

**New Mexico Public Employees
Retirement Association
SmartSave Deferred Compensation Plan
Second Quarter 2023**

Quarterly Report

Agenda

1. Corporate Update
2. Executive Summary
3. Second Quarter of 2023 Performance Report
 - Plan Summary
 - LifeCycle Funds Detail
 - Portfolio Reviews
4. Appendices
 - Economic and Market Update
 - Disclaimer, Glossary, and Notes

Corporate Update



7
Offices



245+
Employees



240+
Clients



\$1.7T
Assets Under Advisement



\$200B
Assets in Alternative Investments



99%
Client Retention Rate



5:1
Client | Consultant Ratio

Meketa
Investment Group
is proud to work
for over 15 million
American families
everyday!

UPCOMING EVENTS



Q3 Investment Perspectives Webcast
October 2023



Emerging and Diverse Manager Research Day
October 2023

Client and employee counts as of June 30, 2023; assets as of March 31, 2023.
Client retention rate is one minus the number of clients lost divided by the number of clients at prior year-end.

MEKETA IN THE NEWS

Pensions&Investments

Evolution of 60/40 allocation continues amid high inflation

Portfolio managers divided over future of model after historically bad '22 returns

By Palash Ghosh | May 8, 2023

Stephen McCourt and Rafi Zaman, San Diego-based executives at consultant Meketa Investment Group, said in a joint email that if the outlook is for elevated inflation levels and higher volatility, then an allocation of 20% or more to alternatives may be appropriate. "Many of the largest and most successful pension funds today are already well beyond the 20% level," they added.

Mr. McCourt is managing principal and co-CEO at Meketa, while Mr. Zaman is CIO of Meketa Fiduciary Management, a subsidiary of Meketa that provides OCIO services. Meketa had about \$1.6 trillion in client assets under advisement as of Sept. 30.

Messrs. McCourt and Zaman noted that some institutional investors began moving away from a 60/40 portfolio many years ago, while others are just now starting to recognize that a 60/40 allocation may not provide adequate diversification.

"As a result, they're seeking a broader set of assets that are reasonably uncorrelated," they said. "In addition, investors are focusing more and more on their own specific liabilities, not just volatility, as measures of risk. This change has been somewhat gradual but consistent over time. We expect these trends to continue."

Messrs. McCourt and Zaman contend that institutional investors need to allocate assets based on striking the right balance between their return expectations and risks they can safely bear. "These risks include volatility, liquidity, drawdown risk, etc.," they said. "Second, risk management shouldn't be a mechanical process driven by some model output — rather, it is a deliberate and iterative process where various forward-looking scenarios are considered, and their impact measured. Allocations to alternatives should be determined within this framework, based on their impact in mitigating overall risks while providing adequate returns."

FUNDfire

Natural Resource Fund Returns Ride High, But Will Investors Bite?

Natural resource funds benefitting from high inflation have outperformed other asset classes.

By Shayla Colon | May 17, 2023

Another critical feature of natural resources funds is their exposure to underlying commodities, which can be "highly volatile and subject to cyclical environments," said **Gerald Chew**, a private markets consultant at **Meketa**. That was a main reason many strategies underperformed much of the past decade as inflation was low and commodity prices were trending downward, he explained.

CELEBRATING THIS QUARTER | Meketa's 2022 Corporate Responsibility Report

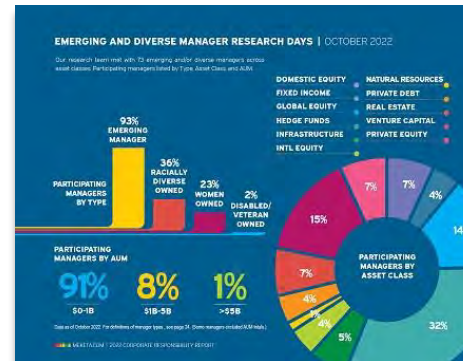


Meketa is pleased to present the 2022 Corporate Responsibility Report. The purpose of this report is to provide an overview of the firm and our commitment to diversity, the work experience of our employees, Meketa's role in the community, and how we can assist our clients as they approach environmental, social, and governance ("ESG") issues at their institutions and within their portfolios.

We believe that our own corporate responsibility is critical in reflecting the firm's belief in a sustainable future that promotes social and environmental well-being for our clients, employees, communities, and business operations.

View our full report here:

<https://meketa.com/news/meketas-2022-corporate-responsibility-report/>



THOUGHT LEADERSHIP



Watch our recent Emerging & Diverse Manager Day Roundtable Discussion on RMS

We hosted a one-hour roundtable discussion with a panel of managers focused on fundraising in non-traditional markets and implementing investment solutions within Risk Mitigating Strategies (“RMS”). RMS is a strategic investment framework designed to provide investors diversification relative to the single largest risk factor in most portfolios: equity risk. Roundtable topics included initial challenges to fundraising, and educating Trustees on a non-traditional asset class as well as reflections on launching a firm. Roundtable participants included Vineer Bhansali of LongTail Alpha, DeWayne Louis of Versor Investments, and Rosie Reynolds of Aspect Capital.

Watch the webinar here:

<https://meketa.com/leadership/april-2023-emerging-and-diverse-manager-roundtable-discussion/>



Read our May 2023 Meketa Connectives on “US Core Inflation Higher for Longer?”

In 2023 Meketa launched a new series in our Thought Leadership library called “Meketa Connectives.” This series started in February with our first issue [“Understanding China Series Update: US China Diplomatic Relations Fray.”](#) Since then we have released four more issues aimed at connecting various items in our Thought Leadership library including white papers, global macroeconomic newsletters, and webinars. In our May issue we cover how persistent inflation can weigh on investment returns for a variety of reasons, but a diversified basket of inflation-hedging assets and a functional approach to asset allocation could provide ballasts and clarity for investors when price of goods and interest rates are elevated.

Read more here:

<https://meketa.com/news/meketa-connectives-us-core-inflation-higher-for-longer/>



Read our recent white paper on General Partner Stakes Investing

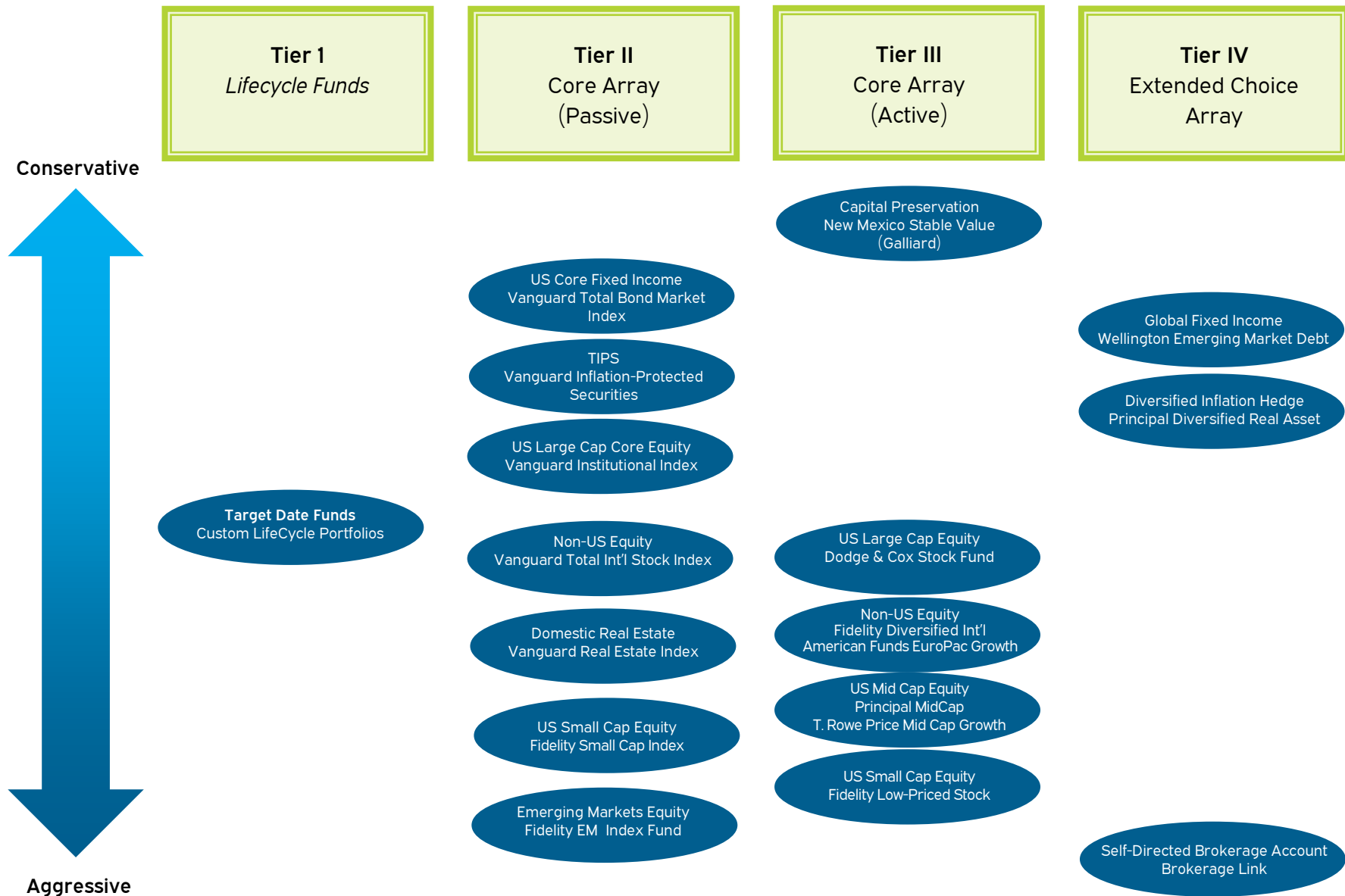
Private market investment strategies continue to expand while providing differentiated risk/return profiles. Capital investments into private market management companies, known as “GP stakes”, are an example of this expansion. GP stakes provide a differentiated way to participate in the potentially attractive economics of private market firms (“GPs” or “managers”). The primary focus of a typical GP stakes transaction is to purchase a minority ownership position of a private market manager, commonly around 20%, and participate in a combination of the management fees, pro rata share of the proceeds of GP commitments to funds, and/or performance fees (i.e., carried interest).

Read more here:

<https://meketa.com/leadership/gp-stakes-investing/>

Executive Summary

Executive Summary



Plan Assets

- As of June 30, 2023, Plan assets were \$779.5 million, up from \$752.8 million at the end of the prior quarter. The Plan experienced net cash outflows of \$1.2 million during the second quarter.
- There were 23,348 participants with a balance at quarter-end, and the average account balance was \$33,386.
- The largest Plan investment options by assets were:

	6/30/23 Balance (\$M)	Percentage of Plan Assets (%)
New Mexico LifeCycle Portfolios	230.9	29.6
Vanguard Institutional 500 Index	190.3	24.4
New Mexico Stable Value Fund	130.4	16.7
Vanguard Total Bond Market Index	40.1	5.1
Dodge & Cox Stock	35.8	4.6

- The following changes were made to the Plan lineup during the second quarter of 2023:
 - Removed Aberdeen Emerging Markets Equity and mapped assets to Fidelity Emerging Markets Equity Index
 - Removed Invesco Global REIT and mapped assets to Vanguard Real Estate Index

Plan Observations

Three of the Plan's eleven actively managed portfolios (Dodge & Cox US Equity, Fidelity Diversified International, Principal US MidCap Equity) matched or outperformed their respective benchmarks and universe medians during the quarter. Three of the Plan's actively managed portfolios (New Mexico Stable Value, Wellington Opportunistic Emerging Market Debt, Prudential Retirement Real Estate Fund II Fund) matched or outperformed one measure but underperformed the other. Five of the Plan's actively managed portfolios (American Funds EuroPacific Growth, T. Rowe Price MidCap Growth, Fidelity Low-Priced Stock, Columbia Institutional High Yield, Principal Diversified Real Assets) underperformed both measures.

Investment Menu Observations

- Six LifeCycle Portfolios matched or outperformed their respective custom benchmarks during the quarter, while three LifeCycle Portfolios slightly underperformed. All nine underperformed their respective peer group medians. Underperformance versus peers can be attributed to the LifeCycle Portfolios' underweight allocation to public equities, as equity markets appreciated meaningfully in the first and second quarter. Allocations to stable value and private real estate also had a negative impact on returns relative to peers during the quarter.
- Dodge & Cox US Equity outperformed both the Russell 1000 Value benchmark and the peer median during the quarter. Outperformance stemmed from the fund's holdings and underweight in the Consumer Staples sectors, with select holdings in IT and Financials also contributing.
- T. Rowe Price MidCap Growth underperformed the Russell MidCap Growth Index and peer median during the quarter. Stock selection in the consumer discretionary sector as well as an overweight in health care were the main detractors.
- Principal US MidCap Equity outperformed both the Russell MidCap Index and peer group median during the quarter. Allocations to CoStar (real estate data provider) and TransDigm (plane parts supplier) aided relative performance.
- Fidelity Low-Priced Stock underperformed the Russell 2500 Value benchmark and peer median during the quarter. The fund faced headwinds from stock selection in the health care sector.
- Fidelity Diversified International outperformed the MSCI EAFE benchmark and the peer median during the quarter. Outperformance was primarily due to stock selection in the materials, financials, and IT sectors.
- American Funds EuroPacific Growth underperformed the MSCI ACWI ex USA index and the peer median return during the quarter. The largest relative detractors were in the health care and communication services sectors.

Investment Menu Observations (continued)

- Wellington Opportunistic Emerging Markets Debt outperformed the JPM EMBI Global benchmark during the quarter but underperformed the peer group median. Outperformance of the benchmark in the quarter can be attributed to positions in Russia, Saudi Arabia, and Qatar.
- Columbia Institutional High Yield exposure is only available via the LifeCycle portfolios. The strategy slightly underperformed the performance of the ICE BofAML US High Yield Cash Pay Constrained benchmark and peer median during the quarter. The largest relative detractor for the quarter was selection in specialty retail and unowned Carvana bonds in particular.
- Principal Diversified Real Asset underperformed the Real Asset Custom Benchmark¹ during the quarter; the peer group median was unavailable. The strategy's underperformance was driven by an underweight to real estate and manager selection in commodities.
- Prudential Retirement Real Estate Fund II exposure is only available via the LifeCycle portfolios. The strategy outperformed the PRREF II Custom Benchmark² by 50 basis points for the quarter primarily due to outperformance in direct real estate in the alternatives and industrial sectors.

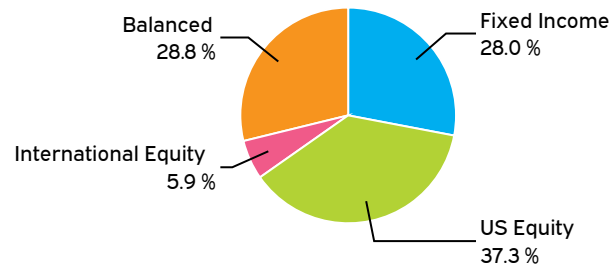
¹ The Real Asset Custom Benchmark is composed of 40% Barclays US TIPS, 40% MSCI ACWI, and 20% Bloomberg Commodity Index.

² PRREF II Custom Benchmark is composed of 85% NCREIF Open-End Diversified Core Equity Fund Index and 15% MSCI US REIT Index.

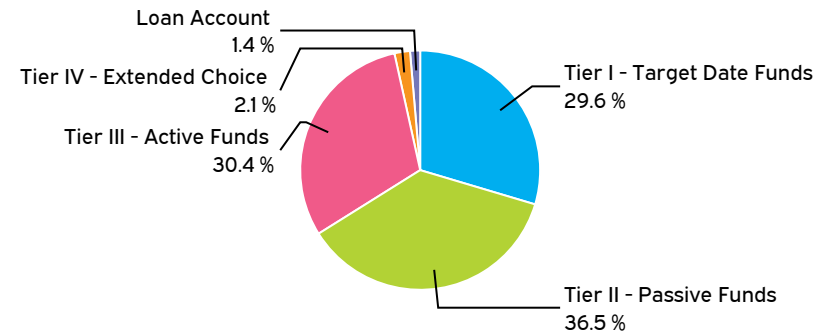
Second Quarter of 2023 Performance Report

Plan Summary

Total Plan Allocation by Asset Class



Total Plan Allocation by Tier



Asset Allocation				
	Current Balance	Current Allocation	Q2 Cash Flows	Balance as of 3/31/2023
Tier I - Target Date Funds	\$230,909,393	30%	\$2,932,377	\$223,676,519
Tier II - Passive Funds	\$284,290,823	37%	-\$694,597	\$268,776,573
Tier III - Active Funds	\$237,217,150	30%	-\$3,308,305	\$234,260,674
Tier IV - Extended Choice	\$16,458,493	2%	\$75,852	\$15,448,469
Loan Account	\$10,619,496	1%	-\$177,117	\$10,647,715
Total Fund	\$779,495,356	100%	-\$1,171,790	\$752,809,950

Trailing Net Performance												
	Market Value \$	% of Portfolio	3 Mo Net Cash Flows (\$)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date	
Total Fund	779,495,356	100.0	-1,171,790									
Tier I - Target Date Funds	230,909,393	29.6	2,932,377									
New Mexico Conservative Portfolio	50,298,033	6.5	618,517	0.9	3.9	3.5	3.0	3.7	3.9	4.1	Jul-05	
<i>New Mexico Conservative Index</i>				1.2	4.2	4.3	3.1	3.7	--	--		
<i>Moderately Conservative Allocation Median</i>				1.6	5.2	5.4	3.0	3.6	4.4	4.7		
<i>Moderately Conservative Allocation Rank</i>				80	75	82	51	47	72	74		
New Mexico LifeCycle 2025 Portfolio	54,950,468	7.0	-192,125	1.3	4.8	4.7	4.5	4.7	5.7	4.7	Jul-05	
<i>New Mexico 2025 Benchmark</i>				1.6	4.9	5.3	4.6	4.5	--	--		
<i>Target-Date 2025 Median</i>				2.3	7.3	7.3	4.5	4.7	5.9	5.4		
<i>Target-Date 2025 Rank</i>				93	93	93	52	50	63	71		
New Mexico LifeCycle 2030 Portfolio	14,686,277	1.9	170,121	2.1	6.2	6.5	5.7	5.4	--	6.5	Jul-16	
<i>New Mexico 2030 Benchmark</i>				2.2	6.1	6.8	5.8	5.2	--	6.5		
<i>Target-Date 2030 Median</i>				3.1	8.4	9.0	5.9	5.4	6.6	6.9		
<i>Target-Date 2030 Rank</i>				93	92	95	58	51	--	71		
New Mexico LifeCycle 2035 Portfolio	44,627,186	5.7	-258,261	2.6	7.2	7.7	6.7	5.8	6.8	6.0	Jul-05	
<i>New Mexico 2035 Benchmark</i>				2.6	6.9	7.8	6.8	5.5	--	--		
<i>Target-Date 2035 Median</i>				3.9	9.8	11.1	7.4	6.1	7.4	6.1		
<i>Target-Date 2035 Rank</i>				94	99	96	81	69	76	56		
New Mexico LifeCycle 2040 Portfolio	9,892,843	1.3	341,475	2.9	7.7	8.4	7.6	6.2	--	7.5	Jul-16	
<i>New Mexico 2040 Benchmark</i>				2.9	7.4	8.5	7.7	5.9	--	7.5		
<i>Target-Date 2040 Median</i>				4.6	10.9	12.9	8.6	6.6	7.8	8.3		
<i>Target-Date 2040 Rank</i>				96	98	98	83	76	--	85		
New Mexico LifeCycle 2045 Portfolio	26,939,243	3.5	639,019	3.1	8.1	8.9	8.0	6.4	7.3	6.6	Jul-05	
<i>New Mexico 2045 Benchmark</i>				3.1	7.7	8.9	8.1	6.1	--	--		
<i>Target-Date 2045 Median</i>				5.1	11.6	14.0	9.4	7.0	8.2	6.5		
<i>Target-Date 2045 Rank</i>				98	99	99	90	81	93	31		

Total Fund | As of June 30, 2023

	Market Value \$	% of Portfolio	3 Mo Net Cash Flows (\$)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
New Mexico LifeCycle 2050 Portfolio	9,893,541	1.3	598,650	3.3	8.5	9.3	8.2	6.5	--	7.9	Jul-16
New Mexico 2050 Benchmark				3.3	8.0	9.3	8.4	6.2	--	7.9	
Target-Date 2050 Median				5.3	12.0	14.5	9.6	7.1	8.2	8.9	
Target-Date 2050 Rank				100	99	99	91	83	--	93	
New Mexico LifeCycle 2055 Portfolio	18,733,210	2.4	818,473	3.4	8.7	9.6	8.6	6.6	7.6	5.8	Apr-07
New Mexico 2055 Benchmark				3.4	8.2	9.6	8.7	6.3	--	--	
Target-Date 2055 Median				5.4	12.3	14.7	9.7	7.2	8.3	--	
Target-Date 2055 Rank				100	99	100	88	82	93	--	
New Mexico LifeCycle 2060 Portfolio	888,592	0.1	196,509	3.4	8.8	9.7	--	--	--	2.4	Feb-21
New Mexico 2060 Benchmark				3.4	8.3	9.7	--	--	--	2.7	
Target-Date 2060 Median				5.4	12.3	14.7	9.9	7.2	8.3	3.2	
Target-Date 2060 Rank				100	99	100	--	--	--	77	
Tier II - Passive Funds	284,290,823	36.5	-694,597								
Vanguard Total Bond Market Index	40,057,418	5.1	864,594	-0.9	2.2	-0.9	-4.0	0.8	1.5	4.2	Oct-95
Blmbg. U.S. Aggregate Index				-0.8	2.1	-0.9	-4.0	0.8	1.5	4.3	
eV US Core Fixed Inc Median				-0.7	2.3	-0.5	-3.6	1.0	1.7	4.4	
eV US Core Fixed Inc Rank				79	61	73	86	76	81	76	
Vanguard Inflation-Protected Securities	11,689,483	1.5	-20,898	-1.6	1.9	-1.8	-0.2	2.4	2.0	4.6	Jul-00
Blmbg. U.S. TIPS				-1.4	1.9	-1.4	-0.1	2.5	2.1	4.7	
eV US TIPS / Inflation Fixed Inc Median				-1.4	1.8	-1.2	0.0	2.5	2.0	4.7	
eV US TIPS / Inflation Fixed Inc Rank				78	40	76	69	72	42	59	
Vanguard Institutional Index (S&P 500)	190,261,050	24.4	-1,751,359	8.7	16.9	19.6	14.6	12.3	12.8	10.2	Aug-90
S&P 500 Index				8.7	16.9	19.6	14.6	12.3	12.9	10.2	
eV US Large Cap Core Equity Median				7.3	12.9	16.6	13.4	10.9	11.7	10.2	
eV US Large Cap Core Equity Rank				23	21	25	27	22	17	52	

