

Portfolio Facts

INCEPTION DATE:	October 2014
BENCHMARK:	FTSE/JSE Capped All Share
NUMBER OF STOCKS:	On average 30
FUND SIZE:	R 1200,000,000.00

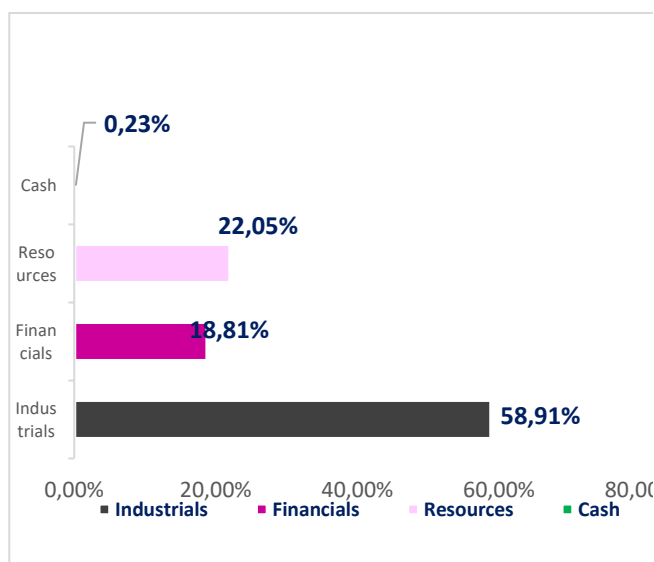
Long Term Objective

This portfolio is for institutional investors requiring management of an active South African equity portfolio which aims to achieve capital appreciation, coupled with a higher-than-average level of income

Investment Approach

Our investment philosophy captures both the macro (environment) and price (valuation) in a two-dimensional approach. This fundamental, valuation-based approach is enhanced with quantitative confirming scores for other themes driving the market, namely quality, growth and structural shifts. Extensive research, skillful risk management and disciplined portfolio construction improves our ability to achieve positive active returns through various market cycles.

Sector Allocation



Strategy Performance as at 30/04/2025

Gross Composite Returns

	Portfolio (%)	Benchmark (%)
3 Month	2.55%	7.59%
1 Year	14.99%	24.42%
3 Years	9.29%	11.99%
5 Year	15.62%	17.74%
7 Years	10.21%	10.61%
Since Inception	10.10%	10.47%

Risk Statistics as at 30/04/2025

– 12 Months

Measure	Strategy (%)
Tracking Error	9.40
Standard Deviation	19.44
Beta	1.01

Principal Holdings as at 30/04/2025

Top 10 Holdings	% of Fund
NASPERS LTD	16.79%
COMPAGNIE FINANCIERE RICHEMONT	14.74%
ANGLO AMERICAN PLC	9.53%
PROSUS NV	9.37%
BHP GROUP LTD	5.91%
STANDARD BANK GROUP LTD	4.83%
MTN GROUP LTD	4.02%
FIRSTRAND LTD	3.90%
BRITISH AMERICAN TOBACCO PLC	3.58%
MR PRICE GROUP LTD	2.53%

Market Performance

SA Listed Property rebounded in April to be the top performing asset class with a total return of +7.6%. The All Share index posted a total return gain of 4.3% while the All Bond index came in slightly ahead of Cash (+0.8% vs +0.6%). Including Gold (Krugerrands) in the mix saw this asset class once again outperform with a return of +8.0% in April.

Of the equity headline indices, Large Cap stocks outperformed in April with a total return of +5.1%. Small Caps returned +3.9% and Mid Caps returned +2.2%.

Within the sector indices, SA Financials and SA Industrials each returned +5.0% in April, while SA Resources returned 2.1%.

