



July 2022

This is a Preliminary Report

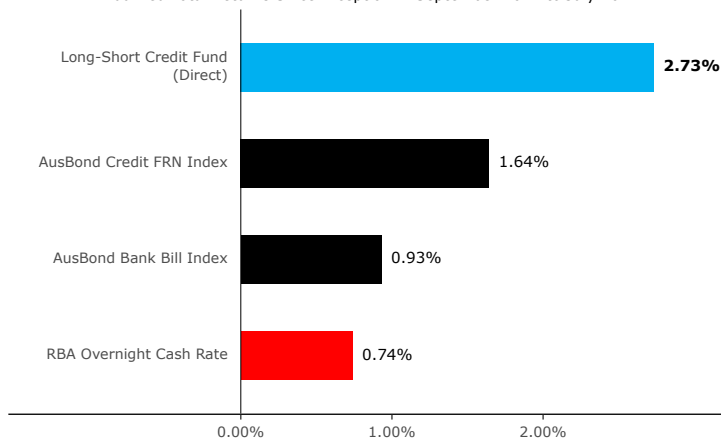
Objective: An absolute return fixed-income strategy focused on exploiting long and short mispricings in credit markets that targets high-yield like returns above the Reserve Bank of Australia (RBA) cash rate plus 4% to 6% p.a. over rolling 3 year periods with volatility of less than 5% p.a. after Management Fees, Administration Fees and Performance Fees.

Strategy: We add value via active asset-selection using a range of valuation models with the aim of delivering superior risk-adjusted returns, or alpha, to traditional hedge funds. We primarily invest in senior and subordinated debt securities, hybrids and derivatives issued by Australian entities domestically, although we can invest in these securities when they are issued overseas, or by overseas entities (into Australia or offshore). The Fund can use gearing and targets holding the majority of its portfolio in investment-grade securities. It is managed by Coolabah Capital Investments.

Period Ending 2022-07-31*	Gross Return (Direct)	Net Return (Direct) [†]	RBA Cash Rate	Gross Excess Return [‡]	Net Excess Return (Direct) ^{†‡}
1 month	1.40%	1.34%	0.10%	1.30%	1.24%
3 months	-2.84%	-3.08%	0.18%	-3.02%	-3.26%
6 months	-1.93%	-2.39%	0.19%	-2.12%	-2.58%
1 year	-3.43%	-4.37%	0.21%	-3.64%	-4.58%
2 years pa	2.27%	0.58%	0.13%	2.13%	0.45%
3 years pa	2.87%	1.16%	0.28%	2.59%	0.88%
4 years pa	4.46%	2.54%	0.57%	3.90%	1.98%
Inception pa Sep. 2017	4.60%	2.73%	0.74%	3.86%	1.99%

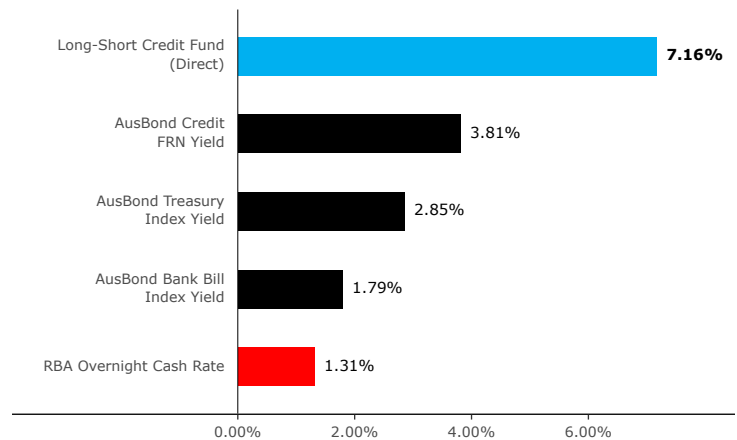
Long Short Credit Fund Returns (Net) vs Comparisons

Annualized Total Returns Since Inception in September 2017 to July 2022



Data Source: RBA, Bloomberg, Mainstream, Coolabah Capital Investments

31 July 2022 Gross Running Yield



Data Source: RBA, Bloomberg, Coolabah Capital Investments

* Most recent month returns in this report are estimated. [†] Net returns are calculated from the historic gross returns using the current fee structure as displayed in the Product Disclosure Statement. [‡] The Excess Return columns represent the gross and net return above the RBA cash rate.

Disclaimer: Past performance does not assure future returns. Returns are shown net of all Management and Performance fees unless otherwise stated. All investments carry risks, including that the value of investments may vary, future returns may differ from past returns, and that your capital is not guaranteed. To understand Fund's risks better, please refer to the Product Disclosure Statement available at Coolabah Capital Investments' [website](#).

