

CALSTRS

CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM

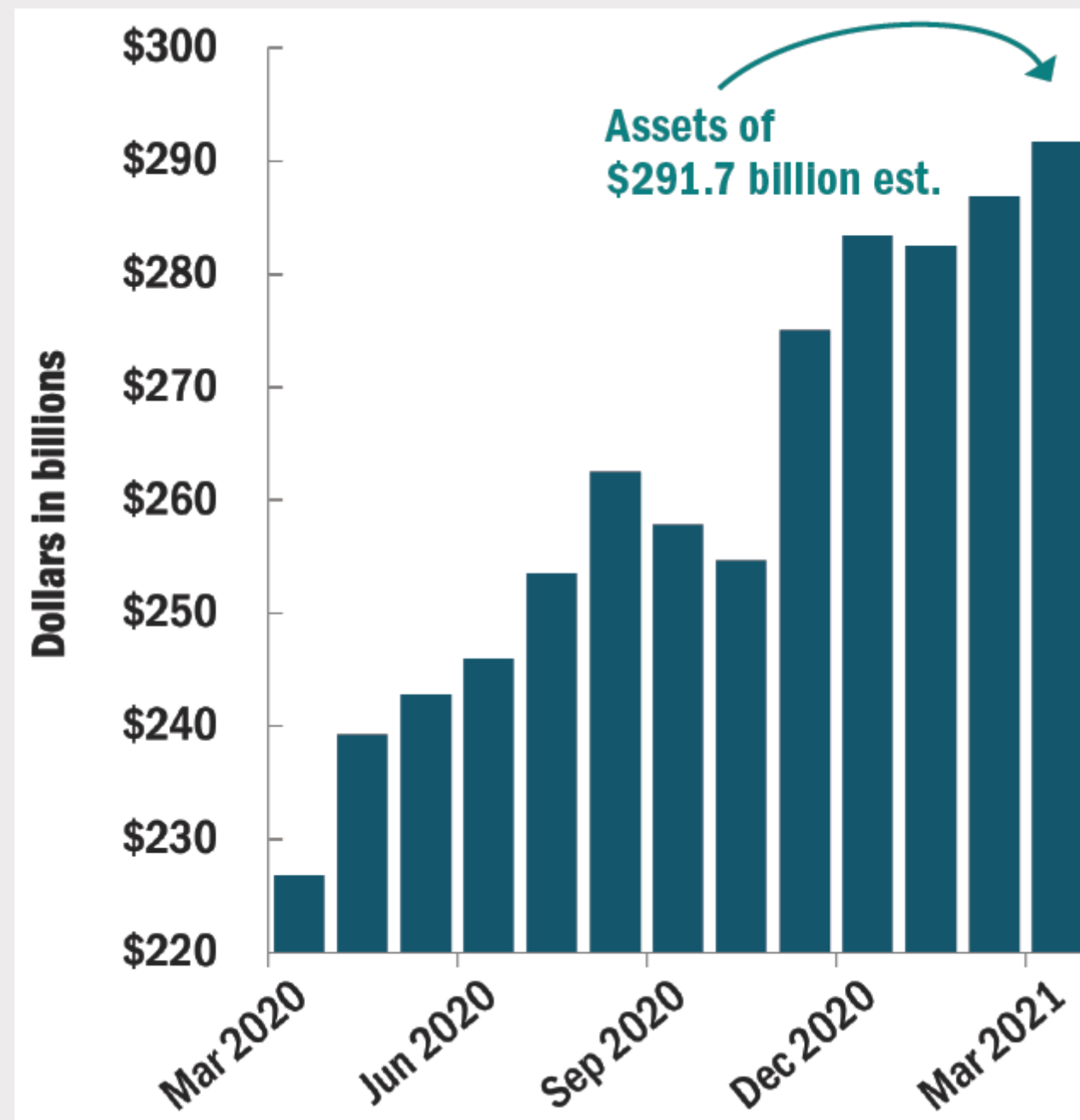


Chief Investment Officer Report

June 2021

Trust Fund Assets (Combined Defined Benefit Funds)

