



## INVESTMENT UPDATE

OCTOBER 2014

During the month of October 2014, Cadence Capital Limited returned a positive gross performance of 1.84% compared to an increase in the All Ordinaries Accumulation Index of 3.96% and a decrease in the Small Ordinaries Accumulation Index -0.54%. Over the past 12 months the fund has returned a positive gross performance of 7.61% outperforming the All Ordinaries Accumulation Index by 1.68%.

As at the 31 October 2014 the fund was holding 26% cash (74% invested).

## Fund NTA

Net Tangible Assets as at 31 October 2014	Amount (\$)
Pre Tax NTA*	\$1.364
Post Tax NTA*	\$1.371
Share price (ASX Code: CDM)*	\$1.475
Option price (ASX Code: CDMO)*	\$0.051

*\*After the 5.0 cent fully franked dividend paid on 30<sup>th</sup> September 2014*

## Cadence Capital Limited AGM and Investor Briefing – Wednesday, 26 November 2014

We would like to remind all shareholders that Cadence Capital Limited will be holding its AGM and Investor Briefing at the Museum of Sydney, AGL Theatre, 37 Phillip Street, Sydney on Wednesday 26<sup>th</sup> November at 10.30am. We would like to invite all shareholders to extend this invitation to any family, friends and peers that may be interested in Cadence Capital Limited. For more information and to register to attend, please [click here](#). Registration is essential for all non-shareholders (Attendance is free).

Please note that a webcast will be made available after the event. If you would like to send shareholder questions through prior to the event please email [info@cadencecapital.com.au](mailto:info@cadencecapital.com.au).

## Cadence Capital Limited – Media and Presentations

In our latest webcast, we provide a fund update and discuss the fund's offshore investment in Gilead Sciences Inc (GILD US) with Simon Bonouvrie (Cadence Capital Portfolio Manager). To view the webcast [click here](#).

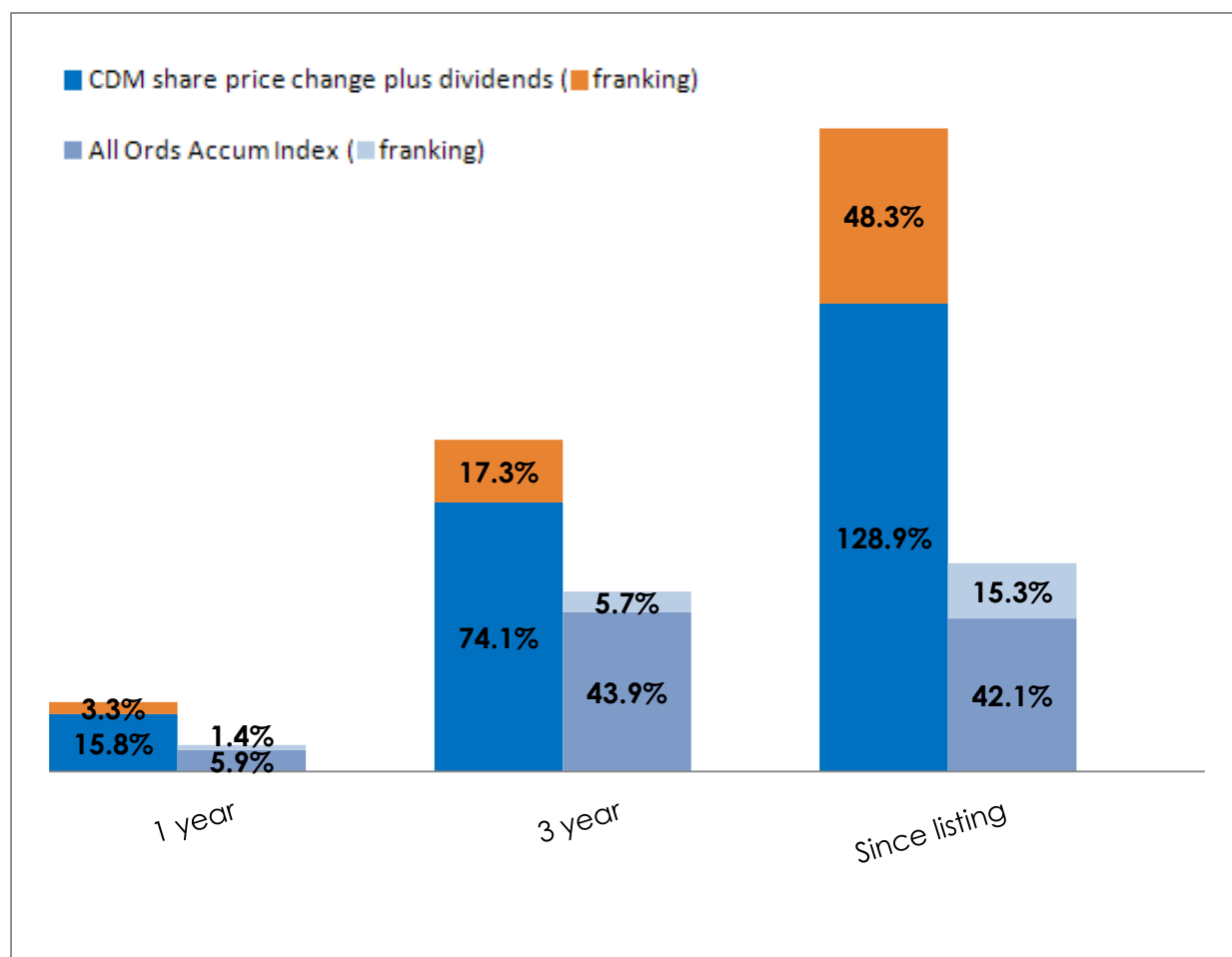
Karl Siegling was recently interviewed by Alan Kohler on Eureka TV '[How Cadence Outperforms](#)' and also appears in the latest Under the Radar Issue '[The Financial Trend is Karl's Friend](#)'.

