

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

Quarterly Report

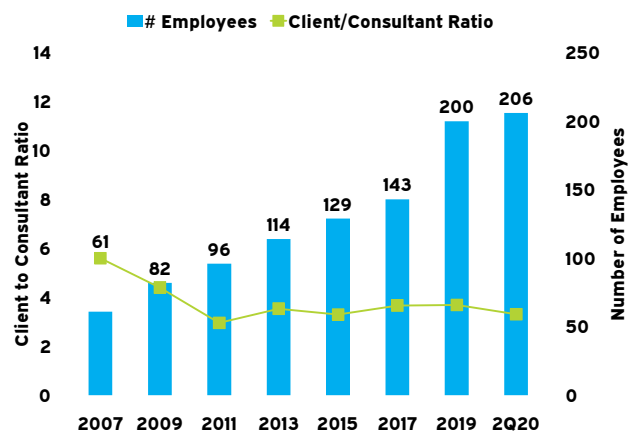
Agenda

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

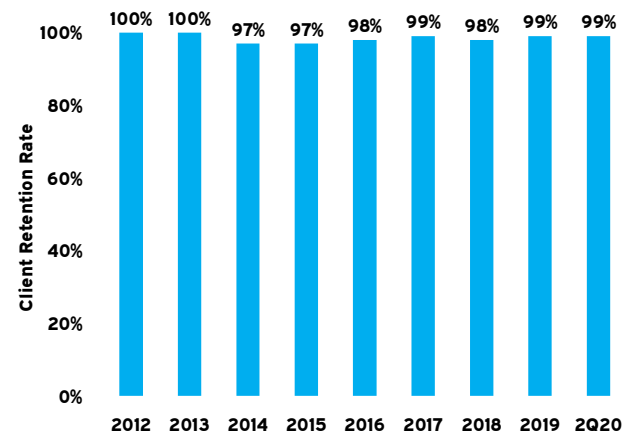
Meketa Investment Group Corporate Update

- Staff of 206, including 141 investment professionals and 41 CFA Charterholders
- 215 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 \$125 billion in assets committed to alternative investments
 - Private Equity ▪ Infrastructure ▪ Natural Resources
 - Real Estate ▪ Hedge Funds ▪ Commodities

Client to Consultant Ratio¹



Client Retention Rate²



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

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

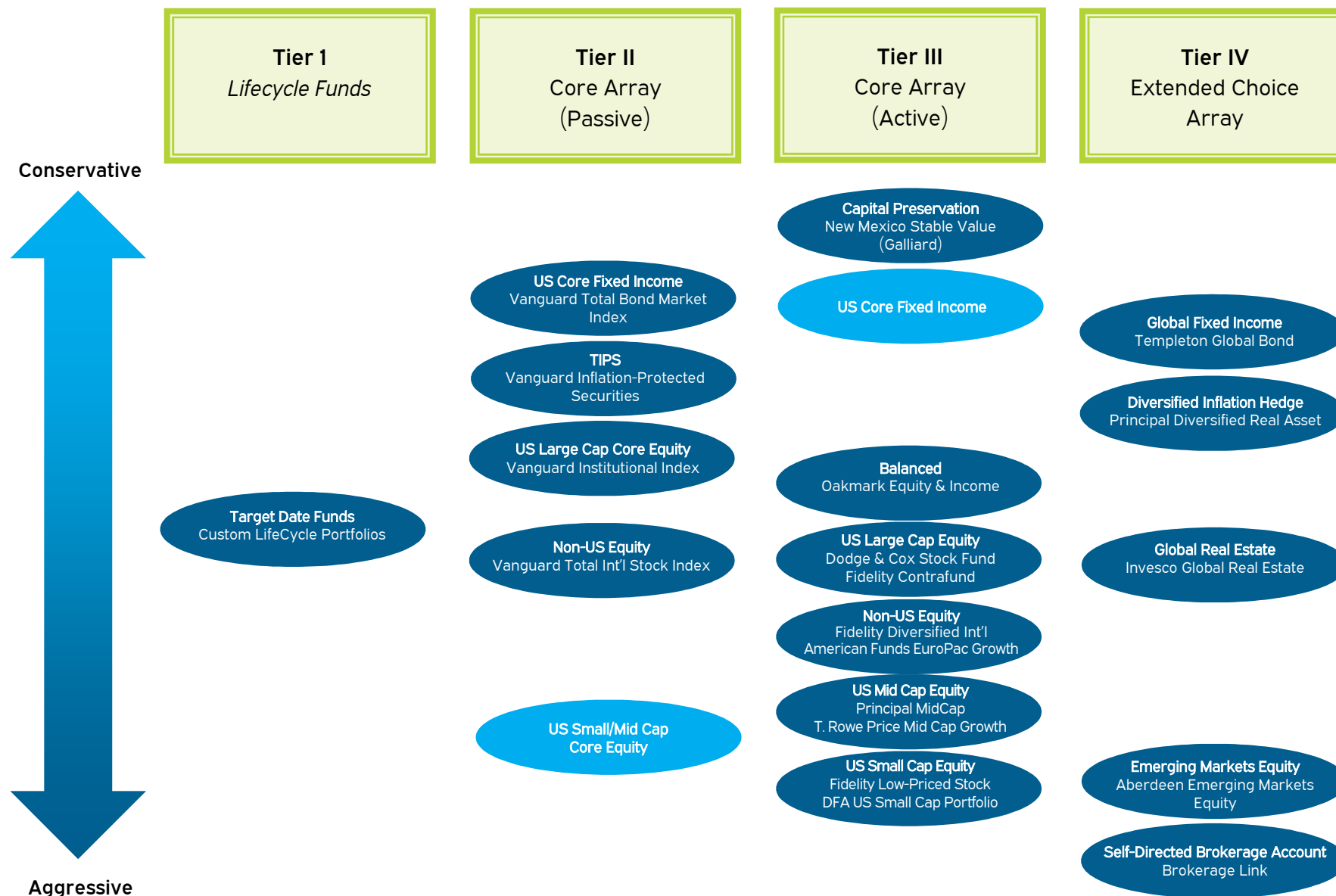
² Client Retention Rate is one minus the number of clients lost divided by the number of clients at prior year-end.

Asset Classes Followed Intensively by Meketa Investment Group

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

Executive Summary

Executive Summary



Plan Assets

- As of June 30, 2020, Plan assets were \$662.0 million, up from \$587.0 million at the end of the prior quarter. The Plan experienced net cash inflows of \$769,569,¹ during the second quarter.
- There were 23,265 participants with a balance at quarter-end. The average account balance was \$28,469; contributions totaled \$10.4 million, compared to \$8.6 million in withdrawals.
- The largest Plan investment options by assets were:

	6/30/20 Balance (\$ mm)	Percentage of Plan Assets (%)
New Mexico LifeCycle Portfolios	181.3	27.4
New Mexico Stable Value	137.3	20.7
Vanguard Inst. Index Fund	93.8	14.2
Fidelity Contrafund	54.7	8.3
Vanguard Total Bond Index	28.1	4.2

¹ Net cash inflow includes \$990,604 in net transfer outflows from the loan account.

Plan Observations

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

Investment Menu Observations

- All nine of the LifeCycle Portfolios (Conservative Portfolio, 2020 Portfolio, 2025 Portfolio, 2030 Portfolio, 2035 Portfolio, 2040 Portfolio, 2045 Portfolio, 2050 Portfolio, 2055 Portfolio) outperformed their respective benchmark, but underperformed the universe median.
- Fidelity Contrafund underperformed the Russell 1000 Growth benchmark, but outperformed the peer median. Underperformance was primarily driven by security selection within utilities, consumer staples, and real estate sectors.
- Dodge & Cox U.S. Equity outperformed both the Russell 1000 Value benchmark and the peer median. Outperformance stemmed from the fund's higher average weighting (9% versus 3%) and strong performance in the energy sector (up 54% versus up 31%). Occidental Petroleum, Apache, Baker Hughes, and Halliburton appreciated substantially.
- T. Rowe Price MidCap Growth underperformed both the Russell MidCap Growth benchmark and the peer median. The consumer discretionary sector detracted the most from relative returns due to an unfavorable underweight allocation and stock selection.
- Dimensional U.S. Small Cap Core underperformed the Russell 2000 benchmark and the peer group. The portfolio's exclusion of small caps with the lowest profitability and highest relative price detracted from relative performance.
- Principal U.S. MidCap Equity outperformed the Russell MidCap Index and the peer group median. The fund's allocation to Wix (offers easy-to-use website building tools through an online platform) and CarMax (the largest used car retailer in the US) contributed to the fund's performance.

