

San Joaquin County Employees' Retirement Association (SJCERA)

Q3 2023

Quarterly Report

1. Introduction
2. Q3 2023 Portfolio Review
3. Real Estate Program
4. Economic and Market Update as of September 30, 2023
5. Disclaimer, Glossary, and Notes

Introduction

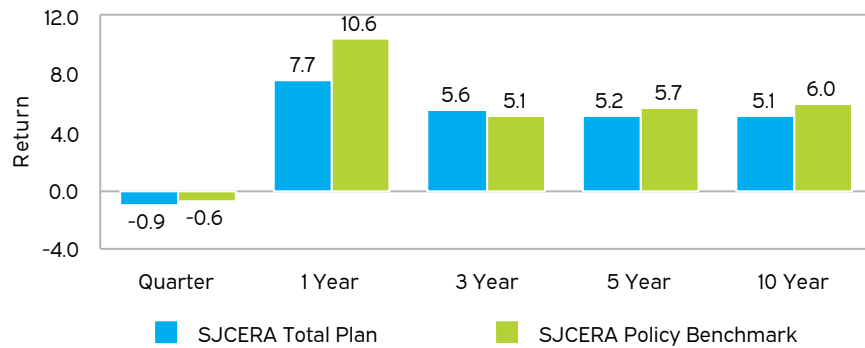
Introduction

The SJCERA Total Portfolio had an aggregate value of \$4.01 billion as of September 30, 2023. During the latest quarter, the Total Portfolio decreased in value by \$18.7 million, and over the one-year period, the Total Portfolio has increased by \$339.5 million. The movements over the quarter and one-year periods were primarily driven by investment returns. In the third quarter, positive results in July were offset by declines in August and September. Key drivers were expectations for rates to stay higher for longer given elevated inflation and overall strong economic data plus a downgrade of US debt. Outside the US, weakening economic data in Europe plus a rate increase and continued weakness in China weighed on market sentiment. The Fed hiked rates 25 basis points to a range of 5.25% - 5.5% in July and paused in September. The markets are now largely expecting the Fed to keep rates at this level with a small chance of a 0.25% increase into early next year.

Recent Investment Performance

The Total Portfolio has underperformed the policy benchmark for the quarter, 1-, 5-, 10-, 15-, 20- and 25-year periods by (0.3%), (2.9%), (0.5%), (0.9%), (0.8%), (0.7%), and (0.1%), respectively; however, it has outperformed the policy benchmark over the 3-year period by 0.5%. Net of fees, the Plan outperformed the Median Public Fund for the quarter by 1.0%; however, it has trailed the median public over the 1-, 3-, 5-, 10-, 15-, 20-, and 25-year periods by (2.1%), (0.2%), (0.1%), (1.1%), (1.8%), (1.4%), and (0.7%), respectively. That said, it's important to view these returns in the context of the risk the portfolio is taking on relative to that of the median public plan. The annualized standard deviation of the Plan is 3.0% lower than the median public plan with over \$1 billion in assets, (7.8% for the plan vs. 10.8% for the median public plan), and the Sharpe ratio of the Plan is 0.5 whereas the Sharpe ratio of the median public plan in the same category is 0.4.

Return Summary



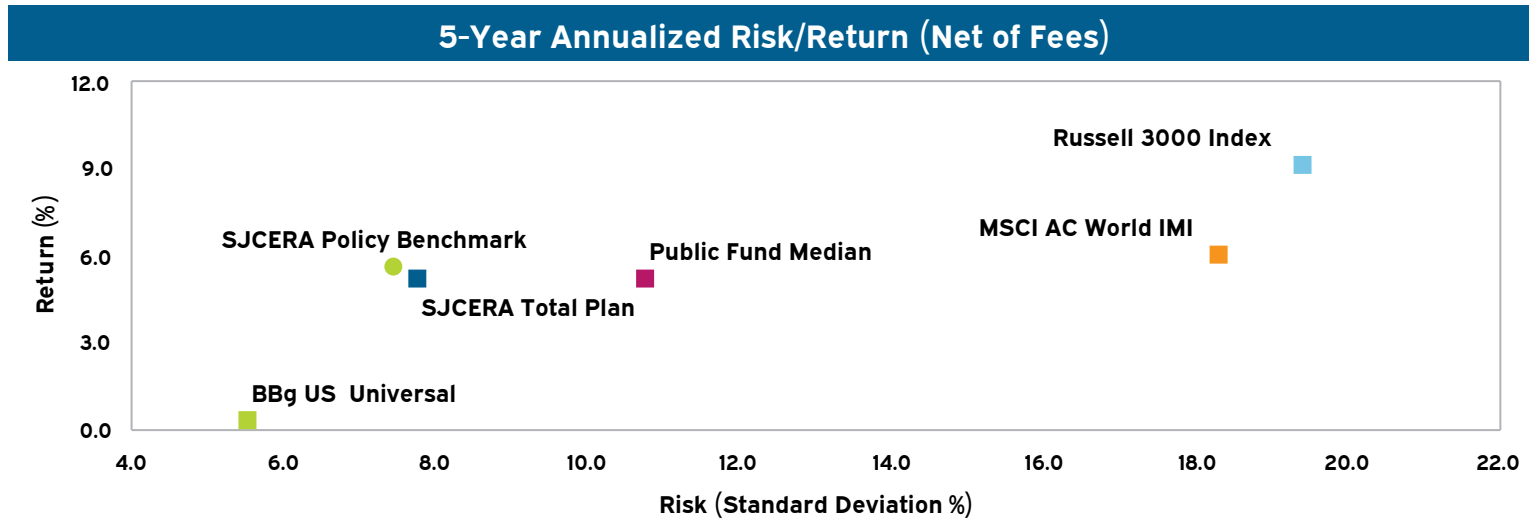
Summary of Cash Flows

	Quarter	1 Year
SJCERA Total Plan		
Beginning Market Value	4,024,696,543	3,666,456,931
Net Cash Flow	18,835,451	55,287,563
Net Investment Change	-37,548,585	284,238,915
Ending Market Value	4,005,983,409	4,005,983,409

	Quarter	1 Year	3 Years	5 Years	10 Years	15 Years	20 Years	25 Years
SJCERA Total Plan - Gross	-0.8	8.0	6.2	5.8	5.9	5.9	6.0	6.3
SJCERA Total Plan - Net	-0.9	7.7	5.6	5.2	5.1	5.1	5.4	5.7
<i>SJCERA Policy Benchmark</i>	<u>-0.6</u>	<u>10.6</u>	<u>5.1</u>	<u>5.7</u>	<u>6.0</u>	<u>5.9</u>	<u>6.1</u>	<u>5.8</u>
Excess Return (Net)	-0.3	-2.9	0.5	-0.5	-0.9	-0.8	-0.7	-0.1
<i>All Public Plans > \$1B-Total Fund Median</i>	-1.9	9.8	5.8	5.3	6.2	6.9	6.8	6.4

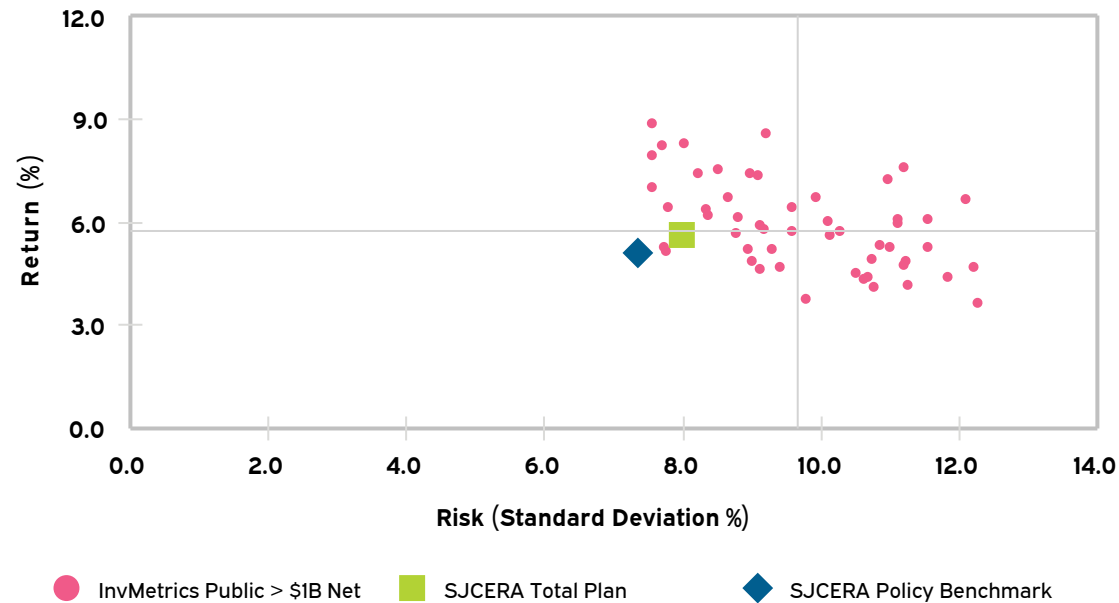
1 Investment Metrics Total Fund Public Universe >\$1 Billion, net of fees.
 2 Policy Benchmark composition is listed in the Appendix.

Risk Adjusted Return vs Peers				
	1 Yr	3 Yrs	5 Yrs	10 Yrs
SJCERA Total Plan - Net	7.66	5.64	5.23	5.15
Risk Adjusted Median	8.33	4.70	3.80	6.29
Excess Return	-0.67	0.94	1.44	-1.14



	Anlzd Return	Anlzd Standard Deviation	Sharpe Ratio
SJCERA Total Plan	5.2	7.8	0.5
SJCERA Policy Benchmark	5.7	7.4	0.5
Median Public Fund Median	5.3	10.8	0.4
Blmbg. U.S. Universal Index	0.3	5.5	-0.2
Russell 3000 Index	9.1	19.4	0.5
MSCI AC World IMI	6.1	18.3	0.3

Total Fund Risk/Return Analysis Latest 3 Years

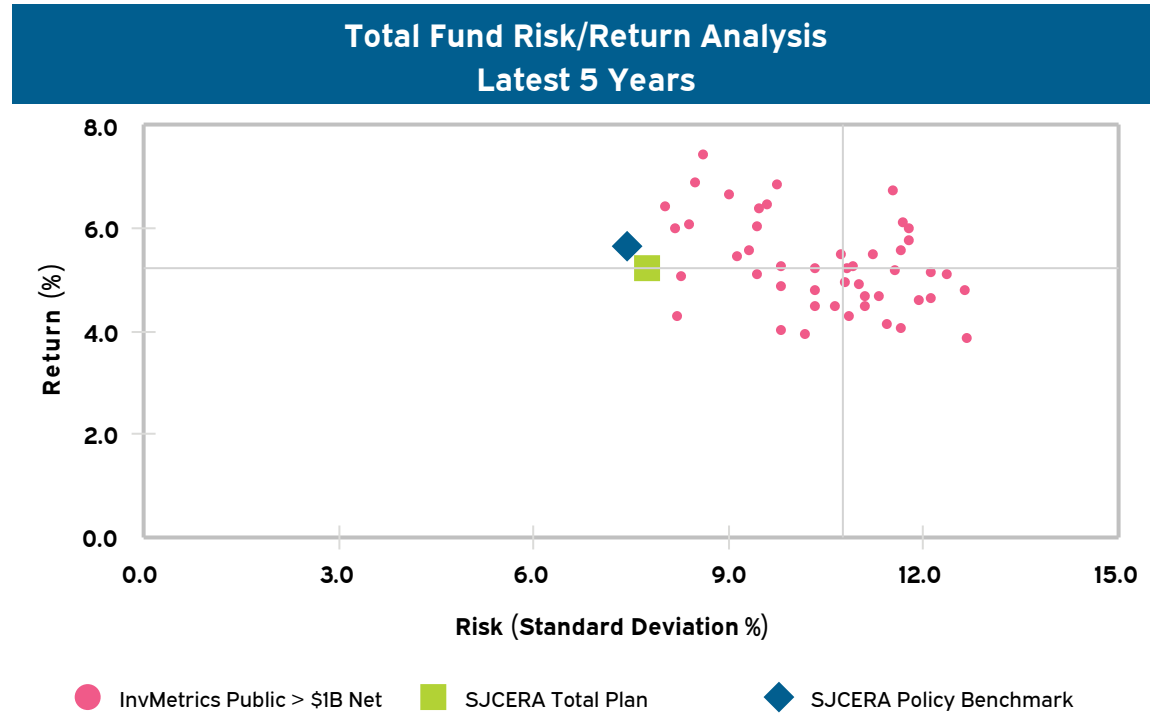


	Return	Standard Deviation	Sharpe Ratio
SJCERA Total Plan	5.6	8.0	0.5
SJCERA Policy Benchmark	5.1	7.3	0.5
All Public Plans > \$1B-Total Fund Median	5.8	9.7	0.4

1 Returns are net of fees.

2 Computed as annualized return less the risk free rate, divided by the annualized standard deviation.

3 Investment Metrics Total Fund Public Universe > \$1 Billion, net of fees.



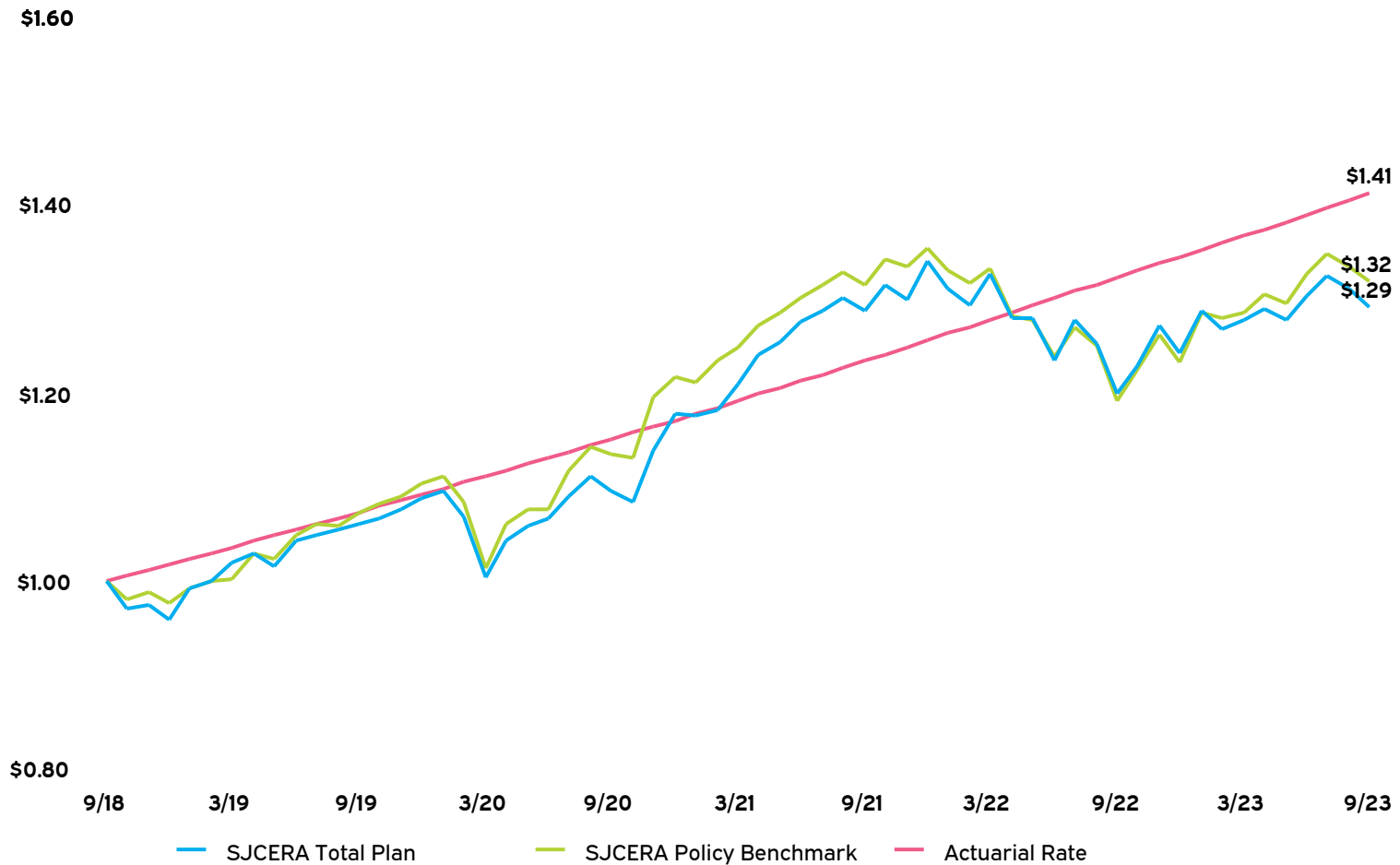
	Return	Standard Deviation	Sharpe Ratio
SJCERA Total Plan	5.2	7.8	0.5
SJCERA Policy Benchmark	5.7	7.4	0.5
All Public Plans > \$1B-Total Fund Median	5.3	10.8	0.4

