

# Municipal Employees' Retirement System of Louisiana

December 14, 2023

Board Meeting

## Agenda

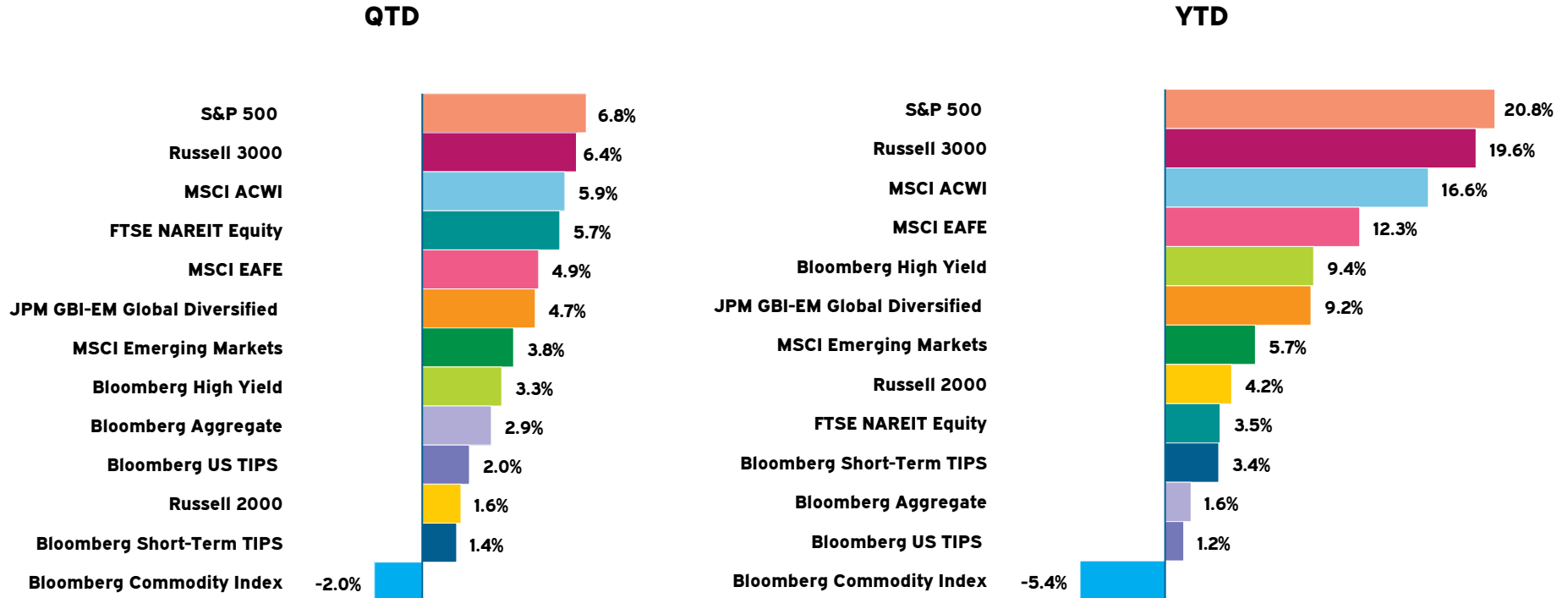
1. Economic and Market Update
2. Performance Report as November 30, 2023
3. Equity Exposure Deep Dive
4. Fee Benchmarking
5. Fiscal Year Road Map
6. Disclaimer

## **Economic and Market Update**

### Commentary

- After a few difficult months, global markets rallied on improving inflation and optimism that major central banks will not take rates higher.
- The Federal Open Markets Committee (FOMC), which increased policy rates in July by 0.25% to a range of 5.25% - 5.5%, has been on pause since. Markets are now largely expecting the FOMC to maintain interest rates at this level through the first half of next year with cuts to follow.
  - US equity markets (Russell 3000 index) rallied in November (9.3%) raising year-to-date gains to 19.6%. Most sectors rose in November with defensive sectors lagging.
  - Non-US developed equity markets matched the US market in November (MSCI EAFE 9.3%). The gap between US and international developed equities for the year is just over 7% (to 19.6% versus 12.3%).
  - Emerging market equities were up 8.0% in November helped by a weaker dollar and positive market returns in China. Emerging markets continue to significantly trail developed market equities year-to-date, returning 5.7%, again driven by losses from China (-9.0%).
  - Interest rates generally fell in November, particularly for longer-dated maturities. The broad US bond market rallied (4.5%) in November lifting year-to-date returns to positive territory (1.6%).
- For the rest of this year and into 2024, the paths of inflation and monetary policy, slowing global growth, and geopolitical issues will all be key.

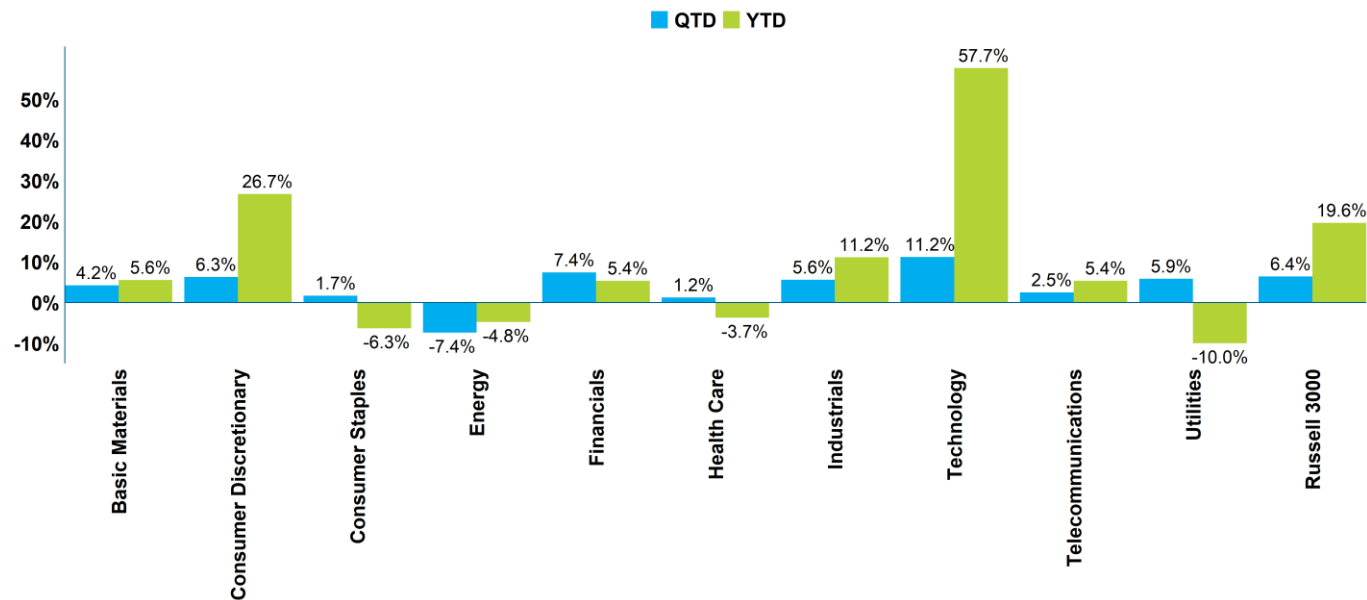
### Index Returns as of November 30, 2023<sup>1</sup>



→ After a weak stretch that started in July, both stocks and bonds rose in November as declining inflation and a cooling job market sparked expectations that the Federal Reserve might really be done raising interest rates. Strong results for the month led to all asset classes being in positive territory year-to-date, except commodities.

<sup>1</sup> Source: Bloomberg

### Russell 3000 Sector Returns<sup>1</sup>

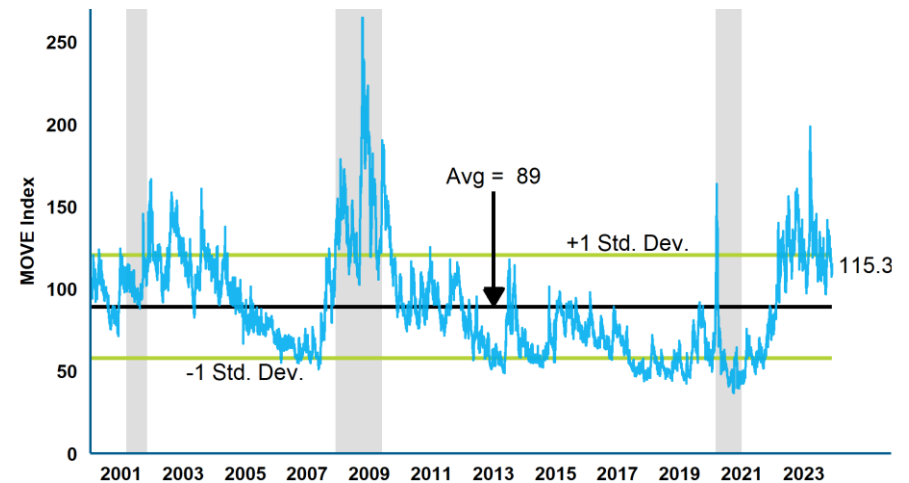
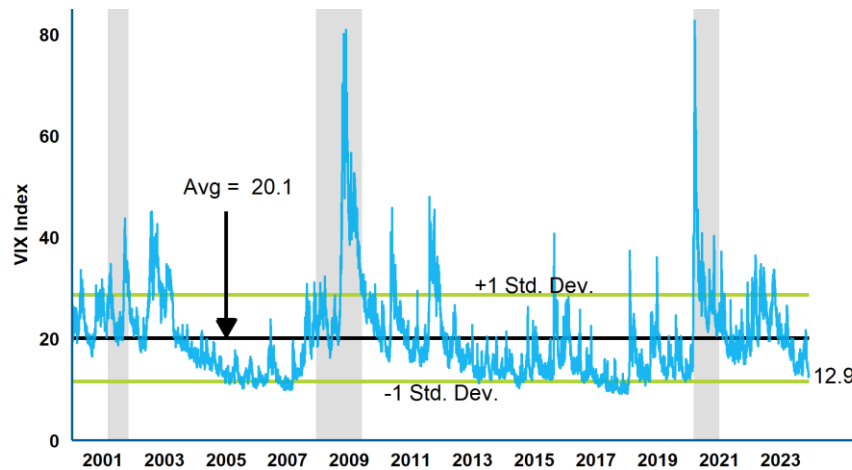


→ All sectors are up for the fourth quarter with the exception of energy given oil's recent declines.

→ So far in 2023, the technology (+57.7%) and consumer discretionary (+26.7%) sectors had the best results, helped by artificial intelligence optimism in the case of technology. More traditionally defensive sectors like utilities (-10.0%), consumer staples (-6.3%), and health care (-3.7%) have trailed.

<sup>1</sup> Source: Bloomberg. Data is as of November 30, 2023.

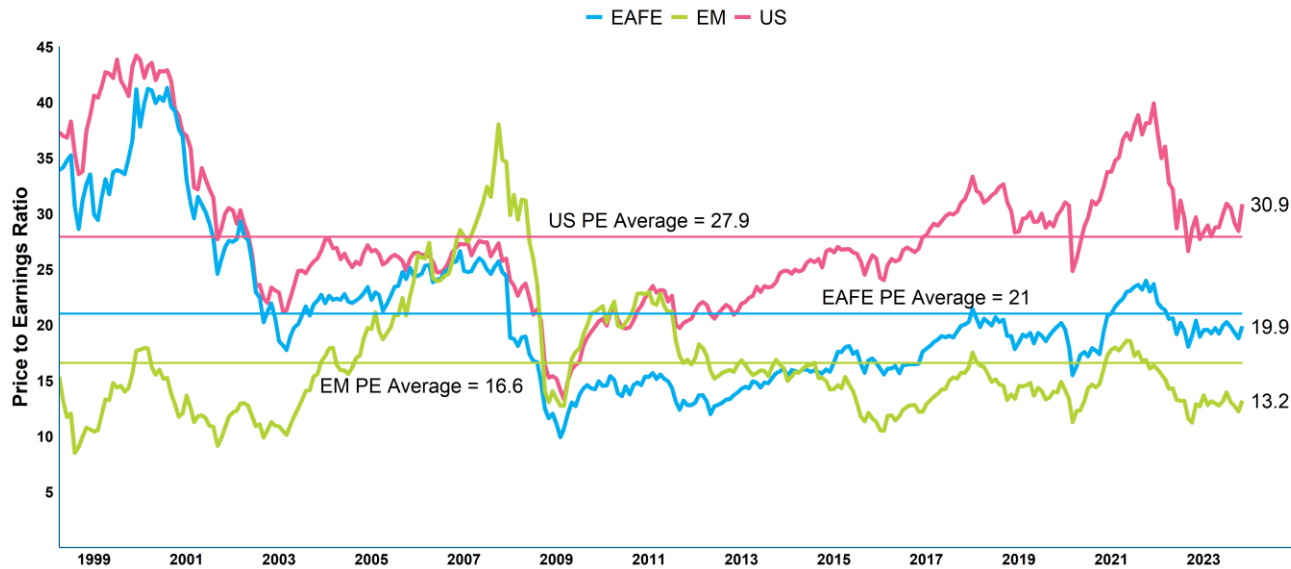
### Equity and Fixed Income Volatility<sup>1</sup>



- Volatility in equities (VIX) declined in November well-below the long-term average as the focus shifted to peaking policy rates and the potential for a soft landing.
- Volatility in the bond market (MOVE) also declined for the month but remains well above its long-run average (89) and close to nine times the volatility in the equity market. The bond market remains on edge after last year's historic losses and ultimate uncertainty on the path of interest rates going forward.

