



JAMIESON COOTE BONDS

# CC JCB Dynamic Alpha Fund (APIR: CHN8607AU)

## Fund Update as at 31 May 2026

### Fund Performance

Returns	1 month	3 months	6 months	FYTD	1 year	3 years p.a.	5 years p.a.	Since inception p.a. (30-Dec-2019)
Fund Net Return <sup>1</sup>	0.41%	0.74%	1.72%	3.14%	3.44%	3.80%	2.86%	3.11%
Benchmark Return <sup>2</sup>	0.34%	1.03%	1.96%	3.52%	3.85%	4.17%	3.03%	2.39%

### Fund Benefits

#### Active Management

The CC JCB Dynamic Alpha Fund is designed as an absolute return product, that aims to deliver stable and consistent returns over time - regardless of share and bond market movements. JCB applies a range of hand-picked risk-controlled investment strategies to a universe of global high grade sovereign bonds (i.e. anchored by G7 nations, as well as Australia). It offers a high level of liquidity in Government issued instruments, without corporate credit exposure.

#### 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

<b>Investment Manager</b>	JamiesonCooteBonds Pty Ltd
<b>Portfolio Managers</b>	Charles Jamieson & Chris Manuell
<b>Style</b>	Global absolute return bond fund - concentrating on actively managing global high grade sovereign bonds
<b>Objective</b>	Outperform the RBA Cash Rate by 2.50% p.a. (after fees) over rolling 3 year periods
<b>Inception Date</b>	30-Dec-2019 <sup>3</sup>
<b>Benchmark</b>	RBA Cash Rate Total Return Index
<b>Management Fee</b>	0.58% p.a. <sup>4</sup>
<b>Administration Fee</b>	0.10% p.a. <sup>4</sup>
<b>Buy/Sell Spread</b>	0.05% / 0.05%
<b>Distributions</b>	Quarterly
<b>Fund Size</b>	A\$78.5m <sup>5</sup>

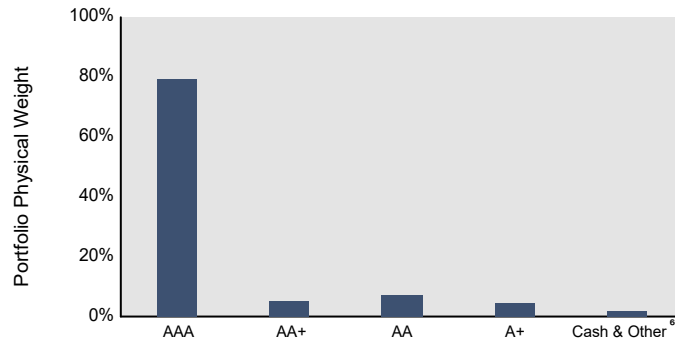
### Fund Characteristics

Characteristics	Fund
Modified Duration (yrs)	0.24
YTM + Hedging Effect	4.94
Weighted Ave. Credit Rating	AAA

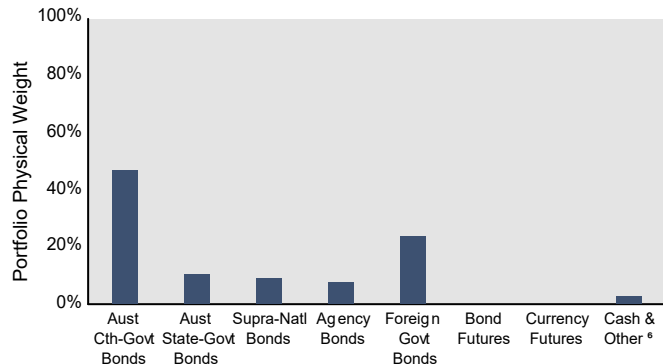
Source: JamiesonCooteBonds Pty Ltd.

See Definition of Terms.

### Asset Allocation by Credit Rating (Physical Weight)



### Asset Allocation by Sector (Physical Weight)



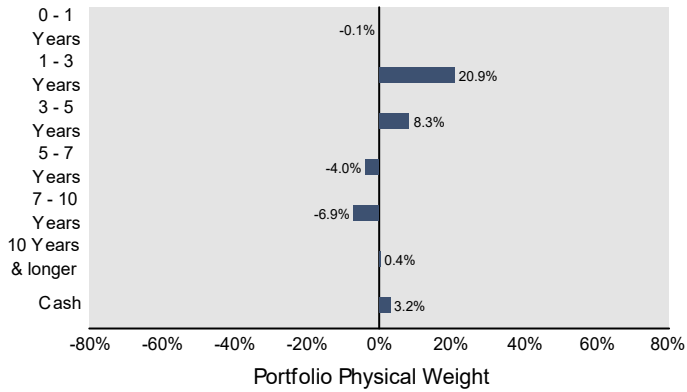
<sup>1</sup> Performance is for the CC JCB Dynamic Alpha Fund (APIR: CHN8607AU), also referred to as Class A units, and is based on month end unit prices in Australian Dollars. Net performance is calculated after management fees and operating costs. Individual investor level taxes are not taken into account when calculating net 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. <sup>2</sup> Benchmark refers to the RBA Cash Rate Total Return Index. The comparison to the RBA Cash Rate is displayed as a reference to the target return for the Fund and is not intended to compare an investment in the Fund to a cash holding. <sup>3</sup> Inception Date for performance calculation purposes. <sup>4</sup> All figures disclosed include the net effect of GST and RITC. <sup>5</sup> Fund size refers to the CC JCB Dynamic Alpha Fund (APIR: CHN8607AU). <sup>6</sup> Cash & Other includes cash at bank, outstanding settlements and futures margin accounts.



