Wilshire

California Public Employees Retirement System

Second Quarter 2026

Performance Review

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Federal Reserve

The Old Boss… Jerome Powell

Highlights / Lowlights

- **Inflation:** CPI peak @ 9.1% (Jun ‘**22**), **3.6% overall;** Core CPI peak @ 6.6% (Sept ‘22)
- **FFR Rate Actions 15 Hikes, 10 Cuts (1.5% in 2 emergency cuts March 3/15, 2020)**
- Fed Balance Sheet: Grew from **$4.4T to $6.7T**, peaked at $8.9T (Jan–Jul 2022)

Jerome Powell Tenure Statistics (8.25 Years)

Aggregates	Feb-18	May-26	Chg	% Chg	Ann %
M2 Money Supply ($T)	13.9	23.1	9.1	65.3%	6.3%
Fed Balance Sheet ($T)	4.4	6.7	2.3	52.6%	5.3%
Inflation				% Chg	Ann %
CPI				33.8%	3.6%
Core CPI				28.5%	3.1%
Employment	Feb-18	May-26	Chg		
Unemployment Rate (%)	4.1	4.3	0.2		

Source: Bloomberg

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Federal Reserve

Meet the New Boss…
Kevin Warsh

First impressions (from June FOMC)

- Forward guidance gone (statement, Dots, Q&A, etc.)…
- **Taskforces…**
  1. Communications
  2. Balance Sheet
  3. Data
  4. Productivity & Jobs
  5. Inflation Measures

Does it matter "Who's Next?"

- **Hopefully, but probably not much…**
  - In a highly-leveraged, credit-based system, the Fed will do what it takes to "keep the music playing"
- **Limited forward guidance could help**
  - Likely to result in slightly higher volatility, which could help reduce excessive speculation, leverage and malinvestment

Source: Federal Reserve

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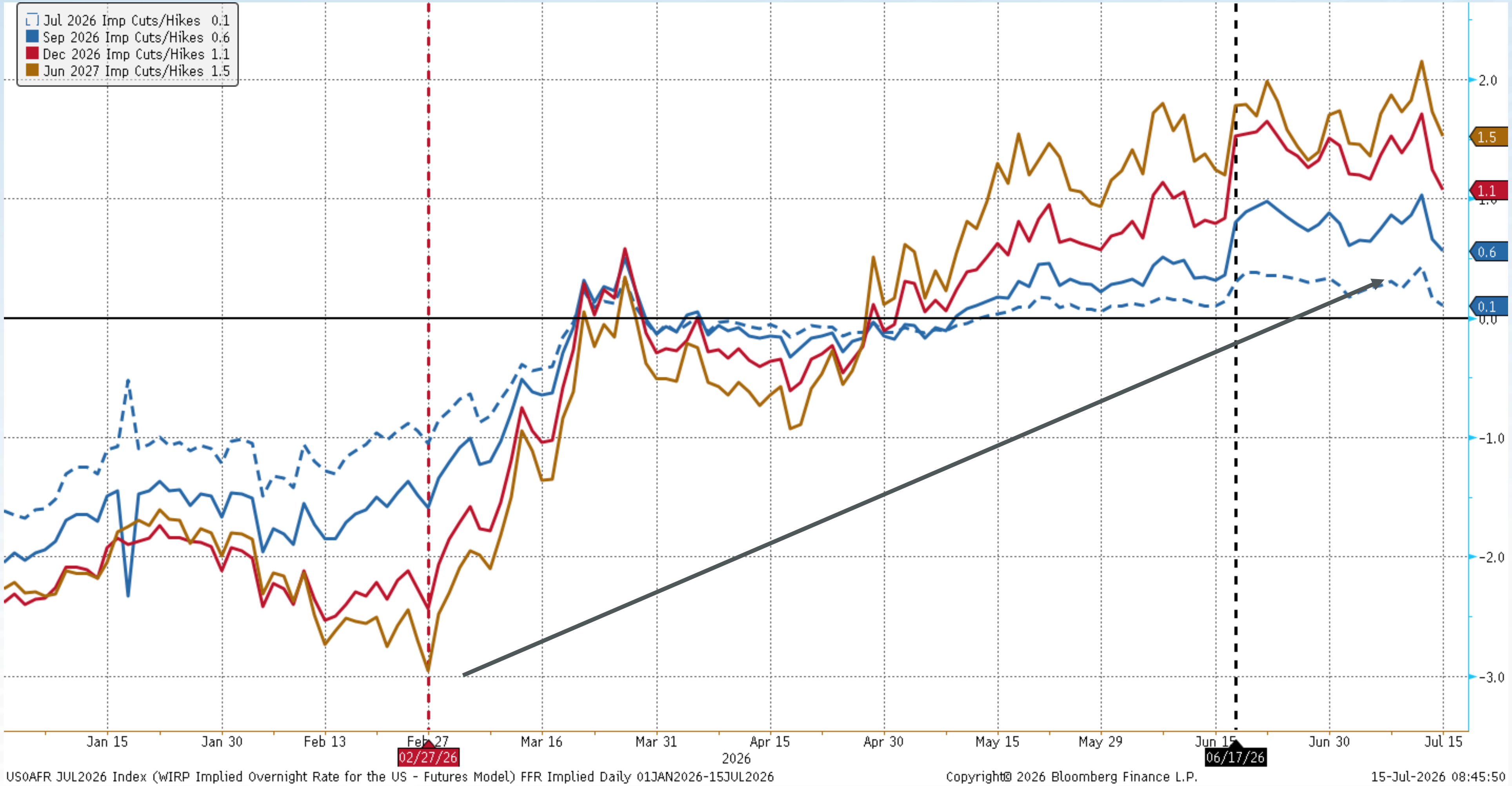
Federal Reserve

Fed Funds Implied Rate: Shift from Easing to Tightening



Data Source: Bloomberg

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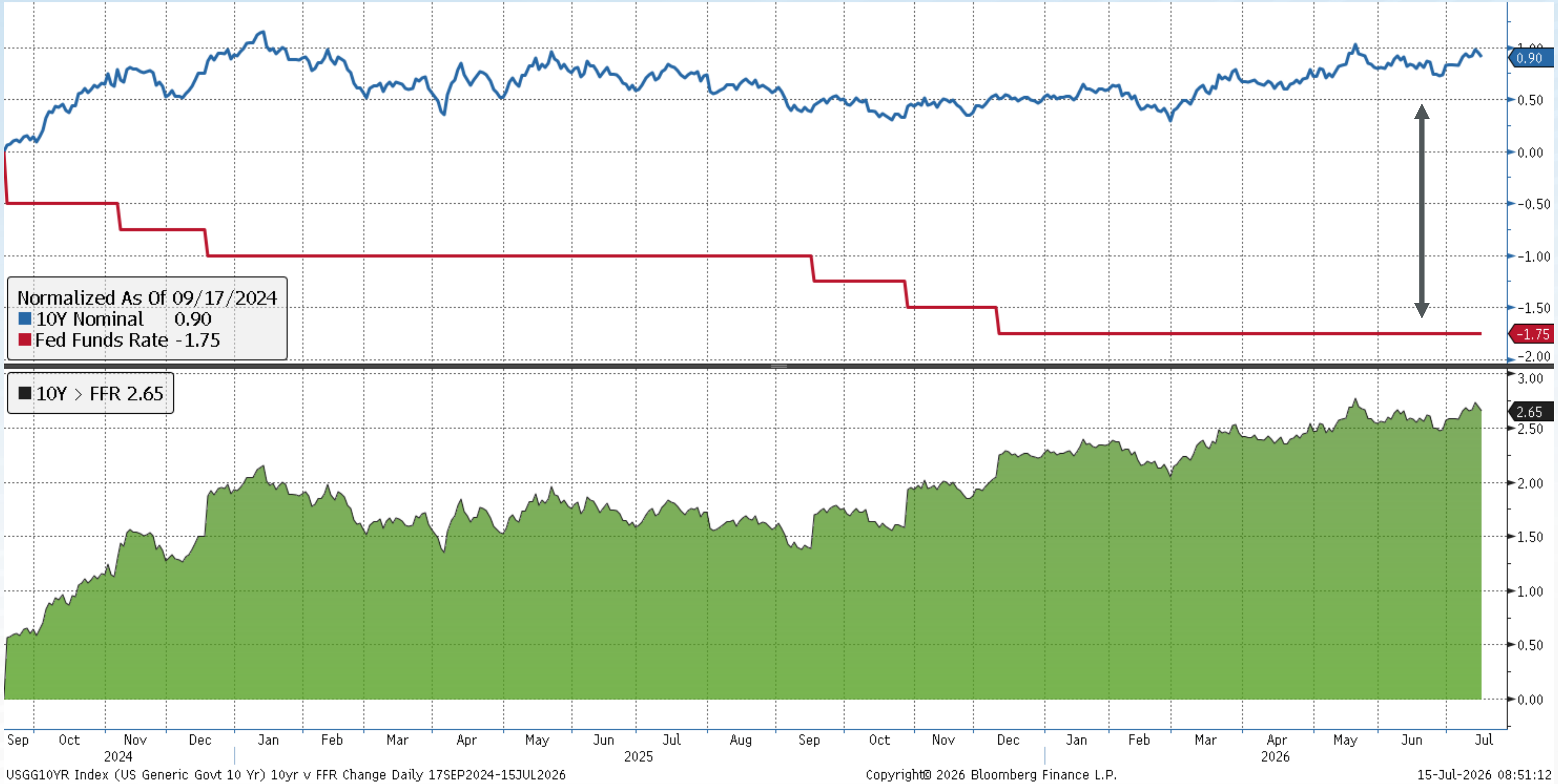
Federal Reserve

Reminder: Long-Rates Don't Necessarily Follow the Fed Funds Rate



Data Source: Bloomberg

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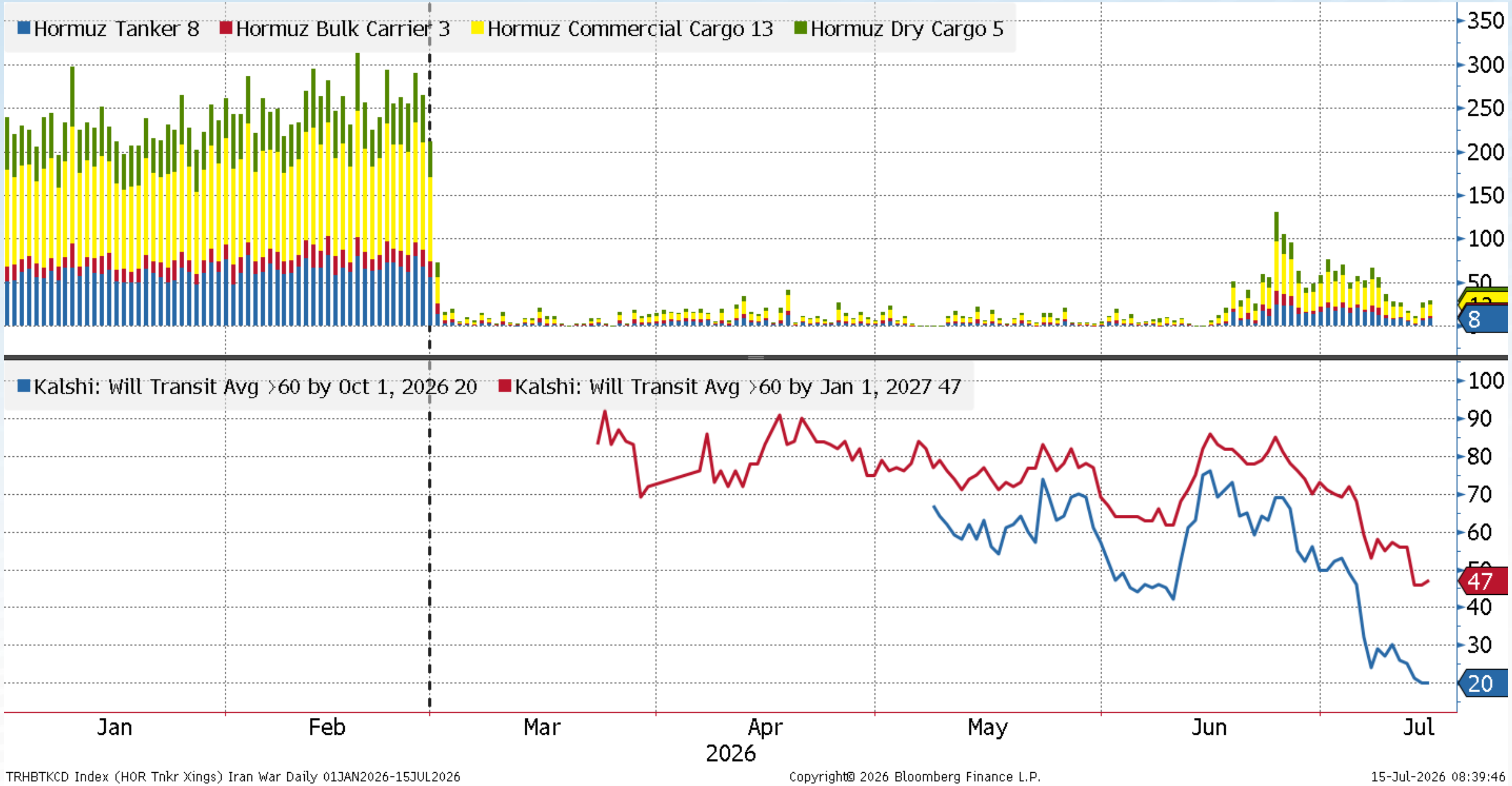
Geopolitics

Strait of Hormuz Update (somewhat open)



Data Source: Bloomberg

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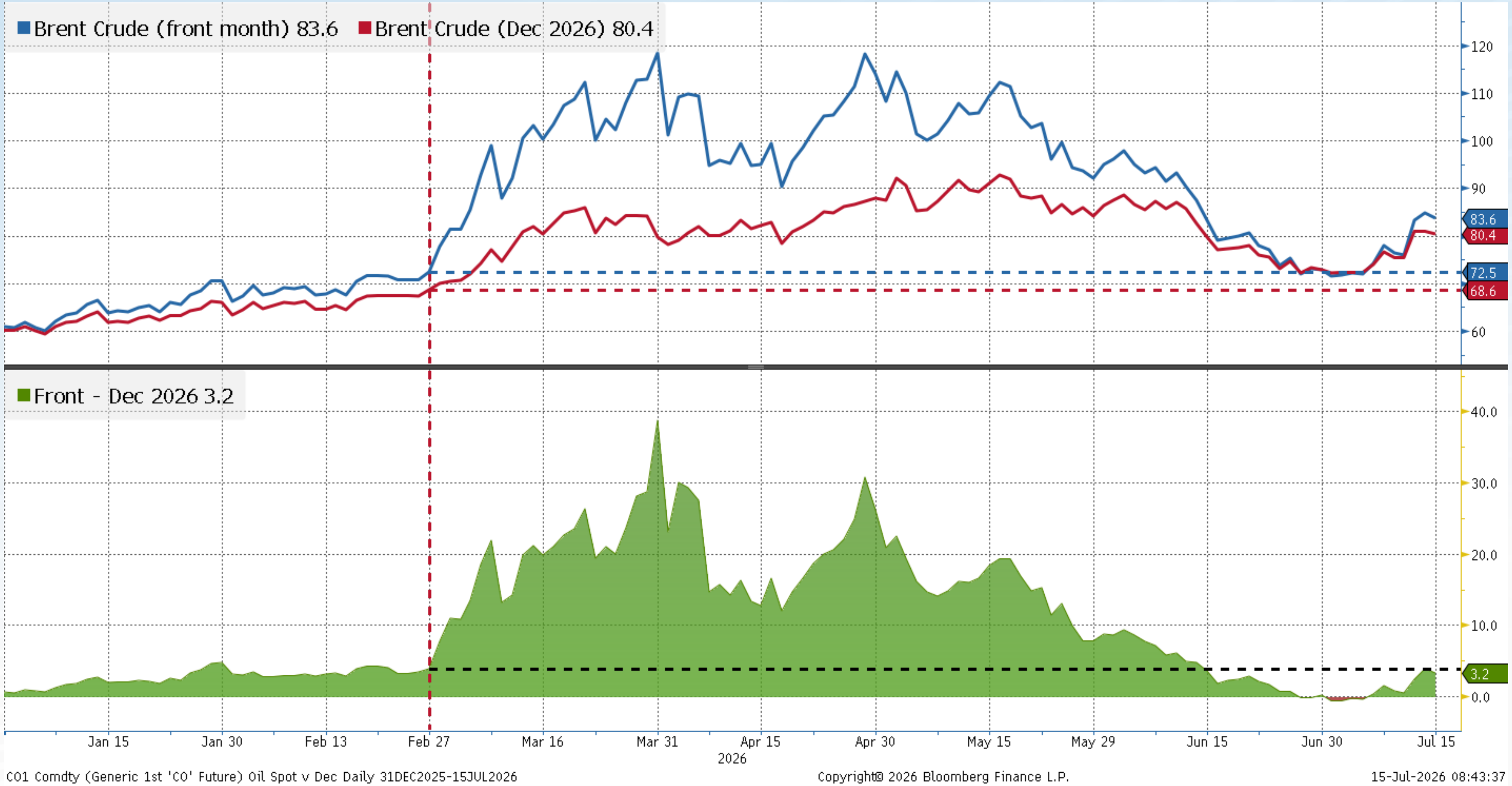
Energy

Oil Prices: Front Month vs. Dec Futures



Data Source: Bloomberg

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Interest Rates and Energy

Fed Funds Implied Rate: Move with Oil Prices (until recently)

Data Source: Bloomberg

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CalPERS Total Fund Performance

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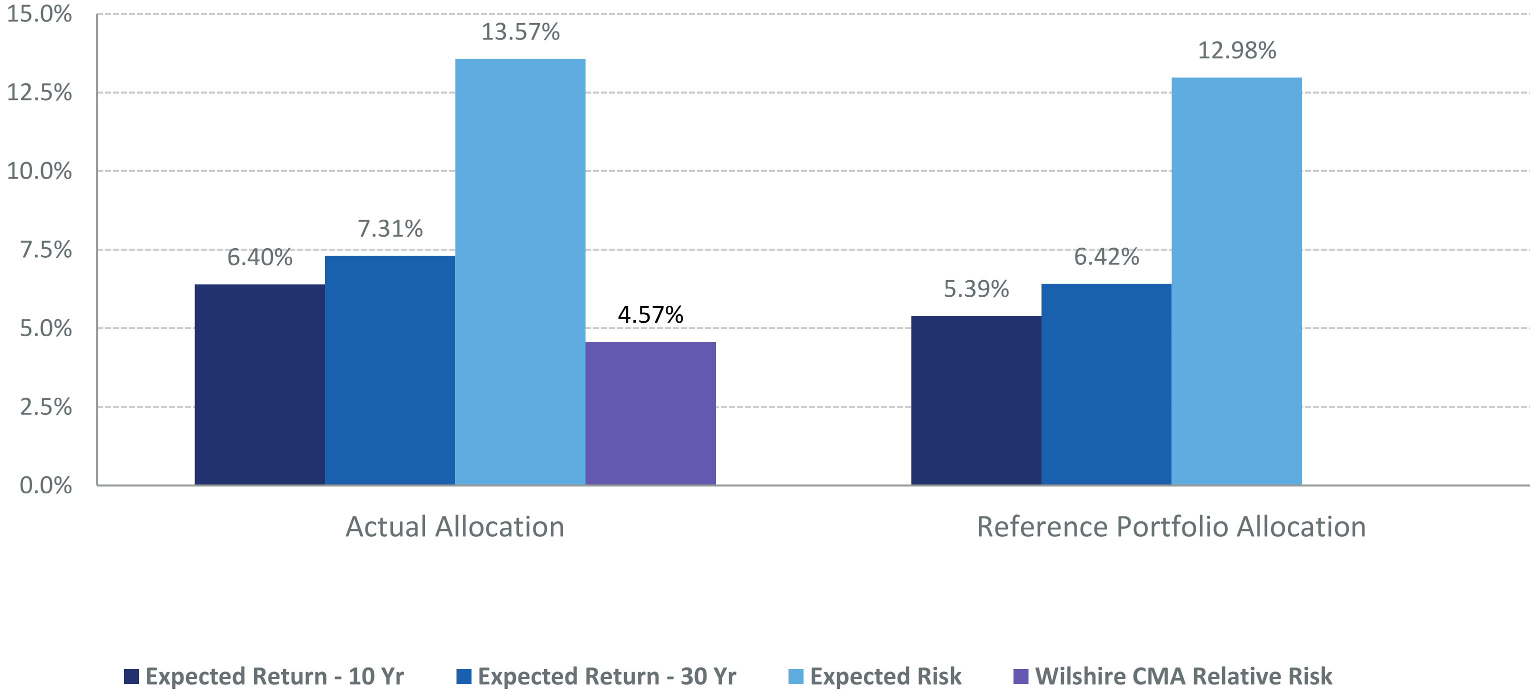
As of June 30, 2026

CalPERS PERF Expected Return and Risk Estimates



* The Reference Portfolio has a composition of 75% Global Equity / 25% Core Treasury and is effective July 1, 2026.

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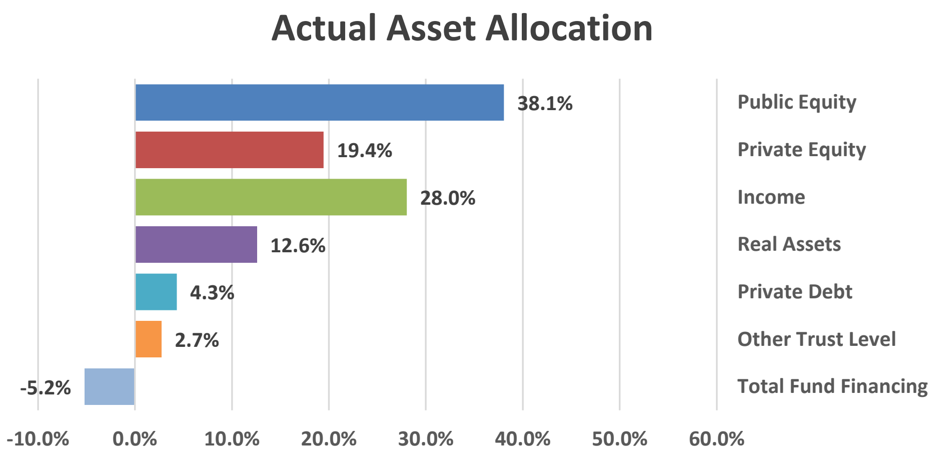
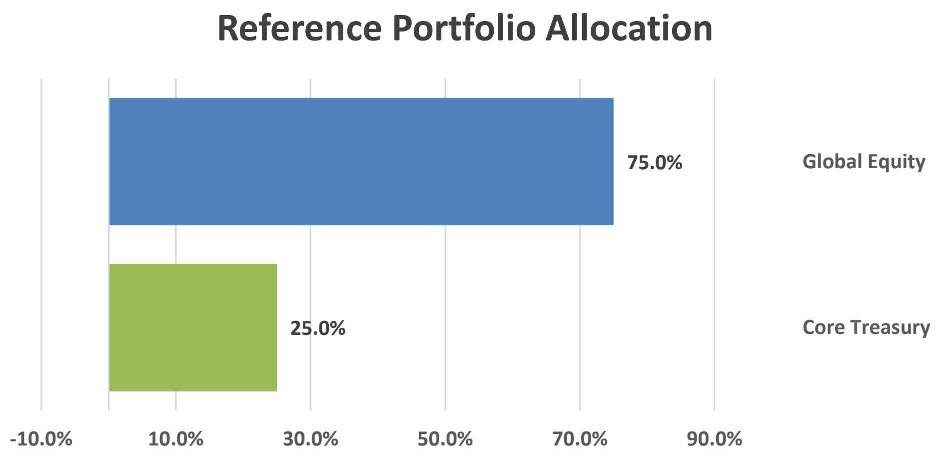
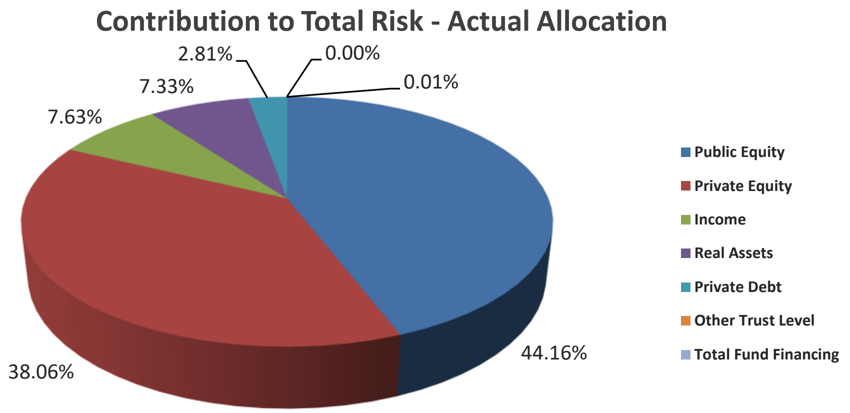
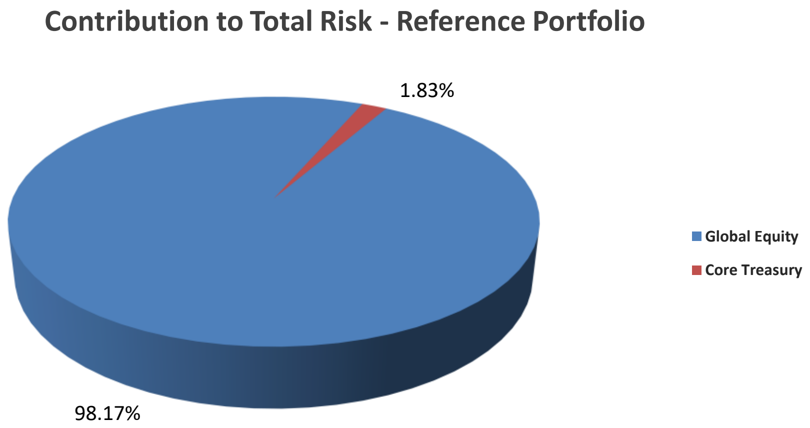
As of June 30, 2026

CalPERS PERF Assets and Risk Allocation









* The Reference Portfolio has a composition of 75% Global Equity / 25% Core Treasury and is effective July 1, 2026.