Total Fund | As of June 30, 2023

	Market Value \$	% of Portfolio	3 Mo Net Cash Flows (\$)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Vanguard Total International Stock Index	25,227,223	3.2	150,117	2.6	9.4	12.3	7.5	3.7	5.1	4.7	Dec-10
<i>Spliced Total International Stock Index</i>				2.7	9.3	12.9	7.9	4.0	5.4	5.0	
<i>eV ACWI ex-US Core Equity Median</i>				2.9	10.8	15.0	7.9	4.1	5.7	5.5	
<i>eV ACWI ex-US Core Equity Rank</i>				57	73	78	56	62	73	83	
Fidelity Small Cap Index	17,055,649	2.2	62,950	5.2	8.2	12.6	10.9	4.3	8.4	11.2	Oct-11
<i>Russell 2000 Index</i>				5.2	8.1	12.3	10.8	4.2	8.3	11.1	
<i>eV US Small Cap Core Equity Median</i>				4.7	8.9	14.3	14.2	6.5	9.4	12.1	
<i>eV US Small Cap Core Equity Rank</i>				38	59	64	86	88	74	75	
Tier III - Active Funds	237,217,150	30.4	-3,308,305								
New Mexico Stable Value Fund	130,434,046	16.7	-740,699	0.7	1.3	2.3	2.0	2.2	1.9	1.9	Jul-12
<i>Citigroup 3-month Treasury Bill + 1%</i>				1.5	2.9	4.8	2.3	2.6	2.0	1.9	
<i>eV US Stable Value (Book Value) Fixed Inc Median</i>				0.6	1.2	2.2	1.8	1.9	1.8	1.8	
<i>eV US Stable Value (Book Value) Fixed Inc Rank</i>				20	30	25	18	17	33	41	
Dodge & Cox U.S. Equity	35,789,505	4.6	-515,937	5.6	7.2	12.4	18.2	10.0	11.4	11.0	Feb-65
<i>Russell 1000 Value Index</i>				4.1	5.1	11.5	14.3	8.1	9.2	--	
<i>eV US Large Cap Value Equity Median</i>				3.9	4.5	11.6	14.7	8.5	9.6	--	
<i>eV US Large Cap Value Equity Rank</i>				23	27	43	14	24	15	--	
Fidelity Diversified International	10,527,519	1.4	-194,200	4.6	14.0	19.5	6.0	5.7	6.5	7.9	Jan-92
<i>MSCI EAFE (Net)</i>				3.0	11.7	18.8	8.9	4.4	5.4	5.3	
<i>eV EAFE Core Equity Median</i>				2.6	10.7	16.1	8.2	3.8	5.7	6.8	
<i>eV EAFE Core Equity Rank</i>				5	9	18	82	16	26	24	
American Funds EuroPacific Growth	8,343,365	1.1	-79,881	2.2	12.2	15.8	5.5	4.3	6.3	10.0	May-84
<i>MSCI AC World ex USA (Net)</i>				2.4	9.5	12.7	7.2	3.5	4.7	--	
<i>eV ACWI ex-US All Cap Core Eq Median</i>				2.9	10.8	15.3	8.3	4.2	5.7	--	
<i>eV ACWI ex-US All Cap Core Eq Rank</i>				73	24	42	81	46	23	--	

Total Fund | As of June 30, 2023

	Market Value \$	% of Portfolio	3 Mo Net Cash Flows (\$)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Principal U.S. MidCap Equity	14,227,622	1.8	-14,516	9.7	15.8	21.1	11.5	11.3	12.5	10.7	Jan-01
Russell Midcap Index				4.8	9.0	14.9	12.5	8.5	10.3	8.8	
eV US Mid Cap Core Equity Median				5.0	9.7	17.0	13.8	8.9	10.4	9.1	
eV US Mid Cap Core Equity Rank				4	11	10	77	15	15	2	
T. Rowe Price MidCap Growth	28,278,969	3.6	-1,587,722	5.4	13.2	17.8	8.4	9.0	12.3	11.7	Aug-96
Russell Midcap Growth Index				6.2	15.9	23.1	7.6	9.7	11.5	9.6	
eV US Mid Cap Growth Equity Median				6.1	15.3	19.5	7.4	9.6	11.5	11.0	
eV US Mid Cap Growth Equity Rank				68	76	64	39	60	26	16	
Fidelity Low-Priced Stock	9,616,124	1.2	-175,351	3.0	4.1	13.5	16.0	8.3	9.6	13.0	Jan-90
Russell 2500 Value Index				4.4	5.8	10.4	16.1	5.3	8.0	10.5	
eV US Small Cap Value Equity Median				3.8	5.6	11.2	16.9	5.6	8.2	11.7	
eV US Small Cap Value Equity Rank				64	65	40	65	12	20	1	
Tier IV - Extended Choice	16,458,493	2.1	75,852								
Wellington Opportunistic Emerging Market Debt	1,519,368	0.2	-28,411	1.8	4.1	7.9	-2.9	0.8	2.8	3.8	May-10
JPM EMBI Global (USD)				1.5	3.8	6.8	-2.7	0.8	2.6	3.8	
eV Emg Mkts Fixed Inc - Hard Currency Median				2.0	4.0	7.8	-2.3	0.9	2.4	3.6	
eV Emg Mkts Fixed Inc - Hard Currency Rank				59	45	48	67	53	28	27	
Principal Diversified Real Asset	760,564	0.1	1,132	-0.8	0.5	-0.9	8.7	3.8	3.0	4.1	Apr-10
Real Asset Custom Benchmark				1.4	4.6	3.8	8.1	5.6	4.4	4.5	
Fidelity Emerging Markets Index	1,693,179	0.2	1,656,270	1.0	--	--	--	--	--	1.0	Apr-23
MSCI Emerging Markets (Net)				0.9	4.9	1.7	2.3	0.9	3.0	0.9	
Diversified Emerging Mkts Median				1.8	7.1	4.8	2.1	1.1	2.9	1.9	
Diversified Emerging Mkts Rank				72	--	--	--	--	--	72	

Total Fund | As of June 30, 2023

	Market Value \$	% of Portfolio	3 Mo Net Cash Flows (\$)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Vanguard Real Estate Index Adm	1,295,712	0.2	1,262,343	1.6	--	--	--	--	--	1.6	Apr-23
MSCI U.S. IMI Real Estate 25/50 Index (Net)				1.4	2.9	-5.0	4.9	3.4	--	1.4	
Real Estate Median				1.8	4.3	-3.1	6.9	4.5	6.2	1.8	
Real Estate Rank				56	--	--	--	--	--	56	
Self Directed Brokerage Options	11,189,670	1.4	96,905								
Loan Account	10,619,496	1.4	-177,117								
Loan Account	10,619,496	1.4	-177,117								
Other	--	0.0	--								
Prudential Retirement Real Estate Fund II	--	0.0	--	-1.4	-2.8	-8.6	7.9	6.2	--	6.3	Jan-18
PRREF II Custom Benchmark				-1.9	-4.1	-8.4	8.2	6.3	--	6.5	
Columbia Institutional High Yield	--	0.0	--	1.3	5.0	8.8	2.9	3.6	4.2	4.2	Dec-12
ICE BofA US High Yield, Cash Pay Constrained				1.6	5.3	8.9	3.2	3.2	4.3	4.4	
eV US High Yield Fixed Inc Median				1.5	4.8	8.3	3.2	3.2	4.1	4.1	
eV US High Yield Fixed Inc Rank				66	43	37	62	30	39	44	

Columbia Institutional High Yield and Prudential Retirement Real Estate Fund II are only offered as underlying components of the New Mexico LifeCycle Portfolios.

	Calendar Year Performance									
	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)
Total Fund										
Tier I - Target Date Funds										
New Mexico Conservative Portfolio	-9.5	6.8	9.1	11.4	-1.8	8.6	4.9	-1.3	4.4	4.2
<i>New Mexico Conservative Index</i>	-9.0	6.5	8.6	11.6	-1.6	8.8	4.1	-1.1	4.0	4.0
<i>Moderately Conservative Allocation Median</i>	-13.2	8.0	9.0	14.9	-4.3	10.1	6.3	-1.6	4.6	9.5
<i>Moderately Conservative Allocation Rank</i>	15	78	50	92	1	78	83	41	55	94
New Mexico LifeCycle 2025 Portfolio	-11.2	8.7	11.6	15.9	-4.1	14.3	6.7	-1.6	6.0	13.5
<i>New Mexico 2025 Benchmark</i>	-10.5	8.5	10.6	15.5	-4.0	14.4	6.2	-1.7	5.3	14.2
<i>Target-Date 2025 Median</i>	-15.5	9.8	12.5	18.3	-5.4	15.0	7.0	-1.2	5.4	16.6
<i>Target-Date 2025 Rank</i>	5	72	61	92	13	65	61	66	33	81
New Mexico LifeCycle 2030 Portfolio	-13.3	10.8	13.2	18.2	-5.1	16.4	--	--	--	--
<i>New Mexico 2030 Benchmark</i>	-12.4	10.6	12.0	17.7	-5.1	16.4	--	--	--	--
<i>Target-Date 2030 Median</i>	-16.3	11.5	13.1	20.4	-6.5	17.0	7.3	-1.4	5.6	18.2
<i>Target-Date 2030 Rank</i>	7	76	48	84	14	62	--	--	--	--
New Mexico LifeCycle 2035 Portfolio	-14.2	12.0	13.8	19.6	-5.9	18.1	7.4	-1.9	5.7	16.3
<i>New Mexico 2035 Benchmark</i>	-13.1	11.9	12.5	19.0	-5.9	18.2	7.1	-2.2	4.9	17.1
<i>Target-Date 2035 Median</i>	-17.1	13.9	14.0	22.3	-7.4	18.7	7.8	-1.5	5.6	21.3
<i>Target-Date 2035 Rank</i>	6	89	56	92	14	67	64	68	47	94
New Mexico LifeCycle 2040 Portfolio	-14.7	13.4	14.3	20.7	-6.4	19.1	--	--	--	--
<i>New Mexico 2040 Benchmark</i>	-13.5	13.2	13.0	19.9	-6.4	19.2	--	--	--	--
<i>Target-Date 2040 Median</i>	-17.8	15.8	14.7	23.6	-8.0	19.8	8.0	-1.5	5.8	22.0
<i>Target-Date 2040 Rank</i>	8	90	55	88	13	66	--	--	--	--

Total Fund | As of June 30, 2023

	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)
New Mexico LifeCycle 2045 Portfolio	-15.1	13.8	14.7	21.3	-6.8	20.0	7.5	-2.0	5.6	17.6
<i>New Mexico 2045 Benchmark</i>	-13.8	13.6	13.3	20.5	-6.8	19.9	7.3	-2.4	4.8	18.6
<i>Target-Date 2045 Median</i>	-18.2	16.7	15.4	24.6	-8.3	20.7	8.2	-1.5	5.8	23.2
<i>Target-Date 2045 Rank</i>	7	96	59	95	11	69	68	70	60	96
New Mexico LifeCycle 2050 Portfolio	-15.5	14.2	14.9	21.8	-7.0	20.4	--	--	--	--
<i>New Mexico 2050 Benchmark</i>	-14.1	14.1	13.4	21.0	-7.1	20.4	--	--	--	--
<i>Target-Date 2050 Median</i>	-18.3	17.0	15.6	24.7	-8.6	20.8	8.3	-1.4	5.9	23.3
<i>Target-Date 2050 Rank</i>	6	97	59	89	9	61	--	--	--	--
New Mexico LifeCycle 2055 Portfolio	-15.5	14.7	14.9	22.2	-7.2	20.8	7.6	-2.0	5.6	18.2
<i>New Mexico 2055 Benchmark</i>	-14.1	14.6	13.4	21.3	-7.2	20.8	7.4	-2.5	4.7	19.2
<i>Target-Date 2055 Median</i>	-18.4	17.2	15.7	24.8	-8.6	21.1	8.2	-1.5	5.9	23.3
<i>Target-Date 2055 Rank</i>	3	96	63	92	13	60	68	67	58	97
New Mexico LifeCycle 2060 Portfolio	-15.4	--	--	--	--	--	--	--	--	--
<i>New Mexico 2060 Benchmark</i>	-14.1	--	--	--	--	--	--	--	--	--
<i>Target-Date 2060 Median</i>	-18.4	17.3	15.7	25.0	-8.7	21.3	8.0	-0.9	5.7	--
<i>Target-Date 2060 Rank</i>	2	--	--	--	--	--	--	--	--	--
Tier II - Passive Funds										
Vanguard Total Bond Market Index	-13.1	-1.7	7.7	8.7	0.0	3.6	2.6	0.4	5.9	-2.1
<i>Blmbg. U.S. Aggregate Index</i>	-13.0	-1.5	7.5	8.7	0.0	3.5	2.6	0.5	6.0	-2.0
<i>eV US Core Fixed Inc Median</i>	-13.1	-1.4	8.3	8.9	-0.2	3.8	3.0	0.5	5.9	-1.8
<i>eV US Core Fixed Inc Rank</i>	57	65	71	64	35	63	70	60	48	74
Vanguard Inflation-Protected Securities	-11.9	5.7	11.0	8.2	-1.4	3.0	4.6	-1.7	4.1	-8.8
<i>Blmbg. U.S. TIPS</i>	-11.8	6.0	11.0	8.4	-1.3	3.0	4.7	-1.4	3.6	-8.6
<i>eV US TIPS / Inflation Fixed Inc Median</i>	-11.7	5.6	10.6	8.3	-1.3	3.0	4.4	-1.6	3.3	-8.5
<i>eV US TIPS / Inflation Fixed Inc Rank</i>	63	36	35	52	54	53	39	58	14	69

Total Fund | As of June 30, 2023

	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)
Vanguard Institutional Index (S&P 500)	-18.1	28.7	18.4	31.5	-4.4	21.8	11.9	1.4	13.6	32.4
<i>S&P 500 Index</i>	-18.1	28.7	18.4	31.5	-4.4	21.8	12.0	1.4	13.7	32.4
<i>eV US Large Cap Core Equity Median</i>	-16.5	27.0	15.6	29.5	-5.2	21.4	9.9	0.7	12.3	32.3
<i>eV US Large Cap Core Equity Rank</i>	65	31	38	30	39	44	29	41	32	50
Vanguard Total International Stock Index	-16.0	8.7	11.3	21.6	-14.4	27.6	4.7	-4.2	-4.1	15.1
<i>Spliced Total International Stock Index</i>	-15.8	9.1	11.5	22.2	-14.4	27.8	5.0	-4.0	-3.1	15.9
<i>eV ACWI ex-US Core Equity Median</i>	-18.3	10.8	14.5	23.9	-16.1	28.8	1.5	-1.3	-3.7	19.4
<i>eV ACWI ex-US Core Equity Rank</i>	33	64	63	66	33	63	28	75	58	84
Fidelity Small Cap Index	-20.3	14.7	20.0	25.7	-10.9	14.9	21.6	-4.2	5.2	39.0
<i>Russell 2000 Index</i>	-20.4	14.8	20.0	25.5	-11.0	14.6	21.3	-4.4	4.9	38.8
<i>eV US Small Cap Core Equity Median</i>	-16.7	24.2	15.4	24.6	-11.0	14.4	19.5	-2.6	5.3	39.0
<i>eV US Small Cap Core Equity Rank</i>	73	92	35	43	49	45	33	67	51	51
Tier III - Active Funds										
New Mexico Stable Value Fund	1.9	1.8	2.4	2.5	2.1	1.8	1.7	1.5	1.2	1.4
<i>Citigroup 3-month Treasury Bill + 1%</i>	2.5	1.0	1.6	3.3	2.9	1.8	1.3	1.0	1.0	1.1
<i>eV US Stable Value (Book Value) Fixed Inc Median</i>	1.7	1.6	2.0	2.3	2.0	1.7	1.6	1.5	1.4	1.7
<i>eV US Stable Value (Book Value) Fixed Inc Rank</i>	23	24	2	19	34	40	39	53	74	68
Dodge & Cox U.S. Equity	-7.2	31.7	7.2	24.8	-7.1	18.3	21.3	-4.5	10.4	40.5
<i>Russell 1000 Value Index</i>	-7.5	25.2	2.8	26.5	-8.3	13.7	17.3	-3.8	13.5	32.5
<i>eV US Large Cap Value Equity Median</i>	-5.9	26.6	3.9	26.3	-8.7	16.8	14.2	-2.9	11.5	32.9
<i>eV US Large Cap Value Equity Rank</i>	63	10	35	67	35	35	6	71	67	9
Fidelity Diversified International	-23.8	13.0	19.1	29.8	-15.1	26.8	-3.6	3.2	-3.0	25.3
<i>MSCI EAFE (Net)</i>	-14.5	11.3	7.8	22.0	-13.8	25.0	1.0	-0.8	-4.9	22.8
<i>eV EAFE Core Equity Median</i>	-16.8	12.5	9.1	22.8	-15.8	27.5	0.4	1.9	-4.2	24.1
<i>eV EAFE Core Equity Rank</i>	88	43	11	6	42	61	90	39	36	41

Total Fund | As of June 30, 2023

	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)
American Funds EuroPacific Growth	-22.7	2.8	25.3	27.4	-14.9	31.2	1.0	-0.5	-2.3	20.6
MSCI AC World ex USA (Net)	-16.0	7.8	10.7	21.5	-14.2	27.2	4.5	-5.7	-3.9	15.3
eV ACWI ex-US All Cap Core Eq Median	-18.6	11.1	14.5	24.2	-15.3	28.7	1.6	-1.3	-4.0	19.5
eV ACWI ex-US All Cap Core Eq Rank	79	94	13	17	43	27	54	40	38	43
Principal U.S. MidCap Equity	-23.2	25.3	18.3	42.9	-6.7	25.3	10.2	1.5	12.7	33.6
Russell Midcap Index	-17.3	22.6	17.1	30.5	-9.1	18.5	13.8	-2.4	13.2	34.8
eV US Mid Cap Core Equity Median	-15.3	25.7	15.2	28.8	-10.4	19.1	11.9	-1.1	9.9	35.6
eV US Mid Cap Core Equity Rank	84	57	37	1	26	4	64	30	23	70
T. Rowe Price MidCap Growth	-23.2	15.5	23.9	33.1	-2.2	26.0	6.9	6.9	13.8	37.9
Russell Midcap Growth Index	-26.7	12.7	35.6	35.5	-4.8	25.3	7.3	-0.2	11.9	35.7
eV US Mid Cap Growth Equity Median	-28.1	14.6	35.3	34.9	-4.2	25.1	4.9	0.3	7.9	35.5
eV US Mid Cap Growth Equity Rank	20	40	93	58	34	37	28	2	7	23
Fidelity Low-Priced Stock	-5.7	24.6	9.4	25.8	-10.7	20.8	8.9	0.9	7.7	34.4
Russell 2500 Value Index	-13.1	27.8	4.9	23.6	-12.4	10.4	25.2	-5.5	7.1	33.3
eV US Small Cap Value Equity Median	-11.9	28.9	4.5	23.2	-14.8	10.2	25.9	-5.3	4.7	36.9
eV US Small Cap Value Equity Rank	14	77	29	28	21	6	100	6	16	72
Tier IV - Extended Choice										
Wellington Opportunistic Emerging Market Debt	-16.7	-3.3	7.7	15.8	-5.8	10.6	12.8	-1.0	6.1	-5.1
eV Emg Mkts Fixed Inc - Hard Currency Median	-16.7	-2.3	6.8	14.5	-5.1	10.6	11.2	-0.4	4.7	-5.7
eV Emg Mkts Fixed Inc - Hard Currency Rank	52	84	30	20	57	54	28	61	31	38
JPM EMBI Global (USD)	-16.5	-1.5	5.9	14.4	-4.6	9.3	10.2	1.2	5.5	-6.6
Principal Diversified Real Asset	-6.2	17.3	4.0	15.0	-7.9	10.2	5.9	-12.4	2.5	5.4
Real Asset Custom Benchmark	-9.2	15.2	10.8	15.5	-6.4	10.7	7.6	-6.6	-0.5	2.9

Total Fund | As of June 30, 2023

	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)
Fidelity Emerging Markets Index	--	--	--	--	--	--	--	--	--	--
<i>MSCI Emerging Markets (Net)</i>	-20.1	-2.5	18.3	18.4	-14.6	37.3	11.2	-14.9	-2.2	-2.6
<i>Diversified Emerging Mkts Median</i>	-22.5	-1.5	17.8	20.5	-16.5	35.8	8.5	-13.7	-2.8	-1.0
<i>Diversified Emerging Mkts Rank</i>	--	--	--	--	--	--	--	--	--	--
Vanguard Real Estate Index Adm	--	--	--	--	--	--	--	--	--	--
<i>MSCI U.S. IMI Real Estate 25/50 Index (Net)</i>	-26.9	39.3	-5.6	27.6	-5.8	7.8	--	--	--	--
<i>Real Estate Median</i>	-26.2	41.4	-4.7	27.8	-5.7	5.4	6.2	3.0	29.7	1.7
<i>Real Estate Rank</i>	--	--	--	--	--	--	--	--	--	--
Self Directed Brokerage Options										
Loan Account										
Loan Account										
Other										
Prudential Retirement Real Estate Fund II	1.5	23.7	0.0	8.2	5.8	--	--	--	--	--
<i>PRREF II Custom Benchmark</i>	2.2	25.2	0.2	8.1	6.3	--	--	--	--	--
Columbia Institutional High Yield	-10.7	4.9	6.1	17.2	-4.1	6.6	11.6	-1.1	4.1	6.3
<i>ICE BofA US High Yield, Cash Pay Constrained</i>	-11.1	5.3	6.1	14.4	-2.3	7.5	17.3	-4.5	2.5	7.4
<i>eV US High Yield Fixed Inc Median</i>	-10.0	5.0	5.9	13.7	-2.3	7.0	13.4	-2.6	2.1	6.9
<i>eV US High Yield Fixed Inc Rank</i>	66	54	45	3	91	60	70	27	14	65

