

London Borough of Hillingdon

3rd Quarter, 2009

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Scheme Performance

The London Borough of Hillingdon Fund outperformed the benchmark by 0.07%, relative. Additionally, the Fund saw an extremely high return of 17.40% (compared to the benchmark return of 17.31%). Combined with the previous quarter's positive figures, the Fund was able to reverse some of the negative returns from Q4 07 to Q1 09. The passive currency effect (1.90%) was the primary reason that the Fund was able to outperform the benchmark. Stock selection (-0.92%) and asset allocation (-0.82) detracted from overall returns. As of the end of Q3 09, the Fund was valued at 492,921 million, compared to 429,792 million at the start of the year.

Manager Performance

SSGA

SSGA continued to follow the benchmark closely, but with a slight edge (18.95% vs. 18.78%). Overall, the Manager has made a positive contribution to Total Fund returns. Since inception in November 2008, SSGA returns 27.16% compared to the benchmark's 27.00%. The Manager holds 19.7% of total assets and has a significant impact on the Total Fund.

SSGA Drawdown

The SSGA Drawdown opened on a positive note, returning 4.75% compared to the benchmark's 4.43%. The small, yet positive relative outperformance had a positive impact on Total Fund returns.

SSGA Temporary

Not only was the SSGA Temporary fund able to achieve high positive returns (22.97%), but it was also able to outperform the index (22.88%). The Fund makes up 14.8% of total assets and plays a moderate role on Total Fund returns.

Manager Performance

Alliance Bernstein

Despite achieving positive returns, Alliance Bernstein again underperformed the index (21.87% vs. 22.29%). Stock selection (-0.47%), particularly in UK Equities (-0.86%) was the primary source of underperformance. Alliance Bernstein falls short of the benchmark in all short and long term periods. Out of the last twelve quarters, the Manager outperforms the index in only two. Alliance Bernstein holds 21.1% of

Goldman Sachs

Following the outperformance seen in the second quarter of 2009, Goldman Sachs delivered yet another successful quarter (8.26% vs. 7.09%). The Manager outperforms the index in the short run, but weak historical returns cause it to fall behind the benchmark over long term periods.

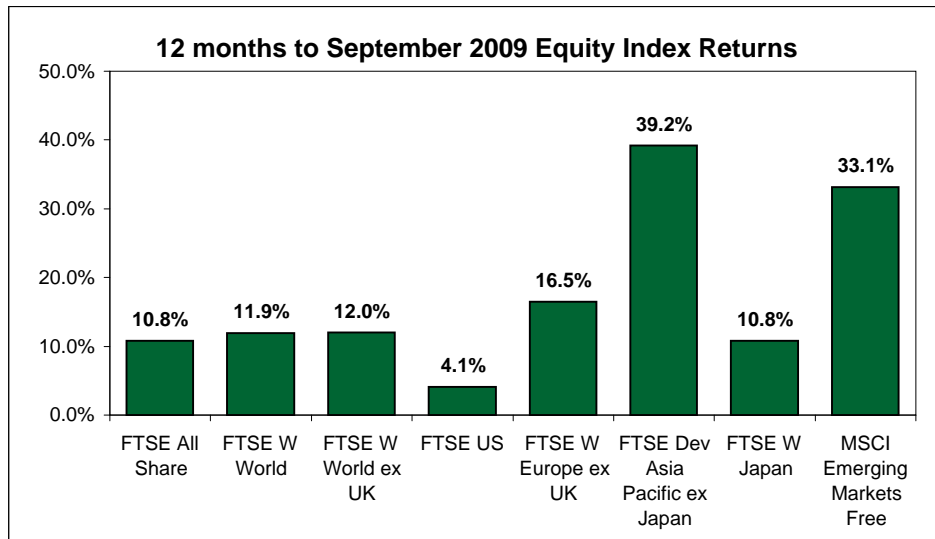
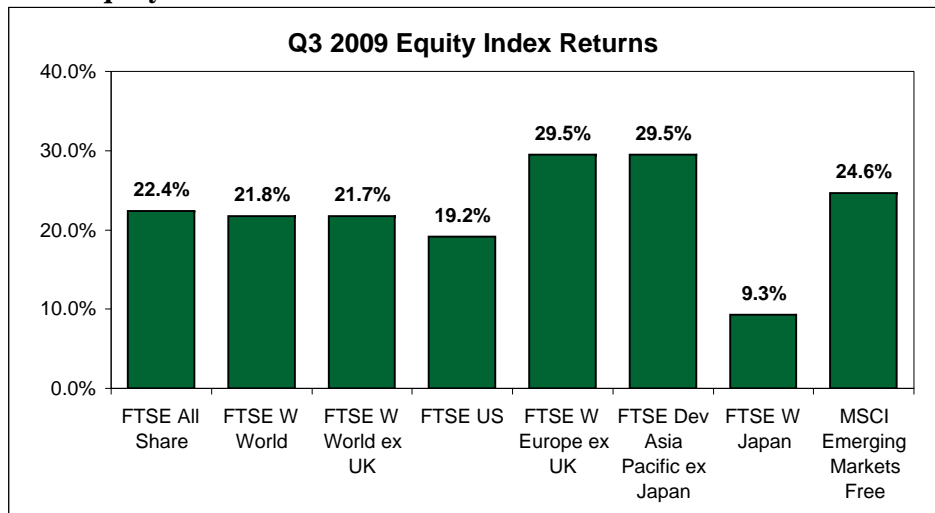
UBS

With a second quarter of positive returns, UBS seems to reversing its pattern of underperformance. The Manager returned 24.30% compared to the benchmark's 22.38%. Since UBS holds 19.7% of total assets, this is a significant contribution to Total Fund performance. Historically, however, UBS remains weak with nine out of the last twelve quarters falling behind benchmark levels.

UBS Property

The property mandate came in behind the benchmark, returning 1.77% vs. 2.10%. However, a strong historical record allows UBS Property to maintain a lead over the benchmark in the long term.

Equity Overview



All index returns are in GBP terms unless stated otherwise.



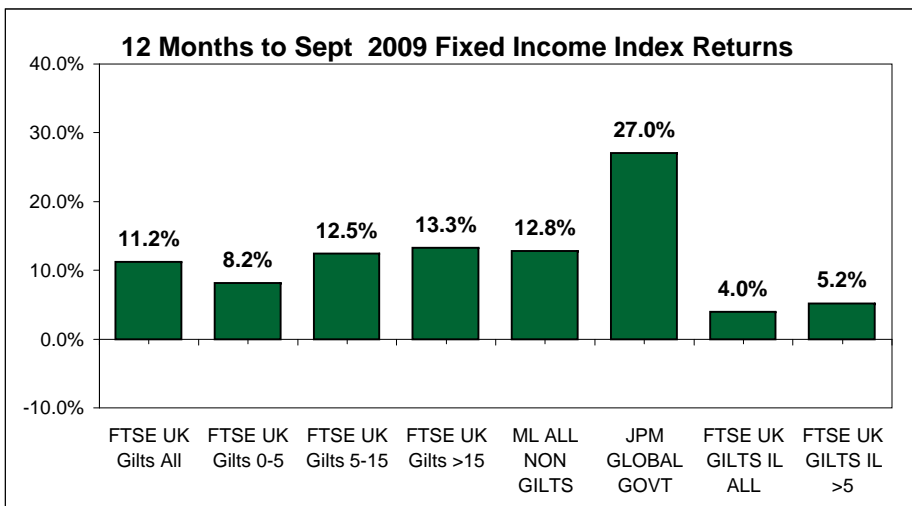
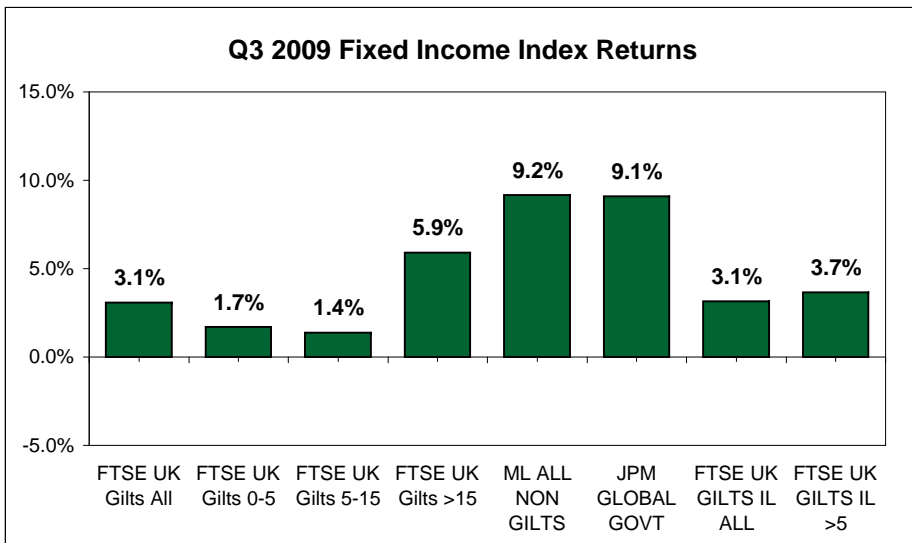
The recovery that took root in Q2 continued during Q3 as all major equity indices made positive returns over the three months despite fears regarding historically volatile September. Confidence is now thought to be at its highest level since the start of 2008. The rate of growth has slowed across Emerging Markets although they are still developing; their voracious appetite for raw materials continues to support demand for commodities. Germany and France appear to be leading the way in Europe and data from the US suggests an end to the gloom there as well. Caution prevails throughout the global economy; consumer spending, lower unemployment and positive house price inflation need to be in evidence before real recovery can be confirmed. Sustained government and central bank support reduce the risk of repeated systemic failure but the prospect of their withdrawal looms over the economy like the spectre of doom. Talk has moved on from L, U, V & W to a “VW” recovery curve shape. The IMF through its guidelines on public aid to banks said that governments should be considering exit strategies as its global growth forecast for 2010 was revised up to 3% from 2.5%. The OECD published a report including predictions that 25 million people in developed economies could lose their jobs unless governments keep a handle on the recovery. Gold, currently seen as a safe haven, extended its record run achieving USD 1,045 per ounce. The price of crude oil finished Q3 as it started at around \$70 per barrel. The FTSE World was up 21.8% (GBP) in quarter 3 2009 finishing the quarter with a September return of 6.4% (GBP). The FTSE 100 delivered its best quarterly performance (21.9% for Q3) in 25 years. The main drivers were strong cyclical sectors; banks & insurers leading and tobacco & pharmaceuticals weaker. The finalised UK GDP figures for Q2 from the Office of National Statistics concluded a contraction of 0.6% (improved from 0.7%) following the final Q1 contraction of 2.4%. The consensus enjoyed by the Monetary Policy Committee of the BoE appears to be at an end, Adam Posen spoke of an increase in the £175bn quantitative easing programme through further Gilt purchases while his colleague Paul Fisher hinted that the easing could be paused, a view that prompted a rise in sterling just after quarter end. The BoE persevered with the all time low base rate of 0.5%. Fear exists that 2010 will start badly, as the end of 2009 benefits from the car scrapping scheme, stamp duty holiday and VAT reduction. Fears about the VAT rise on January 1st and the impact of swine flu are also making CEOs nervous about next year’s prospects. The FTSE All Share was up 22.4% (GBP) over the third quarter. The CEBR in its latest UK prospects report predicts that the 0.5% base rate will remain until 2011 and will not reach 2% until 2014, driven by the inevitable squeeze on government borrowing. Unemployment now stands at 2.46 million people although the rate of increase has slowed substantially to average fewer than 30k per month in Q3 from around 90k per month in Q2.

The FTSE Europe ex UK index returned 29.5% (GBP). Financials, Utilities and Industrials helped to drive markets during Q3. Developed economies including France, Germany, Portugal and Greece posted positive Q2 GDP figures leading the way out of recession. The ECB led by Trichet confirmed that interest rates were “appropriate”, interpreted by many as indicative that the 1% level would continue into the 2nd half of 2010 and that fiscal exit would be stepped up in 2011. The German IFO confidence survey rose to its highest level in a year. Fears abide that government sponsored schemes with a finite life span are driving the recovery and that when the car scrapping scheme and incentives to retain workers for shorter hours come to an end then recession will reoccur. Eurozone unemployment stands at 9.5%, its highest level for over 10 years.

In the US, Investors were encouraged by improved pre tax corporate profits amid signs that the recession is coming to an end. Rising US Auto sales contributed to the first increase in manufacturing for more than 18 months. Ford announced it was upping production. Consumer spending now accounts for about 70% of economic activity in the US. The domestic real estate market showed signs of growing strength as home prices rose for the first time in over three years. Unemployment figures continue to expand (up 214k in September to 9.8%) though the White House hopes protectionism and the cheap dollar will combine to reduce imports, increase exports and create jobs at home. Since the start of the recession 7.6m Americans have lost their jobs. Tim Geitner, US Treasury Secretary posted an expectation that the trend would continue into the second half of 2010 and this fear is impacting retail sales despite the “cash for clunkers” scheme. The decline in American second quarter GDP was revised down from 1% to 0.7% while the federal funds target rate was maintained at its all time low of 0%-0.25%. The FTSE US index was up 19.2% (GBP) over the third quarter of 2009.

Final figures showed Japan’s economy growing by 3.7% in Q2 following 4 quarters of negative growth. The Bank of Japan maintains a cautious outlook given the continuing rise in unemployment (5.5% in August compared to 4.1% a year earlier). The FTSE Japan returned 9.3% (GBP) for Q3 while the FTSE Dev Asia Pacific ex Japan returned 29.5% (GBP). The Reserve Bank of Australia became the 1st from a G20 country to raise interest rates since July 2008 (up ¼% to 3.25%) with a claim that the risk of serious domestic economic contraction had passed. China experienced the largest declines in Asia. Reports that the authorities may protect state-run companies from trading mistakes by allowing them to default on derivative contracts hit confidence. GDP figures were revised upwards across Hong Kong, Taiwan and Singapore. With gains across Latin America and EMEA, positive returns were maintained in Emerging Markets, albeit at lower rates. The MSCI Emerging Markets Free index returned 24.6% (GBP) for the third quarter.

Fixed Income Overview



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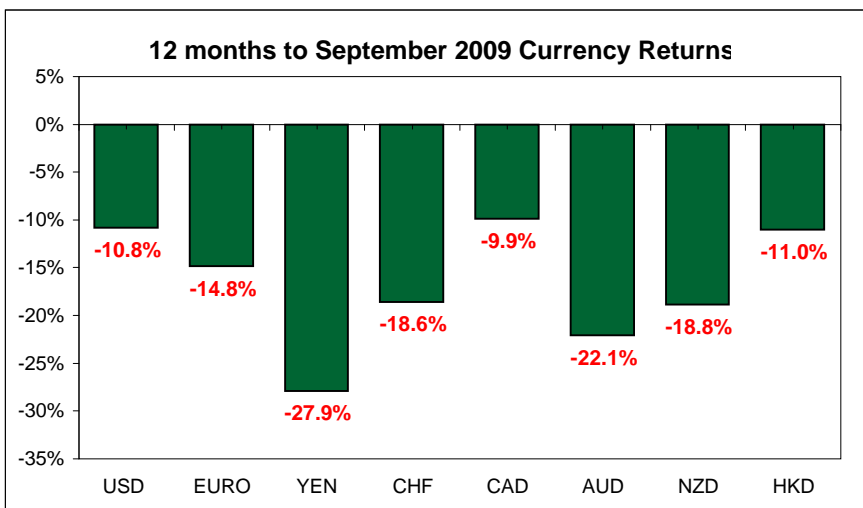
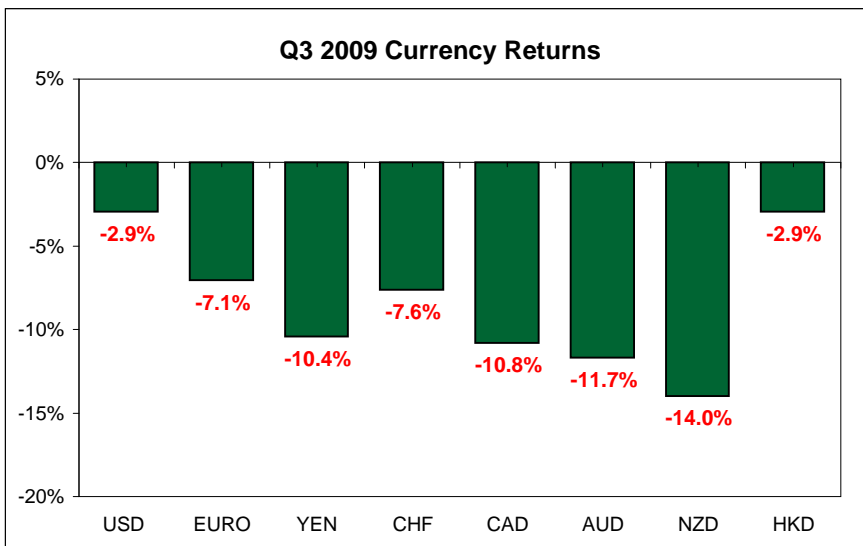
Following concerted efforts by governments and central banks to revive the flow of credit through the financial system by globally increasing liquidity, the global economic recovery appears to be underway. A number of countries have recorded a rise in economic growth in Q2, including Germany, France and Japan and it is noticeable that emerging market economies are recovering more quickly than developed economies. In the US and UK, recent economic data suggests that both are likely to emerge from recession in Q3. Equity markets have seen consistent gains over the last six months while corporate and government bond yields have fallen sharply. However there are some signs that the recovery continues to be fragile as in the US and UK, the manufacturing purchasing managers' indices (PMI) posted surprise falls in September. Combined with the larger than expected decrease in US payroll workers of 263,000 in September and the 0.4% rise in unemployment to 9.8%, economic recovery does not appear sustainable as yet.

