

WM PERFORMANCE SERVICES

A State Street Business

Quarterly Performance Service

**NOTTINGHAMSHIRE COUNTY COUNCIL -
TOTAL COMBINED
ANNUAL PERFORMANCE REVIEW**

PERIODS TO END MARCH 2013

Produced 25 October 2013

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NOTTINGHAMSHIRE COUNTY COUNCIL - TOTAL COMBINED
Benchmark - LOCAL AUTHORITY UNIVERSE

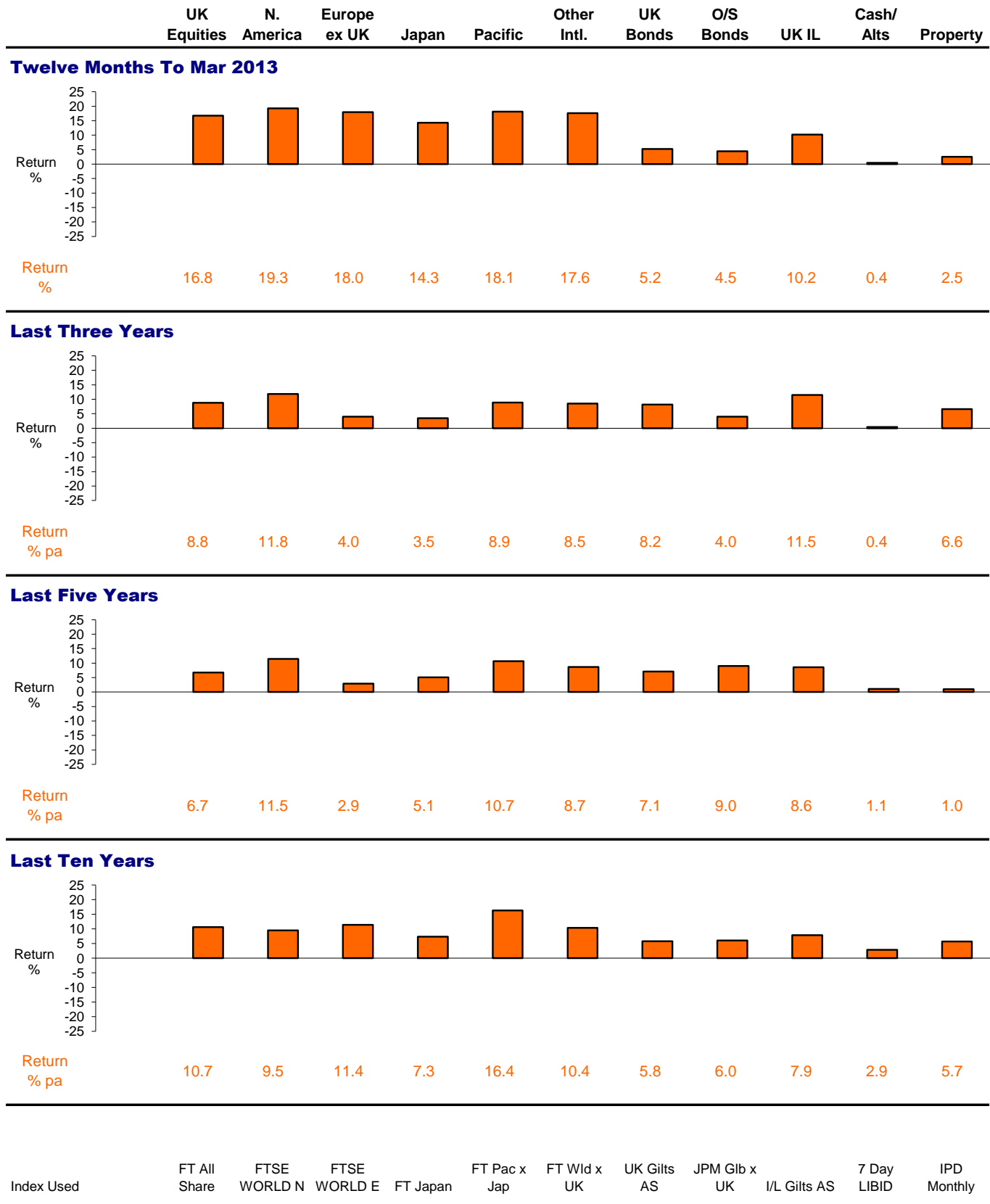
Periods to end March 2013
Pound Sterling

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Market Background

Periods to end March 2013
Pound Sterling

This page details the performance of the major markets.



Fund Structure and Benchmarks

NOTTINGHAMSHIRE COUNTY COUNCIL - TOTAL COMBINED

30/03/2012 to 29/03/2013

Benchmark - Nottinghamshire Combined Benchmark

Pound Sterling

Structure

The Fund is managed partly internally with the remainder of assets managed externally by Schroders, Kames and Aberdeen Asset Management.

Benchmark

The Fund's performance is analysed relative to a customised benchmark as detailed below:

	%	Index
Equity	65	FTSE All World
Bonds	17.5	FTSE UK Gilt All Stock
Cash	2.5	LIBID 7 Day
Property	15	IPD Annual Universe

The individual manager allocations are detailed below:

	Internal Equity	Schroders	Internal Misc	Kames	Aberdeen
Equity	95	95	65		
Bonds				100	
Cash	5	5	10		
Property			25		100

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Performance Summary

NOTTINGHAMSHIRE COUNTY COUNCIL - TOTAL COMBINED

Periods to end March 2013

Benchmark - Nottinghamshire Combined Benchmark

Pound Sterling

Category - TOTAL ASSETS

This page summarises the overall value and performance of the Fund.

