

Worcestershire Country Council Pension Fund

Quarterly risk and return analysis (Early draft)

Period ending 30 September 2023



Total fund summary – Early draft

For period ending 30 September 2023

	Benchmark	Incep Date	Market Value £m	Weight %	QTR			Year To Date			1 Year			3 Year			5 Year			10 Year			Since Inception		
					PF	BM	ER	PF	BM	ER	PF	BM	ER	PF	BM	ER	PF	BM	ER	PF	BM	ER	PF	BM	ER
Total Equity Fund	Client Specific Weighted Index	Mar-16	2,454.5	68.7	0.4	1.4	-1.0	1.6	3.0	-1.4	10.0	11.4	-1.5	6.5	8.9	-2.4	5.2	5.4	-0.2	-	-	-	8.7	8.8	-0.2
Total Equity Fund ex Overlay	Client Specific Weighted Index	Mar-16	2,454.5	68.7	0.4	1.4	-1.0	1.6	3.0	-1.4	9.9	11.8	-1.9	6.3	8.8	-2.5	4.8	5.9	-1.1	-	-	-	8.5	9.2	-0.7
<i>Total Active Equity Fund</i>	Client Specific Weighted Index	Mar-16	847.6	23.7	-0.3	2.0	-2.4	-1.3	1.9	-3.2	4.1	6.5	-2.3	0.4	3.9	-3.5	1.6	3.8	-2.2	-	-	-	7.1	8.1	-1.0
Nomura Far East Developed Fund	Nomura Composite Benchmark	Feb-03	361.8	10.1	2.0	2.1	-0.1	1.1	1.7	-0.6	7.6	8.3	-0.7	3.6	4.6	-1.1	3.1	3.2	-0.1	7.6	7.0	0.6	9.1	9.0	0.1
Nomura Far East Developed Fund - 01.08.21	Nomura Composite Benchmark	Aug-21	361.8	-	2.0	2.1	-0.1	1.1	1.7	-0.6	7.6	8.3	-0.7	-	-	-	-	-	-	-	-	-	-1.5	0.2	-1.7
LGPS Global Emerging Markets Fund	FTSE All World Emerging Market Index	Jul-19	298.8	8.4	0.3	2.6	-2.3	-2.6	0.6	-3.2	-0.7	1.6	-2.3	-1.9	2.0	-3.9	-	-	-	-	-	-	-1.1	1.7	-2.8
LGPS Global Sustainable Equity Active Targeted Fund	FTSE All World Index	May-22	71.7	2.0	-6.9	0.9	-7.8	-7.3	4.3	-11.5	5.8	11.1	-5.3	-	-	-	-	-	-	-	-	-	-2.9	4.4	-7.2
LGPS Global Sustainable Equity Active Thematic Fund	FTSE All World Index	May-22	115.3	3.2	-4.4	0.9	-5.3	-1.6	4.3	-5.9	5.5	11.1	-5.6	-	-	-	-	-	-	-	-	-	0.2	4.4	-4.2
<i>Total Passive Equity Fund</i>	Client Specific Weighted Index	Mar-16	1,011.2	28.3	0.9	0.8	0.1	1.7	2.2	-0.5	14.5	14.7	-0.3	10.9	11.3	-0.4	7.1	6.5	0.5	-	-	-	9.9	9.3	0.5
L&G UK Equity Fund	FTSE All Share Index	Dec-15	587.7	16.4	1.9	1.9	0.0	1.5	1.4	0.0	14.0	13.8	0.1	11.9	11.8	0.1	3.8	3.7	0.1	-	-	-	6.8	6.6	0.2
L&G North American Equity Fund	FTSE All World North American Index	Dec-15	209.3	5.9	1.0	1.0	0.0	6.6	6.5	0.0	11.0	10.9	0.0	11.7	11.7	0.0	11.2	11.2	0.0	-	-	-	14.9	14.9	0.0
L&G Europe Ex UK Equity Fund	FTSE Developed Europe Ex. UK Index	Dec-15	214.2	6.0	-2.0	-1.9	-0.1	-1.7	-1.4	-0.3	19.4	19.9	-0.6	8.1	8.4	-0.3	6.1	6.4	-0.3	-	-	-	9.2	9.4	-0.3
<i>Total Alternatives Fund</i>	Alternatives Composite Benchmark	Mar-16	595.7	16.7	0.9	0.8	0.1	5.9	5.6	0.3	15.2	14.8	0.3	8.8	9.5	-0.7	7.2	7.7	-0.5	-	-	-	10.4	10.9	-0.4
L&G MSCI World Quality Fund	MSCI World Quality Total Return Net Index	Dec-15	382.9	10.7	1.2	1.2	0.0	8.1	8.1	0.0	19.0	19.1	-0.1	10.7	10.8	-0.1	12.1	12.2	-0.1	-	-	-	15.1	15.2	-0.1
