

# Summary of the Quarterly Survey of Public Pensions for 2019: Q1

## ASSETS INCREASE IN FIRST QUARTER OF 2019

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### ASSETS INCREASE SHARPLY

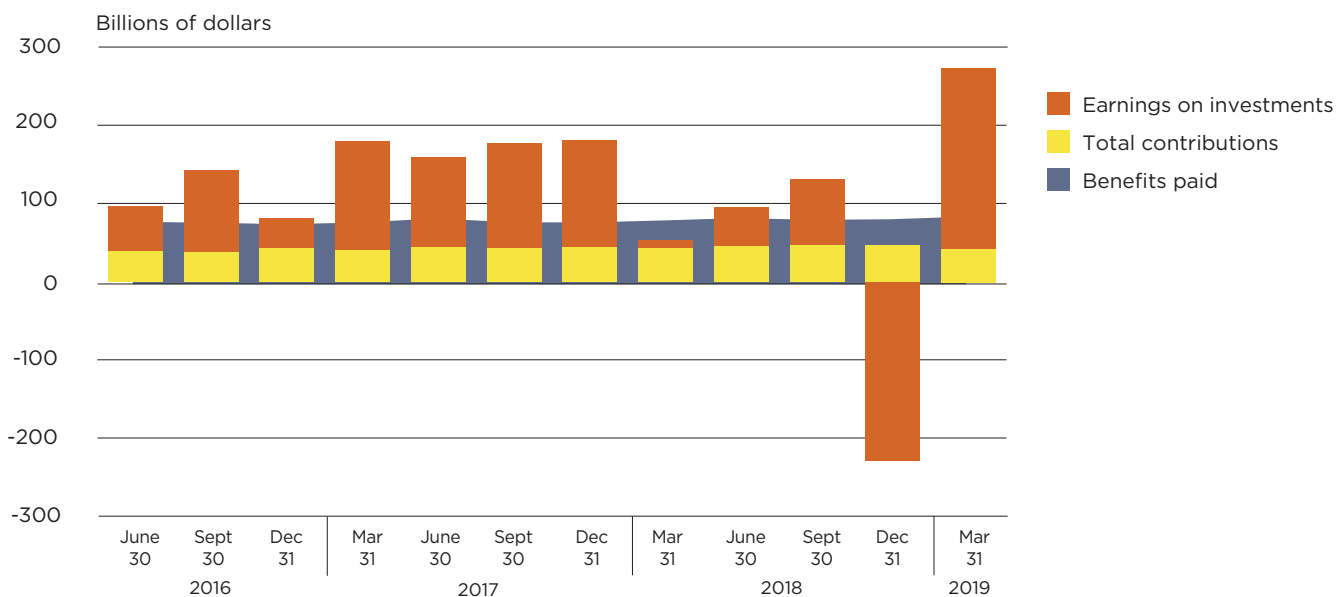
For the 100 largest public-employee pension systems in the country, assets (cash and investments) totaled \$3,858.2 billion in the first quarter of 2019, increasing by 6.2 percent from the 2018 fourth quarter level of \$3,634.5 billion. Compared to the same quarter in 2018, assets for these major public-pension systems increased 1.8 percent from \$3,791.9 billion. The main driver of the increase in assets is gains on investments, which totaled \$230.9 billion during the first quarter of 2019. Earnings on investments is a critical contributor to the sustainability of pension plans. In the first quarter of 2019, positive earnings on investments mitigated the deficit between contributions and benefits paid out (see Figure 1). The summary highlights the major asset categories (equities, debt instruments, and cash equivalents) and does not reflect all of the categories published for the Quarterly Survey of Public Pensions. Please see the complete data sets at [www.census.gov/programs-surveys/qssp.html](http://www.census.gov/programs-surveys/qssp.html) for further detail.

### CORPORATE STOCKS INCREASE FROM LAST QUARTER

Corporate stocks saw a quarter-to-quarter increase of 11.1 percent in market value, from \$1,242.2 billion to \$1,380.5 billion during the first quarter of 2019. Corporate stocks also experienced a year-to-year increase of 7.4 percent from \$1,285.9 billion in the first quarter of 2018. Corporate stocks comprise more than one-third (35.8 percent) of the total cash and investments of major public-pension systems for the current quarter.

Figure 1.

### Contributions, Benefits, and Investment Earnings



Source: U.S. Census Bureau, Quarterly Survey of Public Pensions.

#### INTERNATIONAL SECURITIES' MARKET VALUE INCREASES

The market value of international securities increased 4.1 percent quarter-to-quarter, from \$669.3 billion to \$697.0 billion during the first quarter of 2019. International securities decreased year-to-year, by 7.9 percent from \$757.2 billion in the first quarter of 2018. International securities now comprise less than one-fifth (18.1 percent) of the total cash and investments of major public-pension systems for the current quarter.

#### FEDERAL GOVERNMENT SECURITIES HOLDINGS INCREASE

Federal government securities had a quarter-to-quarter increase of 8.7 percent, from \$389.8 billion to \$423.5 billion in the first quarter of 2019. Additionally, federal government securities increased year-to-year by 32.6 percent from \$319.4 billion in the first quarter of 2018. Federal government securities comprise 11.0 percent of total assets of major public-pension systems for the current quarter.

#### CASH AND SHORT-TERM INVESTMENTS SHOW INCREASE

Cash and short-term investments had a quarter-to-quarter increase of 6.4 percent in market value, from \$105.3 billion in the fourth quarter 2018 to \$112.1 billion in the first quarter of 2019. Cash and short-term investments also showed a year-to-year decrease of 4.3 percent from \$117.2 billion. Cash and short-term investments comprised 2.9 percent of total assets of major public-pension systems for the current quarter.

#### CORPORATE BONDS INCREASE DURING FIRST QUARTER

Corporate bonds had an increase in market value, from \$391.4 billion to \$413.3 billion. Additionally, corporate bonds showed a year-to-year decrease of 9.2 percent from \$455.2 billion in the first quarter of 2018. Corporate bonds comprised less than one-eighth (10.7 percent) of the total cash and investments of major public-pension systems for the current quarter.

Note: The data quoted in this report are from the U.S. Census Bureau, Quarterly Survey of Public Pensions. Statistical significance is not measurable for this survey because the estimates are not based on a probability sample. The data are from a panel of the 100 largest pension systems as of the 2012 Census of Governments, and as such, are not subject to sampling error. However, the survey totals do not represent the national totals for public pensions since only a subset of the universe is represented. Because of the panel sample, sampling errors of these estimates can not be measured nor can the confidence intervals be computed. For information on nonsampling errors and definitions, see <[www.census.gov/programs-surveys/qspp/technical-documentation/methodology.html](http://www.census.gov/programs-surveys/qspp/technical-documentation/methodology.html)>.