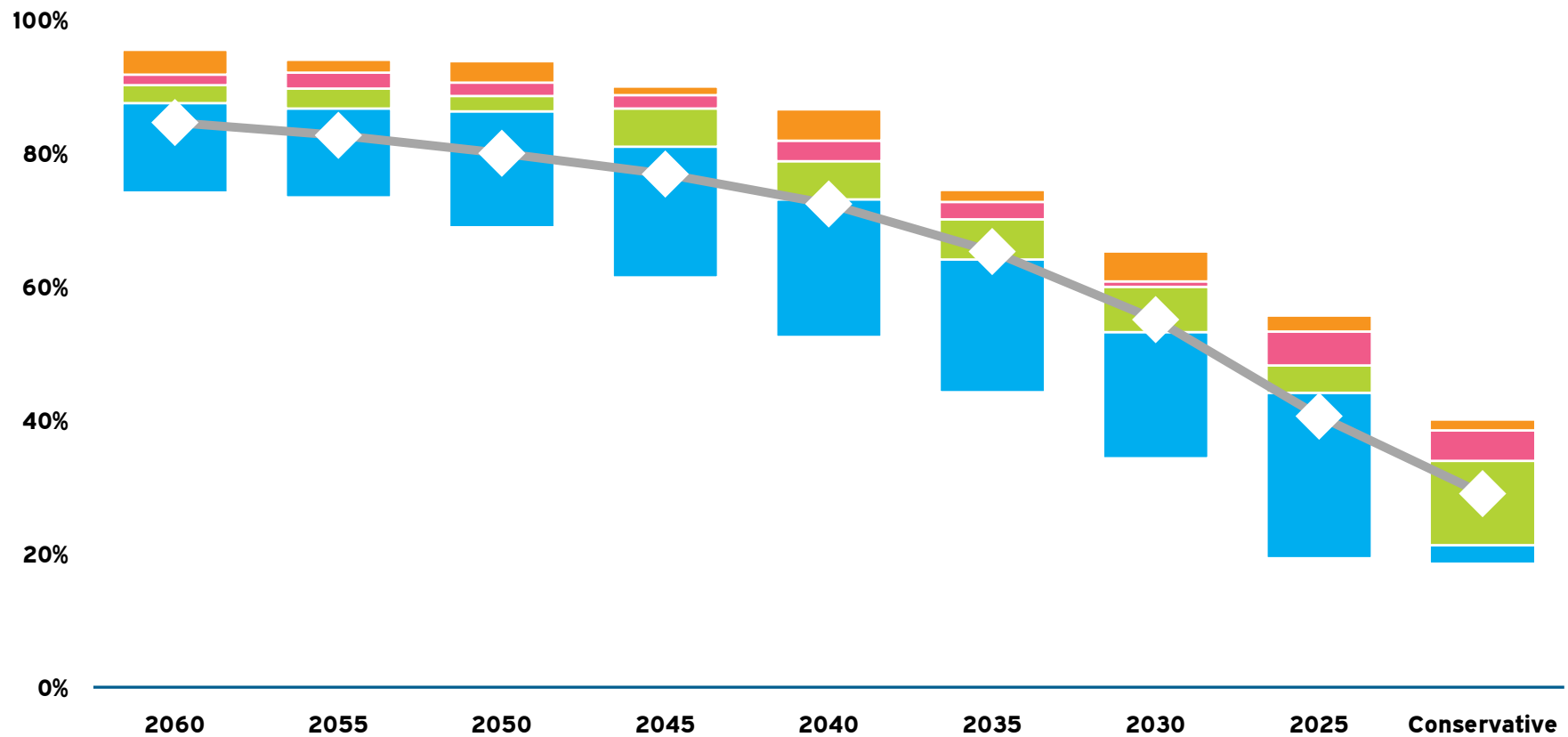
Columbia Institutional High Yield and Prudential Retirement Real Estate Fund II are only offered as underlying components of the New Mexico Lifecycle Portfolios.

Total Fund | As of June 30, 2023

Investment Expense Analysis As Of June 30, 2023								
Name	Style	Market Value	Expense Ratio (%)	Estimated Fund Expense (\$)	Median Expense Ratio (%)	Net Expense Difference	Revenue Sharing (\$)	Revenue Sharing(%)
Tier I - Target Date Funds		\$230,909,393						
New Mexico Conservative Portfolio	Target Date	\$50,298,033	0.31	153,806	0.65	-0.34	-	0.00
New Mexico LifeCycle 2025 Portfolio	Target Date	\$54,950,468	0.30	165,414	0.39	-0.09	-	0.00
New Mexico LifeCycle 2030 Portfolio	Target Date	\$14,686,277	0.29	42,846	0.42	-0.13	-	0.00
New Mexico LifeCycle 2035 Portfolio	Target Date	\$44,627,186	0.30	132,149	0.42	-0.12	-	0.00
New Mexico LifeCycle 2040 Portfolio	Target Date	\$9,892,843	0.31	30,805	0.44	-0.13	-	0.00
New Mexico LifeCycle 2045 Portfolio	Target Date	\$26,939,243	0.31	84,179	0.44	-0.13	-	0.00
New Mexico LifeCycle 2050 Portfolio	Target Date	\$9,893,541	0.31	30,501	0.45	-0.14	-	0.00
New Mexico LifeCycle 2055 Portfolio	Target Date	\$18,733,210	0.31	57,652	0.45	-0.14	-	0.00
New Mexico LifeCycle 2060 Portfolio	Target Date	\$888,592	0.31	2,749	0.46	-0.15	-	0.00
Tier II - Passive Funds		\$284,290,823						
Vanguard Total Bond Market Index	Bonds	\$40,057,418	0.04	14,020	0.44	-0.41	-	0.00
Vanguard Inflation-Protected Securities	Bonds	\$11,689,483	0.07	8,183	0.43	-0.36	-	0.00
Vanguard Institutional Index (S&P 500)	US Large Cap	\$190,261,050	0.02	38,052	0.70	-0.68	-	0.00
Vanguard Total International Stock Index	International Equity	\$25,227,223	0.08	20,182	0.88	-0.80	-	0.00
Fidelity Small Cap Index	US Small Cap	\$17,055,649	0.03	4,264	0.94	-0.92	-	0.00
Tier III - Active Funds		\$237,217,150						
New Mexico Stable Value Fund	Bonds (Stable Value)	\$130,434,046	0.31	400,433	0.77	-0.46	-	0.00
Dodge & Cox U.S. Equity	US Large Cap	\$35,789,505	0.51	182,526	0.71	-0.20	\$35,790	0.10
Fidelity Diversified International	International Equity	\$10,527,519	0.88	92,642	0.82	0.06	-	0.00
American Funds EuroPacific Growth	International Equity	\$8,343,365	0.47	39,214	0.80	-0.33	-	0.00
Principal U.S. MidCap Equity	US Mid Cap	\$14,227,622	0.67	95,325	0.84	-0.17	\$ 14,228	0.10
T. Rowe Price MidCap Growth	US Mid Cap	\$28,278,969	0.61	172,502	0.85	-0.24	-	0.00
Fidelity Low-Priced Stock	US Mid Cap	\$9,616,124	0.74	71,159	0.83	-0.09	-	0.00
Tier IV - Extended Choice		\$16,458,493						
Wellington Opportunistic Emerging Market Debt	International Bonds	\$1,519,368	0.57	8,660	0.80	-0.23	-	0.00
Principal Diversified Real Asset	Real Assets	\$760,564	0.84	6,389	0.88	-0.04	\$380	0.05
Fidelity Emerging Markets Index	International Equity	\$1,693,179	0.08	1,270	1.50	-1.43	\$0	0.00
Vanguard Real Estate Index Adm	Real Assets	\$1,295,712	0.12	1,555	1.15	-1.03	-	0.00
Self Directed Brokerage Options	Brokerage Window	\$11,189,670			-	-	-	-
Loan Account		\$10,619,496						
Loan Account	Other	\$10,619,496		-	-	-	-	-
Other		-						
Columbia High Yield	Bonds	-	0.63	-	0.71	-0.08	-	0.00
Prudential Retirement Real Estate Fund II	Private Real Estate	-	0.90	-	N/A	N/A	-	NA
Total		\$779,495,356	0.24%	\$1,856,477			\$50,397	0.01

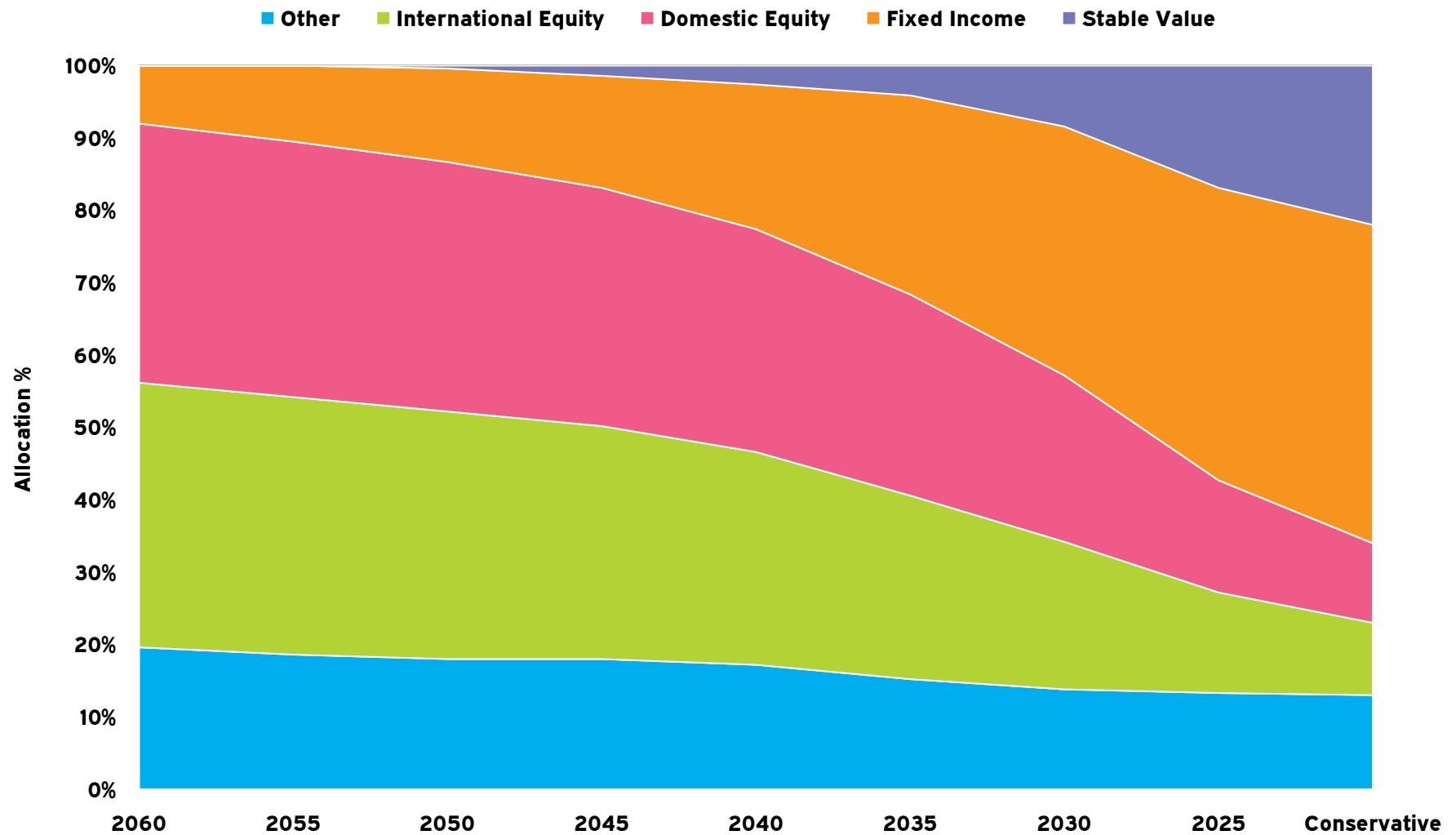
LifeCycle Funds Detail As of June 30, 2023

Glide Path Universe Comparison¹ % Allocation to Equity



¹ Peer universe data is provided by MorningStar Mutual Fund Target Date universe. Each color of the bar represents a quartile with the top and bottom representing the maximum and minimum observation. The Core Private Real Estate allocation is included within equity.

Asset Allocation by Target Date



LifeCycle Funds Detail

	2060 Portfolio (%)	2055 Portfolio (%)	2050 Portfolio (%)	2045 Portfolio (%)	2040 Portfolio (%)	2035 Portfolio (%)	2030 Portfolio (%)	2025 Portfolio (%)	Conservative Portfolio (%)
Total Fixed Income	8.0	10.5	13.4	16.9	22.6	31.6	42.8	57.3	66.0
Total Stable Value	0.0	0.0	0.4	1.4	2.6	4.1	8.4	16.9	22.0
New Mexico Stable Value Fund (Galliard)	0.0	0.0	0.4	1.4	2.6	4.1	8.4	16.9	22.0
Total Investment Grade Bonds	3.1	4.6	6.1	7.4	10.6	17.1	23.0	28.0	31.0
Vanguard Inflation-Protected Securities	0.4	1.2	1.9	2.7	3.4	4.4	6.4	9.9	12.0
Vanguard Total Bond Market Index	2.7	3.4	4.2	4.7	7.2	12.7	16.6	18.1	19.0
Total Global Credit	4.9	5.9	6.9	8.1	9.4	10.4	11.4	12.4	13.0
Wellington Opportunistic Emerging Markets Debt	2.2	2.7	3.2	3.7	4.2	4.7	5.0	5.0	5.0
Columbia High Yield Bonds	2.7	3.2	3.7	4.4	5.2	5.7	6.4	7.4	8.0
Total Equity	72.4	70.9	68.7	65.1	60.2	53.2	43.4	29.1	21.0
Total Domestic Equity	35.8	35.3	34.5	32.9	30.8	27.8	23.0	15.5	11.0
Vanguard Institutional Index Fund	25.3	24.6	23.6	22.6	21.4	19.7	16.3	11.0	8.0
Principal Mid Cap Equity	3.5	3.6	3.7	3.5	3.3	2.8	2.3	1.6	1.0
T. Rowe Price Mid Cap Growth	3.5	3.6	3.7	3.5	3.3	2.8	2.3	1.6	1.0
Fidelity Small Cap Index	3.5	3.5	3.5	3.3	2.8	2.5	2.1	1.3	1.0
Total International Equity	36.6	35.6	34.2	32.2	29.4	25.4	20.4	13.6	10.0
Vanguard Total International Stock Index	19.6	18.6	17.6	16.6	15.2	13.2	10.6	7.1	5.0
American Fund EuroPacific Growth	7.0	7.0	6.6	5.8	5.3	5.0	4.2	2.6	2.0
Fidelity Emerging Markets Index	10.0	10.0	10.0	9.8	8.9	7.2	5.6	4.2	3.0
Total Other	19.6	18.6	18.0	18.0	17.2	15.2	13.8	13.3	13.0
Total Core Private Real Estate	11.8	11.3	11.0	11.0	10.6	9.6	8.8	8.3	8.0
Prudential Retirement Real Estate Fund II	11.8	11.3	11.0	11.0	10.6	9.6	8.8	8.3	8.0
Total Diversified Inflation Hedge	7.8	7.3	7.0	7.0	6.6	5.6	5.0	5.0	5.0
Principal Diversified Real Asset Fund	7.8	7.3	7.0	7.0	6.6	5.6	5.0	5.0	5.0

Portfolio Reviews

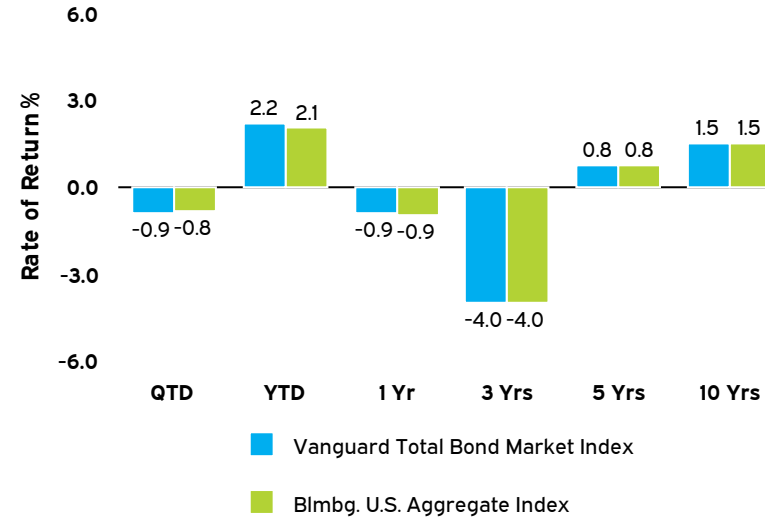
PERA SmartSave Deferred Compensation Plan

Vanguard Total Bond Market Index | As of June 30, 2023

Fund Information As of June 30, 2023

Fund Name	Vanguard Total Bond Market Index I
Fund Family	Vanguard
Ticker	VBPIX
Fund Inception	09/18/1995
Morningstar Category	Intermediate Core Bond
Benchmark	Bloomberg U.S. Aggregate Index
Portfolio Manager	Barrickman,J
Expense Ratio	0.04 %
Closed to New Investors	Open

Return Summary As of June 30, 2023



Fund Characteristics As of June 30, 2023

Average Effective Duration	6.6 Years	AAA	71.15
Average Effective Maturity	8.9 Years	AA	2.90
Average Credit Quality	AA	A	11.99
Average Weighted Coupon	2.9 %	BBB	13.96
Yield To Maturity	4.4 %	BB	0.00
SEC Yield	4.0 %	B	0.00
		Below B	0.00
		Not Rated	0.00

Credit Quality As of June 30, 2023

Fixed Income Sectors As of June 30, 2023

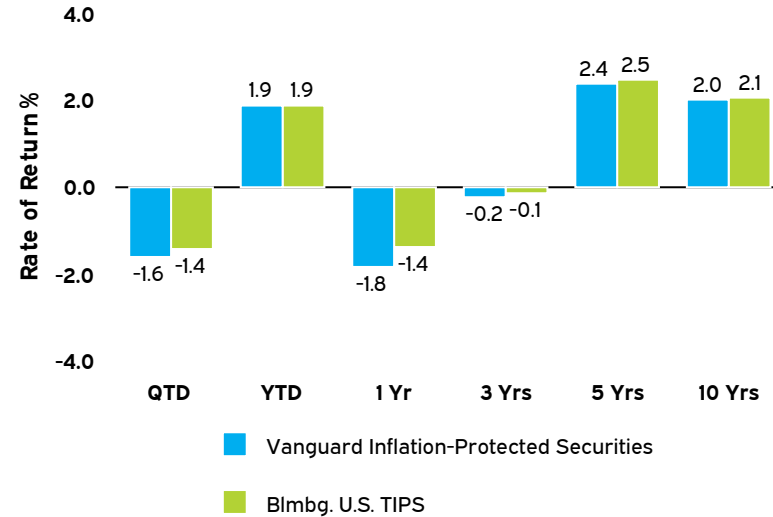
Government	49.44
Municipal	0.66
Corporate	26.25
Securitized	22.79
Cash & Equivalents	0.85
Other	0.00

Fund Information As of June 30, 2023

Fund Name	Vanguard Inflation-Protected Secs I
Fund Family	Vanguard
Ticker	VIPIX
Fund Inception	12/12/2003
Morningstar Category	Inflation-Protected Bond
Benchmark	Bloomberg U.S. TIPS
Portfolio Assets	12,116.32 Million
Portfolio Manager	Madziyire,J
Expense Ratio	0.07 %
Closed to New Investors	Open

Vanguard Inflation-Protected Securities | As of June 30, 2023

Return Summary As of June 30, 2023



Fund Characteristics As of June 30, 2023

Average Effective Duration	6.9 Years
Average Effective Maturity	7.3 Years
Average Credit Quality	AAA
Average Weighted Coupon	0.7 %
Yield To Maturity	3.7 %
SEC Yield	1.9 %

Credit Quality As of June 30, 2023

AAA	99.91
AA	0.00
A	0.00
BBB	0.00
BB	0.00
B	0.00
Below B	0.00
Not Rated	0.09

Fixed Income Sectors As of June 30, 2023

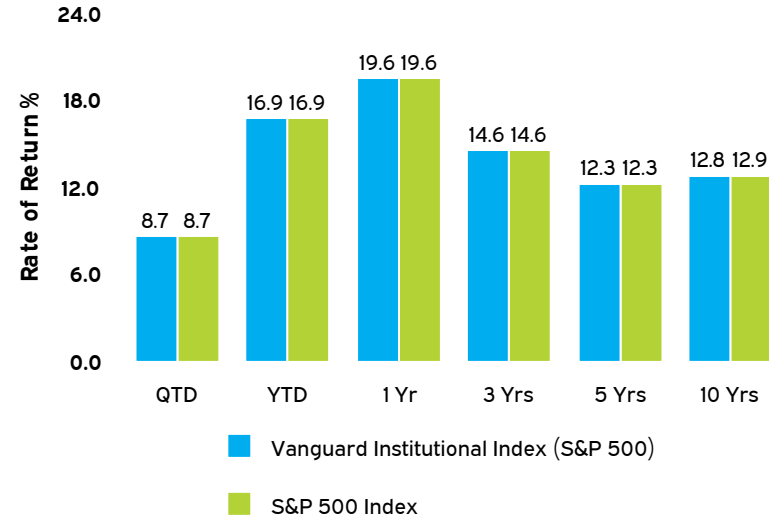
Government	99.91
Municipal	0.00
Corporate	0.00
Securitized	0.00
Cash & Equivalents	0.09
Other	0.00

Vanguard Institutional Index (S&P 500) | As of June 30, 2023

Fund Information As of June 30, 2023

Fund Name	Vanguard Institutional Index Instl Pl
Fund Family	Vanguard
Ticker	VIIIIX
Fund Inception	07/07/1997
Morningstar Category	Large Blend
Benchmark	S&P 500 Index
Portfolio Assets	138,348.40 Million
Portfolio Manager	Butler,D/Louie,M
Expense Ratio	0.02 %
Closed to New Investors	Open

