Fund Update as at 31 October 2025
CC JCB Global Bond Fund - Hedged Class (APIR: CHN4711AU)

Fund Benefits

Active Management
JCB is a specialist fixed income manager with significant global investment management experience and expertise.

Access
The Fund provides access to investment knowledge, markets, opportunities and risk management systems that individual investors may not be able to obtain on their own.

Diversification and Income
When bonds are held as part of a broader portfolio of different asset classes, diversification may assist in managing market volatility. Bond securities in general are considered a defensive asset class.The income generated by bond securities is consistent and regular (usually semi-annual).

Fund Facts

Investment Manager	Channel Investment Management Ltd
Underlying Fund Investment Manager	JamiesonCooteBonds Pty Ltd or JCB (Portfolio Manager: Charles Jamieson)
Structure / Underlying Fund	The Fund invests into the CC JCB Active International Bond SP (in USD)
Inception Date^	25 February 2019
Benchmark	Bloomberg Global G7 TRI Value Hedged AUD
Management Fee#	0.15% p.a.
Administration Fee#	0.10% p.a.
Indirect Costs#	0.34% p.a.
Buy / Sell Spread	0.05% / 0.05%
Distributions	Semi-annual
Fund Size+	AUD $7.3 million

Fund Performance

Returns (After fees)	Fund*	Benchmark**
1 Month	1.11%	0.84%
3 Months	2.00%	1.79%
1 Year	4.26%	3.11%
2 Years p.a.	5.47%	4.76%
3 Years p.a.	3.06%	2.56%
5 Years p.a.	-1.15%	-1.44%
Inception p.a.	0.62%	0.33%

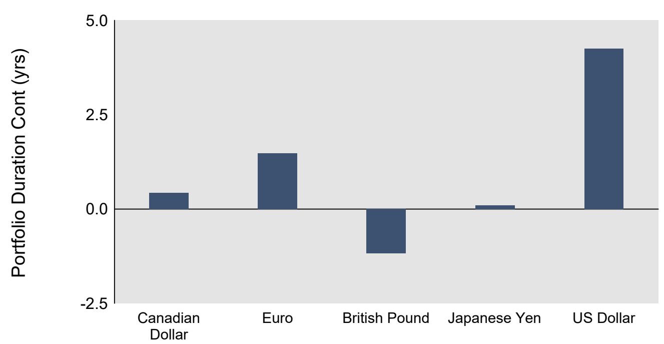
Fund Overview

Characteristics	Fund	Benchmark
Modified Duration (yrs)***	5.08	6.96
YTM + Hedging Effect^^	4.79	4.02
Weighted Ave. Credit Rating***	AA-	AA

^^ Data refers to CC JCB Global Bond Fund - Hedged Class (APIR: CHN4711AU) and Bloomberg Global G7 TRI Value Hedged AUD.
Source: JamiesonCooteBonds Pty Ltd.
See Definition of Terms.

Asset Allocation by Credit Rating (Duration Contribution)***

Asset Allocation by Currency (Duration Contribution)***



Platform Availabilty

Asgard	Ausmaq	Aust Money Market
BT Panorama	HUB24	Implemented Portfolios
Mason Stevens	Netwealth	Powerwrap
Praemium	uXchange	Xplore Wealth

Further Information

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All figures disclosed include the net effect of GST and RITC. ^ Inception Date for performance calculation purposes. + Fund size refers to the CC JCB Global Bond Fund ARSN 631 235 553. * Performance is for the CC JCB Global Bond Fund - Hedged Class (APIR: CHN4711AU), also referred to as Class A units, and is based on month end unit prices before tax in Australian Dollars. Net performance is calculated after management fees and operating costs. Individual Investor level taxes are not taken into account when calculating returns.This is historical performance data. It should be noted the value of an investment can rise and fall and past performance is not indicative of future performance. ** Benchmark refers to the Bloomberg Global G7 TRI Value Hedged AUD. *** Data refers to Underlying Fund, CC JCB Active International Bond Segregated Portfolio (in USD); and where applicable, Underlying Benchmark, Bloomberg Global G7 TRI Value Hedged USD. ~ Cash & Other includes cash at bank, outstanding settlements and futures margin accounts.

JAMIESON COOTE BONDS

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Market Review & Outlook

Markets have withstood considerable volatility this year. As the Reserve Bank of Australia (RBA) Deputy Governor has recently stated, in many ways investors' worst fears have not been realised this year with respect to US tariffs, spiralling debt and policy uncertainty. Current market pricing in US Treasuries is reflective of the two-sided risks currently being faced by the US Federal Reserve (US Fed), with sticky inflation but downside risks to the US labour market and broader economic activity.

While the worst may have been averted, particularly with respect to a stand-off between the US and China, bond markets are still factoring in the tightrope being walked by policymakers, who have become increasingly data dependent. If the US Fed were to be cutting for macroeconomic reasons (the weakness in the labour market), then lower interest rates would be justified and accepted by market participants; however, there is a possibility of further dislocation and volatility if the US Fed were to be perceived as cutting for political reasons.

In this environment, gold, cryptocurrencies and other alternative assets have received significant attention in recent months, when US institutions appeared to be under attack by US President Donald Trump’s administration, and the security of US dollar assets was under question. However, it's clear now that much of the trading activity in precious metals and cryptocurrencies, was speculative in nature, and not reflective of investment fundamentals.

