



JAMIESON COOTE BONDS

Fund Update as at 30 September 2025

CC JCB Active Bond Fund (APIR: CHN0005AU)

Fund Performance

Returns	1 month	3 months	FYTD	1 year	3 years p.a.	5 years p.a.	7 years p.a.	Since inception p.a. (03-Aug-2016)
Fund Net Return ¹	-0.04%	0.08%	0.08%	2.74%	3.25%	-1.24%	1.24%	1.28%
Benchmark Return ²	0.03%	0.09%	0.09%	3.33%	3.55%	-0.86%	1.51%	1.37%

Fund Benefits

Active Management

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

Superior Liquidity and Credit Quality

A domestic high grade bond strategy that invests in Australian Government, semi-Government and supranational bonds (AAA or AA rated securities), providing investors with superior liquidity and credit quality.

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

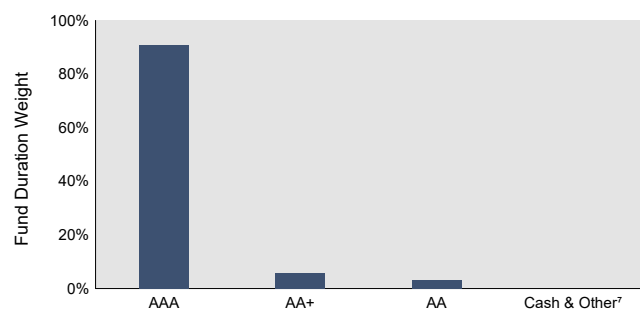
Investment Manager	JamiesonCooteBonds Pty Ltd
Structure	AAA or AA rated bond securities issued in Australian dollars
Inception Date	03 Aug 2016 ³
Benchmark	Bloomberg AusBond Treasury 0+ Yr Index
Management Fee	0.45% p.a. ⁴
Administration Fee	0.10% p.a. ⁴
Buy / Sell Spread	0.05% / 0.05%
Distributions	Semi-annual
Fund Size	AUD \$1,082 million ⁵

Fund Characteristics

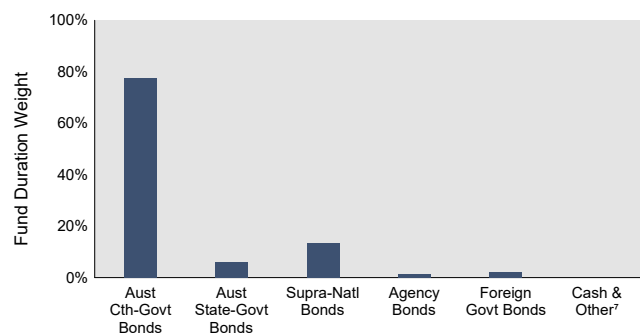
Characteristics ⁶	Fund	Benchmark ²
Modified Duration (yrs)	5.3	5.09
Yield to Maturity (%)	4.09	3.88
Weighted Ave. Credit Rating	AAA	AAA
Cash Weighting (%)	0.33	n/a

Source: JamiesonCooteBonds Pty Ltd.

Allocation by Rating (Duration Weight)⁶



Allocation by Sector (Duration Weight)⁶



Platform Availability

AMP MyNorth	Asgard	Ausmaq
Aust Money Market	BT Panorama	Colonial First Wrap
HUB24	Implemented Portfol	Macquarie Wrap
Mason Stevens	MLC Navigator	MLC Wrap
Netwealth	PowerWrap	Praemium
uXchange	Xplore Wealth	

Further Information

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¹ Performance is for the CC JCB Active Bond Fund (APIR: CHN0005AU), 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. ² Benchmark refers to the Bloomberg AusBond Treasury 0+ Yr Index. ³ Inception Date for performance calculation purposes. ⁴ All figures disclosed include the net effect of GST and RITC. ⁵ Fund size refers to the CC JCB Active Bond Fund ARSN 610 435 302. ⁶ Refer to Definition of Terms. ⁷ Cash & Other includes cash at bank, outstanding settlements and futures margin accounts.



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Market Review & Outlook

Central bank decisions diverged across major advanced economies during September, with the US Federal Reserve and Bank of Canada cutting their respective policy interest rates by 25 basis points but the RBA and Bank of Japan maintaining their respective policy rates unchanged.

