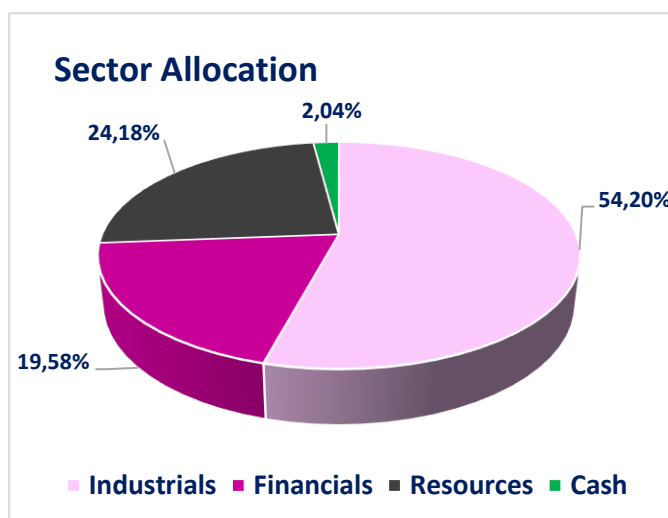


HOUSEVIEW FUND COMMENTARY

Fund Size: 339,458,610.47

Inception Date: January 2014

Top Ten Holdings			
	Shares	Sector	Weight
1	NPNJn.J	Industrials	11.08%
2	CFRJ.J	Industrials	8.21%
3	PRXJn.J	Industrials	8.06%
4	MTNJ.J	Industrials	6.77%
5	AGLJ.J	Resources	5.98%
6	SBKJ.J	Financials	4.85%
7	IMPJ.J	Resources	4.52%
8	BTIJ.J	Industrials	4.37%
9	BHGJ.J	Resources	4.08%
10	FSRJ.J	Financials	4.08%
	Total		62.00%



FUND PERFORMANCE

PERFORMANCE								
	1 month	3 Months	6 Months	Y-t-d	1 Year	3 Years	Since Inception	Since Inception (Annualized)
Fund	-6.22%	-6.22%	-4.25%	1.98%	0.94%	55.64%	119.96%	9.33%
Benchmark	-5.80%	-4.52%	-3.06%	-0.24%	0.84%	59.04%	100.51%	8.19%

RISK ANALYSIS

12 MONTH RISK METRICS				
Beta	Tracking error	Standard Deviation (fund)	Standard Deviation (Benchmark)	Active share
1,08	4,59	18,79	16,88	42,62

RECENT TRANSACTIONS

The transactions for May 2023 are as follows.

Purchases

None

Sales

None

Market Performance

SA Listed Property underperformed all other asset classes in May with a rand total return loss of 5.3%. The All Bond index lost 4.7% over the month and the All Share index lost 3.9%. Of the headline indices, Mid Cap stocks were the worst performers, losing 7.7%. Small Caps posted a loss of 5.1% and Large Caps a smaller loss of 2.8%. With a total return of -7.5%, SA Financials was the worst performing sector index. SA Industrials returned -3.3% and SA Resources -2.2%.

All Industry Groups posted total return losses in May, with the exception of Consumer Discretionary (+1.7%), where heavyweight Personal Goods returned +3.8% and Automobiles and Retailing lost 23.0% and 11.9% respectively. The Industrials group posted a marginal loss of 0.8% over the month, with flat performance from Industrial Transport and General Industrials. Construction was down 11.8% and Electronic & Electrical was down 4.8%. The Health Care group lost 6.7% (Pharmaceuticals -5.8%, Health Care providers -9.3%), the Technology group was down 7.4% and the Telecommunications group was down 7.7%. Within Consumer Staples (-9.1%), Tobacco and Drug & Grocery Stores lost 6.1% and 8.9% respectively, Beverages lost 11% and Food Producers lost 15.3%.

Within Basic Materials (-1.9%), Industrial Materials returned +5.0%, Chemicals lost 2.5% and Precious Metals and Industrial Metals each lost 1.9% in May. Performance within Energy (-11.4%) was mixed, with Alternative Energy (Montauk) gaining 30.5% and Oil, Gas & Coal shedding 14.3%.

In May, the Real Estate group shed 5.0%, with Investment & Services managing to eke out a total return gain of 0.7% and REIT's shedding 8.1% over the month. Within the Financials group (-7.9%), the worst performance came from Finance & Credit Services (Transcap) with a total return loss of 43.3%. Non-life Insurance (-8.8%), Banks (-8.6%) and Life Insurance (-8.1%) posted similar losses while Investment Banking & Brokerage Services fared slightly better with a loss of 3.1%.

In 2023 year-to-date, equities have outperformed all asset classes with a total return of +4.5%. Cash has returned +3.1%, bonds has lost 2.6% and property has lost 5.3%

Of the major equity sectors, top total return performance came year-to-date has come from Personal Goods (+40.3%), Pharmaceuticals (+24.4%), Industrial Transport (+16.3%), Real Estate Investment and Services (+15.6%), Precious Metals & Mining (+14.5%) and Electronic & Electrical (+12.2%). The worst overall equity sector performance has come from Finance & Credit Services (-79.2%), Automobiles & Parts (-31.3%), Oil, Gas & Coal (-29.6%), Alternative Energy (-24.4%), Food Producers (-18.7%) and Retailers (-15.8%).

The rand weakened to 19.73 against the US dollar (8.00% month on month) from R 18.27. The currency weakened against the euro at 21.07 (4.60% month on month) and weakened against the pound at 24.52 (6.90% month on month). SA's five-year CDS spread widened by 13.20% during May 2023 by (37.20bps) from 282.13 to 319.33 points and 27.50% & (68.80bps) from the beginning of 2023 at 250.51

On the news front, at it's 25 May meeting, the SARB delivered a 50bp hike – in line with consensus. The SARB still expects a positive GDP growth outcome for 1Q23 with the growth outlook marked up a tenth to 0.3% in 2023 and left unchanged at 1% in 2024 despite the intensifying load-shedding. On 29 May, President Ramaphosa setup a judicial inquiry after the US ambassador alleged that SA sold arms to Russia and implicitly threatened SA's participation in AGOA. Russia is around 0.5% of South Africa's total exports. The inquiry will have 6 weeks to complete its investigations and another two weeks to report to the President.

Following the buying in April to the value of R6.2bn, foreigners turned large sellers of SA equities in May to the value of R20.9bn. Even stripping out the dual-listed companies, there were outflows of R18.4bn with the largest selling taking place in SA Industrials (-R10.9bn), followed by SA Resources (-R7.5bn). Flows within SA Financials were flat over the month.

Amplats, Nedbank & MTN were the most bought stocks by foreigners whereas Goldfields, Naspers and AngloGold were the most sold stocks by foreigners.

Portfolio Performance

The portfolio returned -6.22 % during the month, underperforming the Capped SWIX index which returned -5.80%. Positive contributors to performance for the month included the fund's overweight positions in Richemont, BHG Group & Northam as well as underweight positions in Capitec & Shoprite. Negative contributors to performance included the funds overweight positions in Sibanya, Impala & Astral as well as underweight positions in Goldfields, AngloGold & Harmony

Cachalia Capital Investment team

From our Corner in the Sky