

**New Mexico Public Employees
Retirement Association
Smart Save Deferred Compensation Plan
First Quarter 2020**

Meeting Materials

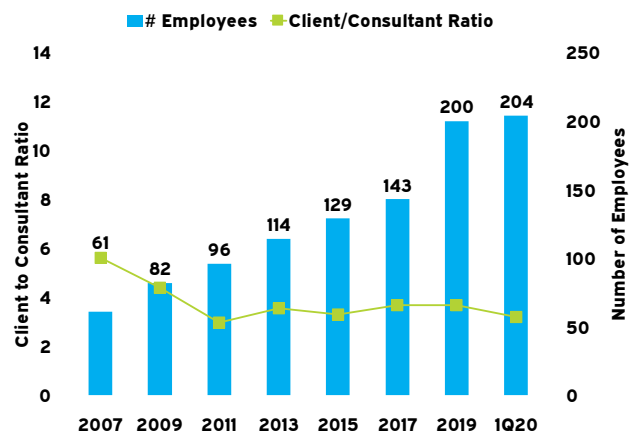
Agenda

1. Corporate Update
2. Executive Summary
3. First Quarter of 2020 Performance Report
 - Plan Summary
 - LifeCycle Funds Detail
 - Portfolio Reviews
4. Appendices
 - The World Markets in the First Quarter of 2020
 - Capital Markets Outlook & Risk Metrics
 - Economy and Market Update as of May 8, 2020
 - Disclaimer, Glossary and Notes

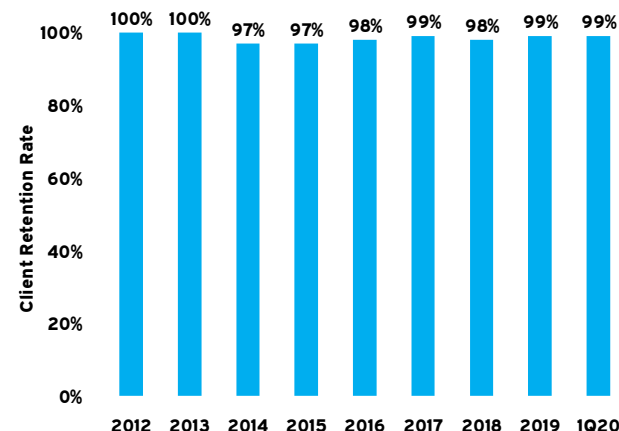
Meketa Investment Group Corporate Update

- Staff of 204, including 138 investment professionals and 43 CFA Charterholders
- 214 clients, with over 300 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 \$1.4 trillion in client assets
 - Over \$100 billion in assets committed to alternative investments
 - Private Equity ▪ Infrastructure ▪ Natural Resources
 - Real Estate ▪ Hedge Funds ▪ Commodities

Client to Consultant Ratio¹



Client Retention Rate²



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

¹ On March 15, 2019, 31 employees joined the firm as part of the merger of Meketa Investment Group and Pension Consulting Alliance.

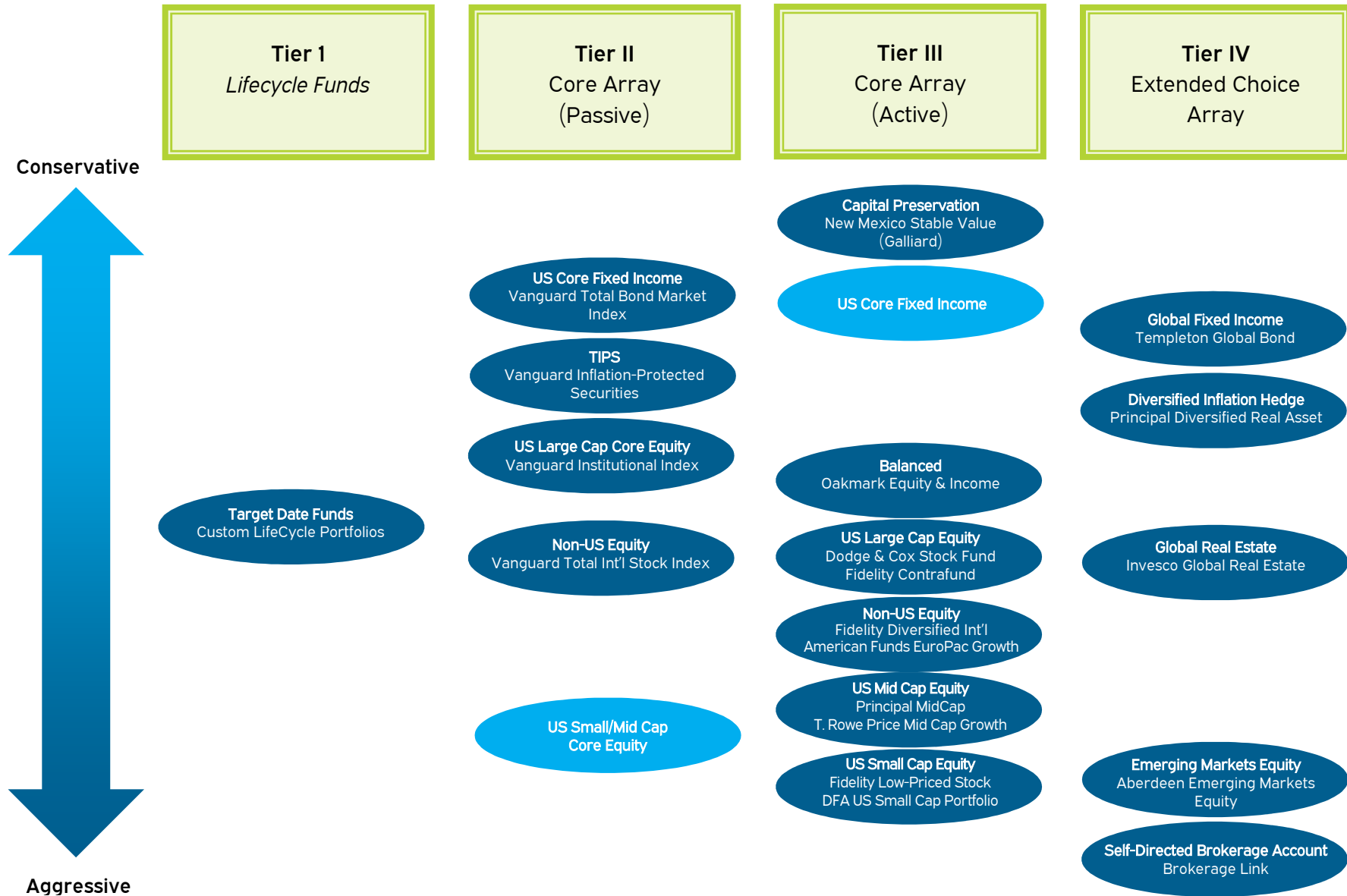
² Client Retention Rate is one minus the number of clients lost divided by the number of clients at prior year-end.

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

Executive Summary

Executive Summary



Plan Assets

- As of March 31, 2020, Plan assets were \$587.0 million, down from \$674.0 million at the end of the prior quarter. The Plan experienced net cash inflows of \$147,355¹ during the first quarter.
- There were 23,266 participants with a balance at quarter-end. The average account balance was \$25,229; contributions totaled \$11.5 million, compared to \$10.9 million in withdrawals.
- The largest Plan investment options by assets were:

	3/31/20 Balance (\$ mm)	Percentage of Plan Assets (%)
New Mexico LifeCycle Portfolios	160.9	27.4
New Mexico Stable Value	137.8	23.5
Vanguard Inst. Index Fund	77.4	13.2
Fidelity Contrafund	43.0	7.3
Vanguard Total Bond Index	26.1	4.4

¹ Net cash inflow includes \$400,277 in net transfer outflows from the loan account.

Plan Observations

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

Investment Menu Observations

- Eight LifeCycle Portfolios (Conservative Portfolio, 2020 Portfolio, 2030 Portfolio, 2035 Portfolio, 2040 Portfolio, 2045 Portfolio, 2050 Portfolio, 2055 Portfolio) underperformed their respective benchmark, but outperformed the universe median. One LifeCycle Portfolio (2025 Portfolio) matched or outperformed its benchmark and respective peer group median in the first quarter.
- Fidelity Contrafund outperformed both the Russell 1000 Growth benchmark and the peer median. Outperformance was primarily driven by security selection within the consumer discretionary and communication service sectors, in conjunction with an overweight allocation to the technology sector.
- Dodge & Cox U.S. Equity underperformed both the Russell 1000 Value benchmark and the peer median. Underperformance stemmed from an overweight exposure to the Energy sector. Top detractors were Occidental Petroleum, Apache, and Baker Hughes.
- T. Rowe Price MidCap Growth underperformed the Russell MidCap Growth benchmark and the peer median. The consumer discretionary sector detracted the most from relative returns due to an unfavorable underweight allocation and stock selection.
- Dimensional U.S. Small Cap Core underperformed the Russell 2000 benchmark and the peer group. The portfolio's exclusion of stocks with the lowest profitability and highest relative price detracted from relative performance, as those securities outperformed.
- Principal U.S. MidCap Equity outperformed the Russell MidCap Index and the peer group median. The fund's allocation to Domino's (one of the world's largest pizza chains) and Slack (a workplace collaboration platform) contributed to the fund's performance.

Investment Menu Observations (continued)

- Fidelity Low-Priced Stock outperformed the benchmark and the peer median. The fund's outperformance of the small-cap-oriented benchmark was driven by favorable active stock selection in consumer staples and industrials.
- Fidelity Diversified International outperformed the MSCI EAFE benchmark and the peer median. The fund's outperformance of the benchmark was primarily driven by stock selection in industrials, materials and financials sectors.
- American Funds EuroPacific Growth outperformed the MSCI ACWI ex USA index, but underperformed the peer median. Larger holdings in health care companies were additive to relative returns. Daiichi Sankyo was a notable contributor, as was Chugai Pharmaceutical. The fund's smaller positions in financials companies were helpful for relative results as the deteriorating economic environment weighed on the sector.
- Aberdeen Emerging Markets Equity underperformed the MSCI Emerging Markets Index and the peer median. Strategy performance was hampered by an overweight allocation to Latin America, in conjunction with a lack of exposure to China Construction Bank and e-commerce giants Alibaba and JD.com.
- Franklin Templeton Global Bond underperformed the FTSE WGBI benchmark and the peer group median. Negative duration exposure to US Treasuries detracted from fund performance for the quarter, as did select duration exposures in Latin America and Asia ex Japan.
- Columbia Institutional High Yield exposure is only available via the LifeCycle portfolios. The strategy outperformed the ICE BofAML US High Yield Cash Pay Constrained benchmark, but underperformed the peer median. Overweight allocations to more defensive sectors like consumer goods, utilities and media, as well as the fund's underweight exposure to the retail, automotive and transportation sectors helped drive relative positive performance.

Investment Menu Observations (continued)

- Invesco Global REITs outperformed the FTSE EPRA/NAREIT Global REIT index benchmark, but underperformed the peer median. In Asia Pacific, the fund benefited from stock selection in Japan and Australia, which added to relative performance. In North America, the fund benefited from stock selection in Canada, and in emerging markets, an underweight exposure to Brazil added to relative performance.
- Principal Diversified Real Asset underperformed the Real Asset Custom Benchmark¹; the peer group median was unavailable. Allocation and manager performance within real return detracted as bank loans underperformed Treasury-Inflation Protected Securities. Asset allocation detracted due primarily to overweight exposure within infrastructure.
- Prudential Retirement Real Estate Fund II exposure is only available via the LifeCycle portfolios. The strategy outperformed the PRREF II Custom Benchmark². Drivers of performance in underlying funds, PRISA and PRISA II can be attributed to the industrial and apartment sectors.
- Oakmark Equity & Income underperformed both the 60% S&P 500/40% Barclays Aggregate benchmark and the peer group median. The largest detractors from relative performance include Bank of America, General Motors, TE Connectivity, Citigroup and Ally Financial.

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

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

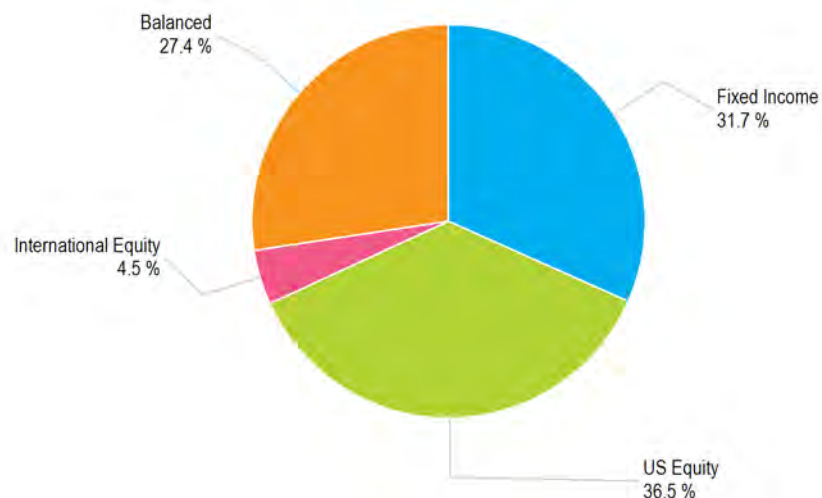
First Quarter of 2020 Performance Report

Plan Summary

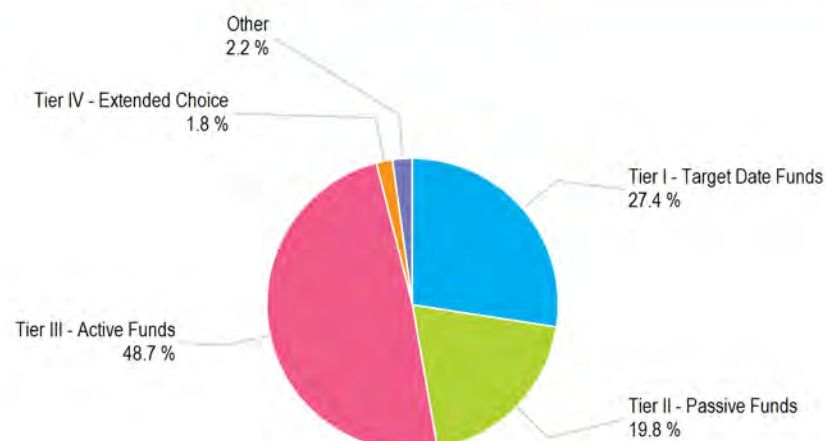
New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Total Fund | As of March 31, 2020

Total Plan Allocation by Asset Class



Total Plan Allocation by Tier



Asset Allocation				
	Current Balance	Current Allocation	Q1 Cash Flows	Balance as of 12/31/2019
Tier I - Target Date Funds	\$160,858,071	27%	-\$2,378,763	\$185,800,124
Tier II - Passive Funds	\$116,324,023	20%	\$6,158,425	\$130,245,297
Tier III - Active Funds	\$285,841,637	49%	-\$3,098,954	\$331,376,229
Tier IV - Extended Choice	\$10,810,672	2%	-\$133,076	\$13,237,284
Other	\$13,143,973	2%	-\$400,277	\$13,364,051
Total Fund	\$586,978,375	100%	\$147,355	\$674,022,984

¹ Other represents the Loan Account balance



New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Total Fund | As of March 31, 2020

Trailing Net Performance										
	Market Value (\$)	% of Portfolio	3 Mo Net Cash Flows (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Fund	586,978,375	100.0	147,355							
Tier I - Target Date Funds	160,858,071	27.4	-2,378,763							
New Mexico Conservative Portfolio	38,510,018	6.6	-2,030,684	-6.2	-0.5	2.7	2.5	4.0	3.9	Jul-05
<i>New Mexico Conservative Index</i>				-6.0	-0.1	3.1	2.6	3.8	3.6	Jul-05
<i>Allocation - 30% to 50% Equity Mstar MF Median</i>				-11.6	-4.5	1.6	2.2	5.1	4.7	Jul-05
<i>Allocation - 30% to 50% Equity Mstar MF Rank</i>				5	12	20	38	89	77	Jul-05
New Mexico LifeCycle 2020 Portfolio	3,841,937	0.7	138,905	-6.9	-0.7	3.1	--	--	3.9	Jun-16
<i>New Mexico 2020 Benchmark</i>				-6.7	-0.4	3.4	--	--	4.0	Jun-16
<i>Target Date 2020 Mstar MF Median</i>				-10.3	-3.0	2.9	3.1	5.8	4.2	Jun-16
<i>Target Date 2020 Mstar MF Rank</i>				14	14	26	--	--	65	Jun-16
New Mexico LifeCycle 2025 Portfolio	49,015,735	8.4	-1,197,902	-10.1	-3.0	2.9	3.1	5.7	4.2	Jul-05
<i>New Mexico 2025 Benchmark</i>				-10.1	-2.9	3.1	3.0	5.6	4.3	Jul-05
<i>Target Date 2025 Mstar MF Median</i>				-13.1	-4.4	2.7	3.1	6.2	5.2	Jul-05
<i>Target Date 2025 Mstar MF Rank</i>				11	20	33	56	87	99	Jul-05
New Mexico LifeCycle 2030 Portfolio	5,413,064	0.9	72,575	-13.1	-5.4	2.5	--	--	4.2	Jun-16
<i>New Mexico 2030 Benchmark</i>				-13.0	-5.4	2.7	--	--	4.2	Jun-16
<i>Target Date 2030 Mstar MF Median</i>				-15.1	-6.2	2.4	3.1	6.4	4.4	Jun-16
<i>Target Date 2030 Mstar MF Rank</i>				21	26	44	--	--	63	Jun-16



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Total Fund | As of March 31, 2020

	Market Value (\$)	% of Portfolio	3 Mo Net Cash Flows (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
New Mexico LifeCycle 2035 Portfolio	29,979,520	5.1	205,036	-15.1	-7.1	2.2	2.9	5.9	5.0	Jul-05
<i>New Mexico 2035 Benchmark</i>				-14.9	-7.1	2.3	2.8	5.8	4.5	Jul-05
<i>Target Date 2035 Mstar MF Median</i>				-17.4	-8.5	2.2	3.0	6.6	5.3	Jul-05
<i>Target Date 2035 Mstar MF Rank</i>				16	30	60	64	92	81	Jul-05
New Mexico LifeCycle 2040 Portfolio	4,532,042	0.8	157,642	-16.9	-8.7	1.8	--	--	4.0	Jun-16
<i>New Mexico 2040 Benchmark</i>				-16.6	-8.6	1.9	--	--	4.0	Jun-16
<i>Target Date 2040 Mstar MF Median</i>				-19.3	-10.0	1.8	2.9	6.5	4.3	Jun-16
<i>Target Date 2040 Mstar MF Rank</i>				19	33	54	--	--	72	Jun-16
New Mexico LifeCycle 2045 Portfolio	16,650,947	2.8	-13,884	-17.6	-9.3	1.7	2.6	6.4	5.4	Jul-05
<i>New Mexico 2045 Benchmark</i>				-17.3	-9.2	1.8	2.5	5.8	4.6	Jul-05
<i>Target Date 2045 Mstar MF Median</i>				-20.5	-10.4	1.6	2.8	6.5	5.1	Jul-05
<i>Target Date 2045 Mstar MF Rank</i>				9	19	41	65	78	37	Jul-05
New Mexico LifeCycle 2050 Portfolio	3,330,726	0.6	180,177	-18.3	-9.9	1.6	--	--	3.9	Jun-16
<i>New Mexico 2050 Benchmark</i>				-18.0	-9.8	1.6	--	--	4.0	Jun-16
<i>Target Date 2050 Mstar MF Median</i>				-20.5	-10.8	1.4	2.8	6.5	4.2	Jun-16
<i>Target Date 2050 Mstar MF Rank</i>				10	14	38	--	--	71	Jun-16
New Mexico LifeCycle 2055 Portfolio	9,584,082	1.6	109,373	-18.7	-10.2	1.5	2.6	6.3	4.1	Apr-07
<i>New Mexico 2055 Benchmark</i>				-18.3	-10.1	1.6	2.5	5.8	3.2	Apr-07
<i>Target Date 2055 Mstar MF Median</i>				-20.6	-11.5	1.3	2.7	6.5	--	Apr-07
<i>Target Date 2055 Mstar MF Rank</i>				10	18	40	62	57	--	Apr-07

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Total Fund | As of March 31, 2020

	Market Value (\$)	% of Portfolio	3 Mo Net Cash Flows (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Tier II - Passive Funds	116,324,023	19.8	6,158,425							
Vanguard Total Bond Market Index	26,116,376	4.4	3,120,266	3.3	9.1	4.8	3.3	3.9	5.2	Oct-95
BBgBarc US Aggregate TR				3.1	8.9	4.8	3.4	3.9	5.3	Oct-95
eV US Core Fixed Inc Net Median				1.7	7.3	4.4	3.2	3.9	5.3	Oct-95
eV US Core Fixed Inc Net Rank				13	11	14	32	60	65	Oct-95
Vanguard Inflation-Protected Securities	6,475,077	1.1	1,201,671	1.9	6.8	3.3	2.6	3.4	5.2	Jul-00
BBgBarc US TIPS TR				1.7	6.9	3.5	2.7	3.5	5.3	Jul-00
eV US TIPS / Inflation Fixed Inc Net Median				0.5	5.1	2.9	2.2	3.0	5.4	Jul-00
eV US TIPS / Inflation Fixed Inc Net Rank				15	22	37	31	21	81	Jul-00
Vanguard Institutional Index (S&P 500)	77,351,515	13.2	-91,208	-19.6	-7.0	5.1	6.7	10.5	9.2	Aug-90
S&P 500				-19.6	-7.0	5.1	6.7	10.5	9.2	Aug-90
eV US Large Cap Core Equity Net Median				-20.1	-8.7	3.4	5.0	9.6	9.6	Aug-90
eV US Large Cap Core Equity Net Rank				40	33	24	13	12	57	Aug-90
Vanguard Total International Stock Index	6,381,055	1.1	1,927,696	-24.3	-16.6	-2.5	-0.6	--	2.1	Dec-10
Spliced Total International Stock Index				-24.0	-16.0	-2.3	-0.5	2.2	2.2	Dec-10
eV ACWI ex-US Core Equity Net Median				-24.3	-15.1	-1.7	-0.1	3.1	3.1	Dec-10
eV ACWI ex-US Core Equity Net Rank				52	60	62	63	--	79	Dec-10



New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Total Fund | As of March 31, 2020

	Market Value (\$)	% of Portfolio	3 Mo Net Cash Flows (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Tier III - Active Funds	285,841,637	48.7	-3,098,954							
New Mexico Stable Value Fund	137,781,244	23.5	4,635,498	0.6	2.5	2.2	2.0	--	1.8	Jul-12
<i>Citigroup 3-month Treasury Bill + 1%</i>				0.6	3.1	2.8	2.1	1.6	1.7	Jul-12
<i>eV US Stable Value Fixed Inc Net Median</i>				0.6	2.5	2.3	2.2	2.4	2.1	Jul-12
<i>eV US Stable Value Fixed Inc Net Rank</i>				27	48	76	80	--	82	Jul-12
Oakmark Equity & Income	15,189,112	2.6	-759,725	-22.0	-14.5	-2.1	0.5	4.7	8.6	Dec-95
<i>60% S&P 500 & 40% Barclays Aggregate</i>				-10.9	-0.4	5.3	5.6	8.1	7.3	Dec-95
<i>Balanced MStar MF Median</i>				-14.4	-6.5	1.7	2.4	5.9	6.4	Dec-95
<i>Balanced MStar MF Rank</i>				91	89	89	86	79	5	Dec-95
Dodge & Cox U.S. Equity	22,804,941	3.9	-719,263	-29.2	-19.8	-2.5	2.7	8.1	10.3	Feb-65
<i>Russell 1000 Value</i>				-26.7	-17.2	-2.2	1.9	7.7	--	Feb-65
<i>eV US Large Cap Value Equity Net Median</i>				-26.4	-16.8	-1.5	2.0	7.4	--	Feb-65
<i>eV US Large Cap Value Equity Net Rank</i>				77	73	62	36	32	--	Feb-65
Fidelity Contrafund	42,995,688	7.3	-2,506,374	-13.6	-1.8	9.8	9.1	12.0	12.2	Jun-67
<i>Russell 1000 Growth</i>				-14.1	0.9	11.3	10.4	13.0	--	Jun-67
<i>eV US Large Cap Growth Equity Net Median</i>				-14.0	-1.0	10.2	8.7	11.8	--	Jun-67
<i>eV US Large Cap Growth Equity Net Rank</i>				45	56	55	44	41	--	Jun-67
Fidelity Diversified International	9,219,886	1.6	-325,828	-19.3	-5.8	1.4	1.1	4.4	7.4	Jan-92
<i>MSCI EAFE</i>				-22.8	-14.4	-1.8	-0.6	2.7	4.4	Jan-92
<i>eV EAFE Core Equity Net Median</i>				-24.0	-15.9	-2.2	-0.5	3.8	6.1	Jan-92
<i>eV EAFE Core Equity Net Rank</i>				11	3	12	26	34	20	Jan-92

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Total Fund | As of March 31, 2020

	Market Value (\$)	% of Portfolio	3 Mo Net Cash Flows (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
American Funds EuroPacific Growth	7,452,088	1.3	-366,220	-22.4	-12.7	0.3	0.9	4.0	9.9	May-84
MSCI ACWI ex USA				-23.4	-15.6	-2.0	-0.6	2.1	--	May-84
eV ACWI ex-US All Cap Core Eq Net Median				-21.9	-13.1	-0.7	0.1	3.6	--	May-84
eV ACWI ex-US All Cap Core Eq Net Rank				58	46	36	20	36	--	May-84
Principal U.S. MidCap Equity	11,759,787	2.0	-813,785	-23.9	-8.8	5.8	6.0	12.3	9.4	Jan-01
Russell MidCap				-27.1	-18.3	-0.8	1.8	8.8	7.2	Jan-01
eV US Mid Cap Core Equity Net Median				-26.5	-17.5	-1.1	1.2	8.0	7.1	Jan-01
eV US Mid Cap Core Equity Net Rank				34	12	16	9	2	2	Jan-01
T. Rowe Price MidCap Growth	24,684,842	4.2	-1,632,425	-24.1	-13.6	4.7	5.9	11.6	11.1	Aug-96
Russell MidCap Growth				-20.0	-9.4	6.5	5.6	10.9	8.7	Aug-96
eV US Mid Cap Growth Equity Net Median				-19.4	-8.0	6.4	5.7	10.7	10.1	Aug-96
eV US Mid Cap Growth Equity Net Rank				95	81	71	44	24	1	Aug-96
Fidelity Low-Priced Stock	6,428,715	1.1	-90,339	-28.0	-18.0	-2.2	1.1	7.5	12.1	Jan-90
Russell 2500 Value				-34.6	-28.6	-8.4	-2.1	5.6	9.4	Jan-90
eV US Small Cap Value Equity Net Median				-35.1	-29.1	-9.7	-2.9	5.2	10.3	Jan-90
eV US Small Cap Value Equity Net Rank				10	4	4	10	8	1	Jan-90
Dimensional U.S. Small Cap Core	7,525,335	1.3	-520,493	-32.7	-27.1	-7.7	-1.8	6.7	8.7	Apr-92
Russell 2000				-30.6	-24.0	-4.6	-0.2	6.9	7.9	Apr-92
eV US Small Cap Core Equity Net Median				-30.7	-24.7	-5.0	-0.2	7.1	9.7	Apr-92
eV US Small Cap Core Equity Net Rank				65	68	76	71	65	69	Apr-92

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Total Fund | As of March 31, 2020

	Market Value (\$)	% of Portfolio	3 Mo Net Cash Flows (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Tier IV - Extended Choice	10,810,672	1.8	-133,076							
Franklin Templeton Global Bond	2,299,229	0.4	-156,127	-4.4	-5.3	-1.2	0.6	2.6	6.3	Apr-96
<i>FTSE WGBI TR</i>				2.0	6.2	4.3	3.0	2.2	4.3	Apr-96
<i>eV Global Agg Fixed Inc Net Median</i>				-1.9	3.0	3.2	2.4	2.7	4.5	Apr-96
<i>eV Global Agg Fixed Inc Net Rank</i>				80	99	99	95	60	4	Apr-96
Principal Diversified Real Asset	280,039	0.0	-60,869	-19.5	-14.8	-3.2	-2.7	1.8	1.8	Apr-10
<i>Real Asset Custom Benchmark</i>				-13.0	-6.4	0.4	0.9	2.6	2.6	Apr-10
Invesco Global REITs	1,394,335	0.2	-240,915	-27.6	-22.6	-2.8	-1.7	4.5	4.1	May-05
<i>FTSE EPRA/NAREIT Global Real Estate Index</i>				-28.3	-23.6	-3.1	-1.3	5.2	4.1	May-05
<i>eV Global REIT Net Median</i>				-25.7	-19.2	-1.2	-0.6	5.9	4.2	May-05
<i>eV Global REIT Net Rank</i>				78	80	77	70	79	60	May-05
Aberdeen Emerging Markets Equity	1,717,172	0.3	195,271	-26.1	-19.8	-4.1	-1.5	1.6	3.2	Jun-07
<i>MSCI Emerging Markets</i>				-23.6	-17.7	-1.6	-0.4	0.7	1.0	Jun-07
<i>eV Emg Mkts Equity Net Median</i>				-25.1	-19.1	-2.7	-0.9	1.3	1.2	Jun-07
<i>eV Emg Mkts Equity Net Rank</i>				61	56	65	62	43	6	Jun-07
Self Directed Brokerage Options	5,119,898	0.9	129,563							



New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Total Fund | As of March 31, 2020

	Market Value (\$)	% of Portfolio	3 Mo Net Cash Flows (\$)	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Other	13,143,973	2.2	-400,277							
Columbia Institutional High Yield	--	--		-12.2	-4.9	0.9	2.4	--	3.7	Dec-12
ICE BofA US High Yield Cash Pay Constrained TR				-13.1	-7.4	0.6	2.7	5.5	3.7	Dec-12
eV US High Yield Fixed Inc Net Median				-12.1	-6.6	0.6	2.3	5.2	3.4	Dec-12
eV US High Yield Fixed Inc Net Rank				51	26	35	40	--	31	Dec-12
Prudential Retirement Real Estate Fund II	--	--		1.5	6.9	--	--	--	7.4	Jan-18
PRREF II Custom Benchmark				-3.5	0.8	--	--	--	4.7	Jan-18
Loan Account	13,143,973	2.2	-400,277							

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



New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Total Fund | As of March 31, 2020

Calendar Year Performance

2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)	2011 (%)	2010 (%)
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Total Fund

Tier I - Target Date Funds

New Mexico Conservative Portfolio	11.4	-1.8	8.6	4.9	-1.3	4.4	4.2	9.3	2.9	6.7
<i>New Mexico Conservative Index</i>	<i>11.6</i>	<i>-1.6</i>	<i>8.8</i>	<i>4.1</i>	<i>-1.1</i>	<i>4.0</i>	<i>4.0</i>	<i>8.5</i>	<i>3.1</i>	<i>6.0</i>
<i>Allocation - 30% to 50% Equity Mstar MF Median</i>	<i>15.5</i>	<i>-4.5</i>	<i>10.4</i>	<i>6.8</i>	<i>-1.2</i>	<i>4.2</i>	<i>7.1</i>	<i>10.2</i>	<i>2.2</i>	<i>10.4</i>
<i>Allocation - 30% to 50% Equity Mstar MF Rank</i>	<i>92</i>	<i>1</i>	<i>77</i>	<i>89</i>	<i>55</i>	<i>46</i>	<i>81</i>	<i>61</i>	<i>36</i>	<i>96</i>
New Mexico LifeCycle 2020 Portfolio	12.9	-2.8	11.2	--	--	--	--	--	--	--
<i>New Mexico 2020 Benchmark</i>	<i>12.7</i>	<i>-2.5</i>	<i>11.3</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>
<i>Target Date 2020 Mstar MF Median</i>	<i>16.3</i>	<i>-4.2</i>	<i>13.0</i>	<i>6.5</i>	<i>-1.1</i>	<i>5.1</i>	<i>13.3</i>	<i>12.2</i>	<i>-0.1</i>	<i>12.7</i>
<i>Target Date 2020 Mstar MF Rank</i>	<i>96</i>	<i>3</i>	<i>82</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>
New Mexico LifeCycle 2025 Portfolio	15.9	-4.1	14.3	6.7	-1.6	6.0	13.5	16.5	-2.6	10.6
<i>New Mexico 2025 Benchmark</i>	<i>15.5</i>	<i>-4.0</i>	<i>14.4</i>	<i>6.2</i>	<i>-1.7</i>	<i>5.3</i>	<i>14.2</i>	<i>14.6</i>	<i>-1.9</i>	<i>10.8</i>
<i>Target Date 2025 Mstar MF Median</i>	<i>18.8</i>	<i>-5.2</i>	<i>15.2</i>	<i>7.2</i>	<i>-1.2</i>	<i>5.2</i>	<i>16.7</i>	<i>13.3</i>	<i>-1.5</i>	<i>13.5</i>
<i>Target Date 2025 Mstar MF Rank</i>	<i>95</i>	<i>13</i>	<i>80</i>	<i>75</i>	<i>70</i>	<i>28</i>	<i>86</i>	<i>1</i>	<i>79</i>	<i>99</i>
New Mexico LifeCycle 2030 Portfolio	18.2	-5.1	16.4	--	--	--	--	--	--	--
<i>New Mexico 2030 Benchmark</i>	<i>17.7</i>	<i>-5.1</i>	<i>16.4</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>
<i>Target Date 2030 Mstar MF Median</i>	<i>20.9</i>	<i>-6.2</i>	<i>17.1</i>	<i>7.4</i>	<i>-1.1</i>	<i>5.4</i>	<i>19.3</i>	<i>13.9</i>	<i>-2.2</i>	<i>13.7</i>
<i>Target Date 2030 Mstar MF Rank</i>	<i>92</i>	<i>18</i>	<i>67</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>
New Mexico LifeCycle 2035 Portfolio	19.6	-5.9	18.1	7.4	-1.9	5.7	16.3	18.4	-4.4	11.8
<i>New Mexico 2035 Benchmark</i>	<i>19.0</i>	<i>-5.9</i>	<i>18.2</i>	<i>7.1</i>	<i>-2.2</i>	<i>4.9</i>	<i>17.1</i>	<i>16.2</i>	<i>-3.5</i>	<i>12.5</i>
<i>Target Date 2035 Mstar MF Median</i>	<i>22.5</i>	<i>-6.9</i>	<i>18.8</i>	<i>8.0</i>	<i>-1.4</i>	<i>5.5</i>	<i>20.9</i>	<i>15.3</i>	<i>-3.2</i>	<i>14.7</i>
<i>Target Date 2035 Mstar MF Rank</i>	<i>94</i>	<i>15</i>	<i>74</i>	<i>73</i>	<i>72</i>	<i>40</i>	<i>92</i>	<i>1</i>	<i>85</i>	<i>99</i>