Note: all portfolio statistics other than running yield reported on gross levered value

Net Monthly Returns > RBA Overnight Cash Rate	73%	Modified Interest Rate Duration	2.71 years
Gross Portfolio Weight to Cash Securities	9.2%	Gearing Permitted?	Yes
Gross Portfolio Weight to Bonds	92.5%	1 Year Av. Gross Portfolio Weight to Cash	7.7%
Av. Portfolio Credit Rating	AA-	Gross Portfolio Weight to AT1 Hybrids	5.8%
Portfolio MSCI ESG Rating	A	Gross Cash Securities + RBA Repo-Eligible Debt	79.6%
No. Cash Securities	19	Net Annual Volatility (since incep.)	3.19%
No. Notes and Bonds	120	Net Sharpe Ratio (since incep.)	0.62x
Av. Interest Rate (Gross Running Yield)	7.16%		

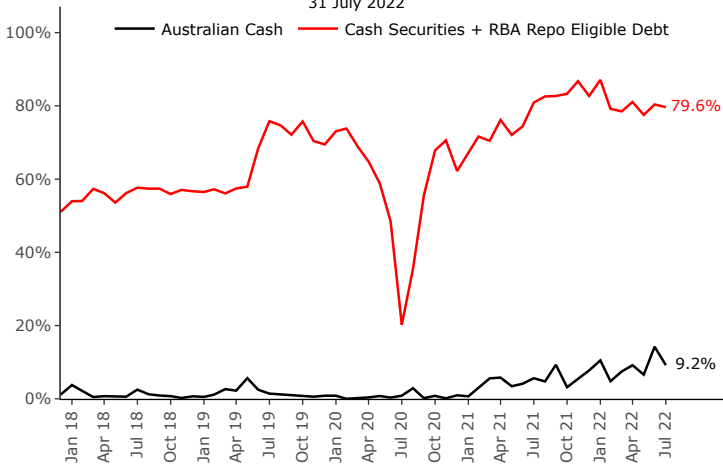
Awards: FE Alpha Manager 2019: Christopher Joye; **Ratings:** Lonsec available to advisers; Recommended (Atchison); 'Superior More Complex' (Foresight Analytics)



Asset weighted average rating

Portfolio Weights: Cash + RBA Repo Eligible Debt

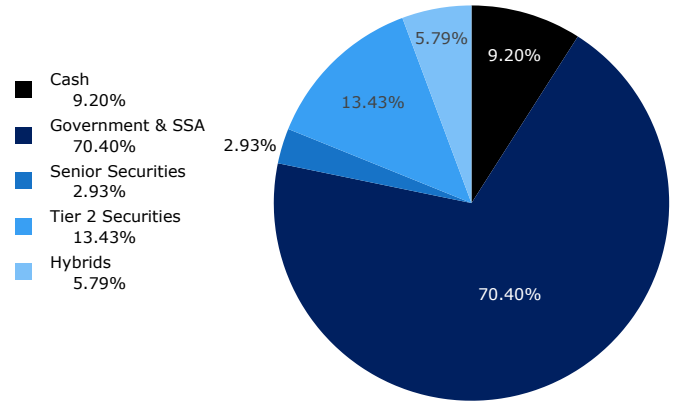
31 July 2022



Data Source: Coolabah Capital Investments

Long Short Credit Fund Portfolio Composition (GAV)

(Gross Levered Statistics) - 31 July 2022

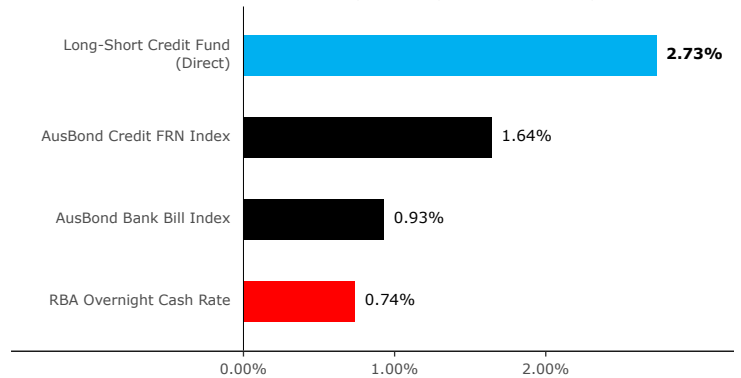


Data Source: Coolabah Capital Investments



Long Short Credit Fund Returns (Net) vs Comparisons

Annualized Total Returns Since Inception in September 2017 to July 2022



Data Source: RBA, Bloomberg, Mainstream, Coolabah Capital Investments

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The since inception gross (net) return of 4.60% pa gross (2.73% pa net) is the total annual return earned by the fund since Sep. 2017, including interest income and movements in the price of the bond portfolio after all fund fees (assuming net returns are calculated from the historic gross returns using the current fee structure as displayed in the Product Disclosure Statement). The net return quoted applies to the Smarter Money Long-Short Credit Fund - Direct Investor Class, with quarterly distributions reinvested. Each investor's return will vary depending upon their own investment date and any top-ups and withdrawals they make. The annualised volatility estimate of 3.19% pa is based on the standard deviation of net daily returns since inception, which are then annualised, attributable to the Smarter Money Long-Short Credit Fund - Direct Investor Class.

