

# FUND EVALUATION REPORT

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## San Jose Federated City Employees' Retirement System

Quarterly Review  
March 31, 2017



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**Data is provided for informational purposes only, may not be complete, and cannot be relied upon for any purpose other than for discussion.**

**Meketa Investment Group has prepared this report on the basis of sources believed to be reliable. The data are based on matters as they are known as of the date of preparation of the report, and not as of any future date, and will not be updated or otherwise revised to reflect information that subsequently becomes available.**

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## **Executive Summary As of March 31, 2017**

**The value of the San Jose Federated City Employees' Retirement System assets was \$2.0 billion on March 31, 2017, an increase of approximately \$7.1 million from the end of the prior quarter. The System had net cash outflows of \$53.4 million during the quarter.**

- The Retirement System's net of fees performance for the quarter was +2.8%, underperforming the Policy Benchmark (+3.1%), but in line with the Custom Benchmark (+2.8%). The Retirement System underperformed the peer Public Defined Benefit Plans > \$1 Billion Universe's median return of +4.3%.
- The Retirement System returned +7.3% for the one-year period, underperforming the Policy Benchmark (+8.3), Custom Benchmark (+7.4%), and peer median (+11.6 %). The System's standard deviation of returns was 2.4% over the one-year period, versus 3.2% for the peer median.
  - Total Global Equity returned +5.8% for the quarter and +12.7% over the one-year period, underperforming the MSCI ACWI IMI's returns of +6.8% and 15.4%, respectively. For the quarter, Global Equity returned +5.7%, U.S. Equity returned +4.4%, International Equity returned +7.6%, Emerging Markets Equity returned +9.9%, and Marketable Alternative Equity returned +3.2%.
  - Global Fixed Income returned +1.6% for the quarter and +2.6% over the one-year period vs. +2.1% and +0.3% for the Custom Benchmark over the same periods, respectively. For the quarter, Global Core returned +1.0%, Non-Investment Grade Credit returned +2.1%, and Emerging Markets Debt returned +4.7%.
  - Real Assets returned +2.6% for the quarter and +11.1% over the one-year period. For the quarter, Real Estate returned +2.7%, Commodities returned -0.6%, Infrastructure returned +7.2%, and Natural Resources returned +2.3%.
- The Retirement System added three investment managers during the quarter: Comgest Global EM Promising Co (Emerging Markets Equity), Pine River Volatility Arb (Relative Value), and DRA Growth & Income Fund IX (Real Estate).

## Artisan

- Artisan Global Value returned +6.0% for the quarter, outperforming the MSCI ACWI Value by 110 basis points. For the quarter, nearly all of the underlying holdings in the Global Value Fund were positive. The top contributors for the quarter were Samsung Electronics (+23%), Oracle (+16%), and Medtronic (+14%).

## Cove Street

- Cove Street Small Cap Value outperformed the Russell 2000 Value for the quarter (+1.3% vs. -0.1%). Over the fiscal year-to-date and one-year periods, Cove Street had strong absolute performance, +15.9% and +15.0%, respectively, but underperformed the benchmark. The bulk of the longer term underperformance was concentrated in the fourth quarter of 2017 due to the lack of bank stocks that rallied post-election.

## Dimensional

- Dimensional Fund Advisors EM Value ("DFA") returned 14.3% for the quarter and +10.8% since inception (Nov-16), outperforming the MSCI Emerging Markets' returns of +11.4% and +6.5% over the same periods, respectively. DFA's emphasis on deep value emerging stocks (low P/B) positively contributed to performance over the benchmark for the quarter. Additionally, DFA's holdings in the financials and materials sectors contributed nearly 140 basis points of outperformance over the benchmark.

## Pinnacle

- Pinnacle Natural Resources returned -7.2% for the quarter and -11.5% over the one-year period, significantly underperforming the Bloomberg Commodity Index's returns of -2.3% and +8.7%, respectively. For the quarter, the primary detractor of absolute performance was concentrated in energy-related trading. The directional and relative value trading of energy detracted approximately 8% from the gross return for the quarter.

<sup>1</sup> All returns shown as calculated by the Trust's Custodian.



## First Quarter Manager Summary

Investment Manager	Asset Class	Changes/ Announcements	Performance Concerns	Meketa Recommendation <sup>1</sup>	Comments
Artisan Global Value	Global Equity	---	---	---	---
Oberweis International Opps.	Int'l Small Cap Equity	---	---	---	---
Cove Street Small Cap Value	Small Cap Equity	---	---	---	---
Aberdeen Frontier Markets Equity	Frontier Markets Equity	Yes	---	Hold	Personnel Changes, Proposed Merger
Comgest Global EM	Emerging Markets Equity	---	---	---	---
Dimensional EM Value	Emerging Markets Equity	Yes	---	Hold	Personnel Changes
Senator Global Opportunity	Long-Short Equity	---	---	---	---
Horizon Portfolio I	Long-Short Equity	---	---	---	---
Sandler Plus	Long-Short Equity	---	---	---	---
Marshall Wace Eureka	Long-Short Equity	---	---	---	---
Voya Securitized Credit	Global Credit	---	---	---	---
Davidson Kempner Inst.	Long-Short Credit	---	---	---	---
BlueBay EM Select Debt	Global Credit	Yes	---	Hold	Personnel Changes
Credit Suisse Risk Parity	Commodities	---	---	---	---
Pinnacle Natural Resources	Commodities	---	Yes	Hold	Significant Underperformance

<sup>1</sup> The Meketa Investment Group recommendations are based on the noted organizational or resource changes at each manager.



**Aberdeen**

- Andrew Smith, Co-Head of Americas and Chief Operating Officer, and Iain Plunkett, Group Chief Operating Officer and Chief Technology Officer left the Group Management Board (“GMB”) during the first quarter. The GMB is responsible for the management and operational development of the overall business. The GMB reports to the Aberdeen Asset Management PLC Board of Directors.
- On March 6, 2017, a possible all-share merger of Aberdeen and Standard Life was announced. The potential merger is subject to shareholder and regulatory approvals.

**Dimensional**

- Dave Butler was appointed Co-CEO of Dimensional Fund Advisors LP alongside Eduardo Repetto, what has been in the role since 2010. David Booth, who had been serving as Co-CEO, is continuing on as Executive Chairman of Dimensional and focusing his efforts on strategic initiatives. Dave Butler will continue in his role as the Head of Global Financial Advisor Services in addition to assuming the role of Co-CEO.
- Subsequent to the end of the first quarter, Henry Gray, Head of Global Equity Trading, left the firm. Ryan Wiley, previously Head of Americas trading, and John Romiza, previously Head of International Trading, were appointed Co-Heads of Global Equity Trading.

**BlueBay**

- On January 1, 2017, Luc Leclercq, Chief Operating Officer and Chief Risk Officer, joined the BlueBay Asset Management LLP and BlueBay Asset Management (Services) Ltd boards taking the positions left open following Nick Williams' retirement at the end of 2016. Mr. Williams remains a director of the BlueBay Funds, BlueBay Structured Funds and BlueBay's Cayman-registered funds.
- James Brace joined the BlueBay Management Committee on March 1, 2017, replacing Natalie Benitez-Castellano.



**BlueBay (continued)**

- As previously announced, subsequent to the end of the first quarter, Alex Khein, BlueBay's CEO resigned and his responsibilities were transferred to Erich Gerth on May 1, 2017. Mr. Gerth's responsibilities as BlueBay's Global Head of Business Development were assumed by Cenk Turkinan, Head of Institutional Sales and Consultant Relations. The changes do not affect the management of any funds or accounts.
- During the quarter, two Economists, one Credit Analyst and one Junior Portfolio Manager left the firm. Additionally, Timothy Ash joined the Firm as an Emerging Markets Senior Sovereign Strategist; Russel Matthews moved from the Investment Grade team to the Emerging Markets team; Shikeb Farooqui and Stanislav Gelfer, and Graham Stock's title changed from Head of Emerging Market Sovereign Research to Emerging Market Senior Sovereign Strategies.

## 1Q17 Review

## Total Fund Aggregate

As of March 31, 2017

## Allocation vs. Targets and Policy

	Current Balance	Current Allocation	Russell Overlay Net Position	Policy	Policy Range	Within IPS Range?
<b>Total Global Equity</b>	<b>\$613,787,906</b>	<b>30.6%</b>	<b>30.4%</b>	<b>28.0%</b>	<b>20.0% - 36.0%</b>	<b>Yes</b>
US Equity	\$97,402,150	4.8%	4.6%	--	--	--
International Equity	\$176,693,688	8.8%	9.1%	--	--	--
Global Equity	\$154,972,692	7.7%	7.5%	--	--	--
Emerging Markets Equity	\$63,392,940	3.2%	3.2%	--	--	--
Marketable Alternative Equity	\$121,326,436	6.0%	6.0%	6.0%	3.0% - 9.0%	Yes
<b>Private Equity</b>	<b>\$59,465,873</b>	<b>3.0%</b>	<b>3.0%</b>	<b>9.0%</b>	<b>4.0% - 14.0%</b>	<b>No</b>
<b>Global Fixed Income</b>	<b>\$395,699,698</b>	<b>19.7%</b>	<b>19.7%</b>	<b>19.0%</b>	<b>9.0% - 29.0%</b>	<b>Yes</b>
Global Core	\$301,987,958	15.0%	15.0%	12.0%	7.0% - 17.0%	Yes
Non-Investment Grade Credit	\$41,287,429	2.1%	2.1%	4.0%	0.0% - 6.0%	Yes
Emerging Markets	\$52,424,311	2.6%	2.6%	3.0%	0.0% - 5.0%	Yes
<b>Private Debt</b>	<b>\$83,658,326</b>	<b>4.2%</b>	<b>4.2%</b>	<b>5.0%</b>	<b>0.0% - 10.0%</b>	<b>Yes</b>
<b>Real Assets</b>	<b>\$458,713,181</b>	<b>22.8%</b>	<b>22.8%</b>	<b>23.0%</b>	<b>15.0% - 30.0%</b>	<b>Yes</b>
Real Estate	\$114,944,904	5.7%	5.7%	7.0%	4.0% - 10.0%	Yes
Commodities	\$128,567,608	6.4%	6.4%	6.0%	2.0% - 10.0%	Yes
Infrastructure	\$102,724,256	5.1%	5.1%	5.0%	2.0% - 8.0%	Yes
Natural Resources	\$112,476,414	5.6%	5.6%	5.0%	2.0% - 8.0%	Yes
<b>Absolute Return</b>	<b>\$277,135,723</b>	<b>13.8%</b>	<b>13.8%</b>	<b>11.0%</b>	<b>6.0% - 16.0%</b>	<b>Yes</b>
<b>GTAA/Opportunistic</b>	<b>--</b>	<b>--</b>	<b>0.0%</b>	<b>5.0%</b>	<b>0.0% - 8.0%</b>	<b>Yes</b>
<b>Cash</b>	<b>\$120,247,139</b>	<b>6.0%</b>	<b>6.2%</b>	<b>0.0%</b>	<b>0.0% - 10.0%</b>	<b>Yes</b>
<b>Total</b>	<b>\$2,008,707,846</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>		

<sup>1</sup> Data in the column titled "Russell Overlay Net Position" is based on physical exposures, adjusted for synthetic positions provided by Russell Investments.

<sup>2</sup> Global Equity includes <\$0.1 million of residuals from terminated managers or previous transitions.

<sup>3</sup> Cash includes the cash account, cash equitized in the Russell Investments Overlay program, cash from private manager distributions, and residuals from the Terminated Manager Account.



## Total Fund Aggregate

As of March 31, 2017

## Asset Class Net Performance Summary

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
<b>Total Fund Aggregate</b>	<b>2,008,707,845</b>	<b>100.0</b>	<b>2.8</b>	<b>5.4</b>	<b>7.3</b>	<b>2.5</b>	<b>4.2</b>	<b>3.4</b>	<b>6.7</b>	<b>Jan-94</b>
San Jose FCERS Policy Benchmark			3.1	5.3	8.3	2.3	5.1	4.0	7.0	Jan-94
Total Fund Ex Overlay (net)			2.7	5.0	6.9	2.4	4.0	3.3	6.7	Jan-94
Consumer Price Index			1.0	1.2	2.4	1.0	1.2	1.7	2.2	Jan-94
San Jose FCERS Custom Benchmark			2.8	4.4	7.4	2.1	4.2	3.4	--	Jan-94
InvestorForce Public DB > \$1B Net Median			4.3	9.5	11.6	5.0	7.4	4.9	7.2	Jan-94
InvestorForce Public DB > \$1B Net Rank			97	98	99	99	98	96	72	Jan-94
<b>Total Global Equity</b>	<b>613,787,906</b>	<b>30.6</b>	<b>5.8</b>	<b>12.5</b>	<b>12.7</b>	<b>4.5</b>	<b>8.2</b>	<b>--</b>	<b>8.0</b>	<b>May-10</b>
MSCI ACWI IMI Net USD			6.8	14.2	15.4	5.1	8.5	--	8.0	May-10
<b>Global Equity</b>	<b>154,972,692</b>	<b>7.7</b>	<b>5.7</b>	<b>17.9</b>	<b>17.5</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>8.4</b>	<b>Jul-15</b>
MSCI ACWI IMI Net USD			6.8	14.2	15.4	--	--	--	5.5	Jul-15
<b>US Equity</b>	<b>97,402,150</b>	<b>4.8</b>	<b>4.4</b>	<b>15.1</b>	<b>16.8</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>8.8</b>	<b>Jul-15</b>
Russell 3000			5.7	15.0	18.1	--	--	--	9.7	Jul-15
<b>International Equity</b>	<b>176,693,688</b>	<b>8.8</b>	<b>7.6</b>	<b>12.2</b>	<b>11.2</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>1.6</b>	<b>Jul-15</b>
MSCI World ex USA			6.8	13.1	11.9	--	--	--	1.1	Jul-15
<b>Emerging Markets Equity</b>	<b>63,392,940</b>	<b>3.2</b>	<b>9.9</b>	<b>12.4</b>	<b>9.5</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>0.5</b>	<b>Jul-15</b>
MSCI Emerging Markets			11.4	16.4	17.2	--	--	--	1.4	Jul-15
<b>Marketable Alternative Equity</b>	<b>121,326,436</b>	<b>6.0</b>	<b>3.2</b>	<b>4.8</b>	<b>6.4</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>4.7</b>	<b>Oct-14</b>
HFRI Equity Hedge (Total) Index			3.9	10.0	11.6	--	--	--	3.3	Oct-14

<sup>1</sup> Fiscal Year begins July 1.<sup>2</sup> Beginning in July 2012, fees are accounted for on a cash basis. Previously, fees were accounted for on an accrual basis.<sup>3</sup> Please see the Appendix for composition of the San Jose FCERS Policy Benchmark.<sup>4</sup> San Jose FCERS Custom Benchmark consists of the individual benchmarks that comprise the San Jose FCERS Policy Benchmark weighted accordingly to actual allocations and re-adjusted monthly.<sup>5</sup> Global Equity includes <\$0.1 million of residuals from terminated managers or previous transitions.<sup>5</sup> Returns for the Equity Aggregate are gross of fees through June 2015 and net of fees thereafter.

## Total Fund Aggregate

As of March 31, 2017

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
<b>Private Equity</b>	<b>59,465,873</b>	<b>3.0</b>	<b>0.1</b>	<b>3.5</b>	<b>3.6</b>	<b>7.7</b>	<b>10.3</b>	<b>7.2</b>	<b>6.3</b>	<b>Jan-06</b>
Cambridge Associates Global Private Equity Index			0.0	7.2	10.4	7.6	10.4	8.5	11.1	Jan-06
<b>Global Fixed Income</b>	<b>395,699,698</b>	<b>19.7</b>	<b>1.6</b>	<b>0.6</b>	<b>2.6</b>	<b>1.3</b>	<b>2.2</b>	<b>--</b>	<b>2.5</b>	<b>Jan-12</b>
Fixed Income Custom Benchmark			2.1	-2.6	0.3	0.5	0.9	--	1.0	Jan-12
<b>Global Core</b>	<b>301,987,958</b>	<b>15.0</b>	<b>1.0</b>	<b>-0.6</b>	<b>1.1</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>1.5</b>	<b>Jul-15</b>
BBgBarc Global Aggregate TR			1.8	-4.7	-1.9	--	--	--	2.2	Jul-15
<b>Non-Investment Grade Credit</b>	<b>41,287,429</b>	<b>2.1</b>	<b>2.1</b>	<b>6.7</b>	<b>9.5</b>	<b>-1.7</b>	<b>--</b>	<b>--</b>	<b>1.1</b>	<b>Feb-13</b>
50% BAML Global HY / 50% S&P Global Leveraged Loan			2.0	8.4	11.6	4.0	--	--	6.3	Feb-13
<b>Emerging Markets</b>	<b>52,424,311</b>	<b>2.6</b>	<b>4.7</b>	<b>2.7</b>	<b>6.4</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>2.7</b>	<b>Jul-15</b>
50% JPM EMBI GD / 50% JPM GBI-EM			5.2	3.2	7.3	--	--	--	5.3	Jul-15
<b>Private Debt</b>	<b>83,658,326</b>	<b>4.2</b>	<b>2.5</b>	<b>2.7</b>	<b>2.1</b>	<b>4.3</b>	<b>6.5</b>	<b>--</b>	<b>6.0</b>	<b>Dec-10</b>
S&P Global Leveraged Loan +2%			1.6	8.4	10.8	4.3	6.3	--	6.4	Dec-10
<b>Real Assets</b>	<b>458,713,181</b>	<b>22.8</b>	<b>2.6</b>	<b>5.0</b>	<b>11.1</b>	<b>-0.6</b>	<b>-1.4</b>	<b>--</b>	<b>0.4</b>	<b>May-10</b>
Real Assets Benchmark			2.1	4.9	12.4	0.0	2.4	--	4.4	May-10
<b>Real Estate</b>	<b>114,944,904</b>	<b>5.7</b>	<b>2.7</b>	<b>8.4</b>	<b>11.0</b>	<b>16.0</b>	<b>14.1</b>	<b>4.9</b>	<b>9.4</b>	<b>Jan-94</b>
NCREIF Property Index			1.6	5.1	7.3	10.6	10.7	6.7	9.5	Jan-94
<b>Commodities</b>	<b>128,567,608</b>	<b>6.4</b>	<b>-0.6</b>	<b>-1.4</b>	<b>2.8</b>	<b>-12.3</b>	<b>-8.8</b>	<b>--</b>	<b>-5.0</b>	<b>May-10</b>
Bloomberg Commodity Index TR USD			-2.3	-3.6	8.7	-13.9	-9.5	--	-6.3	May-10

<sup>1</sup> Fiscal Year begins July 1.<sup>2</sup> Returns for the Fixed Income, Private Debt, and Real Assets Aggregates are gross of fees through June 2015 and net of fees thereafter.<sup>3</sup> Prior to 7/1/2015, Fixed Income Custom Benchmark was 100% Barclays Global Aggregate. After 7/1/2015, Fixed Income Custom Benchmark consists of 80% Barclays Global Aggregate, 5% JPM GBI-EM GD, 5% JPM EMBI GD, 5% S&P Global Leveraged Loan, and 5% BAML Global HY Index.

## Total Fund Aggregate

As of March 31, 2017

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
<b>Infrastructure</b>	<b>102,724,256</b>	<b>5.1</b>	<b>7.2</b>	<b>3.6</b>	<b>11.5</b>	<b>5.1</b>	--	--	<b>5.6</b>	<b>Mar-14</b>
<i>DJ Brookfield Global Infrastructure Net TR USD</i>			7.5	4.1	11.9	4.7	--	--	5.0	Mar-14
<b>Natural Resources</b>	<b>112,476,414</b>	<b>5.6</b>	<b>2.3</b>	<b>12.1</b>	<b>23.1</b>	<b>-4.4</b>	--	--	<b>-2.9</b>	<b>Nov-12</b>
<i>S&amp;P Global Natural Resources Index TR USD</i>			2.9	16.4	24.6	-2.2	--	--	-0.7	Nov-12
<b>Absolute Return</b>	<b>277,135,723</b>	<b>13.8</b>	<b>0.2</b>	<b>1.4</b>	<b>1.3</b>	<b>2.8</b>	--	--	<b>3.4</b>	<b>Nov-12</b>
<i>HFRI Macro (Total) Index</i>			-0.1	-1.8	-0.6	1.8	--	--	1.3	Nov-12
<b>Relative Value</b>	<b>123,396,310</b>	<b>6.1</b>	<b>0.6</b>	<b>2.8</b>	<b>5.3</b>	--	--	--	<b>3.1</b>	<b>Oct-14</b>
<i>HFRI Relative Value (Total) Index</i>			2.2	7.2	10.4	--	--	--	3.4	Oct-14
<b>Macro</b>	<b>153,739,413</b>	<b>7.7</b>	<b>-0.2</b>	<b>0.5</b>	<b>-1.6</b>	--	--	--	<b>1.0</b>	<b>Oct-14</b>
<i>HFRI Macro (Total) Index</i>			-0.1	-1.8	-0.6	--	--	--	0.8	Oct-14
<b>GTAA/Opportunistic</b>	<b>0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	--	--	--	--	
<i>60/40 MSCI ACWI IMI/BC Global</i>			4.8	6.3	8.2	--	--	--	--	
<b>Cash</b>	<b>87,825,224</b>	<b>4.4</b>								
<i>91 Day T-Bills</i>										

<sup>1</sup> Fiscal Year begins July 1.<sup>2</sup> Cash includes the cash account, cash equitized in the Russell Investments Overlay program, cash from private manager distributions, and residuals from the Terminated Manager Account.

## Total Fund Aggregate

As of March 31, 2017

## Trailing Net Performance

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
<b>Total Global Equity</b>	<b>613,787,906</b>	<b>30.6</b>	<b>5.8</b>	<b>12.5</b>	<b>12.7</b>	<b>4.5</b>	<b>8.2</b>	<b>--</b>	<b>8.0</b>	<b>May-10</b>
MSCI ACWI IMI Net USD			6.8	14.2	15.4	5.1	8.5	--	8.0	May-10
<b>Global Equity</b>	<b>154,972,692</b>	<b>7.7</b>	<b>5.7</b>	<b>17.9</b>	<b>17.5</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>8.4</b>	<b>Jul-15</b>
MSCI ACWI IMI Net USD			6.8	14.2	15.4	--	--	--	5.5	Jul-15
Artisan Global Value	155,598,204	7.7	6.0	16.7	16.2	6.3	12.2	--	11.5	Mar-11
MSCI ACWI Value NR USD			4.9	15.7	17.1	3.8	7.8	--	5.8	Mar-11
Russell Currency Hedge	-625,512	0.0								
<b>US Equity</b>	<b>97,402,150</b>	<b>4.8</b>	<b>4.4</b>	<b>15.1</b>	<b>16.8</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>8.8</b>	<b>Jul-15</b>
Russell 3000			5.7	15.0	18.1	--	--	--	9.7	Jul-15
Cove Street Small Cap Value	32,441,469	1.6	1.3	15.9	15.0	--	--	--	6.3	May-14
Russell 2000 Value			-0.1	24.0	29.4	--	--	--	8.8	May-14
Northern Trust Russell 1000 Index	64,960,680	3.2	6.0	--	--	--	--	--	12.3	Nov-16
Russell 1000			6.0	--	--	--	--	--	12.3	Nov-16
<b>International Equity</b>	<b>176,693,688</b>	<b>8.8</b>	<b>7.6</b>	<b>12.2</b>	<b>11.2</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>1.6</b>	<b>Jul-15</b>
MSCI World ex USA			6.8	13.1	11.9	--	--	--	1.1	Jul-15
Northern Trust MSCI World ex. U.S.	145,225,277	7.2	6.9	--	--	--	--	--	8.7	Nov-16
MSCI World ex USA			6.8	--	--	--	--	--	8.5	Nov-16
Oberweis International Opportunities	31,468,411	1.6	10.8	7.3	8.1	--	--	--	7.3	Nov-15
MSCI World ex US Small Cap Growth			8.5	10.1	9.3	--	--	--	7.8	Nov-15

<sup>1</sup> Fiscal Year begins July 1.<sup>2</sup> Returns for the Equity Aggregate are gross of fees through June 2015 and net of fees thereafter.<sup>3</sup> Total Global Equity includes <\$0.1 million of residuals from terminated managers or previous transitions. Global Equity includes a partial currency hedge initiated on August 21, 2015 of the following currencies: Australian Dollar, Canadian Dollar, Swiss Franc, Euro, British Pound Sterling, and Japanese Yen. As of the date of this report, the unrealized profit or loss was (\$0.6) mm and the total net exposure of the hedge was \$32.7 mm.

## Total Fund Aggregate

As of March 31, 2017

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
<b>Emerging Markets Equity</b>	<b>63,392,940</b>	<b>3.2</b>	<b>9.9</b>	<b>12.4</b>	<b>9.5</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>0.5</b>	<b>Jul-15</b>
MSCI Emerging Markets			11.4	16.4	17.2	--	--	--	1.4	Jul-15
Aberdeen Frontier Markets	18,409,336	0.9	5.5	8.0	7.7	-3.4	--	--	-2.9	Dec-13
MSCI Frontier Markets			8.9	12.3	12.9	-1.7	--	--	1.3	Dec-13
MSCI Frontier Markets ex GCC NR USD			8.9	9.9	12.1	-1.9	--	--	-2.1	Dec-13
Comgest Global Emerging Markets	15,000,000	0.7	--	--	--	--	--	--	0.0	Mar-17
MSCI Emerging Markets			--	--	--	--	--	--	2.5	Mar-17
MSCI Frontier Markets ex GCC NR USD			--	--	--	--	--	--	3.5	Mar-17
Dimensional Fund Advisors EM Value	29,983,604	1.5	14.3	--	--	--	--	--	10.8	Nov-16
MSCI Emerging Markets			11.4	--	--	--	--	--	6.5	Nov-16
<b>Marketable Alternative Equity</b>	<b>121,326,436</b>	<b>6.0</b>	<b>3.2</b>	<b>4.8</b>	<b>6.4</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>4.7</b>	<b>Oct-14</b>
HFRI Equity Hedge (Total) Index			3.9	10.0	11.6	--	--	--	3.3	Oct-14
Senator Global Opportunity Offshore Fund	37,731,656	1.9	3.8	9.0	9.7	3.6	--	--	6.6	Apr-13
HFRI Event-Driven (Total) Index			2.4	10.8	14.0	2.7	--	--	4.6	Apr-13
Horizon Portfolio I	31,818,773	1.6	1.9	-1.2	0.5	4.3	--	--	5.5	Jul-13
HFRI Equity Hedge (Total) Index			3.9	10.0	11.6	3.0	--	--	5.1	Jul-13
Sandler Plus Offshore Fund Ltd	26,569,528	1.3	4.6	5.0	6.6	7.7	--	--	7.5	May-13
HFRI Equity Hedge (Total) Index			3.9	10.0	11.6	3.0	--	--	4.7	May-13
Marshall Wace Eureka Fund	25,206,479	1.3	2.2	6.6	9.1	7.5	--	--	7.5	Apr-14
HFRI Equity Hedge (Total) Index			3.9	10.0	11.6	3.0	--	--	3.0	Apr-14

<sup>1</sup> Fiscal Year begins July 1.



## Total Fund Aggregate

As of March 31, 2017

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
<b>Private Equity</b>	<b>59,465,873</b>	<b>3.0</b>	<b>0.1</b>	<b>3.5</b>	<b>3.6</b>	<b>7.7</b>	<b>10.3</b>	<b>7.2</b>	<b>6.3</b>	<b>Jan-06</b>
Cambridge Associates Global Private Equity Index			0.0	7.2	10.4	7.6	10.4	8.5	11.1	Jan-06
Pantheon USA Fund VII	25,844,640	1.3	0.0	5.8	7.9	10.8	12.6	--	--	Jan-07
Partners Group Secondary 2011, L.P.	12,332,695	0.6	0.3	3.6	4.5	13.3	--	--	23.8	Nov-12
Pathway Private Equity Fund VIII	7,080,843	0.4	-0.8	-0.9	-2.0	4.6	9.5	--	--	Aug-04
Pantheon Global Secondary Fund III 'B'	8,035,447	0.4	0.0	0.7	-0.4	0.1	1.9	--	--	Jan-07
Partners Group Secondary 2008, L.P.	2,420,244	0.1	3.4	-3.2	-8.1	-0.9	5.8	--	--	Dec-08
Great Hill Equity Partners IV, LP	3,752,004	0.2	-0.1	12.3	9.5	21.2	23.6	--	--	Oct-08
<b>Global Fixed Income</b>	<b>395,699,698</b>	<b>19.7</b>	<b>1.6</b>	<b>0.6</b>	<b>2.6</b>	<b>1.3</b>	<b>2.2</b>	<b>--</b>	<b>2.5</b>	<b>Jan-12</b>
Fixed Income Custom Benchmark			2.1	-2.6	0.3	0.5	0.9	--	1.0	Jan-12
<b>Global Core</b>	<b>301,987,958</b>	<b>15.0</b>	<b>1.0</b>	<b>-0.6</b>	<b>1.1</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>1.5</b>	<b>Jul-15</b>
BBgBarc Global Aggregate TR			1.8	-4.7	-1.9	--	--	--	2.2	Jul-15
Northern Trust Intermediate Gov't 1-10 Year	92,832,330	4.6	0.5	-1.9	-0.7	1.5	--	--	0.9	Oct-12
BBgBarc US Govt Int TR			0.5	-1.9	-0.7	1.6	--	--	0.9	Oct-12
Northern Trust TIPS 0-5 Years	112,111,339	5.6	0.7	0.8	1.7	--	--	--	0.2	Jul-14
BBgBarc US Treasury TIPS 0-5 Yr TR			0.7	0.8	1.7	--	--	--	0.2	Jul-14

<sup>1</sup> Fiscal Year begins July 1.<sup>2</sup> Returns for the Fixed Income Aggregate are gross of fees through June 2015 and net of fees thereafter.<sup>3</sup> Prior to 7/1/2015, Fixed Income Custom Benchmark was 100% Barclays Global Aggregate. After 7/1/2015, Fixed Income Custom Benchmark consists of 80% Barclays Global Aggregate, 5% JPM GBI-EM GD, 5% JPM EMBI GD, 5% S&P Global Leveraged Loan, and 5% BAML Global HY Index.

## Total Fund Aggregate

As of March 31, 2017

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Voya Securitized Credit	59,884,174	3.0	2.0	5.5	8.3	--	--	--	5.0	Jul-15
BBgBarc Global Aggregate Securitized TR			0.7	-1.6	-1.0	--	--	--	1.3	Jul-15
BlackRock Long Government Index	37,160,115	1.8	1.5	-10.2	--	--	--	--	-4.8	Jun-16
BBgBarc US Govt Long TR			1.4	-10.5	--	--	--	--	-5.1	Jun-16
<b>Non-Investment Grade Credit</b>	<b>41,287,429</b>	<b>2.1</b>	<b>2.1</b>	<b>6.7</b>	<b>9.5</b>	<b>-1.7</b>	<b>--</b>	<b>--</b>	<b>1.1</b>	<b>Feb-13</b>
50% BAML Global HY / 50% S&P Global Leveraged Loan			2.0	8.4	11.6	4.0	--	--	6.3	Feb-13
Davidson Kempner Institutional Partners, L.P.	37,406,898	1.9	2.3	6.1	9.1	3.8	--	--	5.3	Feb-13
HFRI Event-Driven (Total) Index			2.4	10.8	14.0	2.7	--	--	4.8	Feb-13
Claren Road Credit Fund	3,880,532	0.2	1.5	11.6	14.1	-6.1	--	--	-4.5	Jul-13
HFRI RV: Fixed Income-Corporate Index			2.2	9.1	12.9	3.5	--	--	4.5	Jul-13
<b>Emerging Markets</b>	<b>52,424,311</b>	<b>2.6</b>	<b>4.7</b>	<b>2.7</b>	<b>6.4</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>2.7</b>	<b>Jul-15</b>
50% JPM EMBI GD / 50% JPM GBI-EM			5.2	3.2	7.3	--	--	--	5.3	Jul-15
BlueBay Emerging Market Select Debt	52,424,311	2.6	4.7	2.7	6.4	--	--	--	2.7	Jul-15
50% JPM EMBI GD / 50% JPM GBI-EM			5.2	3.2	7.3	--	--	--	5.3	Jul-15
<b>Private Debt</b>	<b>83,658,326</b>	<b>4.2</b>	<b>2.5</b>	<b>2.7</b>	<b>2.1</b>	<b>4.3</b>	<b>6.5</b>	<b>--</b>	<b>6.0</b>	<b>Dec-10</b>
S&P Global Leveraged Loan +2%			1.6	8.4	10.8	4.3	6.3	--	6.4	Dec-10
Medley Opportunity Fund II	40,998,003	2.0	3.0	7.3	6.8	6.9	8.1	--	7.2	Jun-11
3-Month LIBOR + 5%			1.5	4.5	5.9	5.5	5.5	--	5.5	Jun-11
White Oak Direct Lending Account	25,801,137	1.3	0.6	-10.7	-10.2	2.2	4.9	--	4.0	Feb-11
3-Month LIBOR + 5%			1.5	4.5	5.9	5.5	5.5	--	5.4	Feb-11

<sup>1</sup> Fiscal Year begins July 1.<sup>2</sup> Returns for the Private Debt Aggregate are gross of fees through June 2015 and net of fees thereafter.

## Total Fund Aggregate

As of March 31, 2017

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
GSO Direct Lending Account	11,787,738	0.6	3.7	15.5	12.0	1.2	5.6	--	8.3	Mar-11
3-Month LIBOR + 5%			1.5	4.5	5.9	5.5	5.5	--	5.4	Mar-11
Cross Ocean USD ESS II	5,071,447	0.3	6.7	--	--	--	--	--	15.3	Aug-16
S&P Global Leveraged Loan +2%			1.6	--	--	--	--	--	6.4	Aug-16
<b>Real Assets</b>	<b>458,713,181</b>	<b>22.8</b>	<b>2.6</b>	<b>5.0</b>	<b>11.1</b>	<b>-0.6</b>	<b>-1.4</b>	<b>--</b>	<b>0.4</b>	<b>May-10</b>
Real Assets Benchmark			2.1	4.9	12.4	0.0	2.4	--	4.4	May-10
<b>Real Estate</b>	<b>114,944,904</b>	<b>5.7</b>	<b>2.7</b>	<b>8.4</b>	<b>11.0</b>	<b>16.0</b>	<b>14.1</b>	<b>4.9</b>	<b>9.4</b>	<b>Jan-94</b>
NCREIF Property Index			1.6	5.1	7.3	10.6	10.7	6.7	9.5	Jan-94
PRISA	38,152,050	1.9	3.6	7.6	9.8	12.5	11.8	4.6	7.2	Jul-04
NCREIF ODCE Equal Weighted (net)			2.0	6.0	8.1	11.2	11.1	4.5	6.9	Jul-04
American Realty	39,789,566	2.0	1.0	3.7	4.9	10.5	10.6	4.4	4.8	Jan-07
NCREIF ODCE Equal Weighted (net)			2.0	6.0	8.1	11.2	11.1	4.5	4.8	Jan-07
DRA Growth and Income Fund V	1,128,232	0.1	-6.3	23.4	25.5	25.2	16.8	7.5	7.6	Jan-06
NCREIF Property Index			1.6	5.1	7.3	10.6	10.7	6.7	7.7	Jan-06
DRA Growth and Income Fund VI	2,848,355	0.1	2.0	6.4	8.6	23.2	17.1	--	10.5	Jan-08
NCREIF Property Index			1.6	5.1	7.3	10.6	10.7	--	6.0	Jan-08
DRA Growth and Income Fund VII	13,059,149	0.7	6.1	18.5	29.6	21.3	18.7	--	18.7	Apr-12
NCREIF Property Index			1.6	5.1	7.3	10.6	10.7	--	10.7	Apr-12
DRA Growth & Income Fund VIII	13,336,515	0.7	2.7	10.0	11.1	--	--	--	11.5	Jan-15
NCREIF Property Index			1.6	5.1	7.3	--	--	--	10.1	Jan-15

<sup>1</sup> Fiscal Year begins July 1.<sup>2</sup> Returns for the Real Assets Aggregate are gross of fees through June 2015 and net of fees thereafter.