LGPS All World Passive Climate Factor Fund	FTSE AW Climate Bal Com Factor Net	Nov-21	212.8	6.0	0.2	0.1	0.1	2.2	1.9	0.3	8.9	8.5	0.3	-	-	-	-	-	-	-	-	-	0.0	-0.2	0.2
Total Fixed Income Fund	60% LGPS Corp Index & 40% Absolute Return +6%	Apr-21	272.8	7.6	0.7	0.7	0.0	0.0	0.3	-0.3	6.6	6.2	0.5	-	-	-	-	-	-	-	-	-	-4.3	-1.4	-3.0
<i>Total Corporate Bond Fund</i>	LGPS Corporate Bond Index	Mar-20	182.7	5.1	0.7	0.2	0.5	-0.7	-1.5	0.8	6.6	6.2	0.5	-5.8	-5.5	-0.3	-	-	-	-	-	-	-0.8	-0.9	0.1
LGPS Corporate Bond Fund	LGPS Corporate Bond Index	Mar-20	182.7	5.1	0.7	0.2	0.5	-0.7	-1.5	0.8	6.6	6.2	0.5	-5.8	-5.5	-0.3	-	-	-	-	-	-	-0.8	-0.9	0.1
<i>Total Corporate Debt Fund</i>	Absolute Return +6%	May-18	90.2	2.5	0.7	1.5	-0.8	1.3	3.0	-1.7	7.5	6.0	1.5	4.9	6.0	-1.1	7.8	6.0	1.8	-	-	-	8.7	6.1	2.6
Bridgepoint Direct Lending II GBP	Absolute Return + 6.5%	May-18	55.5	1.6	0.2	1.6	-1.4	0.9	3.2	-2.3	7.7	6.5	1.2	4.9	6.5	-1.6	7.8	6.5	1.3	-	-	-	8.6	6.6	2.1
Bridgepoint Direct Lending III GBP	Absolute Return +6%	Jan-22	34.6	1.0	1.6	1.5	0.1	1.9	3.0	-1.1	6.6	6.0	0.6	-	-	-	-	-	-	-	-	-	7.7	5.1	2.6
Total Property Fund	60% FTSE EPRA Nareit Developed Europe Index & 40% Abs Ret +7.5%	Mar-16	293.1	8.2	-0.7	4.1	-4.8	-4.5	-	-	-5.8	-	-	0.6	-	-	1.4	-	-	-	-	-	4.1	-	-
<i>Total UK Property Fund</i>	Absolute Return +9%	Jul-18	50.7	1.4	0.5	2.2	-1.7	-2.2	4.4	-6.6	-0.5	9.0	-9.5	5.5	9.0	-3.5	5.5	9.0	-3.5	-	-	-	5.5	9.0	-3.5
Invesco UK Property Fund	Absolute Return +9%	Oct-18	50.3	1.4	0.7	2.2	-1.5	-1.9	4.4	-6.3	0.9	9.0	-8.1	6.1	9.0	-2.9	3.0	9.0	-6.0	-	-	-	3.0	9.0	-6.0
Venn UK Property Fund	Absolute Return +9%	Jul-15	0.4	0.0	-3.6	2.2	-5.7	-6.9	4.4	-11.3	-9.5	9.0	-18.5	-0.1	9.0	-9.1	3.2	9.0	-5.8	-	-	-	7.3	9.1	-1.8
Walton Street US Property Fund - GBP	Absolute Return +6.5%	Feb-16	0.4	0.0	-73.2	1.6	-74.8	-74.7	3.2	-77.9	-74.0	6.5	-80.5	-32.7	6.5	-39.2	-19.7	6.5	-26.2	-	-	-	-8.0	6.4	-14.4
Walton Street US Property Fund II - GBP	Absolute Return +7%	Jun-19	12.5	0.3	0.1	1.7	-1.6	-7.1	3.4	-10.6	-2.2	7.0	-9.2	4.7	7.0	-2.3	-	-	-	-	-	-	6.3	7.0	-0.7
Invesco European Property Fund - GBP	Absolute Return +6.5%	Feb-16	62.9	1.8	-2.6	1.6	-4.2	-3.7	3.2	-6.9	-3.8	6.5	-10.3	0.3	6.5	-6.2	0.4	6.5	-6.1	-	-	-	3.7	6.4	-2.7
Venn Property Debt Fund II - GBP	Absolute Return +6%	Aug-20	17.9	0.5	0.3	1.5	-1.2	1.9	3.0	-1.1	7.8	6.0	1.8	-57.3	6.0	-63.3	-	-	-	-	-	-	-	-	-
Gresham House Forestry Growth & Sustainability Fund	Absolute Return +6%	Dec-21	54.9	1.5	0.6	1.5	-0.9	0.6	3.0	-2.4	-8.8	6.0	-14.8	-	-	-	-	-	-	-	-	-	-8.1	5.2	-13.3
Gresham House Forestry Fund VI	Absolute Return +5.5%	Oct-22	74.9	1.5	0.0	1.3	-1.3	-11.3	2.7	-14.0	-11.7	5.5	-17.2	-	-	-	-	-	-	-	-	-	-11.7	5.5	-17.2
AEW Property Fund	UK RPI +4%	Oct-17	18.8	0.5	0.7	1.5	-0.8	2.4	5.0	-2.6	-6.5	12.9	-19.4	3.8	12.8	-9.0	2.6	9.9	-7.3	-	-	-	3.2	9.5	-6.3