Investment Menu Observations (continued)

- Fidelity Low-Priced Stock underperformed the benchmark and the peer median. The fund's underperformance of the small-cap-oriented benchmark was driven by stock selection, notably in the consumer discretionary, health care, and consumer staples sectors.
- Fidelity Diversified International outperformed the MSCI EAFE benchmark and the peer median. The fund's outperformance of the benchmark was primarily driven by stock choices in industrials, information technology, communication services and financials.
- American Funds EuroPacific Growth outperformed the MSCI ACWI ex USA index and the peer median. Outperformance in the quarter was due to an overweight allocation to consumer discretionary, information technology and energy sectors.
- Aberdeen Emerging Markets Equity outperformed the MSCI Emerging Markets Index and the peer median. Positive stock selection in China was the main driver of the fund's outperformance for the quarter. E-commerce company Meituan Dianping was among the top contributors.
- Franklin Templeton Global Bond underperformed the FTSE WGBI benchmark and the peer group median. Underperformance in the quarter can be attributed to a net-negative position to the Australian dollar and a net-positive position to the Japanese yen.
- Columbia Institutional High Yield exposure is only available via the LifeCycle portfolios. The strategy underperformed the ICE BofAML US High Yield Cash Pay Constrained benchmark and the peer median. The most notable detractor from relative performance was security selection with in the support-service sector, which was driven by the fund's overweight allocation to rental car company Hertz.

Investment Menu Observations (continued)

- Invesco Global REITs underperformed the FTSE EPRA/NAREIT Global REIT index benchmark and the peer median. In North America, stock selection in the US detracted, as did stock selection in the US and France within Europe. In emerging markets, stock selection and a slight underweight in the United Arab Emirates detracted from relative return.
- Principal Diversified Real Asset outperformed the Real Asset Custom Benchmark¹; the peer group median was unavailable. Manager performance within global natural resources and infrastructure were a significant contributor to relative performance.
- Prudential Retirement Real Estate Fund II exposure is only available via the LifeCycle portfolios. The strategy underperformed the PRREF II Custom Benchmark². The fund's underperformance was primarily driven by a significant underweight to REIT securities to start the second quarter, while the REIT market recovered losses from the first quarter.
- Oakmark Equity & Income outperformed both the 60% S&P 500/40% Barclays Aggregate benchmark and the peer group median. The largest contributors to relative performance include TE Connectivity, BorgWarner, Alphabet, General Motors and Mastercard.

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

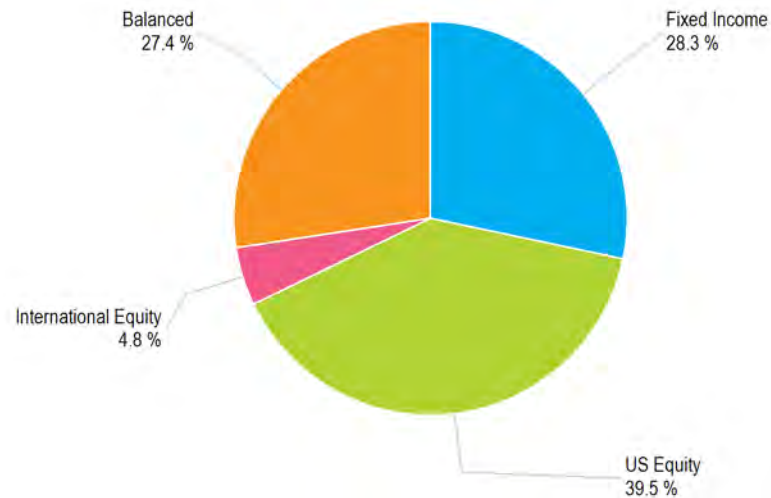
² PRREF II Custom Benchmark is composed of 85% NCREIF Open-End Diversified Core Equity Fund Index and 15% MSCI US REIT Index.

Second Quarter of 2020 Performance Report

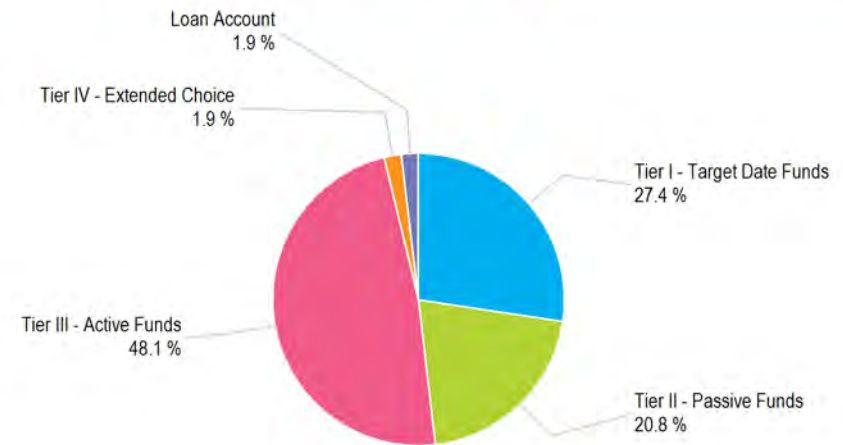
Plan Summary

Total Fund | As of June 30, 2020

Total Plan Allocation by Asset Class



Total Plan Allocation by Tier



Asset Allocation				
	Current Balance	Current Allocation	Q2 Cash Flows	Balance as of 3/31/2020
Tier I - Target Date Funds	\$181,341,999	27%	\$2,114,944	\$160,858,071
Tier II - Passive Funds	\$137,714,980	21%	\$3,104,779	\$116,324,023
Tier III - Active Funds	\$318,225,926	48%	-\$3,521,402	\$285,841,637
Tier IV - Extended Choice	\$12,408,964	2%	\$61,852	\$10,810,672
Loan Account	\$12,329,387	2%	-\$990,604	\$13,143,973
Total Fund	\$662,021,256	100%	\$769,569	\$586,978,375

Total Fund | As of June 30, 2020

Trailing Net Performance											
	Market Value (\$)	% of Portfolio	3 Mo Net Cash Flows (\$)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Fund	662,021,256	100.0	769,569								
Tier I - Target Date Funds	181,341,999	27.4	2,114,944								
New Mexico Conservative Portfolio	40,951,894	6.2	-261,908	6.9	0.3	3.9	4.4	4.1	5.0	4.3	Jul-05
<i>New Mexico Conservative Index</i>				6.6	0.2	3.9	4.7	4.1	4.9	4.0	Jul-05
<i>Allocation - 30% to 50% Equity Mstar MF Median</i>				10.7	-1.7	3.4	4.6	4.8	6.6	5.4	Jul-05
<i>Allocation - 30% to 50% Equity Mstar MF Rank</i>				95	27	45	56	71	92	91	Jul-05
New Mexico LifeCycle 2020 Portfolio	4,205,525	0.6	65,591	7.5	0.1	3.3	4.8	--	--	5.6	Jun-16
<i>New Mexico 2020 Benchmark</i>				7.1	-0.1	4.0	5.0	--	--	5.5	Jun-16
<i>Target Date 2020 Mstar MF Median</i>				10.6	-0.6	4.5	5.6	5.5	7.7	6.7	Jun-16
<i>Target Date 2020 Mstar MF Rank</i>				94	28	84	89	--	--	94	Jun-16
New Mexico LifeCycle 2025 Portfolio	54,215,192	8.2	100,059	10.1	-1.1	3.8	5.3	5.3	7.7	4.8	Jul-05
<i>New Mexico 2025 Benchmark</i>				9.5	-1.5	3.4	5.3	5.1	7.7	4.8	Jul-05
<i>Target Date 2025 Mstar MF Median</i>				12.6	-1.7	4.3	5.9	5.8	8.4	6.0	Jul-05
<i>Target Date 2025 Mstar MF Rank</i>				94	31	74	86	91	87	95	Jul-05
New Mexico LifeCycle 2030 Portfolio	6,629,702	1.0	547,012	12.5	-2.3	3.2	5.5	--	--	7.0	Jun-16
<i>New Mexico 2030 Benchmark</i>				11.6	-2.9	2.7	5.4	--	--	6.8	Jun-16
<i>Target Date 2030 Mstar MF Median</i>				14.2	-2.8	4.1	6.1	6.1	8.8	7.9	Jun-16
<i>Target Date 2030 Mstar MF Rank</i>				85	35	67	77	--	--	87	Jun-16

