



## Financial Investment Board

**Date:** THURSDAY, 22 MAY 2014

**Time:** 1.45pm

**Venue:** COMMITTEE ROOMS - WEST WING, GUILDHALL

**Members:** MEMBERSHIP TO BE DETERMINED AT INVESTMENT COMMITTEE  
ON WEDNESDAY 14 MAY 2014

**Enquiries:** Philippa Sewell  
tel. no.: 020 7332 1426  
[philippa.sewell@cityoflondon.gov.uk](mailto:philippa.sewell@cityoflondon.gov.uk)

Lunch for Members will be served in the Guildhall Club at 1pm

**John Barradell**  
Town Clerk and Chief Executive

# AGENDA

## Part 1 - Public Agenda

1. **APOLOGIES**
2. **MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**
3. **APPOINTMENT OF FINANCIAL INVESTMENT BOARD MEMBER TO THE SOCIAL INVESTMENT BOARD**  
To agree, in addition to the Chairman or his nominee, the appointment of a Financial Investment Board member to the Social Investment Board.  
**For Decision**
4. **MINUTES OF THE PREVIOUS MEETING**  
To agree the public minutes and non-public summary of the meeting held on 5 February 2014.  
**For Decision**  
(Pages 1 - 4)
5. **MONTHLY INVESTMENT ANALYSIS REVIEW**  
Report of the Chamberlain.  
**For Information**  
(Pages 5 - 14)
6. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**
7. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**
8. **EXCLUSION OF THE PUBLIC**  
MOTION - That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part I of the Schedule 12A of the Local Government Act.  
**For Decision**

## Part 2 - Non-Public Agenda

9. **NON-PUBLIC MINUTES OF THE PREVIOUS MEETING**  
To agree the non-public minutes of the meeting held on 2 February 2014.  
**For Decision**  
(Pages 15 - 18)
10. **BLACKROCK TRANSITION MANAGEMENT**  
Presentation by BlackRock.  
**For Information**  
(Pages 19 - 28)

11. **TRANSITION REVIEW**  
Report of Aon Hewitt.  
**For Information**  
(Pages 29 - 36)
12. **INVESTMENTS PERFORMANCE MONITORING TO 31 DECEMBER 2013**  
Report of the Chamberlain.  
**For Information**  
(Pages 37 - 46)
13. **QUARTERLY INVESTMENT REPORT**  
Report of Aon Hewitt.  
**For Information**  
(Pages 47 - 98)
14. **PENSIONS INFRASTRUCTURE PLATFORM UPDATE**  
Report of Aon Hewitt.  
**For Information**  
(Pages 99 - 100)
15. **PRIVATE EQUITY PIPELINE AND MANAGER SELECTION**  
Report of Aon Hewitt.  
**For Decision**  
(Pages 101 - 200)
16. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**
17. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREE SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

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# Agenda Item 4

## FINANCIAL INVESTMENT BOARD

**Wednesday, 5 February 2014**

Minutes of the meeting of the Financial Investment Board held at Guildhall, EC2 on Wednesday, 5 February 2014 at 1.45pm

### Present

#### **Members:**

Deputy Robert Howard (Chairman)  
Deputy Ken Ayers (Deputy Chairman)  
Henry Colthurst  
Simon Duckworth  
Tom Hoffman  
Clare James  
Andrew McMurtrie  
John Scott  
Ian Seaton  
Philip Woodhouse

#### **Officers:**

Chris Bilsland	-	Chamberlain
Paul Mathews	-	Chamberlain's Department
Mark Bryans	-	Chamberlain's Department
Kate Limna	-	Chamberlain's Department
Philippa Sewell	-	Town Clerk's Department
Emily McGuire	-	Aon Hewitt
Hans Holmen	-	Aon Hewitt

#### **1. APOLOGIES**

Apologies were received from Roger Chadwick and Deputy Henry Pollard.

#### **2. MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**

Deputy Ken Ayers declared an interest in Allenbridge Epic in relation to agenda item 11, and Tom Hoffman and Philip Woodhouse declared an interest in Ruffer.

#### **3. MINUTES OF THE PREVIOUS MEETING**

**RESOLVED:** That the public minutes and non-public summary of the meeting held on 9 December 2013 be agreed as an accurate record.

