

The Public Sector Deposit Fund

Fund fact sheet – 30 September 2023

Investment objective

To maximise the current income consistent with the preservation of principal and liquidity.

Investment policy

The fund will be invested in a diversified portfolio of high-quality sterling denominated deposits and instruments. All investments at the time of purchase will have the highest short-term credit rating or an equivalent strong long-term rating. The fund is actively managed, which means the authorised corporate director uses their discretion to pick investments, in pursuit of the investment objective.

The weighted average maturity of the investments will not exceed 60 days. The fund will not invest in derivatives or other collective investment schemes.

Target investors

The fund is designed for investors who are looking for capital security and a competitive yield for their short-term investments.

Who can invest?

Any public sector organisation can invest in the fund, but it may be marketed to any retail or professional client. Share class 4 is reserved for public sector organisation investment only.

Responsible investment policy

We monitor our counterparties' environmental, social and governance risk management on a regular basis. Our research utilises external data resources and our in-house Sustainability team.

Key risks

Investors should consider the following risk factors before investing: issuer/credit risk (issuer/financial institution may not pay), market risk (investment value affected by market conditions), operational risk (general business operational risks), maturity profile (timings of investment maturity), liquidity risk (investment in non-readily realisable assets), concentration risk (need for diversification and suitability of investment) and interest rate risk (changes to interest rate affecting income). Please see the fund prospectus for more details.

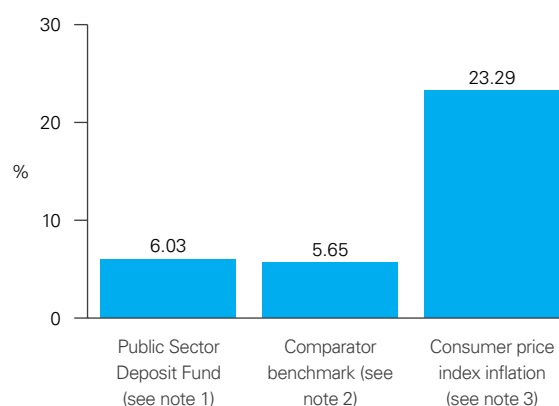
Top 10 counterparty exposures (%)

9.30%	Landesbank Baden-Wuerttemberg
9.30%	Yorkshire Building Society
8.27%	HM Treasury
7.23%	DBS Bank Limited
4.13%	BNP Paribas
4.13%	Danske Bank AS
4.13%	Handelsbanken plc
4.13%	MUFG Bank
4.13%	Royal Bank of Canada
4.13%	SMBC Bank International plc

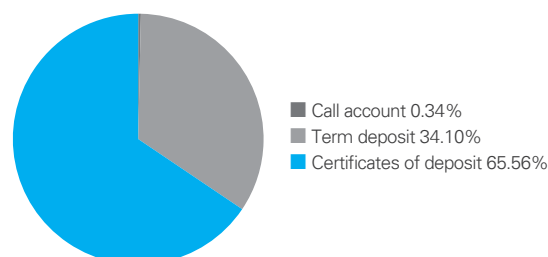
Share class 4 yield as at 30 September 2023

5.20%

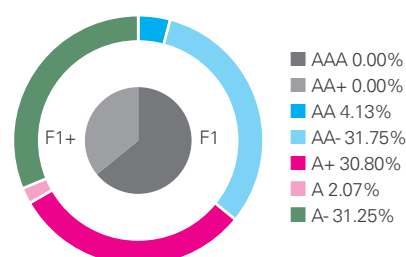
5 years performance



Asset type (%)



Credit rating (%) see note 4



Top 10 country exposures (%)

32.01%	UK
12.40%	Japan
10.33%	Singapore
9.82%	Canada
9.30%	Germany
5.42%	France
4.13%	Denmark
4.13%	Sweden
3.20%	Netherlands
3.10%	Belgium

Note 1: Source: CCLA - Performance shown after management fees and other expenses, with the income reinvested. The daily yield on the fund will fluctuate, and past performance is not a reliable indicator of future results. Note 2: From 1 January 2021, the comparator benchmark is the Sterling Overnight Index Average. Before 1 January 2021, the comparator benchmark was the 7-Day Sterling London Interbank Bid Rate. Note 3: consumer price index inflation is lagged one month. Note 4: Using Fitch Ratings methodology.

Income

Average yield over the month	5.15%
Yield at the month-end shown	5.20%

Total return performance by year

12 months to 30 September	2019	2020	2021	2022	2023
The Public Sector Deposit Fund	+0.75%	+0.47%	+0.04%	+0.67%	+4.01%
Comparator benchmark	+0.58%	+0.21%	+0.01%	+0.73%	+4.05%
Relative (difference)	+0.17%	+0.26%	+0.03%	-0.06%	-0.04%

Annualised total return performance

Performance to 30 September	1 year	3 years	5 years
The Public Sector Deposit Fund	+4.01%	+1.56%	+1.18%
Comparator benchmark	+4.05%	+1.58%	+1.11%
Relative (difference)	-0.04%	-0.02%	+0.07%

Performance shown after management fees and other expenses, with the income reinvested. From 1 January 2021, the comparator benchmark is the Sterling Overnight Index Average. Before 1 January 2021, the comparator benchmark was 7-Day Sterling London Interbank Bid Rate. **Past performance is not a reliable indicator of future results.** Source: CCLA

Market update

Revised figures on the UK economy indicated that it has fared less badly since the onset of the pandemic than was previously thought. The Office for National Statistics (ONS) said that in the year 2020, economic activity had shrunk by 10.4% - still a historically painful slump, but slightly less than the 11% decline reported before the latest revisions. The ONS also found that by the end of 2021 the UK economy had already recovered to surpass pre-pandemic levels, whereas previously it was thought still to be 1.2% smaller at that point than before the pandemic hit. The main factors in the revision of the data were the rate at which companies had been building up stock through the pandemic era, where previously they were thought to have been running supplies down; and the inclusion of increased healthcare activity as part of economic output.

The rate of price rises in the UK slowed, surprising most forecasters who had anticipated that annual growth in the headline consumer price index (CPI) would rise from 6.8% in July to 7% in August; instead the rate fell to 6.7%. The core inflation rate, which ignores volatile components such as food and energy, fell even more markedly, from 6.9% to 6.0%. The surprisingly soft inflation data were a key factor in the decision by the Bank of England's monetary policy committee (MPC) to leave the UK's official interest rate unchanged at 5.25%. Not all of the MPC were convinced, however, with four of the nine members having voted to raise rates by a further 0.25%.

Key facts

Authorised corporate director	CCLA Investment Management Limited
Fund size	£968m
Fitch money-market fund rating	AAAmf
Weighted average maturity	46.32 days
Launch date	May 2011
Dealing day	Each business day (see note 5)
Withdrawals	On demand
Fund domicile	United Kingdom
ISIN (share class 4)	GB00B3LDFH01
Interest payment dates	End of each month
Ongoing charges figure	0.08% (see note 6)

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Note 5: Dealing instructions (including cleared funds for purchases) must be received by 11:30 am.

Note 6: The ongoing charges figure is based on the annual management charge but excludes portfolio transaction costs.

Please refer to <https://www.ccla.co.uk/glossary> for explanations of some of the terminology used in this document.

Risk warning and disclosures

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