



Mutual Limited

Security with Performance
Investment Update - June 2020
MCTDF - Mutual Cash

All figures as at 30 June 2020

Fund Performance

	3 months %	6 months %	12 months %	3 years % p.a.	5 years % p.a.	Since Inception % p.a.
MCTDF (pre-fees)	0.25	0.62	1.52	2.08	2.25	3.01
MCTDF (post-fees)	0.19	0.49	1.27	1.83	2.00	2.69
Bloomberg AusBond Bank Bill Index	0.06	0.32	0.85	1.53	1.73	2.03
Relative Performance (Net)	0.13	0.17	0.42	0.30	0.27	0.66

Investment Objective and Investment Strategy

Mutual's objective is to source and actively manage a portfolio of the best deposits offered by the major Australian banks with small cash and NCD holdings to provide Fund liquidity. The Fund capitalises on the competition between the major banks for deposits, targeting capital security for investors and net returns that outperforms the Bloomberg AusBond Bank Bill Index and cash alternatives.

Performance

Markets have responded to continued Government stimulus and central banks sticking with the 'whatever it takes' mantra, with risk assets buoyant through the June quarter. The liquidity pumped into the system by the RBA in March is evident in the overnight cash rate which sits under 0.15%, well below the cash rate target of 0.25%. 3m BBSW tells a similar story, settling at 0.10%. The RBA's deputy Governor Debelle gave an insight into their thinking in late June, stating that any move higher in the cash rate is likely to be "some years away".

Outlook

In the same RBA update, deputy Governor Debelle also noted that, "the Australian economy has turned out to be somewhat better in the June quarter than feared". A negative print for GDP in 2020 is still expected, but possibly not as deep a recession as first feared. Whether there is a second wave of COVID 19 is still a possibility, but with 3 vaccine candidates in phase III trials there is a good base forming around investor confidence. Unfortunately for cash, this will not reflect in higher returns for some time given the flat outlook for the cash rate.

Liquidity

Up to 5 days

Authorised Investments

Cash, Term Deposits and NCD's
Counterparties are Major Australian Banks only

Yield

0.89%

Current Portfolio Diversification

No. of TD Counterparties	4
No. of Deposits	24
Duration	120 days

Security	% of Portfolio
Big 4 Banks	100%

If you would like more information on MCTDF please visit www.mutualld.com.au or contact Mutual on + 61 3 8681 1900

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Portfolio Manager
Mutual Limited

Inception
7 September 2011

Fund Size
\$267.4 million

Month End Price
\$1.032026

Benchmark
Bloomberg AusBond Bank Bill Index

Distribution Frequency
Quarterly

Minimum Investment
\$1 through IDPS
\$20,000 for Retail &
Wholesale Investors

Minimum Investment Term
Longer than 5 days
(suggested)

Management Fees
0.25% p.a. (inclusive of GST)

Buy / Sell Spread
Nil / Nil

APIR Code
PRM0010AU (Class A)
PRM0013AU (Class B)
PRM0014AU (Class C)

ISIN
AU60PRM00103 (Class A)
AU60PRM00137 (Class B)
AU60PRM00145 (Class C)

Ratings
Zenith
Canstar 5 stars

Platforms
Asgard
BT Panorama
BT Wrap
Firstchoice
Firstwrap
Hub 24
Powerwrap
Netwealth
Praemium

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