

FUND EVALUATION REPORT

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Second Quarter 2019



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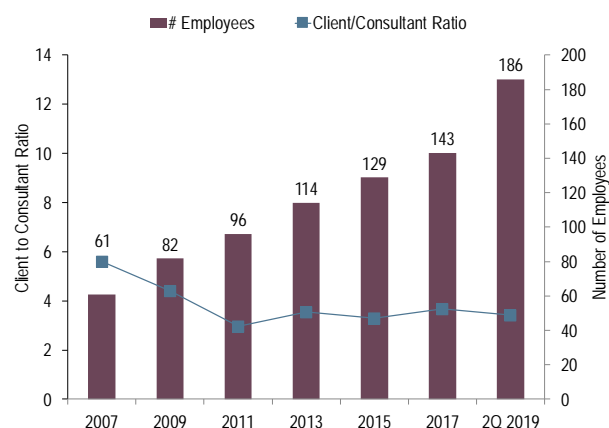
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- 1. Corporate Update**
- 2. Executive Summary**
- 3. Second Quarter of 2019 Performance Report**
 - Plan Summary
 - LifeCycle Funds Detail
 - Portfolio Reviews
- 4. Appendices**
 - The World Markets in the Second Quarter of 2019
 - Capital Markets Outlook & Risk Metrics
 - Disclaimer, Glossary, and Notes

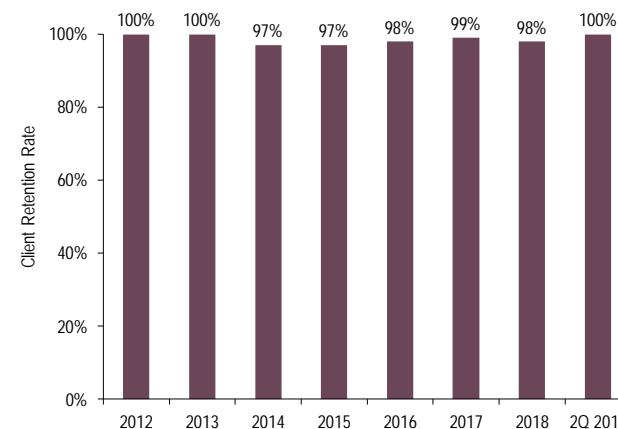
Meketa Investment Group Corporate Update

- Staff of 186, including 127 investment professionals and 40 CFA Charterholders
- 212 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.

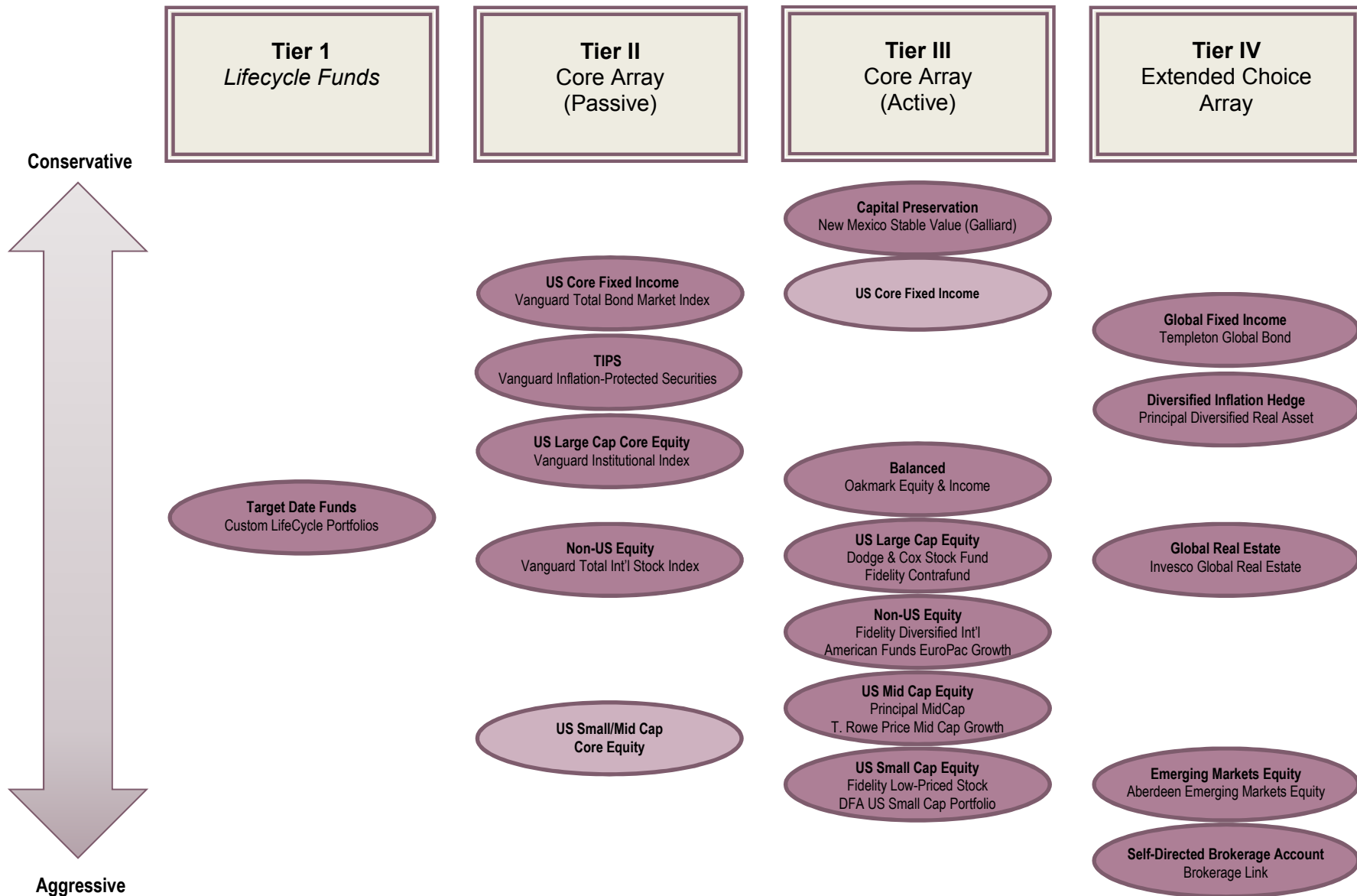
² Client Retention Rate is one minus the number of clients lost divided by the number of clients at prior year-end.



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



Plan Assets

- As of June 30, 2019, Plan assets were \$642.7 million, up from \$623.2 million at the end of the prior quarter. The Plan experienced net cash inflows of \$942,068 during the second quarter.
- There were 22,863 participants with a balance at quarter-end. The average account balance was \$28,112; contributions totaled \$14.0 million, compared to \$13.0 million in withdrawals.
- The largest Plan investment options by assets were:

	6/30/19 Balance (\$ mm)	Percentage of Plan Assets (%)
New Mexico LifeCycle Portfolios	172.7	26.9
New Mexico Stable Value	133.6	20.8
Vanguard Inst. Index Fund	88.9	13.8
Fidelity Contrafund	52.9	8.2
T. Rowe Price MidCap Growth	34.6	5.4

Plan Observations

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

Investment Menu Observations

- One LifeCycle Portfolio (2020 Portfolio) matched or outperformed the benchmark and universe median. One LifeCycle Portfolio (Conservative Portfolio) underperformed both measures. Seven LifeCycle Portfolios (2025 Portfolio, 2030 Portfolio, 2035 Portfolio, 2040 Portfolio, 2045 Portfolio, 2050 Portfolio, 2055 Portfolio) outperformed their benchmark, but underperformed their respective peer group medians in the second quarter.
- Fidelity Contrafund outperformed both the Russell 1000 Growth benchmark and the peer median. Outperformance was driven by security selection, particularly within the Technology, Consumer Staples, and Media & Entertainment sectors. Facebook and Pinterest were the largest individual contributors.
- Dodge & Cox U.S. Equity underperformed the Russell 1000 Value benchmark and the peer median. Underperformance stemmed from an overweight exposure to the Health Care sector, with key detractors being Cigna, Bristol-Myers Squibb, and Sanofi.
- T. Rowe Price MidCap Growth outperformed both the Russell MidCap Growth benchmark and the peer median. The Information Technology, Industrials, and Business Services sectors contributed to relative returns due to stock selection.
- Dimensional U.S. Small Cap Core underperformed the Russell 2000 benchmark and the peer group. The portfolio's greater emphasis on micro caps and consequent lesser allocation to larger small caps detracted from relative performance, as micro caps underperformed.
- Principal U.S. MidCap Equity outperformed the Russell MidCap Index and the peer group median. The fund's allocation to CarMax (the largest used car retailer in the U.S.) and Copart (a global leader in providing online auction and vehicle remarketing services for salvage vehicles) contributed to the fund's outperformance.
- Fidelity Low-Priced Stock underperformed both the benchmark and the peer median. The fund's underperformance was due to unfavorable sector and industry positioning, which is largely a function of the bottom-up, company-by-company stock-selection process, particularly in the Industrials sector.

Investment Menu Observations (continued)

- Fidelity Diversified International outperformed the MSCI EAFE benchmark and the peer median. Stock selection in the Financials, Health Care, Consumer Staples, Industrials and Materials sectors contributed to relative performance, whereas stock choices in Energy and Communication Services moderately detracted.
- American Funds EuroPacific Growth outperformed the MSCI ACWI ex USA and the peer median. The selection of communication services companies added to returns, with Nintendo among the top contributors. Additionally, investment selection boosted returns in the financials sector. AIA Group and HDFC Bank were among the most notable contributors.
- Aberdeen Emerging Markets Equity outperformed both the MSCI Emerging Markets Index and the peer median. Stock selection in China was a key positive contributor to Fund performance for the quarter, bolstered by the core domestically focused holdings, most notably Shanghai International Airport, travel services provider China International Travel Service, and Chinese alcoholic beverage producer Kweichow Moutai.
- Franklin Templeton Global Bond underperformed the FTSE WGBI benchmark and the peer group median. Negative duration exposure to U.S. Treasuries detracted from absolute fund performance as the yield on the 10-year U.S. Treasury note declined 40 basis points during the quarter to finish at 2.01%, its lowest level since November 2016.
- Columbia Institutional High Yield exposure is only available via the LifeCycle portfolios. The strategy outperformed both the Barclays High Yield benchmark and the peer median. Security selection was modestly positive across numerous sectors, but the most notable contributor was selection within the energy sector, which was driven by the portfolio's up-in-quality positioning.
- Invesco Global REITs outperformed the FTSE EPRA/NAREIT Global REIT index benchmark, but underperformed the peer median. Key contributors in the US included positive stock selection within the apartment and data center sectors. In the Asia Pacific region, security selection in Australia added to relative return.

Investment Menu Observations (continued)

- Principal Diversified Real Asset underperformed the Real Asset Custom Benchmark¹; the peer group median was unavailable. Manager performance detracted as Credit Suisse (commodities) underperformed their specific index. Manager performance and style selection of Tortoise MLPs declined as Tortoise underperformed its specific index and MLP's underperformed broader global 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 PRISA and PRISA II can be attributed to the industrial, apartment and office sectors. The industrial sector continues to deliver strong returns driven primarily by appreciation. Tenant demand continues to outpace new supply, resulting in healthy rent growth in markets like Los Angeles and Seattle.
- Oakmark Equity & Income underperformed the 60% S&P 500/40% Barclays Aggregate benchmark, but outperformed the peer group median. The largest detractors were Foot Locker, Philip Morris International, National Oilwell Varco, Alphabet and Regeneron Pharmaceuticals.

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.

Second Quarter of 2019 Performance Report

Plan Summary

As of June 30, 2019

Allocation to Tiers				
	Current Balance	Current Allocation	2Q Cash Flows	Balance as of 3/31/2019
Tier I - LifeCycle Funds	\$172,686,872	27%	\$2,882,859	\$165,284,857
Tier II - Core Array (passive)	\$114,242,317	18%	-\$896,650	\$110,898,668
Tier III - Core Array (active)	\$330,075,896	52%	-\$1,948,357	\$322,196,400
Tier IV - Extended Choice Array	\$12,903,670	2%	\$233,052	\$12,436,508
Loan Account	\$12,813,595	2%	\$671,165	\$12,375,153
Total	\$642,722,350	100%	\$942,068	\$623,191,585

New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Total Fund

As of June 30, 2019

Trailing Net Performance

	Market Value (\$)	% of Portfolio	3 Mo Net Cash Flows (\$)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Total Fund	642,722,350	100.0	942,068						
Domestic Equity	243,470,397	37.9	-3,388,521						
Vanguard Institutional Index (S&P 500)	88,873,500	13.8	-1,264,480	4.3	18.5	10.4	14.2	10.7	14.7
<i>S&P 500</i>				4.3	18.5	10.4	14.2	10.7	14.7
<i>eV US Large Cap Core Equity Net Median</i>				4.1	17.3	8.3	12.9	9.3	13.9
<i>eV US Large Cap Core Equity Net Rank</i>				44	36	38	25	19	15
Fidelity Contrafund	52,866,291	8.2	-1,180,847	5.5	20.9	8.0	17.9	12.7	15.6
<i>Russell 1000 Growth</i>				4.6	21.5	11.6	18.1	13.4	16.3
<i>eV US Large Cap Growth Equity Net Median</i>				5.0	21.8	11.4	17.4	12.3	15.2
<i>eV US Large Cap Growth Equity Net Rank</i>				40	59	77	46	39	40
Dodge & Cox U.S. Equity	32,146,579	5.0	-252,956	2.6	13.2	4.1	14.4	8.3	14.0
<i>Russell 1000 Value</i>				3.8	16.2	8.5	10.2	7.5	13.2
<i>eV US Large Cap Value Equity Net Median</i>				3.7	15.3	5.9	10.5	7.1	12.7
<i>eV US Large Cap Value Equity Net Rank</i>				72	79	65	5	30	15
T. Rowe Price MidCap Growth	34,609,052	5.4	-700,257	7.3	25.4	16.7	17.5	13.6	17.7
<i>Russell MidCap Growth</i>				5.4	26.1	13.9	16.5	11.1	16.0
<i>eV US Mid Cap Growth Equity Net Median</i>				6.4	27.1	13.7	16.0	10.5	15.2
<i>eV US Mid Cap Growth Equity Net Rank</i>				32	65	22	40	11	5
Dimensional U.S. Small Cap Core	11,822,950	1.8	-288,618	1.9	14.6	-5.5	9.8	6.1	14.0
<i>Russell 2000</i>				2.1	17.0	-3.3	12.3	7.1	13.4
<i>eV US Small Cap Core Equity Net Median</i>				2.5	16.6	-3.2	11.4	7.1	13.4
<i>eV US Small Cap Core Equity Net Rank</i>				59	62	71	73	71	42



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As of June 30, 2019

	Market Value (\$)	% of Portfolio	3 Mo Net Cash Flows (\$)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Principal U.S. MidCap Equity	14,836,577	2.3	352,403	9.3	30.3	18.1	17.3	12.6	17.5
<i>Russell MidCap</i>				4.1	21.3	7.8	12.2	8.6	15.2
<i>eV US Mid Cap Core Equity Net Median</i>				3.4	18.1	5.3	11.1	7.7	14.1
<i>eV US Mid Cap Core Equity Net Rank</i>				1	1	4	9	8	2
Fidelity Low-Priced Stock	8,315,448	1.3	-53,765	1.4	12.0	-0.8	9.4	6.4	13.1
<i>Russell 2500 Value</i>				1.9	15.3	-1.9	9.0	5.5	13.3
<i>eV US Small Cap Value Equity Net Median</i>				2.0	14.9	-5.4	8.9	5.0	12.8
<i>eV US Small Cap Value Equity Net Rank</i>				65	84	17	41	23	41
International Equity	27,104,187	4.2	150,491						
Fidelity Diversified International	11,126,546	1.7	-23,367	5.9	17.8	2.6	8.8	3.5	7.8
<i>MSCI EAFE</i>				3.7	14.0	1.1	9.1	2.2	6.9
<i>eV EAFE Core Equity Net Median</i>				2.8	13.1	-2.2	8.5	3.0	8.1
<i>eV EAFE Core Equity Net Rank</i>				8	7	19	45	38	58
American Funds EuroPacific Growth	10,096,661	1.6	108,082	3.9	17.6	1.9	10.8	4.4	8.2
<i>MSCI ACWI ex USA</i>				3.0	13.6	1.3	9.4	2.2	6.5
<i>eV ACWI ex-US All Cap Core Eq Net Median</i>				3.7	15.0	0.8	9.0	2.8	8.2
<i>eV ACWI ex-US All Cap Core Eq Net Rank</i>				40	19	31	15	21	51
Vanguard Total International Stock Index	3,429,023	0.5	17,051	2.7	13.3	0.6	9.0	2.3	--
<i>Spliced Total International Stock Index</i>				2.8	13.3	0.5	9.2	2.4	6.7
<i>eV ACWI ex-US Core Equity Net Median</i>				3.4	14.5	-0.4	9.0	2.7	7.7
<i>eV ACWI ex-US Core Equity Net Rank</i>				63	65	42	49	63	--
Aberdeen Emerging Markets Equity	2,451,957	0.4	48,726	3.6	14.8	10.2	8.2	2.3	7.5
<i>MSCI Emerging Markets</i>				0.6	10.6	1.2	10.7	2.5	5.8
<i>eV Emg Mkts Equity Net Median</i>				1.4	12.0	0.9	9.9	2.5	6.7
<i>eV Emg Mkts Equity Net Rank</i>				10	21	1	70	58	27

¹ 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.



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As of June 30, 2019

	Market Value (\$)	% of Portfolio	3 Mo Net Cash Flows (\$)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Fixed Income	158,673,830	24.7	914,802						
New Mexico Stable Value Fund	133,640,620	20.8	451,785	0.6	1.2	2.4	2.0	1.8	--
<i>Citigroup 3-month Treasury Bill + 1%</i>				0.9	1.7	3.3	2.4	1.9	1.5
<i>eV US Stable Value Fixed Inc Net Median</i>				0.6	1.2	2.6	2.0	2.0	2.5
<i>eV US Stable Value Fixed Inc Net Rank</i>				49	50	59	52	76	--
Vanguard Total Bond Market Index	17,516,247	2.7	319,477	3.1	6.1	7.9	2.2	2.9	3.8
<i>BBgBarc US Aggregate TR</i>				3.1	6.1	7.9	2.3	2.9	3.9
<i>eV US Core Fixed Inc Net Median</i>				3.1	6.4	7.9	2.5	3.0	4.3
<i>eV US Core Fixed Inc Net Rank</i>				56	69	49	75	63	81
Vanguard Inflation-Protected Securities	4,423,547	0.7	31,303	2.8	6.1	4.7	1.9	1.7	3.6
<i>BBgBarc US TIPS TR</i>				2.9	6.2	4.8	2.1	1.8	3.6
<i>eV US TIPS / Inflation Fixed Inc Net Median</i>				2.8	6.2	4.6	2.1	1.5	3.5
<i>eV US TIPS / Inflation Fixed Inc Net Rank</i>				47	65	40	74	26	48
Franklin Templeton Global Bond	3,093,416	0.5	112,237	0.8	2.8	5.7	4.7	1.6	4.9
<i>FTSE WGBI TR</i>				3.6	5.4	5.5	1.0	0.8	2.2
<i>eV Global Agg Fixed Inc Net Median</i>				3.5	6.4	6.7	2.4	1.3	3.6
<i>eV Global Agg Fixed Inc Net Rank</i>				99	99	81	1	36	9
Columbia Institutional High Yield	--	--		3.0	11.4	8.8	6.4	4.5	--
<i>ICE BofAML US High Yield Cash Pay Constrained TR</i>				2.6	10.2	7.6	7.5	4.7	9.1
<i>eV US High Yield Fixed Inc Net Median</i>				2.5	9.4	6.7	6.8	4.1	8.5
<i>eV US High Yield Fixed Inc Net Rank</i>				15	4	8	68	35	--

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

Total Fund

As of June 30, 2019

	Market Value (\$)	% of Portfolio	3 Mo Net Cash Flows (\$)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Real Assets	2,219,386	0.3	72,089						
Invesco Global REITs	1,835,043	0.3	91,363	0.6	15.6	8.8	5.6	5.0	10.2
<i>FTSE EPRA/NAREIT Global Real Estate Index</i>				-0.3	14.5	8.1	5.3	5.7	11.4
<i>eV Global REIT Net Median</i>				1.0	16.1	9.0	5.4	5.8	11.5
<i>eV Global REIT Net Rank</i>				63	60	55	48	64	78
Principal Diversified Real Asset	384,344	0.1	-19,275	1.5	10.3	0.6	4.1	-0.6	--
<i>Real Asset Custom Benchmark</i>				2.4	10.0	3.1	5.1	1.4	4.9
Prudential Retirement Real Estate Fund II	--	--		1.5	5.2	7.8	--	--	--
<i>PRREF II Custom Benchmark</i>				1.0	4.6	7.1	--	--	--
Balanced	193,302,044	30.1	2,522,043						
New Mexico Conservative Portfolio	41,333,547	6.4	-313,107	2.4	7.6	5.7	5.0	3.4	5.2
<i>New Mexico Conservative Index</i>				2.4	7.6	5.7	5.0	3.3	5.1
<i>Allocation - 30% to 50% Equity Mstar MF Median</i>				2.9	10.3	5.7	6.1	4.2	7.5
<i>Allocation - 30% to 50% Equity Mstar MF Rank</i>				78	95	48	85	79	99
New Mexico LifeCycle 2020 Portfolio	3,775,006	0.6	51,135	3.3	9.3	6.6	6.3	--	--
<i>New Mexico 2020 Benchmark</i>				2.5	8.3	5.4	6.0	--	--
<i>Target Date 2020 Mstar MF Median</i>				3.2	10.9	6.4	7.3	4.9	8.7
<i>Target Date 2020 Mstar MF Rank</i>				28	93	33	84	--	--
New Mexico LifeCycle 2025 Portfolio	53,204,298	8.3	599,447	2.9	10.5	6.3	7.4	4.9	8.6
<i>New Mexico 2025 Benchmark</i>				2.8	10.0	5.5	7.4	4.5	8.5
<i>Target Date 2025 Mstar MF Median</i>				3.3	12.2	6.4	8.2	5.4	9.3
<i>Target Date 2025 Mstar MF Rank</i>				90	95	59	87	85	83

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

² Prudential Retirement Real Estate Fund II is a component of the LifeCycle Funds only and is not available as a participant directed investment option

³ PRREF II Custom Benchmark is composed of 85% NCREIF Open-End Diversified Core Equity Fund Index, and 15% MSCI US REIT Index.

