



INVESTMENT UPDATE

DECEMBER 2015

For the month of December 2015, Cadence Capital Fund returned a positive gross performance of 0.18% compared to a increase in the All Ordinaries Accumulation Index of 2.65%. For the past 12 months the fund has returned a positive gross performance of 11.84% outperforming the All Ordinaries Accumulation Index by 8.06%.

As at the 31st December 2015 the fund was holding 19% cash (81% invested).

Fund NTA

Unit price as at 31st December 2015:

NTA (Post fees) – Class A Original series \$2.127

Fund Performance

Performance* to 31st December 2015	CCF**	All Ords	Outperformance
1 Month	0.18%	2.65%	-2.47%
1 Year	11.84%	3.78%	+8.06%
2 Years	11.28%	8.99%	+2.29%
3 Years	41.30%	30.42%	+10.88%
4 Years	70.82%	54.99%	+15.83%
5 Years	126.02%	37.27%	+88.75%
7 Years	340.81%	97.94%	+242.87%
10 Years	235.19%	73.96%	+161.23%
Inception to date accumulated return (12.2 years)	515.16%	172.69%	+342.47%
Annualised return since inception (12.2 years)	16.10%	8.59%	+7.51%

* 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

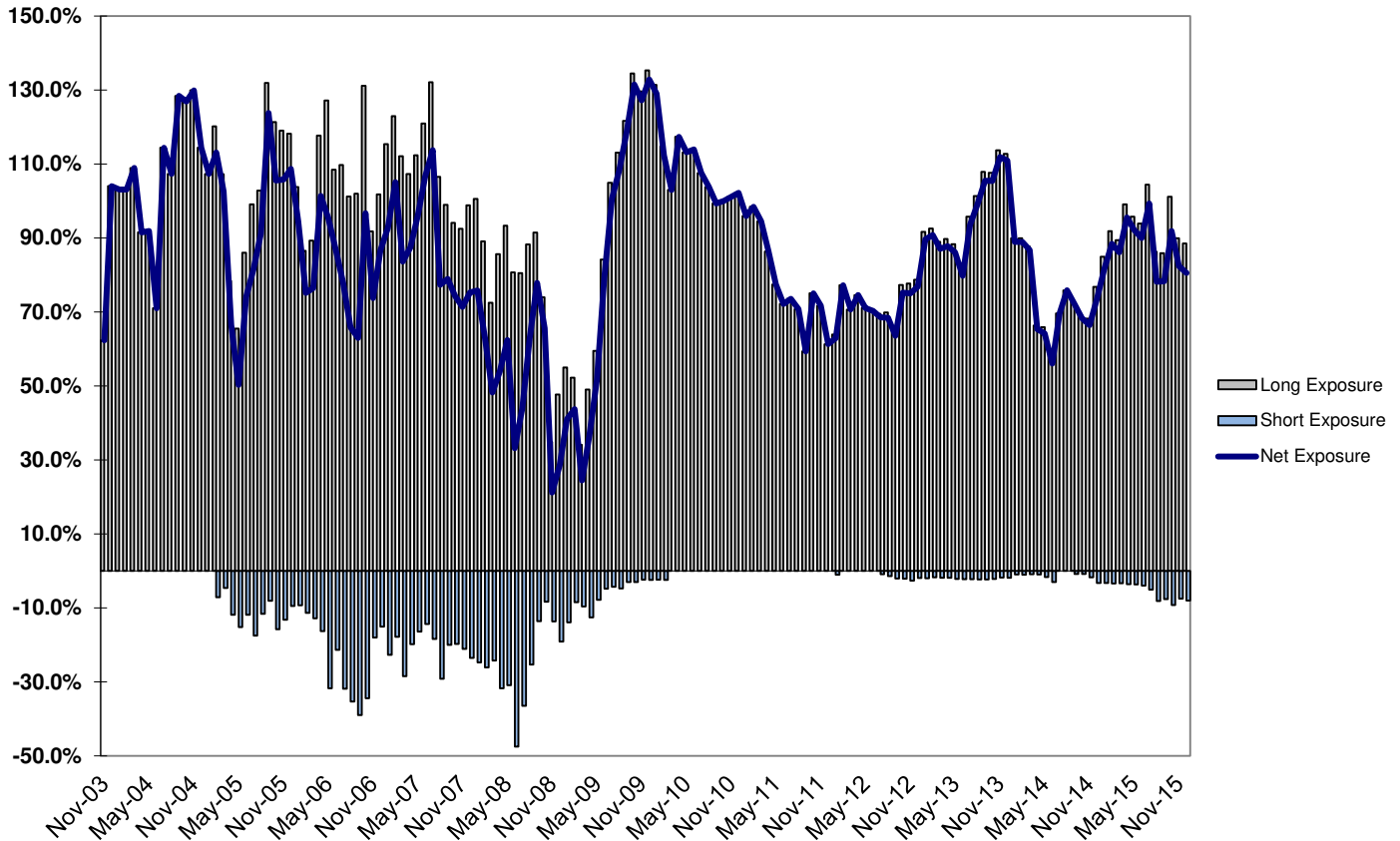
ASX Code	Position	Direction	Currency	Holding
MQG	Macquarie Group Limited	Long	AUD	11.1%
HGG	Henderson Group Plc	Long	AUD	7.1%
MLB	Melbourne IT Ltd	Long	AUD	6.3%
V US	Visa Inc.	Long	USD	5.4%
MA US	Mastercard Inc.	Long	USD	5.2%
LUX IM	Luxottica Group SPA	Long	EUR	5.1%
GILD US	Gilead Sciences Inc.	Long	USD	3.5%
ANZ	Australia & New Zealand Banking Group	Long	AUD	3.4%
005930 KS	Samsung Electronics Co.	Long	USD	3.2%
GOOG US	Alphabet Inc	Long	USD	3.1%
RIO	Rio Tinto Ltd	Short	AUD	3.0%
FB US	Facebook Inc	Long	USD	3.0%
NAB	National Australia Bank Ltd	Long	AUD	2.9%
RFG	Retail Food Group	Long	AUD	2.7%
CBA	Commonwealth Bank of Australia	Long	AUD	2.5%
IPH	IPH Ltd	Long	AUD	2.5%
AIG US	American International Group	Long	USD	2.3%
C US	Citigroup Inc	Long	USD	2.2%
Top Portfolio Holdings - Gross Exposure				74.39%