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

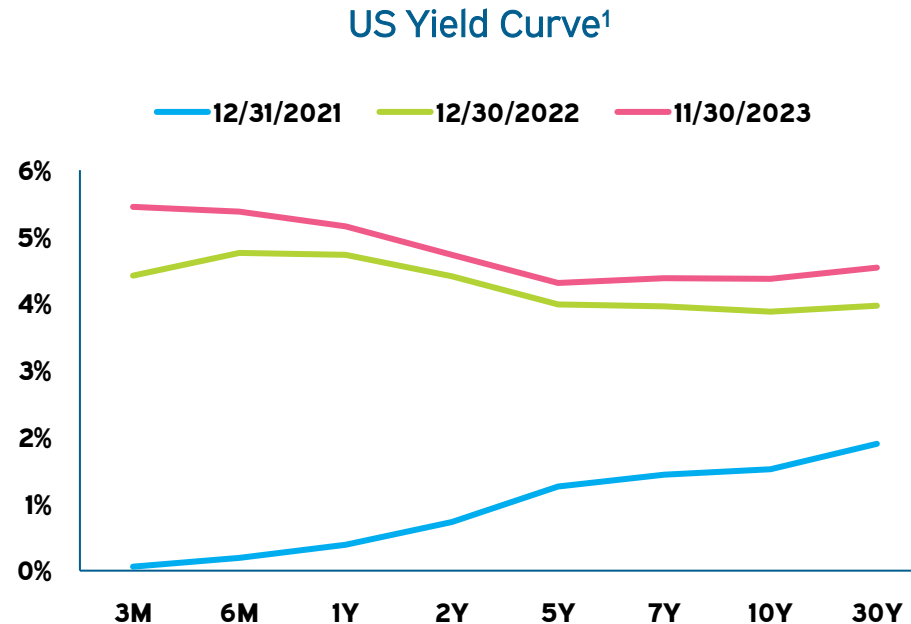
**Equity Cyclically Adjusted P/E Ratios<sup>1</sup>**



- Given the strong technology-driven rally this year, the US equity price-to-earnings ratio increased above its long-run (21st century) average. The strong equity market rally in November brought valuation to their highest level for the year.
- International developed market valuations also increased in November but remain slightly below their own long-term average, with those for emerging markets the lowest and well under the long term average.

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



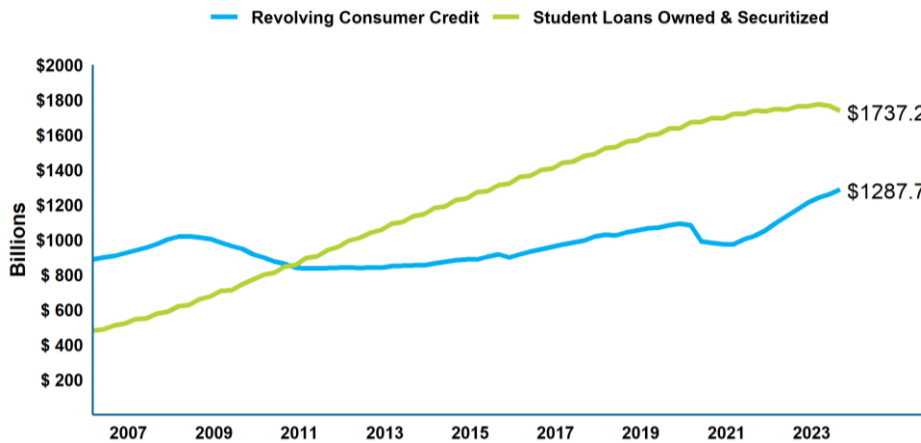


- Overall interest rates are higher this year in the US. In November rates fell, particularly at the longer-end of the yield curve, on declining inflation and speculation that the Federal Reserve is done with their rate increases.
- In November, very short-term rates (two years or less) did not move much on expectations that policy rates had peaked, while the ten-year Treasury yield declined from 4.9% to 4.3%.
- As longer-term rates fell the most over the month, the yield curve inverted further (from 0.15% to 0.35%) after a recent flattening trend through October.

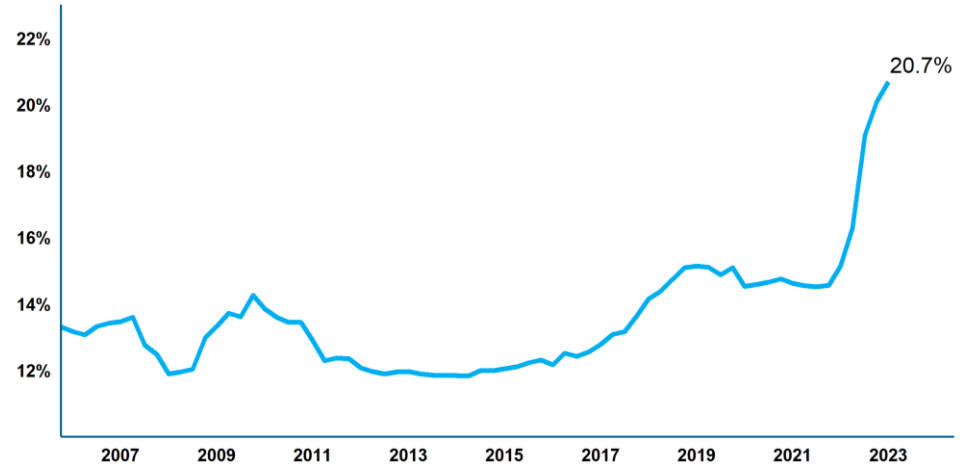
<sup>1</sup> Source: Bloomberg. Data is as of November 30, 2023.

### US Consumer Under Stress?<sup>1</sup>

#### Revolving Consumer Credit & Student Loans (\$B)



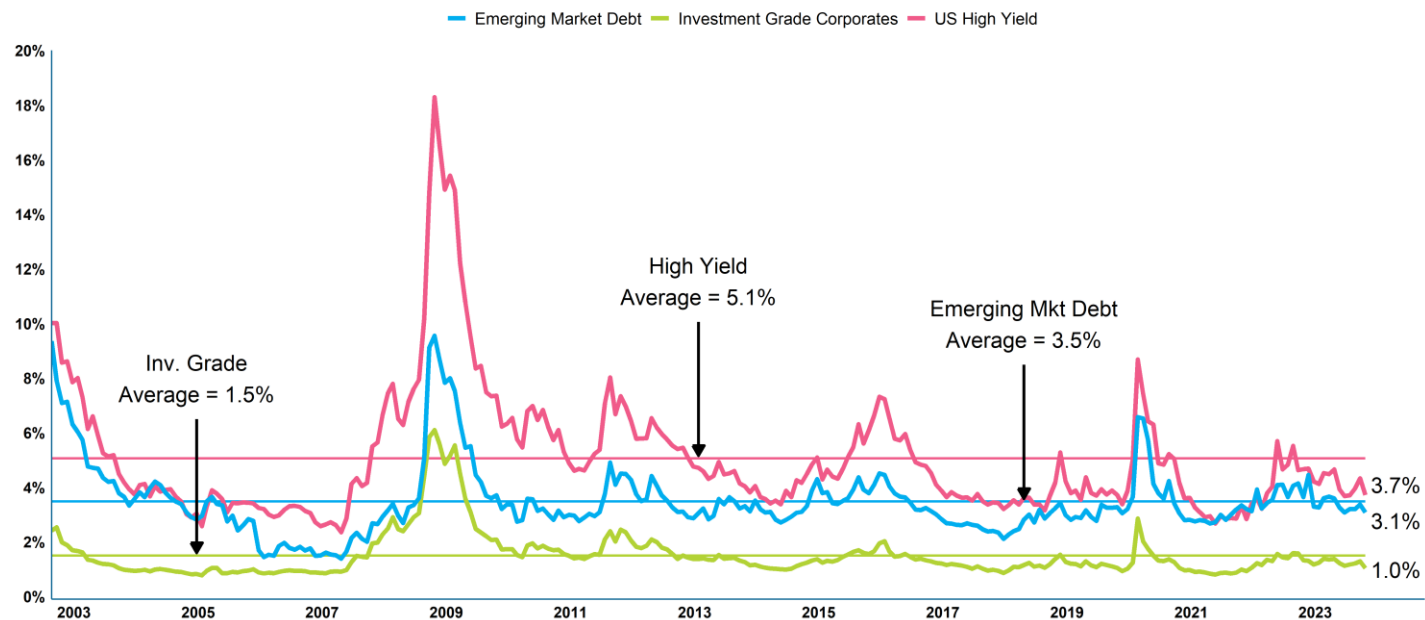
#### Consumer Credit Card Interest Rates (%)



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

<sup>1</sup> Source: FRED. Revolving Consumer Credit and Student Loans data is as of September 30, 2023. Revolving Consumer Credit data is seasonally adjusted to remove distortions during the holiday season. Consumer Credit Card Interest Rates data is as of June 30, 2023.

### Credit Spreads vs. US Treasury Bonds<sup>1</sup>

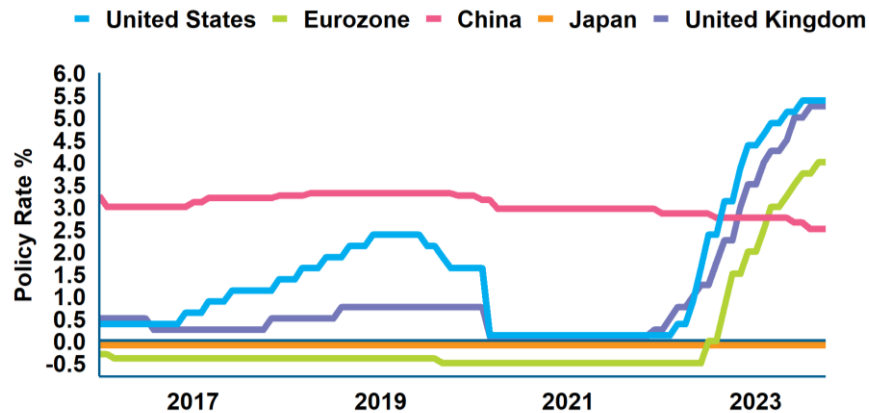


- Expectations of peaking policy rates and the corresponding increase in risk appetite benefited credit in November with spreads (the added yield above a comparable maturity Treasury) narrowing. All spreads remain below their respective long run averages.
- High yield spreads continue to be the furthest below their long-term average given the overall risk appetite this year. Investment grade and emerging market spreads are also below their respective long-term averages, but by smaller margins.

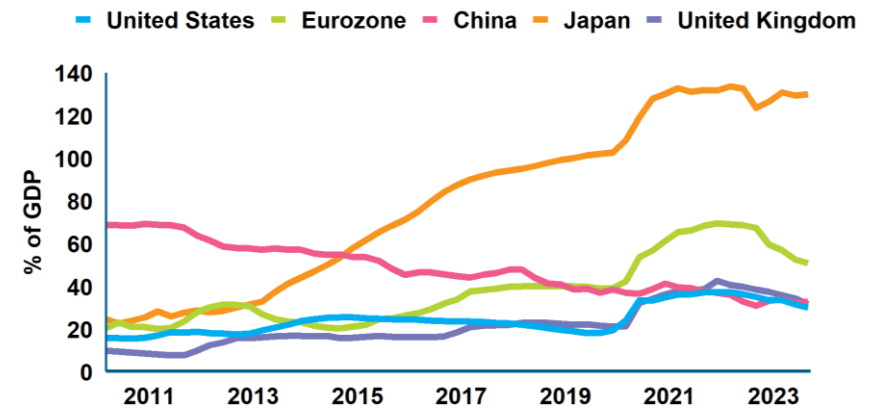
<sup>1</sup> Sources: Bloomberg. Data is as of November 30, 2023. Average lines denote the average of the investment grade, high yield, and emerging market spread values from September 2002 to the recent month-end, respectively.

### Central Bank Response<sup>1</sup>

#### Policy Rates



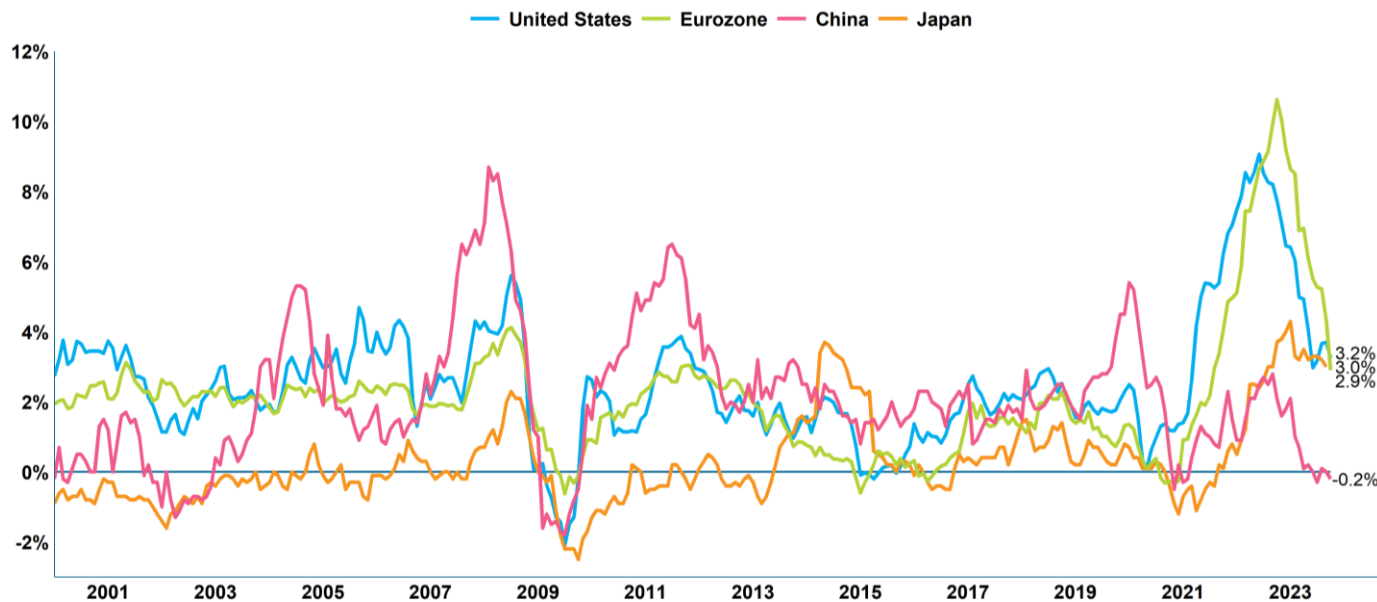
#### Balance Sheet as % of GDP



- Slowing inflation and growth have led to expectations for a reduction in the pace of aggressive policy tightening.
- In July, the Fed raised rates another 25 basis points to a range of 5.25% to 5.50% and then kept rates at this level at their September and October/November meetings. Markets are not expecting any additional rate hikes.
- The European Central Bank paused in October, with lower-than-expected inflation and weaker growth. In Japan, the BoJ has further relaxed its yield curve control on the 10-year bond, and expectations for further policy normalization are rising.
- The central bank in China has continued to cut interest rates and inject liquidity into the banking system, as weaker than expected economic data appears to indicate a widespread slowdown.
- Risks remain for a policy error as central banks attempt to balance bringing down inflation, maintaining financial stability, and supporting growth.