Total Fund | As of June 30, 2020

	Market Value (\$)	% of Portfolio	3 Mo Net Cash Flows (\$)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
New Mexico LifeCycle 2035 Portfolio	34,290,132	5.2	177,031	13.8	-3.4	2.4	5.5	5.7	8.5	5.8	Jul-05
<i>New Mexico 2035 Benchmark</i>				12.9	-4.0	2.0	5.4	5.4	8.3	5.3	Jul-05
<i>Target Date 2035 Mstar MF Median</i>				15.9	-3.8	3.4	6.2	6.3	9.2	6.4	Jul-05
<i>Target Date 2035 Mstar MF Rank</i>				90	40	70	78	78	84	81	Jul-05
New Mexico LifeCycle 2040 Portfolio	5,527,959	0.8	305,388	15.0	-4.4	1.7	5.4	--	--	7.4	Jun-16
<i>New Mexico 2040 Benchmark</i>				13.9	-5.0	1.2	5.2	--	--	7.2	Jun-16
<i>Target Date 2040 Mstar MF Median</i>				17.2	-4.9	2.8	6.1	6.4	9.4	8.3	Jun-16
<i>Target Date 2040 Mstar MF Rank</i>				88	42	69	75	--	--	92	Jun-16
New Mexico LifeCycle 2045 Portfolio	19,615,553	3.0	279,009	15.6	-4.8	1.5	5.4	5.7	8.8	6.3	Jul-05
<i>New Mexico 2045 Benchmark</i>				14.5	-5.4	1.0	5.2	5.4	8.5	5.4	Jul-05
<i>Target Date 2045 Mstar MF Median</i>				18.5	-5.5	2.6	6.1	6.3	9.5	6.1	Jul-05
<i>Target Date 2045 Mstar MF Rank</i>				93	27	64	72	83	97	38	Jul-05
New Mexico LifeCycle 2050 Portfolio	4,125,351	0.6	291,896	16.2	-5.1	1.3	5.4	--	--	7.6	Jun-16
<i>New Mexico 2050 Benchmark</i>				15.0	-5.8	0.8	5.2	--	--	7.5	Jun-16
<i>Target Date 2050 Mstar MF Median</i>				18.7	-5.6	2.2	6.0	6.4	9.6	8.5	Jun-16
<i>Target Date 2050 Mstar MF Rank</i>				92	30	59	72	--	--	88	Jun-16
New Mexico LifeCycle 2055 Portfolio	11,780,692	1.8	610,867	16.4	-5.4	1.2	5.4	5.8	8.9	5.2	Apr-07
<i>New Mexico 2055 Benchmark</i>				15.1	-6.0	0.7	5.2	5.5	8.7	4.3	Apr-07
<i>Target Date 2055 Mstar MF Median</i>				18.7	-5.8	2.1	6.1	6.4	9.6	--	Apr-07
<i>Target Date 2055 Mstar MF Rank</i>				94	31	64	78	84	97	--	Apr-07

Total Fund | As of June 30, 2020

	Market Value (\$)	% of Portfolio	3 Mo Net Cash Flows (\$)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Tier II - Passive Funds	137,714,980	20.8	3,104,779								
Vanguard Total Bond Market Index	28,101,440	4.2	1,185,130	3.0	6.4	9.0	5.4	4.3	3.8	5.3	Oct-95
BBgBarc US Aggregate TR				2.9	6.1	8.7	5.3	4.3	3.8	5.3	Oct-95
eV US Core Fixed Inc Net Median				4.4	6.1	8.6	5.3	4.4	4.1	5.4	Oct-95
eV US Core Fixed Inc Net Rank				92	39	33	48	58	75	69	Oct-95
Vanguard Inflation-Protected Securities	7,134,258	1.1	381,620	4.1	6.0	8.1	4.9	3.7	3.4	5.3	Jul-00
BBgBarc US TIPS TR				4.2	6.0	8.3	5.0	3.7	3.5	5.5	Jul-00
eV US TIPS / Inflation Fixed Inc Net Median				4.7	5.1	7.5	4.9	3.6	3.3	5.6	Jul-00
eV US TIPS / Inflation Fixed Inc Net Rank				70	28	34	54	39	39	81	Jul-00
Vanguard Institutional Index (S&P 500)	93,810,110	14.2	480,920	20.5	-3.1	7.5	10.7	10.7	14.0	9.8	Aug-90
S&P 500				20.5	-3.1	7.5	10.7	10.7	14.0	9.8	Aug-90
eV US Large Cap Core Equity Net Median				19.6	-5.1	3.9	8.7	8.8	12.8	10.2	Aug-90
eV US Large Cap Core Equity Net Rank				37	32	23	21	12	12	58	Aug-90
Vanguard Total International Stock Index	8,669,172	1.3	1,057,109	18.1	-10.6	-4.1	1.1	2.4	--	3.9	Dec-10
Spliced Total International Stock Index				17.0	-11.1	-4.4	1.1	2.4	5.2	3.8	Dec-10
eV ACWI ex-US Core Equity Net Median				17.7	-9.8	-2.3	1.5	2.6	6.1	4.6	Dec-10
eV ACWI ex-US Core Equity Net Rank				49	57	58	56	59	--	74	Dec-10

Total Fund | As of June 30, 2020

	Market Value (\$)	% of Portfolio	3 Mo Net Cash Flows (\$)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Tier III - Active Funds	318,225,926	48.1	-3,521,402								
New Mexico Stable Value Fund	137,335,375	20.7	-1,272,674	0.6	1.2	2.5	2.3	2.0	--	1.8	Jul-12
Citigroup 3-month Treasury Bill + 1%				0.4	1.0	2.6	2.7	2.2	1.6	1.7	Jul-12
eV US Stable Value Fixed Inc Net Median				0.6	1.2	2.4	2.4	2.2	2.4	2.1	Jul-12
eV US Stable Value Fixed Inc Net Rank				34	37	44	75	79	--	82	Jul-12
Oakmark Equity & Income	16,887,513	2.6	-538,787	14.6	-10.6	-5.2	1.8	3.2	7.0	9.2	Dec-95
60% S&P 500 & 40% Barclays Aggregate				13.3	1.0	8.6	8.9	8.4	10.1	7.8	Dec-95
Balanced MStar MF Median				13.1	-2.8	2.8	4.9	5.1	8.0	6.9	Dec-95
Balanced MStar MF Rank				35	92	91	87	83	67	7	Dec-95
Dodge & Cox U.S. Equity	27,004,554	4.1	-355,344	20.0	-15.0	-6.2	3.0	5.9	11.7	10.7	Feb-65
Russell 1000 Value				14.3	-16.3	-8.8	1.8	4.6	10.4	--	Feb-65
eV US Large Cap Value Equity Net Median				16.4	-15.1	-7.3	2.6	4.9	10.3	--	Feb-65
eV US Large Cap Value Equity Net Rank				19	50	41	45	34	18	--	Feb-65
Fidelity Contrafund	54,715,682	8.3	169,051	26.9	9.6	18.1	16.5	14.2	15.7	12.7	Jun-67
Russell 1000 Growth				27.8	9.8	23.3	19.0	15.9	17.2	--	Jun-67
eV US Large Cap Growth Equity Net Median				26.8	9.0	20.0	17.4	14.0	15.9	--	Jun-67
eV US Large Cap Growth Equity Net Rank				50	49	61	59	46	55	--	Jun-67
Fidelity Diversified International	10,820,110	1.6	-369,594	21.5	-1.9	8.1	5.6	4.6	8.0	8.1	Jan-92
MSCI EAFE				14.9	-11.3	-5.1	0.8	2.1	5.7	4.9	Jan-92
eV EAFE Core Equity Net Median				16.7	-11.1	-4.1	0.8	2.4	6.8	6.6	Jan-92
eV EAFE Core Equity Net Rank				13	5	3	6	18	23	21	Jan-92

Total Fund | As of June 30, 2020

	Market Value (\$)	% of Portfolio	3 Mo Net Cash Flows (\$)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
American Funds EuroPacific Growth	9,000,223	1.4	-142,342	22.8	-4.8	3.2	4.8	4.9	7.5	10.4	May-84
MSCI ACWI ex USA				16.1	-11.0	-4.8	1.1	2.3	5.0	--	May-84
eV ACWI ex-US All Cap Core Eq Net Median				17.0	-8.5	-1.9	2.9	3.1	6.6	--	May-84
eV ACWI ex-US All Cap Core Eq Net Rank				12	27	23	19	15	25	--	May-84
Principal U.S. MidCap Equity	14,513,555	2.2	-172,408	24.9	-4.9	4.2	12.1	11.1	15.4	10.6	Jan-01
Russell MidCap				24.6	-9.1	-2.2	5.8	6.8	12.3	8.3	Jan-01
eV US Mid Cap Core Equity Net Median				22.6	-9.9	-2.8	5.6	6.8	11.3	8.2	Jan-01
eV US Mid Cap Core Equity Net Rank				24	22	15	10	11	4	2	Jan-01
T. Rowe Price MidCap Growth	31,301,661	4.7	-513,945	28.6	-2.4	3.6	11.6	11.1	15.5	12.1	Aug-96
Russell MidCap Growth				30.3	4.2	11.9	14.8	11.6	15.1	9.8	Aug-96
eV US Mid Cap Growth Equity Net Median				30.1	4.6	11.5	14.3	11.1	14.6	11.1	Aug-96
eV US Mid Cap Growth Equity Net Rank				59	95	93	81	53	23	1	Aug-96
Fidelity Low-Priced Stock	7,356,014	1.1	-303,603	19.3	-14.2	-3.6	2.6	4.2	10.5	12.7	Jan-90
Russell 2500 Value				20.6	-21.2	-15.5	-2.6	1.8	8.8	9.9	Jan-90
eV US Small Cap Value Equity Net Median				20.6	-21.8	-16.2	-4.2	0.9	8.3	11.1	Jan-90
eV US Small Cap Value Equity Net Rank				63	11	5	9	13	10	1	Jan-90
Dimensional U.S. Small Cap Core	9,291,238	1.4	-21,756	23.5	-16.9	-11.7	-1.3	2.3	10.1	9.4	Apr-92
Russell 2000				25.4	-13.0	-6.6	2.0	4.3	10.5	8.7	Apr-92
eV US Small Cap Core Equity Net Median				24.3	-14.1	-8.6	1.4	4.3	10.5	10.4	Apr-92
eV US Small Cap Core Equity Net Rank				58	71	72	74	72	61	76	Apr-92

