

Pension Fund Investment Sub-Committee

11th June 2018

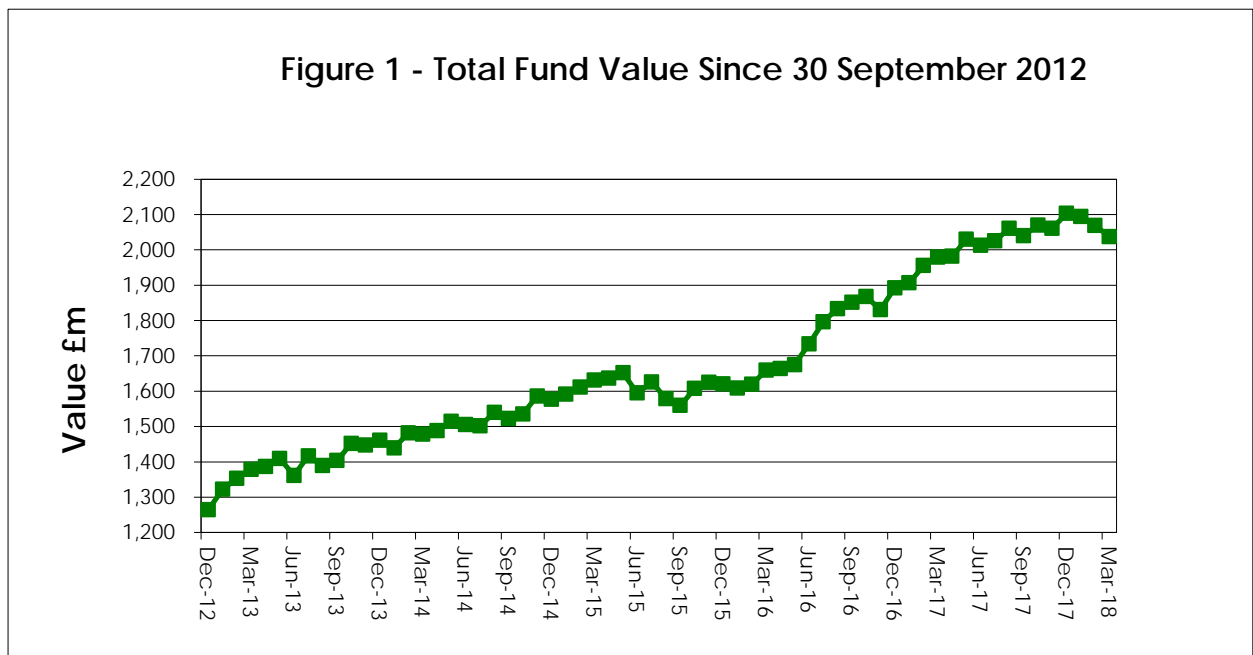
Investment Performance

Recommendation

- (1) That the Sub-Committee notes the fund value and investment performance for the last quarter of 2017/18 to 31st March 2018.

1. Fund Value at 31st March 2018

- 1.1 The fund value was £2,037.3 at 31st March 2018 a decrease of 3.11% against the previous quarter of £2,102.8 at 31 Dec 2017 as shown in Figure 1.



2. Fund Asset Allocation

2.1 The performance of the Fund against its asset class benchmarks for the quarter ending 31st March 2018 is shown in Table 1.

