

	Superannuation Committee
Date:	24 May 2012
Subject:	Insight Investment Management – Manager Presentation

Summary

1. As of 31 March 2012, the Pension Fund had £148.7 million invested in fixed income with Insight Investment Management.
2. Insight have been asked to provide a presentation to the Committee, to update them on their increase in direct foreign exchange investments.

Recommendations

1. The Committee notes the contents of this presentation.



Date:	24 May 2012
Classification:	For Publication
Title of Report:	Insight Investment Management – Manager Presentation
Report of:	Chief Operating Officer
Wards involved:	All
Policy context:	Effective control over Council activities
Financial summary:	There are no immediate financial implications arising from this report, although investment performance has an impact on the Council's employer contribution to the Pension Fund and this is a charge to the General Fund.
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1. INSIGHT INVESTMENT

- 1.1. As of 31 March 2012, the Pension Fund had £148.7 million invested in fixed income with Insight Investment Management.
 - 1.2. The original Investment Management Agreement with Insight for the Non-Gilt Sub-Portfolios was signed in 2006. In 2008, a deed of variation was signed by the Council where there were clauses that allowed currency exposure without an underlying instrument and up to 15% of the NAV in non-sterling currency. A letter was sent in January 2009 to Insight, which allowed Insight to implement these clauses on naked currency exposure.
 - 1.3. The currency overlay for Fixed Income clients has been rolled out gradually since 2009 with the implementation of the FX overlay occurring on the Pooled funds and then applied to segregated funds. The active FX positions started on the Westminster Corporate Bond portfolio in October 2011.
 - 1.4. These positions are put on using Forward Foreign exchange contracts not through foreign currency deposits so there is no cash deposit bank risk. However, they do use the sterling denominated Insight Liquidity fund as a place to invest excess cash.
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BACKGROUND PAPERS

The background papers listed below are not for public inspection by virtue of Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 (as amended) in that it contains exempt information, namely information relating to the financial or business affairs of any particular person (including the authority holding that information).

1. None

If you have any questions about this report, or wish to inspect one of the background papers, please contact Jonathan Hunt on 020 7641 1804 or jonathanhunt@westminster.gov.uk.

Appendix 1

Attached:
Insight Investment Management Investor Presentation