Mutual Cash Fund (MCTDF)

Fund Report | July 2026

Mutual Limited

Performance

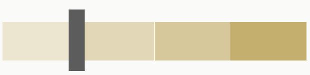
	3 Mth	6 Mth	1 Yr	3 Yr *	5 Yr *	Incep. *
Fund Net Return	1.10	2.12	4.12	4.48	3.42	2.88
AusBond Bank Bill Index	1.11	2.06	3.94	4.21	3.19	2.48
Relative Performance	**-0.01**	**0.06**	**0.18**	**0.27**	**0.23**	**0.40**

*Returns greater than 1 year are per annum

Gross Running Yield

4.64%

Risk Profile



Low-Medium

Key Facts

Fund Objective
To source and actively manage a portfolio of the best term deposits offered by the Big 4 major Australian banks with small cash holdings to provide fund liquidity, targeting capital security for investors and net returns that outperform the Bloomberg AusBond Bank Bill Index and cash alternatives.

Benchmark Index
AusBond Bank Bill Index

Inception Date
September 2011

APIR/ISIN
PRM0010AU/AU60PRM00103

Distribution
Quarterly

Buy/Sell Spread
Nil / Nil

Minimum Investment
$20,000 ($1 via IDPS)

Min. Allocation to Big 4 Banks
100%

Ratings
Zenith Recommended
Lonsec Recommended

Portfolio Statistics	
Liquidity	Up to 5 days
Yield	4.64%
Duration	89 days
Authorised Investments	
Big 4 Banks	100%
Current Portfolio Diversification	
No. of Counterparties	4
No. of Deposits	44
Fund size	$905.23m

Monthly Commentary

MCTDF returned 0.38% (net) in July.

July handed back June's disinflation dividend. Brent crude surged 23.6% to US$90 as the Iran vs US ceasefire agreement was torn up and hostilities recommenced anew. The July move almost exactly reversed June's 21% fall. The return of energy driven inflation risk at precisely the moment underlying inflation was finally improving is an awkward combination. The bond market reacted with rates moderately higher. Australian 3-year yields rose 13bps to 4.49% and 10-year yields rose 21bps to 4.93%.

In local data, employment rose +76k in June against a consensus of +15k, following a +44k gain in the prior month. The participation rate climbed to 67.0% from 66.7%, allowing the unemployment rate to hold steady at 4.4%. Beneath the headline numbers underemployment, under-utilisation and youth unemployment rates all rose, which points to a gradual easing in labour market conditions. Australian inflation data was also a tale of two measures. Headline CPI eased to 3.8% year-on-year, undershooting the 4.0% consensus and improving on the prior 4.0% - genuinely encouraging. But the trimmed mean, which is what the RBA targets, firmed again to 3.6% from 3.5%.

The RBA did not meet in July, with the next scheduled monetary policy meeting on August 10 – 11. Market pricing is now pointing to the RBA being on hold, which is now the position of most economists. All of the 4 major banks have no more rate hikes in their forecasts, with CBA and NAB looking for the first rate cut to land in Q2 2027.

With the cash rate likely on hold BBSW only ticked up slightly over the month. The yield curve remains positive illustrating market pricing is not as aligned to the on-hold story. This will keep the running yield on the fund tracking higher which is supportive for fund returns.

Platform Availability

AMP, Asgard, BT Panorama, Centric, CFS, Dash, Expand, Hub24, Insignia, Macquarie, Mason Stevens, Netwealth, Powerwrap, Praemium

Zenith RECOMMENDED

Recommended Lonsec Research

Signatory of: PRI Principles for Responsible Investment

Mutual Limited

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