

# FUND POSITION STATEMENT

## Summary of Fund Asset Allocation and Performance

### Superannuation Fund Committee

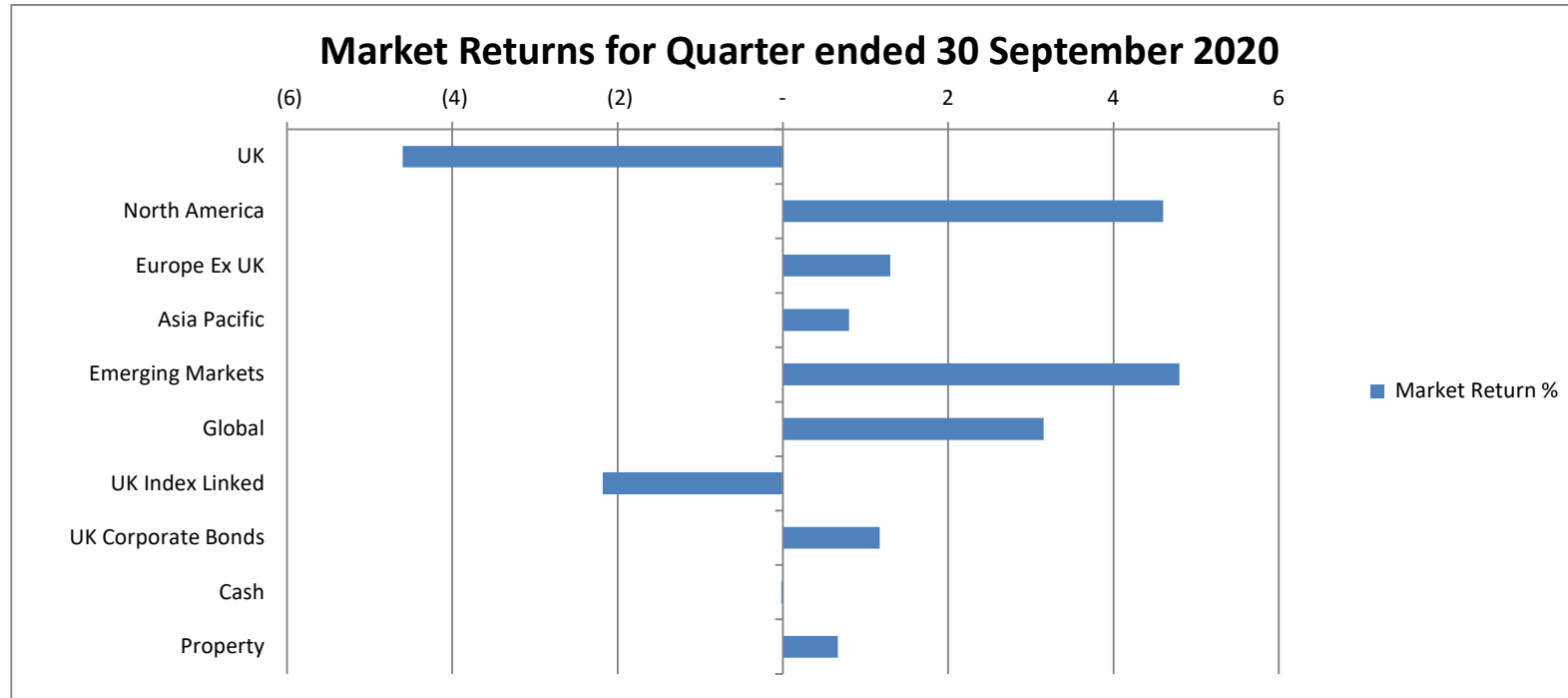
**By: Chairman Superannuation Fund Committee**  
Corporate Director of Finance



