

---

 Information for...

- [Members](#)
- [Employers](#)

---

 Learn about...

- [CalSTRS](#)
- [Headquarters](#)
- [Multimedia](#)
- [Legislation](#)
- [Newsroom](#)
- [Investments](#)
- [Corporate Governance](#)
- [Pension2](#)
- [Career Opportunities](#)
- [403bComply](#)
- [403\(b\) + 457\(b\) Information Portal](#)

---

 Tools...

- [Calculators](#)
- [Counseling/Workshops](#)
- [Publications](#)
- [Forms](#)
- [Home Loan Program](#)
- [myCalSTRS](#)
- [Quick Topics](#)
- [Retirement Planning](#)
- [403bCompare.com](#)

## CalSTRS Announces Global Macro Hedge Fund Advisor

Contact: Ricardo Duran  
(916) 414-1425  
[Newsroom@calstrs.com](mailto:Newsroom@calstrs.com)

Lyxor US Contact: Giselle Comissiong  
(212) 205-4044  
[giselle.comissiong@lyxor.com](mailto:giselle.comissiong@lyxor.com)  
[www.lyxor-us.com](http://www.lyxor-us.com)

December 6, 2011

Lyxor Asset Management will help CalSTRS develop its new Global Macro Hedge Fund strategy.

**WEST SACRAMENTO, CA** – The California State Teachers' Retirement System (CalSTRS) today announced the selection of Lyxor Asset Management as its advisor in the development of a new global macro hedge fund strategy.

The selection of Lyxor concludes a 15-month selection process for a consultant to help CalSTRS investment staff initiate, monitor and assess its global macro hedge fund strategy.

The new strategy is part of the CalSTRS Innovation Portfolio and will be implemented on a trial basis for up to a three-year period to determine its value to the larger CalSTRS investment portfolio.

"In these times of economic volatility and uncertainty, it's important to diversify the CalSTRS portfolio into areas that protect against downside pressures," said CalSTRS Chief Investment Officer Christopher J. Ailman. "We believe this strategy can help us accomplish this goal and Lyxor is vital to its inclusion into the CalSTRS portfolio during this trial period."

Steven Tong, director of the CalSTRS Innovation & Risk unit, said: "During our search, Lyxor emerged as the top contender because of its strong track record in thoroughly vetting and overseeing global macro managers and hedge fund portfolios for large institutional investors such as CalSTRS."

"We are extremely pleased to be working with CalSTRS, as it underscores our commitment to the U.S. market and illustrates our ability to partner with the largest, most sophisticated institutional investors in the world," said Lionel Erdely, CEO of Lyxor Asset Management Inc. "Since 1998 Lyxor has been focused on helping institutional investors benefit from hedge funds while mitigating many of the associated risks."

CalSTRS staff will work with Lyxor to select three to six hedge fund managers. Within three years, the CalSTRS Investment Committee will determine whether to expand the strategy on a permanent basis, continue to monitor it on a temporary basis or terminate it.

Some of Lyxor's duties will be to assist CalSTRS investment staff to:

- Develop, review and update investment policies, procedures and program structures for the strategy.
- Develop a search strategy, identify highly-qualified managers and conduct due diligence on candidates and proposed investments.
- Conduct regular manager assessments, perform account valuations, identify concerns and prepare quarterly reports to the CalSTRS Investment Committee.
- Evaluate various investment structures, including managed accounts.
- Research and analyze issues and topics in the global macro hedge fund

space.

- Provide training and workshops on global macro hedge fund topics for CalSTRS investment staff and the Investment Committee.

In general, a global macro hedge fund strategy uses a variety of financial instruments to achieve gains from price fluctuations in volatile environments, offering diversification and value protection during times of financial distress. The strategy historically has provided absolute returns with a low correlation to equities and offers lower volatility than equities.

Lyxor Asset Management Inc. ("Lyxor US"), a Delaware Corporation, is registered as an investment adviser with the Securities and Exchange Commission. Lyxor US' alternative investment advisory business focuses on providing portfolio management and advisory services for institutional investors. Lyxor US is a wholly-owned subsidiary of Lyxor Asset Management S.A. ("Lyxor S.A."). Lyxor S.A. was created in 1998 and, as of October 31, 2011, manages over \$100 billion across its four business lines (Alternative, Quantitative, Indexing and Structured investments). Lyxor S.A. is a wholly-owned subsidiary of Societe Generale S.A.

The California State Teachers' Retirement System, with a portfolio valued at \$148.2 billion as of October 31, 2011, is the largest teacher pension fund and second largest public pension fund in the United States. CalSTRS administers a hybrid retirement system, consisting of a traditional defined benefit, cash balance and defined contribution plan, as well as disability and survivor benefits. CalSTRS serves California's 852,000 public school educators and their families from the state's 1,600 school districts, county offices of education and community college districts.

 [Print This Page](#)

Stay Connected:     

[CalSTRS Home](#) | [Contact Us](#) | [FAQ](#) | [Site Map](#) | [Related Sites](#) | [Glossary](#) | [Privacy](#)  
[Site Feedback](#)