

**New Mexico Public Employees  
Retirement Association  
SmartSave Deferred Compensation Plan  
Fourth Quarter 2022**

Quarterly Report

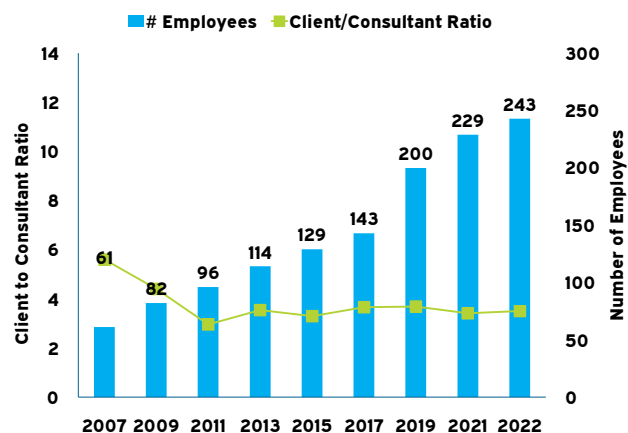
## Agenda

1. Corporate Update
2. Executive Summary
3. Fourth Quarter of 2022 Performance Report
  - Plan Summary
  - LifeCycle Funds Detail
  - Portfolio Reviews
4. Appendices
  - Economic and Market Update
  - Disclaimer, Glossary, and Notes

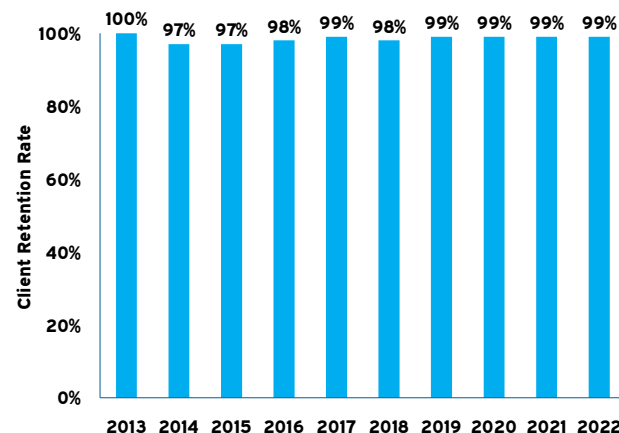
## **Meketa Investment Group Corporate Update**

- Staff of 243, including 162 investment professionals and 48 CFA Charterholders<sup>1</sup>
- More than 240 clients, with over 400 funds throughout the United States
- Significant investment in staff and resources
- Offices in Boston, Chicago, Miami, New York, Portland (OR), San Diego, and London
- We advise on \$1.6 trillion in client assets<sup>1</sup>
  - Over \$150 billion in assets committed to alternative investments
    - Private Equity                      – Infrastructure                      – Natural Resources
    - Real Estate                            – Hedge Funds                      – Commodities

**Client to Consultant Ratio<sup>2</sup>**



**Client Retention Rate<sup>3</sup>**



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

<sup>1</sup> Client and employee counts as of December 31, 2022; assets as of September 30, 2022.

<sup>2</sup> On March 15, 2019, 31 employees joined the firm as part of the merger of Meketa Investment Group and Pension Consulting Alliance.

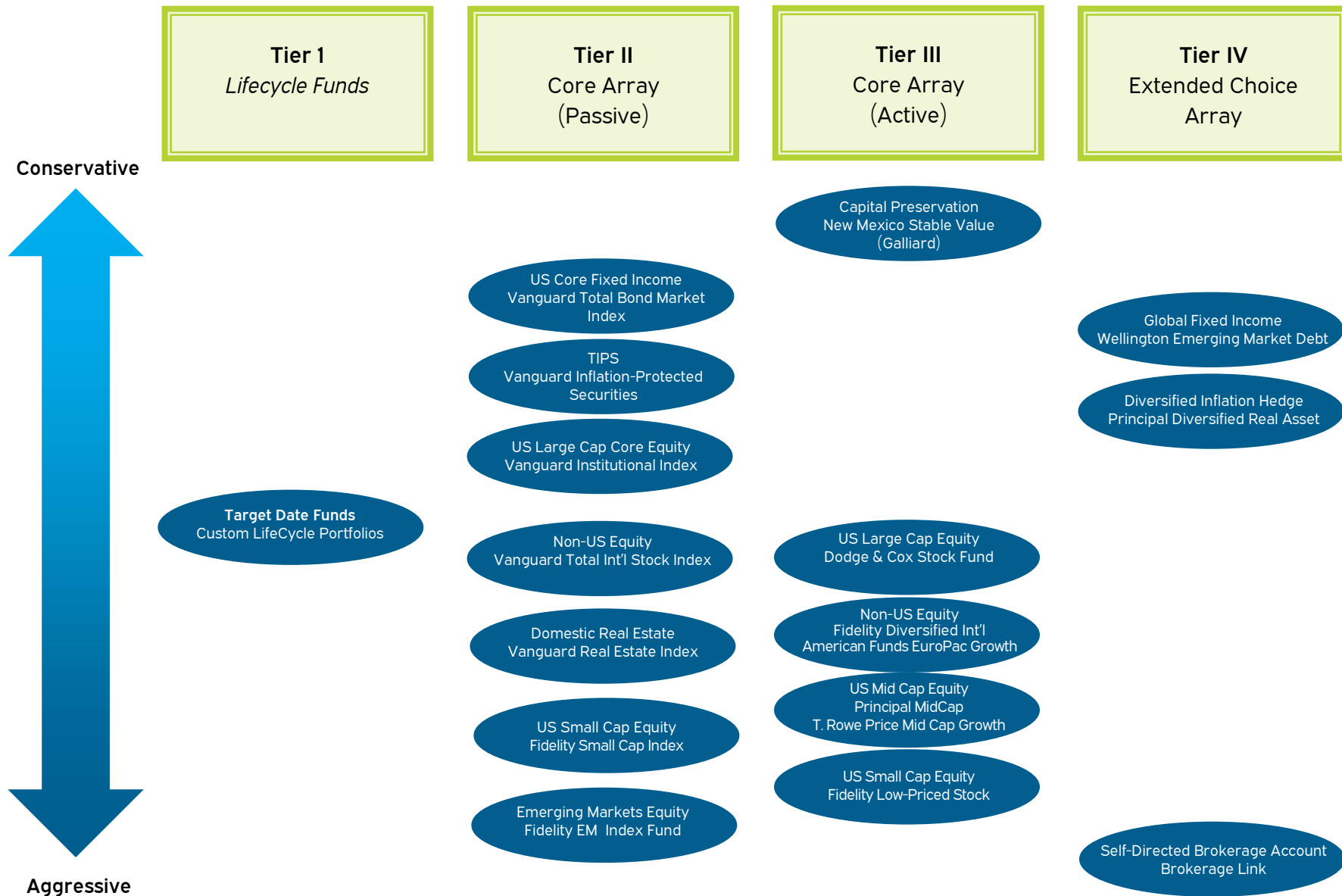
<sup>3</sup> Client Retention Rate is one minus the number of clients lost divided by the number of clients at prior year-end.

## Asset Classes Followed Intensively by Meketa Investment Group

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

## **Executive Summary**

### Executive Summary



### Plan Assets

- As of December 31, 2022, Plan assets were \$722.8 million, up from \$687.8 million at the end of the prior quarter. The Plan experienced net cash outflows of \$1.7 million during the third quarter.
- There were 23,221 participants with a balance at quarter-end, and the average account balance was \$31,288.
- The largest Plan investment options by assets were:

	12/31/22 Balance (\$M)	Percentage of Plan Assets (%)
New Mexico LifeCycle Portfolios	197.7	27.2
New Mexico Stable Value Fund	130.9	18.0
Vanguard Institutional 500 Index	117.0	16.1
Fidelity Contrafund	48.7	6.7
Vanguard Total Bond Market Index	37.5	5.2

- The following changes to the Plan lineup are scheduled for the first quarter of 2023:
  - Remove Oakmark Equity and Income Fund and map assets to age-appropriate LifeCycle portfolio
  - Remove Fidelity Contrafund and map assets to the Vanguard Institutional (S&P 500) Index
  - Remove Aberdeen Emerging Markets Equity and map assets to Fidelity Emerging Markets Equity Index
  - Remove Invesco Global REIT and map assets to Vanguard Real Estate Index



### Plan Observations

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

### Investment Menu Observations

- Five of the nine LifeCycle Portfolios matched or outperformed their respective custom benchmarks while four LifeCycle Portfolios underperformed their respective custom benchmarks. All nine LifeCycle Portfolios 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 fourth quarter. Allocations to stable value and private real estate also had a negative impact on returns relative to peers.
- Fidelity Contrafund outperformed the Russell 1000 Growth benchmark and outperformed the peer median. Compared to the benchmark, an underweight to Tesla and an overweight to Berkshire Hathaway helped relative results.
- Dodge & Cox US Equity outperformed both the Russell 1000 Value benchmark and the peer median. Outperformance stemmed from the fund's overweight position in healthcare, with significant gains from Sanofi and Gilead Sciences in particular.
- T. Rowe Price MidCap Growth outperformed the Russell MidCap Growth benchmark and peer median. Stock selection in tech, industrials, and business services contributed to relative results.
- Principal US MidCap Equity underperformed both the Russell MidCap Index and the peer group median. The fund's allocation to Brookfield Infrastructure (global asset operator) and CarMax (largest domestic used car retailer) detracted from relative performance.
- Fidelity Low-Priced Stock outperformed the Russell 2500 Value benchmark and peer median. The fund benefitted from stock selection in the health care and consumer discretionary sectors.

**Investment Menu Observations (continued)**

- Fidelity Diversified International underperformed the MSCI EAFE benchmark and the peer median. The fund's underperformance was primarily due to stock selection in the health care, industrials, and tech sectors.
- American Funds EuroPacific Growth underperformed the MSCI ACWI ex USA index peer median return. The largest relative detractors were in the financials and communication services sectors.
- Aberdeen Emerging Markets Equity matched the performance of the MSCI Emerging Markets Index, but underperformed the peer median. Relative to the benchmark, performance was aided by holdings in Mexico and Hong Kong, but holdings in Brazil and China detracted.
- Wellington Opportunistic Emerging Markets Debt outperformed the JPM EMBI Global benchmark, but slightly underperformed the peer group median. Outperformance in the quarter can be attributed to positions in China as they reopened their economy.
- Columbia Institutional High Yield exposure is only available via the LifeCycle portfolios. The strategy underperformed the ICE BofAML US High Yield Cash Pay Constrained benchmark, but matched the performance of the peer median. The largest detractor for the quarter was cable and satellite TV company, Radiate.

### Investment Menu Observations (continued)

- Invesco Global REITs underperformed the FTSE EPRA/NAREIT Global REIT index benchmark and the peer median. The fund's underperformance was primarily driven by underweight position to retail malls in the US and to Simon Property Group, specifically.
- Principal Diversified Real Asset outperformed the Real Asset Custom Benchmark<sup>1</sup>; the peer group median was unavailable. The strategy's outperformance was driven by manager selection and an overweight within infrastructure.
- Prudential Retirement Real Estate Fund II exposure is only available via the LifeCycle portfolios. The strategy underperformed the PRREF II Custom Benchmark<sup>2</sup> by 140 basis points for the quarter primarily due to underperformance in direct real estate in the office, industrial, and multifamily sectors.
- Oakmark Equity & Income outperformed both the 60% S&P 500/40% Barclays Aggregate benchmark and the peer group median. The fund's largest contributors were HCA Healthcare, ChampionX, Glencore, BorgWarner and Reinsurance Group of America.

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

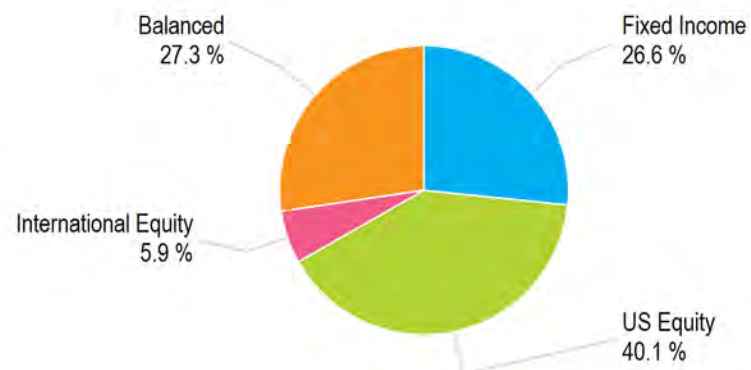
<sup>2</sup> PRREF II Custom Benchmark is composed of 85% NCREIF Open-End Diversified Core Equity Fund Index and 15% MSCI US REIT Index.

## **Fourth Quarter of 2022 Performance Report**

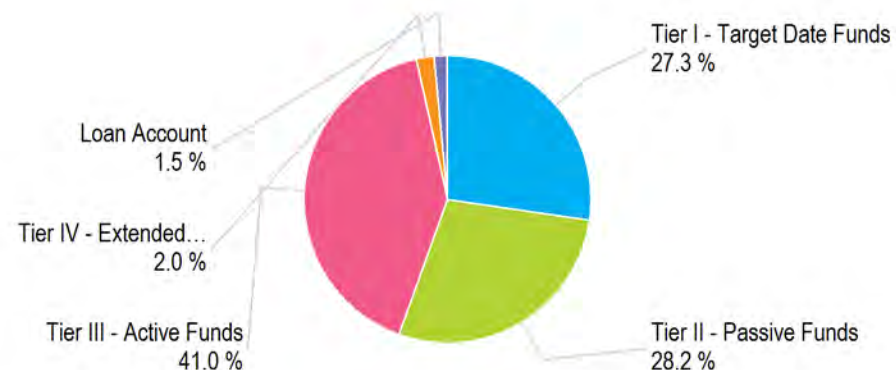
## Plan Summary

Total Fund | As of December 31, 2022

Total Plan Allocation by Asset Class



Total Plan Allocation by Tier



Asset Allocation				
	Current Balance	Current Allocation	Q4 Cash Flows	Balance as of 09/30/2022
Tier I - Target Date Funds	\$197,670,869	27%	\$883,779	\$186,923,123
Tier II - Passive Funds	\$203,755,658	28%	\$3,240,905	\$188,056,210
Tier III - Active Funds	\$296,164,577	41%	-\$7,425,383	\$289,652,348
Tier IV - Extended Choice	\$14,305,722	2%	\$1,684,464	\$12,158,116
Loan Account	\$10,908,985	2%	-\$107,953	\$11,015,807
<b>Total Fund</b>	<b>\$722,805,812</b>	<b>100%</b>	<b>-\$1,724,189</b>	<b>\$687,805,604</b>

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
<b>Total Fund</b>	<b>722,805,812</b>	<b>100.0</b>	<b>-1,724,189</b>								
<b>Tier I - Target Date Funds</b>	<b>197,670,869</b>	<b>27.3</b>	<b>883,779</b>								
New Mexico Conservative Portfolio	40,348,597	5.6	-1,110,367	3.5	-9.5	-9.5	1.8	2.9	3.5	4.0	Jul-05
<i>New Mexico Conservative Index</i>				3.7	-9.0	-9.0	1.7	2.9	3.4	3.7	Jul-05
<i>Allocation - 30% to 50% Equity Mstar MF Median</i>				4.8	-13.0	-13.0	1.2	2.7	4.4	4.7	Jul-05
<i>Allocation - 30% to 50% Equity Mstar MF Rank</i>				91	14	14	28	44	89	89	Jul-05
New Mexico LifeCycle 2025 Portfolio	50,020,691	6.9	-127,911	4.5	-11.2	-11.2	2.5	3.7	5.6	4.6	Jul-05
<i>New Mexico 2025 Benchmark</i>				4.6	-10.5	-10.5	2.4	3.6	5.5	4.6	Jul-05
<i>Target Date 2025 Mstar MF Median</i>				5.8	-15.5	-15.5	1.4	3.5	5.9	5.6	Jul-05
<i>Target Date 2025 Mstar MF Rank</i>				91	3	3	14	35	67	91	Jul-05
New Mexico LifeCycle 2030 Portfolio	11,021,707	1.5	351,105	5.7	-13.3	-13.3	2.8	4.0	--	6.0	Jun-16
<i>New Mexico 2030 Benchmark</i>				5.8	-12.4	-12.4	2.7	3.9	--	5.9	Jun-16
<i>Target Date 2030 Mstar MF Median</i>				6.7	-16.4	-16.4	2.1	4.0	6.7	6.3	Jun-16
<i>Target Date 2030 Mstar MF Rank</i>				86	7	7	12	46	--	71	Jun-16
New Mexico LifeCycle 2035 Portfolio	39,835,419	5.5	-213,779	6.4	-14.2	-14.2	3.1	4.3	6.5	5.7	Jul-05
<i>New Mexico 2035 Benchmark</i>				6.5	-13.1	-13.1	3.0	4.1	6.4	5.3	Jul-05
<i>Target Date 2035 Mstar MF Median</i>				7.6	-17.2	-17.2	2.8	4.4	7.2	6.2	Jul-05
<i>Target Date 2035 Mstar MF Rank</i>				91	6	6	29	63	88	81	Jul-05



	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 2040 Portfolio	8,070,668	1.1	208,987	7.0	-14.7	-14.7	3.4	4.5	--	6.9	Jun-16
<i>New Mexico 2040 Benchmark</i>				7.0	-13.5	-13.5	3.4	4.4	--	6.9	Jun-16
<i>Target Date 2040 Mstar MF Median</i>				8.4	-17.8	-17.8	3.4	4.7	7.7	7.5	Jun-16
<i>Target Date 2040 Mstar MF Rank</i>				89	7	7	48	65	--	84	Jun-16
New Mexico LifeCycle 2045 Portfolio	23,933,661	3.3	558,647	7.4	-15.1	-15.1	3.5	4.6	7.0	6.3	Jul-05
<i>New Mexico 2045 Benchmark</i>				7.3	-13.8	-13.8	3.5	4.5	6.9	5.6	Jul-05
<i>Target Date 2045 Mstar MF Median</i>				9.0	-18.2	-18.2	3.6	5.0	8.0	6.1	Jul-05
<i>Target Date 2045 Mstar MF Rank</i>				92	7	7	61	75	99	32	Jul-05
New Mexico LifeCycle 2050 Portfolio	7,916,712	1.1	404,219	7.7	-15.5	-15.5	3.5	4.7	--	7.2	Jun-16
<i>New Mexico 2050 Benchmark</i>				7.6	-14.1	-14.1	3.6	4.6	--	7.2	Jun-16
<i>Target Date 2050 Mstar MF Median</i>				9.2	-18.3	-18.3	3.6	5.1	8.0	8.0	Jun-16
<i>Target Date 2050 Mstar MF Rank</i>				94	7	7	62	79	--	97	Jun-16
New Mexico LifeCycle 2055 Portfolio	16,006,950	2.2	729,194	7.8	-15.5	-15.5	3.7	4.8	7.2	5.5	Apr-07
<i>New Mexico 2055 Benchmark</i>				7.8	-14.1	-14.1	3.7	4.7	7.1	4.7	Apr-07
<i>Target Date 2055 Mstar MF Median</i>				9.3	-18.4	-18.4	3.7	5.1	8.1	--	Apr-07
<i>Target Date 2055 Mstar MF Rank</i>				94	4	4	48	74	99	--	Apr-07
New Mexico LifeCycle 2060 Portfolio	516,464	0.1	83,683	7.9	-15.4	-15.4	--	--	--	-1.4	Feb-21
<i>New Mexico 2060 Benchmark</i>				7.9	-14.1	-14.1	--	--	--	-0.8	Feb-21
<i>Target Date 2060 Mstar MF Median</i>				9.3	-18.4	-18.4	3.7	5.3	--	-1.9	Feb-21
<i>Target Date 2060 Mstar MF Rank</i>				94	4	4	--	--	--	24	Feb-21

	Market Value (\$)	% of Portfolio	3 Mo Net Cash Flows (\$)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Tier II - Passive Funds</b>	<b>203,755,658</b>	<b>28.2</b>	<b>3,240,905</b>								
Vanguard Total Bond Market Index	37,502,661	5.2	1,741,004	1.7	-13.1	-13.1	-2.7	0.0	1.0	4.2	Oct-95
Bloomberg US Aggregate TR				1.9	-13.0	-13.0	-2.7	0.0	1.1	4.3	Oct-95
eV US Core Fixed Inc Net Median				1.8	-13.1	-13.1	-2.4	0.2	1.2	4.4	Oct-95
eV US Core Fixed Inc Net Rank				63	59	59	79	76	80	80	Oct-95
Vanguard Inflation-Protected Securities	11,386,841	1.6	594,894	1.8	-11.9	-11.9	1.1	2.0	1.0	4.6	Jul-00
Bloomberg US TIPS TR				2.0	-11.8	-11.8	1.2	2.1	1.1	4.7	Jul-00
eV US TIPS / Inflation Fixed Inc Net Median				2.0	-11.6	-11.6	1.2	2.1	1.1	4.9	Jul-00
eV US TIPS / Inflation Fixed Inc Net Rank				70	74	74	70	75	76	89	Jul-00
Vanguard Institutional Index (S&P 500)	117,024,410	16.2	-698,386	7.6	-18.1	-18.1	7.6	9.4	12.5	9.9	Aug-90
S&P 500				7.6	-18.1	-18.1	7.7	9.4	12.6	9.8	Aug-90
eV US Large Cap Core Equity Net Median				8.5	-16.5	-16.5	7.2	8.5	11.7	10.1	Aug-90
eV US Large Cap Core Equity Net Rank				68	64	64	39	35	21	71	Aug-90
Vanguard Total International Stock Index	22,563,020	3.1	1,285,821	14.7	-16.0	-16.0	0.5	1.1	4.1	4.1	Dec-10
Spliced Total International Stock Index				14.2	-15.8	-15.8	0.8	1.4	4.4	4.3	Dec-10
eV ACWI ex-US Core Equity Net Median				14.4	-18.2	-18.2	0.9	1.5	4.9	4.9	Dec-10
eV ACWI ex-US Core Equity Net Rank				44	33	33	57	61	78	77	Dec-10
Fidelity Small Cap Index	15,278,726	2.1	317,572	6.3	-20.3	-20.3	3.1	4.2	9.2	11.0	Oct-11
Russell 2000				6.2	-20.4	-20.4	3.1	4.1	9.0	10.8	Oct-11
eV US Small Cap Core Equity Net Median				8.8	-16.6	-16.6	6.1	6.2	10.2	11.9	Oct-11
eV US Small Cap Core Equity Net Rank				84	74	74	90	83	73	74	Oct-11