Total fund summary – Early draft

For period ending 30 September 2023

	Benchmark	Incep Date	Market Value £m	Weight %	QTR			Year To Date			1 Year			3 Year			5 Year			10 Year			Since Inception		
					PF	BM	ER	PF	BM	ER	PF	BM	ER	PF	BM	ER	PF	BM	ER	PF	BM	ER	PF	BM	ER
Total Infrastructure Fund	70% UK CPI +5.5% & 30% Abs Return +10%	Mar-16	552.9	15.5	-8.0	2.0	-10.0	-7.5	4.8	-12.4	-4.2	10.5	-14.7	7.2	10.8	-3.6	7.0	10.2	-3.2	-	-	-	7.0	9.5	-2.5
Green UK Infrastructure Fund	Absolute Return +7.6%	Apr-15	42.6	1.2	1.7	1.8	-0.2	-5.4	3.7	-9.2	-0.4	7.6	-8.0	11.9	7.6	4.3	-	-	-	-	-	-	6.7	7.6	-0.9
Gresham House BSIF Housing and Infrastructure	Absolute Return +8%	May-20	54.5	1.5	-1.0	1.9	-3.0	2.2	3.9	-1.7	3.8	8.0	-4.2	5.2	8.0	-2.8	-	-	-	-	-	-	8.5	8.0	0.5
Gresham House BSIF II Infrastructure Fund	Absolute Return +9%	Jan-22	51.9	1.5	0.1	2.2	-2.1	0.8	4.4	-3.7	5.7	9.0	-3.3	-	-	-	-	-	-	-	-	-	-3.2	6.4	-9.6
Hermes UK Infrastructure Core Fund	Absolute Return +8.4%	May-15	9.1	0.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hermes Diversified Infrastructure Fund	Absolute Return +8.4%	Apr-23	34.3	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hermes UK Infrastructure Fund II	Absolute Return +8.5%	Jun-18	40.9	1.1	-9.2	2.1	-11.3	-9.9	4.2	-14.0	-19.5	8.5	-28.0	-4.3	8.5	-12.8	-3.5	8.5	-12.0	-	-	-	-3.9	8.6	-12.4
Stonepeak Infrastructure Core Fund III - GBP	Absolute Return +12%	Jan-18	130.9	3.7	-4.4	2.9	-7.3	-5.4	5.8	-11.2	-4.2	12.0	-16.2	9.9	12.0	-2.1	19.7	12.0	7.7	-	-	-	12.5	12.0	0.5
Stonepeak Infrastructure Core Fund IV - GBP	Absolute Return +12%	Jan-22	39.7	1.1	0.9	2.9	-2.0	-1.5	5.8	-7.3	19.0	12.0	7.0	-	-	-	-	-	-	-	-	-	12.2	10.2	2.0
First Sentier EDIF II GBP	Absolute Return +9%	Jun-18	141.1	3.9	3.4	2.2	1.2	8.5	4.4	4.1	16.6	9.0	7.6	16.5	9.0	7.5	11.9	9.0	2.9	-	-	-	11.8	9.1	2.8
First Sentier EDIF III GBP	Absolute Return +8%	Nov-22	7.9	0.2	5.8	1.9	3.9	6.9	3.9	3.0	-	-	-	-	-	-	-	-	-	-	-	-	10.9	7.3	3.6
Worcestershire CC Total Fund ex Overlay		Mar-87	3,573.4	100.0	-1.0	1.6	-2.6	-0.6	3.1	-3.7	6.0	10.0	-4.0	5.3	7.9	-2.7	4.3	5.9	-1.6	7.2	7.9	-0.7	7.7	8.3	-0.6
Worcestershire CC Total Fund		Mar-87	3573.4	100.0	-1.0	1.6	-2.6	-0.6	3.1	-3.7	6.1	9.7	-3.7	5.4	8.0	-2.6	4.7	5.5	-0.9	7.4	7.7	-0.3	7.7	8.2	-0.5

