

INVESTMENT UPDATE

July 2024

Cadence Capital Limited returned a gross performance of 0.1% in July, compared to the All Ordinaries Accumulation Index which was up +3.8% for the month. The top contributors to performance during July were Resolute Mining, Evolution Mining, Robex Resources, Sierra Rutile and Regal Partners. The largest detractors from performance were Alcoa, Capstone Copper, Meta Platforms and Netflix.

Resolute Mining's share price was up 25% during the month. This was partially due to a 5% increase in the gold price, as well as continued good operational performance with the company producing 91 koz of gold in the 2nd quarter, up 19% compared to the previous quarter. In our recent quarterly webcasts, we have also spoken about how the share price of gold companies has failed to match the performance of gold itself, even though gold companies are leveraged to the gold price. We believe that part of Resolute Mining's good performance in July is the share price essentially playing 'catch up' on the gold price increases that we have seen over the past year.

While the Australian market was up overall in July there were some areas of weakness. The aluminium and copper prices were both down during the month which impacted our investments in Alcoa and Capstone Copper. The market appears undecided on whether the selloff in Copper and Aluminium indicates a world economic slowdown, and overall change in trend, or rather a temporary correction in a long-term trend. Our cash levels increased during July which had a negative impact on July performance but have been beneficial during August after global stock markets fell significantly due to concerns about an economic slowdown in the U.S.

Discount to NTA and On-Market Buy-Back

At the time of writing this newsletter, CDM is trading at a pre-tax NTA discount of around 12%. CDM has implemented an on-market buy-back to buy back the shares it has issued under the DRP. This buy-back will operate whilst the CDM share price is trading at a discount to the Pre-Tax NTA.

Fund NTA

Net Tangible Assets as at 31st July 2024	Amount (\$)
Pre Tax NTA	\$0.843
Post Tax NTA	\$1.021
Share Price (ASX Code: CDM)	\$0.715

Fund Gross Performance

Gross Performance* to 31st July 2024	CDM	All Ords Accum	Outperformance
1 Month	0.1%	3.8%	-3.7%
3 Years (per annum)	1.0%	7.0%	-6.0%
5 Years (per annum)	6.4%	7.8%	-1.4%
10 Years (per annum)	3.9%	8.3%	-4.4%
Since Inception (18.8 years) (per annum)	10.8%	7.5%	+3.3%
Since Inception (18.8 years) (total return)	594.3%	291.5%	+302.8%

* Gross Performance: before Management and Performance Fees

For more information contact Cadence Capital Limited on 02 8298 2450 or email info@cadencecapital.com.au

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Franked Dividends Declared Since Listing

Calendar Year	Interim	Final	Special	Total	Gross (Inc. Franking)
2007	2.0c	2.0c	2.0c	6.0c	8.6c
2008	2.5c	2.2c*	-	4.7c	5.8c
2009	-	2.0c	-	2.0c	2.9c
2010	2.0c	2.0c	-	4.0c	5.7c
2011	3.0c	3.0c	3.0c	9.0c	12.9c
2012	4.0c	4.0c	4.5c	12.5c	17.8c
2013	5.0c	5.0c	1.0c	11.0c	15.7c
2014	5.0c	5.0c	-	10.0c	14.3c
2015	5.0c	5.0c	1.0c	11.0c	15.7c
2016	5.0c	4.0c	-	9.0c	12.9c
2017	4.0c	4.0c	-	8.0c	11.4c
2018	4.0c	4.0c	-	8.0c	11.4c
2019	3.0c	2.0c	-	5.0c	7.1c
2020	2.0c	2.0c	-	4.0c	5.7c
2021	2.0c	3.0c	-	5.0c	7.1c
2022	4.0c	4.0c	-	8.0c	11.4c
2023	4.0c	3.0c	-	7.0c	10c
2024	3.0c	-	-	3.0c	4.2c
TOTAL	59.5c	56.2c	11.5c	127.2c	180.6c

* Off market Equal access buy back

The Company has around 15.5 cents per share of profits reserves to pay future dividends.

