CALSTRS®

Investment Committee
Item number 4 – Open session

Subject: Chief Investment Officer's Report

Presenter(s): Scott Chan

Item type: Information

Date and time: November 6, 2024 – 40 minutes

Attachment(s): Attachment 1 – Portfolio Risk Report

PowerPoint presentation(s): PowerPoint 1 – CIO Report

Item purpose

The purpose of this item is to provide the Committee with the risk profile of the investment portfolio, the recent portfolio asset allocation, and critical financial market updates to assist in their oversight of the CalSTRS Investment Portfolio.

Executive summary

This report is divided into three sections. First, the Investment Portfolio Risk Report, produced by the Risk team under the leadership of Josh Diedesch, portfolio manager of the Total Fund Management Division, formerly known as the Investment Strategy and Risk Team. Second, a PowerPoint presentation by the CIO on key charts within the Risk Report, as well as current financial market conditions and potential risks on the horizon. In addition, the CIO and staff will provide an overview of the CIO Shared Vision Project. Prior to the meeting, the PowerPoint presentation will be posted on the CalSTRS.com website.

Background

While this report has evolved over the years, it has been a mainstay of the Investment Committee agenda to help fulfill the Committee's fiduciary duty to closely monitor the risk and investment allocation of the commingled Trust Fund.

Strategic Plan Linkage: Trusted stewards: Ensure a well-governed, financially sound trust fund.

Board Policy Linkage: CalSTRS Investment Policy Statement

Optional reference material:

CalSTRS.com/investments – for the most current information on the CalSTRS Investment Portfolio.

Reports & Surveys – for annual and semi-annual investment reports.

Investments 101 – for a video glossary of investment terms.

Inside CalSTRS Investments – for a video library on key topics, such as fees, returns, and asset classes.