<sup>1</sup> Source: Bloomberg. Policy rate data is as of October 31, 2023. China policy rate is defined as the medium-term lending facility 1 year interest rate. Balance sheet as % of GDP is based on quarterly data and is as of September 30, 2023.

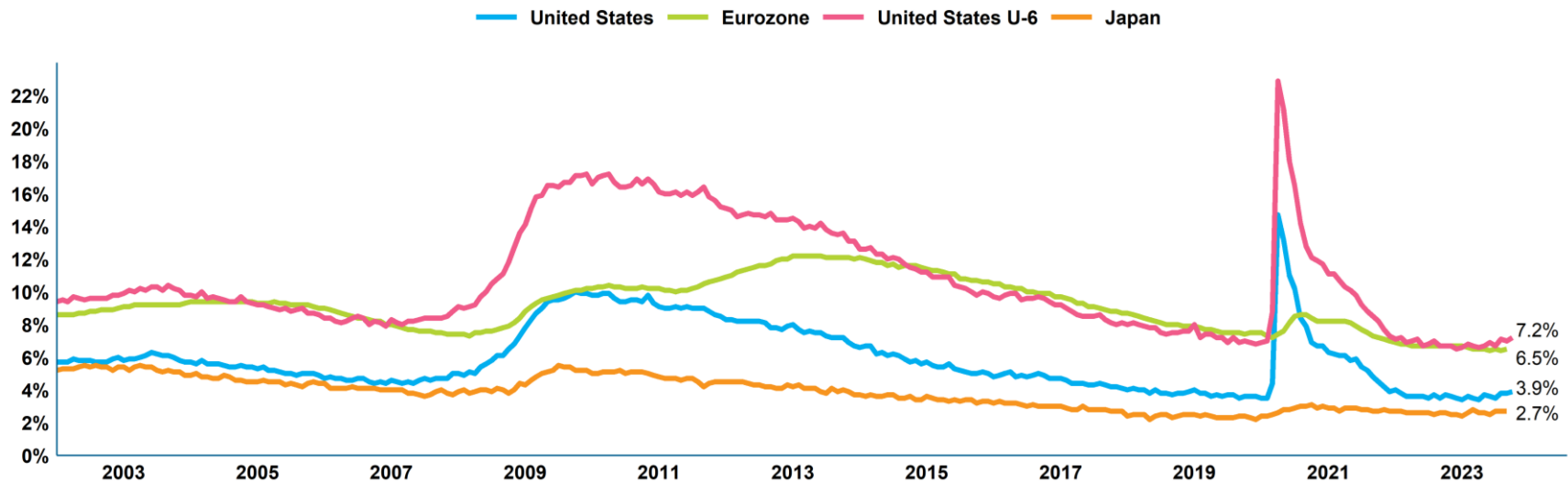
### Inflation (CPI Trailing Twelve Months)<sup>1</sup>



- The inflation picture remains mixed across the major economies.
- In the US, inflation fell from 3.7% to 3.2%, driven by falling energy prices. In the eurozone inflation experienced a dramatic decline in October (4.3% to 2.9%), to a level below the US, also driven by a decline in energy prices. Despite 2023's significant declines in the US and Europe, inflation levels remain elevated compared to central bank targets.
- Inflation in Japan, has increased to levels not seen in almost a decade, driven by food and home related items. In China, deflationary pressures returned in October, as consumption declined after the holiday earlier in the month.

<sup>1</sup> United States CPI and Eurozone CPI – Source: FRED. Japan CPI and China CPI - Source: Bloomberg. Data is as October 31, 2023. The most recent data for Japanese inflation is as of September 30, 2023.

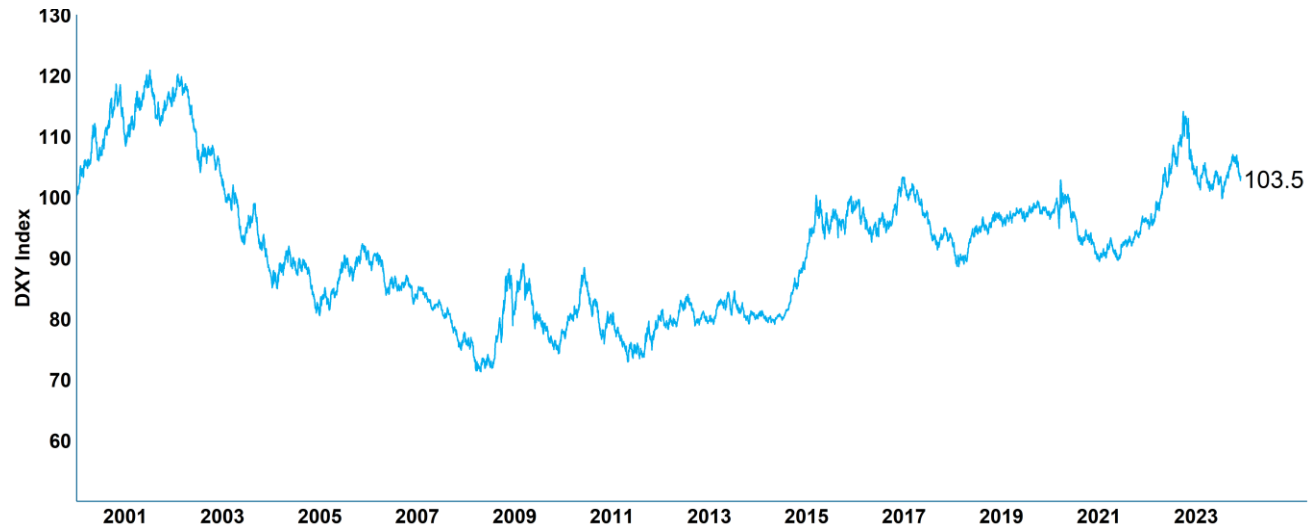
### Unemployment<sup>1</sup>



- Overall, the US labor market remains healthy with the unemployment rate relatively low, wage growth now positive in real terms, and initial claims for unemployment staying subdued. The pace of wage growth has slowed though, and despite remaining elevated, the number of job openings has declined from recent highs.
- In October, US unemployment increased slightly (3.8% to 3.9%), with job gains of 150,000 coming in below expectations of 180,000. The labor force participation rate declined slightly over the month from 62.8% to 62.7%, well off the lows of the pandemic (60.1%) but not back to pre-pandemic levels (63.3%). Broader measures of unemployment (U-6) finished the quarter at 7.2%, up from the September reading of 7.0%.
- Unemployment in Europe (6.5%) remains higher than the US, while levels in Japan (2.7%) remained low through the pandemic given less layoffs.

<sup>1</sup> Eurozone Unemployment - Source: Bloomberg. Japan, United States, United States U-6 Unemployment – Source: FRED. Data is as October 31, 2023, for the US. The most recent data for Eurozone and Japan unemployment is as of September 30, 2023.

**US Dollar versus Broad Currencies<sup>1</sup>**



- After a strong 2022, the US dollar declined late last year and into early this year as weaker economic data and lower inflation led to investors anticipating the end of FOMC tightening.
- During the third quarter, the dollar reversed course and appreciated against major currencies as relative growth remained strong and investors anticipated the FOMC keeping interest rates higher for longer.
- In November, the dollar declined on expectations the Fed is done increasing interest rates for this cycle.
- As we look to 2024, the track of inflation across economies and the corresponding monetary policies will likely be key drivers of currency moves.

<sup>1</sup> Source: Bloomberg. Data as of November 30, 2023.

## Summary

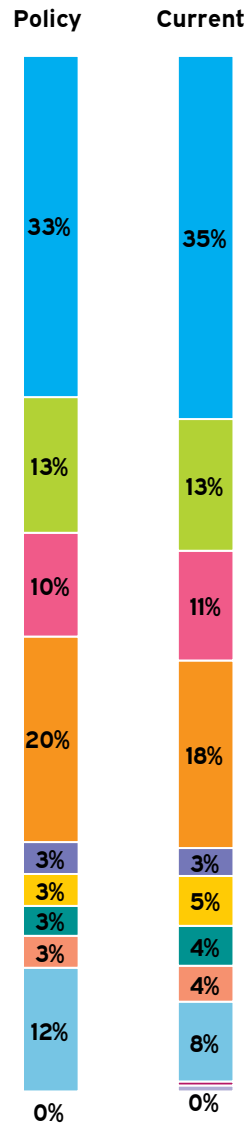
### Key Trends:

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



# Performance Report

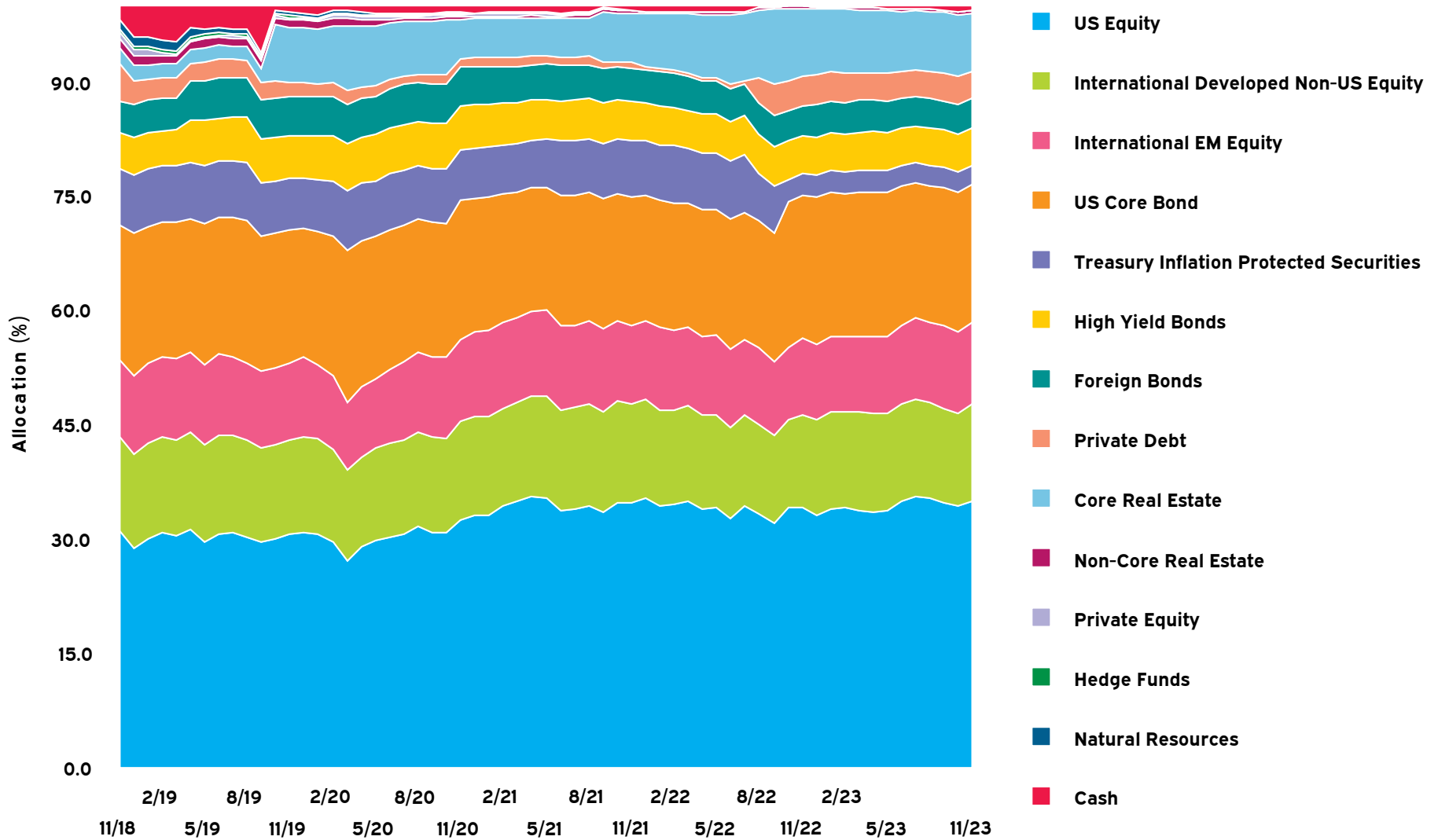
## Asset Allocation Compliance | As of November 30, 2023



