



Financial Investment Board

Date: THURSDAY, 30 JUNE 2016
Time: 1.45 pm
Venue: COMMITTEE ROOMS - WEST WING, GUILDHALL

Members: Andrew McMurtrie (Chairman)
Nicholas Bensted-Smith (Deputy Chairman)
Deputy Roger Chadwick
Henry Colthurst
Simon Duckworth
Alderman Peter Hewitt
Tom Hoffman
Alderman Robert Howard
Edward Lord
Clare James
Deputy Henry Pollard
James de Sausmarez
Ian Seaton
Philip Woodhouse

Enquiries: Philippa Sewell
tel. no.: 020 7332 1426
philippa.sewell@cityoflondon.gov.uk

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 26 May 2016.
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 26 May 2016.
For Decision
(Pages 19 - 22)
10. **PRESENTATION FROM RUFFER**
Presentation from Steve Russell, Investment Director at Ruffer.
For Information

11. **HAMPSTEAD HEATH TRUST & CHARITIES POOL INVESTMENT
PERFORMANCE MONITORING TO 31 MARCH 2016**
Report of the Chamberlain.
For Information
(Pages 23 - 26)
12. **INVESTMENT PERFORMANCE MONITORING TO 31 MARCH 2016**
Report of the Chamberlain.
For Information
(Pages 27 - 62)
13. **QUARTERLY MONITORING REPORT**
Report of Mercer.
For Information
(Pages 63 - 80)
14. **PROPERTY OPTIONS FOR PENSION FUND**
Report of Mercer.
For Information
(Pages 81 - 96)
15. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE
COMMITTEE**
16. **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

Thursday, 26 May 2016

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

Present

Members:

Andrew McMurtrie (Chairman)	Clare James
Nicholas Bensted-Smith (Deputy Chairman)	Deputy Henry Pollard
Simon Duckworth	Philip Woodhouse

Officers:

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

1. APOLOGIES

Apologies were received from Henry Colthurst, Alderman Peter Hewitt, Alderman Robert Howard, Edward Lord, and James de Sausmarez.

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

There were no declarations.

3. RESOLUTION OF 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 welcomed the new Members of the Board, Alderman Hewitt and Edward Lord, and thanked outgoing Member, Tom Hoffman. In light of his past contributions to the work of the Board, Members agreed to co-opt Tom Hoffman for the ensuing year.

RESOLVED – That:

- a) the Board's appointment and election of Chairman and Deputy Chairman, which took place at the Investment Committee on 25 May 2016, be ratified; and
- b) Tom Hoffman be co-opted to the Financial Investment Board.

4. MINUTES OF THE PREVIOUS MEETING

RESOLVED - That the public minutes and non-public summary of the meeting held on 4 February 2016 be agreed as a correct record.

5. **OUTSTANDING ACTIONS**
RESOLVED – That the report be noted.
6. **APPOINTMENT OF FINANCIAL INVESTMENT BOARD MEMBER TO THE SOCIAL INVESTMENT BOARD**
RESOLVED – That Nick Bensted-Smith, alongside the Chairman, sit on the Social Investment Board as a representative of the Financial Investment Board.
7. **TERMS OF REFERENCE AND FREQUENCY OF MEETINGS**
The Board received a report of the Town Clerk.

RESOLVED – That the Board's Terms of Reference be noted, and that the Board continues to meet approximately six times a year.
8. **MONTHLY INVESTMENT ANALYSIS REVIEW**
The Board received the monthly review for April 2015, which detailed the list of current investments.

RESOLVED – That the report be noted.
9. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**
There were no questions.
10. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**
There was no other business.
11. **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
12-18	3
19-20	-
12. **NON-PUBLIC MINUTES OF THE PREVIOUS MEETING**
RESOLVED - That the non-public minutes of the meeting held on 4 February 2016 be agreed as a correct record.
13. **DECISIONS TAKEN UNDER DELEGATED AUTHORITY OR URGENCY SINCE THE LAST MEETING OF THE BOARD**
RESOLVED – That the two decisions taken under delegated authority and urgency since the last meeting be noted.
14. **LONDON CIV**
The Board received a presentation from Hugh Grover, Chief Executive Officer at London LGPS CIV Ltd, after which Members had the opportunity to ask questions.

