

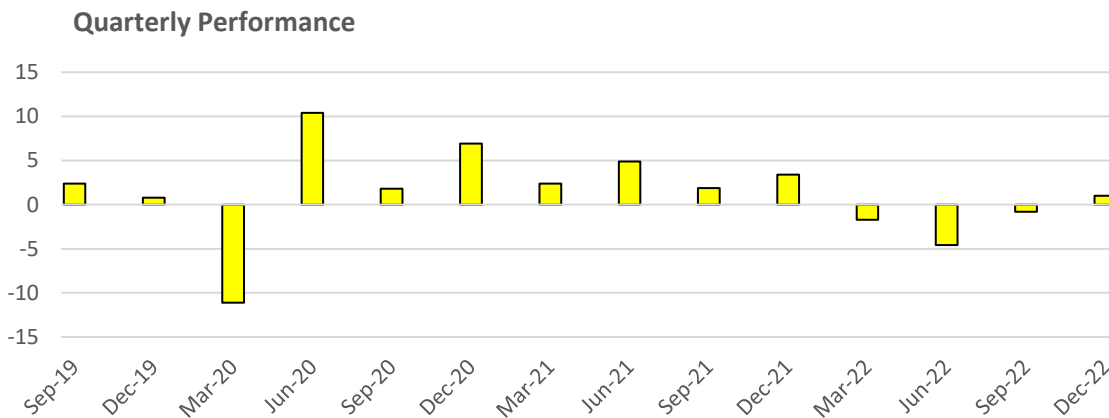
Local Authority Pension Performance Initial Indicators to December 2022

Latest Quarter

After three successive quarters of negative returns the latest period delivered a small positive result for many funds. However, with annual CPI at 10.5% at the end of the year, significant challenges remain.

While equity markets recouped some of their recent losses, this benefit was reduced by the strengthening of Sterling over the period. The energy sector performed strongest which meant that greener equity strategies underperformed broad markets. Bonds, with the exception of inflation linked, delivered small positive results. Property values fell steeply with the IPD index returning -14% for the quarter.

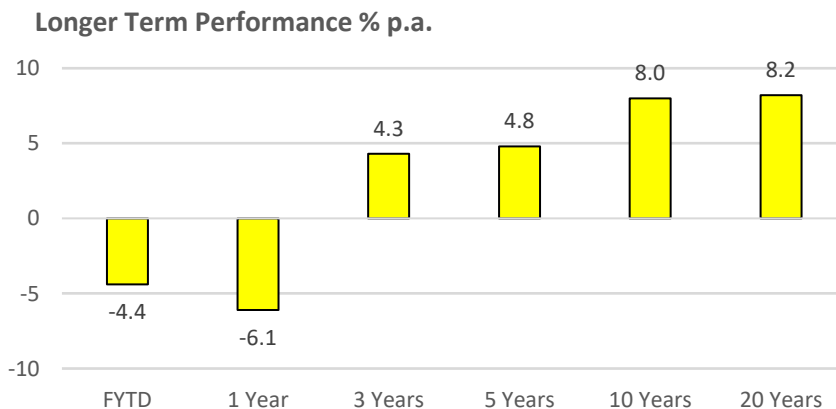
The average local authority fund could expect to achieve a return for the Quarter of around 1.0%.



Longer Term

The one-year result is now -6.1%, the small positive in the latest period being insufficient to offset the prior three quarters of negative performance. Over the medium-term, performance is now below 5% p.a.

Over the last ten years the average fund delivered a return of 8% p.a.





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 63 funds with a combined value of £250bn.

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

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