

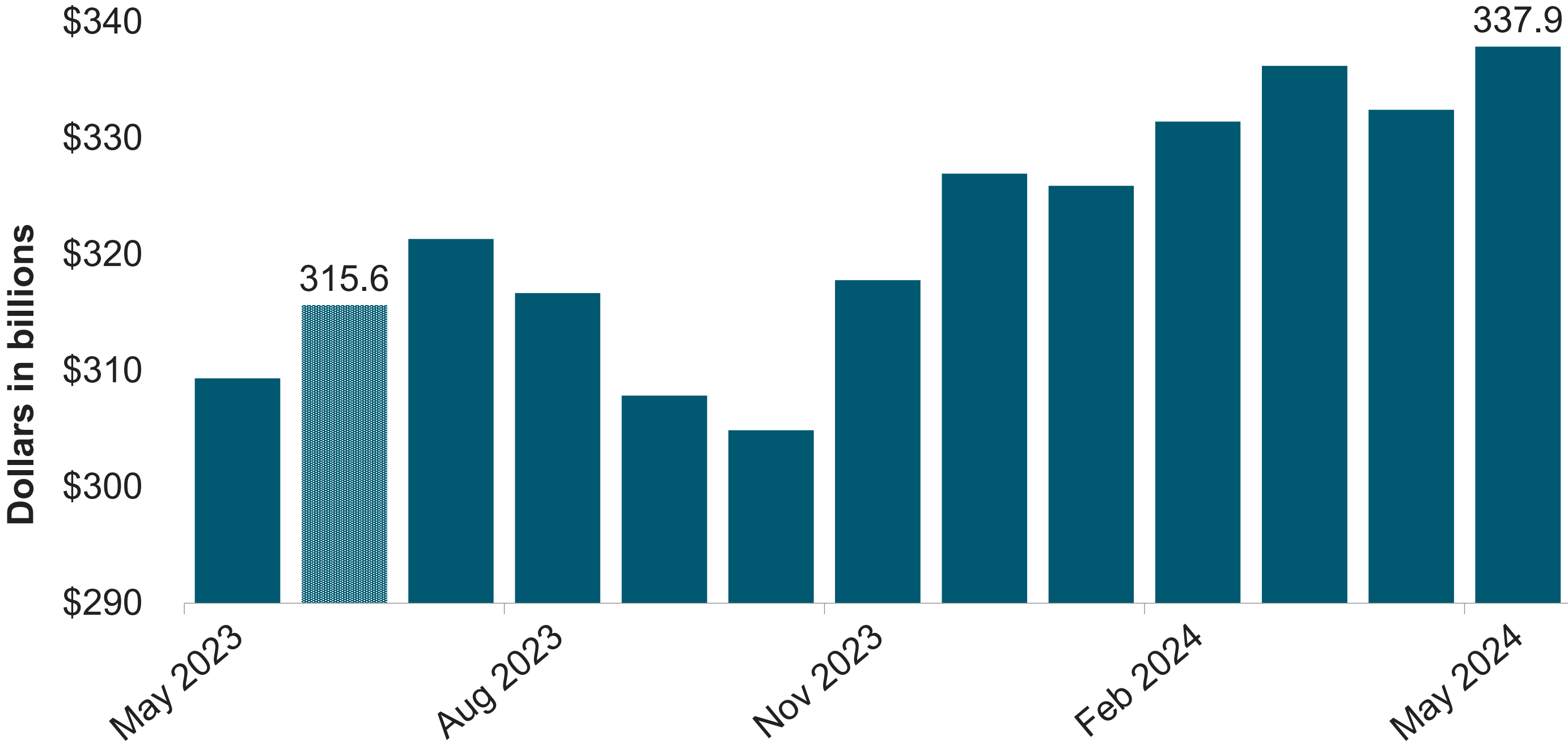
July 2024

CALSTRS[®]

