

Cadence Opportunities Fund returned a positive performance of 0.2% in September outperforming the All Ordinaries Accumulation Index by 6.6%. Year to date the fund is up 5.0%, outperforming the All Ordinaries Accumulation Index by 4.2%. The top contributors to performance during the month were Whitehaven Coal, New Hope, Terracom, Taiwan Semiconductor Manufacturing Co. and Australian Strategic Materials Ltd. The largest detractors from performance were Bowen Coking Coal and Syrah Resources. As of 30th September 2022, the Company was 42% invested (58% cash).

After the rally in equity markets during July and August, September saw indices roll back over and decline towards the June lows. The sell-off was broad-based and followed commentary from the US Federal Reserve indicating it was prepared to accept some pain for the economy to return inflation to its target range. The fund benefitted from its exposure to coal producers which were again the biggest positive contributors to returns during the month. The portfolio's short positions performed well during the month and were added to, while the fund's high cash levels aided relative performance.

Fully Franked Year-End Dividend

During July the Company announced a 7.5 cents per share fully franked year-end dividend, bringing the full year dividend to 15.0 cents per share fully franked. This full year dividend of 15.0 cents per share fully franked equates to an 6.5% fully franked yield or an 9.3% gross yield (grossed up for franking credits) based on the month end share price of \$2.30 per share. After paying this dividend the Company still has 44 cents per share of profits reserves to pay future dividends.

The Ex-Date for the dividend is the 17th October 2022. The payment date for the dividend is the 28th October 2022. The Dividend Re-Investment Plan ("DRP") is in operation for the year-end dividend. The issue price will be at a 5% discount to the weighted average of the prevailing share price over the relevant DRP pricing period. If you are not registered for the DRP and you would like to participate, please contact Boardroom on 1300 737 760.

Register for upcoming Cadence roadshow

If you have not done so already, we would like to remind you to register to join the Cadence Investment team to get an update on the Cadence funds, to discuss some of the current investment themes and fund positions and talk about the investment outlook for the year ahead.

- Brisbane: Monday 10 October 2022, 10.30am – 11.30am
- Melbourne: Tuesday 18 October 2022, 10.30am – 11.30am
- Perth: Wednesday 26th October 2022, 10.30am – 11.30am
- Adelaide: Friday 28th October 2022, 10.30am – 11.30am
- Sydney – CDM AGM: Wednesday 16th November 2022, 2.00pm – 4.00pm

Please [click here to register](#) to attend.

Fund NTA

Net Tangible Assets as at 30th September 2022	Amount (\$)
Pre Tax NTA*	\$2.359
Post Tax NTA*	\$2.374
Share Price (ASX Code: CDO)*	\$2.300

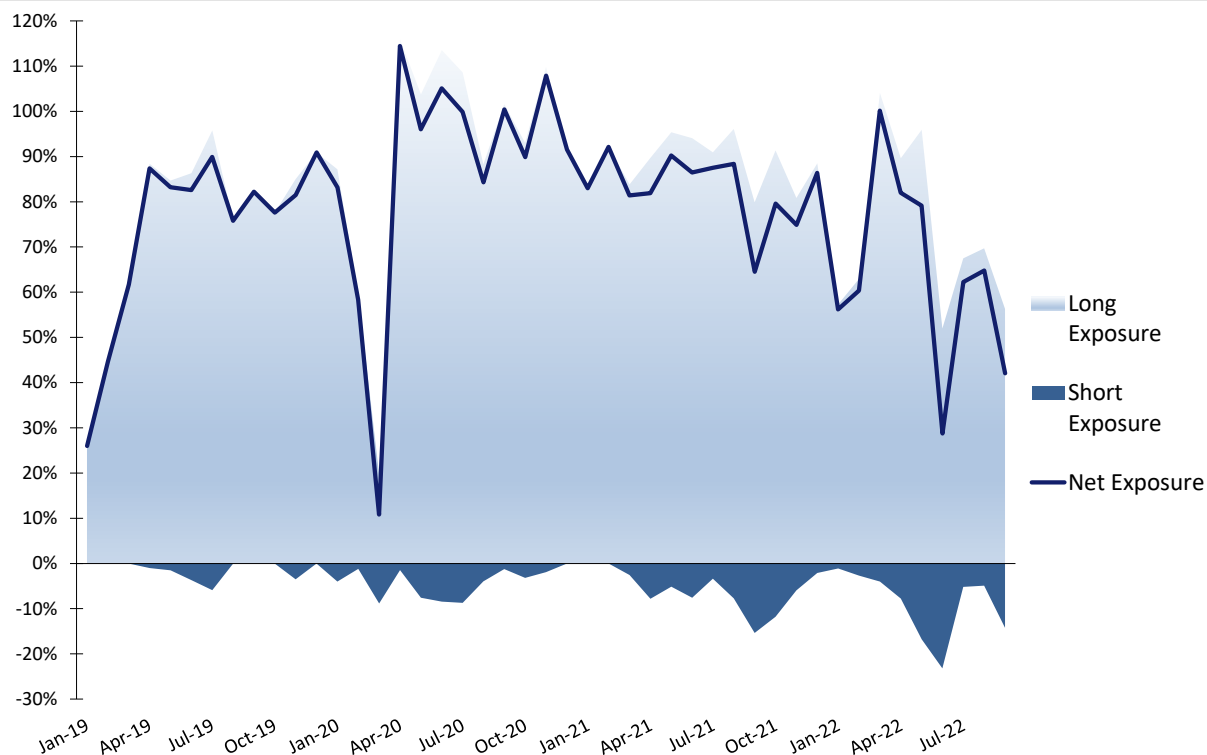
*Before the 7.5c fully franked final dividend (Ex-Date 17 Oct 2022)