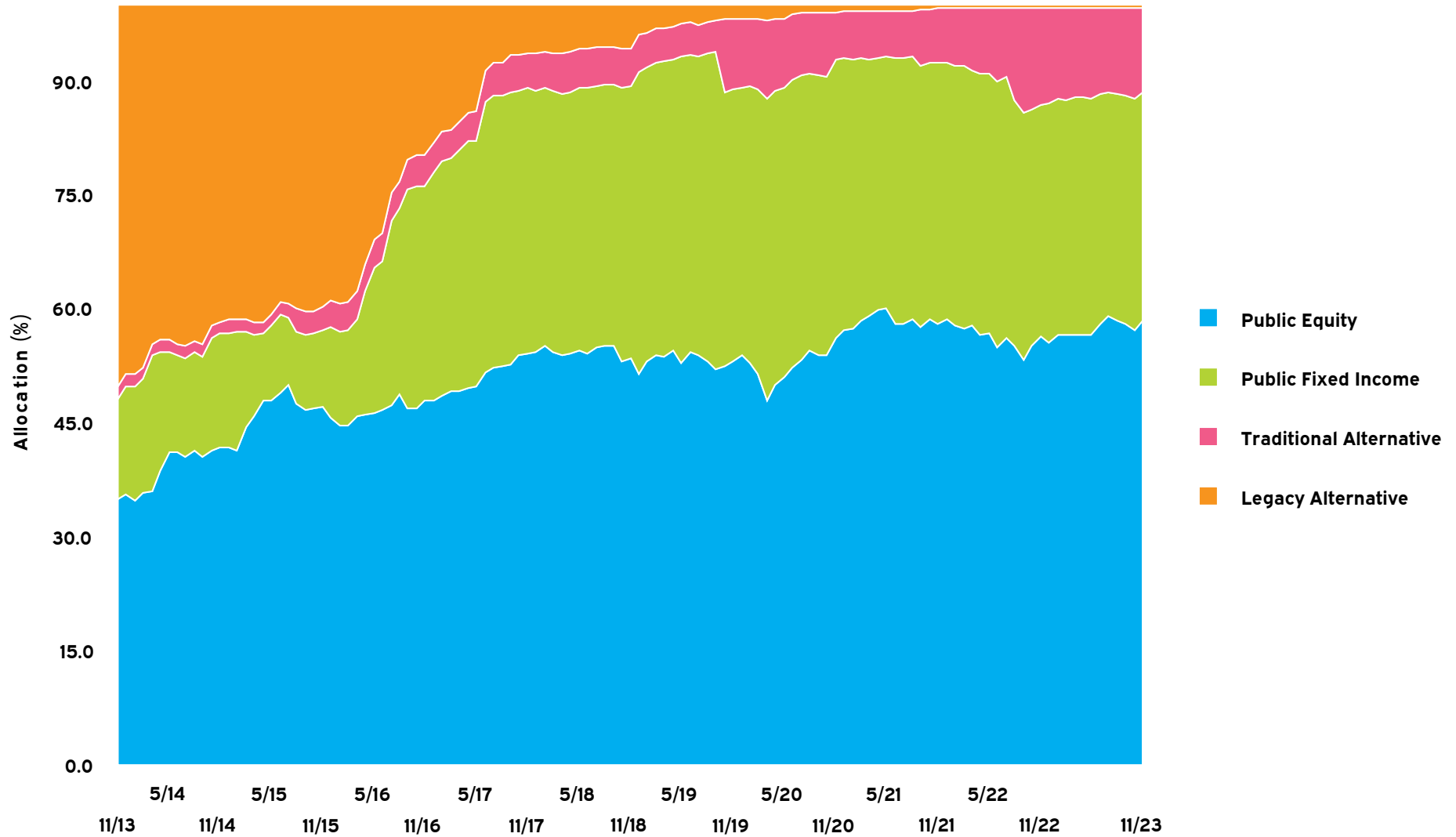
	Current Balance (\$)	Current Allocation (%)	Policy (%)	Difference (%)	Policy Range (%)	Within IPS Range?
US Equity	384,561,201	35	33	2	25 - 40	Yes
International Developed Non-US Equity	138,944,835	13	13	0	8 - 18	Yes
International EM Equity	117,639,902	11	10	1	7 - 13	Yes
US Core Bond	197,827,099	18	20	-2	15 - 25	Yes
Treasury Inflation Protected Securities	29,168,990	3	3	0	0 - 10	Yes
High Yield Bonds	53,563,764	5	3	2	0 - 10	Yes
Foreign Bonds	41,995,393	4	3	1	0 - 10	Yes
Private Debt	39,090,730	4	3	1	0 - 6	Yes
Core Real Estate	84,486,187	8	12	-4	5 - 15	Yes
Non-Core Real Estate	3,569,961	0	0	0	0 - 0	No
Cash	6,641,418	1	0	1	0 - 5	Yes
<b>Total</b>	<b>1,097,489,479</b>	<b>100</b>	<b>100</b>	<b>0</b>		

#### Asset Allocation

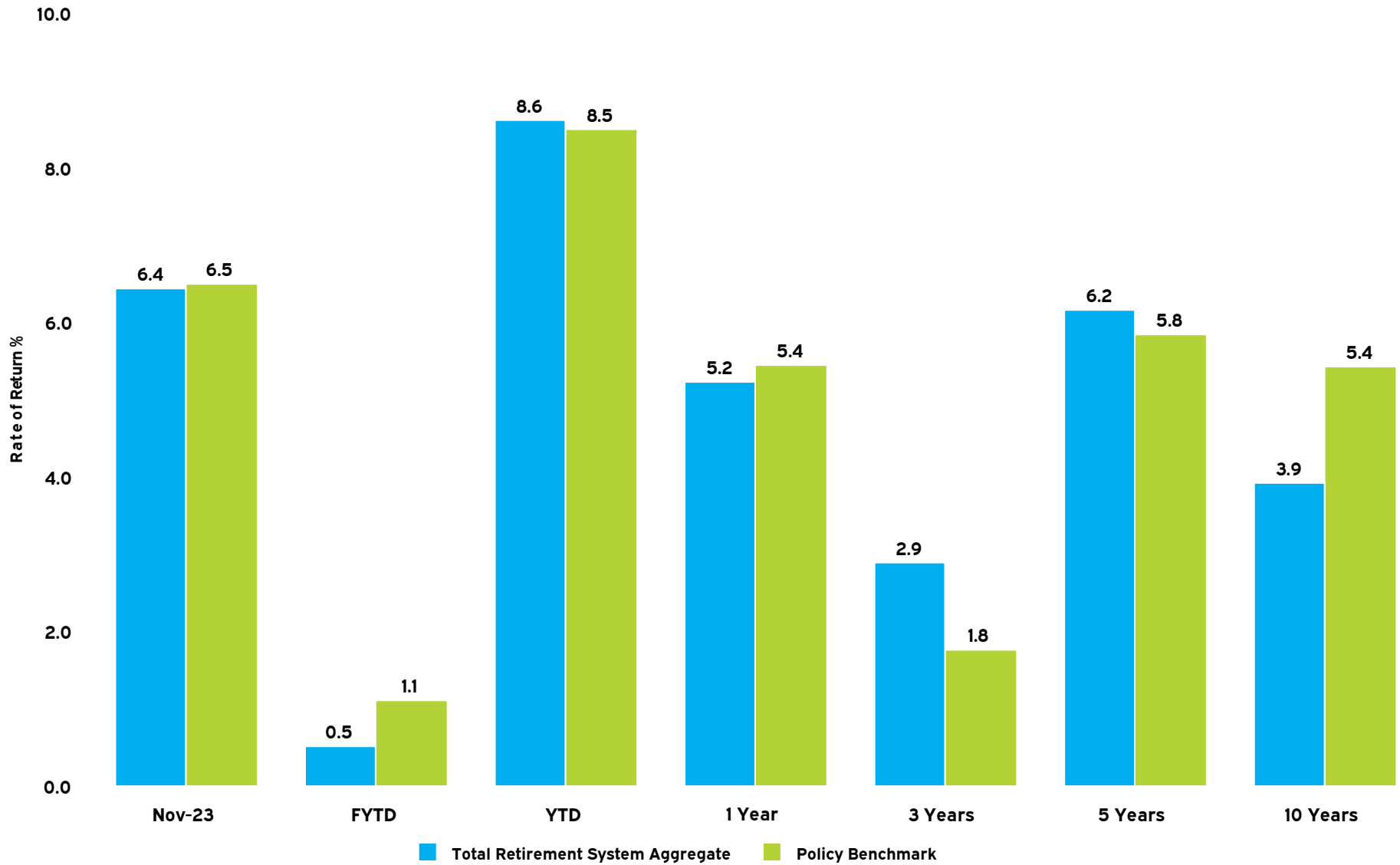
5 Years Ending November 30, 2023



#### Asset Allocation 10 Years Ending November 30, 2023



#### Net Return Summary



## Asset Allocation & Net Performance | As of November 30, 2023

	Market Value \$	% of Portfolio	1 Mo (%)	FYTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Total Retirement System Aggregate</b>	<b>1,097,489,479</b>	<b>100.0</b>	<b>6.4</b>	<b>0.5</b>	<b>8.6</b>	<b>5.2</b>	<b>2.9</b>	<b>6.2</b>	<b>3.9</b>	<b>4.3</b>	<b>Jan-06</b>
<i>Policy Benchmark</i>			6.5	1.1	8.5	5.4	1.8	5.8	5.4	6.2	
Over/Under			-0.1	-0.6	0.1	-0.2	1.1	0.4	-1.5	-1.9	
<i>60% MSCI ACWI &amp; 40% Barclays Universal</i>			7.6	1.5	10.4	8.0	0.9	5.3	4.7	5.2	
Over/Under			-1.2	-1.0	-1.8	-2.8	2.0	0.9	-0.8	-0.9	
<b>Domestic Equity</b>	<b>384,561,201</b>	<b>35.0</b>	<b>8.5</b>	<b>0.5</b>	<b>14.5</b>	<b>7.8</b>	<b>8.0</b>	<b>10.4</b>	<b>9.5</b>	<b>8.5</b>	<b>Feb-06</b>
<i>Russell 3000 Index</i>			9.3	3.0	19.6	12.6	8.3	11.8	11.2	9.3	
Over/Under			-0.8	-2.5	-5.1	-4.8	-0.3	-1.4	-1.7	-0.8	
<b>Developed Equity</b>	<b>138,944,835</b>	<b>12.7</b>	<b>9.8</b>	<b>0.0</b>	<b>11.2</b>	<b>8.9</b>	<b>2.2</b>	<b>7.4</b>	<b>--</b>	<b>5.4</b>	<b>Jun-14</b>
<i>MSCI EAFE (Net)</i>			9.3	0.5	12.3	12.4	3.8	6.0	3.9	3.5	
Over/Under			0.5	-0.5	-1.1	-3.5	-1.6	1.4	--	1.9	
<b>Emerging Market Equity</b>	<b>117,639,902</b>	<b>10.7</b>	<b>7.5</b>	<b>4.6</b>	<b>17.1</b>	<b>13.3</b>	<b>2.4</b>	<b>7.0</b>	<b>--</b>	<b>5.4</b>	<b>Jan-14</b>
<i>MSCI Emerging Markets (Net)</i>			8.0	0.8	5.7	4.2	-4.0	2.3	2.1	2.3	
Over/Under			-0.5	3.8	11.4	9.1	6.4	4.7	--	3.1	
<b>U.S. Core Bond Assets</b>	<b>197,827,099</b>	<b>18.0</b>	<b>4.5</b>	<b>-0.5</b>	<b>1.6</b>	<b>1.1</b>	<b>-4.5</b>	<b>0.7</b>	<b>0.7</b>	<b>0.6</b>	<b>May-13</b>
<i>Blmbg. U.S. Aggregate Index</i>			4.5	-0.4	1.6	1.2	-4.5	0.7	1.4	1.1	
Over/Under			0.0	-0.1	0.0	-0.1	0.0	0.0	-0.7	-0.5	
<b>Treasury Inflation Protected Securities</b>	<b>29,168,990</b>	<b>2.7</b>	<b>2.6</b>	<b>-0.7</b>	<b>1.2</b>	<b>0.1</b>	<b>-1.5</b>	<b>2.7</b>	<b>--</b>	<b>1.7</b>	<b>Aug-16</b>
<i>Blmbg. U.S. TIPS</i>			2.7	-0.7	1.2	0.1	-1.5	2.7	2.0	1.7	
Over/Under			-0.1	0.0	0.0	0.0	0.0	0.0	--	0.0	
<b>Foreign Bond Assets</b>	<b>41,995,393</b>	<b>3.8</b>	<b>8.2</b>	<b>-3.1</b>	<b>0.2</b>	<b>1.7</b>	<b>-6.2</b>	<b>-0.2</b>	<b>0.4</b>	<b>-0.1</b>	<b>May-13</b>
<i>Blmbg. Global Aggregate</i>			5.0	0.1	1.5	2.0	-6.4	-0.7	-0.1	-0.2	
Over/Under			3.2	-3.2	-1.3	-0.3	0.2	0.5	0.5	0.1	

## Municipal Employees' Retirement System of Louisiana

### Asset Allocation & Net Performance | As of November 30, 2023

	Market Value \$	% of Portfolio	1 Mo (%)	FYTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>High Yield Bonds</b>	<b>53,563,764</b>	<b>4.9</b>	<b>4.9</b>	<b>0.8</b>	<b>3.6</b>	<b>3.3</b>	<b>-2.8</b>	<b>2.7</b>	<b>3.3</b>	<b>3.4</b>	<b>May-13</b>
<i>Blmbg. U.S. Corp: High Yield Index</i>			4.5	3.8	9.4	8.7	1.4	4.1	4.3	4.2	
Over/Under			0.4	-3.0	-5.8	-5.4	-4.2	-1.4	-1.0	-0.8	
<b>Core Real Estate</b>	<b>84,486,187</b>	<b>7.7</b>	<b>0.0</b>	<b>-2.1</b>	<b>-3.8</b>	<b>-9.2</b>	<b>12.0</b>	<b>9.3</b>	<b>9.5</b>	<b>7.4</b>	<b>Apr-06</b>
<i>NCREIF ODCE Equal Weighted (Net)</i>			0.0	-2.1	-8.4	-13.1	6.7	5.2	7.5	5.4	
Over/Under			0.0	0.0	4.6	3.9	5.3	4.1	2.0	2.0	
<b>Private Debt</b>	<b>39,090,730</b>	<b>3.6</b>	<b>1.8</b>	<b>6.4</b>	<b>13.6</b>	<b>14.2</b>	<b>11.2</b>	<b>9.4</b>	<b>7.3</b>	<b>7.7</b>	<b>May-13</b>
<i>Bloomberg US High Yield+2%</i>			4.7	4.6	11.4	10.9	3.4	6.2	6.4	6.3	
Over/Under			-2.9	1.8	2.2	3.3	7.8	3.2	0.9	1.4	
<b>Non-Core Real Estate</b>	<b>3,569,961</b>	<b>0.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-16.2</b>	<b>-6.2</b>	<b>-2.4</b>	<b>Feb-06</b>
<i>NCREIF Property (Q Lag)</i>			0.0	-3.0	-8.1	-7.6	6.4	5.7	7.7	7.1	
Over/Under			0.0	3.0	8.1	7.6	-6.4	-21.9	-13.9	-9.5	
<b>Cash</b>	<b>6,641,418</b>	<b>0.6</b>	<b>0.0</b>	<b>1.4</b>	<b>2.8</b>	<b>3.0</b>	<b>1.2</b>	<b>1.5</b>	<b>1.0</b>	<b>1.0</b>	<b>Feb-06</b>
<i>ICE BofA 3 Month U.S. T-Bill</i>			0.4	2.2	4.5	4.9	2.0	1.8	1.2	1.4	
Over/Under			-0.4	-0.8	-1.7	-1.9	-0.8	-0.3	-0.2	-0.4	

