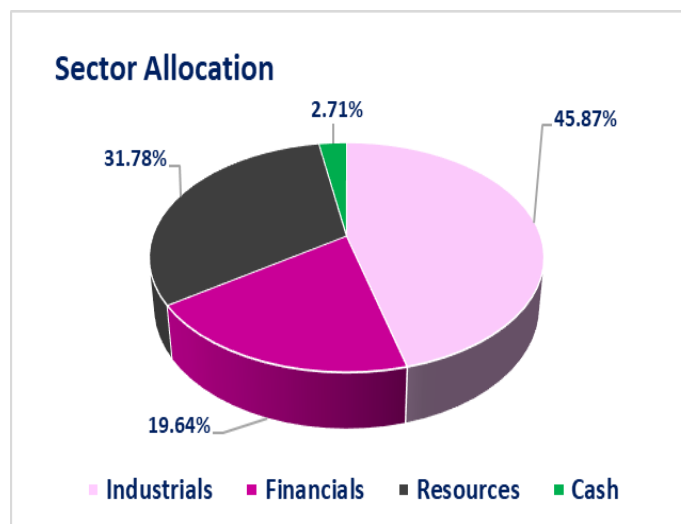


## HOUSEVIEW FUND

**Fund Size:** 408,383,491.55

**Inception Date:** January 2014

Top Ten Holdings			
	Shares	Sector	Weight
1	MTNJ.J	Industrials	9.97%
2	AGLJ.J	Resources	7.94%
3	IMPJ.J	Resources	6.08%
4	SBKJ.J	Financials	5.32%
5	SSWJ.J	Resources	5.13%
6	NPNJn.J	Industrials	5.11%
7	PRXJn.J	Financials	4.67%
8	BHGJ.J	Industrials	4.26%
9	APNJ.J	Industrials	4.20%
10	CFRJ.J	Industrials	4.20%
	Total		56.89%



### FUND PERFORMANCE

PERFORMANCE								
	1 month	3 Months	6 Months	Y-t-d	1 Year	3 Years	Since Inception	Since Inception (Annualized)
<b>Fund</b>	-2.33%	2.12%	12.37%	2.12%	10.70%	54.50%	123.78%	10.15%
<b>Benchmark</b>	1.47%	6.74%	16.01%	6.74%	20.51%	43.67%	106.08%	9.06%

### RISK ANALYSIS

12 MONTH RISK METRICS				
Beta	Tracking error	Standard Deviation (fund)	Standard Deviation (Benchmark)	Active share
1.08	4.51	14.21	12.51	43.19

### RECENT TRANSACTIONS

The transactions for March 2022 are as follows.

#### Purchases

None

#### Sales

None

## Market Performance

Property outperformed all other asset classes in March with the SAPY posting a rand total return of +5.1%. The All Bond managed to eke out a total return of +0.5% while the All Share was flat. Mid Cap stocks were the top performers, gaining +6.3%, followed by Small Caps with total return of +4.8%, while Large Caps lost 1.7% in March.

Within equities, SA Financials outperformed with a total return of +10.9%. Of the major equity sectors, Banks returned +13.8%, Life Insurance +10.8% and Investment Banking & Brokerage +5.6%. Within the Financials small cap counters, African Rainbow Cap posted a solid total return of +32.7%, followed by Alexander Forbes (+24.9%) and Hosken (+24.1%)

Following five months of positive performance, SA Resources posted a total return loss of 1.1% in March, but this was driven entirely by Precious Metals & Mining, which shed 9.1% over the month, with large losses coming from Implats, Sibanye, Northam & Amplats. Over the month Oil, Gas and Coal returned +17.5%, Alternative Energy +11%, Industrial Metals +4.1% and Chemicals +2.4%.

SA Industrials continued to underperform in March, shedding another 4.3%, with the worst performance once again coming from Software & Computers -13.8%. Rand Hedge sectors also weighed on the index: Personal Goods -8.6%, Tobacco -6.8%, Beverages -6.1%, General Industrials (Mondi plc) -4.8%. Of the major sectors, the best performance came from Retailers +8.3%, Health Care Providers +4.5% and Personal Care, Drug & Grocery Stores +4.1%.

Year-to-date, the All Share has recorded a positive total return of 3.8% and the All Bond +1.9%. The SAPY has lost 1.3%.

Within Equities, the largest year-to-date outperformance has come from SA Resources with a total return of +19%, followed by SA Financials (+16.7%). SA Industrials has, however, recorded a total return loss of 13.1%.

Energy (+50.7%), Financials (+20.3%), Basic Materials (+18.4%) and Telecommunications (+12.6%) are the top performing industry groups year-to-date. The largest underperformance has come from Technology (-34.7%), Consumer Discretionary (-16.1%) and Industrials (-11.4%). The Health Care industry group has lost 5.5%, Real Estate has lost 1.8% and Consumer Staples has gained +2.7%.

Of the equity sectors, Oil, Gas & Coal (Exxaro +45%, Thungela +16%) is the top performer year-to-date, followed by Chemicals (Sasol +37%), Banks (Nedbank +33%, Standard Bank +30%), Industrial Materials (Sappi +25%) and Industrial Metals and Mining (Kumba +49%, African Rainbow +29%).

The rand strengthened to 14.51 against the US dollar (5.53% month on month) from R 15.36. The currency strengthened against the euro at 16.13 (6.33% month on month) and strengthened against the pound at 19.18 (7.30% month on month). SA's five-year CDS spread narrowed by 9.32% during March 2022 by (21bps) from 225 in February 2022 to 204 points. This represents a 4bps & 2.0% widening since the beginning of the year at 200.

On the news front, at the SARB's MPC meeting on 25<sup>th</sup> March, policy rates were increased by 25bps to 4.25%, as expected, yet also signalled that "multiplicity" of recent shocks added uncertainty to outlook, requiring judgement call on second-round effects. Added to this, they signalled an evolution in its thinking that provides clues to triggers for a larger 50bp move. Economists now pencil in a 50bp hike (previously 25bps) in the May meeting

In terms of company news, Sanlam Financial Services increased earnings by 13% to R9.5 billion in line with guidance from their trading update. Life new business volumes increased by 28% to R71.7 billion. While Old Mutual saw an increase in operations when excluding Covid-19 impact increasing 18% year on year to R9 billion (13% ahead of consensus). Northam's H1'22 results reflected misses throughout: EBITDA of R6.4 billion was a miss & net debt of R14.3 billion was meaningfully ahead of expectations.

After foreigners turned buyers of SA Equities in February (+14.7bn), they continued to be large buyers in March to the value of R14.8bn. Stripping out the dual-listed companies, there was foreign buying to the value of R29.8 bn, with the largest inflows into SA Financials to the value of R15.0bn. This was followed by SA Resources with inflows of R13.7bn. SA Industrials saw inflows of R1.1bn. Sibanya, Firststrand & Amplats were the most bought stocks by foreigners whereas Naspers, RB Plats and Mr Price were the most sold stocks.

## **Portfolio Performance**

The portfolio returned -2.33% during the month, underperforming the Capped Swix index which returned 1.47%. Positive contributors to performance for the month included the fund's overweight positions in Billiton, Woolworths & Standard Bank as well as underweight position in Amplats & Anheuser Busch InBev. Negative contributors to performance included the funds overweight positions in Impala, Sibanya & Northam as well as underweight positions in Firstrand, Capitec & Sanlam.

## **Cachalia Capital Investment team**

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