15. REVIEW OF THE ACTIVITIES OF THE FINANCIAL INVESTMENT BOARD 2015/16

The Board received a report of the Chamberlain.

16. PRIVATE EQUITY

The Board received a report of the Chamberlain.

17. INVESTMENT PERFORMANCE MONITORING TO 31 DECEMBER 2015

The Board received a report of the Chamberlain.

18. QUARTERLY MONITORING REPORT

The Board received a report of Mercer.

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

There were no non-public questions.

20. 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 closed at 3.15 pm

Chairman

Contact Officer: Philippa Sewell
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philippa.sewell@cityoflondon.gov.uk

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Financial Investment Board – Outstanding Actions

Item	Date	Action	Officer responsible	To be completed/ progressed to next stage	Progress Update
1.	2 July 2015	Hampstead Heath objectives	Corporate Treasurer / Chamberlain	Summer 2016	Officers at Hampstead Heath be contacted for their views.
2.	2 July 2015	Charities Pool objectives and allocations	Corporate Treasurer / Chamberlain	Summer 2016	Survey to be sent with accounts.
3.	9 Sep 2015	Review of Fees	Corporate Treasurer / Chamberlain	Postponed	Postponed until new Fund Managers are in place. This will also be the criteria for pooling the LPGS investments.

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City Of London Corporation
Monthly Investment Analysis Review
May 2016



Monthly Economic Summary

General Economy

With less than a month to go until the UK's European Union membership referendum, a raft of data released through May showed signs of the impact brought about by the uncertainty. This was corroborated by the Bank of England stating there were growing signs that the referendum is weighing on the British economy. These comments came at the press conference for the Bank's May Inflation Report, in which it tweaked some of its forecasts.

The Purchasing Manager's Index (PMI) activity surveys disappointed, as all three indicators showed a slowdown in the pace of expansion or a shift into contraction in April. Manufacturing dropped below the 50 mark, which separates expansion from contraction, to 49.2 in April. This was a three-year low, resulting from an ailing global economy and a slowdown in the oil and gas industry in particular. Construction PMI slowed to 52 in April, from 54.2 in March, well below forecasts as activity in commercial property plummeted. Services PMI added to the gloom as it fell to 52.3 on the month in April, its lowest rate in more than three years. This suggested that the new quarter had got off to a sluggish start. Meanwhile, other data confirmed that first quarter growth in the UK had registered a slowdown to 0.4% on the quarter and 2% on the year. Business investment, a key driver of UK growth, fell drastically, with many commentators citing the uncertainty surrounding the upcoming referendum as a key reason behind the fall.

April's public sector borrowing for the UK furthered the run of disappointing economic news. It came in higher than expected, at £7.2bn as corporation tax revenues fell by 5.1% compared with April 2015 along with weaker than expected national insurance contributions. Revisions to previous figures also showed that George Osborne, the Chancellor of Exchequer, missed his target for the budget deficit by more than initially believed in 2015-16. The trade deficit continued the downbeat tone to UK data releases, as it widened to levels last seen in the financial crisis in the first quarter of the year as exports fell by 0.1% and imports rose by 1.5%. Nevertheless, figures for March alone showed some improvement, as the deficit narrowed to £11.204bn.

It was not all bad news for the UK as the number of unemployed people fell by 2,000 in three months to March despite the general sluggishness of the economy. Though the number of unemployed fell, the unemployment rate held steady at 5.1% in the three months to March. On an annual basis, total earnings including bonuses rose by 2% whilst earnings excluding bonuses rose by 2.1%. Inflation did not follow the same course as earnings as the Consumer Price Index (CPI) dropped to 0.1% in April from 0.4% in March as the Easter air fare rise dissipated and clothing prices weakened in light of unexpected weather. Headline CPI also slowed on the year to 0.3% from 0.5% in the previous month, while Core CPI, which excludes food and energy, dropped to 1.2%, from 1.5% in March.

