





PERIOD ENDING: JUNE 30, 2017

Investment Performance Review for

**Tulare County Employees' Retirement Association** 

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# 2<sup>nd</sup> quarter summary

#### THE ECONOMIC CLIMATE

- Developed and emerging economies have exhibited coordinated positive growth for the first time in this recovery. Absolute growth remains subdued relative to history. p. 15
- Economic releases have begun to miss expectations in the U.S. and U.K. after much upside surprise. The Eurozone continued to deliver positive surprises, but by a smaller margin. Heightened expectations help to explain some of the recent data disappointment.
   p. 10
- Despite a healthy economy and longer than average expansion there is little indication of overheating in the U.S. This suggests the current expansion may have more room to run. p. 7

#### MARKET PORTFOLIO IMPACTS

- Treasury yields fell slightly over the quarter. p. 19
- Credit spreads are tight, implying limited upside performance potential. U.S. credit markets have stabilized from recent defaults in the energy and metals/mining sectors. p. 20

#### THE INVESTMENT CLIMATE

- Central banks communicated a more hawkish tone across developed markets. The Fed announced plans for balance sheet reduction, the ECB is expected to reduce easing starting next year, and Mark Carney of the BOE indicated he is receptive to tightening under the right conditions. Central bank governors have shown less concern over the recent decline in inflation than in the past. p. 18
- U.S. equities are expected to deliver robust earnings growth in Q2 of 6.8% YoY. Energy sector earnings have provided much of this improvement after a challenging period a year ago . p. 30

#### **ASSET ALLOCATION ISSUES**

- Earnings growth beat expectations in recent quarters leading to a broad fall in equity price-to-earnings multiples, causing equities to become more attractive. p. 29
- Realized and implied market volatility is at historic lows across assets classes. This could be a sign of market complacency. p. 31

We maintain a neutral to slightly overweight risk stance

# What drove the market in Q2?

#### "Bonds Continue Decline as Central Banks Signal Waning Stimulus"

#### 10-YEAR GOVERNMENT YIELDS (%)

<u>L</u>	<u>J.S.</u>		<u>U.K.</u>	<u>Germany</u>			
Jun 1 <sup>st</sup>	Jun 1 <sup>st</sup> Jul 7 <sup>th</sup>		Jun 1 <sup>st</sup> Jul 7 <sup>th</sup>		Jul 7 <sup>th</sup>		
2.21	2.38	1.07	1.31	0.30	0.57		

Article Source: New York Times, June 30th 2017

#### "Investors Look to Global Growth for Earnings Power"

#### **EQUITY EARNINGS GROWTH BY REGION (YOY)**

ACWI ex U.S.		U.S.	<b>Emerging Markets</b>
	12.0%	8.8%	18.5%

Article Source: Reuters, April 7th 2017

#### "Dollar Has Worst Week in Over a Year Amid Political Uncertainty"

#### **USD TRADE WEIGHTED INDEX**

Jan 31 <sup>st</sup>	Feb 28 <sup>th</sup>	Mar 31 <sup>st</sup>	Apr 30 <sup>th</sup>	May 31 <sup>st</sup>	Jun 30 <sup>th</sup>
127	126	124	124	123	122

Article Source: Reuters, May 19th 2017

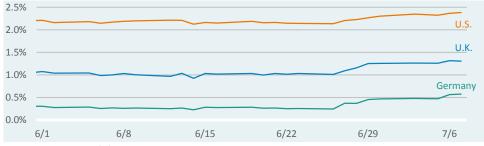
#### "Tumbling U.S. Inflation Expectations Challenge the Fed"

#### 10-YEAR BREAKEVEN INFLATION RATE (%)

Jan 31 <sup>st</sup>	Feb 28 <sup>th</sup>	Mar 31 <sup>st</sup>	Apr 30 <sup>th</sup>	May 31 <sup>st</sup>	Jun 30 <sup>th</sup>
2.1	2.0	2.0	1.9	1.8	1.7

Article Source: Financial Times. June 15th 2017

#### **DEVELOPED 10-YEAR YIELDS**



Source: Bloomberg, 7/7/17

#### **EARNINGS GROWTH (YOY)**



Source: Bloomberg, as of 6/30/17

#### **USD TRADE WEIGHTED INDEX**



Source: FRED, as of 6/28/17



# Economic environment



# U.S. economics summary

- U.S. real GDP grew 2.1% YoY in Q1, on par with the level of economic expansion in recent quarters.
   Consumer spending and business investment were the primary drivers of growth.
- Headline inflation decelerated from 2.4% in February to 1.6% in June. The slowdown was partially influenced by the effect of lower oil prices falling out of the yearover-year calculation, but the fall in price level was not solely due to energy. Lower telecom prices helped lead to a drop in core CPI, which fell from 2.0% to 1.7%.
- For a third consecutive quarter, the Fed raised the target federal funds rate by 25 bps. FOMC members looked past the recent soft patch in inflation and cited improving overall economic conditions.

- The Fed also released details on its balance sheet normalization plan, although timing remains unclear. Once the program begins, \$6 billion in Treasuries and \$4 billion in mortgage-backed securities will roll off the balance sheet each month. These amounts will increase every three months until a total cap of \$50 billion per month is reached.
- The economy added 194,000 jobs per month in the second quarter, on average. This marks the best quarter for job growth since the second quarter of 2010. Many of these jobs have been created in lower paying sectors such as leisure and hospitality, which may be helping to keep overall wage growth subdued.

	Most Recent	12 Months Prior
GDP (annual YoY)	2.1% 3/31/17	1.6% 3/31/16
Inflation (CPI YoY, Headline)	1.6% 6/30/17	0.9% 6/30/16
Expected Inflation (5yr-5yr forward)	1.8% 6/30/17	1.5% 6/30/16
Fed Funds Rate	1.25% 6/30/17	0.50% 6/30/16
10 Year Rate	2.3% 6/30/17	1.5% 6/30/16
U-3 Unemployment	<b>4.4%</b> 6/30/17	4.9% 6/30/16
U-6 Unemployment	8.6% 6/30/17	9.6% 6/30/16



# U.S. economics – GDP growth

Real GDP grew 2.1% YoY in Q1 (1.4% quarterly annualized rate), slightly below expectations. First quarter growth has disappointed over the past few years, and investors seemed to overlook this release as second quarter growth forecasts were revised upward.

Personal consumption cooled in the first quarter, but was still a positive contributor to GDP. A temporary decline in utilities spending from milder winter weather across the country contributed to the softer growth.

Business investment increased the most in more than three years, and was the largest contributor to growth, suggestive of a rise in business confidence as companies put cash to work. Slower accumulation of private inventories was the largest detractor from GDP.

growth was sustained in Q1 growth

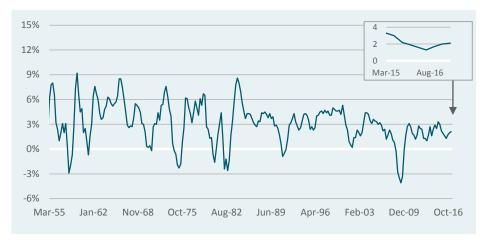
The trend of

steady,

moderate

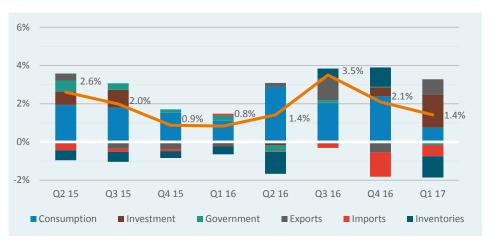
Economists are forecasting moderate economic growth throughout the rest of the year. Fundamentals for consumers and businesses remain strong even as the Fed is gradually tightening monetary policy.

#### U.S. REAL GDP GROWTH (YOY)



Source: FRED, as of 3/31/17

#### **U.S. GDP COMPONENTS**



Source: BEA, annualized quarterly rate, as of 3/31/17



# U.S. economics – Labor market

Although low unemployment suggests a tight labor market, the economy still added jobs at a solid pace. Payrolls added an average of 194,000 jobs per month during the second quarter, compared to the expansion average of 198,000. The headline unemployment rate dropped 0.1% to 4.4%, and the broader U-6 unemployment rate fell 0.3% to 8.6%. The U-6 rate, which includes discouraged workers, has come down materially since the beginning of the year as people have reentered the labor force and been able to find work.

Despite low unemployment and other indicators of a tight labor market, workers have yet to experience strong wage gains. Average hourly earnings rose 2.5% on a nominal basis from the previous year and 0.6% on a real basis. Historically, wage growth has been higher during similar times of low unemployment. Mild wage growth is likely tied to the inflow of previously discouraged, less skilled, and less productive workers into the workforce. As these workers begin to participate in the economy they may provide continuing support for expansion.

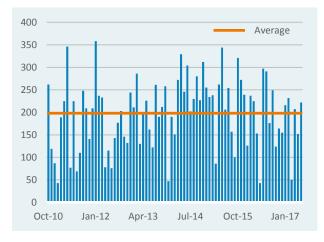
Job growth has been strong, while wages have seen less improvement

#### U.S. UNEMPLOYMENT



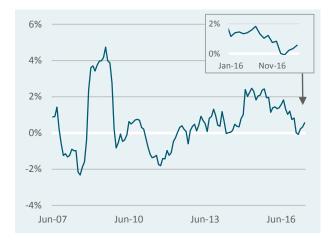
#### Source: FRED, as of 6/30/17

#### **CHANGE IN NONFARM PAYROLLS (THOUSANDS)**



Source: FRED, as of 6/30/17

#### REAL AVERAGE HOURLY EARNINGS (YOY)



Source: FRED, as of 5/31/17



# U.S. economics – The consumer

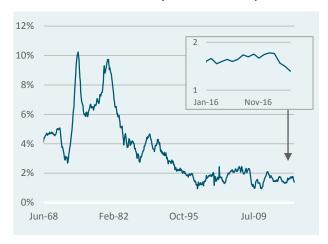
Consumer spending growth has slowed slightly this year, but is within a normal range. The move was partially due to a temporary decline in utilities expenditures. Despite the recent cooling, the fundamental picture for consumers is still positive. Low inflation, low unemployment, and moderate wage gains should provide a backdrop for further spending growth even though it appears less likely that the post-election jump in consumer sentiment will translate into a large increase in spending.

In addition, households have experienced a significant deleveraging over the past few years, and consumers have used credit sparingly in this cycle relative to history. Healthy balance sheets and a low interest burden should also support moderate spending in the future.

A potential risk to the consumer is that borrowing costs such as credit card, auto and student loan interest rates, are expected to rise along with Fed monetary tightening. This will act as a headwind to income and spending, but at this point these borrowing rates have only experienced a slight increase.

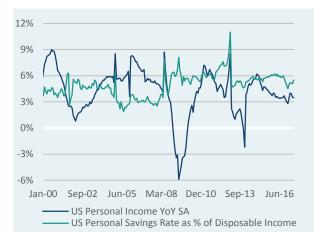
Consumer spending has cooled, but is still an important contributor to growth

#### CONSUMER SPENDING (YOY GROWTH)



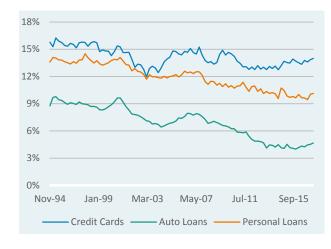
Source: Bloomberg, as of 5/31/17

#### **SAVINGS & INCOME (YOY)**



Source: FRED, as of 5/31/17

#### **CONSUMER INTEREST RATES**



Source: FRED, as of 5/31/17



# U.S. economics – Sentiment

Consumer sentiment indicators have trended downward from post-election highs, but remain elevated from a historical perspective. The University of Michigan Consumer Sentiment Index, which tracks both consumers' perception of current conditions and expectations of future conditions, fell from 96.9 to 95.1 during the quarter, its lowest level since the election.

Weakened confidence was fueled by uncertainty surrounding fiscal policies, as reported by the University of Michigan Sentiment Survey. Consumers expect a low likelihood of successful policy implementation. Progress

from the Trump administration on these policies could lead to a positive surprise.

In aggregate, U.S. economic data came in below expectations during the quarter as the Citi Economic Surprise Index fell from 48 to -73. Although the drop is somewhat concerning, this indicator tends to be mean-reverting in nature and some of the decline should be expected. A positive (negative) reading of the Economic Surprise Index suggests that economic releases have on balance been beating (missing) consensus.

Consumer sentiment has faded since the post-election peak

#### **CONSUMER COMFORT INDEX**



Source: Bloomberg, as of 7/2/17 (see Appendix)

#### **CONSUMER SENTIMENT**



Source: University of Michigan, as of 6/30/17 (see Appendix)

#### U.S. ECONOMIC SURPRISE



Source: Bloomberg, as of 6/30/17 (see Appendix for details)



# U.S. economics – Housing

Single family home prices increased at a steady rate amid strong demand and low supply. Over the past 12 months, the Case-Shiller National Home Price Index rose 5.5%. Seattle, Portland, and Dallas reported the highest yearly growth among the top 20 metropolitan areas.

Tighter mortgage lending standards by banks have led to a higher quality pool of borrowers than in the previous real estate cycle. In addition to tighter lending standards, household deleveraging and lower interest rates have been important drivers of lower delinquency and default rates. Mortgage rates spiked following the election, but have since come down slightly.

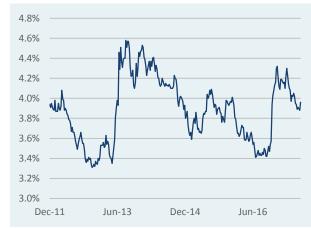
Housing starts and permits declined throughout the quarter, indicating a slowing of construction activity that could weigh on economic growth. The market is already constrained by low supply, and if new construction were to decline further, it may add upward pressure to housing prices.

#### **CASE-SHILLER HOME PRICE INDEX**



#### Source: FRED, as of 4/30/17

#### **30-YEAR MORTGAGE RATE**



Source: FRED, as of 7/6/17

#### HOUSING STARTS AND PERMITS



Source: FRED, as of 5/31/17



# U.S. economics – Inflation

Inflation decelerated during the quarter, falling back below the Fed's target of 2%. Headline CPI fell 0.8% to 1.6% and core CPI (ex food and energy) declined 0.3% to 1.7%. Much of the decline in the headline number was due to lower energy prices, though weakness in telecommunication, apparel, and health care prices also contributed to lower inflation. In her testimony to the Senate, Janet Yellen acknowledged the recent weakness in inflation as a concern, but said she still believes price levels will move gradually higher to reach the Fed's target. Further softness in inflation could give the Fed pause when considering additional tightening.

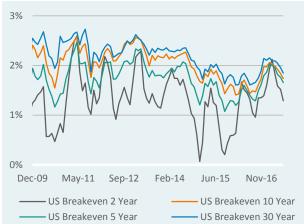
Lower realized inflation, which missed estimates for three consecutive months, helped lead the market to reprice inflation expectations. The 10-year TIPS breakeven inflation rate fell from 2.0% in March to 1.7% in June. Market-based inflation expectations are low compared to history, and participants may simply be naively projecting the current low inflation environment into the future. Late stage cyclical conditions including moderate economic expansion and a tightening labor market could place gradual pressure on inflation.

Inflation decelerated in the second quarter

#### U.S. CPI (YOY)



#### U.S. TIPS BREAKEVEN RATES



Source: FRED, as of 6/30/17

#### INFLATION EXPECTATIONS



Source: Bloomberg, as of 6/30/17



Source: FRED, as of 6/30/17

# International economics summary

- Developed and emerging economies have exhibited coordinated positive growth momentum from low absolute growth rates relative to history. A continuation of this trend may be self reinforcing, lifting weak and strong economies alike.
- Economic releases have missed expectations in the U.S. and U.K. after extended upside surprise.
   The Eurozone has delivered positive surprise, but by a smaller margin.
- Oil further contributed to commodity underperformance due to oversupply, disagreements within OPEC regarding production cuts, and concerns over the magnitude of U.S. production.
- Developed world inflation remained within a normal range, though slightly below levels targeted by central banks.

- In May, Emmanuel Macron defeated Marine Le Pen in the French presidential election, calming fears over populist politics gaining an increased foothold in Europe.
- On June 8th, the U.K. held a snap election in which the Conservative party surprised polls and gave up their majority in Parliament, potentially weakening their position in the upcoming Brexit negotiations.
- On June 27th, ECB President Mario Draghi surprised markets with comments perceived as hawkish compared to previous comments. In the following two days the Euro appreciated 2.3% against the U.S. dollar and developed global rates moved upward - German bunds in particular.

	GDP	Inflation	
Area	(Real, YoY)	(CPI, YoY)	Unemployment
United States	2.1% 3/31/17	1.6% 6/30/17	<b>4.4%</b> 6/30/17
Western	1.8%	1.3%	8.1%
Europe	3/31/17	6/30/17	3/31/17
Japan	1.3%	0.4%	3.1%
	3/31/17	5/31/17	5/31/17
BRICS	5.4%	2.3%	5.6%
Nations	3/31/17	3/31/17	12/31/16
Brazil	(0.4%)	3.0%	13.5%
	3/31/17	6/30/17	6/30/17
Russia	0.5% 3/31/17	<b>4.4%</b> 6/30/17	5.5% 3/31/17
India	6.1% 3/31/17	<b>2.2%</b> 5/31/17	8.4% 12/31/16
China	6.9%	1.5%	4.0%
	3/31/17	5/31/17	12/31/16



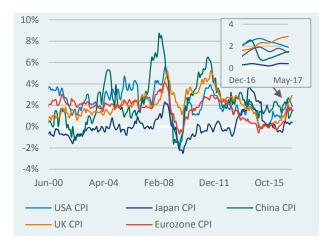
## International economics

Eurozone CPI was 1.3% YoY in June, arguably within the bounds of the European Central Bank mandate "...to maintain inflation rates below, but close to, 2% over the medium term." Inflation below 2% likely implies a more dovish central bank stance.

Japan CPI remained low at 0.4% YoY in May. Bank of Japan Governor Haruhiko Kuroda explained in June that "...there is still a long way to go until the price stability target of 2 percent is achieved." The Bank of Japan maintains its aggressive stimulus policy which separates the bank from those of other developed economies.

Employment has improved markedly across the globe, recovering to pre-crisis levels in most economies. Europe remains the exception in terms of aggregate employment, with labor markets displaying disparate levels of health from one country to the next. Core countries such as Germany and France have experienced a much greater fall in unemployment than periphery countries such as Spain and Italy.

#### INTERNATIONAL INFLATION



Source: Bloomberg, as of 5/31/17

#### **REAL GDP GROWTH**



Source: Bloomberg, as of 3/31/17

#### **GLOBAL UNEMPLOYMENT**



Source: Bloomberg, as of 5/31/17 or most recent release

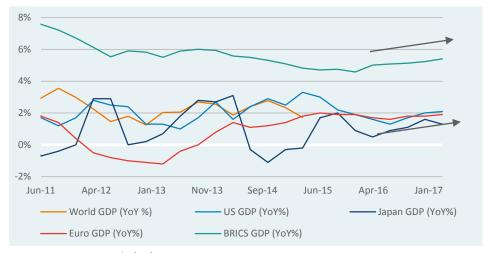


# Synchronized global growth

Developed and emerging economies have begun to accelerate. A confluence of low inflation, higher employment (but weak wage pressure), improving consumer/business sentiment, and relatively accommodative central bank policy may lead to a unified global expansion. We expect that this trend would deliver outsized gains to open, export-focused economies. Emerging markets may be noteworthy beneficiaries within this environment, as these economies tend to be highly exposed to global growth trends.

The U.S. economy is arguably further along in its economic cycle than other economies; however, it is important to note that American corporations derive a significant portion of sales from overseas. S&P 500 foreign sales make up more than one third of total index revenue. U.S. corporations could participate substantially in global growth despite a more mild domestic expansion scenario.

#### **REAL GDP GROWTH**



Source: Bloomberg, as of 3/31/17

#### **GLOBAL PMI**

	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17
Manufacturing												
Global	51	51	51	52	52	53	53	53	53	53	53	53
Developed	52	51	52	53	53	54	54	54	54	54	54	54
US	52	49	52	52	54	55	56	58	57	55	55	58
Eurozone	52	52	53	54	54	55	55	55	56	57	57	57
Japan	49	50	50	51	51	52	53	53	52	53	53	52
EM	50	50	50	51	51	51	51	51	52	51	51	51
Services												
Global	52	52	52	53	53	53	54	53	54	54	54	54
Developed	51	52	52	54	54	54	55	54	54	54	54	55
US	55	52	57	55	56	57	57	58	55	58	57	57
Eurozone	53	53	52	53	54	54	54	56	56	56	56	55
Japan	50	50	48	51	52	52	52	51	53	52	53	53
EM	53	53	52	53	54	54	54	56	56	56	56	55

Source: Bloomberg, as of 6/30/17 – (blue stronger / orange weaker)



# Fixed income rates & credit



# Interest rate environment

- On June 14th, the Federal Reserve raised the federal funds rate by 25 bps to a target range of 1.00% -1.25%.
- The Fed's own forecast indicates one more rate hike this year, and three more hikes in each of the next two years. Rates are expected to normalize at 3% at the end of 2019. We believe the probability that the Fed undershoots its target is significant, given persistent low inflation and a high degree of risk if policy is tightened too quickly.
- The Fed announced plans to begin reducing their balance sheet sometime this year. The initial plan is to runoff \$6 billion of Treasuries and \$4 billion of mortgage-backed securities per month. This will be scaled up commensurately every 3 months to \$50 billion per month.

- Markets expect the ECB to reduce monetary easing gradually throughout 2018, with a tapering plan announcement this fall.
- In May, the Bank of Japan raised its economic forecasts. The central bank implemented a "yield curve control" policy at its September meeting along with a mandate to keep the 10-year yield at 0%. The BoJ plans to maintain an easy stance until inflation hits its 2% target.
- Credit spreads remain broadly tight. Spread levels have historically been a strong predictor of credit performance relative to Treasuries, which at current levels implies muted future performance.
- We favor emerging market debt due to higher yields relative to other bond markets.

Area	Short Term (3M)	10 Year
United States	1.01%	2.30%
Germany	(0.82%)	0.47%
France	(0.60%)	0.82%
Spain	(0.44%)	1.54%
Italy	(0.38%)	2.16%
Greece	2.43%	5.42%
U.K.	0.17%	1.26%
Japan	(0.10%)	0.09%
Australia	1.63%	2.73%
China	2.63%	3.57%
Brazil	9.41%	10.54%
Russia	8.16%	7.90%

Source: Bloomberg, as of 6/30/17



# Central bank confidence

- The U.S. Federal Reserve announced plans to begin reducing its balance sheet, which is expected to begin later this year. The initial plan is to runoff \$6 billion of Treasuries and \$4 billion of mortgage-backed securities per month. This will be scaled up commensurately every three months to a total of \$50 billion per month. Considering the Fed balance sheet has grown to \$4.5 trillion in size, it would take nearly seven years of uninterrupted runoff to fully unwind the balance sheet to the pre-crisis level. Central banks are likely aiming to build up more dry powder in order to address future economic downturns.
- Markets expect the ECB to announce a gradual tapering plan to its asset purchase program in the fall that will most likely begin sometime in 2018. More policy timing clues are anticipated from the ECB at the September 7<sup>th</sup> meeting.
- In the U.K., the argument for a rate hike is building after higher than expected inflation in May. This has likely contributed to recent British Pound appreciation. Mark Carney seems more receptive to rate hikes but has stated that business investment would need to grow to offset weaker consumer spending in order for him to push for a hike.
- The Bank of Japan announced that it would buy unlimited quantities of government bonds to keep yields from rising too far – recently this seems to be defined as 0.1% yield on the 10year government bond. The bank plans to stick to policy until inflation hits the 2% target.

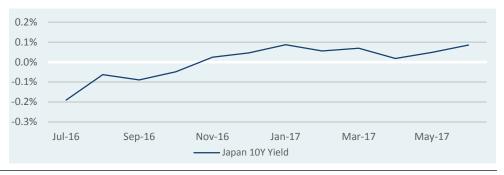
#### FEDERAL RESERVE BALANCE SHEET



#### **U.K. CPI YOY VS MARKET EXPECTATIONS**



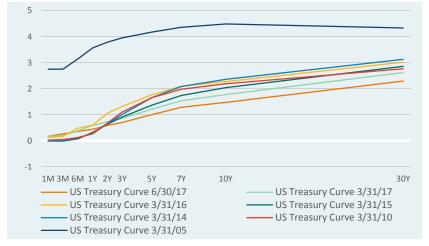
#### **JAPAN 10Y YIELD**



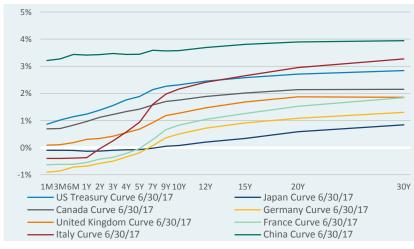


# Yield environment

#### **U.S. YIELD CURVE**

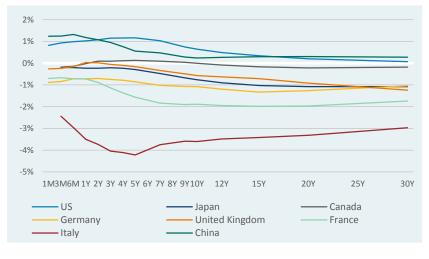


#### GLOBAL GOVERNMENT YIELD CURVES

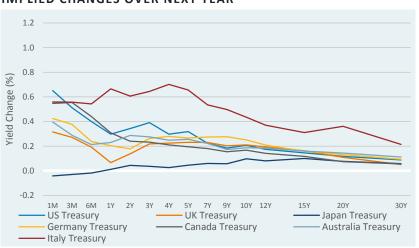


Across developed markets, U.S. Treasuries offer higher yields

#### YIELD CURVE CHANGES OVER LAST FIVE YEARS



#### **IMPLIED CHANGES OVER NEXT YEAR**



Source: Bloomberg, as of 6/30/17



# Credit environment

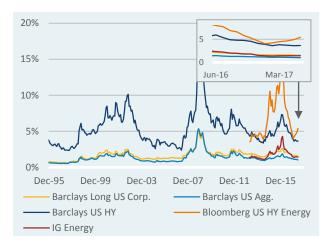
U.S. high yield option-adjusted spreads compressed in the second quarter to 3.6%, and the asset class generated a 2.2% total return (BBgBarc U.S. Corp. High Yield Index). High yield spreads are tighter than those of bank loans on a duration neutral basis.

The U.S. labor market remained strong, which helped the Fed to justify a rate increase of 0.25% in June. Investors continued to favor credit. A combination of tighter credit spreads and additional carry (greater yield) over Treasuries led credit to broadly outperform Treasuries in Q2. Spreads are near historic lows, though these levels

have been witnessed in later stages of previous credit cycles. Credit spreads have historically been a good indicator of future performance relative to Treasuries.

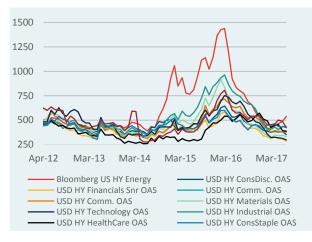
High yield energy spreads widened over the quarter to 5.4% - a very moderate rise relative to what was witnessed following the 2014 commodity drawdown. This lesser magnitude can be partly attributed to better credit ratings of companies in the index today. Additionally, innovation and technological gains have helped lower costs, which allows businesses to stay profitable at lower price levels.

#### **CREDIT SPREADS**



Source: Barclays Capital Indices, Bloomberg, as of 6/30/17

#### HIGH YIELD SECTOR SPREADS



Source: Bloomberg, as of 6/30/17

#### **SPREADS**

Market	Credit Spread (6/30/17)	Credit Spread (1 Year Ago)
Long US Corporate	1.6%	2.2%
US Aggregate	1.1%	1.6%
US High Yield	3.6%	5.9%
US High Yield Energy	5.4%	8.0%
US Bank Loans	3.7%	3.9%

Source: Barclays, Credit Suisse, Bloomberg, as of 6/30/17



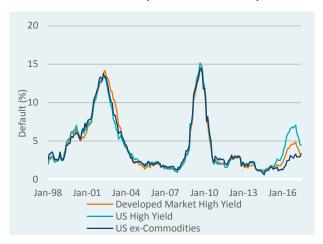
# Issuance and default

Both U.S. senior loan and high yield markets are stabilizing with the majority of par defaults last year coming from energy and metals/mining sectors. Rolling default rates should fall as commodity prices recover and commodity price-induced credit problems have a lesser impact on the credit universe. Active management may offer value to investors in the high yield space.

Global high yield and bank loan issuance has grown at a faster pace than what was seen last year. Lower spread levels have resulted in more attractive borrowing costs for these issuers. The direction of interest rates will likely impact future debt issuance levels.

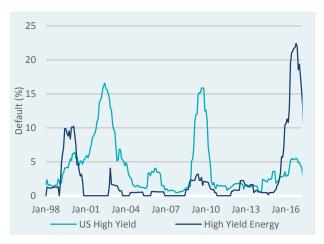
The effects of commodity related defaults are subsiding

#### **HY DEFAULT TRENDS (ROLLING 1 YEAR)**



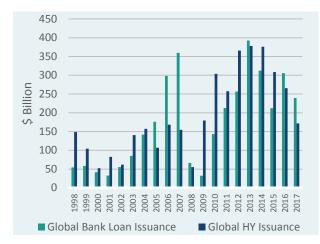
Source: BofA Merrill Lynch, as of 6/30/17

#### **ENERGY DEFAULT TRENDS**



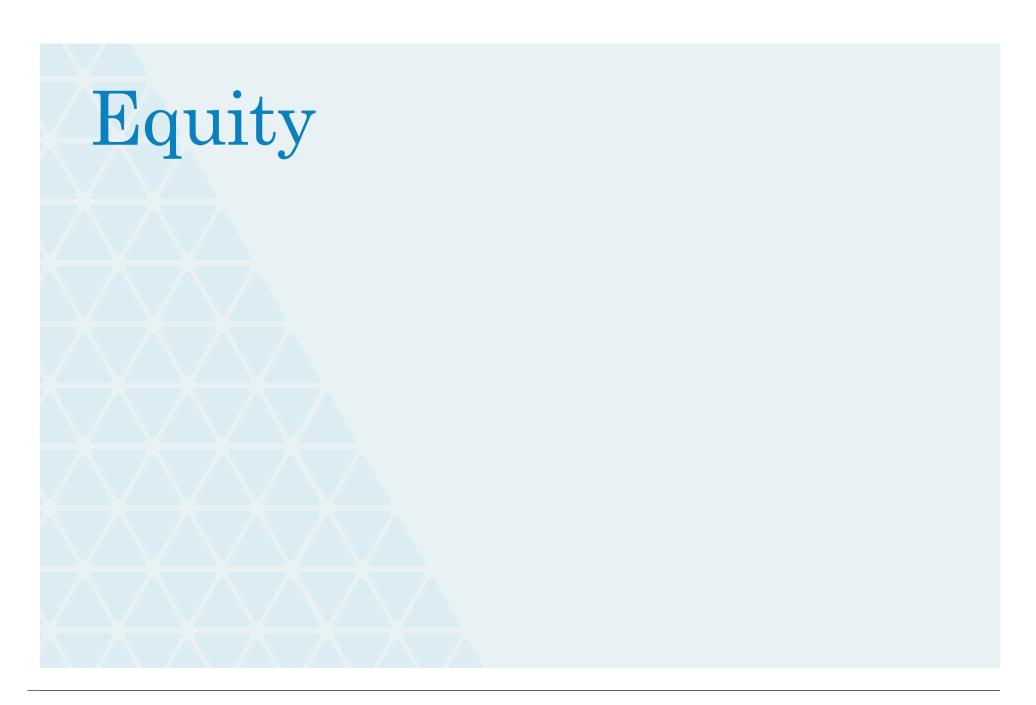
Source: BofA Merrill Lynch, as of 6/30/17

#### **GLOBAL ISSUANCE**



Source: Bloomberg, BofA Merrill Lynch, as of 6/30/17





# Equity environment

- We maintain a moderate overweight to equities with a preference for emerging markets due to attractive valuations and better growth prospects relative to developed markets.
- Global equity markets delivered another positive quarter, driven by strong earnings growth across regions. Earnings were strongest in Western Europe and emerging markets. These regions outperformed on a relative basis during the quarter.
- According to FactSet, the
   estimated Q2 earnings growth
   rate of the S&P 500 is 6.8% YoY.
   Energy companies are expected
   to contribute the most to overall
   growth due to stabilizing oil
   prices and a low earnings base
   one year ago.

- Increased uncertainty surrounding the Brexit negotiations following the Conservative party's surprise loss of a majority in Parliament likely helped lead to underperformance in U.K. equities. The FTSE 100 Index returned -4.9% in Q2.
- MSCI approved the inclusion of 222 mainland Chinese companies (China A Shares) into the MSCI Emerging Markets Index. This represents only a small portion of the overall market. Starting in 2018, these domestic shares will represent approximately 0.7% of the index. While initially this decision will have a minimal effect on index performance, it opens the door for additional China A shares to be added. If the entire market was included, it would represent 12.8% of the MSCI index.

	QTD TOTAL	. RETURN	YTD TOTAL	. RETURN	1 YEAR	
	(unhedged)	(hedged)	(unhedged)	(hedged)	(unhedged)	(hedged)
US Large Cap (Russell 1000)	3.1	%	9.3	%	18.0	)%
US Small Cap (Russell 2000)	2.5	%	5.0	%	24.6	5%
US Large Value (Russell 1000 Value)	1.3%		4.7%		4.7%	
US Large Growth (Russell 1000 Growth)	4.7%		14.0%		20.4%	
International Large (MSCI EAFE)	6.1%	3.1%	13.8%	16.1%	20.3%	23.5%
Eurozone (Euro Stoxx 50)	6.5%	3.8%	19.1%	22.5%	26.6%	28.3%
U.K. (FTSE 100)	4.9%	1.2%	10.0%	5.0%	13.6%	17.5%
Japan (NIKKEI 225)	5.1%	6.5%	9.6%	6.6%	19.9%	32.0%
Emerging Markets (MSCI Emerging Markets)	6.3%	6.1%	18.4%	11.6%	23.8%	19.3%

Source: Russell Investments, MSCI, STOXX, FTSE, Nikkei, as of 6/30/17



# Domestic equity

U.S. equities moved higher on robust earnings growth. According to FactSet, the estimated Q2 earnings growth rate of the S&P 500 is 6.8% YoY. Energy companies are expected to contribute the most to overall growth due to a low earnings base one year ago and stabilizing oil prices. The earnings outlook for the rest of the year is strong, and the expected growth rate for the 2017 calendar year is 9.8%. Positive global growth trends could help lift earnings further since a substantial portion of U.S. corporate revenues come from abroad.

All major U.S. banks passed the Fed's stress test in June, citing strong capital levels and ability to lend during a recession. The news drove financials upward as the positive results allowed banks to increase their future dividends and buybacks.

We maintain a neutral weight to U.S. equities

As discussed in recent quarters, we are relatively bullish on U.S. earnings growth in the near term, but investors may be paying for this excess growth upfront through higher valuations. We maintain a neutral weight to U.S. equities.