Portfolio Managers	Christopher Joye, Ashley Kabel, Dr Stephen Parker, Dr Nick Campregher (Coolabah Capital Investments)		
APIR Code	SLT2562AU	Fund Inception	31-Aug-17
ISIN	AU60SLT25623	Distributions	Quarterly
Morningstar Ticker	41597	Unit Pricing	Daily (earnings accrue daily)
Asset-Class	Alternatives/Hedge Funds	Min. Investment	\$1,000
Target Return	Net 4.0%-6.0% pa over RBA cash rate	Withdrawals	Daily Requests (funds normally in 3 days)
Investment Manager	Coolabah Capital Investments (Retail)	Buy/Sell Spread	0.00%/0.05%
Responsible Entity	Equity Trustees	Mgt. & Admin Fee	1.00% pa
Custodian	Mainstream Fund Services	Perf. Fee	20.5% of returns over RBA cash rate + 1.00% pa

Portfolio commentary: The zero-duration and daily liquidity Long-Short Credit Fund (LSCF) ended July with a running yield of 7.16%, a yield to call/maturity of 12.18% (assuming current funding costs), a weighted-average credit rating of AA-, and a portfolio weighted average MSCI ESG rating of A. In July, LSCF returned 1.40% gross (1.34% net), outperforming the RBA Overnight Cash Rate (0.10%), the AusBond Bank Bill Index (0.12%), and the AusBond Credit FRN Index (0.24%).

Since the inception of LSCF 4.9 years ago in September 2017, it has returned 4.60% pa gross (2.73% pa net), outperforming the RBA Overnight Cash Rate (0.74% pa), the AusBond Bank Bill Index (0.93% pa), and the AusBond Credit FRN Index (1.64% pa). While LSCF's return volatility since inception has been low at around 3.19% pa (measured using daily returns), as a daily liquidity product with assets that are marked-to-market using executable prices, volatility does exist. This contrasts with illiquid credit (eg, loans and high yield bonds) wherein assets that have very high risk can appear to have remarkably low volatility, which is, in fact, just a mirage explained by the inability to properly value these assets using executable prices.

Strategy commentary: There were some very significant shifts in global asset pricing in the month of July that were also associated with the advent of strong returns from fixed-income, after a challenging period since late 2021 as risk-free rates and credit spreads soared.

Having been extremely negative on credit spreads and interest rate risk in late 2021—holding close to record low exposures to both variables—Coolabah has been much more constructive on both spreads and interest rate duration since late May. We have monetised around \$8.2 billion of credit hedges and credit shorts, and are buyers, rather than sellers, of select credit assets at historically elevated spread levels.

All of our contrarian macro forecasts from late 2021 regarding interest rates, equities, credit, housing, crypto and a US recession have more or less come to pass. At this juncture, we have far less conviction in the outlook compared to our aggressive views in December.

We are negative on global growth but feel bond markets have now appropriately priced in the interest rate tightening cycles in the US and locally. We remained concerned about downside risks to the bell-weather asset-class that is US equities via a vulnerable earnings channel after the surprise (for the market) jump in discount risks forced the circa 30% correction that we were looking for late last year.

Inflation has forced the Fed to hike to the 2.5-3.0% range that we were expecting (and likely now beyond), yet many of the supply-side drivers of the recent inflation shock are now dissipating while demand is being crushed by record increases in interest rates.

Our portfolios have tremendous capacity to add credit risk, which we are still structurally underweight. And we remain extremely excited about alpha generating opportunities in other non-credit sectors, such as Commonwealth and State government bonds, which contributed to performance in July.

Fixed-Income Bounces Back

In the short-duration, or “floating-rate”, bond world, the AA- rated AusBond Floating-Rate Note (FRN) Index returned 0.24% in July, helped by its robust 3.81% yield, which has lifted by a factor of 9 times from just 0.43% in August last year. This was the AusBond FRN Index’s best month since October 2020.

Further down the credit rating spectrum, the BBB- rated major bank ASX Hybrids Index also had a very solid month, returning 1.60% as hybrid spreads compressed sharply over July following a period of weakness since May 2022 care of a surge in new supply.

Hybrids have benefited from both wider credit spreads and a higher benchmark bank bill swap rate (aka BBSW). In December 2021, 5-year major bank hybrid spreads shrank to as little as 207 basis points (bps) over BBSW in line with Coolabah’s forecasts at the start of 2021. They finished July 2022 over 100bps wider at 309bps, primarily as a function of a torrent of new primary market issuance from all four major banks and Macquarie, which is unusual in such a short, six-month period.

Strategy commentary cont'd: Given the big moves in other global investment-grade spreads, exemplified by the major banks' Tier 2 bonds, which pushed as much as 155bps wider from their 2021 tights, one might have expected 5-year major bank hybrid spreads to have traded out as far as 400bps (Coolabah's proprietary, constant-maturity, 5-year major bank hybrid index peaked at 369bps in mid-June). ASX hybrids have, however, been exceptionally resilient, and one of the best - if not the best - performing fixed-income asset-classes globally during the inflation shock. This is probably attributable to retail demand for high-yielding, floating-rate assets that have proven their liquidity in extreme shocks such as the unprecedented March 2020 event.

