



## Financial Investment Board

**Date:** THURSDAY, 2 JULY 2015  
**Time:** 1.45 pm  
**Venue:** COMMITTEE ROOMS - WEST WING, GUILDHALL

**Members:** Deputy Robert Howard (Chairman)  
Andrew McMurtrie, JP (Deputy Chairman)  
Nicholas Bensted-Smith  
Roger Chadwick  
Henry Colthurst  
Simon Duckworth  
Tom Hoffman  
Clare James  
Deputy Henry Pollard  
Ian Seaton  
Philip Woodhouse

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**Lunch will be served in the Guildhall Club at 1pm**  
**NB: Part of this meeting could be the subject of audio or video recording**

**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. **MINUTES OF THE PREVIOUS MEETING**  
To agree the public minutes and non-public summary of the meeting held on 27 May 2015.  

**For Decision**  
(Pages 1 - 4)
4. **OUTSTANDING ACTIONS**  
Report of the Town Clerk.  

**For Information**  
(Pages 5 - 6)
5. **MONTHLY INVESTMENT ANALYSIS REVIEW**  
Report of the Chamberlain.  

**For Information**  
(Pages 7 - 18)
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.

## Part 2 - Non-Public Agenda

9. **NON-PUBLIC MINUTES OF THE PREVIOUS MEETING**  
To agree the non-public minutes of the meeting held on 27 May 2015.  

**For Decision**  
(Pages 19 - 22)
10. **PRESENTATION FROM GMO**  

**For Information**
11. **HAMPSTEAD HEATH TRUST & CHARITIES POOL INVESTMENT PERFORMANCE MONITORING TO 31 MARCH 2015**  
Report of the Chamberlain.  

**For Information**  
(Pages 23 - 26)

12. **INVESTMENTS PERFORMANCE MONITORING**  
Report of the Chamberlain.  
**For Information**  
(Pages 27 - 66)
13. **QUARTERLY INVESTMENT REPORT**  
Report of Aon Hewitt.  
**For Information**  
(Pages 67 - 90)
14. **INFRASTRUCTURE FUND RECOMMENDATION**  
Report of Aon Hewitt.  
**For Decision**  
(Pages 91 - 158)
15. **GLOBAL AND UK EQUITY MANAGER SEARCHES**  
Report of Aon Hewitt.  
**For Decision**  
(Pages 159 - 170)
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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## FINANCIAL INVESTMENT BOARD

Wednesday, 27 May 2015

Minutes of the meeting of the Financial Investment Board held at the Guildhall EC2 at 1.45 pm

### Present

#### Members:

Deputy Robert Howard (Chairman)	Simon Duckworth
Andrew McMurtrie, JP (Deputy Chairman)	Tom Hoffman
Nicholas Bensted-Smith	Clare James
Roger Chadwick	Ian Seaton
Henry Colthurst	Philip Woodhouse

#### Officers:

Philippa Sewell	Town Clerk's Department
Peter Kane	Chamberlain
Caroline Al-Beyerty	Chamberlain's Department
Kate Limna	Chamberlain's Department

#### 1. **APOLOGIES**

Apologies were received from Deputy Henry Pollard.

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

There were no declarations.

#### 3. **RESOLUTION OF THE INVESTMENT COMMITTEE**

The resolution from the Investment Committee on the appointment of the Financial Investment Board and its Chairman and Deputy Chairman was noted. The Chairman thanked outgoing Members of the Board, Ken Ayers and Stuart Fraser.

**RESOLVED** - That the Board's appointment and election of Chairman and Deputy Chairman, which took place at the Investment Committee on 14 May 2015, be ratified.

#### 4. **TERMS OF REFERENCE, FREQUENCY OF MEETINGS AND 2015/16 WORK PROGRAMME**

**RESOLVED** – That the Board's terms of reference, frequency of meetings and 2015/16 work programme be noted and agreed.

#### 5. **APPOINTMENT OF FINANCIAL INVESTMENT BOARD MEMBER TO THE SOCIAL INVESTMENT BOARD**

Members noted that the Social Investment Board was currently reviewing its membership.

**RESOLVED** – That Nicholas Bensted-Smith, alongside the Chairman, sit on the Social Investment Board as a representative of the Financial Investment Board.

6. **MINUTES OF THE PREVIOUS MEETING**

**RESOLVED** - That the public minutes and non-public summary of the meeting held on 5 February 2015 be agreed as a correct record.

7. **OUTSTANDING ACTIONS**

**Pension Fund Objective**

The Corporate Treasurer advised that this was set by the Finance and Establishment Committees. She undertook to discuss the objective with the actuary and give an update at the next meeting.

**Charities Pool**

In response to Members' questions, the Corporate Treasurer advised that a report setting out the accounts of this fund was due to be considered by the Finance Committee at their July meeting. There would also be a separate report outlining the criteria for Charities to invest in the Charities Pool. Members requested that, if organisations were considering investing in the Charities Pool, the objectives of the fund be clearly explained.

**RESOLVED** – That:

- (a) An update regarding the Pension Fund Objective be given at the next meeting;
- (b) An update on the criteria for Charities to invest in the Charities Pool be provided at the Board's meeting in September 2015; and
- (c) The report be noted.

8. **RISK REGISTER FOR BRIDGE HOUSE ESTATES**

Members received a joint report of the Town Clerk, Chamberlain, City Surveyor and the Director of Culture, Heritage and Libraries regarding the key risks register for Bridge House Estates.

**RESOLVED** – That the Risk Register be confirmed with regards to risks 2 and 3.

9. **MONTHLY INVESTMENT ANALYSIS REVIEW**

The Board received the monthly review for April 2015, which detailed the list of current investments. Members queried the level of cash being held, and the Chamberlain confirmed this was owing to the commitment to the Crossrail which would be paid in March. In terms of individual investments, the Corporate Treasurer advised that the amount and rate was dependant on what was available on the day and the time of day. The Corporate Treasurer also advised that she was speaking to Capita about ranking the investments by sector.

