

Press Release

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MARYLAND
STATE RETIREMENT
and PENSION SYSTEM

For Immediate Release

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Maryland State Retirement & Pension System Earns 8.06% net of fees on Investments in FY 2018 *Exceeds 7.50% assumed rate of return*

Baltimore, MD (August 7, 2018) — The Board of Trustees of the Maryland State Retirement and Pension System today announced that its portfolio returned 8.06 percent, net of fees, on investments for the fiscal year that ended June 30, 2018—exceeding the 7.50 percent assumed actuarial return rate. The fund’s performance raised the system’s assets to \$51.9 billion, an increase of \$2.8 billion over last year.

“The System’s returns were supported by strong results in both public and private markets,” said Andrew C. Palmer, Chief Investment Officer. “Private equity provided 19.6% net of all fees and expenses and continues to be the best performing asset class for the System. Public equities provided 10.6% return, closely followed by private real estate at 9.5%. At the other end of the spectrum the rate sensitive portfolio provided modest positive returns despite ten-year U.S. Treasury yields rising more than 0.5% for the year.”

Asset Class	Asset Allocation	Return
Private Equity	12.5%	19.64%
Public Equity	37.5%	10.66%
Real Assets	11.9%	8.16%
Absolute Return	8.4%	3.26%
Credit	8.0%	2.31%
Rate Sensitive	19.9%	0.55%
Total*	100.0%	8.06%

* Numbers don’t add to 100% due to rounding and cash equivalents

“The Board is focused on its obligation to pay member pension benefits in full and on time,” said State Treasurer Nancy K. Kopp, Chair of the Maryland State Retirement and Pension System Board of Trustees. “Investment returns this past year are consistent with the long term expectations for our diversified asset allocation and the Board is pleased that, as a result of its oversight and the diligent work of the System’s Investment Division, this asset growth helps to ensure the sustainability of our Plan.”

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