

The Public Sector Deposit Fund

Short term AAmmf UK Qualifying Money Market Fund Fact Sheet – 31 December 2018

Investment objective

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

Investment policy

The Fund will be invested in a diversified portfolio of high quality sterling denominated deposits and securities. All investments purchased will have the highest available short term credit rating and a correspondingly strong long term rating.

The weighted average maturity of the investments will not exceed 60 days. There will be no exposure to derivatives or to other collective investment schemes.

Suitability

The Fund is a suitable investment for all public sector short term investments where the requirement is for a high level of capital security and a competitive rate of interest.

Who can invest?

The Fund is open to all public sector investors.

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.

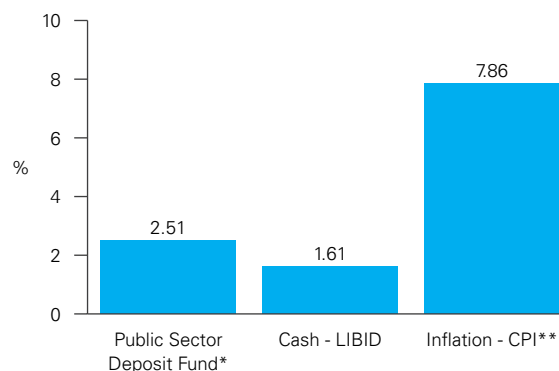
Top 10 counterparty exposures (%)

Landesbank Baden-Wuerttemberg	9.7
Royal Bank of Canada	9.7
Mizuho Bank	7.8
MUFG Bank	6.3
DBS Bank	6.3
Societe Generale	4.4
HSBC	4.1
Lloyds Bank	4.1
Nordea Bank Finand	4.1
Standard Chartered Bank	4.1

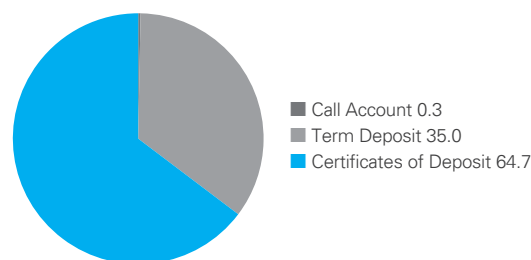
Share class 4 yield as at 31 December 2018

0.7501%

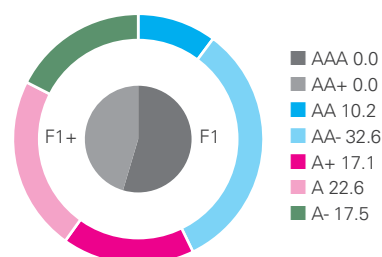
5 years cumulative performance



Asset type (%)



Credit rating† (%)



Top 10 country exposures (%)

Japan	17.5
Canada	15.1
UK	14.7
Germany	12.8
France	12.7
Singapore	8.4
Netherlands	6.1
Finland	4.1
Switzerland	2.6
Sweden	2.4

*Source: CCLA - Gross performance shown before management fees and other expenses with gross income reinvested. Net returns will differ after the deduction of fees and other expenses. The yield on the Fund will fluctuate and past performance is no guarantee of future returns. Holders of the Fund are not covered by the Financial Services Compensation Scheme. **CPI is lagged one month. †Using Fitch Ratings methodology.

Income - period to end December

Average yield over the month	0.7439%
Yield at the month end	0.7501%

Discrete year total return performance (gross)

12 months to 31 December	2018	2017	2016	2015	2014
The Public Sector Deposit Fund	+0.65%	+0.32%	+0.48%	+0.52%	+0.50%
Benchmark	+0.46%	+0.16%	+0.27%	+0.36%	+0.35%
Relative	+0.19%	+0.16%	+0.21%	+0.16%	+0.15%

Annualised total return performance (gross)

Performance to 31 December	1 year	3 years	5 years
The Public Sector Deposit Fund	+0.65%	+0.48%	+0.50%
Benchmark	+0.46%	+0.29%	+0.32%
Relative	+0.19%	+0.19%	+0.18%

Source: CCLA - Benchmark - London Interbank Sterling 7 Day Bid Rate. Gross performance shown before management fees and other expenses with gross income reinvested. Net returns will differ after the deduction of fees and other expenses. The yield on the Fund will fluctuate and past performance is no guarantee of future returns.

Market update

Economic growth for the three months to end October was estimated at 0.4%, a decline relative to the previous period and effective confirmation that the short-term bounce in activity experienced during the summer was over. Recent anecdotal data suggested that the pace of expansion slowed further towards the close of the year as Brexit uncertainties intensified; the British Chamber of Commerce survey suggested that investment activity has all but ceased in recent weeks.

The Bank of England kept interest rates unchanged but said that a smooth Brexit would likely result in a 0.25% increase during 2019. Unemployment data remained positive despite 200,000 joining the workforce. The number of unemployed totalled 1.38m, those in work 32.4m; there were 848,000 advertised vacancies. Wage growth improved to 3.3%, due principally to rises in the public sector. Inflation dipped slightly to 2.3%, the decline due entirely to the effects of a lower oil price; crude prices fell by 11.8% in sterling terms in November. This weakness will continue to influence headline inflation in the next few months.

Key facts

Fund size	£462m
Credit quality and sensitivity rating by Fitch	AAAmf
Weighted average maturity (Maximum 60 days)	51.41 days
Launch date	May 2011
Minimum initial investment	£25,000
Minimum subsequent investment	£5,000
Dealing day	Each business day*
Withdrawals	On demand
Domicile	United Kingdom
ISIN Share Class 4	GB00B3LDFH01
Interest payment dates	Monthly
Ongoing charges figure	0.10% (currently reduced to 0.08%)

*Dealing instructions must be received by 11.30 am.

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Risk warning

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Disclosures

Investment in the Fund is for public sector eligible investors only. The Fund is authorised in the United Kingdom and regulated by the Financial Conduct Authority as a UCITS Scheme and is a Qualifying Money Market Fund. CCLA Investment Management Limited (registered in England No. 2183088 at Senator House, 85 Queen Victoria Street, London, EC4V 4ET) is authorised and regulated by the Financial Conduct Authority. For information about how we obtain and use your personal data, please see our Privacy Notice at <https://www.ccla.co.uk/our-policies/data-protection-privacy-notice>.