## Total Fund Aggregate

As of March 31, 2017

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
DRA Growth and Income Fund IX <i>NCREIF Property Index</i>	2,105,206	0.1	--	--	--	--	--	--	0.0	Feb-17
			--	--	--	--	--	--	1.6	Feb-17
Fidelity Real Estate Growth Fund III <i>NCREIF Property Index</i>	1,159,913	0.1	-0.8	-6.7	-3.7	14.7	15.0	--	-7.3	Jan-08
			1.6	5.1	7.3	10.6	10.7	--	6.0	Jan-08
Tristan Capital Partners <i>NCREIF Property Index</i>	3,365,918	0.2	1.2	-3.8	-7.7	--	--	--	4.0	Jan-16
			1.6	5.1	7.3	--	--	--	7.6	Jan-16
<b>Commodities</b>	<b>128,567,608</b>	<b>6.4</b>	<b>-0.6</b>	<b>-1.4</b>	<b>2.8</b>	<b>-12.3</b>	<b>-8.8</b>	<b>--</b>	<b>-5.0</b>	<b>May-10</b>
<i>Bloomberg Commodity Index TR USD</i>			-2.3	-3.6	8.7	-13.9	-9.5	--	-6.3	May-10
Credit Suisse Risk Parity Commodity Index <i>Bloomberg Commodity Index TR USD</i>	93,345,568	4.6	2.2	1.8	10.3	-9.0	-6.0	--	-6.8	Apr-11
			-2.3	-3.6	8.7	-13.9	-9.5	--	-10.7	Apr-11
Pinnacle Natural Resources, L.P. <i>Bloomberg Commodity Index TR USD</i>	35,222,040	1.8	-7.2	-10.0	-11.5	--	--	--	-9.7	Jan-16
			-2.3	-3.6	8.7	--	--	--	7.3	Jan-16
<b>Infrastructure</b>	<b>102,724,256</b>	<b>5.1</b>	<b>7.2</b>	<b>3.6</b>	<b>11.5</b>	<b>5.1</b>	<b>--</b>	<b>--</b>	<b>5.6</b>	<b>Mar-14</b>
<i>DJ Brookfield Global Infrastructure Net TR USD</i>			7.5	4.1	11.9	4.7	--	--	5.0	Mar-14
Rhumblin DJ Brookfield Global Infrastructure <i>DJ Brookfield Global Infrastructure Net TR USD</i>	99,119,513	4.9	7.8	4.5	12.4	--	--	--	2.3	Jun-15
			7.5	4.1	11.9	--	--	--	1.7	Jun-15
Global Infrastructure Partners III <i>DJ Brookfield Global Infrastructure Net TR USD</i>	3,598,202	0.2	-6.1	--	--	--	--	--	-16.3	Sep-16
			7.5	--	--	--	--	--	4.8	Sep-16

<sup>1</sup> Fiscal Year begins July 1.<sup>3</sup> Rhumblin's tracking error due to cash positions that resulted from a delay in the ability to invest in certain markets.

## Total Fund Aggregate

As of March 31, 2017

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
SSgA DJ Brookfield Infrastructure Index	6,542	0.0								
<b>Natural Resources</b>	<b>112,476,414</b>	<b>5.6</b>	<b>2.3</b>	<b>12.1</b>	<b>23.1</b>	<b>-4.4</b>	<b>--</b>	<b>--</b>	<b>-2.9</b>	<b>Nov-12</b>
S&P Global Natural Resources Index TR USD			2.9	16.4	24.6	-2.2	--	--	-0.7	Nov-12
Rhumbline S&P Global Large MidCap Commodity & NR	112,469,057	5.6	2.3	12.1	23.1	--	--	--	-2.1	Jun-15
S&P Global LargeMidCap Commodity and Resources GR USD			2.3	12.2	23.1	--	--	--	-2.0	Jun-15
Northern Trust Global LargeMid Natural Resources	7,357	0.0								
<b>Absolute Return</b>	<b>277,135,723</b>	<b>13.8</b>	<b>0.2</b>	<b>1.4</b>	<b>1.3</b>	<b>2.8</b>	<b>--</b>	<b>--</b>	<b>3.4</b>	<b>Nov-12</b>
HFRI Macro (Total) Index			-0.1	-1.8	-0.6	1.8	--	--	1.3	Nov-12
<b>Relative Value</b>	<b>123,396,310</b>	<b>6.1</b>	<b>0.6</b>	<b>2.8</b>	<b>5.3</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>3.1</b>	<b>Oct-14</b>
HFRI Relative Value (Total) Index			2.2	7.2	10.4	--	--	--	3.4	Oct-14
Arrowgrass International Fund Ltd	14,105,144	0.7	1.1	3.8	2.7	3.3	--	--	5.2	Nov-12
HFRI Relative Value (Total) Index			2.2	7.2	10.4	3.7	--	--	5.1	Nov-12
DE Shaw	39,319,481	2.0	0.1	2.1	5.1	10.4	--	--	11.0	Apr-13
HFRI Fund Weighted Composite Index			2.5	6.8	8.7	2.9	--	--	3.8	Apr-13
Hudson Bay Fund	771,818	0.0	0.0	1.6	3.0	-0.9	--	--	0.7	Aug-13
HFRI Relative Value (Total) Index			2.2	7.2	10.4	3.7	--	--	4.6	Aug-13
JD Capital	20,123,958	1.0	0.0	--	--	--	--	--	0.5	Oct-16
HFRI Relative Value (Total) Index			2.2	--	--	--	--	--	4.1	Oct-16
Pine River Fund Ltd	24,075,909	1.2	2.0	3.5	7.9	0.2	--	--	3.0	Jan-13
HFRI Relative Value (Total) Index			2.2	7.2	10.4	3.7	--	--	4.8	Jan-13

<sup>1</sup> Fiscal Year begins July 1.

## Total Fund Aggregate

As of March 31, 2017

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Pine River Volatility Arbitrage	25,000,000	1.2	--	--	--	--	--	--	0.0	Mar-17
<i>HFRI Relative Value (Total) Index</i>			--	--	--	--	--	--	0.3	Mar-17
<b>Macro</b>	<b>153,739,413</b>	<b>7.7</b>	<b>-0.2</b>	<b>0.5</b>	<b>-1.6</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>1.0</b>	<b>Oct-14</b>
<i>HFRI Macro (Total) Index</i>			-0.1	-1.8	-0.6	--	--	--	0.8	Oct-14
AHL Frontier Fund	13,496,177	0.7	2.2	4.3	--	--	--	--	4.3	Jun-16
<i>Barclay BTOP50 Index TR USD</i>			-1.8	-6.5	--	--	--	--	-6.5	Jun-16
BlueTrend Fund Limited	17,173,594	0.9	-1.7	-12.6	-18.7	1.9	--	--	-3.7	Apr-13
<i>Barclay BTOP50 Index TR USD</i>			-1.8	-6.5	-8.1	1.9	--	--	0.8	Apr-13
Brevan Howard Fund, Limited	17,451,668	0.9	0.8	5.5	2.4	--	--	--	0.1	Aug-15
<i>HFRI Macro (Total) Index</i>			-0.1	-1.8	-0.6	--	--	--	-0.5	Aug-15
Dymon Asia Macro	26,285,900	1.3	-6.4	4.4	6.3	--	--	--	3.3	Sep-15
<i>HFRI Macro (Total) Index</i>			-0.1	-1.8	-0.6	--	--	--	0.5	Sep-15
Kepos Alpha Fund	17,691,558	0.9	0.4	-7.0	-11.9	4.1	--	--	-0.5	Mar-13
<i>HFRI Macro: Systematic Diversified Index</i>			-1.1	-6.1	-5.3	2.3	--	--	1.0	Mar-13
Keynes Leveraged Quantitative Strategies Fund	18,748,000	0.9	-2.1	-3.7	-7.8	--	--	--	-5.0	Jan-16
<i>Barclay BTOP50 Index TR USD</i>			-1.8	-6.5	-8.1	--	--	--	-4.9	Jan-16
MKP Opportunity Offshore, L.P.	9,910,055	0.5	-1.1	4.1	3.4	--	--	--	-1.2	Jul-15
<i>HFRI Macro (Total) Index</i>			-0.1	-1.8	-0.6	--	--	--	0.0	Jul-15

<sup>1</sup> Fiscal Year begins July 1.

## Total Fund Aggregate

As of March 31, 2017

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Pharo Management, Ltd.	32,982,461	1.6	5.8	7.0	12.5	--	--	--	12.5	Apr-16
HFRI Macro (Total) Index			-0.1	-1.8	-0.6	--	--	--	-0.6	Apr-16
<b>GTAA/Opportunistic</b>	<b>0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	
60/40 MSCI ACWI IMI/BC Global			4.8	6.3	8.2	--	--	--	--	
<b>Cash</b>	<b>87,825,224</b>	<b>4.4</b>								
91 Day T-Bills										
Internal Cash Account	87,825,224	4.4								
Russell Investments Overlay	32,418,560	1.6								

<sup>1</sup> Fiscal Year begins July 1.<sup>2</sup> Cash includes the cash account, cash equitized in the Russell Investments Overlay program, cash from private manager distributions, and residuals from the Terminated Manager Account.<sup>3</sup> Overlay returns provided by Russell Investments.

## Total Fund Aggregate

As of March 31, 2017

## Fiscal Year Performance

	Fiscal 2016 (%)	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)	Fiscal 2012 (%)	Fiscal 2011 (%)	Fiscal 2010 (%)	Fiscal 2009 (%)	Fiscal 2008 (%)	Fiscal 2007 (%)
<b>Total Fund Aggregate</b>	<b>-0.7</b>	<b>-1.0</b>	<b>14.2</b>	<b>8.0</b>	<b>-3.3</b>	<b>18.9</b>	<b>13.7</b>	<b>-17.0</b>	<b>-3.4</b>	<b>15.9</b>
San Jose FCERS Policy Benchmark	1.3	-3.3	17.0	8.3	-2.4	22.0	12.1	-15.3	-3.0	15.7
Total Fund Ex Overlay (net)	-0.9	-0.8	14.0	7.1	-2.6	18.9	13.7	-17.0	-3.4	15.9
Consumer Price Index	1.0	0.1	2.1	1.8	1.7	3.6	1.1	-1.4	5.0	2.7
San Jose FCERS Custom Benchmark	0.7	-1.8	13.2	8.9	-3.2	18.6	11.4	-15.3	-2.8	18.3
<b>Total Global Equity</b>	<b>-4.3</b>	<b>0.8</b>	<b>22.6</b>	<b>17.8</b>	<b>-7.1</b>	<b>31.7</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
MSCI ACWI IMI Net USD	-3.9	0.8	23.4	17.1	-6.9	31.0	--	--	--	--
<b>Global Equity</b>	<b>-2.3</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
MSCI ACWI IMI Net USD	-3.9	--	--	--	--	--	--	--	--	--
Artisan Global Value	-2.0	0.6	24.4	27.7	2.8	--	--	--	--	--
MSCI ACWI Value NR USD	-4.8	-3.4	22.8	17.8	-7.8	--	--	--	--	--
Russell Currency Hedge										
<b>US Equity</b>	<b>0.6</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
Russell 3000	2.1	--	--	--	--	--	--	--	--	--
Cove Street Small Cap Value	-2.3	-1.6	--	--	--	--	--	--	--	--
Russell 2000 Value	-2.6	0.8	--	--	--	--	--	--	--	--
Northern Trust Russell 1000 Index	--	--	--	--	--	--	--	--	--	--
Russell 1000	--	--	--	--	--	--	--	--	--	--

<sup>1</sup> Fiscal Year begins July 1.<sup>2</sup> Beginning in July 2012, fees are accounted for on a cash basis. Previously, fees were accounted for on an accrual basis.<sup>3</sup> Please see the Appendix for composition of the San Jose FCERS Policy Benchmark.<sup>4</sup> San Jose FCERS Custom Benchmark consists of the individual benchmarks that comprise the San Jose FCERS Policy Benchmark weighted accordingly to actual allocations and re-adjusted monthly.<sup>5</sup> Global Equity includes <\$0.1 million of residuals from terminated managers or previous transitions.<sup>5</sup> Returns for the Equity Aggregate are gross of fees through June 2015 and net of fees thereafter.<sup>6</sup> Global Equity includes a partial currency hedge initiated on August 21, 2015 of the following currencies: Australian Dollar, Canadian Dollar, Swiss Franc, Euro, British Pound Sterling, and Japanese Yen. As of the date of this report, the unrealized profit or loss was -\$0.2 mm and the total net exposure of the hedge was \$27.6 mm.



## Total Fund Aggregate

As of March 31, 2017

	Fiscal 2016 (%)	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)	Fiscal 2012 (%)	Fiscal 2011 (%)	Fiscal 2010 (%)	Fiscal 2009 (%)	Fiscal 2008 (%)	Fiscal 2007 (%)
<b>International Equity</b>	<b>-8.4</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<i>MSCI World ex USA</i>	-9.8	--	--	--	--	--	--	--	--	--
Northern Trust MSCI World ex. U.S. <i>MSCI World ex USA</i>	--	--	--	--	--	--	--	--	--	--
Oberweis International Opportunities <i>MSCI World ex US Small Cap Growth</i>	--	--	--	--	--	--	--	--	--	--
<b>Emerging Markets Equity</b>	<b>-10.2</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<i>MSCI Emerging Markets</i>	-12.1	--	--	--	--	--	--	--	--	--
Aberdeen Frontier Markets <i>MSCI Frontier Markets</i>	-12.0	-9.4	--	--	--	--	--	--	--	--
<i>MSCI Frontier Markets ex GCC NR USD</i>	-12.1	-13.9	--	--	--	--	--	--	--	--
Comgest Global Emerging Markets <i>MSCI Emerging Markets</i>	-9.8	-13.9	--	--	--	--	--	--	--	--
<i>MSCI Frontier Markets ex GCC NR USD</i>	--	--	--	--	--	--	--	--	--	--
Comgest Global Emerging Markets <i>MSCI Emerging Markets</i>	--	--	--	--	--	--	--	--	--	--
<i>MSCI Frontier Markets ex GCC NR USD</i>	--	--	--	--	--	--	--	--	--	--
Dimensional Fund Advisors EM Value <i>MSCI Emerging Markets</i>	--	--	--	--	--	--	--	--	--	--
<i>MSCI Emerging Markets</i>	--	--	--	--	--	--	--	--	--	--
<b>Marketable Alternative Equity</b>	<b>-2.1</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<i>HFRI Equity Hedge (Total) Index</i>	-5.0	--	--	--	--	--	--	--	--	--
Senator Global Opportunity Offshore Fund <i>HFRI Event-Driven (Total) Index</i>	-9.3	9.0	15.6	--	--	--	--	--	--	--
<i>HFRI Event-Driven (Total) Index</i>	-3.8	-0.8	11.2	--	--	--	--	--	--	--

<sup>1</sup> Fiscal Year begins July 1.

## Total Fund Aggregate

As of March 31, 2017

	Fiscal 2016 (%)	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)	Fiscal 2012 (%)	Fiscal 2011 (%)	Fiscal 2010 (%)	Fiscal 2009 (%)	Fiscal 2008 (%)	Fiscal 2007 (%)
Horizon Portfolio I	5.2	7.0	9.8	--	--	--	--	--	--	--
<i>HFRI Equity Hedge (Total) Index</i>	-5.0	2.4	12.5	--	--	--	--	--	--	--
Sandler Plus Offshore Fund Ltd	6.8	16.6	2.9	--	--	--	--	--	--	--
<i>HFRI Equity Hedge (Total) Index</i>	-5.0	2.4	12.5	--	--	--	--	--	--	--
Marshall Wace Eureka Fund	0.4	15.7	--	--	--	--	--	--	--	--
<i>HFRI Equity Hedge (Total) Index</i>	-5.0	2.4	--	--	--	--	--	--	--	--
<b>Private Equity</b>	<b>2.4</b>	<b>13.3</b>	<b>19.3</b>	<b>9.6</b>	<b>9.7</b>	<b>17.4</b>	<b>12.6</b>	<b>-23.8</b>	<b>14.0</b>	<b>2.9</b>
<i>Cambridge Associates Global Private Equity Index</i>	4.0	6.1	22.4	14.5	2.3	29.2	17.7	-25.5	6.7	39.7
Pantheon USA Fund VII	4.4	16.5	21.7	10.2	12.1	13.0	11.0	--	--	--
Partners Group Secondary 2011, L.P.	9.4	24.8	21.6	--	--	--	--	--	--	--
Pathway Private Equity Fund VIII	-3.7	14.5	22.2	10.9	14.0	21.2	16.2	--	--	--
Pantheon Global Secondary Fund III 'B'	-2.9	0.1	9.4	2.0	-0.1	14.0	10.3	--	--	--
Partners Group Secondary 2008, L.P.	-2.4	0.5	22.6	7.5	8.8	36.3	3.6	--	--	--
Great Hill Equity Partners IV, LP	11.6	41.9	26.4	29.0	69.1	-10.1	7.0	--	--	--
<b>Global Fixed Income</b>	<b>2.2</b>	<b>-0.7</b>	<b>4.5</b>	<b>3.6</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<i>Fixed Income Custom Benchmark</i>	9.4	-7.1	7.4	-2.2	--	--	--	--	--	--

<sup>1</sup> Fiscal Year begins July 1.<sup>2</sup> Returns for the Fixed Income Aggregate are gross of fees through June 2015 and net of fees thereafter.<sup>3</sup> Prior to 7/1/2015, Fixed Income Custom Benchmark was 100% Barclays Global Aggregate. After 7/1/2015, Fixed Income Custom Benchmark consists of 80% Barclays Global Aggregate, 5% JPM GBI-EM GD, 5% JPM EMBI GD, 5% S&P Global Leveraged Loan, and 5% BAML Global HY Index.

## Total Fund Aggregate

As of March 31, 2017

	Fiscal 2016 (%)	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)	Fiscal 2012 (%)	Fiscal 2011 (%)	Fiscal 2010 (%)	Fiscal 2009 (%)	Fiscal 2008 (%)	Fiscal 2007 (%)
<b>Global Core</b>	<b>3.2</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<i>BBgBarc Global Aggregate TR</i>	8.9	--	--	--	--	--	--	--	--	--
Northern Trust Intermediate Gov't 1-10 Year	3.9	1.7	1.5	--	--	--	--	--	--	--
<i>BBgBarc US Govt Int TR</i>	3.9	1.8	1.5	--	--	--	--	--	--	--
Northern Trust TIPS 0-5 Years	1.6	-1.9	--	--	--	--	--	--	--	--
<i>BBgBarc US Treasury TIPS 0-5 Yr TR</i>	1.7	-1.9	--	--	--	--	--	--	--	--
Voya Securitized Credit	3.2	--	--	--	--	--	--	--	--	--
<i>BBgBarc Global Aggregate Securitized TR</i>	3.9	--	--	--	--	--	--	--	--	--
BlackRock Long Government Index	--	--	--	--	--	--	--	--	--	--
<i>BBgBarc US Govt Long TR</i>	--	--	--	--	--	--	--	--	--	--
<b>Non-Investment Grade Credit</b>	<b>-2.9</b>	<b>-9.8</b>	<b>7.6</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<i>50% BAML Global HY / 50% S&amp;P Global Leveraged Loan</i>	0.9	-0.8	17.1	--	--	--	--	--	--	--
Davidson Kempner Institutional Partners, L.P.	2.0	0.3	9.9	--	--	--	--	--	--	--
<i>HFRI Event-Driven (Total) Index</i>	-3.8	-0.8	11.2	--	--	--	--	--	--	--
Claren Road Credit Fund	-10.4	-16.9	1.2	--	--	--	--	--	--	--
<i>HFRI RV: Fixed Income-Corporate Index</i>	0.6	-1.4	9.0	--	--	--	--	--	--	--
<b>Emerging Markets</b>	<b>2.1</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<i>50% JPM EMBI GD / 50% JPM GBI-EM</i>	6.0	--	--	--	--	--	--	--	--	--
BlueBay Emerging Market Select Debt	2.1	--	--	--	--	--	--	--	--	--
<i>50% JPM EMBI GD / 50% JPM GBI-EM</i>	6.0	--	--	--	--	--	--	--	--	--

<sup>1</sup> Fiscal Year begins July 1.

## Total Fund Aggregate

As of March 31, 2017

	Fiscal 2016 (%)	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)	Fiscal 2012 (%)	Fiscal 2011 (%)	Fiscal 2010 (%)	Fiscal 2009 (%)	Fiscal 2008 (%)	Fiscal 2007 (%)
<b>Private Debt</b>	<b>3.6</b>	<b>4.0</b>	<b>10.2</b>	<b>11.5</b>	<b>9.3</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<i>S&amp;P Global Leveraged Loan +2%</i>	3.0	-0.2	10.0	9.1	5.6	--	--	--	--	--
Medley Opportunity Fund II	2.6	7.9	10.2	9.7	4.6	--	--	--	--	--
<i>3-Month LIBOR + 5%</i>	5.5	5.3	5.3	5.4	5.5	--	--	--	--	--
White Oak Direct Lending Account	17.5	-1.4	12.2	15.0	-2.0	--	--	--	--	--
<i>3-Month LIBOR + 5%</i>	5.5	5.3	5.3	5.4	5.5	--	--	--	--	--
GSO Direct Lending Account	-15.5	3.8	7.9	14.0	27.4	--	--	--	--	--
<i>3-Month LIBOR + 5%</i>	5.5	5.3	5.3	5.4	5.5	--	--	--	--	--
Cross Ocean USD ESS II	--	--	--	--	--	--	--	--	--	--
<i>S&amp;P Global Leveraged Loan +2%</i>	--	--	--	--	--	--	--	--	--	--
<b>Real Assets</b>	<b>-1.9</b>	<b>-10.4</b>	<b>19.4</b>	<b>-10.1</b>	<b>-10.9</b>	<b>27.7</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<i>Real Assets Benchmark</i>	-1.4	-7.7	16.3	3.5	-2.4	28.0	--	--	--	--
<b>Real Estate</b>	<b>14.8</b>	<b>22.0</b>	<b>13.4</b>	<b>9.7</b>	<b>12.2</b>	<b>15.3</b>	<b>-23.3</b>	<b>-24.2</b>	<b>10.7</b>	<b>21.7</b>
<i>NCREIF Property Index</i>	10.6	13.0	11.2	10.7	12.0	16.7	-1.5	-19.6	9.2	17.2
PRISA	13.3	13.3	12.7	9.7	12.6	20.5	-4.5	-37.7	7.0	17.6
<i>NCREIF ODCE Equal Weighted (net)</i>	11.2	13.6	11.4	10.8	11.5	19.3	-8.5	-31.4	7.5	16.0
American Realty	12.3	12.9	11.5	10.3	11.0	16.5	-12.1	-26.2	9.4	--
<i>NCREIF ODCE Equal Weighted (net)</i>	11.2	13.6	11.4	10.8	11.5	19.3	-8.5	-31.4	7.5	--

<sup>1</sup> Fiscal Year begins July 1.<sup>2</sup> Returns for the Real Assets Aggregate are gross of fees through June 2015 and net of fees thereafter.<sup>3</sup> Returns for the Private Debt Aggregate are gross of fees through June 2015 and net of fees thereafter.

## Total Fund Aggregate

As of March 31, 2017

	Fiscal 2016 (%)	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)	Fiscal 2012 (%)	Fiscal 2011 (%)	Fiscal 2010 (%)	Fiscal 2009 (%)	Fiscal 2008 (%)	Fiscal 2007 (%)
DRA Growth and Income Fund V	22.4	27.0	7.8	3.7	4.6	8.4	-20.1	-10.6	17.2	9.1
<i>NCREIF Property Index</i>	10.6	13.0	11.2	10.7	12.0	16.7	-1.5	-19.6	9.2	17.2
DRA Growth and Income Fund VI	21.5	36.8	16.6	5.1	28.4	11.4	-15.1	-8.4	--	--
<i>NCREIF Property Index</i>	10.6	13.0	11.2	10.7	12.0	16.7	-1.5	-19.6	--	--
DRA Growth and Income Fund VII	23.3	17.3	15.2	16.6	--	--	--	--	--	--
<i>NCREIF Property Index</i>	10.6	13.0	11.2	10.7	--	--	--	--	--	--
DRA Growth & Income Fund VIII	10.9	--	--	--	--	--	--	--	--	--
<i>NCREIF Property Index</i>	10.6	--	--	--	--	--	--	--	--	--
DRA Growth and Income Fund IX	--	--	--	--	--	--	--	--	--	--
<i>NCREIF Property Index</i>	--	--	--	--	--	--	--	--	--	--
Fidelity Real Estate Growth Fund III	12.8	41.5	17.9	13.6	13.4	34.8	-68.4	-31.7	--	--
<i>NCREIF Property Index</i>	10.6	13.0	11.2	10.7	12.0	16.7	-1.5	-19.6	--	--
Tristan Capital Partners	--	--	--	--	--	--	--	--	--	--
<i>NCREIF Property Index</i>	--	--	--	--	--	--	--	--	--	--
<b>Commodities</b>	<b>-15.5</b>	<b>-22.4</b>	<b>16.0</b>	<b>-10.9</b>	<b>-11.8</b>	<b>27.2</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<i>Bloomberg Commodity Index TR USD</i>	-13.3	-23.7	8.2	-8.0	-14.3	25.9	--	--	--	--
Credit Suisse Risk Parity Commodity Index	-11.4	-19.7	13.9	-7.4	-10.0	--	--	--	--	--
<i>Bloomberg Commodity Index TR USD</i>	-13.3	-23.7	8.2	-8.0	-14.3	--	--	--	--	--

<sup>1</sup> Fiscal Year begins July 1.<sup>2</sup> Rhumblin's tracking error due to cash position that resulted from a delay in the ability to invest in certain markets.

## Total Fund Aggregate

As of March 31, 2017

	Fiscal 2016 (%)	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)	Fiscal 2012 (%)	Fiscal 2011 (%)	Fiscal 2010 (%)	Fiscal 2009 (%)	Fiscal 2008 (%)	Fiscal 2007 (%)
Pinnacle Natural Resources, L.P.	--	--	--	--	--	--	--	--	--	--
Bloomberg Commodity Index TR USD	--	--	--	--	--	--	--	--	--	--
<b>Infrastructure</b>	<b>3.9</b>	<b>-2.8</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
DJ Brookfield Global Infrastructure Net TR USD	3.2	-3.7	--	--	--	--	--	--	--	--
Rhumblin DJ Brookfield Global Infrastructure	3.9	--	--	--	--	--	--	--	--	--
DJ Brookfield Global Infrastructure Net TR USD	3.2	--	--	--	--	--	--	--	--	--
Global Infrastructure Partners III	--	--	--	--	--	--	--	--	--	--
DJ Brookfield Global Infrastructure Net TR USD	--	--	--	--	--	--	--	--	--	--
SSgA DJ Brookfield Infrastructure Index	--	--	--	--	--	--	--	--	--	--
<b>Natural Resources</b>	<b>-9.5</b>	<b>-19.3</b>	<b>21.4</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
S&P Global Natural Resources Index TR USD	-8.9	-17.6	21.7	--	--	--	--	--	--	--
Rhumblin S&P Global Large MidCap Commodity & NR	-9.5	--	--	--	--	--	--	--	--	--
S&P Global LargeMidCap Commodity and Resources GR USD	-9.2	--	--	--	--	--	--	--	--	--
Northern Trust Global LargeMid Natural Resources	--	--	--	--	--	--	--	--	--	--
<b>Absolute Return</b>	<b>0.0</b>	<b>5.0</b>	<b>4.9</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
HFRI Macro (Total) Index	1.8	4.1	1.5	--	--	--	--	--	--	--
<b>Relative Value</b>	<b>-0.3</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
HFRI Relative Value (Total) Index	-0.2	--	--	--	--	--	--	--	--	--
Arrowgrass International Fund Ltd	0.0	5.5	6.4	--	--	--	--	--	--	--
HFRI Relative Value (Total) Index	-0.2	1.8	9.0	--	--	--	--	--	--	--

<sup>1</sup> Fiscal Year begins July 1.<sup>2</sup> Rhumblin's tracking error due to cash position that resulted from a delay in the ability to invest in certain markets.

## Total Fund Aggregate

As of March 31, 2017

	Fiscal 2016 (%)	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)	Fiscal 2012 (%)	Fiscal 2011 (%)	Fiscal 2010 (%)	Fiscal 2009 (%)	Fiscal 2008 (%)	Fiscal 2007 (%)
DE Shaw	7.2	17.2	13.7	--	--	--	--	--	--	--
<i>HFRI Fund Weighted Composite Index</i>	-2.4	2.3	9.1	--	--	--	--	--	--	--
Hudson Bay Fund	-2.0	-2.9	--	--	--	--	--	--	--	--
<i>HFRI Relative Value (Total) Index</i>	-0.2	1.8	--	--	--	--	--	--	--	--
JD Capital	--	--	--	--	--	--	--	--	--	--
<i>HFRI Relative Value (Total) Index</i>	--	--	--	--	--	--	--	--	--	--
Pine River Fund Ltd	-8.8	7.5	4.4	--	--	--	--	--	--	--
<i>HFRI Relative Value (Total) Index</i>	-0.2	1.8	9.0	--	--	--	--	--	--	--
Pine River Volatility Arbitrage	--	--	--	--	--	--	--	--	--	--
<i>HFRI Relative Value (Total) Index</i>	--	--	--	--	--	--	--	--	--	--
<b>Macro</b>	<b>1.8</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<i>HFRI Macro (Total) Index</i>	1.8	--	--	--	--	--	--	--	--	--
AHL Frontier Fund	--	--	--	--	--	--	--	--	--	--
<i>Barclay BTOP50 Index TR USD</i>	--	--	--	--	--	--	--	--	--	--
BlueTrend Fund Limited	6.7	3.0	4.9	--	--	--	--	--	--	--
<i>Barclay BTOP50 Index TR USD</i>	2.8	8.2	0.8	--	--	--	--	--	--	--
Brevan Howard Fund, Limited	--	--	--	--	--	--	--	--	--	--
<i>HFRI Macro (Total) Index</i>	--	--	--	--	--	--	--	--	--	--
Dymon Asia Macro	--	--	--	--	--	--	--	--	--	--
<i>HFRI Macro (Total) Index</i>	--	--	--	--	--	--	--	--	--	--

<sup>1</sup> Fiscal Year begins July 1.

## Total Fund Aggregate

As of March 31, 2017

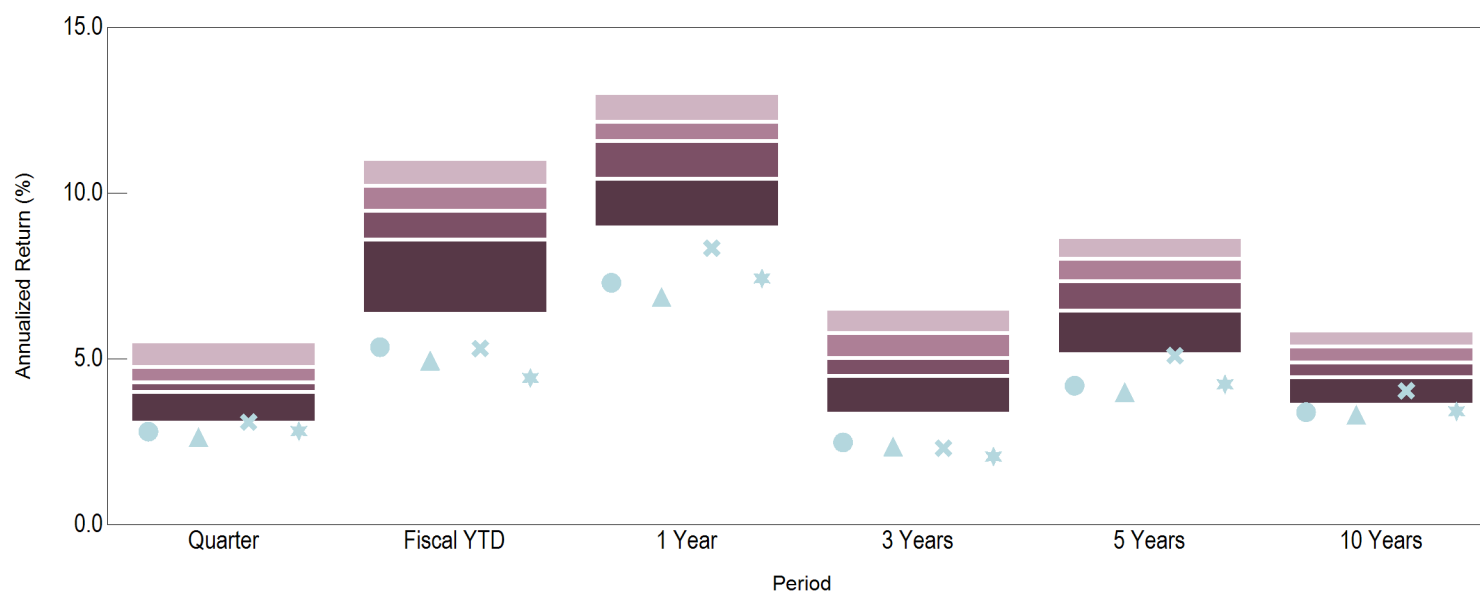
	Fiscal 2016 (%)	Fiscal 2015 (%)	Fiscal 2014 (%)	Fiscal 2013 (%)	Fiscal 2012 (%)	Fiscal 2011 (%)	Fiscal 2010 (%)	Fiscal 2009 (%)	Fiscal 2008 (%)	Fiscal 2007 (%)
Kepos Alpha Fund	6.6	4.7	4.9	--	--	--	--	--	--	--
<i>HFRI Macro: Systematic Diversified Index</i>	3.1	8.6	0.2	--	--	--	--	--	--	--
Keynes Leveraged Quantitative Strategies Fund	--	--	--	--	--	--	--	--	--	--
<i>Barclay BTOP50 Index TR USD</i>	--	--	--	--	--	--	--	--	--	--
MKP Opportunity Offshore, L.P.	-6.0	--	--	--	--	--	--	--	--	--
<i>HFRI Macro (Total) Index</i>	1.8	--	--	--	--	--	--	--	--	--
Pharo Management, Ltd.	--	--	--	--	--	--	--	--	--	--
<i>HFRI Macro (Total) Index</i>	--	--	--	--	--	--	--	--	--	--
<b>GTAA/Opportunistic</b>	<b>0.0</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<i>60/40 MSCI ACWI IMI/BC Global</i>	1.3	--	--	--	--	--	--	--	--	--
<b>Cash</b>										
<i>91 Day T-Bills</i>										
Internal Cash Account										

<sup>1</sup> Fiscal Year begins July 1.<sup>2</sup> Overlay returns provided by Russell Investments.



