

## MEMORANDUM

**TO:** Members of the Investment Committee, CalPERS  
**FROM:** Meketa Investment Group  
**DATE:** March 13, 2023  
**RE:** Semi-Annual Infrastructure Performance Review as of December 31, 2022

In our role as the Board Infrastructure Consultant, Meketa Investment Group (“Meketa”) conducted a semi-annual performance review of the Infrastructure Portfolio (“the Portfolio”) based on data provided by Wilshire Associates for the California Public Employees’ Retirement System (“CalPERS”) Real Assets Program (the “Program”) for the period ended December 31, 2022, and selected CalPERS reports.<sup>1</sup> This memorandum provides the Portfolio performance data and information on key policy parameters, with a summarized market commentary provided as an attachment.

### Performance<sup>2</sup>

CalPERS’ Infrastructure Portfolio underperformed its policy benchmark for the shorter reporting periods between one and five years, while outperforming for the longer ten-year reporting period ending December 31, 2022.

Net Returns as of December 31, 2022	1 Year (%)	3 Year (%)	5 Year (%)	10 Year (%)
Infrastructure Portfolio Returns	8.3	7.4	8.2	11.2
Infrastructure Policy Benchmark <sup>3</sup>	20.9	11.3	9.1	7.2
Over (under) Performance	(12.6)	(3.9)	(0.9)	4.0
Consumer Price Index (For Reference Only)	8.2	5.0	3.8	2.5

Compared to six months ago, the above trailing one- and five-year returns are both down compared to 14.7% and 10.5%, respectively, while the above three- and ten-year returns are almost exactly the same as those as of June 30, 2022, which were at 7.2% and 11.3%, respectively. The absolute level of underperformance of the above one- and three-year returns is about the same as six months ago. The current five-year return is closer to the benchmark, and the ten-year return’s absolute overperformance is about the same as six months ago.

<sup>1</sup> CalPERS Real Assets Quarterly Performance Report, including underlying Allocation, Characteristics, and Leverage Reports (Excel files), for the period ending September 30, 2022.

<sup>2</sup> Per Wilshire for the period ended December 31, 2022, reported with a 1-quarter lag, so as of September 30, 2022 (State Street Bank data).

<sup>3</sup> CalPERS Custom Infrastructure Benchmark, with historical composition as follows: MSCI/PREA U.S. ACOE Quarterly Property Fund Index Net of Fees (April 1, 2018 forward); Consumer Price Index (“CPI”) + 400 basis points (July 1, 2011 through March 31, 2018); and CPI + 500 basis points (October 1, 2007 through June 30, 2011).























