

Secretariat

845 Sherbrooke St. West, Room 313

Montreal, QC H3A 0G4

Tel: 514-398-3948 | Fax: 514-398-4758

The following items arise from the Investment Committee meeting of December 11, 2018. They are presented to the Board of Governors for information.

I. FOR THE INFORMATION OF THE BOARD OF GOVERNORS**1. Infrastructure Fund Investment [IC18-19]**

At the Investment Committee meeting of September 25, 2018, the Committee increased the target allocation of Real Assets target allocation from 10% to 15%. The Committee approved an investment of up to €15 million in Macquarie European Infrastructure Fund 6 (including €5 million in the co-investment fund), which will help to reach the established target allocation.

2. Emerging Markets (EM) Manager Search [IC18-20]

The Investment Committee, on the recommendation of the Vice-Principal (Administration and Finance), approved the hire of RBC Global Asset Management as the new emerging markets equity manager. The Committee also approved that the proceeds from the sale of the Emerging Markets exchange-traded fund (ETF), which amount to approximately \$57 million, be invested in the RBC Global Asset Management Value Fund.

These proceeds had been put temporarily into an Emerging Markets ETF after the Committee approved, on September 25, 2018, a recommendation to terminate Aberdeen Standard's mandate due to underperformance.

3. USD Hedging Strategy (with Cross-Currency Basis Swap) [IC18-21]

The Investment Committee, on the recommendation of the Vice-Principal (Administration and Finance), approved the use of an alternative hedging instrument, Cross Currency Basis Swap (CCS) starting with the next-roll over in December 2018. This will be for up to half (50%) the exposure hedged under the USD currency hedging program.

4. Review of Asset Allocation and Market Value of Investment Portfolio at October 31, 2018 [IC18-18]

The Committee received an update on the market value of the McGill Investment Pool (MIP), which was \$1.57 billion as of October 31, 2018.

5. Update on Investment Managers and Reports

The Committee received an update on the following investment manager funds:

- BlackRock Europe Property Fund [IC18-15]
- Catalyst

The Committee received the following reports:

- Overall Compliance with Statement of Investment Policy and Investment Manager Mandate [IC18-14]
- University Advancement Annual Report [IC18-16]
- Dashboard [IC18-17]

END

December 2018