

A 3D-rendered illustration of financial symbols. On the right, a gold coin with intricate designs sits atop a red, classical-style pedestal. Below the pedestal are several stacks of Australian banknotes. In the center, a clear, faceted diamond crystal is positioned next to a solid red cube.

Betashares Australian Cash Plus Fund (managed fund)

ASX: MMKT

Democratising access to institutional cash investing

Many investors want a place to invest at least some of their funds without too much return volatility, and with ready access to their money if needed. Typically, the easiest place to park such funds would be in an Australian bank account, either at call or with a limited term to maturity. Our popular Betashares Australian High Interest Cash ETF (ASX: AAA), launched in 2012, is an exchange traded fund that was designed to make this process even easier, by providing exposure to cash deposits held with selected banks in Australia.

Institutional investors such as superannuation funds, however, usually try to make their spare cash work a little harder – as they have the time and expertise to invest in a range of money market securities.

The problem for most investors is that investing in these more sophisticated products is not easy – due to high minimum investment hurdles and the level of investment expertise typically required.

To address this, Betashares Australian Cash Plus Fund (managed fund) (ASX: MMKT) aims to provide enhanced income returns by enabling retail investors to access money market securities that generally are available only to institutional investors.

How institutional investors park their money

When institutional investors such as superannuation funds want to park money in low volatility cash-type products – either temporarily or as a long-term strategic allocation - few consider simply using a bank account.

After all, while Australian banks are sound and their deposit facilities can offer a dependable income stream, better returns are generally available across a range of money market securities often able to offer similarly low capital volatility and high liquidity.

In short, institutional investors have long been able to gain access to better returns than your typical bank deposit, without materially greater return volatility or needing to tie up their money for extended periods. This is achieved by investing in high quality money market securities with usually low credit risk and low capital sensitivity to movements in market interest rates.

These investments include low volatility securities such as negotiable certificates of deposits (NCDs) and commercial paper. They may also include floating rate bonds (also known as 'floating rate notes') with a relatively short remaining term to maturity (less than 12 months) – and whose capital value, therefore, is not very sensitive to changes in the general level of market interest rates.

Being designed for large institutional investors, the minimum investment in many of these securities tends to be beyond the reach of all but the largest investors. Given the diversity of instruments on offer, a level of expertise is also required, not to mention an ability to deal in Australia's wholesale money market.

The benefits of Betashares Australian Cash Plus Fund (managed fund)



A compelling solution for your cash allocation

MMKT has been designed to be a core cash allocation in investment portfolios, providing enhanced yield from cash and money market securities, paid monthly, together with a high degree of capital stability.



Ready liquidity

MMKT offers daily access, and is traded on the ASX with T+2 settlement, meaning investors can obtain attractive income without needing to lock up their money for extended periods.



Exposure to high-quality, short-term securities

MMKT holds cash and Australian dollar denominated money market securities, most of which have three months or less to maturity, issued by investment grade entities.



Access an institutional grade cash solution

MMKT provides access to securities that are generally only available to institutional investors.

Investing like the institutions do

To address these problems, and 'democratise' access to these often better yielding cash solution investments, Betashares has launched MMKT.

MMKT invests not just in bank deposits, but also in a range of other money market securities as described above, with a high level of liquidity and low capital return volatility. As such, the Fund aims to provide an attractive yield (before fees and expenses) that exceeds the institutional investors' most widely followed cash return benchmark, the Bloomberg AusBond Bank Bill Index. Along with all other Betashares cash and fixed-income funds, income returns on MMKT will be paid monthly.

High-quality and low-duration investments

Like all Betashares exchange traded products, investors can buy or sell units in MMKT on a daily basis. Funds can be returned as needed with T+2 ASX settlement.

With the aim of providing a high level of liquidity and limited capital volatility, more than 55% of Fund assets will be invested in cash or money market securities with three months or less to maturity from the date of acquisition of the instrument or security. All other deposits and money market securities must have a remaining term to maturity of less than one year.

MMKT - key criteria for inclusion in portfolio

Securities	<ul style="list-style-type: none">• Cash• Australian dollar denominated money market securities
Issuers	Investment grade: <ul style="list-style-type: none">• Governments• Government-related• Listed corporate entities
Maturities	<ul style="list-style-type: none">• More than 55% of portfolio - maturities of 3 months or less• Less than 45% of portfolio - maturities of more than 3 months, but less than 12 months

Conclusion

MMKT aims to provide attractive monthly income to investors by offering diversified exposure to not only Australian bank deposits, but also a range of more sophisticated cash solution money market securities usually only available to institutional investors. MMKT may be utilised as a key building block in the cash allocation of investment portfolios.

MMKT continues the Betashares tradition of offering Australian investors innovative and intelligent investment solutions to help them meet their financial objectives.

There are risks associated with an investment in the Fund, including interest rate risk, credit risk, and market risk. Investment in the Fund does not receive the benefit of any government guarantee. Investment value can go up and down. An investment in the Fund should only be made after considering your particular circumstances, including your tolerance for risk. For more information on risks and other features of the Fund, please see the Product Disclosure Statement and Target Market Determination, both available at www.betashares.com.au.

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