

The Public Sector Deposit Fund

Fund fact sheet – 31 July 2024

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.

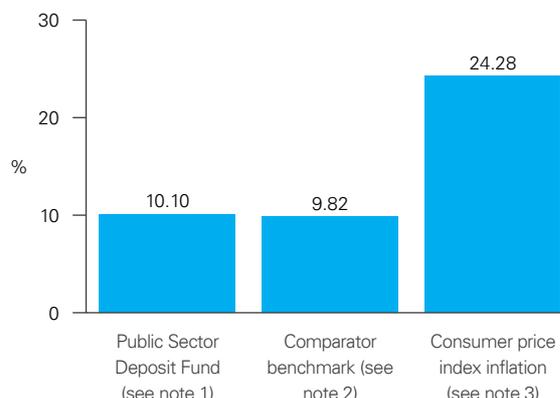
Key risks

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.

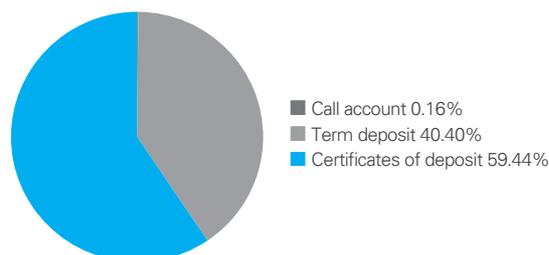
Share class 4 yield as at 31 July 2024

5.18%

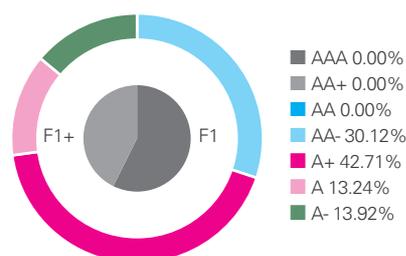
5 years performance



Asset type (%)



Credit rating (%) see note 4



Top 10 counterparty exposures (%)

9.85%	HM Treasury
9.17%	Landesbank Baden-Wuerttemberg
9.17%	National Bank of Canada
8.15%	Yorkshire Building Society
4.07%	DBS Bank Limited
3.73%	Nordea Bank AB
3.40%	ABN Amro Bank N.V.
3.40%	BNP Paribas
3.40%	Canadian Imperial Bank of Commerce
3.40%	Credit Agricole Corporate and Investment Bank

Top 10 country exposures (%)

24.47%	UK
15.69%	Canada
14.26%	Germany
12.90%	Japan
11.54%	France
7.47%	Singapore
3.73%	Finland
3.40%	Netherlands
2.72%	Denmark
2.04%	Switzerland

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	5.18%
Yield at the month-end shown	5.18%

Total return performance by year

12 months to 31 July	2020	2021	2022	2023	2024
The Public Sector Deposit Fund	+0.57%	+0.06%	+0.40%	+3.42%	+5.37%
Comparator benchmark	+0.31%	-0.01%	+0.44%	+3.48%	+5.34%
Relative (difference)	+0.26%	+0.07%	-0.04%	-0.06%	+0.03%

Annualised total return performance

Performance to 31 July	1 year	3 years	5 years
The Public Sector Deposit Fund	+5.37%	+3.04%	+1.94%
Comparator benchmark	+5.34%	+3.07%	+1.89%
Relative (difference)	+0.03%	-0.03%	+0.05%

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

Inflation held steady this month, the headline figure came in at the same 2.0% reported in May. Prices were, however, still rising nearly three times faster than that in the dominant services sector of the economy, at 5.7%. In addition, with labour market conditions continuing to gradually soften, with unemployment standing at 4.4% and job vacancies falling slowly, investors increased their bets that the Bank of England's monetary policy committee would feel able to make its first cut in interest rates which they duly did on 1 August, cutting the official interest rate from 5.25% to 5%. The cut only narrowly passed in a 5 – 4 vote with governor Andrew Bailey cautioning that further improvement in moderating inflation would be needed before further cuts could be considered.

The interest rate cycle has evidently peaked and the debate on monetary policy is now focused on the timing and pace of a decline in the Bank of England's policy rate. Investors will therefore be watching closely as new data emerges – for example, on any further softening in the jobs market, which would give further confidence that interest rates may be lowered without reigniting inflation.

Key facts

Authorised corporate director	CCLA Investment Management Limited
Fund size	£1,473m
Fitch money-market fund rating	AAAmf
Weighted average maturity	47.4 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 frequency	Monthly
Ongoing charges figure	0.08% (see note 6)

Note 5: Dealing instructions (including cleared funds for purchases) must be received by 11:30am.
Note 6: The ongoing charges figure is based on the annual management charge (including portfolio transaction costs).

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