At its May policy meeting, all nine members of the Monetary Policy Committee voted to keep policy unchanged, as expected. At the same time, the Bank released its latest Inflation Report. In this, the Bank lowered its forecast for economic growth due to weaker productivity and higher household savings due to global economic weakness rather. It kept its inflation forecasts unchanged from the February Report, with inflation expected to reach its 2% target in two years' time.

Elsewhere, Eurozone GDP grew by 0.5% in the first quarter, revised down from its initial estimate, and by 1.5% on annual basis. GDP grew in all Eurozone countries apart from Greece and Latvia whilst the larger economies such as Germany, France and Italy grew by 0.7%, 0.8% and 0.3% respectively. Eurozone unemployment held steady at 10.2% in April for the second consecutive month, the lowest level since August 2011 with Germany (4.2%) at one end of the spectrum, while Spain was the highest at 20.1%.

Across the pond, US Non-Farm Payrolls made their smallest gain in seven months rising by 160,000 in April, a sharp slowdown for March's figure of 208,000. While construction employment rose a touch, the retail sector saw jobs cut. Unemployment however, held steady at 5% as people dropped out of the labour force. The lacklustre jobs report was seen by some commentators as enough to hold the Federal Reserve back from any policy tightening at its June meeting.

These comments also took account of the minutes of the Fed's April meeting, which suggested that an interest rate hike could be justified if there are improvements in US GDP in the second quarter along with employment and solid inflation. Growth in the second quarter will have to impress as GDP growth in the first quarter slowed, though not as sharply as expected, rising by 0.8% year-on-year as a result of greater spending on home building as well as steady growth in business investment and inventories.

Housing

Mortgage lender Halifax reported a fall in house prices in April of 0.8% as the introduction of a new tax on the purchase of rental properties took its toll. However, house

prices rose by 9.2% in the three months to April as purchasers rushed to beat the new tax. Nationwide house prices showed much of the same rising by a mere 0.2% in May and by 4.7% year-on-year, slowing from April's figure of 4.9%.

Forecast

Capita Asset Services did not alter its forecast this month. Capita Asset Services expects the first rate hike to come in the first quarter of 2017. Capital Economics left their forecast unchanged in May. They expect the first Bank Rate increase to come in Q4 2016.

Bank Rate	Jun-16	Sep-16	Dec-16	Mar-17	Jun-17
Capita Asset Services	0.50%	0.50%	0.50%	0.75%	0.75%
Capital Economics	0.50%	0.50%	0.75%	0.75%	1.00%