#### **U.S. EQUITIES**



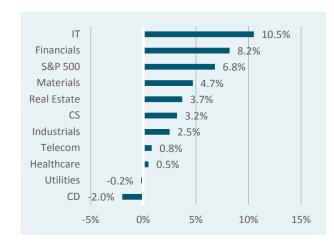
Source: Russell Investments, as of 7/7/17

#### **S&P 500 EPS GROWTH**



Source: Bloomberg, as of 6/30/17

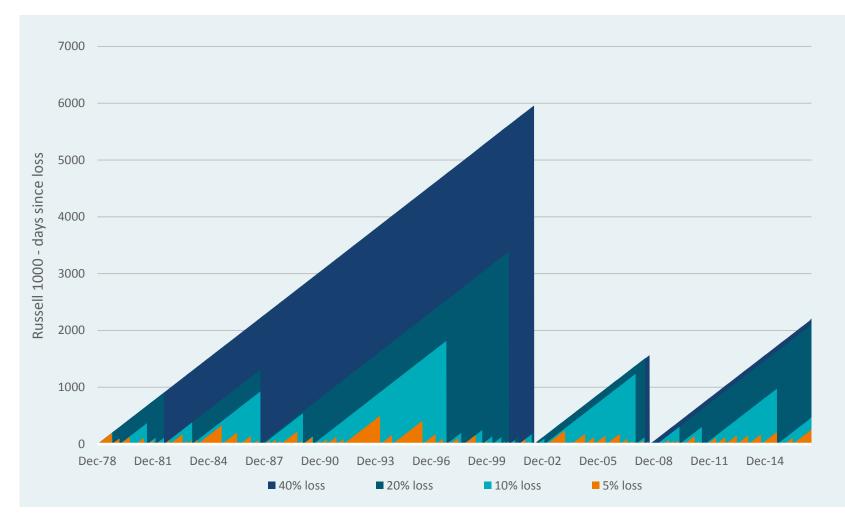
#### **Q2 FORECAST EPS GROWTH**



Source: FactSet, as of 7/14/17 - excludes energy sector



# Expect surprises



Market surprises are normal and in most cases should not affect longterm portfolio planning

Source: Bloomberg



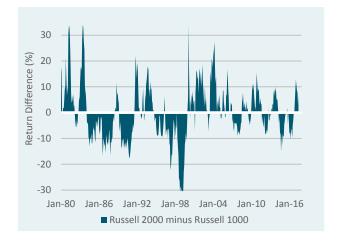
# Domestic equity size and style

Despite a short selloff in June, strong returns from the tech sector helped lead to positive relative performance of growth over value during the quarter. Much of the gains were concentrated in the well known mega-cap stocks, including Apple, Amazon, and Microsoft. Momentum in growth stocks has continued to perform well so far this year.

In the second quarter, the Russell 1000 Growth Index and the Russell 1000 Value Index returned 4.7% and 1.3%, respectively. Falling oil prices were a headwind to energy companies, which were the largest detractor from the value index.

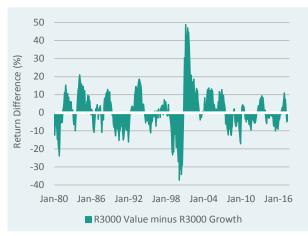
Large cap equities narrowly outperformed small cap equities. Much of the optimism surrounding Trump's prosmall business policies after his victory, including deregulation and tax reform, appears to have faded so far this year. If progress on these measures is made, smaller companies could receive another boost in the second half of 2017.

#### SMALL CAP VS LARGE CAP (YOY)



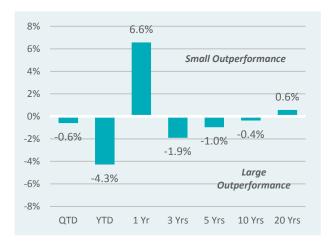
Source: Russell Investments, as of 6/30/17

#### **VALUE VS GROWTH (YOY)**



Source: Russell Investments, as of 6/30/17

U.S. LARGE VS. SMALL RELATIVE PERFORMANCE



Source: Morningstar, as of 6/30/17



# International equity

International equities outperformed domestic equities over the quarter. The MSCI ACWI ex U.S. returned 5.8% on an unhedged basis while the S&P 500 returned 3.1%.

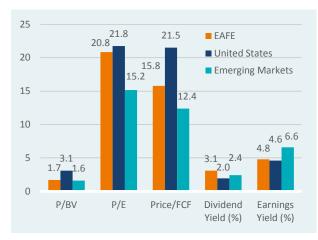
The U.S. dollar has steadily depreciated in value year-to-date against major currencies, down around 7%. This currency movement has added volatility to investors with unhedged currency exposure, with the MSCI EAFE Index returning 13.8% unhedged vs. 16.1% hedged, and the MSCI Emerging Markets Index returning 18.4% unhedged vs. 11.6% hedged.

International equities are trading at lower multiples than domestic equities, based on various metrics. Valuations and earnings growth both play an important role in equity return outcomes and risk. Higher equity valuations imply greater optimism surrounding growth expectations, and greater optimism presents investors with more downside risk as the possibility of disappointment rises. Because of lower valuation levels, international markets may possess greater upside potential through either valuation expansion or positive earnings growth surprise. However, due to apparent tail risks in these markets we maintain a neutral weight in portfolios.

#### **GLOBAL EQUITY PERFORMANCE**



#### **VALUATIONS**



#### Source: Bloomberg, MSCI, as of 6/30/17 - 3 month average

#### **EFFECT OF CURRENCY (1 YEAR ROLLING)**



Source: MSCI, as of 6/30/17



Source: Bloomberg, as of 6/30/17

# Emerging market equity

We maintain an overweight to emerging markets due to attractive valuations and better growth prospects relative to developed markets.

Emerging market equities continue to outperform developed markets, delivering 4.8% in Q2 and 17.1% year-to-date. Currency movement has been additive. Emerging market equity earnings are now expected to grow 22% YoY in 2017, which is a material increase from the 13% YoY increase expected at the beginning of 2017.

Interestingly, valuations have come down slightly despite very strong equity returns, as earnings rise faster than price.

If economic growth turns upward across the globe, we would expect major exporting economies to experience a significant tailwind. Emerging markets in particular tend to provide high exposure to global growth. Stabilizing commodities in this type of environment would likely provide an additional tailwind.

Accelerating global growth should have a positive effect on EM economies

#### 12-MONTH ROLLING PERFORMANCE



Source: MPI, as of 6/30/17

#### **EM EARNINGS GROWTH (YOY)**



Source: Bloomberg, as of 6/30/17

#### TRAILING P/E RATIOS



Source: Bloomberg as of 6/30/17



# Equity valuations

Strong global earnings in the first quarter and an increase in expected earnings growth throughout the rest of the year led to lower valuation multiples, especially in international developed markets. A pick up in earnings growth could help normalize P/E ratios.

Despite the recent strong earnings growth, valuation measures remain elevated relative to history. The trailing P/E for the S&P 500 was 21.5 at the end of June, above the 30-year average of 19.2. Higher P/E ratios imply lower future returns, but valuations can stay elevated for long periods of time, and changes are unpredictable.

Looking at the historical differences between regional P/E ratios and the global P/E ratio (ACWI) shows that Japan and emerging markets are the cheapest, while the U.K. and U.S. are the richest. Emerging markets are attractive on a variety of valuation measures. Strong global economic and earnings growth could give these cheaper markets more upside potential than richer markets such as the U.S.

Valuations are elevated, but relative opportunities exist

#### **RELATIVE PE TO ACWI**



Source: Bloomberg, as of 6/30/17

#### TRAILING P/E RATIOS



Source: Bloomberg, as of 6/30/17

#### INTERNATIONAL FORWARD P/E RATIOS



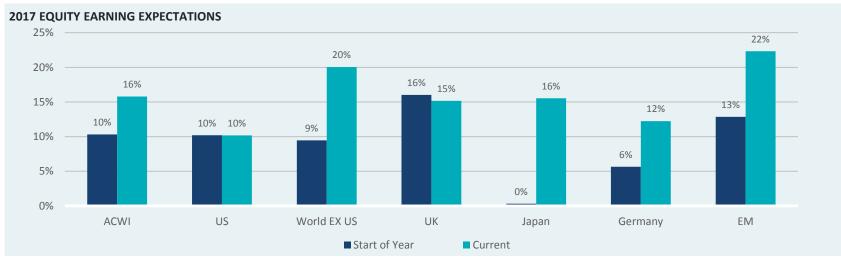
Source: Bloomberg, as of 6/30/17



# Global earnings growth



Earnings & earnings expectations have risen considerably across global markets



Source: MSCI, as of 6/30/17



# Equity volatility

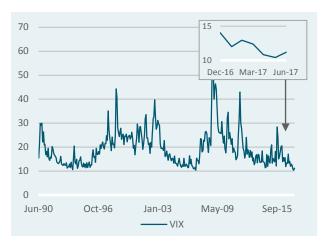
Both realized and implied volatility remains low relative to history across global equity markets. Although there have been a few spikes in implied volatility, including immediately after the first round of the French presidential election and the British general election, these have been short lived. For example, during the recent sell off in U.S. tech companies, the VIX jumped to 15, but fell back down within hours. While low equity market risk has been persistent, volatility can return quickly in an often unpredictable manner. For this reason,

judging portfolio volatility based on the current environment may understate the actual risks.

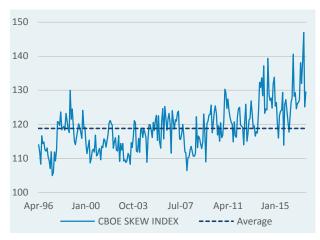
The CBOE Skew Index, which looks at the steepness of the volatility curve is above its historical average, indicates investors are paying a premium for large downside protection.

Equity
volatility is
well below
average, but
within a range
consistent
with past bull
markets

#### U.S. IMPLIED VOLATILITY

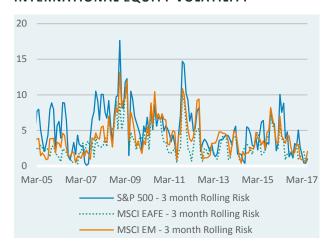


#### U.S. VOLATILITY SKEW



#### Source: CBOE, as of 6/30/17

#### INTERNATIONAL EQUITY VOLATILITY



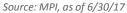
Source: MSCI, as of 6/30/17



Source: CBOE, as of 6/30/17

# Long-term equity performance







# Other assets

# Infrastructure

Global infrastructure performed strongly in the second quarter, with S&P Global Infrastructure Index up 14.4% for the year through June. Transaction multiples in several infrastructure sectors seemed to have peaked over the last year, impacted by rising interest; however, falling Treasury yields during the quarter sent yield-oriented investments higher in value.

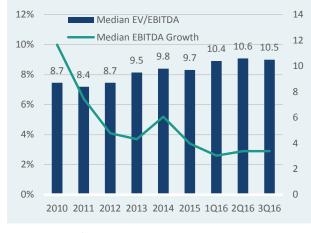
Demand remains quite strong for infrastructure assets with institutional investors allocating to commingled funds and an influx of Asian buyers seeking higher yielding investments both in the U.S. and Europe.

We are favorable towards value-add relative to core infrastructure as the risk/reward appears more attractive today. Interest rate sensitivity is generally lower in value-add infrastructure and pricing levels, though elevated, are below comparable core valuations. Within value-add we focus on sector specialists or teams with a track record of successful project development. As an example, in the utility/energy sectors there could be some interesting opportunities in merchant power generation where low natural gas prices and an influx of renewables have put downward pressure on spot power prices.

#### INFRASTRUCTURE AVERAGE FUND SIZE



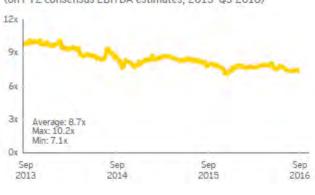
### LISTED INFRASTRUCTURE VALUATIONS/GROWTH



Source: Capital IQ

#### **VALUATIONS IN MERCHANT POWER**

Average enterprise value/earnings before interest, taxes, depreciation and amortization (EV/EBITDA) trading multiples for select IPPs (on FY2 consensus EBITDA estimates, 2013-Q3 2016)



Source: E&Y



# Currency

The U.S. dollar has steadily depreciated in value year-todate against major currencies, down approximately 7% through quarter-end. Global central bank hawkishness, relative interest rate expectations, and improving international growth have likely guided the U.S. dollar lower.

Emerging market currencies exhibited further strength in Q2 and have appreciated 4.8% year-to-date according to

the JP Morgan Emerging Market Currency Index.

Currency movement has recently had a positive impact on the performance of unhedged foreign asset exposure. Dollar weakness has also acted as a tailwind for corporate earnings for those U.S. companies with revenues in foreign currency.

### **EFFECT OF CURRENCY (1YR ROLLING)**



### Source: Federal Reserve, as of 6/30/17

### U.S. DOLLAR MAJOR CURRENCY INDEX



### JPM EM CURRENCY INDEX



Source: Bloomberg, as of 6/30/17



Source: MPI, as of 6/30/17

# Appendix



# Periodic table of returns

Large Cap Equity

Large Cap Value

Large Cap Growth

Small Cap Equity

Small Cap Value

BEST																											
		1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	YTD	5-Year	10-Year
T	Emerging Markets Equity	16.6	38.4	23.2	35.2	38.7	66.4	31.8	14.0	25.9	56.3	26.0	34.5	32.6	39.8	5.2	79.0	29.1	14.3	18.6	43.3	13.5	13.3	31.7	18.4	15.3	8.9
	Large Cap Growth	8.1	37.8	23.1	32.9	27.0	43.1	22.8	8.4	10.3	48.5	22.2	21.4	26.9	16.2	1.4	37.2	26.9	7.8	18.1	38.8	13.2	5.7	21.3	14.0	14.7	7.8
	International Equity	6.4	37.2	22.4	31.8	20.3	33.2	12.2	7.3	6.7	47.3	20.7	20.1	23.5	15.8	-6.5	34.5	24.5	2.6	17.9	34.5	13.0	0.9	17.3	13.8	14.0	7.3
	Small Cap Growth	4.4	31.0	21.6	30.5	19.3	27.3	11.6	3.3	1.6	46.0	18.3	14.0	22.2	11.8	-21.4	32.5	19.2	1.5	17.5	33.5	11.8	0.6	12.1	10.0	13.9	6.9
	Large Cap Equity	3.2	28.5	21.4	22.4	16.2	26.5	7.0	2.8	1.0	39.2	16.5	7.5	18.4	11.6	-25.9	28.4	16.8	0.4	16.4	33.1	6.0	0.0	11.8	9.3	13.7	6.7
	60/40 Global Portfolio	2.6	25.7	16.5	16.2	15.6	24.3	6.0	2.5	-5.9	30.0	14.5	7.1	16.6	10.9	-28.9	27.2	16.7	0.1	16.3	32.5	5.6	-0.4	11.3	8.6	13.4	5.9
	Small Cap Equity	0.4	19.6	14.4	13.9	8.7	21.3	4.1	-2.4	-6.0	29.9	14.3	6.3	15.5	10.3	-33.8	23.3	16.1	-2.1	15.3	23.3	4.9	-0.8	11.2	5.0	10.7	5.6
	Large Cap Value	-1.5	18.5	11.3	12.9	4.9	20.9	-3.0	-5.6	-11.4	29.7	12.9	5.3	15.1	7.0	-35.6	20.6	15.5	-2.9	14.6	12.1	4.2	-1.4	8.0	4.7	8.7	4.5
	Hedge Funds of Funds	-1.8	15.2	10.3	10.6	1.2	13.2	-7.3	-9.1	-15.5	25.2	11.4	4.7	13.3	7.0	-36.8	19.7	13.1	-4.2	11.5	11.0	3.4	-2.5	7.1	3.7	6.7	4.0
	US Bonds	-2.0	11.6	9.9	9.7	-2.5	11.4	-7.8	-9.2	-15.7	23.9	9.1	4.6	10.4	5.8	-37.6	18.9	10.2	-5.5	10.5	9.0	2.8	-3.8	5.7	2.3	4.9	3.0
	Real Estate	-2.4	11.1	6.4	5.2	-5.1	7.3	-14.0	-12.4	-20.5	11.6	6.9	4.6	9.1	4.4	-38.4	11.5	8.2	-5.7	4.8	0.1	0.0	-4.4	2.6	1.6	4.0	1.9
	Small Cap Value	-2.9	7.5	6.0	2.1	-6.5	4.8	-22.4	-19.5	-21.7	9.0	6.3	4.2	4.8	-0.2	-38.5	5.9	6.5	-11.7	4.2	-2.0	-1.8	-7.5	1.0	0.5	2.2	1.0
	Cash	-3.5	5.7	5.1	-3.4	-25.3	-0.8	-22.4	-20.4	-27.9	4.1	4.3	3.2	4.3	-1.6	-43.1	0.2	5.7	-13.3	0.1	-2.3	-4.5	-14.9	0.5	0.4	0.2	0.4
$\downarrow$	Commodities	-7.3	-5.2	3.6	-11.6	-27.0	-1.5	-30.6	-21.2	-30.3	1.0	1.4	2.4	2.1	-9.8	-53.2	-16.9	0.1	-18.2	-1.1	-9.5	-17.0	-24.7	0.3	-5.3	-9.2	-6.5
_																											
RST																											

Source Data: Morningstar, Inc., Hedge Fund Research, Inc. (HFR), National Council of Real Estate Investment Fiduciaries (NCREIF). Indices used: Russell 1000, Russell 1000 Value, Russell 1000 Value, Russell 2000 Value, Russell 2000 Growth, MSCI EAFE, MSCI EM, BBgBarc US Aggregate, T-Bill 90 Day, Bloomberg Commodity, NCREIF Property, HFRI FOF, MSCI ACWI, BBgBarc Global Bond. NCREIF Property Index performance data as of 3/31/17.

Commodities

Real Estate

Hedge Funds of Funds

60% MSCI ACWI/40% BBgBarc Global Bond

Small Cap Growth

**US Bonds** 

Cash

International Equity

**Emerging Markets Equity** 



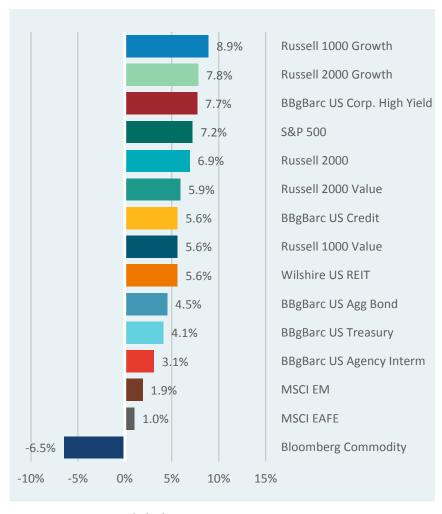
# Major asset class returns

### **ONE YEAR ENDING JUNE**



Source: Morningstar, as of 6/30/17

### **TEN YEARS ENDING JUNE**

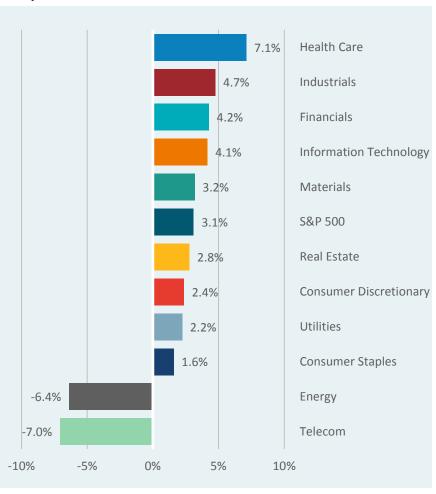


Source: Morningstar, as of 6/30/17

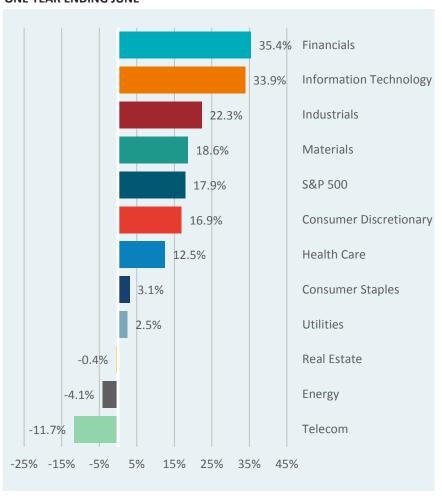


# S&P 500 sector returns

### 2<sup>ND</sup> QUARTER



### **ONE YEAR ENDING JUNE**



Source: Morningstar, as of 6/30/17

Source: Morningstar, as of 6/30/17



# Detailed index returns

MEST		

Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
0.6	3.1	9.3	17.9	9.6	14.6	7.2
1.2	2.5	8.1	17.3	8.5	15.5	8.3
1.7	4.0	9.3	22.1	11.0	13.5	7.6
0.6	3.2	9.8	18.6	9.9	14.6	7.2
0.7	3.1	9.3	18.0	9.3	14.7	7.3
3.5	2.5	5.0	24.6	7.4	13.7	6.9
0.9	3.0	8.9	18.5	9.1	14.6	7.3
1.0	2.7	8.0	16.5	7.7	14.7	7.7
(0.3)	4.7	14.0	20.4	11.1	15.3	8.9
1.6	1.3	4.7	15.5	7.4	13.9	5.6
3.4	4.4	10.0	24.4	7.6	14.0	7.8
3.5	0.7	0.5	24.9	7.0	13.4	5.9
	0.6 1.2 1.7 0.6 0.7 3.5 0.9 1.0 (0.3) 1.6 3.4	0.6 3.1 1.2 2.5 1.7 4.0 0.6 3.2 0.7 3.1 3.5 2.5 0.9 3.0 1.0 2.7  (0.3) 4.7 1.6 1.3 3.4 4.4	0.6 3.1 9.3 1.2 2.5 8.1 1.7 4.0 9.3 0.6 3.2 9.8 0.7 3.1 9.3 3.5 2.5 5.0 0.9 3.0 8.9 1.0 2.7 8.0  (0.3) 4.7 14.0 1.6 1.3 4.7 3.4 4.4 10.0	0.6     3.1     9.3     17.9       1.2     2.5     8.1     17.3       1.7     4.0     9.3     22.1       0.6     3.2     9.8     18.6       0.7     3.1     9.3     18.0       3.5     2.5     5.0     24.6       0.9     3.0     8.9     18.5       1.0     2.7     8.0     16.5       (0.3)     4.7     14.0     20.4       1.6     1.3     4.7     15.5       3.4     4.4     10.0     24.4	0.6     3.1     9.3     17.9     9.6       1.2     2.5     8.1     17.3     8.5       1.7     4.0     9.3     22.1     11.0       0.6     3.2     9.8     18.6     9.9       0.7     3.1     9.3     18.0     9.3       3.5     2.5     5.0     24.6     7.4       0.9     3.0     8.9     18.5     9.1       1.0     2.7     8.0     16.5     7.7       (0.3)     4.7     14.0     20.4     11.1       1.6     1.3     4.7     15.5     7.4       3.4     4.4     10.0     24.4     7.6	0.6       3.1       9.3       17.9       9.6       14.6         1.2       2.5       8.1       17.3       8.5       15.5         1.7       4.0       9.3       22.1       11.0       13.5         0.6       3.2       9.8       18.6       9.9       14.6         0.7       3.1       9.3       18.0       9.3       14.7         3.5       2.5       5.0       24.6       7.4       13.7         0.9       3.0       8.9       18.5       9.1       14.6         1.0       2.7       8.0       16.5       7.7       14.7         (0.3)       4.7       14.0       20.4       11.1       15.3         1.6       1.3       4.7       15.5       7.4       13.9         3.4       4.4       10.0       24.4       7.6       14.0

### **FIXED INCOME**

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Broad Index							
BBgBarc US Treasury US TIPS	(0.9)	(0.4)	0.9	(0.6)	0.6	0.3	4.3
BBgBarc US Treasury Bills	0.1	0.2	0.3	0.5	0.3	0.2	0.7
BBgBarc US Agg Bond	(0.1)	1.4	2.3	(0.3)	2.5	2.2	4.5
Duration							
BBgBarc US Treasury 1-3 Yr	(0.1)	0.2	0.5	(0.1)	0.7	0.6	2.0
BBgBarc US Treasury Long	0.4	4.0	5.4	(7.2)	5.6	2.8	7.3
BBgBarc US Treasury	(0.2)	1.2	1.9	(2.3)	2.0	1.3	4.1
Issuer							
BBgBarc US MBS	(0.4)	0.9	1.3	(0.1)	2.2	2.0	4.3
BBgBarc US Corp. High Yield	0.1	2.2	4.9	12.7	4.5	6.9	7.7
BBgBarc US Agency Interm	(0.1)	0.5	1.0	(0.1)	1.4	1.1	3.1
BBgBarc US Credit	0.3	2.4	3.7	1.8	3.4	3.7	5.6

### INTERNATIONAL EQUITY

Broad Index							
MSCI ACWI	0.5	4.3	11.5	18.8	4.8	10.5	3.7
MSCI ACWI ex US	0.3	5.8	14.1	20.5	8.0	7.2	1.1
MSCI EAFE	(0.2)	6.1	13.8	20.3	1.1	8.7	1.0
MSCI EM	1.0	6.3	18.4	23.7	1.1	4.0	1.9
MSCI EAFE Small Cap	(0.0)	8.1	16.7	23.2	5.6	12.9	3.4
Style Index							
MSCI EAFE Growth	(0.7)	7.5	16.7	15.7	2.8	9.2	2.1
MSCI EAFE Value	0.3	4.8	11.1	25.0	(0.6)	8.1	(0.1)
Regional Index							
MSCI UK	(1.9)	4.7	10.0	13.3	(3.0)	5.3	0.2
MSCI Japan	1.1	5.2	9.9	19.2	5.5	9.6	1.2
MSCI Euro	(1.2)	7.5	16.6	27.7	0.1	10.4	(0.5)
MSCI EM Asia	1.7	8.6	23.2	27.9	5.0	7.7	3.8
MSCI EM Latin American	0.7	(1.7)	10.1	15.0	(6.6)	(3.8)	(1.1)

### **OTHER**

Index							
Bloomberg Commodity	(0.2)	(3.0)	(5.3)	(6.5)	(14.8)	(9.2)	(6.5)
Wilshire US REIT	2.4	1.8	1.8	(1.7)	8.3	9.3	5.6
CS Leveraged Loans	(0.1)	0.8	2.0	7.5	3.5	4.8	4.2
Regional Index							
JPM EMBI Global Div	(0.1)	2.2	6.2	6.0	5.4	5.7	7.4
JPM GBI-EM Global Div	0.5	3.6	10.4	6.4	(2.8)	(0.7)	4.0
Hedge Funds							
HFRI Composite	(0.6)	0.2	2.6	5.8	1.3	3.7	0.8
HFRI FOF Composite	0.4	1.1	3.7	8.0	2.6	4.9	3.0
Currency (Spot)							
Euro	1.4	6.6	8.1	2.7	(5.9)	(2.1)	(1.7)
Pound	0.6	3.9	5.1	(2.8)	(8.8)	(3.7)	(4.3)
Yen	(1.6)	(0.8)	3.8	(8.7)	(3.4)	(6.6)	0.9

Source: Morningstar, as of 6/30/17



# Definitions

**Bloomberg US Weekly Consumer Comfort Index** - tracks the public's economic attitudes each week, providing a high-frequency read on consumer sentiment. The index, based on cell and landline telephone interviews with a random, representative national sample of U.S. adults, tracks Americans' ratings of the national economy, their personal finances and the buying climate on a weekly basis, with views of the economy's direction measured separately each month. (<u>www.langerresearch.com</u>)

**University of Michigan Consumer Sentiment Index** - A survey of consumer attitudes concerning both the present situation as well as expectations regarding economic conditions conducted by the University of Michigan. For the preliminary release approximately three hundred consumers are surveyed while five hundred are interviewed for the final figure. The level of consumer sentiment is related to the strength of consumer spending. (www.Bloomberg.com)

Citi Economic Surprise Index - objective and quantitative measures of economic news. Defined as weighted historical standard deviations of data surprises (actual releases vs Bloomberg survey median). A positive reading of the Economic Surprise Index suggests that economic releases have on balance been beating consensus. The indices are calculated daily in a rolling three-month window. The weights of economic indicators are derived from relative high-frequency spot FX impacts of 1 standard deviation data surprises. The indices also employ a time decay function to replicate the limited memory of markets. (<a href="https://www.Bloomberg.com">www.Bloomberg.com</a>)

Merrill Lynch Option Volatility Estimate (MOVE) Index – a yield curve weighted index comprised of a weighted set of 1-month Treasury options, including 2.5.10 and 30 year tenor contracts. This index is an indicator of the expected (implied) future volatility in the rate markets. (www.Bloomberg.com)

**OECD Consumer Confidence Index** - based on households' plans for major purchases and their economic situation, both currently and their expectations for the immediate future. Opinions compared to a "normal" state are collected and the difference between positive and negative answers provides a qualitative index on economic conditions. (https://data.oecd.org/)

**OECD Business Confidence Index** - based on enterprises' assessment of production, orders and stocks, as well as its current position and expectations for the immediate future. Opinions compared to a "normal" state are collected and the difference between positive and negative answers provides a qualitative index on economic conditions. (https://data.oecd.org/)

**NFIB Small Business Outlook** - Small Business Economic Trends (SBET) is a monthly assessment of the U.S. small-business economy and its near-term prospects. Its data are collected through mail surveys to random samples of the National Federal of Independent Business (NFIB) membership. The survey contains three broad question types: recent performance, near-term forecasts, and demographics. The topics addressed include: outlook, sales, earnings, employment, employee compensation, investment, inventories, credit conditions, and single most important problem. (<a href="http://www.nfib-sbet.org/about/">http://www.nfib-sbet.org/about/</a>)

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# **Tulare County Employees' Retirement Association**

**Investment Performance Review Period Ending: June 30, 2017** 

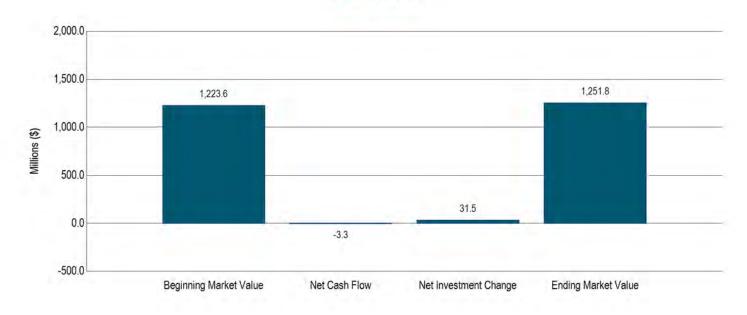


SAN FRANCISCO 415-362-3484

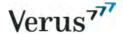
### Fiscal Year-To-Date

Beginning Market Value	\$1,142,834,586
Net Cash Flow	-\$23,850,880
Net Investment Change	\$132,810,688
Ending Market Value	\$1,251,794,395

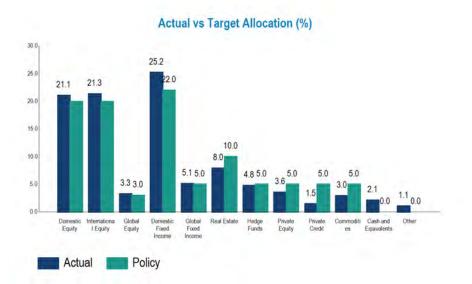
### Change in Market Value Last Three Months



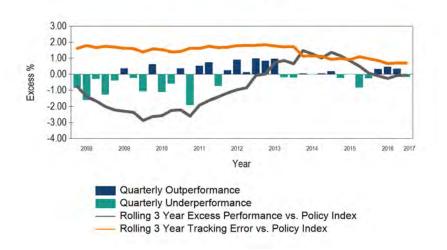
Contributions and withdrawals may include intra-account transfers between managers/funds.



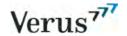
	3 Mo	YTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	15 Yrs	20 Yrs
Total Fund	2.6	6.8	11.9	11.9	3.9	8.1	3.9	6.8	7.1
Policy Index	2.8	6.6	10.9	10.9	4.0	7.4	4.7	7.0	
InvestorForce Public DB Gross Rank	78	74	58	58	88	70	95	64	19
Total Fund x Clifton	2.6	6.7	11.8	11.8	3.9	8.0			
Policy Index	2.8	6.6	10.9	10.9	4.0	7.4			
InvestorForce Public DB Gross Rank	79	76	60	60	89	72			
Total Domestic Equity	3.1	9.1	20.0	20.0	9.3	15.2	7.4	9.2	
Russell 3000	3.0	8.9	18.5	18.5	9.1	14.6	7.3	8.7	
InvestorForce Public DB US Eq Gross Rank	32	27	21	21	23	7	31	15	
Total International Equity	5.9	14.3	21.3	21.3	1.2	7.8	-0.1	6.3	5.0
MSCI ACWI ex USA Gross	6.0	14.5	21.0	21.0	1.3	7.7	1.6	7.4	5.0
InvestorForce Public DB ex-US Eq Gross Rank	71	81	39	39	77	69	89	79	64
Total Global Equity	5.8	15.9	21.4	21.4	-			-	
MSCI ACWI Gross	4.5	11.8	19.4	19.4					
InvestorForce Public DB Glbl Eq Gross Rank	38	24	50	50					
Total Fixed Income	1.1	2.9	3.4	3.4	2.6	3.0	5.3	5.2	
BBgBarc US Aggregate TR	1.4	2.3	-0.3	-0.3	2.5	2.2	4.5	4.5	
InvestorForce Public DB US Fix Inc Gross Rank	65	40	26	26	57	41	39	45	
Total Real Estate	1.1	1.1	5.4	5.4	11.1	10.9	3.7	8.5	9.0
NCREIF Property Index	1.8	3.3	7.0	7.0	10.2	10.5	6.4	9.0	
NCREIF-ODCE	1.7	3.5	7.9	7.9	11.3	11.8	5.2	8.3	9.2
Total Alternatives	0.5	0.9	3.9	3.9	-3.3	0.3	0.5	-	
CPI + 5%	1.7	4.0	6.7	6.7	6.0	6.4	6.7		
Total Opportunistic	0.5	0.5	7.4	7.4	7.3	15.9			



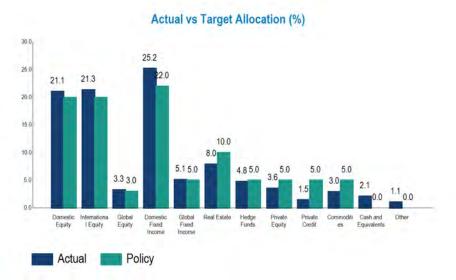
### Rolling Annualized Excess Performance and Tracking Error Total Fund vs. Policy Index



New Policy Index as of 10/1/2016: 20% Russell 3000, 20% MSCI ACWI ex US, 27% BBgBarc US Aggregate, 3% MSCI ACWI, 10% NCREIF Property, 5% Bloomberg Commodity, 5% CPI +500 bps, 5% Russell 3000 +300 bps, 5% BBgBarc High Yield +2% Lagged. All return periods greater than 1-year are rolling annualized returns. Effective 1/1/2017, only traditional asset class (public equity, public fixed income, REITs) investment management fees will be included in the gross of fee return calculation.



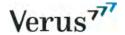
	3 Mo	YTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs 1	10 Yrs 1	5 Yrs 2	0 Yrs
Total Fund	2.5	6.6	11.5	11.5	3.5	7.7	3.5	6.4	6.8
Policy Index	2.8	6.6	10.9	10.9	4.0	7.4	4.7	7.0	
Total Fund x Clifton	2.5	6.6	11.4	11.4	3.5	7.6	-		
Policy Index	2.8	6.6	10.9	10.9	4.0	7.4			
Total Domestic Equity	3.0	8.9	19.5	19.5	8.9	14.7	7.0	8.8	
Russell 3000	3.0	8.9	18.5	18.5	9.1	14.6	7.3	8.7	
Total International Equity	5.8	14.1	20.8	20.8	0.9	7.5	-0.5	5.9	4.6
MSCI ACWI ex USA Gross	6.0	14.5	21.0	21.0	1.3	7.7	1.6	7.4	5.0
Total Global Equity	5.6	15.4	20.3	20.3					
MSCI ACWI Gross	4.5	11.8	19.4	19.4					
Total Fixed Income	1.0	2.7	3.0	3.0	2.3	2.7	5.0	5.0	
BBgBarc US Aggregate TR	1.4	2.3	-0.3	-0.3	2.5	2.2	4.5	4.5	
Total Real Estate	1.1	1.1	4.8	4.8	10.3	10.4	3.4	7.6	8.1
NCREIF Property Index	1.8	3.3	7.0	7.0	10.2	10.5	6.4	9.0	
NCREIF-ODCE	1.7	3.5	7.9	7.9	11.3	11.8	5.2	8.3	9.2
<b>Total Alternatives</b>	0.5	0.9	3.3	3.3	-4.1	-0.4	0.1		
CPI + 5%	1.7	4.0	6.7	6.7	6.0	6.4	6.7		
Total Opportunistic	0.5	0.5	6.4	6.4	5.6	14.8			



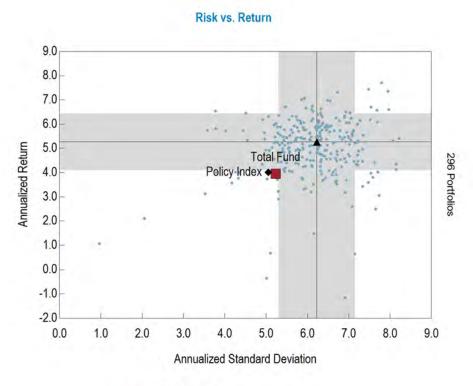
# Rolling Annualized Excess Performance and Tracking Error Total Fund vs. Policy Index



New Policy Index as of 10/1/2016: 20% Russell 3000, 20% MSCI ACWI ex US, 27% BBgBarc US Aggregate, 3% MSCI ACWI, 10% NCREIF Property, 5% Bloomberg Commodity, 5% CPI +500 bps, 5% Russell 3000 +300 bps, 5% BBgBarc High Yield +2% Lagged. All return periods greater than 1-year are rolling annualized returns.