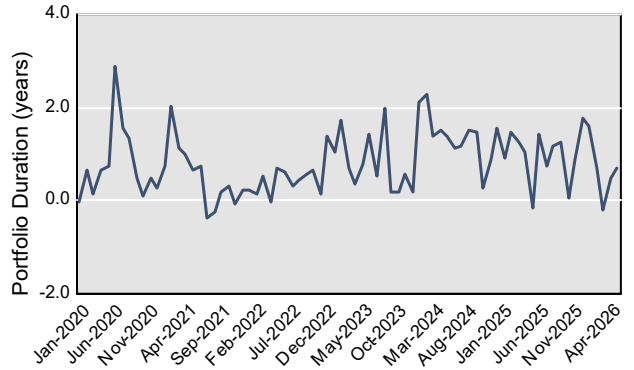
JAMIESON COOTE BONDS

# CC JCB Dynamic Alpha Fund (APIR: CHN8607AU) Fund Update as at 31 May 2026

### Asset Allocation by Duration (Physical Weight)\*



### Historic Portfolio Duration#



# Data shown is for underlying assets of the CC JCB Dynamic Alpha Fund (APIR: CHN8607AU)

\*Asset allocation totals (Duration Band) are the net position of physical bond and bond futures exposure and will be positive or negative depending on the portfolio positioning as selected by JCB.



JAMIESON COOTE BONDS

---

## CC JCB Dynamic Alpha Fund (APIR: CHN8607AU) Fund Update as at 31 May 2026

---

### Fund Review

---

For the month ending May, the CC JCB Dynamic Alpha Fund – Class A units (the Fund) returned 0.41% (after fees), outperforming the RBA Cash Rate Total Return Index.

Geopolitical developments continued to influence markets through the month of May, though their intensity eased over the month as expectations for de-escalation improved. Energy markets were a key transmission channel, with Brent crude falling 19.3% in May, its largest monthly decline since March 2020 reflecting reduced concerns around prolonged supply disruptions. This shift helped stabilise inflation expectations and supported a retracement in bond yields after reaching multi-year highs mid-month across the US, Germany and Japan.

In the US, macro conditions remained resilient but showed signs of gradual moderation. Labour market data pointed to steady but moderating job creation, with payrolls rising 115,000 in April (down from a stronger March gain), while the unemployment rate remained stable at around 4.3%, indicating a stable but no longer tightening labour market. Earlier in the month, strong inflation prints and elevated oil prices pushed long-end yields to cycle highs, with the 30-year Treasury yield rising above 5% for the first time since the late 2000s. However, as energy prices eased with reduced expectations of further escalation and inflation concerns moderated, yields moved lower into month-end.

Euro area sovereign bond markets strengthened over the month, with yields generally moving lower across the curve, aside from the very front end. Although the European Central Bank (ECB) did not meet in May, market expectations increasingly shifted toward further policy tightening at the June meeting. The reacceleration in headline inflation and expectations for further ECB tightening was largely reflected in market pricing, with underlying pressures remaining contained and supporting a broadly stable rates backdrop. This underpinned a modestly constructive bias toward German Bunds, where option structures were used to position for lower yields and reduced volatility, which was alpha accretive. The option positioning was supported by the view that we remain in a low volatility environment with central banks now in the middle of the growth versus inflation trade off phase.

In Australia, the Reserve Bank raised rates by 25 basis points, maintaining a cautious stance on inflation. The domestic labour market softened at the margin in May, with the unemployment rate rising to 4.5% and employment declining from the previous month, although trend conditions remain relatively firm. Inflation dynamics remain uncertain and influenced by geopolitical and energy-related developments, with any moderation likely to emerge only gradually in the data, while early signs of labour market easing and already restrictive policy settings point to a moderation in upward pressure on yields.

The portfolio remained overweight in Australian duration in the 10-to-15-year segment, offset by relative underweights in US and European duration. Cross market positioning included short yen exposure and a long position in New Zealand.



