

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES
BY THE DEPUTY OF ST. MARY
ANSWER TO BE TABLED ON TUESDAY 6th JULY 2010**

Question

“What is the nature and scale of exposure to BP of each of the States investment funds and what was this exposure two months ago, and what loss, if any has been sustained this year, fund by fund?”

Answer

The Strategic Reserve Fund was the only Fund to hold investments in BP. Please note that the States of Jersey do not pick individual stocks, instead the holding in BP is as a result of a discretionary mandate held with Investment Manager.

As at 30th April BP represented 1.3% of the total Market Value of the Strategic Reserve Fund and as at 30th June this had reduced to 0.9% of the total value of the Strategic Reserve Fund. Since the peak in the stock market to the trough, over the last two months, the market value of the BP holding has declined by £2.2m.

Actual performance is regularly monitored against target by the Investments Sub-Committee. Investment managers are subject to challenge by the Investments Sub-Committee; who require explanations of any shortfalls against target together with Investment managers' plans to return to target.

Pension Funds are excluded as the Minister for Treasury and Resources approves the Strategy for these Funds however the assessment of Fund's Performance for Public Employees Contributory Retirement Scheme and Jersey Teachers' Superannuation Fund is the responsibility of their individual Investment Sub-Committees, set up by the Pension funds Management Committee/Board.

The Minister believes it would be unwise to review the performance of a single stock in isolation.