Total fund benchmark – Early draft



Total fund benchmark (effective from 1 July 2023):

- 17% FTSE All Share (allocation dependent upon actual drawdowns of Infra. & Prop.)
- 5.5% FTSE Developed Europe ex UK
- 10% FTSE All World Emerging Markets
- 15% Nomura Composite Benchmark
 - 60% MSCI World Quality
 - 40% FTSE All World Climate Balanced
- 6.5% FTSE All World North America
- 6% FTSE All World
- 10% Alternatives Composite Benchmark
 - 55% FTSE All World Asia Pacific ex Japan
 - 45% FTSE All World Japan
- 6% LGPS Corporate Bonds
- 4% Corporate Private Debt (Absolute Return +10%)
- Actual* Infrastructure Composite Benchmark
 - 70% CPI + 5.5%
 - 30% Absolute Return +10%
- Actual* Property Composite Benchmark
 - 60% FTSE EPRA NARIET Dev Europe
 - 40% Absolute Return +7.5%

Notes

This is an early draft version of the report and subject to further changes.

Q3 2023: Property benchmark component changed to FTSE EPRA NARIET Dev Europe.

All historic data before Q3 2023 has been sourced from PEL.

Q4 2022: Disinvested from River & Mercantile Equity Protection Fund from 10th November 2022. Invested into First Sentier EDIF III from 15th November 2022. All returns are in GBP

Q2 2022: Investment into LGPSC Global Sustainable Equity Active Targeted Fund and LGPSC Global Sustainable Equity Active Thematic Fund from 04.05.2022. Total Fund Benchmark updated. The attribution for Total Active/Total Equity/Total Fund will not add up due to the transition.

Q4 2021: Total Fund Benchmark updated and backdated from 01.04.2021. Total Fixed Income Fund created from 01.04.21. New investments were made on 24.11.2021 into LGPSC All World Passive Climate Factor Fund, and Stonepeak Fund IV Infrastructure Core Fund (data is 'lagged'). A new investment was also made with Gresham House Forestry Growth & Sustainability Fund from 10.12.2021 (data is produced annually in February). Full disinvestments were made from L&G RAFI Fundamental Developed Reduced Carbon Pathway Index Fund on 22.10.2021 and from L&G MSCI World Minimum Volatility Fund on 24.11.2021.

Appendix

Risk warning

Hymans Robertson LLP has relied upon managers and third-party data providers to provide the data used in compiling this report. Whilst every effort has been made to ensure the accuracy of the data, we cannot be held liable for any loss howsoever arising from its use. The information contained in this publication should not be construed as advice and should not be considered a substitute for specific advice. This report should not be released or otherwise disclosed to any third party except as required by law or regulatory obligation or without our prior written consent. We accept no liability where the report is used by, or released or otherwise disclosed to, a third party unless we have expressly accepted such liability in writing. Where this is permitted, the report may only be released or otherwise disclosed in a complete form.

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