Table 1: Fund Asset Allocation

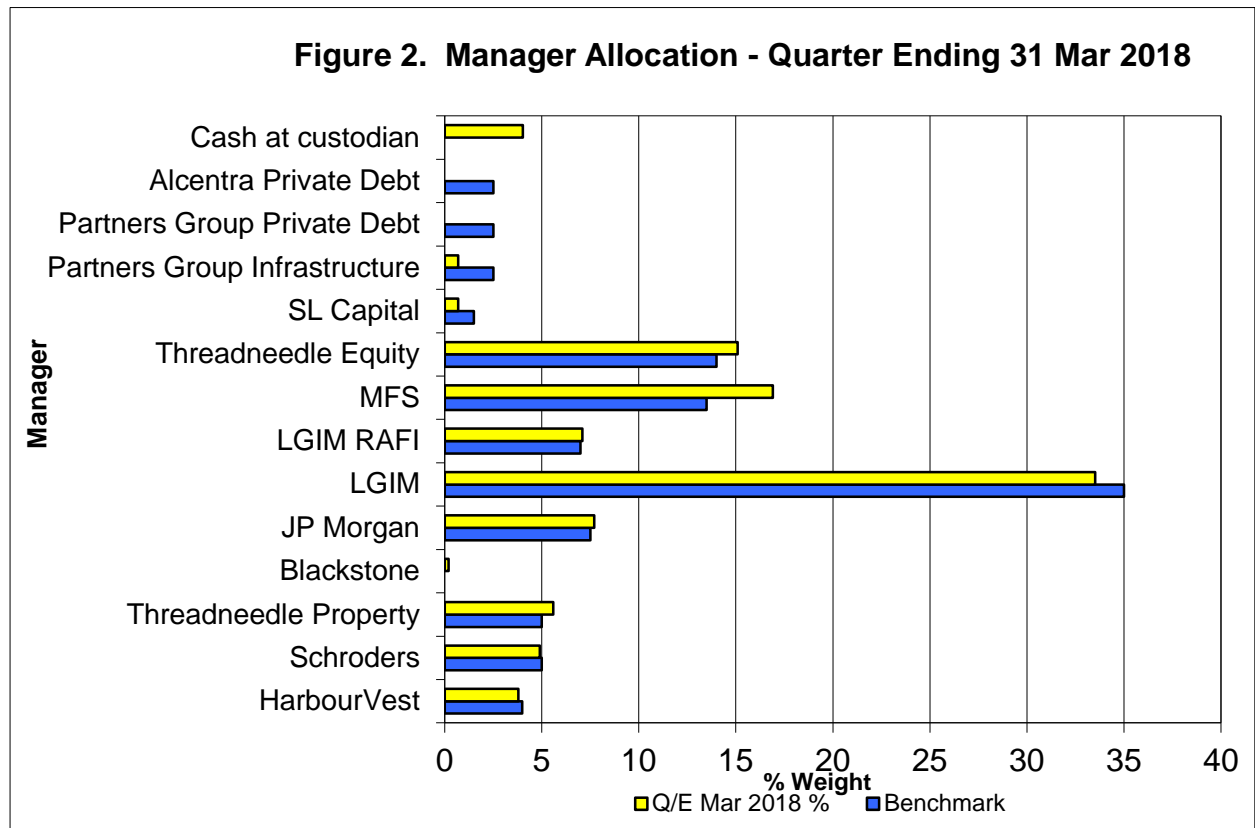
Asset Class	Q/E Mar 2018	Fund policy	Over/under weight
	%	%	%
Equity	56.9	54.5	2.4
UK	22.7	21.0	1.7
Overseas	27.1	26.5	0.6
Fundamental Global Equity	7.1	7.0	0.1
Fixed Income	15.7	15.0	0.7
UK corporate bonds	10.3	10.0	0.3
UK government bonds	0.0	0.0	0.0
UK index linked bonds	5.4	5.0	0.4
Hedge Funds	0.0	0.0	0.0
Private Equity	3.8	4.0	-0.2
Property	10.2	10.0	0.2
Absolute Return Bonds	7.8	7.5	0.3
Infrastructure	1.6	4.0	-2.4
Private Debt	0.0	5.0	-5.0
Cash	4.0	0.0	4.0

2.2 The fund managers' asset allocation against the benchmark for the quarter ending 31st March 2018 is shown in Table 2.