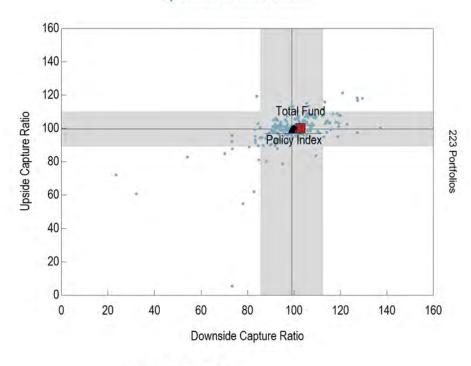
	Anlzd Ret	Anlzd Std Dev	Anlzd Alpha	Beta	Tracking Error	R-Squared	Sharpe Ratio	Info Ratio	Up Mkt Cap Ratio	Down Mkt Cap Ratio
Total Fund	3.95%	5.23%	-0.17%	1.03	0.69%	0.98	0.72	-0.09	100.16%	102.80%





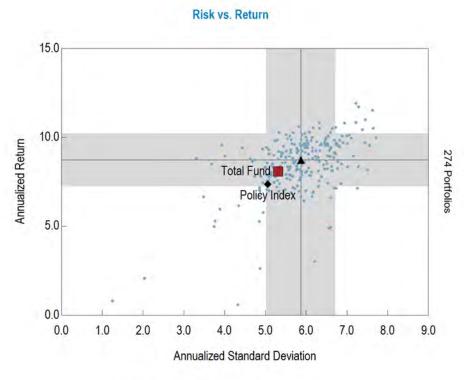
- Policy Index
- Universe Median
- 68% Confidence Interval
- InvestorForce Public DB Gross

### Up Markets vs. Down Markets



- Total Fund
- · Policy Index
- Universe Median
- 68% Confidence Interval
- InvestorForce Public DB Gross

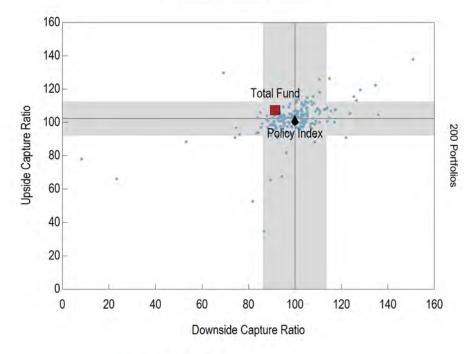
	Anlzd Ret	Anlzd Std Dev	Anlzd Alpha	Beta	Tracking Error	R-Squared	Sharpe Ratio	Info Ratio	Up Mkt Cap Ratio	Down Mkt Cap Ratio
Total Fund	8.07%	5.31%	0.47%	1.03	0.95%	0.97	1.49	0.75	107.22%	91.45%





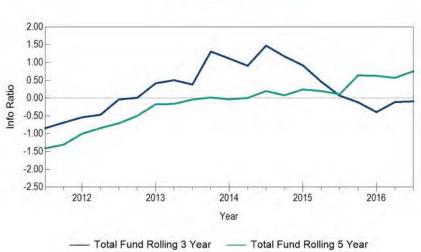
- Policy Index
- Universe Median
- 68% Confidence Interval
- InvestorForce Public DB Gross

### Up Markets vs. Down Markets

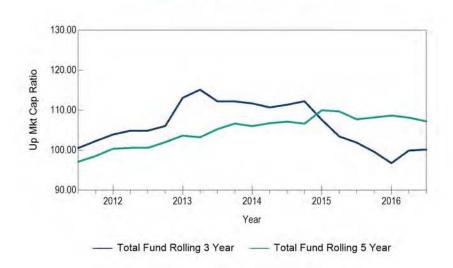


- Total Fund
- Policy Index
- Universe Median
- 68% Confidence Interval
- InvestorForce Public DB Gross

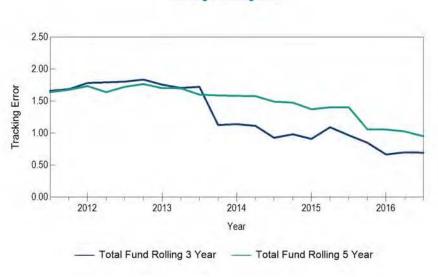
# Rolling Information Ratio



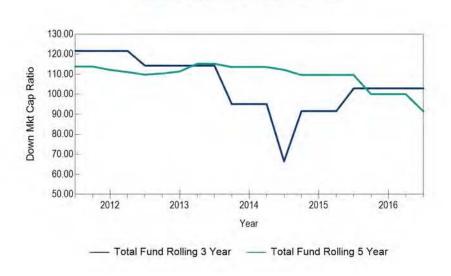
### Rolling Up Market Capture Ratio (%)



### Rolling Tracking Error

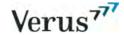


Rolling Down Market Capture Ratio (%)

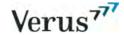




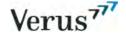
	Market Value	% of Portfolio	3 Mo	YTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2016	2015	2014	2013	2012
Total Fund	1,251,794,395	100.0	2.6	6.8	11.9	11.9	3.9	8.1	3.9	7.7	-1.2	4.2	15.8	12.8
Policy Index			2.8	6.6	10.9	10.9	4.0	7.4	4.7	8.0	-1.1	4.6	12.6	11.6
InvestorForce Public DB Gross Rank			78	74	58	58	88	70	95	53	80	83	49	43
Total Fund x Clifton	1,245,176,476	99.5	2.6	6.7	11.8	11.8	3.9	8.0		7.6	-1.1	4.1	15.8	12.4
Policy Index			2.8	6.6	10.9	10.9	4.0	7.4		8.0	-1.1	4.6	12.6	11.6
InvestorForce Public DB Gross Rank			79	76	60	60	89	72		53	80	87	48	50
Total Domestic Equity	263,788,582	21.1	3.1	9.1	20.0	20.0	9.3	15.2	7.4	11.5	1.6	12.4	35.9	16.8
Russell 3000			3.0	8.9	18.5	18.5	9.1	14.6	7.3	12.7	0.5	12.6	33.6	16.4
InvestorForce Public DB US Eq Gross Rank			32	27	21	21	23	7	31	77	10	17	24	30
SSGA S&P 500 Flagship Fund	49,361,161	3.9	3.1	9.4	18.0	18.0	9.7	14.7		12.0	1.5	13.7	32.4	16.1
S&P 500			3.1	9.3	17.9	17.9	9.6	14.6		12.0	1.4	13.7	32.4	16.0
eA US Large Cap Core Equity Gross Rank			47	44	46	46	28	38		31	40	42	58	39
QMA Large Cap Core	49,298,042	3.9	2.0	7.8	18.1	18.1	9.5	15.5		12.5	2.1	15.6	34.3	18.1
S&P 500			3.1	9.3	17.9	17.9	9.6	14.6		12.0	1.4	13.7	32.4	16.0
eA US Large Cap Core Equity Gross Rank			86	75	45	45	31	17		25	31	20	37	18
Waddell & Reed	49,276,894	3.9	4.2	13.5	20.0	20.0	10.1	15.3		2.1	7.6	12.8	37.3	13.0
Russell 1000 Growth			4.7	14.0	20.4	20.4	11.1	15.3		7.1	5.7	13.0	33.5	15.3
eA US Large Cap Growth Equity Gross Rank			68	60	57	57	54	40		72	26	40	25	78
Robeco Boston Partners Large Cap Value	48,760,475	3.9	2.7	6.9	21.0	21.0	7.7	14.7	7.6	14.7	-3.9	11.8	37.0	21.5
Russell 1000 Value			1.3	4.7	15.5	15.5	7.4	13.9	5.6	17.3	-3.8	13.5	32.5	17.5
eA US Large Cap Value Equity Gross Rank			27	35	20	20	47	34	22	54	65	58	26	6
William Blair SMID Cap Growth	23,609,401	1.9	7.0	16.8	24.0	24.0	12.7	17.8	10.6	8.2	6.1	9.8	43.1	13.8
Russell 2500 Growth			4.1	10.6	21.4	21.4	7.7	14.3	8.2	9.7	-0.2	7.1	40.7	16.1
eA US Mid Cap Growth Equity Gross Rank			19	14	16	16	2	1	9	22	7	33	11	68
Lee Munder Small Value	22,256,931	1.8	0.6	2.2	21.5	21.5	9.8	14.9		28.4	0.4	5.1	33.1	15.7
Russell 2000 Value			0.7	0.5	24.9	24.9	7.0	13.4		31.7	-7.5	4.2	34.5	18.1
eA US Small Cap Value Equity Gross Rank			58	49	66	66	13	49		38	9	60	85	61
SSGA Russell Small Cap Completeness Index	21,225,678	1.7	2.9	7.4	21.7	21.7	7.0			16.5	-3.5	7.4		
Russell Small Cap Completeness			2.9	7.4	21.8	21.8	7.0			16.6	-3.4	7.4		
eA US Small Cap Core Equity Gross Rank			37	21	65	65	71			84	68	37		



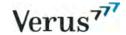
	Market Value	% of Portfolio	3 Mo	YTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2016	2015	2014	2013	2012
Total International Equity	267,153,760	21.3	5.9	14.3	21.3	21.3	1.2	7.8	-0.1	6.2	-5.9	-4.8	18.5	15.7
MSCI ACWI ex USA Gross			6.0	14.5	21.0	21.0	1.3	7.7	1.6	5.0	-5.3	-3.4	15.8	17.4
InvestorForce Public DB ex-US Eq Gross Rank			71	81	39	39	77	69	89	13	85	83	44	91
PIMCO RAE Fundamental Global Ex US Fund	88,574,878	7.1	4.4	12.4	24.5	24.5	0.4			13.5	-10.9	-5.7	24.5	
MSCI ACWI ex USA Gross			6.0	14.5	21.0	21.0	1.3			5.0	-5.3	-3.4	15.8	
eA All EAFE Equity Gross Rank			96	88	24	24	94			1	99	79	51	
SSGA MSCI ACWI Ex US Index Fund	87,990,457	7.0	5.9	14.3	20.8	20.8	1.0	7.5		4.8	-5.5	-3.6	15.5	17.1
MSCI ACWI ex USA Gross			6.0	14.5	21.0	21.0	1.3	7.7		5.0	-5.3	-3.4	15.8	17.4
eA All EAFE Equity Gross Rank			76	62	54	54	87	97		17	96	49	90	81
Pyramis International Growth	90,588,425	7.2	7.4	15.9	18.6	18.6	2.1	8.2	1.8	1.2	-1.5	-5.3	18.5	19.4
MSCI ACWI ex USA Gross			6.0	14.5	21.0	21.0	1.3	7.7	1.6	5.0	-5.3	-3.4	15.8	17.4
Tulare International Custom			6.4	14.9	21.4	21.4	1.7	8.5	1.7	3.1	-2.6	-4.0	19.1	18.1
eA All EAFE Equity Gross Rank			36	37	72	72	67	93	69	52	77	75	85	59
Total Global Equity	41,183,379	3.3	5.8	15.9	21.4	21.4				16.1	-11.5	-		
MSCI ACWI Gross			4.5	11.8	19.4	19.4				8.5	-1.8			
InvestorForce Public DB Glbl Eq Gross Rank			38	24	50	50				2	99			
KBI Water Strategy	41,183,379	3.3	5.8	15.9	21.4	21.4				16.1	-11.5	-	-	
MSCI ACWI Gross			4.5	11.8	19.4	19.4				8.5	-1.8			
eA Global All Cap Equity Gross Rank			34	18	37	37				6	96			
Total Fixed Income	380,033,536	30.4	1.1	2.9	3.4	3.4	2.6	3.0	5.3	5.5	-0.8	4.6	-0.9	8.4
BBgBarc US Aggregate TR			1.4	2.3	-0.3	-0.3	2.5	2.2	4.5	2.6	0.6	6.0	-2.0	4.2
InvestorForce Public DB US Fix Inc Gross Rank			65	40	26	26	57	41	39	37	77	69	49	35
Total Domestic Fixed Income														
BlackRock Fixed Income	132,876,451	10.6	1.5	2.5	0.2	0.2	2.8	2.7	5.1	3.1	1.1	6.2	-1.5	5.5
BBgBarc US Aggregate TR			1.4	2.3	-0.3	-0.3	2.5	2.2	4.5	2.6	0.6	6.0	-2.0	4.2
eA All US Fixed Inc Gross Rank			47	51	74	74	48	54	42	53	39	29	75	56
Doubleline Core Plus	69,769,905	5.6	1.5	2.8	1.7	1.7				4.8		-	-	
BBgBarc US Aggregate TR			1.4	2.3	-0.3	-0.3				2.6				
eA US Core Plus Fixed Inc Gross Rank			83	77	71	71				52				
MacKay Shields Core Plus	69,491,585	5.6	1.9	3.1	2.5	2.5				5.1				
BBgBarc US Aggregate TR			1.4	2.3	-0.3	-0.3				2.6				
eA US Core Plus Fixed Inc Gross Rank			41	53	48	48				46				



	Market Value	% of Portfolio	3 Mo	YTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2016	2015	2014	2013	2012
Shenkman High Yield	32,620,208	2.6	2.2	4.4	10.8	10.8	3.7	5.7		12.3	-2.4	2.5	6.3	12.3
BofA Merrill Lynch US High Yield Master II TR eA US High Yield Fixed Inc Gross Rank			2.1 44	4.9 64	12.8 63	12.8 63	4.5 70	6.9 85		17.5 65	-4.6 51	2.5 52	7.4 81	15.6 89
SSGA TIPS	10,933,481	0.9	-0.4	0.9	-0.6	-0.6	0.6	0.3		4.7	-1.4	3.6	-8.6	6.9
BBgBarc US TIPS TR eA TIPS / Infl Indexed Fixed Inc Gross Rank			-0.4 71	0.9 73	-0.6 82	-0.6 82	0.6 60	0.3 88		4.7 50	-1.4 63	3.6 44	-8.6 77	7.0 67
Total Global Fixed Income														
Franklin Templeton Global Bond Plus	64,341,905	5.1	-1.1	3.1	8.8	8.8	1.7	4.1		6.8	-3.5	2.4	3.0	
JPM GBI Global TR USD			2.6	4.1	-4.4	-4.4	-0.5	0.0		1.6	-2.6	0.7	-4.5	
eA Global Fixed Inc Hedged Gross Rank			99	72	30	30	65	50		40	67	55	37	
Total Real Estate	99,544,972	8.0	1.1	1.1	5.4	5.4	11.1	10.9	3.7	9.0	16.0	13.1	11.5	7.8
NCREIF Property Index			1.8	3.3	7.0	7.0	10.2	10.5	6.4	8.0	13.3	11.8	11.0	10.5
NCREIF-ODCE			1.7	3.5	7.9	7.9	11.3	11.8	5.2	8.8	15.0	12.5	13.9	10.9
RREEF	103,876	0.0	-25.4	-27.3	-27.3	-27.3	-1.1	2.5	2.0	11.9	13.0	8.0	12.3	4.5
NCREIF-ODCE			1.7	3.5	7.9	7.9	11.3	11.8	5.2	8.8	15.0	12.5	13.9	10.9
NCREIF Property Index			1.8	3.3	7.0	7.0	10.2	10.5	6.4	8.0	13.3	11.8	11.0	10.5
RREEF America II	86,577,512	6.9	1.3	1.3	6.1	6.1	11.4	12.3	5.3	9.3	16.7	13.0	15.5	12.5
NCREIF-ODCE			1.7	3.5	7.9	7.9	11.3	11.8	5.2	8.8	15.0	12.5	13.9	10.9
NCREIF Property Index			1.8	3.3	7.0	7.0	10.2	10.5	6.4	8.0	13.3	11.8	11.0	10.5
TA Associates Realty	12,863,585	1.0	8.0	8.0	3.0	3.0	9.3	8.9	2.3	4.6	16.7	15.1	5.2	2.2
NCREIF Property Index			1.8	3.3	7.0	7.0	10.2	10.5	6.4	8.0	13.3	11.8	11.0	10.5
NCREIF-ODCE			1.7	3.5	7.9	7.9	11.3	11.8	5.2	8.8	15.0	12.5	13.9	10.9

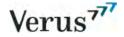


	Market Value	% of Portfolio	3 Mo	YTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2016	2015	2014	2013	2012
Total Alternatives	159,797,033	12.8	0.5	0.9	3.9	3.9	-3.3	0.3	0.5	6.0	-8.3	-3.0	3.8	5.0
CPI + 5%			1.7	4.0	6.7	6.7	6.0	6.4	6.7	7.2	5.8	5.8	6.6	6.8
Gresham MTAP Commodity Builder	18,129,624	1.4	-3.0	-4.0	-3.7	-3.7	-14.3			12.3	-25.4	-16.1		
Bloomberg Commodity Index TR USD			-3.0	-5.3	-6.5	-6.5	-14.8			11.8	-24.7	-17.0		
Commodities Broad Basket MStar MF Rank			20	23	21	21	47			53	71	34		
Wellington Commodity	18,954,198	1.5	-4.3	-4.1	-2.9	-2.9	-12.9			15.7	-25.7			
Bloomberg Commodity Index TR USD			-3.0	-5.3	-6.5	-6.5	-14.8			11.8	-24.7			
Commodities Broad Basket MStar MF Rank			68	23	20	20	28			13	73			
Aetos Capital	30,867,827	2.5	1.7	4.4	8.6	8.6	3.4	5.7	3.2	2.6	1.2	5.2	11.4	7.9
BofA ML 90 DAY T-BILLS + 400 bps			0.9	1.8	3.5	3.5	3.2	3.6	4.3	3.3	3.1	3.5	4.1	4.1
Titan Advisors	28,988,497	2.3	-0.5	0.1	4.5	4.5				0.6				
BofA ML 90 DAY T-BILLS + 400 bps			0.9	1.8	3.5	3.5				3.3				



	Market Value	% of Portfolio	3 Mo	YTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2016	2015	2014	2013	2012
Total Fund	1,251,794,395	100.0	2.5	6.6	11.5	11.5	3.5	7.7	3.5	7.1	-1.6	3.8	15.4	12.4
Policy Index			2.8	6.6	10.9	10.9	4.0	7.4	4.7	8.0	-1.1	4.6	12.6	11.6
Total Fund x Clifton	1,245,176,476	99.5	2.5	6.6	11.4	11.4	3.5	7.6		7.1	-1.6	3.7	15.5	12.0
Policy Index			2.8	6.6	10.9	10.9	4.0	7.4		8.0	-1.1	4.6	12.6	11.6
Total Domestic Equity	263,788,582	21.1	3.0	8.9	19.5	19.5	8.9	14.7	7.0	11.1	1.2	12.0	35.3	16.2
Russell 3000			3.0	8.9	18.5	18.5	9.1	14.6	7.3	12.7	0.5	12.6	33.6	16.4
SSGA S&P 500 Flagship Fund	49,361,161	3.9	3.1	9.3	17.9	17.9	9.6	14.7		12.0	1.4	13.7	32.4	16.0
S&P 500			3.1	9.3	17.9	17.9	9.6	14.6		12.0	1.4	13.7	32.4	16.0
QMA Large Cap Core	49,298,042	3.9	1.9	7.6	17.7	17.7	9.2	15.1		12.1	1.8	15.2	33.9	17.8
S&P 500			3.1	9.3	17.9	17.9	9.6	14.6		12.0	1.4	13.7	32.4	16.0
Waddell & Reed	49,276,894	3.9	4.1	13.2	19.4	19.4	9.5	14.8		1.6	7.1	12.3	36.6	12.5
Russell 1000 Growth			4.7	14.0	20.4	20.4	11.1	15.3		7.1	5.7	13.0	33.5	15.3
Robeco Boston Partners Large Cap Value	48,760,475	3.9	2.6	6.7	20.4	20.4	7.2	14.2	7.2	14.2	-4.4	11.4	36.4	21.0
Russell 1000 Value			1.3	4.7	15.5	15.5	7.4	13.9	5.6	17.3	-3.8	13.5	32.5	17.5
William Blair SMID Cap Growth	23,609,401	1.9	6.8	16.3	22.9	22.9	11.7	16.8	9.7	7.2	5.2	8.8	42.0	12.8
Russell 2500 Growth			4.1	10.6	21.4	21.4	7.7	14.3	8.2	9.7	-0.2	7.1	40.7	16.1
Lee Munder Small Value	22,256,931	1.8	0.4	1.7	20.4	20.4	8.8	13.8		27.3	-0.5	4.1	31.8	14.6
Russell 2000 Value			0.7	0.5	24.9	24.9	7.0	13.4		31.7	-7.5	4.2	34.5	18.1
SSGA Russell Small Cap Completeness Index	21,225,678	1.7	2.9	7.3	21.7	21.7	6.9			16.5	-3.5	7.3		
Russell Small Cap Completeness			2.9	7.4	21.8	21.8	7.0			16.6	-3.4	7.4		
Total International Equity	267,153,760	21.3	5.8	14.1	20.8	20.8	0.9	7.5	-0.5	5.9	-6.2	-5.0	18.3	15.3
MSCI ACWI ex USA Gross			6.0	14.5	21.0	21.0	1.3	7.7	1.6	5.0	-5.3	-3.4	15.8	17.4
PIMCO RAE Fundamental Global Ex US Fund	88,574,878	7.1	4.2	12.1	23.9	23.9	-0.1			13.0	-11.4	-5.9	23.7	
MSCI ACWI ex USA Gross			6.0	14.5	21.0	21.0	1.3			5.0	-5.3	-3.4	15.8	
SSGA MSCI ACWI Ex US Index Fund	87,990,457	7.0	5.9	14.3	20.7	20.7	1.0	7.4		4.7	-5.5	-3.7	15.5	17.1
MSCI ACWI ex USA Gross			6.0	14.5	21.0	21.0	1.3	7.7		5.0	-5.3	-3.4	15.8	17.4
Pyramis International Growth	90,588,425	7.2	7.3	15.6	18.0	18.0	1.6	7.6	1.3	0.7	-1.9	-5.7	17.9	18.6
MSCI ACWI ex USA Gross			6.0	14.5	21.0	21.0	1.3	7.7	1.6	5.0	-5.3	-3.4	15.8	17.4
Tulare International Custom			6.4	14.9	21.4	21.4	1.7	8.5	1.7	3.1	-2.6	-4.0	19.1	18.1
Total Global Equity	41,183,379	3.3	5.6	15.4	20.3	20.3				15.1	-12.3			
MSCI ACWI Gross			4.5	11.8	19.4	19.4				8.5	-1.8			
KBI Water Strategy	41,183,379	3.3	5.6	15.4	20.3	20.3				15.1	-12.3			
MSCI ACWI Gross			4.5	11.8	19.4	19.4				8.5	-1.8			

BlackRock Commodities liquidated 12/24/13. Gresham MTAP Commodities funded 12/31/13. Wellington Commodity funded 1/3/14. KBI Water Strategy funded 10/28/14. Research Affiliates converted to PIMCO RAE Fundamental Global Ex US Fund on 6/5/15 (performance prior to this date represents previously held Enhanced RAFI Global ex US). MacKay Shields and Doubleline funded 12/1/15. UBP liquidated 12/31/2015. Titan Advisors funded 2/1/2016.



	Market Value	% of Portfolio	3 Mo	YTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2016	2015	2014	2013	2012
Total Fixed Income	380,033,536	30.4	1.0	2.7	3.0	3.0	2.3	2.7	5.0	5.1	-1.1	4.3	-1.2	8.0
BBgBarc US Aggregate TR			1.4	2.3	-0.3	-0.3	2.5	2.2	4.5	2.6	0.6	6.0	-2.0	4.2
Total Domestic Fixed Income														
BlackRock Fixed Income	132,876,451	10.6	1.4	2.4	0.0	0.0	2.6	2.4	4.8	2.9	8.0	6.0	-1.8	5.2
BBgBarc US Aggregate TR			1.4	2.3	-0.3	-0.3	2.5	2.2	4.5	2.6	0.6	6.0	-2.0	4.2
Doubleline Core Plus	69,769,905	5.6	1.4	2.6	1.4	1.4				4.6				
BBgBarc US Aggregate TR			1.4	2.3	-0.3	-0.3				2.6				
MacKay Shields Core Plus	69,491,585	5.6	1.8	2.9	2.1	2.1				4.7				
BBgBarc US Aggregate TR			1.4	2.3	-0.3	-0.3				2.6				
Shenkman High Yield	32,620,208	2.6	2.1	4.1	10.3	10.3	3.2	5.2		11.7	-2.9	2.0	5.8	11.7
BofA Merrill Lynch US High Yield Master II TR			2.1	4.9	12.8	12.8	4.5	6.9		17.5	-4.6	2.5	7.4	15.6
SSGA TIPS	10,933,481	0.9	-0.4	8.0	-0.7	-0.7	0.6	0.2		4.6	-1.5	3.6	-8.6	6.9
BBgBarc US TIPS TR			-0.4	0.9	-0.6	-0.6	0.6	0.3		4.7	-1.4	3.6	-8.6	7.0
Total Global Fixed Income														
Franklin Templeton Global Bond Plus	64,341,905	5.1	-1.3	2.8	8.1	8.1	1.1	3.5		6.1	-4.1	1.9	2.5	
JPM GBI Global TR USD			2.6	4.1	-4.4	-4.4	-0.5	0.0		1.6	-2.6	0.7	-4.5	
Total Real Estate	99,544,972	8.0	1.1	1.1	4.8	4.8	10.3	10.4	3.4	8.0	15.1	12.5	11.5	7.8
NCREIF Property Index			1.8	3.3	7.0	7.0	10.2	10.5	6.4	8.0	13.3	11.8	11.0	10.5
NCREIF-ODCE			1.7	3.5	7.9	7.9	11.3	11.8	5.2	8.8	15.0	12.5	13.9	10.9
RREEF	103,876	0.0	-25.4	-27.3	-27.3	-27.3	-1.8	1.8	2.1	11.6	11.7	6.6	12.1	3.8
NCREIF-ODCE			1.7	3.5	7.9	7.9	11.3	11.8	5.2	8.8	15.0	12.5	13.9	10.9
NCREIF Property Index			1.8	3.3	7.0	7.0	10.2	10.5	6.4	8.0	13.3	11.8	11.0	10.5
RREEF America II	86,577,512	6.9	1.3	1.3	5.6	5.6	10.6	11.5	4.7	8.2	15.7	12.0	15.0	11.6
NCREIF-ODCE			1.7	3.5	7.9	7.9	11.3	11.8	5.2	8.8	15.0	12.5	13.9	10.9
NCREIF Property Index			1.8	3.3	7.0	7.0	10.2	10.5	6.4	8.0	13.3	11.8	11.0	10.5
TA Associates Realty	12,863,585	1.0	0.8	8.0	2.4	2.4	8.4	8.3	1.0	3.7	15.4	14.6	5.1	2.1
NCREIF Property Index			1.8	3.3	7.0	7.0	10.2	10.5	6.4	8.0	13.3	11.8	11.0	10.5
NCREIF-ODCE			1.7	3.5	7.9	7.9	11.3	11.8	5.2	8.8	15.0	12.5	13.9	10.9

BlackRock Commodities liquidated 12/24/13. Gresham MTAP Commodities funded 12/31/13. Wellington Commodity funded 1/3/14. KBI Water Strategy funded 10/28/14. Research Affiliates converted to PIMCO RAE Fundamental Global Ex US Fund on 6/5/15 (performance prior to this date represents previously held Enhanced RAFI Global ex US). MacKay Shields and Doubleline funded 12/1/15. UBP liquidated 12/31/2015. Titan Advisors funded 2/1/2016.

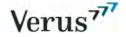


## Total Fund Performance Summary (Net of Fees)

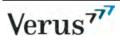
Period Ending: June 30, 2017

	Market Value	% of Portfolio	3 Mo	YTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2016	2015	2014	2013	2012
Total Alternatives	159,797,033	12.8	0.5	0.9	3.3	3.3	-4.1	-0.4	0.1	5.0	-9.1	-3.9	3.5	4.7
CPI + 5%			1.7	4.0	6.7	6.7	6.0	6.4	6.7	7.2	5.8	5.8	6.6	6.8
Gresham MTAP Commodity Builder	18,129,624	1.4	-3.0	-4.0	-4.1	-4.1	-14.8			11.5	-25.9	-16.8		
Bloomberg Commodity Index TR USD			-3.0	-5.3	-6.5	-6.5	-14.8			11.8	-24.7	-17.0		
Wellington Commodity	18,954,198	1.5	-4.3	-4.1	-3.3	-3.3	-13.5			14.9	-26.3			
Bloomberg Commodity Index TR USD			-3.0	-5.3	-6.5	-6.5	-14.8			11.8	-24.7			
Aetos Capital	30,867,827	2.5	1.7	4.4	8.2	8.2	2.7	5.0	2.8	1.8	0.5	4.5	10.4	7.2
BofA ML 90 DAY T-BILLS + 400 bps			0.9	1.8	3.5	3.5	3.2	3.6	4.3	3.3	3.1	3.5	4.1	4.1
Titan Advisors	28,988,497	2.3	-0.5	0.1	4.2	4.2				-0.1				
BofA ML 90 DAY T-BILLS + 400 bps			0.9	1.8	3.5	3.5				3.3				

BlackRock Commodities liquidated 12/24/13. Gresham MTAP Commodities funded 12/31/13. Wellington Commodity funded 1/3/14. KBI Water Strategy funded 10/28/14. Research Affiliates converted to PIMCO RAE Fundamental Global Ex US Fund on 6/5/15 (performance prior to this date represents previously held Enhanced RAFI Global ex US). MacKay Shields and Doubleline funded 12/1/15. UBP liquidated 12/31/2015. Titan Advisors funded 2/1/2016.

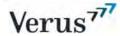


	Anlzd Ret	Anlzd Std Dev	Anlzd Alpha	Beta	Tracking Error	R-Squared	Sharpe Ratio	Info Ratio	Up Mkt Cap Ratio	Down Mkt Cap Ratio
SSGA S&P 500 Flagship Fund	14.69%	7.68%	0.07%	1.00	0.03%	1.00	1.89	1.82	100.35%	99.07%
QMA Large Cap Core	15.45%	7.93%	0.56%	1.02	1.31%	0.97	1.93	0.63	105.72%	91.77%
Waddell & Reed	15.34%	9.61%	-2.08%	1.14	3.07%	0.91	1.58	0.01	98.61%	87.11%
Robeco Boston Partners Large Cap Value	14.67%	8.93%	0.87%	0.99	2.87%	0.90	1.63	0.26	104.45%	91.26%
William Blair SMID Cap Growth	17.81%	10.04%	5.33%	0.87	3.78%	0.88	1.76	0.92	113.66%	62.68%
Lee Munder Small Value	14.89%	10.39%	3.80%	0.83	3.35%	0.94	1.42	0.45	97.60%	65.75%
SSGA MSCI ACWI Ex US Index Fund	7.48%	10.72%	-0.22%	1.00	0.07%	1.00	0.68	-3.36	98.66%	101.27%
Pyramis International Growth	8.16%	10.11%	1.08%	0.92	2.43%	0.95	0.79	0.19	98.38%	90.56%
BlackRock Fixed Income	2.72%	3.11%	0.51%	1.00	0.28%	0.99	0.83	1.83	110.52%	91.78%
Shenkman High Yield	5.68%	4.50%	0.21%	0.79	1.55%	0.95	1.23	-0.80	78.66%	81.66%
SSGA TIPS	0.26%	4.98%	-0.01%	1.00	0.03%	1.00	0.02	-0.37	99.76%	100.05%
Franklin Templeton Global Bond Plus	4.11%	5.51%	4.11%	-0.18	9.50%	0.05	0.72	0.44	26.38%	-56.57%
RREEF	2.46%	13.82%	-50.84%	4.52	13.25%	0.21	0.17	-0.70	17.35%	
RREEF America II	12.31%	2.48%	-4.87%	1.46	1.57%	0.66	4.91	0.33	105.52%	
TA Associates Realty	8.85%	3.48%	-14.05%	2.18	2.84%	0.47	2.50	-0.58	81.70%	
Aetos Capital	5.69%	3.30%	-19.35%	7.00	3.20%	0.23	1.68	0.66	165.80%	



						IRR Analysis	as of IRR date				
Manager Name/Fund Name	Estimated Market Value as of 6/30/2017 <sup>3</sup>	Total Commitment	Capital Called	% Called	Remaining Commitment	Capital Returned	Market Value as of IRR date	Distrib./ Paid-in (DPI) <sup>1</sup>	Tot. Value/ Paid-In (TVPI) <sup>2</sup>	Net IRR Since Inception <sup>6</sup>	IRR Date
quity			-								
BlackRock Private Capital II7	\$6,980,430	\$15,000,000	\$15,000,000	100%	\$0	\$15,512,829	\$7,316,408	103.4%	150.0%	6.7%	03/31/17
Pantheon USA Fund VI	\$5,665,644	\$15,000,000	\$14,175,000	95%	\$825,000	\$16,214,999	\$6,295,644	114.4%	154.4%	7.3%	03/31/17
PIMCO Bravo	\$927,303	\$15,000,000	\$15,000,000	100%	\$0	\$26,313,483	\$927,303	175.4%	181.6%	22.2%	03/31/17
KKR Mezzanine Partners	\$6,083,366	\$15,000,000	\$13,214,548	88%	\$1,785,452	\$14,026,713	\$6,358,868	106.1%	152.2%	8.0%	03/31/17
Ocean Avenue Fund III	\$3,813,622	\$20,000,000	\$4,000,000	20%	\$16,000,000	\$0	\$2,813,622	0.0%	95.3%	-9.1%	03/31/17
Pathway Private Equity Fund Investors 8	\$6,528,653	\$20,000,000	\$6,358,626	32%	\$13,641,374	\$90,085	\$5,671,113	1.4%	104.1%	10.1%	03/31/17
Stepstone Secondary Opportunities Fund II8	\$21,524,601	\$27,500,000	\$27,093,566	99%	\$406,434	\$14,260,055	\$19,736,611	52.6%	132.1%	17.4%	09/30/16
quity - Real Estate				10,11							
TA Associates VIII	\$12,863,585	\$30,000,000	\$30,000,000	100%	\$0	\$16,355,660	\$14,843,196	54.5%	97.4%	-0.5%	03/31/17
redit											
TPG Diversified Credit	\$18,343,937	\$80,000,000	\$19,148,608	24%	\$60,851,392	\$135,279	\$16,362,754	0.7%	96.5%	3.9%	03/31/17
Total Private Markets	\$82,731,141	\$237,500,000	\$143,990,348	61%	\$93,509,652	\$102,909,103	\$80,325,520	71.5%	128.9%		
	Name/Fund Name  Dily  BlackRock Private Capital II <sup>7</sup> Pantheon USA Fund VI  PIMCO Bravo  KKR Mezzanine Partners  Ocean Avenue Fund III  Pathway Private Equity Fund Investors 8  Stepstone Secondary Opportunities Fund II <sup>8</sup> uity - Real Estate  TA Associates VIII  edit  TPG Diversified Credit	Manager         Market Value as of 6/30/2017 3           uity         BlackRock Private Capital II 7         \$6,980,430           Pantheon USA Fund VI         \$5,665,644           PIMCO Bravo         \$927,303           KKR Mezzanine Partners         \$6,083,366           Ocean Avenue Fund III         \$3,813,622           Pathway Private Equity Fund Investors 8         \$6,528,653           Stepstone Secondary Opportunities Fund II8         \$21,524,601           uity - Real Estate         TA Associates VIII         \$12,863,585           edit         TPG Diversified Credit         \$18,343,937           Total Private Markets         \$82,731,141	Manager   Market Value   as of 6/30/2017 3   Commitment	Market Value	Manager   Market Value   as of 6/30/2017 3	Manager   Market Value   as of 6/30/2017 3	Market Value as of 6/30/2017 3   Commitment   Called   Called	Manager Name/Fund Name         Market Value as of 6/30/2017³         Total Capital Called         % Called         Remaining Capital Returned         Capital Market Value as of IRR date           Uity           BlackRock Private Capital II¹         \$6,980,430         \$15,000,000         \$15,000,000         100%         \$0         \$15,512,829         \$7,316,408           Pantheon USA Fund VI         \$5,665,644         \$15,000,000         \$14,175,000         95%         \$825,000         \$16,214,999         \$6,295,644           PIMCO Bravo         \$927,303         \$15,000,000         \$15,000,000         100%         \$0         \$26,313,483         \$927,303           KKR Mezzanine Partners         \$6,083,366         \$15,000,000         \$13,214,548         88%         \$1,785,452         \$14,026,713         \$6,583,868           Ocean Avenue Fund III         \$3,813,622         \$20,000,000         \$4,000,000         20%         \$16,000,000         \$0         \$2,2813,622           Pathway Private Equity Fund Investors 8         \$6,528,653         \$20,000,000         \$27,093,566         99%         \$406,434         \$14,260,055         \$19,736,611           Uity - Real Estate         TA Associates VIII         \$12,863,585         \$30,000,000         \$30,000,000         100%         \$0         \$16,355,660 <td>  Manager   Market Value   as of 6/30/2017   Commitment   Called   Called  </td> <td>  Manager Name   Market Value as of 6/30/2017   Total Called   Cal</td> <td>  Manager   Market Value as of 6/30/2017   Commitment   Called   C</td>	Manager   Market Value   as of 6/30/2017   Commitment   Called   Called	Manager Name   Market Value as of 6/30/2017   Total Called   Cal	Manager   Market Value as of 6/30/2017   Commitment   Called   C

<sup>(</sup>DPI) is equal to (capital returned / capital called)



<sup>&</sup>lt;sup>2</sup>(TVPI) is equal to (market value + capital returned) / capital called

<sup>&</sup>lt;sup>3</sup>Last known market value + capital calls - distributions

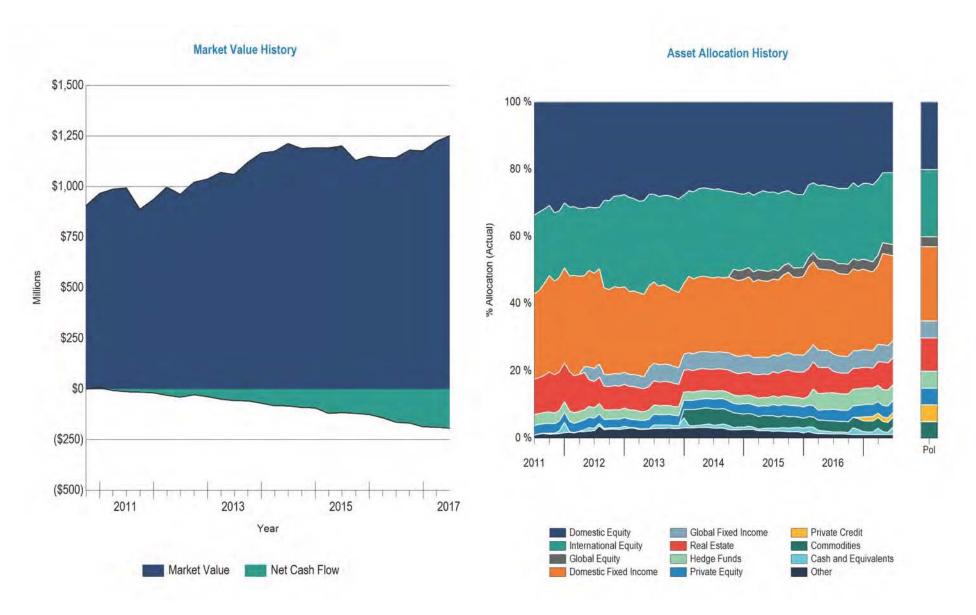
<sup>&</sup>lt;sup>4</sup>IRR currently unavailable for these funds.

