

Portfolio Facts

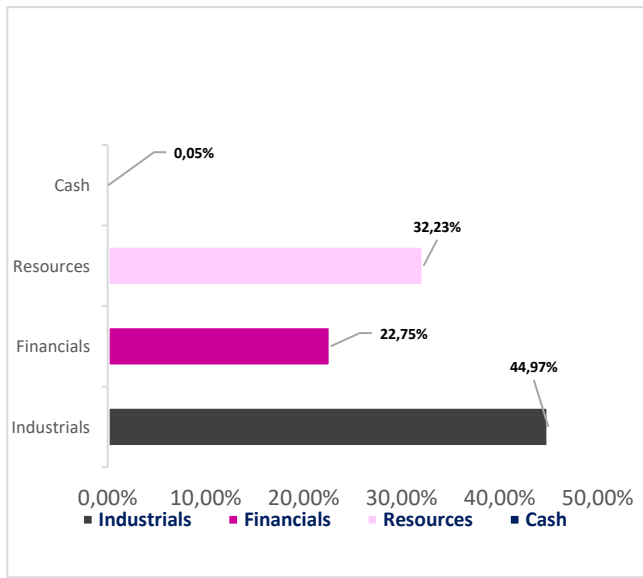
INCEPTION DATE:	October 2014
BENCHMARK:	FTSE/JSE Capped All Share
NUMBER OF STOCKS:	On average 30

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

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 31/03/2026

Gross Composite Returns

	Portfolio (%)	Benchmark (%)
3 Month	-4.13%	-0.45%
1 Year	25.99%	34.25%
3 Years	13.21%	18.81%
5 Year	12.10%	16.39%
7 Years	13.57%	14.95%
Since Inception	11.66%	12.42%

Risk Statistics as at 31/03/2026

- 12 Months

Measure	Strategy (%)
Tracking Error	8.36
Standard Deviation	18.24
Beta	0.89

Principal Holdings as at 31/03/2026

Top 10 Holdings	% of Fund
NASPERS LTD	11.90%
ANGLO AMERICAN PLC	10.07%
RICHEMONT SA	8.84%
PROSUS NV	6.97%
BHP GROUP LTD	6.85%
FIRSTRAND LTD	6.21%
MTN GROUP LTD	5.37%
STANDARD BANK GROUP LTD	5.32%
IMPALA PLATINUM HOLDINGS LTD	3.92%
NORTHAM PLATINUM HOLDINGS	3.86%

Market Performance

Following the market rout with the onset of the war and the Brent oil price increasing by 63% to end March at \$118/barrel, all asset classes posted negative total returns over the month except for Cash which posted a marginal gain of 0.6%. SA Listed Property fared the worst, down 11.4%, followed by Equities (-10.5%) and Bonds (-6.8%). Gold (Krugerrands) showed a loss of 6.2%.

Of the equity headline indices, Mid Caps lost 11.7% in March, Large Caps lost 10.3% and Small lost 8.2%. Within the Sector indices, SA Resources showed the worst performance over the month with a total return loss of 15.2%. SA Financials shed 9.9% and SA Industrials lost 5.2%.

Within Resources, Chemicals +42.5% (Sasol +55.1%, Omnia +6.7%, AECI +5.4%) and Oil, Gas & Coal +21.2% (Thungela +51.0%, Exxaro +13.6%) were the only two equity sectors to post positive total returns in March. Meanwhile, Precious Metals, -20.4%, posted the largest loss over March (Implats -31.3%, Harmony -28.7%, Sibanye -25.2%, Valterra -22.5%, Northam -19.9%).

All equity sectors within SA Financials showed a loss in March, the worst being REITS: -13.4% (Redefine -14.1%, Growthpoint -14.0%, Sirius -13.2%), Life Insurance: -12.0% (Old Mutual -16.6%, Sanlam -16.2%, Momentum -11.1%, Discovery -4.6%) and Banks: -10.1% (Nedbank -15.3%, Capitec -13.1%, Absa -11.1%, FirstRand -10.5%, Standard Bank -5.3%).

