



## NORTH CAROLINA

OFFICE OF THE TREASURER

JANET COWELL, TREASURER

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FOR IMMEDIATE RELEASE  
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### TREASURER COWELL REPORTS FISCAL YEAR RETURNS FOR PENSION FUND

RALEIGH – State Treasurer Janet Cowell announced that for the fiscal year ending June 30, 2009 investment performance for the North Carolina pension fund declined 14.2 percent.

Pension fund assets dropped \$17.7 billion during the year to a low of \$54.6 billion in March before rebounding to \$60.2 billion by the end of June.

“This decline was anticipated by our investment experts,” Cowell said. “We appreciate the state legislature recently granting us additional flexibility so we can better navigate these downturns and position ourselves for strong returns when markets improve.”

North Carolina’s performance compared favorably with the S&P 500, an index for stock performance, which lost 28.2 percent for the fiscal year. Additionally, the California Public Employees Retirement System (CalPERS), one of the largest public pension funds in the country, reported a decline of 23.4 percent during the same period.

North Carolina’s fixed income portfolio, or bonds, posted a 7.6 percent return for the fiscal year, while the fund’s equity portfolio, stocks, lost 27.7 percent. The alternatives and real estate portfolios had 21.2 percent and 31.4 percent declines respectively. The fund’s high allocation to bonds, investment vehicles that provide a high level of stability but also lower returns, lessened the impact of falling equity values. This conservative investment strategy has enabled North Carolina to minimize losses in the current economic decline.

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Second Quarter Performance Report included.

#### About the Retirement Plan:

The North Carolina Retirement Systems, the formal name for the pension fund, is now the ninth largest public pension fund in the country. It provides retirement benefits and savings for more than 820,000 North Carolinians, including teachers, state employees, firefighters, police officers and other public workers. For more information visit [www.nctreasurer.com](http://www.nctreasurer.com)



# NCRS Quarterly Update 2nd Quarter 2009



## Performance

	3 Month	Cal YTD	Fiscal Year	1 Yr	3 Yr	5 Yr	10 Yr
<b>Global Equity</b>	18.99	7.64	(27.76)	(27.76)	(8.12)	(0.88)	0.03
<b>Benchmark</b>	19.85	6.25	(27.86)	(27.86)	(8.24)	(1.20)	(1.04)
<b>Fixed Income – LTIP</b>	3.06	1.22	7.63	7.63	7.48	5.92	6.94
<b>Benchmark</b>	2.13	0.23	6.17	6.17	6.71	5.42	6.57
<b>Real Estate</b>	(8.99)	(25.45)	(31.43)	(31.43)	(4.75)	3.92	5.29
<b>Benchmark</b>	(9.38)	(20.08)	(23.76)	(23.76)	(0.93)	6.25	7.80
<b>Alternatives</b>	(2.96)	(10.96)	(21.29)	(21.29)	(1.21)	2.65	1.90
<b>Benchmark</b>	(6.49)	(20.62)	(24.81)	(24.81)	(6.01)	0.25	0.85
<b>Total Pension Plan</b>	8.59	1.65	(14.22)	(14.22)	(1.19)	2.59	3.38
<b>Benchmark</b>	9.74	1.33	(14.42)	(14.42)	(1.45)	2.23	2.95

## Asset Allocation

	<u>Current %</u>	<u>Policy %</u>
<b>Global Equity</b>	47.1%	50.0%
<b>Fixed Income</b>	42.1%	39.5%
<b>Real Estate</b>	5.4%	6.0%
<b>Alternatives</b>	5.4%	4.5%