**RESOLVED** – That the report be noted.

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

There were no questions.

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

There was no other business.

12. **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.

Item No.	Paragraph(s) in Schedule 12A
13-19, 21	3
20	-

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

**RESOLVED** - That the non-public minutes of the meeting held on 5 February 2015 be agreed as a correct record.

14. **REVIEW OF THE ACTIVITIES OF THE FINANCIAL INVESTMENT BOARD 2014/15**

The Board received a report of the Chamberlain.

15. **INVESTMENTS PERFORMANCE MONITORING TO 31 DECEMBER 2014**

The Board received a report of the Chamberlain.

16. **QUARTERLY INVESTMENT REPORT AS AT 31 DECEMBER 2014**

The Board received a report of Aon Hewitt.

17. **SOUTHEASTERN ASSET MANAGEMENT**

The Board received a report of Aon Hewitt.

18. **REVIEW OF PRIVATE EQUITY**

Members considered a report of the Chamberlain.

19. **PENSION FUND - INVESTMENT IN PROPERTY**

Members considered a report of the Chamberlain.

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

There were no non-public questions.

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

There were two items of other business.

**The meeting closed at 3.45 pm**

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Chairman

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## Financial Investment Board – Outstanding Actions

Item	Date	Action	Officer responsible	To be completed/ progressed to next stage	Progress Update
1.	6 Nov 2014	<b>Pension Fund</b> Officers to look at Pension Fund objective.	Corporate Treasurer / Chamberlain	July 2015	Update to be given at Board meeting.
2.	27 May 2015	<b>Charities Pool</b> Update on the criteria for Charities to invest in the Charities Pool.	Corporate Treasurer / Chamberlain	Sep 2015	Accounts and Criteria being considered by the Finance Committee in July.
3.	27 May 2015	<b>Investment Performance</b> That GMO be invited to present at a future meeting, and that the report be noted.	Corporate Treasurer / Chamberlain	July 2015	GMO to present to this Board meeting. Aon Hewitt's view on performance included in their Strategic Investment Report.
4.	27 May 2015	<b>Global and UK Equity Managers</b> Tender exercise and beauty parade to be carried out.	Corporate Treasurer / Chamberlain	Sept 2015	Aon Hewitt have made recommendations for the shortlist to this Board, with the intention that a beauty parade is carried out shortly after the September Board meeting.
5.	27 May 2015	<b>Review of Private Equity</b> The Tactical Plan is due for review in 6-12 months.	Corporate Treasurer / Chamberlain	6-12 months	Resources being planned for this exercise.
6.	27 May 2015	<b>Infrastructure</b> Aon Hewitt present a global manager.	Aon Hewitt	July 2015	On the July agenda.

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City Of London Corporation  
Monthly Investment Analysis Review  
May 2015



Monthly Economic Summary

**General Economy**

May began with the Conservatives winning an outright majority of 331 seats in the General Election. This was a surprise result after polls forecasted a hung parliament. US data releases show the jobs market has rebounded after a weak month in March, indicating their next Fed rate hike will happen towards the end of this year. UK CPI inflation slipped into negative territory for the first time since 1960, falling to -0.1% in April.

The General Election result dominated the headlines in May. With the outright victory eliminating immediate concerns over political uncertainty, attention shifting towards a clarified fiscal outlook and the timing of the European referendum. The results indicate that the economy is set for greater fiscal tightening over the course of the next two years.

The latest news from PMI activity surveys highlighted mixed news after recent lacklustre returns. The Manufacturing PMI fell to 51.8 in April, from a downwardly revised 54.0 in March, the sharpest slowdown in more than two years. This was due to strong domestic demand being largely offset by weak exports. Growth in Britain's Construction industry also slowed sharply in April, in anticipation of the General election, falling to 54.2 in April, its lowest level in 22 months. Conversely, Services PMI climbed to an 8 month high of 59.5 in April, from 58.9 in March, strongly attributed to by rising new orders and future activity.

The Bank of England's (BoE) Monetary Policy Committee (MPC) reiterated that interest rates will continue to remain at a record low of 0.5%. The minutes revealed that policymakers cited the squeeze on consumer spending as a factor to persuade the Bank to keep interest rates at their record low for longer, voting unanimously 9-0 for no change. Moreover, the MPC stated that unless oil and commodity prices fell further, the deflationary rate would be temporary, and would pick up towards the end of 2015.

The headline CPI inflation figure turned negative in April for the first time since 1960. The annual rate of inflation fell to -0.1%, pushed down by lower travel costs due to an early Easter. The BoE said in its May Inflation Report that inflation is like to rise over the coming months as factors like falling food and energy prices, begin to be less prevalent. Therefore, this rate is anticipated to be a temporary phenomenon, which may provide some encouragement for consumer and investment spending.

Britain's public sector budget deficit declined greater than forecasted in April, which gave the current Conservative government a boost in their efforts to eliminate the deficit. On the 8th of July Chancellor George Osborne is set to announce a new budget promising further cuts to welfare and government departments' spending. The ONS's release demonstrated that net borrowing fell down by almost 27% from a year earlier. The UK's goods deficit narrowed to £10.122bn in March from an upwardly revised figure of £10.799bn in February, reflecting a rebound in global oil prices. This emphasises that the British recovery has relied profoundly on domestic spending as opposed to making exports a key driver in the UK's economic recovery.

Retail sales rose more strongly than expected in April, recovering from a fall in March, with the warm weather encouraging consumers to spend more. The ONS reported Retail sales volume rose 1.2% on the month, the strongest increase since November. The UK unemployment rate fell to 5.5% in the three months to March, the lowest since mid-2008. Average weekly earnings, including bonuses, rose by 1.9% on an annual basis in the three months to March, continuing to outstrip inflation and therefore, increasing real wages in the UK.

Consumer confidence fell unexpectedly in May, slipping to +1 from +4 in April, its lowest level since January. This suggests Britain's are less upbeat about their personal financial prospects, alongside fiscal tightening under the Conservative government.