Return Summary As of June 30, 2023



Equity Characteristics As of June 30, 2023

Avg. Market Cap	223.3 Billion
Price/Earnings	19.92
Price/Book	3.71
Price/Sales	2.25
Price/Cash Flow	12.78
Dividend Yield	1.7 %
Number of Equity Holdings	503

Top Holdings(%) As of June 30, 2023

Apple Inc	7.7
Microsoft Corp	6.8
Amazon.com Inc	3.1
NVIDIA Corp	2.8
Alphabet Inc Class A	1.9
Tesla Inc	1.9
Meta Platforms Inc Class A	1.7
Alphabet Inc Class C	1.7
Berkshire Hathaway Inc Class B	1.6
UnitedHealth Group Inc	1.2

Sector Allocation As of June 30, 2023

Energy	4.6
Materials	2.4
Industrials	8.4
Consumer Discretionary	10.4
Consumer Staples	7.2
Health Care	14.3
Financials	12.4
Information Technology	26.7
Communication Services	8.1
Utilities	2.9
Real Estate	2.6

Vanguard Total International Stock Index | As of June 30, 2023

Fund Information As of June 30, 2023		Top Countries (%) As of June 30, 2023		Return Summary As of June 30, 2023	
Fund Name	Vanguard Total Intl Stock Index I	Japan	15.82		
Fund Family	Vanguard	United Kingdom	9.17		
Ticker	VTSNX	China	7.84		
Fund Inception	11/29/2010	Canada	7.13		
Morningstar Category	Foreign Large Blend	France	6.59		
Benchmark	MSCI EAFE (Net)				
Portfolio Assets	37,547.88 Million				
Portfolio Manager	Franquin,C/Perre,M				
Expense Ratio	0.08 %				
Closed to New Investors	Open				

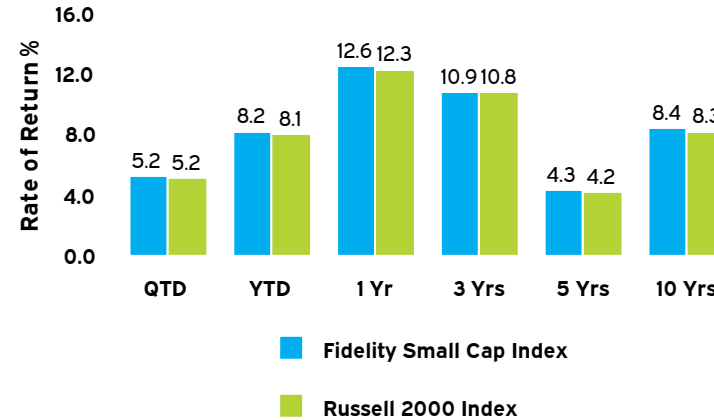
Equity Characteristics As of June 30, 2023		Top Holdings(%) As of June 30, 2023		Sector Allocation As of June 30, 2023	
Avg. Market Cap	27.6 Billion	Taiwan Semiconductor Manufacturing	1.5	Energy	4.6
Price/Earnings	12.95	Nestle SA	1.1	Materials	2.4
Price/Book	1.51	ASML Holding NV	1.0	Industrials	8.4
Price/Sales	1.07	Tencent Holdings Ltd	0.9	Consumer Discretionary	10.4
Price/Cash Flow	6.72	Samsung Electronics Co Ltd	0.9	Consumer Staples	7.2
Dividend Yield	3.7 %	Novo Nordisk A/S Class B	0.9	Health Care	14.3
Number of Equity Holdings	7887	LVMH Moet Hennessy Louis Vuitton	0.8	Financials	12.4
		AstraZeneca PLC	0.7	Information Technology	26.7
		Roche Holding AG	0.7	Communication Services	8.1
		Shell PLC	0.7	Utilities	2.9
				Real Estate	2.6

The portfolio's equity characteristics are calculated by Morningstar. Index characteristics are calculated by InvestorMetrics using a different methodology, which accounts for the differences between the portfolio and the index. The Spliced Total International Stock Index through August 31, 2006; MSCI EAFE + Emerging Markets Index through December 15, 2010; MSCI ACWI ex USA IMI Index through June 2, 2013; and FTSE Global All Cap ex US Index thereafter.

Fund Information As of June 30, 2023

Fund Name	Fidelity® Small Cap Index
Fund Family	Fidelity Investments
Ticker	FSSNX
Fund Inception	09/08/2011
Morningstar Category	Small Blend
Benchmark	Russell 2000 Index
Portfolio Assets	19,677.99 Million
Portfolio Manager	Team Managed
Expense Ratio	0.03 %
Closed to New Investors	Open

Return Summary As of June 30, 2023



Equity Characteristics As of June 30, 2023

Avg. Market Cap	2.2 Billion
Price/Earnings	12.76
Price/Book	1.57
Price/Sales	0.93
Price/Cash Flow	5.02
Dividend Yield	1.9 %
Number of Equity Holdings	1909

Top Holdings(%) As of June 30, 2023

E-mini Russell 2000 Index Future	0.7
Fidelity Revere Str Tr	0.6
Super Micro Computer Inc	0.5
ShockWave Medical Inc	0.4
Inspire Medical Systems Inc	0.4
Apellis Pharmaceuticals Inc	0.4
EMCOR Group Inc	0.4
Saia Inc	0.3
Iridium Communications Inc	0.3
Karuna Therapeutics Inc	0.3

Sector Allocation As of June 30, 2023

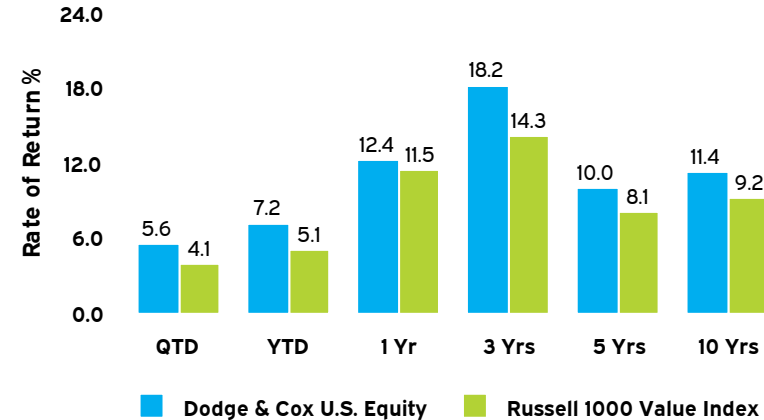
Energy	6.2
Materials	4.5
Industrials	15.5
Consumer Discretionary	11.1
Consumer Staples	4.4
Health Care	15.9
Financials	14.2
Information Technology	14.9
Communication Services	2.6
Utilities	3.3
Real Estate	7.4

Dodge & Cox U.S. Equity | As of June 30, 2023

Fund Information As of June 30, 2023

Fund Name	Dodge & Cox Stock I
Fund Family	Dodge & Cox
Ticker	DODGX
Fund Inception	01/04/1965
Morningstar Category	Large Value
Benchmark	Russell 1000 Value Index
Portfolio Assets	61,645.04 Million
Portfolio Manager	Team Managed
Expense Ratio	0.51%
Closed to New Investors	Open

Return Summary As of June 30, 2023



Equity Characteristics As of June 30, 2023

Avg. Market Cap	85.4 Billion
Price/Earnings	13.19
Price/Book	1.95
Price/Sales	1.41
Price/Cash Flow	8.41
Dividend Yield	2.2 %
Number of Equity Holdings	76

Top Holdings(%) As of June 30, 2023

Occidental Petroleum Corp	3.8
Wells Fargo & Co	3.8
Sanofi SA ADR	3.4
Charles Schwab Corp	3.2
Fiserv Inc	3.2
Alphabet Inc Class C	3.2
Capital One Financial Corp	2.8
Microsoft Corp	2.7
FedEx Corp	2.6
VMware Inc Class A	2.5

Sector Allocation As of June 30, 2023

Energy	7.1
Materials	1.7
Industrials	11.0
Consumer Discretionary	3.8
Consumer Staples	2.5
Health Care	22.4
Financials	19.7
Information Technology	18.5
Communication Services	12.6
Utilities	0.6
Real Estate	0.3

Fidelity Diversified International | As of June 30, 2023

Fund Information As of June 30, 2023		Top Countries (%) As of June 30, 2023		Return Summary As of June 30, 2023	
Fund Name	Fidelity® Diversified International K	Japan	17.43		
Fund Family	Fidelity Investments	United Kingdom	13.42		
Ticker	FDIKX	France	10.51		
Fund Inception	05/09/2008	United States	10.05		
Morningstar Category	Foreign Large Growth	Netherlands	7.96		
Benchmark	MSCI EAFE (Net)				
Portfolio Assets	1,483.56 Million				
Portfolio Manager	Bower,W				
Expense Ratio	0.88 %				
Closed to New Investors	Open				

Equity Characteristics As of June 30, 2023		Top Holdings(%) As of June 30, 2023		Sector Allocation As of June 30, 2023	
Avg. Market Cap	57.3 Billion	Fidelity Revere Str Tr	3.9	Energy	7.1
Price/Earnings	17.62	ASML Holding NV ADR	3.0	Materials	1.7
Price/Book	2.46	LVMH Moet Hennessy Louis Vuitton	3.0	Industrials	11.0
Price/Sales	1.81	Nestle SA	2.2	Consumer Discretionary	3.8
Price/Cash Flow	10.40	Novo Nordisk A/S Class B	2.0	Consumer Staples	2.5
Dividend Yield	2.5 %	AstraZeneca PLC	1.9	Health Care	22.4
Number of Equity Holdings	143	AIA Group Ltd	1.7	Financials	19.7
		Hoya Corp	1.7	Information Technology	18.5
		Linde PLC	1.6	Communication Services	12.6
		Hitachi Ltd	1.6	Utilities	0.6
				Real Estate	0.3

American Funds EuroPacific Growth | As of June 30, 2023

Fund Information As of June 30, 2023		Top Countries (%) As of June 30, 2023		Return Summary As of June 30, 2023	
Fund Name	American Funds EuroPacific Growth R6	Japan	11.56		
Fund Family	American Funds	France	11.27		
Ticker	RERGX	United Kingdom	8.16		
Fund Inception	05/01/2009	India	7.63		
Morningstar Category	Foreign Large Growth	Canada	7.43		
Benchmark	MSCI EAFE (Net)				
Portfolio Assets	67,355.34 Million				
Portfolio Manager	Team Managed				
Expense Ratio	0.47 %				
Closed to New Investors	Open				

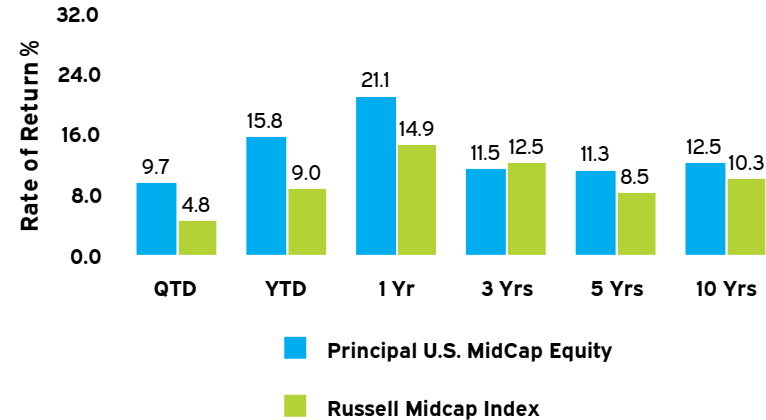
Equity Characteristics As of June 30, 2023		Top Holdings(%) As of June 30, 2023		Sector Allocation As of June 30, 2023	
Avg. Market Cap	60.8 Billion	Novo Nordisk A/S Class B	3.9	Energy	8.8
Price/Earnings	18.11	LVMH Moet Hennessy Louis Vuitton	3.2	Materials	8.7
Price/Book	2.67	ASML Holding NV	2.8	Industrials	14.6
Price/Sales	1.88	Reliance Industries Ltd	2.5	Consumer Discretionary	14.8
Price/Cash Flow	9.27	Taiwan Semiconductor Manufacturing	2.4	Consumer Staples	6.6
Dividend Yield	2.5 %	Airbus SE	2.4	Health Care	14.1
Number of Equity Holdings	352	AIA Group Ltd	1.9	Financials	11.9
		Daiichi Sankyo Co Ltd	1.9	Information Technology	16.0
		Canadian Natural Resources Ltd	1.9	Communication Services	3.3
		Flutter Entertainment PLC	1.6	Utilities	1.0
				Real Estate	0.4

Principal U.S. MidCap Equity | As of June 30, 2023

Fund Information As of June 30, 2023

Fund Name	Principal MidCap Institutional
Fund Family	Principal Funds
Ticker	PCBIX
Fund Inception	03/01/2001
Morningstar Category	Mid-Cap Growth
Benchmark	Russell Midcap Growth Index
Portfolio Assets	10,500.26 Million
Portfolio Manager	Nolin,K/Rozycki,T
Expense Ratio	0.67 %
Closed to New Investors	Closed

Return Summary As of June 30, 2023



Equity Characteristics As of June 30, 2023

Avg. Market Cap	28.9 Billion
Price/Earnings	25.52
Price/Book	3.07
Price/Sales	2.06
Price/Cash Flow	15.90
Dividend Yield	0.7 %
Number of Equity Holdings	71

Top Holdings(%) As of June 30, 2023

TransDigm Group Inc	5.6
Copart Inc	5.5
O'Reilly Automotive Inc	4.7
CoStar Group Inc	4.6
Brookfield Corp Registered Shs	4.4
Heico Corp Class A	4.3
Hilton Worldwide Holdings Inc	3.7
Vulcan Materials Co	3.5
KKR & Co Inc Ordinary Shares	3.2
Brown & Brown Inc	3.0

Sector Allocation As of June 30, 2023

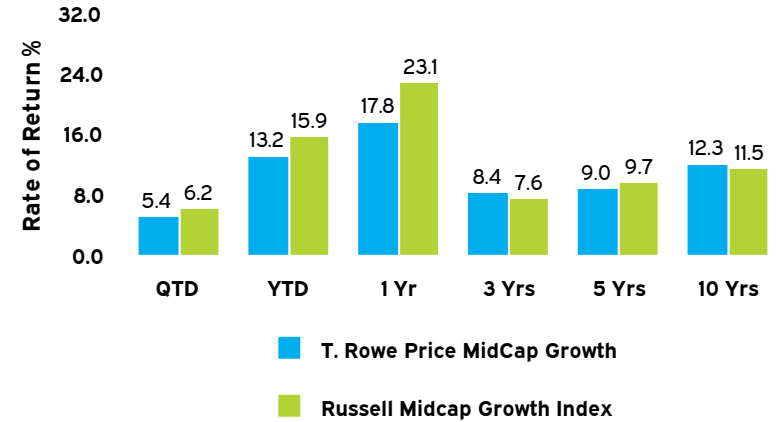
Energy	0.0
Materials	5.6
Industrials	13.2
Consumer Discretionary	22.9
Consumer Staples	1.4
Health Care	3.3
Financials	21.4
Information Technology	16.0
Communication Services	3.8
Utilities	3.6
Real Estate	8.7

T. Rowe Price MidCap Growth | As of June 30, 2023

Fund Information As of June 30, 2023

Fund Name	T. Rowe Price Instl Mid-Cap Equity Gr
Fund Family	T. Rowe Price
Ticker	PMEGX
Fund Inception	07/31/1996
Morningstar Category	Mid-Cap Growth
Benchmark	Russell Midcap Growth Index
Portfolio Assets	5,287.31 Million
Portfolio Manager	Berghuis,B
Expense Ratio	0.61 %
Closed to New Investors	Open

Return Summary As of June 30, 2023



Equity Characteristics As of June 30, 2023

Avg. Market Cap	20.2 Billion
Price/Earnings	21.74
Price/Book	3.42
Price/Sales	2.38
Price/Cash Flow	14.17
Dividend Yield	1.2 %
Number of Equity Holdings	118

Top Holdings(%) As of June 30, 2023

Microchip Technology Inc	3.4
Hologic Inc	2.9
Marvell Technology Inc	2.6
Reserve Invt Fds	2.3
Teleflex Inc	2.1
Ingersoll Rand Inc	2.1
Agilent Technologies Inc	2.0
The Trade Desk Inc Class A	1.9
Textron Inc	1.8
Ball Corp	1.7

Sector Allocation As of June 30, 2023

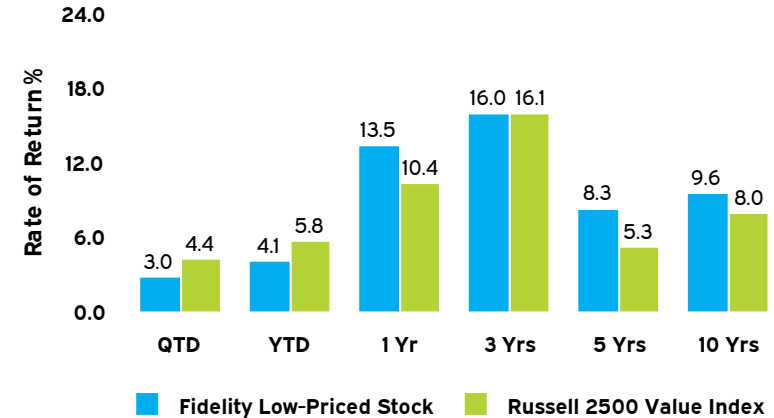
Energy	2.8
Materials	3.1
Industrials	14.3
Consumer Discretionary	16.5
Consumer Staples	2.9
Health Care	23.8
Financials	6.5
Information Technology	27.1
Communication Services	2.2
Utilities	0.0
Real Estate	0.9

Fund Information As of June 30, 2023

Fund Name	Fidelity® Low-Priced Stock K
Fund Family	Fidelity Investments
Ticker	FLPKX
Fund Inception	05/09/2008
Morningstar Category	Mid-Cap Value
Benchmark	Russell Midcap Value Index
Portfolio Assets	3,164.52 Million
Portfolio Manager	Team Managed
Expense Ratio	0.74 %
Closed to New Investors	Open

Fidelity Low-Priced Stock | As of June 30, 2023

Return Summary As of June 30, 2023



Equity Characteristics As of June 30, 2023

Avg. Market Cap	8.2 Billion
Price/Earnings	9.93
Price/Book	1.33
Price/Sales	0.60
Price/Cash Flow	5.31
Dividend Yield	3.3 %
Number of Equity Holdings	810

Top Holdings(%) As of June 30, 2023

UnitedHealth Group Inc	4.2
AutoZone Inc	3.3
Elevance Health Inc	2.3
Next PLC	2.1
Universal Health Services Inc Class	1.7
Fidelity Revere Str Tr	1.7
Metro Inc	1.6
Monster Beverage Corp	1.5
Ross Stores Inc	1.5
PG&E Corp	1.5

Sector Allocation As of June 30, 2023

Energy	6.2
Materials	4.5
Industrials	15.5
Consumer Discretionary	11.1
Consumer Staples	4.4
Health Care	15.9
Financials	14.2
Information Technology	14.9
Communication Services	2.6
Utilities	3.3
Real Estate	7.4

Wellington Opportunistic Emerging Market Debt | As of June 30, 2023

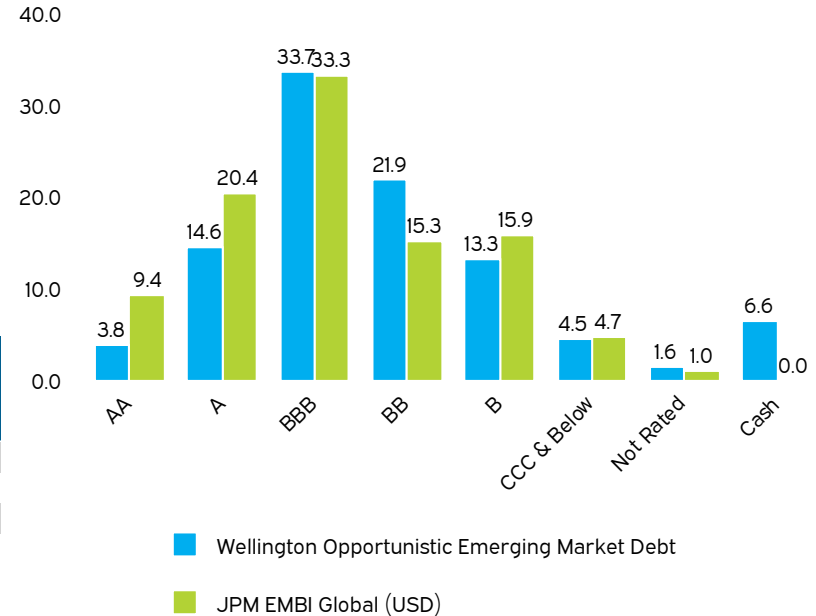
Account Information

Account Name Wellington Opportunistic Emerging Market Debt
 Inception Date 05/01/2010
 Account Structure Commingled Fund
 Account Type International Fixed Income
 Benchmark JPM EMBI Global (USD)
 Universe eV Emg Mkts Fixed Inc - Hard Currency
 Investment Style ACTIVE

Portfolio Performance Summary

	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Wellington Opportunistic Emerging Market Debt	1.8	7.9	-2.9	0.8	2.8	3.8	May -10
JPM EMBI Global (USD)	1.5	6.8	-2.7	0.8	2.6	3.8	
eV Emg Mkts Fixed Inc - Hard Currency Median	2.0	7.8	-2.3	0.9	2.4	3.6	
eV Emg Mkts Fixed Inc - Hard Currency Rank	59	48	67	53	28	27	

Credit Quality Allocation



Wellington Opportunistic Emerging Market Debt Fixed Income Characteristics vs. JPM EMBI Global (USD)

	Q2 -23		Q1 -23
	Portfolio	Index	Portfolio
Fixed Income Characteristics			
Yield To Maturity	7.80	7.40	7.57
Average Duration	6.88	6.97	6.97
Average Quality	BBB	BBB	BBB

Fixed Income Sectors As of June 30, 2023

Government	62.6
Municipal	0.0
Corporate	0.0
Securitized	0.0
Cash & Equivalents	8.3
Other	29.1

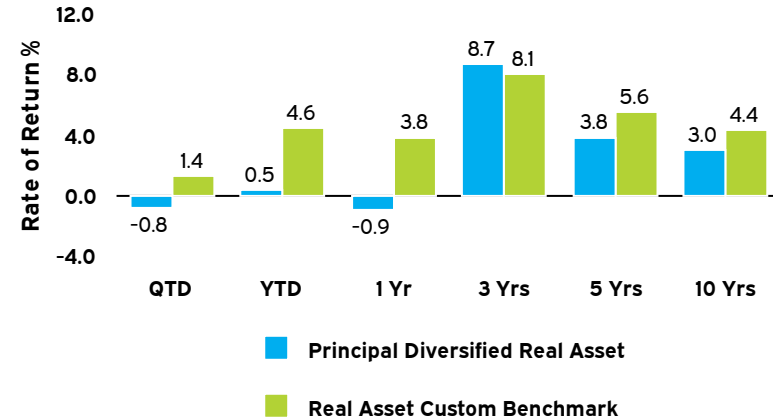
PERA SmartSave Deferred Compensation Plan

Principal Diversified Real Asset | As of June 30, 2023

Fund Information As of June 30, 2023

Fund Name	Principal Diversified Real Asset Instl
Fund Family	Principal Funds
Ticker	PDRDX
Fund Inception	03/16/2010
Morningstar Category	Global Allocation
Portfolio Assets	2,176.93 Million
Portfolio Manager	Bush,J/Rotenberg,B/Tong,M
Expense Ratio	0.84 %
Closed to New Investors	Open

Return Summary As of June 30, 2023



Equity Characteristics As of June 30, 2023

Avg. Market Cap	18.6 Billion
Price/Earnings	17.18
Price/Book	1.65
Price/Sales	1.57
Price/Cash Flow	6.64
Dividend Yield	4.2 %
Number of Equity Holdings	312

Top Holdings(%) As of June 30, 2023

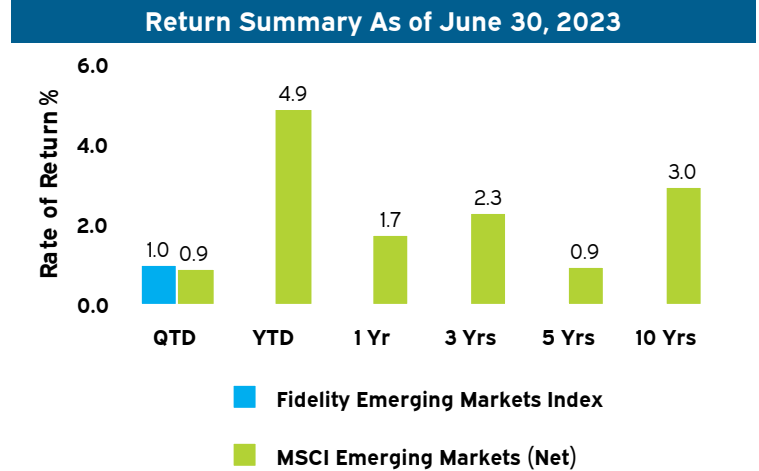
Dracay Corecommodity - 30	8.0
Dracay Wellington	5.0
Principal Government Money Market	4.1
NextEra Energy Inc	1.4
National Grid PLC	1.3
Enbridge Inc	1.1
TC Energy Corp	1.1
Transurban Group	1.0
Aena SME SA	1.0
Enel SpA	0.9

The Real Asset Custom Benchmark is comprised of 40% Barclays U.S. TIPS, 40% MSCI ACWI, and 20% Bloomberg Commodity Index.