Total Fund | As of June 30, 2020

	Market Value (\$)	% of Portfolio	3 Mo Net Cash Flows (\$)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Tier IV - Extended Choice	12,408,964	1.9	61,852								
Franklin Templeton Global Bond	2,199,027	0.3	-103,750	0.1	-4.3	-6.0	-0.8	0.7	2.9	6.2	Apr-96
<i>FTSE WGBI TR</i>				2.0	4.1	4.6	4.0	3.7	2.4	4.3	Apr-96
<i>eV Global Agg Fixed Inc Net Median</i>				4.6	3.2	5.2	4.1	3.9	3.3	4.7	Apr-96
<i>eV Global Agg Fixed Inc Net Rank</i>				99	99	99	99	99	83	7	Apr-96
Principal Diversified Real Asset	376,506	0.1	61,716	11.2	-10.5	-6.7	0.1	-0.4	3.1	2.8	Apr-10
<i>Real Asset Custom Benchmark</i>				10.3	-4.0	0.8	3.5	2.7	4.1	3.5	Apr-10
Invesco Global REITs	1,554,654	0.2	34,110	9.5	-20.7	-15.7	-0.8	1.3	6.4	4.7	May-05
<i>FTSE EPRA/NAREIT Global Real Estate Index</i>				10.3	-20.9	-15.5	-0.8	2.1	7.1	4.7	May-05
<i>eV Global REIT Net Median</i>				10.8	-18.0	-11.6	1.5	2.9	7.7	4.9	May-05
<i>eV Global REIT Net Rank</i>				60	79	80	73	78	79	61	May-05
Aberdeen Emerging Markets Equity	1,864,331	0.3	-221,587	23.0	-9.2	-4.7	0.7	3.0	4.2	4.8	Jun-07
<i>MSCI Emerging Markets</i>				18.1	-9.8	-3.4	1.9	2.9	3.3	2.3	Jun-07
<i>eV Emg Mkts Equity Net Median</i>				20.3	-10.1	-3.7	1.2	2.7	3.7	2.5	Jun-07
<i>eV Emg Mkts Equity Net Rank</i>				35	41	56	56	46	39	4	Jun-07
Self Directed Brokerage Options	6,414,446	1.0	291,362								

Total Fund | As of June 30, 2020

	Market Value (\$)	% of Portfolio	3 Mo Net Cash Flows (\$)	QTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Loan Account	12,329,387	1.9	-990,604								
Loan Account	12,329,387	1.9	-990,604								
Other	--	--		--	--	--	--	--	--	--	
Prudential Retirement Real Estate Fund II	--	--		-0.4	-2.8	0.4	--	--	--	4.4	Jan-18
PRREF II Custom Benchmark				0.3	-3.1	0.1	--	--	--	4.4	Jan-18
Columbia Institutional High Yield	--	--		9.2	-4.2	0.7	3.2	4.3	--	4.8	Dec-12
ICE BofA US High Yield Cash Pay Constrained TR				9.5	-4.8	-1.1	3.0	4.6	6.5	4.9	Dec-12
eV US High Yield Fixed Inc Net Median				9.2	-4.0	-0.6	2.8	4.0	6.2	4.5	Dec-12
eV US High Yield Fixed Inc Net Rank				51	52	24	33	29	--	33	Dec-12

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



New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Total Fund | As of June 30, 2020

	Calendar Year Performance									
	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)	2011 (%)	2010 (%)
Total Fund										
Tier I - Target Date Funds										
New Mexico Conservative Portfolio	11.4	-1.8	8.6	4.9	-1.3	4.4	4.2	9.3	2.9	6.7
<i>New Mexico Conservative Index</i>	11.6	-1.6	8.8	4.1	-1.1	4.0	4.0	8.5	3.1	6.0
<i>Allocation - 30% to 50% Equity Mstar MF Median</i>	15.5	-4.5	10.4	6.8	-1.2	4.2	7.1	10.2	2.2	10.4
<i>Allocation - 30% to 50% Equity Mstar MF Rank</i>	92	1	77	89	55	46	81	61	36	96
New Mexico LifeCycle 2020 Portfolio	12.9	-2.8	11.2	--	--	--	--	--	--	--
<i>New Mexico 2020 Benchmark</i>	12.7	-2.5	11.3	--	--	--	--	--	--	--
<i>Target Date 2020 Mstar MF Median</i>	16.3	-4.2	13.0	6.5	-1.1	5.1	13.3	12.2	-0.1	12.7
<i>Target Date 2020 Mstar MF Rank</i>	96	3	82	--	--	--	--	--	--	--
New Mexico LifeCycle 2025 Portfolio	15.9	-4.1	14.3	6.7	-1.6	6.0	13.5	16.5	-2.6	10.6
<i>New Mexico 2025 Benchmark</i>	15.5	-4.0	14.4	6.2	-1.7	5.3	14.2	14.6	-1.9	10.8
<i>Target Date 2025 Mstar MF Median</i>	18.8	-5.2	15.2	7.2	-1.2	5.2	16.7	13.3	-1.5	13.5
<i>Target Date 2025 Mstar MF Rank</i>	95	13	80	75	70	28	86	1	79	99
New Mexico LifeCycle 2030 Portfolio	18.2	-5.1	16.4	--	--	--	--	--	--	--
<i>New Mexico 2030 Benchmark</i>	17.7	-5.1	16.4	--	--	--	--	--	--	--
<i>Target Date 2030 Mstar MF Median</i>	20.9	-6.2	17.1	7.4	-1.1	5.4	19.3	13.9	-2.2	13.7
<i>Target Date 2030 Mstar MF Rank</i>	92	18	67	--	--	--	--	--	--	--
New Mexico LifeCycle 2035 Portfolio	19.6	-5.9	18.1	7.4	-1.9	5.7	16.3	18.4	-4.4	11.8
<i>New Mexico 2035 Benchmark</i>	19.0	-5.9	18.2	7.1	-2.2	4.9	17.1	16.2	-3.5	12.5
<i>Target Date 2035 Mstar MF Median</i>	22.5	-6.9	18.8	8.0	-1.4	5.5	20.9	15.3	-3.2	14.7
<i>Target Date 2035 Mstar MF Rank</i>	94	15	74	73	72	40	92	1	85	99

Total Fund | As of June 30, 2020

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

Total Fund | As of June 30, 2020

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

Total Fund | As of June 30, 2020

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

Total Fund | As of June 30, 2020

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



New Mexico Public Employees Retirement Association Smart Save Deferred Compensation Plan

Total Fund | As of June 30, 2020

	2019 (%)	2018 (%)	2017 (%)	2016 (%)	2015 (%)	2014 (%)	2013 (%)	2012 (%)	2011 (%)	2010 (%)
Loan Account										
Loan Account										
Other	--	--	--	--	--	--	--	--	--	--
Prudential Retirement Real Estate Fund II	8.2	5.8	--	--	--	--	--	--	--	--
<i>PRREF II Custom Benchmark</i>	8.1	6.3	--	--	--	--	--	--	--	--
Columbia Institutional High Yield	17.2	-4.1	6.6	11.6	-1.1	4.1	6.3	--	--	--
<i>ICE BofA US High Yield Cash Pay Constrained TR</i>	14.4	-2.2	7.5	17.3	-4.5	2.5	7.4	15.4	4.5	15.1
<i>eV US High Yield Fixed Inc Net Median</i>	13.5	-2.3	7.1	13.5	-3.3	1.9	7.3	14.8	3.7	14.1
<i>eV US High Yield Fixed Inc Net Rank</i>	3	89	61	71	21	15	75	--	--	--