As of March 31, 2017

## InvestorForce Public DB &gt; \$1B Net Accounts

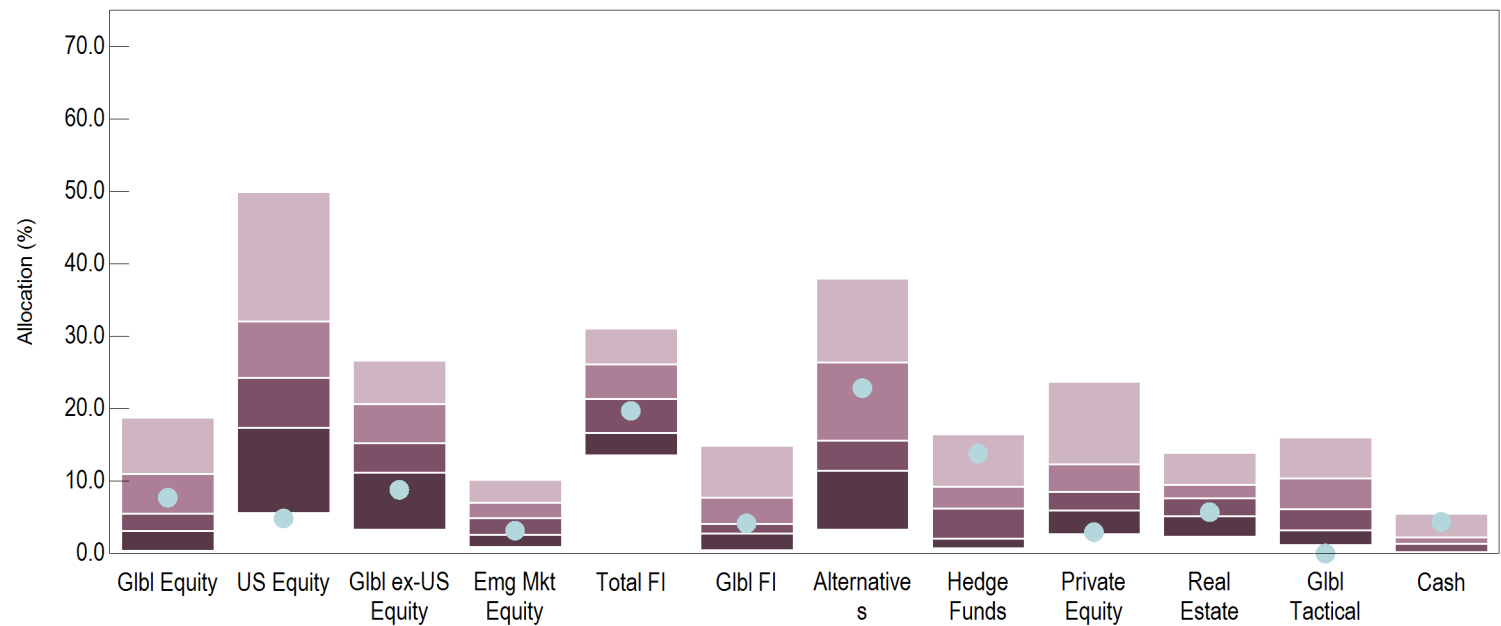


## Return (Rank)

5th Percentile	5.5	11.0	13.0	6.5	8.7	5.9						
25th Percentile	4.8	10.2	12.2	5.8	8.0	5.4						
Median	4.3	9.5	11.6	5.0	7.4	4.9						
75th Percentile	4.0	8.6	10.5	4.5	6.5	4.5						
95th Percentile	3.1	6.4	9.0	3.4	5.2	3.6						
# of Portfolios	58	58	58	56	55	51						
● Total Fund Aggregate	2.8	(97)	5.4	(98)	7.3	(99)	2.5	(99)	4.2	(98)	3.4	(96)
▲ Total Fund Ex Overlay (net)	2.7	(99)	5.0	(99)	6.9	(99)	2.4	(99)	4.0	(99)	3.3	(97)
✕ San Jose FCERS Policy Benchmark	3.1	(95)	5.3	(98)	8.3	(97)	2.3	(99)	5.1	(96)	4.0	(90)
★ San Jose FCERS Custom Benchmark	2.8	(97)	4.4	(99)	7.4	(98)	2.1	(99)	4.2	(98)	3.4	(96)

As of March 31, 2017

**Total Plan Allocation vs. InvestorForce Public DB > \$1B Net**  
As of March 31, 2017



	Allocation (Rank)												
5th Percentile	18.8	49.9	26.7	10.2	31.1	14.8	38.0	16.5	23.7	13.9	16.1	5.5	--
25th Percentile	11.1	32.1	20.7	7.1	26.2	7.8	26.5	9.3	12.4	9.6	10.5	2.3	--
Median	5.6	24.4	15.4	5.0	21.4	4.2	15.6	6.3	8.6	7.7	6.2	1.4	--
75th Percentile	3.2	17.4	11.2	2.7	16.7	2.9	11.6	2.1	6.0	5.3	3.3	0.3	--
95th Percentile	0.4	5.7	3.4	1.0	13.6	0.5	3.4	0.8	2.8	2.4	1.2	0.0	--
# of Portfolios	24	49	48	40	54	25	51	40	49	48	22	51	--
● Total Fund Aggregate	7.7 (45)	4.8 (97)	8.8 (81)	3.2 (73)	19.7 (58)	4.2 (51)	22.8 (29)	13.8 (13)	3.0 (92)	5.7 (70)	0.0 (99)	4.4 (9)	--

## Total Fund Aggregate

As of March 31, 2017

**Cash Flow Summary**  
**Quarter Ending March 31, 2017**

	Beginning Market Value	Contributions	Withdrawals	Net Cash Flow	Net Investment Change	Ending Market Value
Aberdeen Frontier Markets	\$17,444,204	\$0	\$0	\$0	\$965,132	\$18,409,336
AHL Frontier Fund	\$10,205,012	\$3,000,000	\$0	\$3,000,000	\$291,165	\$13,496,177
American Realty	\$39,412,042	\$0	-\$94,725	-\$94,725	\$472,249	\$39,789,566
Arrowgrass International Fund Ltd	\$18,940,261	\$0	-\$5,000,000	-\$5,000,000	\$164,883	\$14,105,144
Artisan Global Value	\$146,751,354	\$2,990,099	-\$2,990,099	\$0	\$8,846,850	\$155,598,204
BlackRock Long Government Index	\$36,593,098	\$0	\$0	\$0	\$567,017	\$37,160,115
BlueBay Emerging Market Select Debt	\$50,084,177	\$0	\$0	\$0	\$2,340,134	\$52,424,311
BlueTrend Fund Limited	\$17,477,255	\$0	\$0	\$0	-\$303,661	\$17,173,594
Brevan Howard Fund, Limited	\$26,321,912	\$0	-\$9,111,568	-\$9,111,568	\$241,324	\$17,451,668
Claren Road Credit Fund	\$5,835,882	\$0	-\$1,984,200	-\$1,984,200	\$28,850	\$3,880,532
Comgest Global Emerging Markets	--	\$15,000,000	\$0	\$15,000,000	\$0	\$15,000,000
Cove Street Small Cap Value	\$32,014,564	\$0	\$0	\$0	\$426,905	\$32,441,469
Credit Suisse Risk Parity Commodity Index	\$91,354,609	\$0	-\$89,797	-\$89,797	\$2,080,755	\$93,345,568
Cross Ocean USD ESS II	\$4,761,588	\$0	-\$16,790	-\$16,790	\$326,650	\$5,071,447
Davidson Kempner Institutional Partners, L.P.	\$36,566,797	\$0	-\$225,346	-\$225,346	\$1,065,446	\$37,406,898
DE Shaw	\$39,288,559	\$0	-\$248,931	-\$248,931	\$279,852	\$39,319,481
Dimensional Fund Advisors EM Value	\$17,537,607	\$10,000,000	\$0	\$10,000,000	\$2,445,997	\$29,983,604
DRA Growth & Income Fund VIII	\$12,716,448	\$877,778	-\$774,750	\$103,028	\$517,039	\$13,336,515
DRA Growth and Income Fund IX	--	\$0	-\$771,183	-\$771,183	\$2,876,389	\$2,105,206
DRA Growth and Income Fund V	\$1,441,205	\$0	-\$233,474	-\$233,474	-\$79,499	\$1,128,232
DRA Growth and Income Fund VI	\$2,977,728	\$0	-\$201,502	-\$201,502	\$72,129	\$2,848,355
DRA Growth and Income Fund VII	\$14,799,003	\$0	-\$2,757,374	-\$2,757,374	\$1,017,520	\$13,059,149
Dymon Asia Macro	\$28,082,200	\$0	\$0	\$0	-\$1,796,300	\$26,285,900
Fidelity Real Estate Growth Fund III	\$1,599,435	\$0	-\$439,573	-\$439,573	\$51	\$1,159,913
Global Infrastructure Partners III	\$3,831,660	\$0	-\$115,720	-\$115,720	-\$117,738	\$3,598,202
Great Hill Equity Partners IV, LP	\$4,155,151	\$0	-\$416,875	-\$416,875	\$13,728	\$3,752,004



## Total Fund Aggregate

As of March 31, 2017

	Beginning Market Value	Contributions	Withdrawals	Net Cash Flow	Net Investment Change	Ending Market Value
GSO Direct Lending Account	\$11,567,650	\$0	-\$203,487	-\$203,487	\$423,575	\$11,787,738
Horizon Portfolio I	\$31,218,156	\$0	\$0	\$0	\$600,618	\$31,818,773
Hudson Bay Fund	\$771,818	\$0	\$0	\$0	\$0	\$771,818
Internal Cash Account	\$163,595,692	\$39,090,927	-\$115,057,838	-\$75,966,911	\$196,442	\$87,825,224
JD Capital	\$20,130,212	\$0	-\$99,864	-\$99,864	\$93,610	\$20,123,958
Kepos Alpha Fund	\$17,619,920	\$0	-\$88,100	-\$88,100	\$159,737	\$17,691,558
Keynes Leveraged Quantitative Strategies Fund	\$19,154,600	\$0	\$0	\$0	-\$406,600	\$18,748,000
Marshall Wace Eureka Fund	\$24,654,331	\$0	-\$167,801	-\$167,801	\$719,949	\$25,206,479
Medley Opportunity Fund II	\$39,804,847	\$0	-\$113,555	-\$113,555	\$1,306,711	\$40,998,003
MKP Opportunity Offshore, L.P.	\$10,016,446	\$0	\$0	\$0	-\$106,391	\$9,910,055
Northern Trust Global LargeMid Natural Resources	\$16,210	\$9,344	-\$18,665	-\$9,320	\$467	\$7,357
Northern Trust Intermediate Gov't 1-10 Year	\$97,311,891	\$0	-\$5,000,000	-\$5,000,000	\$520,439	\$92,832,330
Northern Trust MSCI World ex. U.S.	\$135,796,951	\$0	\$0	\$0	\$9,428,326	\$145,225,277
Northern Trust Russell 1000 Index	\$61,265,269	\$0	\$0	\$0	\$3,695,411	\$64,960,680
Northern Trust Russell 3000 Index	\$5	\$0	-\$5	-\$5	\$0	--
Northern Trust TIPS 0-5 Years	\$111,331,672	\$0	\$0	\$0	\$779,666	\$112,111,339
Oberweis International Opportunities	\$28,413,271	\$17,617,589	-\$17,617,589	\$0	\$3,055,140	\$31,468,411
Pantheon Global Secondary Fund III 'B'	\$8,915,447	\$0	-\$880,000	-\$880,000	\$1	\$8,035,447
Pantheon USA Fund VII	\$26,964,645	\$0	-\$1,120,000	-\$1,120,000	-\$5	\$25,844,640
Partners Group Secondary 2008, L.P.	\$2,538,677	\$742	-\$201,520	-\$200,778	\$82,345	\$2,420,244
Partners Group Secondary 2011, L.P.	\$12,293,862	\$0	\$0	\$0	\$38,833	\$12,332,695
Pathway Private Equity Fund VIII	\$8,048,941	\$0	-\$936,554	-\$936,554	-\$31,545	\$7,080,843
Pharo Management, Ltd.	\$31,163,955	\$0	\$0	\$0	\$1,818,505	\$32,982,461
Pine River Fund Ltd	\$23,604,680	\$0	-\$59,351	-\$59,351	\$530,579	\$24,075,909
Pine River Volatility Arbitrage	--	\$25,000,000	\$0	\$25,000,000	\$0	\$25,000,000
Pinnacle Natural Resources, L.P.	\$37,964,840	\$0	\$0	\$0	-\$2,742,800	\$35,222,040
PRISA	\$37,128,326	\$0	-\$328,509	-\$328,509	\$1,352,233	\$38,152,050

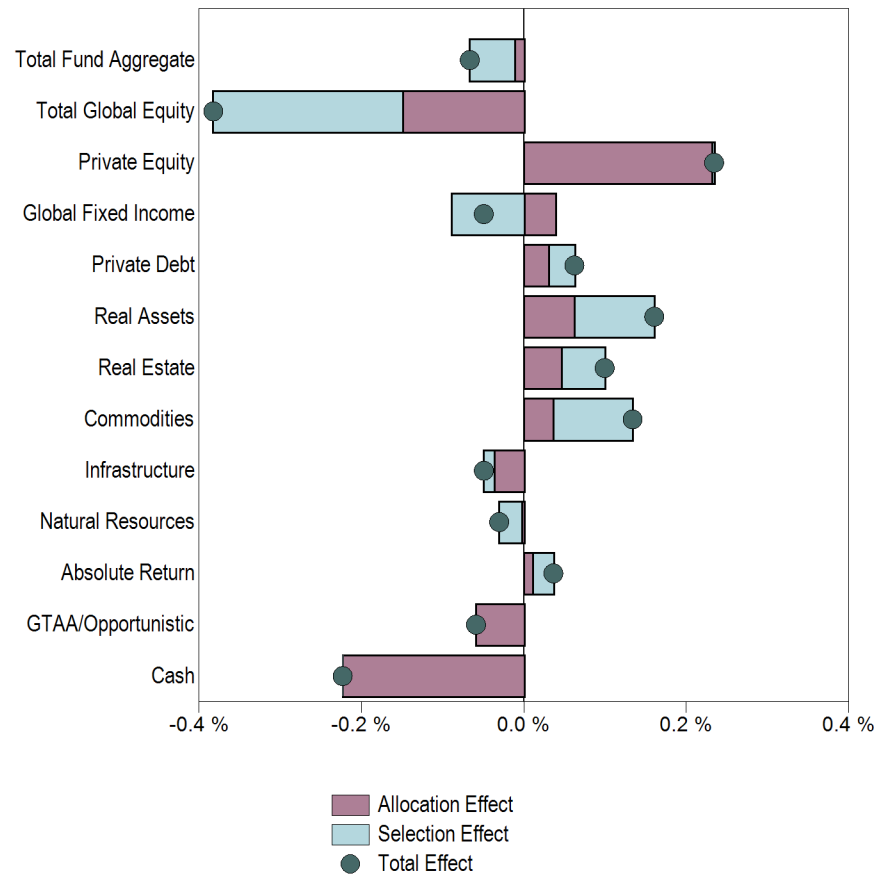
## Total Fund Aggregate

As of March 31, 2017

	Beginning Market Value	Contributions	Withdrawals	Net Cash Flow	Net Investment Change	Ending Market Value
Rhumblin DJ Brookfield Global Infrastructure	\$91,973,413	\$11,977,022	-\$11,977,022	\$0	\$7,146,099	\$99,119,513
Rhumblin S&P Global Large MidCap Commodity & NR	\$109,938,675	\$3,622,665	-\$3,622,665	\$0	\$2,530,381	\$112,469,057
Russell Currency Hedge	\$272,332	\$51,773,753	-\$52,014,703	-\$240,950	-\$656,894	-\$625,512
Russell EAFE Small Cap	\$900	\$399	-\$799	-\$399	-\$500	\$0
Russell Investments Overlay	\$29,288,014	\$88,242,017	-\$88,242,017	\$0	\$3,130,547	\$32,418,560
Sandler Plus Offshore Fund Ltd	\$25,396,648	\$0	\$0	\$0	\$1,172,880	\$26,569,528
Senator Global Opportunity Offshore Fund	\$36,350,247	\$0	\$0	\$0	\$1,381,409	\$37,731,656
SSgA DJ Brookfield Infrastructure Index	\$9,565	\$0	-\$3,024	-\$3,024	\$1	\$6,542
State Street Terminated Managers	\$3,571	\$0	-\$265	-\$265	\$50	\$3,356
Tristan Capital Partners	\$2,164,717	\$1,173,818	-\$86,218	\$1,087,600	\$113,602	\$3,365,918
Voya Securitized Credit	\$58,693,684	\$0	\$0	\$0	\$1,190,490	\$59,884,174
White Oak Direct Lending Account	\$26,054,515	\$102,990	-\$584,043	-\$481,054	\$227,676	\$25,801,137
<b>Total</b>	<b>\$2,001,630,349</b>	<b>\$270,479,143</b>	<b>-\$323,895,500</b>	<b>-\$53,416,357</b>	<b>\$60,493,854</b>	<b>\$2,008,707,846</b>

As of March 31, 2017

**Attribution Effects**  
3 Months Ending March 31, 2017

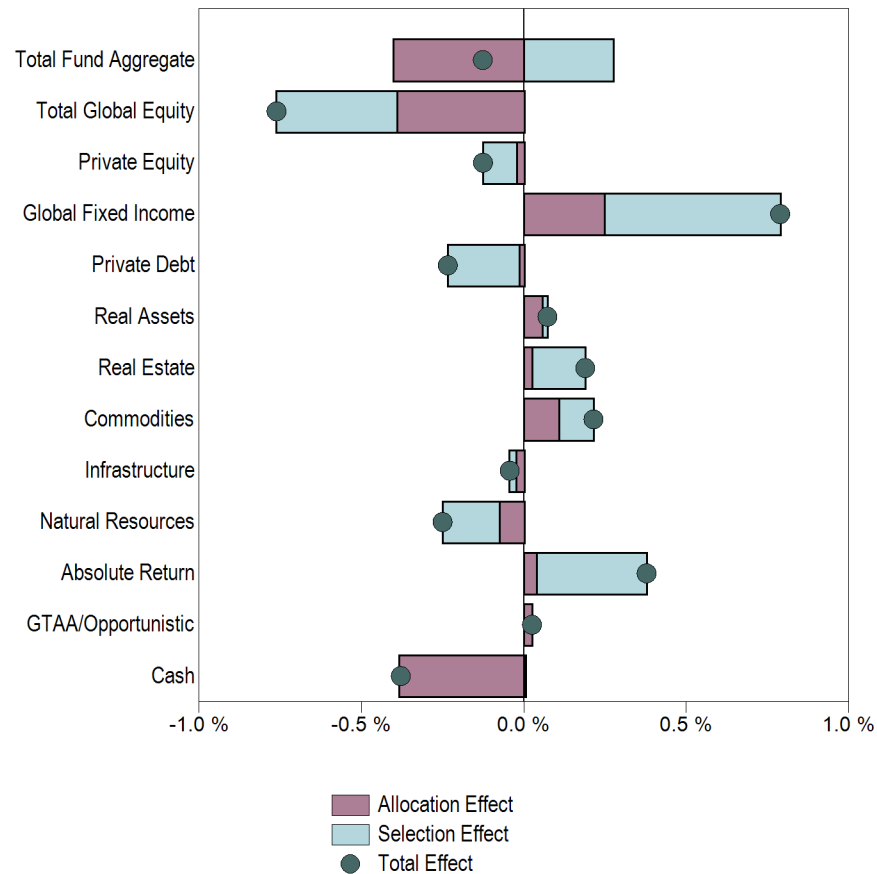


**Attribution Summary**  
3 Months Ending March 31, 2017

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Total Effects
Total Global Equity	5.8%	6.8%	-1.0%	-0.2%	-0.1%	-0.4%
Private Equity	0.1%	0.0%	0.1%	0.0%	0.2%	0.2%
Global Fixed Income	1.6%	2.1%	-0.5%	-0.1%	0.0%	0.0%
Private Debt	2.5%	1.6%	0.9%	0.0%	0.0%	0.1%
Real Assets	2.6%	2.1%	0.5%	0.1%	0.1%	0.2%
Real Estate	2.7%	1.6%	1.2%	0.1%	0.0%	0.1%
Commodities	-0.6%	-2.3%	1.7%	0.1%	0.0%	0.1%
Infrastructure	7.2%	7.5%	-0.3%	0.0%	0.0%	0.0%
Natural Resources	2.3%	2.9%	-0.6%	0.0%	0.0%	0.0%
Absolute Return	0.2%	-0.1%	0.2%	0.0%	0.0%	0.0%
GTAA/Opportunistic	0.0%	4.8%	-4.8%	0.0%	-0.1%	-0.1%
Cash	0.1%	0.1%	0.0%	0.0%	-0.2%	-0.2%
<b>Total</b>	<b>2.7%</b>	<b>3.6%</b>	<b>-0.9%</b>	<b>-0.1%</b>	<b>0.0%</b>	<b>-0.1%</b>

As of March 31, 2017

**Attribution Effects**  
FYTD Ending March 31, 2017

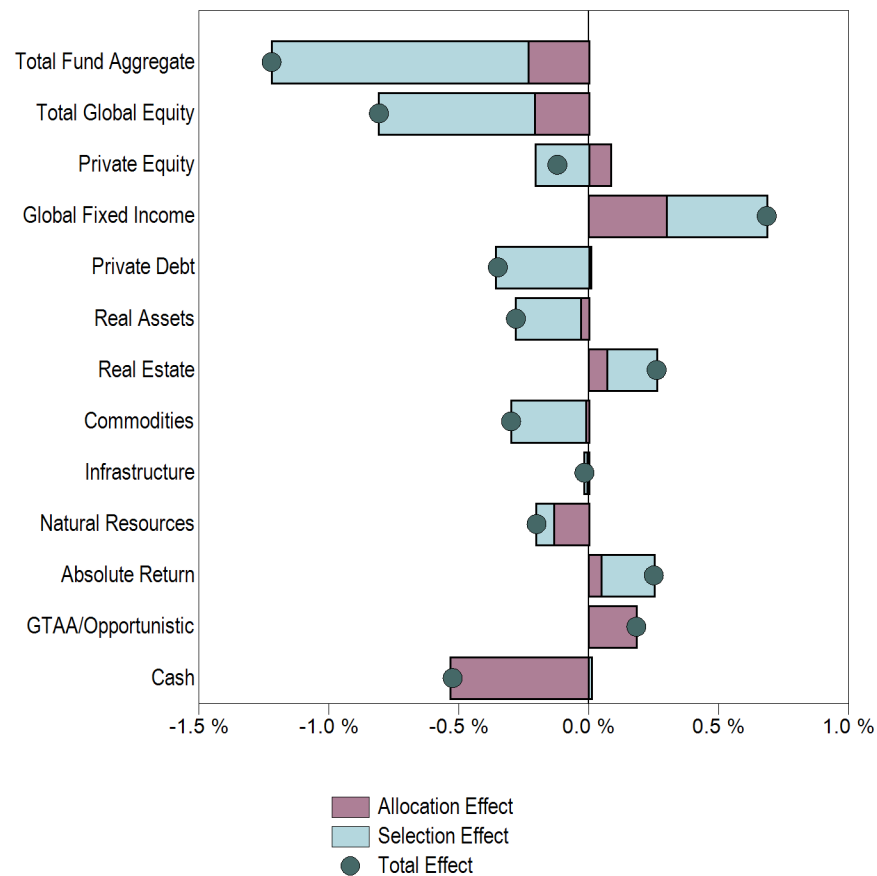


**Attribution Summary**  
FYTD Ending March 31, 2017

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Total Effects
Total Global Equity	12.5%	14.2%	-1.7%	-0.4%	-0.4%	-0.8%
Private Equity	3.5%	7.2%	-3.7%	-0.1%	0.0%	-0.1%
Global Fixed Income	0.6%	-2.6%	3.2%	0.5%	0.2%	0.8%
Private Debt	2.7%	8.4%	-5.7%	-0.2%	0.0%	-0.2%
Real Assets	5.0%	4.9%	0.0%	0.0%	0.1%	0.1%
Real Estate	8.4%	5.1%	3.2%	0.2%	0.0%	0.2%
Commodities	-1.4%	-3.6%	2.2%	0.1%	0.1%	0.2%
Infrastructure	3.6%	4.1%	-0.5%	0.0%	0.0%	0.0%
Natural Resources	12.1%	16.4%	-4.4%	-0.2%	-0.1%	-0.3%
Absolute Return	1.4%	-1.8%	3.1%	0.3%	0.0%	0.4%
GTAA/Opportunistic	0.0%	6.3%	-6.3%	0.0%	0.0%	0.0%
Cash	0.4%	0.3%	0.1%	0.0%	-0.4%	-0.4%
<b>Total</b>	<b>5.1%</b>	<b>6.9%</b>	<b>-1.7%</b>	<b>0.3%</b>	<b>-0.4%</b>	<b>-0.1%</b>

As of March 31, 2017

**Attribution Effects**  
1 Year Ending March 31, 2017

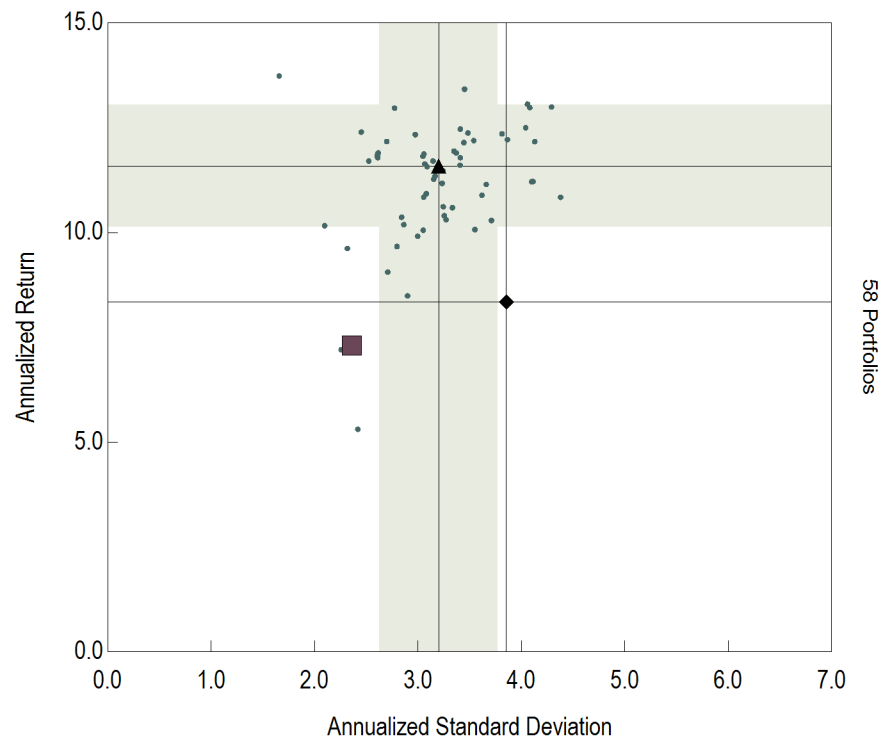


**Attribution Summary**  
1 Year Ending March 31, 2017

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Total Effects
Total Global Equity	12.7%	15.4%	-2.7%	-0.6%	-0.2%	-0.8%
Private Equity	3.6%	10.4%	-6.8%	-0.2%	0.1%	-0.1%
Global Fixed Income	2.6%	0.3%	2.3%	0.4%	0.3%	0.7%
Private Debt	2.1%	10.8%	-8.7%	-0.4%	0.0%	-0.3%
Real Assets	11.1%	12.4%	-1.3%	-0.2%	0.0%	-0.3%
Real Estate	11.0%	7.3%	3.7%	0.2%	0.1%	0.3%
Commodities	2.8%	8.7%	-5.9%	-0.3%	0.0%	-0.3%
Infrastructure	11.5%	11.9%	-0.4%	0.0%	0.0%	0.0%
Natural Resources	23.1%	24.6%	-1.5%	-0.1%	-0.1%	-0.2%
Absolute Return	1.3%	-0.6%	1.9%	0.2%	0.0%	0.3%
GTAA/Opportunistic	0.0%	8.2%	-8.2%	0.0%	0.2%	0.2%
Cash	0.6%	0.4%	0.2%	0.0%	-0.5%	-0.5%
<b>Total</b>	<b>7.9%</b>	<b>11.9%</b>	<b>-4.1%</b>	<b>-1.0%</b>	<b>-0.2%</b>	<b>-1.2%</b>

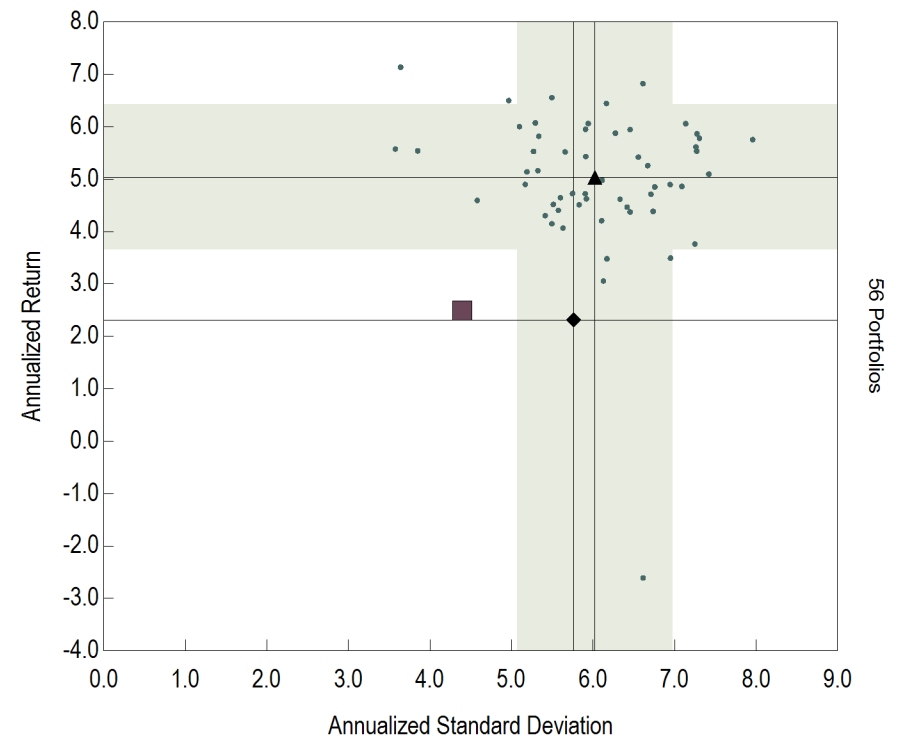


Annualized Return vs. Annualized Standard Deviation  
1 Year Ending March 31, 2017



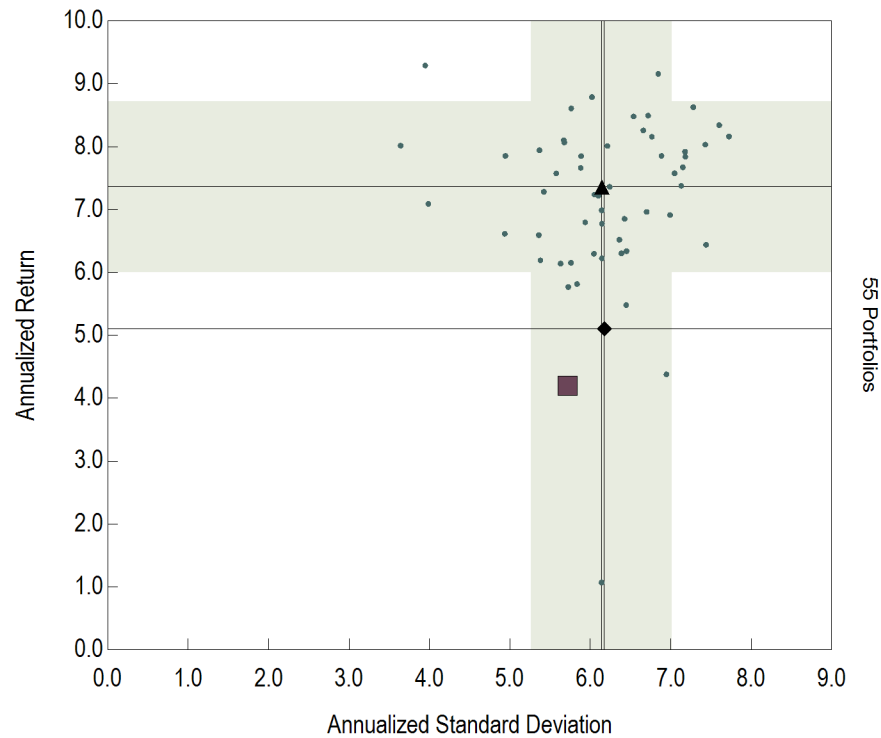
- Total Fund Aggregate
- ◆ San Jose FCERS Policy Benchmark
- ▲ Universe Median
- 68% Confidence Interval
- InvestorForce Public DB > \$1B Net

Annualized Return vs. Annualized Standard Deviation  
3 Years Ending March 31, 2017



