

## **Investment strategy – Revised rebalancing strategy approved.**

**5** There was submitted a report by the Director of Strathclyde Pension Fund regarding a proposed revised rebalancing strategy and framework, advising

- (1) that the objective of the rebalancing strategy was to ensure that the Fund did not diverge too far from its long-term investment strategy and structure;
- (2) of the current rebalancing strategy which takes a 3-level, top down approach and the methodology at each level;
- (3) of the conclusions of a review of the rebalancing strategy which had been carried out by the Fund's investment consultants, Hymans Robertson;
- (4) of a proposed revised framework showing the targets and proposed ranges for each of the levels and the methodology for the proposed relative value framework; and
- (5) that the Fund currently had undrawn commitments of 5.3% of total Fund to private debt, real estate and infrastructure investments and once these illiquid asset exposures were more fully invested and closer to target, it was proposed that the rebalancing range on equity at Level 1 be amended from +/- 10% to +/-7.5%.

After consideration, the committee approved the revised rebalancing strategy and framework, as detailed in the report.