



MARYLAND
STATE RETIREMENT
and PENSION SYSTEM

STATE RETIREMENT AGENCY
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R. Dean Kenderdine
Executive Director
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December 13, 2010

The Honorable Thomas V. Mike Miller, Jr.
President of Senate
State House, H-107
Annapolis, Maryland 21401-1991

The Honorable Michael E. Busch
Speaker of House of Delegates
State House, H-101
Annapolis, Maryland 21401-1991

Dear President Miller and Speaker Busch:

As required by States Personnel and Pensions §21-315(g), I am submitting an annual report describing the actual amount spent for investment management services during the preceding fiscal year. This report prepared by the State Retirement Agency, is submitted in accordance with the State Government Article §2-1246 of the Annotated Code of Maryland. The report designation is MSAR #1380.

This report includes the following:

- i. A summary of the actual amount spent on management fees broken down by asset class; and
- ii. A summary of the actual amount spent on custody, consultants, currency management, and other services.

Please contact me should you have any concerns or questions regarding this report. I may be reached at (410) 625-5600.

Sincerely,

R. Dean Kenderdine
Executive Director

RDK/pw

Attachment

cc: Warren Deschenaux
Board of Trustees

Management Service	Amount Spent
Public Equity	
Domestic Stocks	\$ 18,035,852
Global Stocks	19,389,086
International Stocks	18,741,647
Total Equity	\$ 56,166,585
Fixed Income	\$ 9,099,916
Credit/Debt Related	10,791,984
Total Fixed Income	\$ 19,891,900
Cash	\$ 115,767
Alternative Investments	
Absolute Return	\$ 13,164,158
Private Equity	36,915,453
Real Estate	25,290,724
Real Return	14,474,385
Total Alternatives	\$ 89,844,720
Currency Management	\$ 14,406,943
Master Custody	667,815
Terra Maria Program Managers	4,267,862
Wilshire Associates	543,000
Other Investment Expenses	905,000
Asset-Income Verification Service	351,000
Investment Consultants	2,072,000
Other Services	\$ 23,213,620
Total Investment Management Services	\$ 189,232,592