

FUND POSITION STATEMENT

Summary of Fund Asset Allocation and Performance

Superannuation Fund Committee

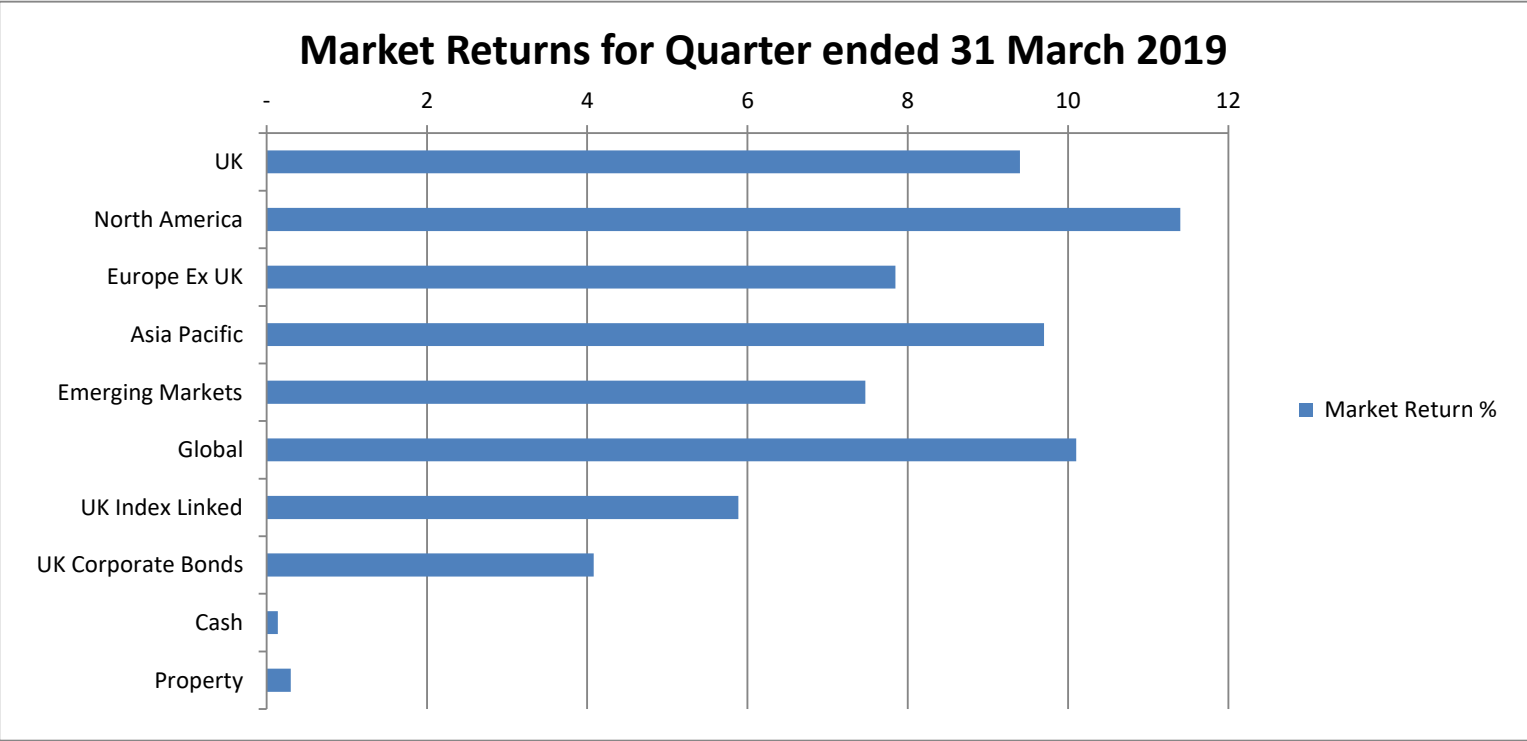
By: Chairman Superannuation Fund Committee
Acting Corporate Director of Finance