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Total Fund | As of March 31, 2020

	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)	2011 (%)	2010 (%)
New Mexico LifeCycle 2040 Portfolio	20.7	-6.4	19.1	--	--	--	--	--	--	--
<i>New Mexico 2040 Benchmark</i>	19.9	-6.4	19.2	--	--	--	--	--	--	--
<i>Target Date 2040 Mstar MF Median</i>	23.9	-7.5	19.9	8.1	-1.3	5.6	23.0	15.2	-3.7	14.5
<i>Target Date 2040 Mstar MF Rank</i>	93	14	77	--	--	--	--	--	--	--
New Mexico LifeCycle 2045 Portfolio	21.3	-6.8	20.0	7.5	-2.0	5.6	17.6	19.5	-5.3	17.0
<i>New Mexico 2045 Benchmark</i>	20.5	-6.8	19.9	7.3	-2.4	4.8	18.6	17.0	-4.3	12.9
<i>Target Date 2045 Mstar MF Median</i>	25.1	-8.0	21.0	8.3	-1.5	5.7	23.5	15.7	-3.9	15.2
<i>Target Date 2045 Mstar MF Rank</i>	99	6	75	73	72	60	96	1	90	1
New Mexico LifeCycle 2050 Portfolio	21.8	-7.0	20.4	--	--	--	--	--	--	--
<i>New Mexico 2050 Benchmark</i>	21.0	-7.1	20.4	--	--	--	--	--	--	--
<i>Target Date 2050 Mstar MF Median</i>	25.3	-8.3	21.4	8.3	-1.3	5.8	23.8	15.8	-3.8	15.3
<i>Target Date 2050 Mstar MF Rank</i>	97	5	78	--	--	--	--	--	--	--
New Mexico LifeCycle 2055 Portfolio	22.2	-7.2	20.8	7.6	-2.0	5.6	18.2	19.7	-5.2	15.8
<i>New Mexico 2055 Benchmark</i>	21.3	-7.2	20.8	7.4	-2.5	4.7	19.2	17.4	-4.5	12.9
<i>Target Date 2055 Mstar MF Median</i>	25.2	-8.4	21.5	8.4	-1.4	6.0	23.9	15.8	-4.0	15.1
<i>Target Date 2055 Mstar MF Rank</i>	98	11	78	77	76	58	99	1	78	31
Tier II - Passive Funds										
Vanguard Total Bond Market Index	8.7	0.0	3.6	2.6	0.4	5.9	-2.1	4.2	7.7	6.6
<i>BBgBarc US Aggregate TR</i>	8.7	0.0	3.5	2.6	0.5	6.0	-2.0	4.2	7.8	6.5
<i>eV US Core Fixed Inc Net Median</i>	9.0	-0.2	3.8	3.1	0.5	5.6	-1.8	5.9	7.3	7.2
<i>eV US Core Fixed Inc Net Rank</i>	68	39	65	73	64	40	76	88	28	73

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Total Fund | As of March 31, 2020

	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)	2011 (%)	2010 (%)
Vanguard Inflation-Protected Securities	8.2	-1.4	3.0	4.6	-1.7	4.1	-8.8	6.9	13.4	6.3
<i>BBgBarc US TIPS TR</i>	8.4	-1.3	3.0	4.7	-1.4	3.6	-8.6	7.0	13.6	6.3
<i>eV US TIPS / Inflation Fixed Inc Net Median</i>	8.5	-1.4	3.1	4.6	-1.6	3.3	-8.8	7.2	13.4	6.5
<i>eV US TIPS / Inflation Fixed Inc Net Rank</i>	64	47	59	50	54	11	53	68	49	69
Vanguard Institutional Index (S&P 500)	31.5	-4.4	21.8	11.9	1.4	13.6	32.4	16.0	2.1	15.0
<i>S&P 500</i>	31.5	-4.4	21.8	12.0	1.4	13.7	32.4	16.0	2.1	15.1
<i>eV US Large Cap Core Equity Net Median</i>	28.9	-5.8	21.4	9.3	0.6	12.5	31.8	14.8	-0.3	13.3
<i>eV US Large Cap Core Equity Net Rank</i>	29	32	46	21	37	33	43	31	26	23
Vanguard Total International Stock Index	21.6	-14.4	27.6	4.7	-4.2	-4.1	15.1	18.3	-14.5	--
<i>Spliced Total International Stock Index</i>	21.8	-14.6	27.4	4.7	-4.3	-3.4	15.8	17.0	-14.3	10.7
<i>eV ACWI ex-US Core Equity Net Median</i>	23.3	-15.7	28.7	1.0	-1.4	-3.2	18.2	18.3	-12.7	13.3
<i>eV ACWI ex-US Core Equity Net Rank</i>	65	37	66	22	77	61	91	47	59	--
Tier III - Active Funds										
New Mexico Stable Value Fund	2.5	2.1	1.8	1.7	1.5	1.2	1.4	--	--	--
<i>Citigroup 3-month Treasury Bill + 1%</i>	3.3	2.9	1.8	1.3	1.0	1.0	1.1	1.1	1.1	1.1
<i>eV US Stable Value Fixed Inc Net Median</i>	2.5	1.5	1.8	1.5	1.4	1.6	0.3	3.1	5.1	--
<i>eV US Stable Value Fixed Inc Net Rank</i>	51	30	51	44	43	77	22	--	--	--
Oakmark Equity & Income	19.3	-8.3	14.5	11.0	-4.6	6.9	24.2	9.1	0.7	9.5
<i>60% S&P 500 & 40% Barclays Aggregate</i>	22.2	-2.3	14.2	8.3	1.3	10.6	17.6	11.3	4.7	12.1
<i>Balanced MStar MF Median</i>	18.6	-5.5	12.5	7.0	-1.2	5.7	16.1	12.2	0.3	12.2
<i>Balanced MStar MF Rank</i>	47	83	36	13	86	29	11	85	47	88

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Total Fund | As of March 31, 2020

	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)	2011 (%)	2010 (%)
Dodge & Cox U.S. Equity	24.8	-7.1	18.3	21.3	-4.5	10.4	40.5	22.0	-4.1	13.5
<i>Russell 1000 Value</i>	26.5	-8.3	13.7	17.3	-3.8	13.5	32.5	17.5	0.4	15.5
<i>eV US Large Cap Value Equity Net Median</i>	26.3	-9.0	16.7	13.8	-3.1	11.3	33.1	15.3	0.0	13.6
<i>eV US Large Cap Value Equity Net Rank</i>	67	31	34	6	64	69	10	5	79	51
Fidelity Contrafund	30.2	-2.1	32.3	3.5	6.6	9.7	34.3	16.4	0.0	17.1
<i>Russell 1000 Growth</i>	36.4	-1.5	30.2	7.1	5.7	13.0	33.5	15.3	2.6	16.7
<i>eV US Large Cap Growth Equity Net Median</i>	33.4	-1.3	28.5	3.4	4.1	11.1	34.0	15.7	-0.8	16.3
<i>eV US Large Cap Growth Equity Net Rank</i>	80	57	25	48	27	64	48	41	40	44
Fidelity Diversified International	29.8	-15.1	26.8	-3.6	3.2	-3.0	25.3	19.6	-13.6	9.9
<i>MSCI EAFE</i>	22.0	-13.8	25.0	1.0	-0.8	-4.9	22.8	17.3	-12.1	7.8
<i>eV EAFE Core Equity Net Median</i>	22.2	-16.0	27.1	-0.4	1.5	-3.9	24.4	20.1	-12.7	12.0
<i>eV EAFE Core Equity Net Rank</i>	6	41	52	89	30	39	44	54	61	73
American Funds EuroPacific Growth	27.4	-14.9	31.2	1.0	-0.5	-2.3	20.6	19.6	-13.3	9.8
<i>MSCI ACWI ex USA</i>	21.5	-14.2	27.2	4.5	-5.7	-3.9	15.3	16.8	-13.7	11.2
<i>eV ACWI ex-US All Cap Core Eq Net Median</i>	24.6	-15.0	28.7	1.2	-1.5	-2.3	18.2	17.8	-11.0	14.2
<i>eV ACWI ex-US All Cap Core Eq Net Rank</i>	17	50	26	52	39	50	36	24	67	80
Principal U.S. MidCap Equity	42.9	-6.7	25.3	10.2	1.5	12.7	33.6	19.2	8.0	23.8
<i>Russell MidCap</i>	30.5	-9.1	18.5	13.8	-2.4	13.2	34.8	17.3	-1.5	25.5
<i>eV US Mid Cap Core Equity Net Median</i>	28.3	-11.0	18.9	10.6	-0.5	8.2	35.2	14.3	-1.7	23.5
<i>eV US Mid Cap Core Equity Net Rank</i>	1	25	8	55	31	22	66	15	1	35
T. Rowe Price MidCap Growth	33.1	-2.2	26.0	6.9	6.9	13.8	37.9	14.5	-1.3	29.3
<i>Russell MidCap Growth</i>	35.5	-4.8	25.3	7.3	-0.2	11.9	35.7	15.8	-1.7	26.4
<i>eV US Mid Cap Growth Equity Net Median</i>	35.7	-4.4	24.7	5.2	-0.5	7.6	35.1	14.7	-2.7	26.0
<i>eV US Mid Cap Growth Equity Net Rank</i>	66	32	35	30	1	5	27	53	38	24

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Total Fund | As of March 31, 2020

	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)	2011 (%)	2010 (%)
Fidelity Low-Priced Stock	25.8	-10.7	20.8	8.9	0.9	7.7	34.4	18.7	0.0	20.9
<i>Russell 2500 Value</i>	23.6	-12.4	10.4	25.2	-5.5	7.1	33.3	19.2	-3.4	24.8
<i>eV US Small Cap Value Equity Net Median</i>	23.8	-15.0	10.3	26.2	-4.6	5.0	37.1	15.9	-3.0	25.0
<i>eV US Small Cap Value Equity Net Rank</i>	29	17	3	99	5	19	71	29	27	84
Dimensional U.S. Small Cap Core	21.7	-13.1	11.5	23.5	-3.3	4.4	42.2	18.4	-3.2	30.7
<i>Russell 2000</i>	25.5	-11.0	14.6	21.3	-4.4	4.9	38.8	16.3	-4.2	26.9
<i>eV US Small Cap Core Equity Net Median</i>	24.3	-11.1	14.4	19.5	-2.1	4.4	38.9	15.6	-1.6	25.8
<i>eV US Small Cap Core Equity Net Rank</i>	69	67	77	22	62	50	25	22	62	11
Tier IV - Extended Choice										
Franklin Templeton Global Bond	1.0	1.6	2.8	6.8	-3.9	2.0	2.4	15.8	-2.4	12.7
<i>FTSE WGBI TR</i>	5.9	-0.8	7.5	1.6	-3.6	-0.5	-4.0	1.6	6.4	5.2
<i>eV Global Agg Fixed Inc Net Median</i>	7.9	-1.7	7.5	2.7	-3.0	1.9	-2.8	6.8	4.8	6.9
<i>eV Global Agg Fixed Inc Net Rank</i>	99	1	99	2	67	48	1	7	99	4
Principal Diversified Real Asset	15.0	-7.9	10.2	5.9	-12.4	2.5	5.4	7.7	0.8	--
<i>Real Asset Custom Benchmark</i>	15.5	-6.4	10.7	7.6	-6.6	-0.5	2.9	9.2	-0.4	11.5
Invesco Global REITs	22.9	-5.9	13.1	2.1	-1.1	14.8	3.0	28.4	-6.5	17.7
<i>FTSE EPRA/NAREIT Global Real Estate Index</i>	22.4	-4.7	11.4	5.0	0.1	15.9	4.4	28.7	-5.8	20.4
<i>eV Global REIT Net Median</i>	25.3	-5.6	11.9	3.8	0.5	16.8	5.2	29.1	-5.2	19.8
<i>eV Global REIT Net Rank</i>	71	53	40	72	73	83	84	66	67	99
Aberdeen Emerging Markets Equity	20.4	-14.6	30.2	12.0	-13.7	-2.5	-7.5	26.2	-11.0	27.6
<i>MSCI Emerging Markets</i>	18.4	-14.6	37.3	11.2	-14.9	-2.2	-2.6	18.2	-18.4	18.9
<i>eV Emg Mkts Equity Net Median</i>	19.3	-16.2	37.1	8.2	-12.9	-0.8	-0.1	19.6	-18.1	21.1
<i>eV Emg Mkts Equity Net Rank</i>	46	32	81	31	59	66	97	2	6	10
Self Directed Brokerage Options										



New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Total Fund | As of March 31, 2020

	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)	2011 (%)	2010 (%)
Other										
Columbia Institutional High Yield	17.2	-4.1	6.6	11.6	-1.1	4.1	6.3	--	--	--
ICE BofA US High Yield Cash Pay Constrained TR	14.4	-2.2	7.5	17.3	-4.5	2.5	7.4	15.4	4.5	15.1
eV US High Yield Fixed Inc Net Median	13.5	-2.3	7.1	13.5	-3.3	1.9	7.3	14.8	3.7	14.1
eV US High Yield Fixed Inc Net Rank	3	89	61	71	21	15	75	--	--	--
Prudential Retirement Real Estate Fund II	9.2	6.1	--	--	--	--	--	--	--	--
PRREF II Custom Benchmark	8.1	6.3	--	--	--	--	--	--	--	--
Loan Account										

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



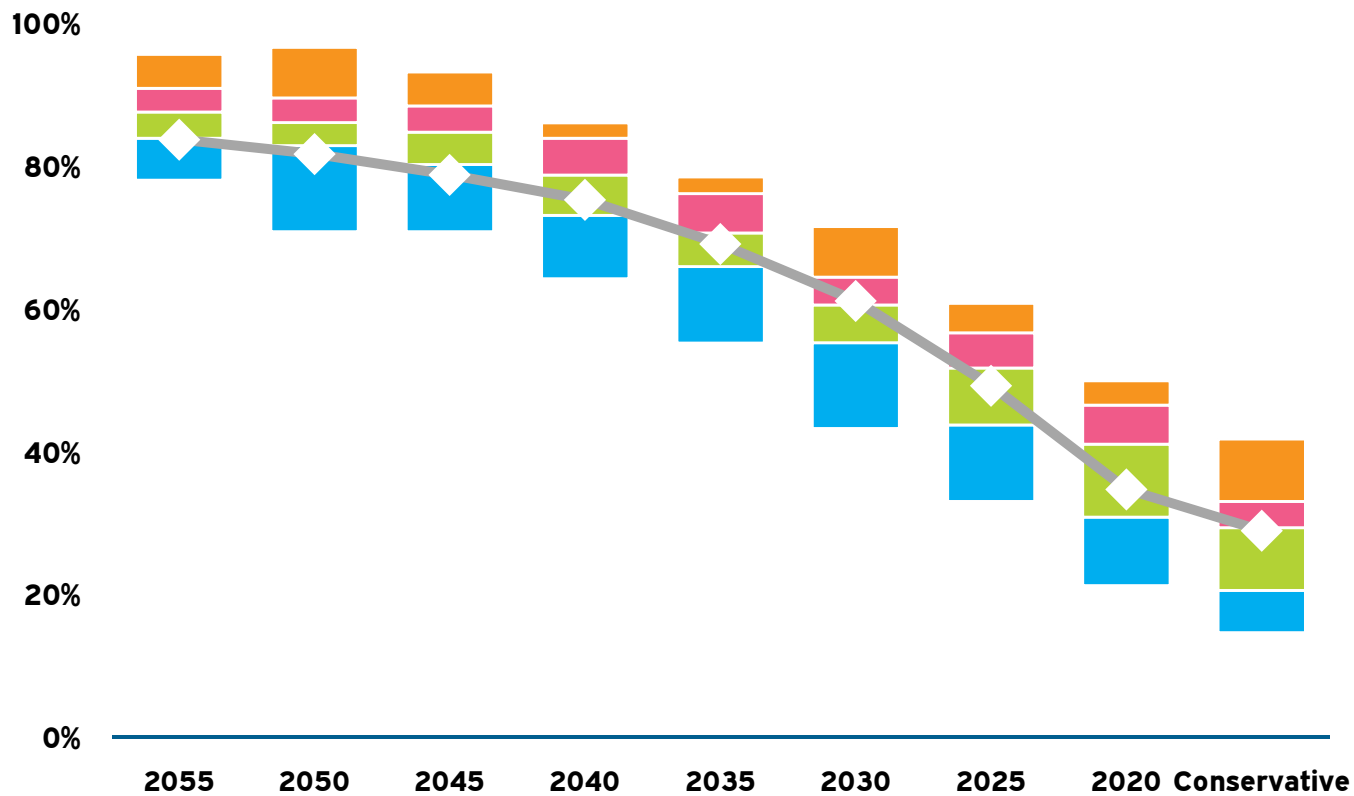
New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

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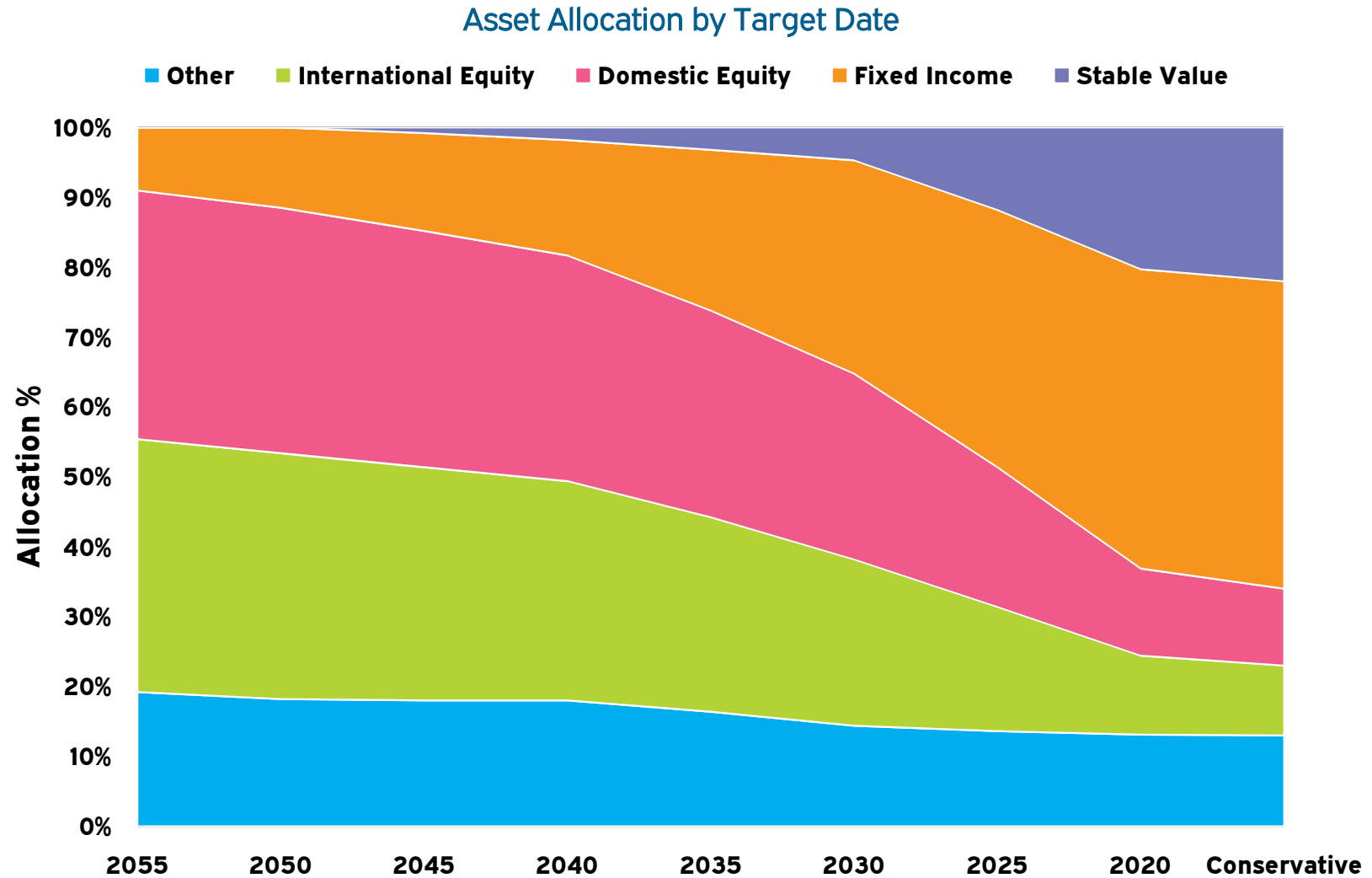
Investment Expense Analysis								
As Of March 31, 2020								
Name	Style	Market Value	Expense Ratio (%)	Estimated Fund Expense (\$)	Median Expense Ratio (%)	Net Expense Difference	Revenue Sharing (\$)	Revenue Sharing(%)
Tier I - Target Date Funds		\$160,858,071						
New Mexico Conservative Portfolio	Target Date	\$38,510,018	0.35	136,114	0.42	-0.07	-	0.00
New Mexico LifeCycle 2020 Portfolio	Target Date	\$3,841,937	0.36	13,662	0.63	-0.27	-	0.00
New Mexico LifeCycle 2025 Portfolio	Target Date	\$49,015,735	0.36	178,510	0.64	-0.28	-	0.00
New Mexico LifeCycle 2030 Portfolio	Target Date	\$5,413,064	0.37	20,086	0.66	-0.29	-	0.00
New Mexico LifeCycle 2035 Portfolio	Target Date	\$29,979,520	0.40	121,381	0.67	-0.27	-	0.00
New Mexico LifeCycle 2040 Portfolio	Target Date	\$4,532,042	0.43	19,513	0.69	-0.26	-	0.00
New Mexico LifeCycle 2045 Portfolio	Target Date	\$16,650,947	0.43	71,291	0.71	-0.28	-	0.00
New Mexico LifeCycle 2050 Portfolio	Target Date	\$3,330,726	0.43	14,222	0.71	-0.28	-	0.00
New Mexico LifeCycle 2055 Portfolio	Target Date	\$9,584,082	0.43	40,951	0.72	-0.29	-	0.00
Tier II - Passive Funds		\$116,324,023						
Vanguard Total Bond Market Index	Bonds	\$26,116,376	0.04	10,447	0.49	-0.45	-	0.00
Vanguard Inflation-Protected Securities	Bonds	\$6,475,077	0.07	4,533	0.45	-0.38	-	0.00
Vanguard Institutional Index (S&P 500)	US Large Cap	\$77,351,515	0.02	15,470	0.71	-0.69	-	0.00
Vanguard Total International Stock Index	International Equity	\$6,381,055	0.08	5,105	0.85	-0.77	-	0.00
Tier III - Active Funds		\$285,841,637						
New Mexico Stable Value Fund	Bonds (Stable Value)	\$137,781,244	0.35	482,234	0.50	-0.15	-	0.00
Oakmark Equity & Income	Balanced	\$15,189,112	0.81	123,032	0.83	-0.02	\$60,937	0.30
Dodge & Cox U.S. Equity	US Large Cap	\$22,804,941	0.52	118,586	0.87	-0.35	\$32,968	0.10
Fidelity Contrafund	US Large Cap	\$42,995,688	0.77	331,067	0.62	0.15	-	0.00
Fidelity Diversified International	International Equity	\$9,219,886	0.63	58,085	0.80	-0.17	-	0.00
American Funds EuroPacific Growth	International Equity	\$7,452,088	0.49	36,515	0.80	-0.31	-	0.00
Principal U.S. MidCap Equity	US Mid Cap	\$11,759,787	0.69	81,143	0.87	-0.18	\$16,352	0.10
T. Rowe Price MidCap Growth	US Mid Cap	\$24,684,842	0.61	150,578	0.87	-0.26	-	0.00
Fidelity Low-Priced Stock	US Mid Cap	\$6,428,715	0.43	27,643	0.80	-0.37	-	0.00
Dimensional U.S. Small Cap Core	US Small Cap	\$7,525,335	0.35	26,339	0.96	-0.61	-	0.00
Tier IV - Extended Choice		\$10,810,672						
Franklin Templeton Global Bond	International Bonds	\$2,299,229	0.56	12,876	0.67	-0.11	-	0.00
Principal Diversified Real Asset	Real Assets	\$280,039	0.84	2,352	0.90	-0.06	\$417	0.10
Invesco Global REITs	REITs	\$1,394,335	0.92	12,828	0.89	0.03	\$7,684	0.35
Aberdeen Emerging Markets Equity	International Equity	\$1,717,172	1.10	18,889	1.14	-0.04	-	0.00
Self Directed Brokerage Options	Brokerage Window	\$5,119,898				-	-	-
Other		\$13,143,973						
Columbia High Yield	Bonds	-	0.66	-	0.71	-0.05	-	0.00
Loan Account	Other	\$13,143,973		-	-	-	-	-
Prudential Retirement Real Estate Fund II	Private Real Estate	-	0.90	-	N/A	N/A	-	NA
Total		\$586,978,375	0.36%	\$2,133,451			\$118,358	0.02

LifeCycle Funds Detail As of March 31, 2020

Glide Path Universe Comparison¹
% Allocation to Equity



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



LifeCycle Funds Detail

	2055 Portfolio (%)	2050 Portfolio (%)	2045 Portfolio (%)	2040 Portfolio (%)	2035 Portfolio (%)	2030 Portfolio (%)	2025 Portfolio (%)	2020 Portfolio (%)	Conservative Portfolio (%)
Total Fixed Income	9.0	11.5	14.8	18.3	26.2	35.2	48.6	63.1	66.0
Total Stable Value	0.0	0.0	0.8	1.8	3.2	4.7	11.8	20.3	22.0
New Mexico Stable Value Fund (Galliard)	0.0	0.0	0.8	1.8	3.2	4.7	11.8	20.3	22.0
Total Investment Grade Bonds	3.7	5.2	6.7	7.8	13.2	19.7	25.0	30.0	31.0
Vanguard Inflation-Protected Securities	0.8	1.4	2.3	2.9	3.8	4.8	7.8	11.3	12.0
Vanguard Total Bond Market Index	2.9	3.8	4.4	4.9	9.4	14.9	17.2	18.7	19.0
Total Global Bonds	5.3	6.3	7.3	8.7	9.8	10.8	11.8	12.8	13.0
Templeton Global Bond Fund	2.4	2.9	3.4	3.9	4.4	4.9	5.0	5.0	5.0
Columbia High Yield Bonds	2.9	3.4	3.9	4.8	5.4	5.9	6.8	7.8	8.0
Total Equity	71.8	70.3	67.2	63.7	57.4	50.4	37.8	23.8	21.0
Total Domestic Equity	35.6	35.1	33.8	32.3	29.6	26.6	20.0	12.5	11.0
Vanguard Institutional Index Fund	25.1	24.2	23.2	22.2	20.8	18.9	14.1	9.0	8.0
Principal Mid Cap Equity	3.5	3.7	3.6	3.5	3.1	2.6	2.1	1.2	1.0
T. Rowe Price Mid Cap Growth	3.5	3.7	3.6	3.5	3.1	2.6	2.1	1.2	1.0
DFA US Small Cap Portfolio	3.5	3.5	3.5	3.1	2.6	2.5	1.7	1.1	1.0
Total International Equity	36.2	35.2	33.4	31.4	27.8	23.8	17.8	11.3	10.0
Vanguard Total International Stock Index	19.2	18.2	17.2	16.2	14.4	12.4	9.2	5.7	5.0
American Fund EuroPacific Growth	7.0	7.0	6.2	5.6	5.1	5.0	3.4	2.2	2.0
Aberdeen Emerging Markets	10.0	10.0	10.0	9.6	8.3	6.4	5.2	3.4	3.0
Total Other	19.2	18.2	18.0	18.0	16.4	14.4	13.6	13.1	13.0
Total Core Private Real Estate	11.6	11.1	11.0	11.0	10.2	9.2	8.6	8.1	8.0
Prudential Retirement Real Estate Fund II	11.6	11.1	11.0	11.0	10.2	9.2	8.6	8.1	8.0
Total Diversified Inflation Hedge	7.6	7.1	7.0	7.0	6.2	5.2	5.0	5.0	5.0
Principal Diversified Real Asset Fund	7.6	7.1	7.0	7.0	6.2	5.2	5.0	5.0	5.0

Portfolio Reviews

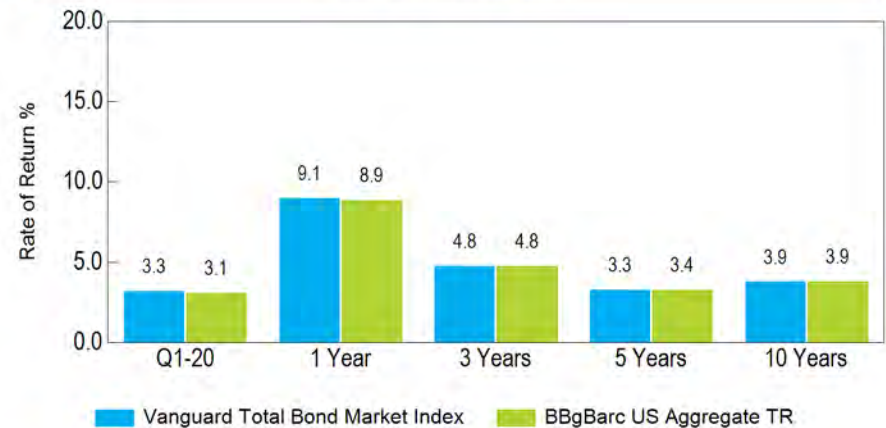
New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Vanguard Total Bond Market Index | As of March 31, 2020

Fund Information as of March 31, 2020

Fund Name	VANGUARD TOTAL BOND MARKET INDEX I
Ticker	VBPIX
Morningstar Category	Intermediate Core Bond
Benchmark	BBgBarc US Aggregate TR
Expense Ratio	0.04%
Fund Assets (\$mm)	49,496.25
Share Class Inception Date	9/18/1995
Manager Tenure	7

Return Summary Ending March 31, 2020



Fund Characteristics as of March 31, 2020

Sharpe Ratio (3 Year)	0.96
Average Duration	6.21
Average Coupon	3.13%
Average Effective Maturity	8.10
R-Squared (3 Year)	0.99
Alpha (3 Year)	0.00%
Beta (3 Year)	1.01

Credit Quality as of March 31, 2020

AAA	67.55%
AA	3.43%
A	11.37%
BBB	17.65%
BB	0.00%
B	0.00%
Below B	0.00%
Not Rated	0.00%

Fixed Income Sectors as of March 31, 2020

GOVERNMENT	48.32%
MUNICIPAL	0.64%
CORPORATE	25.16%
SECURITIZED	24.63%
CASH & EQUIVALENTS	1.24%
DERIVATIVE	0.00%

¹ 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.

