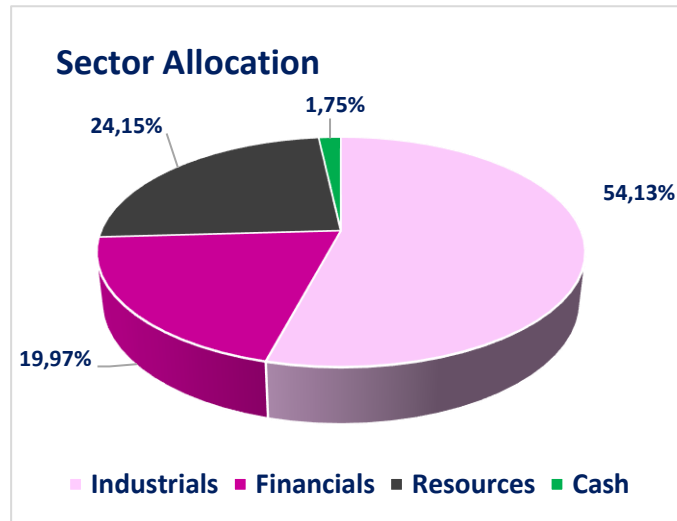


## HOUSEVIEW FUND COMMENTARY

**Fund Size:** 362,137,189.73

**Inception Date:** January 2014

Top Ten Holdings			
	Shares	Sector	Weight
1	NPNJn.J	Industrials	11.40%
2	PRXJn.J	Resources	8.00%
3	CFRJ.J	Resources	7.43%
4	MTNJ.J	Industrials	6.68%
5	AGLJ.J	Industrials	5.73%
6	SBKJ.J	Industrials	5.15%
7	IMPJ.J	Resources	4.77%
8	BTIJ.J	Financials	4.37%
9	FSRJ.J	Financials	4.09%
10	ABGJ.J	Industrials	3.87%
	Total		61.48%



### FUND PERFORMANCE

PERFORMANCE								
	1 month	3 Months	6 Months	Y-t-d	1 Year	3 Years	Since Inception	Since Inception (Annualized)
<b>Fund</b>	2.50%	-3.78%	13.38%	4.52%	9.70%	66.77%	134.55%	10.13%
<b>Benchmark</b>	3.41%	-0.99%	12.82%	5.91%	7.49%	67.95%	112.87%	8.93%

### RISK ANALYSIS

12 MONTH RISK METRICS				
Beta	Tracking error	Standard Deviation (fund)	Standard Deviation (Benchmark)	Active share
1,08	4,53	19,61	17,74	42,77

### RECENT TRANSACTIONS

The transactions for April 2023 are as follows.

#### Purchases

None

#### Sales

None

## Market Performance

SA Listed Property outperformed all other asset classes in April with a rand total return of +5.4%. The All Share index returned +3.4% over the month. Mid Cap stocks were the top headline index performers, gaining +3.8%, followed by Large Caps with a total return of +3.3% and Small Caps with a total return of +2.0%. The All Bond posted a total return loss of 1.2% in April.

Within equities, SA Resources returned +4.0% in April with the top equity sector performance once again coming from Precious Metals & Mining (+14.6%). The only other positive total return performance came from Oil, Gas & Coal (+3.5%). Alternative Energy (Montauk -19.4%) was the worst performing equity sector within Resources, Followed by Industrial Materials (Sappi -9.3%) and Industrial Metals & Mining -3.2% (BHP Group -4.9%, Anglo -4.3%, South 32 -2.0%).

SA Financials saw a total return gain of 3.4% over the month. Real Estate outperformed (+5.7%) with the top performance coming from Hammerson +9.6%, Quilter +9.0%, Remgro +4.8%) and Life Insurance gained 4.5% with positive total returns across the board. Performance in Banks (+2.5%) in April was mixed (FirstRand +6.6%, Standard Bank +3.1%, Capitec -5.6%). Negative equity sector performance within SA Financials came from Closed End Investments (ARC -16.2%) and Finance & Credit Services (Transcap -4.6%).

