



## INVESTMENT UPDATE

**AUGUST 2014**

During the month of August 2014, Cadence Capital Limited returned a negative gross performance of 0.55% compared to an increase in the All Ordinaries Accumulation Index of 0.72% and an increase in the Small Ordinaries Accumulation Index 2.34%. Over the past 12 months the fund has returned a positive gross performance of 16.5% outperforming the All Ordinaries Accumulation Index by 2.07%.

Cadence Capital Limited has been ranked the **top performing Australian Equity Listed Investment Company (LIC) over 5 years** in the latest ASX Funds Monthly Update (August 2014), with a 5 Year Total Shareholder Return of 26.44% p.a.

As at the 31 August 2014 the fund was holding 21% cash (79% invested).

## Fund NTA

Net Tangible Assets as at 31 August 2014	Amount (\$)
Pre Tax NTA*	\$1.428
Post Tax NTA*	\$1.431
Share price (ASX Code: CDM)*	\$1.515
Option price (ASX Code: CDMO)*	\$0.071

## CDM Final Dividend

The Board declared a **5.0 cent per share fully franked final dividend payable on 30<sup>th</sup> September 2014**. The Ex-Date for the dividend is 17<sup>th</sup> September 2014. The past years dividends equated to an annualised yield of 6.8% fully franked (9.7% grossed-up).

Cadence will be providing investors the ability to participate in its Dividend Re-Investment Plan ("DRP") at a 3% discount. DRP Record Date is 22<sup>nd</sup> September 2014.

## CDM Options

If you are a CDM Option holder and would like to exercise your Options to receive the 5.0c final dividend, please see the dates below to ensure you are a registered shareholder on dividend record date (19th September 2014):

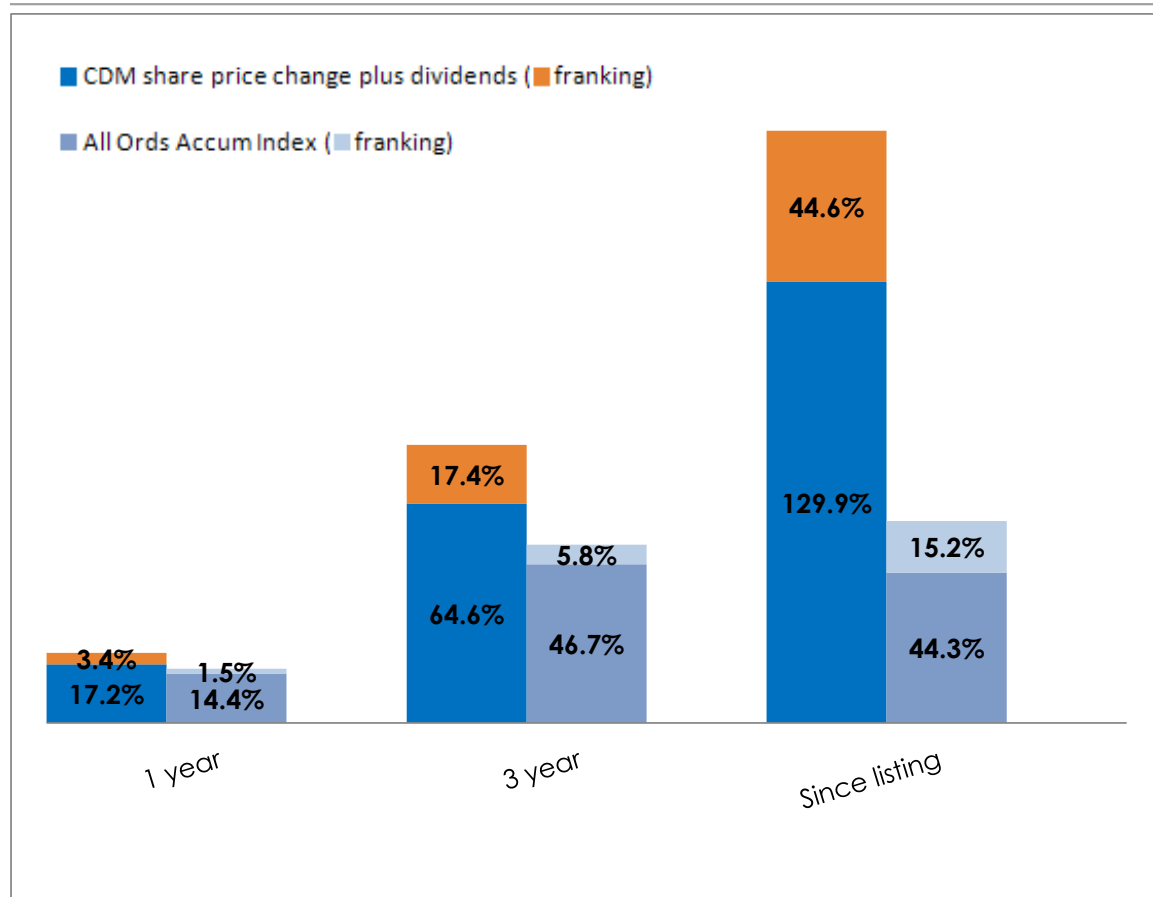
BPay: Funds to be received by 18<sup>th</sup> September 2014.

