

HOLLARD STABLE FUND



OBJECTIVE

The Hollard Stable Fund is a South African long/short equity hedge fund. The fund has a strong focus on capital preservation, targeting an absolute return in excess of cash. The conservative, counter-cyclical nature of the fund could result in underperformance during equity bull markets, whilst outperforming in equity bear markets.

	Current NAV	1 month %	6 month %	1 year %	3 year %	Annualised since launch	Since launch %
HSF	R 1,502m	1.8%	2.9%	11.9%	59.1%	16.0%	479.1%

MANAGER'S COMMENTS



The fund returned 1.8% for April representing a good performance against a backdrop of a strong market. The ALSI returned 4.7%, driven by a broad rally with particular strength in the depressed commodity sector and the fund did well to navigate through this.

The long book delivered excellent returns when one takes into account that some of our larger positions had a breather during the month, with the likes of Steinhoff and Naspers flat after delivering many months of strong returns. Curro, Brait and Discovery all performed well driven by their corporate activity including capital raises and acquisitions. The market is rewarding these management teams for actively growing their businesses, which becomes more critical when economic growth is low. Old favourites that have lagged in more recent times; including Investec, HCI, Richemont, and Reinet performed well during the month. Shorts in the South African Iron Ore producers also added to performance.

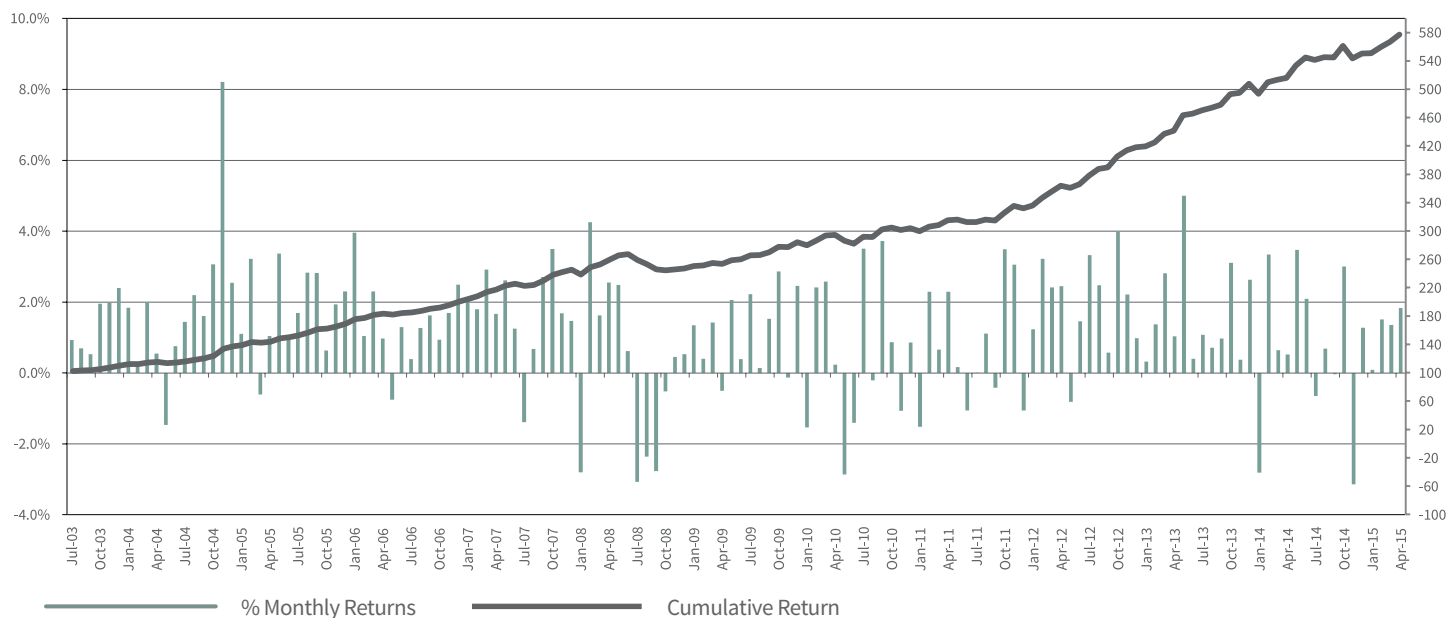
Given the broad rally in the market, one can expect that losses were principally on the short side of the book. Shorts in the telecommunication and resource sector were the principle drivers of losses. The fundamentals of these businesses remain and as such, we still have conviction on these positions.