City Of London Corporation

Current Investment List

Borrower	Principal (£)	Interest Rate	Start Date	Maturity Date	Lowest Long Term Rating	Historic Risk of Default
MMF Aberdeen	25,000,000	0.53%		MMF	AAA	0.000%
MMF CCLA	10,000,000	0.47%		MMF	AAA	0.000%
MMF Deutsche	50,000,000	0.52%		MMF	AAA	0.000%
MMF Federated Investors (UK)	60,200,000	0.52%		MMF	AAA	0.000%
EMMF Federated Sterling Cash Plus Fund	5,000,000	0.97%		EMMF	AAA	0.000%
MMF Invesco	65,600,000	0.53%		MMF	AAA	0.000%
MMF Payden & Rygel	55,000,000	0.79%		MMF	AAA	0.000%
MMF Standard Life	57,800,000	0.50%		MMF	AAA	0.000%
EMMF Standard Life Short Duration Cash Fund	5,000,000	0.72%		EMMF	AAA	0.000%
Lloyds Bank Plc	41,900,000	0.50%		Call	A	0.000%
Nationwide Building Society	4,000,000	0.50%	29/02/2016	01/06/2016	A	0.000%
Nationwide Building Society	3,700,000	0.50%	01/03/2016	01/06/2016	A	0.000%
Leeds Building Society	3,000,000	0.53%	01/03/2016	02/06/2016	A-	0.000%
Nationwide Building Society	6,100,000	0.50%	03/03/2016	03/06/2016	A	0.001%
Nationwide Building Society	5,800,000	0.51%	04/03/2016	06/06/2016	A	0.001%
Nationwide Building Society	7,900,000	0.51%	04/03/2016	07/06/2016	A	0.001%
Svenska Handelsbanken AB	5,000,000	0.53%	15/03/2016	15/06/2016	AA-	0.000%
Lloyds Bank Plc	2,000,000	0.57%	17/03/2016	17/06/2016	A	0.003%
Leeds Building Society	5,000,000	0.53%	17/03/2016	20/06/2016	A-	0.003%
Australia and New Zealand Banking Group Ltd	5,000,000	0.52%	22/03/2016	22/06/2016	AA-	0.000%
Nationwide Building Society	5,100,000	0.50%	24/03/2016	24/06/2016	A	0.004%
Leeds Building Society	8,000,000	0.54%	21/03/2016	27/06/2016	A-	0.005%
Nationwide Building Society	2,600,000	0.50%	24/03/2016	27/06/2016	A	0.005%
Barclays Bank Plc	25,000,000	0.69%	20/01/2016	30/06/2016	A-	0.005%
Nationwide Building Society	7,700,000	0.50%	01/04/2016	01/07/2016	A	0.005%
Australia and New Zealand Banking Group Ltd	13,000,000	0.52%	04/04/2016	04/07/2016	AA-	0.001%
Svenska Handelsbanken AB	18,600,000	0.54%	11/04/2016	11/07/2016	AA-	0.001%
Nationwide Building Society	2,100,000	0.50%	13/04/2016	13/07/2016	A	0.007%
Nationwide Building Society	12,100,000	0.53%	07/04/2016	19/07/2016	A	0.008%
Nationwide Building Society	9,500,000	0.53%	08/04/2016	19/07/2016	A	0.008%
Nationwide Building Society	2,400,000	0.50%	25/04/2016	29/07/2016	A	0.010%
Nationwide Building Society	3,100,000	0.50%	29/04/2016	29/07/2016	A	0.010%
Lloyds Bank Plc	19,700,000	0.75%	02/02/2016	02/08/2016	A	0.011%
Nationwide Building Society	4,600,000	0.52%	04/05/2016	04/08/2016	A	0.011%
Nationwide Building Society	6,500,000	0.52%	05/05/2016	05/08/2016	A	0.011%
Coventry Building Society	5,300,000	0.50%	18/04/2016	15/08/2016	A	0.013%

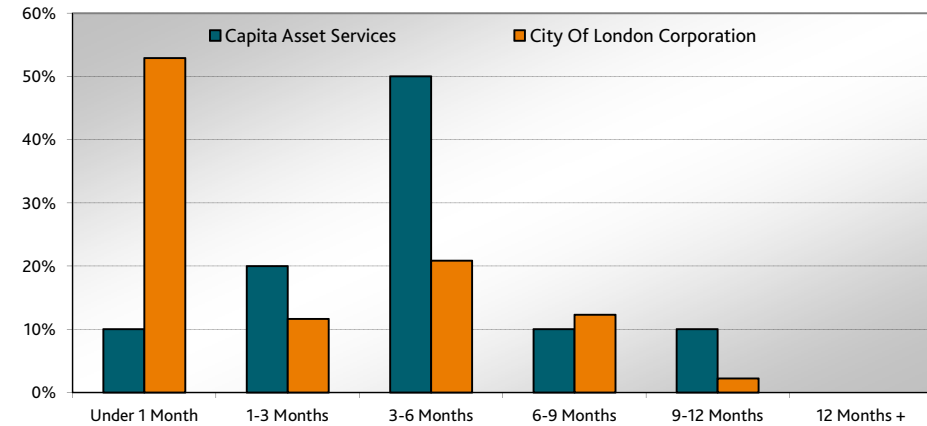
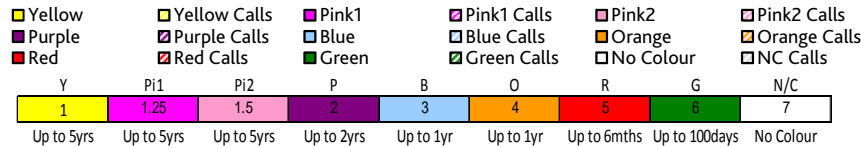
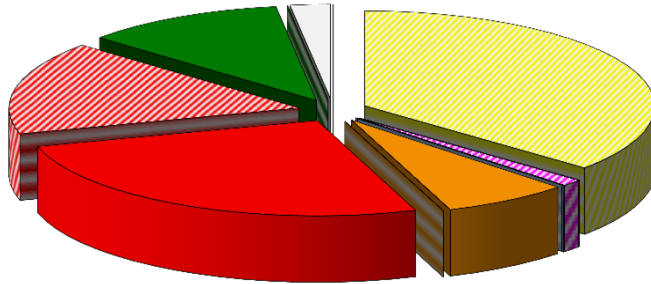
City Of London Corporation

