South Tyneside Council

item 10

Pensions Committee
Date: 12 June 2026

Market Returns
(for information and read only)

Report of the Head of Pensions

Report Sponsor: Paul McCann, Assistant Director (Pension Fund) and Senior LGPS Officer.

Recommendation

1. The Committee is recommended to note the report.

Background

2. The report summarises market returns generally across different regions and asset classes over the most recent quarter, the last year and the last five-year period.

3. The information on financial markets helps to understand the market conditions in which the Pension Fund and its investment managers are operating. This can help in strengthening oversight and governance.

Returns for the quarter

4. There were a range of market returns in the quarter. Top performer in the quarter was Asia Pacific ex Japan equities, up 10.8%. The weakest performance was experienced by the FTSE World North America index, experiencing a -3.0% return over the quarter.

5. There were numerous negative market returns this quarter, this largely being attributable to the situation in the Middle East which arose during the quarter.

Returns for the year

6. Overall, there were a lot of strong performers over the year. The best performer was the FTSE World Asia Pacific ex Japan equities, up by 54.0% for the year. The MSCI Emerging Markets index also produced excellent returns over the year, up by 27.5%.

7. The worst performer, excluding cash (4.1%), was UK gilts though still up by 2.5%.

Returns for the five-year period

8. The five-year chart shows a wide range of returns but with all asset classes, except UK gilts, returning positive results. UK gilts notably being down by 4.3%.

9. The best performing market was North American equities, with a positive return of 12.7% per annum. This return was well ahead of the next best performing market, which was UK Equities where the FTSE All Share rose by 11.1% per annum.

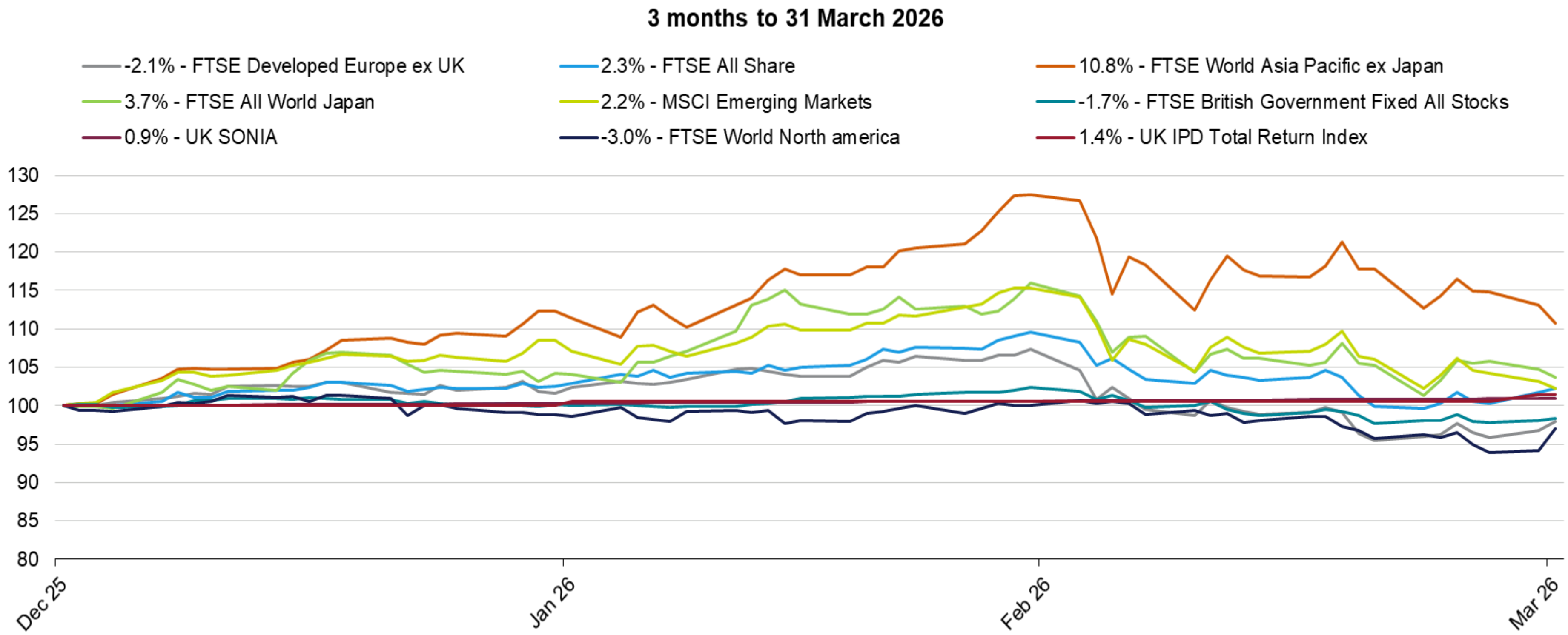
10. The lowest returning equity market was MSCI Emerging Markets which was up 5.1% per annum.