SA Industrials returned +3.1% in April. Top industry group performance came from Consumer Discretionary +5.7% (Personal Goods +6.4%), Health Care +3.6% (Health Care Providers +6.7%) and Consumer Staples +3.3% (Tobacco +7.2%, Drug & Grocery Stores +3.0%). The Telecommunications group returned +1.8% and the Industrials group +1.4%. Technology (-1.0%) was the only industry group within SA Industrials to post a negative total return over April.

In 2023 year-to-date, equities have outperformed with a total return of +8.7%. Cash has marginally outperformed Bonds (+2.3% vs +2.2%) and SA Property is flat.

Of the major equity sectors, top total return performance came year-to-date has come from Personal Goods (+35.1%), Pharmaceuticals (+32.1%), Life Insurance (+18.6%), Precious Metals & Mining (+16.7%) and Software & Computers (+15.6%). The worst overall equity sector performance

has come from Finance & Credit Services (-63.3%), Alternative Energy (-42.1%) Oil, Gas & Coal (-17.9%), Industrial Materials (-11.0%) and Automobiles & Parts (-10.7%).

Of the Large & Mid cap stocks, Gold Fields (+63.8%), AngloGold (+49.6%), Harmony (+45.5%), Richemont (+35.1%) and Aspen (+34.1%) are the top performers year-to-date. The worst total return performance has come from Transcap (-63.3%), Montauk (-42.1%), Thungela (-26.3%), Pick n Pay (-23.5%) and Amplats (-21.6%)

The rand weakened to 18.27 against the US dollar (2.80% month on month) from R 17.78. The currency weakened against the euro at 20.14 (4.50% month on month) and weakened against the pound at 22.93 (4.80% month on month). SA's five-year CDS spread widened by 4.50% during April 2023 by (12.15bps) from 269.98 to 282.13 points and 12.62% & (31.62bps) from the beginning of 2023 at 250.51

On the news front, former Eskom CEO presented evidence in parliament following his interview with the ENCA. Most of the testimony echoed many of his views in his ENCA interview. Domestically, the market has been negotiating domestic and offshore headwinds as power cuts in the month hit stage 6 again. Over the past 4 months alone, South Africa has cur 2651 hours of power -70% of the full year 2022 which was the worst year ever. The degree of power cuts has resulted in economists cutting the YE23 growth rate & IP data slowed showing signs that the energy crises as well as rail constraints have weighed on growth.

In terms of company news, Clicks 1H23 results pointed to slowing sales momentum, with earnings tracking below Bloomberg consensus. Multichoice has been added to the list of corporates feeling the pain from power cuts, as FY23 SA guidance downgrade resulted in severe cuts to core HEPS and expectations for the dividend to be cut to zero.

Following selling to the value of R32.2bn in Q1 2023 (-R13.1bn ex dual listed's), foreigners turned buyers of SA equities in April to the value of R6.2 bn. Stripping out the dual-listed companies, there were inflows of R11.0bn in April with the largest buying taking place in SA Industrials (R7.5bn), followed by SA Financials (R7.0bn). SA Resources, however, saw foreign selling to the value of R3.5bn.

Naspers, Firststrand & Capitec were the most bought stocks by foreigners whereas Goldfields, Thungela and AngloGold were the most sold stocks by foreigners.

### **Portfolio Performance**

The portfolio returned 2,50 % during the month, underperforming the Capped SWIX index which returned 3.41%. Positive contributors to performance for the month included the fund's overweight positions in Richemont, Northam & Sibanye as well as underweight position in Bidvest & AB Inbev. Negative contributors to performance included the funds overweight positions in Prosus, BHP Group & Naspers as well as underweight positions in Goldfields, AngloGold & Harmony

### **Cachalia Capital Investment team**

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