In the UK the Bank of England maintained the base rate of 0.5% and in September left the QE target of £175bn unchanged. Gilt yields came under pressure following the release of the minutes of the August monetary policy committee (MPC) meeting. The minutes showed that 3 members, one being Governor King had voted for QE to be extended to £200bn believing despite the ongoing improvement in economic data, the extremely large drop in the absolute level of activity (over the last year) had produced an output gap so big that the risk of deflation remained high and warranted a larger QE programme. Debt repayment or de-leveraging by households and companies still appears to be occurring in spite of QE, causing expectations of a further rise in the QE in November. 10 year benchmark government yields initially rose to a quarter high of 3.97% in July as UK June mortgage lending and retail sales data surprised to the upside, before falling to close the quarter at 3.59%. The FTSE UK Gilts All Stocks ended the quarter up 3.1%, while on the corporate bond side, the ML All Non-Gilts index was up 9.2%.

In Europe the European Central Bank also maintained its policy interest rate of 1.0%. Positive indicators came from the euro zone PMI surveys and ECB hints that it may revise upward the outlook for the euro zone economy in the September meeting. Bunds were boosted when ECB President Trichet announced that the Bank will not apply a spread / premium over the refinancing rate at the next 12 month tender given that the economic recovery still remains fragile. The second one year tender came in weaker than projected, as registered demand was only €75.2bn of funds at 1%. The euro zone annual CPI also came in weaker than expected at -0.3%, helping to squeeze 10yr yields below 3.20%. The iTraxx Europe Index, representative of 125 investment grade entities across 6 sectors including Consumers, Financials and Industrials saw spreads tightening slightly from 107.39 at the end of June to 98.56 at quarter end. The JPM European Govt Bond index returned 1.8% and the Barclay Capital Euro Aggregate Corporate Bond index returned 6.2% for the quarter (EUR).

The third quarter witnessed a broad rally in the US as investors moved away from near-zero returns of money market funds in search of yield. As a result, municipals and high yield bonds saw record cash infusions. Investment grade corporate bonds also saw a large influx as investors rebalanced their gains in the equity markets. In addition to increased investor risk appetite, fixed income markets are now functioning more normally as a result of government programmes such as the Term Asset-Backed Securities Loan Facility (TALF), Public-Private Investment Program (PPIP) and Build America Bond (BAB). However the long-term outlook still remains murky as the labour market continues to remain weak curbing any expectation of significant near-term growth. In addition, the commercial mortgage sector remains shaky due to deteriorating fundamentals and rising defaults. However, with inflation in check, the Fed Funds rate remained at target 0.0%– 0.25%, and risk appetite rising, investors continued the shift away from the safety of Treasuries. For the quarter, the JPM US Govt Bond index returned 2.19% and the Barclays Capital Global Aggregate Corporate Bond index returned 9.31%.

Currency Market Overview



All index returns are in GBP terms unless stated otherwise.

Financial market conditions at the end of the third quarter indicate a return to stability but remain supported by interest rates and by the money market operations of central banks providing ample liquidity. In this environment, the higher yielding currencies have generally outperformed, with the Norwegian krone and AUS\$ posting the highest gains. The AUS\$ was further boosted by the RBA's decision to raise interest rates by 25bp to 3.25% - the first developed country central bank to raise rates since the credit crisis began. In contrast, the US\$ and sterling have underperformed. Although global economic growth is recovering with a number of countries recording a rise in economic growth in Q2, the US and the UK both recorded falls in economic activity (-0.7% and -0.6% change in GDP q/q respectively), lowering confidence over a sustainable recovery. The VIX volatility index has dropped slightly from 26.35 to 25.61 over the quarter.

Sterling depreciated against all major currencies as the combination of low interest rates, quantitative easing (QE) and renewed concerns over the pace of recovery have put it under pressure. The bank rate remains unchanged at 0.50%, while the Bank of England (BoE) increased its asset purchase programme by £50bn to £175bn in August. Sterling's trade weighted exchange rate index moved significantly lower over September to 78.9, the lowest level since April. Part of this move was prompted by a BoE report which suggested foreign investors may be unwilling to purchase sterling assets, reflecting concerns that Britain's economy would be more seriously affected by the global financial crisis than those of other countries. Shortly afterwards BoE Governor Mervyn King noted that sterling weakness may be helpful in rebalancing the UK economy away from domestic demand. The quarter ended with mixed economic data with the manufacturing Purchasing Managers' Index (PMI) weakening further to 49.5 from 49.7 in August, while the services PMI increased to 55.3 clearly above the 50.0 level signifying expansion. Sterling closed the quarter down 2.9% against the dollar, 7.1% against the Euro and 10.4% against the yen.

The dollar continued from Q2 to lose ground against all major currencies except sterling, against which the dollar has been relatively range bound over the last four months. Increased confidence that the global economy is emerging from recession has seen the 'safe haven' demand for dollar wane while a rise in risk appetite has driven buying of the higher yielding currencies. The general dollar weakness helped push gold above \$1000/oz, closing the quarter at \$995.75/oz. September's US FOMC policy statement noted that "economic activity has picked up following its severe downturn", however interest rates look set to remain low for some time. Recent US data has underlined the need for caution, as non-farm payrolls fell by a bigger than expected 263,000 in September with the unemployment rate reaching a 25 year high of 9.8%. At the same time the Institute for Supply Management (ISM) manufacturing index came in at 52.6, while the ISM non-manufacturing survey indicated expansion at 50.9 for the first time in 13 months. The dollar depreciated 4.1% against the euro, 7.5% against the yen and gained 2.9% against sterling.

The euro gained over the quarter as stronger economic data raised hopes that the euro zone would emerge from recession in the current quarter. Both Germany and France confirmed positive GDP results of +0.3% growth for Q2. Looking at more current gauges of sentiment, the euro zone PMI surveys for manufacturing and services came in at 49.3 and 50.9 respectively for September with France and Germany leading the recovery. The European Central Bank (ECB) maintained the euro repo rate at 1.0%, while ECB President Trichet noted that the various monetary policy stimulus measures would be unwound when the macroeconomic environment showed durable signs of improvement. The ECB's second one-year Long Term Refinancing Operation (LTRO) in September registered demand for only €75.2bn of funds at 1%, compared to €442bn back in June's LTRO. The euro gained 4.1% against the dollar and 7.1% against sterling; however it was down 3.4% against the yen for the quarter.

The landslide victory of the Democratic Party of Japan (DPJ) brought with it a stronger yen. GDP in Q2 grew 0.9% q/q from a revised -3.1% rate in Q1. The Bank of Japan unanimously left the policy rate unchanged at 0.1%, upgrading their economic conditions assessment from 'stop declining' to 'showing signs of recovery'. Over the quarter, yen gained against the dollar, euro and sterling by 7.5%, 3.4% and 10.4% respectively.

Scheme & Manager Performance

3rd Quarter, 2009

London Borough of Hillingdon

Scheme Performance

	Market Value £m	% of Fund	Three Months				Year To Date				One Year			
			Portfolio	Benchmark	Excess Return	Relative Return	Portfolio	Benchmark	Excess Return	Relative Return	Portfolio	Benchmark	Excess Return	Relative Return
London Borough of Hillingdon	492.9	100.00	17.40	17.31	0.08	0.07	15.10	14.95	0.15	0.13	7.54	9.06	-1.51	-1.39

By Manager

	Market Value £m	% of Fund	Portfolio	Benchmark	Excess Return	Relative Return	Portfolio	Benchmark	Excess Return	Relative Return	Portfolio	Benchmark	Excess Return	Relative Return
Goldman Sachs	60.3	12.23	8.26	7.09	1.17	1.09	10.32	6.88	3.44	3.22	11.06	11.55	-0.48	-0.43
UBS	97.3	19.75	24.30	22.38	1.93	1.57	25.21	23.37	1.84	1.49	14.30	13.13	1.17	1.04
Alliance Bernstein	103.8	21.06	21.87	22.29	-0.41	-0.34	17.93	20.64	-2.70	-2.24	8.49	13.36	-4.88	-4.30
UBS Property	39.9	8.09	1.77	2.10	-0.33	-0.32	-9.01	-8.97	-0.04	-0.04	-20.85	-21.17	0.32	0.41
SSGA	97.1	19.71	18.95	18.78	0.17	0.14	18.05	17.99	0.06	0.05	-	-	-	-
SSGA Drawdown	21.1	4.27	4.75	4.43	0.31	0.30	-	-	-	-	-	-	-	-
SSGA Temporary	73.0	14.81	22.97	22.88	0.09	0.07	-	-	-	-	-	-	-	-

Total Fund Market Value at Qtr End: £492.9 M

Scheme Performance

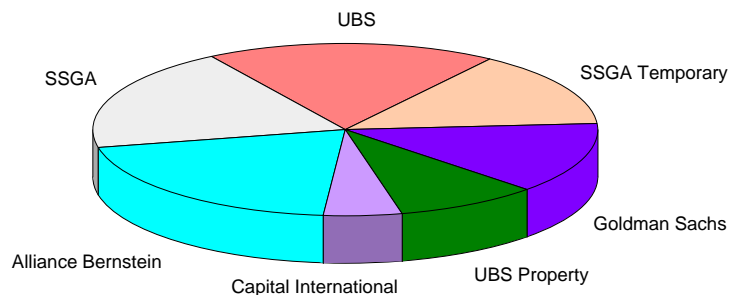
	Three Years				Five Years				Inception To Date			
	Portfolio	Benchmark	Excess Return	Relative Return	Portfolio	Benchmark	Excess Return	Relative Return	Portfolio	Benchmark	Excess Return	Relative Return
London Borough of Hillingdon	-1.60	0.81	-2.40	-2.39	5.34	7.20	-1.86	-1.73	6.12	6.38	-0.26	-0.24

By Manager

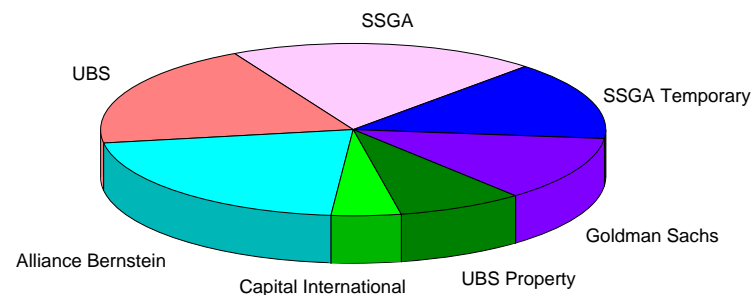
									Inception Date				
	Portfolio	Benchmark	Excess Return	Relative Return	Portfolio	Benchmark	Excess Return	Relative Return		Portfolio	Benchmark	Excess Return	Relative Return
Goldman Sachs	4.16	5.28	-1.12	-1.06	9.00	9.68	-0.68	-0.62	31/12/01	5.49	6.29	-0.80	-0.75
UBS	-0.17	1.55	-1.72	-1.69	5.59	7.19	-1.61	-1.50	31/12/88	10.08	8.77	1.31	1.21
Alliance Bernstein	-2.41	1.56	-3.97	-3.91	-	-	-	-	31/03/06	-2.61	1.09	-3.70	-3.66
UBS Property	-11.54	-12.04	0.50	0.56	-	-	-	-	31/03/06	-7.87	-8.08	0.21	0.23
SSGA	-	-	-	-	-	-	-	-	30/11/08	27.16	27.00	0.16	0.13
SSGA Drawdown	-	-	-	-	-	-	-	-	30/06/09	4.75	4.43	0.31	0.30
SSGA Temporary	-	-	-	-	-	-	-	-	30/06/09	22.97	22.88	0.09	0.07

Total Fund Market Value at Qtr End: £492.9 M

Weighting at Beginning of Period

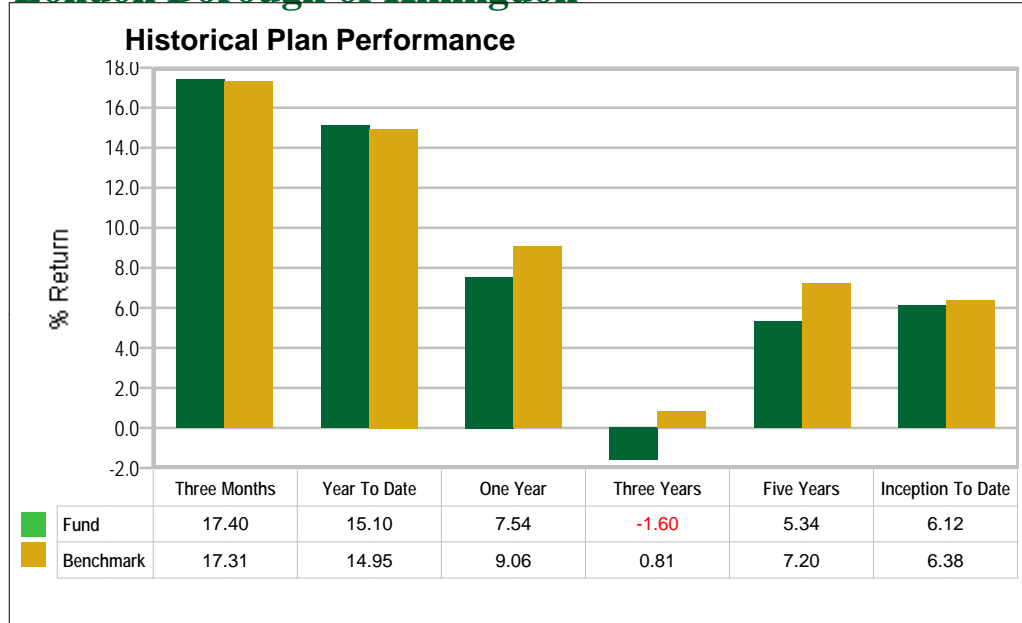


Weighting at End of Period

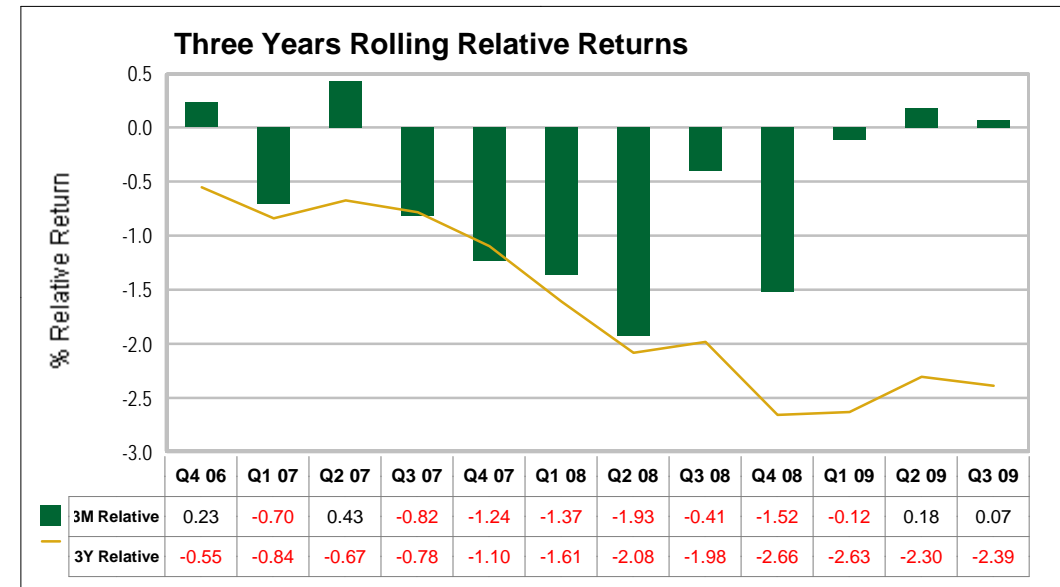
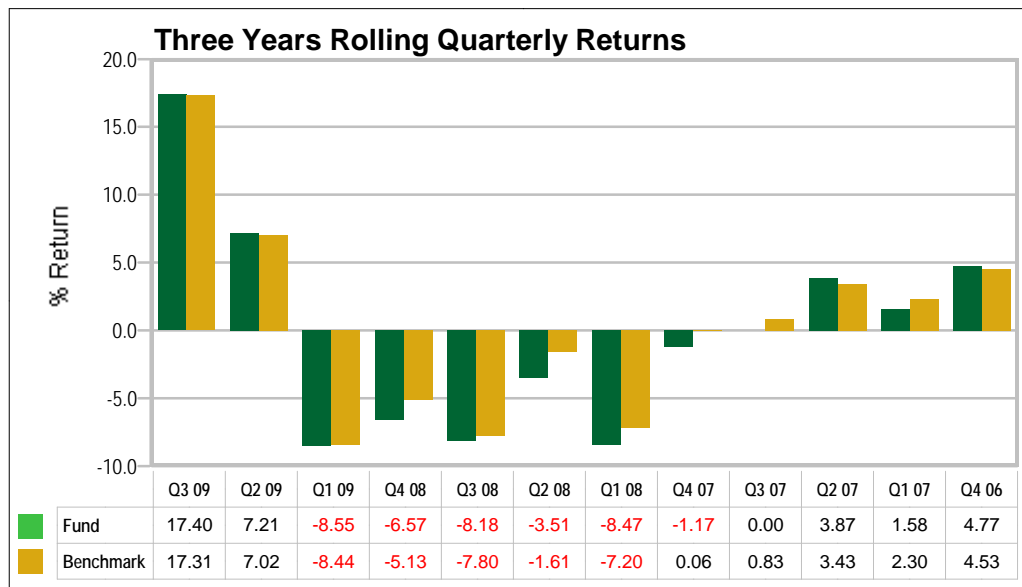


	Opening Market Value £(000)	% of Fund	Net Investment £(000)	Appreciation £(000)	Income Received £(000)	Closing Market Value £(000)	% of Fund
London Borough of Hillingdon	419,878	100.00	-0	71,248	1,795	492,921	100.00
Capital International	124	0.03	-91	0	-3	30	0.01
Goldman Sachs	55,693	13.26	0	4,556	43	60,292	12.23
UBS	78,408	18.67	-109	18,369	677	97,344	19.75
Alliance Bernstein	85,193	20.29	-0	18,019	616	103,828	21.06
UBS Property	39,186	9.33		259	437	39,882	8.09
SSGA	81,564	19.43	109	15,465		97,139	19.71
SSGA Drawdown	20,115	4.79		955		21,070	4.27
SSGA Temporary	59,092	14.07	282	13,622		72,996	14.81
Nomura	502	0.12	-191	4	26	340	0.07