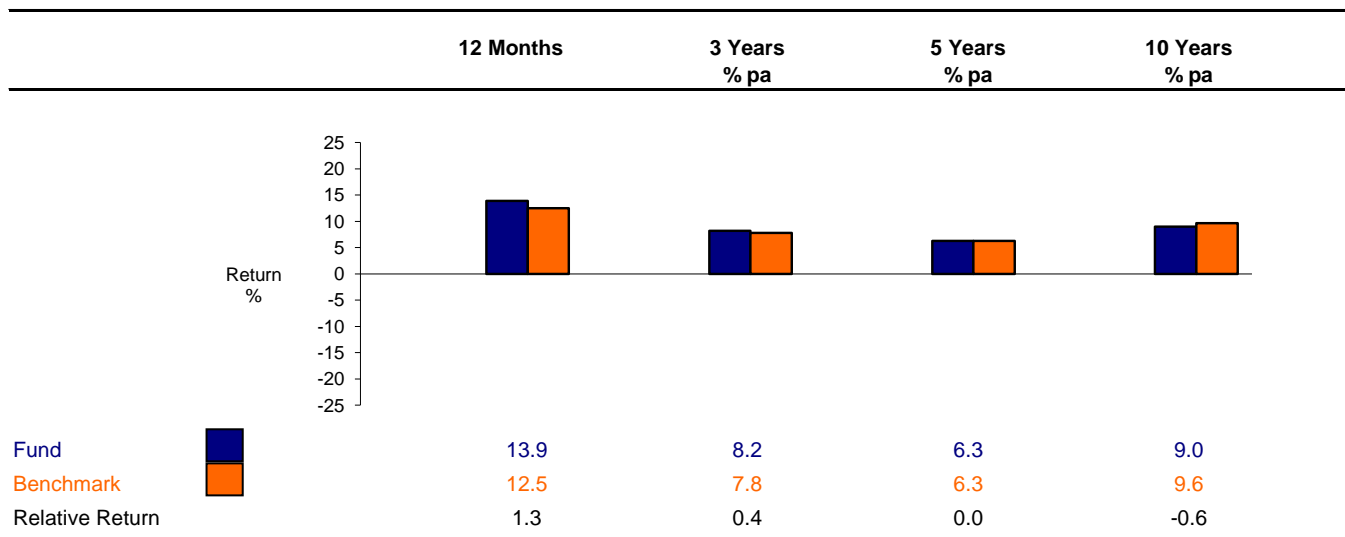
Fund Value

Values (GBP)'000	Mandate	Value at 30/03/2012	Transactions	Capital Gain / loss	Income	Value at 29/03/2013	% Fund
INT GLOB EQ	Eq Gbl	1,152,961	53,961	165,553	29,585	1,372,475	39
SCHRODERS	Eq Gbl	786,401	24,177	117,627	24,089	928,205	27
INT MULTI AS	Multi Asset	471,498	-45,922	37,918	2,493	463,494	13
KAMES	Bd Gbl	383,822	15,346	26,683	14,215	425,851	12
ABERDEEN AM	Prop UK	266,603	35,097	-10,512	17,188	291,188	8
Total Fund		3,061,285	82,658	337,269	87,570	3,481,213	100

The table shows the value of each Portfolio at the start and end of the period.

The change in value over the period is a combination of the net money flows into or out of each Portfolio and any gain or loss on the capital value of the investments.

Fund Returns



The graphs show the performance of the Fund and Benchmark over the latest period and longer term.

The relative return is the degree by which the Fund has out or underperformed the Benchmark over these periods

= Data not available for the full period

Detailed Analysis of the Latest Period Performance

NOTTINGHAMSHIRE COUNTY COUNCIL - TOTAL COMBINED

30/03/2012 to 29/03/2013

Benchmark - Nottinghamshire Combined Benchmark

Pound Sterling

Category - TOTAL ASSETS

This page analyses in detail the Fund performance over the latest period.

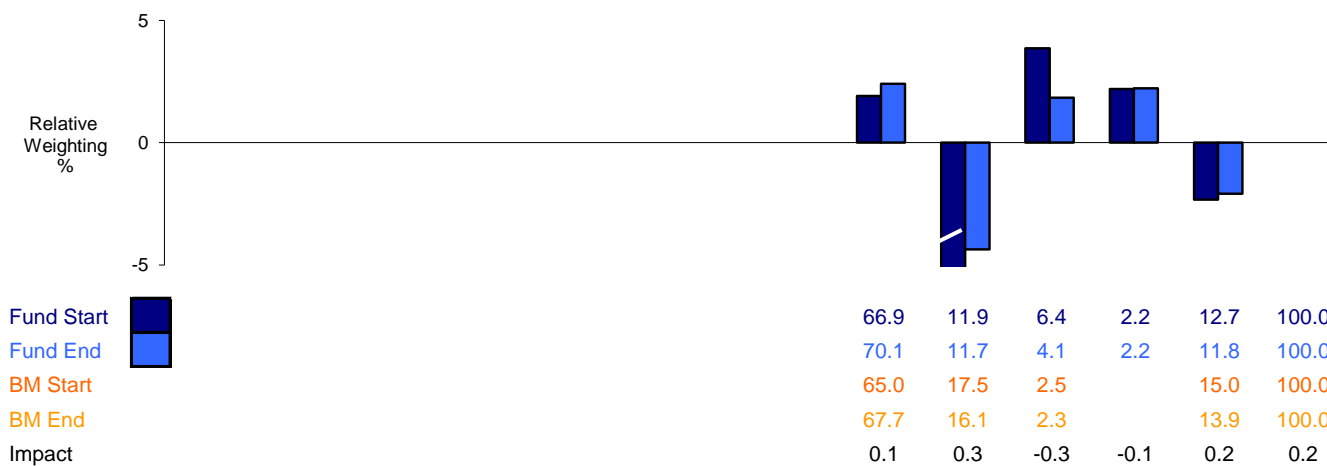
Summary

Fund Return	13.9
Benchmark Return	12.5
Relative Performance	1.3
attributable to:	
Asset Allocation	0.2
Stock Selection	1.0

The relative performance can be attributed to the effects of stock selection and asset allocation as detailed below:

	Total Equity	Bonds + IL	Cash	Private Eq	Property	Total Fund
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Asset Allocation



Stock Selection



An asset allocation decision will have a positive impact if a Fund is invested more heavily than its Benchmark in an area that has performed well.

Conversely, a positive benefit would be derived from having a relatively low exposure to an area that has performed poorly.

Stock selection will have a positive impact if the Fund has outperformed the Benchmark in a particular area.