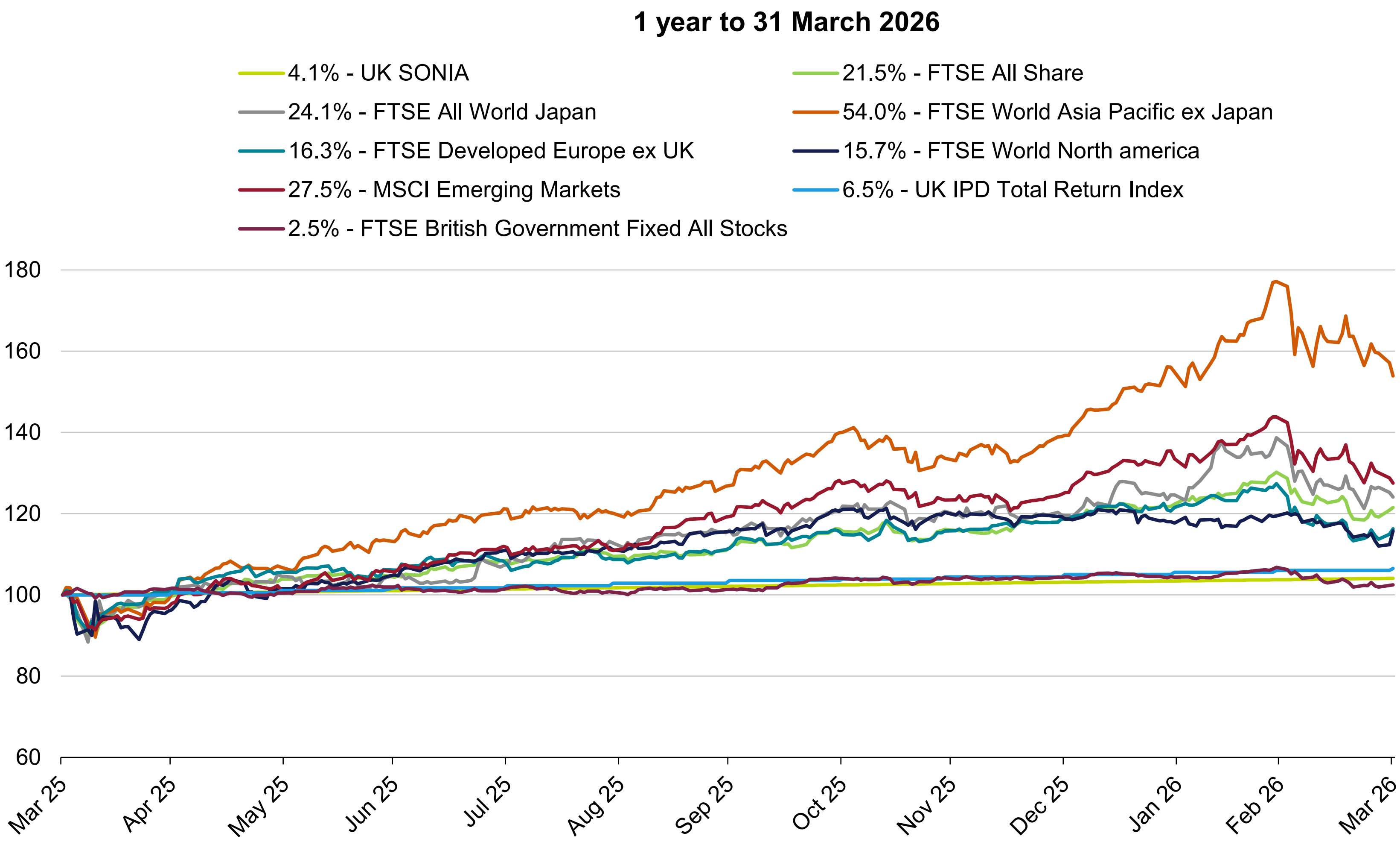
11. The worst performing asset class was UK gilts which fell by 4.3% per annum. The next lowest performer was cash which generated a 3.3% per annum return over the five-year period.

Recommendation

12. The Committee is recommended to note this report.

Report Author: Neil Sellstrom, Head of Investments, Finance and Treasury Management.


