

# Queen's Pension Plan

## Monthly Report



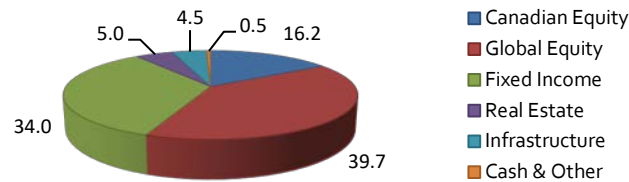
November 2020

### FUND DETAILS

Total Assets (\$Mil)	2,361
Total Fees (%) <sup>1</sup>	0.43
Currency Hedging Policy	50% of USD and EUR exposure is hedged to CAD

<sup>1</sup> Excluding performance-based fees

### CURRENT ASSET MIX (%)



### PERFORMANCE ANALYSIS (NET)

Annualized Returns (%)	1 Month	1 Year	4 Year	10 Year
Net Return	6.9	8.4	7.1	7.9
Benchmark <sup>2</sup>	5.7	8.4	7.8	8.0
Excess Return	1.2	0.0	-0.7	-0.1

<sup>2</sup> Calculated as the target-weighted average of investment manager benchmarks

### MONTHLY COMMENTARY

The Queen's Pension Plan (QPP) returned 6.9% net of fees in November, bringing the cumulative net return for the 2020-2021 plan year to 4.3%.

Equity markets rallied across the globe in November, fuelled by progress in COVID-19 vaccine development, rising oil prices and the continuing economic rebound. The S&P/TSX Composite Index surged 10.6% as ten out of 11 sectors posted positive returns. Health Care (+35.1%), Energy (+19.5%) and Financials (+16.5%) were the best performers while Materials (-4.7%) was the only sector to post a negative return. In the U.S., the S&P 500 climbed 10.9% (+7.8% in Canadian dollar terms) and all sectors posted positive returns. Energy (+28.0%), Financials (+16.9%) and Industrials (+16.0%) were the best performers. Outside North America, the MSCI EAFE Index soared 13.2%, the MSCI World Index gained 12.0% and the MSCI Emerging Markets Index advanced 7.8% in local currency terms (+12.3%, +9.7% and +6.2% in Canadian dollar terms, respectively). The FTSE Canada Universe Bond Index returned 1.0% in spite of federal benchmark bond yields being largely unchanged. Two-year yields lost 1 basis point to 0.25% and ten-year yields gained 1 basis point to 0.67%. The Corporate sector of the Index advanced 1.7%, the Provincial sector rose 1.3% and the Federal sector increased 0.3%. The Canadian dollar appreciated 2.7% against the U.S. dollar, closing the month at 77.1 cents U.S.

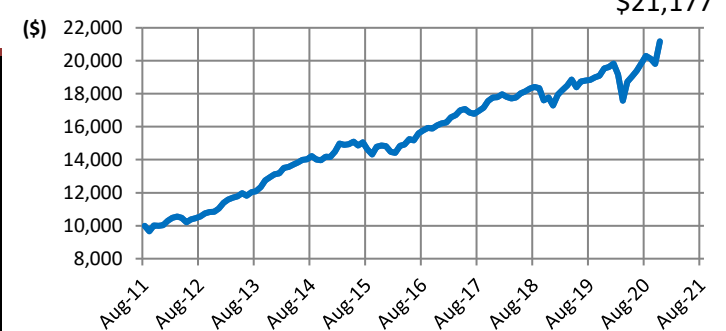
### CAPITAL MARKET RETURNS (%) in CAD

	1 Month	1 Year
S&P/TSX Composite Index	10.6	4.3
S&P 500	7.8	14.6
MSCI World Ex-Canada Net	9.6	12.1
FTSE Canada Universe Bond	1.0	7.0
91 Day T-Bills	0.0	1.0

### INVESTMENT MANAGERS

ASSET CLASS/MANAGER	BENCHMARK	TARGET (%)
<b>Canadian Equity 16.0</b>		
Burgundy Asset Management	S&P/TSX Composite Index	4.6
Connor, Clark & Lunn	S&P/TSX Composite Index	4.4
TD Asset Management	S&P/TSX Composite Index	3.4
Letko, Brosseau & Associates	S&P/TSX Composite Index	3.6
<b>Global Equity 37.0</b>		
Orbis Investments	MSCI ACWI Net Index	5.0
State Street Global Advisors	MSCI World Ex-Canada Net	32.0
<b>Fixed Income 37.0</b>		
PIMCO	FTSE Canada Universe Bond	10.0
Connor, Clark & Lunn	FTSE Canada Universe Bond	9.5
TD Asset Management	FTSE Canada Universe Bond	9.5
Sun Life Investment Mgmt	FTSE Canada Corporate Universe Bond	6.0
Fiera Private Debt	FTSE Canada Universe Bond	2.0
<b>Real Estate 5.0</b>		
OMERS (Oxford Properties)	MSCI/REALPAC	5.0
<b>Infrastructure 5.0</b>		
OMERS (Infrastructure)	Canadian CPI + 4%	5.0

### Growth of \$10,000 since Aug 31, 2011



### Queen's Pension Plan Returns by Plan Year<sup>3</sup>

(%)	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	Plan YTD
Net Return	5.5	14.6	17.7	2.8	7.9	7.5	8.6	2.3	7.7	4.3
Benchmark	4.5	9.3	18.1	7.1	7.1	5.2	8.9	6.2	8.9	3.0

<sup>3</sup> Plan Year is from September 1st to August 31st