

# Press Release

Maryland State Retirement and Pension System  
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MARYLAND  
STATE RETIREMENT  
and PENSION SYSTEM

**For Immediate Release**

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## Maryland State Retirement Agency reports earnings on investments in FY 2015

Baltimore, MD (July 21, 2015) — The Board of Trustees of the Maryland State Retirement and Pension System (MSRPS) today was informed at its monthly meeting that earnings on the \$45.8 billion investment portfolio were 2.68 percent for the fiscal year ending June 30, 2015. Although the fund did not meet its 7.65 percent actuarial return target for this year, it exceeded the plan's policy benchmark of 0.86 percent by 1.82 percentage points. The policy benchmark is a weighted average of the overall market performance of the underlying asset class indices.

"Investment returns moderated over fiscal year 2015 relative to recent years, particularly in foreign equities, as the strong dollar and concerns relating to global growth and the Greek debt situation weighed on performance," said Robert Burd, Acting Chief Investment Officer. "While absolute performance did not meet the actuarial target for the fiscal year, we are very pleased with the performance of our active management program, which continues to add significant value over the overall plan benchmark. For the fiscal year, active management added roughly \$800 million in excess of the benchmark."

	<b>Asset Allocation</b>	<b>Return</b>	<b>Benchmark</b>	<b>Difference</b>
Public Equity	37.63%	3.65%	0.60%	3.06%
Private Equity	8.02%	13.17%	7.62%	5.54%
Fixed Income	12.94%	1.96%	1.93%	0.03%
Credit	9.73%	-0.81%	-3.05%	2.24%
Real Return	13.17%	-5.18%	-6.61%	1.43%
Real Estate	7.36%	12.12%	10.40%	1.71%
Absolute Return	10.65%	0.74%	2.63%	-1.90%
Cash	0.49%	2.10%	0.02%	2.08%
<b>Total</b>	<b>100.00%</b>	<b>2.68%</b>	<b>0.86%</b>	<b>1.82%</b>

"While earnings for this one year fell short of our expected rate of return, the board continues to focus on long-term performance," said State Treasurer Nancy K. Kopp, Chair of the MSRPS Board of Trustees. "Over the last five years our average return has been close to 9.4 percent, a much more relevant measure of the overall health of our investment portfolio. Although this has been a challenging year for most institutional investors, the wisdom of the Board's decision some time ago to diversify its portfolio has been borne out by its long term positive returns."

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