Despite a gradual (yet bumpy) cooling in inflation towards policy targets and target ranges across most economies, concerns continue to linger around downside risks stemming from weak activity and labour markets, and these have been compounded by global uncertainties.

The precarious balance presented by the global macroeconomic backdrop has been exacerbated by both political instability (particularly in Japan, France and the UK) and expansionary fiscal policy decisions as major advanced economy governments seek to spend their way towards higher economic growth and better social outcomes.

The US has not been immune to the political and administrative instability, with the Federal Government shutdown opening the door for the Trump Administration to consider laying off significant numbers of federal government employees, amplifying concerns around the US labour market.

The shutdown has also resulted in a halt to the preparation and publication of official economic data releases from US federal statistical agencies. The lack of official "hard" data has shifted the impetus towards alternative "soft" data sources from the private sector, such as sentiment surveys and PMI indices. But these data sources are nowhere near as comprehensive as the official sources.

In this environment, US Federal Reserve policymakers are largely flying blind, without recourse to official macroeconomic data releases with which to anchor their forecasts and policy prescriptions. The lack of information about current conditions has also heightened focus on the neutral policy rate, which reflects longer-run economic forces - as this should provide some guidance on the stance of policy (whether it is accommodative, neutral or restrictive). That said, consensus remains elusive – FOMC members remain as divided as ever about the neutral rate and its policy implications.

Finally, a hot domestic monthly inflation print for August prompted many Australian market participants to revise their expectations for further RBA interest rate cuts, and several commentators either pushed out their forecasts for further cuts or declared the conclusion of the rate cutting cycle.

JCB sees these claims as premature, as the domestic outlook remains closely tied to global developments, and the RBA has already characterised its policy stance as mildly restrictive. Given that the estimation of the neutral rate is not unduly affected by any one data point, it's still highly likely that the direction of travel is clearly lower for the RBA, and there are a few interest rate cuts still to come in the months ahead, especially if the domestic labour market continues to weaken and global growth prospects dim further.



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Fund Review

For the month ending September, the CC JCB Active Bond Fund - Class A units (the Fund) returned -0.04% (after fees), underperforming the Bloomberg AusBond Treasury (0+Yr) Index.

Bond markets flattened globally in September. Throughout the month, Australian interest rates saw notable movement following the August CPI release, which showed a sharp rise in services inflation. This led to a revised RBA outlook, with the cash rate expected to remain at 3.6% until May 2026. The RBA held interest rates steady at its 30 September meeting, citing strong growth and inflation. Terminal rate pricing rose 20bp to 3.3%. Q2 2025 GDP beat expectations at 0.6% QoQ, supported by real income growth. Labour market data was mixed as employment fell, but unemployment held at 4.2%, indicating no clear negative trend. In the US, long-term yields fell ahead of the US Federal Reserve's expected 25bp interest rate cut, while short-term yields rose on mixed jobs data and shutdown risks.

In Europe, German Bund yields remained stable, with short-end gains after the ECB held interest rates. France's political shift kept spreads elevated. UK gilts traded in a narrow range, supported early by weak US data but pressured later by fiscal concerns as the BoE held interest rates and slowed quantitative tightening, easing long-end yields. In Japan, short-term yields climbed as inflation concerns, and hawkish Bank of Japan signals raised expectations of an interest rate hike by year-end. The portfolio focused on harvesting carry in the belly of the curve domestically and targeted supranational, sovereign and agency (SSA) paper. Domestic duration remained range bound for much of the month which limited opportunities.

The portfolio participated in some primary issuance - the NSW Treasury Corporation 2039 performed well on the break following the acceptance that the Treasury Corporation of Victoria could alleviate any funding pressures with well received offshore issuance.

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.

Yield to Maturity - is the total return anticipated on the portfolio if the bond holdings were held until their maturity.

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 Weight - refers to the portion of the overall duration attributable to the segment (i.e. credit rating or sector), as a percentage of overall portfolio duration. Contribution to duration is calculated by multiplying an instrument's duration by the percentage weight of the instrument in the portfolio. This calculation includes the contribution to duration by holding futures

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