



JAMIESON COOTE BONDS

Fund Update as at 31 January 2026

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	0.07%	-1.74%	-1.31%	2.22%	1.76%	-1.26%	0.64%	1.09%
Benchmark Return ²	0.04%	-1.65%	-1.23%	2.40%	2.03%	-0.88%	0.82%	1.18%

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

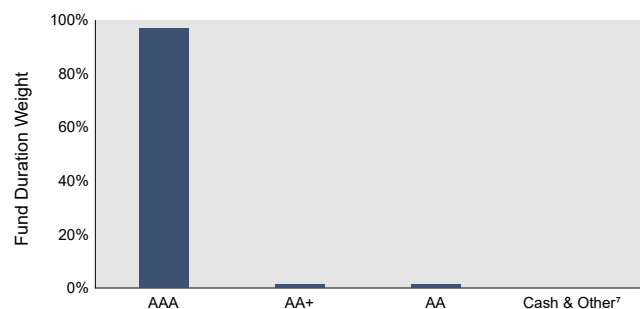
Investment Manager	JamiesonCooteBonds Pty Ltd
Structure	AAA or AA rated bond securities issued in Australian dollars
Inception Date	03 Aug 2016 ³
Benchmark	Bloomberg AusBond Treasury 0+ Yr Index
Management Fee	0.45% p.a. ⁴
Administration Fee	0.10% p.a. ⁴
Buy / Sell Spread	0.05% / 0.05%
Distributions	Semi-annual
Fund Size	AUD \$902 million ⁵

Fund Characteristics

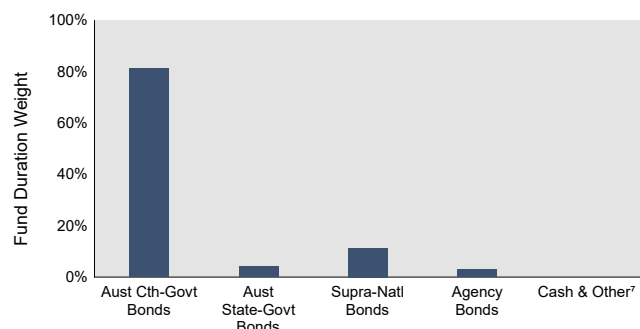
Characteristics ⁵	Fund	Benchmark ²
Modified Duration (yrs)	5.57	5.06
Yield to Maturity (%)	4.79	4.46
Weighted Ave. Credit Rating	AAA	AAA
Cash Weighting (%)	0.66	n/a

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

Global markets saw a volatile start to the new year, and while risk sentiment remains intact, uncertainty clouds the horizon over the year ahead yet again.

Precious metals, particularly gold and silver, have seen massive swings and price volatility, as investors reassess the safety of the U.S. dollar and the likely path of U.S. Federal Reserve policy in the years ahead, as the Federal Open Market Committee's membership turns over.

Concerns about U.S. Federal Reserve independence and related speculation around the incoming Fed Chair prior to Kevin Warsh's nomination, the U.S. instigated leadership change in Venezuela, strong rhetoric around Greenland from the U.S., continuing unrest in Iran, and emerging fiscal pressures in Japan combined with steepening moves across global yield curves have all weighed on sentiment.

Nonetheless, despite some tremors in the IT sector given the challenges to traditional ways of working posed by rapidly developing AI models, equities continue to advance largely unimpeded, and credit spreads have tightened to historical lows, propelling risk asset valuations to yet another set of record levels.

History would suggest that such pronounced outperformance in risk assets cannot be sustained indefinitely, and if a correction does take place, regardless of the catalyst, it is likely to be swift in nature and material in magnitude, accompanied by sharp repricing lower across the credit spectrum.

Domestically, following another hot inflation release for the December quarter of 2025, the RBA decided in early February 2026 to hike the cash rate target by 25 basis points to 3.85%. However, given the scope for mildly restrictive policy to contain inflationary pressures, only a single further hike this year is currently being priced in by financial markets, and the RBA has re-iterated in all of its recent communications that it remains data dependent.

Much will turn on the evolution of the domestic data pulse on prices, activity and labour markets.

Nonetheless, in the context of a likely short-lived hiking cycle that has already been fully priced, the balance of risks around the global macro-outlook and stretched equity and credit market valuations all suggest that bonds will continue to provide a stable anchor for portfolios in these uncertain times.



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Fund Review

For the month ending January, the CC JCB Active Bond Fund - Class A units (the Fund) returned 0.07% (after fees), outperforming the Bloomberg AusBond Treasury (0+Yr) Index.

In the month of January 2026, the portfolio was positioned long duration relative to the benchmark, reflecting elevated macroeconomic uncertainty and the view that the RBA had placed disproportionate weight on upside inflation risks following the introduction of the ABS monthly CPI series. Stronger domestic inflation prints and firmer RBA communication around persistent price pressures, alongside growing market confidence that global uncertainty had not materially affected Australia, leading to a 30–50 basis point rise in ACGB (Australian Commonwealth Government Bond) yields over the quarter. This sell off weighed on fund performance, although losses were partially offset through futures hedging and positions in SSA bonds (Supranational, Sovereign, and Agency entities), with duration exposure increasingly concentrated in the belly of the curve.

While policy rates are expected to remain near their peak, valuation support is strongest in the front and middle of the curve, where carry and roll remain attractive. By contrast, the long end remains less compelling given ongoing fiscal pressures and rising term premia globally.

Rates in the opening month of 2026 experienced heightened volatility. The 10-year U.S. treasury yield ended 7 basis points higher at 4.24% while the 10-year Australia government bond yield was 2 basis points lower at 4.82%. The divergence in rates due to diverging monetary policy path resulted in the AU-US spread at its widest since 2022, 50-60 basis points differential over the month. Geopolitics remained a persistent theme at the start of 2026, with a material pickup in risk over the month as renewed tensions involving Iran, Venezuela, and parts of Europe underscored a more fragile global backdrop.

U.S. Federal Reserve communication remains cautious, with policymakers emphasising that policy is well positioned amid the dual risks of inflation remaining above target and unemployment rising if growth slows. Inflation is expected to ease only gradually, limiting the case for near term easing. As a result, markets are pricing a slow and delayed rate cutting cycle, with little expectation of early year action.

In Australia, domestic rates also repriced over January, reflecting stronger local fundamentals. Employment growth remained robust and the unemployment rate declined, confirming ongoing labour market tightness beyond the RBA's forecasts. Markets subsequently lifted the probability of a near term rate hike, with pricing by month end reflecting a higher likelihood of tightening and a more extended policy path. The yield curve flattened, underscoring that domestic inflation and labour dynamics continue to dominate Australian fixed income markets, even as global disinflation progresses.

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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