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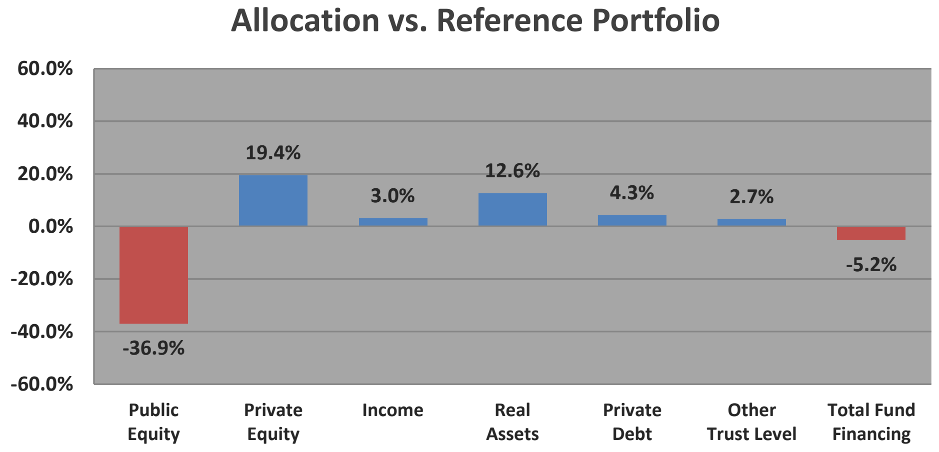
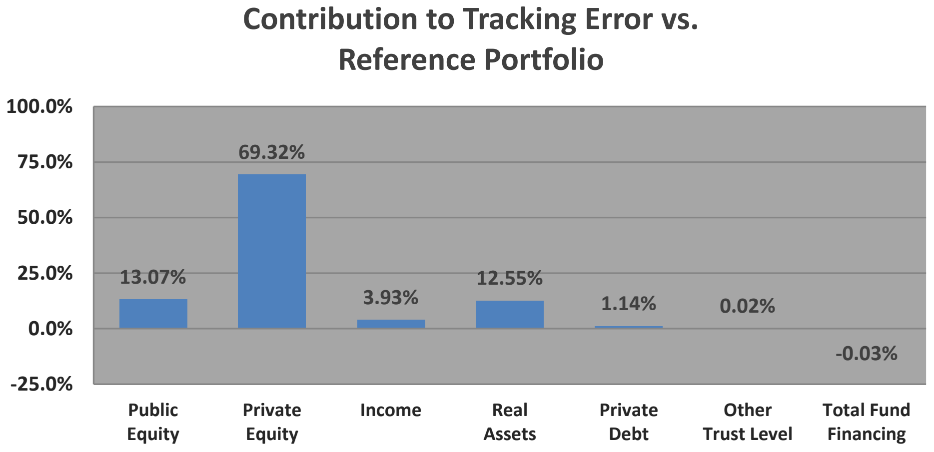
As of June 30, 2026

CalPERS PERF Drivers of Expected Excess Risk





- This excess risk forecast is based on asset allocation variance only.
- Other sources of risk (structural within asset classes, manager/program specific source of tracking error, covariance, etc.) are not considered here.

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June 2026 Asset Class Assumptions

	Equity						Fixed Income							Real Assets					
														Real Estate					
	U.S. Stock	Dev ex-U.S. Stock	Emg Stock	Global ex-U.S. Stock	Global Stock	Private Equity	Cash	Core Bond	LT Core Bond	TIPS	High Yield	Private Credit	Dev ex-U.S. Bond (Hdg)	U.S. RES	Global RES	Private RE	Cmdty	Real Assets	U.S. CPI
Compound Return (%)	4.70	5.70	5.70	6.00	5.25	6.55	3.40	5.20	5.35	4.70	6.30	7.65	3.40	5.35	5.50	6.35	4.80	6.70	2.25
Arithmetic Return (%)	6.05	7.20	8.70	7.65	6.60	10.35	3.40	5.35	5.80	4.85	6.75	8.35	3.50	6.75	6.75	7.20	6.00	7.40	2.25
Risk (%)	17.00	18.00	26.00	19.15	17.05	29.65	0.75	4.75	9.95	6.00	10.00	12.75	4.00	17.50	16.55	13.95	16.00	12.20	1.75
Yield (%)	1.10	2.60	1.70	2.30	1.55	0.00	3.40	5.85	5.90	5.20	9.90	4.80	4.45	3.65	3.65	2.75	3.40	3.60	0.00
Growth Factor Exposure	8.00	8.00	8.00	8.00	8.00	14.00	0.00	-1.00	-2.75	-3.00	4.00	5.10	-1.00	6.00	6.00	3.70	0.00	2.90	0.00
Inflation Factor Exposure	-3.00	-1.00	3.00	0.20	-1.85	-4.25	0.00	-2.65	-7.10	2.50	-1.00	-1.50	-3.00	2.00	2.45	1.50	12.00	5.45	1.00

Correlations

U.S. Stock	1.00																		
Dev ex-U.S. Stock (USD)	0.81	1.00																	
Emerging Mkt Stock	0.74	0.74	1.00																
Global ex-U.S. Stock	0.84	0.96	0.90	1.00															
Global Stock	0.98	0.90	0.83	0.94	1.00														
Private Equity	0.72	0.63	0.61	0.66	0.73	1.00													
Cash Equivalents	-0.05	-0.09	-0.05	-0.08	-0.06	0.00	1.00												
Core Bond	0.27	0.12	-0.01	0.08	0.20	0.29	0.18	1.00											
LT Core Bond	0.29	0.15	0.00	0.10	0.23	0.30	0.11	0.95	1.00										
TIPS	-0.05	0.00	0.15	0.06	-0.01	-0.03	0.20	0.59	0.47	1.00									
High Yield Bond	0.54	0.39	0.49	0.46	0.53	0.31	-0.10	0.24	0.31	0.05	1.00								
Private Credit	0.68	0.55	0.58	0.60	0.68	0.44	0.00	0.23	0.29	0.00	0.76	1.00							
Dev ex-U.S. Bond (Hdg)	0.16	0.25	-0.01	0.16	0.17	0.26	0.10	0.68	0.66	0.39	0.26	0.22	1.00						
U.S. RE Securities	0.57	0.47	0.44	0.49	0.56	0.49	-0.05	0.16	0.21	0.10	0.56	0.62	0.05	1.00					
Global RE Securities	0.62	0.55	0.52	0.58	0.63	0.54	-0.05	0.16	0.21	0.11	0.61	0.67	0.04	0.99	1.00				
Private Real Estate	0.55	0.45	0.45	0.49	0.54	0.50	-0.05	0.18	0.24	0.09	0.58	0.63	0.05	0.79	0.79	1.00			
Commodities	0.25	0.34	0.39	0.38	0.31	0.28	0.00	-0.03	-0.04	0.25	0.29	0.29	-0.10	0.25	0.28	0.25	1.00		
Real Assets	0.62	0.62	0.64	0.67	0.66	0.57	-0.03	0.24	0.25	0.32	0.64	0.69	0.06	0.79	0.84	0.78	0.64	1.00	
Inflation (CPI)	-0.10	-0.15	-0.13	-0.15	-0.13	-0.10	0.10	-0.12	-0.12	0.15	-0.08	0.00	-0.08	0.05	0.04	0.05	0.44	0.21	1.00

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As of June 30, 2026

CalPERS PERF – Performance

	Asset Value ($Billion)	Quarter	1-Year	3-Year	5-Year	10-Year	VaR ($Billion)	5-Year Ratios Sharpe	5-Year Ratios Info
CALPERS PERF	$ 635.4	6.4%	14.8%	11.9%	6.8%	8.6%	$ 89.8	0.4	0.4
CalPERS PERF Policy Benchmark		4.4%	13.7%	11.3%	6.2%	8.3%		0.3	0.0
Actuarial Rate		1.7%	6.8%	6.8%	6.8%	7.0%			
PUBLIC EQUITY*	$ 241.8	14.9%	24.1%	19.5%	11.1%	12.6%	$ 47.8	0.5	1.4
Public Equity Policy Benchmark		14.1%	22.5%	18.6%	10.6%	12.4%		0.5	0.0
PRIVATE EQUITY	$ 123.6	2.3%	17.0%	14.0%	11.9%	13.1%	$ 47.5	1.4	0.0
Private Equity Policy Benchmark		-2.5%	22.4%	18.5%	11.1%	13.7%		0.5	0.0
INCOME*	$ 178.0	1.9%	5.8%	5.3%	-0.0%	2.2%	$ 8.9	-0.4	1.2
Income Blended Benchmark		1.8%	5.4%	5.1%	-0.1%	1.8%		-0.4	0.0
REAL ASSETS	$ 79.9	0.6%	6.3%	0.5%	4.1%	4.6%	$ 10.8	0.1	0.2
Real Assets Policy Benchmark		1.0%	3.1%	-2.7%	2.4%	3.7%		-0.2	0.0
PRIVATE DEBT	$ 27.5	2.6%	11.0%	13.6%	-.-%	-.-%	$ 3.5	N/A	N/A
Private Debt Policy Benchmark		-0.5%	7.2%	9.7%	-.-%	-.-%		N/A	N/A
OTHER TRUST LEVEL	$ 17.4							N/A	N/A
TOTAL FUND FINANCING	$ (32.8)							N/A	N/A
TERMINATED AGENCY POOL	$ 0.2	1.1%	3.1%	2.0%	-2.1%	1.3%		N/A	N/A
CalPERS PERF PLUS TAP	$ 635.6	6.4%	14.8%	11.9%	6.8%	8.6%		N/A	N/A

* The CalPERS PERF asset values shown include derivative exposure.

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As of June 30, 2026

CalPERS PERF – Attribution (Quarter)

Asset Class	Actual (%)		Benchmark (%)		Difference (%)		Total Fund Return Contribution (%)		
	Weight *	Return	Weight *	Return	Weight	Return	Actual Allocation	Active Management	Total
Public Equity	**36.04**	**14.87**	**38.20**	**14.10**	**-2.17**	**0.77**	**0.64**	**0.25**	**0.90**
Public Equity - Cap Weighted	33.93	15.52	28.23	14.94	5.70	0.58	0.56	0.19	0.75
Public Equity - Factor Weighted	2.10	5.81	9.97	3.44	-7.86	2.37	0.08	0.07	0.15
Private Equity	**19.58**	**2.26**	**19.58**	**-2.86**	**0.00**	**5.12**	**0.00**	**0.98**	**0.98**
Income	**31.24**	**1.90**	**29.08**	**1.81**	**2.16**	**0.09**	**-0.09**	**0.03**	**-0.06**
Treasury	10.14	0.63	7.18	0.63	2.96	0.00	-0.11	0.00	-0.11
Mortgage-Backed Securities	5.20	0.72	5.17	0.58	0.03	0.15	0.00	0.01	0.01
Investment Grade Credit	5.48	1.97	6.24	2.00	-0.76	-0.03	0.02	0.00	0.02
High Yield	5.22	2.27	5.23	2.42	-0.01	-0.15	0.00	-0.01	-0.01
EM Sovereign	5.21	4.47	5.26	3.92	-0.05	0.56	0.00	0.03	0.03
Real Assets	**12.80**	**0.59**	**12.80**	**1.05**	**0.00**	**-0.46**	**0.00**	**-0.06**	**-0.06**
Private Debt	**4.25**	**2.55**	**4.25**	**-0.46**	**0.00**	**3.02**	**0.00**	**0.13**	**0.13**
Other Trust Level	**2.70**	**-**	**0.00**	**-**	**2.70**	**-**	**-0.09**	**0.00**	**-0.09**
LLER	2.29	1.38	0.00	0.92	2.29	0.46	-0.09	0.01	-0.07
Opportunistic Strategies	0.30	1.27	0.00	1.11	0.30	0.16	-0.01	0.00	-0.01
Total Fund Income	0.00	-	0.00	-	0.00	-	0.00	0.00	0.00
Other PERF	0.03	-	0.00	-	0.03	-	0.00	0.00	0.00
TLPM	0.06	-	0.00	-	0.06	-	0.00	-0.01	0.00
TFI EMD Local CCY	0.01	-0.73	0.00	1.01	0.01	-1.74	0.00	0.00	0.00
Total Fund Financing	**-6.59**	**-**	**-3.91**	**-**	**-2.69**	**-**	**0.10**	**0.00**	**0.11**
Monthly Linked Return	**100.00**	**6.36**	**100.00**	**4.46**		**1.90**	**0.56**	**1.34**	**1.90**
Residual		0.00		-0.02		0.03			**0.03**
Total PERF		***6.36***		***4.43***		***1.93***			***1.93***

* Average weight displayed.

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As of June 30, 2026

CalPERS PERF – Attribution (Fiscal YTD)

Asset Class	Actual (%)		Benchmark (%)		Difference (%)		Total Fund Return Contribution (%)		
	Weight *	Return	Weight *	Return	Weight	Return	Actual Allocation	Active Management	Total
Public Equity	**37.47**	**24.15**	**39.05**	**22.47**	**-1.58**	**1.68**	**0.85**	**0.58**	**1.43**
Public Equity - Cap Weighted	33.30	25.77	29.04	24.20	4.26	1.56	0.50	0.49	0.99
Public Equity - Factor Weighted	4.17	9.98	10.01	7.43	-5.84	2.55	0.35	0.09	0.44
Private Equity	**18.44**	**16.96**	**18.44**	**20.65**	**0.00**	**-3.68**	**0.00**	**-0.94**	**-0.94**
Income	**31.02**	**5.82**	**29.64**	**5.41**	**1.38**	**0.41**	**-0.18**	**0.13**	**-0.05**
Treasury	9.29	2.85	7.36	2.85	1.93	0.00	-0.22	0.00	-0.22
Mortgage-Backed Securities	5.45	6.15	5.29	5.12	0.16	1.04	-0.02	0.06	0.04
Investment Grade Credit	5.72	5.03	6.35	4.95	-0.63	0.08	0.06	0.00	0.06
High Yield	5.26	6.06	5.30	5.99	-0.04	0.07	0.00	0.00	0.01
EM Sovereign	5.29	10.59	5.33	9.47	-0.04	1.13	0.00	0.06	0.06
Real Assets	**12.85**	**6.29**	**12.85**	**3.11**	**0.00**	**3.18**	**0.00**	**0.44**	**0.44**
Private Debt	**3.98**	**11.03**	**3.98**	**7.24**	**0.00**	**3.79**	**0.00**	**0.17**	**0.17**
Other Trust Level	**2.78**	**-**	**0.00**	**-**	**2.78**	**-**	**-0.23**	**-0.05**	**-0.28**
LLER	2.21	5.38	0.00	4.00	2.21	1.37	-0.22	0.03	-0.19
Opportunistic Strategies	0.21	12.58	0.00	4.92	0.21	7.66	-0.02	0.01	0.00
Total Fund Income	0.00	-	0.00	-	0.00	-	0.00	0.00	0.00
Other PERF	0.03	-	0.00	-	0.03	-	0.00	0.00	0.00
TLPM	0.15	-	0.00	-	0.15	-	0.00	-0.04	-0.04
TFI EMD Local CCY	0.17	-	0.00	-	0.17	-	0.02	-0.06	-0.04
Total Fund Financing	**-6.54**	**-**	**-3.96**	**-**	**-2.58**	**-**	**0.22**	**0.02**	**0.23**
Monthly Linked Return	**100.00**	**14.67**	**100.00**	**13.68**		**0.99**	**0.66**	**0.33**	**0.99**
Residual		0.11		-0.03		0.14			**0.14**
Total PERF		***14.78***		***13.65***		***1.13***			***1.13***

* Average weight displayed.

Wilshire

As of June 30, 2026

CalPERS PERF – Attribution (Calendar YTD)

Asset Class	Actual (%)		Benchmark (%)		Difference (%)		Total Fund Return Contribution (%)		
	Weight *	Return	Weight *	Return	Weight	Return	Actual Allocation	Active Management	Total
Public Equity	**36.68**	**12.16**	**38.66**	**11.04**	**-1.97**	**1.12**	**0.56**	**0.39**	**0.96**
Public Equity - Cap Weighted	33.80	12.71	28.61	11.66	5.19	1.05	0.43	0.35	0.78
Public Equity - Factor Weighted	2.89	4.19	10.05	2.39	-7.16	1.80	0.13	0.05	0.18
Private Equity	**18.98**	**7.32**	**18.98**	**0.35**	**0.00**	**6.97**	**0.00**	**1.22**	**1.22**
Income	**31.31**	**1.43**	**29.40**	**1.18**	**1.92**	**0.26**	**-0.09**	**0.08**	**-0.01**
Treasury	10.03	0.24	7.30	0.24	2.73	0.00	-0.11	0.00	-0.11
Mortgage-Backed Securities	5.24	1.72	5.24	0.98	0.00	0.74	0.00	0.04	0.04
Investment Grade Credit	5.53	1.06	6.31	0.97	-0.77	0.09	0.03	0.01	0.03
High Yield	5.24	1.97	5.26	1.98	-0.02	-0.01	0.00	0.00	0.00
EM Sovereign	5.26	2.67	5.28	2.06	-0.02	0.61	0.00	0.03	0.03
Real Assets	**12.79**	**2.41**	**12.79**	**1.78**	**0.00**	**0.63**	**0.00**	**0.08**	**0.08**
Private Debt	**4.12**	**5.05**	**4.12**	**1.67**	**0.00**	**3.38**	**0.00**	**0.14**	**0.14**
Other Trust Level	**2.98**	**-**	**0.00**	**-**	**2.98**	**-**	**-0.05**	**-0.04**	**-0.09**
LLER	2.26	2.45	0.00	1.85	2.26	0.60	-0.06	0.01	-0.04
Opportunistic Strategies	0.29	3.25	0.00	2.21	0.29	1.05	-0.01	0.00	0.00
Total Fund Income	0.00	-	0.00	-	0.00	-	0.00	0.00	0.00
Other PERF	0.03	-	0.00	-	0.03	-	0.00	0.00	0.00
TLPM	0.06	-	0.00	-	0.06	-	0.00	-0.01	0.00
TFI EMD Local CCY	0.34	-4.73	0.00	1.99	0.34	-6.73	0.01	-0.05	-0.04
Total Fund Financing	**-6.86**	**-**	**-3.94**	**-**	**-2.93**	**-**	**0.05**	**0.01**	**0.06**
Monthly Linked Return	**100.00**	**6.55**	**100.00**	**4.19**		**2.36**	**0.48**	**1.88**	**2.36**
Residual		0.05		0.00		0.05			**0.05**
Total PERF		***6.61***		***4.19***		***2.42***			***2.42***

* Average weight displayed.

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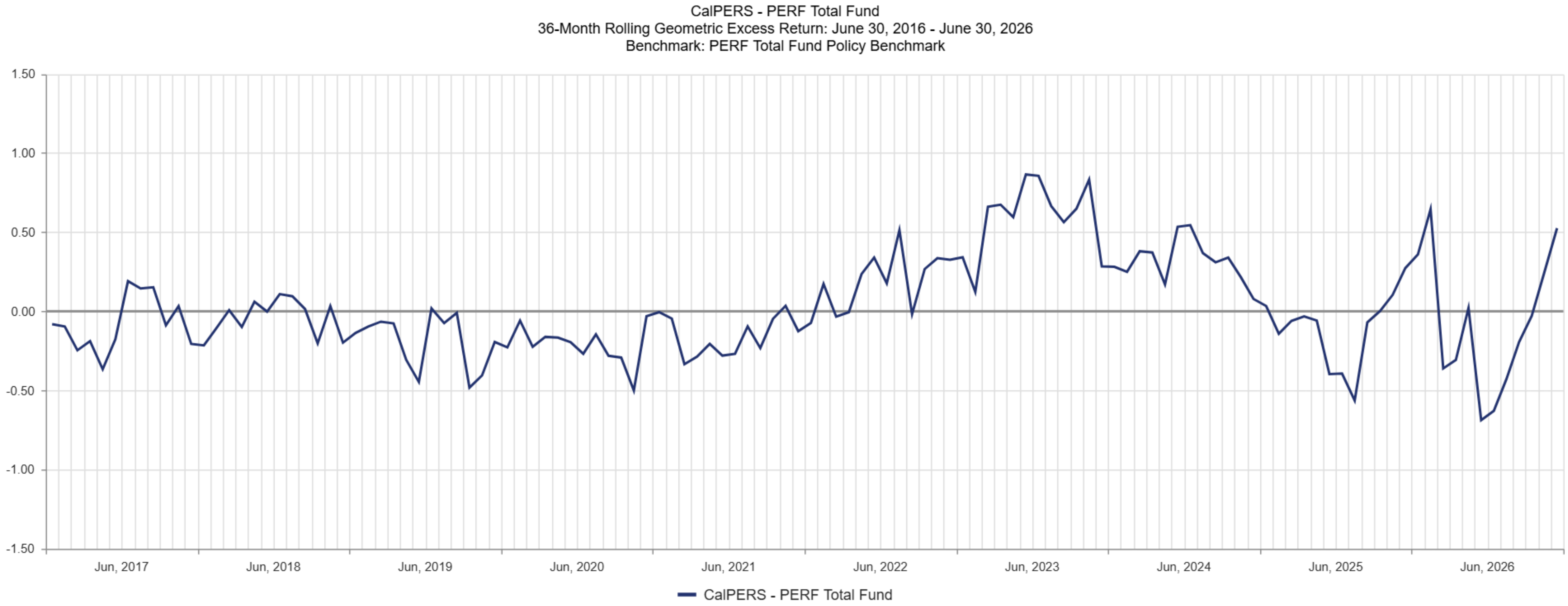
As of June 30, 2026

CalPERS PERF – Rolling Excess Return

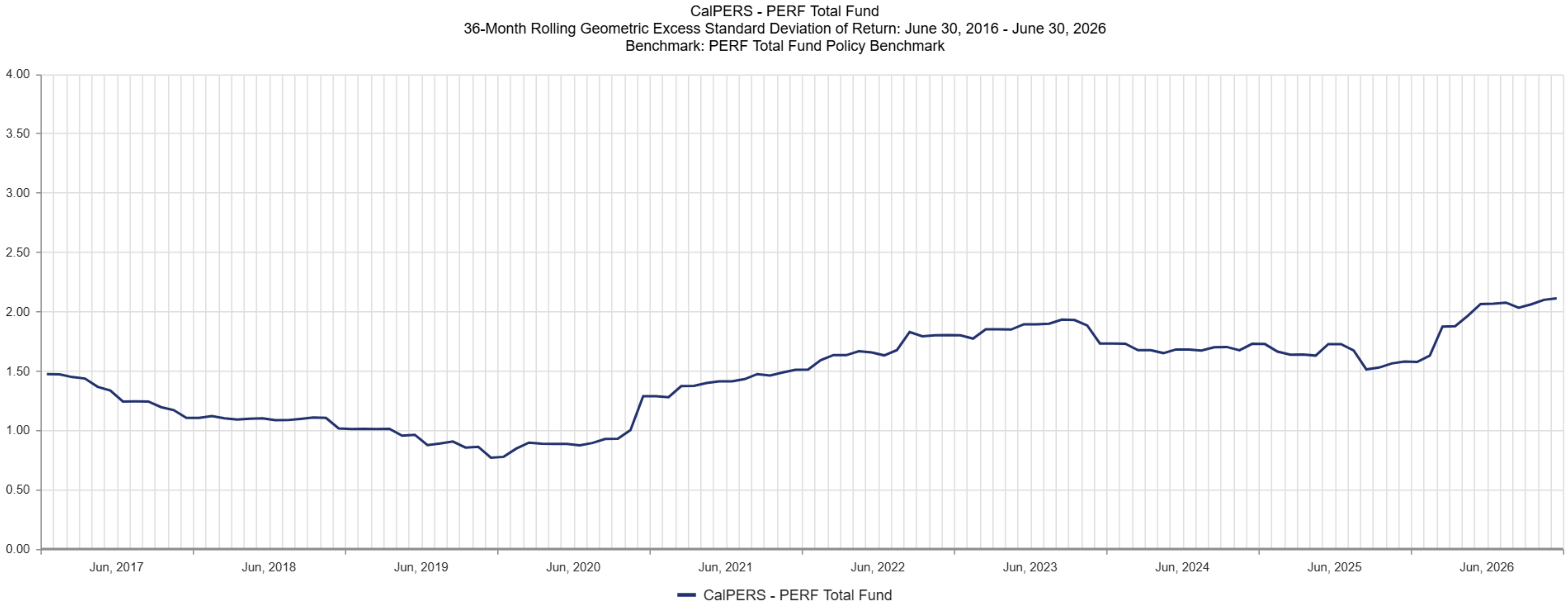


* Monthly data; Net of Investment Management Fees

Wilshire

As of June 30, 2026

CalPERS PERF – Rolling Tracking Error



* Monthly data; Net of Investment Management Fees

Wilshire

As of June 30, 2026

CalPERS Affiliate Investment Programs – Performance

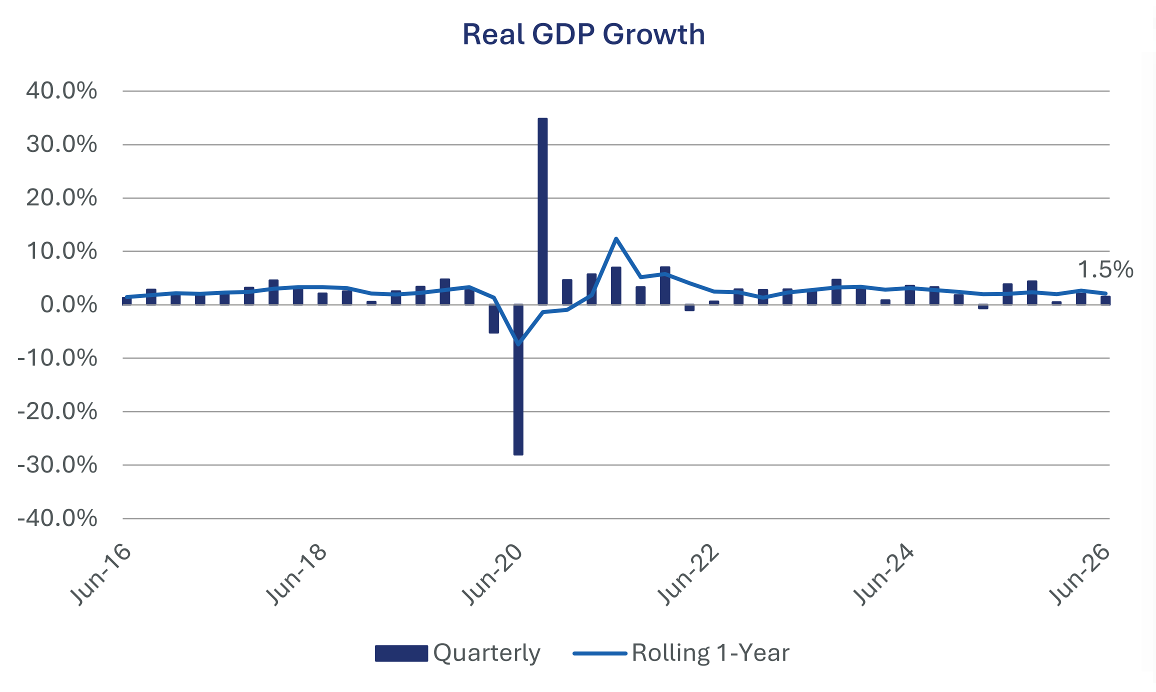
	Asset Value ($Million)	Quarter	1-Year	3-Year	5-Year	10-Year
Judges I	**$ 47.6**	**0.9%**	**4.1%**	**4.9%**	**3.8%**	**2.5%**
ICE BofA US 3-Month Treasury Bill Index		0.9%	3.8%	4.6%	3.5%	2.3%
Judges II	**$ 3,463.2**	**8.4%**	**16.2%**	**13.1%**	**6.1%**	**8.2%**
Weighted Policy Benchmark		8.3%	15.9%	12.8%	5.8%	7.9%
Legislators' Retirement System	**$ 90.0**	**2.5%**	**7.6%**	**6.8%**	**1.8%**	**4.5%**
Weighted Policy Benchmark		2.6%	7.7%	6.8%	1.8%	4.4%
Long-Term Care ("LTC")	**$ 5,058.4**	**5.6%**	**10.8%**	**9.7%**	**3.4%**	**4.7%**
Weighted Policy Benchmark		5.6%	10.8%	10.0%	3.6%	4.8%
CERBT Strategy 1	**$ 26,348.8**	**9.2%**	**17.3%**	**13.5%**	**6.2%**	**8.5%**
CERBT Strategy 1 Policy Benchmark		9.1%	17.1%	13.2%	5.9%	8.2%
CERBT Strategy 2	**$ 2,321.5**	**6.9%**	**14.2%**	**11.0%**	**4.3%**	**6.6%**
CERBT Strategy 2 Policy Benchmark		6.9%	14.0%	10.8%	4.2%	6.4%
CERBT Strategy 3	**$ 1,175.3**	**5.2%**	**11.7%**	**9.1%**	**3.3%**	**5.2%**
CERBT Strategy 3 Policy Benchmark		5.2%	11.6%	8.9%	3.2%	5.0%
CEPPT Strategy 1	**$ 289.7**	**7.1%**	**12.7%**	**10.7%**	**4.5%**	**-.-%**
CEPPT Strategy 1 Policy Benchmark		7.1%	12.5%	10.6%	4.4%	-.-%
CEPPT Strategy 2	**$ 100.1**	**4.4%**	**8.9%**	**7.9%**	**2.7%**	**-.-%**
CEPPT Strategy 2 Policy Benchmark		4.4%	8.8%	7.8%	2.7%	-.-%
Health Care Fund	**$ 80.3**	**0.9%**	**4.1%**	**3.8%**	**-0.1%**	**1.5%**
Health Care Fund Policy Benchmark		0.9%	3.8%	3.7%	-0.2%	1.4%
Supplemental Contribution Plan	**$ 131.0**	**NM**	**NM**	**NM**	**NM**	**NM**
457 Program	**$ 3,177.1**	**NM**	**NM**	**NM**	**NM**	**NM**

