



# **NPF/ NSF Investment Performance Report for the Year and Quarter ended 31 December 2015**

Prepared by Aon Hewitt



## National Pensions Fund: Summary (Year ended Dec 2015)

NPF	Market Value	Market Value	Allocation	Capital	Income	Net Inflow	Return
	@ 31/12/2014	@ 31/12/2015		Gains	received	(outflow)	
	Rs M	Rs M	%	Rs M	Rs M	Rs M	%
Government Stocks & Bonds	36,241	38,610	38.1%	1,846	2,290	2,812	4.9%
Treasury Bills & Treasury Notes	20,468	17,752	17.5%	112	788	(2,039)	0.6%
Corporate Bonds	5,360	6,568	6.5%	706	259	761	12.3%
Shares on Stock Exchange	11,056	12,295	12.1%	(1,625)	452	3,316	-12.8%
Unlisted Shares	1,865	1,680	1.7%	(125)	60	0	-6.7%
Mutual Funds	736	685	0.7%	(48)	3	0	-6.5%
Deposit in DBM	1,865	1,779	1.8%	153	70	(169)	8.6%
Rupee Deposits	1,550	1,110	1.1%	56	28	(468)	4.3%
Foreign Currency Deposits	4,604	4,887	4.8%	545	62	(200)	12.1%
Foreign Equities	9,396	12,069	11.9%	1,956	1	718	20.1%
Hedge Funds and Private Equities	1,098	597	0.6%	185	17	(668)	24.2%
Structured Products and Commodities	1,219	1,599	1.6%	280	12	112	21.9%
Loans (Various Institutions)	792	842	0.8%	123	8	(64)	16.2%
Property	819	819	0.8%	63	63	0	7.6%
<b>Total</b>	<b>97,068</b>	<b>101,292</b>	<b>100.0%</b>	<b>4,225</b>	<b>4,114</b>	<b>4,112</b>	<b>4.3%</b>

Note: (i) All amounts in millions

(ii) CPI is as measured by the change in Consumer Price Index

CPI +4%	5.3%
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## National Pensions Fund: Summary (Quarter ended Dec 2015)

<b>NPF</b>	<u>Market Value</u>	<u>Market Value</u>	<u>Allocation</u>	<u>Capital</u>	<u>Income</u>	<u>Net Inflow</u>	<u>Return</u>
	<u>@ 30/09/2015</u>	<u>@ 31/12/2015</u>		<u>Gains</u>	<u>received</u>	<u>(outflow)</u>	
	<b>Rs M</b>	<b>Rs M</b>	<b>%</b>	<b>Rs M</b>	<b>Rs M</b>	<b>Rs M</b>	<b>%</b>
Government Stocks & Bonds	39,341	38,610	38.1%	(963)	574	232	-1.0%
Treasury Bills & Treasury Notes	18,097	17,752	17.5%	(427)	188	82	-1.3%
Corporate Bonds	6,272	6,568	6.5%	85	99	211	2.9%
Shares on Stock Exchange	13,191	12,295	12.1%	(973)	86	77	-6.7%
Unlisted Shares	1,680	1,680	1.7%	0	0	0	0.0%
Mutual Funds	701	685	0.7%	(16)	0	0	-2.3%
Deposit in DBM	1,948	1,779	1.8%	0	6	(169)	0.3%
Rupee Deposits	637	1,110	1.1%	4	4	469	0.4%
Foreign Currency Deposits	4,773	4,887	4.8%	114	0	0	2.4%
Foreign Equities	11,175	12,069	11.9%	894	0	0	8.0%
Hedge Funds and Private Equities	534	597	0.6%	64	0	0	11.9%
Structured Products and Commodities	1,407	1,599	1.6%	191	0	0	13.6%
Loans (Various Institutions)	827	842	0.8%	15	0	0	1.8%
Property	819	819	0.8%	0	33	0	4.0%
<b>Total</b>	<b>101,403</b>	<b>101,292</b>	<b>100.0%</b>	<b>(1,013)</b>	<b>990</b>	<b>903</b>	<b>0.0%</b>