Cheque: Cheques must be received by Boardroom Limited by 15<sup>th</sup> September 2014

Please contact Boardroom Pty Limited on 1300 737 760 if you have any further questions.



## CDM Share Price and Option Returns plus Dividends & Franking



## Fully Franked Dividends Declared Since Listing

Calendar Year	Interim	Final	Special	Total	Gross (Inc. Franking)
2007	2.0c	2.0c	2.0c	6.0c	8.6c
2008	2.5c	2.2*c	-	4.7c	5.8c
2009	-	2.0c	-	2.0c	2.9c
2010	2.0c	2.0c	-	4.0c	5.7c
2011	3.0c	3.0c	3.0c	9.0c	12.9c
2012	4.0c	4.0c	4.5c	12.5c	17.8c
2013	5.0c	5.0c	1.0c	11.0c	15.7c
2014	5.0c	5.0c	-	10.0c	14.3c
<b>TOTAL</b>	<b>23.5c</b>	<b>25.2c</b>	<b>10.5c</b>	<b>59.2c</b>	<b>83.7c</b>

\* Off market equal access buy back



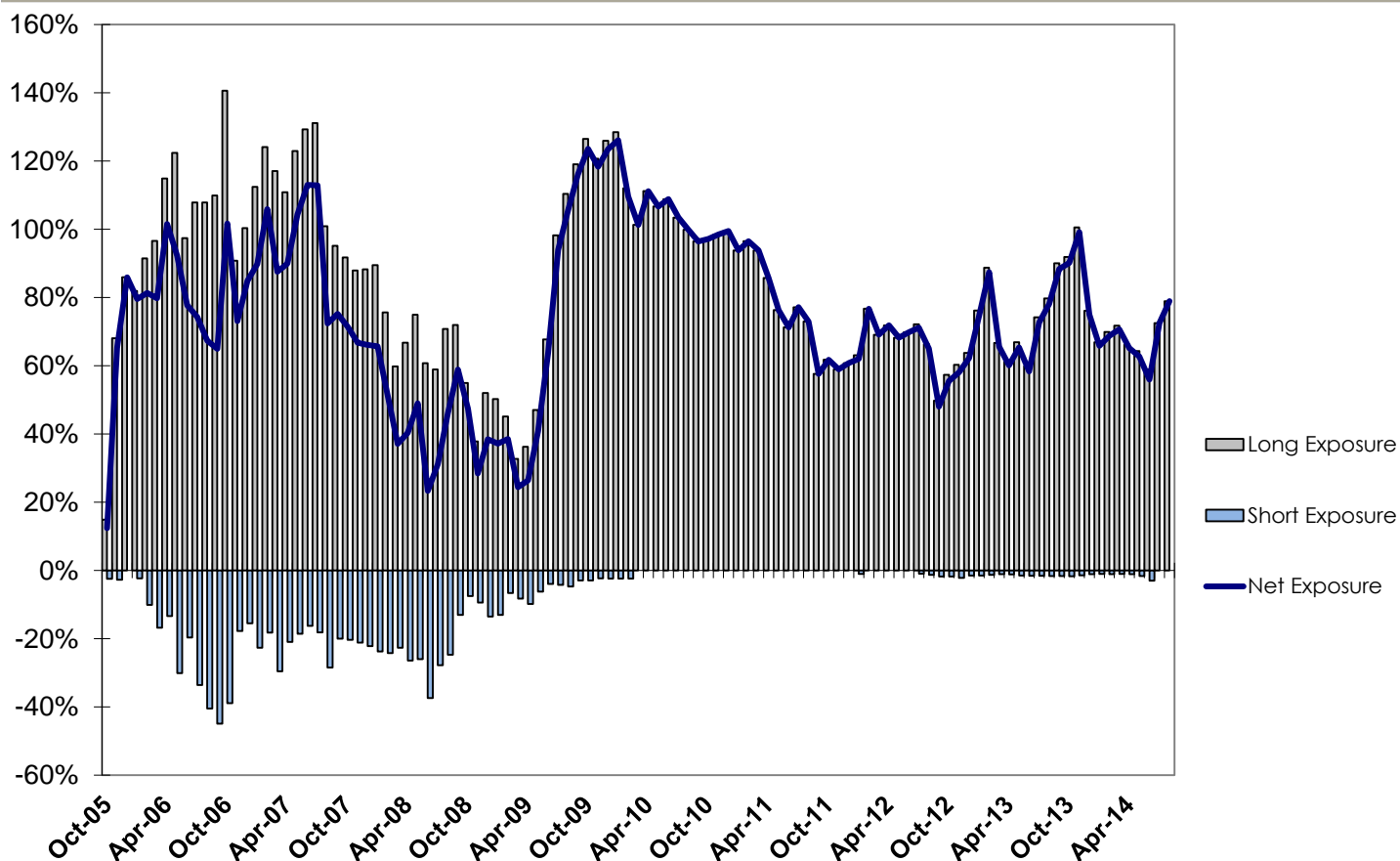
## Fund Performance

Performance* to 31 August 2014	CDM**	All Ords	Outperformance
1 Month	-0.55%	0.72%	-1.27%
1 Year	16.50%	14.43%	+2.07%
2 Years	31.57%	41.02%	-9.45%
3 Years	49.69%	46.71%	+2.98%
4 Years	162.50%	50.54%	+111.96%
5 Years	192.65%	54.64%	+138.01%
8 Years	251.07%	55.50%	+195.57%
Since Inception (8.9 years)	371.17%	78.44%	+292.73%
Since Inception Annualised (8.9 years)	18.99%	6.71%	+12.28%

\* Before Management and Performance Fees

\*\*These numbers include the franking value of the substantial dividend from its RHG holding received in May 2011. As a result of this dividend, the Post Tax NTA of the fund increased by +8% during that month. The May 2011 performance of the fund was adjusted to reflect this Post-tax increase in NTA as this figure more accurately included the material fully franked dividends received from RHG during this month.

## Portfolio Exposure





## Portfolio Sector Analysis

Sector	Long	Short	Net
Diversified Financials	18.32%		18.32%
Banks	14.10%		14.10%
Financial	7.75%		7.75%
Consumer, Non-cyclical	7.51%		7.51%
Materials	6.36%		6.36%
Telecommunication Services	5.12%		5.12%
Software & Services	4.95%		4.95%
Energy	4.93%		4.93%
Consumer Services	3.10%		3.10%
Insurance	3.07%		3.07%
Basic Materials	1.47%		1.47%
