

# Indexed Commodities

Pension/Investment

## Snapshot

<b>Objective</b>		To deliver a return in line with the Commodities asset class
<b>Style</b>		Indexed
<b>Size</b>		€694,711
<b>Asset Mix</b>		Commodities
<b>Number of Assets</b>		24
<b>Volatility/Risk</b>		High Risk

The Commodities Fund will initially target a return of 50% Goldman Sachs Commodity Total Return Index (GSCI) and 50% Goldman Sachs Non-energy Total Return Index (GSNE) . This mix is designed to deliver broad exposure to all commodities and avoid over-exposure to oil/energy.

## Objective

- This fund seeks to give returns based on a broad range of Commodities.
- Combining a mix of 2 Commodity Indexes broadens the range of commodity assets and should reduce the volatility.
- This fund is suitable for long-term investors who already have assets such as shares, property or bonds and are looking to diversify their portfolio.

## Operation

- The fund invests in commodity futures and money market instruments, using ETF's, which target returns in line with the GSCI & GSNE indexes.
- The initial split which will be 50-50 GSCI and GSNE which may be revised in the future. The exposure to each Commodity asset will reflect the weighting it represents in the combined GSCI & GSNE indexes.

## Highlights



- Commodities have historically given equity-like returns to long-term investors. However Commodities tend to perform at different times in the economic cycle, making them very attractive for their diversification benefits. This has resulted in many investment managers increasing their exposure to Commodities in recent times.
- The increasing demand for raw materials from a strong global economy - particularly from energy and agricultural sectors – has helped drive commodity returns in recent years.

## Asset Mix and Spread within Assets

Energy	37%	Agriculture	32%	Livestock	8%	Industrial Metals	17%	Precious Metals	6%
Crude Oil	19%	Wheat	10%	Live Cattle	5%	Aluminium	5%	Gold	5%
Brent Crude Oil	8%	Red Wheat	3%	Feeder Cattle	1%	Copper	7%	Silver	1%
Unleaded Gas	1%	Corn	8%	Lean Hogs	2%	Lead	1%		
Heating Oil	3%	Soybeans	5%			Nickel	2%		
Gas Oil	3%	Cotton	2%			Zinc	2%		
Natural Gas	3%	Sugar	2%						
		Coffee	1%						
		Cocoa	1%						