

# CalPERS asset allocation less than projected

By Robin Respaut, Reuters

California Public Employees' Retirement System expects a 5.8 percent annual investment return under its new portfolio asset allocation, significantly lower than the fund's assumed rate of return of 7 percent by 2020.

The reduced expectation, disclosed late Monday in documents from the largest U.S. public pension fund, is based on a lower-risk, lower-return asset allocation adopted by CalPERS in September and announced in December.

CalPERS' caution mirrors outlooks from public pension funds across the United States as they try to grapple with investment forecasts of slow market growth over the next decade.

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