



## Investment Update for ACERA Website

### Investment Update – 1<sup>st</sup> Quarter 2012

For the first quarter of 2012, US equities generated another quarter of double-digit returns as additional liquidity-boosting measures from global central banks and improving US economics strengthened risk appetite. The NASDAQ improved 18.7%. The DJIA and S&P 500 increased by 8.8% and 12.6%, respectively. Emerging markets fared better than developed markets. The MSCI Emerging Market rose 14.1%. For the bond markets, the Barclays Capital Aggregate gained 0.30%

ACERA is a long-term investor with a well-diversified, conservative portfolio. For the quarter ending March 31, 2012, ACERA's Total Fund returned 9.7%, ranking in the top 6<sup>th</sup> percentile among public funds greater than \$100 million and finished the first quarter at a market value of \$5,522,108,646. Domestic Equities returned 14.3%, International Equities returned 11.6%, and Fixed Income returned 4.0%. ACERA's Real Estate managers (composite) returned 3.0%<sup>1</sup>. The Private Equity and Alternatives Return Leading Strategies<sup>1</sup> (PEARLS) composite returned 2.4% and the Real Return Pool Composite returned 2.9%.

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<sup>1</sup> Real Estate and PEARLS composite returns are subject to a quarter lag in reporting results.