The impact of both asset allocation and stock selection is weighted by the level of investment in the area.

not invested in this area for the entire period

- indicates a value less than 0.05 and greater than -0.05

Long Term Performance Analysis

NOTTINGHAMSHIRE COUNTY COUNCIL - TOTAL COMBINED

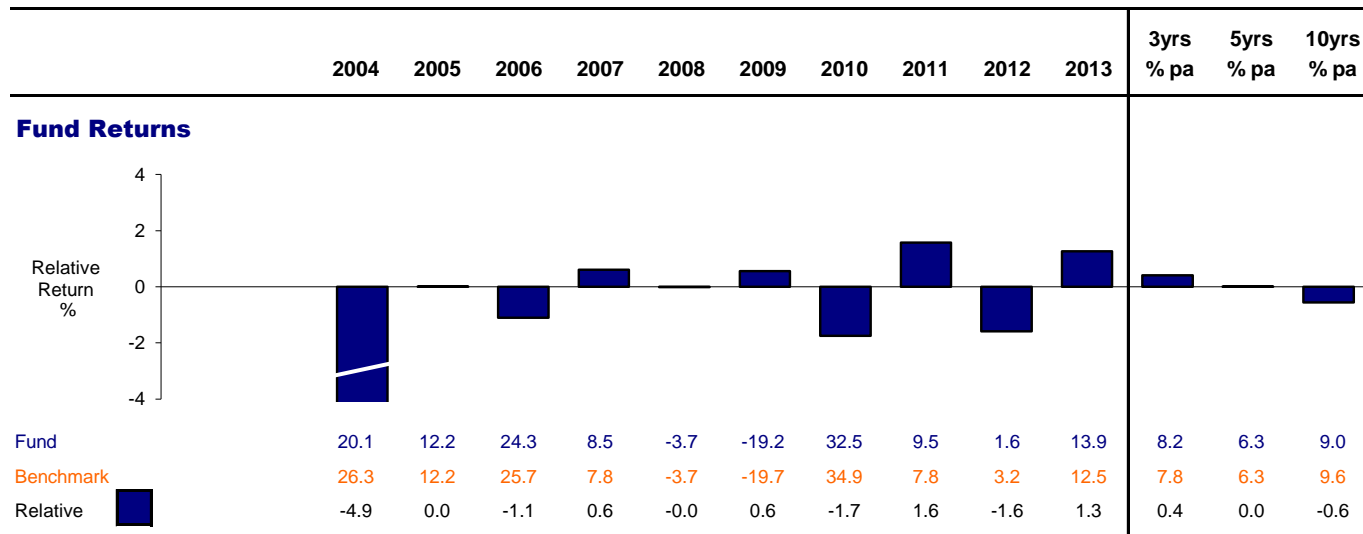
Periods to end March 2013

Benchmark - Nottinghamshire Combined Benchmark

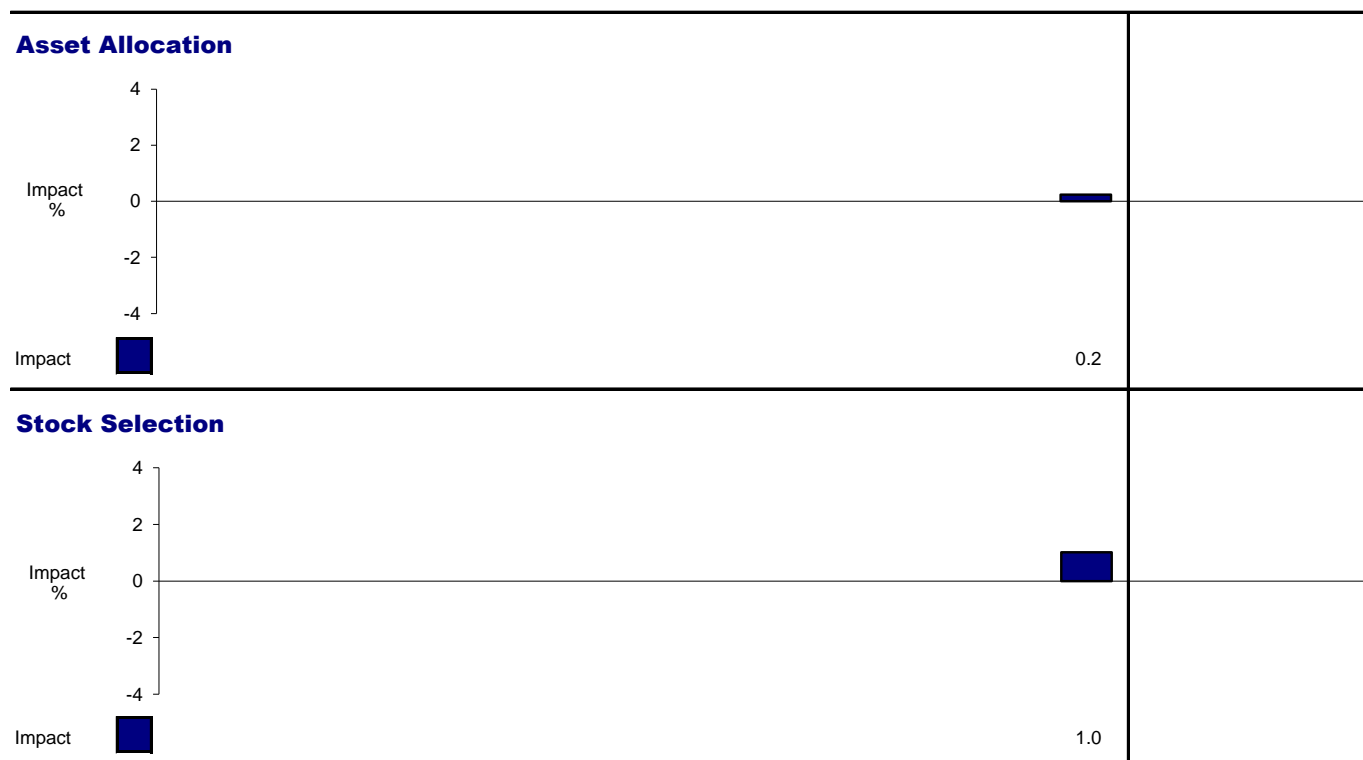
Pound Sterling

Category - TOTAL ASSETS

This page looks in more detail at the long term performance, plotting it relative to the Benchmark.



