



## INVESTMENT UPDATE

April 2013

### Summary Update

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We are pleased to report that the fund has had a good first nine months ended 31<sup>st</sup> March 2013 with the fund having a gross performance of 29.51%. During the month of April 2013, Cadence Capital Fund returned a gross performance of +3.02% compared to an increase in the All Ordinaries Accumulation Index of +3.82% and a decrease in the Small Ordinaries Accumulation Index of -4.65%. For the nine years and six months to 30th April 2013, Cadence Capital Fund has generated a gross performance of 17.95% per annum, outperforming the All Ordinaries Accumulation Index by 8.56% per annum.

The fund finished the month 87.80% net long compared to 87.07% net long in March 2013.

### Fund NTA

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Cadence Capital unit price estimates as at 30<sup>th</sup> April 2013:

NTA (Post fees)            \$1.844325

### Cadence Highlights

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Cadence Capital Limited was **ranked by ASX\*** as the **Number 1 Australian Equities Listed Investment Company** over 3 and 5 years in the LMI Quarterly Update as at 31<sup>st</sup> December 2012.

Cadence Capital Limited was **ranked by Baillieu Holst** as the **No. 1 Listed Investment Company** over both 3 and 5 years in their Listed Investment Company Sector Report dated 31<sup>st</sup> January 2013.

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

All of these reports are available on our home page at [www.cadencecapital.com.au](http://www.cadencecapital.com.au)

\* Source: ASX website – Market Update on Management Funds section, LMI Quarterly Update as at 31 December 2012



## Fund Performance

Performance* to 30th April 2013	CCF**	All Ords	Outperformance
1 Month	3.02%	3.82%	-0.80%
1 Year	24.34%	20.97%	+3.37%
2 Years	52.55%	15.38%	+37.17%
3 Years	116.50%	21.66%	+94.84%
4 Years	232.33%	63.23%	+169.10%
5 Years	109.66%	13.67%	+95.99%
7 Years	121.43%	33.57%	+87.86%
Inception to date accumulated return (114 months)	379.72%	134.54%	+245.18%
Annualised return since inception (114 months)	17.95%	9.39%	+8.56%

\* Gross Performance before Management and Performance Fees

\*\* Adjusted to include material franking credit of 26.7 cents received from RHG dividend during May 2011

## Top Portfolio Positions

ASX Code	Position	Direction	Holding
RHG	RHG Ltd	Long	17.8%
MQG	Macquarie Group Limited	Long	9.0%
MMS	McMillan Shakespeare Ltd	Long	8.5%
FXL	Flexigroup Ltd	Long	7.7%
NAB	National Australia Bank Ltd	Long	7.2%
ANZ	Australia & New Zealand Banking Group	Long	7.0%
BSL	Bluescope Steel Ltd	Long	4.5%
RKN	Reckon Ltd	Long	4.0%
RFG	Retail Food Group	Long	3.9%
ARI	Arrium Ltd	Long	3.0%
BVA	Bravura Solutions Ltd	Long	2.2%
HGG	Henderson Group Plc	Long	2.1%
OZL	Oz Minerals Ltd	Short	1.9%
<b>Top Portfolio Holdings</b>			<b>78.75%</b>

