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Cadence Capital launches offshore fund

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Sydney-based Cadence Capital has launched an offshore version of its long/short hedge fund.

"This offshore vehicle was set up due to numerous requests from non-Australian domiciled investors who were keen to participate in this Cadence strategy," chief operating officer Wayne Davies explained.

Davies, who joined the company at the start of March, had previously worked as chief operating officer for Theorema Asset Management and Mathews Capital Partners.

The Cadence Capital Cayman Fund offers offshore access to the company's domestic strategy, going long and short on a portfolio of 20 to 40 core investments on the Australian Stock Exchange.

The company uses fundamental analysis to generate those ideas and also uses technical analysis to look for short-term trading opportunities.

The fund is run by portfolio manager and company founder Karl Siegling and will be managed by Cadence Asset Management.

Davies will also help with performance analysis. They are supported on research and operations by Aaron Quick and Alex Shevelev.

The minimum investment is \$500,000 with share classes in Australian dollars, US dollars and euros. The fund charges an annual 1.5% management fee and 20% performance fee.

UBS is the prime broker and custodian. Walkers is the attorney, Citco is the administrator and KPMG is the auditor.

It is the third fund from Cadence Capital, which now has \$50 million in assets under management in its long/short strategy. Cadence Capital was set up in February 2005. It listed on the Australian Stock Exchange on December 5, 2006, at A\$1 per share and closed Tuesday at A\$1.25 per share.

The company's most recent net tangible assets per share was a gross A\$1.33 on March 9. The company declared an interim dividend after posting record post-tax profits of A\$3.2 million for the half-year through December 31.

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