The relative performance can be attributed to the effects of asset allocation and stock selection as detailed below:



An asset allocation decision will be positive if a Fund is invested more heavily than its Benchmark in an area that has performed well.

Conversely a positive benefit would be derived from investing less heavily in an area that has performed poorly.

Stock selection will be positive if the Fund has outperformed the Benchmark in a particular area.

The impact of both asset allocation and stock selection is weighted by the level of investment in the area.

not invested in this area for the entire period

- indicates a value less than 0.05 and greater than -0.05

Long Term Asset Allocation

NOTTINGHAMSHIRE COUNTY COUNCIL - TOTAL COMBINED

Periods to end March 2013

Benchmark - Nottinghamshire Combined Benchmark

Pound Sterling

This page looks in more detail at asset allocation decisions, plotting the Fund's exposure at the end of each period relative to the Benchmark and detailing the impact on the total fund performance.

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	3yrs % pa	5yrs % pa	10yrs % pa
TOTAL EQUITIES													
Relative Weight %													
Fund										70.1			
Benchmark										65.0			
Impact										0.1			
TOTAL BONDS PLUS INDEX-LINKED													
Relative Weight %													
Fund										11.7			
Benchmark										17.5			
Impact										0.3			
TOTAL CASH													
Relative Weight %													
Fund										4.1			
Benchmark										2.5			
Impact										-0.3			
TOTAL PRIVATE EQUITY													
Relative Weight %													
Fund										2.2			
Benchmark													
Impact										-0.1			
TOTAL PROPERTY													
Relative Weight %													
Fund										11.8			
Benchmark										15.0			
Impact										0.2			

For each area of investment the initial weighting for the Fund and the Benchmark is shown and the difference plotted.

The impact will be positive when the Fund is overweight in an area that has outperformed or vice versa.

- indicates a value less than 0.05 and greater than -0.05

Long Term Stock Selection

NOTTINGHAMSHIRE COUNTY COUNCIL - TOTAL COMBINED

Periods to end March 2013

Benchmark - Nottinghamshire Combined Benchmark

Pound Sterling

This page looks in more detail at the impact of stock selection, plotting the return in each area relative to the Benchmark and detailing the impact on the total fund performance.

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	3yrs % pa	5yrs % pa	10yrs % pa
TOTAL EQUITIES													
Relative Return %													
Fund										17.7			
Benchmark										17.1			
Impact										0.3			
TOTAL BONDS PLUS INDEX-LINKED													
Relative Return %													
Fund										11.3			
Benchmark										5.2			
Impact										0.7			
TOTAL CASH													
Relative Return %													
Fund										4.0			
Benchmark										0.4			
Impact										0.2			
TOTAL PRIVATE EQUITY													
Relative Return %													
Fund										9.1			
Benchmark													
Impact													
TOTAL PROPERTY													
Relative Return %													
Fund										1.3			
Benchmark										2.5			
Impact										-0.2			

For each area of investment the return for the Fund and the Benchmark is shown and the relative return plotted.

The impact of stock selection is the relative return weighted by the level of investment in the area.

not invested in this area for the entire period

- indicates a value less than 0.05 and greater than -0.05

Performance Summary - Manager Attribution

NOTTINGHAMSHIRE COUNTY COUNCIL
Benchmark - Nottinghamshire Combined Benchmark

12 Months to end March 2013
Pound Sterling

This page analyses in detail the contributions to the Fund performance over the latest period.

Summary

Fund Return	13.9
Benchmark Return	12.5
Relative Performance	1.3
attributable to:	
Strategic Allocation	-
Manager Contribution	0.1
Residual	1.1

The relative performance can be attributed to the effects of manager contribution and strategic allocation.

Detail

Strategic Allocation			Manager Contribution			
Distribution		Policy	Investment	Weighted	% Return	
Portfolio	Benchmark	Contribution	Manager	Contribution	Portfolio	Benchmark
37.7		-	INTERNAL GLOBAL EQUITY	-	16.6	16.7
25.7		-	SCHRODERS INVESTMENT MANAGEMENT	0.2	18.0	17.0
15.3		-	INTERNAL MULTI ASSET	-0.3	9.4	11.8
12.6		-	KAMES CAPITAL	0.2	10.6	8.7
8.7		-	ABERDEEN ASSET MGMT PLC	-	2.4	2.5
		-		0.1		

The Strategic Allocation quantifies the impact of the fund being invested differently from the Strategic Benchmark set.

The Manager Contribution comes about from the out / underperformance of each manager relative to their benchmarks weighted by the value of assets held.

= not invested in this area for the entire period

Summary of Manager Performance

NOTTINGHAMSHIRE COUNTY COUNCIL - TOTAL COMBINED

Periods to end March 2013

Benchmark - Nottinghamshire Combined Benchmark

Pound Sterling

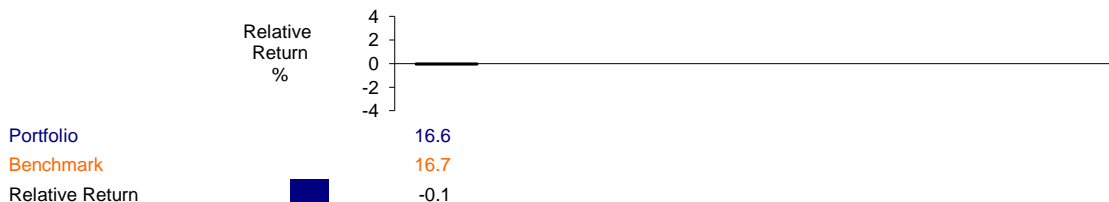
Category - TOTAL ASSETS

This page summarises the performance of each investment manager plotting the return achieved relative to the Benchmark.

