



## Quarterly Investment Report June 30, 2018

### Assets Under Management

As at June 30, 2018 \$13,833.9 million  
 As at March 31, 2018 \$13,506.1 million

### Asset Mix at June 30, 2018

	Market Value (\$ millions)	Allocation	Long-Term Policy	Policy Ranges
Money Market	\$89.6	0.6%	0.5%	0 - 3%
Fixed Income	\$3,075.1	22.2%	20.5%	11 - 30%
Equities	\$7,819.7	56.5%	55.0%	37 - 65%
Alternatives	\$2,775.4	20.1%	24.0%	15 - 30%
Overlays	\$74.1	0.5%	0.0%	
<b>Fund Total</b>	<b>\$13,833.9</b>	<b>100%</b>	<b>100%</b>	

*Please see the PSPP Statement of Investment Policies & Guidelines for more information.*



# Public Service Pension Plan

## Investment Performance ending June 30, 2018

Asset Category	Asset / Sub-asset Category Benchmark	2018		Calendar Years		
		QTD	YTD	2017	2016	2015
<b>Total</b>	<b>Fund Net</b>	<b>2.29</b>	<b>2.80</b>	<b>11.28</b>	<b>6.95</b>	<b>9.79</b>
	Policy	2.65	3.20	9.68	6.59	7.99
	CPI (one month lag)	<b>0.68</b>	<b>1.60</b>	<b>2.10</b>	<b>1.18</b>	<b>1.36</b>
<b>Money Market</b>	<b>Money Market<sup>1</sup></b>	<b>0.39</b>	<b>0.75</b>	<b>0.97</b>	<b>0.88</b>	<b>0.90</b>
	FTSE TMX Canada 91 day T-Bill Index	0.30	0.61	0.56	0.51	0.63
<b>Fixed Income</b>	<b>Asset Category Total</b>	<b>0.96</b>	<b>1.25</b>	<b>4.36</b>	<b>3.32</b>	<b>4.63</b>
	Asset Category Index Total	0.66	0.70	3.75	1.66	3.52
	<b>Universe Bonds</b>	<b>0.74</b>	<b>0.96</b>	<b>3.27</b>	<b>3.35</b>	<b>4.13</b>
	FTSE TMX Canada Universe Bond Index	0.51	0.61	2.52	1.66	3.52
	<b>Long Bonds</b>	<b>1.22</b>	<b>1.20</b>	<b>7.61</b>	-	-
	FTSE TMX Canada Long Term All Government Bond Index	0.96	0.83	6.50	-	-
	<b>Private Debt &amp; Loan</b>	<b>1.36</b>	<b>2.32</b>	<b>2.33</b>	<b>4.42</b>	<b>6.13</b>
	FTSE TMX Canada Universe Bond Index	0.51	0.61	2.52	1.66	3.52
<b>Private Mortgages</b>	<b>1.02</b>	<b>1.79</b>	<b>2.48</b>	<b>2.15</b>	<b>4.99</b>	
	FTSE TMX Canada Universe Bond Index	0.51	0.61	2.52	1.66	3.52
<b>Equity</b>	<b>Asset Category Total</b>	<b>3.30</b>	<b>3.49</b>	<b>14.80</b>	<b>7.61</b>	<b>12.38</b>
	Asset Category Index Total	3.63	3.86	13.24	7.81	9.75
	<b>Canadian Equity</b>	<b>6.48</b>	<b>1.45</b>	<b>10.16</b>	<b>19.92</b>	<b>(7.45)</b>
	S&P/TSX Composite Index	6.77	1.95	9.10	21.08	(8.32)
	<b>Global Developed Equity</b>	<b>3.41</b>	<b>4.93</b>	<b>15.75</b>	<b>2.71</b>	<b>20.93</b>
	MSCI World (C\$) Index	3.96	5.24	13.10	1.98	18.89
	<b>Global Equity Master Pool (MSMP)</b>	<b>3.45</b>	<b>5.00</b>	<b>16.56</b>	<b>3.38</b>	<b>20.56</b>
	MSCI World (C\$) Index	3.87	5.44	14.36	3.79	18.89
	<b>LSH</b>	<b>3.63</b>	<b>9.38</b>	<b>10.71</b>	<b>4.68</b>	-