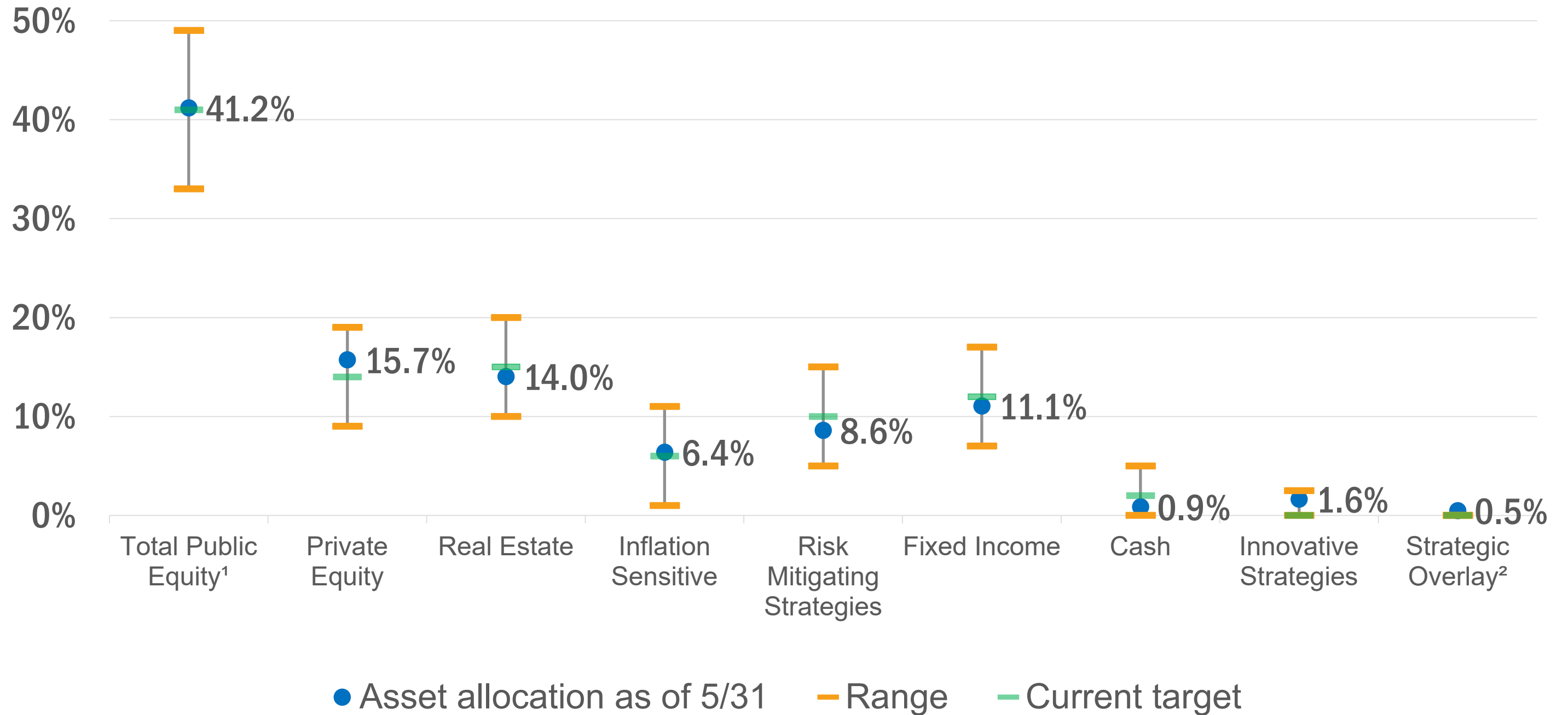
CHIEF INVESTMENT OFFICER REPORT



June 30, 2024 assets \$341.4 billion est.



