

## Latest Monthly Update

London, 30 April 2013

JLT Pension Capital Strategies (PCS) has updated its monthly index showing the funding position of all UK private sector defined benefit (DB) pension schemes under the standard accounting measure (IAS19 / FRS17) used in company reports and accounts.

As at 30 April 2013, PCS estimates the total DB pension scheme funding position as follows:

<b>At 30 April 2013</b>	<b>Assets</b>	<b>Liabilities</b>	<b>Surplus / (Deficit)</b>	<b>Funding Level</b>
FTSE 100 Companies	£481bn	£560bn	(£79bn)	86%
FTSE 350 Companies	£545bn	£631bn	(£86bn)	86%
All UK Private Sector Pension Schemes	£1,164bn	£1,307bn	(£143bn)	89%

For comparison, the corresponding figures as at 30 April 2012 are as follows:

<b>At 30 April 2012</b>	<b>Assets</b>	<b>Liabilities</b>	<b>Surplus / (Deficit)</b>	<b>Funding Level</b>
<i>FTSE 100 Companies</i>	<i>£432bn</i>	<i>£500bn</i>	<i>(£68bn)</i>	<i>86%</i>
<i>FTSE 350 Companies</i>	<i>£498bn</i>	<i>£577bn</i>	<i>(£79bn)</i>	<i>86%</i>
<i>All UK Private Sector Pension Schemes</i>	<i>£1,028bn</i>	<i>£1,161bn</i>	<i>(£133bn)</i>	<i>89%</i>

Charles Cowling, Managing Director of JLT Pension Capital Strategies comments:

“Bond yields have fallen to new lows pushing pension liabilities to record highs. Over the last year asset returns have been high enough to mitigate this bond yield effect leading to funding levels similar to last year, but higher in absolute terms. Investors have been coming out of commodities and going into bonds, and this, together with the low levels of bond issuance, has caused prices to rise and yields to fall. Bond yields are expected to remain low due to the uncertainty in Europe and the UK Government’s austerity measures and as such the current deficit problems are expected to remain for some time. We await the Pensions Regulator’s statement due out later this month which, following the new pension funding principle announced in the Budget of encouraging growth, may give some respite to hard-pressed employers.”

--ENDS--

# Pension scheme deficits

Latest monthly update

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## Notes to Editors:

### About JLT Pension Capital Strategies

JLT Pension Capital Strategies (PCS) was established in 2006 to help companies to manage their Defined Benefit pension obligations, offering advice on managing scheme assets and liabilities, on communication with trustees and on finding the right funding solutions.

A subsidiary of the Jardine Lloyd Thompson Group, PCS can draw upon skills and experience in the areas of corporate finance, tax, capital markets, asset management, actuarial and general pension regulation and practice to provide strategic advice and practical answers.

[www.jltpcs.com](http://www.jltpcs.com)

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