1 Returns are net of fees.

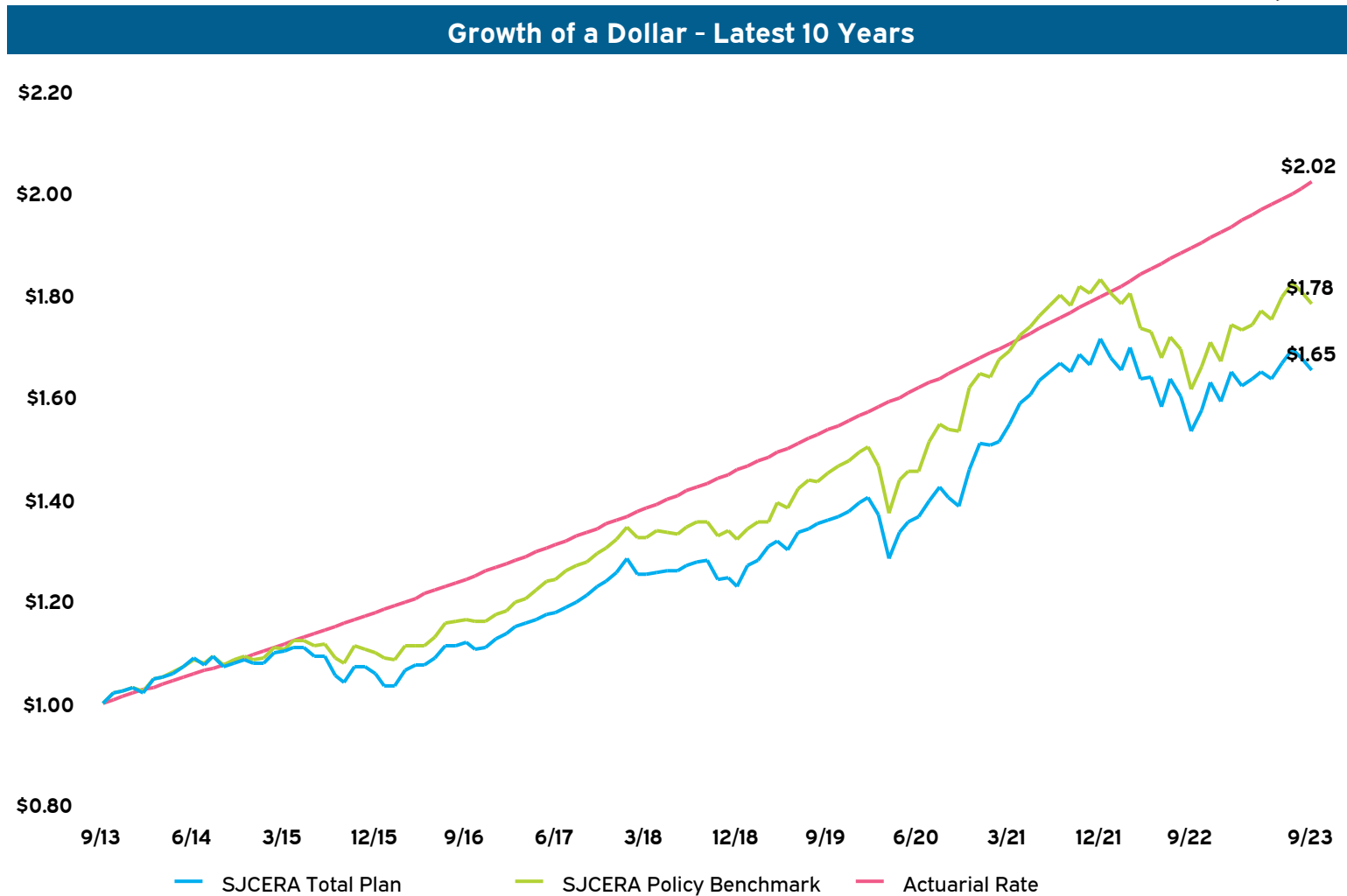
2 Computed as annualized return less the risk free rate, divided by the annualized standard deviation.

3 Investment Metrics Total Fund Public Universe > \$1 Billion, net of fees.

Growth of a Dollar - Latest 5 Years

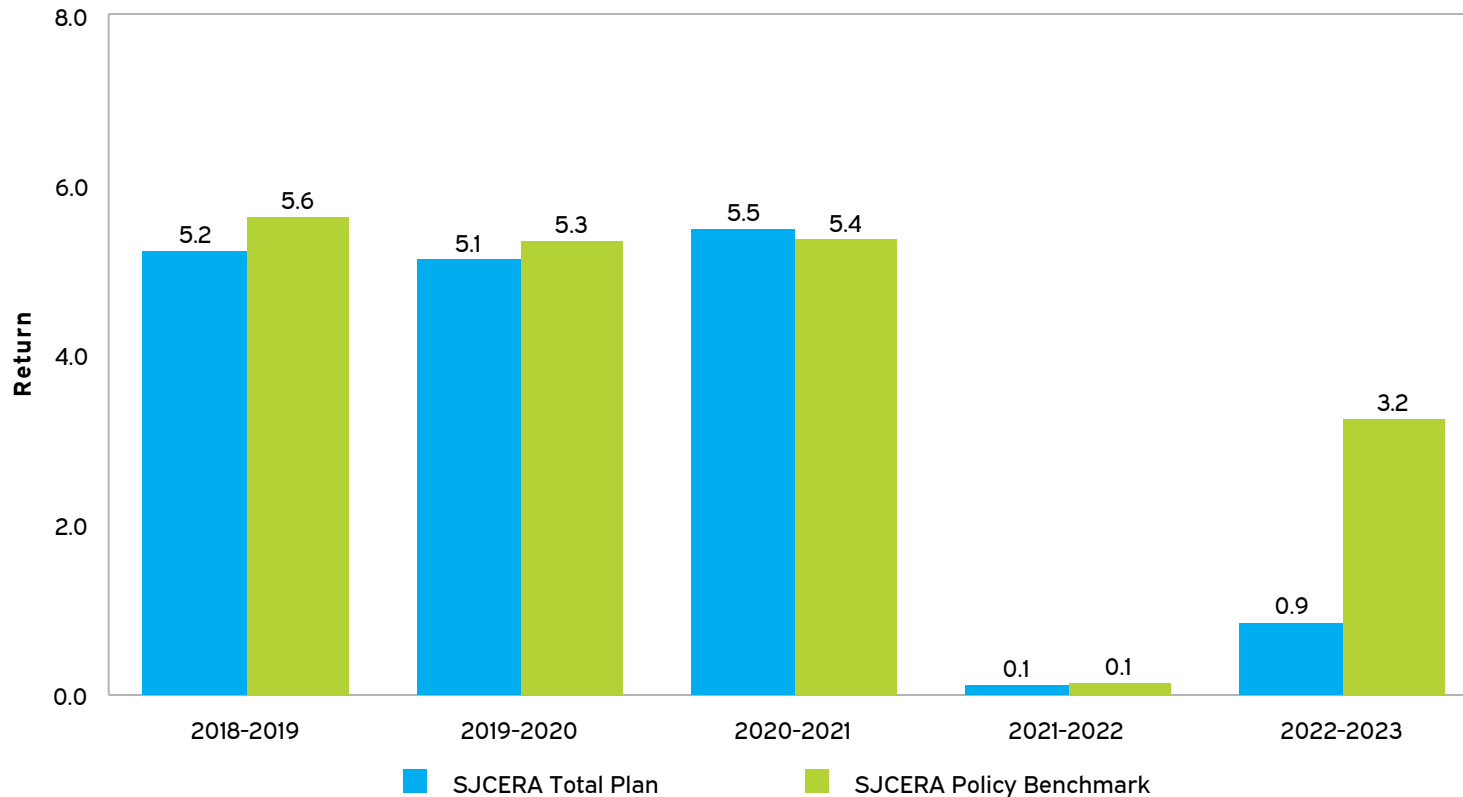


6.75% Actuarial Rate from 9/1/2022 to present. 7.0% Actuarial Rate from 1/1/2020 to 8/31/2022. 7.25% Actuarial Rate from 1/1/2018 to 12/31/2019. 7.4% Actuarial Rate from 8/1/2016 to 12/31/2017. 7.5% Actuarial Rate from 1/1/2012 to 7/31/2016. Previously 8.0%.



6.75% Actuarial Rate from 9/1/2022 to present. 7.0% Actuarial Rate from 1/1/2020 to 8/31/2022. 7.25% Actuarial Rate from 1/1/2018 to 12/31/2019. 7.4% Actuarial Rate from 8/1/2016 to 12/31/2017. 7.5% Actuarial Rate from 1/1/2012 to 7/31/2016. Previously 8.0%.

12-month Performance Overview



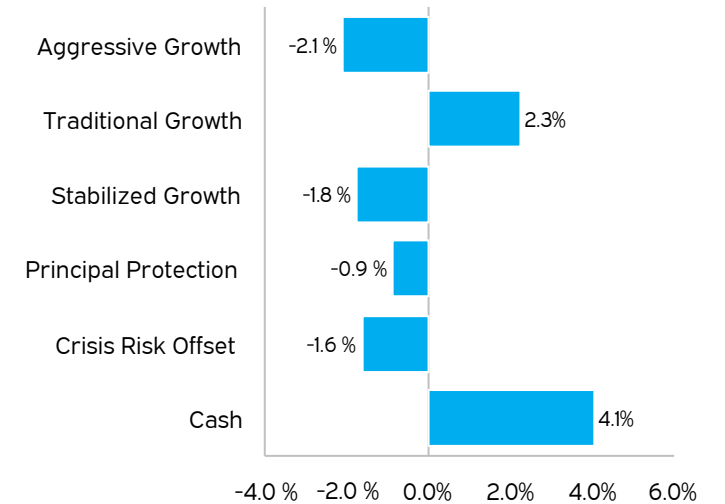
12-month absolute results have been positive the last five 12-month periods, net of fees. The SJCERA Total Portfolio matched or outperformed the policy target benchmark during two of these five periods, net of fees.

Q3 2023 Portfolio Review

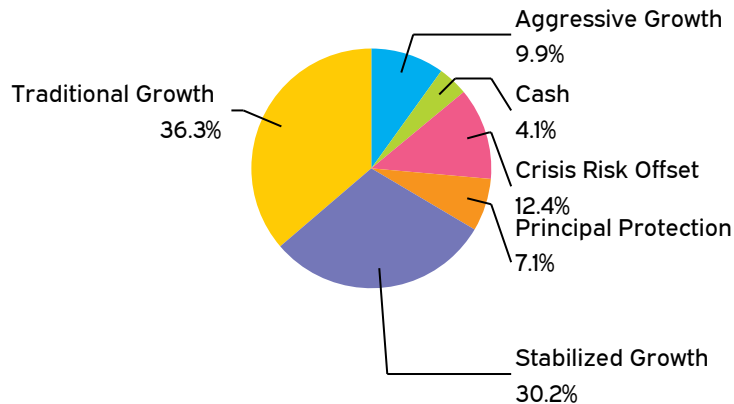
Asset Allocation | As of September 30, 2023

	Current Balance (\$)	Current Allocation (%)	Policy (%)	Difference (%)
Broad Growth	\$3,060,441,112	76.4	78.0	-1.6
Aggressive Growth	\$396,761,647	9.9	12.0	-2.1
Traditional Growth	\$1,452,669,294	36.3	34.0	2.3
Stabilized Growth	\$1,211,010,171	30.2	32.0	-1.8
Diversified Growth	\$781,596,737	19.5	22.0	-2.5
Principal Protection	\$284,644,491	7.1	8.0	-0.9
Crisis Risk Offset	\$496,952,247	12.4	14.0	-1.6
Cash	\$163,945,559	4.1	0.0	4.1
Cash	\$163,945,559	4.1	0.0	4.1
Total	\$4,005,983,409	100.0	100.0	0.0

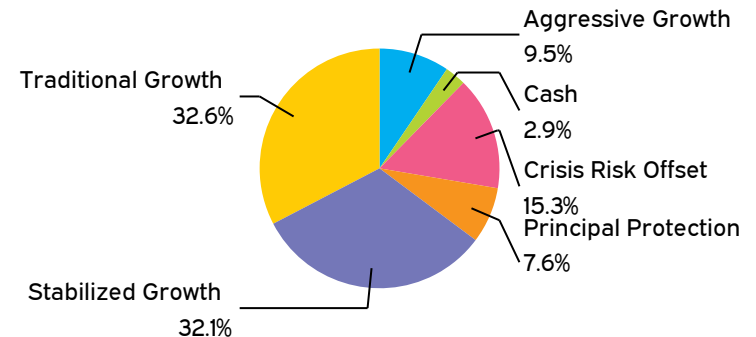
Variance vs Target Allocation (%)



As of September 30, 2023



As of September 30, 2022



Market values may not add up due to rounding
Cash asset allocation includes Parametric Overlay

Asset Class Performance Net-of-Fees | As of As of September 30, 2023

	Market Value \$	% of Portfolio	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
SJCERA Total Plan	4,005,983,409	100.0	-0.9	3.9	7.7	5.6	5.2	5.1
<i>SJCERA Policy Benchmark</i>			-0.6	6.9	10.6	5.1	5.7	6.0
Broad Growth	3,060,441,112	76.4	-1.6	3.9	9.6	7.2	5.9	6.1
Aggressive Growth Lag	396,761,647	9.9	2.3	0.9	0.6	21.1	14.1	12.0
<i>Aggressive Growth Blend</i>			2.1	7.2	4.3	16.6	8.3	8.7
Traditional Growth	1,452,669,294	36.3	-3.1	10.1	21.1	8.0	5.3	6.7
<i>MSCI ACWI IMI Net</i>			-3.4	9.4	20.2	6.9	6.7	8.0
Stabilized Growth	1,211,010,171	30.2	-1.1	-1.7	0.7	3.0	4.4	3.9
<i>SJCERA Stabilized Growth Benchmark</i>			1.2	4.1	6.6	5.3	5.0	5.4
Diversifying Strategies	781,596,737	19.5	1.7	3.0	0.1	1.3	3.1	3.2
Principal Protection	284,644,491	7.1	-2.8	0.1	2.6	-2.8	0.2	2.0
<i>Blmbg. U.S. Aggregate Index</i>			-3.2	-1.2	0.6	-5.2	0.1	1.1
Crisis Risk Offset Asset Class	496,952,247	12.4	4.5	4.7	-1.0	4.4	5.2	5.3
<i>CRO Benchmark</i>			-2.6	-0.6	-1.4	-0.1	3.4	3.5
Cash and Misc Asset Class	136,488,605	3.4	0.9	2.6	3.6	1.4	1.4	0.9
<i>90 Day U.S. Treasury Bill</i>			1.3	3.6	4.5	1.7	1.7	1.1

1 Market values may not add up due to rounding.

2 Policy Benchmark composition is listed in the Appendix.

3 30% ICE BofAML US T-Bill + 4%; 52% 50% Bloomberg High Yield/50% S&P Leverage Loans; 18% NCREIF ODCE +1% Lag.

4 (1/3) Bloomberg Long Duration Treasuries; (1/3) BTOP50 Index; (1/3) 5% Annual.

Asset Class Performance Net-of-Fees | As of As of September 30, 2023

	Market Value \$	% of Portfolio	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Aggressive Growth Lag	396,761,647	100.0	2.3	0.6	21.1	14.1	12.0
<i>Aggressive Growth Blend</i>			2.1	4.3	16.6	8.3	8.7
Bessemer Venture Partners Forge Fund	487,420	0.1					
<i>MSCI ACWI +2% Blend</i>			--	--	--	--	--
Blackrock Global Energy and Power Lag	47,322,847	11.9	3.3	16.4	10.0	--	--
<i>MSCI ACWI +2% Blend</i>			6.9	19.4	13.7	--	--
BlackRock Global Infrastructure Fund IV, L.P.	8,974,945	2.3	1.5	--	--	--	--
<i>MSCI ACWI +2% Lag</i>			6.9	--	--	--	--
Lightspeed Venture Ptnrs Select V Lag	12,002,403	3.0	-2.7	-12.5	--	--	--
<i>MSCI ACWI +2% Blend</i>			6.9	19.4	--	--	--
Long Arc Capital Fund I	19,333,010	4.9	1.6	--	--	--	--
<i>MSCI ACWI +2% Blend</i>			6.9	--	--	--	--
Morgan Creek III Lag	4,587,353	1.2	5.1	3.8	-9.3	-11.1	--
<i>MSCI ACWI +2% Blend</i>			6.9	19.4	13.7	10.2	--
Morgan Creek V Lag	6,195,324	1.6	0.2	-5.9	12.4	10.0	12.3
<i>MSCI ACWI +2% Blend</i>			6.9	19.4	13.7	10.2	9.6
Morgan Creek VI Lag	22,269,233	5.6	-1.5	-7.7	16.4	14.5	--
<i>MSCI ACWI +2% Blend</i>			6.9	19.4	13.7	10.2	--

1 Market Values may not add up due to rounding.

2 Lagged 1 quarter.

3 Q123 data not available at the time of this report. Values reported reflect Q422 market value adjusted by Q123 cash flows.

Asset Class Performance Net-of-Fees | As of As of September 30, 2023

	Market Value \$	% of Portfolio	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Ocean Avenue II Lag	35,799,288	9.0	2.1	1.1	41.6	25.8	17.7
<i>MSCI ACWI +2% Blend</i>			6.9	19.4	13.7	10.2	9.6
Ocean Avenue III Lag	53,852,901	13.6	4.6	4.1	30.3	25.2	--
<i>MSCI ACWI +2% Blend</i>			6.9	19.4	13.7	10.2	--
Ocean Avenue IV Lag	55,995,659	14.1	-1.1	29.5	37.0	--	--
<i>MSCI ACWI +2% Blend</i>			6.9	19.4	13.7	--	--
Ocean Avenue V Lag	2,660,274	0.7	-11.3	--	--	--	--
<i>MSCI ACWI +2% Blend</i>			6.9	--	--	--	--
Non-Core Real Assets Lag	88,523,362	22.3	5.9	-14.9	9.6	5.4	6.8
<i>NCREIF ODCE +1% lag (blend)</i>			-2.6	-9.8	8.1	6.6	8.9
Ridgemont Equity Partners IV, L.P.	4,203,827	1.1	-2.1	--	--	--	--
<i>MSCI ACWI +2% Blend</i>			6.9	--	--	--	--
Stellex Capital Partners II Lag	34,553,801	8.7	1.5	2.8	--	--	--
<i>MSCI ACWI +2% Blend</i>			6.9	19.4	--	--	--

1 Lagged 1 quarter.

2 Trailing Non-Core real estate performance includes returns provided by prior real estate consultant from inception through Q419.

