A fund’s exposure to various major asset types or asset classes is known as its asset allocation. The Florida Retirement System Trust Fund invests in the following asset classes:

**Global Equity**: Asset class consisting principally of stocks of companies located in the United State and internationally

**Fixed Income**: Asset class consisting principally of investment grade bonds

**Private Equity**: Asset class consisting principally of equity investments through limited partnerships

**Real Estate**: Asset class consisting principally of direct-owned real properties, real estate-based joint ventures, open-end and closed-end funds, and publicly traded real estate securities (e.g., Real Estate Investment Trusts)

**Strategic Investments**: Asset class in the FRS Pension plan established to potentially contain a variety of portfolios which represent asset types or strategies that may be more opportunistic and thus not suitable for a standing allocation of assets.

**Cash Equivalents**: Asset class consisting principally of securities that are short-term, have high credit quality and are highly liquid

Asset class performance is measured in accordance with a broad market index appropriate to the asset class. The indices identified in the table to the right are used as the primary benchmarks for the Fund’s asset classes.

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