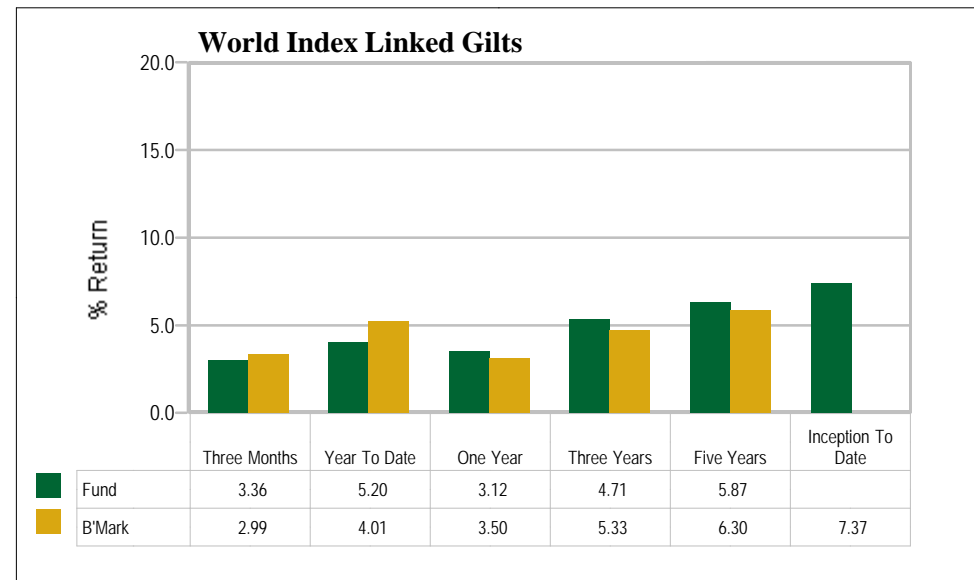
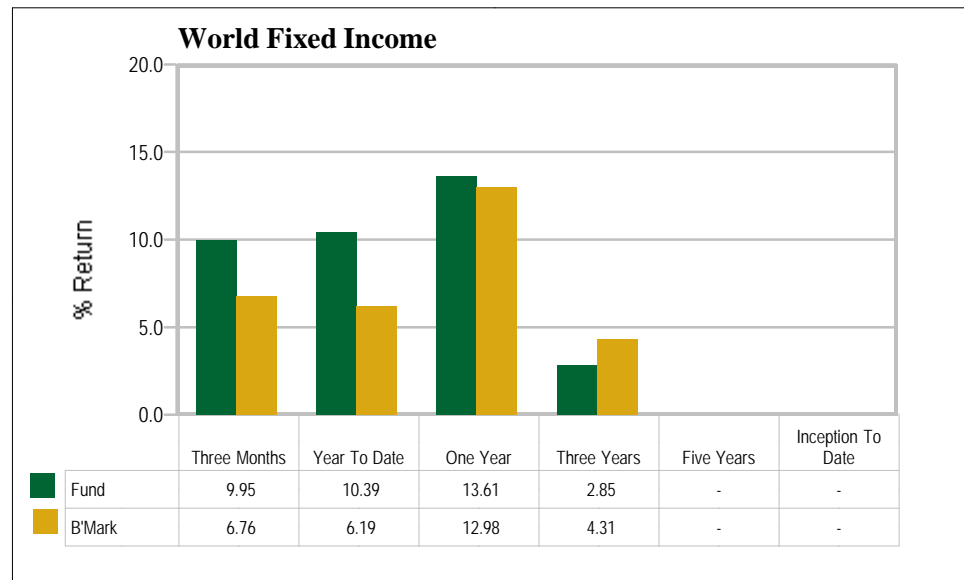
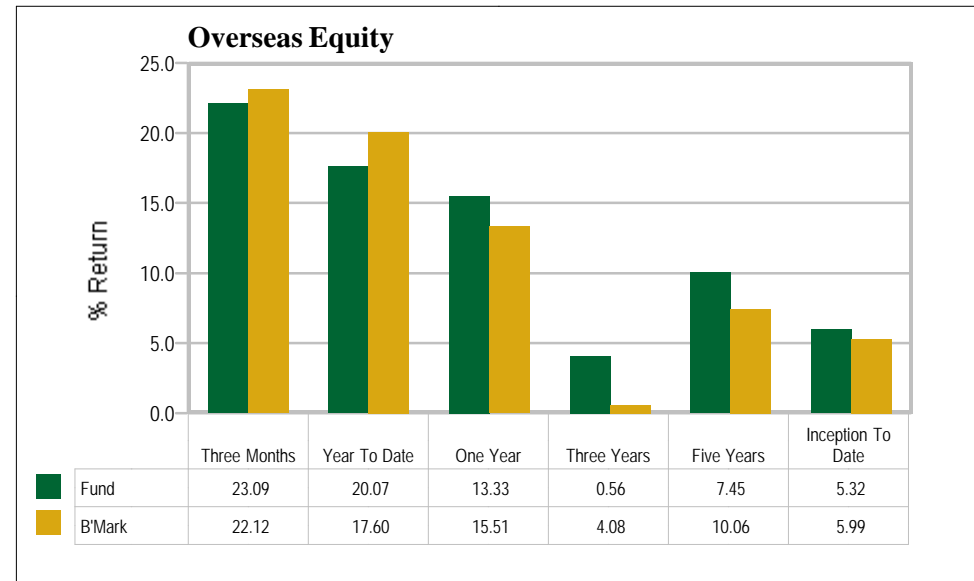
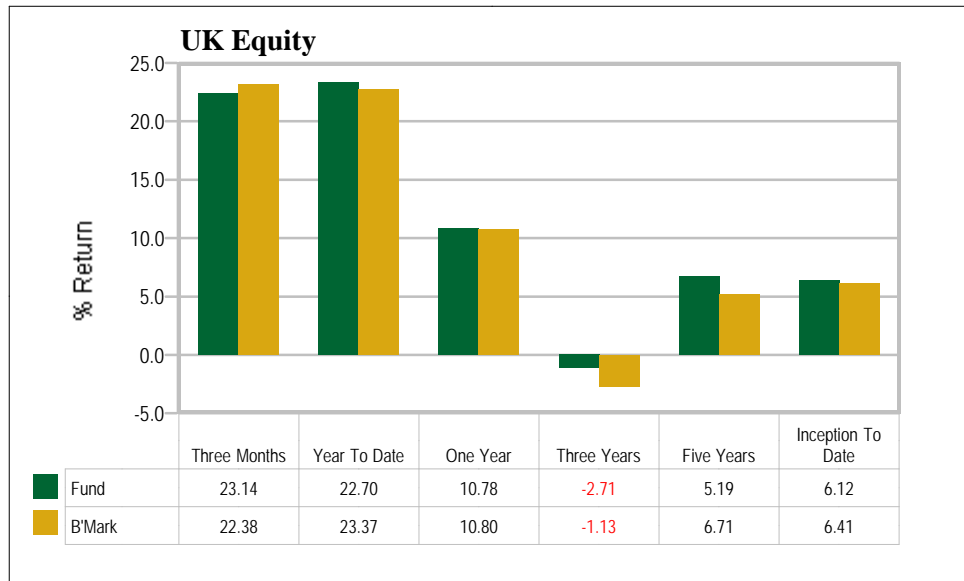
London Borough of Hillingdon



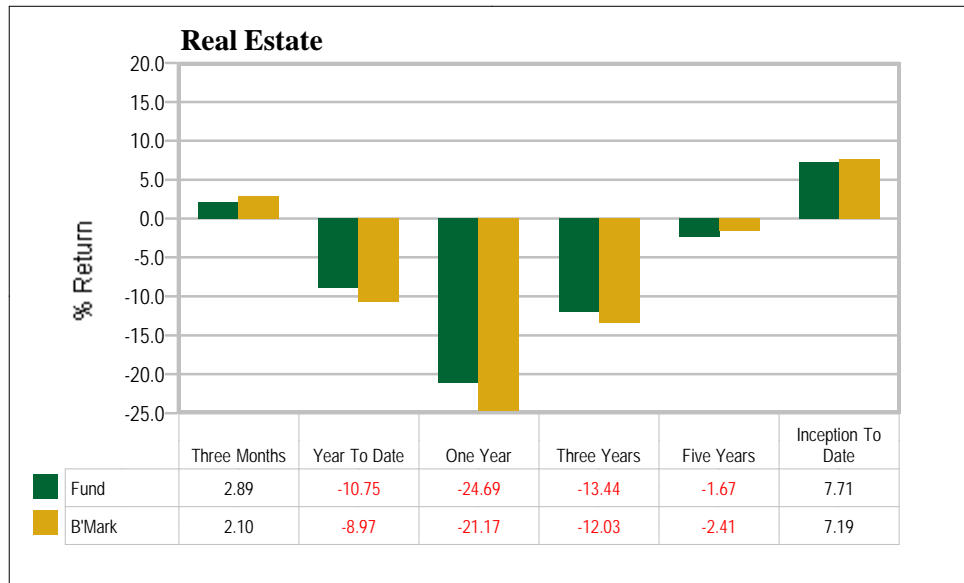
Risk Statistics - 3 years	Fund	B'mark
Performance Return	-1.60	0.81
Standard Deviation	15.18	14.63
Relative Return	-2.39	
Tracking Error	1.34	
Information Ratio	-1.80	
Beta	1.03	
Alpha	-2.19	
R Squared	0.99	
Sharpe Ratio	-0.46	-0.32
Percentage of Total Fund	100.0	
Inception Date	Sep-1995	
Opening Market Value (£000)	419,878	
Net Investment (£000)	-0	
Income Received (£000)	1,795	
Appreciation (£000)	71,248	
Closing Market Value (£000)	492,921	



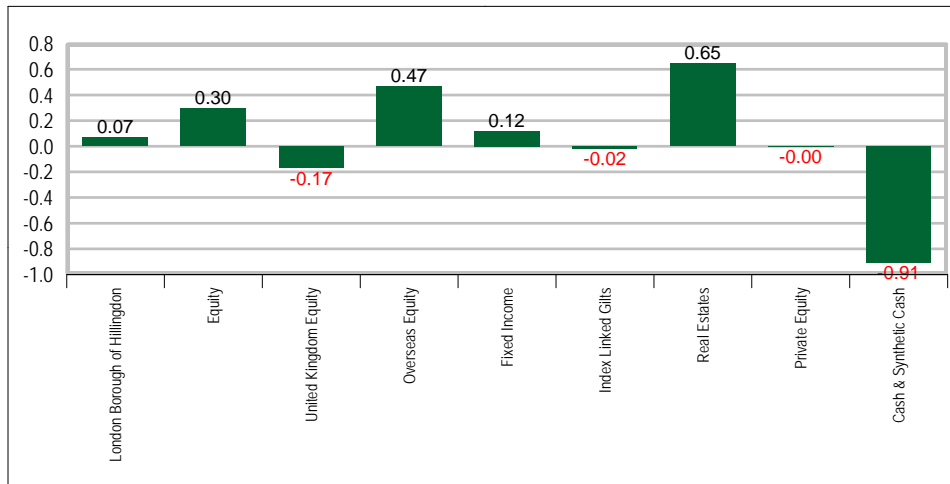
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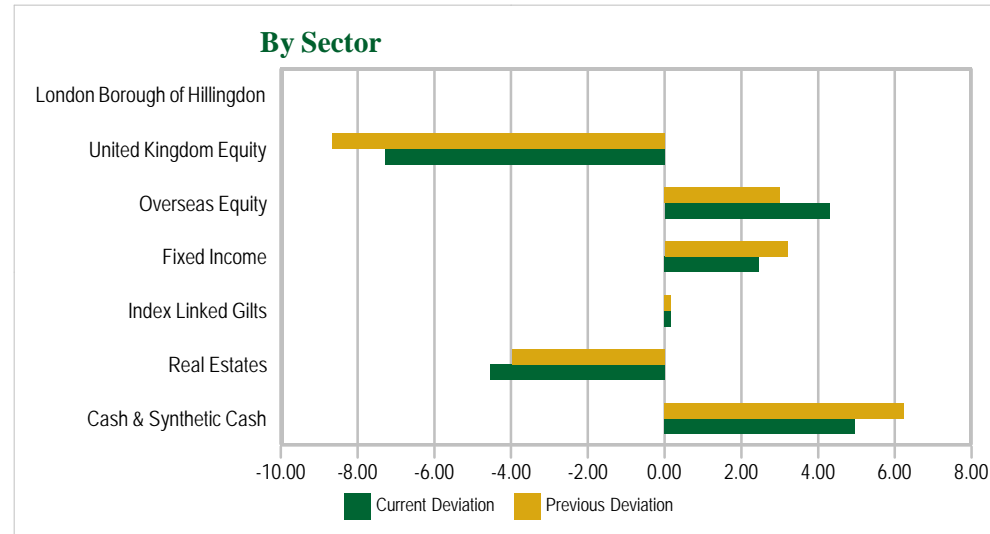


Relative Contribution - Three Months



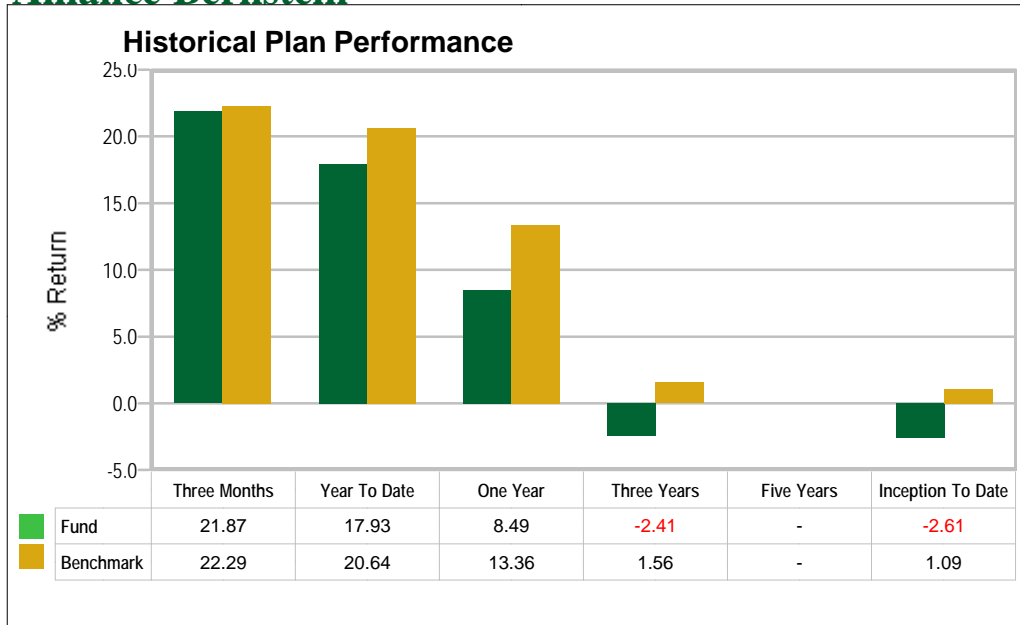
	Return	Benchmark	Relative Return	Hedging Effect	Passive Currency	Asset Allocation	Stock Selection Effect	Relative contribution
London Borough of Hillingdon	17.40	17.31	0.07	0.00	1.90	-0.82	-0.92	0.07
Equity	23.11	-	23.11	0.00	1.28	-0.21	-0.76	0.30
United Kingdom Equity	23.14	22.38	0.62	0.00	-0.00	-0.35	0.18	-0.17
Overseas Equity	23.09	22.12	0.79	0.00	1.28	0.14	-0.94	0.47
Fixed Income	9.95	6.76	2.98	0.00	0.60	-0.27	-0.21	0.12
Index Linked Gilts	3.36	2.99	0.35	0.00	0.00	-0.04	0.02	-0.02
Real Estates	2.89	2.10	0.77	0.00	-0.00	0.62	0.03	0.65
Private Equity	0.00	-	0.00	0.00	0.00	-0.00	0.00	-0.00
Cash & Synthetic Cash	0.22	-	0.22	0.00	0.01	-0.92	0.00	-0.91