Aggressive Growth

During the latest three-month period ending September 30, 2023, thirteen of SJCERA's fourteen aggressive growth portfolios trailed their respective benchmarks. Please note that return data for this asset class is lagged one quarter and the quarterly results for this portion of the portfolio reflect the delayed markdowns we would expect in many of these asset classes. Additionally, several of these managers which are newer are experiencing what is known as the "J-Curve Effect" while they are in the downward sloping portion of the curve.

Bessemer Venture Partners Forge Fund is a new addition to the Aggressive Growth sleeve which recently called capital and does not have performance data available at this point.

BlackRock Global Energy and Power, a fund with a focus on infrastructure, underperformed the MSCI ACWI +2% benchmark over the quarter, 1-, and 3-year periods by (3.6%), (3.0%) and (3.7%), respectively.

BlackRock Global Infrastructure Fund IV, a new addition to the Aggressive Growth sleeve which recently called capital, trailed the benchmark during the most recent quarter by (5.4%).

Lightspeed Venture Partners Select V, a venture capital fund that was recently added and is in the funding phase, underperformed its target benchmark over the quarter and trailing 1-year period by (9.6%) and (31.9%), respectively.

Long Arc Capital Fund I, a growth-oriented private equity manager which is new to the Aggressive Growth sleeve, recently called capital and trailed the benchmark by (5.3%) over quarter.

Morgan Creek III underperformed its benchmark over the quarter, 1-, 3- and 5-year periods by (1.8%), (15.6%), (23.0%) and (21.3%), respectively.

Morgan Creek V underperformed its benchmark over the quarter, 1-, 3- and 5-year periods by (6.7%), (25.3%), (1.3%), and (0.2%), respectively. However, it has outperformed the benchmark over the trailing 10-year period by 2.7%.

Morgan Creek VI trailed its benchmark over the quarter and 1-year periods by (8.4%) and (27.1%). However, the fund has outperformed its benchmark over the trailing 3- and 5-year periods by 2.7% and 4.3%, respectively.

Ocean Avenue II, trailed its benchmark over the quarter and 1-year period by (4.8%) and (18.3%), respectively; however, it outperformed the benchmark over the 3-, 5- and 10-year periods by 27.9%, 15.6%, and 8.1%, respectively.

Aggressive Growth (Continued)

Ocean Avenue III, trailed its benchmark over the quarter and 1-year period by (2.3%) and (15.3%), respectively; however, it outperformed the benchmark over the 3- and 5-year periods by 16.6% and 15.0%, respectively.

Ocean Avenue IV, trailed its benchmark during the quarter by (8.0%); however, it outperformed the benchmark over the 1- and 3-year periods by 10.1% and 23.3%, respectively.

Ocean Avenue V, a new Private Equity vintage of the veteran manager in this portfolio, recently called capital and trailed the benchmark over the most recent quarter by (18.2%).

Non-Core Real Assets underperformed its NCREIF ODCE +1% benchmark over the 1-, 5- and 10-year periods by (5.1%), (1.2%), (2.1%), respectively. That said, the manager outperformed the benchmark over the trailing quarter and 3-year periods by 8.5% and 1.5%, respectively.

Ridgemont Equity Partners, a new Private Equity manager within the asset class, trailed the benchmark over the quarter by (9.0%).

Stellex Capital Partners II, trailed its benchmark over the quarter and 1-year periods by (5.4%) and (16.6%), respectively.

Private Appreciation

Investment Activity Statement for Since Inception by Fund

Investment	Vintage Year	Original Inv. Commitment	Gross Contributions	Management Fees	Return of Capital	Distributions	Net Income	Unrealized Appreciation	Realized Gain	Ending Market Value
Bessemer Valley Forge	2022	50,000,000	1,000,000	401,099	-	-	(512,580)	-	-	487,420
Blackrock Global Energy & Power III	2019	50,000,000	46,132,384	3,352,744	1,425,739	7,449,635	2,626,842	5,633,471	1,805,524	47,322,847
Blackrock Global Infrastructure IV-D	2022	50,000,000	9,359,874	216,474	-	-	(703,511)	321,022	(2,440)	8,974,945
Lightspeed Venture Partners Select V	2021	40,000,000	13,600,000	1,020,000	-	-	(1,254,374)	(343,223)	-	12,002,403
Long Arc Capital I	2022	25,000,000	18,454,099	1,538,356	-	-	(126,145)	993,898	11,158	19,333,010
Morgan Creek III	2015	10,000,000	9,900,000	720,670	2,325,492	717,761	(1,404,289)	(1,215,178)	350,073	4,587,353
Morgan Creek V	2013	12,000,000	11,520,000	777,797	5,102,450	9,671,741	(1,735,633)	1,623,641	9,561,507	6,195,324
Morgan Creek VI	2015	20,000,000	18,200,000	3,800,126	6,864,868	7,768,335	(1,308,213)	13,812,122	6,198,527	22,269,233
Ocean Avenue II*	2013	40,000,000	36,000,000	6,030,771	5,875,189	52,815,969	22,952,205	12,665,249	22,872,992	35,799,288
Ocean Avenue III	2016	50,000,000	46,500,000	7,418,105	25,500,000	28,750,000	11,756,932	23,579,504	26,266,465	53,852,901
Ocean Avenue IV	2019	50,000,000	47,000,000	4,535,264	3,250,000	24,331,637	1,183,008	16,136,552	19,257,736	55,995,659
Ocean Avenue V	2022	30,000,000	3,000,000	93,493	-	-	(145,238)	(194,487)	-	2,660,274
Ridgemont	2021	50,000,000	3,879,532	500,000	-	-	(563,131)	887,426	-	4,203,827
Stelllex II	2020	50,000,000	33,909,933	2,370,222	-	2,316,219	(1,554,063)	3,021,880	1,492,270	34,553,801
Total			297,455,822	32,374,022	50,343,738	133,821,297	29,724,389	76,921,878	87,813,812	307,750,865

* Ocean II commitment started at \$30 Mil in Q213 and increased to \$40 Mil in Q114.

Asset Class Performance Net-of-Fees | As of As of September 30, 2023

	Market Value \$	% of Portfolio	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Traditional Growth	1,452,669,294	100.0	-3.1	21.1	8.0	5.3	6.7
<i>MSCI ACWI IMI Net</i>			-3.4	20.2	6.9	6.7	8.0
Northern Trust MSCI World	1,261,821,012	86.9	-3.5	21.8	8.3	--	--
<i>MSCI World IMI Index (Net)</i>			-3.6	21.1	7.9	--	--
PIMCO RAE Emerging Markets	85,865,750	5.9	1.9	29.8	14.3	5.0	4.6
<i>MSCI Emerging Markets (Net)</i>			-2.9	11.7	-1.7	0.6	2.1
GQG Active Emerging Markets	65,268,015	4.5	1.8	20.5	1.7	--	--
<i>MSCI Emerging Markets (Net)</i>			-2.9	11.7	-1.7	--	--
Invesco REIT	39,711,479	2.7	-8.3	-3.0	1.8	1.8	5.4
<i>FTSE NAREIT Equity REIT Index</i>			-7.1	3.0	5.8	2.8	6.0

Market Values may not add up due to rounding.

Traditional Growth

During the latest three-month period ending September 30, 2023, the traditional growth asset class outperformed its MSCI ACWI IMI benchmark by 0.3% with three of the four managers outperforming their benchmarks.

Northern Trust MSCI World, the Plan's Passive Global Equity manager, outperformed its benchmark over the past quarter by 0.1% and outperformed over the 1-year period by 0.7%. The fund has also outperformed over the trailing 3-year period by 0.4%

PIMCO RAE Emerging Markets, one of SJCERA's Active Emerging Markets Equity managers, outperformed its MSCI Emerging Markets Index benchmark for the quarter, 1-, 3-, 5- and 10-year trailing time periods by 4.8%, 18.1%, 16.0%, 4.4% and 2.5%, respectively.

GQG Active Emerging Markets, outperformed its MSCI Emerging Markets benchmark over the quarter, 1-, and 3-year periods by 4.7%, 8.8%, and 3.4%, respectively.

Invesco REIT, the Plan's Core US REIT manager, underperformed the FTSE NAREIT Equity REIT Index for the quarter, 1-, 3-, 5- and 10-year periods by (1.2%), (6.0%), (4.0%), (1.0%) and (0.6%), respectively.

Asset Class Performance Net-of-Fees | As of As of September 30, 2023

	Market Value \$	% of Portfolio	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Stabilized Growth	1,211,010,171	100.0	-1.1	0.7	3.0	4.4	3.9
<i>SJCERA Stabilized Growth Benchmark</i>			1.2	6.6	5.3	5.0	5.4
Risk Parity Asset Class	350,852,231	29.0	-5.1	3.3	-3.8	0.8	1.3
<i>ICE BofAML 3mo US TBill+4%</i>			2.3	8.6	5.8	5.8	5.2
Bridgewater All Weather	181,895,261	15.0	-4.4	6.9	-2.0	1.2	2.7
<i>Bridgewater All Weather (blend)</i>			2.3	8.6	5.8	5.8	5.2
PanAgora Diversified Risk Multi Asset	168,956,970	14.0	-5.8	-0.3	-5.6	0.4	--
<i>ICE BofAML 3mo US TBill+4%</i>			2.3	8.6	5.8	5.8	--
Liquid Credit	237,464,346	19.6	1.2	10.1	2.3	2.4	2.7
<i>50% BB US HY/50% S&P LSTA Lev Loan</i>			1.9	11.7	3.9	3.7	4.3
Neuberger Berman	100,537,939	8.3	0.4	9.5	0.4	--	--
<i>33% ICEBofAMLUSHY /33%JPMEMBI Global Div /33% S&P LSTALevLoan</i>			0.6	11.0	1.1	--	--
Stone Harbor Absolute Return	136,926,408	11.3	1.8	10.3	3.8	3.1	2.9
<i>ICE BofA-ML LIBOR</i>			1.3	4.6	1.7	1.9	1.3
Private Credit Lag	393,353,701	32.5	1.1	-1.2	4.8	3.3	2.8
<i>Credit Blend S&P/LSTA Lev Loan +3%</i>			3.9	14.0	10.7	9.3	9.1
Blackrock Direct Lending Lag	87,614,283	7.2	6.3	8.7	8.1	--	--
<i>Credit Blend S&P/LSTA Lev Loan +3%</i>			3.9	14.0	10.7	--	--
Crestline Opportunity II Lag	11,692,153	1.0	-2.1	-15.6	-0.7	-2.7	--
<i>Credit Blend S&P/LSTA Lev Loan +3%</i>			3.9	14.0	10.7	9.3	--
Davidson Kempner Long-Term Distressed Opportunities Fund V, L.P. Lag	50,750,508	4.2	1.6	-1.4	--	--	--
<i>Credit Blend S&P/LSTA Lev Loan +3%</i>			3.9	14.0	--	--	--
HPS European Asset Value II, LP Lag	29,543,726	2.4	2.6	9.9	10.9	--	--
<i>Credit Blend S&P/LSTA Lev Loan +3%</i>			3.9	14.0	10.7	--	--

1 Market Values may not add up due to rounding.

2 30% ICE BofAML 3 month US T-Bill + 4%, 52% 50% BB High Yield/50% S&P Leverage Loans, 18% NCREIF ODCE +1% Lag.

Asset Class Performance Net-of-Fees | As of As of September 30, 2023

	Market Value \$	% of Portfolio	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Medley Opportunity II Lag	2,640,470	0.2	0.0	0.0	-4.2	-9.0	-2.9
<i>Credit Blend S&P/LSTA Lev Loan +3%</i>			3.9	14.0	10.7	9.3	9.1
Mesa West IV Lag	31,032,997	2.6	-7.4	-18.0	-3.3	1.2	--
<i>Credit Blend S&P/LSTA Lev Loan +3%</i>			3.9	14.0	10.7	9.3	--
Oaktree Middle-Market Direct Lending Lag	37,093,455	3.1	2.3	1.1	11.8	12.0	--
<i>Credit Blend S&P/LSTA Lev Loan +3%</i>			3.9	14.0	10.7	9.3	--
Silver Rock Tactical Allocation Fund Lag	22,295,967	1.8	0.0	--	--	--	--
<i>Credit Blend S&P/LSTA Lev Loan +3%</i>			3.9	--	--	--	--
Raven Opportunity III Lag	54,043,608	4.5	-2.8	-5.9	7.3	6.5	--
<i>Credit Blend S&P/LSTA Lev Loan +3%</i>			3.9	14.0	10.7	9.3	--
White Oak Summit Peer Lag	25,089,436	2.1	1.9	-0.3	-1.3	1.4	--
<i>Credit Blend S&P/LSTA Lev Loan +3%</i>			3.9	14.0	10.7	9.3	--
White Oak Yield Spectrum Master V Lag	41,557,097	3.4	1.4	-2.3	1.2	--	--
<i>Credit Blend S&P/LSTA Lev Loan +3%</i>			3.9	14.0	10.7	--	--
Private Core Real Assets Lag	229,339,893	18.9	-1.1	-8.5	14.7	11.8	12.7
<i>NCREIF ODCE +1% lag (blend)</i>			-2.6	-9.8	8.1	6.6	8.9

1 Market values may not add up due to rounding.

2 NCREIF ODCE Net + 1% 10/1/2012-present. NCREIF Property Index previously.

3 Q422 data not available at the time of this report. Values reported reflect Q322 market value adjusted by Q422 cash flows.

Stabilized Growth

During the latest three-month period ending September 30, 2023, the Stabilized Growth sleeve of the Plan trailed its benchmark by (2.3%). Fourteen of SJCERA's sixteen Stabilized Growth managers underperformed their benchmarks while two outperformed. Several managers in this asset class are in the process of investing capital and may underperform as assets are invested (typically known as the J-curve effect). Included in this group is private core real assets, which outperformed its benchmark this quarter.

Bridgewater All Weather, one of the Plan's Risk Parity managers, trailed its benchmark over the quarter, 1-, 3-, 5- and 10-year periods by (6.7%), (1.7%), (7.8%), (4.6%), and (2.5%), respectively.

PanAgora DRMA, one of the Plan's Risk Parity managers, trailed its benchmark over the quarter, 1-, 3- and 5-year time periods by (8.1%), (8.9%), (11.4%), and (5.4%), respectively.

Neuberger Berman, one of the Plan's Liquid Credit managers, underperformed its benchmark for the quarter, 1- and 3-year time periods by (0.2%), (1.5%), and (0.7%), respectively.

Stone Harbor, the Plan's Absolute Return Fixed Income manager, outperformed the benchmark over the quarter, 1-, 3-, 5- and 10-year periods by 0.5%, 5.7%, 2.1%, 1.2%, and 1.6%, respectively.

BlackRock Direct Lending, one of the Plan's newer Private Credit managers, outperformed its benchmark over the quarter by 2.4%; however, it trailed the benchmark over the 1- and 3-year periods by (5.3%) and (2.6%), respectively.

Crestline Opportunity II, the Plan's Credit, Niche Alternatives and Hedge Fund Secondaries manager, trailed its benchmark over the quarter, 1-, 3- and 5-year periods by (6.0%), (29.6%), (11.4%) and (12.0%), respectively.

Davidson Kempner, the Plan's newest Private Credit manager, trailed its benchmark over the quarter and 1-year periods by (1.3%) and (15.4%), respectively.

Stabilized Growth (Continued)

HPS EU Value II, one of the Plan's newer Direct Lending managers, trailed its benchmark over the quarter and 1-year periods by (1.3%) and (4.1%), respectively; however, it outperformed over the 3-year period by 0.2%.

Medley Opportunity II, one of the Plan's Direct Lending managers, lagged its benchmark over the quarter, 1-, 3-, 5--and 10-year time periods by (3.9%), (14.0%), (14.9%), (18.3%), and (12.0%) respectively.

Mesa West RE Income IV, one of the Plan's Commercial Mortgage managers, trailed the benchmark by (11.3%), (32.0%), (14.0%) and (8.1%) over the quarter, 1-, 3- and 5-year periods, respectively.

Oaktree, a Middle-Market Direct Lending manager, trailed its benchmark over the quarter and 1-year periods by (1.6%) and (12.9%), respectively; however, it has outperformed over the trailing 3- and 5-year periods by 1.1% and 2.7%, respectively.

Silver Rock Tactical Allocation Fund is a new addition to the private credit allocation which recently called capital and trailed the benchmark by 3.9% over the most recent quarter.

Raven Opportunity III underperformed its target for the quarter, 1-, 3-, and 5-year periods by (6.7%), (19.9%), (3.4%), and (2.8%), respectively.

White Oak Summit Peer, one of the Plan's Direct Lending managers, underperformed its index over the trailing quarter, 1-, 3- and 5-year time periods by (2.0%), (14.3%), (12.0%) and (7.9%), respectively.

White Oak Yield Spectrum Master V underperformed its benchmark over the quarter, 1- and 3-year periods by (1.5%), (16.3%), and (9.5%).

Private Core Real Assets, exceeded its target over the quarter, 1-, 3-, 5- and 10-year time periods by 1.5%, 1.3%, 6.6%, 5.2%, and 3.8%, respectively.