	1 Year	3 Years % pa	5 Years % pa	10 Years % pa
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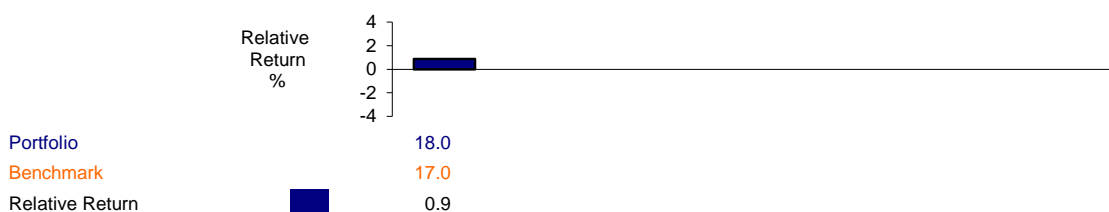
INTERNAL GLOBAL EQUITY - TOTAL ASSETS

Nottinghamshire Internal Global Benchmark



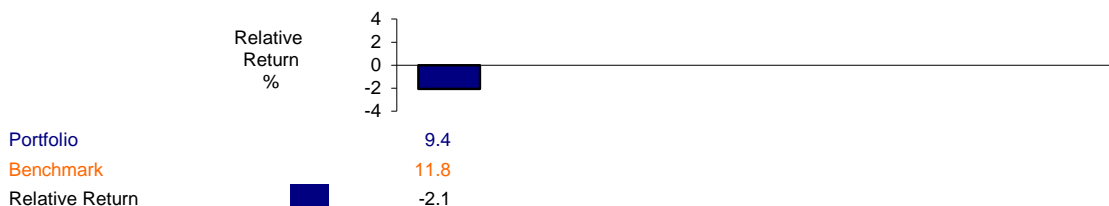
SCHRODERS INVESTMENT MANAGEMENT - TOTAL ASSETS

Nottinghamshire SIM Global Benchmark



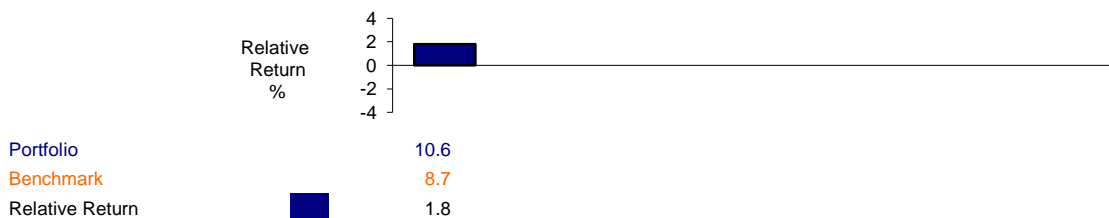
INTERNAL MULTI ASSET - TOTAL ASSETS

Nottinghamshire Internal Benchmark



KAMES CAPITAL - TOTAL ASSETS

Nottinghamshire Kames Benchmark



ABERDEEN ASSET MGMT PLC - TOTAL ASSETS

IPD All Properties



The graphs show the performance of each manager relative to their Benchmark.

The relative return is the degree of out or underperformance of the Benchmark over these periods.

not invested in this area for the entire period

Performance Summary

NOTTINGHAMSHIRE COUNTY COUNCIL - TOTAL COMBINED

Periods to end March 2013

Benchmark - LOCAL AUTHORITY UNIVERSE

Pound Sterling

Category - TOTAL ASSETS

This page summarises the overall value and performance of the Fund.

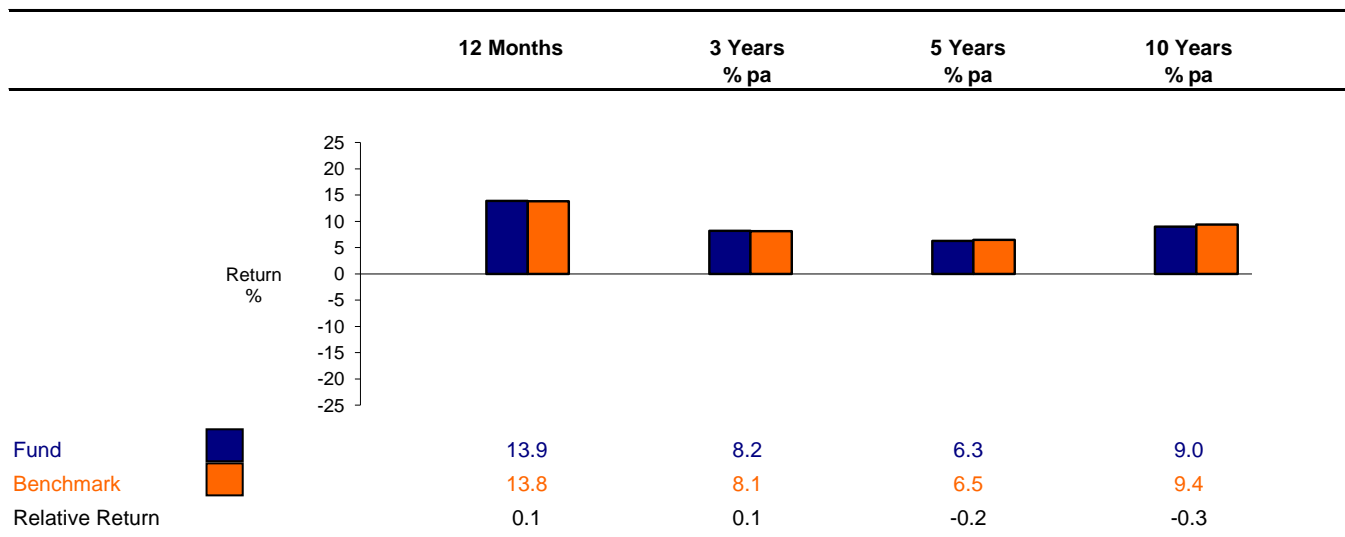
Fund Value

Values (GBP)'000	Mandate	Value at 30/03/2012	Transactions	Capital Gain / loss	Income	Value at 29/03/2013	% Fund
INT GLOB EQ	Eq Gbl	1,152,961	53,961	165,553	29,585	1,372,475	39
SCHRODERS	Eq Gbl	786,401	24,177	117,627	24,089	928,205	27
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Total Fund		3,061,285	82,658	337,269	87,570	3,481,213	100

The table shows the value of each Portfolio at the start and end of the period.

