



# Alaska Permanent Fund



## Full Member

The Alaska Permanent Fund was created by the people of Alaska in 1976 as a way to save a portion of the state's oil revenues for the needs of future generations. It uses oil royalties to make investments in bonds, stocks, real estate, infrastructure, and private entities. The returns on these investments are used to grow and finance the Fund. Additionally, since 1983, the Alaska Permanent Fund Dividend Division has distributed a portion of the earnings to Alaskans annually in the form of a dividend. The Fund is currently worth more than \$54 billion.

In 1980, the Alaska State Legislature created the Alaska Permanent Fund Corporation to manage the investments of the Permanent Fund outside of the State Treasury. The investments are guided by a six-member board of trustees, appointed by the Governor, but once appointed, the four public board members can only be removed for cause.

Asset classes are managed by a dedicated team of investment professionals focused on achieving best-in-class overall performance. Investments are spread across most markets, countries, and currencies to achieve broad exposure to global growth and value creation, taking advantage of the Fund's long-term horizon and size to generate high returns and maintain wealth for future generations.

The Fund is invested across public and private assets, and the asset allocation consists of eight asset classes:

1. Public Equities
2. Fixed-Income
3. Private Equity
4. Real Estate
5. Private Income: Infrastructure, Private Credit, & Income Opportunities
6. Absolute Return Strategies
7. Tactical Opportunities
8. Cash.

The goal is to have well-diversified investments that distribute risk and generate the highest possible return within the mandate given by the Board of Trustees.

The Permanent Fund is divided into two parts: Principal (non-spendable) and Earnings Reserve (spendable), both of which are fully invested in the same pool of assets. The Alaska Constitution articulates that the Principal shall only be used for income-producing investments. The Earnings Reserve account, established in Alaska Statutes, may be spent through appropriations approved by the Legislature.

In a state with primarily non-renewable resources, the Permanent Fund generates renewable revenue. In most years since its creation, the Fund has been the second-largest producer of state revenue, trailing only taxes and royalty payments generated by the oil and gas industry. The Permanent Fund is a progressive concept providing renewable revenue for Alaska; when oil and gas revenues are diminishing, the Fund is still growing. The Fund's successful adaptation to the varied global economic climates fortifies its significance to the State's future.

[To read the APFC 2023 Annual Report](#)

801 West 10th Street, Suite 302  
Juneau, AK 99801  
United States

[Member website](#)