Fidelity Emerging Market Index | As of June 30, 2023

Fund Information As of June 30, 2023	
Fund Name	Fidelity® Emerging Markets Idx
Fund Family	Fidelity Investments
Ticker	FPADX
Fund Inception	09/08/2011
Morningstar Category	Diversified Emerging Mkts
Benchmark	MSCI Emerging Markets (Net)
Portfolio Assets	6,191.36 Million
Portfolio Manager	Team Managed
Expense Ratio	0.08 %
Closed to New Investors	Open

Top Countries (%) As of June 30, 2023	
China	29.05
Taiwan	15.50
India	14.61
Korea	12.32
Brazil	5.57



Equity Characteristics As of June 30, 2023	
Avg. Market Cap	35.4 Billion
Price/Earnings	12.88
Price/Book	1.51
Price/Sales	1.13
Price/Cash Flow	6.48
Dividend Yield	3.6 %
Number of Equity Holdings	1470

Top Holdings(%) As of June 30, 2023	
Taiwan Semiconductor Manufacturing	6.4
MSCI Emerging Markets Index Future	5.4
Fidelity Revere Str Tr	4.9
Tencent Holdings Ltd	3.7
Samsung Electronics Co Ltd	3.7
Alibaba Group Holding Ltd Ordinary	2.4
Reliance Industries Ltd	1.3
Meituan Class B	1.1
China Construction Bank Corp Class	0.9
Housing Development Finance Corp	0.8

Sector Allocation As of June 30, 2023	
Energy	3.6
Materials	8.4
Industrials	6.5
Consumer Discretionary	6.4
Consumer Staples	8.0
Health Care	1.4
Financials	25.8
Information Technology	27.4
Communication Services	9.0
Utilities	2.0
Real Estate	1.5

Fund Information As of June 30, 2023

Fund Name	Vanguard Real Estate Index Admiral
Fund Family	Vanguard
Ticker	VGSLX
Fund Inception	11/12/2001
Morningstar Category	Real Estate
Portfolio Assets	20,213.54 Million
Portfolio Manager	Nejman,W/O'Reilly,G
Expense Ratio	0.12 %
Closed to New Investors	Open

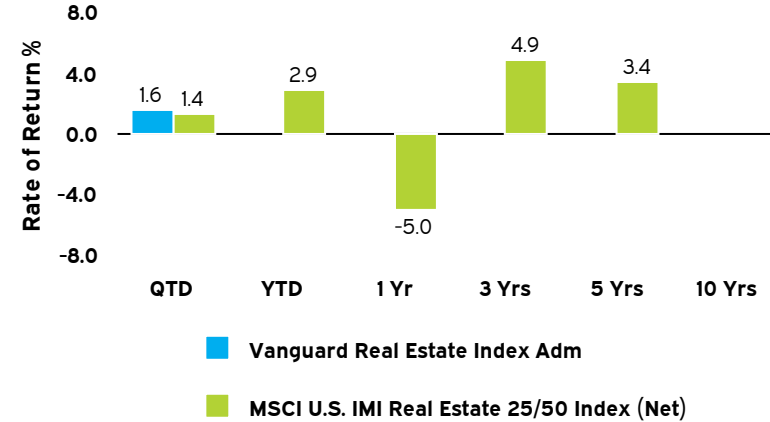
Equity Characteristics As of June 30, 2023

Avg. Market Cap	21.5 Billion
Price/Earnings	32.87
Price/Book	2.14
Price/Sales	4.20
Price/Cash Flow	12.47
Dividend Yield	4.1 %
Number of Equity Holdings	165

PERA SmartSave Deferred Compensation Plan

Vanguard Real Estate Index Adm | As of June 30, 2023

Return Summary As of June 30, 2023



Top Holdings(%) As of June 30, 2023

Vanguard Real Estate II Index	12.5
Prologis Inc	7.4
American Tower Corp	5.9
Equinix Inc	4.8
Crown Castle Inc	3.2
Public Storage	3.0
Realty Income Corp	2.6
Welltower Inc	2.5
Simon Property Group Inc	2.4
CoStar Group Inc	2.4

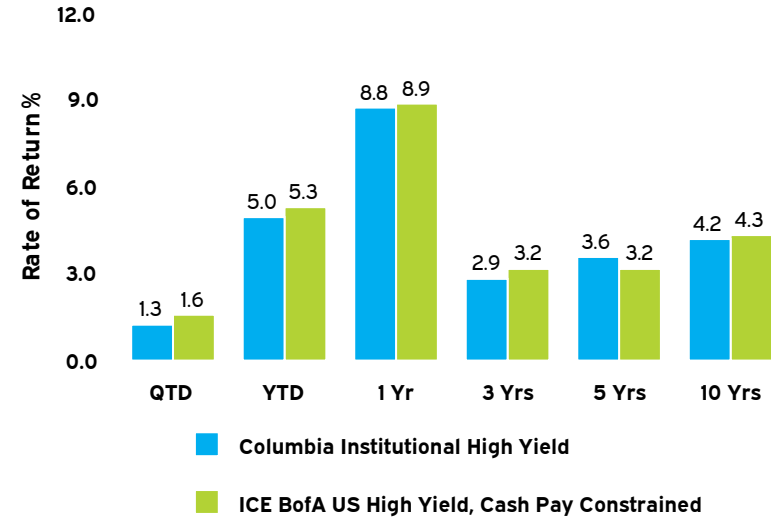
PERA SmartSave Deferred Compensation Plan

Columbia Institutional High Yield | As of June 30, 2023

Fund Information As of June 30, 2023

Fund Name	Columbia High Yield Bond Inst3
Fund Family	Columbia Mgmt Investment Advisers
Ticker	CHYYX
Fund Inception	11/08/2012
Morningstar Category	High Yield Bond
Benchmark	ICE BofA US High Yield, Cash Pay Index
Portfolio Assets	551.83 Million
Portfolio Manager	DeYoung,D/Lavin,B
Expense Ratio	0.63 %
Closed to New Investors	Open

Return Summary As of June 30, 2023



Fund Characteristics As of June 30, 2023

Average Effective Duration	3.8 Years
Average Effective Maturity	5.1 Years
Average Credit Quality	B
Average Weighted Coupon	5.6 %
Yield To Maturity	7.8 %
SEC Yield	7.5 %

Credit Quality As of June 30, 2023

AAA	2.79
AA	0.00
A	0.00
BBB	1.59
BB	40.26
B	43.91
Below B	11.42
Not Rated	0.03

Fixed Income Sectors As of June 30, 2023

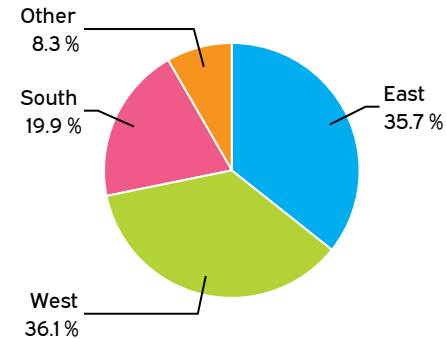
Government	0.00
Municipal	0.00
Corporate	97.23
Securitized	0.00
Cash & Equivalents	2.77
Other	0.00

Prudential Retirement Real Estate Fund II | As of June 30, 2023

Account Information

Account Name Prudential Retirement Real Estate Fund II
 Inception Date 01/01/2018
 Account Structure Managed Account
 Account Type US Private Real Estate
 Benchmark PRREF II Custom Benchmark
 Investment Style ACTIVE

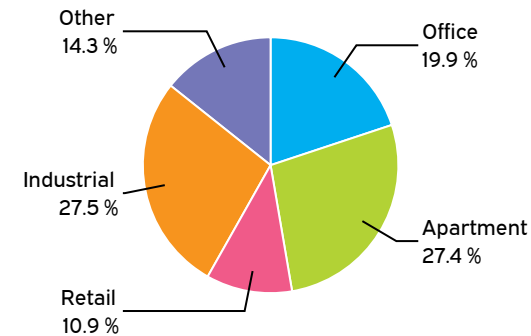
Geographic Diversification Allocation As of June 30, 2023



Portfolio Performance Summary

	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	Inception (%)	Inception Date
Prudential Retirement Real Estate Fund II	-1.4	-8.6	7.9	6.2	6.3	Jan -18
<i>PRREF II Custom Benchmark</i>	-1.9	-8.4	8.2	6.3	6.5	

Property Type Allocation Allocation As of June 30, 2023



The PRREF II Custom Benchmark is comprised of 15% MSCI REIT and 85% NCREIF ODCE Index.

**Benchmark History
As of June 30, 2023**
New Mexico Conservative Portfolio

01/01/2023	Present	3.0% Russell 2500 Index, 8.0% S&P 500 Index, 19.0% Blmbg. U.S. Aggregate Index, 8.0% Blmbg. U.S. Corp: High Yield Index, 7.0% MSCI AC World ex USA (Net), 5.0% JPM EMBI Global (USD), 3.0% MSCI Emerging Markets (Net), 12.0% Blmbg. U.S. TIPS, 5.0% Real Asset Custom Benchmark, 22.0% Citigroup 3-month Treasury Bill + 1%, 8.0% PRREF II Custom Benchmark
01/01/2022	01/01/2023	3.0% Russell 2500 Index, 8.0% S&P 500 Index, 19.0% Blmbg. U.S. Aggregate Index, 8.0% Blmbg. U.S. Corp: High Yield Index, 7.0% MSCI AC World ex USA (Net), 5.0% JPM EMBI Global (USD), 3.0% MSCI Emerging Markets (Net), 12.0% Blmbg. U.S. TIPS, 5.0% Real Asset Custom Benchmark, 22.0% Citigroup 3-month Treasury Bill + 1%, 8.0% PRREF II Custom Benchmark
01/01/2021	01/01/2022	3.0% Russell 2500 Index, 8.0% S&P 500 Index, 19.0% Blmbg. U.S. Aggregate Index, 8.0% Blmbg. U.S. Corp: High Yield Index, 5.0% FTSE World Government Bond Index, 7.0% MSCI AC World ex USA (Net), 3.0% MSCI Emerging Markets (Net), 12.0% Blmbg. U.S. TIPS, 5.0% Real Asset Custom Benchmark, 22.0% Citigroup 3-month Treasury Bill + 1%, 8.0% PRREF II Custom Benchmark
01/01/2020	01/01/2021	3.0% Russell 2500 Index, 8.0% S&P 500 Index, 19.0% Blmbg. U.S. Aggregate Index, 8.0% Blmbg. U.S. Corp: High Yield Index, 5.0% FTSE World Government Bond Index, 7.0% MSCI AC World ex USA (Net), 3.0% MSCI Emerging Markets (Net), 12.0% Blmbg. U.S. TIPS, 5.0% Real Asset Custom Benchmark, 22.0% Citigroup 3-month Treasury Bill + 1%, 8.0% PRREF II Custom Benchmark
01/01/2019	01/01/2020	3.0% Russell 2500 Index, 8.0% S&P 500 Index, 19.0% Blmbg. U.S. Aggregate Index, 8.0% Blmbg. U.S. Corp: High Yield Index, 5.0% FTSE World Government Bond Index, 7.0% MSCI AC World ex USA (Net), 3.0% MSCI Emerging Markets (Net), 12.0% Blmbg. U.S. TIPS, 5.0% Real Asset Custom Benchmark, 22.0% Citigroup 3-month Treasury Bill + 1%, 8.0% PRREF II Custom Benchmark
01/01/2018	01/01/2019	3.0% Russell 2500 Index, 8.0% S&P 500 Index, 19.0% Blmbg. U.S. Aggregate Index, 8.0% Blmbg. U.S. Corp: High Yield Index, 5.0% FTSE World Government Bond Index, 7.0% MSCI AC World ex USA (Net), 3.0% MSCI Emerging Markets (Net), 12.0% Blmbg. U.S. TIPS, 5.0% Real Asset Custom Benchmark, 22.0% Citigroup 3-month Treasury Bill + 1%, 8.0% PRREF II Custom Benchmark
01/01/2017	01/01/2018	3.0% Russell 2500 Index, 8.0% S&P 500 Index, 19.0% Blmbg. U.S. Aggregate Index, 8.0% Blmbg. U.S. Corp: High Yield Index, 5.0% FTSE World Government Bond Index, 7.0% MSCI AC World ex USA (Net), 8.0% FTSE EPRA/NAREIT Global Index, 3.0% MSCI Emerging Markets (Net), 12.0% Blmbg. U.S. TIPS, 5.0% Real Asset Custom Benchmark, 22.0% Citigroup 3-month Treasury Bill + 1%
05/01/2016	01/01/2017	3.0% Russell 2500 Index, 10.0% S&P 500 Index, 22.0% Blmbg. U.S. Aggregate Index, 22.0% FTSE 3 Month T-Bill, 8.0% MSCI EAFE (Net), 6.0% FTSE World Government Bond Index, 8.0% FTSE EPRA/NAREIT Global Index, 4.0% MSCI Emerging Markets (Net), 12.0% Blmbg. U.S. TIPS, 5.0% Real Asset Custom Benchmark

New Mexico LifeCycle 2025 Portfolio

01/01/2023	Present	4.5% Russell 2500 Index, 11.0% S&P 500 Index, 18.1% Blmbg. U.S. Aggregate Index, 7.4% Blmbg. U.S. Corp: High Yield Index, 9.7% MSCI AC World ex USA (Net), 5.0% JPM EMBI Global (USD), 4.2% MSCI Emerging Markets (Net), 9.9% Blmbg. U.S. TIPS, 5.0% Real Asset Custom Benchmark, 16.9% Citigroup 3-month Treasury Bill + 1%, 8.3% PRREF II Custom Benchmark
01/01/2022	01/01/2023	5.0% Russell 2500 Index, 12.0% S&P 500 Index, 17.8% Blmbg. U.S. Aggregate Index, 7.2% Blmbg. U.S. Corp: High Yield Index, 10.6% MSCI AC World ex USA (Net), 5.0% JPM EMBI Global (USD), 4.6% MSCI Emerging Markets (Net), 9.2% Blmbg. U.S. TIPS, 5.0% Real Asset Custom Benchmark, 15.2% Citigroup 3-month Treasury Bill + 1%, 8.4% PRREF II Custom Benchmark
01/01/2021	01/01/2022	5.5% Russell 2500 Index, 13.0% S&P 500 Index, 17.5% Blmbg. U.S. Aggregate Index, 7.0% Blmbg. U.S. Corp: High Yield Index, 5.0% FTSE World Government Bond Index, 11.5% MSCI AC World ex USA (Net), 5.0% MSCI Emerging Markets (Net), 8.5% Blmbg. U.S. TIPS, 5.0% Real Asset Custom Benchmark, 13.5% Citigroup 3-month Treasury Bill + 1%, 8.5% PRREF II Custom Benchmark

LifeCycle Funds Detail | As of June 30, 2023

01/01/2020	01/01/2021	5.9% Russell 2500 Index, 14.1% S&P 500 Index, 17.2% Blmbg. U.S. Aggregate Index, 6.8% Blmbg. U.S. Corp: High Yield Index, 5.0% FTSE World Government Bond Index, 12.6% MSCI AC World ex USA (Net), 5.2% MSCI Emerging Markets (Net), 7.8% Blmbg. U.S. TIPS, 5.0% Real Asset Custom Benchmark, 11.8% Citigroup 3-month Treasury Bill + 1%, 8.6% PRREF II Custom Benchmark
01/01/2019	01/01/2020	6.3% Russell 2500 Index, 15.2% S&P 500 Index, 16.9% Blmbg. U.S. Aggregate Index, 6.6% Blmbg. U.S. Corp: High Yield Index, 5.0% FTSE World Government Bond Index, 13.7% MSCI AC World ex USA (Net), 5.4% MSCI Emerging Markets (Net), 7.1% Blmbg. U.S. TIPS, 5.0% Real Asset Custom Benchmark, 10.1% Citigroup 3-month Treasury Bill + 1%, 8.7% PRREF II Custom Benchmark
01/01/2018	01/01/2019	6.7% Russell 2500 Index, 16.3% S&P 500 Index, 16.6% Blmbg. U.S. Aggregate Index, 6.4% Blmbg. U.S. Corp: High Yield Index, 5.0% FTSE World Government Bond Index, 14.8% MSCI AC World ex USA (Net), 5.6% MSCI Emerging Markets (Net), 6.4% Blmbg. U.S. TIPS, 5.0% Real Asset Custom Benchmark, 8.4% Citigroup 3-month Treasury Bill + 1%, 8.8% PRREF II Custom Benchmark
01/01/2017	01/01/2018	7.1% Russell 2500 Index, 17.4% S&P 500 Index, 16.3% Blmbg. U.S. Aggregate Index, 6.2% Blmbg. U.S. Corp: High Yield Index, 5.0% FTSE World Government Bond Index, 15.9% MSCI AC World ex USA (Net), 8.9% FTSE EPRA/NAREIT Global Index, 5.8% MSCI Emerging Markets (Net), 5.7% Blmbg. U.S. TIPS, 5.0% Real Asset Custom Benchmark, 6.7% Citigroup 3-month Treasury Bill + 1%
05/01/2016	01/01/2017	8.5% Russell 2500 Index, 18.5% S&P 500 Index, 19.0% Blmbg. U.S. Aggregate Index, 5.0% FTSE 3 Month T-Bill, 17.0% MSCI EAFE (Net), 6.0% FTSE World Government Bond Index, 9.0% FTSE EPRA/NAREIT Global Index, 7.0% MSCI Emerging Markets (Net), 5.0% Blmbg. U.S. TIPS, 5.0% Real Asset Custom Benchmark
New Mexico LifeCycle 2030 Portfolio		
01/01/2023	Present	6.7% Russell 2500 Index, 16.3% S&P 500 Index, 16.6% Blmbg. U.S. Aggregate Index, 6.4% Blmbg. U.S. Corp: High Yield Index, 14.8% MSCI AC World ex USA (Net), 5.0% JPM EMBI Global (USD), 5.6% MSCI Emerging Markets (Net), 6.4% Blmbg. U.S. TIPS, 5.0% Real Asset Custom Benchmark, 8.4% Citigroup 3-month Treasury Bill + 1%, 8.8% PRREF II Custom Benchmark
01/01/2022	01/01/2023	7.1% Russell 2500 Index, 17.4% S&P 500 Index, 16.3% Blmbg. U.S. Aggregate Index, 6.2% Blmbg. U.S. Corp: High Yield Index, 15.9% MSCI AC World ex USA (Net), 5.0% JPM EMBI Global (USD), 5.8% MSCI Emerging Markets (Net), 5.7% Blmbg. U.S. TIPS, 5.0% Real Asset Custom Benchmark, 6.7% Citigroup 3-month Treasury Bill + 1%, 8.9% PRREF II Custom Benchmark
01/01/2021	01/01/2022	7.5% Russell 2500 Index, 18.5% S&P 500 Index, 16.0% Blmbg. U.S. Aggregate Index, 6.0% Blmbg. U.S. Corp: High Yield Index, 5.0% FTSE World Government Bond Index, 17.0% MSCI AC World ex USA (Net), 6.0% MSCI Emerging Markets (Net), 5.0% Blmbg. U.S. TIPS, 5.0% Real Asset Custom Benchmark, 5.0% Citigroup 3-month Treasury Bill + 1%, 9.0% PRREF II Custom Benchmark
01/01/2020	01/01/2021	7.7% Russell 2500 Index, 18.9% S&P 500 Index, 14.9% Blmbg. U.S. Aggregate Index, 5.9% Blmbg. U.S. Corp: High Yield Index, 4.9% FTSE World Government Bond Index, 17.4% MSCI AC World ex USA (Net), 6.4% MSCI Emerging Markets (Net), 4.8% Blmbg. U.S. TIPS, 5.2% Real Asset Custom Benchmark, 4.7% Citigroup 3-month Treasury Bill + 1%, 9.2% PRREF II Custom Benchmark
01/01/2019	01/01/2020	7.9% Russell 2500 Index, 19.3% S&P 500 Index, 13.8% Blmbg. U.S. Aggregate Index, 5.8% Blmbg. U.S. Corp: High Yield Index, 4.8% FTSE World Government Bond Index, 17.8% MSCI AC World ex USA (Net), 6.8% MSCI Emerging Markets (Net), 4.6% Blmbg. U.S. TIPS, 5.4% Real Asset Custom Benchmark, 4.4% Citigroup 3-month Treasury Bill + 1%, 9.4% PRREF II Custom Benchmark
01/01/2018	01/01/2019	8.1% Russell 2500 Index, 19.7% S&P 500 Index, 12.7% Blmbg. U.S. Aggregate Index, 5.7% Blmbg. U.S. Corp: High Yield Index, 4.7% FTSE World Government Bond Index, 18.2% MSCI AC World ex USA (Net), 7.2% MSCI Emerging Markets (Net), 4.4% Blmbg. U.S. TIPS, 5.6% Real Asset Custom Benchmark, 4.1% Citigroup 3-month Treasury Bill + 1%, 9.6% PRREF II Custom Benchmark
01/01/2017	01/01/2018	8.3% Russell 2500 Index, 20.1% S&P 500 Index, 11.6% Blmbg. U.S. Aggregate Index, 5.6% Blmbg. U.S. Corp: High Yield Index, 4.6% FTSE World Government Bond Index, 18.6% MSCI AC World ex USA (Net), 9.8% FTSE EPRA/NAREIT Global Index, 7.6% MSCI Emerging Markets (Net), 4.2% Blmbg. U.S. TIPS, 5.8% Real Asset Custom Benchmark, 3.8% Citigroup 3-month Treasury Bill + 1%