	MSCI World (C\$) Index	3.87	5.44	14.36	3.79	-
	<b>Global Minimum Variance Pool</b>	<b>3.46</b>	<b>4.69</b>	<b>14.63</b>	-	-
	MSCI World Minimum Volatility (C\$) Index	4.15	4.74	10.23	-	-
	<b>Emerging Markets</b>	<b>(6.36)</b>	<b>(2.47)</b>	<b>30.40</b>	<b>8.66</b>	<b>6.18</b>
	MSCI Emerging Markets (C\$) Index	(5.96)	(2.00)	28.26	7.34	2.04
	<b>Private Equity</b>	<b>5.00</b>	<b>4.75</b>	<b>(1.37)</b>	<b>1.16</b>	<b>26.94</b>
	<b>Core Private Equity</b>	<b>5.59</b>	<b>5.57</b>	<b>(0.60)</b>	<b>15.66</b>	<b>36.89</b>
	<b>Relationship Investing</b>	<b>17.22</b>	<b>16.90</b>	<b>(15.57)</b>	<b>(60.18)</b>	<b>(55.01)</b>
	<b>Venture Capital</b>	<b>4.85</b>	<b>3.15</b>	<b>(3.31)</b>	<b>(21.00)</b>	<b>11.53</b>
Private Equity Index <sup>2</sup>	2.32	4.58	8.65	8.35	17.10	
<b>Alternatives</b>	<b>Asset Category Total</b>	<b>1.12</b>	<b>2.54</b>	<b>9.50</b>	<b>6.43</b>	<b>8.51</b>
	Asset Category Index Total	1.43	3.27	6.70	5.81	8.92
	<b>Real Estate</b>	<b>1.26</b>	<b>2.95</b>	<b>8.77</b>	<b>4.96</b>	<b>6.62</b>
	Real Estate Index <sup>3</sup>	2.29	4.25	7.03	5.81	8.05
	<b>Canadian Real Estate</b>	<b>1.35</b>	<b>2.31</b>	<b>8.49</b>	<b>5.42</b>	<b>5.09</b>
	IPD Canadian Benchmark: Portfolios Valued Over C\$1.5bn	2.19	3.58	7.03	5.81	8.05
	<b>Foreign Real Estate</b>	<b>0.59</b>	<b>7.37</b>	<b>10.94</b>	<b>1.49</b>	<b>19.02</b>
	MSCI Global Region Property Index <sup>4</sup>	3.04	9.49	7.03	5.81	8.05
	<b>Private Infrastructure</b>	<b>0.99</b>	<b>1.05</b>	<b>9.24</b>	<b>9.47</b>	<b>14.75</b>
	Private Infrastructure Index <sup>5</sup>	1.73	3.37	6.15	5.85	9.13
	<b>Timberlands</b>	<b>0.33</b>	<b>4.85</b>	<b>17.49</b>	<b>10.05</b>	<b>4.20</b>
Timberlands Index <sup>6</sup>	1.73	3.37	6.15	5.85	9.13	
<b>Overlays</b>	<b>Overlays</b>	<b>(4.16)</b>	<b>1.37</b>	<b>5.01</b>	<b>(5.14)</b>	<b>80.19</b>

1. Money Market (CCITF) return is affected by a timing mismatch of accrued income and market values. As such, CCITF pool returns are reflected.

2. Private Equity Index: CPI 1 month lagged + 7.0 % (4-year rolling average). Prior to January 1, 2016, the benchmark was MSCI All Country World Index.

3. Real Estate Index: A blend of the IPD Large Institutional Index & MSCI Global Region Property Index. Prior to January 9, 2018, the benchmark was the IPD Canadian Benchmark Index.

4. MSCI Global Region Property Index. Prior to January 9, 2018, the benchmark was the IPD Canadian Benchmark Index.

5. Private Infrastructure Index: CPI 1 month lagged + 4.5% (4-year rolling average). Prior to November 1, 2015, the benchmark was 50% FTSE TMX Canada Real Return Bond/50% MSCI ACWI.

