

CALSTRS

CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM

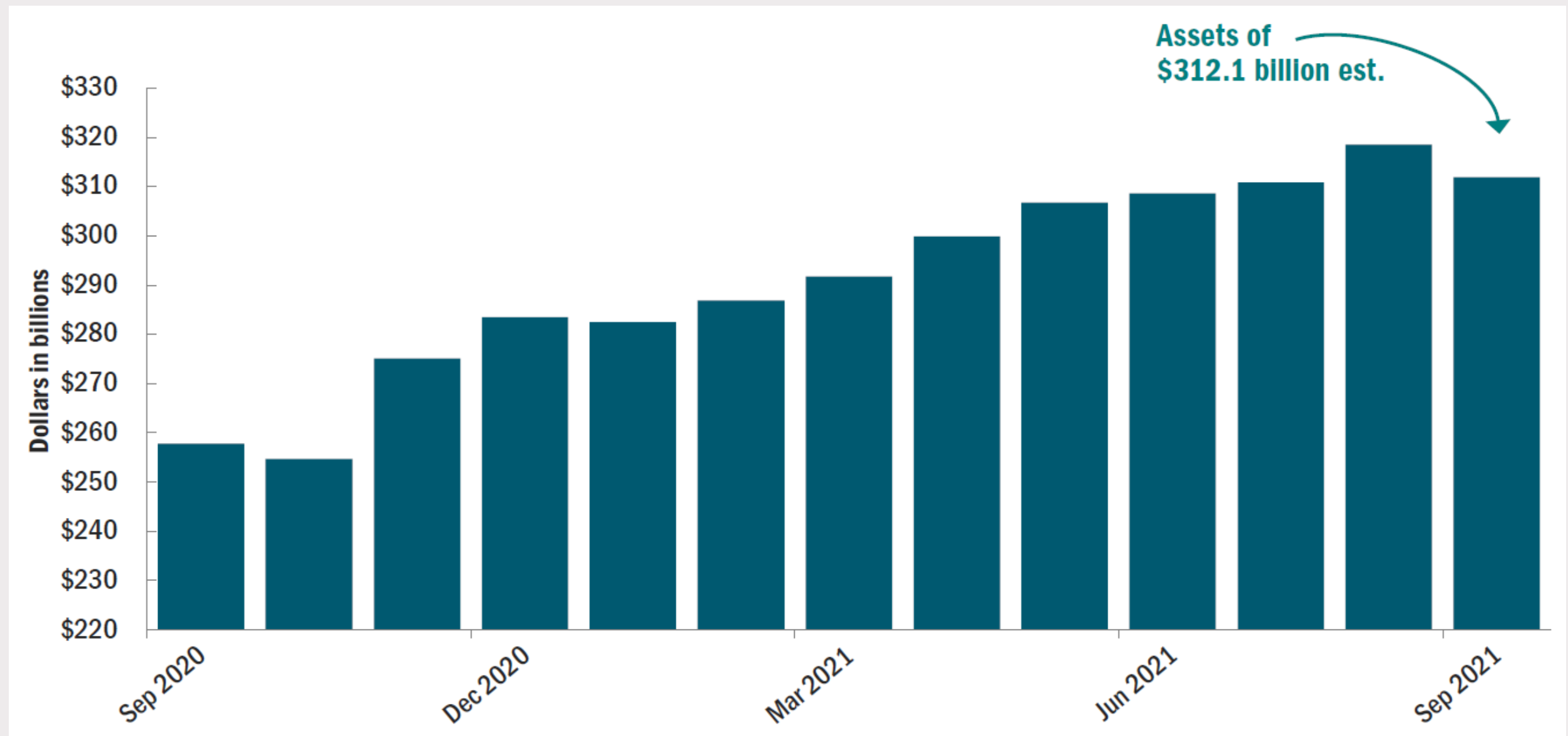


