

HOLLARD STABLE FUND*



*Comprises Blue Ink Vesting Trust No 37, Caveo Stable Portfolio Trust, The Novare Capricorn Hollard Hedge Fund en commandite partnership and Silver Cluster Loan Stock Company (Proprietary) Ltd.

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 1,651m	2.3%	11.1%	15.6%	62.0%	16.2%	531.9%

MANAGER'S COMMENTS



The Fund returned 2.3% for the month which is a strong result when compared to the JSE which returned 0.95%. The JSE performance was largely driven by SABMiller, which was up 26.7% for the month off the back of the takeover bid by Anheuser-Busch Inbev as well as the concerns around Glencore's overleveraged balance sheet.

Our long book performed, with two of our high conviction positions, Discovery and Steinhoff, doing well on the back of excellent results. They continue to successfully internationalise their businesses and we remain excited with their prospects. Given the level of volatility and risk aversion a few stocks underperformed in the healthcare and financial sectors but we still feel the fundamentals remain the same and the stocks will appreciate going forward. In addition, Mr Price reported a weaker than expected trading update and was duly punished by the market.

Our shorts were large contributors to the month's performance, where we again achieved good results from positions in the industrial, resource and financial sectors. We believe this month clearly illustrates that our approach of using single name shorts and avoiding indexes is the correct

way to balance a book. The performance of the JSE in September was completely flattered by the SAB deal announcement.

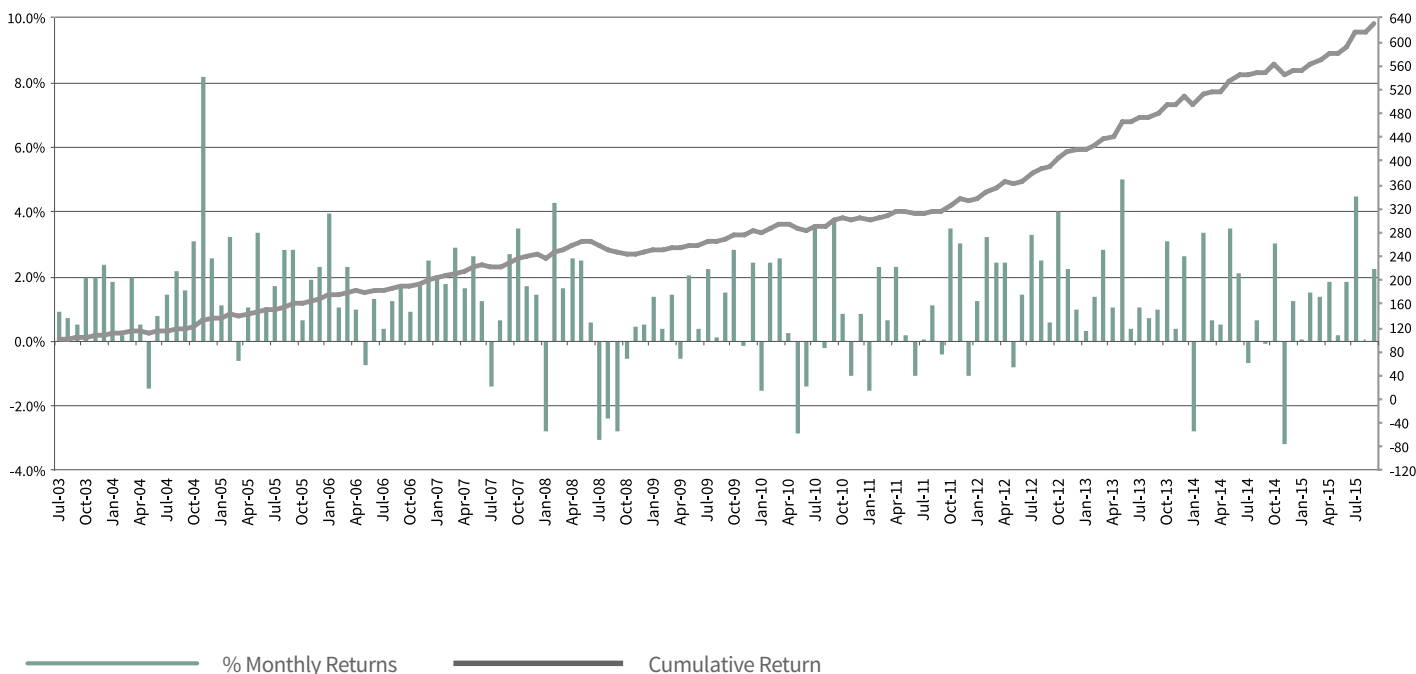
Overall we feel comfortable with our book and will continue to monitor where we think the market has overreacted and look to take advantage of any mispricing while maintaining cognisance of the risk of a market rally which is always a possibility at such depressed market levels.

Yellen's decision not to raise rates on the basis of concerns about the global economy will further add to the volatility and we may even see a beta rally in the closing months of the year.

HOLLARD STABLE FUND CONTINUED



Historical Monthly Returns

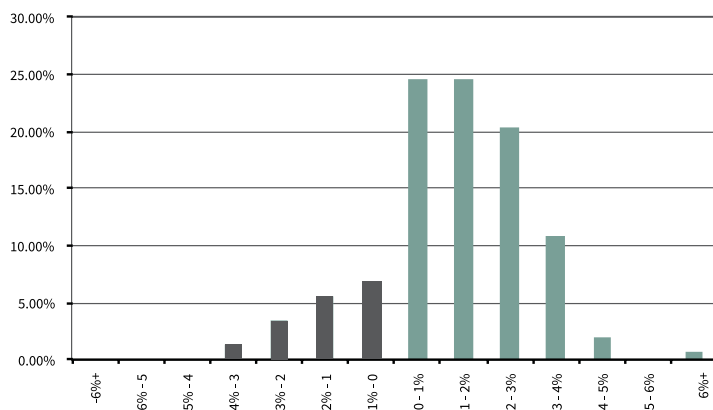


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2003							0.9%	0.7%	0.5%	2.0%	2.0%	2.4%	8.8%
2004	1.8%	0.2%	2.0%	0.5%	(1.5%)	0.8%	1.4%	2.2%	1.6%	3.1%	8.2%	2.5%	25.1%
2005	1.1%	3.2%	(0.6%)	1.0%	3.4%	1.0%	1.7%	2.8%	2.8%	0.6%	1.9%	2.3%	23.5%
2006	4.0%	1.1%	2.3%	1.0%	(0.8%)	1.3%	0.4%	1.3%	1.6%	0.9%	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%	0.2%	1.9%	4.5%	0.1%	2.3%				14.4%

HOLLARD STABLE FUND CONTINUED



Frequency distribution of Returns



Statistics

Assets Under Management (R Million)	R1,651m
Gross exposure	175%
Net Exposure	49%
% of positive months	83%
% of negative months	17%
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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