



**Cadence Capital Limited (ASX: CDM)
Investment Update and NTA Report
February 2016**

Please click on the link below to view the February 2016 Investment Update and NTA Report, or view the PDF attached.

[View the Cadence Capital Limited February 2016 Newsletter](#)



INVESTMENT UPDATE

FEBRUARY 2016

For the month of February 2016 Cadence Capital Limited returned a negative gross performance of 7.38% compared to a decrease in the All Ordinaries Accumulation Index of 1.47%. Over the past 12 months Cadence Capital Limited has returned a negative gross performance of 8.00% compared to a decrease in the All Ordinaries Accumulation Index of 12.23%.

The 2016 year has begun with high volatility and a number of important long term trends have been tested. These include commodity prices, energy prices, the Australian dollar, diversified financials and the banks. As always we reduce exposure when trends change and increase exposure again when trends re-establish themselves. These volatiles periods negatively affect our investment process but the gains to be made when trends are re-established more than offset these losses.

On 16th February 2016, the Company declared a 5.0 cent fully franked interim dividend to be paid on 12 May 2016. The Ex-Date for this dividend is 27 April 2016 and the Record Date is 28 April 2016. CDM shareholders are able to participate in the Dividend Re-Investment Plan ("DRP") at a 3% discount. The DRP Record Date is 2 May 2016.

As at the 29th February 2016 the fund was holding 49% cash (51% invested).

Fund NTA

Net Tangible Assets as at 29th February 2016	Amount (\$)
Pre Tax NTA	\$1.172
Post Tax NTA	\$1.254
Share price (ASX Code: CDM)	\$1.440

Fund Performance

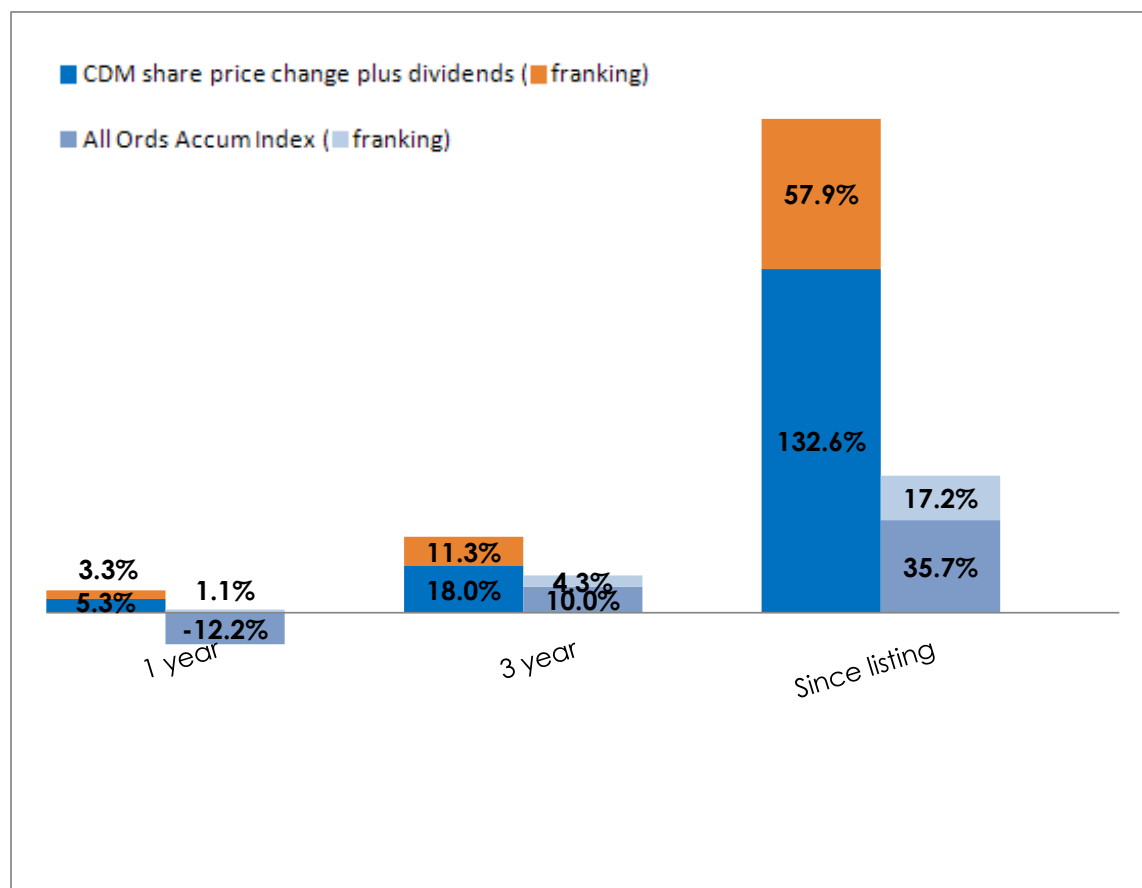
Performance* to 29th February 2016	CDM**	All Ords	Outperformance
1 Month	-7.38%	-1.47%	-5.91%
1 Year	-8.00%	-12.23%	+4.23%
2 Years	2.12%	-0.33%	+2.45%
3 Years	14.97%	10.01%	+4.96%
5 Years	69.08%	25.14%	+43.94%
8 Years	175.29%	23.62%	+151.67%
10 Years	289.03%	55.38%	+233.65%
Since Inception (10.4 years)	363.88%	67.77%	+296.11%
Since Inception Annualised (10.4 years)	15.87%	5.09%	+10.78%

