

## Portfolio Facts

INCEPTION DATE:	October 2014
BENCHMARK:	FTSE/JSE Capped All Share
NUMBER OF STOCKS:	On average 30

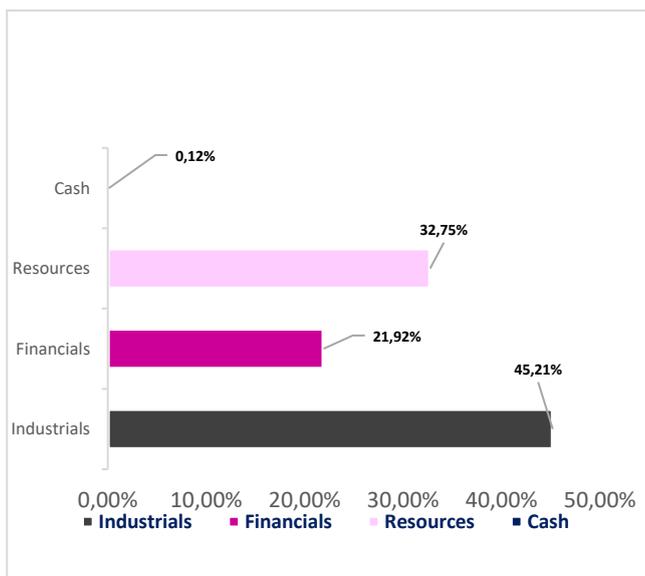
## Long Term Objective

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 31/01/2026

### Gross Composite Returns

	Portfolio (%)	Benchmark (%)
3 Month	6.10%	11.15%
1 Year	34.34%	44.54%
3 Years	13.36%	18.89%
5 Year	15.48%	19.26%
7 Years	15.58%	16.31%
Since Inception	12.53%	13.10%

## Risk Statistics as at 31/01/2026

### - 12 Months

Measure	Strategy (%)
Tracking Error	8.66
Standard Deviation	16.70
Beta	0.94

## Principal Holdings as at 31/01/2026

Top 10 Holdings	% of Fund
NASPERS LTD	12.78%
ANGLO AMERICAN PLC	9.75%
RICHEMONT SA	8.65%
PROSUS NV	7.88%
FIRSTRAND LTD	6.23%
BHP GROUP LTD	5.92%
STANDARD BANK GROUP LTD	4.87%
IMPALA PLATINUM HOLDINGS LTD	4.85%
MTN GROUP LTD	4.64%
SIBANYE STILLWATER LTD	4.29%

## Market Performance

SA Equities (All Share index) was the top performing asset class in January with a total return of 3.7%. The All Bond index and SA Listed Property posted similar total returns of +1.9% and 1.0% respectively, while Gold once again outperformed all asset classes with Krugerrands gaining 11.3% over the month.

Of the equity headline indices, Mid Caps outperformed in December with a total return of +6.3%, Large Caps returned +3.1% and Small Caps lagged with a total return of +1.1%. Within the sector indices, SA Resources returned +12.5% and SA Financials returned +2.7%. SA Industrials, however, posted a loss of 3.4% over the month.

The solid performance from SA Resources combined with the relative underperformance of SA Industrials has seen a shift in the composition of the All Share index. The weight of Resources increased significantly over the month to 35.3% (Dec 2025:32.5%) and is now larger than the SA Industrials weight of 32.8% (Dec 2025: 35.4%). It is also interesting to note that within the All Share index, Naspers and Gold Fields have the same weight of 8.4%, while within the Capped All Share index, the weight of Gold Fields is larger than that of Naspers at 8.5% vs 7.8%.

Within the Industry groups, Basic Materials (+12.7%) was the top performer over the month with solid total returns coming from Precious Metals: +13.2% (Sibanye +22.0%, Implats +20.6%, Northam +17.7%, Gold Fields +17.1%), Industrials Metals: +12.4% (South32 +30.1%, Glencore +20.6%, ARM +20.6%) as well as Chemicals: +7.7% (Sasol +7.6%). The Telecommunications group posted a gain of 6.2% (MTN +6.7%, Vodacom +6.5%).

The Financials group was in third place with a total return of +3.0% (Banks: +3.5%, Life Insurance +2.6%), followed by Energy (+2.9%) and Real Estate (+1.1%). The Consumer Staples group managed to eke a positive total return of just 0.5% in December with Beverages returning +7.2% and the Food Producers and Tobacco sectors returning +2.8% and 1.8% respectively, while Drug & Grocery Stores lost 2.3% (Spar -7.2%, BidCorp -4.2%, Dischem +3.6%).

Technology (-9.8%) was the worst performing industry group in January (Naspers -10.2%, Prosus -9.1%), followed by the Health Care group: -4.6% (Pharmaceuticals -7.9%, HC Providers -0.5%). Consumer Discretionary lost 3.9% over the month dragged down by Personal Goods (-14.5%), while Travel & Leisure (Tsogo Sun +13.9%, Sun International +11.3%, Famous Brands +8.5%) and Consumer Services (AdvTech) posted gains of 7.1% and 5.7% respectively and the Retailers posted a gain of 1.3% (Truworths +5.6%, Pepkor +2.1%, Mr Price +2.0%, Woolworths -3.3%). The Industrials industry group posted a marginal loss of 0.6% in January, with General Industrials (Mondi -8.1%, Bidvest -1.2%) and Industrial Transport (Super Group -8.2%, Grindrod +1.3%) losing 2.6% and 2.4% respectively and Construction (Raubex +16.1%, PPC +9.7%, WBHO +4.1%) gaining 9.8%.

The rand strengthened to 16.13 against the US dollar (2.60% month on month) from R 16.56. The currency strengthened against the euro at 19.11 (1.70% month on month) and strengthened against the pound at 22.07 (1.08% month on month). SA's five-year CDS spread widened by 0.86% during January 2026 by (1.17bps) from 135.82 to 136.99 points

On the news front, on monetary policy, the MPC held the policy rate steady at 6.75% in a 4-2 vote, which was in line with expectations. The MPC viewed the rapid rise in terms-of-trade and strong rally in ZAR as vulnerable to a reversal at some time during their forecast horizon. This was reflected in its comments on safe-haven flows to metals, (global) fragilities and shocks, and large global imbalances. However, the SARB also noted local improvements, such as the drop in the inflation expectations survey to 3.7% in 4Q24, from 4.2% in 3Q25, as well as progress on domestic reforms.

On Corporates, Valterra Platinum delivered a 6% earnings beat versus consensus, driven by higher PGM prices and cost reductions. In the retail space, Truworths saw flat earnings and muted sales growth, but maintains an 8% dividend yield.

After selling R14.5 billion of SA Equities in Q4 2025 (-R9.0bn ex dual listed), foreigners turned buyers in January to the value of R11.3 billion. The last monthly foreign buying on the JSE was in April 2023 (R6.2bn). Excluding the dual-listed stocks there was buying to the value of R16.0 bn and buying of R22.1bn if we include the R6.2bn foreign buying of dual-listed AngloGold.

Gold Fields, AngloGold & Firststrand were the most bought stocks by foreigners whereas Valterra, Implats and MTN were the most sold stocks by foreigners.

## **Portfolio Performance**

The portfolio returned 1.84 % during the month, underperforming the Capped All Share index which returned 3.85%. Positive contributors to performance for the month included the fund's overweight positions in Anglo, Northam & BHP Group as well as underweight positions in Shoprite & Sappi. Negative contributors to performance included the funds overweight positions in Naspers, Prosus & Mondi as well as underweight positions in Harmony, Glencore & AngloGold

## ***Cachalia Capital Investment team***

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

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