



CASH MANAGEMENT TRUSTS, AUSTRALIA AUGUST 1985

- PHONE INQUIRIES** *for more information about these statistics*—contact Mr Dallas Tout on Canberra (062) 52 7106 or any of our State offices.
other inquiries including copies of publications—contact Information Services on Canberra (062) 52 6627 or in any of our State offices.
- MAIL INQUIRIES** *write to* Information Services A.B.S., P.O. Box 10, Belconnen, A.C.T. 2616 or any of our State offices.

MAIN FEATURES

For August 1985, the average net yield for the month was 14.0 per cent (the same as last month). The total value of units in issue in cash management trusts (CMTs) for August 1985 increased to \$1,866 million (up \$115 million from July 1985).

Total assets at the end of August were \$1,903 million.

Asset items which showed significant increases were:

- cash and deposits with banks (up \$31 million),
- deposits and loans with FCA corporations, excluding authorised money market dealers, (up \$50 million),
- bank accepted/endorsed bills of exchange drawn or accepted by public authorities (up \$41 million), and
- promissory notes issued by public authorities (up \$39 million).

The only asset item which showed a significant decrease was:

- Other bank accepted/endorsed bills of exchange (down \$23 million).

The weighted average term to maturity decreased to 57 days.

Major shifts in the maturity profile of assets occurred in:

- over 24 hour and up to 7 day securities (up \$28 million),
- over 30 day and up to 90 day securities (up \$99 million),
- over 90 day and up to 180 day securities (up \$19 million), and
- over 180 day and up to one year securities (down \$18 million).

EXPLANATORY NOTES

Introduction

This publication continues the series of monthly statistics for Australia on the financial operations, assets, units in issue, net yields and maturity profile of assets of cash management trusts. Information has been compiled from returns collected under the *Census and Statistics Act 1905*.

2. For the purposes of these statistics a cash management trust is defined as a unit trust which:

- (a) is governed by a trust deed;
- (b) is open to the public; and
- (c) generally confines its investments (as authorised by the trust deed) to financial securities available through the short term money market.

Definitions and descriptions of data items

3. *Units* are the interests offered for subscription or purchase.

4. *Units issued* are those issued to existing and new unit holders as a result of new applications and to existing unit holders when income is converted to units after the end of each distribution period. Excluded are units issued to managers and their related corporations.

5. *Units redeemed* refers to the redemption of units and includes any income paid to unit holders on redemption of units. Excluded are units redeemed by managers and their related corporations.

6. *Units in issue* as at the end of the period represents the total stock of units held by unit holders, and includes units in issue to managers and their related corporations. This figure may, in principle, be obtained by adding units issued as a result of new applications and re-invested income for the current month to the previous month's total of units in issue, and subtracting any redemptions. However derived data will not equal data published for units in issue, because units issued as a result of new applications and re-invested income exclude units issued and redeemed by the manager, and units redeemed includes income paid out on redemptions.

7. *Gross investment income* is the accrued investment income of the trusts for the month, before deducting any expenses. Investment income is calculated by trusts on a daily basis and includes discounts on negotiable securities and interest receivable earned on that day, together with the realised appreciation or depreciation on any investments sold on that day.

8. *Fees and expenses* refers to the accrued value for the month of the managers' fees, trustees' fees, interest payable on borrowings and other expenses incurred in connection with the administration of the trusts. Trusts calculate their fees and expenses on a daily basis, generally in proportion to the number of units in issue.

9. *Borrowings* refers to the borrowings (including overdraft facilities) used to finance the purchase of investments and/or for the purpose of providing funds for the redemption of units and the distribution of income to unit holders.

10. *Net yield to unit holders at end of period* is the net income accruing to unit holders for the last day of the month, expressed as a percentage per annum. The net yield for all trusts has been derived by weighting the net yield for each trust by the number of units in issue for that trust on the last day of the month.

11. *Net yield to unit holders for the period* represents the average of the net yields to unit holders for each day of the month. The net yield to unit holders for the month for all trusts has been derived by weighting the average net yield to unit holders for the month for each trust by the average number of units in issue for the month.

12. *Banks*, as referred to in the asset classification (Table 2), are banks within the meaning of the *Banking Act 1959* or banks constituted by State Acts.

