

**ITEM 9 STATEMENT OF INVESTMENT - DECEMBER 2025**

This report provides an overview of Council’s investment portfolio performance for the reporting period December 2025.

Council performed above benchmark for December 2025. The December result was primarily due to the positive valuations of the consolidated NSW TCorp investments and continued reinvestment of funds at improved interest rate yields. The remainder of Council’s portfolio continues to provide a high degree of credit quality and liquidity.

Month	Weighted Average Return	Benchmark Return
December 2025	0.37%	0.31%

**RECOMMENDATION**

Council receive the Statement of Investment for December 2025.

**REPORT AUTHORISATIONS**

Report of: Brian Jenkins, Chief Financial Officer  
 Authorised by: Renee Campbell, Director Corporate Services - Connected + Engaged City

**ATTACHMENTS**

- 1 Statement of Investment – December 2025
- 2 Investment Income Compared to Budget 2025-2026

**ACRONYMS USED IN REPORT**

Abbreviation	Meaning
CBA	Commonwealth Bank of Australia
Order	Ministerial Investment Order
RBA	Reserve Bank of Australia

**BACKGROUND**

Council staff monitor Council’s cash flow on a daily basis and mandated to invest surplus funds in accordance with the Ministerial Investment Order and Office of Local Government guidelines. The Order reflects a conservative investment approach and restricts investment types available to Council. In compliance with the Order and Office of Local Government guidelines, Council adopted an Investment Policy on 12 December 2022. The Investment Policy provides a framework for Council to manage investment credit quality, institutional diversification and maturity constraints. Council’s investment portfolio was controlled by Council’s Finance Division during the period and has remained in compliance with the Investment Policy. Council’s Audit, Risk and Improvement Committee provide oversight of Council’s Investment Policy and Investment Management Strategy.

Council’s Responsible Accounting Officer, the Chief Financial Officer, is required to sign the complying Statement of Investment contained within the report, certifying that all investments were made in accordance with the Local Government Act 1993 and the Local Government Regulation 2005.

Council’s investment holdings at 26 December 2025 were \$255,593,148 (Statement of Investment attached) [27 December 2024 \$190,463,761], and includes Council’s interest in CivicRisk Mutual Ltd.

Council had an average weighted return for December 2025 of 0.37% which was above the benchmark return of 0.31%. The result was primarily due to the positive valuations of the consolidated NSW TCorp investments and continued reinvestment of funds at improved interest rate yields. The remainder of Council’s portfolio continues to provide a high degree of credit quality and liquidity.

The Reserve Bank of Australia (RBA) meets eight times a year to review the economy and decide on interest rates. At their meeting on 2 February 2026, the RBA decided to lift the official cash by 0.25% up to 3.85%.

The RBA is keeping a close eye on economic data and global risks to help guide future decisions. They're especially cautious because there's still a lot of uncertainty about how things will develop, both in Australia and overseas. Their main goal is to keep prices stable.

For Council investments, interest rates are regularly reviewed to make sure returns are maximized. This includes looking at different credit ratings and investment timeframes to get the best value from committed funds.

At 26 December 2025, year to date interest and investment revenue of \$5,073,503 was recognised compared to the year to date budget of \$5,078,221.

Council's 26 Floating Rate Notes had a net decrease in value of \$228,596 for December 2025.

Council holds two Mortgage-Backed Securities. In December 2025, their value increased by \$8,542. These investments are hard to sell quickly and have long amortised lives which affects their market value. The interest rate (coupon margin) is based on pricing from before the Global Financial Crisis, which is less favourable today.

Although Council can't control when these investments mature, advisors have said the capital isn't at risk right now. Because the investments are difficult to sell, they've recommended holding onto them for the time being to ensure continued diversification of Council's investment mix.

Council holds two investments within the NSW TCorpIM Funds; Long-Term Growth Fund and Medium-Term Growth Fund. The Long-Term Growth Fund recorded a net increase in value of \$17,379 in December 2025. The Medium-Term Growth Fund recorded a net increase in value of \$3,781 in December 2025. The fluctuations in both the Long-Term Growth and Medium-Term Growth Funds are a reflection of the current share market volatility both domestically and internationally and is diversified across a number of different asset classes with differing risk and return characteristics.

Council's Investment Policy allows up to 40% of its investments to be held with any one AAA-rated institution. This includes the Commonwealth Bank of Australia (CBA), where Council keeps its operating cash in a savings account. As of the end of December 2025, Council's exposure to CBA was 10.68%, which is safely below the target limit of 25%.