Table 2: Fund Asset Allocation by Manager

Manager	Q/E Mar 2018 %	Benchmark	Variance
HarbourVest	3.8	4.0	-0.2
Schroders	4.9	5.0	-0.1
Threadneedle Property	5.6	5.0	0.6
Blackstone	0.2	0.0	0.2
JP Morgan	7.7	7.5	0.2
LGIM	33.5	35.0	-1.5
LGIM RAFI	7.1	7.0	0.1
MFS	16.9	13.5	3.4
Threadneedle Equity	15.1	14.0	1.1
SL Capital	0.7	1.5	-0.8
Partners Group Infrastructure	0.7	2.5	-1.8
Partners Group Private Debt	0.0	2.5	0.0
Alcentra Private Debt	0.0	2.5	0.0
Cash at custodian	4.0	0.0	4.0
Total	100.0	100.0	0.0

2.3 Fund asset allocation against each manager is shown in Figure 2.



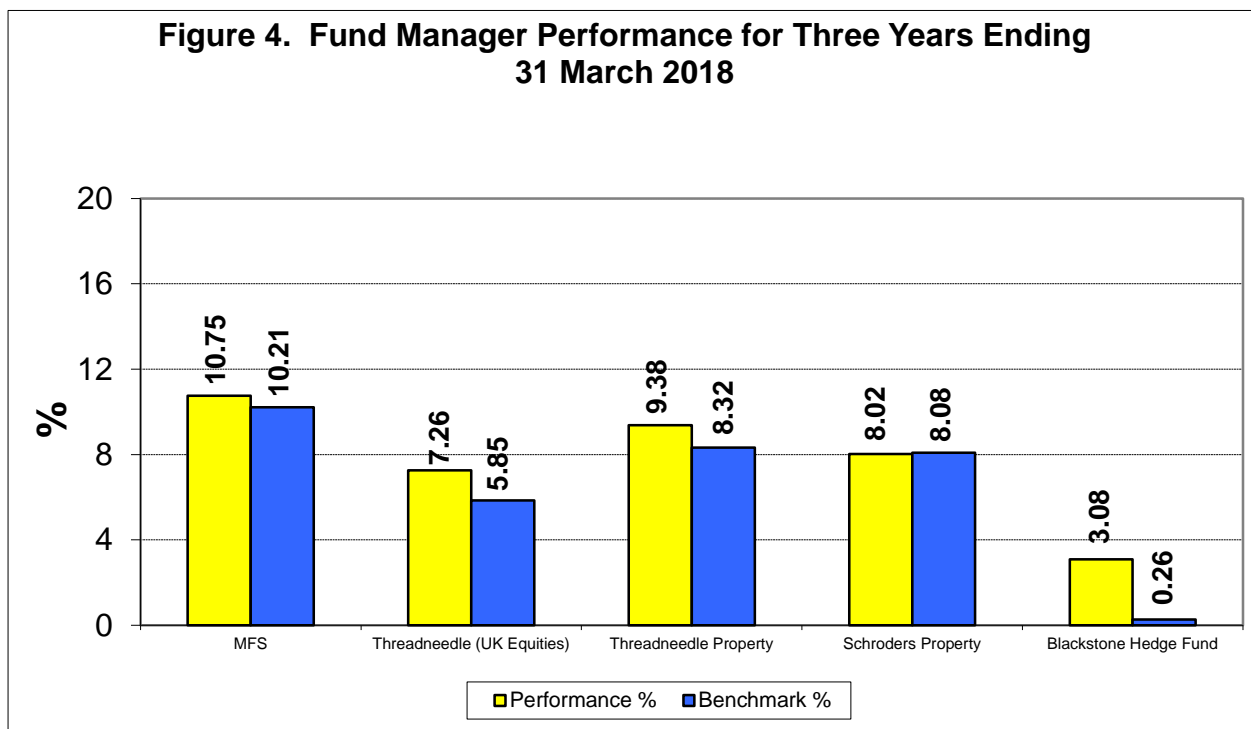
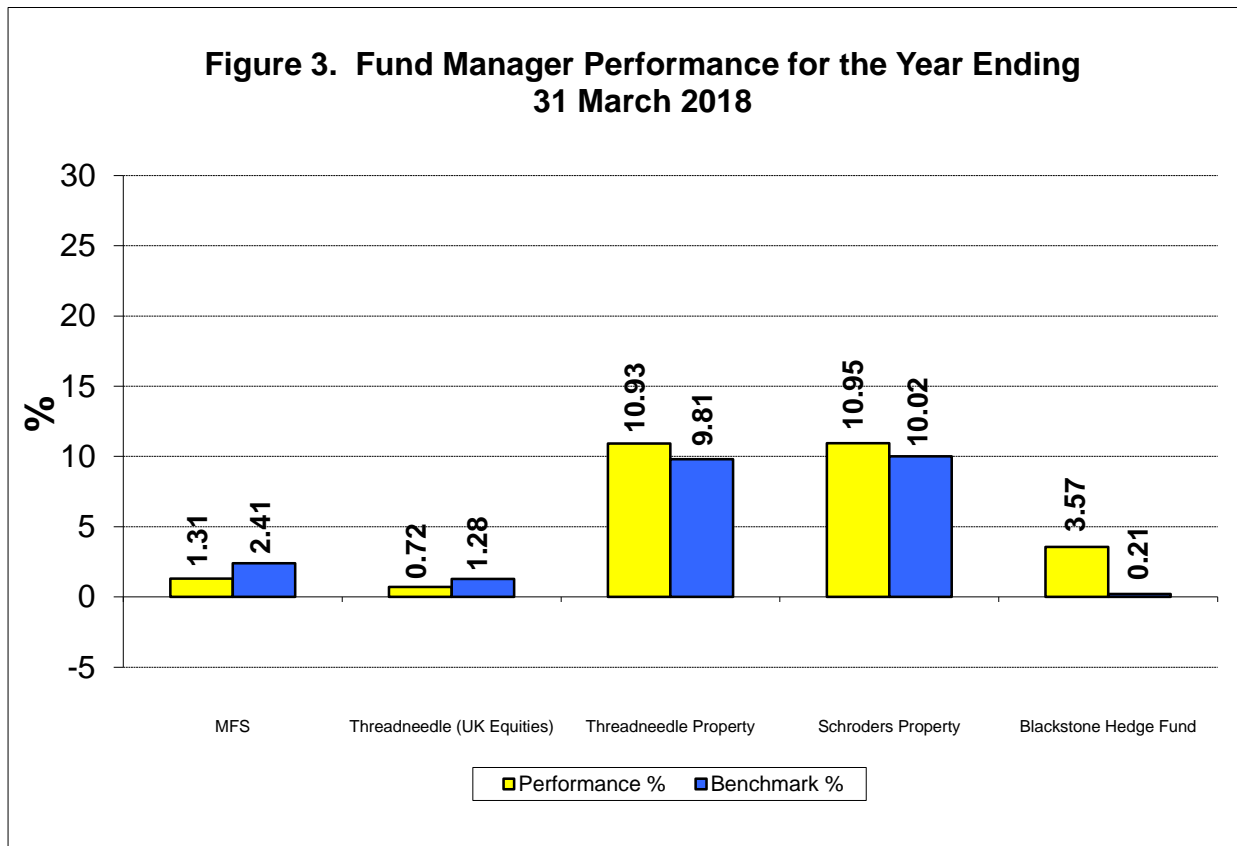
3. Fund Performance