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	Market Value (\$)	% of Portfolio	3 Mo Net Cash Flows (\$)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
New Mexico LifeCycle 2030 Portfolio	5,350,236	0.8	630,616	3.2	11.9	6.6	8.4	--	--
<i>New Mexico 2030 Benchmark</i>				2.9	11.3	5.6	8.3	--	--
<i>Target Date 2030 Mstar MF Median</i>				3.4	13.3	6.2	9.1	5.8	10.0
<i>Target Date 2030 Mstar MF Rank</i>				83	89	29	80	--	--
New Mexico LifeCycle 2035 Portfolio	32,565,931	5.1	664,956	3.2	12.8	6.6	9.0	5.6	9.5
<i>New Mexico 2035 Benchmark</i>				2.9	12.0	5.4	9.0	5.2	9.4
<i>Target Date 2035 Mstar MF Median</i>				3.5	14.2	6.1	9.9	6.1	10.3
<i>Target Date 2035 Mstar MF Rank</i>				80	94	25	88	77	94
New Mexico LifeCycle 2040 Portfolio	4,518,411	0.7	113,897	3.3	13.5	6.6	9.4	--	--
<i>New Mexico 2040 Benchmark</i>				2.8	12.6	5.3	9.3	--	--
<i>Target Date 2040 Mstar MF Median</i>				3.5	15.1	5.8	10.4	6.4	10.5
<i>Target Date 2040 Mstar MF Rank</i>				75	93	19	88	--	--
New Mexico LifeCycle 2045 Portfolio	18,740,789	2.9	345,969	3.4	13.8	6.6	9.7	5.9	10.4
<i>New Mexico 2045 Benchmark</i>				2.9	12.9	5.2	9.6	5.3	9.7
<i>Target Date 2045 Mstar MF Median</i>				3.6	15.6	5.8	10.8	6.4	10.9
<i>Target Date 2045 Mstar MF Rank</i>				76	99	12	99	82	87
New Mexico LifeCycle 2050 Portfolio	3,013,591	0.5	331,076	3.4	14.1	6.6	9.8	--	--
<i>New Mexico 2050 Benchmark</i>				2.9	13.2	5.2	9.8	--	--
<i>Target Date 2050 Mstar MF Median</i>				3.6	15.7	5.9	11.0	6.5	10.9
<i>Target Date 2050 Mstar MF Rank</i>				73	97	11	94	--	--
New Mexico LifeCycle 2055 Portfolio	10,185,063	1.6	458,870	3.3	14.2	6.5	10.0	6.0	10.6
<i>New Mexico 2055 Benchmark</i>				2.9	13.3	5.1	9.9	5.5	10.0
<i>Target Date 2055 Mstar MF Median</i>				3.6	15.9	5.8	11.0	6.5	10.8
<i>Target Date 2055 Mstar MF Rank</i>				79	98	14	96	90	69



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Total Fund

As of June 30, 2019

	Market Value (\$)	% of Portfolio	3 Mo Net Cash Flows (\$)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)
Oakmark Equity & Income	20,615,172	3.2	-360,816	3.5	12.5	4.6	9.3	4.9	8.7
60% S&P 500 & 40% Barclays Aggregate				4.0	13.6	9.9	9.5	7.7	10.5
Balanced MStar MF Median				3.1	12.1	5.6	7.7	4.9	9.2
Balanced MStar MF Rank				27	46	70	25	50	61
Other	17,952,505	2.8	671,165						
Self Directed Brokerage Options	5,138,911	0.8	0						
Loan Account	12,813,595	2.0	671,165						



New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Total Fund

As of June 30, 2019

	Calendar Year Performance									
	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)	2011 (%)	2010 (%)	2009 (%)
Domestic Equity										
Vanguard Institutional Index (S&P 500)	-4.4	21.8	11.9	1.4	13.6	32.4	16.0	2.1	15.0	26.6
<i>S&P 500</i>	-4.4	21.8	12.0	1.4	13.7	32.4	16.0	2.1	15.1	26.5
Fidelity Contrafund	-2.1	32.3	3.5	6.6	9.7	34.3	16.4	0.0	17.1	29.4
<i>Russell 1000 Growth</i>	-1.5	30.2	7.1	5.7	13.0	33.5	15.3	2.6	16.7	37.2
Dodge & Cox U.S. Equity	-7.1	18.3	21.3	-4.5	10.4	40.5	22.0	-4.1	13.5	31.3
<i>Russell 1000 Value</i>	-8.3	13.7	17.3	-3.8	13.5	32.5	17.5	0.4	15.5	19.7
T. Rowe Price MidCap Growth	-2.2	26.0	6.9	6.9	13.8	37.9	14.5	-1.3	29.3	46.8
<i>Russell MidCap Growth</i>	-4.8	25.3	7.3	-0.2	11.9	35.7	15.8	-1.7	26.4	46.3
Dimensional U.S. Small Cap Core	-13.1	11.5	23.5	-3.3	4.4	42.2	18.4	-3.2	30.7	36.3
<i>Russell 2000</i>	-11.0	14.6	21.3	-4.4	4.9	38.8	16.3	-4.2	26.9	27.2
Principal U.S. MidCap Equity	-6.7	25.3	10.2	1.5	12.7	33.6	19.2	8.0	23.8	33.1
<i>Russell MidCap</i>	-9.1	18.5	13.8	-2.4	13.2	34.8	17.3	-1.5	25.5	40.5
Fidelity Low-Priced Stock	-10.7	20.8	8.9	0.9	7.7	34.4	18.7	0.0	20.9	39.3
<i>Russell 2500 Value</i>	-12.4	10.4	25.2	-5.5	7.1	33.3	19.2	-3.4	24.8	27.7
International Equity										
Fidelity Diversified International	-15.1	26.8	-3.6	3.2	-3.0	25.3	19.6	-13.6	9.9	32.1
<i>MSCI EAFE</i>	-13.8	25.0	1.0	-0.8	-4.9	22.8	17.3	-12.1	7.8	31.8
American Funds EuroPacific Growth	-14.9	31.2	1.0	-0.5	-2.3	20.6	19.6	-13.3	9.8	39.4
<i>MSCI ACWI ex USA</i>	-14.2	27.2	4.5	-5.7	-3.9	15.3	16.8	-13.7	11.2	41.4
Vanguard Total International Stock Index	-14.4	27.6	4.7	-4.2	-4.1	15.1	18.3	-14.5	--	--
<i>Spliced Total International Stock Index</i>	-14.6	27.4	4.7	-4.3	-3.4	15.8	17.0	-14.3	10.7	40.4
Aberdeen Emerging Markets Equity	-14.6	30.2	12.0	-13.7	-2.5	-7.5	26.2	-11.0	27.6	76.5
<i>MSCI Emerging Markets</i>	-14.6	37.3	11.2	-14.9	-2.2	-2.6	18.2	-18.4	18.9	78.5

¹ 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

Total Fund

As of June 30, 2019

	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)	2011 (%)	2010 (%)	2009 (%)
Fixed Income										
New Mexico Stable Value Fund	2.1	1.8	1.7	1.5	1.2	1.4	--	--	--	--
<i>Citigroup 3-month Treasury Bill + 1%</i>	2.9	1.8	1.3	1.0	1.0	1.1	1.1	1.1	1.1	1.2
Vanguard Total Bond Market Index	0.0	3.6	2.6	0.4	5.9	-2.1	4.2	7.7	6.6	6.1
<i>BBgBarc US Aggregate TR</i>	0.0	3.5	2.6	0.5	6.0	-2.0	4.2	7.8	6.5	5.9
Vanguard Inflation-Protected Securities	-1.4	3.0	4.6	-1.7	4.1	-8.8	6.9	13.4	6.3	11.0
<i>BBgBarc US TIPS TR</i>	-1.3	3.0	4.7	-1.4	3.6	-8.6	7.0	13.6	6.3	11.4
Franklin Templeton Global Bond	1.6	2.8	6.8	-3.9	2.0	2.4	15.8	-2.4	12.7	18.9
<i>FTSE WGBI TR</i>	-0.8	7.5	1.6	-3.6	-0.5	-4.0	1.6	6.4	5.2	2.6
Columbia Institutional High Yield	-4.1	6.6	11.6	-1.1	4.1	6.3	--	--	--	--
<i>ICE BofAML US High Yield Cash Pay Constrained TR</i>	-2.2	7.5	17.3	-4.5	2.5	7.4	15.4	4.5	15.1	56.8
Real Assets										
Invesco Global REITs	-5.9	13.1	2.1	-1.1	14.8	3.0	28.4	-6.5	17.7	31.3
<i>FTSE EPRA/NAREIT Global Real Estate Index</i>	-4.7	11.4	5.0	0.1	15.9	4.4	28.7	-5.8	20.4	38.3
Principal Diversified Real Asset	-7.9	10.2	5.9	-12.4	2.5	5.4	7.7	0.8	--	--
<i>Real Asset Custom Benchmark</i>	-6.4	10.7	7.6	-6.6	-0.5	2.9	9.2	-0.4	11.5	22.5
Prudential Retirement Real Estate Fund II	6.1	--	--	--	--	--	--	--	--	--
<i>PRREF II Custom Benchmark</i>	6.3	--	--	--	--	--	--	--	--	--

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

² The Real Asset Custom Benchmark is composed of 40% Barclays U.S. TIPS, 40% MSCI ACWI, and 20% Bloomberg Commodity Index.

³ Prudential Retirement Real Estate Fund II is a component of the LifeCycle Funds only and is not available as a participant directed investment option.

³ PRREF II Custom Benchmark is composed of 85% NCREIF Open-End Diversified Core Equity Fund Index, and 15% MSCI US REIT Index.



New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Total Fund

As of June 30, 2019

	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)	2011 (%)	2010 (%)	2009 (%)
Balanced										
New Mexico Conservative Portfolio	-1.8	8.6	4.9	-1.3	4.4	4.2	9.3	2.9	6.7	10.5
<i>New Mexico Conservative Index</i>	-1.6	8.8	4.1	-1.1	4.0	4.0	8.5	3.1	6.0	10.8
New Mexico LifeCycle 2020 Portfolio	-2.8	11.2	--	--	--	--	--	--	--	--
<i>New Mexico 2020 Benchmark</i>	-2.5	11.3	--	--	--	--	--	--	--	--
New Mexico LifeCycle 2025 Portfolio	-4.1	14.3	6.7	-1.6	6.0	13.5	16.5	-2.6	10.6	28.3
<i>New Mexico 2025 Benchmark</i>	-4.0	14.4	6.2	-1.7	5.3	14.2	14.6	-1.9	10.8	26.2
New Mexico LifeCycle 2030 Portfolio	-5.1	16.4	--	--	--	--	--	--	--	--
<i>New Mexico 2030 Benchmark</i>	-5.1	16.4	--	--	--	--	--	--	--	--
New Mexico LifeCycle 2035 Portfolio	-5.9	18.1	7.4	-1.9	5.7	16.3	18.4	-4.4	11.8	29.7
<i>New Mexico 2035 Benchmark</i>	-5.9	18.2	7.1	-2.2	4.9	17.1	16.2	-3.5	12.5	27.2
New Mexico LifeCycle 2040 Portfolio	-6.4	19.1	--	--	--	--	--	--	--	--
<i>New Mexico 2040 Benchmark</i>	-6.4	19.2	--	--	--	--	--	--	--	--
New Mexico LifeCycle 2045 Portfolio	-6.8	20.0	7.5	-2.0	5.6	17.6	19.5	-5.3	17.0	32.3
<i>New Mexico 2045 Benchmark</i>	-6.8	19.9	7.3	-2.4	4.8	18.6	17.0	-4.3	12.9	28.9
New Mexico LifeCycle 2050 Portfolio	-7.0	20.4	--	--	--	--	--	--	--	--
<i>New Mexico 2050 Benchmark</i>	-7.1	20.4	--	--	--	--	--	--	--	--
New Mexico LifeCycle 2055 Portfolio	-7.2	20.8	7.6	-2.0	5.6	18.2	19.7	-5.2	15.8	34.0
<i>New Mexico 2055 Benchmark</i>	-7.2	20.8	7.4	-2.5	4.7	19.2	17.4	-4.5	12.9	30.0
Oakmark Equity & Income	-8.3	14.5	11.0	-4.6	6.9	24.2	9.1	0.7	9.5	19.8
<i>60% S&P 500 & 40% Barclays Aggregate</i>	-2.3	14.2	8.3	1.3	10.6	17.6	11.3	4.7	12.1	18.4
Other										
Self Directed Brokerage Options										
Loan Account										



New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Total Fund

As of June 30, 2019

Investment Expense Analysis								
Fund	Style	Assets as of 6/30/19 (\$)	Estimated Fund Expense (\$)	Net Expense Ratio (%)	Median Expense Ratio ¹ (%)	Net Expense Difference	Revenue Sharing (\$)	Revenue Sharing (%)
New Mexico Conservative Portfolio	Target Date	41,333,547	146,796	0.36	0.42	-0.06	-	0.00
New Mexico LifeCycle 2020 Portfolio	Target Date	3,775,006	13,556	0.36	0.63	-0.27	-	0.00
New Mexico LifeCycle 2025 Portfolio	Target Date	53,204,298	194,044	0.36	0.65	-0.28	-	0.00
New Mexico LifeCycle 2030 Portfolio	Target Date	5,350,236	20,212	0.38	0.67	-0.29	-	0.00
New Mexico LifeCycle 2035 Portfolio	Target Date	32,565,931	133,874	0.41	0.68	-0.27	-	0.00
New Mexico LifeCycle 2040 Portfolio	Target Date	4,518,411	19,406	0.43	0.70	-0.27	-	0.00
New Mexico LifeCycle 2045 Portfolio	Target Date	18,740,789	80,067	0.43	0.71	-0.28	-	0.00
New Mexico LifeCycle 2050 Portfolio	Target Date	3,013,591	12,844	0.43	0.72	-0.29	-	0.00
New Mexico LifeCycle 2055 Portfolio	Target Date	10,185,063	43,495	0.43	0.75	-0.32	-	0.00
Oakmark Equity and Income Fund (The) - Class I	Balanced	20,615,172	160,798	0.78	0.90	-0.12	61,846	0.30
Principal Diversified Real Asset Fund - Institutional	Real Assets	384,344	3,267	0.85	0.90	-0.05	384	0.10
Columbia Institutional High Yield	Bonds	-	-	0.66	0.72	-0.06	-	0.00
Templeton Global Bond Fund - Class R6	International Bonds	3,093,416	17,632	0.57	0.67	-0.10	-	0.00
Vanguard Inflation-Protected Securities	Bonds	4,423,547	3,096	0.07	0.45	-0.38	-	0.00
Vanguard Total Bond Market Index Fund - Institutional Shares	Bonds	17,516,247	6,131	0.04	0.49	-0.46	-	0.00
New Mexico Stable Value Fund	Bonds (Stable Value)	133,640,620	481,106	0.36	0.50	-0.14	-	0.00
Aberdeen Emerging Markets Equity Fund Institutional Class	International Equity	2,451,957	26,972	1.10	1.15	-0.05	-	0.00
EuroPacific Growth Fund(R) - Class R6	International Equity	10,096,661	49,474	0.49	0.80	-0.31	-	0.00
Fidelity Diversified International K ²	International Equity	11,126,546	76,773	0.69	0.80	-0.11	-	0.00
Vanguard Total International Stock Index Fund - Inst	International Equity	3,429,023	2,743	0.08	0.86	-0.78	-	0.00
Dodge & Cox Stock Fund	US Large Cap	32,146,579	167,162	0.52	0.87	-0.35	32,147	0.10
Fidelity Contrafund K	US Large Cap	52,866,291	385,924	0.73	0.62	0.11	-	0.00
Vanguard Institutional Index Fund - Inst	US Large Cap	88,873,500	17,775	0.02	0.73	-0.71	-	0.00
Fidelity Low-Priced Stock K ³	US Mid Cap	8,315,448	44,072	0.53	0.81	-0.28	-	0.00
Principal MidCap Blend Fund - Institutional Class	US Mid Cap	14,836,577	102,372	0.69	0.88	-0.19	14,837	0.10
T. Rowe Price Institutional Mid-Cap Equity Growth Fund	US Mid Cap	34,609,052	211,115	0.61	0.88	-0.27	-	0.00
DFA U.S. Small Cap Portfolio	US Small Cap	11,822,950	43,745	0.37	0.97	-0.60	-	0.00
Invesco Global Real Estate Fund - Class R5	REITs	1,835,043	16,882	0.92	0.90	0.02	6,423	0.35
Prudential Retirement Real Estate Fund II	Private Real Estate	-	-	0.90	NA	NA	-	NA
Self Directed Brokerage Option	Brokerage Window	5,138,911	-	-	-	-	-	-
Loan	Other	12,813,595	-	-	-	-	-	-
Total⁴		642,722,350	2,481,335	0.39			115,636	0.02

¹ Median net expense ratios as defined by the Morningstar Fee Level-Distribution universe, which includes mutual funds by category with similar distribution channels and expense structures.

² Fund carries a 1.0% redemption fee for shares held less than 30 days.

³ Fund carries a 1.5% redemption fee for shares held less than 90 days.

⁴ Total net expense ratio and revenue sharing is calculated net of loan and brokerage accounts.



