

The Public Sector Deposit Fund

Fund fact sheet – 31 May 2025

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 strong long-term rating. The fund is actively managed, which means the authorised corporate director uses their discretion to pick investments, in pursuit of the investment objective.

The weighted average maturity of the investments will not exceed 60 days. The fund will not invest in derivatives or other collective investment schemes.

Who can invest?

Any public sector organisation can invest in the fund, but it may be marketed to any retail or professional client. Share class 4 is reserved for public sector organisation investment only.

Sustainability approach

We believe that the primary role of sustainable investment is to drive positive change and this is best achieved by pushing companies to do more to address the major challenges facing us today. The fund is managed in line with our sustainability approach for cash funds available at: www.ccla.co.uk/about-us/policies-and-reports/policies/sustainability-approach-cash-funds.

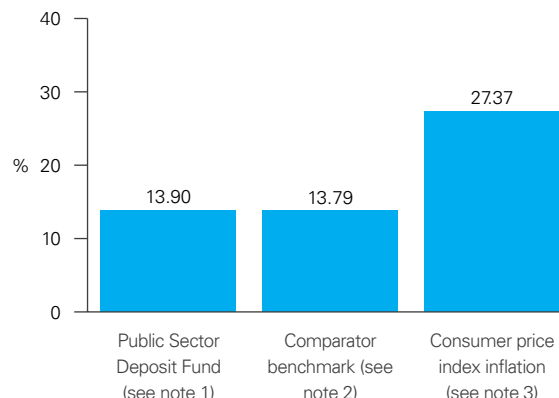
The FCA has introduced sustainable investment labels to help investors find products that have a specific sustainability goal. This product does not have a UK sustainable investment label because it does not have a sustainability goal.

Read our summary of SDR, the investment labels and our overall approach at: www.ccla.co.uk/sustainability. Fund-level information can be found at: www.ccla.co.uk/funds/public-sector-deposit-fund.

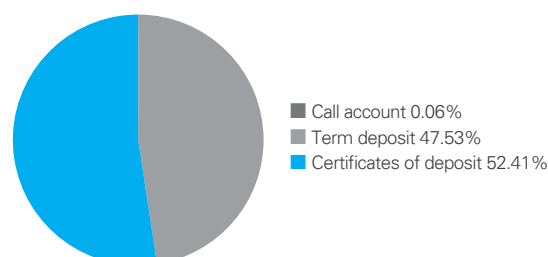
Share class 4 yield as at 31 May 2025

4.30%

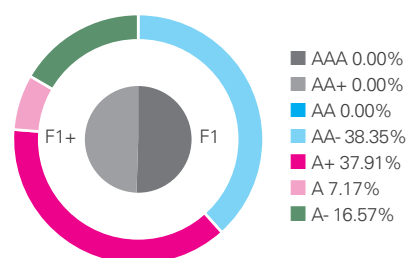
5 years performance



Asset type (%)



Credit rating (%) see note 4



Top 10 counterparty exposures (%)

9.78%	Australia and New Zealand Banking Group Limited
9.78%	HM Treasury
9.78%	Landesbank Baden-Wuerttemberg
9.78%	National Bank of Canada
8.42%	Yorkshire Building Society
3.53%	Deutsche Zentral-Genossenschaftsbank (DZ Bank AG)
3.53%	MUFG Bank
3.26%	Credit Agricole Corporate and Investment Bank
3.26%	Credit Industriel et Commercial
3.26%	NatWest Markets plc

Top 10 country exposures (%)

23.80%	UK
14.66%	Germany
13.80%	Canada
12.22%	Japan
11.68%	France
10.37%	Australia
5.43%	Singapore
1.90%	Finland
1.63%	Belgium
1.63%	Norway

Note 1: Source: CCLA - Performance shown after management fees and other expenses, with the income reinvested. The daily yield on the fund will fluctuate, and past performance is not a reliable indicator of future results. Note 2: From 1 January 2021, the comparator benchmark is the Sterling Overnight Index Average. Before 1 January 2021, the comparator benchmark was the 7-Day Sterling London Interbank Bid Rate. Note 3: consumer price index inflation is lagged one month. Note 4: Using Fitch Ratings methodology.

Income

Average yield over the month	4.33%
Yield at the month-end shown	4.30%

Total return performance by year

	2021	2022	2023	2024	2025
12 months to 31 May					
The Public Sector Deposit Fund	+0.09%	+0.22%	+2.79%	+5.28%	+4.91%
Comparator benchmark	-0.03%	+0.26%	+2.85%	+5.26%	+4.86%
Relative (difference)	+0.12%	-0.04%	-0.06%	+0.02%	+0.05%

Annualised total return performance

	1 year	3 years	5 years
Performance to 31 May			
The Public Sector Deposit Fund	+4.91%	+4.32%	+2.64%
Comparator benchmark	+4.86%	+4.32%	+2.62%
Relative (difference)	+0.05%	+0.00%	+0.02%

Performance shown after management fees and other expenses, with the income reinvested. From 1 January 2021, the comparator benchmark is the Sterling Overnight Index Average. Before 1 January 2021, the comparator benchmark was 7-Day Sterling London Interbank Bid Rate. **Past performance is not a reliable indicator of future results.** Source: CCLA

Market update

On 8th May the Monetary Policy Committee (MPC), voted to reduce the Official Bank Rate (OBR) by 0.25% to 4.25%, the lowest rate since May 2023. The reduction itself was highly anticipated however the vote breakdown was unexpected with only five members voting for the 0.25% cut with two preferring larger 0.5% cuts whilst the remaining two wanted no cut in May. Inflation data for April reinforced the hawkish members' views, rising to 3.5%, above expectations, driven by high services inflation (5.4%) and wage inflation (5.6%) which both remain above the Bank's target. The increase, however, was not unexpected, only the magnitude, as multiple one-off effects helped to drive inflation higher. A late Easter saw large increases in flight and holidays prices impacting services inflation whilst the change in minimum wage and national insurance drove wage inflation. Should these effects not be repeated then inflation should fall back to the Bank's forecasted path over the summer as they aim towards a return of 2% target in early 2027.

There have been recent signs that some members of the MPC are becoming more willing to move from the current "gradual and careful" approach with one hawkish member suggesting the pace of cuts has been too rapid whilst dovish members warn that the economy is set for weakness in the coming months. The next meeting of the MPC is in June and is expected to hold rates as the members wait to see how inflation develops over the next couple of months. The voting breakdown may, however, indicate how willing the members are to break from the current rate of cuts.

Key facts

Authorised corporate director	CCLA Investment Management Limited
Fund size	£1,841m
Fitch money-market fund rating	AAAmf
Weighted average maturity	44.18
Launch date	May 2011
Dealing day	Each business day (see note 5)
Withdrawals	On demand
Fund domicile	United Kingdom
ISIN (share class 4)	GB00B3LDFH01
Interest payment frequency	Monthly
Ongoing charges figure	0.10% (currently reduced to 0.08%) (see note 6)

Note 5: Dealing instructions (including cleared funds for purchases) must be received by 11:30am.

Note 6: The ongoing charges figure is based on the annual management charge (including portfolio transaction costs).

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