



# WALES PENSION PARTNERSHIP JOINT GOVERNANCE COMMITTEE

**DATE 23 MARCH 2022**

## **SUBJECT**

**PERFORMANCE REPORTS AS AT 31 DECEMBER 2021**

## **RECOMMENDATIONS / KEY DECISIONS REQUIRED:**

**To note the performance reports of the following sub funds as at 31 December 2021:**

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

## **REASONS:**

Northern Trust have prepared performance reports for the WPP sub funds as at 31 December 2021.

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**EXECUTIVE SUMMARY  
JOINT GOVERNANCE COMMITTEE**

**DATE 23 MARCH 2022**

**PERFORMANCE REPORTS AS AT 31 DECEMBER 2021**

**BRIEF SUMMARY OF PURPOSE OF REPORT**

Northern Trust have provided performance reports for the WPP's sub funds as at 31 December 2021.

**Performance - Inception to date:**

<b>Global Opportunities Fund</b>	<b>Gross of Fees (%)</b>	<b>Net of Fees (%)</b>
Actual	16.20	15.83
Benchmark	15.49	15.49
<b>Excess Return</b>	<b>0.71</b>	<b>0.34</b>

<b>Global Growth Fund</b>	<b>Gross of Fees (%)</b>	<b>Net of Fees (%)</b>
Actual	15.93	15.48
Benchmark	15.92	15.92
<b>Excess Return</b>	<b>0.01</b>	<b>(0.44)</b>

<b>Emerging Markets Fund</b>	<b>Gross of Fees (%)</b>	<b>Net of Fees (%)</b>
Actual	(0.86)	(0.97)
Benchmark	(1.10)	(1.10)
<b>Excess Return</b>	<b>0.24</b>	<b>0.13</b>

<b>UK Opportunities Fund</b>	<b>Gross of Fees (%)</b>	<b>Net of Fees (%)</b>
Actual	6.70	6.26
Benchmark	5.58	5.58
<b>Excess Return</b>	<b>1.12</b>	<b>0.68</b>

<b>Global Government Bond Fund</b>	<b>Gross of Fees (%)</b>	<b>Net of Fees (%)</b>
Actual	(0.34)	(0.57)
Benchmark	(1.40)	(1.40)
<b>Excess Return</b>	<b>1.06</b>	<b>0.83</b>

<b>Global Credit Fund</b>	<b>Gross of Fees (%)</b>	<b>Net of Fees (%)</b>
Actual	1.83	1.66
Benchmark	0.60	0.60
<b>Excess Return</b>	<b>1.23</b>	<b>1.06</b>

<b>Multi Asset Credit Fund</b>	<b>Gross of Fees (%)</b>	<b>Net of Fees (%)</b>
Actual	5.92	5.49
Target	4.06	4.06
<b>Excess Return</b>	<b>1.86</b>	<b>1.43</b>

<b>Absolute Return Bond Strategy Fund</b>	<b>Gross of Fees (%)</b>	<b>Net of Fees (%)</b>
Actual	1.33	0.87
Target	2.06	2.06
<b>Excess Return</b>	<b>(0.73)</b>	<b>(1.19)</b>

<b>UK Credit Fund</b>	<b>Gross of Fees (%)</b>	<b>Net of Fees (%)</b>
Actual	1.27	1.14
Benchmark	0.89	0.89
<b>Excess Return</b>	<b>0.37</b>	<b>0.25</b>

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

<b>DETAILED REPORT ATTACHED?</b>	<b>YES</b>
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# IMPLICATIONS

Policy, Crime & Disorder and Equalities <b>NONE</b>	Legal <b>NONE</b>	Finance <b>YES</b>	Risk Management Issues <b>NONE</b>	Staffing Implications <b>NONE</b>
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**Finance**

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

- Global Opportunities – outperformed by 0.71% gross / 0.34% net
- Global Growth – outperformed by 0.01% gross / underperformed by 0.44% net
- Emerging Markets – outperformed by 0.24% gross / 0.13% net
- UK Opportunities – outperformed by 1.12% gross / 0.68% net
- Global Government Bond – outperformed by 1.06% gross / 0.83% net
- Global Credit – outperformed by 1.23% gross / 1.06% net
- Multi Asset Credit – outperformed by 1.86% gross / 1.43% net
- ARB – underperformed by 0.73% gross / 1.19% net
- UK Credit – outperformed by 0.37% gross / 0.25% net


## 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