As of June 30, 2019

Benchmark History

As of June 30, 2019

New Mexico Conservative Portfolio

1/1/2019	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
1/1/2018	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

1/1/2019	Present	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
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

1/1/2019	Present	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

As of June 30, 2019

New Mexico LifeCycle 2030 Portfolio

1/1/2019	Present	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
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

1/1/2019	Present	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

1/1/2019	Present	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
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



As of June 30, 2019

New Mexico LifeCycle 2045 Portfolio

1/1/2019	Present	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 LifeCycle 2050 Portfolio

1/1/2019	Present	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

1/1/2019	Present	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

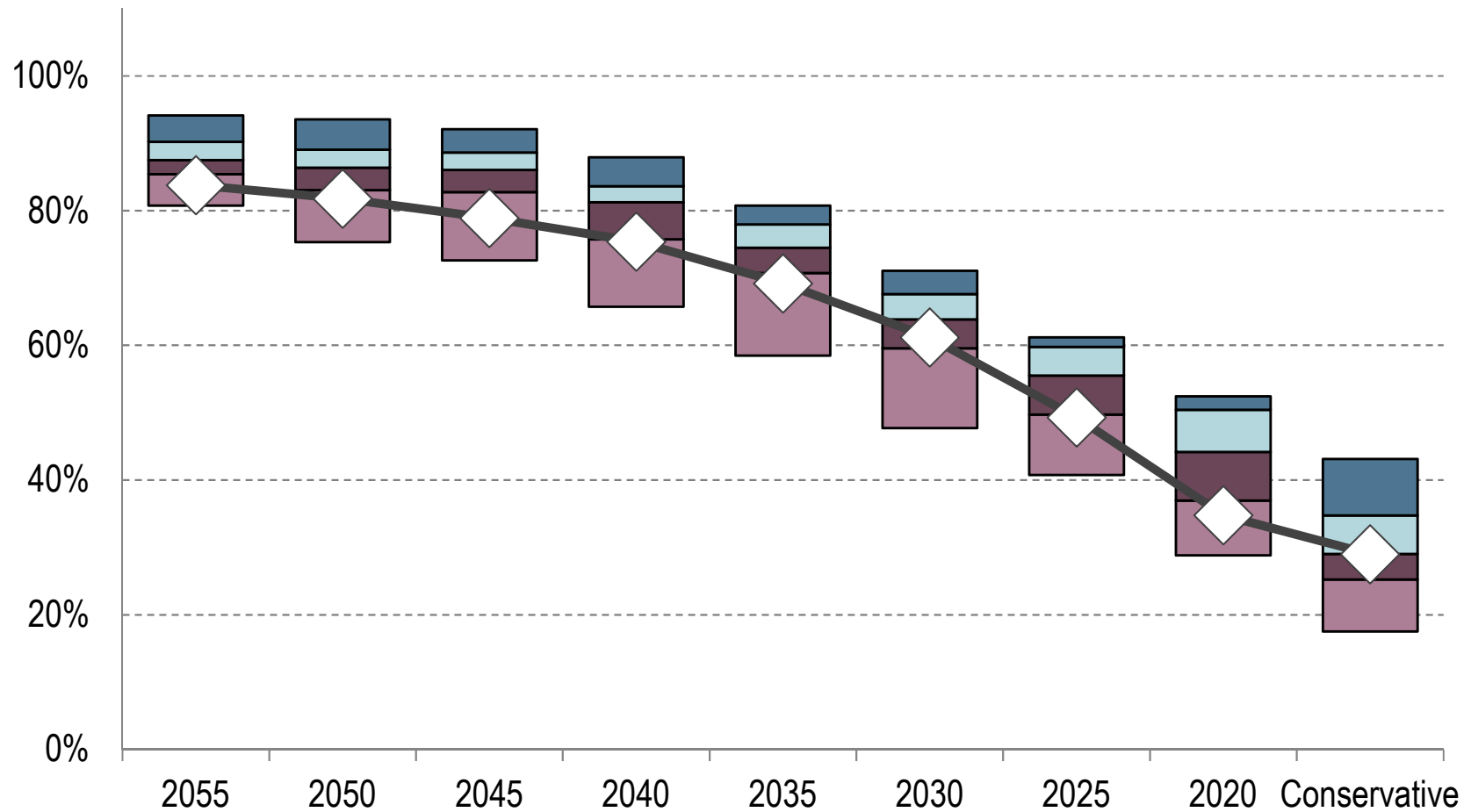
Oakmark Equity & Income

11/1/1995	Present	60% S&P 500 / 40% BBgBarc US Aggregate TR
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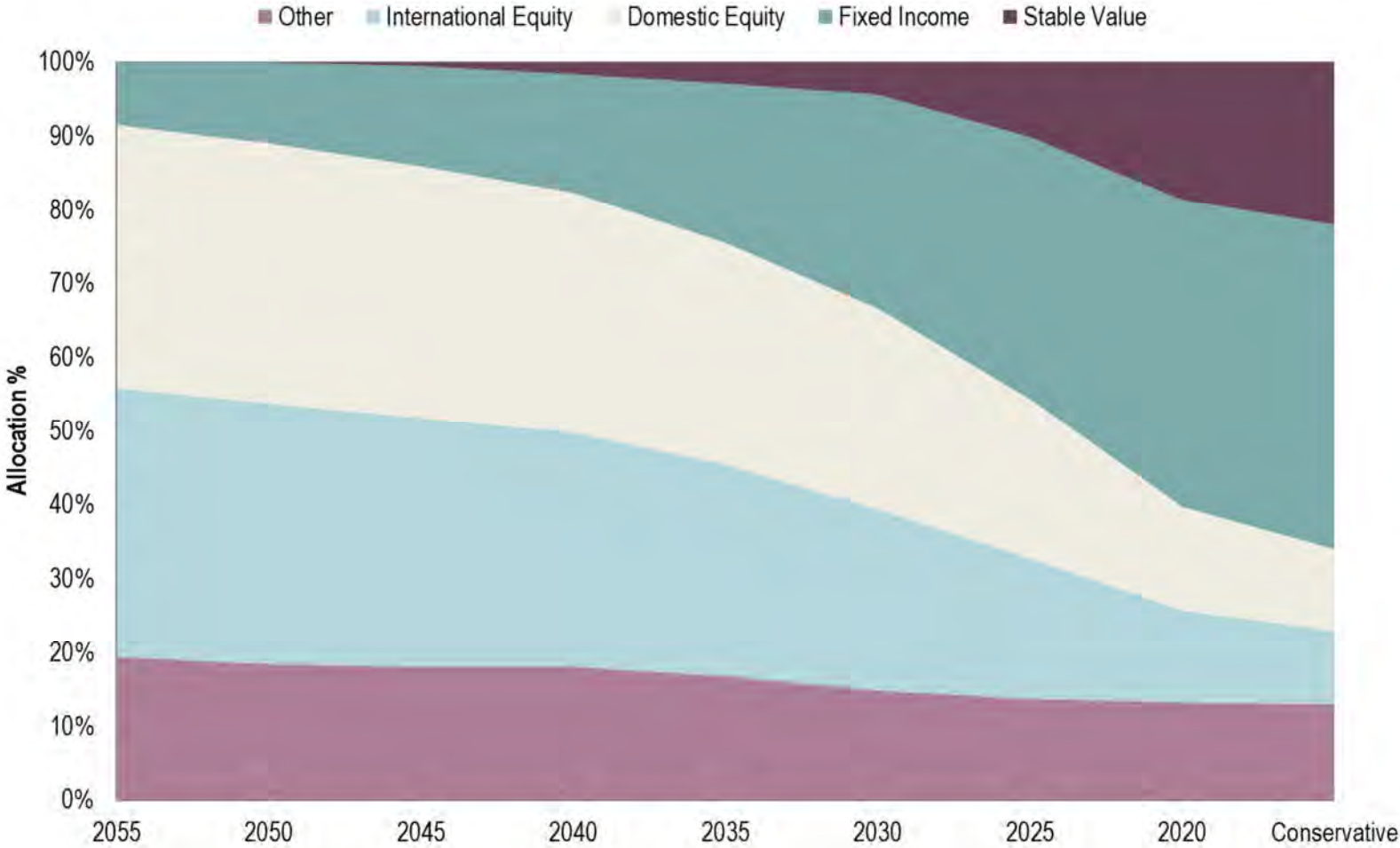
**LifeCycle Funds Detail
As of June 30, 2019**

Glide Path Universe Comparison¹ % Allocation to Equity



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

Asset Allocation by Target Date



New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

LifeCycle Funds Detail

	2055 Portfolio (%)	2050 Portfolio (%)	2045 Portfolio (%)	2040 Portfolio (%)	2035 Portfolio (%)	2030 Portfolio (%)	2025 Portfolio (%)	2020 Portfolio (%)	Conservative Portfolio (%)
Total Fixed Income	8.5	11.0	14.1	17.6	24.4	33.4	45.7	60.2	66.0
Total Stable Value	0.0	0.0	0.6	1.6	2.9	4.4	10.1	18.6	22.0
New Mexico Stable Value Fund (Galliard)	0.0	0.0	0.6	1.6	2.9	4.4	10.1	18.6	22.0
Total Investment Grade Bonds	3.4	4.9	6.4	7.6	11.9	18.4	24.0	29.0	31.0
Vanguard Inflation-Protected Securities	0.6	1.3	2.1	2.8	3.6	4.6	7.1	10.6	12.0
Vanguard Total Bond Market Index	2.8	3.6	4.3	4.8	8.3	13.8	16.9	18.4	19.0
Total Global Bonds	5.1	6.1	7.1	8.4	9.6	10.6	11.6	12.6	13.0
Templeton Global Bond Fund	2.3	2.8	3.3	3.8	4.3	4.8	5.0	5.0	5.0
Columbia High Yield Bonds	2.8	3.3	3.8	4.6	5.3	5.8	6.6	7.6	8.0
Total Equity	72.1	70.6	67.9	64.4	58.8	51.8	40.6	26.6	21.0
Total Domestic Equity	35.7	35.2	34.1	32.6	30.2	27.2	21.5	14.0	11.0
Vanguard Institutional Index Fund	25.2	24.4	23.4	22.4	21.1	19.3	15.2	10.0	8.0
Principal Mid Cap Equity	3.5	3.7	3.6	3.5	3.2	2.7	2.2	1.4	1.0
T. Rowe Price Mid Cap Growth	3.5	3.7	3.6	3.5	3.2	2.7	2.2	1.4	1.0
DFA US Small Cap Portfolio	3.5	3.5	3.5	3.2	2.7	2.5	1.9	1.2	1.0
Total International Equity	36.4	35.4	33.8	31.8	28.6	24.6	19.1	12.6	10.0
Vanguard Total International Stock Index	19.4	18.4	17.4	16.4	14.8	12.8	9.9	6.4	5.0
American Fund EuroPacific Growth	7.0	7.0	6.4	5.7	5.2	5.0	3.8	2.4	2.0
Aberdeen Emerging Markets	10.0	10.0	10.0	9.7	8.6	6.8	5.4	3.8	3.0
Total Other	19.4	18.4	18.0	18.0	16.8	14.8	13.7	13.2	13.0
Total Core Private Real Estate	11.7	11.2	11.0	11.0	10.4	9.4	8.7	8.2	8.0
Prudential Retirement Real Estate Fund II	11.7	11.2	11.0	11.0	10.4	9.4	8.7	8.2	8.0
Total Diversified Inflation Hedge	7.7	7.2	7.0	7.0	6.4	5.4	5.0	5.0	5.0
Principal Diversified Real Asset Fund	7.7	7.2	7.0	7.0	6.4	5.4	5.0	5.0	5.0



Portfolio Reviews

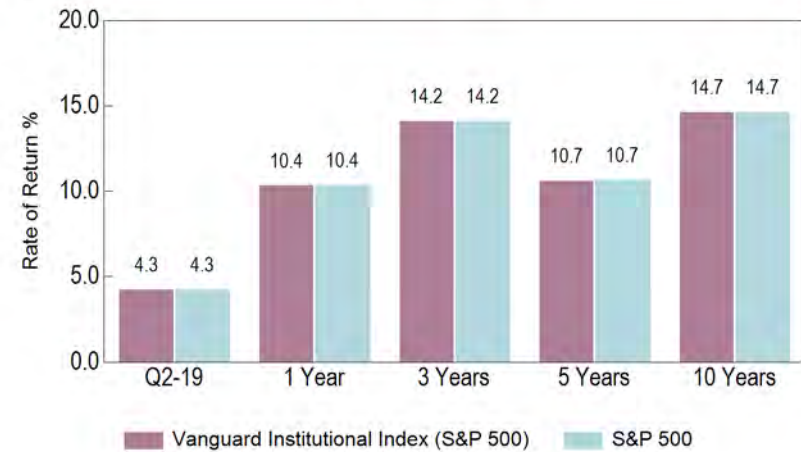
Vanguard Institutional Index (S&P 500)

As of June 30, 2019

Portfolio Fund Information as of June 30, 2019

Ticker	VIIIIX
Morningstar Category	Large Blend
Average Market Cap (\$mm)	109,627.41
Net Assets (\$mm)	115,092.24
% Assets in Top 10 Holdings	21.49
Total Number of Holdings	511
Manager Name	Donald M. Butler
Manager Tenure	19
Expense Ratio	0.02%
Closed to New Investors	No

Return Summary
Ending June 30, 2019



Equity Characteristics Within Mutual Funds as of June 30, 2019
Versus S&P 500

	Portfolio	S&P 500
Average Market Cap (Billions)	109.63	225.01
Price To Earnings	17.80	20.58
Price To Book	3.09	3.60
Return On Equity	25.84	26.92
Dividend Yield	2.01%	1.96%
Beta (3 Year)	1.00	1.00
R-Squared (3 Year)	1.00	1.00

Top Holdings as of June 30, 2019

MICROSOFT CORP	4.2%
APPLE INC	3.5%
AMAZON.COM INC	3.2%
FACEBOOK INC A	1.9%
BERKSHIRE HATHAWAY INC B	1.7%
JOHNSON & JOHNSON	1.5%
JPMORGAN CHASE & CO	1.5%
ALPHABET INC CLASS C	1.4%
ALPHABET INC A	1.3%
EXXON MOBIL CORP	1.3%

Sector Allocation as of June 30, 2019

BASIC MATERIALS	2.5%
COMMUNICATION SERVICES	3.5%
CONSUMER CYCLICAL	12.2%
CONSUMER DEFENSIVE	7.7%
ENERGY	5.1%
FINANCIAL SERVICES	15.9%
HEALTHCARE	14.1%
INDUSTRIALS	10.1%
REAL ESTATE	2.7%
TECHNOLOGY	22.9%
UTILITIES	3.3%

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.

As of June 30, 2019

Portfolio Fund Information as of June 30, 2019

Ticker	FCNKX
Morningstar Category	Large Growth
Average Market Cap (\$mm)	153,023.38
Net Assets (\$mm)	26,323.11
% Assets in Top 10 Holdings	41.88
Total Number of Holdings	319
Manager Name	William Danoff
Manager Tenure	29
Expense Ratio	0.73%
Closed to New Investors	No

**Return Summary
Ending June 30, 2019**



Equity Characteristics Within Mutual Funds as of June 30, 2019
Versus Russell 1000 Growth

	Portfolio	Russell 1000 Growth
Average Market Cap (Billions)	153.02	283.38
Price To Earnings	25.49	24.92
Price To Book	4.17	7.20
Return On Equity	23.75	37.58
Dividend Yield	0.79%	1.26%
Beta (3 Year)	1.00	1.00
R-Squared (3 Year)	0.96	1.00

Top Holdings as of June 30, 2019

FACEBOOK INC A	7.1%
AMAZON.COM INC	7.0%
BERKSHIRE HATHAWAY INC A	5.2%
MICROSOFT CORP	4.8%
VISA INC CLASS A	3.7%
SALESFORCE.COM INC	3.3%
UNITEDHEALTH GROUP INC	2.9%
ADOBE INC	2.8%
NETFLIX INC	2.7%
PAYPAL HOLDINGS INC	2.4%

Sector Allocation as of June 30, 2019

BASIC MATERIALS	1.7%
COMMUNICATION SERVICES	0.8%
CONSUMER CYCLICAL	16.5%
CONSUMER DEFENSIVE	4.4%
ENERGY	1.7%
FINANCIAL SERVICES	22.2%
HEALTHCARE	13.1%
INDUSTRIALS	3.1%
REAL ESTATE	0.3%
TECHNOLOGY	36.0%
UTILITIES	0.3%

As of June 30, 2019

Portfolio Fund Information as of June 30, 2019

Ticker	DODGX
Morningstar Category	Large Value
Average Market Cap (\$mm)	66,161.38
Net Assets (\$mm)	70,762.61
% Assets in Top 10 Holdings	32.05
Total Number of Holdings	72
Manager Name	C. Bryan Cameron
Manager Tenure	28
Expense Ratio	0.52%
Closed to New Investors	Yes

**Return Summary
Ending June 30, 2019**



Equity Characteristics Within Mutual Funds as of June 30, 2019
Versus Russell 1000 Value

	Portfolio	Russell 1000 Value
Average Market Cap (Billions)	66.16	123.11
Price To Earnings	13.41	17.41
Price To Book	1.69	2.28
Return On Equity	15.96	14.42
Dividend Yield	2.34%	2.58%
Beta (3 Year)	1.09	1.00
R-Squared (3 Year)	0.92	1.00

Top Holdings as of June 30, 2019

CHARTER COMMUNICATIONS INC A	3.9%
MICROSOFT CORP	3.6%
WELLS FARGO & CO	3.5%
COMCAST CORP CLASS A	3.4%
CAPITAL ONE FINANCIAL CORP	3.3%
FEDEX CORP	3.2%
CHARLES SCHWAB CORP	3.0%
BANK OF AMERICA CORPORATION	2.9%
ALPHABET INC CLASS C	2.8%
JPMORGAN CHASE & CO	2.6%

Sector Allocation as of June 30, 2019

BASIC MATERIALS	1.0%
COMMUNICATION SERVICES	9.0%
CONSUMER CYCLICAL	4.5%
CONSUMER DEFENSIVE	0.8%
ENERGY	9.8%
FINANCIAL SERVICES	25.6%
HEALTHCARE	21.2%
INDUSTRIALS	7.8%
REAL ESTATE	0.0%
TECHNOLOGY	20.4%
UTILITIES	0.0%

T. Rowe Price MidCap Growth

As of June 30, 2019

Portfolio Fund Information as of June 30, 2019

Ticker	PMEGX
Morningstar Category	Mid-Cap Growth
Average Market Cap (\$mm)	14,608.86
Net Assets (\$mm)	7,971.49
% Assets in Top 10 Holdings	18.40
Total Number of Holdings	143
Manager Name	Brian W.H. Berghuis
Manager Tenure	23
Expense Ratio	0.61%
Closed to New Investors	Yes

Return Summary
Ending June 30, 2019



Equity Characteristics Within Mutual Funds as of June 30, 2019
Versus Russell MidCap Growth

	Portfolio	Russell MidCap Growth
Average Market Cap (Billions)	14.61	18.06
Price To Earnings	20.82	25.08
Price To Book	3.14	6.25
Return On Equity	14.68	26.73
Dividend Yield	0.84%	0.87%
Beta (3 Year)	0.91	1.00
R-Squared (3 Year)	0.95	1.00

Top Holdings as of June 30, 2019

TELEFLEX INC	2.5%
THE COOPER COMPANIES INC	2.3%
BALL CORP	2.0%
HOLOGIC INC	1.9%
HARRIS	1.8%
TEXTRON INC	1.7%
AGILENT TECHNOLOGIES INC	1.6%
MICROCHIP TECHNOLOGY INC	1.6%
IAC/INTERACTIVECORP	1.5%
KEYSIGHT TECHNOLOGIES INC	1.5%

Sector Allocation as of June 30, 2019

BASIC MATERIALS	3.9%
COMMUNICATION SERVICES	0.0%
CONSUMER CYCLICAL	14.3%
CONSUMER DEFENSIVE	6.2%
ENERGY	3.4%
FINANCIAL SERVICES	8.5%
HEALTHCARE	19.1%
INDUSTRIALS	21.0%
REAL ESTATE	0.9%
TECHNOLOGY	20.7%
UTILITIES	2.0%



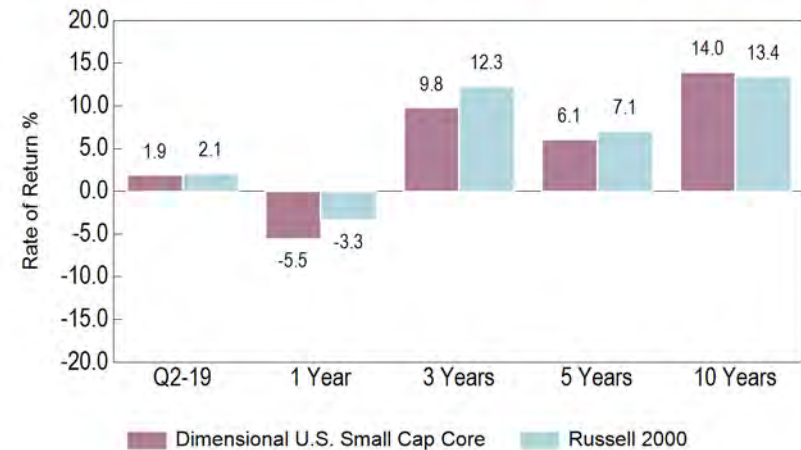
Dimensional U.S. Small Cap Core

As of June 30, 2019

Portfolio Fund Information as of June 30, 2019

Ticker	DFSTX
Morningstar Category	Small Blend
Average Market Cap (\$mm)	1,826.10
Net Assets (\$mm)	17,483.57
% Assets in Top 10 Holdings	3.48
Total Number of Holdings	2,115
Manager Name	Jed S. Fogdall
Manager Tenure	7
Expense Ratio	0.37%
Closed to New Investors	No

Return Summary
Ending June 30, 2019



Equity Characteristics Within Mutual Funds as of June 30, 2019
Versus Russell 2000

	Portfolio	Russell 2000
Average Market Cap (Billions)	1.83	2.55
Price To Earnings	14.79	19.19
Price To Book	1.65	2.49
Return On Equity	11.55	2.90
Dividend Yield	1.37%	1.42%
Beta (3 Year)	1.01	1.00
R-Squared (3 Year)	0.98	1.00

