



# State of New Jersey

Department of the Treasury

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## Calendar 2009 Pension Fund Returns up Nearly 20 Percent

TRENTON – Division of Investment Director William Clark today estimated that New Jersey’s pension fund was up 19.8 percent for the 2009 calendar year, bringing the market value of the fund, net of disbursements, to \$68.1 billion as of December 31, 2009.

Through the first six months of FY 2010, the fund is up an estimated 14.4 percent. The performance for both periods exceed the benchmarks established by the State Investment Council of 19.14 percent for the calendar year and 13.97 percent for the fiscal year to date ending December 31, 2009.

“New Jersey’s overall robust performance is a result of positive returns in most asset classes, and received a significant boost from a strong December in the public equity markets,” said Director Clark. He noted that a strong 0.69 percent return for the pension fund in December alone is attributed to two factors, including overweight exposure to public equities relative to the Council benchmark and outperformance relative to the market for each of the fund’s internally managed portfolios. He noted that the domestic equity portfolio returned 3.6 percent for the month, versus 2.50 percent for the S&P 1500 Index.

For the calendar year ending December 31, 2009, estimated performance for the individual asset classes are:

Domestic Equity:	+ 33.0%
Domestic Fixed Income	+9.0%
International Equity/Fixed	+29.4%
Absolute Return	+ 23.8%
Private Equity	-0.5% *
Direct Real Estate	-21.2% *
Commodities and Other Real Assets	+24.4%
Cash	+0.8%

\* - performance through 6/30/09

State Treasurer David Rousseau added that during what many observers are describing as the worst market conditions since the Great Depression – the fiscal year ending June 30, 2009 -- New Jersey's pension fund was the top performer among peer funds nationally.

“With returns up nearly 20 percent for the calendar year, New Jersey's investment performance is testament to the division's expertise and sound judgment and the Investment Council's judicious policies,” Rousseau said.

A detailed summary of fiscal year and calendar year performance will be presented to the State Investment Council at its regular meeting on January 21.

The Division manages investments for seven public retirement systems, providing benefits for more than 780,000 current and future retirees. In addition, the Division manages more than 180 separate investment funds, with the largest being the state's Cash Management Fund and the Supplemental Annuity Collective Trust Fund (a 403b plan).

As of December 31, 2009, 46.41 percent of pension assets were in public equities; 30.79 percent were in fixed income; 6.4 percent were in inflation sensitive investments, including commodities and TIPs; 11.09 percent were in alternative investments and the remainder in short term money market investments.

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