

Quarterly Summary of the Finances of Selected State and Local Government Employee Retirement Systems

CORPORATE STOCKS OF MAJOR PUBLIC EMPLOYEE RETIREMENT SYSTEMS SHOW YEAR-TO-YEAR INCREASE FOR THE FIRST TIME IN TWO YEARS

2009 Quarter 4

For the 100 largest retirement systems in the country, total holdings and investments exceeded the same quarter one year ago, with an increase of 10.1 percent from \$2,229.5 billion in the fourth quarter of 2008 to \$2,454.2 billion in the fourth quarter of 2009 and demonstrated the first positive year-to-year change since the first quarter of 2008. Total holdings and investments continued their quarter-to-quarter climb for the third consecutive quarter, with an increase of 3.2 percent from \$2,379.2 billion in the third quarter of 2009.

Corporate Stocks

Corporate stocks surpassed their value from the same quarter one year ago (2008:Q4), breaking with the negative trend of the last seven quarters. Stocks rose 19.3 percent from \$690.6 billion in the fourth quarter of 2008 to \$823.8 billion in the fourth quarter of 2009 and were up slightly at 0.5 percent from \$820.1 billion last quarter (2009:Q3). Corporate stocks made up just over a third (33.6 percent for 2009:Q4) of the total cash and security holdings of major public employee retirement systems.

Corporate Bonds

Corporate bonds were a little higher than the same quarter one year ago (2008:Q4), after four uninterrupted quarters of year-to-year declines. Bonds increased 1.6 percent from \$413.4 billion in the fourth quarter of 2008 to \$420.0 billion in the fourth quarter of 2009, but declined 2.9 percent from \$432.6 billion last quarter (2009:Q3). Corporate bonds made up just over a sixth (17.1 percent for 2009:Q4) of the total cash and security holdings of major public employee retirement systems.

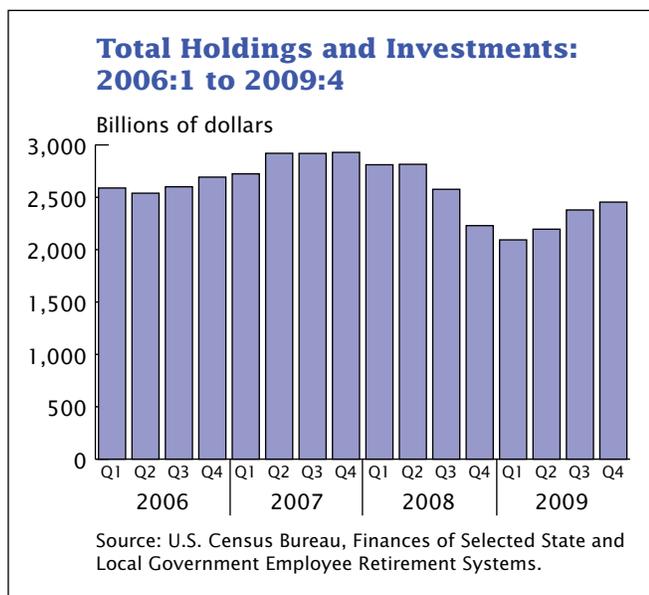
International Securities

International securities soared past the same quarter one year ago, escalating 44.0 percent from \$292.6 billion in the fourth quarter of 2008 to \$421.3 billion in the fourth quarter of 2009 and up 15.3 percent from \$365.3 billion last quarter (2009:Q3). International securities made up 17.2 percent of the total cash and security holdings for 2009:Q4, slightly over the 17.1 percent for corporate bonds. This was the first time the proportion of international securities topped that of corporate bonds since they matched distribution levels of 16.8 percent each, in the second quarter of 2008.

Federal Government Securities

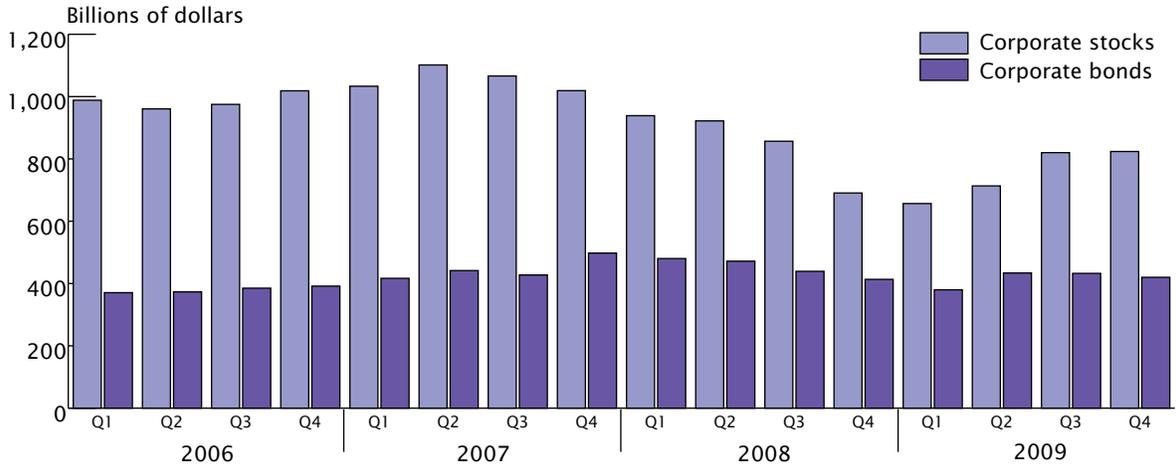
Federal government securities, unlike the aforementioned investment categories, continued to be lower than the same quarter one year ago. They fell 5.6 percent from \$155.3 billion in the fourth quarter of 2008 to \$146.7 billion in the fourth quarter of 2009. The year-to-year trend has remained negative for over three years—since 2006:Q3. There was a 4.8-percent increase from \$140.0 billion last quarter (2009:Q3), and federal government securities made up 6.0 percent of the total cash and security holdings for the fourth quarter of 2009.

