



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

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

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



INVESTMENT UPDATE

AUGUST 2016

For the month of August 2016 Cadence Capital Limited returned a positive gross performance of 2.34% outperforming the All Ordinaries Accumulation Index by 3.67%.

During the month the Company announced a 4.0 cent fully-franked final dividend. The Ex-Date for the dividend is the 18th October 2016. This brings dividends declared for the year to 9.0 cents and equates to a 7.1% annual fully franked yield, or a 10.1% gross yield (grossed up for franking credits) based on the CDM share price at the time of the announcement of \$1.275. The payment date for the final dividend is the 27th October 2016. Shareholders are able to participate in the Dividend Re-Investment Plan ("DRP") at a 3% discount. The DRP Record Date is 21st October 2016.

As at the 31st August 2016 the fund was holding 24% cash (76% invested).

Fund NTA

Net Tangible Assets as at 31st August 2016	Amount (\$)
Pre Tax NTA	\$1.163
Post Tax NTA	\$1.244
Share price (ASX Code: CDM)	\$1.270

Fund Performance

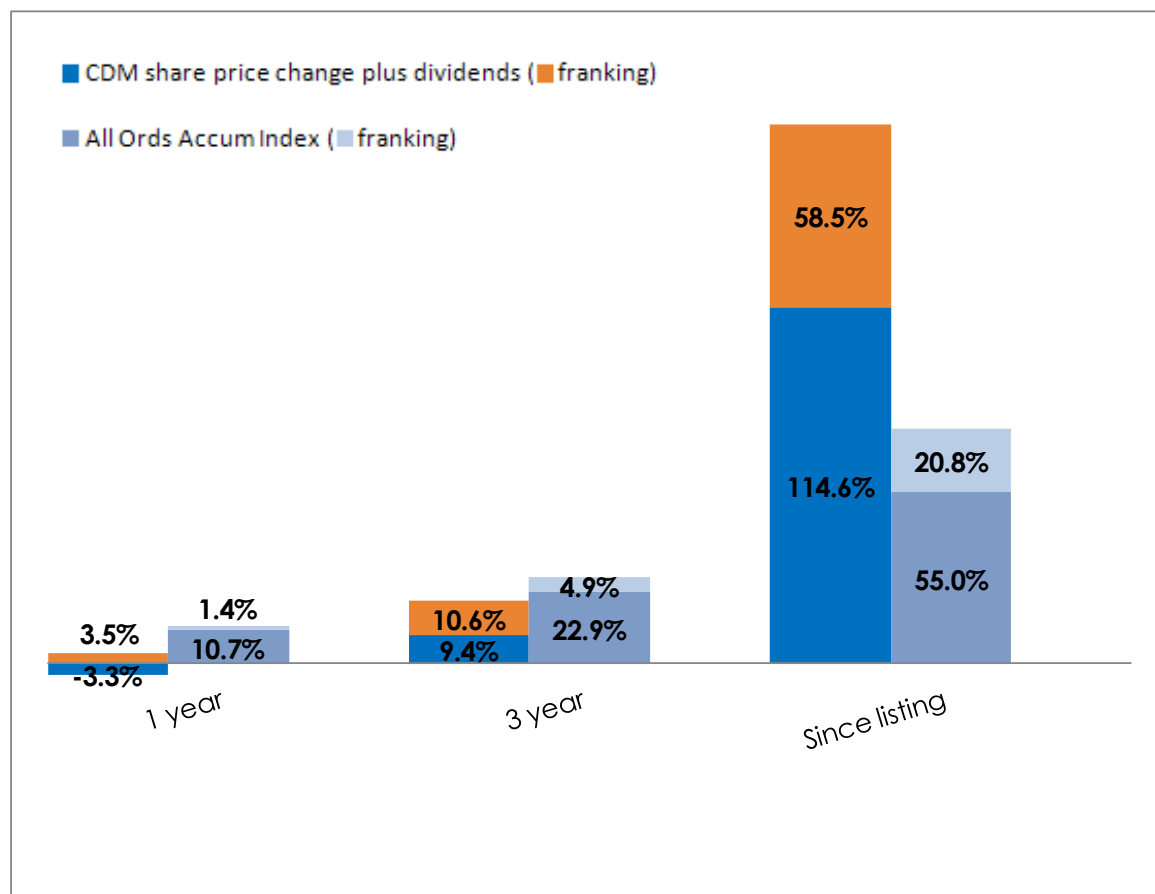
Performance* to 31st August 2016	CDM**	All Ords	Outperformance
1 Month	2.34%	-1.33%	+3.67%
1 Year	-5.39%	10.72%	-16.11%
3 Years	19.40%	22.92%	-3.52%
5 Years	53.42%	57.59%	-4.17%
8 Years	197.11%	50.37%	+146.74%
10 Years	259.83%	67.03%	+192.80%
Since Inception (10.9 years)	382.93%	91.68%	+291.25%
Since Inception Annualised (10.9 years)	15.52%	6.19%	+9.33%

