

**ITEM 22 STATEMENT OF INVESTMENT - OCTOBER 2025**

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

Council performed above benchmark for October 2025. The October result was primarily due to the positive valuations on the consolidated Floating Rate Notes and 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 |
|--------------|-------------------------|------------------|
| October 2025 | 0.49%                   | 0.30%            |

**RECOMMENDATION**

Council receive the Statement of Investment for October 2025.

**REPORT AUTHORISATIONS**

Report of: Brian Jenkins, Chief Financial Officer  
 Authorised by: Todd Hopwood, Director Corporate Services (Acting)

**ATTACHMENTS**

- 1 Statement of Investment - October 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 31 October 2025 were \$231,836,110 (Statement of Investment attached) [25 October 2024 \$181,684,853]. This includes Council’s interest in CivicRisk Mutual Ltd recognised at fair value as at 30 June 2025.

Council had an average weighted return for October 2025 of 0.49% which was above the benchmark return of 0.30%. The result was primarily due to the positive valuations on the consolidated Floating Rate Notes and 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 1 October 2025, the RBA decided to maintain the official cash at 3.60% and at their 5 November meeting, the Board chose to keep the rate the same.

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 31 October 2025, year to date interest and investment revenue of \$3,666,275 was recognised compared to the year to date proposed budget of \$3,385,480.

Council’s 24 Floating Rate Notes had a net increase in value of \$209,594 for October 2025.

Council holds two Mortgage-Backed Securities. In October 2025, their value increased by \$9,510. 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 \$96,212 in October 2025. The Medium-Term Growth Fund recorded a net increase in value of \$73,458 in October 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 October 2025, Council’s exposure to CBA was 8.86%, 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 2032 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 continued to perform strongly across October 2025, delivering a return above the benchmark. The results were driven by positive market valuations, particularly within NSW TCorp investments and Floating Rate Notes, and the strategic reinvestment at improved interest rate levels.

The portfolio performed favourably when compared to the year-to-date budget.

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<br>STATEMENT OF INVESTMENT<br>31 October 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+           | -                 | 20,038,357               | BOS A/c     | 31/10/2025    | 31/10/2025    | 3.85%                  |
| CBA General Fund A/c  | A1+           | -                 | 1,983,300                | General A/c | 31/10/2025    | 31/10/2025    | 3.85%                  |
| NAB Banking Corporation Ltd   | S&P AA-       | 3,000,000         | 3,000,000                | T/Deposit   | 25/11/2022    | 25/11/2025    | 4.59%                  |
| Bank of Queensland Ltd  | S&P ST A2     | 4,000,000         | 4,000,000                | T/Deposit   | 2/12/2024     | 2/12/2025     | 5.03%                  |
| Coastline Credit Union Ltd  | Unrated ST UR | 250,000           | 250,000                  | T/Deposit   | 5/12/2024     | 5/12/2025     | 5.15%                  |
| 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%                  |
| Sumnerland 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%                  |
| Credit Union Australia Ltd t/as Great Southern Bank                   | S&P ST A2     | 5,000,000         | 5,000,000                | T/Deposit   | 3/10/2025     | 2/10/2026     | 4.23%                  |
| ING Bank Australia Limited  | S&P A         | 2,000,000         | 2,000,000                | T/Deposit   | 15/01/2025    | 15/12/2026    | 4.84%                  |
| 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%                  |
| 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    | 24/08/2028    | 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%                  |
| 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%                  |
| 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%                  |
| <b>Total</b>  |               |                   | <b>137,777,443</b>       |             |               |               |                        |