Chief Investment Officer Report

November 2021

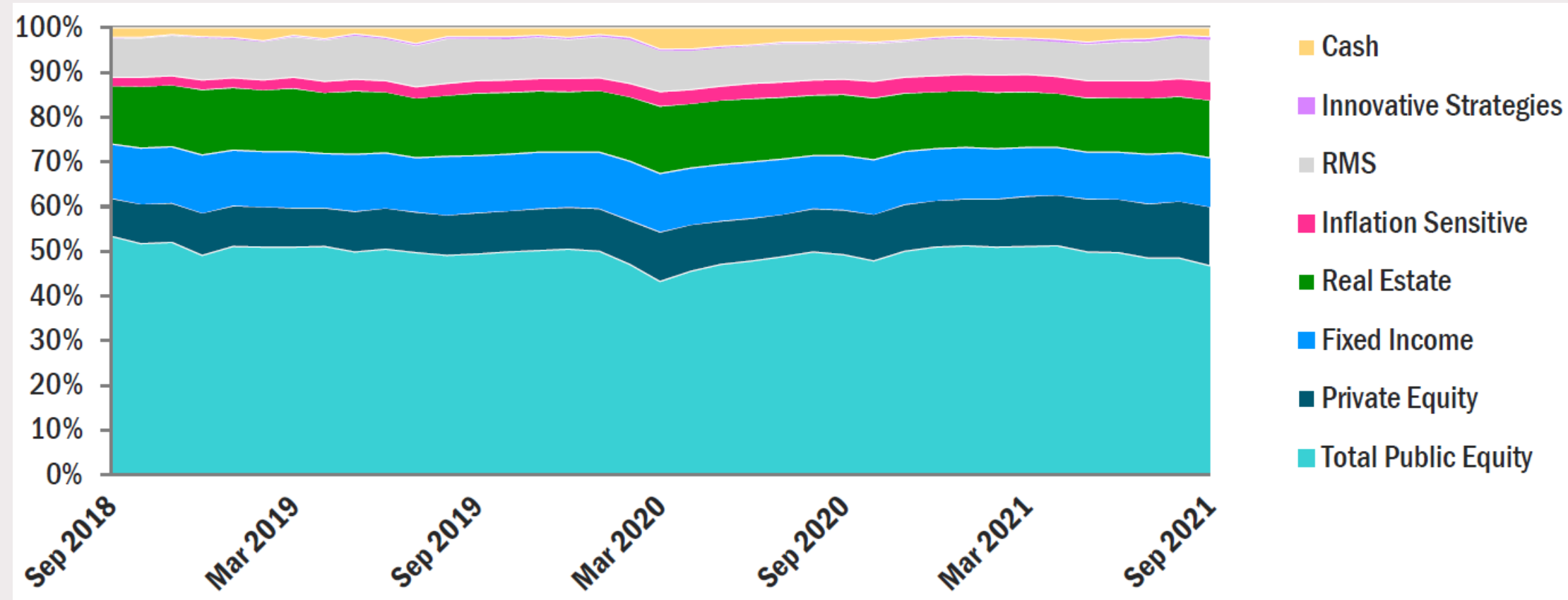