	Market Value (\$)	% of Portfolio	3 Mo Net Cash Flows (\$)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Tier III - Active Funds</b>	<b>296,164,577</b>	<b>41.0</b>	<b>-7,425,383</b>								
New Mexico Stable Value Fund	130,942,865	18.1	-3,957,147	0.6	1.9	1.9	2.0	2.1	1.8	1.8	Jul-12
<i>Citigroup 3-month Treasury Bill + 1%</i>				1.1	2.5	2.5	1.7	2.3	1.8	1.7	Jul-12
<i>eV US Stable Value Fixed Inc Net Median</i>				1.0	-5.0	-5.0	-0.4	0.9	1.7	1.8	Jul-12
<i>eV US Stable Value Fixed Inc Net Rank</i>				68	19	19	14	17	42	50	Jul-12
Oakmark Equity & Income	16,928,388	2.3	-380,417	7.2	-12.9	-12.9	4.8	4.7	7.3	9.3	Dec-95
<i>60% S&amp;P 500 &amp; 40% Barclays Aggregate</i>				5.4	-15.8	-15.8	3.8	6.0	8.1	7.4	Dec-95
<i>Balanced MStar MF Median</i>				6.1	-14.4	-14.4	2.7	4.1	6.4	7.0	Dec-95
<i>Balanced MStar MF Rank</i>				30	35	35	18	35	34	5	Dec-95
Dodge & Cox U.S. Equity	33,841,943	4.7	14,711	13.0	-7.2	-7.2	9.4	8.7	12.4	11.0	Feb-65
<i>Russell 1000 Value</i>				12.4	-7.5	-7.5	6.0	6.7	10.3	--	Feb-65
<i>eV US Large Cap Value Equity Net Median</i>				12.7	-5.8	-5.8	7.4	7.5	10.7	11.2	Feb-65
<i>eV US Large Cap Value Equity Net Rank</i>				47	64	64	19	28	11	90	Feb-65
Fidelity Contrafund	48,682,912	6.7	-1,889,349	3.9	-28.2	-28.2	5.8	8.6	12.5	12.2	Jun-67
<i>Russell 1000 Growth</i>				2.2	-29.1	-29.1	7.8	11.0	14.1	--	Jun-67
<i>eV US Large Cap Growth Equity Net Median</i>				3.6	-29.7	-29.7	5.9	9.4	12.6	--	Jun-67
<i>eV US Large Cap Growth Equity Net Rank</i>				47	42	42	52	67	53	--	Jun-67
Fidelity Diversified International	9,643,478	1.3	-22,777	14.9	-23.8	-23.8	0.8	2.5	5.7	7.6	Jan-92
<i>MSCI EAFE</i>				17.3	-14.5	-14.5	0.9	1.5	4.7	5.0	Jan-92
<i>eV EAFE Core Equity Net Median</i>				16.1	-16.9	-16.9	0.6	1.1	5.2	6.5	Jan-92
<i>eV EAFE Core Equity Net Rank</i>				74	89	89	47	19	38	18	Jan-92

	Market Value (\$)	% of Portfolio	3 Mo Net Cash Flows (\$)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
American Funds EuroPacific Growth	7,783,761	1.1	-102,742	13.8	-22.7	-22.7	-0.2	1.5	5.3	9.8	May-84
<i>MSCI ACWI ex USA</i>				14.3	-16.0	-16.0	0.1	0.9	3.8	--	May-84
<i>eV ACWI ex-US All Cap Core Eq Net Median</i>				14.3	-18.1	-18.1	1.2	1.6	5.0	--	May-84
<i>eV ACWI ex-US All Cap Core Eq Net Rank</i>				60	79	79	79	52	39	--	May-84
Principal U.S. MidCap Equity	12,395,910	1.7	-397,977	8.0	-23.2	-23.2	4.4	8.7	12.3	10.2	Jan-01
<i>Russell MidCap</i>				9.2	-17.3	-17.3	5.9	7.1	11.0	8.6	Jan-01
<i>eV US Mid Cap Core Equity Net Median</i>				8.9	-15.3	-15.3	6.3	7.3	10.9	8.9	Jan-01
<i>eV US Mid Cap Core Equity Net Rank</i>				74	80	80	75	24	18	2	Jan-01
T. Rowe Price MidCap Growth	26,583,653	3.7	-635,342	8.5	-23.2	-23.2	3.2	7.4	12.5	11.4	Aug-96
<i>Russell MidCap Growth</i>				6.9	-26.7	-26.7	3.9	7.6	11.4	9.2	Aug-96
<i>eV US Mid Cap Growth Equity Net Median</i>				5.8	-28.2	-28.2	4.3	8.1	11.1	10.6	Aug-96
<i>eV US Mid Cap Growth Equity Net Rank</i>				12	21	21	69	64	17	9	Aug-96
Fidelity Low-Priced Stock	9,361,668	1.3	-54,344	14.1	-5.7	-5.7	8.7	7.6	10.7	13.1	Jan-90
<i>Russell 2500 Value</i>				9.2	-13.1	-13.1	5.2	4.8	8.9	10.5	Jan-90
<i>eV US Small Cap Value Equity Net Median</i>				10.8	-11.7	-11.7	6.3	4.6	9.2	11.6	Jan-90
<i>eV US Small Cap Value Equity Net Rank</i>				11	16	16	22	11	15	1	Jan-90

	Market Value (\$)	% of Portfolio	3 Mo Net Cash Flows (\$)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Tier IV - Extended Choice</b>	<b>14,305,722</b>	<b>2.0</b>	<b>1,684,464</b>								
Wellington Opportunistic Emerging Market Debt	1,541,157	0.2	4,192	8.7	-16.7	-16.7	-4.6	-1.1	1.6	3.6	May-10
<i>JP Morgan EMBI Global TR</i>				7.4	-16.5	-16.5	-4.5	-1.0	1.3	3.6	May-10
<i>eV Emg Mkts Fixed Inc - Hard Currency Net Median</i>				8.9	-16.7	-16.7	-4.5	-1.1	1.3	3.5	May-10
<i>eV Emg Mkts Fixed Inc - Hard Currency Net Rank</i>				58	51	51	55	50	27	34	May-10
Principal Diversified Real Asset	695,171	0.1	-26,094	7.5	-6.2	-6.2	4.6	3.9	3.0	4.2	Apr-10
<i>Real Asset Custom Benchmark</i>				5.2	-9.2	-9.2	5.0	4.6	3.6	4.4	Apr-10
Invesco Global REITs	1,212,277	0.2	32,072	5.7	-24.9	-24.9	-6.0	-0.8	2.6	4.3	May-05
<i>FTSE EPRA/NAREIT Global Real Estate Index</i>				7.1	-24.4	-24.4	-4.1	0.6	3.8	4.7	May-05
<i>eV Global REIT Net Median</i>				6.6	-25.3	-25.3	-2.7	1.8	4.4	5.2	May-05
<i>eV Global REIT Net Rank</i>				81	44	44	98	94	97	92	May-05
Aberdeen Emerging Markets Equity	1,752,081	0.2	920	9.7	-26.2	-26.2	-3.6	-1.6	0.4	3.9	Jun-07
<i>MSCI Emerging Markets</i>				9.7	-20.1	-20.1	-2.7	-1.4	1.4	2.0	Jun-07
<i>eV Emg Mkts Equity Net Median</i>				10.3	-19.8	-19.8	-1.6	-0.7	2.1	2.4	Jun-07
<i>eV Emg Mkts Equity Net Rank</i>				61	86	86	76	67	94	16	Jun-07
Self Directed Brokerage Options	9,105,036	1.3	1,673,374								

	Market Value (\$)	% of Portfolio	3 Mo Net Cash Flows (\$)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Loan Account</b>	<b>10,908,985</b>	<b>1.5</b>	<b>-107,953</b>								
Loan Account	10,908,985	1.5	-107,953								
<b>Other</b>											
Prudential Retirement Real Estate Fund II	--	--		-4.9	1.5	1.5	7.9	7.6	--	7.6	Jan-18
PRREF II Custom Benchmark				-3.5	2.2	2.2	8.6	8.0	--	8.0	Jan-18
Columbia Institutional High Yield	--	--		3.9	-10.7	-10.7	-0.2	2.2	3.8	3.9	Dec-12
ICE BofA US High Yield Cash Pay Constrained TR				4.1	-11.1	-11.1	-0.2	2.1	3.9	4.1	Dec-12
eV US High Yield Fixed Inc Net Median				3.9	-10.0	-10.0	0.4	2.3	3.8	3.9	Dec-12
eV US High Yield Fixed Inc Net Rank				56	65	65	68	54	47	46	Dec-12

<sup>1</sup> 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 (%)
<b>Total Fund</b>										
<b>Tier I - Target Date Funds</b>										
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>Allocation - 30% to 50% Equity Mstar MF Median</i>	-13.0	8.4	10.4	15.5	-4.5	10.4	6.8	-1.2	4.2	7.1
<i>Allocation - 30% to 50% Equity Mstar MF Rank</i>	14	86	60	92	1	77	89	55	46	81
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 Mstar MF Median</i>	-15.5	9.9	13.3	18.8	-5.2	15.2	7.2	-1.2	5.2	16.7
<i>Target Date 2025 Mstar MF Rank</i>	3	79	76	95	13	80	75	70	28	86
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 Mstar MF Median</i>	-16.4	11.5	14.1	20.9	-6.2	17.1	7.4	-1.1	5.4	19.3
<i>Target Date 2030 Mstar MF Rank</i>	7	79	60	92	18	67	--	--	--	--
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 Mstar MF Median</i>	-17.2	14.0	14.6	22.5	-6.9	18.8	8.0	-1.4	5.5	20.9
<i>Target Date 2035 Mstar MF Rank</i>	6	89	65	94	15	74	73	72	40	92
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 Mstar MF Median</i>	-17.8	16.0	15.4	23.9	-7.5	19.9	8.1	-1.3	5.6	23.0
<i>Target Date 2040 Mstar MF Rank</i>	7	90	61	93	14	77	--	--	--	--

	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 Mstar MF Median</i>	-18.2	16.6	15.8	25.1	-8.0	21.0	8.3	-1.5	5.7	23.5
<i>Target Date 2045 Mstar MF Rank</i>	7	95	61	99	6	75	73	72	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 Mstar MF Median</i>	-18.3	17.1	15.9	25.3	-8.3	21.4	8.3	-1.3	5.8	23.8
<i>Target Date 2050 Mstar MF Rank</i>	7	94	62	97	5	78	--	--	--	--
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 Mstar MF Median</i>	-18.4	17.4	15.9	25.2	-8.4	21.5	8.4	-1.4	6.0	23.9
<i>Target Date 2055 Mstar MF Rank</i>	4	95	67	98	11	78	77	76	58	99
New Mexico LifeCycle 2060 Portfolio	-15.4	15.2	--	--	--	--	--	--	--	--
<i>New Mexico 2060 Benchmark</i>	-14.1	15.0	--	--	--	--	--	--	--	--
<i>Target Date 2060 Mstar MF Median</i>	-18.4	17.5	16.4	25.6	-8.3	21.6	8.2	-0.7	--	--
<i>Target Date 2060 Mstar MF Rank</i>	4	94	--	--	--	--	--	--	--	--



	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)
<b>Tier II - Passive Funds</b>										
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>Bloomberg US Aggregate TR</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 Net Median</i>	-13.1	-1.5	8.2	9.0	-0.2	3.8	3.1	0.5	5.6	-1.8
<i>eV US Core Fixed Inc Net Rank</i>	59	63	70	68	39	65	73	64	40	76
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>Bloomberg US TIPS TR</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 Net Median</i>	-11.6	5.7	10.6	8.5	-1.4	3.1	4.6	-1.6	3.3	-8.8
<i>eV US TIPS / Inflation Fixed Inc Net Rank</i>	74	44	33	64	47	59	50	54	11	53
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&amp;P 500</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 Net Median</i>	-16.5	26.9	14.1	28.9	-5.8	21.4	9.3	0.6	12.5	31.8
<i>eV US Large Cap Core Equity Net Rank</i>	64	29	29	29	32	46	21	37	33	43
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	4.8	-4.3	-3.4	15.8
<i>eV ACWI ex-US Core Equity Net Median</i>	-18.2	11.2	14.4	23.3	-15.7	28.7	1.0	-1.4	-3.2	18.2
<i>eV ACWI ex-US Core Equity Net Rank</i>	33	65	61	65	37	66	22	77	61	91
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</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 Net Median</i>	-16.6	24.1	14.8	24.3	-11.1	14.4	19.5	-2.1	4.4	38.9
<i>eV US Small Cap Core Equity Net Rank</i>	74	92	30	40	49	45	33	70	46	48

	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)
<b>Tier III - Active Funds</b>										
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 Fixed Inc Net Median</i>	-5.0	1.6	2.3	2.5	1.5	1.8	1.5	1.4	1.6	0.3
<i>eV US Stable Value Fixed Inc Net Rank</i>	19	29	36	51	30	51	44	43	77	22
Oakmark Equity & Income	-12.9	21.6	8.7	19.3	-8.3	14.5	11.0	-4.6	6.9	24.2
<i>60% S&amp;P 500 &amp; 40% Barclays Aggregate</i>	-15.8	15.9	14.7	22.2	-2.3	14.2	8.3	1.3	10.6	17.6
<i>Balanced MStar MF Median</i>	-14.4	13.2	11.4	18.6	-5.5	12.5	7.0	-1.2	5.7	16.1
<i>Balanced MStar MF Rank</i>	35	5	73	47	83	36	13	86	29	11
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</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 Net Median</i>	-5.8	26.8	3.4	26.3	-9.0	16.7	13.8	-3.1	11.3	33.1
<i>eV US Large Cap Value Equity Net Rank</i>	64	9	33	67	31	34	6	64	69	10
Fidelity Contrafund	-28.2	24.4	32.7	30.2	-2.1	32.3	3.5	6.6	9.7	34.3
<i>Russell 1000 Growth</i>	-29.1	27.6	38.5	36.4	-1.5	30.2	7.1	5.7	13.0	33.5
<i>eV US Large Cap Growth Equity Net Median</i>	-29.7	23.8	34.1	33.4	-1.3	28.5	3.4	4.1	11.1	34.0
<i>eV US Large Cap Growth Equity Net Rank</i>	42	44	57	80	57	25	48	27	64	48
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</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 Net Median</i>	-16.9	12.5	8.9	22.2	-16.0	27.1	-0.4	1.5	-3.9	24.4
<i>eV EAFE Core Equity Net Rank</i>	89	43	9	6	41	52	89	30	39	44

	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
<i>MSCI ACWI ex USA</i>	-16.0	7.8	10.7	21.5	-14.2	27.2	4.5	-5.7	-3.9	15.3
<i>eV ACWI ex-US All Cap Core Eq Net Median</i>	-18.1	10.0	16.1	24.6	-15.0	28.7	1.2	-1.5	-2.3	18.2
<i>eV ACWI ex-US All Cap Core Eq Net Rank</i>	79	96	15	17	50	26	52	39	50	36
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
<i>Russell MidCap</i>	-17.3	22.6	17.1	30.5	-9.1	18.5	13.8	-2.4	13.2	34.8
<i>eV US Mid Cap Core Equity Net Median</i>	-15.3	25.6	14.0	28.3	-11.0	18.9	10.6	-0.5	8.2	35.2
<i>eV US Mid Cap Core Equity Net Rank</i>	80	55	30	1	25	8	55	31	22	66
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
<i>Russell MidCap Growth</i>	-26.7	12.7	35.6	35.5	-4.8	25.3	7.3	-0.2	11.9	35.7
<i>eV US Mid Cap Growth Equity Net Median</i>	-28.2	14.7	35.9	35.7	-4.4	24.7	5.2	-0.5	7.6	35.1
<i>eV US Mid Cap Growth Equity Net Rank</i>	21	38	95	66	32	35	30	1	5	27
Fidelity Low-Priced Stock	-5.7	24.6	9.4	25.8	-10.7	20.8	8.9	0.9	7.7	34.4
<i>Russell 2500 Value</i>	-13.1	27.8	4.9	23.6	-12.4	10.4	25.2	-5.5	7.1	33.3
<i>eV US Small Cap Value Equity Net Median</i>	-11.7	28.8	4.4	23.8	-15.0	10.3	26.2	-4.6	5.0	37.1
<i>eV US Small Cap Value Equity Net Rank</i>	16	76	28	29	17	3	99	5	19	71

	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)
<b>Tier IV - Extended Choice</b>										
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
<i>JP Morgan EMBI Global TR</i>	-16.5	-1.5	5.9	14.4	-4.6	9.3	10.2	1.2	5.5	-6.6
<i>eV Emg Mkts Fixed Inc - Hard Currency Net Median</i>	-16.7	-2.1	6.6	14.5	-5.9	11.8	11.3	-0.6	5.1	-6.2
<i>eV Emg Mkts Fixed Inc - Hard Currency Net Rank</i>	51	94	28	18	43	73	30	54	24	29
Principal Diversified Real Asset	-6.2	17.3	4.0	15.0	-7.9	10.2	5.9	-12.4	2.5	5.4
<i>Real Asset Custom Benchmark</i>	-9.2	15.2	10.8	15.5	-6.4	10.7	7.6	-6.6	-0.5	2.9
Invesco Global REITs	-24.9	25.8	-12.1	22.9	-5.9	13.1	2.1	-1.1	14.8	3.0
<i>FTSE EPRA/NAREIT Global Real Estate Index</i>	-24.4	27.2	-8.2	22.4	-4.7	11.4	5.0	0.1	15.9	4.4
<i>eV Global REIT Net Median</i>	-25.3	27.8	-4.5	25.3	-5.6	11.9	3.8	0.5	16.8	5.2
<i>eV Global REIT Net Rank</i>	44	70	92	71	53	40	72	73	83	84
Aberdeen Emerging Markets Equity	-26.2	-5.0	27.9	20.4	-14.6	30.2	12.0	-13.7	-2.5	-7.5
<i>MSCI Emerging Markets</i>	-20.1	-2.5	18.3	18.4	-14.6	37.3	11.2	-14.9	-2.2	-2.6
<i>eV Emg Mkts Equity Net Median</i>	-19.8	0.4	18.0	19.3	-16.2	37.1	8.2	-12.9	-0.8	-0.1
<i>eV Emg Mkts Equity Net Rank</i>	86	73	22	46	32	81	31	59	66	97
Self Directed Brokerage Options										