<sup>&</sup>lt;sup>5</sup>Investment period ended, no further capital to be called.

<sup>&</sup>lt;sup>5</sup>Net IRR is calculated on the cash flows of all the limited partners of the fund and is net of all fees. Each IRR figure is provided by its respective manager.

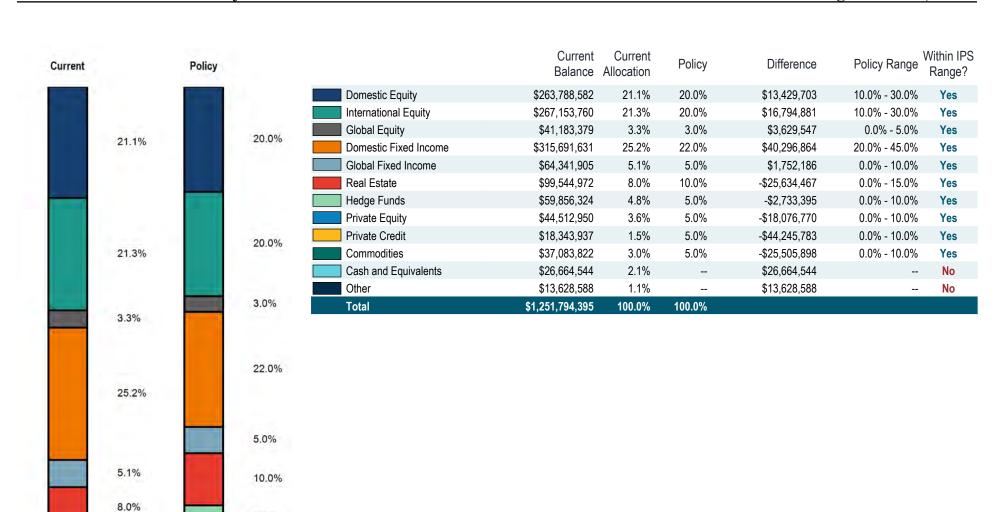
<sup>\*</sup>BlackRock: Total capital called is \$15,443,651 which includes recycled distributions.

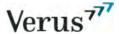
<sup>&</sup>lt;sup>8</sup>StepStone: \$8,538,391 in recallable distributions



Net Cash flow history prior to 4Q 2010 is not available due to lack of data from previous consultant.







4.8%

3.6%

1.5% 3.0%

2.1%

5.0%

5.0%

5.0%

5.0%

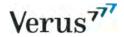
0.0%

Account	Fee Schedule	Market Value As of 6/30/2017	% of Portfolio	Estimated Annual Fee (\$)	Estimated Annual Fee (%)
Aetos Capital	0.75% of Assets	\$30,867,827	2.5%	\$231,509	0.75%
BlackRock Alternative Advisors	\$120,000 Annually	\$6,980,430	0.6%	\$120,000	1.72%
BlackRock Fixed Income	0.25% of First \$100.0 Mil, 0.25% of Next \$100.0 Mil	\$132,876,451	10.6%	\$332,191	0.25%
Doubleline Core Plus	0.28% of First \$100.0 Mil, 0.25% Thereafter	\$69,769,905	5.6%	\$195,356	0.28%
Franklin Templeton Global Bond Plus	0.62% of First \$50.0 Mil, 0.51% of Next \$50.0 Mil, 0.45% Thereafter	\$64,341,905	5.1%	\$383,144	0.60%
Gresham MTAP Commodity Builder	0.75% of Assets	\$18,129,624	1.4%	\$135,972	0.75%
KBI Water Strategy	0.85% of Assets	\$41,183,379	3.3%	\$350,059	0.85%
Kohlberg Kravis Roberts & Co. Mezzanine Partners I	0.38% of Assets	\$6,083,366	0.5%	\$22,813	0.38%
Lee Munder Small Value	0.90% of First \$25.0 Mil, 0.85% of Next \$75.0 Mil, 0.30% Thereafter	\$22,256,931	1.8%	\$200,312	0.90%
MacKay Shields Core Plus	0.40% of Assets	\$69,491,585	5.6%	\$277,966	0.40%
Mellon Capital Cash Account	No Fee	\$26,664,544	2.1%		
Ocean Avenue Fund III	0.85% of Assets	\$3,813,622	0.3%	\$32,416	0.85%
Pantheon Ventures	0.47% of Assets	\$5,665,644	0.5%	\$26,855	0.47%
Pathway Private Equity Fund Investors 8	0.45% of Assets	\$6,528,653	0.5%	\$29,379	0.45%
PIMCO Bravo	1.60% of Assets	\$927,303	0.1%	\$59,347	6.40%
PIMCO RAE Fundamental Global Ex US Fund	0.78% of First \$25.0 Mil, 0.43% of Next \$75.0 Mil, 0.38% Thereafter	\$88,574,878	7.1%	\$468,372	0.53%
Pyramis International Growth	0.70% of First \$25.0 Mil, 0.50% of Next \$25.0 Mil, 0.30% Thereafter	\$90,588,425	7.2%	\$421,765	0.47%
QMA Large Cap Core	0.35% of First \$50.0 Mil, 0.30% of Next \$50.0 Mil, 0.25% Thereafter	\$49,298,042	3.9%	\$172,543	0.35%
Robeco Boston Partners Large Cap Value	0.45% of First \$50.0 Mil, 0.35% of Next \$50.0 Mil, 0.30% Thereafter	\$48,760,475	3.9%	\$219,422	0.45%



Account	Fee Schedule	Market Value As of 6/30/2017	% of Portfolio	Estimated Annual Fee (\$)	Estimated Annual Fee (%)
RREEF	Management Fee: 7% of Net Operating Income Incentive Fee: 15% of excess returns over a 6% hurdle rate	\$103,876	0.0%		_
RREEF America II	0.95% of Assets	\$86,577,512	6.9%	\$822,486	0.95%
Shenkman High Yield	0.50% of Assets	\$32,620,208	2.6%	\$163,101	0.50%
SSGA MSCI ACWI Ex US Index Fund	0.08% of First \$25.0 Mil, 0.07% of Next \$25.0 Mil, 0.06% Thereafter	\$87,990,457	7.0%	\$60,294	0.07%
SSGA Russell Small Cap Completeness Index	0.05% of First \$25.0 Mil, 0.05% of Next \$25.0 Mil, 0.04% Thereafter	\$21,225,678	1.7%	\$10,613	0.05%
SSGA S&P 500 Flagship Fund	0.03% of Assets	\$49,361,161	3.9%	\$14,808	0.03%
SSGA TIPS	0.06% of First \$50.0 Mil, 0.05% of Next \$50.0 Mil, 0.04% Thereafter	\$10,933,481	0.9%	\$6,560	0.06%
Stepstone Secondary Opportunities Fund II	\$343,750 Annually	\$21,524,601	1.7%	\$343,750	1.60%
TA Associates Realty	0.60% of Assets	\$12,863,585	1.0%	\$77,182	0.60%
The Clifton Group	Asset Based Fee: 0.0375% (Quarterly) Retainer Fee: \$4,500 (Quarterly) Minimum Expense: \$50,000 (Annual)	\$6,617,919	0.5%		
Titan Advisors	.75% on AUM, 10% on performance, 5% hurdle rate.	\$28,988,497	2.3%		
TPG Diversified Credit	No Fee	\$18,343,937	1.5%		
Waddell & Reed	0.60% of First \$25.0 Mil, 0.50% of Next \$25.0 Mil, 0.40% Thereafter	\$49,276,894	3.9%	\$271,384	0.55%
Wellington Commodity	0.75% of Assets	\$18,954,198	1.5%	\$142,156	0.75%
William Blair SMID Cap Growth	0.95% of First \$10.0 Mil, 0.80% of Next \$20.0 Mil, 0.75% of Next \$20.0 Mil, 0.70% of Next \$50.0 Mil, 0.65% of Next \$100.0 Mil, 0.60% Thereafter	\$23,609,401	1.9%	\$203,875	0.86%
Investment Management Fee		\$1,251,794,395	100.0%	\$5,795,632	0.46%

<sup>\*</sup>TPG fee schedule is as follows: No management fee at SMA level. Subject to the annual fees of each of the underlying TSSP funds. (1) TAO 65bps on unfunded commitments and 1.35% on remaining capital contributions (long-term investor designation) (2) TSLE 1.5% on commitments, 1.25% on remaining capital contributions post commitment period (3) TICP 30bps on remaining capital contributions.

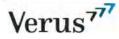


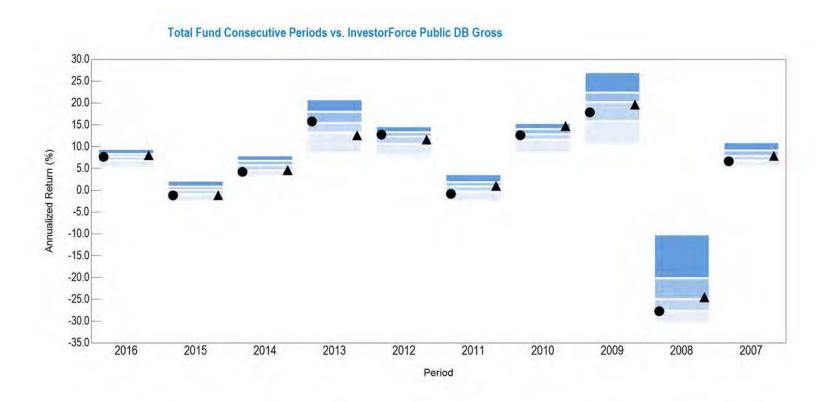


5th Percentile 25th Percentile Median 75th Percentile 95th Percentile # of Portfolios

■ Total Fund▲ Policy Index

Return (Ra	ank)														
3.8		9.2		15.4		15.4		6.6		10.3		10.7		6.5	
3.3		8.1		13.3		13.3		5.9		9.5		10.0		5.8	
2.9		7.5		12.3		12.3		5.3		8.7		9.2		5.4	
2.6		6.8		10.9		10.9		4.5		7.9		8.3		4.8	
1.9		5.4		8.5		8.5		3.3		6.5		7.0		3.8	
330		329		326		326		296		274		245		223	
2.6	(78)	6.8	(74)	11.9	(58)	11.9	(58)	3.9	(88)	8.1	(70)	8.6	(65)	3.9	(95)
2.8	(61)	6.6	(80)	10.9	(75)	10.9	(75)	4.0	(87)	7.4	(86)	8.5	(70)	4.7	(78)



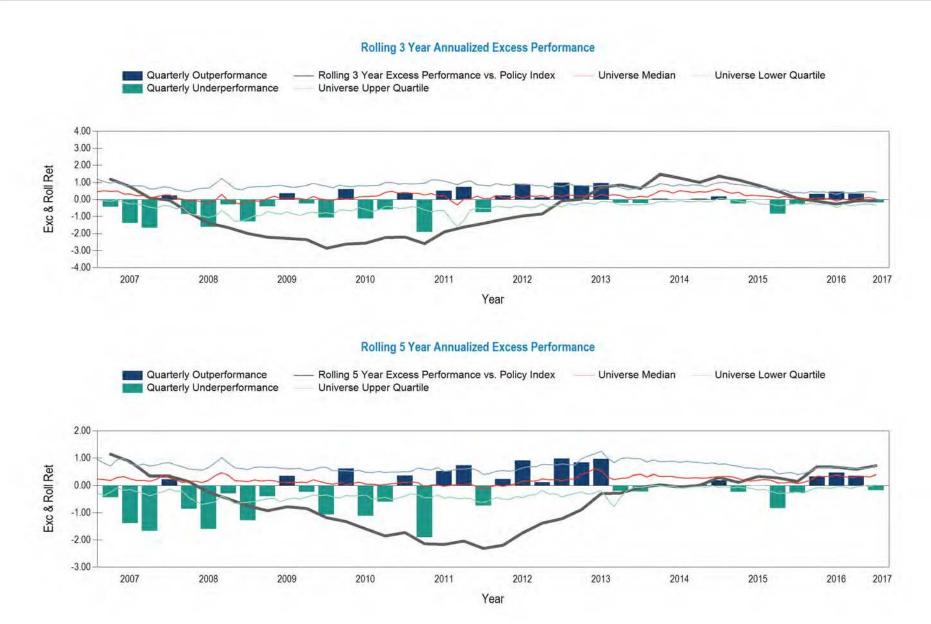


5th Percentile 25th Percentile Median 75th Percentile 95th Percentile # of Portfolios

■ Total Fund▲ Policy Index

Return	(Rank)	Č																	
9.4		2.2		8.0		20.8		14.6		3.6		15.4		27.0	/ 17	-10.1		11.0	
8.4		0.9		6.8		18.0		13.4		1.9		14.0		22.4		-20.1		9.1	
7.7		0.1		5.8		15.5		12.4		0.9		12.9		20.2		-24.9		7.9	
6.9		-0.9		4.6		13.3		10.7		-0.3		11.7		15.9		-27.6		6.9	
5.3		-2.6		3.2		8.5		7.8		-2.5		8.6		10.5		-30.3		5.4	
305		316		248		231		236		206		188		184		181		177	
7.7	(53)	-1.2	(80)	4.2	(83)	15.8	(49)	12.8	(43)	-0.8	(86)	12.6	(57)	17.8	(67)	-27.7	(77)	6.6	(81)
8.0	(40)	-1.1	(80)	4.6	(75)	12.6	(80)	11.6	(67)	1.0	(46)	14.7	(13)	19.6	(53)	-24.5	(46)	7.9	(51)



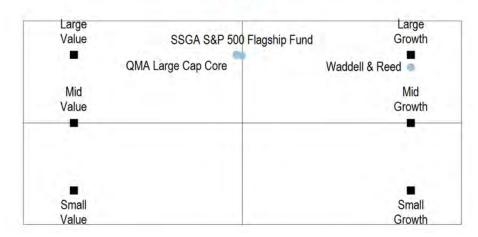


	Market Value	3 Mo	YTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2016	2015	2014	2013	2012
Total Domestic Equity	263,788,582	3.1	9.1	20.0	20.0	9.3	15.2	7.4	11.5	1.6	12.4	35.9	16.8
Russell 3000		3.0	8.9	18.5	18.5	9.1	14.6	7.3	12.7	0.5	12.6	33.6	16.4
InvestorForce Public DB US Eq Gross Rank		32	27	21	21	23	7	31	77	10	17	24	30
SSGA S&P 500 Flagship Fund	49,361,161	3.1	9.4	18.0	18.0	9.7	14.7		12.0	1.5	13.7	32.4	16.1
S&P 500		3.1	9.3	17.9	17.9	9.6	14.6		12.0	1.4	13.7	32.4	16.0
eA US Large Cap Core Equity Gross Rank		47	44	46	46	28	38		31	40	42	58	39
QMA Large Cap Core	49,298,042	2.0	7.8	18.1	18.1	9.5	15.5		12.5	2.1	15.6	34.3	18.1
S&P 500		3.1	9.3	17.9	17.9	9.6	14.6		12.0	1.4	13.7	32.4	16.0
eA US Large Cap Core Equity Gross Rank		86	75	45	45	31	17		25	31	20	37	18
Waddell & Reed	49,276,894	4.2	13.5	20.0	20.0	10.1	15.3		2.1	7.6	12.8	37.3	13.0
Russell 1000 Growth		4.7	14.0	20.4	20.4	11.1	15.3		7.1	5.7	13.0	33.5	15.3
eA US Large Cap Growth Equity Gross Rank		68	60	57	57	54	40		72	26	40	25	78

U.S. Effective Style Map 3 Years



U.S. Effective Style Map 5 Years

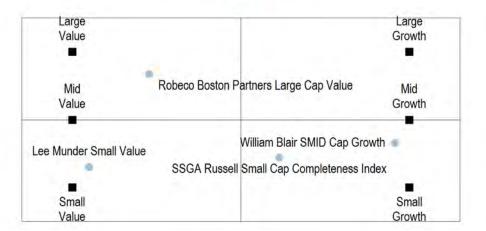


Effective 1/1/2017, only traditional asset class (public equity, public fixed income, REITs) investment management fees will be included in the gross of fee return calculation.

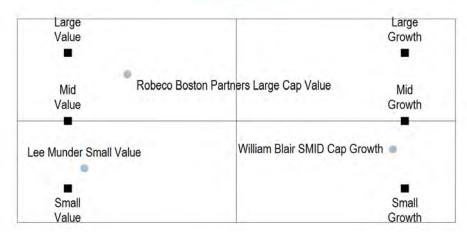


	Market Value	3 Mo	YTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2016	2015	2014	2013	2012
Robeco Boston Partners Large Cap Value	48,760,475	2.7	6.9	21.0	21.0	7.7	14.7	7.6	14.7	-3.9	11.8	37.0	21.5
Russell 1000 Value		1.3	4.7	15.5	15.5	7.4	13.9	5.6	17.3	-3.8	13.5	32.5	17.5
eA US Large Cap Value Equity Gross Rank		27	35	20	20	47	34	22	54	65	58	26	6
William Blair SMID Cap Growth	23,609,401	7.0	16.8	24.0	24.0	12.7	17.8	10.6	8.2	6.1	9.8	43.1	13.8
Russell 2500 Growth		4.1	10.6	21.4	21.4	7.7	14.3	8.2	9.7	-0.2	7.1	40.7	16.1
eA US Mid Cap Growth Equity Gross Rank		19	14	16	16	2	1	9	22	7	33	11	68
Lee Munder Small Value	22,256,931	0.6	2.2	21.5	21.5	9.8	14.9		28.4	0.4	5.1	33.1	15.7
Russell 2000 Value		0.7	0.5	24.9	24.9	7.0	13.4		31.7	-7.5	4.2	34.5	18.1
eA US Small Cap Value Equity Gross Rank		58	49	66	66	13	49		38	9	60	85	61
SSGA Russell Small Cap Completeness Index	21,225,678	2.9	7.4	21.7	21.7	7.0			16.5	-3.5	7.4		
Russell Small Cap Completeness		2.9	7.4	21.8	21.8	7.0			16.6	-3.4	7.4		
eA US Small Cap Core Equity Gross Rank		37	21	65	65	71			84	68	37		

U.S. Effective Style Map 3 Years



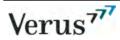
U.S. Effective Style Map 5 Years



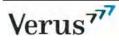
Effective 1/1/2017, only traditional asset class (public equity, public fixed income, REITs) investment management fees will be included in the gross of fee return calculation.



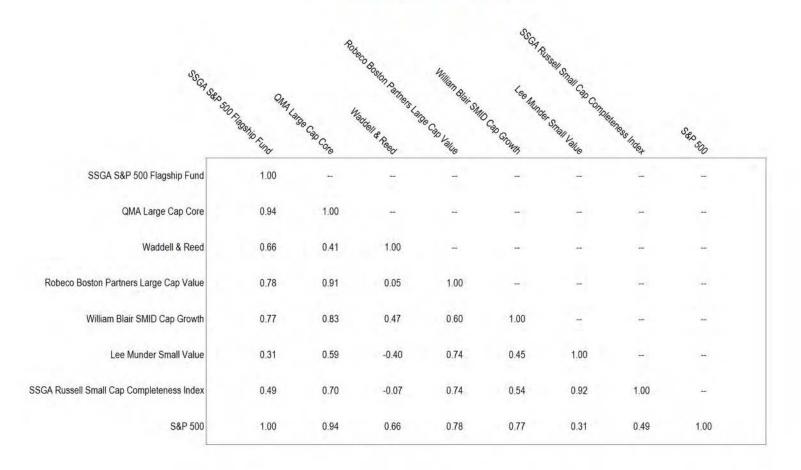
	Market Value	3 Mo	YTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2016	2015	2014	2013	2012
Total Domestic Equity	263,788,582	3.0	8.9	19.5	19.5	8.9	14.7	7.0	11.1	1.2	12.0	35.3	16.2
Russell 3000		3.0	8.9	18.5	18.5	9.1	14.6	7.3	12.7	0.5	12.6	33.6	16.4
SSGA S&P 500 Flagship Fund	49,361,161	3.1	9.3	17.9	17.9	9.6	14.7		12.0	1.4	13.7	32.4	16.0
S&P 500		3.1	9.3	17.9	17.9	9.6	14.6		12.0	1.4	13.7	32.4	16.0
QMA Large Cap Core	49,298,042	1.9	7.6	17.7	17.7	9.2	15.1		12.1	1.8	15.2	33.9	17.8
S&P 500		3.1	9.3	17.9	17.9	9.6	14.6		12.0	1.4	13.7	32.4	16.0
Waddell & Reed	49,276,894	4.1	13.2	19.4	19.4	9.5	14.8		1.6	7.1	12.3	36.6	12.5
Russell 1000 Growth		4.7	14.0	20.4	20.4	11.1	15.3		7.1	5.7	13.0	33.5	15.3
Robeco Boston Partners Large Cap Value	48,760,475	2.6	6.7	20.4	20.4	7.2	14.2	7.2	14.2	-4.4	11.4	36.4	21.0
Russell 1000 Value		1.3	4.7	15.5	15.5	7.4	13.9	5.6	17.3	-3.8	13.5	32.5	17.5
William Blair SMID Cap Growth	23,609,401	6.8	16.3	22.9	22.9	11.7	16.8	9.7	7.2	5.2	8.8	42.0	12.8
Russell 2500 Growth		4.1	10.6	21.4	21.4	7.7	14.3	8.2	9.7	-0.2	7.1	40.7	16.1
Lee Munder Small Value	22,256,931	0.4	1.7	20.4	20.4	8.8	13.8		27.3	-0.5	4.1	31.8	14.6
Russell 2000 Value		0.7	0.5	24.9	24.9	7.0	13.4		31.7	-7.5	4.2	34.5	18.1
SSGA Russell Small Cap Completeness Index	21,225,678	2.9	7.3	21.7	21.7	6.9			16.5	-3.5	7.3		
Russell Small Cap Completeness		2.9	7.4	21.8	21.8	7.0			16.6	-3.4	7.4		

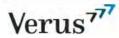


SS CA SAD ST	Q <sub>i</sub>		Robe	Nedde	Partner	Mill	ian Blair	ر. د.	SGA PU	SS OF STATE	T Cap C	Onoleten.		
SSCA SAP SOO FRAG	#	Alago,	C30 C0/C	Wadde	A Reel	ATOR C	4 #	SMID Co	Grown,	"nder Sh	#	"noletene	"SS Index	%
SSGA S&P 500 Flagship Fund	-		141	90.2	42	93.2	70	89.2	9	13.9	3	4.5	0	0.0
QMA Large Cap Core	141	57.8		. <del>-</del>	20	47.2	36	60.4	4	6.0	5	4.8	51	4.6
Waddell & Reed	42	23.8	20	19.8		-	6	7.7	0	0.0	0	0.0	3	0.6
Robeco Boston Partners Large Cap Value	70	31.7	36	29.4	6	18.3		-	2	2.6	0	0.0	7	1.1
William Blair SMID Cap Growth	9	0.5	4	0.4	0	0.0	2	1.4	4		5	5.5	56	6.1
Lee Munder Small Value	3	0.1	5	0.8	0	0.0	0	0.0	5	5.8	-		87	4.9
SSGA Russell Small Cap Completeness Index	0	0.0	51	7.9	3	2.2	7	3.4	56	80.2	87	90.6	-	



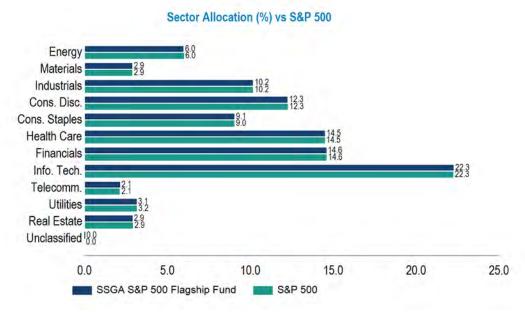
Correlation Matrix January 1, 2017 Through June 30, 2017





### Characteristics

	Portfolio	S&P 500
Number of Holdings	505	505
Weighted Avg. Market Cap. (\$B)	155.28	154.74
Median Market Cap. (\$B)	20.72	20.58
Price To Earnings	25.16	24.69
Price To Book	5.37	4.59
Price To Sales	3.62	3.35
Return on Equity (%)	20.29	18.97
Yield (%)	2.01	2.00
Beta	1.00	1.00

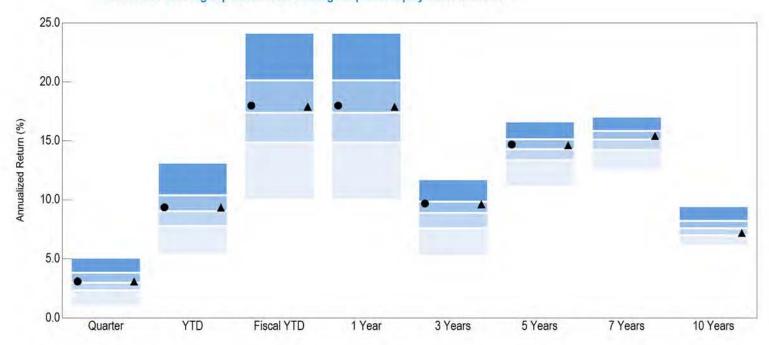


\*Unclassified includes Cash

Top Holdings		Top Contributor	rs			<b>Bottom Contribut</b>	tors	
Ending Period Weight		Avg Wgt	Return	Contribution		Avg Wgt	Return	Contribution
APPLE 3.62%	AMAZON.COM	1.73	9.19	0.16	GENERAL ELECTRIC	1.29	-8.61	-0.11
MICROSOFT 2.56%	MODOCOET	2.51	5.25	0.13	AT&T	1.26	-8.10	-0.10
AMAZON.COM 1.86%	AL DUADET IAL	1.24	9.66	0.12	SCHLUMBERGER	0.54	-15.08	-0.08
JOHNSON & JOHNSON 1.72%	IOUNIOON A TOUNIOON	1.67	6.91	0.12	INTERNATIONAL	0.74	-10.80	-0.08
FACEBOOK CLASS A 1.71%	AL DUADET IO	1.21	9.54	0.12	BUS.MCHS.	<b>5.7</b> 1	10.00	0.00
EXXON MOBIL 1.65%	LINITEDUEAL TH ODOLID	0.78	13.52	0.11	VERIZON COMMUNICATIONS	0.98	-7.30	-0.07
JP MORGAN CHASE & CO. 1.57%	AD ADIA	0.32	32.85	0.10	CISCO SYSTEMS	0.84	-6.59	-0.06
BERKSHIRE HATHAWAY 'B' 1.55%	EAGEDOOK OL AGO A	1.65	6.29	0.10	WALT DISNEY			
ALPHABET 'A' 1.34%	OITIODOLID	0.82	12.10	0.10		0.81	-6.30 5.33	-0.05
ALPHABET 'C' 1.30%	MODONALDO	0.52	18.90	0.10	INTEL	0.85	-5.77	-0.05
					ANADARKO PETROLEUI	M 0.17	-26.80	-0.05
Total 18.87%					CONOCOPHILLIPS	0.31	-11.36	-0.03



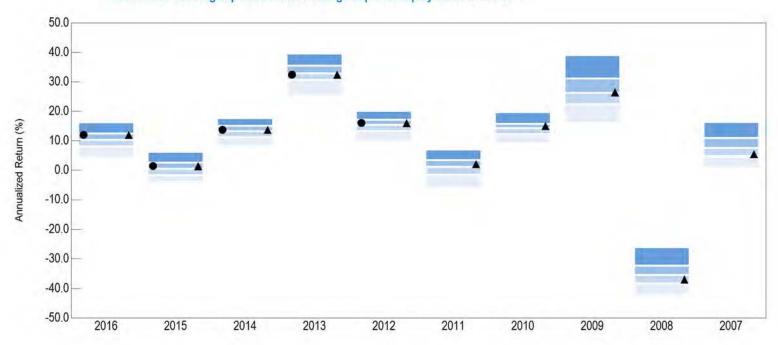




	5th Percentile
	25th Percentile
	Median
	75th Percentile
	95th Percentile
	# of Portfolios
•	SSGA S&P 500 Flagship Fund
•	S&P 500

eturn (R	ank)														
5.1		13.1		24.2		24.2		11.7		16.6		17.0		9.5	
3.8		10.4		20.1		20.1		9.9		15.2		15.8		8.2	
3.0		9.0		17.4		17.4		8.9		14.3		15.1		7.6	
2.4		7.8		14.9		14.9		7.6		13.4		14.3		7.0	
1.0		5.4		10.0		10.0		5.2		11.1		12.5		6.1	
324		324		324		324		313		283		259		232	
3.1	(47)	9.4	(44)	18.0	(46)	18.0	(46)	9.7	(28)	14.7	(38)		()		()
3.1	(47)	9.3	(44)	17.9	(47)	17.9	(47)	9.6	(29)	14.6	(41)	15.4	(42)	7.2	(67)



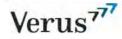


5th Percentile
25th Percentile
Median
75th Percentile
95th Percentile
# of Portfolios
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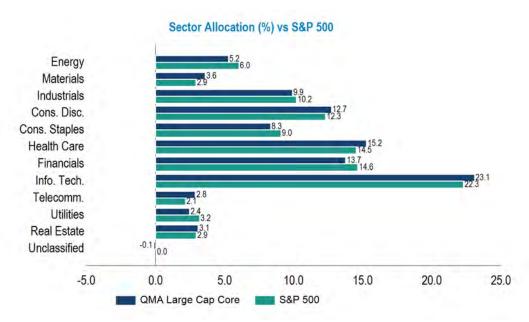
SSGA S&P 500 Flagship Fund

S&P 500

Return	(Rank)																		
16.3		6.3		17.7		39.6		20.1		7.0		19.7		39.1		-26.1		16.3	
12.5		2.7		15.1		35.5		17.2		3.6		15.8		31.2		-32.3		11.1	
10.4		0.6		13.3		32.9		15.4		1.3		14.4		26.3		-35.4		7.7	
8.2		-1.6		11.4		30.8		13.4		-1.5		12.3		22.6		-38.1		4.9	
4.3		-4.1		8.2		25.4		9.8		-5.9		9.1		16.1		-42.3		0.7	
308		267		267		261		254		259		254		280		312		320	
12.0	(31)	1.5	(40)	13.7	(42)	32.4	(58)	16.1	(39)		()	-	()	-	()	-	()		()
12.0	(31)	1.4	(42)	13.7	(42)	32.4	(58)	16.0	(41)	2.1	(40)	15.1	(37)	26.5	(48)	-37.0	(62)	5.5	(71)

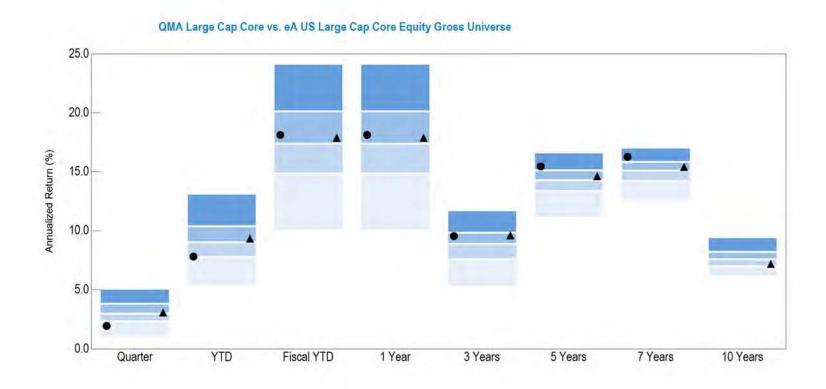


	Portfolio	S&P 500
Number of Holdings	198	505
Weighted Avg. Market Cap. (\$B)	137.38	154.74
Median Market Cap. (\$B)	26.96	20.58
Price To Earnings	22.92	24.69
Price To Book	5.07	4.59
Price To Sales	2.87	3.35
Return on Equity (%)	22.02	18.97
Yield (%)	2.03	2.00
Beta	0.97	1.00



