



# UNJSPF Performance and Asset Allocation

As at 31 December 2011 (based on preliminary data)

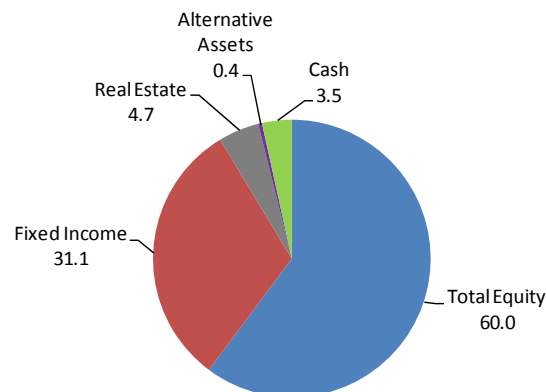
Data Source : Northern Trust

## Performance

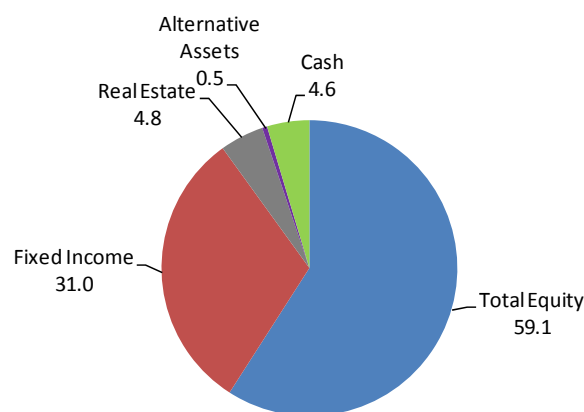
	1 Month	YTD	1 Yr	3 Yr	5 Yr	7 Yr	10 Yr
<b>Total Fund</b>	(0.5)	(3.9)	(3.9)	8.4	1.7	4.5	6.5
<b>Policy BM</b>	0.1	(1.5)	(1.5)	9.6	1.6	4.2	5.9
<b>Total Equity</b>	(0.8)	(8.7)	(8.7)	11.4	(0.7)	4.0	5.0
<b>MSCI ACWI</b>	(0.2)	(6.9)	(6.9)	12.6	(1.4)	3.4	4.8
<b>Fixed Income</b>	(0.1)	4.1	4.1	5.5	5.4	4.1	7.9
<b>BC Global Aggregate</b>	0.7	5.6	5.6	6.0	6.5	4.9	7.2

## Asset Allocation

November 2011



December 2011



## Tactical Asset Allocation

Approved by the Representative of the Secretary-General following the 211th meeting of the Investments Committee.

Equities	Fixed Income	Real Estate	Alternatives	Cash
60.0	33.0	5.0	0.7	1.3

## 2011 - A tumultuous year

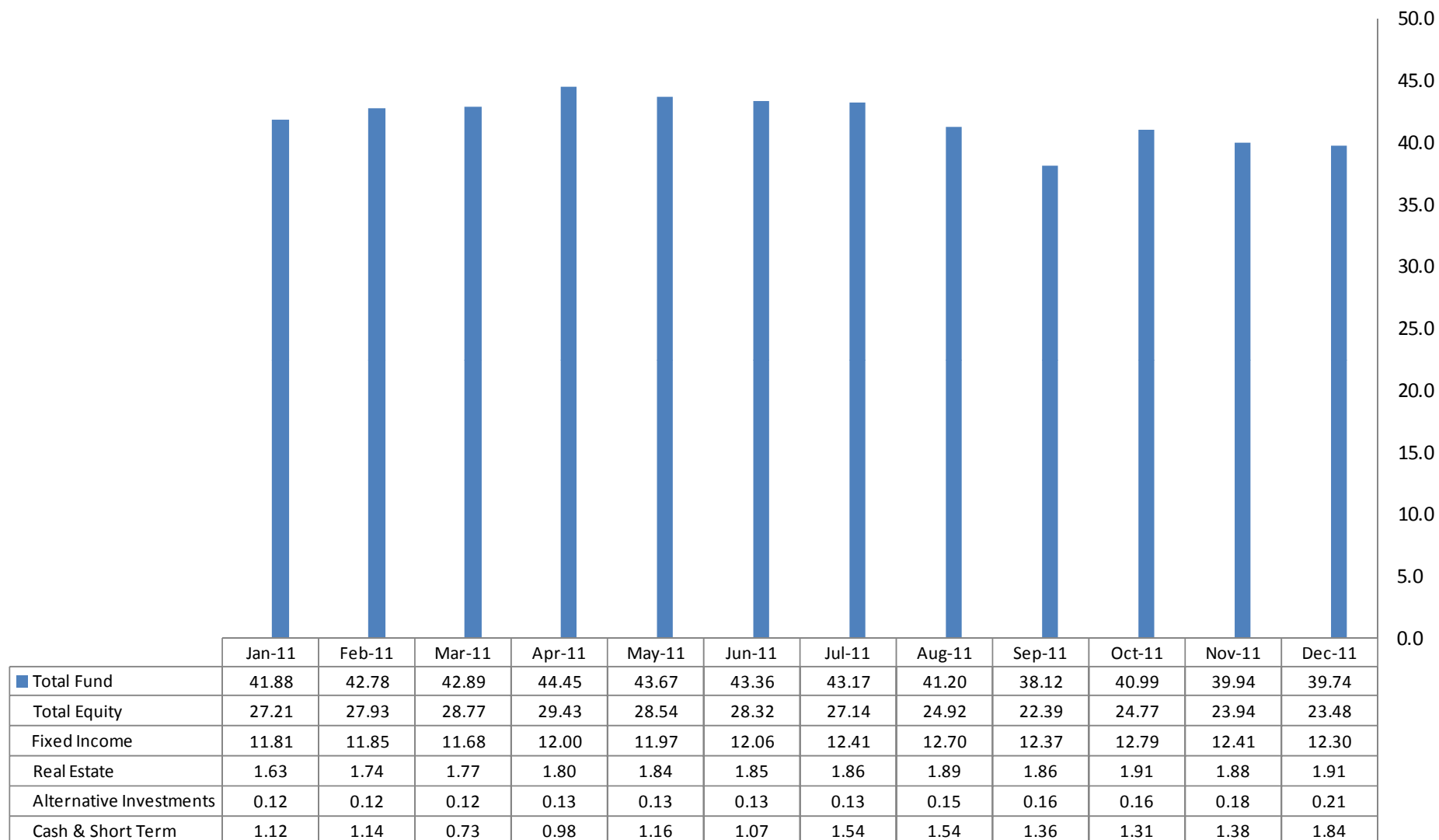
December 2011 brought a nervous end to a tumultuous year in the financial markets, with financial authorities and investors focused on ways that the Eurozone crisis might be resolved. Volatility was the most notable characteristic of the year, with the VIX up 31.8 per cent and daily shifts in the Fund balance commonly exceeding \$500 Million. An all time record fund balance of over \$44 Billion was reached in April 2011, but declines were experienced in following months as markets reacted negatively to the Eurozone debt crisis. The Fund balance was \$39.7 Billion as of 31 December 2011, yet closed the first business day of 2012 at \$40.3 Billion. The 9 December 2011 EU Summit in Brussels affirmed the position that European fiscal integration, effectively a strengthened stability and growth pact, is essential to a strong Eurozone. The European Central Bank (ECB) buying of peripheral European debt reached a level of nearly € 900 Billion, with supporting financing from the EFSF and ESM under consideration. The IMF had provided loans to Greece, Portugal and Ireland, and further involvement of the IMF was under discussion for Italy and Spain. Under the risk-averse conditions of 2011, despite the credit downgrade, US Treasuries outperformed gold. US 10-year Bonds returned 16.7 per cent since 31 December 2010.



