



Quarterly Investment Report December 31, 2017

Assets Under Management

As at December 31, 2017 \$13,412.9 million
 As at September 30, 2017 \$12,721.9 million

Asset Mix at December 31, 2017

	Market Value (\$ millions)	Allocation	Long-Term Policy	Policy Ranges
Money Market	\$71.9	0.5%	0.5%	0 - 3%
Fixed Income	\$2,958.6	22.1%	20.5%	11 - 30%
Equities	\$7,636.9	56.9%	55.0%	37 - 65%
Alternatives	\$2,661.0	19.8%	24.0%	15 - 30%
Overlays	\$84.5	0.6%	0.0%	
Fund Total	\$13,412.9	100%	100%	

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



Public Service Pension Plan

Investment Performance ending December 31, 2017

Asset Category	Asset / Sub-asset Category Benchmark	2017		Calendar Years		
		QTD	YTD	2016	2015	2014
Total	Fund Net	5.1	11.3	6.9	9.8	12.2
	Policy	4.2	9.7	6.6	8.0	12.5
	CPI (one month lag)	0.6	2.1	1.2	1.4	2.0
Money Market □	Money Market	0.3	1.0	0.9	0.9	1.2
	FTSE TMX Canada 91 day T-Bill Index	0.2	0.6	0.5	0.6	0.9
Fixed Income	Asset Category Total	2.9	4.4	3.3	4.6	9.9
	Asset Category Index Total	3.0	3.8	1.7	3.5	8.7
	Universe Bonds	1.9	3.3	3.3	4.1	9.8
	FTSE TMX Canada Universe Bond Index	2.0	2.5	1.7	3.5	8.8
	Long Bonds	5.4	7.6	-	-	-
	FTSE TMX Canada Long Term All Government Bond Index	5.3	6.5	-	-	-
	Private Debt & Loan	0.0	2.3	4.4	6.1	7.0
	FTSE TMX Canada Universe Bond Index ¹	2.0	2.5	1.7	3.5	7.0
	Private Mortgages	1.2	2.5	2.1	5.0	9.7
FTSE TMX Canada Universe Bond Index	2.0	2.5	1.7	3.5	8.8	
Equity	Asset Category Total	5.8	14.8	7.6	12.4	13.2
	Asset Category Index Total	5.3	13.2	7.8	9.7	12.7
	Canadian Equity	4.6	10.2	19.9	(7.4)	12.4
	S&P/TSX Composite Index	4.5	9.1	21.1	(8.3)	10.6
	Global Developed Equity	6.4	15.8	2.7	20.9	13.9
	MSCI World (C\$) Index	5.6	13.1	2.0	18.9	14.4
	Global Equity Master Pool (MSMP)	6.2	16.6	3.4	20.6	15.4
	MSCI World (C\$) Index	5.7	14.4	3.8	18.9	14.4
	LSH	(0.7)	10.7	4.7	-	-
	MSCI World (C\$) Index	5.7	14.4	3.8	-	-
	Global Minimum Variance Pool	7.4	14.6	-	-	-
	MSCI World Minimum Volatility (C\$) Index	5.3	10.2	-	-	-
	Emerging Markets	8.0	30.4	8.7	6.2	10.4
	MSCI Emerging Markets (C\$) Index	7.6	28.3	7.3	2.0	6.6
	Private Equity	(0.5)	(1.4)	1.2	26.9	12.5
	Core Private Equity	(0.2)	(0.5)	15.7	36.9	15.5
	Relationship Investing	0.2	(15.6)	(60.2)	(55.0)	(31.1)
Venture Capital	(1.4)	(3.2)	(21.0)	11.5	20.2	
Private Equity Index ²	1.8	8.6	8.3	17.1	13.5	
Alternatives	Asset Category Total	5.8	9.5	6.4	8.5	5.4
	Asset Category Index Total	2.1	6.7	5.8	8.9	10.1
	Real Estate	5.5	8.8	5.0	6.6	7.4
	IPD Canadian Benchmark: Portfolios Valued Over C\$1.5bn	2.5	7.0	5.8	8.0	7.1
	Canadian Real Estate	5.5	8.5	5.4	5.1	6.3
	IPD Canadian Benchmark: Portfolios Valued Over C\$1.5bn	2.5	7.0	5.8	8.0	7.1
	Foreign Real Estate	5.1	10.9	1.5	19.0	15.0
	IPD Canadian Benchmark: Portfolios Valued Over C\$1.5bn	2.5	7.0	5.8	8.0	7.1
	Private Infrastructure	6.2	9.2	9.5	14.7	3.9
	Private Infrastructure Index ³	1.2	6.1	5.8	9.1	13.6
	Timberlands	7.5	17.5	10.0	4.2	(0.6)
Timberlands Index ⁴	1.2	6.1	5.8	9.1	13.6	
Overlays	Overlays	7.2	5.0	(5.1)	80.2	22.7