#### **4. TREASURY MANAGEMENT STRATEGY STATEMENT AND ANNUAL INVESTMENT STRATEGY 2014/15**

The Corporate Treasurer advised that the only change to the 2014/15 Treasury Strategy was the reduction in the maximum investment of loans with a maturity in excess of one year from £300million to £200million. In addition it was proposed to continue to lend monies for up to three years' duration when

considered appropriate although at the present time we were restricting investments to three months. He further advised that in assessing creditworthiness, the City used a risk weighted scoring system. Members discussed the strategy, noting that potential deflation in the Eurozone was being monitored.

The Corporate Treasurer advised that it was best practice for Members to receive Treasury Management training and if Members agreed a short training session could be arranged for the May or June meeting. Members agreed that a short training session would be useful.

**RESOLVED** – That the Treasury Management Strategy Statement and Annual Investment Strategy for 2014/15 by approved and submitted to Court for formal adoption.

**5. MONTHLY INVESTMENT ANALYSIS REVIEW**

The Board received the monthly review from December 2013, which detailed the list of current investments.

**6. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

There were no questions.

**7. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

The Chairman advised the Board that this was the Chamberlain and Corporate Treasurer's last meeting, and Members expressed their thanks and best wishes for the future.

**8. EXCLUSION OF THE PUBLIC**

**RESOLVED** - That under Section 100(A) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part I of the Schedule 12A of the Local Government Act.

<b>Item No.</b>	<b>Paragraph(s) in Schedule 12A</b>
9 - 13	3

**9. NON-PUBLIC MINUTES OF THE PREVIOUS MEETING**

**RESOLVED:** That the non-public minutes of the meeting held on 9 December 2013 be agreed as an accurate record.

**10. PRIVATE EQUITY PIPELINE AND SELECTION**

Aon Hewitt presented a report on the Private Equity pipeline and selections.

**11. PROVISION OF INVESTMENT ADVICE TO THE BOARD**

The Chamberlain reported on the provision of Investment Advice.

**12. NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

There was one non-public question.

**13. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT  
AND WHICH THE COMMITTEE AGREE SHOULD BE CONSIDERED  
WHILST THE PUBLIC ARE EXCLUDED**

There was no other business.

**The meeting ended at 3.21pm**

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Chairman

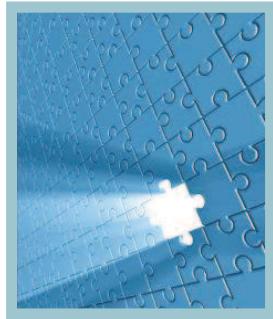
**Contact Officer: Philippa Sewell  
tel. no.: 020 7332 1426  
[philippa.sewell@cityoflondon.gov.uk](mailto:philippa.sewell@cityoflondon.gov.uk)**

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## City Of London Corporation

Monthly Investment Analysis Review

March 2014



## Monthly Economic Summary

### General Economy

This month geopolitical issues overcast markets as tensions between Russia and Ukraine escalated over developments in Crimea. The vote saw the region cut ties with Ukraine in favour of Russia, raising concerns amongst Western economies of a potential backlash on global financial and commodity markets. However, due to minimal trade ties with the region, there has been little direct impact on the UK aside from the evidence of safe haven flows given the current uncertainties.

Instead, domestic attention focused on the Chancellor's Budget which painted a rosy picture for the UK economic recovery. The Budget saw the Office for Budget Responsibility (OBR) push up their GDP forecasts for the next few years, with 2.7% for 2014 and 2.3% in 2015. On the back of upwardly revised forecasts, the highlight of the Budget came as Chancellor Osborne announced drastic reforms to pensions, with people no longer being required to purchase an annuity upon retirement. In its place individuals are now free to withdraw some or all of their pension 'pot' at any time. Given pensioners are known to have a higher propensity to vote, the reform notably came across as a political move by the Chancellor prior to the 2015 General Election.

