





INVESTMENT COMMITTEE CHAIR REPORT

BOARD MEETING
George W. Welde, Jr.
10-11 December 2014, Geneva



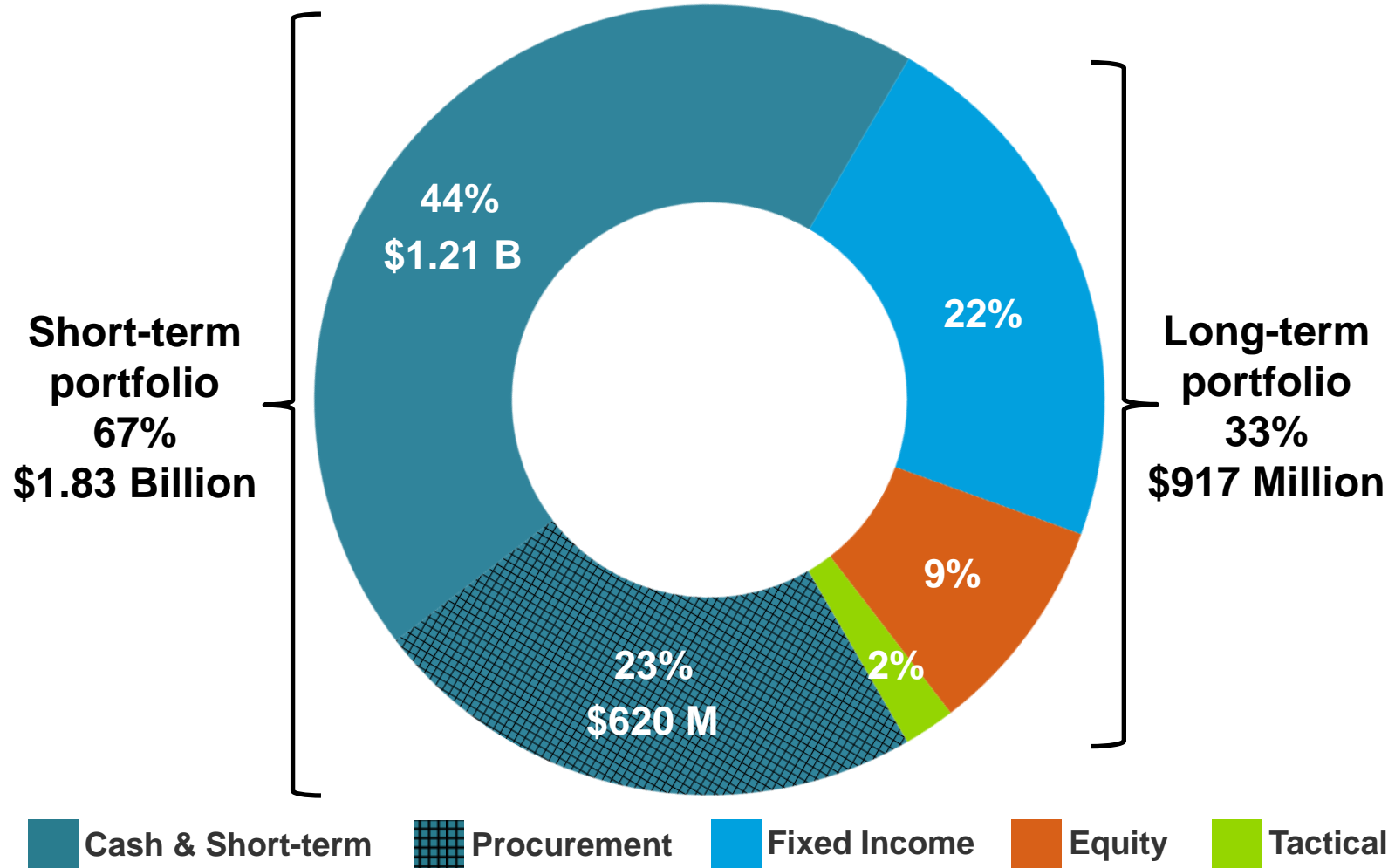
ASSETS BY TIME HORIZON

	SHORT TERM	INTERMEDIATE	LONG TERM
Advance Market Commitments ¹ (AMC)			
IFFIm Pledges ¹			
Long-term portfolio ²			
Short-term portfolio ² (direct donor pledges and cash)			

(1) Assets managed by the World Bank Group.

