


INVESTMENT UPDATE
AUGUST 2014

Cadence Offshore Fund NTA as at 31 August 2014:

NTA per share (Series AUD1)	\$ 2,037.75
Net Performance August 2014 (Series AUD1)	-1.15%

Monthly Detailed Performance

	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	YTD
Cadence Cayman Fund	-2.70%	-0.28%	2.21%	6.06%	-9.07%	-2.61%	7.60%	4.02%	5.24%	4.70%	12.35%	2.01%	31.63%
All Ordinaries Acc Index	-5.85%	1.82%	5.83%	-1.18%	-7.57%	-2.60%	4.23%	-0.71%	5.02%	2.17%	-0.70%	3.80%	3.31%
	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	YTD
Cadence Cayman Fund	1.70%	3.78%	-2.52%	5.16%	-1.36%	1.64%	0.66%	2.98%	-1.60%	2.15%	2.20%	-0.19%	15.28%
All Ordinaries Acc Index	0.07%	2.19%	0.64%	-0.58%	-1.89%	-2.39%	-3.40%	-2.00%	-6.27%	7.17%	-3.43%	-1.57%	-11.43%
	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	YTD
Cadence Cayman Fund	0.92%	2.22%	1.56%	-0.90%	-2.51%	0.60%	1.99%	4.45%	0.09%	3.44%	-0.11%	0.78%	13.08%
All Ordinaries Acc Index	5.23%	2.41%	1.15%	1.10%	-6.90%	0.25%	3.74%	2.12%	2.13%	2.97%	0.27%	3.43%	18.84%
	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	YTD
Cadence Cayman Fund	2.32%	4.69%	-0.54%	1.46%	0.79%	-1.01%	-1.51%	-0.15%	2.27%	4.23%	1.80%	0.75%	15.97%
All Ordinaries Acc Index	5.08%	5.18%	-2.24%	3.82%	-4.39%	-2.62%	5.46%	2.59%	2.39%	3.91%	-1.38%	0.92%	19.66%
	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	YTD
Cadence Cayman Fund	-3.24%	2.80%	0.45%	-1.98%	0.44%	2.78%	2.46%	-1.15%					2.40%
All Ordinaries Acc Index	-2.76%	4.84%	0.25%	1.29%	0.61%	-1.41%	4.49%	0.72%					8.07%
* Net of all fees										Accumulated return		103.78%	
										All Ordinaries Acc Index		40.61%	

Portfolio Commentary

During August 2014 Cadence Cayman Fund returned a negative net performance of 1.15% compared to an increase in the All Ordinaries Accumulation Index of 0.72%. For the past 4 years and 8 months, the fund has returned a positive annualized net performance of +16.48% per annum outperforming the All Ordinaries Accumulation Index 8.90% per annum.

The fund finished the month 74.83% net long. The net exposure for July 2014 was 68.33%.



Portfolio Sector Exposure

Sector	Long	Short	Net
Banks	22.00%		22.00%
Diversified Financials	20.12%		20.12%
Materials	8.66%		8.66%
Energy	5.10%		5.10%
Software & Services	4.51%		4.51%
Telecommunication Services	4.36%		4.36%
Consumer Services	4.13%		4.13%
Insurance	3.21%		3.21%
Real Estate	1.36%		1.36%
Transportation	0.97%		0.97%
Commercial & Professional Services	0.26%		0.26%
Food Beverage & Tobacco	0.15%		0.15%
Exposure	74.83%	0.00%	74.83%
Cash on Hand			25.17%

Top Portfolio Positions

ASX Code	Position	Direction	Holding
MQG	Macquarie Group Limited	Long	7.4%
HGG	Henderson Group Plc	Long	7.2%
GMA	Genworth Mortgage Insurance Australia Ltd	Long	5.0%
NAB	National Australia Bank Ltd	Long	4.3%
ANZ	Australia & New Zealand Banking Group	Long	4.3%
MLB	Melbourne IT Ltd	Long	3.5%
IIN	Iinet Limited	Long	3.3%
SUN	Suncorp Group Ltd	Long	3.2%
BOQ	Bank of Queensland Ltd	Long	3.2%
LNG	Liquefied Natural Gas Limited	Long	3.2%
RFG	Retail Food Group	Long	3.1%
CBA	Commonwealth Bank of Australia	Long	3.0%
RIO	Rio Tinto Ltd	Long	2.6%
BSL	Bluescope Steel Ltd	Long	2.3%
FXL	Flexigroup Ltd	Long	2.3%
BEN	Bendigo and Adelaide Bank Limited	Long	2.2%
PPT	Perpetual Limited	Long	2.1%
WPL	Woodside Petroleum Limited	Long	1.9%
Top Portfolio Holdings Gross Exposure			64.12%