The rise in the BBSW benchmark above which hybrids pay a spread (or margin) has been a much more significant contributor to total returns than outright spread moves. Three-month BBSW has leapt from 0.01% in 2021 to 2.12% at the time of writing. This means a 5-year major bank hybrid's running yield has improved from about 2.08% to 5.21% in just seven months (or by 313bps in total). Of course, the jump in BBSW benefits all floating-rate bonds (ie, not just hybrids). We will return to the subject of spreads moves later.

The stand-out performer in July was, however, the long- (rather than short-) duration, fixed-rate (as opposed to floating-rate) AusBond Composite Bond Index, which returned a stellar 3.36% in the month, albeit after suffering record losses since August 2021 (as government bond yields exploded by a factor of four). This was, in fact, the index's best monthly result since September 1998 and its third best month since its inception 33 years ago.

Coolabah had been advising clients that we were more constructive on long duration exposures via fixed-rate bonds after the US 10-year government bond yield exceeded our December forecast for it to increase beyond 3.2%. In the month of July, Coolabah's Active Composite Bond strategy (FIXD) outperformed the index, returning 3.51% in July, which was its best result since its inception in March 2017.

This was driven by a large reduction in expected future interest rates, marginally tighter credit spreads, and the new tailwind afforded by the AA rated index's attractive 3.11% yield, which has increased from a miserly 0.75% last year.

In June, traders expected the RBA to lift its cash rate to as high as 4.5% as part of the current tightening cycle. Yet in July they pared back those beliefs to a much more palatable 3.1% terminal RBA cash rate. At the end of July, the RBA's cash rate was 1.35% (the highest it has been since June 2019). This is projected to climb to 1.85% following a 50bps hike at the central bank's August meeting, which would put the cash rate at its loftiest level since May 2016.

Lower risk-free rates (ie, government bond yields) boosted the price of fixed-rate bonds. At the same time, some credit spreads tightened somewhat, which also supported total returns.

In the State government bond market, 10-year NSW and Victorian spreads above the Commonwealth government bond yield curve contracted from 60 and 62bps, respectively, to circa 57bps over the course of July (based on Coolabah's proprietary indices). This was a function of extraordinarily strong buying of State government bonds by banks searching for liquid assets (see [here](#) and [here](#)), which has been a core [Coolabah hypothesis since late 2021](#). We estimate that Aussie banks have to buy between **\$220bn and \$440bn of State bonds alone** by December 2024 (or total government bond buying of \$315bn to \$570bn), which will be 4-7 times bigger than the RBA's quantitative easing program vis-à-vis the State bond sector. Concurrently, we have also watched the States slash their expected debt issuance for FY23 from original estimates in 2021 of **\$86bn to less than \$64bn at the time of writing**. This was a second core, and contrarian, thesis that Coolabah had published in 2021.

Tighter State bond spreads were also facilitated by a very slow unwinding of the record increase in swap spreads, which is a topic we will drill into in more detail later.

In June and early July, State government bond spreads had remarkably blown-out to their March 2020 pandemic levels of around 60-62bps over Commonwealth bonds as a result of the unprecedented increase in swap spreads, which is a hedging cost, making them one of the cheapest fixed-income sectors globally. Indeed, Coolabah is not aware of any other global bond sector that has been trading at March 2020 levels.

Strategy commentary cont'd:

10-year NSW and Victorian Spreads over Commonwealth Bonds

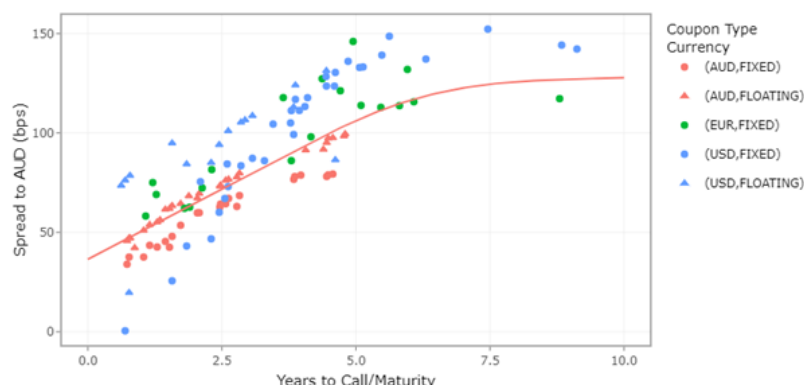


State Spreads Above Commonwealth Bonds (bps)

	NSW 10yr spreads	Victorian 10yr spreads
30-Jun-22	59.2	60.7
Average Since 2013	36.6	34.0
Current margin above average	22.6	26.7
March 2020 average	62.4	60.0

Source: YieldBroker; Coolabah Capital Investments

One rating notch lower in the AA- rated 5-year major bank senior bond market, credit spreads compressed modestly in July from 97 to 95bps over BBSW. There has been foreign bank demand to buy 5-year major bank bonds despite their very rich levels to the US dollar market. Coolabah is neutral on this part of the bank senior curve, having been short the sector from about 25bps over BBSW through to current levels. The chart below shows all Aussie major bank bonds in AUD, USD and EUR, swapped back to AUD. Observe that the pink dots around 5 years appear very expensive.