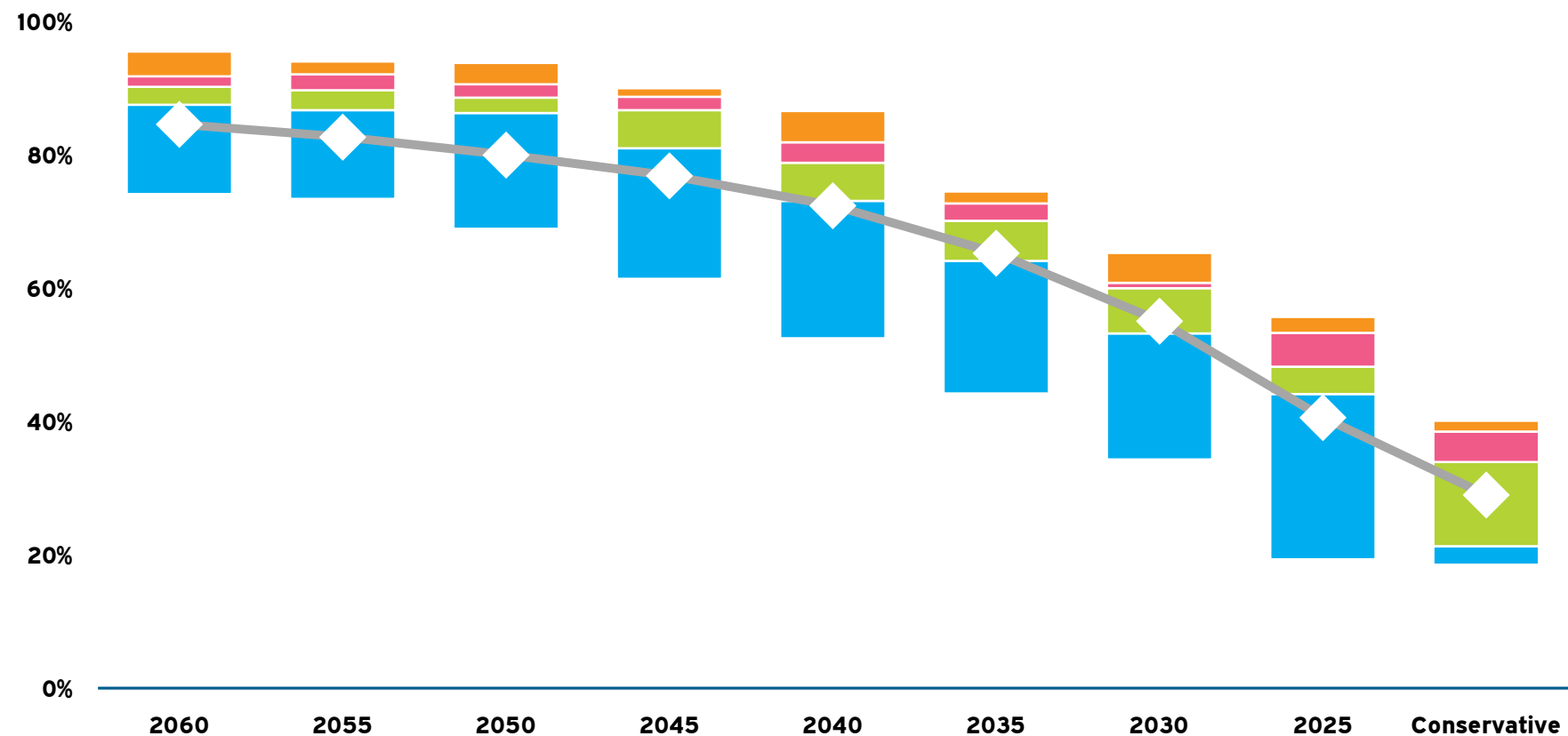
	2022 (%)	2021 (%)	2020 (%)	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)
<b>Loan Account</b>										
Loan Account										
<b>Other</b>	--	--	--	--	--	--	--	--	--	--
Prudential Retirement Real Estate Fund II	1.5	23.7	0.0	8.2	5.8	--	--	--	--	--
<i>PRREF II Custom Benchmark</i>	<i>2.2</i>	<i>25.2</i>	<i>0.2</i>	<i>8.1</i>	<i>6.3</i>	--	--	--	--	--
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 TR</i>	<i>-11.1</i>	<i>5.3</i>	<i>6.1</i>	<i>14.4</i>	<i>-2.2</i>	<i>7.5</i>	<i>17.3</i>	<i>-4.5</i>	<i>2.5</i>	<i>7.4</i>
<i>eV US High Yield Fixed Inc Net Median</i>	<i>-10.0</i>	<i>5.0</i>	<i>5.8</i>	<i>13.5</i>	<i>-2.3</i>	<i>7.1</i>	<i>13.5</i>	<i>-3.3</i>	<i>1.9</i>	<i>7.3</i>
<i>eV US High Yield Fixed Inc Net Rank</i>	<i>64</i>	<i>53</i>	<i>45</i>	<i>3</i>	<i>89</i>	<i>61</i>	<i>71</i>	<i>21</i>	<i>15</i>	<i>75</i>

<sup>1</sup> Columbia Institutional High Yield and Prudential Retirement Real Estate Fund II are only offered as underlying components of the New Mexico LifeCycle Portfolios.

Investment Expense Analysis								
As Of December 31, 2022								
Name	Style	Market Value	Expense Ratio (%)	Estimated Fund Expense (\$)	Median Expense Ratio (%)	Net Expense Difference	Revenue Sharing (\$)	Revenue Sharing (%)
<b>Tier I - Target Date Funds</b>		<b>\$197,670,869</b>						
New Mexico Conservative Portfolio	Target Date	\$40,348,597	0.31	123,745	0.65	-0.34	-	0.00
New Mexico LifeCycle 2025 Portfolio	Target Date	\$50,020,691	0.30	150,866	0.44	-0.14	-	0.00
New Mexico LifeCycle 2030 Portfolio	Target Date	\$11,021,707	0.29	32,155	0.45	-0.16	-	0.00
New Mexico LifeCycle 2035 Portfolio	Target Date	\$39,835,419	0.30	117,842	0.44	-0.14	-	0.00
New Mexico LifeCycle 2040 Portfolio	Target Date	\$8,070,668	0.31	25,099	0.44	-0.13	-	0.00
New Mexico LifeCycle 2045 Portfolio	Target Date	\$23,933,661	0.31	74,665	0.45	-0.14	-	0.00
New Mexico LifeCycle 2050 Portfolio	Target Date	\$7,916,712	0.31	24,356	0.45	-0.14	-	0.00
New Mexico LifeCycle 2055 Portfolio	Target Date	\$16,006,950	0.31	49,150	0.46	-0.15	-	0.00
New Mexico LifeCycle 2060 Portfolio	Target Date	\$516,464	0.31	1,594	0.46	-0.15	-	0.00
<b>Tier II - Passive Funds</b>		<b>\$203,755,658</b>						
Vanguard Total Bond Market Index	Bonds	\$37,502,661	0.04	15,001	0.44	-0.40	-	0.00
Vanguard Inflation-Protected Securities	Bonds	\$11,386,841	0.07	7,971	0.36	-0.29	-	0.00
Vanguard Institutional Index (S&P 500)	US Large Cap	\$117,024,410	0.02	23,405	0.70	-0.68	-	0.00
Vanguard Total International Stock Index	International Equity	\$22,563,020	0.08	18,050	0.88	-0.80	-	0.00
Fidelity Small Cap Index	US Small Cap	\$15,278,726	0.03	3,820	0.94	-0.92	-	0.00
<b>Tier III - Active Funds</b>		<b>\$296,164,577</b>						
New Mexico Stable Value Fund	Bonds (Stable Value)	\$130,942,865	0.31	405,923	0.75	-0.44	-	0.00
Oakmark Equity & Income	Balanced	\$16,928,388	0.84	142,198	0.72	0.12	\$50,785	0.30
Dodge & Cox U.S. Equity	US Large Cap	\$33,841,943	0.51	172,594	0.70	-0.19	\$33,842	0.10
Fidelity Contrafund	US Large Cap	\$48,682,912	0.74	360,254	0.70	0.04	-	0.00
Fidelity Diversified International	International Equity	\$9,643,478	0.91	87,756	0.82	0.09	-	0.00
American Funds EuroPacific Growth	International Equity	\$7,783,761	0.46	35,805	0.80	-0.34	-	0.00
Principal U.S. MidCap Equity	US Mid Cap	\$12,395,910	0.67	83,053	0.85	-0.18	\$12,396	0.10
T. Rowe Price MidCap Growth	US Mid Cap	\$26,583,653	0.61	162,160	0.85	-0.24	-	0.00
Fidelity Low-Priced Stock	US Mid Cap	\$9,361,668	0.56	52,425	0.83	-0.27	-	0.00
<b>Tier IV - Extended Choice</b>		<b>\$14,305,722</b>						
Wellington Opportunistic Emerging Market Debt	International Bonds	\$1,541,157	0.57	8,785	0.81	-0.24	-	0.00
Principal Diversified Real Asset	Real Assets	\$695,171	0.83	5,770	0.86	-0.03	\$348	0.05
Invesco Global REITs	REITs	\$1,212,277	0.91	11,032	0.95	-0.04	\$4,243	0.35
Aberdeen Emerging Markets Equity	International Equity	\$1,752,081	1.10	19,273	1.03	0.07	-	0.00
Self Directed Brokerage Options	Brokerage Window	\$9,105,035					-	-
<b>Loan Account</b>		<b>\$10,908,985</b>						
Loan Account	Other	\$10,908,985		-	-	-	-	-
<b>Other</b>		<b>-</b>						
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
<b>Total</b>		<b>\$722,805,811</b>	<b>0.31%</b>	<b>\$2,214,747</b>			<b>\$101,614</b>	<b>0.01</b>

## LifeCycle Funds Detail As of December 31, 2022

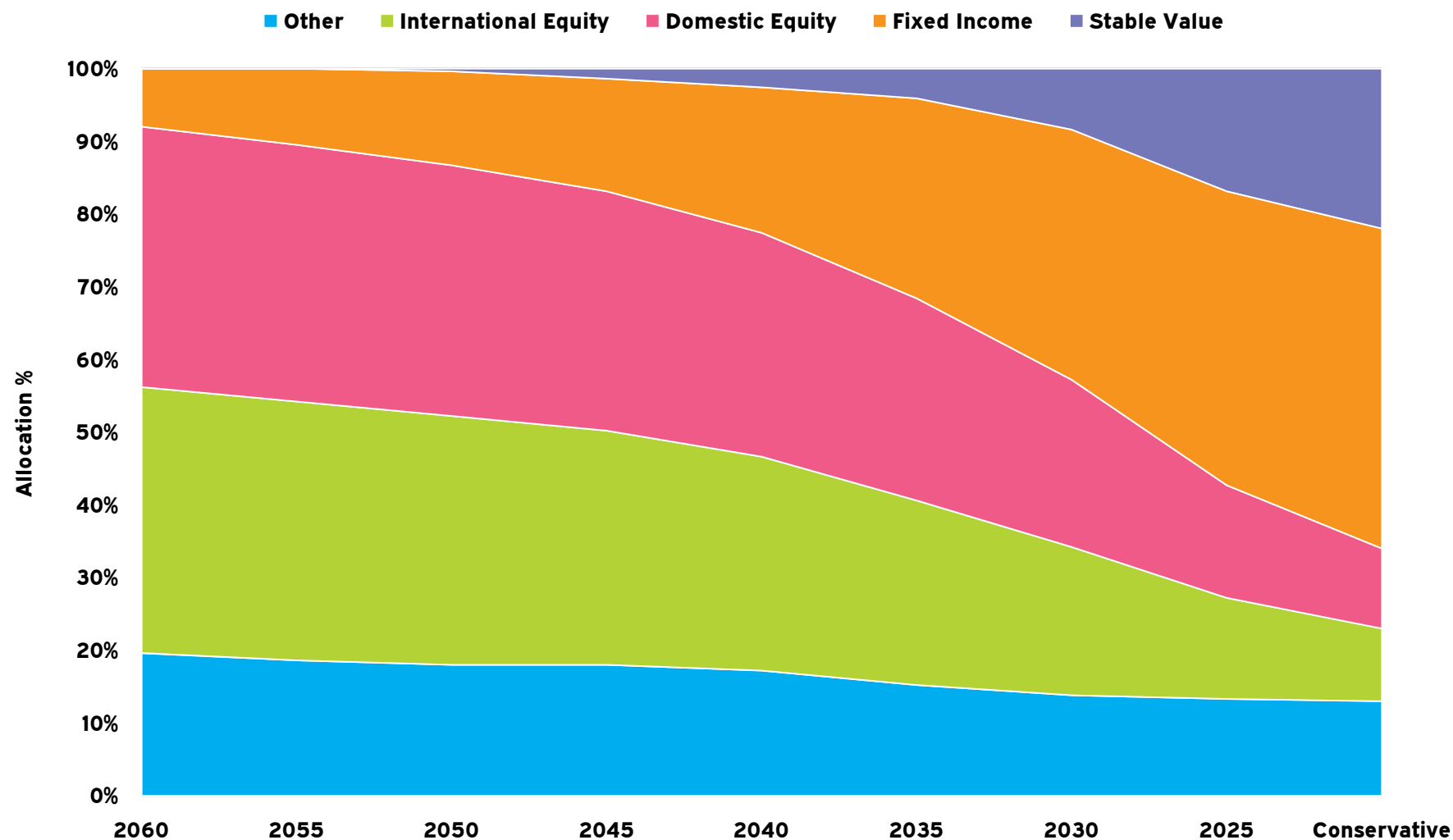
Glide Path Universe Comparison<sup>1</sup>  
% Allocation to Equity



<sup>1</sup> 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 (%)
<b>Total Fixed Income</b>	<b>8.0</b>	<b>10.5</b>	<b>13.4</b>	<b>16.9</b>	<b>22.6</b>	<b>31.6</b>	<b>42.8</b>	<b>57.3</b>	<b>66.0</b>
<b>Total Stable Value</b>	<b>0.0</b>	<b>0.0</b>	<b>0.4</b>	<b>1.4</b>	<b>2.6</b>	<b>4.1</b>	<b>8.4</b>	<b>16.9</b>	<b>22.0</b>
New Mexico Stable Value Fund (Galliard)	0.0	0.0	0.4	1.4	2.6	4.1	8.4	16.9	22.0
<b>Total Investment Grade Bonds</b>	<b>3.1</b>	<b>4.6</b>	<b>6.1</b>	<b>7.4</b>	<b>10.6</b>	<b>17.1</b>	<b>23.0</b>	<b>28.0</b>	<b>31.0</b>
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
<b>Total Global Credit</b>	<b>4.9</b>	<b>5.9</b>	<b>6.9</b>	<b>8.1</b>	<b>9.4</b>	<b>10.4</b>	<b>11.4</b>	<b>12.4</b>	<b>13.0</b>
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
<b>Total Equity</b>	<b>72.4</b>	<b>70.9</b>	<b>68.7</b>	<b>65.1</b>	<b>60.2</b>	<b>53.2</b>	<b>43.4</b>	<b>29.1</b>	<b>21.0</b>
<b>Total Domestic Equity</b>	<b>35.8</b>	<b>35.3</b>	<b>34.5</b>	<b>32.9</b>	<b>30.8</b>	<b>27.8</b>	<b>23.0</b>	<b>15.5</b>	<b>11.0</b>
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
<b>Total International Equity</b>	<b>36.6</b>	<b>35.6</b>	<b>34.2</b>	<b>32.2</b>	<b>29.4</b>	<b>25.4</b>	<b>20.4</b>	<b>13.6</b>	<b>10.0</b>
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
<b>Total Other</b>	<b>19.6</b>	<b>18.6</b>	<b>18.0</b>	<b>18.0</b>	<b>17.2</b>	<b>15.2</b>	<b>13.8</b>	<b>13.3</b>	<b>13.0</b>
<b>Total Core Private Real Estate</b>	<b>11.8</b>	<b>11.3</b>	<b>11.0</b>	<b>11.0</b>	<b>10.6</b>	<b>9.6</b>	<b>8.8</b>	<b>8.3</b>	<b>8.0</b>
Prudential Retirement Real Estate Fund II	11.8	11.3	11.0	11.0	10.6	9.6	8.8	8.3	8.0
<b>Total Diversified Inflation Hedge</b>	<b>7.8</b>	<b>7.3</b>	<b>7.0</b>	<b>7.0</b>	<b>6.6</b>	<b>5.6</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>
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

### Vanguard Total Bond Market Index | As of December 31, 2022

#### Fund Information as of December 31, 2022

<b>Fund Name</b>	VANGUARD TOTAL BOND MARKET INDEX I
<b>Ticker</b>	VBPIX
<b>Morningstar Category</b>	Intermediate Core Bond
<b>Benchmark</b>	Bloomberg US Aggregate TR
<b>Expense Ratio</b>	0.04%
<b>Fund Assets (\$mm)</b>	40,813.15
<b>Share Class Inception Date</b>	9/18/1995
<b>Manager Tenure</b>	10

#### Return Summary Ending December 31, 2022



#### Fund Characteristics as of December 31, 2022

<b>Sharpe Ratio (3 Year)</b>	-0.57
<b>Average Duration</b>	6.47
<b>Average Coupon</b>	2.79%
<b>Average Effective Maturity</b>	8.90
<b>R-Squared (3 Year)</b>	1.00
<b>Alpha (3 Year)</b>	0.00%
<b>Beta (3 Year)</b>	1.01

#### Credit Quality as of December 31, 2022

<b>AAA</b>	70.98%
<b>AA</b>	2.94%
<b>A</b>	11.97%
<b>BBB</b>	14.14%
<b>BB</b>	0.00%
<b>B</b>	0.00%
<b>Below B</b>	0.00%
<b>Not Rated</b>	-0.03%

#### Fixed Income Sectors as of December 31, 2022

<b>GOVERNMENT</b>	50.37%
<b>MUNICIPAL</b>	0.68%
<b>CORPORATE</b>	26.21%
<b>SECURITIZED</b>	21.36%
<b>CASH &amp; EQUIVALENTS</b>	1.39%
<b>DERIVATIVE</b>	0.00%

<sup>1</sup> The portfolio's equity characteristics are calculated by Morningstar. Index characteristics are calculated by InvestorForce using a different methodology, which accounts for the differences between the portfolio and the index.

### Vanguard Inflation-Protected Securities | As of December 31, 2022

#### Fund Information as of December 31, 2022

<b>Fund Name</b>	VANGUARD INFLATION-PROTECTED SECS I
<b>Ticker</b>	VIPIX
<b>Morningstar Category</b>	Inflation-Protected Bond
<b>Benchmark</b>	Bloomberg US TIPS TR
<b>Expense Ratio</b>	0.07%
<b>Fund Assets (\$mm)</b>	12,032.99
<b>Share Class Inception Date</b>	12/12/2003
<b>Manager Tenure</b>	1

#### Return Summary Ending December 31, 2022



#### Fund Characteristics as of December 31, 2022

<b>Sharpe Ratio (3 Year)</b>	0.07
<b>Average Duration</b>	6.54
<b>Average Coupon</b>	0.75%
<b>Average Effective Maturity</b>	7.10
<b>R-Squared (3 Year)</b>	0.99
<b>Alpha (3 Year)</b>	0.00%
<b>Beta (3 Year)</b>	0.97

#### Credit Quality as of December 31, 2022

<b>AAA</b>	95.88%
<b>AA</b>	0.00%
<b>A</b>	0.00%
<b>BBB</b>	0.00%
<b>BB</b>	0.00%
<b>B</b>	0.00%
<b>Below B</b>	0.00%
<b>Not Rated</b>	4.12%

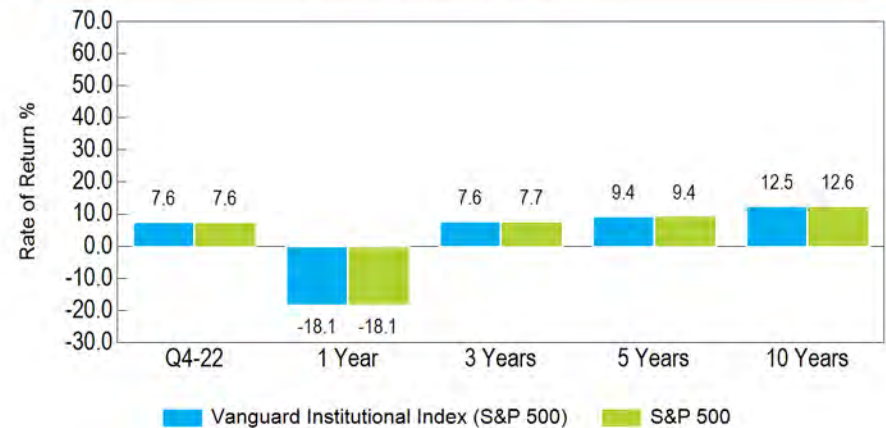
#### Fixed Income Sectors as of December 31, 2022

<b>GOVERNMENT</b>	95.9%
<b>MUNICIPAL</b>	0.0%
<b>CORPORATE</b>	0.0%
<b>SECURITIZED</b>	0.0%
<b>CASH &amp; EQUIVALENTS</b>	4.1%
<b>DERIVATIVE</b>	0.0%

#### Portfolio Fund Information as of December 31, 2022

Ticker	VIIIIX
Morningstar Category	Large Blend
Average Market Cap (\$mm)	161,356.68
Net Assets (\$mm)	129,298.87
% Assets in Top 10 Holdings	24.29
Total Number of Holdings	506
Manager Name	Donald M. Butler
Manager Tenure	22
Expense Ratio	0.02%
Closed to New Investors	No

#### Return Summary Ending December 31, 2022



#### Equity Characteristics Within Mutual Funds as of December 31, 2022 Versus S&P 500

	Portfolio	S&P 500
Average Market Cap (Billions)	161.36	415.56
Price To Earnings	16.93	19.49
Price To Book	3.23	3.88
Return On Equity	31.17	29.96
Dividend Yield	1.93%	1.74%
Beta (3 Year)	1.00	1.00

#### Top Holdings as of December 31, 2022

APPLE INC	6.0%
MICROSOFT CORP	5.5%
AMAZON.COM INC	2.3%
BERKSHIRE HATHAWAY INC CLASS B	1.7%
ALPHABET INC CLASS A	1.6%
UNITEDHEALTH GROUP INC	1.5%
ALPHABET INC CLASS C	1.5%
JOHNSON & JOHNSON	1.4%
EXXON MOBIL CORP	1.4%
JPMORGAN CHASE & CO	1.2%

#### Sector Allocation as of December 31, 2022

BASIC MATERIALS	2.5%
COMMUNICATION SERVICES	7.3%
CONSUMER CYCLICAL	9.6%
CONSUMER DEFENSIVE	7.6%
ENERGY	5.2%
FINANCIAL SERVICES	13.9%
HEALTHCARE	15.9%
INDUSTRIALS	9.1%
REAL ESTATE	2.8%
TECHNOLOGY	23.0%
UTILITIES	3.2%

