



WALES PENSION PARTNERSHIP JOINT GOVERNANCE COMMITTEE

DATE 13 DECEMBER 2023

SUBJECT

PERFORMANCE REPORTS AS AT 30 SEPTEMBER 2023

RECOMMENDATIONS / KEY DECISIONS REQUIRED:

To note the performance reports of the following sub funds as at 30 September 2023:

- **Global Opportunities Equity Fund**
- **Global Growth Equity Fund**
- **Sustainable Active Equity Fund**
- **Emerging Markets Equity Fund**
- **UK Opportunities Equity Fund**
- **Global Government Bond Fund**
- **Global Credit Fund**
- **Multi Asset Credit Fund**
- **Absolute Return Bond Fund**
- **Sterling Credit Fund**

REASONS:

Northern Trust have prepared performance reports for the WPP sub funds as at 30 September 2023.

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**EXECUTIVE SUMMARY
JOINT GOVERNANCE COMMITTEE**

DATE 13 DECEMBER 2023

PERFORMANCE REPORTS AS AT 30 SEPTEMBER 2023

BRIEF SUMMARY OF PURPOSE OF REPORT

Northern Trust have provided performance reports for the WPP's sub funds as at 30 September 2023.

Performance - Inception to date:

Global Opportunities Fund	Gross of Fees (%)	Net of Fees (%)
Actual	11.37	11.04
Benchmark	10.08	10.08
Excess Return	1.28	0.96

Global Growth Fund	Gross of Fees (%)	Net of Fees (%)
Actual	9.11	8.69
Benchmark	10.08	10.08
Excess Return	(0.98)	(1.39)

Sustainable Active Equity Fund	Gross of Fees (%)	Net of Fees (%)
Actual	(0.12)	(0.21)
Benchmark	2.59	2.59
Excess Return	(2.72)	(2.80)

Emerging Markets Fund	Gross of Fees (%)	Net of Fees (%)
Actual	(6.68)	(7.10)
Benchmark	(5.23)	(5.23)
Excess Return	(1.45)	(1.87)

UK Opportunities Fund	Gross of Fees (%)	Net of Fees (%)
Actual	3.70	3.30
Benchmark	4.10	4.10
Excess Return	(0.40)	(0.80)

Global Government Bond Fund	Gross of Fees (%)	Net of Fees (%)
Actual	(4.25)	(4.48)
Benchmark	(5.35)	(5.35)
Excess Return	1.10	0.87

Global Credit Fund	Gross of Fees (%)	Net of Fees (%)
Actual	(4.85)	(5.02)
Benchmark	(4.71)	(4.71)
Excess Return	(0.13)	(0.31)

Multi Asset Credit Fund	Gross of Fees (%)	Net of Fees (%)
Actual	0.43	0.07
Target *	5.59	5.59

Absolute Return Bond Strategy Fund	Gross of Fees (%)	Net of Fees (%)
Actual	2.90	2.55
Target *	3.65	3.65

Sterling Credit Fund	Gross of Fees (%)	Net of Fees (%)
Actual	(4.64)	(4.77)
Target *	(5.03)	(5.03)

* EXCESS RETURN IS NOT SHOWN AS THIS IS A TARGET

Waystone and Russell Investments have also provided a summary paper, summarising the performance of each individual fund and providing individual fund commentary.

DETAILED REPORT ATTACHED?	YES
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IMPLICATIONS

Policy, Crime & Disorder and Equalities NONE	Legal NONE	Finance YES	Risk Management Issues NONE	Staffing Implications NONE
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Finance

The following sub funds have outperformed / underperformed their benchmarks, as follows:

- Global Opportunities – outperformed by 1.28% gross / 0.96% net
- Global Growth – underperformed by 0.98% gross / 1.39% net
- Sustainable Active Equity – underperformed by 2.72% gross / 2.80% net
- Emerging Markets – underperformed by 1.45% gross / 1.87% net
- UK Opportunities – underperformed by 0.40% gross / 0.80% net
- Global Government Bond – outperformed by 1.10% gross / 0.87% net
- Global Credit – underperformed by 0.13% gross / 0.31% net

The MAC and ARB funds did not meet their targets.

The Sterling Credit fund exceeded its target.

CONSULTATIONS

Details of any consultations undertaken are to be included here

**Section 100D Local Government Act, 1972 – Access to Information
List of Background Papers used in the preparation of this report:
THESE ARE DETAILED BELOW**

Title of Document	File Ref No.	Locations that the papers are available for public inspection/WEBSITE LINK