

Latest Monthly Update

London, 1 June 2011

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 31 May 2011, PCS estimates the total DB pension scheme funding position as follows:

At 31 May 2011	Assets	Liabilities	Surplus / (Deficit)	Funding Level
FTSE 100 Companies	£421bn	£458bn	(£37bn)	92%
FTSE 350 Companies	£481bn	£524bn	(£43bn)	92%
All UK Private Sector Pension Schemes	£1,010bn	£1,089bn	(£79bn)	93%

For comparison, the corresponding figures as at 31 May 2010 are as follows:

At 31 May 2010	Assets	Liabilities	Surplus / (Deficit)	Funding Level
<i>FTSE 100 Companies</i>	<i>£373bn</i>	<i>£435bn</i>	<i>(£62bn)</i>	<i>86%</i>
<i>FTSE 350 Companies</i>	<i>£431bn</i>	<i>£504bn</i>	<i>(£73bn)</i>	<i>85%</i>
<i>All UK Private Sector Pension Schemes</i>	<i>£899bn</i>	<i>£1,047bn</i>	<i>(£148bn)</i>	<i>86%</i>

Charles Cowling, Managing Director of PCS, comments: "Despite the recent turmoil in markets, the last 12 months have been quite good for companies weighed down by pension liabilities and deficits, with total deficits reducing from £148bn to £79bn.

"A rally in equity markets, combined with significant deficit funding, have both helped narrow deficits over the past year.

"Despite this apparent improvement, pension fund deficits remain a significant cross to bear for UK companies, and it's somewhat unsurprising that there has been a significant reduction in ongoing DB provision in the last 12 months."

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.

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