



Contact: Becky Sielman
Milliman, Inc.
Tel: +1 860 687 0125
becky.sielman@milliman.com

FOR IMMEDIATE RELEASE

Press Release

Milliman analysis: April market rebound helps public pensions recover half of Q1 losses, with \$200 billion funding improvement

Milliman PPFi plans' funded ratio climbs back up to 69.8% thanks to 5.92% investment returns

SEATTLE – MAY 13, 2020 – Milliman, Inc., a premier global consulting and actuarial firm, today released a special April edition of its Public Pension Funding Index (PPFI), in light of the COVID-19 pandemic and resulting market volatility. Milliman's PPFi consists of the nation's 100 largest public defined benefit pension plans.

Our latest analysis shows funding for public pensions in April rebounded significantly from the first quarter of 2020, with an aggregate 5.92% investment return for the month – welcome news after Q1's dismal -10.81% asset performance. April's market gains led to a \$200 billion funding improvement for the PPFi, enabling public pensions to recover half of their losses from the previous two months. We estimate that the aggregate deficit shrank from \$1.819 trillion at the end of March 2020 to \$1.619 trillion at the end of April. The resulting funded ratio climbed significantly, from 66.0% at the end of March to 69.8% as of April 30.

"April was a surprisingly positive month for public pensions, with many sectors of the market showing some signs of recovery," said Becky Sielman, author of the Milliman 100 Public Pension Funding Index. "As economic fallout continues from the COVID-19 pandemic, plan sponsors will likely be keeping an eye on asset classes with delayed performance reporting, such as private equity, and market sectors that may be more vulnerable as the economy restarts."

To view the Milliman 100 Public Pension Funding Index, go to <http://www.milliman.com/ppfi/>. To receive regular updates of Milliman's pension funding analysis, contact us at pensionfunding@milliman.com.

About Milliman

Milliman is among the world's largest providers of actuarial and related products and services. The firm has consulting practices in healthcare, property & casualty insurance, life insurance and financial services, and employee benefits. Founded in 1947, Milliman is an independent firm with offices in major cities around the globe. For further information, visit milliman.com.

About the Milliman Public Pension Funding Index

Since 2012, Milliman has conducted an annual study of the 100 largest defined benefit plans sponsored by government jurisdictions in the U.S. The Milliman 100 Public Pension Funding Index projects the funded status for pension plans included in our study, reflecting the impact of actual market returns, utilizing the actual reported asset values, liabilities, and asset allocations of the pension plans. The results of the Milliman 100 Public Pension Funding Index are based on the pension plan financial reporting



information disclosed in the plan sponsors' Comprehensive Annual Financial Reports, which reflect measurement dates ranging from June 30, 2016, to December 31, 2018. This information was summarized as part of the Milliman 2019 Public Pension Funding Study, which was published on January 20, 2020.

####