6. Timberlands Index: CPI 1 month lagged + 4.5% (4-year rolling average). Prior to November 1, 2015, the benchmark was 50% FTSE TMX Canada Real Return Bond/50% MSCI ACWI.



# Public Service Pension Plan

## Investment Performance ending June 30, 2018

Asset Category	Asset / Sub-asset Category Benchmark	Annualized Years				
		1	2	3	4	10
<b>Total</b>	<b>Fund Net</b>	<b>9.32</b>	<b>9.79</b>	<b>8.24</b>	<b>8.85</b>	<b>7.32</b>
	Policy	8.16	8.61	7.19	8.06	6.91
	CPI (one month lag)	2.22	1.77	1.68	1.48	1.53
<b>Money Market</b>	<b>Money Market<sup>1</sup></b>	<b>1.30</b>	<b>1.09</b>	<b>1.00</b>	<b>1.03</b>	<b>1.31</b>
	FTSE TMX Canada 91 day T-Bill Index	0.97	0.71	0.64	0.69	0.89
<b>Fixed Income</b>	<b>Asset Category Total</b>	<b>1.77</b>	<b>1.92</b>	<b>3.71</b>	<b>4.37</b>	<b>5.40</b>
	Asset Category Index Total	1.06	1.04	2.41	3.36	4.63
	<b>Universe Bonds</b>	<b>1.38</b>	<b>1.42</b>	<b>2.98</b>	<b>3.93</b>	<b>5.15</b>
	FTSE TMX Canada Universe Bond Index	0.76	0.39	1.97	3.03	4.50
	<b>Long Bonds</b>	<b>2.40</b>	-	-	-	-
	FTSE TMX Canada Long Term All Government Bond Index	1.67	-	-	-	-
	<b>Private Debt &amp; Loan</b>	<b>3.71</b>	<b>3.36</b>	<b>4.11</b>	<b>4.60</b>	-
	FTSE TMX Canada Universe Bond Index <sup>2</sup>	0.76	0.39	1.97	3.03	-
	<b>Private Mortgages</b>	<b>1.96</b>	<b>1.39</b>	<b>2.88</b>	<b>3.83</b>	<b>5.62</b>
FTSE TMX Canada Universe Bond Index	0.76	0.39	1.97	3.03	4.50	
<b>Equity</b>	<b>Asset Category Total</b>	<b>12.10</b>	<b>13.66</b>	<b>9.58</b>	<b>10.55</b>	<b>8.28</b>
	Asset Category Index Total	11.18	12.59	8.73	9.79	7.71
	<b>Canadian Equity</b>	<b>10.54</b>	<b>10.66</b>	<b>7.20</b>	<b>5.30</b>	<b>5.53</b>
	S&P/TSX Composite Index	10.41	10.73	6.96	4.87	4.24
	<b>Global Developed Equity</b>	<b>13.31</b>	<b>14.79</b>	<b>10.62</b>	<b>12.37</b>	<b>9.64</b>
	MSCI World (C\$) Index <sup>3</sup>	11.71	12.92	9.26	11.59	8.89
	<b>Global Equity Master Pool (MSMP)</b>	<b>13.40</b>	<b>16.73</b>	<b>11.01</b>	<b>13.05</b>	-
	MSCI World (C\$) Index	12.52	15.32	10.38	12.45	-
	<b>LSH</b>	<b>10.34</b>	<b>17.02</b>	-	-	-
	MSCI World (C\$) Index	12.52	15.32	-	-	-
	<b>Global Minimum Variance Pool</b>	<b>13.81</b>	<b>8.05</b>	-	-	-
	MSCI World Minimum Volatility (C\$) Index	9.80	6.74	-	-	-
	<b>Emerging Markets</b>	<b>10.11</b>	<b>18.10</b>	<b>8.93</b>	<b>10.93</b>	<b>5.38</b>
	MSCI Emerging Markets (C\$) Index	9.60	16.46	7.45	8.38	5.10
	<b>Private Equity</b>	<b>4.70</b>	<b>4.77</b>	<b>5.01</b>	<b>9.15</b>	<b>5.91</b>
	<b>Core Private Equity</b>	<b>5.57</b>	<b>8.79</b>	<b>12.40</b>	<b>15.73</b>	<b>10.46</b>
	<b>Relationship Investing</b>	<b>16.95</b>	<b>(26.53)</b>	<b>(41.99)</b>	<b>(42.96)</b>	-
<b>Venture Capital</b>	<b>4.42</b>	<b>(8.73)</b>	<b>(7.44)</b>	<b>2.32</b>	-	
Private Equity Index <sup>4</sup>	8.48	8.48	9.21	11.36	-	
<b>Alternatives</b>	<b>Asset Category Total</b>	<b>9.81</b>	<b>8.28</b>	<b>8.63</b>	<b>7.91</b>	<b>6.37</b>
	Asset Category Index Total	6.91	6.57	6.73	7.33	6.40
	<b>Real Estate</b>	<b>10.10</b>	<b>7.74</b>	<b>7.35</b>	<b>7.17</b>	<b>8.38</b>
	Real Estate Index <sup>5</sup>	8.52	7.42	7.56	7.38	8.22
	<b>Canadian Real Estate</b>	<b>9.20</b>	<b>7.51</b>	<b>6.78</b>	<b>6.44</b>	<b>8.39</b>
	IPD Canadian Benchmark: Portfolios Valued Over C\$1.5bn	7.81	7.07	7.33	7.21	2.19
	<b>Foreign Real Estate</b>	<b>16.53</b>	<b>9.26</b>	<b>11.63</b>	<b>12.57</b>	-
	MSCI Global Region Property Index <sup>6</sup>	13.96	10.08	9.34	8.70	-
	<b>Private Infrastructure</b>	<b>6.88</b>	<b>7.58</b>	<b>11.23</b>	<b>9.75</b>	<b>6.76</b>
	Private Infrastructure Index <sup>7</sup>	5.98	5.98	5.77	7.29	8.53
	<b>Timberlands</b>	<b>19.11</b>	<b>16.67</b>	<b>11.67</b>	<b>9.29</b>	<b>6.88</b>
Timberlands Index <sup>8</sup>	5.98	5.98	5.77	7.29	8.12	
<b>Overlays</b>	<b>Overlays</b>	<b>12.02</b>	<b>13.20</b>	<b>8.12</b>	<b>20.97</b>	<b>3.15</b>