Note: (i) All amounts in millions

(ii) CPI is as measured by the change in Consumer Price Index

<b>CPI +4%</b>	<b>-0.6%</b>
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## National Savings Fund: Summary (Year ended Dec 2015)

<b>NSF</b>	<u>Market Value</u>	<u>Market Value</u>	<u>Allocation</u>	<u>Capital</u>	<u>Income</u>	<u>Net Inflow</u>	<u>Return</u>
	<u>@ 31/12/2014</u>	<u>@ 31/12/2015</u>		<u>Gains</u>	<u>received</u>	<u>(outflow)</u>	
	<b>Rs M</b>	<b>Rs M</b>	<b>%</b>	<b>Rs M</b>	<b>Rs M</b>	<b>Rs M</b>	<b>%</b>
Government Stocks & Bonds	8,795	9,489	44.85%	(9)	488.1	703	5.2%
Treasury Bills & Treasury Notes	6,322	5,627	26.59%	(100)	204.5	(595)	1.7%
Corporate Bonds	1,547	2,172	10.27%	74	68.5	551	7.8%
Shares on Stock Exchange	640	1,310	6.19%	(126)	45.5	796	-7.8%
Unlisted Shares	137	142	0.67%	5	0.0	0	3.4%
Mutual Funds	87	84	0.40%	(4)	2.5	0	-1.3%
Rupee Deposits	131	134	0.63%	0	2.9	2	2.2%
Foreign Currency Deposits	831	564	2.66%	74	0.0	(342)	11.3%
Foreign Equities	1,111	1,607	7.59%	154	0.0	342	12.0%
Hedge Funds	187	32	0.15%	30	0.0	(186)	16.2%
Loans	9	-	0.00%	0	0.4	(9)	9.0%
<b>Total</b>	<b>19,799</b>	<b>21,159</b>	<b>100.0%</b>	<b>98</b>	<b>813</b>	<b>1,263</b>	<b>4.5%</b>

Note: (i) All amounts in millions

(ii) CPI is as measured by the change in Consumer Price Index

<b>CPI +3%</b>	<b>4.3%</b>
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## National Savings Fund: Summary (Quarter ended Dec 2015)