Commercial & Professional Services	0.86%		0.86%
Real Estate	0.67%		0.67%
Industrial	0.18%		0.18%
Communications	0.17%		0.17%
Food & Household Products	0.14%		0.14%
Utilities	0.11%		0.11%
Technology	0.10%		0.10%
<b>Exposure</b>	<b>78.91%</b>	<b>0.00%</b>	<b>78.91%</b>

<b>Cash on Hand</b>	<b>21.09%</b>
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## Top Portfolio Positions

ASX Code	Position	Direction	Holding
MQG	Macquarie Group Limited	Long	8.1%
HGG	Henderson Group Plc	Long	5.8%
GILD US	Gilead Sciences Inc	Long	5.0%
GMA	Genworth Mortgage Insurance Australia Ltd	Long	4.7%
NAB	National Australia Bank Ltd	Long	4.3%
MLB	Melbourne IT Ltd	Long	4.0%
ANZ	Australia & New Zealand Banking Group	Long	4.0%
IIN	Ilnet Limited	Long	3.1%
RFG	Retail Food Group	Long	3.1%
SUN	Suncorp Group Ltd	Long	3.1%
BOQ	Bank of Queensland Ltd	Long	3.0%
LNG	Liquefied Natural Gas Limited	Long	3.0%
BEN	Bendigo and Adelaide Bank Limited	Long	2.9%
CBA	Commonwealth Bank of Australia	Long	2.8%
RIO	Rio Tinto Ltd	Long	2.5%
BSL	Bluescope Steel Ltd	Long	2.2%
FXL	Flexigroup Ltd	Long	2.1%
TLS	Telstra Corporation Limited	Long	2.0%
WPL	Woodside Petroleum Limited	Long	1.9%
ORI	Orica Limited	Long	1.5%
<b>Top Portfolio Holdings Gross Exposure</b>			<b>68.97%</b>

For more information contact Cadence Capital Limited on 02 8298 2444 or email [info@cadencecapital.com.au](mailto:info@cadencecapital.com.au)  
 Register to receive our FREE newsletter at [www.cadencecapital.com.au/register-free-newsletter](http://www.cadencecapital.com.au/register-free-newsletter)



## Cadence Capital 2014 Year-End Webcast

Please view the [Cadence Capital 2014 Year-End Webcast](#) for a summary of the 2014 full-year results, fund performance and outlook for 2015.

We would also like to remind you to visit both the 'Shareholder Centre' and 'Media Centre' sections of our website [www.cadencecapital.com.au](http://www.cadencecapital.com.au) where you will find Newsletters, Quarterly Webcasts, Broker Research and Recent News.

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