Portfolio Sector Analysis

Sector	Long	Short	Net
Diversified Financials	21.32%		21.32%
Financial	15.98%	0.97%	15.00%
Consumer, Non-cyclical	12.34%		12.34%
Banks	9.36%		9.36%
Communications	7.99%		7.99%
Consumer, Cyclical	6.77%		6.77%
Software & Services	6.28%		6.28%
Technology	5.17%	1.97%	3.20%
Consumer Services	2.70%		2.70%
Basic Materials	0.05%		0.05%
Energy	0.23%	2.08%	-1.85%
Materials	0.33%	2.99%	-2.67%
Exposure	88.52%	8.02%	80.50%
Cash on hand			19.50%



Portfolio Exposure



Recent News Articles

Karl Siegling talks about his best and worst stocks of 2015, current themes and investment ideas in the latest [Under The Radar Report](#).

Simon Bonouvrie was featured on Livewire discussing [Christmas for retailers](#), [the worst five stocks in 2015](#) and [also the best five stocks of the year](#).

Our [52 Books To Read Before Buying Your Next Stock](#) section has been updated with new recommended titles such as *The Age of Fallibility* by George Soros, *Common Stocks and Uncommon Profits* by Philip Fisher, *Flow* by Mihaly Csikszentmihalyi and *The Art of Speculation* by Phillip Carret.

We have [uploaded stock-specific video presentations from the AGM](#), with Chris Garrard discussing our Rio Tinto short, Simon Bonouvrie sharing his views on Mastercard and Karl Siegling giving his insights into our investments in Melbourne IT and Great Wall Motor Company.

To view all previous Cadence webcasts and press articles, please visit the [Media Section](#) of our Website.



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