The change in value over the period is a combination of the net money flows into or out of each Portfolio and any gain or loss on the capital value of the investments.

Fund Returns



The graphs show the performance of the Fund and Benchmark over the latest period and longer term.

The relative return is the degree by which the Fund has out or underperformed the Benchmark over these periods

= Data not available for the full period

Detailed Analysis of the Latest Period Performance

NOTTINGHAMSHIRE COUNTY COUNCIL - TOTAL COMBINED

30/03/2012 to 29/03/2013

Benchmark - LOCAL AUTHORITY UNIVERSE

Pound Sterling

Category - TOTAL ASSETS

This page analyses in detail the Fund performance over the latest period.

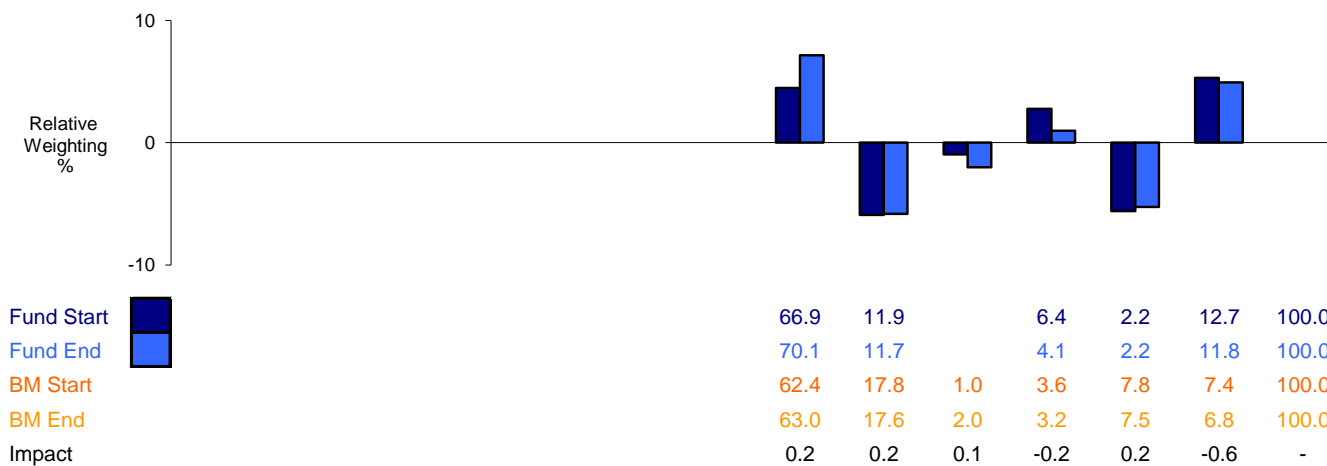
Summary

Fund Return	13.9
Benchmark Return	13.8
Relative Performance	0.1
attributable to:	
Asset Allocation	-
Stock Selection	0.1

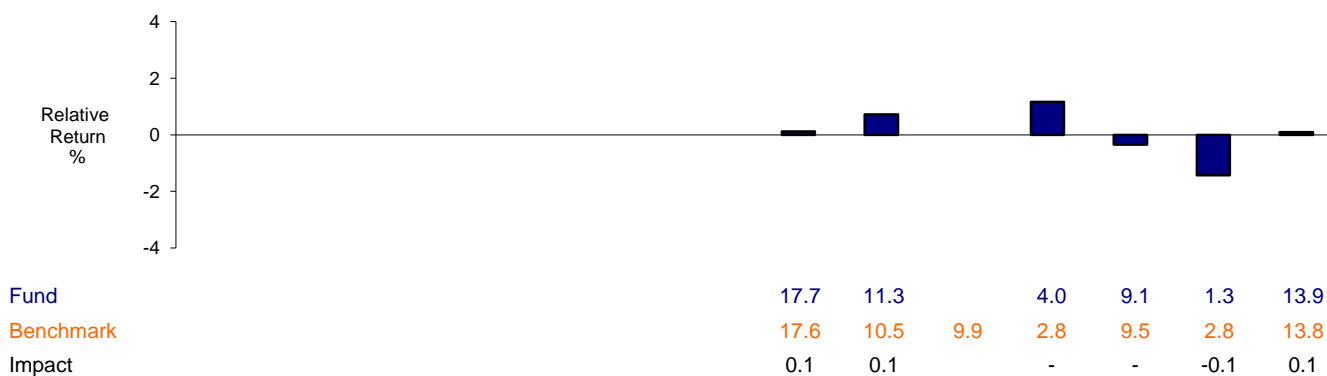
The relative performance can be attributed to the effects of stock selection and asset allocation as detailed below:

	Total Equity	Bonds + IL	Multi Asset	Cash	Alternatives	Property	Total Fund
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Asset Allocation



Stock Selection



An asset allocation decision will have a positive impact if a Fund is invested more heavily than its Benchmark in an area that has performed well.

Conversely, a positive benefit would be derived from having a relatively low exposure to an area that has performed poorly.

Stock selection will have a positive impact if the Fund has outperformed the Benchmark in a particular area.