### Vanguard Total International Stock Index | As of December 31, 2022

#### Portfolio Fund Information as of December 31, 2022

<b>Ticker</b>	VTSNX
<b>Morningstar Category</b>	Foreign Large Blend
<b>Average Market Cap (\$mm)</b>	25,156.15
<b>Net Assets (\$mm)</b>	35,301.47
<b>% Assets in Top 10 Holdings</b>	8.85
<b>Total Number of Holdings</b>	7,900
<b>Manager Name</b>	Michael Perre
<b>Manager Tenure</b>	15
<b>Expense Ratio</b>	0.08%
<b>Closed to New Investors</b>	No

#### Top Regions as of December 31, 2022

<b>EUROZONE</b>	18.79%
<b>JAPAN</b>	15.28%
<b>ASIA EMERGING</b>	15.20%
<b>EUROPE EXEIRO</b>	10.86%
<b>ASIA DEVELOPED</b>	10.30%

#### Return Summary Ending December 31, 2022



#### Equity Characteristics Within Mutual Funds as of December 31, 2022

Versus FTSE All World ex US

	Portfolio	FTSE All World ex US
<b>Average Market Cap (Billions)</b>	25.16	76.42
<b>Price To Earnings</b>	11.47	12.55
<b>Price To Book</b>	1.39	2.39
<b>Return On Equity</b>	17.72	15.10
<b>Dividend Yield</b>	4.06%	3.48%
<b>Beta (3 Year)</b>	1.04	1.00
<b>R-Squared (3 Year)</b>	0.99	1.00

#### Top Holdings as of December 31, 2022

<b>TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD</b>	1.3%
<b>NESTLE SA</b>	1.2%
<b>TENCENT HOLDINGS LTD</b>	1.0%
<b>ASML HOLDING NV</b>	0.8%
<b>ROCHE HOLDING AG</b>	0.8%
<b>NOVO NORDISK A/S CLASS B</b>	0.8%
<b>SAMSUNG ELECTRONICS CO LTD</b>	0.8%
<b>ASTRAZENECA PLC</b>	0.8%
<b>SHELL PLC</b>	0.8%
<b>NOVARTIS AG</b>	0.7%

#### Sector Allocation as of December 31, 2022

<b>BASIC MATERIALS</b>	8.6%
<b>COMMUNICATION SERVICES</b>	5.9%
<b>CONSUMER CYCLICAL</b>	11.1%
<b>CONSUMER DEFENSIVE</b>	8.0%
<b>ENERGY</b>	5.7%
<b>FINANCIAL SERVICES</b>	19.8%
<b>HEALTHCARE</b>	9.6%
<b>INDUSTRIALS</b>	13.6%
<b>REAL ESTATE</b>	3.6%
<b>TECHNOLOGY</b>	11.0%
<b>UTILITIES</b>	3.2%

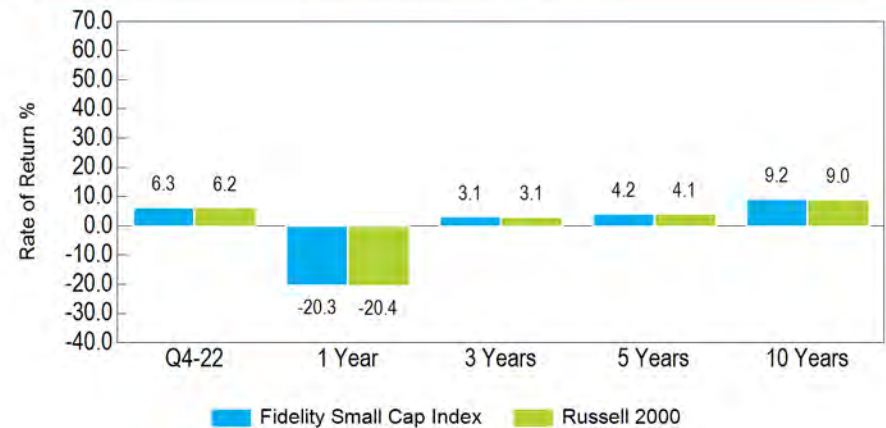
<sup>1</sup> The portfolio's equity characteristics are calculated by Morningstar. Index characteristics are calculated by InvestorForce using a different methodology, which accounts for the differences between the portfolio and the index.

<sup>2</sup> 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.

#### Portfolio Fund Information as of December 31, 2022

<b>Ticker</b>	FSSNX
<b>Morningstar Category</b>	Small Blend
<b>Average Market Cap (\$mm)</b>	2,280.21
<b>Net Assets (\$mm)</b>	19,694.04
<b>% Assets in Top 10 Holdings</b>	4.25
<b>Total Number of Holdings</b>	1,957
<b>Manager Name</b>	Louis Bottari
<b>Manager Tenure</b>	11
<b>Expense Ratio</b>	0.03%
<b>Closed to New Investors</b>	No

#### Return Summary Ending December 31, 2022



#### Equity Characteristics Within Mutual Funds as of December 31, 2022 Versus Russell 2000

	Portfolio	Russell 2000
<b>Average Market Cap (Billions)</b>	2.28	2.98
<b>Price To Earnings</b>	12.46	13.05
<b>Price To Book</b>	1.78	2.32
<b>Return On Equity</b>	10.40	5.92
<b>Dividend Yield</b>	1.58%	1.52%

#### Top Holdings as of December 31, 2022

<b>FIDELITY REVERE STR TR</b>	1.0%
<b>E-MINI RUSSELL 2000 INDEX FUTURE DEC 22</b>	0.9%
<b>SHOCKWAVE MEDICAL INC</b>	0.4%
<b>EMCOR GROUP INC</b>	0.3%
<b>HALOZYME THERAPEUTICS INC</b>	0.3%
<b>MATADOR RESOURCES CO</b>	0.3%
<b>INSPIRE MEDICAL SYSTEMS INC</b>	0.3%
<b>KARUNA THERAPEUTICS INC</b>	0.3%
<b>MURPHY OIL CORP</b>	0.3%
<b>IRIDIUM COMMUNICATIONS INC</b>	0.3%

#### Sector Allocation as of December 31, 2022

<b>BASIC MATERIALS</b>	4.3%
<b>COMMUNICATION SERVICES</b>	2.5%
<b>CONSUMER CYCLICAL</b>	10.4%
<b>CONSUMER DEFENSIVE</b>	4.2%
<b>ENERGY</b>	6.7%
<b>FINANCIAL SERVICES</b>	16.3%
<b>HEALTHCARE</b>	16.1%
<b>INDUSTRIALS</b>	14.7%
<b>REAL ESTATE</b>	7.7%
<b>TECHNOLOGY</b>	13.6%
<b>UTILITIES</b>	3.5%



#### Portfolio Fund Information as of December 31, 2022

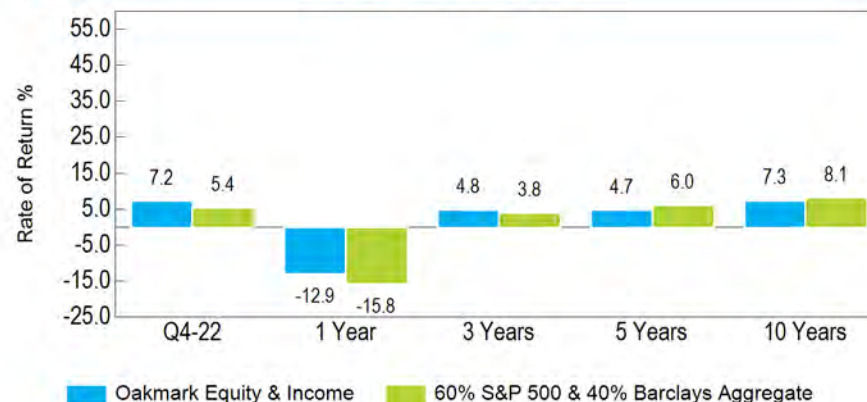
<b>Ticker</b>	OAKBX
<b>Morningstar Category</b>	Allocation--70% to 85% Equity
<b>Average Market Cap (\$mm)</b>	38,948.23
<b>Net Assets (\$mm)</b>	4,345.30
<b>% Assets in Top 10 Holdings</b>	27.75
<b>Total Number of Holdings</b>	235
<b>Manager Name</b>	Clyde S. McGregor
<b>Manager Tenure</b>	27
<b>Expense Ratio</b>	0.84%
<b>Closed to New Investors</b>	No

#### Fund Characteristics as of December 31, 2022

Versus 60% S&P 500 & 40% Barclays Aggregate

<b>Sharpe Ratio (3 Year)</b>	0.23
<b>Average Market Cap (\$mm)</b>	38,948.23
<b>Price/Earnings</b>	9.96
<b>Price/Book</b>	1.72
<b>Price/Sales</b>	0.86
<b>Price/Cash Flow</b>	5.00
<b>Dividend Yield</b>	2.02
<b>Number of Equity Holdings</b>	45
<b>R-Squared (3 Year)</b>	0.83
<b>Alpha (3 Year)</b>	0.06%

#### Return Summary Ending December 31, 2022



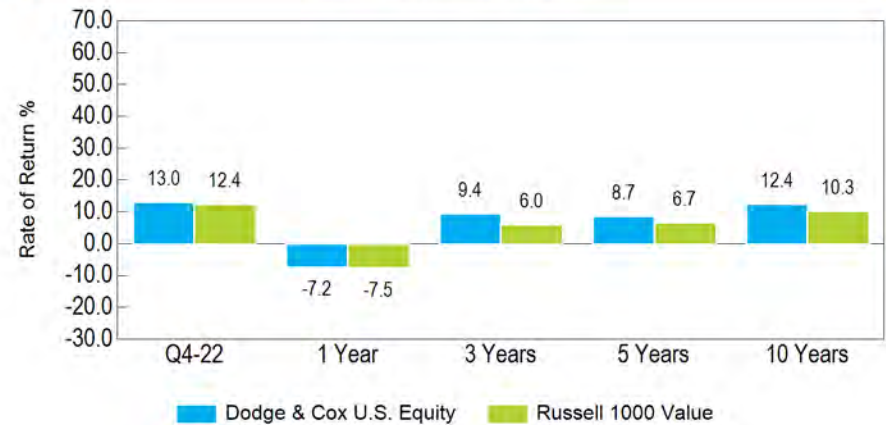
#### Top Holdings as of December 31, 2022

<b>UNITED STATES TREASURY NOTES 3.125%</b>	4.8%
<b>ALPHABET INC CLASS A</b>	3.7%
<b>GLENCORE PLC</b>	3.1%
<b>HCA HEALTHCARE INC</b>	2.8%
<b>BANK OF AMERICA CORP</b>	2.4%
<b>TE CONNECTIVITY LTD</b>	2.3%
<b>GENERAL MOTORS CO</b>	2.2%
<b>AMAZON.COM INC</b>	2.2%
<b>REINSURANCE GROUP OF AMERICA INC</b>	2.2%
<b>BORGWARNER INC</b>	2.1%

#### Portfolio Fund Information as of December 31, 2022

Ticker	DODGX
Morningstar Category	Large Value
Average Market Cap (\$mm)	76,983.45
Net Assets (\$mm)	67,386.41
% Assets in Top 10 Holdings	32.56
Total Number of Holdings	82
Manager Name	David C. Hoeft
Manager Tenure	21
Expense Ratio	0.51%
Closed to New Investors	Yes

#### Return Summary Ending December 31, 2022



#### Equity Characteristics Within Mutual Funds as of December 31, 2022 Versus Russell 1000 Value

	Portfolio	Russell 1000 Value
Average Market Cap (Billions)	76.98	152.32
Price To Earnings	11.56	15.56
Price To Book	1.92	2.46
Return On Equity	20.01	16.74
Dividend Yield	2.31%	2.29%
Beta (3 Year)	1.13	1.00
R-Squared (3 Year)	0.96	1.00

#### Top Holdings as of December 31, 2022

CHARLES SCHWAB CORP	4.9%
OCCIDENTAL PETROLEUM CORP	4.3%
WELLS FARGO & CO	3.7%
SANOFI SA ADR	3.3%
METLIFE INC	3.1%
CIGNA CORP	2.9%
FISERV INC	2.7%
ALPHABET INC CLASS C	2.6%
RAYTHEON TECHNOLOGIES CORP	2.6%
CAPITAL ONE FINANCIAL CORP	2.5%

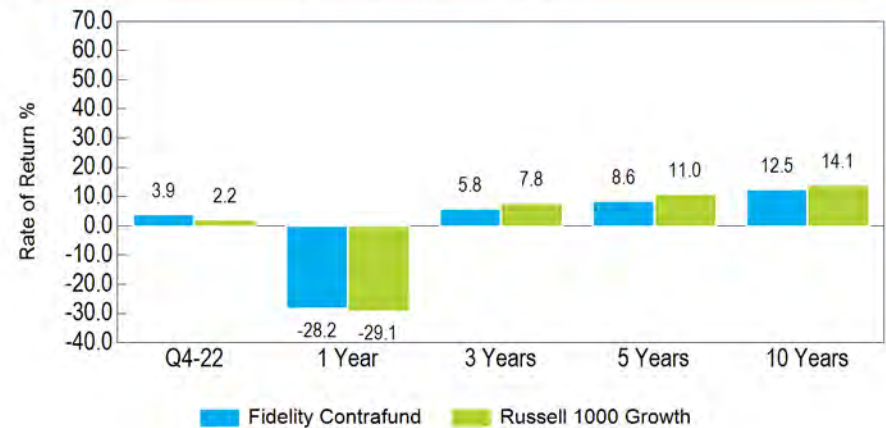
#### Sector Allocation as of December 31, 2022

BASIC MATERIALS	1.5%
COMMUNICATION SERVICES	11.3%
CONSUMER CYCLICAL	3.1%
CONSUMER DEFENSIVE	2.3%
ENERGY	7.4%
FINANCIAL SERVICES	23.8%
HEALTHCARE	22.4%
INDUSTRIALS	10.4%
REAL ESTATE	0.3%
TECHNOLOGY	17.5%
UTILITIES	0.0%

#### Portfolio Fund Information as of December 31, 2022

Ticker	FCNKX
Morningstar Category	Large Growth
Average Market Cap (\$mm)	236,385.04
Net Assets (\$mm)	8,671.79
% Assets in Top 10 Holdings	45.98
Total Number of Holdings	329
Manager Name	William Danoff
Manager Tenure	32
Expense Ratio	0.74%
Closed to New Investors	No

#### Return Summary Ending December 31, 2022



#### Equity Characteristics Within Mutual Funds as of December 31, 2022 Versus Russell 1000 Growth

	Portfolio	Russell 1000 Growth
Average Market Cap (Billions)	236.39	626.16
Price To Earnings	17.43	24.70
Price To Book	3.06	8.59
Return On Equity	28.69	43.71
Dividend Yield	1.32%	1.12%
Beta (3 Year)	0.91	1.00
R-Squared (3 Year)	0.98	1.00

#### Top Holdings as of December 31, 2022

BERKSHIRE HATHAWAY INC CLASS A	9.7%
UNITEDHEALTH GROUP INC	6.0%
MICROSOFT CORP	6.0%
META PLATFORMS INC CLASS A	5.5%
AMAZON.COM INC	5.0%
APPLE INC	4.0%
ELI LILLY AND CO	2.6%
FIDELITY REVERE STR TR	2.5%
ALPHABET INC CLASS A	2.5%
ALPHABET INC CLASS C	2.2%

#### Sector Allocation as of December 31, 2022

BASIC MATERIALS	3.5%
COMMUNICATION SERVICES	13.2%
CONSUMER CYCLICAL	10.0%
CONSUMER DEFENSIVE	3.5%
ENERGY	7.1%
FINANCIAL SERVICES	18.9%
HEALTHCARE	18.4%
INDUSTRIALS	4.6%
REAL ESTATE	0.1%
TECHNOLOGY	20.4%
UTILITIES	0.4%

Portfolio Fund Information as of December 31, 2022			Top Regions as of December 31, 2022		Return Summary Ending December 31, 2022	
Ticker	FDIKX		EUROZONE	28.41%		
Morningstar Category	Foreign Large Growth		JAPAN	16.66%		
Average Market Cap (\$mm)	50,651.37		EUROPE EXEIRO	13.91%		
Net Assets (\$mm)	1,426.73		UNITED KINGDOM	12.32%		
% Assets in Top 10 Holdings	21.73		UNITED STATES	9.45%		
Total Number of Holdings	153					
Manager Name	William Bower					
Manager Tenure	22					
Expense Ratio	0.91%					
Closed to New Investors	No					
Equity Characteristics Within Mutual Funds as of December 31, 2022			Top Holdings as of December 31, 2022		Sector Allocation as of December 31, 2022	
Versus MSCI EAFE			NESTLE SA	2.8%	BASIC MATERIALS	7.5%
			ASML HOLDING NV ADR	2.8%	COMMUNICATION SERVICES	2.6%
			LVMH MOET HENNESSY LOUIS VUITTON SE	2.5%	CONSUMER CYCLICAL	7.0%
			ROCHE HOLDING AG	2.5%	CONSUMER DEFENSIVE	7.2%
			AIA GROUP LTD	2.3%	ENERGY	5.1%
			FIDELITY REVERE STR TR	2.0%	FINANCIAL SERVICES	23.2%
			HOYA CORP	1.9%	HEALTHCARE	13.2%
			LINDE PLC	1.7%	INDUSTRIALS	18.4%
			NOVO NORDISK A/S CLASS B	1.6%	REAL ESTATE	0.6%
			RELX PLC	1.6%	TECHNOLOGY	15.1%
					UTILITIES	0.0%

#### Portfolio Fund Information as of December 31, 2022

<b>Ticker</b>	RERGX
<b>Morningstar Category</b>	Foreign Large Growth
<b>Average Market Cap (\$mm)</b>	53,735.12
<b>Net Assets (\$mm)</b>	65,346.50
<b>% Assets in Top 10 Holdings</b>	24.00
<b>Total Number of Holdings</b>	369
<b>Manager Name</b>	Carl M. Kawaja
<b>Manager Tenure</b>	22
<b>Expense Ratio</b>	0.46%
<b>Closed to New Investors</b>	No

#### Top Regions as of December 31, 2022

<b>EUROZONE</b>	25.42%
<b>ASIA EMERGING</b>	14.26%
<b>EUROPE EXEURO</b>	12.50%
<b>JAPAN</b>	11.95%
<b>ASIA DEVELOPED</b>	9.99%

#### Return Summary Ending December 31, 2022



#### Equity Characteristics Within Mutual Funds as of December 31, 2022 Versus MSCI ACWI ex USA

	Portfolio	MSCI ACWI ex USA
<b>Average Market Cap (Billions)</b>	53.74	80.65
<b>Price To Earnings</b>	15.39	12.84
<b>Price To Book</b>	2.44	2.41
<b>Return On Equity</b>	20.70	15.19
<b>Dividend Yield</b>	2.83%	3.42%
<b>Beta (3 Year)</b>	1.07	1.00
<b>R-Squared (3 Year)</b>	0.94	1.00

#### Top Holdings as of December 31, 2022

<b>NOVO NORDISK A/S CLASS B</b>	3.7%
<b>RELIANCE INDUSTRIES LTD</b>	3.1%
<b>LVMH MOET HENNESSY LOUIS VUITTON SE</b>	2.8%
<b>ASML HOLDING NV</b>	2.4%
<b>CANADIAN NATURAL RESOURCES LTD</b>	2.3%
<b>AIA GROUP LTD</b>	2.2%
<b>AIRBUS SE</b>	2.1%
<b>DAIICHI SANKYO CO LTD</b>	2.1%
<b>TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD</b>	1.9%
<b>SEA LTD ADR</b>	1.4%

#### Sector Allocation as of December 31, 2022

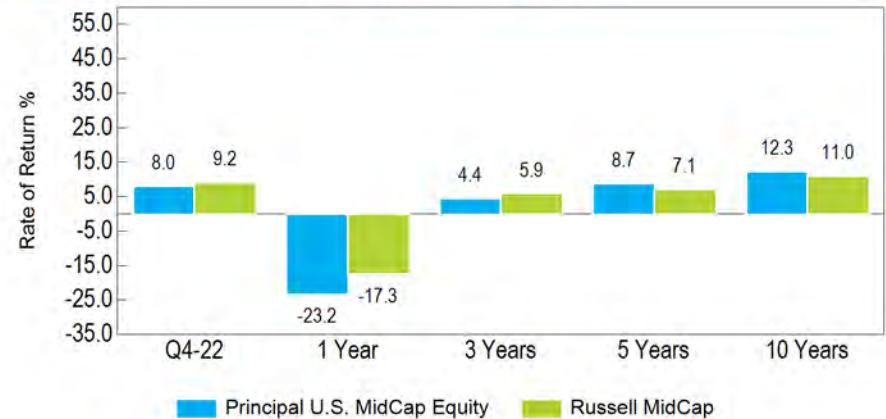
<b>BASIC MATERIALS</b>	8.6%
<b>COMMUNICATION SERVICES</b>	3.2%
<b>CONSUMER CYCLICAL</b>	12.9%
<b>CONSUMER DEFENSIVE</b>	7.4%
<b>ENERGY</b>	10.3%
<b>FINANCIAL SERVICES</b>	13.1%
<b>HEALTHCARE</b>	14.3%
<b>INDUSTRIALS</b>	13.8%
<b>REAL ESTATE</b>	0.7%
<b>TECHNOLOGY</b>	14.7%
<b>UTILITIES</b>	1.2%