Turning the attention towards monthly releases, Markit PMI surveys saw British Manufacturing grow faster than expected ticking up to 56.9 from 56.6 in January. The improved figure added to signs that the economic recovery is broadening; further supported by the news that manufacturing is driving the sharpest job creation since mid 2011. However, in contrast the strong pace in construction PMI slipped to 62.6 in February from 64.6 in January. The weakened figure was attributed to heavy rain and floods which affected house-building during the month. Lastly Services PMI, the key contributor to UK GDP, again fell a notch in February to 58.2 from 58.3 January. Although at its lowest level since June, the headline rate remained firmly in 'expansion territory' thus raising no imminent cause for concern. Overall the composite index of all three indicators edged down to 58.6 in February from January's 59.1.

Further compounding sour news, Britain's Balance of Trade in goods deficit unexpectedly widened in January to £9.79bn from £7.66bn in December, as exports fell to their lowest level in more than a year and a half. The data release reaffirmed the need for the UK to break away from a consumer led recovery, further emphasised by the Chancellor's announcement in the Budget that lending to UK exporters would be increased to £3bn. On a positive note domestic inflation, as measured by CPI, continued its downward trajectory with prices rising 1.7% on the year in February. According to the ONS, the new four year low marks the narrowest gap between inflation and average wage growth since April 2010. UK unemployment remained stable at 7.2% in the three months to January, but those claiming unemployment benefits fell 34,600, this compared to forecasts of 25,000 drop. The readings underpin the view that the labour market is in recovery, further supporting the BoE forward guidance policy to look at a broader range of measures of slack in the economy.

On the whole, it was confirmed by the ONS that the UK economy grew by 0.7% q/q in Q4, unchanged from previous estimates. However the estimate for overall growth in 2013 was cut further to 1.7% from a downwardly revised 1.8%. British consumer sentiment continued to play a vital role with the GfK headline consumer confidence index rising to -5, its highest reading since August 2007.

In the US, Non-Farm Payrolls data rose surprisingly to 175,000 in February compared to 113,000 in January. The stronger figure eased fears of an abrupt slowdown in economic growth which was attributed to unseasonably cold weather disrupting economic activity. However, the unemployment rate rose to 6.7% in February from a five-year low of 6.6%. An additional surprise came this month as Fed Chair Janet Yellen commented that the FOMC could raise rates by spring 2015, much earlier than markets had anticipated. Following the announcement government bond markets saw a significant sell-off, with gilt market seeing 10year yields rise by 7bps.

Elsewhere, in the Eurozone, inflation fell to slightly lower than expected during February, with prices up just 0.7%. The figure underlined deflation concerns within the economy bloc. However, news of stronger than expected growth for the final quarter of 2013 dampened some enthusiasm that the ECB would need to introduce fresh monetary policy support in the near term. Further adding to optimistic forecasts of a 0.7% upturn, according to Halifax. The number of mortgages granted to homebuyers fell in February to 47,550 compared with a downwardly revised figure of 49,341 in January, according to

### Housing Market

Concerns persist over the strength of momentum being gathered in the housing market. British house prices in the three months to February rose by 2.4%, compared with a 1.1% rise in January, surpassing forecasts of a 0.7% upturn, according to Halifax. The number of mortgages granted to homebuyers fell in February to 47,550 compared with a downwardly revised figure of 49,341 in January, according to

### Forecast

	Bank Rate	Mar-14	Jun-14	Sep-14	Dec-14	Mar-15
Capita Asset Services	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
UBS	0.50%	0.50%	0.50%	0.50%	0.50%	0.75%
Capital Economics	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%

