



Glasgow City Council

Strathclyde Pension Fund Committee

Report by Director of Strathclyde Pension Fund

Contact: Jacqueline Gillies, Chief Investment Officer, Ext:
75186

Item 8

5th June 2019

Fund and Portfolio Summary

Purpose of Report:

To present the latest summary of the value and distribution of the Fund's investment assets as at 30th April 2019, together with a note of investment performance to the latest quarter end, 31st March 2019. The report is intended as a current snapshot of the Fund and its investment portfolios.

Total asset value for the main Fund at the end of April was **£22,296m**. Fund value increased from **£21,896m** at end March 2019.

Recommendations:

The Committee is asked to **NOTE** the contents of this report.

Ward No(s):

Citywide: ✓

Local member(s) advised: Yes No consulted: Yes No

PLEASE NOTE THE FOLLOWING:

Any Ordnance Survey mapping included within this Report is provided by Glasgow City Council under licence from the Ordnance Survey in order to fulfil its public function to make available Council-held public domain information. Persons viewing this mapping should contact Ordnance Survey Copyright for advice where they wish to licence Ordnance Survey mapping/map data for their own use. The OS web site can be found at <http://www.ordnancesurvey.co.uk> "

If accessing this Report via the Internet, please note that any mapping is for illustrative purposes only and is not true to any marked scale

1 Total Fund Performance

The **Fund's total return** for Quarter 1 2019 was **+5.6%**, behind the benchmark return of **+5.8%**.

2 Total Fund Market Value

The **Fund's value** at 31st March 2019 stood at approximately **£21,896m**.

(Fund value at 31st December 2018 was **£20,763m**).

At 30th April 2019, the Fund's value had increased to **£22,296m**.

Following significant falls in the final quarter of 2018, global equity markets recovered in the first four months of the year. As a consequence, total Fund value has increased in the year to date.

3 Portfolio Summary

A summary of allocations to investment manager portfolios at 30th April 2019 is provided in **Schedule 1**.

4 Policy and Resource Implications

Resource Implications:

Financial: None

Legal: None

Personnel: None

Procurement: None

Council Strategic Plan: Strathclyde Pension Fund aligns with the theme of a well governed city.

Equality and Socio

Economic Impacts:

Does the proposal support the Council's Equality Outcomes 2017-22 Equalities issues are addressed in the Fund's Responsible Investment strategy, in the scheme rules which are the responsibility of Scottish Government and in the Fund's Communications Policy which has been the subject of an Equalities Impact Assessment.

What are the potential equality impacts as a result of this report? No specific equalities impacts.

Please highlight if the policy/proposal will help address socio economic disadvantage. ESG (Environmental Social and Governance), and local impacts are addressed in the Fund's Responsible Investment strategy.

Sustainability Impacts:

Environmental: ESG (Environmental Social and Governance), and local impacts are addressed in the Fund's Responsible Investment strategy.

Social, including Article 19 opportunities: ESG (Environmental Social and Governance), and local impacts are addressed in the Fund's Responsible Investment strategy.

Economic: ESG (Environmental Social and Governance), and local impacts are addressed in the Fund's Responsible Investment strategy.

Privacy and Data Protection impacts: None.

5 Recommendations

The Committee is asked to note the contents of this report.

Manager Structure and Current Allocations

As at: 30th April 2019

	Equity		Hedging & Insurance		Credit		Short Term Enhanced Yield		Long Term Enhanced Yield		Total		Target
	£m	%	£m	%	£m	%	£m	%	£m	%	£m	%	%
L&G	5,936	26.6%	315	1.4%	1,241	5.6%					7,491	33.6%	31.5%
Baillie Gifford	1,748	7.8%									1,748	7.8%	7.5%
Lazard	762	3.4%									762	3.4%	2.5%
Oldfield	706	3.2%									706	3.2%	2.5%
Veritas	736	3.3%									736	3.3%	2.5%
Henderson	259	1.2%									259	1.2%	1.0%
JP Morgan	798	3.6%							0	0.0%	798	3.6%	3.0%
Genesis	435	2.0%									435	2.0%	1.5%
Pantheon	1,025	4.6%									1,025	4.6%	5.0%
Partners Group	692	3.1%							437	2.0%	1,129	5.1%	6.0%
PIMCO							1,057	4.7%			1,057	4.7%	5.0%
Ruffer							202	0.9%			202	0.9%	1.0%
Barings (multi-credit)							675	3.0%			675	3.0%	2.8%
Oak Hill Advisors							443	2.0%			443	2.0%	1.8%
Barings (private debt)							165	0.7%			165	0.7%	1.3%
Alcentra							180	0.8%			180	0.8%	1.3%
Ashmore							500	2.2%			500	2.2%	2.5%
ICG Longbow							0	0.0%			0	0.0%	1.0%
Unallocated (STEY)							0	0.0%			0	0.0%	1.0%
DTZ									2,136	9.6%	2,136	9.6%	10.0%
DIP	53	0.2%					72	0.3%	599	2.7%	724	3.3%	4.5%
JP Morgan IIF									502	2.3%	502	2.3%	2.5%
Unallocated (LTEY)									0	0.0%	0	0.0%	2.5%
Cash							624	2.8%			624	2.8%	-
Total	13,150	59.0%	315	1.4%	1,241	5.6%	3,918	17.6%	3,674	16.5%	22,296	100.0%	100.0%
Target		52.5%		1.5%		6.0%		20.0%		20.0%		100.0%	