



# UNJSPF Performance and Asset Allocation

As at 31 August 2012 (based on preliminary data)

<http://imd.unjspf.org>

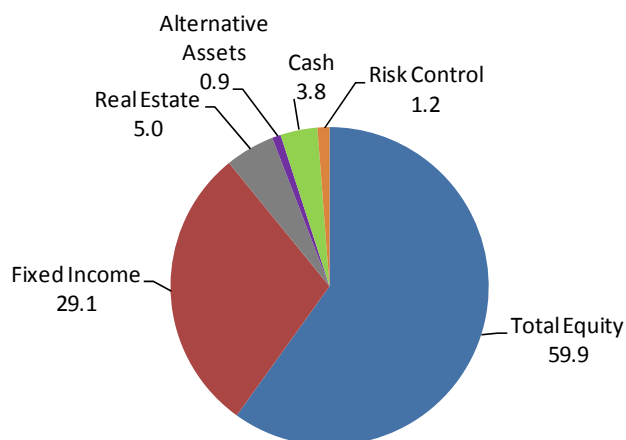
## Performance

	1 Month	YTD	1 Yr	3 Yr	5 Yr	7 Yr	10 Yr
<b>Total Fund</b>	1.7	7.7	3.9	6.7	1.7	5.1	7.7
<b>Policy BM</b>	1.6	7.5	5.6	7.4	1.7	4.9	7.3
<b>Total Equity</b>	2.2	9.9	6.0	7.3	(0.7)	4.7	7.7
<b>MSCI ACWI</b>	2.2	9.9	6.8	8.3	(1.1)	4.1	7.6
<b>Fixed Income</b>	1.0	4.6	0.6	5.8	5.6	5.1	7.1
<b>BC Global Aggregate</b>	0.9	3.6	1.4	5.4	6.4	5.6	6.4

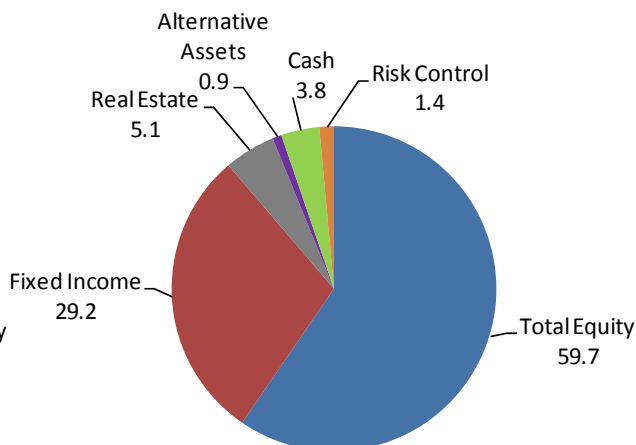
In per cent terms

## Asset Allocation

July 2012



August 2012



## Tactical Asset Allocation

Approved by the Representative of the Secretary-General following the 214th meeting of the Investments Committee.

Equities*	Fixed Income	Real Estate	Alternatives	Cash
63.5	28.0	5.0	1.5	2.0

\*includes Risk Control

Data Source : Northern Trust

## Climbing the Wall of Worry

Developed equity markets continued to rally as major central banks indicated their commitments to stimulate growth. Investor sentiment remained calm whilst market volatility remained below its historical average. The MSCI World developed markets index outperformed the MSCI Emerging markets index. The Bond markets trading volumes were thin, with yields on the 10-year US treasuries averaging 1.66 per cent. The 10-year German bund averaged 1.41 per cent. Investor confidence slightly improved on the news of the much anticipated moves of European Central Bank (ECB) and the yields on the 3 year Spanish and Italian bonds dropped during the month. China's economic outlook decelerated after the second quarter negative results. In the commodity markets sharp domestic food price increases were experienced in various parts of the world due to extreme drought conditions. The nervous tone of the market combined with historically low interest rates may lead to further equity gains. For the year to date, the Fund returned 7.7 per cent outperforming the policy benchmark by 19 basis points.

