



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

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

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



CADENCE



INVESTMENT UPDATE

MAY 2016

For the month of May 2016 Cadence Capital Limited returned a positive gross performance of 4.11% compared to an increase in the All Ordinaries Accumulation Index of 3.09%. Over the past 12 months Cadence Capital Limited has returned a negative gross performance of 8.82% compared to a decrease in the All Ordinaries Accumulation Index of 1.25%.

During the month of May, Cadence Capital Limited paid out a 5.0 cent fully franked interim dividend. Cadence Capital Limited shareholders were able to participate in the [Dividend Re-Investment Plan \("DRP"\)](#) at a 3% discount. The DRP price was \$1.23317.

As at the 31st May 2016 the fund was holding 20% cash (80% invested).

Fund NTA

Net Tangible Assets as at 31st May 2016	Amount (\$)
Pre Tax NTA*	\$1.162
Post Tax NTA*	\$1.234
Share price (ASX Code: CDM)*	\$1.295

* The NTA's and Share price are post the 5.0c fully franked interim dividend

Fund Performance

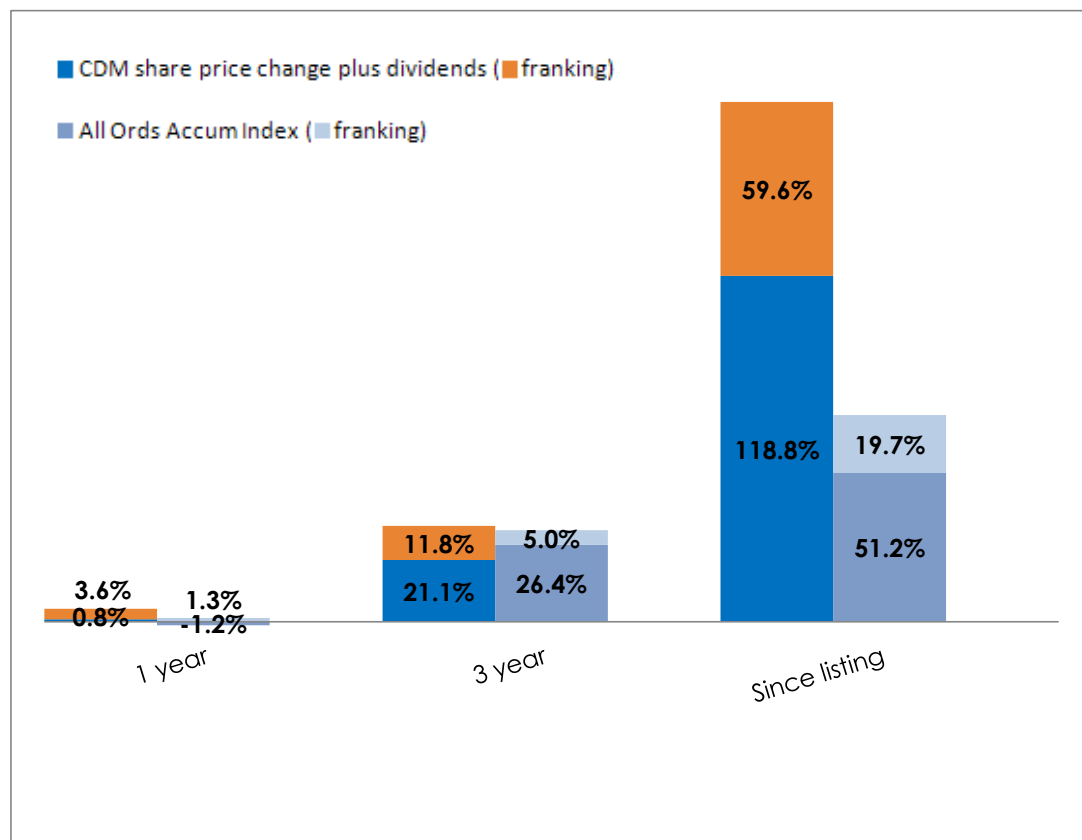
Performance* to 31st May 2016	CDM**	All Ords	Outperformance
1 Month	4.11%	3.09%	1.02%
1 Year	-8.82%	-1.25%	-7.57%
3 Years	18.97%	26.37%	-7.40%
5 Years	58.39%	42.09%	+16.30%
8 Years	184.37%	34.05%	+150.32%
10 Years	254.52%	68.70%	+185.82%
Since Inception (10.7 years)	380.07%	87.03%	+293.04%
Since Inception Annualised (10.7 years)	15.84%	6.05%	+9.79%

