



MARYLAND
STATE RETIREMENT
and PENSION SYSTEM

STATE RETIREMENT AGENCY
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R. Dean Kenderdine
Executive Director
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December 13, 2016

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

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

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 other non-budged 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	\$ 3,746,334
Equity Hedge Funds	37,718,775
Global Stocks	18,579,341
International Stocks	7,993,090
Emerging Markets	4,099,384
Total Equity	\$ 72,136,924
Nominal Fixed Income	\$ 8,103,989
Credit/Debt Related	36,400,744
Total Rate Sensitive	\$ 44,504,732
Alternative Investments	
Absolute Return	\$ 49,199,255
Private Equity	81,458,166
Real Estate	32,618,000
Real Return	29,583,567
Total Alternatives	\$ 192,858,988
Currency Management	\$ 3,147,434
Terra Maria Program	13,920,961
The Burgiss Group	172,232
Barra	255,973
Investment Consultants	2,675,056
Other Services	\$ 20,171,656
Total Investment Management Services	\$ 329,672,300