



Seattle City Employees' Retirement System

Update on the SCERS Investment Portfolio

March 19, 2020

We would like to take the opportunity to provide a brief update on the SCERS investment portfolio given recent market volatility.

Over the last few weeks, the capital markets have reacted with growing concern to Covid-19, as it has spread beyond a limited set of countries and is likely to inflict widespread economic damage. Stock markets across the globe have experienced rapid and significant losses. Interest rates have fallen substantially, and the Federal Reserve has taken significant action to help shore up the economy. While a recession is likely, the market consensus is still that this is not a repeat of the Global Financial Crisis of 2008.

For our members, there are a few key things we would like to emphasize. The first, and probably the most important, is that this will not impact retiree benefits. SCERS has a well-diversified investment portfolio with sufficient funds to ensure all pension obligations are met and all expenses are paid. SCERS is a long-term investor and, while this downturn is severe, we expect investments will fluctuate over the short-term. In fact, just last year the value of our investment portfolio increased by over 17%.

Our team of investment professionals and expert advisors are constantly monitoring this situation and will make any adjustments to the portfolio that are necessary.

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