* Before Management and Performance Fees

**These numbers include the franking value of the substantial dividend from its RHG holding received in May 2011.



CDM Share Price and Option Returns plus Dividends & Franking



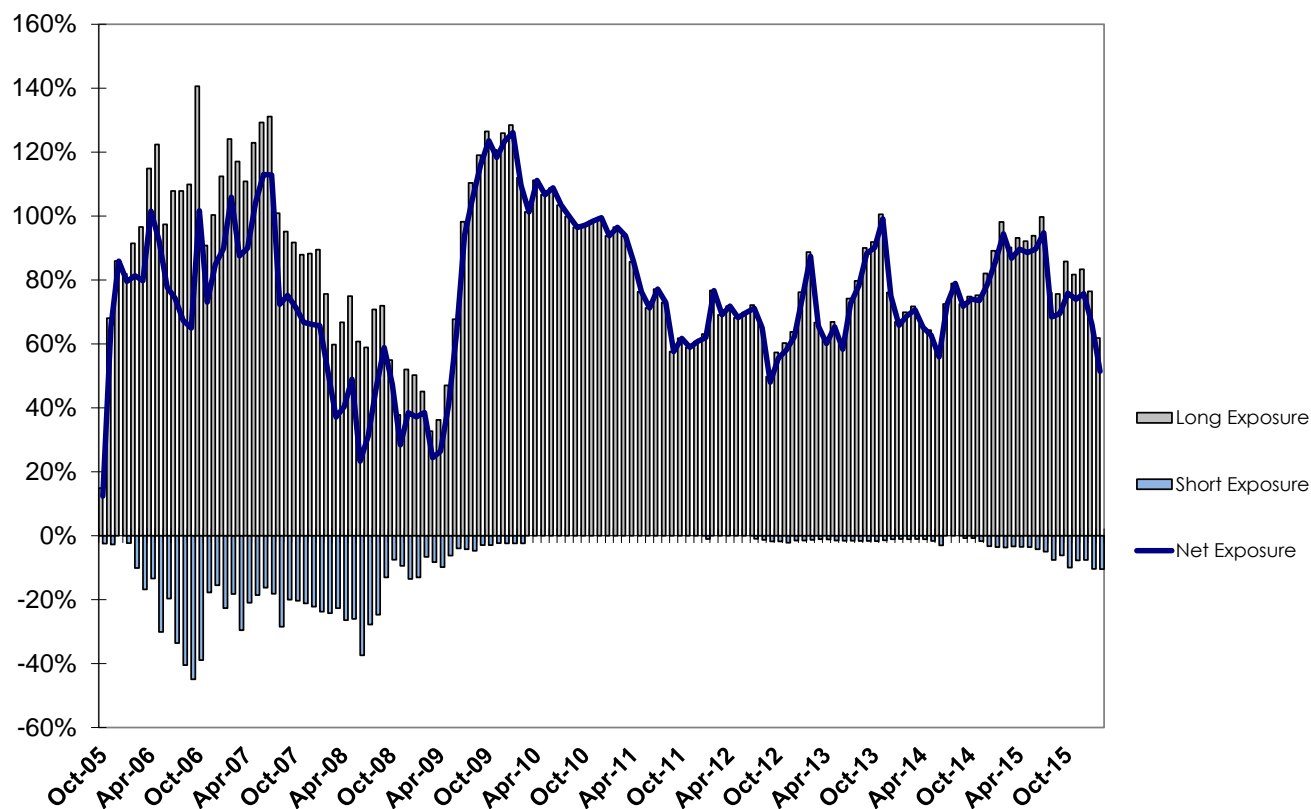
Fully Franked Dividends Declared Since Listing