A different story has been playing out in the major banks' BBB+ rated Tier 2 bond market where spreads increased sharply in July from 243bps to 263bps over BBSW on the back of outflows from credit funds (at an inopportune time for investors, who have seemingly picked the bottom) and a large new \$1.25 billion issue from NAB that we discuss in more detail below. Tier 2 appears to be one of the cheapest sectors in the Aussie fixed-income market, and is an area that we have been adding to our portfolios.

Strategy commentary cont'd: Similar pain was evidenced in the much more illiquid residential mortgage-backed securities (RMBS) market where Coolabah's proprietary index of 3-year weighted-average life non-bank RMBS spreads increased from 142bps to 149bps over BBSW in July (the 2021 tightness was circa 73bps). The RMBS market has struggled more than any other with the withdrawal of bank balance-sheet bids following [APRA's wise decision to shutter the banks' \\$140bn Committed Liquidity Facility in 2021](#), which is something [Coolabah forecast in August last year](#). We argued that the CLF's closure would be **very negative** for both bank senior and RMBS given banks used the CLF to buy both these asset-classes. Yet whereas the senior bond market has global demand, Aussie RMBS is a much more idiosyncratic, and mostly domestic product (albeit with quite a lot of recent Asian interest). Banks can further raise capital via the deposit market: non-bank lenders are limited to issuing RMBS. As house prices experience a record draw-down, and mortgage default rates climb, Coolabah expects RMBS spreads to continue to widen appreciably from current levels.

The ASX hybrid market's robust returns in July were driven by material spread compression with our 5-year major bank curve contracting from 334bps to 309bps, inside post-2013 average spreads around 346bps. While we had forecast superior performance out of the ASX hybrid market as a consequence of risk premia compression, current spread levels are now tight relative to higher-ranking (and rated) major bank Tier 2 bond spreads sitting at 263bps. Given the choice, we prefer Tier 2 over AT1 hybrids right now.

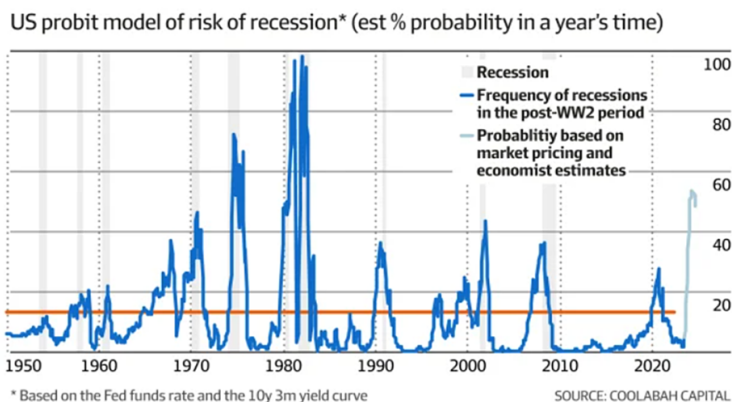
US Enters Technical Recession

One of the most important developments in July was the ramping-up of expectations of a US recession combined with evidence that the supply-chain blockages that have plagued the global economy since 2020 are gradually dissipating. Global freight indices have declined by more than 50% from their recent peaks, timber prices are off some 62%, and key commodity prices, such as oil and copper, have recently fallen by more than 20%. There are also hints that there may be an attenuation in core inflation and wage pressures in the US, which, if confirmed, will obviously help ameliorate the risk of the Fed having to hike its cash rate beyond the restrictive 3.0-3.5% range that it is currently targeting.

Coolabah has [consistently forecast a US recession](#) using models that [draw on both bond and equity market data](#). Our preferred bond market model was reporting the highest probabilities of a US recession since the early 1980s. In fact, when our chief macro strategist Kieran Davies ran this model all the way back to 1950, it had a perfect strike-rate anticipating US recessions when the probabilities were as high as those we published [in April](#).

On Thursday last week, the US officially entered a technical recession after experiencing the second consecutive quarter of negative economic growth, which is the most commonly used definition. Our model pointed to a recession emerging in 2023, so this technical dip is earlier than expected. But there is doubtless much more demand destruction—and economic adversity—to come as the sharp increase in US interest rates crushes activity.

This is why the bond market is signalling that the Fed will have to eventually cut rates. The current US 10-year government bond yield of 2.65% is materially below the peak cash rate of 3.3% that the market believes the Fed will hit by the end of this year. Put another way, the yield curve is inverted.



Strategy commentary cont'd: The zeitgeist is now changing for all asset-classes. In late 2021, we were publicly very negative on everything, including fixed-rate bonds, credit spreads, equities, property, and crypto. Our central case was that US equities would fall by more than 30% as the US 10-year government bond yield climbed from its 1% level at the time to north of 3.2% (it eventually hit 3.46%). The trigger for these moves would be the need for the Fed to lift its cash rate to 2.5-3.0%, miles above the 1.3% market forecast at the time. This would smash fixed-rate bonds and push global credit 75-125 basis points wider. As it happened, fixed-rate bonds reported record losses of 12-15% while credit spreads leapt 100-150 basis points wider.