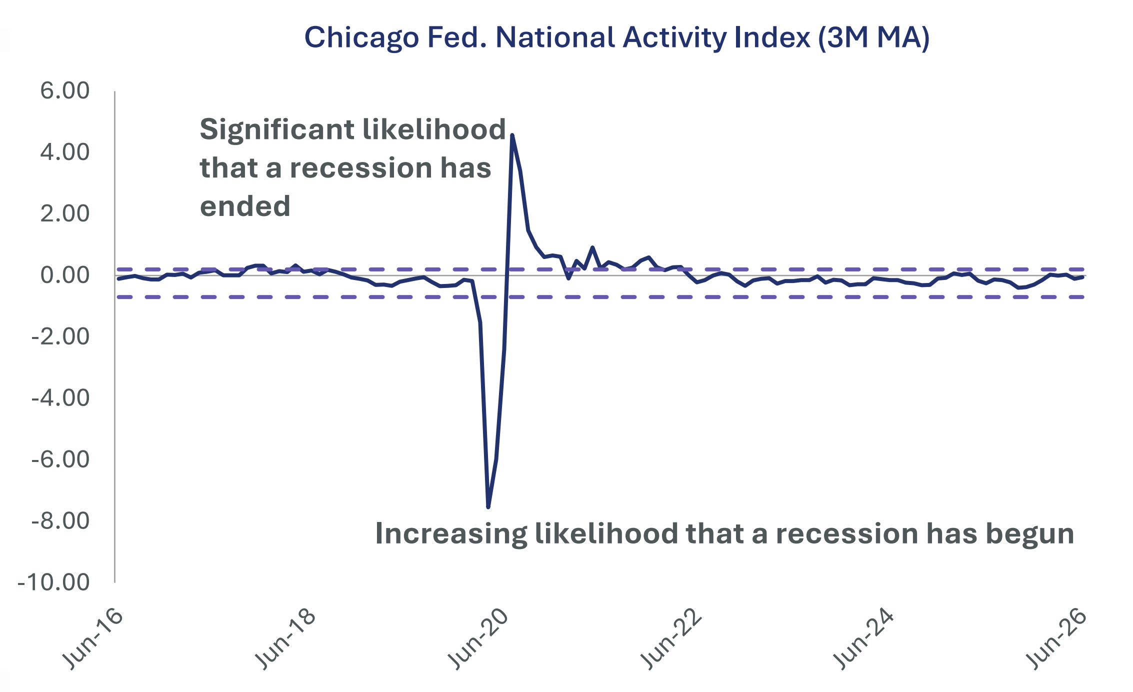
Wilshire

Appendix:
Asset Class Performance Detail

Wilshire

Economic Growth





Data Source: Bloomberg

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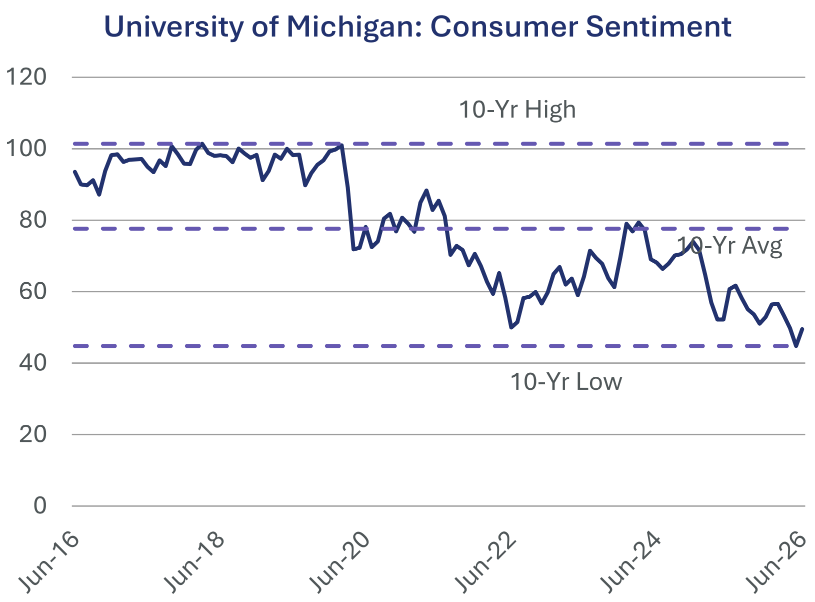
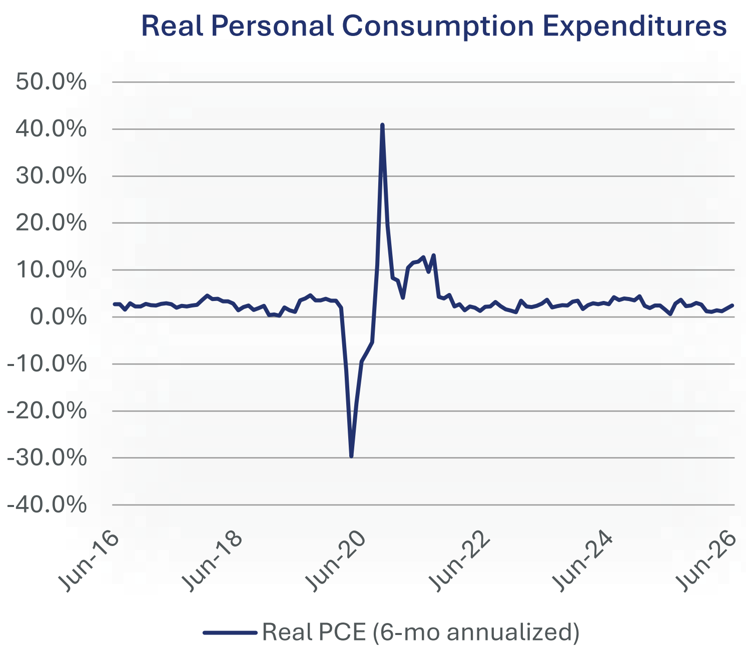
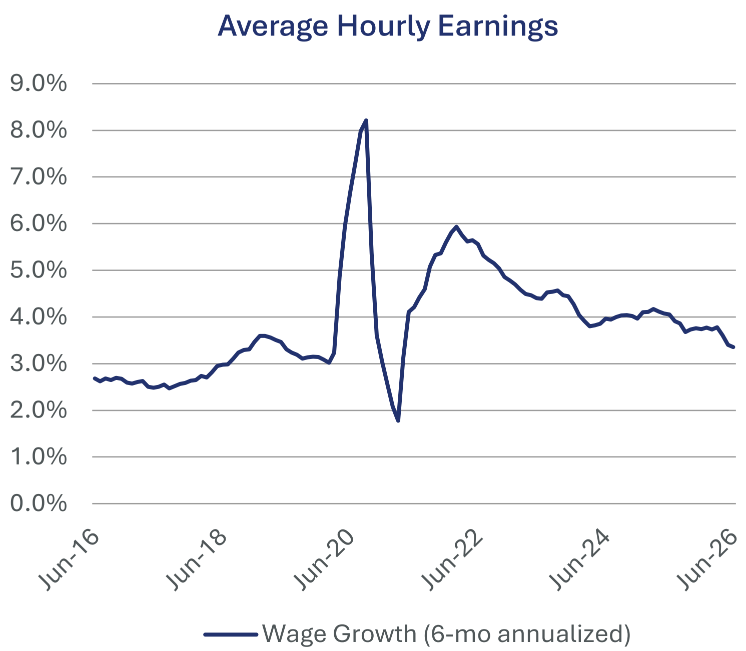
Consumer Activity



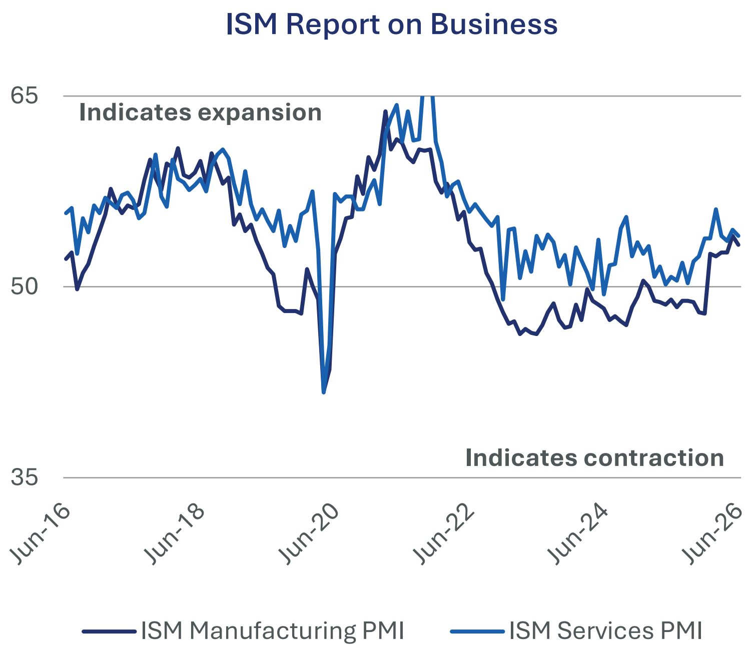


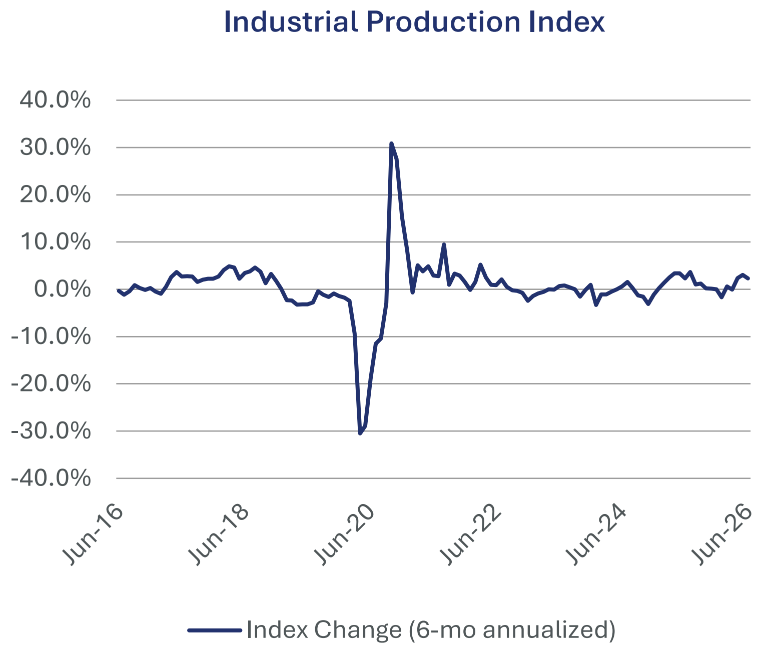


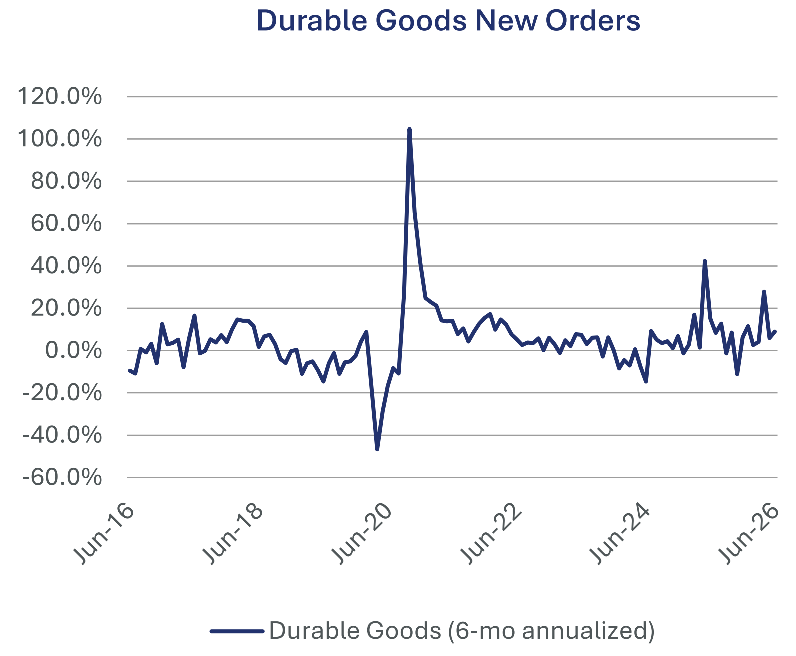
Data Source: Bloomberg

Wilshire

Business Activity







Data Source: Bloomberg

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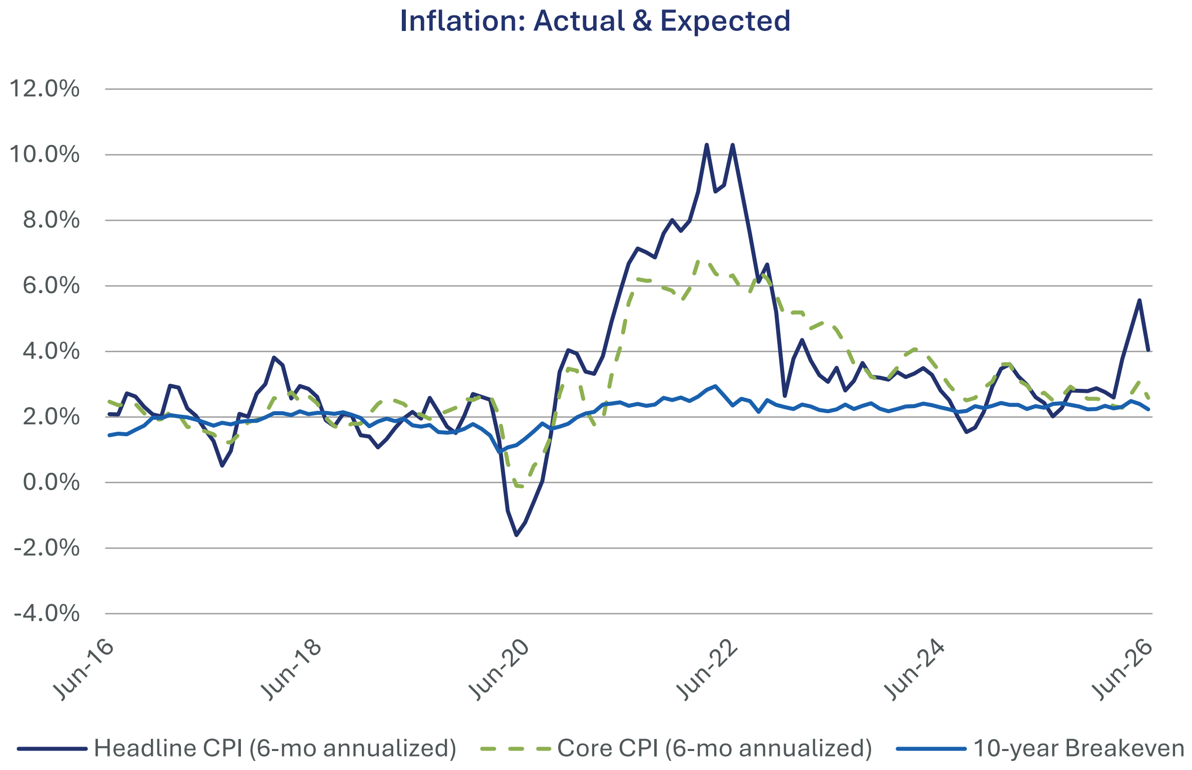
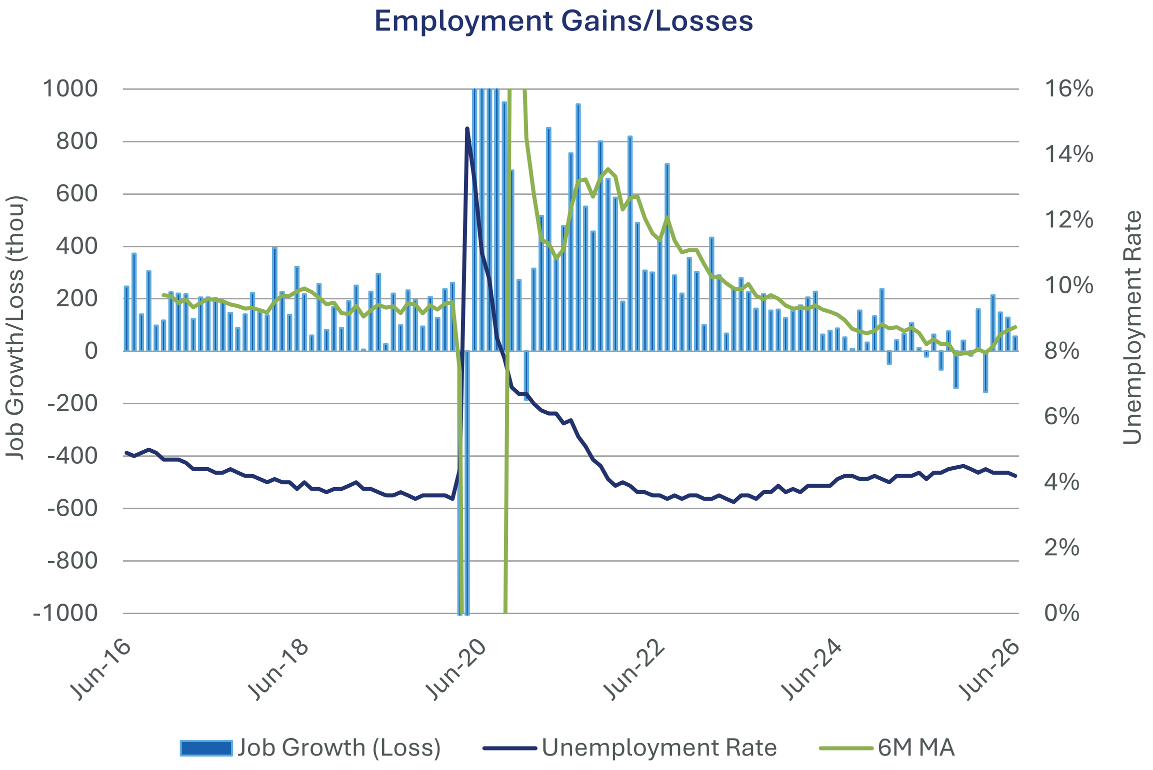
Inflation and Employment





Data Source: Bloomberg

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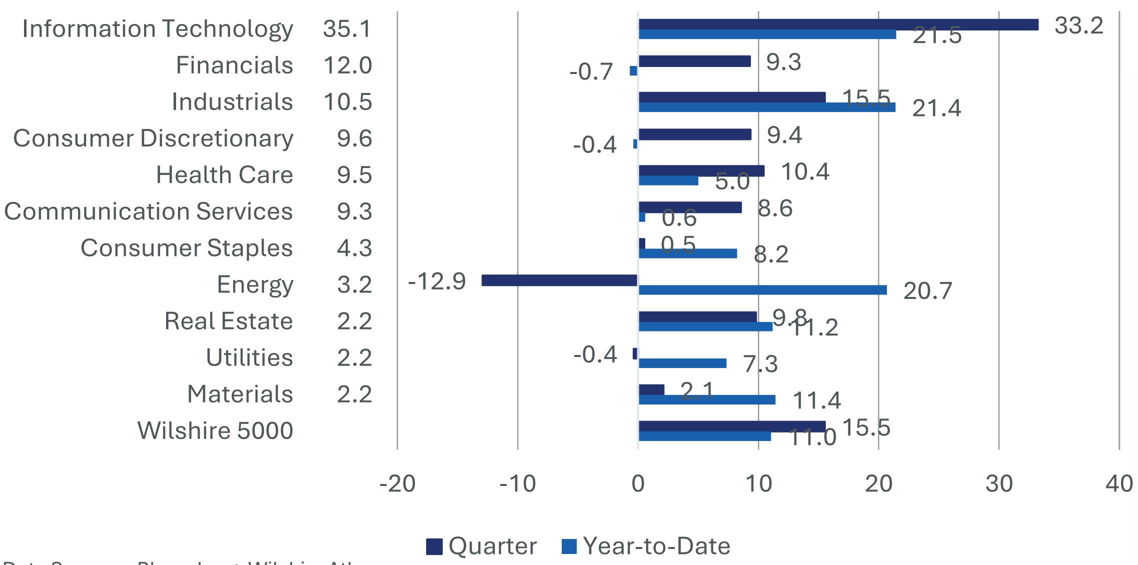
Wilshire

U.S. Equity Market

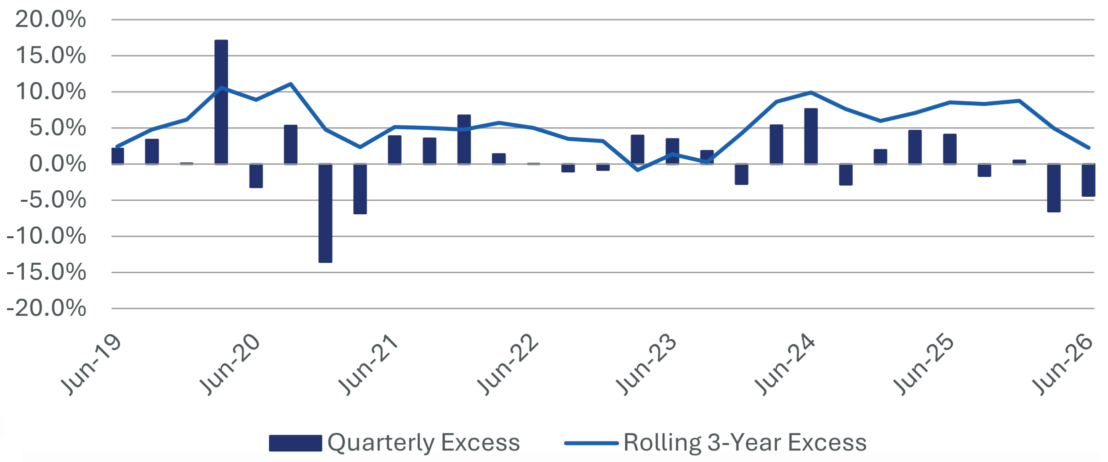
As of 6/30/2026	Quarter	YTD	1 Year	3 Year	5 Year	10 Year
Wilshire 5000	15.5	11.0	23.0	20.4	12.5	15.2
Wilshire U.S. Large Cap	15.2	10.2	22.0	20.6	13.0	15.5
Wilshire U.S. Small Cap	20.4	23.4	38.1	17.9	7.8	11.7
Wilshire U.S. Large Growth	18.9	7.1	19.1	22.4	14.0	n/a
Wilshire U.S. Large Value	9.8	13.3	22.8	17.2	11.0	n/a
Wilshire U.S. Small Growth	25.1	26.9	39.0	18.1	7.1	n/a
Wilshire U.S. Small Value	15.7	19.8	37.1	17.7	8.5	n/a
Wilshire REIT Index	12.3	17.7	21.2	12.8	6.0	6.2
MSCI USA Min. Vol. Index	4.4	3.2	4.5	10.9	7.3	9.7
FTSE RAFI U.S. 1000 Index	9.9	12.6	25.0	18.8	12.4	13.6

U.S. Sector Weight and Return (%)