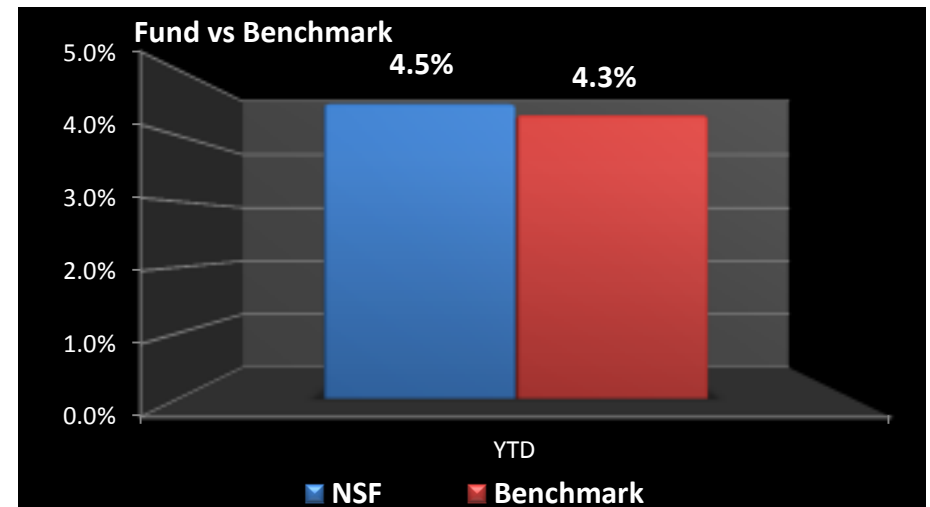
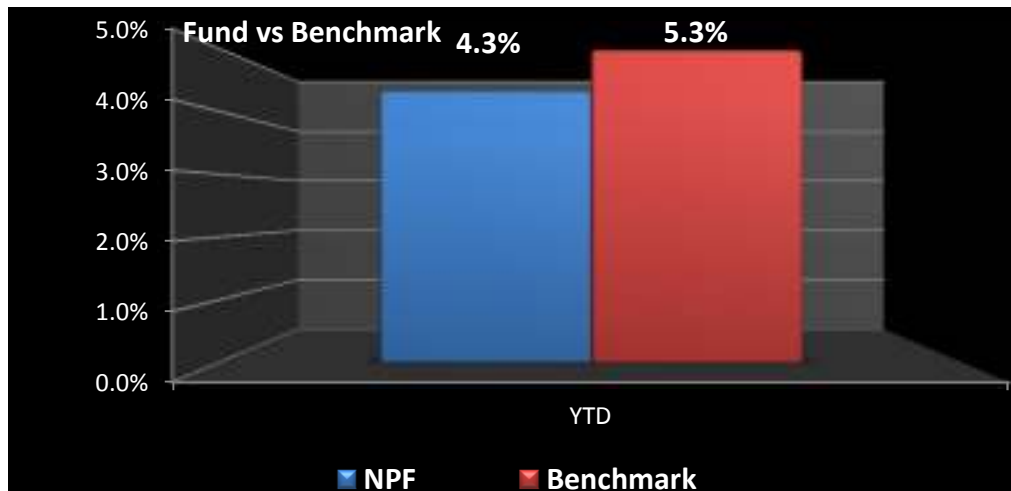
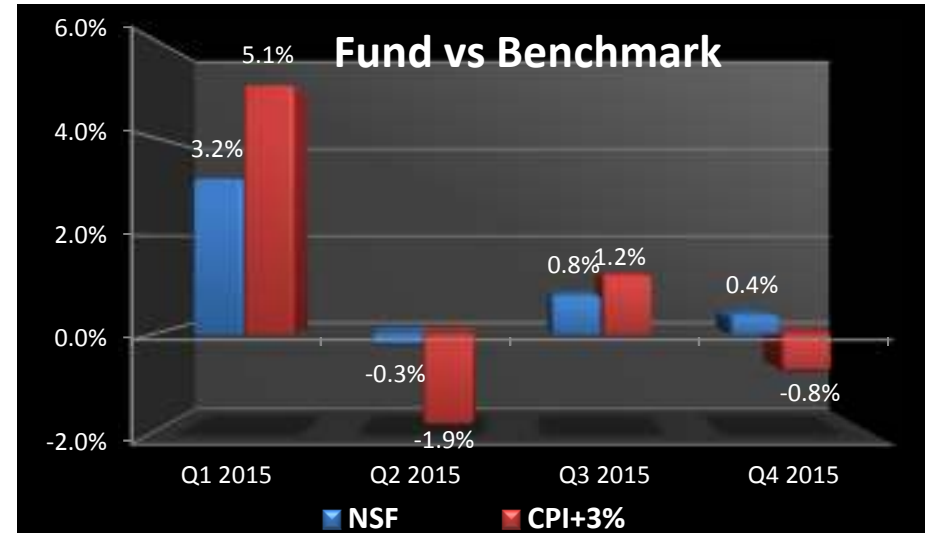
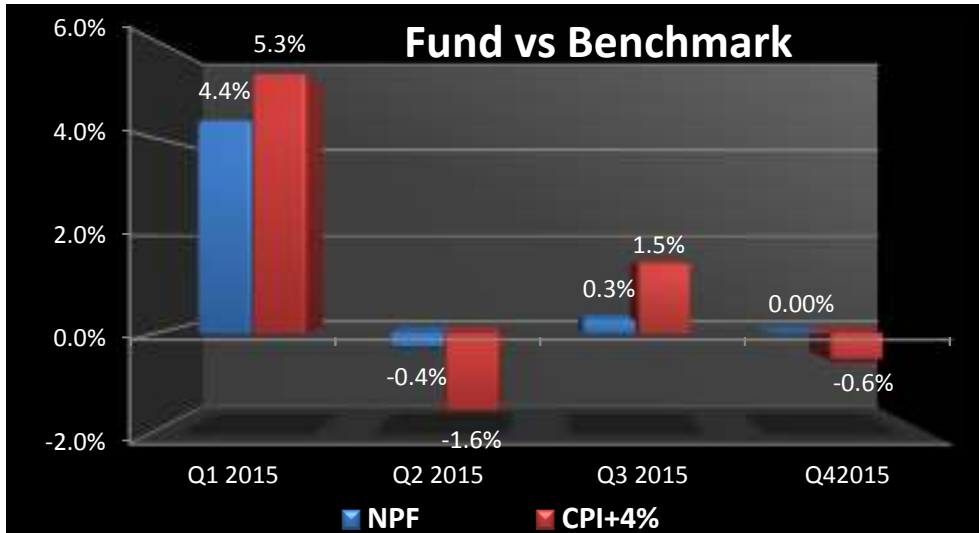
NSF	Market Value	Market Value	Allocation	Capital	Income	Net Inflow	Return
	@ 30/09/2015	@ 31/12/2015		Gains	received	(outflow)	
	Rs M	Rs M		Rs M	Rs M	Rs M	
Government Stocks & Bonds	9,329	9,489	44.85%	(29)	49	190	0.2%
Treasury Bills & Treasury Notes	5,713	5,627	26.59%	(30)	17	(56)	-0.2%
Corporate Bonds	1,932	2,172	10.27%	0	18	240	0.9%
Shares on Stock Exchange	1,350	1,310	6.19%	(93)	15	53	-5.7%
Unlisted Shares	142	142	0.67%	0	0	0	0.0%
Mutual Funds	85	84	0.40%	(1)	0	0	-1.1%
Rupee Deposits	88	134	0.63%	0	0	45	0.7%
Foreign Currency Deposits	543	564	2.66%	21	0	0	3.8%
Foreign Equities	1,499	1,607	7.59%	108	0	0	7.2%
Hedge Funds*	39	32	0.15%	0	0	(8)	0.1%
Structured Deposits	29	-	0.00%	0	0	(29)	0.0%
<b>Total</b>	<b>20,749</b>	<b>21,159</b>	<b>100.0%</b>	<b>(25)</b>	<b>100</b>	<b>436</b>	<b>0.4%</b>