## Actions taken by the Fund

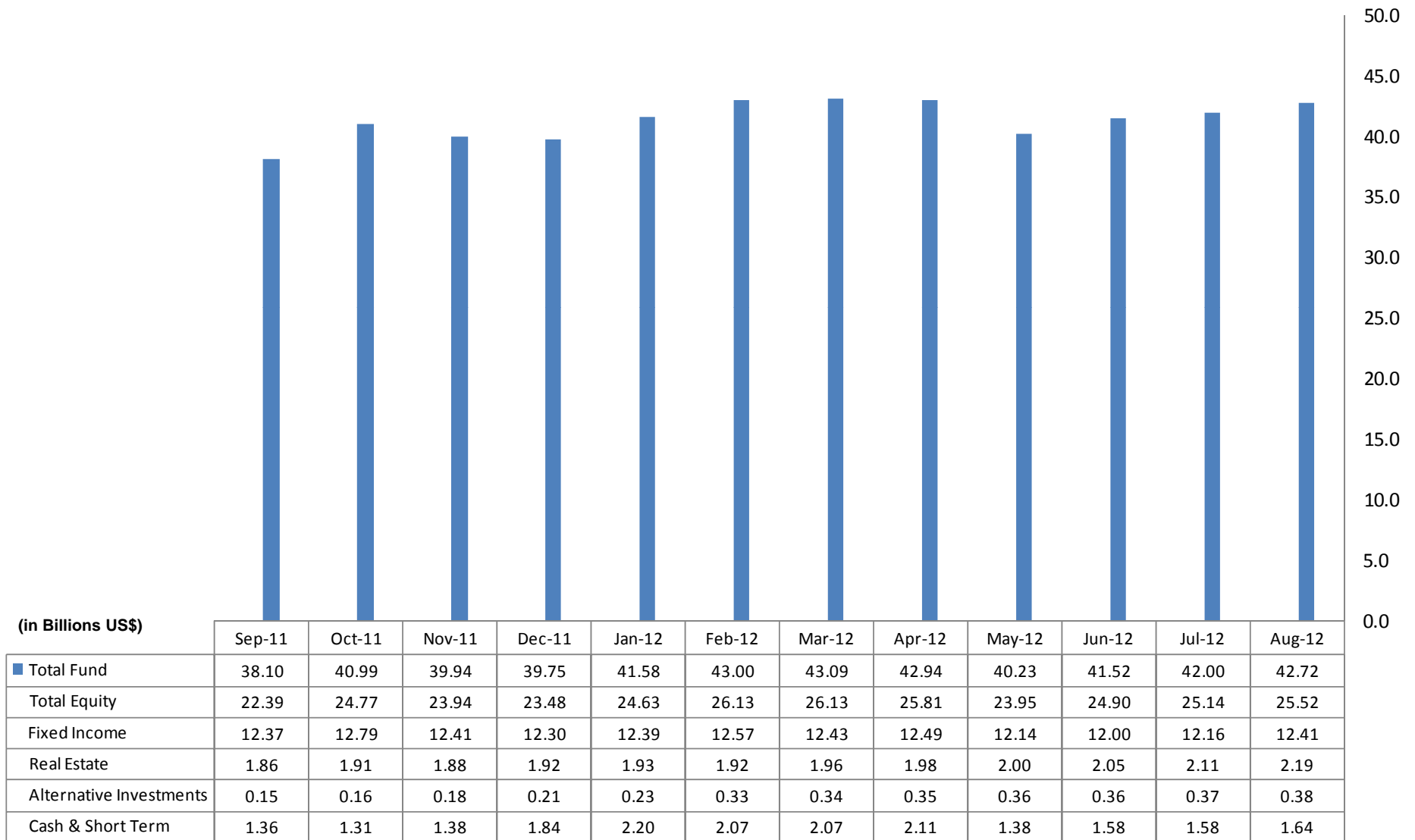
The Fund continued to maintain a cautious asset



# UNJSPF Monthly Market Values (in Billions US\$)

As at 31 August 2012 (based on preliminary data)

<http://imd.unisfpf.org>



Data Source : Northern Trust.. The numbers may not add up due to rounding error

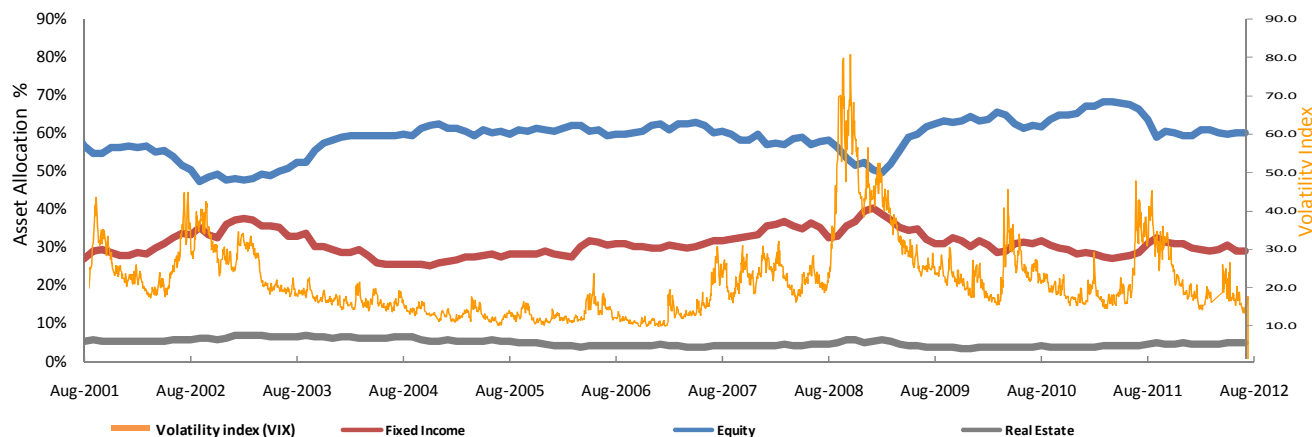


# UNJSPF Asset Allocation and Currencies

As at 31 August 2012 (based on preliminary data)

<http://imd.unispsf.org>

From 2001 to 2012



Currencies relative to the US Dollar (monthly basis in % terms)



allocation with an equity exposure of 59.7 per cent and a fixed income allocation of 29.2 per cent. Equity exposures to the financial sector were maintained at below benchmark weights with no direct exposures to sovereign debt issued by Greece, Portugal, Ireland, Italy or Spain. The Fund was a net seller of US\$ 139.2 Million of equities and a net buyer of US\$ 174.3 Million of bonds. In anticipation of market volatility the Fund further increased its investment to US\$ 500 Million in the MSCI All Country World Index (ACWI) Minimum Volatility ETF in the 'Risk Control' account. At the month end, the market value of 'Risk Control' was US\$ 617.9 Million. For the month, the (ACWI) Minimum Volatility ETF underperformed the MSCI ACWI index by 132 basis points, but since inception the ETF has outperformed the MSCI ACWI index by 179 basis points. The internally managed North America, Asia Pacific ex Japan, Japan and Emerging Markets equity portfolios outperformed their MSCI Indices by 9 basis points, 66 basis points, 45 basis points and 68 basis points respectively. The Europe internally managed equity portfolio underperformed its MSCI Index by 59 basis points due to an underweight position in the financials sector and prohibition of investments in tobacco.