## Asset Allocation & Net Performance | As of November 30, 2023

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<i>Policy Benchmark</i>			<i>6.5</i>	<i>1.1</i>	<i>8.5</i>	<i>5.4</i>	<i>1.8</i>	<i>5.8</i>	<i>5.4</i>	<i>6.2</i>	
Over/Under			-0.1	-0.6	0.1	-0.2	1.1	0.4	-1.5	-1.9	
<i>60% MSCI ACWI &amp; 40% Barclays Universal</i>			<i>7.6</i>	<i>1.5</i>	<i>10.4</i>	<i>8.0</i>	<i>0.9</i>	<i>5.3</i>	<i>4.7</i>	<i>5.2</i>	
Over/Under			-1.2	-1.0	-1.8	-2.8	2.0	0.9	-0.8	-0.9	
<b>Domestic Equity</b>	<b>384,561,201</b>	<b>35.0</b>	<b>8.5</b>	<b>0.5</b>	<b>14.5</b>	<b>7.8</b>	<b>8.0</b>	<b>10.4</b>	<b>9.5</b>	<b>8.5</b>	<b>Feb-06</b>
<i>Russell 3000 Index</i>			<i>9.3</i>	<i>3.0</i>	<i>19.6</i>	<i>12.6</i>	<i>8.3</i>	<i>11.8</i>	<i>11.2</i>	<i>9.3</i>	
Over/Under			-0.8	-2.5	-5.1	-4.8	-0.3	-1.4	-1.7	-0.8	
Northern Trust S&P 500 Index	235,590,457	21.5	9.1	3.3	20.8	13.8	9.7	12.5	11.8	11.8	Dec-13
<i>S&amp;P 500 Index</i>			<i>9.1</i>	<i>3.3</i>	<i>20.8</i>	<i>13.8</i>	<i>9.8</i>	<i>12.5</i>	<i>11.8</i>	<i>11.8</i>	
Over/Under			0.0	0.0	0.0	0.0	-0.1	0.0	0.0	0.0	
<i>Large Cap Median</i>			<i>8.9</i>	<i>3.0</i>	<i>17.6</i>	<i>11.1</i>	<i>8.1</i>	<i>10.8</i>	<i>10.2</i>	<i>10.2</i>	
Northern Trust S&P 500 Index Rank			43	43	34	35	23	25	22	22	
Northern Trust S&P 400 MidCap Index	74,055,379	6.7	8.5	-1.6	7.1	1.2	7.3	8.1	8.7	8.7	Dec-13
<i>S&amp;P MidCap 400 Index</i>			<i>8.5</i>	<i>-1.6</i>	<i>7.1</i>	<i>1.2</i>	<i>7.4</i>	<i>8.1</i>	<i>8.7</i>	<i>8.7</i>	
Over/Under			0.0	0.0	0.0	0.0	-0.1	0.0	0.0	0.0	
<i>Mid Cap Median</i>			<i>9.4</i>	<i>-0.7</i>	<i>8.2</i>	<i>2.6</i>	<i>5.0</i>	<i>8.0</i>	<i>8.0</i>	<i>8.0</i>	
Northern Trust S&P 400 MidCap Index Rank			71	62	59	64	32	49	34	34	
Barrow Hanley Small Cap Value Equity	44,308,746	4.0	6.3	-6.0	5.5	-2.2	7.6	10.0	8.2	9.6	Jan-06
<i>Russell 2000 Value Index</i>			<i>9.0</i>	<i>-0.5</i>	<i>2.0</i>	<i>-4.7</i>	<i>6.5</i>	<i>4.7</i>	<i>5.7</i>	<i>6.4</i>	
Over/Under			-2.7	-5.5	3.5	2.5	1.1	5.3	2.5	3.2	
<i>Small Value Median</i>			<i>8.0</i>	<i>-0.8</i>	<i>4.2</i>	<i>-1.6</i>	<i>8.9</i>	<i>6.4</i>	<i>6.1</i>	<i>7.0</i>	
Barrow Hanley Small Cap Value Equity Rank			88	98	42	57	76	6	8	2	



## Asset Allocation & Net Performance | As of November 30, 2023

	Market Value \$	% of Portfolio	1 Mo (%)	FYTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Loomis Sayles Small Cap Growth	30,606,618	2.8	7.2	-5.7	2.9	-1.8	-1.7	--	--	5.8	Jun-20
<i>Russell 2000 Growth Index</i>			9.1	-6.7	6.0	-0.8	-4.3	4.2	6.2	4.3	
Over/Under			-1.9	1.0	-3.1	-1.0	2.6	--	--	1.5	
<i>Small Growth Median</i>			9.3	-5.5	5.6	-0.5	-2.8	5.8	7.2	5.2	
Loomis Sayles Small Cap Growth Rank			93	56	74	64	40	--	--	41	
<b>International Equity</b>	<b>256,584,736</b>	<b>23.4</b>	<b>8.7</b>	<b>2.1</b>	<b>13.8</b>	<b>10.9</b>	<b>2.3</b>	<b>7.2</b>	<b>--</b>	<b>5.7</b>	<b>Jun-17</b>
<i>MSCI AC World ex USA (Net)</i>			9.0	0.6	10.1	9.3	1.7	5.1	3.4	3.9	
Over/Under			-0.3	1.5	3.7	1.6	0.6	2.1	--	1.8	
<b>Developed Equity</b>	<b>138,944,835</b>	<b>12.7</b>	<b>9.8</b>	<b>0.0</b>	<b>11.2</b>	<b>8.9</b>	<b>2.2</b>	<b>7.4</b>	<b>--</b>	<b>5.4</b>	<b>Jun-14</b>
<i>MSCI EAFE (Net)</i>			9.3	0.5	12.3	12.4	3.8	6.0	3.9	3.5	
Over/Under			0.5	-0.5	-1.1	-3.5	-1.6	1.4	--	1.9	
First Eagle International Value	42,160,642	3.8	9.3	3.1	10.3	10.3	3.5	5.9	--	3.7	Jun-14
<i>MSCI EAFE (Net)</i>			9.3	0.5	12.3	12.4	3.8	6.0	3.9	3.5	
Over/Under			0.0	2.6	-2.0	-2.1	-0.3	-0.1	--	0.2	
<i>Foreign Median</i>			8.5	-0.4	10.5	8.3	2.1	5.5	3.7	3.4	
First Eagle International Value Rank			31	7	53	27	35	41	--	39	
WCM Focused International Growth Fund	50,346,806	4.6	10.6	-3.0	11.1	6.6	-0.6	9.9	--	8.1	Jun-14
<i>MSCI AC World ex USA (Net)</i>			9.0	0.6	10.1	9.3	1.7	5.1	3.4	3.1	
Over/Under			1.6	-3.6	1.0	-2.7	-2.3	4.8	--	5.0	
<i>Foreign Median</i>			8.5	-0.4	10.5	8.3	2.1	5.5	3.7	3.4	
WCM Focused International Growth Fund Rank			13	86	43	66	75	2	--	1	

First Eagle International Value market value is estimated using November 30, 2023 benchmark returns

## Asset Allocation & Net Performance | As of November 30, 2023

	Market Value \$	% of Portfolio	1 Mo (%)	FYTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Northern Trust MSCI EAFE Index	46,437,387	4.2	9.3	0.6	12.2	10.3	4.2	6.3	--	6.5	Jan-17
<i>MSCI EAFE (Net)</i>			9.3	0.5	12.3	12.4	3.8	6.0	3.9	6.2	
Over/Under			0.0	0.1	-0.1	-2.1	0.4	0.3	--	0.3	
<i>Foreign Median</i>			8.5	-0.4	10.5	8.3	2.1	5.5	3.7	5.8	
Northern Trust MSCI EAFE Index Rank			31	32	29	27	28	29	--	29	
<b>Emerging Market Equity</b>	<b>117,639,902</b>	<b>10.7</b>	<b>7.5</b>	<b>4.6</b>	<b>17.1</b>	<b>13.3</b>	<b>2.4</b>	<b>7.0</b>	<b>--</b>	<b>5.4</b>	<b>Jan-14</b>
<i>MSCI Emerging Markets (Net)</i>			8.0	0.8	5.7	4.2	-4.0	2.3	2.1	2.3	
Over/Under			-0.5	3.8	11.4	9.1	6.4	4.7	--	3.1	
Dimensional Emerging Markets Value	50,748,010	4.6	6.9	2.4	11.2	8.7	6.0	4.2	--	3.3	Jan-14
<i>MSCI Emerging Markets Value (Net)</i>			6.8	1.7	8.4	6.7	1.0	1.8	1.2	1.4	
Over/Under			0.1	0.7	2.8	2.0	5.0	2.4	--	1.9	
<i>Diversified Emerging Mkts Median</i>			7.6	-0.2	6.9	4.4	-4.4	2.6	2.1	2.1	
Dimensional Emerging Markets Value Rank			75	17	21	17	4	25	--	25	
GQG Partners Emerging Markets	66,891,892	6.1	7.9	6.3	22.0	17.0	0.0	9.5	--	7.8	Sep-18
<i>MSCI Emerging Markets (Net)</i>			8.0	0.8	5.7	4.2	-4.0	2.3	2.1	1.1	
Over/Under			-0.1	5.5	16.3	12.8	4.0	7.2	--	6.7	
<i>Diversified Emerging Mkts Median</i>			7.6	-0.2	6.9	4.4	-4.4	2.6	2.1	1.4	
GQG Partners Emerging Markets Rank			38	3	1	2	20	2	--	2	

## Asset Allocation & Net Performance | As of November 30, 2023

	Market Value \$	% of Portfolio	1 Mo (%)	FYTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>U.S. Core Bond Assets</b>	<b>197,827,099</b>	<b>18.0</b>	<b>4.5</b>	<b>-0.5</b>	<b>1.6</b>	<b>1.1</b>	<b>-4.5</b>	<b>0.7</b>	<b>0.7</b>	<b>0.6</b>	<b>May-13</b>
<i>Blmbg. U.S. Aggregate Index</i>			4.5	-0.4	1.6	1.2	-4.5	0.7	1.4	1.1	
Over/Under			0.0	-0.1	0.0	-0.1	0.0	0.0	-0.7	-0.5	
Northern Trust Barclays Aggregate Index	197,827,099	18.0	4.5	-0.5	1.6	1.1	-4.5	0.7	--	1.0	Jan-16
<i>Blmbg. U.S. Aggregate Index</i>			4.5	-0.4	1.6	1.2	-4.5	0.7	1.4	1.0	
Over/Under			0.0	-0.1	0.0	-0.1	0.0	0.0	--	0.0	
<i>Intermediate Core Bond Median</i>			4.5	-0.4	1.8	1.3	-4.5	0.7	1.3	1.0	
Northern Trust Barclays Aggregate Index Rank			62	53	62	59	42	48	--	51	
<b>Treasury Inflation Protected Securities</b>	<b>29,168,990</b>	<b>2.7</b>	<b>2.6</b>	<b>-0.7</b>	<b>1.2</b>	<b>0.1</b>	<b>-1.5</b>	<b>2.7</b>	<b>--</b>	<b>1.7</b>	<b>Aug-16</b>
<i>Blmbg. U.S. TIPS</i>			2.7	-0.7	1.2	0.1	-1.5	2.7	2.0	1.7	
Over/Under			-0.1	0.0	0.0	0.0	0.0	0.0	--	0.0	
Northern Trust TIPS	29,168,990	2.7	2.6	-0.7	1.2	0.1	-1.5	2.7	--	1.7	Aug-16
<i>Blmbg. U.S. TIPS</i>			2.7	-0.7	1.2	0.1	-1.5	2.7	2.0	1.7	
Over/Under			-0.1	0.0	0.0	0.0	0.0	0.0	--	0.0	
<i>Inflation-Protected Bond Median</i>			2.6	-0.3	1.4	0.4	-1.6	2.6	1.7	1.6	
Northern Trust TIPS Rank			44	68	59	56	48	38	--	46	
<b>Foreign Bond Assets</b>	<b>41,995,393</b>	<b>3.8</b>	<b>8.2</b>	<b>-3.1</b>	<b>0.2</b>	<b>1.7</b>	<b>-6.2</b>	<b>-0.2</b>	<b>0.4</b>	<b>-0.1</b>	<b>May-13</b>
<i>Blmbg. Global Aggregate</i>			5.0	0.1	1.5	2.0	-6.4	-0.7	-0.1	-0.2	
Over/Under			3.2	-3.2	-1.3	-0.3	0.2	0.5	0.5	0.1	
Brandywine Global Opportunistic Fixed Income	41,995,393	3.8	8.2	-3.1	0.2	1.7	-6.2	-0.2	0.7	3.6	Jan-06
<i>Blmbg. Global Aggregate</i>			5.0	0.1	1.5	2.0	-6.4	-0.7	-0.1	2.2	
Over/Under			3.2	-3.2	-1.3	-0.3	0.2	0.5	0.8	1.4	
<i>Global Bond Median</i>			5.3	0.5	1.5	1.7	-6.2	-0.7	-0.1	2.4	
Brandywine Global Opportunistic Fixed Income Rank			1	97	79	53	51	36	27	4	

