



# WALES PENSION PARTNERSHIP JOINT GOVERNANCE COMMITTEE

**DATE 13 MARCH 2024**

## **SUBJECT**

**PERFORMANCE REPORTS AS AT 31 DECEMBER 2023**

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

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

Performance reports have been provided for the WPP sub funds as at 31 December 2023.

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**EXECUTIVE SUMMARY  
JOINT GOVERNANCE COMMITTEE**

**DATE 13 MARCH 2024**

**PERFORMANCE REPORTS AS AT 31 DECEMBER 2023**

**BRIEF SUMMARY OF PURPOSE OF REPORT**

Northern Trust and Waystone / Russell Investments have provided performance reports for the WPP's sub funds as at 31 December 2023.

**Performance - Inception to date:**

<b>Global Opportunities Fund</b>	<b>Gross of Fees (%)</b>	<b>Net of Fees (%)</b>
Actual	12.0	11.7
Benchmark	10.9	10.9
<b>Excess Return</b>	<b>1.1</b>	<b>0.8</b>

<b>Global Growth Fund</b>	<b>Gross of Fees (%)</b>	<b>Net of Fees (%)</b>
Actual	10.0	9.6
Benchmark	10.9	10.9
<b>Excess Return</b>	<b>(0.9)</b>	<b>(1.3)</b>

<b>Sustainable Active Equity Fund</b>	<b>Gross of Fees (%)</b>	<b>Net of Fees (%)</b>
Actual	6.5	6.3
Benchmark	9.1	9.1
<b>Excess Return</b>	<b>(2.6)</b>	<b>(2.8)</b>

<b>Emerging Markets Fund</b>	<b>Gross of Fees (%)</b>	<b>Net of Fees (%)</b>
Actual	(4.8)	(5.3)
Benchmark	(4.5)	(4.5)
<b>Excess Return</b>	<b>(0.3)</b>	<b>(0.8)</b>

<b>UK Opportunities Fund</b>	<b>Gross of Fees (%)</b>	<b>Net of Fees (%)</b>
Actual	4.3	3.9
Benchmark	4.6	4.6
<b>Excess Return</b>	<b>(0.3)</b>	<b>(0.7)</b>

<b>Global Government Bond Fund</b>	<b>Gross of Fees (%)</b>	<b>Net of Fees (%)</b>
Actual	(2.1)	(2.4)
Benchmark	(3.4)	(3.4)
<b>Excess Return</b>	<b>1.3</b>	<b>1.0</b>

<b>Global Credit Fund</b>	<b>Gross of Fees (%)</b>	<b>Net of Fees (%)</b>
Actual	(2.6)	(2.8)
Benchmark	(2.5)	(2.5)
<b>Excess Return</b>	<b>(0.1)</b>	<b>(0.3)</b>

<b>Multi Asset Credit Fund</b>	<b>Gross of Fees (%)</b>	<b>Net of Fees (%)</b>
Actual	2.1	1.7
Target *	5.9	5.9

<b>Absolute Return Bond Strategy Fund</b>	<b>Gross of Fees (%)</b>	<b>Net of Fees (%)</b>
Actual	3.1	2.7
Target *	3.9	3.9

<b>Sterling Credit Fund</b>	<b>Gross of Fees (%)</b>	<b>Net of Fees (%)</b>
Actual	(2.2)	(2.4)
Target *	(2.6)	(2.6)

\* EXCESS RETURN IS NOT SHOWN AS THIS IS A TARGET

<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>	Biodiversity and Climate change <b>NONE</b>
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### Finance

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

- Global Opportunities – outperformed by 1.1% gross / 0.8% net
- Global Growth – underperformed by 0.9% gross / 1.3% net
- Sustainable Active Equity – underperformed by 2.6% gross / 2.8% net
- Emerging Markets – underperformed by 0.3% gross / 0.8% net
- UK Opportunities – underperformed by 0.3% gross / 0.7% net
- Global Government Bond – outperformed by 1.3% gross / 1.0% net
- Global Credit – underperformed by 0.1% gross / 0.3% 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