Top Holdings as of June 30, 2019

S+P500 EMINI FUT SEP19 XCME 20190920	0.7%
DECKERS OUTDOOR CORP	0.4%
FIRSTCASH INC	0.3%
SELECTIVE INSURANCE GROUP INC	0.3%
HORIZON THERAPEUTICS PLC	0.3%
ZYNGA INC CLASS A	0.3%
TETRA TECH INC	0.3%
ARMSTRONG WORLD INDUSTRIES INC	0.3%
LENDINGTREE INC	0.3%
NEXSTAR MEDIA GROUP INC CLASS A	0.3%

Sector Allocation as of June 30, 2019

BASIC MATERIALS	6.9%
COMMUNICATION SERVICES	1.5%
CONSUMER CYCLICAL	15.7%
CONSUMER DEFENSIVE	5.1%
ENERGY	4.8%
FINANCIAL SERVICES	19.9%
HEALTHCARE	8.1%
INDUSTRIALS	19.2%
REAL ESTATE	0.6%
TECHNOLOGY	14.7%
UTILITIES	3.6%



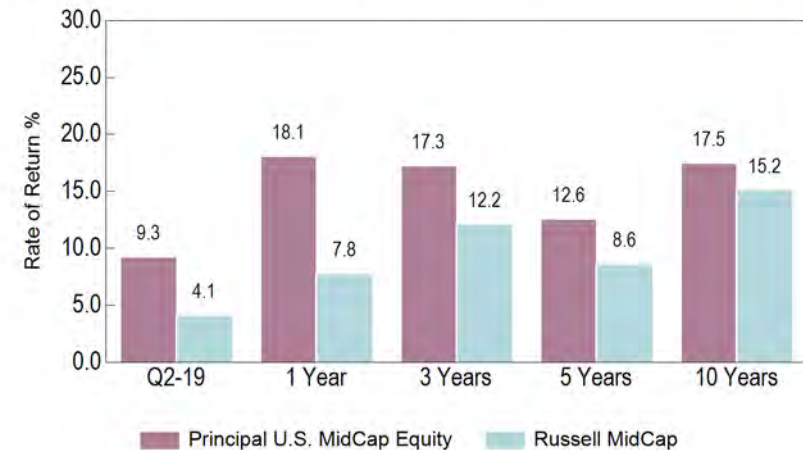
Principal U.S. MidCap Equity

As of June 30, 2019

Portfolio Fund Information as of June 30, 2019

Ticker	PCBIX
Morningstar Category	Mid-Cap Growth
Average Market Cap (\$mm)	17,383.74
Net Assets (\$mm)	11,593.11
% Assets in Top 10 Holdings	30.20
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 June 30, 2019



Equity Characteristics Within Mutual Funds as of June 30, 2019
Versus Russell MidCap

	Portfolio	Russell MidCap
Average Market Cap (Billions)	17.38	16.64
Price To Earnings	26.19	21.01
Price To Book	2.79	3.08
Return On Equity	21.43	17.33
Dividend Yield	0.82%	1.70%
Beta (3 Year)	0.91	1.00
R-Squared (3 Year)	0.90	1.00

Top Holdings as of June 30, 2019

TRANSDIGM GROUP INC	4.2%
BROOKFIELD ASSET MANAGEMENT INC CLASS A	4.0%
SBA COMMUNICATIONS CORP	3.2%
CARMAX INC	3.0%
MARKEL CORP	3.0%
RESTAURANT BRANDS INTERNATIONAL INC	2.9%
GARTNER INC A	2.6%
O'REILLY AUTOMOTIVE INC	2.5%
HILTON WORLDWIDE HOLDINGS INC	2.5%
COPART INC	2.3%

Sector Allocation as of June 30, 2019

BASIC MATERIALS	5.5%
COMMUNICATION SERVICES	3.1%
CONSUMER CYCLICAL	22.8%
CONSUMER DEFENSIVE	1.6%
ENERGY	0.0%
FINANCIAL SERVICES	21.5%
HEALTHCARE	2.9%
INDUSTRIALS	14.3%
REAL ESTATE	8.7%
TECHNOLOGY	17.7%
UTILITIES	1.9%

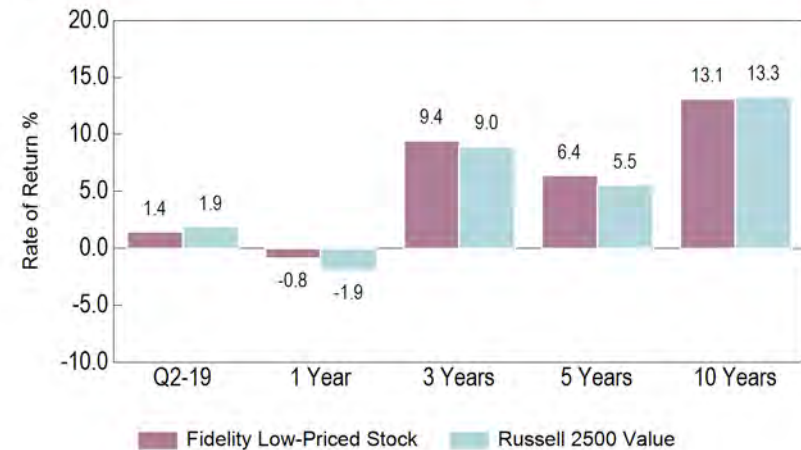


As of June 30, 2019

Portfolio Fund Information as of April 30, 2019

Ticker	FLPKX
Morningstar Category	Mid-Cap Value
Average Market Cap (\$mm)	8,044.89
Net Assets (\$mm)	6,142.15
% Assets in Top 10 Holdings	28.37
Total Number of Holdings	820
Manager Name	Joel C. Tillinghast
Manager Tenure	30
Expense Ratio	0.53%
Closed to New Investors	No

**Return Summary
Ending June 30, 2019**



Equity Characteristics Within Mutual Funds as of April 30, 2019
Versus Russell 2500 Value

	Portfolio	Russell 2500 Value
Average Market Cap (Billions)	8.04	5.08
Price To Earnings	11.55	17.67
Price To Book	1.51	1.87
Return On Equity	20.87	8.28
Dividend Yield	2.67%	2.29%
Beta (3 Year)	0.66	1.00
R-Squared (3 Year)	0.79	1.00

Top Holdings as of April 30, 2019

UNITEDHEALTH GROUP INC	5.5%
ROSS STORES INC	3.2%
NEXT PLC	3.0%
BEST BUY CO INC	2.9%
METRO INC	2.8%
SEAGATE TECHNOLOGY PLC	2.8%
AUTOZONE INC	2.3%
METLIFE INC	2.2%
ANSYS INC	1.8%
BARRATT DEVELOPMENTS PLC	1.8%

Sector Allocation as of April 30, 2019

BASIC MATERIALS	4.9%
COMMUNICATION SERVICES	0.5%
CONSUMER CYCLICAL	24.9%
CONSUMER DEFENSIVE	10.2%
ENERGY	6.7%
FINANCIAL SERVICES	15.5%
HEALTHCARE	12.5%
INDUSTRIALS	8.1%
REAL ESTATE	1.1%
TECHNOLOGY	14.0%
UTILITIES	1.8%

As of June 30, 2019

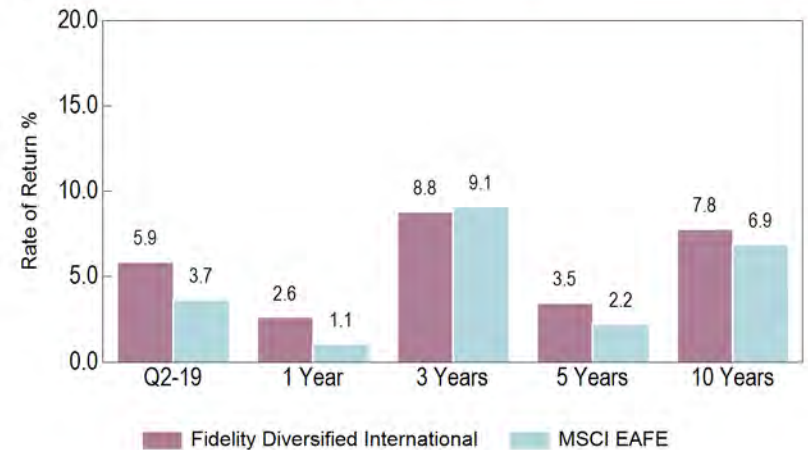
Portfolio Fund Information as of June 30, 2019

Ticker	FDIKX
Morningstar Category	Foreign Large Growth
Average Market Cap (\$mm)	38,042.23
Net Assets (\$mm)	4,420.02
% Assets in Top 10 Holdings	16.64
Total Number of Holdings	193
Manager Name	William Bower
Manager Tenure	18
Expense Ratio	0.69%
Closed to New Investors	No

Top Regions as of June 30, 2019

EUROZONE	24.18%
JAPAN	17.15%
UNITED KINGDOM	15.63%
EUROPE EXEURO	11.92%
UNITED STATES	10.66%

**Return Summary
Ending June 30, 2019**



**Equity Characteristics Within Mutual Funds as of June 30, 2019
Versus MSCI EAFE**

	Portfolio	MSCI EAFE
Average Market Cap (Billions)	38.04	61.15
Price To Earnings	17.74	15.48
Price To Book	2.60	2.32
Return On Equity	19.18	14.60
Dividend Yield	2.05%	3.35%
Beta (3 Year)	1.02	1.00
R-Squared (3 Year)	0.93	1.00

Top Holdings as of June 30, 2019

SAP SE	2.4%
ROCHE HOLDING AG DIVIDEND RIGHT CERT.	2.1%
AIA GROUP LTD	1.9%
HOYA CORP	1.6%
UNILEVER NV DR	1.6%
ASML HOLDING NV ADR	1.6%
ASTRAZENECA PLC	1.5%
KEYENCE CORP	1.4%
HDFC BANK LTD	1.4%
LVMH MOET HENNESSY LOUIS VUITTON SE	1.3%

Sector Allocation as of June 30, 2019

BASIC MATERIALS	6.8%
COMMUNICATION SERVICES	1.0%
CONSUMER CYCLICAL	9.3%
CONSUMER DEFENSIVE	10.2%
ENERGY	3.6%
FINANCIAL SERVICES	24.7%
HEALTHCARE	15.5%
INDUSTRIALS	11.3%
REAL ESTATE	0.6%
TECHNOLOGY	16.2%
UTILITIES	0.8%

American Funds EuroPacific Growth

As of June 30, 2019

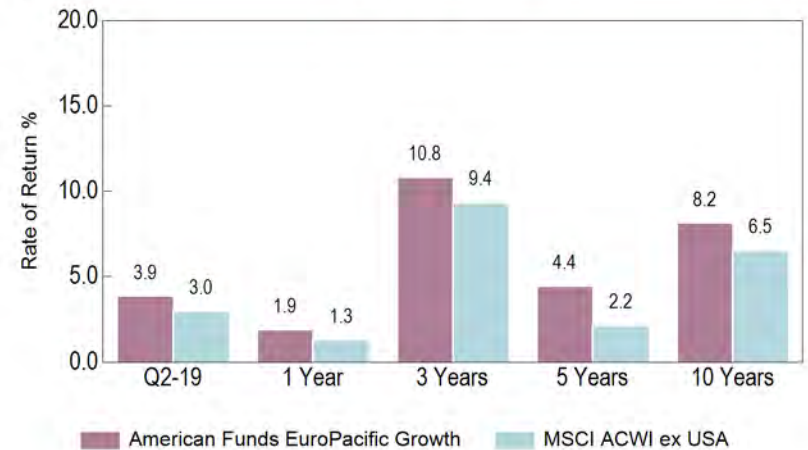
Portfolio Fund Information as of June 30, 2019

Ticker	RERGX
Morningstar Category	Foreign Large Growth
Average Market Cap (\$mm)	45,774.68
Net Assets (\$mm)	70,886.36
% Assets in Top 10 Holdings	21.49
Total Number of Holdings	330
Manager Name	Mark E. Denning
Manager Tenure	28
Expense Ratio	0.49%
Closed to New Investors	No

Top Regions as of June 30, 2019

ASIA EMERGING	21.71%
EUROZONE	20.94%
JAPAN	13.67%
ASIA DEVELOPED	11.68%
UNITED KINGDOM	9.39%

Return Summary
Ending June 30, 2019



Equity Characteristics Within Mutual Funds as of June 30, 2019
Versus MSCI ACWI ex USA

	Portfolio	MSCI ACWI ex USA
Average Market Cap (Billions)	45.77	65.43
Price To Earnings	16.49	15.00
Price To Book	2.01	2.31
Return On Equity	16.31	15.32
Dividend Yield	2.22%	3.20%
Beta (3 Year)	1.06	1.00
R-Squared (3 Year)	0.95	1.00

Top Holdings as of June 30, 2019

AIA GROUP LTD	3.0%
AIRBUS SE	2.9%
HDFC BANK LTD	2.5%
ALIBABA GROUP HOLDING LTD ADR	2.4%
NINTENDO CO LTD	2.3%
RELIANCE INDUSTRIES LTD	2.2%
SAMSUNG ELECTRONICS CO LTD	1.7%
ASML HOLDING NV	1.6%
VALE SA ADR	1.5%
TENCENT HOLDINGS LTD	1.4%

Sector Allocation as of June 30, 2019

BASIC MATERIALS	9.0%
COMMUNICATION SERVICES	1.5%
CONSUMER CYCLICAL	13.1%
CONSUMER DEFENSIVE	5.8%
ENERGY	6.3%
FINANCIAL SERVICES	19.5%
HEALTHCARE	10.0%
INDUSTRIALS	11.3%
REAL ESTATE	1.7%
TECHNOLOGY	18.6%
UTILITIES	3.2%

Vanguard Total International Stock Index

As of June 30, 2019

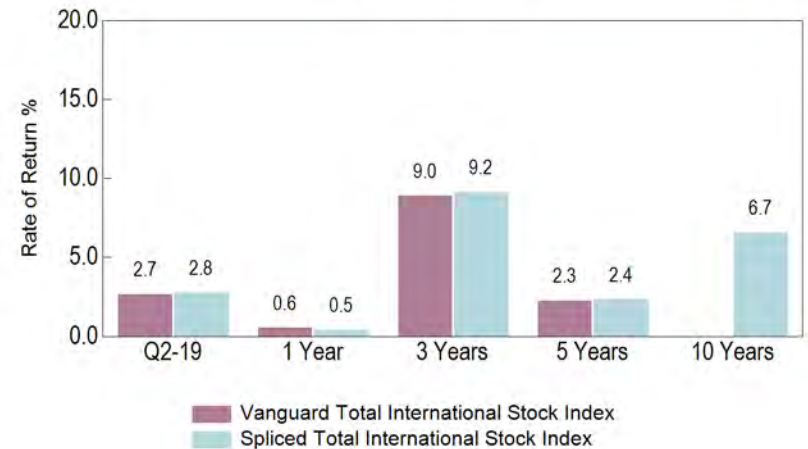
Portfolio Fund Information as of June 30, 2019

Ticker	VTSNX
Morningstar Category	Foreign Large Blend
Average Market Cap (\$mm)	22,959.66
Net Assets (\$mm)	32,540.12
% Assets in Top 10 Holdings	8.15
Total Number of Holdings	7,025
Manager Name	Michael Perre
Manager Tenure	11
Expense Ratio	0.08%
Closed to New Investors	No

Top Regions as of June 30, 2019

EUROZONE	20.25%
JAPAN	16.37%
ASIA EMERGING	12.54%
UNITED KINGDOM	11.13%
EUROPE EXEURO	9.85%

Return Summary Ending June 30, 2019



Equity Characteristics Within Mutual Funds as of June 30, 2019 Versus FTSE All World ex US

	Portfolio	FTSE All World ex US
Average Market Cap (Billions)	22.96	62.33
Price To Earnings	13.35	14.84
Price To Book	1.39	2.29
Return On Equity	15.00	15.12
Dividend Yield	3.50%	3.20%
Beta (3 Year)	1.01	1.00
R-Squared (3 Year)	0.99	1.00

Top Holdings as of June 30, 2019

NESTLE SA	1.3%
TENCENT HOLDINGS LTD	1.1%
ALIBABA GROUP HOLDING LTD ADR	0.8%
NOVARTIS AG	0.8%
ROCHE HOLDING AG DIVIDEND RIGHT CERT.	0.8%
SAMSUNG ELECTRONICS CO LTD	0.8%
TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	0.7%
HSBC HOLDINGS PLC	0.7%
TOYOTA MOTOR CORP	0.6%
ROYAL DUTCH SHELL PLC CLASS A	0.6%

Sector Allocation as of June 30, 2019

BASIC MATERIALS	8.4%
COMMUNICATION SERVICES	3.8%
CONSUMER CYCLICAL	11.4%
CONSUMER DEFENSIVE	9.4%
ENERGY	6.8%
FINANCIAL SERVICES	20.4%
HEALTHCARE	8.4%
INDUSTRIALS	12.4%
REAL ESTATE	4.1%
TECHNOLOGY	11.6%
UTILITIES	3.2%

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.

Aberdeen Emerging Markets Equity

As of June 30, 2019

Portfolio Fund Information as of June 30, 2019

Ticker	ABEMX
Morningstar Category	Diversified Emerging Mkts
Average Market Cap (\$mm)	46,697.46
Net Assets (\$mm)	4,944.56
% Assets in Top 10 Holdings	38.26
Total Number of Holdings	64
Manager Name	Mark Gordon-James
Manager Tenure	12
Expense Ratio	1.10%
Closed to New Investors	No

Top Regions as of June 30, 2019

ASIA EMERGING	53.01%
ASIA DEVELOPED	19.01%
LATIN AMERICA	17.80%
AFRICA	4.46%
EUROPE EMERGING	2.85%

Return Summary Ending June 30, 2019



Equity Characteristics Within Mutual Funds as of June 30, 2019 Versus MSCI Emerging Markets

	Portfolio	MSCI Emerging Markets
Average Market Cap (Billions)	46.70	81.67
Price To Earnings	16.88	14.07
Price To Book	2.31	2.43
Return On Equity	19.64	17.03
Dividend Yield	2.50%	2.81%
Beta (3 Year)	0.96	1.00
R-Squared (3 Year)	0.90	1.00

Top Holdings as of June 30, 2019

TENCENT HOLDINGS LTD	5.9%
SAMSUNG ELECTRONICS CO LTD PARTICIPATING PREFERRED	5.6%
TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	4.9%
HOUSING DEVELOPMENT FINANCE CORP LTD	4.1%
PING AN INSURANCE (GROUP) CO. OF CHINA LTD CLASS H	4.0%
BANK BRADESCO SA ADR	3.7%
AIA GROUP LTD	2.8%
NASPERS LTD CLASS N	2.7%
KWEICHOW MOUTAI CO LTD	2.4%
VALE SA ADR	2.3%

Sector Allocation as of June 30, 2019

BASIC MATERIALS	9.0%
COMMUNICATION SERVICES	2.4%
CONSUMER CYCLICAL	10.0%
CONSUMER DEFENSIVE	10.9%
ENERGY	4.1%
FINANCIAL SERVICES	28.0%
HEALTHCARE	0.7%
INDUSTRIALS	3.7%
REAL ESTATE	5.7%
TECHNOLOGY	25.4%
UTILITIES	0.0%

Vanguard Total Bond Market Index

As of June 30, 2019

Fund Information as of June 30, 2019

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)	44,911.61
Share Class Inception Date	9/18/1995
Manager Tenure	6

Return Summary Ending June 30, 2019



Fund Characteristics as of June 30, 2019

Versus BBgBarc US Aggregate TR

Sharpe Ratio (3 Year)	0.27
Average Duration	6.00
Average Coupon	3.25%
Average Effective Maturity	8.20
R-Squared (3 Year)	0.99
Alpha (3 Year)	-0.01%
Beta (3 Year)	1.01

Credit Quality as of June 30, 2019

AAA	67.8%
AA	3.5%
A	11.1%
BBB	17.5%
BB	0.0%
B	0.0%
Below B	0.0%
Not Rated	0.0%

Fixed Income Sectors as of June 30, 2019

GOVERNMENT	47.1%
MUNICIPAL	0.6%
CORPORATE	26.3%
SECURITIZED	24.1%
CASH & EQUIVALENTS	1.8%
DERIVATIVE	0.0%

Vanguard Inflation-Protected Securities

As of June 30, 2019

Fund Information as of June 30, 2019

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)	10,312.28
Share Class Inception Date	12/12/2003
Manager Tenure	8

Return Summary Ending June 30, 2019



Fund Characteristics as of June 30, 2019

Versus BBgBarc US TIPS TR

Sharpe Ratio (3 Year)	0.17
Average Duration	7.48
Average Coupon	0.84%
Average Effective Maturity	8.20
R-Squared (3 Year)	0.99
Alpha (3 Year)	-0.02%
Beta (3 Year)	1.02