Asset Class Performance Net-of-Fees | As of As of September 30, 2023

	Market Value \$	% of Portfolio	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Principal Protection	284,644,491	100.0	-2.8	2.6	-2.8	0.2	2.0
<i>Blmbg. U.S. Aggregate Index</i>			-3.2	0.6	-5.2	0.1	1.1
Dodge & Cox Fixed Income	195,031,750	68.5	-2.6	3.5	-3.0	1.5	2.4
<i>Blmbg. U.S. Aggregate Index</i>			-3.2	0.6	-5.2	0.1	1.1
Loomis Sayles	89,611,400	31.5	-3.2	0.8	--	--	--
<i>Blmbg. U.S. Aggregate Index</i>			-3.2	0.6	--	--	--

¹ Market Values may not add up due to rounding.

Principal Protection

During the latest three-month period ending September 30, 2023, SJCERA's two Principal Protection managers outperformed and matched the Bloomberg US Aggregate Index benchmark. The asset class as a whole outperformed the benchmark by 40 basis points for the quarter.

Dodge & Cox, the Plan's Core Fixed Income manager, saw a negative quarterly return of (2.6%); however, this outperformed the US Agg by 0.6%. It led its benchmark by 2.9%, 2.2%, 1.4% and 1.3% for the trailing 1-, 3-, 5- and 10-year periods, respectively.

Loomis Sayles, the Plan's newest Principal Protection manager, was funded in Q1 2022 and matched the US Agg over the most recent quarter returning (3.2%). The Manager has outperformed the benchmark over the trailing 1-year period by 0.2%

Asset Class Performance Net-of-Fees | As of As of September 30, 2023

	Market Value \$	% of Portfolio	3 Mo (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Crisis Risk Offset Asset Class	496,952,247	100.0	4.5	-1.0	4.4	5.2	5.3
<i>CRO Benchmark</i>			-2.6	-1.4	-0.1	3.4	3.5
Long Duration	103,499,447	20.8	-11.3	-8.1	-14.9	-2.6	--
<i>Blmbg. U.S. Treasury: Long</i>			-11.8	-9.1	-15.7	-2.8	--
Dodge & Cox Long Duration	103,499,447	20.8	-11.3	-8.1	-14.9	-2.6	--
<i>Blmbg. U.S. Treasury: Long</i>			-11.8	-9.1	-15.7	-2.8	--
Systematic Trend Following	253,059,842	50.9	6.3	-2.6	18.1	8.7	9.9
<i>BTOP 50 (blend)</i>			3.2	-0.9	11.4	7.3	4.2
Graham Tactical Trend	123,375,504	24.8	4.0	-1.1	15.6	8.6	--
<i>SG Trend</i>			0.8	-5.2	15.0	9.1	--
Mount Lucas	129,684,338	26.1	8.6	-3.9	20.6	8.7	9.0
<i>BTOP 50 (blend)</i>			3.2	-0.9	11.4	7.3	4.2
Alternative Risk Premium	140,392,957	28.3	16.4	7.9	6.2	5.3	3.7
<i>5% Annual (blend)</i>			1.2	5.0	5.0	5.0	6.5
AQR Style Premia	66,510,624	13.4	14.9	35.7	23.2	3.7	--
<i>5% Annual</i>			1.2	5.0	5.0	5.0	--
P/E Diversified Global Macro	73,882,333	14.9	17.7	-10.2	5.1	7.1	--
<i>5% Annual</i>			1.2	5.0	5.0	5.0	--

1 Market Values may not add up due to rounding.

2 (1/3) BB Long Duration Treasuries, (1/3) BTOP50 Index, (1/3) 5% Annual.

Crisis Risk Offset

During the latest three-month period ending September 30, 2023, five out of five of SJCERA's Crisis Risk Offset managers outperformed their respective benchmarks. On the whole, the Crisis Risk Offset sleeve gained 4.5% over the most recent quarter, outperforming the benchmark by 7.1%.

Dodge & Cox Long Duration produced a negative quarterly return of (11.3%), which outperformed the Bloomberg US Long Duration Treasuries benchmark by 0.5%. The manager outperformed the benchmark over the 1-, 3- and 5- year periods by 1.0%, 0.8%, and 0.2% respectively.

Graham Tactical Trend, one of the Plan's Systematic Trend Following managers, outperformed the SG Trend Index for the quarter, 1- and 3-year periods by 3.2%, 4.1%, and 0.6%; however, it trailed the benchmark by (0.5%) over the 5-year period.

Mount Lucas, one of the Plan's Systematic Trend Following managers, outperformed the Barclays BTOP 50 Index over the quarter, 3-, 5- and 10-year periods by 5.4%, 9.2%, 1.4%, 4.8%, respectively; however, it underperformed the target over the 1-year period (3.0%).

AQR, one of the Plan's Alternative Risk Premium managers, outperformed its 5% Annual target for the quarter, 1- and 3-year periods by 13.7%, 30.7% and 18.2%, respectively. That said, it trailed the benchmark over the 5-year period by (1.3%).

P/E Diversified, one of the Plan's Alternative Risk Premium managers, outperformed its 5% Annual target for the quarter, 3-, and 5-year periods by 16.5%, 0.1% and 2.1%, respectively. However, the manager trailed the benchmark over the 1-year period by (15.2%).

Benchmark History

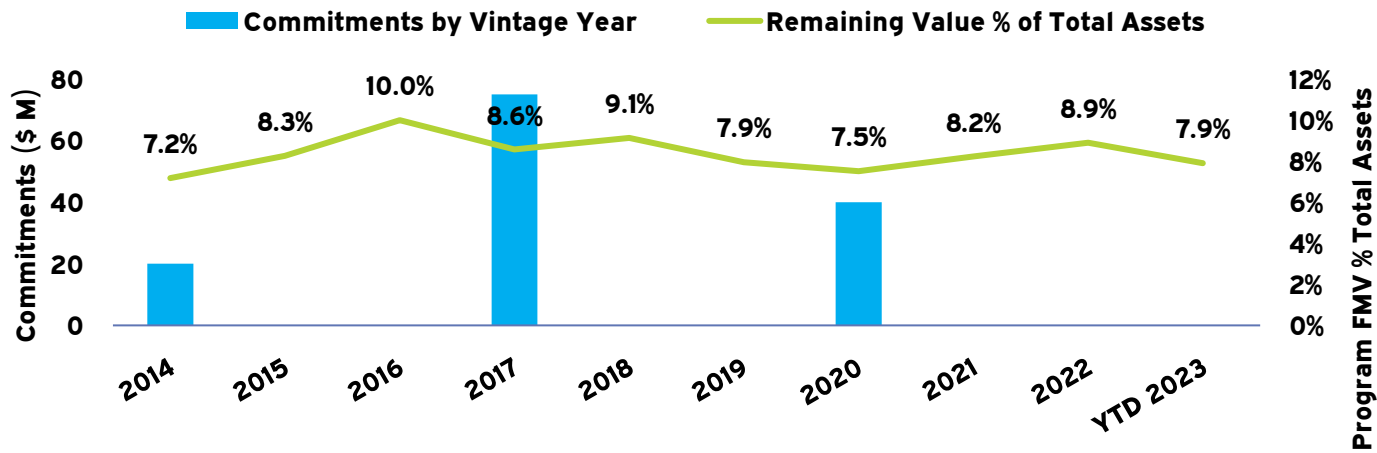
From Date	To Date	Benchmark
SJCERA Total Plan		
09/01/2023	Present	8.0% Blmbg. U.S. Aggregate Index, 34.0% MSCI AC World IMI (Net), 16.0% 50% BB US HY/50% S&P LSTA Lev Loan, 12.0% MSCI ACW +2% Lag, 7.0% NCREIF ODCE +1% lag (blend), 9.0% ICE BofAML 3mo US TBill+4%, 14.0% CRO Benchmark
04/01/2023	09/01/2023	9.0% Blmbg. U.S. Aggregate Index, 33.0% MSCI AC World IMI (Net), 16.0% 50% BB US HY/50% S&P LSTA Lev Loan, 10.0% MSCI ACW +2% Lag, 7.0% NCREIF ODCE +1% lag (blend), 10.0% ICE BofAML 3mo US TBill+4%, 15.0% CRO Benchmark
08/01/2022	04/01/2023	9.0% Blmbg. U.S. Aggregate Index, 33.0% MSCI AC World IMI (Net), 16.0% 50% BB US HY/50% S&P LSTA Lev Loan, 10.0% MSCI ACW +2% Lag, 7.0% NCREIF ODCE +1% lag (blend), 10.0% ICE BofAML 3mo US TBill+4%, 15.0% CRO Benchmark
04/01/2020	08/01/2022	10.0% Blmbg. U.S. Aggregate Index, 32.0% MSCI AC World IMI (Net), 17.0% 50% BB US HY/50% S&P LSTA Lev Loan, 10.0% MSCI ACWI +2% Lag, 6.0% NCREIF ODCE +1% lag (blend), 10.0% ICE BofAML 3mo US TBill+4%, 15.0% CRO Benchmark
01/01/2016	04/01/2020	16.0% Blmbg. U.S. Aggregate Index, 37.0% MSCI AC World Index, 2.0% ICE BofA 3 Month U.S. T-Bill, 15.0% 50% BB US HY/50% S&P LSTA Lev Loan, 10.0% MSCI ACWI +2% Lag, 14.0% ICE BofAML 3mo US TBill+4%, 6.0% CRO Benchmark
01/01/1988	01/01/2016	100.0% SJCERA Policy Benchmark
Aggressive Growth Lag		
01/01/2021	Present	50.0% MSCI ACWI +2% Lag, 50.0% NCREIF ODCE +1% lag (blend)
01/01/1990	01/01/2021	100.0% MSCI ACWI +2% Blend
Stabilized Growth		
01/01/2010	Present	52.0% 50% BB US HY/50% S&P LSTA Lev Loan, 18.0% NCREIF ODCE +1% lag (blend), 30.0% ICE BofAML 3mo US TBill+4%
Crisis Risk Offset Asset Class		
01/01/1987	Present	33.3% Barclay BTOP 50, 33.3% Blmbg. U.S. Treasury: Long, 33.4% 5% Annual

Real Estate Program
June 30, 2023

I	OVERVIEW
II	PROGRAM ACTIVITY
	Commitments
	Cash Flows
	Significant Events
III	PERFORMANCE ANALYSIS
	By Strategy and Vintage
	Across Time Periods
	Net Changes in Value
	Fund Performance: Sorted by Vintage and Strategy
IV	DIVERSIFICATION: FUND LEVEL
	Strategy
	Vintage
	Geographic Focus
V	Market Analysis
	END NOTES AND DISCLOSURES

Introduction

The Retirement Association's target allocation towards real estate assets is 17%. As of June 30, 2023, the Retirement Association had invested with 19 real estate managers (four private open-end and fifteen private closed-end). The aggregate reported value of the Retirement Association's real estate investments was \$317.9 million at quarter-end.



Program Status

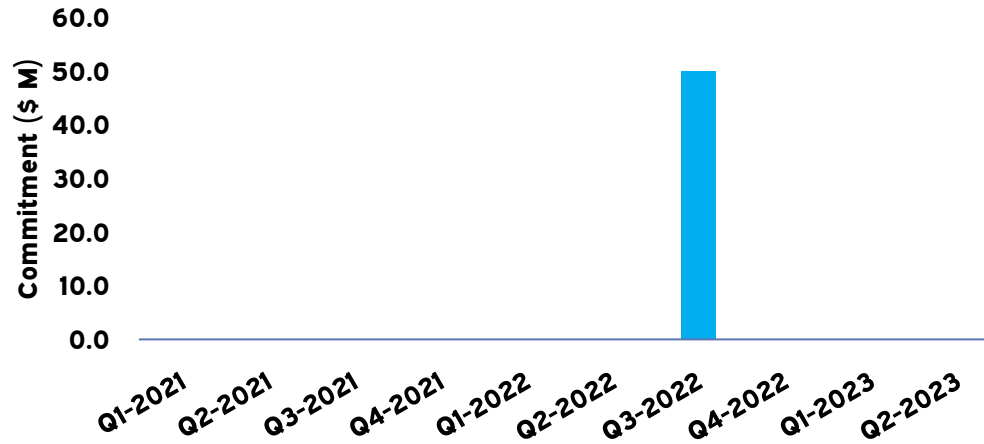
No. of Investments	19
Committed (\$ M)	551.6
Contributed (\$ M)	463.8
Distributed (\$ M)	402.5
Remaining Value (\$ M)	317.9

Performance Since Inception

	Program
DPI	0.87x
TVPI	1.55x
IRR	7.4%

Commitments

Recent Quarterly Commitments



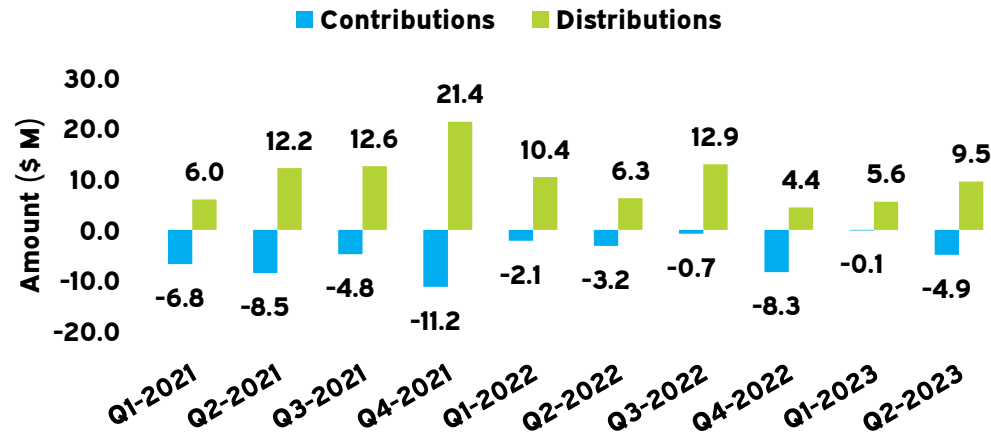
Commitments This Quarter

Fund	Strategy	Region	Amount (M)
------	----------	--------	------------

None to report.

Cash Flows

Recent Quarterly Cash Flows



Largest Contributions This Quarter

Fund	Vintage	Strategy	Region	Amount (\$M)
Berkeley V	2020	Value-Added	North America	3.27
Prologis Logistics	2004	Core	North America	0.91
Greenfield VIII	2017	Opportunistic	North America	0.72

Largest Distributions This Quarter

Fund	Vintage	Strategy	Region	Amount (\$M)
Stockbridge RE III	2017	Value-Added	North America	5.56
Greenfield VIII	2017	Opportunistic	North America	2.05
Prologis Logistics	2004	Core	North America	0.91

Significant Events

- During the second quarter, Principal USPA acquired thirteen additional homes within the existing scattered site single family rental portfolio. During the quarter, Principal USPA disposed of a non-strategic, older vintage, multi-tenant warehouse building in Tacoma, WA .
- Prologis USLF acquired a small parcel of land that is used for parking adjacent to an existing building during the second quarter.
- During the second quarter, RREEF America II closed on the acquisition of a recently constructed garden apartment community in Sarasota, FL, land for a 200-unit residential development located in Torrance, CA, and land for a build-for-rent 211-unit townhome development located in Winter Garden, FL.
- Stockbridge Value Fund III sold 110 E Broward, the only remaining office asset in the Fund, for a 0.6x and -23.5% gross IRR.
- Berkley Fund V closed on two acquisitions during the second quarter; single-tenant industrial property located in Aston, PA, and a two building infill light industrial portfolio in Dallas, TX.