The current investment portfolio follows the rules set out in Council's Investment Policy, which was approved on 12 December 2022. The Responsible Accounting Officer has signed off on the investment report, confirming that all investments meet the requirements of the Local Government Act 1993 and the Local Government Regulation 2005

## PLANNING AND POLICY IMPACT

This report contributes to the delivery of Our Wollongong Our Future 2035 Goal 4 "*We have a healthy, respectful, and inclusive community*". It specifically delivers on the following:

Community Strategic Plan 2035	Delivery Program 2025-2029
Strategy	Service
4.14 Council demonstrates responsible leadership that is customer focused, demonstrates respect and inclusion, and uses resources that are managed effectively to ensure long-term sustainability.	Financial Services

## CONCLUSION

Council's investment portfolio delivered an overall return above the benchmark. The result was primarily due to the positive valuations of the consolidated NSW TCorp investments and continued reinvestment of funds at improved interest rate yields.

The portfolio remains compliant with Council's adopted Investment Policy and relevant legislative requirements, maintaining a high standard of credit quality and liquidity. Council's proactive approach to investment management, supported by regular market monitoring and professional advice, ensures that funds are invested prudently and in alignment with long-term financial sustainability goals.

WOLLONGONG CITY COUNCIL STATEMENT OF INVESTMENT 26 December 2025							
DIRECT INVESTMENTS							
Investment Body	Rating	Purchase Price \$	Fair Value of Holding \$	Security	Purchase Date	Maturity Date	Interest / Coupon Rate
CBA Business Online Saver	A1+	-	26,701,587	BOS A/c	26/12/2025	26/12/2025	3.85%
CBA General Fund A/c	A1+	-	2,717,876	General A/c	26/12/2025	26/12/2025	3.85%
NAB General Fund A/c	A1+	-	1,180	General A/c	26/12/2025	26/12/2025	
Bank of Sydney Ltd	Unrated ST UR	250,000	250,000	T/Deposit	9/07/2025	8/01/2026	4.45%
Rabobank Australia Ltd	S&P ST A1	3,000,000	3,000,000	T/Deposit	23/05/2025	23/01/2026	4.31%
Bank of Queensland Ltd	S&P ST A2	2,000,000	2,000,000	T/Deposit	30/06/2025	30/01/2026	4.30%
Judo Bank	S&P ST A2	2,000,000	2,000,000	T/Deposit	17/09/2025	15/04/2026	4.30%
Westpac Banking Corporation Ltd	S&P AA-	2,000,000	2,000,000	T/Deposit	20/09/2024	20/04/2026	4.62%
ING Bank Australia Limited	S&P A	5,000,000	5,000,000	T/Deposit	13/03/2025	13/05/2026	4.69%
Westpac Banking Corporation Ltd	S&P AA-	2,000,000	2,000,000	T/Deposit	30/06/2023	30/06/2026	5.19%
Summerland Bank	Unrated UR	250,000	250,000	T/Deposit	6/06/2025	10/07/2026	4.25%
ING Bank Australia Limited	S&P A	2,000,000	2,000,000	T/Deposit	20/09/2024	20/07/2026	4.46%
Westpac Banking Corporation Ltd	S&P AA-	4,000,000	4,000,000	T/Deposit	22/08/2025	24/08/2026	4.08%
National Australia Bank Ltd	S&P ST A1+	2,000,000	2,000,000	T/Deposit	28/08/2025	28/08/2026	4.12%
ING Bank Australia Limited	S&P ST A1	2,000,000	2,000,000	T/Deposit	25/09/2025	25/09/2026	4.20%
Great Southern Bank	S&P ST A2	5,000,000	5,000,000	T/Deposit	3/10/2025	2/10/2026	4.23%
Great Southern Bank	S&P ST A2	4,000,000	4,000,000	T/Deposit	2/12/2025	2/11/2026	4.44%
