



WALES PENSION PARTNERSHIP JOINT GOVERNANCE COMMITTEE

DATE 19 JULY 2023

SUBJECT

PERFORMANCE REPORTS AS AT 31 MARCH 2023

RECOMMENDATIONS / KEY DECISIONS REQUIRED:

To note the performance reports of the following sub funds as at 31 March 2023:

- **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 March 2023.

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**EXECUTIVE SUMMARY
JOINT GOVERNANCE COMMITTEE**

DATE 19 JULY 2023

PERFORMANCE REPORTS AS AT 31 MARCH 2023

BRIEF SUMMARY OF PURPOSE OF REPORT

Northern Trust have provided performance reports for the WPP's sub funds as at 31 March 2023.

Performance - Inception to date:

| Global Opportunities Fund | Gross of Fees (%) | Net of Fees (%) |
|----------------------------------|--------------------------|------------------------|
| Actual | 10.83 | 10.51 |
| Benchmark | 9.47 | 9.47 |
| Excess Return | 1.36 | 1.04 |

| Global Growth Fund | Gross of Fees (%) | Net of Fees (%) |
|---------------------------|--------------------------|------------------------|
| Actual | 9.40 | 8.98 |
| Benchmark | 9.79 | 9.79 |
| Excess Return | (0.40) | (0.81) |

| Emerging Markets Fund | Gross of Fees (%) | Net of Fees (%) |
|------------------------------|--------------------------|------------------------|
| Actual | (6.24) | (6.69) |
| Benchmark | (7.16) | (7.16) |
| Excess Return | 0.92 | 0.47 |

| UK Opportunities Fund | Gross of Fees (%) | Net of Fees (%) |
|------------------------------|--------------------------|------------------------|
| Actual | 3.72 | 3.32 |
| Benchmark | 4.55 | 4.55 |
| Excess Return | (0.83) | (1.23) |

| Global Government Bond Fund | Gross of Fees (%) | Net of Fees (%) |
|------------------------------------|--------------------------|------------------------|
| Actual | (3.50) | (3.73) |
| Benchmark | (5.13) | (5.13) |
| Excess Return | 1.63 | 1.40 |

| Global Credit Fund | Gross of Fees (%) | Net of Fees (%) |
|---------------------------|--------------------------|------------------------|
| Actual | (4.79) | (4.96) |
| Benchmark | (4.94) | (4.94) |
| Excess Return | 0.15 | (0.02) |

| Multi Asset Credit Fund | Gross of Fees (%) | Net of Fees (%) |
|--------------------------------|--------------------------|------------------------|
| Actual | (0.78) | (1.13) |
| Target * | 4.96 | 4.96 |

| Absolute Return Bond Strategy Fund | Gross of Fees (%) | Net of Fees (%) |
|---|--------------------------|------------------------|
| Actual | 2.11 | 1.81 |
| Target * | 2.99 | 2.99 |

| UK Credit Fund | Gross of Fees (%) | Net of Fees (%) |
|-----------------------|--------------------------|------------------------|
| Actual | (5.08) | (5.20) |
| Target * | (5.59) | (5.59) |

* EXCESS RETURN IS NOT SHOWN AS THIS IS A TARGET

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

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|----------------------------------|------------|
| DETAILED REPORT ATTACHED? | YES |
|----------------------------------|------------|

IMPLICATIONS

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|--|----------------------|-----------------------|---------------------------------------|--------------------------------------|
| 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 1.36% gross / 1.04% net
- Global Growth – underperformed by 0.40% gross / 0.81% net
- Emerging Markets – outperformed by 0.92% gross / 0.47% net
- UK Opportunities – underperformed by 0.83% gross / 1.23% net
- Global Government Bond – outperformed by 1.63% gross / 1.40% net
- Global Credit – outperformed by 0.15% gross / underperformed 0.02% net

The MAC and ARB funds did not meet their targets.

The UK Credit fund exceeded its target.

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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 |
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