Consumer Services: +2.9% (AdvTech, Tobacco: +1.0% (BATS) and Industrial Transport: +0.3% (Grindrod +0.8%) were the only equity sectors within SA Industrials to show positive total returns in March. Construction: -17.8% (WBHO -26.6%, Raubex -14.6%, the Retailers -13.1% (TFG -19.1%, Mr Price -16.3%, Pepkor -15.0%), Support Services: -11.8% (Hudaco), Personal Goods: -8.2% (Richemont), Beverages: -8.5% (AB Inbev) and Telecom Services: -7.2% (Vodacom -11.3%, MTN -5.8%) were the worst performing sectors in March.

Year to date, Cash has outperformed all asset classes with a total return of +1.7%. Equities has posted a marginal loss of 0.6%, while Bonds and Property have lost 3.4% and 4.9% respectively, Gold (Krugerrands) is flat (+0.1%).

Within Equities, SA Resources has outperformed with a total return of +8.0%. SA Financials has lost 0.9%, while SA Industrials has recorded a loss of 8.4%

Energy is the top-performing industry group year-to-date with a total return of +33.4%. The Telecommunications group is in second place (+11.4%), followed by Health Care: +9.2% (Pharmaceuticals +12.5%, HC Providers +4.9%) and Basic Materials +7.5% (Chemicals +86.3%, Industrials Metals +16.3%, Precious Metals +3.0%). Technology -22.3%, Consumer Discretionary -11.9% (Personal Goods -18.4%, Retailers -10.9%) and Real Estate -5.0% are the worst performing industry groups year-to-date

The rand weakened to 16.93 against the US dollar (6.35% month on month) from R 15.92. The currency weakened against the euro at 19.56 (4.00% month on month) and weakened against the pound at 22.38 (4.27% month on month). SA's five-year CDS spread widened by 46% during March 2026 by (63.7bps) from 138.17 to 201.64 points

On the news front, the MPC kept rates on hold at 6.75% at its 26 March meeting, while revising 2026 inflation up by 0.4 percentage points, broadly in line with expectations. The SARB governor's tone was less hawkish than anticipated given the scale of the energy shock but emphasized the MPC's vigilance regarding second-round effects in the coming months. The SARB's scenario analysis outlined an "intermediate" case – oil; at \$100 for two months and a 5% weaker rand – likely resulting in one hike this year, later reversed. The "worst case" scenario, with higher oil prices, a 10% weaker rand, and a 20% higher risk premium, would push inflation above 5% and require several rate hikes, potentially taking the repo rate back to the 2021-2023 high of 8.25%, though not necessarily this year. Finance Minister Godongwana announced on 31 March a ZAR3.10 cents cut for both petrol and diesel duties as of 1 April. It should cost ZAR 6 billion per month. Prices are re-set every month and Minister Godongwana said the measure will not be extended past June.

Foreign SA equity flows reversed in March to -R12.8 billion following the purchases of R11.3 billion in January and R4.4 billion in February. Excluding the dual-listed stocks, foreign selling totalled R9.6 billion. However, including AngloGold's inflows of R3.2 billion, the selling was reduced to -R6.4 billion.

Goldfields, AngloGold & Bidvest were the most bought stocks by foreigners whereas Implats, MTN and Valterra were the most sold stocks by foreigners.

Portfolio Performance

The portfolio returned -9.55 % during the month, outperforming the Capped All Share index which returned -10.55%. Positive contributors to performance for the month included the fund's overweight positions in BHP Group, Anglo American & Naspers as well as underweight positions in AngloGold & Harmony. Negative contributors to performance included the funds overweight positions in Sibanye, Northam & Impala as well as underweight positions in Thungela, Exxaro & Bidcorp

Cachalia Capital Investment team ***From our Corner in the Sky***

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