Coastline Bank	Moody's Baa3	250,000	250,000	T/Deposit	5/12/2025	7/12/2026	4.50%
ING Bank Australia Limited	S&P A	2,000,000	2,000,000	T/Deposit	15/01/2025	15/12/2026	4.64%
Rabobank Australia Ltd	S&P A+	3,000,000	3,000,000	T/Deposit	23/05/2025	21/05/2027	4.16%
Westpac Banking Corporation Ltd	S&P AA-	2,000,000	2,000,000	T/Deposit	30/06/2023	30/06/2027	5.09%
Westpac Banking Corporation Ltd	S&P AA-	4,000,000	4,000,000	T/Deposit	22/08/2025	23/08/2027	3.89%
ING Bank Australia Limited	S&P A	2,000,000	2,000,000	T/Deposit	25/09/2025	27/09/2027	4.20%
Bank of Queensland Ltd	S&P A-	2,000,000	2,000,000	T/Deposit	2/10/2025	4/10/2027	4.14%
Westpac Banking Corporation Ltd	S&P AA-	3,000,000	3,000,000	T/Deposit	25/11/2025	25/11/2027	4.34%
Rabobank Australia Ltd	S&P A+	3,000,000	3,000,000	T/Deposit	23/05/2025	23/05/2028	4.32%
ING Bank Australia Limited	S&P A	3,000,000	3,000,000	T/Deposit	6/06/2025	6/07/2028	4.04%
ING Bank Australia Limited	S&P A	4,000,000	4,000,000	T/Deposit	22/08/2025	22/08/2028	3.96%
ING Bank Australia Limited	S&P A	2,000,000	2,000,000	T/Deposit	25/09/2025	25/09/2028	4.25%
Rabobank Australia Ltd	S&P A+	5,000,000	5,000,000	T/Deposit	2/10/2025	2/10/2028	4.27%
Westpac Banking Corporation Ltd	S&P AA-	5,000,000	5,000,000	T/Deposit	22/12/2023	22/12/2028	4.90%
Westpac Banking Corporation Ltd	S&P AA-	5,000,000	5,000,000	T/Deposit	27/11/2025	29/01/2029	4.58%
ING Bank Australia Limited	S&P A	3,000,000	3,000,000	T/Deposit	21/02/2024	21/02/2029	5.19%
Rabobank Australia Ltd	S&P A+	3,000,000	3,000,000	T/Deposit	23/05/2025	23/05/2029	4.58%
ING Bank Australia Limited	S&P A	3,000,000	3,000,000	T/Deposit	6/06/2025	6/06/2029	4.20%
ING Bank Australia Limited	S&P A	4,000,000	4,000,000	T/Deposit	22/08/2025	22/08/2029	4.10%
Rabobank Australia Ltd	S&P A+	2,000,000	2,000,000	T/Deposit	25/09/2025	25/09/2029	4.50%
Westpac Banking Corporation Ltd	S&P AA-	5,000,000	5,000,000	T/Deposit	27/11/2025	27/11/2029	4.65%
ING Bank Australia Limited	S&P A	4,000,000	4,000,000	T/Deposit	15/01/2025	15/01/2030	5.08%
Rabobank Australia Ltd	S&P A+	4,000,000	4,000,000	T/Deposit	12/02/2025	12/02/2030	5.10%
Rabobank Australia Ltd	S&P A+	2,000,000	2,000,000	T/Deposit	26/03/2025	26/03/2030	5.01%
Rabobank Australia Ltd	S&P A+	3,000,000	3,000,000	T/Deposit	23/05/2025	23/05/2030	4.74%
Rabobank Australia Ltd	S&P A+	4,000,000	4,000,000	T/Deposit	6/06/2025	6/06/2030	4.60%
Rabobank Australia Ltd	S&P A+	2,000,000	2,000,000	T/Deposit	10/07/2025	10/07/2030	4.68%
ING Bank Australia Limited	S&P A	4,000,000	4,000,000	T/Deposit	22/08/2025	22/08/2030	4.25%
Rabobank Australia Ltd	S&P A+	2,000,000	2,000,000	T/Deposit	25/09/2025	25/09/2030	4.63%
Rabobank Australia Ltd	S&P A+	5,000,000	5,000,000	T/Deposit	27/11/2025	27/11/2030	4.96%
<b>Total</b>			<b>160,170,643</b>				
WOLLONGONG CITY COUNCIL STATEMENT OF INVESTMENT 26 December 2025 continued							
Bond and Floating Rate Note Securities							
DIRECT INVESTMENTS							
Investment Body	Rating	Purchase Price \$	Fair Value of Holding \$	Security	Purchase Date	Maturity Date	Interest / Coupon Rate
Suncorp Bank (Norfina Ltd) - Subsidiary of ANZ	S&P AA-	2,100,000	2,108,190	FRN	24/02/2021	24/02/2026	4.10%
Newcastle Greater Mutual Group Ltd	S&P BBB+	5,000,000	5,014,900	FRN	4/03/2021	4/03/2026	4.31%
ANZ Banking Group Ltd	S&P AA-	2,500,000	2,502,325	FRN	31/03/2023	31/03/2026	4.41%