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Vanguard Inflation-Protected Securities | As of March 31, 2020

Fund Information as of March 31, 2020

Fund Name	VANGUARD INFLATION-PROTECTED SECS I
Ticker	VIPIX
Morningstar Category	Inflation-Protected Bond
Benchmark	BBgBarc US TIPS TR
Expense Ratio	0.07%
Fund Assets (\$mm)	10,331.91
Share Class Inception Date	12/12/2003
Manager Tenure	9

Return Summary Ending March 31, 2020



Fund Characteristics as of March 31, 2020

Sharpe Ratio (3 Year)	0.50
Average Duration	7.86
Average Coupon	0.74%
Average Effective Maturity	8.50
R-Squared (3 Year)	0.98
Alpha (3 Year)	0.01%
Beta (3 Year)	0.94

Credit Quality as of March 31, 2020

AAA	100.00%
AA	0.00%
A	0.00%
BBB	0.00%
BB	0.00%
B	0.00%
Below B	0.00%
Not Rated	0.00%

Fixed Income Sectors as of March 31, 2020

GOVERNMENT	100.0%
MUNICIPAL	0.0%
CORPORATE	0.0%
SECURITIZED	0.0%
CASH & EQUIVALENTS	0.0%
DERIVATIVE	0.0%

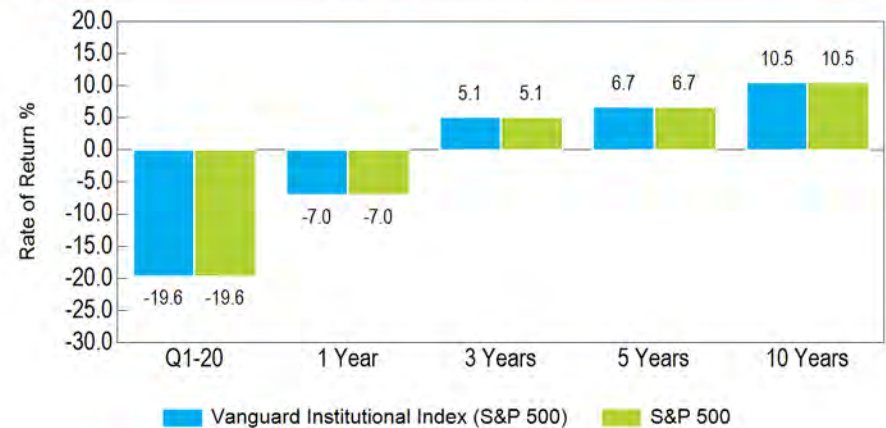
New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Vanguard Institutional Index (S&P 500) | As of March 31, 2020

Portfolio Fund Information as of March 31, 2020

Ticker	VIIIIX
Morningstar Category	Large Blend
Average Market Cap (\$mm)	111,751.38
Net Assets (\$mm)	100,330.45
% Assets in Top 10 Holdings	25.19
Total Number of Holdings	510
Manager Name	Donald M. Butler
Manager Tenure	19
Expense Ratio	0.02%
Closed to New Investors	No

Return Summary Ending March 31, 2020



Equity Characteristics Within Mutual Funds as of March 31, 2020 Versus S&P 500

	Portfolio	S&P 500
Average Market Cap (Billions)	111.75	267.10
Price To Earnings	16.17	17.01
Price To Book	2.43	3.72
Return On Equity	27.21	27.34
Dividend Yield	2.48%	2.34%
Beta (3 Year)	1.00	1.00

Top Holdings as of March 31, 2020

MICROSOFT CORP	5.6%
APPLE INC	4.9%
AMAZON.COM INC	3.8%
FACEBOOK INC A	1.9%
BERKSHIRE HATHAWAY INC B	1.7%
ALPHABET INC A	1.6%
ALPHABET INC CLASS C	1.6%
JOHNSON & JOHNSON	1.6%
VISA INC CLASS A	1.3%
PROCTER & GAMBLE CO	1.3%

Sector Allocation as of March 31, 2020

BASIC MATERIALS	2.1%
COMMUNICATION SERVICES	10.8%
CONSUMER CYCLICAL	9.7%
CONSUMER DEFENSIVE	8.2%
ENERGY	2.7%
FINANCIAL SERVICES	13.8%
HEALTHCARE	15.6%
INDUSTRIALS	8.4%
REAL ESTATE	3.0%
TECHNOLOGY	22.3%
UTILITIES	3.6%

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Vanguard Total International Stock Index | As of March 31, 2020

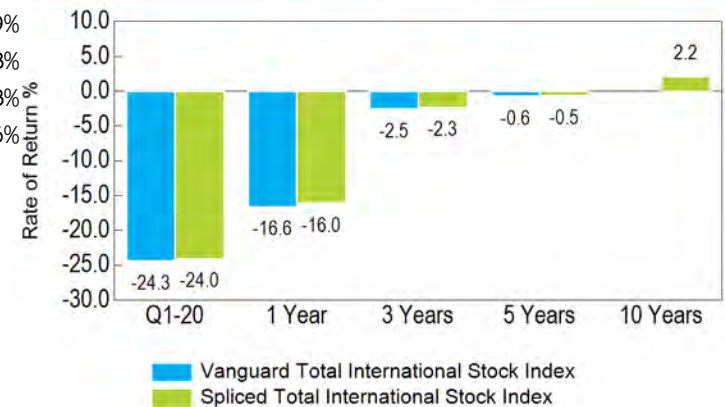
Portfolio Fund Information as of March 31, 2020

Ticker	VTSNX
Morningstar Category	Foreign Large Blend
Average Market Cap (\$mm)	21,059.43
Net Assets (\$mm)	26,692.08
% Assets in Top 10 Holdings	10.54
Total Number of Holdings	7,463
Manager Name	Michael Perre
Manager Tenure	12
Expense Ratio	0.08%
Closed to New Investors	No

Top Regions as of March 31, 2020

EUROZONE	19.11%
JAPAN	18.19%
ASIA EMERGING	14.48%
EUROPE EXEURO	10.63%
ASIA DEVELOPED	10.16%

Return Summary Ending March 31, 2020



Equity Characteristics Within Mutual Funds as of March 31, 2020

Versus FTSE All World ex US

	Portfolio	FTSE All World ex US
Average Market Cap (Billions)	21.06	66.65
Price To Earnings	12.23	12.92
Price To Book	1.17	2.44
Return On Equity	15.15	15.25
Dividend Yield	4.14%	3.75%
Beta (3 Year)	1.03	1.00
R-Squared (3 Year)	0.99	1.00

Top Holdings as of March 31, 2020

ALIBABA GROUP HOLDING LTD ADR	1.7%
NESTLE SA	1.5%
TENCENT HOLDINGS LTD	1.4%
ROCHE HOLDING AG DIVIDEND RIGHT CERT.	1.1%
TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	1.1%
SAMSUNG ELECTRONICS CO LTD	0.9%
NOVARTIS AG	0.9%
TOYOTA MOTOR CORP	0.8%
ASTRAZENECA PLC	0.6%
HSBC HOLDINGS PLC	0.6%

Sector Allocation as of March 31, 2020

BASIC MATERIALS	7.3%
COMMUNICATION SERVICES	7.9%
CONSUMER CYCLICAL	10.7%
CONSUMER DEFENSIVE	10.0%
ENERGY	5.0%
FINANCIAL SERVICES	18.0%
HEALTHCARE	10.7%
INDUSTRIALS	12.6%
REAL ESTATE	3.8%
TECHNOLOGY	10.4%
UTILITIES	3.6%

¹ 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.

² 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.

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Oakmark Equity & Income | As of March 31, 2020

Portfolio Fund Information as of March 31, 2020

Ticker	OAKBX
Morningstar Category	Allocation--50% to 70% Equity
Average Market Cap (\$mm)	48,142.02
Net Assets (\$mm)	5,994.54
% Assets in Top 10 Holdings	38.33
Total Number of Holdings	265
Manager Name	Clyde S. McGregor
Manager Tenure	25
Expense Ratio	0.81%
Closed to New Investors	No

Fund Characteristics as of March 31, 2020

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

Sharpe Ratio (3 Year)	-0.28
Average Market Cap (\$mm)	48,142.02
Price/Earnings	9.72
Price/Book	1.12
Price/Sales	0.69
Price/Cash Flow	4.45
Dividend Yield	3.40
Number of Equity Holdings	41
R-Squared (3 Year)	0.89
Alpha (3 Year)	-0.77%

Return Summary

Ending March 31, 2020



Top Holdings as of March 31, 2020

UNITED STATES TREASURY NOTES 1.25%	6.1%
GENERAL MOTORS CO	4.3%
BANK OF AMERICA CORP	4.2%
TE CONNECTIVITY LTD	4.0%
ALPHABET INC A	3.9%
MASTERCARD INC A	3.5%
NESTLE SA ADR	3.4%
PHILIP MORRIS INTERNATIONAL INC	3.2%
CVS HEALTH CORP	2.9%
UNITED STATES TREASURY NOTES 1.75%	2.8%

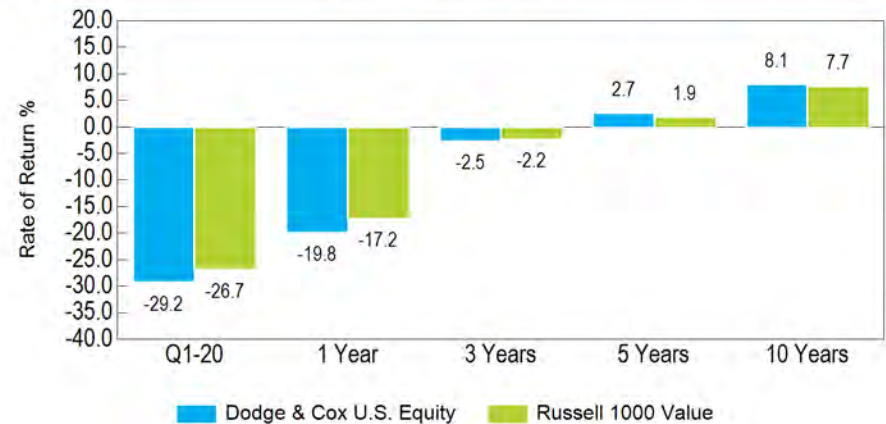
New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Dodge & Cox U.S. Equity | As of March 31, 2020

Portfolio Fund Information as of March 31, 2020

Ticker	DODGX
Morningstar Category	Large Value
Average Market Cap (\$mm)	50,310.34
Net Assets (\$mm)	51,772.67
% Assets in Top 10 Holdings	33.55
Total Number of Holdings	70
Manager Name	Bryan Cameron
Manager Tenure	28
Expense Ratio	0.52%
Closed to New Investors	Yes

Return Summary Ending March 31, 2020



Equity Characteristics Within Mutual Funds as of March 31, 2020

Versus Russell 1000 Value

	Portfolio	Russell 1000 Value
Average Market Cap (Billions)	50.31	98.90
Price To Earnings	10.04	12.56
Price To Book	1.06	2.17
Return On Equity	14.47	15.02
Dividend Yield	3.76%	3.48%
Beta (3 Year)	1.09	1.00
R-Squared (3 Year)	0.97	1.00

Top Holdings as of March 31, 2020

CHARLES SCHWAB CORP	4.0%
ALPHABET INC CLASS C	3.8%
FEDEX CORP	3.7%
MICROSOFT CORP	3.5%
BANK OF AMERICA CORP	3.4%
HP INC	3.2%
COMCAST CORP CLASS A	3.2%
WELLS FARGO & CO	3.1%
CIGNA CORP	3.1%
CHARTER COMMUNICATIONS INC A	2.7%

Sector Allocation as of March 31, 2020

BASIC MATERIALS	0.8%
COMMUNICATION SERVICES	13.1%
CONSUMER CYCLICAL	3.3%
CONSUMER DEFENSIVE	1.1%
ENERGY	6.6%
FINANCIAL SERVICES	26.3%
HEALTHCARE	23.4%
INDUSTRIALS	6.2%
REAL ESTATE	0.0%
TECHNOLOGY	19.3%
UTILITIES	0.0%

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Fidelity Contrafund | As of March 31, 2020

Portfolio Fund Information as of March 31, 2020

Ticker	FCNKX
Morningstar Category	Large Growth
Average Market Cap (\$mm)	173,386.03
Net Assets (\$mm)	18,399.08
% Assets in Top 10 Holdings	47.96
Total Number of Holdings	277
Manager Name	William Danoff
Manager Tenure	30
Expense Ratio	0.77%
Closed to New Investors	No

Return Summary Ending March 31, 2020



Equity Characteristics Within Mutual Funds as of March 31, 2020

Versus Russell 1000 Growth

	Portfolio	Russell 1000 Growth
Average Market Cap (Billions)	173.39	355.15
Price To Earnings	22.96	23.75
Price To Book	3.64	6.72
Return On Equity	25.92	35.36
Dividend Yield	0.85%	1.34%
Beta (3 Year)	1.00	1.00
R-Squared (3 Year)	0.97	1.00

Top Holdings as of March 31, 2020

AMAZON.COM INC	8.3%
FACEBOOK INC A	7.4%
MICROSOFT CORP	6.6%
BERKSHIRE HATHAWAY INC A	5.4%
SALESFORCE.COM INC	3.9%
VISA INC CLASS A	3.9%
ADOBE INC	3.4%
UNITEDHEALTH GROUP INC	3.2%
NETFLIX INC	3.1%
ALPHABET INC A	2.8%

Sector Allocation as of March 31, 2020

BASIC MATERIALS	2.1%
COMMUNICATION SERVICES	18.4%
CONSUMER CYCLICAL	12.1%
CONSUMER DEFENSIVE	3.5%
ENERGY	0.4%
FINANCIAL SERVICES	18.1%
HEALTHCARE	15.2%
INDUSTRIALS	2.3%
REAL ESTATE	0.9%
TECHNOLOGY	26.8%
UTILITIES	0.1%

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Fidelity Diversified International | As of March 31, 2020

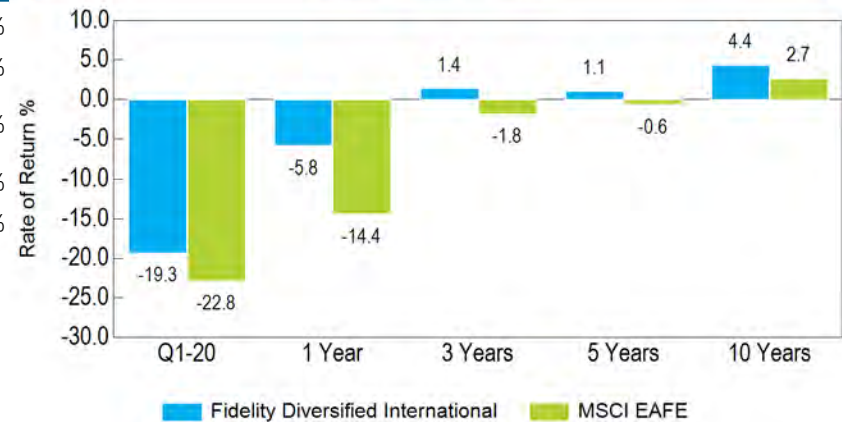
Portfolio Fund Information as of March 31, 2020

Ticker	FDIKX
Morningstar Category	Foreign Large Growth
Average Market Cap (\$mm)	37,026.76
Net Assets (\$mm)	3,281.69
% Assets in Top 10 Holdings	19.32
Total Number of Holdings	165
Manager Name	William Bower
Manager Tenure	19
Expense Ratio	0.63%
Closed to New Investors	No

Top Regions as of March 31, 2020

EUROZONE	29.21%
JAPAN	19.14%
UNITED KINGDOM	12.08%
EUROPE EXEIRO	11.72%
ASIA EMERGING	9.66%

Return Summary Ending March 31, 2020



Equity Characteristics Within Mutual Funds as of March 31, 2020 Versus MSCI EAFE

	Portfolio	MSCI EAFE
Average Market Cap (Billions)	37.03	55.62
Price To Earnings	17.04	13.93
Price To Book	2.36	2.52
Return On Equity	18.99	14.54
Dividend Yield	2.19%	3.87%
Beta (3 Year)	0.96	1.00
R-Squared (3 Year)	0.95	1.00

Top Holdings as of March 31, 2020

ROCHE HOLDING AG DIVIDEND RIGHT CERT.	2.8%
SAP SE	2.5%
ASML HOLDING NV ADR	2.3%
AIA GROUP LTD	1.9%
KEYENCE CORP	1.8%
ASTRAZENECA PLC	1.8%
HOYA CORP	1.7%
SANOFI SA	1.6%
UNILEVER NV	1.5%
LVMH MOET HENNESSY LOUIS VUITTON SE	1.4%

Sector Allocation as of March 31, 2020

BASIC MATERIALS	5.9%
COMMUNICATION SERVICES	6.3%
CONSUMER CYCLICAL	6.6%
CONSUMER DEFENSIVE	7.7%
ENERGY	1.8%
FINANCIAL SERVICES	19.3%
HEALTHCARE	18.1%
INDUSTRIALS	13.5%
REAL ESTATE	0.9%
TECHNOLOGY	18.0%
UTILITIES	1.9%

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

American Funds EuroPacific Growth | As of March 31, 2020

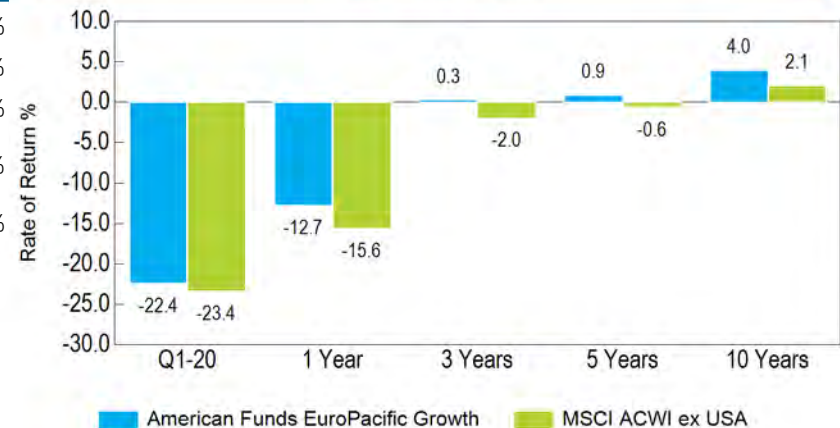
Portfolio Fund Information as of March 31, 2020

Ticker	REGRX
Morningstar Category	Foreign Large Growth
Average Market Cap (\$mm)	39,603.65
Net Assets (\$mm)	60,140.63
% Assets in Top 10 Holdings	18.82
Total Number of Holdings	334
Manager Name	Carl M. Kawaja
Manager Tenure	19
Expense Ratio	0.49%
Closed to New Investors	No

Top Regions as of March 31, 2020

EUROZONE	25.51%
ASIA EMERGING	20.63%
JAPAN	16.40%
ASIA DEVELOPED	8.86%
EUROPE EXEORO	8.18%

Return Summary Ending March 31, 2020



Equity Characteristics Within Mutual Funds as of March 31, 2020

Versus MSCI ACWI ex USA

	Portfolio	MSCI ACWI ex USA
Average Market Cap (Billions)	39.60	69.23
Price To Earnings	16.74	13.10
Price To Book	1.75	2.47
Return On Equity	15.01	15.47
Dividend Yield	2.36%	3.75%
Beta (3 Year)	1.01	1.00
R-Squared (3 Year)	0.97	1.00

Top Holdings as of March 31, 2020

AIA GROUP LTD	2.6%
ASML HOLDING NV	2.4%
RELIANCE INDUSTRIES LTD	2.1%
DAIICHI SANKYO CO LTD	2.1%
NINTENDO CO LTD	1.8%
HDFC BANK LTD	1.7%
KEYENCE CORP	1.6%
MERCADOLIBRE INC	1.5%
AIRBUS SE	1.5%
LVMH MOET HENNESSY LOUIS	1.5%
VUITTON SE	1.5%

Sector Allocation as of March 31, 2020

BASIC MATERIALS	5.9%
COMMUNICATION SERVICES	7.8%
CONSUMER CYCLICAL	14.7%
CONSUMER DEFENSIVE	6.7%
ENERGY	4.3%
FINANCIAL SERVICES	16.2%
HEALTHCARE	15.6%
INDUSTRIALS	8.9%
REAL ESTATE	1.4%
TECHNOLOGY	14.9%
UTILITIES	3.7%

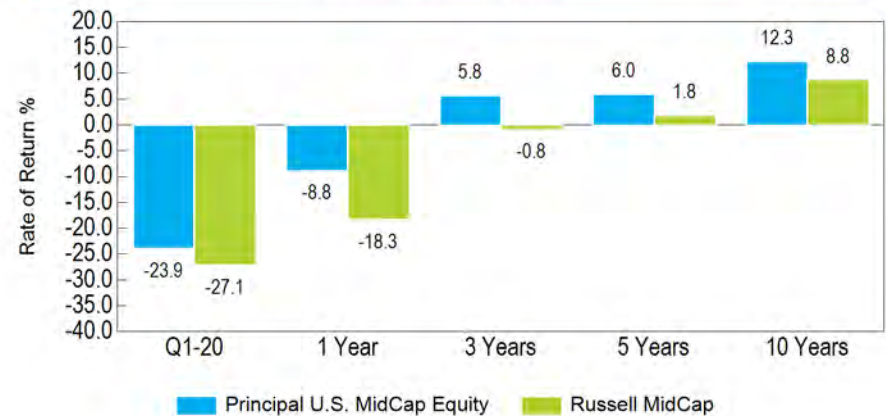
New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Principal U.S. MidCap Equity | As of March 31, 2020

Portfolio Fund Information as of March 31, 2020

Ticker	PCBIX
Morningstar Category	Mid-Cap Growth
Average Market Cap (\$mm)	14,736.59
Net Assets (\$mm)	9,034.37
% Assets in Top 10 Holdings	29.08
Total Number of Holdings	86
Manager Name	K. William Nolin
Manager Tenure	19
Expense Ratio	0.69%
Closed to New Investors	No

Return Summary Ending March 31, 2020



Equity Characteristics Within Mutual Funds as of March 31, 2020 Versus Russell MidCap

	Portfolio	Russell MidCap
Average Market Cap (Billions)	14.74	14.33
Price To Earnings	20.05	15.81
Price To Book	2.04	2.76
Return On Equity	23.14	16.21
Dividend Yield	1.13%	2.29%
Beta (3 Year)	0.97	1.00
R-Squared (3 Year)	0.93	1.00

Top Holdings as of March 31, 2020

BROOKFIELD ASSET MANAGEMENT INC CLASS A	4.3%
SBA COMMUNICATIONS CORP	3.6%
TRANSDIGM GROUP INC	3.1%
MARKEL CORP	3.0%
BLACK KNIGHT INC A	2.8%
O'REILLY AUTOMOTIVE INC	2.6%
VULCAN MATERIALS CO	2.6%
COPART INC	2.5%
CARMAX INC	2.4%
VERISIGN INC	2.4%

Sector Allocation as of March 31, 2020

BASIC MATERIALS	5.1%
COMMUNICATION SERVICES	6.9%
CONSUMER CYCLICAL	15.1%
CONSUMER DEFENSIVE	1.4%
ENERGY	0.0%
FINANCIAL SERVICES	22.8%
HEALTHCARE	2.9%
INDUSTRIALS	16.0%
REAL ESTATE	9.6%
TECHNOLOGY	18.3%
UTILITIES	2.1%

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

T. Rowe Price MidCap Growth | As of March 31, 2020

Portfolio Fund Information as of March 31, 2020

Ticker	PMEGX
Morningstar Category	Mid-Cap Growth
Average Market Cap (\$mm)	12,076.09
Net Assets (\$mm)	5,898.16
% Assets in Top 10 Holdings	19.66
Total Number of Holdings	135
Manager Name	Brian W.H. Berghuis
Manager Tenure	24
Expense Ratio	0.61%
Closed to New Investors	Yes

Return Summary Ending March 31, 2020



Equity Characteristics Within Mutual Funds as of March 31, 2020

Versus Russell MidCap Growth

	Portfolio	Russell MidCap Growth
Average Market Cap (Billions)	12.08	17.01
Price To Earnings	17.56	23.25
Price To Book	2.29	5.23
Return On Equity	14.37	24.21
Dividend Yield	1.15%	0.93%
Beta (3 Year)	0.98	1.00
R-Squared (3 Year)	0.95	1.00

Top Holdings as of March 31, 2020

TELEFLEX INC	2.7%
BALL CORP	2.5%
THE COOPER COMPANIES INC	2.2%
DOLLAR GENERAL CORP	1.9%
HOLOGIC INC	1.9%
AGILENT TECHNOLOGIES INC	1.9%
WILLIS TOWERS WATSON PLC	1.7%
IAC/INTERACTIVECORP	1.7%
CATALENT INC	1.7%
GLOBAL PAYMENTS INC	1.5%

Sector Allocation as of December 31, 2019

BASIC MATERIALS	3.0%
COMMUNICATION SERVICES	2.3%
CONSUMER CYCLICAL	14.8%
CONSUMER DEFENSIVE	4.6%
ENERGY	2.6%
FINANCIAL SERVICES	10.4%
HEALTHCARE	20.7%
INDUSTRIALS	17.2%
REAL ESTATE	0.9%
TECHNOLOGY	21.4%
UTILITIES	2.2%

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Fidelity Low-Priced Stock | As of March 31, 2020

Portfolio Fund Information as of March 31, 2020

Ticker	FLPKX
Morningstar Category	Mid-Cap Value
Average Market Cap (\$mm)	9,377.86
Net Assets (\$mm)	5,157.89
% Assets in Top 10 Holdings	33.24
Total Number of Holdings	772
Manager Name	Joel C. Tillinghast
Manager Tenure	30
Expense Ratio	0.43%
Closed to New Investors	No

Return Summary Ending March 31, 2020



Equity Characteristics Within Mutual Funds as of March 31, 2020

Versus Russell 2500 Value

	Portfolio	Russell 2500 Value
Average Market Cap (Billions)	9.38	5.38
Price To Earnings	11.94	17.46
Price To Book	1.41	1.98
Return On Equity	22.65	7.96
Dividend Yield	2.60%	2.39%
Beta (3 Year)	1.03	1.00
R-Squared (3 Year)	.90	1.00

Top Holdings as of March 31, 2020

UNITEDHEALTH GROUP INC	7.8%
METRO INC	4.5%
ROSS STORES INC	3.9%
SEAGATE TECHNOLOGY PLC	3.8%
NEXT	2.8%
BEST BUY CO INC	2.7%
BARRATT DEVELOPMENTS PLC	2.7%
AUTOZONE INC	2.5%
ANSYS INC	1.9%
METLIFE INC	1.8%

Sector Allocation as of March 31, 2020

BASIC MATERIALS	3.7%
COMMUNICATION SERVICES	2.2%
CONSUMER CYCLICAL	24.9%
CONSUMER DEFENSIVE	27.9%
ENERGY	2.9%
FINANCIAL SERVICES	11.5%
HEALTHCARE	5.1%
INDUSTRIALS	9.3%
TECHNOLOGY	11.3%
UTILITIES	1.2%

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Dimensional U.S. Small Cap Core | As of March 31, 2020

Portfolio Fund Information as of March 31, 2020

Ticker	DFSTX
Morningstar Category	Small Blend
Average Market Cap (\$mm)	1,616.94
Net Assets (\$mm)	11,452.02
% Assets in Top 10 Holdings	5.98
Total Number of Holdings	2,014
Manager Name	Jed S. Fogdall
Manager Tenure	8
Expense Ratio	0.35%
Closed to New Investors	No

Return Summary Ending March 31, 2020



Equity Characteristics Within Mutual Funds as of March 31, 2020 Versus Russell 2000

	Portfolio	Russell 2000
Average Market Cap (Billions)	1.62	2.03
Price To Earnings	11.61	13.34
Price To Book	1.23	2.51
Return On Equity	11.00	0.88
Dividend Yield	2.06%	1.97%
Beta (3 Year)	1.02	1.00
R-Squared (3 Year)	0.99	1.00

Top Holdings as of March 31, 2020

E-MINI S&P 500 FUTURES JUNE20	2.3%
AMEDISYS INC	0.5%
TECH DATA CORP	0.4%
HORIZON THERAPEUTICS PLC	0.4%
LHC GROUP INC	0.4%
COGENT COMMUNICATIONS HOLDINGS INC	0.4%
FTI CONSULTING INC	0.4%
GENERAC HOLDINGS INC	0.4%
HELEN OF TROY LTD	0.4%
TETRA TECH INC	0.4%

Sector Allocation as of March 31, 2020

BASIC MATERIALS	4.5%
COMMUNICATION SERVICES	4.1%
CONSUMER CYCLICAL	10.4%
CONSUMER DEFENSIVE	5.8%
ENERGY	2.4%
FINANCIAL SERVICES	20.3%
HEALTHCARE	11.3%
INDUSTRIALS	20.8%
REAL ESTATE	0.5%
TECHNOLOGY	15.4%
UTILITIES	4.5%

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Franklin Templeton Global Bond | As of March 31, 2020

Fund Information as of March 31, 2020

Fund Name	TEMPLETON GLOBAL BOND R6
Ticker	FBNRX
Morningstar Category	Nontraditional Bond
Benchmark	FTSE WGBI TR
Expense Ratio	0.56%
Fund Assets (\$mm)	4,526.73
Share Class Inception Date	5/1/2013
Manager Tenure	18

Top Regions as of March 31, 2020

UNITED STATES	36.66%
LATIN AMERICA	27.2%
ASIA EMERGING	20.18%
ASIA DEVELOPED	9.59%
EUROZONE	4.45%
MIDDLE EAST	1.92%

Return Summary Ending March 31, 2020



Fund Characteristics as of March 31, 2020

Sharpe Ratio (3 Year)	-0.38
Average Duration	2.47
Average Coupon	5.49%
Average Effective Maturity	2.35
R-Squared (3 Year)	.20
Alpha (3 Year)	0.31%
Beta (3 Year)	-0.87

Credit Quality as of March 31, 2020

AAA	37.0%
AA	4.5%
A	6.4%
BBB	33.7%
BB	9.9%
B	2.4%
Below B	2.2%
Not Rated	3.9%

Fixed Income Sectors as of March 31, 2020

GOVERNMENT	83.0%
MUNICIPAL	0.0%
CORPORATE	0.0%
SECURITIZED	0.0%
CASH & EQUIVALENTS	17.0%
DERIVATIVE	0.0%

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Principal Diversified Real Asset | As of March 31, 2020

Portfolio Fund Information as of March 31, 2020

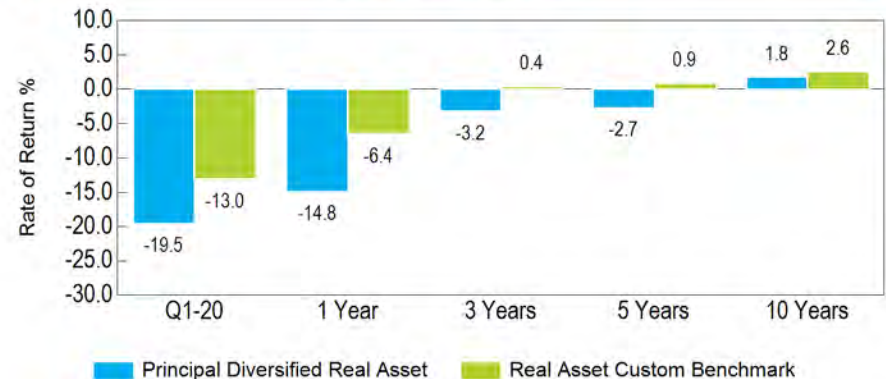
Ticker	PDRDX
Morningstar Category	World Allocation
Average Market Cap (\$mm)	10,524.88
Net Assets (\$mm)	1,829.54
% Assets in Top 10 Holdings	19.79
Total Number of Holdings	1,031
Manager Name	Kelly A. Grossman
Manager Tenure	10
Expense Ratio	0.84%
Closed to New Investors	No

Fund Characteristics as of March 31, 2020

Versus Real Asset Custom Benchmark

Sharpe Ratio (3 Year)	-0.43
Average Market Cap (\$mm)	10,524.88
Price/Earnings	16.70
Price/Book	1.32
Price/Sales	1.12
Price/Cash Flow	6.35
Dividend Yield	4.83
Number of Equity Holdings	328
R-Squared (3 Year)	0.94
Alpha (3 Year)	-0.30%

Return Summary Ending March 31, 2020



Top Holdings as of March 31, 2020

DRACAY CREDIT SUISSE - 30	9.0%
RECV CME INTEREST RATE SW_RECEIVE	1.9%
FUTURE ON 2 YEAR TREASURY NOTE FUTURE DEC 20	1.9%
PAYB CME INTEREST RATE SW_PAY	1.5%
2 YEAR INTEREST RATE SWAP	1.1%
UNITED UTILITIES GROUP PLC	1.0%
ULTRA 10 YEAR US TREASURY NOTE FUTURE JUNE 20	0.9%
UNITED STATES TREASURY NOTES 0.88%	0.9%
UNITED STATES TREASURY NOTES 0.38%	0.9%
PAYB CME INTEREST RATE SW_PAY	0.8%

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

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Aberdeen Emerging Markets Equity | As of March 31, 2020

Portfolio Fund Information as of March 31, 2020

Ticker	ABEMX
Morningstar Category	Diversified Emerging Mkts
Average Market Cap (\$mm)	48,075.35
Net Assets (\$mm)	3,003.94
% Assets in Top 10 Holdings	42.73
Total Number of Holdings	59
Manager Name	Mark Gordon-James
Manager Tenure	13
Expense Ratio	1.10%
Closed to New Investors	No

Top Regions as of March 31, 2020

ASIA EMERGING	52.26%
ASIA DEVELOPED	23.91%
LATIN AMERICA	12.71%
EUROPE EMERGING	4.67%
EUROZONE	2.74%

Return Summary Ending March 31, 2020



Equity Characteristics Within Mutual Funds as of March 31, 2020

Versus MSCI Emerging Markets

	Portfolio	Emerging Markets
Average Market Cap (Billions)	48.08	109.75
Price To Earnings	14.23	12.16
Price To Book	2.03	2.56
Return On Equity	19.36	17.62
Dividend Yield	2.87%	3.39%
Beta (3 Year)	1.02	1.00
R-Squared (3 Year)	0.94	1.00

Top Holdings as of March 31, 2020

TENCENT HOLDINGS LTD	8.4%
TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	7.7%
SAMSUNG ELECTRONICS CO LTD	7.2%
PARTICIPATING PREFERRED	
PING AN INSURANCE (GROUP) CO. OF CHINA LTD CLASS H	4.2%
HOUSING DEVELOPMENT FINANCE CORP LTD	3.4%
AIA GROUP LTD	2.6%
CHINA RESOURCES LAND LTD	2.6%
NASPERS LTD CLASS N	2.3%
VALE SA ADR	2.2%
KWEICHOW MOUTAI CO LTD	2.1%

Sector Allocation as of March 31, 2020

BASIC MATERIALS	6.6%
COMMUNICATION SERVICES	16.7%
CONSUMER CYCLICAL	9.5%
CONSUMER DEFENSIVE	9.2%
ENERGY	3.0%
FINANCIAL SERVICES	25.4%
HEALTHCARE	1.4%
INDUSTRIALS	2.5%
REAL ESTATE	4.8%
TECHNOLOGY	20.5%
UTILITIES	0.6%