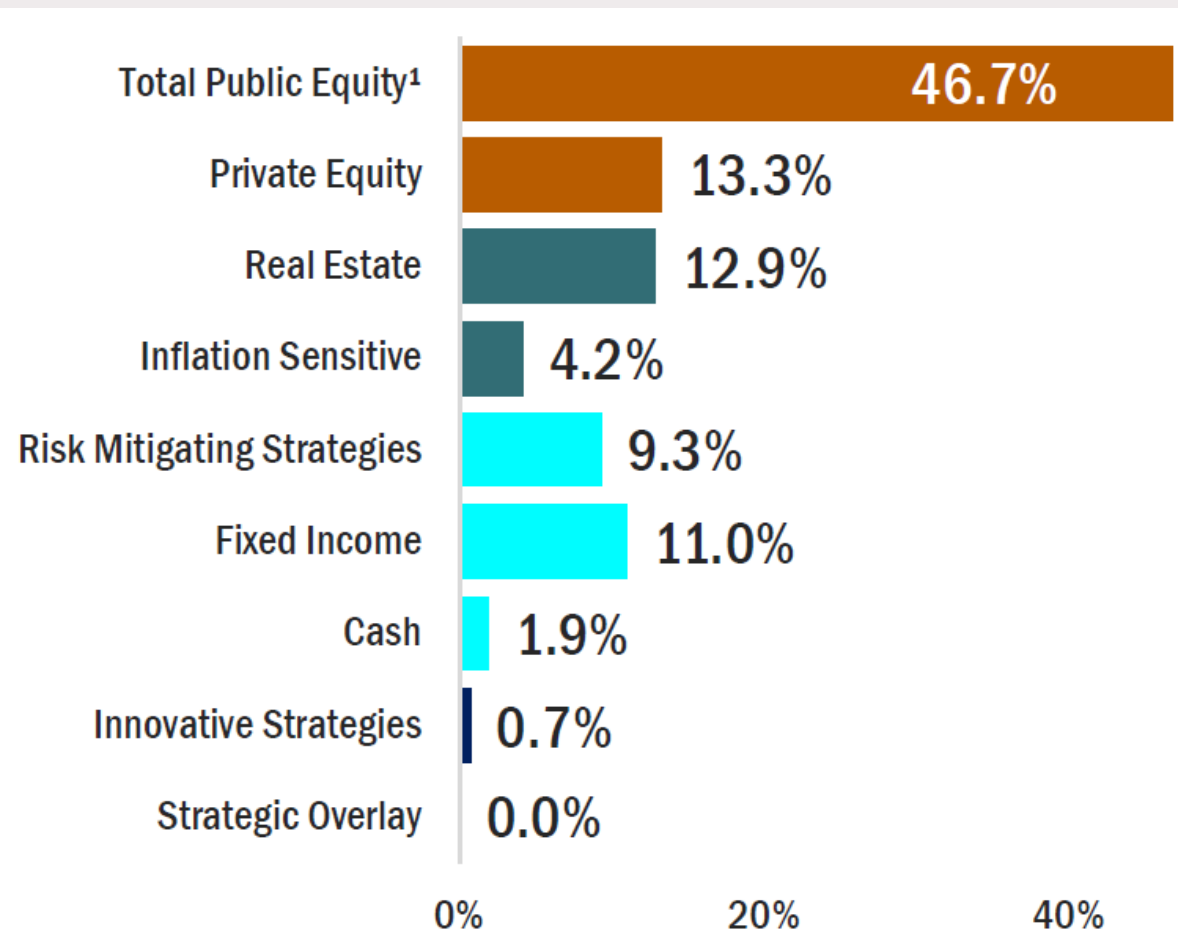
Trust Fund Assets (Combined Defined Benefit Funds)