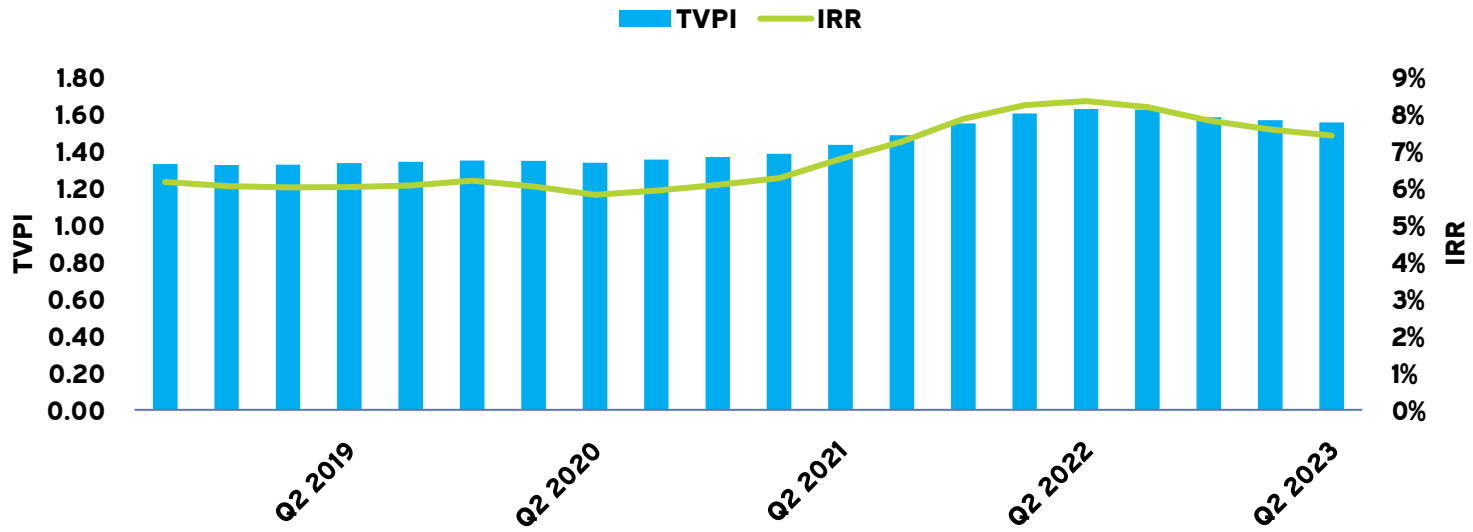
By Strategy

Group	Number	Committed (\$ M)	Contributed (\$ M)	Unfunded (\$ M)	Distributed (\$ M)	Remaining				
						Value (\$ M)	Exposure (\$ M)	DPI (X)	TVPI (X)	IRR (%)
Core	4	170.5	128.7	50.0	35.5	229.3	279.3	0.28	2.06	8.3
Opportunistic	9	204.1	183.0	22.5	225.7	22.7	45.2	1.23	1.36	5.7
Value-Added	6	177.0	152.1	30.0	141.3	65.8	95.8	0.93	1.36	9.2
Total	19	551.6	463.8	102.5	402.5	317.9	420.4	0.87	1.55	7.4

By Vintage

Group	Number	Committed (\$ M)	Contributed (\$ M)	Unfunded (\$ M)	Distributed (\$ M)	Remaining				
						Value (\$ M)	Exposure (\$ M)	DPI (X)	TVPI (X)	IRR (%)
Open-end Fund	4	170.5	128.7	50.0	35.5	229.3	279.3	0.28	2.06	8.3
2005	1	15.0	14.5	0.5	17.6	0.0	0.5	1.21	1.21	3.4
2006	1	30.0	30.0	0.0	20.8	0.6	0.6	0.69	0.71	-3.6
2007	4	96.0	84.0	12.0	116.2	6.6	18.6	1.38	1.46	7.4
2011	2	50.0	38.3	11.7	47.3	3.8	15.5	1.24	1.33	9.3
2012	2	36.0	33.9	2.9	49.0	0.0	2.9	1.45	1.45	12.5
2013	1	19.1	18.3	0.8	30.5	1.4	2.2	1.67	1.75	13.4
2014	1	20.0	19.0	1.8	14.7	8.5	10.2	0.77	1.22	4.6
2017	2	75.0	66.4	10.1	64.5	37.1	47.2	0.97	1.53	17.5
2020	1	40.0	30.9	12.8	6.4	30.5	43.3	0.21	1.20	13.5
Total	19	551.6	463.8	102.5	402.5	317.9	420.4	0.87	1.55	7.4

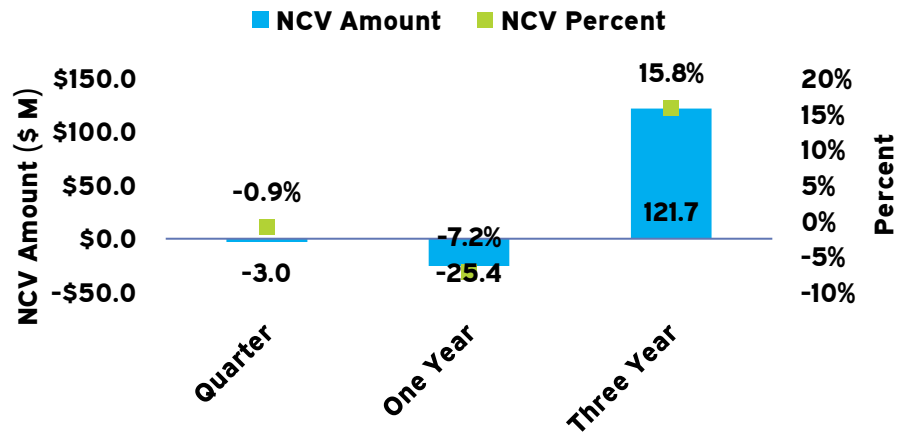
Since Inception Performance Over Time



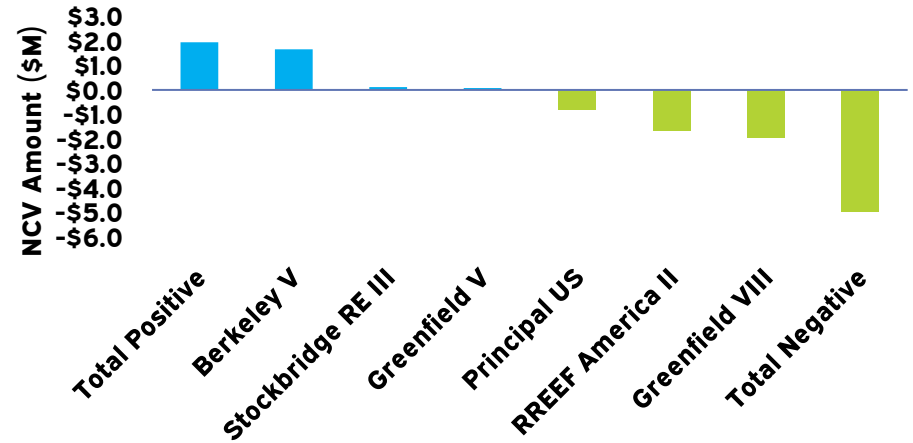
Horizon IRRs

	1 Year (%)	3 Year (%)	5 Year (%)	10 Year (%)	Since Inception (%)
Aggregate Portfolio	-7.2	15.3	10.4	10.7	7.4
Public Market Equivalent	-6.8	4.0	-1.0	1.1	2.1

Periodic NCV



1 Quarter Drivers Of NCV

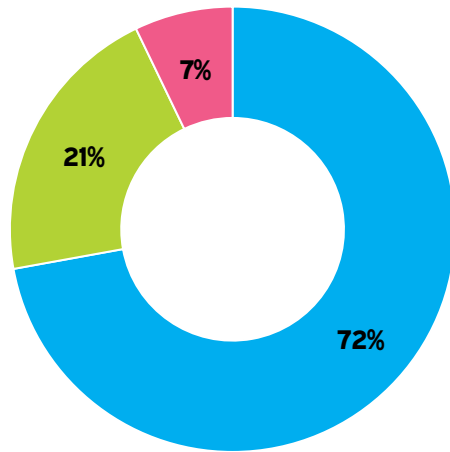


Fund Performance: Sorted By Vintage And Strategy

By Investment	Vintage	Strategy	Committed (\$ MM)	Contributed (\$ MM)	Unfunded (\$ MM)	Distributed (\$ MM)	Remaining Value (\$ MM)	TVPI (X)	Peer TVPI (X)	IRR (%)	Peer IRR (%)
AEW EHF		Core	50.0	0.0	50.0	0.0	0.0	NM	NM	NM	NM
Principal US		Core	25.0	25.0	0.0	0.0	41.6	1.66	NM	7.0	NM
Prologis Logistics		Core	50.5	58.7	0.0	24.7	130.4	2.64	NM	8.9	NM
RREEF America II		Core	45.0	45.0	0.0	10.8	57.4	1.52	NM	6.7	NM
Miller GLocal Fund V	2005	Opportunistic	15.0	14.5	0.5	17.6	0.0	1.21	NM	3.4	NM
Walton Street V	2006	Opportunistic	30.0	30.0	0.0	20.8	0.6	0.71	NM	-3.6	NM
Greenfield V	2007	Opportunistic	30.0	29.6	0.4	40.7	0.0	1.38	NM	8.3	NM
Miller Global VI	2007	Opportunistic	30.0	21.1	8.9	33.4	0.0	1.58	NM	7.7	NM
Walton Street VI	2007	Opportunistic	15.0	13.3	1.7	15.2	6.6	1.64	NM	8.3	NM
Colony Realty III	2007	Value-Added	21.0	20.0	1.0	26.9	0.0	1.35	NM	5.3	NM
Greenfield VI	2011	Opportunistic	20.0	19.2	0.8	26.2	0.0	1.37	NM	9.6	NM
Almanac Realty VI	2011	Value-Added	30.0	19.1	10.9	21.2	3.7	1.30	NM	8.8	NM
Miller Global VII	2012	Opportunistic	15.0	12.1	2.9	16.1	0.0	1.33	NM	14.4	NM
Colony Realty IV	2012	Value-Added	21.0	21.7	0.0	32.9	0.0	1.51	NM	11.9	NM
Greenfield VII	2013	Opportunistic	19.1	18.3	0.8	30.5	1.4	1.75	NM	13.4	NM
AG Core Plus IV	2014	Value-Added	20.0	19.0	1.8	14.7	8.5	1.22	NM	4.6	NM
Greenfield VIII	2017	Opportunistic	30.0	25.0	6.4	25.3	14.0	1.57	NM	20.2	NM
Stockbridge RE III	2017	Value-Added	45.0	41.4	3.6	39.2	23.1	1.51	NM	16.0	NM
Berkeley V	2020	Value-Added	40.0	30.9	12.8	6.4	30.5	1.20	NM	13.5	NM
Total			551.6	463.8	102.5	402.5	317.9	1.55	NM	7.4	NM

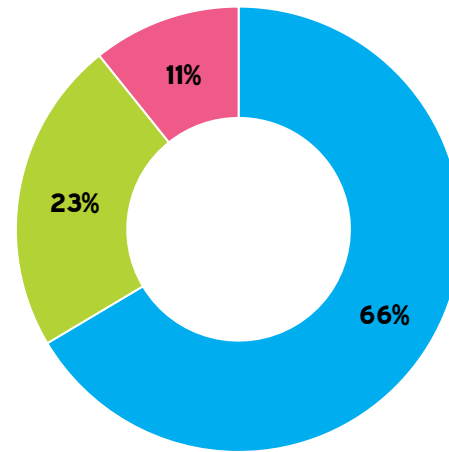
By Strategy

Percent of FMV



- Core
- Value-Added
- Opportunistic

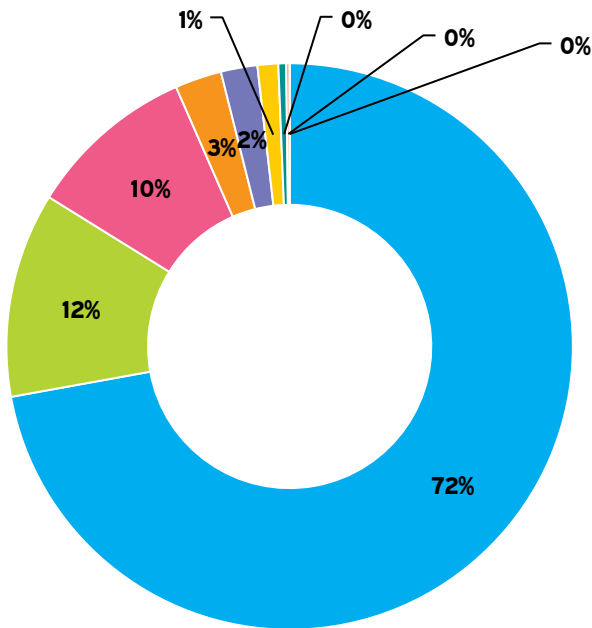
Percent of Exposure



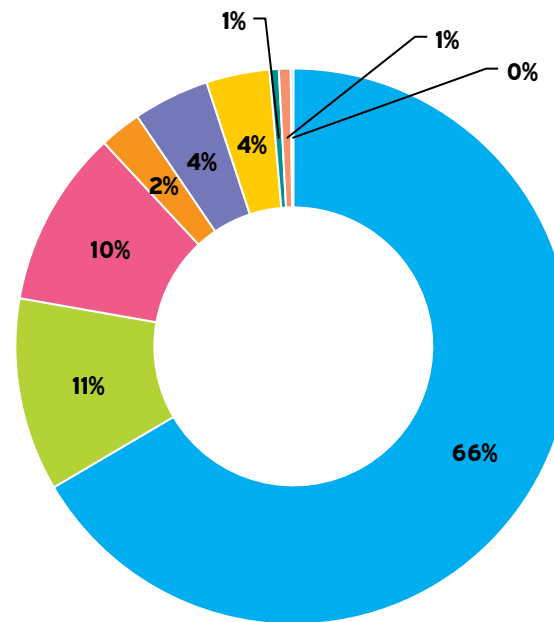
- Core
- Value-Added
- Opportunistic

By Vintage

Percent of FMV



Percent of Exposure

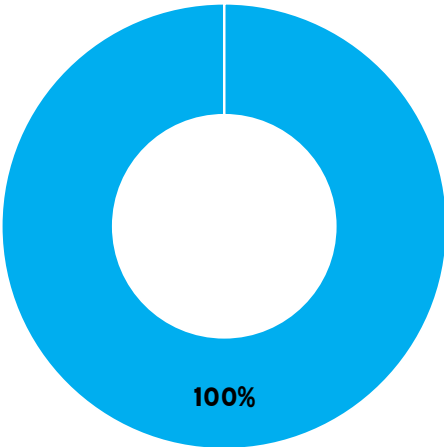


- Open-end
- 2017
- 2020
- 2014
- 2007
- 2011
- 2013
- 2006
- 2012

- Open-end
- 2017
- 2020
- 2014
- 2007
- 2011
- 2013
- 2012
- 2006

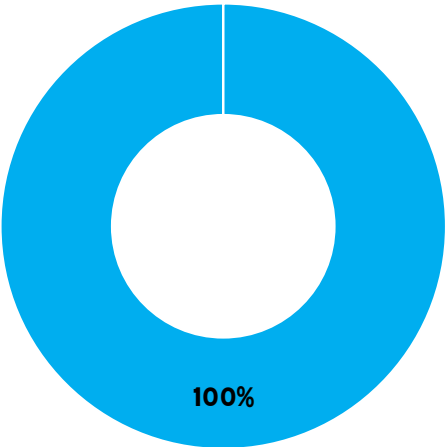
By Geographic Focus

Percent of FMV



■ North America

Percent of Exposure



■ North America

Below are details on specific terminology and calculation methodologies used throughout this report:

Committed	The original commitment amount made to a given fund. Some funds may be denominated in non-USD currencies, and such commitment amounts represent the sum of fund contributions translated to USD at their daily conversion rates plus the unfunded balance translated at the rate as of the date of this report.
Contributed	The amount of capital called by a fund manager against the commitment amount. Contributions may be used for new or follow-on investments, fees, and expenses, as outlined in each fund’s limited partnership agreement. Some capital distributions from funds may reduce contributed capital balances. Some funds may be denominated in non-USD currencies, and such aggregate contributions represent the sum of each fund contribution translated to USD at its daily conversion rate.
Distributed	The amount of capital returned from a fund manager for returns of invested capital, profits, interest, and other investment related income. Some distributions may be subject to re-investment, as outlined in each fund’s limited partnership agreement. Some funds may be denominated in non-USD currencies, and such aggregate distributions represent the sum of each fund distribution translated to USD at its daily conversion rate.
DPI	Acronym for “Distributed-to-Paid-In”, which is a performance measurement for Private Market investments. The performance calculation equals Distributed divided by Contributed. DPIs for funds and groupings of funds are net of all fund fees and expenses as reported to by fund managers to Meketa.
Exposure	Represents the sum of the investor’s Unfunded and Remaining Value.
IRR	Acronym for “Internal Rate of Return”, which is a performance measurement for Private Market investments. IRRs are calculated by Meketa based on daily cash flows and Remaining Values as of the date of this report. IRRs for funds and groupings of funds are net of all fund fees and expenses as reported by fund managers to Meketa.
NCV	Acronym for “Net Change in Value”, which is a performance measurement for Private Market investments. The performance calculation equals the appreciation or depreciation over a time period neutralized for the impact of cash flows that occurred during the time period.
NM	Acronym for “Not Meaningful”, which indicates that a performance calculation is based on data over too short a timeframe to yet be meaningful or not yet possible due to inadequate data. Meketa begins reporting IRR calculations for investments once they have reached more than two years since first capital call. NM is also used within this report in uncommon cases where the manager has reported a negative Remaining Value for an investment.

