

Queen's Pension Plan

Monthly Report



April 2018

FUND DETAILS

Total Assets (\$Mil)	2,081
Total Fees (%) ¹	0.43
Currency Hedging Policy	50% of USD and EUR exposure is hedged to CAD

¹ Excluding performance-based fees

MONTHLY COMMENTARY

The Queen's Pension Plan (QPP) returned 0.4% net of fees in April, bringing the cumulative net return for the 2017-18 plan year to 4.9%.

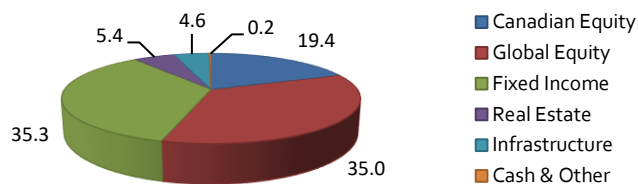
Equity markets rebounded in April as political concerns of the past few months began to give way to positive news from the quarterly earnings season and crude oil prices hit their best levels since 2014. The S&P/TSX Composite Index advanced 1.8%. Primary contributors were Energy, Machinery & Equipment, and Technology, while the worst performers included Health Care, Consumer Staples, and Real Estate. In the U.S., the S&P 500 advanced 0.4% (declined 0.2% in Canadian dollar terms) with the top performers being Energy, Consumer Discretionary, and Health Care. In global equity markets, the MSCI EAFE Index advanced 1.8% whereas the MSCI Emerging Market Index declined 1.0% in Canadian dollar terms.

The FTSE/TMX Canada Universe Bond Index declined 0.9% in April as bond yields rose. Ten year Canadian yields increased 21 basis points to 2.30% while two year yields went up 12 basis points, closing at 1.89%. The Federal, Provincial and Corporate sectors of the index declined 0.7%, 1.3% and 0.6%, respectively. The Canadian dollar appreciated 0.4% against the U.S. dollar, closing the month at 77.9 cents U.S.

CAPITAL MARKET RETURNS (%) in CAD

	1 Month	1 Year
S&P/TSX Composite Index	1.8	3.1
S&P 500	-0.2	6.2
MSCI World Ex-Canada Net	0.5	6.3
FTSE TMX Cda Universe Bond	-0.9	-0.9
91 Day T-Bills	0.1	0.8

CURRENT ASSET MIX (%)



INVESTMENT MANAGERS

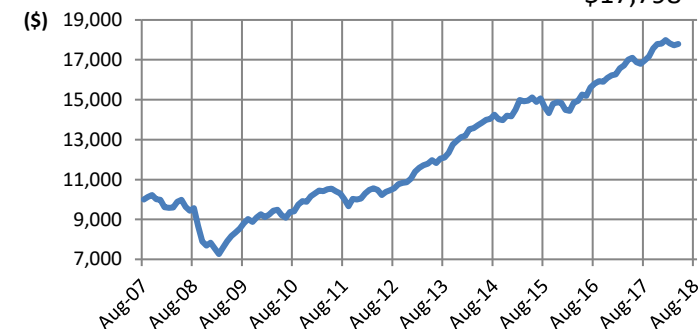
ASSET CLASS/MANAGER	BENCHMARK	TARGET (%)
Canadian Equity 20.0		
Burgundy Asset Management	S&P/TSX Composite Index	8.7
Connor, Clark & Lunn	S&P/TSX Composite Index	4.4
TD Asset Management	S&P/TSX Composite Index	4.4
Letko, Brosseau & Associates	S&P/TSX Composite Index	2.6
Global Equity 33.0		
Orbis Investments	MSCI World Index	10.0
State Street Global Advisors	MSCI World Ex-Canada Net	18.6
Letko, Brosseau & Associates	MSCI World Ex-Canada	4.4
Fixed Income 37.0		
PIMCO	FTSE/TMX Canada Universe Bond	8.0
Connor, Clark & Lunn	FTSE/TMX Canada Universe Bond	7.0
TD Asset Management	FTSE/TMX Canada Universe Bond	7.0
Sun Life Investment Mgmt	FTSE/TMX Canada Corporate Bond	6.0
Letko, Brosseau & Associates	FTSE/TMX Canada Universe Bond	5.0
Integrated Private Debt	FTSE/TMX Canada Universe Bond	4.0
Real Estate 5.0		
OMERS (Oxford Properties)	FTSE EPRA/NAREIT Developed Index	5.0
Infrastructure 5.0		
OMERS (Infrastructure)	Dow Jones Brookfield Global Infra.	5.0

PERFORMANCE ANALYSIS (NET)

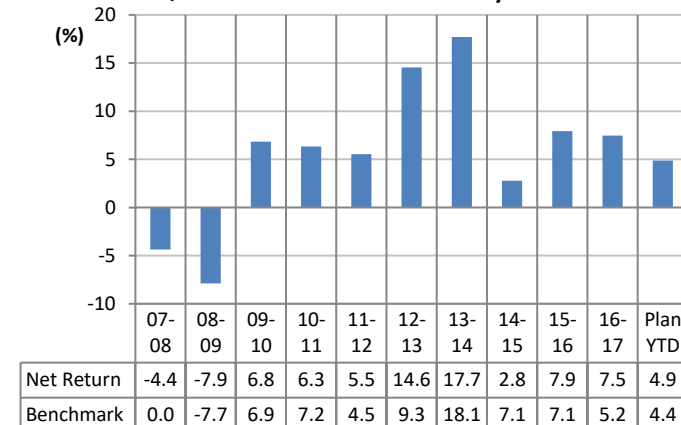
Annualized Returns (%)	1 Month	1 Year	4 Year	10 Year
Net Return	0.4	4.7	6.7	6.1
Benchmark ²	0.3	3.0	7.3	5.9
Excess Return	0.1	1.7	-0.6	0.2

² Calculated as the target-weighted average of investment manager benchmarks

Growth of \$10,000 since Aug 31, 2007 \$17,798



Queen's Pension Plan Returns by Plan Year³



³ Plan Year is from September 1st to August 31st