

J.P.Morgan

Worldwide Securities Services

**Performance Measurement Report
for
Durham County Council Pension Fund**

*for period ending
June 30, 2016*



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Benchmark Association Table

PORTFOLIO	INDEX	TARGET	WEIGHT %
Blackrock	Zero Return - Historically FTSE All Share (Gross)	+3% pa	100.00
Alliance Bernstein	GBP Libor (3 month)	+3% pa	100.00
Royal London	FTSE index Linked >5 years	+0.5% pa	100.00
Barings	Zero Return - Historically GBP Libor (3 month)	+4% pa	100.00
CBRE 1	Headline RPI	+5% pa	100.00
CBRE 2	Headline RPI	+5% pa	100.00
BlackRock DAA	GBP Libor (3 month)	+3% pa	100.00
Mondrian	MSCI EM (Emerging Markets) (Gross)	+2.5% pa	100.00
Aberdeen	MSCI-Acwi (Gross)	+3% pa	100.00
BNY	MSCI AC World Index (Gross)	+2.5% pa	100.00
Total Plan Composite	Manager Weighted Benchmark	Not Applicable	100.00

Executive Summary of Total Plan as at 30/06/2016

Overview

During the quarter the total market value of the Durham County Council Pension Plan increased by £134.40m to £2,433.49m. There was a cash outflow of -16,480m during the quarter meaning the plan experienced net profit of £150.88m.

The performance return for the Plan over the second quarter of 2016 was 6.58%, compared to the Plan benchmark return of 6.28%. The Plan therefore outperformed the benchmark by 30bps.

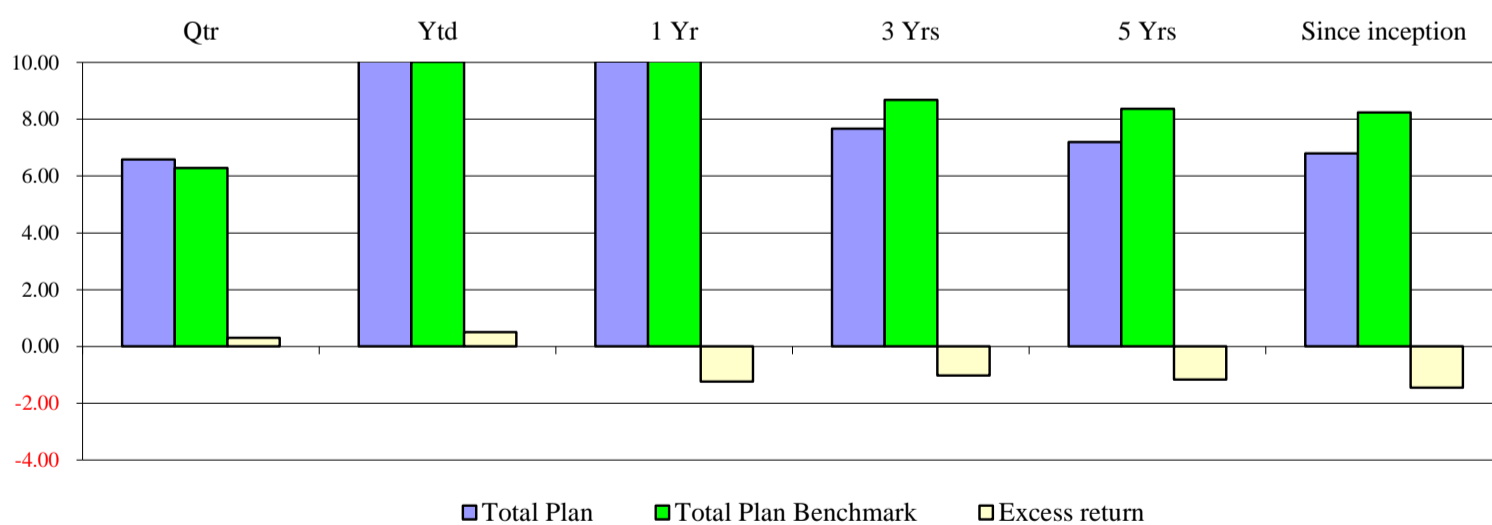
Market Values

	In GBP mil's			
	Qtr 2 - 16	Qtr 1 - 16	Qtr 4 - 15	Qtr 3 - 15
Total Plan	2,433.49	2,299.09	2,198.32	2,128.44