The impact of both asset allocation and stock selection is weighted by the level of investment in the area.

not invested in this area for the entire period

- indicates a value less than 0.05 and greater than -0.05

Long Term Performance Analysis

NOTTINGHAMSHIRE COUNTY COUNCIL - TOTAL COMBINED

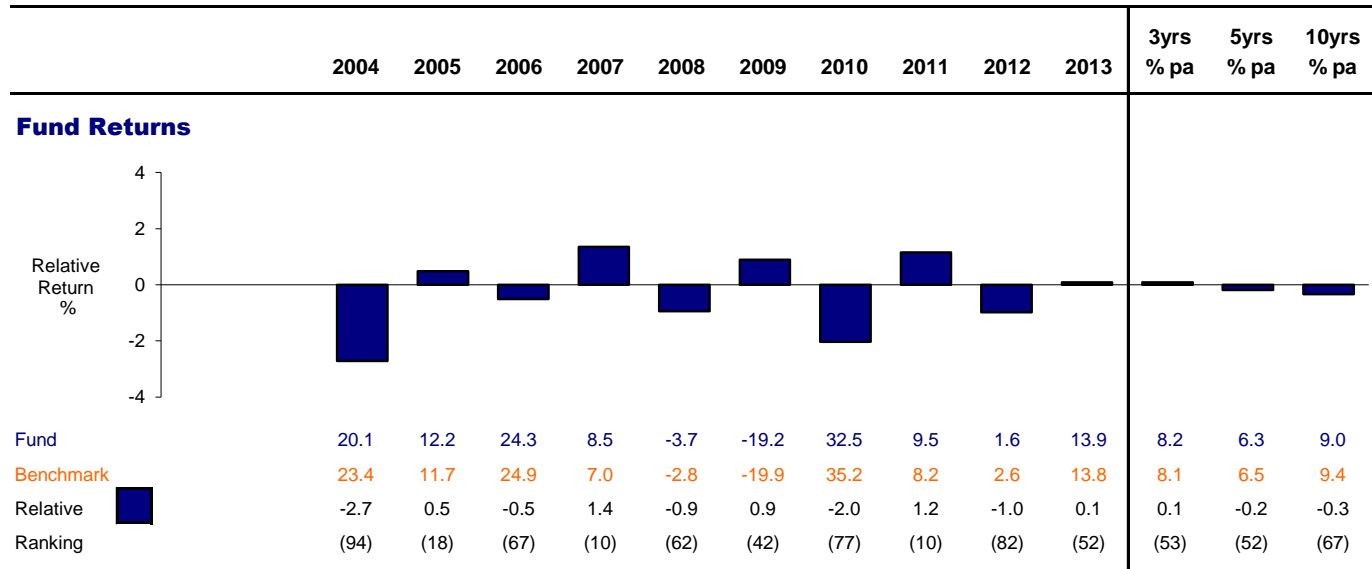
Periods to end March 2013

Benchmark - LOCAL AUTHORITY UNIVERSE

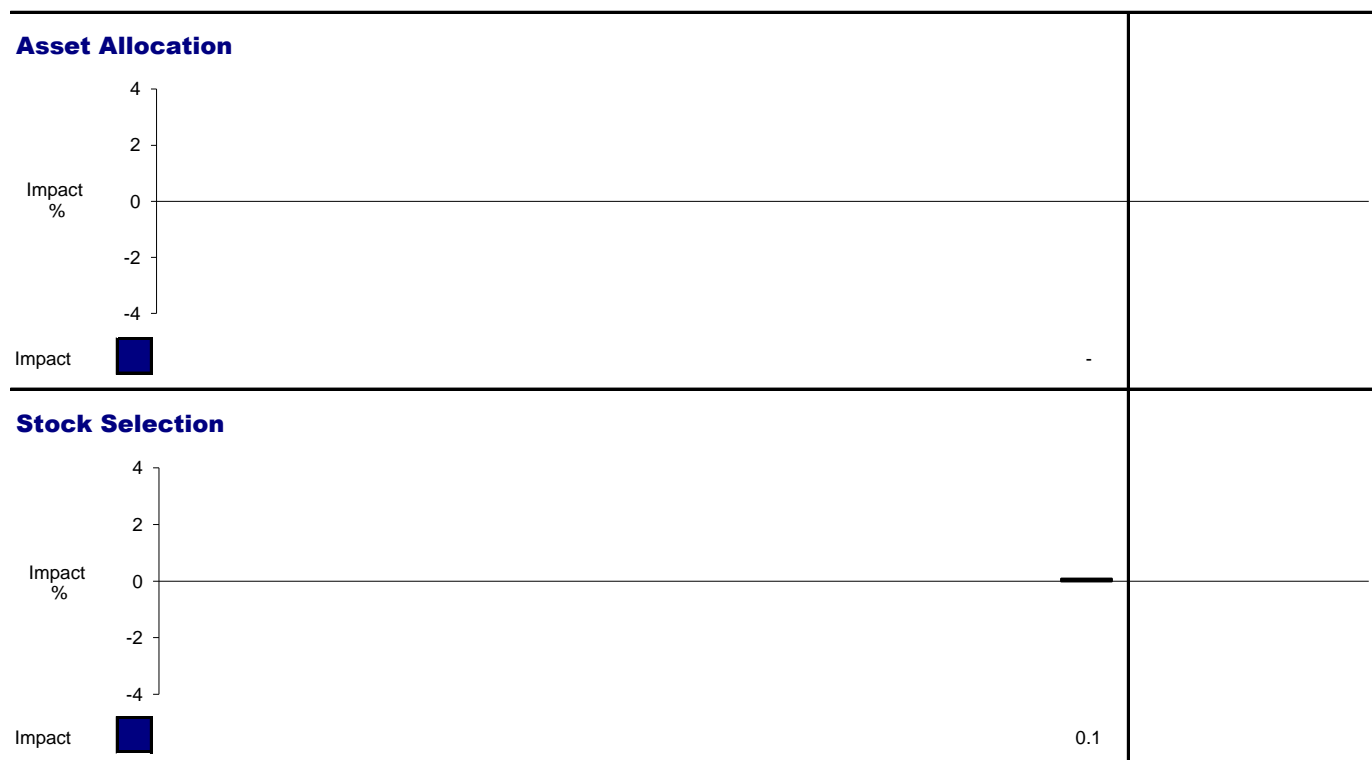
Pound Sterling

Category - TOTAL ASSETS

This page looks in more detail at the long term performance, plotting it relative to the Benchmark (with rankings).



The relative performance can be attributed to the effects of asset allocation and stock selection as detailed below:



An asset allocation decision will be positive if a Fund is invested more heavily than its Benchmark in an area that has performed well.

Conversely a positive benefit would be derived from investing less heavily in an area that has performed poorly.

Stock selection will be positive if the Fund has outperformed the Benchmark in a particular area.