#### Portfolio Fund Information as of December 31, 2022

Ticker	PCBIX
Morningstar Category	Mid-Cap Growth
Average Market Cap (\$mm)	23,975.10
Net Assets (\$mm)	9,790.84
% Assets in Top 10 Holdings	39.55
Total Number of Holdings	72
Manager Name	K. William Nolin
Manager Tenure	22
Expense Ratio	0.67%
Closed to New Investors	No

#### Return Summary Ending December 31, 2022



#### Equity Characteristics Within Mutual Funds as of December 31, 2022 Versus Russell MidCap

	Portfolio	Russell MidCap
Average Market Cap (Billions)	23.98	21.46
Price To Earnings	21.57	16.67
Price To Book	2.63	2.90
Return On Equity	20.42	17.84
Dividend Yield	0.86%	1.74%
Beta (3 Year)	1.03	1.00
R-Squared (3 Year)	0.94	1.00

#### Top Holdings as of December 31, 2022

TRANSDIGM GROUP INC	5.4%
O'REILLY AUTOMOTIVE INC	4.9%
COSTAR GROUP INC	4.6%
COPART INC	4.4%
BROOKFIELD CORP REGISTERED SHS	3.8%
-A- LIMITED VTG	3.8%
HEICO CORP CLASS A	3.5%
HILTON WORLDWIDE HOLDINGS INC	3.2%
MARKEL CORP	3.1%
VULCAN MATERIALS CO	3.0%
KKR & CO INC ORDINARY SHARES	3.0%

#### Sector Allocation as of December 31, 2022

BASIC MATERIALS	6.0%
COMMUNICATION SERVICES	3.7%
CONSUMER CYCLICAL	22.0%
CONSUMER DEFENSIVE	1.7%
ENERGY	0.0%
FINANCIAL SERVICES	22.1%
HEALTHCARE	3.5%
INDUSTRIALS	15.7%
REAL ESTATE	10.0%
TECHNOLOGY	12.2%
UTILITIES	3.2%

#### Portfolio Fund Information as of December 31, 2022

<b>Ticker</b>	PMEGX
<b>Morningstar Category</b>	Mid-Cap Growth
<b>Average Market Cap (\$mm)</b>	17,856.99
<b>Net Assets (\$mm)</b>	4,845.96
<b>% Assets in Top 10 Holdings</b>	23.07
<b>Total Number of Holdings</b>	119
<b>Manager Name</b>	Brian W.H. Berghuis
<b>Manager Tenure</b>	27
<b>Expense Ratio</b>	0.61%
<b>Closed to New Investors</b>	Yes

#### Return Summary Ending December 31, 2022



#### Equity Characteristics Within Mutual Funds as of December 31, 2022 Versus Russell MidCap Growth

	Portfolio	Russell MidCap Growth
<b>Average Market Cap (Billions)</b>	17.86	24.07
<b>Price To Earnings</b>	19.26	23.53
<b>Price To Book</b>	3.30	6.22
<b>Return On Equity</b>	19.84	24.61
<b>Dividend Yield</b>	1.26%	0.84%
<b>Beta (3 Year)</b>	0.91	1.00
<b>R-Squared (3 Year)</b>	0.95	1.00

#### Top Holdings as of December 31, 2022

<b>HOLOGIC INC</b>	3.2%
<b>MICROCHIP TECHNOLOGY INC</b>	2.9%
<b>AGILENT TECHNOLOGIES INC</b>	2.6%
<b>TEXTRON INC</b>	2.4%
<b>TELEFLEX INC</b>	2.4%
<b>INGERSOLL RAND INC</b>	2.3%
<b>BURLINGTON STORES INC</b>	2.1%
<b>BRUKER CORP</b>	1.8%
<b>MARVELL TECHNOLOGY INC</b>	1.7%
<b>KEYSIGHT TECHNOLOGIES INC</b>	1.7%

#### Sector Allocation as of December 31, 2022

<b>BASIC MATERIALS</b>	3.3%
<b>COMMUNICATION SERVICES</b>	1.7%
<b>CONSUMER CYCLICAL</b>	15.4%
<b>CONSUMER DEFENSIVE</b>	3.5%
<b>ENERGY</b>	2.7%
<b>FINANCIAL SERVICES</b>	6.7%
<b>HEALTHCARE</b>	24.1%
<b>INDUSTRIALS</b>	16.7%
<b>REAL ESTATE</b>	1.1%
<b>TECHNOLOGY</b>	24.9%
<b>UTILITIES</b>	0.0%

#### Portfolio Fund Information as of November 30, 2022

Ticker	FLPKX
Morningstar Category	Mid-Cap Value
Average Market Cap (\$mm)	9,342.23
Net Assets (\$mm)	3,631.57
% Assets in Top 10 Holdings	31.39
Total Number of Holdings	869
Manager Name	Joel C. Tillinghast
Manager Tenure	33
Expense Ratio	0.56%
Closed to New Investors	No

#### Return Summary Ending December 31, 2022



#### Equity Characteristics Within Mutual Funds as of November 30, 2022 Versus Russell 2500 Value

	Portfolio	Russell 2500 Value
Average Market Cap (Billions)	9.34	6.54
Price To Earnings	8.65	12.35
Price To Book	1.34	2.04
Return On Equity	24.02	11.02
Dividend Yield	2.79%	2.04%
Beta (3 Year)	0.79	1.00
R-Squared (3 Year)	0.94	1.00

#### Top Holdings as of November 30, 2022

UNITEDHEALTH GROUP INC	5.0%
AUTOZONE INC	4.6%
METRO INC	4.0%
FIDELITY REVERE STR TR	4.0%
ELEVANCE HEALTH INC	3.2%
NEXT PLC	2.3%
MONSTER BEVERAGE CORP	2.3%
ROSS STORES INC	2.2%
UNUM GROUP	2.0%
MURPHY OIL CORP	1.8%

#### Sector Allocation as of November 30, 2022

BASIC MATERIALS	4.8%
COMMUNICATION SERVICES	0.8%
CONSUMER CYCLICAL	18.6%
CONSUMER DEFENSIVE	10.6%
ENERGY	13.5%
FINANCIAL SERVICES	13.6%
HEALTHCARE	18.0%
INDUSTRIALS	8.6%
REAL ESTATE	0.6%
TECHNOLOGY	9.3%
UTILITIES	1.5%



### Wellington Opportunistic Emerging Market Debt | As of December 31, 2022

#### Account Information

Account Name	Wellington Opportunistic Emerging Market Debt
Account Structure	Commingled Fund
Investment Style	Active
Inception Date	5/01/10
Account Type	Global Fixed Income
Benchmark	JP Morgan EMBI Global TR
Universe	eV Emg Mkts Fixed Inc - Hard Currency Net

#### Portfolio Performance Summary

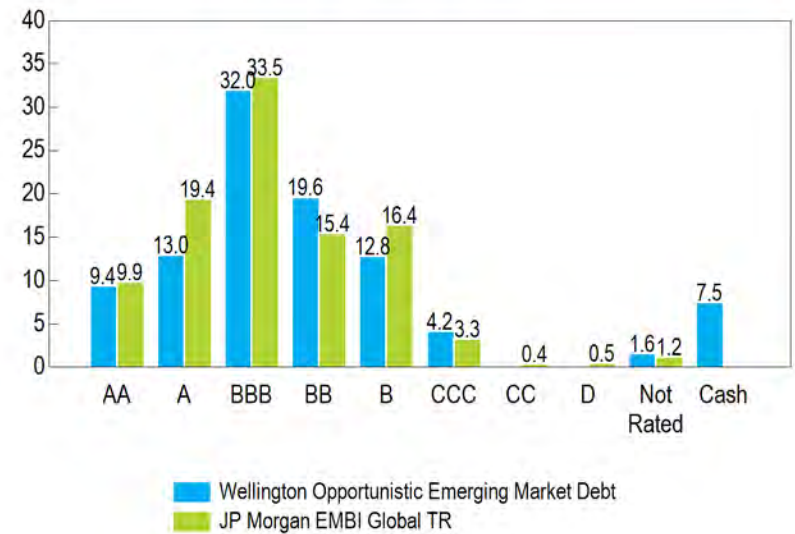
	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Wellington Opportunistic Emerging Market Debt	8.7	-16.7	-4.6	-1.1	1.6	3.6	May-10
JP Morgan EMBI Global TR	7.4	-16.5	-4.5	-1.0	1.3	3.6	May-10
eV Emg Mkts Fixed Inc - Hard Currency Net Median	8.9	-16.7	-4.5	-1.1	1.3	3.5	May-10
eV Emg Mkts Fixed Inc - Hard Currency Net Rank	58	51	55	50	27	34	May-10

#### Wellington Emerging Market Debt Fixed Income Characteristics

##### vs. JP Morgan EMBI Global TR

	Portfolio Q4-22	Index Q4-22	Portfolio Q3-22
Fixed Income Characteristics			
Yield to Maturity	7.71	7.23	8.58
Average Duration	6.90	6.96	6.72
Average Quality	BBB	BBB	BBB

#### Credit Quality Allocation



#### Fixed Income Sectors as of December 31, 2022

GOVERNMENT	42.9%
MUNICIPAL	0.0%
CORPORATE	0.0%
SECURITIZED	0.0%
CASH & EQUIVALENTS	5.2%
DERIVATIVE	51.9%

#### Portfolio Fund Information as of December 31, 2022

<b>Ticker</b>	PDRDX
<b>Morningstar Category</b>	Global Allocation
<b>Average Market Cap (\$mm)</b>	16,814.85
<b>Net Assets (\$mm)</b>	2,219.97
<b>% Assets in Top 10 Holdings</b>	26.05
<b>Total Number of Holdings</b>	810
<b>Manager Name</b>	Jessica S. Bush
<b>Manager Tenure</b>	9
<b>Expense Ratio</b>	0.83%
<b>Closed to New Investors</b>	No

#### Fund Characteristics as of December 31, 2022

Versus Real Asset Custom Benchmark

<b>Sharpe Ratio (3 Year)</b>	0.25
<b>Average Market Cap (\$mm)</b>	16,814.85
<b>Price/Earnings</b>	15.36
<b>Price/Book</b>	1.66
<b>Price/Sales</b>	1.54
<b>Price/Cash Flow</b>	6.79
<b>Dividend Yield</b>	4.04
<b>Number of Equity Holdings</b>	314
<b>R-Squared (3 Year)</b>	0.94
<b>Alpha (3 Year)</b>	-0.10%

#### Return Summary Ending December 31, 2022



#### Top Holdings as of December 31, 2022

<b>DRACAY CREDIT SUISSE - 30</b>	13.0%
<b>PRINCIPAL GOVERNMENT MONEY MARKET R-6</b>	2.5%
<b>DRACAY WELLINGTON</b>	2.1%
<b>NATIONAL GRID PLC</b>	1.3%
<b>SSE PLC</b>	1.3%
<b>ENBRIDGE INC</b>	1.3%
<b>TRANSURBAN GROUP</b>	1.2%
<b>IBERDROLA SA</b>	1.2%
<b>TC ENERGY CORP</b>	1.2%
<b>ISHARES 0-5 YEAR TIPS BOND ETF</b>	1.0%

<sup>1</sup> The Real Asset Custom Benchmark is comprised of 40% Barclays U.S. TIPS, 40% MSCI ACWI, and 20% Bloomberg Commodity Index.

### Aberdeen Emerging Markets Equity | As of December 31, 2022

Portfolio Fund Information as of December 31, 2022			Top Regions as of December 31, 2022		Return Summary Ending December 31, 2022	
Ticker	ABEMX		ASIA EMERGING	40.86%		
Morningstar Category	Diversified Emerging Mkts		LATIN AMERICA	25.38%		
Average Market Cap (\$mm)	53,212.31		ASIA DEVELOPED	23.91%		
Net Assets (\$mm)	1,549.25		EUROZONE	3.19%		
% Assets in Top 10 Holdings	38.76		AFRICA	2.76%		
Total Number of Holdings	79					
Manager Name	Kristy Fong					
Manager Tenure	16					
Expense Ratio	1.10%					
Closed to New Investors	No					

Equity Characteristics Within Mutual Funds as of December 31, 2022 Versus MSCI Emerging Markets			Top Holdings as of December 31, 2022		Sector Allocation as of December 31, 2022	
	Portfolio	MSCI Emerging Markets	TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	6.9%	BASIC MATERIALS	8.7%
			SAMSUNG ELECTRONICS CO LTD	5.9%	COMMUNICATION SERVICES	8.1%
			PARTICIPATING PREFERRED	5.7%	CONSUMER CYCLICAL	7.7%
			TENCENT HOLDINGS LTD	5.7%	CONSUMER DEFENSIVE	7.6%
Average Market Cap (Billions)	53.21	95.69	ALIBABA GRP HLDG	4.2%	ENERGY	3.4%
Price To Earnings	14.36	11.40	HOUSING DEVELOPMENT FINANCE CORP LTD	3.9%	FINANCIAL SERVICES	28.1%
Price To Book	2.19	2.60	JD.COM	2.8%	HEALTHCARE	1.3%
Return On Equity	20.55	14.40	AIA GROUP LTD	2.7%	INDUSTRIALS	6.5%
Dividend Yield	3.08%	3.39%	SBI LIFE INSURANCE COMPANY LIMITED	2.5%	REAL ESTATE	1.3%
Beta (3 Year)	1.09	1.00	LG CHEM LTD	2.2%	TECHNOLOGY	25.5%
R-Squared (3 Year)	0.94	1.00	KOTAK MAHINDRA BANK LTD	2.0%	UTILITIES	2.0%

Fund Information, Equity Characteristics, Top Regions, Top Holdings, and Sector Allocation data unavailable as of 12/31/2022. 10/31/2022 data is shown instead.

#### Fund Information as of December 31, 2022

<b>Fund Name</b>	COLUMBIA HIGH YIELD BOND INST3
<b>Ticker</b>	CHYYX
<b>Morningstar Category</b>	High Yield Bond
<b>Benchmark</b>	ICE BofA US High Yield Cash Pay Constrained TR
<b>Expense Ratio</b>	0.63%
<b>Fund Assets (\$mm)</b>	556.25
<b>Share Class Inception Date</b>	11/8/2012
<b>Manager Tenure</b>	13

#### Return Summary Ending December 31, 2022



#### Fund Characteristics as of December 31, 2022

<b>Sharpe Ratio (3 Year)</b>	-0.08
<b>Average Duration</b>	3.96
<b>Average Coupon</b>	5.52%
<b>Average Effective Maturity</b>	5.34
<b>R-Squared (3 Year)</b>	0.99
<b>Alpha (3 Year)</b>	0.00%
<b>Beta (3 Year)</b>	0.98

#### Credit Quality as of December 31, 2022

<b>AAA</b>	2.8%
<b>AA</b>	0.0%
<b>A</b>	0.0%
<b>BBB</b>	1.7%
<b>BB</b>	40.4%
<b>B</b>	43.1%
<b>Below B</b>	12.1%
<b>Not Rated</b>	0.0%

#### Fixed Income Sectors as of December 31, 2022

<b>GOVERNMENT</b>	0.0%
<b>MUNICIPAL</b>	0.0%
<b>CORPORATE</b>	97.2%
<b>SECURITIZED</b>	0.0%
<b>CASH &amp; EQUIVALENTS</b>	2.8%

<sup>1</sup> Columbia Institutional High Yield is a component of the LifeCycle Funds only and is not available as a participant directed investment option.

### Prudential Retirement Real Estate Fund II | As of December 31, 2022

#### Account Information

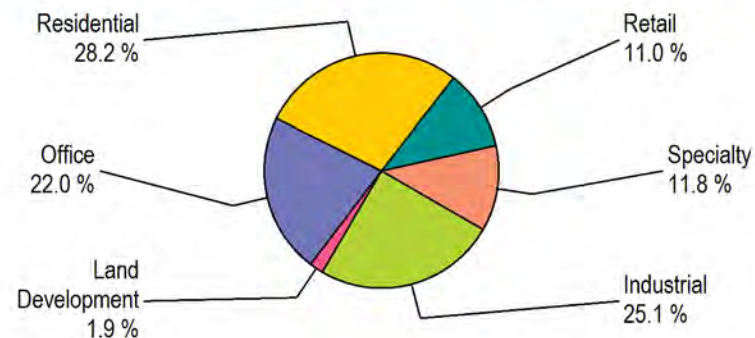
Account Name	Prudential Retirement Real Estate Fund II
Account Structure	Other
Investment Style	Active
Inception Date	1/01/18
Account Type	Real Estate
Benchmark	PRREF II Custom Benchmark
Expense Ratio	0.90%

	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	Inception (%)	Inception Date
Prudential Retirement Real Estate Fund II	-4.9	1.5	7.9	7.6	7.6	Jan-18
PRREF II Custom Benchmark	-3.5	2.2	8.6	8.0	8.0	Jan-18

#### Geographic Diversification Allocation as of December 31, 2022



#### Property Type Allocation Allocation as of September 30, 2022



<sup>1</sup> The PRREF II Custom Benchmark is comprised of 15% MSCI REIT and 85% NCREIF ODCE Index.

PRREF II Q4'22 Geographic Diversification and Property Type allocations unavailable at the time of report completion.

**Benchmark History**  
**As of December 31, 2022**
**New Mexico Conservative Portfolio**

1/1/2022	Present	22% Citigroup 3-month Treasury Bill + 1% / 19% Bloomberg US Aggregate TR / 12% Bloomberg US TIPS TR / 5% JP Morgan EMBI Global TR / 8% Bloomberg US High Yield TR / 8% S&P 500 / 3% Russell 2500 / 7% MSCI ACWI ex USA / 3% MSCI Emerging Markets / 8% PRREF II Custom Benchmark / 5% Real Asset Custom Benchmark
1/1/2021	12/31/2021	22% Citigroup 3-month Treasury Bill + 1% / 19% Bloomberg US Aggregate TR / 12% Bloomberg US TIPS TR / 5% FTSE WGBI TR / 8% Bloomberg US High Yield TR / 8% S&P 500 / 3% Russell 2500 / 7% MSCI ACWI ex USA / 3% MSCI Emerging Markets / 8% PRREF II Custom Benchmark / 5% Real Asset Custom Benchmark
1/1/2020	12/31/2020	22% Citigroup 3-month Treasury Bill + 1% / 19% Bloomberg US Aggregate TR / 12% Bloomberg US TIPS TR / 5% FTSE WGBI TR / 8% Bloomberg US High Yield TR / 8% S&P 500 / 3% Russell 2500 / 7% MSCI ACWI ex USA / 3% MSCI Emerging Markets / 8% PRREF II Custom Benchmark / 5% Real Asset Custom Benchmark
1/1/2019	12/31/2019	22% Citigroup 3-month Treasury Bill + 1% / 19% Bloomberg US Aggregate TR / 12% Bloomberg US TIPS TR / 5% FTSE WGBI TR / 8% Bloomberg US High Yield TR / 8% S&P 500 / 3% Russell 2500 / 7% MSCI ACWI ex USA / 3% MSCI Emerging Markets / 8% PRREF II Custom Benchmark / 5% Real Asset Custom Benchmark
1/1/2018	12/31/2018	22% Citigroup 3-month Treasury Bill + 1% / 19% Bloomberg US Aggregate TR / 12% Bloomberg US TIPS TR / 5% FTSE WGBI TR / 8% Bloomberg US High Yield TR / 8% S&P 500 / 3% Russell 2500 / 7% MSCI ACWI ex USA / 3% MSCI Emerging Markets / 8% PRREF II Custom Benchmark / 5% Real Asset Custom Benchmark
1/1/2017	12/31/2017	22% Citigroup 3-month Treasury Bill + 1% / 19% Bloomberg US Aggregate TR / 12% Bloomberg US TIPS TR / 5% FTSE WGBI TR / 8% Bloomberg US High Yield TR / 8% S&P 500 / 3% Russell 2500 / 7% MSCI ACWI ex USA / 3% MSCI Emerging Markets / 8% FTSE EPRA/NAREIT Global Real Estate Index / 5% Real Asset Custom Benchmark
5/1/2016	12/31/2016	22% FTSE T-Bill 3 Months TR / 12% Bloomberg US TIPS TR / 22% Bloomberg US Aggregate TR / 10% S&P 500 / 3% Russell 2500 / 8% MSCI EAFE / 6% FTSE WGBI TR / 8% FTSE EPRA/NAREIT Global Real Estate Index / 4% MSCI Emerging Markets / 5% Real Asset Custom Benchmark

**New Mexico LifeCycle 2025 Portfolio**

1/1/2022	Present	15.2% Citigroup 3-month Treasury Bill + 1% / 17.8% Bloomberg US Aggregate TR / 9.2% Bloomberg US TIPS TR / 5% JP Morgan EMBI Global TR / 7.2% Bloomberg US High Yield TR / 12% S&P 500 / 5% Russell 2500 / 10.6% MSCI ACWI ex USA / 4.6% MSCI Emerging Markets / 8.4% PRREF II Custom Benchmark / 5% Real Asset Custom Benchmark
1/1/2021	12/31/2021	13.5% Citigroup 3-month Treasury Bill + 1% / 17.5% Bloomberg US Aggregate TR / 8.5% Bloomberg US TIPS TR / 5% FTSE WGBI TR / 7% Bloomberg US High Yield TR / 13% S&P 500 / 5.5% Russell 2500 / 11.5% MSCI ACWI ex USA / 5.0% MSCI Emerging Markets / 8.5% PRREF II Custom Benchmark / 5% Real Asset Custom Benchmark