Calendar Year	Interim	Final	Special	Total	Gross (Inc. Franking)
2007	2.0c	2.0c	2.0c	6.0c	8.6c
2008	2.5c	2.2c*	-	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
2015	5.0c	5.0c	1.0c	11.0c	15.7c
2016	5.0c			5.0c	7.1c
TOTAL	33.5c	30.2c	11.5c	75.2c	106.5c

* Off market equal access buy back



Historic Portfolio Exposure



Portfolio Sector Analysis

Sector	Long	Short	Net
Diversified Financials	16.04%		16.04%
Software & Services	7.31%		7.31%
Consumer, Cyclical	6.36%		6.36%
Communications	7.48%	1.31%	6.17%
Banks	6.15%		6.15%
Consumer, Non-cyclical	5.92%		5.92%
Financial	5.48%	0.99%	4.49%
Consumer Services	2.62%		2.62%
Basic Materials	1.60%		1.60%
Technology	2.63%	1.72%	0.91%
Industrial		1.10%	-1.10%
Materials	0.10%	2.54%	-2.45%
Energy	0.17%	2.79%	-2.62%
Exposure	61.86%	10.45%	51.41%

Cash on Hand

48.59%

For more information contact Cadence Capital Limited on 02 8298 2444 or email info@cadencecapital.com.au
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Top Portfolio Positions

Code	Position	Direction	Currency	Holding
MQG	Macquarie Group Ltd	Long	AUD	9.6%
MLB	Melbourne IT Ltd	Long	AUD	7.3%
LUX IM	Luxottica Group SPA	Long	EUR	6.4%
HGG	Henderson Group Plc	Long	AUD	4.0%
FB US	Facebook Inc	Long	USD	3.3%
RFG	Retail Food Group	Long	AUD	2.6%
RIO	Rio Tinto Ltd	Short	AUD	2.5%
MA US	Mastercard Inc	Long	USD	2.5%
ANZ	Australia & New Zealand Banking Group	Long	AUD	2.3%
WPL	Woodside Petroleum Ltd	Short	AUD	2.2%
IPH	IPH Ltd	Long	AUD	2.2%
GOOG US	Alphabet Inc	Long	USD	2.2%
TPM	TPG Telecom Ltd	Long	AUD	2.0%
005930 KS	Samsung Electronics Co Ltd	Long	USD	2.0%
NAB	National Australia Bank Ltd	Long	AUD	1.9%
CBA	Commonwealth Bank of Australia	Long	AUD	1.8%
MYO	MYOB Group Ltd	Short	AUD	1.7%
NCM	Newcrest Mining Ltd	Long	AUD	1.5%
FXL	Flexigroup Ltd	Long	AUD	1.3%
9984 JP	Softbank Group Corp	Short	JPY	1.3%
Top Portfolio Holdings Gross Exposure				60.66%

Recent News Articles

Karl Siegling participated in [the latest Under The Radar report](#), where he discussed some of the stocks he's interested in and why.

Karl Siegling was [quoted by the AFR](#) and questioned whether the market prices are leading fundamentals.

We've added reviews to our [52 Books You Should Read Before Buying Your Next Stock](#) section, including How To Make Money In Stocks by William O'Neil, The Tipping Point by Malcolm Gladwell and Thinking, Fast and Slow by Daniel Kahneman.

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