



OFFICE OF ILLINOIS STATE TREASURER

MICHAEL W. FRERICHS

FOR IMMEDIATE RELEASE:

March 1, 2016

CONTACT:

Greg Rivara 312.814.1901

Illinois Invests \$10 Million in Israel Bonds *Investment Expected to Diversify State's Portfolio, Provide Reliable Investment for Illinois Citizens*

SPRINGFIELD - Illinois Treasurer Michael W. Frerichs announced today a \$10 million investment in Israel bonds. The investment matures in February 2019.

"This is a strong investment for Illinois as well as Israel," said Frerichs. "Our policy is to seek good returns from safe investments. Whenever possible we seek those investments in Illinois but any sound portfolio needs diversification and Israel Bonds provide excellent returns and have never defaulted in over 60 years. In addition this investment reaffirms our special relationship with the State of Israel."

The Illinois Treasurer invests money on behalf of the state and its residents. The \$25 billion portfolio includes \$5 billion on behalf of local and state government units.

In expressing appreciation, Israel Bonds President & CEO Izzy Tapoohi said, "Illinois' consistent Israel bond investments highlight the fact that Treasurer Frerichs – who is entrusted with the highest level of fiduciary responsibility – understands that Israel bonds are a significant means of diversifying the state's portfolios." He added, "The investments also underscore confidence in Israel's economy, which is widely recognized as one of the strongest and most resilient in the world."

The bond purchase was facilitated through the Development Corporation for Israel. It has facilitated nearly \$40 billion in sales since the first bonds were issued in 1951. Capital raised through such sales has developed every aspect of Israel's economy.

About the Illinois Treasurer

The Illinois Treasurer is the state's chief investment officer and Frerichs is a Certified Public Finance Officer. He protects consumers by encouraging savings plans for college or trade school, increasing financial education among all ages, and removing barriers to a secure retirement. As the state's Chief Investment Officer, he actively manages approximately \$25 billion. The portfolio includes \$13 billion in state funds, \$7 billion in college savings plans and \$5 billion on behalf of local and state governments. The investment approach is cautious to ensure the preservation of capital and returns \$28 to the state for every \$1 spent in operations. The Treasurer's Office predates Illinois incorporation in 1818. Voters in 1848 chose to make it an elected office

-END-