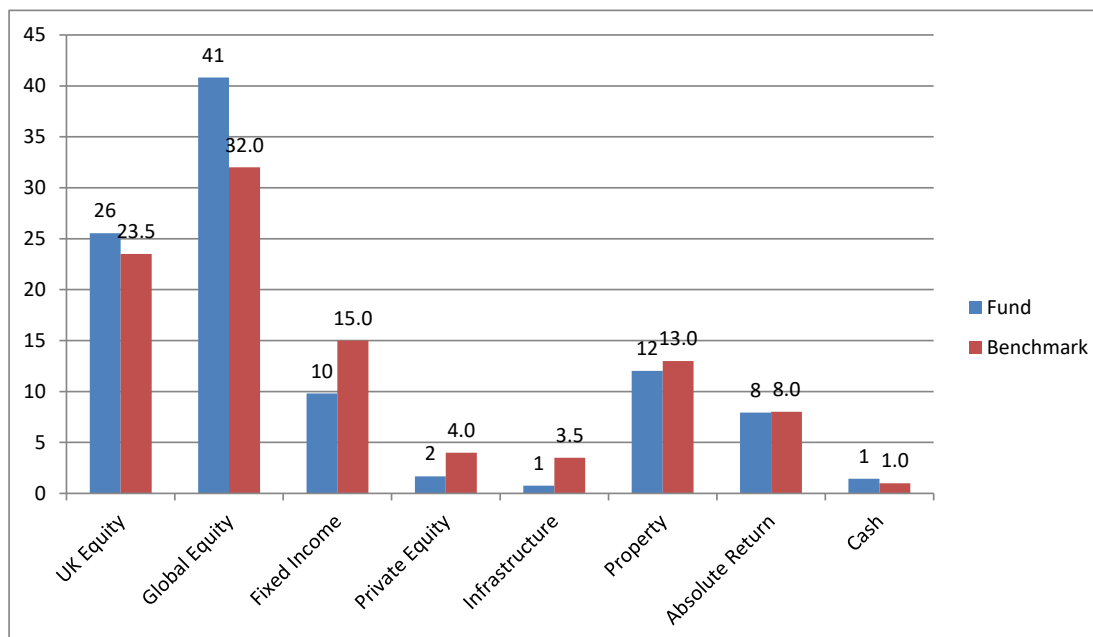
Kent County Council
Superannuation Fund Q4 2018-19

Nick Vickers - Business Partner (Pension
Fund)

