JCB

JAMIESON COOTE BONDS

Fund Update as at 31 July 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]	-0.66%	1.95%	-0.66%	0.22%	2.62%	-1.05%	-0.26%	1.17%
Benchmark Return[2]	-0.51%	2.05%	-0.51%	0.55%	3.01%	-0.68%	-0.03%	1.28%

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

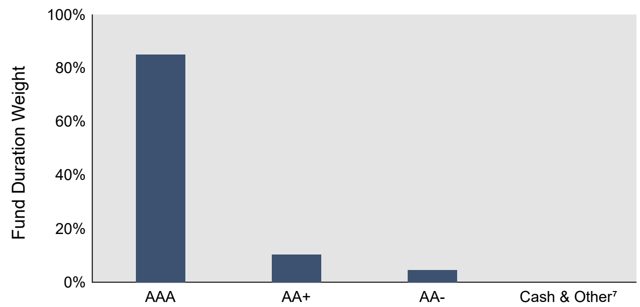
Investment Manager	JamiesonCooteBonds Pty Ltd
Structure	AAA or AA rated bond securities issued in Australian dollars
Inception Date	03 Aug 2016 [3]
Benchmark	Bloomberg AusBond Treasury 0+ Yr Index
Management Fee	0.45% p.a.[4]
Administration Fee	0.10% p.a.[4]
Buy / Sell Spread	0.05% / 0.05%
Distributions	Semi-annual
Fund Size	AUD $506 million [5]

Fund Characteristics

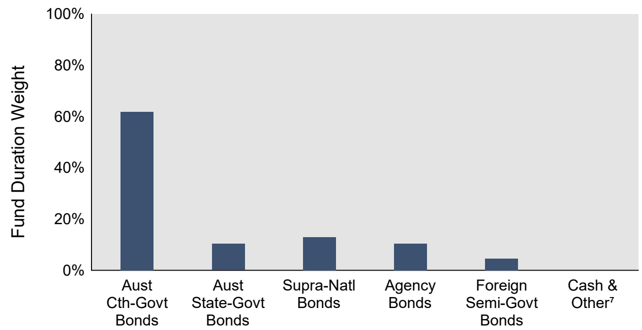
Characteristics[6]	Fund	Benchmark[2]
Modified Duration (yrs)	5.16	5.05
Yield to Maturity (%)	5.01	4.68
Weighted Ave. Credit Rating	AAA	AAA
Cash Weighting (%)	1.45	n/a

Source: JamiesonCooteBonds Pty Ltd.

Allocation by Rating (Duration Weight)[6]



Allocation by Sector (Duration Weight)[6]



Platform Availabilty

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 spent July navigating the balance between near-term inflation risks and a longer-term disinflationary outlook. Geopolitical developments, particularly in the Middle East, temporarily heightened concerns around energy security and inflation, while evolving central bank communication added a further layer of uncertainty to policy expectations. Despite these challenges, market pricing increasingly reflected the view that periodic inflation shocks are unlikely to derail the broader moderating growth environment, although they may continue to contribute to higher volatility and elevated bond yields.

Geopolitics remained a key driver of sentiment, with the Middle East conflict representing the most significant source of market uncertainty during the month. Concerns initially centred on the potential disruption of oil and LNG flows through the Strait of Hormuz and broader Middle Eastern shipping routes, resulting in a temporary rise in energy prices and inflation expectations. However, as the month progressed, markets increasingly viewed the inflationary impact as transient rather than structural. Diplomatic engagement resumed, military activity moderated from mid-month highs, and oil prices retraced despite the absence of a formal resolution. As a result, investors became less concerned about a prolonged supply shock and more focused on the broader implications for energy security and global supply chains.

Alongside these developments, central banks entered a period of increased policy uncertainty. Policymakers, particularly in the United States, signalled a reduced reliance on explicit forward guidance and a greater emphasis on incoming economic data.

Japan remained an important focus during July following intervention by authorities to support the Japanese yen after a prolonged period of weakness. The move reflected concerns around imported inflation and triggered a sharp reversal in crowded short-yen positioning. Beyond Japan, a stronger yen has implications for global markets by reducing the attractiveness of carry trades and potentially moderating demand for higher-yielding overseas assets, including US Treasuries. The episode reinforced the importance of Japanese capital flows and foreign exchange developments in shaping global financial conditions. Australia, meanwhile, continues to compare favourably with many developed market peers, benefiting from lower levels of political polarisation and fewer domestic economic imbalances despite remaining exposed to the same global inflation, geopolitical and growth dynamics affecting international markets.

The current environment continues to present attractive opportunities despite ongoing uncertainty. While geopolitical risks, energy security concerns and shifting policy expectations are likely to remain important drivers of market volatility, the repricing in sovereign bond yields over recent years has materially improved income generation and prospective long-term return potential.

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Fund Review

For the month ending July, the CC JCB Active Bond Fund - Class A units (the Fund) returned -0.66% (after fees), underperforming the Bloomberg AusBond Treasury (0+Yr) Index.

July commenced with markets evaluating the fragility of the ceasefire agreement after June was dominated by the US-Iran truce deal. The month was characterised by alternating periods of military escalation and diplomatic engagement between the US and Iran, resulting in heightened volatility across energy and bond markets. Brent crude initially fell to around US$76/bbl on hopes that June's ceasefire would hold, before rising to nearly US$94/bbl as tensions re-escalated and concerns over energy supply disruptions intensified. As the month progressed, markets focused primarily on the inflationary implications of higher oil prices, with Australian bond yields becoming increasingly correlated with movements in Brent crude although the MOVE Index remained rangebound.

In the US, the US Federal Reserve left rates unchanged at the July meeting with 3 hawkish dissents. Policymakers increasingly emphasised flexibility and data dependence as uncertainty surrounding energy prices and inflation increased, leaving markets to infer the likely policy path from economic data and geopolitical developments rather than explicit central bank guidance. The combination of resilient employment, persistent inflation and renewed energy price pressures contributed to a sharp repricing higher in Treasury yields, with the US 30-year yield rising above 5.2%, its highest level since 2007.

Australian data on the other hand painted a picture of a gradually slowing but still resilient economy. Household spending continued to outperform expectations, while labour market conditions softened only modestly, with unemployment remaining around 4.4%. The key development was a weaker-than-expected Q2 inflation outcome, which showed a further easing in underlying price pressures and reduced the case for additional RBA tightening. While the RBA maintained a hawkish bias and continued to stress that inflation remained above target, market focus shifted toward an extended period of policy stability.

Portfolio commentary

The rise in bond yields and steepening of the Australian yield curve weighed on performance during July. Duration was actively managed through the month, with exposure reduced as the sell-off accelerated before being selectively rebuilt later in the period as valuations became more attractive across the belly and long end of the curve. The portfolio remained active in semi-government and supranational markets, rotating holdings to capture relative value opportunities.

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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.
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 instruments duration by the percentage weight of the instrument in the portfolio. This calculation includes the contribution to duration by holding futures