1. Money Market (CCITF) return is affected by a timing mismatch of accrued income and market values. As such, CCITF pool returns are reflected.

2. Private Debt & Loan Benchmark: Prior to April 1, 2014, the benchmark was FTSE/TMX Short Term Overall Bond Index. 2014 performance reflects a blend of the prior and current benchmark.

3. Global Developed Equity Index: MSCI World. Prior to July 1, 2011, the benchmark was MSCI All Country World Index.

4. Private Equity Index: CPI 1 month lagged + 7.0% (4-year rolling average). Prior to January 1, 2016, the benchmark was MSCI All Country World Index.

5. Real Estate Index: A blend of the IPD Large Institutional Index & MSCI Global Region Property Index. Prior to January 9, 2018, the benchmark was the IPD Canadian Benchmark Index.

6. MSCI Global Region Property Index. Prior to January 9, 2018, the benchmark was the IPD Canadian Benchmark Index.

7. Private Infrastructure Index: CPI 1 month lagged + 4.5% (4-year rolling average). Prior to November 1, 2015, the benchmark was 50% FTSE TMX Canada Real Return Bond/50% MSCI ACWI. Prior to July 1, 2010, the benchmark was CPI + 600 bps.

8. Timberlands Index: CPI 1 month lagged + 4.5% (4-year rolling average). Prior to November 1, 2015, the benchmark was 50% FTSE TMX Canada Real Return Bond/50% MSCI ACWI. Prior to July 1, 2010, the benchmark was CPI + 400 bps.