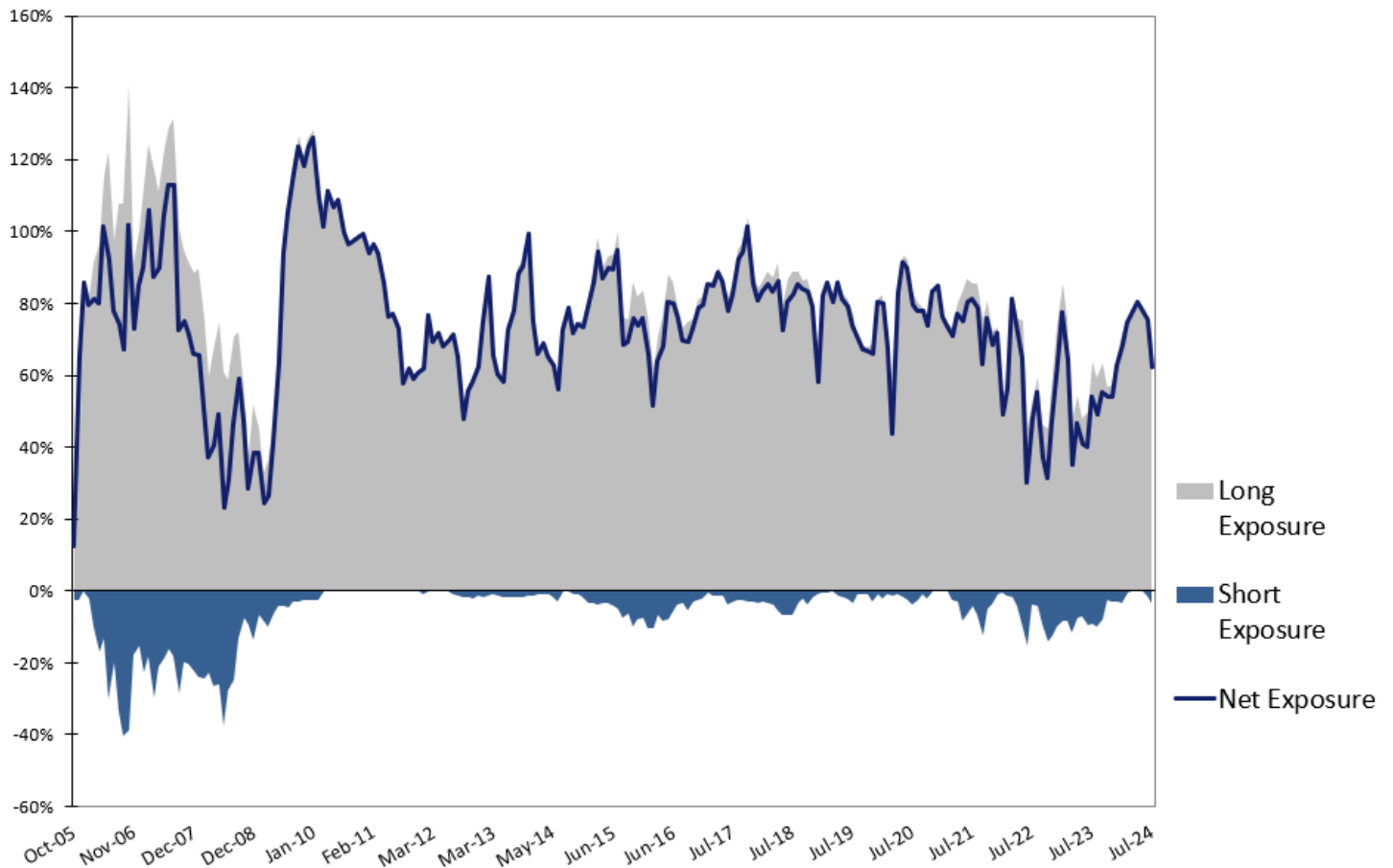
Portfolio Sector Analysis

Sector	Long	Short	Net
Basic Materials	28.8%	-3.5%	25.3%
Energy	15.9%		15.9%
Insurance	6.3%		6.3%
Communications	5.1%		5.1%
Financial	3.0%		3.0%
Utilities	2.9%		2.9%
Industrial	1.8%		1.8%
Technology	1.0%		1.0%
Consumer, Non-cyclical	0.9%		0.9%
	65.7%	-3.5%	62.2%
Net Cash Holdings and Tax Asset			37.8%

Portfolio Market Capitalisation Analysis

Market Capitalisation	Long	Short	Net
> AUD 1 Billion	51.3%	-3.5%	47.9%
AUD 500 Mill - AUD 1 Billion	4.6%		4.6%
AUD 250 Mill - AUD 500 Mill	6.1%		6.1%
AUD 100 Mill - AUD 250 Mill	1.9%		1.9%
0 - AUD 100 Mill	1.8%		1.8%
	65.7%	-3.5%	62.2%
Net Cash Holdings and Tax Asset			37.8%

Historic Portfolio Exposure



News

Over the coming weeks we will be releasing the **year-end webcast**. To watch CDM's March 2024 Quarterly Webcast please [click here](#). In this quarterly webcast, Karl Siegling first provides an update on the Company's performance, the 3.0c fully franked interim dividend recently paid and the composition of the portfolio. Karl Siegling and Chris Garrard then discuss four of the Company's current investments (Capstone Copper, Beach Energy, Cooper Energy and Origin Energy) and finish off with the outlook for the rest of the year.

To view all previous Cadence webcasts and interviews please visit the [Media Section](#) of the website.

We also 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 Cadence investment process.

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