

INVESTMENT UPDATE

March 2014

Cadence Offshore Fund NTA as at 31st March 2014:

NTA per share (Series AUD1) \$ 1,988.26

Net Performance March 2014 (Series AUD1) + 0.45%

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%										-0.09%
All Ordinaries Acc Index	-2.76%	4.84%	0.25%										2.20%
										Accumulated return		98.83%	
										All Ordinaries Acc Index		32.98%	

* Net of all fees

Portfolio Commentary

During March 2014 Cadence Cayman Fund returned a positive net performance of 0.45% compared to an increase in the All Ordinaries Accumulation Index of 0.25%. For the past 51 months the fund has returned a positive net performance of +17.55% per annum compared to an increase in the All Ordinaries Accumulation Index of +6.94% per annum.

The fund finished the month 89.45% net long. The net exposure for February 2014 was 86.19%.

Cadence News

Cadence Capital Limited was ranked by ASX* as the top 3 performing Australian Equities Listed Investment Companies over 3 and 5 years in the LMI Quarterly Update as at 31st January 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 31st January 2014



Portfolio Sector Exposure

Sector	Long	Short	Net
Diversified Financials	29.31%		29.31%
Banks	17.77%		17.77%
Materials	15.20%	0.99%	14.21%
Consumer Services	6.99%		6.99%
Software & Services	5.43%		5.43%
Telecommunication Services	4.53%		4.53%
Transportation	2.68%		2.68%
Real Estate	2.11%		2.11%
Energy	2.04%		2.04%
Commercial & Professional Services	1.45%		1.45%
Insurance	1.40%		1.40%
Utilities	1.05%		1.05%
Pharmaceuticals, Biotechnology & Life Sciences	0.49%		0.49%
Exposure	90.44%	0.99%	89.45%
Cash on Hand			10.55%

Top Positions

ASX Code	Position	Direction	Holding
MQG	Macquarie Group Limited	Long	12.1%
HGG	Henderson Group Plc	Long	8.9%
NAB	National Australia Bank Ltd	Long	7.3%
ANZ	Australia & New Zealand Banking Group	Long	6.1%
RFG	Retail Food Group	Long	5.7%
FXL	Flexigroup Ltd	Long	5.0%
BSL	Bluescope Steel Ltd	Long	4.2%
IIN	Ilnet Limited	Long	3.6%
ARI	Arrium Limited	Long	3.3%
MLB	Melbourne IT Ltd	Long	3.2%
RIO	Rio Tinto Ltd	Long	2.8%
BOQ	Bank of Queensland Ltd	Long	2.4%
LNG	Liquefied Natural Gas Limited	Long	2.0%
ORI	Orica Limited	Long	2.0%
CBA	Commonwealth Bank of Australia	Long	2.0%
PPT	Perpetual Limited	Long	1.8%
TOL	Toll Holdings	Long	1.7%
AQG	Alacer Gold Corp	Long	1.5%
MMS	McMillan Shakespeare Ltd	Long	1.5%
Top Portfolio Holdings Gross Exposure			77.08%



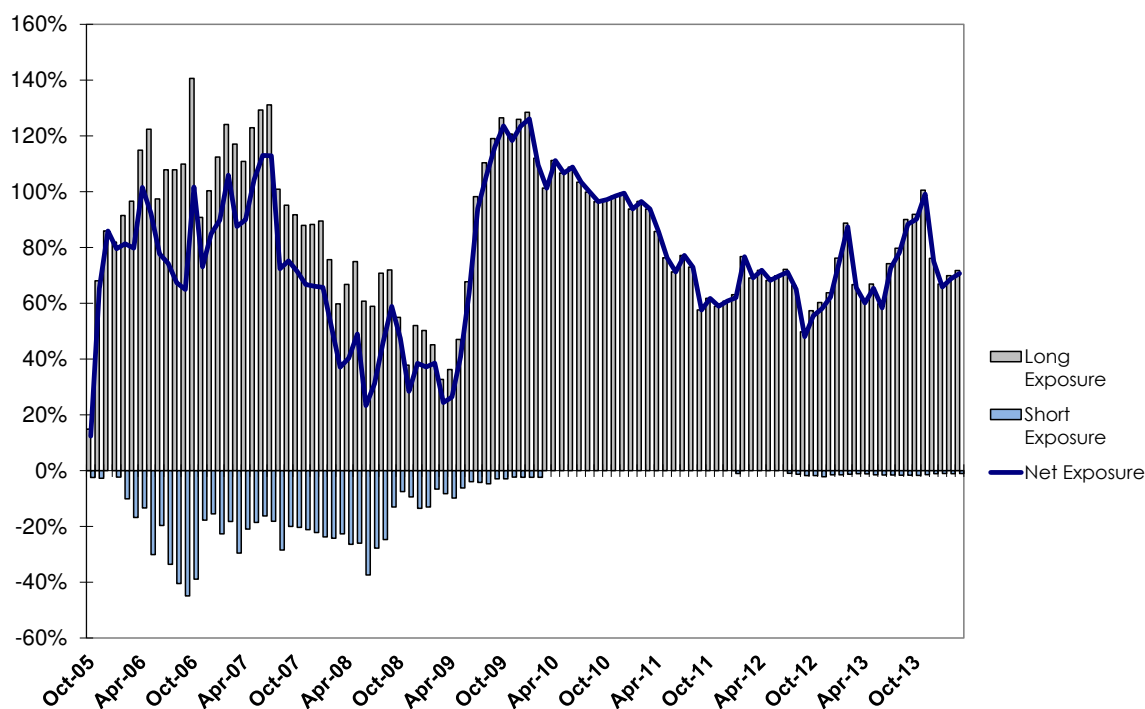
Historic Strategy Performance & Exposure - 8 Years

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 March 2014	CDM**	All Ords	Outperformance
1 Month	0.37%	0.25%	+0.12%
1 Year	15.39%	13.19%	+2.20%
2 Years	33.84%	33.33%	+0.51%
3 Years	74.46%	25.07%	+49.39%
4 Years	138.93%	31.07%	+107.86%
5 Years	262.34%	88.76%	+173.58%
8 Years	263.90%	49.11%	+214.79%
Since Inception (8.5 years)	355.96%	68.76%	+287.20%
Since Inception Annualised (8.5 years)	19.54%	6.35%	+13.19%

*Before Management and Performance Fees

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



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

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