Credit Quality as of June 30, 2019

AAA	100.0%
AA	0.0%
A	0.0%
BBB	0.0%
BB	0.0%
B	0.0%
Below B	0.0%
Not Rated	0.0%

Fixed Income Sectors as of June 30, 2019

GOVERNMENT	99.9%
MUNICIPAL	0.0%
CORPORATE	0.0%
SECURITIZED	0.0%
CASH & EQUIVALENTS	0.2%
DERIVATIVE	0.0%

Franklin Templeton Global Bond

As of June 30, 2019

Fund Information as of March 31, 2019

Fund Name	TEMPLETON GLOBAL BOND R6
Ticker	FBNRX
Morningstar Category	World Bond
Benchmark	FTSE WGBI TR
Expense Ratio	0.57%
Fund Assets (\$mm)	4,477.29
Share Class Inception Date	5/1/2013
Manager Tenure	18

Top Regions as of June 30, 2019

ASIA EMERGING	53.01%
ASIA DEVELOPED	19.01%
LATIN AMERICA	17.80%
AFRICA	4.46%
EUROPE EMERGING	2.85%

Return Summary Ending June 30, 2019



Fund Characteristics as of March 31, 2019 Versus FTSE WGBI TR

Sharpe Ratio (3 Year)	0.53
Average Duration	-2.21
Average Coupon	8.48%
Average Effective Maturity	1.82
R-Squared (3 Year)	0.06
Alpha (3 Year)	0.39%
Beta (3 Year)	-0.26

Credit Quality as of March 31, 2019

AAA	17.5%
AA	6.8%
A	19.2%
BBB	29.3%
BB	18.3%
B	9.6%
Below B	0.0%
Not Rated	-0.6%

Fixed Income Sectors as of March 31, 2019

GOVERNMENT	56.4%
MUNICIPAL	0.0%
CORPORATE	0.0%
SECURITIZED	0.0%
CASH & EQUIVALENTS	43.6%
DERIVATIVE	0.0%

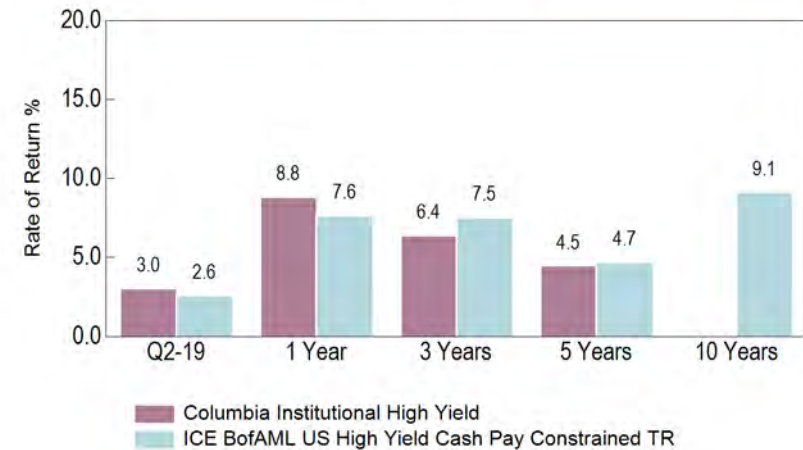
Columbia Institutional High Yield

As of June 30, 2019

Fund Information as of June 30, 2019

Fund Name	COLUMBIA HIGH YIELD BOND INST3
Ticker	CHYYX
Morningstar Category	High Yield Bond
Benchmark	ICE BofAML US High Yield Cash Pay Constrained TR
Expense Ratio	0.66%
Fund Assets (\$mm)	372.24
Share Class Inception Date	11/8/2012
Manager Tenure	9

Return Summary
Ending June 30, 2019



Fund Characteristics as of June 30, 2019

Versus ICE BofAML US High Yield Cash Pay Constrained TR

Sharpe Ratio (3 Year)	0.99
Average Duration	3.34
Average Coupon	6.27%
Average Effective Maturity	4.36
R-Squared (3 Year)	0.97
Alpha (3 Year)	-0.15%
Beta (3 Year)	1.11

Credit Quality as of June 30, 2019

AAA	4.4%
AA	0.0%
A	0.0%
BBB	0.0%
BB	34.2%
B	49.3%
Below B	12.0%
Not Rated	0.0%

Fixed Income Sectors as of June 30, 2019

GOVERNMENT	0.0%
MUNICIPAL	0.0%
CORPORATE	93.9%
SECURITIZED	0.0%
CASH & EQUIVALENTS	5.5%
DERIVATIVE	0.6%

¹ Columbia Institutional High Yield is a component of the LifeCycle Funds only and is not available as a participant directed investment option. Total fund assets are approximately \$2 billion.



As of June 30, 2019

Portfolio Fund Information as of June 30, 2019

Ticker	IGREX
Morningstar Category	Global Real Estate
Average Market Cap (\$mm)	10,597.20
Net Assets (\$mm)	195.49
% Assets in Top 10 Holdings	20.37
Total Number of Holdings	217
Manager Name	Mark D. Blackburn
Manager Tenure	14
Expense Ratio	0.92%
Closed to New Investors	No

Return Summary Ending June 30, 2019



Fund Characteristics as of June 30, 2019

Versus FTSE EPRA/NAREIT Global Real Estate Index

Sharpe Ratio (3 Year)	0.37
Average Market Cap (\$mm)	10,597.20
Price/Earnings	20.81
Price/Book	1.38
Price/Sales	3.86
Price/Cash Flow	6.31
Dividend Yield	3.82
Number of Equity Holdings	192
R-Squared (3 Year)	0.97
Alpha (3 Year)	0.03%

Top Holdings as of June 30, 2019

PROLOGIS INC	3.0%
AVALONBAY COMMUNITIES INC	2.6%
SIMON PROPERTY GROUP INC	2.2%
LINK REAL ESTATE INVESTMENT TRUST	2.1%
BOSTON PROPERTIES INC	1.9%
VENTAS INC	1.9%
PUBLIC STORAGE	1.8%
MID-AMERICA APARTMENT COMMUNITIES INC	1.8%
VONOVIA SE	1.7%
ALEXANDRIA REAL ESTATE EQUITIES INC	1.5%

Principal Diversified Real Asset

As of June 30, 2019

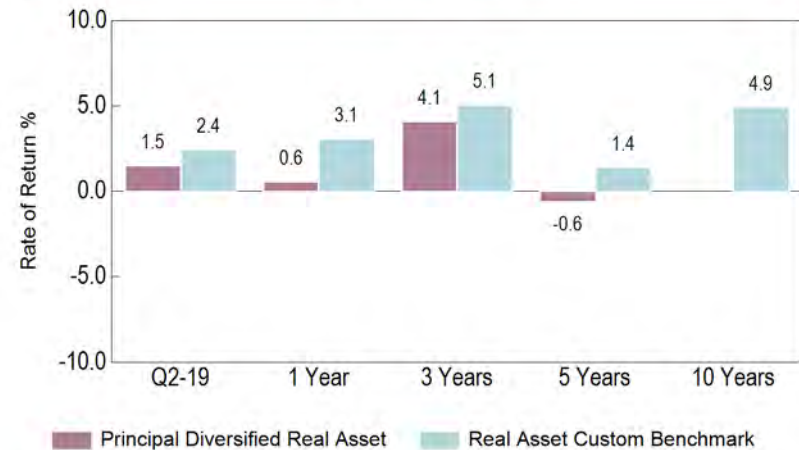
Portfolio Fund Information as of June 30, 2019

Ticker	PDRDX
Morningstar Category	World Allocation
Average Market Cap (\$mm)	14,942.74
Net Assets (\$mm)	2,384.11
% Assets in Top 10 Holdings	20.92
Total Number of Holdings	978
Manager Name	Kelly A. Grossman
Manager Tenure	9
Expense Ratio	0.85%
Closed to New Investors	No

Fund Characteristics as of June 30, 2019

Versus Real Asset Custom Benchmark

Sharpe Ratio (3 Year)	0.38
Average Market Cap (\$mm)	14,942.74
Price/Earnings	16.08
Price/Book	1.56
Price/Sales	1.27
Price/Cash Flow	6.91
Dividend Yield	4.23
Number of Equity Holdings	345
R-Squared (3 Year)	0.92
Alpha (3 Year)	-0.14%

Return Summary
Ending June 30, 2019

Top Holdings as of June 30, 2019

CREDIT SUISSE	9.1%
2 YEAR US TREASURY NOTE FUTURE SEPT19	2.1%
PUT - 2 YEAR INTEREST RATE SWAP	1.8%
CALL - 2 YEAR INTEREST RATE SWAP	1.4%
RECV CME INTEREST RATE SW_RECEIVE	1.4%
PUT - 1 YEAR INTEREST RATE SWAP	1.0%
WILLIAMS COMPANIES INC	1.0%
UNITED STATES TREASURY NOTES 0.88%	1.0%
UNITED STATES TREASURY BILLS 2.43%	1.0%
CALL - 2 YEAR INTEREST RATE SWAP	1.0%

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

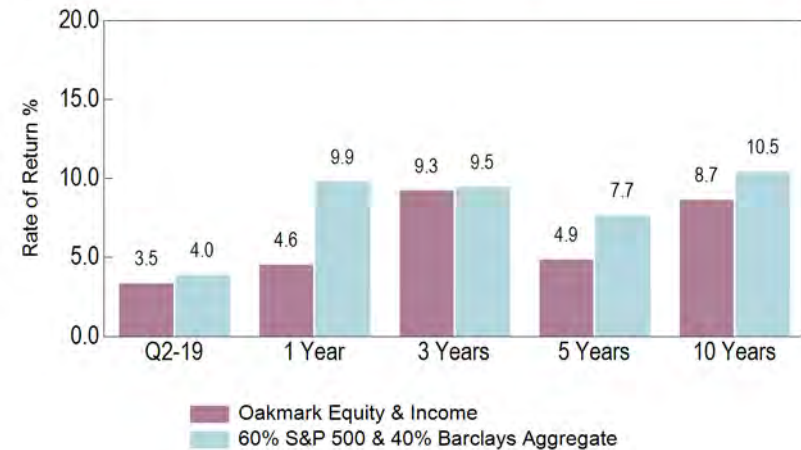
Oakmark Equity & Income

As of June 30, 2019

Portfolio Fund Information as of June 30, 2019

Ticker	OAKBX
Morningstar Category	Allocation--50% to 70% Equity
Average Market Cap (\$mm)	51,747.08
Net Assets (\$mm)	9,713.44
% Assets in Top 10 Holdings	35.37
Total Number of Holdings	317
Manager Name	Clyde S. McGregor
Manager Tenure	24
Expense Ratio	0.78%
Closed to New Investors	No

Return Summary Ending June 30, 2019



Fund Characteristics as of June 30, 2019

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

Sharpe Ratio (3 Year)	0.81
Average Market Cap (\$mm)	51,747.08
Price/Earnings	12.29
Price/Book	1.75
Price/Sales	1.04
Price/Cash Flow	3.23
Dividend Yield	2.45
Number of Equity Holdings	41
R-Squared (3 Year)	0.84
Alpha (3 Year)	-0.18%

Top Holdings as of June 30, 2019

BANK OF AMERICA CORPORATION	5.5%
GENERAL MOTORS CO	5.2%
TE CONNECTIVITY LTD	4.6%
UNITED STATES TREASURY NOTES 1.25%	4.0%
MASTERCARD INC A	3.5%
NESTLE SA ADR	3.2%
CITIGROUP INC	2.4%
PHILIP MORRIS INTERNATIONAL INC	2.4%
ALPHABET INC CLASS C	2.4%
CVS HEALTH CORP	2.1%



Prudential Retirement Real Estate Fund II

As of June 30, 2019

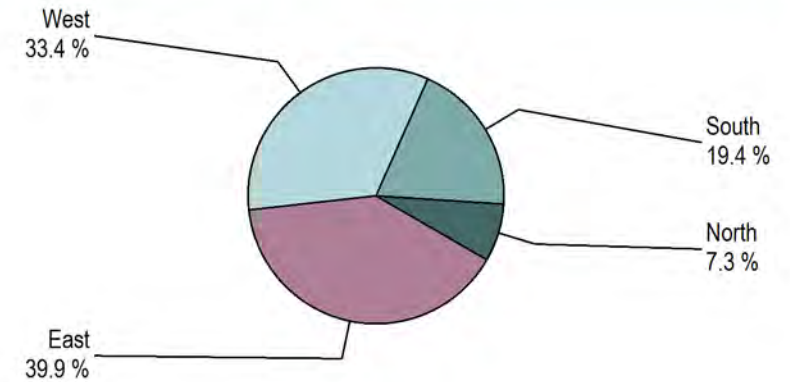
Account Information

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%

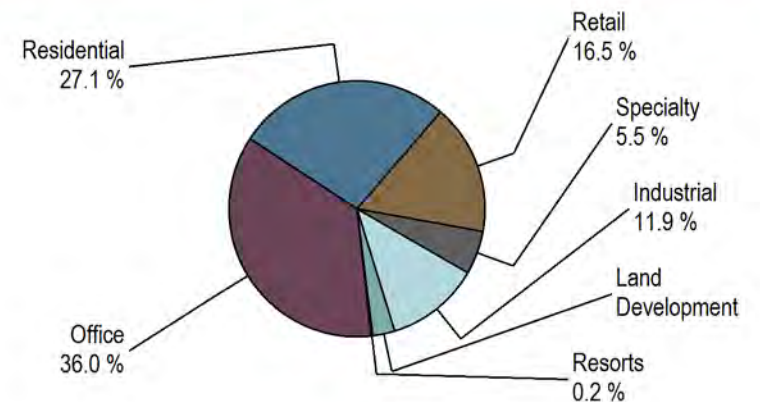
Portfolio Performance Summary

	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	Inception (%)	Inception Date
Prudential Retirement Real Estate Fund II	1.5	5.2	7.8	--	--	7.6	Jan-18
PRREF II Custom Benchmark	1.0	4.6	7.1	--	--	7.3	Jan-18

Geographic Diversification
Allocation as of June 30, 2019



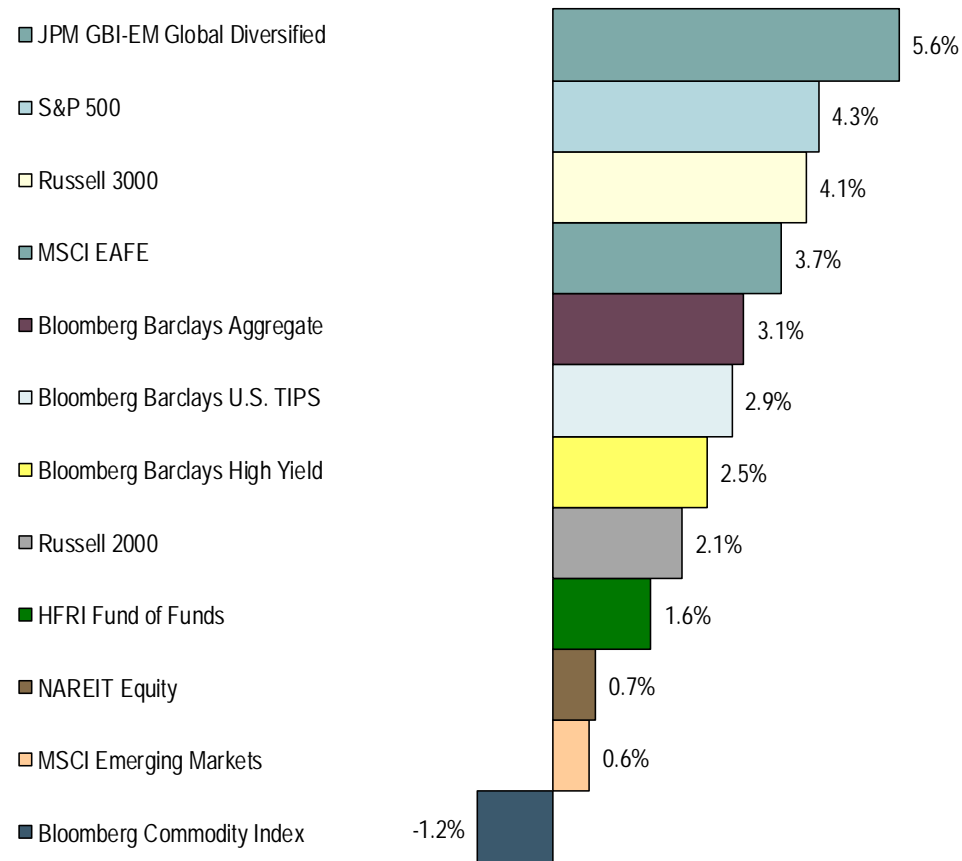
Property Type Allocation
Allocation as of June 30, 2019



Appendices

The World Markets Second Quarter of 2019

The World Markets¹ Second Quarter of 2019



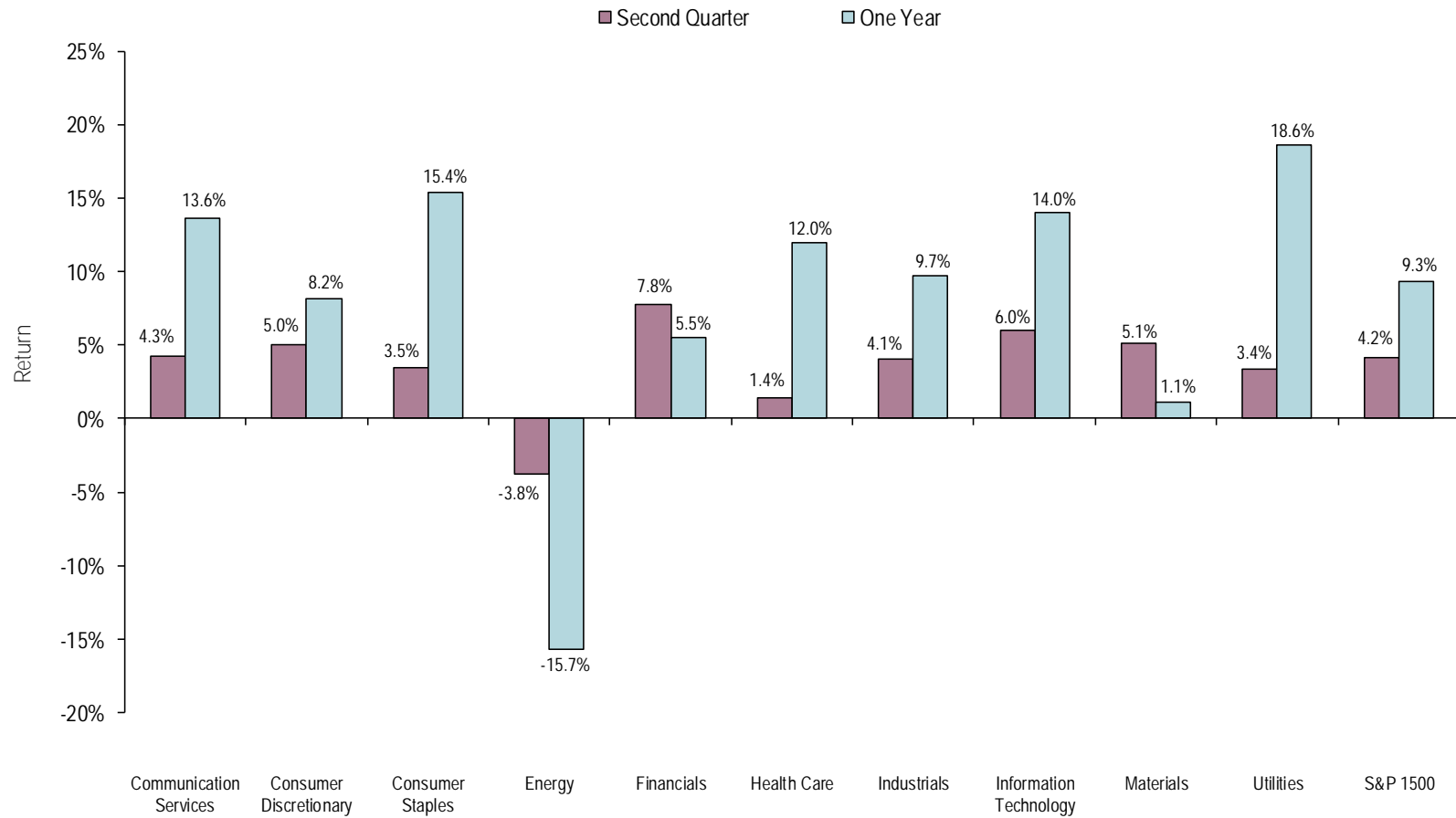
¹ Source: InvestorForce.