Fund Performance

Gross Performance* to 30th September 2022	CDO
1 Month	0.2%
YTD	5.0%
1 Year	-12.8%
2 Years (per annum)	25.7%
Since Inception (per annum)	37.9%
Since Inception (3.8 years) (total return)	234.1%

*Gross Performance: before Management and Performance Fees

Historic Portfolio Exposure



Portfolio Sector Analysis

Sector	Long	Short	Net
Energy	33.0%		33.0%
Basic Materials	11.2%	-5.6%	5.7%
Financial	3.0%	-0.5%	2.6%
Consumer, Cyclical	2.5%		2.5%
Diversified	1.8%		1.8%
Communications	1.5%		1.5%
Industrial	1.8%	-2.2%	-0.3%
Consumer, Non-cyclical	1.4%	-1.9%	-0.5%
Technology		-4.1%	-4.1%
	56.3%	-14.2%	42.1%

Net Cash Holdings	57.9%
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Portfolio Positions

Stock Code	Position	Direction	Exposure	Stock Code	Position	Direction	Exposure
AJL	AJ Lucas Group Ltd	Long	AUD	QAN	Qantas Airways Ltd	Long	AUD
ALL	Aristocrat Leisure Ltd	Long	AUD	RMD	Resimac Group Inc	Long	AUD
AMP	AMP Ltd	Long	AUD	SGM	Sims Ltd	Long	AUD
BCB	Bowen Coking Coal Ltd	Long	AUD	SMR	Stanmore Resources Ltd	Long	AUD
BHP	BHP Group Ltd	Long	AUD	SRX	Sierra Rutile Holdings Ltd	Long	AUD
CHN	Chalice Gold Mines Ltd	Short	AUD	SYA	Sayona Mining Ltd	Short	AUD
COI	Comet Ridge Ltd	Long	AUD	SYR	Syrah Resources Ltd	Long	AUD
CRN	Coronado Global Resources	Long	AUD	TER	Terracom	Long	AUD
DAC US	Danoas Corp	Short	AUD	TGH US	Textainer Group Holdings Ltd	Short	AUD
FMG	Fortescue Metals Group Ltd	Short	AUD	TIE	Tietto Minerals Ltd	Long	AUD
IGL	IVE Group Ltd	Long	AUD	TMC US	TMC The Metals Company Inc	Long	AUD
LEL	Lithium Energy Ltd	Long	AUD	TSM US	Taiwan Semiconductor Manufacturing	Short	AUD
MAY	Melbana Energy Ltd	Long	AUD	WDS	Woodside Energy Group Ltd	Long	AUD
NHC	New Hope Corp Ltd	Long	AUD	WEB	Webjet Ltd	Long	AUD
NVDA US	NVIDIA Corp	Short	AUD	WHC	Whitehaven Coal Ltd	Long	AUD
NWL	Netwealth Group Ltd	Short	AUD				

News

In July the Company released its [June 2022 Year end Audiocast](#). In this year-end audiocast, Karl Siegling firstly provides an update on the Company's performance, the 7.5c fully franked year-end dividend, the current portfolio composition and the increasing interest rate trend. Karl Siegling, Charlie Gray and Jackson Aldridge then discuss some of the funds core investments (WHC, NHC, PYPL US, AMP) and some of the funds trading positions (SMR, BCB, TIE, DHG, PNI, NAN and CCX). Karl Siegling then finishes with an update on the outlook for 2023.

We encourage you to visit our [52 books you should read before buying your next stock](#) page on our website. We have compiled a list of books/ documentaries that have influenced our investment style or helped provide insight into the investment process. To view all previous Cadence webcasts and press articles, please visit the [Media Section](#) of the website.

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