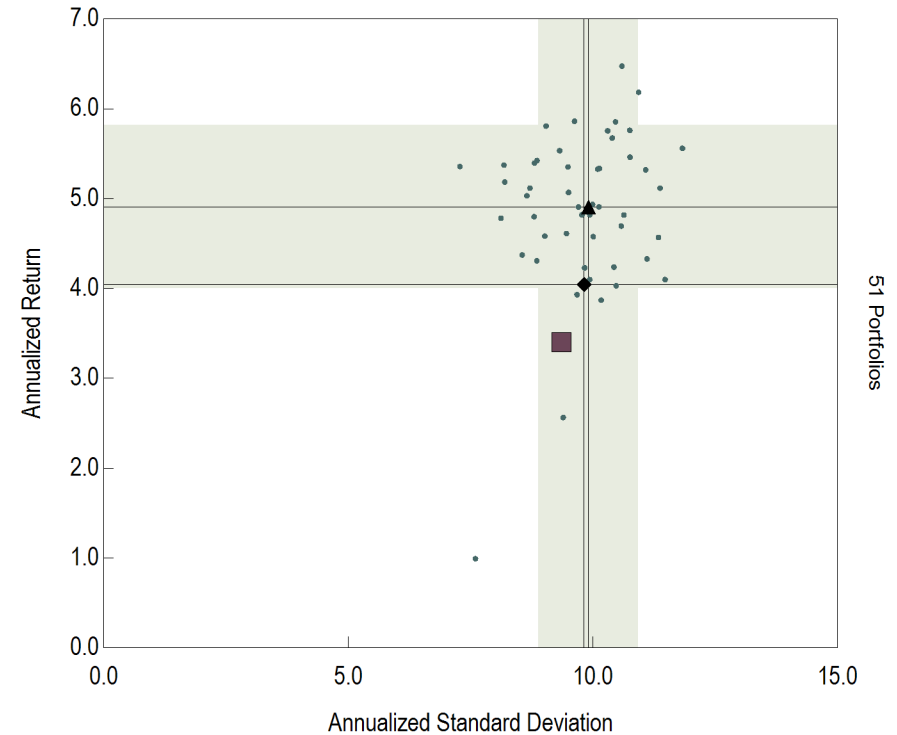
- Total Fund Aggregate
- ◆ San Jose FCERS Policy Benchmark
- ▲ Universe Median
- 68% Confidence Interval
- InvestorForce Public DB > \$1B Net

Annualized Return vs. Annualized Standard Deviation  
5 Years Ending March 31, 2017



- Total Fund Aggregate
- ◆ San Jose FCERS Policy Benchmark
- ▲ Universe Median
- 68% Confidence Interval
- InvestorForce Public DB > \$1B Net

Annualized Return vs. Annualized Standard Deviation  
10 Years Ending March 31, 2017

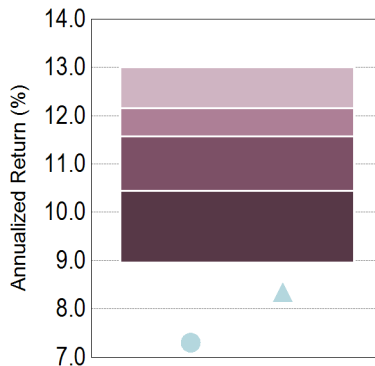


- Total Fund Aggregate
- ◆ San Jose FCERS Policy Benchmark
- ▲ Universe Median
- 68% Confidence Interval
- InvestorForce Public DB > \$1B Net

Total Fund Risk Statistics vs. Peer Universe (Trailing 1 Year)

As of March 31, 2017

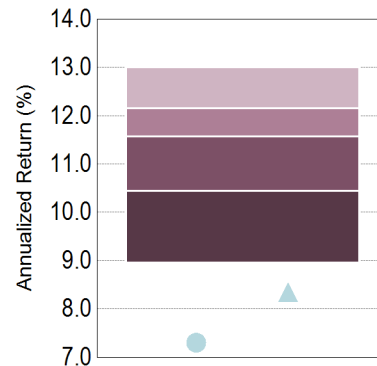
Annualized Return (%)  
vs. InvestorForce Public DB > \$1B Net



● Total Fund Aggregate	
Value	7.3
Rank	99
▲ San Jose FCERS Policy Benchmark	
Value	8.3
Rank	97

Universe	
5th %tile	13.0
25th %tile	12.2
Median	11.6
75th %tile	10.5
95th %tile	9.0

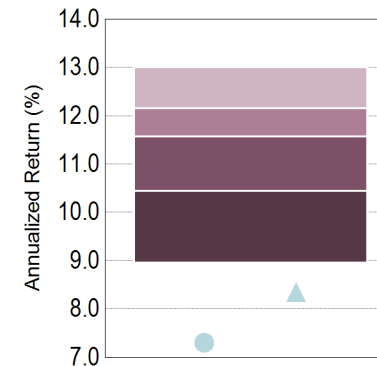
Annualized Return (%)  
vs. InvestorForce Public DB > \$1B Net



● Total Fund Aggregate	
Value	7.3
Rank	99
▲ San Jose FCERS Policy Benchmark	
Value	8.3
Rank	97

Universe	
5th %tile	13.0
25th %tile	12.2
Median	11.6
75th %tile	10.5
95th %tile	9.0

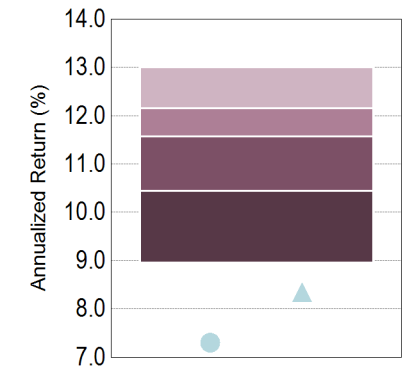
Annualized Return (%)  
vs. InvestorForce Public DB > \$1B Net



● Total Fund Aggregate	
Value	7.3
Rank	99
▲ San Jose FCERS Policy Benchmark	
Value	8.3
Rank	97

Universe	
5th %tile	13.0
25th %tile	12.2
Median	11.6
75th %tile	10.5
95th %tile	9.0

Annualized Return (%)  
vs. InvestorForce Public DB > \$1B Net

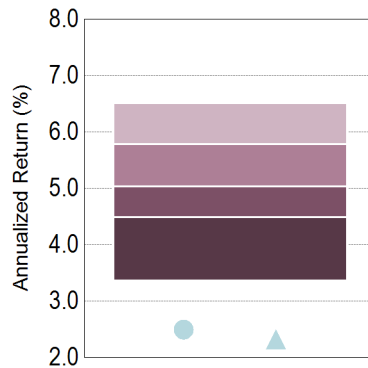


● Total Fund Aggregate	
Value	7.3
Rank	99
▲ San Jose FCERS Policy Benchmark	
Value	8.3
Rank	97

Universe	
5th %tile	13.0
25th %tile	12.2
Median	11.6
75th %tile	10.5
95th %tile	9.0

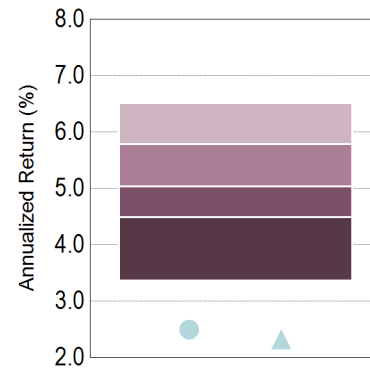
## Total Fund Risk Statistics vs. Peer Universe (Trailing 3 Years)

As of March 31, 2017

Annualized Return (%)  
vs. InvestorForce Public DB > \$1B Net

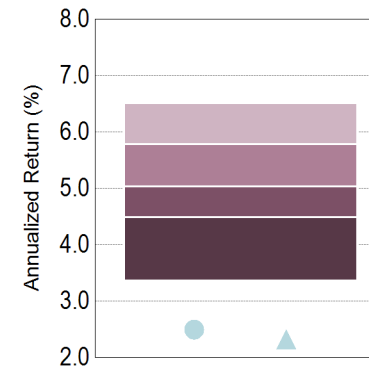
● Total Fund Aggregate	
Value	2.5
Rank	99
▲ San Jose FCERS Policy Benchmark	
Value	2.3
Rank	99

Universe	
5th %tile	6.5
25th %tile	5.8
Median	5.0
75th %tile	4.5
95th %tile	3.4

Annualized Return (%)  
vs. InvestorForce Public DB > \$1B Net

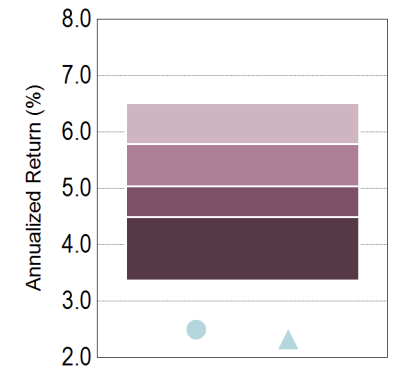
● Total Fund Aggregate	
Value	2.5
Rank	99
▲ San Jose FCERS Policy Benchmark	
Value	2.3
Rank	99

Universe	
5th %tile	6.5
25th %tile	5.8
Median	5.0
75th %tile	4.5
95th %tile	3.4

Annualized Return (%)  
vs. InvestorForce Public DB > \$1B Net

● Total Fund Aggregate	
Value	2.5
Rank	99
▲ San Jose FCERS Policy Benchmark	
Value	2.3
Rank	99

Universe	
5th %tile	6.5
25th %tile	5.8
Median	5.0
75th %tile	4.5
95th %tile	3.4

Annualized Return (%)  
vs. InvestorForce Public DB > \$1B Net

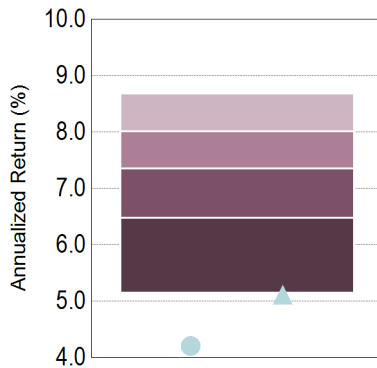
● Total Fund Aggregate	
Value	2.5
Rank	99
▲ San Jose FCERS Policy Benchmark	
Value	2.3
Rank	99

Universe	
5th %tile	6.5
25th %tile	5.8
Median	5.0
75th %tile	4.5
95th %tile	3.4

Total Fund Risk Statistics vs. Peer Universe (Trailing 5 Years)

As of March 31, 2017

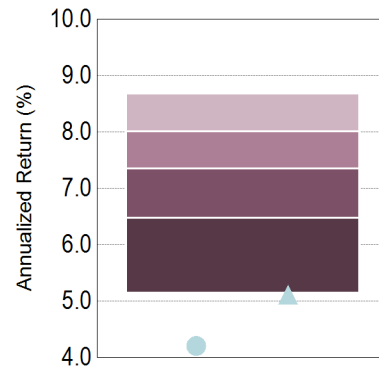
Annualized Return (%)  
vs. InvestorForce Public DB > \$1B Net



Total Fund Aggregate	
Value	4.2
Rank	98
San Jose FCERS Policy Benchmark	
Value	5.1
Rank	96

Universe	
5th %tile	8.7
25th %tile	8.0
Median	7.4
75th %tile	6.5
95th %tile	5.2

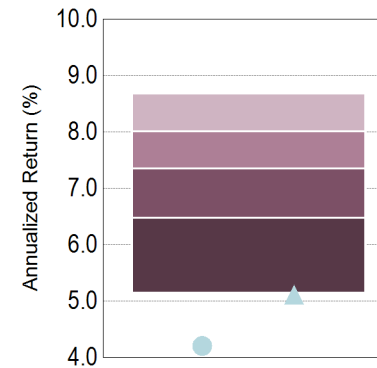
Annualized Return (%)  
vs. InvestorForce Public DB > \$1B Net



Total Fund Aggregate	
Value	4.2
Rank	98
San Jose FCERS Policy Benchmark	
Value	5.1
Rank	96

Universe	
5th %tile	8.7
25th %tile	8.0
Median	7.4
75th %tile	6.5
95th %tile	5.2

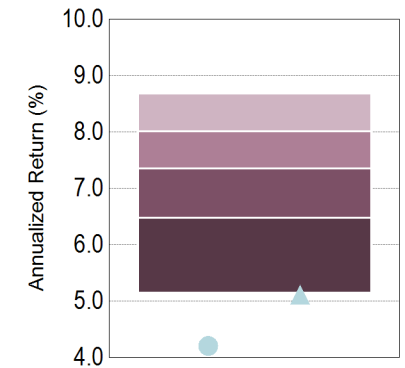
Annualized Return (%)  
vs. InvestorForce Public DB > \$1B Net



Total Fund Aggregate	
Value	4.2
Rank	98
San Jose FCERS Policy Benchmark	
Value	5.1
Rank	96

Universe	
5th %tile	8.7
25th %tile	8.0
Median	7.4
75th %tile	6.5
95th %tile	5.2

Annualized Return (%)  
vs. InvestorForce Public DB > \$1B Net



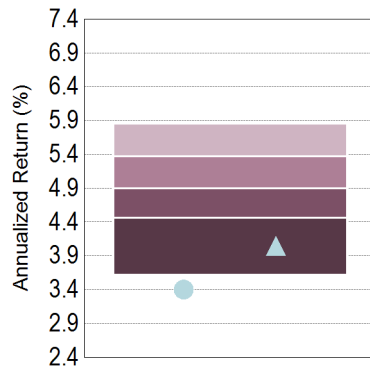
Total Fund Aggregate	
Value	4.2
Rank	98
San Jose FCERS Policy Benchmark	
Value	5.1
Rank	96

Universe	
5th %tile	8.7
25th %tile	8.0
Median	7.4
75th %tile	6.5
95th %tile	5.2

Total Fund Risk Statistics vs. Peer Universe (Trailing 10 Years)

As of March 31, 2017

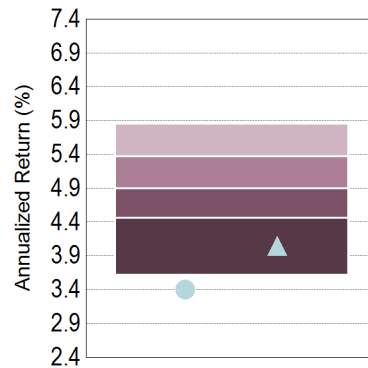
Annualized Return (%)  
vs. InvestorForce Public DB > \$1B Net



● Total Fund Aggregate	
Value	3.4
Rank	96
▲ San Jose FCERS Policy Benchmark	
Value	4.0
Rank	90

Universe	
5th %tile	5.9
25th %tile	5.4
Median	4.9
75th %tile	4.5
95th %tile	3.6

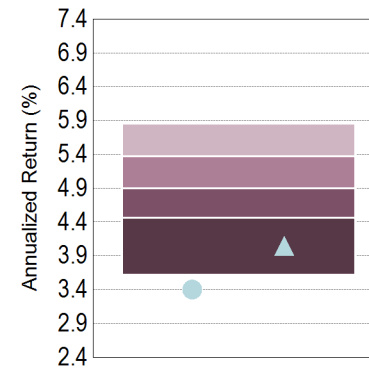
Annualized Return (%)  
vs. InvestorForce Public DB > \$1B Net



● Total Fund Aggregate	
Value	3.4
Rank	96
▲ San Jose FCERS Policy Benchmark	
Value	4.0
Rank	90

Universe	
5th %tile	5.9
25th %tile	5.4
Median	4.9
75th %tile	4.5
95th %tile	3.6

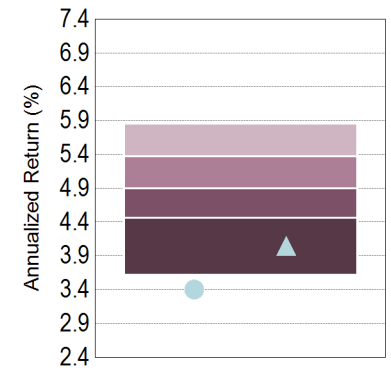
Annualized Return (%)  
vs. InvestorForce Public DB > \$1B Net



● Total Fund Aggregate	
Value	3.4
Rank	96
▲ San Jose FCERS Policy Benchmark	
Value	4.0
Rank	90

Universe	
5th %tile	5.9
25th %tile	5.4
Median	4.9
75th %tile	4.5
95th %tile	3.6

Annualized Return (%)  
vs. InvestorForce Public DB > \$1B Net



● Total Fund Aggregate	
Value	3.4
Rank	96
▲ San Jose FCERS Policy Benchmark	
Value	4.0
Rank	90

Universe	
5th %tile	5.9
25th %tile	5.4
Median	4.9
75th %tile	4.5
95th %tile	3.6

Rolling Annualized Excess Performance



## Total Global Equity

As of March 31, 2017

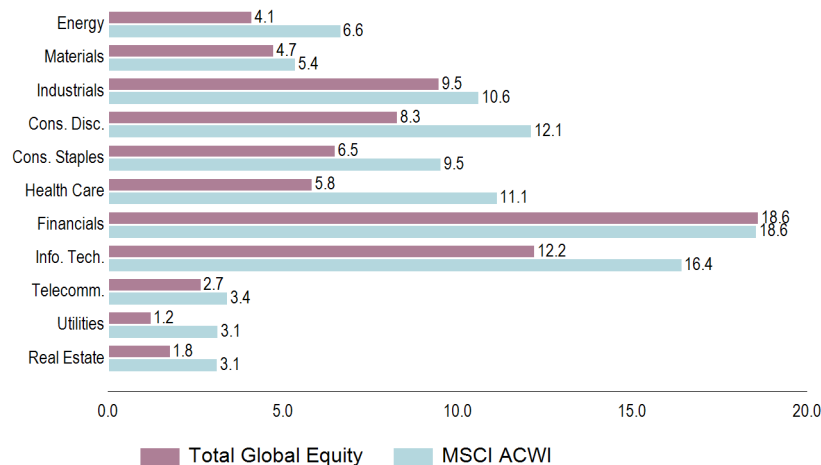
## Asset Allocation on March 31, 2017

	Actual	Actual
Aberdeen Frontier Markets	\$18,409,336	3.0%
Artisan Global Value	\$155,598,204	25.4%
Comgest Global Emerging Markets	\$15,000,000	2.4%
Cove Street Small Cap Value	\$32,441,469	5.3%
Dimensional Fund Advisors EM Value	\$29,983,604	4.9%
Horizon Portfolio I	\$31,818,773	5.2%
Marshall Wace Eureka Fund	\$25,206,479	4.1%
Northern Trust MSCI World ex. U.S.	\$145,225,277	23.7%
Northern Trust Russell 1000 Index	\$64,960,680	10.6%
Oberweis International Opportunities	\$31,468,411	5.1%
Russell Currency Hedge	-\$625,512	-0.1%
Sandler Plus Offshore Fund Ltd	\$26,569,528	4.3%

## Total Equity Characteristics

	Portfolio Q1-17	Index Q1-17	Portfolio Q4-16
<b>Market Value</b>			
Market Value (\$M)	613.79	--	557.12
Number Of Holdings	4420	2480	7938
<b>Characteristics</b>			
Weighted Avg. Market Cap. (\$B)	67.42	101.77	64.08
Median Market Cap (\$B)	1.59	9.07	1.67
P/E Ratio	21.72	22.34	21.12
Yield	2.37	2.40	2.36
EPS Growth - 5 Yrs.	6.25	6.95	7.21
Price to Book	3.27	3.40	3.22
Beta (holdings; domestic)	1.09	1.03	1.09

## Sector Allocation (%) vs MSCI ACWI



## Top 10 Holdings

SAMSUNG ELECTRONICS	1.6%
CITIGROUP	1.4%
ARCH CAP.GP.	1.3%
MICROSOFT	1.3%
BANK OF NEW YORK MELLON	1.3%
ORACLE	1.3%
ABB LTD N	1.2%
MARSH & MCLENNAN	1.2%
MEDTRONIC	1.1%
JOHNSON & JOHNSON	1.1%
<b>Total</b>	<b>13.0%</b>

<sup>1</sup> Characteristics exclude Marketable Alternatives Equity.



As of March 31, 2017

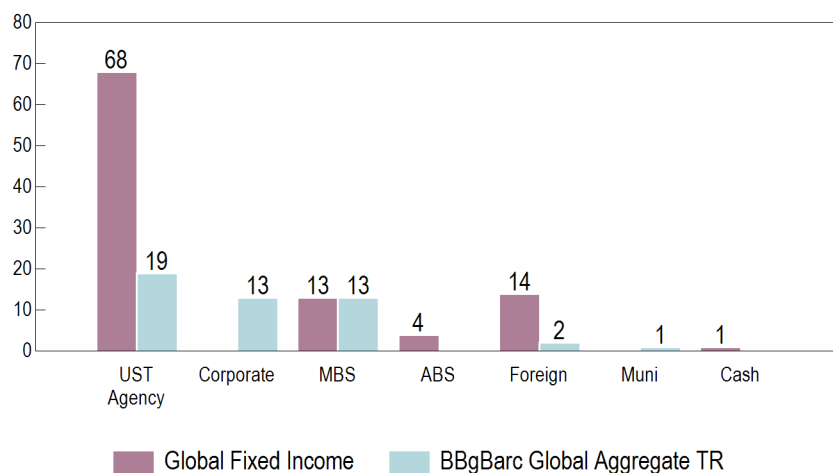
## Asset Allocation on March 31, 2017

	Actual	Actual
BlackRock Long Government Index	\$37,160,115	9.4%
BlueBay Emerging Market Select Debt	\$52,424,311	13.2%
Claren Road Credit Fund	\$3,880,532	1.0%
Davidson Kempner Institutional Partners, L.P.	\$37,406,898	9.5%
Northern Trust Intermediate Gov't 1-10 Year	\$92,832,330	23.5%
Northern Trust TIPS 0-5 Years	\$112,111,339	28.3%
Voya Securitized Credit	\$59,884,174	15.1%
<b>Total</b>	<b>\$395,699,698</b>	<b>100.0%</b>

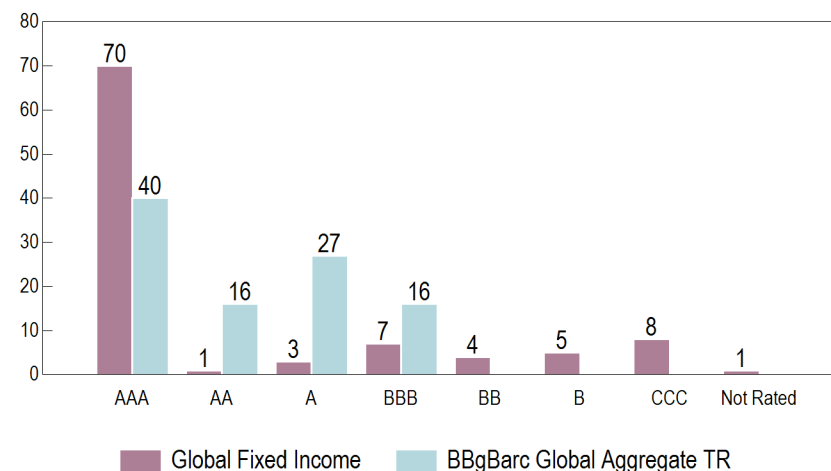
Fixed Income Assets Characteristics  
vs. BBgBarc Global Aggregate TR

	Portfolio Q1-17	Index Q1-17	Portfolio Q4-16
Fixed Income Characteristics			
Yield to Maturity	3.1	1.6	2.8
Average Duration	4.8	7.0	4.6
Average Quality	AA	AA	AA

## Sector Allocation



## Credit Quality Allocation

<sup>1</sup> Characteristics exclude Non-Investment Grade Credit.

## Artisan Global Value

As of March 31, 2017

## Account Information

Account Name	Artisan Global Value
Account Structure	Separate Account
Investment Style	Active
Inception Date	3/01/11
Account Type	Global Equity
Benchmark	MSCI ACWI Value NR USD
Universe	eA Global Value Equity Net

## Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Artisan Global Value	6.0	16.7	16.2	6.3	12.2	--	11.5	Mar-11
MSCI ACWI Value NR USD	4.9	15.7	17.1	3.8	7.8	2.8	5.8	Mar-11
eA Global Value Equity Net Median	5.6	15.0	15.1	4.2	9.0	3.9	7.4	Mar-11
eA Global Value Equity Net Rank	35	33	35	16	1	--	3	Mar-11

## Top 10 Holdings

SAMSUNG ELECTRONICS	5.4%
ARCH CAP.GP.	4.4%
CITIGROUP	4.3%
BANK OF NEW YORK MELLON	4.2%
ORACLE	3.9%
ABB LTD N	3.8%
MARSH & MCLENNAN	3.7%
BAIDU 'A' ADR 10:1	3.5%
MEDTRONIC	3.5%
TELEFONICA BRASIL PN ADR 1:1	3.5%
<b>Total</b>	<b>40.2%</b>

## Artisan Global Value Characteristics

	Portfolio Q1-17	Index Q1-17	Portfolio Q4-16
<b>Market Value</b>			
Market Value (\$M)	155.6	--	146.8
Number Of Holdings	53	2480	48
<b>Characteristics</b>			
Weighted Avg. Market Cap. (\$B)	96.9	101.8	91.2
Median Market Cap (\$B)	38.1	9.1	34.6
P/E Ratio	19.7	22.3	19.3
Yield	2.3	2.4	2.1
EPS Growth - 5 Yrs.	6.0	7.0	9.0
Price to Book	2.8	3.4	2.7
Beta (holdings; domestic)	1.1	1.0	1.1
<b>Sector Distribution</b>			
Energy	2.2	6.6	2.3
Materials	0.2	5.4	0.0
Industrials	9.8	10.6	9.3
Consumer Discretionary	3.4	12.1	3.3
Consumer Staples	6.5	9.5	6.4
Health Care	5.6	11.1	5.4
Financials	33.9	18.6	34.5
Information Technology	22.6	16.4	22.3
Telecommunication Services	3.1	3.4	2.9
Utilities	0.0	3.1	0.0
Real Estate	0.0	3.1	0.0

## Northern Trust Russell 1000 Index

As of March 31, 2017

## Account Information

Account Name	Northern Trust Russell 1000 Index
Account Structure	Commingled Fund
Investment Style	Passive
Inception Date	11/01/16
Account Type	US Stock Large
Benchmark	Russell 1000
Universe	

## Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Northern Trust Russell 1000 Index	6.0	--	--	--	--	--	12.3	Nov-16
Russell 1000	6.0	14.5	17.4	10.0	13.3	7.6	12.3	Nov-16

## Top 10 Holdings

APPLE	3.5%
MICROSOFT	2.2%
AMAZON.COM	1.5%
JOHNSON & JOHNSON	1.5%
EXXON MOBIL	1.5%
JP MORGAN CHASE & CO.	1.4%
FACEBOOK CLASS A	1.4%
BERKSHIRE HATHAWAY 'B'	1.4%
GENERAL ELECTRIC	1.1%
AT&T	1.1%
<b>Total</b>	<b>16.7%</b>

## Northern Trust Russell 1000 Index Characteristics

	Portfolio Q1-17	Index Q1-17
<b>Market Value</b>		
Market Value (\$M)	65.0	--
Number Of Holdings	998	997
<b>Characteristics</b>		
Weighted Avg. Market Cap. (\$B)	137.7	137.7
Median Market Cap (\$B)	8.8	8.8
P/E Ratio	24.6	23.7
Yield	2.0	2.0
EPS Growth - 5 Yrs.	9.9	9.1
Price to Book	4.9	4.4
Beta (holdings; domestic)	1.0	1.0
<b>Sector Distribution</b>		
Energy	6.3	6.3
Materials	3.3	3.3
Industrials	10.3	10.4
Consumer Discretionary	12.8	12.8
Consumer Staples	8.8	8.8
Health Care	13.4	13.4
Financials	14.6	14.6
Information Technology	21.4	21.4
Telecommunication Services	2.3	2.3
Utilities	3.1	3.1
Real Estate	3.7	3.7

## Cove Street Small Cap Value

As of March 31, 2017

## Account Information

Account Name	Cove Street Small Cap Value
Account Structure	Separate Account
Investment Style	Active
Inception Date	5/01/14
Account Type	US Stock Small Cap Value
Benchmark	Russell 2000 Value
Universe	eA US Small Cap Value Equity Net

## Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Cove Street Small Cap Value	1.3	15.9	15.0	--	--	--	6.3	May-14
Russell 2000 Value	-0.1	24.0	29.4	7.6	12.5	6.1	8.8	May-14
eA US Small Cap Value Equity Net Median	0.5	21.2	23.4	7.7	12.6	7.3	8.6	May-14
eA US Small Cap Value Equity Net Rank	34	88	94	--	--	--	76	May-14

## Top 10 Holdings

FMC	6.5%
LIBERTY GLOBAL LILAC CLASS A	5.3%
VIASAT	5.2%
HERITAGE CRYSTAL CLEAN	4.6%
SELECT COMFORT	4.5%
GP STRATEGIES	4.3%
TEGNA	3.8%
COMPASS MRLS.INTL.	3.7%
WESCO AIRCRAFT HOLDINGS	3.7%
CARROLS RESTAURANT GP.	3.7%
<b>Total</b>	<b>45.4%</b>

## Cove Street Small Cap Value Characteristics

	Portfolio Q1-17	Index Q1-17	Portfolio Q4-16
<b>Market Value</b>			
Market Value (\$M)	32.4	--	32.0
Number Of Holdings	36	1352	35
<b>Characteristics</b>			
Weighted Avg. Market Cap. (\$B)	2.3	2.1	2.0
Median Market Cap (\$B)	1.1	0.7	1.1
P/E Ratio	24.4	20.8	21.3
Yield	0.6	1.7	0.7
EPS Growth - 5 Yrs.	2.4	5.3	-8.8
Price to Book	2.5	1.8	2.9
Beta (holdings; domestic)	1.3	1.2	1.4
<b>Sector Distribution</b>			
Energy	1.2	5.5	1.3
Materials	14.1	4.8	11.1
Industrials	17.4	12.8	17.1
Consumer Discretionary	30.4	9.8	29.1
Consumer Staples	0.0	2.8	0.0
Health Care	2.5	4.7	2.8
Financials	3.5	32.8	6.0
Information Technology	14.0	10.3	15.7
Telecommunication Services	3.2	0.6	2.5
Utilities	0.0	6.3	0.0
Real Estate	4.8	9.5	4.8

## Oberweis International Opportunities

As of March 31, 2017

## Account Information

Account Name	Oberweis International Opportunities
Account Structure	Separate Account
Investment Style	Active
Inception Date	11/01/15
Account Type	International Small Stocks
Benchmark	MSCI World ex US Small Cap Growth
Universe	eA ACWI ex-US All Cap Equity Net

## Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Oberweis International Opportunities	10.8	7.3	8.1	--	--	--	7.3	Nov-15
MSCI World ex US Small Cap Growth	8.5	10.1	9.3	3.6	7.7	2.9	7.8	Nov-15
eA ACWI ex-US All Cap Equity Net Median	8.5	12.0	11.5	1.4	6.2	2.6	5.3	Nov-15
eA ACWI ex-US All Cap Equity Net Rank	11	83	71	--	--	--	35	Nov-15

## Top 10 Holdings

LOGITECH 'R'	2.8%
PERSIMMON	2.2%
SUBSEA 7	2.0%
ARISTOCRAT LEISURE	2.0%
ULVAC	1.8%
JUST EAT	1.8%
JD SPORTS FASHION	1.8%
TEMENOS GROUP	1.8%
FRENI BREMBO	1.7%
SWEDISH ORPHAN BIOVITRUM	1.7%
<b>Total</b>	<b>19.7%</b>

## Oberweis International Opportunities Characteristics

	Portfolio Q1-17	Index Q1-17	Portfolio Q4-16
<b>Market Value</b>			
Market Value (\$M)	31.5	--	28.4
Number Of Holdings	115	2442	103
<b>Characteristics</b>			
Weighted Avg. Market Cap. (\$B)	4.1	2.3	3.9
Median Market Cap (\$B)	3.5	1.0	3.1
P/E Ratio	26.8	20.3	27.8
Yield	1.4	2.3	1.4
EPS Growth - 5 Yrs.	17.1	9.3	14.9
Price to Book	4.6	2.4	4.3
Beta (holdings; domestic)	1.0	1.0	1.0
<b>Sector Distribution</b>			
Energy	4.2	4.3	5.1
Materials	9.8	11.0	9.9
Industrials	16.8	21.2	19.6
Consumer Discretionary	20.2	15.2	19.0
Consumer Staples	6.4	6.4	10.0
Health Care	5.8	6.8	7.7
Financials	2.3	11.0	2.9
Information Technology	24.6	10.4	19.0
Telecommunication Services	0.0	1.0	0.0
Utilities	0.9	2.4	1.0
Real Estate	1.3	10.3	2.1

## Northern Trust MSCI World ex. U.S.

As of March 31, 2017

## Account Information

Account Name	Northern Trust MSCI World ex. U.S.
Account Structure	Commingled Fund
Investment Style	Passive
Inception Date	11/01/16
Account Type	Non-US Stock All
Benchmark	MSCI World ex USA
Universe	

## Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Northern Trust MSCI World ex. U.S.	6.9	--	--	--	--	--	8.7	Nov-16
MSCI World ex USA	6.8	13.1	11.9	0.4	5.4	1.1	8.5	Nov-16

## Top 10 Holdings

NESTLE 'R'	1.6%
ROCHE HOLDING	1.2%
NOVARTIS 'R'	1.1%
HSBC HDG. (ORD \$0.50)	1.1%
ROYAL BANK OF CANADA	1.1%
TOYOTA MOTOR	0.9%
TORONTO-DOMINION BANK	0.9%
BRITISH AMERICAN TOBACCO	0.8%
ROYAL DUTCH SHELL A(LON)	0.8%
TOTAL	0.8%
<b>Total</b>	<b>10.3%</b>

## Northern Trust MSCI ACWI ex. U.S. Characteristics

	Portfolio Q1-17	Index Q1-17
<b>Market Value</b>		
Market Value (\$M)	145.2	--
Number Of Holdings	1035	1023
<b>Characteristics</b>		
Weighted Avg. Market Cap. (\$B)	51.7	51.9
Median Market Cap (\$B)	9.4	9.4
P/E Ratio	22.6	21.1
Yield	3.0	3.0
EPS Growth - 5 Yrs.	4.3	3.4
Price to Book	3.0	2.4
Beta (holdings; domestic)	1.0	1.0
<b>Sector Distribution</b>		
Energy	7.3	6.6
Materials	8.3	8.2
Industrials	13.4	13.7
Consumer Discretionary	11.3	11.5
Consumer Staples	10.6	10.8
Health Care	9.4	9.8
Financials	23.8	23.2
Information Technology	5.3	5.4
Telecommunication Services	4.1	4.2
Utilities	3.2	3.2
Real Estate	3.3	3.4



## Aberdeen Frontier Markets

As of March 31, 2017

## Account Information

Account Name	Aberdeen Frontier Markets
Account Structure	Commingled Fund
Investment Style	Active
Inception Date	12/01/13
Account Type	International Emerging Stocks
Benchmark	MSCI Frontier Markets
Universe	

## Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Aberdeen Frontier Markets	5.5	8.0	7.7	-3.4	--	--	-2.9	Dec-13
MSCI Frontier Markets	8.9	12.3	12.9	-1.7	5.8	-0.6	1.3	Dec-13
MSCI Frontier Markets ex GCC NR USD	8.9	9.9	12.1	-1.9	4.6	-2.8	-2.1	Dec-13

## Top 10 Holdings

VIETNAM DAIRY PRODUCTS	6.9%
JOHN KEELLS HOLDINGS	4.8%
SAFARICOM	4.7%
HABIB BANK	3.8%
BRD GROUPE SOCIETE GL.	3.2%
COCA COLA ICECEK	3.2%
EPAM SYSTEMS	3.1%
BANK OF GEORGIA HDG.	3.0%
SHELL PAKISTAN	2.7%
MTN GROUP	2.5%
<b>Total</b>	<b>38.0%</b>

