



## INVESTMENT UPDATE

DECEMBER 2014

During the month of December 2014, Cadence Capital Fund returned a positive gross performance of 0.40% compared to an increase in the All Ordinaries Accumulation Index of 1.93% and an increase in the Small Ordinaries Accumulation Index 0.47%. As at the 31 December 2014 the fund has been running for 11.2 years. Since its inception the fund has generated annualized gross returns of 16.49% per annum outperforming the All Ordinaries Accumulation Index by 7.45% per annum.

As at the 31 December 2014 the fund was holding 26% cash (74% invested).

## Fund NTA

Unit price as at 31 December 2014:

**NTA (Post fees) – Class A Original series      \$1.951**

## Fund Performance

Performance* to 31 December 2014	CCF**	All Ords	Outperformance
1 Month	0.40%	1.93%	-1.53%
1 Year	-0.51%	5.02%	-5.53%
2 Years	26.34%	25.66%	+0.68%
3 Years	52.73%	49.34%	+3.39%
4 Years	102.09%	32.27%	+69.82%
5 Years	164.01%	36.64%	+127.37%
7 Years	101.90%	13.70%	+88.20%
10 Years	252.95%	103.00%	+149.95%
Inception to date accumulated return (11.2 years)	450.03%	162.76%	+287.27%
Annualised return since inception (11.2 years)	16.49%	9.04%	+7.45%