London Borough of Hillingdon



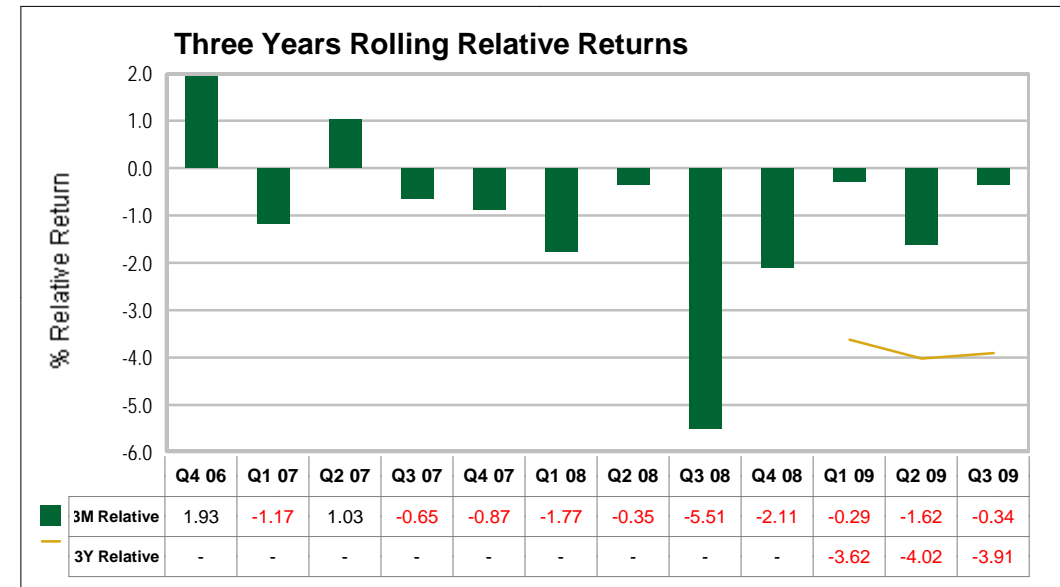
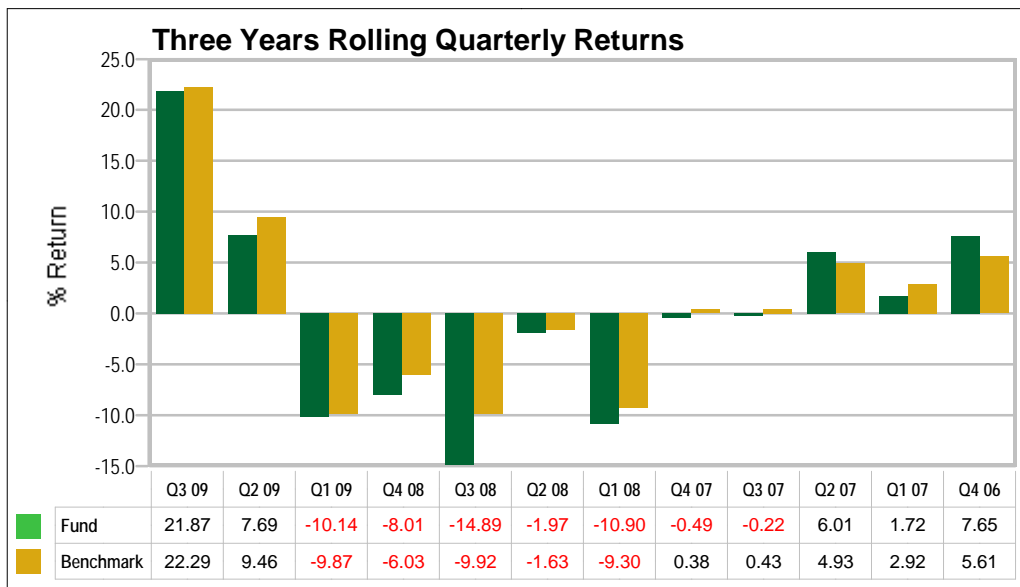
	Current Qtr	Previous Qtr	Current Benchmark	Current Deviation	Previous Benchmark	Previous Deviation
London Borough of Hillingdon	100.00	100.00	100.00		100.00	
United Kingdom Equity	29.55	28.16	36.84	-7.29	36.84	-8.68
Overseas Equity	41.14	39.86	36.85	4.29	36.85	3.01
Fixed Income	12.97	13.73	10.52	2.45	10.52	3.21
Index Linked Gilts	5.43	5.44	5.26	0.17	5.26	0.18
Real Estates	5.98	6.56	10.53	-4.55	10.53	-3.97
Cash & Synthetic Cash	4.96	6.23		4.96		6.23

Alliance Bernstein

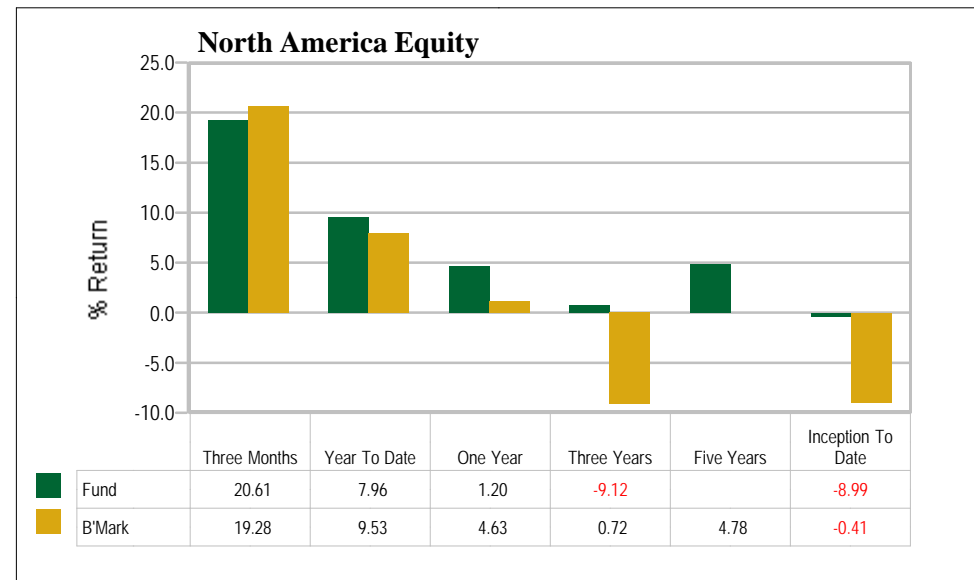
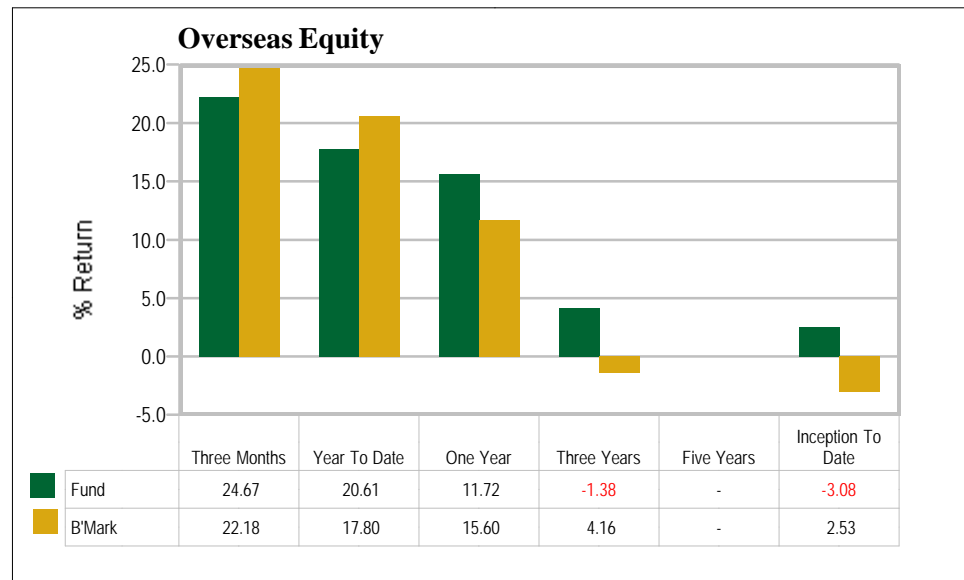
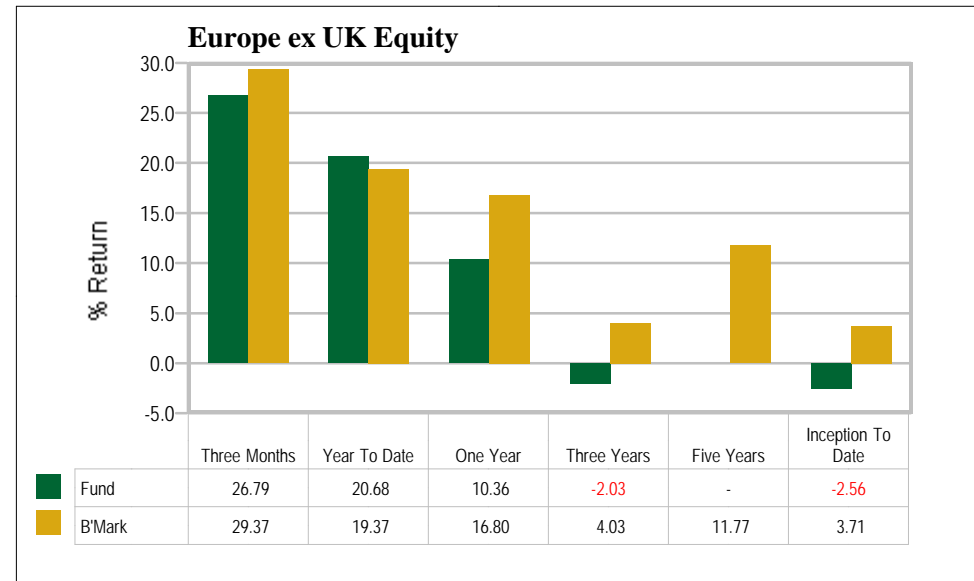
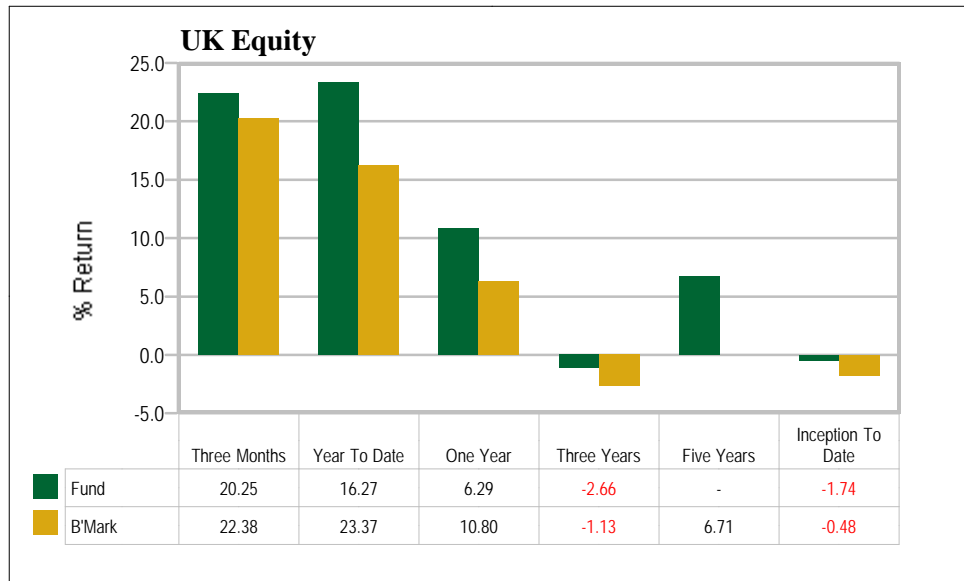


Risk Statistics - 3 years

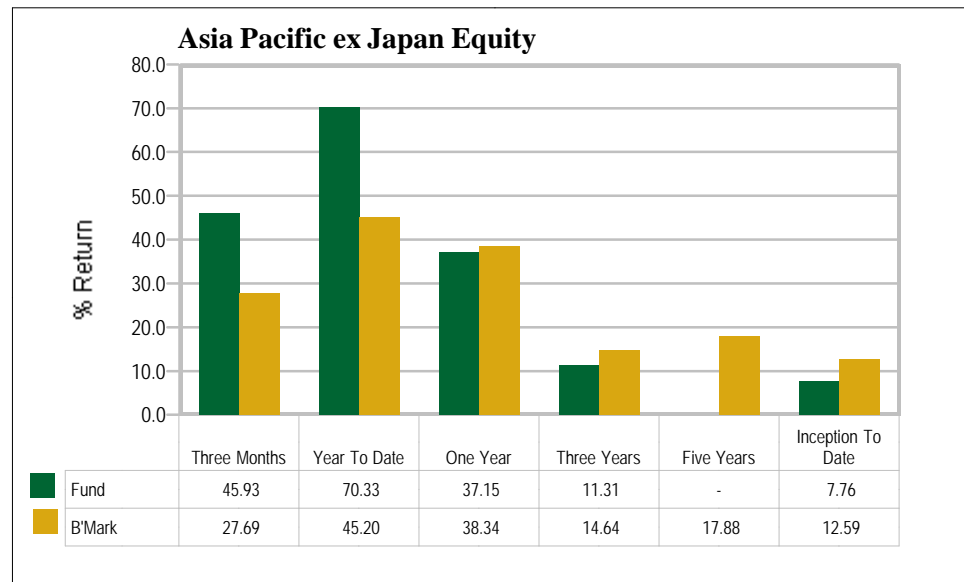
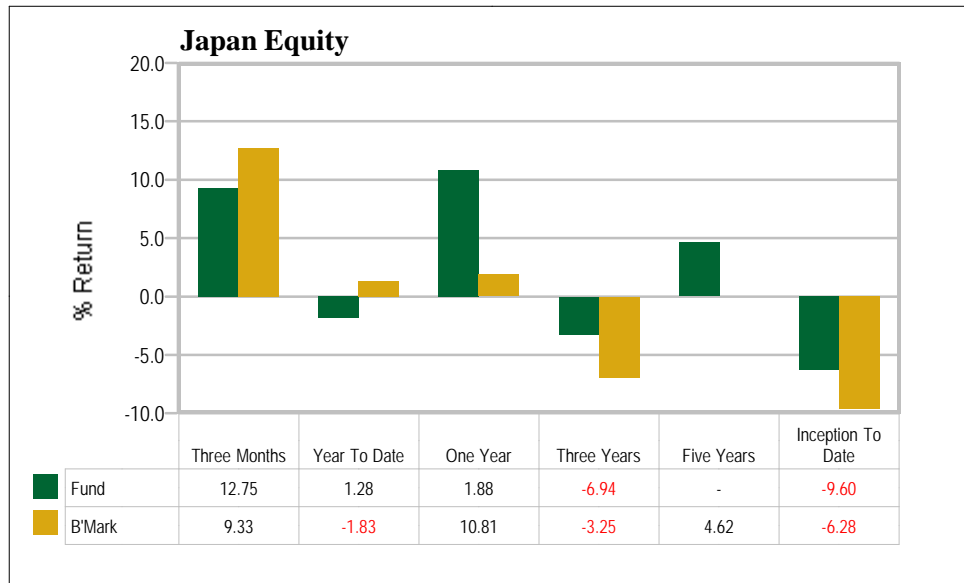
	Fund	B'mark
Performance Return	-2.41	1.56
Standard Deviation	19.76	18.84
Relative Return	-3.91	
Tracking Error	2.35	
Information Ratio	-1.69	
Beta	1.04	
Alpha	-3.64	
R Squared	0.99	
Sharpe Ratio	-0.40	-0.21
Percentage of Total Fund	21.1	
Inception Date	Mar-2006	
Opening Market Value (£000)	85,193	
Net Investment (£000)	-0	
Income Received (£000)	616	
Appreciation (£000)	18,019	
Closing Market Value (£000)	103,828	



Alliance Bernstein

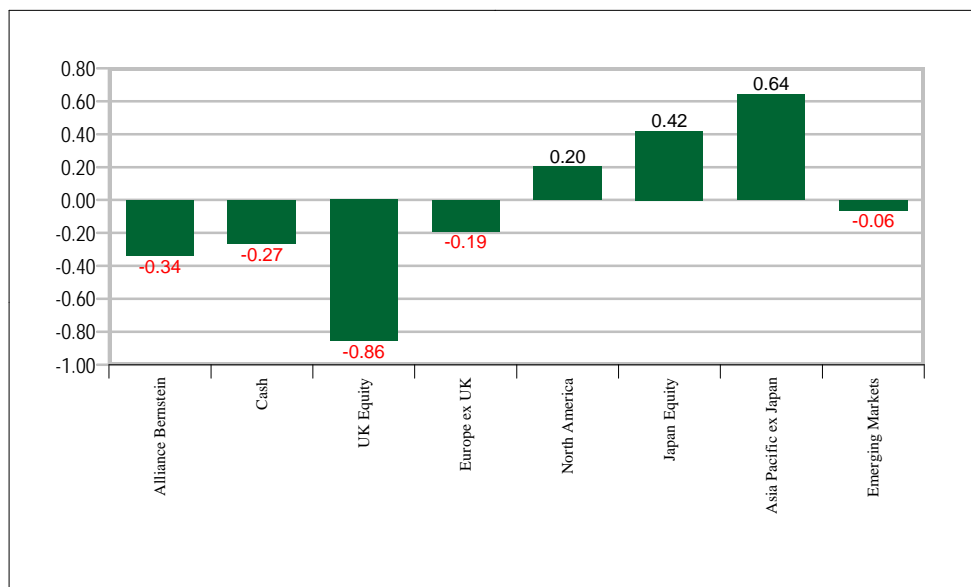


Alliance Bernstein

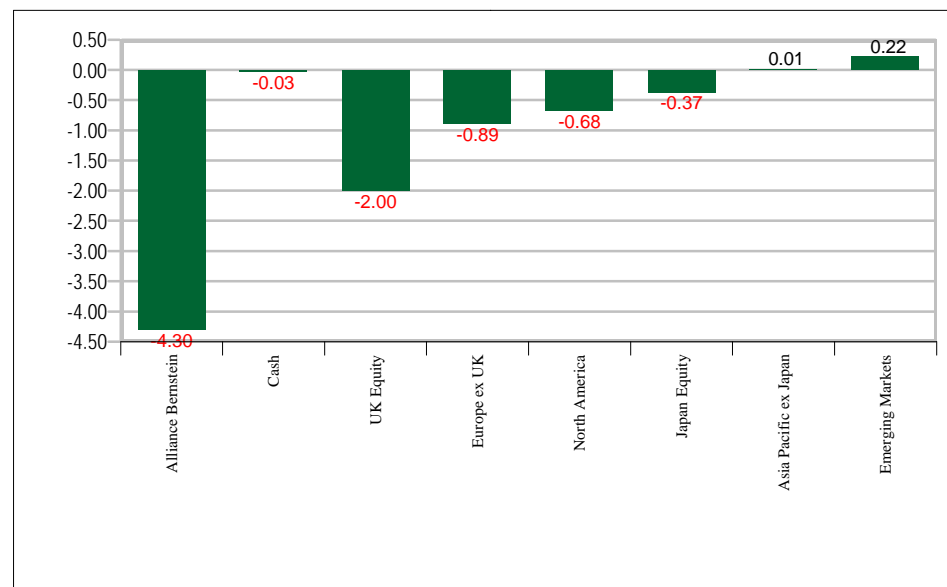


Alliance Bernstein

Relative Contribution - Three Months



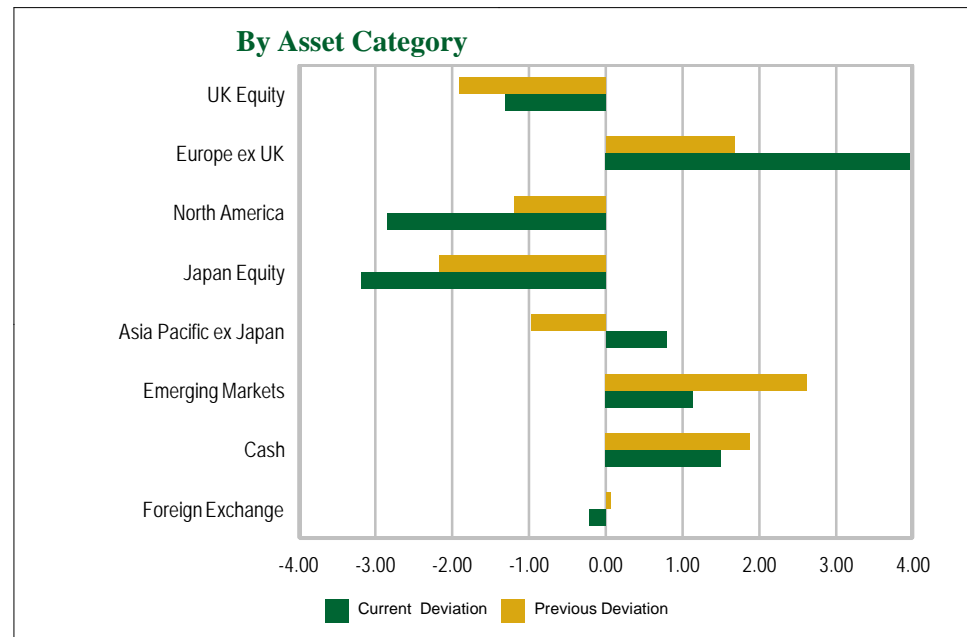
Relative Contribution - One Year



	Return	B'mark	Relative Return	Hedging Effect	Currency Effect	Asset Allocation	Stock Selection	Relative Contribution
Alliance Bernstein	21.87	22.29	-0.34	-0.22	0.17	0.19	-0.47	-0.34
UK Equity	20.25	22.38	-1.74	0.00	0.05	-0.05	-0.86	-0.86
Europe ex UK	26.79	29.37	-2.00	0.00	0.17	0.03	-0.38	-0.19
North America	20.61	19.28	1.12	0.00	-0.03	0.05	0.19	0.20
Japan Equity	12.75	9.33	3.13	0.00	-0.18	0.44	0.16	0.42
Asia Pacific ex Japan	45.93	27.69	14.28	0.00	0.13	0.03	0.49	0.64
Emerging Markets	24.04	25.24	-0.96	0.00	0.03	-0.03	-0.07	-0.06
Cash	3.51	-	3.51	0.00	0.00	-0.27	0.00	-0.27