Top Holdings			Top Contributo	rs		Bottom Contributors					
Ending Period Weight			Avg Wgt	Return	Contribution		Avg Wgt	Return	Contribution		
APPLE	2.76%	MCDONALDS	1.29	18.90	0.24	ANADARKO PETROLEUM	0.74	-26.80	-0.20		
JP MORGAN CHASE & CO.	2.27%	UNITEDHEALTH GROUP	1.49	13.52	0.20	FOOT LOCKER	0.45	-33.84	-0.15		
ALPHABET 'C'	1.98%	ALPHABET 'C'	1.93	9.54	0.18	NEWFIELD EXPLORATION	0.61	-22.89	-0.14		
MICROSOFT	1.89%	CITIGROUP	1.52	12.10	0.18	VERIZON	1.64	-7.30	-0.12		
FACEBOOK CLASS A	1.84%	ORACLE	1.39	12.88	0.18	COMMUNICATIONS					
EXXON MOBIL	1.84%	FACEBOOK CLASS A	2.41	6.29	0.15	CONOCOPHILLIPS	0.98	-11.36	-0.11		
JOHNSON & JOHNSON	1.72%	BAXTER INTL.	0.74	17.05	0.13	MACY'S	0.53	-20.26	-0.11		
BANK OF AMERICA	1.72%	ELECTRONIC ARTS	0.68	18.10	0.12	ROSS STORES	0.78	-12.14	-0.09		
		INTUIT	0.80	14.83	0.12	AT&T	1.09	-8.10	-0.09		
VERIZON COMMUNICATIONS	1.52%	-	0.67	16.92	0.12	KINDER MORGAN	0.70	-11.33	-0.08		
ORACLE	1.47%	HUMANA	0.67	10.92	0.11	TWENTY-FIRST CENTURY					
Total	18.92%					FOX CL.B	0.58	-12.30	-0.07		

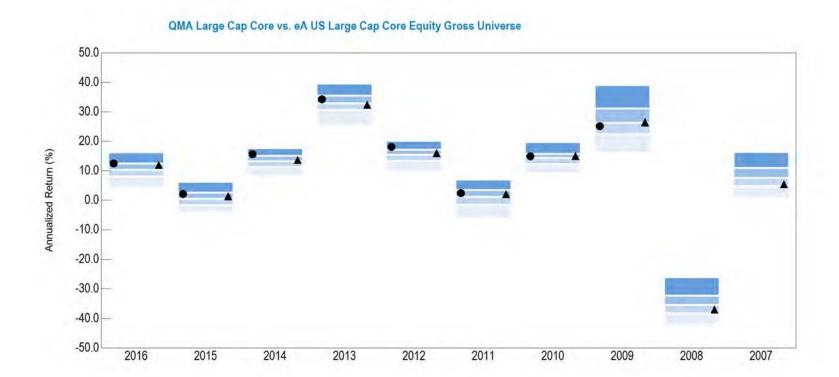




	5th Percentile
	25th Percentile
	Median
	75th Percentile
	95th Percentile
	# of Portfolios
Þ	QMA Large Cap Core
•	S&P 500

Return (I	Rank)														
5.1		13.1		24.2		24.2		11.7		16.6		17.0		9.5	
3.8		10.4		20.1		20.1		9.9		15.2		15.8		8.2	
3.0		9.0		17.4		17.4		8.9		14.3		15.1		7.6	
2.4		7.8		14.9		14.9		7.6		13.4		14.3		7.0	
1.0		5.4		10.0		10.0		5.2		11.1		12.5		6.1	
324		324		324		324		313		283		259		232	
2.0	(86)	7.8	(75)	18.1	(45)	18.1	(45)	9.5	(31)	15.5	(17)	16.3	(13)		()
3.1	(47)	9.3	(44)	17.9	(47)	17.9	(47)	9.6	(29)	14.6	(41)	15.4	(42)	7.2	(67)
	- A		20 (0)		2 5		2 2		10 5		32 (35)		27-230		



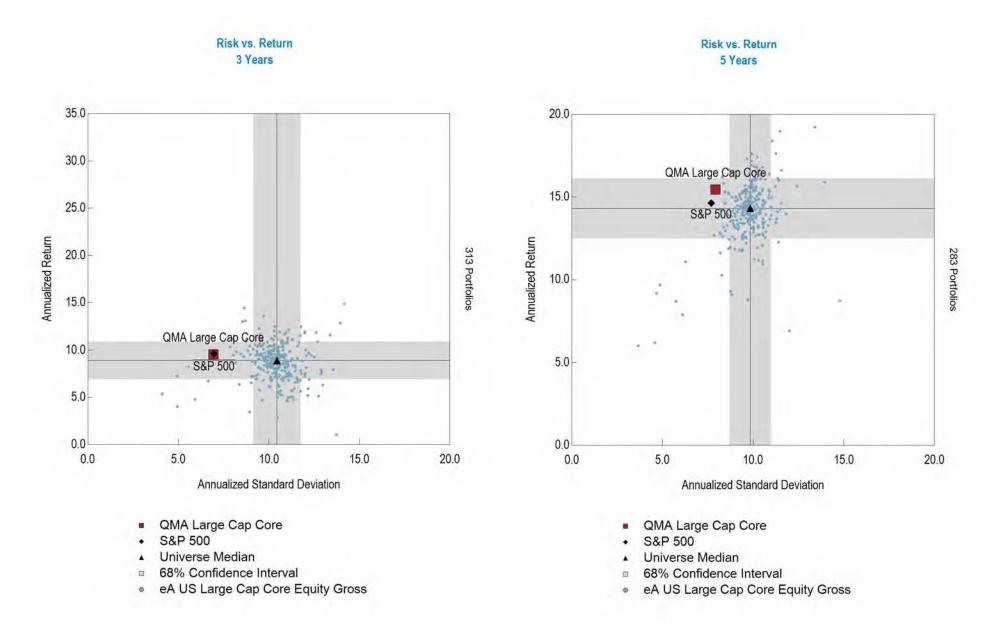


	5th Percentile
	25th Percentile
	Median
	75th Percentile
	95th Percentile
	# of Portfolios
,	OMA Large Can Con

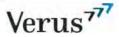
Return (	(Rank)																		
16.3		6.3		17.7		39.6		20.1		7.0		19.7		39.1		-26.1	= 1	16.3	
12.5		2.7		15.1		35.5		17.2		3.6		15.8		31.2		-32.3		11.1	
10.4		0.6		13.3		32.9		15.4		1.3		14.4		26.3		-35.4		7.7	
8.2		-1.6		11.4		30.8		13.4		-1.5		12.3		22.6		-38.1		4.9	
4.3		-4.1		8.2		25.4		9.8		-5.9		9.1		16.1		-42.3		0.7	
308		267		267		261		254		259		254		280		312		320	
12.5	(25)	2.1	(31)	15.6	(20)	34.3	(37)	18.1	(18)	2.4	(34)	14.9	(40)	25.2	(58)		()		()
120	(31)	14	(42)	137	(42)	324	(58)	16.0	(41)	21	(40)	15.1	(37)	26.5	(48)	-37.0	(62)	5.5	(71)



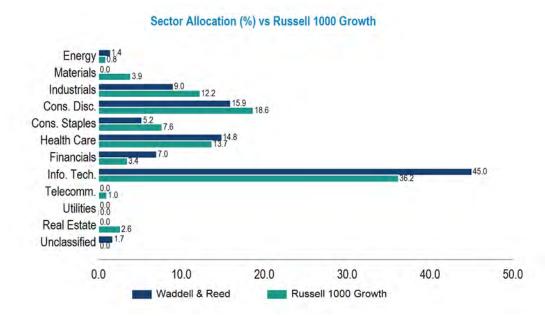
S&P 500





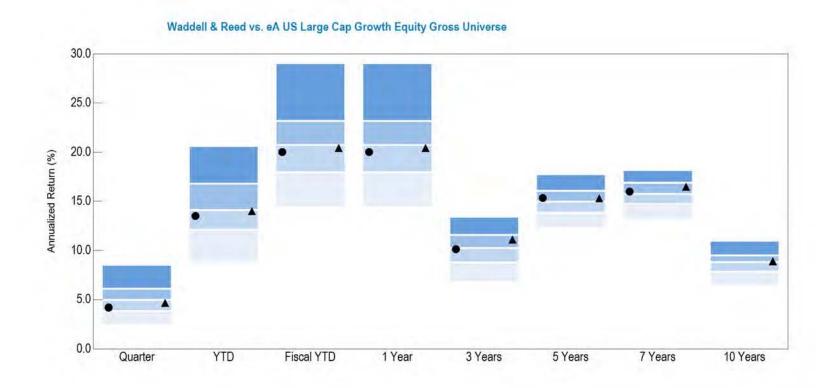


	Portfolio	Russell 1000 Growth
Number of Holdings	48	557
Weighted Avg. Market Cap. (\$B)	159.09	170.43
Median Market Cap. (\$B)	58.61	10.00
Price To Earnings	31.08	27.97
Price To Book	7.72	6.99
Price To Sales	6.02	4.21
Return on Equity (%)	22.78	26.97
Yield (%)	1.00	1.43
Beta	1.13	1.00



Top Holdings			<b>Top Contributo</b>	rs		<b>Bottom Contributors</b>					
Ending Period Weight	t		Avg Wgt	Return	Contribution		Avg Wgt	Return	Contribution		
MICROSOFT	4.24%	LAM RESEARCH	4.20	10.49	0.44	O REILLY AUTOMOTIVE	2.55	-18.94	-0.48		
MASTERCARD	4.23%	MASTERCARD	4.29	8.20	0.35	HALLIBURTON	2.58	-12.86	-0.33		
AMAZON.COM	4.14%	ELECTRONIC ARTS	1.79	18.10	0.32	EOG RES.	2.74	-7.05	-0.19		
PHILIP MORRIS INTL.	4.09%	EDWARDS LIFESCIENCES	1.24	25.69	0.32	DEXCOM	1.31	-13.67	-0.18		
HOME DEPOT	4.03%	AMAZON.COM	3.25	9.19	0.30	GOLDMAN SACHS GP.	3.72	-3.07	-0.11		
FACEBOOK CLASS A	3.97%	ALPHABET 'A'	2.86	9.66	0.28	SHIRE SPN.ADR 1:3	1.46	-5.14	-0.07		
CELGENE	3.85%	ADOBE SYSTEMS	2.90	8.69	0.25	FLEETCOR	0.71	-4.77	-0.03		
VISA 'A'	3.75%	FACEBOOK CLASS A	3.89	6.29	0.24	TECHNOLOGIES	0.71	-4.11	-0.03		
LAM RESEARCH	3.71%	ALPHABET 'C'	2.35	9.54	0.22	DANAHER	1.55	-1.17	-0.02		
APPLE	3.71%	MICROSOFT	4.23	5.25	0.22	NORDSON	0.54	-1.02	-0.01		
Total	39.51%					BIOGEN	0.67	-0.75	-0.01		



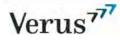


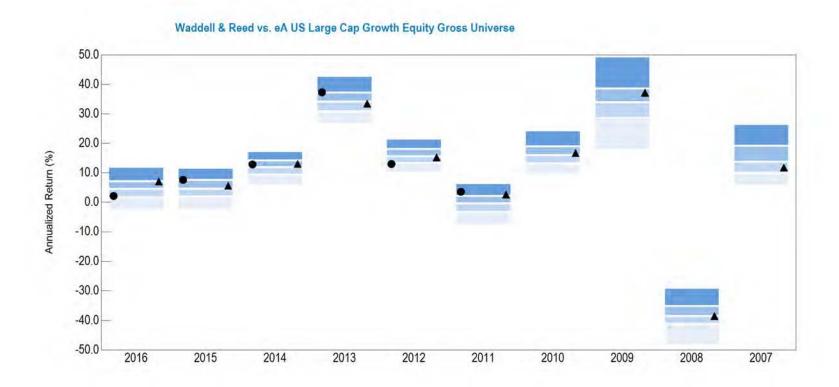
5th Percentile	•
25th Percenti	le
Median	
75th Percenti	le
95th Percenti	le
# of Portfolios	s

Waddell & Reed

Russell 1000 Growth

Return (R	lank)														
8.5		20.6		29.1		29.1		13.4		17.8		18.2		11.0	
6.1		16.8		23.2		23.2		11.6		16.1		16.9		9.5	
5.0		14.1		20.7		20.7		10.3		15.0		15.8		8.8	
3.9		12.1		18.0		18.0		8.8		13.9		14.8		7.9	
2.5		8.8		14.4		14.4		6.8		12.3		13.1		6.5	
272		272		272		272		267		251		245		221	
4.2	(68)	13.5	(60)	20.0	(57)	20.0	(57)	10.1	(54)	15.3	(40)	16.0	(45)		()
4.7	(58)	14.0	(53)	20.4	(54)	20.4	(54)	11.1	(35)	15.3	(42)	16.5	(33)	8.9	(49)



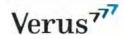


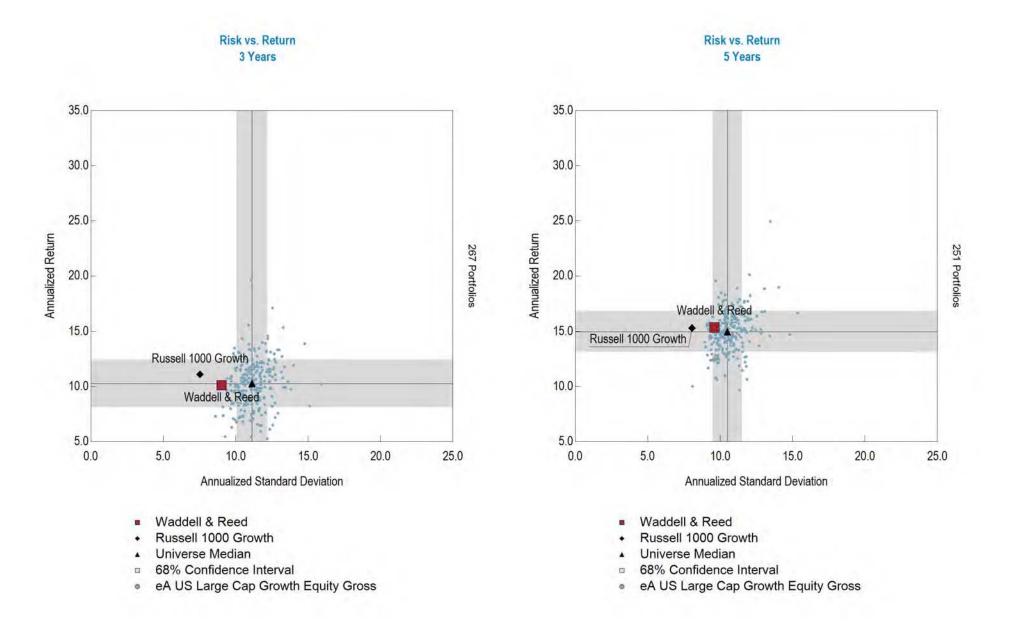
5th Percentile	
25th Percentile	•
Median	
75th Percentile	•
95th Percentile	,
# of Portfolios	

Waddell & Reed

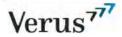
Russell 1000 Growth

Return	(Rank)																		
12.0	•	11.6		17.3		42.8		21.6		6.4		24.4		49.5		-29.1		26.6	
7.3		7.6		14.3		37.3		18.2		2.2		19.1		38.6		-35.1		19.2	
4.6		4.7		12.0		34.3		15.7		-0.3		16.1		34.0		-38.4		13.8	
1.8		2.1		9.5		31.0		13.4		-3.2		13.2		28.7		-41.1		10.2	
-2.7		-2.4		5.8		26.6		10.2		-8.0		9.6		17.7		-48.4		5.6	
282		270		291		274		274		294		304		350		381		395	
2.1	(72)	7.6	(26)	12.8	(40)	37.3	(25)	13.0	(78)	3.6	(17)	-	()		()		()		()
7.1	(26)	5.7	(42)	13.0	(38)	33.5	(56)	15.3	(55)	2.6	(22)	16.7	(46)	37.2	(33)	-38.4	(51)	11.8	(63)

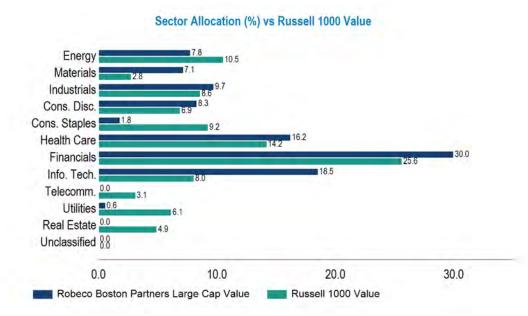




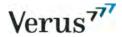




	Portfolio	Russell 1000 Value
Number of Holdings	88	719
Weighted Avg. Market Cap. (\$B)	138.73	108.85
Median Market Cap. (\$B)	33.11	8.46
Price To Earnings	21.77	20.93
Price To Book	2.90	2.56
Price To Sales	2.39	2.85
Return on Equity (%)	15.05	12.04
Yield (%)	1.91	2.44
Beta	1.01	1.00



Top Holdings			<b>Top Contributor</b>	rs		Botte	om Contribut	tors	
Ending Period Weight			Avg Wgt	Return	Contribution		Avg Wgt	Return	Contribution
JP MORGAN CHASE & CO.	4.98%	CITIGROUP	2.93	12.10	0.35	DISCOVER FINANCIAL SVS.	2.20	-8.62	-0.19
BANK OF AMERICA	4.59%	JOHNSON & JOHNSON	3.53	6.91	0.24	CISCO SYSTEMS	2.39	-6.59	-0.16
CITIGROUP	3.67%	JP MORGAN CHASE & CO.	4.81	4.65	0.22	TWENTY-FIRST CENTURY	1.05	-12.50	-0.13
BERKSHIRE HATHAWAY 'B'	3.64%	ORACLE	1.70	12.88	0.22	FOX CL.A			
JOHNSON & JOHNSON	3.20%	ALPHABET 'A'	1.96	9.66	0.19	MARATHON OIL	0.53	-24.74	-0.13
		KONINKLIJKE PHILIPS ADR				CONOCOPHILLIPS	1.01	-11.36	-0.12
WELLS FARGO & CO	2.58%	1:1	1.29	14.29	0.18	BARRICK GOLD (NYS)	0.71	-16.07	-0.11
CHEVRON	2.49%	ANTHEM	1.16	14.15	0.16	DIAMONDBACK ENERGY	0.66	-14.37	-0.10
MERCK & COMPANY	2.42%	CIGNA	1.07	14.27	0.15	SYNCHRONY FINANCIAL	0.68	-12.67	-0.09
APPLE	2.26%	DELTA AIR LINES	0.87	17.42	0.15	HEWLETT PACKARD			
CISCO SYSTEMS	2.20%	_				ENTER.	1.33	-6.20	-0.08
Total	32.02%	BANK OF AMERICA	4.49	3.18	0.14	PIONEER NTRL.RES.	0.47	-14.31	-0.07



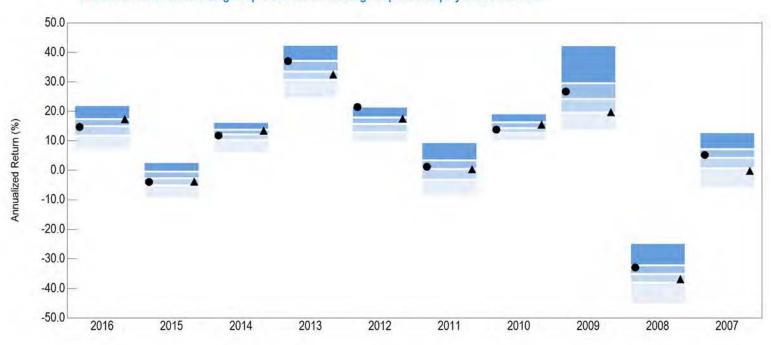
# Robeco Boston Partners Large Cap Value vs. eA US Large Cap Value Equity Gross Universe



	Return (R	ank)														
5th Percentile	4.4		10.9		26.6		26.6		10.6		16.6		16.4		9.3	
25th Percentile	2.9		7.8		20.2		20.2		8.7		15.1		15.4		7.5	
Median	1.9		6.0		17.3		17.3		7.5		13.9		14.5		6.5	
75th Percentile	1.2		4.5		14.2		14.2		6.0		12.8		13.4		5.8	
95th Percentile	-0.1		2.7		8.7		8.7		3.5		10.8		11.6		4.5	
# of Portfolios	347		347		347		347		340		325		301		266	
Robeco Boston Partners Large Cap Value	2.7	(27)	6.9	(35)	21.0	(20)	21.0	(20)	7.7	(47)	14.7	(34)	15.1	(33)	7.6	(22)
Russell 1000 Value	1.3	(71)	4.7	(73)	15.5	(68)	15.5	(68)	7.4	(54)	13.9	(50)	14.3	(56)	5.6	(83)

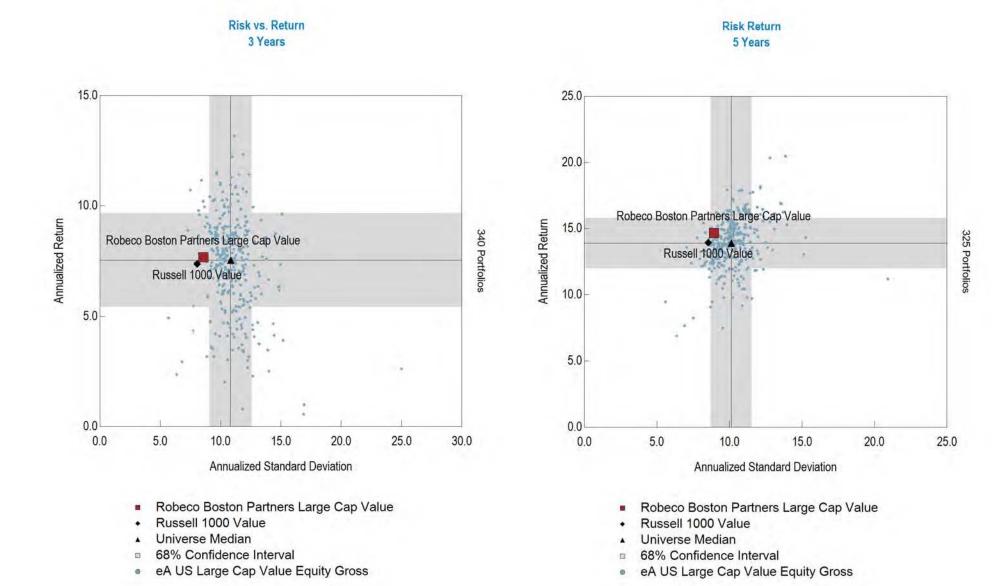


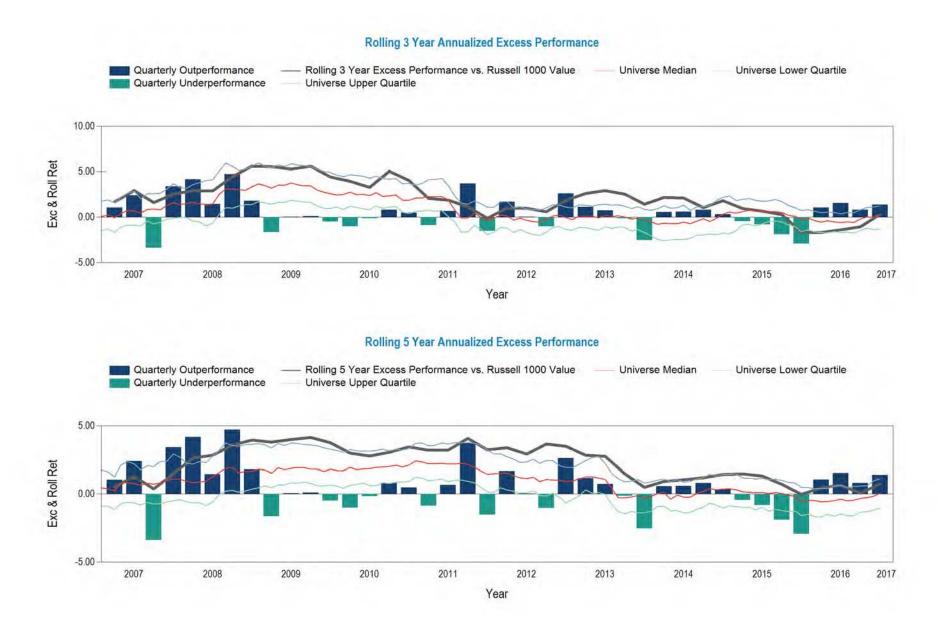
# Robeco Boston Partners Large Cap Value vs. eA US Large Cap Value Equity Gross Universe

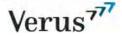


	Return (F	Rank)																	
5th Percentile	22.1	2.8		16.3		42.5		21.5		9.5		19.2		42.3		-24.7		12.9	
25th Percentile	17.4	-0.4		13.9		37.2		18.0		3.4		16.3		29.5		-32.1		7.2	
Median	15.0	-2.6		12.2		33.6		15.7		0.5		14.3		24.3		-35.1		4.2	
75th Percentile	11.8	-5.1		10.4		30.8		13.0		-3.1		12.7		19.6		-37.9		0.7	
95th Percentile	7.0	-9.4		5.9		24.6		9.6		-8.6		10.1		13.5		-45.3		-5.9	
# of Portfolios	346	312		307		310		303		310		323		360		376		406	
Robeco Boston Partners Large Cap Value	14.7 (	54) -3.9	(65)	11.8	(58)	37.0	(26)	21.5	(6)	1.2	(43)	13.8	(61)	26.7	(35)	-33.0	(30)	5.2	(41)
Russell 1000 Value	17.3 (	26) -3.8	(64)	13.5	(33)	32.5	(60)	17.5	(30)	0.4	(51)	15.5	(35)	19.7	(75)	-36.8	(68)	-0.2	(80)

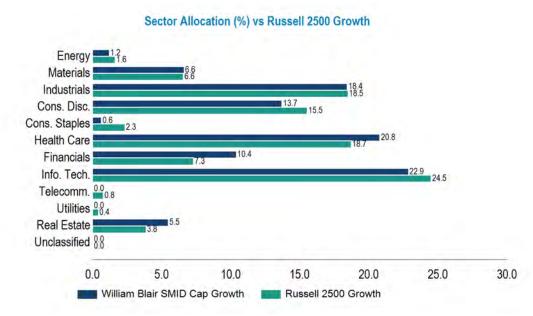




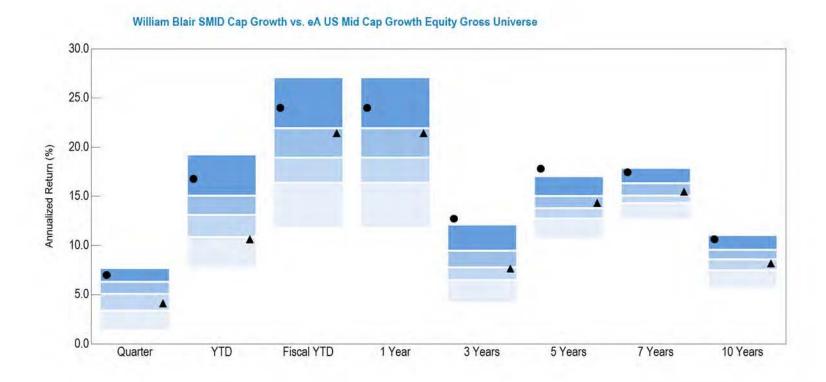




	Portfolio	Russell 2500 Growth
Number of Holdings	70	1,436
Weighted Avg. Market Cap. (\$B)	6.57	4.68
Median Market Cap. (\$B)	5.15	1.23
Price To Earnings	34.34	30.09
Price To Book	6.21	5.85
Price To Sales	4.18	3.42
Return on Equity (%)	22.41	18.75
Yield (%)	0.65	0.75
Beta	0.82	1.00



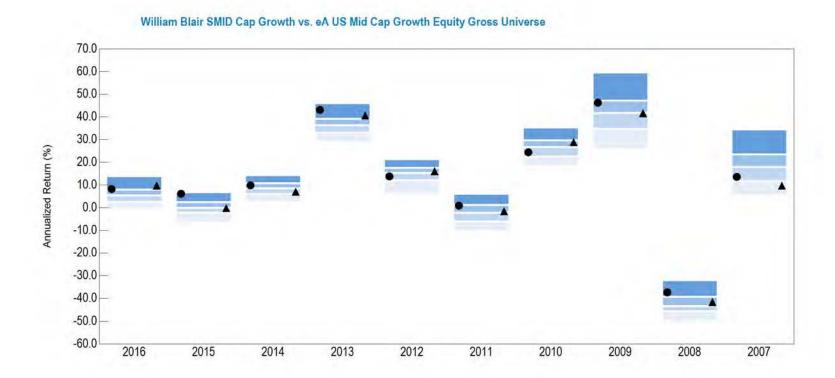
Top Holdings			Top Contributor	'S		В	ottom Contribu	tors	
Ending Period Weight			Avg Wgt	Return	Contribution		Avg Wgt	Return	Contribution
COSTAR GP.	2.88%	COSTAR GP.	2.64	27.21	0.72	TRACTOR SUPPLY	2.37	-21.03	-0.50
LIGAND PHARMS.'B'	2.88%	EXACT SCIS.	1.37	49.75	0.68	IMAX (NYS)	1.20	-35.29	-0.42
COPART	2.66%	AKORN	1.50	39.29	0.59	GLAUKOS	1.50	-19.16	-0.29
BWX TECHNOLOGIES	2.57%	GUIDEWIRE SOFTWARE	2.03	21.98	0.45	CARRIZO O&G.	0.56	-39.22	-0.22
SIX FLAGS ENTM.	2.41%	VEEVA SYSTEMS CL.A	2.13	19.56	0.42	MICHAELS COMPANIES	1.13	-17.28	-0.20
GUIDEWIRE SOFTWARE	2.40%	LIGAND PHARMS.'B'	2.60	14.70	0.38	MIDDLEBY	1.75	-10.95	-0.19
J2 GLOBAL	2.29%	ALIGN TECHNOLOGY	1.22	30.87	0.38	BANK OF THE OZARKS	1.88	-9.56	-0.18
SBA COMMS.	2.24%	TAKE TWO INTACT.SFTW.	1.47	23.81	0.35	BOOZ ALLEN	2.09	-7.65	-0.16
OLD DOMINION FGT.LINES	2.18%	ENCORE CAP.GP.	0.95	30.36	0.29	HAMILTN.HLDG.	2.03	-1.03	-0.10
BALL	2.10%	METTLER TOLEDO INTL.	1.25	22.89	0.29	AKAMAI TECHS.	0.96	-16.57	-0.16
Total	24.64%					DIAMONDBACK ENERGY	1.04	-14.37	-0.15



	5th Percentile
	25th Percentile
	Median
	75th Percentile
	95th Percentile
	# of Portfolios
•	William Blair SMID Cap Growth
•	Russell 2500 Growth

Return (R	ank)														
7.7		19.2		27.1		27.1		12.1		17.0		17.9		11.0	
6.3		15.1		22.0		22.0		9.5		15.1		16.4		9.6	
5.1		13.1		19.0		19.0		7.8		13.8		15.1		8.6	
3.4		10.9		16.4		16.4		6.5		12.7		14.3		7.5	
1.4		7.7		11.8		11.8		4.1		10.7		12.6		5.7	
102		102		102		102		101		95		90		79	
7.0	(19)	16.8	(14)	24.0	(16)	24.0	(16)	12.7	(2)	17.8	(1)	17.4	(10)	10.6	(9)
4.1	(67)	10.6	(77)	21.4	(30)	21.4	(30)	7.7	(56)	14.3	(39)	15.5	(40)	8.2	(60)



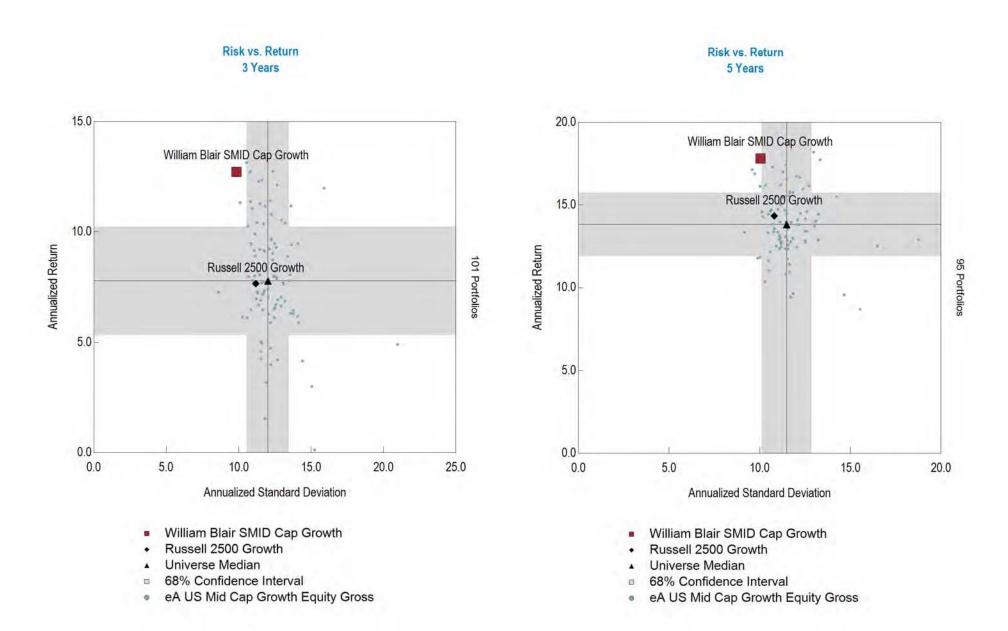


5th Perce	ntile
25th Perc	entile
Median	
75th Perc	entile
95th Perc	entile
# of Portf	olios

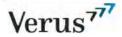
William Blair SMID Cap Growth Russell 2500 Growth

Return	(Rank)																			
13.9	•	6.7		14.2		46.0		21.3		6.1		35.3		59.6		-32.0		34.5		
8.0		2.5		10.9		39.2		17.6		1.3		29.8		47.2		-39.3		23.5		
5.4		0.0		8.6		36.4		15.4		-2.1		26.7		41.9		-43.2		18.0		
2.6		-2.1		6.1		33.2		12.2		-6.1		22.5		34.9		-45.5		11.8		
-0.5		-6.3		2.6		29.0		6.0		-10.4		18.3		25.7		-49.8		5.3		
105		105		117		106		111		122		127		142		158		154		
8.2	(22)	6.1	(7)	9.8	(33)	43.1	(11)	13.8	(68)	0.9	(28)	24.4	(65)	46.3	(30)	-37.4	(19)	13.6	(68)	
9.7	(13)	-0.2	(55)	7.1	(65)	40.7	(17)	16.1	(44)	-1.6	(46)	28.9	(35)	41.7	(51)	-41.5	(39)	9.7	(85)	

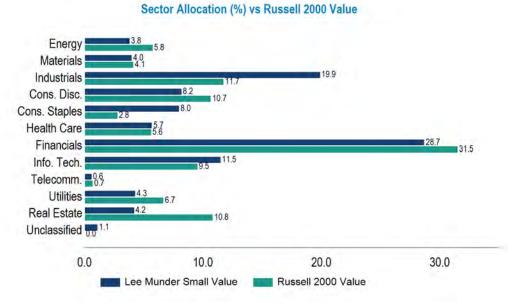






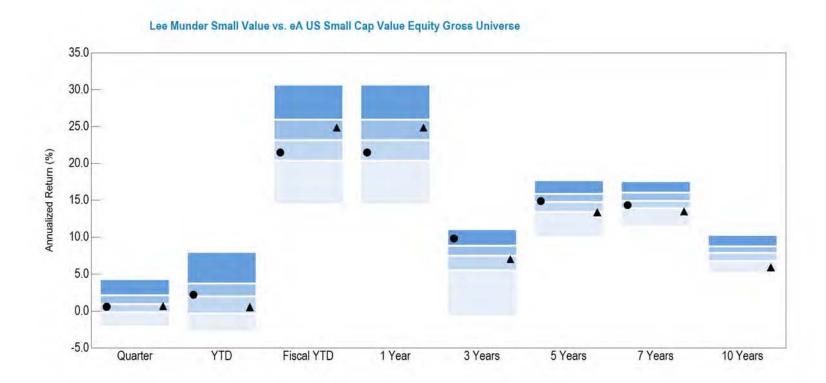


	Portfolio	Russell 2000 Value
Number of Holdings	95	1,399
Weighted Avg. Market Cap. (\$B)	3.02	1.83
Median Market Cap. (\$B)	2.64	0.66
Price To Earnings	23.19	20.07
Price To Book	2.88	1.71
Price To Sales	2.41	2.72
Return on Equity (%)	9.29	7.40
Yield (%)	1.67	1.70
Beta	0.80	1.00



