



STATE OF NEW MEXICO  
*Educational Retirement Board*

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## **ERB Returns 40.4% for 12 Month period ending March 31, 2010**

**Albuquerque, NM** – Investments by the New Mexico Education Retirement Board realized an impressive 40.4 % return for the 12 months ended March 31, 2010, netting \$2.34 billion for the fund that pays retirement benefits for retired teachers and education employees.

The fund grew from \$6.21 billion on March 31, 2009 to \$8.55 billion on March 31, 2010, and ranked in the 9th percentile of the Public Funds over \$1 billion universe, according to NEPC, the Fund's advisor. In other words, the ERB Fund performed better than 91 percent of the more than 52 Public Funds in that universe.

During the 5-year period ended March 31, 2010, the Fund returned 5.3% per annum, ranking in the top 11% of its Public Fund peers, a significant improvement over prior 5 year periods.

"While there are a number of factors that contributed to the recent improvement in the Fund's absolute and relative returns, much of the improvement can be credited to the impact of the Board-approved diversification strategy which has systematically reduced the Fund's reliance on volatile equity market returns as the primary driver of Fund results" explained Bruce Malott, the ERB's Board Chair. "The Fund's significant allocations to domestic equities (26.6% of the total Fund) returned 49.9%, emerging market equities (12% of the total Fund) returned 85.8%, credit opportunity strategies (6.6%) returned 52.1%, core fixed income (25.7% allocation) returned 22.3% and real estate investment trusts (REITS) (3.8%) returned 113.5%. These allocations all contributed to the strong annual results, but also position the Fund well for the future."