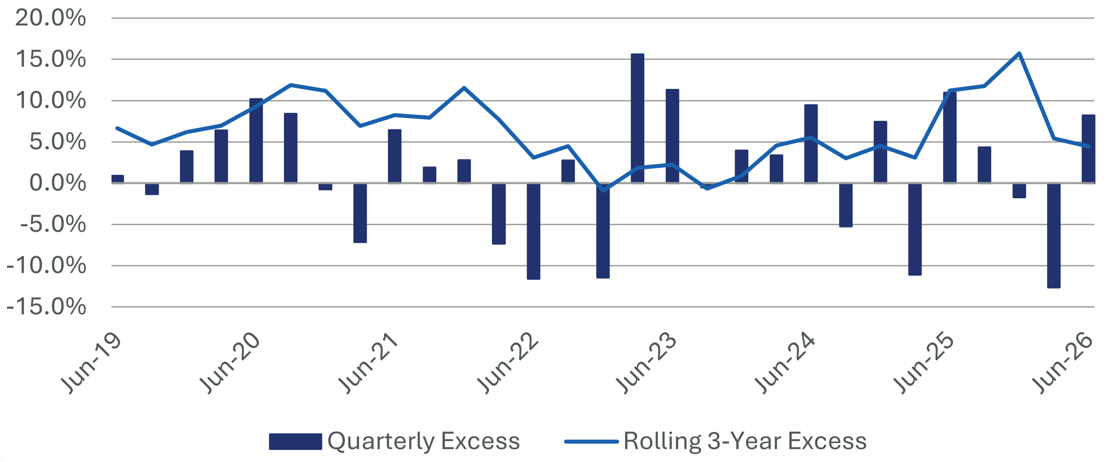


Data Sources: Bloomberg, Wilshire Atlas

Large Cap vs. Small Cap



Large Growth vs. Large Value

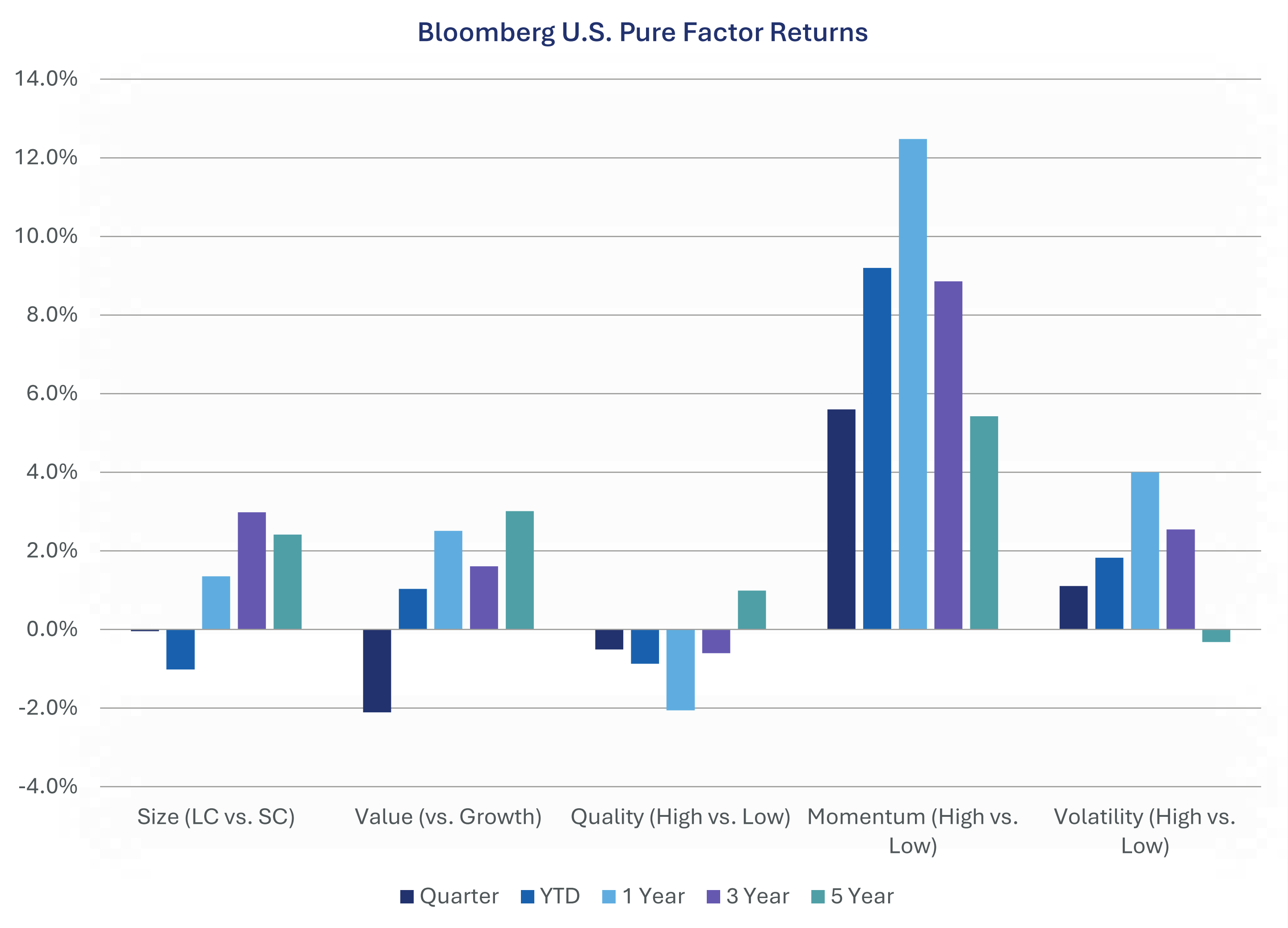


Wilshire

U.S. Factor Returns

Factor returns represent the contribution from large cap, value, etc. stocks within Bloomberg's Portfolio & Risk Analytics module

High momentum stocks have been driving returns in 2026

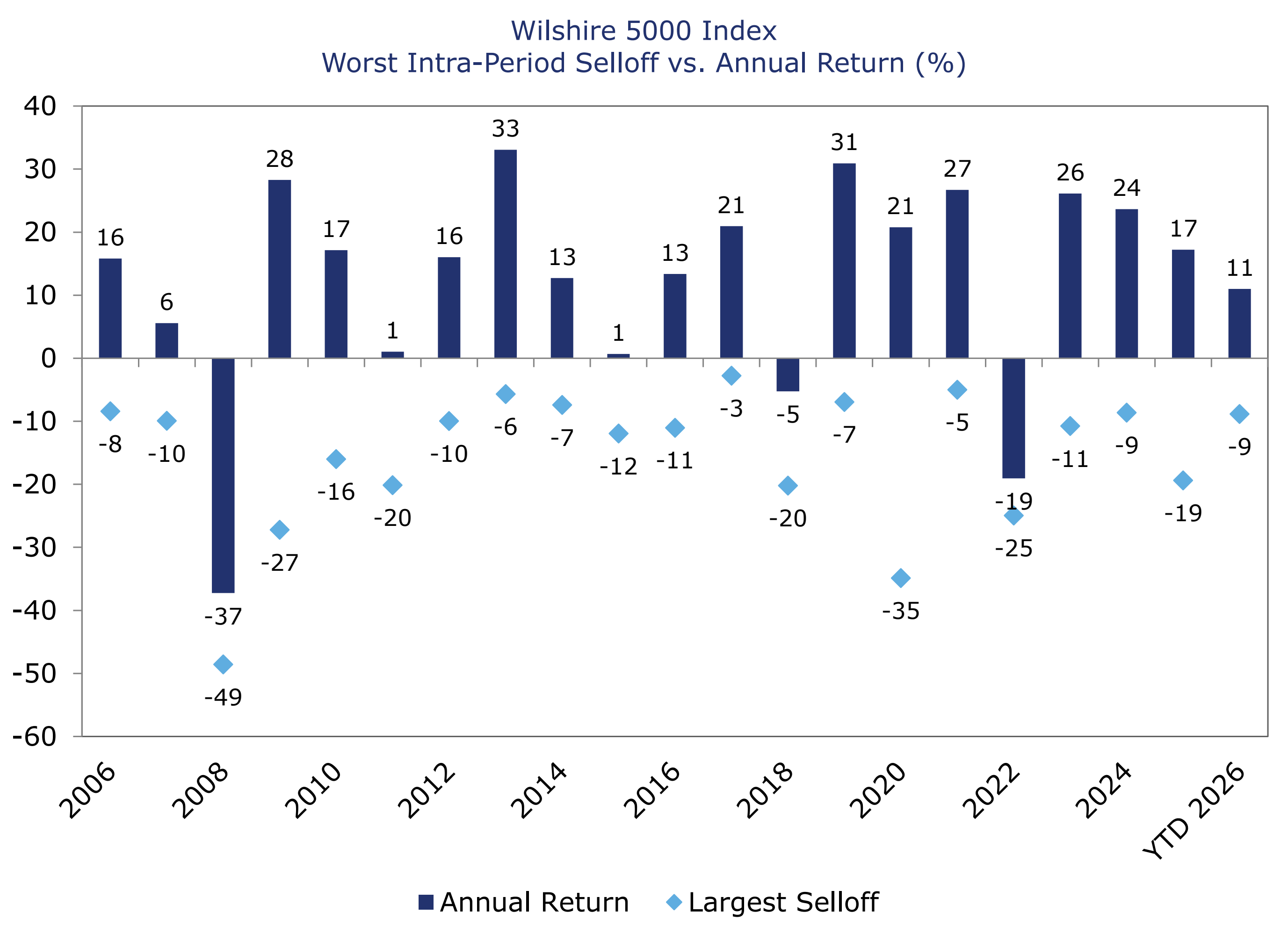


Data Source: Bloomberg

Wilshire

Annual Equity Market Selloffs

U.S. equity exhibited poor performance in March, with a sell-off more than -8%; snap-back in April returned the market to positive territory



Data Source: Bloomberg

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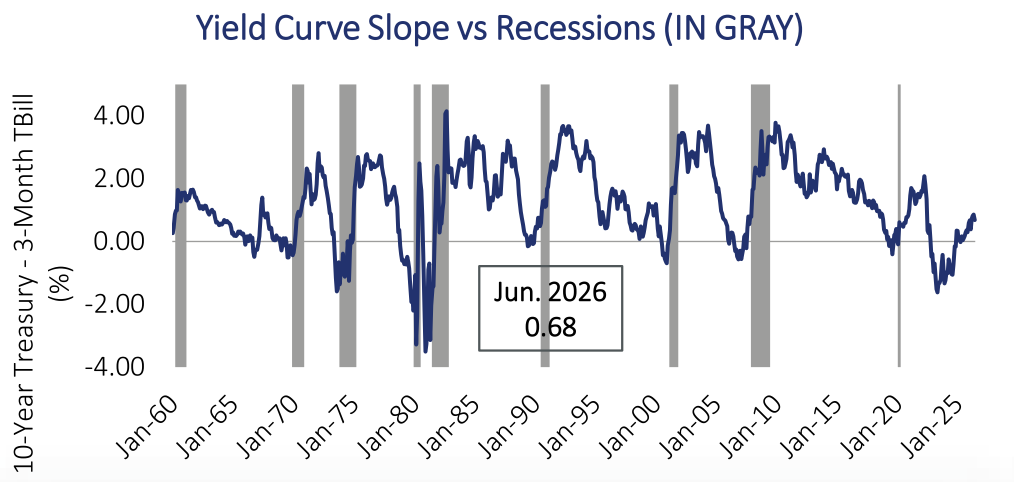
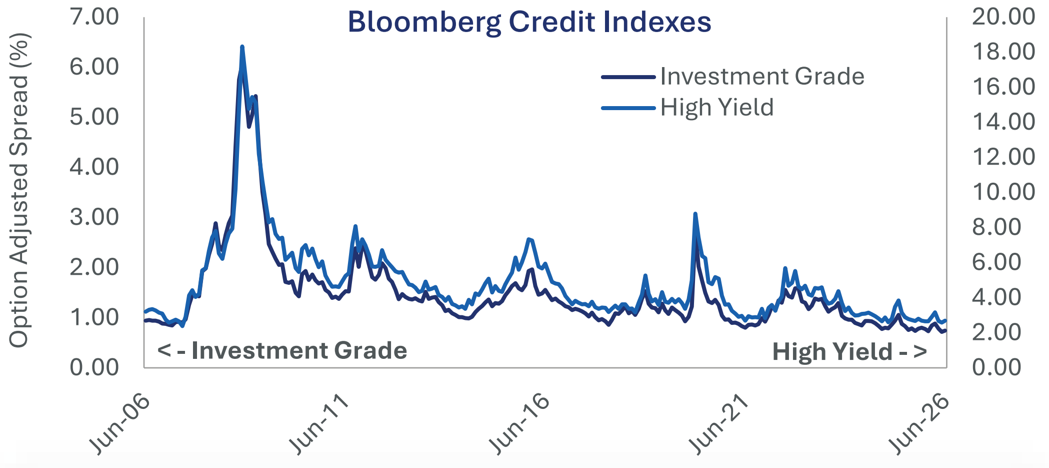
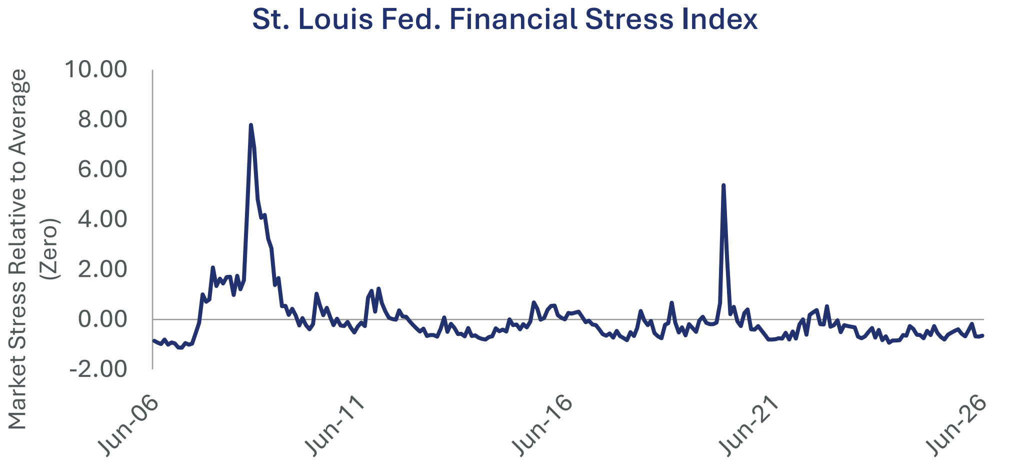
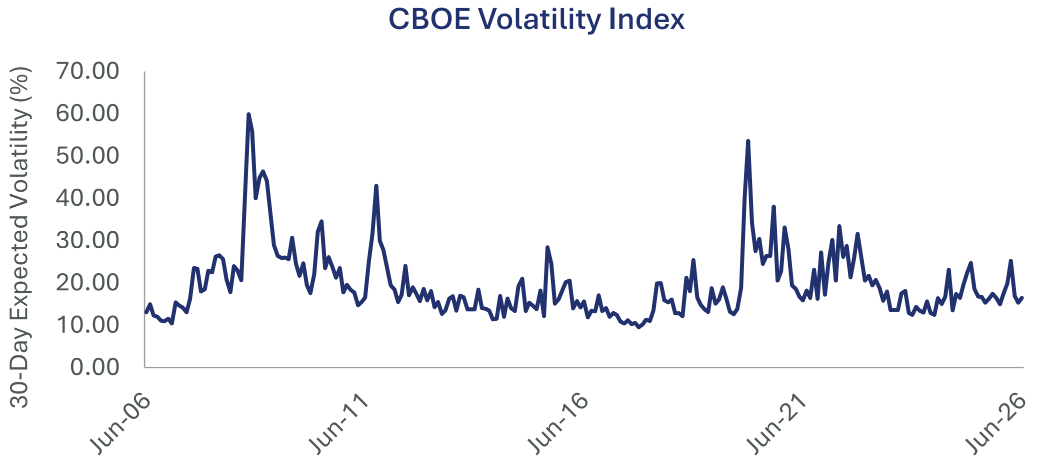
Wilshire

Risk Monitor





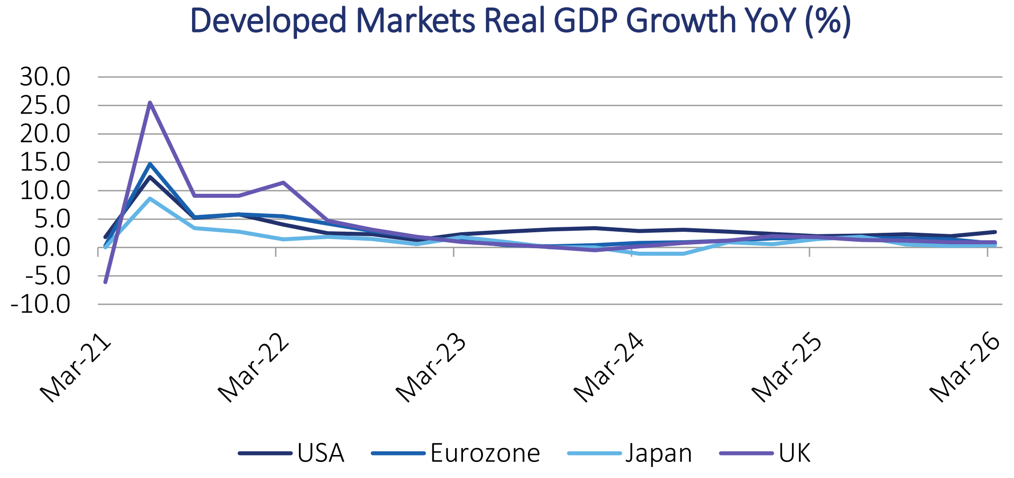


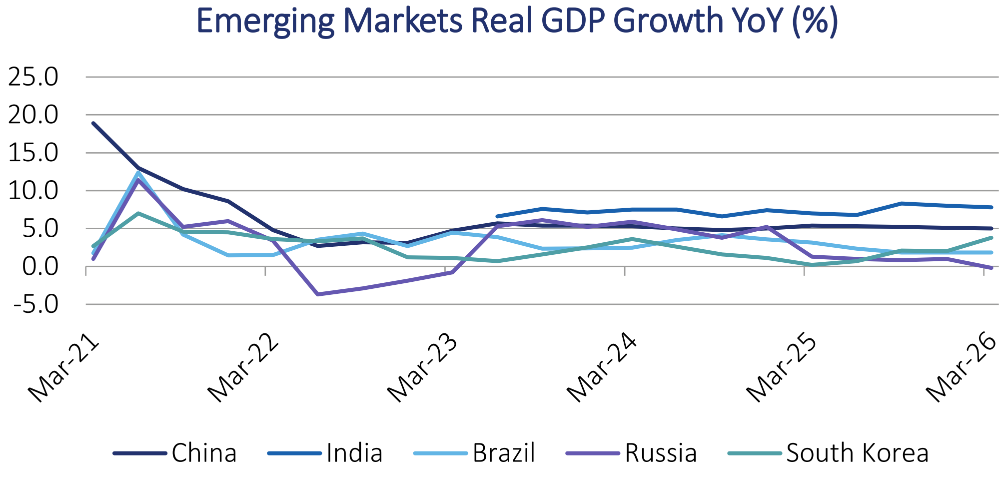


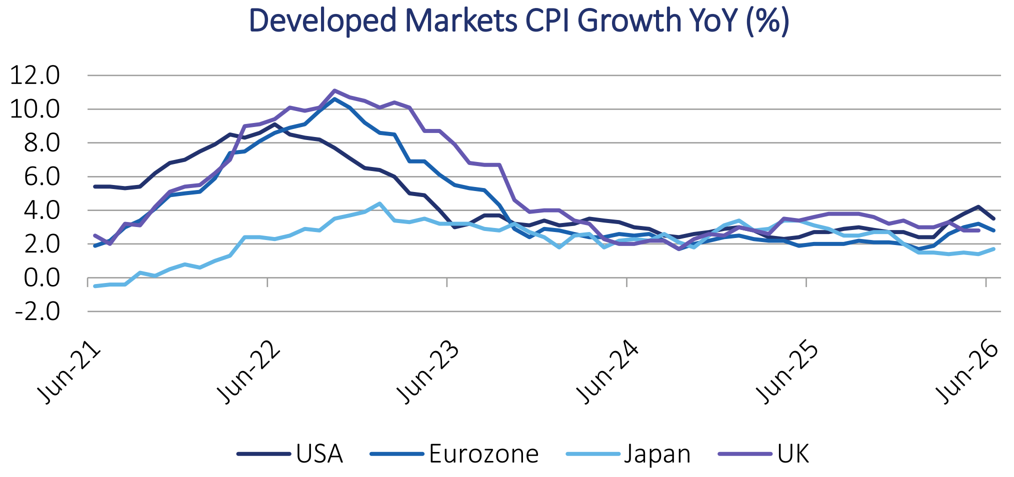
Data Source: Bloomberg

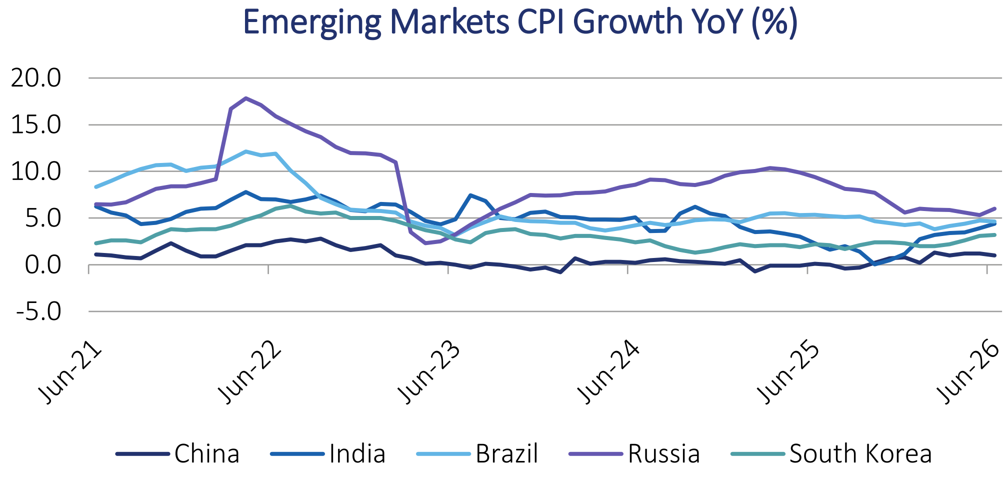
Wilshire

Non-U.S. Growth and Inflation









Data Source: Bloomberg

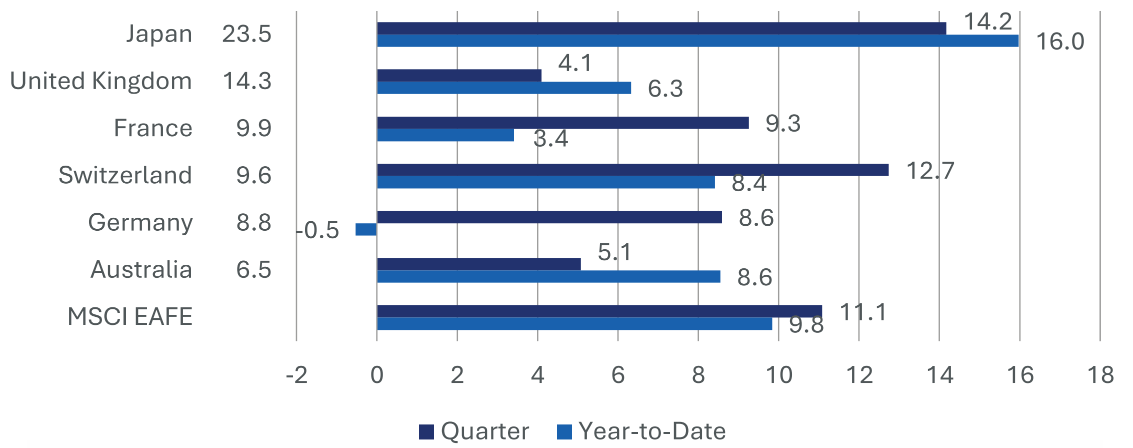
Wilshire

Non-U.S. Equity Market

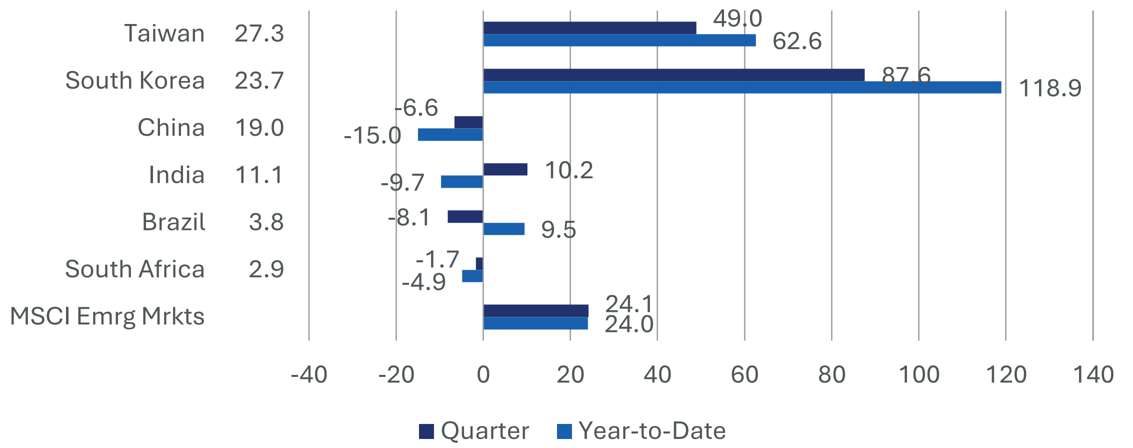
As of 6/30/2026	Quarter	YTD	1 Year	3 Year	5 Year	10 Year
MSCI ACWI ex-US ($G)	14.7	14.0	28.3	19.4	9.3	10.5
MSCI EAFE ($G)	11.1	9.8	20.8	17.0	9.6	10.2
MSCI Emerging Markets ($G)	24.1	24.0	44.2	23.6	7.7	10.5
MSCI Frontier Markets ($G)	10.2	13.2	37.0	23.1	10.7	7.0
MSCI ACWI ex-US Growth ($G)	17.2	13.0	22.6	15.7	5.5	9.6
MSCI ACWI ex-US Value ($G)	11.8	14.0	32.3	22.6	12.7	11.0
MSCI ACWI ex-US Small ($G)	9.8	9.4	20.4	17.0	6.8	9.6
MSCI All Country World Index	15.1	11.5	24.2	20.2	11.5	13.3
MSCI ACWI Minimum Volatility	2.4	2.2	3.7	9.8	5.8	7.4
MSCI EAFE Minimum Volatility	-0.9	3.6	8.3	13.2	6.5	6.5
FTSE RAFI Developed ex-US	11.1	14.6	33.1	22.3	13.3	11.9
MSCI EAFE LC (G)	11.8	12.1	25.5	16.4	11.8	11.2
MSCI Emerging Markets LC (G)	24.2	26.9	50.9	25.7	10.6	12.3

Data Source: Bloomberg

Developed Markets Weight and Return (%)



Emerging Markets Weight and Return (%)