Current Investment List

Borrower	Principal (£)	Interest Rate	Start Date	Maturity Date	Lowest Long Term Rating	Historic Risk of Default
Australia and New Zealand Banking Group Ltd	7,000,000	0.52%	31/05/2016	31/08/2016	AA-	0.002%
Santander UK Plc	100,000,000	0.90%		Call95	A	0.016%
Lloyds Bank Plc	6,700,000	0.75%	07/03/2016	07/09/2016	A	0.017%
Nationwide Building Society	8,700,000	0.72%	16/03/2016	16/09/2016	A	0.018%
Nationwide Building Society	3,000,000	0.71%	18/03/2016	19/09/2016	A	0.019%
Coventry Building Society	2,300,000	0.50%	24/05/2016	23/09/2016	A	0.020%
National Australia Bank Ltd	14,100,000	0.60%	01/04/2016	03/10/2016	AA-	0.002%
Coventry Building Society	6,800,000	0.61%	01/04/2016	04/10/2016	A	0.021%
Coventry Building Society	5,300,000	0.61%	05/04/2016	05/10/2016	A	0.022%
Barclays Bank Plc	39,000,000	1.00%	27/11/2015	28/11/2016	A-	0.031%
Barclays Bank Plc	36,000,000	1.03%	21/12/2015	21/12/2016	A-	0.035%
Lloyds Bank Plc	27,800,000	1.05%	22/12/2015	22/12/2016	A	0.035%
Lloyds Bank Plc	10,000,000	0.90%	01/04/2016	02/01/2017	A	0.037%
Nationwide Building Society	25,000,000	0.88%	06/04/2016	06/01/2017	A	0.037%
Lloyds Bank Plc	10,600,000	1.50%	01/02/2016	01/02/2017	A	0.042%
Skipton Building Society	20,000,000	1.05%	22/04/2016	24/04/2017	BBB	0.135%
Total Investments	£890,600,000	0.69%				0.013%

