

Investment Performance

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**Nottinghamshire
County Council**

Agenda

- Whole Fund investment returns
- Management arrangements
- Benchmarks
- Individual manager returns
- Asset allocation
- Summary

Investment returns to 31 March 2025

	1 year		3 years		5 years	
	Fund	BM*	Fund	BM*	Fund	BM*
	%	%	% pa	% pa	% pa	% pa
Listed Equities	4.4	5.7	6.0	7.2	12.2	13.3
Property	5.7	6.3	-1.7	-2.7	1.4	2.2
Bonds	5.7	3.8	2.1	0.2	-0.9	-2.1
Total Fund	3.9	4.9	3.4	5.9	7.8	9.4

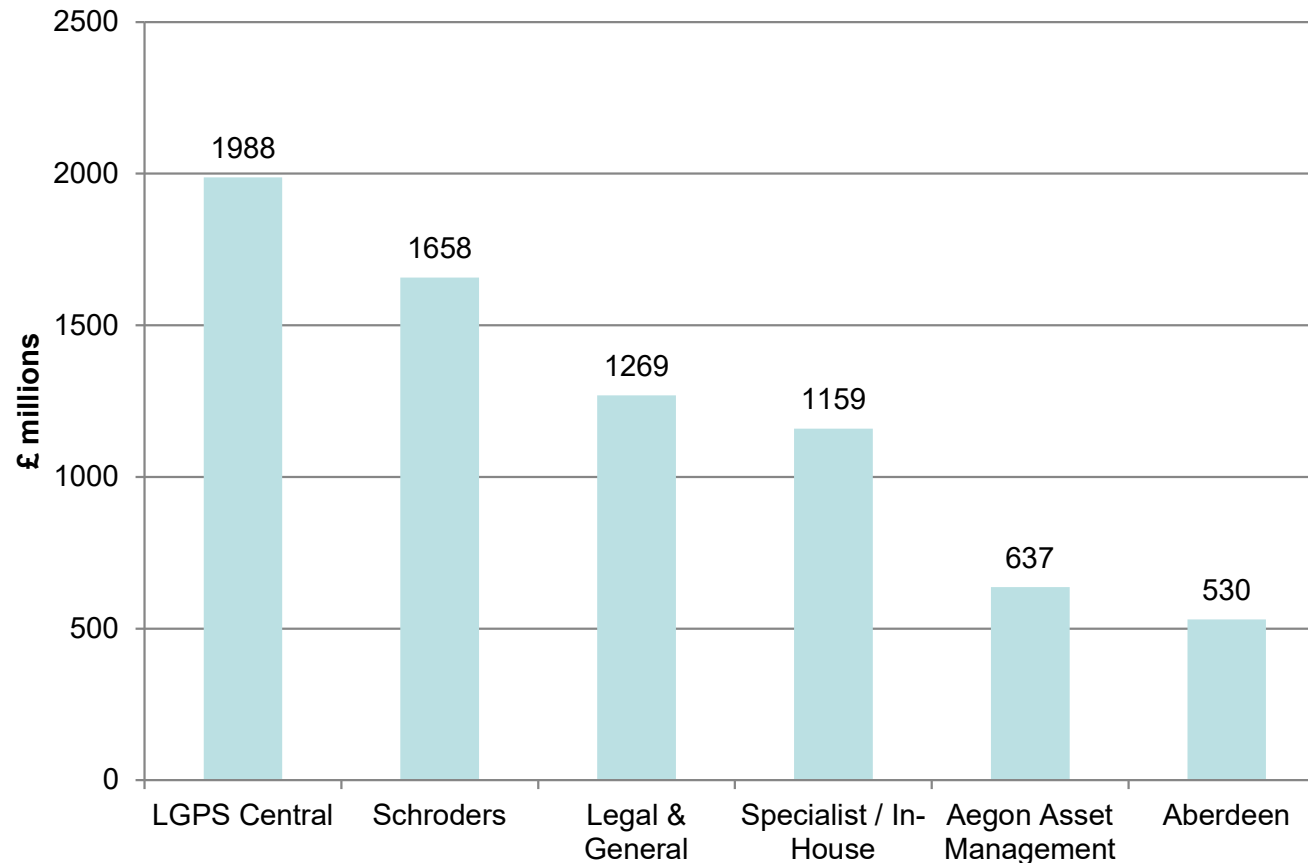
Source: Ortec

BM* Benchmark or for Property, the market comparator

Target return on assets 5.5% p.a. Discount rate 4.7%

Management arrangements as at 31 March 2025

Portfolio Structure 2024/25

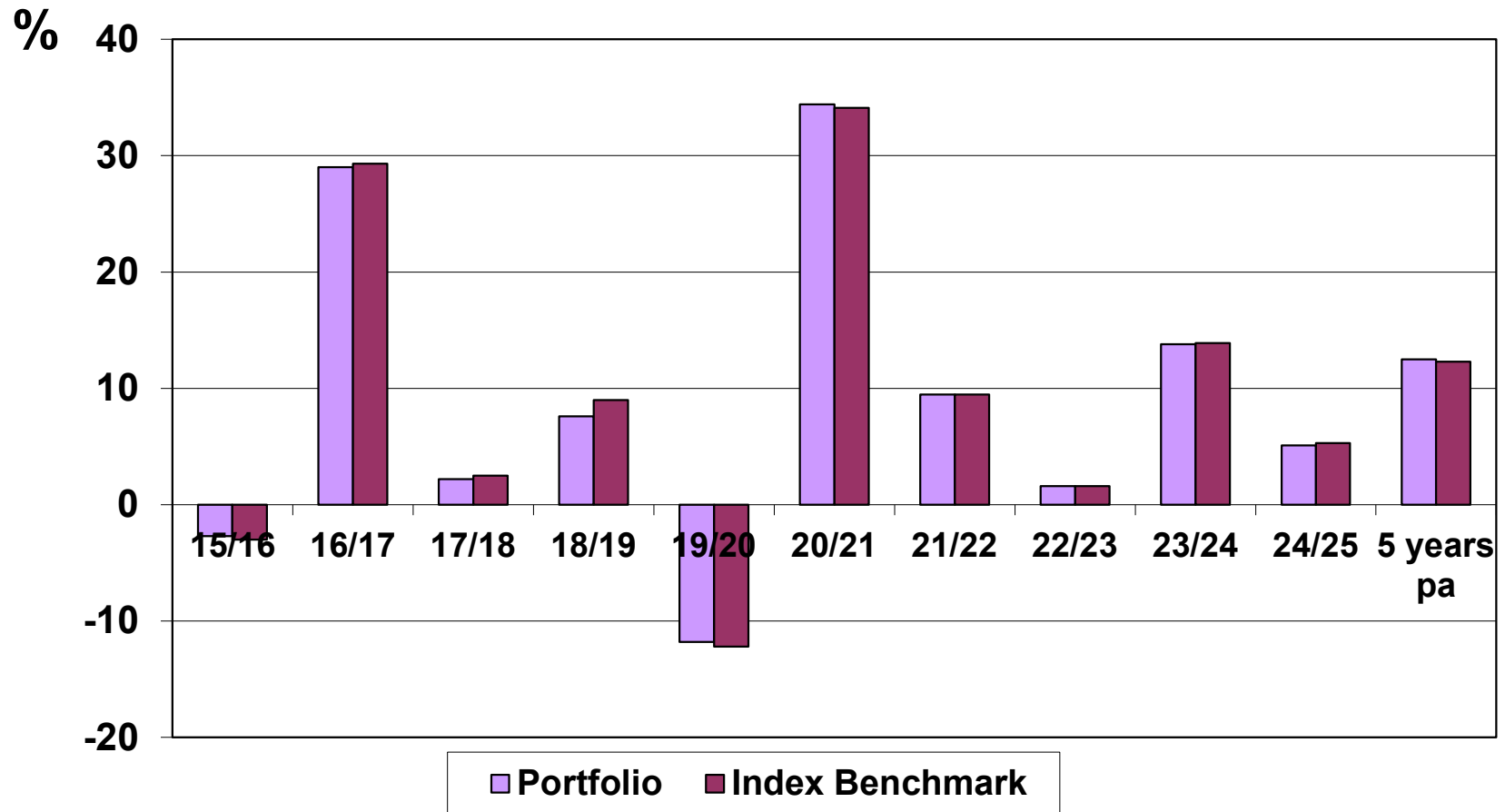


Strategic benchmark

- The Fund's strategic benchmark is based on its agreed asset allocation strategy
- It uses a high level market index for each asset class and this helps to inform decisions regarding asset management