Teachers Mutual Bank Ltd	Moody's Baa1	1,100,000	1,102,332	FRN	16/06/2021	16/06/2026	4.39%
ANZ Banking Group Ltd	S&P AA-	2,500,000	2,511,925	FRN	11/09/2023	11/09/2026	4.46%
Macquarie Bank Ltd	S&P A+	4,000,000	4,019,200	FRN	14/09/2023	14/09/2026	4.56%
Suncorp Bank (Norfina Ltd) - Subsidiary of ANZ	S&P AA-	3,750,000	3,758,025	FRN	15/09/2021	15/09/2026	4.19%
QPCU LTD t/a QBANK	S&P BBB-	2,000,000	2,018,120	FRN	18/09/2023	18/09/2026	5.37%
Illawarra Credit Union Ltd	S&P BBB-	2,500,000	2,501,125	FRN	20/09/2023	21/09/2026	5.43%
Suncorp Bank (Norfina Ltd) - Subsidiary of ANZ	S&P AA-	1,500,000	1,516,455	FRN	11/03/2022	25/01/2027	4.28%
ANZ Banking Group Ltd	S&P AA-	3,500,000	3,545,605	FRN	12/05/2022	12/05/2027	4.60%
Suncorp Bank (Norfina Ltd) - Subsidiary of ANZ	S&P AA-	3,000,000	3,038,580	FRN	24/11/2023	24/05/2027	4.75%
Cooperative Rabobank U.A Australia Branch	S&P A+	2,500,000	2,552,075	FRN	19/01/2023	19/01/2028	4.67%
Beyond Bank Australia Ltd	Moody's Baa1	2,500,000	2,511,600	FRN	21/03/2025	21/03/2028	4.89%
ANZ Banking Group Ltd	S&P AA-	2,500,000	2,526,775	FRN	31/03/2023	31/03/2028	4.64%
Judo Bank	S&P BBB	5,500,000	5,543,230	FRN	29/08/2025	13/06/2028	5.16%
Emerald Reverse Mortgage Trust	Unrated UR	305,159	245,431	MBS	17/07/2006	30/06/2028	4.10%
ANZ Banking Group Ltd	S&P AA-	2,100,000	2,123,331	FRN	11/09/2023	11/09/2028	4.64%
Westpac Banking Corporation Ltd	S&P AA-	3,500,000	3,534,860	FRN	19/09/2023	19/09/2028	4.66%
Teachers Mutual Bank Ltd	Moody's Baa1	5,000,000	5,056,550	FRN	3/10/2025	3/10/2028	4.54%
National Australia Bank Ltd	S&P AA-	4,000,000	4,101,720	FRN	16/11/2023	16/11/2028	5.40%
Bank of Queensland Ltd	S&P A-	5,000,000	5,027,150	FRN	28/11/2025	20/11/2028	4.41%
Cooperative Rabobank U.A Australia Branch	S&P A+	3,000,000	3,095,370	FRN	21/11/2023	21/11/2028	5.71%
Newcastle Greater Mutual Group Ltd	S&P BBB+	4,500,000	4,578,345	FRN	29/08/2025	21/01/2030	4.74%
Macquarie Bank Ltd	S&P A+	5,000,000	5,057,300	FRN	28/11/2025	17/07/2030	4.32%
Emerald Reverse Mortgage Trust	Unrated UR	2,000,000	1,309,160	MBS	17/07/2006	21/08/2056	4.40%
<b>Total</b>			<b>80,899,679</b>				
Managed Funds & Other							
MANAGED FUNDS							
Investment Body	Rating	Purchase Price \$	Fair Value of Holding \$	Purchase Date	Monthly Return (Actual)	FYTD (Actual)	
TCorp Long Term Growth Facility Fund	N/A		5,015,444	13/06/2007	0.35%	6.34%	
TCorp Medium Term Growth Facility Fund	N/A		5,834,746	26/10/2021	0.06%	3.66%	
<b>Total</b>			<b>10,850,191</b>				
Membership Interest in Investment Body			Fair Value of Holding \$				
CivicRisk Mutual Limited	N/A		3,672,636				
<b>TOTAL INVESTMENTS</b>			<b>\$ 255,593,148</b>				
* The maturity date provided is the weighted-average life of the security. This is the average amount of time that will elapse from the date of security's issuance until each dollar is repaid based on an actuarial assessment. Assessments are carried out on a regular basis which can potentially extend the life of the investment. Current assessments anticipate an extension of life of the investment. This is to certify that all of the above investments have been placed in accordance with the Act, the regulations and Council's Investment Policies.							
Brian Jenkins RESPONSIBLE ACCOUNTING OFFICER							

