



## Local Authority Pension Performance Initial Indicators to June 2018

### Latest Quarter

Most global equity markets recovered from the fall of the previous quarter with global indices returning a positive 5% in Sterling terms. The exception was emerging markets where a fall in confidence and the continued strength of the US Dollar contributed to negative returns for UK investors.

UK Equities performed well as investors reacted favourably to the decision not to raise interest rates. This decision did however see Sterling decline further against other currencies.

Bond markets struggled with UK bonds returning close to zero for the quarter

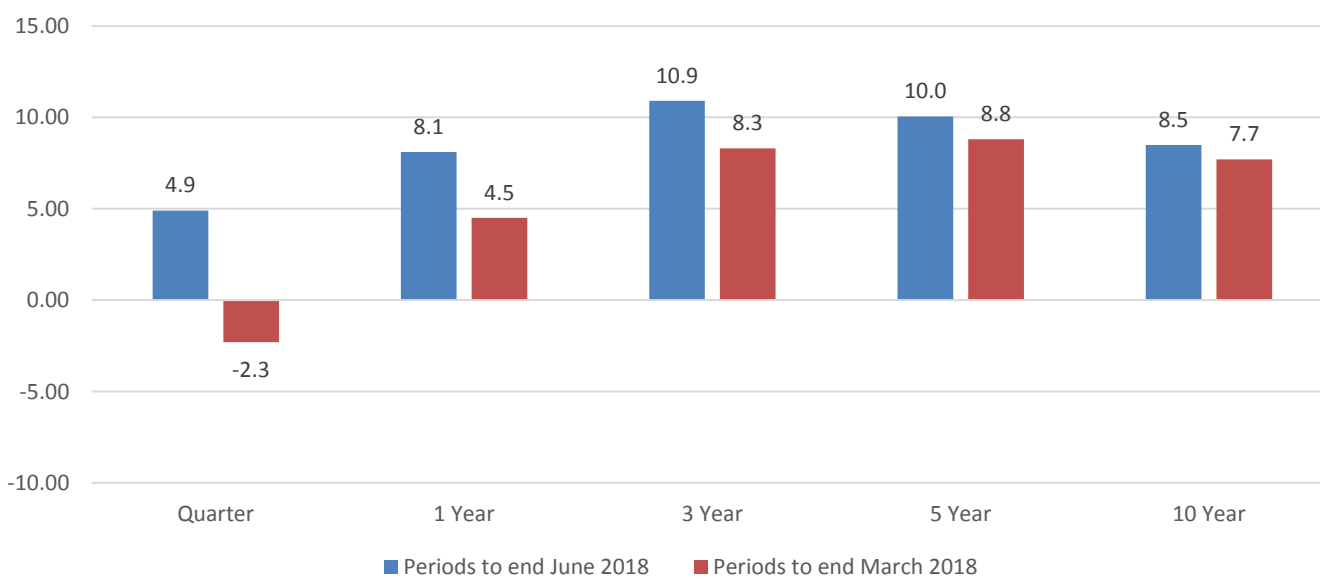
We estimate that most LGPS funds will have produced a strong return for the quarter with the average fund returning around 4.9%. Those funds with a higher equity exposure are likely to have performed better over the period.

### Longer Term

The latest quarter result impacted positively on the one year result where, we estimate, fund performance is up just over 8%.

The relatively strong return in this latest period feeds through to the medium term results which are now ahead of the position last quarter as can be seen in the graph below. Over the medium and longer-term the returns remain well ahead of inflation and actuarial assumptions.

LOCAL AUTHORITY PENSION FUND RETURNS OVER TIME



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**PIRC****LOCAL AUTHORITY  
PENSION PERFORMANCE ANALYTICS**

The returns for the latest period are based on the asset allocation of the PIRC Local Authority Universe with index returns applied. The previous periods are updated to include actual Universe returns.

The PIRC Local Authority Universe is currently comprised of 61 funds with a value of £177bn.

For further details or for information about subscribing to this service please contact:

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