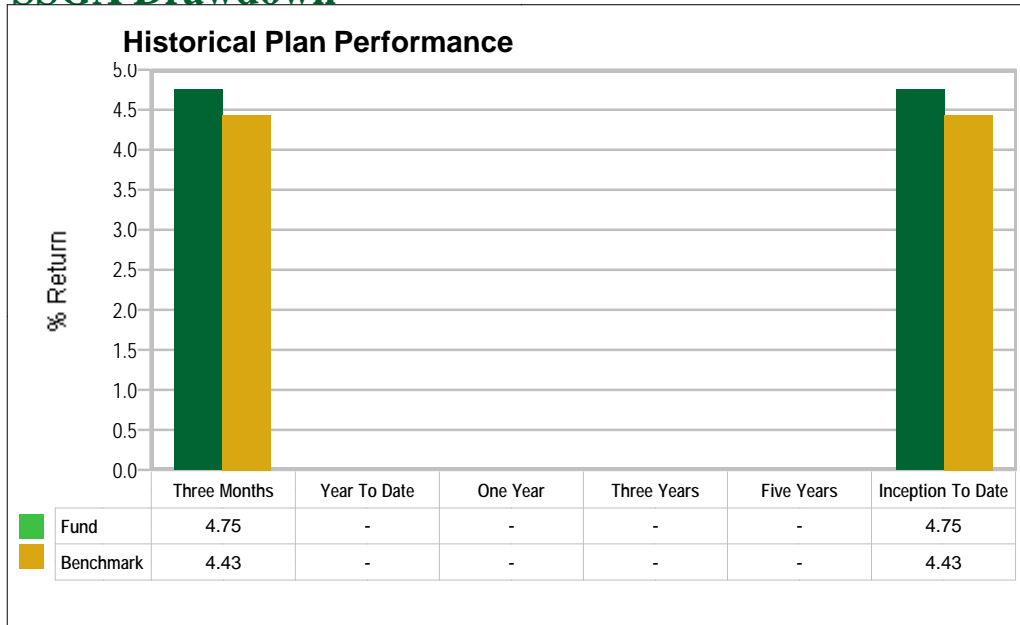
	Return	B'mark	Relative Return	Hedging Effect	Currency Effect	Asset Allocation	Stock Selection	Relative Contribution
Alliance Bernstein	8.49	13.36	-4.30	-0.66	-0.20	0.38	-3.87	-4.30
UK Equity	6.29	10.80	-4.07	0.00	0.03	-0.10	-1.94	-2.00
Europe ex UK	10.36	16.80	-5.51	0.00	0.02	0.01	-0.92	-0.89
North America	1.20	4.63	-3.28	0.00	0.14	-0.22	-0.60	-0.68
Japan Equity	1.88	10.81	-8.06	0.00	-0.27	0.45	-0.55	-0.37
Asia Pacific ex Japan	37.15	38.34	-0.87	0.00	0.15	-0.18	0.05	0.01
Emerging Markets	33.65	34.02	-0.27	0.00	-0.09	0.27	0.04	0.22
Cash	0.28	-	0.28	0.00	-0.19	0.16	0.00	-0.03

Alliance Bernstein



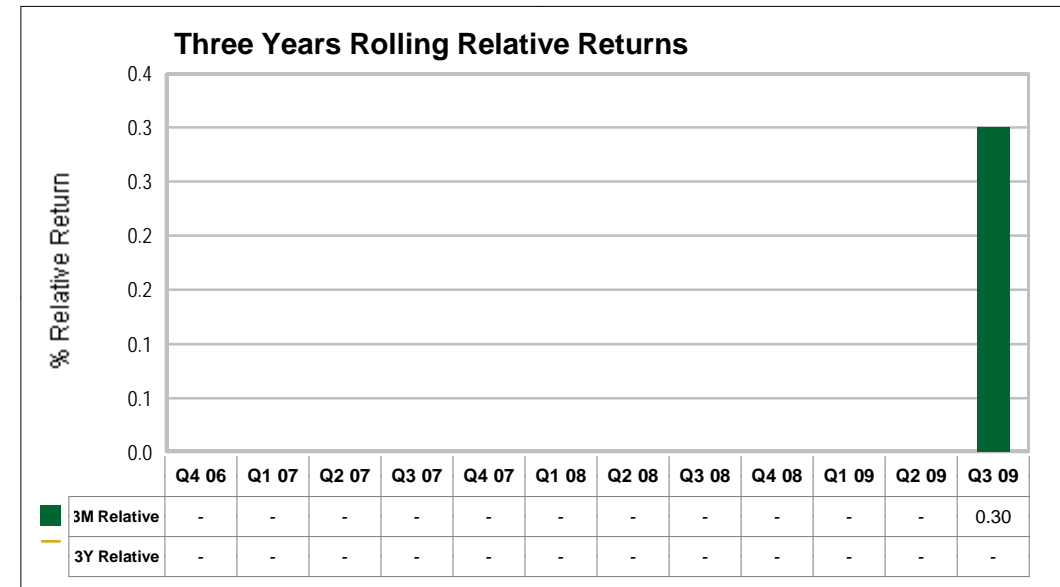
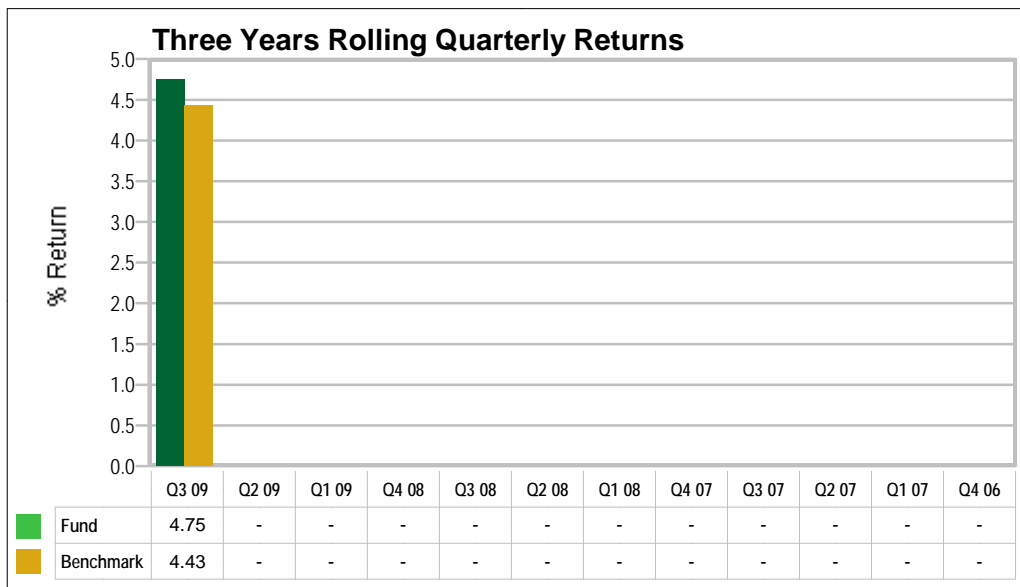
	Current Qtr	Previous Qtr	Current Benchmark	Current Deviation	Previous Benchmark	Previous Deviation
UK Equity	48.69	48.09	50.00	-1.31	50.00	-1.91
Europe ex UK	18.96	16.68	15.00	3.96	15.00	1.68
North America	14.65	16.31	17.50	-2.85	17.50	-1.19
Japan Equity	4.31	5.34	7.50	-3.19	7.50	-2.16
Asia Pacific ex Japan	5.79	4.03	5.00	0.79	5.00	-0.97
Emerging Markets	6.13	7.62	5.00	1.13	5.00	2.62
Cash	1.50	1.88		1.50		1.88
Foreign Exchange	-0.21	0.06		-0.21		0.06

SSGA Drawdown

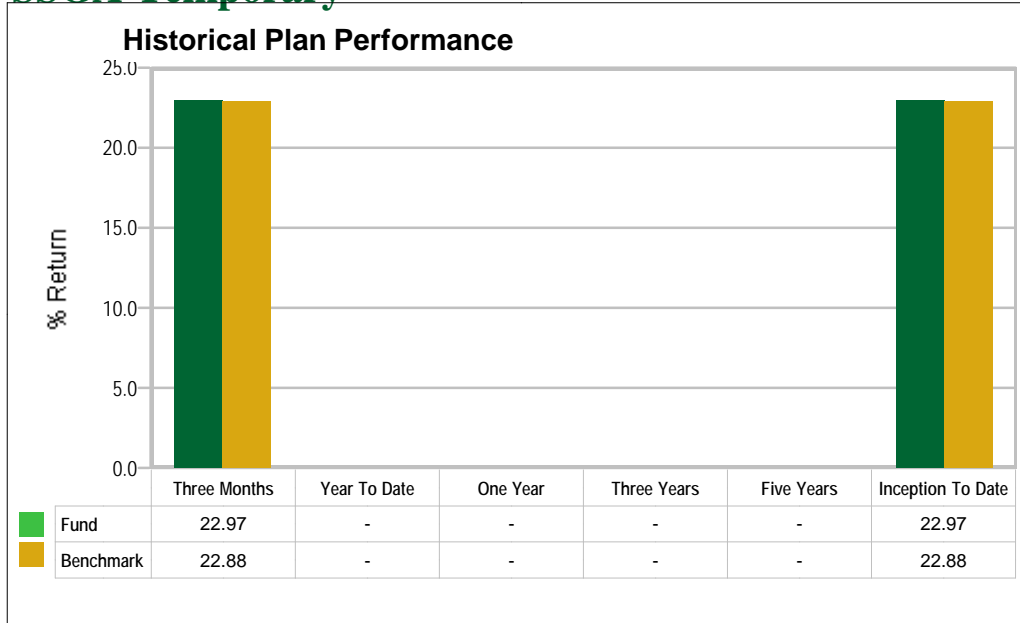


Risk Statistics - 3 years

	Fund	B'mark
Performance Return	-	-
Standard Deviation	-	-
Relative Return	-	-
Tracking Error	-	-
Information Ratio	-	-
Beta	-	-
Alpha	-	-
R Squared	-	-
Sharpe Ratio	-	-
Percentage of Total Fund	4.3	
Inception Date	Jun-2009	
Opening Market Value (£000)	20,115	
Net Investment £(000)	0	
Income Received £(000)	0	
Appreciation £(000)	955	
Closing Market Value (£000)	21,070	

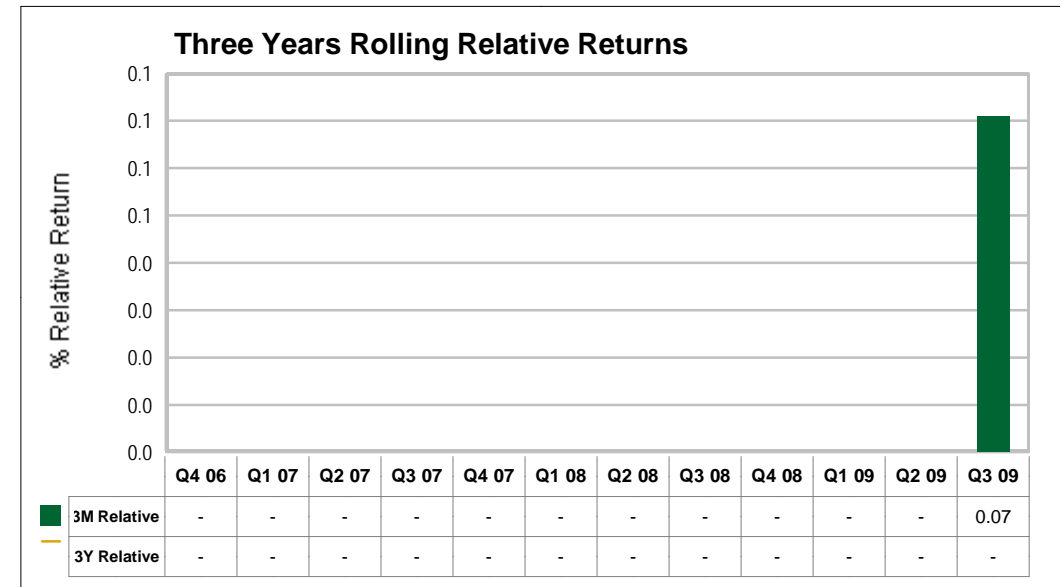
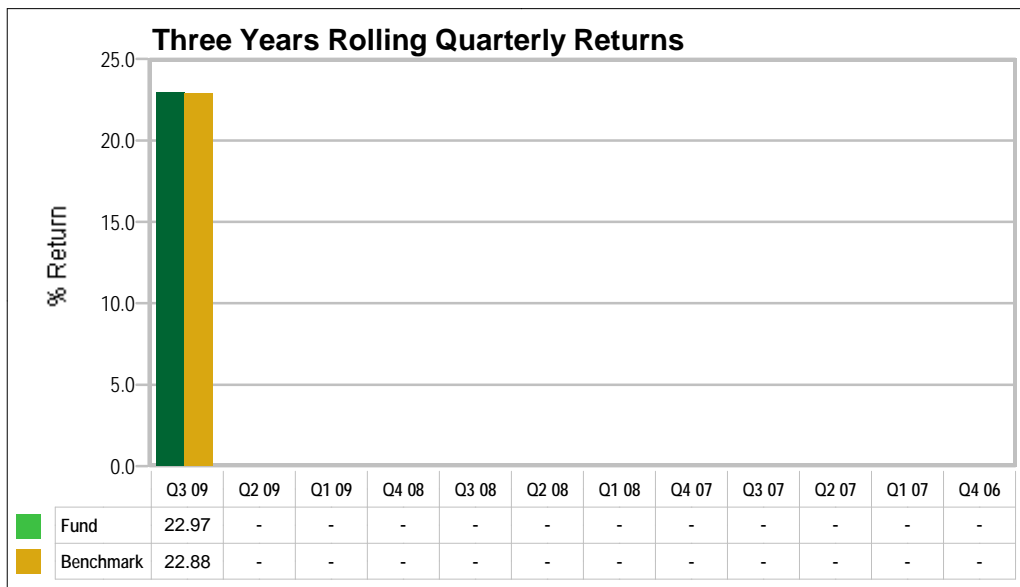