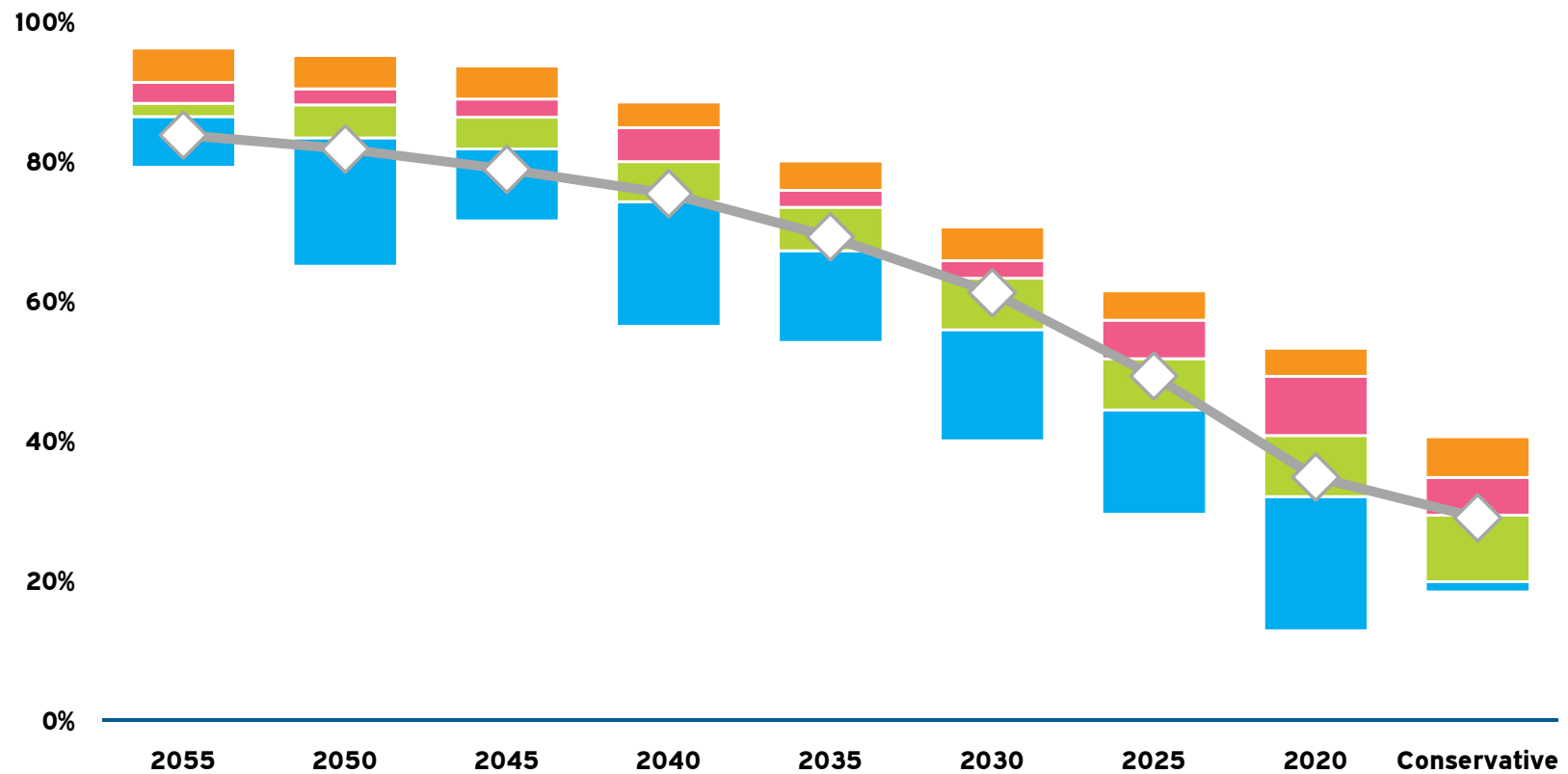
¹ Columbia Institutional High Yield and Prudential Retirement Real Estate Fund II are only offered as underlying components of the New Mexico LifeCycle Portfolios.

Total Fund | As of June 30, 2020

Investment Expense Analysis									
As Of June 30, 2020									
Name	Style	Market Value	Expense Ratio (%)	Estimated Fund Expense (\$)	Median Expense Ratio (%)	Net Expense Difference	Revenue Sharing (\$)	Revenue Sharing(%)	
Tier I - Target Date Funds		\$181,341,999							
New Mexico Conservative Portfolio	Target Date	\$40,951,894	0.35	144,744	0.42	-0.07	-	0.00	
New Mexico LifeCycle 2020 Portfolio	Target Date	\$4,205,525	0.36	14,955	0.63	-0.27	-	0.00	
New Mexico LifeCycle 2025 Portfolio	Target Date	\$54,215,192	0.36	197,446	0.64	-0.28	-	0.00	
New Mexico LifeCycle 2030 Portfolio	Target Date	\$6,629,702	0.37	24,601	0.66	-0.29	-	0.00	
New Mexico LifeCycle 2035 Portfolio	Target Date	\$34,290,132	0.40	138,834	0.67	-0.27	-	0.00	
New Mexico LifeCycle 2040 Portfolio	Target Date	\$5,527,959	0.43	23,801	0.69	-0.26	-	0.00	
New Mexico LifeCycle 2045 Portfolio	Target Date	\$19,615,553	0.43	83,984	0.71	-0.28	-	0.00	
New Mexico LifeCycle 2050 Portfolio	Target Date	\$4,125,351	0.43	17,615	0.71	-0.28	-	0.00	
New Mexico LifeCycle 2055 Portfolio	Target Date	\$11,780,692	0.43	50,337	0.72	-0.29	-	0.00	
Tier II - Passive Funds		\$137,714,980							
Vanguard Total Bond Market Index	Bonds	\$28,101,440	0.04	11,241	0.49	-0.45	-	0.00	
Vanguard Inflation-Protected Securities	Bonds	\$7,134,258	0.07	4,994	0.45	-0.38	-	0.00	
Vanguard Institutional Index (S&P 500)	US Large Cap	\$93,810,110	0.02	18,762	0.71	-0.69	-	0.00	
Vanguard Total International Stock Index	International Equity	\$8,669,172	0.08	6,935	0.85	-0.77	-	0.00	
Tier III - Active Funds		\$318,225,926							
New Mexico Stable Value Fund	Bonds (Stable Value)	\$137,335,375	0.35	480,674	0.50	-0.15	-	0.00	
Oakmark Equity & Income	Balanced	\$16,887,513	0.81	136,789	0.83	-0.02	\$60,937	0.30	
Dodge & Cox U.S. Equity	US Large Cap	\$27,004,554	0.52	140,424	0.87	-0.35	\$32,968	0.10	
Fidelity Contrafund	US Large Cap	\$54,715,682	0.77	421,311	0.62	0.15	-	0.00	
Fidelity Diversified International	International Equity	\$10,820,110	0.63	68,167	0.80	-0.17	-	0.00	
American Funds EuroPacific Growth	International Equity	\$9,000,223	0.46	41,401	0.80	-0.34	-	0.00	
Principal U.S. MidCap Equity	US Mid Cap	\$14,513,555	0.70	101,595	0.87	-0.17	\$16,352	0.10	
T. Rowe Price MidCap Growth	US Mid Cap	\$31,301,661	0.61	190,940	0.87	-0.26	-	0.00	
Fidelity Low-Priced Stock	US Mid Cap	\$7,356,014	0.43	31,631	0.80	-0.37	-	0.00	
Dimensional U.S. Small Cap Core	US Small Cap	\$9,291,238	0.35	32,519	0.96	-0.61	-	0.00	
Tier IV - Extended Choice		\$12,408,964							
Franklin Templeton Global Bond	International Bonds	\$2,199,027	0.56	12,315	0.67	-0.11	-	0.00	
Principal Diversified Real Asset	Real Assets	\$376,506	0.84	3,163	0.90	-0.06	\$417	0.10	
Invesco Global REITs	REITs	\$1,554,654	0.92	14,303	0.89	0.03	\$7,684	0.35	
Aberdeen Emerging Markets Equity	International Equity	\$1,864,331	1.10	20,508	1.14	-0.04	-	0.00	
Self Directed Brokerage Options	Brokerage Window	\$6,414,446	-	-	-	-	-	-	
Loan Account		\$12,329,387							
Loan Account	Other	\$12,329,387	-	-	-	-	-	-	
Other		-							
Columbia High Yield	Bonds	-	0.66	-	0.71	-0.05	-	0.00	
Prudential Retirement Real Estate Fund II	Private Real Estate	-	0.90	-	N/A	N/A	-	NA	
Total		\$662,021,256	0.37%	\$2,433,987			\$118,358	0.02	

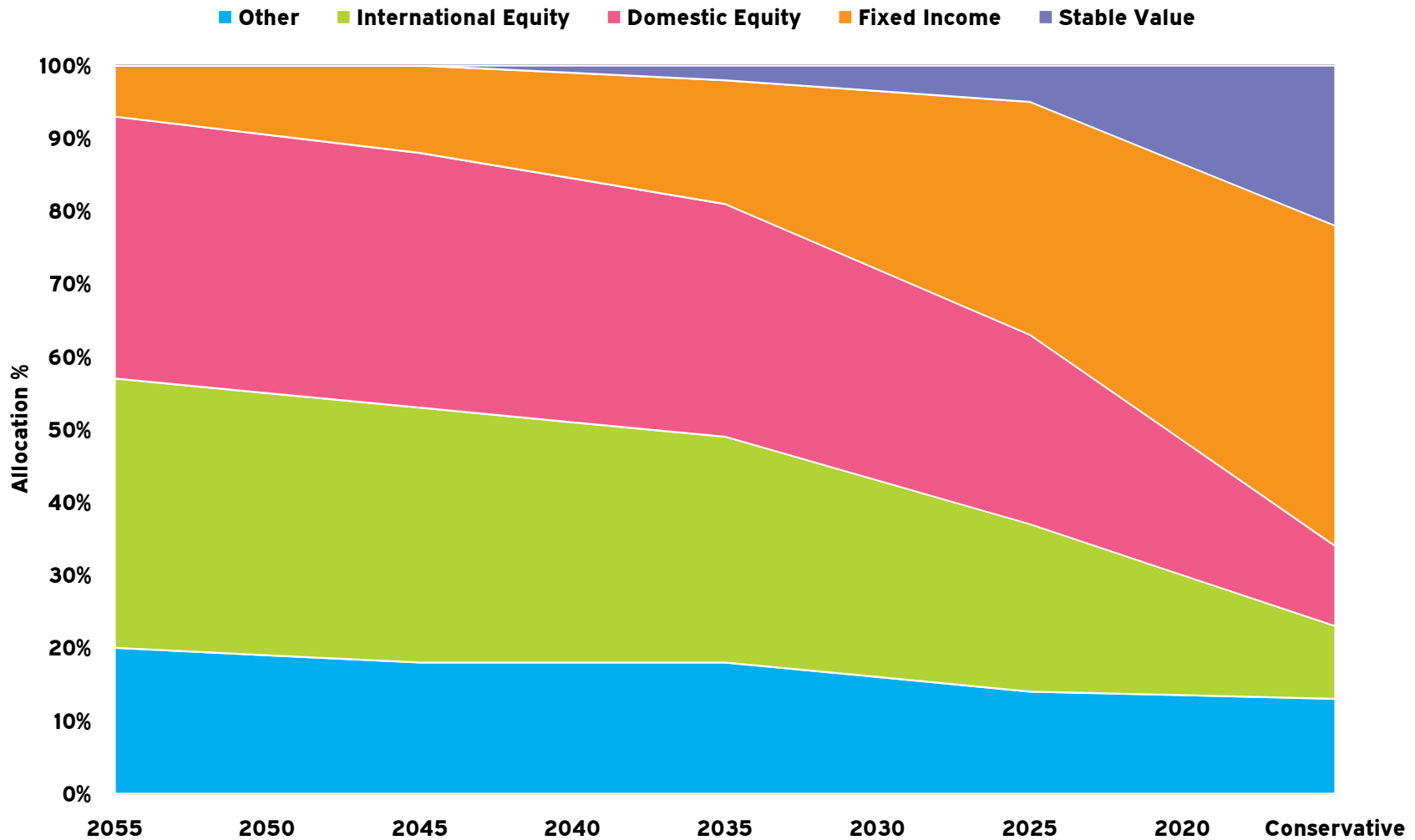
LifeCycle Funds Detail As of June 30, 2020

