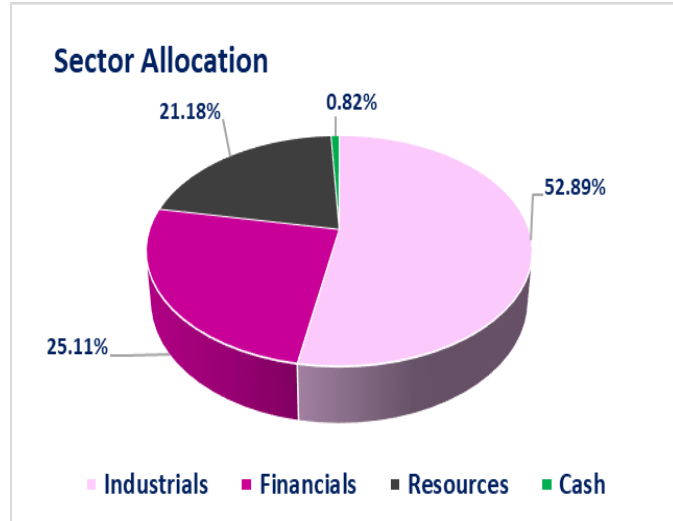


HOUSEVIEW FUND COMMENTARY

Fund Size: 275,742,664.48

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)
Fund	-5.62%	-14.49%	-13.35%	-9.43%	-1.75%	34.05%	95.53%	7.59%
Benchmark	-2.93%	-10.32%	-8.68%	-3.29%	3.02%	48.07%	85.31%	6.96%

RISK ANALYSIS

12 MONTH RISK METRICS				
Beta	Tracking error	Standard Deviation (fund)	Standard Deviation (Benchmark)	Active share
1.08	4.83	17.23	15.40	44.19

RECENT TRANSACTIONS

The transactions for October 2023 are as follows.

Purchases

None

Sales

None

Market Performance

Bonds outperformed all other asset classes in October with the All Bond index posting a rand total return gain of 1.7%. SA Listed Property lost 3.0% and the All Share lost 3.4%. Of the equity headline indices, Small Caps lost 2.3%, while Mid Caps and Large Caps shed 3.2% and 3.6% respectively.

Within equities, SA Financials fared the best, losing 2.2% in October. Finance & Credit Services was the only sector to show a positive total return over the month with Transactional Capital gaining 15.2%. Life Insurance and Banks posted small losses of 0.6% and 1.9% respectively, while Investment Banking & Brokerage recorded a loss of 4.0% in October.

SA Resources lost 3.2% in October. The Energy group returned +3.8% with Exxaro and Montauk gaining 8.5% and 3.1% respectively and Thungela losing 4.2%. The Basic Materials group lost 3.5% in October with the worst sector performance coming from Industrial Materials (-11.0%), followed by Chemicals (-8.4%) and Industrial Metals (-7.7%). Performance was mixed within Precious Metals (+4.4%). While the gold stocks posted large positive total returns, the platinum stocks posted losses across the board.

SA Industrials lost 4.5% in October, dragged down by the poor performance from Telecommunications (-14.7%), with the groups worst performance coming from MTN (-19.4%). Technology shed 4.2% in October. Health care was down 3.8% with Health Care providers losing 6.7% and Pharmaceuticals losing 1.7%. Within the Industrials group (-3.6%), Construction and General Industrials shed 8.4% and 4.6% respectively, while Industrial transport gained 8.5%, helped by the solid total return performance from Textainer (+28.9%). Within the Consumer Staples group (-2.5%), Tobacco and Drug & Grocery Stores lost 5.9% and 2.8% respectively, while Food Producers gained 3.3% and Beverages gained 1.2%. The Consumer Discretionary group lost 1.9% in October with the worst performance coming from Travel & Leisure -7.7% and Personal Goods -4.4%.

Year-to-date, Cash has outperformed all asset classes with a total return of +6.6%. Bonds (+3.2%) are now the second-best performing asset class. Equities has lost 1.3% and Property has lost 8.2%

Within equities, the largest year-to-date outperformance has come from SA Industrials with a total return of +5.2%, followed by SA Financials (+4.5%). SA Resources has, however, recorded a loss of 17.1%.

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 strengthened to 18.51 against the US dollar (2.42% month on month) from R 18.97. The currency strengthened against the euro at 19.71 (1.50% month on month) and strengthened against the pound at 22.64 (1.91% month on month). SA's five-year CDS spread narrowed by 1.69% during October 2023 by (4.72bps) from 280.33 to 275.61 points and widened by 10.02% & (25.10 bps) from the beginning of 2023 at 250.51

On the news front, October news flow centered around the MTBPS (1 November), with news articles pointing to the possibility of an Eskom-like debt package for Transnet. Investors are widely expecting an upward revision to FY23/24 fiscal deficit numbers, with risks to additional SOE support also expected. Issues on the revenue side are well known. On that, high frequency data in October pointed to a cumulative deficit for the first five months of the fiscal year now has widened to 3.4% of GDP, compared to the 2.4% in the prior year.

Foreigners continued to be sellers of SA equities in October to the value of R8.7bn. Stripping out the dual-listed companies, there was foreign selling to the value of R3.1 billion. Ex the dual-listeds, SA Industrials saw outflows to the value of R4.4 billion, while SA Financials and SA Resources saw net inflows of R0.8 billion and R 0.5 billion, respectively.

Year to date, foreigners have been sellers of SA equities to the value of R120 billion and excluding the dual-listed's there has been foreign selling to the value of R55.4 billion. Foreigners have sold R35.9 billion of Industrials and sold R21.8 billion of Resources. They have been buyers of R2.4 billion of Financials.

Shoprite, Sanlam & Standard Bank were the most bought stocks by foreigners whereas Clicks, Naspers and Growthpoint were the most sold stocks by foreigners.

Portfolio Performance

The portfolio returned -5.62 % during the month, underperforming the Capped SWIX index which returned -2.93%. Positive contributors to performance for the month included the fund's overweight positions in Astral, Aspen & Woolworths as well as underweight positions in Glencore & Bidcorp. Negative contributors to performance included the funds overweight positions in Pick n Pay, Anglo American & Prosus as well as underweight positions in Clicks, Harmony & Gold Fields

Cachalia Capital Investment team

From our Corner in the Sky