One event that surprised us was the parallel explosion in 10-year Australian swap spreads, which moved much higher than comparable global swap spreads, as a result of the unprecedented events surrounding the Reserve Bank of Australia dumping its 2024 yield curve target in October last year. (The RBA technically failed to defend the target and then dropped it at its November board meeting.)

This imposed massive losses on global investors that were long Aussie bonds on the basis they believed in the RBA's public commitment to keeping the yield on the 2024 Commonwealth bond at 0.1% (ie, a commitment to not increase the cash rate until 2024). The shock of the dramatic shift in policy, and the subsequent vaporisation of liquidity in the swaps market, meant that it has taken some larger investors many months to exit their positions, which have only recently cleared.

Higher swap spreads created a chain-reaction across other markets as investors use swaps to manage their interest rate risk. As hedging costs jumped, the market demanded even larger yields from other ostensibly unrelated assets, such as State government bonds, as compensation. This was a key driver of the explosion in State bond spreads to March 2020 levels.

In July, however, there was some modest relief with 10-year Australian swap spreads compressing from an intra-month peak north of 52bps, which was a new post-clearing record, to end the month around 41bps. This was foreshadowed by some pioneering quantitative research published by one of Coolabah's portfolio managers, Matthew Johnson, which extended his novel fundamental model of Australian swap spreads to include globally cointegrated factors:

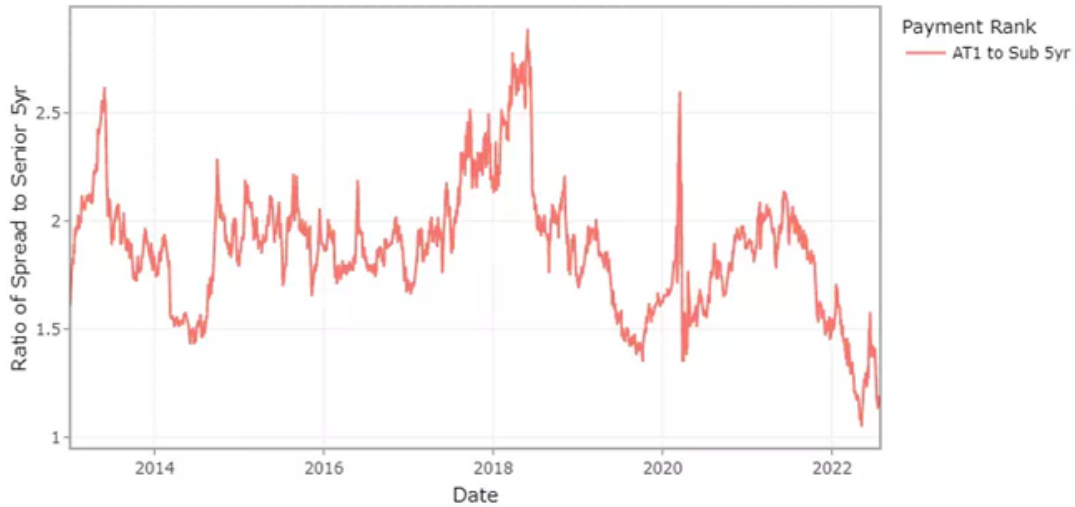
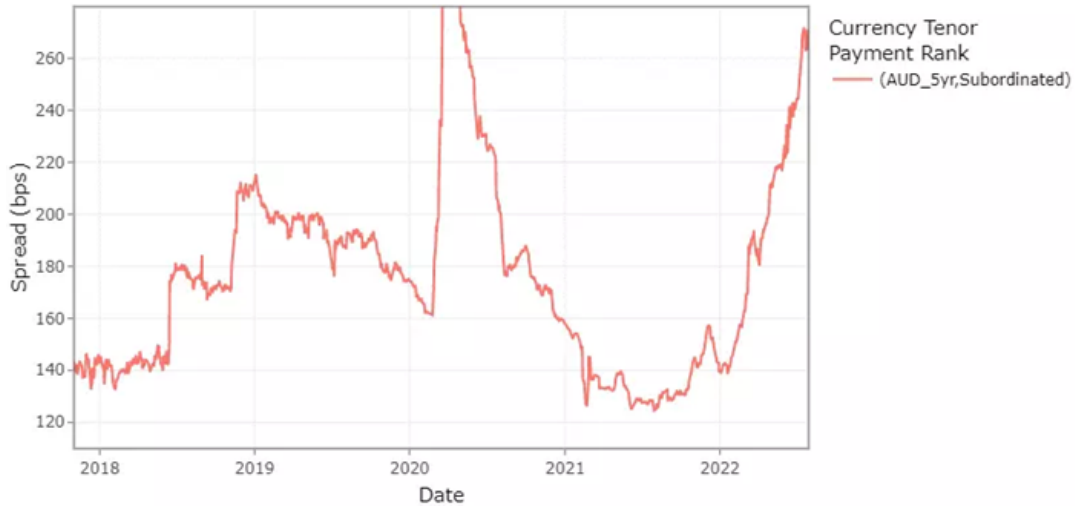
We found that an omitted variable in our previous fundamental model of Australian bond-swap spreads was a global factor, which is a significant driver of swap spreads over time. Adding this global factor to our model improves explanatory power, however it does not fully explain the recent rise in Australian swap spreads. Even after accounting for the widening of global spreads, AUD 10yr spreads are over 20bps wide of where historical relationships suggest fair value is right now.