13. *FCA Corporations* refers to corporations which are registered under the *Financial Corporations Act 1974*.

14. *Other Commonwealth government securities* are all securities issued by the Commonwealth government, other than Treasury notes. It excludes securities issued by Commonwealth public authorities.

15. *Term to maturity of assets* refers to:

- (a) the period of notice for withdrawal where securities can be redeemed without incurring an income penalty; or

(b) the remaining term to maturity where a maturity date is specified.

16. *The average period for term to maturity* represents the weighted average of the terms to maturity of all trust assets.

Asset valuation

17. The value of total assets presented in Table 2 has been compiled on a 'cost plus accrued income' basis. Where trusts supply individual categories of assets on a cost of investment basis, the accrued investment income which is not yet received is supplied as a separate item.

Other publications

18. Current publications produced by the ABS are listed in the *Catalogue of Publications, Australia* (1101.0). The ABS also issues, on Tuesdays and Fridays, a *Publication Advice* (1105.0) which lists publications to be released in the next few days. The Catalogue and Publications Advice are available from any ABS office.

Symbols used

- nil, or rounded to zero
n.p. not available for publication
r figures revised since previous issue

19. Where figures have been rounded, discrepancies may occur between sums of the component items and totals.

A. R. BAGNALL
Acting Australian Statistician

TABLE 1. UNITS IN ISSUE, FINANCIAL OPERATIONS AND NET YIELDS

	Number of trusts	Financial operations during the period							Weighted average net yield	
		Units in issue at end of period		Units			Borrowings at end of period	At end of period	Average for the period	
		Issued as a result of—	New applications	Re-invested income	Redeemed	Gross investment income (a)				Fees and expenses
— \$ million —										
% per annum										
1984—										
June	16	1,438.4	307.5	—	294.0	16.0	1.4	0.2	12.01	12.02
July	16	1,508.8	336.2	7.8	287.3	16.4	1.5	—	11.72	11.83
August	16	1,547.4	292.1	13.6	265.0	16.6	1.6	1.4	11.20	11.52
September	16	1,585.5	272.1	—	239.4	15.5	1.5	1.6	10.85	10.95
October	16	1,588.7	249.7	7.9	262.0	15.9	1.6	—	10.36	10.47
November	16	1,558.3	239.3	14.2	277.1	15.3	1.6	—	10.29	10.33
December	16	1,538.0	230.2	—	250.8	14.9	1.5	0.9	10.61	10.53
1985—										
January	16	1,496.8	232.4	8.4	283.9	15.7	1.5	3.6	10.75	10.71
February	16	1,488.7	266.9	13.2	283.8	14.1	1.3	0.6	11.86	11.36
March	15	1,504.4	314.5	—	305.6	17.6	1.8	0.9	12.99	12.55
April	15	1,489.6	333.3	9.2	362.3	17.6	1.4	—	13.19	13.18
May	15	1,526.1	381.7	16.9	362.3	18.6	1.7	0.5	14.32	13.37
June	15	1,524.5	323.2	—	316.2	18.8	1.7	—	14.46	14.09
July	15	1,751.0	643.0	10.2	339.8	21.3	1.6	—	14.20	14.00
August	15	1,866.4	425.3	19.6	318.0	23.5	1.9	—	14.20	14.00

(a) Includes income paid out on the redemption of units.

TABLE 2. ASSETS
(\$ million)