LifeCycle Funds Detail | As of June 30, 2023

05/01/2016	01/01/2017	9.3% Russell 2500 Index, 20.8% S&P 500 Index, 13.0% Blmbg. U.S. Aggregate Index, 3.5% FTSE 3 Month T-Bill, 19.5% MSCI EAFE (Net), 5.5% FTSE World Government Bond Index, 10.0% FTSE EPRA/NAREIT Global Index, 8.5% MSCI Emerging Markets (Net), 4.0% Blmbg. U.S. TIPS, 6.0% Real Asset Custom Benchmark
New Mexico LifeCycle 2035 Portfolio		
01/01/2023	Present	8.1% Russell 2500 Index, 19.7% S&P 500 Index, 12.7% Blmbg. U.S. Aggregate Index, 5.7% Blmbg. U.S. Corp: High Yield Index, 18.2% MSCI AC World ex USA (Net), 4.7% JPM EMBI Global (USD), 7.2% MSCI Emerging Markets (Net), 4.4% Blmbg. U.S. TIPS, 5.6% Real Asset Custom Benchmark, 4.1% Citigroup 3-month Treasury Bill + 1%, 9.6% PRREF II Custom Benchmark
01/01/2022	01/01/2023	8.3% Russell 2500 Index, 20.1% S&P 500 Index, 11.6% Blmbg. U.S. Aggregate Index, 5.6% Blmbg. U.S. Corp: High Yield Index, 18.6% MSCI AC World ex USA (Net), 4.6% JPM EMBI Global (USD), 7.6% MSCI Emerging Markets (Net), 4.2% Blmbg. U.S. TIPS, 5.8% Real Asset Custom Benchmark, 3.8% Citigroup 3-month Treasury Bill + 1%, 9.8% PRREF II Custom Benchmark
01/01/2021	01/01/2022	8.5% Russell 2500 Index, 20.5% S&P 500 Index, 10.5% Blmbg. U.S. Aggregate Index, 5.5% Blmbg. U.S. Corp: High Yield Index, 4.5% FTSE World Government Bond Index, 19.0% MSCI AC World ex USA (Net), 8.0% MSCI Emerging Markets (Net), 4.0% Blmbg. U.S. TIPS, 6.0% Real Asset Custom Benchmark, 3.5% Citigroup 3-month Treasury Bill + 1%, 10.0% PRREF II Custom Benchmark
01/01/2020	01/01/2021	8.8% Russell 2500 Index, 20.8% S&P 500 Index, 9.4% Blmbg. U.S. Aggregate Index, 5.4% Blmbg. U.S. Corp: High Yield Index, 4.4% FTSE World Government Bond Index, 19.5% MSCI AC World ex USA (Net), 8.3% MSCI Emerging Markets (Net), 3.8% Blmbg. U.S. TIPS, 6.2% Real Asset Custom Benchmark, 3.2% Citigroup 3-month Treasury Bill + 1%, 10.2% PRREF II Custom Benchmark
01/01/2019	01/01/2020	9.1% Russell 2500 Index, 21.1% S&P 500 Index, 8.3% Blmbg. U.S. Aggregate Index, 5.3% Blmbg. U.S. Corp: High Yield Index, 4.3% FTSE World Government Bond Index, 20.0% MSCI AC World ex USA (Net), 8.6% MSCI Emerging Markets (Net), 3.6% Blmbg. U.S. TIPS, 6.4% Real Asset Custom Benchmark, 2.9% Citigroup 3-month Treasury Bill + 1%, 10.4% PRREF II Custom Benchmark
01/01/2018	01/01/2019	9.4% Russell 2500 Index, 21.4% S&P 500 Index, 7.2% Blmbg. U.S. Aggregate Index, 5.2% Blmbg. U.S. Corp: High Yield Index, 4.2% FTSE World Government Bond Index, 20.5% MSCI AC World ex USA (Net), 8.9% MSCI Emerging Markets (Net), 3.4% Blmbg. U.S. TIPS, 6.6% Real Asset Custom Benchmark, 2.6% Citigroup 3-month Treasury Bill + 1%, 10.6% PRREF II Custom Benchmark
01/01/2017	01/01/2018	9.7% Russell 2500 Index, 21.7% S&P 500 Index, 6.1% Blmbg. U.S. Aggregate Index, 5.1% Blmbg. U.S. Corp: High Yield Index, 4.1% FTSE World Government Bond Index, 21.0% MSCI AC World ex USA (Net), 10.8% FTSE EPRA/NAREIT Global Index, 9.2% MSCI Emerging Markets (Net), 3.2% Blmbg. U.S. TIPS, 6.8% Real Asset Custom Benchmark, 2.3% Citigroup 3-month Treasury Bill + 1%
05/01/2016	01/01/2017	10.0% Russell 2500 Index, 23.0% S&P 500 Index, 7.0% Blmbg. U.S. Aggregate Index, 2.0% FTSE 3 Month T-Bill, 22.0% MSCI EAFE (Net), 5.0% FTSE World Government Bond Index, 11.0% FTSE EPRA/NAREIT Global Index, 10.0% MSCI Emerging Markets (Net), 3.0% Blmbg. U.S. TIPS, 7.0% Real Asset Custom Benchmark
New Mexico LifeCycle 2040 Portfolio		
01/01/2023	Present	9.4% Russell 2500 Index, 21.4% S&P 500 Index, 7.2% Blmbg. U.S. Aggregate Index, 5.2% Blmbg. U.S. Corp: High Yield Index, 20.5% MSCI AC World ex USA (Net), 4.2% JPM EMBI Global (USD), 8.9% MSCI Emerging Markets (Net), 3.4% Blmbg. U.S. TIPS, 6.6% Real Asset Custom Benchmark, 2.6% Citigroup 3-month Treasury Bill + 1%, 10.6% PRREF II Custom Benchmark
01/01/2022	01/01/2023	9.7% Russell 2500 Index, 21.7% S&P 500 Index, 6.1% Blmbg. U.S. Aggregate Index, 5.1% Blmbg. U.S. Corp: High Yield Index, 21.0% MSCI AC World ex USA (Net), 4.1% JPM EMBI Global (USD), 9.2% MSCI Emerging Markets (Net), 3.2% Blmbg. U.S. TIPS, 6.8% Real Asset Custom Benchmark, 2.3% Citigroup 3-month Treasury Bill + 1%, 10.8% PRREF II Custom Benchmark
01/01/2021	01/01/2022	10.0% Russell 2500 Index, 22.0% S&P 500 Index, 5.0% Blmbg. U.S. Aggregate Index, 5.0% Blmbg. U.S. Corp: High Yield Index, 4.0% FTSE World Government Bond Index, 21.5% MSCI AC World ex USA (Net), 9.5% MSCI Emerging Markets (Net), 3.0% Blmbg. U.S. TIPS, 7.0% Real Asset Custom Benchmark, 2.0% Citigroup 3-month Treasury Bill + 1%, 11.0% PRREF II Custom Benchmark

LifeCycle Funds Detail | As of June 30, 2023

01/01/2020	01/01/2021	10.1% Russell 2500 Index, 22.2% S&P 500 Index, 4.9% Blmbg. U.S. Aggregate Index, 4.8% Blmbg. U.S. Corp: High Yield Index, 3.9% FTSE World Government Bond Index, 21.8% MSCI AC World ex USA (Net), 9.6% MSCI Emerging Markets (Net), 2.9% Blmbg. U.S. TIPS, 7.0% Real Asset Custom Benchmark, 1.8% Citigroup 3-month Treasury Bill + 1%, 11.0% PRREF II Custom Benchmark
01/01/2019	01/01/2020	10.2% Russell 2500 Index, 22.4% S&P 500 Index, 4.8% Blmbg. U.S. Aggregate Index, 4.6% Blmbg. U.S. Corp: High Yield Index, 3.8% FTSE World Government Bond Index, 22.1% MSCI AC World ex USA (Net), 9.7% MSCI Emerging Markets (Net), 2.8% Blmbg. U.S. TIPS, 7.0% Real Asset Custom Benchmark, 1.6% Citigroup 3-month Treasury Bill + 1%, 11.0% PRREF II Custom Benchmark
01/01/2018	01/01/2019	10.3% Russell 2500 Index, 22.6% S&P 500 Index, 4.7% Blmbg. U.S. Aggregate Index, 4.4% Blmbg. U.S. Corp: High Yield Index, 3.7% FTSE World Government Bond Index, 22.4% MSCI AC World ex USA (Net), 9.8% MSCI Emerging Markets (Net), 2.7% Blmbg. U.S. TIPS, 7.0% Real Asset Custom Benchmark, 1.4% Citigroup 3-month Treasury Bill + 1%, 11.0% PRREF II Custom Benchmark
01/01/2017	01/01/2018	10.4% Russell 2500 Index, 22.8% S&P 500 Index, 4.6% Blmbg. U.S. Aggregate Index, 4.2% Blmbg. U.S. Corp: High Yield Index, 3.6% FTSE World Government Bond Index, 22.7% MSCI AC World ex USA (Net), 11.0% FTSE EPRA/NAREIT Global Index, 9.9% MSCI Emerging Markets (Net), 2.6% Blmbg. U.S. TIPS, 7.0% Real Asset Custom Benchmark, 1.2% Citigroup 3-month Treasury Bill + 1%
05/01/2016	01/01/2017	10.3% Russell 2500 Index, 23.8% S&P 500 Index, 6.5% Blmbg. U.S. Aggregate Index, 1.0% FTSE 3 Month T-Bill, 23.5% MSCI EAFE (Net), 4.5% FTSE World Government Bond Index, 11.0% FTSE EPRA/NAREIT Global Index, 10.0% MSCI Emerging Markets (Net), 2.5% Blmbg. U.S. TIPS, 7.0% Real Asset Custom Benchmark
New Mexico LifeCycle 2045 Portfolio		
01/01/2023	Present	10.3% Russell 2500 Index, 22.6% S&P 500 Index, 4.7% Blmbg. U.S. Aggregate Index, 4.4% Blmbg. U.S. Corp: High Yield Index, 22.4% MSCI AC World ex USA (Net), 3.7% JPM EMBI Global (USD), 9.8% MSCI Emerging Markets (Net), 2.7% Blmbg. U.S. TIPS, 7.0% Real Asset Custom Benchmark, 1.4% Citigroup 3-month Treasury Bill + 1%, 11.0% PRREF II Custom Benchmark
01/01/2022	01/01/2023	10.4% Russell 2500 Index, 22.8% S&P 500 Index, 4.6% Blmbg. U.S. Aggregate Index, 4.2% Blmbg. U.S. Corp: High Yield Index, 22.7% MSCI AC World ex USA (Net), 3.6% JPM EMBI Global (USD), 9.9% MSCI Emerging Markets (Net), 2.6% Blmbg. U.S. TIPS, 7.0% Real Asset Custom Benchmark, 1.2% Citigroup 3-month Treasury Bill + 1%, 11.0% PRREF II Custom Benchmark
01/01/2021	01/01/2022	10.5% Russell 2500 Index, 23.0% S&P 500 Index, 4.5% Blmbg. U.S. Aggregate Index, 4.0% Blmbg. U.S. Corp: High Yield Index, 3.5% FTSE World Government Bond Index, 23.0% MSCI AC World ex USA (Net), 10.0% MSCI Emerging Markets (Net), 2.5% Blmbg. U.S. TIPS, 7.0% Real Asset Custom Benchmark, 1.0% Citigroup 3-month Treasury Bill + 1%, 11.0% PRREF II Custom Benchmark
01/01/2020	01/01/2021	10.6% Russell 2500 Index, 23.2% S&P 500 Index, 4.4% Blmbg. U.S. Aggregate Index, 3.9% Blmbg. U.S. Corp: High Yield Index, 3.4% FTSE World Government Bond Index, 23.4% MSCI AC World ex USA (Net), 10.0% MSCI Emerging Markets (Net), 2.3% Blmbg. U.S. TIPS, 7.0% Real Asset Custom Benchmark, 0.8% Citigroup 3-month Treasury Bill + 1%, 11.0% PRREF II Custom Benchmark
01/01/2019	01/01/2020	10.7% Russell 2500 Index, 23.4% S&P 500 Index, 4.3% Blmbg. U.S. Aggregate Index, 3.8% Blmbg. U.S. Corp: High Yield Index, 3.3% FTSE World Government Bond Index, 23.8% MSCI AC World ex USA (Net), 10.0% MSCI Emerging Markets (Net), 2.1% Blmbg. U.S. TIPS, 7.0% Real Asset Custom Benchmark, 0.6% Citigroup 3-month Treasury Bill + 1%, 11.0% PRREF II Custom Benchmark
01/01/2018	01/01/2019	10.8% Russell 2500 Index, 23.6% S&P 500 Index, 4.2% Blmbg. U.S. Aggregate Index, 3.7% Blmbg. U.S. Corp: High Yield Index, 3.2% FTSE World Government Bond Index, 24.2% MSCI AC World ex USA (Net), 10.0% MSCI Emerging Markets (Net), 1.9% Blmbg. U.S. TIPS, 7.0% Real Asset Custom Benchmark, 0.4% Citigroup 3-month Treasury Bill + 1%, 11.0% PRREF II Custom Benchmark
01/01/2017	01/01/2018	10.9% Russell 2500 Index, 23.8% S&P 500 Index, 4.1% Blmbg. U.S. Aggregate Index, 3.6% Blmbg. U.S. Corp: High Yield Index, 3.1% FTSE World Government Bond Index, 24.6% MSCI AC World ex USA (Net), 11.0% FTSE EPRA/NAREIT Global Index, 10.0% MSCI Emerging Markets (Net), 1.7% Blmbg. U.S. TIPS, 7.0% Real Asset Custom Benchmark, 0.2% Citigroup 3-month Treasury Bill + 1%

LifeCycle Funds Detail | As of June 30, 2023

05/01/2016	01/01/2017	10.5% Russell 2500 Index, 24.5% S&P 500 Index, 6.0% Blmbg. U.S. Aggregate Index, 25.0% MSCI EAFE (Net), 4.0% FTSE World Government Bond Index, 11.0% FTSE EPRA/NAREIT Global Index, 10.0% MSCI Emerging Markets (Net), 2.0% Blmbg. U.S. TIPS, 7.0% Real Asset Custom Benchmark
New Mexico LifeCycle 2050 Portfolio		
01/01/2023	Present	10.8% Russell 2500 Index, 23.6% S&P 500 Index, 4.2% Blmbg. U.S. Aggregate Index, 3.7% Blmbg. U.S. Corp: High Yield Index, 24.2% MSCI AC World ex USA (Net), 3.2% JPM EMBI Global (USD), 10.0% MSCI Emerging Markets (Net), 1.9% Blmbg. U.S. TIPS, 7.0% Real Asset Custom Benchmark, 0.4% Citigroup 3-month Treasury Bill + 1%, 11.0% PRREF II Custom Benchmark
01/01/2022	01/01/2023	10.9% Russell 2500 Index, 23.8% S&P 500 Index, 4.1% Blmbg. U.S. Aggregate Index, 3.6% Blmbg. U.S. Corp: High Yield Index, 24.6% MSCI AC World ex USA (Net), 3.1% JPM EMBI Global (USD), 10.0% MSCI Emerging Markets (Net), 1.7% Blmbg. U.S. TIPS, 7.0% Real Asset Custom Benchmark, 0.2% Citigroup 3-month Treasury Bill + 1%, 11.0% PRREF II Custom Benchmark
01/01/2021	01/01/2022	11.0% Russell 2500 Index, 24.0% S&P 500 Index, 4.0% Blmbg. U.S. Aggregate Index, 3.5% Blmbg. U.S. Corp: High Yield Index, 3.0% FTSE World Government Bond Index, 25.0% MSCI AC World ex USA (Net), 10.0% MSCI Emerging Markets (Net), 1.5% Blmbg. U.S. TIPS, 7.0% Real Asset Custom Benchmark, 11.0% PRREF II Custom Benchmark
01/01/2020	01/01/2021	10.9% Russell 2500 Index, 24.2% S&P 500 Index, 3.8% Blmbg. U.S. Aggregate Index, 3.4% Blmbg. U.S. Corp: High Yield Index, 2.9% FTSE World Government Bond Index, 25.2% MSCI AC World ex USA (Net), 10.0% MSCI Emerging Markets (Net), 1.4% Blmbg. U.S. TIPS, 7.1% Real Asset Custom Benchmark, 11.1% PRREF II Custom Benchmark
01/01/2019	01/01/2020	10.8% Russell 2500 Index, 24.4% S&P 500 Index, 3.6% Blmbg. U.S. Aggregate Index, 3.3% Blmbg. U.S. Corp: High Yield Index, 2.8% FTSE World Government Bond Index, 25.4% MSCI AC World ex USA (Net), 10.0% MSCI Emerging Markets (Net), 1.3% Blmbg. U.S. TIPS, 7.2% Real Asset Custom Benchmark, 11.2% PRREF II Custom Benchmark
01/01/2018	01/01/2019	10.7% Russell 2500 Index, 24.6% S&P 500 Index, 3.4% Blmbg. U.S. Aggregate Index, 3.2% Blmbg. U.S. Corp: High Yield Index, 2.7% FTSE World Government Bond Index, 25.6% MSCI AC World ex USA (Net), 10.0% MSCI Emerging Markets (Net), 1.2% Blmbg. U.S. TIPS, 7.3% Real Asset Custom Benchmark, 11.3% PRREF II Custom Benchmark
01/01/2017	01/01/2018	10.6% Russell 2500 Index, 24.8% S&P 500 Index, 3.2% Blmbg. U.S. Aggregate Index, 3.1% Blmbg. U.S. Corp: High Yield Index, 2.6% FTSE World Government Bond Index, 25.8% MSCI AC World ex USA (Net), 11.4% FTSE EPRA/NAREIT Global Index, 10.0% MSCI Emerging Markets (Net), 1.1% Blmbg. U.S. TIPS, 7.4% Real Asset Custom Benchmark
05/01/2016	01/01/2017	10.5% Russell 2500 Index, 25.0% S&P 500 Index, 5.0% Blmbg. U.S. Aggregate Index, 26.0% MSCI EAFE (Net), 3.5% FTSE World Government Bond Index, 11.5% FTSE EPRA/NAREIT Global Index, 10.0% MSCI Emerging Markets (Net), 7.5% Real Asset Custom Benchmark
New Mexico LifeCycle 2055 Portfolio		
01/01/2023	Present	10.7% Russell 2500 Index, 24.6% S&P 500 Index, 3.4% Blmbg. U.S. Aggregate Index, 3.2% Blmbg. U.S. Corp: High Yield Index, 25.6% MSCI AC World ex USA (Net), 2.7% JPM EMBI Global (USD), 10.0% MSCI Emerging Markets (Net), 1.2% Blmbg. U.S. TIPS, 7.3% Real Asset Custom Benchmark, 11.3% PRREF II Custom Benchmark
01/01/2022	01/01/2023	10.6% Russell 2500 Index, 24.8% S&P 500 Index, 3.2% Blmbg. U.S. Aggregate Index, 3.1% Blmbg. U.S. Corp: High Yield Index, 25.8% MSCI AC World ex USA (Net), 2.6% JPM EMBI Global (USD), 10.0% MSCI Emerging Markets (Net), 1.1% Blmbg. U.S. TIPS, 7.4% Real Asset Custom Benchmark, 11.4% PRREF II Custom Benchmark
01/01/2021	01/01/2022	10.5% Russell 2500 Index, 25.0% S&P 500 Index, 3.0% Blmbg. U.S. Aggregate Index, 3.0% Blmbg. U.S. Corp: High Yield Index, 2.5% FTSE World Government Bond Index, 26.0% MSCI AC World ex USA (Net), 10.0% MSCI Emerging Markets (Net), 1.0% Blmbg. U.S. TIPS, 7.5% Real Asset Custom Benchmark, 11.5% PRREF II Custom Benchmark

