

Cadence Opportunities Fund returned a gross positive performance of 4.1% in the month of October, compared with the All Ordinaries Accumulation Index which was up 2.1% over the same period. The Fund has had a good start to the new financial year, returning 39.5% year to date, outperforming the All Ordinaries Accumulation Index by 36.3% during this period. Since its inception, the Fund is up 120.3% on a gross performance basis compared to the market which is up 14.0% during the same period.

The top contributors to performance during the past month were Pinterest, Cleanspace Holdings, Aussie Broadband, AP Eagers, and Lynas Corp. The largest detractors from performance were Draftkings and Cloudflare. At 31<sup>st</sup> October 2020, the fund was 89.9% invested.

On the 16<sup>th</sup> October, the company paid its 6.0 cents fully franked final dividend equating to a 3.1% annualised fully franked yield, or a 4.4% gross yield (grossed up for franking credits) based on the Post-Tax NTA on the date of the dividend announcement.

#### Rights Issue

During the month, the Company announced an opportunity for existing shareholders to participate in a rights issue and shortfall placement. Board and management intend investing at least \$2M into the Offer. Currently, the Fund has received commitments for **\$6.3M** of the \$10M offer. This offer closes on the **30<sup>th</sup> November 2020**. Please e-mail [info@cadencecapital.com.au](mailto:info@cadencecapital.com.au) if you need to receive a copy of your entitlement form.

For more detail on the Rights Issue and Shortfall Placement please watch the [Cadence Opportunities Fund Entitlement & Shortfall Offer Presentation](#). Please also refer to the [offer booklet](#).

#### Fund NTA

Net Tangible Assets as at 31st October 2020	Amount (\$)
Pre Tax NTA	\$2.175
Post Tax NTA	\$1.947

## Fund Performance

Performance* to 31st October 2020	CDO
1 Month	4.1%
YTD	39.5%
1 Year	68.9%
Since Inception (per annum)	53.8%
Since Inception (1.8 years) (total return)	120.3%

\* Gross Performance: before Management and Performance Fees

## Portfolio Positions

Stock Code	Position	Direction	Exposure	Stock Code	Position	Direction	Exposure
ADH	Adairs Ltd	Long	AUD	DUB	Dubber Corp Ltd	Long	AUD
9988 HK	Alibaba Group Holding Ltd	Long	AUD	EOS	Electro Optic Systems Holding	Long	AUD
AMA	AMA Group Ltd	Long	AUD	EML	EML Payments Ltd	Long	AUD
AMZN US	Amazon.com Inc	Long	AUD	GEM	G8 Education Ltd	Short	AUD
APE	AP Eagers Ltd	Long	AUD	NVTA US	Invitae Corp	Long	AUD
AMS	Atomos Ltd	Long	AUD	JIN	Jumbo Interactive Ltd	Short	AUD
ABB	Aussie Broadband Pty Ltd	Long	AUD	LYC	Lynas Corp Ltd	Long	AUD
AFG	Australian Finance Group Ltd	Long	AUD	MMM	Marley Spoon	Long	AUD
ADSK US	Autodesk Inc	Long	AUD	NXT	NextDC Ltd	Long	AUD
BBN	Baby Bunting Group Ltd	Long	AUD	NTO	Nitro Software	Long	AUD
BKL	Blackmores Ltd	Short	AUD	NVDA US	NVIDIA Corp	Long	AUD
CAR	Carsales.com Ltd	Long	AUD	PINS US	Pinterest Inc	Long	AUD
CCA	Change Financial Ltd	Long	AUD	PBH	Pointsbet Holdings Ltd	Long	AUD
CCX	City Chic Collective Limited	Long	AUD	PPS	Praemium Ltd	Long	AUD
CSX	Cleanspace Holdings Ltd	Long	AUD	PME	Pro Medicus Ltd	Long	AUD
NET US	Cloudflare Inc	Long	AUD	QCOM US	Qualcomm Inc	Long	AUD
COD	Coda Minerals Limited	Long	AUD	RMS	Ramelius Resources Ltd	Long	AUD
CGC	Costa Group Holdings Ltd	Long	AUD	RBL	Redbubble Ltd	Long	AUD
CCP	Credit Corp Group Ltd	Long	AUD	RMC	Resimac Group Ltd	Long	AUD
CRWD US	Crowdstrike Holdings Inc	Long	AUD	SHOP US	Shopify Inc	Long	AUD
DTC	Damstra Holdings Ltd	Long	AUD	TTD US	Trade Desk Inc	Long	AUD
**	DeepGreen Metals Inc	Long	AUD	UWL	Uniti Group Ltd	Long	AUD
DKNG US	Draftkings Inc	Long	AUD				

\*\* A Pre-IPO investment in the Materials sector

## Portfolio Sector Analysis

Sector	Long	Short	Net
Communications	21.0%	-1.1%	19.9%
Technology	20.8%		20.8%
Consumer, Cyclical	15.8%		15.8%
Consumer, Non-cyclical	13.9%	-2.1%	11.8%
Industrial	8.8%		8.8%
Basic Materials	5.0%		5.0%
Financial	4.1%		4.1%
Energy	2.0%		2.0%
Retailing	1.7%		1.7%
	<b>93.0%</b>	<b>-3.2%</b>	<b>89.9%</b>
<b>Net Cash holdings and Tax</b>			<b>10.1%</b>

## News

On the 14<sup>th</sup> August 2020, the Company released its [July 2020 Year-End Investor Presentation](#). This is a good opportunity to listen to the key members of the investment team namely, Karl Siegling, Jackson Aldridge, and Charlie Gray, giving an update on the fund's recent performance, portfolio attribution, and the current investment themes.

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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