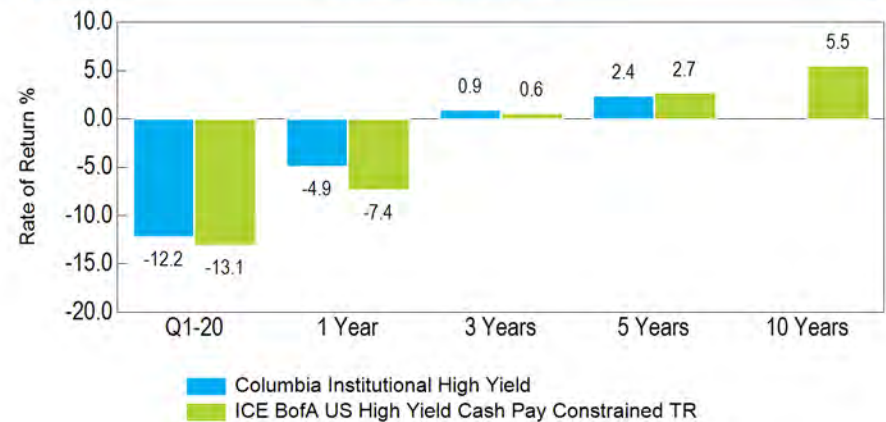
New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Columbia Institutional High Yield | As of March 31, 2020

Fund Information as of March 31, 2020

Fund Name	COLUMBIA HIGH YIELD BOND INST3
Ticker	CHYYX
Morningstar Category	High Yield Bond
Benchmark	ICE BofA US High Yield Cash Pay Constrained TR
Expense Ratio	0.66%
Fund Assets (\$mm)	296.52
Share Class Inception Date	11/8/2012
Manager Tenure	10

Return Summary Ending March 31, 2020



Fund Characteristics as of March 31, 2020

Sharpe Ratio (3 Year)	-0.10
Average Duration	4.45
Average Coupon	6.09%
Average Effective Maturity	5.80
R-Squared (3 Year)	0.98
Alpha (3 Year)	0.03%
Beta (3 Year)	0.98

Credit Quality as of March 31, 2020

AAA	3.4%
AA	0.0%
A	0.0%
BBB	0.5%
BB	34.6%
B	46.4%
Below B	15.0%
Not Rated	0.2%

Fixed Income Sectors as of March 31, 2020

GOVERNMENT	0.0%
MUNICIPAL	0.0%
CORPORATE	96.5%
SECURITIZED	0.0%
CASH & EQUIVALENTS	3.5%
DERIVATIVE	0.0%

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

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

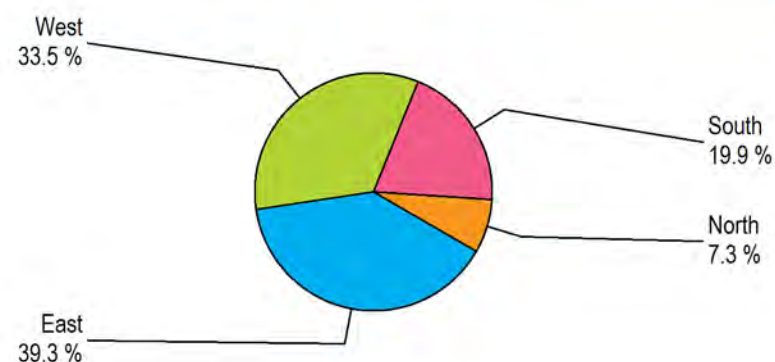
Prudential Retirement Real Estate Fund II | As of March 31, 2020

Account Information

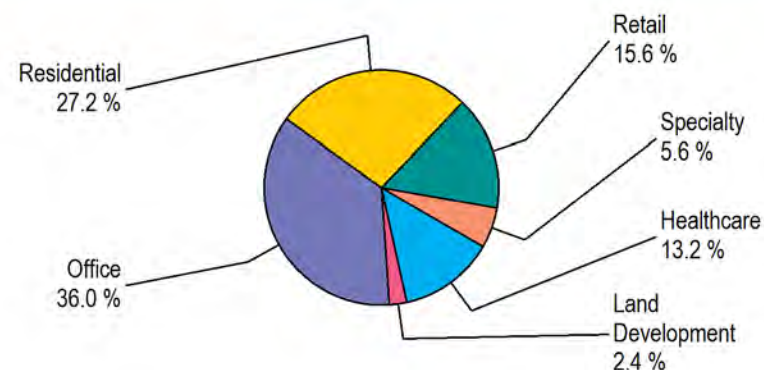
Account Name	Prudential Retirement Real Estate Fund II
Account Structure	Other
Investment Style	Active
Inception Date	1/01/18
Account Type	Real Estate
Benchmark	PRREF II Custom Benchmark
Expense Ratio	0.90%

	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	Inception (%)	Inception Date
Prudential Retirement Real Estate Fund II	1.5	6.9	--	--	7.4	Jan-18
PRREF II Custom Benchmark	-3.5	0.8	--	--	4.7	Jan-18

Geographic Diversification Allocation as of March 31, 2020



Property Type Allocation Allocation as of March 31, 2020



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

Benchmark History As of March 31, 2020

New Mexico Conservative Portfolio

1/1/2020	Present	22% Citigroup 3-month Treasury Bill + 1% / 19% BBgBarc US Aggregate TR / 12% BBgBarc US TIPS TR / 5% FTSE WGBI TR / 8% BBgBarc 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% BBgBarc US Aggregate TR / 12% BBgBarc US TIPS TR / 5% FTSE WGBI TR / 8% BBgBarc 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% BBgBarc US Aggregate TR / 12% BBgBarc US TIPS TR / 5% FTSE WGBI TR / 8% BBgBarc 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% BBgBarc US Aggregate TR / 12% BBgBarc US TIPS TR / 5% FTSE WGBI TR / 8% BBgBarc 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% BBgBarc US TIPS TR / 22% BBgBarc 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 2020 Portfolio

1/1/2020	Present	20.3% Citigroup 3-month Treasury Bill + 1% / 18.7% BBgBarc US Aggregate TR / 11.3% BBgBarc US TIPS TR / 5% FTSE WGBI TR / 7.8% BBgBarc US High Yield TR / 9% S&P 500 / 3.5% Russell 2500 / 7.9% MSCI ACWI ex USA / 3.4% MSCI Emerging Markets / 8.1% PRREF II Custom Benchmark / 5% Real Asset Custom Benchmark
1/1/2019	12/31/2019	18.6% Citigroup 3-month Treasury Bill + 1% / 18.4% BBgBarc US Aggregate TR / 10.6% BBgBarc US TIPS TR / 5% FTSE WGBI TR / 7.6% BBgBarc US High Yield TR / 10% S&P 500 / 4% Russell 2500 / 8.8% MSCI ACWI ex USA / 3.8% MSCI Emerging Markets / 8.2% PRREF II Custom Benchmark / 5% Real Asset Custom Benchmark
1/1/2018	12/31/2018	16.9% Citigroup 3-month Treasury Bill + 1% / 18.1% BBgBarc US Aggregate TR / 9.9% BBgBarc US TIPS TR / 5% FTSE WGBI TR / 7.4% BBgBarc US High Yield TR / 11% S&P 500 / 4.5% Russell 2500 / 9.7% MSCI ACWI ex USA / 4.2% MSCI Emerging Markets / 8.3% PRREF II Custom Benchmark / 5% Real Asset Custom Benchmark

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

LifeCycle Funds Detail | As of March 31, 2020

1/1/2017	12/31/2017	15.2% Citigroup 3-month Treasury Bill + 1% / 17.8% BBgBarc US Aggregate TR / 9.2% BBgBarc US TIPS TR / 5% FTSE WGBI TR / 7.2% BBgBarc US High Yield TR / 12% S&P 500 / 5% Russell 2500 / 10.6% MSCI ACWI ex USA / 4.6% MSCI Emerging Markets / 8.4% FTSE EPRA/NAREIT Global Real Estate Index / 5% Real Asset Custom Benchmark
6/30/2016	12/31/2016	13.5% FTSE T-Bill 3 Months TR / 8.5% BBgBarc US TIPS TR / 20.5% BBgBarc US Aggregate TR / 14.3% S&P 500 / 5.8% Russell 2500 / 12.5% MSCI EAFE / 6% FTSE WGBI TR / 8.5% FTSE EPRA/NAREIT Global Real Estate Index / 5.5% MSCI Emerging Markets / 5% Real Asset Custom Benchmark
New Mexico LifeCycle 2025 Portfolio		
1/1/2020	Present	11.8% Citigroup 3-month Treasury Bill + 1% / 17.2% BBgBarc US Aggregate TR / 7.8% BBgBarc US TIPS TR / 5% FTSE WGBI TR / 6.8% BBgBarc 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% BBgBarc US Aggregate TR / 7.1% BBgBarc US TIPS TR / 5% FTSE WGBI TR / 6.6% BBgBarc 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% BBgBarc US Aggregate TR / 6.4% BBgBarc US TIPS TR / 5% FTSE WGBI TR / 6.4% BBgBarc 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% BBgBarc US Aggregate TR / 5.7% BBgBarc US TIPS TR / 5% FTSE WGBI TR / 6.2% BBgBarc 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% BBgBarc US TIPS TR / 19% BBgBarc 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		
1/1/2020	Present	4.7% Citigroup 3-month Treasury Bill + 1% / 14.9% BBgBarc US Aggregate TR / 4.8% BBgBarc US TIPS TR / 4.9% FTSE WGBI TR / 5.9% BBgBarc 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% BBgBarc US Aggregate TR / 4.6% BBgBarc US TIPS TR / 4.8% FTSE WGBI TR / 5.8% BBgBarc 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% BBgBarc US Aggregate TR / 4.4% BBgBarc US TIPS TR / 4.7% FTSE WGBI TR / 5.7% BBgBarc 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

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

LifeCycle Funds Detail | As of March 31, 2020

1/1/2017	12/31/2017	3.8% Citigroup 3-month Treasury Bill + 1% / 11.6% BBgBarc US Aggregate TR / 4.2% BBgBarc US TIPS TR / 4.6% FTSE WGBI TR / 5.6% BBgBarc 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% BBgBarc US TIPS TR / 13% BBgBarc 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		
1/1/2020	Present	3.2% Citigroup 3-month Treasury Bill + 1% / 9.4% BBgBarc US Aggregate TR / 3.8% BBgBarc US TIPS TR / 4.4% FTSE WGBI TR / 5.4% BBgBarc 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% BBgBarc US Aggregate TR / 3.6% BBgBarc US TIPS TR / 4.3% FTSE WGBI TR / 5.3% BBgBarc 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% BBgBarc US Aggregate TR / 3.4% BBgBarc US TIPS TR / 4.2% FTSE WGBI TR / 5.2% BBgBarc 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% BBgBarc US Aggregate TR / 3.2% BBgBarc US TIPS TR / 4.1% FTSE WGBI TR / 5.1% BBgBarc 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% BBgBarc US TIPS TR / 7% BBgBarc 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		
1/1/2020	Present	1.8% Citigroup 3-month Treasury Bill + 1% / 4.9% BBgBarc US Aggregate TR / 2.9% BBgBarc US TIPS TR / 3.9% FTSE WGBI TR / 4.8% BBgBarc 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% BBgBarc US Aggregate TR / 2.8% BBgBarc US TIPS TR / 3.8% FTSE WGBI TR / 4.6% BBgBarc 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

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Total Fund

1/1/2018	12/31/2018	1.4% Citigroup 3-month Treasury Bill + 1% / 4.7% BBgBarc US Aggregate TR / 2.7% BBgBarc US TIPS TR / 3.7% FTSE WGBI TR / 4.4% BBgBarc 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% BBgBarc US Aggregate TR / 2.6% BBgBarc US TIPS TR / 3.6% FTSE WGBI TR / 4.2% BBgBarc 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% BBgBarc US TIPS TR / 6.5% BBgBarc 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		
1/1/2020	Present	0.8% Citigroup 3-month Treasury Bill + 1% / 4.4% BBgBarc US Aggregate TR / 2.3% BBgBarc US TIPS TR / 3.4% FTSE WGBI TR / 3.9% BBgBarc 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% BBgBarc US Aggregate TR / 2.1% BBgBarc US TIPS TR / 3.3% FTSE WGBI TR / 3.8% BBgBarc 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% BBgBarc US Aggregate TR / 1.9% BBgBarc US TIPS TR / 3.2% FTSE WGBI TR / 3.7% BBgBarc 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% BBgBarc US Aggregate TR / 1.7% BBgBarc US TIPS TR / 3.1% FTSE WGBI TR / 3.6% BBgBarc 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% BBgBarc US TIPS TR / 6% BBgBarc 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

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

LifeCycle Funds Detail | As of March 31, 2020

New Mexico LifeCycle 2050 Portfolio

1/1/2020	Present	3.8% BBgBarc US Aggregate TR / 1.4% BBgBarc US TIPS TR / 2.9% FTSE WGBI TR / 3.4% BBgBarc 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% BBgBarc US Aggregate TR / 1.3% BBgBarc US TIPS TR / 2.8% FTSE WGBI TR / 3.3% BBgBarc 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% BBgBarc US Aggregate TR / 1.2% BBgBarc US TIPS TR / 2.7% FTSE WGBI TR / 3.2% BBgBarc 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% BBgBarc US Aggregate TR / 1.1% BBgBarc US TIPS TR / 2.6% FTSE WGBI TR / 3.1% BBgBarc 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% BBgBarc 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

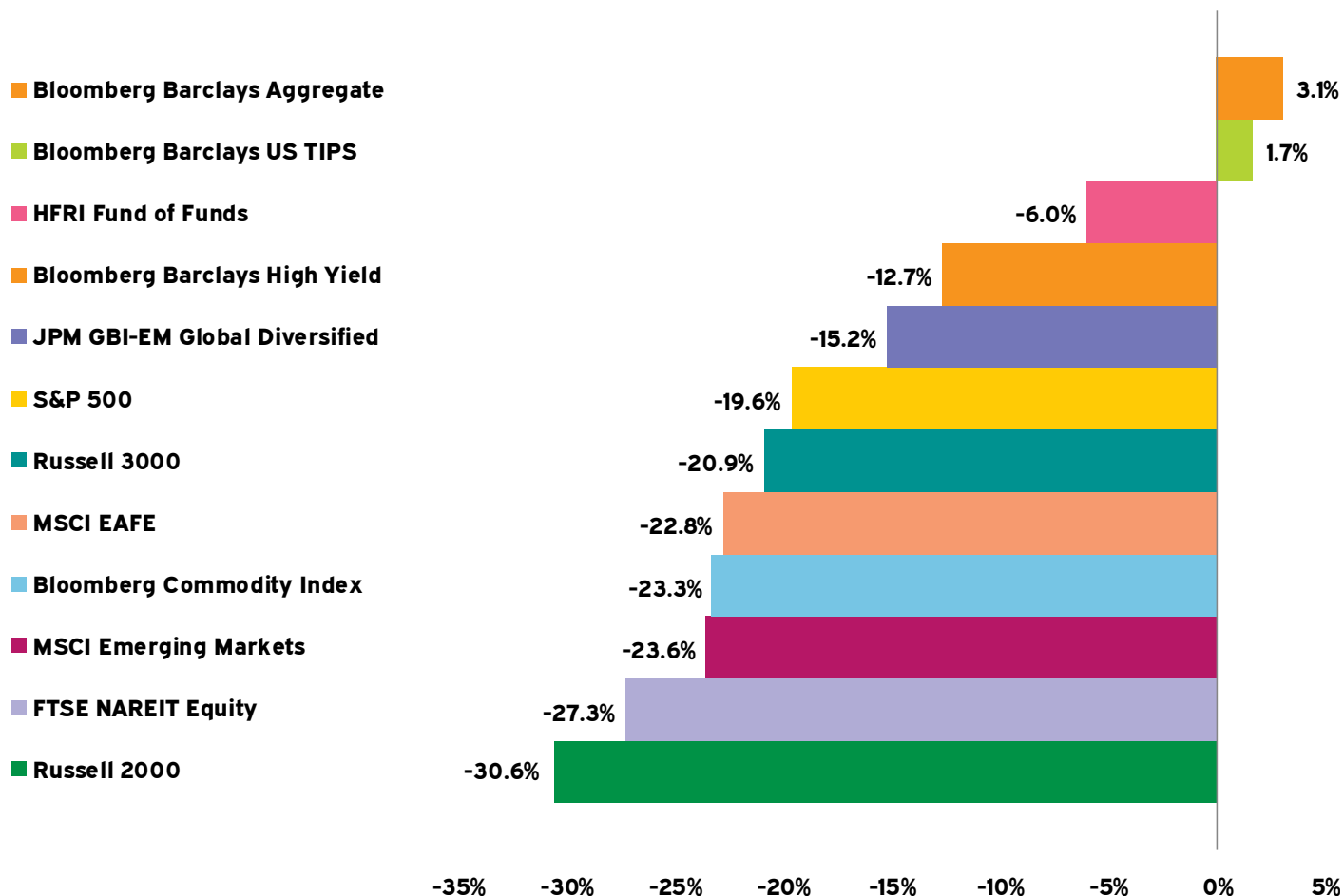
New Mexico LifeCycle 2055 Portfolio

1/1/2020	Present	2.9% BBgBarc US Aggregate TR / 0.8% BBgBarc US TIPS TR / 2.4% FTSE WGBI TR / 2.9% BBgBarc 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% BBgBarc US Aggregate TR / 0.6% BBgBarc US TIPS TR / 2.3% FTSE WGBI TR / 2.8% BBgBarc 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% BBgBarc US Aggregate TR / 0.4% BBgBarc US TIPS TR / 2.2% FTSE WGBI TR / 2.7% BBgBarc 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% BBgBarc US Aggregate TR / 0.2% BBgBarc US TIPS TR / 2.1% FTSE WGBI TR / 2.6% BBgBarc 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% BBgBarc 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

Appendices

The World Markets First Quarter of 2020

The World Markets¹ First Quarter of 2020



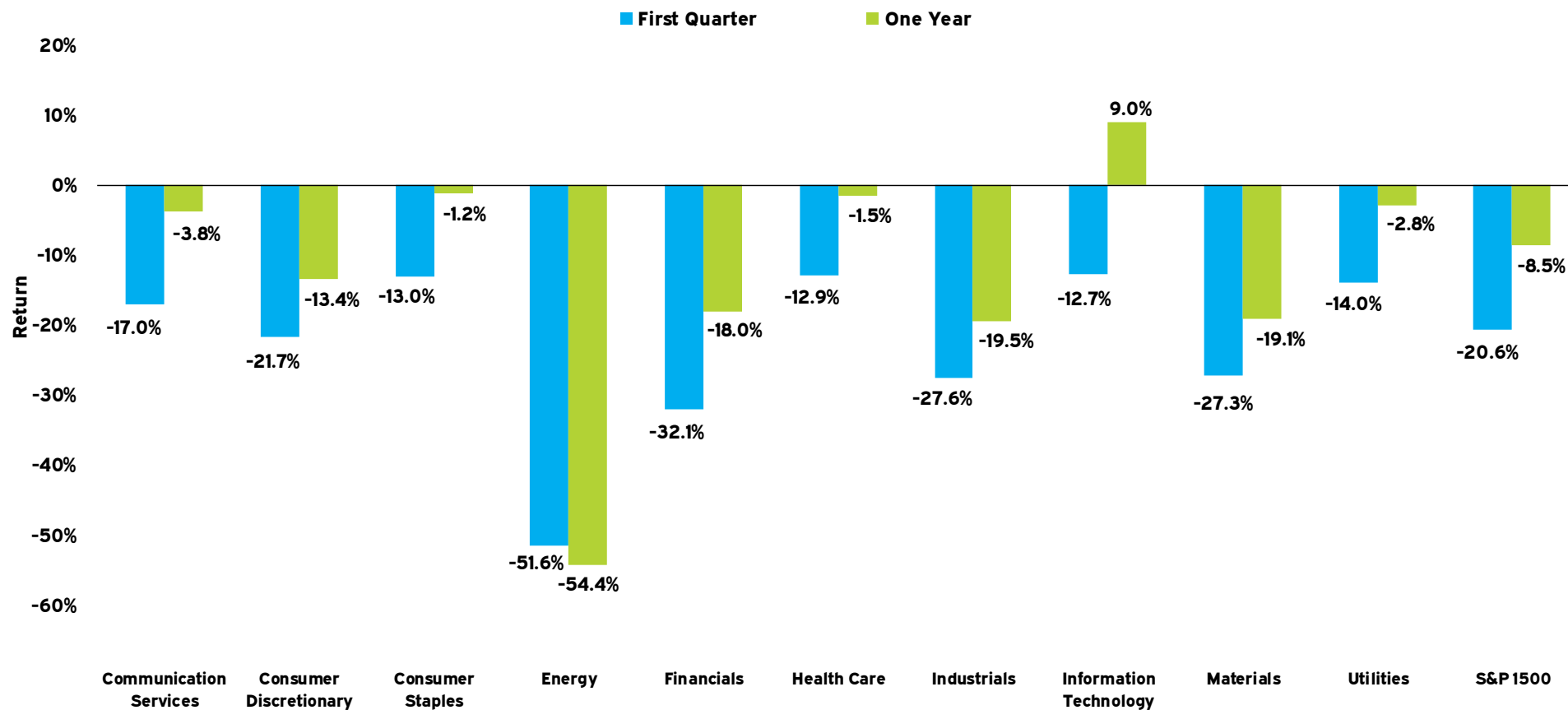
¹ Source: InvestorForce.

Index Returns¹

	1Q20 (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
Domestic Equity					
S&P 500	-19.6	-7.0	5.1	6.7	10.5
Russell 3000	-20.9	-9.1	4.0	5.8	10.1
Russell 1000	-20.2	-8.0	4.6	6.2	10.4
Russell 1000 Growth	-14.1	0.9	11.3	10.4	13.0
Russell 1000 Value	-26.7	-17.2	-2.2	1.9	7.7
Russell MidCap	-27.1	-18.3	-0.8	1.8	8.8
Russell MidCap Growth	-20.0	-9.4	6.5	5.6	10.9
Russell MidCap Value	-31.7	-24.1	-6.0	-0.8	7.2
Russell 2000	-30.6	-24.0	-4.6	-0.2	6.9
Russell 2000 Growth	-25.8	-18.6	0.1	1.7	8.9
Russell 2000 Value	-35.7	-29.6	-9.5	-2.4	4.8
Foreign Equity					
MSCI ACWI (ex. US)	-23.4	-15.6	-2.0	-0.6	2.1
MSCI EAFE	-22.8	-14.4	-1.8	-0.6	2.7
MSCI EAFE (Local Currency)	-20.5	-12.6	-1.8	-0.1	4.4
MSCI EAFE Small Cap	-27.5	-18.1	-2.9	1.0	4.8
MSCI Emerging Markets	-23.6	-17.7	-1.6	-0.4	0.7
MSCI Emerging Markets (Local Currency)	-19.1	-13.0	1.3	2.0	3.8
Fixed Income					
Bloomberg Barclays Universal	1.3	7.2	4.4	3.4	4.0
Bloomberg Barclays Aggregate	3.1	8.9	4.8	3.4	3.9
Bloomberg Barclays US TIPS	1.7	6.9	3.5	2.7	3.5
Bloomberg Barclays High Yield	-12.7	-6.9	0.8	2.8	5.6
JPM GBI-EM Global Diversified	-15.2	-6.5	-0.8	0.3	0.4
Other					
FTSE NAREIT Equity	-27.3	-21.3	-3.1	-0.3	7.4
Bloomberg Commodity Index	-23.3	-22.3	-8.6	-7.8	-6.7
HFRI Fund of Funds	-6.0	-2.6	1.0	0.6	2.1

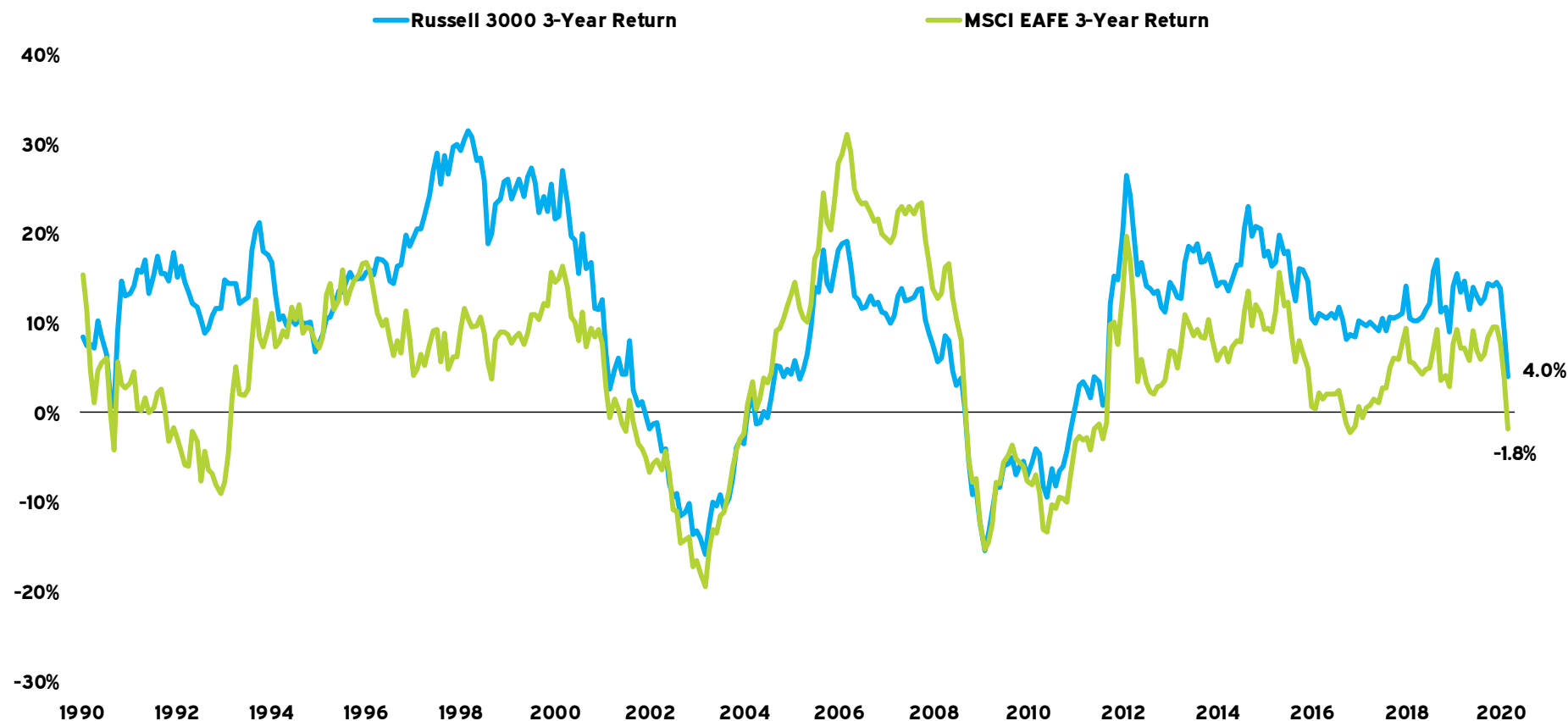
¹ Source: InvestorForce.

S&P Sector Returns¹



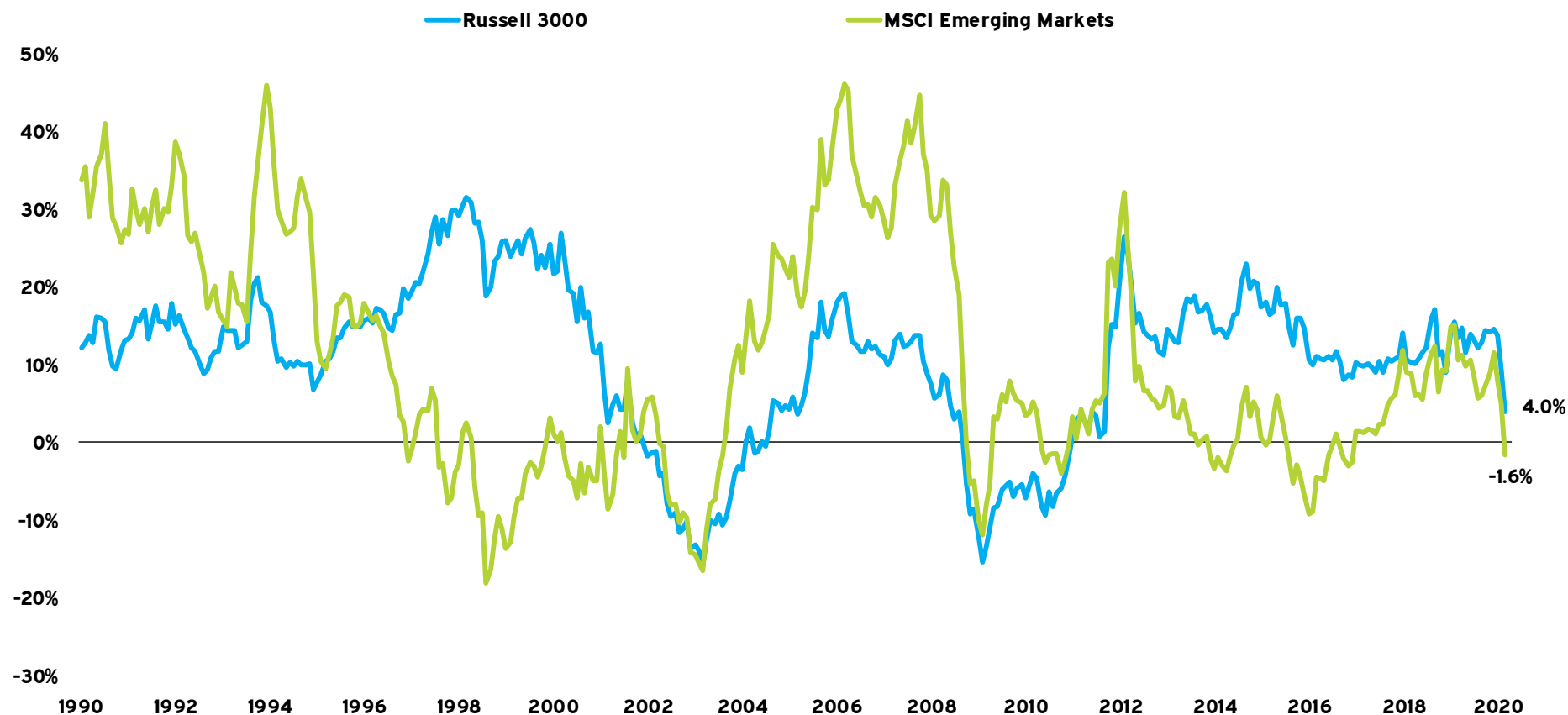
¹ Source: InvestorForce. Represents S&P 1500 (All Cap) data.

US and Developed Market Foreign Equity Rolling Three-Year Returns¹



¹ Source: InvestorForce.

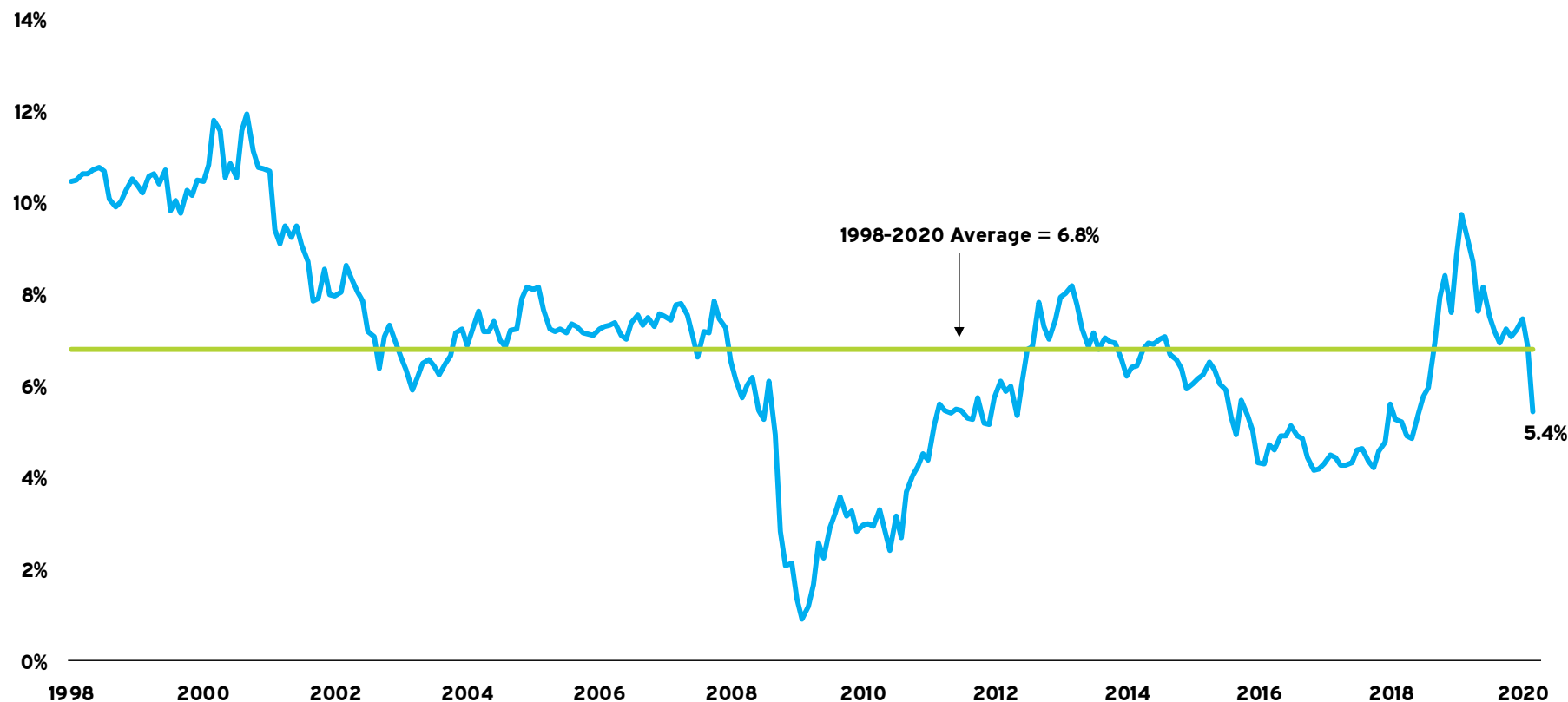
US and Emerging Market Equity Rolling Three-Year Returns¹



¹ Source: InvestorForce.