Performance

	Performance (%) *					
	Qtr	Ytd	1 Yr	3 Yrs	5 Yrs	Since inception
Total Plan	6.58	10.53	10.04	7.7	7.2	6.80
Total Plan Benchmark	6.28	10.03	11.29	8.7	8.4	8.25
<i>Excess return</i>	0.30	0.50	-1.25	-1.02	-1.17	-1.45

Total Plan Performance

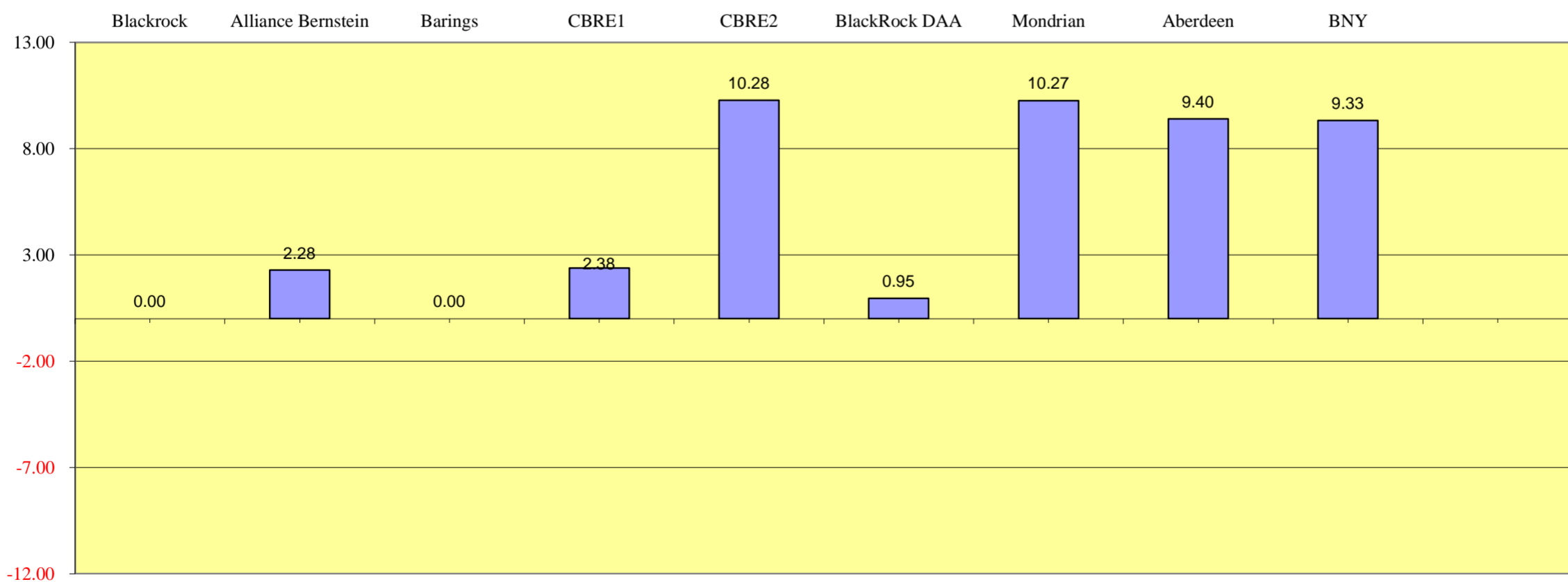


Total Plan Performance Returns as at 30/06/2016

Currency GBP		Performance (%) *					
	Mkt. Val. in Mil's	Qtr	Ytd	1 Year	2 Years	3 Years	Since inception
Total Plan	2433.5	6.58	10.53	10.04	7.47	7.66	6.80
Total Plan Benchmark		6.28	10.03	11.29	9.01	8.68	8.25
Excess return		0.30	0.50	-1.25	-1.54	-1.02	-1.45