Market Returns for Quarter ended 31 March 2019

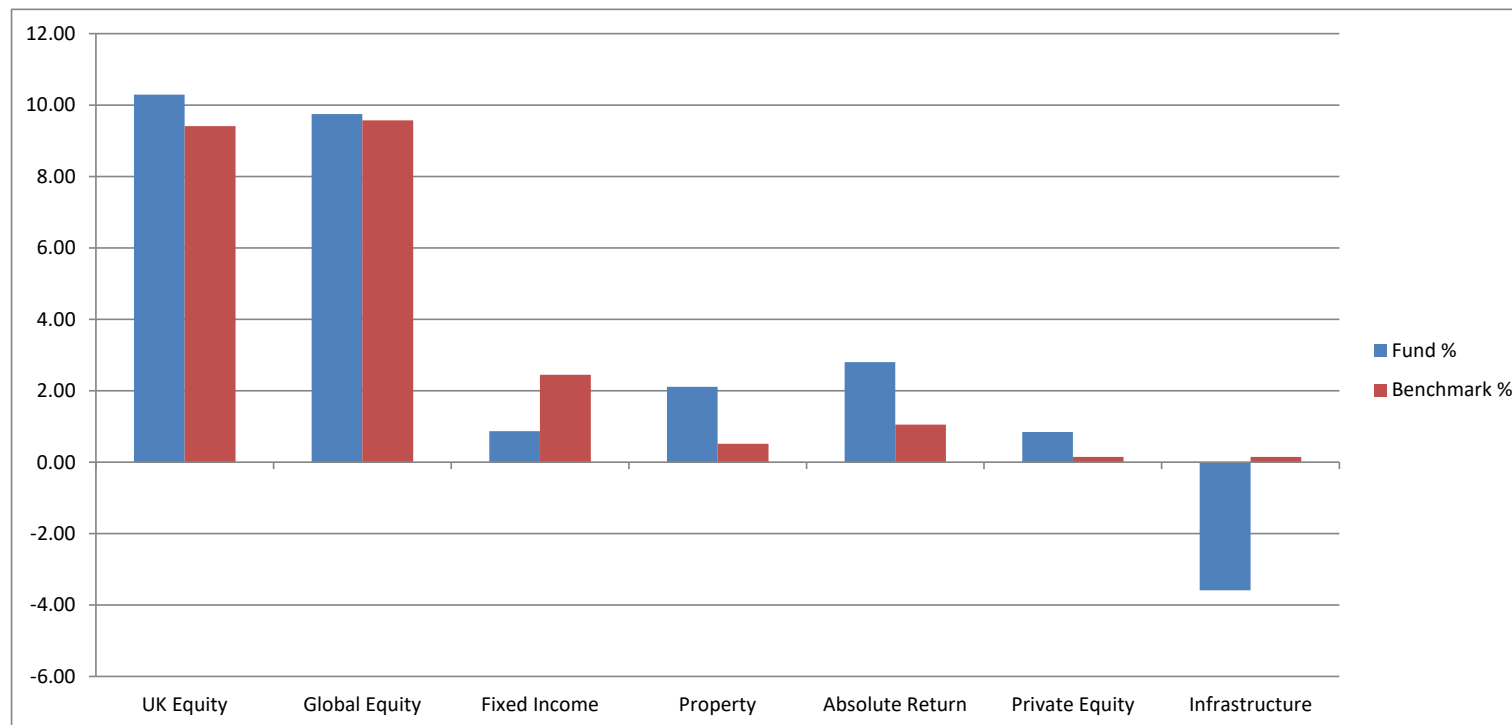


Fund Asset Allocation vs Benchmark as at 31 March 2019



Asset Class	Fund		Benchmark
	£m	%	%
UK Equity	1,587	25.5	23.5
Global Equity	2,535	40.8	32
Fixed Income	610	9.8	15
Private Equity	105	1.7	4
Infrastructure	47	0.7	3.5
Property	747	12.0	13
Absolute Return	492	7.9	8
Cash	89	1.4	1
Total	6,211	100	100

Fund Asset Class Performance for Quarter ending 31 March 2019



Asset Class	Fund %	Benchmark %	Outperformance %
UK Equity	10.29	9.41	0.88
Global Equity	9.75	9.57	0.18
Fixed Income	0.86	2.45	-1.59
Property	2.11	0.51	1.60
Absolute Return	2.80	1.05	1.75
Private Equity	0.85	0.14	0.70
Infrastructure	-3.59	0.14	-3.73

Market Value Summary by Fund Manager as at 31 March 2019

Fund Mandate	Asset Class	Market Value as at 31 December 2018 (£m)	Market Value as at 31 March 2019 (£m)	Change in Market Value (£m)	% of Total Fund 31 March 2019
Baillie Gifford *	Global Equity	1,157	1,302	145	21.0%
Schroders *	UK Equity	874	958	84	15.4%
DTZ	Direct Property	457	487	30	7.8%
Pyrford	Absolute Return	413	424	11	6.8%
Goldman Sachs	Fixed Interest	368	385	17	6.2%
M&G *	Global Equity	320	358	38	5.8%
UBS UK	UK Equity	309	336	27	5.4%
UBS Global	Global Equity	276	303	27	4.9%
Schroders GAV	Global Equity	273	292	19	4.7%
Woodford	UK Equity	255	260	4	4.2%
Sarasin	Global Equity	230	254	24	4.1%
Schroders	Fixed Interest	235	241	6	3.9%
Fidelity	Pooled Property	131	131	0	2.1%
Internally managed cash	Cash	87	68	-19	1.1%
Harbourvest	Private Equity	79	77	-2	1.2%
Ruffer	Absolute Return	66	68	2	1.1%
Kames	Pooled Property	54	52	-2	0.8%
DTZ Pooled Funds	Pooled Property	52	50	-1	0.8%
Impax	Global Equity	43	48	5	0.8%
Partners	Infrastructure	49	47	-3	0.7%
YFM	Private Equity	25	29	4	0.5%
M&G Property	Pooled Property	25	26	2	0.4%
UBS Emerging Markets	Global Equity	14	15	1	0.2%
Total Kent Fund		5,790	6,211	420	100.0%