The impact of both asset allocation and stock selection is weighted by the level of investment in the area.

not invested in this area for the entire period

- indicates a value less than 0.05 and greater than -0.05

Asset Mix and Returns

NOTTINGHAMSHIRE COUNTY COUNCIL - TOTAL COMBINED

30/03/2012 to 29/03/2013

Benchmark - LOCAL AUTHORITY UNIVERSE

Pound Sterling

This page provides the underlying detail for the fund over the latest period.

All values are shown in GBP'000s	Asset Allocation						Stock Selection			
	30/03/2012						29/03/2013			
	Value	%	Purchases	Sales	Gain/ Loss	Income	Value	%	Return	B'M
TOTAL EQUITIES	2,048,434	67	287,785	206,753	312,288	53,570	2,441,754	70	17.7	17.6
U.K. EQUITIES	1,048,940	34	111,096	100,930	150,732	37,050	1,209,839	35	18.3	18.0
OVERSEAS EQUITIES	999,494	33	176,689	105,823	161,556	16,519	1,231,916	35	17.0	17.5
NORTH AMERICA	358,487	12	21,400	18,675	62,482	7,559	423,694	12	19.9	19.0
CONTINENTAL EUROPE	272,702	9	92,324	70,761	43,022	5,729	337,287	10	16.7	20.4
JAPAN	97,805	3	9,469	16,387	11,801	711	102,688	3	14.6	15.4
TOTAL PACIFIC (EX.JAPAN)	125,443	4			26,448	1,381	151,890	4	22.4	19.2
OTHER INTL EQUITIES	145,057	5	53,497		17,803	1,139	216,356	6	9.5	11.4
EMERGING MARKETS	130,544	4	53,497		14,866	1,139	198,907	6	8.5	10.5
GLOBAL POOLED EX UK	14,513	0			2,937		17,450	1	20.2	18.0
TOTAL BONDS PLUS INDEX-LINKED	363,355	12	459,972	441,220	26,683	14,178	408,790	12	11.3	10.5
TOTAL BONDS	288,011	9	434,490	413,782	19,071	12,851	327,790	9	10.9	10.6
U.K. BONDS	233,950	8	128,757	136,116	14,146	10,402	240,737	7	10.7	10.6
TOTAL UK GOVERNMENT BONDS	123,086	4	111,932	118,621	2,925	4,074	119,322	3	5.5	6.4
TOTAL UK CORPORATE BONDS	110,864	4	16,825	17,495	11,221	6,329	121,415	3	16.4	12.6
OVERSEAS BOND INC HEDGING	54,061	2	305,732	277,667	4,925	2,448	87,053	3	11.0	28.1
OVERSEAS BONDS	54,061	2	146,890	119,618	5,719	2,448	87,053	3	11.9	10.0
OVERSEAS BOND HEDGING			158,842	158,048	-794				5.1 #	
U.K. INDEX - LINKED	75,344	2	25,482	27,438	7,612	1,327	81,001	2	12.4	11.1
TOTAL CASH	194,521	6	798,067	854,072	5,187	1,095	143,703	4	4.0	2.8
TOTAL PRIVATE EQUITY	66,979	2	5,540	1,718	6,403		77,204	2	9.1	11.8
TOTAL PROPERTY	387,996	13	35,058		-13,292	18,728	409,762	12	1.3	2.8
U.K. PROPERTY	299,022	10	35,097		-11,715	17,331	322,404	9	1.8	2.9
OVERSEAS PROPERTY	88,974	3	-39		-1,577	1,397	87,358	3	-0.2	-0.2
TOTAL ASSETS	3,061,285	100	1,586,422	1,503,764	337,269	87,570	3,481,213	100	13.9	13.8

The change in Fund value over the period is a combination of the net money flows into or out of the Fund and any gain or loss on the capital value of the investments.

not invested in this area for the entire period

Summary of Long Term Returns

NOTTINGHAMSHIRE COUNTY COUNCIL - TOTAL COMBINED

Periods to end March 2013

Benchmark - LOCAL AUTHORITY UNIVERSE

Pound Sterling

This page summarises the long term returns at asset class level

A ranking against the peer group is shown in brackets.

Return %	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	3yrs % pa	5yrs % pa	10yrs % pa
<i>Total Equity</i>	31.4 (69)	14.4 (10)	30.5 (67)	8.3 (29)	-6.7 (67)	-26.0 (56)	51.2 (34)	10.9 (11)	-0.0 (53)	17.7 (44)	9.3 (29)	7.9 (33)	11.2 (46)
<i>Bonds + IL</i>										11.3 (44)			
<i>Total Bonds</i>										10.9 (50)			
<i>UK Bonds</i>						2.6 (25)	12.2 (66)	5.0 (84)	11.9 (48)	10.7 (53)	9.2 (53)	8.4 (53)	
<i>OS Bds inc H</i>										11.0 (40)			
<i>UK IL</i>	6.6 (35)	5.8 (30)	0.0 (100)	-2.1 (100)	14.9 (4)	-4.5 (93)	15.1 (8)	8.1 (13)	16.6 (94)	12.4 (15)	12.3 (70)	9.3 (40)	7.1 (97)
<i>Cash</i>	3.8 (27)	4.3 (55)	1.1 (96)	4.2 (57)	0.0 (86)	4.1 (61)	0.4 (55)	1.1 (34)	0.9 (41)	4.0 (18)	2.0 (31)	2.1 (35)	2.4 (76)
<i>Alternatives</i>										9.1 (43)			
<i>Property</i>	14.3 (20)	16.4 (86)	19.3 (84)	20.0 (14)	-9.2 (40)	-24.8 (31)	12.8 (26)	11.2 (14)	3.6 (78)	1.3 (54)	5.3 (36)	-0.2 (26)	5.5 (31)
<i>Total Assets</i>	20.1 (94)	12.2 (18)	24.3 (67)	8.5 (10)	-3.7 (62)	-19.2 (42)	32.5 (77)	9.5 (10)	1.6 (82)	13.9 (52)	8.2 (53)	6.3 (52)	9.0 (67)

not invested in this area for the entire period