At end of month	Cash and deposits with banks	Deposits and loans with authorized money market dealers	Bills of exchange purchased and held									Other government and public authority securities					Total assets						
			Other deposits and loans with			Bank accepted/endorsed			Other bills			Promissory notes purchased and held			Treasury notes	Other Common-wealth government securities		Investment income accrued	Other assets				
			FCA Corporations	Other		Public authorities	FCA Corporations	Other	Public authorities	Accepted by FCA Corporations	Other	Public authorities	FCA Corporations	Other									
1984—																							
June	78.8	14.4		315.3			768.8			12.2		126.3		17.5		111.2	—	5.6	9.7	14.2	2.3	1,476.3	
July	101.9	1.0	274.0	92.7	19.7	142.0	671.3	—	44.2	6.3	13.2	137.6	7.8	—	2.5	9.2	11.2	6.1	1,540.5				
August	74.6	5.6	276.2	118.0	4.0	155.0	681.0	—	64.8	21.2	15.9	129.7	3.8	2.0	2.3	4.1	11.6	1.5	1,571.2				
September	82.3	2.4	255.9	114.2	—	151.5	729.5	—	59.6	34.4	13.0	124.4	8.7	2.0	18.6	3.9	13.5	—	1,613.9				
October	83.7	16.6	238.5	108.3	2.0	152.4	703.9	—	57.4	27.7	39.4	126.8	8.8	2.0	18.3	3.8	10.3	1.0	1,600.5				
November	90.3	0.5	217.6	113.7	8.4	199.0	689.7	—	70.3	4.5	24.8	104.4	10.7	8.1	20.1	8.5	11.2	—	1,581.9				
December	63.0	—	242.3	60.7	0.4	332.6	569.0	—	85.3	7.5	48.4	99.9	4.8	8.1	21.4	9.5	15.2	—	1,568.1				
1985—																							
January	70.0	—	179.8	95.2	1.7	176.8	571.5	—	87.2	10.6	159.0	95.5	15.9	3.2	23.7	8.5	19.2	—	1,517.8				
February	92.7	1.4	231.7	104.3	3.4	261.1	438.9	—	46.8	3.1	165.9	106.8	15.4	3.0	22.0	4.1	12.9	—	1,513.7				
March	92.7	2.6	292.0	64.5	19.1	246.2	453.8	—	44.4	18.3	144.1	95.5	23.3	3.0	21.7	1.8	13.3	—	1,536.4				
April	106.3	—	239.4	74.9	1.0	247.7	493.5	—	57.1	11.8	136.3	84.4	31.2	3.0	22.0	1.6	15.1	—	1,525.2				
May	81.2	0.4	294.7	74.1	5.7	253.5	508.1	—	49.7	21.2	98.3	85.6	25.7	3.0	28.9	2.5	18.5	—	1,551.1				
June	163.3	—	311.8	88.3	4.7	177.6	553.7	1.4	53.9	9.1	68.2	92.1	13.3	1.0	5.2	2.3	14.7	—	1,560.5				
July	229.2	—	327.3	74.2	25.3	228.0	587.4	—	36.2	6.9	86.2	96.9	43.0	1.0	6.2	2.8	22.3	—	1,770.3				
August	260.4	—	376.8	67.5	66.6	221.7	564.8	—	45.1	4.3	124.8	103.9	32.9	—	6.7	—	27.0	—	1,902.5				

TABLE 3. ASSETS CLASSIFIED BY TERM TO MATURITY

At end of month	Term to maturity of assets						Total assets	Weighted average period days
	At call and up to 24 hours	Over 24 hours and up to 7 days	Over 7 days and up to 30 days	Over 30 days and up to 90 days	Over 90 days and up to 180 days	Over 180 days and up to 1 year		
	—\$ million—							
1984—								
June	91.5	63.6	306.7	621.9	380.4	12.1	1,476.3	62.7
July	95.5	47.7	328.4	714.8	323.0	31.1	1,540.5	62.4
August	129.0	101.2	346.5	632.6	333.7	28.3	1,571.2	60.6
September	147.2	117.3	289.1	694.0	332.2	34.2	1,613.9	65.4
October	137.7	92.6	316.9	750.8	272.5	30.0	1,600.5	58.3
November	105.5	201.6	411.1	651.1	174.1	38.5	1,581.9	51.8
December	89.8	40.8	423.9	816.2	156.3	41.1	1,568.1	55.3
1985—								
January	108.3	111.5	441.8	550.0	260.7	45.5	1,517.8	54.5
February	130.3	165.8	386.4	433.7	369.3	28.2	1,513.7	62.2
March	117.1	100.9	172.6	830.6	290.9	24.4	1,536.4	68.7
April	102.6	47.4	302.1	725.9	322.9	24.3	1,525.2	59.2
May	128.4	175.5	455.9	449.8	300.8	40.8	1,551.1	63.4
June	130.1	43.2	224.6	782.9	337.4	42.2	1,560.5	66.5
July	133.0	138.7	349.6	761.6	351.8	35.6	1,770.3	61.1
August	141.9	167.1	344.3	860.6	370.7	17.9	1,902.5	57.0