In the Eurozone, the European Central Bank (ECB) announced that they would keep interest rates unchanged at the record low of 0.05% to combat the risk of the EU suffering adverse deflationary prospects. On a more positive note, Q1 GDP for the Eurozone growth rose by 0.4% from January to March, due to falling energy and food prices. The political tensions within Greece are still ongoing, with a 'Grexit' becoming more likely in the near future. Greece has little chance of making the scheduled payments of over €3bn to the IMF across the next 6 weeks, which will impact the financial markets and peripheral economies.

In the US, the beginning of May saw a rebound in the US labour market after March's lacklustre data, with a 223,000 increase in non-farm payrolls. Service sector jobs offset weak employment figures in mining, as the unemployment rate fell to a seven year low of 5.4%. The downward revision to their second estimate of GDP for Q1 was discouraging, declining from an annualised 0.2% to -0.7%. This contraction is likely to be due to net external trade being a bigger drag than was initially anticipated. Despite this, much stronger growth is expected in Q2 and Q3 respectively. This data cumulatively suggests that the Federal Reserve will hold off determining a rate hike till later this year.

**Currency**

Sterling opened the month at \$1.54 against the US dollar and steadily decreased to reach \$1.52. Against the Euro, sterling opened the month at €1.37 and closed at €1.39.

**Forecast**

Capita Asset Services altered its forecast this month. Capita Asset Services expects the first rate hike to come in the second quarter of 2016. Capital Economics left their forecast unchanged in May. They expect the first Bank Rate increase to come in Q2 2016.

Bank Rate	Jun-15	Sep-15	Dec-15	Mar-16	Jun-16
Capita Asset Services	0.50%	0.50%	0.50%	0.50%	0.75%
Capital Economics	0.50%	0.50%	0.50%	0.50%	0.75%

# City Of London Corporation

## Current Investment List

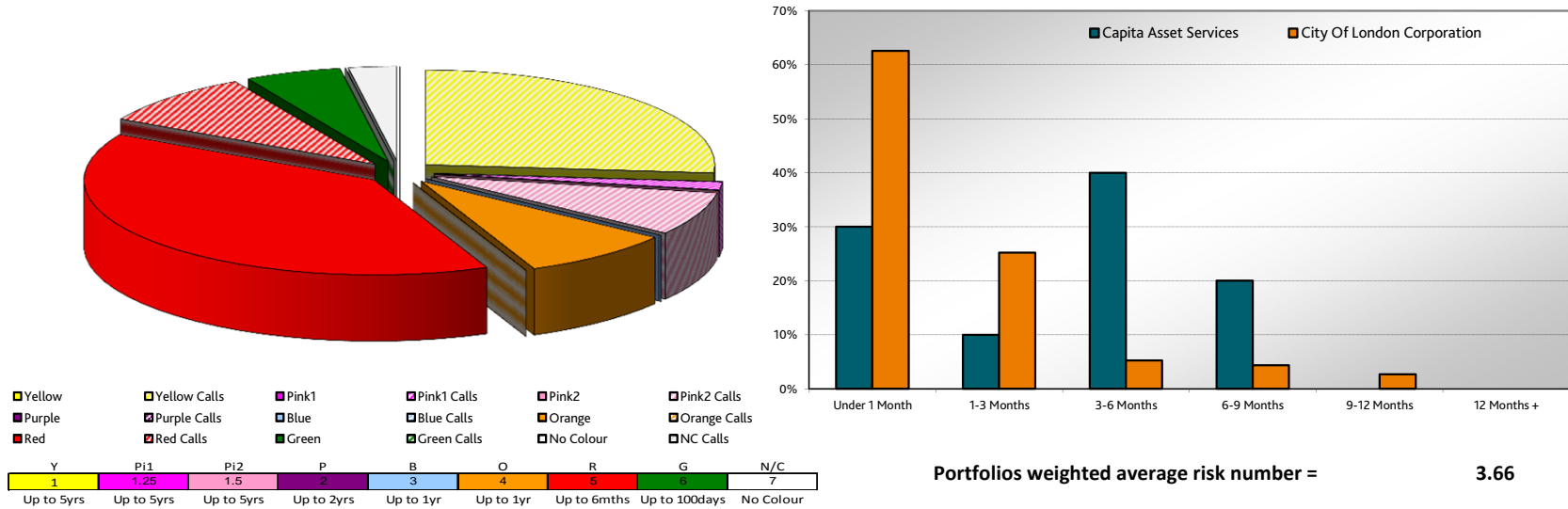
Borrower	Principal (£)	Interest Rate	Start Date	Maturity Date	Lowest Long Term Rating	Historic Risk of Default
MMF Federated Investors (UK)	64,000,000	0.45%		MMF	AAA	0.000%
EMMF Federated Sterling Cash Plus Fund	5,000,000	0.69%		EMMF	AAA	0.000%
MMF Invesco	61,500,000	0.44%		MMF	AAA	0.000%
MMF CCLA	10,000,000	0.41%		MMF	AAA	0.000%
EMMF Payden Sterling Reserve Fund	55,000,000	1.15%		EMMF	AAA	0.000%
MMF Standard Life	61,500,000	0.47%		MMF	AAA	0.000%
EMMF Standard Life Short Duration Cash Fund	5,000,000	0.62%		EMMF	AAA	0.000%
Lloyds Bank Plc	67,300,000	0.50%		Call	A	0.000%
Nationwide Building Society	10,500,000	0.50%	04/03/2015	04/06/2015	A	0.001%
Nationwide Building Society	2,700,000	0.50%	04/03/2015	04/06/2015	A	0.001%
Nationwide Building Society	10,000,000	0.50%	04/03/2015	05/06/2015	A	0.001%
Yorkshire Building Society	5,000,000	0.47%	04/03/2015	08/06/2015	BBB+	0.003%
Coventry Building Society	2,300,000	0.45%	04/03/2015	08/06/2015	A-	0.001%
Australia and New Zealand Banking Group Ltd	7,600,000	0.40%	04/03/2015	09/06/2015	AA-	0.000%
Nationwide Building Society	2,400,000	0.50%	09/03/2015	09/06/2015	A	0.002%
Nationwide Building Society	10,500,000	0.51%	05/03/2015	10/06/2015	A	0.002%
Coventry Building Society	5,000,000	0.45%	10/03/2015	10/06/2015	A-	0.002%
Svenska Handelsbanken AB	5,000,000	0.48%	05/03/2015	11/06/2015	AA-	0.000%
Nationwide Building Society	9,400,000	0.52%	05/03/2015	11/06/2015	A	0.002%
Lloyds Bank Plc	5,000,000	0.57%	11/03/2015	11/06/2015	A	0.002%
Nationwide Building Society	6,600,000	0.51%	16/03/2015	15/06/2015	A	0.003%
Yorkshire Building Society	2,400,000	0.47%	16/03/2015	16/06/2015	BBB+	0.007%
National Australia Bank Ltd	7,000,000	0.43%	17/03/2015	17/06/2015	AA-	0.000%
Nationwide Building Society	5,000,000	0.50%	17/03/2015	17/06/2015	A	0.003%
Nationwide Building Society	1,000,000	0.50%	18/03/2015	18/06/2015	A	0.003%
Leeds Building Society	3,900,000	0.48%	18/03/2015	25/06/2015	A-	0.004%
Leeds Building Society	10,300,000	0.49%	20/03/2015	26/06/2015	A-	0.004%
Nationwide Building Society	7,000,000	0.54%	31/03/2015	29/06/2015	A	0.005%
Coventry Building Society	4,500,000	0.45%	30/03/2015	30/06/2015	A-	0.005%
Nationwide Building Society	15,000,000	0.55%	30/03/2015	01/07/2015	A	0.005%
Svenska Handelsbanken AB	20,000,000	0.49%	02/04/2015	02/07/2015	AA-	0.001%
Nationwide Building Society	2,100,000	0.50%	02/04/2015	03/07/2015	A	0.006%
Barclays Bank Plc	35,200,000	0.65%	05/01/2015	06/07/2015	A	0.006%
Nationwide Building Society	8,500,000	0.50%	07/04/2015	07/07/2015	A	0.006%
National Australia Bank Ltd	6,500,000	0.42%	09/04/2015	08/07/2015	AA-	0.001%
Leeds Building Society	5,800,000	0.52%	01/04/2015	09/07/2015	A-	0.007%
Coventry Building Society	7,800,000	0.46%	09/04/2015	10/07/2015	A-	0.007%
Nationwide Building Society	5,400,000	0.50%	16/04/2015	16/07/2015	A	0.008%
Barclays Bank Plc	25,000,000	0.55%	10/04/2015	20/07/2015	A	0.008%