Cadence Capital was invited to present at the SMSF Owners Alliance Workshop in Sydney where we presented on '[Share Investing Prospects for SMSF investors: What are the Risks and Opportunities](#)'.

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



## 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



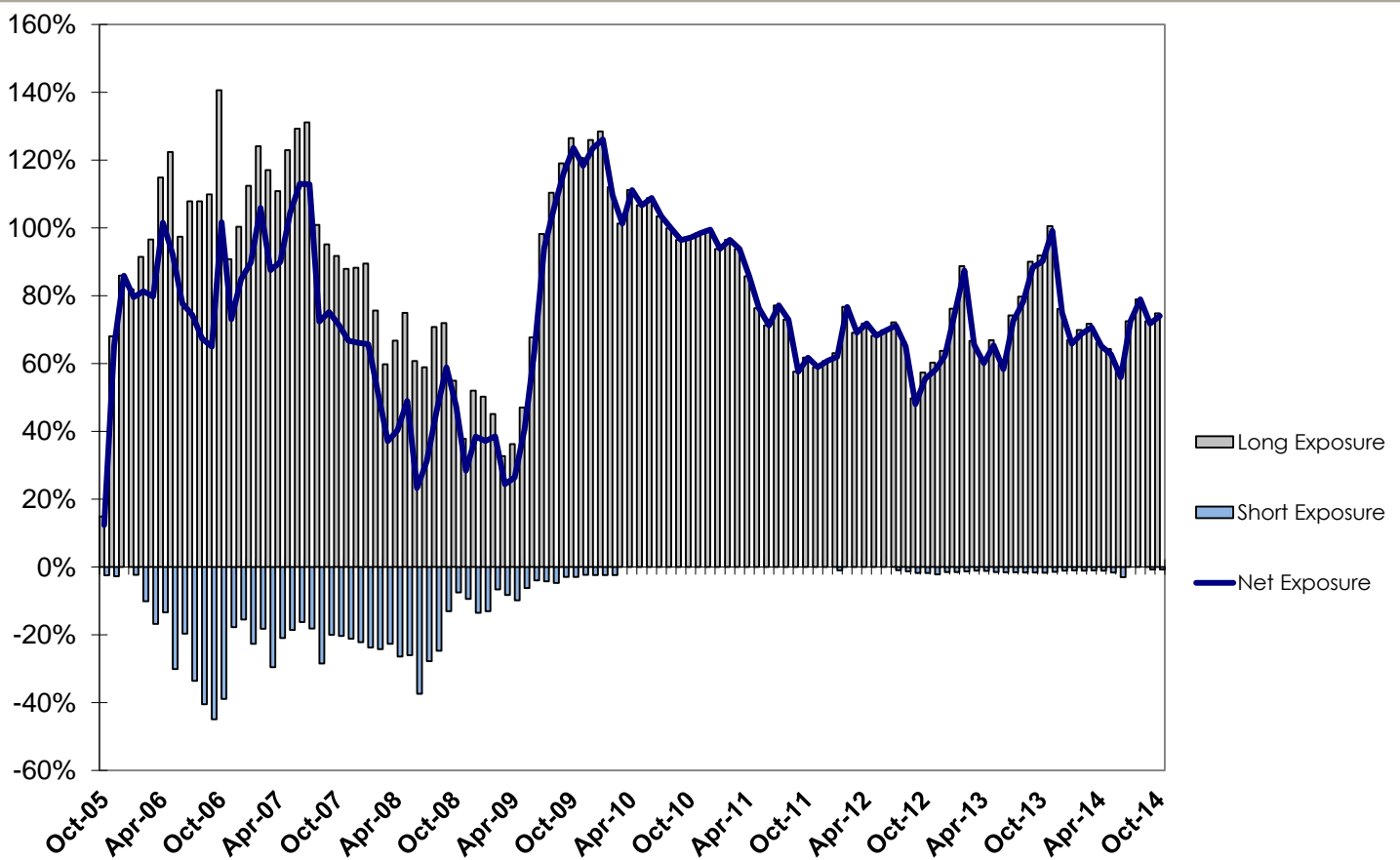
## Fund Performance

Performance* to 31 October 2014	CDM**	All Ords	Outperformance
1 Month	1.84%	3.96%	-2.12%
1 Year	7.61%	5.93%	+1.68%
2 Years	26.53%	32.08%	-5.55%
3 Years	47.11%	43.86%	+3.25%
4 Years	144.11%	38.18%	+105.93%
5 Years	152.59%	46.39%	+106.20%
8 Years	209.11%	44.34%	+164.77%
Since Inception (9.1 years)	366.75%	75.75%	+291.00%
Since Inception Annualised (9.1 years)	18.48%	6.40%	+12.08%

\* 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	14.24%		14.24%
Banks	14.15%		14.15%
Consumer, Non-cyclical	9.92%		9.92%
Financial	8.53%		8.53%
Telecommunication Services	5.07%		5.07%
Software & Services	4.39%		4.39%
Consumer Services	4.26%		4.26%
Materials	4.12%		4.12%
Insurance	2.91%		2.91%
Energy	2.43%		2.43%
Consumer, Cyclical	2.11%		2.11%
Technology	0.80%		0.80%
Real Estate	0.72%		0.72%
Basic Materials	1.01%	0.74%	0.27%