## City Of London Corporation

### Current Investment List

Borrower	Principal (£)	Interest Rate	Start Date	Maturity Date	Term Rating	Lowest Long Term Rating	Historic Risk of Default
MMF Ignis	27,200,000	0.43%		MMF	AAA	A	0.0000%
EMMF IGNIS Short Duration Cash Fund	5,000,000	0.78%		EMMF	AAA	A	0.0000%
MMF Federated Investors (UK)	11,400,000	0.40%		MMF	AAA	A	0.0000%
EMMF Prime Rate Cash Plus Fund	5,000,000	0.65%		EMMF	AAA	A	0.0000%
MMF Invesco	900,000	0.33%		MMF	AAA	A	0.0000%
MMF CCLA	10,000,000	0.33%		MMF	AAA	A	0.0000%
EMMF Payden Sterling Reserve Fund	55,000,000	0.85%		EMMF	AAA	A	0.0000%
Lloyds Bank Plc	7,300,000	0.61%	02/01/2014	02/04/2014	A	A	0.0000%
Nationwide Building Society	2,600,000	0.47%	06/01/2014	07/04/2014	A	A	0.002%
Yorkshire Building Society	4,200,000	0.40%	07/01/2014	08/04/2014	BBB+	A	0.005%
Nationwide Building Society	5,000,000	0.47%	07/01/2014	09/04/2014	A	A	0.002%
Barclays Bank Plc	4,800,000	0.42%	08/01/2014	10/04/2014	A	A	0.002%
Barclays Bank Plc	8,000,000	0.45%	08/01/2014	11/04/2014	A	A	0.003%
Nationwide Building Society	4,800,000	0.48%	13/01/2014	14/04/2014	A	A	0.003%
Nationwide Building Society	4,200,000	0.48%	16/01/2014	16/04/2014	A	A	0.004%
Leeds Building Society	5,600,000	0.41%	21/01/2014	22/04/2014	A-	A-	0.005%
Skipton Building Society	20,000,000	0.94%	19/04/2013	22/04/2014	BB+	A	0.053%
Nationwide Building Society	10,000,000	0.48%	21/01/2014	23/04/2014	A	A	0.006%
Nationwide Building Society	6,600,000	0.48%	21/01/2014	24/04/2014	A	A	0.006%
Nationwide Building Society	3,700,000	0.47%	30/01/2014	30/04/2014	A	A	0.007%
Barclays Bank Plc	4,600,000	0.45%	03/02/2014	06/05/2014	A	A	0.009%
Coventry Building Society	2,300,000	0.45%	06/02/2014	06/05/2014	A-	A	0.009%
Barclays Bank Plc	3,800,000	0.45%	05/02/2014	07/05/2014	A	A	0.009%
Coventry Building Society	2,600,000	0.45%	07/02/2014	08/05/2014	A-	A	0.009%
Nationwide Building Society	3,700,000	0.47%	10/02/2014	12/05/2014	A	A	0.010%
National Australia Bank Ltd	4,000,000	0.41%	10/02/2014	13/05/2014	AA-	A	0.002%
Nationwide Building Society	4,000,000	0.47%	17/02/2014	19/05/2014	A	A	0.012%
Lloyds Bank Plc	10,100,000	0.60%	19/02/2014	19/05/2014	A	A	0.012%
Nationwide Building Society	7,500,000	0.48%	17/02/2014	20/05/2014	A	A	0.012%
Nationwide Building Society	4,500,000	0.47%	18/02/2014	21/05/2014	A	A	0.012%
Nationwide Building Society	1,200,000	0.47%	20/02/2014	22/05/2014	A	A	0.013%
Nationwide Building Society	4,800,000	0.47%	24/02/2014	27/05/2014	A	A	0.014%
Coventry Building Society	4,600,000	0.46%	27/02/2014	28/05/2014	A-	A	0.014%
Nationwide Building Society	5,000,000	0.47%	28/02/2014	30/05/2014	A	A	0.015%
Leeds Building Society	6,200,000	0.42%	03/03/2014	03/06/2014	A-	A	0.016%
Nationwide Building Society	11,000,000	0.48%	03/03/2014	04/06/2014	A	A	0.016%
Nationwide Building Society	4,500,000	0.47%	04/03/2014	05/06/2014	A	A	0.016%
Coventry Building Society	5,000,000	0.46%	11/03/2014	10/06/2014	A-	A	0.017%
Lloyds Bank Plc	5,000,000	0.60%	11/03/2014	11/06/2014	A	A	0.017%