Note: (i) All amounts in millions

(ii) CPI is as measured by the change in Consumer Price Index

CPI +3%	-0.8%
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# Performance comparison



## NPF/NSF Performance v/s other Pension Funds (with Aon Hewitt as advisers)

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Funds	2015 Performance	Benchmark
NSF	4.5%	4.3%
Fund A	4.4%	3.3%
NPF	4.3%	5.3%
Fund B	1.2%	0.9%
Fund C	1.0%	0.9%

The 2015 performances of our other pension clients are currently being compiled.

## NPF and NSF Annual Performance Overview

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### Performance contributors

1. Depreciation of Mauritian Rupee lifted performance in rupee terms for foreign investments. This includes foreign mutual funds, hedge funds, structured products. Australia dollar + 1.4%, Euro +2.3%, GBP + 8.3%, US Dollar + 13.8%.
2. High performance from Local corporate bonds, particularly USD denoted bonds.
3. 7.6% Net return on property investments.

### Performance detractors

1. Increasing yields reducing the mark-to-market prices of Notes& Bonds.
2. Negative performance of SEMTRI i.e. -10.1%. Local equity portfolio of NPF (-12.8%) underperformed SEMTRI. This is mainly due to overexposure to SBM, with 34% of its local equity portfolio being invested in SBM, compared to a 9.8% weight of SBM shares in SEMDEX. SBM shares dropped by 30.3% in year 2015, resulting in paper losses of Rs1.7bln for the NPF portfolio.



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