Index Returns¹

	2019 (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
Domestic Equity					
S&P 500	4.3	10.4	14.2	10.7	14.7
Russell 3000	4.1	9.0	14.0	10.2	14.7
Russell 1000	4.2	10.0	14.1	10.5	14.8
Russell 1000 Growth	4.6	11.6	18.1	13.4	16.3
Russell 1000 Value	3.8	8.5	10.2	7.5	13.2
Russell MidCap	4.1	7.8	12.2	8.6	15.2
Russell MidCap Growth	5.4	13.9	16.5	11.1	16.0
Russell MidCap Value	3.2	3.7	8.9	6.7	14.6
Russell 2000	2.1	-3.3	12.3	7.1	13.4
Russell 2000 Growth	2.7	-0.5	14.7	8.6	14.4
Russell 2000 Value	1.4	-6.2	9.8	5.4	12.4
Foreign Equity					
MSCI ACWI (ex. U.S.)	3.0	1.3	9.4	2.2	6.5
MSCI EAFE	3.7	1.1	9.1	2.2	6.9
MSCI EAFE (Local Currency)	2.8	2.2	9.8	5.9	8.3
MSCI EAFE Small Cap	1.7	-6.3	9.1	4.4	9.7
MSCI Emerging Markets	0.6	1.2	10.7	2.5	5.8
MSCI Emerging Markets (Local Currency)	7.4	9.4	13.8	7.6	8.6
Fixed Income					
Bloomberg Barclays Universal	3.1	8.1	2.8	3.2	4.4
Bloomberg Barclays Aggregate	3.1	7.9	2.3	2.9	3.9
Bloomberg Barclays U.S. TIPS	2.9	4.8	2.1	1.8	3.6
Bloomberg Barclays High Yield	2.5	7.5	7.5	4.7	9.2
JPM GBI-EM Global Diversified	5.6	9.0	4.2	-0.5	3.4
Other					
NAREIT Equity	0.7	10.1	3.8	7.7	15.3
Bloomberg Commodity Index	-1.2	-6.8	-2.2	-9.1	-3.7
HFRI Fund of Funds	1.6	1.3	4.3	2.2	3.2

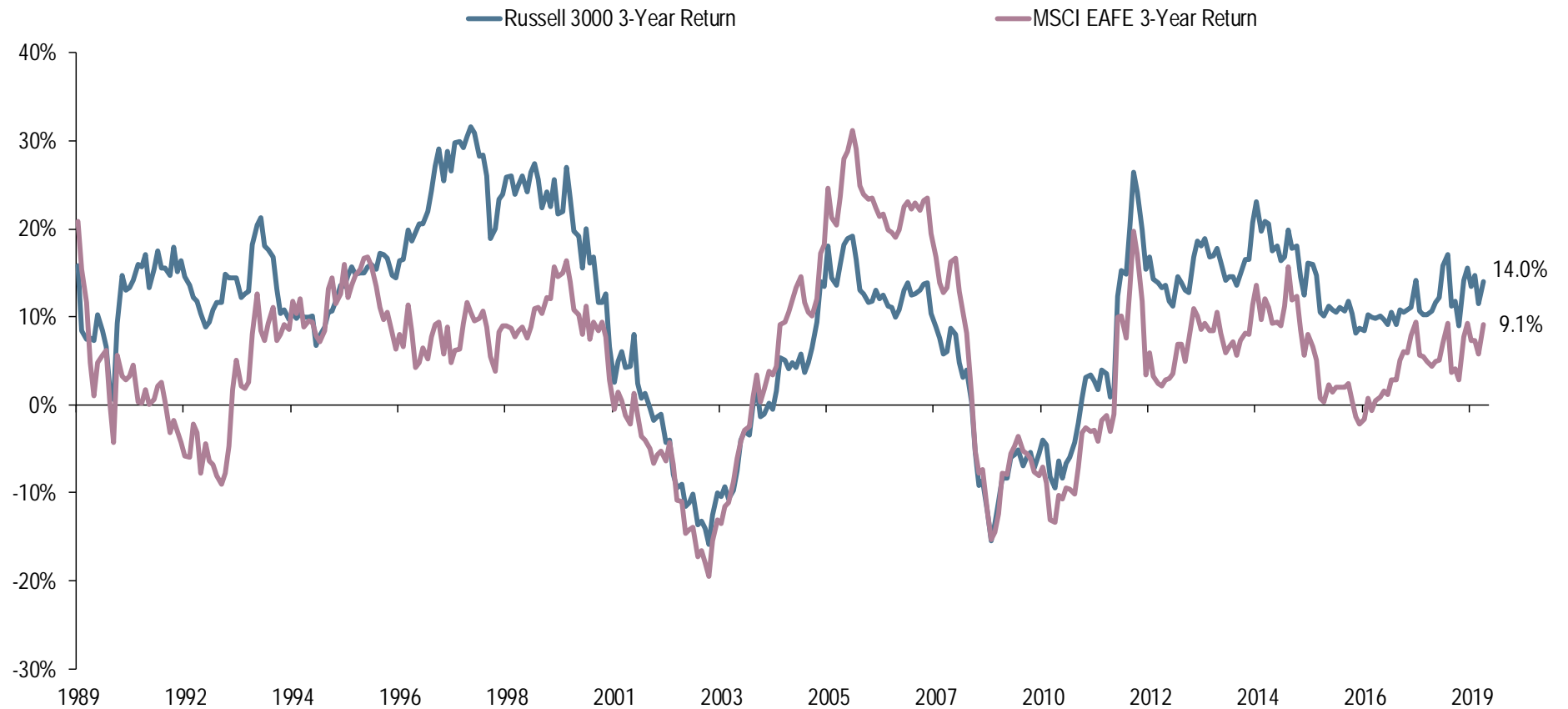
¹ Source: InvestorForce.

S&P Sector Returns¹



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

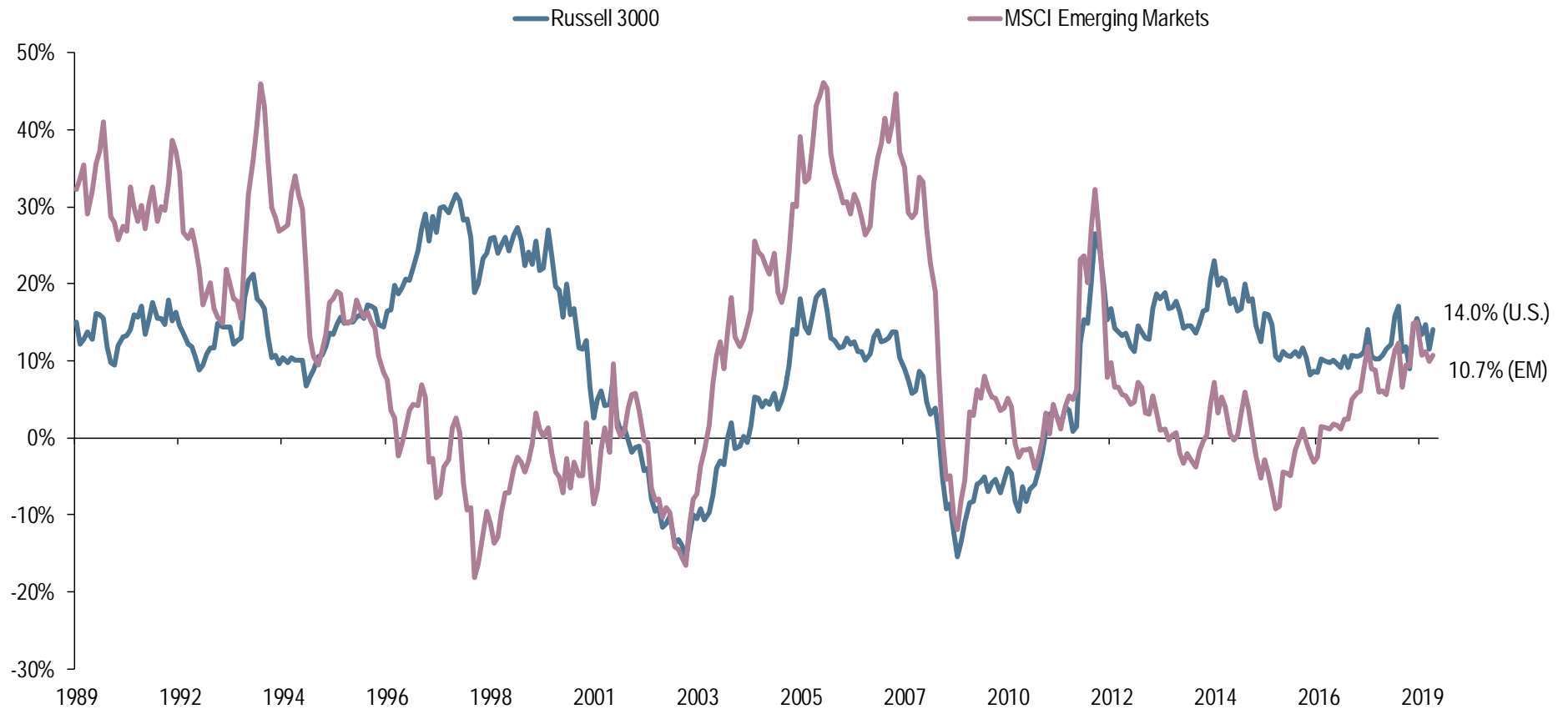
U.S. and Developed Market Foreign Equity Rolling Three-Year Returns¹



¹ Source: InvestorForce.



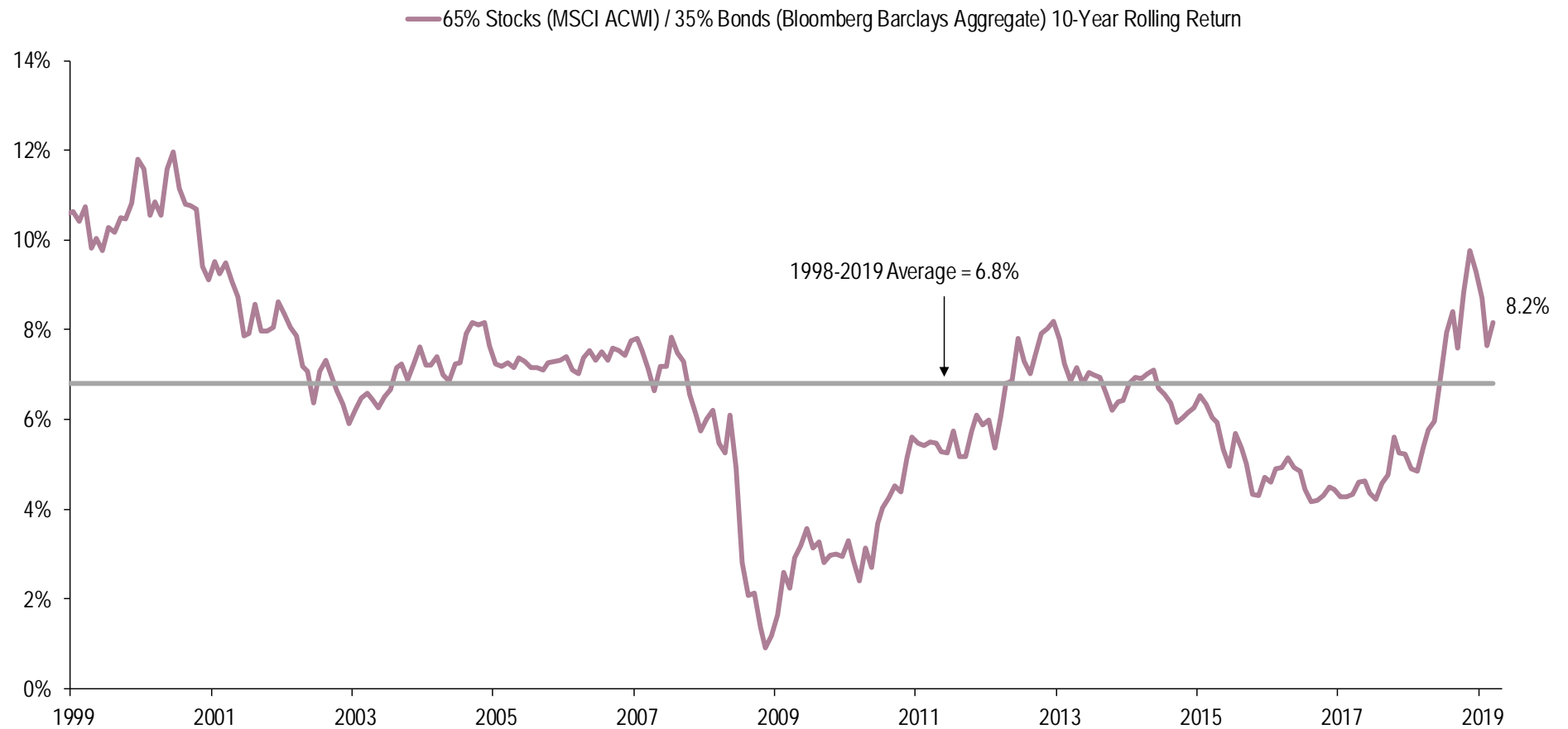
U.S. and Emerging Market Equity Rolling Three-Year Returns¹



¹ Source: InvestorForce.



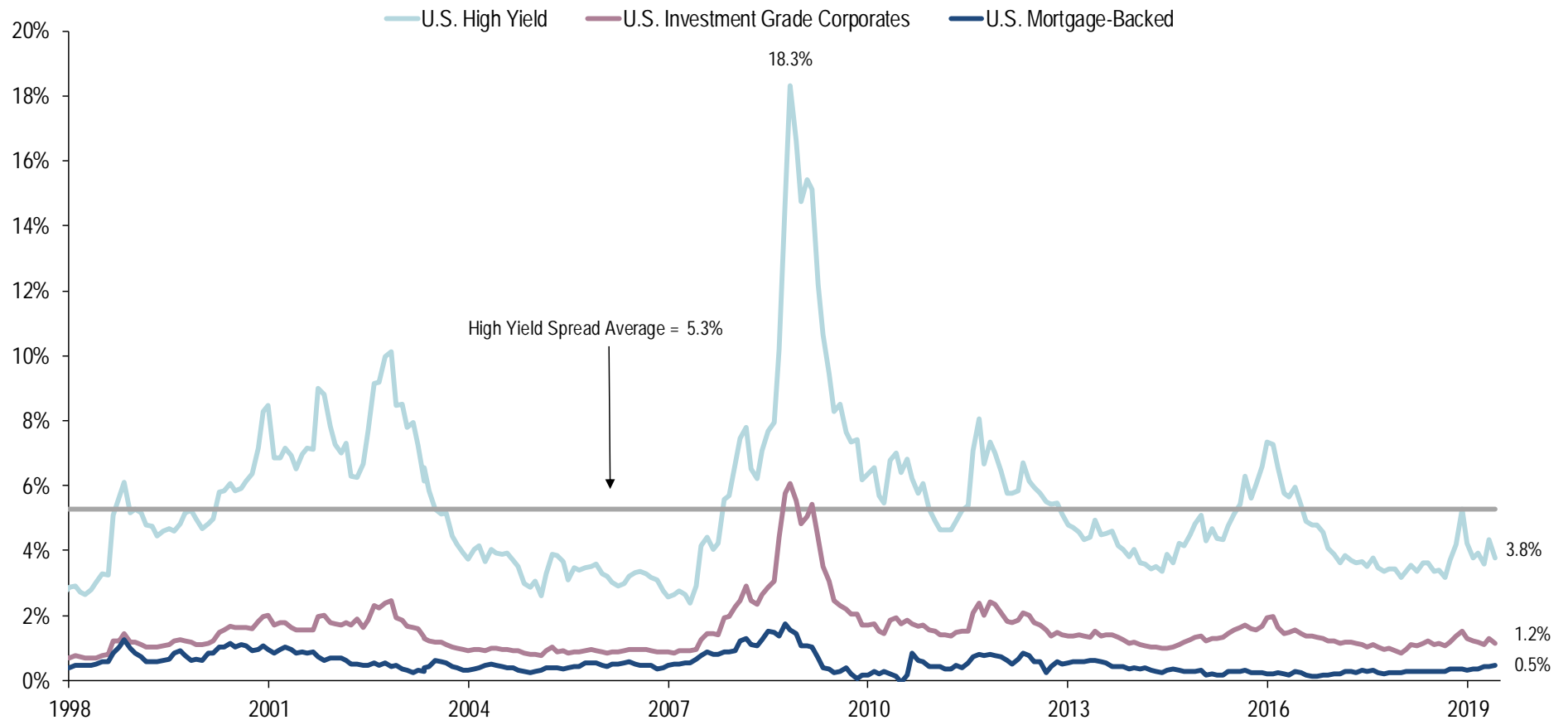
Rolling Ten-Year Returns: 65% Stocks and 35% Bonds¹



¹ Source: InvestorForce.



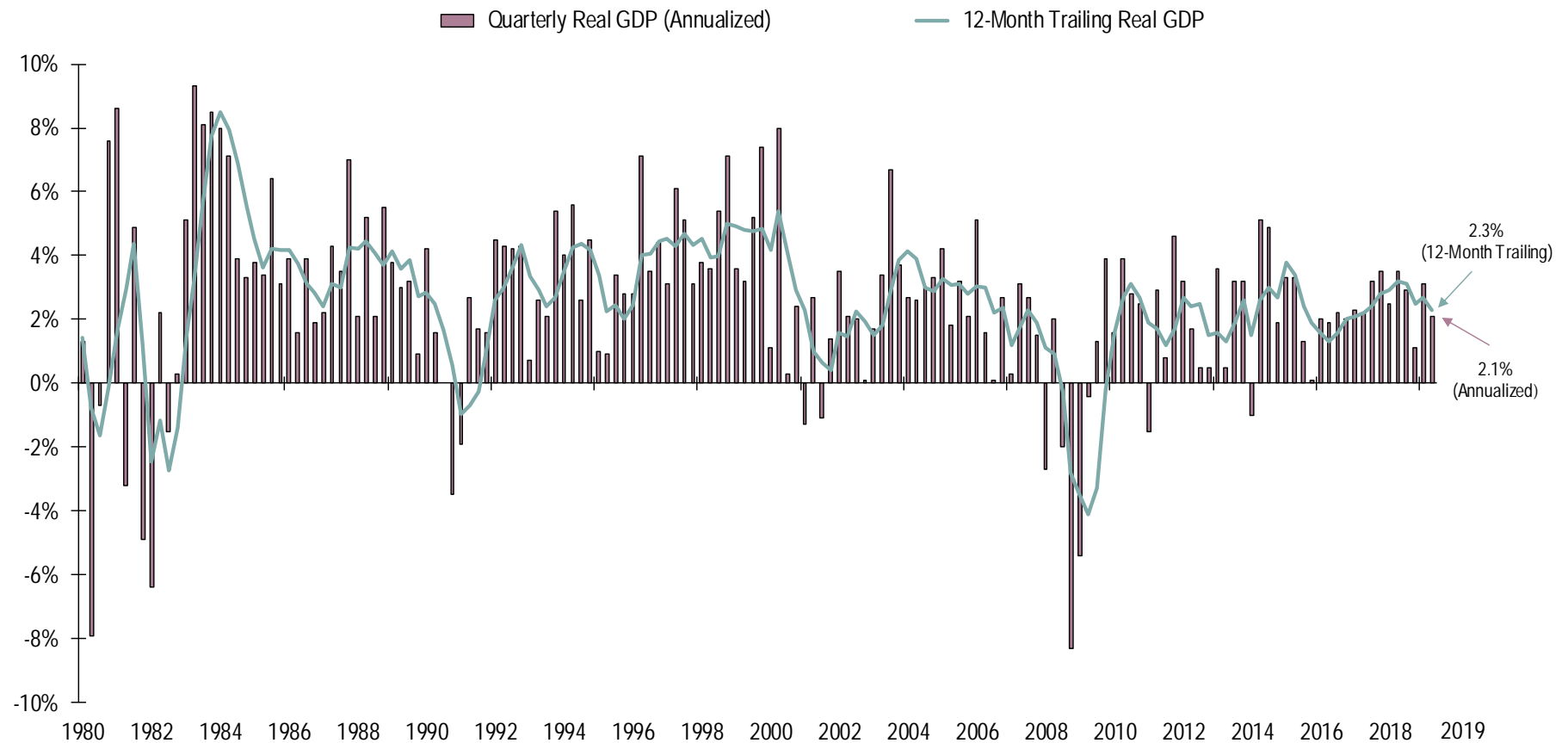
Credit Spreads vs. U.S. Treasury Bonds^{1,2}



¹ Source: Barclays Live.

