



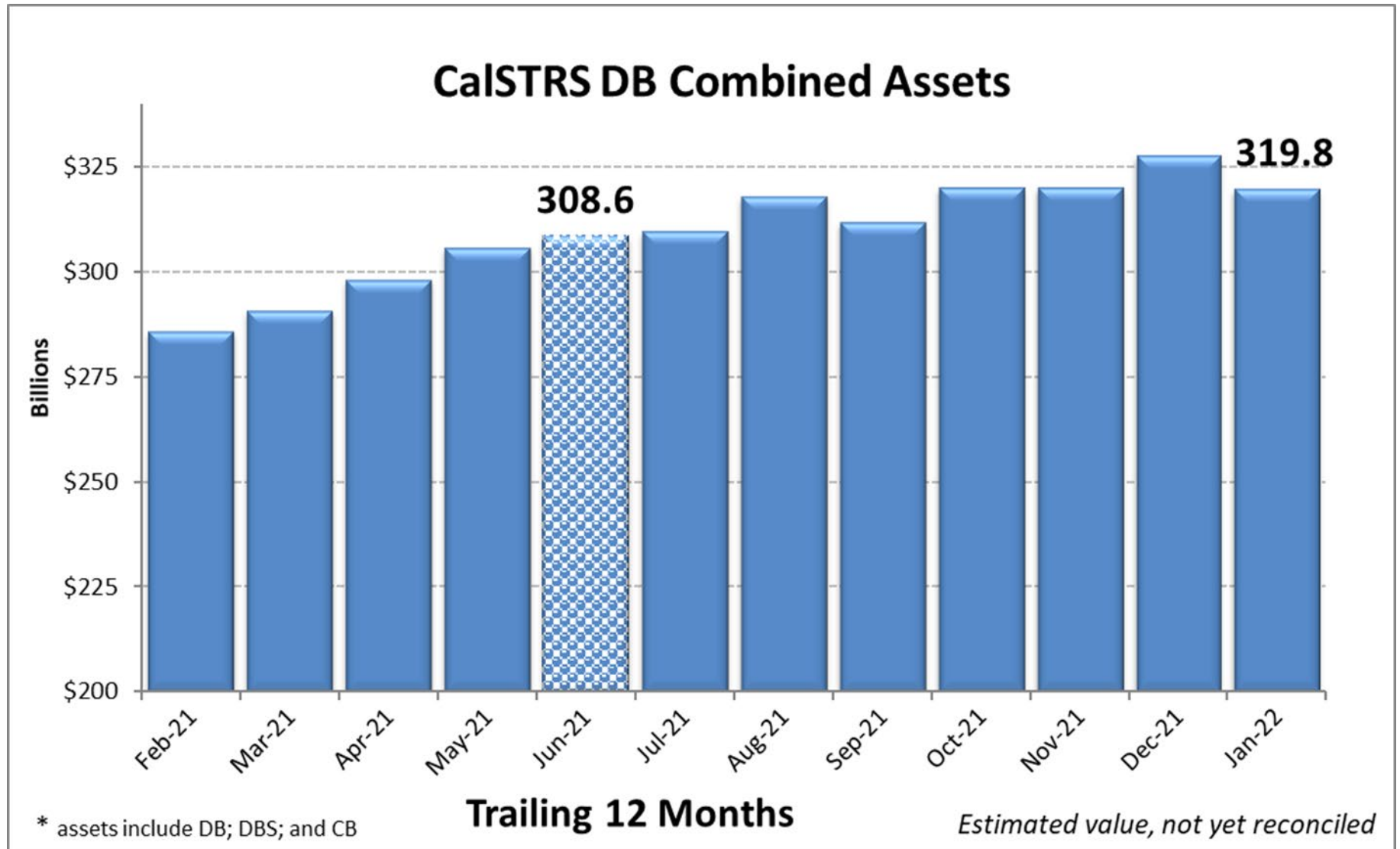
CALSTRS®

Chief Investment Officer Report

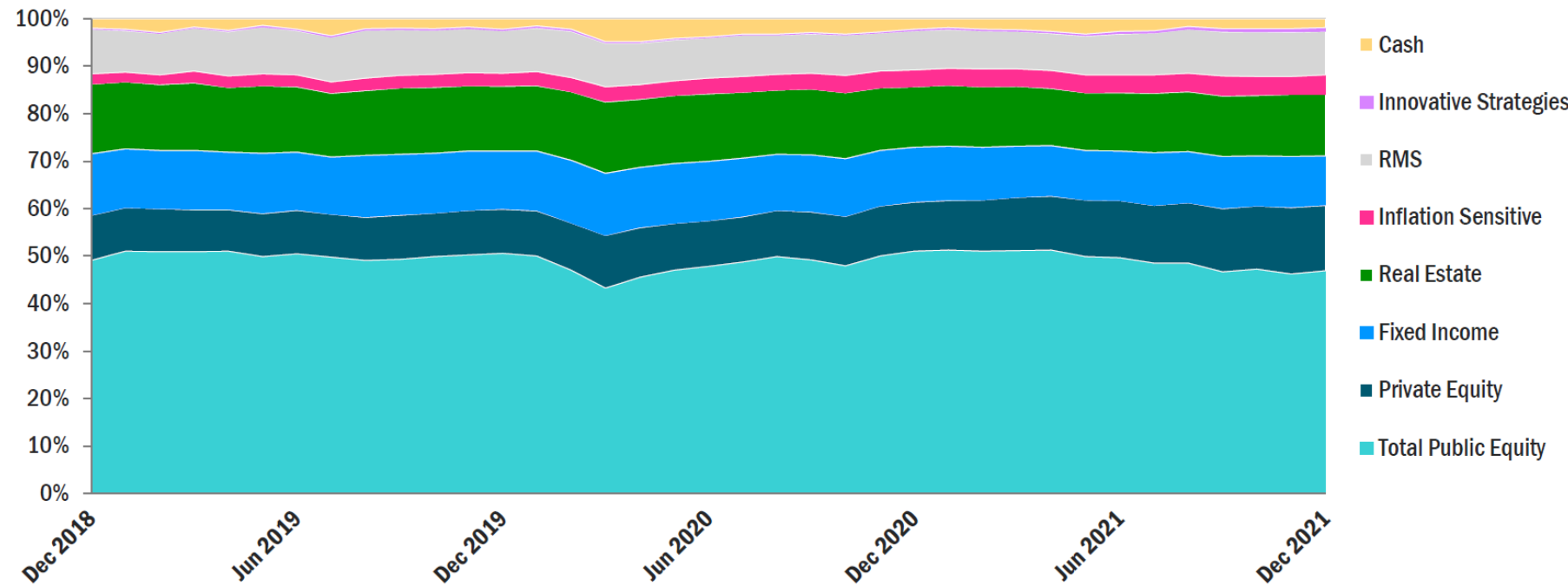
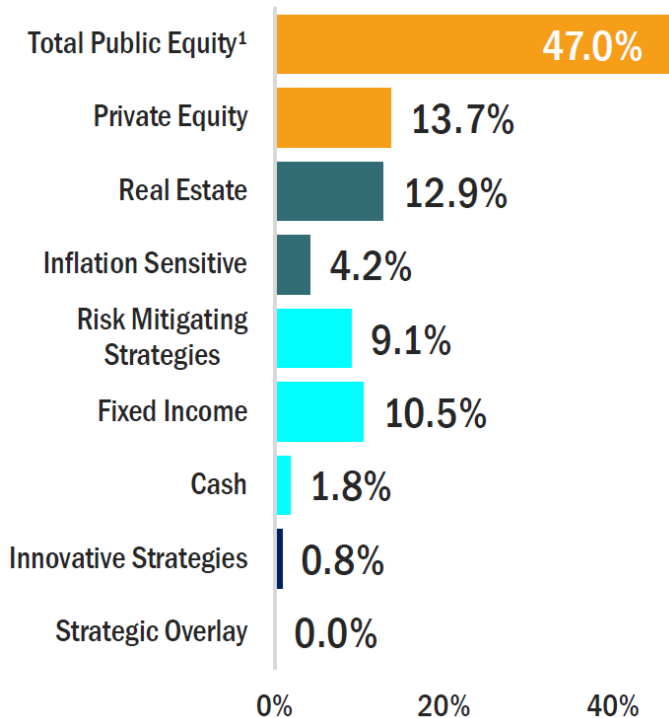
March 2022

Trust Fund Assets (Combined Defined Benefit Funds)

**Jan. 31, 2022
assets
\$319.8 bil.**



Asset Allocation - as of December 31, 2021

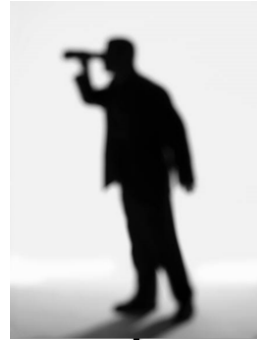


Strategic Classes



¹ Total Public Equity includes the following sub-units: Global Equity, SISS and Innovation GE

Looking Out to the Horizon



Key risks to monitor :

- 🚨 COVID-19 Pandemic / Endemic ?
- 🚨 Central Bank Policy – Fed, ECB, BoJ, BoE
- 🚨 Inflation – 7% annualized

Positives:

- ⚙️ Vaccine rollout - Boosters
- ⚙️ Govt. stimulus – Infrastructure bill
- ⚙️ Healthy GDP & EPS

Uncertainties :

- 🕷️ Federal Reserve taper & tightening – March 16th
- 🕷️ Labor market uncertainty

Inevitable Surprises

- 🚨 Global Pandemic – biological virus
- 🚨 Digital Virus - Cyber attacks
- 🚨 Climate extremes
- 🚨 Income inequality
- 🚨 Domestic Terrorism
- 🚨 Social unrest / protests
- 🚨 Russia / Ukraine
- 🚨 North Korea, Iran aggression
- 🚨 China & Taiwan tensions
- 🚨 Earthquakes
- 🚨 Space junk / Near Earth Objects

🚨 **U.S. Energy transition**



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HOW WILL YOU SPEND YOUR FUTURE ?