



## NORTH CAROLINA

OFFICE OF THE TREASURER

JANET COWELL, TREASURER

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FOR IMMEDIATE RELEASE  
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### **TREASURER COWELL REPORTS FIRST QUARTER 2009 PENSION FUND RESULTS**

RALEIGH -- North Carolina's pension fund performance results were negative 6.4 percent for the quarter ending March 2009. Pension fund assets total \$55.9 billion.

Fund performance was at median for public pension funds for the quarter ending March 2009. Looking at one and three year performance, North Carolina was in the top quartile among funds greater than \$1 billion as measured by BNY Mellon's Public Universe.

Stocks (global equity) were down 9.5 percent compared to the 11.0 percent decline in the S & P 500. While stocks rebounded late in the quarter, it was not enough to make up for earlier declines. Stocks are 41.1 percent of the fund's portfolio.

North Carolina's fund remains heavily invested in bonds at 46.9 percent. The first quarter 2009 fixed income performance was negative 1.78 percent. Interest rates are at historic low levels as a result of falling interest rates during 2008.

The first quarter also saw an 18 percent drop in real estate performance, which lags declines in the stock market. Real estate accounts for only 6.2 percent of the portfolio.

Finally, alternative investments (primarily private equity) were down 8.2 percent for the quarter. Alternative investments represent 5.8 percent of total fund assets.

"North Carolina has available capital and is well-positioned to take advantage of future investment opportunities," said State Treasurer Janet Cowell. "In addition, I strongly support legislation currently in the General Assembly that would help mitigate pension fund losses by providing the investment team with the flexibility and tools to increase portfolio returns and better manage risk."