



Agenda Item 8a

February 19, 2013

ITEM NAME: CalPERS CIO Total Fund Performance and Risk Report

PROGRAM: Total Fund

ITEM TYPE: Asset Allocation, Performance & Risk – Information

EXECUTIVE SUMMARY

This item provides summary level economic views, market analysis, and information regarding the Total Fund risk profile and performance.

STRATEGIC PLAN

This agenda item supports the CalPERS Strategic Plan goal to improve long-term pension and health benefit sustainability. This report provides detailed information for performance across the Public Employees' Retirement Fund (PERF) and affiliate funds to support the Investment Committee in its oversight capacity.

BACKGROUND

The Investment Office has consolidated key summary updates that were previously found in multiple presentations into a single comprehensive presentation. The new presentation (Attachment 1) conveys the status and position of the Total Fund more consistently and effectively.

ANALYSIS

The market and economic analysis included in this item includes an overview of the current market environment, core economic indicators and topical issues that are having, or could have, an impact on short or long term investment decisions. The Total Fund risk profile provides updates on the level of total risk and active risk the organization has chosen to be exposed to through asset allocation and policy benchmarks. The risk profile includes information as of November 2012. The overview of performance includes the Total Fund and asset class performance relative to long term targets and policy benchmarks as of December 2012.

Additional information on market and economic conditions, and risk for the Total Fund and individual asset classes can be found in Attachments 2, 3 and 4.

ATTACHMENTS

Attachment 1 – CalPERS Chief Investment Officer (CIO) Total Fund Performance and Risk Report,

Attachment 2 – CalPERS CIO Total Fund Performance and Risk Report Appendix A: Market and Economic Update

Attachment 3 – CalPERS CIO Total Fund Performance and Risk Report Appendix B: Portfolio Risk Update

Attachment 4 – CalPERS CIO Quarterly Performance Report (SSB and IFS)

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