JAMIESON COOTE BONDS

Fund Update as at 31 August 2026
CC JCB Active Bond Fund (APIR: CHN0005AU)

Fund Performance

Returns	1 month	3 months	1 year	3 years p.a.	5 years p.a.	7 years p.a.	10 years p.a.	Since inception p.a. (03-Aug-2016)
Fund Net Return[1]	-0.29%	0.03%	-0.39%	2.31%	-1.15%	-0.57%	1.06%	1.13%
Benchmark Return[2]	-0.33%	0.07%	-0.08%	2.69%	-0.79%	-0.35%	1.18%	1.23%

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

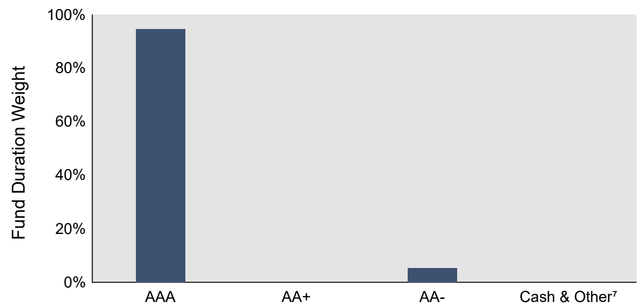
Investment Manager	JamiesonCooteBonds Pty Ltd
Structure	AAA or AA rated bond securities issued in Australian dollars
Inception Date	03 Aug 2016 [3]
Benchmark	Bloomberg AusBond Treasury 0+ Yr Index
Management Fee	0.45% p.a.[4]
Administration Fee	0.10% p.a.[4]
Buy / Sell Spread	0.05% / 0.05%
Distributions	Semi-annual
Fund Size	AUD $465 million [5]

Fund Characteristics

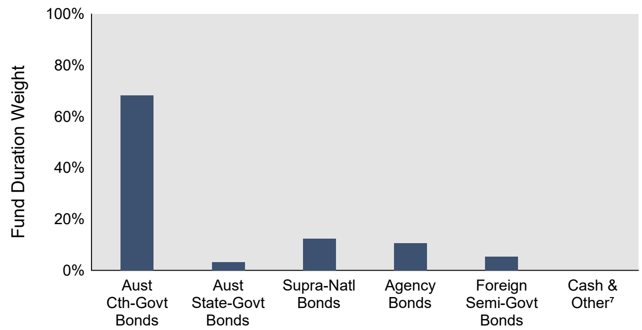
Characteristics[6]	Fund	Benchmark[2]
Modified Duration (yrs)	4.98	4.95
Yield to Maturity (%)	5.07	4.82
Weighted Ave. Credit Rating	AAA	AAA
Cash Weighting (%)	0.93	n/a

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

August was characterised by repricing in global bond markets as investors demanded greater compensation for persistent inflation, fiscal pressures and geopolitical risks. Stronger-than-expected economic data across major economies, combined with elevated energy prices and concerns around government borrowing requirements, pushed sovereign bond yields to multi-year highs. The US 10-year Treasury yield rose to 4.75%, while Germany's 10-year Bund yield reached 3.32%, its highest level since 2011, reflecting growing expectations that policy rates may need to remain restrictive for longer.

US-Iran developments remained a central macro theme throughout the month, driving volatility across energy and fixed income markets. Concerns over potential disruptions to oil flows through the Strait of Hormuz initially pushed Brent crude above US$90/bbl, before hopes of diplomatic progress temporarily saw prices fall below US$80/bbl. As negotiations stalled and geopolitical tensions persisted, oil prices recovered into the low-to-mid US$90s, reinforcing inflation concerns and contributing to higher global bond yields. Towards month-end, reports of a potential ceasefire and less severe sanctions measures than initially feared helped unwind part of the geopolitical risk premium.

Policymakers also became more active in responding to market volatility. Early in the month, US authorities participated in coordinated support for the Japanese yen after the currency weakened to levels not seen in four decades. Later, as long-dated Treasury yields approached their highest levels in nearly two decades, the US Treasury Department unexpectedly announced that it would at least double its buyback operations for longer-dated bonds. While these measures provided temporary support, markets remained focused on the underlying themes of persistent inflation, elevated debt issuance and rising term premia.

Despite the increase in yields, credit markets remained resilient. Corporate bonds outperformed government bonds, supported by solid economic growth and continued investor demand, with high-yield credit spreads tightening to their narrowest levels in around a year. Gold was another notable beneficiary, rallying on the back of a weaker US dollar, ongoing central bank purchases and heightened geopolitical uncertainty.

Overall, August reinforced the dominant role of bond markets in driving broader asset market performance. While growth remained resilient, investors increasingly questioned whether inflation would return to target without policy rates remaining restrictive for an extended period, resulting in higher yields and greater sensitivity to macroeconomic and geopolitical developments.

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Fund Review

For the month ending August, the CC JCB Active Bond Fund - Class A units (the Fund) returned -0.29% (after fees), outperforming the Bloomberg AusBond Treasury (0+Yr) Index.

August was dominated by the interaction between persistent inflation pressures and rising geopolitical uncertainty. Escalating tensions in the Middle East, particularly around Iran and the Strait of Hormuz, kept a risk premium embedded in energy markets, with Brent crude trading in a wide range and remaining elevated through much of the month. Higher oil prices reinforced concerns that progress on inflation could stall, contributing to renewed upward pressure on global bond yields.

The US economy generated mixed signals during August. Early in the month, weaker payrolls, softer retail sales and moderating inflation fuelled expectations that growth was slowing. However, subsequent data, including resilient Purchasing Managers' Index (PMI) surveys, firm productivity growth and stable labour market indicators, suggested the economy remained on a solid footing.

The key market event was Jackson Hole, where US Fed Chair Warsh stressed that inflation had not improved sufficiently and argued that financial conditions were not meaningfully restrictive. His remarks revived expectations of a potential September rate hike and reinforced the Fed's commitment to achieving its 2% inflation objective. Combined with elevated oil prices and continued concerns around US fiscal dynamics, this contributed to higher long-dated Treasury yields. While growth remained resilient, markets ended August focused on the possibility that policy rates may need to stay higher for longer to ensure inflation returns sustainably to target.

Australian economic data painted a mixed picture. Labour market conditions softened modestly, with employment falling and the unemployment rate rising to 4.5%, although the increase in unemployment was marginal beneath the headline. At the same time, inflation surprised to the upside, with trimmed mean CPI holding at 3.6% year-on-year and accelerating monthly. The stronger inflation results led markets to reassess the outlook for policy, materially increasing expectations that the RBA could deliver another rate hike.

August outperformance was driven by both spread and duration positioning. Semi-government and supranational bonds continued to perform well as investors sought high-quality yield opportunities, leading to further spread tightening across key holdings including Western Australian Treasury Corporation (WATC), Treasury Corporation of Victoria (TCV) and IBRD (International Bank for Reconstruction and Development, part of the World Bank Group). The portfolio also benefited from participation in the new Australian Commonwealth Government Bond (ACGB) May 2038 syndication, with profits realised following strong secondary market performance. In rates, the portfolio's underweight exposure to shorter-dated government bonds proved beneficial as stronger inflation data prompted markets to reprice the expected path of RBA interest rate cuts, resulting in a flatter yield curve and relative underperformance of the front end.

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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