



## INVESTMENT UPDATE

JUNE 2017

For the month of June 2017 Cadence Capital Fund returned a positive gross performance of 1.5% compared to an increase in the All Ordinaries Accumulation Index of 0.3%. For the 2017 financial year, Cadence Capital Fund returned a positive gross performance of 16.6% outperforming the All Ordinaries Accumulation Index by 3.5%. This outperformance has been achieved with lower than market exposure, with the company holding on average 18% cash over this period.

We are pleased with the performance of the Fund's top holdings over the past year with Melbourne IT, Macquarie Group, Janus Henderson Group, Samsung Electronics Co and Softbank Group being our top performing stocks for the year. The Fund's other international holdings also performed well over this period.

As at the 30<sup>th</sup> June 2017 the fund was holding 18% cash (82% invested).

### Fund NTA

Unit price as at 30<sup>th</sup> June 2017:

**NTA – Class A Original series**                      **\$2.086**

### Fund Performance

Performance* to 30th June 2017	CCF**	All Ords	Outperformance
1 Month	1.5%	0.3%	+1.2%
1 Year	16.6%	13.1%	+3.5%
3 Years (per annum)	2.5%	6.8%	-4.3%
5 Years (per annum)	10.2%	11.6%	-1.4%
7 Years (per annum)	17.6%	8.8%	+8.8%
10 Years (per annum)	7.3%	3.5%	+3.8%
Inception to date accumulated return (13.7 years)	502.7%	213.3%	+289.4%
Annualised return since inception (13.7 years)	14.0%	8.7%	+5.3%

\* 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

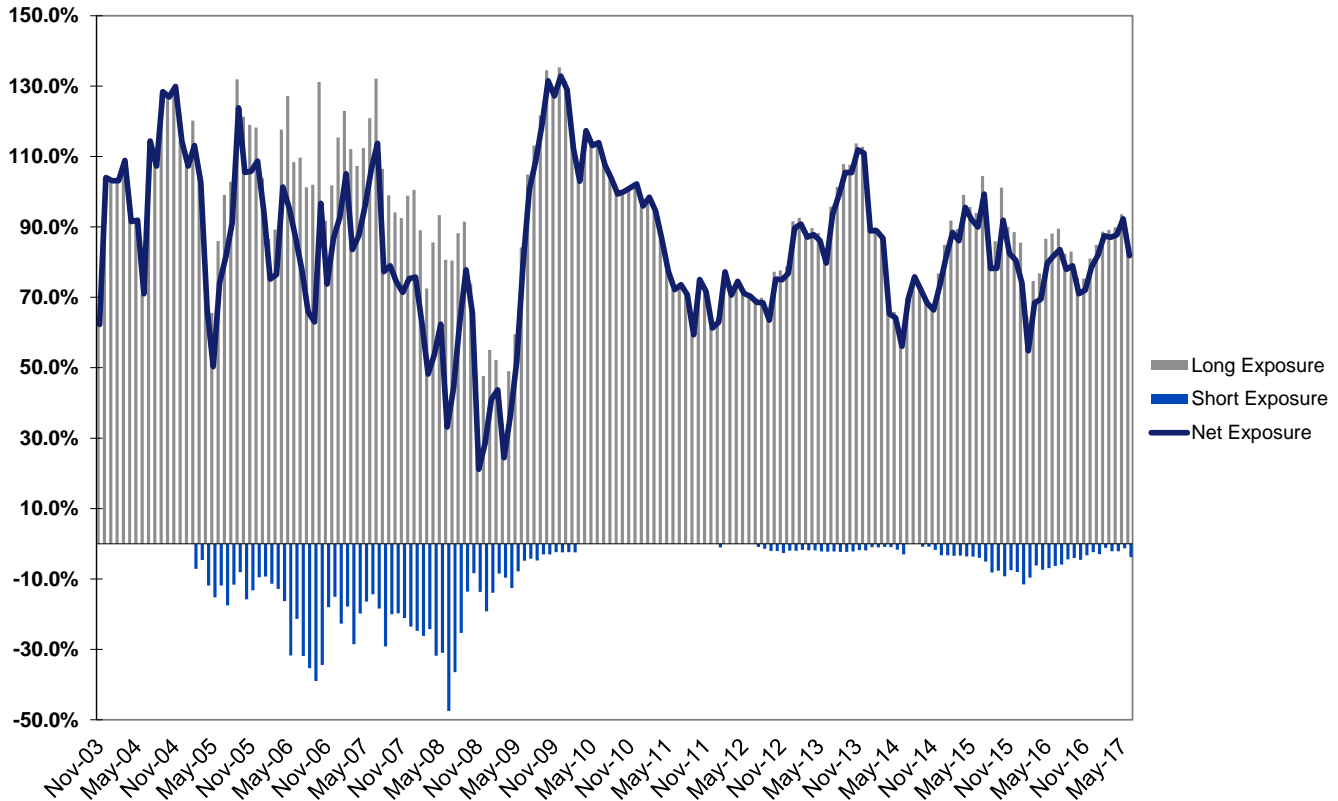
Stock Code	Position	Direction	Currency	Holding
MLB	Melbourne IT Ltd	Long	AUD	16.6%
MQG	Macquarie Group Limited	Long	AUD	10.7%
JHG	Janus Henderson Group Plc	Long	AUD	6.0%
5930 KS	Samsung Electronics Co Ltd	Long	USD	4.8%
9984 JP	Softbank Group Corp	Long	AUD	4.4%
ANZ	Australia & New Zealand Banking Group	Long	AUD	3.7%
GOOG US	Alphabet Inc	Long	AUD	3.3%
ECX	Eclipx Group Ltd	Long	AUD	3.2%
NAB	National Australia Bank Ltd	Long	AUD	3.2%
EHE	Estia Health Ltd	Long	AUD	3.0%
AAD	Ardent Leisure Group Ltd	Long	AUD	2.8%
MND	Monadelphous Group Ltd	Long	AUD	2.5%
CBA	Commonwealth Bank of Australia	Long	AUD	2.4%
AIG US	American International Group	Long	AUD	2.4%
FB US	Facebook Inc	Long	AUD	1.9%
MA US	Mastercard Inc	Long	AUD	1.7%
PEP	Pepper Group Ltd	Long	AUD	1.6%
DMP	Domino's Pizza Enterprises Ltd	Short	AUD	1.4%
<b>Top Portfolio Holdings - Gross Exposure</b>				<b>75.7%</b>

