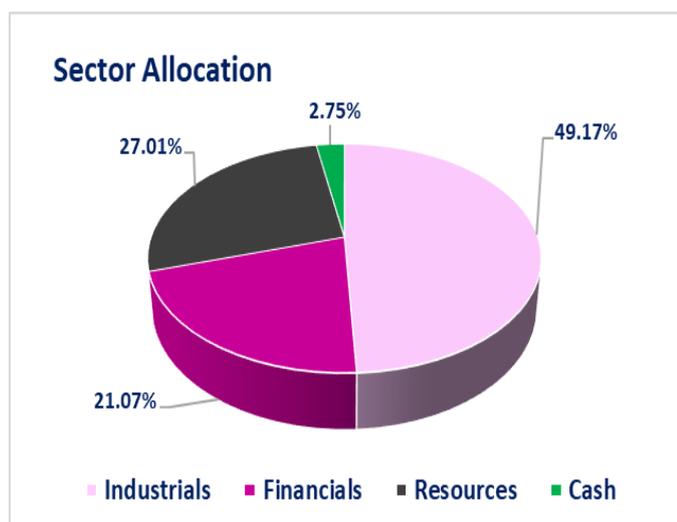


HOUSEVIEW FUND COMMENTARY

Fund Size: 346,154,004.78

Inception Date: January 2014

Top Ten Holdings			
	Shares	Sector	Weight
1	NPNJn.J	Industrials	9.29%
2	MTNJ.J	Industrials	7.14%
3	AGLJ.J	Resources	6.39%
4	PRXJn.J	Industrials	6.32%
5	IMPJ.J	Resources	5.20%
6	SBKJ.J	Financials	4.95%
7	BTIJ.J	Industrials	4.84%
8	FSRJ.J	Financials	4.41%
9	ABGJ.J	Financials	4.39%
10	CFRJ.J	Industrials	4.31%
	Total		57.26%



FUND PERFORMANCE

PERFORMANCE								
	1 month	3 Months	6 Months	Y-t-d	1 Year	3 Years	Since Inception	Since Inception (Annualized)
Fund	-3.12%	-1.91%	-11.01%	-9.12%	0.00%	38.34%	91.58%	7.64%
Benchmark	-3.96%	-2.57%	-13.18%	-7.33%	0.72%	27.21%	70.56%	6.23%

RISK ANALYSIS

12 MONTH RISK METRICS				
Beta	Tracking error	Standard Deviation (fund)	Standard Deviation (Benchmark)	Active share
1,05	3,68	17,83	16,71	41,33

RECENT TRANSACTIONS

The transactions for September 2022 are as follows.

Purchases

Remgro, Sanlam, Mr Price, Firstrand,

Sales

None

Market Performance

International turmoil continued to weigh on global markets in September. The All Share fell 4.1% and the All Bond declined 2.1%. SA Listed Property once again underperformed all asset classes with a total return loss of 6.3% over the month. Of the headline indices, Small Caps fared the best with a loss of 2% followed by Mid-Caps with a loss of 2.8%. The Top 40 and Large Caps posted total return losses of 4.4% and 4.7% respectively in September.

Within equities, SA Resources outperformed with a total return of +1.7%. The Energy industry group returned +9.3% with Oil, Gas & Coal gaining 8.7% and Alternative Energy 5.9%. Within Basic Materials (+1.7%), Precious Metals returned +5.6% driven by Sibanye (+12.7%), AngloGold (+8.7%), Gold Fields (+8.4%) and Amplats (+7.5%). The worst industry performance came from Chemicals - 8.3% and Industrial Materials -3.8%.

SA Financials posted a total return loss of 6% in September with the Real Estate group down 6.5% and the Financial Groups down 6%. Of the Financials major sectors, Banks (-7.1%) was the worst performer with losses across the board, except for ABSA (+2.9%). Life Insurance shed 5.7%, dragged down by Discovery (-14.6%) and Sanlam (-3.2%).

All industry groups within SA Industrials (-6.4%) posted total return losses over the month, with Technology (-7.8%) the biggest loser, followed by Consumer Discretionary (-7.4%) and Health Care (-6.4%). Of the equity sectors, the worst performance came from Industrial transport (-11.1%), Personal Goods (-9.1%), Drug & Grocery Stores (-8.1%), Software (-7.8%) and Pharmaceuticals (-6.8%).

Cash outperformed in Q3 2022 with a total return of +1.3%. Bonds managed to eke out a total return gain of +0.6% while Equities lost 1.9% and Property lost 3.5%

Within Equities in Q3 2022, Small Cap Stocks outperformed with a total return of +4.7%. Mid-Caps posted a positive total return of just +0.7%, while the Top40 lost 2.7% and Large Caps lost 3.1% over the quarter. SA Resources & SA Industrials lost 0.9% and 1.3% respectively in Q3, while SA Financials lost 4.2%.

In 2022 year to date, Cash has outperformed with a total return of +3.6%. Bonds have posted a small loss of 1.3% while Equities and Property have posted total return losses of 10.1% and 15.8% respectively.

Within equities year to date, SA Financials have lost 5.3%. SA Resources have lost 6.5% and SA Industrials have recorded a total return loss of 16.8%

The rand weakened to 18.11 against the US dollar (5.84% month on month) from R 17.11. The currency weakened against the euro at 17.59 (2.33% month on month) and strengthened against the pound at 20.04 (0.80% month on month). SA's five-year CDS spread widened by 21% during September 2022 by (59.56bps) from 283 in August 2022 to 342.79 points. This represents a 142.79bps & 71.40% widening since the beginning of the year at 200.

On the news front, South Africa's energy's crisis accelerated with loadshedding surpassing 2021's record levels, wiping out almost 3500GWh year to date. Additionally, the SARB's hawkish policy stance, partially induced by the Fed, solidifies the rock (global central banks tightening) and hard place (slow domestic growth) narrative. At its 22 Sept MPC meeting, the SARB retained its hawkish message and hiked 75 bps after considering a 100 bp hike in a narrow 3-2 vote. As expected, the MPC's focus on risks emanating from accelerated tightening in global financial conditions and averting a less favourable inflation-growth trade off took centre stage.

In terms of some company news on SA corporates, analysis of H1 2022 new business sales for insurers shows the resilience of the top 5 SA insurers. South Africa life insurance lapsed policies increased by 16% year on year in half 1 and by 2% versus the pre-COVID H1 '19 levels, while the number of policies issued decreased by 22% year on year and 6%, respectively. Yet the top 5 SA insurers reported sales growth of +3% year on year (+12% versus 1st half 2019). Capitec's 1H2023 results saw profit up 17% year on year to R4.7 billion and in line with 15-18% pre-guidance. There was no meaningful consensus for the interims and the stock fell sharply on the announcement.

Foreigners were large sellers of SA equities in September to the value of R19.9bn. Stripping out the dual-listed companies, there was foreign selling to the value of R9.7 billion. However, if we also

excluded the Barclays plc selling of ABSA, outflows would amount to only R1.9 billion. Naspers, Multichoice & ABSA were the most bought stocks by foreigners whereas Capitec, Implats and BidCorp were the most sold stocks.

Portfolio Performance

The portfolio returned -3.12% during the month, outperforming the Capped SWIX index which returned -3.96%. Positive contributors to performance for the month included the fund's overweight positions in BHG Group, Sibanye & Woollies as well as underweight position in Capitec & BidCorp. Negative contributors to performance included the funds overweight positions in Prosus, Aspen & Mr Price as well as underweight positions in Goldfields, AngloGold & Glencore

Cachalia Capital Investment team

From our Corner in the Sky