



## Quarterly Investment Report September 30, 2016

### Assets Under Management

As at September 30, 2016: \$11,655.55 million  
 As at June 30, 2016: \$11,180.33 million

### Asset Mix at September 30, 2016

	Market Value (\$ millions)	Allocation	Long-Term Policy	Policy Ranges
Money Market	\$ 91.89	0.8%	0.5%	0 - 3%
Fixed Income	\$ 2,524.46	21.7%	20.5%	11 - 30%
Equities	\$ 6,589.17	56.5%	55.0%	37 - 65%
Alternatives	\$ 2,377.30	20.4%	24.0%	15 - 30%
Overlays	\$ 72.74	0.6%	0.0%	
<b>Fund Total</b>	<b>\$ 11,655.56</b>	<b>100%</b>	<b>100%</b>	

*The policy asset mix was revised effective April 1, 2016. Please see the PSPP Statement of Investment Policies & Guidelines for more information.*



## Investment Performance ending September 30, 2016

Asset Category	Asset/Sub-asset Category Benchmark	2016		Calendar Years		
		QTD	YTD	2015	2014	2013
<b>Total</b>	<b>Fund</b>	<b>3.7</b>	<b>5.3</b>	<b>9.8</b>	<b>12.2</b>	<b>14.1</b>
	Policy	3.5	5.9	8.0	12.5	12.6
	CPI (one month lag)	<b>0.2</b>	<b>(0.6)</b>	<b>1.8</b>	<b>(0.3)</b>	<b>1.5</b>
<b>Money Market</b>	<b>Money Market</b>	<b>0.2</b>	<b>0.6</b>	<b>0.9</b>	<b>1.2</b>	<b>1.2</b>
	FTSE TMX Canada 91 day T-Bill Index	0.1	0.4	0.6	0.9	1.0
<b>Liability Matching Assets</b>	<b>Asset Category Total</b>	<b>2.5</b>	<b>10.9</b>	<b>3.8</b>	<b>16.9</b>	<b>(8.1)</b>
	Asset Category Index Total	2.1	10.3	4.0	16.2	(9.6)
	<b>Long Bonds</b>	<b>2.5</b>	<b>11.1</b>	<b>4.1</b>	<b>18.8</b>	<b>(5.0)</b>
	FTSE TMX Canada Long Term All Government Bond Index	2.1	10.5	4.5	17.9	(7.0)
	<b>Real Return Bonds</b>	<b>-</b>	<b>3.9</b>	<b>3.0</b>	<b>13.5</b>	<b>(12.5)</b>
	FTSE TMX Canada Real Return Bond Index	-	2.8	2.8	13.2	(13.1)
<b>Other Fixed Income</b>	<b>Asset Category Total</b>	<b>1.7</b>	<b>6.9</b>	<b>4.6</b>	<b>9.9</b>	<b>0.6</b>
	Asset Category Index Total	1.2	5.3	3.5	8.7	(1.2)
	<b>Universe Bonds</b>	<b>1.8</b>	<b>6.6</b>	<b>4.1</b>	<b>9.8</b>	<b>0.6</b>
	FTSE TMX Canada Universe Bond Index	1.2	5.3	3.5	8.8	(1.2)
	<b>Private Debt &amp; Loan</b>	<b>1.6</b>	<b>4.0</b>	<b>6.1</b>	<b>7.0</b>	<b>-</b>
	FTSE TMX Canada Universe Bond Index <sup>1</sup>	1.2	5.3	3.5	7.0	-
	<b>Private Mortgages</b>	<b>1.2</b>	<b>4.9</b>	<b>5.0</b>	<b>9.7</b>	<b>0.4</b>
	FTSE TMX Canada Universe Bond Index	1.2	5.3	3.5	8.8	(1.2)
<b>Equity</b>	<b>Asset Category Total</b>	<b>5.5</b>	<b>4.4</b>	<b>12.4</b>	<b>13.2</b>	<b>27.1</b>
	Asset Category Index Total	5.2	5.2	9.7	12.7	26.7