## Aberdeen Frontier Markets Characteristics

	Portfolio Q1-17	Index Q1-17	Portfolio Q4-16
<b>Market Value</b>			
Market Value (\$M)	18.4	--	17.4
Number Of Holdings	50	127	48
<b>Characteristics</b>			
Weighted Avg. Market Cap. (\$B)	3.4	4.7	3.6
Median Market Cap (\$B)	1.3	1.7	1.5
P/E Ratio	20.1	14.4	21.9
Yield	3.3	4.1	3.4
EPS Growth - 5 Yrs.	12.1	5.3	13.1
Price to Book	5.2	2.7	5.1
Beta (holdings; domestic)	1.1	1.1	1.1
<b>Sector Distribution</b>			
Energy	4.8	9.3	4.8
Materials	7.1	6.6	6.3
Industrials	8.9	2.4	8.3
Consumer Discretionary	2.9	1.2	2.8
Consumer Staples	26.8	9.8	26.2
Health Care	7.1	2.5	7.5
Financials	22.7	43.7	22.7
Information Technology	6.0	0.9	6.9
Telecommunication Services	11.3	13.1	12.2
Utilities	0.0	4.5	0.0
Real Estate	2.3	4.6	2.3



## Dimensional Fund Advisors EM Value

As of March 31, 2017

## Account Information

Account Name	Dimensional Fund Advisors EM Value
Account Structure	Mutual Fund
Investment Style	Active
Inception Date	11/01/16
Account Type	Equity
Benchmark	MSCI Emerging Markets
Universe	

## Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Dimensional Fund Advisors EM Value	14.3	--	--	--	--	--	10.8	Nov-16
MSCI Emerging Markets	11.4	16.4	17.2	1.2	0.8	2.7	6.5	Nov-16

## Top 10 Holdings

CHINA CON.BANK 'H'	3.1%
RELIANCE INDUSTRIES	2.2%
INDL.& COML.BK.OF CHINA 'H'	1.6%
BANK OF CHINA 'H'	1.5%
HYUNDAI MOTOR	1.5%
OAO GAZPROM ADS (LON)	1.2%
PTT FB	1.2%
VALE PN	1.1%
STANDARD BK.GP.	1.0%
PTRO.BRAO.ADR 1:2	0.9%
<b>Total</b>	<b>15.3%</b>

## Dimensional Fund Advisors EM Value Characteristics

	Portfolio Q1-17	Index Q1-17
<b>Market Value</b>		
Market Value (\$M)	30.0	--
Number Of Holdings	2210	830
<b>Characteristics</b>		
Weighted Avg. Market Cap. (\$B)	19.5	56.9
Median Market Cap (\$B)	0.4	5.1
P/E Ratio	15.1	19.4
Yield	2.9	2.4
EPS Growth - 5 Yrs.	0.1	9.3
Price to Book	1.3	2.7
Beta (holdings; domestic)	1.2	1.1
<b>Sector Distribution</b>		
Energy	13.8	7.3
Materials	16.9	7.4
Industrials	9.5	5.9
Consumer Discretionary	9.8	10.4
Consumer Staples	3.7	7.0
Health Care	0.5	2.4
Financials	29.3	24.2
Information Technology	9.0	24.4
Telecommunication Services	2.1	5.7
Utilities	1.7	2.8
Real Estate	3.6	2.6



## Senator Global Opportunity Offshore Fund

As of March 31, 2017

## Account Information

Account Name	Senator Global Opportunity Offshore Fund
Account Structure	Hedge Fund
Investment Style	Active
Inception Date	4/01/13
Account Type	Long/Short Equity
Benchmark	HFRI Event-Driven (Total) Index
Universe	

## Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Senator Global Opportunity Offshore Fund	3.8	9.0	9.7	3.6	--	--	6.6	Apr-13
<i>HFRI Event-Driven (Total) Index</i>	2.4	10.8	14.0	2.7	5.2	3.9	4.6	Apr-13

## Account Information

Account Name	Horizon Portfolio I
Account Structure	Hedge Fund
Investment Style	Active
Inception Date	7/01/13
Account Type	Long/Short Equity
Benchmark	HFRI Equity Hedge (Total) Index
Universe	

## Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Horizon Portfolio I	1.9	-1.2	0.5	4.3	--	--	5.5	Jul-13
<i>HFRI Equity Hedge (Total) Index</i>	3.9	10.0	11.6	3.0	4.9	3.0	5.1	Jul-13

## Account Information

Account Name	Sandler Plus Offshore Fund Ltd
Account Structure	Hedge Fund
Investment Style	Active
Inception Date	5/01/13
Account Type	Long/Short Equity
Benchmark	HFRI Equity Hedge (Total) Index
Universe	

## Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Sandler Plus Offshore Fund Ltd	4.6	5.0	6.6	7.7	--	--	7.5	May-13
<i>HFRI Equity Hedge (Total) Index</i>	3.9	10.0	11.6	3.0	4.9	3.0	4.7	May-13

As of March 31, 2017

## Account Information

Account Name	Marshall Wace Eureka Fund
Account Structure	Hedge Fund
Investment Style	Active
Inception Date	4/01/14
Account Type	Long/Short Equity
Benchmark	HFRI Equity Hedge (Total) Index
Universe	

## Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Marshall Wace Eureka Fund	2.2	6.6	9.1	7.5	--	--	7.5	Apr-14
<i>HFRI Equity Hedge (Total) Index</i>	3.9	10.0	11.6	3.0	4.9	3.0	3.0	Apr-14

## Northern Trust Intermediate Gov't 1-10 Year

As of March 31, 2017

## Account Information

Account Name	Northern Trust Intermediate Gov't 1-10 Year
Account Structure	Commingled Fund
Investment Style	Passive
Inception Date	10/01/12
Account Type	US Fixed Income
Benchmark	BBgBarc US Govt Int TR
Universe	

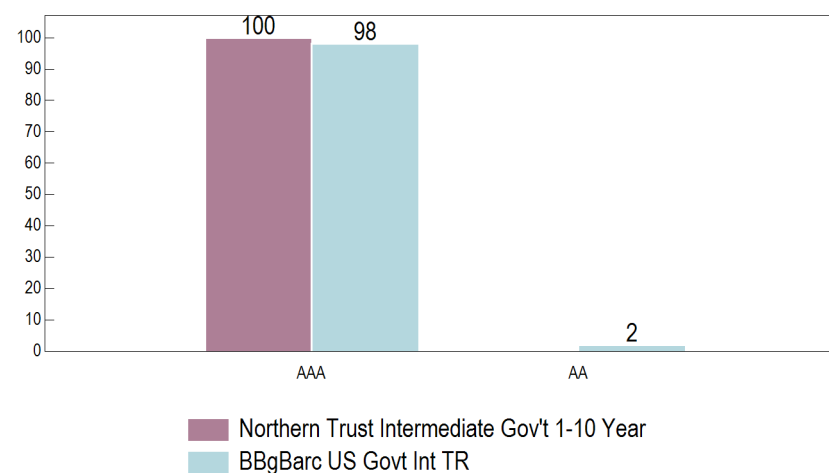
## Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Northern Trust Intermediate Gov't 1-10 Year	0.5	-1.9	-0.7	1.5	--	--	0.9	Oct-12
BBgBarc US Govt Int TR	0.5	-1.9	-0.7	1.6	1.2	3.3	0.9	Oct-12

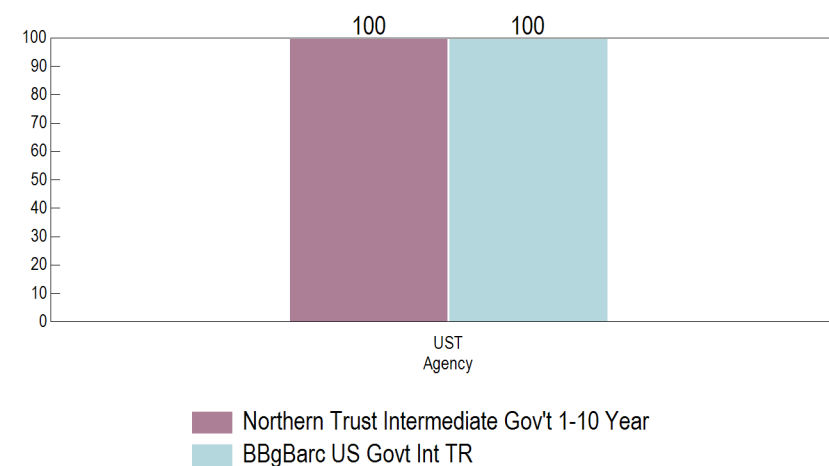
Northern Trust Intermediate Gov't 1-10 Year Characteristics  
vs. BBgBarc US Govt Int TR

	Portfolio Q1-17	Index Q1-17	Portfolio Q4-16
Fixed Income Characteristics			
Yield to Maturity	1.7	1.7	1.7
Average Duration	3.9	3.9	3.9
Average Quality	AAA	AAA	AAA

## Credit Quality Allocation



## Sector Allocation



## Northern Trust TIPS 0-5 Years

As of March 31, 2017

## Account Information

Account Name	Northern Trust TIPS 0-5 Years
Account Structure	Separate Account
Investment Style	Passive
Inception Date	7/01/14
Account Type	US Inflation Protected Fixed
Benchmark	BBgBarc US Treasury TIPS 0-5 Yr TR
Universe	

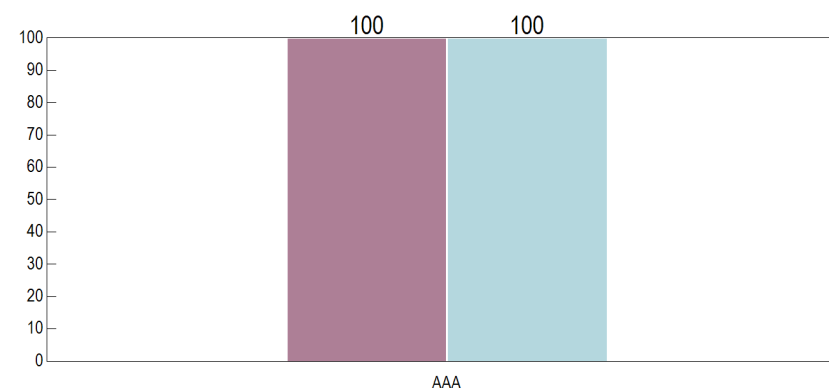
## Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Northern Trust TIPS 0-5 Years	0.7	0.8	1.7	--	--	--	0.2	Jul-14
BBgBarc US Treasury TIPS 0-5 Yr TR	0.7	0.8	1.7	0.7	0.4	2.6	0.2	Jul-14

Northern Trust TIPS 0-5 Years Characteristics  
vs. BBgBarc US Treasury TIPS 0-5 Yr TR

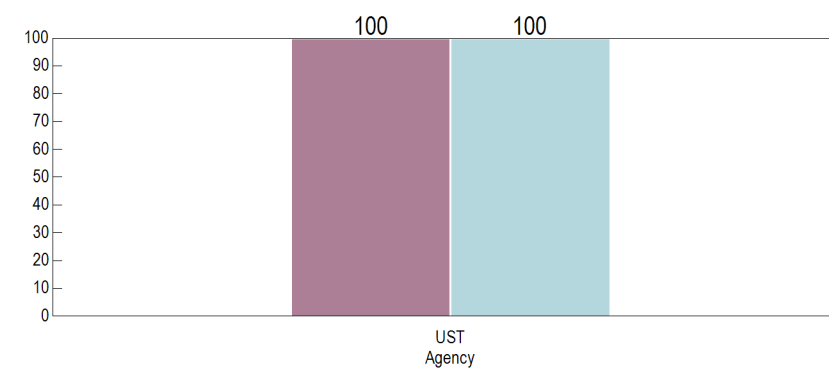
	Portfolio Q1-17	Index Q1-17	Portfolio Q4-16
Fixed Income Characteristics			
Yield to Maturity	1.5	-0.7	1.2
Average Duration	2.2	1.9	1.8
Average Quality	AAA	AAA	AAA

## Credit Quality Allocation



■ Northern Trust TIPS 0-5 Years  
■ BBgBarc US Treasury TIPS 0-5 Yr TR

## Sector Allocation



■ Northern Trust TIPS 0-5 Years  
■ BBgBarc US Treasury TIPS 0-5 Yr TR

## Voya Securitized Credit

As of March 31, 2017

## Account Information

Account Name	Voya Securitized Credit
Account Structure	Separate Account
Investment Style	Active
Inception Date	7/01/15
Account Type	Global Fixed Income
Benchmark	BBgBarc Global Aggregate Securitized TR
Universe	

## Portfolio Performance Summary

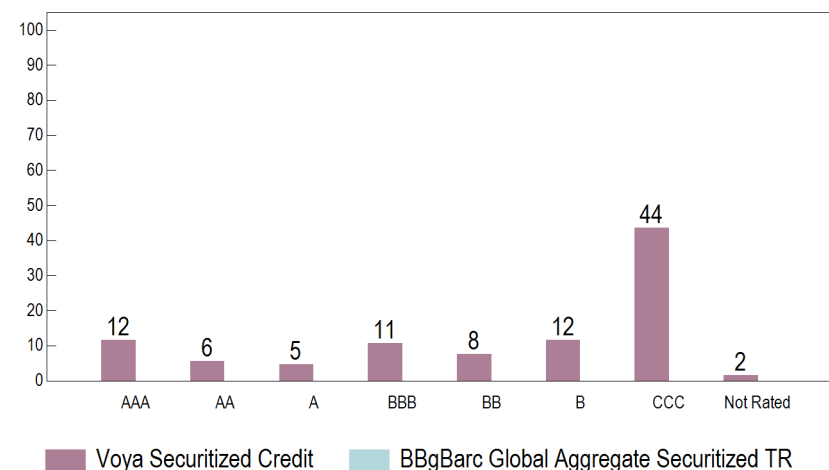
	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Voya Securitized Credit	2.0	5.5	8.3	--	--	--	5.0	Jul-15
BBgBarc Global Aggregate Securitized TR	0.7	-1.6	-1.0	1.0	1.6	3.8	1.3	Jul-15

Voya Securitized Credit Characteristics  
vs. BBgBarc Global Aggregate Securitized TR

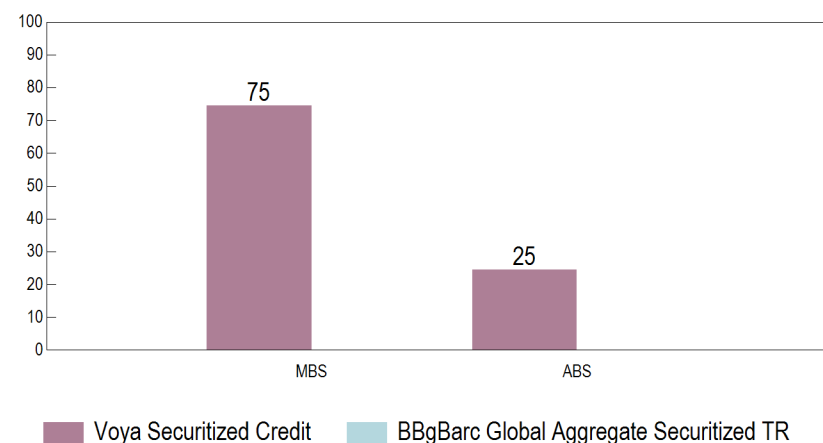
	Portfolio Q1-17	Index Q1-17	Portfolio Q4-16
<b>Fixed Income Characteristics</b>			
Yield to Maturity	5.8	--	5.4
Average Duration	4.0	--	4.0
Average Quality	CCC	--	CCC

As of the running of this report, Voya's credit quality allocation is as of 12/31/16.

## Credit Quality Allocation



## Sector Allocation



## BlackRock Long Government Index

As of March 31, 2017

## Account Information

Account Name	BlackRock Long Government Index
Account Structure	Commingled Fund
Investment Style	Passive
Inception Date	6/01/16
Account Type	US Fixed Income Investment Grade
Benchmark	BBgBarc US Govt Long TR
Universe	

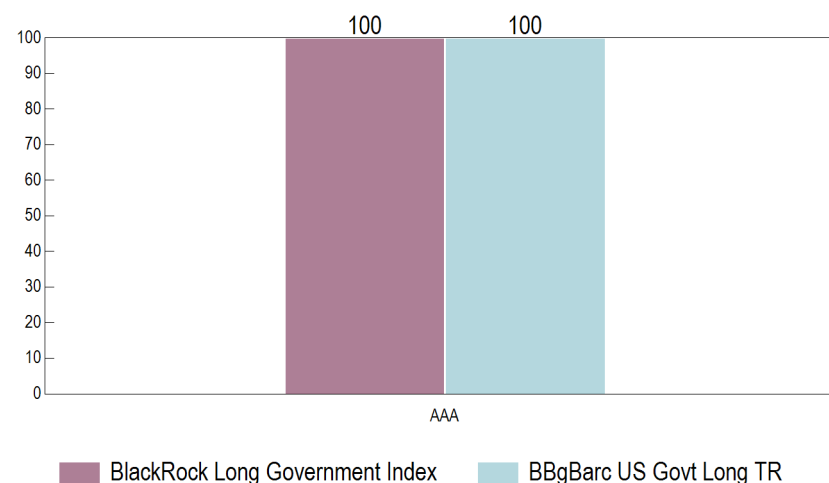
## Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
BlackRock Long Government Index	1.5	-10.2	--	--	--	--	-4.8	Jun-16
BBgBarc US Govt Long TR	1.4	-10.5	-4.8	5.8	4.0	6.6	-5.1	Jun-16

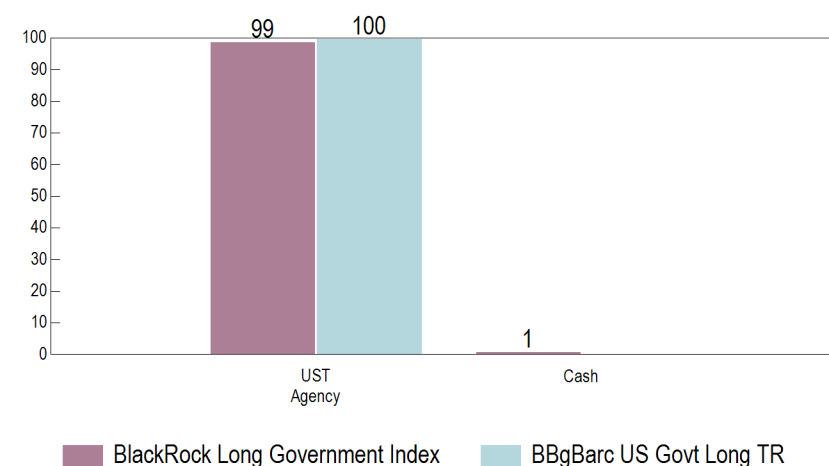
BlackRock Long Government Index Characteristics  
vs. BBgBarc US Govt Long TR

	Portfolio Q1-17	Index Q1-17
Fixed Income Characteristics		
Yield to Maturity	3.0	3.0
Average Duration	16.4	17.3
Average Quality	AAA	AAA

## Credit Quality Allocation



## Sector Allocation





As of March 31, 2017

## Account Information

Account Name	Claren Road Credit Fund
Account Structure	Other
Investment Style	Active
Inception Date	7/01/13
Account Type	Hedge Fund
Benchmark	HFRI RV: Fixed Income-Corporate Index
Universe	

## Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Claren Road Credit Fund	1.5	11.6	14.1	-6.1	--	--	-4.5	Jul-13
HFRI RV: Fixed Income-Corporate Index	2.2	9.1	12.9	3.5	4.9	3.7	4.5	Jul-13

As of March 31, 2017

## Account Information

Account Name	Davidson Kempner Institutional Partners, L.P.
Account Structure	Other
Investment Style	Active
Inception Date	2/01/13
Account Type	Hedge Fund
Benchmark	HFRI Event-Driven (Total) Index
Universe	

## Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Davidson Kempner Institutional Partners, L.P.	2.3	6.1	9.1	3.8	--	--	5.3	Feb-13
<i>HFRI Event-Driven (Total) Index</i>	2.4	10.8	14.0	2.7	5.2	3.9	4.8	Feb-13

## BlueBay Emerging Market Select Debt

As of March 31, 2017

## Account Information

Account Name	BlueBay Emerging Market Select Debt
Account Structure	Commingled Fund
Investment Style	Active
Inception Date	7/01/15
Account Type	International Emerging Market Debt
Benchmark	50% JPM EMBI GD / 50% JPM GBI-EM
Universe	

## Portfolio Performance Summary

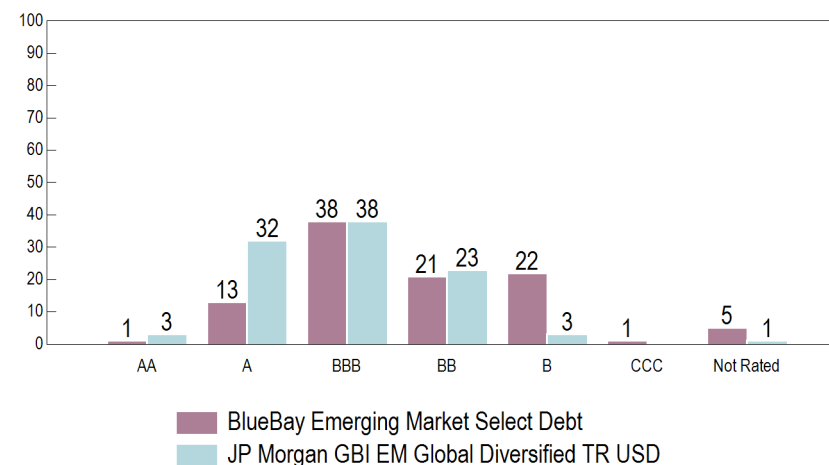
	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
BlueBay Emerging Market Select Debt	4.7	2.7	6.4	--	--	--	2.7	Jul-15
50% JPM EMBI GD / 50% JPM GBI-EM	5.2	3.2	7.3	1.8	2.1	5.6	5.3	Jul-15

## BlueBay Emerging Market Select Debt Characteristics

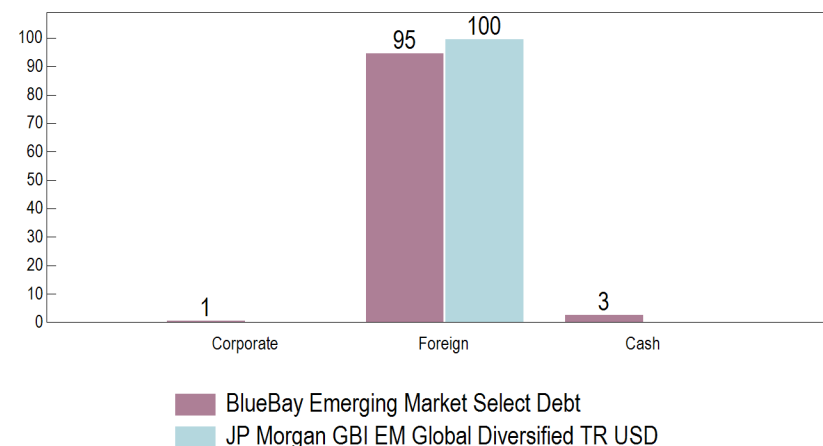
vs.

	Portfolio Q1-17	Portfolio Q4-16
<b>Fixed Income Characteristics</b>		
Yield to Maturity	6.0	5.3
Average Duration	4.5	4.3
Average Quality	BBB	BBB

## Credit Quality Allocation



## Sector Allocation



## Credit Suisse Risk Parity Commodity Index

As of March 31, 2017

## Account Information

Account Name	Credit Suisse Risk Parity Commodity Index
Account Structure	Commingled Fund
Investment Style	Active
Inception Date	4/01/11
Account Type	Real Assets
Benchmark	Bloomberg Commodity Index TR USD
Universe	

## Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Credit Suisse Risk Parity Commodity Index	2.2	1.8	10.3	-9.0	-6.0	--	-6.8	Apr-11
Bloomberg Commodity Index TR USD	-2.3	-3.6	8.7	-13.9	-9.5	-6.2	-10.7	Apr-11

## Account Information

Account Name	Pinnacle Natural Resources, L.P.
Account Structure	Other
Investment Style	Active
Inception Date	1/01/16
Account Type	Real Assets
Benchmark	Bloomberg Commodity Index TR USD
Universe	

## Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Pinnacle Natural Resources, L.P.	-7.2	-10.0	-11.5	--	--	--	-9.7	Jan-16
Bloomberg Commodity Index TR USD	-2.3	-3.6	8.7	-13.9	-9.5	-6.2	7.3	Jan-16

## Rhumbline DJ Brookfield Global Infrastructure

As of March 31, 2017

## Account Information

Account Name	Rhumbline DJ Brookfield Global Infrastructure
Account Structure	Separate Account
Investment Style	Passive
Inception Date	6/01/15
Account Type	Infrastructure
Benchmark	DJ Brookfield Global Infrastructure Net TR USD
Universe	

## Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Rhumbline DJ Brookfield Global Infrastructure	7.8	4.5	12.4	--	--	--	2.3	Jun-15
DJ Brookfield Global Infrastructure Net TR USD	7.5	4.1	11.9	4.7	--	--	1.7	Jun-15

## Top 10 Holdings

AMERICAN TOWER	5.6%
NATIONAL GRID	5.4%
KINDER MORGAN	4.5%
VINCI	4.4%
TRANSCANADA	4.3%
ENBRIDGE	4.1%
CROWN CASTLE INTL.	3.7%
PG&E	3.7%
ENBRIDGE (NYS)	3.3%
SEMPRA EN.	3.0%
<b>Total</b>	<b>42.0%</b>

## Rhumbline DJ Brookfield Global Infrastructure Characteristics

	Portfolio Q1-17	Portfolio Q4-16
<b>Market Value</b>		
Market Value (\$M)	99.1	92.0
Number Of Holdings	106	105
<b>Characteristics</b>		
Weighted Avg. Market Cap. (\$B)	27.3	22.2
Median Market Cap (\$B)	6.5	5.7
P/E Ratio	32.4	31.4
Yield	3.4	3.5
EPS Growth - 5 Yrs.	2.3	2.0
Price to Book	3.1	2.8
Beta (holdings; domestic)	0.7	0.6

## Sector Distribution

Energy	28.7	30.6
Materials	0.0	0.0
Industrials	17.1	12.5
Consumer Discretionary	1.4	1.4
Consumer Staples	0.0	0.0
Health Care	0.0	0.0
Financials	0.4	0.4
Information Technology	0.0	0.0
Telecommunication Services	0.5	2.1
Utilities	40.7	43.2
Real Estate	11.0	9.4

## Rhumbline S&amp;P Global Large MidCap Commodity &amp; NR

As of March 31, 2017

## Account Information

Account Name	Rhumbline S&P Global Large MidCap Commodity & NR
Account Structure	Separate Account
Investment Style	Passive
Inception Date	6/01/15
Account Type	Infrastructure
Benchmark	S&P Global LargeMidCap Commodity and Resources GR USD
Universe	

## Portfolio Performance Summary

	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Rhumbline S&P Global Large MidCap Commodity & NR	2.3	12.1	23.1	--	--	--	-2.1	Jun-15
S&P Global LargeMidCap Commodity and Resources GR USD	2.3	12.2	23.1	-4.4	-2.8	2.0	-2.0	Jun-15

## Top 10 Holdings

MONSANTO	7.0%
SYNGENTA	5.8%
EXXON MOBIL	5.8%
BHP BILLITON	3.7%
ARCHER-DANLS.-MIDL.	3.7%
CHEVRON	3.5%
RIO TINTO	3.1%
GLENCORE	3.0%
TOTAL	2.2%
BHP BILLITON	2.1%
<b>Total</b>	<b>39.8%</b>

## Rhumbline S&amp;P Global Large MidCap Commodity &amp; NR Characteristics

	Portfolio Q1-17	Portfolio Q4-16
<b>Market Value</b>		
Market Value (\$M)	112.5	109.9
Number Of Holdings	179	188
<b>Characteristics</b>		
Weighted Avg. Market Cap. (\$B)	59.2	63.7
Median Market Cap (\$B)	9.4	8.5
P/E Ratio	29.8	22.9
Yield	2.8	2.5
EPS Growth - 5 Yrs.	-11.4	-7.7
Price to Book	2.0	2.6
Beta (holdings; domestic)	1.2	1.2
<b>Sector Distribution</b>		
Energy	33.0	34.3
Materials	56.7	55.2
Industrials	0.0	0.0
Consumer Discretionary	0.0	0.0
Consumer Staples	9.8	10.1
Health Care	0.0	0.0
Financials	0.0	0.0
Information Technology	0.0	0.0
Telecommunication Services	0.0	0.0
Utilities	0.0	0.0
Real Estate	0.0	0.0

# **Global Macroeconomic Outlook**

## **March 2017**



## Global Economic Outlook<sup>1</sup>

**For the first time in six years, the IMF increased their forecast for global growth, citing improvements in manufacturing, trade, and investment, but they warned that downside risks remain related to potential protectionist trade policies and structural issues.**

- The IMF increased their forecast for 2017 growth from 3.4% to 3.5%, up from the 3.1% projection for 2016. A further increase to 3.6% is projected in 2018.
- The IMF projections for growth in advanced economies increased slightly in 2017 (2.0% versus 1.9%) and remained the same in 2018 (2.0%), both up from the 1.7% estimate for 2016. Higher growth expectations in the U.S. were due to fiscal stimulus, and improved outlooks in Japan and Europe were driven by trade and manufacturing.
- Growth projections remain the same for emerging economies at 4.5% in 2017 and 4.8% in 2018, with economic conditions varied across countries. Growth in China is projected to slow from 6.6% in 2017 to 5.7% in 2022, while in India growth is forecasted to increase from 7.2% to 8.2% over the same period. Russia and Brazil are both expected to emerge from recessions this year.
- Inflation expectations are trending down in the short-term and overall remain below the long-term average.

	Real GDP (%)			Inflation (%)		
	IMF 2017 Forecast	IMF 2018 Forecast	Actual 10 Year Average	IMF 2017 Forecast	IMF 2018 Forecast	Actual 10 Year Average
World	3.5	3.6	3.5	3.5	3.4	3.9
U.S.	2.3	2.5	1.3	2.7	2.4	1.8
European Union	2.0	1.8	0.9	1.8	1.7	1.7
Japan	1.2	0.6	0.5	1.0	0.6	0.5
China	6.6	6.2	9.0	2.4	2.3	2.9
Emerging Markets (ex. China)	3.2	3.9	4.1	6.1	5.8	7.2

<sup>1</sup> Source: IMF. World Economic Outlook. April 2017 edition. "Actual 10 Year Average" represents data from 2007 to 2016. Data after 2016 is an estimate.

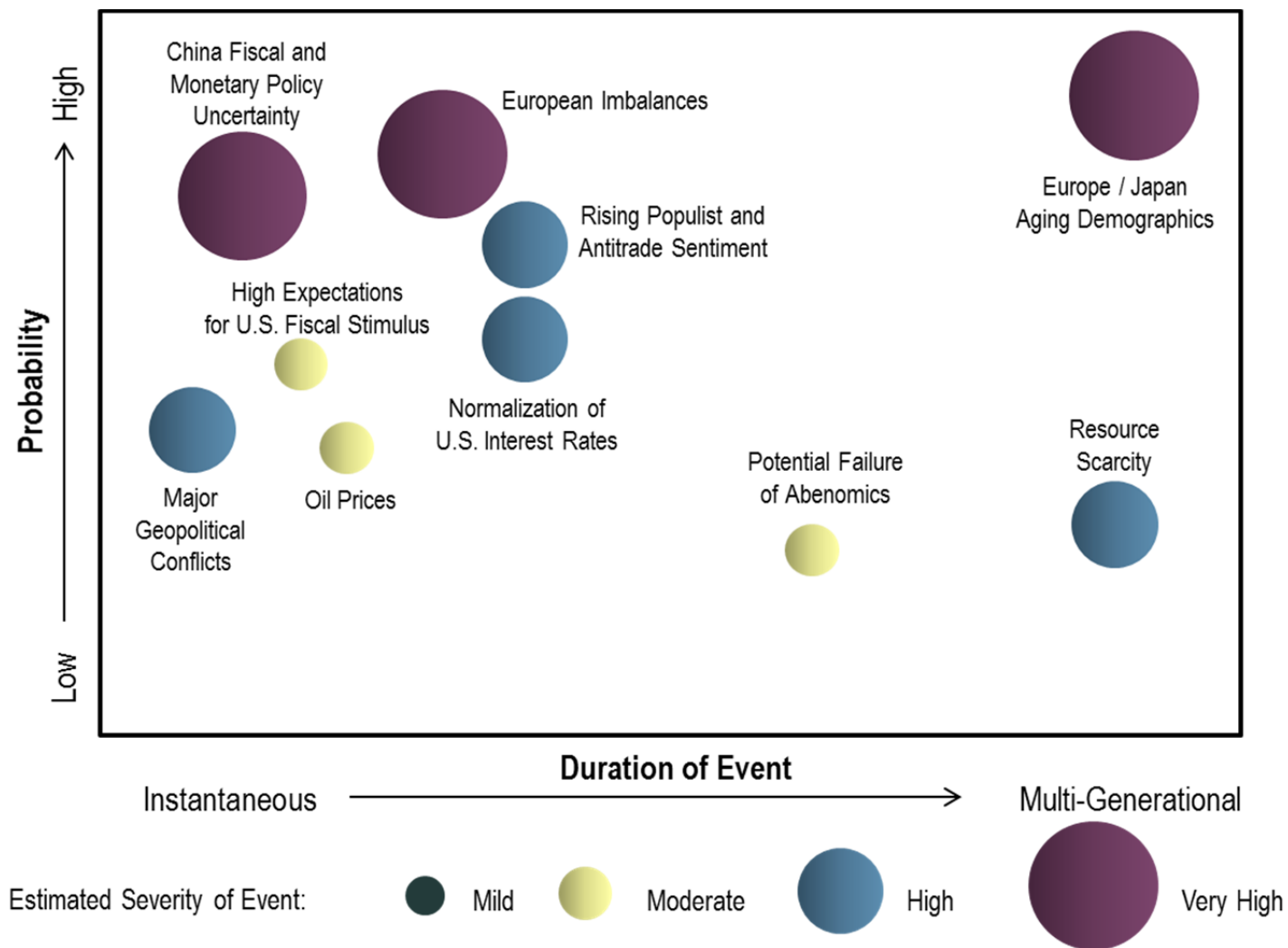
### Global Economic Outlook (continued)

**Fiscal stimulus in the U.S. is likely going forward, but its form has increasingly become uncertain. The balance of fiscal and monetary policy globally remains a key issue.**

- The Federal Reserve made their third 0.25% rate increase in March (0.75% to 1.00%). Some were expecting the Fed to take a more hawkish tone, and when they did not, the U.S. dollar weakened. It is largely anticipated that the Fed will raise rates two more times in 2017.
- In March, the Bank of Japan (BOJ) made no changes to its aggressive stimulative efforts, further highlighting the divergence of policy among major central banks. They will maintain the scale of their asset purchase program, keep bank deposit rates negative (-0.1%), and continue to target a 0% yield on the 10-year Japanese government bond.
- The European Central Bank (ECB) believes that a large monetary stimulus program is still required to help stimulate prices. At their March meeting, they made no changes to interest rates, keeping the bank deposit rate at -0.4% and its key interest rate at close to 0%. They also made no changes to the previously announced rate of their bond-buying program (i.e., quantitative easing) scheduled to decrease in April 2017 from 80 billion euros to 60 billion euros per month.
- China's economy grew slightly above expectations in the first quarter (6.9% versus 6.8%), driven in part by the construction industries high demand for steel. Corporate debt levels, a hot property market, capital outflows, and the relationship with the new U.S. administration are key issues for the world's second largest economy.