Wilshire

As of June 30, 2026

CalPERS PERF Public Equity – Performance

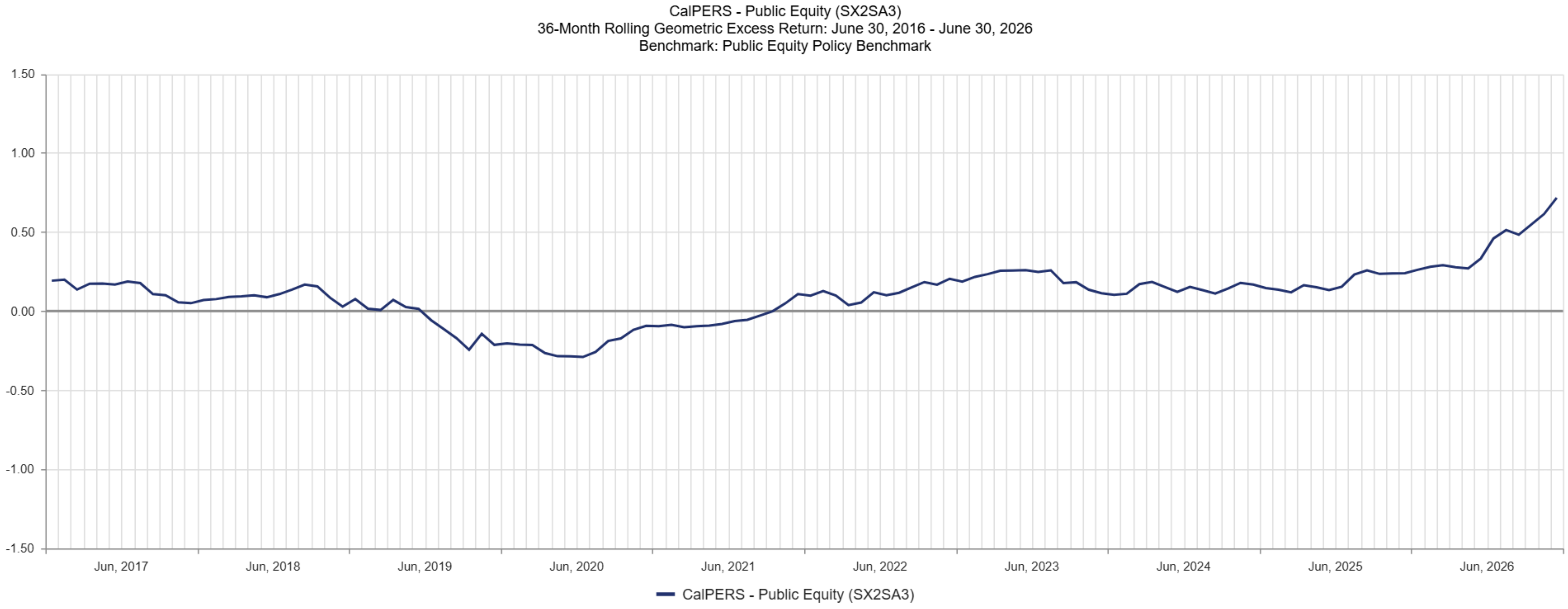
	Asset Value ($Billion)	Quarter	1-Year	3-Year	5-Year	10-Year	VaR ($Billion)	5-Year Ratios Sharpe	Info
PUBLIC EQUITY*	**$ 241.8**	**14.9%**	**24.1%**	**19.5%**	**11.1%**	**12.6%**	**$ 47.8**	**0.5**	**1.4**
Public Equity Policy Benchmark		14.1%	22.5%	18.6%	10.6%	12.4%		**0.5**	**0.0**
Public Equity - Cap Weighted*	**$ 235.2**	**15.5%**	**25.8%**	**20.7%**	**11.6%**	**13.4%**	**$ 50.5**	**0.5**	**1.2**
CalPERS Custom FTSE Global Benchmark		14.9%	24.2%	19.9%	11.0%	13.1%		**0.5**	**0.0**
Public Equity - Factor Weighted	**$ 6.6**	**5.8%**	**10.0%**	**12.4%**	**7.3%**	**-.-%**	**$ 1.0**	**0.3**	**0.5**
CalPERS FTSE Factor Wtd Blend Benchmark		3.4%	7.4%	11.4%	6.7%	-.-%		**0.3**	**0.0**

* The CalPERS asset values shown include derivative exposure.

Wilshire

As of June 30, 2026

CalPERS PERF Public Equity – Rolling Excess Return



* Monthly data; Net of Investment Management Fees

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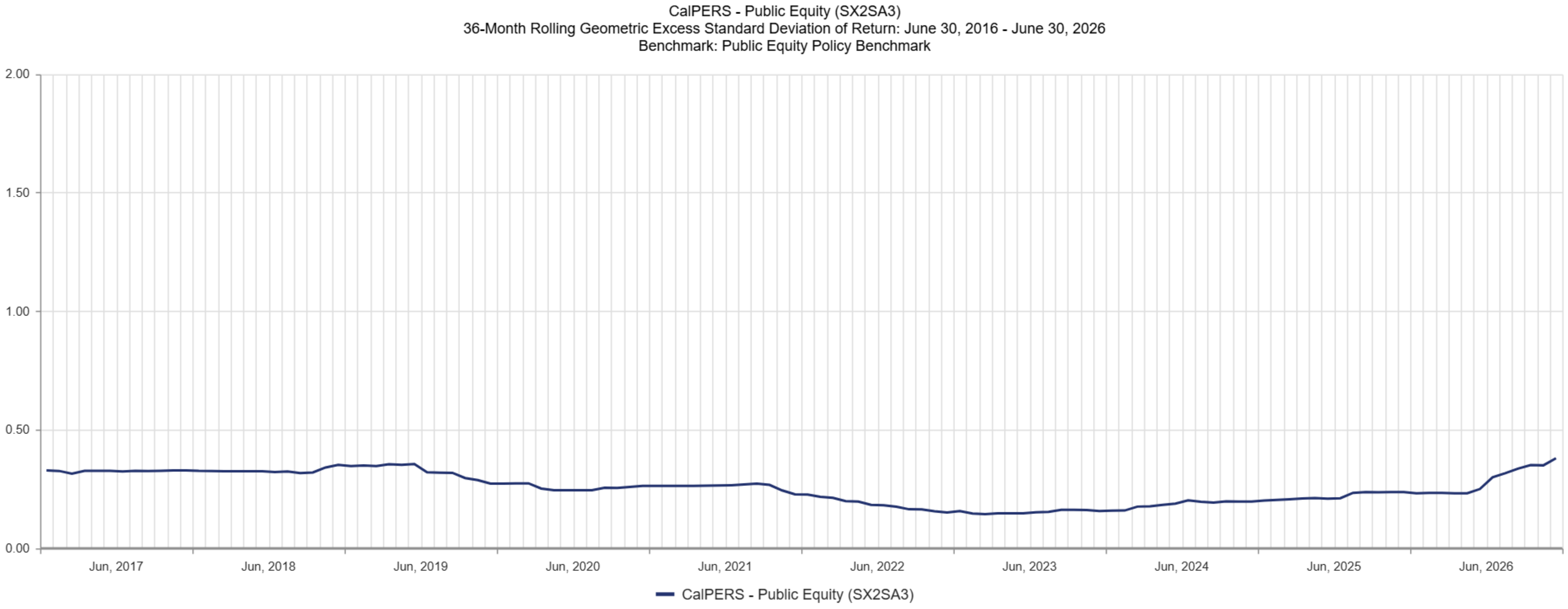
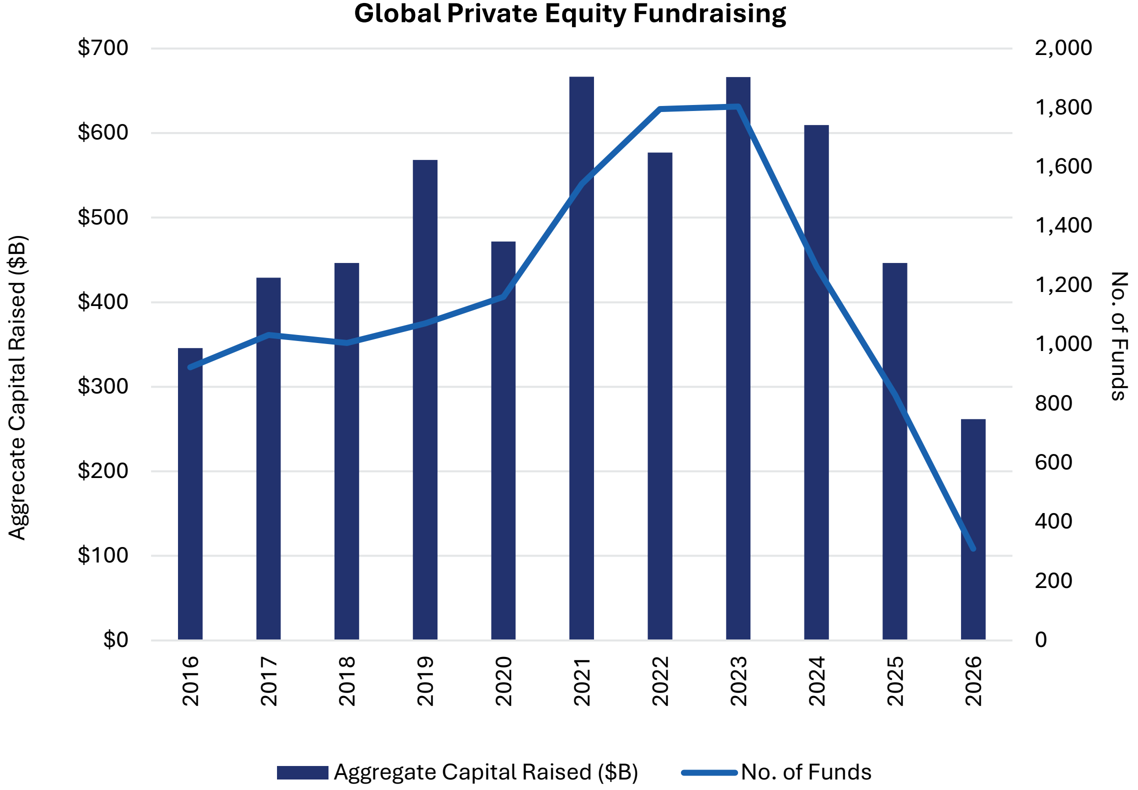
As of June 30, 2026

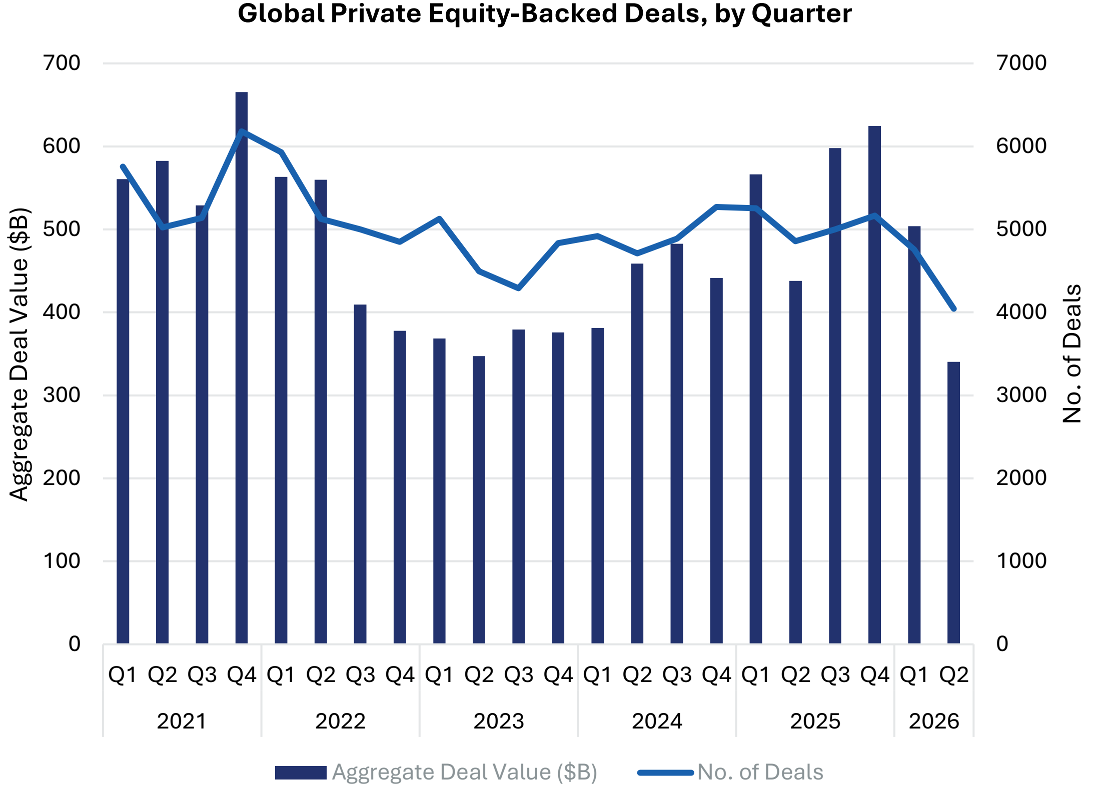
CalPERS PERF Public Equity – Rolling Tracking Error



* Monthly data; Net of Investment Management Fees

Private Equity – Fundraising & Investment Activity





Source: PitchBook as of June 30, 2026.

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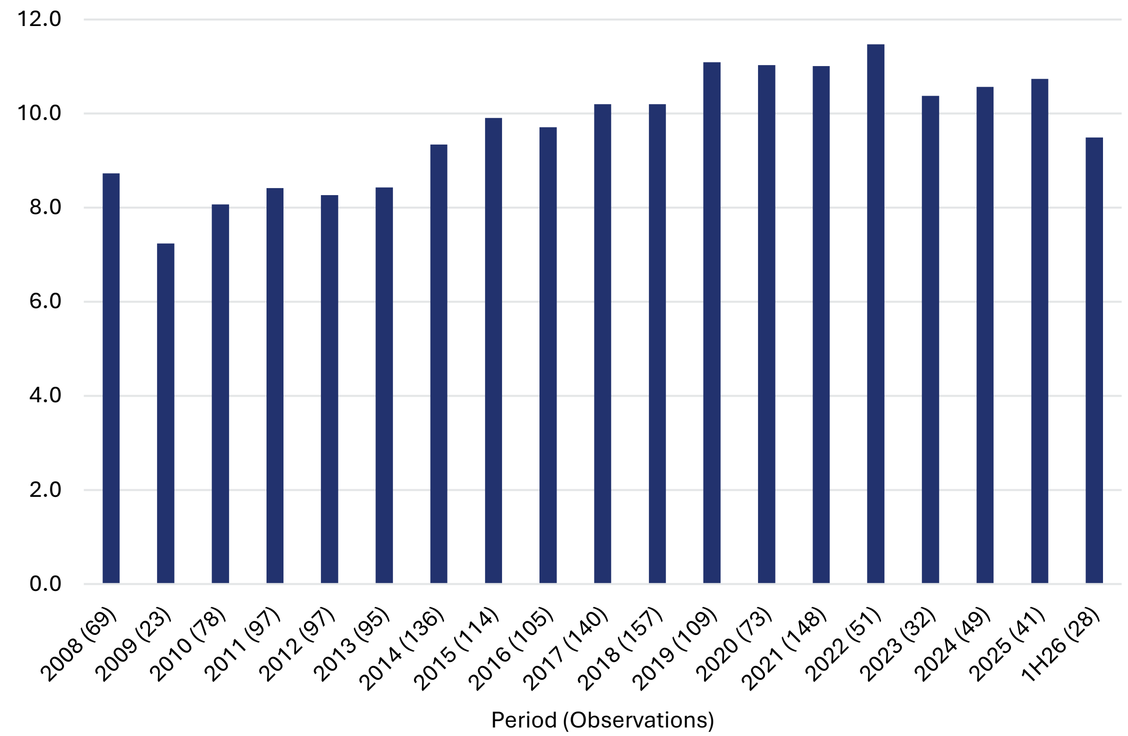
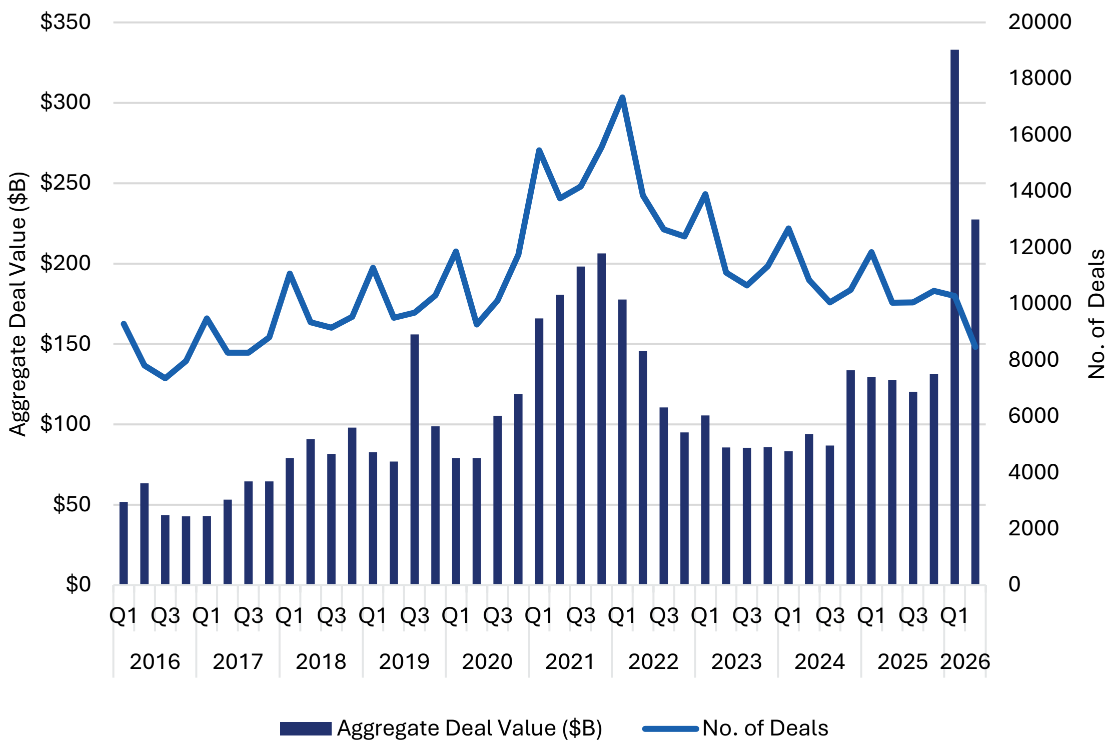
Private Equity – Pricing & Valuations





Source: PitchBook as of June 30, 2026.

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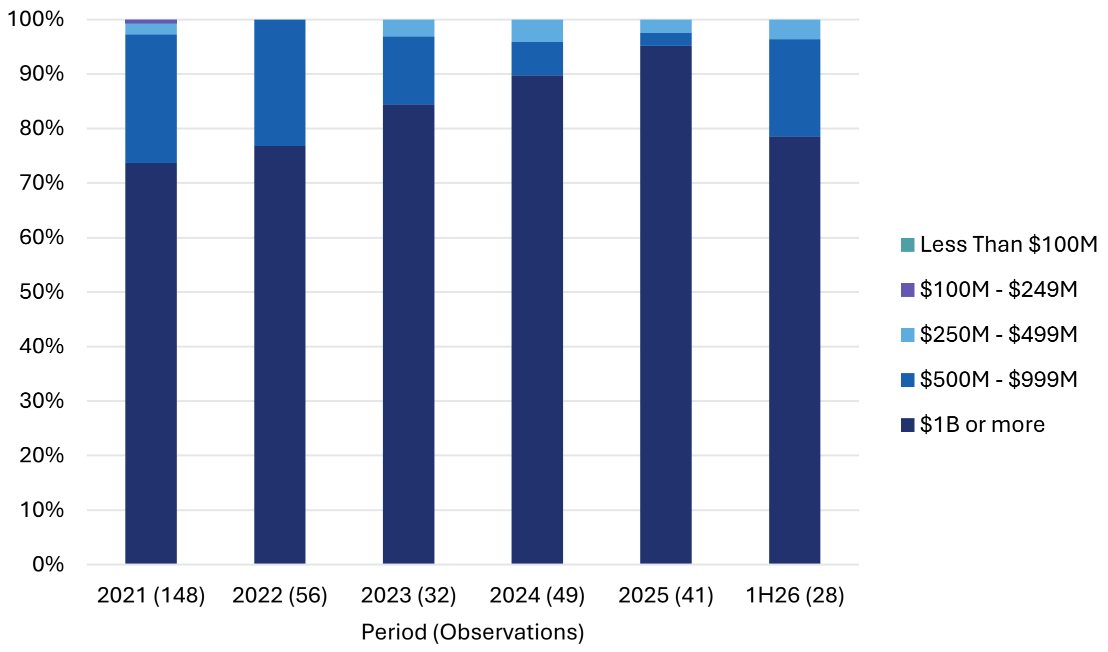
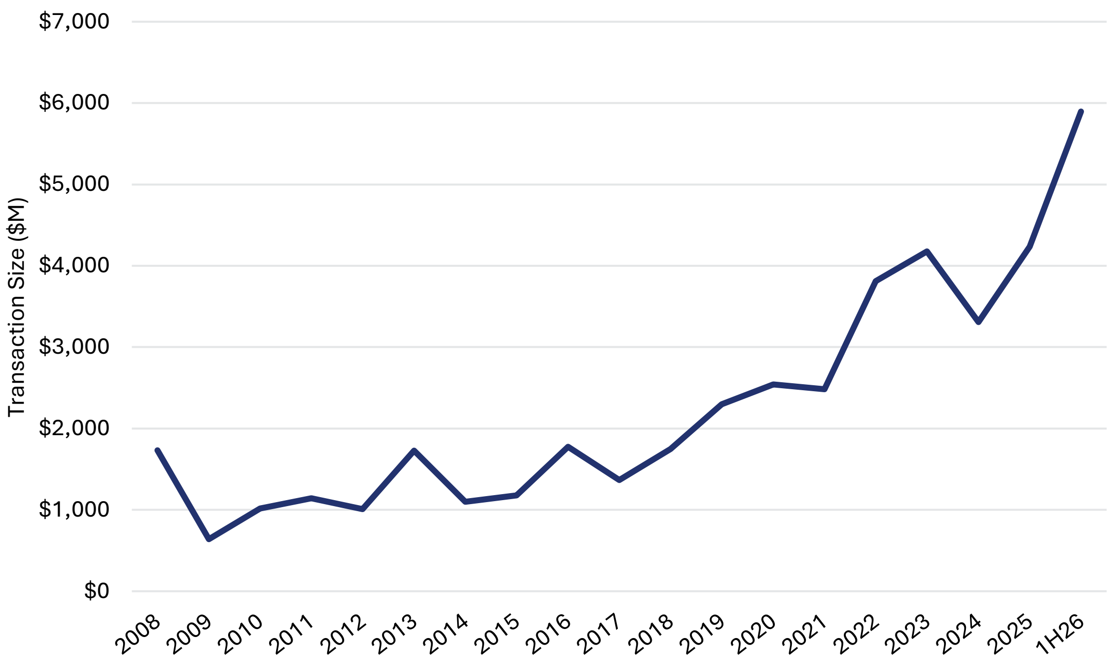
U.S. Investment Activity by Deal Size

- **Deal volume as of Q2 2026 is set to outpace 2025 levels but has not returned to pre-COVID levels, though a majority of deals stay in the upper, large cap market.**
- **Average LBO transaction size increased significantly during H1 2026 as transactions continue to concentrate and move upmarket.**

Distribution of U.S. LBO Transactions, by Deal Size



Average Transaction Size of U.S. LBOs



Source: PitchBook as of June 30, 2026.

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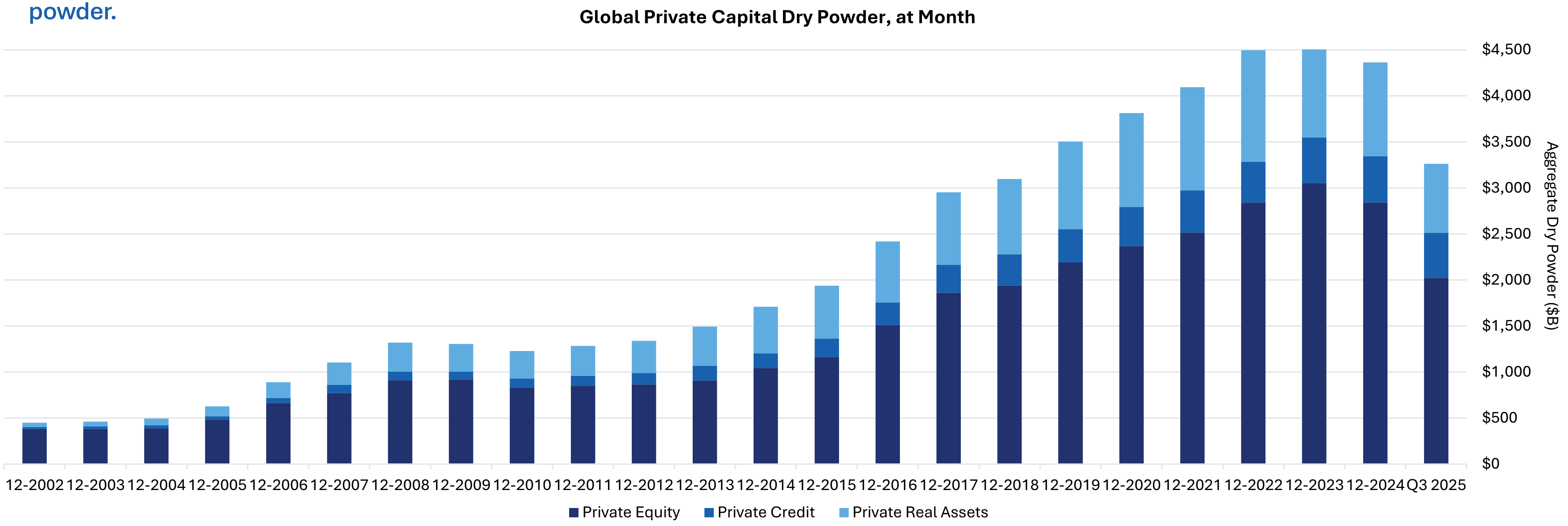
Private Capital Dry Powder

- **Global private equity and real assets dry powder continues to decrease from peak at the end of 2023, but global private credit remains elevated.**
- **Private equity comprises approximately 62% of total dry powder as of November 11, 2025, and continues to drive heightened levels of dry powder.**



Source: PitchBook as of December 31, 2025.

