


MICHIGAN STATE
UNIVERSITY

October 17, 2012

MEMORANDUM

To: Trustee Finance Committee
From: Fred L. Poston 
Subject: New Investment Manager - Acadian Asset Management LLC

RECOMMENDATION

BE IT RESOLVED that the Trustee Finance Committee recommends that the Board of Trustees select Acadian Asset Management LLC as an investment manager.

BACKGROUND

Acadian Asset Management manages approximately \$44 billion in global and international equities, with approximately \$12.6 billion in the emerging markets. The firm utilizes an active and systematic fundamental strategy combined with quantitative techniques.

Acadian Emerging Markets Equity Strategy (Fund) emphasizes fundamental bottom-up security selection to attain higher returns relative to portfolio risk. Selection criteria include value, growth, quality, and technical factors. The second component of stock selection is a macro forecast for the country relative to the world. The optimized portfolio is diversified, with over 200 investments.

Cambridge Associates advises, and the Investment Advisory Subcommittee and Administration concur, that Acadian Emerging Markets Equity Strategy represents an opportunity to diversify MSU's emerging markets equity by investing with an experienced manager whose strategy is complementary to existing managers. The Administration plans to invest \$15 million in the Fund.

cc: N. Carter, M. Haas, G. Klein



OFFICE OF THE
VICE PRESIDENT FOR
FINANCE AND
OPERATIONS

Fred L. Poston
Vice President and
Treasurer

Michigan State University
Hannah Administration Building
426 Auditorium Road, Room 412
East Lansing, Michigan
48824

Phone 517.355.5014
Fax 517.353.6772
www.vpfo.msu.edu