## City Of London Corporation

### Current Investment List

Borrower	Principal (£)	Interest Rate	Start Date	Maturity Date	Lowest Long Term Rating	Historic Risk of Default
Nationwide Building Society	7,000,000	0.52%	16/04/2015	20/07/2015	A	0.008%
National Australia Bank Ltd	3,400,000	0.42%	22/04/2015	22/07/2015	AA-	0.001%
Yorkshire Building Society	3,200,000	0.47%	29/04/2015	29/07/2015	BBB+	0.024%
Nationwide Building Society	10,400,000	0.50%	05/05/2015	05/08/2015	A	0.011%
National Australia Bank Ltd	3,800,000	0.42%	05/05/2015	05/08/2015	AA-	0.001%
Yorkshire Building Society	6,400,000	0.47%	06/05/2015	06/08/2015	BBB+	0.028%
Nationwide Building Society	2,100,000	0.50%	06/05/2015	07/08/2015	A	0.012%
Lloyds Bank Plc	18,500,000	0.57%	07/05/2015	07/08/2015	A	0.012%
National Australia Bank Ltd	3,600,000	0.42%	06/05/2015	10/08/2015	AA-	0.001%
Yorkshire Building Society	3,000,000	0.47%	08/05/2015	10/08/2015	BBB+	0.029%
Australia and New Zealand Banking Group Ltd	6,900,000	0.50%	18/05/2015	19/08/2015	AA-	0.001%
Nationwide Building Society	3,400,000	0.52%	28/05/2015	28/08/2015	A	0.015%
Barclays Bank Plc	39,000,000	1.00%	27/11/2014	27/11/2015	A	0.031%
Lloyds Bank Plc	32,200,000	1.00%	22/12/2014	22/12/2015	A	0.035%
Skipton Building Society	20,000,000	1.05%	22/04/2015	22/04/2016	BBB-	0.135%
<b>Total Investments</b>	<b>£746,600,000</b>	<b>0.61%</b>				<b>0.009%</b>

Portfolio Composition by Capita Asset Services' Suggested Lending Criteria



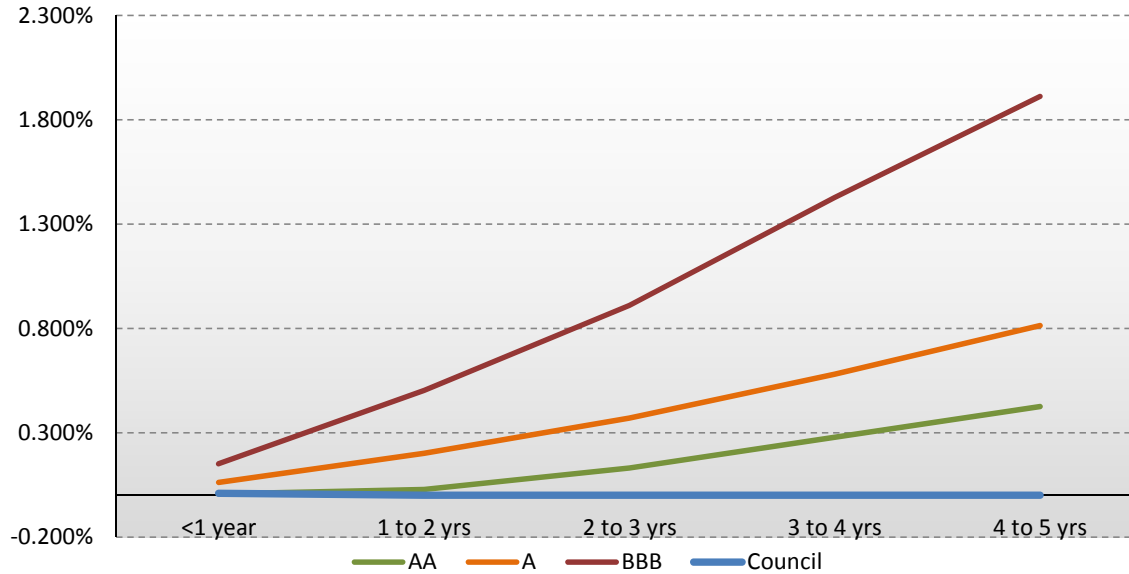
Portfolios weighted average risk number = **3.66**