**Several issues are of primary concern: 1) increased populist and antitrade sentiment globally; 2) uncertainty related to the U.S. economy and policies; 3) declining growth in China, along with uncertain fiscal and monetary policies; 4) continued economic sluggishness and political risk in Europe, and risks related to the U.K.'s exit from the European Union.**

## Macroeconomic Risk Matrix



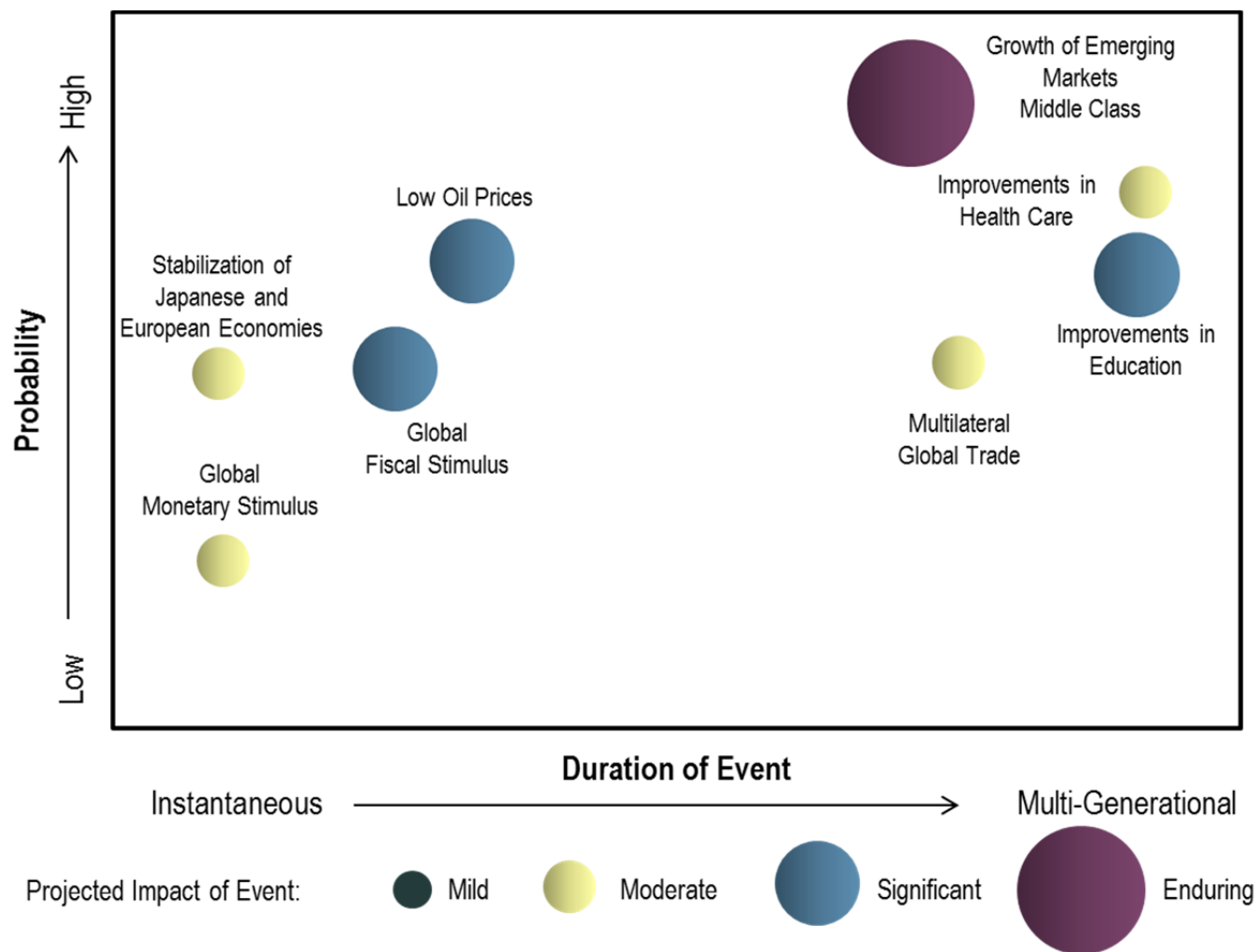
## Macroeconomic Risk Overviews

<b>Low Oil Prices</b>	Although oil prices significantly rallied from their bottom, they remain historically low. An extended period of low oil prices will hurt countries such as Iran, Russia, and Venezuela that depend heavily on oil export revenues. Low prices will continue to hurt oil exploration and production (E&P) companies, and companies that support the oil industry. The stress of low oil prices particularly affected E&P companies, with bond defaults ticking up. The risk of increased geopolitical tensions also exists with depressed oil prices.
<b>European Imbalances</b>	The crisis is rooted in structural issues in the Eurozone related to the combination of a single currency combined with 17 fiscal authorities. In the broader European Union, tensions exist, as highlighted in the recent U.K. referendum, related to policies on immigration, laws, and budgetary contributions. Additional countries leaving either group, particularly the Eurozone, could set a dangerous precedent, especially if they ultimately experience growth. The massive influx of refugees into Europe from the Middle East and North Africa exacerbates economic stress.
<b>Potential Failure of Abenomics</b>	Japan is engaged in a historic stimulus program, referred to as “Abenomics” to fight its decades of deflation. The plan includes monetary, fiscal, and structural components. If Japan overshoots with its policies, or dramatically changes them unexpectedly, it could prove disruptive to markets and growth.
<b>Europe/Japan Aging Demographics</b>	In Japan and Europe, birth rates have declined for decades, resulting in populations becoming older and smaller relative to the rest of the world. These demographic trends will have a negative long-term impact on GDP growth and fiscal budgets, amplifying debt problems.
<b>Major Geopolitical Conflicts</b>	North Korea’s nuclear aspirations and the Syria crisis have moved to the forefront of geopolitical issues. The new U.S. administration launched airstrikes on a Syrian airbase in retaliation for chemical attacks in the country. Also, the U.S. recently sent warships into the North Korea region in response to their continued missile testing. Tensions have increased with Russia and China the respective allies of Syria and North Korea with the consequences of any misstep high. Continued antiterrorist efforts against ISIS remains another unresolved issue.

## Macroeconomic Risk Overviews (continued)

<b>China Fiscal and Monetary Policy Uncertainty</b>	The process of transitioning from a growth model based on fixed asset investment by the government, to a model of consumption-based growth will be difficult. Similar policies as China's decision to unexpectedly devalue their currency or to support stock prices could prove disruptive and decrease confidence in China's government. Capital outflows remain a key issue in China. They have made some efforts to tighten regulations to stem outflows, but higher rates and growth in the U.S. could add to outflow pressures. China's abandonment of its support of the yuan, and a resulting major devaluation of the currency, could prove particularly disruptive to global markets and trade. The hot property market and the growing mountain of debt in the corporate sector remain other key risks.
<b>Normalization of U.S. Interest Rates</b>	After the Global Financial Crisis, the U.S. injected massive amounts of liquidity into the financial system in an effort to prevent depression-like declines in economic activity. Additionally, the central bank reduced short-term interest rates to record lows. Post-election expectations have increased for the pace of tightening by the Fed due to pro-growth policies of the new administration. Further tightening could weigh on growth globally, particularly in emerging economies, and soften the impact of fiscal stimulus.
<b>Resource Scarcity</b>	The growing world population, urbanization, and a growing middle class, particularly in emerging economies, could all lead to a scarcity of resources, including food, water, land, energy, and minerals. As demand continues to grow and supply declines, certain commodity prices may skyrocket, hurting the living standards of many and increasing the risk of geopolitical conflicts.
<b>Rising Populist and Antitrade Sentiment</b>	The recent votes in the U.S. (presidential election) and U.K. ("Brexit") highlight the growing populist/antitrade sentiment. Stagnant wages, growing inequality, and the perception of jobs being lost abroad are key contributors. Reducing trade and imposing tariffs would likely lead to inflation, reduced efficiencies, and heightened tensions between countries.
<b>High Expectations for U.S. Fiscal Stimulus</b>	Post U.S. presidential election, hopes have been high for new policies lowering taxes, increasing infrastructure spending, and reducing regulations. Investors have placed their bets based on the assumption that these policies would come to fruition creating the potential for disappointment. The recent failed attempt to pass revised healthcare legislation illustrates that there could be some bumps with moving forward with the new administration's agenda.

## Positive Macroeconomic Trends Matrix



## Positive Macroeconomic Trends Overviews

<b>Low Oil Prices</b>	Although oil prices recently increased, they remain low historically. Low oil prices will likely have a positive impact on global growth, particularly for energy importers like China, Japan, and India. Consumers should benefit from lower oil prices, in the form of lower prices for gasoline and heating oil.
<b>Growth of Emerging Markets Middle Class</b>	In emerging economies, the size of the middle class is projected to grow significantly over the next twenty years. This growing middle class should increase consumption globally, which in turn will drive GDP growth and create jobs.
<b>Multilateral Global Trade</b>	Increased trade and investment, and access to foreign capital and export markets for corporations, should lead to greater global growth. The recent U.S. presidential election and the U.K.'s vote to leave the European Union illustrate growing anti-trade sentiment, which could create a headwind to trade going forward.
<b>Improvements in Education/Healthcare</b>	Literacy rates and average life spans have increased globally, particularly in emerging economies. Higher literacy rates will drive future growth, helping people learn new skills and improve existing skills. When people live longer, it increases incentives for long-term investments in education and training, resulting in a more productive work force and ultimately more growth.
<b>Global Monetary Stimulus</b>	Developed market central banks embarked on a massive monetary stimulus campaign in the aftermath of the Global Financial Crisis. The U.S., European, and Japanese central banks continue to maintain interest rates at record lows. Japan and Europe continue asset purchase programs, while the U.S. ended its program and has since increased interest rates three times. Additionally, many emerging market central banks have reduced interest rates to stimulate growth. Given slow growth and low prices globally it is likely central banks will continue to maintain loose monetary policy. If central banks continue to provide liquidity and keep interest rates low, this should stimulate growth.
<b>Global Fiscal Stimulus</b>	Given the slow growth globally, and the limited room for additional monetary stimulus, there could be a shift to fiscal stimulus. With interest rates still low, borrowing for infrastructure investments is affordable. If productive investment options are not available, reducing taxes is an option. Increased fiscal stimulus could help growth while reducing the reliance on monetary policy. The new U.S. administration's proposed policies on cutting taxes and increasing spending on infrastructure could have a major impact if passed.

## Geopolitical Risks

- We are in a period of heightened geopolitical tensions and uncertainties.
- A variety of geopolitical risks remain unresolved including:
  - North Korea's nuclear aspirations.
  - The on-going war in Syria, including tensions between the U.S. and Russia.
  - Growing populist/antitrade sentiment globally.
  - The continued threat of terrorism, including the complications it creates in Europe related to the refugee crisis.
  - Continued antiterrorist efforts against ISIS.
- All of these unresolved issues have the potential to disrupt markets, economies, and trade if they flare-up. This would likely result in a flight to safe haven assets like Treasuries, U.S. dollars, and gold.



### Key Elections in 2016/2017

Date	Country	Type
June 2016	United Kingdom	E.U. Referendum
November 2016	United States	Presidential
December 2016	Italy	Constitutional Referendum
March 2017	Netherlands	Parliamentary
May 2017	France	Presidential
June 2017	France	Legislative
June 2017	United Kingdom	Parliamentary
September 2017	Germany	Parliamentary
TBD 2017/2018	Italy	Parliamentary

- Recent votes in the U.S. and U.K. demonstrate growing frustrations with government officials, the widening gap between the rich and the poor, and the perception that jobs are being lost abroad.
- Although voters did not select the populist candidate in the recent election in the Netherlands, several key elections remain in Europe this year with the potential for more populist candidates to be elected.

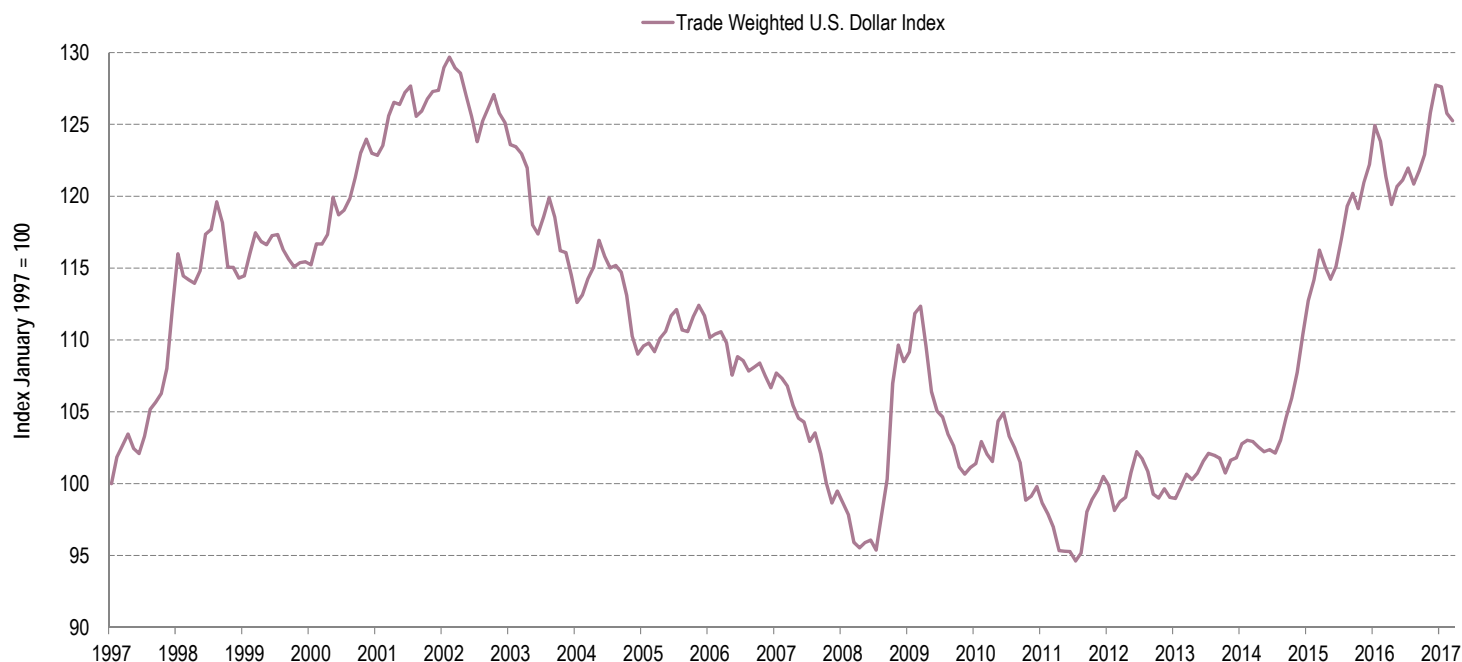
## Global Nominal Gross Domestic Product (GDP) Growth<sup>1</sup>



- Global growth prior to the Global Financial Crisis, and in the period immediately following it, was much higher than current levels.
- Growth is forecasted to increase slightly in the coming years, but remain below long-term averages due to varied headwinds.

<sup>1</sup> Source: Oxford Economics. Updated April 2017. GDP data after 1Q2016 are estimates.

## Major Currency Values versus the U.S. Dollar<sup>1</sup>



- After rallying post U.S. election due to expectations of higher growth and rates, the U.S dollar declined in the first quarter.
- Indications by the Fed that they would not increase the pace of rate tightening, reduced rhetoric on protectionist trade policies, and the inability of the U.S. congress to pass new healthcare legislation all weighed on the dollar.
- Non-dollar investments benefited from the decline in the U.S. dollar, particularly in emerging markets.

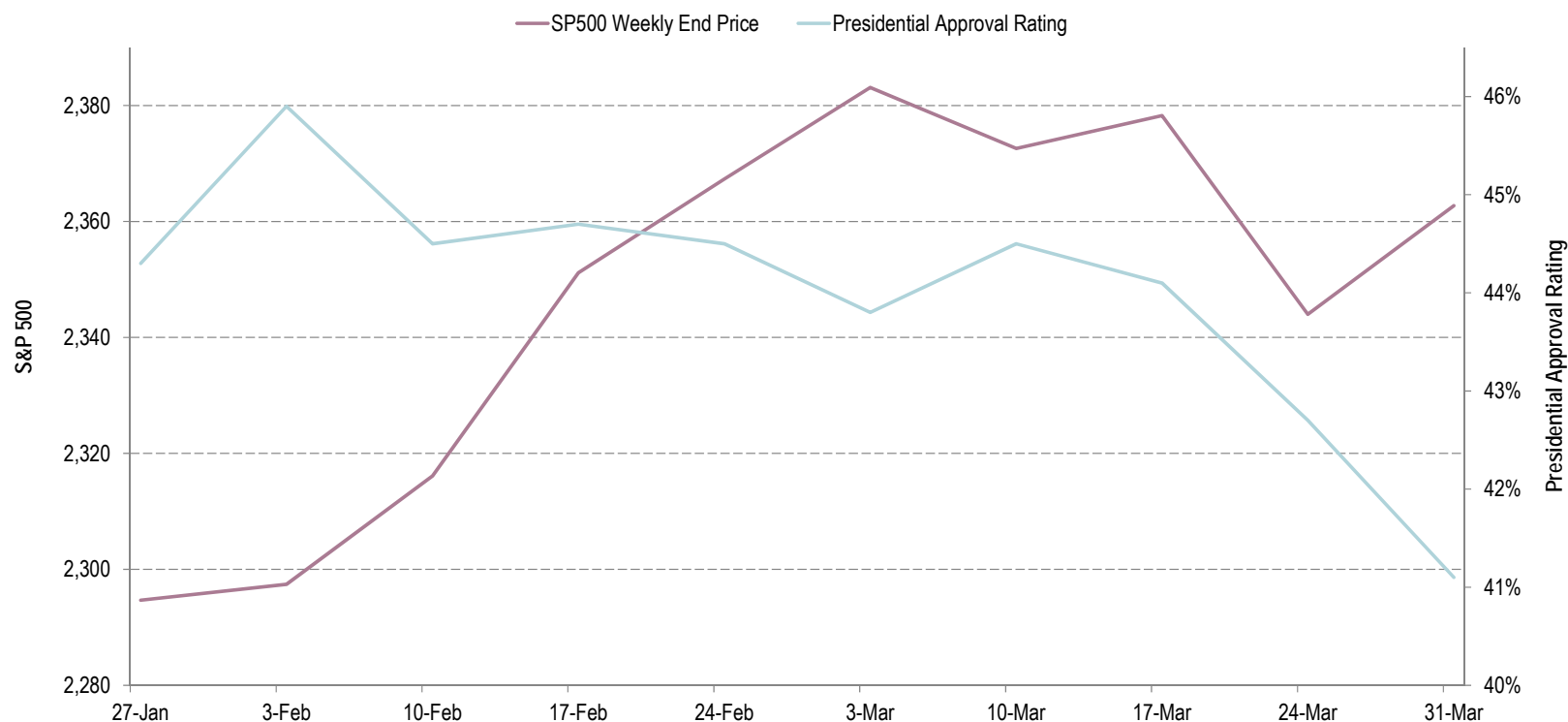
<sup>1</sup> Source: Federal Reserve Bank of St. Louis. Data is as of March 31, 2017.

### Proposed Policies of the New U.S. Administration

Growth Positive	Growth Negative
Lower Taxes	Policy Uncertainty
Infrastructure Spending	Protectionist Trade
Deregulation	Restrictive Immigration

- During campaigning, Donald Trump proposed a variety of policies with varied potential impacts on economic growth.
- Since the election, investors have focused on the pro-growth policies including lower taxes, more infrastructure spending, and less regulation and focused less on policies that could potentially hurt growth like a protectionist trade stance and tougher immigration policies. This initially led to a stronger U.S. dollar and higher inflation expectations.
- This environment generally benefited U.S. stocks, while hurting U.S. bonds and foreign assets.
- There have been some signs recently of a reversal of the “Trump trade” with rates falling and the dollar weakening. The failure of getting new healthcare legislation passed, changes in policy stances, and the Fed’s confirmation that they would take a slow approach to increasing rates all were contributing factors.

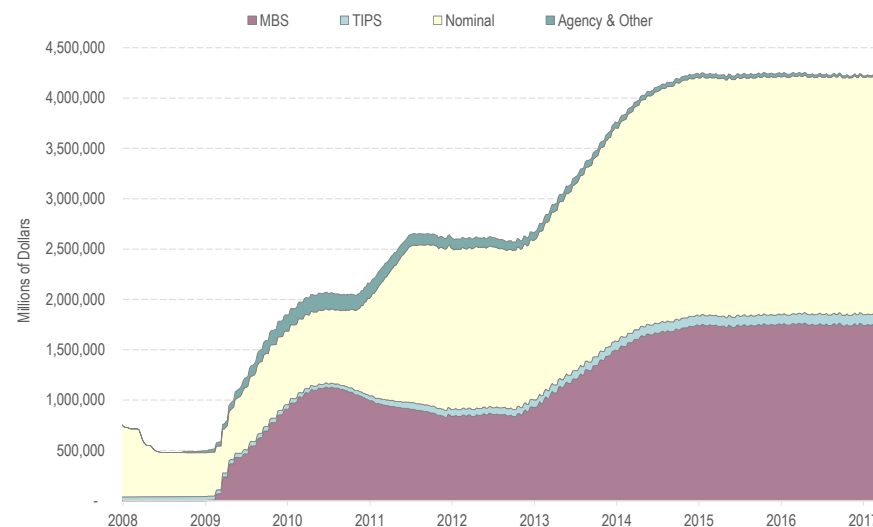
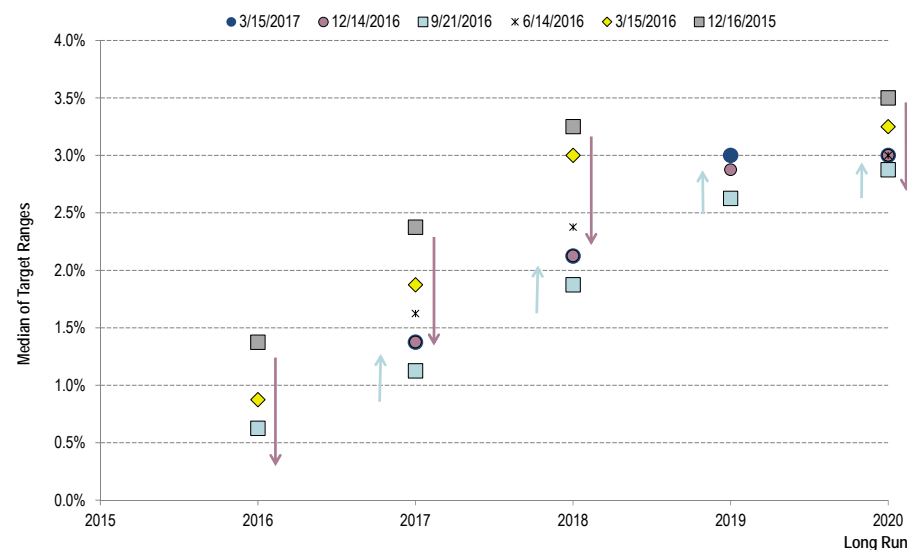
## U.S. Presidential Approval Rating versus S&P 500<sup>1</sup>



- Despite high valuations, U.S. equity markets rallied post-election on hopes of renewed growth from proposed fiscal policies of the new administration.
- Although markets have been optimistic about President Trump's agenda, his approval rating has steadily declined to around 40% at quarter-end.

<sup>1</sup> Source: Bloomberg, Real Clear Politics Presidential Job Approval Average. Data is as of March 31, 2017.

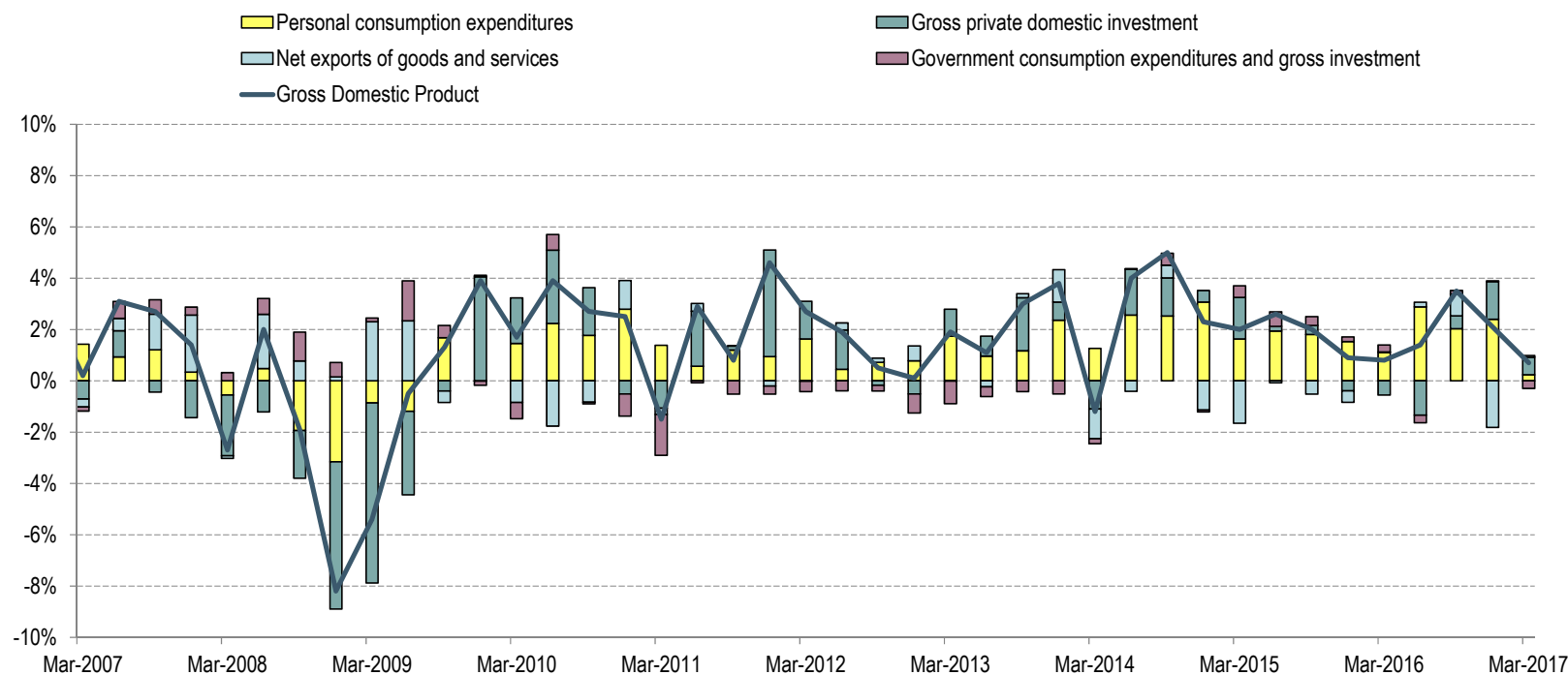
## U.S. Monetary Policy<sup>1</sup>



- Following-up its rate increase in December, the U.S. Federal Reserve increased short-term interest rates by another 0.25% in March to 1.0%. This represented the third increase since the Fed started increasing rates from record low levels.
- Prior to the U.S. election, inflationary pressures were mounting and unemployment was half the level of its peak.
- The outstanding question remains of what the Fed will do with its \$4 trillion plus bond portfolio. A decision to reduce the size of its balance sheet would put further pressure on interest rates.

<sup>1</sup> Source: Federal Reserve. Fed Funds rate represents the median FOMC estimate.

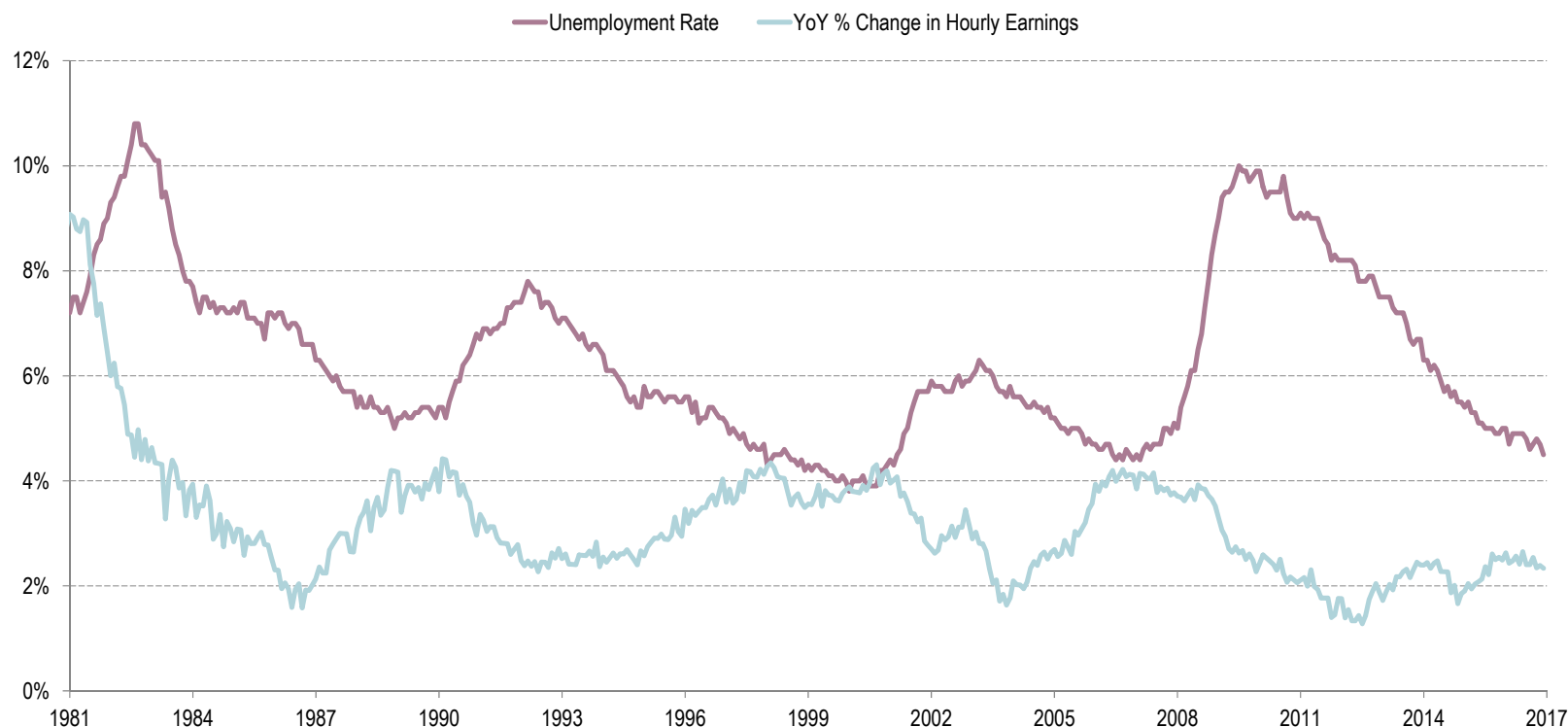
## U.S. Real Gross Domestic Product (GDP) Growth<sup>1</sup>



- U.S. GDP grew at an annualized rate of 0.7% in the first quarter, its lowest level in three years. Over the trailing year, GDP grew at the rate of 1.9%.
- Weak growth in consumer spending was the main driver for the low growth during the quarter.

<sup>1</sup> Source: U.S. Bureau of Economic Analysis. Data is as of the first quarter of 2017 and represents the first estimate.

## U.S. Employment & Wages<sup>1</sup>

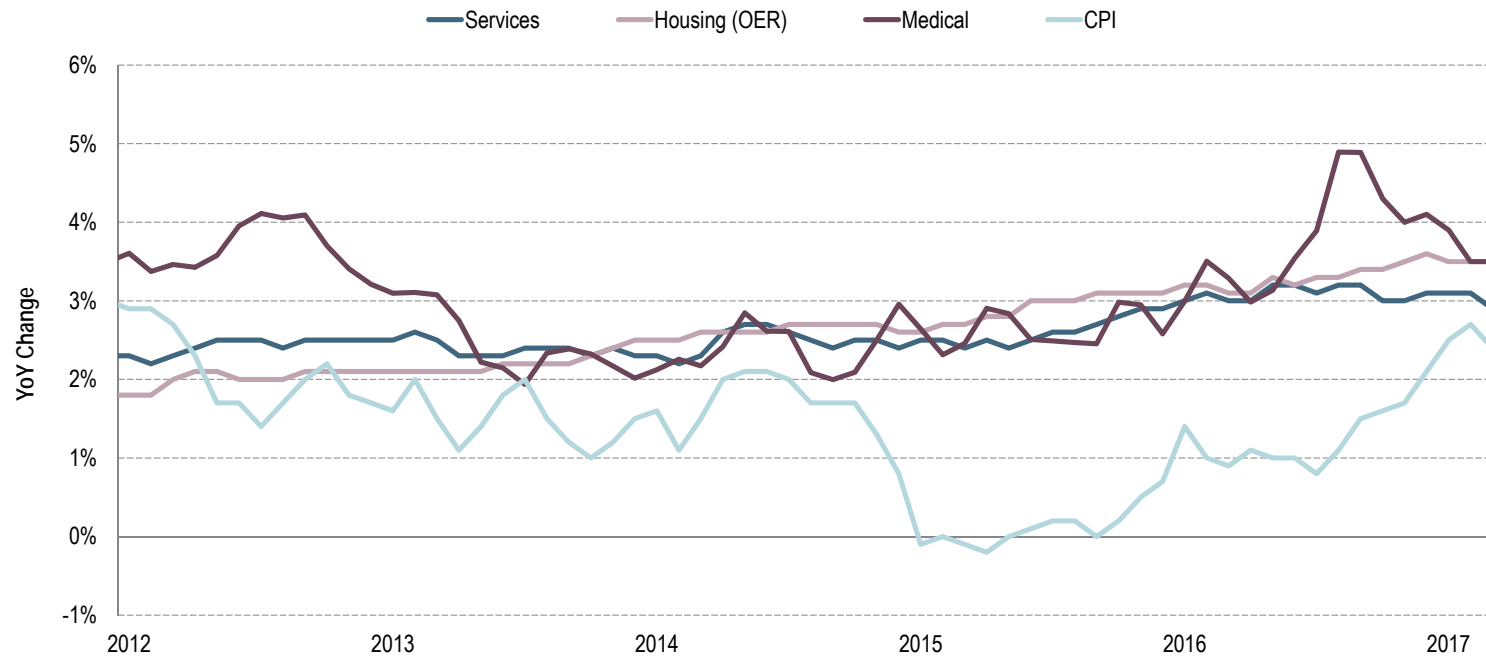


- In the first quarter, unemployment continued its decline from the 10% peak of late 2009, finishing the quarter at 4.5%.
- Wages have increased from their lows, but recently the pace has slowed slightly. Also, the rate of growth is well below prior recoveries.
- Higher wages could lead to inflationary pressures and weigh on corporate profits.

