



Investment Committee

Agenda Item 7a

June 14, 2021

Item Name: Current Market Environment

Program: Trust Level Portfolio Management & Implementation

Item Type: Information

Executive Summary

This agenda item provides information from Goldman Sachs on the Current Market Environment and will include a market review, Goldman Sachs strategic long-term assumptions, and factors impacting changes in assumptions.

Strategic Plan

This agenda item supports the CalPERS Strategic Plan goal to strengthen long-term sustainability of the pension fund while cultivating a high-performing, risk-intelligent, and innovative organization.

Investment Beliefs

This agenda item supports the following CalPERS' Investment Beliefs:

- Investment Belief 2: A long-term investment horizon is a responsibility and an advantage
- Investment Belief 6: Strategic asset allocation is the dominant determinant of portfolio risk and return.

Background

As part of the CalPERS Asset Liability Management review, it is beneficial to have external views on the economy and market, return and risk expectations, and the various factors that can impact capital market assumption expectations.

Analysis

Not Applicable

Budget and Fiscal Impacts

Not Applicable

Benefits and Risks

Not Applicable

Attachments

Attachment 1 – Current Market Environment

Sterling Gunn

Managing Investment Director
Trust Level Portfolio Management & Implementation

Dan Bienvenue

Interim Chief Investment Officer