WARoR = Weighted Average Rate of Return  
WAM = Weighted Average Time to Maturity

	% of Portfolio	Amount	% of Colour in Calls	Amount of Colour in Calls	% of Call in Portfolio	WARoR	WAM	WAM at Execution	Excluding Calls/MMFs/EMMFs	
									WAM	WAM at Execution
Yellow	26.39%	£197,000,000	100.00%	£197,000,000	26.39%	0.45%	0	0	0	0
Pink1	1.34%	£10,000,000	100.00%	£10,000,000	1.34%	0.66%	0	0	0	0
Pink2	7.37%	£55,000,000	100.00%	£55,000,000	7.37%	1.15%	0	0	0	0
Purple	0.00%	£0	0.00%	£0	0.00%	0.00%	0	0	0	0
Blue	0.00%	£0	0.00%	£0	0.00%	0.00%	0	0	0	0
Orange	8.55%	£63,800,000	0.00%	£0	0.00%	0.45%	37	93	37	93
Red	48.33%	£360,800,000	18.65%	£67,300,000	9.01%	0.62%	59	138	73	170
Green	5.36%	£40,000,000	0.00%	£0	0.00%	0.48%	38	96	38	96
No Colour	2.68%	£20,000,000	0.00%	£0	0.00%	1.05%	327	366	327	366
<b>Total</b>	<b>100.00%</b>	<b>£746,600,000</b>	<b>44.11%</b>	<b>£329,300,000</b>	<b>44.11%</b>	<b>0.61%</b>	<b>42</b>	<b>90</b>	<b>63</b>	<b>161</b>

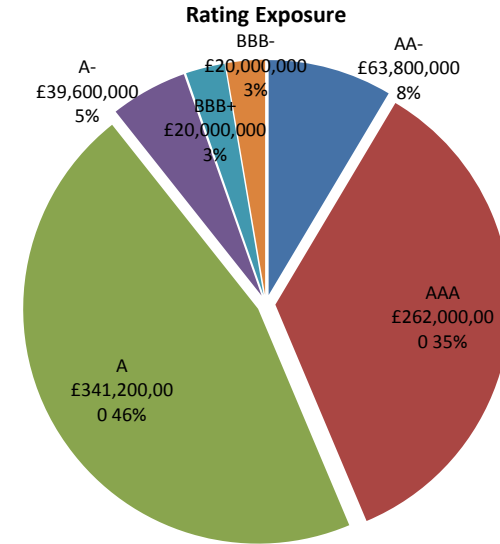
Investment Risk and Rating Exposure

Investment Risk Vs. Rating Categories



Historic Risk of Default

Rating/Years	<1 year	1 to 2 yrs	2 to 3 yrs	3 to 4 yrs	4 to 5 yrs
AA	0.007%	0.029%	0.130%	0.278%	0.425%
A	0.062%	0.202%	0.370%	0.581%	0.813%
BBB	0.150%	0.502%	0.910%	1.428%	1.912%
Council	0.009%	0.000%	0.000%	0.000%	0.000%



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.