Asset mix

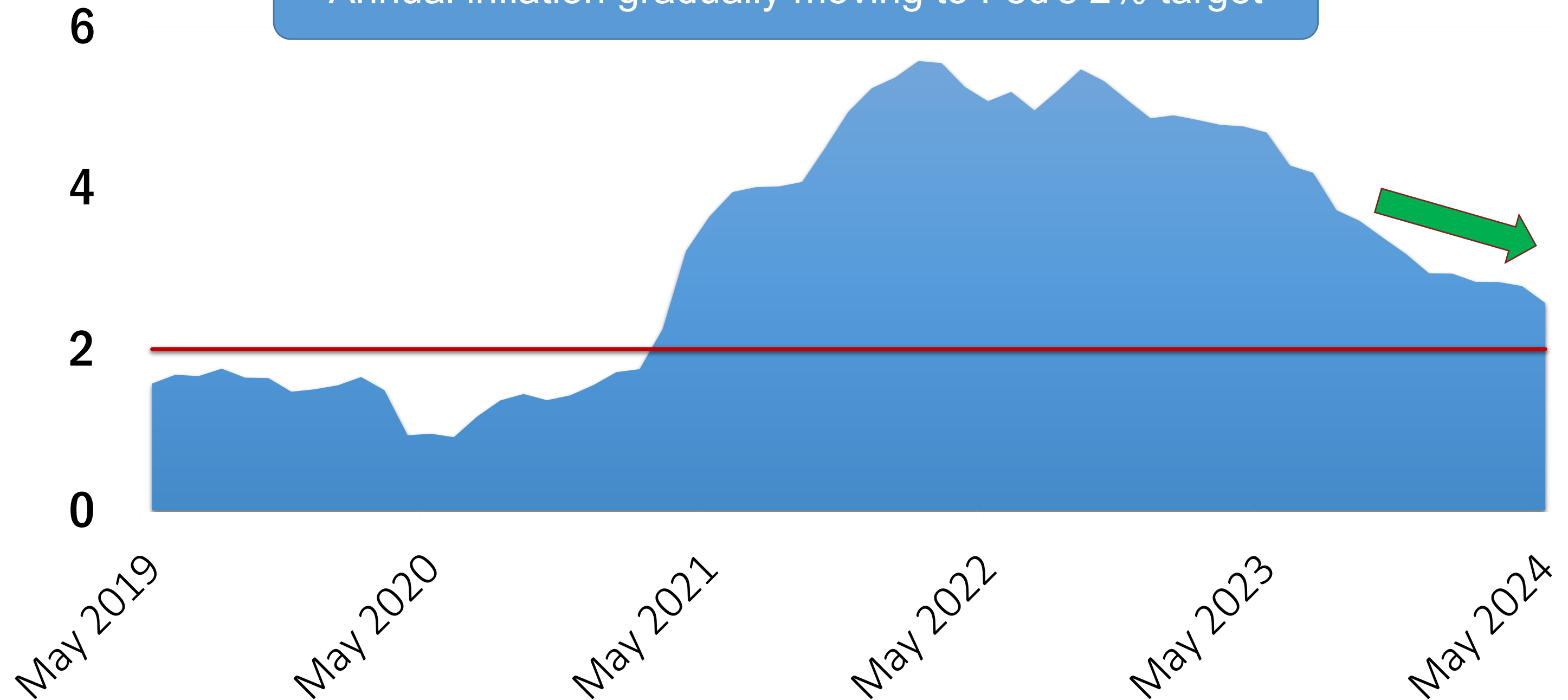


¹ Total Public Equity includes the following sub-units: Global Equity, SISS Public Equity and Innovation GE

