



John Fleming, MD
LOUISIANA STATE TREASURER

(225) 342-0010
www.treasury.la.gov

Post Office Box 44154
Baton Rouge, LA 70804

May 13, 2025

Ms. Maris LeBlanc
Executive Director
Municipal Employees Retirement System of Louisiana
7937 Office Park Blvd
Baton Rouge, LA 70809-7606

Dear Ms. LeBlanc:

As Louisiana's State Treasurer, I want to share my concerns about investments in the People's Republic of China (PRC), the Hong Kong Special Administrative Region, or the Macau Special Administrative Region and the risk they present to all Louisiana retirement systems. Chinese market investments present a significant risk for the state's pension funds for the following reasons:

1. Lack of transparency for investors
 - a. Do not follow financial accounting standards
 - b. Do not adhere to reporting requirements and fraud prohibitions required of US companies
 - c. Restrict access to certain information by non-domestic authorities
 - d. Do not obey the rules of free markets
2. Subject to market manipulation from the Chinese Communist Party which force limits on stock sales or require state-owned entities to purchase stocks
3. Market illiquidity
4. Exchange rate fluctuations
5. High level of volatility and limited regulation
6. Decline in China's economy and rising geopolitical tensions
7. China engages in human rights abuses
8. Social and political instability
9. China engages in state sponsored theft of intellectual property

In addition to the risks associated with these investments, President Trump issued the "America First Investment Policy" on February 21, 2025. The order declares the PRC as a foreign adversary that exploits US capital to advance PRC's national Military-Civil Fusion strategy. PRC's strategy uses civilian Chinese companies and research institutions to acquire or steal the world's cutting-edge technologies to achieve military dominance. President Trump's order directs a review of Chinese private equity, venture capital, greenfield investments, and corporate expansions investments made by US investors, including pension funds, to determine if restrictions are required in the interest of national security.

Ms. Maris LeBlanc

May 13, 2025

Page 2

Given the risk associated with investments in Chinese markets and President Trump's Executive Order, I urge you to discontinue any Chinese market holdings you may have and to avoid any new investments.

Sincerely,

A handwritten signature in blue ink that reads "John Fleming, MD". The signature is written in a cursive, flowing style.

John Fleming, MD

Louisiana State Treasurer

cc: Amy Mathews, Chief Financial Officer, Louisiana Department of Treasury
Rachel Kincaid, First Assistant State Treasurer, Louisiana Department of Treasury
Jeff Crouere, Communications Director, Louisiana Department of Treasury