

## INVESTMENT UPDATE AND NTA – JULY 2009

### FUND NTA

Cadence Capital Limited NTA estimates as at 31st July 2009:

Pre Tax NTA	\$0.93206
Post Tax NTA*	\$0.97495

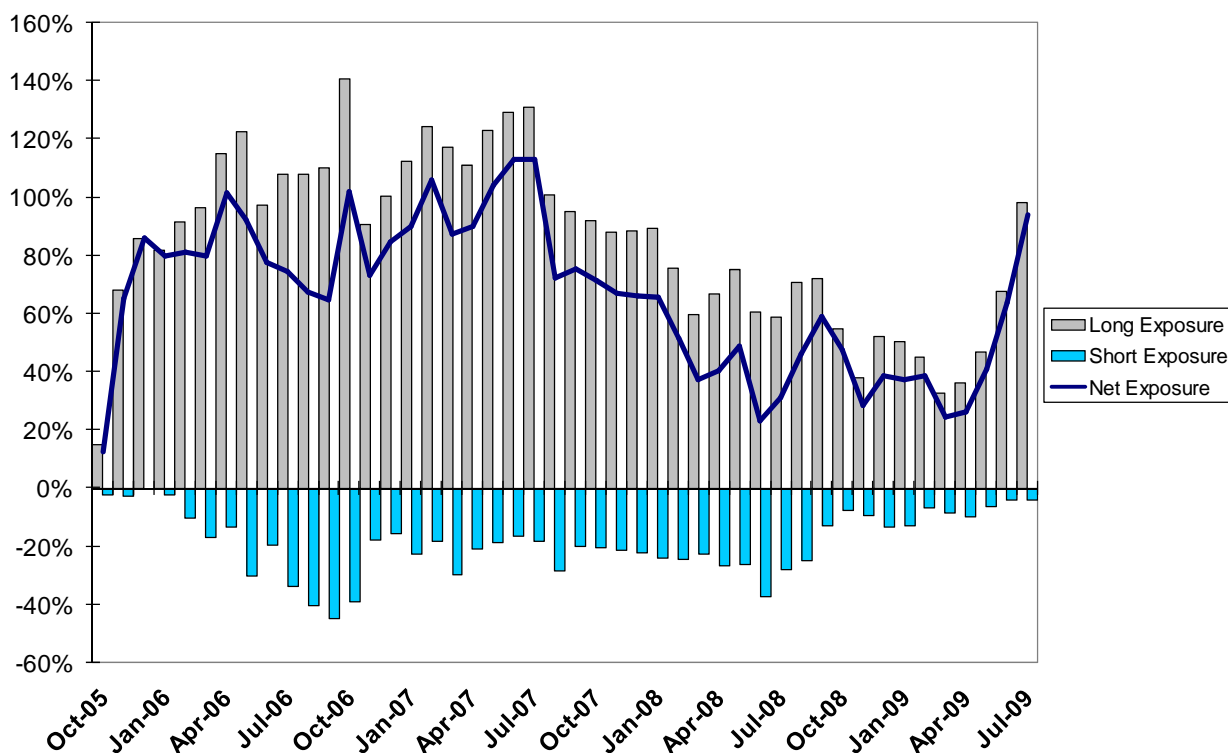
\*Including net deferred taxed assets (deferred taxed assets less deferred tax liabilities)

### FUND PERFORMANCE\*

Performance to 31st July 2009	CDM	All Ords	Outperformance
1 Month	8.12%	7.65%	
1 Year	-5.30%	-11.56%	+6.26%
Annualised return since inception (46 months)	10.97%	2.12%	+8.85%
Inception to date accumulated return (46 months)	49.06%	8.37%	+40.69%

\* Before Management and Performance Fees

### PORTFOLIO EXPOSURE ANALYSIS



## PORTFOLIO SECTOR ANALYSIS

Sector	Long	Short	Net
Materials	37.63%	-0.13%	37.51%
Banks	19.60%		19.60%
Software & Services	14.50%		14.50%
Diversified Financials	9.63%		9.63%
Energy	9.12%	-0.72%	8.40%
Telecommunication Services	2.69%		2.69%
Retailing	1.40%		1.40%
Insurance	1.23%		1.23%
Consumer Services	1.22%		1.22%
Real Estate	0.95%		0.95%
Health Care Equipment & Services	0.24%		0.24%
Transportation		-3.40%	-3.40%
<b>Exposure</b>	<b>98.23%</b>	<b>-4.25%</b>	<b>93.98%</b>
<b>Cash on hand</b>			<b>6.02%</b>

## TOP 20 PORTFOLIO POSITIONS

ASX Code	Position	Direction	% Holding
RHG	RHG Ltd	Long	15.8%
RIO	Rio Tinto Ltd	Long	11.2%
CUS	Customers Ltd	Long	7.6%
IGO	Independence Group NL	Long	5.4%
RKN	Reckon Ltd	Long	4.8%
AOE	Arrow Energy Ltd	Long	4.7%
AGO	Atlas Iron Ltd	Long	4.3%
DIO	Dioro Exploration NL	Long	4.1%
HGG	Henderson Group PLC	Long	3.9%
NAB	National Australia Bank Ltd	Long	3.8%
TCL	Transurban Group	Short	-3.4%
MCC	MacArthur Coal Ltd	Long	2.5%
BSL	BlueScope Steel Ltd	Long	1.9%
PNA	PanAust Ltd	Long	1.8%
MBN	Mirabela Nickel Ltd	Long	1.6%
HSKG	HSK Notes	Long	1.6%
AIQ	Alternative Investment Trust	Long	1.5%
CTP	Central Petroleum Ltd	Long	1.5%
IIN	iiNET Ltd	Long	1.4%
CCQ	Contango Capital Partners Ltd	Long	1.4%
<b>Top Twenty Portfolio Holdings</b>			<b>77.5%</b>

## **MARKET AND COMMENTARY**

For the three years and ten months to 31st July 2009, Cadence Capital Limited has returned a gross performance of 49.1% compared to an increase in the All Ordinaries Accumulation Index of 8.4%.

During the month of July, Cadence Capital Limited returned a positive gross performance of +8.12% compared to an increase in the All Ordinaries Accumulation Index of +7.65% and an increase in the Small Ordinaries Accumulation Index of +9.02%.

The fund finished the month 98.2% long, 4.2% short and with a net long exposure of 94.0%. The net exposure for June 2009 was 63.7%.

## **CADENCE CAPITAL LIMITED WEBCAST**

On the 22<sup>nd</sup> July 2009, Karl Siegling, Portfolio Manager for Cadence Capital Limited was interviewed by CNBC Australia and discussed two of the positions currently in the portfolio. The two stocks discussed were Rio Tinto Limited (RIO) and RHG Limited (RHG). To watch this interview please visit the 'News' section of the Cadence Capital website at [www.cadencecapital.com.au](http://www.cadencecapital.com.au)

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