(2) Assets have oversight from the Gavi Investment Committee. Short-term portfolio includes UNICEF Procurement Account.

TOTAL PORTFOLIO (\$2.75 Billion)



Data as of 31 October 2014

LONG-TERM PORTFOLIO EXPOSURES: CURRENT ALLOCATION AND RANGES

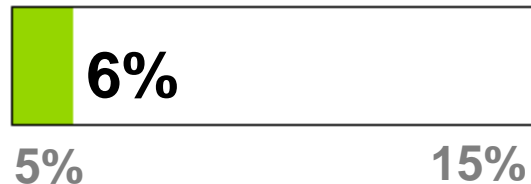
Fixed Income: capital preservation, income



Equity: growth, inflation hedge (moderate)



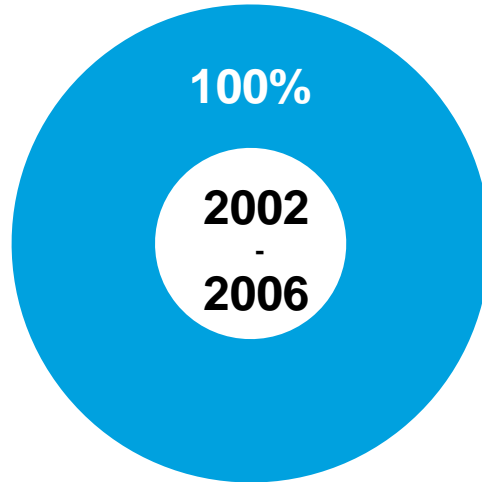
Tactical: less correlated assets lacking the typical characteristics of FI or Equity



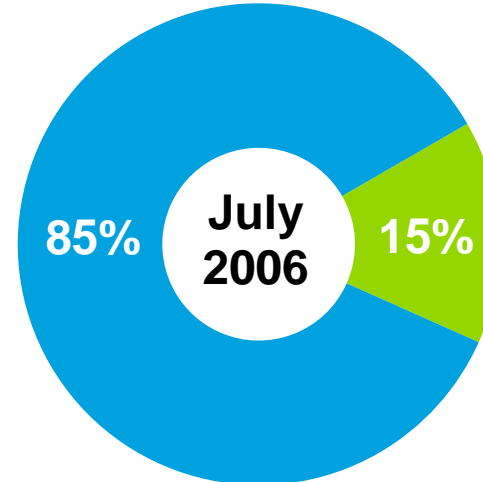
Data as of 31 October 2014

LONG-TERM PORTFOLIO EVOLUTION

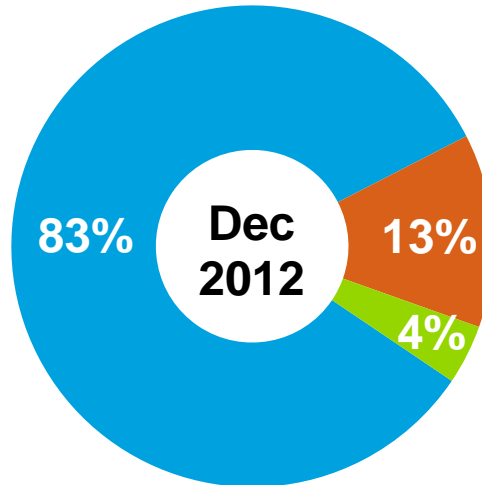
(1) Conservative, US centric, short-term fixed income



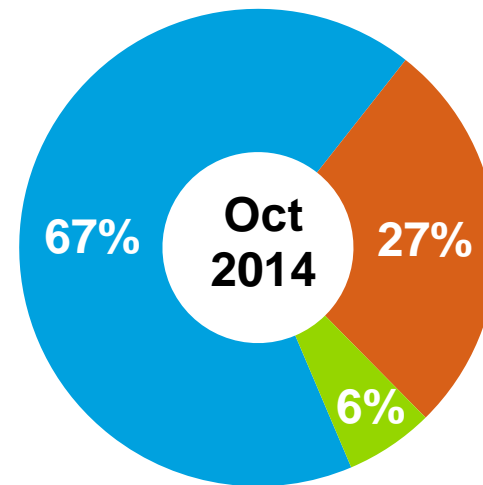
(2) Launch of IFFIm extended investment horizon; added inflation hedge assets