* 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



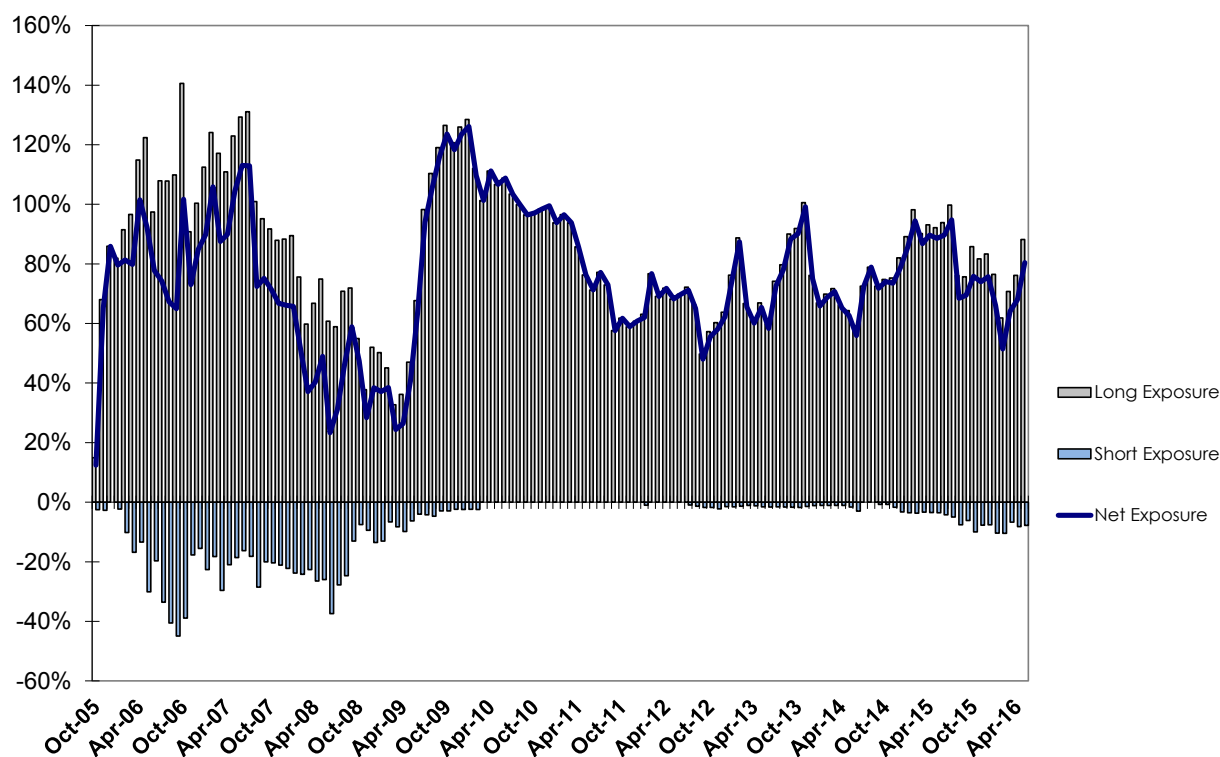
Fully Franked Dividends Declared Since Listing

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	23.32%		23.32%
Communications	12.74%		12.74%
Consumer, Non-cyclical	12.37%		12.37%
Software & Services	7.46%		7.46%
Financial	8.14%	2.11%	6.03%
Industrial	5.85%		5.85%
Banks	4.94%		4.94%
Consumer Services	3.88%		3.88%
Consumer, Cyclical	3.86%		3.86%
Basic Materials	2.28%		2.28%
Technology	2.98%	1.81%	1.17%
Materials	0.10%	1.64%	-1.54%
Energy	0.30%	2.22%	-1.92%
Exposure	88.21%	7.77%	80.44%

Cash on Hand	19.56%
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Top Portfolio Positions

Code	Position	Direction	Currency	Holding
MQG	Macquarie Group Ltd	Long	AUD	13.9%
MLB	Melbourne IT Ltd	Long	AUD	7.5%
HGG	Henderson Group Plc	Long	AUD	7.0%
AIO	Asciano Ltd	Long	AUD	5.3%
GOOG US	Alphabet Inc	Long	AUD	4.3%
MA US	Mastercard Inc	Long	AUD	4.2%
RFG	Retail Food Group	Long	AUD	3.9%
FB US	Facebook Inc	Long	AUD	3.7%
9984 JP	Softbank Group Corp	Long	AUD	3.3%
AIG US	American International Group	Long	AUD	2.4%
IPH	IPH Ltd	Long	AUD	2.3%
005930 KS	Samsung Electronics Co Ltd	Long	USD	2.2%
WPL	Woodside Petroleum Ltd	Short	AUD	2.2%
PKO PW	PKO Bank Polski SA	Short	AUD	2.1%
CBA	Commonwealth Bank of Australia	Long	AUD	2.0%
GILD US	Gilead Sciences Inc	Long	AUD	1.9%
LUX IM	Luxottica Group SPA	Long	EUR	1.8%
MYO	MYOB Group Ltd	Short	AUD	1.8%
NCM	Newcrest Mining Ltd	Long	AUD	1.8%
SHV	Select Harvest Ltd	Long	AUD	1.7%
Top Portfolio Holdings Gross Exposure				75.42%

Recent News Articles

Karl Siegling's latest article, "[Commodities: Has the trend changed?](#)", was published in the 157th edition of the Cuffelinks newsletter. The article explains the cyclical nature of commodities, and gives an overview of how we deal with this at Cadence.

Watch our [latest quarterly webcast](#) for an update of the fund's performance, information about the Company's 5.0 cent interim dividend and an update on the Company's outlook. In addition, Karl Siegling shares his views on Macquarie Bank (MQG).

You can read our latest book reviews, including *Hot Commodities* by Jim Rogers, in the [52 Books You Should Read Before Buying Your Next Stock](#) section.

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



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Hope, Fear and Greed: Understanding Investment Market Psychology

Understand the 3 key emotions in the market, and follow our live example of how these may affect the Macquarie Group Limited (MQG) share price.

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