

31 AUGUST 2020

CASH

The Sterling Liquidity Fund, a Fund of Northern Trust Global Funds plc, is a Short-Term Low Volatility Net Asset Value Money Market Fund. An investment in a Money Market Fund is different from an investment in deposits, and is capable of fluctuating in price; you may not get back the original amount invested. The Sterling Liquidity Fund does not rely on external support for guaranteeing liquidity or stabilising the NAV per unit or share. The risk of loss of the principal is to be borne by the investor.

Key Facts	
Domicile	Ireland
Share Class Launch Date	03 March 2014
Legal Structure	ICVC
Regulatory Structure	UCITS
Fund Size	£ 10.71bn
Benchmark	7-day LIBID
Dealing Frequency	Daily
Cut Off	2pm Irish Time
ISIN	IE00BJ4XDZ35
Bloomberg Ticker	NORTGBE
Fund Rating; S&P Moody's	AAAm Aaa-mf
Portfolio Managers	Team Managed

Fund Guidelines	
Moodys Minimum Security Rating (LT/ST) or Equivalent	A2/P1
Maximum WAM	60 Days
Maximum WAL	120 Days

Portfolio Information	
	Fund
7-day Average Net Yield	0.08%
30-day Average Net Yield	0.09%
WAM as at 31 August 2020	47 Days
WAL as at 31 August 2020	52 Days
Fund holdings and shareholder concentration are available upon request.	

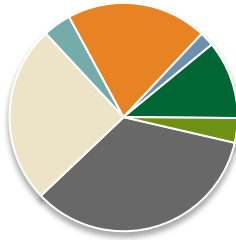
INVESTMENT OBJECTIVE

The objective of The Sterling Fund is to preserve capital, maintain liquidity and generate current income by investing in high quality fixed income securities denominated in the base currency of the fund.



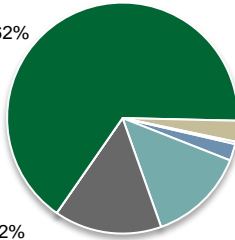
Instrument Breakdown

- Cash: 0.00%
- CD: 34.30%
- CP: 25.17%
- TBILL: 3.99%
- TD: 19.93%
- CORP: 2.05%
- TPREPO: 11.08%
- ABCP: 3.48%



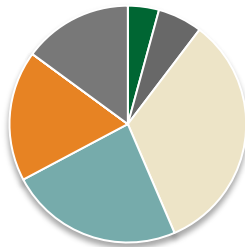
Industry Breakdown

- Foreign Local Govt: 2.35%
- Foreign Agencies: 13.62%
- Treasury: 15.08%
- Cash: 0.00%
- Banking: 65.70%
- Finance Company: 2.92%
- Consumer Cyclical: 0.32%

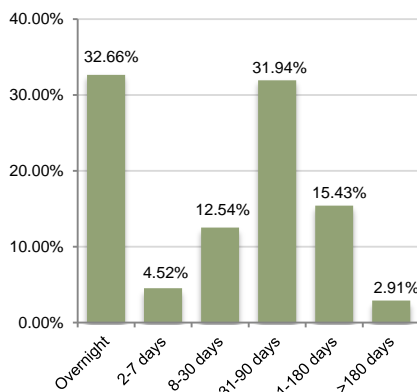


Credit Breakdown

- Aaa : 4.25%
- Aa1 : 6.09%
- Aa2 : 33.21%
- Aa3 : 23.69%
- A1 : 17.84%
- Cash : 0.00%
- NR : 14.92%



Maturity Distribution



This material is directed to eligible counterparties and professional clients only and should not be relied upon by retail clients. For Asia Pacific markets, it is directed to institutional investors, expert investors and professional investors only and should not be relied upon by retail investors. Information in this report has been obtained from sources believed to be reliable, but its accuracy and completeness are not guaranteed. The Sterling Fund is a sub-fund of Northern Trust Global Funds plc is a regulated collective investment scheme in the Ireland under Central Bank of Ireland UCITS regulations. Past performance does not guarantee future results. This information is provided for illustrative purposes only and does not constitute a recommendation for any investment strategy or product described herein. This information is not intended as investment advice and does not take into account an investor's individual circumstances. Due to rounding of the % weights for the maturity distribution and instrument, industry and credit breakdown shown above, the total in each case may not sum to 100%.

Northern Trust Global Investments Limited (NTGIL) has been appointed by the fund as the investment manager and is registered as a limited company in England and Wales with company registration number 03929218. Registered Office: 50 Bank Street, London E14 5NT. Issued by NTGIL. NTGIL is authorised and regulated by the Financial Conduct Authority in the United Kingdom.

PORTFOLIO MANAGER

Northern Trust has a team approach to portfolio management to ensure consistency of coverage and performance. The Sterling Fund is managed in London by the Liquidity Management team which is led by Peter Yi.

PORTFOLIO MANAGER COMMENTARY

At its August monetary policy meeting, the Bank of England (BoE) voted unanimously to leave the Bank Rate unchanged at 0.10%. Accompanying forecasts revealed that the BoE expects the UK's economy to contract by 9.5% this year (vs. 14% contraction forecast in May), bounce back to 9% growth in 2021 and grow 3.5% in 2022. The forecast for CPI Inflation in 2020 is at 0.25%, 1.75% in 2021 and 2% in 2022. For this year, the unemployment rate is projected to hover around 7.5% and is expected to improve to 6% in 2021 and 4.5% in 2022. The BoE restated that the outlook remained unusually uncertain and developments around the pandemic, public health care measures, and the response of governments, households and businesses to these factors would steer the course of economic recovery. They have also repeatedly reinforced that it continues to monitor the situation and stands ready to act as necessary to support the economy.

The UK economy contracted 20.4%q/q (21.7%y/y) in Q2 2020 as revealed by preliminary estimates in the wake of measures introduced to battle the pandemic. Flash PMI figures revealed that August's Composite PMI rose to 60.3; the Services PMI accelerated to 60.1 whilst the Manufacturing PMI climbed to 55.3. Headline inflation rose to 1%y/y, supported by clothing, transport costs and household items, whilst Core CPI climbed to 1.8%y/y in July. On the labour market front, jobless claims increased by 94.4k in July from a 28.1k decline in June. The unemployment rate held steady at 3.9% in Q2 2020 while average weekly earnings decreased by 1.2% (3m/y). Retail sales were up 3.6% m/m in July, following June's 13.9% m/m rise. The GfK Consumer Confidence Index held steady at -27 in August.

PORTFOLIO OUTLOOK

We continue to maintain a conservative investment strategy focusing on liquidity and a lower risk profile. In line with this, new investments were focused in higher quality exposures and maturities within six months. High levels of overnight liquidity and a proactive stance to managing credit risk are paramount given the uncertain environment at this time. Opportunities to extend duration were focused in longer dated sovereign and agency investments with a preference towards stronger macro-economic regions.

For More Information

Please visit www.northerntrust.com/pooledfunds or please contact your local Northern Trust representative using the information below.

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