(3) Added growth-oriented assets such as equities



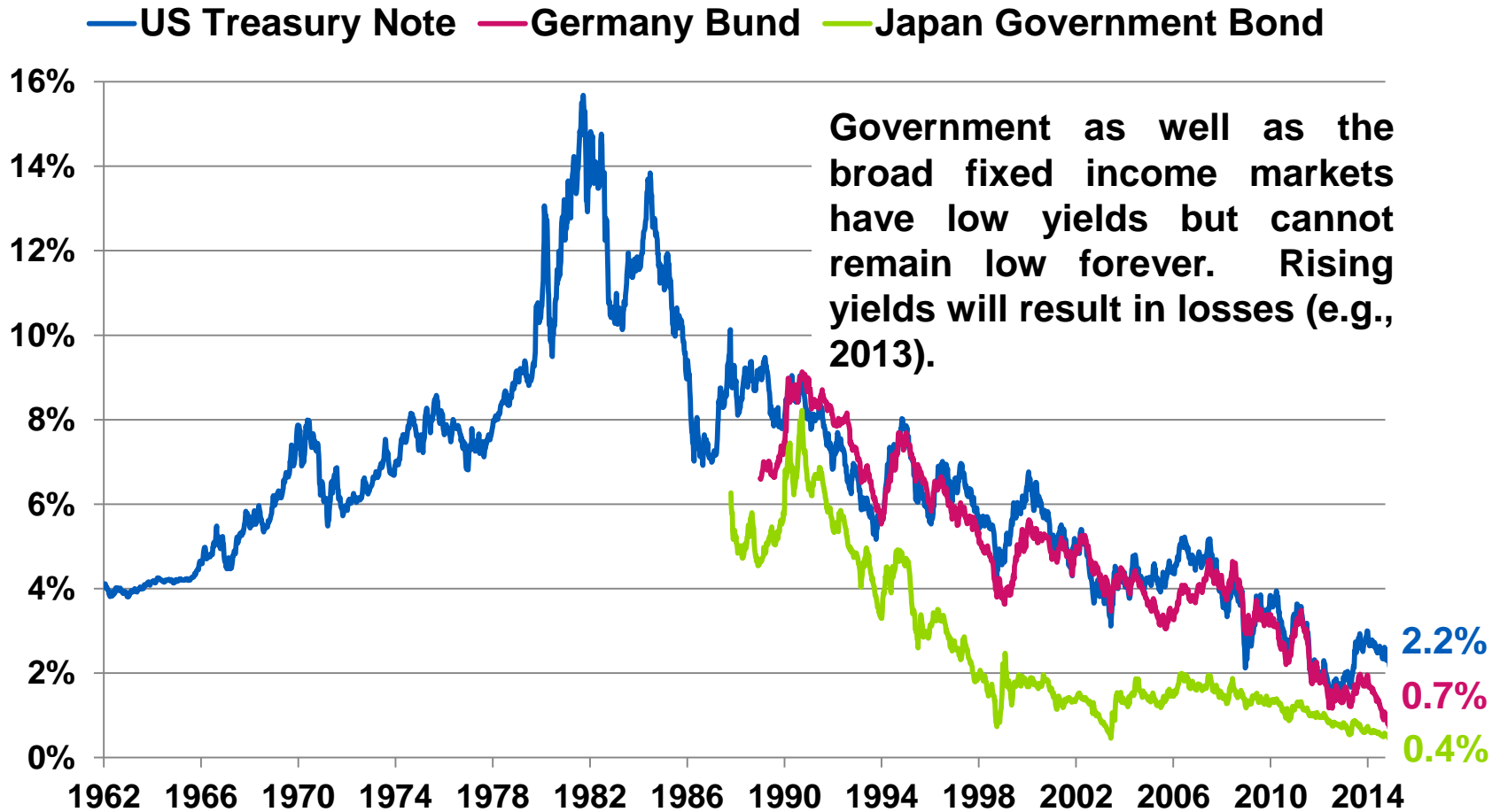
(4) Further diversification into international assets