City Of London Corporation

Portfolio Composition by Capita Asset Services' Suggested Lending Criteria



Portfolios weighted average risk number =

3.59

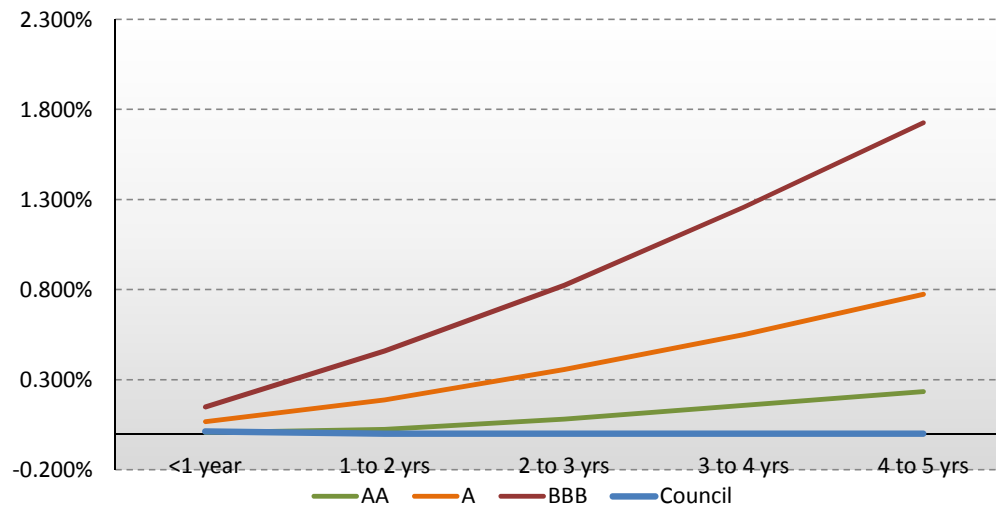
WARoR = Weighted Average Rate of Return

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	36.34%	£323,600,000	100.00%	£323,600,000	36.34%	0.56%	0	0	0	0
Pink1	1.12%	£10,000,000	100.00%	£10,000,000	1.12%	0.85%	0	0	0	0
Pink2	0.00%	£0	0.00%	£0	0.00%	0.00%	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	7.04%	£62,700,000	0.00%	£0	0.00%	0.54%	61	112	61	112
Red	42.03%	£374,300,000	37.91%	£141,900,000	15.93%	0.74%	91	141	105	187
Green	11.23%	£100,000,000	0.00%	£0	0.00%	0.93%	152	315	152	315
No Colour	2.25%	£20,000,000	0.00%	£0	0.00%	1.05%	328	367	328	367
Total	100.00%	£890,600,000	53.39%	£475,500,000	53.39%	0.69%	67	111	110	215

Investment Risk and Rating Exposure

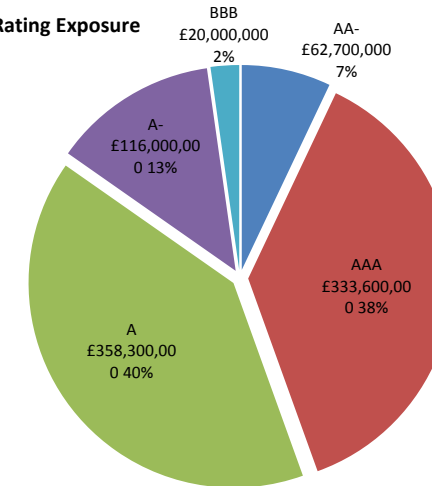
Investment Risk Vs. Rating Categories



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%	0.024%	0.081%	0.158%	0.234%
A	0.067%	0.189%	0.356%	0.551%	0.775%
BBB	0.150%	0.460%	0.824%	1.257%	1.726%
Council	0.013%	0.000%	0.000%	0.000%	0.000%

Rating Exposure



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
13/05/2016	1440	BayernLB	Germany	Long Term Rating affirmed at 'A-', Short Term Rating affirmed at 'F1', Viability rating upgraded to 'bbb' from 'bb+' and Support Rating affirmed at '1'.
13/05/2016	1440	Landesbank Baden Wuerttemberg	Germany	Long Term Rating affirmed at 'A-', Short Term Rating affirmed at 'F1', Viability rating upgraded to 'bbb'+ from 'bbb' and Support Rating affirmed at '1'.
25/05/2016	1445	Credit Suisse AG	Switzerland	Long Term Rating affirmed at 'A', Outlook changed to 'Stable' from 'Positive'. Short Term Rating affirmed at 'F1', Viability Rating downgraded to 'a-' from 'a' and Support Rating affirmed at '5'.
25/05/2016	1445	Credit Suisse International	U.K.	Long Term Rating downgraded to 'A-' from 'A', Short Term Rating affirmed at 'F1' and Support Rating affirmed at '1'.
25/05/2016	1446	Nationwide Building Society	U.K.	Long Term Rating affirmed at 'A', Outlook changed to 'Positive' from 'Stable'. Short Term Rating affirmed at 'F1', Viability Rating affirmed at 'a' and Support Rating affirmed at '5'.
26/05/2016	1447	Skandinaviska Enskilda Banken AB	Sweden	Long Term Rating upgraded to 'AA-' from 'A+', Outlook changed to 'Stable' from 'Positive'. Short Term Rating upgraded to 'F1+' from 'F1', Viability Rating upgraded to 'aa-' from 'a+' and Support Rating affirmed at '2'.
26/05/2016	1447	Swedbank AB	Sweden	Long Term Rating upgraded to 'AA-' from 'A+', Outlook changed to 'Stable' from 'Positive'. Short Term Rating upgraded to 'F1+' from 'F1', Viability Rating upgraded to 'aa-' from 'a+' and Support Rating affirmed at '2'.
26/05/2016	1447	Svenska Handelsbanken AB	Sweden	Long Term Rating upgraded to 'AA' from 'AA-', Short Term Rating affirmed at 'F1+', Viability Rating upgraded to 'aa' from 'aa-' and Support Rating affirmed at '2'.
27/05/2016	1448	Skipton Building Society	U.K.	Long Term Rating upgraded to 'A-' from 'BBB+', Short Term Rating upgraded to 'F1' from 'F2', Viability Rating upgraded to 'a-' from 'bbb+' and Support Rating affirmed at '5'.

