower than +10.3% for 2019. Cash posted a total return of +3.8% in 2021 (2020: +5.4%, 2019: +7.3%).

Within equities, SA Resources (+32.3%), for the fourth consecutive year, was the top performing broad equity sector for 2021. SA Financials and SA Industrials returned +29.8% and +26.5% respectively.

Small Caps stocks outperformed in 2021 with a large +59.1% total return, double that of the Mid-Caps +28.9% and Large Caps +28.0% total returns.

Of the Large and Mid-Cap universe, top share performance for 2021 came from MTN, RBPlats, Investec plc and Textainer. The worst performance came from DRD Gold, Prosus, Naspers, Tigerbrands and Sibanye.

The rand weakened to 15.94 against the US dollar (-0.31% month on month) from R 15.89. The currency weakened against the euro at 18.13 (-0.67% month on month) and weakened against the pound at 21.56 (-2.08% month on month). SA's five-year CDS spread narrowed by 16.98% during December 2021 by (40.82bps) from 240.39 to 199.57 points & a 1.30% narrowing since the beginning of the year.

On the news front, the big news in December was the lifting of the curfew and other restrictions as the Omicron variant proved to be mild. Changes in regulations came in as reported a 30% week-on-week decrease in new cases in the week ending 25 December 2021 (89 781). Despite the Omicron variant being highly transmissible, the new variant has been unable to overburden the healthcare industry.

In terms of company news, Sanlam trading update was comprehensive and featured material COVID19 impacts (R4bn excess mortality claims partially offset by R2.9bn discretionary reserves). Sasol announced mining issues would curtail coal output and lowered its Secunda production guidance to 6.7-6.8 Mtons (previously cut from an original 7.4-7.5 Mtons to 7.3-7.4Mtons) which could take 20% off 2022 Core HEPS.

In December 2021, foreigners continued to be large sellers of SA equities to the value of R26.4bn. Stripping out the dual-listed companies, there was still foreign selling to the value of R18.7 billion. Ex the dual-listed's, the largest outflows were from SA Resources to the value of R10 billion. This was closely followed by SA Industrials with outflows of R6.4 billion. SA Financials saw outflows of R2.4 billion. Within Resources ex dual listed's, Precious Metals saw outflows of R9.5bn in December, with the largest selling taking place in Sibanye, Gold Fields, Implats and AngloGold. Meanwhile, Cumulative inflows into emerging market Bonds and Equities for 2021 are +\$52.6 billion and +\$99.6 billion

respectively. Capitec, Aspen & Transaction Capital were the most bought stocks by foreigners whereas Naspers, Sibanye and Goldfields were the most sold stocks.

Portfolio Performance

The portfolio returned 4.28% during the month, underperforming the Capped Swix index which returned 4.84%. Positive contributors to performance for the month included the fund's overweight positions in Impala, Anglo American & South32 as well as underweight position in Goldfields & AngloGold. Negative contributors to performance included the funds overweight positions in Naspers, Prosus & Aspen as well as underweight positions in Capitec, Clicks & Growthpoint Properties.

Cachalia Capital Investment team

From our Corner in the Sky