Top Holdings			Top Contributors	5		<b>Bottom Contributors</b>							
Ending Period Weight			Avg Wgt	Return	Contribution		Avg Wgt	Return	Contribution				
TREEHOUSE FOODS	2.73%	UNIVEST OF PENN.	1.30	16.46	0.21	CARRIZO O&G.	0.90	-39.22	-0.35				
MURPHY USA	2.53%	HEALTHSOUTH	1.50	13.62	0.20	SYNERGY RESOURCES	0.90	-20.26	-0.18				
STERLING BANCORP	2.33%	M/A-COM TECHNOLOGY	1.30	15.47	0.20	TEAM	1.30	-13.31	-0.17				
HANCOCK HOLDING	2.02%	SLTN. HOLDINGS	1.00	10.71	0.20	BANKUNITED	1.80	-9.13	-0.16				
IBERIABANK	2.02%	HANCOCK HOLDING	1.90	8.12	0.15	CALLON PTL.DEL.	0.80	-19.38	-0.15				
BLACKSTONE MGE.TST.CL.A	1.92%	CHAS.RVR.LABS.INTL.	1.20	12.45	0.15	MICHAELS COMPANIES	0.80	-17.28	-0.14				
BANKUNITED	1.72%	BLACKHAWK NETWORK	2.00	7.39	0.15	HERCULES TECH.GW.CAP.	1.30	-10.37	-0.13				
CSRA WHEN ISSUED	1.72%	HDG. KORN FERRY	1.40	9.97	0.14	HORACE MANN EDUCATORS	1.70	-7.27	-0.12				
SLM	1.72%	INTERNATIONAL	1.40	3.31	0.14	STANDEX	1.30	-9.28	-0.12				
CORPORATE OFFICE PROPS. TST.	1.62%	EXLSERVICE HDG.	0.80	17.36	0.14	DIEBOLD	1.40	-8.44	-0.12				
Total	20.32%	TRIUMPH GROUP NEW	0.60	22.87	0.14	-			- ·-				
		TETRA TECH	1.10	12.24	0.13								





	5th Percentile
	25th Percentile
	Median
	75th Percentile
	95th Percentile
	# of Portfolios
•	Lee Munder Small Value
•	Russell 2000 Value

Return (R	ank)														
4.3		8.0		30.7		30.7		11.1		17.7		17.6		10.3	
2.1		3.7		26.0		26.0		8.9		15.9		16.0		8.8	
1.0		2.0		23.2		23.2		7.5		14.8		14.9		7.9	
-0.1		-0.3		20.4		20.4		5.5		13.4		13.9		6.8	
-2.0		-2.8		14.4		14.4		-0.7		10.0		11.5		5.1	
226		226		226		226		216		207		195		171	
0.6	(58)	2.2	(49)	21.5	(66)	21.5	(66)	9.8	(13)	14.9	(49)	14.3	(66)		()
0.7	(55)	0.5	(64)	24.9	(35)	24.9	(35)	7.0	(63)	13.4	(76)	13.5	(84)	5.9	(89)



#### Lee Munder Small Value vs. eA US Small Cap Value Equity Gross Universe 70.0 60.0 50.0 40.0 30.0 Annualized Return (%) 20.0 10.0 0.0 -10.0 -20.0 -30.0 -40.0 -50.0 2016 2015 2014 2013 2012 2011 2010 2009 2008 2007

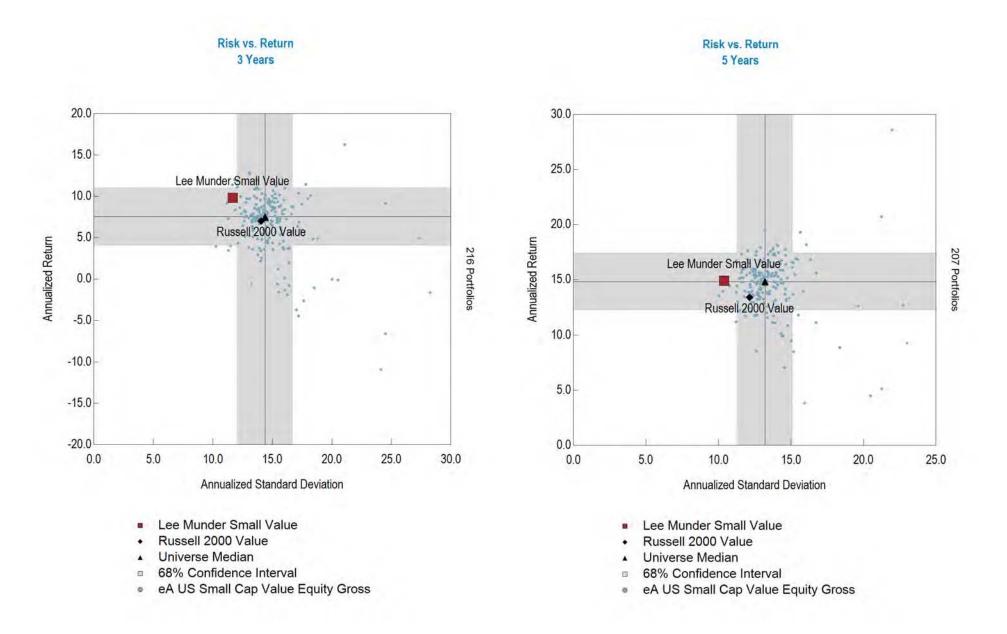
5th Percentile
25th Percentile
Median
75th Percentile
95th Percentile
# of Portfolios

Lee Munder Small Value

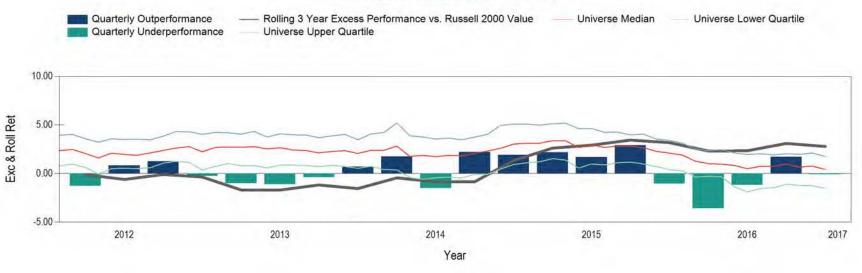
Russell 2000 Value

Return	(Rank	)																	
36.7		1.5		11.2		49.4		25.7		5.3		35.6		64.2		-23.8		9.3	
30.7		-2.2		8.2		42.1		20.8		0.0		30.2		42.1		-28.7		1.5	
27.2		-4.3		5.8		38.1		16.9		-3.3		26.9		32.0		-32.3		-2.9	
22.2		-7.7		3.1		35.2		14.7		-6.2		23.8		25.5		-36.3		-8.1	
16.8		-15.8		-6.3		27.8		10.3		-12.6		19.2		16.1		-43.3		-16.1	
222		212		206		199		187		177		186		197		221		230	
28.4	(38)	0.4	(9)	5.1	(60)	33.1	(85)	15.7	(61)	-6.9	(79)	26.8	(54)	-	()		()	-	()
31.7	(17)	-7.5	(74)	4.2	(68)	34.5	(78)	18.1	(43)	-5.5	(69)	24.5	(72)	20.6	(85)	-28.9	(27)	-9.8	(82)

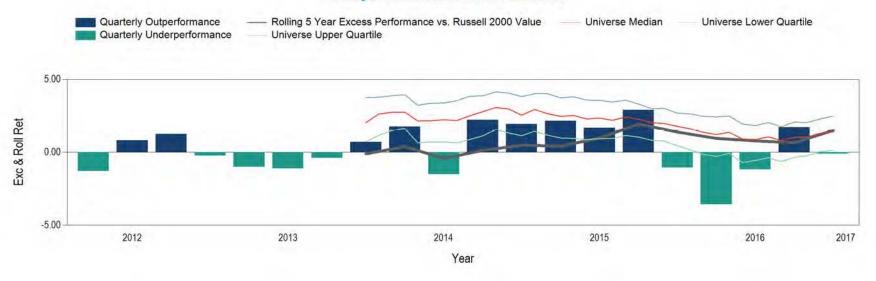








## Rolling 5 Year Annualized Excess Performance

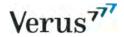




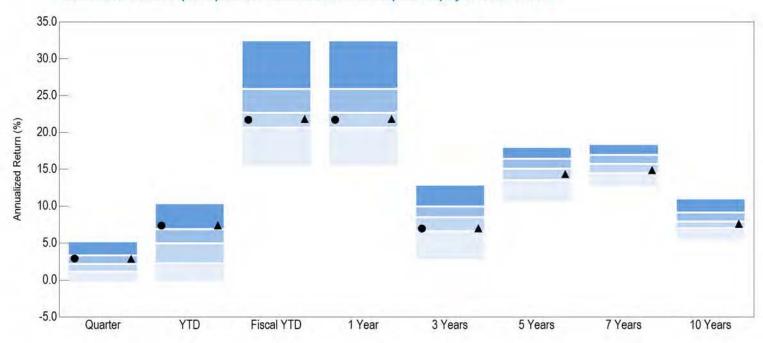
	Portfolio	Russell Small Cap Completeness
Number of Holdings	2,488	2,495
Weighted Avg. Market Cap. (\$B)	6.22	6.18
Median Market Cap. (\$B)	1.10	1.10
Price To Earnings	26.39	24.84
Price To Book	3.97	3.35
Price To Sales	3.53	3.31
Return on Equity (%)	14.56	12.09
Yield (%)	1.45	1.23
Beta	1.00	1.00



Top Holdings			Top Contributo	rs	Bottom Contributors							
Ending Period Weight			Avg Wgt	Return	Contribution		Avg Wgt	Return	Contribution			
TESLA MOTORS	1.05%	TESLA MOTORS	0.81	29.94	0.24	WEATHERFORD INTL.	0.15	-41.80	-0.06			
NXP SEMICONDUCTORS	0.81%	YUM CHINA ORD	0.22	44.96	0.10	TARGA RESOURCES	0.25	-23.30	-0.06			
LAS VEGAS SANDS	0.52%	SERVICENOW	0.33	21.18	0.07	HD SUPPLY HOLDINGS	0.19	-25.52	-0.05			
T-MOBILE US	0.40%	LAS VEGAS SANDS	0.49	13.21	0.06	UNITED STATES STEEL	0.12	-34.36	-0.04			
SERVICENOW	0.40%	ALIGN TECHNOLOGY	0.20	30.87	0.06	OASIS PETROLEUM	0.08	-43.55	-0.03			
SBA COMMS.	0.36%	ALNYLAM	0.09	55.63	0.05	WPX ENERGY	0.12	-27.86	-0.03			
MGM RESORTS INTL.	0.36%	PHARMACEUTICALS	0.09	55.05	0.05	NABORS INDUSTRIES	0.09	-37.29	-0.03			
BIOMARIN PHARM.	0.35%	IAC/INTERACTIVECORP	0.12	40.04	0.05	RITE AID	0.11	-30.59	-0.03			
FIRST REPUBLIC BANK	0.35%	LIBERTY INTACT.QVC	0.21	22.58	0.05	DIAMONDBACK ENERGY	0.22	-14.37	-0.03			
YUM CHINA ORD	0.33%	GROUP 'A'				SPIRIT REALTY CAPITAL	0.11	-25.12	-0.03			
		PACKAGING CORP.OF AM	. 0.20	22.30	0.04							
Total	4.92%	MGM RESORTS INTL.	0.30	14.58	0.04							



SSGA Russell Small Cap Completeness Index vs. eA US Small Cap Core Equity Gross Universe



Return (F	Rank)														
5.2		10.4		32.5		32.5		12.9		18.0		18.4		11.0	
3.4		6.9		25.9		25.9		10.0		16.4		17.0		9.2	
2.2		5.0		22.7		22.7		8.5		15.1		15.8		7.9	
1.1		2.3		20.7		20.7		6.7		13.5		14.5		7.0	
-0.3		-0.3		15.5		15.5		2.7		10.5		12.6		5.3	
172		171		171		171		168		157		141		118	
2.9	(37)	7.4	(21)	21.7	(65)	21.7	(65)	7.0	(71)	-	()		()		()
2.9	(37)	7.4	(21)	21.8	(64)	21.8	(64)	7.0	(70)	14.4	(64)	14.9	(69)	7.6	(58)
	5.2 3.4 2.2 1.1 -0.3 172 •x 2.9	3.4 2.2 1.1 -0.3 172 <b>x</b> 2.9 (37)	5.2 10.4 3.4 6.9 2.2 5.0 1.1 2.3 -0.3 -0.3 172 171 ex 2.9 (37) 7.4	5.2 10.4 3.4 6.9 2.2 5.0 1.1 2.3 -0.3 -0.3 172 171 ex 2.9 (37) 7.4 (21)	5.2 10.4 32.5 3.4 6.9 25.9 2.2 5.0 22.7 1.1 2.3 20.7 -0.3 -0.3 15.5 172 171 171 ex 2.9 (37) 7.4 (21) 21.7	5.2 10.4 32.5 3.4 6.9 25.9 2.2 5.0 22.7 1.1 2.3 20.7 -0.3 -0.3 15.5 172 171 171 ex 2.9 (37) 7.4 (21) 21.7 (65)	5.2     10.4     32.5     32.5       3.4     6.9     25.9     25.9       2.2     5.0     22.7     22.7       1.1     2.3     20.7     20.7       -0.3     -0.3     15.5     15.5       172     171     171     171       172     20.7     20.7     20.7       172     171     171     171       172     173     174     171     171       173     174     174     174     174	5.2     10.4     32.5     32.5       3.4     6.9     25.9     25.9       2.2     5.0     22.7     22.7       1.1     2.3     20.7     20.7       -0.3     -0.3     15.5     15.5       172     171     171     171       172     20.7     20.7     20.7       172     171     171     171       172     173     174     171     171       173     174     175     175     176	5.2     10.4     32.5     32.5     12.9       3.4     6.9     25.9     25.9     10.0       2.2     5.0     22.7     22.7     8.5       1.1     2.3     20.7     20.7     6.7       -0.3     -0.3     15.5     15.5     2.7       172     171     171     171     168       ex     2.9     (37)     7.4     (21)     21.7     (65)     21.7     (65)     7.0	5.2     10.4     32.5     32.5     12.9       3.4     6.9     25.9     25.9     10.0       2.2     5.0     22.7     22.7     8.5       1.1     2.3     20.7     20.7     6.7       -0.3     -0.3     15.5     15.5     2.7       172     171     171     171     168       ex     2.9     (37)     7.4     (21)     21.7     (65)     21.7     (65)     7.0     (71)	5.2     10.4     32.5     32.5     12.9     18.0       3.4     6.9     25.9     25.9     10.0     16.4       2.2     5.0     22.7     22.7     8.5     15.1       1.1     2.3     20.7     20.7     6.7     13.5       -0.3     -0.3     15.5     15.5     2.7     10.5       172     171     171     171     168     157       ex     2.9     (37)     7.4     (21)     21.7     (65)     21.7     (65)     7.0     (71)	5.2     10.4     32.5     32.5     12.9     18.0       3.4     6.9     25.9     25.9     10.0     16.4       2.2     5.0     22.7     22.7     8.5     15.1       1.1     2.3     20.7     20.7     6.7     13.5       -0.3     -0.3     15.5     15.5     2.7     10.5       172     171     171     171     168     157       ex     2.9     (37)     7.4     (21)     21.7     (65)     21.7     (65)     7.0     (71)      ()	5.2     10.4     32.5     32.5     12.9     18.0     18.4       3.4     6.9     25.9     25.9     10.0     16.4     17.0       2.2     5.0     22.7     22.7     8.5     15.1     15.8       1.1     2.3     20.7     20.7     6.7     13.5     14.5       -0.3     -0.3     15.5     15.5     2.7     10.5     12.6       172     171     171     171     168     157     141       ex     2.9     (37)     7.4     (21)     21.7     (65)     21.7     (65)     7.0     (71)      ()	5.2     10.4     32.5     32.5     12.9     18.0     18.4       3.4     6.9     25.9     25.9     10.0     16.4     17.0       2.2     5.0     22.7     22.7     8.5     15.1     15.8       1.1     2.3     20.7     20.7     6.7     13.5     14.5       -0.3     -0.3     15.5     15.5     2.7     10.5     12.6       172     171     171     171     168     157     141       ex     2.9     (37)     7.4     (21)     21.7     (65)     21.7     (65)     7.0     (71)      ()      ()	5.2     10.4     32.5     32.5     12.9     18.0     18.4     11.0       3.4     6.9     25.9     25.9     10.0     16.4     17.0     9.2       2.2     5.0     22.7     22.7     8.5     15.1     15.8     7.9       1.1     2.3     20.7     20.7     6.7     13.5     14.5     7.0       -0.3     -0.3     15.5     15.5     2.7     10.5     12.6     5.3       172     171     171     171     168     157     141     118       ex     2.9     (37)     7.4     (21)     21.7     (65)     21.7     (65)     7.0     (71)      ()      ()



	Market Value	3 Mo	YTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2016	2015	2014	2013	2012
Total International Equity	267,153,760	5.9	14.3	21.3	21.3	1.2	7.8	-0.1	6.2	-5.9	-4.8	18.5	15.7
MSCI ACWI ex USA Gross		6.0	14.5	21.0	21.0	1.3	7.7	1.6	5.0	-5.3	-3.4	15.8	17.4
InvestorForce Public DB ex-US Eq Gross Rank		71	81	39	39	77	69	89	13	85	83	44	91
PIMCO RAE Fundamental Global Ex US Fund	88,574,878	4.4	12.4	24.5	24.5	0.4			13.5	-10.9	-5.7	24.5	
MSCI ACWI ex USA Gross		6.0	14.5	21.0	21.0	1.3			5.0	-5.3	-3.4	15.8	
eA All EAFE Equity Gross Rank		96	88	24	24	94			1	99	79	51	
SSGA MSCI ACWI Ex US Index Fund	87,990,457	5.9	14.3	20.8	20.8	1.0	7.5		4.8	-5.5	-3.6	15.5	17.1
MSCI ACWI ex USA Gross		6.0	14.5	21.0	21.0	1.3	7.7		5.0	-5.3	-3.4	15.8	17.4
eA All EAFE Equity Gross Rank		76	62	54	54	87	97		17	96	49	90	81
Pyramis International Growth	90,588,425	7.4	15.9	18.6	18.6	2.1	8.2	1.8	1.2	-1.5	-5.3	18.5	19.4
MSCI ACWI ex USA Gross		6.0	14.5	21.0	21.0	1.3	7.7	1.6	5.0	-5.3	-3.4	15.8	17.4
eA All EAFE Equity Gross Rank		36	37	72	72	67	93	69	52	77	75	85	59

EAFE Effective Style Map 3 Years

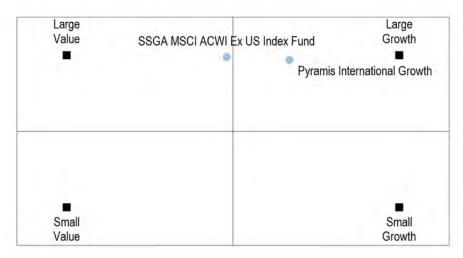
Large
Value
PIMCO RAE Fundamental Global Ex US Fund

SSGA MSCI ACWI Ex US Index Fund
Pyramis International Growth

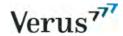
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Value

Small
Growth

EAFE Effective Style Map 5 Years

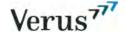


Research Affiliates converted to PIMCO RAE Fundamental Global Ex US Fund on 6/5/15 (performance prior to this date represents previously held Enhanced RAFI Global ex US). Effective 1/1/2017, only traditional asset class (public equity, public fixed income, REITs) investment management fees will be included in the gross of fee return calculation.

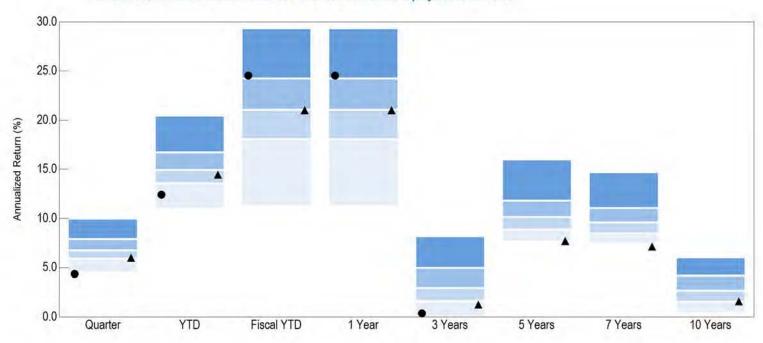


	Market Value	3 Mo	YTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2016	2015	2014	2013	2012
Total International Equity	267,153,760	5.8	14.1	20.8	20.8	0.9	7.5	-0.5	5.9	-6.2	-5.0	18.3	15.3
MSCI ACWI ex USA Gross		6.0	14.5	21.0	21.0	1.3	7.7	1.6	5.0	-5.3	-3.4	15.8	17.4
PIMCO RAE Fundamental Global Ex US Fund	88,574,878	4.2	12.1	23.9	23.9	-0.1			13.0	-11.4	-5.9	23.7	
MSCI ACWI ex USA Gross		6.0	14.5	21.0	21.0	1.3			5.0	-5.3	-3.4	15.8	
SSGA MSCI ACWI Ex US Index Fund	87,990,457	5.9	14.3	20.7	20.7	1.0	7.4		4.7	-5.5	-3.7	15.5	17.1
MSCI ACWI ex USA Gross		6.0	14.5	21.0	21.0	1.3	7.7		5.0	-5.3	-3.4	15.8	17.4
Pyramis International Growth	90,588,425	7.3	15.6	18.0	18.0	1.6	7.6	1.3	0.7	-1.9	-5.7	17.9	18.6
MSCI ACWI ex USA Gross		6.0	14.5	21.0	21.0	1.3	7.7	1.6	5.0	-5.3	-3.4	15.8	17.4

Research Affiliates converted to PIMCO RAE Fundamental Global Ex US Fund on 6/5/15 (performance prior to this date represents previously held Enhanced RAFI Global ex US).

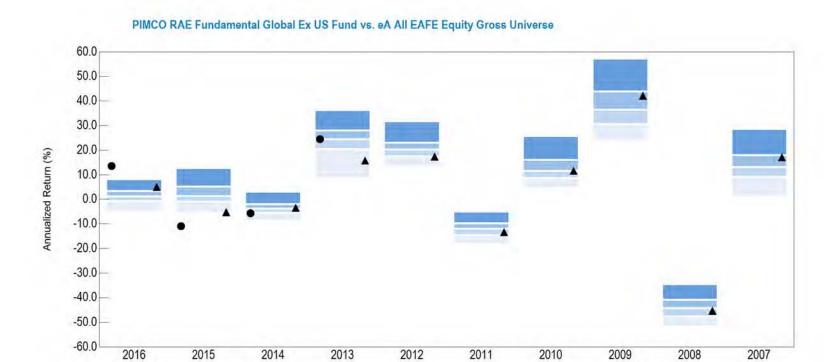


PIMCO RAE Fundamental Global Ex US Fund vs. eA All EAFE Equity Gross Universe



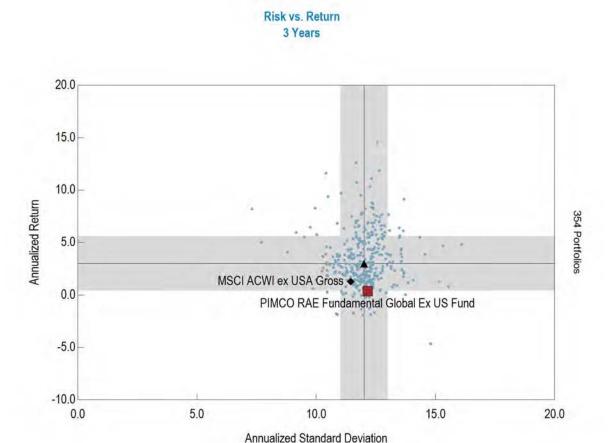
eturn (R	ank)														
10.0		20.5		29.3		29.3		8.2		16.0		14.7		6.0	
7.9		16.7		24.2		24.2		5.0		11.8		11.1		4.2	
6.8		14.9		21.1		21.1		3.0		10.2		9.6		2.7	
5.9		13.6		18.1		18.1		1.7		8.9		8.5		1.6	
4.5		11.0		11.3		11.3		0.1		7.7		7.5		0.5	
381		381		381		381		354		323		301		247	
4.4	(96)	12.4	(88)	24.5	(24)	24.5	(24)	0.4	(94)		()		()		()
6.0	(75)	14.5	(61)	21.0	(51)	21.0	(51)	1.3	(83)	7.7	(95)	7.1	(98)	1.6	(75)
•	10.0 7.9 6.8 5.9 4.5 381 4.4	7.9 6.8 5.9 4.5 381 4.4 (96)	10.0 20.5 7.9 16.7 6.8 14.9 5.9 13.6 4.5 11.0 381 381 4.4 (96) 12.4	10.0 20.5 7.9 16.7 6.8 14.9 5.9 13.6 4.5 11.0 381 381 4.4 (96) 12.4 (88)	10.0     20.5     29.3       7.9     16.7     24.2       6.8     14.9     21.1       5.9     13.6     18.1       4.5     11.0     11.3       381     381     381       4.4     (96)     12.4     (88)     24.5	10.0     20.5     29.3       7.9     16.7     24.2       6.8     14.9     21.1       5.9     13.6     18.1       4.5     11.0     11.3       381     381     381       4.4     (96)     12.4     (88)     24.5     (24)	10.0     20.5     29.3     29.3       7.9     16.7     24.2     24.2       6.8     14.9     21.1     21.1       5.9     13.6     18.1     18.1       4.5     11.0     11.3     11.3       381     381     381     381       4.4     (96)     12.4     (88)     24.5     (24)     24.5	10.0     20.5     29.3     29.3       7.9     16.7     24.2     24.2       6.8     14.9     21.1     21.1       5.9     13.6     18.1     18.1       4.5     11.0     11.3     11.3       381     381     381     381       4.4     (96)     12.4     (88)     24.5     (24)     24.5     (24)	10.0     20.5     29.3     29.3     8.2       7.9     16.7     24.2     24.2     5.0       6.8     14.9     21.1     21.1     3.0       5.9     13.6     18.1     18.1     1.7       4.5     11.0     11.3     11.3     0.1       381     381     381     381     354       4.4     (96)     12.4     (88)     24.5     (24)     24.5     (24)     0.4	10.0     20.5     29.3     29.3     8.2       7.9     16.7     24.2     24.2     5.0       6.8     14.9     21.1     21.1     3.0       5.9     13.6     18.1     18.1     1.7       4.5     11.0     11.3     11.3     0.1       381     381     381     381     354       4.4     (96)     12.4     (88)     24.5     (24)     24.5     (24)     0.4     (94)	10.0     20.5     29.3     29.3     8.2     16.0       7.9     16.7     24.2     24.2     5.0     11.8       6.8     14.9     21.1     21.1     3.0     10.2       5.9     13.6     18.1     18.1     1.7     8.9       4.5     11.0     11.3     11.3     0.1     7.7       381     381     381     381     354     323       4.4     (96)     12.4     (88)     24.5     (24)     24.5     (24)     0.4     (94)	10.0     20.5     29.3     29.3     8.2     16.0       7.9     16.7     24.2     24.2     5.0     11.8       6.8     14.9     21.1     21.1     3.0     10.2       5.9     13.6     18.1     18.1     1.7     8.9       4.5     11.0     11.3     11.3     0.1     7.7       381     381     381     381     354     323       4.4     (96)     12.4     (88)     24.5     (24)     24.5     (24)     0.4     (94)      ()	10.0     20.5     29.3     29.3     8.2     16.0     14.7       7.9     16.7     24.2     24.2     5.0     11.8     11.1       6.8     14.9     21.1     21.1     3.0     10.2     9.6       5.9     13.6     18.1     18.1     1.7     8.9     8.5       4.5     11.0     11.3     11.3     0.1     7.7     7.5       381     381     381     381     354     323     301       4.4     (96)     12.4     (88)     24.5     (24)     24.5     (24)     0.4     (94)      ()	10.0     20.5     29.3     29.3     8.2     16.0     14.7       7.9     16.7     24.2     24.2     5.0     11.8     11.1       6.8     14.9     21.1     21.1     3.0     10.2     9.6       5.9     13.6     18.1     18.1     1.7     8.9     8.5       4.5     11.0     11.3     11.3     0.1     7.7     7.5       381     381     381     381     354     323     301       4.4     (96)     12.4     (88)     24.5     (24)     24.5     (24)     0.4     (94)      ()      ()	10.0     20.5     29.3     29.3     8.2     16.0     14.7     6.0       7.9     16.7     24.2     24.2     5.0     11.8     11.1     4.2       6.8     14.9     21.1     21.1     3.0     10.2     9.6     2.7       5.9     13.6     18.1     18.1     1.7     8.9     8.5     1.6       4.5     11.0     11.3     11.3     0.1     7.7     7.5     0.5       381     381     381     381     354     323     301     247       4.4     (96)     12.4     (88)     24.5     (24)     24.5     (24)     0.4     (94)      ()      ()



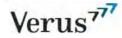


8.1																			
0.1		12.6		3.0		36.3		31.7		-5.1		25.7		57.3		-34.5		28.5	
3.4		5.2		-1.9		28.1		23.1		-9.7		16.1		44.0		-40.8		18.0	
1.3		1.4		-3.7		24.6		20.4		-12.0		11.7		36.5		-44.1		13.2	
-0.6		-0.9		-5.4		20.5		17.5		-14.5		8.7		30.7		-47.5		9.1	
-4.9		-5.4		-8.6		8.6		13.3		-18.2		4.6		23.7		-51.5		1.2	
350		325		314		284		263		278		352		455		477		466	
d 13.5	(1)	-10.9	(99)	-5.7	(79)	24.5	(51)		()		()		()	-	()		()		()
5.0	(16)	-5.3	(95)	-3.4	(47)	15.8	(90)	17.4	(77)	-13.3	(62)	11.6	(52)	42.1	(30)	-45.2	(59)	17.1	(31)
1	1.3 -0.6 -4.9 350 <b>nd</b> 13.5	1.3 -0.6 -4.9 350 and 13.5 (1)	3.4 5.2 1.3 1.4 -0.6 -0.9 -4.9 -5.4 350 325 nd 13.5 (1) -10.9	3.4 5.2 1.3 1.4 -0.6 -0.9 -4.9 -5.4 350 325 and 13.5 (1) -10.9 (99)	3.4 5.2 -1.9 1.3 1.4 -3.7 -0.6 -0.9 -5.4 -4.9 -5.4 -8.6 350 325 314 nd 13.5 (1) -10.9 (99) -5.7	3.4 5.2 -1.9 1.3 1.4 -3.7 -0.6 -0.9 -5.4 -4.9 -5.4 -8.6 350 325 314 and 13.5 (1) -10.9 (99) -5.7 (79)	3.4 5.2 -1.9 28.1 1.3 1.4 -3.7 24.6 -0.6 -0.9 -5.4 20.5 -4.9 -5.4 -8.6 8.6 350 325 314 284 and 13.5 (1) -10.9 (99) -5.7 (79) 24.5	3.4 5.2 -1.9 28.1 1.3 1.4 -3.7 24.6 -0.6 -0.9 -5.4 20.5 -4.9 -5.4 -8.6 8.6 350 325 314 284 and 13.5 (1) -10.9 (99) -5.7 (79) 24.5 (51)	3.4 5.2 -1.9 28.1 23.1 1.3 1.4 -3.7 24.6 20.4 -0.6 -0.9 -5.4 20.5 17.5 -4.9 -5.4 -8.6 8.6 13.3 350 325 314 284 263 and 13.5 (1) -10.9 (99) -5.7 (79) 24.5 (51)	3.4 5.2 -1.9 28.1 23.1 1.3 1.4 -3.7 24.6 20.4 -0.6 -0.9 -5.4 20.5 17.5 -4.9 -5.4 -8.6 8.6 13.3 350 325 314 284 263 and 13.5 (1) -10.9 (99) -5.7 (79) 24.5 (51) ()	3.4 5.2 -1.9 28.1 23.1 -9.7 1.3 1.4 -3.7 24.6 20.4 -12.0 -0.6 -0.9 -5.4 20.5 17.5 -14.5 -4.9 -5.4 -8.6 8.6 13.3 -18.2 350 325 314 284 263 278 and 13.5 (1) -10.9 (99) -5.7 (79) 24.5 (51) ()	3.4 5.2 -1.9 28.1 23.1 -9.7 1.3 1.4 -3.7 24.6 20.4 -12.0 -0.6 -0.9 -5.4 20.5 17.5 -14.5 -4.9 -5.4 -8.6 8.6 13.3 -18.2 350 325 314 284 263 278  and 13.5 (1) -10.9 (99) -5.7 (79) 24.5 (51) () ()	3.4 5.2 -1.9 28.1 23.1 -9.7 16.1 1.3 1.4 -3.7 24.6 20.4 -12.0 11.7 -0.6 -0.9 -5.4 20.5 17.5 -14.5 8.7 -4.9 -5.4 -8.6 8.6 13.3 -18.2 4.6 350 325 314 284 263 278 352 and 13.5 (1) -10.9 (99) -5.7 (79) 24.5 (51) () ()	3.4 5.2 -1.9 28.1 23.1 -9.7 16.1 1.3 1.4 -3.7 24.6 20.4 -12.0 11.7 -0.6 -0.9 -5.4 20.5 17.5 -14.5 8.7 -4.9 -5.4 -8.6 8.6 13.3 -18.2 4.6 350 325 314 284 263 278 352 and 13.5 (1) -10.9 (99) -5.7 (79) 24.5 (51) () ()	3.4 5.2 -1.9 28.1 23.1 -9.7 16.1 44.0 1.3 1.4 -3.7 24.6 20.4 -12.0 11.7 36.5 -0.6 -0.9 -5.4 20.5 17.5 -14.5 8.7 30.7 -4.9 -5.4 -8.6 8.6 13.3 -18.2 4.6 23.7 350 325 314 284 263 278 352 455 and 13.5 (1) -10.9 (99) -5.7 (79) 24.5 (51) () () ()	3.4 5.2 -1.9 28.1 23.1 -9.7 16.1 44.0 1.3 1.4 -3.7 24.6 20.4 -12.0 11.7 36.5 -0.6 -0.9 -5.4 20.5 17.5 -14.5 8.7 30.7 -4.9 -5.4 -8.6 8.6 13.3 -18.2 4.6 23.7 350 325 314 284 263 278 352 455 and 13.5 (1) -10.9 (99) -5.7 (79) 24.5 (51) () () () ()	3.4 5.2 -1.9 28.1 23.1 -9.7 16.1 44.0 -40.8 1.3 1.4 -3.7 24.6 20.4 -12.0 11.7 36.5 -44.1 -0.6 -0.9 -5.4 20.5 17.5 -14.5 8.7 30.7 -47.5 -4.9 -5.4 -8.6 8.6 13.3 -18.2 4.6 23.7 -51.5 350 325 314 284 263 278 352 455 477 and 13.5 (1) -10.9 (99) -5.7 (79) 24.5 (51) () () () () ()	3.4 5.2 -1.9 28.1 23.1 -9.7 16.1 44.0 -40.8 1.3 1.4 -3.7 24.6 20.4 -12.0 11.7 36.5 -44.1 -0.6 -0.9 -5.4 20.5 17.5 -14.5 8.7 30.7 -47.5 -4.9 -5.4 -8.6 8.6 13.3 -18.2 4.6 23.7 -51.5 350 325 314 284 263 278 352 455 477  and 13.5 (1) -10.9 (99) -5.7 (79) 24.5 (51) () () () () ()	3.4 5.2 -1.9 28.1 23.1 -9.7 16.1 44.0 -40.8 18.0 1.3 1.4 -3.7 24.6 20.4 -12.0 11.7 36.5 -44.1 13.2 -0.6 -0.9 -5.4 20.5 17.5 -14.5 8.7 30.7 -47.5 9.1 -4.9 -5.4 -8.6 8.6 13.3 -18.2 4.6 23.7 -51.5 1.2 350 325 314 284 263 278 352 455 477 466 and 13.5 (1) -10.9 (99) -5.7 (79) 24.5 (51) (