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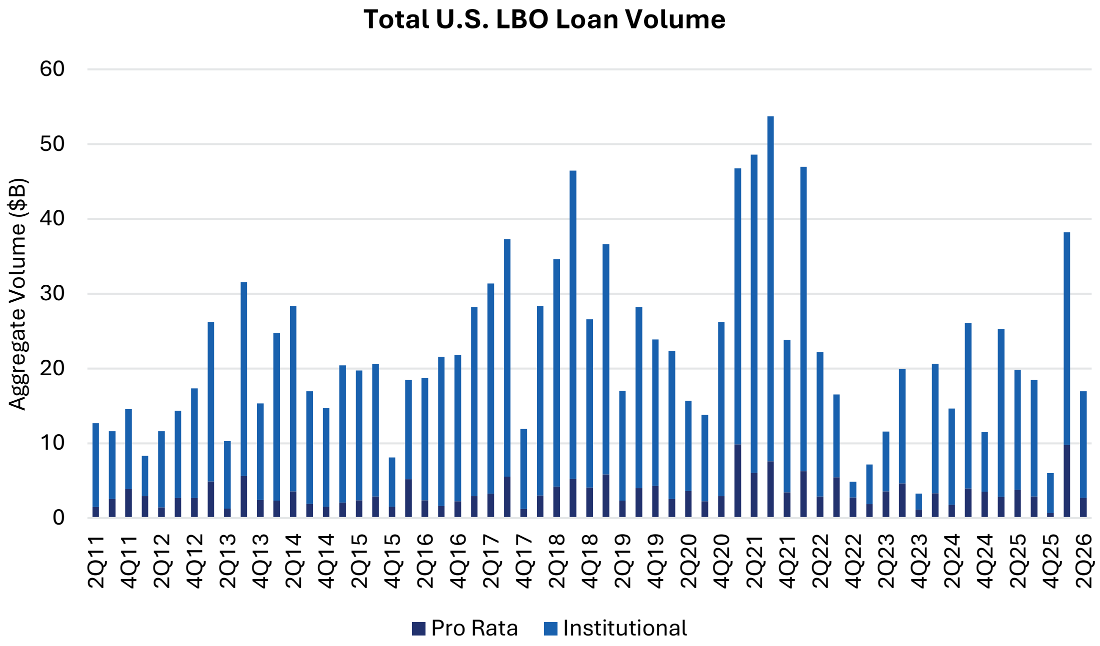
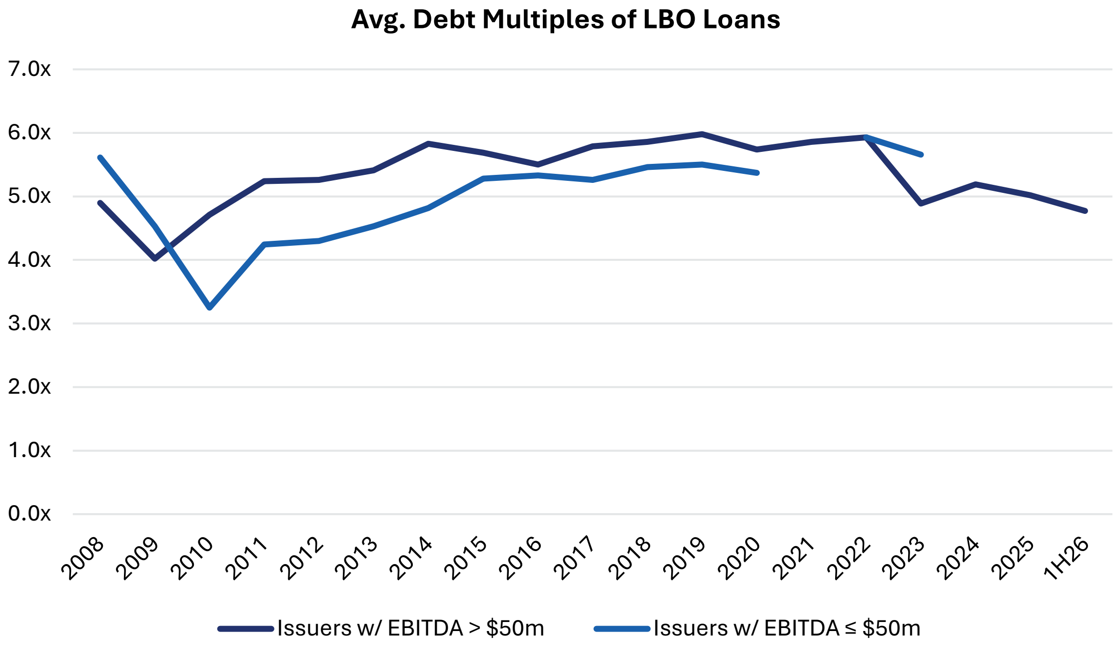
Private Equity – U.S. Debt Markets

- **Q2 2026 saw ~17.0 billion in supporting loan issuance, in line with recent quarters after an elevated Q1 2026.**
- **Debt multiples of sponsor-backed, large corporate loans decreased slightly to 4.8x, staying lower than recent years with debt multiples just under 6.0x.**



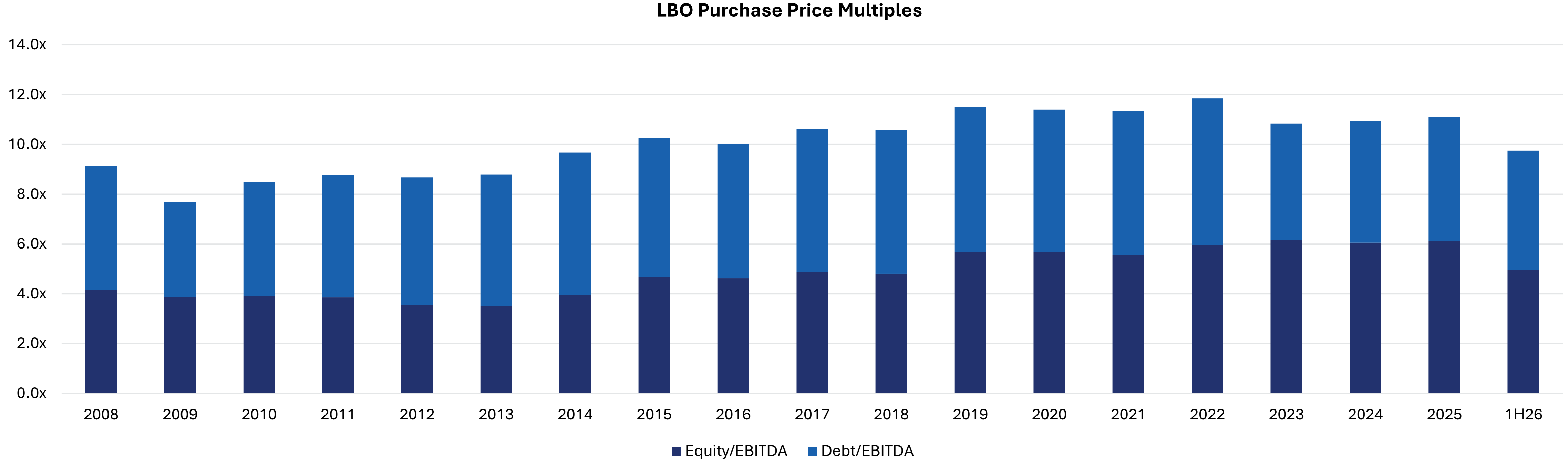


Source: PitchBook as of June 30, 2026.

Wilshire

Private Equity – U.S. LBO Purchase Price Multiples

- **All in purchase price multiples for H1 2026 have decreased slightly from 2025 purchase price multiples, with approximately equal split of debt and equity.**
- **Debt contributions in Q2 2026 are 49% of purchase price multiples.**



Source: PitchBook as of June 30, 2026.

Wilshire

As of June 30, 2026

CalPERS PERF Private Equity – Performance

	Asset Value ($Billion)	Quarter	1-Year	3-Year	5-Year	10-Year	VaR ($Billion)	5-Year Ratios Sharpe	5-Year Ratios Info
PRIVATE EQUITY	**$ 123.6**	**2.3%**	**17.0%**	**14.0%**	**11.9%**	**13.1%**	**$ 47.5**	**1.4**	**0.0**
Private Equity Policy Benchmark		-2.5%	22.4%	18.5%	11.1%	13.7%		**0.5**	**0.0**
Private Equity Partnership Investments	**$ 123.6**	**2.3%**	**17.0%**	**14.0%**	**12.0%**	**13.1%**		**N/A**	**N/A**
Private Equity Distribution Stock	**$ 0.0**	**0.7%**	**-70.4%**	**-39.5%**	**-41.7%**	**-22.1%**		**N/A**	**N/A**

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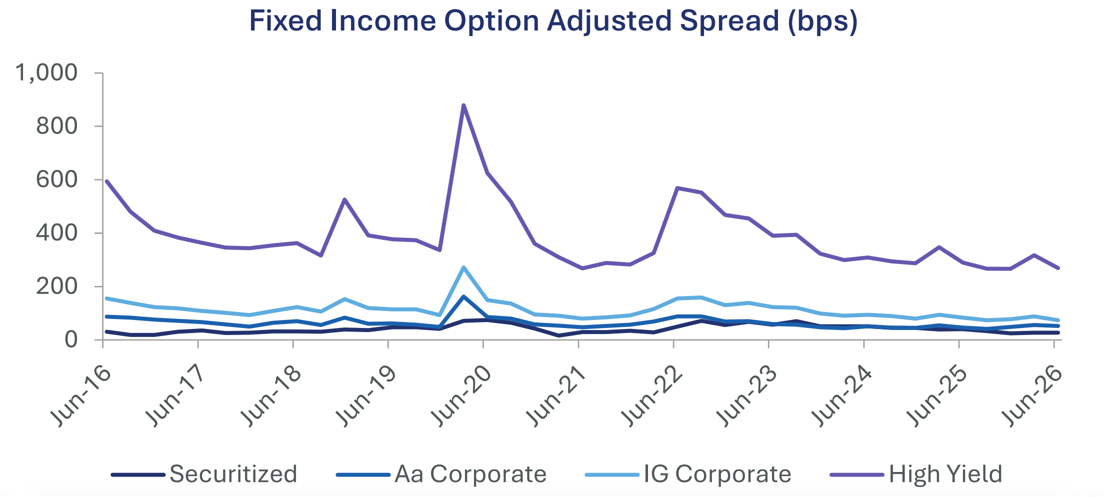
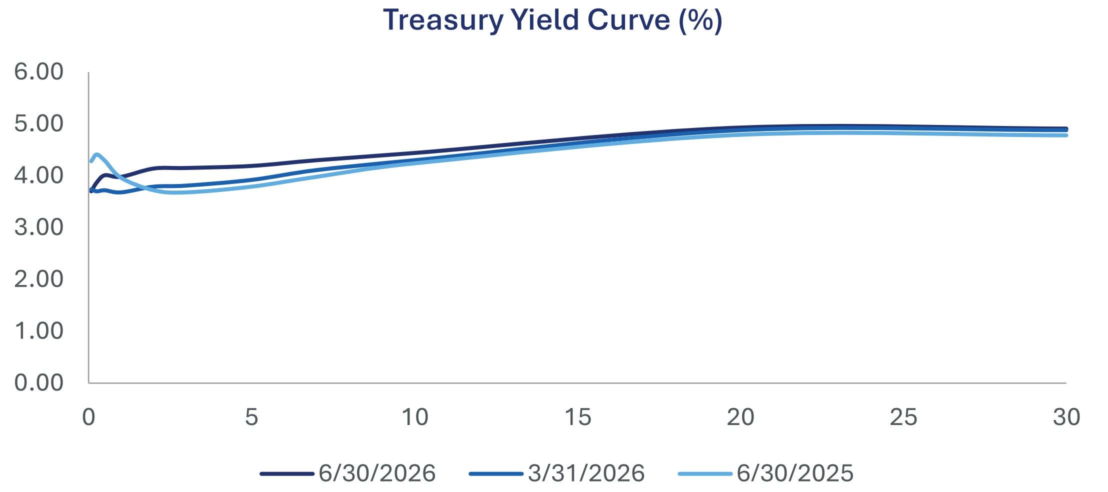
Wilshire

U.S. Fixed Income

As of 6/30/2026	YTW	Dur.	QTR	YTD	1 YR	3 YR	5 YR	10 YR
Bloomberg Aggregate	4.7	5.9	0.7	0.6	3.8	4.2	0.1	1.5
Bloomberg Treasury	4.4	5.8	0.3	0.3	2.7	3.2	-0.4	0.9
Bloomberg Gov't-Rel.	4.7	5.3	0.8	0.8	4.2	4.6	0.8	1.9
Bloomberg Securitized	5.0	5.3	0.6	1.0	5.1	4.7	0.6	1.5
Bloomberg Corporate	5.2	6.8	1.4	0.9	4.3	5.3	0.3	2.6
Bloomberg LT Gov't/Credit	5.3	13.4	1.5	0.8	3.9	1.9	-3.8	0.7
Bloomberg LT Treasury	4.9	14.2	0.9	0.4	2.9	-0.5	-5.6	-1.3
Bloomberg LT Gov't-Rel.	5.7	11.4	2.2	1.5	7.2	4.1	-1.4	1.8
Bloomberg LT Corporate	5.8	12.5	2.3	1.1	4.8	4.0	-2.3	2.2
Bloomberg U.S. TIPS*	4.3	6.0	0.9	1.2	3.4	4.0	1.0	2.6
Bloomberg High Yield	7.2	2.9	2.5	2.0	5.9	8.9	4.2	5.8
S&P/LSTA Leveraged Loan	7.8	0.3	1.9	1.3	4.4	7.6	6.0	5.5
Treasury Bills	3.8	0.3	0.9	1.8	4.0	4.7	3.5	2.4





*Yield and Duration statistics are for a proxy index based on similar maturity, the Bloomberg Barclays U.S. Treasury 5-10 Year Index.
Data Source: Bloomberg

Wilshire

Federal Reserve

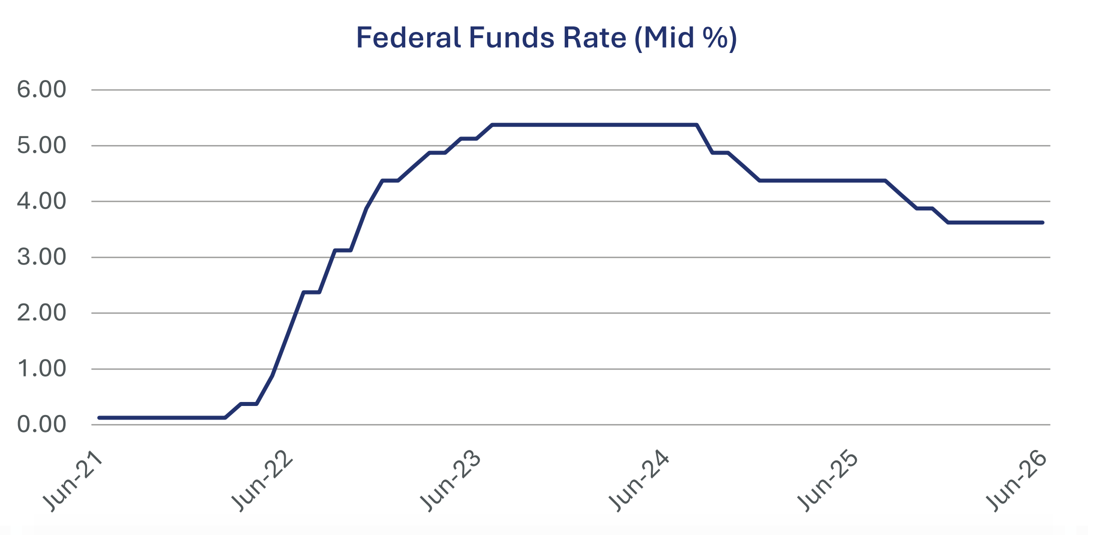
The Federal Open Market Committee left their overnight rate unchanged during Q1

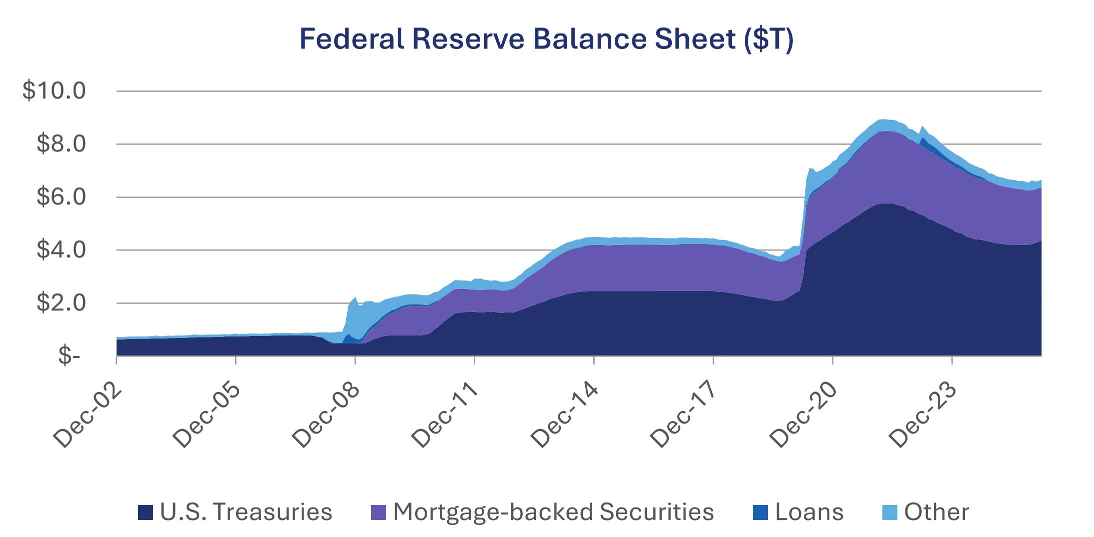
QE4 was larger than the 3 phases of quantitative easing – combined – following the global financial crisis

The Fed's current balance sheet is roughly equal to its level following the COVID spike, but is showing signs of re-expansion

	Announced	Closed	Amount (bil)
QE1	11/25/2008	3/31/2010	$1,403
QE2	11/3/2010	6/29/2012	$568
QE3	9/13/2012	10/29/2014	$1,674
QE4	3/23/2020	3/15/2022	$4,779

Data Source: Bloomberg





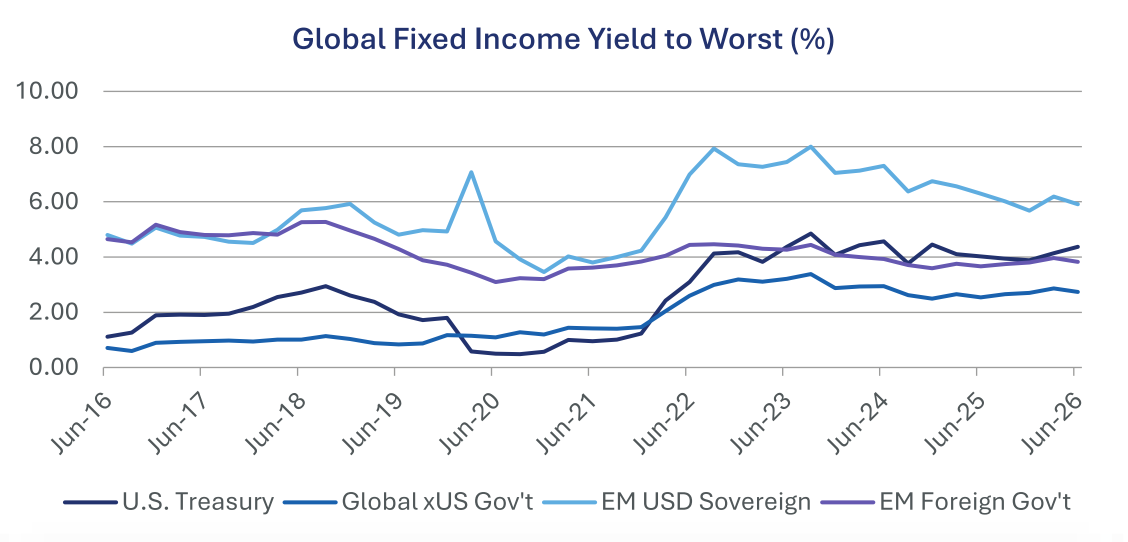
Wilshire

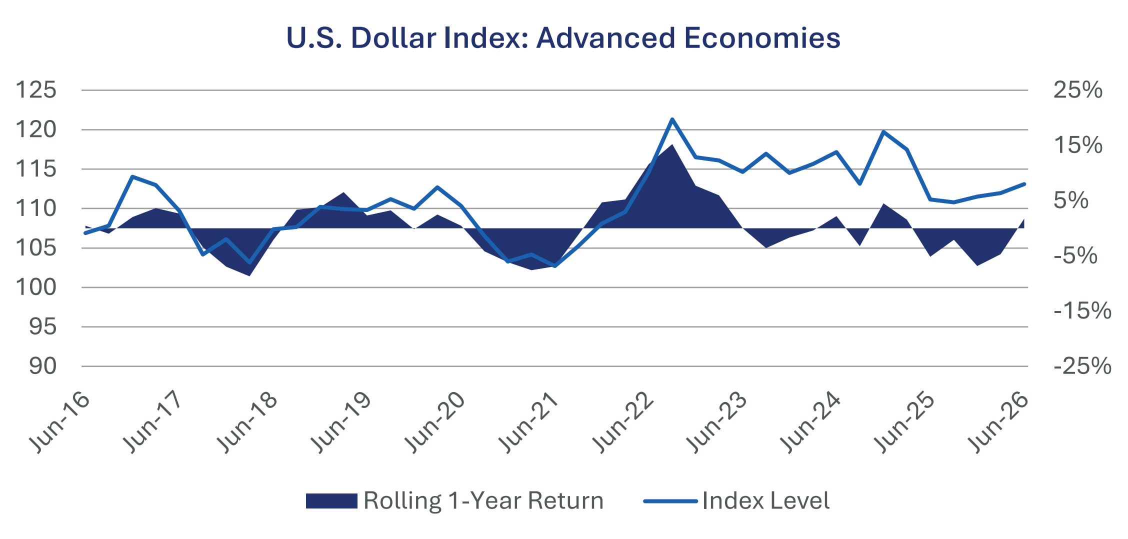
Non-U.S. Fixed Income

As of 6/30/2026	Quarter	YTD	1 Year	3 Year	5 Year	10 Year
Developed Markets						
Bloomberg Global Aggregate xUS	1.0	-0.9	-1.9	2.7	-2.9	-0.7
Bloomberg Global Aggregate xUS*	1.8	1.6	2.6	4.6	1.4	2.1
Bloomberg Global Inflation Linked xUS	0.3	-0.3	-0.8	1.8	-4.6	-0.3
Bloomberg Global Inflation Linked xUS*	0.7	2.2	3.5	1.9	-2.2	1.3
Emerging Markets (Hard Currency)						
Bloomberg EM USD Aggregate	3.4	2.0	8.0	8.5	2.0	3.4
Emerging Markets (Foreign Currency)						
Bloomberg EM Local Currency Gov't	2.8	1.7	3.8	5.9	1.9	2.8
Bloomberg EM Local Currency Gov't*	1.8	1.5	2.8	6.5	4.1	3.5
Euro vs. Dollar	-1.1	-2.8	-3.1	1.5	-0.7	0.3
Yen vs. Dollar	-2.4	-3.6	-11.4	-3.9	-7.3	-4.4
Pound vs. Dollar	0.3	-1.6	-3.4	1.4	-0.8	0.0

*Returns are reported in terms of local market investors, which removes currency effects.