<sup>1</sup> Source: Bureau of Labor Statistics. Data is as of March 31, 2017.



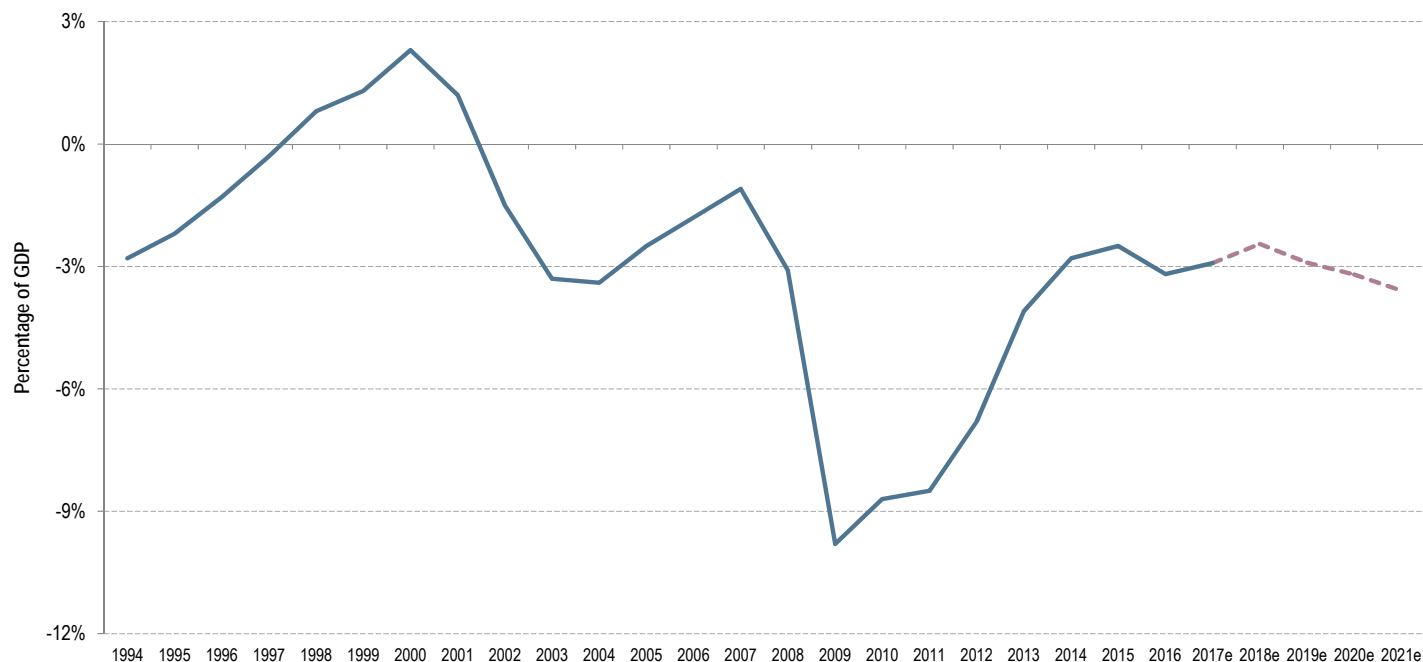
### U.S. Inflation Components<sup>1</sup>



- Since the summer of 2016, inflation has increased three-fold, finishing the first quarter at 2.4%.
- Part of the rise was driven by the calculation capturing the recent increase in oil, a phenomenon that could slow if the price of oil stabilizes.
- Several components of inflation are tracking above 3% including medical (3.5%) and housing (3.5%).

<sup>1</sup> Source: Bloomberg; Bureau of Labor Statistics. Data is as of March 31, 2017.

### U.S. Budget Deficit as a Percentage of GDP<sup>1</sup>



- From the lows of 2009, driven by the large Global Financial Crisis stimulus, the deficit improved as the economy strengthened, stimulus was removed, and taxes were increased for the wealthy.
- In the coming years, projections are for a higher deficit driven by spending on social programs (Social Security and Medicare) and higher debt interest payments.
- Policies proposed by the new U.S. administration of lowering taxes and increasing spending on infrastructure could put further strains on the U.S. budget deficit and debt load.

<sup>1</sup> Source: Congressional Budget Office (CBO). Dashed line represents CBO's projections.

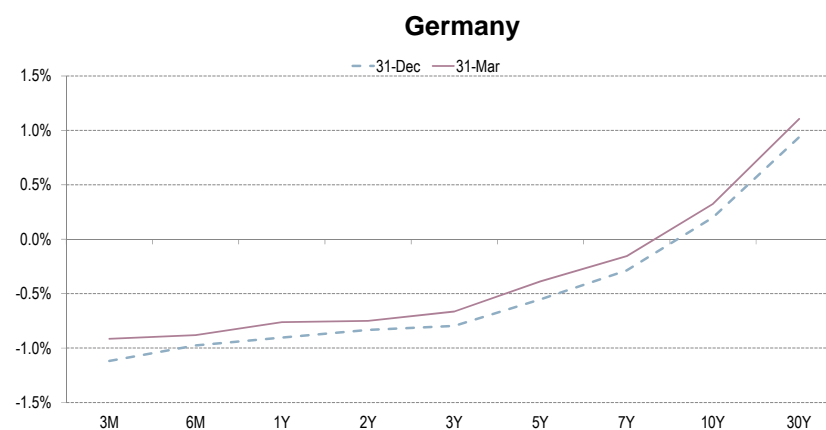
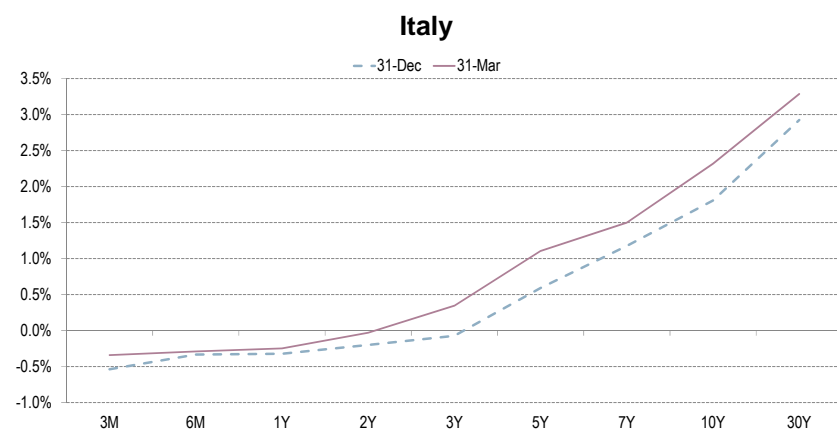
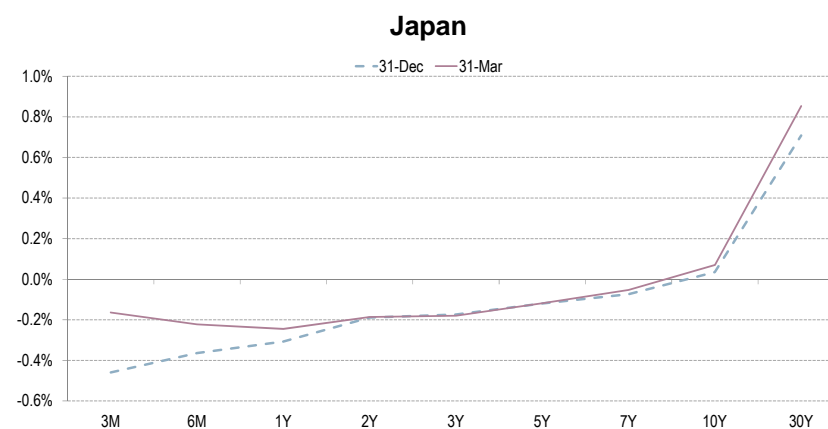
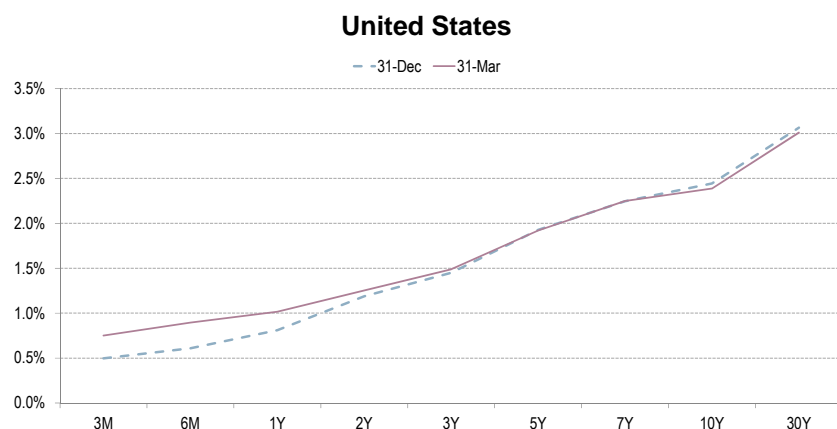
### Spread Between 10-year and 2-year U.S. Treasuries<sup>1</sup>



- The U.S. yield curve steepened post-election due to expectations of higher growth and inflation, but has since flattened.
- If the yield curve continues to flatten this could particularly hurt banks, a sector that has done well recently in light of talks of lower regulations.
- Banks are a critical part of the economy and any headwinds to the sector could weigh on overall economic activity.

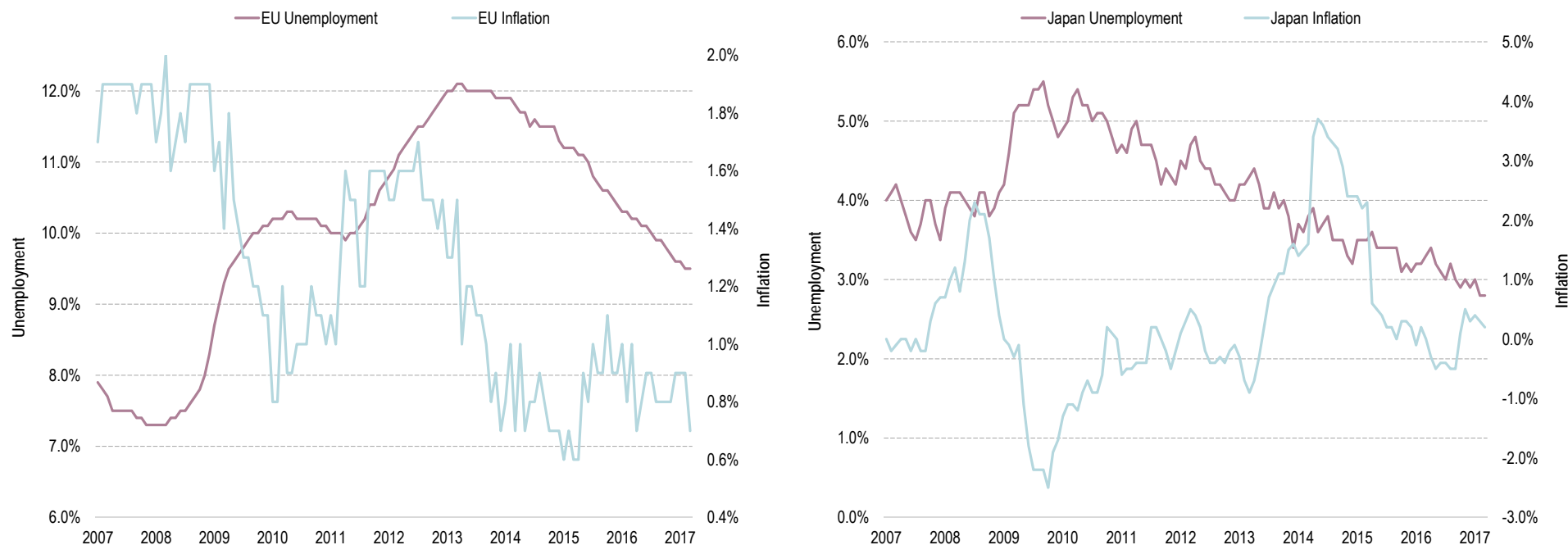
<sup>1</sup> Source: Bloomberg. Data as of March 31, 2017.

## Government Bond Yield Curves<sup>1</sup>



- After rates increased across the yield curve post U.S. election, the yield curve flattened in the first quarter.
- In Italy and Germany rates increased across the yield curve due to continued political uncertainties, while in Japan the majority of rates increased as inflation returned.

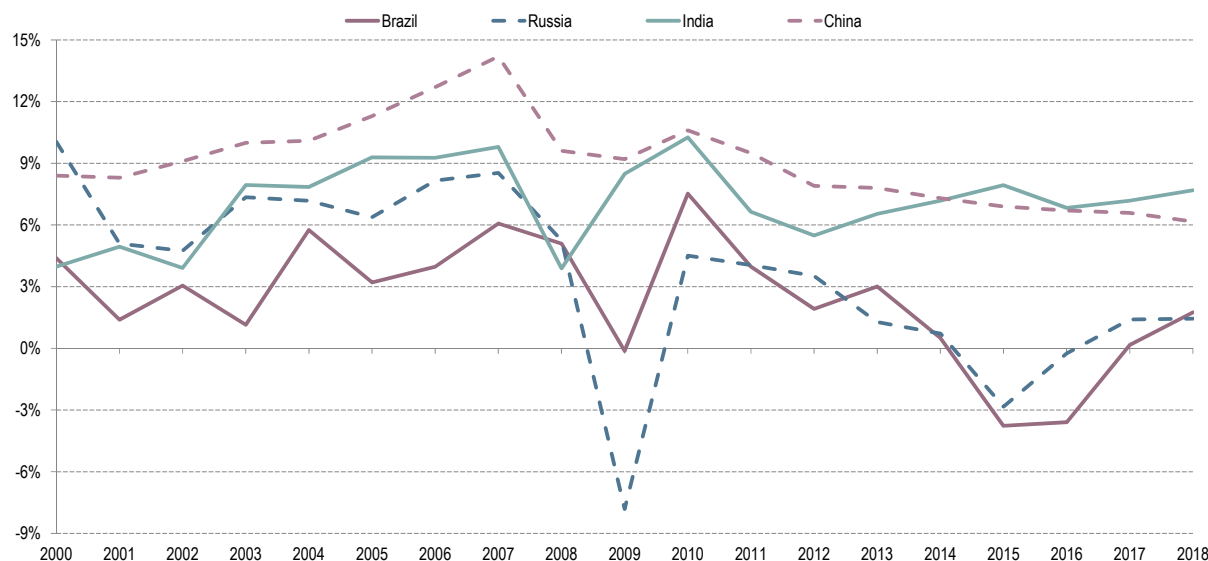
<sup>1</sup> Source: Bloomberg. Data is as of March 31, 2017.

Japan and Europe Economic Conditions<sup>1</sup>

- While the U.S. central bank begins to tighten monetary policy, the European and Japanese central banks continue to maintain interest rates at record lows and purchase assets in an attempt to stimulate growth.
- In Europe, unemployment has declined from its highs, while in Japan they have moved from deflation to inflation.
- If economic conditions continue to improve in Europe and Japan, and the U.S. dollar remains weak, this could be beneficial to foreign investments, particularly given the high valuations here in the U.S.

<sup>1</sup> Source: Bloomberg. Data is as of March 31, 2017.

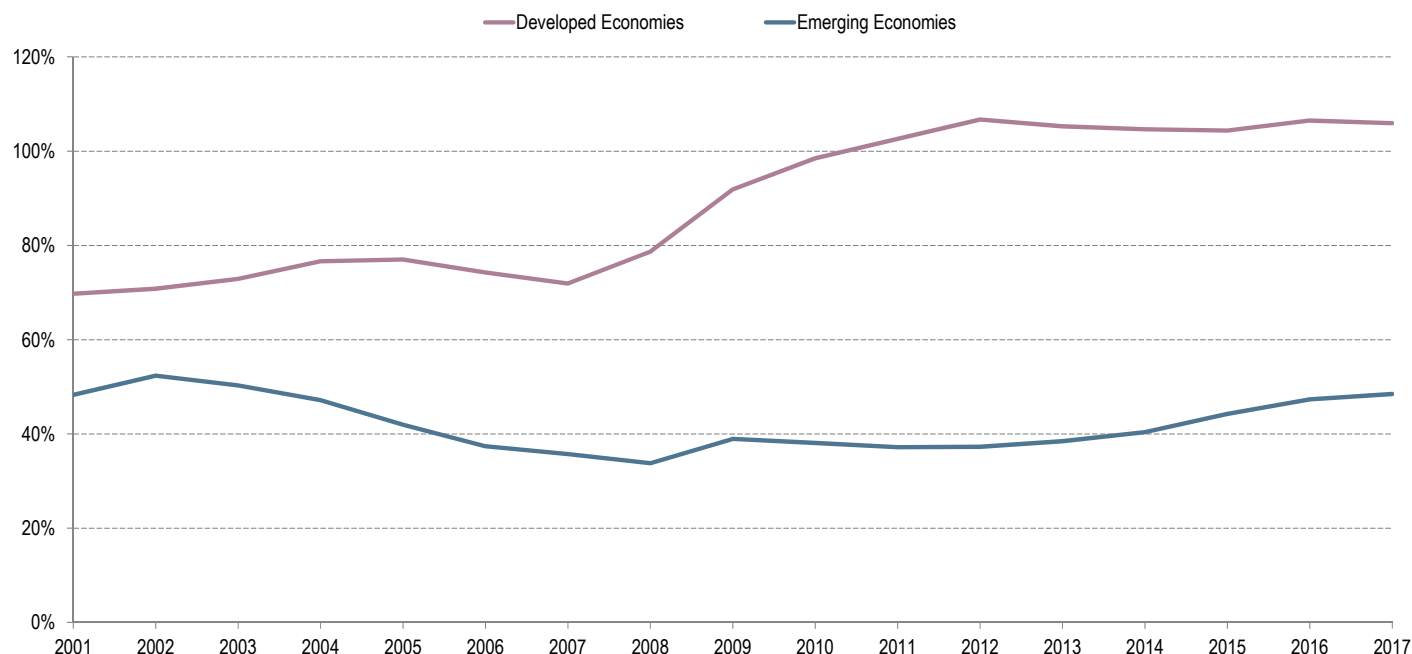
## Emerging Market GDP<sup>1</sup>



- Growth in emerging economies remains uneven and has trended downward since 2010.
- Russia and Brazil are projected to emerge from recession in 2017, while China's economy is forecasted to continue to slow. India remains a bright spot with stable growth forecasted at a level above China.
- The recent fall in the U.S. dollar, due in part to the decline in antitrade rhetoric, and signs of stabilization in China, has led to an increase in foreign investment in emerging markets, stronger returns for U.S. investors, and reduced the burden on countries with large dollar denominated debt.
- Any signs of higher rates and economic activity in the U.S., a return to antitrade rhetoric, or heightened geopolitical tensions could reverse the flow of the recent "hot money" into emerging markets and weigh on returns.

<sup>1</sup> Source: IMF. World Economic Outlook. April 2017 edition. GDP data estimates start after 2016.

### Government Debt as a % of GDP<sup>1</sup>



- The long-term growth thesis remains in place for emerging markets. Lower debt levels, improving demographics, and opportunities for improving productivity should help bolster emerging economies' growth.
- Over the past ten years, emerging market equities have lagged U.S. equities by close to 5% per year.
- In the first quarter of 2017, there were signs of a reversal with emerging markets producing strong returns double those of the U.S. markets (11.4% versus 5.7%). The weakening U.S. dollar was a big driver of the outperformance.

<sup>1</sup> Source: IMF, World Economic Outlook, April 2017. GDP data estimates start after 2016.

## Summary

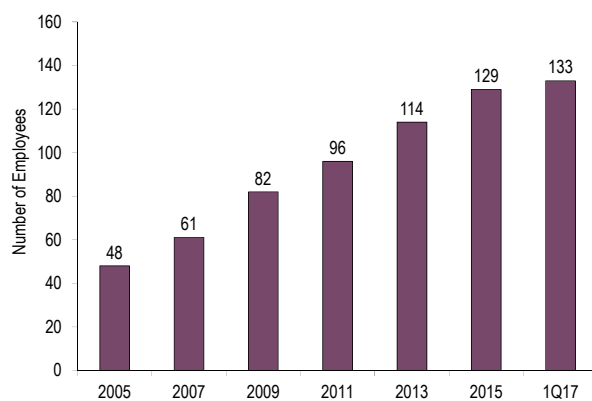
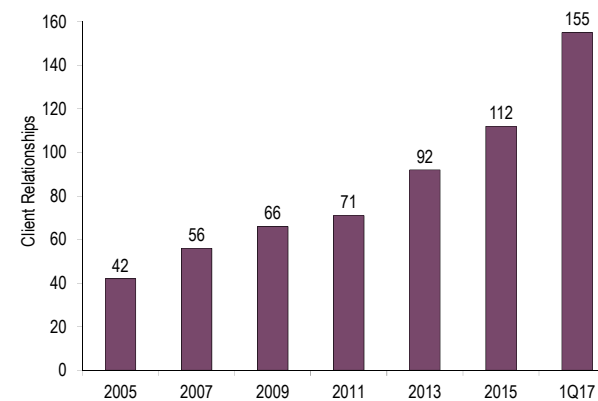
**Four primary concerns face the global economy: 1) increased populist and antitrade sentiment globally; 2) uncertainty related to the U.S. economy and policies; 3) declining growth in China, along with uncertain fiscal and monetary policies; 4) continued economic sluggishness and political risk in Europe, and risks related to the U.K.'s exit from the European Union.**

- Recent elections in the U.S. and the U.K.'s vote to leave the European Union illustrated the growing populist sentiment globally driven in part by job losses and stagnant wages. Despite the far right candidate being defeated in the Netherlands, there are several other key European elections in the short-term, including in France and Germany. Economic growth would be hurt by antitrade policies and likely lead to volatility in financial markets, lower business investment, and inflation.
- The U.S. has experienced largely stable growth since the end of the financial crisis, but at levels below prior recoveries. Inflationary pressures have started to mount and employment has recovered. The Federal Reserve has already started tightening monetary policy, while the impact of proposed fiscal policies, if they are able to be passed, will likely not have an impact until 2018. The interplay of the two will be a key issue going forward.
- Given China's size and contribution to global growth, a slowing of its economy could have a meaningful impact, particularly on countries that depend on its trade. The growing debt, particularly in the corporate sector, remains a key concern. Another devaluation of the yuan could prove disruptive to capital markets, weigh on domestic demand, and hurt countries with competing exports.
- The decision of the U.K. to leave the EU further weighs on the fragile recovery in Europe. The U.K.'s negotiation of trade deals will be a key issue with a wide range of potential outcomes. Uncertainty related to the outcome of negotiations should weigh on foreign investment and consumption. Any additional moves to leave the EU, or the Eurozone, could be disruptive to markets and growth.



## **Meketa Investment Group Corporate Update**

- Staff of 133, including 87 investment professionals and 26 CFA Charterholders
- 155 clients, with over 250 funds throughout the United States
- Significant investment in staff and resources
- Offices in Boston, Chicago, Miami, Portland (OR), San Diego, and London
- Clients have aggregate assets of over \$980 billion
  - Over \$60 billion in assets committed to alternative investments
    - Private Equity      ▪ Infrastructure      ▪ Natural Resources
    - Real Estate      ▪ Hedge Funds      ▪ Commodities

**Employee Growth****Client Growth**

**Meketa Investment Group is proud to work for over 5 million American families everyday.**

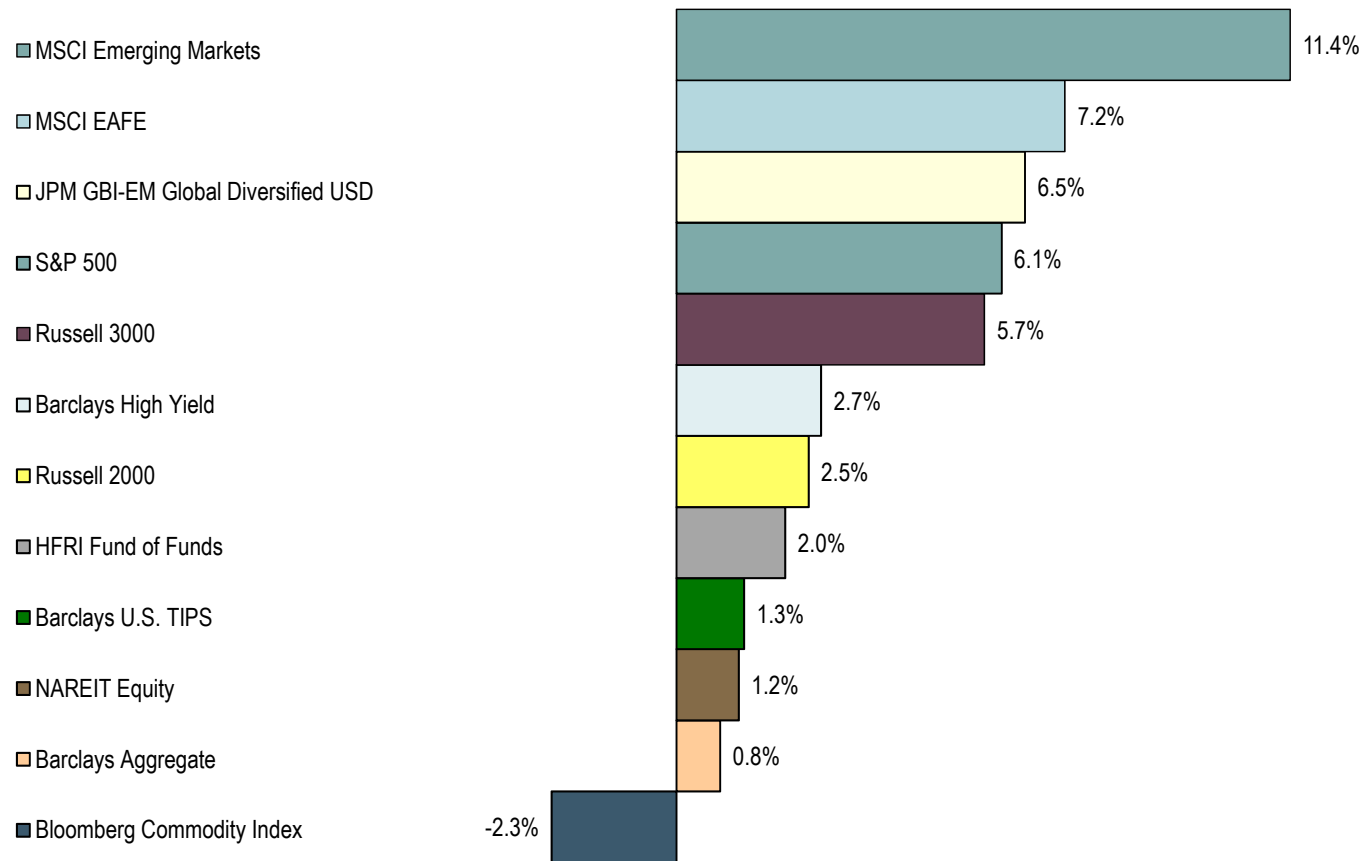
## Asset Classes Followed Intensively by Meketa Investment Group

Domestic Equities	International Equities	Private Equity	Real Assets	Fixed Income	Hedge Funds
<ul style="list-style-type: none"> <li>- Passive</li> <li>- Enhanced Index</li> <li>- Large Cap</li> <li>- Midcap</li> <li>- Small Cap</li> <li>- Microcap</li> <li>- 130/30</li> </ul>	<ul style="list-style-type: none"> <li>- Large Cap Developed</li> <li>- Small Cap Developed</li> <li>- Emerging Markets</li> <li>- Frontier Markets</li> </ul>	<ul style="list-style-type: none"> <li>- Buyouts</li> <li>- Venture Capital</li> <li>- Private Debt</li> <li>- Special Situations</li> <li>- Secondaries</li> <li>- Fund of Funds</li> </ul>	<ul style="list-style-type: none"> <li>- Public REITs</li> <li>- Core Real Estate</li> <li>- Value Added Real Estate</li> <li>- Opportunistic Real Estate</li> <li>- Infrastructure</li> <li>- Timber</li> <li>- Natural Resources</li> <li>- Commodities</li> </ul>	<ul style="list-style-type: none"> <li>- Short-Term</li> <li>- Core</li> <li>- Core Plus</li> <li>- TIPS</li> <li>- High Yield</li> <li>- Bank Loans</li> <li>- Distressed</li> <li>- Global</li> <li>- Emerging Markets</li> </ul>	<ul style="list-style-type: none"> <li>- Long/Short Equity</li> <li>- Event Driven</li> <li>- Relative Value</li> <li>- Fixed Income Arbitrage</li> <li>- Multi Strategy</li> <li>- Market Neutral</li> <li>- Global Macro</li> <li>- Fund of Funds</li> <li>- Portable Alpha</li> </ul>

## Appendices

## **The World Markets First Quarter of 2017**

## The World Markets<sup>1</sup> First Quarter of 2017



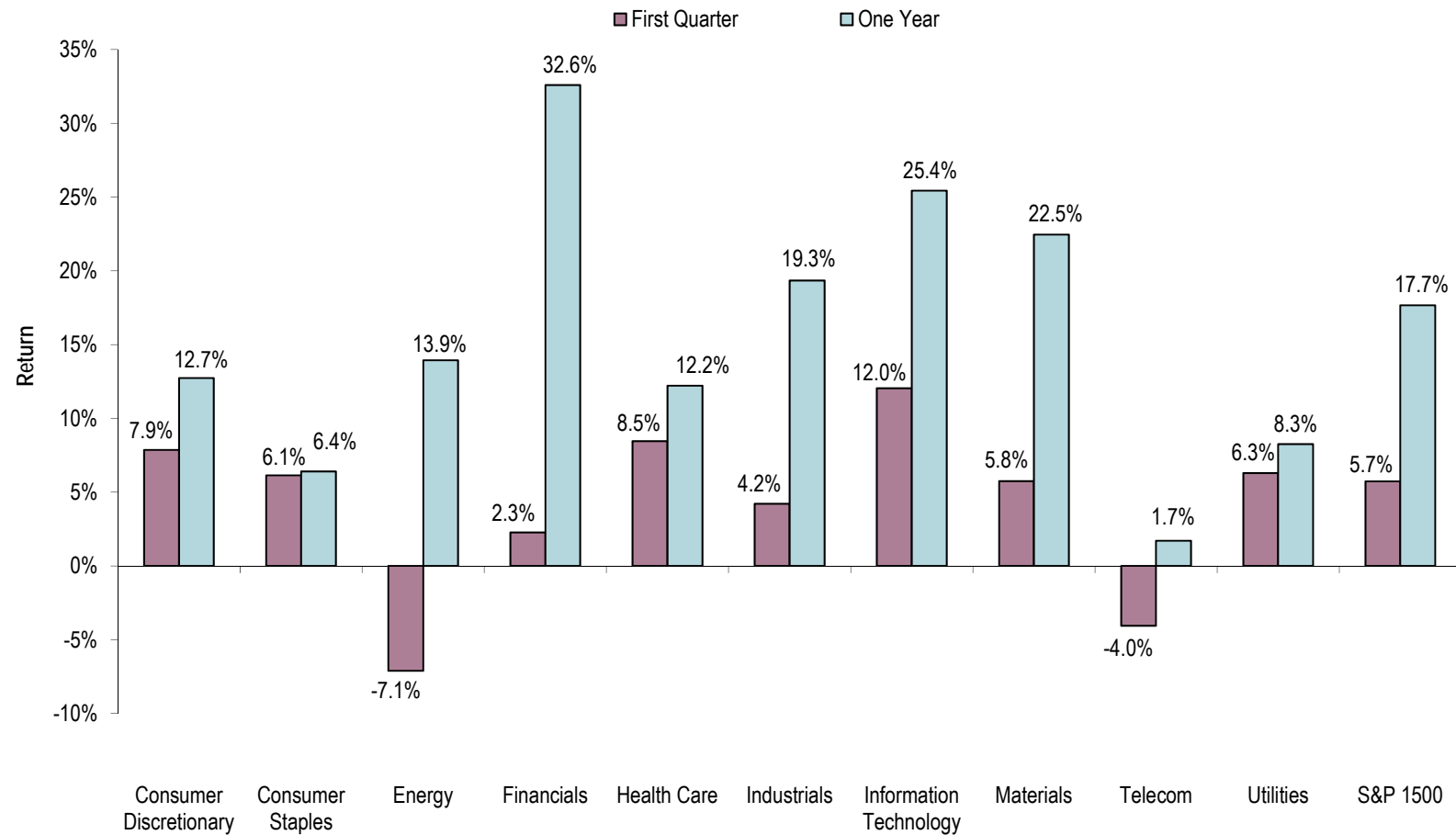
<sup>1</sup> Source: Thomson Reuters.

Index Returns<sup>1</sup>

	1Q17 (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
<b>Domestic Equity</b>					
Russell 3000	5.7	18.1	9.8	13.2	7.5
Russell 1000	6.0	17.4	10.0	13.3	7.6
Russell 1000 Growth	8.9	15.8	11.3	13.3	9.1
Russell 1000 Value	3.3	19.2	8.7	13.1	5.9
Russell MidCap	5.1	17.0	8.5	13.1	7.9
Russell MidCap Growth	6.9	14.1	7.9	12.0	8.1
Russell MidCap Value	3.8	19.8	8.9	14.1	7.5
Russell 2000	2.5	26.2	7.2	12.4	7.1
Russell 2000 Growth	5.3	23.0	6.7	12.1	8.1
Russell 2000 Value	-0.1	29.4	7.6	12.5	6.1
<b>Foreign Equity</b>					
MSCI ACWI (ex. U.S.)	7.9	13.1	0.6	4.4	1.4
MSCI EAFE	7.2	11.7	0.5	5.8	1.1
MSCI EAFE (local currency)	4.7	18.0	7.3	10.7	2.3
MSCI EAFE Small Cap	8.0	11.0	3.6	9.2	3.0
MSCI Emerging Markets	11.4	17.2	1.2	0.8	2.7
MSCI Emerging Markets (local currency)	7.8	15.1	5.6	5.1	4.9
<b>Fixed Income</b>					
Bloomberg Barclays Universal	1.1	1.9	3.0	2.8	4.5
Bloomberg Barclays Aggregate	0.8	0.4	2.7	2.3	4.3
Bloomberg Barclays U.S. TIPS	1.3	1.5	2.0	1.0	4.2
Bloomberg Barclays High Yield	2.7	16.4	4.6	6.8	7.5
JPMorgan GBI-EM Global Diversified USD	6.5	5.5	-2.7	-1.6	4.1
<b>Other</b>					
NAREIT Equity	1.2	3.6	10.3	10.0	4.8
Bloomberg Commodity Index	-2.3	8.7	-13.9	-9.5	-6.2
HFRI Fund of Funds	2.0	5.9	1.7	3.1	1.2

<sup>1</sup> Source: Thomson Reuters.