3 months to 31 March 2026
-2.1% - FTSE Developed Europe ex UK
2.3% - FTSE All Share
10.8% - FTSE World Asia Pacific ex Japan
3.7% - FTSE All World Japan
2.2% - MSCI Emerging Markets
-1.7% - FTSE British Government Fixed All Stocks
0.9% - UK SONIA
-3.0% - FTSE World North america
1.4% - UK IPD Total Return Index
130
125
120
115
110
105
100
95
90
85
80
Dec 25
Jan 26
Feb 26
Mar 26


1 year to 31 March 2026
4.1% - UK SONIA
21.5% - FTSE All Share
24.1% - FTSE All World Japan
54.0% - FTSE World Asia Pacific ex Japan
16.3% - FTSE Developed Europe ex UK
15.7% - FTSE World North america
27.5% - MSCI Emerging Markets
6.5% - UK IPD Total Return Index
2.5% - FTSE British Government Fixed All Stocks
180
160
140
120
100
80
60
Mar 25
Apr 25
May 25
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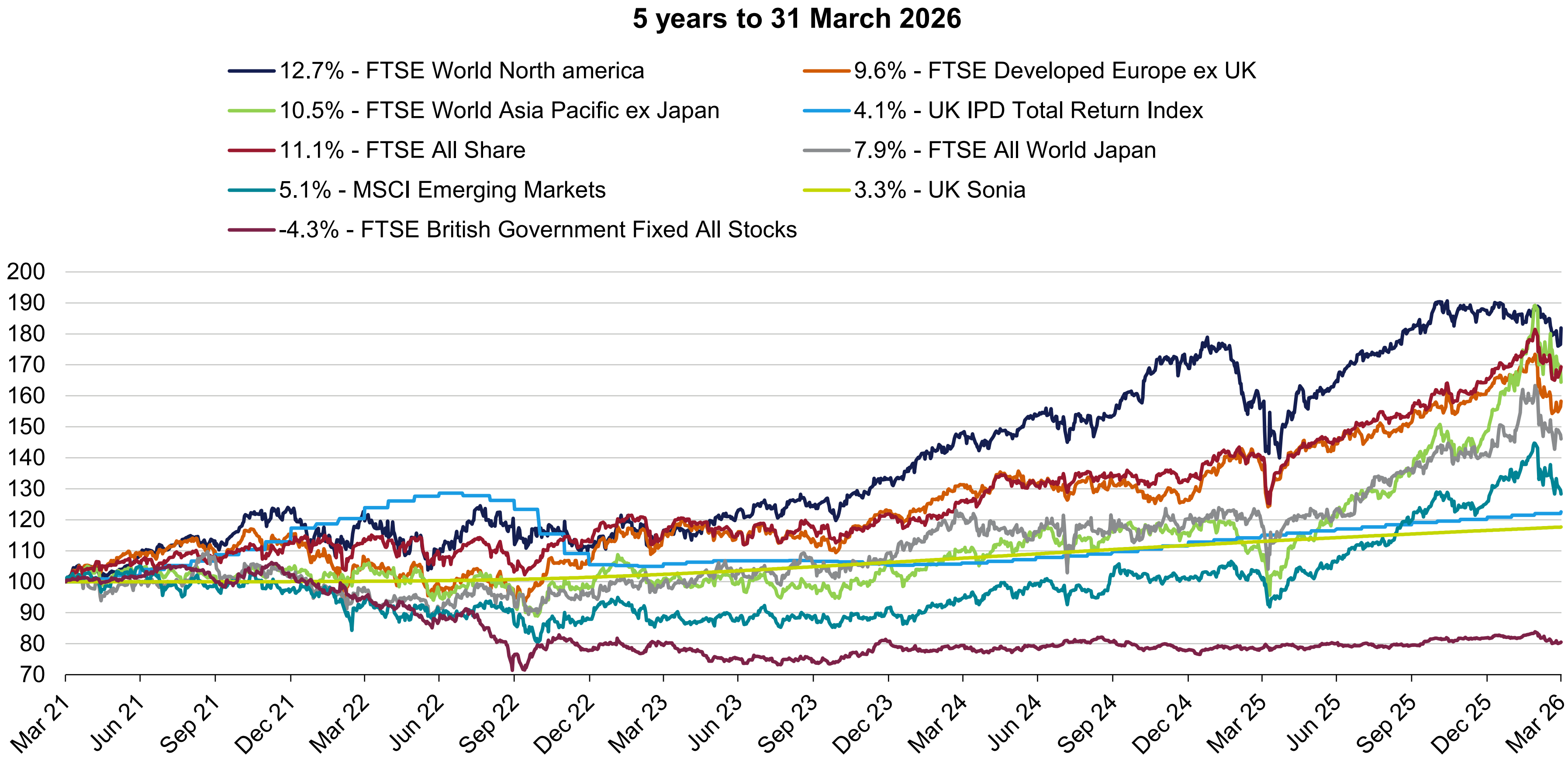
5 years to 31 March 2026
12.7% - FTSE World North america
9.6% - FTSE Developed Europe ex UK
10.5% - FTSE World Asia Pacific ex Japan
4.1% - UK IPD Total Return Index
11.1% - FTSE All Share
7.9% - FTSE All World Japan
5.1% - MSCI Emerging Markets
3.3% - UK Sonia
-4.3% - FTSE British Government Fixed All Stocks
200
190
180
170
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140
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110
100
90
80
70
Mar 21
Jun 21
Sep 21
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Market Returns

The following is a list of the background papers (excluding exempt papers) relied upon in the preparation of the above report:

Background Paper	File Ref:	File Location
None		