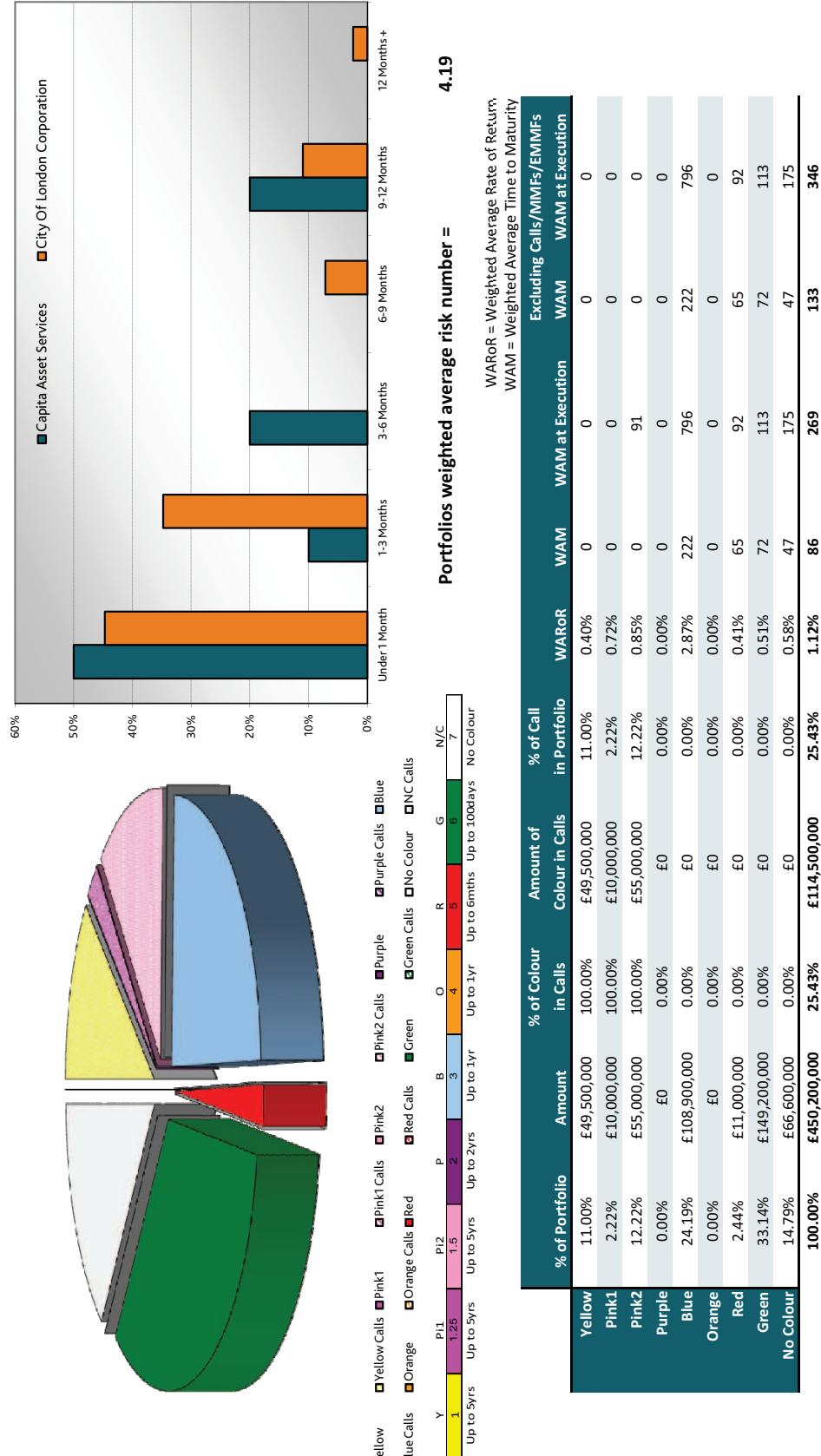
## City Of London Corporation

### Current Investment List

Borrower	Principal (£)	Interest Rate	Start Date	Maturity Date	Term Rating	Lowest Long Term Rating	Historic Risk of Default
Yorkshire Building Society	4,000,000	0.40%	12/03/2014	12/06/2014	BBB+	0.042%	
Lloyds Bank Plc	5,000,000	0.60%	17/03/2014	17/06/2014	A	0.019%	
National Australia Bank Ltd	7,000,000	0.41%	17/03/2014	17/06/2014	AA-	0.004%	
Leeds Building Society	6,600,000	0.41%	19/03/2014	20/06/2014	A-	0.020%	
Nationwide Building Society	2,100,000	0.46%	27/03/2014	24/06/2014	A	0.021%	
Nationwide Building Society	4,500,000	0.47%	25/03/2014	25/06/2014	A	0.021%	
Nationwide Building Society	5,100,000	0.47%	26/03/2014	26/06/2014	A	0.021%	
Barclays Bank Plc	15,400,000	0.52%	26/03/2014	27/06/2014	A	0.021%	
Coventry Building Society	5,500,000	0.46%	27/03/2014	30/06/2014	A-	0.022%	
Nationwide Building Society	7,000,000	0.47%	31/03/2014	30/06/2014	A	0.022%	
The Royal Bank of Scotland Plc	10,000,000	3.80%	21/12/2011	22/12/2014	BBB+	0.154%	
The Royal Bank of Scotland Plc	12,200,000	3.80%	21/12/2011	22/12/2014	BBB+	0.154%	
The Royal Bank of Scotland Plc	10,000,000	3.80%	21/12/2011	22/12/2014	BBB+	0.154%	