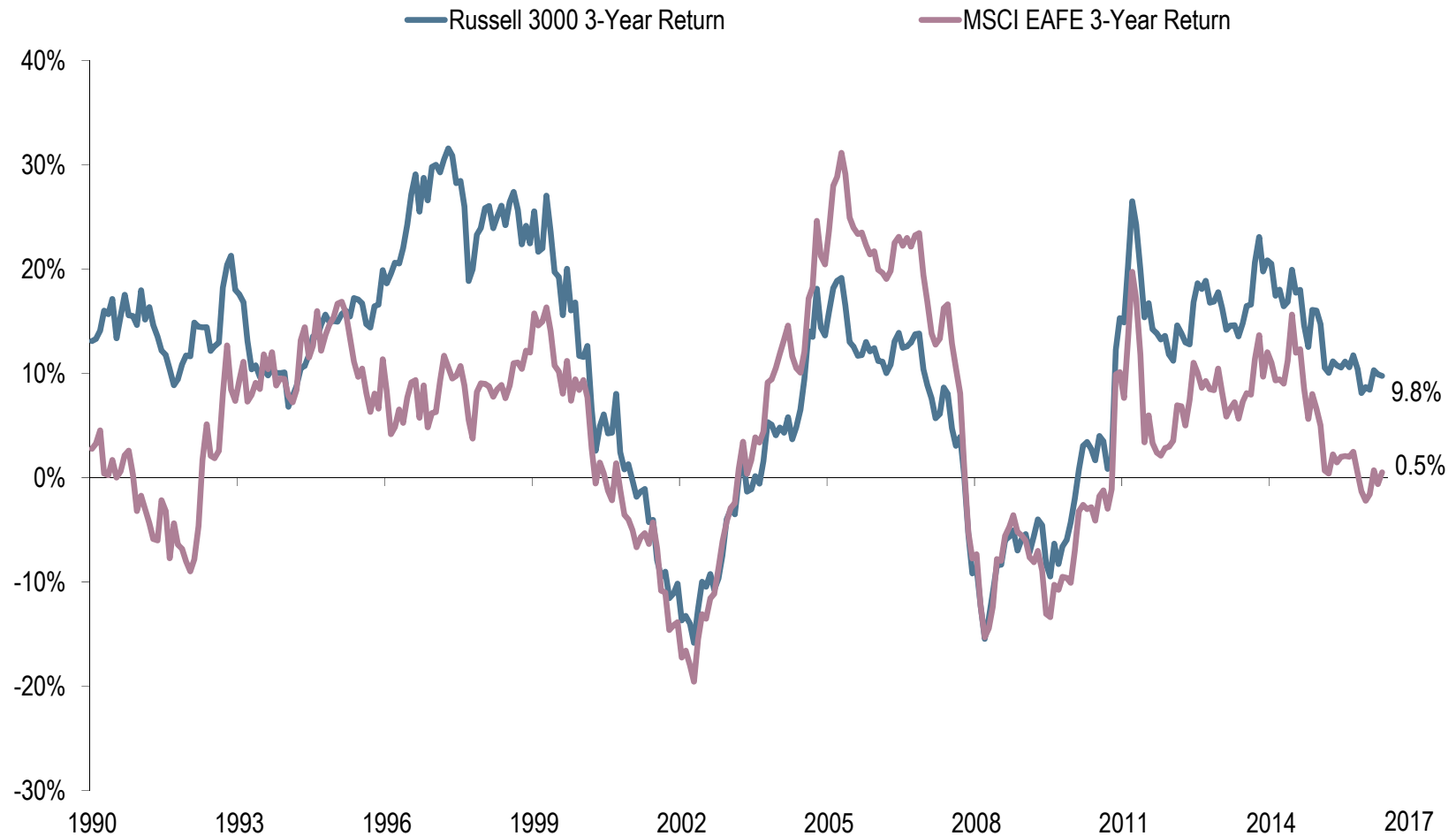
## S&P Sector Returns<sup>1</sup>



<sup>1</sup> Source: Thomson Reuters. Represents S&P 1500 (All Cap) data.

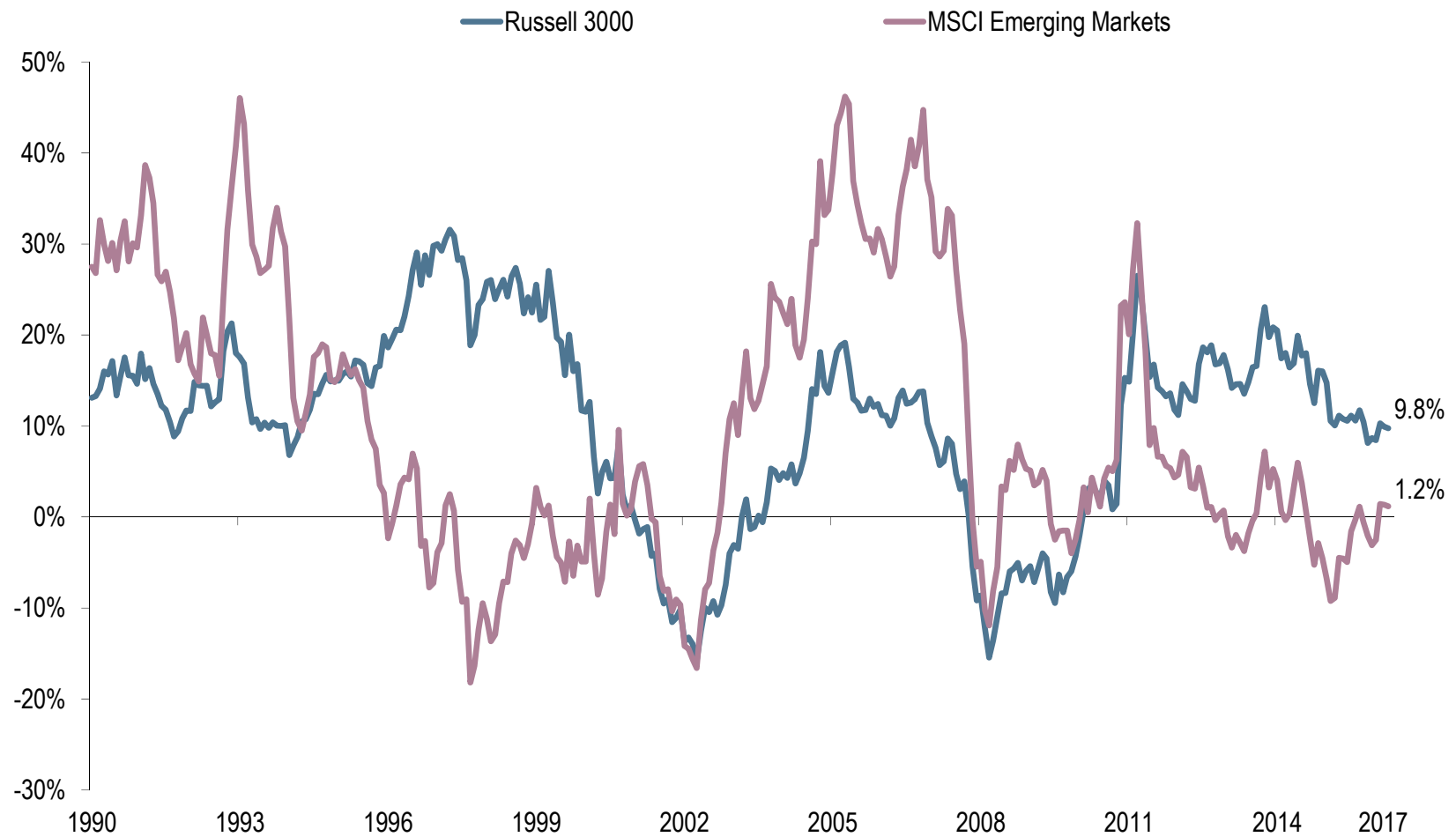


## U.S. and Developed Market Foreign Equity Rolling Three-Year Returns<sup>1</sup>



<sup>1</sup> Source: Thomson Reuters.

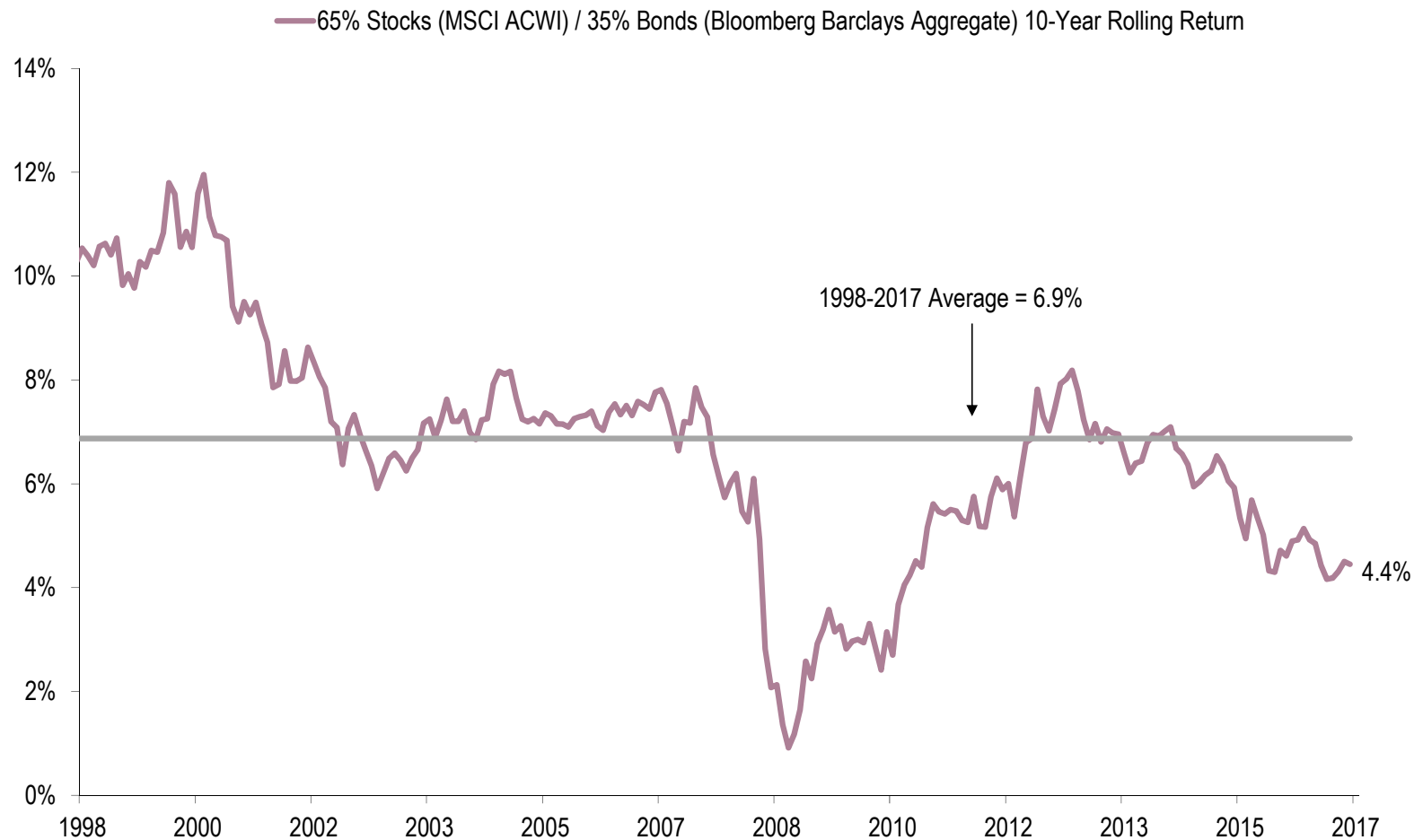
## U.S. and Emerging Market Equity Rolling Three-Year Returns<sup>1</sup>



<sup>1</sup> Source: Thomson Reuters.

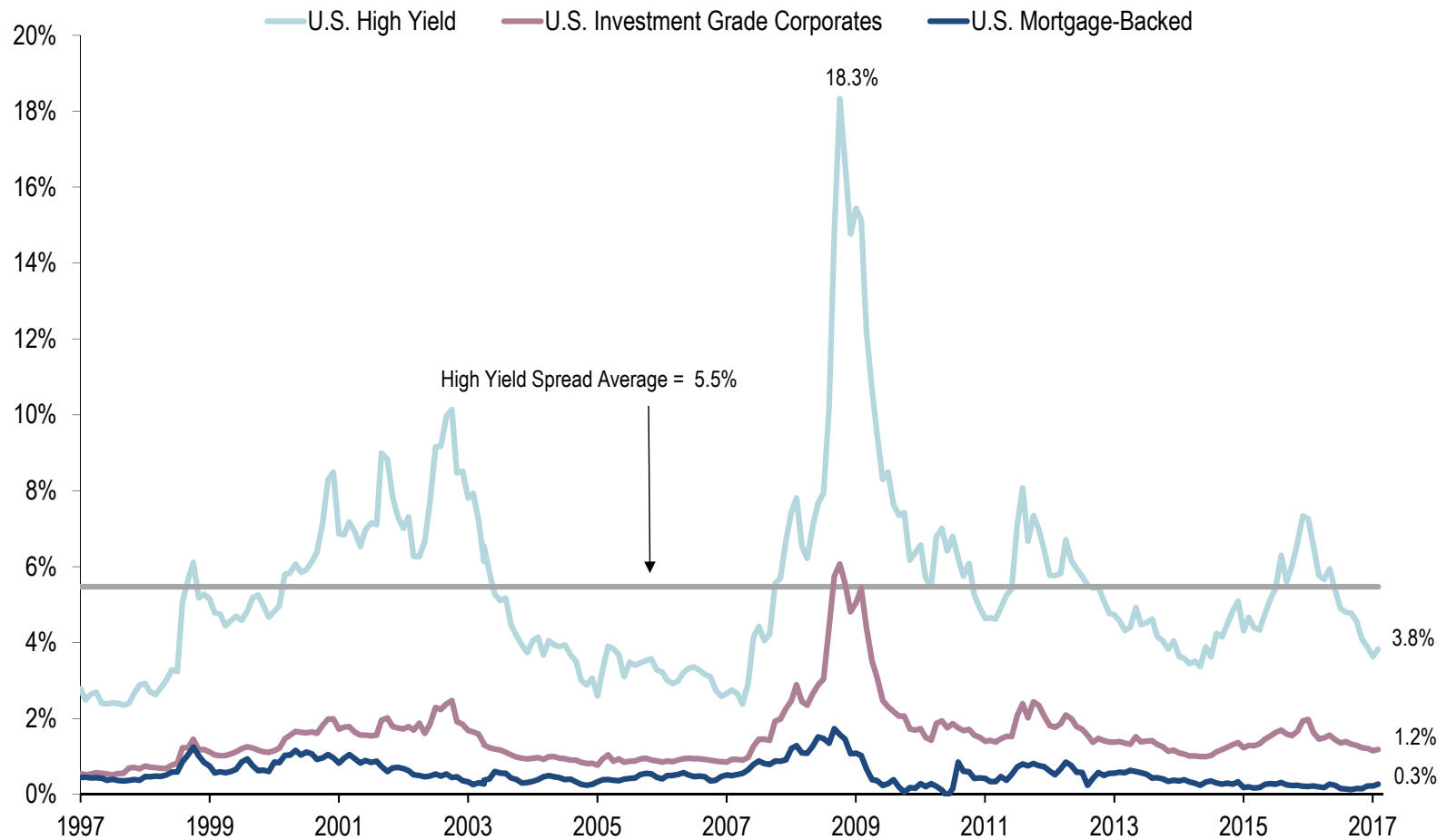


## Rolling Ten-Year Returns: 65% Stocks and 35% Bonds<sup>1</sup>



<sup>1</sup> Source: Thomson Reuters.

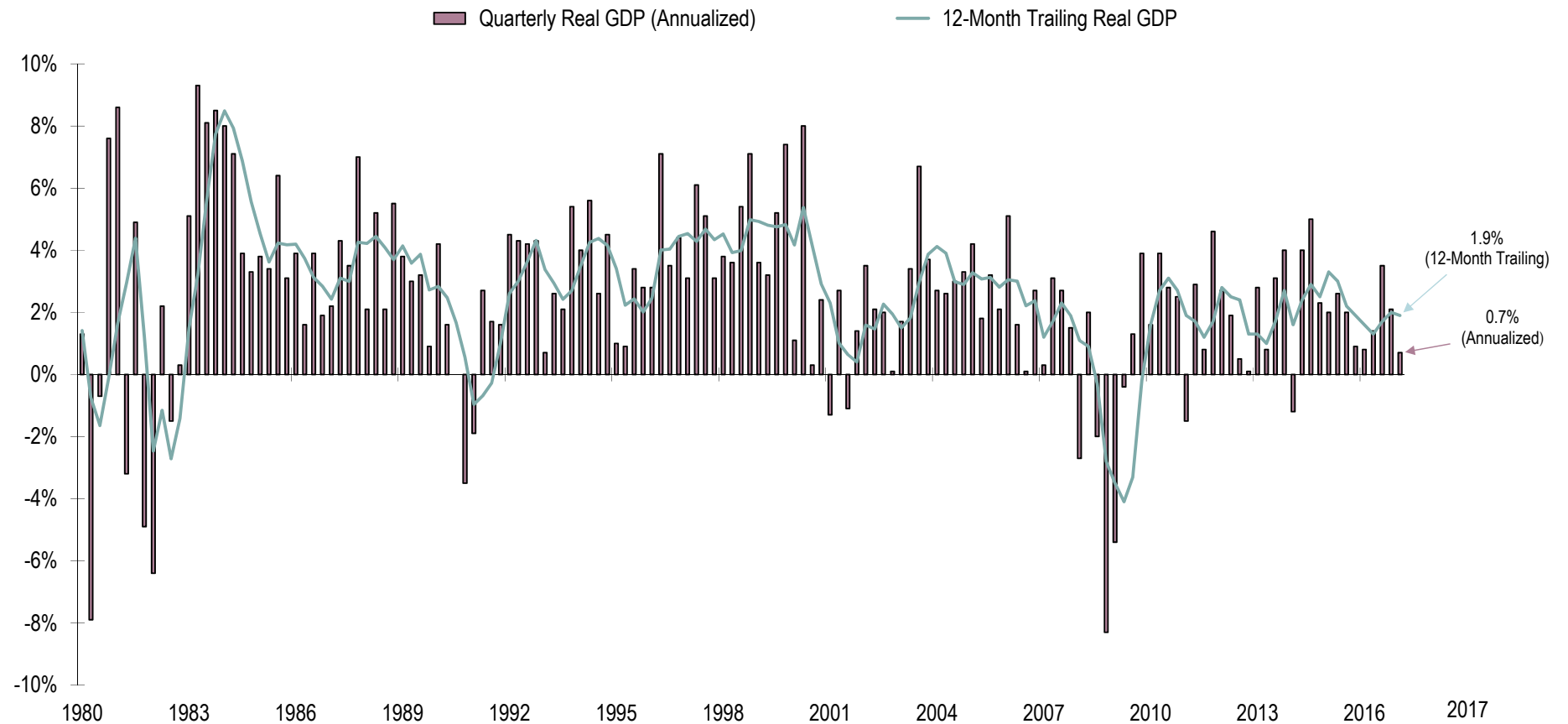
## Credit Spreads vs. U.S. Treasury Bonds<sup>1,2</sup>



<sup>1</sup> Source: Barclays Live.

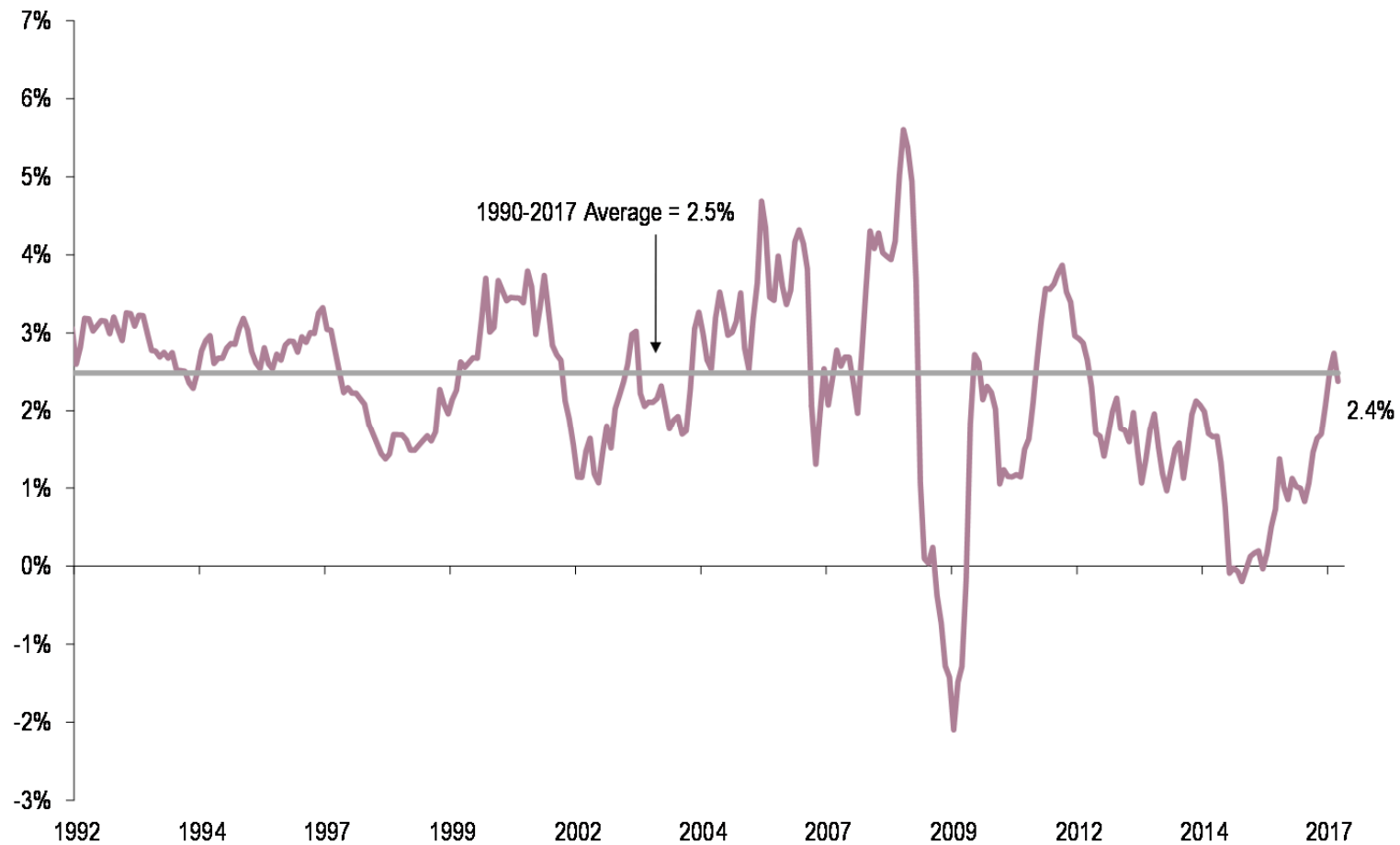
<sup>2</sup> The median high yield spread was 5.1% from 1997-2017.

## U.S. Real Gross Domestic Product (GDP) Growth<sup>1</sup>



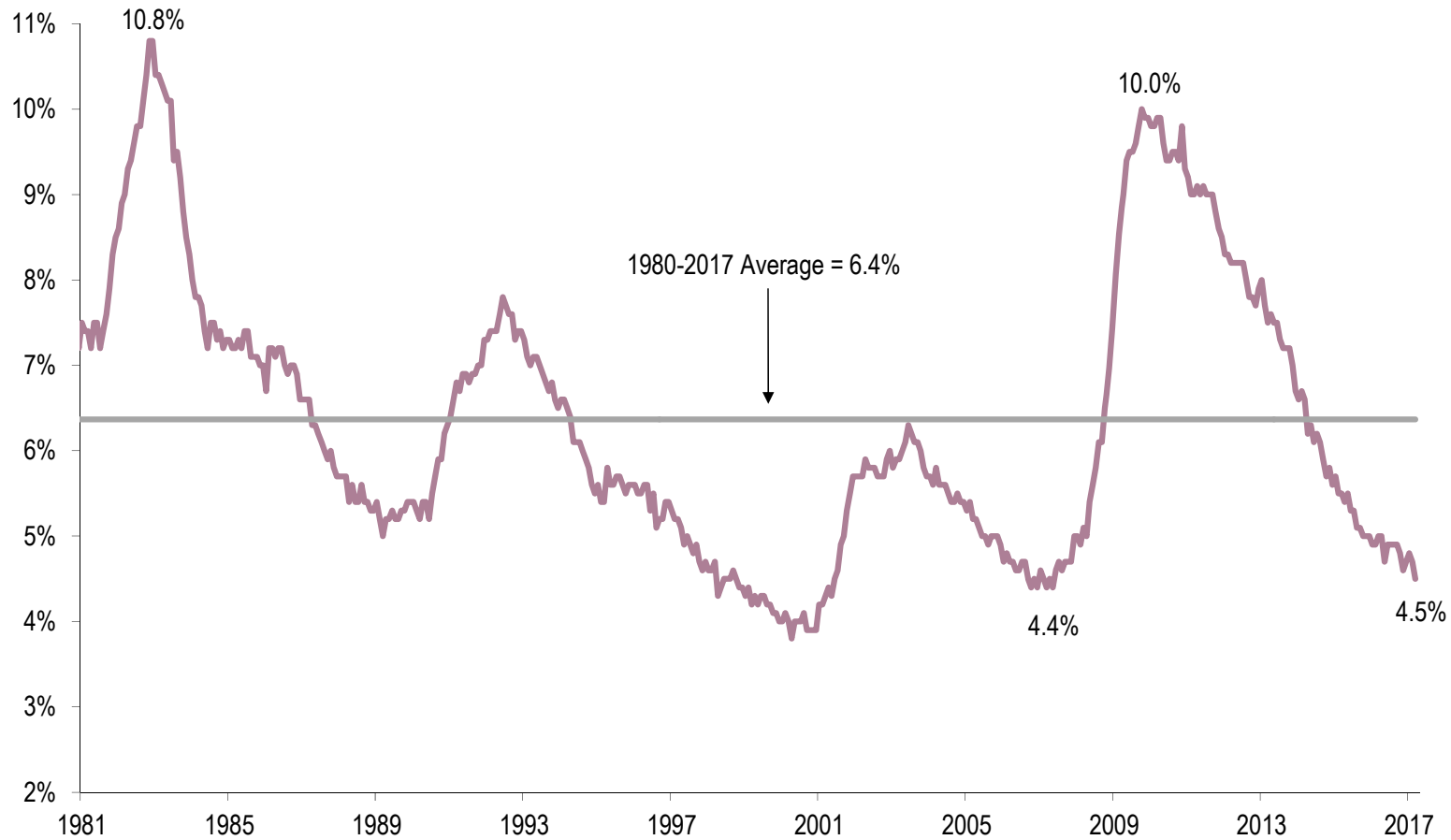
<sup>1</sup> Source: Bureau of Economic Analysis. Data is as of Q1 2017 and represents the first estimate.

## U.S. Inflation (CPI) Trailing Twelve Months<sup>1</sup>



<sup>1</sup> Source: Bureau of Labor Statistics. Data is non-seasonally adjusted CPI, which may be volatile in the short-term. Data is as of March 31, 2017.

## U.S. Unemployment<sup>1</sup>



<sup>1</sup> Source: Bureau of Labor Statistics. Data is as of March 31, 2017.

## **Glossary and Notes**



**Credit Risk:** Refers to the risk that the issuer of a fixed income security may default (i.e., the issuer will be unable to make timely principal and/or interest payments on the security.)

**Duration:** Measure of the sensitivity of the price of a bond to a change in its yield to maturity. Duration summarizes, in a single number, the characteristics that cause bond prices to change in response to a change in interest rates. For example, the price of a bond with a duration of three years will rise by approximately 3% for each 1% decrease in its yield to maturity. Conversely, the price will decrease 3% for each 1% increase in the bond's yield. Price changes for two different bonds can be compared using duration. A bond with a duration of six years will exhibit twice the percentage price change of a bond with a three-year duration. The actual calculation of a bond's duration is somewhat complicated, but the idea behind the calculation is straightforward. The first step is to measure the time interval until receipt for each cash flow (coupon and principal payments) from a bond. The second step is to compute a weighted average of these time intervals. Each time interval is measured by the present value of that cash flow. This weighted average is the duration of the bond measured in years.

**Information Ratio:** This statistic is a measure of the consistency of a portfolio's performance relative to a benchmark. It is calculated by subtracting the benchmark return from the portfolio return (excess return), and dividing the resulting excess return by the standard deviation (volatility) of this excess return. A positive information ratio indicates outperformance versus the benchmark, and the higher the information ratio, the more consistent the outperformance.

**Jensen's Alpha:** A measure of the average return of a portfolio or investment in excess of what is predicted by its beta or "market" risk.  $\text{Portfolio Return} - [\text{Risk Free Rate} + \text{Beta} * (\text{market return} - \text{Risk Free Rate})]$ .

**Market Capitalization:** For a firm, market capitalization is the total market value of outstanding common stock. For a portfolio, market capitalization is the sum of the capitalization of each company weighted by the ratio of holdings in that company to total portfolio holdings; thus it is a weighted-average capitalization. Meketa Investment Group considers the largest 65% of the broad domestic equity market as large capitalization, the next 25% of the market as medium capitalization, and the smallest 10% of stocks as small capitalization.

**Market Weighted:** Stocks in many indices are weighted based on the total market capitalization of the issue. Thus, the individual returns of higher market-capitalization issues will more heavily influence an index's return than the returns of the smaller market-capitalization issues in the index.

**Maturity:** The date on which a loan, bond, mortgage, or other debt/security becomes due and is to be paid off.

**Prepayment Risk:** The risk that prepayments will increase (homeowners will prepay all or part of their mortgage) when mortgage interest rates decline; hence, investors' monies will be returned to them in a lower interest rate environment. Also, the risk that prepayments will slow down when mortgage interest rates rise; hence, investors will not have as much money as previously anticipated in a higher interest rate environment. A prepayment is any payment in excess of the scheduled mortgage payment.

**Price-Book Value (P/B) Ratio:** The current market price of a stock divided by its book value per share. Meketa Investment Group calculates P/B as the current price divided by Compustat's quarterly common equity. Common equity includes common stock, capital surplus, retained earnings, and treasury stock adjusted for both common and nonredeemable preferred stock. Similar to high P/E stocks, stocks with high P/B's tend to be riskier investments.

**Price-Earnings (P/E) Ratio:** A stock's market price divided by its current or estimated future earnings. Lower P/E ratios often characterize stocks in low growth or mature industries, stocks in groups that have fallen out of favor, or stocks of established blue chip companies with long records of stable earnings and regular dividends. Sometimes a company that has good fundamentals may be viewed unfavorably by the market if it is an industry that is temporarily out of favor. Or a business may have experienced financial problems causing investors to be skeptical about its future. Either of these situations would result in lower relative P/E ratios. Some stocks exhibit above-average sales and earnings growth or expectations for above average growth. Consequently, investors are willing to pay more for these companies' earnings, which results in elevated P/E ratios. In other words, investors will pay more for shares of companies whose profits, in their opinion, are expected to increase faster than average. Because future events are in no way assured, high P/E stocks tend to be riskier and more volatile investments. Meketa Investment Group calculates P/E as the current price divided by the I/B/E/S consensus of twelve-month forecast earnings per share.

**Quality Rating:** The rank assigned a security by such rating services as Fitch, Moody's, and Standard & Poor's. The rating may be determined by such factors as (1) the likelihood of fulfillment of dividend, income, and principal payment of obligations; (2) the nature and provisions of the issue; and (3) the security's relative position in the event of liquidation of the company. Bonds assigned the top four grades (AAA, AA, A, BBB) are considered investment grade because they are eligible bank investments as determined by the controller of the currency.

**Sharpe Ratio:** A commonly used measure of risk-adjusted return. It is calculated by subtracting the risk free return (usually three-month Treasury bill) from the portfolio return and dividing the resulting excess return by the portfolio's total risk level (standard deviation). The result is a measure of return per unit of total risk taken. The higher the Sharpe ratio, the better the fund's historical risk adjusted performance.

**Standard Deviation:** A measure of the total risk of an asset or a portfolio. Standard deviation measures the dispersion of a set of numbers around a central point (e.g., the average return). If the standard deviation is small, the distribution is concentrated within a narrow range of values. For a normal distribution, about two thirds of the observations will fall within one standard deviation of the mean, and 95% of the observations will fall within two standard deviations of the mean.

**STIF Account:** Short-term investment fund at a custodian bank that invests in cash-equivalent instruments. It is generally used to safely invest the excess cash held by portfolio managers.

**Style:** The description of the type of approach and strategy utilized by an investment manager to manage funds. For example, the style for equities is determined by portfolio characteristics such as price-to-book value, price-to-earnings ratio, and dividend yield. Equity styles include growth, value, and core.

**Yield to Maturity:** The yield, or return, provided by a bond to its maturity date; determined by a mathematical process, usually requiring the use of a “basis book.” For example, a 5% bond pays \$5 a year interest on each \$100 par value. To figure its current yield, divide \$5 by \$95—the market price of the bond—and you get 5.26%. Assume that the same bond is due to mature in five years. On the maturity date, the issuer is pledged to pay \$100 for the bond that can be bought now for \$95. In other words, the bond is selling at a discount of 5% below par value. To figure yield to maturity, a simple and approximate method is to divide 5% by the five years to maturity, which equals 1% pro rata yearly. Add that 1% to the 5.26% current yield, and the yield to maturity is roughly 6.26%.

$$\frac{5\% \text{ (discount)}}{5 \text{ (yrs. to maturity)}} = 1\% \text{ pro rata, plus } 5.26\% \text{ (current yield)} = 6.26\% \text{ (yield to maturity)}$$

Sources: Investment Terminology, International Foundation of Employee Benefit Plans, 1999.  
The Handbook of Fixed Income Securities, Fabozzi, Frank J., 1991.

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Throughout this report, numbers may not sum due to rounding.

Returns for periods greater than one year are annualized throughout this report.

Values shown are in millions of dollars, unless noted otherwise.