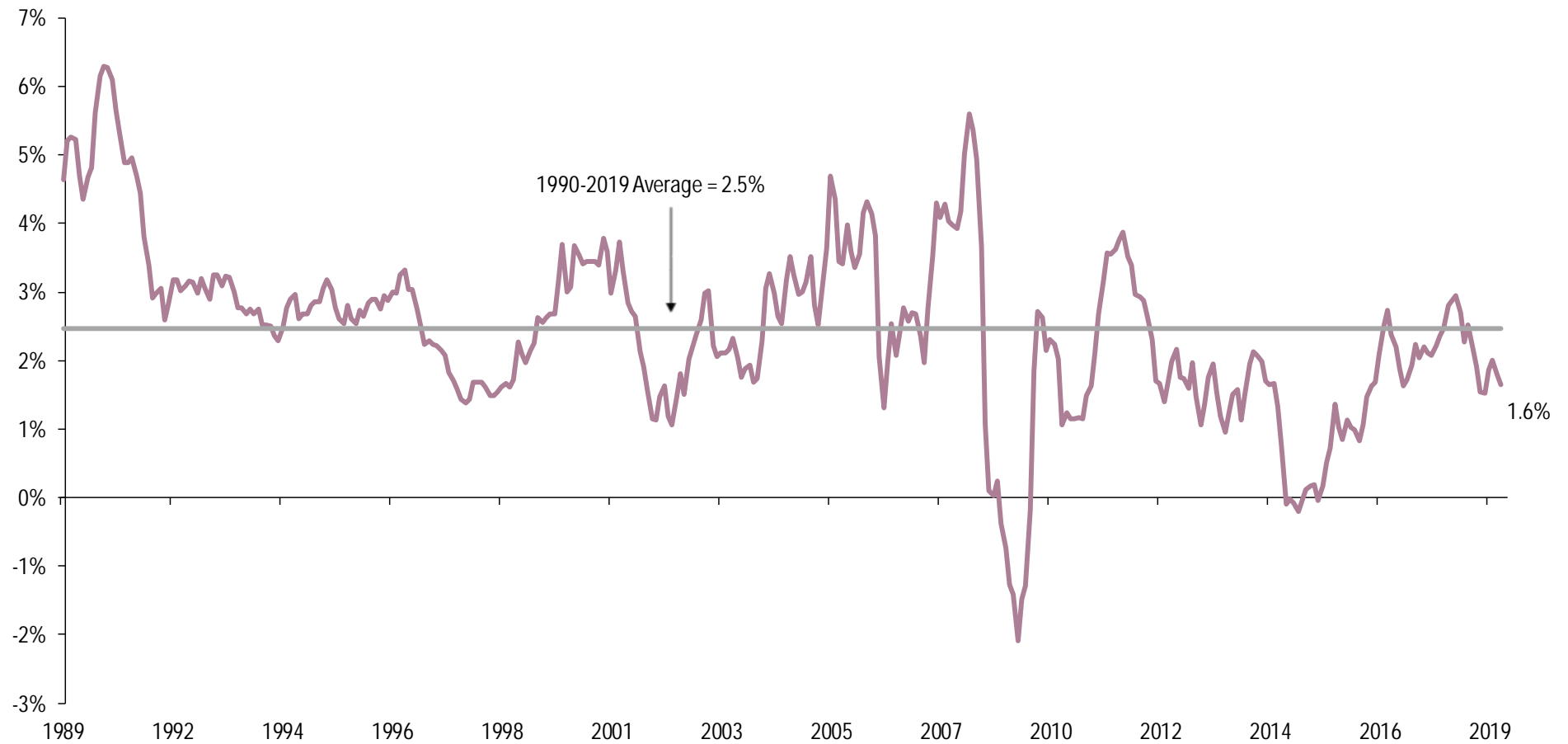
² The median high yield spread was 4.8% from 1997-2019.

U.S. Real Gross Domestic Product (GDP) Growth¹



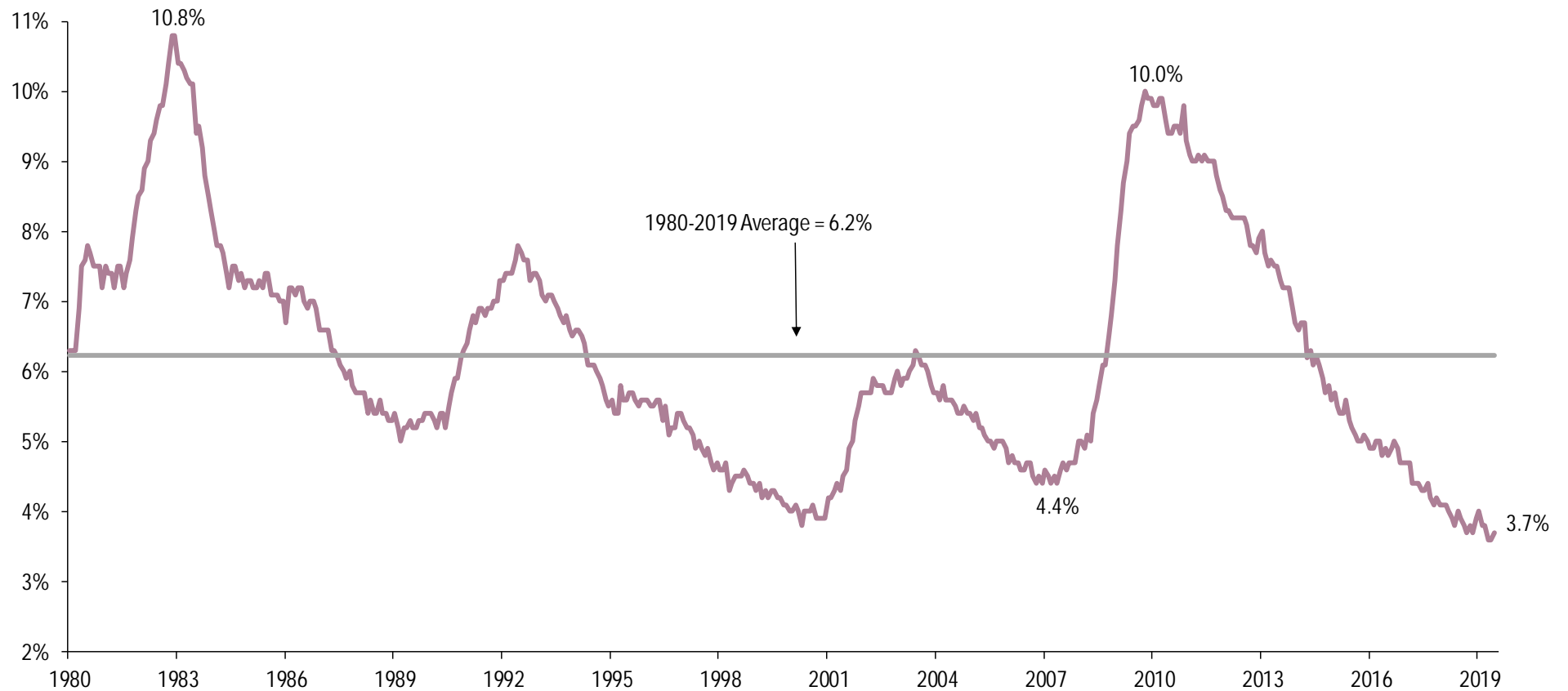
¹ Source: Bureau of Economic Analysis. Data is as of Q2 2019 and represents the first estimate.

U.S. 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 June 30, 2019.

U.S. Unemployment¹



¹ Source: Bureau of Labor Statistics. Data is as of June 30, 2019.

Capital Markets Outlook & Risk Metrics

As of July 31, 2019

Capital Markets Outlook

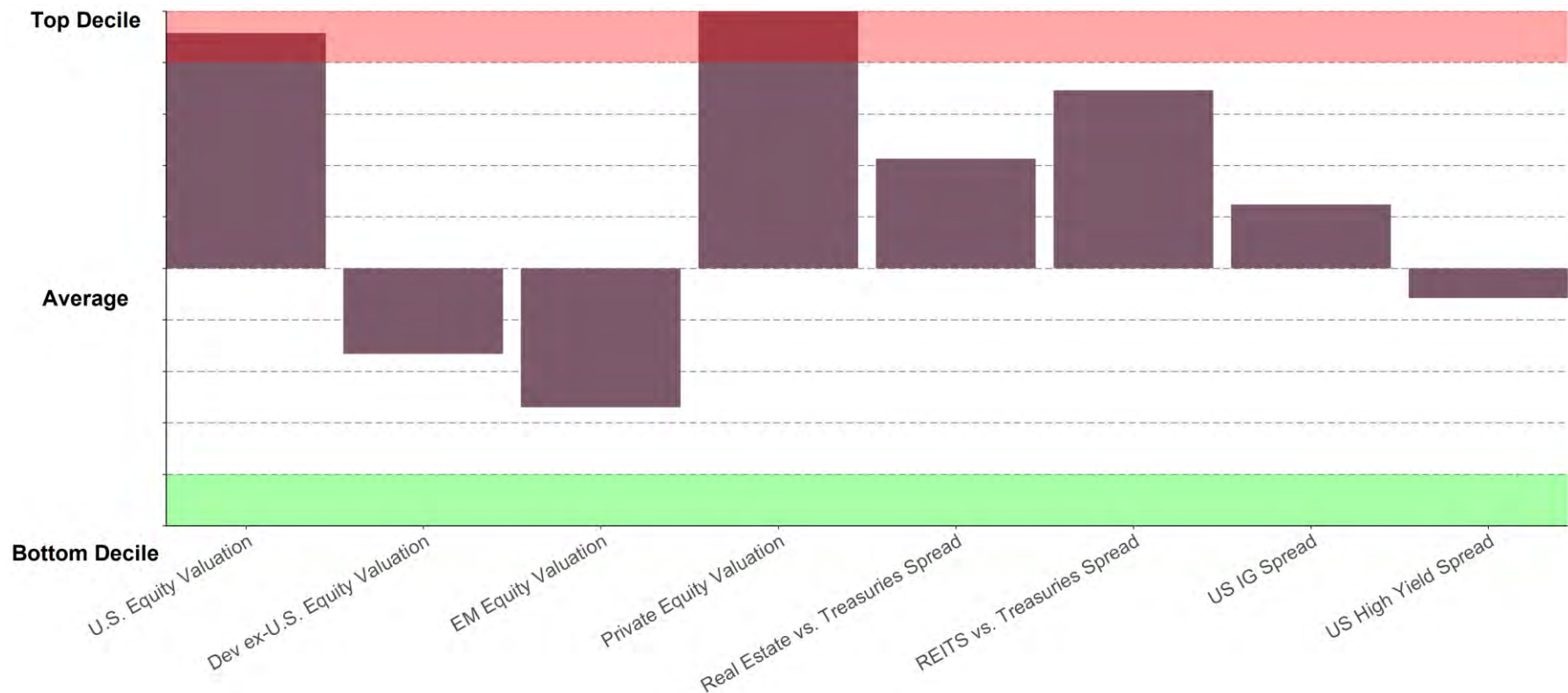
Takeaways

- While not as strong as June, July was another profitable month for U.S. Equity markets whereas Non-U.S. Equity markets experienced marginal declines. YTD returns across Global Equity markets are in the double-digits, with several segments of the U.S. Equity market leading the pack at 20%+. Additionally, interest rates in the middle and long-end of the curve have continued to decline, with U.S. Long Bonds producing YTD returns of over 11%.
- In an effort to combat global growth uncertainty and persistently low inflation, the Federal Reserve elected to cut rates for the first time in a decade. The full impact of this decision on economic data and the capital markets is likely to remain uncertain over the near term.
- Geopolitical events, especially trade wars between the U.S. and China, are expected to provide variable shocks to the global economy and capital markets for the foreseeable future.
- U.S. Equity markets remain expensive whereas Non-U.S. Equity markets remain reasonably valued relative to their history.
- Implied equity market volatility¹ remained well-below its historical average (~19) throughout July while ticking up to 16 at month-end.
- The Market Sentiment Indicator² returned to **neutral** at month end.
- Market uncertainty as measured by Systemic Risk remains low, but there is potential for negative surprises, as global economies navigate their respective “late-cycle” dynamics and geopolitical events continue to unfold, as evidenced by early market movements in August.

¹ As measured by VIX Index.

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

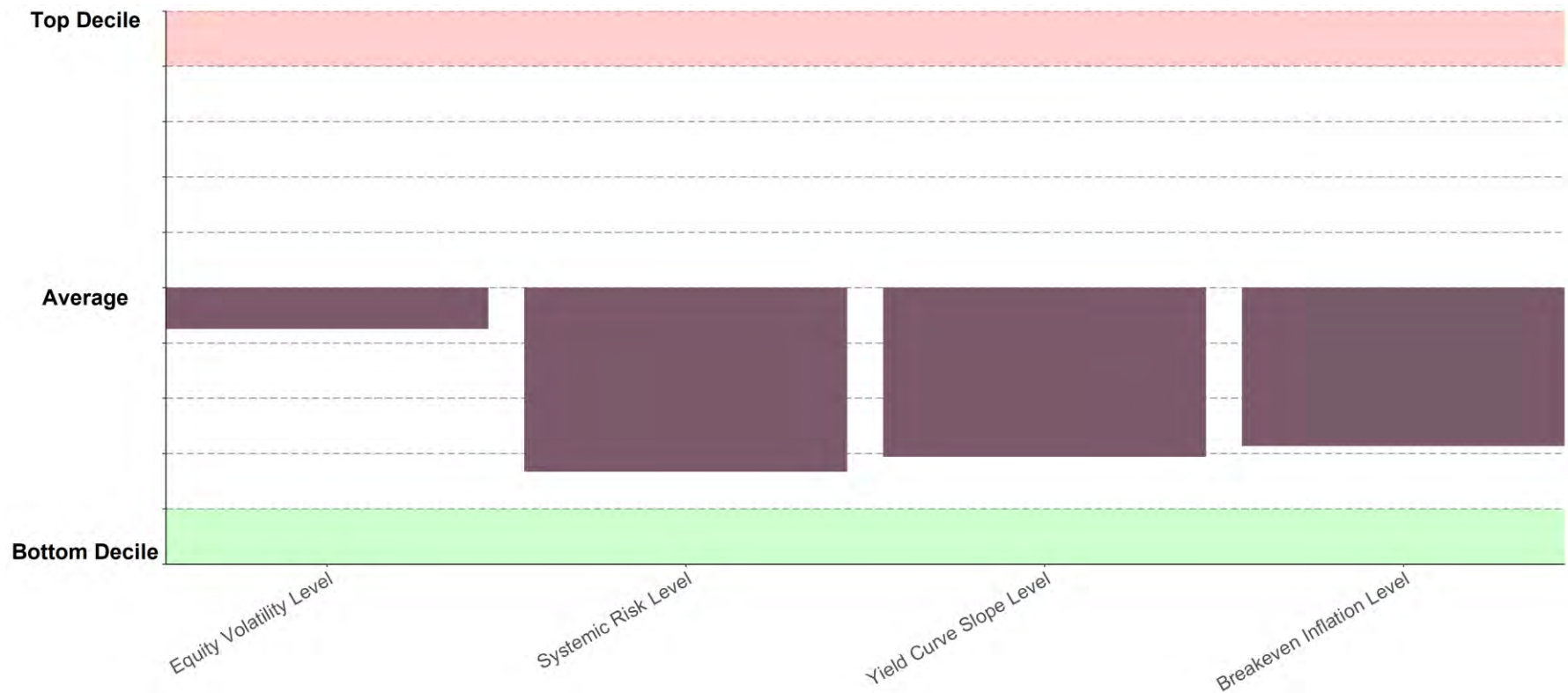
Risk Overview/Dashboard (1) (As of July 31, 2019)¹



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

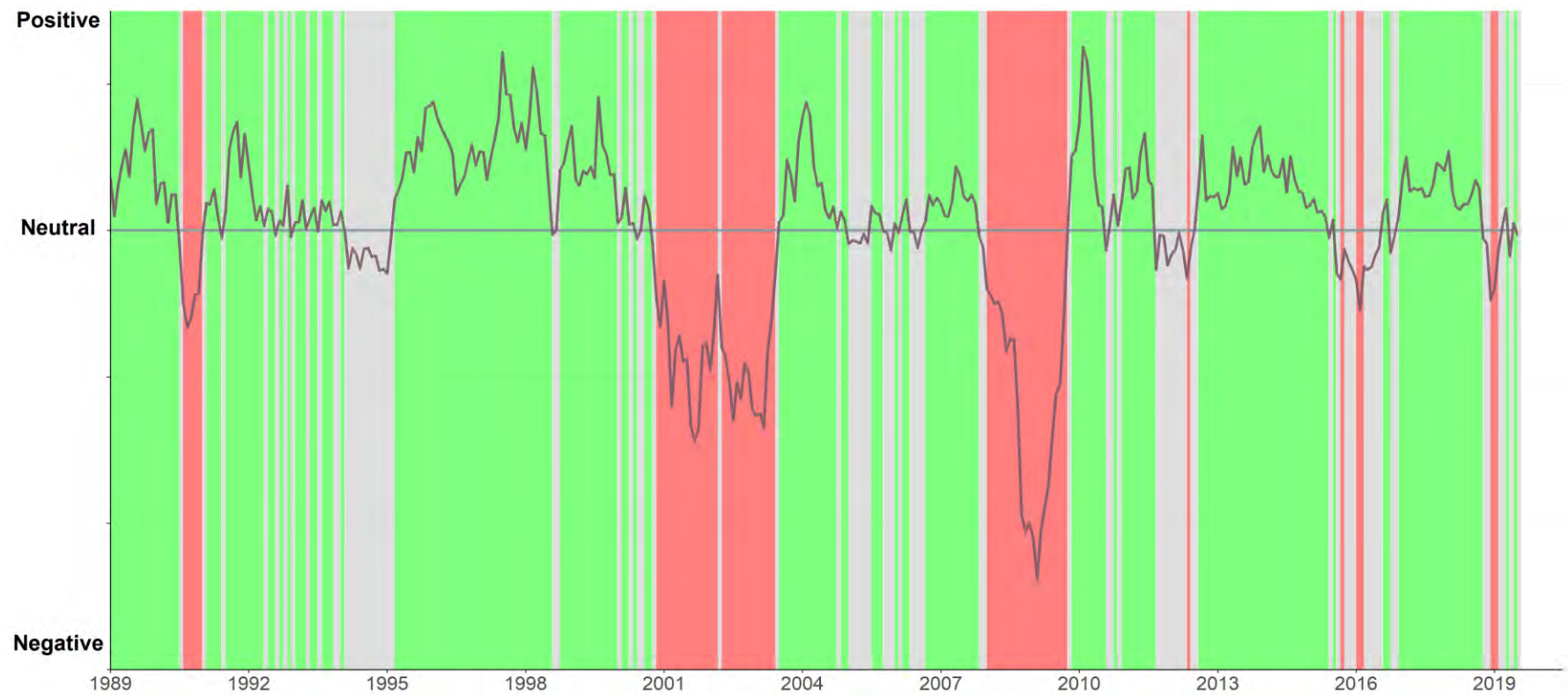
¹ With the exception of Private Equity Valuation that are available annually and data is as of December 31, 2018.

Risk Overview/Dashboard (2) (As of July 31, 2019)



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

Market Sentiment Indicator (All History) (As of July 31, 2019)



Market Sentiment Indicator (Last Three Years) (As of July 31, 2019)



U.S. Equity Cyclically Adjusted P/E¹ (As of July 31, 2019)



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

¹ U.S. Equity Cyclically Adjusted P/E on S&P 500 Index – Source: Robert Shiller and Yale University.

Small Cap P/E vs. Large Cap P/E¹ (As of July 31, 2019)



- This chart compares the relative attractiveness of Small Cap U.S. Equities vs. Large Cap U.S. 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 July 31, 2019)



- This chart compares the relative attractiveness of U.S. Growth Equities vs. U.S. 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 July 31, 2019)



- 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.