Real Estate +7.6% (Shaftesbury +13.6%, Sirius +12.6%, Redefine +10.5%, Hammerson +10.3%) was the top performing industry group in April, followed by Technology +6.8% (Naspers +8.3%, Prosus +2.8%) and Consumer Staples +6.6% with positive total returns across the board: Beverages +6.9% (AB Inbev), Drug & Grocery Stores +6.9% (Clicks +16.8%, BidCorp +6.4%), Tobacco +6.6% (BATS), Food Producers +4.4% (AVI +4.4%, Tigerbrands +4.4%). The Financials industry group gained +4.6%: non-Life Insurance +10.3% (OUTsurance +10.8%, Santam +8.0%), Life Insurance +5.6% (Momentum +11.5%, Sanlam +7.5%), followed closely by the Consumer Discretionary (+4.5%). Industry group with top sector performance coming from the Retailers +6.1% (Woolworths +12.9%, My Price +7.0%). The Telecommunications industry group returned +4.1% (Vodacom +9.2%, Bytes +8.5%), the Energy industry group gained 2.5% and the Industrials industry group gained 2.4%. Following the solid performance by Basic Materials in March (+19.5%), the industry group only managed a total return gain of 2.1% in April (Precious Metals +4.3%, Industrial Metals -2.0%, Chemicals -9.5%). The Health Care group posted a loss of 13.9% in April, dragged down by Pharmaceuticals -24.6% (Aspen Pharma).

Year to date, Equities has outperformed all asset classes with a total return of +10.5%. SA Listed Property (+3.8%) is the second best performing asset class, followed by cash (+2.5%) and Bonds (+1.5%). Gold (Krugerrands), however has posted a return of +25.8%, more than twice that of Equities.

Within Equities, SA Resources has outperformed with a sizeable total return of +30.5%. SA Industrials has returned +8.3%, while SA Financials has returned 2.9%.

Top company performance year-to-date within the Large + Mid Cap universe has come from Harmony (+97%), AngloGold (+87%), Gold Fields (+72%), Sibanye (+44%), Assura (+38%), MTN (+37%) and Vodacom (+35%). The worst performance has come from Glencore (-28%), Aspen (-26%), Truworths (-25%), Sappi (-24%), TFG (-23%), Sasol (-23%) and Spar (-22%).

The rand weakened to 18.55 against the US dollar (1.31% month on month) from R 18.31. The currency weakened against the euro at 21.15 (-6.80% month on month) and weakened against the pound at 24.80 (-4.90% month on month). SA's five-year CDS spread widened by 7.65% during April 2025 by (17.20bps) from 224.73 to 241.93 points

On the news front, In April, The GNU announced a budget deal to end two months of wrangling. The deal would reverse the planned VAT hike and offset the revenue loss with spending cuts and some other revenue items, including higher revenue collection assumptions. The Finance Minister will present a 3rd budget draft on 21 May. Inflation again surprised to the downside, 0.4% month on month versus 0.6% consensus, down to 2.7% oya

On Corporate news, Capitec announced full year results (Feb 2025 FY) which were broadly in line with expectations but guided to future strong growth. Aspen fell 27% in April on the back of a contract dispute with a major mRNA vaccine customer, which the company said could result in the drop of its manufacturing EBITDA of 50% from Fy24.

Following the large foreign selling of SA equities in Quarter 1 2025 (-R79 billion), this trend continued into April with foreigners selling to the value of R16.5 billion. Excluding dual-listed companies, the foreign selling slowed to -R5.6 billion from -R17.5 billion in March (Q1 2025: -R48 billion).

Naspers, Clicks & GoldFields were the most bought stocks by foreigners whereas Aspen, Standard Bank and Bidvest were the most sold stocks by foreigners.

Portfolio Performance

The portfolio returned 2.16 % during the month, underperforming the Capped All Share index which returned 4.24%. Positive contributors to performance for the month included the fund's overweight positions in Mr Price, Naspers & Woolworths as well as underweight positions in Glencore & Amplats. Negative contributors to performance included the funds overweight positions in Prosus, Impala & Richemont as well as underweight positions in Clicks, Harmony & Capitec

Cachalia Capital Investment team

From our Corner in the Sky

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