

FUND FINANCE FRIDAY

April Market Rally Eased Pension Fund Strain

May 15, 2020 | Issue No. 77

The funded status improved meaningfully for pension funds in April. The Milliman 100 Public Pension Funding Index, which tracks the 100 largest government-sponsored defined benefit pension plans, showed an investment return of 5.92% for the month, reducing the group's estimated deficit by \$200 billion to end the month at \$1.619 trillion. The funding ratio for index constituents improved to 69.8% from 66.0% at the end of March. The group controlled total assets of \$3.750 trillion at the end of April. The recovery comes on the heels of a brutal Q1. Wilshire Consulting reported that the quarter-end funding ratio for state pension plans was the lowest in its three decades of data. The Milliman report is available [here](#).