

# High Grade Bonds - a truly defensive allocation



JCB

JAMIESON COOTE BONDS

High quality government bond exposure should always have a seat at the asset allocation table as it can help to defend and protect portfolios by providing stability, liquidity and downside protection, especially in today's uncertain market.

## CC JCB ACTIVE BOND FUND

### ➤ AUSTRALIAN HIGH GRADE BONDS

CC JCB Active Bond Fund (Active Fund) provides exposure to Australian Government, semi-Government and supranational bonds – (AAA or AA rated securities). It aims to outperform the Bloomberg AusBond Treasury 0+Yr Index over rolling 3 year periods, after fees.

### ACTIVE FUND PERFORMANCE – 31 OCT 2020

APIR: CHN0005AU\*

Return	Fund	Benchmark	Excess
1 month	0.09%	0.12%	-0.03%
3 months	0.54%	0.58%	-0.04%
1 year	4.09%	3.51%	0.58%
3 years p.a.	5.97%	6.02%	-0.05%
Inception p.a. (3.8.16)	4.34%	4.07%	0.27%

### WHY INVEST?

- **Liquidity** – daily priced providing liquidity through all market conditions.
- **Diversification benefits** due to low correlation to risk assets as the portfolio has a zero credit allocation.
- **Income** – consistent and regular income to help meet the income needs of your clients.
- **Preserve capital** – offset risk exposures.

### RISKS

Refer to the PDS for more information on risks. The key risks for the Active Bond Fund and Global Bond Fund include:

**Investment risk** – amounts distributed to unitholders may fluctuate.

**Interest rate risk** – the risk of rising rates on capital gains if bonds are realised prior to maturity.

**Credit ratings risk** – a rating downgrade could reduce the value of a security in which the Active and Global Fund invests into.

## CC JCB GLOBAL BOND FUND

### ➤ GLOBAL HIGH GRADE BONDS

The CC JCB Global Bond Fund (Global Fund) provides global diversification through a highly defensive allocation across the G7 Governments.

The Global Fund offers both currency hedged and unhedged classes and the flexibility to switch between \$AUD hedged (to \$USD), and \$AUD unhedged, at no additional cost.

### GLOBAL FUND PERFORMANCE – 31 OCT 2020

#### Hedged (Class A) APIR: CHN4711AU\*\*

Return	Fund	Benchmark	Excess
1 month	-0.18%	-0.21%	0.03%
3 months	-0.68%	-0.56%	-0.12%
1 year	3.68%	3.65%	0.02%
Inception p.a. (25.2.19)	6.07%	5.77%	0.30%

#### Unhedged (Class B) APIR: CHN1425AU\*\*\*

Return	Fund	Benchmark	Excess
1 month	1.87%	1.87%	0.00%
3 months	1.44%	1.54%	-0.09%
1 year	1.97%	2.01%	-0.04%
Inception p.a. (25.2.19)	7.69%	7.73%	-0.04%

### WHY INVEST?

In addition to income, liquidity and capital preservation, the Global Bond Fund provides:

- **Global diversification benefits** through exposure to G7 Governments.

\*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, excluding taxation. 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.

\*\*Class A – Hedged to AUD. Benchmark refers to the Bloomberg Barclays Global G7 TRI Value Hedged AUD.

\*\*\*Class B – Unhedged to AUD: Benchmark refers to the Bloomberg Barclays Global G7 TRI Value Hedged USD (converted to AUD).

Performance is based on month end unit prices before tax in Australian Dollars. Net performance is calculated after management fees and operating costs, excluding taxation. 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.



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Specialist high grade bond manager, Jamieson Coote Bonds (JCB) believes investors should have a disaggregated fixed income allocation to high grade bonds within portfolios. JCB was formed in Melbourne in 2013 and manages over A\$4.5 billion on behalf of some of Australia’s largest superannuation funds, multi-family offices and retail investors. JCB opened an office in Singapore in early 2019 where Deputy CIO Kate Samranvedhya and Assistant Portfolio Manager Ben Wang, PhD, CFA, FRM extend the team’s investment capabilities in managing high grade bond portfolios.

In October 2019, JCB won the inaugural ‘Rising Star’ award at the Zenith Fund Awards. JCB represents change in the industry and a firm that has successfully built organisational and investment team strength. JCB was recognised for its robust investment philosophy and process and active approach to risk management, with the team displaying investment excellence across both qualitative and quantitative criteria over the last 12 months.



**MORE INFORMATION**

For more information, contact JCB’s investment manager partner, Channel Capital.

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This information has been prepared by the Investment Manager, JamiesonCooteBonds Pty Ltd ACN 165 890 282 AFSL 459018 (‘JCB’). Channel Investment Management Limited ACN 163 234 240 AFSL 439007 (‘CIML’) is the issuer of units in the CC JCB Active Bond Fund ARSN 610 435 302 and the CC JCB Global Bond Fund ARSN 631 235 553 (collectively ‘the Funds’). Channel Capital Pty Ltd ACN 162 591 568 AR No. 001274413 is JCB’s distribution partner. Neither CIML, Channel 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. This information should not be considered advice or a recommendation to investors or potential investors in relation to holding, purchasing or selling units in the Funds 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. For further information and before investing, please read the relevant Product Disclosure Statement available from [www.channelcapital.com.au](http://www.channelcapital.com.au) and [www.jamiesoncootebonds.com.au](http://www.jamiesoncootebonds.com.au).

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