The Royal Bank of Scotland Plc	10,000,000	3.95%	03/01/2012	05/01/2015	BBB+	0.163%	
The Royal Bank of Scotland Plc	10,000,000	3.95%	03/01/2012	05/01/2015	BBB+	0.163%	
The Royal Bank of Scotland Plc	10,000,000	3.95%	03/01/2012	05/01/2015	BBB+	0.163%	
The Royal Bank of Scotland Plc	12,100,000	3.95%	03/01/2012	05/01/2015	BBB+	0.163%	
Lloyds Bank Plc	5,000,000	0.95%	27/03/2014	27/03/2015	A	0.088%	
Lloyds Bank Plc	2,200,000	0.95%	28/03/2014	30/03/2015	A	0.088%	
Barclays Bank Plc	10,800,000	0.92%	26/03/2014	10/04/2015	A	0.093%	
<b>Total Investments</b>	<b>£450,200,000</b>	<b>1.12%</b>				<b>0.038%</b>	

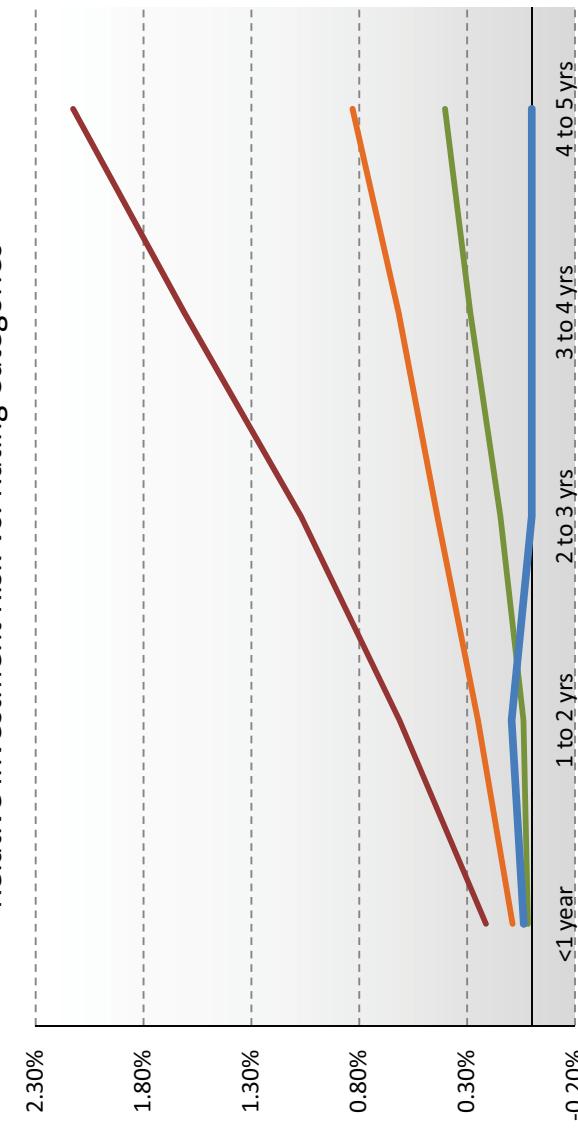
City Of London Corporation

## Portfolio Composition by Capita Asset Services' Suggested Lending Criteria



## Relative Investment Risk and Rating Exposure

### Relative Investment Risk Vs. Rating Categories



### Historic Risk of Default

This is a proxy for the average % risk for each investment based on over 30 years of data provided by Fitch, Moody's and S&P. It simply provides a calculation of the possibility of average default against the historical default rates, adjusted for the time period within each year according to the maturity of the investment.

