

Queen's Pension Plan

Monthly Report



April 2019

FUND DETAILS

Total Assets (\$Mil)	2,162
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 1.9% net of fees in April, bringing the cumulative return for the 2018-19 plan year to 2.3%.

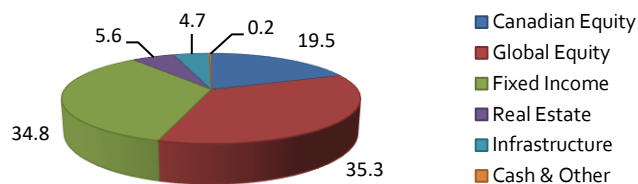
Equity markets continued the bull run for the fourth consecutive month. The S&P/TSX Composite Index returned 3.2% (+16.9% YTD) with 8 out of 11 sectors posting positive returns. The top performing sector was Consumer Discretionary (+7.1%), followed by Information Technology (+6.4%) and Financials (+5.9%). Real Estate (-2.5%), Materials (-2.5%) and Communication Services (-0.9%) posted negative returns. In the U.S., the S&P 500 returned 4.1% in April and is up 18.3% YTD (+4.8% and +19.1% in Canadian dollar terms, respectively). Nine out of 11 sectors posted positive returns; Health Care underperformed at -2.2% and Real Estate was flat. Most global equity markets posted positive returns. The MSCI World Index returned 3.6%, the MSCI EAFE Index advanced 2.9% and the MSCI Emerging Markets Index gained 2.1% in local currency terms (+4.3%, +3.6% and +2.8% in Canadian dollar terms, respectively).

The FTSE Canada Universe Bond Index returned -0.1% in April as bond yields increased slightly and the Canadian yield curve shifted upward. Two-year yields were nearly flat, advancing 1 basis point to 1.56% and ten-year yields rose 9 basis points, closing the month at 1.71%. The Provincial sector of the Index decreased 0.3%, Federal lost 0.2% and the Corporate sector gained 0.3%. The Canadian dollar depreciated 0.4% against the U.S. dollar, closing the month at 74.5 cents U.S.

CAPITAL MARKET RETURNS (%) in CAD

	1 Month	1 Year
S&P/TSX Composite Index	3.2	9.6
S&P 500	4.8	19.1
MSCI World Ex-Canada Net	4.3	11.8
FTSE Canada Universe Bond	-0.1	6.1
91 Day T-Bills	0.1	1.5

CURRENT ASSET MIX (%)



INVESTMENT MANAGERS

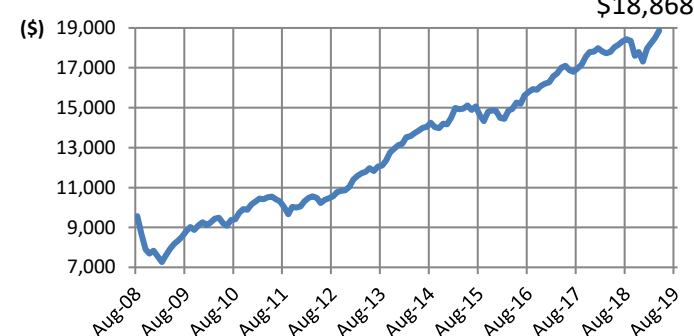
ASSET CLASS/MANAGER	BENCHMARK	TARGET (%)
Canadian Equity 20.0		
Burgundy Asset Management	S&P/TSX Composite Index	8.7
Connor, Clark & Lunn	S&P/TSX Composite Index	4.4
TD Asset Management	S&P/TSX Composite Index	4.4
Letko, Brosseau & Associates	S&P/TSX Composite Index	2.6
Global Equity 33.0		
Orbis Investments	MSCI ACWI Net 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 Canada Universe Bond	8.0
Connor, Clark & Lunn	FTSE Canada Universe Bond	7.0
TD Asset Management	FTSE Canada Universe Bond	7.0
Sun Life Investment Mgmt	FTSE Canada Corporate Universe Bond	6.0
Letko, Brosseau & Associates	FTSE Canada Universe Bond	5.0
Integrated Private Debt	FTSE 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)

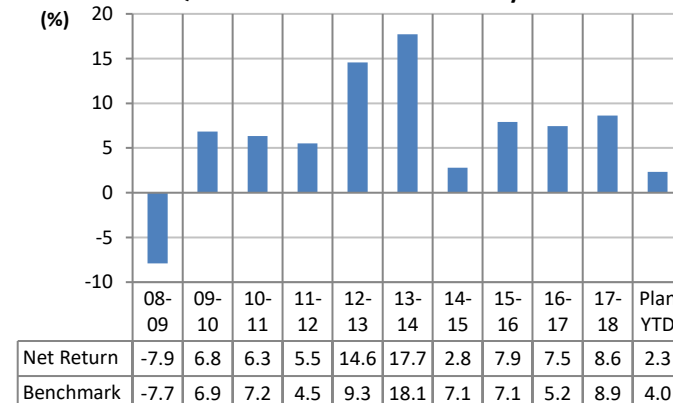
Annualized Returns (%)	1 Month	1 Year	4 Year	10 Year
Net Return	1.9	6.0	6.0	9.1
Benchmark ²	2.0	8.4	6.2	8.8
Excess Return	-0.1	-2.4	-0.2	0.3

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

Growth of \$10,000 since Aug 31, 2008



Queen's Pension Plan Returns by Plan Year³



	08-09	09-10	10-11	11-12	12-13	13-14	14-15	15-16	16-17	17-18	Plan YTD
Net Return	-7.9	6.8	6.3	5.5	14.6	17.7	2.8	7.9	7.5	8.6	2.3
Benchmark	-7.7	6.9	7.2	4.5	9.3	18.1	7.1	7.1	5.2	8.9	4.0

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