# City Of London Corporation

## Monthly Credit Rating Changes

### FITCH

Date	Update Number	Institution	Country	Rating Action
11/05/2015	1342	Clydesdale Bank	UK	Long Term Rating Long Term Rating 'A', removed from Stable Outlook and placed on Negative Watch. Short Term Rating 'F1', placed on Negative Watch. Support Rating '1', placed on Negative Watch.
20/05/2015	1346	KBC Bank N.V	Belgium	Long Term Rating Affirmed at 'A-', Stable Outlook. Short Term Rating Affirmed at 'F1'. Support Rating Downgraded to '5' from '1.'
20/05/2015	1346	Danske Bank	Denmark	Long Term Rating Affirmed at 'A', Stable Outlook. Short Term Rating Affirmed at 'F1'. Support Rating Downgraded to '5' from '1.'
20/05/2015	1346	Nordea Bank Finland	Finland	Long Term Rating 'AA-', Stable Outlook. Short Term Rating Affirmed at 'F1+'. Support Rating Downgraded to '5' from '1.'
20/05/2015	1346	Pohjola Bank	Finland	Long Term Rating 'A+', Stable Outlook. Short Term Rating 'F1'. Support Rating Downgraded to '5' from '1.'
20/05/2015	1346	BNP Paribas	France	Long Term Rating Affirmed at 'A+', Stable Outlook. Short Term Rating Affirmed at 'F1'. Support Rating Downgraded to '5' from '1.'
20/05/2015	1346	Credit Agricole SA	France	Long Term Rating Affirmed at 'A', Stable Outlook. Short Term Rating Affirmed at 'F1'. Support Rating Downgraded to '5' from '1.'
20/05/2015	1346	Societe Generale	France	Long Term Rating Affirmed at 'A', Outlook changed to Stable from Negative. Short Term Rating Affirmed at 'F1'. Support Rating Downgraded to '5' from '1.'
20/05/2015	1346	BayernLB	Germany	Long Term Rating Downgraded to 'A-' from 'A+', Outlook changed to Stable from Negative. Short Term Rating Downgraded to 'F1' from 'F1+'. Support Rating Affirmed at '1'
20/05/2015	1346	Commerzbank AG	Germany	Long Term Rating Downgraded to 'BBB' from 'A+', Outlook changed to Positive from Negative. Short Term Rating Downgraded to 'F2' from 'F1+'. Support Rating Downgraded to '5' from '1.'
20/05/2015	1346	Deutsche Bank AG	Germany	Long Term Rating Downgraded to 'A' from 'A+', Negative Outlook. Short Term Rating Downgraded to 'F1' from 'F1+'. Support Rating Downgraded to '5' from '1.'
20/05/2015	1346	DZ Bank AG	Germany	Long Term Rating 'AA-', Stable Outlook. Short Term Rating 'F1+'. Support Rating Downgraded to '5' from '1' and Withdrawn
20/05/2015	1346	Landesbank Baden Wuerttemberg	Germany	Long Term Rating Downgraded to 'A-' from 'A+', Outlook changed to Stable from Negative. Short Term Rating Downgraded to 'F1' from 'F1+'. Support Rating Affirmed at '1'
20/05/2015	1346	Landesbank Hessen-Thuringen Girozentrale (Helaba)	Germany	Long Term Rating 'A+', Stable Outlook. Short Term Rating 'F1+'. Support Rating Affirmed at '1' and Withdrawn.
20/05/2015	1346	Norddeutsche Landesbank Girozentrale	Germany	Long Term Rating Downgraded to 'A-' from 'A', Outlook changed to Stable from Negative. Short Term Rating Affirmed at 'F1'. Support Rating Affirmed at '1'
20/05/2015	1346	UniCredit Bank AG	Germany	Long Term Rating Downgraded to 'A-' from 'A+', Negative Outlook. Short Term Rating Downgraded to 'F2' from 'F1+'. Support Rating Downgraded to '3' from '1.'
20/05/2015	1346	ABN AMRO Bank N.V.	Netherlands	Long Term Rating Downgraded to 'A' from 'A+', Outlook changed to Stable from Negative. Short Term Rating Downgraded to 'F1' from 'F1+'. Support Rating Downgraded to '5' from '1.'
20/05/2015	1346	Bank Nederlandse Gemeenten	Netherlands	Long Term Rating Downgraded to 'AA+' from 'AAA', Outlook changed to Stable from Negative. Short Term Rating Affirmed at 'F1+'. Support Rating Affirmed at '1'.
20/05/2015	1346	Cooperatieve Centrale Raiffeisen Boerenleenbank BA (Rabobank Nederland)	Netherlands	Long Term Rating 'AA-', Negative Outlook. Short Term Rating 'F1+'. Support Rating Downgraded to '5' from '1', Rating Withdrawn.
20/05/2015	1346	ING Bank NV	Netherlands	Long Term Rating Downgraded to 'A' from 'A+', Outlook changed to Stable from Negative. Short Term Rating Downgraded to 'F1' from 'F1+'. Support Rating Downgraded to '5' from '1.'
20/05/2015	1346	Nordea Bank AB	Netherlands	Long Term Rating 'AA-', Stable Outlook. Short Term Rating 'F1+'. Support Rating Downgraded to '2' from '1'.
20/05/2015	1346	Skandinaviska Enskilda Banken AB	Sweden	Long Term Rating 'A+', Positive Outlook. Short Term Rating 'F1'. Support Rating Downgraded to '2' from '1'.

## City Of London Corporation

### Monthly Credit Rating Changes

FITCH

Date	Update Number	Institution	Country	Rating Action
20/05/2015	1346	Swedbank AB	Sweden	Long Term Rating 'A+ ', Positive Outlook. Short Term Rating 'F1'. Support Rating Downgraded to '2' from '1'.
20/05/2015	1346	Svenska Handelsbanken	Sweden	Long Term Rating 'AA- ', Stable Outlook. Short Term Rating 'F1+'. Support Rating Downgraded to '2' from '1'.
20/05/2015	1346	Credit Suisse AG	Switzerland	Long Term Rating Affirmed at 'A ', Stable Outlook. Short Term Rating Affirmed at 'F1'. Support Rating Downgraded to '5' from '1'.
20/05/2015	1346	UBS AG	Switzerland	Long Term Rating Affirmed at 'A ', Stable Outlook. Short Term Rating Affirmed at 'F1'. Support Rating Downgraded to '5' from '1'.
20/05/2015	1346	Bank of Scotland Plc	UK	Long Term Rating Upgraded to 'A+' from 'A', Outlook changed to Stable from Negative. Short Term Rating Affirmed at 'F1'. Support Rating Downgraded to '5' from '1'
20/05/2015	1346	Barclays Bank plc	UK	Long Term Rating Affirmed at 'A', Stable Outlook. Short Term Rating Affirmed at 'F1'. Support Rating Downgraded to '5' from '1'.
20/05/2015	1346	Lloyds Bank Plc	UK	Long Term Rating Upgraded to 'A+' from 'A', Outlook changed to Stable from Negative. Short Term Rating Affirmed at 'F1'. Support Rating Downgraded to '5' from '1'
20/05/2015	1346	Santander UK plc	UK	Long Term Rating 'A', Stable Outlook. Short Term Rating 'F1'. Support Rating Downgraded to '2' from '1'
20/05/2015	1346	Standard Chartered Bank	UK	Long Term Rating 'AA-', Negative Outlook. Short Term Rating 'F1+'. Support Rating Downgraded to '5' from '1'.
20/05/2015	1346	Nationwide Building Society	UK	Long Term Rating 'A', Stable Outlook. Short Term Rating 'F1'. Support Rating Downgraded to '5' from '1'.
20/05/2015	1346	Royal Bank of Scotland Group plc	UK	Long Term Rating Downgraded to 'BBB+' from 'A', Outlook changed to Stable from Negative. Short Term Rating Downgraded to 'F2' from 'F1'. Support Rating Downgraded to '5' from '1'
20/05/2015	1346	National Westminster Bank Plc	UK	Long Term Rating Downgraded to 'BBB+' from 'A', Outlook changed to Stable from Negative. Short Term Rating Downgraded to 'F2' from 'F1'. Support Rating Downgraded to '5' from '1'
20/05/2015	1346	The Royal Bank of Scotland Plc	UK	Long Term Rating Downgraded to 'BBB+' from 'A', Outlook changed to Stable from Negative. Short Term Rating Downgraded to 'F2' from 'F1'. Support Rating Downgraded to '5' from '1'
20/05/2015	1346	Ulster Bank Ltd	UK	Long Term Rating Downgraded to 'BBB+' from 'A-', Outlook changed to Stable from Negative. Short Term Rating Downgraded to 'F2' from 'F1'. Support Rating Downgraded to '2' from '1'
20/05/2015	1347	Bank of New York Mellon (International) Ltd	UK	Long Term Rating Affirmed at 'AA-', Outlook changed to Positive from Stable. Short Term Rating 'F1+'. Support Rating Affirmed at '1'.
20/05/2015	1347	Citibank International Plc	UK	Long Term Rating Affirmed at 'A', Outlook changed to Positive from Stable. Short Term Rating Affirmed at 'F1'. Support Rating Affirmed at '1'.
20/05/2015	1347	Goldman Sachs International	UK	Long Term Rating Affirmed at 'A', Outlook changed to Positive from Stable. Short Term Rating Affirmed at 'F1'.
20/05/2015	1347	Goldman Sachs International Bank	UK	Long Term Rating Affirmed at 'A', Outlook changed to Positive from Stable. Short Term Rating Affirmed at 'F1'.
20/05/2015	1347	MBNA Europe Bank	UK	Long Term Rating Affirmed at 'A-', Outlook changed to Stable from Negative. Short Term Rating Affirmed at 'F1'. Support Rating Affirmed at '1'.
20/05/2015	1347	Merrill Lynch International	UK	Long Term Rating Affirmed at 'A', Outlook changed to Positive from Negative. Short Term Rating Affirmed at 'F1'. Support Rating Affirmed at '1'.
20/05/2015	1348	Bank of America, N.A.	USA	Long Term Rating Upgraded to 'A+' from 'A', Outlook changed to Stable from Negative. Short Term Rating Affirmed at 'F1+'. Support Rating Downgraded to '5' from '1'.
20/05/2015	1348	Bank of New York Mellon, The	USA	Long Term Rating Upgraded to 'AA' from 'AA-', Stable Outlook. Short Term Rating 'F1+'. Support Rating Downgraded to '5' from '1'.

