

INVESTMENT UPDATE

March 2020

Cadence Opportunities Fund returned a negative gross performance of 9.7% in March 2020 compared to the All Ordinaries Accumulation Index which was down 20.9% over the same period. The largest detractors from performance in March were Resimac Group, Twitter Inc and Retail Food Group whilst the largest contributors were AP Eagers, Teva Pharmaceutical and Credit Corp. Since its inception just over a year ago the fund is up 13% on a gross performance basis compared to the market which is down 6% during the same period.

The past six weeks have seen large swings in financial markets following the spread of CoVID-19. The All Ordinaries Index fell 37% from 20th February to 23rd March, before rising 21% by 15 April. At the time of writing this e-mail the Index is down 24% from its peak. The fund was over 80% cash in mid March and by the end of March was holding 35% cash (i.e. 65.3% invested). Since the March month-end we have continued to scale into both new and existing positions. At the time of writing the Company was fully invested in 51 positions.

The Company will be releasing its Quarterly Update as an audiocast in the next day or two. This audiocast will give shareholders an update on the fund's performance, its positioning and cash levels and the outlook for the portfolio.

Fund NTA

Net Tangible Assets as at 31 March 2020	Amount (\$)
Pre Tax NTA	\$1.342
Post Tax NTA	\$1.339

Fund Performance

Performance* to 31 March 2020	CDO
1 Month	-9.7%
YTD	2.9%
1 Year	11.9%
Since Inception (per annum)	10.0%
Since Inception (1.3 years) (total return)	12.6%

* Gross Performance: before Management and Performance Fees

Portfolio Positions

Stock Code	Position	Direction	Exposure	Stock Code	Position	Direction	Exposure
700 HK	Tencent Holdings	Long	AUD	FMG AU	Fortescue Metals Group Ltd	Long	AUD
AAPL US	Apple Inc	Long	AUD	FNP AU	Freedom Foods Group Ltd	Long	AUD
AFG AU	Australian Finance Group	Long	AUD	GOOGL US	Alphabet Inc - Cls A	Long	AUD
AIR FP	Airbus SE	Long	AUD	HVN AU	Harvey Norman Holdings Ltd	Long	AUD
AMA AU	AMA Group Ltd	Short	AUD	IDX AU	Integral Diagnostics Ltd	Long	AUD
AMZN US	Amazon.com Ltd	Long	AUD	LYC AU	Lynas Corp Ltd	Long	AUD
APE AU	AP Eagers Ltd	Short	AUD	MP1 AU	Megaport Ltd	Long	AUD
APX AU	Appen Ltd	Long	AUD	MQG AU	Macquarie Group Ltd	Long	AUD
ARB AU	ARB Corp Ltd	Long	AUD	MTS AU	Metcash Ltd	Short	AUD
ASB AU	Austal Ltd	Long	AUD	NAB AU	National Australia Bank	Long	AUD
BABA U	Alibaba Group Holding	Long	AUD	NVDA US	NVIDIA Corp	Long	AUD
BPT AU	Beach Energy Ltd	Long	AUD	NXT AU	Nextdc Ltd	Long	AUD
CAR AU	Carsales.com Ltd	Long	AUD	OPC AU	Opticomm Ltd	Long	AUD
CBA AU	Commonwealth Bank	Long	AUD	PBP AU	Probiotec Ltd	Long	AUD
CCP AU	Credit Corp Group Ltd	Long	AUD	QCOM US	Qualcomm Inc	Long	AUD
CCX AU	City Chic Collective Ltd	Long	AUD	RMC AU	Resimac Group Ltd	Long	AUD
CLV AU	Clover Corp Ltd	Long	AUD	SHV AU	Select Harvests Ltd	Long	AUD
**	DeepGreen Metals Inc	Long	AUD	TEVA US	Teva Pharmaceutical SP	Long	AUD
EML AU	EML Payments Ltd	Long	AUD	TRS AU	The Reject Shop Ltd	Long	AUD
FB US	Facebook Inc	Long	AUD	UWL AU	Unity Group Ltd	Long	AUD

** A Pre-IPO investment in the Materials sector

Portfolio Sector Analysis

Sector	Long	Short	Net
Communications	16.9%		16.9%
Consumer, Non-cyclical	17.17%	-2.7%	14.5%
Technology	7.10%		7.1%
Basic Materials	4.66%		4.7%
Energy	4.37%		4.4%
Financial	4.10%		4.1%
Consumer, Cyclical	5.45%	-1.9%	3.6%
Industrial	3.38%		3.4%
Banks	3.25%		3.3%
Diversified Financials	1.87%		1.9%
Retailing	1.63%		1.6%
	69.9%	-4.6%	65.3%

Cash on hand **34.7%**

For more information contact Cadence Opportunities Fund on 02 8298 2450 or email info@cadencecapital.com.au
 Register to receive our FREE newsletter at www.cadencecapital.com.au/register-for-free-newsletter

News

In November 2019 the Company held its [AGM and Investor Briefing](#), in which Chairman Karl Siegling firstly discusses the company's performance, followed by portfolio manager Jackson Aldridge discussing a number of portfolio positions. The meeting concluded with Karl Siegling giving a brief outlook for 2020.

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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