While spreads may vary from this model's projections for some time, we are confident in the long-term gravity that fair value exerts. Australian bonds are rich relative to USD OIS, so investors should substitute to cheaper bonds and issuers should look to issue into AUD. This is a patient, but very real, force.

It is notable that the gap to fair value is at all-time wides on both short term and long-term models. In terms of timing, we are encouraged by the recent tightening of EUR Swap spreads, and the tightening of model-fair-value. This comports with our fundamental view of the outlook for global spreads and our views around the outlook for global and local Government bond issuance.

Since the second half of 2021, Coolabah has monetised around \$8.2 billion of credit shorts to capitalise on wider spreads, primarily focussed on US and European credit, as an expression of our negative outlook. The slides below summarise the efficacy of these trades.

Strategy commentary cont'd:



Rate Cuts Coming into Frame

Financial markets have shifted from focussing on pricing extreme interest rate hikes to now turning their minds to the rate cuts that may be required to support economies being slowly suffocated by tight monetary policy.

Here in Australia, our 10-year government bond yield has fallen over 100 basis points from a peak of about 4.2% in mid-June to only 3.1%.

While media reporting of the Aussie inflation data last week concentrated on the enormous 6.1% headline result, bond markets actually rallied, pricing in lower - not higher - interest rates, because the data was not as bad as traders feared.

In fact, the peak in the quarterly rate of inflation may have passed with the 1.8% outcome in the June quarter below the March quarter's 2.1% pace.

Listening to Fed Chair Jay Powell speak following the Fed's decision to raise rates by another 75 basis points last week, one could detect a distinct shift. Powell said the Fed was now at its "neutral", 2.5%, cash rate. And while there were more hikes to come, they would be more modest in size.

Since the RBA is seemingly aping everything the Fed does, one might expect a similar change in tone, albeit with an inevitable delay given the RBA's rigid ways.

Strategy commentary cont'd: There will likely be a string of data that emerges to support the idea that the RBA is hiking rates too aggressively and unnecessarily eviscerating activity in the name of responding to a nebulous inflation expectations threat.

We saw signs of this in the retail spending data last week, which undershot forecasts. Since consumer confidence has crashed to GFC-like levels, spending will follow despite the claims that wages growth is strong and savings are high.

Inflation-adjusted wages growth is actually negative and disposable household incomes are getting destroyed by the RBA's record interest rate increases. The RBA's own research shows that about 40% of all borrowers will suffer more than a 30-40% increase in their debt repayments as a share of their incomes if the RBA satisfies market expectations for future cash rate increases.

Aussie Housing Key for the RBA

The other big tell in the data is of course the housing market. In the month of July, Sydney home values have plummeted more than 2%, the largest monthly loss in over 32 years of data according to CoreLogic. Sydney dwelling values have now declined by 5.2% from their recent peak. Since the RBA first raised rates on 4 May, home values in Sydney have been shrinking at an incredible 23% annual rate.

The story is similar in Melbourne where dwelling values have declined by more than 1.3% in July (and by over 3.2% from their peak). Since 4 May, Melbourne prices have been melting at a 16% annual pace.

As we previously warned, Brisbane has well and truly joined the party with prices in that city falling almost 1% in July. It appears that the only major capital city not suffering house price falls is Perth, although that market also looks to now be rolling over.

Our position [since October 2021](#) has been very explicitly laid out: we are forecasting a record 15-25% decline in national prices after the first 100 basis points of RBA rate increases.

Some claim that interest rate increases don't have a big impact on house prices, suggesting the other demand and supply-side variables, such as population growth and new housing supply, are more important.

Yet the [RBA's empirical research](#) clearly shows that the most powerful determinant of house price movements since 2011 has been changes in mortgage rates with comparatively little influence attributable to population growth and/or building approvals.

