BUTTERFIELD

Fund Review

Butterfield Asset Management Limited

Money Market Fund: USD Class

Quarter 3 2026

Objective

To seek as high an overall rate of return as is consistent with maintaining liquidity and security of principal.

Investment policy

To invest in a range of US dollar-denominated money market instruments, the issuers of which will have first-class credit ratings. Instruments will consist of cash equivalents and a range of debt securities.

Investment process

Seek out short-term, high quality money market instruments that offer attractive spreads on the respective overnight rate according to currency.

Key facts as at 30 September 2026

Currency	USD
Valuation	Daily
Dealings	Daily
Front end fee	None
Units available	Accumulation
Identifier	BUTMMKI BH
Fiscal year end	30 June
Minimum investment	Class A - USD 10,000 Class B - USD 5,000,000
Total expense ratio	Class A - 0.565% Class B - 0.465%
Size of fund (millions)	USD 2,216
NAV per share - Class A	USD 30.2989
NAV per share - Class B	USD 31.0230
Risk rating	Low risk/Low return

Performance returns (Class A & B)

	1 year	3 years*	5 years*	7 years*	10 years*
Class A	3.32%	4.09%	3.37%	2.51%	2.14%
Class B	3.42%	4.19%	3.46%	2.58%	2.22%

**Annualised*

Past performance is not indicative of future returns. Please see full risk disclosure below (footer).

7-day yield (30 September 2026)

Class A	3.34%
Class B	3.44%

Fund review

The data this quarter allowed the Federal Reserve the opportunity to raise the Federal Funds Rate and unanimously agreed to a 25bps hike during the September meeting. The annual inflation rate creeped higher, reaching 3.7% in September. Gasoline and fuel prices were substantial factors with increases of 34.2% and 74.2% year on year respectively. Curbing inflation was the motivation for tightening monetary policy. Soaring gas and fuel prices are consequences of the war in Iran and the ongoing conflict over the Strait of Hormuz. This important shipping channel is restricted by the Iranians in response to the attacks on their country. Ambiguity surrounds the duration of this clash, but FOMC members believe that this hike will help to expedite the return of inflation to a more acceptable level. Second quarter GDP jumped considerably to 2.2%, after an initial estimate of 1.5%. Similarly, first quarter GDP was also revised higher from 2.1% to 2.5%. These revisions were a result of stronger consumer and government spending as well as increases in private inventory and fixed investment. The labour market did not have enough activity to move this metric more than 0.1% from month to month. The unemployment rate of 4.2% was just a tick above the 4.1% print for both July and August and this small move was mostly the result of an increase in labour force participation. With forward guidance no longer provided by the Fed, market participants are left to presume what the members may be thinking based on available data. Some members assert that a second hike before the end of the year is possible while others appear content with this initial step.

Short-term rates adjust in line with the Federal Funds Rate which was increased to 4% during the second quarter. Similarly, the Class A yield climbed as maturities were reinvested at higher rates. Market expectations of rate increases were already priced in so maturities were extended to lock in the higher yields. Hence, the decision to extend caused average life to jump to 48 days by quarter end. Credit quality continued to be strong with 83% of securities holding the top S&P rating of A-1+. Treasury bills rose to 54% of holdings meanwhile commercial paper represented 43% of the portfolio. A fixed bond was also added and is set to mature early in 2027. The Class size was unchanged to finish the period at $2.2 billion for another quarter.

Standard & Poor's
Principal Stability rating

AAAm

BUTTERFIELD

Contact us

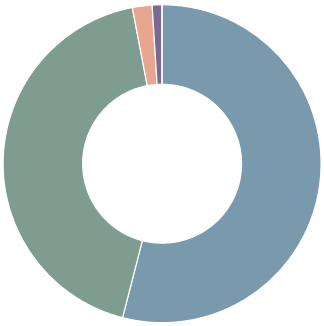
Butterfield
Asset Management
Limited

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Average duration and credit rating

Duration	48 days
Credit rating	S&P AAAm

Fund allocation



U.S. Treasury Bill	54%
Commercial paper	43%
CD	2%
Fixed rate notes	1%

www.butterfieldgroup.com

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