WOLLONGONG CITY COUNCIL  
STATEMENT OF INVESTMENT  
31 October 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 |
| Bendigo & Adelaide Bank Ltd                    | S&P A-       | 1,700,000         | 1,711,271                | FRN      | 2/12/2020     | 2/12/2025     | 4.09%                  |
| Macquarie Bank Ltd                             | S&P A+       | 6,500,000         | 6,538,480                | FRN      | 11/03/2022    | 9/12/2025     | 4.06%                  |
| Suncorp Bank (Norfina Ltd) - Subsidiary of ANZ | S&P AA-      | 2,100,000         | 2,116,380                | FRN      | 24/02/2021    | 24/02/2026    | 4.00%                  |
| Newcastle Greater Mutual Group Ltd             | S&P BBB+     | 5,000,000         | 5,035,450                | FRN      | 4/03/2021     | 4/03/2026     | 4.21%                  |
| ANZ Banking Group Ltd                          | S&P AA-      | 2,500,000         | 2,514,950                | FRN      | 31/03/2023    | 31/03/2026    | 4.41%                  |
| Teachers Mutual Bank Ltd                       | Moody's Baa1 | 1,100,000         | 1,107,007                | FRN      | 16/06/2021    | 16/06/2026    | 4.24%                  |
| ANZ Banking Group Ltd                          | S&P AA-      | 2,500,000         | 2,523,475                | FRN      | 11/09/2023    | 11/09/2026    | 4.33%                  |
| Macquarie Bank Ltd                             | S&P A+       | 4,000,000         | 4,037,480                | FRN      | 14/09/2023    | 14/09/2026    | 4.43%                  |
| Suncorp Bank (Norfina Ltd) - Subsidiary of ANZ | S&P AA-      | 3,750,000         | 3,772,013                | FRN      | 15/09/2021    | 15/09/2026    | 4.06%                  |
| QPCU LTD t/a QBANK                             | S&P BBB-     | 2,000,000         | 2,031,380                | FRN      | 18/09/2023    | 18/09/2026    | 5.21%                  |
| Illawarra Credit Union Ltd                     | S&P BBB-     | 2,500,000         | 2,513,675                | FRN      | 20/09/2023    | 21/09/2026    | 5.25%                  |
| Suncorp Bank (Norfina Ltd) - Subsidiary of ANZ | S&P AA-      | 1,500,000         | 1,506,780                | FRN      | 11/03/2022    | 25/01/2027    | 4.28%                  |
| ANZ Banking Group Ltd                          | S&P AA-      | 3,500,000         | 3,563,280                | FRN      | 12/05/2022    | 12/05/2027    | 4.60%                  |
| Suncorp Bank (Norfina Ltd) - Subsidiary of ANZ | S&P AA-      | 3,000,000         | 3,054,180                | FRN      | 24/11/2023    | 24/05/2027    | 4.65%                  |
| Cooperative Rabobank U.A Australia Branch      | S&P A+       | 2,500,000         | 2,535,250                | FRN      | 19/01/2023    | 19/01/2028    | 4.67%                  |
| Beyond Bank Australia Ltd                      | Moody's Baa1 | 2,500,000         | 2,526,850                | FRN      | 21/03/2025    | 21/03/2028    | 4.70%                  |
| ANZ Banking Group Ltd                          | S&P AA-      | 2,500,000         | 2,539,850                | FRN      | 31/03/2023    | 31/03/2028    | 4.64%                  |
| Judo Bank                                      | S&P BBB-     | 5,500,000         | 5,573,865                | FRN      | 29/08/2025    | 13/06/2028    | 5.03%                  |
| Emerald Reverse Mortgage Trust                 | Unrated UR   | 314,275           | 253,877                  | MBS      | 17/07/2006    | 30/06/2028    | 4.02%                  |
| ANZ Banking Group Ltd                          | S&P AA-      | 2,100,000         | 2,132,634                | FRN      | 11/09/2023    | 11/09/2028    | 4.51%                  |
| Westpac Banking Corporation Ltd                | S&P AA-      | 3,500,000         | 3,551,415                | FRN      | 19/09/2023    | 19/09/2028    | 4.48%                  |
| Teachers Mutual Bank Ltd                       | Moody's Baa1 | 5,000,000         | 5,021,500                | FRN      | 3/10/2025     | 3/10/2028     | 4.54%                  |
| National Australia Bank Ltd                    | S&P AA-      | 4,000,000         | 4,233,160                | FRN      | 16/11/2023    | 16/11/2028    | 5.40%                  |
| Cooperative Rabobank U.A Australia Branch      | S&P A+       | 3,000,000         | 3,199,260                | FRN      | 21/11/2023    | 21/11/2028    | 5.71%                  |
| Newcastle Greater Mutual Group Ltd             | S&P BBB+     | 4,500,000         | 4,546,845                | FRN      | 29/08/2025    | 21/01/2030    | 4.74%                  |
| Emerald Reverse Mortgage Trust                 | Unrated UR   | 2,000,000         | 1,316,820                | MBS      | 17/07/2006    | 21/08/2056    | 4.32%                  |
| <b>Total</b>                                   |              |                   | <b>79,457,127</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    |                   | 5,013,892                | 13/06/2007    | 1.70%                   | 6.31%         |  |
| TCorp Medium Term Growth Facility Fund | N/A    |                   | 5,848,648                | 26/10/2021    | 0.99%                   | 3.91%         |  |
| <b>Total</b>                           |        |                   | <b>10,862,540</b>        |               |                         |               |  |

| Membership interest in Investment Body |     | Fair Value of Holding \$ |
|--|-----|--------------------------|
| CivicRisk Mutual Limited               | N/A | 3,739,000                |
| <b>TOTAL INVESTMENTS</b>               |     | <b>\$ 231,836,110</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