1/1/2020	12/31/2020	11.8% Citigroup 3-month Treasury Bill + 1% / 17.2% Bloomberg US Aggregate TR / 7.8% Bloomberg US TIPS TR / 5% FTSE WGBI TR / 6.8% Bloomberg US High Yield TR / 14.1% S&P 500 / 5.9% Russell 2500 / 12.6% MSCI ACWI ex USA / 5.2% MSCI Emerging Markets / 8.6% PRREF II Custom Benchmark / 5% Real Asset Custom Benchmark
1/1/2019	12/31/2019	10.1% Citigroup 3-month Treasury Bill + 1% / 16.9% Bloomberg US Aggregate TR / 7.1% Bloomberg US TIPS TR / 5% FTSE WGBI TR / 6.6% Bloomberg US High Yield TR / 15.2% S&P 500 / 6.3% Russell 2500 / 13.7% MSCI ACWI ex USA / 5.4% MSCI Emerging Markets / 8.7% PRREF II Custom Benchmark / 5% Real Asset Custom Benchmark
1/1/2018	12/31/2018	8.4% Citigroup 3-month Treasury Bill + 1% / 16.6% Bloomberg US Aggregate TR / 6.4% Bloomberg US TIPS TR / 5% FTSE WGBI TR / 6.4% Bloomberg US High Yield TR / 16.3% S&P 500 / 6.7% Russell 2500 / 14.8% MSCI ACWI ex USA / 5.6% MSCI Emerging Markets / 8.8% PRREF II Custom Benchmark / 5% Real Asset Custom Benchmark
1/1/2017	12/31/2017	6.7% Citigroup 3-month Treasury Bill + 1% / 16.3% Bloomberg US Aggregate TR / 5.7% Bloomberg US TIPS TR / 5% FTSE WGBI TR / 6.2% Bloomberg US High Yield TR / 17.4% S&P 500 / 7.1% Russell 2500 / 15.9% MSCI ACWI ex USA / 5.8% MSCI Emerging Markets / 8.9% FTSE EPRA/NAREIT Global Real Estate Index / 5% Real Asset Custom Benchmark
5/1/2016	12/31/2016	5% FTSE T-Bill 3 Months TR / 5% Bloomberg US TIPS TR / 19% Bloomberg US Aggregate TR / 18.5% S&P 500 / 8.5% Russell 2500 / 17% MSCI EAFE / 6% FTSE WGBI TR / 9% FTSE EPRA/NAREIT Global Real Estate Index / 7% MSCI Emerging Markets / 5% Real Asset Custom Benchmark
New Mexico LifeCycle 2030 Portfolio		
1/1/2022	Present	6.7% Citigroup 3-month Treasury Bill + 1% / 16.3% Bloomberg US Aggregate TR / 5.7% Bloomberg US TIPS TR / 5% JP Morgan EMBI Global TR / 6.2% Bloomberg US High Yield TR / 17.4% S&P 500 / 7.1% Russell 2500 / 15.9% MSCI ACWI ex USA / 5.8% MSCI Emerging Markets / 8.9% PRREF II Custom Benchmark / 5% Real Asset Custom Benchmark
1/1/2021	12/31/2021	5% Citigroup 3-month Treasury Bill + 1% / 16% Bloomberg US Aggregate TR / 5% Bloomberg US TIPS TR / 5% FTSE WGBI TR / 6% Bloomberg US High Yield TR / 18.5% S&P 500 / 7.5% Russell 2500 / 17% MSCI ACWI ex USA / 6% MSCI Emerging Markets / 9% PRREF II Custom Benchmark / 5% Real Asset Custom Benchmark
1/1/2020	12/31/2020	4.7% Citigroup 3-month Treasury Bill + 1% / 14.9% Bloomberg US Aggregate TR / 4.8% Bloomberg US TIPS TR / 4.9% FTSE WGBI TR / 5.9% Bloomberg US High Yield TR / 18.9% S&P 500 / 7.7% Russell 2500 / 17.4% MSCI ACWI ex USA / 6.4% MSCI Emerging Markets / 9.2% PRREF II Custom Benchmark / 5.2% Real Asset Custom Benchmark
1/1/2019	12/31/2019	4.4% Citigroup 3-month Treasury Bill + 1% / 13.8% Bloomberg US Aggregate TR / 4.6% Bloomberg US TIPS TR / 4.8% FTSE WGBI TR / 5.8% Bloomberg US High Yield TR / 19.3% S&P 500 / 7.9% Russell 2500 / 17.8% MSCI ACWI ex USA / 6.8% MSCI Emerging Markets / 9.4% PRREF II Custom Benchmark / 5.4% Real Asset Custom Benchmark
1/1/2018	12/31/2018	4.1% Citigroup 3-month Treasury Bill + 1% / 12.7% Bloomberg US Aggregate TR / 4.4% Bloomberg US TIPS TR / 4.7% FTSE WGBI TR / 5.7% Bloomberg US High Yield TR / 19.7% S&P 500 / 8.1% Russell 2500 / 18.2% MSCI ACWI ex USA / 7.2% MSCI Emerging Markets / 9.6% PRREF II Custom Benchmark / 5.6% Real Asset Custom Benchmark
1/1/2017	12/31/2017	3.8% Citigroup 3-month Treasury Bill + 1% / 11.6% Bloomberg US Aggregate TR / 4.2% Bloomberg US TIPS TR / 4.6% FTSE WGBI TR / 5.6% Bloomberg US High Yield TR / 20.1% S&P 500 / 8.3% Russell 2500 / 18.6% MSCI ACWI ex USA / 7.6% MSCI Emerging Markets / 9.8% FTSE EPRA/NAREIT Global Real Estate Index / 5.8% Real Asset Custom Benchmark

6/30/2016	12/31/2016	3.5% FTSE T-Bill 3 Months TR / 4% Bloomberg US TIPS TR / 13% Bloomberg US Aggregate TR / 20.8% S&P 500 / 9.3% Russell 2500 / 19.5% MSCI EAFE / 5.5% FTSE WGBI TR / 10% FTSE EPRA/NAREIT Global Real Estate Index / 8.5% MSCI Emerging Markets / 6% Real Asset Custom Benchmark
New Mexico LifeCycle 2035 Portfolio		
1/1/2022	Present	3.8% Citigroup 3-month Treasury Bill + 1% / 11.6% Bloomberg US Aggregate TR / 4.2% Bloomberg US TIPS TR / 4.6% JP Morgan EMBI Global TR / 5.6% Bloomberg US High Yield TR / 20.1% S&P 500 / 8.3% Russell 2500 / 18.6% MSCI ACWI ex USA / 7.6% MSCI Emerging Markets / 9.8% PRREF II Custom Benchmark / 5.8% Real Asset Custom Benchmark
1/1/2021	12/31/2021	3.5% Citigroup 3-month Treasury Bill + 1% / 10.5% Bloomberg US Aggregate TR / 4.0% Bloomberg US TIPS TR / 4.5% FTSE WGBI TR / 5.5% Bloomberg US High Yield TR / 20.5% S&P 500 / 8.5% Russell 2500 / 19% MSCI ACWI ex USA / 8% MSCI Emerging Markets / 10% PRREF II Custom Benchmark / 6% Real Asset Custom Benchmark
1/1/2020	12/31/2020	3.2% Citigroup 3-month Treasury Bill + 1% / 9.4% Bloomberg US Aggregate TR / 3.8% Bloomberg US TIPS TR / 4.4% FTSE WGBI TR / 5.4% Bloomberg US High Yield TR / 20.8% S&P 500 / 8.8% Russell 2500 / 19.5% MSCI ACWI ex USA / 8.3% MSCI Emerging Markets / 10.2% PRREF II Custom Benchmark / 6.2% Real Asset Custom Benchmark
1/1/2019	12/31/2019	2.9% Citigroup 3-month Treasury Bill + 1% / 8.3% Bloomberg US Aggregate TR / 3.6% Bloomberg US TIPS TR / 4.3% FTSE WGBI TR / 5.3% Bloomberg US High Yield TR / 21.1% S&P 500 / 9.1% Russell 2500 / 20% MSCI ACWI ex USA / 8.6% MSCI Emerging Markets / 10.4% PRREF II Custom Benchmark / 6.4% Real Asset Custom Benchmark
1/1/2018	12/31/2018	2.6% Citigroup 3-month Treasury Bill + 1% / 7.2% Bloomberg US Aggregate TR / 3.4% Bloomberg US TIPS TR / 4.2% FTSE WGBI TR / 5.2% Bloomberg US High Yield TR / 21.4% S&P 500 / 9.4% Russell 2500 / 20.5% MSCI ACWI ex USA / 8.9% MSCI Emerging Markets / 10.6% PRREF II Custom Benchmark / 6.6% Real Asset Custom Benchmark
1/1/2017	12/31/2017	2.3% Citigroup 3-month Treasury Bill + 1% / 6.1% Bloomberg US Aggregate TR / 3.2% Bloomberg US TIPS TR / 4.1% FTSE WGBI TR / 5.1% Bloomberg US High Yield TR / 21.7% S&P 500 / 9.7% Russell 2500 / 21% MSCI ACWI ex USA / 9.2% MSCI Emerging Markets / 10.8% FTSE EPRA/NAREIT Global Real Estate Index / 6.8% Real Asset Custom Benchmark
5/1/2016	12/31/2016	2% FTSE T-Bill 3 Months TR / 3% Bloomberg US TIPS TR / 7% Bloomberg US Aggregate TR / 23% S&P 500 / 10% Russell 2500 / 22% MSCI EAFE / 5% FTSE WGBI TR / 11% FTSE EPRA/NAREIT Global Real Estate Index / 10% MSCI Emerging Markets / 7% Real Asset Custom Benchmark
New Mexico LifeCycle 2040 Portfolio		
1/1/2022	Present	2.3% Citigroup 3-month Treasury Bill + 1% / 6.1% Bloomberg US Aggregate TR / 3.2% Bloomberg US TIPS TR / 4.1% JP Morgan EMBI Global TR / 5.1% Bloomberg US High Yield TR / 21.7% S&P 500 / 9.7% Russell 2500 / 21% MSCI ACWI ex USA / 9.2% MSCI Emerging Markets / 10.8% PRREF II Custom Benchmark / 6.8% Real Asset Custom Benchmark



1/1/2021	12/31/2021	2% Citigroup 3-month Treasury Bill + 1% / 5% Bloomberg US Aggregate TR / 3% Bloomberg US TIPS TR / 4% FTSE WGBI TR / 5% Bloomberg US High Yield TR / 22% S&P 500 / 10% Russell 2500 / 21.5% MSCI ACWI ex USA / 9.5% MSCI Emerging Markets / 11% PRREF II Custom Benchmark / 7% Real Asset Custom Benchmark
1/1/2020	12/31/2020	1.8% Citigroup 3-month Treasury Bill + 1% / 4.9% Bloomberg US Aggregate TR / 2.9% Bloomberg US TIPS TR / 3.9% FTSE WGBI TR / 4.8% Bloomberg US High Yield TR / 22.2% S&P 500 / 10.1% Russell 2500 / 21.8% MSCI ACWI ex USA / 9.6% MSCI Emerging Markets / 11% PRREF II Custom Benchmark / 7% Real Asset Custom Benchmark
1/1/2019	12/31/2019	1.6% Citigroup 3-month Treasury Bill + 1% / 4.8% Bloomberg US Aggregate TR / 2.8% Bloomberg US TIPS TR / 3.8% FTSE WGBI TR / 4.6% Bloomberg US High Yield TR / 22.4% S&P 500 / 10.2% Russell 2500 / 22.1% MSCI ACWI ex USA / 9.7% MSCI Emerging Markets / 11% PRREF II Custom Benchmark / 7% Real Asset Custom Benchmark
1/1/2018	12/31/2018	1.4% Citigroup 3-month Treasury Bill + 1% / 4.7% Bloomberg US Aggregate TR / 2.7% Bloomberg US TIPS TR / 3.7% FTSE WGBI TR / 4.4% Bloomberg US High Yield TR / 22.60% S&P 500 / 10.3% Russell 2500 / 22.4% MSCI ACWI ex USA / 9.8% MSCI Emerging Markets / 11% PRREF II Custom Benchmark / 7% Real Asset Custom Benchmark
1/1/2017	12/31/2017	1.2% Citigroup 3-month Treasury Bill + 1% / 4.6% Bloomberg US Aggregate TR / 2.6% Bloomberg US TIPS TR / 3.6% FTSE WGBI TR / 4.2% Bloomberg US High Yield TR / 22.8% S&P 500 / 10.4% Russell 2500 / 22.7% MSCI ACWI ex USA / 9.9% MSCI Emerging Markets / 11% FTSE EPRA/NAREIT Global Real Estate Index / 7% Real Asset Custom Benchmark
6/30/2016	12/31/2016	1% FTSE T-Bill 3 Months TR / 2.5% Bloomberg US TIPS TR / 6.5% Bloomberg US Aggregate TR / 23.8% S&P 500 / 10.3% Russell 2500 / 23.5% MSCI EAFE / 4.5% FTSE WGBI TR / 11% FTSE EPRA/NAREIT Global Real Estate Index / 10% MSCI Emerging Markets / 7% Real Asset Custom Benchmark
New Mexico LifeCycle 2045 Portfolio		
1/1/2022	Present	1.2% Citigroup 3-month Treasury Bill + 1% / 4.6% Bloomberg US Aggregate TR / 2.6% Bloomberg US TIPS TR / 3.6% JP Morgan EMBI Global TR / 4.2% Bloomberg US High Yield TR / 22.8% S&P 500 / 10.4% Russell 2500 / 22.7% MSCI ACWI ex USA / 9.9% MSCI Emerging Markets / 11% PRREF II Custom Benchmark / 7% Real Asset Custom Benchmark
1/1/2021	12/31/2021	1% Citigroup 3-month Treasury Bill + 1% / 4.5% Bloomberg US Aggregate TR / 2.5% Bloomberg US TIPS TR / 3.5% FTSE WGBI TR / 4.0% Bloomberg US High Yield TR / 23% S&P 500 / 10.5% Russell 2500 / 23% MSCI ACWI ex USA / 10% MSCI Emerging Markets / 11% PRREF II Custom Benchmark / 7% Real Asset Custom Benchmark
1/1/2020	12/31/2020	0.8% Citigroup 3-month Treasury Bill + 1% / 4.4% Bloomberg US Aggregate TR / 2.3% Bloomberg US TIPS TR / 3.4% FTSE WGBI TR / 3.9% Bloomberg US High Yield TR / 23.2% S&P 500 / 10.6% Russell 2500 / 23.4% MSCI ACWI ex USA / 10% MSCI Emerging Markets / 11% PRREF II Custom Benchmark / 7% Real Asset Custom Benchmark
1/1/2019	12/31/2019	0.6% Citigroup 3-month Treasury Bill + 1% / 4.3% Bloomberg US Aggregate TR / 2.1% Bloomberg US TIPS TR / 3.3% FTSE WGBI TR / 3.8% Bloomberg US High Yield TR / 23.4% S&P 500 / 10.7% Russell 2500 / 23.8% MSCI ACWI ex USA / 10% MSCI Emerging Markets / 11% PRREF II Custom Benchmark / 7% Real Asset Custom Benchmark

1/1/2018	12/31/2018	0.4% Citigroup 3-month Treasury Bill + 1% / 4.2% Bloomberg US Aggregate TR / 1.9% Bloomberg US TIPS TR / 3.2% FTSE WGBI TR / 3.7% Bloomberg US High Yield TR / 23.6% S&P 500 / 10.8% Russell 2500 / 24.2% MSCI ACWI ex USA / 10% MSCI Emerging Markets / 11% PRREF II Custom Benchmark / 7% Real Asset Custom Benchmark
1/1/2017	12/31/2017	.2% Citigroup 3-month Treasury Bill + 1% / 4.1% Bloomberg US Aggregate TR / 1.7% Bloomberg US TIPS TR / 3.1% FTSE WGBI TR / 3.6% Bloomberg US High Yield TR / 23.8% S&P 500 / 10.9% Russell 2500 / 24.6% MSCI ACWI ex USA / 10% MSCI Emerging Markets / 11% FTSE EPRA/NAREIT Global Real Estate Index / 7% Real Asset Custom Benchmark
5/1/2016	12/31/2016	2% Bloomberg US TIPS TR / 6% Bloomberg US Aggregate TR / 24.5% S&P 500 / 10.5% Russell 2500 / 25% MSCI EAFE / 4% FTSE WGBI TR / 11% FTSE EPRA/NAREIT Global Real Estate Index / 10% MSCI Emerging Markets / 7% Real Asset Custom Benchmark
<b>New Mexico LifeCycle 2050 Portfolio</b>		
1/1/2022	Present	0.2% Citigroup 3-month Treasury Bill + 1% / 4.1% Bloomberg US Aggregate TR / 1.7% Bloomberg US TIPS TR / 3.1% JP Morgan EMBI Global TR / 3.6% Bloomberg US High Yield TR / 23.8% S&P 500 / 10.9% Russell 2500 / 24.6% MSCI ACWI ex USA / 10% MSCI Emerging Markets / 11% PRREF II Custom Benchmark / 7% Real Asset Custom Benchmark
1/1/2021	12/31/2021	4% Bloomberg US Aggregate TR / 1.5% Bloomberg US TIPS TR / 3% FTSE WGBI TR / 3.5% Bloomberg US High Yield TR / 24% S&P 500 / 11% Russell 2500 / 25% MSCI ACWI ex USA / 10% MSCI Emerging Markets / 11% PRREF II Custom Benchmark / 7% Real Asset Custom Benchmark
1/1/2020	12/31/2020	3.8% Bloomberg US Aggregate TR / 1.4% Bloomberg US TIPS TR / 2.9% FTSE WGBI TR / 3.4% Bloomberg US High Yield TR / 24.2% S&P 500 / 10.9% Russell 2500 / 25.2% MSCI ACWI ex USA / 10% MSCI Emerging Markets / 11.1% PRREF II Custom Benchmark / 7.1% Real Asset Custom Benchmark
1/1/2019	12/31/2019	3.6% Bloomberg US Aggregate TR / 1.3% Bloomberg US TIPS TR / 2.8% FTSE WGBI TR / 3.3% Bloomberg US High Yield TR / 24.4% S&P 500 / 10.8% Russell 2500 / 25.4% MSCI ACWI ex USA / 10% MSCI Emerging Markets / 11.2% PRREF II Custom Benchmark / 7.2% Real Asset Custom Benchmark
1/1/2018	12/31/2018	3.4% Bloomberg US Aggregate TR / 1.2% Bloomberg US TIPS TR / 2.7% FTSE WGBI TR / 3.2% Bloomberg US High Yield TR / 24.6% S&P 500 / 10.7% Russell 2500 / 25.6% MSCI ACWI ex USA / 10% MSCI Emerging Markets / 11.3% PRREF II Custom Benchmark / 7.3% Real Asset Custom Benchmark
1/1/2017	12/31/2017	3.2% Bloomberg US Aggregate TR / 1.1% Bloomberg US TIPS TR / 2.6% FTSE WGBI TR / 3.1% Bloomberg US High Yield TR / 24.8% S&P 500 / 10.6% Russell 2500 / 25.8% MSCI ACWI ex USA / 10% MSCI Emerging Markets / 11.4% FTSE EPRA/NAREIT Global Real Estate Index / 7.4% Real Asset Custom Benchmark
6/30/2016	12/31/2016	5% Bloomberg US Aggregate TR / 25% S&P 500 / 10.5% Russell 2500 / 26% MSCI EAFE / 3.5% FTSE WGBI TR / 11.5% FTSE EPRA/NAREIT Global Real Estate Index / 10% MSCI Emerging Markets / 7.5% Real Asset Custom Benchmark
<b>New Mexico LifeCycle 2055 Portfolio</b>		
1/1/2022	Present	3.2% Bloomberg US Aggregate TR / 1.1% Bloomberg US TIPS TR / 2.6% JP Morgan EMBI Global TR / 3.1% Bloomberg US High Yield TR / 24.8% S&P 500 / 10.6% Russell 2500 / 25.8% MSCI ACWI ex USA / 10% MSCI Emerging Markets / 11.4% PRREF II Custom Benchmark / 7.4% Real Asset Custom Benchmark