SSGA Temporary

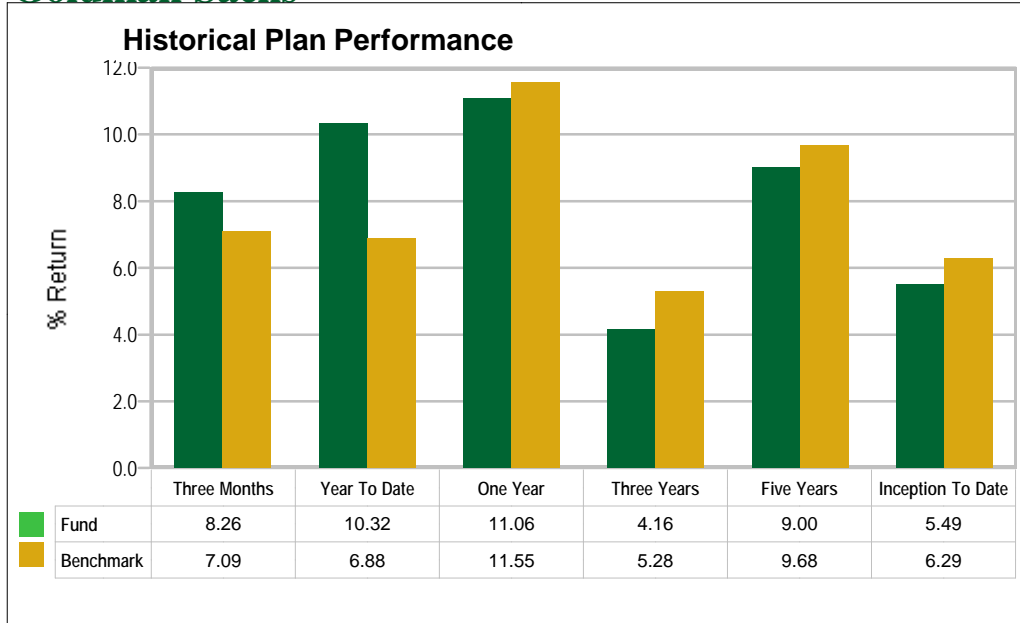


Risk Statistics - 3 years

	Fund	B'mark
Performance Return	-	-
Standard Deviation	-	-
Relative Return	-	-
Tracking Error	-	-
Information Ratio	-	-
Beta	-	-
Alpha	-	-
R Squared	-	-
Sharpe Ratio	-	-
Percentage of Total Fund	14.8	
Inception Date	Jun-2009	
Opening Market Value (£000)	59,092	
Net Investment £(000)	282	
Income Received £(000)	0	
Appreciation £(000)	13,622	
Closing Market Value (£000)	72,996	

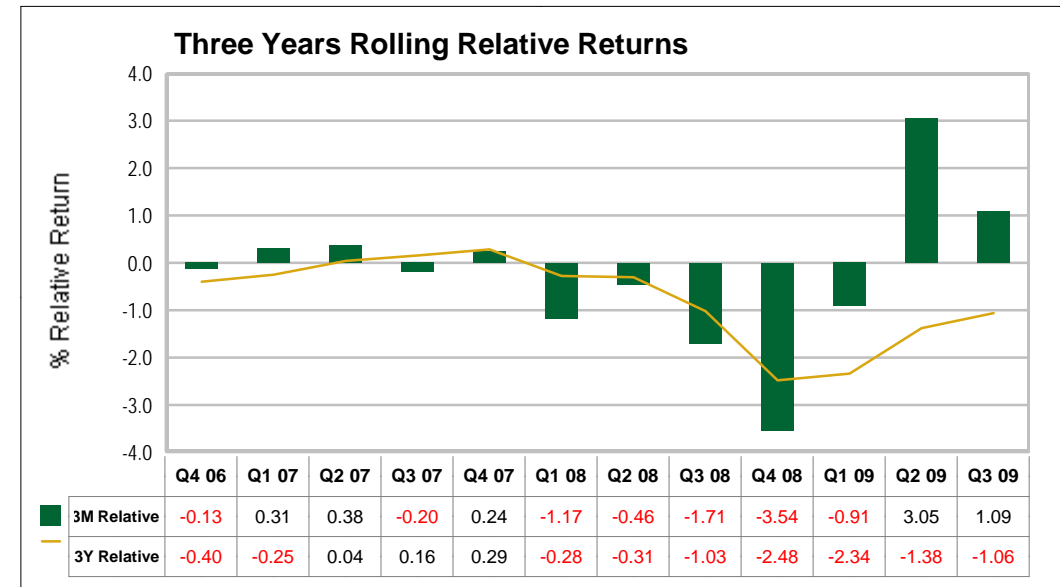
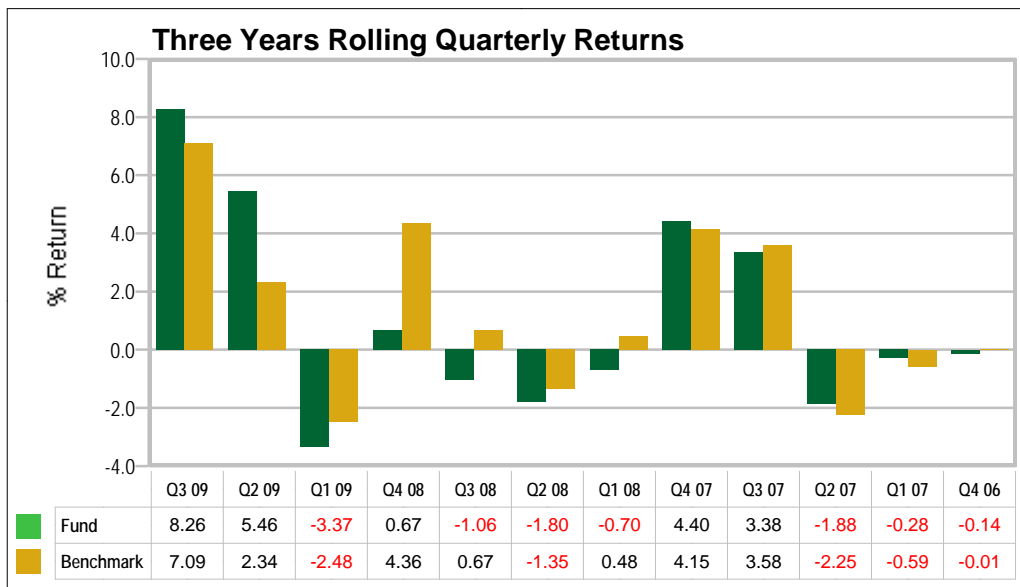


Goldman Sachs

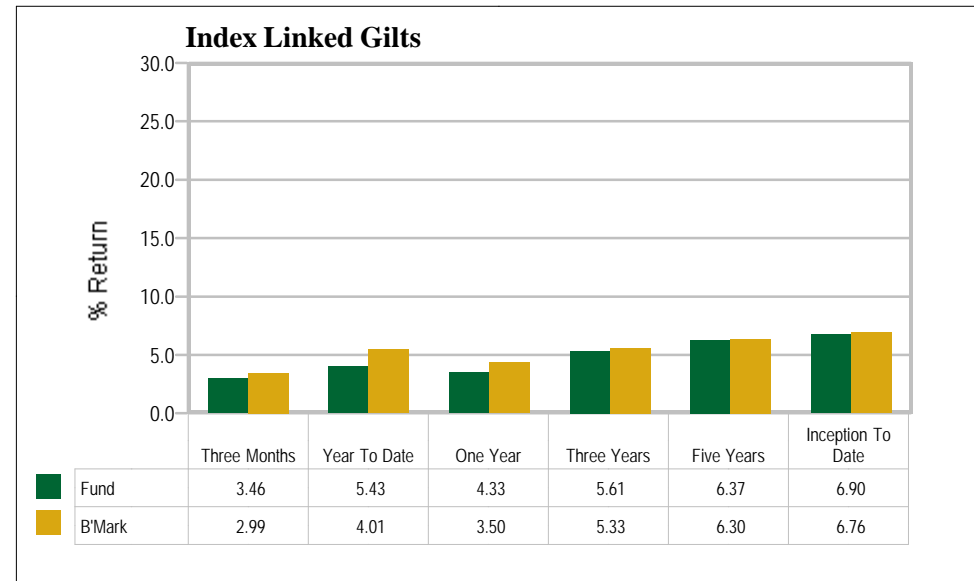
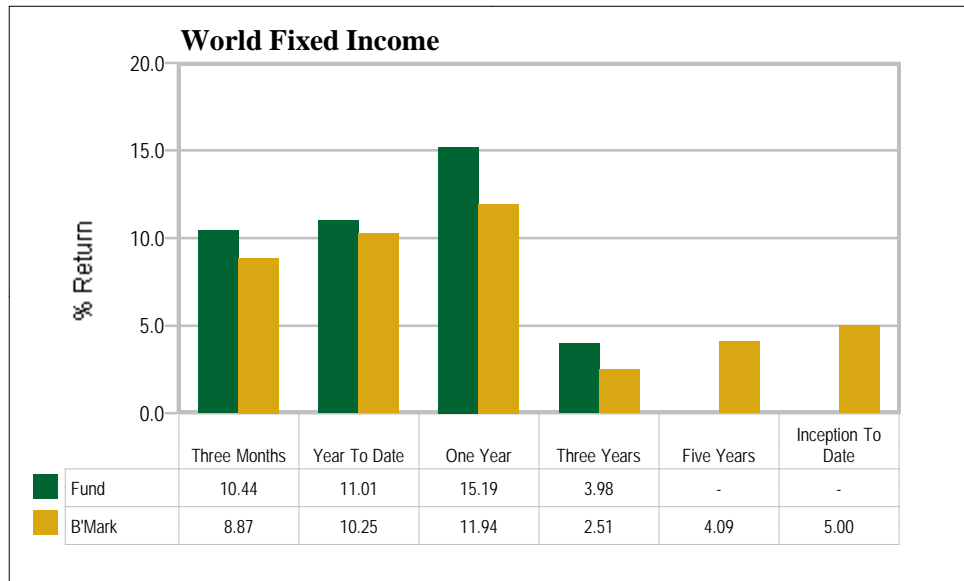


Risk Statistics - 3 years

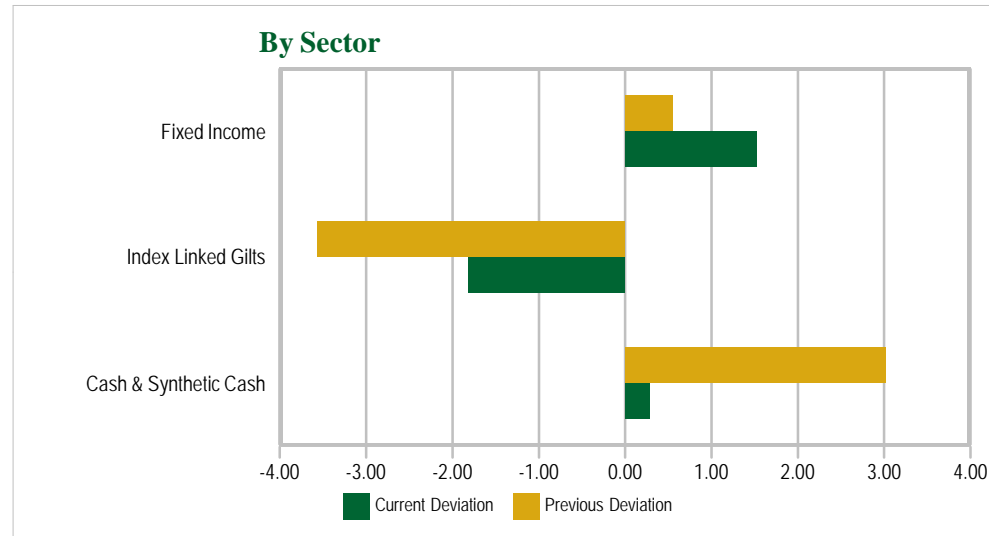
	Fund	B'mark
Performance Return	4.16	5.28
Standard Deviation	7.20	6.70
Relative Return	-1.06	
Tracking Error	2.11	
Information Ratio	-0.53	
Beta	1.04	
Alpha	-1.03	
R Squared	0.92	
Sharpe Ratio	-0.18	-0.02
Percentage of Total Fund	12.2	
Inception Date	Dec-2001	
Opening Market Value (£000)	55,693	
Net Investment (£000)	0	
Income Received (£000)	43	
Appreciation (£000)	4,556	
Closing Market Value (£000)	60,292	



Goldman Sachs

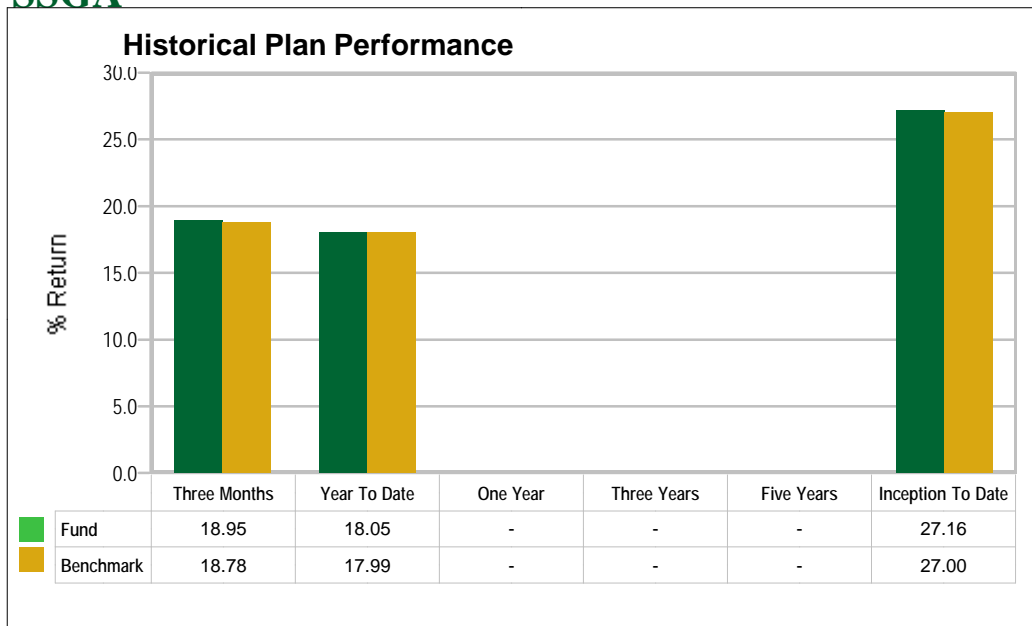


Goldman Sachs

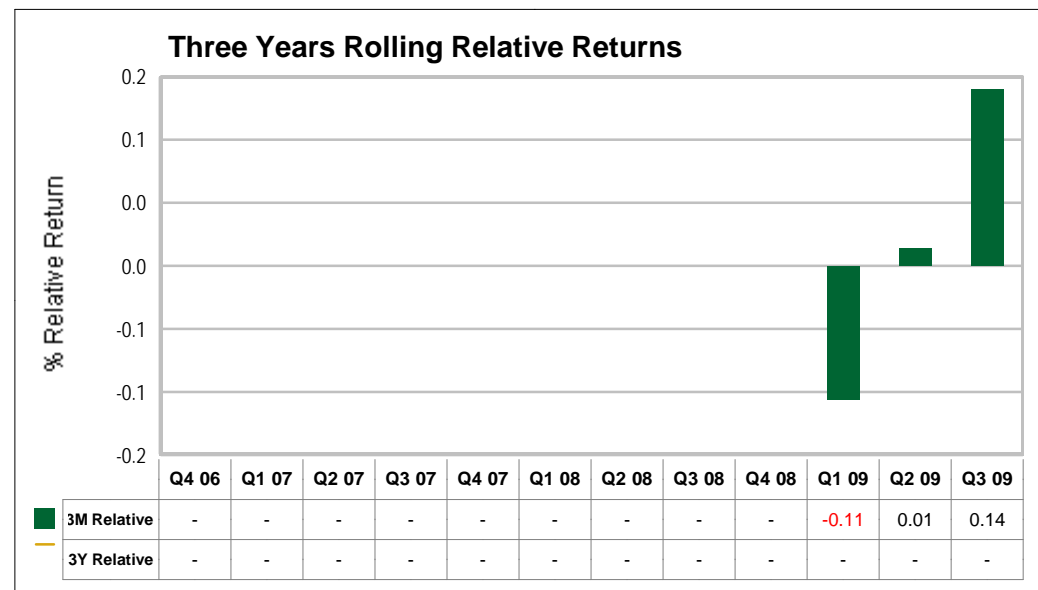
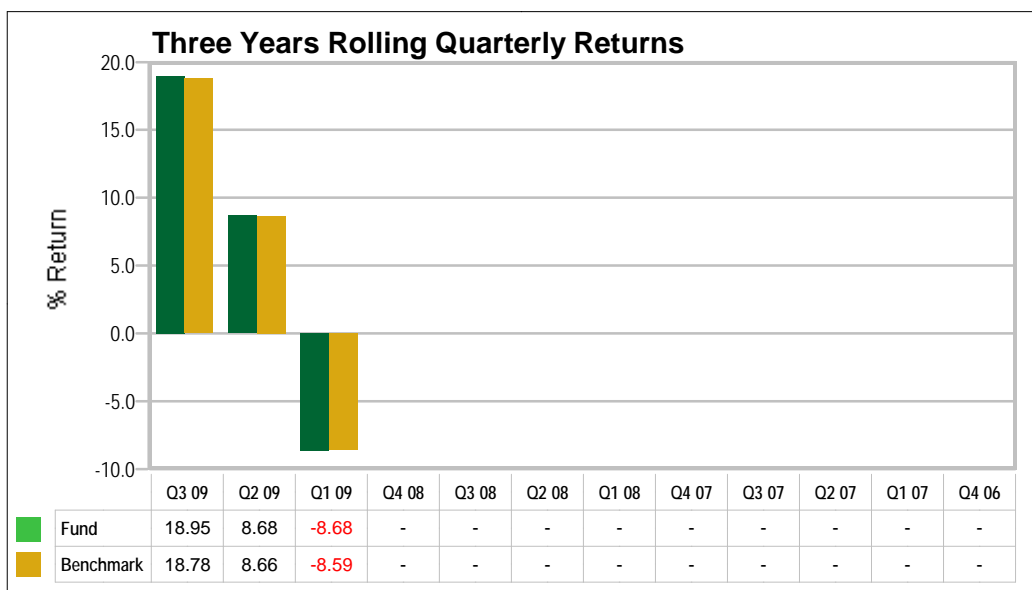


	Current Qtr	Previous Qtr	Current Benchmark	Current Deviation	Previous Benchmark	Previous Deviation
Fixed Income	71.52	70.55	70.00	1.52	70.00	0.55
Index Linked Gilts	28.19	26.43	30.00	-1.81	30.00	-3.57
Cash & Synthetic Cash	0.29	3.02		0.29		3.02