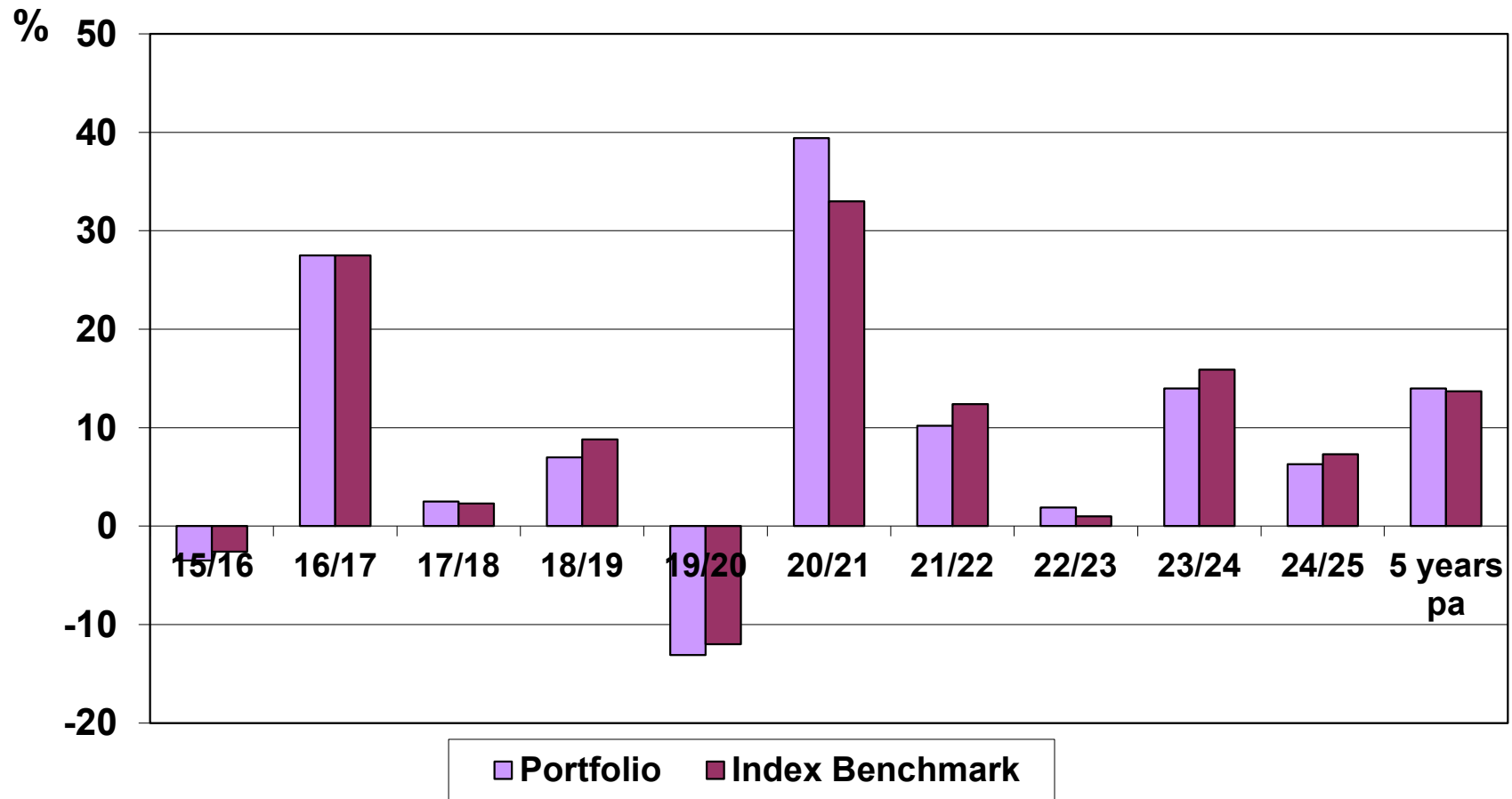
Outcome	Asset class	Allocation ranges	Strategic benchmark	
Growth	Listed and Private Equity	44% to 64%	65% FTSE World ex UK. 35% FT Allshare	54.0%
Inflation protection	Property, Infrastructure* and Index linked fund	25% to 35%	CPI	29.5%
Income only	Fixed income	7.5% to 17.5%	FTSE UK All Stock	12.5%
Liquidity	Cash, short term bonds	0% to 10%	SONIA	4%