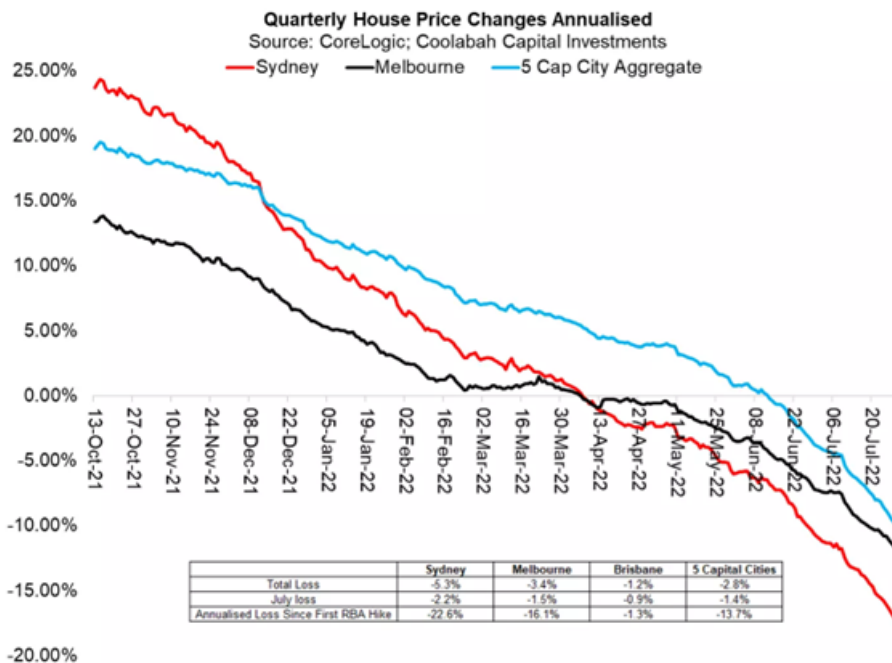
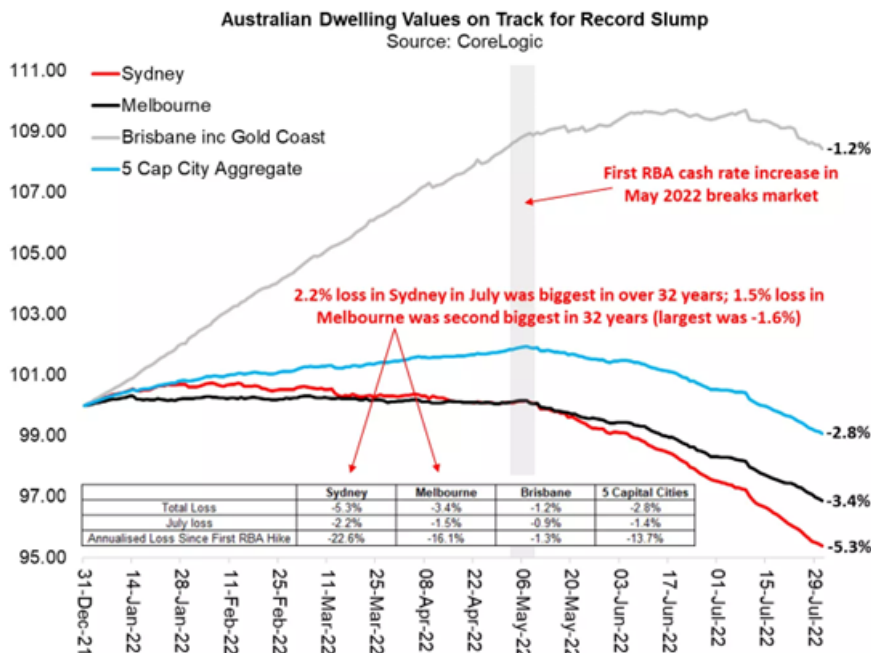
This makes intuitive sense. A one percentage point drop in your mortgage rate can improve your borrowing capacity by as much as 10-15 percentage points, which immediately impacts your purchasing power. Mortgage rates have moved dramatically (down and now up) since 2011. Crucially, these big shifts in purchasing power instantly affect almost all buyers.

By way of contrast, annual population growth of 1-2% and new building approvals representing 1.5% of the housing stock are not going to profoundly reshape the market's demand and supply-side dynamics over the next year.

Households are also becoming much, much more sensitive to changes in interest rates as household debt relative to disposable incomes has surged from 110% back in 2000 to 187% today. Our research finds that the huge increase in household debt means that an RBA cash rate of 3.5% today would be equivalent to a cash rate of around 7% in 2008 in terms of the share of income paid to service repayments of principal and interest on household debt.

The first chart below shows that the catalyst for the great Aussie housing crash was the RBA hiking rates in May 2022, which triggered a clear structural breakdown (observe how all markets' growth rates change quite sharply after the grey shaded line).

Strategy commentary cont'd:



It is important to remember that the city-wide results cover millions of homes: individual suburbs will be recording much larger or smaller losses depending on their circumstances. This is why we often hear agents say, "Price falls are much larger in my postcodes". Property price movements in individual suburbs often vary markedly from the extremely well diversified city-wide index numbers simply because of the idiosyncratic conditions that impact those localities.

The two notable hold-outs nationally are Adelaide and Perth, which managed to capture small capital gains of 0.4% and 0.2% in July, respectively. It is reasonable to assume that at some point these markets will give up the ghost, or at the very least stop realising price appreciation.



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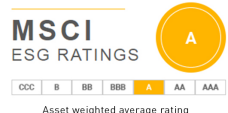
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