

Use of Leverage in Strategic Asset Allocation

Summary of Discussion

Moderator

Ted Eliopoulos, Chief Investment Officer, CalPERS

Presenters

Eric Baggesen, Managing Investment Director, CalPERS

Ron Lagnado, Investment Director, CalPERS

Allan Emkin, Managing Director, Pension Consulting Alliance

Lionel Martellini, Professor of Finance, EDHEC Business School
and Director, EDHEC Risk Institute

Patrick Lighaam, Managing Director, Wilshire Associates

The purpose of this session is to engage CalPERS Board members in an educational workshop on the subject of leverage and its relevance in strategic asset allocation.

This session will include discussions on:

- Leverage as a tool in Strategic Asset Allocation
- Challenges and opportunities
- Vision and path forward

This session is a part of the overall effort to inform decision making within the Asset Liability Management process. Goals include cultivating a greater understanding on the concept and complexities of leverage, explicate the relationship between leverage and risk, and discuss governance of leverage use for asset owners and their boards.

The materials for this session includes:

- External Presenter Biographies
- PowerPoint Presentations