LifeCycle Funds Detail | As of June 30, 2023

01/01/2020	01/01/2021	10.5% Russell 2500 Index, 25.1% S&P 500 Index, 2.9% Blmbg. U.S. Aggregate Index, 2.9% Blmbg. U.S. Corp: High Yield Index, 2.4% FTSE World Government Bond Index, 26.2% MSCI AC World ex USA (Net), 10.0% MSCI Emerging Markets (Net), 0.8% Blmbg. U.S. TIPS, 7.6% Real Asset Custom Benchmark, 11.6% PRREF II Custom Benchmark
01/01/2019	01/01/2020	10.5% Russell 2500 Index, 25.2% S&P 500 Index, 2.8% Blmbg. U.S. Aggregate Index, 2.8% Blmbg. U.S. Corp: High Yield Index, 2.3% FTSE World Government Bond Index, 26.4% MSCI AC World ex USA (Net), 10.0% MSCI Emerging Markets (Net), 0.6% Blmbg. U.S. TIPS, 7.7% Real Asset Custom Benchmark, 11.7% PRREF II Custom Benchmark
01/01/2018	01/01/2019	10.5% Russell 2500 Index, 25.3% S&P 500 Index, 2.7% Blmbg. U.S. Aggregate Index, 2.7% Blmbg. U.S. Corp: High Yield Index, 2.2% FTSE World Government Bond Index, 26.6% MSCI AC World ex USA (Net), 10.0% MSCI Emerging Markets (Net), 0.4% Blmbg. U.S. TIPS, 7.8% Real Asset Custom Benchmark, 11.8% PRREF II Custom Benchmark
01/01/2017	01/01/2018	10.5% Russell 2500 Index, 25.4% S&P 500 Index, 2.6% Blmbg. U.S. Aggregate Index, 2.6% Blmbg. U.S. Corp: High Yield Index, 2.1% FTSE World Government Bond Index, 26.8% MSCI AC World ex USA (Net), 11.9% FTSE EPRA/NAREIT Global Index, 10.0% MSCI Emerging Markets (Net), 0.2% Blmbg. U.S. TIPS, 7.9% Real Asset Custom Benchmark
05/01/2016	01/01/2017	10.5% Russell 2500 Index, 25.5% S&P 500 Index, 4.0% Blmbg. U.S. Aggregate Index, 27.0% MSCI EAFE (Net), 3.0% FTSE World Government Bond Index, 12.0% FTSE EPRA/NAREIT Global Index, 10.0% MSCI Emerging Markets (Net), 8.0% Real Asset Custom Benchmark
New Mexico LifeCycle 2060 Portfolio		
01/01/2023	Present	10.5% Russell 2500 Index, 25.3% S&P 500 Index, 2.7% Blmbg. U.S. Aggregate Index, 2.7% Blmbg. U.S. Corp: High Yield Index, 26.6% MSCI AC World ex USA (Net), 2.2% JPM EMBI Global (USD), 10.0% MSCI Emerging Markets (Net), 0.4% Blmbg. U.S. TIPS, 7.8% Real Asset Custom Benchmark, 11.8% PRREF II Custom Benchmark
01/01/2022	01/01/2023	10.5% Russell 2500 Index, 25.4% S&P 500 Index, 2.6% Blmbg. U.S. Aggregate Index, 2.6% Blmbg. U.S. Corp: High Yield Index, 26.8% MSCI AC World ex USA (Net), 2.1% JPM EMBI Global (USD), 10.0% MSCI Emerging Markets (Net), 0.2% Blmbg. U.S. TIPS, 7.9% Real Asset Custom Benchmark, 11.9% PRREF II Custom Benchmark
02/01/2021	01/01/2022	10.5% Russell 2500 Index, 25.5% S&P 500 Index, 2.5% Blmbg. U.S. Aggregate Index, 2.5% Blmbg. U.S. Corp: High Yield Index, 2.0% FTSE World Government Bond Index, 27.0% MSCI AC World ex USA (Net), 10.0% MSCI Emerging Markets (Net), 8.0% Real Asset Custom Benchmark, 12.0% PRREF II Custom Benchmark

Appendices

Economic and Market Update

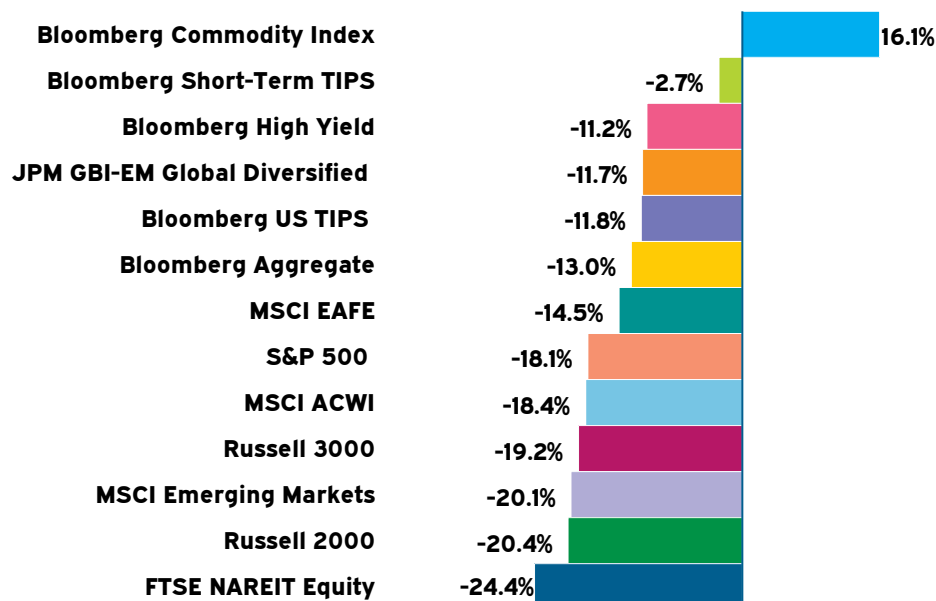
Data as of June 30, 2023

Commentary

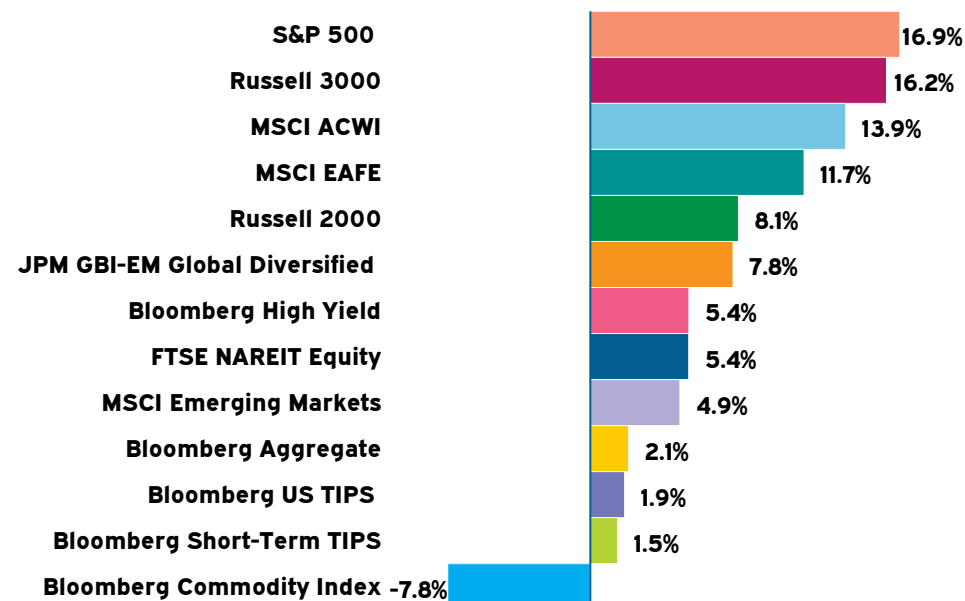
- Asset returns were positive in June with US and Non-US equities posting gains, while most fixed income sectors sold-off on expectations for further interest rate hikes later this year. Except for commodities, most public market asset classes remain up for the year.
- Although the Fed skipped a rate-hike in June, Fed comments signaled further rate hikes in the 2H 2023; the US economy appears to be resilient supporting domestic demand and low unemployment.
 - US equity markets (Russell 3000) rose in June (+6.8%) adding to YTD gains (+16.2%). Some of the largest technology names drove positive results. Growth stocks continued to outpace value stocks, particularly in the large cap space.
 - Non-US developed equity markets rose in June (MSCI EAFE 4.6%) falling behind US equities in 2023 (+16.2% versus +11.7%). A strengthening US dollar weighed on returns.
 - Emerging market equities rose in June (+3.8%) supported by positive returns in China (+4.0%). They significantly trail developed market equities YTD returning +4.9%, due partly to higher US-China tensions.
 - Rates generally rose in June leading to bond markets declining, with the broad US bond market (Bloomberg Aggregate) falling 0.4% for the month. It remains positive (+2.1%) year-to-date, though, on declining inflation and expectations for the Fed to end their rate hikes soon.
- This year, the paths of inflation and monetary policy, slowing global growth and the war in Ukraine will all be key.

Index Returns¹

2022



YTD



- After a particularly difficult 2022, most public market assets are up thus far in 2023, building on gains from the fourth quarter of last year.
- Risk sentiment has been supported by expectations that policy tightening could be ending soon, as inflation continues to fall, and growth has slowed.

¹ Source: Bloomberg and FactSet. Data is as of June 30, 2023.

Domestic Equity Returns¹

Domestic Equity	June (%)	Q2 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
S&P 500	6.6	8.7	16.9	19.6	14.6	12.3	12.8
Russell 3000	6.8	8.4	16.2	19.0	13.9	11.4	12.3
Russell 1000	6.8	8.6	16.7	19.4	14.1	11.9	12.6
Russell 1000 Growth	6.8	12.8	29.0	27.1	13.7	15.1	15.7
Russell 1000 Value	6.6	4.1	5.1	11.5	14.3	8.1	9.2
Russell MidCap	8.3	4.8	9.0	14.9	12.5	8.4	10.3
Russell MidCap Growth	7.7	6.2	15.9	23.1	7.6	9.7	11.5
Russell MidCap Value	8.7	3.9	5.2	10.5	15.0	6.8	9.0
Russell 2000	8.1	5.2	8.1	12.3	10.8	4.2	8.2
Russell 2000 Growth	8.3	7.1	13.6	18.5	6.1	4.2	8.8
Russell 2000 Value	7.9	3.2	2.5	6.0	15.4	3.5	7.3

US Equities: Russell 3000 Index rose 8.4% in the second quarter and 16.2% YTD.

- US stocks rose sharply in the second quarter of 2023. Most of the gains came in the month of June when the Fed kept its target rate unchanged for the first time since early 2022. Investors are expressing optimism that the Fed can tame inflation without widespread disruptions to the equity markets.
- With the exception of energy and utilities, each sector of the Russell 3000 index appreciated during the second quarter. Technology led all sectors and was driven by enthusiasm for growth stocks, particularly those with exposure to artificial intelligence (e.g., NVIDIA).
- Large cap stocks continue to outperform small cap stocks, driven by technology and the underperformance of small cap biotechnology stocks. Growth stocks continue to broadly outperform value stocks.

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

Foreign Equity Returns¹

Foreign Equity	June (%)	Q2 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
MSCI ACWI ex. US	4.5	2.4	9.5	12.7	7.2	3.5	4.7
MSCI EAFE	4.6	3.0	11.7	18.8	8.9	4.4	5.4
MSCI EAFE (Local Currency)	3.6	4.3	12.1	17.5	11.7	6.4	7.7
MSCI EAFE Small Cap	2.9	0.6	5.5	10.2	5.7	1.3	6.2
MSCI Emerging Markets	3.8	0.9	4.9	1.8	2.3	0.9	2.9
MSCI Emerging Markets (Local Currency)	3.4	1.7	5.6	3.3	3.9	3.0	5.7
MSCI China	4.0	-9.7	-5.5	-16.8	-10.3	-5.3	3.0

Foreign Equity: Developed international equities (MSCI EAFE) rose 3.0% in the second quarter bringing the YTD results to +11.7%. Emerging market equities (MSCI EM) rose 0.9% in the quarter, rising 4.9% YTD.

- Eurozone and Japan markets continued their strength in June, wrapping up a strong second quarter. In Europe, financials and IT led returns whereas energy and communication services lagged. Enthusiasm for AI helped company fundamentals and prices for semiconductor stocks. Headline inflation was down in June, although core inflation was up slightly month over month. Energy and materials were the main drivers for falling UK equities, along with Bank of England rate hikes. Optimism continues to build for Japanese investors, while the Yen remains weak and Bank of Japan remains dovish.
- Emerging markets were laggards as China equities struggled from weak export demands and rising negative sentiments. Brazil, India and Taiwan are bright spots in EM, the former due to good earnings and macro, the latter from AI and IT strength.

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

Fixed Income Returns¹

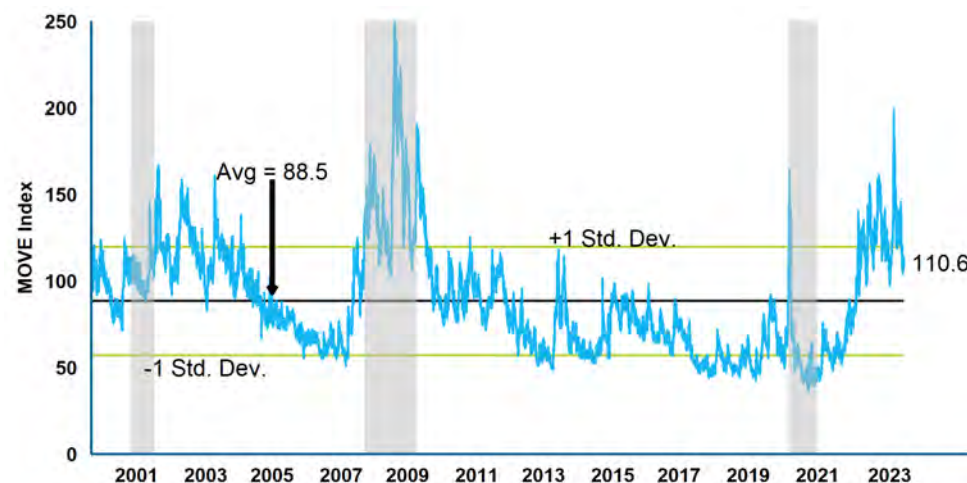
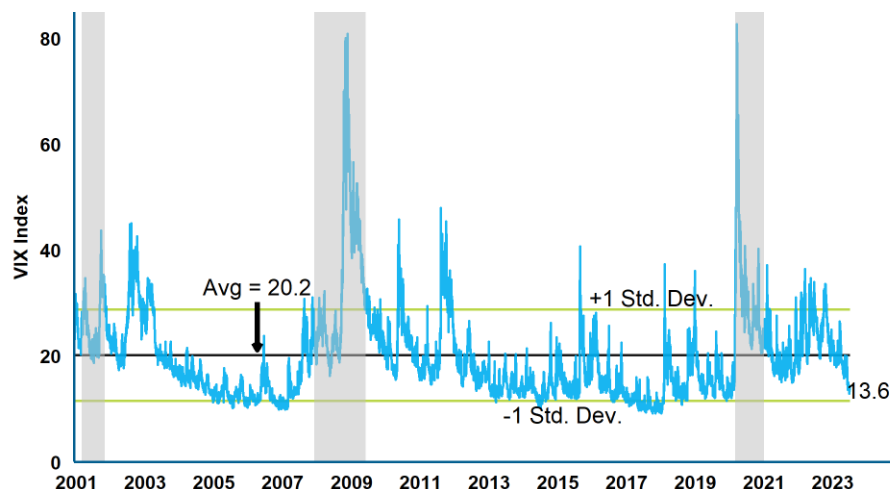
Fixed Income	June (%)	Q2 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Current Yield (%)	Duration (Years)
Bloomberg Universal	-0.2	-0.6	2.3	0.0	-3.4	1.0	1.8	5.2	6.3
Bloomberg Aggregate	-0.4	-0.8	2.1	-0.9	-4.0	0.8	1.5	4.8	6.5
Bloomberg US TIPS	-0.3	-1.4	1.9	-1.4	-0.1	2.5	2.1	4.6	6.8
Bloomberg Short-term TIPS	-0.2	-0.7	1.5	0.1	2.3	2.7	1.7	5.3	2.5
Bloomberg High Yield	1.7	1.7	5.4	9.1	3.1	3.4	4.4	8.5	4.1
JPM GBI-EM Global Diversified (USD)	3.3	2.5	7.8	11.4	-1.4	0.3	-0.6	6.6	5.0

Fixed Income: The Bloomberg Universal declined 0.6% in the second quarter as global sovereign debt yields generally rose. Bonds retained a positive start to the year (+2.3% YTD) though as inflation continues to decline.

- US Treasury yields generally rose over the month, with 1-year to 10-year maturity sector rising the most due to higher policy expectations.
- The TIPS index and the short-term TIPS index posted negative returns for the month as inflation concerns continued to ease.
- Continued risk appetite drove high yield bond performance (1.7%) and outperformance versus the broad US bond market (Bloomberg Aggregate). Emerging market bonds (3.3%) also performed well on investor risk sentiment.

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

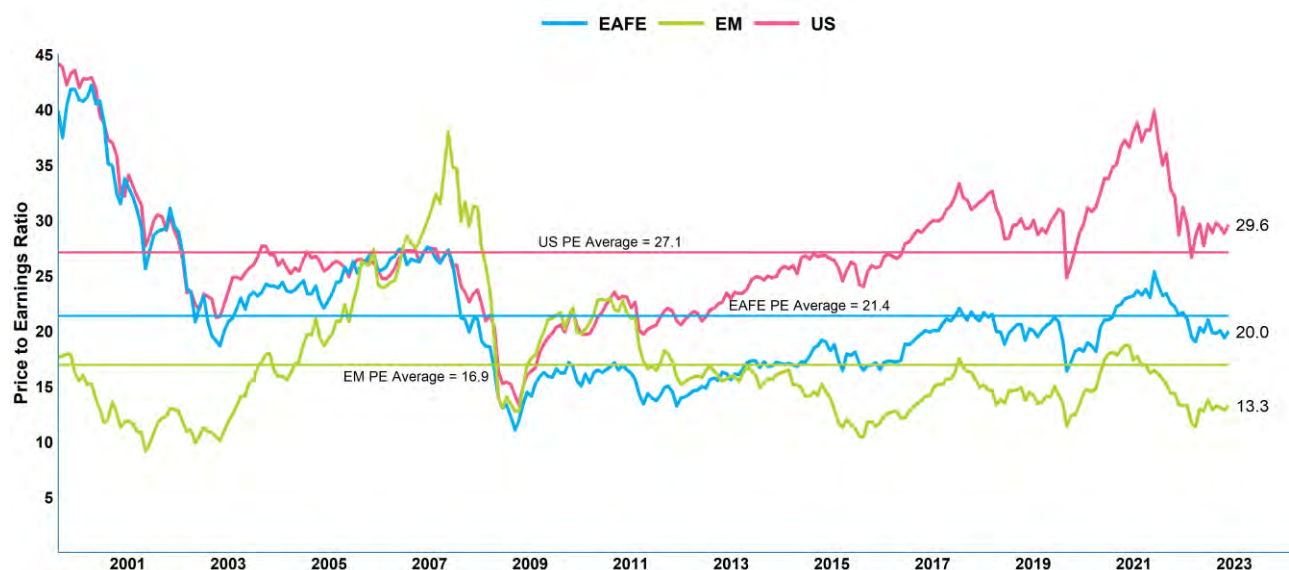
Equity and Fixed Income Volatility¹



- Volatility in equities (VIX) declined in June and remains low as investors continue to anticipate the end of the Fed's policy tightening.
- In comparison, the bond market remains on edge after last year's historic losses and continued volatility in interest rates this year due to policy uncertainty and issues in the banking sector. The MOVE (fixed income volatility) remains well above (110.6) its long-run average (88.4), but off its recent peak during the heart of the banking crisis.

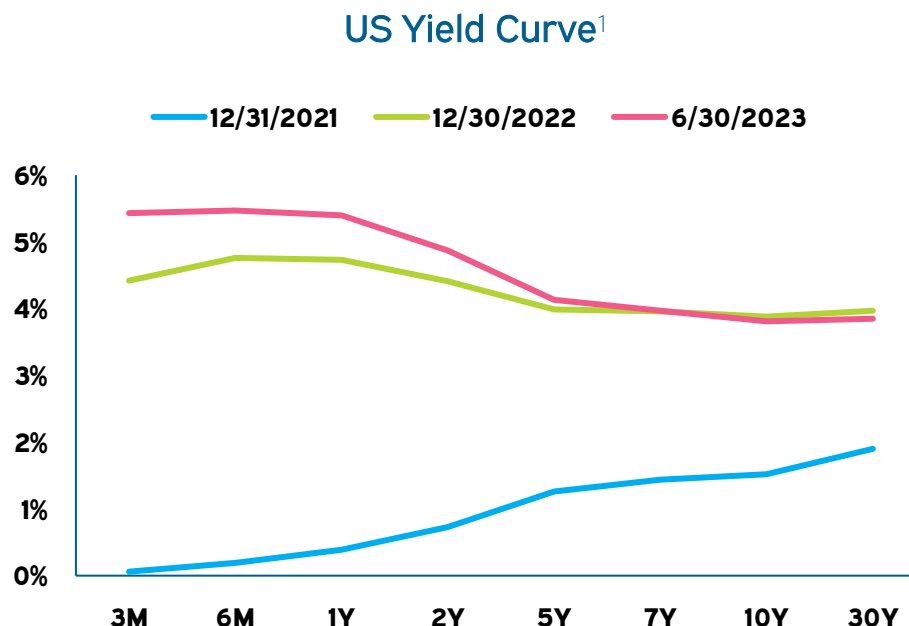
¹ Equity and Fixed Income Volatility – Source: Bloomberg. Implied volatility as measured using VIX Index for equity markets and the MOVE Index to measure interest rate volatility for fixed income markets. Data is as of June 2023. The average line indicated is the average of the VIX and MOVE values between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

Equity Cyclically Adjusted P/E Ratios¹



- After its dramatic decline last year the US equity price-to-earnings ratio remains above its long-run (21st century) average.
- International developed market valuations are below their own long-term average, with those for emerging markets the lowest and well under the long-term average.