	Mkt. Val. in Mil's	Qtr	Ytd	1 Year	2 Years	3 Years	Since inception
Blackrock	0.0	0.00	0.00	0.00	-0.65	4.21	5.37
Zero Return - Historically FTSE All Share (Gross) +3% pa		0.00	0.00	0.00	-1.57	4.21	7.14
Excess return		0.00	0.00	0.00	0.92	-0.00	-1.78
Alliance Bernstein	349.7	2.28	3.74	4.46	2.88	3.24	4.10
GBP Libor +3% pa		0.89	1.78	3.59	3.58	3.57	4.23
Excess return		1.39	1.96	0.87	-0.70	-0.32	-0.14
Royal London	524.1	10.77	18.29	17.41	16.32	12.51	9.62
FTSE index Linked >5 years +0.5% pa		11.26	18.62	17.63	16.98	12.78	9.68
Excess return		-0.49	-0.33	-0.22	-0.66	-0.27	-0.06
Barings	0.3	0.00	0.00	0.00	4.97	5.20	6.56
GBP Libor +4% pa		0.00	0.00	0.00	1.76	2.68	4.55
Excess return		0.00	0.00	0.00	3.21	2.52	2.01
CBRE1	160.0	2.38	3.98	10.54	11.68	10.49	3.40
Headline RPI +5% pa		2.00	3.45	6.71	6.39	6.85	7.78
Excess return		0.38	0.53	3.83	5.30	3.64	-4.39
CBRE2	35.5	10.28	15.81	26.50	15.35	12.20	7.00
Headline RPI +5% pa		2.00	3.45	6.71	6.39	6.85	7.78
Excess return		8.28	12.36	19.80	8.96	5.36	-0.78
BlackRock DAA	442.7	0.95	-0.66	-0.81	-	-	-0.03
3 Month Libor in GBP +4% pa		0.89	2.03	4.34	-	-	4.33
Excess return		0.06	-2.69	-	-	-	-4.36
Mondrian	169.0	10.27	21.09	7.62	-	-	0.08
MSCI EM (Emerging Markets) (Gross) + 2.5%		8.90	18.78	6.06	-	-	5.31
Excess return		1.37	2.31	-	-	-	-5.24
Aberdeen	371.0	9.40	16.25	10.63	-	-	5.01
MSCI-Acwi (Gross) + 3%		9.60	13.66	17.35	-	-	14.38
Excess return		-0.20	2.59	-	-	-	-9.37
BNY	381.2	9.33	14.50	19.19	-	-	14.61
MSCI AC World Index (Gross) + 2.5%		9.47	13.38	16.78	-	-	14.08
Excess return		-0.14	1.12	-	-	-	0.53