JAMIESON COOTE BONDS

---

## CC JCB Dynamic Alpha Fund (APIR: CHN8607AU) Fund Update as at 31 May 2026

---

### Market Review & Outlook

---

Throughout the month, bond markets remained caught between geopolitical uncertainty and softening macroeconomic momentum. The strong correlation between oil prices and bond yields, intensified by the Middle East conflict, highlights that any sustained rally in bonds is likely contingent on energy prices moderating toward futures expectations.

The conflict poses a clear downside risk to growth, primarily through higher energy prices, which act as a tax on consumers and businesses, compressing real incomes and demand. If sustained, this shock risks prolonging inflationary pressures and delaying the easing cycle, increasing the likelihood that an initial inflation impulse evolves into a broader growth slowdown.

Importantly, the impact extends beyond energy alone. Disruptions to key trade routes and infrastructure are tightening global supply conditions, while elevated uncertainty around the duration and potential escalation of the conflict is weighing on business confidence and investment. The shock is increasingly broad-based, with pressures building across energy, industrial inputs and food. Even as trade flows stabilise, there is likely to be a lag before supply conditions fully normalise, prolonging the drag on activity.

Against this backdrop, the potential shift in US monetary policy is increasingly relevant. Kevin Warsh's appointment as US Federal Reserve Chair may signal a tilt toward a more accommodative stance, with growing political pressure for rate cuts and a willingness to lean on productivity gains as justification for easing. Despite concerns around institutional independence, the broader policy bias suggests the Federal Reserve may move earlier than previously anticipated.

Domestically, fixed income delivered strong relative performance for the month, supported by elevated starting yields and improved valuations, while early signs of economic softening are emerging through weaker housing market activity, softer demand and moderating labour market momentum. With market pricing already reflecting a limited tightening bias, any further policy response is likely to be measured and driven by near-term inflation outcomes rather than a sustained hiking cycle.

At the same time, a meaningful disinflationary impulse is emerging through electricity prices, which are expected to decline and reverse their recent contribution to inflation. Combined with recent tax changes and softer demand conditions, this gives the RBA scope to pause and assess, with risks increasingly balanced between holding policy steady and shifting toward easing over time.

While elevated yields continue to provide attractive carry and valuation support for fixed income, conviction in outright duration calls should remain tempered. The path of yields is likely to remain highly sensitive to developments in energy markets and geopolitics, with growth risks building but not yet definitively realised. As such, a diversified approach that prioritises income generation and risk management over timing interest rate moves is likely to be appropriate.



JAMIESON COOTE BONDS

## CC JCB Dynamic Alpha Fund (APIR: CHN8607AU) Fund Update as at 31 May 2026

### Further Information

Phone: 1800 940 599  
Email: [distribution@channelcapital.com.au](mailto:distribution@channelcapital.com.au)  
Web: [www.channelcapital.com.au](http://www.channelcapital.com.au)

### Platform Availability

AMP MyNorth	Ausmaq	Aust Money Market
BT Panorama	Colonial First Wrap	HUB24
Implemented Portfolios	Macquarie Wrap	Mason Stevens
Netwealth	Powerwrap	Praemium
Xplore Wealth		

#### **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 (YTM)** is the total return anticipated on the portfolio if the holdings were held until their maturity. The quoted YTM includes the use of leverage. While leverage can enhance returns in favourable market conditions, it also introduces significant risks which may adversely affect the performance of the Fund. To understand the risks of investing in the Fund, please refer to the Information Memorandum which is available upon request.

**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.

Channel Investment Management Limited ACN 163 234 240 AFSL 439007 ('CIML') is the Responsible Entity and issuer of units in the CC JCB Dynamic Alpha Fund ARSN 637 628 918 ('the Fund'). The appointed Investment Manager is JamiesonCooteBonds Pty Ltd ACN 165 890 282 AFSL 459018 ('JCB'). Neither CIML or JCB, their officers, or employees make any representations or warranties, express or implied as to the accuracy, reliability or completeness of the information contained in this report and nothing contained in this report is or shall be relied upon as a promise or representation, whether as to the past or the future. Past performance is not a reliable indication of future performance. This information is given in summary form and does not purport to be complete. Information in this report, should not be considered advice or a recommendation to investors or potential investors in relation to holding, purchasing or selling units in the Fund and does not take into account your particular investment objectives, financial situation or needs. Before acting on any information you should consider the appropriateness of the information having regard to these matters, any relevant offer document and in particular, you should seek independent financial advice. Readers are cautioned not to place undue reliance on forward looking statements. Neither CIML nor JCB have any obligation to publicly release the result of any revisions to these forward looking statements to reflect events or circumstances after the date of this report. For further information and before investing, please read the Product Disclosure Statement available at [www.channelcapital.com.au](http://www.channelcapital.com.au). A Target Market Determination for the Fund is available at [www.channelcapital.com.au](http://www.channelcapital.com.au).