\* 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

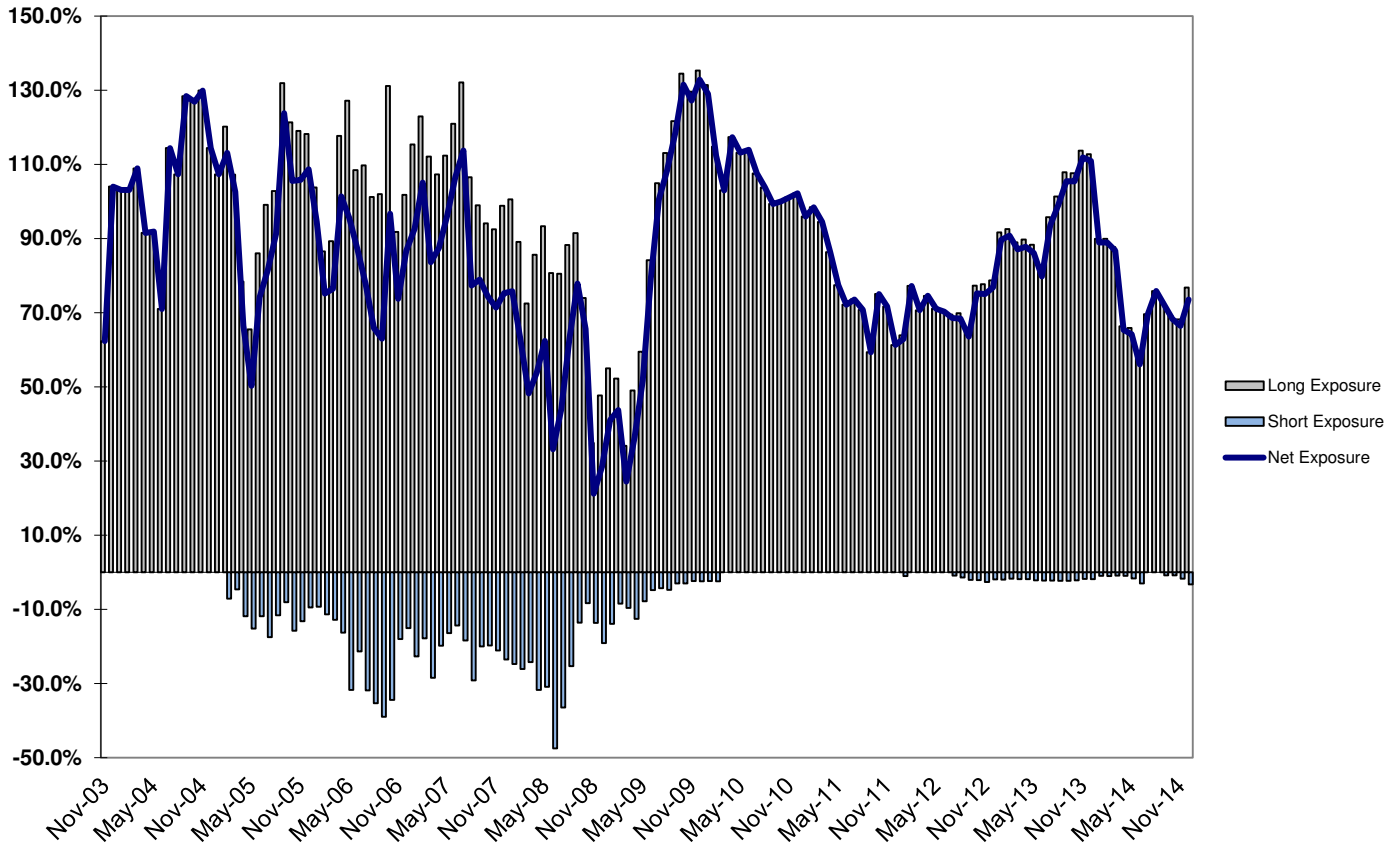
ASX Code	Position	Direction	Currency	Holding
MQG	Macquarie Group Limited	Long	AUD	8.0%
MLB	Melbourne IT Ltd	Long	AUD	4.8%
GMA	Genworth Mortgage Insurance Australia Ltd	Long	AUD	4.8%
RFG	Retail Food Group	Long	AUD	4.5%
NAB	National Australia Bank Ltd	Long	AUD	4.0%
HGG	Henderson Group Plc	Long	AUD	3.8%
ANZ	Australia & New Zealand Banking Group	Long	AUD	3.8%
BOQ	Bank of Queensland Ltd	Long	AUD	3.7%
IIN	Iinet Limited	Long	AUD	3.3%
SUN	Suncorp Group Ltd	Long	AUD	3.1%
TLS	Telstra Corporation Limited	Long	AUD	3.0%
BEN	Bendigo and Adelaide Bank Limited	Long	AUD	2.8%
CBA	Commonwealth Bank of Australia	Long	AUD	2.8%
V US	Visa Inc.	Long	USD	2.4%
MQA	Macquarie Atlas Roads Group	Long	AUD	2.3%
STO	Santos Ltd.	Long	AUD	2.1%
RIO	Rio Tinto Ltd	Short	AUD	1.9%
FXL	Flexigroup Ltd	Long	AUD	1.7%
BABA US	Alibaba Group Holdings	Long	USD	1.4%
<b>Top Portfolio Holdings - Gross Exposure</b>				<b>64.18%</b>

## Portfolio Sector Analysis

Sector	Long	Short	Net
Diversified Financials	14.56%		14.56%
Banks	14.19%		14.19%
Financial	13.30%		13.30%
Consumer, Non-cyclical	7.11%		7.11%
Telecommunication Services	6.27%		6.27%
Software & Services	4.77%		4.77%
Consumer Services	4.54%		4.54%
Insurance	3.13%		3.13%
Energy	2.06%		2.06%
Communications	1.44%		1.44%
Consumer, Cyclical	1.15%		1.15%
Real Estate	0.99%		0.99%
Technology	0.74%		0.74%
Basic Materials	1.00%	1.33%	-0.32%
Materials	1.52%	1.93%	-0.41%
<b>Exposure</b>	<b>76.77%</b>	<b>3.26%</b>	<b>73.51%</b>
<b>Cash on hand</b>			<b>26.49%</b>



## Portfolio Exposure



## Recent News Articles

Cadence Capital featured in the January 2015 edition of ASX Investor Update – [‘Six prosperous trends for active investors and traders’](#) and was quoted in the AFR [‘Will 2015 show the same love for IPOs’](#).

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