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### Monthly Credit Rating Changes FITCH

Date	Update Number	Institution	Country	Rating Action
20/05/2015	1348	Citibank, N.A.	USA	Long Term Rating Upgraded to 'A+' from 'A', Stable Outlook. Short Term Rating Affirmed at 'F1'. Support Rating Downgraded to '5' from '1'.
20/05/2015	1348	JPMorgan Chase Bank NA	USA	Long Term Rating Upgraded to 'AA-' from 'A+', Stable Outlook. Short Term Rating Upgraded to 'F1+' from 'F1'. Support Rating Downgraded to '5' from '1'.
20/05/2015	1348	State Street Bank and Trust Company	USA	Long Term Rating Upgraded to 'AA' from 'AA-', Stable Outlook. Short Term Rating 'F1+'. Support Rating Downgraded to '5' from '1'.
20/05/2015	1348	Wells Fargo Bank NA	USA	Long Term Rating Upgraded to 'AA' from 'AA-', Stable Outlook. Short Term Rating 'F1+'. Support Rating Downgraded to '5' from '1'.
20/05/2015	1349	Bank of Montreal	Canada	Long Term Rating 'AA-', Stable Outlook. Short Term Rating 'F1+'. Support Rating Downgraded to '2' From '1'.
20/05/2015	1349	Bank of Nova Scotia	Canada	Long Term Rating 'AA-', Stable Outlook. Short Term Rating 'F1+'. Support Rating Downgraded to '2' From '1'.
20/05/2015	1349	Canadian Imperial Bank of Commerce	Canada	Long Term Rating 'AA-', Stable Outlook. Short Term Rating 'F1+'. Support Rating Downgraded to '2' From '1'.
20/05/2015	1349	National Bank of Canada	Canada	Long Term Rating 'A+', Stable Outlook. Short Term Rating 'F1+'. Support Rating Downgraded to '2' From '1'.
20/05/2015	1349	Royal Bank of Canada	Canada	Long Term Rating 'AA', Stable Outlook. Short Term Rating 'F1+'. Support Rating Downgraded to '2' From '1'.
20/05/2015	1349	Toronto Dominion	Canada	Long Term Rating 'AA-', Stable Outlook. Short Term Rating 'F1+'. Support Rating Downgraded to '2' From '1'.