Core Index – Equities



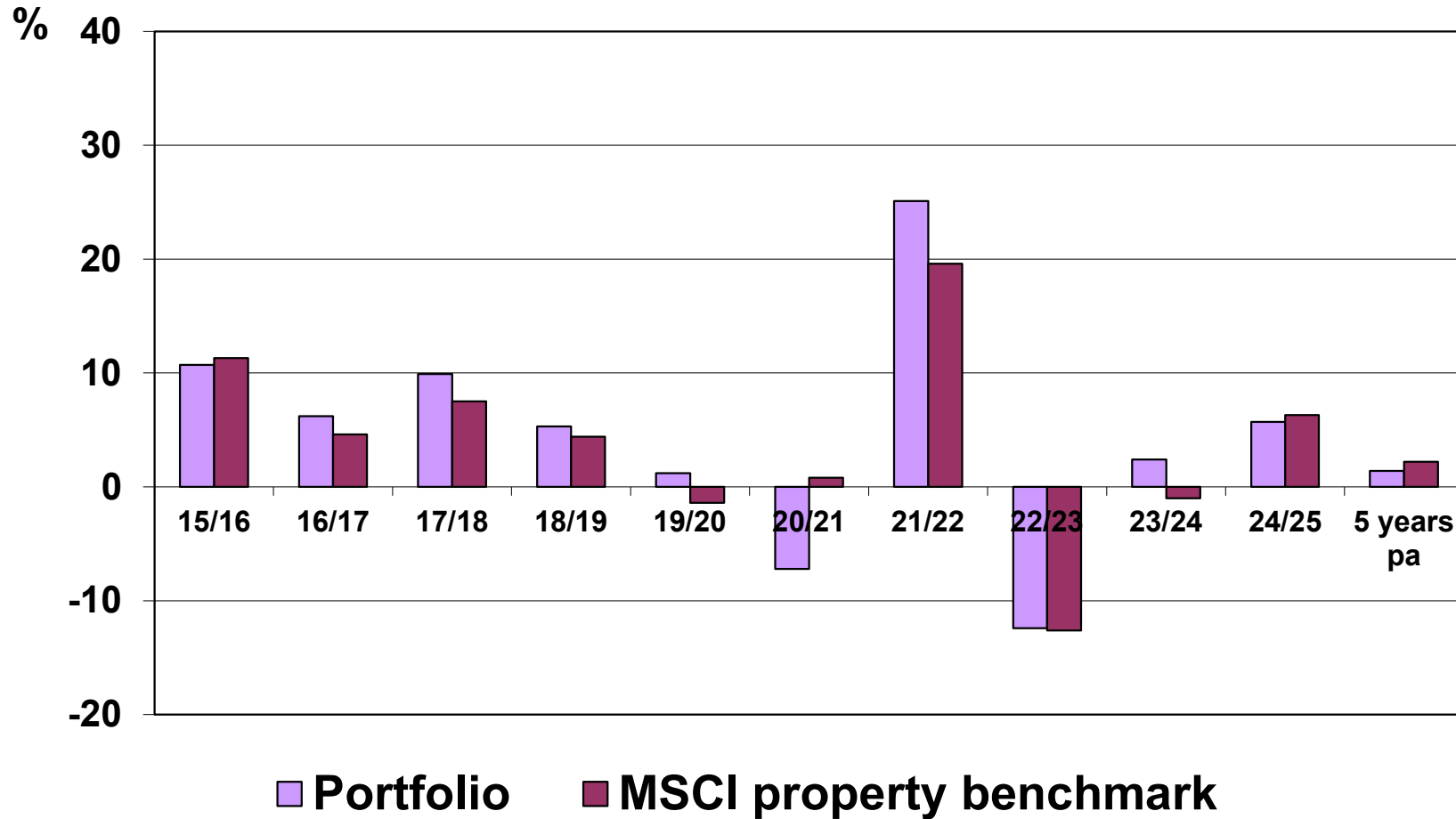
Performance target – to be within $\pm 0.3\%$ of benchmark

