

Portfolio Facts

INCEPTION DATE:	October 2014
BENCHMARK:	FTSE/JSE Capped All Share
NUMBER OF STOCKS:	On average 30
FUND SIZE:	R 1 200,000,000.00

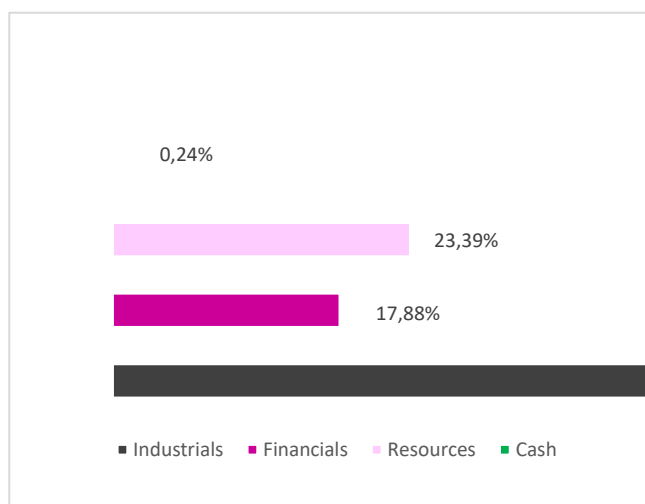
Long Term Objective

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 30/06/2025

Gross Composite Returns

	Portfolio (%)	Benchmark (%)
3 Month	11.36%	9.76%
1 Year	21.45%	24.64%
3 Years	14.85%	17.19%
5 Year	15.80%	17.18%
7 Years	11.53%	11.80%
Since Inception	10.88%	10.87%

Risk Statistics as at 30/06/2025.

– 12 Months

Measure	Strategy (%)
Tracking Error	9.65%
Standard Deviation	19.76%
Beta	1.07

Principal Holdings as at 30/06/2025

Top 10 Holdings	% of Fund
Naspers Ltd	17.40%
Compagnie Financiere Richemont	13.81%
Prosus Nv	9.87%
Anglo American Plc	8.07%
BHP Group Ltd	5.29%
Standard Bank Group Ltd	4.36%
Mtn Group Ltd	4.24%
Firststrand Ltd	3.73%
British American Tobacco	3.44%
Impala Platinum Holdings Ltd	2.86%

Market Performance

SA Equities and Bonds posted similar total returns of +2.4% and +2.3% respectively in June, while Gold (Krugerrands) and Property each lost 0.9% over the month.

Of the equity headline indices, Large Cap stocks outperformed with a total return of +2.5%. Small Caps and Mid Caps returned +2.1% and +2.0% respectively.

Of the sector indices, SA Resources outperformed with a total return of +4.2%. SA Industrials gained 2.5% and SA Financials lagged with a gain of only 1.0%

Within the industry groups, Telecommunications +10.2% (Telkom +38.6%, Blue Label +20.7%, MTN +12.7%), Technology +6.8% (Prosus +7.8%, Naspers +6.8%,) and Basic Materials +4.4% (Precious Metals +6.7%, Northam +26.6%, Implats +23.1%, Sibanye +17.7%, Valterra +12.1%) outperformed relative to the ALSI in June. Financials gained 1.2% (Investment Banking +6.8%, Non-Life Insurance +2.9%, Banks +0.5%, Life Insurance -0.2%) while Real Estate shed 0.5%. Performance was mixed in the Industrials group (-1.0%), Construction rebounded with a gain of 8.0% while General Industrials lost 2.5%. The Energy group lost 1.4% in June and the Consumer Staples group shed 1.6% with losses from Food Producers (-4.3%), Beverages (-3.8%) and Drug & Grocery Stores (-3.3%). Tobacco, however gained 5.6% over the month. Health Care declined by 2.3% in June (Netcare -7.6%, Aspen -1.4%). Consumer Discretionary (-3.5%) was the worst performing industry group, dragged down by the Retailers -5.3% (Woolworths -11.7%, Mr Price -8.2%, Pepkor -6.7%, TFG -4.1%).

In Q2 2025, Equities outperformed with a total return of +10.2%. Property & Bonds returned +9.1% and 5.9% respectively and Cash returned +1.9%. Gold only managed a gain of +2.7% in Q2 following the solid return of +16.5% in Q1.

Within equities in Q2 2025, SA Industrials returned +11.8% (Software & Computers +20.8%, Mobile Telecoms +17.4%, Tobacco +13.3%, Industrial Transport +12.0%, Food Producers +11.1%, Beverages +9.1%). SA Resources returned +9.2% (Precious Metals +12.4%, Chemicals +6.8%, Industrial Metals +2.1%) and SA Financials returned +8.7% (Investment Banking +14.2%, Non-Life Insurance +14.0%, REITs +12.4%, Life Insurance +10.3%, Banks +6.7%).

In H1 2025, Equities outperformed all asset classes with a solid total return of +16.7%. Bonds (+6.6%) was the second best performing asset class followed by Property (+5.3%) and Cash (+3.8%). Gold, however posted a return of +19.6%.

Of the Equity headline indices, Large Cap stocks outperformed with a total return of +21.2%. Mid Caps returned +10.1% and Small Caps lagged with a total return of only +1.8%.

Within Equities, SA Resources outperformed in H1 2025 with a total return of +39.6%. SA Industrials returned +15.3% and SA Financials returned +6.5%.

The rand strengthened to 17.70 against the US dollar (1.60% month on month) from R 17.99. The currency weakened against the euro at 20.88 (2.28% month on month) and weakened against the pound at R24.32 (0.41% month on month). SA's five-year CDS spread narrowed by 8.12% during June 2025 by (16.74bps) from 206.12 to 189.38 points

On the news front, President Ramaphosa removed the DA Deputy Minister of Trade & Industry, Andrew Whitfield, for unauthorized international travel, sparking objections from DA leader John Steenhuisen. Despite the controversy, President Ramaphosa cited his constitutional prerogatives and historical precedents for the dismissal. The DA decided not to exit the GNU but withdrew from the National Dialogue and refused to support budgets for ministers accused of corruption.

On the corporate front, ABSA forecasts mid-teens earnings growth for H1 2025, exceeding Bloombergs consensus, with ROE expected to rise. FirstRand anticipates strong FY25 earnings with low double-digit growth, targeting ROE of 18%-22%, amid UK motor finance uncertainty.

Foreigners were net sellers of SA equities in June to the value of R26.6bn. However, stripping out the dual-listed companies as well as the outflows from Valterra (-R11.4bn) due to the change in the shareholder base following its secondary listing on the LSE, there was foreign selling to the value of R8.7 billion

Harmony, Implats & MTN were the most bought stocks by foreigners whereas Valterra, Naspers and Tigerbrands were the most sold stocks by foreigners.

Portfolio Performance

The portfolio returned 3.82% during the month, outperforming the Capped All Share index which returned 2.20%. Positive contributors to performance for the month included the fund's overweight positions in Prosus, Naspers & Impala as well as underweight positions in Harmony & Shoprite. Negative contributors to performance included the funds overweight positions in Astral, Woolworths & BHG as well as underweight positions in Capitec, AngloGold & Goldfields

Cachalia Capital Investment team
From our Corner in the Sky

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