

Nation's Largest Public Pension Fund Reports Big Losses

California's government pension fund is reporting a loss of \$56.8 billion - nearly a quarter of its investment portfolio. According to a preliminary report of its 2008-2009 fiscal year performance, CalPERS' holdings in stocks, private equity, real estate, and commodities positions fell from \$239.2 billion a year ago to \$182.4 billion on June 30.

Joe Dear, CalPERS' Chief Investment Officer, stated: "This result is not a surprise given the collapse of markets across the globe. The good news is we have the opportunity to capture future returns because of our long-term investment horizon." Even with this most severe single-year decline, the fund's 20-year investment return remained positive at 7.75 percent.

CalPERS' efforts to better position its portfolio in the future include the following:

- ◆ Revising its asset allocation for more flexibility.
- ◆ Engaging in a sweeping initiative to advance new and innovative methods for risk management across the system's operations.
- ◆ Filing a court action to recover losses from credit rating agencies due to misrepresentation of the quality of certain investment instruments.

To learn more, click on the following links:

[Los Angeles Times Story](#)
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