

## Introduction

The Bank of England (BOE) base rate was further reduced on 19 March 2020 from 0.25% to 0.10% and we have been advised by Pershing that they still intend to apply their full Cash Management Fee of 25bps on all cash balances.

The impact is that from 19 March 2020, a 'negative' GBP interest of 15bps will be charged to Investors. Similarly, following the 100bps cut in the US Fed Funds rate on 15 March 2020, a 'negative' USD interest of 10bps will be charged to Investors.

An option to consider for larger GBP and USD balances, is to utilise an Institutional Money Market Fund as an alternative to holding cash balances. Whilst the return on these funds will soon be negligible, it will avoid the above 'negative' interest charges from Pershing to Investors.

All orders into these funds must be entered directly in to MyCredo, we shall not be accepting either telephonic or email orders. If you need assistance in terms of how to place an order, please refer to the User Guide within the MyCredo Help Section. Please ensure a cash balance remains, typically 2%, to cover all fees.

Should you wish to execute a purchase from a client's Money Market Fund holdings, keep in mind you will need to sell units. Once the proceeds have settled, you can then proceed with a buy instruction.

Regarding the choice of Money Market Funds, we are pleased to confirm that that Credo has access to the premier share classes of the BlackRock ICS Sterling Government Liquidity Fund and BlackRock ICS US Treasury Fund. We would recommend you conduct your own research prior to investing, our provision of information is by no means an investment recommendation, or advice. Similarly, Credo can make no guarantees on the performance of either Money Market fund.

Links to the accumulating share classes below:

[Click here](#) for GBP

[Click here](#) for USD