



STATE OF NEW MEXICO  
*Educational Retirement Board*

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## **New Mexico ERB Announces Investment Returns of 18.2% for the Year**

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The New Mexico Educational Retirement Board (ERB) investment portfolio gained 18.2% for the year ended June 30, 2010, exceeding its customized benchmark by 5.5 percentage points. Even more importantly, the return exceeded the actuarial target return of 8% by a significant margin. Investment returns added \$1.3 billion to the fund balance during the fiscal year ended June 30th.

Mary Lou Cameron, Acting Chair of the Board commented: "I would like to personally commend the staff and Board for the hard work that has gone in to restructuring our investment portfolio and strategy to deal with a wide variety of market conditions. The benefits of these efforts are clearly evident in our annual investment results which rank in the top 2% of U. S. public pension funds of \$1 billion or more in assets."

"It is gratifying to see the efforts of our Board, staff and plan consultants validated by these superior results" said Bob Jacksha, the Chief Investment Officer of the \$8.2 billion fund. "The strategic asset allocation adopted by the Board in 2007 is once again proving to be quite effective in improving investment results."

By asset class for the year, domestic equity returned 14.2%; foreign equity 18.3%; fixed income 19.2%; absolute return funds 14.4%; private real estate 0.2%; REIT's 55.6%; private equity 24.3%, and real assets 4.2%.

For the three and five-year periods ended June 30, the ERB's investment portfolio returned an annualized -2.9% and 3.9%, respectively, versus the benchmarks' return of -3.5% and 3.2%.

The complete performance report will be available shortly on the NMERB website: <http://www.nmerb.org/fundstatus.htm>

The ERB is the defined benefit pension plan for the State of New Mexico educational employees, including K through 12 and colleges and universities.