* Mandates transferred to Link ACCESS Funds in Feb 2019

Performance Returns as at 31 March 2019

	Quarter		1 Year		3 Year (p.a.)	
	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark
Total Fund	7.34	5.42	7.09	7.05	10.76	9.89
Uk Equity						
Schroders UK Equity	9.50	9.41	6.28	6.36	9.36	9.51
UBS	9.40	9.41	6.37	6.36	--	--
Woodford	1.70	9.41	-5.34	6.36	-2.60	9.51
Global Equity						
Baillie Gifford	12.53	8.50	10.90	7.41	18.38	13.31
Sarasin	10.51	9.64	10.36	10.46	15.56	14.35
Schroders GAV	7.00	9.64	5.49	10.46	11.91	14.35
UBS Emerging Markets	7.88	7.94	1.62	1.90	--	--
UBS World Ex UK Equity	9.78	9.82	12.09	12.09	--	--
Impax	11.79	9.64	7.11	10.46	12.95	14.35
M&G	9.10	8.45	10.60	10.46	--	--
Fixed Interest						
Goldman Sachs	4.54	0.86	4.49	3.50	5.66	3.50
Schroders Fixed Interest	2.45	0.30	-2.53	1.05	1.68	0.69
Property						
DTZ	2.87	0.51	7.18	5.52	10.17	6.74
Fidelity	0.14	0.30	6.88	4.88	7.62	6.18
Kames	-0.04	0.30	6.47	4.88	8.00	6.18
M&G Property	0.98	0.30	8.08	4.88	4.27	6.18
Private Equity						
Harbourvest	-2.99	0.14	23.95	0.51	17.98	0.31
YFM	12.75	0.14	37.71	0.51	22.60	0.31
Infrastructure						
Partners	-3.59	0.14	10.55	0.51	12.47	0.31
Absolute Return						
Pyrford	2.75	1.05	3.60	7.43	3.11	8.04
Ruffer	3.15	1.05	--	--	--	--

Fund Manager Benchmarks and Performance Targets

Asset Class / Manager	Performance Benchmark	Performance Target
UK Equities:		
Schroders UK Equity	Customised	+1.5% pa over rolling 3 years
Woodford	FTSE All Share	Unconstrained
UBS UK Equity	FTSE All Share	Match
Global Equities:		
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
Fixed Income:		
Schroders Fixed Interest	3 months Sterling Libor	+4% pa over a full market cycle
Goldman Sachs	+3.5% Absolute	+6% Absolute
Property:		
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	
Alternatives: (Cash / Other Assets)		
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 31 March 2019

UK Equities	Global Equities	Fixed Interest	Property	Cash/Alternatives
Schroders +1.5% £958 m	Baillie Gifford +1.5% £1,302 m	Goldman Sachs +6.0% Abs. £385 m	DTZ Property £538 m	Internally managed Cash £68 m
UBS 0.0% £336 m	M&G +3.0% £358 m	Schroders +4.0% £241 m	Fidelity Property £131 m	Partners Infrastructure £47 m
Woodford £260 m	Schroders +3.0% - +4% £292 m		Kames Property £52 m	YFM Private Equity £29 m
	UBS +0.0% £318 m		M&G Property £26 m	HarbourVest Private Equity £77 m
	Impax +2.0% £48 m			Pyrford Abs. Return RPI + 5% £424 m
	Sarasin +2.5% £254 m			Ruffer Abs. Return RPI £68 m
Total Fund £6.2 bn				