Aspen continues to struggle off the back of large currency moves that have negatively affected their earnings. The underlying operational performance of the business continues to deliver and we remain holders of the stock. Blue Label continued to add losses after their latest set of results failed to convince the market that their international expansion is progressing. The optionality of these operations though remains attractive to us.

HOLLARD STABLE FUND CONTINUED



Historical Monthly Returns

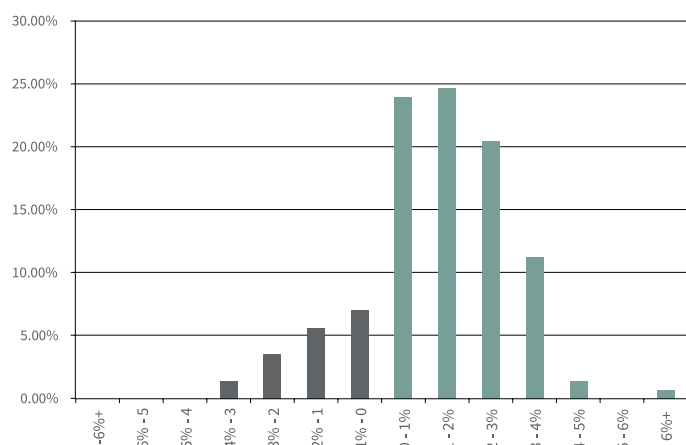


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2003							0.9%	0.7%	0.5%	2.0%	2.0%	2.4%	8.8%
2004	1.8%	0.2%	2.0%	0.5%	(1.5%)	0.8%	1.4%	2.2%	1.6%	3.1%	8.2%	2.5%	25.1%
2005	1.1%	3.2%	(0.6%)	1.0%	3.4%	1.0%	1.7%	2.8%	2.8%	0.6%	1.9%	2.3%	23.5%
2006	4.0%	1.1%	2.3%	1.0%	(0.8%)	1.3%	0.4%	1.3%	1.6%	0.9%	1.7%	2.5%	18.6%
2007	2.1%	1.8%	2.9%	1.7%	2.6%	1.3%	(1.4%)	0.7%	2.7%	3.5%	1.7%	1.5%	23.0%
2008	(2.8%)	4.3%	1.6%	2.6%	2.5%	0.6%	(3.1%)	(2.4%)	(2.8%)	(0.5%)	0.5%	0.5%	0.7%
2009	1.3%	0.4%	1.4%	(0.5%)	2.1%	0.4%	2.2%	0.1%	1.5%	2.9%	(0.1%)	2.5%	15.7%
2010	(1.5%)	2.4%	2.6%	0.2%	(2.9%)	(1.4%)	3.5%	(0.2%)	3.7%	0.9%	(1.1%)	0.9%	7.1%
2011	(1.5%)	2.3%	0.7%	2.3%	0.2%	(1.1%)	0.0%	1.1%	(0.4%)	3.5%	3.1%	(1.1%)	9.2%
2012	1.2%	3.2%	2.4%	2.4%	(0.8%)	1.5%	3.3%	2.5%	0.6%	4.0%	2.2%	1.0%	26.1%
2013	0.3%	1.4%	2.8%	1.0%	5.0%	0.4%	1.1%	0.7%	1.0%	3.1%	0.4%	2.6%	21.6%
2014	(2.8%)	3.3%	0.6%	0.5%	3.5%	2.1%	(0.7%)	0.7%	(0.0%)	3.0%	(3.1%)	1.3%	8.5%
2015	0.1%	1.5%	1.4%	1.8%									4.9%

HOLLARD STABLE FUND CONTINUED



Frequency distribution of Returns



Statistics

Assets Under Management (R Million)	R1,502m
Gross exposure	188%
Net Exposure	42%
% of positive months	82%
% of negative months	18%
Average positive monthly return	1.8%
Average negative monthly return	(1.4%)
Annualised monthly volatility (historic)	5.9%
Sharpe Ratio	1.4
Maximum monthly drawdown	(3.1%)
Maximum cumulative drawdown	(8.5%)

Important Information

Past performance is no guarantee of future returns - values can go up and down. The information contained above has been prepared by Capricorn Fund Managers (Pty) Limited and is unaudited. Returns as shown are the weighted average of all issued series.

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