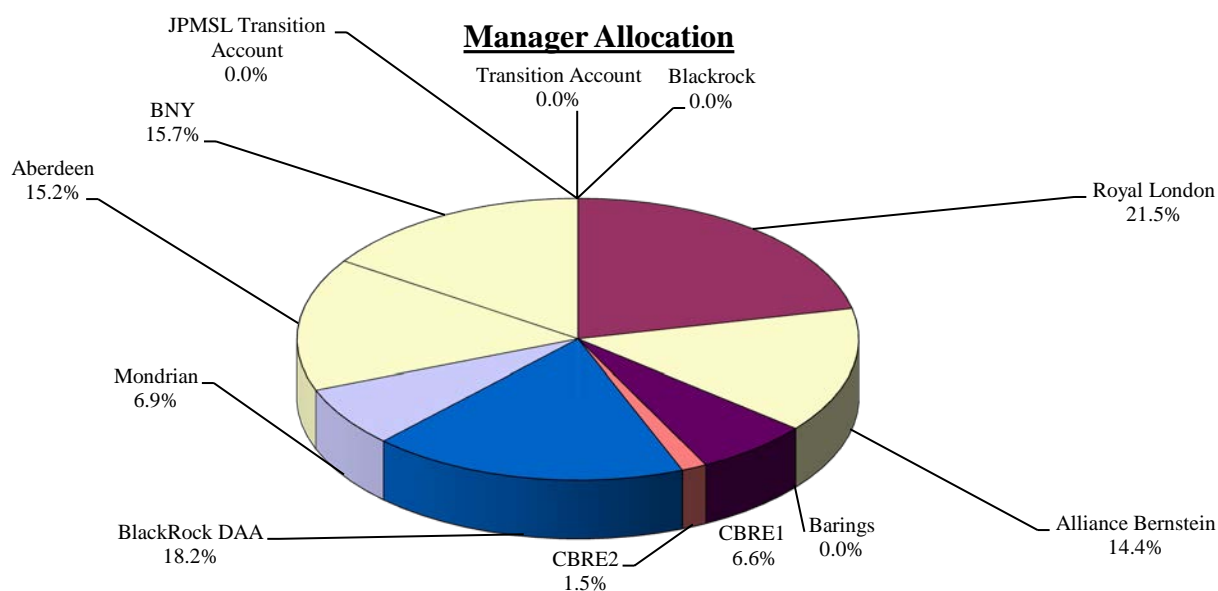
Manager Quarterly Returns



*All Portfolio and Composite returns are Gross of Fees. For time periods in excess of 1 year the performance returns are annualised.

Portfolio Comparison for Quarter 2, 2016

Portfolio Name	Current Market Value	Portfolio Weight	Portfolio Return (%)	Benchmark Return (%)	Excess Return (%)	Current Contribution to Return
Total Plan	2,433,493,038	100.00%	6.58	6.28	0.30	6.58
Blackrock	10,318	0.00%	0.00	0.00	0.00	0.00
Royal London	524,120,514	21.54%	10.77	11.26	(0.49)	2.22
Alliance Bernstein	349,674,470	14.37%	2.28	0.89	1.39	0.34
Barings	303,770	0.01%	0.00	0.00	0.00	0.00
CBRE1	160,015,858	6.58%	2.38	2.00	0.38	0.16
CBRE2	35,492,807	1.46%	10.28	2.00	8.28	0.14
BlackRock DAA	442,708,256	18.19%	0.95	0.89	0.06	0.18
Mondrian	168,968,392	6.94%	10.27	8.90	1.37	0.69
Aberdeen	371,037,074	15.25%	9.40	9.60	(0.20)	1.39
BNY	381,150,513	15.66%	9.33	9.47	(0.14)	1.45
JPMSL Transition Account	210	0.00%	0.00	-	-	0.00
Transition Account	10,858	0.00%	0.00	-	-	0.00



Portfolio Comparison for Year to Date, 2016

Portfolio Name	Current Market Value	Portfolio Weight	Portfolio Return (%)	Benchmark Return (%)	Excess Return (%)	Current Contribution to Return
Total Plan	2,433,493,038	100.00%	10.53	10.03	0.50	10.53
Blackrock	10,318	0.00%	0.00	0.00	0.00	0.00
Royal London	524,120,514	21.54%	18.29	18.62	(0.33)	3.67
Alliance Bernstein	349,674,470	14.37%	3.74	1.78	1.96	0.57
Barings	303,770	0.01%	0.00	0.00	0.00	0.00
CBRE1	160,015,858	6.58%	3.98	3.45	0.53	0.27
CBRE2	35,492,807	1.46%	15.81	3.45	12.36	0.22
BlackRock DAA	442,708,256	18.19%	(0.66)	2.03	(2.69)	(0.13)
Mondrian	168,968,392	6.94%	21.09	18.78	2.31	1.33
Aberdeen	371,037,074	15.25%	16.25	13.66	2.59	2.35
BNY	381,150,513	15.66%	14.50	13.38	1.12	2.25
JPMSL Transition Account	210	0.00%	0.00	-	-	0.00
Transition Account	10,858	0.00%	0.00	-	-	0.00

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