Peer Universe

The performance for a set of comparable private market funds. The peer returns used in this report are provided by Thomson ONE, based on data from Cambridge Associates as of the date of this report. Program-level peer universe performance represents the pooled return for a set of funds of corresponding vintages and strategies across all regions globally. Fund-level peer performance represents the median return for a set of funds of the same vintage and the program's set of corresponding strategies across all regions globally. Data sets that include less than five funds display performance as "NM". Meketa utilizes the following Thomson ONE strategies for peer universes:

Infrastructure: Infrastructure

Natural Resources: Private Equity Energy, Upstream Energy & Royalties, and Timber

Private Debt: Subordinated Capital, Credit Opportunities, Senior Debt, and Control-Oriented Distressed

Private Equity (including Private Debt): Venture Capital, Growth Equity, Buyout, Subordinated Capital, Credit Opportunities, Senior Debt, and Control-Oriented Distressed

Private Equity (excluding Private Debt): Venture Capital, Growth Equity, and Buyout

Real Assets (excluding Real Estate): Infrastructure, Private Equity Energy, Upstream Energy & Royalties, and Timber

Real Assets (including Real Estate): Infrastructure, Private Equity Energy, Upstream Energy & Royalties, Timber, and Real Estate

Real Estate: Real Estate

Public Market Equivalent ("PME")

A calculation methodology that seeks to compare the performance of a portfolio of private market investments with public market indices. The figures presented in this report are based on the PME+ framework, which represents a net IRR value based on the actual timing and size of the private market program's daily cash flows and the daily appreciation or depreciation of an equivalent public market index. Meketa utilizes the following indices for private market program PME+ calculations:

Infrastructure: Dow Jones Brookfield Global Infrastructure Index

Natural Resources: S&P Global Natural Resources Index

Private Debt: Meryl Lynch High Yield Master II Bond Index

Private Equity: MSCI ACWI Investable Market Index

Real Assets (excluding Real Estate): Equal blend of Dow Jones Brookfield Global Infrastructure Index and S&P Global Natural Resources Index

	<p>Real Assets (including Real Estate): Equal blend of Dow Jones Brookfield Global Infrastructure Index, S&P Global Natural Resources Index, and Dow Jones U.S. Select Real Estate Securities Index</p> <p>Real Estate: Dow Jones U.S. Select Real Estate Securities Index</p>
<p>Remaining Value</p>	<p>The investor's value as reported by a fund manager on the investor's capital account statement. All investor values in this report are as of the date of this report, unless otherwise noted. Some funds may be denominated in non-USD currencies, and such remaining values represent the fund's local currency value translated to USD at the rate as of the date of this report.</p>
<p>TVPI</p>	<p>Acronym for "Total Value-to-Paid-In", which is a performance measurement for Private Market investments. The performance calculations represents Distributed plus Remaining Value, then divided by Contributed. TVPIs for funds and groupings of funds are net of all fund fees and expenses as reported to by fund managers to Meketa.</p>
<p>Unfunded</p>	<p>The remaining balance of capital that a fund manager has yet to call against a commitment amount. Meketa updates unfunded balances for funds to reflect all information provided by fund managers provided in their cash flow notices. Some funds may be denominated in non-USD currencies, and such unfunded balances represent the fund's local currency unfunded balance translated to USD at the rate as of the date of this report.</p>

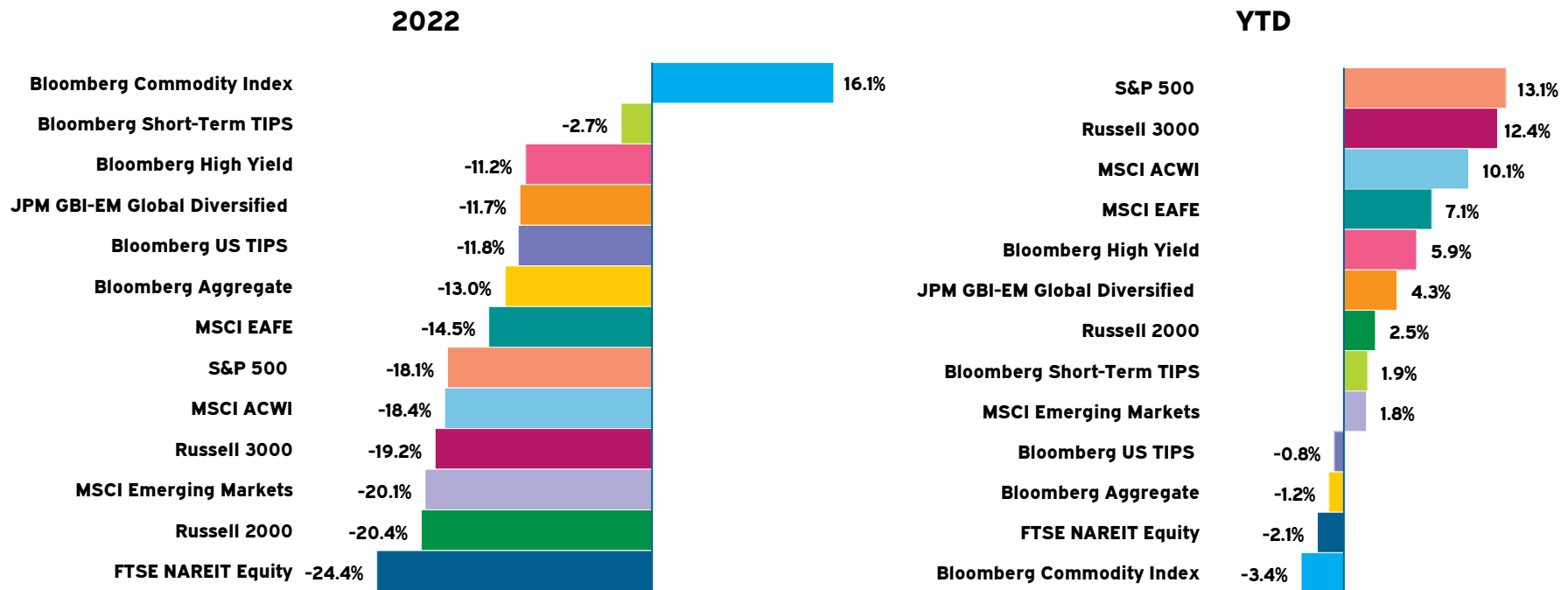
Economic and Market Update

Data as of September 30, 2023

Commentary

- After a strong July, global assets turned negative in August and September as expectations shifted to the Fed keeping interest rates higher for longer. Weakening economic data from Europe and China, as well as further instability in the Chinese real estate sector and a strong US dollar, weighed on results.
- The Federal Open Markets Committee (FOMC) increased policy rates in July by 0.25% to a range of 5.25% - 5.5% and kept rates at that level at their September meeting. Markets are now largely expecting the FOMC to maintain interest rates at this level through the first half of next year.
 - US equity markets (Russell 3000 index) fell in the third quarter (-3.3%), bringing the year-to-date gains to 12.4%. The technology sector remains the key driver of results this year, helped by artificial intelligence optimism.
 - Non-US developed equity markets declined more than the US in the third quarter (MSCI EAFE -4.1%) with the strength of the US dollar adding 2.8% to the quarterly declines. This widened the gap between US and international developed equities for the year (12.4% versus 7.1%).
 - Emerging market equities experienced the smallest declines in the third quarter (-2.9%). Negative results were driven by China and again the strong US dollar. Emerging markets continue to significantly trail developed market equities year-to-date, returning just 1.8%, again driven by China.
 - Interest rates generally rose over the quarter, particularly for longer-dated maturities. The broad US bond market fell (-3.2%) for the quarter and turned negative (-1.2%) year-to-date, as higher income has offset capital losses from rising rates.
- For the rest of this year, the paths of inflation and monetary policy, slowing global growth, and the wars in Ukraine and Israel will all be key.

Index Returns¹



→ After a particularly difficult 2022, most public market assets are up thus far in 2023, led by developed market equities.

→ While hopes for a soft landing remain in place, the prospect of higher interest rates for longer weighed on market sentiment in August and September.

¹ Source: Bloomberg. Data is as of September 30, 2023.

Domestic Equity Returns¹

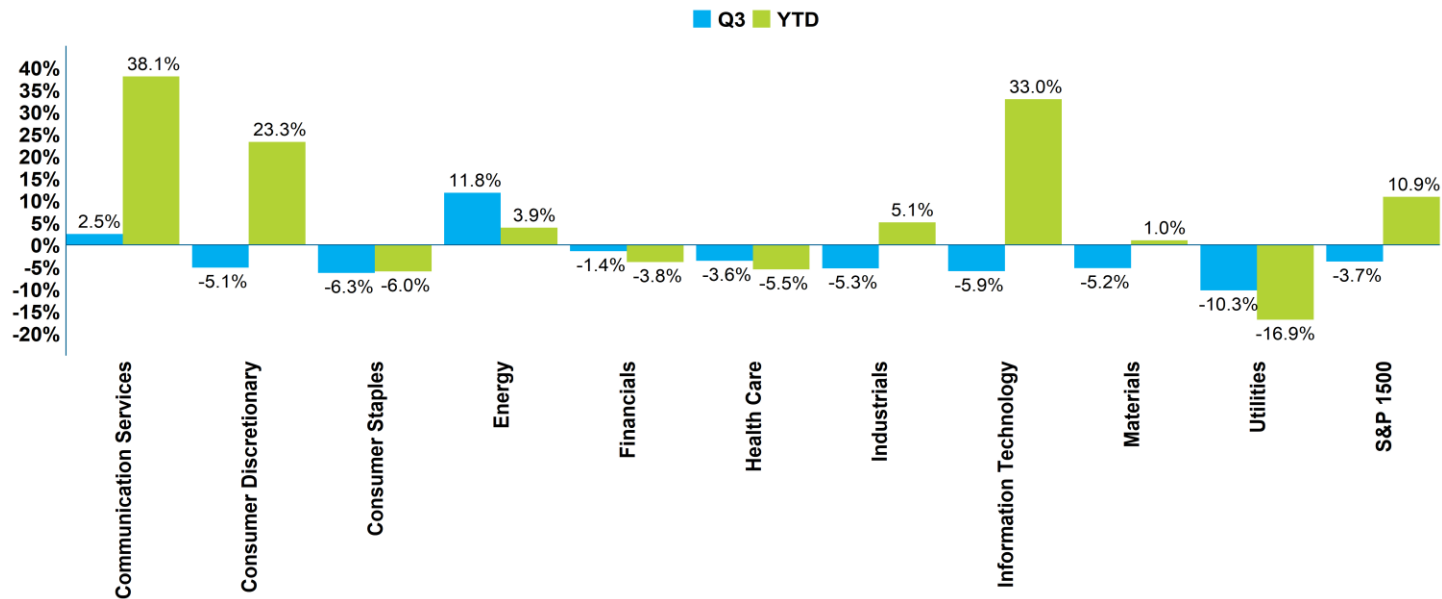
Domestic Equity	September (%)	Q3 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
S&P 500	-4.8	-3.3	13.1	21.6	10.2	9.9	11.9
Russell 3000	-4.8	-3.3	12.4	20.5	9.4	9.1	11.3
Russell 1000	-4.7	-3.1	13.0	21.2	9.5	9.6	11.6
Russell 1000 Growth	-5.4	-3.1	25.0	27.7	8.0	12.4	14.5
Russell 1000 Value	-3.9	-3.2	1.8	14.4	11.1	6.2	8.4
Russell MidCap	-5.0	-4.7	3.9	13.4	8.1	6.4	9.0
Russell MidCap Growth	-4.9	-5.2	9.9	17.5	2.6	7.0	9.9
Russell MidCap Value	-5.1	-4.5	0.5	11.0	11.0	5.2	7.9
Russell 2000	-5.9	-5.1	2.5	8.9	7.2	2.4	6.6
Russell 2000 Growth	-6.6	-7.3	5.2	9.6	1.1	1.6	6.7
Russell 2000 Value	-5.2	-3.0	-0.5	7.8	13.3	2.6	6.2

US Equities: The Russell 3000 Index fell 3.3% in the third quarter but is up 12.4% YTD.

- US stocks fell 3.3% in the third quarter as healthy economic data and comments from the Fed caused investors to expect interest rates to remain higher for longer.
- Large cap stocks outperformed small cap stocks during the quarter, bringing their year-to-date outperformance to over 10%. The so called “Magnificent Seven” within the large cap market drove most of this outperformance despite a weak third quarter.
- Energy strongly led the way during the quarter posting double-digit gains while most other sectors declined. Oil prices rose after Saudi Arabia and Russia extended output cuts.

¹ Source: Bloomberg. Data is as of September 30, 2023.

S&P 1500 Sector Returns¹



→ Except for energy, which benefited from rising oil prices, all sectors were down in the third quarter.

→ So far in 2023, the communication services (+38.1%) and technology (+33.0%) sectors had the best results on artificial intelligence optimism. Given the continued strength in the US consumer the consumer discretionary sector followed (+23.3%), while more defensive sectors like utilities (-16.9%) and consumer staples (-6.0%) have trailed.

¹ Source: Bloomberg. Data is as of September 30, 2023.

Foreign Equity Returns¹

Foreign Equity	September (%)	Q3 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
MSCI ACWI ex. US	-3.2	-3.8	5.3	20.4	3.7	2.6	3.3
MSCI EAFE	-3.4	-4.1	7.1	25.6	5.8	3.2	3.8
MSCI EAFE (Local Currency)	-1.1	-1.3	10.7	20.3	10.8	5.7	6.8
MSCI EAFE Small Cap	-4.4	-3.5	1.8	17.9	1.1	0.8	4.3
MSCI Emerging Markets	-2.6	-2.9	1.8	11.7	-1.7	0.6	2.1
MSCI Emerging Markets (Local Currency)	-1.8	-1.4	4.0	10.9	0.6	2.7	4.9
MSCI China	-2.8	-1.9	-7.3	5.2	-14.3	-4.2	1.7

Foreign Equity: Developed international equities (MSCI EAFE) fell 4.1% in the third quarter bringing the YTD gain to 7.1%. Emerging market equities (MSCI EM) fell 2.9% in the period, rising 1.8% YTD.

- Outside of the US, equities were also weak during the third quarter with the continued strength of the US dollar being a key driver.
- Eurozone shares felt pressure from slowing GDP growth and an interest rate hike by the ECB, although inflation continued to ease. By contrast, the UK saw modest gains amid promising economic data including slowing inflation and GDP back around pre-pandemic levels. Japan outperformed regional peers for the quarter due in part to strong earnings.
- Emerging market performance, while negative, outpaced developed peers. Chinese markets saw losses in-line with other emerging market countries, driven largely by unease surrounding property company Evergrande and a continued lackluster reopening of the economy.

¹ Source: Bloomberg. Data is as of September 30, 2023.

Fixed Income Returns¹

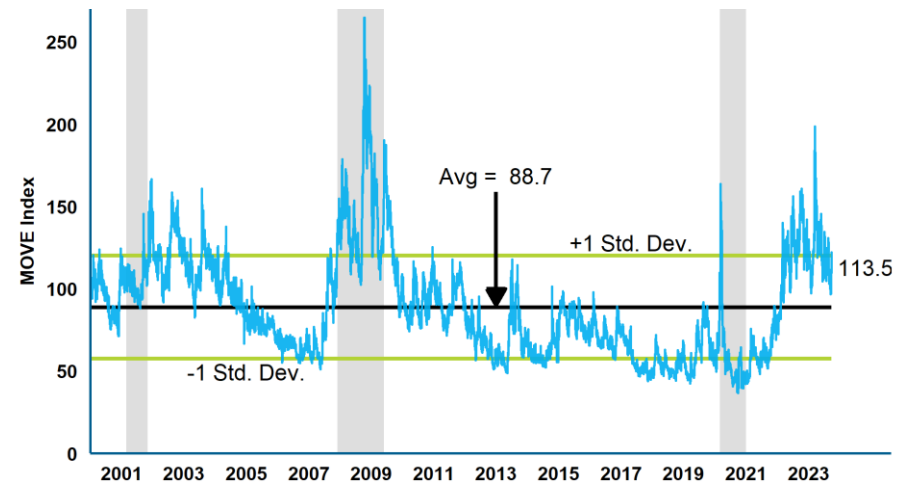
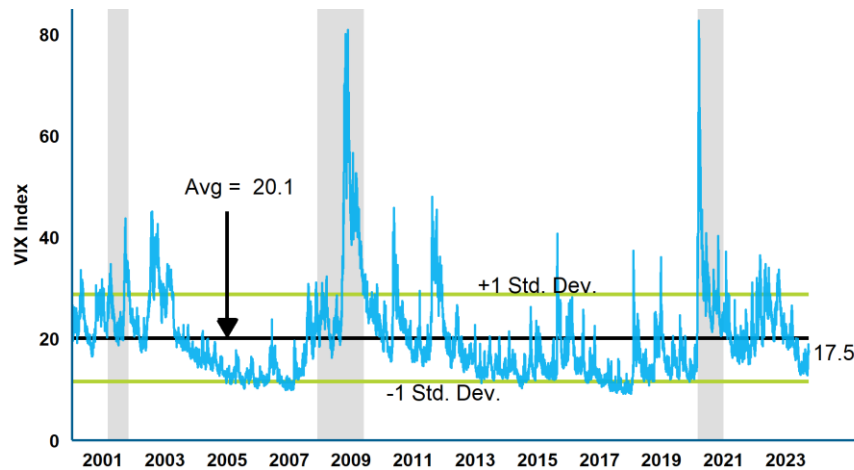
Fixed Income	September (%)	Q3 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Current Yield (%)	Duration (Years)
Bloomberg Universal	-2.4	-2.9	-0.6	1.6	-4.7	0.3	1.4	5.7	6.0
Bloomberg Aggregate	-2.5	-3.2	-1.2	0.6	-5.2	0.1	1.1	5.4	6.2
Bloomberg US TIPS	-1.8	-2.6	-0.8	1.2	-2.0	2.1	1.7	5.0	6.6
Bloomberg Short-term TIPS	-0.2	0.4	1.9	3.2	1.9	2.8	1.7	5.4	2.5
Bloomberg High Yield	-1.2	0.5	5.9	10.3	1.8	3.0	4.2	8.9	4.0
JPM GBI-EM Global Diversified (USD)	-3.4	-3.3	4.3	13.1	-2.7	0.0	-0.8	6.9	4.9

Fixed Income: The Bloomberg Universal index declined 2.9% in the third quarter and -0.6% YTD.

- The downgrade of US government debt from AAA to AA+ by Fitch combined with expectations for higher borrowing put upward pressure on longer-term rates for the quarter and weighed on overall results. Expectations for policy rates to remain higher for longer than previously expected also contributed to the decline in bonds.
- The broad US bond market (Bloomberg Aggregate) fell 3.2% for the quarter bringing YTD results into negative territory. The broader TIPS index fell by 2.6%, while the less interest-rate-sensitive short-term TIPS index outperformed most sectors, up 0.4%.
- High yield bonds were the strongest quarterly performers, up 0.5%, while emerging market bonds were the weakest performer, falling 3.3%. The two asset classes remain the top performers for the year as risk appetite in credit markets remains robust.

¹ Source: Bloomberg. JPM GBI-EM data is from InvestorForce. Data is as of September 30, 2023. The yield and duration data from Bloomberg is defined as the index's yield to worst and modified duration respectively.