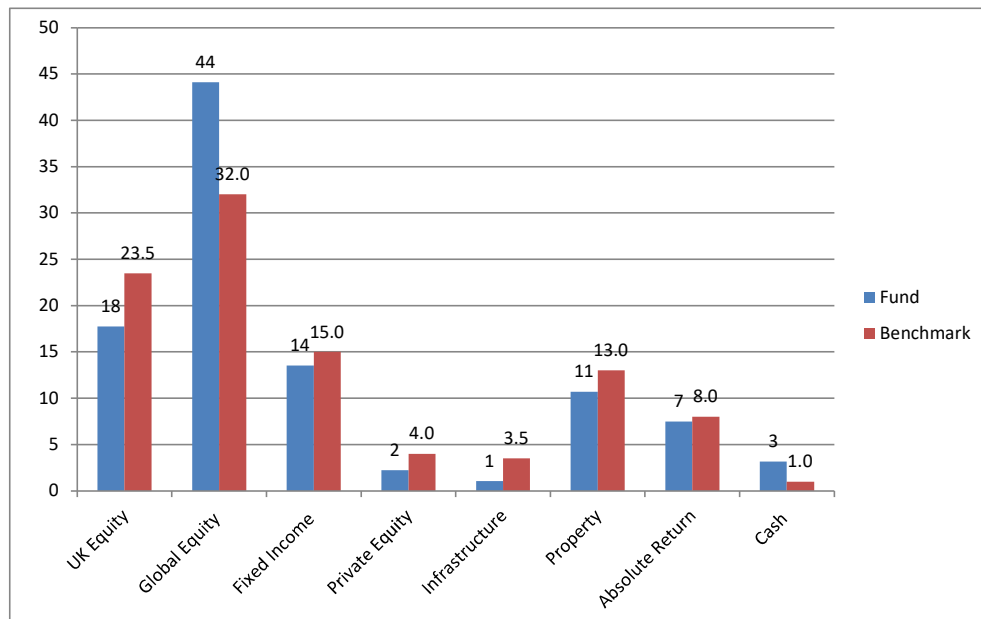
Kent County Council  
Superannuation Fund Q2 2020-21

