



INVESTMENT UPDATE

AUGUST 2015

For the month of August 2015, Cadence Capital Fund returned a negative gross performance of 8.19% compared to a decrease in the All Ordinaries Accumulation Index of 7.30% and a decrease in the Small Ordinaries Accumulation Index of 4.87%. For the past 12 months the fund has returned a positive gross performance of 4.21% outperforming the All Ordinaries Accumulation Index by 7.19%.

As at the 31st August 2015 the fund was holding 22% cash (78% invested).

Fund NTA

Unit price (Post Distribution) as at 31st August 2015:

NTA (Post fees and Post Distribution) – Class A Original series **\$2.060**

Fund Performance

| Performance* to 31st August 2015 | CCF** | All Ords | Outperformance |
|---|---------|----------|----------------|
| 1 Month | -8.19% | -7.30% | -0.89% |
| 1 Year | 4.21% | -2.98% | +7.19% |
| 2 Years | 21.22% | 11.02% | +10.20% |
| 3 Years | 44.86% | 36.82% | +8.04% |
| 4 Years | 65.43% | 42.34% | +23.09% |
| 5 Years | 189.59% | 46.05% | +143.54% |
| 7 Years | 161.42% | 35.81% | +125.61% |
| 10 Years | 252.93% | 81.36% | +171.57% |
| Inception to date accumulated return (11.8 years) | 493.16% | 162.32% | +330.84% |
| Annualised return since inception (11.8 years) | 16.24% | 8.49% | +7.75% |

* 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 | 9.7% |
| HGG | Henderson Group Plc | Long | AUD | 8.1% |
| MLB | Melbourne IT Ltd | Long | AUD | 6.7% |
| LUX IM | Luxottica Group SPA | Long | EUR | 5.7% |
| MA US | Mastercard Inc. | Long | USD | 5.5% |
| GILD US | Gilead Sciences Inc. | Long | USD | 4.7% |
| RFG | Retail Food Group | Long | AUD | 4.5% |
| V US | Visa Inc. | Long | USD | 4.2% |
| IIN | Ilnet Limited | Long | AUD | 4.0% |
| ANZ | Australia & New Zealand Banking Group | Long | AUD | 3.6% |
| NAB | National Australia Bank Ltd | Long | AUD | 3.1% |
| RIO | Rio Tinto Ltd | Short | AUD | 2.9% |
| AIG US | American International Group | Long | USD | 2.4% |
| CBA | Commonwealth Bank of Australia | Long | AUD | 2.4% |
| BOQ | Bank of Queensland Ltd | Long | AUD | 2.2% |
| PEP | Pepper Group | Long | AUD | 2.2% |
| MYO | MYOB Group | Short | AUD | 2.1% |
| WPL | Woodside Petroleum Ltd. | Short | AUD | 2.0% |
| Top Portfolio Holdings - Gross Exposure | | | | 76.02% |