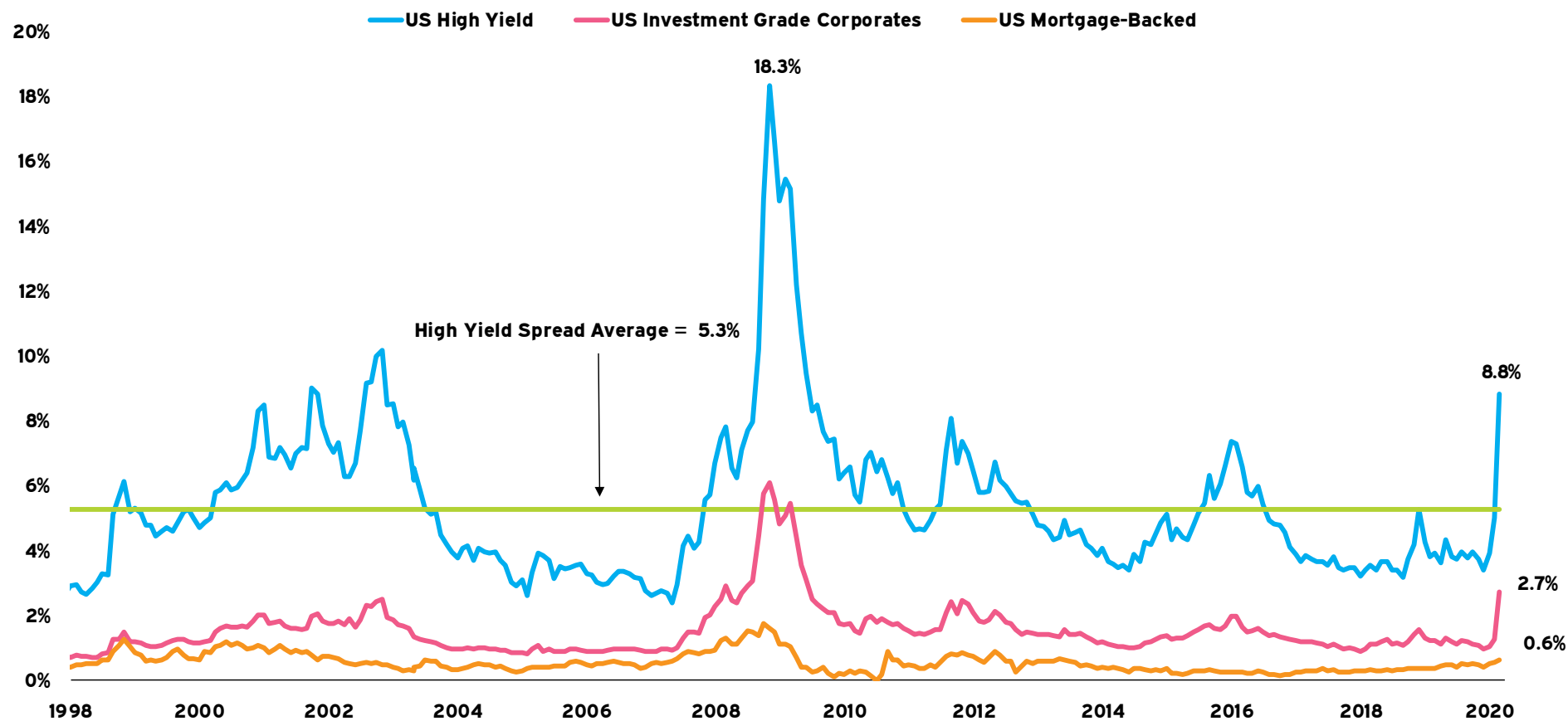
Rolling Ten-Year Returns: 65% Stocks and 35% Bonds¹

— 65% Stocks (MSCI ACWI) / 35% Bonds (Bloomberg Barclays Aggregate) 10-Year Rolling Return



¹ Source: InvestorForce.

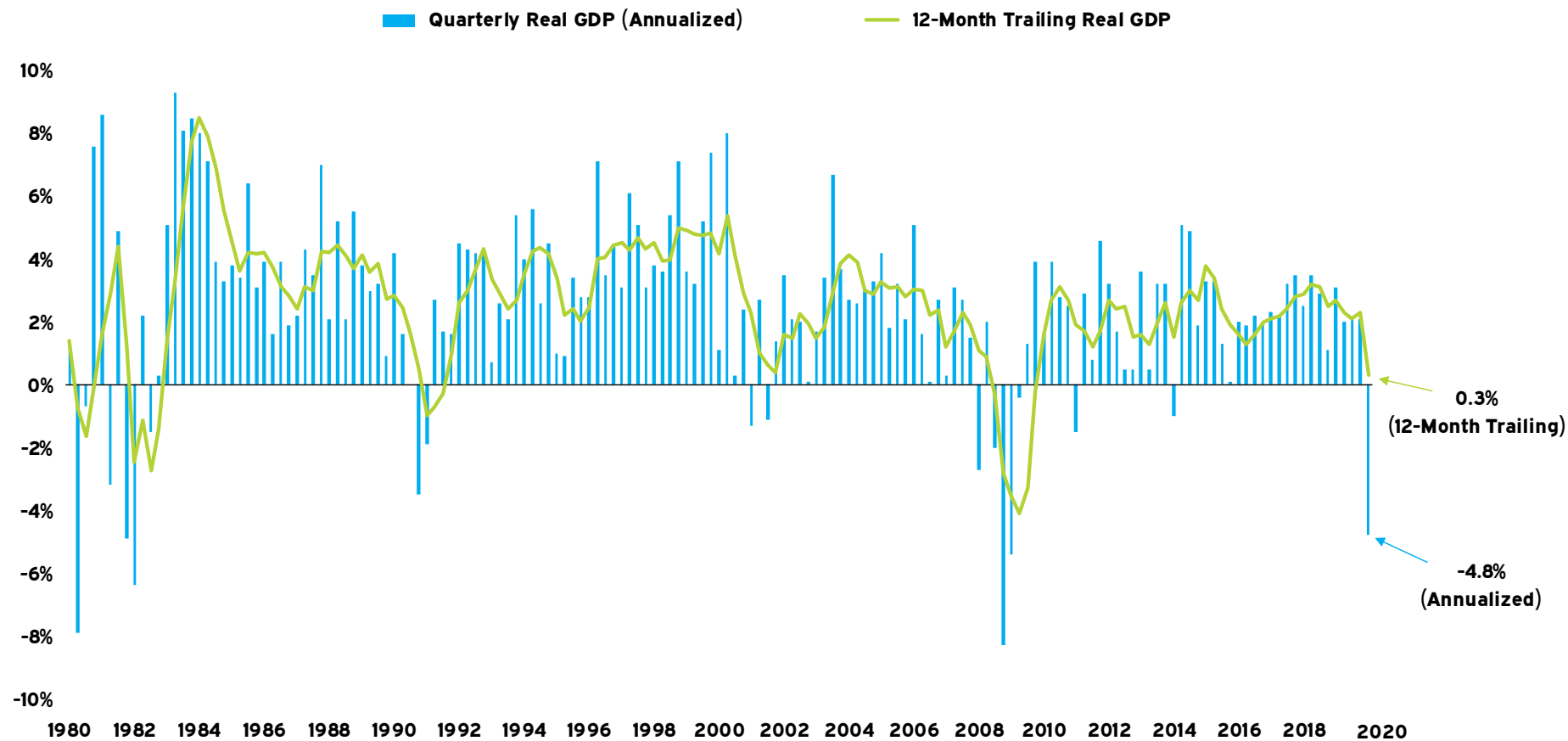
Credit Spreads vs. US Treasury Bonds^{1,2}



¹ Source: Barclays Live. Data represents the OAS.

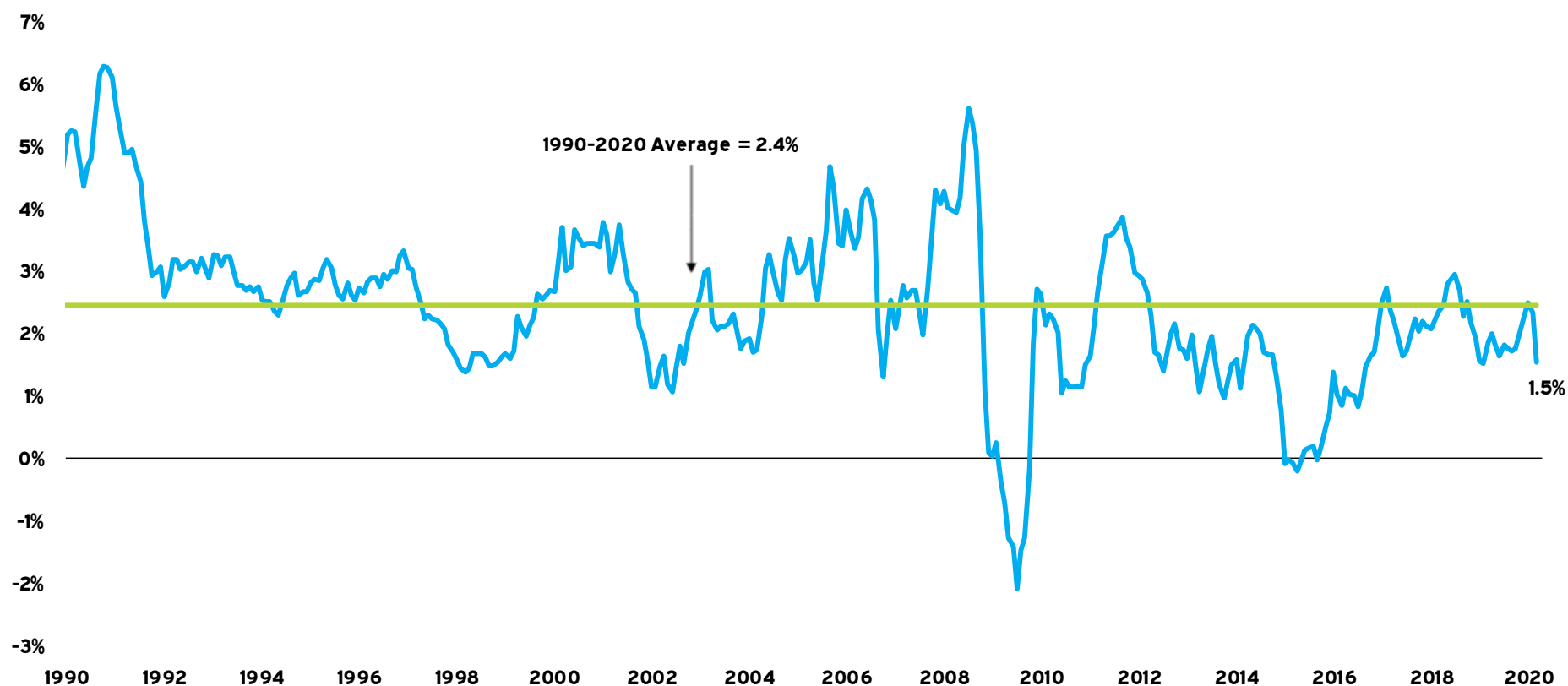
² The median high yield spread was 4.8% from 1997-2020.

US Real Gross Domestic Product (GDP) Growth¹



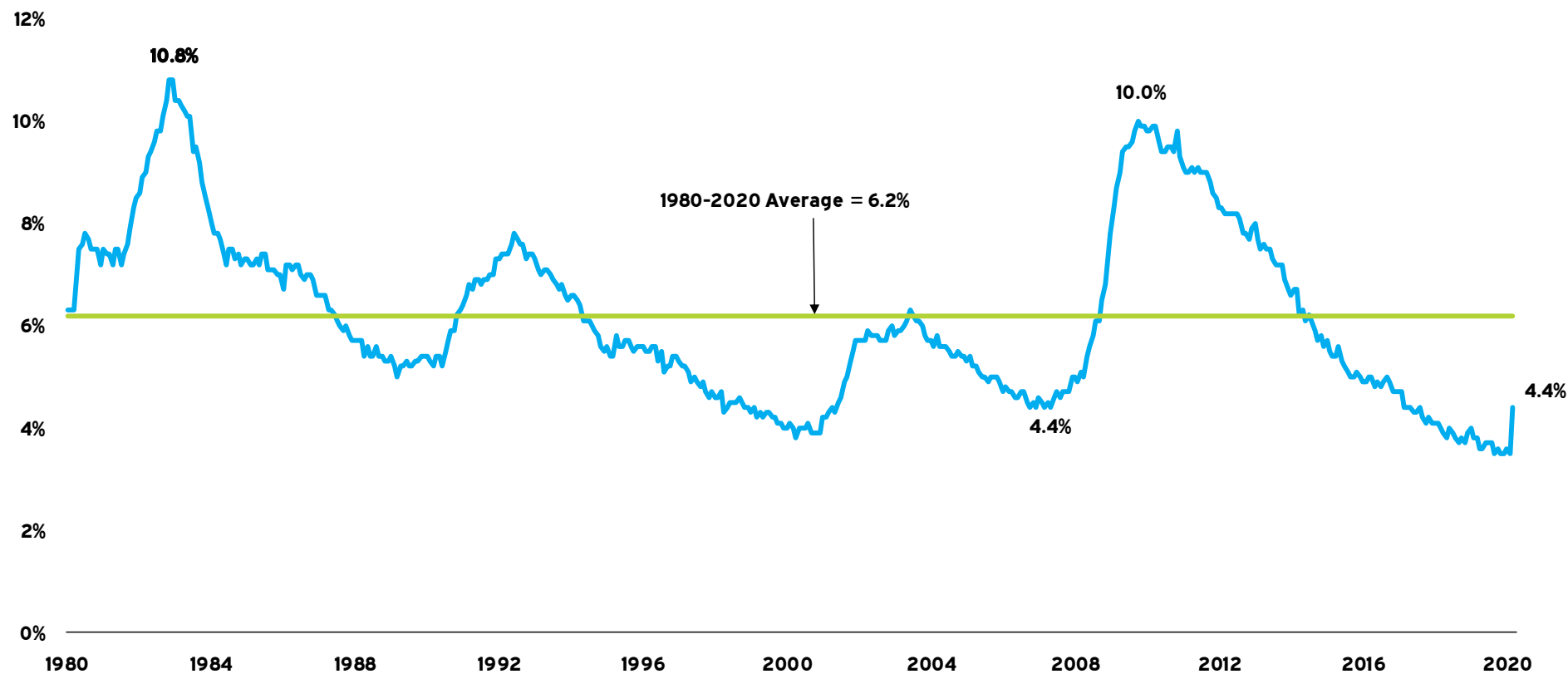
¹ Source: Bureau of Economic Analysis. Data is as of Q1 2020 and represents the first estimate.

US Inflation (CPI) Trailing Twelve Months¹



¹ Source: Bureau of Labor Statistics. Data is non-seasonally adjusted CPI, which may be volatile in the short-term. Data is as of March 31, 2020.

US Unemployment¹



¹ Source: Bureau of Labor Statistics. Data is as of March 31, 2020.

Capital Markets Outlook & Risk Metrics

As of April 30, 2020

Capital Markets Outlook

Takeaways

- After Q1 turned out to be a historically challenging quarter, the month of April proved to be one of history's strongest months on record for a variety of risk-based assets. Moreover, safe-haven assets such as US Treasury bonds also produced positive returns during the month.
- From a performance perspective, US equity indices were generally up in the 10-15% range, developed international equity markets (in aggregate) produced returns in the 6-8% range, and emerging markets equity generated returns near 10%.
- Growth continued to outperform value. However, in a reversal from Q1, small cap stocks outperformed large cap stocks. An interesting outcome from these market movements is that large cap growth stocks, in aggregate, are only down -2% to -4% YTD as a variety of technology companies have proved resilient.
- US interest rates were stable throughout the month of April as the Federal Reserve continued to remain extremely accommodative. This level of accommodation is also seen in global fiscal policies as authorities continue to rollout historic efforts to combat the economic fallout from the pandemic.
- While valuations for most risk-based asset classes appear attractive at first glance, it is important to note that the full impact on corporate earnings and solvencies remains unknown. The actual path that the global economy will take moving forward is uncertain.

Capital Markets Outlook

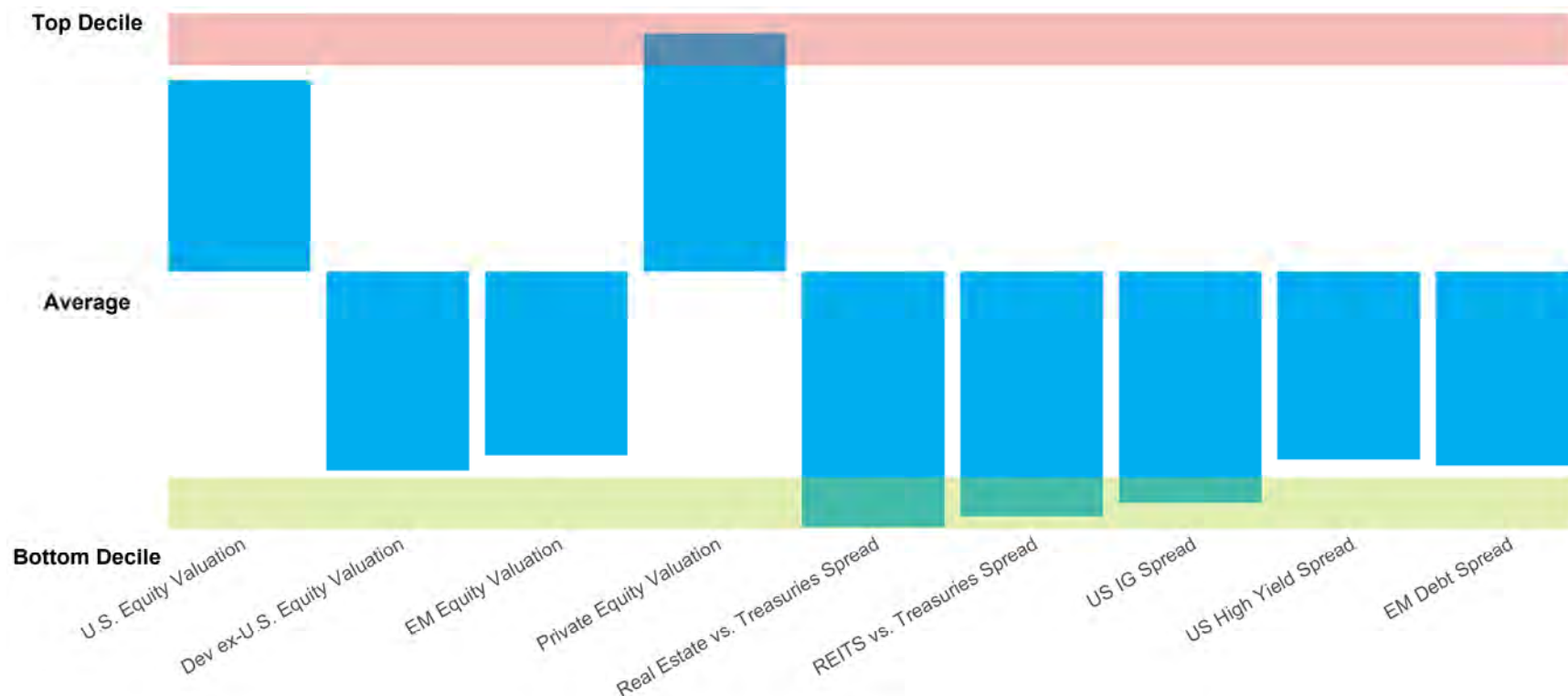
Takeaways

- Implied equity market volatility¹ began April at around 55 but declined over the course of the month to end the period at around 34. To put that level in context, the market is currently implying that, over the next month, equities will be about two times as volatile as the long-term average.
- The Market Sentiment Indicator² flipped to **grey** (i.e., neutral) at month-end.

¹ As measured by VIX Index.

² See Appendix for the rationale for selection and calculation methodology used for the risk metrics.

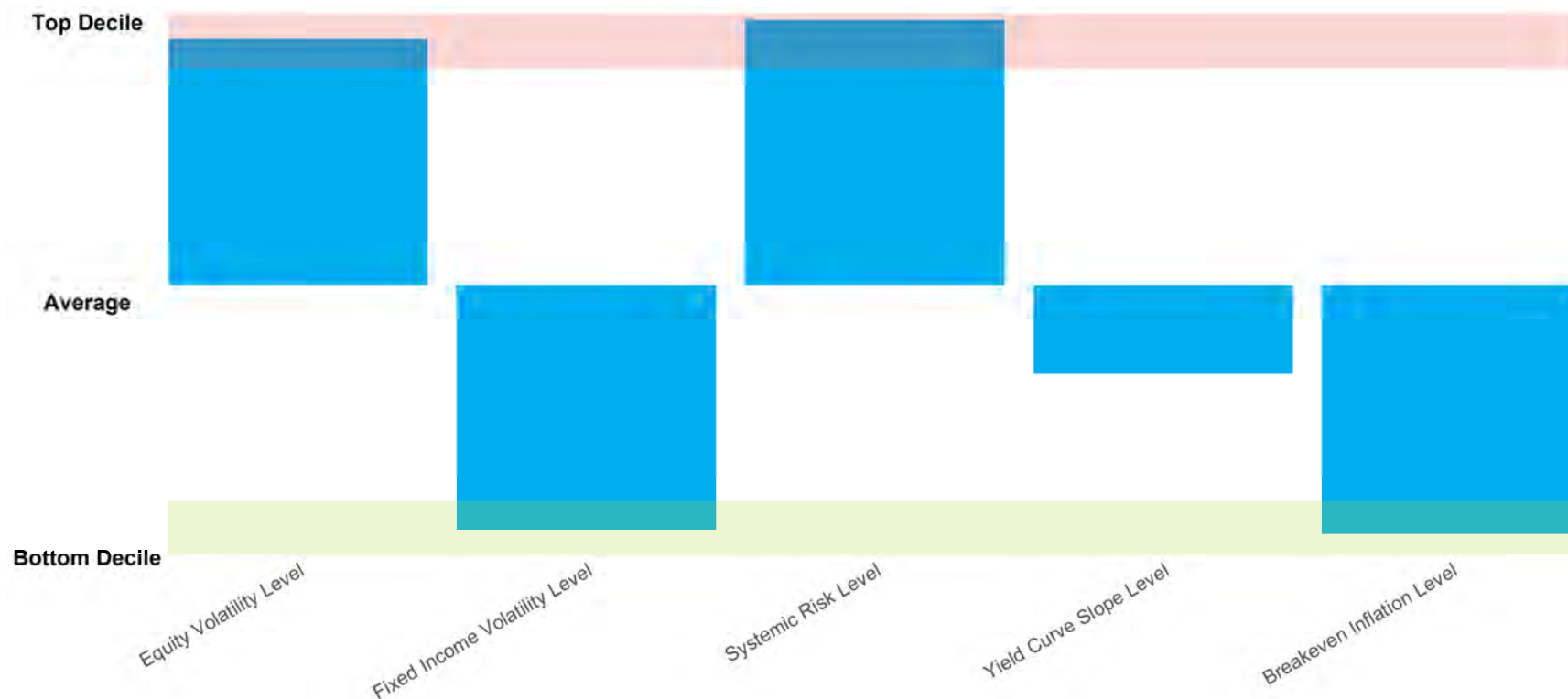
Risk Overview/Dashboard (1) (As of April 30, 2020)¹



- Dashboard (1) summarizes the current state of the different valuation metrics per asset class relative to their own history.

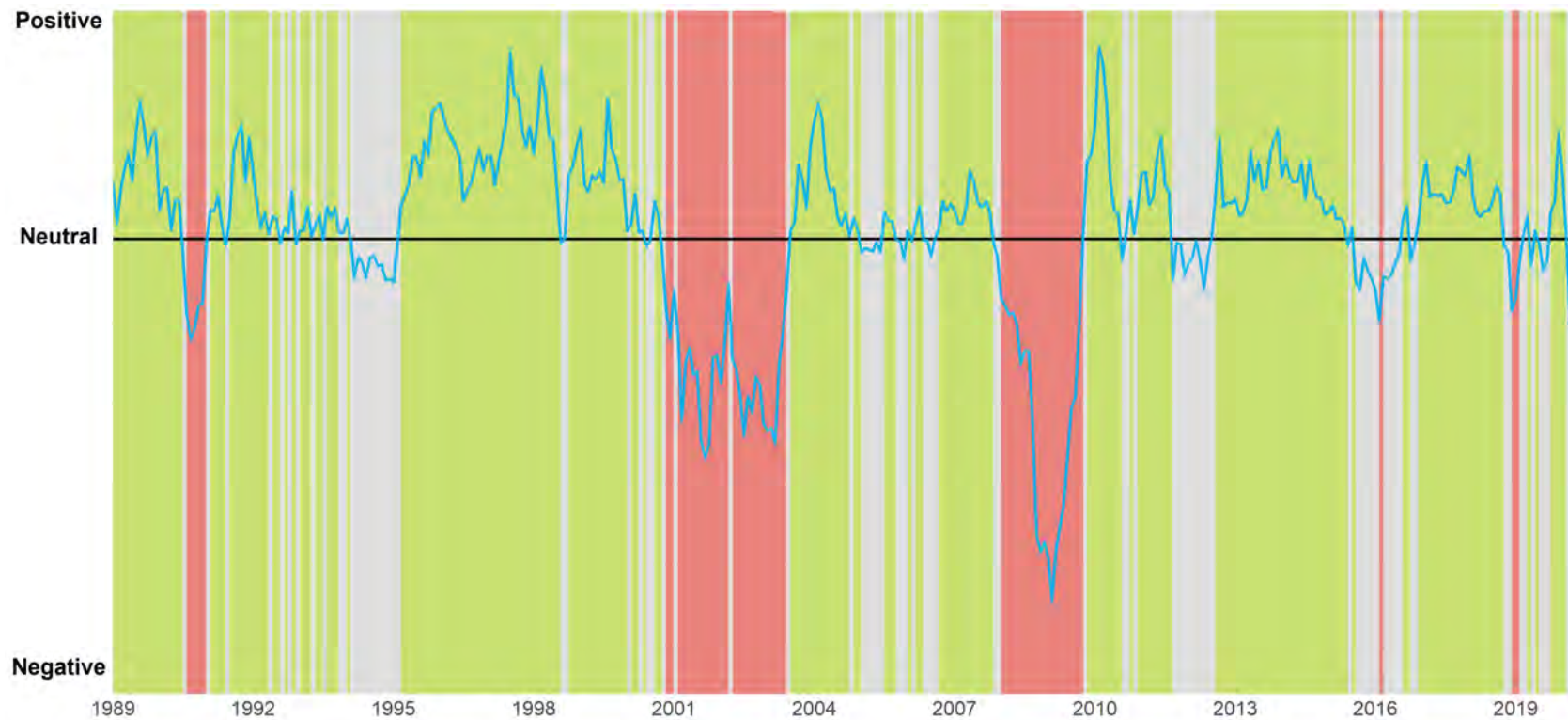
¹ With the exception of Private Equity Valuation, that is YTD as of December 31, 2019.

Risk Overview/Dashboard (2) (As of April 30, 2020)



- Dashboard (2) shows how the current level of each indicator compares to its respective history.

Market Sentiment Indicator (All History)
(As of April 30, 2020)



Market Sentiment Indicator (Last Three Years)
(As of April 30, 2020)



US Equity Cyclically Adjusted P/E¹ (As of April 30, 2020)



- This chart details one valuation metric for US equities. A higher (lower) figure indicates more expensive (cheaper) valuation relative to history.

¹ US Equity Cyclically Adjusted P/E on S&P 500 Index. - Source: Robert Shiller, Yale University, and Meketa Investment Group.

Small Cap P/E vs. Large Cap P/E¹ (As of April 30, 2020)



- This chart compares the relative attractiveness of small cap US equities vs. large cap US equities on a valuation basis. A higher (lower) figure indicates that large cap (small cap) is more attractive.

¹ Small Cap P/E (Russell 2000 Index) vs. Large Cap P/E (Russell 1000 Index) - Source: Russell Investments. Earnings figures represent 12-month "as reported" earnings.

Growth P/E vs. Value P/E¹ (As of April 30, 2020)



- This chart compares the relative attractiveness of US growth equities vs. US value equities on a valuation basis. A higher (lower) figure indicates that value (growth) is more attractive.

¹ Growth P/E (Russell 3000 Growth Index) vs. Value (Russell 3000 Value Index) P/E - Source: Bloomberg, MSCI, and Meketa Investment Group. Earnings figures represent 12-month "as reported" earnings.

Developed International Equity Cyclically Adjusted P/E¹ (As of April 30, 2020)



- This chart details one valuation metric for developed international equities. A higher (lower) figure indicates more expensive (cheaper) valuation relative to history.

¹ Developed International Equity (MSCI EAFE ex Japan Index) Cyclically Adjusted P/E – Source: MSCI and Bloomberg. Earnings figures represent the average of monthly “as reported” earnings over the previous ten years.

Emerging Market Equity Cyclically Adjusted P/E¹ (As of April 30, 2020)



- This chart details one valuation metric for emerging markets equities. A higher (lower) figure indicates more expensive (cheaper) valuation relative to history.

¹ Emerging Market Equity (MSCI Emerging Markets Index) Cyclically Adjusted P/E – Source: MSCI and Bloomberg. Earnings figures represent the average of monthly “as reported” earnings over the previous ten years.

Private Equity Multiples¹ (As of February 29, 2020)²

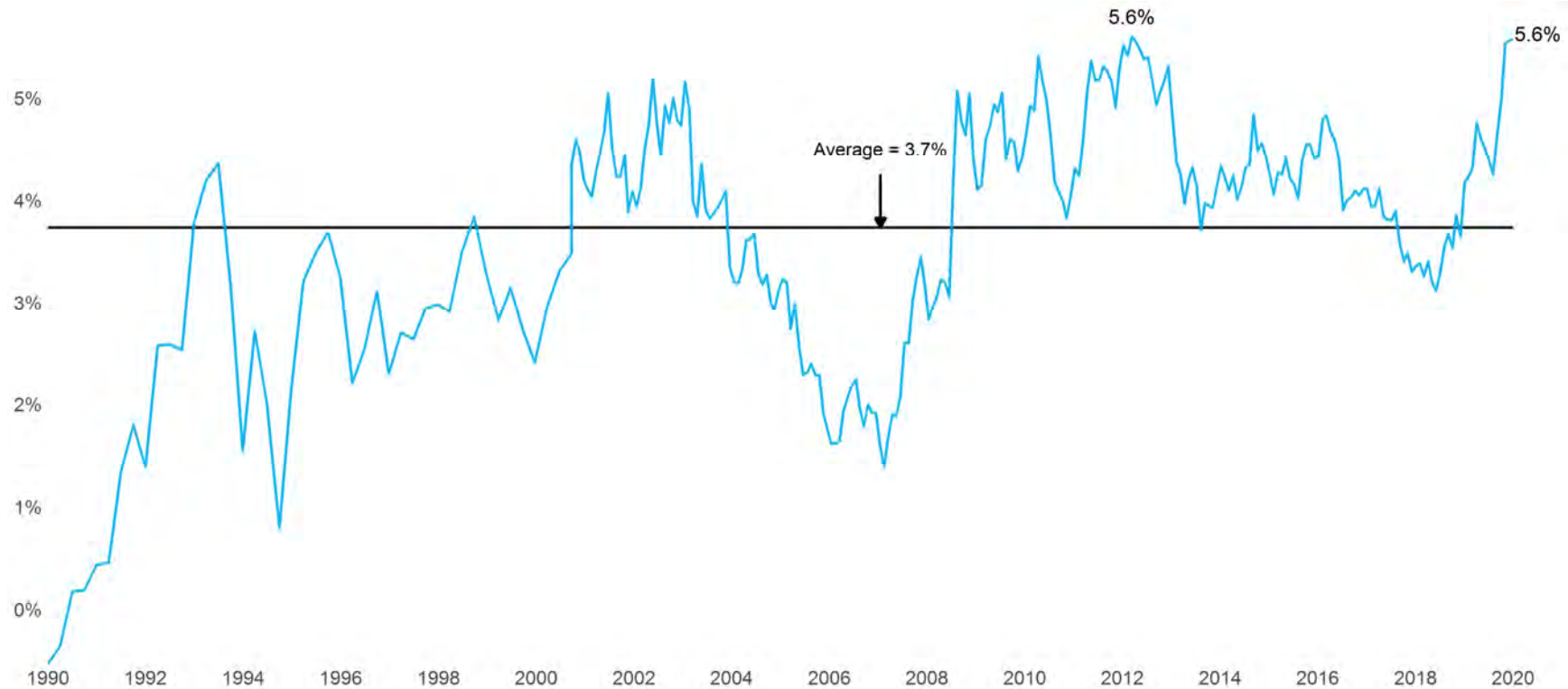


- This chart details one valuation metric for the private equity market. A higher (lower) figure indicates more expensive (cheaper) valuation relative to history.

¹ Private Equity Multiples – Source: S&P LCD Average EBITDA Multiples Paid in All LBOs.

² Annual figures, except for 2020 (YTD).