Alison Mings- Acting Business Partner -  
Kent Pension Fund

## Market Returns for Quarter ended 30 September 2020

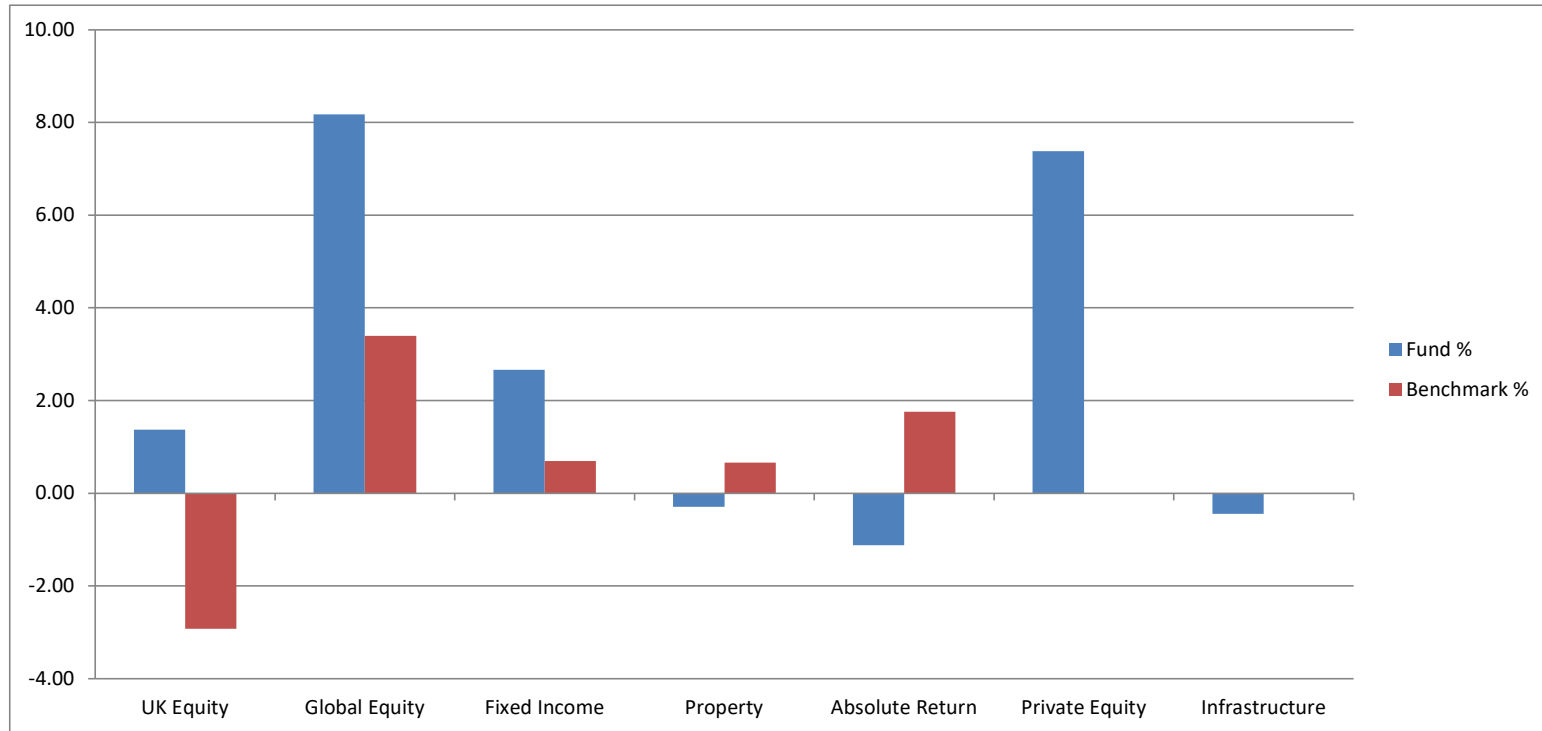


## Fund Asset Allocation vs Benchmark as at 30 September 2020



Asset Class	Fund		Benchmark	Over / (under) weight
	£m	%	%	%
UK Equity	1,212	17.7	23.5	-5.8
Global Equity	3,014	44.1	32	12.1
Fixed Income	923	13.5	15	-1.5
Private Equity	151	2.2	4	-1.8
Infrastructure	71	1.0	3.5	-2.5
Property	732	10.7	13	-2.3
Absolute Return	512	7.5	8	-0.5
Cash	215	3.2	1	2.2
<b>Total</b>	<b>6,829</b>	<b>100</b>	<b>100</b>	

## Fund Asset Class Performance for Quarter ending 30 September 2020



Asset Class	Fund %	Benchmark %	Outperformance %
UK Equity	1.37	-2.92	4.30
Global Equity	8.17	3.40	4.78
Fixed Income	2.66	0.70	1.97
Property	-0.29	0.66	-0.95
Absolute Return	-1.12	1.76	-2.88
Private Equity	7.38	-0.02	7.40
Infrastructure	-0.44	-0.02	-0.42

## Market Value Summary by Fund Manager as at 30 September 2020

Fund Manager	Asset Class	Market Value as at 30 June 2020 (£m)	Market Value as at 30 September 2020 (£m)	Change in Market Value (£m)	% of Total Fund 30 September 2020
Baillie Gifford - ACCESS fund	Global Equity	1,451	1,655	204	24.2%
Schroders - ACCESS fund	UK Equity	845	871	26	12.8%
DTZ	Direct Property	459	456	-3	6.7%
Pyrford	Absolute Return	441	434	-6	6.4%
Goldman Sachs	Fixed Interest	398	408	10	6.0%
M&G - ACCESS fund	Global Equity	363	368	5	5.4%
UBS Global - ACCESS fund	Global Equity	348	361	13	5.3%
Sarasin	Global Equity	293	306	13	4.5%
UBS UK - ACCESS fund	UK Equity	304	294	-11	4.3%
Schroders GAV	Global Equity	299	285	-13	4.2%
Schroders	Fixed Interest	237	243	6	3.6%
M&G Alpha Opportunities	Fixed Interest	130	153	24	2.2%
CQS	Fixed Interest	122	147	25	2.1%
Fidelity	Pooled Property	128	128	0	1.9%
Harbourvest	Private Equity	101	113	13	1.7%
Ruffer - ACCESS fund	Absolute Return	77	77	1	1.1%
Partners	Infrastructure	60	71	11	1.0%
M&G Property	Pooled Property	65	65	0	1.0%
Impax	Global Equity	52	58	5	0.8%
Kames	Pooled Property	44	43	-1	0.6%
DTZ Pooled Funds	Pooled Property	41	39	-2	0.6%
YFM	Private Equity	38	38	0	0.6%
Woodford	UK Equity	30	19	-11	0.3%
UBS Emerging Markets - ACCESS fund	Global Equity	16	16	1	0.2%
Internally managed cash	Cash	200	179	-21	2.6%
<b>Total Kent Fund</b>		<b>6,542</b>	<b>6,829</b>	<b>308</b>	<b>100.0%</b>

