

**Article on Cadence Capital Limited in the Australia Hedge Quarterly  
publication – Fourth Quarter 2006**

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# australia**hedge**quarterly

## **CADENCE CAPITAL LISTS ON ASX**

Cadence Capital Limited, a long/short

Australian equity investment company, was listed on the ASX on December 5, 2006 with a market capitalization of \$35 million.

The company's funds are managed by Cadence Asset Management [CAM] which will deploy fundamental and technical analysis to select a concentrated portfolio of up to eighty stocks.

CAM charges a management fee of 1% and a performance fee of 20% above the All Ordinaries Accumulation Index. UBS is both the custodian and prime broker.

CAM also manages a wholesale investment trust with \$25 million from 17 high net worth and sophisticated investors. The wholesale trust manages funds on the same basis as the listed investment company. The net return to investors for 2006 was 57.1%.

The firm was launched in October 2003 by Karl Siegling, a former Managing Director of eFinancial Capital, which was the private equity fund unit of the then Challenger International. Siegling most recently provided stock research consulting services to Wilson Asset Management [WAM].

Geoff Wilson, CEO of WAM, and James Chirnside, Managing Director of Asia Pacific Asset Management, a Sydney based fund of hedge fund, are non-executive directors of the listed Cadence Capital.

# Australian Long/ Short Absolute Funds AUD League Tables – Cadence Capital and Cadence Capital Limited rank strongly

## AustraliaHedge Single Strategy Funds league tables

As at December 31st, 2006

	Currency	Last Month (%)	Last 3 Month (%)	Last12 Month (%)	Last 24 Month (%)	Last 36 Month (%)	Annualized Standard Deviation
<b>Australia Long Short &amp; Absolute A\$</b>							
Alpha Investment Management							
Absolute Return Fund No. 2	A\$	1.40%	5.34%	14.39%	27.02%		4.92%
Attunga Erwiro Opportunities Fund	A\$	4.34%	7.51%				18.08%
BGI Equitised Long Short Fund	A\$	3.93%	11.26%	33.45%	70.37%	147.42%	9.55%
Cadence Capital	A\$	5.94%	20.06%	41.27%	60.89%	114.85%	10.25%
Cadence Capital Limited	A\$	6.94%	25.96%	56.87%			11.73%
Contango Absolute Return Fund	A\$	5.49%	14.07%	4.38%	22.90%		11.37%
Hayberry Australian Equity Fund	A\$	3.59%	3.59%	9.54%	31.55%	79.52%	8.08%
Jagvar Australian Leaders Long Short Unit Trust	A\$	2.55%	2.04%	3.45%	19.01%	31.73%	8.25%
K2 Australian Absolute Return Fund	A\$	2.98%	9.39%	23.39%	36.62%	71.27%	13.74%
Lodestar Australian Absolute Return Fund	A\$	1.54%	4.05%	13.95%			8.20%
Monterrey Merlin Fund	A\$	4.40%	12.26%	24.13%	33.22%	69.20%	6.15%
MIR Absolute Return Fund	A\$	2.38%	7.39%	18.09%			12.95%
Naos Absolute Return Fund	A\$	3.25%	11.00%	23.31%	50.56%		7.47%
Naos Small Companies fund	A\$	3.00%	13.52%	48.27%	61.19%		7.92%
Navra Blue Chip Australian Shares Wholesale Fund	A\$	2.03%	7.55%	16.26%	33.22%	67.75%	7.93%
Opis Capital Dynamic Equity Fund	A\$	3.30%	13.05%	33.76%	49.51%	93.03%	12.08%
Opis Capital Premium Equity Fund	A\$	3.00%	12.15%	35.09%	49.62%	85.82%	10.45%
PM Capital Australian Opportunities Fund A\$	A\$	0.70%	6.93%	22.51%	40.64%	71.89%	10.36%
Portfolio Partners High Growth Shares Trust	A\$	0.32%	2.70%	15.50%	44.37%	75.78%	12.11%
Prime Value Growth Fund	A\$	2.80%	11.45%	24.02%	49.35%	115.02%	17.90%
Prime Value Imputation Fund	A\$	4.00%	10.47%	20.47%	34.56%	87.93%	11.27%
Regal Atlantic Absolute Return fund	A\$	-1.35%	21.75%	84.91%	456.75%		28.71%
Regal Zambezi Absolute Return Fund	A\$	8.59%	27.81%	88.96%			27.26%
RFC Growth Fund Ltd	A\$	1.30%	4.39%	7.43%	44.23%		18.02%
St Helen's Capital Ailsa Fund	A\$	-0.52%	2.02%	10.22%	15.75%	31.80%	4.67%
Saltbush Absolute Return Fund	A\$	2.12%	6.73%	19.04%	37.91%		6.44%
Tricom Trust Chairman Select Strategy	A\$	1.53%	12.52%	23.28%	55.18%		20.39%
WAM Capital Ltd	A\$	6.10%	15.09%	37.25%	55.60%	84.35%	10.14%
<b>Average</b>		<b>2.86%</b>	<b>10.79%</b>	<b>27.90%</b>	<b>60.00%</b>	<b>81.82%</b>	<b>11.21%</b>
<b>Max</b>		<b>8.59%</b>	<b>27.81%</b>	<b>88.96%</b>	<b>456.75%</b>	<b>147.42%</b>	
<b>Min</b>		<b>-1.35%</b>	<b>2.02%</b>	<b>3.45%</b>	<b>15.75%</b>	<b>31.73%</b>	

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