



# Cadence Capital Limited



CDM Broker Update

March 2015



# Same Performance and Yield now at a discount to NTA

- **CDM trading below NTA (Share Price \$1.44, Feb NTA \$1.464) –** first time for two and a half years
- Opportunity to buy CDM or buy CDMO and exercise at \$1.43 (whichever is cheaper). CDM has market capitalisation of \$300M and is 'liquid'
- 5 cent interim dividend available for shareholders on the register by the 'record date' of 27<sup>th</sup> March 2015
- This equates to a historical **7% fully franked annualized yield, 10% grossed up** (amongst the highest in the market)
- Option holders who exercise now will receive the interim dividend in April and any declared final dividend in around 7 months



# Performance and Market Update

- **CDM performance continues to compound at 18.7% gross pa** (amongst the highest in the LIC market). Gross performance of CDM is 9.3% since 1<sup>st</sup> January 2015 compared to the All Ordinaries Accumulated Index which is up 8.1% (10 weeks)
- Overseas investments (40% exposure, 20% via domestic holdings, 20% offshore) performing very well and growing
- Domestic investments with offshore earnings; MQG, HGG, MQA
- Offshore holdings; Luxottica, Mastercard, Gilead Sciences, Visa, AIG (American Insurance Group) and Mallinckrodt
- Managers ***are the largest investors in the strategy*** and are exercising options (see Change of Director's Interest notices)



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