

## INVESTMENT UPDATE

September 2013

Cadence Offshore Fund NTA as at 30<sup>th</sup> September 2013:

NTA per share (Series AUD1) \$ 1,861.42

Net Performance September 2013 (Series AUD1) +2.27%

### 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%				8.47%
All Ordinaries Acc Index	5.08%	5.18%	-2.24%	3.82%	-4.39%	-2.62%	5.46%	2.59%	2.39%				15.70%
										<b>Accumulated return</b>		<b>86.14%</b>	
										<b>All Ordinaries Acc Index</b>		<b>25.81%</b>	

\* Net of all fees

### Portfolio Commentary

During September 2013 Cadence Cayman Fund returned a positive net performance of +2.27% compared to an increase in the All Ordinaries Accumulation Index of +2.39%. Year to date the fund is up +8.47% compared to an increase in the All Ordinaries Accumulation Index of +15.70% and a decrease in the Small Ordinaries Accumulation Index of -0.61%. The fund finished the month 84.65% net long. The net exposure for August 2013 was 77.63%.

### Portfolio Sector Exposure

Sector	Long	Short	Net
Diversified Financials	25.48%		25.48%
Banks	14.00%		14.00%
Materials	10.91%	1.99%	8.92%
Consumer Services	7.76%		7.76%
Software & Services	7.47%		7.47%
Insurance	5.87%		5.87%
Commercial & Professional Services	4.18%		4.18%
Telecommunication Services	3.31%		3.31%
Real Estate	2.68%		2.68%
Transportation	1.51%		1.51%
Utilities	1.22%		1.22%
Health Care Equipment & Services	1.00%		1.00%
Energy	0.71%		0.71%
Pharmaceuticals, Biotechnology & Life Sciences	0.53%		0.53%
Capital Goods	0.01%		0.01%
<b>Exposure</b>	<b>86.64%</b>	<b>1.99%</b>	<b>84.65%</b>
<b>Cash on Hand</b>			<b>15.35%</b>



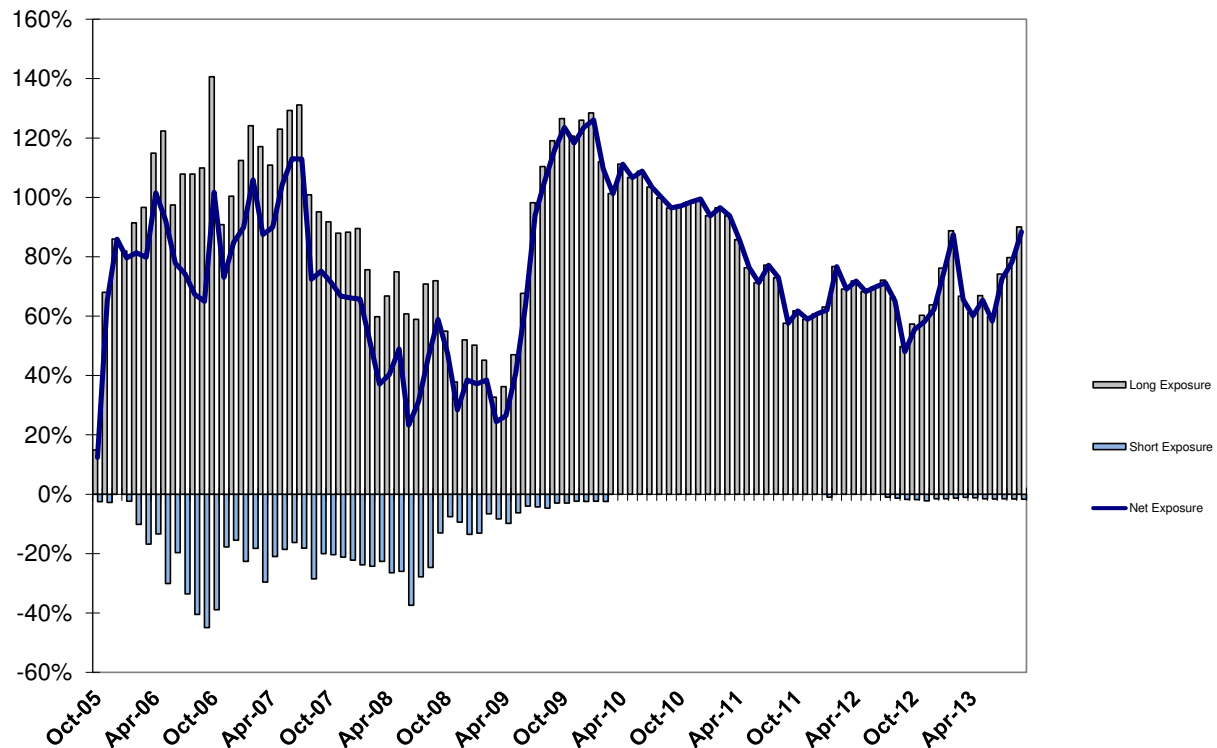
## Historic Strategy Performance & Exposure - 8 Years

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 30th September 2013	CDM**	All Ords	Outperformance
1 Month	2.39%	2.39%	0.00%
1 Year	16.08%	23.55%	-7.47%
2 Years	36.69%	40.06%	-3.37%
3 Years	119.98%	28.25%	+91.73%
4 Years	123.90%	30.47%	+93.43%
5 Years	171.49%	40.13%	+131.36%
Since Inception (96 months)	314.14%	59.66%	+254.48%
Since Inception Annualised (96 months)	19.44%	6.09%	+13.35%

\*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\$ 180 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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