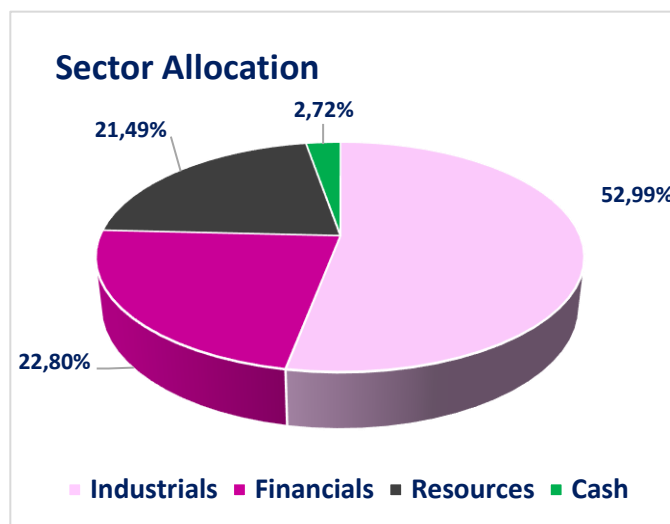


## HOUSEVIEW FUND COMMENTARY

**Fund Size:** 308,142,254.78

**Inception Date:** January 2014

Top Ten Holdings			
	Shares	Sector	Weight
1	NPNJn.J	Industrials	11.60%
2	PRXJn.J	Industrials	7.79%
3	MTNJ.J	Industrials	6.45%
4	CFRJ.J	Industrials	6.27%
5	SBKJ.J	Financials	6.06%
6	AGLJ.J	Resources	5.89%
7	FSRJ.J	Financials	4.45%
8	BTIJ.J	Industrials	4.24%
9	BHGJ.J	Resources	4.21%
10	ABGJ.J	Financials	4.18%
	Total		61.15%



### FUND PERFORMANCE

PERFORMANCE								
	1 month	3 Months	6 Months	Y-t-d	1 Year	3 Years	Since Inception	Since Inception (Annualized)
<b>Fund</b>	-3,25%	-6,32%	-5,89%	-4,04%	8,14%	38,57%	107,17%	8,35%
<b>Benchmark</b>	-2,96%	-3,80%	-2,72%	-0,37%	11,79%	46,89%	90,90%	7,38%

### RISK ANALYSIS

12 MONTH RISK METRICS				
Beta	Tracking error	Standard Deviation (fund)	Standard Deviation (Benchmark)	Active share
1,08	4,73	17,28	15,47	43,33

### RECENT TRANSACTIONS

The transactions for September 2023 are as follows.

#### Purchases

None

#### Sales

None

## Market Performance

SA Listed Property underperformed all other asset classes in September with a rand total return loss of 4.1%. The All Share index and the All Bond index posted similar losses of 2.5% and 2.4% respectively. Of the equity headline indices, Large Caps lost 3.2%, while Small Caps lost 2.0% and Mid Caps lost 1.1%

Within equities, SA Industrials recorded a total return loss of 4.1% in September and SA Financials a loss of 3.8%. SA Resources, however, bucked the trend with a positive total return in September of 1.2%.

Energy (+12.2%) was the top performing industry group in September with Oil, Gas & Coal returning +14.3% (Thungela +22.4%, Exxaro +9.5%). Basic Materials managed to eke out a total return of +0.8% with Chemicals returning +10.4%, Industrial Materials +9.8% and Industrial Metals +3.6%. Precious Metals lost 5.7% over the month.

In September, Technology (-6.3%) and Telecommunications (-5.5%) were the worst performing industry groups. Consumer Discretionary lost 5.0% over the month with Personal Goods shedding 12.0% and Retailers 1.0%, but Travel & Leisure gained 8.4%. The Real Estate group was down 4.0% and the Financials group was down 3.7% with the worst sector performance coming from Finance & Credit Services (-34.9%), followed by Life Insurance (-4.6%) and Banks (-4.0%). Consumer Staples shed 2.9% with losses across the board, the worst being Tobacco (-3.5%). Within the Industrials group (-0.3%), Construction & Materials posted a solid total return of +11.6% with PPC returning +17.3% and WBHO and Raubex each providing returns of 10%. The Health Care group was flat over the month (Pharmaceuticals +2.0%, Health Care Providers -2.7%).

In Q3 2023, Cash outperformed with a rand total return gain of 2.0% vs a loss of 0.4% for Bonds and a loss of 1.0% for Property. Equities lost 3.5% over the quarter. Within Equities, Small Cap stocks outperformed with a total return of +1.1% and Mid Caps returned +0.9%, while Large Caps posted a loss of 5.4% over the quarter. SA Financials returned +1.7% in Q3, while SA Resources and SA Industrials lost 4.3% and 6.2% respectively.

Year-to-date, Cash has outperformed all asset classes with a total return of +5.8%. Equities has returned +2.2% and Bonds has gained +1.5%, while Property has lost 5.4%.

Within equities, the largest year-to-date outperformance has come from SA Industrials with a total return of +10.1%, followed by SA Financials (+6.8%). SA Resources has, however, recorded a loss of 14.4%.

The rand weakened to 18.97 against the US dollar (0.53% month on month) from R 18.87. The currency strengthened against the euro at 20.01 (2.20% month on month) and strengthened against the pound at 23.08 (3.51% month on month). SA's five-year CDS spread widened by 14.64% during September 2023 by (35.80bps) from 244.53 to 280.33 points and 11.90% & (29.82 bps) from the beginning of 2023 at 250.51

On the news front, September saw the end of winter and the resurgence of loadshedding with many days hitting Stages 4-6 after an August that was lit. The SARB was on hold at its 21 September meeting, but signalled ongoing hawkishness with the press conference focus on fiscal risks and upside to its Rand and oil price assumptions

Foreigners were sellers of SA equities in September to the value of R10.6 billion. Stripping out the dual-listed companies, there was foreign selling to the value of R4.2 billion. Ex the dual listed's, the largest outflows were from SA Industrials to the value of R7.4 billion. SA Financials saw outflows of R3.0 billion, while SA Resources had inflows of R6.2 billion over the month.

Year to date, foreigners have been sellers of SA equities to the value of R112 billion and excluding the dual-listed's there has been foreign selling to the value of R52.3 billion. Foreigners have sold R31.5 billion of Industrials and sold R22.4 billion of Resources. They have been buyers of R1.6 billion of Financials.

Sibanye, Implats & Absa were the most bought stocks by foreigners whereas Firstrand, Naspers and Bidcorp were the most sold stocks by foreigners.

## **Portfolio Performance**

The portfolio returned -3.25 % during the month, underperforming the Capped SWIX index which returned -2.96%. Positive contributors to performance for the month included the fund's overweight positions in BHP Group, Aspen & Anglo American as well as underweight positions in Goldfields & AngloGold. Negative contributors to performance included the funds overweight positions in MTN, Astral & Prosus as well as underweight positions in Thungela, Reinet & Bidcorp

## **Cachalia Capital Investment team**

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