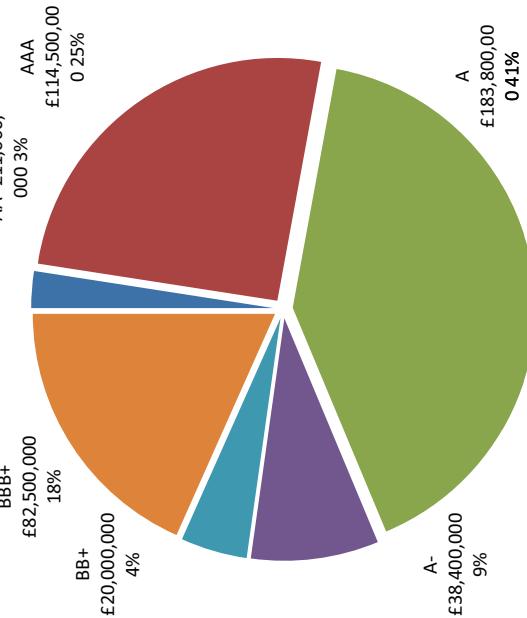
### Chart Relative Risk

This is the authority's risk weightings compared to the average % risk of default for "AA", "A" and "BBB" rated investments

### Rating Exposures

This pie chart provides a clear view of your investment exposures to particular ratings .

### Rating Exposure AA- £11,000,000 3%



## Monthly Credit Rating Changes

**FITCH**

Date	Update Number	Institution	Country	Rating Action
07/03/2014	1254	Saudi Arabia	U.S.A	Sovereign rating upgraded to 'AA' from 'AA-'. Outlook on the Sovereign Rating Changed to Stable from Positive.
21/03/2014	1260		U.S.A	Sovereign rating affirmed at 'AAA'. Rating removed from Negative Watch and placed on Stable Outlook.
27/03/2014	1262	Lloyds Banking Group plc	UK	Long Term Rating affirmed at 'A'. Outlook changed to Negative from Stable. Short Term Rating affirmed at 'F1'. Viability Rating upgraded to 'a-' from 'bbb+'. Support Rating affirmed at '1'.
27/03/2014	1262	Lloyds Bank Plc	UK	Long Term Rating affirmed at 'A'. Outlook changed to Negative from Stable. Short Term Rating affirmed at '1'. Viability Rating upgraded to 'a-' from 'bbb+'. Support Rating affirmed at '1'.
27/03/2014	1262	Bank of Scotland Plc	UK	Long Term Rating affirmed at 'A'. Outlook changed to Negative from Stable. Short Term Rating affirmed at 'F1'. New Viability Rating at 'a-'. Support Rating affirmed at '1'.
27/03/2014	1263	Societe Generale	France	All ratings affirmed and Outlook changed to Negative as a result of implied levels of sovereign support built into the ratings.
27/03/2014	1263	Deutsche Bank AG	Germany	All ratings affirmed and Outlook changed to Negative as a result of implied levels of sovereign support built into the ratings.
27/03/2014	1263	Landesbank Baden Württemberg	Germany	All ratings affirmed and Outlook changed to Negative as a result of implied levels of sovereign support built into the ratings.
27/03/2014	1263	MBNA Europe Bank	UK	All ratings affirmed and Outlook changed to Negative as a result of implied levels of sovereign support built into the ratings.
27/03/2014	1263	The Royal Bank of Scotland Group Plc	UK	All ratings affirmed and Outlook changed to Negative as a result of implied levels of sovereign support built into the ratings.
27/03/2014	1263	The Royal Bank of Scotland Plc	UK	All ratings affirmed and Outlook changed to Negative as a result of implied levels of sovereign support built into the ratings.
27/03/2014	1263	National Westminster Bank Plc	UK	All ratings affirmed and Outlook changed to Negative as a result of implied levels of sovereign support built into the ratings.
27/03/2014	1263	Bank of America, N.A.	U.S.A	All ratings affirmed and Outlook changed to Negative as a result of implied levels of sovereign support built into the ratings.
27/03/2014	1263	Citibank N.A.	U.S.A	Viability Rating upgraded to 'a' from 'a-'. All other ratings were affirmed.
28/03/2014	1264	Ulster Bank Ltd	UK	Long Term Rating affirmed at 'A'. Outlook changed to Negative from Stable. Short Term Rating affirmed at '1'. 'F1'.Support Rating affirmed at '1'.

