



Investment Committee

Agenda Item 7a

September 24, 2018

Item Name: Global Fixed Income Annual Program Review

Program: Fixed Income

Item Type: Information

Executive Summary

This is the Annual Program Review for Fixed Income for the period ending June 30, 2018. The review includes an overview about each program, including its role and philosophy, details concerning investment performance, portfolio risk and positioning, its business structure, and overall program expenses. Also, included is a visual guide displaying how the programs are integrating the CalPERS Investment Beliefs into their decision-making processes. Additionally, this item provides information of two important strategic initiatives undertaken by Fixed Income.

Strategic Plan

This agenda item supports the CalPERS Strategic Plan goal to cultivate a high-performing, risk-intelligent, and innovative organization. The program review provides detailed information for portfolio characteristics and program highlights across Fixed Income to support the CalPERS Investment Committee in its oversight capacity.

Investment Beliefs

This agenda item supports the CalPERS Investment Belief 2: A long time investment horizon is a responsibility and an advantage; Belief 8: Costs matter and need to be effectively managed; and Belief 10: Strong processes and teamwork and deep resources are needed to achieve CalPERS goals and objectives.

Background

An annual program review for each asset class or program area is presented to the Investment Committee. Program annual reviews were scheduled as a result of restructuring of Investment Committee agendas. The last program review for Fixed Income occurred in September 2017.

Analysis

Not Applicable

Budget and Fiscal Impacts

Not Applicable

Benefits and Risks

Not Applicable

Attachments

Attachment 1 – Global Fixed Income, Inflation, Liquidity Annual Program

Attachment 2 – Global Fixed Income, Inflation, Liquidity Annual Review – Supplemental Report

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