1/1/2020	12/31/2020	2.9% Bloomberg US Aggregate TR / 0.8% Bloomberg US TIPS TR / 2.4% FTSE WGBI TR / 2.9% Bloomberg US High Yield TR / 25.1% S&P 500 / 10.5% Russell 2500 / 26.2% MSCI ACWI ex USA / 10% MSCI Emerging Markets / 11.6% PRREF II Custom Benchmark / 7.6% Real Asset Custom Benchmark
1/1/2019	12/31/2019	2.8% Bloomberg US Aggregate TR / 0.6% Bloomberg US TIPS TR / 2.3% FTSE WGBI TR / 2.8% Bloomberg US High Yield TR / 25.2% S&P 500 / 10.5% Russell 2500 / 26.4% MSCI ACWI ex USA / 10% MSCI Emerging Markets / 11.7% PRREF II Custom Benchmark / 7.7% Real Asset Custom Benchmark
1/1/2018	12/31/2018	2.7% Bloomberg US Aggregate TR / 0.4% Bloomberg US TIPS TR / 2.2% FTSE WGBI TR / 2.7% Bloomberg US High Yield TR / 25.3% S&P 500 / 10.5% Russell 2500 / 26.6% MSCI ACWI ex USA / 10% MSCI Emerging Markets / 11.8% PRREF II Custom Benchmark / 7.8% Real Asset Custom Benchmark
1/1/2017	12/31/2017	2.6% Bloomberg US Aggregate TR / 0.2% Bloomberg US TIPS TR / 2.1% FTSE WGBI TR / 2.6% Bloomberg US High Yield TR / 25.4% S&P 500 / 10.5% Russell 2500 / 26.8% MSCI ACWI ex USA / 10% MSCI Emerging Markets / 11.9% FTSE EPRA/NAREIT Global Real Estate Index / 7.9% Real Asset Custom Benchmark
5/1/2016	12/31/2016	4% Bloomberg US Aggregate TR / 25.5% S&P 500 / 10.5% Russell 2500 / 27% MSCI EAFE / 3% FTSE WGBI TR / 12% FTSE EPRA/NAREIT Global Real Estate Index / 10% MSCI Emerging Markets / 8% Real Asset Custom Benchmark
New Mexico LifeCycle 2060 Portfolio		
1/1/2022	Present	2.6% Bloomberg US Aggregate TR / 0.2% Bloomberg US TIPS TR / 2.1% JP Morgan EMBI Global TR / 2.6% Bloomberg US High Yield TR / 25.4% S&P 500 / 10.5% Russell 2500 / 26.8% MSCI ACWI ex USA / 10% MSCI Emerging Markets / 11.9% PRREF II Custom Benchmark / 7.9% Real Asset Custom Benchmark
2/1/2021	12/31/2021	2.5% Bloomberg US Aggregate TR / 2.0% FTSE WGBI TR / 2.5% Bloomberg US High Yield TR / 25.5% S&P 500 / 10.5% Russell 2500 / 27% MSCI ACWI ex USA / 10% MSCI Emerging Markets / 12% PRREF II Custom Benchmark / 8% Real Asset Custom Benchmark

## Appendices

## Economic and Market Update

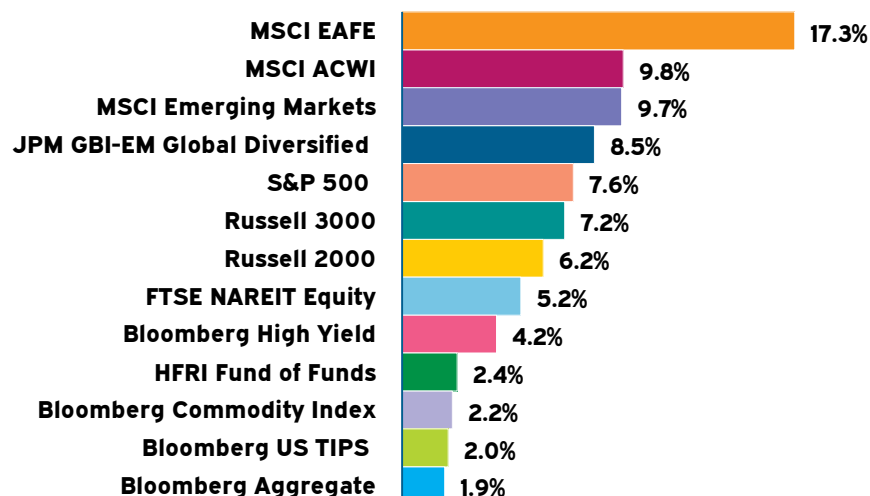
Data as of December 31, 2022

### Commentary

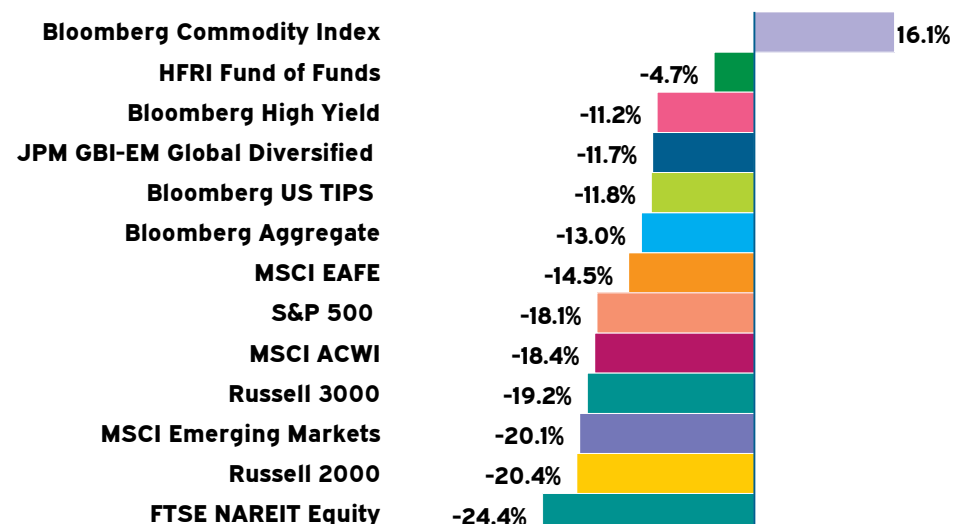
- Ending a very tough year, most asset classes posted gains in the fourth quarter on signs that policy tightening would slow given cooling inflation.
- Chairman Powell's testimony in November reiterated previous messaging on persistent and high inflation and the need for an extended period of monetary tightening weighing on assets in December. Markets remained focused though on signs that inflation is falling and that the size of future Fed rate hikes could be lower.
  - US equity markets sold off (-5.9%) in December but returned 7.2% in the fourth quarter as investors balanced the Fed's caution with improving inflation data.
  - In developed equity markets outside the US, sentiment deteriorated somewhat in December, but they posted a strong fourth quarter return of 17.3% driven by a falling US dollar and results in Europe where inflation started to slow.
  - Emerging market equities declined in December too (-1.4%) but less than the US and also had a strong fourth quarter (+9.7%). A weaker US dollar, declining inflation globally, and signs of China reopening its economy all contributed to the results.
  - Bonds experienced one of the worst years on record given inflation levels and the rapid rise in interest rates. Optimism over declining inflation and a slower pace of policy tightening benefited bonds overall in the fourth quarter though.
- Looking to 2023, the path of inflation and monetary policy, slowing growth globally, China reopening its economy, and the war in Ukraine will all be key.

### Index Returns<sup>1</sup>

#### Fourth Quarter



#### 2022



- After broad declines in Q3 driven by expectations for further policy tightening, most major asset classes were up in the fourth quarter on hopes of inflation and policy tightening peaking.
- Outside of commodities, all other public market asset classes declined in 2022. It was the first time since the 1960s that both stocks and bonds declined together in a calendar year.

<sup>1</sup> Source: Bloomberg and FactSet. Data is as of December 31, 2022.

### Domestic Equity Returns<sup>1</sup>

Domestic Equity	December (%)	Q4 (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
S&P 500	-5.8	7.6	-18.1	7.7	9.4	12.6
Russell 3000	-5.9	7.2	-19.2	7.1	8.8	12.1
Russell 1000	-5.8	7.2	-19.1	7.3	9.1	12.4
Russell 1000 Growth	-7.7	2.2	-29.1	7.8	11.0	14.1
Russell 1000 Value	-4.0	12.4	-7.5	6.0	6.7	10.3
Russell MidCap	-5.4	9.2	-17.3	5.9	7.1	11.0
Russell MidCap Growth	-6.0	6.9	-26.7	3.9	7.6	11.4
Russell MidCap Value	-5.1	10.5	-12.0	5.8	5.7	10.1
Russell 2000	-6.5	6.2	-20.4	3.1	4.1	9.0
Russell 2000 Growth	-6.4	4.1	-26.4	0.6	3.5	9.2
Russell 2000 Value	-6.6	8.4	-14.5	4.7	4.1	8.5

**US Equities: Russell 3000 Index declined 5.9% for December but gained 7.2% for the quarter. Historic inflation and rapidly rising interest rates led to significant declines (-19.2%) for the full year.**

- US stocks fell broadly in December on the Federal Reserve signaling its continued resolve to raise rates but gained overall for the quarter on hopes that interest rates could be peaking soon given slowing inflation.
- All sectors declined during December, led by consumer discretionary and technology with defensive sectors declining less. For the quarter though, most sectors were up led by energy and industrials.
- In a continuation on the overall trend in 2022 value stocks outperformed growth stocks in the fourth quarter given higher interest rates and slowing growth.

<sup>1</sup> Source: Bloomberg. Data is as of December 31, 2022.



### Foreign Equity Returns<sup>1</sup>

Foreign Equity	December (%)	Q4 (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
MSCI ACWI ex. US	-0.7	14.3	-16.0	0.1	0.9	3.8
MSCI EAFE	0.1	17.3	-14.5	0.9	1.5	4.7
MSCI EAFE (Local Currency)	-3.0	8.7	-7.0	3.6	3.8	7.6
MSCI EAFE Small Cap	1.1	15.8	-21.4	-0.9	0.0	6.2
MSCI Emerging Markets	-1.4	9.7	-20.1	-2.7	-1.4	1.4
MSCI Emerging Markets (Local Currency)	-2.0	6.6	-15.5	0.1	1.3	4.6
MSCI China	5.2	13.5	-21.9	-7.5	-4.5	2.4

Developed international equities (MSCI EAFE) rose 0.1% in December and an impressive 17.3% in the fourth quarter. Emerging markets (MSCI EM) fell -1.4% in December but gained 9.7% for the quarter. Inflation and rising rates also weighed on international equities last year, as well as a strong US dollar for most of the year.

- International developed market equities, specifically Europe, held up better relative to the rest of the world in December with the MSCI EAFE up 0.1%. In the fourth quarter, they returned a significant 17.3% due in part to the recent weakness in the US dollar (they returned only 8.7% in local terms) leading to lower declines for the year.
- In December emerging markets outperformed the US but trailed developed market equities as China's rally was not enough to offset weakness elsewhere (e.g., India -5.5%). For the quarter, a weakening US dollar and China reopening led to strong results (+9.7%), but emerging markets remained the weakest for 2022 due to China.
- Like the US, value outpaced growth globally in 2022.

<sup>1</sup> Source: Bloomberg. Data is as of December 31, 2022.

## Fixed Income Returns<sup>1</sup>

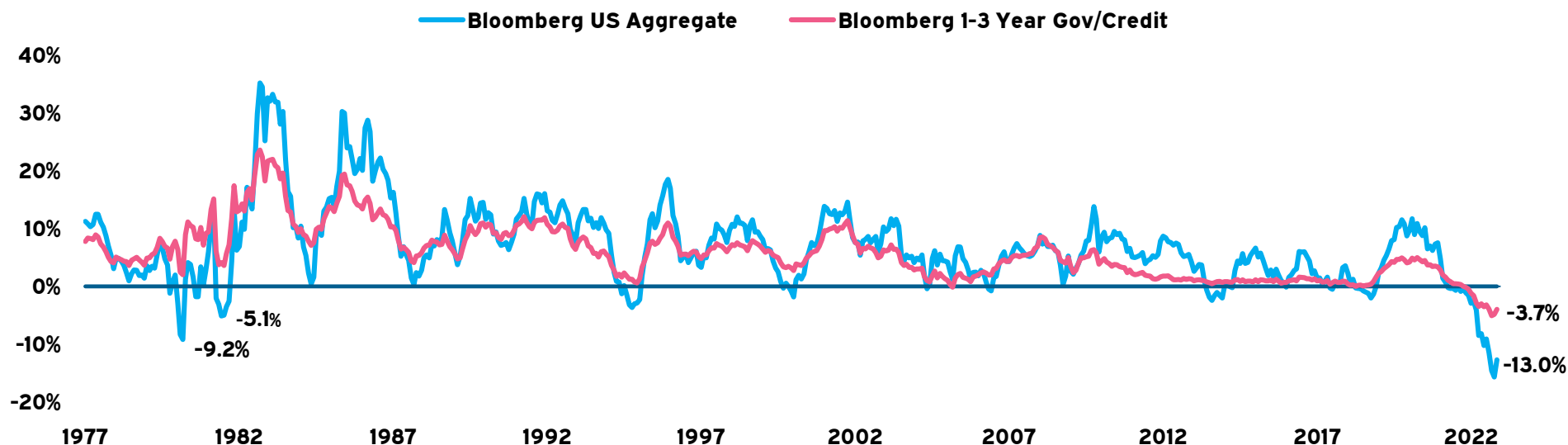
Fixed Income	December (%)	Q4 (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Current Yield (%)	Duration (Years)
Bloomberg Universal	-0.3	2.2	-13.0	-2.5	0.2	1.3	5.1	6.2
Bloomberg Aggregate	-0.5	1.9	-13.0	-2.7	0.0	1.1	4.7	6.4
Bloomberg US TIPS	-1.0	2.0	-11.8	1.2	2.1	1.1	4.4	6.7
Bloomberg High Yield	-0.6	4.2	-11.2	0.0	2.3	4.0	9.0	4.4
JPM GBI-EM Global Diversified (USD)	2.2	8.5	-11.7	-6.1	-2.5	-2.0	5.8	4.9

**Fixed Income: The Bloomberg Universal fell -0.3% in December but rose 2.2% for the fourth quarter. Last year was one of the worst on record, with the broad bond market declining 13%.**

- The Federal Reserve reconfirming its commitment to tighten policy in the face of high inflation weighed on US fixed income in December. For the quarter though the broad US bond market (Bloomberg Aggregate) was up 1.9% on hopes that inflation would continue to decline and corresponding expectations for the slowing of policy rate hikes.
- TIPS produced similar results to the broad US bond market for the quarter but outperformed for the year given their inflation adjustment.
- Riskier bonds outperformed for the quarter due to improving risk sentiment with emerging market bonds performing particularly well.

<sup>1</sup> Source: Bloomberg. JPM GBI-EM data is from InvestorForce. Data is as of December 31, 2022. The yield and duration data from Bloomberg is defined as the index's yield to worst and modified duration respectively.

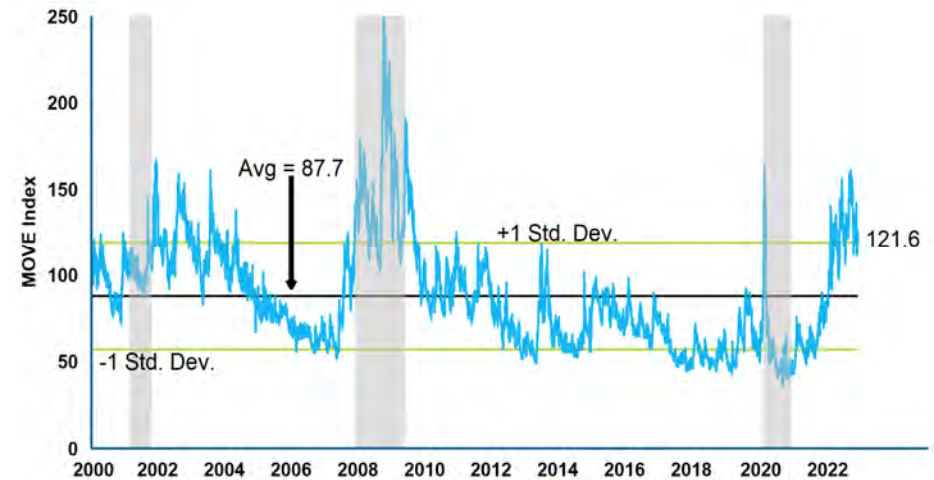
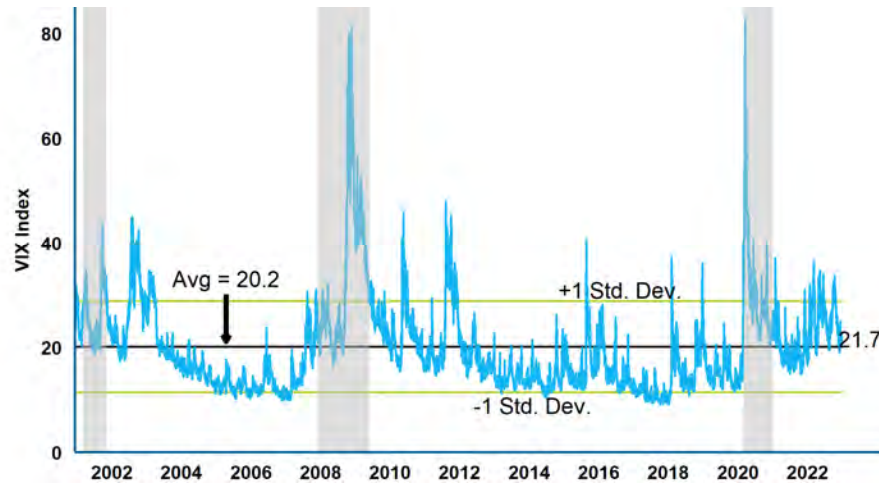
### Fixed Income Rolling One-year Returns<sup>1</sup>



- Last year was one of the worst return periods for the US bond market given the historic inflation levels and the corresponding rapid rise in interest rates.
- The broad bond market (Bloomberg US Aggregate) declined 13% in 2022 making it one of the worst periods on record.
- Short-term bond declines were far smaller (-3.7%) last year, but also were one of the worst on record.

<sup>1</sup> Source: Bloomberg. Data is as of December 31, 2022.

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



- Volatility in equities (VIX) finished the year down from its highs and near its long run average as investors anticipated the potential end of Fed rate hikes this year.
- Fixed income (MOVE) remained elevated and well above its long-run average at year-end due to the uncertain path of US interest rates as the Federal Reserve continues its hawkish stance on inflation.

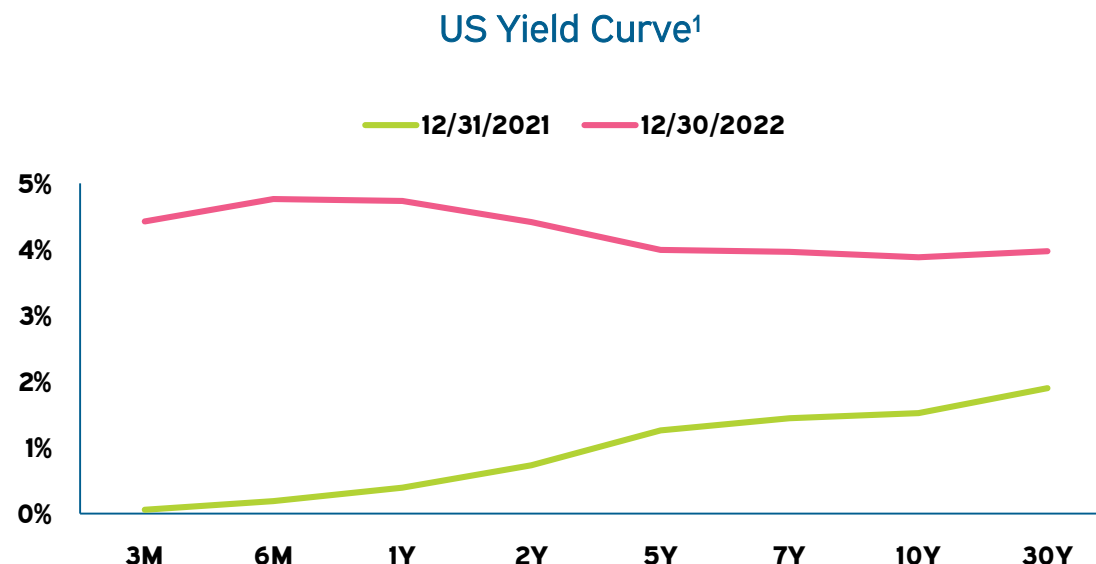
<sup>1</sup> Equity and Fixed Income Volatility – Source: Bloomberg. Implied volatility as measured using VIX Index for equity markets and the MOVE Index to measure interest rate volatility for fixed income markets. Data is as of December 2022. The average line indicated is the average of the VIX and MOVE values between January 2000 and the recent month-end respectively.

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



- After December's sell-off, US equity price-to-earnings ratio finished the year near its long-term (21st century) average.
- International developed market valuations rose but remain below their own long-term average, with those for emerging markets the lowest and well under the long-term average.
- Price declines have been the main driver of recent multiple compression as earnings have remained resilient. Concerns remain over whether earnings strength will continue in the face of slowing growth.