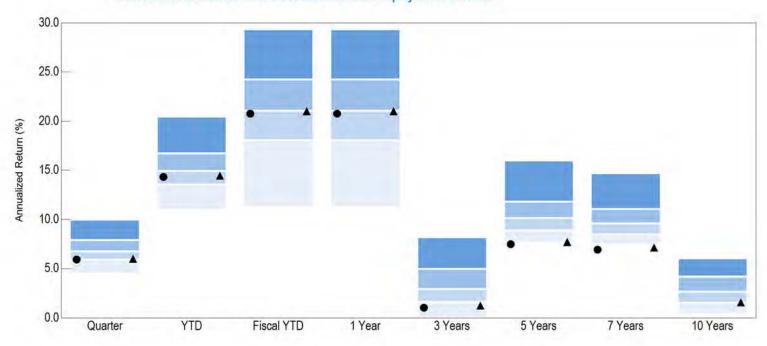




- PIMCO RAE Fundamental Global Ex US Fund
- · MSCI ACWI ex USA Gross
- ▲ Universe Median
- 68% Confidence Interval
- eA All EAFE Equity Gross

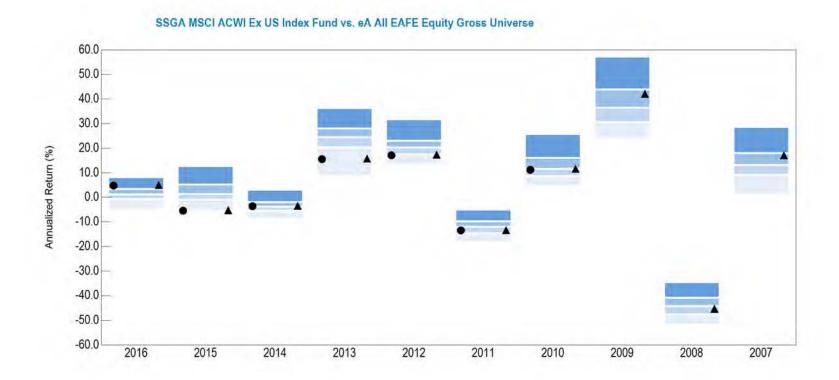


# SSGA MSCI ACWI Ex US Index Fund vs. eA All EAFE Equity Gross Universe



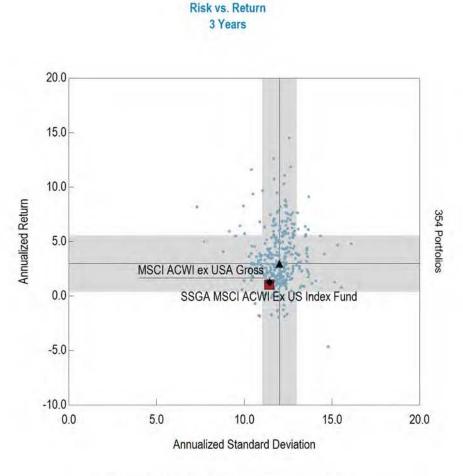
	Return (R	ank)														
5th Percentile	10.0		20.5		29.3		29.3		8.2		16.0		14.7		6.0	
25th Percentile	7.9		16.7		24.2		24.2		5.0		11.8		11.1		4.2	
Median	6.8		14.9		21.1		21.1		3.0		10.2		9.6		2.7	
75th Percentile	5.9		13.6		18.1		18.1		1.7		8.9		8.5		1.6	
95th Percentile	4.5		11.0		11.3		11.3		0.1		7.7		7.5		0.5	
# of Portfolios	381		381		381		381		354		323		301		247	
SSGA MSCI ACWI Ex US Index Fund	5.9	(76)	14.3	(62)	20.8	(54)	20.8	(54)	1.0	(87)	7.5	(97)	6.9	(99)		()
MSCI ACWI ex USA Gross	6.0	(75)	14.5	(61)	21.0	(51)	21.0	(51)	1.3	(83)	7.7	(95)	7.1	(98)	1.6	(75)

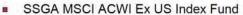




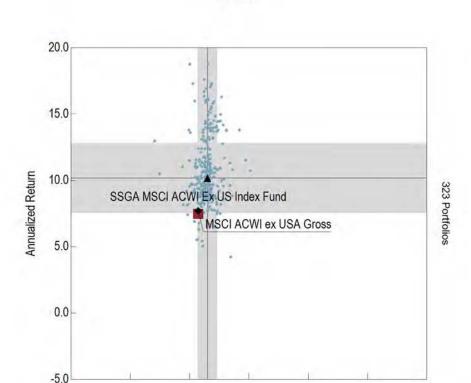
	5th Percentile
	25th Percentile
	Median
	75th Percentile
	95th Percentile
	# of Portfolios
•	SSGA MSCI ACWI Ex US Index Fund
•	MSCI ACWI ex USA Gross
•	# of Portfolios  SSGA MSCI ACWI Ex US Index Fund

Return	(Rank)																		
8.1		12.6		3.0		36.3		31.7		-5.1		25.7		57.3		-34.5		28.5	
3.4		5.2		-1.9		28.1		23.1		-9.7		16.1		44.0		-40.8		18.0	
1.3		1.4		-3.7		24.6		20.4		-12.0		11.7		36.5		-44.1		13.2	
-0.6		-0.9		-5.4		20.5		17.5		-14.5		8.7		30.7		-47.5		9.1	
-4.9		-5.4		-8.6		8.6		13.3		-18.2		4.6		23.7		-51.5		1.2	
350		325		314		284		263		278		352		455		477		466	
4.8	(17)	-5.5	(96)	-3.6	(49)	15.5	(90)	17.1	(81)	-13.5	(64)	11.2	(55)		()		()		()
5.0	(16)	-5.3	(95)	-3.4	(47)	15.8	(90)	17.4	(77)	-13.3	(62)	11.6	(52)	42.1	(30)	-45.2	(59)	17.1	(31)





- MSCI ACWI ex USA Gross
- Universe Median
- 68% Confidence Interval
- eA All EAFE Equity Gross



Risk vs. Return

5 Years

SSGA MSCI ACWI Ex US Index Fund

15.0

Annualized Standard Deviation

20.0

25.0

MSCI ACWI ex USA Gross

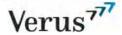
10.0

Universe Median

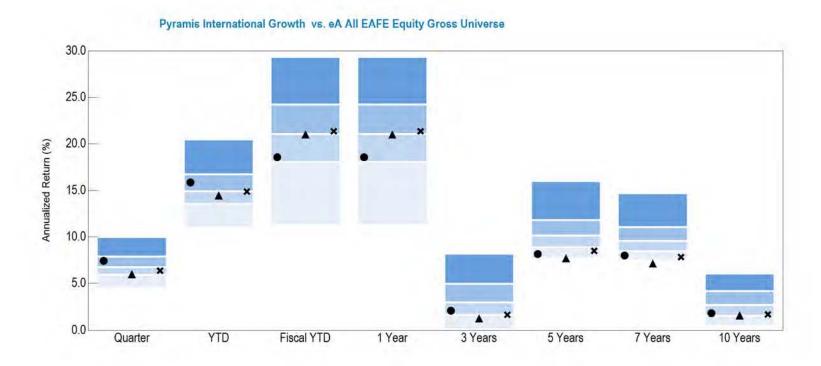
0.0

5.0

- 68% Confidence Interval
- eA All EAFE Equity Gross

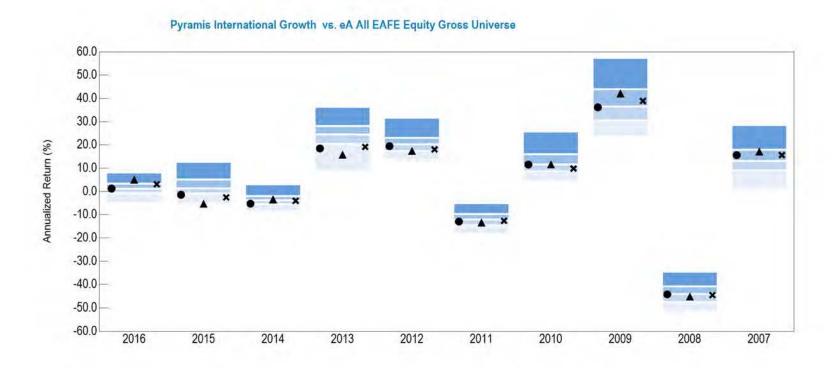


30.0



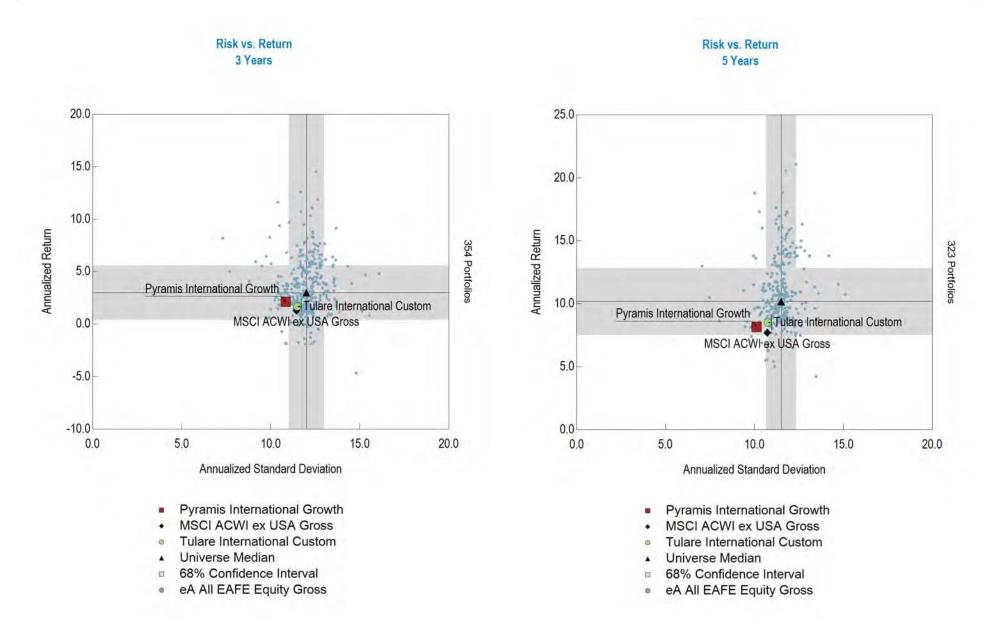
									ank)	Return (Ra	
7 6.0	14.7	16.0	8.2	3	29.3	29.3		20.5		10.0	5th Percentile
1 4.2	11.1	11.8	5.0	2	24.2	24.2		16.7		7.9	25th Percentile
6 2.7	9.6	10.2	3.0	1	21.1	21.1		14.9		6.8	Median
5 1.6	8.5	8.9	1.7	1	18.1	18.1		13.6		5.9	75th Percentile
5 0.5	7.5	7.7	0.1	3	11.3	11.3		11.0		4.5	95th Percentile
1 247	301	323	354	1	381	381		381		381	# of Portfolios
0 (87) 1.8 (69)	3) 8.0	8.2 (93)	2.1 (67)	6 (72)	(72) 18.6	18.6	(37)	15.9	(36)	7.4	Pyramis International Growth
1 (98) 1.6 (75)	5) 7.1	7.7 (95)	1.3 (83)	0 (51)	(51) 21.0	21.0	(61)	14.5	(75)	6.0	MSCI ACWI ex USA Gross
8 (90) 1.7 (72)	7) 7.8	8.5 (87)	1.7 (76)	4 (48)	(48) 21.4	21.4	(51)	14.9	(64)	6.4	Tulare International Custom
3 (90)	) 1.0	0.5 (01)	1.7 (70)	4 (40)	(40) 21.4	21.4	(51)	14.9	(04)	0.4	Tulare international custom

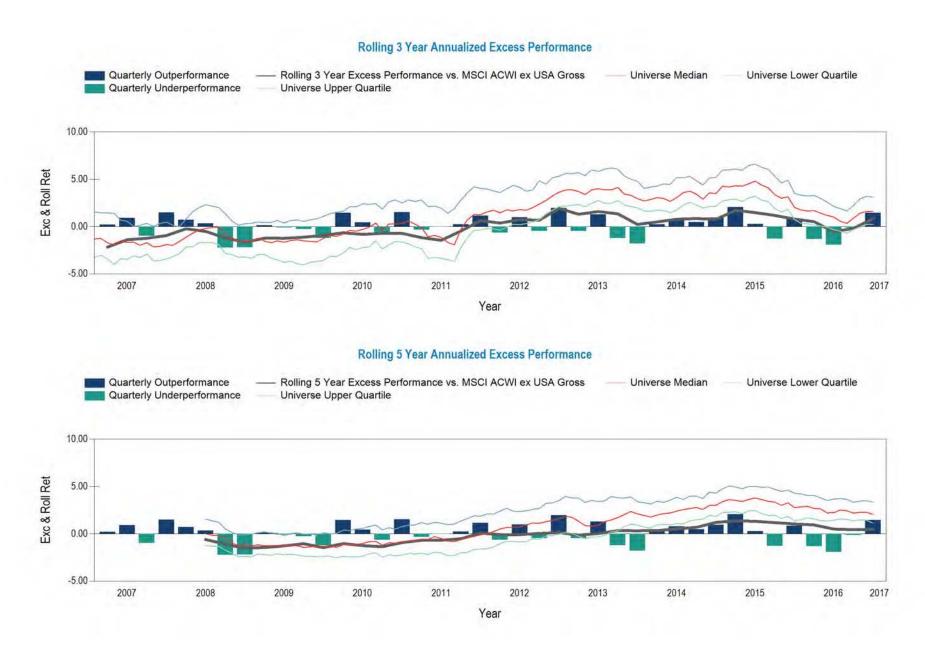


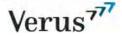


Return	(Rank)																		
8.1		12.6		3.0		36.3		31.7		-5.1		25.7		57.3		-34.5		28.5	
3.4		5.2		-1.9		28.1		23.1		-9.7		16.1		44.0		-40.8		18.0	
1.3		1.4		-3.7		24.6		20.4		-12.0		11.7		36.5		-44.1		13.2	
-0.6		-0.9		-5.4		20.5		17.5		-14.5		8.7		30.7		-47.5		9.1	
-4.9		-5.4		-8.6		8.6		13.3		-18.2		4.6		23.7		-51.5		1.2	
350		325		314		284		263		278		352		455		477		466	
1.2	(52)	-1.5	(77)	-5.3	(75)	18.5	(85)	19.4	(59)	-13.0	(59)	11.5	(53)	36.1	(51)	-44.3	(52)	15.6	(38)
5.0	(16)	-5.3	(95)	-3.4	(47)	15.8	(90)	17.4	(77)	-13.3	(62)	11.6	(52)	42.1	(30)	-45.2	(59)	17.1	(31)
3.1	(29)	-2.6	(83)	-4.0	(55)	19.1	(83)	18.1	(70)	-12.6	(56)	9.8	(67)	38.9	(40)	-44.6	(56)	15.6	(38)
	8.1 3.4 1.3 -0.6 -4.9 350 1.2 5.0	8.1 3.4 1.3 -0.6 -4.9 350 1.2 (52) 5.0 (16)	8.1 12.6 3.4 5.2 1.3 1.4 -0.6 -0.9 -4.9 -5.4 350 325 1.2 (52) -1.5 5.0 (16) -5.3	8.1 12.6 3.4 5.2 1.3 1.4 -0.6 -0.9 -4.9 -5.4 350 325 1.2 (52) -1.5 (77) 5.0 (16) -5.3 (95)	8.1 12.6 3.0 3.4 5.2 -1.9 1.3 1.4 -3.7 -0.6 -0.9 -5.4 -4.9 -5.4 -8.6 350 325 314 1.2 (52) -1.5 (77) -5.3 5.0 (16) -5.3 (95) -3.4	8.1 12.6 3.0 3.4 5.2 -1.9 1.3 1.4 -3.7 -0.6 -0.9 -5.4 -4.9 -5.4 -8.6 350 325 314 1.2 (52) -1.5 (77) -5.3 (75) 5.0 (16) -5.3 (95) -3.4 (47)	8.1     12.6     3.0     36.3       3.4     5.2     -1.9     28.1       1.3     1.4     -3.7     24.6       -0.6     -0.9     -5.4     20.5       -4.9     -5.4     -8.6     8.6       350     325     314     284       1.2     (52)     -1.5     (77)     -5.3     (75)     18.5       5.0     (16)     -5.3     (95)     -3.4     (47)     15.8	3.4     5.2     -1.9     28.1       1.3     1.4     -3.7     24.6       -0.6     -0.9     -5.4     20.5       -4.9     -5.4     -8.6     8.6       350     325     314     284       1.2     (52)     -1.5     (77)     -5.3     (75)     18.5     (85)       5.0     (16)     -5.3     (95)     -3.4     (47)     15.8     (90)	8.1     12.6     3.0     36.3     31.7       3.4     5.2     -1.9     28.1     23.1       1.3     1.4     -3.7     24.6     20.4       -0.6     -0.9     -5.4     20.5     17.5       -4.9     -5.4     -8.6     8.6     13.3       350     325     314     284     263       1.2     (52)     -1.5     (77)     -5.3     (75)     18.5     (85)     19.4       5.0     (16)     -5.3     (95)     -3.4     (47)     15.8     (90)     17.4	8.1     12.6     3.0     36.3     31.7       3.4     5.2     -1.9     28.1     23.1       1.3     1.4     -3.7     24.6     20.4       -0.6     -0.9     -5.4     20.5     17.5       -4.9     -5.4     -8.6     8.6     13.3       350     325     314     284     263       1.2     (52)     -1.5     (77)     -5.3     (75)     18.5     (85)     19.4     (59)       5.0     (16)     -5.3     (95)     -3.4     (47)     15.8     (90)     17.4     (77)	8.1     12.6     3.0     36.3     31.7     -5.1       3.4     5.2     -1.9     28.1     23.1     -9.7       1.3     1.4     -3.7     24.6     20.4     -12.0       -0.6     -0.9     -5.4     20.5     17.5     -14.5       -4.9     -5.4     -8.6     8.6     13.3     -18.2       350     325     314     284     263     278       1.2     (52)     -1.5     (77)     -5.3     (75)     18.5     (85)     19.4     (59)     -13.0       5.0     (16)     -5.3     (95)     -3.4     (47)     15.8     (90)     17.4     (77)     -13.3	8.1     12.6     3.0     36.3     31.7     -5.1       3.4     5.2     -1.9     28.1     23.1     -9.7       1.3     1.4     -3.7     24.6     20.4     -12.0       -0.6     -0.9     -5.4     20.5     17.5     -14.5       -4.9     -5.4     -8.6     8.6     13.3     -18.2       350     325     314     284     263     278       1.2     (52)     -1.5     (77)     -5.3     (75)     18.5     (85)     19.4     (59)     -13.0     (59)       5.0     (16)     -5.3     (95)     -3.4     (47)     15.8     (90)     17.4     (77)     -13.3     (62)	8.1     12.6     3.0     36.3     31.7     -5.1     25.7       3.4     5.2     -1.9     28.1     23.1     -9.7     16.1       1.3     1.4     -3.7     24.6     20.4     -12.0     11.7       -0.6     -0.9     -5.4     20.5     17.5     -14.5     8.7       -4.9     -5.4     -8.6     8.6     13.3     -18.2     4.6       350     325     314     284     263     278     352       1.2     (52)     -1.5     (77)     -5.3     (75)     18.5     (85)     19.4     (59)     -13.0     (59)     11.5       5.0     (16)     -5.3     (95)     -3.4     (47)     15.8     (90)     17.4     (77)     -13.3     (62)     11.6	8.1     12.6     3.0     36.3     31.7     -5.1     25.7       3.4     5.2     -1.9     28.1     23.1     -9.7     16.1       1.3     1.4     -3.7     24.6     20.4     -12.0     11.7       -0.6     -0.9     -5.4     20.5     17.5     -14.5     8.7       -4.9     -5.4     -8.6     8.6     13.3     -18.2     4.6       350     325     314     284     263     278     352       1.2     (52)     -1.5     (77)     -5.3     (75)     18.5     (85)     19.4     (59)     -13.0     (59)     11.5     (53)       5.0     (16)     -5.3     (95)     -3.4     (47)     15.8     (90)     17.4     (77)     -13.3     (62)     11.6     (52)	8.1     12.6     3.0     36.3     31.7     -5.1     25.7     57.3       3.4     5.2     -1.9     28.1     23.1     -9.7     16.1     44.0       1.3     1.4     -3.7     24.6     20.4     -12.0     11.7     36.5       -0.6     -0.9     -5.4     20.5     17.5     -14.5     8.7     30.7       -4.9     -5.4     -8.6     8.6     13.3     -18.2     4.6     23.7       350     325     314     284     263     278     352     455       1.2     (52)     -1.5     (77)     -5.3     (75)     18.5     (85)     19.4     (59)     -13.0     (59)     11.5     (53)     36.1       5.0     (16)     -5.3     (95)     -3.4     (47)     15.8     (90)     17.4     (77)     -13.3     (62)     11.6     (52)     42.1	8.1     12.6     3.0     36.3     31.7     -5.1     25.7     57.3       3.4     5.2     -1.9     28.1     23.1     -9.7     16.1     44.0       1.3     1.4     -3.7     24.6     20.4     -12.0     11.7     36.5       -0.6     -0.9     -5.4     20.5     17.5     -14.5     8.7     30.7       -4.9     -5.4     -8.6     8.6     13.3     -18.2     4.6     23.7       350     325     314     284     263     278     352     455       1.2     (52)     -1.5     (77)     -5.3     (75)     18.5     (85)     19.4     (59)     -13.0     (59)     11.5     (53)     36.1     (51)       5.0     (16)     -5.3     (95)     -3.4     (47)     15.8     (90)     17.4     (77)     -13.3     (62)     11.6     (52)     42.1     (30)	8.1     12.6     3.0     36.3     31.7     -5.1     25.7     57.3     -34.5       3.4     5.2     -1.9     28.1     23.1     -9.7     16.1     44.0     -40.8       1.3     1.4     -3.7     24.6     20.4     -12.0     11.7     36.5     -44.1       -0.6     -0.9     -5.4     20.5     17.5     -14.5     8.7     30.7     -47.5       -4.9     -5.4     -8.6     8.6     13.3     -18.2     4.6     23.7     -51.5       350     325     314     284     263     278     352     455     477       1.2     (52)     -1.5     (77)     -5.3     (75)     18.5     (85)     19.4     (59)     -13.0     (59)     11.5     (53)     36.1     (51)     -44.3       5.0     (16)     -5.3     (95)     -3.4     (47)     15.8     (90)     17.4     (77)     -13.3     (62)     11.6     (52)     42.1     (30)     -45.2	8.1     12.6     3.0     36.3     31.7     -5.1     25.7     57.3     -34.5       3.4     5.2     -1.9     28.1     23.1     -9.7     16.1     44.0     -40.8       1.3     1.4     -3.7     24.6     20.4     -12.0     11.7     36.5     -44.1       -0.6     -0.9     -5.4     20.5     17.5     -14.5     8.7     30.7     -47.5       -4.9     -5.4     -8.6     8.6     13.3     -18.2     4.6     23.7     -51.5       350     325     314     284     263     278     352     455     477       1.2     (52)     -1.5     (77)     -5.3     (75)     18.5     (85)     19.4     (59)     -13.0     (59)     11.5     (53)     36.1     (51)     -44.3     (52)       5.0     (16)     -5.3     (95)     -3.4     (47)     15.8     (90)     17.4     (77)     -13.3     (62)     11.6     (52)     42.1     (30)     -45.2     (59)	8.1     12.6     3.0     36.3     31.7     -5.1     25.7     57.3     -34.5     28.5       3.4     5.2     -1.9     28.1     23.1     -9.7     16.1     44.0     -40.8     18.0       1.3     1.4     -3.7     24.6     20.4     -12.0     11.7     36.5     -44.1     13.2       -0.6     -0.9     -5.4     20.5     17.5     -14.5     8.7     30.7     -47.5     9.1       -4.9     -5.4     -8.6     8.6     13.3     -18.2     4.6     23.7     -51.5     1.2       350     325     314     284     263     278     352     455     477     466       1.2     (52)     -1.5     (77)     -5.3     (75)     18.5     (85)     19.4     (59)     -13.0     (59)     11.5     (53)     36.1     (51)     -44.3     (52)     15.6       5.0     (16)     -5.3     (95)     -3.4     (47)     15.8     (90)     17.4     (77)     -13.3     (62)     11.6     (52)     42.1     (30)     -45.2     (59)     17.1



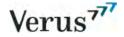


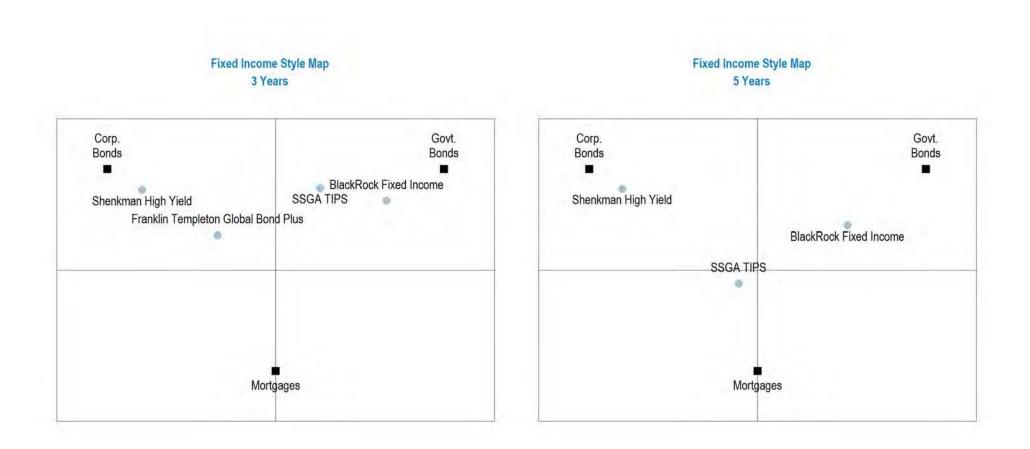




	Market Value	3 Mo	YTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2016	2015	2014	2013	2012
Total Fixed Income	380,033,536	1.1	2.9	3.4	3.4	2.6	3.0	5.3	5.5	-0.8	4.6	-0.9	8.4
BBgBarc US Aggregate TR		1.4	2.3	-0.3	-0.3	2.5	2.2	4.5	2.6	0.6	6.0	-2.0	4.2
InvestorForce Public DB US Fix Inc Gross Rank		65	40	26	26	57	41	39	37	77	69	49	35
Total Domestic Fixed Income													
BlackRock Fixed Income	132,876,451	1.5	2.5	0.2	0.2	2.8	2.7	5.1	3.1	1.1	6.2	-1.5	5.5
BBgBarc US Aggregate TR		1.4	2.3	-0.3	-0.3	2.5	2.2	4.5	2.6	0.6	6.0	-2.0	4.2
eA All US Fixed Inc Gross Rank		47	51	74	74	48	54	42	53	39	29	75	56
Doubleline Core Plus	69,769,905	1.5	2.8	1.7	1.7		-		4.8				
BBgBarc US Aggregate TR		1.4	2.3	-0.3	-0.3				2.6				-
eA US Core Plus Fixed Inc Gross Rank		83	77	71	71				52				
MacKay Shields Core Plus	69,491,585	1.9	3.1	2.5	2.5		-		5.1				
BBgBarc US Aggregate TR		1.4	2.3	-0.3	-0.3				2.6				
eA US Core Plus Fixed Inc Gross Rank		41	53	48	48				46				
Shenkman High Yield	32,620,208	2.2	4.4	10.8	10.8	3.7	5.7		12.3	-2.4	2.5	6.3	12.3
BofA Merrill Lynch US High Yield Master II TR		2.1	4.9	12.8	12.8	4.5	6.9		17.5	-4.6	2.5	7.4	15.6
eA US High Yield Fixed Inc Gross Rank		44	64	63	63	70	85		65	51	52	81	89
SSGA TIPS	10,933,481	-0.4	0.9	-0.6	-0.6	0.6	0.3		4.7	-1.4	3.6	-8.6	6.9
BBgBarc US TIPS TR		-0.4	0.9	-0.6	-0.6	0.6	0.3		4.7	-1.4	3.6	-8.6	7.0
eA TIPS / Infl Indexed Fixed Inc Gross Rank		71	73	82	82	60	88		50	63	44	77	67
Total Global Fixed Income													
Franklin Templeton Global Bond Plus	64,341,905	-1.1	3.1	8.8	8.8	1.7	4.1		6.8	-3.5	2.4	3.0	
JPM GBI Global TR USD		2.6	4.1	-4.4	-4.4	-0.5	0.0		1.6	-2.6	0.7	-4.5	
eA Global Fixed Inc Hedged Gross Rank		99	72	30	30	65	50		40	67	55	37	

Vertas Transition Account used to liquidated PIMCO Core Plus on 11/15/15, remaining balance is residual cash. MacKay Shields and Doubleline funded 12/1/15. Effective 1/1/2017, only traditional asset class (public equity, public fixed income, REITs) investment management fees will be included in the gross of fee return calculation.

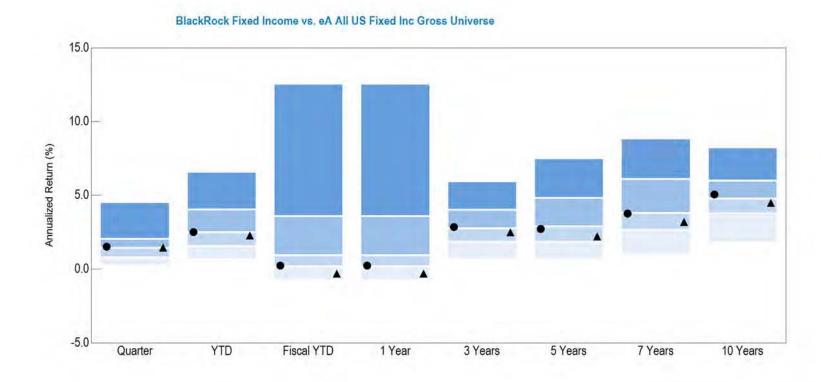




	Market Value	3 Mo	YTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2016	2015	2014	2013	2012
Total Fixed Income	380,033,536	1.0	2.7	3.0	3.0	2.3	2.7	5.0	5.1	-1.1	4.3	-1.2	8.0
BBgBarc US Aggregate TR		1.4	2.3	-0.3	-0.3	2.5	2.2	4.5	2.6	0.6	6.0	-2.0	4.2
Total Domestic Fixed Income													
BlackRock Fixed Income	132,876,451	1.4	2.4	0.0	0.0	2.6	2.4	4.8	2.9	0.8	6.0	-1.8	5.2
BBgBarc US Aggregate TR		1.4	2.3	-0.3	-0.3	2.5	2.2	4.5	2.6	0.6	6.0	-2.0	4.2
Doubleline Core Plus	69,769,905	1.4	2.6	1.4	1.4				4.6				
BBgBarc US Aggregate TR		1.4	2.3	-0.3	-0.3				2.6				
MacKay Shields Core Plus	69,491,585	1.8	2.9	2.1	2.1				4.7				
BBgBarc US Aggregate TR		1.4	2.3	-0.3	-0.3				2.6				
Shenkman High Yield	32,620,208	2.1	4.1	10.3	10.3	3.2	5.2		11.7	-2.9	2.0	5.8	11.7
BofA Merrill Lynch US High Yield Master II TR		2.1	4.9	12.8	12.8	4.5	6.9		17.5	-4.6	2.5	7.4	15.6
SSGA TIPS	10,933,481	-0.4	0.8	-0.7	-0.7	0.6	0.2		4.6	-1.5	3.6	-8.6	6.9
BBgBarc US TIPS TR		-0.4	0.9	-0.6	-0.6	0.6	0.3		4.7	-1.4	3.6	-8.6	7.0
Total Global Fixed Income													
Franklin Templeton Global Bond Plus	64,341,905	-1.3	2.8	8.1	8.1	1.1	3.5		6.1	-4.1	1.9	2.5	
JPM GBI Global TR USD		2.6	4.1	-4.4	-4.4	-0.5	0.0		1.6	-2.6	0.7	-4.5	

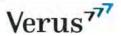
Vertas Transition Account used to liquidated PIMCO Core Plus on 11/15/15, remaining balance is residual cash. MacKay Shields and Doubleline funded 12/1/15.

