

Alaska Permanent Fund Corporation Board of Trustees Quarterly Meeting

For Immediate Release

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MAY 17 – The Alaska Permanent Fund Corporation’s Board of Trustees held their quarterly meeting in Juneau, Alaska to review the investment performance of the Alaska Permanent Fund (Fund) and evaluate practices pertaining to the management of the Fund.

The Fund ended the third quarter of fiscal year 2017 with a value of \$58.3 billion and a performance return of 8.96%. The Fund’s diversified portfolio continues to perform well based on the long-term perspective and surpass the strategic target of 5% in excess of inflation, the real return objective set by the Board of Trustees. Based on Callan’s analysis, the Fund compared well relative to other large public funds, achieving a three-year investment performance amongst the top septile of all public investment plans in the United States.

The Public Equity portfolio outperformed during the quarter, achieving double digit performance across all mandates: Domestic, International and Global. The internal Fixed Income team continues to offer solid returns and notably outperformed their index by over 100 basis points for both the US Aggregate Portfolio and the US Corporate bond portfolio on a year over year basis, earning 1.50% and 4.39% respectively.

The alternatives portfolios’ performance was beneficial to the Fund value across the board with positive returns being recognized in Private Equity and Growth Opportunities, Real Estate, Private Income, and Absolute Return. Notably, APFC’s Absolute Return (or hedge fund) program achieved a 1-year investment performance in excess of CPI+5%, and for which APFC this past week was named a finalist for “Sovereign Wealth Fund of the Year” in Institutional Investor’s 15th Annual Hedge Fund Industry Awards.

CEO Angela Rodell notes, she is “exceptionally proud of the team at APFC, and it is rewarding to see that staff’s stewardship of the Fund and commitment to being world-class investors is being recognized on a global stage.”

In assuring that the Fund continues to be managed according to sound investment principles, the Board also heard presentations on risk measurement and management, liquidity management best practices, currency management, as well as public and private credit investments.

The Board of Trustees approved the implementation of a currency management program with the objective of reducing the risk introduced by unmanaged foreign currency while adding value to the Fund. The Board also selected Callan Associates for a three year contract, after a competitive process, as APFC’s General Consultant.

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