	<b>Canadian Equity</b>	<b>5.2</b>	<b>15.1</b>	<b>(7.4)</b>	<b>12.4</b>	<b>15.4</b>
	S&P/TSX Composite Index	5.5	15.8	(8.3)	10.6	13.0
	<b>Global Developed Equity</b>	<b>5.1</b>	<b>(0.5)</b>	<b>20.9</b>	<b>13.9</b>	<b>36.0</b>
	MSCI World (C\$) Index	4.7	(0.4)	18.9	14.4	35.3
	<b>Global Equity Master Pool (MSMP)</b>	<b>6.2</b>	<b>(1.4)</b>	<b>20.6</b>	<b>15.4</b>	<b>35.4</b>
	MSCI World (C\$) Index	6.1	(0.1)	18.9	14.4	35.3
	<b>Portable Alpha (PAUS)</b>	<b>7.1</b>	<b>1.5</b>	<b>26.9</b>	<b>2.5</b>	<b>43.6</b>
	MSCI World (C\$) Index	6.1	(0.1)	18.9	14.4	35.3
	<b>LSH</b>	<b>7.5</b>	<b>(0.5)</b>	<b>-</b>	<b>-</b>	<b>-</b>
	MSCI World (C\$) Index	6.1	(0.1)	-	-	-
	<b>Global Minimum Variance Pool</b>	<b>2.6</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	MSCI World Minimum Volatility Index (C\$)	1.5	-	-	-	-
	<b>Emerging Markets</b>	<b>12.1</b>	<b>11.1</b>	<b>6.2</b>	<b>10.4</b>	<b>5.4</b>
	MSCI Emerging Markets Index	10.3	9.8	2.0	6.6	4.0
	<b>Private Equity</b>	<b>0.3</b>	<b>(4.5)</b>	<b>26.9</b>	<b>12.5</b>	<b>6.8</b>
<b>Core Private Equity</b>	<b>2.7</b>	<b>5.3</b>	<b>36.9</b>	<b>15.5</b>	<b>6.8</b>	
<b>Relationship Investing</b>	<b>(34.8)</b>	<b>(52.5)</b>	<b>(55.0)</b>	<b>(31.1)</b>	<b>14.4</b>	
<b>Venture Capital</b>	<b>(8.1)</b>	<b>(13.1)</b>	<b>11.5</b>	<b>20.2</b>	<b>2.7</b>	
Private Equity Index <sup>2</sup>	1.9	6.6	17.1	13.5	31.1	
<b>Alternatives</b>	<b>Asset Category Total</b>	<b>1.1</b>	<b>3.1</b>	<b>8.5</b>	<b>5.4</b>	<b>10.6</b>
	Asset Category Index Total	1.1	3.9	8.9	10.1	8.8
	<b>Real Estate</b>	<b>1.0</b>	<b>2.3</b>	<b>6.6</b>	<b>7.4</b>	<b>12.4</b>
	IPD Canadian Benchmark: Portfolios Valued Over C\$1.5bn	1.0	3.5	8.0	7.1	10.9
	<b>Canadian Real Estate</b>	<b>1.1</b>	<b>2.4</b>	<b>5.1</b>	<b>6.3</b>	<b>12.7</b>
	IPD Canadian Benchmark: Portfolios Valued Over C\$1.5bn	1.1	3.6	8.0	7.1	10.9
	<b>Foreign Real Estate</b>	<b>0.2</b>	<b>1.5</b>	<b>19.0</b>	<b>15.0</b>	<b>9.7</b>
	IPD Canadian Benchmark: Portfolios Valued Over C\$1.5bn	0.2	2.7	8.0	7.1	10.9
	<b>Private Infrastructure</b>	<b>0.9</b>	<b>5.4</b>	<b>14.7</b>	<b>3.9</b>	<b>3.6</b>
	Private Infrastructure Index <sup>3</sup>	1.3	4.7	9.1	13.6	7.1
<b>Timberlands</b>	<b>3.2</b>	<b>2.8</b>	<b>4.2</b>	<b>(0.6)</b>	<b>28.4</b>	
Timberlands Index <sup>4</sup>	1.3	4.7	9.1	13.6	7.1	
<b>Overlays</b>	<b>Overlays</b>	<b>(2.3)</b>	<b>(23.0)</b>	<b>80.2</b>	<b>22.7</b>	<b>9.0</b>