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

As at 31 December 2011 (based on preliminary data)

Data Source : Northern Trust

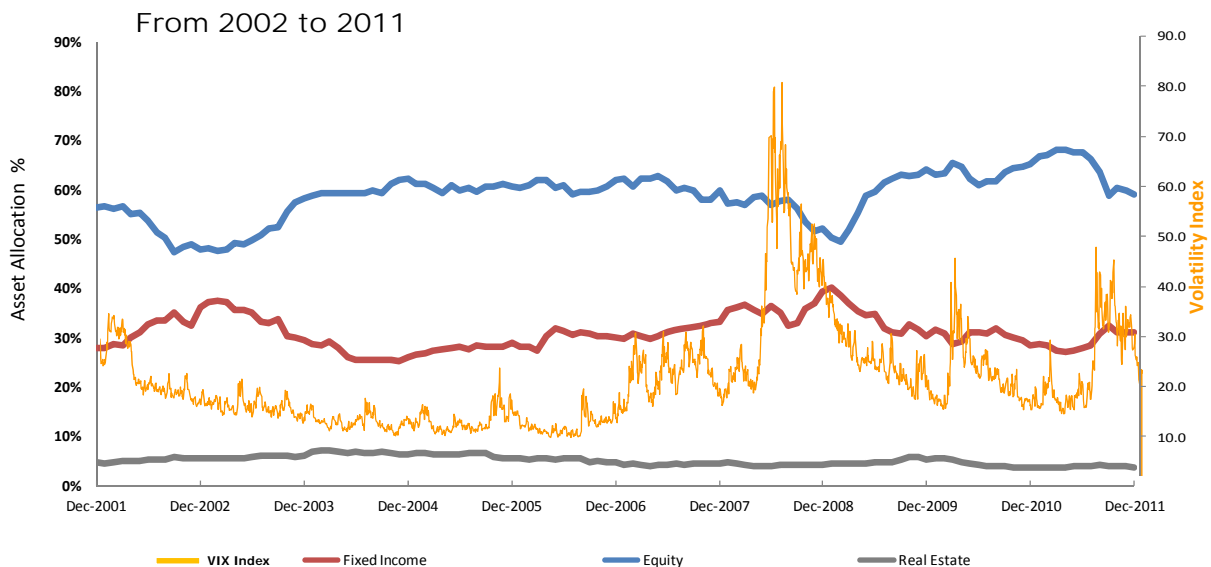




# UNJSPF Asset Allocation and Currencies

As at 31 December 2011 (based on preliminary data)

Data Source : Northern Trust and Risk Metrics



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



At the negative end of the spectrum, MSCI Emerging Markets equities returned a negative 18.3 per cent.

## Actions taken by the Fund

The Fund maintained a cautious asset allocation, closing the year with higher cash levels (4.6 per cent) and a lower equity exposure (59.1 per cent) as of the final trading session. Exposures to financial institutions were maintained at below benchmark weights, with no direct exposures to debt issued by Greece, Portugal, Ireland, Italy or Spain. The Internally managed Japan portfolio outperformed its respective MSCI Index by 13 basis points. The Fund's internally managed European, North American, Asia Pacific ex Japan and Emerging Markets portfolios underperformed their respective MSCI Indices by 44 basis points, 66 basis points, 8 basis points and 136 basis points respectively. The Fund was a net seller of US\$ 207.2 Million of equities and a net buyer of US\$ 1.1 Million of bonds. Further due diligence was conducted with respect to private equity transactions and minimum volatility equity approaches. A review of the Fund's strategic asset allocation, with close attention to emerging markets and real return strategies, will be presented at the next Investments Committee meeting, to be held in Botswana.