## Asset Allocation & Net Performance | As of November 30, 2023

	Market Value \$	% of Portfolio	1 Mo (%)	FYTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>High Yield Bonds</b>	<b>53,563,764</b>	<b>4.9</b>	<b>4.9</b>	<b>0.8</b>	<b>3.6</b>	<b>3.3</b>	<b>-2.8</b>	<b>2.7</b>	<b>3.3</b>	<b>3.4</b>	<b>May-13</b>
<i>Blmbg. U.S. Corp: High Yield Index</i>			4.5	3.8	9.4	8.7	1.4	4.1	4.3	4.2	
Over/Under			0.4	-3.0	-5.8	-5.4	-4.2	-1.4	-1.0	-0.8	
Loomis Sayles Multisector Full Discretion	53,563,764	4.9	4.9	0.8	3.6	3.3	-2.8	2.7	3.3	5.7	Jan-06
<i>Blmbg. U.S. Gov't/Credit</i>			4.3	-0.2	2.0	1.5	-4.7	1.1	1.5	3.0	
Over/Under			0.6	1.0	1.6	1.8	1.9	1.6	1.8	2.7	
<i>Multisector Bond Median</i>			4.1	1.9	5.2	5.1	-0.8	2.4	2.7	4.2	
Loomis Sayles Multisector Full Discretion Rank			17	83	80	80	94	35	19	1	
<b>Core Real Estate</b>	<b>84,486,187</b>	<b>7.7</b>	<b>0.0</b>	<b>-2.1</b>	<b>-3.8</b>	<b>-9.2</b>	<b>12.0</b>	<b>9.3</b>	<b>9.5</b>	<b>7.4</b>	<b>Apr-06</b>
<i>NCREIF Fund Index-ODCE (EW) (Net)</i>			0.0	-2.1	-8.4	-13.1	6.7	5.2	7.5	5.4	
Over/Under			0.0	0.0	4.6	3.9	5.3	4.1	2.0	2.0	
TA Realty Core Property Fund, L.P.	84,486,187	7.7	0.0	-2.1	-3.8	-9.2	12.0	--	--	9.5	Oct-19
<i>NCREIF Fund Index-ODCE (EW) (Net)</i>			0.0	-2.1	-8.4	-13.1	6.7	5.2	7.5	5.0	
Over/Under			0.0	0.0	4.6	3.9	5.3	--	--	4.5	
<b>Private Debt</b>	<b>39,090,730</b>	<b>3.6</b>	<b>1.8</b>	<b>6.4</b>	<b>13.6</b>	<b>14.2</b>	<b>11.2</b>	<b>9.4</b>	<b>7.3</b>	<b>7.7</b>	<b>May-13</b>
<i>Bloomberg US High Yield+2%</i>			4.7	4.6	11.4	10.9	3.4	6.2	6.4	6.3	
Over/Under			-2.9	1.8	2.2	3.3	7.8	3.2	0.9	1.4	
BlueBay Direct Lending Fund II, L.P.	3,508,015	0.3	0.0	4.1	9.0	7.6	8.5	7.6	--	7.4	Aug-15
<i>Bloomberg US High Yield+2%</i>			4.7	4.6	11.4	10.9	3.4	6.2	6.4	6.6	
Over/Under			-4.7	-0.5	-2.4	-3.3	5.1	1.4	--	0.8	
ArrowMark Global Opportunity Fund IV	35,582,715	3.2	1.9	6.7	14.8	15.6	--	--	--	13.6	Sep-22
<i>Bloomberg US High Yield+2%</i>			4.7	4.6	11.4	10.9	3.4	6.2	6.4	9.6	
Over/Under			-2.8	2.1	3.4	4.7	--	--	--	4.0	

BlueBay Direct Lending Fund II as of September 30, 2023, adjusted for subsequent cash flows  
 TA Core Realty Property Fund, L.P. valued as of September 30, 2023, adjusted for subsequent cash flows

### Asset Allocation & Net Performance | As of November 30, 2023

	Market Value \$	% of Portfolio	1 Mo (%)	FYTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Non-Core Real Estate</b>	<b>3,569,961</b>	<b>0.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-16.2</b>	<b>-6.2</b>	<b>-2.4</b>	<b>Feb-06</b>
<i>NCREIF Property (Q Lag)</i>			<i>0.0</i>	<i>-3.0</i>	<i>-8.1</i>	<i>-7.6</i>	<i>6.4</i>	<i>5.7</i>	<i>7.7</i>	<i>7.1</i>	
Over/Under			0.0	3.0	8.1	7.6	-6.4	-21.9	-13.9	-9.5	
Gainesville Vision	3,569,961	0.3	0.0	0.0	0.0	0.0	0.0	-16.2	-2.6	-4.0	Jan-08
<i>NCREIF Property (Q Lag)</i>			<i>0.0</i>	<i>-3.0</i>	<i>-8.1</i>	<i>-7.6</i>	<i>6.4</i>	<i>5.7</i>	<i>7.7</i>	<i>6.0</i>	
Over/Under			0.0	3.0	8.1	7.6	-6.4	-21.9	-10.3	-10.0	
<b>Cash</b>	<b>6,641,418</b>	<b>0.6</b>	<b>0.0</b>	<b>1.4</b>	<b>2.8</b>	<b>3.0</b>	<b>1.2</b>	<b>1.5</b>	<b>1.0</b>	<b>1.0</b>	<b>Feb-06</b>
<i>ICE BofA 3 Month U.S. T-Bill</i>			<i>0.4</i>	<i>2.2</i>	<i>4.5</i>	<i>4.9</i>	<i>2.0</i>	<i>1.8</i>	<i>1.2</i>	<i>1.4</i>	
Over/Under			-0.4	-0.8	-1.7	-1.9	-0.8	-0.3	-0.2	-0.4	

**Benchmark History**

From Date	To Date	Benchmark
Total Retirement System Aggregate		
12/01/2022	Present	33.0% Russell 3000 Index, 20.0% Blmbg. U.S. Aggregate Index, 3.0% Blmbg. U.S. Corp: High Yield Index, 13.0% MSCI EAFE (Net), 12.0% NCREIF Fund Index-ODCE (EW) (Net), 3.0% Blmbg. Global Aggregate, 10.0% MSCI Emerging Markets (Net), 3.0% Blmbg. U.S. TIPS, 3.0% Bloomberg US High Yield+2%

### Cash Flow Summary | 1 Month Ending November 30, 2023

	Beginning Market Value	Contributions	Distributions	Net Cash Flow	Net Investment Change	Ending Market Value
ArrowMark Global Opportunity Fund IV	34,908,493	-	-	-	674,222	35,582,715
Barrow Hanley Small Cap Value Equity	41,666,763	-	-	-	2,641,983	44,308,746
BlueBay Direct Lending Fund II, L.P.	3,508,015	-	-	-	-	3,508,015
Brandywine Global Opportunistic Fixed Income	38,838,607	-	-45,056	-45,056	3,201,842	41,995,393
Dimensional Emerging Markets Value	47,486,539	-	-	-	3,261,471	50,748,010
Federated Government Obligations	8,441,211	-	-1,800,643	-1,800,643	850	6,641,418
First Eagle International Value	38,580,383	-	-	-	3,580,260	42,160,642
Gainesville Vision	3,569,961	-	-	-	-	3,569,961
GQG Partners Emerging Markets	61,978,378	-	-	-	4,913,514	66,891,892
Loomis Sayles Multisector Full Discretion	51,060,586	-	-	-	2,503,178	53,563,764
Loomis Sayles Small Cap Growth	28,538,603	-	-	-	2,068,015	30,606,618
Northern Trust Barclays Aggregate Index	189,325,850	-	-	-	8,501,249	197,827,099
Northern Trust MSCI EAFE Index	42,494,991	-	-	-	3,942,395	46,437,387
Northern Trust S&P 500 Index	215,882,178	-	-	-	19,708,280	235,590,457
Northern Trust S&P 400 MidCap Index	68,248,180	-	-	-	5,807,200	74,055,379
Northern Trust TIPS	28,416,881	-	-	-	752,109	29,168,990
TA Realty Core Property Fund, L.P.	84,486,187	-	-	-	-	84,486,187
WCM Focused International Growth Fund	45,504,777	-	-	-	4,842,029	50,346,806
<b>Total</b>	<b>1,032,936,583</b>	<b>-</b>	<b>-1,845,699</b>	<b>-1,845,699</b>	<b>66,398,594</b>	<b>1,097,489,479</b>

Annual Investment Expense Analysis				
	Fee Schedule	Market Value	Expense Ratio (%)	Estimated Expense
<b>Domestic Equity</b>				
		<b>384,561,201</b>	<b>0.14</b>	<b>529,871</b>
Northern Trust S&P 500 Index	0.01 % of Assets	235,590,457	0.01	17,669
Northern Trust S&P 400 MidCap Index	0.02 % of Assets	74,055,379	0.02	11,108
Barrow Hanley Small Cap Value Equity	1.00 % of First \$10 M 0.50 % of Next \$190 M 0.40 % of Next \$200 M 0.30 % Thereafter	44,308,746	0.61	271,544
Loomis Sayles Small Cap Growth	0.75 % of Assets	30,606,618	0.75	229,550
<b>Developed Equity</b>				
		<b>138,944,835</b>	<b>0.50</b>	<b>694,784</b>
First Eagle International Value	0.79 % of Assets	42,160,642	0.79	333,069
WCM Focused International Growth Fund	0.70 % of Assets	50,346,806	0.70	352,428
Northern Trust MSCI EAFE Index	0.02 % of Assets	46,437,387	0.02	9,287
<b>Emerging Market Equity</b>				
		<b>117,639,902</b>	<b>0.61</b>	<b>716,677</b>
Dimensional Emerging Markets Value	0.45 % of Assets	50,748,010	0.45	228,366
GQG Partners Emerging Markets	0.73 % of Assets	66,891,892	0.73	488,311
<b>U.S. Core Bond Assets</b>				
		<b>197,827,099</b>	<b>0.02</b>	<b>34,620</b>
Northern Trust Barclays Aggregate Index	0.02 % of Assets	197,827,099	0.02	34,620
<b>Treasury Inflation Protected Securities</b>				
		<b>29,168,990</b>	<b>0.02</b>	<b>5,105</b>
Northern Trust TIPS	0.02 % of Assets	29,168,990	0.02	5,105
<b>Foreign Bond Assets</b>				
		<b>41,995,393</b>	<b>0.45</b>	<b>188,979</b>
Brandywine Global Opportunistic Fixed Income	0.45 % of Assets	41,995,393	0.45	188,979
<b>High Yield Bonds</b>				
		<b>53,563,764</b>	<b>0.42</b>	<b>223,691</b>
Loomis Sayles Multisector Full Discretion	0.57 % of First \$15 M 0.45 % of Next \$15 M 0.30 % Thereafter	53,563,764	0.42	223,691

Performance Fees not included in fee calculation



### Fee Schedule | As of November 30, 2023

	Fee Schedule	Market Value	Expense Ratio (%)	Estimated Expense
<b>Core Real Estate</b>		<b>84,486,187</b>	<b>0.70</b>	<b>591,403</b>
TA Realty Core Property Fund, L.P.	0.70 % of Assets	84,486,187	0.70	591,403
<b>Private Debt</b>		<b>39,090,730</b>	<b>0.46</b>	<b>177,914</b>
BlueBay Direct Lending Fund II, L.P.	0.00 % of Assets	3,508,015	0.00	-
ArrowMark Global Opportunity Fund IV	0.50 % of Assets	35,582,715	0.50	177,914
<b>Non-Core Real Estate</b>		<b>3,569,961</b>	<b>0.00</b>	<b>-</b>
Gainesville Vision	0.00 % of Assets	3,569,961	0.00	-
<b>Cash</b>		<b>6,641,418</b>	<b>0.00</b>	<b>-</b>
Federated Government Obligations	0.00 % of Assets	6,641,418	0.00	-
<b>Total Retirement System Aggregate</b>		<b>1,097,489,479</b>	<b>0.29</b>	<b>3,163,044</b>

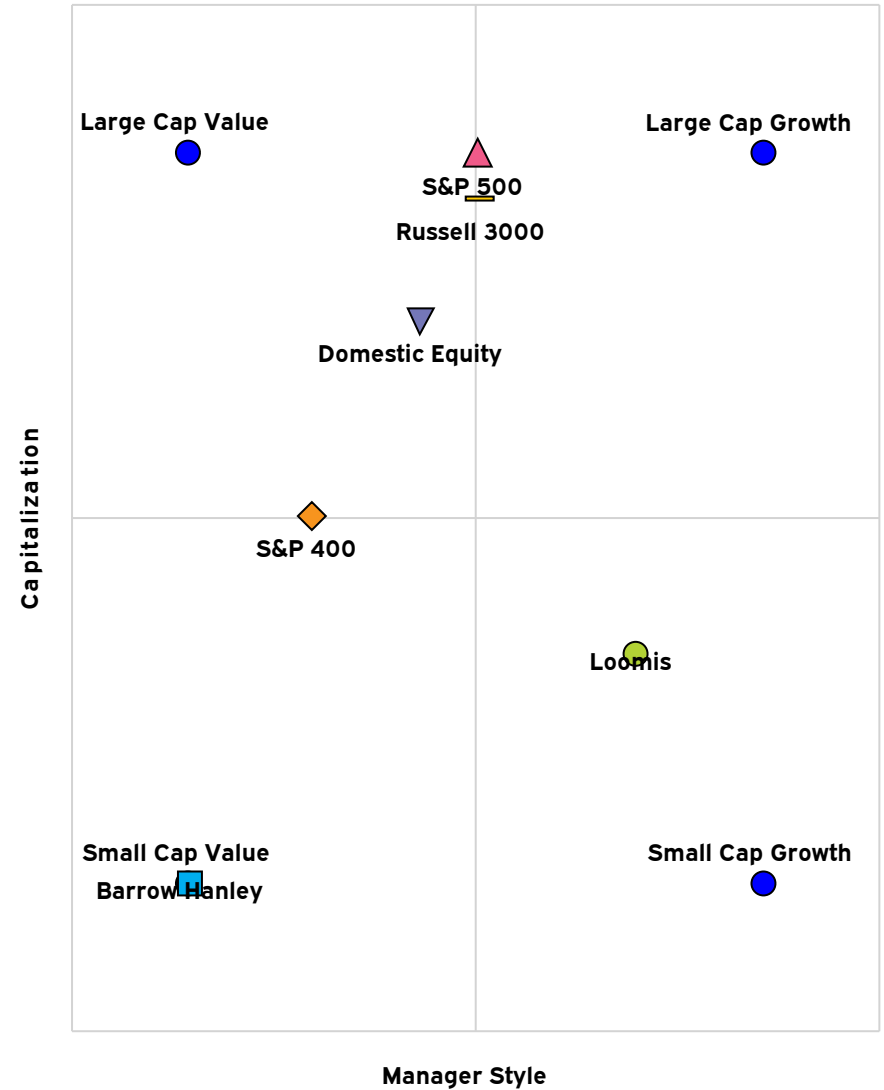
Performance Fees not included in fee calculation