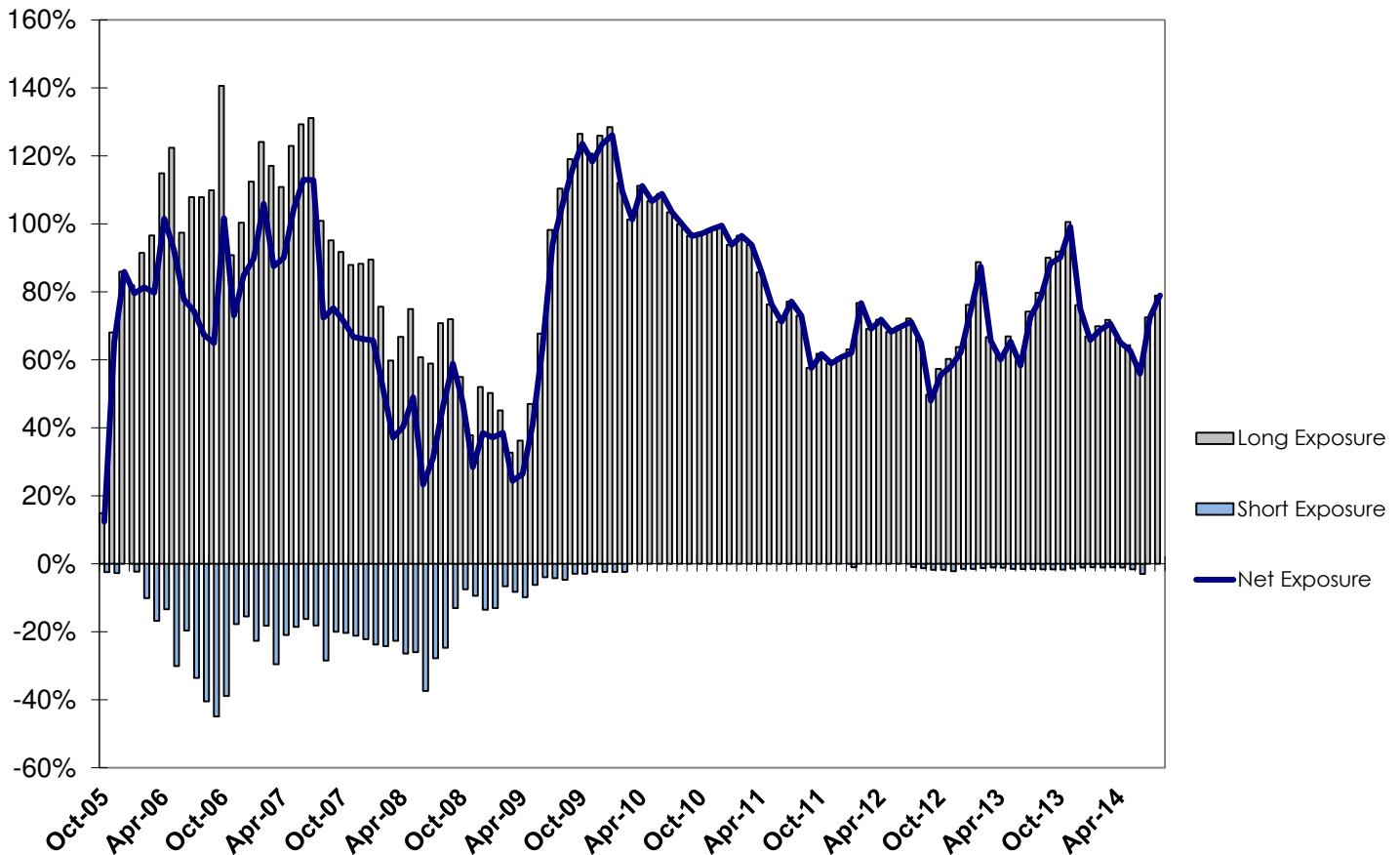
Historic Strategy Performance & Exposure - 8 Years

Cadence Capital Limited is an ASX listed fund that has been operating the Cadence Long/ Short Australian equities strategy for over five years. Over time the Cadence Cayman Fund will replicate the positions and holdings of Cadence Capital Ltd. Detailed below is the 8 year performance and exposure history of Cadence Capital Limited (ASX Code CDM).

Performance* to 31 August 2014	CDM**	All Ords	Outperformance
1 Month	-0.55%	0.72%	-1.27%
1 Year	16.50%	14.43%	+2.07%
2 Years	31.57%	41.02%	-9.45%
3 Years	49.69%	46.71%	+2.98%
4 Years	162.50%	50.54%	+111.96%
5 Years	192.65%	54.64%	+138.01%
8 Years	251.07%	55.50%	+195.57%
Since Inception (8.9 years)	371.17%	78.44%	+292.73%
Since Inception Annualised (8.9 years)	18.99%	6.71%	+12.28%

*Before Management and Performance Fees

**Used the percentage increase in Post Tax NTA for May 2011





Cadence News

Cadence Capital Limited was **ranked by ASX* as the top performing Australian Equities Listed Investment Company** over 5 years in the LMI Quarterly Update as at 30 June 2014.

Cadence Capital Limited was a finalist at the 2012 Australian Hedge Fund Awards in the Best Long Short and Absolute Return Fund category.

** Source: ASX website – Market Update on Management Funds section, LMI Quarterly Update as at 30 June 2014*

Cadence Capital ‘Shareholder Centre’ and ‘Media Centre’

We would like to recommend you to visit both the ‘Shareholder Centre’ and ‘Media Centre’ sections, of our website www.cadencecapital.com.au where you will find Newsletters, Quarterly Webcasts, Broker Research and Recent News.

Fund Facts

Minimum Investment:	AU\$ 500 000	Redemption Fees:	None
Subscription Frequency:	Monthly	High Water Mark:	Yes
Redemption Frequency:	Monthly	Strategy Size:	AU\$ 250 Million
Redemption Notice:	3 Months	Prime Broker:	Citigroup
Lock-up:	None	Administrator:	TMF Group
Management Fee:	1.5%	Fund Domicile:	Cayman Islands
Performance Fee:	20%	Legal Advisers (Cayman)	Walkers

To join our Distribution list for Newsletters, Webcasts and Journal Articles visit www.cadencecapital.com.au and click on the ‘Join our Newsletter’ link.

Disclaimer

The information contained in this report has been prepared with all reasonable care by Cadence Asset Management Pty Ltd. 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.

For more information contact Cadence Cayman Fund on 02 8298 2444 or email info@cadencecapital.com.au
Register to receive our newsletter at www.cadencecapital.com.au and click on the ‘Join our Newsletter’ link.