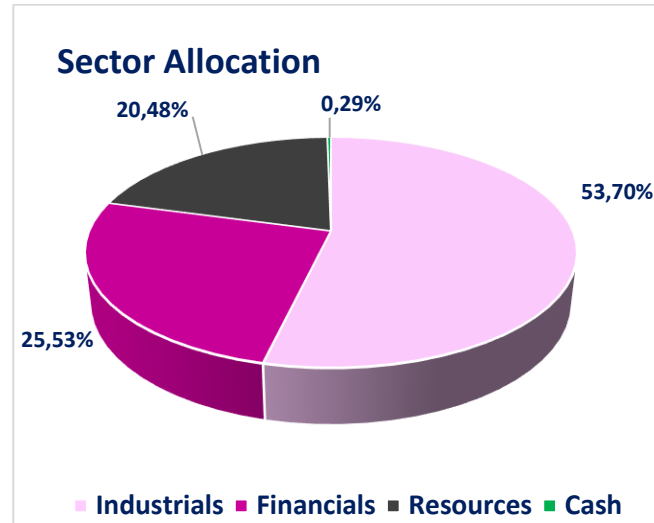


## HOUSEVIEW FUND COMMENTARY

**Fund Size:** 291,027,017.32

**Inception Date:** January 2014

Top Ten Holdings			
	Shares	Sector	Weight
1	NPNJn.J	Industrials	11.41%
2	PRXJn.J	Industrials	7.34%
3	SBKJ.J	Financials	6.74%
4	AGLJ.J	Resources	5.97%
5	CFRJ.J	Industrials	5.89%
6	MTNJ.J	Industrials	5.81%
7	FSRJ.J	Financials	4.79%
8	ABGJ.J	Financials	4.53%
9	BTIJ.J	Industrials	4.46%
10	APNJ.J	Industrials	4.36%
	Total		61.32%



### FUND PERFORMANCE

PERFORMANCE								
	1 month	3 Months	6 Months	Y-t-d	1 Year	3 Years	Since Inception	Since Inception (Annualized)
<b>Fund</b>	8.56%	-0.87%	0.31%	-1.68%	-3.95%	31.56%	112.27%	8.48%
<b>Benchmark</b>	8.33%	2.04%	5.02%	4.77%	1.81%	46.20%	100.74%	7.82%

### RISK ANALYSIS

12 MONTH RISK METRICS				
Beta	Tracking error	Standard Deviation (fund)	Standard Deviation (Benchmark)	Active share
1.07	4.57	17.86	16.11	43.85

### RECENT TRANSACTIONS

The transactions for November 2023 are as follows.

#### Purchases

None

#### Sales

None

## Market Performance

SA Listed Property outperformed all other asset classes in November with a total return gain of 9.1%, its best monthly performance since October 2022. The All Share index returned +8.6% over the month. Large Cap stocks were the top headline index performers, gaining +10.2%, followed by Mid Caps (+5.3%) and Small Caps (+4.8%). The All Bond posted a total return gain of 4.7% in November, its best monthly performance since May 2020

Within equities, SA Industrials returned +10.1% in November, with the top industry group performance coming from Technology (+19.2%). The Telecommunications group returned +8.4% and Consumer Staples group returned +7.3% (Beverages 11.4%, Food Producers +8%, Tobacco +7.7%, Drug & Grocery Stores +6.2%. The Health Care group gained 5.9% (Pharmaceuticals +8.87%, Health Care providers +1.5%) and the Consumer Discretionary group gained 5.6% (Personal Goods +6.1%, Travel & Leisure +4.9%, Retailers +4.6%). Within the Industrials group (+2.6%), Construction outperformed with a solid total return of +13.4%, Support Services and Electronics & Electricals posted returns of 5%, General Industrials returned +2.3%. Meanwhile Industrial Transport lost 2.2% in November.