3.1 Overall the fund over-performed its overall benchmark by 0.19%. The performances of managers against their benchmarks for the quarter ending 31st March 2018 were:

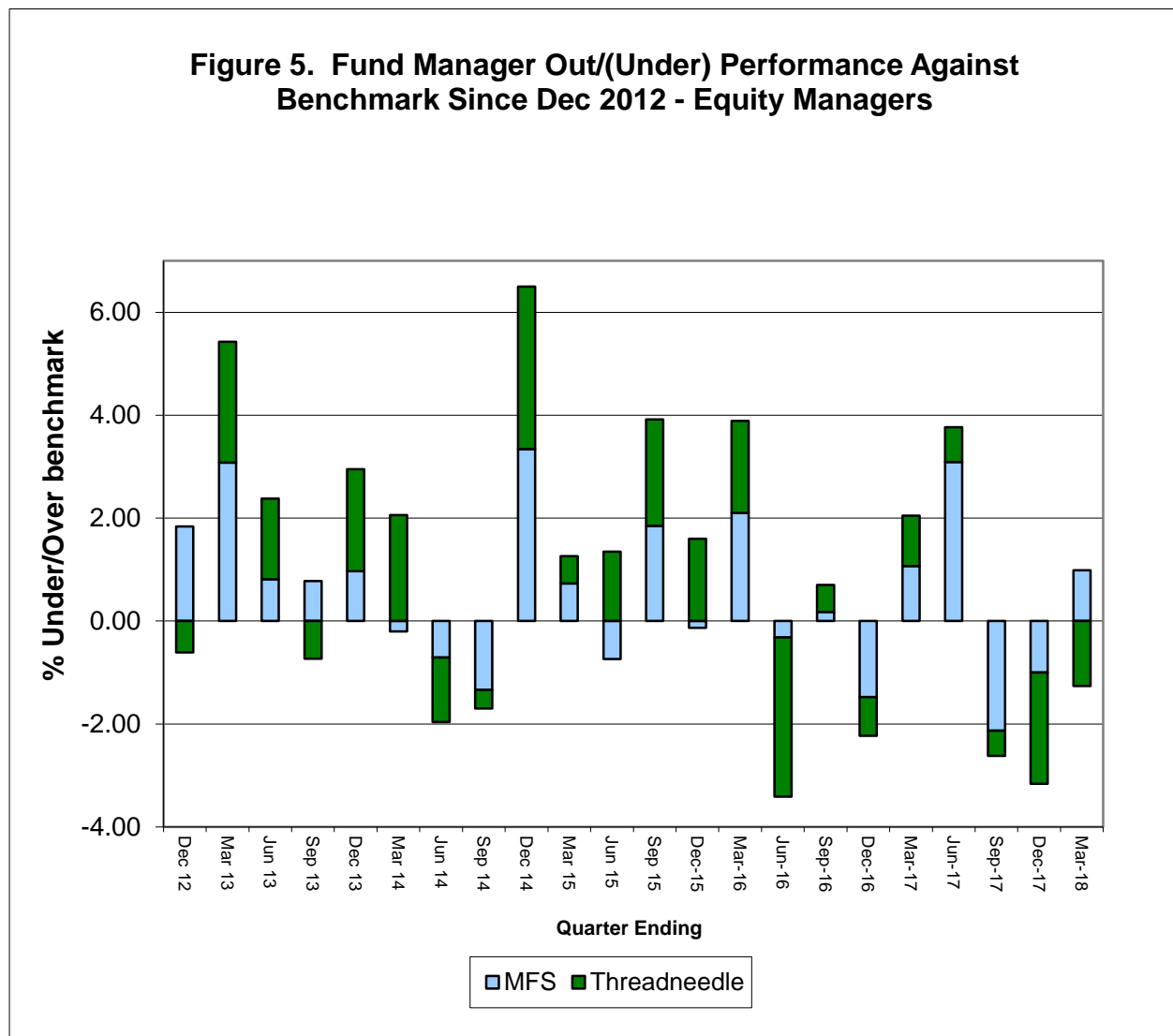
Table 3: Performance by Fund Manager

Manager	Benchmark Measure	Q/E Mar 2018	Benchmark	Variance
		%	%	%
MFS	Global Equity Benchmark	-5.48	-4.49	-0.99
Threadneedle	FTSE All-Share	-5.62	-6.88	1.26
Legal and General (Global Equities)	LGIM Benchmark	-5.07	-5.23	0.16
Legal and General (Fixed Interest)	LGIM Benchmark	-0.68	-0.85	0.17
Threadneedle Property	Customised Benchmark	2.13	1.81	0.32
Schroders Property	Customised Benchmark	2.05	1.90	0.15
Blackstone Hedge	Customised Benchmark	-0.04	0.09	-0.13
JP Morgan Strategic Bond	Customised Benchmark	-0.45	0.12	-0.57
Total	WCC Total Fund Benchmark	-3.11	-3.30	0.19

3.2 Annualised return for the fund managers to 31st March 2018 is summarised in Figure 3. The three year annualised return is summarised in Figure 4.



3.3 Equity Managers performance against their benchmarks are summarised in Figures 5.



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