

By: Chairman Superannuation Fund Committee
Corporate Director Finance and Procurement

To: Superannuation Fund Committee – 28 June 2013

Subject: **FUND POSITION STATEMENT**

Classification: Unrestricted.

Summary: To provide a summary of the Fund asset allocation and performance.

FOR INFORMATION

INTRODUCTION

1. Attached is the Fund Position Statement to 31 March 2013.

ANALYSIS

The Fund has strong 1,3 and 5 year investment performance:

	Fund	Benchmark	Local Authority Percentile
1 Year	+14.7%	+13.6%	35 th
3 Years	+8.7%	+8.3%	32 nd
5 Years	+7.1%	+6.8%	36 th

3. One Year

- (1) The three largest mandates, Schroders UK Equities, Invesco UK Equities and Baillie Gifford Overseas Equities all saw strong outperformance.
- (2) On Fixed income both Goldman Sachs and Schroders outperformed in the year.
- (3) The two quantitative value orientated global equity mandates, GMO and Schroders marginally underperformed in a year which did not favour value orientated their investment styles.
- (4) DTZ continued to perform well.

4. Three Years

- (1) The Invesco UK Equity and Baillie Gifford Overseas Equities produced very strong returns with Invesco outperforming by +4.8% per annum and Baillie Gifford by +4.7% per annum. These 2 mandates account for 30% of the total fund and have driven the 3 year performance.
- (2) Schroders UK Equities are also ahead of benchmark.
- (3) Over the 3 year period both the quantitative value orientated global equity mandates are slightly behind benchmark.
- (4) On Fixed income Goldman Sachs have outperformed and Schroders are at benchmark – for Schroders the performance numbers include a difficult 2011 which led to changes in the team and process..
- (5) DTZ have outperformed across 3,5 and 10 year periods.

RECOMMENDATION

5. Members are asked to note this report:

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