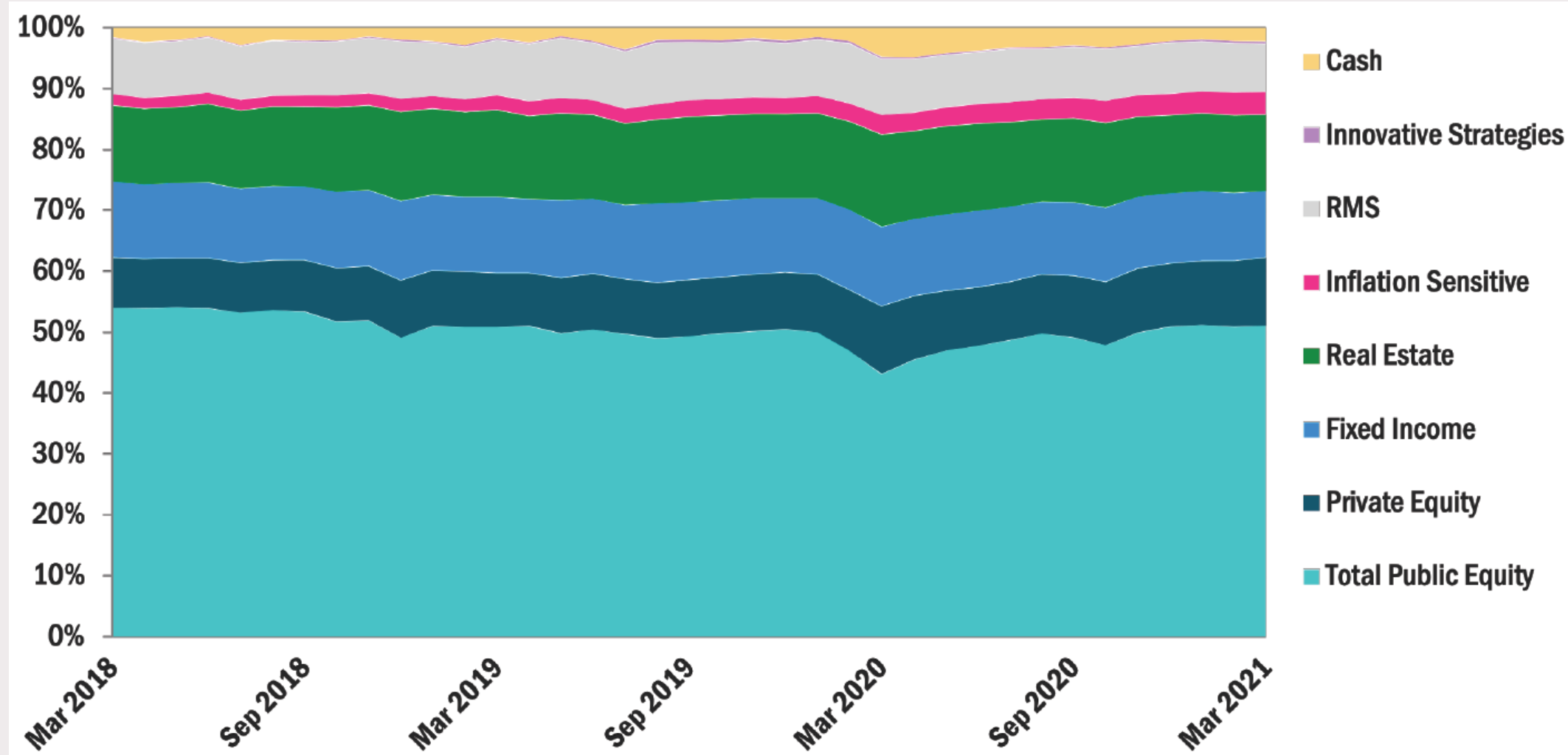
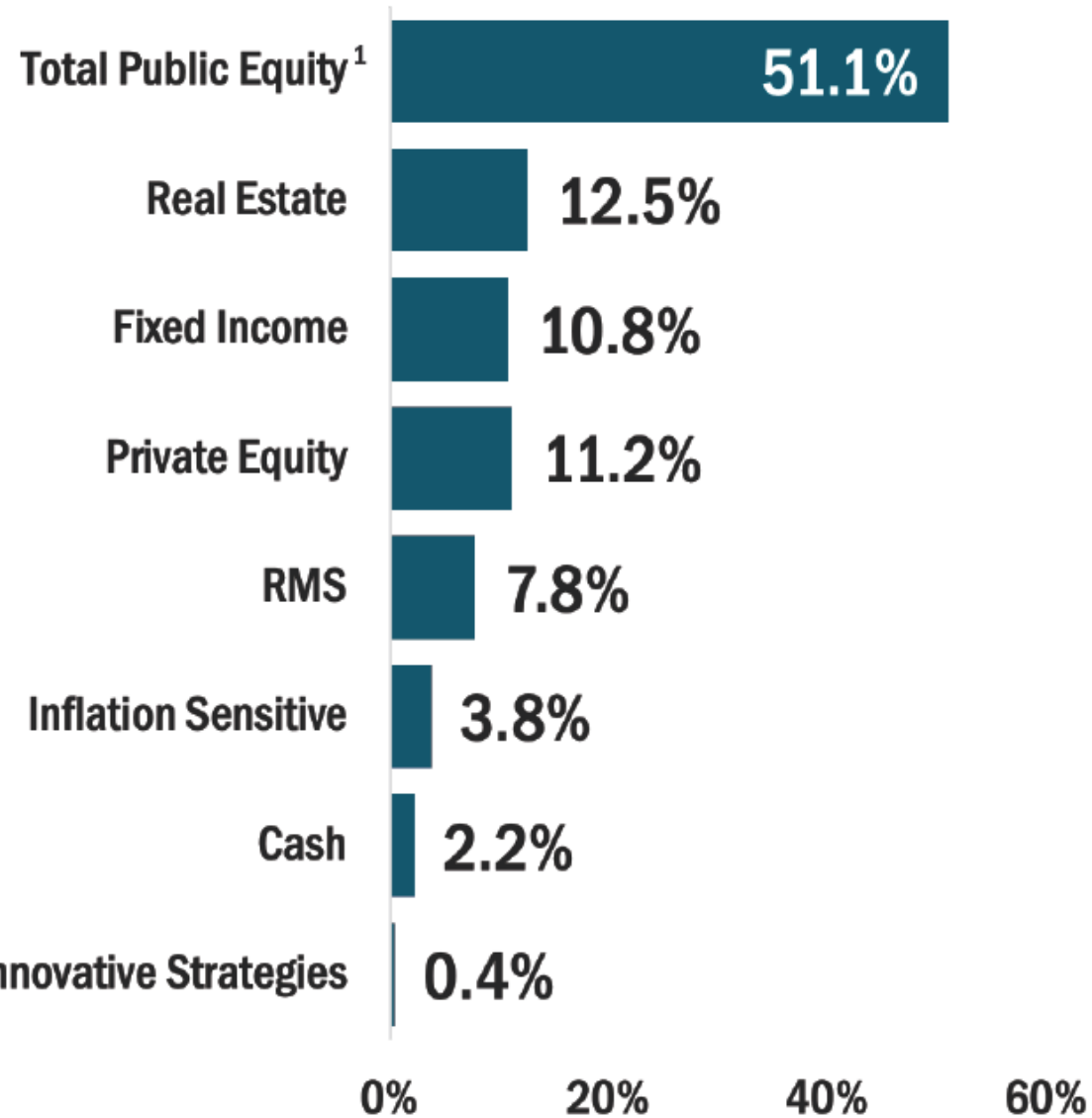
**Apr. 30, 2021
assets
\$299.8 bil est.**