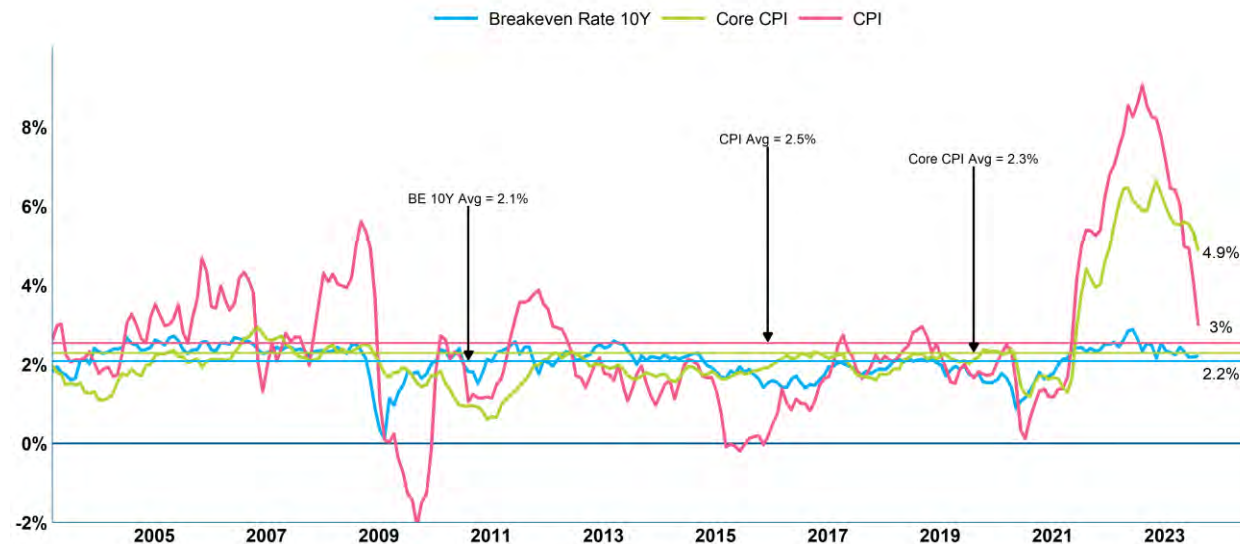
¹ US Equity Cyclically Adjusted P/E on S&P 500 Index. Source: Robert Shiller, Yale University, and Meketa Investment Group. Developed and Emerging Market Equity (MSCI EAFE and EM Index) Cyclically Adjusted P/E – Source: MSCI and Bloomberg. Earnings figures represent the average of monthly “as reported” earnings over the previous ten years. Data is as of June 2023. The average line is the long-term average of the US, EM, and EAFE PE values from December 1999 to the recent month-end respectively.



- Interest rates have started rising again across the curve given policy maker guidance that policy rates are likely to rise further and potentially stay longer at the terminal rate than market participants expect. The rise in rates was particularly acute at the very front-end (< 1 year). Maturities from two years out also drifted higher as market participants considered the possibility of additional policy rate increases as economic data (mainly inflation and labor markets) remains strong.
- The yield curve remains inverted with the spread between two-year and ten-year Treasuries finishing the month at -1.06%. The more closely watched measure (by the Fed) of the three-month and ten-year Treasuries spread also remained inverted at -1.62%. Inversions in the yield curve have often preceded recessions.

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

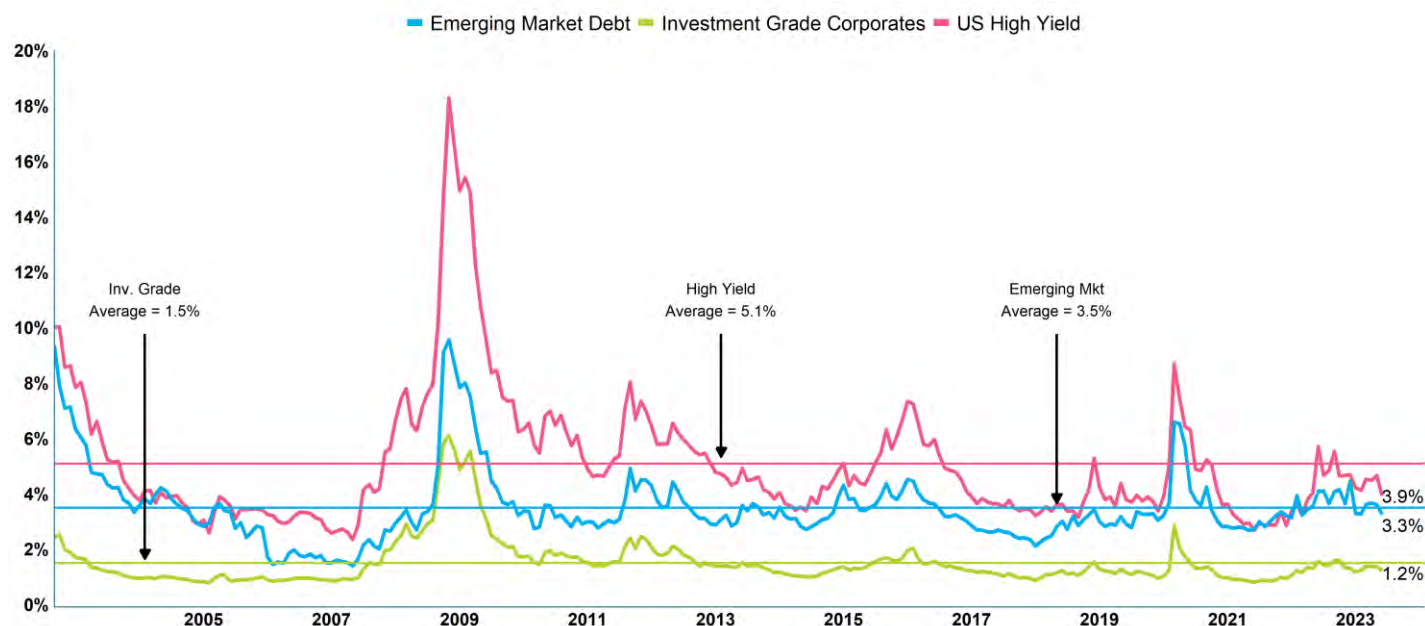
Ten-Year Breakeven Inflation and CPI¹



- Headline inflation continued to decline in June, with the year-over-year reading falling from 4.0% to 3.0% and coming in slightly below estimates. The month-over-month rate of price increases rose slightly (0.2% versus 0.1%), with food prices ticking up slightly (0.1%) and energy prices rose (0.6%).
- Core inflation – excluding food and energy – fell (5.3% to 4.9%), coming in slightly above forecasts. It remains stubbornly high driven by shelter costs.
- Inflation expectations (breakevens) remain well below current inflation as investors continue to expect inflation to track back toward the Fed's 2% average target.

¹ Source: Bloomberg. Data is as June 30, 2023. The CPI and 10 Year Breakeven average lines denote the average values from August 1998 to the present month-end, respectively. Breakeven values represent month-end values for comparative purposes.

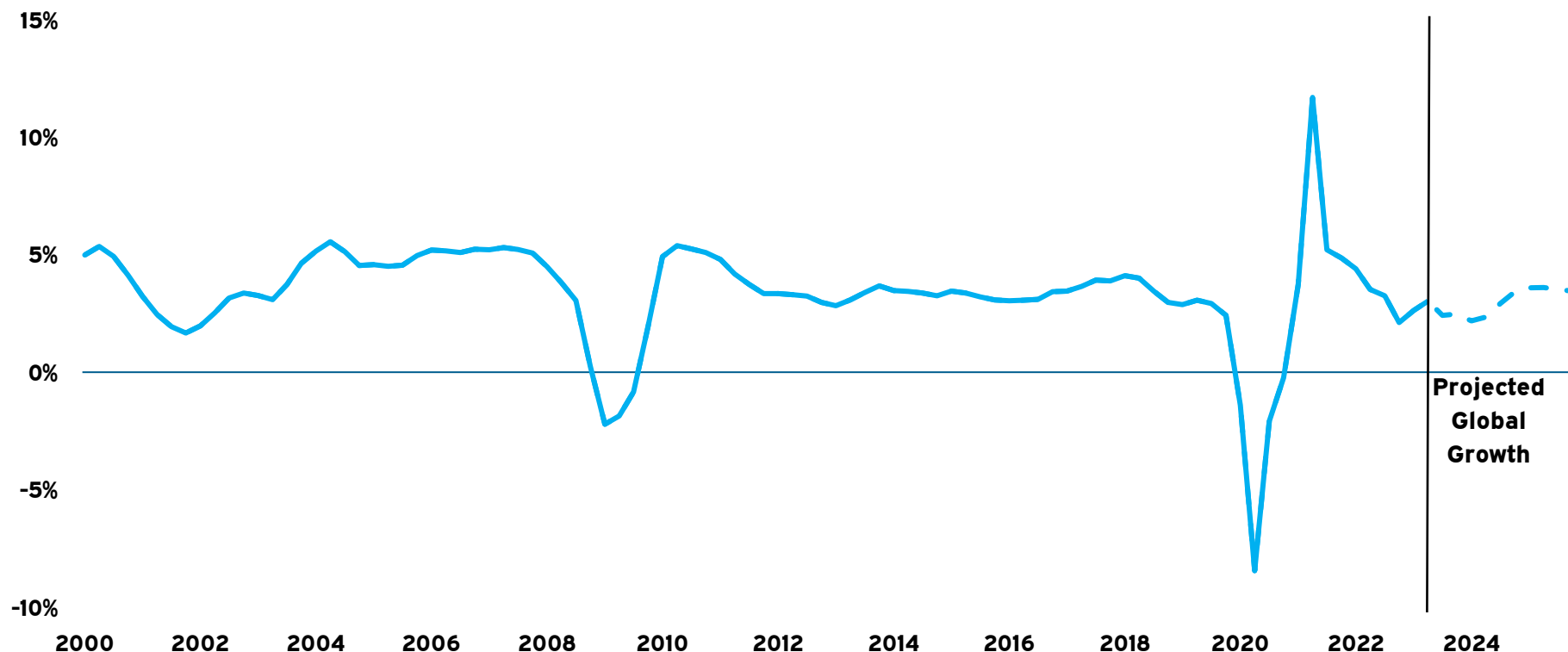
Credit Spreads vs. US Treasury Bonds¹



- Spreads (the added yield above a comparable maturity Treasury) declined in June as risk appetite remained robust for respective credit exposures.
- High yield spreads remain below their long-term average. Investment grade spreads and emerging market spreads are narrower than high yield spreads and close to their respective long-term averages.

¹ Sources: Bloomberg. Data is as of June 30, 2023. Average lines denote the average of the investment grade, high yield, and emerging market spread values from August 2000 to the recent month-end, respectively.

Global Real Gross Domestic Product (GDP) Growth¹

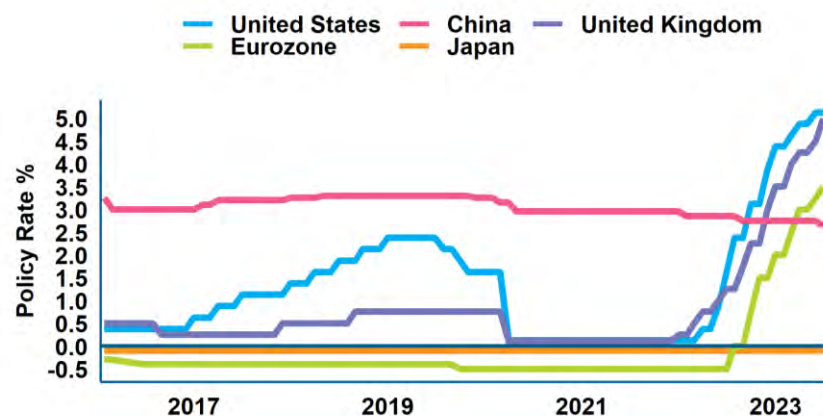


- Global economies are expected to slow this year compared to 2022, with risks of recession as the impacts of policymakers' aggressive tightening to fight inflation flow through economies.
- The delicate balancing act of central banks trying to reduce inflation without dramatically depressing growth will remain key.

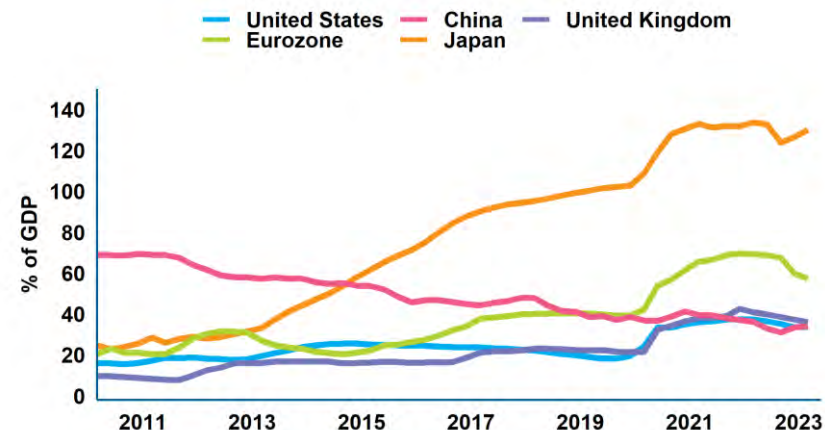
¹ Source: Oxford Economics (World GDP, US\$ prices & PPP exchange rate, real, % change YoY). Updated June 2023.

Central Bank Response¹

Policy Rates



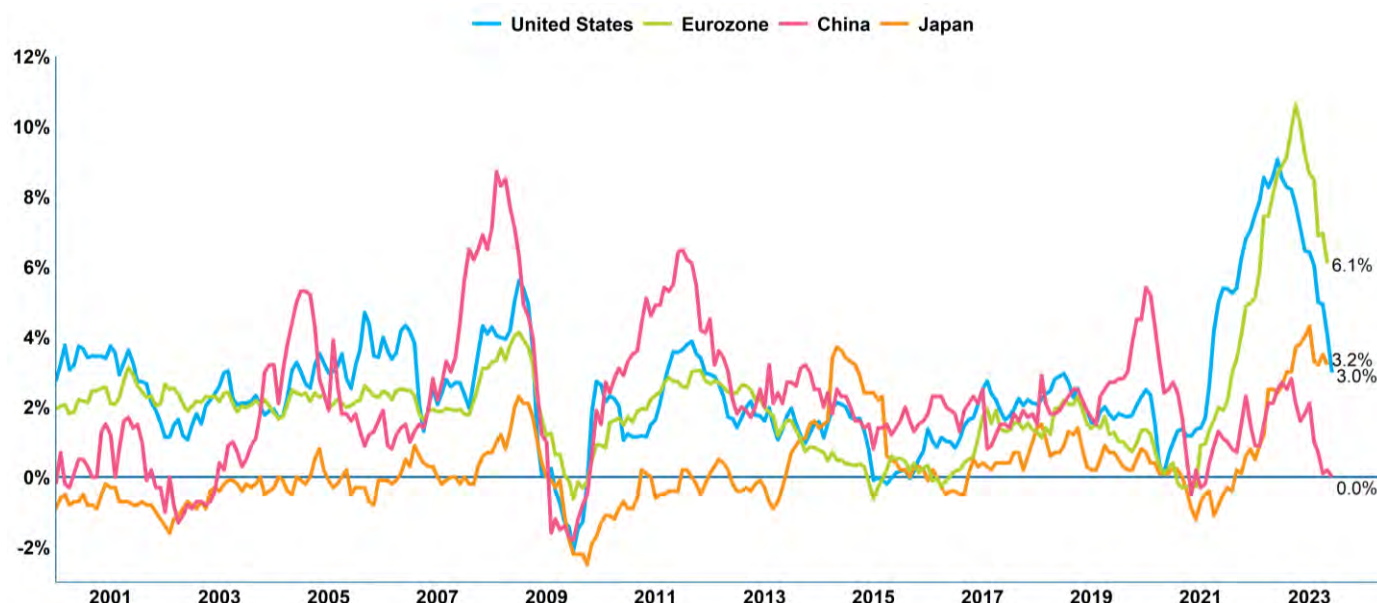
Balance Sheet as % of GDP



- In 2022, many central banks aggressively reduced pandemic-era policy support in the face of high inflation, with the US taking the most aggressive approach. Slowing inflation and growth have led to expectations for reductions in policy tightening going forward.
- In May the Fed raised rates another 25 basis points to a range of 5.0% to 5.25%. After month-end, the FOMC paused its tightening campaign but hinted that one or two additional rate hikes could come later this year.
- In China, the central bank 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.
- Looking ahead, risks remain for a policy error as central banks attempt to balance multiple goals, bringing down inflation, maintaining financial stability, and supporting growth.

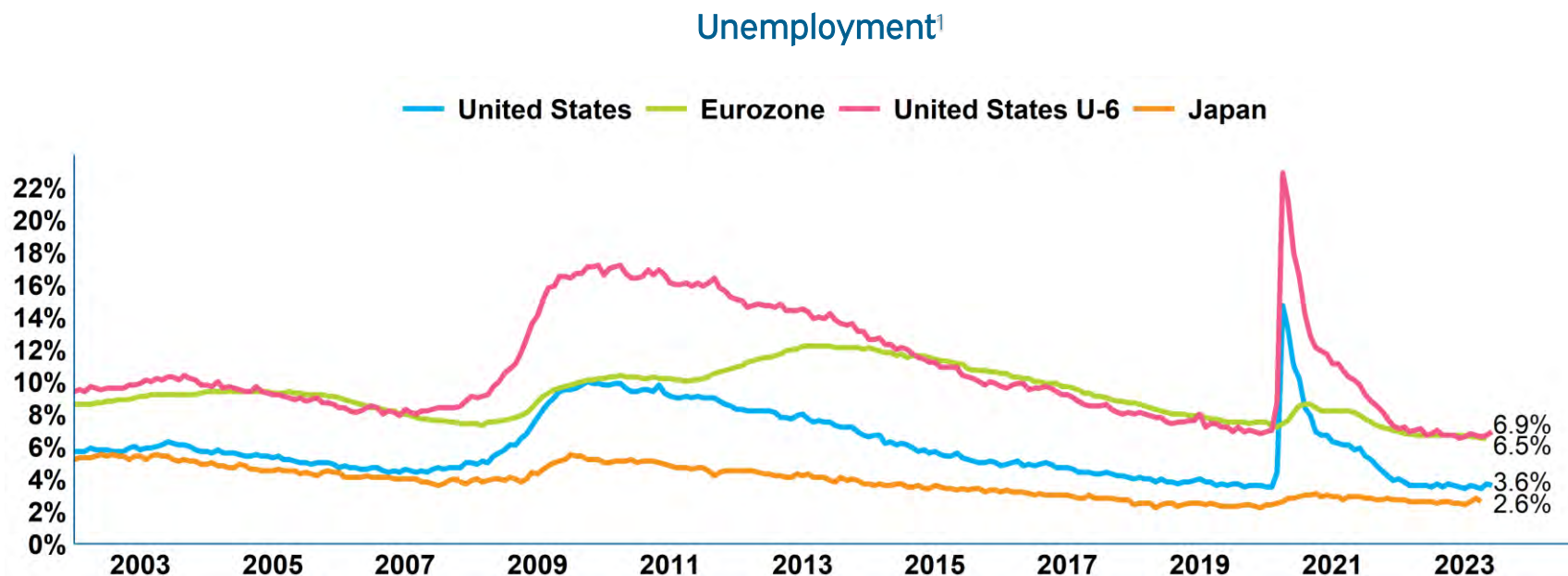
¹ Source: Bloomberg. Policy rate data is as of June 30, 2023. China policy rate is defined as the medium-term lending facility 1 year interest rate. Balance sheet as % of GDP is based on quarterly data and is as of March 31, 2023.

Inflation (CPI Trailing Twelve Months)¹



- Inflation pressures continued to decline globally due to the easing of supply chain issues from the pandemic, declining energy prices, and tighter monetary policy.
- In the US, inflation fell to 3.0% at month-end, while eurozone inflation also fell (6.1% from 7.0%) a level well off its peak. Despite 2023's significant declines in the US and Europe, inflation levels remain elevated compared to central bank targets.
- Inflation remains lower in China and Japan. In China, inflation levels were only slightly above 0% at month-end as the reopening of their economy has led to an uneven economic recovery.

¹ Source: Bloomberg. Data is as June 30, 2023. The most recent Japanese inflation data is as of May 2023.



- Despite slowing growth and high inflation, the US labor market still shows signs of resiliency. Unemployment in the US, which experienced the steepest rise, recently returned to pre-pandemic levels. Broader measures of unemployment (U-6) remain higher at 6.9% but also declined dramatically from their peak.
- The strong labor market and higher wages, although beneficial for workers, motivates the Fed's efforts to fight inflation, leading to higher unemployment.
- Unemployment in Europe has also declined but remains higher than the US, while levels in Japan have been flat through the pandemic given less layoffs.

¹ Source: Bloomberg. Data is as June 30, 2023, for the US. The most recent data for Eurozone and Japanese unemployment is as of May 2023.

US Dollar versus Broad Currencies¹



- The dollar finished 2022 much higher than it started, due to the increased pace of policy tightening, stronger relative growth, and safe-haven flows.
- Late last year and into this year, the dollar declined, as weaker economic data and lower inflation led to investors anticipating the end of Fed tightening. In June, we did see a slight decline in the dollar though.
- This year, the track of inflation across economies and the corresponding monetary policies will be key drivers of currency moves.

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

Summary

Key Trends:

- The impacts of still relatively high inflation will remain key, with bond market volatility likely to stay high.
- Recent issues related to the banking sector seem to have subsided for now but are a reminder that there is a delicate balance for central banks to continue to fight inflation but also to try to maintain financial stability.
- Global monetary policies could diverge in 2023. The risk of policy errors remains elevated as central banks try to reduce persistent inflation while not tipping their economies into recession.
- Growth is expected to slow globally this year, with many economies forecast to tip into recession. Inflation, monetary policy, and the war will all be key.
- In the US, consumers could feel pressure as certain components of inflation remain high (e.g., shelter), borrowing cost 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.
- Equity valuations remain lower in both emerging and developed markets, but risks remain, including potential continued strength in the US dollar, higher inflation weighing particularly on Europe, and China's sluggish economic reopening and on-going weakness in the real estate sector.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Sources: Investment Terminology, International Foundation of Employee Benefit Plans, 1999.

The Handbook of Fixed Income Securities, Fabozzi, Frank J., 1991

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

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

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