



## **Asset Allocation**

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April 28, 2016

## ASSET ALLOCATION

### Purpose

The Board of Trustees (“Board” or “Trustees” of the Public School Teachers’ Pension and Retirement Fund of Chicago (“CTPF” or the “Fund”) has adopted a policy which sets forth goals for diversifying the Fund assets across various classes of investments to minimize risk and maximize the rate of return to help the Fund meet the overall investment return objective.

### CTPF Asset Allocation

<b>Equity</b>		<b>59.5%</b>
	U.S. Equity	31.0%
	Global ex-U.S. Equity	20.5%
	Private Equity	8.0%
<b>Fixed Income</b>		<b>29.5%</b>
	U.S. Fixed Income	26.5%
	Private Credit	3.0%
	Cash	0.0%
<b>Real Assets</b>		<b>11.0%</b>
	Private Real Estate	9.0%
	Infrastructure & other Real Assets	2.0%

### Asset Class Descriptions

- **Equity**
  - **Large Capitalization (Cap) Equities:** Common stock in companies whose capitalization - the value of all outstanding stock - is greater than \$15 billion. Classic examples are blue-chip stocks such as General Motors and IBM.
  - **Mid-Cap Equities:** Common stock in mid-sized public companies; capitalization is between \$1 billion and \$15 billion.
  - **Small-Cap Equities:** Common stock in small public companies whose capitalization is \$1 billion or less.
  - **International Equities:** Common stocks in companies based outside the U.S.
  - **Private Equities:** Companies that are not quoted on the stock exchange typically illiquid in nature with an ownership consisting of limited partnership interest.

- **Fixed Income:** U.S. Government bonds and/or corporate bonds with mid (2 to 5 years) to long (over 5 years) duration.
- **Private Credit:** Private loans that are not publicly traded.
- **Real Assets:**
  - **REITS:** Shares of trusts that hold and manage investment properties.
  - **Real Estate:** Ownership in real assets, such as buildings, land, or real property.
  - **Infrastructure:** Ownership in Infrastructure assets such as Airports, Bridges, or Tollways.

## **History**

Effective September 13, 2013

Revised August 20, 2015

Revised April 28, 2016

Revised November 16, 2023

## **Review**

The Board shall review this Asset Allocation Policy in general every 3-5 year.