² Strategic Overlay includes Currency and Derivatives Overlay

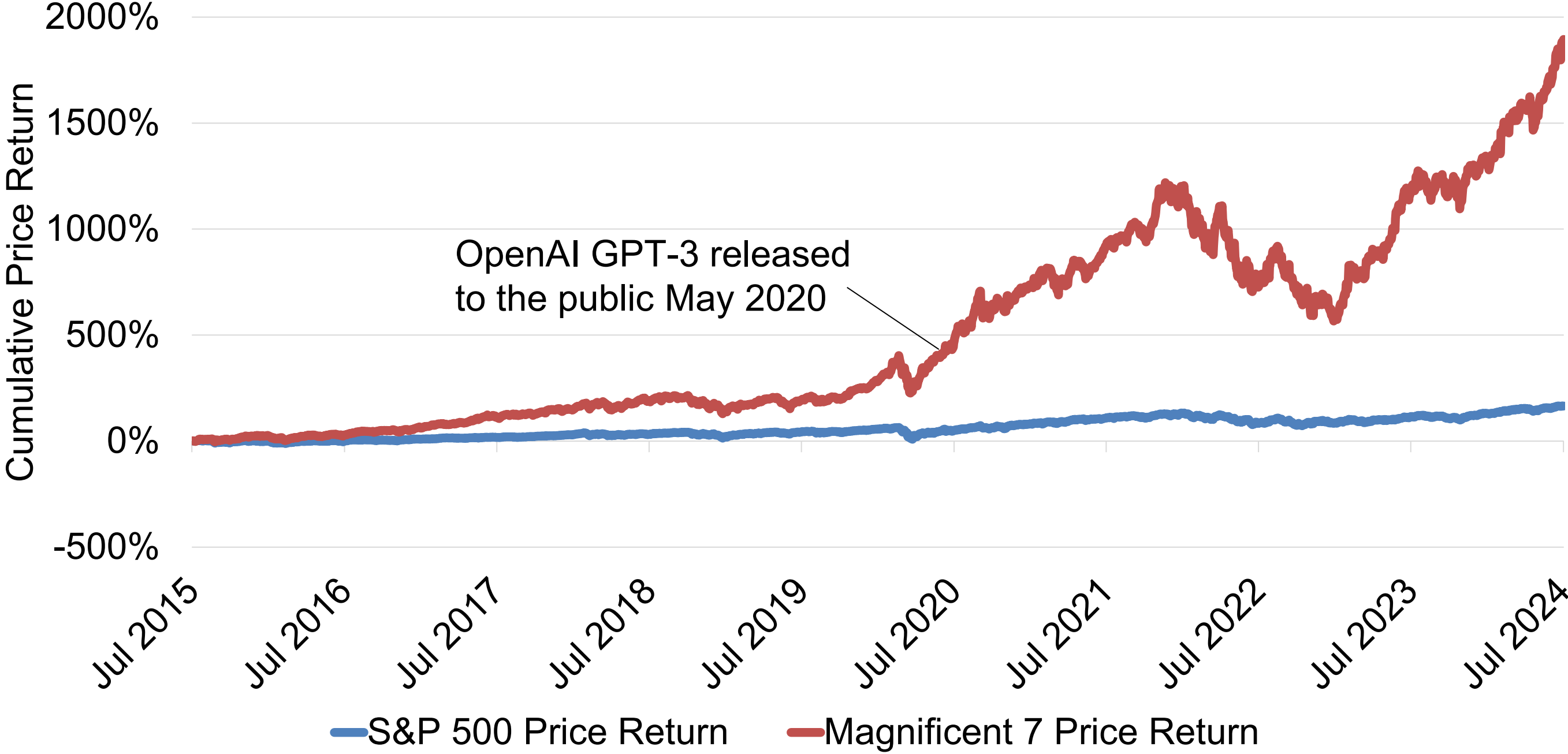
U.S. annual inflation in percentage

Annual inflation gradually moving to Fed's 2% target



Personal Consumption Expenditures Excluding Food and Energy, also known as Core PCE. Percent change from year ago, monthly, seasonally adjusted.

Equity rally driven by technology companies



Magnificent 7 includes Meta (Facebook), Amazon, Apple, Alphabet (Google), Microsoft, NVIDIA, and Tesla
Cumulative price return from June 30, 2015 through July 1, 2024
Source: Bloomberg

Looking out to the horizon



Key risks to monitor :

- ☠ Inflation – down to 3%
- ☠ China economy slowing
- ☠ Two major wars

Positives:

- ⬆ Labor market - steady
- ⬆ Consumer spending
- ⬆ Fed likely to cut rates

Uncertainties :

- ⚡ Conflict in the Red Sea
- ⚡ Election tension – Not just the USA

Geopolitical risk major concern

- 🚨 Climate extremes
- 🚨 U.S. and global energy transition
- 🚨 Digital virus / cyber attacks
- 🚨 Biological virus
- 🚨 Income inequality
- 🚨 Earthquakes
- 🚨 Domestic terrorism or extremism
- 🚨 Russia / Ukraine war
- 🚨 Israel / Hamas war
- 🚨 North Korea / Iran
- 🚨 China / Taiwan / U.S. tensions