## Portfolio Sector Analysis

Sector	Long	Short	Net
Software & Services	16.6%		16.6%
Financial	16.2%		16.2%
Diversified Financials	10.9%		10.9%
Communications	9.6%		9.6%
Banks	9.3%		9.3%
Consumer, Non-cyclical	6.9%		6.9%
Technology	4.8%		4.8%
Industrial	3.8%		3.8%
Consumer, Cyclical	3.0%	1.4%	1.6%
Basic Materials	2.3%	1.2%	1.1%
Consumer Services	1.0%		1.0%
Energy	0.7%		0.7%
Materials	0.5%		0.5%
Telecommunication Services		1.2%	-1.2%
<b>Exposure</b>	<b>85.6%</b>	<b>3.8%</b>	<b>81.8%</b>
<b>Cash on hand</b>			<b>18.2%</b>



## Portfolio Exposure



## Recent News Articles

Karl Siegling was interviewed by Finance News Network (FNN) at the SMSF2017 Summit. [View the video interview with Jessica Amir from FNN.](#)

Cadence Capital was quoted in the press in June in the following news articles [AFR – Views diverge on Macquarie Group earnings despite tax impost](#) and [AFR – Is a short squeeze in silver imminent.](#)

Cadence Capital was a proud sponsor of the [Australian Stockbrokers Foundation Awards Dinner.](#)

New book reviews have been added to the [52 books you should read before buying your next stock](#) list on our website including *Trading in the Zone* by Mark Douglas, *Blue Ocean Strategy* by W. Cham Kim and Renee Mauborgne, *Black Swan* by Nassim Nicholas Taleb and a documentary *Betting on Zero* directed by Ted Braun.

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

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### Has the next Resources boom started?

Are resources gains sustainable? How does the Cadence Capital approach to investing enable us to profit from resources in the current environment? Two 'live' examples of current resource investments – Monadelphous Group Ltd (MND) and Fortescue Metals Group (FMG).

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