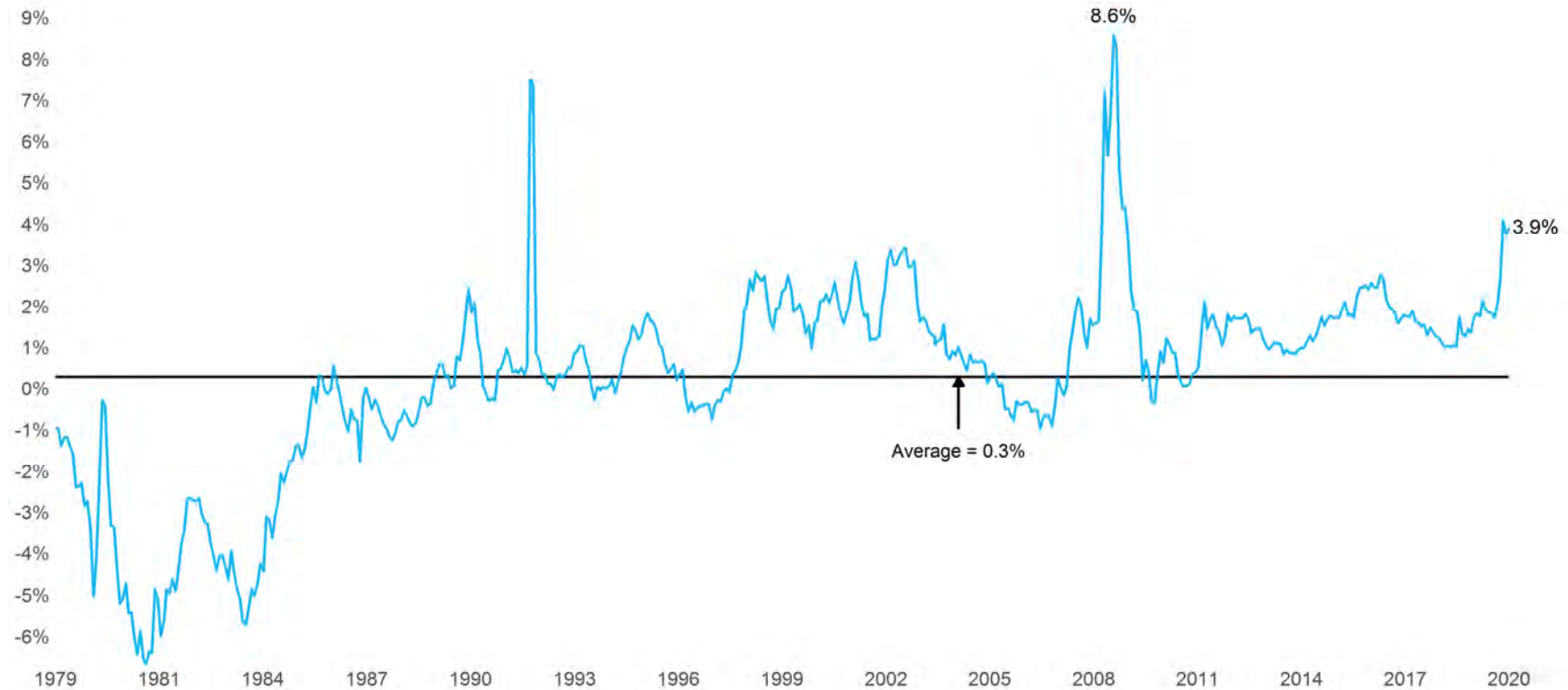
Core Real Estate Spread vs. Ten-Year Treasury¹ (As of April 30, 2020)



- This chart details one valuation metric for the private core real estate market. A higher (lower) figure indicates cheaper (more expensive) valuation.

¹ Core Real Estate Spread vs. Ten-Year Treasury – Source: Real Capital Analytics, US Treasury, Bloomberg, and Meketa Investment Group. Core Real Estate is proxied by weighted sector transaction based indices from Real Capital Analytics and Meketa Investment Group.

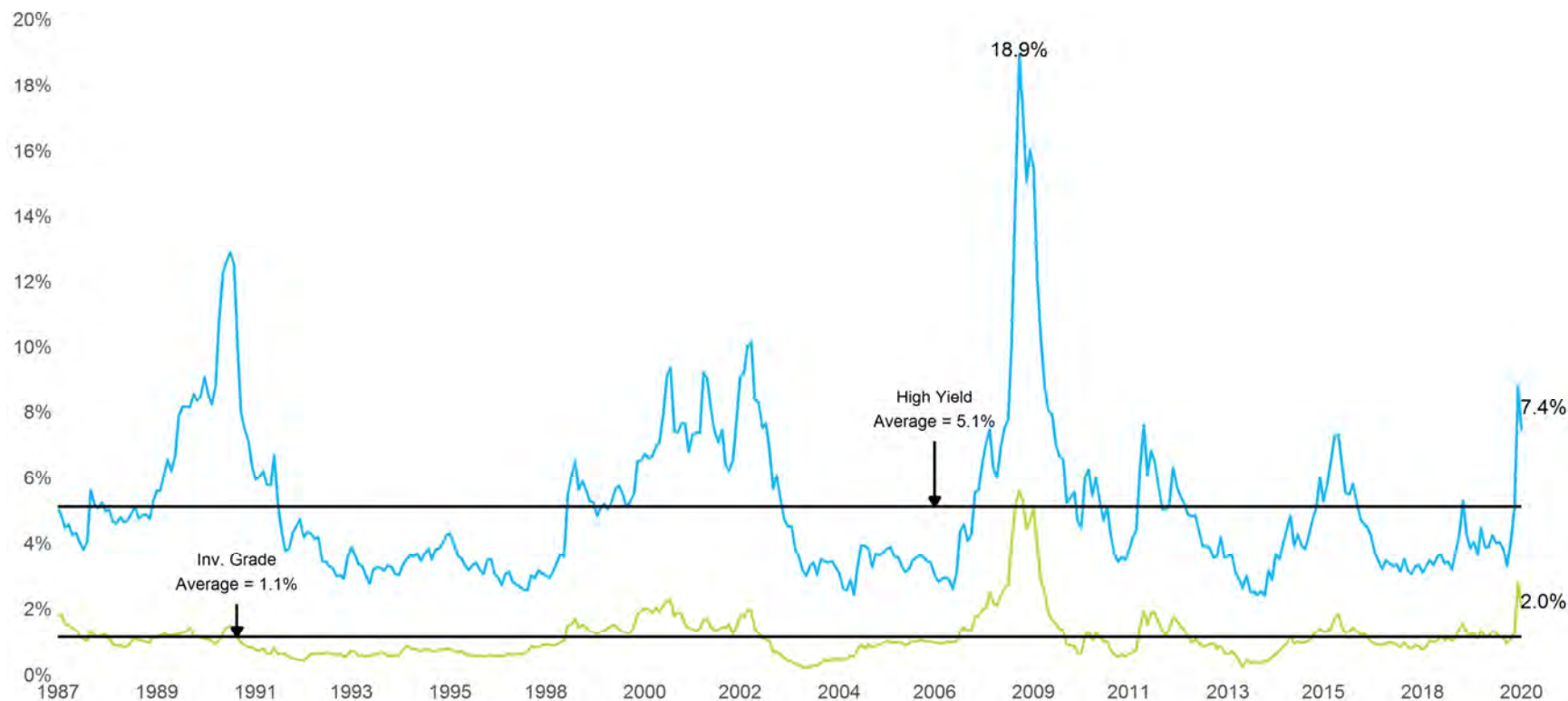
REITs Dividend Yield Spread vs. Ten-Year Treasury¹ (As of April 30, 2020)



- This chart details one valuation metric for the public REITs market. A higher (lower) figure indicates cheaper (more expensive) valuation.

¹ REITs Dividend Yield Spread vs. Ten-Year Treasury – Source: NAREIT, US Treasury. REITs are proxied by the yield for the NAREIT Equity index.

Credit Spreads¹ (As of April 30, 2020)



- This chart details one valuation metric for the US credit markets. A higher (lower) figure indicates cheaper (more expensive) valuation relative to history.

¹ Credit Spreads – Source: Barclays Capital. High Yield is proxied by the Barclays High Yield index and Investment Grade Corporates are proxied by the Barclays US Corporate Investment Grade index. Spread is calculated as the difference between the Yield to Worst of the respective index and the 10-Year US Treasury yield.

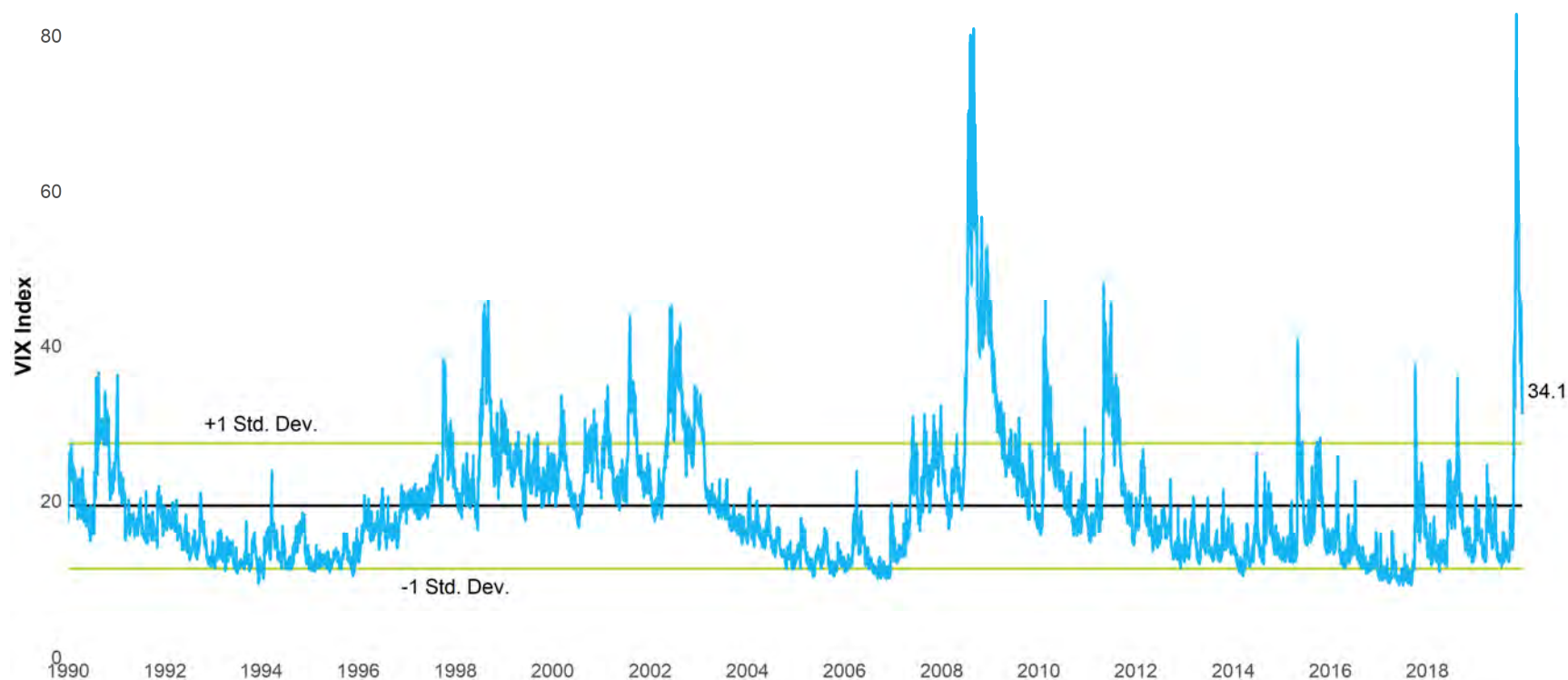
Emerging Market Debt Spreads¹ (As of April 30, 2020)



- This chart details one valuation metric for the EM debt markets. A higher (lower) figure indicates cheaper (more expensive) valuation relative to history.

¹ EM Spreads – Source: Bloomberg. Option Adjusted Spread (OAS) for the Bloomberg Barclays EM USD Aggregate Index.

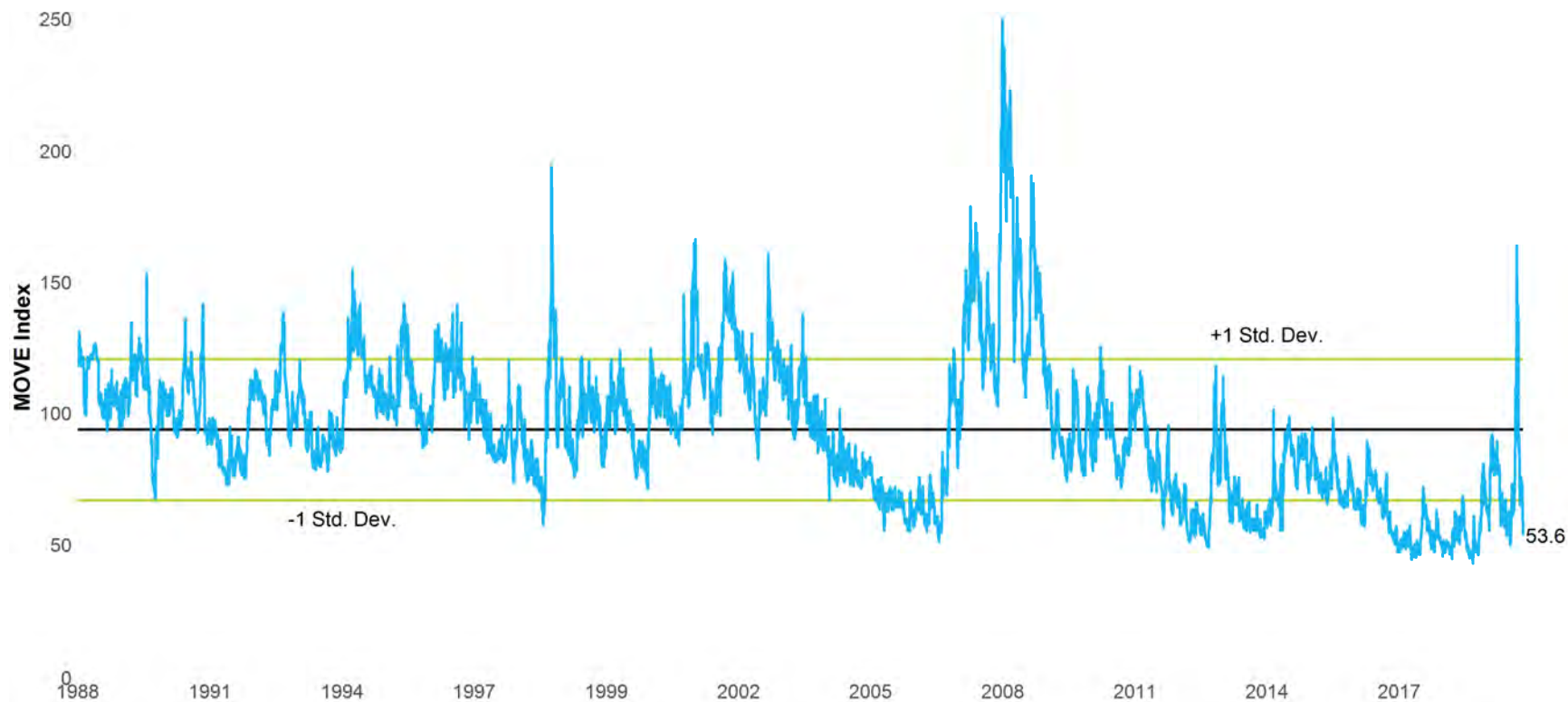
Equity Volatility¹ (As of April 30, 2020)



- This chart details historical implied equity market volatility. This metric tends to increase during times of stress/fear and while declining during more benign periods.

¹ Equity Volatility – Source: Bloomberg, and Meketa Investment Group. Equity Volatility proxied by VIX Index, a Measure of implied option volatility for US equity markets.

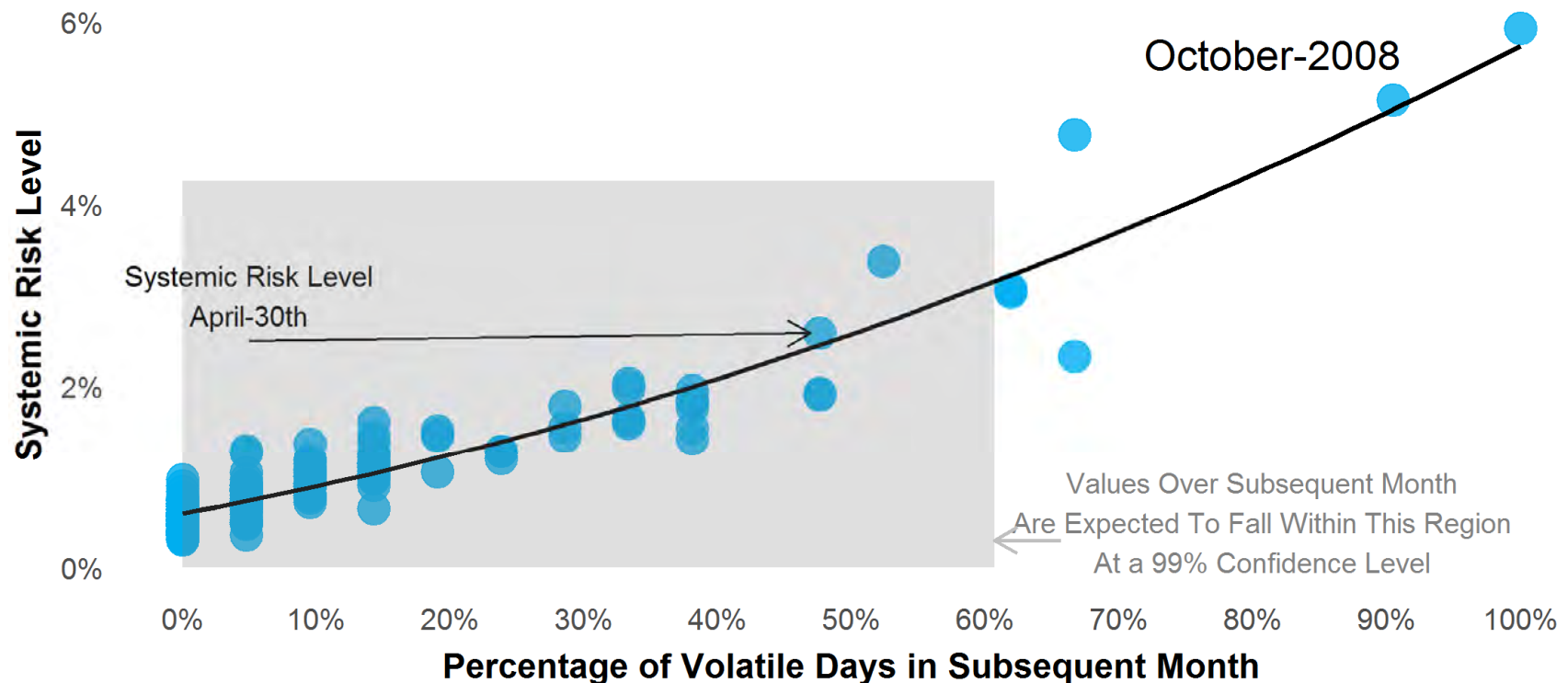
Fixed Income Volatility¹ (As of April 30, 2020)



- This chart details historical implied fixed income market volatility. This metric tends to increase during times of stress/fear and while declining during more benign periods.

¹ Fixed Income Volatility – Source: Bloomberg, and Meketa Investment Group. Fixed Income Volatility proxied by MOVE Index, a Measure of implied option volatility for US Treasury markets.

Systemic Risk and Volatile Market Days¹ (As of April 30, 2020)



- Systemic Risk is a measure of 'System-wide' risk, which indicates herding type behavior.

¹ Source: Meketa Investment Group. Volatile days are defined as the top 10 percent of realized turbulence, which is a multivariate distance between asset returns.

Yield Curve Slope (Ten Minus Two)¹
(As of April 30, 2020)



- This chart details the historical difference in yields between ten-year and two-year US Treasury bonds/notes. A higher (lower) figure indicates a steeper (flatter) yield curve slope.

¹ Yield Curve Slope (Ten Minus Two) – Source: Bloomberg, and Meketa Investment Group. Yield curve slope is calculated as the difference between the 10-Year US Treasury Yield and 2-Year US Treasury Yield.

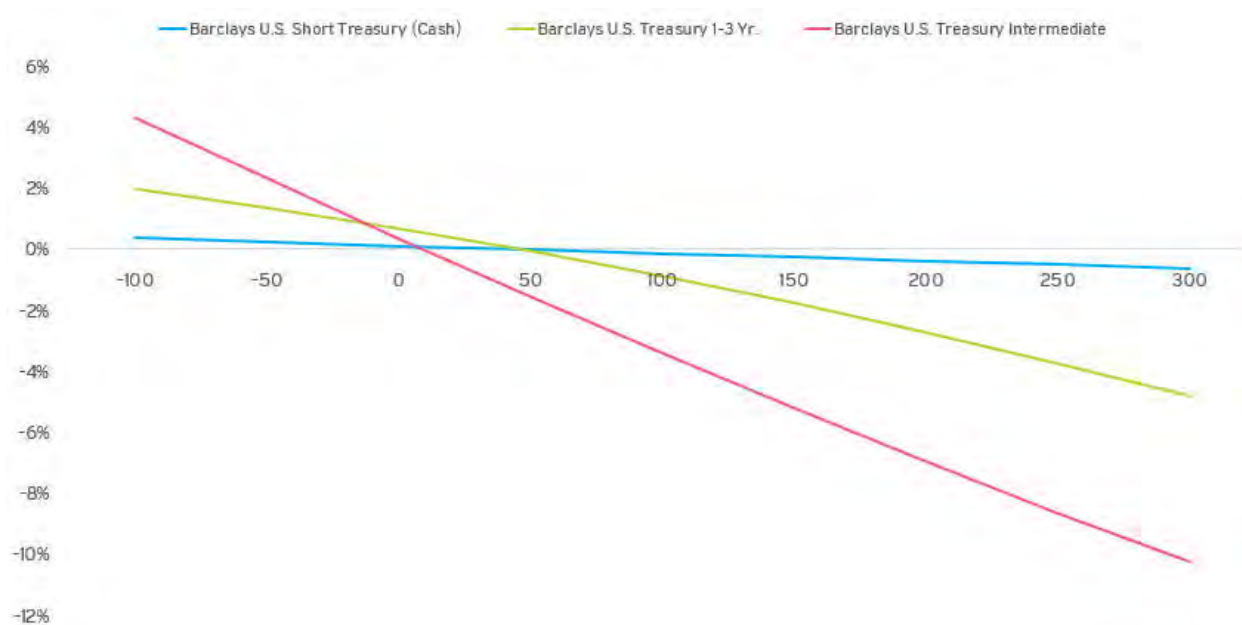
Ten-Year Breakeven Inflation¹ (As of April 30, 2020)



- This chart details the difference between nominal and inflation-adjusted US Treasury bonds. A higher (lower) figure indicates higher (lower) inflation expectations.

¹ Ten-Year Breakeven Inflation – Source: US Treasury and Federal Reserve. Inflation is measured by the Consumer Price Index (CPI-U NSA).

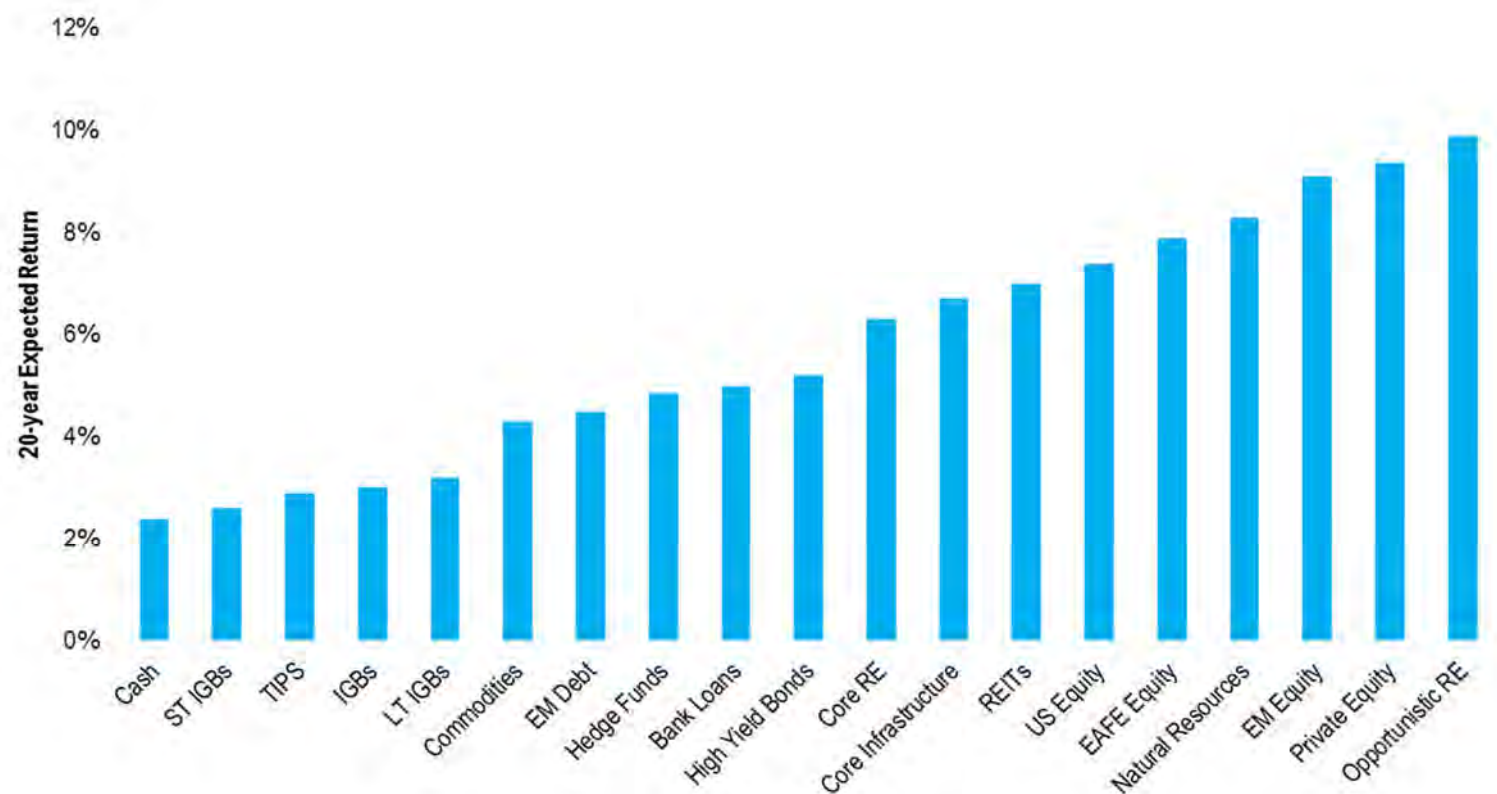
Total Return Given Changes in Interest Rates (bps)¹ (As of April 30, 2020)



	Total Return for Given Changes in Interest Rates (bps)									Statistics	
	-100	-50	0	50	100	150	200	250	300	Duration	YTW
Barclays US Short Treasury (Cash)	0.4%	0.2%	0.1%	0.0%	-0.1%	-0.3%	-0.4%	-0.5%	-0.6%	0.25	0.10%
Barclays US Treasury 1-3 Yr.	2.0%	1.4%	0.7%	-0.1%	-0.9%	-1.8%	-2.7%	-3.7%	-4.8%	1.42	0.68%
Barclays US Treasury Intermediate	4.3%	2.3%	0.3%	-1.6%	-3.4%	-5.2%	-7.0%	-8.7%	-10.3%	3.87	0.33%
Barclays US Treasury Long	22.8%	11.4%	1.2%	-7.9%	-15.8%	-22.6%	-28.2%	-32.7%	-36.0%	19.3	1.21%

¹ Data represents the expected total return from a given change in interest rates (shown in basis points) over a 12-month period assuming a parallel shift in rates. Source: Bloomberg, and Meketa Investment Group.

Long-Term Outlook – 20-Year Annualized Expected Returns¹



- This chart details Meketa's long-term forward-looking expectations for total returns across asset classes.

¹ Source: Meketa Investment Group's 2020 Annual Asset Study.

Appendix

Data Sources and Explanations¹

- US Equity Cyclically Adjusted P/E on S&P 500 Index – Source: Robert Shiller and Yale University.
- Small Cap P/E (Russell 2000 Index) vs. Large Cap P/E (Russell 1000 Index) – Source: Russell Investments. Earnings figures represent 12-month “as reported” earnings.
- Growth P/E (Russell 3000 Growth Index) vs. Value (Russell 3000 Value Index) P/E – Source: Bloomberg, MSCI, and Meketa Investment Group. Earnings figures represent 12-month “as reported” earnings.
- Developed International Equity (MSCI EAFE ex Japan Index) Cyclically Adjusted P/E – Source: MSCI and Bloomberg. Earnings figures represent the average of monthly “as reported” earnings over the previous ten years.
- Emerging Market Equity (MSCI Emerging Markets Index) Cyclically Adjusted P/E – Source: MSCI and Bloomberg. Earnings figures represent the average of monthly “as reported” earnings over the previous ten years.
- Private Equity Multiples – Source: S&P LCD Average EBITDA Multiples Paid in All LBOs
- Core Real Estate Spread vs. Ten-Year Treasury – Source: Real Capital Analytics, US Treasury, Bloomberg, and Meketa Investment Group. Core Real Estate is proxied by weighted sector transaction based indices from Real Capital Analytics and Meketa Investment Group.

¹ All Data as of March 31, 2020 unless otherwise noted.

Appendix

Data Sources and Explanations¹

- REITs Dividend Yield Spread vs. Ten-Year Treasury – Source: NAREIT, US Treasury. REITs are proxied by the yield for the NAREIT Equity index.
- Credit Spreads – Source: Barclays Capital. High Yield is proxied by the Barclays High Yield index and Investment Grade Corporates are proxied by the Barclays US Corporate Investment Grade index.
 - Spread is calculated as the difference between the Yield to Worst of the respective index and the 10-Year Treasury Yield.
- EM Debt Spreads – Source: Bloomberg, and Meketa Investment Group. Option Adjusted Spread (OAS) for the Bloomberg Barclays EM USD Aggregate Index.
- Equity Volatility – Source: Bloomberg, and Meketa Investment Group. Equity Volatility proxied by VIX Index, a Measure of implied option volatility for US equity markets.
- Fixed Income Volatility – Source: Bloomberg, and Meketa Investment Group. Equity Volatility proxied by MOVE Index, a Measure of implied option volatility for US Treasury markets.
- Systemic Risk and Volatile Market Days – Source: Meketa Investment Group. Volatile days are defined as the top 10 percent of realized turbulence, which is a multivariate distance between asset returns.

¹ All Data as of April 30, 2020 unless otherwise noted.

Appendix

Data Sources and Explanations¹

- Systemic Risk, which measures risk across markets, is important because the more contagion of risk that exists between assets, the more likely it is that markets will experience volatile periods.
- Yield Curve Slope (Ten Minus Two) – Source: Bloomberg, and Meketa Investment Group. Yield curve slope is calculated as the difference between the 10-Year US Treasury Yield and 2-Year US Treasury Yield.
- Ten-Year Breakeven Inflation – Source: US Treasury and Federal Reserve. Inflation is measured by the Consumer Price Index (CPI-U NSA).

¹ All Data as of April 30, 2020 unless otherwise noted.

Meketa Market Sentiment Indicator

Explanation, Construction and Q&A

Meketa has created the MIG Market Sentiment Indicator (MIG-MSI) to complement our valuation-focused Risk Metrics. This measure of sentiment is meant to capture significant and persistent shifts in long-lived market trends of economic growth risk, either towards a risk-seeking trend or a risk-aversion trend.

This appendix explores:

- What is the Meketa Market Sentiment Indicator?
- How do I read the indicator graph?
- How is the Meketa Market Sentiment Indicator constructed?
- What do changes in the indicator mean?

Meketa has created a market sentiment indicator for monthly publication (the MIG-MSI – see below) to complement Meketa's Risk Metrics.

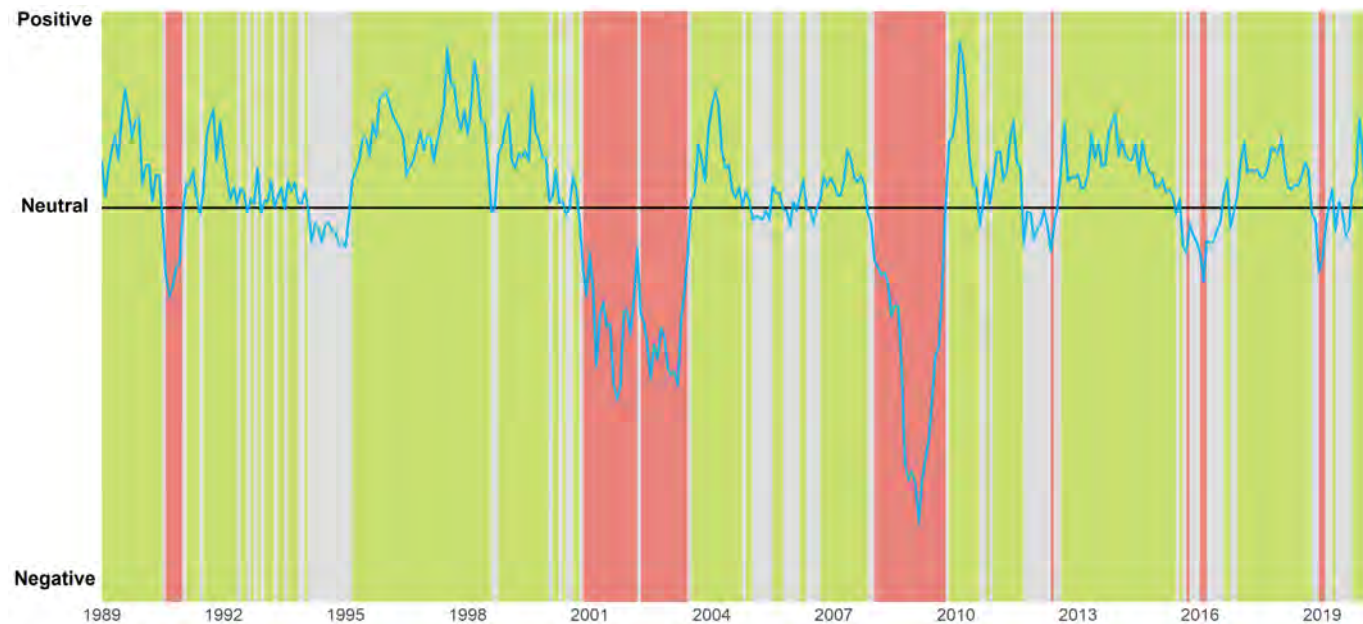
- Meketa's Risk Metrics, which rely significantly on standard market measures of relative valuation, often provide valid early signals of increasing long-term risk levels in the global investment markets. However, as is the case with numerous valuation measures, the Risk Metrics may convey such risk concerns long before a market corrections take place. The MIG-MSI helps to address this early-warning bias by measuring whether the markets are beginning to acknowledge key Risk Metrics trends, and / or indicating non-valuation based concerns. Once the MIG-MSI indicates that the market sentiment has shifted, it is our belief that investors should consider significant action, particularly if confirmed by the Risk Metrics. Importantly, Meketa believes the Risk Metrics and MIG-MSI should always be used in conjunction with one another and never in isolation. The questions and answers below highlight and discuss the basic underpinnings of the Meketa MIG-MSI:

What is the Meketa Market Sentiment Indicator (MIG-MSI)?