**Sept. 30, 2021
assets
\$312.1 bil. est.**



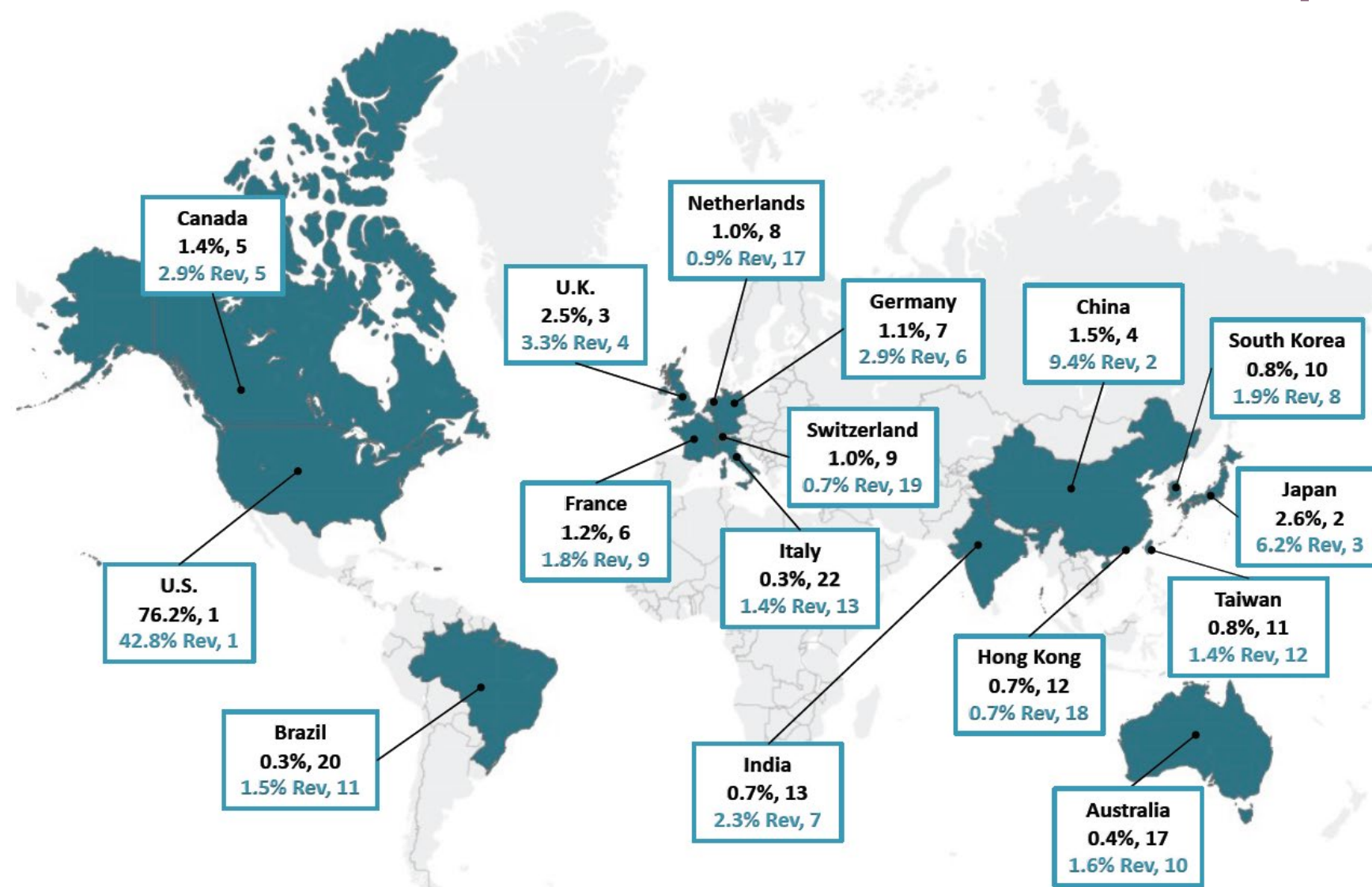


Asset Allocation - as of September 30, 2021



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

Top 10 Market Value & Revenue Exposure by Country

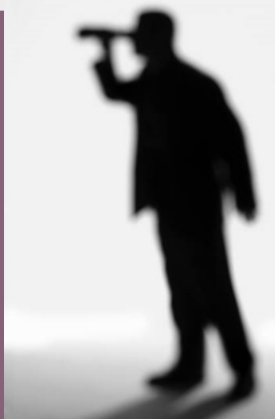


U.S.A.

- 76% of Portfolio
- 43% of Revenues

China + Hong Kong

- 2% of Portfolio (4th)
- 10% of Revenues (2nd)



Key risks to monitor :

- 🚨 COVID-19 Global Pandemic
- 🚨 Central Bank Policy – Fed, ECB, BoJ, BoE
- 🚨 Public unrest – divided Nation

Positives:

- ⚙️ Vaccine rollout - Boosters
- ⚙️ Govt. stimulus – Infrastructure bill
- ⚙️ Economic activity

Uncertainties :

- 🕷️ Inflation – transient or sticky ?
- 🕷️ Large unemployment, yet lots of Job Openings ?



Inevitable Surprises

- 🔔 Global Pandemic
- 🔔 Climate extremes
- 🔔 Internet Disruptions/
Cyber attacks
- 🔔 Lone Wolf Terrorism
- 🔔 Income inequality
- 🔔 North Korea / Iran
aggression
- 🔔 China & Taiwan / Russia
tensions
- 🔔 Social unrest / protests
- 🔔 Earthquakes

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