

High Grade Bonds - a truly defensive allocation



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 unpredictable market.

CC JCB ACTIVE BOND FUND

➤ AUSTRALIAN HIGH GRADE BONDS

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.

The Fund aims to outperform the Bloomberg AusBond Treasury 0+Yr Index over rolling 3 year periods, after fees.

WHY INVEST?

- **Liquidity** – daily priced providing liquidity through all market conditions.
- **Diversification benefits** – 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.

CC JCB DYNAMIC ALPHA FUND

➤ GLOBAL ABSOLUTE RETURN HIGH GRADE BONDS

A global absolute return sovereign bond fund, allocating across G7 nations and selected highly rated countries, including Australia. The Fund aims to deliver stable and consistent returns over time irrespective of share and bond market movements.

The Fund aims to outperform the RBA Cash Rate by 2.50% p.a. (after fees) over rolling 3 year periods.

WHY INVEST?

- **Alpha generation** – unencumbered by benchmark relative constraints.
- **Liquidity** – daily priced providing liquidity through all market conditions.
- **Diversification benefits** – uncorrelated to traditional markets.

CC JCB GLOBAL BOND FUND

➤ GLOBAL HIGH GRADE BONDS

A global high grade bond strategy providing diversification through exposure to G7 Governments. It allows investors to diversify their portfolio by investing in a wider universe of high grade bond securities through offshore markets.

The 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.

WHY INVEST?

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

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

RISKS

Refer to the PDS for more information on risks. The key risks for the each of the Funds include:

- **Investment risk** – amounts distributed to unitholders may fluctuate.
- **Interest rate risk** – the negative impact 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 Funds invest into.
- **Credit risk** – risk that changes in the credit worthiness of an issuer come into question.

GOVERNMENT BONDS TYPICALLY EXHIBIT LOW TO NEGATIVE CORRELATION RELATIVE TO HIGHER RISK ASSETS AND MAY SUIT INVESTORS WHO ARE SEEKING EXPOSURE TO A HIGHLY DEFENSIVE INVESTMENT STRATEGY.

ABOUT THE MANAGER



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Specialist high grade bond manager, Jamieson Coote Bonds (JCB) was formed in 2013, employs seven investment staff in both Melbourne and Singapore, and manages over A\$4.7 billion (as at May 2021) on behalf of some of Australia's largest superannuation funds, multi-family offices and retail investors. JCB's objective is to provide investors with genuine portfolio defence and liquidity across all market cycles and believes investors should have a disaggregated fixed income allocation to high grade bonds within a well-diversified portfolio.

MORE INFORMATION

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

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