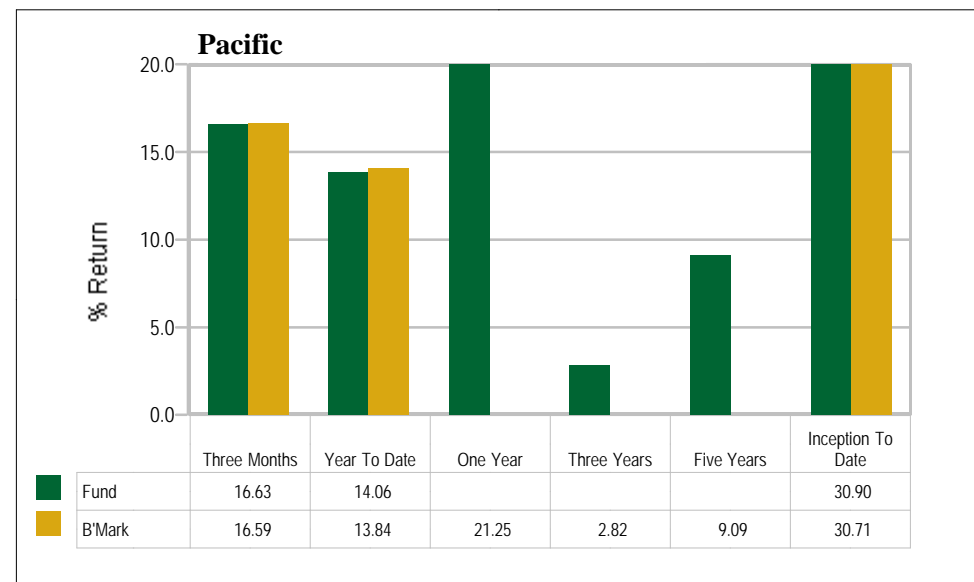
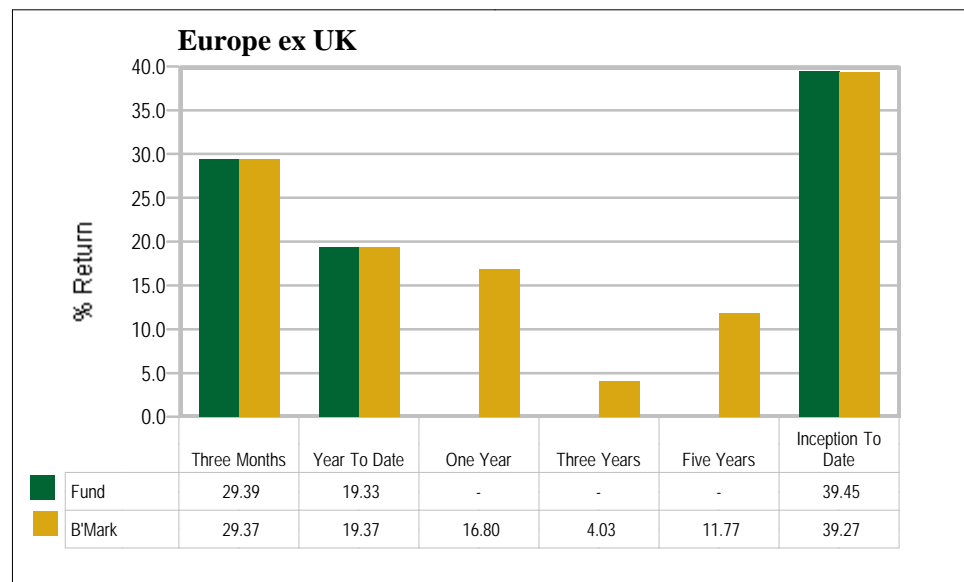
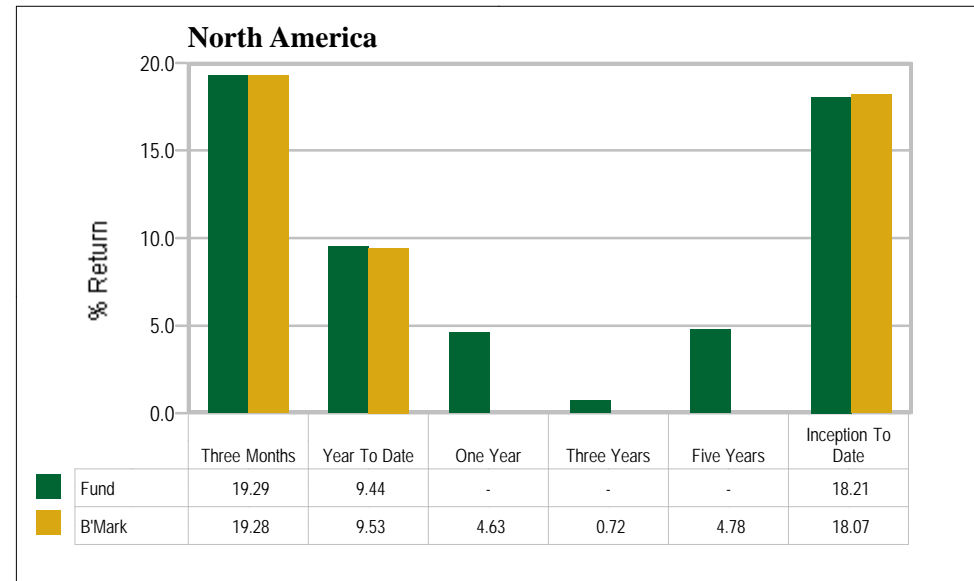
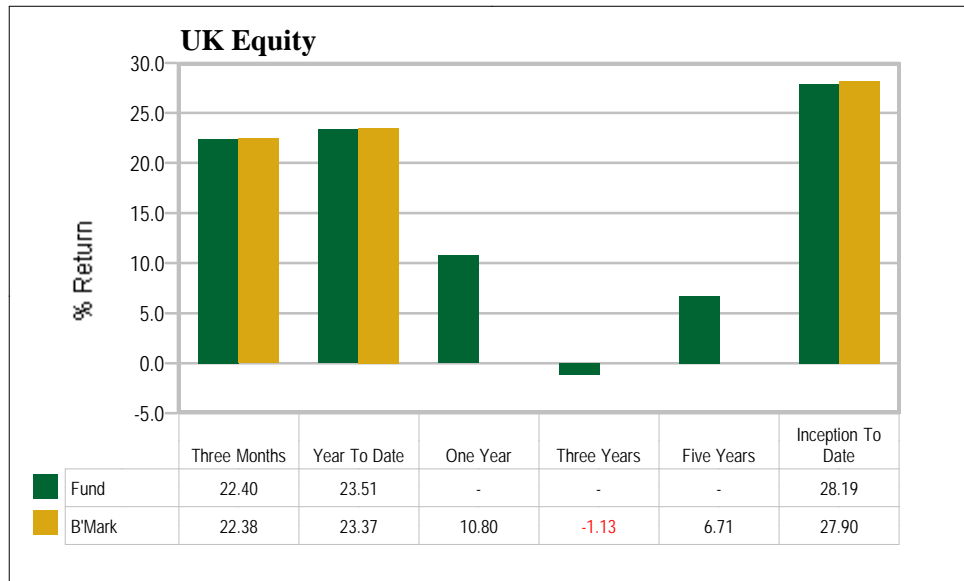
SSGA



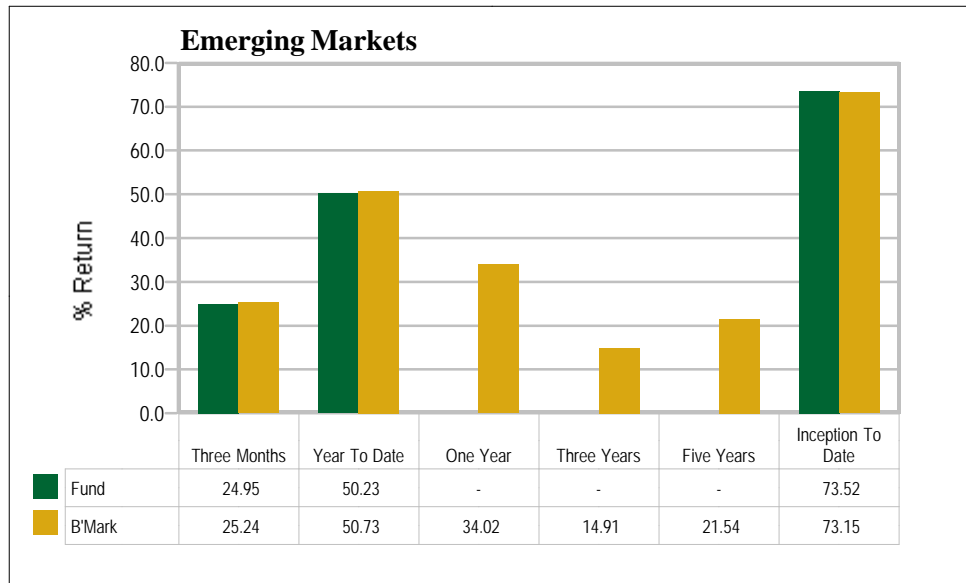
Risk Statistics - 3 years	Fund	B'mark
Performance Return	-	-
Standard Deviation	-	-
Relative Return	-	-
Tracking Error	-	-
Information Ratio	-	-
Beta	-	-
Alpha	-	-
R Squared	-	-
Sharpe Ratio	-	-
Percentage of Total Fund	19.7	-
Inception Date	Nov-2008	-
Opening Market Value (£000)	81,564	-
Net Investment £(000)	109	-
Income Received £(000)	0	-
Appreciation £(000)	15,465	-
Closing Market Value (£000)	97,139	-



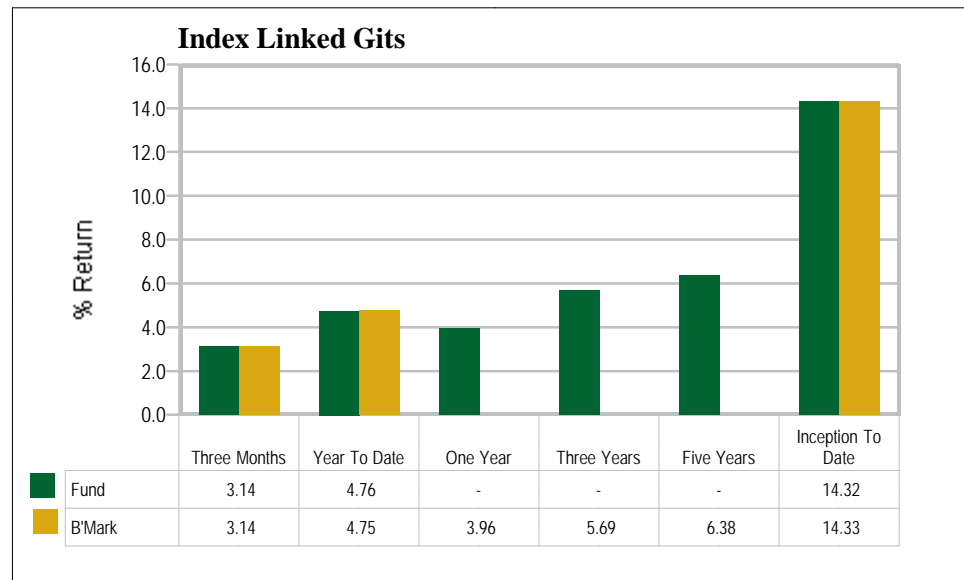
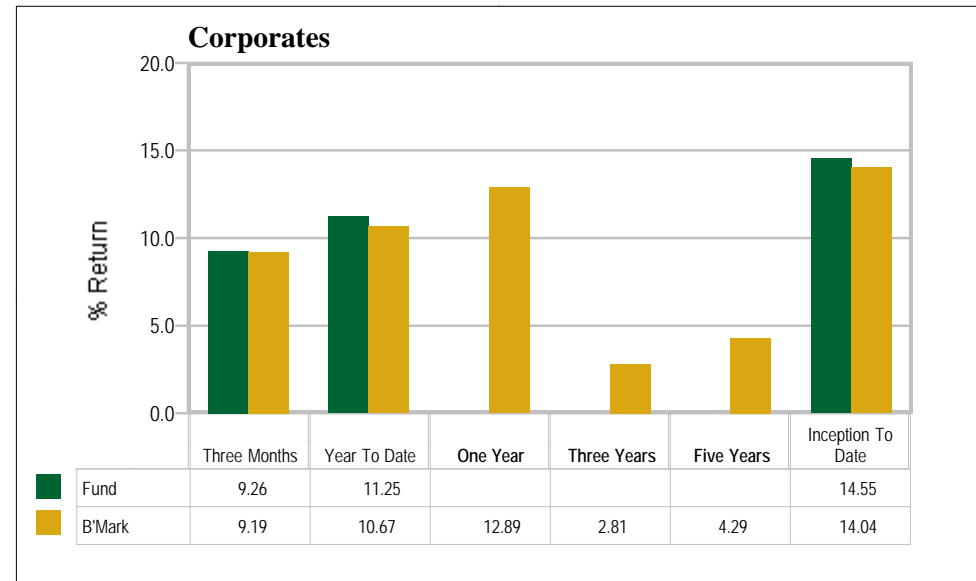
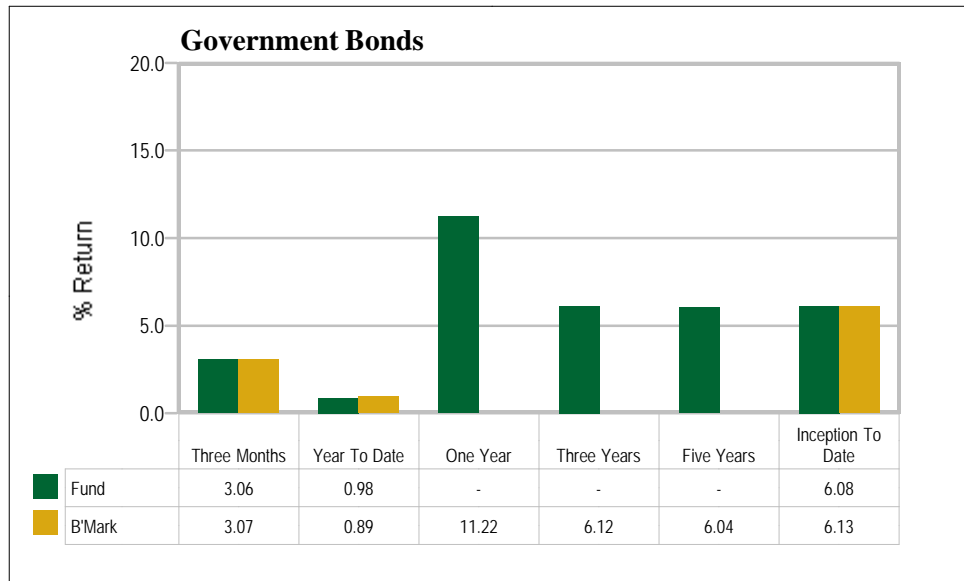
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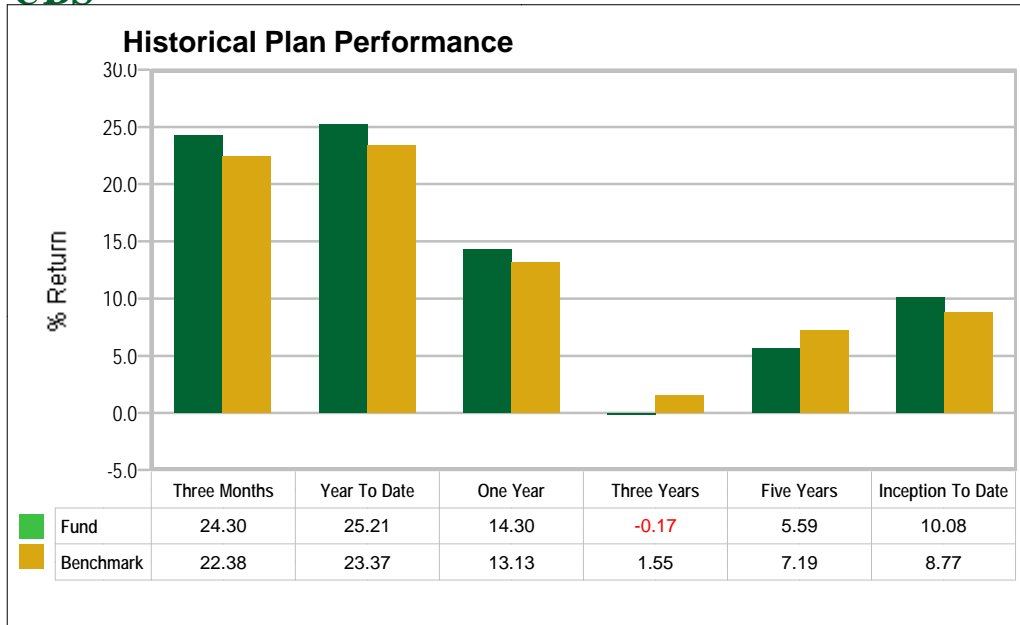
SSGA



