

CALSTRS' INNOVATION & RISK UNIT IMPLEMENTS MPI STYLUS PRO

- Group to utilize risk analytics, portfolio level reporting to measure diversification benefits

Summit, NJ and West Sacramento, CA – January 25, 2017 – PR Newswire – [Markov Processes International \(“MPI”\)](#), a leading FinTech provider of tools and services for analyzing investment performance and risk, today announced that the Innovation & Risk unit at [CalSTRS](#), the California State Teachers' Retirement System, the largest educator-only pension fund in the world, has implemented [MPI Stylus Pro](#). The [Innovation & Risk](#) group is tasked with a primary goal of identifying, researching and incubating investment strategies and opportunities that the pension system does not currently use but could result in favorable diversification benefits to the total plan.

The team sought to purchase a risk reporting tool to clearly model and communicate the plan level impacts of potential Innovation Portfolio (“Portfolio”) strategy allocations. Additionally, the team plans to use the software for monitoring the risk-return characteristics of the Portfolio’s [current strategy allocations](#). Besides serving Innovation & Risk’s internal workflow, the Investment Committee will also consume the reporting outputs in the course of strategy recommendation reviews and ongoing monitoring of the Portfolio.

The unit chose MPI Stylus Pro for its reporting flexibility, comprehensive range of risk measures, economic regime testing and scenario analysis capabilities, as well as plan level comparison functionality.

“In our effort to empirically assess the risk-return efficiency of the program’s strategies and the quantitative characteristics of potential allocations, the unit seeks to utilize an optimal set of tools and processes in pursuit of the [Portfolio policy](#),” said Steven Tong, Director of Innovation & Risk, CalSTRS.

“It has been a pleasure to work with the Innovation & Risk unit. We are pleased that our software has become a valuable piece of this distinguished group’s robust processes and service to system members,” said [Jeff Schwartz](#), President, MPI. He added, “We are committed to helping institutional investors advance their approach to portfolio construction and the way they assess strategies, managers and risk at the portfolio level.”

For information on MPI’s flagship software product, visit the [MPI Stylus Pro](#) page. For further information, please contact MPI at +1 (908) 608-1558 or info@markovprocesses.com.

About MPI:

[Markov Processes International Inc. \(MPI\)](#) is a leading provider of solutions for investment research, analysis and reporting to the global wealth and investment management industry. MPI has more than 300 client organizations, including pensions and endowments, sovereign wealth funds, global wealth management firms, institutional consultants, investment advisors and asset managers. Rooted in the principles of transparency, objectivity and efficiency, MPI takes an innovative approach to problem solving in the areas of fund analysis, risk management, asset allocation and portfolio construction and reporting to ensure its clients have the tools to

succeed in ever-crowded markets. Follow us on Twitter @MarkovMPI and connect with us on [LinkedIn](#).

About CalSTRS:

CalSTRS – The California State Teachers' Retirement System – is the largest educator-only pension fund in the world with assets totaling \$196.4 billion as of December 31, 2016. CalSTRS administers a hybrid retirement system, consisting of traditional defined benefit, cash balance and voluntary defined contribution plans. CalSTRS also provides disability and survivor benefits. CalSTRS serves California's nearly 900,000 public school educators and their families from the state's 1,700 school districts, county offices of education and community college districts. Follow us on Twitter @CalSTRS

MEDIA CONTACT

Paul Damon
802.999.5526
paul@keramas.net