

# The Public Sector Deposit Fund

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

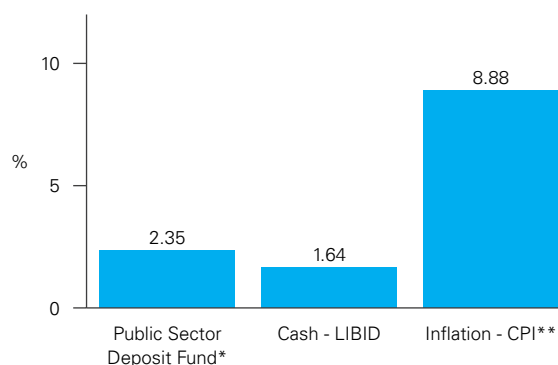
## Top 10 counterparty exposures (%)

9.5%	KBC Bank N.V.
9.5%	Landesbank Baden-Wuerttemberg
9.5%	National Bank of Canada
9.5%	Nationwide Building Society
9.5%	Rabobank
7.6%	DBS Bank Limited
4.5%	Royal Bank of Canada
3.8%	Mizuho Bank
3.7%	Barclays Bank plc
3.6%	Lloyds Bank Corporate Markets plc

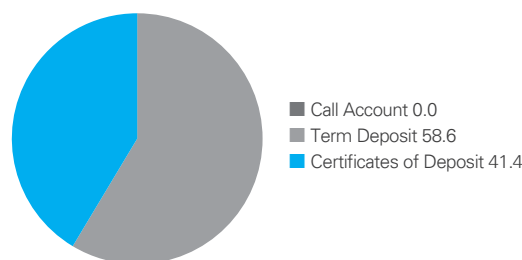
## Share class 4 yield as at 31 October 2020

**0.0788%**

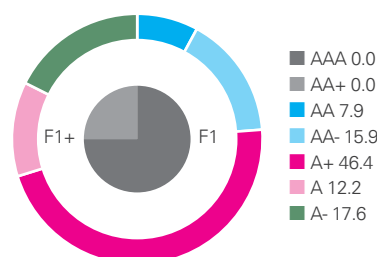
## 5 years cumulative performance



## Asset type (%)



## Credit rating† (%)



## Top 10 country exposures (%)

30.7%	UK
14.0%	Canada
11.4%	Netherlands
10.7%	Germany
9.5%	Belgium
8.0%	Singapore
5.3%	Japan
3.4%	Sweden
3.1%	Switzerland
2.5%	France

\*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.

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## Income - period to end October

Average yield over the month	0.0898%
Yield at the month end	0.0788%

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## Discrete year total return performance

12 months to 31 October	2020	2019	2018	2017	2016
The Public Sector Deposit Fund	+0.42%	+0.75%	+0.50%	+0.23%	+0.43%
Benchmark	+0.17%	+0.58%	+0.42%	+0.12%	+0.31%
Relative	+0.25%	+0.17%	+0.08%	+0.11%	+0.12%

## Annualised total return performance

Performance to 31 October	1 year	3 years	5 years
The Public Sector Deposit Fund	+0.42%	+0.56%	+0.47%
Benchmark	+0.17%	+0.39%	+0.32%
Relative	+0.25%	+0.17%	+0.15%

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

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## Market update

Economic news was dominated by the announcement of a second national lockdown, initially for a month although the actual timing, and the regime that follows it, will be determined by health considerations. Economic growth in August was only 2.1%, about half the expected rate, leaving overall output still over 9% below the level recorded in February. The new restrictions will slow further this disappointing trend and it is likely that rather than recovering in the final quarter of the year, output shrinks again. This would leave economic output for 2020 about 11% down on that achieved in 2019.

There was no linked announcement from the Bank of England, but we should now expect an additional and substantial tranche of quantitative easing to be announced shortly. From a negative interest rate perspective, Bank of England confirmed that the outcome of its review of the suitability of a negative interest rate in the UK was still some months away, investment markets however, considering the underlying weakness of the economy and the lack of available new initiatives, see the move as a strong possibility. There was no news of substance of Brexit, interpreted by optimists that progress was being made behind closed doors.

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## Key facts

Fund size	£1,315m
Credit quality and sensitivity rating by Fitch	AAAmf
Weighted average maturity (Maximum 60 days)	53.11 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.

## Please Contact

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## Risk warning and disclosures

This document is not a financial promotion and is issued for information purposes only. It does not constitute the provision of financial, investment or other professional advice. The market commentary contained in this document is the opinion of the author only. To ensure you understand whether CCLA's product is suitable, please read the Key Investor Information Document and the Prospectus. CCLA strongly recommends 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>.