Glide Path Universe Comparison¹
% Allocation to Equity



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

Asset Allocation by Target Date



LifeCycle Funds Detail

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

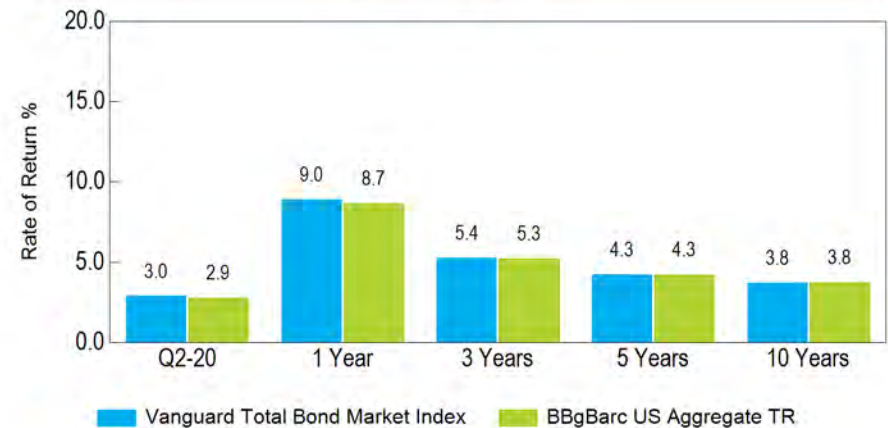
Portfolio Reviews

Vanguard Total Bond Market Index | As of June 30, 2020

Fund Information as of June 30, 2020

Fund Name	VANGUARD TOTAL BOND MARKET INDEX I
Ticker	VBPIX
Morningstar Category	Intermediate Core Bond
Benchmark	BBgBarc US Aggregate TR
Expense Ratio	0.04%
Fund Assets (\$mm)	50,823.69
Share Class Inception Date	9/18/1995
Manager Tenure	7

Return Summary Ending June 30, 2020



Fund Characteristics as of June 30, 2020

Sharpe Ratio (3 Year)	1.11
Average Duration	6.45
Average Coupon	3.09%
Average Effective Maturity	8.40
R-Squared (3 Year)	0.99
Alpha (3 Year)	0.00%
Beta (3 Year)	1.01

Credit Quality as of June 30, 2020

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

Fixed Income Sectors as of June 30, 2020

GOVERNMENT	43.86%
MUNICIPAL	0.66%
CORPORATE	28.16%
SECURITIZED	23.76%
CASH & EQUIVALENTS	3.56%
DERIVATIVE	0.00%

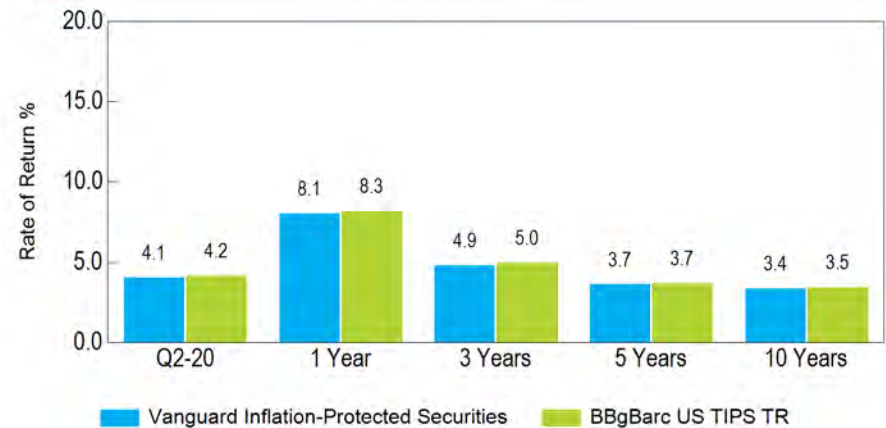
¹ The portfolio's equity characteristics are calculated by Morningstar. Index characteristics are calculated by InvestorForce using a different methodology, which accounts for the differences between the portfolio and the index.

Vanguard Inflation-Protected Securities | As of June 30, 2020

Fund Information as of June 30, 2020

Fund Name	VANGUARD INFLATION-PROTECTED SECS I
Ticker	VIPIX
Morningstar Category	Inflation-Protected Bond
Benchmark	BBgBarc US TIPS TR
Expense Ratio	0.07%
Fund Assets (\$mm)	10,708.48
Share Class Inception Date	12/12/2003
Manager Tenure	9

Return Summary Ending June 30, 2020



Fund Characteristics as of June 30, 2020

Sharpe Ratio (3 Year)	0.94
Average Duration	7.79
Average Coupon	0.74%
Average Effective Maturity	8.50
R-Squared (3 Year)	0.98
Alpha (3 Year)	0.02%
Beta (3 Year)	0.93

Credit Quality as of June 30, 2020

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

Fixed Income Sectors as of June 30, 2020

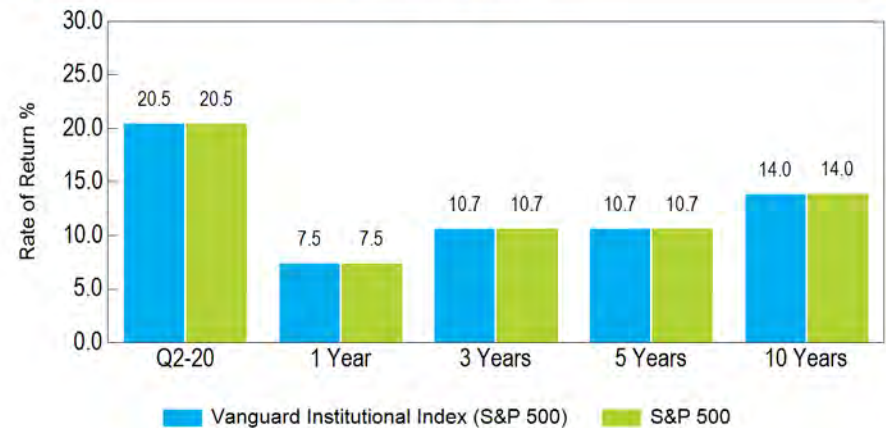
GOVERNMENT	99.6%
MUNICIPAL	0.0%
CORPORATE	0.0%
SECURITIZED	0.0%
CASH & EQUIVALENTS	0.4%
DERIVATIVE	0.0%

Vanguard Institutional Index (S&P 500) | As of June 30, 2020

Portfolio Fund Information as of June 30, 2020

Ticker	VIIIIX
Morningstar Category	Large Blend
Average Market Cap (\$mm)	138,714.66
Net Assets (\$mm)	118,598.39
% Assets in Top 10 Holdings	26.82
Total Number of Holdings	512
Manager Name	Donald M. Butler
Manager Tenure	20
Expense Ratio	0.02%
Closed to New Investors	No

Return Summary Ending June 30, 2020



Equity Characteristics Within Mutual Funds as of June 30, 2020 Versus S&P 500

	Portfolio	S&P 500
Average Market Cap (Billions)	138.71	370.73
Price To Earnings	23.17	22.85
Price To Book	2.93	4.16
Return On Equity	27.12	26.53
Dividend Yield	2.07%	1.81%
Beta (3 Year)	1.00	1.00

