

**Investment Committee  
Asset Liability Management Workshop  
November 12-13, 2013**

**Possible Discussion Questions**

**Global Fixed Income**

- How important is current income to the whole Asset Allocation process? Given that we're a more mature fund?

**Global Equity**

- Why is it that you're putting no constraints, either a lower bound or an upper bound, on Global Equity?
- There was talk of having a minimum volatility portfolio as an option to select; why is that not here?
- What about the use of other alternative weighting schemes (i.e., which deviate from traditional market capitalization weighted indices)?
  - There's been quite a bit of academic literature around them and there is no option for them; does this mean we're not using any alternative weighting schemes?

**Real Assets**

- Why only a 1% increase in the allocation to Real Assets? Why can't we deploy more capital?
- Why have we reduced the Infrastructure constraint by 1%? Why can't we deploy more capital?

**Private Equity**

- Why lower the allocation by 2%?
- How does the decrease in allocation change the liquidity needs of the Total Fund? What would the liquidity needs be if the allocation were to remain at 14%?
- How does the change in the Policy Portfolio impact the expected return for the Public Employees' Retirement Fund?

**Absolute Return Strategies (ARS)**

- Why do we have different constraints for ARS?

**Other Potential Questions for ALM Workshop Materials**

- Why do we have constraints for the optimization process?
- Why do we care about investment risk sensitivities?
- Why did we introduce the public asset only portfolio? What's the benefit and risk of this portfolio option?
- What are impacts on key risk considerations of different candidate portfolios?
- Why are you comfortable with only a 2% Liquidity bucket?
- Why do we need a strategic allocation to Liquidity?