## Equity Exposure Deep Dive

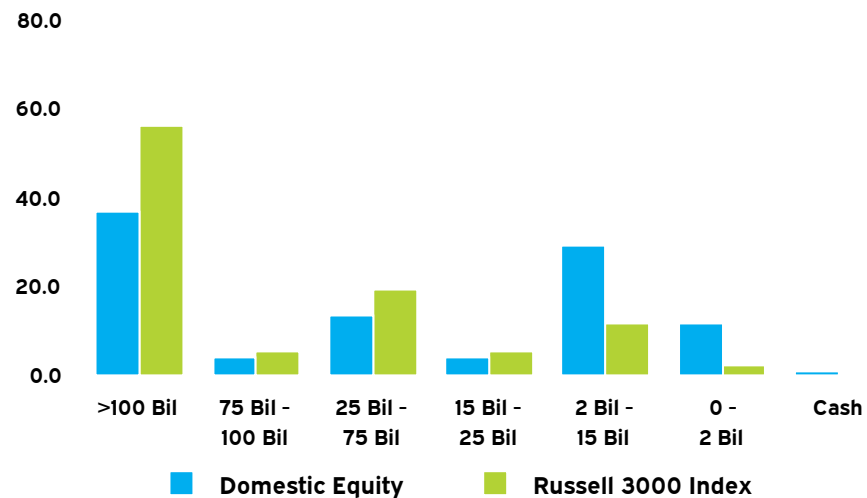
Domestic Equity | As of June 30, 2023

Asset Allocation		
	Total Fund	
	\$	%
Northern Trust S&P 500 Index	227,961,068.54	59.59
Northern Trust S&P 400 MidCap Index	75,255,914.05	19.67
Loomis Sayles Small Cap Growth	32,352,941.0	8.5
Barrow Hanley Small Cap Value Equity	47,010,138.0	12.3
<b>Domestic Equity</b>	<b>382,580,061.6</b>	<b>100.0</b>

### Domestic Equity Style Map 3 years



### Distribution of Market Capitalization (%)



Domestic Equity | As of June 30, 2023

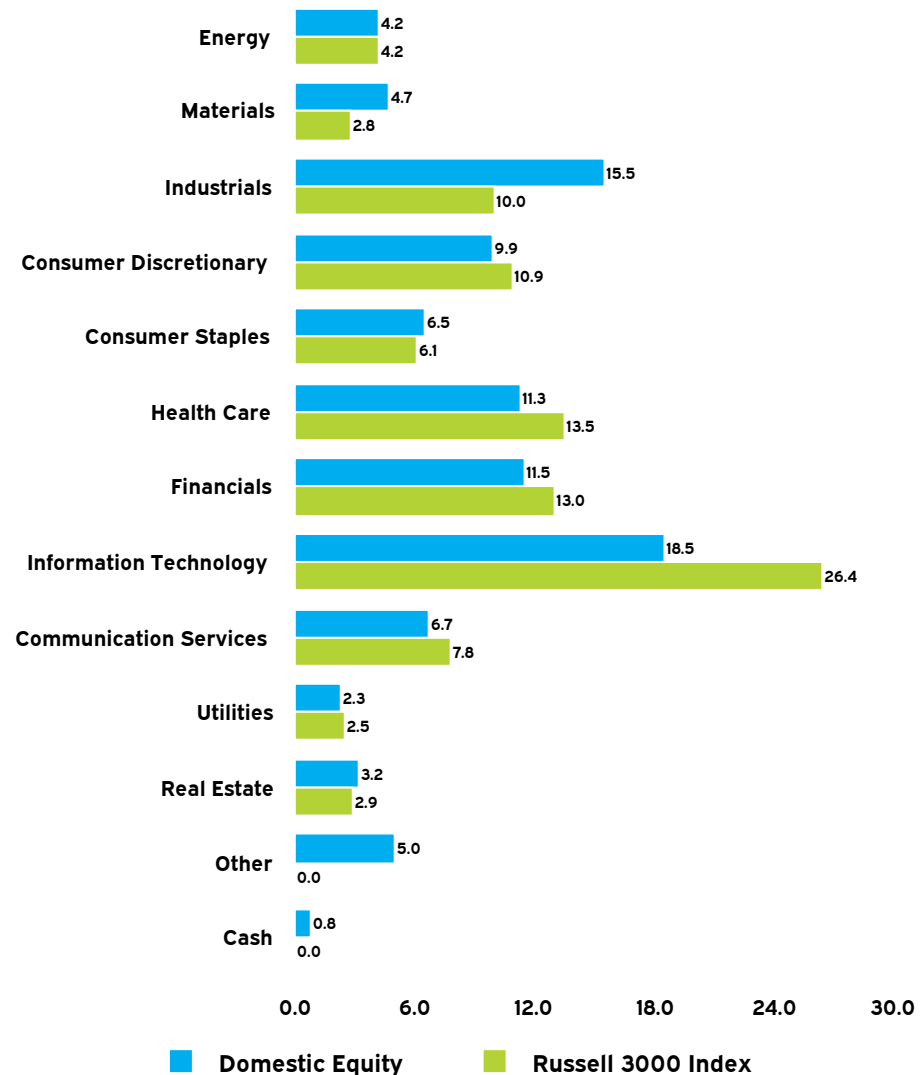
### Portfolio Characteristics

	Portfolio	Benchmark
Number of Stocks	1,013	3,010
Wtd. Avg. Mkt. Cap \$B	283.9	580.2
Median Mkt. Cap \$B	9.8	2.0
Price/Earnings ratio	18.9	22.0
Price/Book ratio	3.4	4.2
Current Yield (%)	1.5	1.5
Beta (5 Years, Monthly)	1.1	1.0
R-Squared (5 Years, Monthly)	1.0	1.0

### Top Ten Equity Holdings

	Portfolio Weight (%)
Microsoft Corp	5.1
ProShares Ultra Semiconductors	5.0
NVIDIA Corporation	2.1
Alphabet Inc	1.4
Tesla Inc	1.4
Meta Platforms Inc	1.3
Alphabet Inc	1.2
Unitedhealth Group Inc	0.9
Exxon Mobil Corp	0.9
Johnson & Johnson	0.9

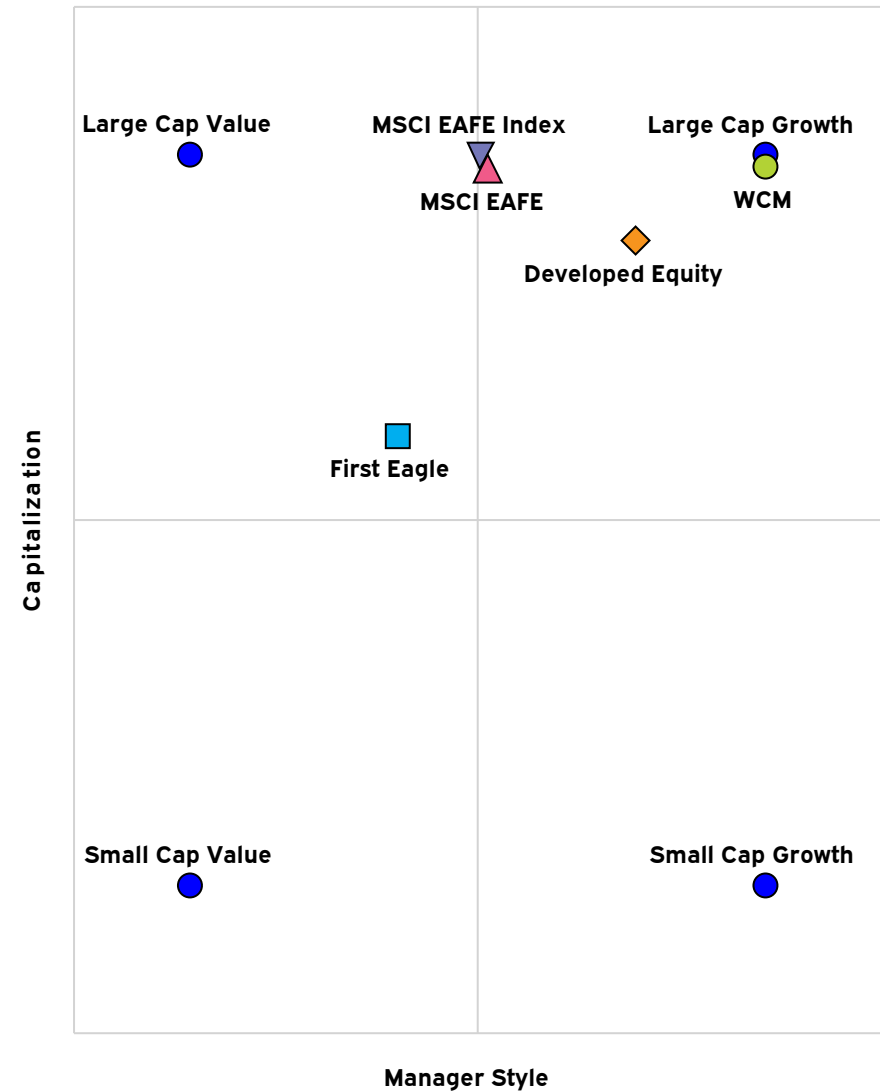
### Sector Weights (%)



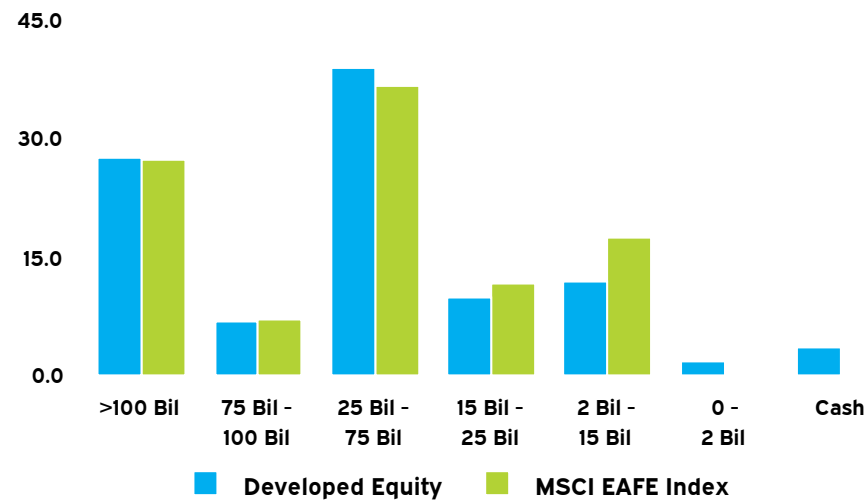
Developed Equity | As of June 30, 2023

	Total Fund	
	\$	%
Northern Trust MSCI EAFE Index	46,161,294.14	33.23
First Eagle International Value	40,886,690.5	29.4
WCM Focused International Growth Fund	51,882,395.0	37.3
<b>Developed Equity</b>	<b>138,930,379.6</b>	<b>100.0</b>

### Developed Equity Style Map 3 Years



### Distribution of Market Capitalization (%)



### Portfolio Characteristics

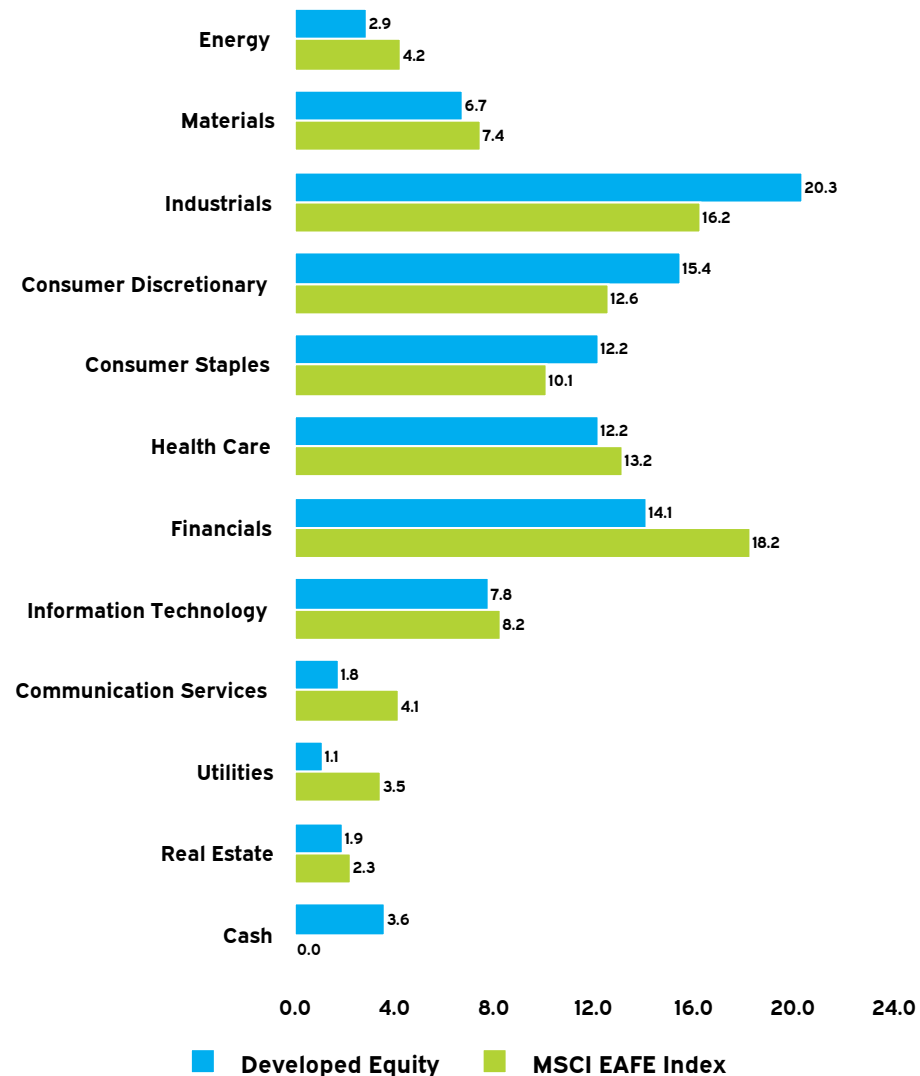
	Portfolio	Benchmark
Number of Stocks	871	798
Wtd. Avg. Mkt. Cap \$B	115.9	86.1
Median Mkt. Cap \$B	12.4	12.5
Price/Earnings ratio	18.2	13.8
Price/Book ratio	3.0	2.5
Current Yield (%)	2.2	3.3
Beta (5 Years, Monthly)	0.9	1.0
R-Squared (5 Years, Monthly)	1.0	1.0

