



PENSION CAPITAL STRATEGIES

PENSION CAPITAL STRATEGIES ANNOUNCES LATEST PENSION FUNDING LEVELS

London, 1 November 2009 – Pension Capital Strategies Limited (PCS) has updated its monthly index showing the funding position of UK defined benefit (DB) pension schemes under the standard accounting measure (IAS19 / FRS17) used in company reports and accounts.

As at 31 October 2009, PCS estimates the total DB pension scheme funding position as follows:

At 31 October 2009	Assets	Liabilities	Surplus / (Deficit)	Funding Level
FTSE100 Companies	£386bn	£467bn	(£81bn)	83%
FTSE350 Companies	£444bn	£534bn	(£90bn)	83%
All UK Private Sector Pension Schemes	£888bn	£1,121bn	(£233bn)	79%

For comparison, the corresponding figures as at 31 October 2008 are as follows:

At 31 October 2008	Assets	Liabilities	Surplus / (Deficit)	Funding Level
<i>FTSE100 Companies</i>	<i>£328bn</i>	<i>£306bn</i>	<i>£22bn</i>	<i>107%</i>
<i>FTSE350 Companies</i>	<i>£376bn</i>	<i>£356bn</i>	<i>£20bn</i>	<i>106%</i>
<i>All UK Private Sector Pension Schemes</i>	<i>£772bn</i>	<i>£785bn</i>	<i>(£13bn)</i>	<i>98%</i>

Charles Cowling, Managing Director, PCS, says, "The last 12 months continue to be difficult for UK pension schemes. Despite strong investment returns in equities and elsewhere, pension deficits have risen sharply as liabilities have increased by even more than the investments. This is mainly due to changes in the bond rates used to value liabilities. As financial markets have returned to some sort of calm after the turbulence of 2008, reductions in AA bond yields (used to value pension liabilities) have resulted in significant increases to pension liabilities".

--ENDS--

Enquiries:

Charles Cowling

07920 834047

Isabella Young

07920 586032

Notes to Editors:**About Pension Capital Strategies**

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.pensionstrategies.co.uk