City Of London Corporation

Monthly Credit Rating Changes MOODY'S

Date	Update Number	Institution	Country	Rating Action
09/05/2016	1438	Coventry Building Society	U.K.	Long Term Rating affirmed at 'A2', Outlook changed to 'Stable' from 'Positive'. Short Term Rating affirmed at 'P-1'.
10/05/2016	1439	Yorkshire Building Society	U.K.	Long Term Rating affirmed at 'A3', Outlook changed to 'Stable' from 'Positive'. Short Term Rating affirmed at 'P-2'.
16/05/2016	1441	Abu Dhabi Sovereign Rating	Abu Dhabi	Sovereign Rating affirmed at 'Aa2', removed from 'Negative Watch' and placed on 'Negative Outlook'
16/05/2016	1441	Qatar Sovereign Rating	Qatar	Sovereign Rating affirmed at 'Aa2', removed from 'Negative Watch' and placed on 'Negative Outlook'
17/05/2016	1442	National Bank of Abu Dhabi	Abu Dhabi	Long Term Rating affirmed at 'Aa3' removed from 'Negative Watch' and placed on 'Negative Outlook'
17/05/2016	1442	Qatar National Bank	Qatar	Long Term Rating affirmed at 'Aa3' removed from 'Negative Watch' and placed on 'Negative Outlook'
20/05/2016	1443	ABN AMRO Bank N.V.	Netherlands	Long Term Rating upgraded to 'A1' from 'A2' and the Short Term Rating was affirmed at 'P-1'
24/05/2016	1444	Deutsche Bank AG	Germany	Long Term Rating downgraded to 'A3' from 'A2', removed from 'Negative Watch' and placed on 'Stable Outlook'. Short Term Rating downgraded to 'P-2' from 'P-1' and removed from 'Negative Watch'

City Of London Corporation

Monthly Credit Rating Changes S&P

Date	Update Number	Institution	Country	Rating Action
No Changes		No Changes	No Changes	No Changes

MONTHLY INVESTMENT REVIEW AS AT 31 MAY 2016

	Couterparty Limit £M	Total Invested as at 31-May-16 £M
<u>TOTAL INVESTED</u>		<u>890.60</u>
UK BANKS		
Barclays	100.0	100.0
HSBC	100.0	-
Lloyds	150.0	118.7
RBS	100.0	-
	<u>450.0</u>	<u>218.7</u>
BUILDING SOCIETIES		
Coventry	20.0	19.7
Leeds	20.0	16.0
Nationwide	120.0	119.9
Skipton	20.0	20.0
Yorkshire	20.0	-
	<u>200.0</u>	<u>175.6</u>
FOREIGN BANKS		
Australia & New Zealand	25.0	25.0
National Australia Bank	25.0	14.1
Svenska Handelsbanken	25.0	23.6
	<u>75.0</u>	<u>62.7</u>
LIQUIDITY FUNDS		
Aberdeen Liquidity Fund	100.0	25.0
CCLA - Public Sector Deposit Fund	100.0	10.0
Deutsche Global Liquidity Fund	100.0	50.0
Federated Prime Liquidity Fund	100.0	65.2
Invesco Sterling Liquidity Fund	100.0	65.6
Payden Sterling Reserve Fund	100.0	55.0
Standard Life (Ignis) Liquidity Fund	100.0	62.8
	<u>600.0</u>	<u>333.6</u>
NOTICE ACCOUNTS		
Santander 95 Days Account	100.0	100.0
LOCAL AUTHORITIES		
Any Local Authority	25.0	-

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