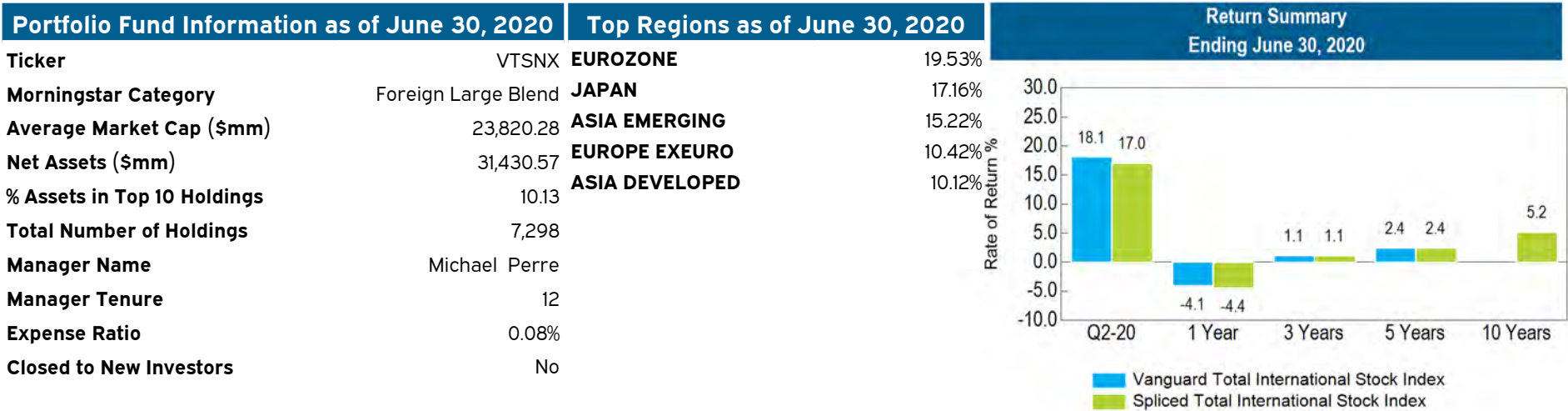
Top Holdings as of June 30, 2020

MICROSOFT CORP	6.0%
APPLE INC	5.8%
AMAZON.COM INC	4.5%
FACEBOOK INC A	2.1%
ALPHABET INC A	1.7%
ALPHABET INC CLASS C	1.6%
JOHNSON & JOHNSON	1.4%
BERKSHIRE HATHAWAY INC CLASS B	1.4%
VISA INC CLASS A	1.3%
PROCTER & GAMBLE CO	1.2%

Sector Allocation as of June 30, 2020

BASIC MATERIALS	2.2%
COMMUNICATION SERVICES	10.8%
CONSUMER CYCLICAL	10.6%
CONSUMER DEFENSIVE	7.4%
ENERGY	2.8%
FINANCIAL SERVICES	13.1%
HEALTHCARE	14.8%
INDUSTRIALS	8.4%
REAL ESTATE	2.9%
TECHNOLOGY	24.0%
UTILITIES	3.1%

Vanguard Total International Stock Index | As of June 30, 2020



Equity Characteristics Within Mutual Funds as of June 30, 2020 Versus FTSE All World ex US			Top Holdings as of June 30, 2020		Sector Allocation as of June 30, 2020	
	Portfolio	FTSE All World ex US	ALIBABA GROUP HOLDING LTD ADR	1.6%	BASIC MATERIALS	7.8%
			TENCENT HOLDINGS LTD	1.6%	COMMUNICATION SERVICES	8.1%
			NESTLE SA	1.3%	CONSUMER CYCLICAL	11.0%
			TAIWAN SEMICONDUCTOR	1.1%	CONSUMER DEFENSIVE	9.6%
			MANUFACTURING CO LTD	1.0%	ENERGY	4.8%
			ROCHE HOLDING AG DIVIDEND RIGHT CERT.	0.9%	FINANCIAL SERVICES	16.9%
			SAMSUNG ELECTRONICS CO LTD	0.9%	HEALTHCARE	10.7%
			NOVARTIS AG	0.8%	INDUSTRIALS	12.4%
			SAP SE	0.7%	REAL ESTATE	3.6%
			TOYOTA MOTOR CORP	0.7%	TECHNOLOGY	11.6%
			ASML HOLDING NV	0.6%	UTILITIES	3.5%
Average Market Cap (Billions)	23.82	76.56				
Price To Earnings	17.08	16.16				
Price To Book	1.34	2.67				
Return On Equity	14.23	13.79				
Dividend Yield	3.65%	2.91%				
Beta (3 Year)	1.03	1.00				
R-Squared (3 Year)	0.99	1.00				

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

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.

Oakmark Equity & Income | As of June 30, 2020

Portfolio Fund Information as of June 30, 2020

Ticker	OAKBX
Morningstar Category	Allocation--50% to 70% Equity
Average Market Cap (\$mm)	50,771.28
Net Assets (\$mm)	5,947.85
% Assets in Top 10 Holdings	35.02
Total Number of Holdings	248
Manager Name	Clyde S. McGregor
Manager Tenure	25
Expense Ratio	0.81%
Closed to New Investors	No

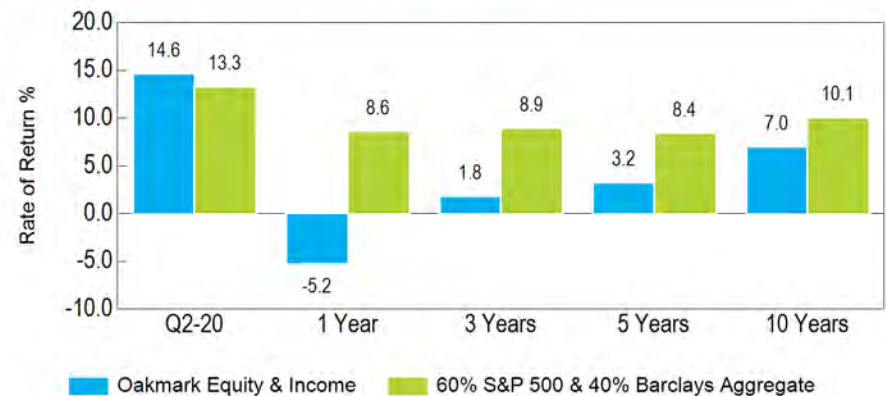
Fund Characteristics as of June 30, 2020

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

Sharpe Ratio (3 Year)	0.01
Average Market Cap (\$mm)	50,771.28
Price/Earnings	21.28
Price/Book	1.32
Price/Sales	0.88
Price/Cash Flow	5.58
Dividend Yield	2.78
Number of Equity Holdings	42
R-Squared (3 Year)	0.90
Alpha (3 Year)	-0.79%

Return Summary

Ending June 30, 2020



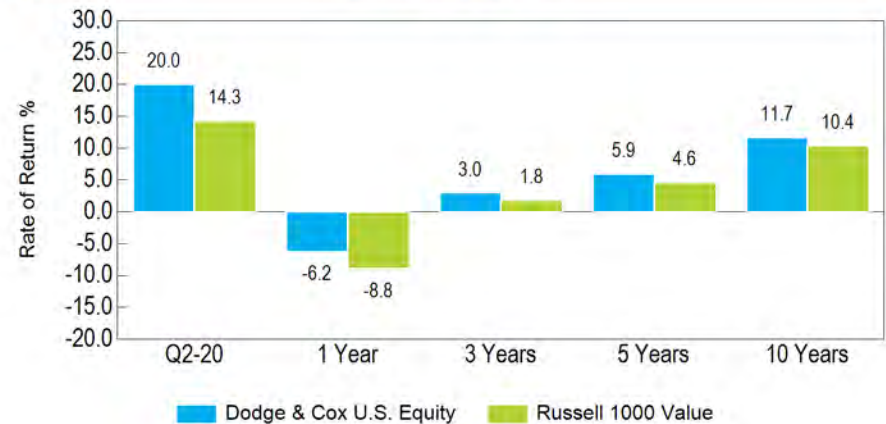
Top Holdings as of June 30, 2020

TE CONNECTIVITY LTD	4.9%
ALPHABET INC A	4.8%
BANK OF AMERICA CORP	4.7%
MASTERCARD INC A	4.0%
GENERAL MOTORS CO	3.5%
NESTLE SA ADR	2.9%
CVS HEALTH CORP	2.8%
BORGWARNER INC	2.6%
UNITED STATES TREASURY NOTES 2.38%	2.5%
PHILIP MORRIS INTERNATIONAL INC	2.3%

Portfolio Fund Information as of June 30, 2020

Ticker	DODGX
Morningstar Category	Large Value
Average Market Cap (\$mm)	53,025.93
Net Assets (\$mm)	59,920.12
% Assets in Top 10 Holdings	32.11
Total Number of Holdings	74
Manager Name	Bryan Cameron
Manager Tenure	29
Expense Ratio	0.52%
Closed to New Investors	Yes

Return Summary Ending June 30, 2020



Equity Characteristics Within Mutual Funds as of June 30, 2020

Versus Russell 1000 Value

	Portfolio	Russell 1000 Value
Average Market Cap (Billions)	53.03	102.44
Price To Earnings	15.09	17.33
Price To Book	1.20	2.41
Return On Equity	10.32	15.13
Dividend Yield	3.27%	2.61%
Beta (3 Year)	1.11	1.00
R-Squared (3 Year)	0.97	1.00