Schroders – Equities



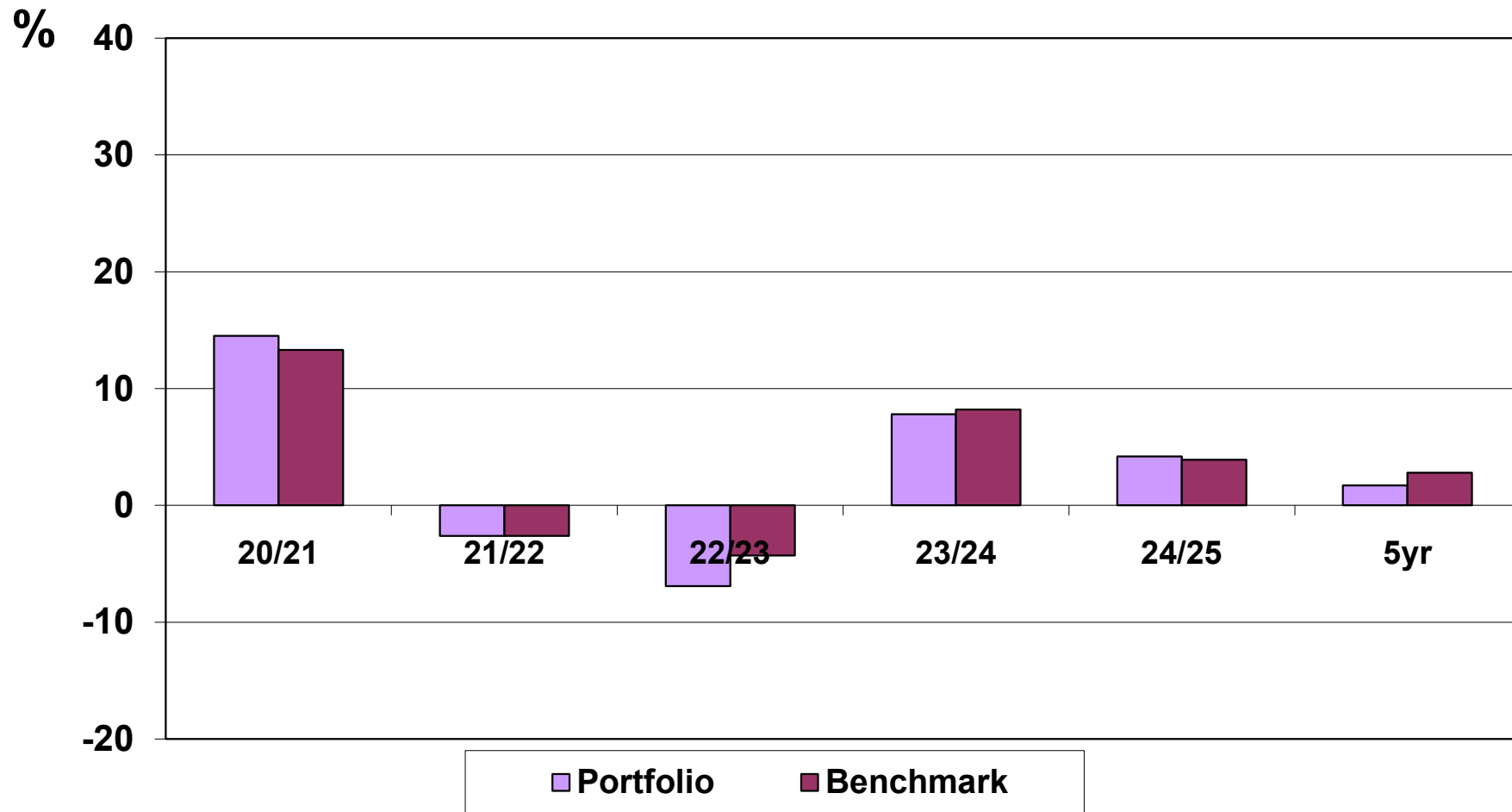
Performance target – to beat benchmark by 1% (net of fees)

Abrdn – Property







Performance target (since 2014) – to achieve 6.5% pa on long-term basis

LGPS Central

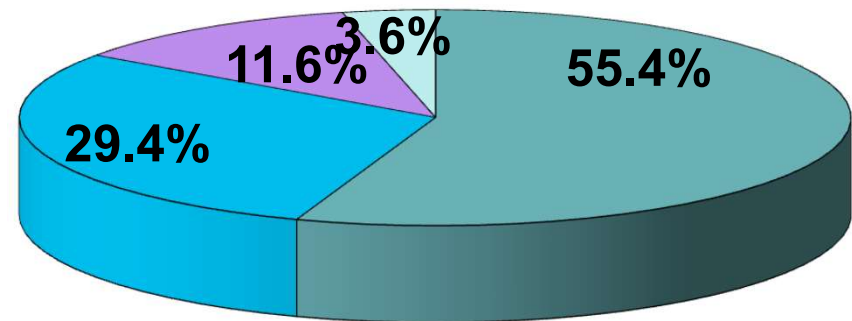


Asset allocation

It is widely recognised that asset allocation is the most important factor in driving long term investment returns.

Asset Class	Allocation Ranges
Growth 	44% to 64%
Inflation Protection 	25% to 35%
Income 	7.5% to 17.5%
Liquidity 	0% to 10%

Actual Allocation
31 March 2025



Summary

- The Fund's net assets increased during 24/25
- Total returns over 5 years remain ahead of the actuary's assumed return
- Asset allocation is the most important factor in driving long term investment returns