SSGA

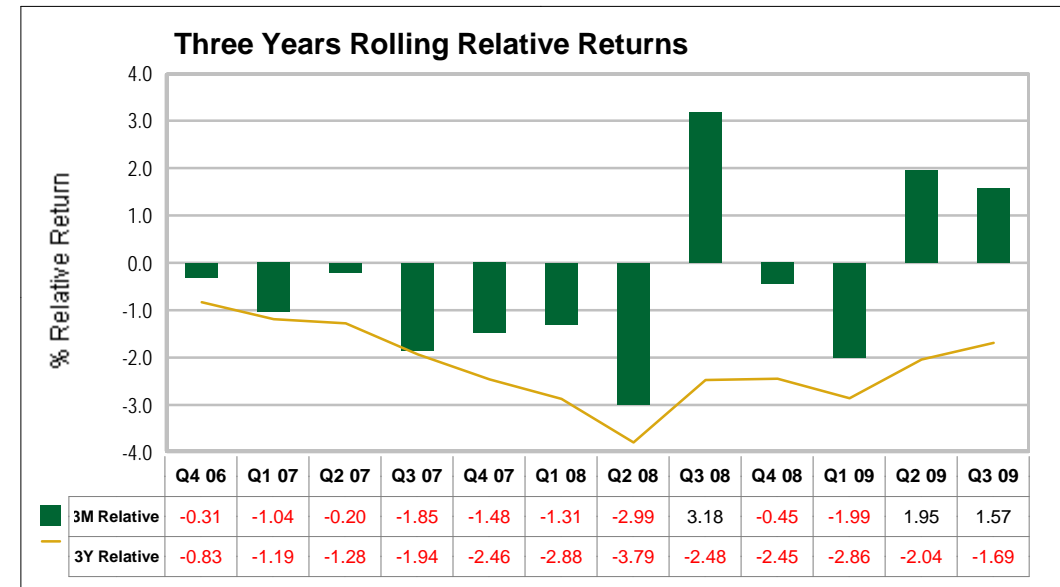
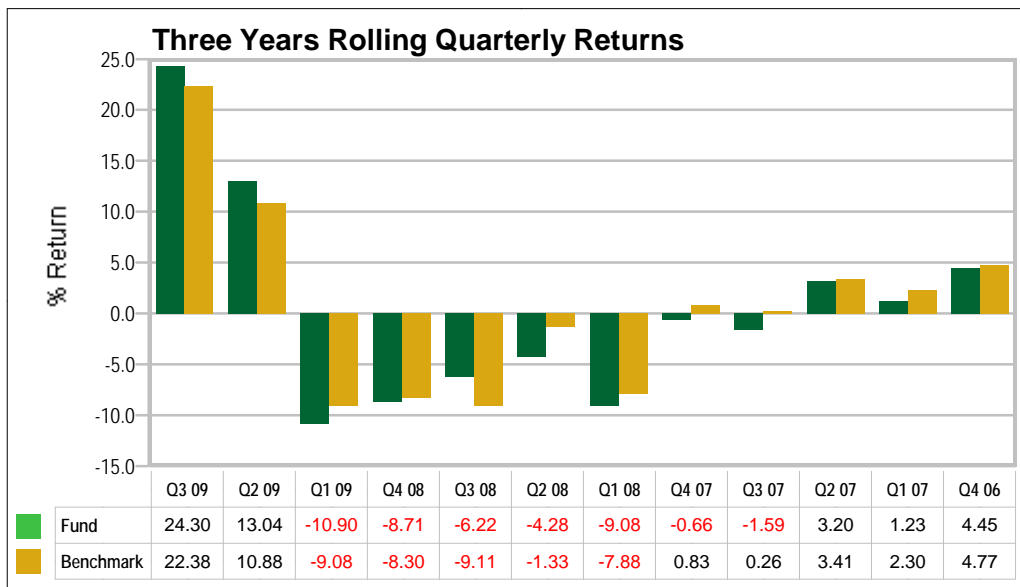


UBS

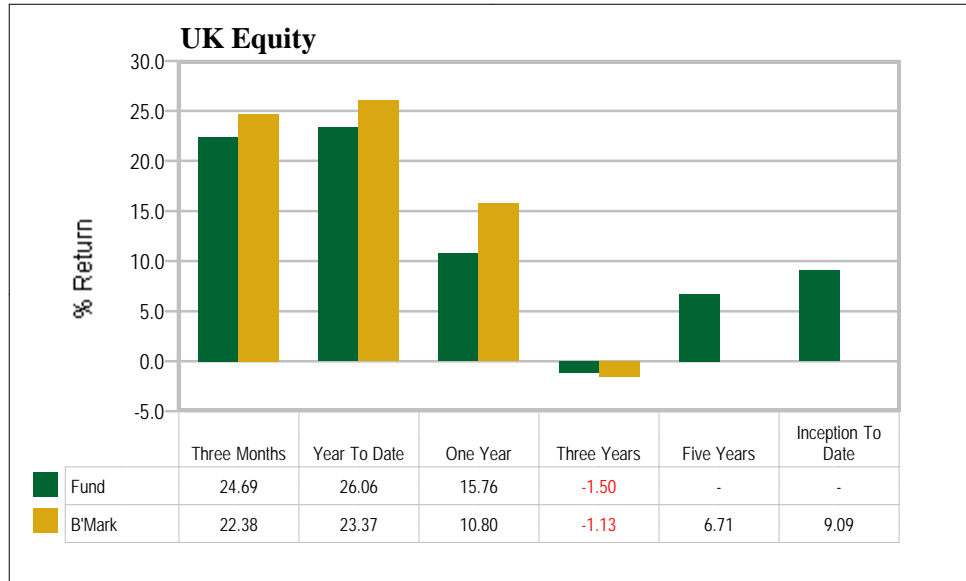


Risk Statistics - 3 years

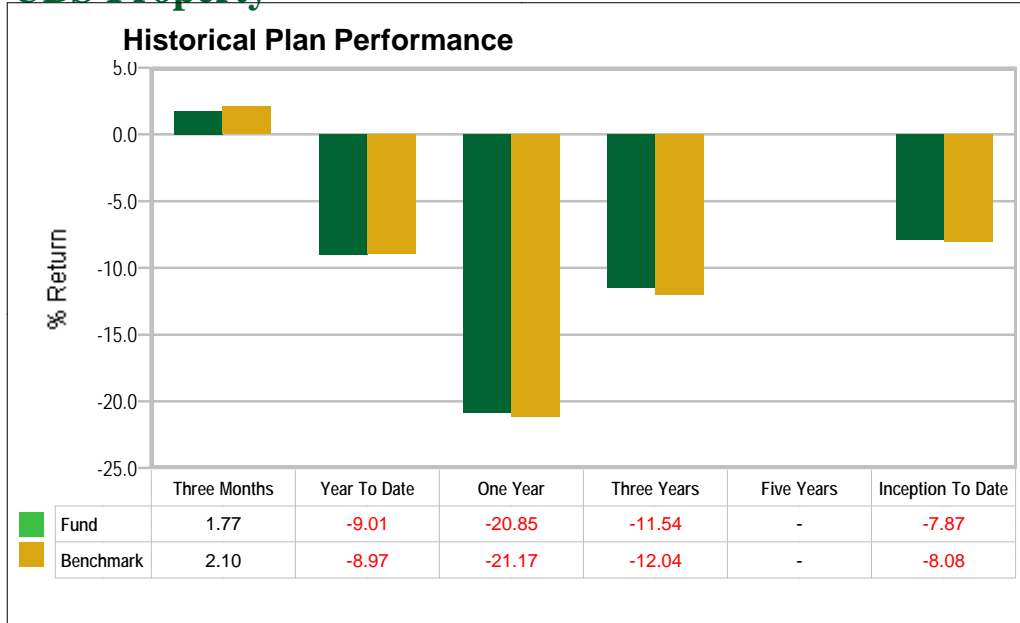
	Fund	B'mark
Performance Return	-0.17	1.55
Standard Deviation	18.38	16.55
Relative Return	-1.69	
Tracking Error	4.18	
Information Ratio	-0.41	
Beta	1.08	
Alpha	-1.19	
R Squared	0.96	
Sharpe Ratio	-0.30	-0.23
Percentage of Total Fund	19.7	
Inception Date	Dec-1988	
Opening Market Value (£000)	78,408	
Net Investment (£000)	-109	
Income Received (£000)	677	
Appreciation (£000)	18,369	
Closing Market Value (£000)	97,344	



UBS

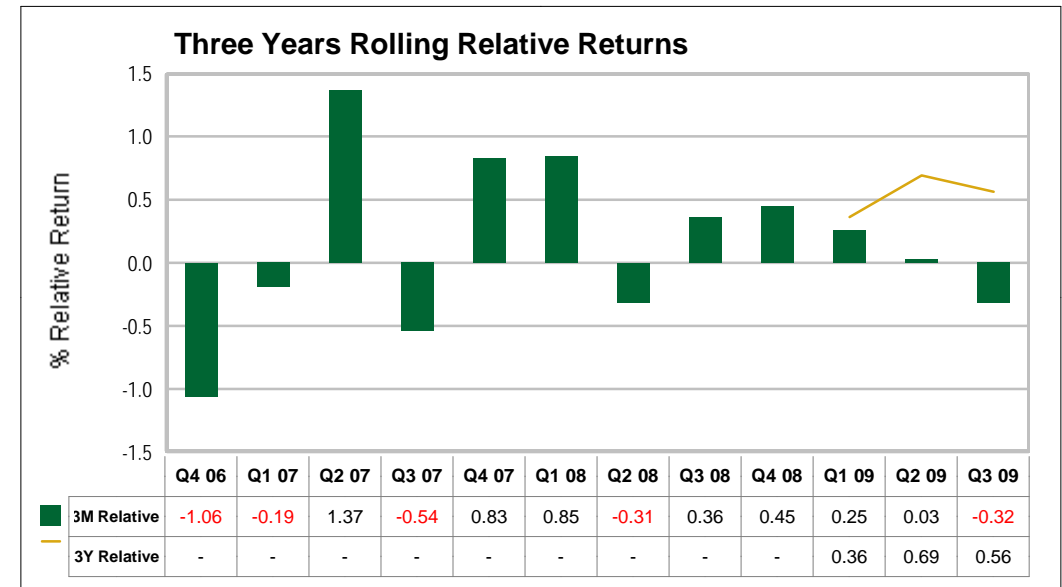
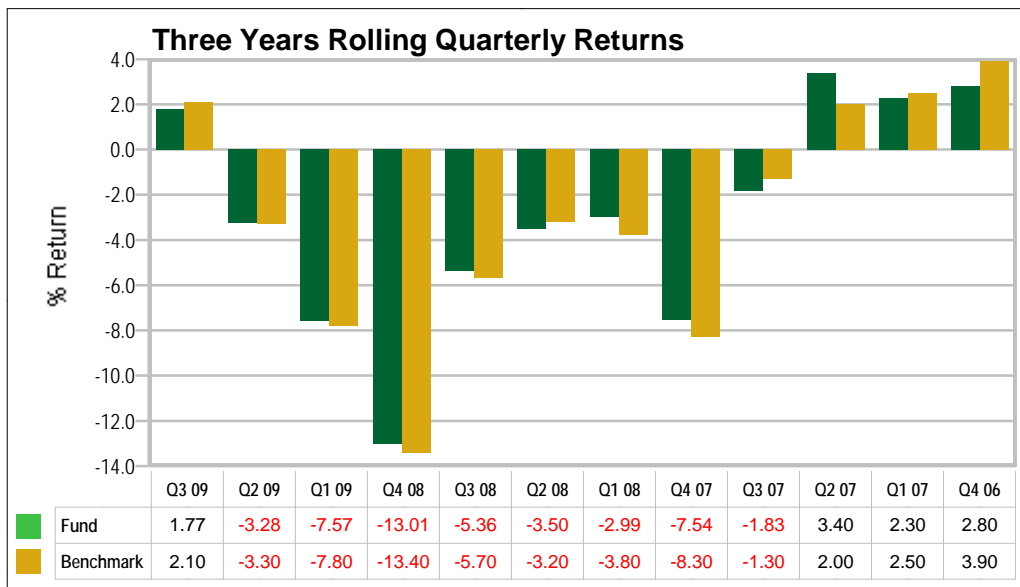


UBS Property



Risk Statistics - 3 years

	Fund	B'mark
Performance Return	-11.54	-12.04
Standard Deviation	6.20	5.95
Relative Return	0.56	
Tracking Error	2.53	
Information Ratio	0.20	
Beta	0.96	
Alpha	-0.17	
R Squared	0.85	
Sharpe Ratio	-2.74	-2.94
Percentage of Total Fund	8.1	
Inception Date	Mar-2006	
Opening Market Value (£000)	39,186	
Net Investment (£000)	0	
Income Received (£000)	437	
Appreciation (£000)	259	
Closing Market Value (£000)	39,882	



Tracking Error

$$\sigma_{ER} = \sqrt{\frac{\sum (ER_t - \overline{ER})^2}{T}} \quad \text{for } t=1 \text{ to } T$$

$$\text{Annualised tracking error} = \sigma_{ER} \times \sqrt{p}$$

Where **Equals**

ER Excess return (Portfolio Return minus Benchmark Return)

\overline{ER} Arithmetic average of excess returns (Portfolio Return minus Benchmark Return)

T Number of observations

p Periodicity (number of observations per year)

The tracking error measures the extent to which a portfolio tracks its benchmark. The higher the tracking error, the higher the variability of the portfolio returns around the benchmark. The tracking error will always be greater than zero, unless the portfolio is exactly tracking the benchmark.

Information Ratio

$$\text{Information Ratio} = \frac{\overline{ER}}{\sigma_{ER}}$$

$$\text{Annualised Information Ratio} = \text{Information Ratio} \times \sqrt{p}$$

Where **Equals**

\overline{ER} Arithmetic average of excess returns (Portfolio Return minus Benchmark Return)

T Number of observations

p Periodicity (number of observations per year)

The information ratio is a measure of risk adjusted return. The higher the information ratio, the higher the risk adjusted return.

Alpha

$$\alpha = \frac{\sum R_{yi}}{n} - \beta \frac{\sum R_{xi}}{n}$$

Where **Equals**

R_{xi} Market / Benchmark excess return (Benchmark return minus Risk Free Proxy return)

R_{yi} Portfolio excess return (Portfolio return minus Risk Free Proxy return)

β Beta – measure of the sensitivity of a portfolio's rate of return against those of the market

n Number of observations

The alpha is the value added to the portfolio by the manager – the higher the alpha, the better the manager has done in achieving excess returns.

Beta

$$\beta = \frac{n \sum R_{xi} R_{yi} - \sum R_{xi} \sum R_{yi}}{n \sum (R_{xi})^2 - (\sum R_{xi})^2}$$

Where **Equals**

R_{xi} Market / Benchmark excess return (Benchmark return minus Risk Free Proxy return)

R_{yi} Portfolio excess return (Portfolio return minus Risk Free Proxy return)

β Beta – measure of the sensitivity of a portfolio's rate of return against those of the market

n Number of observations

The portfolio's beta is calculated by comparing the portfolio's volatility to the benchmark's volatility over time. The more sensitive a portfolio's returns are to movements in the benchmark, the higher the portfolio's beta will be. A beta greater than one implies the portfolio is more volatile than the benchmark, whilst a beta less than one implies the portfolio is less volatile than the benchmark.

R-Squared

$$r^2 = \frac{(n \sum R_{xi} R_{yi} - \sum R_{xi} \sum R_{yi})}{[n \sum (R_{xi})^2 - (\sum R_{xi})^2][n \sum (R_{yi})^2 - (\sum R_{yi})^2]}$$

Where **Equals**

R_{xi} Market / Benchmark excess return (Benchmark return minus Risk Free Proxy return)

R_{yi} Portfolio excess return (Portfolio return minus Risk Free Proxy return)

n Number of observations

The R^2 is the square of the correlation co-efficient between the portfolio return and the benchmark return in the above equation and is a measure of the fund's sensitivity to the benchmark, i.e. the percentage of the portfolio's movement that can be explained by movement in the benchmark. The R^2 statistic ranges from 0 to 1 (or 0 to 100%) with a score of 1 indicating that all the portfolio's movement can be explained by the benchmark.

Sharpe Ratio

$$\frac{(R_{ap} - R_{af})}{\sigma_{ap}}$$

Where **Equals**

R_{ap} Annualised (portfolio) rate of return

R_{af} Annualised risk-free rate of return

σ_{ap} Annualised portfolio standard deviation

The Sharpe ratio measures the excess return over the risk-free rate per unit of volatility. For a given return, the lower the volatility of the portfolio, the higher the Sharpe ratio.

Price/Earnings Ratio (P/E)

Security Level Calculation:

Current price/Trailing 12 months earning per share

Description:

The price/earnings ratio is a traditional indicator of how much an investor is paying for a company's earning power. Stocks have a p/e greater than the market are usually considered to be growth stocks.

5 Year Earnings Per Share Growth Rate

Security Level Calculation:

None

Description:

This is the percentage change in the annual earning per share growth rate over the last five years of all stock in the portfolio. This measure is usually viewed as agrowth factor. A stock must have been public for at least five years to have this characteristic.

Price to Book Ratio

Security Level Calculation:

Current price/Most recent book value per share

Description:

This is usually considered to be a measure of "value", with stocks having high price to book ratios considered to be undervalued.

Dividend Yield

Security Level Calculation:

Dividend for current fiscal year/Period end closing price

Description:

This measures the annual rate that dividends are being paid by a company, including any extra dividends. High dividend yields can also be an attribute of value stocks.

Debt to Capital

Security Level Calculation:

Long term liabilities, deferred taxes, tax credits, minority interest/Sum of debt, total common equity and total preferred stock

Description:

This measure indicates the amount of leverage (debt) being used. A large debt to capital ratio is usually indicative of a highly leveraged company. Stocks having a zero value are still included in the total portfolio calculation.

Price to Sales Ratio

Security Level Calculation:

Current price/Annual sales per share

Description:

This is used primarily by value managers to identify companies having low profit margins. Value managers use this as another indicator in finding undervalued stocks with the potential for improved profitability. This measure varies in informational value by industry, as different industries have different price to sales ratio expectations.

Return on Equity

Security Level Calculation:

Net profits after taxes/Book value

Description:

This relates a company's profitabaility to it's shareholders equity. A high ROE indicates that the portfolio is invested in companies that have been profitable. This measure is also impacted by financial leverage.

Coupon Rate

Description:

The stated interest rate of a bond. It is a money weighted average for the portfolio.

Years to Maturity

Description:

The average number of years to the maturity date of all bonds held in a portfolio. Often, managers will use the weighted average life for mortgages and mortgage backed securities since most mortgages are prepaid and never reach maturity.

Macaulay Duration

Description:

The mathematical estimate of a fixed income portfolio's sensitivity to a change in interest rates, computed as the weighted average time to receipt of the portfolio's cash flows. The Macaulay duration does not take the impact of embedded options into consideration and this usually results in a higher value than the effective duration.

Yield to Maturity

Description:

This is the rate of return that is expected if a fixed income security is held to maturity. It is essentially an internal rate of return that uses the current market value and all expected interest and principal cash flows.

Moody Quality Rating

Description:

This is a measure of the quality, safety and potential performance of a bond issue. Also indicates the creditworthiness of a security's issuer. Moody's evaluates the bond issues and assigns a code with Aaa as the highest and C as the lowest.

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