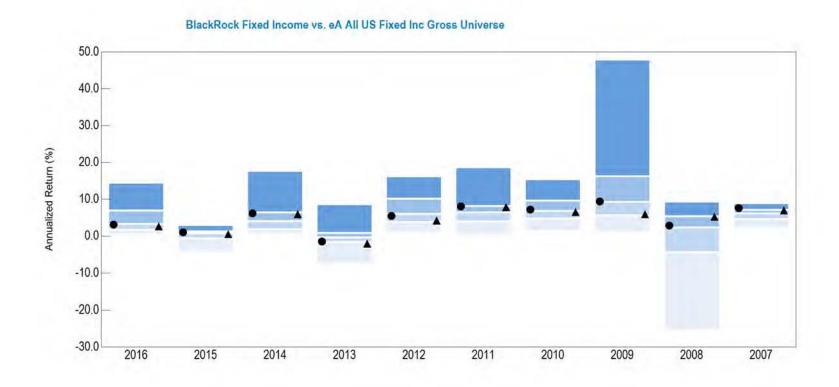




	5th Percentile
	25th Percentile
	Median
	75th Percentile
	95th Percentile
	# of Portfolios
•	BlackRock Fixed Income
•	BBgBarc US Aggregate TR

Return (R	ank)														
4.5		6.6		12.6		12.6		6.0		7.5		8.9		8.3	
2.1		4.1		3.6		3.6		4.0		4.8		6.1		6.0	
1.5		2.5		1.0		1.0		2.8		2.9		3.8		4.8	
0.8		1.6		0.2		0.2		1.9		1.9		2.7		3.8	
0.3		0.7		-0.7		-0.7		0.7		0.6		1.0		1.8	
1,788		1,787		1,787		1,787		1,741		1,663		1,538		1,289	
1.5	(47)	2.5	(51)	0.2	(74)	0.2	(74)	2.8	(48)	2.7	(54)	3.8	(52)	5.1	(42)
1.4	(51)	2.3	(57)	-0.3	(89)	-0.3	(89)	2.5	(59)	2.2	(66)	3.2	(63)	4.5	(59)





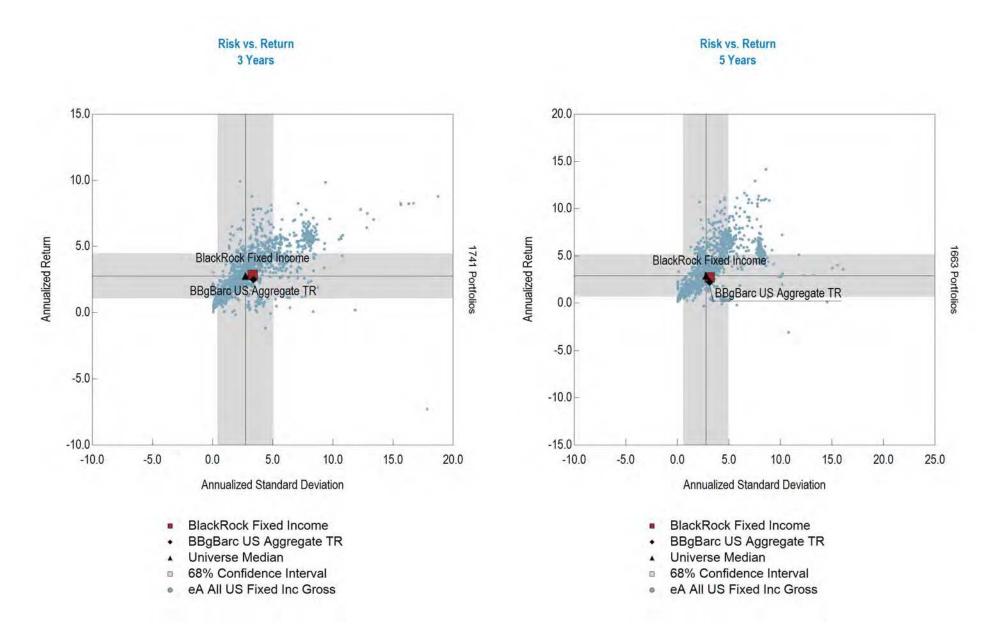
5th F	Percentile
25th	Percentile
Medi	an
75th	Percentile
95th	Percentile
# of l	Portfolios

BlackRock Fixed Income

BBgBarc US Aggregate TR

Return	(Rank	)																	
14.5		3.0		17.7		8.7		16.2		18.6		15.5		47.9		9.4		8.9	
7.0		1.4		6.4		0.9		10.2		8.2		9.7		16.3		5.4		7.2	
3.3		0.8		4.2		-0.3		6.1		6.5		6.9		9.3		2.4		6.2	
1.8		-0.5		2.0		-1.5		3.8		4.0		4.8		5.7		-4.3		4.7	
0.4		-4.1		0.5		-7.5		1.1		0.4		1.4		1.2		-25.4		2.3	
1,722		1,394		1,364		1,281		1,241		1,211		1,157		1,287		1,380		1,419	
3.1	(53)	1.1	(39)	6.2	(29)	-1.5	(75)	5.5	(56)	8.1	(28)	7.2	(45)	9.4	(50)	2.9	(48)	7.6	(16)
2.6	(60)	0.6	(59)	6.0	(33)	-2.0	(83)	4.2	(70)	7.8	(32)	6.5	(57)	5.9	(73)	5.2	(27)	7.0	(33)





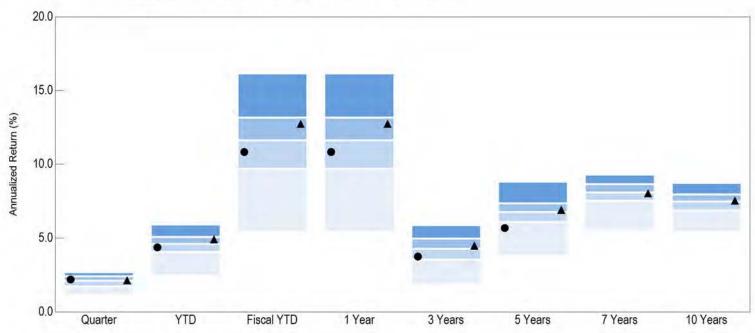


Year



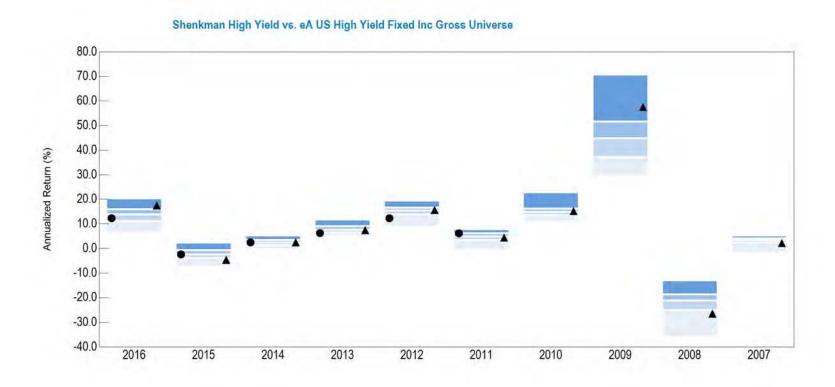






Re	turn (Ra	nk)														
5th Percentile	2.7		5.9		16.2		16.2		5.9		8.8		9.3		8.7	
25th Percentile	2.4		5.1		13.2		13.2		5.0		7.4		8.7		8.0	
Median	2.1		4.6		11.6		11.6		4.3		6.8		8.1		7.5	
75th Percentile	1.8		4.1		9.7		9.7		3.5		6.1		7.5		6.9	
95th Percentile	1.2		2.5		5.5		5.5		1.9		3.8		5.5		5.4	
# of Portfolios	196		195		195		195		186		168		143		119	
Shenkman High Yield	2.2	(44)	4.4	(64)	10.8	(63)	10.8	(63)	3.7	(70)	5.7	(85)		()	44	()
▲ BofA Merrill Lynch US High Yield Master II TR	2.1	(49)	4.9	(36)	12.8	(31)	12.8	(31)	4.5	(42)	6.9	(41)	8.0	(55)	7.5	(47)



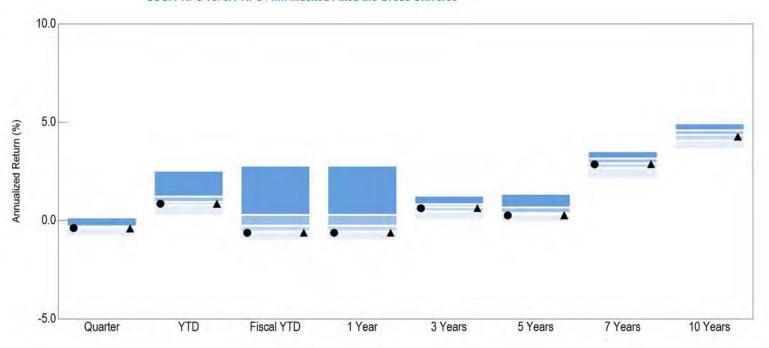


R	eturn	(Rank)																		
5th Percentile	20.3		2.3		5.2		11.7		19.4		7.9		22.8		70.8		-13.1		5.3	
25th Percentile	16.0		-0.7		3.5		9.1		16.7		6.2		16.3		51.8		-18.6		4.1	
Median	14.0		-2.4		2.5		7.6		15.5		4.9		14.9		45.0		-21.2		3.5	
75th Percentile	11.3		-3.8		1.5		6.6		14.0		3.5		13.6		37.4		-24.9		2.5	
95th Percentile	6.6		-7.2		0.0		5.0		8.9		-0.7		10.9		29.6		-35.7		-1.6	
# of Portfolios	183		155		141		130		129		117		106		123		131		133	
Shenkman High Yield	12.3	(65)	-2.4	(51)	2.5	(52)	6.3	(81)	12.3	(89)	6.1	(27)	-	()	-	()		()		()
BofA Merrill Lynch US High Yield Master II TR	17.5	(14)	-4.6	(83)	2.5	(51)	7.4	(55)	15.6	(47)	4.4	(60)	15.2	(42)	57.5	(16)	-26.4	(82)	2.2	(83)



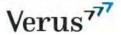
Risk vs. Return Risk vs. Return 3 Years 5 Years 10.0 15.0 BofA Merrill Lynch US High Yield Master II TR 10.0 Annualized Return Annualized Return 186 Portfolios 168 Portfolios Shenkman High Yield BofA Merrill Lynch US High Yield Master II TR Shenkman High Yield 5.0 0.0 .'3" 0.0 -5.0 0.0 5.0 10.0 15.0 20.0 -5.0 0.0 5.0 10.0 15.0 Annualized Standard Deviation Annualized Standard Deviation Shenkman High Yield Shenkman High Yield BofA Merrill Lynch US High Yield Master II TR BofA Merrill Lynch US High Yield Master II TR Universe Median Universe Median 68% Confidence Interval 68% Confidence Interval eA US High Yield Fixed Inc Gross eA US High Yield Fixed Inc Gross

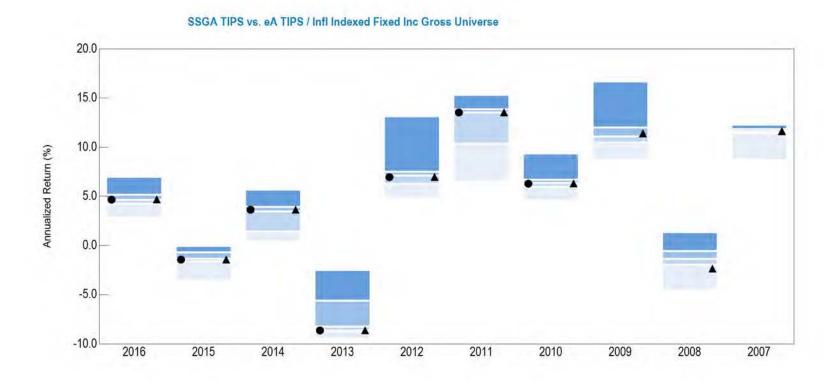
## SSGA TIPS vs. eA TIPS / Infl Indexed Fixed Inc Gross Universe



	5th Percentile
	25th Percentile
	Median
	75th Percentile
	95th Percentile
	# of Portfolios
•	SSGA TIPS
A	BBgBarc US TIP

Return (R	ank)														
0.1		2.5		2.8		2.8		1.2		1.4		3.5		4.9	
-0.3		1.2		0.3		0.3		0.8		0.7		3.2		4.6	
-0.4		0.9		-0.3		-0.3		0.7		0.4		2.9		4.4	
-0.4		0.8		-0.6		-0.6		0.5		0.3		2.7		4.1	
-0.8		0.3		-1.0		-1.0		0.0		-0.1		2.1		3.6	
42		42		42		42		42		42		37		31	
-0.4	(71)	0.9	(73)	-0.6	(82)	-0.6	(82)	0.6	(60)	0.3	(88)	2.9	(64)		()
-0.4	(77)	0.9	(73)	-0.6	(82)	-0.6	(82)	0.6	(60)	0.3	(86)	2.9	(62)	4.3	(66)



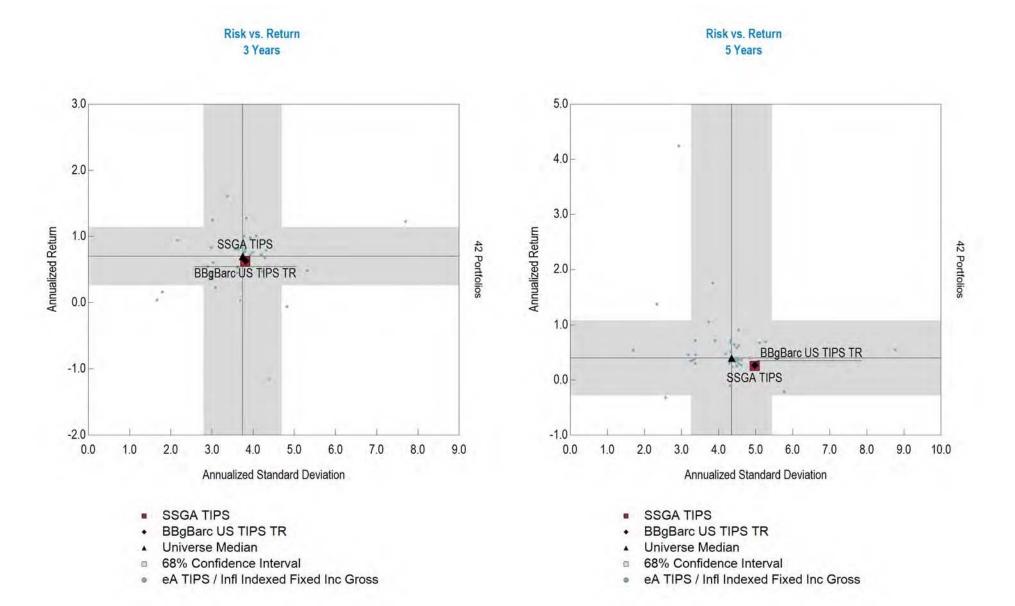


5th Percentile
25th Percentile
Median
75th Percentile
95th Percentile
# of Portfolios

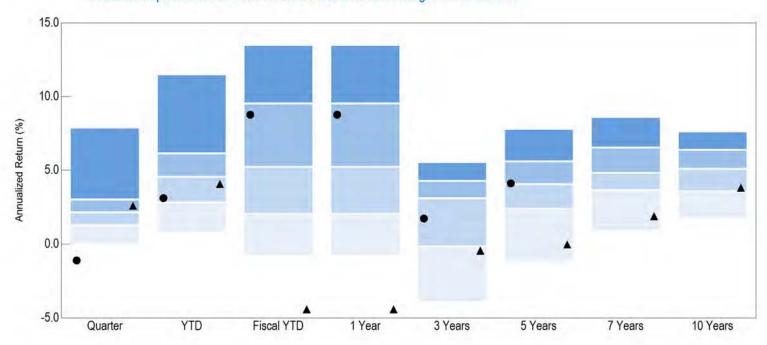
SSGA TIPSBBgBarc US TIPS TR

Return	(Rank)																		
7.0		-0.1		5.7		-2.5		13.1		15.3		9.4		16.7		1.3		12.3	
5.2		-0.7		4.0		-5.6		7.5		13.9		6.7		12.0		-0.5		11.8	
4.7		-1.3		3.5		-8.2		7.1		13.5		6.4		11.1		-1.4		11.6	
4.3		-1.6		1.4		-8.6		6.3		10.4		6.0		10.5		-1.9		11.5	
2.8		-3.6		0.4		-9.4		4.9		6.6		4.6		8.7		-4.6		8.8	
42		44		50		43		43		47		39		37		40		37	
4.7	(50)	-1.4	(63)	3.6	(44)	-8.6	(77)	6.9	(67)	13.5	(51)	6.3	(62)	-	()	-	()	-	()
4.7	(47)	-1.4	(59)	3.6	(44)	-8.6	(76)	7.0	(66)	13.6	(49)	6.3	(57)	11.4	(35)	-2.4	(85)	11.6	(49)



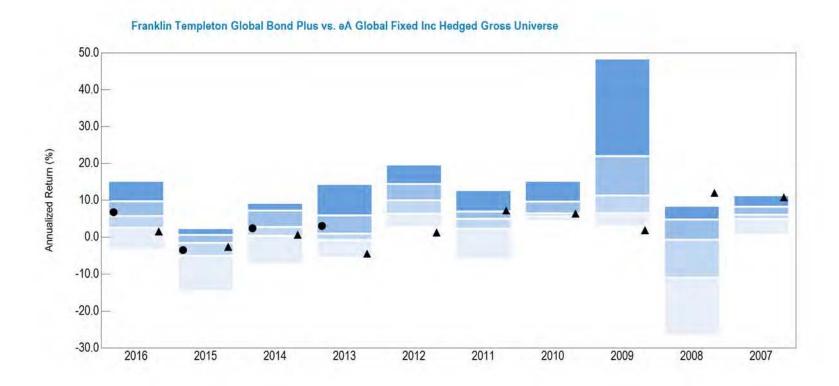






Return (R	ank)														
7.9		11.5		13.5		13.5		5.6		7.8		8.6		7.6	
3.0		6.2		9.6		9.6		4.3		5.6		6.6		6.4	
2.2		4.6		5.3		5.3		3.1		4.1		4.8		5.1	
1.3		2.8		2.0		2.0		-0.1		2.4		3.7		3.6	
0.0		0.8		-0.8		-0.8		-3.9		-1.2		0.9		1.7	
209		209		209		209		194		164		125		83	
-1.1	(99)	3.1	(72)	8.8	(30)	8.8	(30)	1.7	(65)	4.1	(50)		()		()
2.6	(32)	4.1	(60)	-4.4	(99)	-4.4	(99)	-0.5	(77)	0.0	(93)	1.9	(92)	3.8	(74)
	7.9 3.0 2.2 1.3 0.0 209	3.0 2.2 1.3 0.0 209 -1.1 (99)	7.9 11.5 3.0 6.2 2.2 4.6 1.3 2.8 0.0 0.8 209 209 -1.1 (99) 3.1	7.9 11.5 3.0 6.2 2.2 4.6 1.3 2.8 0.0 0.8 209 209 -1.1 (99) 3.1 (72)	7.9 11.5 13.5 3.0 6.2 9.6 2.2 4.6 5.3 1.3 2.8 2.0 0.0 0.8 -0.8 209 209 209 -1.1 (99) 3.1 (72) 8.8	7.9 11.5 13.5 3.0 6.2 9.6 2.2 4.6 5.3 1.3 2.8 2.0 0.0 0.8 -0.8 209 209 209 -1.1 (99) 3.1 (72) 8.8 (30)	7.9     11.5     13.5     13.5       3.0     6.2     9.6     9.6       2.2     4.6     5.3     5.3       1.3     2.8     2.0     2.0       0.0     0.8     -0.8     -0.8       209     209     209     209       -1.1     (99)     3.1     (72)     8.8     (30)     8.8	7.9     11.5     13.5     13.5       3.0     6.2     9.6     9.6       2.2     4.6     5.3     5.3       1.3     2.8     2.0     2.0       0.0     0.8     -0.8     -0.8       209     209     209     209       -1.1     (99)     3.1     (72)     8.8     (30)     8.8     (30)	7.9     11.5     13.5     13.5     5.6       3.0     6.2     9.6     9.6     4.3       2.2     4.6     5.3     5.3     3.1       1.3     2.8     2.0     2.0     -0.1       0.0     0.8     -0.8     -0.8     -3.9       209     209     209     209     194       -1.1     (99)     3.1     (72)     8.8     (30)     8.8     (30)     1.7	7.9     11.5     13.5     13.5     5.6       3.0     6.2     9.6     9.6     4.3       2.2     4.6     5.3     5.3     3.1       1.3     2.8     2.0     2.0     -0.1       0.0     0.8     -0.8     -0.8     -3.9       209     209     209     194       -1.1     (99)     3.1     (72)     8.8     (30)     8.8     (30)     1.7     (65)	7.9     11.5     13.5     13.5     5.6     7.8       3.0     6.2     9.6     9.6     4.3     5.6       2.2     4.6     5.3     5.3     3.1     4.1       1.3     2.8     2.0     2.0     -0.1     2.4       0.0     0.8     -0.8     -0.8     -3.9     -1.2       209     209     209     194     164       -1.1     (99)     3.1     (72)     8.8     (30)     8.8     (30)     1.7     (65)     4.1	7.9     11.5     13.5     13.5     5.6     7.8       3.0     6.2     9.6     9.6     4.3     5.6       2.2     4.6     5.3     5.3     3.1     4.1       1.3     2.8     2.0     2.0     -0.1     2.4       0.0     0.8     -0.8     -0.8     -3.9     -1.2       209     209     209     194     164       -1.1     (99)     3.1     (72)     8.8     (30)     8.8     (30)     1.7     (65)     4.1     (50)	7.9     11.5     13.5     13.5     5.6     7.8     8.6       3.0     6.2     9.6     9.6     4.3     5.6     6.6       2.2     4.6     5.3     5.3     3.1     4.1     4.8       1.3     2.8     2.0     2.0     -0.1     2.4     3.7       0.0     0.8     -0.8     -0.8     -3.9     -1.2     0.9       209     209     209     194     164     125       -1.1     (99)     3.1     (72)     8.8     (30)     8.8     (30)     1.7     (65)     4.1     (50)	7.9     11.5     13.5     13.5     5.6     7.8     8.6       3.0     6.2     9.6     9.6     4.3     5.6     6.6       2.2     4.6     5.3     5.3     3.1     4.1     4.8       1.3     2.8     2.0     2.0     -0.1     2.4     3.7       0.0     0.8     -0.8     -0.8     -3.9     -1.2     0.9       209     209     209     194     164     125       -1.1     (99)     3.1     (72)     8.8     (30)     8.8     (30)     1.7     (65)     4.1     (50)      ()	7.9     11.5     13.5     13.5     5.6     7.8     8.6     7.6       3.0     6.2     9.6     9.6     4.3     5.6     6.6     6.4       2.2     4.6     5.3     5.3     3.1     4.1     4.8     5.1       1.3     2.8     2.0     2.0     -0.1     2.4     3.7     3.6       0.0     0.8     -0.8     -0.8     -3.9     -1.2     0.9     1.7       209     209     209     194     164     125     83       -1.1     (99)     3.1     (72)     8.8     (30)     8.8     (30)     1.7     (65)     4.1     (50)      ()





	Return	(Rank)																		
5th Percentile	15.2		2.4		9.3		14.3		19.7		12.7		15.3		48.4		8.5		11.4	
25th Percentile	9.8		0.7		7.3		5.9		14.4		7.0		9.7		22.0		4.8		8.3	
Median	5.8		-1.5		2.9		1.0		10.0		5.0		6.5		11.4		-0.6		6.1	
75th Percentile	2.6		-5.0		0.4		-0.7		6.4		2.4		5.7		6.6		-10.9		5.0	
95th Percentile	-3.4		-14.6		-7.3		-5.5		2.7		-6.0		4.4		3.0		-26.5		0.6	
# of Portfolios	209		143		104		84		80		66		27		36		41		45	
Franklin Templeton Global Bond Plus	6.8	(40)	-3.5	(67)	2.4	(55)	3.0	(37)		()		()	-	()	-	()	-	()	-	()
▲ JPM GBI Global TR USD	1.6	(80)	-2.6	(58)	0.7	(72)	-4.5	(92)	1.3	(99)	7.2	(24)	6.4	(53)	1.9	(99)	12.0	(2)	10.8	(7)

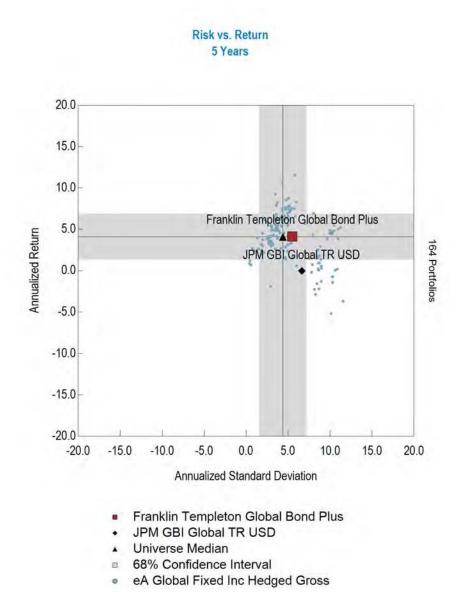


3 Years 20.0 15.0 10.0 5.0 Annualized Return 194 Portfolios Franklin Templeton Global Bond Plus 0.0 JPM GBI Global TR USD -5.0 -10.0 -15.0 -20.0 5.0 -20.0 -15.0 -10.0-5.00.0 10.0 15.0 20.0 Annualized Standard Deviation

Risk vs. Return

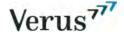
Franklin Templeton Global Bond Plus

- JPM GBI Global TR USD
- Universe Median
- 68% Confidence Interval
- eA Global Fixed Inc Hedged Gross



	Market Value	3 Mo	YTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2016	2015	2014	2013	2012
Total Real Estate	99,544,972	1.1	1.1	5.4	5.4	11.1	10.9	3.7	9.0	16.0	13.1	11.5	7.8
NCREIF Property Index		1.8	3.3	7.0	7.0	10.2	10.5	6.4	8.0	13.3	11.8	11.0	10.5
NCREIF-ODCE		1.7	3.5	7.9	7.9	11.3	11.8	5.2	8.8	15.0	12.5	13.9	10.9
RREEF	103,876	-25.4	-27.3	-27.3	-27.3	-1.1	2.5	2.0	11.9	13.0	8.0	12.3	4.5
NCREIF-ODCE		1.7	3.5	7.9	7.9	11.3	11.8	5.2	8.8	15.0	12.5	13.9	10.9
NCREIF Property Index		1.8	3.3	7.0	7.0	10.2	10.5	6.4	8.0	13.3	11.8	11.0	10.5
RREEF America II	86,577,512	1.3	1.3	6.1	6.1	11.4	12.3	5.3	9.3	16.7	13.0	15.5	12.5
NCREIF-ODCE		1.7	3.5	7.9	7.9	11.3	11.8	5.2	8.8	15.0	12.5	13.9	10.9
NCREIF Property Index		1.8	3.3	7.0	7.0	10.2	10.5	6.4	8.0	13.3	11.8	11.0	10.5
TA Associates Realty	12,863,585	8.0	8.0	3.0	3.0	9.3	8.9	2.3	4.6	16.7	15.1	5.2	2.2
NCREIF Property Index		1.8	3.3	7.0	7.0	10.2	10.5	6.4	8.0	13.3	11.8	11.0	10.5
NCREIF-ODCE		1.7	3.5	7.9	7.9	11.3	11.8	5.2	8.8	15.0	12.5	13.9	10.9

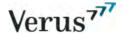
Effective 1/1/2017, only traditional asset class (public equity, public fixed income, REITs) investment management fees will be included in the gross of fee return calculation.



	Market Value	3 Mo	YTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2016	2015	2014	2013	2012
Total Real Estate	99,544,972	1.1	1.1	4.8	4.8	10.3	10.4	3.4	8.0	15.1	12.5	11.5	7.8
NCREIF Property Index		1.8	3.3	7.0	7.0	10.2	10.5	6.4	8.0	13.3	11.8	11.0	10.5
NCREIF-ODCE		1.7	3.5	7.9	7.9	11.3	11.8	5.2	8.8	15.0	12.5	13.9	10.9
RREEF	103,876	-25.4	-27.3	-27.3	-27.3	-1.8	1.8	2.1	11.6	11.7	6.6	12.1	3.8
NCREIF-ODCE		1.7	3.5	7.9	7.9	11.3	11.8	5.2	8.8	15.0	12.5	13.9	10.9
NCREIF Property Index		1.8	3.3	7.0	7.0	10.2	10.5	6.4	8.0	13.3	11.8	11.0	10.5
RREEF America II	86,577,512	1.3	1.3	5.6	5.6	10.6	11.5	4.7	8.2	15.7	12.0	15.0	11.6
NCREIF-ODCE		1.7	3.5	7.9	7.9	11.3	11.8	5.2	8.8	15.0	12.5	13.9	10.9
NCREIF Property Index		1.8	3.3	7.0	7.0	10.2	10.5	6.4	8.0	13.3	11.8	11.0	10.5
TA Associates Realty	12,863,585	0.8	0.8	2.4	2.4	8.4	8.3	1.0	3.7	15.4	14.6	5.1	2.1
NCREIF Property Index		1.8	3.3	7.0	7.0	10.2	10.5	6.4	8.0	13.3	11.8	11.0	10.5
NCREIF-ODCE		1.7	3.5	7.9	7.9	11.3	11.8	5.2	8.8	15.0	12.5	13.9	10.9

	Market Value	3 Mo	YTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2016	2015	2014	2013	2012
Total Alternatives	159,797,033	0.5	0.9	3.9	3.9	-3.3	0.3	0.5	6.0	-8.3	-3.0	3.8	5.0
CPI + 5%		1.7	4.0	6.7	6.7	6.0	6.4	6.7	7.2	5.8	5.8	6.6	6.8
Gresham MTAP Commodity Builder	18,129,624	-3.0	-4.0	-3.7	-3.7	-14.3			12.3	-25.4	-16.1		
Bloomberg Commodity Index TR USD		-3.0	-5.3	-6.5	-6.5	-14.8			11.8	-24.7	-17.0		
Commodities Broad Basket MStar MF Rank		20	23	21	21	47			53	71	34		
Wellington Commodity	18,954,198	-4.3	-4.1	-2.9	-2.9	-12.9			15.7	-25.7			
Bloomberg Commodity Index TR USD		-3.0	-5.3	-6.5	-6.5	-14.8			11.8	-24.7			
Commodities Broad Basket MStar MF Rank		68	23	20	20	28			13	73			
Aetos Capital	30,867,827	1.7	4.4	8.6	8.6	3.4	5.7	3.2	2.6	1.2	5.2	11.4	7.9
BofA ML 90 DAY T-BILLS + 400 bps		0.9	1.8	3.5	3.5	3.2	3.6	4.3	3.3	3.1	3.5	4.1	4.1
Titan Advisors	28,988,497	-0.5	0.1	4.5	4.5				0.6				
BofA ML 90 DAY T-BILLS + 400 bps		0.9	1.8	3.5	3.5				3.3				

UBP liquidated 12/31/2015. Titan Advisors funded 2/1/2016. Effective 1/1/2017, only traditional asset class (public equity, public fixed income, REITs) investment management fees will be included in the gross of fee return calculation.



	Market Value	3 Mo	YTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	2016	2015	2014	2013	2012
Total Alternatives	159,797,033	0.5	0.9	3.3	3.3	-4.1	-0.4	0.1	5.0	-9.1	-3.9	3.5	4.7
CPI + 5%		1.7	4.0	6.7	6.7	6.0	6.4	6.7	7.2	5.8	5.8	6.6	6.8
Gresham MTAP Commodity Builder	18,129,624	-3.0	-4.0	-4.1	-4.1	-14.8			11.5	-25.9	-16.8		
Bloomberg Commodity Index TR USD		-3.0	-5.3	-6.5	-6.5	-14.8			11.8	-24.7	-17.0		
Wellington Commodity	18,954,198	-4.3	-4.1	-3.3	-3.3	-13.5			14.9	-26.3			
Bloomberg Commodity Index TR USD		-3.0	-5.3	-6.5	-6.5	-14.8			11.8	-24.7			
Aetos Capital	30,867,827	1.7	4.4	8.2	8.2	2.7	5.0	2.8	1.8	0.5	4.5	10.4	7.2
BofA ML 90 DAY T-BILLS + 400 bps		0.9	1.8	3.5	3.5	3.2	3.6	4.3	3.3	3.1	3.5	4.1	4.1
Titan Advisors	28,988,497	-0.5	0.1	4.2	4.2				-0.1				
BofA ML 90 DAY T-BILLS + 400 bps		0.9	1.8	3.5	3.5				3.3				

### Performance Return Calculations

Performance is calculated using a Modified Dietz and for time periods with large cash flow (generally greater than 10% of portfolio value), Time Weighted Rates of Return (TWRR) methodologies. Monthly returns are linked geometrically and annualized for periods longer than one year.

### **Data Source**

Verus is an independent third party consulting firm and calculates returns from best source book of record data. Returns calculated by Verus may deviate from those shown by the manager in part, but not limited to, differences in prices and market values reported by the custodian and manager, as well as significant cash flows into or out of an account. It is the responsibility of the manager and custodian to provide insight into the pricing methodologies and any difference in valuation.

### Illiquid Alternatives

Due to the inability to receive final valuation prior to report production, closed end funds (including but are not limited to Real Estate, Hedge Funds, Private Equity, and Private Credit) performance is typically reported at a one-quarter lag. Valuation is reported at a one-quarter lag, adjusted for current quarter flow (cash flows are captured real time). Closed end fund performance is calculated using a time-weighted return methodology consistent with all portfolio and total fund performance calculations. For Private Markets, performance reports also include Verus-calculated multiples based on flows and valuations (e.g. DPI and TVPI) and manager-provided IRRs.

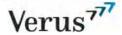
iger Line Up					The second second
Manager	Fund Incepted	Data Source	<u>Manager</u>	Fund Incepted	Data Source
SSGA S&P 500 Flagship Fund	7/27/2011	SSGA	Franklin Templeton Global	4/3/2012	BNY
QMA Large Cap Core	12/1/2008	BNY	RREEF	7/1/2003	Deutsche
Waddell & Reed	6/4/2010	BNY	RREEF America II	3/1/2003	Deutsche
Robeco Boston Partners	2/1/1999	BNY	TA Associates Realty	6/1/2007	TA Realty
William Blair Mid Cap Grw	12/1/2006	BNY	Gresham MTAP Commodity	12/31/2013	Gresham
Lee Munder Small Value	8/26/2009	BNY	Wellington Commodity	1/3/2014	Wellington
SSGA Russell Sm Cap Idx	5/17/2013	SSGA	Aetos Capital	6/1/2005	Aetos
PIMCO RAE	8/14/2012	PIMCO	BlackRock Private Capital II	7/13/2005	BlackRoc
SSGA MSCI ACWI ex US	1/1/2010	SSGA	Pantheon USA Fund VI	7/26/2005	Pantheor
Pryamis Intl Growth	12/1/2003	BNY	PIMCO BRAVO	1/14/2011	PIMCO
KBI Water Strategy	10/28/2014	KBI	KKR Mezzanine Partners	7/8/2011	KKR
BlackRock Fixed Income	12/1/1995	BNY	Stepstone Secondary Opps II	5/10/2013	Stepstone
Doubleline Core Plus	12/1/2015	BNY	Titan Advisors	2/1/2016	Titan
MacKay Shields Core Plus	12/1/2015	MacKay	Ocean Avenue	5/27/2016	Ocean Av
Shenkman High Yield	9/1/2010	SSGA	Pathway	4/12/2016	Pathway
SSGA TIPS	9/1/2009	SSGA	TPG Diversified Credit	11/21/2016	TPG

## Policy & Custom Index Composition

Policy Index:

20% Russell 3000, 20% MSCI ACWI ex US, 27% BBgBarc US Aggregate, 3% MSCI ACWI, 10% NCREIF Property, 5% Bloomberg Commodity, 5% CPI +500 bps, 5% Russell 3000 +300 bps, 5% BBgBarc High Yield +2% Lagged.

### Other Disclosures



# Glossary

Allocation Effect: An attribution effect that describes the amount attributable to the managers' asset allocation decisions, relative to the benchmark.

Alpha: The excess return of a portfolio after adjusting for market risk. This excess return is attributable to the selection skill of the portfolio manager. Alpha is calculated as: Portfolio Return - [Risk-free Rate + Portfolio Beta x (Market Return - Risk-free Rate)].

**Beachmark R-squared:** Measures how well the Benchmark return series fits the manager's return series. The higher the Benchmark R-squared, the more appropriate the benchmark is for the manager. **Beta:** A measure of systematic, or market risk; the part of risk in a portfolio or security that is attributable to general market movements. Beta is calculated by dividing the covariance of a security by the variance of the market.

**Book-to-Market:** The ratio of book value per share to market price per share. Growth managers typically have low book-to-market ratios while value managers typically have high book-to-market ratios. Capture Ratio: A statistical measure of an investment manager's overall performance in up or down markets. The capture ratio is used to evaluate how well an investment manager performed relative to an index during periods when that index has risen (up market) or fallen (down market). The capture ratio is calculated by dividing the manager's returns by the returns of the index during the up/down market, and multiplying that factor by 100.

Correlation: A measure of the relative movement of returns of one security or asset class relative to another over time. A correlation of 1 means the returns of two securities move in lock step, a correlation of -1 means the returns of two securities move in the exact opposite direction over time. Correlation is used as a measure to help maximize the benefits of diversification when constructing an investment portfolio.

Excess Return: A measure of the difference in appreciation or depreciation in the price of an investment compared to its benchmark, over a given time period. This is usually expressed as a percentage and may be annualized over a number of years or represent a single period.

Information Ratio: A measure of a manager's ability to earn excess return without incurring additional risk. Information ratio is calculated as: excess return divided by tracking error.

**Interaction Effect:** An attribution effect that describes the portion of active management that is contributable to the cross interaction between the allocation and selection effect. This can also be explained as an effect that cannot be easily traced to a source.

**Portfolio Turnover:** The percentage of a portfolio that is sold and replaced (turned over) during a given time period. Low portfolio turnover is indicative of a buy and hold strategy while high portfolio turnover implies a more active form of management.

**Price-to-Earnings Ratio (P/E):** Also called the earnings multiplier, it is calculated by dividing the price of a company's stock into earnings per share. Growth managers typically hold stocks with high price-to-earnings ratios whereas value managers hold stocks with low price-to-earnings ratios.

**R-Squared:** Also called the coefficient of determination, it measures the amount of variation in one variable explained by variations in another, i.e., the goodness of fit to a benchmark. In the case of investments, the term is used to explain the amount of variation in a security or portfolio explained by movements in the market or the portfolio's benchmark.

Selection Effect: An attribution effect that describes the amount attributable to the managers' stock selection decisions, relative to the benchmark.

**Sharpe Ratio:** A measure of portfolio efficiency. The Sharpe Ratio indicates excess portfolio return for each unit of risk associated with achieving the excess return. The higher the Sharpe Ratio, the more efficient the portfolio. Sharpe ratio is calculated as: Portfolio Excess Return / Portfolio Standard Deviation.

**Sortino Ratio:** Measures the risk-adjusted return of an investment, portfolio, or strategy. It is a modification of the Sharpe Ratio, but penalizes only those returns falling below a specified benchmark. The Sortino Ratio uses downside deviation in the denominator rather than standard deviation, like the Sharpe Ratio.

**Standard Deviation:** A measure of volatility, or risk, inherent in a security or portfolio. The standard deviation of a series is a measure of the extent to which observations in the series differ from the arithmetic mean of the series. For example, if a security has an average annual rate of return of 10% and a standard deviation of 5%, then two-thirds of the time, one would expect to receive an annual rate of return between 5% and 15%.

Style Analysis: A return based analysis designed to identify combinations of passive investments to closely replicate the performance of funds

**Style Map:** A specialized form or scatter plot chart typically used to show where a Manager lies in relation to a set of style indices on a two-dimensional plane. This is simply a way of viewing the asset loadings in a different context. The coordinates are calculated by rescaling the asset loadings to range from -1 to 1 on each axis and are dependent on the Style Indices comprising the Map.



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