

## **APFC Board reviews Fund performance and enhances understanding of global markets.**

(DEC 7) – As part of their fiduciary oversight, the Alaska Permanent Fund Corporation’s Board of Trustees held a quarterly meeting in Anchorage on December 6 and 7, 2016 to review the Alaska Permanent Fund’s performance, risk profile and investment policy.

APFC staff offered investment performance, market analysis, and strategic initiative updates for each of the asset classes that they manage within the portfolio. Callan Associates, consultant to the Board, also provided an analysis of the Fund’s performance, including a review of the asset class structure and an overview of capital market conditions. Callan noted that as of September 30, 2016 based on trailing year performance, the Fund sustained its rank in the top quartile relative to other large public funds. Additionally, the Fund continues to meet the Board of Trustee’s real return benchmark of CPI + 5% when tracked over long term time horizons.

“It is affirming that the Fund continues to perform well in relation to other public funds and rewarding to report that the Fund gained 3.86%, an increase in value of \$2 billion, in the first quarter of FY17” noted APFC Board Chair Bill Moran.

Panel discussions were held with external fund managers to enhance tactical understanding of APFC’s exposures in global equities and emerging markets. Given the trend of global diversification for well-balanced portfolios, a currency panel was also conducted to provide insights as to how investors can manage risks associated with foreign assets and currency transactions.

Angela Rodell, CEO, observed “investing for the long-term means not limiting the geographies we look to invest in. Much of our outperformance this fiscal year can be attributed to our overweight exposure to non-US equity.”

The Board also completed a Performance Evaluation for the Executive Director, Angela Rodell, and recognized her contributions to the Corporation during her first year serving in the role of Executive Director/Chief Executive Officer of APFC.

Additional items covered by the Board during the meeting included:

- Consequential updates to the Investment Policy, based on the previously approved Strategic Plan and Investment Policy.
- Overview of the Risk and Performance Dashboard per measures set forth in the Investment Policy.
- Adoption of Investment Regulations that clarify APFC’s use of exchange traded funds and disclosure of public records.

- Information related to the plan to procure a compensation consultant to review the compensation structure of APFC in the effort to improve its long-term investment performance and achieve investment effectiveness and operating efficiency objectives.

The Board's next quarterly meeting will be held on February 22 and 23 at the Corporation's headquarters in Juneau, Alaska.

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