

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 1,593m	4.5%	11.7%	13.7%	63.1%	16.3%	517.4%

MANAGER'S COMMENTS



July delivered excellent results for the Fund as several of our key themes and individual stock selections played out strongly during the month. The All Share Index delivered a total return of 0.5%, but this masked the significant dispersion in the market. The Fund returned 4.5%, meaningfully outperforming the market for the month. A substantial portion of performance was delivered from short positions, and this most pleasingly came from a variety of sectors including Resources, Retail and Industrial companies.

On the long side strong performance was once again delivered by Brait, as the market comes to grips with their two latest deals and an appreciation of the value that the management team has been able to deliver. In addition, robust performance was delivered from both Reinet and Mondi as they delivered excellent trading updates that the market reacted positively to. Long-time favourites Richemont and Discovery also performed well for the Fund this month.

Our short book held its own during the month and delivered a number of outstanding returns. Shorts in the resource space, principally gold,

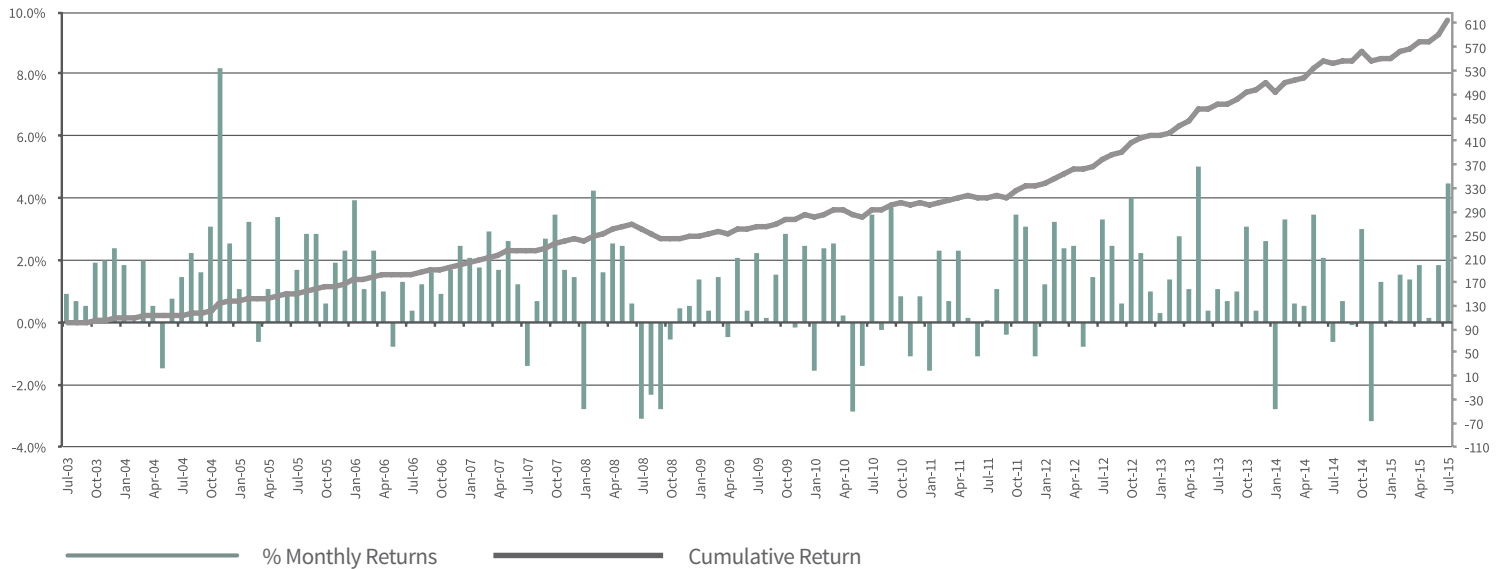
platinum, and the iron ore producers bore the brunt of the selloff. In addition select names in the South African Retail and Industrial space protected the book well and delivered alpha during the month.

During July, the Reserve Bank raised rates in South Africa, positioning themselves ahead of the curve for the inevitable rate hikes in the US that should come later in the year. This may place additional pressure on an already weak economy and should result in even larger divergences between companies performance. The Fund continues to look to capitalise on these divergences.

HOLLARD STABLE FUND CONTINUED



Historical Monthly Returns

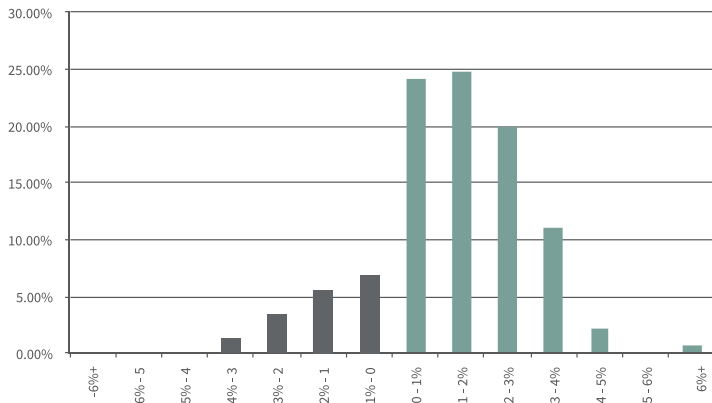


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2003							0.9%	0.7%	0.5%	2.0%	2.0%	2.4%	8.8%
2004	1.8%	0.2%	2.0%	0.5%	(1.5%)	0.8%	1.4%	2.2%	1.6%	3.1%	8.2%	2.5%	25.1%
2005	1.1%	3.2%	(0.6%)	1.0%	3.4%	1.0%	1.7%	2.8%	2.8%	0.6%	1.9%	2.3%	23.5%
2006	4.0%	1.1%	2.3%	1.0%	(0.8%)	1.3%	0.4%	1.3%	1.6%	0.9%	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%						11.8%

HOLLARD STABLE FUND CONTINUED



Frequency distribution of Returns



Statistics

Assets Under Management (R Million)	R1,593m
Gross exposure	180%
Net Exposure	38%
% of positive months	83%
% of negative months	17%
Average positive monthly return	1.8%
Average negative monthly return	(1.4%)
Annualised monthly volatility (historic)	6.0%
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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