Portfolio Sector Analysis

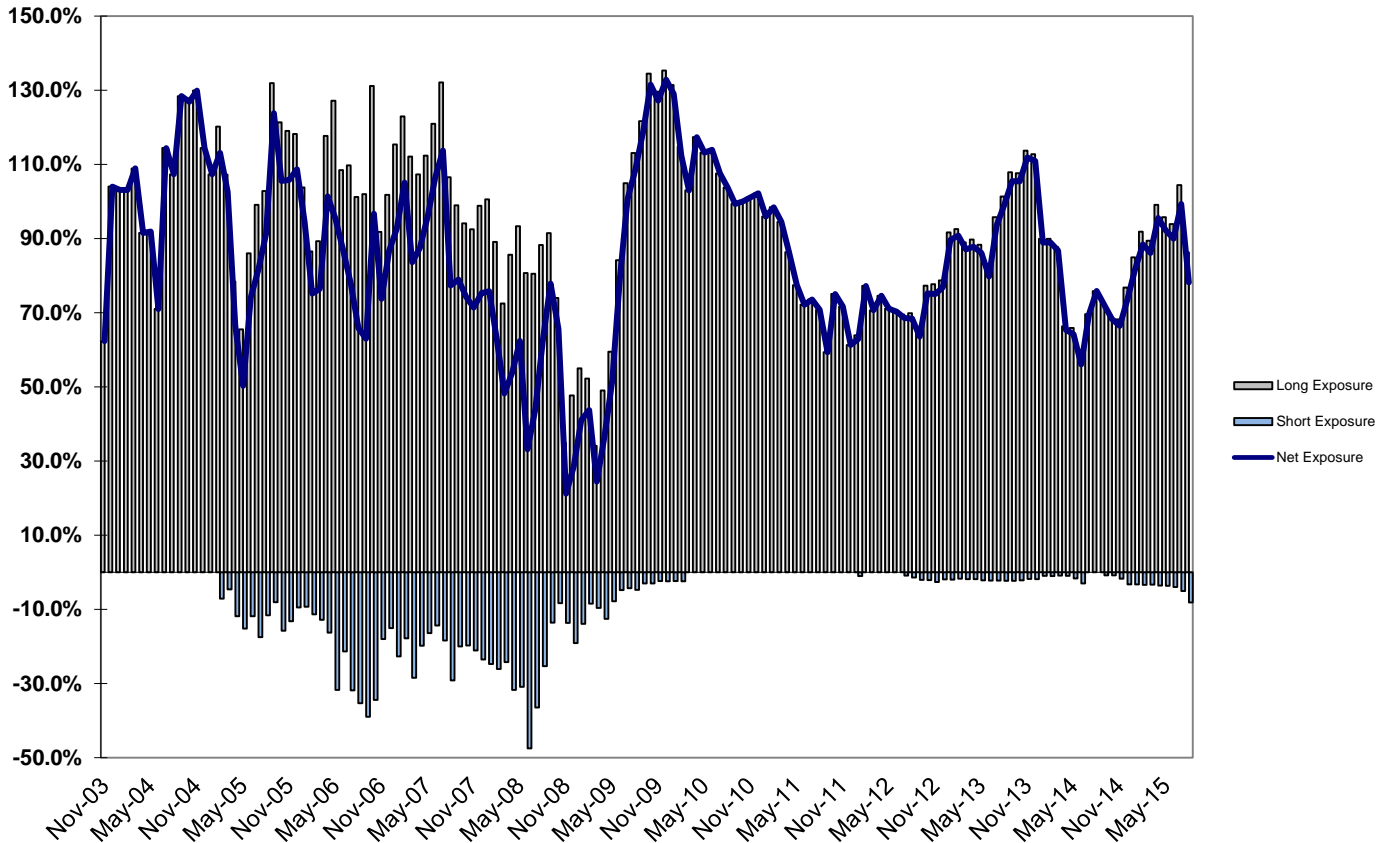
| Sector | Long | Short | Net |
|----------------------------|---------------|--------------|---------------|
| Diversified Financials | 19.98% | | 19.98% |
| Financial | 16.06% | | 16.06% |
| Consumer, Non-cyclical | 15.08% | | 15.08% |
| Banks | 11.31% | | 11.31% |
| Software & Services | 6.73% | | 6.73% |
| Consumer, Cyclical | 5.67% | | 5.67% |
| Consumer Services | 4.46% | | 4.46% |
| Telecommunication Services | 3.99% | | 3.99% |
| Communications | 1.03% | | 1.03% |
| Basic Materials | 0.77% | 1.13% | -0.36% |
| Technology | 0.90% | 2.10% | -1.20% |
| Energy | 0.00% | 2.00% | -2.00% |
| Materials | 0.30% | 2.90% | -2.59% |
| Exposure | 86.28% | 8.13% | 78.16% |

Cash on hand

21.84%



Portfolio Exposure



Recent News Articles

Independent Investment Research rates CDM “Recommended Plus”. [Read the report.](#)

Karl Siegling was featured in [a series of Livewire videos](#) where he discussed global and local trends, as well as [specific stocks \(MPL, RHC, QAN, APN, BKL\)](#).

Cadence Capital portfolio manager Simon Bonouvrie was quoted in the AFR – [Big four banks mauled in bear market.](#)

Karl Siegling was quoted in the AFR – [Macquarie Group's Nicholas Moore sees cities as the focal point for future income](#) and The Australian - [The numbers stack up: Siegling's high-conviction fund returns 18pc.](#)

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