

The Public Sector Deposit Fund

UK domiciled short-term LVNAV Qualifying Money Market Fund rated AAmmf
Fact Sheet – 31 October 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.

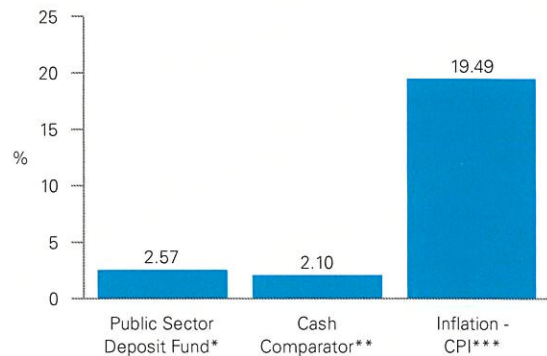
Top 10 counterparty exposures (%)

9.4%	Bank of Montreal
9.4%	Landesbank Baden-Wuerttemberg
9.4%	Yorkshire Building Society
7.5%	DBS Bank Limited
5.0%	Nationwide Building Society
3.8%	Santander UK plc
3.8%	BNP Paribas
3.8%	Landesbank Hessen-Thueringen Girozentrale
3.8%	SMBC Bank International plc
3.8%	United Overseas Bank Limited

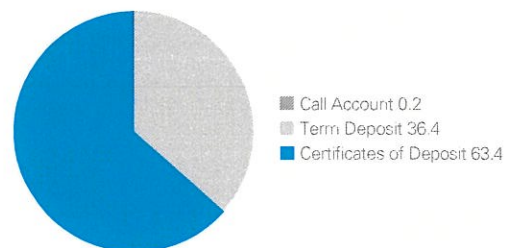
Share class 4 yield as at 31 October 2022

2.1368%

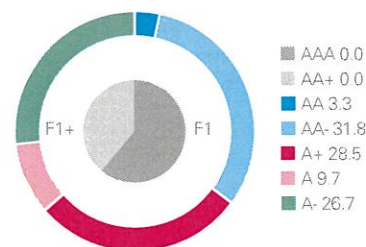
5 years cumulative performance



Asset type (%)



Credit rating† (%)



Top 10 country exposures (%)

28.1%	United Kingdom
13.6%	Germany
12.0%	Canada
11.4%	France
11.3%	Singapore
9.8%	Japan
5.2%	Sweden
3.3%	Finland
1.4%	Switzerland
1.4%	United States

*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 October

Average yield over the month	2.0280%
Yield at the month end	2.1368%

Discrete year total return performance

12 months to 31 October	2022	2021	2020	2019	2018
The Public Sector Deposit Fund	+0.84%	+0.03%	+0.42%	+0.75%	+0.50%
Comparator Benchmark	+0.91%	+0.03%	+0.15%	+0.58%	+0.42%
Relative	-0.07%	+0.00%	+0.27%	+0.17%	+0.08%

Annualised total return performance

Performance to 31 October	1 year	3 years	5 years
The Public Sector Deposit Fund	+0.84%	+0.43%	+0.51%
Comparator Benchmark	+0.91%	+0.36%	+0.42%
Relative	-0.07%	+0.07%	+0.09%

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

Fiscal policy moves in the UK featured heavily in the headlines. The sharp spike up in bond yields prompted by September's 'mini budget' was reversed after the Bank of England intervened to correct dysfunction in the bond markets and subsequently as new political leadership was installed. The new prime minister and chancellor, promising a more responsible approach to the national finances, substantially withdrew the measures which had so alarmed markets. The reduction in yields, for example with the benchmark 10-year government bond ending the month at around 3.5% - down from a recent peak of 4.5% - brought positive returns for sterling bond markets because prices move inversely to yields. UK government bonds ('gilts') as a whole delivered +3.3% over the month, although this represented a relatively minor relief from the savage losses experienced (in common with most global bond markets) since the early days of 2022. For the year to date, gilts have lost -24%.

Key facts

Fund size	£1,066m
Credit quality and sensitivity rating by Fitch	AAAmmf
Weighted average maturity (Maximum 60 days)	26.43 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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