At present, despite the extended shutdown, the policy positions of the Trump administration have become clearer, there appears to be an enduring and firm bid supporting US dollar denominated assets, and US Treasury yields remain at the lows of their recent ranges. US dollar assets continue to occupy a central role in the global financial system, and the US Treasury market remains one of the safest in the world.

It would take another widescale, disruptive move from the US administration to undermine confidence in US assets, whereas in recent months President Trump has shown more caution in making major policy announcements, including on tariffs, that would tend to disrupt and undermine market confidence.

Stepping back, US federal debt has reached record levels, and the federal government shutdown is now the longest on record. That said, for the reasons set out above, barring a major policy surprise from the US administration or a material policy error from the US Fed (in the context of politically motivated appointees next year), it is unlikely that the shutdown or high volume of debt issuance will materially weigh on market confidence or US Treasury pricing.

Private credit, however, remains a concern. As activity slows, and the US labour market (as well as peer labour markets across advanced economies) show downside risks, defaults and losses are likely to climb, and the credit cycle may turn as policy has become significantly more restrictive since the pandemic, tightening financial conditions.

Illiquid and stressed private credit securities and facilities, along with revaluations and withdrawals for private credit funds, as we have begun to observe, may precipitate into a broader structural shift across the credit sector. Lending standards are likely to tighten, and loss-recovery processes undertaken for non-performing assets.

These dynamics call into question the outsized returns seen on some private credit instruments. Moreover, it is highly likely that illiquidity and associated risks in the private sector have not been fully priced or discounted by many investors, who may have sought higher yields at the expense of elevated portfolio risk.

Locally, while September quarter inflation was certainly on the high side, and pointed to price-related pressures, there is potential for further disinflationary signals with the move towards a more granular, comprehensive monthly inflation series starting late November. The RBA has indicated that policy remains mildly restrictive. For inflation, much will depend on the underlying momentum and the RBA’s policy response, which JCB still expects to take the form of a couple more gradual cuts over the course of 2026.

On the other hand, the unemployment rate is at its highest level since late 2021. If this trend continues in the October employment release, and more broadly into the new year, the RBA might need to adjust its policy stance to become more accommodative (or even less restrictive) with a view to managing downside risks to the labour market. Also, if the global backdrop were to deteriorate further, as political uncertainty and fiscal pressures come to the forefront in the Europe, UK, Canada and Japan, and tensions were to rise again between the US and China, the RBA may need to cut further, beyond the single cut that is priced in next year.

Fund Review

For the month ending October, the CC JCB Global Bond Fund - Hedged Class returned 1.11% (after fees), outperforming the Bloomberg Global G7 Total Return Index Value Hedged AUD.

October proved to be a volatile month across global bond markets.

In the United States, Treasury yields initially drifted lower as the government shutdown on 1 October which deprived markets of fresh economic data, with only September CPI released late in the month. Concerns over the economic impact of the prolonged shutdown, renewed tariff tensions, and signs of credit stress fuelled expectations for further rate cuts. The US Federal Reserve (US Fed) delivered a widely anticipated 25bps cut at its October meeting, but US Fed Chair Jerome Powell's comment that another cut in December was "not a foregone conclusion" triggered a late-month reversal. Front-end yields led the post-FOMC selloff, resulting in a bear-flattening move, while the US Fed's announcement of the end of quantitative tightening drew little market reaction.

In Europe, German Bund yields fell sharply on risk-off sentiment following the US announcement of "100% additional tariff on Chinese goods" on 10 October but rebounded after stronger-than-expected German PMI data. French spreads were volatile, widening briefly after the Prime Minister's resignation on 6 October before tightening again when the government survived a confidence vote following concessions on pension reform.

UK gilts enjoyed a strong month, with 10-year yields falling toward the bottom of the 2025 range and hovering just above 4.4%. This outperformance was driven by softer September inflation data and speculation that the Chancellor might increase fiscal headroom in the upcoming 26 November Budget. These factors supported a bull-flattening of the curve, though yields edged higher at month-end as the US Fed's tone dampened expectations for further US easing.

In Japan, political developments dominated the JGB market. Sanae Takaichi's victory in the Liberal Democratic Party leadership race on 4 October raised expectations of additional fiscal stimulus and delayed monetary tightening by the Bank of Japan. This triggered a curve steepening through the first half of the month, which partially reversed as the government clarified its policy objectives toward the end of October.

The Underlying Fund was initially impacted by US Fed commentary on December, as the overweight in US Treasuries underperformed. However, performance recovered into month-end with a tactical overweight in Germany. Early in the month, the overweight in the UK gilts was additive, though this position was reduced by month-end. The Underlying Fund continued to maintain an underweight in France.

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Definition of Terms:

Modified Duration - is a systematic risk or volatility measure for bonds. It measures the bond portfolio's sensitivity to changes in interest rates.
YTM + Hedging Effect - is the total return anticipated on the portfolio if the bond holdings were held until their maturity, including the cost or benefit associated with the currency hedge.
Weighted Average Credit Rating - is a measure of credit risk. It refers to the weighted average of all the bond credit ratings in a bond portfolio.
Duration Contribution - refers to the portion of the overall duration attributable to the segment (i.e. credit rating or sector) in years. Contribution to duration is calculated by multiplying an instruments duration by the percentage weight of the instrument in the portfolio. This calculation includes the contribution to duration by holding futures contracts.