1. 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.

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. 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.

4. 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 September 30, 2016

Asset Category	Asset/Sub-asset Category Benchmark	Annualized Years				
		1	2	3	4	8
<b>Total</b>	<b>Fund</b>	<b>10.4</b>	<b>8.7</b>	<b>11.4</b>	<b>11.0</b>	<b>8.6</b>
	Policy	10.3	8.5	10.8	10.4	8.2
	CPI (one month lag)	0.1	0.2	0.6	0.7	0.4
<b>Money Market</b>	<b>Money Market</b>	<b>0.8</b>	<b>0.9</b>	<b>1.0</b>	<b>1.1</b>	<b>1.3</b>
	FTSE TMX Canada 91 day T-Bill Index	0.5	0.6	0.7	0.8	0.9
<b>Liability Matching Assets</b>	<b>Asset Category Total</b>	<b>12.8</b>	<b>9.4</b>	<b>10.2</b>	<b>5.5</b>	<b>8.2</b>
	Asset Category Index Total	12.0	9.2	9.6	4.8	7.7
	<b>Long Bonds</b>	<b>13.4</b>	<b>10.5</b>	<b>11.2</b>	<b>7.0</b>	<b>9.1</b>
	FTSE TMX Canada Long Term All Government Bond Index	12.6	10.4	10.6	6.0	8.4
	<b>Real Return Bonds</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	FTSE TMX Canada Real Return Bond Index	-	-	-	-	-
<b>Other Fixed Income</b>	<b>Asset Category Total</b>	<b>8.1</b>	<b>7.1</b>	<b>7.3</b>	<b>5.7</b>	<b>6.7</b>
	Asset Category Index Total	6.3	5.8	6.0	4.1	5.8
	<b>Universe Bonds</b>	<b>7.6</b>	<b>6.7</b>	<b>7.1</b>	<b>5.5</b>	<b>6.6</b>
	FTSE TMX Canada Universe Bond Index	6.3	5.8	6.0	4.1	5.8
	<b>Private Debt &amp; Loan</b>	<b>5.6</b>	<b>6.1</b>	<b>-</b>	<b>-</b>	<b>-</b>
	FTSE TMX Canada Universe Bond Index <sup>1</sup>	6.3	5.8	-	-	-
	<b>Private Mortgages</b>	<b>5.7</b>	<b>6.3</b>	<b>6.7</b>	<b>5.1</b>	<b>6.7</b>
	FTSE TMX Canada Universe Bond Index	6.3	5.8	6.0	4.1	5.8
<b>Equity</b>	<b>Asset Category Total</b>	<b>10.9</b>	<b>9.0</b>	<b>13.5</b>	<b>15.0</b>	<b>9.9</b>
	Asset Category Index Total	11.6	8.9	12.7	14.3	9.1
	<b>Canadian Equity</b>	<b>13.8</b>	<b>2.5</b>	<b>8.9</b>	<b>9.2</b>	<b>7.5</b>
	S&P/TSX Composite Index	14.2	2.3	8.0	7.8	6.0
	<b>Global Developed Equity</b>	<b>9.3</b>	<b>10.9</b>	<b>15.5</b>	<b>17.8</b>	<b>11.0</b>
	MSCI World (C\$) Index <sup>2</sup>	8.9	11.4	14.8	17.4	10.1
	<b>Global Equity Master Pool (MSMP)</b>	<b>8.1</b>	<b>11.0</b>	<b>15.5</b>	<b>17.7</b>	<b>-</b>
	MSCI World (C\$) Index	9.2	11.5	14.9	17.5	-
	<b>Portable Alpha (PAUS)</b>	<b>13.4</b>	<b>8.1</b>	<b>14.6</b>	<b>18.8</b>	<b>-</b>
	MSCI World (C\$) Index	9.2	11.5	14.9	17.5	-
	<b>LSH</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	MSCI World (C\$) Index	-	-	-	-	-
	<b>Global Minimum Variance Pool</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	MSCI World Minimum Volatility Index (C\$)	-	-	-	-	-
	<b>Emerging Markets</b>	<b>16.5</b>	<b>9.3</b>	<b>10.7</b>	<b>10.0</b>	<b>7.8</b>
	MSCI Emerging Markets Index	14.5	5.3	7.9	7.3	7.3
	<b>Private Equity</b>	<b>(0.2)</b>	<b>11.6</b>	<b>12.8</b>	<b>10.8</b>	<b>6.5</b>
	<b>Core Private Equity</b>	<b>14.3</b>	<b>22.3</b>	<b>21.0</b>	<b>16.9</b>	<b>11.5</b>
	<b>Relationship Investing</b>	<b>(57.6)</b>	<b>(64.6)</b>	<b>(49.0)</b>	<b>(35.1)</b>	<b>-</b>
<b>Venture Capital</b>	<b>(16.8)</b>	<b>4.7</b>	<b>8.3</b>	<b>3.5</b>	<b>-</b>	
Private Equity Index <sup>3</sup>	16.0	14.0	16.3	17.9	13.1	
<b>Alternatives</b>	<b>Asset Category Total</b>	<b>9.8</b>	<b>7.5</b>	<b>8.1</b>	<b>8.0</b>	<b>6.4</b>
	Asset Category Index Total	7.8	7.9	9.2	8.9	7.0
	<b>Real Estate</b>	<b>6.7</b>	<b>6.5</b>	<b>7.7</b>	<b>8.4</b>	<b>8.3</b>
	IPD Canadian Benchmark: Portfolios Valued Over C\$1.5bn	7.3	7.3	7.8	8.9	8.3
	<b>Canadian Real Estate</b>	<b>6.0</b>	<b>5.4</b>	<b>6.9</b>	<b>8.0</b>	<b>8.4</b>
	IPD Canadian Benchmark: Portfolios Valued Over C\$1.5bn	7.4	7.3	7.9	9.0	8.4
	<b>Foreign Real Estate</b>	<b>12.3</b>	<b>15.4</b>	<b>14.0</b>	<b>11.4</b>	<b>-</b>
	IPD Canadian Benchmark: Portfolios Valued Over C\$1.5bn	6.5	6.9	7.6	8.7	-
	<b>Private Infrastructure</b>	<b>19.8</b>	<b>11.2</b>	<b>9.3</b>	<b>8.1</b>	<b>6.3</b>
	Private Infrastructure Index <sup>4</sup>	8.7	8.4	10.7	9.1	9.0
	<b>Timberlands</b>	<b>4.7</b>	<b>4.3</b>	<b>8.5</b>	<b>8.6</b>	<b>5.0</b>
Timberlands Index <sup>5</sup>	8.7	8.4	10.7	9.1	8.6	
<b>Overlays</b>	<b>Overlays</b>	<b>(11.1)</b>	<b>19.6</b>	<b>22.1</b>	<b>24.9</b>	<b>(0.0)</b>

1. 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.

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

3. 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.

4. 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.

5. 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.