Data Source: Bloomberg

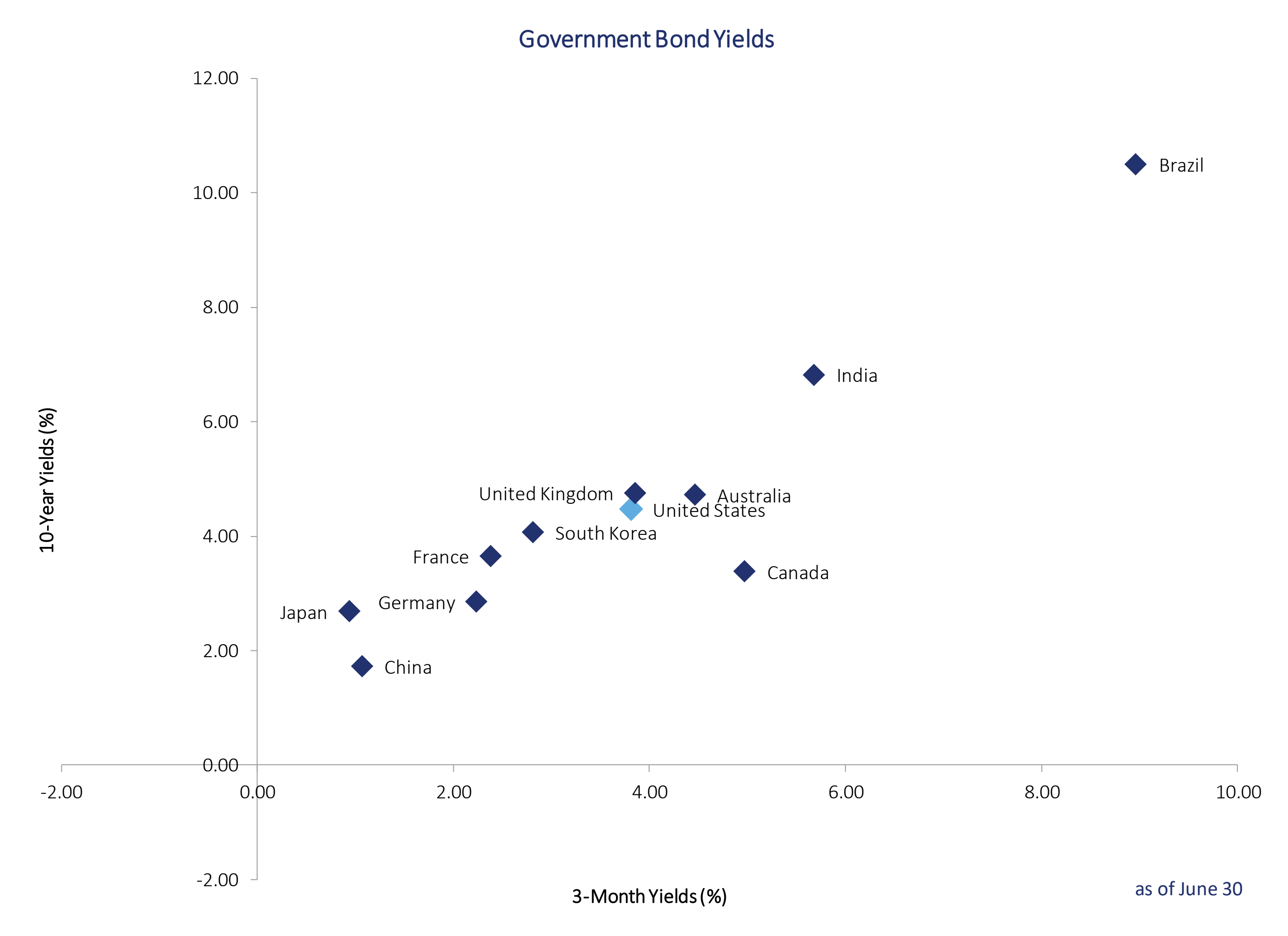




Wilshire

Global Interest Rates

Short-term rates remain positive across the globe; longer-term rates above 4.0% in the U.S., U.K. and Australia

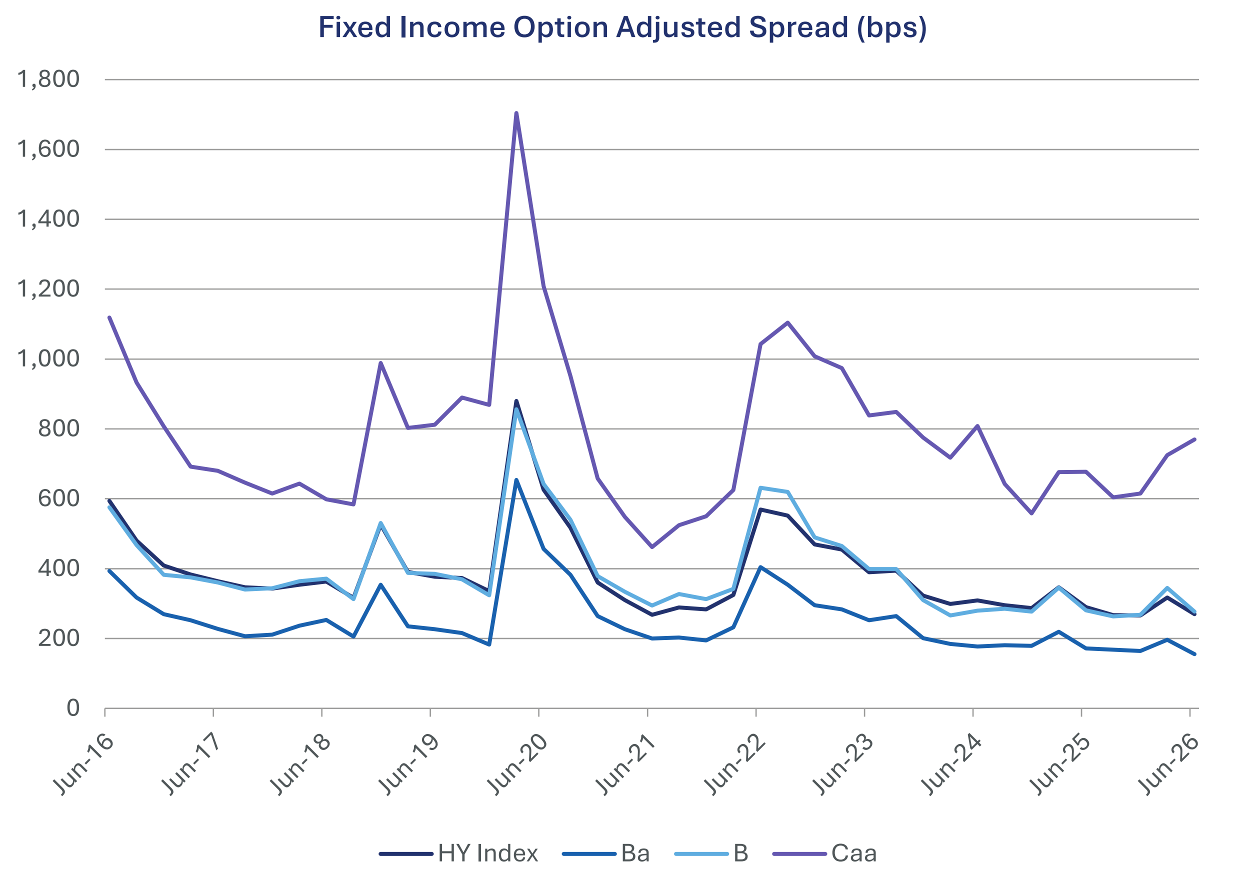


Data Source: Bloomberg

Wilshire

High Yield Bond Market

As of 6/30/2026	Weight	YTW	QTR	YTD	1 YR	3 YR	5 YR	10 YR
Bloomberg High Yield		7.2	2.5	2.0	5.9	8.9	4.2	5.8
S&P LSTA Leveraged Loan		7.8	1.2	0.4	4.3	7.6	5.9	5.3
High Yield Quality Distribution								
Ba U.S. High Yield	55.4%	6.0	2.3	2.0	5.9	8.1	3.7	5.6
B U.S. High Yield	34.8%	7.3	2.8	2.2	6.2	8.7	4.3	5.7
Caa U.S. High Yield	9.3%	12.0	3.0	1.7	6.3	11.6	5.2	6.4
Ca to D U.S. High Yield	0.5%	38.2	-11.5	-9.4	-13.9	12.2	3.5	8.7



Data Source: Bloomberg

Wilshire

As of June 30, 2026

CalPERS PERF Income – Performance

	Asset Value ($Billion)	Quarter	1-Year	3-Year	5-Year	10-Year	VaR ($Billion)	5-Year Ratios Sharpe	5-Year Ratios Info
INCOME	**$ 178.0**	**1.9%**	**5.8%**	**5.3%**	**-0.0%**	**2.2%**	**$ 8.9**	**-0.4**	**1.2**
Income Policy Benchmark		1.8%	5.4%	5.1%	-0.1%	1.8%		**-0.4**	**0.0**
Treasury	**$ 52.8**	**0.6%**	**2.8%**	**0.7%**	**-4.1%**	**-0.6%**	**$ 6.7**	**-0.6**	**0.0**
Custom Bloomberg Government		0.6%	2.8%	0.7%	-4.1%	-0.6%		**-0.6**	**0.0**
Mortgage-Backed Securities	**$ 32.0**	**0.7%**	**6.2%**	**5.2%**	**0.9%**	**1.9%**	**$ 0.0**	**-0.4**	**0.7**
Custom Bloomberg Mortgage		0.6%	5.1%	4.7%	0.6%	1.5%		**-0.4**	**0.0**
Investment Grade Credit	**$ 28.8**	**2.0%**	**5.0%**	**4.8%**	**-1.3%**	**2.8%**	**$ 2.7**	**-0.4**	**-0.2**
Custom Bloomberg Corp ex Sov		2.0%	4.9%	4.8%	-1.3%	2.4%		**-0.4**	**0.0**
High Yield	**$ 32.1**	**2.3%**	**6.1%**	**8.4%**	**4.1%**	**-.-%**	**$ 3.1**	**0.1**	**0.3**
Custom Bloomberg High Yield		2.4%	6.0%	8.3%	4.1%	-.-%		**0.1**	**0.0**
EM Sovereign	**$ 32.4**	**4.5%**	**10.6%**	**8.7%**	**-.-%**	**-.-%**	**$ 1.8**	**N/A**	**N/A**
Custom JPM EMBIG Diversified		3.9%	9.5%	8.0%	-.-%	-.-%		**N/A**	**N/A**

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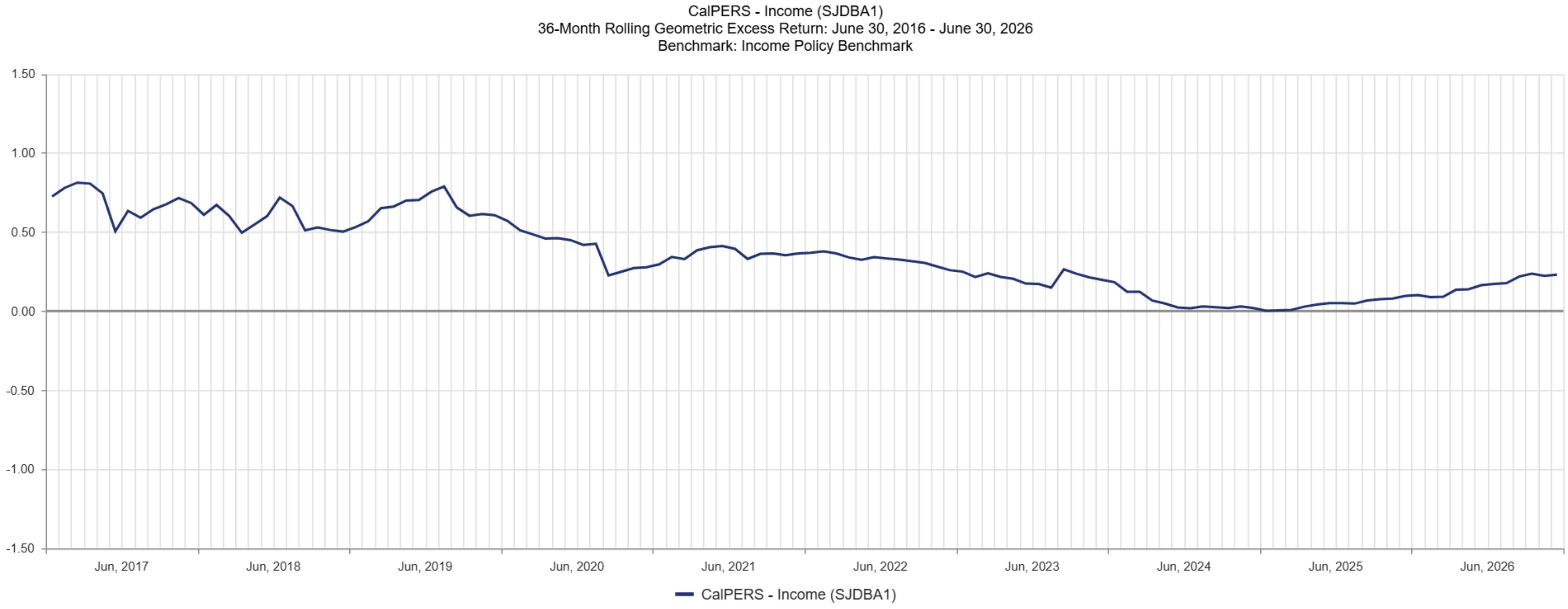
Wilshire

As of June 30, 2026

CalPERS PERF Income – Rolling Excess Return

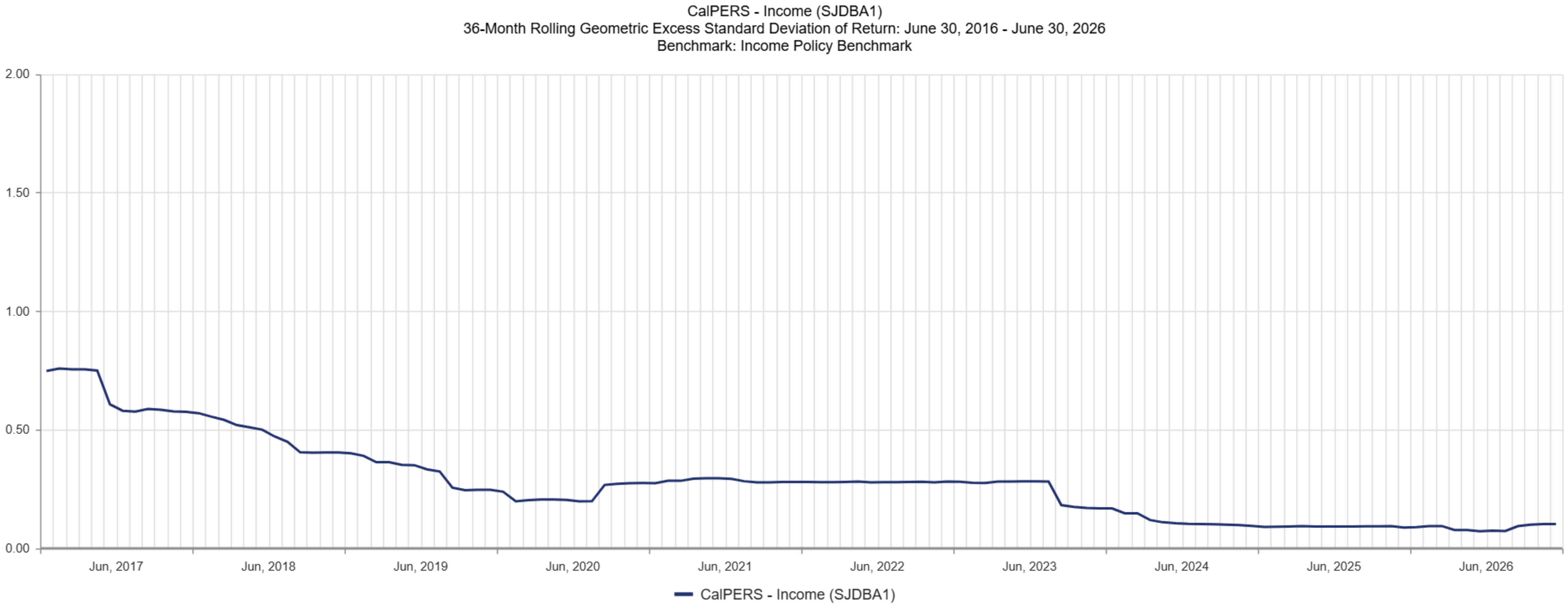


* Monthly data; Net of Investment Management Fees

Wilshire

As of June 30, 2026

CalPERS PERF Income – Rolling Tracking Error



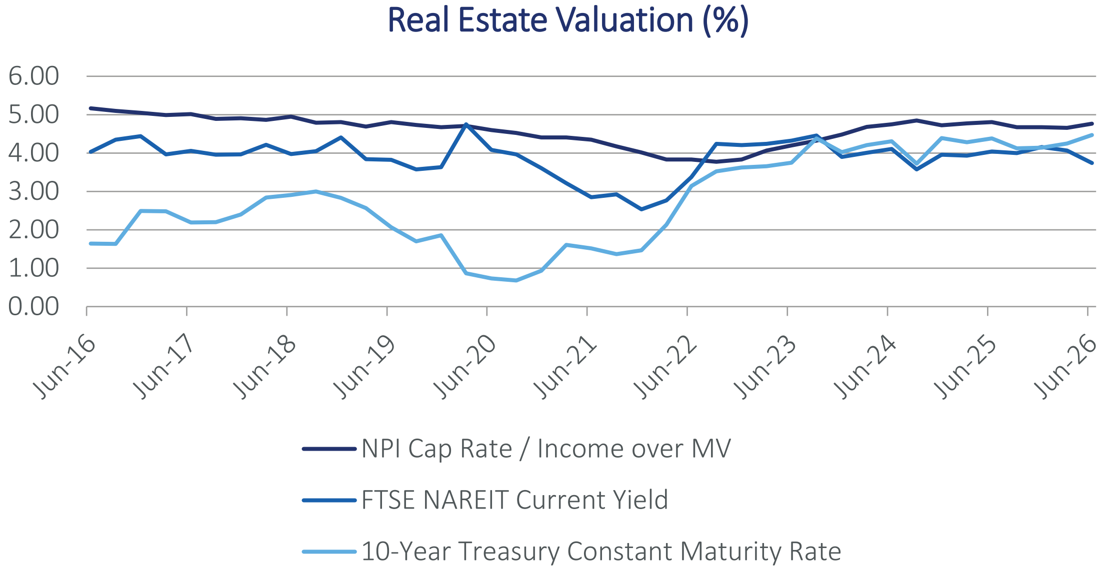
* Monthly data; Net of Investment Management Fees

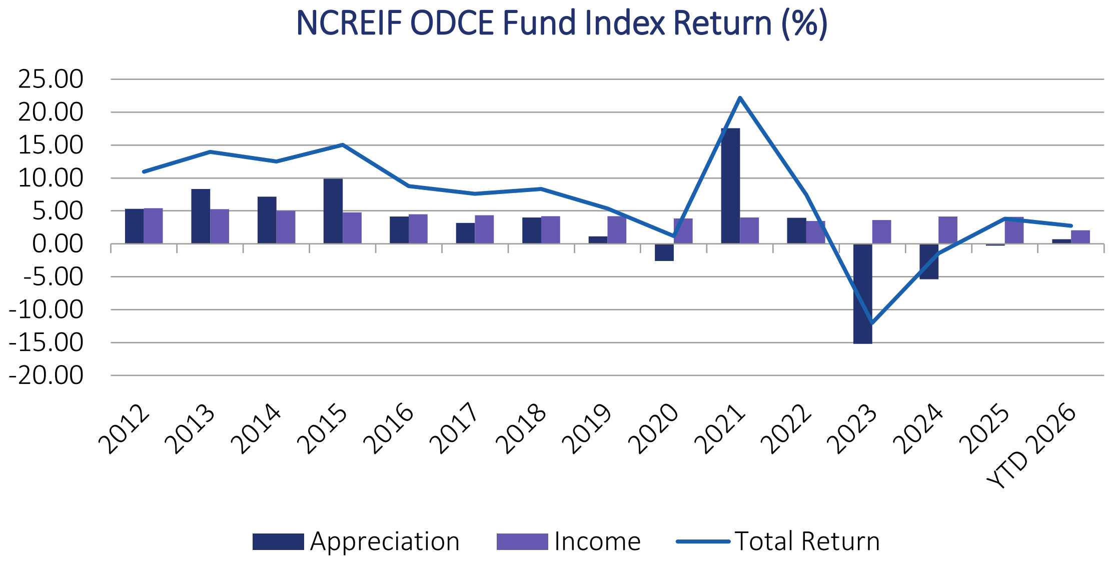
Wilshire

Real Assets

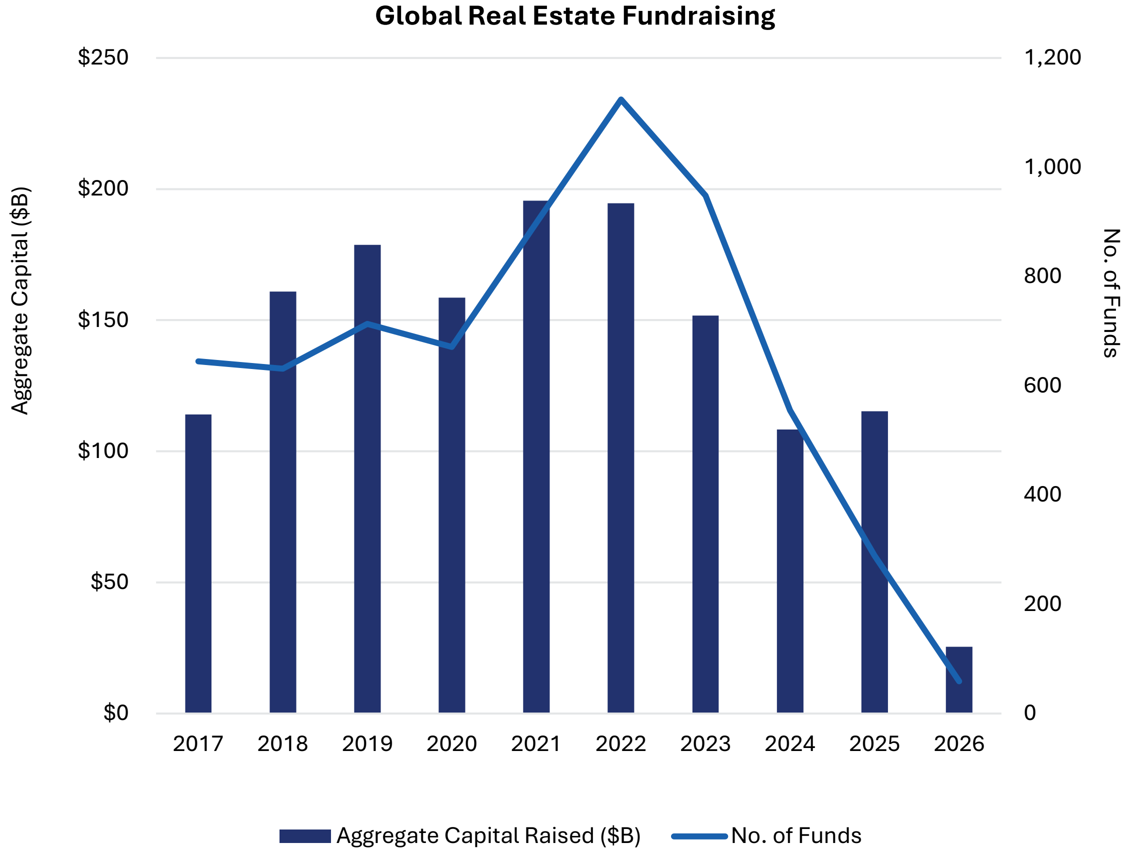
As of 6/30/2026	Quarter	YTD	1 Year	3 Year	5 Year	10 Year
Bloomberg U.S. TIPS	0.9	1.2	3.4	4.0	1.0	2.6
Bloomberg Commodity Index	-8.1	14.4	25.5	11.7	9.4	5.8
Bloomberg Gold Index	-13.5	-7.4	21.0	26.8	17.0	10.7
Wilshire Global RESI Index	6.5	7.3	9.3	9.8	3.3	4.7
NCREIF ODCE Fund Index	1.5	2.7	4.4	-0.6	2.7	4.6
NCREIF Timberland Index	1.0	2.1	4.4	6.5	8.5	5.5
FTSE Global Core Infrastructure	2.6	11.1	16.7	13.2	8.5	8.3
Alerian Midstream Energy	0.2	23.2	23.0	26.8	20.6	12.2
Bitcoin	-14.0	-33.1	-45.5	24.5	11.1	56.5

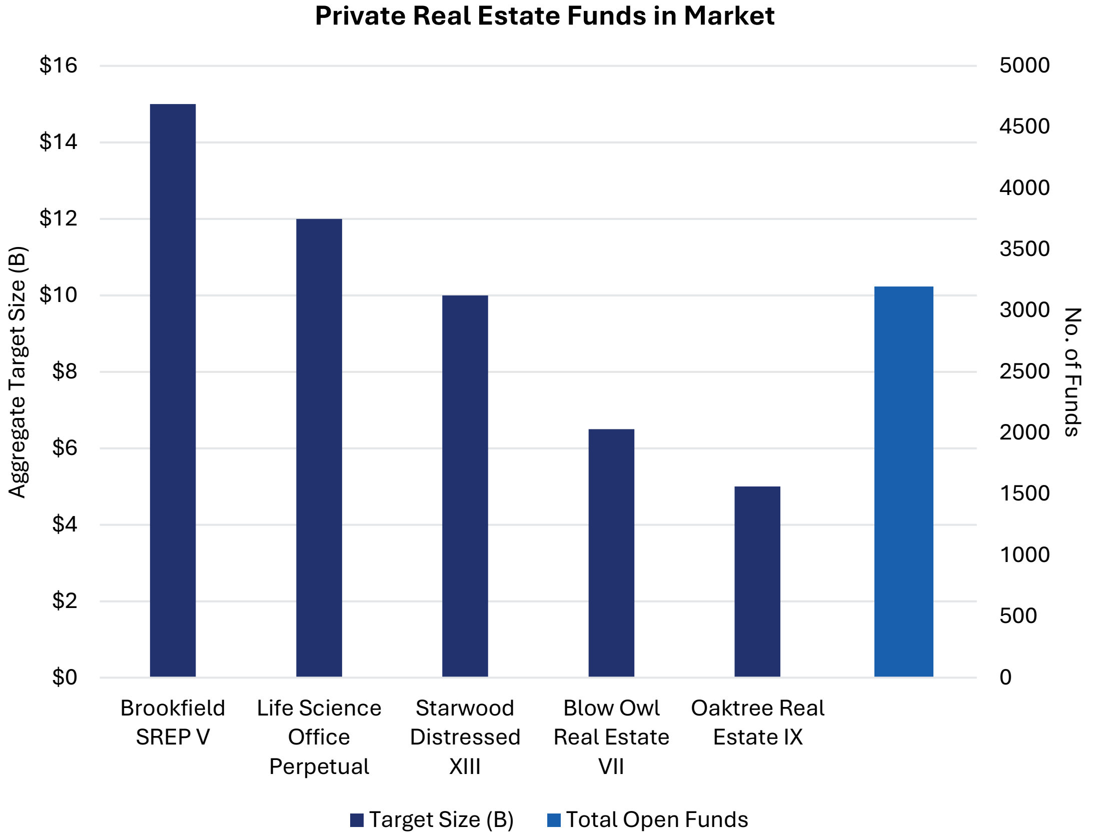
Data Sources: Bloomberg, National Council of Real Estate Investment Fiduciaries





Private Real Assets – Real Estate Fundraising Activity





Source: PitchBook as of March 31, 2026.

