

The Public Sector Deposit Fund

UK Short-term LVNAV Qualifying Money Market Fund rated AAmmf
Fact Sheet – 31 March 2019

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.

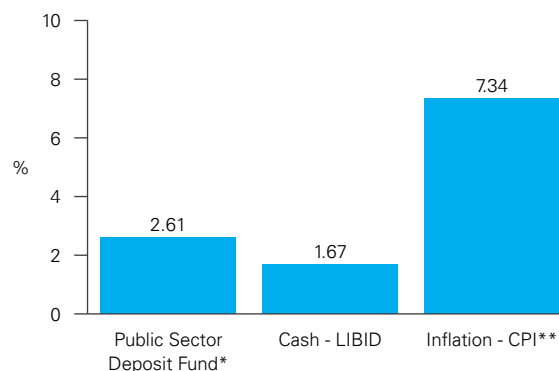
Top 10 counterparty exposures (%)

DBS Bank	9.5
Landesbank Baden-Wuerttemberg	9.5
Royal Bank of Canada	9.5
Mizuho Bank	9.3
HSBC	4.2
Santander UK	4.0
Lloyds Bank	4.0
Standard Chartered Bank	4.0
Handelsbanken	4.0
United Overseas Bank	4.0

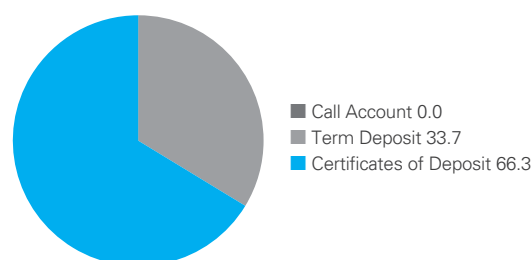
Share class 4 yield as at 31 March 2019

0.7908%

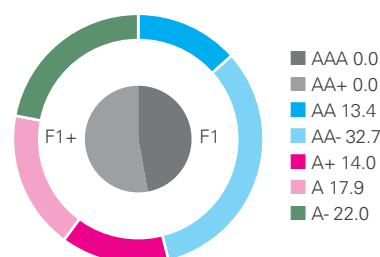
5 years cumulative performance



Asset type (%)



Credit rating† (%)



Top 10 country exposures (%)

UK	23.4
Canada	16.6
Singapore	13.4
Germany	12.0
Japan	11.2
France	6.6
Sweden	5.5
Norway	4.0
Netherlands	3.1
Switzerland	1.9

*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 March

Average yield over the month	0.7920%
Yield at the month end	0.7908%

Discrete year total return performance (gross)

12 months to 31 March	2019	2018	2017	2016	2015
The Public Sector Deposit Fund	+0.76%	+0.35%	+0.43%	+0.53%	+0.51%
Benchmark	+0.52%	+0.22%	+0.20%	+0.37%	+0.35%
Relative	+0.24%	+0.13%	+0.23%	+0.16%	+0.16%

Annualised total return performance (gross)

Performance to 31 March	1 year	3 years	5 years
The Public Sector Deposit Fund	+0.76%	+0.51%	+0.52%
Benchmark	+0.52%	+0.31%	+0.33%
Relative	+0.24%	+0.20%	+0.19%

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

At their March meeting, the Bank of England's Monetary Policy Committee unanimously agreed to leave the bank rate unchanged at 0.75%, saying that short-term data was potentially affected by Brexit factors and so not a good reflection of underlying trends. Sterling money market rates again moved lower during the month after the Prime Minister attempted and failed, on two separate occasions, to gain parliamentary approval for her government's Withdrawal Agreement, thereby risking leaving the UK economy in a state of paralysis.

Data suggested that UK GDP increased in the quarter, but only modestly so, notwithstanding some recovery in January and February following the surprise drop in activity experienced in December. The Spring Statement by the Chancellor of the Exchequer was of minor economic importance, impacting directly on just 0.1% of GDP. In his speech Mr Hammond reduced his forecasts for economic growth this year, but only to bring them into line with the consensus; even then they are based on the assumption of an orderly and imminent Brexit. Inflation rose slightly to 1.9% compared with 1.8% previously. The rate is likely to move back over 2% when April's fuel cost increases are included in the index. Employment remained strong. The employment rate rose to 76.1%, the highest since records began. Unemployment edged lower to 1.34m or 3.9%, the first time it has been below 4% since 1975. Retail sales unexpectedly increased by 0.4% compared with the previous month, much better than the reduction of 0.4% expected, as the consumer continues to show little regard to Brexit uncertainties and a willingness to take advantage of low interest rates and borrow. The Office of National Statistics pointed out that the unusually warm weather in February contributed to the increase.

Key facts

Fund size	£476m
Credit quality and sensitivity rating by Fitch	AAAmmf
Weighted average maturity (Maximum 60 days)	52.18 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.

Please Contact

Mark Davies

Market Development
T: +44 (0)207 489 6045
M: +44 (0)7904 657 815
E: mark.davies@ccla.co.uk

Alison Jermey

Client Services
T: +44 (0)207 489 5011
E: alison.jermey@ccla.co.uk

Gillian Grafham

Client Services
T: +44 (0)207 489 5013
E: gillian.grafham@ccla.co.uk

Risk warning and disclosures

This document is a financial promotion and is issued for information purposes only. It does not constitute the provision of financial, investment or other professional advice. To ensure you understand whether our product is suitable, please read the Key Investor Information Document and the Prospectus. We strongly recommend you seek independent professional advice prior to investing. The Public Sector Deposit Fund is a UK short-term LVNAV Qualifying Money Market Fund. In addition to the general risk factors outlined in the Prospectus investors should also note that purchase of PSDF shares is not the same as making a deposit with a bank or other deposit taking body and is not a guaranteed investment. Although it is intended to maintain a stable net asset value per share, there can be no assurance that it will be maintained. Notwithstanding the policy of investing in short-term instruments, the value of the PSDF may also be affected by fluctuations in interest rates. The PSDF does not rely on external support for guaranteeing the liquidity of the fund or stabilising the net asset value per share. The risk of loss of principal is borne by the shareholder. 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 & Wales 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>.