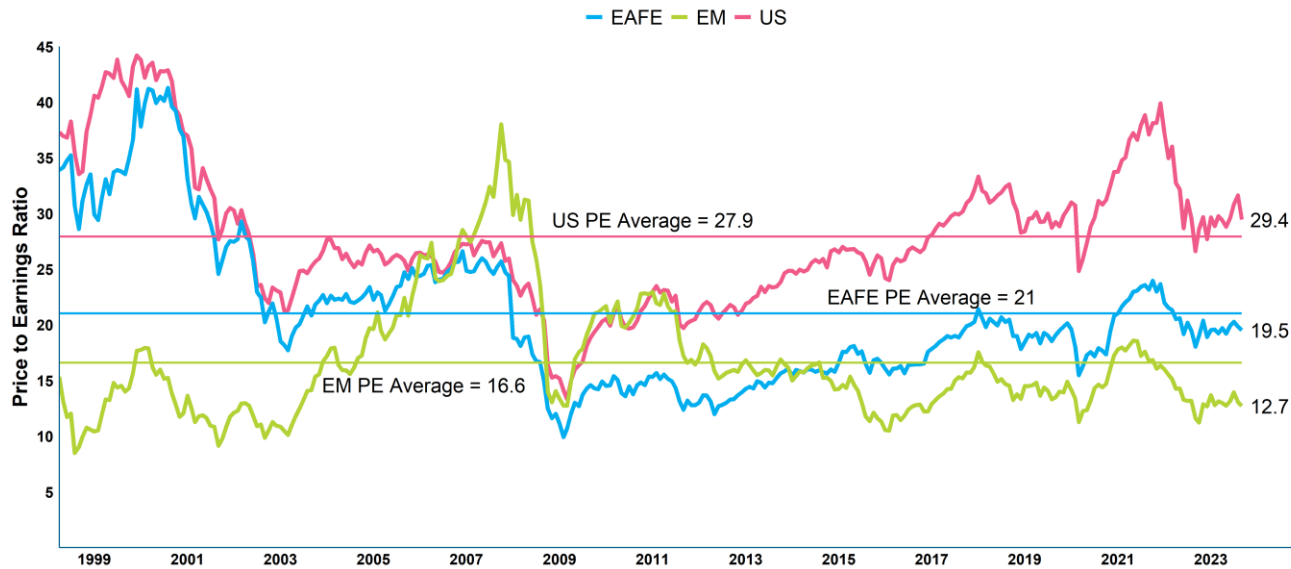
Equity and Fixed Income Volatility¹



- Volatility in equities (VIX) increased over the quarter but finished at a level below the long-term average. The recent increase in equity volatility has largely been driven by investors coming to terms that interest rates might remain higher for a longer period.
- In comparison, volatility in the bond market (MOVE) remains well above its long-run average (88.7) after last year's historic losses and due to continued policy uncertainty. Over the quarter, fixed income volatility finished slightly higher compared to where it started, like equities, driven by expectations for rates to stay higher for longer.

¹ Equity Volatility – Source: FRED. Fixed Income Volatility – Source: Bloomberg. Implied volatility as measured using VIX Index for equity markets and the MOVE Index to measure interest rate volatility for fixed income markets. Data is as of September 2023. The average line indicated is the average of the VIX and MOVE values between January 2000 and September 2023.

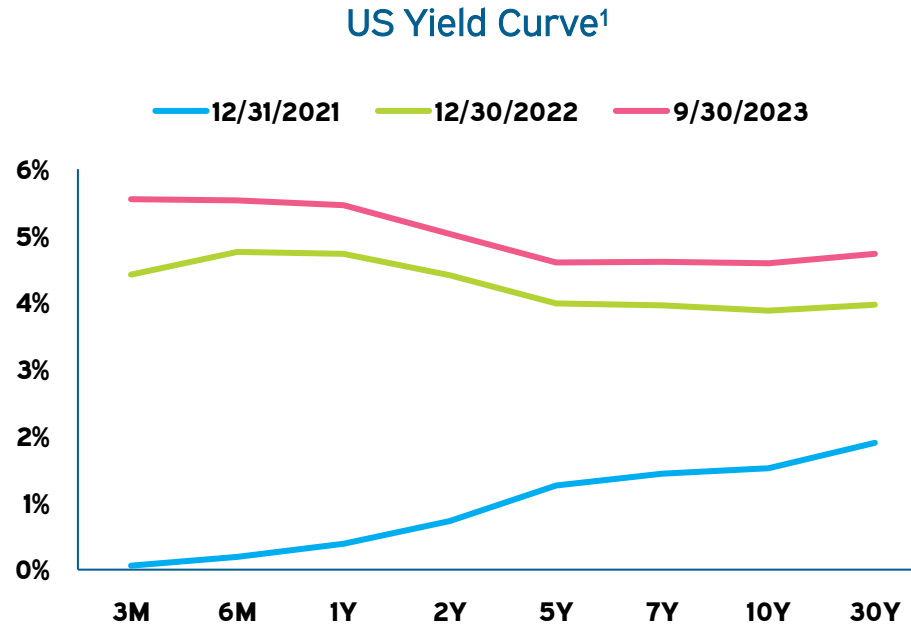
Equity Cyclically Adjusted P/E Ratios¹



→ Given the strong technology-driven rally this year, the US equity price-to-earnings ratio increased above its long-run (21st century) average. With the equity market decline in August and September the P/E ratio fell from its recent peak.

→ International developed market valuations are below their own long-term average, with those for emerging markets the lowest and well under the long-term average (close to one standard deviation below).

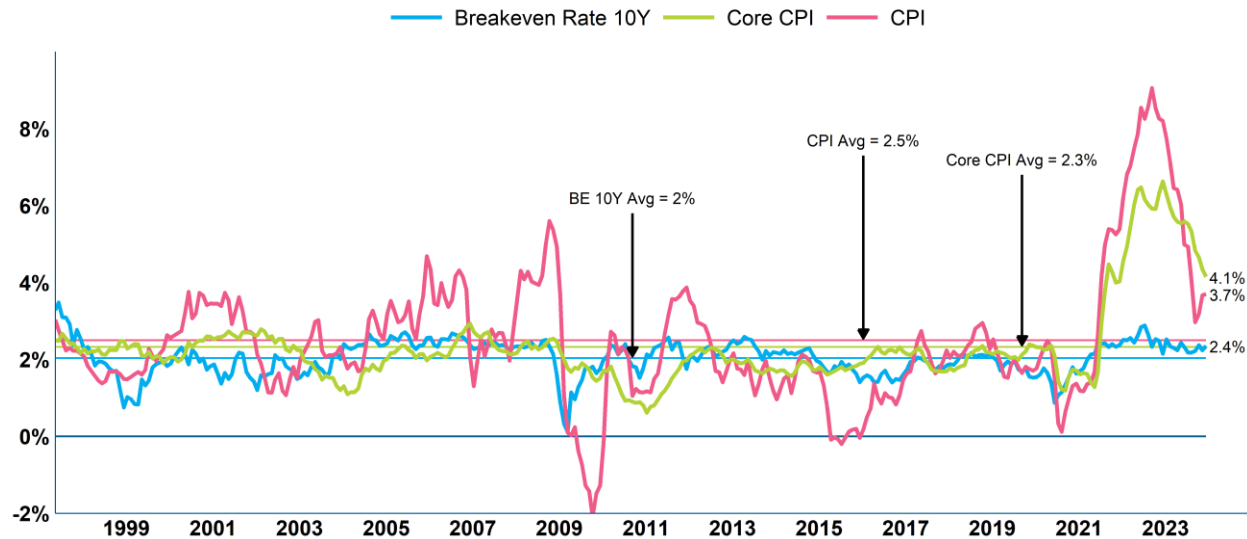
¹ US Equity Cyclically Adjusted P/E on S&P 500 Index. Source: Robert Shiller, Yale University, and Meketa Investment Group. Developed and Emerging Market Equity (MSCI EAFE and EM Index) Cyclically Adjusted P/E – Source: Bloomberg. Earnings figures represent the average of monthly “as reported” earnings over the previous ten years. Data is as of September 2023. The average line is the long-term average of the US, EM, and EAFE PE values from April 1998 to the recent month-end respectively.



- Overall rates have continued to increase this year, particularly at the policy sensitive front-end of the yield curve, but at much slower pace compared to last year.
- Over the quarter, very short-term interest rates (two years or less) increased only slightly as monetary policy has likely reached close to its terminal rate for this cycle. By contrast, longer-term rates rose dramatically as US debt was downgraded and investors came to terms with rates remaining higher for longer. The ten-year Treasury yield increased from 3.8% to 4.6% over the quarter.
- Because of the dynamic above, the yield curve's inversion decreased with the spread between two-year and ten-year Treasuries finishing the quarter at -0.47% (it started the quarter at -1.05%).

¹ Source: Bloomberg. Data is as of September 30, 2023.

Ten-Year Breakeven Inflation and CPI¹

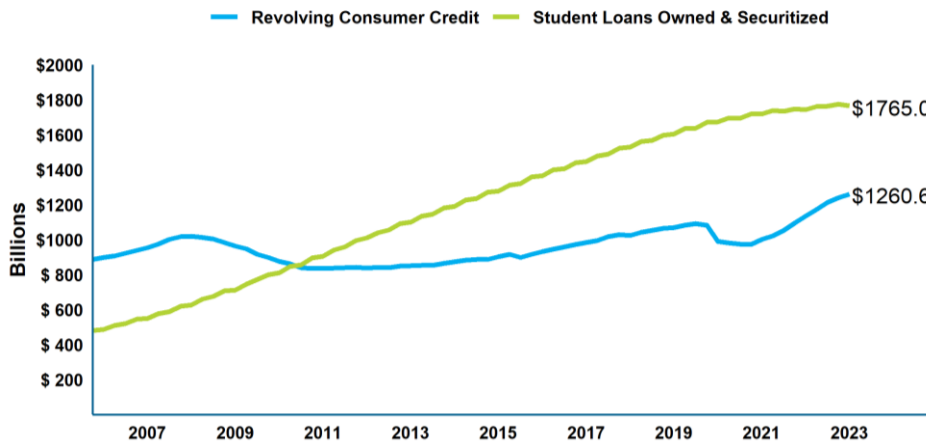


- After the steady decline in inflation from the June 2022 peak, consumer prices recently increased driven by energy prices.
- Year-over-year headline inflation was flat at 3.7% coming in slightly higher than expectations as improvements in energy prices were offset by higher shelter costs.
- Core inflation – excluding food and energy – continued its decline (4.3% to 4.1%) year-over-year. It remains stubbornly high, though, driven by shelter costs (+7.2%), particularly owners’ equivalent rent, and transportation services (+9.1%).
- Inflation expectations (breakevens) remain well below current inflation as investors continue to expect inflation to track back toward the Fed’s 2% average target.

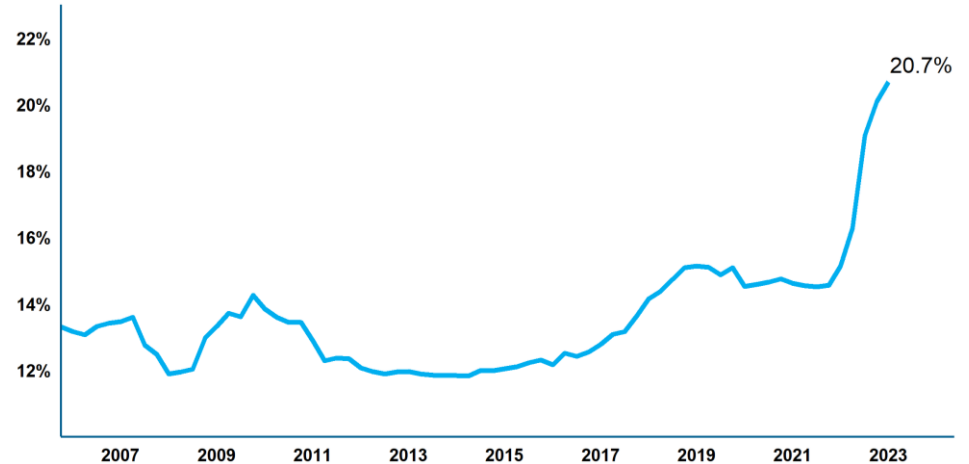
¹ Source: FRED. Data is as September 30, 2023. The CPI and 10 Year Breakeven average lines denote the average values from February 1997 to the present month-end, respectively. Breakeven values represent month-end values for comparative purposes.

US Consumer Under Stress¹

Revolving Consumer Credit & Student Loans (\$B)



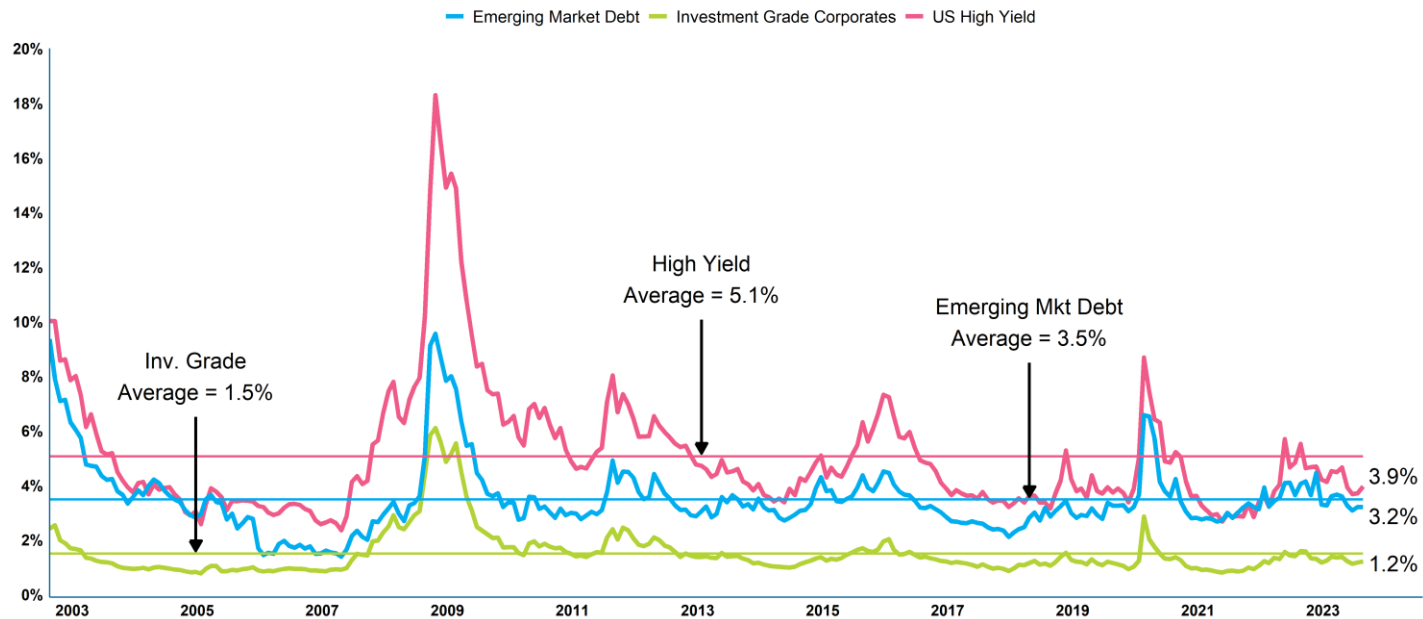
Consumer Credit Card Interest Rates (%)



- Despite the strong labor market and higher wages, pressures have started to build on the US consumer. This is an important consideration as consumer spending has been an important driver of economic growth.
- Revolving consumer credit surged to new highs in 2023 even as credit card interest rates hit levels not seen before (the prior peak was around 19% in the 1980s).
- The return of student loan repayments after a three-year pandemic-related reprieve could add to pressures on consumers' budgets. This might be partially balanced by recently initiated repayment and forgiveness programs.
- As we look ahead, the strength of the US consumers will remain key as they make up most of domestic growth (GDP).

¹ Source: FRED. The most recent data is as June 30, 2023. Revolving Consumer Credit data is seasonally adjusted to remove distortions during the holiday season.

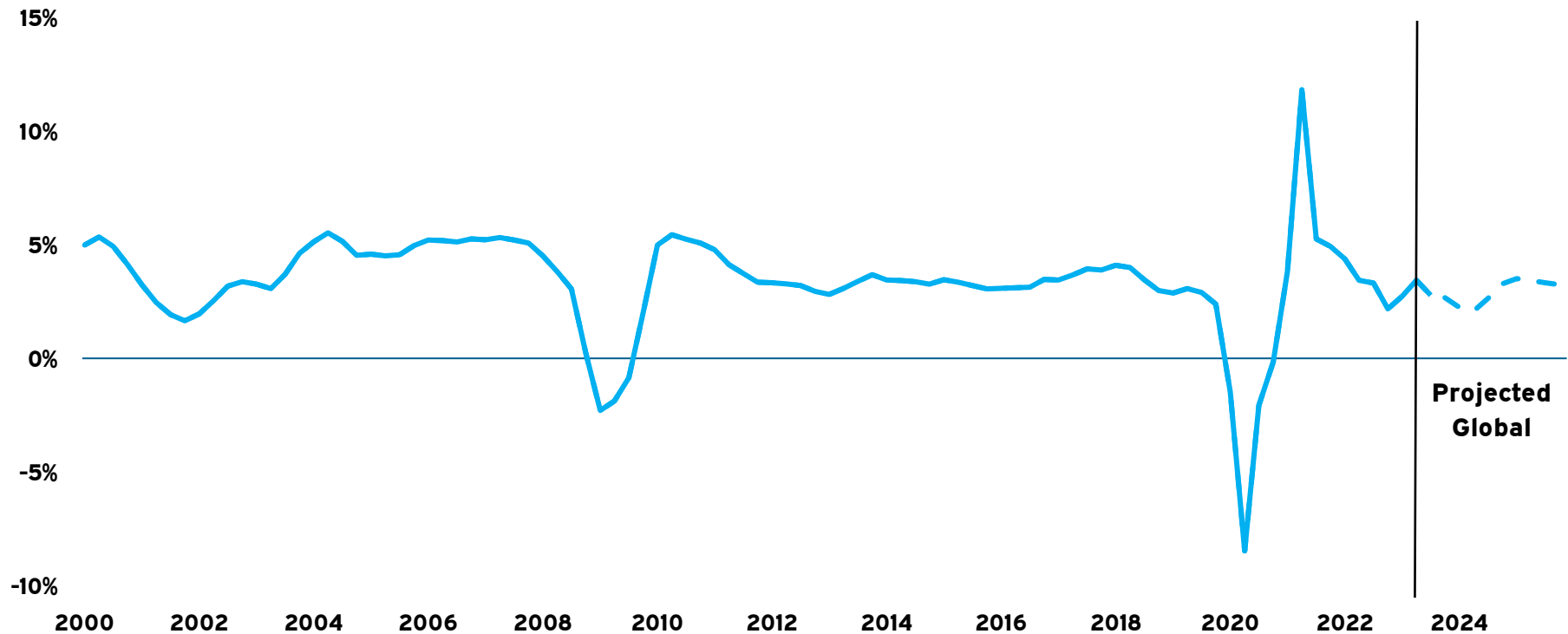
Credit Spreads vs. US Treasury Bonds¹



- Credit spreads (the added yield above a comparable maturity Treasury) largely remained unchanged over the quarter.
- High yield spreads remain well below the long-term average given the overall risk appetite this year. Investment grade and emerging market spreads are also below their respective long-term averages, but by smaller margins.

