



## news release

for immediate release

June 8, 2016

### **Pennsylvania SERS Portfolio Earned \$176 Million During First Quarter; Board Receives 2015 Actuarial Valuation Report**

HARRISBURG – The Pennsylvania State Employees’ Retirement System today announced that the SERS fund generated \$176 million in net-of-fees earnings, or 0.7%, during the first quarter of 2016.

“SERS’ fund posted a gain of \$176 million net of fees despite a volatile quarter driven by negative investor sentiment and increased economic uncertainty,” explained SERS Executive Director David E. Durbin. “Positive performance during the quarter by SERS’ emerging equity markets, fixed income, private equity, and REIT investments positively contributed to the fund’s long-term performance.”

According to SERS’ general investment consultant RVK, SERS returned 7.5% and 8.6% over the 20 and 30 year periods ending March 31, 2016, respectively.

Returns by asset class were:

<b>Asset Class</b>	<b>1Q 2016 Return</b>
Fixed Income	2.7%
Alternative Investments	1.8
Real Assets	0.7
Liquidity Reserve	0.3
Global Public Equity	0.2
Diversifying Assets ( <i>hedge funds</i> )	-4.2
<b>Total Fund</b>	<b>0.7%</b>

As always with SERS’ investment performance reporting, all returns are reported net of fees and alternative investments and real assets returns lag by one quarter.

In other business, the board received the complete [2015 Actuarial Valuation Report](#) from SERS’ actuary, Korn Ferry Hay Group, in follow-up to the key results they reported at the last meeting.

In addition, the board received an independent auditor’s report from KPMG, LLP that provided an unmodified opinion that the 2015 financial statements for the system present fairly, in all material respects, the plan’s net position. The audited financial statements and the auditor’s opinion will be included in the system’s Comprehensive Annual Financial Report to be published later this month.

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#### **Pennsylvania State Employees’ Retirement System**

Established in 1923, SERS is one of the nation’s oldest and largest retirement plans for public employees, with nearly 237,000 members and assets of nearly \$26 billion. A wealth of information is available at [www.SERS.pa.gov](http://www.SERS.pa.gov).

#### **for more information**

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