- The MIG-MSI is a measure meant to gauge the market's sentiment regarding economic growth risk. Growth risk cuts across most financial assets, and is the largest risk exposure that most portfolios bear. The MIG-MSI takes into account the momentum (trend over time, positive or negative) of the economic growth risk exposure of publicly traded stocks and bonds, as a signal of the future direction of growth risk returns; either positive (risk seeking market sentiment), or negative (risk averse market sentiment).

How do I read the Meketa Market Sentiment Indicator graph?

- Simply put, the MIG-MSI is a color-coded indicator that signals the market's sentiment regarding economic growth risk. It is read left to right chronologically. A green indicator on the MIG-MSI indicates that the market's sentiment towards growth risk is positive. A gray indicator indicates that the market's sentiment towards growth risk is neutral or inconclusive. A red indicator indicates that the market's sentiment towards growth risk is negative. The black line on the graph is the level of the MIG-MSI. The degree of the signal above or below the neutral reading is an indication the signal's current strength.
- Momentum as we are defining it is the use of the past behavior of a series as a predictor of its future behavior.



How is the Meketa Market Sentiment Indicator (MIG-MSI) Constructed?

- The MIG-MSI is constructed from two sub-elements representing investor sentiment in stocks and bonds:
 - Stock return momentum: Return momentum for the S&P 500 Equity Index (trailing 12-months)
 - Bond yield spread momentum: Momentum of bond yield spreads (excess of the measured bond yield over the identical duration US Treasury bond yield) for corporate bonds (trailing 12-months) for both investment grade bonds (75% weight) and high yield bonds (25% weight).
 - Both measures are converted to Z-scores and then combined to get an “apples to apples” comparison without the need of re-scaling.
- The black line reading on the graph is calculated as the average of the stock return momentum measure and the bonds spread momentum measure.¹ The color reading on the graph is determined as follows:
 - If both stock return momentum and bond spread momentum are positive = GREEN (positive)
 - If one of the momentum indicators is positive, and the other negative = GRAY (inconclusive)
 - If both stock return momentum and bond spread momentum are negative = RED (negative)

¹ Momentum as we are defining it is the use of the past behavior of a series as a predictor of its future behavior.

“Time Series Momentum” Moskowitz, Ooi, Pedersen, August 2010. <http://pages.stern.nyu.edu/~lpederse/papers/TimeSeriesMomentum.pdf>

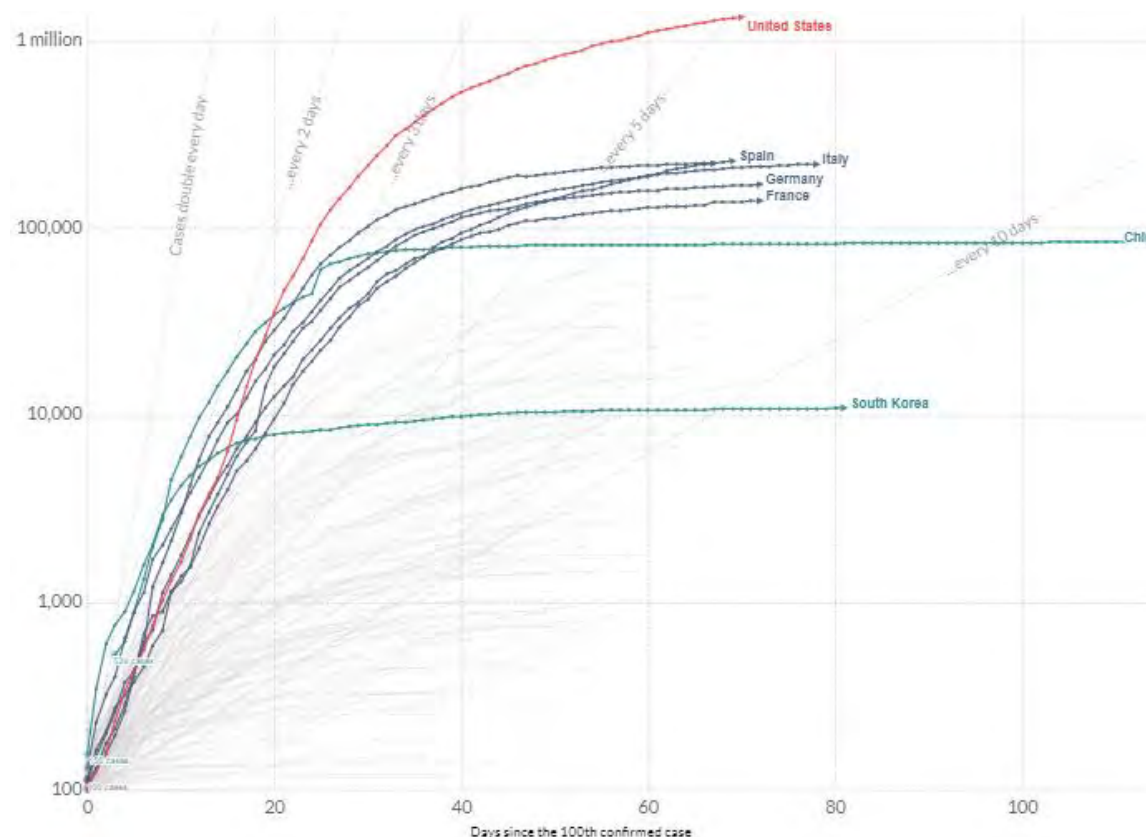
What does the Meketa Market Sentiment Indicator (MIG-MSI) mean? Why might it be useful?

- There is strong evidence that time series momentum is significant and persistent. In particular, across an extensive array of asset classes, the sign of the trailing 12-month return (positive or negative) is indicative of future returns (positive or negative) over the next 12-month period. The MIG-MSI is constructed to measure this momentum in stocks and corporate bond spreads. A reading of green or red is agreement of both the equity and bond measures, indicating that it is likely that this trend (positive or negative) will continue over the next 12 months. When the measures disagree, the indicator turns gray. A gray reading does not necessarily mean a new trend is occurring, as the indicator may move back to green, or into the red from there. The level of the reading (black line) and the number of months at the red or green reading, gives the user additional information on which to form an opinion, and potentially take action.

Economy and Market Update Data as of May 8, 2020



Case Count by Select Country: Flattening the Curve¹



- There are over 4.2 million cases of coronavirus globally across 187 countries with the US now the epicenter.
- With some improvements in the data, countries are starting to gradually reopen parts of their economies.

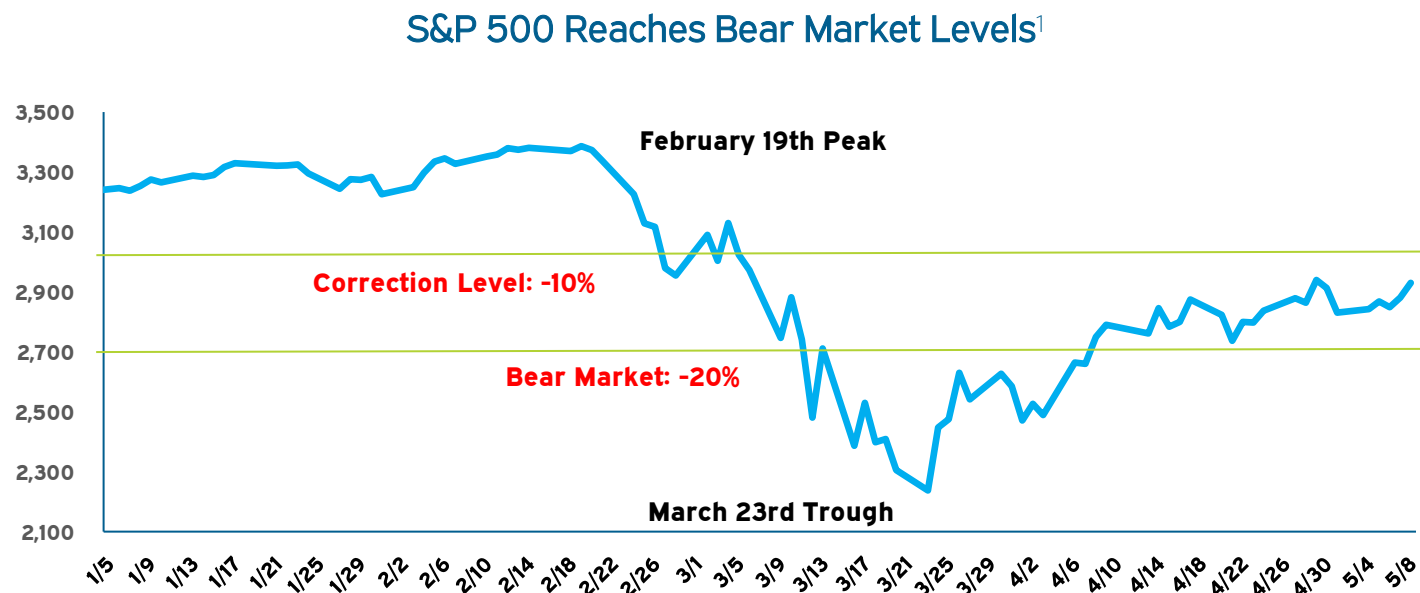
¹ Source: European CDC via Visual Capitalist. Data is as of May 12, 2020. Most data throughout the rest of the document is through May 8, 2020.

Market Returns¹

Indices	YTD	3 Year	5 Year	10 Year	20 Year
S&P 500	-8.7%	9.0%	8.9%	12.5%	5.7%
MSCI EAFE	-18.2%	-1.4%	-0.4%	4.6%	2.6%
MSCI Emerging Markets	-17.8%	-0.2%	-0.1%	2.3%	-
MSCI China	-4.5%	8.5%	2.3%	5.8%	--
Bloomberg Barclays Aggregate	4.5%	5.1%	3.8%	3.9%	5.2%
Bloomberg Barclays TIPS	4.5%	4.6%	3.3%	3.5%	5.5%
Bloomberg Barclays High Yield	-8.2%	2.1%	3.5%	6.2%	7.1%
10-year US Treasury	10.3%	7.2%	4.3%	5.2%	5.5%
30-year US Treasury	19.8%	14.9%	8.4%	9.5%	7.9%

- Given uncertainty related to the ultimate impact of the virus on economic growth, company profitability, and societal norms, many investors have sought perceived safe haven assets like US Treasuries.
- Initially, stocks experienced large declines, but fiscal and monetary authorities across the globe have deployed emergency measures to cushion huge economic losses; the S&P 500 has recovered by over 20% percent from its March lows.
- The 2020 decline in US stocks (S&P 500) brought 20-year returns to levels just slightly above US bonds (Bloomberg Barclays Aggregate), as this period also included the popping of the dot.com bubble and the GFC.
- By contrast, 10-year returns for the S&P 500 were 12.5%, far above the bond market's 3.9% annual return, indicating how dramatically long-term returns can shift.

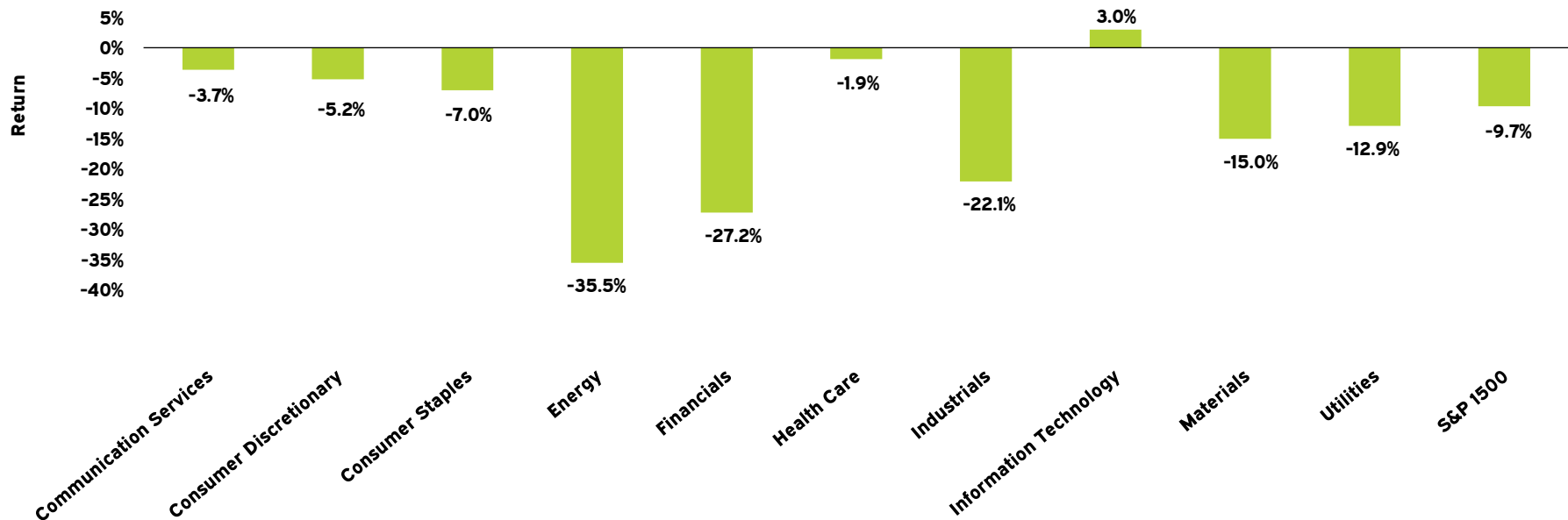
¹ Source: InvestorForce and Bloomberg. Data is as of May 8, 2020.



- Given the economic uncertainty surrounding the pandemic, US stocks declined from their recent peak into bear market (-20%) territory at the fastest pace in history.
- From the February 19 peak, the S&P 500 declined 34% in just 24 trading days.
- The index rebounded from its lows, likely due to the unprecedented monetary and fiscal stimulus announced in the US, improvements in virus data, and some economies reopening.
- It is unclear whether the US equity market has reached a bottom, or if the recent recovery is temporary, with more declines to come as the impact of COVID-19 on the economy becomes more apparent.

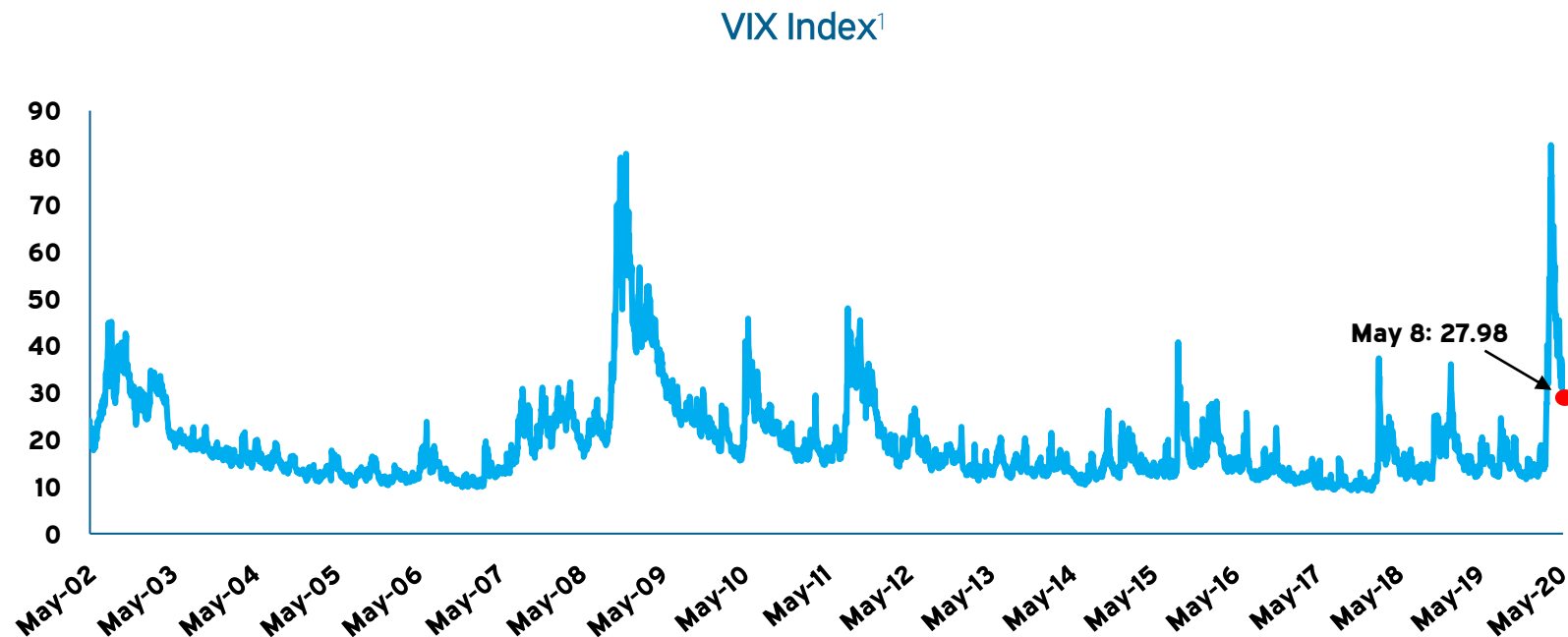
¹ Source: Bloomberg. Data is as of May 8, 2020.

2020 YTD Sector Returns¹



- The energy sector has seen some improvements given the agreement between Saudi Arabia and Russia to cut supply and economies starting to gradually reopen, but it remains the sector with the greatest decline, triggered by the fall in oil prices.
- Financials, industrials, and materials experienced the next largest declines, while sectors like health care and consumer staples experienced smaller depreciation.
- Returns in the information technology sector recently turned positive as consumers moved to online purchases and entertainment under the stay-at-home restrictions.

¹ Source: Bloomberg. Data is as of May 8, 2020.



- Given the recent fiscal and monetary support and corresponding improvement in investor risk sentiment, expectations of short-term volatility, as measured by the VIX index, continue to decline from record levels but remains elevated.
- At the recent height, the VIX index reached 82.7, surpassing the pinnacle of volatility during the GFC, showing the magnitude of the crisis, and of investor fear.
- Going forward there is the risk of additional spikes in volatility, as investors continue to process the impacts of COVID-19 and the effectiveness of the policy response.

¹ Source: Chicago Board of Exchange. Data is as of May 8, 2020.

Global Financial Crisis Comparison

2007-2009 Global Financial Crisis		COVID-19 Crisis
Primary Causes	<p>Excess Risk Taking Due to:</p> <ul style="list-style-type: none"> Deregulation, un-constrained securitization, shadow banking system, fraud 	<p>Pandemic/Natural Disaster:</p> <ul style="list-style-type: none"> Large scale global restrictions on businesses and individuals leading to immediate and significant deterioration in economic fundamentals
2007-2009 Global Financial Crisis		COVID-19 Crisis
Fiscal Measures	<ul style="list-style-type: none"> American Recovery Reinvestment Act of 2009: \$787 billion Economic Stimulus Act of 2008: \$152 billion 	<ul style="list-style-type: none"> PPP Act: \$659 billion CARES Act of 2020: \$2.3 trillion Families First Coronavirus Response Act: \$150 billion Coronavirus Preparedness & Response Supplemental Appropriations Act 2020: \$8.3 billion National Emergency: \$50 billion
2007-2009 Global Financial Crisis		COVID-19 Crisis
Monetary Measures		
Lowering Fed Funds Rate	X	X
Quantitative Easing	X	X
Primary Dealer Repos	X	X
Central Bank Swap Lines	X	X
Commercial Paper Funding Facility	X	X
Primary Dealers Credit Facility	X	X
Money Market Lending Facility	X	X
Term Auction Facility	X	
TALF	X	X
TSLF	X	
FIMA Repo Facility		X
Primary & Secondary Corp. Debt		X
PPP Term Facility		X
Municipal Liquidity Facility		X
Main Street Loan Facility		X

Global Financial Crisis Comparison (continued)

- The US **fiscal** COVID-19 Crisis response has been materially larger than the 2007-2009 Global Financial Crisis (GFC), and stimulus is acutely focused on areas of the economy showing the greatest need, including small and mid-sized companies. For example, the Paycheck Protection Program helps small businesses keep employees working by offering forgivable loans to cover salaries.
- On the **monetary** side, markets targeted during both crises represent those most in need, but for the COVID-19 Crisis the policy response was dramatically faster, measured in weeks, not years, as in the GFC.
- Of the monetary stimulus measures, the corporate debt (Primary & Secondary Corporate Debt) programs and Main Street Loan Facility are new and garnered much attention from market participants.

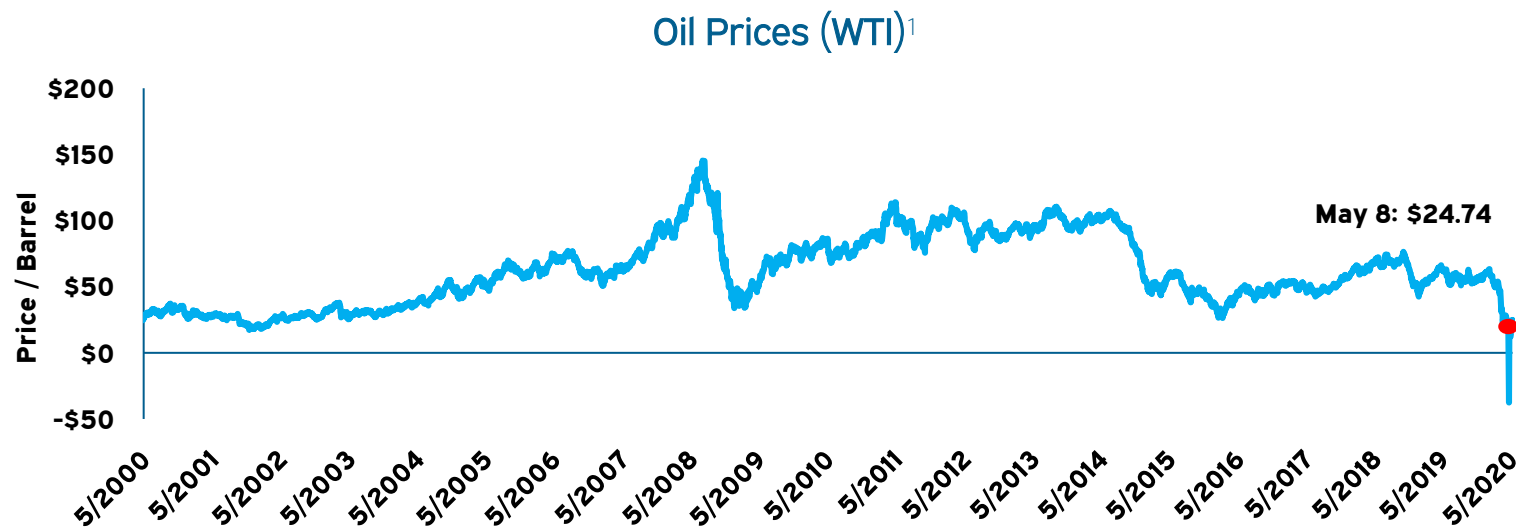
Historic \$2T US Fiscal Stimulus

Destination	Amount (\$ Billion)
Individuals	\$560
Large Corporations	\$500
Small Business	\$377
State & Local Governments	\$340
Public Health	\$154
Student Loans	\$44
Safety Net	\$26

- Late in March, a historic \$2 trillion fiscal package was approved in the US, representing close to 10% of GDP and including support across the economy.
- Individuals are actively receiving cash payments of up to \$1,200 per adult and \$500 per child, and extended and higher weekly unemployment benefits (+\$600/week).
- The package also includes a \$500 billion lending program for distressed industries like airlines, and \$377 billion in loans to small businesses.
- Other parts of the package include allocations to state and local governments, support for public health, student loan relief, and a safety net.
- Recently, the next round of fiscal stimulus was approved with the majority targeted to replenish the depleted small business lending program.

Policy Responses

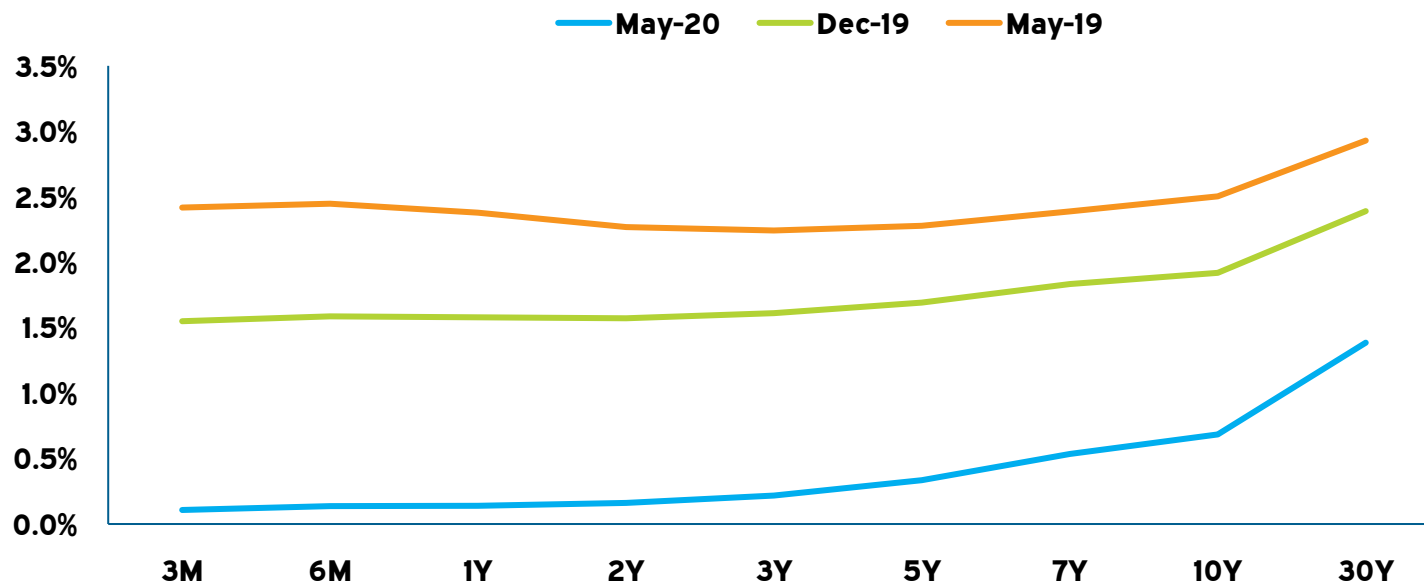
	Fiscal	Monetary
United States	\$50 billion to states for virus related support, interest waived on student loans, flexibility on tax payments and filings, expanded COVID-19 testing, paid sick leave for hourly workers, \$2 trillion package for individuals, businesses, and state/local governments. Additional \$484 billion package to replenish small business loans, provide funding to hospitals, and increase testing.	Cut policy rates to zero, unlimited QE4, offering trillions in repo market funding, restarted CPFF, PDCF, MMMF programs to support lending and financing market, expanded US dollar swap lines with foreign central banks, announced IG corporate debt buying program with subsequent amendment for certain HY securities, Main Street Lending program, Muni liquidity facility, repo facility with foreign central banks, and easing of some financial regulations for lenders.
Euro Area	Germany: Launched 750 billion euro stimulus package. France: 45 billion euro for workers, guaranteed up to 300 billion euro in corporate borrowing. Italy: 25 billion euro emergency decree, suspending mortgage payments for impacted workers. Spain: 200 billion euro and 700 million euro loan and aid package, respectively.	Targeted longer-term refinancing operations aimed at small and medium sized businesses, under more favorable pricing, and announced the 750 billion euro Pandemic Emergency Purchase Program. and then expanded the purchases to include lower-quality corporate debt
Japan	\$20 billion in small business loans, direct funding program to stop virus spread among nursing homes and those affected by school closures, discussion of additional relief in the coming months, and \$240 billion supplementary spending (pending).	Initially increased QE purchases (ETFs, corporate bonds, and CP) and then expanded to unlimited purchases and doubling of corporate debt and commercial paper, expanded collateral and liquidity requirements, and 0% interest loans to businesses hurt by virus
China	Tax cuts, low-interest business loans, extra payments to gov't benefit recipients.	Expanded repo facility, policy rate cuts, lowered reserve requirements.
Canada	\$7.1 billion in loans to businesses to help with virus damage.	Cut policy rates, expanded bond-buying and repos, lowered bank reserve requirements.
UK (BOE)	Tax cut for retailers, small business cash grants, benefits for those infected with virus, expanded access to gov't benefits for self and un-employed.	Lowered policy rates and capital requirements for UK banks, restarts QE program and subsequently increased the purchase amounts.
Australia	\$11.4 billion, subsidies for impacted industries like tourism, one-time payment to gov't benefit recipients.	Policy rate cut, started QE.



- Recently, in an unprecedented move, oil prices plunged to negative levels on concerns over storage capacity in the US. This led to producers having to pay to offload their oil for May delivery.
- Negative prices were driven by the futures market that requires physical delivery of oil at contract expirations. As the May expiration date approached, traders sold the contracts given extremely low demand and storage constraints. Prices have since moved back into positive territory, but the risk of a similar dynamic remains as the June expiration date approaches.
- Prior to this, oil markets were already under pressure as the virus lowered global growth expectations, and prices deteriorated further when Saudi Arabia initiated a price war after Russia's decision to not participate in the proposed OPEC+ supply cuts. Russia ultimately agreed to participate and this, along with optimism over economies starting to reopening, provided some support to oil recently.

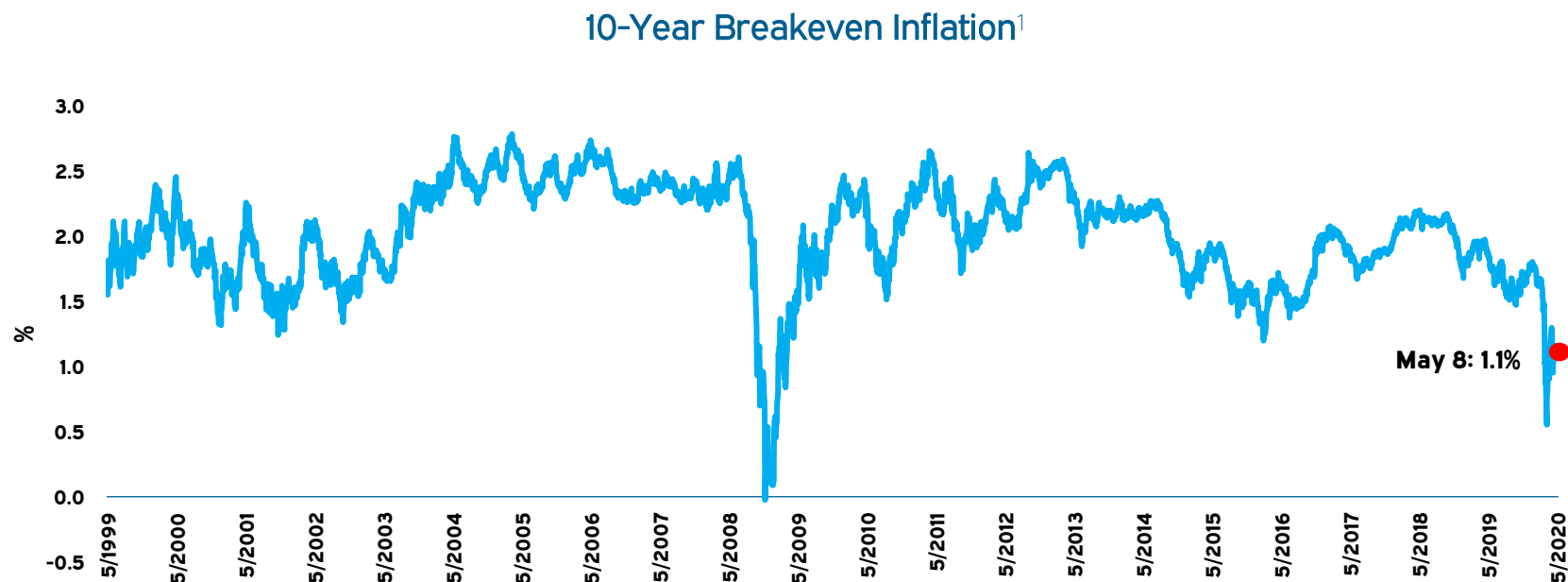
¹ Source: Bloomberg. Represents WTI first available futures contract. Data is as of May 8, 2020.

US Yield Curve Declines¹



- The US Treasury yield curve has declined materially since last year.
- Cuts in monetary policy rates lowered yields in shorter maturities, while flight-to-quality flows, low inflation, and lower growth expectations, particularly given indications that economic growth could slow by record amounts, have driven the changes in longer-dated maturities.
- The Federal Reserve's unlimited quantitative easing purchase program has provided further downward pressure on interest rates.