Monthly Credit Rating Changes  
MOODY'S

Date	Update Number	Institution	Country	Rating Action
08/05/2015	1341	Close Brothers Ltd	UK	Long Term Rating Upgraded to 'Aa3' from 'A3', removed from Positive Watch and placed on Stable Outlook. Short Term Rating upgraded to 'P-1' from 'P-2', removed from Positive Watch
12/05/2015	1343	Standard Chartered Bank	UK	Long Term Rating Upgraded to 'Aa2' from 'A1', removed from Positive Watch and placed on Negative Outlook. Short Term Rating Affirmed at 'P-1'.
15/05/2015	1345	Bank of New York Mellon, The	USA	Long Term Rating Upgraded to 'Aa1' from 'Aa2', removed from Positive Watch and placed on Stable Outlook. Short Term Rating Affirmed at 'P-1'.
15/05/2015	1345	BOKF, NA	USA	Long Term Rating Upgraded to 'Aa2' from 'A1', removed from Positive Watch and placed on Stable Outlook. Short Term Rating Affirmed at 'P-1'.
15/05/2015	1345	HSBC Bank USA	USA	Long Term Rating Upgraded to 'Aa2' from 'A1', removed from Positive Watch and placed on Stable Outlook. Short Term Rating Affirmed at 'P-1'.
15/05/2015	1345	Northern Trust Company	USA	Long Term Rating Upgraded to 'Aa2' from 'A1', removed from Positive Watch and placed on Stable Outlook. Short Term Rating Affirmed at 'P-1'.
15/05/2015	1345	Silicon Valley Bank	USA	Long Term Rating Upgraded to 'Aa3' from 'A2', removed from Positive Watch and placed on Stable Outlook. Short Term Rating affirmed at 'P-1'.
15/05/2015	1345	State Street Bank and Trust Company	USA	Long Term Rating Upgraded to 'Aa2' from 'Aa3', removed from Positive Watch and placed on Stable Outlook. Short Term Rating affirmed at 'P-1'.
15/05/2015	1345	Wells Fargo Bank NA	USA	Long Term Rating Upgraded to 'Aa1' from 'Aa3' removed from Positive Watch and placed on Stable Outlook. Short Term Rating affirmed at 'P-1'.
29/05/2015	1352	Citibank International Plc	U.K	Long Term Rating Upgraded to 'A1' from 'A2', removed from Positive Watch and placed on Stable Outlook. Short Term Rating Affirmed at 'P-1'.
29/05/2015	1352	Goldman Sachs International	U.K	Long Term Rating Upgraded to 'A1' from 'A2', removed from Positive Watch and placed on Stable Outlook. Short Term Rating Affirmed at 'P-1'.
29/05/2015	1352	Goldman Sachs International Bank	U.K	Long Term Rating Upgraded to 'A1' from 'A2', removed from Positive Watch and placed on Stable Outlook. Short Term Rating Affirmed at 'P-1'.
29/05/2015	1352	HSBC Bank plc	U.K	Long Term Rating Upgraded to 'Aa2' from 'Aa3', removed from Positive Watch and placed on Stable Outlook. Short Term Rating Affirmed at 'P-1'.
29/05/2015	1352	Morgan Stanley & Co. International plc	U.K	Long Term Rating Upgraded to 'A1' from 'A3', removed from Positive Watch and placed on Stable Outlook. Short Term Rating Upgraded to 'P-1' from 'P-2', removed from Positive Watch.
29/05/2015	1352	Royal Bank of Scotland Group plc	U.K	Long Term Rating Downgraded to 'Ba1' from 'Baa2', removed from Negative Watch and placed on Stable Outlook. Short Term Rating Downgraded to 'NP' from 'P-2', removed from Negative Watch.
29/05/2015	1352	National Westminster Bank Plc	U.K	Long Term Rating Upgraded to 'A3' from 'Baa1', removed from Positive Watch and placed on Stable Outlook. Short Term Rating Affirmed at 'P-2'.
29/05/2015	1352	The Royal Bank of Scotland Plc	U.K	Long Term Rating Upgraded to 'A3' from 'Baa1', removed from Positive Watch and placed on Stable Outlook. Short Term Rating Affirmed at 'P-2'.
29/05/2015	1353	Bank of America, N.A.	USA	Long Term Rating Upgraded to 'A1' from 'A2', removed from Positive Watch and placed on Stable Outlook. Short Term Rating Affirmed at 'P-1'.
29/05/2015	1353	Citibank, N.A.	USA	Long Term Rating Upgraded to 'A1' from 'A2', removed from Positive Watch and placed on Stable Outlook. Short Term Rating Affirmed at 'P-1'.
29/05/2015	1353	JPMorgan Chase Bank NA	USA	Long Term Rating Upgraded to 'Aa2' from 'Aa3', removed from Positive Watch and placed on Stable Outlook. Short Term Rating Affirmed at 'P-1'.

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### Monthly Credit Rating Changes MOODY'S

Date	Update Number	Institution	Country	Rating Action
29/05/2015	1354	BNP Paribas	France	Long Term Rating Affirmed at 'A1', Outlook changed to Stable from Negative. Short Term Rating Affirmed at 'P-1'.
29/05/2015	1354	Deutsche Bank AG	Germany	Long Term Rating Affirmed at 'A3', Outlook changed to Positive from Stable. Short Term Rating Affirmed at 'P-2'.
29/05/2015	1354	Cooperatieve Centrale Raiffeisen Boerenleenbank BA (Rabobank Nederland)	Netherlands	Long Term Rating 'Aa2', removed from Evolving Watch and placed on Stable Outlook. Short Term Rating Affirmed at 'P-1'.
29/05/2015	1354	ING Bank NV	Netherlands	Long Term Rating to 'A1' from 'A2', removed from Positive Watch and placed on Stable Outlook. Short Term Rating Affirmed at 'P-1'.
29/05/2015	1355	Credit Suisse AG	Switzerland	Long Term Rating Upgraded to 'Aa3' from 'A1', removed from Positive Watch and placed on Negative Outlook. Short Term Rating Affirmed at 'P-1'.
29/05/2015	1355	UBS AG	Switzerland	Long Term Rating Upgraded to 'A1' from 'A2', removed from Positive Watch and placed on Stable Outlook. Short Term Rating Affirmed at 'P-1'.

## City Of London Corporation

### Monthly Credit Rating Changes S&P

Date	Update Number	Institution	Country	Rating Action
14/05/2015	1344	Clydesdale Bank	UK	Long Term Rating 'BBB+', removed from Stable Outlook and placed on Negative Watch. Short Term Rating affirmed at 'A-2'
22/05/2015	1350	Netherlands (Sovereign)	Netherlands	Sovereign Rating Affirmed at 'AA+', Outlook changed to Positive from Stable
27/05/2015	1351	Bank Nederlandse Gemeenten	Netherlands	Long Term Rating Affirmed at 'AA+', Outlook changed to Positive from Stable. Short Term Rating Affirmed at 'A-1+'
27/05/2015	1351	Nederlandse Waterschapsbank N.V	Netherlands	Long Term Rating Affirmed at 'AA+', Outlook changed to Positive from Stable. Short Term Rating Affirmed at 'A-1+'

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