***Sneak Peak:
Assets at the
end of May
\$305 billion.***



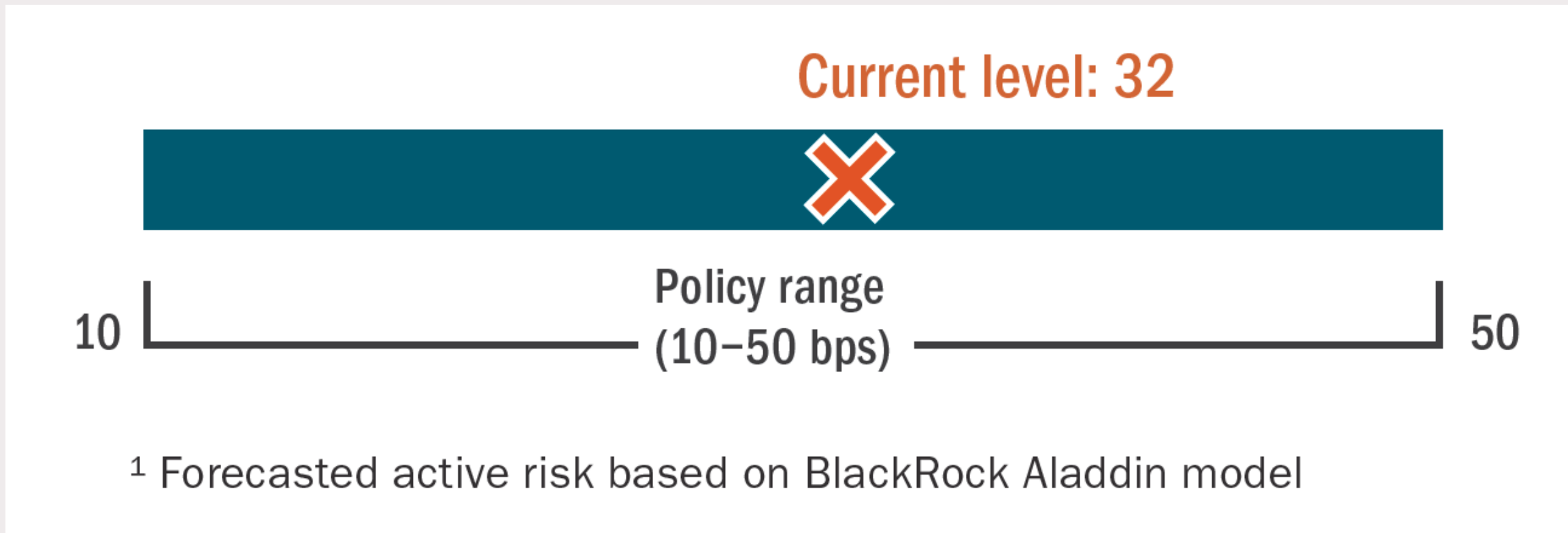
Asset Allocation - as of March 31, 2020



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

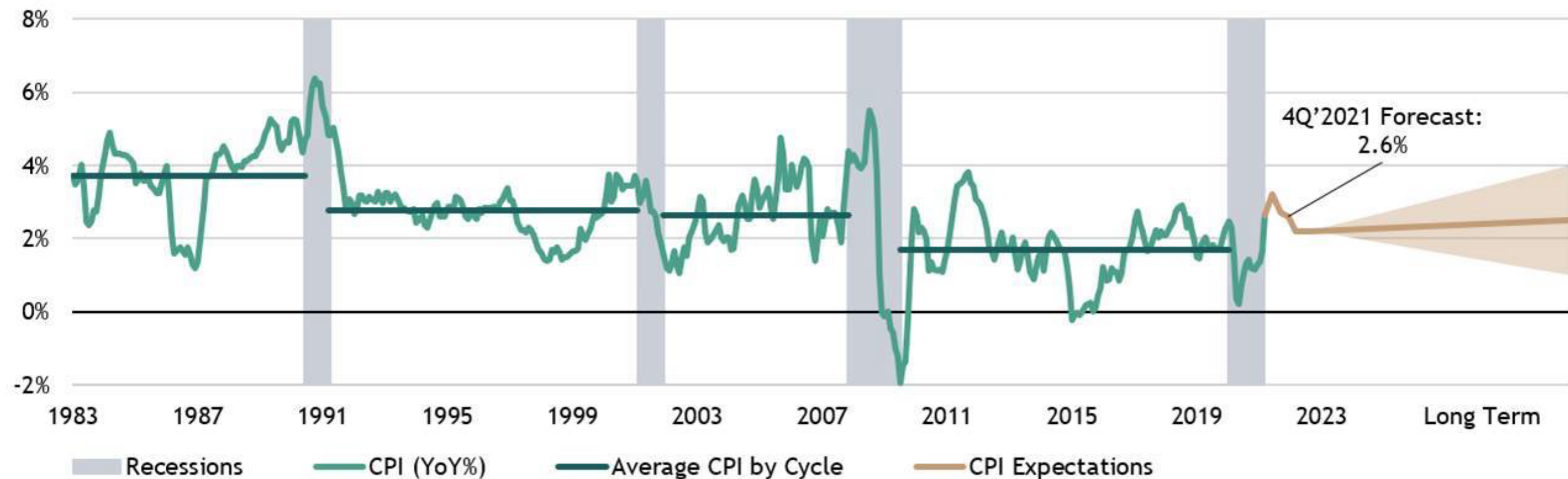


Global Equity active risk summary - as of March 31, 2020



Inflation Expectations - Blackstone

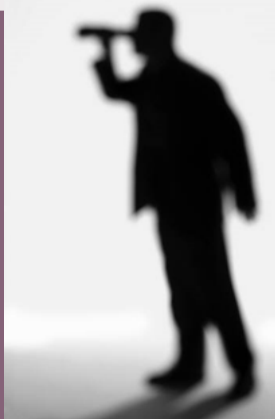
(all items for urban consumers; YoY % change)



(1) Source: Bloomberg consensus forecasts, as of 4/15/21.

(2) Source: Bureau of Labor Statistics, as of 3/31/21. Quarterly CPI estimates for Q2'2021 through 3Q'2022 are Bloomberg consensus forecasts, as of 4/15/21. "Long Term" forecast is illustrative. "Recessions" are defined by the National Bureau of Economic Research.

Chart from Blackstone, May 2021



Looking Out to the Horizon

Key risks to monitor :

- 🚨 COVID-19 Global Pandemic
- 🚨 Variants or mutations of the virus
- 🚨 Public unrest

Positives:

- ⚙️ Vaccine rollout
- ⚙️ Govt. stimulus
- ⚙️ Economic activity is up!
- ~~⚙️ Inflation is in check~~



Inevitable Surprises

 **Pandemic**

 Climate extremes

 **Internet Disruptions/
Cyber attacks**

 Lone Wolf Terrorism

 Income inequality

 **North Korea / Iran
aggression**

 Social unrest / protests

 China / Russia
aggression

 Earthquakes

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