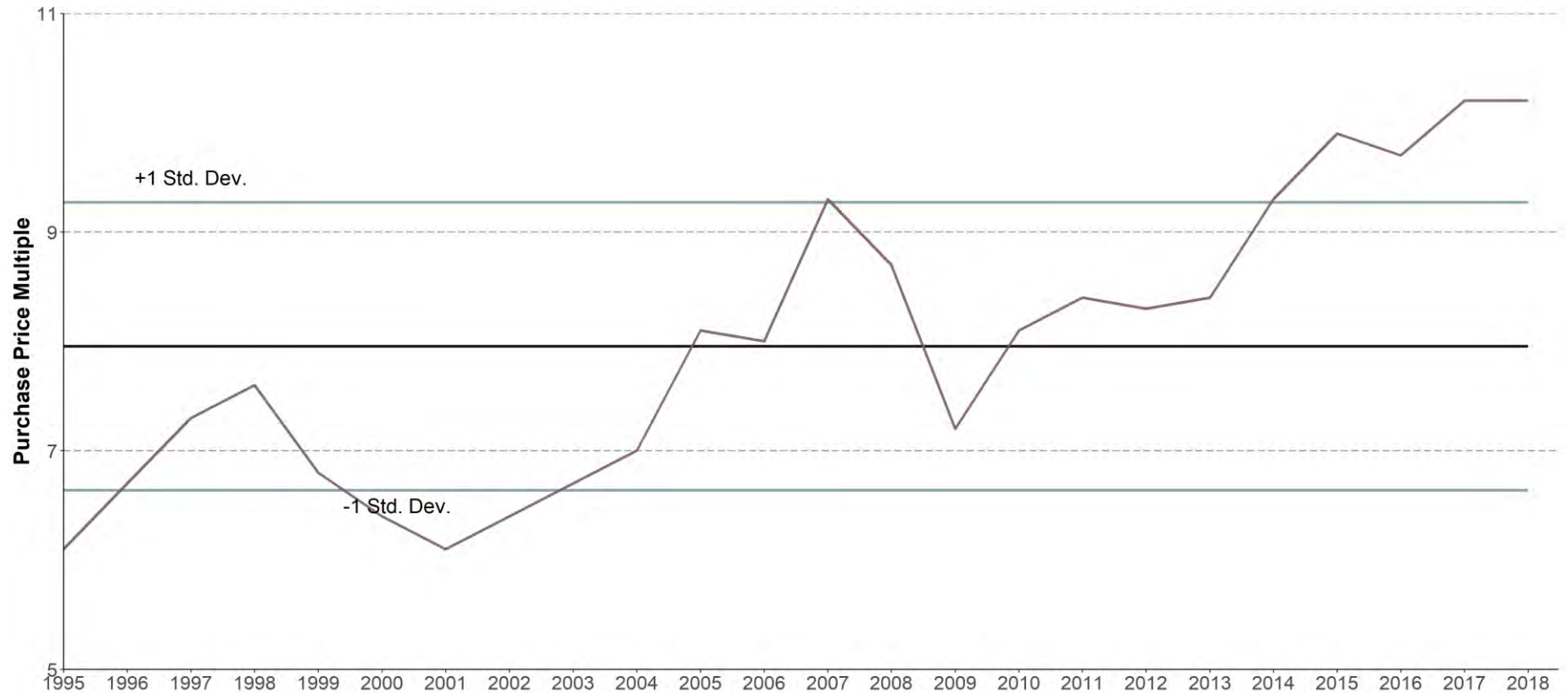
Emerging Market Equity Cyclically Adjusted P/E¹ (As of July 31, 2019)



- 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 December 31, 2018)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 Only annual figures available.

Core Real Estate Spread vs. Ten-Year Treasury¹ (As of July 31, 2019)



- 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, U.S. 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 July 31, 2019)



- 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, U.S. Treasury. REITs are proxied by the yield for the NAREIT Equity index.

Credit Spreads¹ (As of July 31, 2019)



- This chart details one valuation metric for the U.S. 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 U.S. Corporate Investment Grade index.

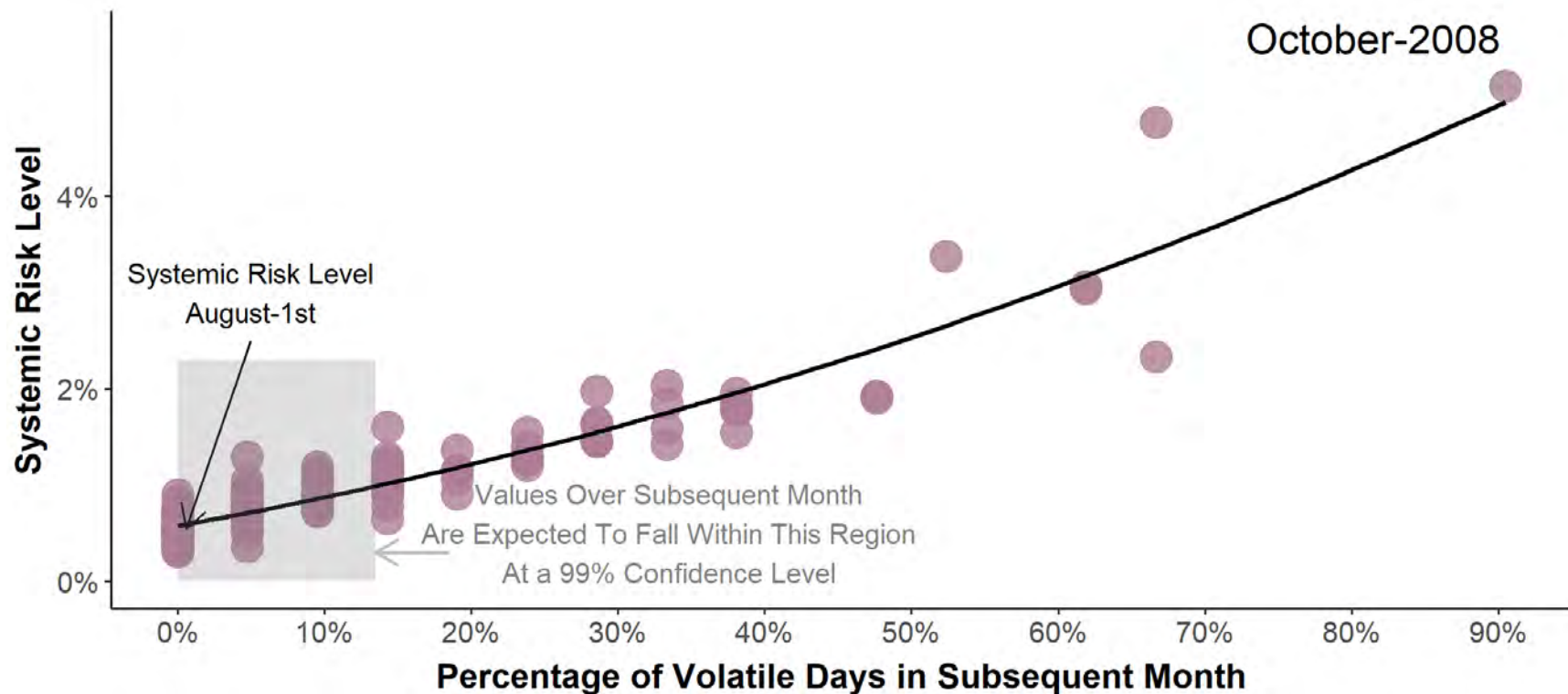
Equity Volatility¹ (As of July 31, 2019)



- 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 U.S. equity markets.

Systemic Risk and Volatile Market Days¹ (As of August 1, 2019)



- Systemic Risk is a measure of ‘System-wide’ risk, which indicates herding type behavior. This chart shows that starting in August this measure is low and that subsequently we can expect the number of turbulent days in August to be low.

¹ Source: Meketa Investment Group, as of August 1, 2019. 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 July 31, 2019)



- This chart details the historical difference in yields between ten-year and two-year U.S. 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 U.S. Treasury Yield and 2-Year U.S. Treasury Yield.

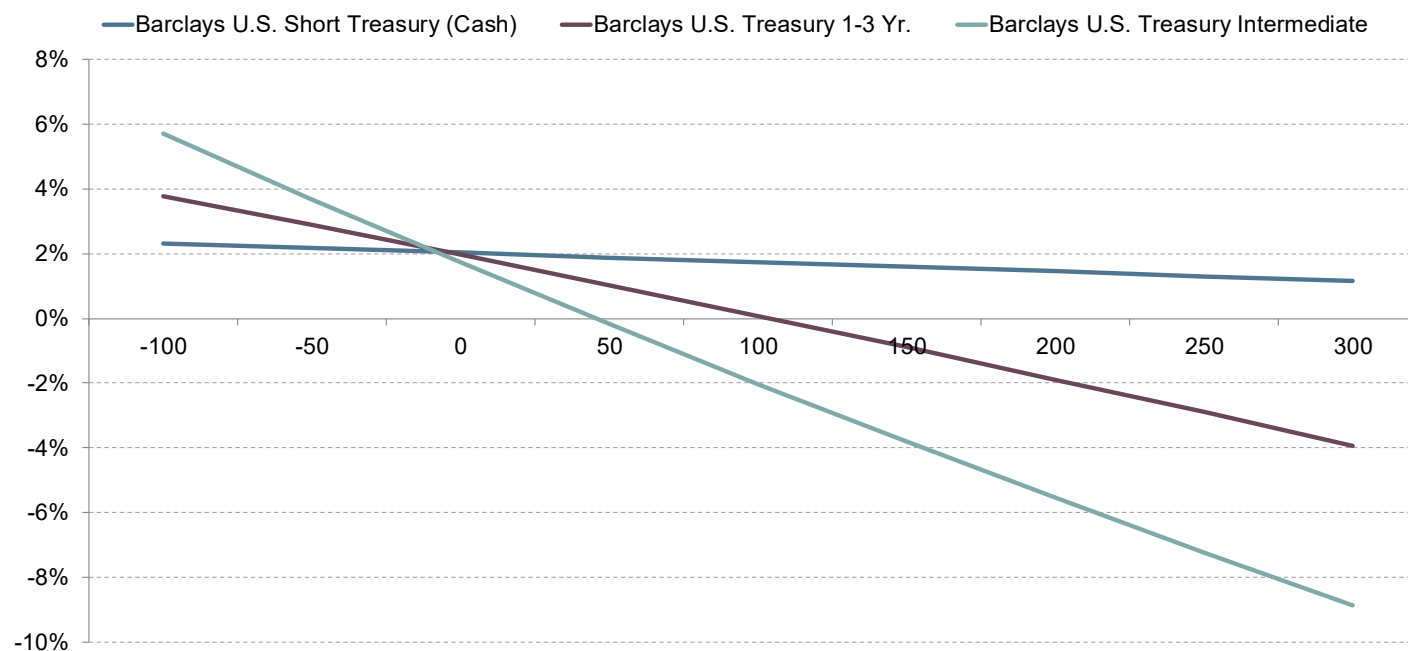
Ten-Year Breakeven Inflation¹ (As of July 31, 2019)



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

¹ Ten-Year Breakeven Inflation – Source: U.S. Treasury and Federal Reserve. Data is as of June 30, 2019 for TIPS and Treasuries. Inflation is measured by the Consumer Price Index (CPI-U NSA).

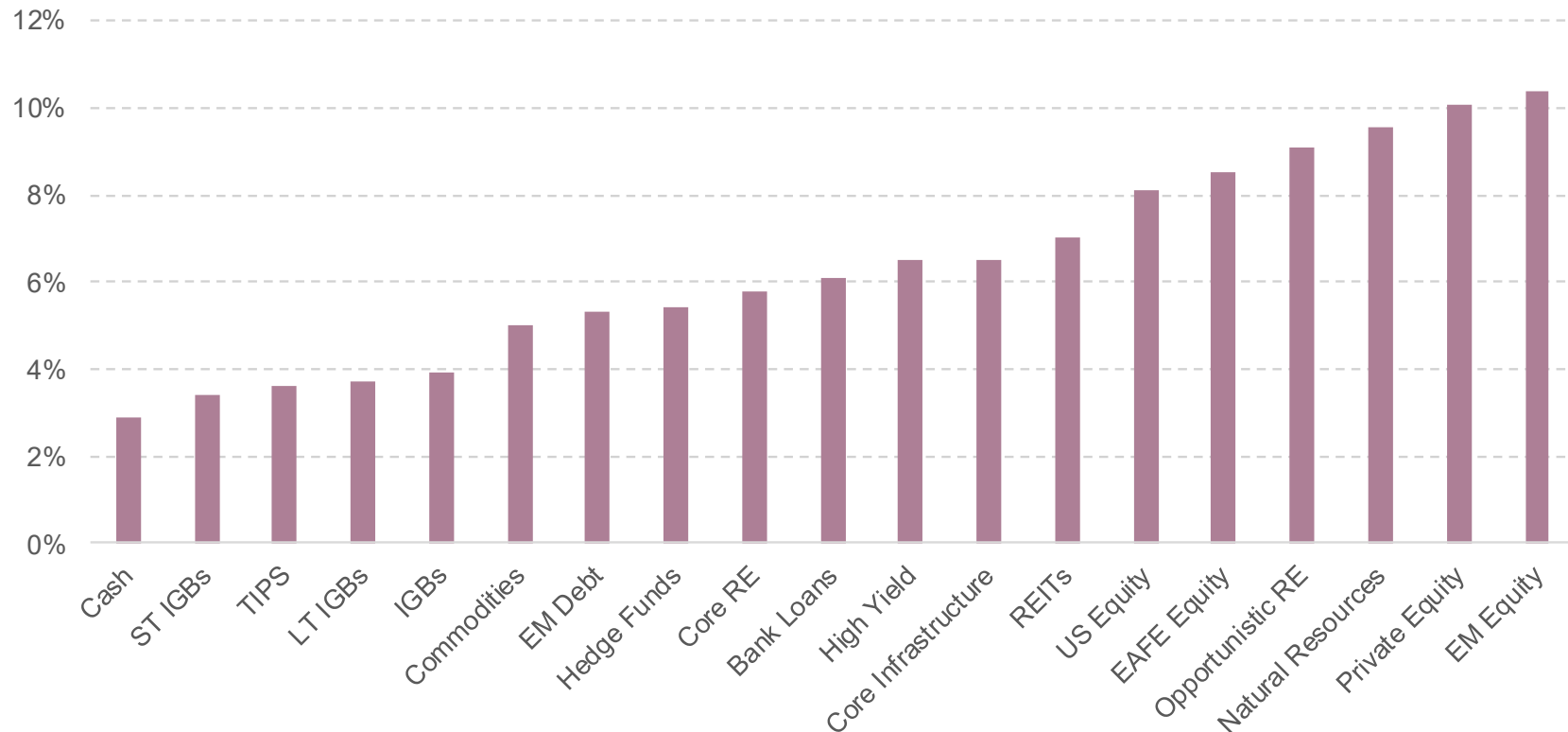
Total Return Given Changes in Interest Rates (bps)¹ (As of July 31, 2019)



	Total Return for Given Changes in Interest Rates (bps)									Statistics	
	-100	-50	0	50	100	150	200	250	300	Duration	YTW
Barclays U.S. Short Treasury (Cash)	2.3%	2.2%	2.0%	1.9%	1.7%	1.6%	1.5%	1.3%	1.2%	0.29	2.03%
Barclays U.S. Treasury 1-3 Yr.	3.8%	2.9%	2.0%	1.0%	0.1%	-0.9%	-1.9%	-2.9%	-3.9%	1.85	1.97%
Barclays U.S. Treasury Intermediate	5.7%	3.7%	1.7%	-0.2%	-2.0%	-3.8%	-5.6%	-7.2%	-8.9%	3.86	1.73%
Barclays U.S. Treasury Long	22.3%	11.8%	2.3%	-6.1%	-13.6%	-20.0%	-25.3%	-29.7%	-32.9%	17.95	2.32%

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. Data is as of July 31, 2019 via Barclays, 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 2019 Annual Asset Study.

Appendix

Data Sources and Explanations¹

- U.S. 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, U.S. 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 Treasury – Source: NAREIT, U.S. 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 U.S. Corporate Investment Grade index.

¹ All Data as of July 31, 2019.

Appendix

Data Sources and Explanations¹

- Equity Volatility – Source: Bloomberg, and Meketa Investment Group. Equity Volatility proxied by VIX Index, a Measure of implied option volatility for U.S. equity 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.
 - 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 U.S. Treasury Yield and 2-Year U.S. Treasury Yield.
- Ten-Year Breakeven Inflation – Source: U.S. Treasury and Federal Reserve. Inflation is measured by the Consumer Price Index (CPI-U NSA).

¹ All Data as of July 31, 2019.

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.

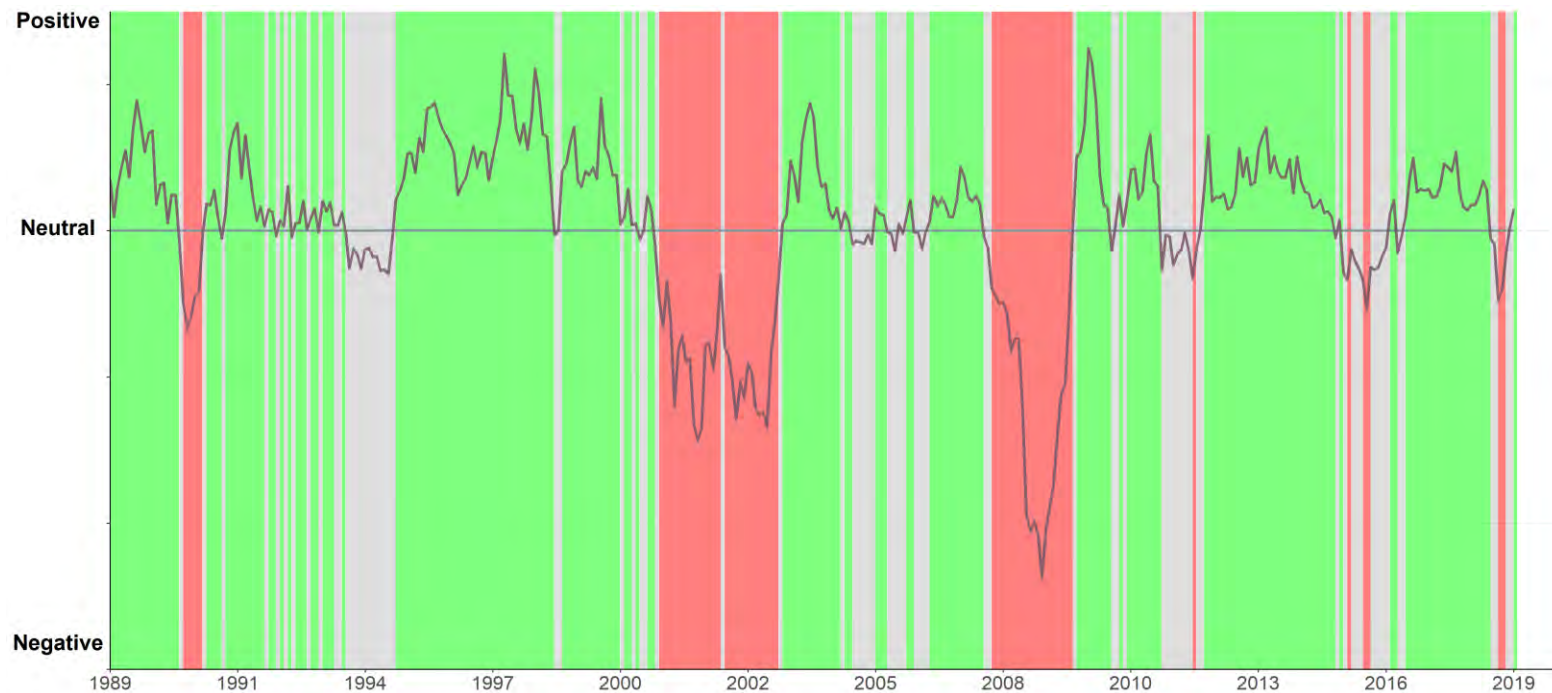
- Meketa’s Risk Metrics, which rely significantly on standard market measures of relative valuation, often provide valid early signals of increasing long-term risk levels in the global investment markets. However, as is the case with numerous valuation measures, the Risk Metrics may convey such risk 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 U.S. 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.

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CERTAIN INFORMATION CONTAINED IN THIS REPORT MAY CONSTITUTE “FORWARD - LOOKING STATEMENTS,” WHICH CAN BE IDENTIFIED BY THE USE OF TERMINOLOGY SUCH AS “MAY,” “WILL,” “SHOULD,” “EXPECT,” “AIM,” “ANTICIPATE,” “TARGET,” “PROJECT,” “ESTIMATE,” “INTEND,” “CONTINUE” OR “BELIEVE,” OR THE NEGATIVES THEREOF OR OTHER VARIATIONS THEREON OR COMPARABLE TERMINOLOGY. ANY FORWARD - LOOKING STATEMENTS, FORECASTS, PROJECTIONS, VALUATIONS, OR RESULTS IN THIS PRESENTATION ARE BASED UPON CURRENT ASSUMPTIONS. CHANGES TO ANY ASSUMPTIONS MAY HAVE A MATERIAL IMPACT ON FORWARD - LOOKING STATEMENTS, FORECASTS, PROJECTIONS, VALUATIONS, OR RESULTS. ACTUAL RESULTS MAY THEREFORE BE MATERIALLY DIFFERENT FROM ANY FORECASTS, PROJECTIONS, VALUATIONS, OR RESULTS IN THIS PRESENTATION.

PERFORMANCE DATA CONTAINED HEREIN REPRESENT PAST PERFORMANCE. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.

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. Portfolio Return- [Risk Free Rate+Beta*(market return-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.

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.

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.

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.

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%.

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

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.