* 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



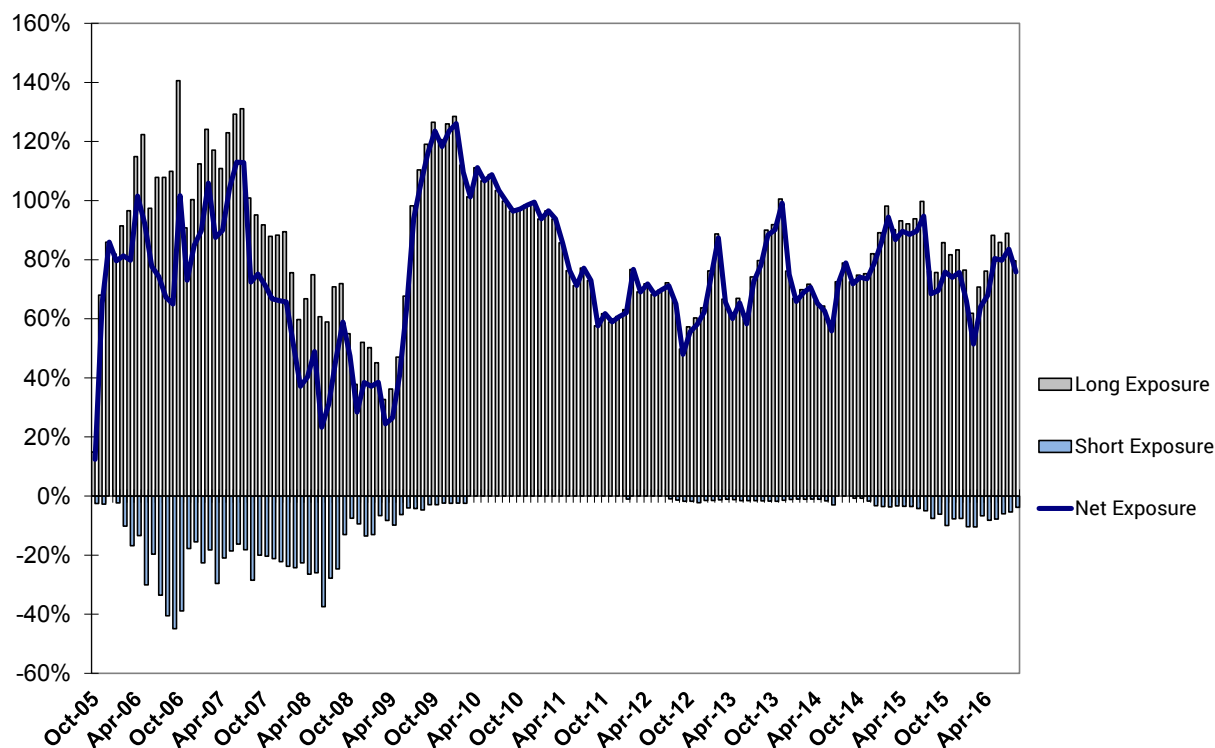
Franked Dividends Declared Since Listing