SA Financials saw a total return of 8.5% over the month. Real Estate returned +9.6% with the top performance coming from Hammerson (+28.3%), Shaftesbury (+21.3%), Sirius (+17.8%), Nepi Rockcastle (+15.2%) and Small Caps Lightcap (+12.2%) and MAS (+11.8%). Within the Financials group (+8.3%), Finance & Credit Services (Transaction Capital) rebounded sharply with a total return of +44.2%. Banks returned +10.3% in November with positive total returns across the board. Investment Banking gained 7.7% (Quilter +24.4%, Reinet +14.3%, Ninety One +12.8%, Remgro +1.9%), Non-Life Insurance gained 3.7% (Santam +6.1%, OUTsurance +2.9%) and Life Insurance gained 1.6% (Sanlam +3.9%, Discovery +3.5%, Old Mutual -3.0%).

SA Resources showed its best monthly performance of 2023 in November with a positive total return of 6.4%. The Basic Materials group returned +6.9% with top sector performance coming from precious metals +9.9% (Harmony +35.4%, Amplats +27.8%, Gold Fields +14.6%) and Industrial Metals +8.1% (Kumba +19.9%, ARM +18.3%). The Chemicals equity sector underperformed with a total loss

of 10.1%. The Energy group lost 4.4% in November with Thungela and Montauk shedding 13.2% and 7.1% respectively.

Year-to-date, Bonds are now the best performing asset class with a total return of +8.1%. Cash has returned +7.3% and Equities +7.1%. Property has a total return of 0.2%

Within equities, the largest year-to-date outperformance has come from SA Industrials with a total return of +15.8%, followed by SA Financials (+13.4%). SA Resources has, however, recorded a loss of 11.8%.

Of the equity sectors year-to-date, top performance has come from SA Industrial Transport (+39%), Non Life Insurance (+29%), Pharmaceuticals (+26%), Life Insurance (+25%) and Electrical & Electronics (+19%). The worst sector performance has come from Finance & Credit Services (-85%), Automobiles (-46%), Telecom Services (-26%), Industrial Metals (-20%) and Precious Metals (-17%).

The rand weakened to 18.85 against the US dollar (1.84% month on month) from R 18.51. The currency weakened against the euro at 20.52 (4.11% month on month) and weakened against the pound at 23.85 (5.35% month on month). SA's five-year CDS spread narrowed by 14.47% during November 2023 by (39.89bps) from 275.61 to 235.72 points and narrowed by 0.60% & (14.79 bps) from the beginning of 2023 at 250.51

On the news front, the country slipped back to stage 6 loadshedding as dispatchable reserves were constrained due to elevated demand and a heatwave that swept the country. Due to the heavy use of Open Cycle Gas Turbines, Eskom is close to fully utilizing its budget for diesel this year (c. R28 billion). For context, last year Eskom spent R12 billion on diesel. So far, the SOE has spent close to R24 billion year to date with c. R3.6 billion remaining for the financial Year End (March 2024). Transnet's rail and port issue have made front page news in many publications in November, with close to 100 000 containers stranded at sea due to port congestions. On the morning of 1 December, National Treasury announced a R47 billion government guaranteed facility to help Transnet with its liquidity concerns.

Foreigners continued to be sellers of SA equities for the seventh consecutive month in November to the value of R12.7bn. Stripping out the dual-listed companies, there was foreign selling to the value

of R11.6bn. Ex the dual listed's, SA Industrials saw outflows to the value of R9.5 bn and SA Financials saw outflows of R3.2bn, while SA Resources saw net inflows of R1.0bn

Year to date, foreigners have been sellers of SA equities to the value of R133 billion and excluding the dual-listed's there has been foreign selling to the value of R67.0 billion. Foreigners have sold R45.4 billion of Industrials and sold R20.8 billion of Resources. They have been marginal sellers (R 0.8 billion) of Financials.

Sibanye, Sasol & Nedbank were the most bought stocks by foreigners whereas Goldfields, Naspers and Growthpoint were the most sold stocks by foreigners.

### **Portfolio Performance**

The portfolio returned 8.56 % during the month, outperforming the Capped SWIX index which returned 8.33%. Positive contributors to performance for the month included the fund's overweight positions in Prosus, Naspers & Mr Price as well as underweight positions in Vodacom & Thungela. Negative contributors to performance included the funds overweight positions in Richemont, Impala & Sibanye as well as underweight positions in Capitec, Harmony & Goldfields

### **Cachalia Capital Investment team**

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