¹ Sources: Bloomberg. Data is as of September 30, 2023. Average lines denote the average of the investment grade, high yield, and emerging market spread values from September 2002 to the recent month-end, respectively.

Global Real Gross Domestic Product (GDP) Growth¹

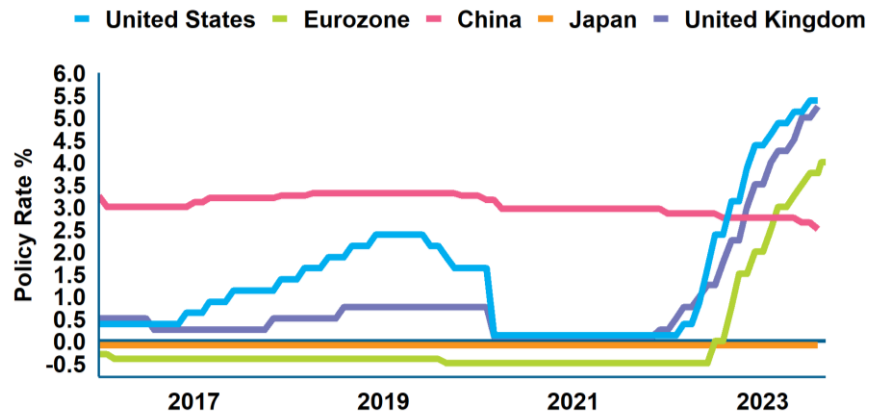


- Global economies are expected to slow this year compared to 2022. The risk of recession remains elevated given policymakers' aggressive tightening, but optimism has started to grow over some central banks potentially navigating a soft landing.
- The delicate balancing act of central banks trying to reduce inflation without dramatically disrupting labor markets and depressing economic growth, will remain key.

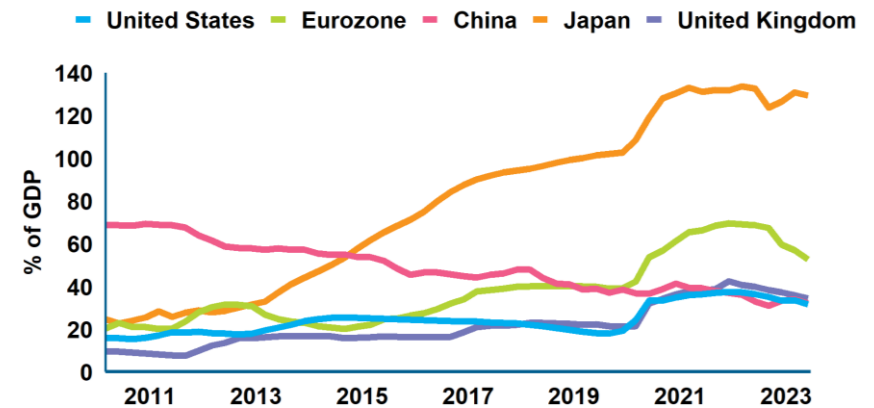
¹ Source: Oxford Economics (World GDP, US\$ prices & PPP exchange rate, real, % change YoY). Updated September 2023.

Central Bank Response¹

Policy Rates



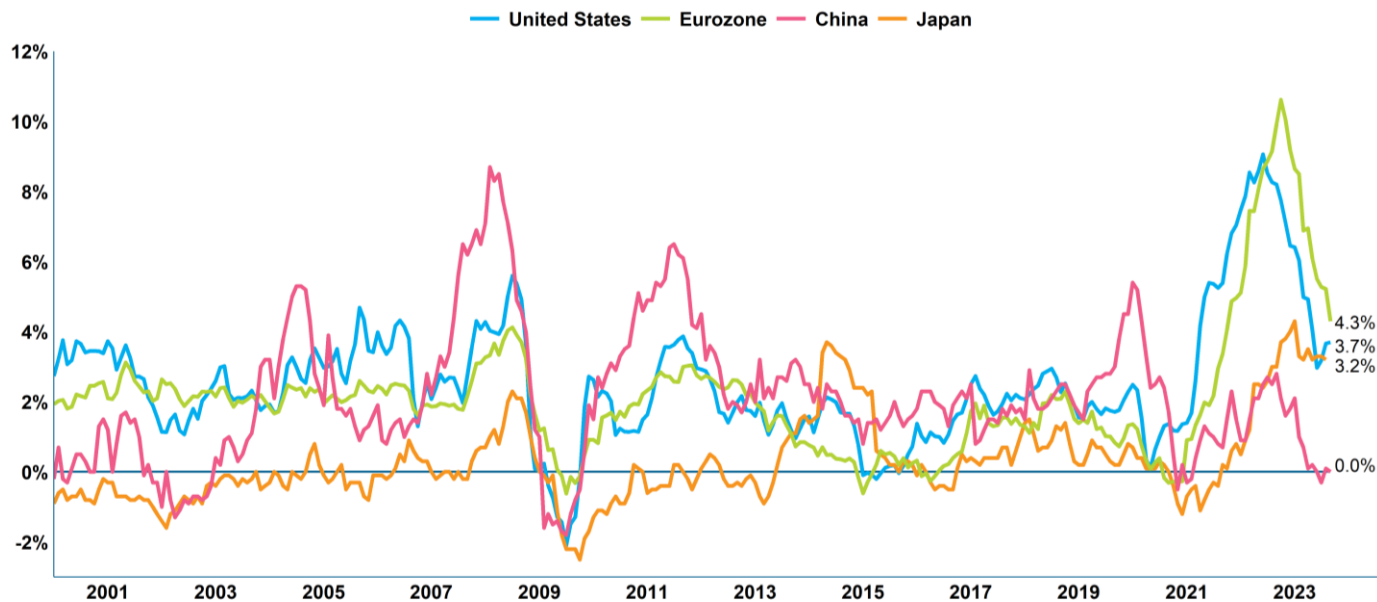
Balance Sheet as % of GDP



- Slowing inflation and growth have led to expectations for a reduction in the pace of aggressive policy tightening.
- In July the Fed raised rates another 25 basis points to a range of 5.25% to 5.50% and then kept rates at this level at their September meeting. Markets are expecting at most one more hike later this year.
- The European Central Bank also increased rates in July, with an additional hike in September, but rates remain lower than in the US. In Japan, expectations have increased that the BOJ will end its negative interest rate policy due to rising inflation.
- The central bank in China has continued to cut interest rates and inject liquidity into the banking system, as weaker than expected economic data appears to indicate a widespread slowdown.
- Risks remain for a policy error as central banks attempt to balance bringing down inflation, maintaining financial stability, and supporting growth.

¹ Source: Bloomberg. Policy rate data is as of September 30, 2023. China policy rate is defined as the medium-term lending facility 1 year interest rate. Balance sheet as % of GDP is based on quarterly data and is as of June 30, 2023.

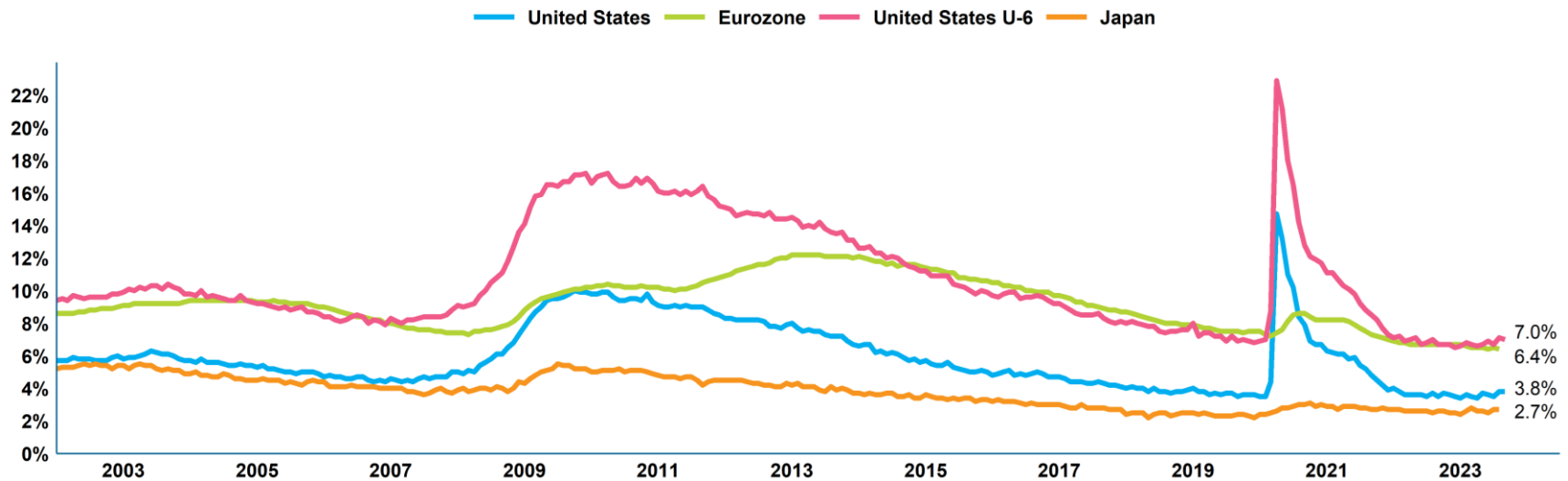
Inflation (CPI Trailing Twelve Months)¹



- The inflation picture remains mixed across the major economies.
- In the US, inflation was flat at 3.7%, influenced by rising shelter costs, while eurozone inflation remained higher than the US at 4.3%, a level well off its peak, however. Despite 2023’s significant declines in the US and Europe, inflation levels remain elevated compared to central bank targets.
- Inflation in Japan has increased to levels not seen in almost a decade largely driven by food and home related items. In China, deflationary pressures eased but prices were flat from a year prior.

¹ United States CPI and Eurozone CPI – Source: FRED. Japan CPI and China CPI - Source: Bloomberg. Data is as September 30, 2023. The most recent data for Japanese and Eurozone inflation is as of August 2023.

Unemployment¹



- Overall, the US labor market remains healthy with the unemployment rate relatively low, wage growth now positive in real terms, and initial claims for unemployment staying subdued. The pace of wage growth has slowed though, and despite remaining elevated, the number of job openings has declined from recent highs.
- In September, unemployment remained at 3.8%, a level only 0.2% higher than the start of the quarter. The labor force participation rate remained at 62.8% well off the lows of the pandemic (60.1%) but not back to pre-pandemic levels (63.3%). Broader measures of unemployment (U-6) finished the quarter at 7.0% up only slightly from the end of June (6.9%).
- Unemployment in Europe has also declined but remains higher than the US, while levels in Japan have been flat through the pandemic given less layoffs.

¹ Eurozone Unemployment - Source: Bloomberg. Japan, United States, United States U-6 Unemployment – Source: FRED. Data is as September 30, 2023, for the US. The most recent data for Eurozone unemployment is as of August 2023 and Japanese unemployment is as of August 2023.

US Dollar versus Broad Currencies¹



- After a strong 2022, the US dollar declined late last year and into early this year as weaker economic data and lower inflation led to investors anticipating the end of FOMC tightening.
- Recently though, the dollar reversed course and appreciated against major currencies as relative growth remains strong and investors anticipate the FOMC keeping interest rates higher for longer.
- For the rest of this year, the track of inflation across economies and the corresponding monetary policies will be key drivers of currency moves.

¹ Source: Bloomberg. Data as of September 30, 2023.

Summary

Key Trends:

- The impact of inflation still above policy targets will remain key, with bond market volatility likely to stay high.
- Global monetary policies could diverge going forward. The risk of policy errors remains elevated as central banks try to reduce persistent inflation while not tipping their economies into recession.
- Growth is expected to slow globally this year, with many economies forecasted to tip into recession. However, optimism has been building that some economies could experience a soft landing. Inflation, monetary policy, and the war will all be key.
- In the US, consumers could feel pressure as certain components of inflation remain high (e.g., shelter), borrowing costs are elevated, and the job market may weaken.
- The key for US equities going forward will be whether earnings can remain resilient if growth continues to slow. Also, the future paths of the large technology companies that have driven market gains will be important.
- Equity valuations remain lower in emerging and developed markets, but risks remain, including the potential for recent strength in the US dollar to persist, higher inflation weighing particularly on Europe, and China's sluggish economic reopening and on-going weakness in the real estate sector. Japan's recent hint at potentially tightening monetary policy along with changes in corporate governance in the country could influence relative results.
- After month-end, heightened tensions in Israel could add to overall uncertainty and drive safe haven flows.

Disclaimer, Glossary, and Notes

WE HAVE PREPARED THIS REPORT (THIS "REPORT") FOR THE SOLE BENEFIT OF THE INTENDED RECIPIENT (THE "RECIPIENT").

SIGNIFICANT EVENTS MAY OCCUR (OR HAVE OCCURRED) AFTER THE DATE OF THIS REPORT AND THAT IT IS NOT OUR FUNCTION OR RESPONSIBILITY TO UPDATE THIS REPORT. ANY OPINIONS OR RECOMMENDATIONS PRESENTED HEREIN REPRESENT OUR GOOD FAITH VIEWS AS OF THE DATE OF THIS REPORT AND ARE SUBJECT TO CHANGE AT ANY TIME. ALL INVESTMENTS INVOLVE RISK. THERE CAN BE NO GUARANTEE THAT THE STRATEGIES, TACTICS, AND METHODS DISCUSSED HERE WILL BE SUCCESSFUL.

INFORMATION USED TO PREPARE THIS REPORT WAS OBTAINED FROM INVESTMENT MANAGERS, CUSTODIANS, AND OTHER EXTERNAL SOURCES. WHILE WE HAVE EXERCISED REASONABLE CARE IN PREPARING THIS REPORT, WE CANNOT GUARANTEE THE ACCURACY OF ALL SOURCE INFORMATION CONTAINED HEREIN.

CERTAIN INFORMATION CONTAINED IN THIS REPORT MAY CONSTITUTE "FORWARD - LOOKING STATEMENTS," WHICH CAN BE IDENTIFIED BY THE USE OF TERMINOLOGY SUCH AS "MAY," "WILL," "SHOULD," "EXPECT," "AIM", "ANTICIPATE," "TARGET," "PROJECT," "ESTIMATE," "INTEND," "CONTINUE" OR "BELIEVE," OR THE NEGATIVES THEREOF OR OTHER VARIATIONS THEREON OR COMPARABLE TERMINOLOGY. ANY FORWARD-LOOKING STATEMENTS, FORECASTS, PROJECTIONS, VALUATIONS, OR RESULTS IN THIS PRESENTATION ARE BASED UPON CURRENT ASSUMPTIONS. CHANGES TO ANY ASSUMPTIONS MAY HAVE A MATERIAL IMPACT ON FORWARD - LOOKING STATEMENTS, FORECASTS, PROJECTIONS, VALUATIONS, OR RESULTS. ACTUAL RESULTS MAY THEREFORE BE MATERIALLY DIFFERENT FROM ANY FORECASTS, PROJECTIONS, VALUATIONS, OR RESULTS IN THIS PRESENTATION.

PERFORMANCE DATA CONTAINED HEREIN REPRESENT PAST PERFORMANCE. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.

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.

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.

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.

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.

Tracking Error: A divergence between the price behavior of a position or a portfolio and the price behavior of a benchmark, as defined by the difference in standard deviation.

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%.

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

Yield to Worst: The lowest potential yield that can be received on a bond without the issuer actually defaulting. The yield to worst is calculated by making worst-case scenario assumptions on the issue by calculating the returns that would be received if provisions, including prepayment, call, or sinking fund, are used by the issuer.

NCREIF Property Index (NPI): Measures unleveraged investment performance of a very large pool of individual commercial real estate properties acquired in the private market by tax-exempt institutional investors for investment purposes only. The NPI index is capitalization-weighted for a quarterly time series composite total rate of return.

NCREIF Fund Index - Open End Diversified Core Equity (NFI-ODCE): Measures the investment performance of 28 open-end commingled funds pursuing a core investment strategy that reflects funds' leverage and cash positions. The NFI-ODCE index is equal-weighted and is reported gross and net of fees for a quarterly time series composite total rate of return.

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

The Russell Indices®, TM, SM are trademarks/service marks of the Frank Russell Company.

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.