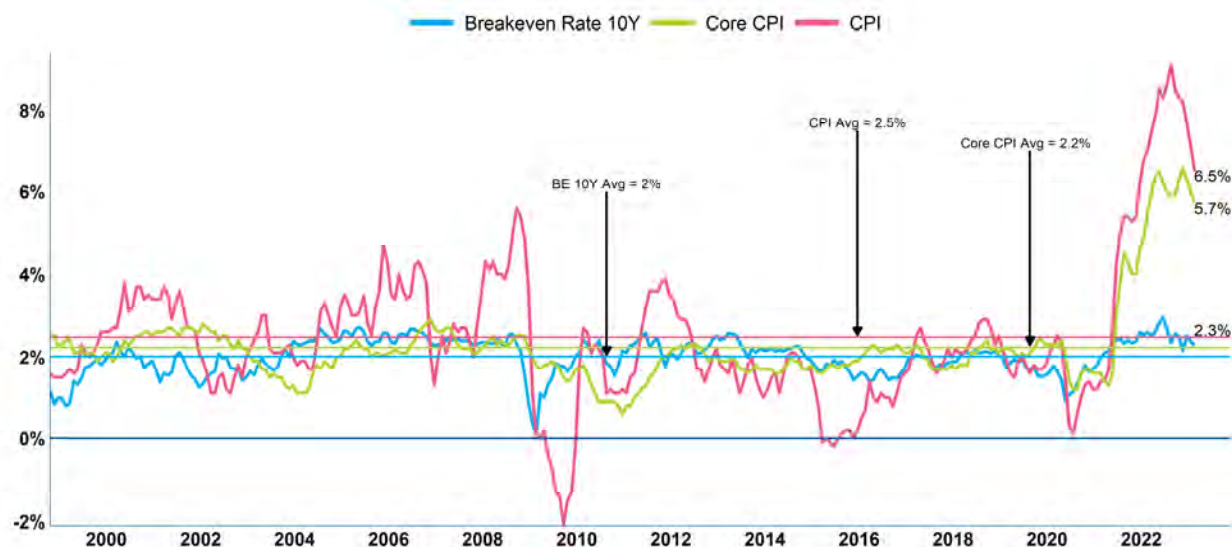
<sup>1</sup> US Equity Cyclically Adjusted P/E on S&P 500 Index. Source: Robert Shiller, Yale University, and Meketa Investment Group. Developed and Emerging Market Equity (MSCI EAFE and EM Index) Cyclically Adjusted P/E – Source: MSCI and Bloomberg. Earnings figures represent the average of monthly “as reported” earnings over the previous ten years. Data is as of December 2022. 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.



- In December, policy-sensitive interest rates at the front-end of the curve continued to rise with the two-year Treasury yield increasing from 4.3% to 4.4%. Longer dated ten-year Treasury yields also increased (3.6% to 3.9%). For the year, the yield curve rose dramatically across maturities and moved from steep to inverted.
- The Fed remains strongly committed to fighting inflation, as it increased rates another 50 basis points to a range of 4.0% to 4.5% at its December meeting. This brought the total number of increases for 2022 to seven.
- The yield spread between two-year and ten-year Treasuries narrowed somewhat to -0.54% after finishing November at -0.70%. The more closely watched measure by the Fed of three-month and ten-year Treasuries also remained inverted. Historically, inversions in the yield curve have often preceded recessions.

<sup>1</sup> Source: Bloomberg. Data is as of December 31, 2022.

### Ten-Year Breakeven Inflation and CPI<sup>1</sup>

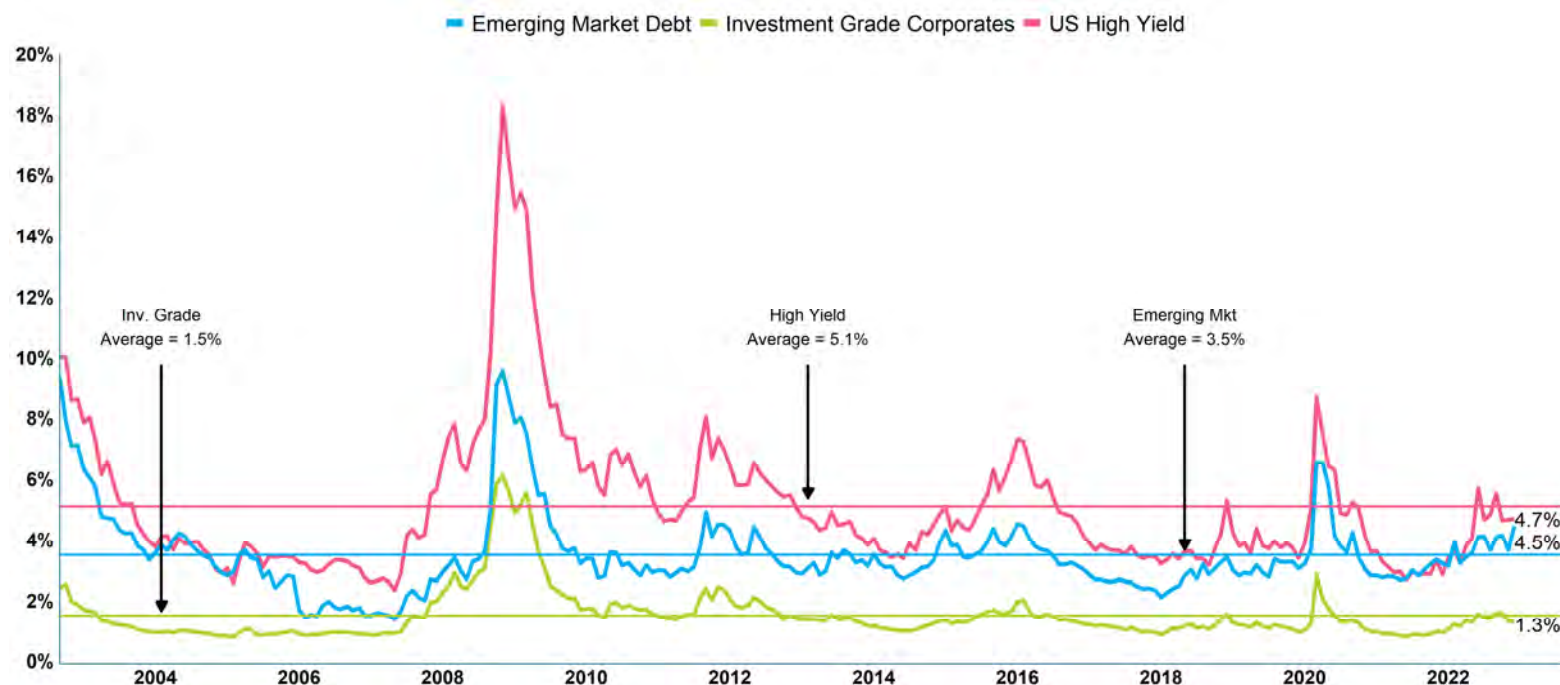


- In December inflation continued to decline (6.5% versus 7.1%) matching expectations and providing support for the Fed to slow the pace of policy tightening. Energy prices fell again for the month but remain up 7.3% from a year prior, while food prices fell slightly, and stickier service prices continued to increase.
- Core inflation – excluding food and energy – also continued to decline in December (5.7% versus 6.0%) and matched estimates.
- Inflation expectations (breakevens) declined slightly for the month (2.3% versus 2.4%) and remain well below current inflation levels as investors anticipate a significant moderation in inflation.

<sup>1</sup> Source: Bloomberg. Data is as of December 2022. 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 Bonds<sup>1</sup>

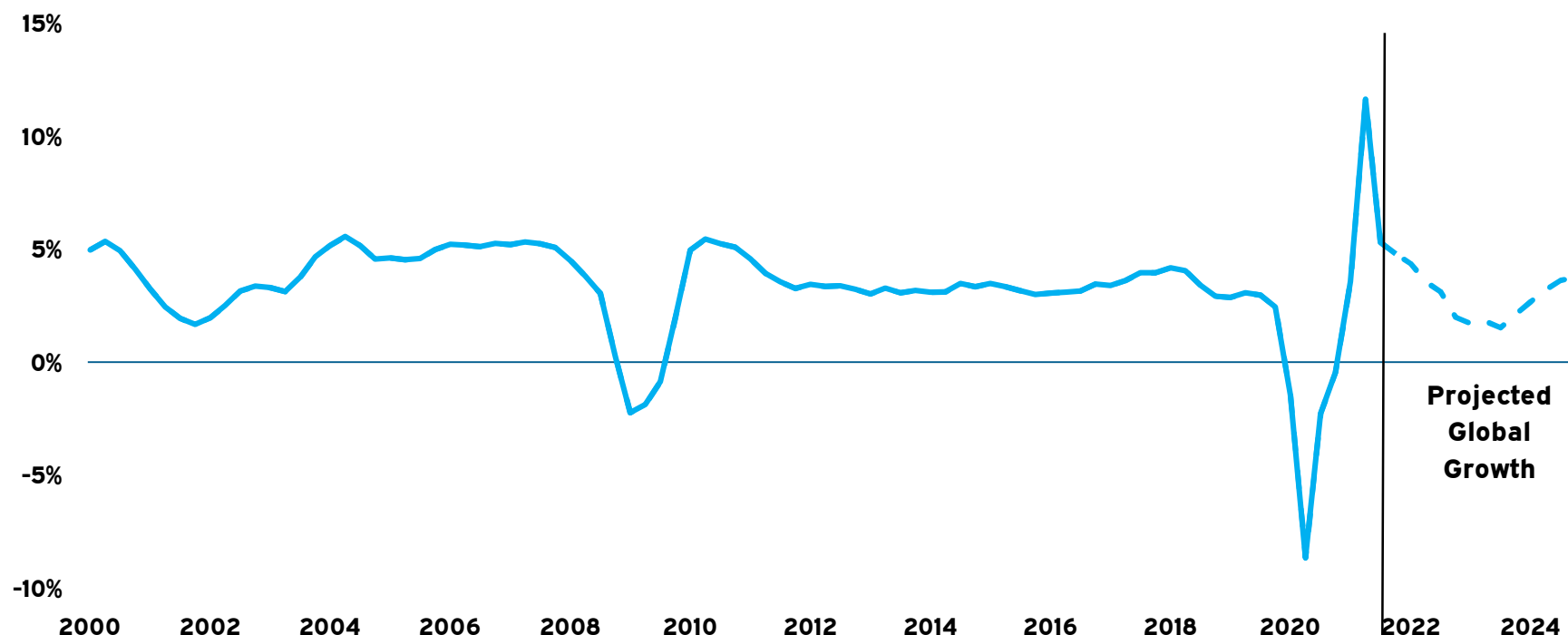


- High yield spreads (the added yield above a comparable maturity Treasury) finished December at 4.7% (the same as the end of November) remaining below their long-run average.
- Investment grade spreads also held steady at 1.3% as attractive yields and strong balance sheets continued to attract investors, while emerging market spreads rose (4.5% versus 3.6%) due to concerns regarding slower growth and lower commodity prices.

<sup>1</sup> Sources: Bloomberg. Data is as of December 31, 2022. 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) Growth<sup>1</sup>

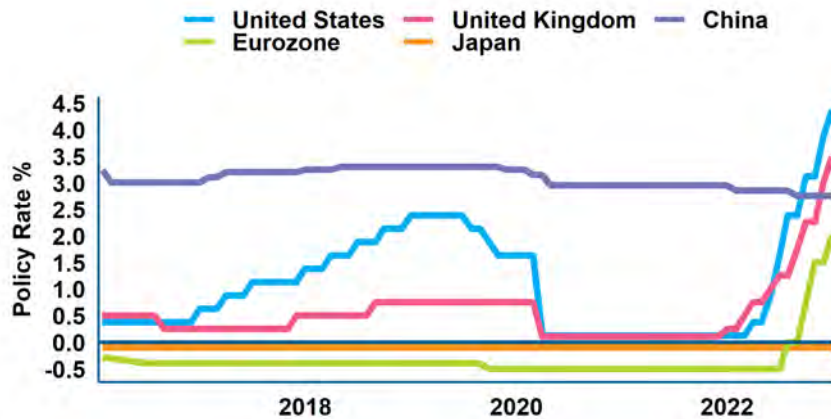


- Global economies are expected to slow in 2023 compared to 2022, with risks of recession increasing given persistently high inflation and related tighter monetary policy.
- The delicate balancing act of central banks trying to reduce inflation without dramatically impacting growth will remain key.

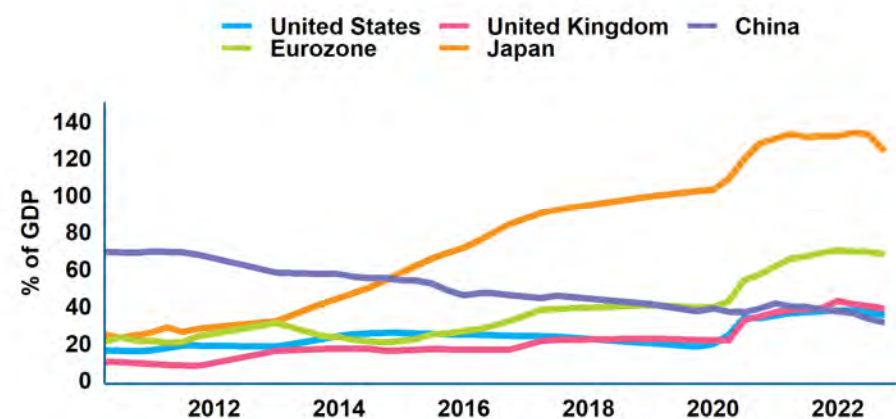
<sup>1</sup> Source: Oxford Economics (World GDP, US\$ prices & PPP exchange rate, real, % change YoY). Updated December 2022.

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

Policy Rates



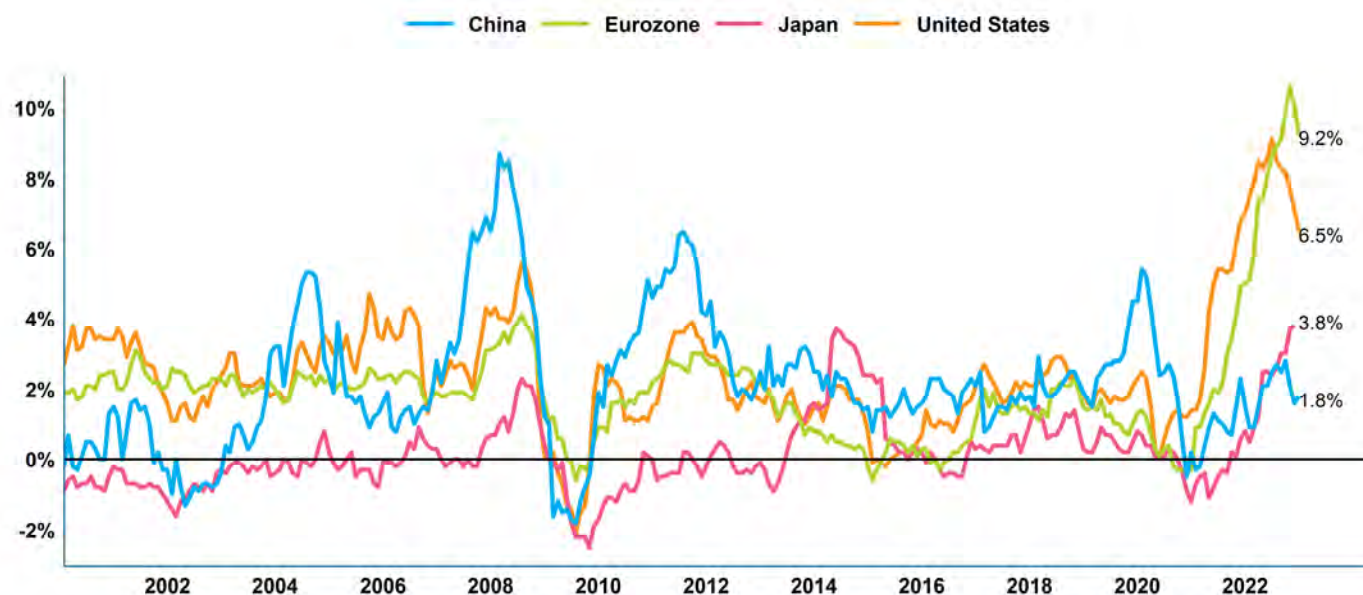
Balance Sheet as % of GDP



- In 2022 many central banks aggressively reduced pandemic-era policy support in the face of high inflation with the US taking a more aggressive approach.
- In December, the Bank of Japan relaxed its target yield for the 10-year bond which may mark an incremental step toward policy normalization after eight years of quantitative easing.
- The one notable central bank outlier is China, where the central bank has lowered rates and reserve requirements in response to slowing growth.
- The risk remains for a policy error, particularly overtightening, as record inflation and aggressive tightening to date could heavily weigh on global growth. The Federal Reserve's policy rate path could diverge from others this year given their strong early start to tightening.

<sup>1</sup> Source: Bloomberg. Policy rate data is as of December 31, 2022. 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 December 31, 2022.

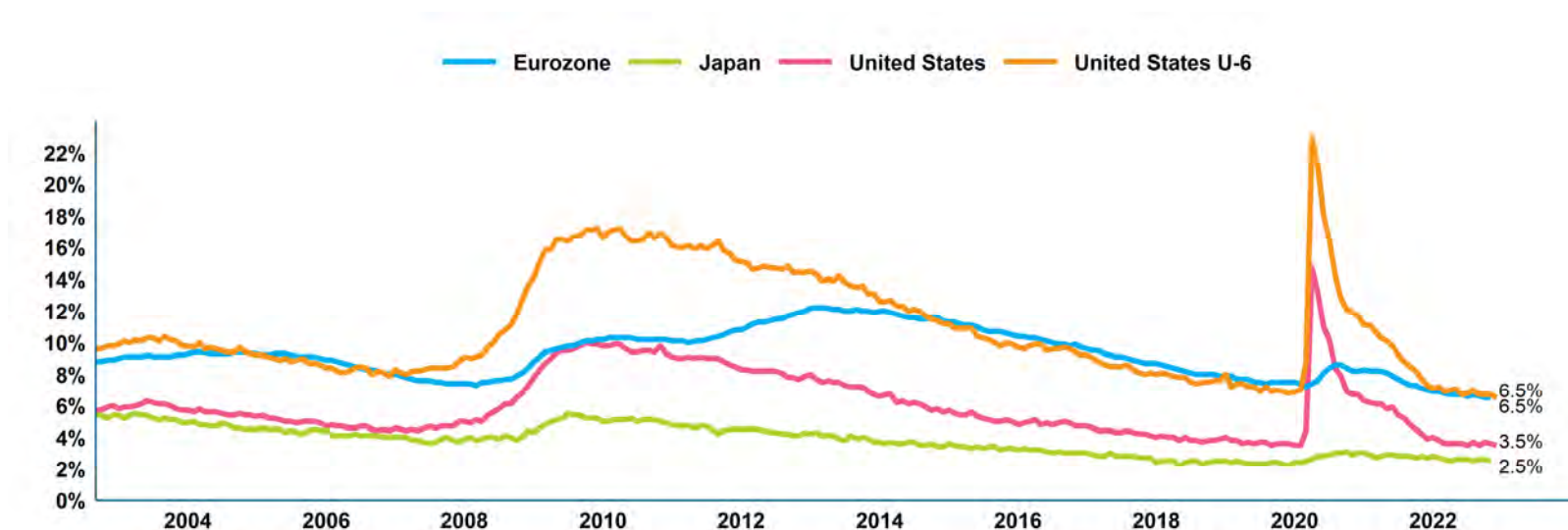
### Inflation (CPI Trailing Twelve Months)<sup>1</sup>



- Inflation increased dramatically from the lows of the pandemic, particularly in the US and Eurozone where it has reached levels not seen in many decades.
- Inflation pressures are slowly declining in the US, but they remain elevated, while in Europe they have reached historic levels due to skyrocketing energy prices and a weak euro.
- Supply issues related to the pandemic, record monetary and fiscal stimulus, strict COVID-19 restrictions in China, and higher commodity prices driven by the war in Ukraine have been key global drivers of inflation.

<sup>1</sup> Source: Bloomberg. Data is as of December 2022. The most recent Japanese inflation data is as of November 2022.

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



- As economies have largely reopened, helped by vaccines for the virus, improvements have been seen in the labor market.
- Despite slowing growth and high inflation, the US labor market remains a bright spot. Unemployment in the US, which experienced the steepest rise from the pandemic, has remained in a tight 3.5%-3.7% range for most of the year.
- The strong labor market and higher wages, although beneficial for workers, motivates the Fed's efforts to fight inflation, likely leading to higher unemployment.

<sup>1</sup> Source: Bloomberg. Data is as December 31, 2022, for the US. The most recent data for Eurozone and Japanese unemployment is as of November 30, 2022.

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



- Overall, the US dollar continued to weaken from its recent peak in December as declining inflation supported the case for the Federal Reserve to slow its tightening.
- The dollar finished the year much higher than it started though due to the increased pace of policy tightening, stronger relative growth, and safe-haven flows.
- As we look to 2023, the track of inflation across economies and the corresponding monetary policy will likely be key drivers of currency moves.

<sup>1</sup> Source: Bloomberg. Data as of December 31, 2022.

## Summary

### Key Trends:

- The impacts of record high inflation will remain key, with market volatility likely to stay high.
- Monetary policy could diverge in 2023 with the Fed pausing and others continuing to tighten. The risk of policy errors in both directions remains.
- Growth will continue to slow globally next year, with many economies likely falling into recessions. Inflation, monetary policy, and the war will all be key.
- In the US the end of many fiscal programs is expected to put the burden of continued growth on consumers. Higher energy and food prices could weigh on consumer spending.
- Valuations have significantly declined in the US to around long-term averages, largely driven by price declines. The key going forward will be whether earnings can remain resilient if growth continues to slow.
- Outside the US, equity valuations remain lower in both emerging and developed markets, but risks remain, including potential continued strength in the US dollar, higher inflation particularly weighing on Europe, and China's rushed exit from COVID-19 restrictions 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.