**Total investments in ACCESS pooled funds**

**3,404**

**3,643**

**Percentage of the total Fund**

**52%**

**53%**

## Performance Returns as at 30 September 2020

	Quarter		1 Year		3 Year (p.a.)	
	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark
<b>Total Fund</b>	4.14	0.63	6.00	-1.84	5.95	3.90
<b>UK Equity</b>						
Schroders UK Equity	3.08	-3.61	-13.36	-18.51	-1.86	-4.02
UBS	-3.46	-2.92	-16.91	-16.59	--	--
Woodford	4.03	-2.92	-24.36	-16.59	-21.30	-4.24
<b>Global Equity</b>						
Baillie Gifford	14.10	2.04	49.02	1.28	22.95	5.70
Sarasin	4.34	3.35	8.13	5.27	10.21	8.45
Schroders GAV	-4.56	3.35	-8.17	5.27	0.66	8.45
UBS Emerging Markets	4.29	4.49	4.21	4.65	--	--
UBS World Ex UK Equity	3.63	3.64	7.22	7.25	--	--
Impax	10.36	3.35	11.42	5.27	8.65	8.45
M&G	1.39	3.35	-1.45	5.27	4.92	8.45
<b>Fixed Interest</b>						
Goldman Sachs	2.53	0.86	1.94	3.50	3.25	3.50
Schroders Fixed Interest	2.61	0.04	-1.80	0.82	-0.34	0.85
CQS	3.33	1.02	--	--	--	--
M&G Alpha Opportunities	2.46	1.02	--	--	--	--
<b>Property</b>						
DTZ	-0.31	0.66	-3.03	-2.57	3.71	3.25
Fidelity	-0.13	0.20	-3.01	-2.79	3.49	2.66
Kames	-0.84	0.20	-5.45	-2.79	2.37	2.66
M&G Property	-0.07	0.20	0.06	-2.79	1.99	2.66
<b>Private Equity</b>						
Harbourvest	9.96	-0.02	9.70	0.24	17.94	0.40
YFM	0.00	-0.02	-4.08	0.24	16.05	0.40
<b>Infrastructure</b>						
Partners	-0.44	-0.02	-8.48	0.24	4.25	0.40
<b>Absolute Return</b>						
Pyrford	-1.46	1.76	0.28	6.12	1.44	7.28
Ruffer	0.86	1.76	8.70	6.12	--	--

## Fund Manager Benchmarks and Performance Targets

Asset Class / Manager	Performance Benchmark	Performance Target
<b>UK Equities:</b>		
Schroders UK Equity	Customised	+1.5% pa over rolling 3 years
Woodford	FTSE All Share	Unconstrained
UBS UK Equity	FTSE All Share	Match
<b>Global Equities:</b>		
Baillie Gifford	Customised	+1.5% pa over rolling 3 years
Sarasin	MSCI AC World Index NDR	+2.5% over rolling 3 - 5 years
M&G	MSCI AC World Index GDR	+3% pa
Schroders GAV	MSCI AC World Index NDR	+3% - 4% pa over rolling 3 years
Impax	MSCI AC World Index NDR	+2% pa over rolling 3 years
UBS Global Equity	FTSE (Dev) World ex UK	Match
UBS Emerging Market Equities	FTSE Emerging Markets	Match
<b>Fixed Income:</b>		
Schroders Fixed Interest	3 months Sterling Libor	+4% pa over a full market cycle
Goldman Sachs	+3.5% Absolute	+6% Absolute
CQS	Libor + 4%	
M&G Alpha Opportunities	Libor + 4%	
<b>Property:</b>		
DTZ	IPD Pension Fund Index	≥ 3 year rolling average of benchmark returns
Fidelity	IPD UK PF Property Fund Index	
Kames	IPD UK PF Property Fund Index	
M&G Property	IPD UK PF Property Fund Index	
<b>Alternatives: (Cash / Other Assets)</b>		
Private Equity – YFM	GBP 7 Day LIBID	
Private Equity – HarbourVest	GBP 7 Day LIBID	
Infrastructure – Partners Group	GBP 7 Day LIBID	
Absolute Return – Pyrford	Retail Price Index (RPI)	RPI + 5%
Absolute Return – Ruffer	Retail Price Index (RPI)	
Internally managed cash – KCC Treasury and Investments team	GBP 7 Day LIBID	

## Fund Structure as at 30 September 2020

UK Equities	Global Equities	Fixed Interest	Property	Cash/Alternatives
Schroders +1.5% £871 m	Baillie Gifford +1.5% £1,655 m	Goldman Sachs +6.0% Abs. £408 m	DTZ Property £495 m	Internally managed Cash £179 m
UBS 0.0% £294 m	M&G +3.0% £368 m	Schroders +4.0% £243 m	Fidelity Property £128 m	Partners Infrastructure £71 m
Woodford £19 m	Schroders +3.0% - +4% £285 m	CQS £147 m	Kames Property £43 m	YFM Private Equity £38 m
	UBS +0.0% £377 m	M&G Alpha Opps £153 m	M&G Property £65 m	HarbourVest Private Equity £113 m
	Impax +2.0% £58 m			Pyrford Abs. Return RPI + 5% £434 m
	Sarasin +2.5% £306 m			Ruffer Abs. Return RPI £77 m
Total Fund    £6.8 bn				ACCESS fund