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 December 31, 2017

Asset Category	Asset / Sub-asset Category Benchmark	Annualized Years				
		1	2	3	4	10
Total	Fund Net	11.3	9.1	9.3	10.0	6.9
	Policy	9.7	8.1	8.1	9.2	6.6
	CPI (one month lag)	2.1	1.6	1.5	1.6	1.6
Money Market □	Money Market	1.0	0.9	0.9	1.0	1.5
	FTSE TMX Canada 91 day T-Bill Index	0.6	0.5	0.6	0.7	1.0
Fixed Income	Asset Category Total	4.4	3.8	4.1	5.5	5.4
	Asset Category Index Total	3.8	2.7	3.0	4.4	4.8
	Universe Bonds	3.3	3.3	3.6	5.1	5.1
	FTSE TMX Canada Universe Bond Index	2.5	2.1	2.6	4.1	4.7
	Long Bonds	7.6	-	-	-	-
	FTSE TMX Canada Long Term All Government Bond Index	6.5	-	-	-	-
	Private Debt & Loan	2.3	3.4	4.3	5.0	-
	FTSE TMX Canada Universe Bond Index ¹	2.5	2.1	2.6	3.7	-
	Private Mortgages	2.5	2.3	3.2	4.8	5.6
FTSE TMX Canada Universe Bond Index	2.5	2.1	2.6	4.1	4.7	
Equity	Asset Category Total	14.8	11.1	11.6	12.0	7.4
	Asset Category Index Total	13.2	10.5	10.2	10.9	6.9
	Canadian Equity	10.2	14.9	6.9	8.3	5.9
	S&P/TSX Composite Index	9.1	14.9	6.6	7.6	4.6
	Global Developed Equity	15.8	9.0	12.9	13.1	8.1
	MSCI World (C\$) Index ²	13.1	7.4	11.1	11.9	7.5
	Global Equity Master Pool (MSMP)	16.6	9.8	13.3	13.8	0.0
	MSCI World (C\$) Index	14.4	8.9	12.2	12.7	0.0
	LSH	10.7	7.7	-	-	-
	MSCI World (C\$) Index	14.4	8.9	-	-	-
	Global Minimum Variance Pool	14.6	-	-	-	-
	MSCI World Minimum Volatility (C\$) Index	10.2	-	-	-	-
	Emerging Markets	30.4	19.0	14.6	13.5	4.9
	MSCI Emerging Markets (C\$) Index	28.3	17.3	12.0	10.6	4.3
	Private Equity	(1.4)	(0.1)	8.2	9.3	5.7
	Core Private Equity	(0.5)	7.3	16.3	16.1	16.7
Relationship Investing	(15.6)	(42.0)	(46.7)	(43.2)	-	
Venture Capital	(3.2)	(12.5)	(5.2)	0.6	-	
Private Equity Index ³	8.6	8.5	11.3	11.8	-	
Alternatives	Asset Category Total	9.5	8.0	8.1	7.4	7.2
	Asset Category Index Total	6.7	6.3	7.1	7.9	7.2
	Real Estate	8.8	6.9	6.8	6.9	8.4
	IPD Canadian Benchmark: Portfolios Valued Over C\$1.5bn	7.0	6.4	7.0	7.0	8.2
	Canadian Real Estate	8.5	6.9	6.3	6.3	8.5
	IPD Canadian Benchmark: Portfolios Valued Over C\$1.5bn	7.0	6.4	6.9	7.0	2.5
	Foreign Real Estate	10.9	6.1	10.3	11.4	-
	IPD Canadian Benchmark: Portfolios Valued Over C\$1.5bn	7.0	6.4	6.9	7.0	-
	Private Infrastructure	9.2	9.4	11.1	9.3	7.5
	Private Infrastructure Index ⁴	6.1	6.0	7.0	8.6	8.7
	Timberlands	17.5	13.7	10.4	7.6	6.4
Timberlands Index ⁵	6.1	6.0	7.0	8.6	8.2	
Overlays	Overlays	5.0	(0.2)	21.5	21.8	0.6

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. Prior to July 1, 2010 the benchmark was CPI + 600 bps.

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. Prior to July 1, 2010 the benchmark was CPI + 400 bps.