

Tanggram Investment Fund - Spark

Investment report - July 2025

Investment strategy

To invest indirectly in a diversified portfolio of loan assets aiming to generate a steady stream of income and preserving investor capital.

APIR Code	MSC6556AU*
Unit Price	\$1.00*
Minimum initial investment	\$5,000*
Minimum additional investment	\$100*
Distribution frequency	Monthly*
Minimum holding period	3 Months***
Withdrawal	Monthly*
Subject to minimum holding period	

*See PDS for details

Historical performance**

Inception: 1 Nov 2019

Historical Performance	1 Month	3 Months	6 Months	1 Year	3 Year	Since inception p.a.
Tanggram Spark	0.60%	1.79%	3.55%	7.28%	6.21%	5.71%

*After fees and expenses but before any tax **Target return is not guaranteed. Past performance is not indicative of future performance. All investments carry risks. For more information, see PDS. ***Effective August 1st, the minimum holding period for Tanggram Spark is reduced to 3 months.



July 2025 net distribution target rate** annualised.

Risks

This product carries performance, market liquidity, and other risks. You should consider Section 7 of the PDS before investing.

Risk level

Low



Fund update

As of July, Tanggram Seed and Spark sustained their current target return rates, reflecting a stable and consistent performance outlook.

Tanggram Seed - The target return rate of **6.20% p.a.****

Tanggram Spark - The target return rate of **7.05% p.a.****

Despite the Reserve Bank of Australia (RBA) implementing a total of 75 basis points in interest rate cuts since February this year, Tanggram has consistently delivered stable and reliable returns to its investors.

In June, we successfully introduced the Remara Credit Income Fund to the Tanggram Spark portfolio, strategically reallocating a portion of existing capital. Due to the changes in the holdings of the Tanggram fund, we anticipate consistently higher returns from our investment portfolio in the future. Therefore, we have been able to sustain our target return without revising it down even amid a monetary easing environment.

Moving forward, we remain committed to identifying high-quality, risk-adjusted opportunities while maintaining a disciplined approach to risk and liquidity management. Our core objective continues to be delivering stable, competitive returns with capital preservation amid ongoing market volatility and a softening interest rate environment.

Market update

As we moved into the new financial year (July 1st), global and Australian markets have broadly continued the recovery seen in the previous months, and volatility continued to ease, while markets remain sensitive to incoming macro data and policy signals.

In June, US inflation rose as tariffs began to slowly feed through the economy, though the outcome was broadly in line with market expectations.¹ The CPI increased by 2.7 percent year-on-year in June, while core inflation rose at an annual rate of 2.9 percent.²

On July 30th, despite President Trump's repeated calls for rate reductions, the Federal Reserve (Fed) decided to keep the federal funds rate unchanged for a fifth consecutive meeting, aligning with market expectations.³ Notably, the decision was not unanimous – marking the first time since late 1993 that more than one governor cast dissenting votes on a rate decision.⁴

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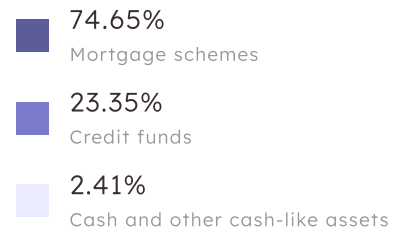
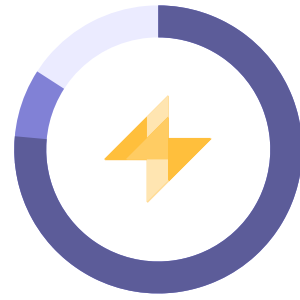
Source:

1. <https://www.cnn.com/2025/07/15/cpi-inflation-report-june-2025.html>

2. https://www.bls.gov/news.release/archives/cpi_07152025.htm

3. <https://www.federalreserve.gov/newsevents/pressreleases/monetary20250730a.htm>

Average allocation for July 2025



The Fed cited a still-solid labour market and somewhat elevated inflation as reasons to maintain its stance.⁵ Fed Chair Jerome Powell noted in his post-meeting press conference that it remains "early days" in assessing the impact of Trump's tariffs on the US economy, adding uncertainty to the outlook.⁶

Turning to Australia, headline inflation eased to 2.1 percent in the June quarter, while the trimmed mean inflation hit a fresh three-year low of 2.7 percent.⁷ With confirmation of the quarterly data on inflation, the Reserve Bank of Australia (RBA) reduced the cash rate by 25 basis points on August 12th to 3.6%, following its surprise decision to hold rates steady in July.⁸

This marked the RBA's third rate cut this year, after reductions in February and May. The Board described easing inflationary pressures and slightly softer labour market conditions as part of the rationale for the cut, and reiterated that future moves will remain data dependent, leaving the door open for further easing.⁹

In our assessment, there is a high probability that the RBA will deliver another rate cut by the end of the calendar year. While the global outlook shows tentative signs of improvement, uncertainty remains elevated. Looking ahead, we maintain a stance of heightened caution amid persistent macroeconomic risks and ongoing trade developments.

Source:

4. <https://edition.cnn.com/2025/07/30/economy/fed-rate-decision-july>

5. <https://www.federalreserve.gov/newsevents/pressreleases/monetary20250730a.htm>

6. <https://edition.cnn.com/2025/07/30/economy/fed-rate-decision-july>

7. <https://www.abs.gov.au/statistics/economy/price-indexes-and-inflation/consumer-price-index-australia/latest-release>

8. <https://www.rba.gov.au/publications/smp/2025/aug/overview.html>

9. <https://www.rba.gov.au/publications/smp/2025/aug/overview.html>

This information was prepared by Tangram Capital Pty Ltd (ACN 630 041 020 AR 001305609), who is an authorised representative of Cache Investment Management Ltd (ACN 624 306 430 AFSL 514 360) (Cache). The Tangram Investment Fund is issued by Melbourne Securities Corporation Limited (ACN 160 326 545 AFSL 428289), as disclosed in the Product Disclosure Statement (PDS). All information is general information only and does not take into account your personal circumstances, financial situation or needs. Before making a financial decision, you should read the relevant PDS and Target Market Determination (TMD) to consider whether the product is right for you and whether you should obtain advice from a professional financial adviser. Past Performance is not indicative of future performance. All investments carry risk. Performance is not guaranteed.



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