**“The market can stay irrational longer than you
can stay solvent.”**

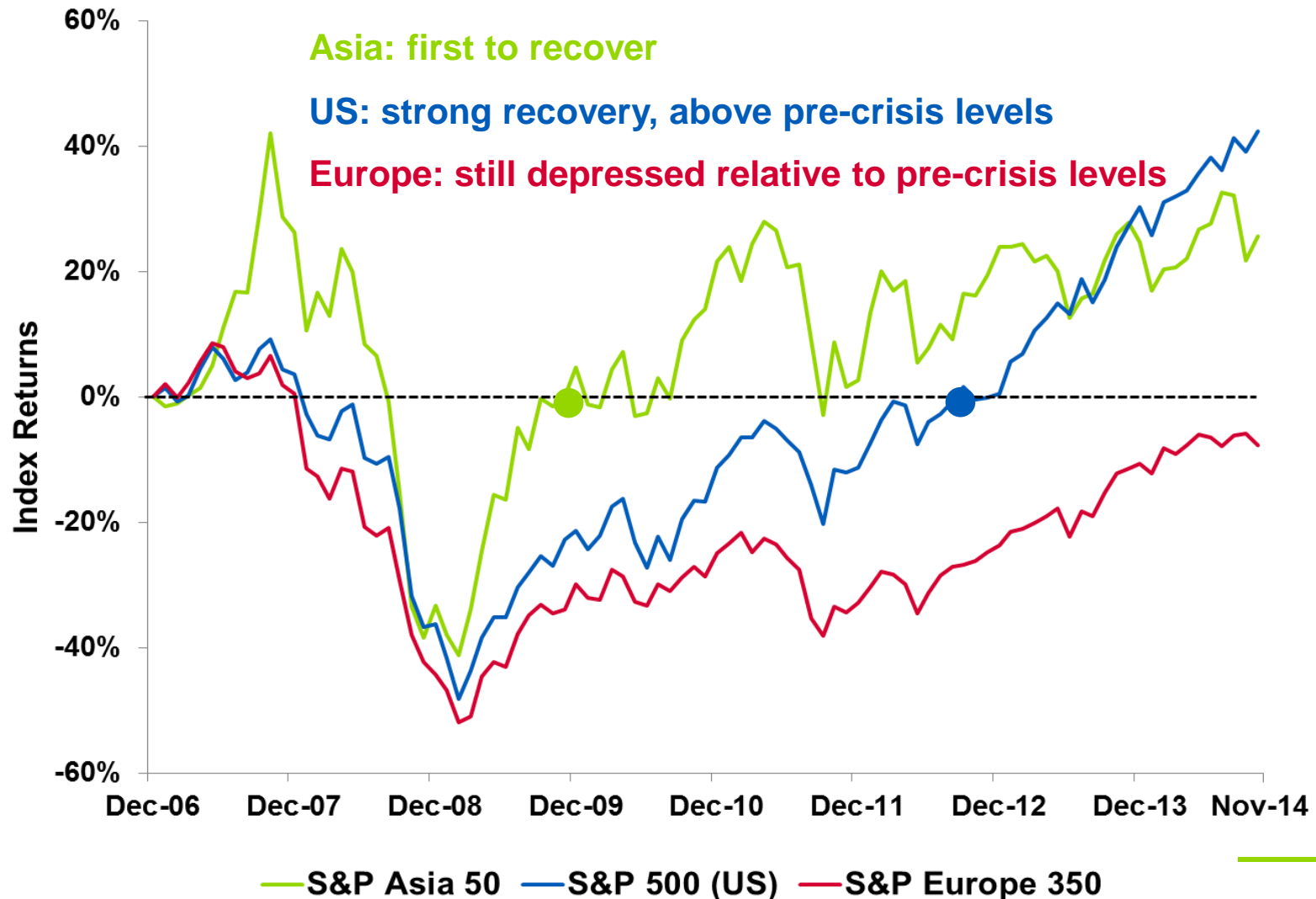
- John Maynard Keynes, economist

GOVERNMENT 10-YEAR YIELDS



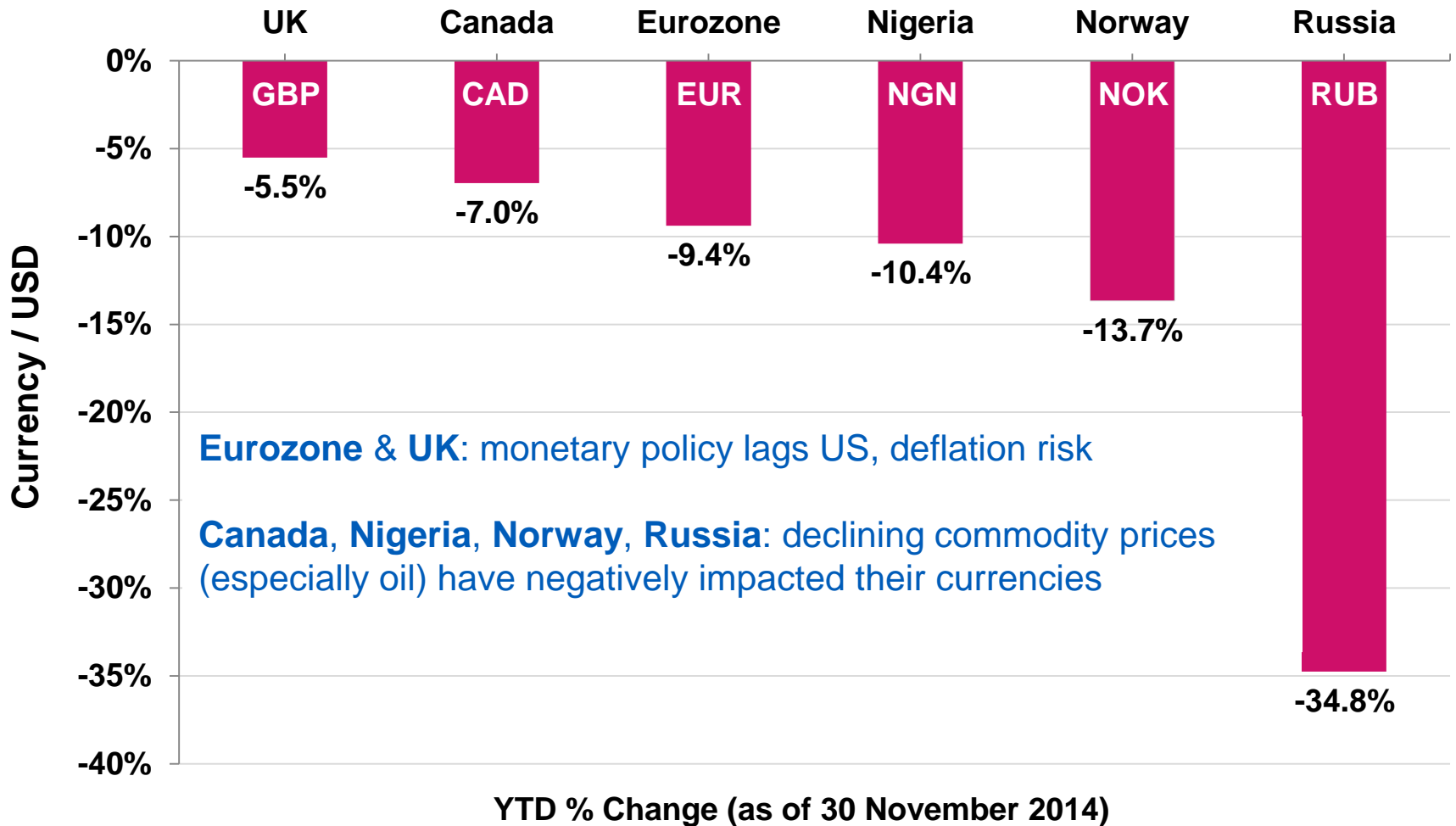
Data as of 30 November 2014
Source: Bloomberg

POLICY CHOICES: IMPACT ON THE EQUITY MARKETS



Source: Bloomberg

POLICY CHOICES AND COMMODITY PRICES



Source: Bloomberg

2015: LOOKING AHEAD

Review global themes and asset allocation in the long-term portfolio

Continue to conduct rigorous due diligence on existing and prospective managers

Conduct competitive review of strategic adviser role (9 bids)

Update Socially Responsible Investment Policy

THANK YOU



www.gavi.org