

The Public Sector Deposit Fund

UK domiciled short-term LVNAV Qualifying Money Market Fund rated AA+mmf
Fact Sheet – 30 June 2022

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 and correspondingly strong long term rating.

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 local authorities and public sector investors seeking a high level of capital security and a competitive rate of interest for their short-term investments.

Who can invest?

Any public sector organisation can invest in the Fund.

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 Ethical and Responsible Investment 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 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 further details.

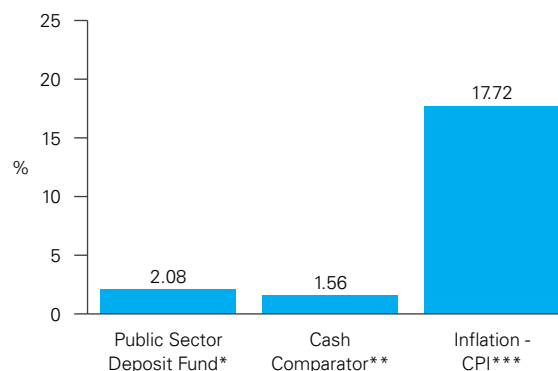
Top 10 counterparty exposures (%)

9.9%	Bank of Montreal
9.9%	Landesbank Baden-Wuerttemberg
7.9%	Yorkshire Building Society
6.7%	DBS Bank Limited
4.3%	BNP Paribas
4.3%	Deutsche Zentral-Genossenschaftsbank (DZ Bank AG)
4.3%	Handelsbanken plc
4.3%	Nordea Bank AB
4.3%	SMBC Bank International plc
3.8%	ABN Amro Bank N.V.

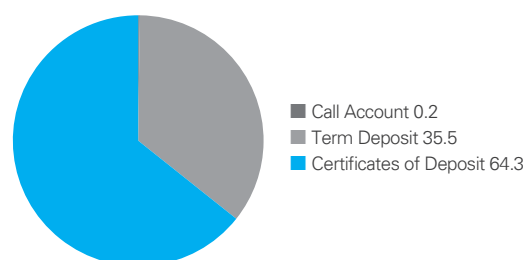
Share class 4 yield as at 30 June 2022

1.0384%

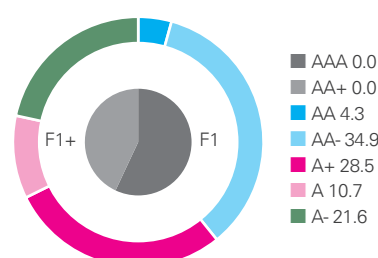
5 years cumulative performance



Asset type (%)



Credit rating† (%)



Top 10 country exposures (%)

22.2%	United Kingdom
18.0%	Germany
14.8%	Canada
9.5%	France
8.1%	Japan
6.7%	Singapore
4.8%	Netherlands
4.8%	Sweden
4.3%	Finland
2.4%	Norway

*Source: CCLA - Net performance shown after management fees and other expenses with gross income reinvested. The yield on the Fund will fluctuate and past performance is not a reliable indicator of future results. **Comparator Benchmark - Sterling Overnight Index Average (SONIA) from 1 January 2021. Prior to that, the comparator benchmark was the 7-Day Sterling London Interbank Bid Rate (7-Day LIBID). ***Consumer Price Index (CPI) is lagged one month. †Using Fitch Ratings methodology.

Income - period to end June

Average yield over the month	0.9574%
Yield at the month end	1.0384%

Discrete year total return performance

	2022	2021	2020	2019	2018
12 months to 30 June					
The Public Sector Deposit Fund	+0.30%	+0.07%	+0.62%	+0.72%	+0.35%
Comparator Benchmark	+0.35%	-0.02%	+0.37%	+0.57%	+0.28%
Relative	-0.05%	+0.09%	+0.25%	+0.15%	+0.07%

Annualised total return performance

	1 year	3 years	5 years
Performance to 30 June			
The Public Sector Deposit Fund	+0.30%	+0.33%	+0.41%
Comparator Benchmark	+0.35%	+0.23%	+0.31%
Relative	-0.05%	+0.10%	+0.10%

Net performance shown after management fees and other expenses with gross income reinvested. Comparator Benchmark - SONIA from 1 January 2021. Prior to that, the comparator benchmark was 7-Day LIBID. Past performance is not a reliable indicator of future results. Source: CCLA

Market update

Inflation data continued to cause concern in most major economies. The UK's consumer price index hit another 40-year high as the ONS's latest release showed that prices had risen 9.1% year on year, a slight increase from the 9.0% reported the previous month but in line with estimates. The Bank of England once again raised its forecast for the peak of inflation, expected in late 2022, to above 11%. The seemingly relentless rise in inflation weighed on consumer confidence, which is a key driver of economic activity. The latest data on the UK manufacturing sector, for example, indicated the worst outlook since June 2020, with the consumer goods sector being worst affected as household belt-tightening depresses demand for less essential products. Despite the evidence of economic slowdown, the Bank of England's Monetary Policy Committee, raised the UK policy rate by a further 0.25% to 1.25%. Unemployment levels are presently close to historic lows at 3.8%, however there are early signs that this market is starting to cool. In the last two months, the pace of job growth has been around three times the pre-pandemic average. The level of vacancies remains elevated. These rose to 1.3 million in May, another record high. The unemployment rate was a little higher than expected, climbing to 3.8% in February-April from 3.7% in the three months to March. That mostly reflected a stronger rebound in participation.

Key facts

Fund size	£1,050m
Credit quality and sensitivity rating by Fitch	AAAmf
Weighted average maturity (Maximum 60 days)	41.10 days
Launch date	May 2011
Minimum initial investment	£25,000.00
Minimum subsequent investment	£5,000.00
Dealing day	Each business day*
Withdrawals	On demand
Domicile	United Kingdom
ISIN Share Class 4	GB00B3LDFH01
Interest payment dates	End of each month
Ongoing charges figure (OCF)**	0.08%***

*Dealing instructions (including cleared funds for purchases) must be received by 11.30 am. **The OCF is based on the annual management charge ("AMC") but excludes portfolio transaction costs. The AMC for the Fund is 0.10% and is inclusive of all other costs and expenses of operating and administering the Fund such as depositary, custody, audit and regulatory fees. The AMC was reduced to 0.08% on a temporary basis in November 2015 to improve the income distribution, due to low interest rates. In May 2021, the AMC was temporarily reduced further to 0.06%. ***With effect from 1 April 2022 and until further notice, the AMC applied to the Fund reverted to the previously discounted rate of 0.08%.

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Risk warning and disclosures

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