

Perpetual Private

PERPETUAL SELECT CASH FUND

June 2026

FUND FACTS

Investment objective: Capital stability through investments in deposits, money market and fixed income securities.

BENEFITS

Provides investors with a relatively consistent rate of return through regular interest payments, generally in line with short-term interest rates. In addition, the fund is widely considered a low risk investment option.

TOTAL RETURNS % (AFTER FEES) AS AT 30 JUNE 2026

	APIR CODE	1 MTH	3 MTHS	6 MTHS	1 YR PA	3 YRS PA	5 YRS PA
Perpetual Select Super Cash Fund	WDL0004AU	0.3	0.9	1.7	3.3	3.6	2.6
Perpetual Select Pension Cash Fund	WDL0014AU	0.4	1.1	2.0	3.9	4.2	3.1
Bloomberg AusBond Bank Bill Index		0.4	1.1	2.0	3.9	4.2	3.1

Past performance is not indicative of future performance

MARKET COMMENTARY

Following successive hikes to close the March quarter, the Reserve Bank of Australia (RBA) delivered a further 25 basis point increase in May to take the official cash rate to 4.35%, before pausing in June. The hold decision reflected growing evidence that tighter financial conditions were beginning to moderate demand, although the RBA stopped short of signalling any near-term easing bias, instead reiterating that monetary policy was well placed to respond to developments in the outlook for economic activity and inflation.

With no scheduled meeting in April, the May decision was the RBA's first of the final fiscal quarter, with an 8-1 majority vote to increase the policy rate illustrating the Board's ongoing concern around persistent inflationary pressures. Elevated energy prices amid geopolitical uncertainty and lingering domestic capacity constraints underpinned the Board's decision to increase, as labour market conditions also remained tight.

The June decision to leave rates unchanged was unanimous, with the Board electing to assess the impact of prior tightening. While there were signs that consumer spending and housing market momentum had begun to slow, policymakers remained alert to the risk that the recent inflation impulse could become entrenched, as evidence suggested some firms were already increasing the prices of their goods and services in response to rising cost pressures. Subsequent May CPI data affirmed this judgement, as headline inflation eased on falling oil prices, while core inflation continued to rise. Recognising that the recovery from the global oil supply shock will take time, the RBA appears to be positioned to wait before making a policy decision in either direction.

RISKS

All investments carry risk and different strategies may carry different levels of risk. The relevant product disclosure statement or offer document for a fund should be considered before deciding whether to acquire or hold units in that fund. Your financial adviser can assist you in determining whether a fund is suited to your financial needs.

PRODUCT FEATURES

	SUPER	PENSION
Inception date	Jul 92	Jul 92
Investment Fee (p.a.)*	0.00%	0.00%
Admin fee	0.10%	0.10%
Buy spread	0.00%	0.00%
Sell spread	0.00%	0.00%
Contribution fee	0.00%	0.00%
Withdrawal fee	0.00%	0.00%
Monthly member fee	0.00%	0.00%
Min. initial contribution	\$3,000	\$20,000
Min. additional contribution	\$0.00	\$0.00
Savings plan	Yes	No
Withdrawal plan	No	No
Distribution frequency	N/A	N/A
Contact information	1800 677 648	

*Additional fees and costs generally apply. Please refer to the Product Disclosure Statement for further details.

The Perpetual Select Cash Fund invests in the Perpetual Cash Management Trust and delivered performance consistent with the RBA cash rate benchmark over the June quarter. During the period, the RBA increased the cash rate to 4.35% in response to persistent above-target inflation. While the path for interest rates remains uncertain, the RBA's focus on returning inflation to target is expected to support higher cash yields in the near term.

OUTLOOK

Heading into the second half of the year, the RBA's focus remains firmly on returning inflation to target, though elevated unit labour costs, weak productivity growth and ongoing capacity pressures continue to complicate that task.

While the Board now deems financial conditions 'somewhat restrictive', subdued productivity is constraining the economy's supply capacity even as demand begins to soften, with members envisaging a further two years before inflation returns sustainably to target.

Despite a temporary ceasefire between Iran and the US restoring oil flows out of the Middle East, though only partially, the prospect of a durable peace agreement remains tenuous, and as such, the RBA remains attentive to the risk of renewed disruptions. Against this backdrop, the Board is widely expected to maintain its current policy stance throughout the upcoming quarter, allowing time for prior tightening to work through the economy, whilst also assessing whether emerging signs of softer activity translate into a sustained easing in underlying inflation.

That said, market expectations for the RBA's next directional movement have shown early signs of divergence, with recent tax reforms and an ensuing cooling in housing market conditions dividing opinion. While the extent to which discouraged investment might impact rental prices is difficult to measure with precision, elevated construction costs are ensuring that inflation risks remain skewed to the upside. At the time of writing, markets are pricing an implied 45% chance of a further 25 basis point hike before the end of 2026. However, growing concern that a sustained housing downturn could materialise into weakened household confidence and subsequent consumption, particularly given the wealth effect of housing in Australia, has seen a small portion of investors assigning probability to policy easing in early 2027, should no further hikes eventuate.

This information has been prepared and issued by Perpetual Investment Management Limited (PIML) ABN 18 000 866 535 AFSL No 234426 and Perpetual Trustee Company Limited (PTCo) ABN 42 000 001 007, AFSL 236643, as the responsible entity for the Perpetual Select Investment Funds, and promoter for Perpetual's Select Superannuation Fund, respectively. The information contained in this document is general information only and is not intended to provide you with financial advice or take into account your objectives, financial situation or needs.

You should consider, with a financial adviser, whether the information is suitable for your circumstances. To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this information. The information contained in this document is in addition to and does not form part of the product disclosure statement (PDS) for either the Perpetual Select Investment Funds, or Perpetual's Select Superannuation Fund. The PDS for the relevant funds, issued by Perpetual Investment Management Limited (PIML) ABN 18 000 866 535, AFSL 234426 (PIML), or the PDS for an interest in Perpetual's Select Superannuation Fund, issued by Equity Trustees Superannuation Limited (ETSL) ABN 50 055 641 757, AFSL 229757, RSE L0001458, should be considered before deciding whether to acquire or hold units. The PDS and Target Market Determination can be obtained by calling 1800 677 648 or visiting www.perpetual.com.au. Neither PIML, PTCo, ETSL nor any of their related parties guarantee the performance of any fund or the return of an investor's capital. Total returns shown for the fund has been calculated using exit prices after taking into account all of Perpetual's ongoing fees, in line with the FSC Standard No.6 and assuming reinvestment of distributions. No allowance has been made for taxation. Past performance is not indicative of future performance.

MORE INFORMATION

Adviser Services 1800 677 648
Email Selectqueries@cm.mpms.mufg.com
www.perpetual.com.au