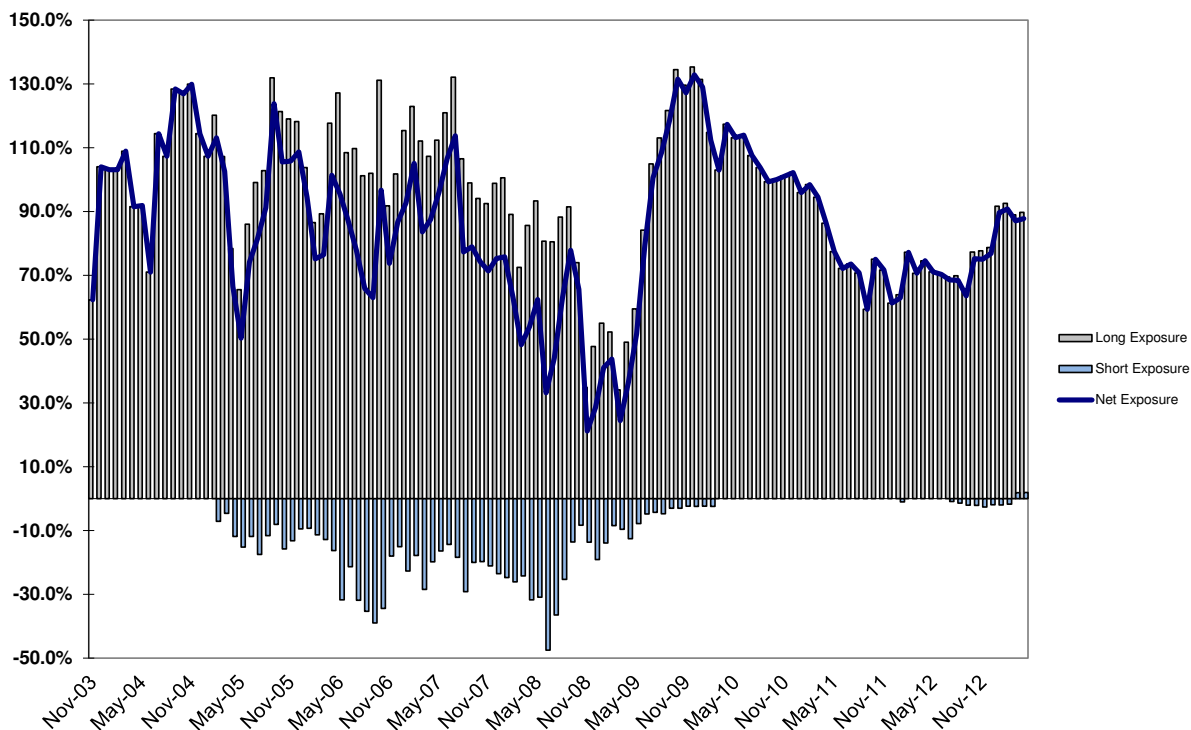


## Portfolio Sector Analysis

Sector	Long	Short	Net
Banks	32.44%		32.44%
Diversified Financials	20.18%		20.18%
Commercial & Professional Services	9.65%		9.65%
Materials	8.70%	1.90%	6.80%
Software & Services	7.20%		7.20%
Consumer Services	3.86%		3.86%
Insurance	1.45%		1.45%
Real Estate	1.29%		1.29%
Media	1.11%		1.11%
Transportation	1.03%		1.03%
Energy	0.96%		0.96%
Retailing	0.94%		0.94%
Telecommunication Services	0.89%		0.89%
Capital Goods	0.02%		0.02%
<b>Exposure</b>	<b>89.70%</b>	<b>1.90%</b>	<b>87.80%</b>

**Cash on Hand** **12.20%**

## Portfolio Exposure





## Cadence News

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### **Cadence Capital Limited's Half Year Dividend**

The half year fully franked dividend of 6.0 cents (Interim 5.0 cents and special 1.0 cent) was paid out on the 30<sup>th</sup> April 2013. This represents a 4.3% half year fully franked yield (8.6% annualised) based on the 30<sup>th</sup> April 2013 share price of \$1.385 per share. The Dividend Re-Investment Plan (DRP) was in operation for the half year dividend. The issue price of the DRP was \$1.35519 (being a 3.0% discount to the share price). If you would like to participate in future DRP's please contact Boardroom Pty Limited on 1300 737 760 for the DRP application form.

### **Latest Webcast discussing Cadence's Investment Process**

We would like to invite you to watch Cadence's most recent Quarterly Webcast. This webcast firstly gives a brief update on the Cadence Capital Limited's performance and its recent capital raise. This is followed with Karl Siegling giving an explanation of Cadence Capital Limited's Investment Philosophy and a detailed insight into its Investment Process.

### **Other News**

We would like to once again recommend that you visit the 'News and Views' section of our website at [www.cadencecapital.com.au](http://www.cadencecapital.com.au) as all past company webcasts, interviews and press articles involving Cadence can be found here.

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