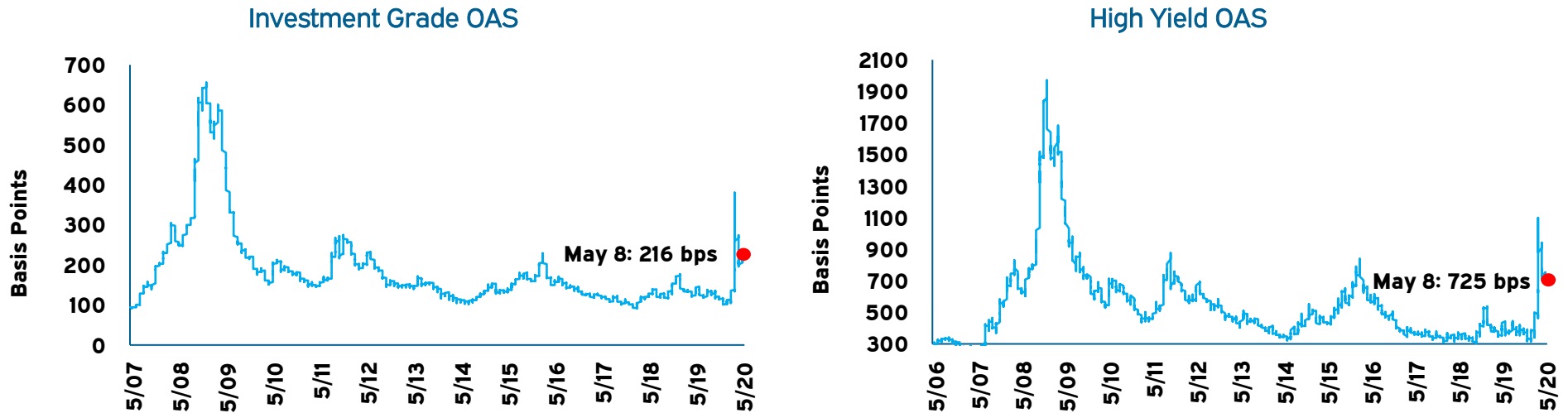
¹ Source: Bloomberg. Data is as of May 8, 2020.



- Inflation breakeven rates declined sharply over the last two months, due to a combination of declines in inflation expectations and liquidity dynamics in TIPS during the height of rate volatility.
- As liquidity improved, and given the potential longer term inflationary effects of the unprecedented US fiscal and monetary responses, inflation expectation levels have come off of their recent lows, but remain well below historical averages.

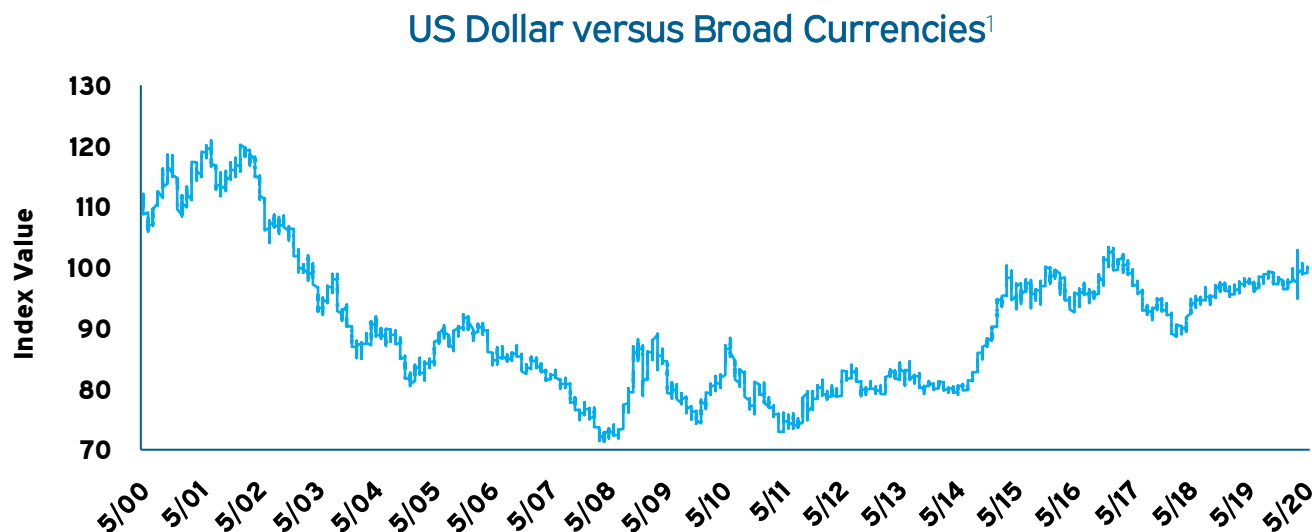
¹ Source: Bloomberg. Data is as of May 8, 2020.

Credit Spreads (High Yield & Investment Grade)¹



- Credit spreads (the spread above a comparable Treasury bond) for investment grade and high yield corporate debt expanded sharply as investors sought safety.
- Investment grade bonds held up much better than high yield bonds. The Federal Reserve's corporate debt purchase program for investment grade and certain high yield securities that were recently downgraded from investment grade, was well received by investors, leading to a decline in spreads.
- Corporate debt issuance has more than doubled since 2008, which magnifies the impact of deterioration in the corporate debt market. This is particularly true in the energy sector, which represents a large portion of the high yield bond market.

¹ Source: Federal Reserve Bank of St. Louis Economic Research. Data is as of May 8, 2020.



- When financial markets began aggressively reacting to COVID-19 developments, the US dollar came under selling pressure as investors sought safe-haven exposure in currencies like the Japanese yen.
- As the crisis grew into a pandemic, investors' preferences shifted to holding US dollars and highly liquid, short-term securities like US Treasury bills. This global demand for US dollars led to appreciation versus most major currencies.
- A relatively strong US dollar makes US goods more expensive for overseas consumers and causes commodity prices outside the US to rise, affecting foreign countries, and particularly emerging markets.
- To help ease global demand for US dollars, the Federal Reserve, working with a number of global central banks, re-established the US dollar swap program, providing some relief to other currencies.

¹ Source: Bloomberg. Represents the DXY Index. Data is as of May 8, 2020.

Economic Impact

Supply Chain Disruptions:

- Factories closing, increased cost of stagnant inventory, and disrupted supply agreements.
- Reduced travel, tourism, and separation policies including closed borders: Significant impact on service-based economies.

Labor Force Impacts:

- Huge layoffs across service and manufacturing economies.
- Increased strains as workforce productivity declines from increased societal responsibilities (e.g., home schooling of children) and lower functionality working from home.
- Illnesses from the disease will also depress the labor force.

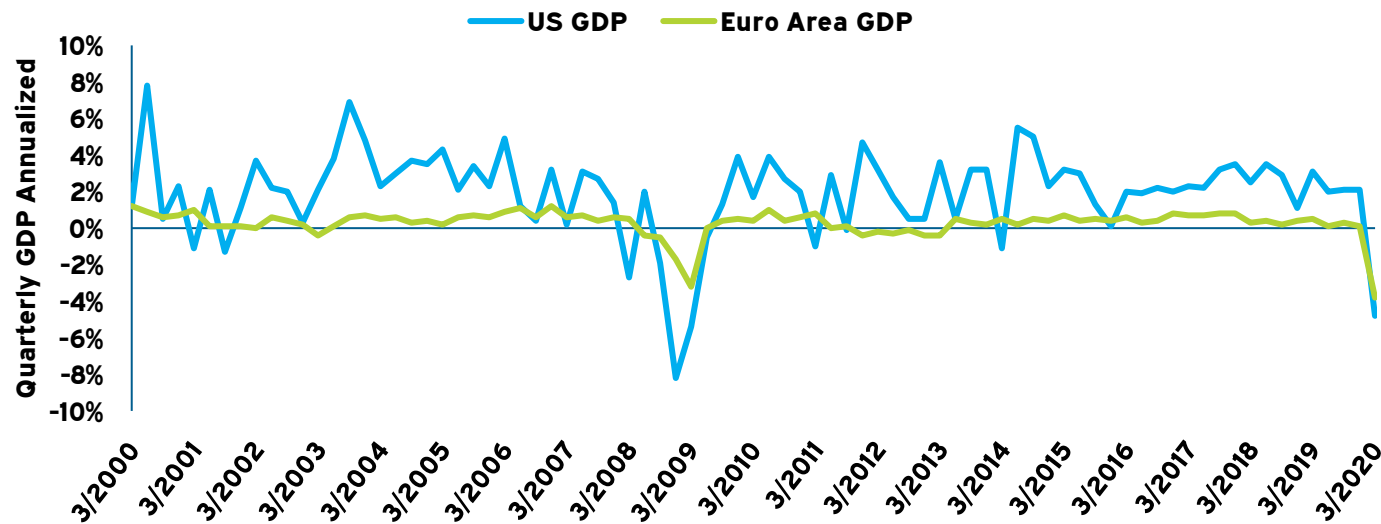
Declines in Business and Consumer Sentiment:

- Sentiment drives investment and consumption, which leads to increased recessionary pressures as sentiment slips.

Wealth Effect:

- As financial markets decline and wealth deteriorates, consumer spending will be impacted.

GDP Data Shows First Signs of Crisis¹

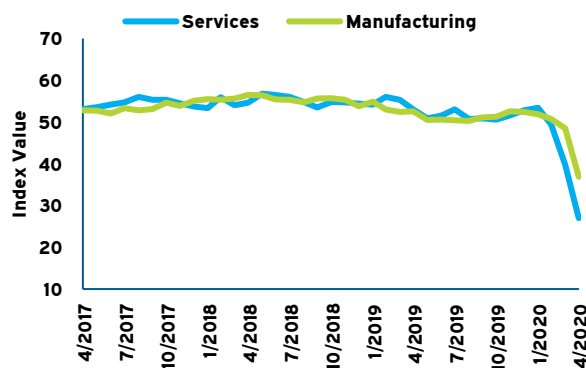


- The global economy faces major recessionary pressures this year, but optimism remains for improvements in 2021 as economies are expected to gradually reopen.
- In the US, initial estimates for first quarter GDP came in at -4.8%, with personal consumption declining the most since 1980. Eurozone GDP also fell (-3.8%) with the major economies in France, Spain and Italy experiencing historic declines.
- Going forward, Bloomberg Economics estimates that second quarter global GDP could experience further declines and be as low as -9%.

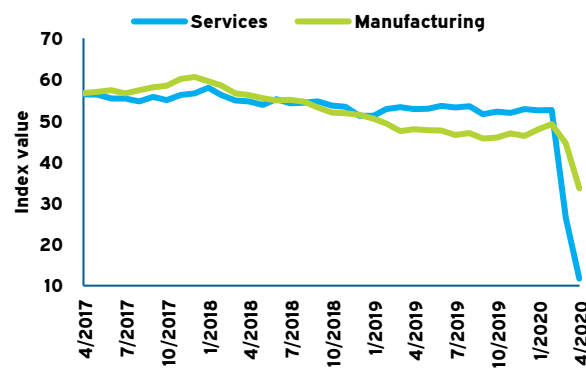
¹ Source: Bloomberg. Q1 2020 data represents first estimate of GDP for Euro Area and United States.

Global PMIs

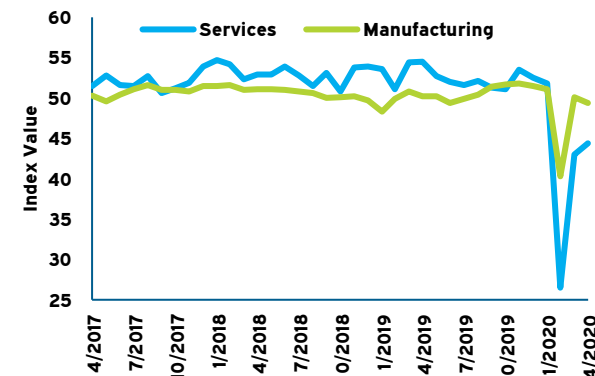
US PMI¹



Eurozone PMI²



China PMI³

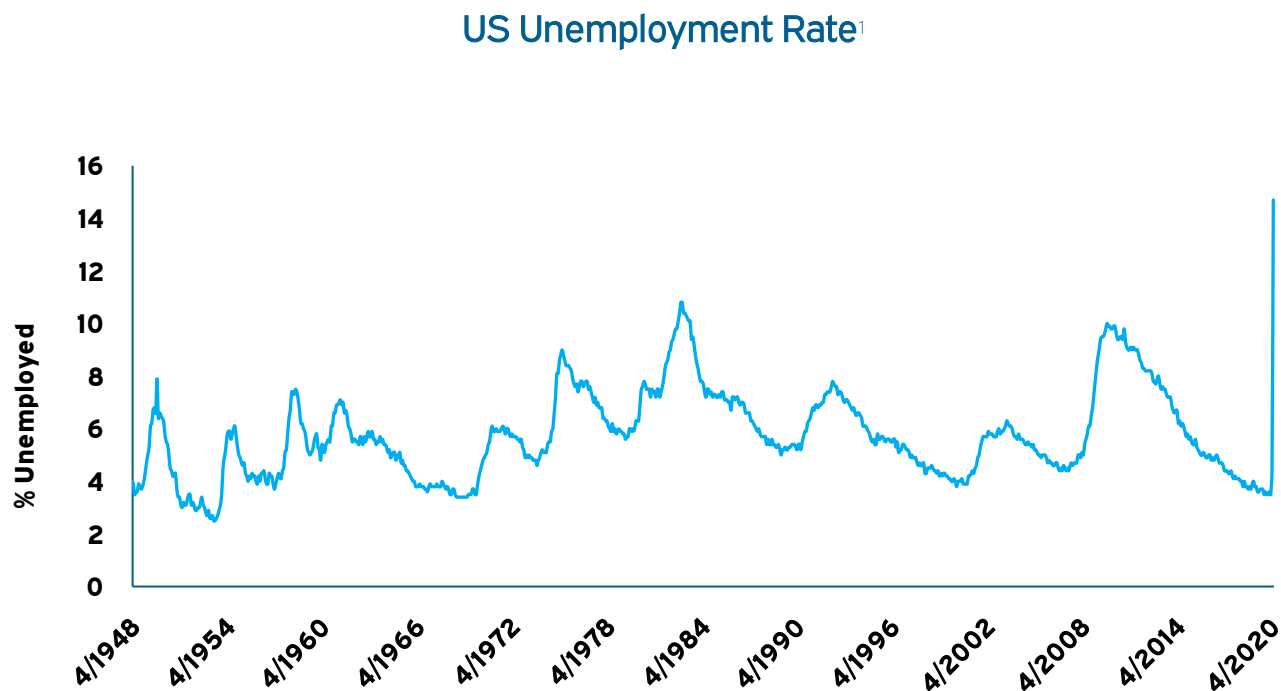


- Purchasing Managers Indices (PMI) based on surveys of private sector companies, collapsed across the world to record lows, as output, new orders, production, and employment have been materially impacted by closed economies.
- Readings below 50 represent contractions across underlying components and act as a leading indicator of economic activity, including the future paths of GDP, employment, and industrial production.
- The services sector has been particularly hard hit given the stay at home restrictions in many places.

¹ Source: Bloomberg. US Markit Services and Manufacturing PMI. Data is as of April 2020

² Source: Bloomberg. Eurozone Markit Services and Manufacturing PMI. Data is as of April 2020

³ Source: Bloomberg. Caixin Manufacturing and Services PMI Data is as of April 2020.

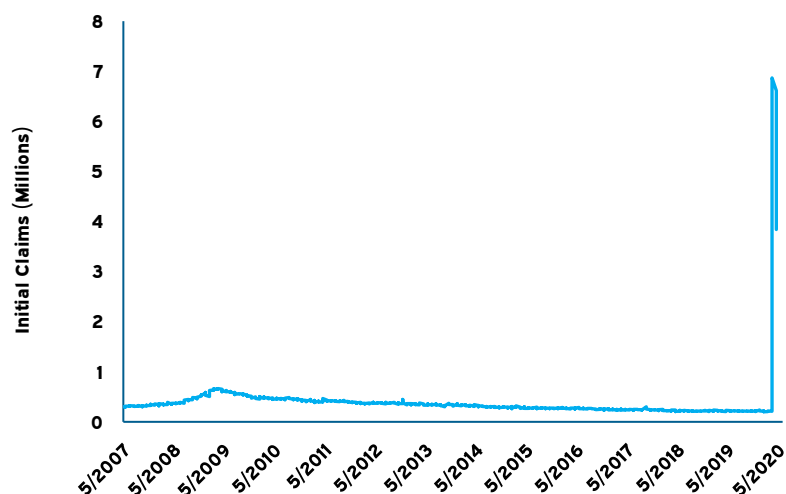


- The April reading of unemployment came in at 14.7%, slightly below estimates of 16%, but representing the highest level since the Great Depression.
- The Bureau of Labor Statistics commented in their release that a large number of workers were likely being misclassified as “employed but absent from work” versus “unemployed on temporary layoff” and that the unemployment rate was probably close to 5% higher than reported.

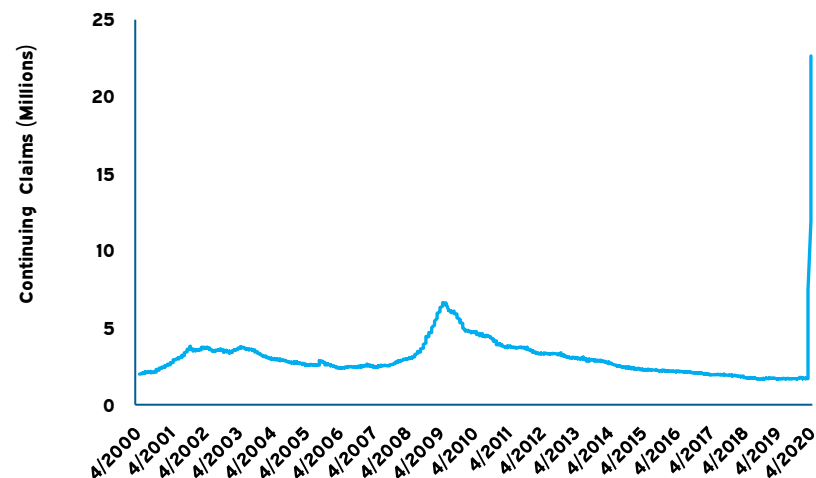
¹ Source: Bloomberg. Data is as of April 30, 2020.

US Jobless Claims

US Initial Jobless Claims¹



Continuing Claims²



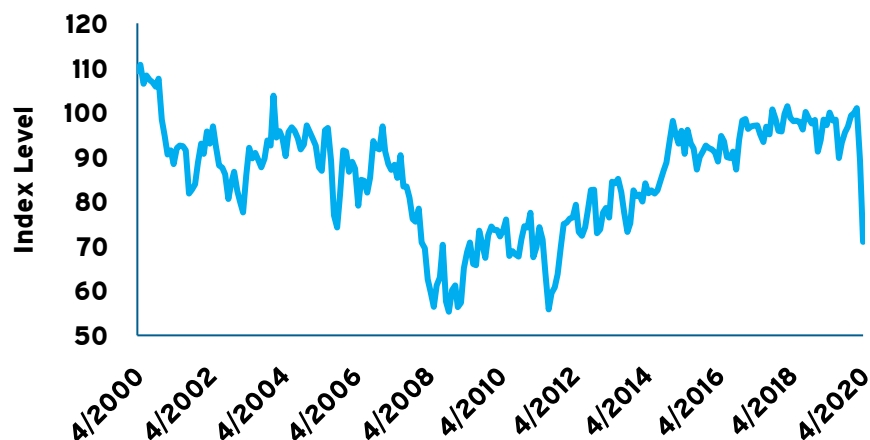
- Over the last seven weeks, over 33 million people filed for initial unemployment. This level exceeds the 22 million jobs added since the GFC, highlighting just how unprecedented the impact of the virus is.
- Continuing jobless claims (i.e., those currently receiving benefits) also spiked to a record level of 22.6 million people.

¹ Source: Bloomberg. First reading of seasonally adjusted initial jobless claims. Data is as of April 25, 2020.

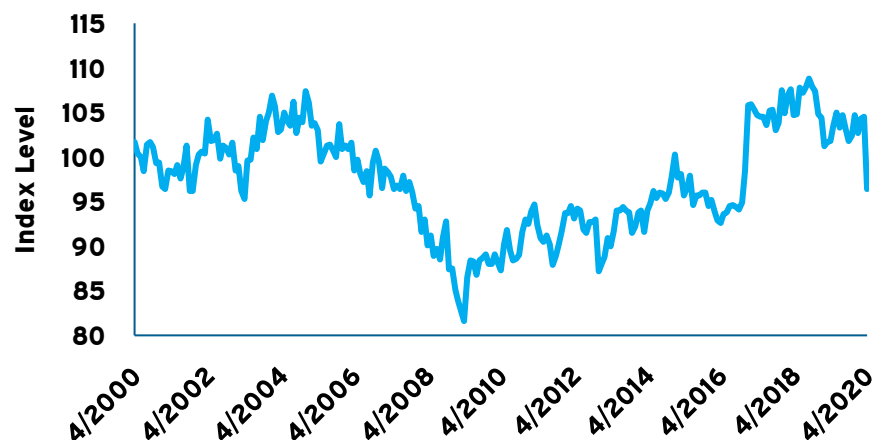
² Source: Bloomberg. US Continuing Jobless Claims SA. Data is as of April 24, 2020.

Sentiment Indicators

University of Michigan Consumer Sentiment¹



Small Business Confidence²

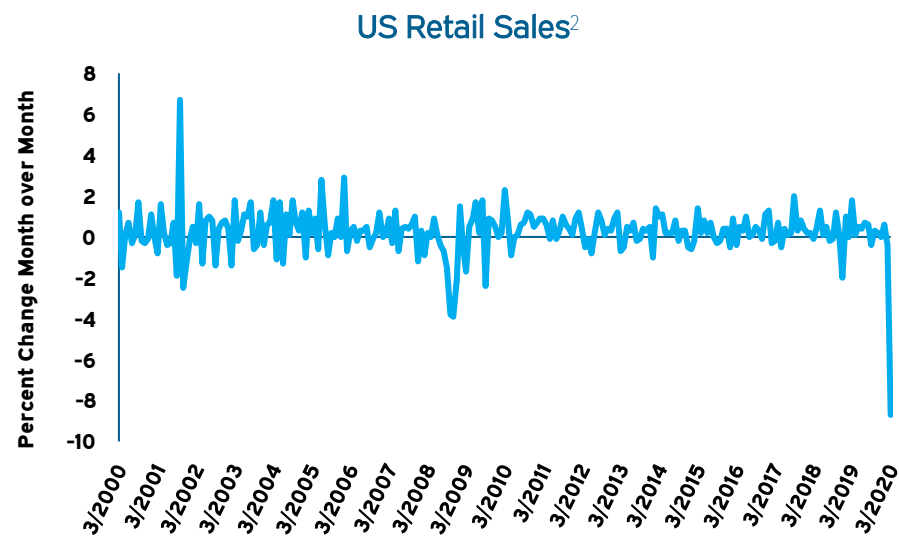
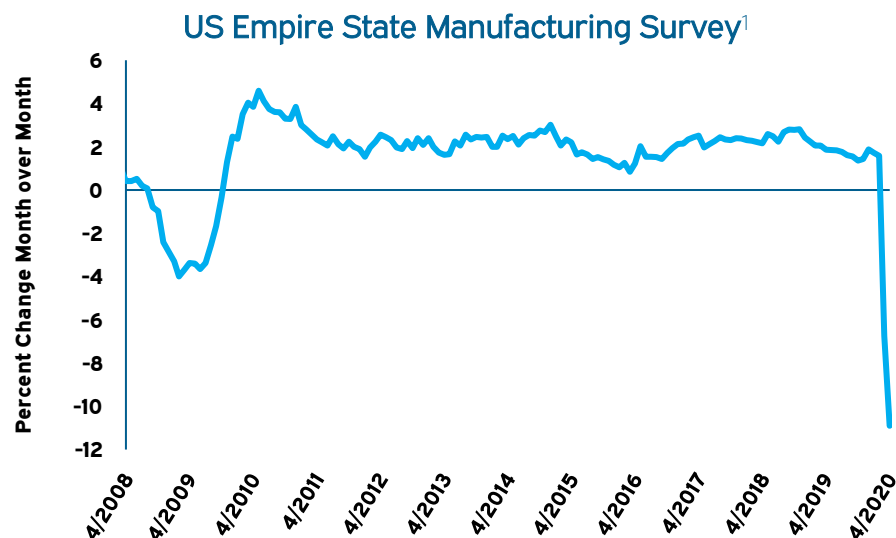


- A strong indicator of future economic activity are the attitudes of businesses and consumers today.
- Consumer spending comprises close to 70% of US GDP, making the attitudes of consumers an important driver of future economic growth. Additionally, small businesses comprise a majority of the economy, making sentiment in that segment important too.
- As restrictions caused many businesses to close and employees to be laid off, sentiment indicators have seen corresponding declines with potentially more to come as the impact of the virus evolves.

¹ Source: Bloomberg. University of Michigan Consumer Sentiment Index. Data is as of April 2020.

² Source: Bloomberg. NFIB Small Business Optimism Index. Data is as of March 31, 2020.

Cracks Starting to Show in Q2 US Data



- Manufacturing in New York during March declined at the fastest pace on record, falling 78.2%, the lowest on record dating back to 2001, with readings below zero indicating economic contraction.
- March US retail sales also fell by a record amount (-8.7%), more than double the prior -3.8% record, set during November 2008. Declines were led by clothing and accessories store sales which fell more than 50% from the previous month.

¹ Source: Bloomberg. Data is as of April 30, 2020 and represents the US Empire State Manufacturing Survey General Business Conditions SA.

² Source: Bloomberg. Data is as of March 31, 2020 and represents the adjusted Retail Sales SA Monthly % Change.

Government Re-Opening Recommendation¹

Phase One	Phase Two	Phase Three
<ul style="list-style-type: none"> • Vulnerable individuals continue to stay at home. • Avoid groups of more than 10 people if social distancing is not possible. • Minimize non-essential travel. • Work remotely if possible with restrictions in the office for those businesses that open. • Schools remain closed, but some larger venues can open with strict protocols. • Outpatient elective surgeries can resume. 	<ul style="list-style-type: none"> • Vulnerable individuals continue to stay at home. • Avoid groups of more than 50 people if social distancing is not possible. • Non-essential travel resumes. • Continue to work remotely if possible with restrictions in the office for those businesses that open. • Schools can reopen. • Inpatient elective surgeries can resume 	<ul style="list-style-type: none"> • Vulnerable individuals can return to public life with social distancing. • Workplaces can reopen without restrictions. • Larger venues can operate under reduced social distancing protocols.

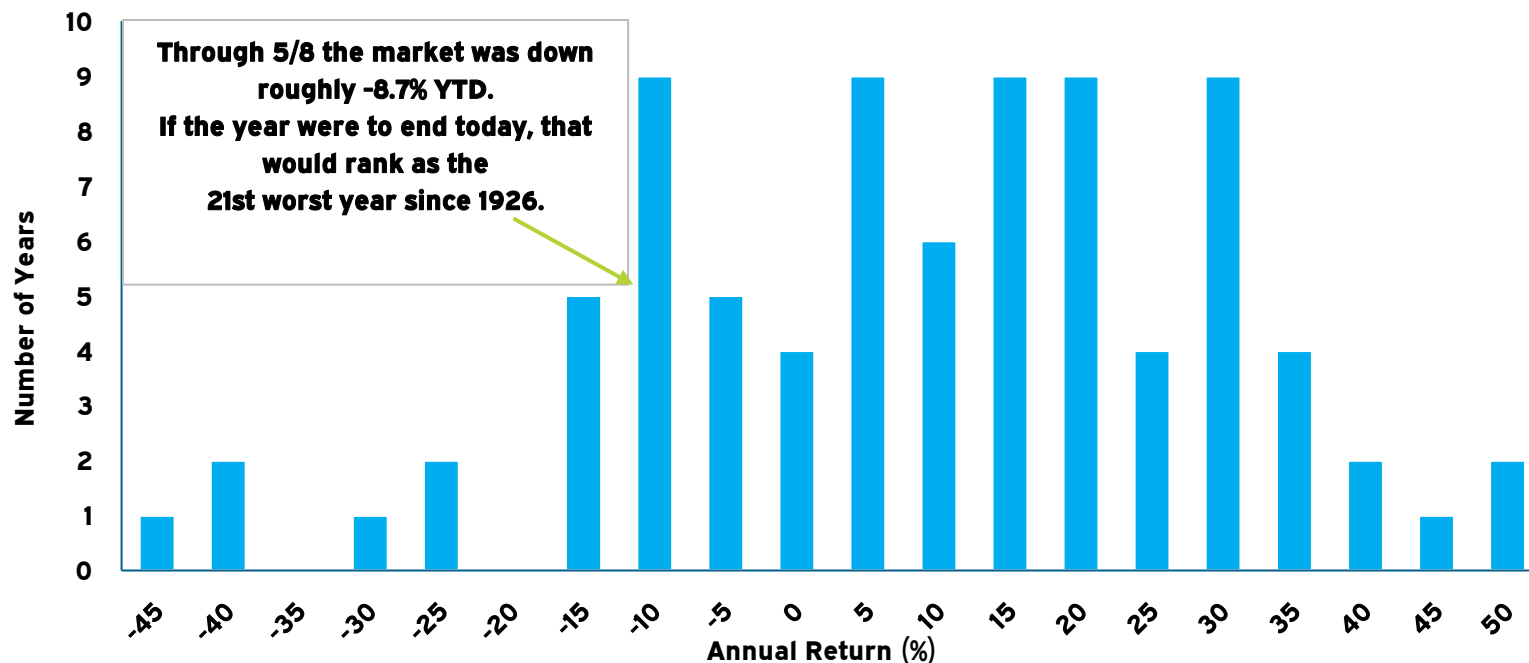
- The Trump administration recently announced guidelines for re-opening the US economy.
- Guidelines recommend states document a “downward trajectory” in new cases for two weeks before beginning a three-phase process to scale back distancing measures and reopen local economies.
- States should also document an additional two-week period decline in instances between each of the three phases, and be prepared to reinstate social distancing measures should cases rebound.
- Recently, some states have begun the reopening process, with others considering to start the process soon.

¹ Source: <https://www.whitehouse.gov/openingamerica/>

Looking Forward...

- There will be significant economic impact and a global recession.
 - How deep it will be and how long it will last depend on factors (below) that are unknowable at this time.
- The length of the virus and country responses will be key considerations.
 - As of now, it is not clear the end is in sight; however, impacted countries are attempting to lay the groundwork to support a recovery.
- Central banks and governments are pledging support, but will it be enough?
 - Based on initial market reactions to announced policies, the answer is no, until the virus gets better contained.
- Expect heightened market volatility given the virus and previous high valuations.
 - This has been a consistent theme over the last weeks; volatility is likely to remain elevated for some time.
- It is important to retain a long-term focus.
 - History supports the argument that maintaining a long-term focus will ultimately prove beneficial for diversified portfolios.

Distribution of Annual S&P 500 Returns¹
(1926-2020)



- The -8.7% year-to-date decline (through 5/8) in the S&P 500 would be the twenty-first largest in modern history if it ended the year at this level.
- With around eight months remaining in 2020, and trillions of dollars in fiscal and monetary stimulus deployed, we expect asset prices to experience notable volatility over the near term.

¹ Source: Bloomberg. Data is as of May 8, 2020.

Prior Drawdowns and Recoveries from 1926-2020¹

Period	Peak-to-Trough Decline of the S&P 500	Approximate Time to Recovery
Sept 1929 to June 1932	-85%	266 months
February 1937 to April 1942	-57%	48 months
May 1946 to February 1948	-25%	27 months
August 1956 to October 1957	-22%	11 months
December 1961 to June 1962	-28%	14 months
February 1966 to October 1966	-22%	7 months
November 1968 to May 1970	-36%	21 months
January 1973 to October 1974	-48%	69 months
September 1976 to March 1978	-19%	17 months
November 1980 to August 1982	-27%	3 months
August 1987 to December 1987	-32%	19 months
July 1990 to October 1990	-20%	4 months
July 1998 to August 1998	-19%	3 months
March 2000 to October 2002	-49%	56 months
October 2007 to March 2009	-57%	49 months
February 2020 to May 2020	-34%	TBD
Average	-36%	41 months
Average ex. Great Depression	-33%	25 months

- Markets are continuing to reprice amid the uncertain impact of the virus on markets and the global economy, which means this drawdown is still being defined in the context of history.
- That said, financial markets have experienced material declines with some frequency, and while certain declines took a meaningful time to recover, in all cases they eventually did.
- The current decline is severe, and it is still too early to tell how long a full recovery might take.

¹ Source: Goldman Sachs. Recent peak to trough declines are through May 8, 2020.

Implications for Clients

- Be prepared to rebalance and take advantage of the age-old wisdom “buy low, sell high”.
 - Before rebalancing, consider changes in liquidity needs given the potential for inflows to decline in some cases.
 - Also, consider the cost of rebalancing as investment liquidity declines.
- Diversification works. The latest decline was an example of a flight to quality leading to gains in very high quality bonds.

Performance YTD (through May 8, 2020)

S&P 500	ACWI (ex. US)	Aggregate Bond Index	Balanced Portfolio ¹
-8.7%	-18.1%	4.5%	-7.3%

- Meketa will continue to monitor the situation and communicate frequently.
 - The situation is fluid and the economic impact is uncertain at this stage.
- Please feel free to reach out with any questions.
 - We would be glad to assist with performance estimates, memorandums, or phone calls.

¹ Source: InvestorForce. Balanced Portfolio represents 60% MSCI ACWI and 40% Bloomberg Barclays Global Aggregate.

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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. $\text{Portfolio Return} - [\text{Risk Free Rate} + \text{Beta} * (\text{market return} - \text{Risk Free Rate})]$.

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.