Note: This summary is based solely on the Finances of Selected State and Local Government Employee Retirement Systems, which consists of a panel of the 100 largest public employee retirement systems as determined by their total cash and security holdings reported in the 2007 Census of Governments. These 100 systems comprise 89.4 percent of financial activity among such entities, based on the 2007 Census of Governments. Each of the 100 systems represents itself only. Although the data are not subject to sampling error, they are subject to reporting error, nonresponse, and possibly other nonsampling errors.

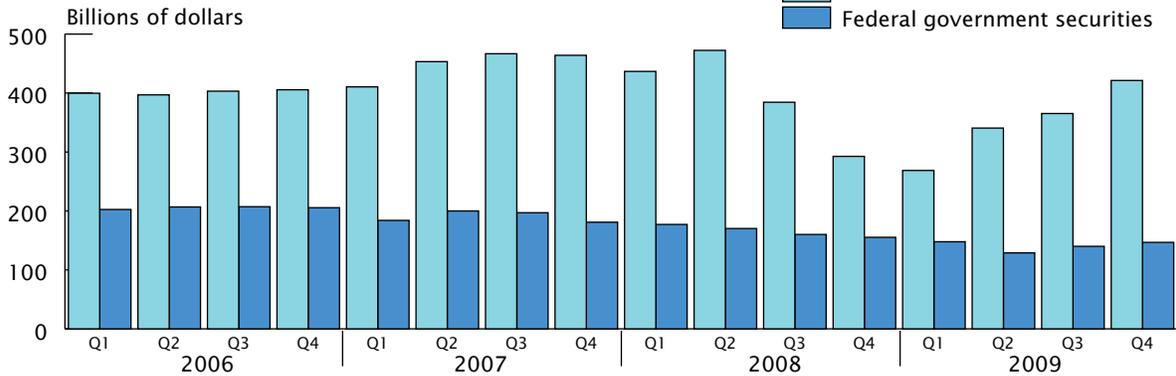


For further information on public employee retirement systems, please visit our Web site at <www.census.gov/govs> or contact Governments Division, U.S. Census Bureau, at **888-529-1963** or by e-mail at <govs.retire@census.gov>.

Corporate Stocks and Corporate Bonds at End of Quarter at Market Value



International Securities and Federal Government Securities at End of Quarter at Market Value



Source: U.S. Census Bureau, Finances of Selected State and Local Government Employee Retirement Systems.

Percentage Change From Prior Quarter of Cash and Investments at End of Quarter at Market Value

Quarter	Total	Corporate stocks	Corporate bonds	Federal government securities	International securities	Mortgages	State/local government securities	Cash and short-term investments	Other securities
2009:4	3.2	0.5	-2.9	4.8	15.3	-2.8	-9.5	-22.7	8.9
2009:3	8.4	15.0	-0.3	8.6	7.3	5.3	-9.7	45.4	2.0
2009:2	4.9	8.6	14.2	-12.8	26.7	-4.7	29.2	-16.7	-8.7
2009:1	-6.1	-4.9	-8.1	-4.8	-8.2	-0.7	1.2	3.5	-6.8
2008:4	-13.5	-19.4	-5.9	-3.0	-23.9	-12.3	0.9	13.2	-10.2
2008:3	-8.5	-7.1	-6.9	-5.9	-18.6	-7.3	48.7	-14.8	-4.4
2008:2	0.1	-1.8	-1.8	-3.9	8.2	-31.7	-39.1	-3.0	1.5
2008:1	-4.0	-7.9	-3.5	-2.1	-5.9	-4.8	10.0	12.3	0.3
2007:4	0.3	-4.4	16.4	-8.2	-0.6	41.0	8.9	-2.3	0.3
2007:3	0.0	-3.2	-3.2	-1.5	2.9	11.3	-9.0	-18.7	9.0
2007:2	7.2	6.6	6.0	8.7	10.4	1.2	-13.3	13.9	5.6
2007:1	1.2	1.4	6.4	-10.5	1.2	-1.1	10.3	1.2	1.3
2006:4	3.5	4.5	1.7	-0.8	0.6	-18.4	-7.9	8.4	7.0
2006:3	2.4	1.5	3.2	0.2	1.6	4.8	4.7	7.4	4.3
2006:2	-1.9	-2.8	0.7	2.1	-0.7	-0.5	1.5	-1.7	-4.6
2006:1	6.1	8.3	-9.0	-2.5	18.7	-4.6	-7.3	-2.7	11.2

Source: U.S. Census Bureau, Finances of Selected State and Local Government Employee Retirement Systems. For information on nonsampling errors and definitions, see <www.census.gov/govs/qpr/>. Data users who create their own estimates from this table should cite the U.S. Census Bureau as the source of the original data only.