## Monthly Credit Rating Changes

### MOODY'S

Date	Update Number	Institution	Country	Rating Action
03/03/2014	1250	Germany	Germany	Outlook on the Sovereign Rating changed to Stable from Negative. Sovereign Rating was affirmed at 'Aaa'.
03/03/2014	1251	Luxembourg	Luxembourg	Outlook on the Sovereign Rating changed to Stable from Negative. Sovereign Rating was affirmed at 'Aaa'.
04/03/2014	1252	Banque et Caisse d'Epargne de l'Etat	Luxembourg	Outlook on the Long Term Rating changed to Stable from Negative. Long Term Rating affirmed at 'Aa1'.
07/03/2014	1253	Landwirtschaftliche Rentenbank	Germany	Outlook on the Long Term rating changed to Stable from Negative. Long Term Rating affirmed at 'Aaa'.
10/03/2014	1255	Belgium	Belgium	Outlook on the Sovereign Rating changed to Stable from Negative. Sovereign Rating was affirmed at 'Aa3'.
12/03/2014	1256	Bank Nederlandse Gemeenteen	Netherlands	Long Term Rating affirmed at 'Aaa'. Outlook changed to Stable from Negative. Short Term Rating affirmed at 'P-1'.
12/03/2014	1257	Landesbank Berlin AG	Germany	Outlook on the Long Term and Financial Strength Ratings changed to Negative from Stable. Long Term Rating affirmed at 'A1'. Short Term Rating affirmed at 'P-1'. Financial Strength Rating affirmed at 'D+'.
13/03/2014	1258	Yorkshire Building Society	UK	Long Term rating upgraded to 'Baa1' from 'Baa2'. Short Term Rating affirmed at 'P-2'. Financial Strength Rating affirmed at 'C-'.
14/03/2014	1259	Royal Bank of Scotland Group Plc	UK	Long Term Rating downgraded to 'Baa2' from 'Baa1', removed from Review for Possible Downgrade and placed on Negative Outlook. Short Term Rating affirmed at 'P-2'.
14/03/2014	1259	National Westminster Bank Plc	UK	Long Term Rating downgraded to 'Baa1' from 'A3', removed from Review for Possible Downgrade and placed on Negative Outlook. Short Term Rating affirmed at 'P-2'. Financial Strength Rating affirmed at 'D+'; removed from Review for Possible Downgrade and placed on Negative Outlook.
14/03/2014	1259	The Royal Bank of Scotland Plc	UK	Long Term Rating downgraded to 'Baa1' from 'A3'; removed from Review for Possible Downgrade and placed on Negative Outlook. Short Term Rating affirmed at 'P-2'. Financial Strength Rating affirmed at 'D+'; removed from Review for Possible Downgrade and placed on Negative Outlook.
14/03/2014	1259	Ulster Bank Ltd	UK	Long Term Rating downgraded to 'Baa3' from 'Baa2'. Negative Outlook. Short Term rating downgraded to 'P-3' from 'P-2'. Financial Strength Rating downgraded to 'E+' from 'D'; Outlook changed to Stable from Negative.
24/03/2014	1261	UniCredit Bank AG	Germany	Long Term Rating downgraded to 'Baa1' from 'A3'; Outlook changed to Stable from Negative. Short Term Rating affirmed at 'P-2'. Financial Strength Rating downgraded to 'D+' from 'C-'; Outlook changed to Stable from Negative.

**Monthly Credit Rating Changes**

S&P

Date	Update Number	Institution	Country	Rating Action

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# Agenda Item 9

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# Agenda Item 10

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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# Agenda Item 11

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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# Agenda Item 12

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
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# Agenda Item 13

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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# Agenda Item 14

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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# Agenda Item 15

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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