

Press Release



For immediate release: Tuesday 07 April 2009

IMMFA WELCOMES ABI MONEY MARKET CONSULTATION

The Institutional Money Market Funds Association (IMMFA) welcomes the open consultation of the Association of British Insurers (ABI) on its money market sector review. The consultation proposed the creation of a new 'cash-like' sector, which will be limited to those funds which have capital preservation as their core objective.

Commenting, Kathleen Hughes, Communications Committee Chairman said:

"The ABI review is one of several pieces of work being conducted on money market funds across the globe, which include those of the rating agencies and regulatory bodies. IMMFA continues to engage with all relevant bodies to ensure there is clarity and a consistency of terminology which will benefit investors and wider market participants.

The ABI proposals to introduce a cash-like sector that is limited to those funds who have a principal objective of capital security is consistent with the purpose of those funds represented by IMMFA. We will be responding positively to the consultation to advocate the inclusion of the IMMFA membership within this cash-like sector. "

-Ends-

Notes to editors:

1. About IMMFA - IMMFA was established on 14 June 2000, and currently has 33 members. It is the trade association for providers of triple-A rated money market funds, and covers nearly all of the major providers of this type of fund outside the US. Funds under management exceed €440 billion as at 20 February 2009.
2. IMMFA only represents those money market funds that have achieved a triple-A rating and value assets on an amortised basis. The funds seek to provide capital security and liquidity to all investors at all times.
3. IMMFA is proactively involved with the European Fund and Asset Management Association (EFAMA) in developing a pan-European definition of a money market fund.

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