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	4.0c	-	9.0c	12.9c
TOTAL	33.5c	34.2c	11.5c	79.2c	112.3c

* Off market equal access buy back



Historic Portfolio Exposure



Portfolio Sector Analysis

Sector	Long	Short	Net
Diversified Financials	24.43%		24.43%
Communications	11.21%		11.21%
Software & Services	8.15%		8.15%
Financial	6.97%		6.97%
Consumer, Non-cyclical	6.46%		6.46%
Consumer Services	5.00%		5.00%
Banks	4.86%		4.86%
Technology	4.28%	0.32%	3.96%
Consumer, Cyclical	2.78%		2.78%
Basic Materials	3.04%	0.35%	2.69%
Industrial	1.58%		1.58%
Real Estate	0.53%		0.53%
Materials	0.11%	1.15%	-1.05%
Energy	0.22%	1.99%	-1.76%
Exposure	79.62%	3.81%	75.81%
Cash on Hand			24.19%



CADENCE



Top Portfolio Positions

Code	Position	Direction	Currency	Holding
MQG	Macquarie Group Ltd	Long	AUD	14.9%
MLB	Melbourne IT Ltd	Long	AUD	8.2%
HGG	Henderson Group Plc	Long	AUD	7.1%
RFG	Retail Food Group	Long	AUD	5.0%
9984 JP	Softbank Group Corp	Long	AUD	3.7%
5930 KS	Samsung Electronics Co Ltd	Long	USD	3.4%
FB US	Facebook Inc	Long	AUD	3.2%
GOOG US	Alphabet Inc	Long	AUD	2.8%
AIG US	American International Group	Long	AUD	2.4%
ANZ	Australia and New Zealand banking Group	Long	AUD	2.1%
WPL	Woodside Petroleum Ltd	Short	AUD	2.0%
SHV	Select Harvest Ltd	Long	AUD	1.9%
IGO	Independence Group NL	Long	AUD	1.9%
IPH	IPH Ltd	Long	AUD	1.8%
MND	Monadelphous Group Ltd	Long	AUD	1.6%
NAB	National Australia Bank Ltd	Long	AUD	1.5%
TPM	TPG Telecom Ltd	Long	AUD	1.5%
MA US	Mastercard Inc	Long	AUD	1.5%
ECX	Eclix Group Ltd	Long	AUD	1.4%
FXL	Flexigroup Ltd	Long	AUD	1.3%
Top Portfolio Holdings Gross Exposure				68.99%

Recent News Articles

Karl Siegling's article titled "[Winners If The Australian Dollar Falls](#)" was featured on the ASX August 2016 Newsletter and the Livewire Markets daily newsletter. We encourage you to read the article to learn more about Karl's views on the topic.

We have published new book reviews including *Outliers* by Malcolm Gladwell, *Master CEOs: Insights From Australia's Leading CEOs* by Matthew Kidman and *Reframing* by Richard Bandler which are available on the [52 Books You Should Read Before Buying Your Next Stock](#) section of our website. The Cadence team shares links to interesting articles which you can find in the [Interesting Links](#) section.

To view all previous Cadence webcasts and press articles, please visit the [Media Section](#) of the website.



CADENCE



Download Our New Book For Free

10 Books To Read Before Buying Your Next Stock

The team at Cadence has compiled a list of books that have influenced our investment style, or helped provide insight into the investment process, over the years. Whilst not an exhaustive list, the 10 titles contained in this eBook provide a good starting point for any interested investor.

[Download Free Book](#)

Disclaimer

The information contained in this report has been prepared with all reasonable care by Cadence Asset Management Pty Ltd and is of a general nature only. It is provided for information purposes only and should not be construed as an offer or solicitation. Nothing contained in this document constitutes investment, legal, financial, business, tax or other advice. It should not be relied upon as the sole basis for making an investment decision, nor should a decision be made until the risks of the investment are fully understood. Cadence Asset Management Pty Ltd assumes no responsibilities for errors, inaccuracies or omissions in this summary. The information is provided without warranty of any kind. Past performance is not indicative of future performance. Investors may not get back the full amount originally invested.