Industrial	0.12%		0.12%
<b>Exposure</b>	<b>74.78%</b>	<b>0.74%</b>	<b>74.04%</b>
<b>Cash on Hand</b>			<b>25.96%</b>

## Top Portfolio Positions

Code	Position	Direction	Holding
MQG	Macquarie Group Limited	Long	8.0%
GILD US	Gilead Sciences Inc	Long	5.6%
GMA	Genworth Mortgage Insurance Australia Ltd	Long	4.9%
MLB	Melbourne IT Ltd	Long	4.4%
RFG	Retail Food Group	Long	4.3%
NAB	National Australia Bank Ltd	Long	4.0%
BOQ	Bank of Queensland Ltd	Long	3.8%
ANZ	Australia & New Zealand Banking Group	Long	3.7%
IIN	Iinet Limited	Long	3.2%
SUN	Suncorp Group Ltd	Long	2.9%
BEN	Bendigo and Adelaide Bank Limited	Long	2.7%
CBA	Commonwealth Bank of Australia	Long	2.6%
HGG	Henderson Group Plc	Long	2.6%
LUX IM	Luxottica Group SPA	Long	2.1%
FXL	Flexigroup Ltd	Long	2.0%
TLS	Telstra Corporation Limited	Long	1.9%
MQA	Macquarie Atlas Roads Group	Long	1.9%
LNG	Liquefied Natural Gas Limited	Long	1.4%
BSL	Bluescope Steel Limited	Long	1.4%
RIO	Rio Tinto Ltd	Long	1.2%
<b>Top Portfolio Holdings Gross Exposure</b>			<b>64.54%</b>

For more information contact Cadence Capital Limited on 02 8298 2444 or email [info@cadencecapital.com.au](mailto:info@cadencecapital.com.au)  
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