### Top Ten Equity Holdings

	Portfolio Weight (%)
Ferrari NV	2.9
Novo Nordisk A/S	2.9
Adyen N.V	2.5
Schneider Electric SA	2.2
LVMH Moët Hennessy Louis Vuitton SE	2.0
Evolution AB (publ)	2.0
Sika AG, Baar	1.9
Astrazeneca PLC	1.9
Keyence Corp	1.7
ASM International NV	1.7

### Developed Equity | As of June 30, 2023

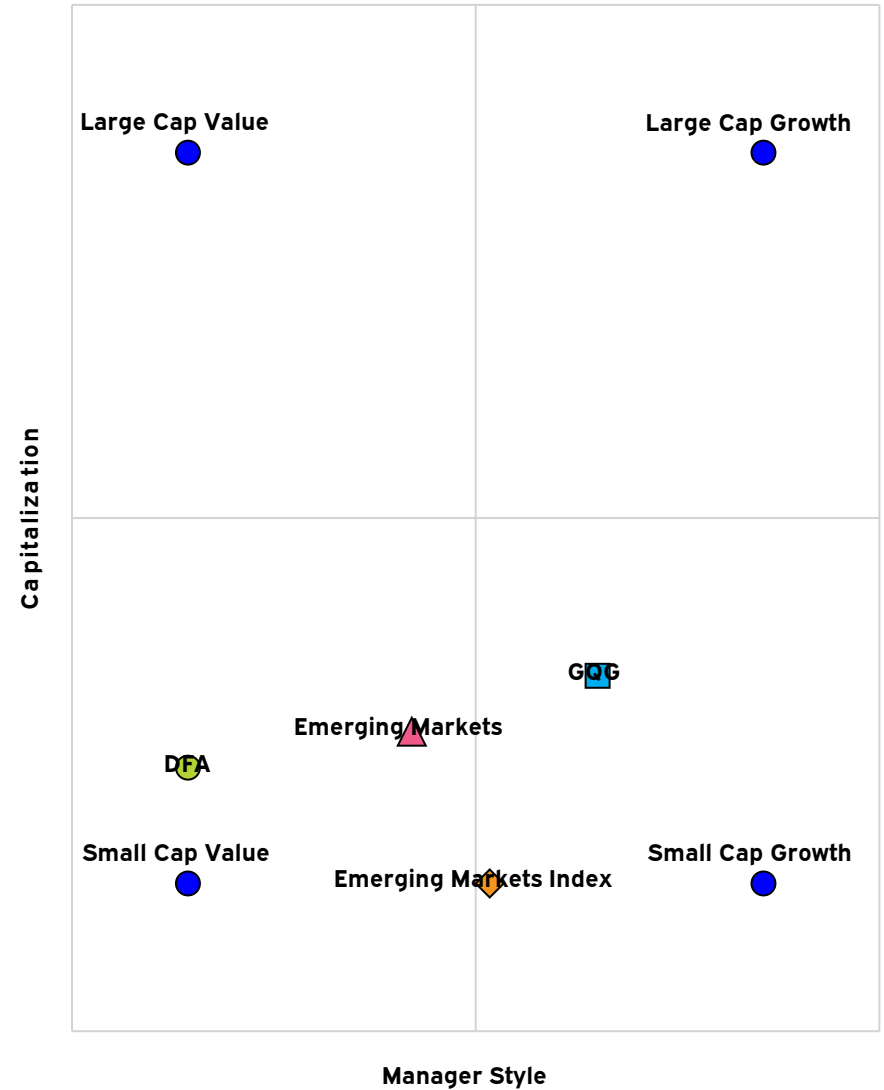
#### Sector Weights (%)



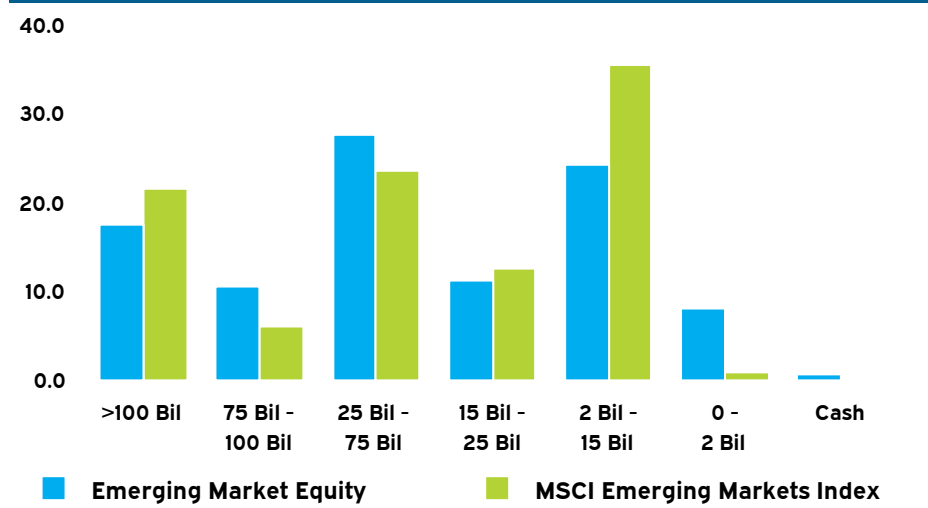
Emerging Markets Equity | As of June 30, 2023

	Total Fund	
	\$	%
GQG Partners Emerging Markets	62,951,351.4	56.0
Dimensional Emerging Markets Value	49,535,552.7	44.0
<b>Emerging Market Equity</b>	<b>112,486,904.1</b>	<b>100.0</b>

### Emerging Markets Equity 3 Year Style Map



### Distribution of Market Capitalization (%)



### Portfolio Characteristics

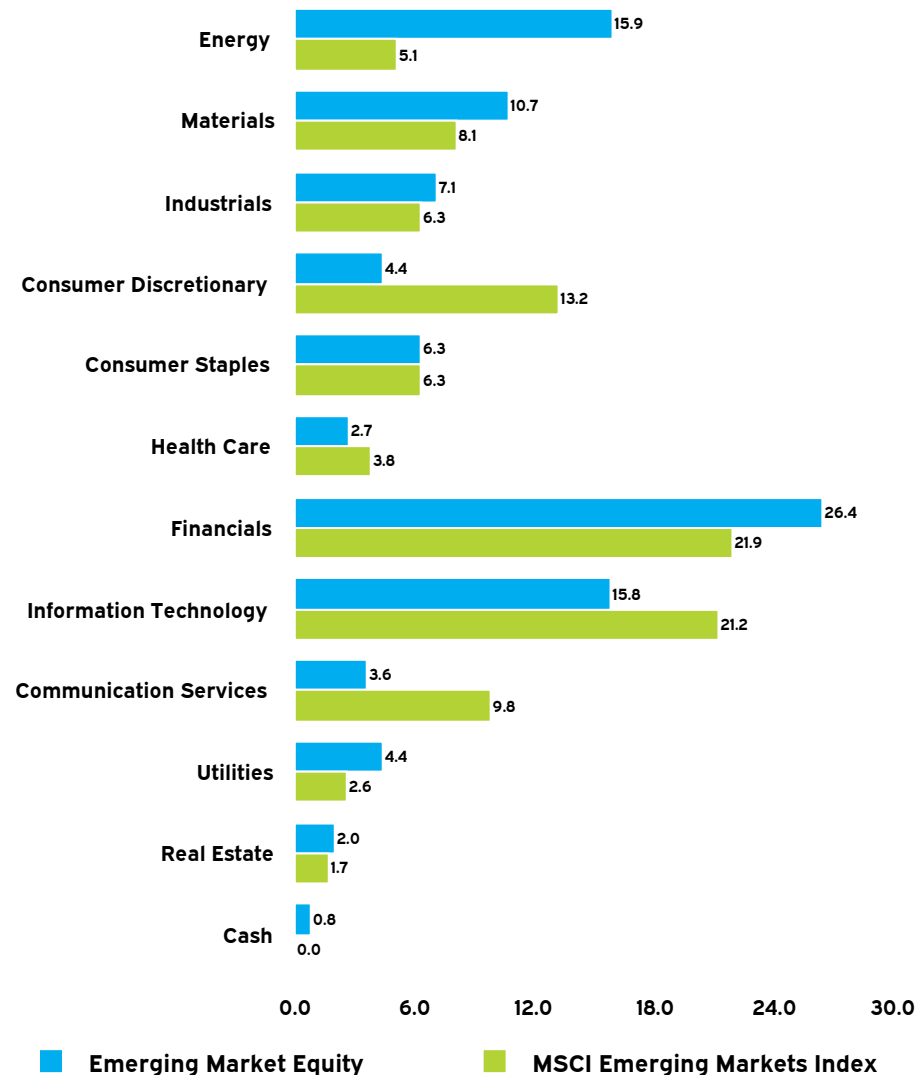
	Portfolio	Benchmark
Number of Stocks	3,229	1,423
Wtd. Avg. Mkt. Cap \$B	101.0	101.9
Median Mkt. Cap \$B	0.5	6.4
Price/Earnings ratio	8.4	11.6
Price/Book ratio	2.1	2.4
Current Yield (%)	6.0	3.3
Beta (5 Years, Monthly)	0.9	1.0
R-Squared (5 Years, Monthly)	0.9	1.0

### Top Ten Equity Holdings

	Portfolio Weight (%)
ITC Ltd	4.4
Petroleo Brasileiro S.A.- Petrobras	2.9
NVIDIA Corporation	2.7
Housing Development Finance Corp Ltd	2.1
China Construction Bank Corp	2.1
Samsung Electronics Co Ltd	2.0
Taiwan Semiconductor Manufacturing Co Ltd	1.9
Itau Unibanco Holding SA	1.9
Petroleo Brasileiro S.A.- Petrobras	1.8
TotalEnergies SE	1.7

### Emerging Markets Equity | As of June 30, 2023

#### Sector Weights (%)





# **Fee Benchmarking: Investment Manager Fee Review**

### Investment Manager Fee Review<sup>1</sup>

	Market Value 9/30/2023 (\$ mm)	Percent of Portfolio (%)	Expense Ratio (%)	Peer Group Fee Median (%)	Peer Group Fee Percentile (%)	Peer Group Name
<b>Domestic Equity</b>	<b>368.8</b>	<b>34.8%</b>				
Northern Trust S&P 500 Index	220.5	20.8%	0.01	0.03	1	US Passive Large Cap Equity
Northern Trust S&P 400 MidCap Index	72.1	6.8%	0.02	0.06	1	US Passive Mid Cap Equity
Barrow Hanley Small Cap Value Equity	45.5	4.3%	0.61	0.85	7	US Small Cap Value Equity
Loomis Sayles Small Cap Growth	30.7	2.9%	0.75	0.8	32	US Small Cap Growth Equity
<b>Developed Equity</b>	<b>130.8</b>	<b>12.4%</b>				
First Eagle International Value	39.2	3.7%	0.79	0.75	66	EAFE Value Equity
WCM Focused International Growth Fund	47.3	4.5%	0.70	0.70	50	EAFE Growth Equity
Northern Trust MSCI EAFE Index	44.3	4.2%	0.02	0.10	1	EAFE Passive Equity
<b>Emerging Market Equity</b>	<b>113.7</b>	<b>10.7%</b>				
Dimensional Emerging Markets Value	49.6	4.7%	0.45	0.99	1	Global Emerging Mkts All Cap Value Equity
GQG Partners Emerging Markets	64.1	6.1%	0.73	0.84	25	All Emerging Mkts Equity
<b>U.S. Core Bond Assets</b>	<b>192.3</b>	<b>18.2%</b>				
Northern Trust Barclays Aggregate Index	192.3	18.2%	0.02	0.04	2	US Passive Fixed Income
<b>Treasury Inflation Protected Securities</b>	<b>28.6</b>	<b>2.7%</b>				
Northern Trust TIPS	28.6	2.7%	0.02	0.04	2	US Passive Fixed Income
<b>Foreign Bond Assets</b>	<b>40.0</b>	<b>3.8%</b>				
Brandywine Global Opportunistic Fixed Income	40.0	3.8%	0.45	0.50	39	All Global Fixed Income
<b>High Yield Bonds</b>	<b>52.0</b>	<b>4.9%</b>				
Loomis Sayles Multisector Full Discretion	52.0	4.9%	0.42	0.50	21	US High Yield Fixed Income
<b>Core Real Estate</b>	<b>84.5</b>	<b>8.0%</b>				
TA Realty Core Property Fund, L.P.	84.5	8.0%	0.70	0.92	31	US Private Real Estate
<b>Private Debt</b>	<b>38.0</b>	<b>3.6%</b>	NA	NA		
<b>Non-Core Real Estate</b>	<b>3.6</b>	<b>0.3%</b>	NA	NA		
<b>Cash</b>	<b>6.0</b>	<b>0.6%</b>	NA	NA		
<b>Total Retirement System Aggregate</b>	<b>1,058</b>	<b>100.0%</b>	<b>0.29</b>			

<sup>1</sup> Green = lower than median fee. Red = higher than median fee. Market value numbers may not sum due to rounding. Peer group based on eVestment database.

**Investment Manager Fee Review (continued)**

- A lower peer group percentile rank is better.
- Public market strategies, representing ~88% of total portfolio assets, had the majority of their fees rank below their peer median (11 out of 13 funds).
- Thus, the overall fee (effective fee of 0.29%) is below average as of September 30, 2023.

# Fiscal Year Road Map

## MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM OF LOUISIANA

### PRELIMINARY FISCAL YEAR ROAD MAP<sup>1</sup>

#### December 2023

1. Fee benchmarking
2. Equity exposure deep dive
3. Presentation by TA Realty
4. Market update
5. Performance report

#### March 2024

1. Annual asset study review
2. Fixed income exposure deep dive
3. Market update
4. Performance report

#### June 2024

1. Annual investment policy statement review
2. Market update
3. Performance report

#### August 2023

1. Fiscal year in review
2. Education topic TBD
3. Market update
4. Performance report

#### Ongoing objective

1. Educational sessions as needed

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<sup>1</sup> Dates and actions subject to change based on client needs and capital market conditions

## Disclaimer

### Disclaimer

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