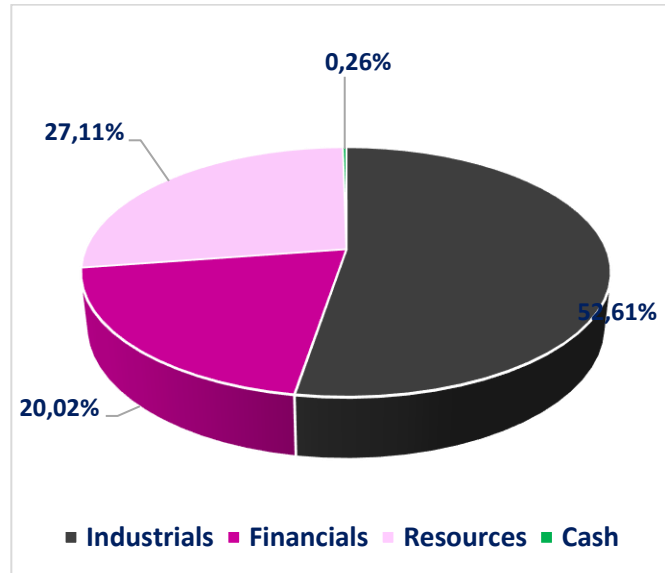


HOUSEVIEW FUND COMMENTARY

Fund Size: 411,498,633.21

Inception Date: January 2014

Top Ten Holdings			
	Shares	Sector	Weight
1	NPNJn.J	Industrials	11.23%
2	PRXJn.J	Industrials	7.78%
3	MTNJ.J	Industrials	7.34%
4	AGLJ.J	Resources	7.20%
5	CFRJ.J	Industrials	6.24%
6	IMPJ.J	Resources	5.19%
7	SBKJ.J	Financials	5.00%
8	BTIJ.J	Industrials	4.17%
9	ABGJ.J	Financials	4.15%
10	BHGJ.J	Resources	4.11%
	Total		62.41%



FUND PERFORMANCE

PERFORMANCE								
	1 month	3 Months	6 Months	Y-t-d	1 Year	3 Years	Since Inception	Since Inception (Annualized)
Fund	8.63%	17.84%	16.61%	8.63%	7.99%	57.25%	143.78%	10.61%
Benchmark	6.96%	13.94%	13.86%	6.96%	8.70%	48.72%	114.99%	9.05%

RISK ANALYSIS

12 MONTH RISK METRICS				
Beta	Tracking error	Standard Deviation (fund)	Standard Deviation (Benchmark)	Active share
1,06	4,43	18,56	17,04	39,49

RECENT TRANSACTIONS

The transactions for January 2023 are as follows.

Purchases

None

Sales

None

Market Performance

South African equities rebounded strongly in January with the All-Share index reaching a new record high of 81338 on 27 January. The index did, however, pull back slightly to end the month at 79477. The All Share posted a rand total return of +8.9%, while the All Bond posted a total return gain of 3.0%. SA Property lost 1.0% over the month.

Of the headline indices, Large Caps and Top 40 stocks outperformed with total returns of +10.6% and +9.7% respectively, while Mid-Caps and Small Caps posted total returns of +3.8% and +2.3% respectively.

Within equities, SA Industrials posted a solid total return of +12.80%. The Technology industry group returned +18.1% in January with Naspers & Prosus showing positive performance for the third consecutive month. Consumer Discretionary returned +16.3%, with Personal Goods returning +18.3% and the Retailers +9.4% (Truworths +19.9%, Woolworths +13.5%). The Telecommunications group gained 10.6% over the month with Telkom and MTN returning +15.8% and 15.40% respectively. Within the Industrials group (+8.7%), Electronics and Electrical (Reunert) returned 14.5%, General Industrials returned +9.1% (Barloworld +16.9%, Mondi +11.70%) and Industrial Transport returned +6.8% (Textainer +11.30%). The Health Care group posted a total return of +5.60% (Aspen +10.9%). The Consumer Staples group lagged with a total return of 3.0%. The Drug & Grocery Stores outperformed with a total return of +6.2%, followed by Food Producers (+1.4%). Beverages only managed to eke out a total return of +0.8%, while Tobacco lost 1.4% in January.

SA Resources returned +6.3% in January with solid total return performance coming from Chemicals (+14.4%) and Industrial Materials (+10.2%). Industrial Metals returned +9.5% (South32 +18.8%, BHP Group +14.7%) and Precious Metals only +1.6%. The Energy industry group posted a loss of 7.5% over the month.

Within SA Financials (+3.9%), Life Insurance and Non-life Insurance outperformed with total returns of +13.4% and +12.7% respectively (Sanlam +15.6%, Outsurance +14.1%, Old Mutual +13.1%). Banks only managed a total return of +2.5% in January and REITs lost 2.2%

The rand weakened to 17.40 against the US dollar (2.40% month on month) from R 17.00. The currency weakened against the euro at 18.89 (4.00% month on month) and weakened against the pound at 21.43 (4.50% month on month). SA's five-year CDS spread widened by 0.60% during January 2023 by (1.40bps) from 250.51 in to 251.93 points.

On the news front, at its 26 Jan meeting, the SARB hiked its key policy rate by 25bps and downsizing from its November 2022 75 bp hike in November. Our economists do not pencil in further hikes with a non-consensus forecast of a 25bps cut in 4th Qtr. 23 to trim the policy rate back to 7%. Following SA's worsening electricity crises, the National Energy Crises Committee, a committee that sits within the Presidency to address the electricity crisis, has drawn a plan to solicit 8.8 GW of energy for 2023. Solutions vary from importing energy from neighbouring countries, tweaking legislation to fast-track maintenance (up to a year), securing energy from entities with excess energy and battery storage to name a few.

Foreign selling of SA equities amounted to R11.60 bn in January, down from the December 2022 outflows of R17.20bn. Stripping out the dual-listed companies, there were smaller foreign outflows to the value of R1.7bn.

Ex the dual-listed's, outflows to the value of R3.7bn came from SA Resources. Precious Metals and Mining saw net outflows of R2.40 with foreigners selling Gold Fields (-R1.0bn), Sibanye (-R0.5bn), AngloGold (-R0.6bn) and Amplats (-R0.4bn). The Chemicals (Sasol) and Energy (Thungela, Exxaro) equity sectors each saw outflows of R0.6bn in January.

SA Financials had a small inflow of R0.6bn with foreigners adding Sanlam (R0.4bn), Old Mutual (R0.1bn) and Momentum (R0.1bn).

SA Industrials saw net inflows of R1.40bn with the largest buying taking place in the Retailers (+2.4bn). Mr Price, Woolworths & Bidcorp were the most bought stocks by foreigners whereas Naspers, Capitec and Goldfields were the most sold stocks by foreigners.

Portfolio Performance

The portfolio returned 8.46% during the month, outperforming the Capped Swix index which returned 6.96%. Positive contributors to performance for the month included the fund's overweight positions in Prosus, MTN & BHP Group as well as underweight position in Capitec & Glencore. Negative contributors to performance included the funds overweight positions in Northam, Impala & British American Tobacco as well as underweight positions in Discovery, Goldfields & Spar

Cachalia Capital Investment team

From our Corner in the Sky