

The Public Sector Deposit Fund

UK domiciled short-term LVNAV Qualifying Money Market Fund rated AA+mmf
Fact Sheet – 31 December 2020

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.

Target investors

The Fund is aimed at 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?

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.

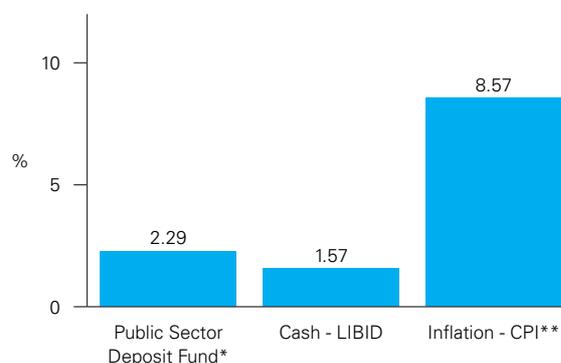
Top 10 counterparty exposures (%)

10.0%	Landesbank Baden-Wuerttemberg
10.0%	National Bank of Canada
10.0%	Nationwide Building Society
10.0%	Royal Bank of Canada
9.0%	SMBC Bank International plc
8.2%	HSBC Bank plc
8.1%	Coventry Building Society
6.9%	DBS Bank Limited
3.8%	Lloyds Bank Corporate Markets plc
3.5%	Leeds Building Society

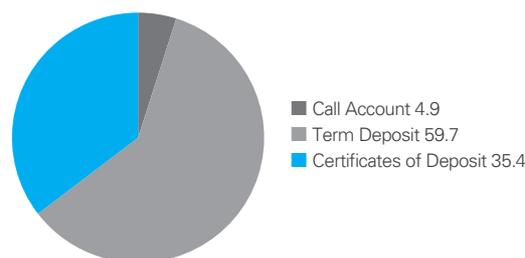
Share class 4 yield as at 31 December 2020

0.0424%

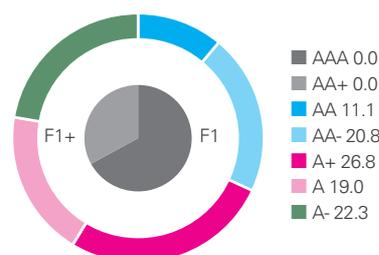
5 years cumulative performance



Asset type (%)



Credit rating† (%)



Top 10 country exposures (%)

44.8%	UK
20.0%	Canada
11.1%	Germany
9.5%	Japan
7.3%	Singapore
2.7%	Switzerland
2.3%	Finland
1.3%	Sweden
0.5%	France
0.4%	Belgium

*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. 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	0.0517%
Yield at the month end	0.0424%

Discrete year total return performance

12 months to 31 December	2020	2019	2018	2017	2016
The Public Sector Deposit Fund	+0.31%	+0.75%	+0.57%	+0.24%	+0.40%
Comparator Benchmark	+0.06%	+0.58%	+0.46%	+0.16%	+0.27%
Relative	+0.25%	+0.17%	+0.11%	+0.08%	+0.13%

Annualised total return performance

Performance to 31 December	1 year	3 years	5 years
The Public Sector Deposit Fund	+0.31%	+0.54%	+0.45%
Comparator Benchmark	+0.06%	+0.37%	+0.30%
Relative	+0.25%	+0.17%	+0.15%

Net performance shown after management fees and other expenses with gross income reinvested. Comparator Benchmark – London Interbank Sterling 7 Day Bid Rate. Past performance is not a reliable indicator of future results. Source: CCLA

With effect from 1 January 2021, the comparator benchmark will be replaced by the Sterling Overnight Index Average (SONIA).

Market update

UK data revealed that the economy grew by 0.4% in October, slightly down from 0.7% achieved in September. The outcome was actually a little better than expected as some of the drag caused by a weak consumer sector was offset by a higher contribution from education and motor manufacturing. The improvement left output still -9.7% below pre-Covid levels. Unemployment rose again, to a 4.9% average for the three months to the end of October. With vacancy volumes weak and an accelerating pace of redundancies, the official unemployment rate is expected to have risen to c.6% by the end of the year. A Brexit trade agreement was announced which will keep goods moving between the UK and EU tariff free.

The Office of Budget Responsibility confirmed its forecast that economic activity would end the year some -11.3% down from its starting level. The Bank of England left interest rates unchanged and made no adjustments to the quantitative easing programme announced in November. The Bank has suggested that uncertainties and inefficiencies, plus the gradual emergence of non-tariff barriers, will depress output by about 1% in the first quarter of 2021.

Key facts

Fund size	£1,442m
Credit quality and sensitivity rating by Fitch	AAAmf
Weighted average maturity (Maximum 60 days)	51.07 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	Monthly
Fund management fee (FMF)	0.10% ** (currently reduced to 0.08%)

*Dealing instructions must be received by 11.30 am.

**The FMF includes the annual management charge and other costs and expenses of operating and administering the fund such as depositary, custody, audit and regulatory fees.

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Risk warning and disclosures

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