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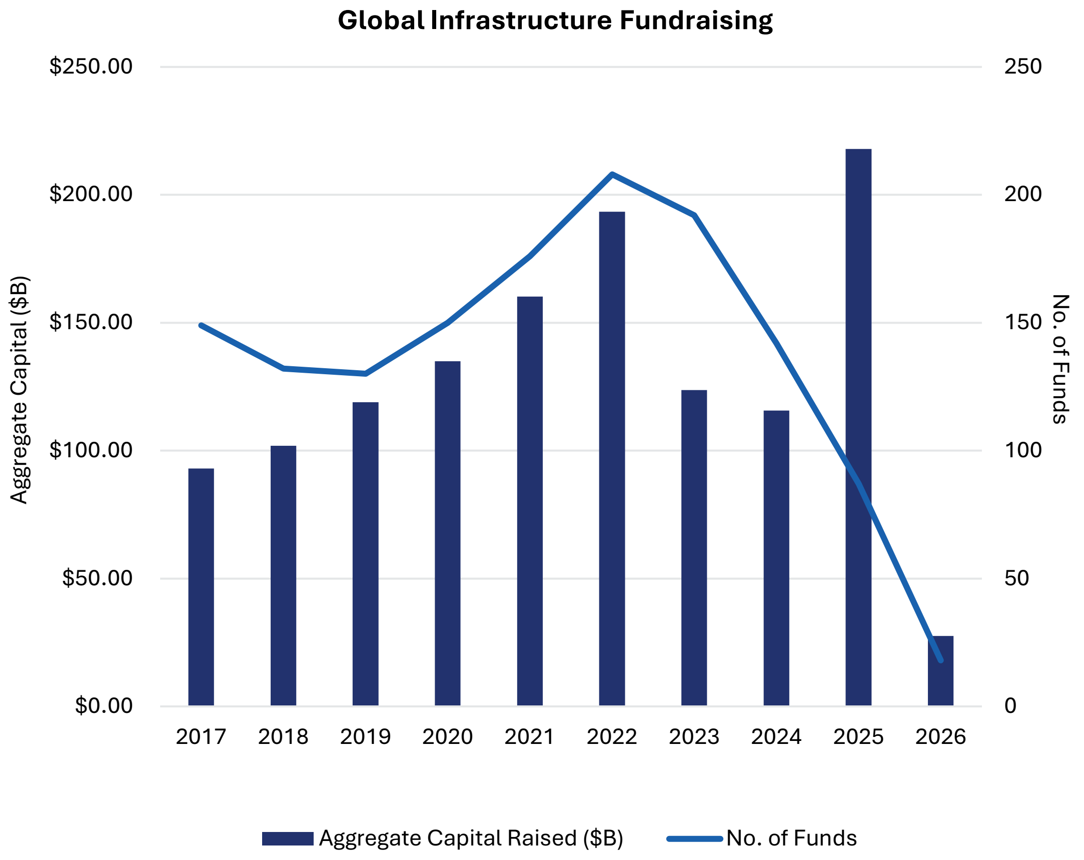
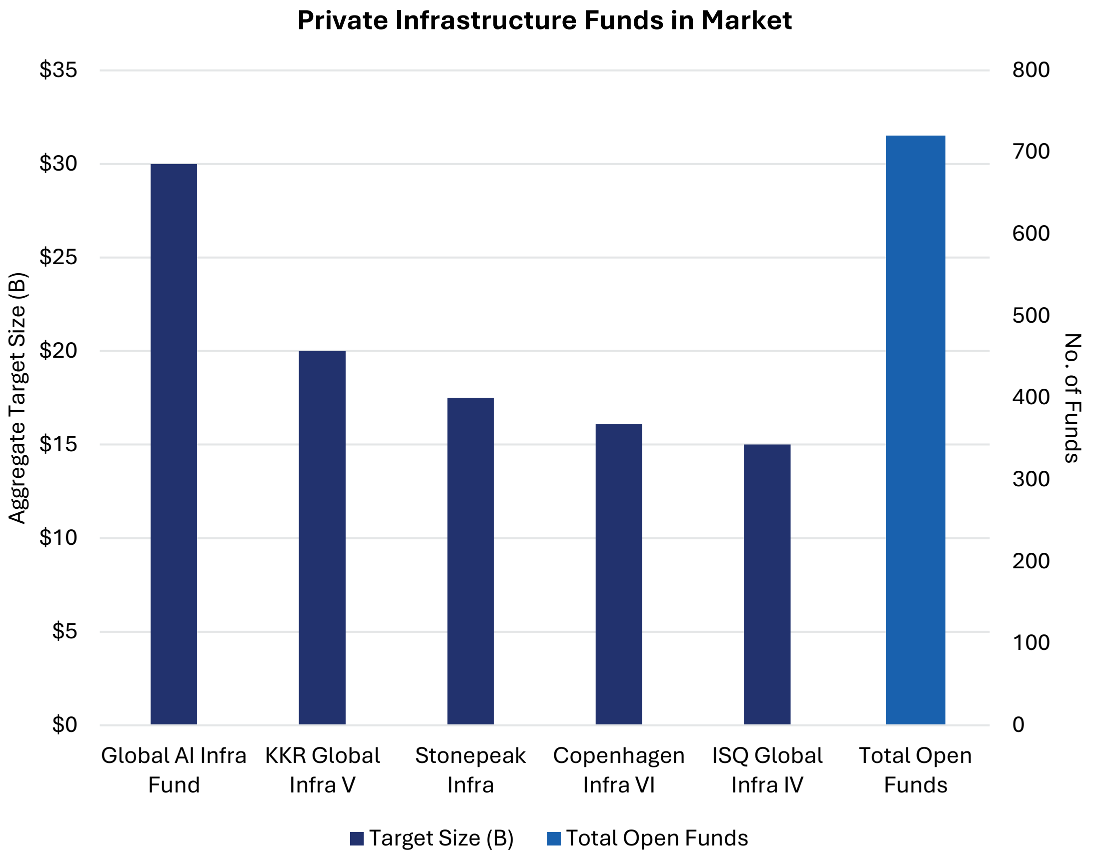
Wilshire

Private Real Assets – Infrastructure Fundraising



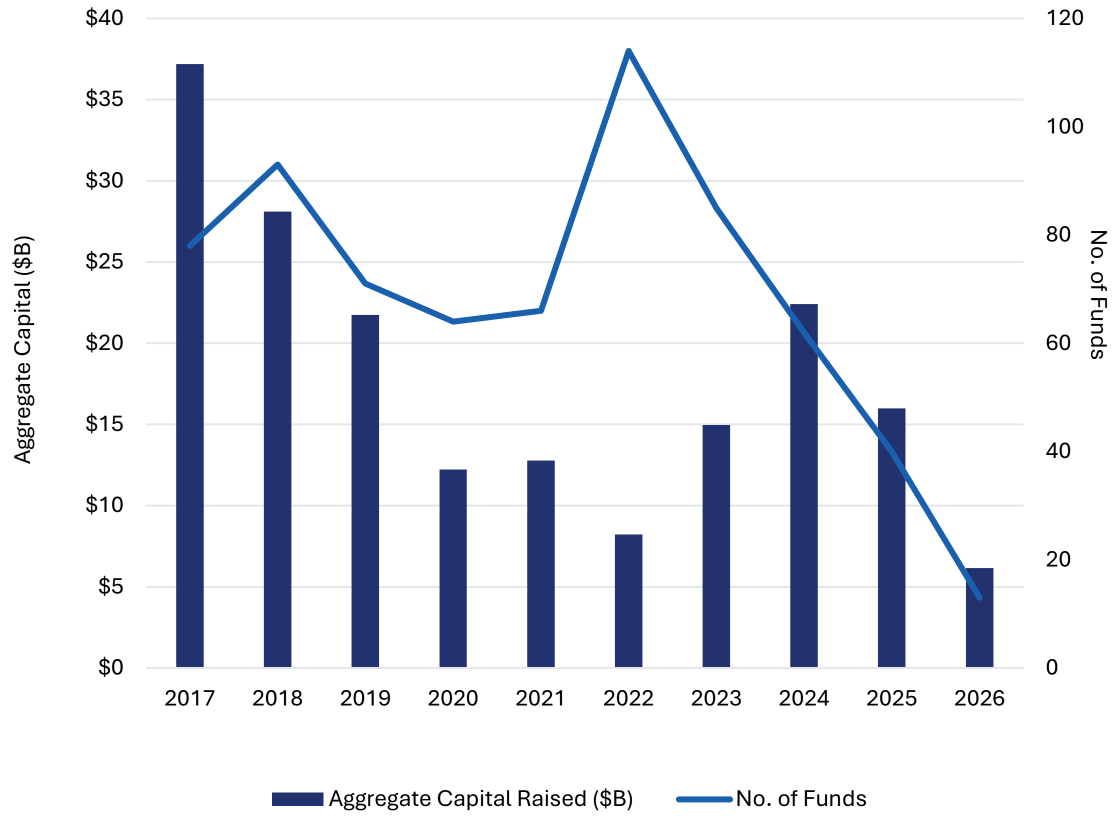


Source: PitchBook as of March 31, 2026.

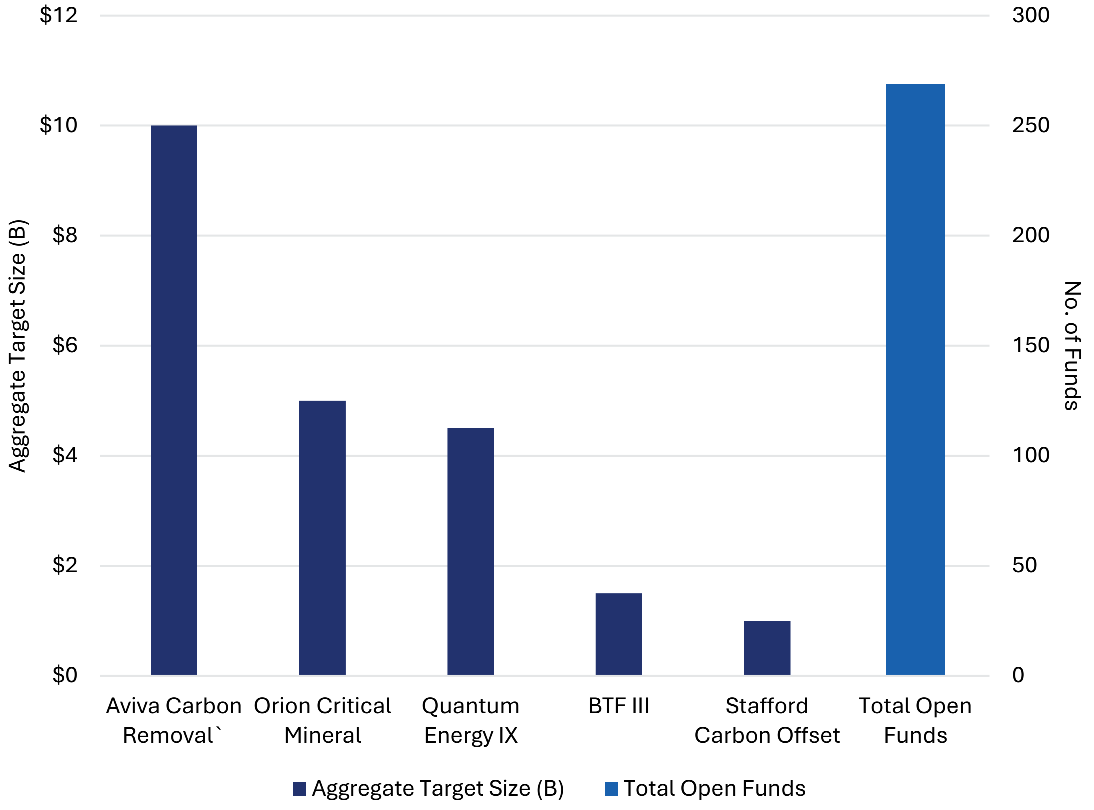
Wilshire

Private Real Assets – Natural Resources Fundraising

Global Natural Resources Fundraising



Private Natural Resources Funds in Market

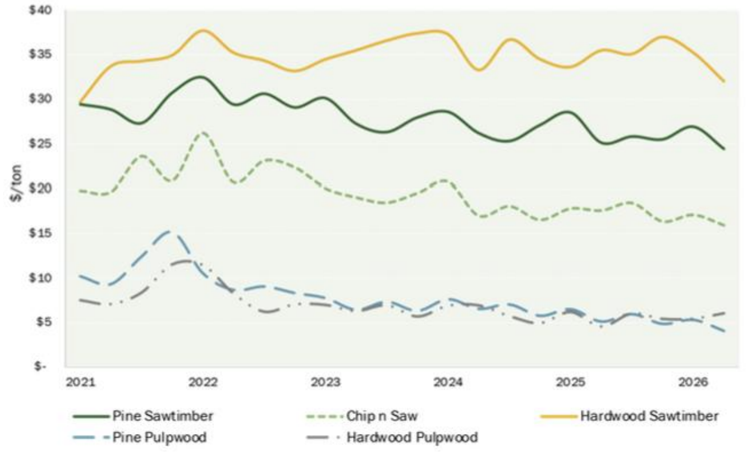


Source: PitchBook as of March 31, 2026.

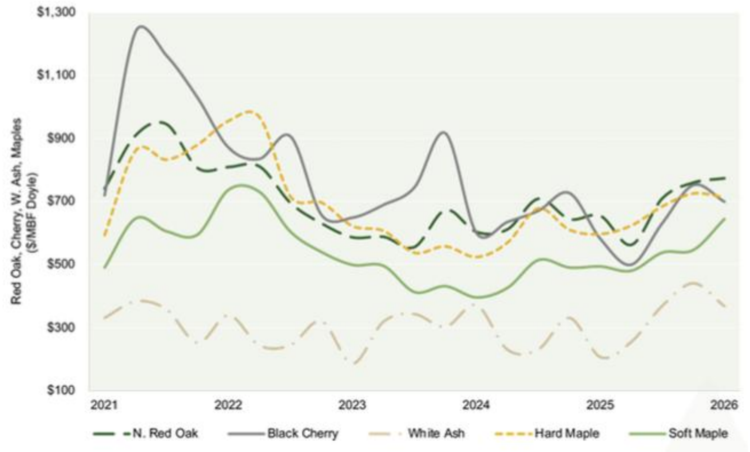
Wilshire

Timber Investments

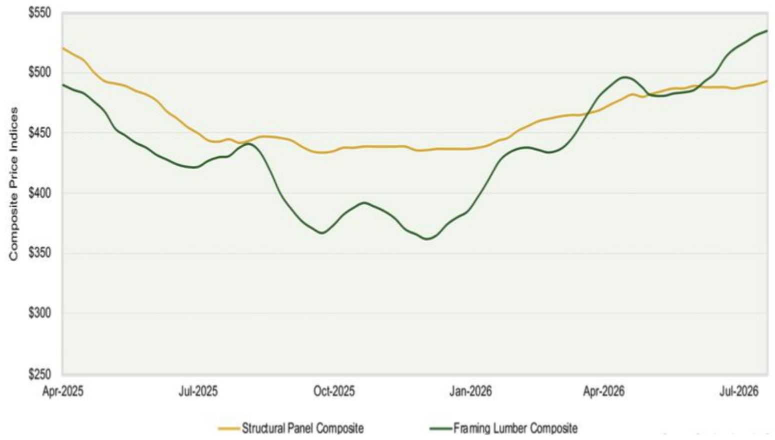
Southeastern Timber Prices



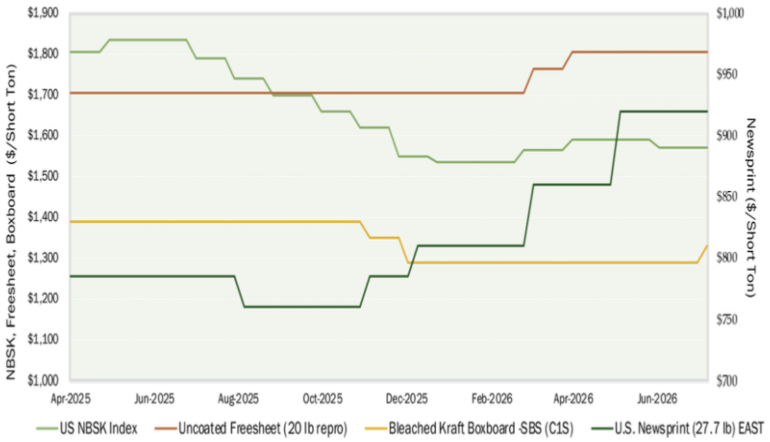
Northeast Hardwood



Lumber and Panel Prices



Pulp & Paper



Data Source: Forest Investment Associates

Wilshire

As of June 30, 2026

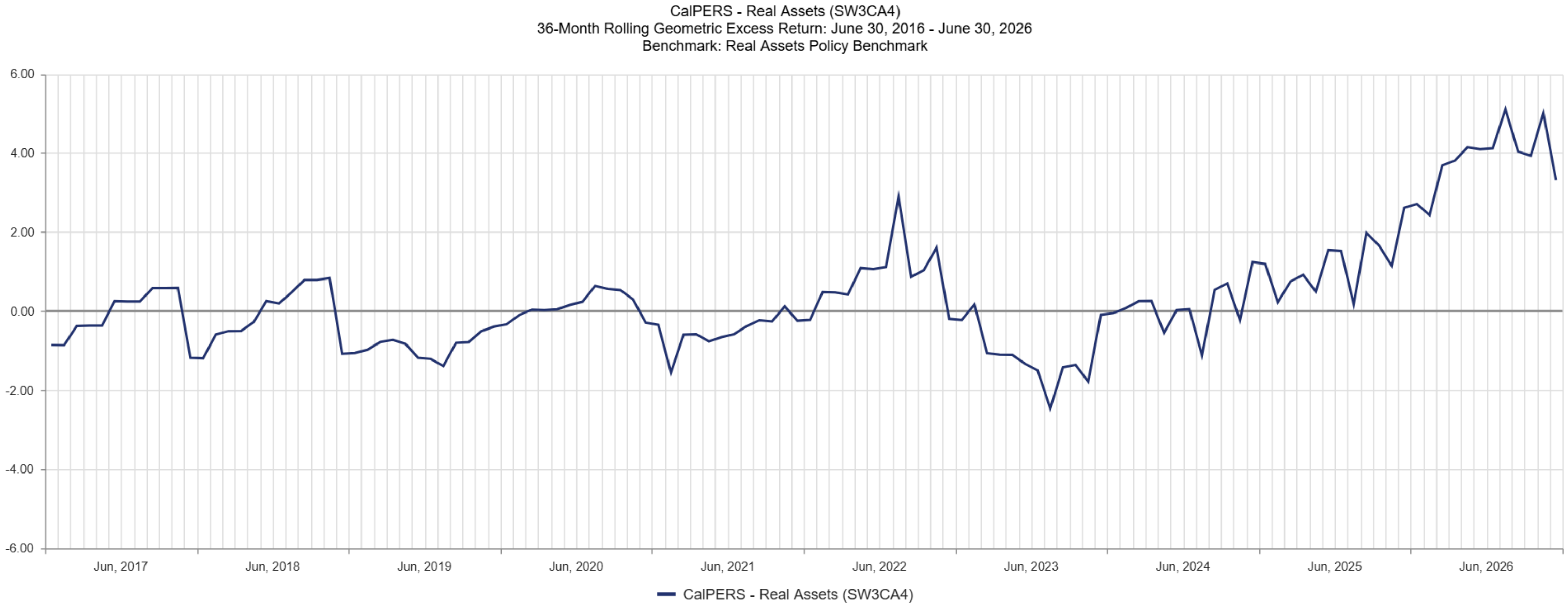
CalPERS PERF Real Assets – Performance

	Asset Value ($Billion)	Quarter	1-Year	3-Year	5-Year	10-Year	VaR ($Billion)	5-Year Ratios Sharpe	5-Year Ratios Info
REAL ASSETS	**$ 79.9**	**0.6%**	**6.3%**	**0.5%**	**4.1%**	**4.6%**	**$ 10.8**	**0.1**	**0.2**
Real Assets Policy Benchmark		1.0%	3.1%	-2.7%	2.4%	3.7%		**-0.2**	**0.0**
Real Estate	**$ 54.8**	**0.4%**	**5.1%**	**-1.8%**	**2.6%**	**3.8%**	**$ 7.4**	**-0.2**	**0.0**
CalPERS Custom Real Estate Benchmark		1.0%	3.1%	-2.7%	2.4%	3.8%		**-0.2**	**0.0**
Infrastructure	**$ 24.9**	**1.0%**	**9.4%**	**7.7%**	**8.4%**	**9.0%**	**$ 3.3**	**1.2**	**0.8**
CalPERS Custom Infrastructure Benchmark		1.0%	3.1%	-2.7%	2.4%	3.6%		**-0.2**	**0.0**
Forestland	**$ 0.2**	**-1.7%**	**-9.0%**	**0.9%**	**3.7%**	**1.1%**	**$ 0.0**	**0.0**	**0.1**
CalPERS Custom Forestland Benchmark		1.0%	3.1%	-2.7%	2.4%	3.1%		**-0.2**	**0.0**

Wilshire

As of June 30, 2026

CalPERS PERF Real Assets – Rolling Excess Return



* Monthly data; Net of Investment Management Fees

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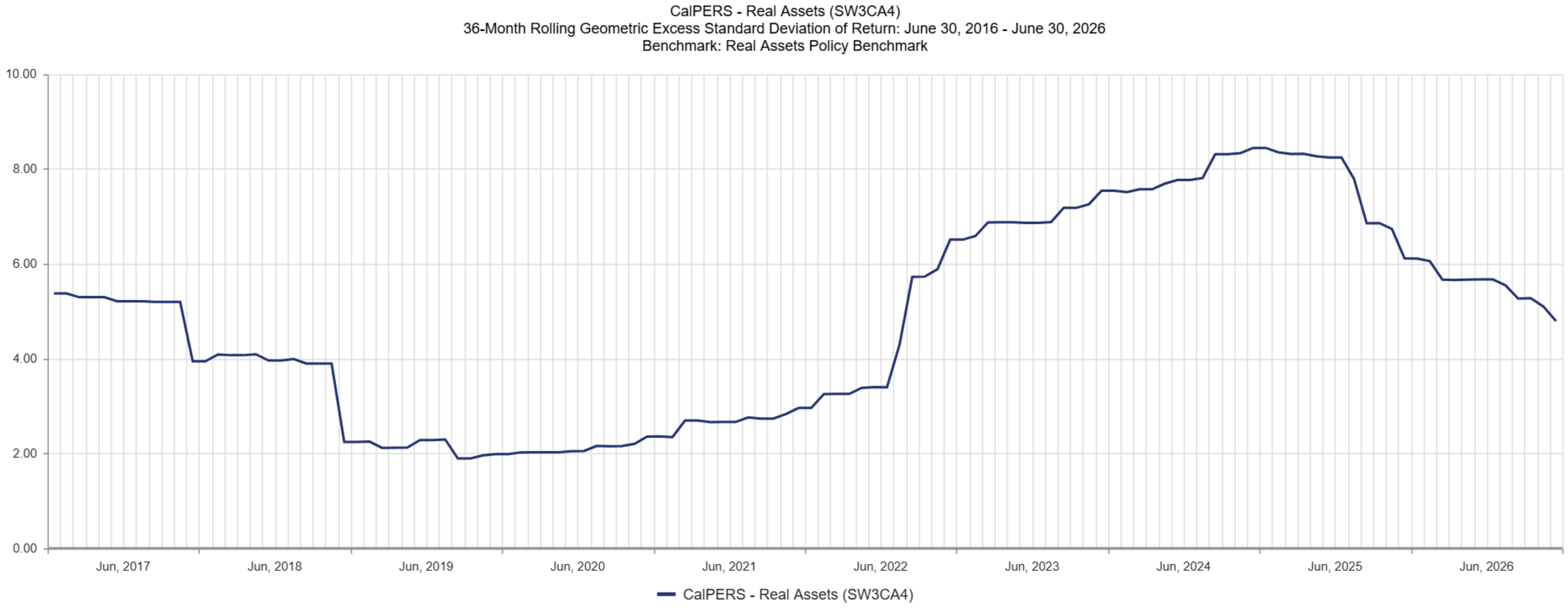
As of June 30, 2026

CalPERS PERF Real Assets – Rolling Tracking Error



* Monthly data; Net of Investment Management Fees

Wilshire

As of June 30, 2026

CalPERS PERF Private Debt, Other Trust Level – Performance

	Asset Value ($Billion)	Quarter	1-Year	3-Year	5-Year	10-Year	VaR ($Billion)	5-Year Ratios Sharpe	5-Year Ratios Info
PRIVATE DEBT	**$ 27.5**	**2.6%**	**11.0%**	**13.6%**	**-.-%**	**-.-%**	**$ 3.5**	**N/A**	**N/A**
Private Debt Policy Benchmark		-0.5%	7.2%	9.7%	-.-%	-.-%		N/A	N/A

	Asset Value ($Billion)	Quarter	1-Year	3-Year	5-Year	10-Year	VaR ($Billion)	5-Year Ratios Sharpe	5-Year Ratios Info
OTHER TRUST LEVEL	**$ 17.4**								
LLER	**$ 14.1**	**1.4%**	**5.4%**	**6.9%**	**5.1%**	**4.1%**	**$ 0.0**	**1.1**	**1.1**
Custom LLER Benchmark		0.9%	4.2%	4.9%	3.6%	2.5%		0.4	0.0
Opportunistic Strategies	**$ 2.6**	**1.3%**	**12.6%**	**9.0%**	**6.7%**	**-.-%**	**$ 0.2**	**0.5**	**0.3**
Custom Opportunistic Strategies Benchmark		1.1%	4.9%	6.3%	6.6%	-.-%		1.9	0.0
TFI EMD Local CCY	**$ 0.1**	**-0.7%**	**-.-%**	**-.-%**	**-.-%**	**-.-%**		**N/A**	**N/A**
Custom TFI EMD Benchmark		1.0%	-.-%	-.-%	-.-%	-.-%		N/A	N/A
Trust Level Portfolio Management	**$ 0.2**	**NM**	**NM**	**NM**	**NM**	**NM**		**N/A**	**N/A**
Other Perf	**$ 0.0**	**NM**	**NM**	**NM**	**NM**	**NM**		**N/A**	**N/A**

Wilshire

As of June 30, 2026

CalPERS PERF Total Fund Financing – Performance

	Asset Value ($Billion)	Quarter	1-Year	3-Year	5-Year	10-Year	VaR ($Billion)	5-Year Ratios Sharpe	5-Year Ratios Info
TOTAL FUND FINANCING	$ (32.8)	-.-%	-.-%	-.-%	-.-%	-.-%		N/A	N/A
Strategic	$ (15.4)	-.-%	-.-%	-.-%	-.-%	-.-%		N/A	N/A
Active	$ (17.4)	-.-%	-.-%	-.-%	-.-%	-.-%		N/A	N/A

Wilshire

Asset Class Performance

Asset Class Returns - Best to Worst

2021	2022	2023	2024	2025	2026 YTD	Annualized 5-Year as of June-26
REITs 46.2%	Commodities 16.1%	U.S. Equity 26.1%	U.S. Equity 23.8%	Emrg Mrkts 34.4%	Emrg Mrkts 24.0%	U.S. Equity 12.5%
Commodities 27.1%	T-Bills 1.3%	Developed 18.9%	REITs 9.1%	Developed 31.9%	REITs 17.7%	Developed 9.6%
U.S. Equity 26.7%	High Yield -11.2%	REITs 16.1%	High Yield 8.2%	U.S. Equity 17.1%	Commodities 14.4%	Commodities 9.4%
Developed 11.8%	U.S. TIPS -11.8%	High Yield 13.4%	Emrg Mrkts 8.1%	Commodities 15.8%	U.S. Equity 11.0%	Emrg Mrkts 7.7%
U.S. TIPS 6.0%	Core Bond -13.0%	Emrg Mrkts 10.3%	Commodities 5.4%	High Yield 8.6%	Developed 9.8%	REITs 6.0%
High Yield 5.3%	Developed -14.0%	Core Bond 5.5%	T-Bills 5.3%	Core Bond 7.3%	High Yield 2.0%	High Yield 4.2%
T-Bills 0.0%	U.S. Equity -19.0%	T-Bills 5.1%	Developed 4.3%	U.S. TIPS 7.0%	T-Bills 1.8%	T-Bills 3.5%
Core Bond -1.5%	Emrg Mrkts -19.7%	U.S. TIPS 3.9%	U.S. TIPS 1.8%	T-Bills 4.3%	U.S. TIPS 1.2%	U.S. TIPS 1.0%
Emrg Mrkts -2.2%	REITs -26.8%	Commodities -1.3%	Core Bond 1.3%	REITs 2.7%	Core Bond 0.6%	Core Bond 0.1%

Data Sources: Bloomberg

Note: Developed asset class is developed equity markets ex-U.S., ex-Canada