Top Holdings as of June 30, 2020

FEDEX CORP	3.7%
ALPHABET INC CLASS C	3.6%
MICROSOFT CORP	3.5%
CHARLES SCHWAB CORP	3.3%
BANK OF AMERICA CORP	3.3%
HP INC	3.2%
COMCAST CORP CLASS A	3.1%
CAPITAL ONE FINANCIAL CORP	3.0%
CIGNA CORP	2.7%
WELLS FARGO & CO	2.7%

Sector Allocation as of June 30, 2020

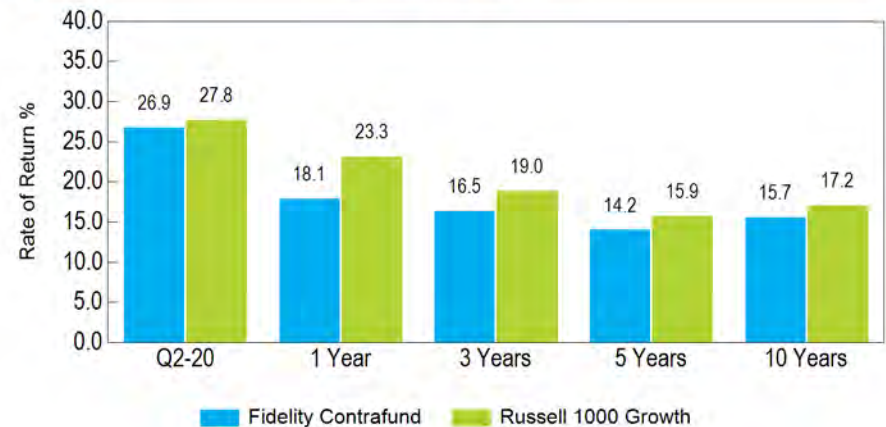
BASIC MATERIALS	1.3%
COMMUNICATION SERVICES	13.2%
CONSUMER CYCLICAL	2.9%
CONSUMER DEFENSIVE	0.9%
ENERGY	9.4%
FINANCIAL SERVICES	25.7%
HEALTHCARE	17.8%
INDUSTRIALS	8.8%
REAL ESTATE	0.0%
TECHNOLOGY	19.9%
UTILITIES	0.0%

Fidelity Contrafund | As of June 30, 2020

Portfolio Fund Information as of June 30, 2020

Ticker	FCNKX
Morningstar Category	Large Growth
Average Market Cap (\$mm)	216,548.49
Net Assets (\$mm)	21,933.95
% Assets in Top 10 Holdings	47.42
Total Number of Holdings	321
Manager Name	William Danoff
Manager Tenure	30
Expense Ratio	0.77%
Closed to New Investors	No

Return Summary Ending June 30, 2020



Equity Characteristics Within Mutual Funds as of June 30, 2020

Versus Russell 1000 Growth

	Portfolio	Russell 1000 Growth
Average Market Cap (Billions)	216.55	546.27
Price To Earnings	33.26	33.46
Price To Book	4.88	10.46
Return On Equity	24.41	34.52
Dividend Yield	0.64%	0.92%
Beta (3 Year)	1.00	1.00
R-Squared (3 Year)	0.98	1.00

Top Holdings as of June 30, 2020

AMAZON.COM INC	9.3%
FACEBOOK INC A	8.0%
MICROSOFT CORP	6.4%
BERKSHIRE HATHAWAY INC CLASS A	4.3%
SALESFORCE.COM INC	3.8%
ADOBE INC	3.5%
VISA INC CLASS A	3.4%
UNITEDHEALTH GROUP INC	3.0%
NETFLIX INC	2.9%
APPLE INC	2.8%

Sector Allocation as of June 30, 2020

BASIC MATERIALS	2.4%
COMMUNICATION SERVICES	18.9%
CONSUMER CYCLICAL	13.5%
CONSUMER DEFENSIVE	3.1%
ENERGY	0.4%
FINANCIAL SERVICES	14.6%
HEALTHCARE	15.5%
INDUSTRIALS	1.9%
REAL ESTATE	0.9%
TECHNOLOGY	28.9%
UTILITIES	0.2%

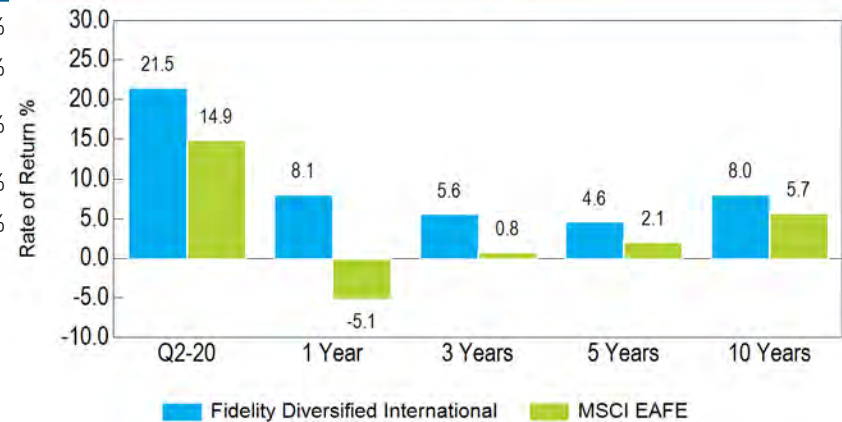
Portfolio Fund Information as of June 30, 2020

Ticker	FDIKX
Morningstar Category	Foreign Large Growth
Average Market Cap (\$mm)	46,208.38
Net Assets (\$mm)	3,793.89
% Assets in Top 10 Holdings	18.91
Total Number of Holdings	170
Manager Name	William Bower
Manager Tenure	19
Expense Ratio	0.63%
Closed to New Investors	No

Top Regions as of June 30, 2020

EUROZONE	28.84%
JAPAN	18.40%
UNITED KINGDOM	12.79%
EUROPE EXEIRO	11.41%
ASIA EMERGING	10.80%

Return Summary Ending June 30, 2020



Equity Characteristics Within Mutual Funds as of June 30, 2020 Versus MSCI EAFE

	Portfolio	MSCI EAFE
Average Market Cap (Billions)	46.21	60.72
Price To Earnings	24.69	17.15
Price To Book	2.86	2.72
Return On Equity	17.72	13.76
Dividend Yield	1.88%	2.91%
Beta (3 Year)	0.99	1.00
R-Squared (3 Year)	0.94	1.00

Top Holdings as of June 30, 2020

ROCHE HOLDING AG DIVIDEND RIGHT CERT.	2.8%
ASML HOLDING NV ADR	2.6%
SAP SE	2.6%
KEYENCE CORP	1.8%
AIA GROUP LTD	1.6%
SANOFI SA	1.6%
HOYA CORP	1.5%
ASTRAZENECA PLC	1.5%
LONDON STOCK EXCHANGE GROUP PLC	1.4%

Sector Allocation as of June 30, 2020

BASIC MATERIALS	5.5%
COMMUNICATION SERVICES	5.8%
CONSUMER CYCLICAL	7.8%
CONSUMER DEFENSIVE	8.0%
ENERGY	2.0%
FINANCIAL SERVICES	18.1%
HEALTHCARE	18.2%
INDUSTRIALS	12.9%
REAL ESTATE	1.0%
TECHNOLOGY	18.7%
UTILITIES	2.1%

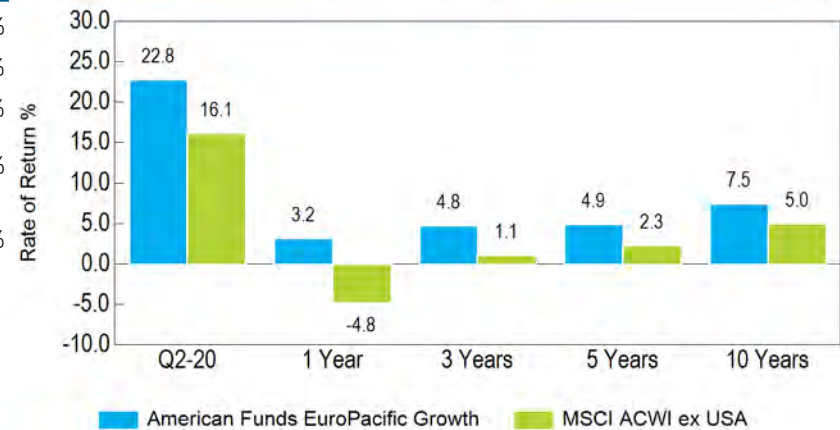
Portfolio Fund Information as of June 30, 2020

Ticker	RERGX
Morningstar Category	Foreign Large Growth
Average Market Cap (\$mm)	49,014.37
Net Assets (\$mm)	71,104.44
% Assets in Top 10 Holdings	21.66
Total Number of Holdings	338
Manager Name	Carl M. Kawaja
Manager Tenure	19
Expense Ratio	0.46%
Closed to New Investors	No

Top Regions as of June 30, 2020

EUROZONE	24.18%
ASIA EMERGING	20.50%
JAPAN	15.75%
UNITED KINGDOM	8.73%
ASIA DEVELOPED	8.65%

Return Summary Ending June 30, 2020



Equity Characteristics Within Mutual Funds as of June 30, 2020

Versus MSCI ACWI ex USA

	Portfolio	MSCI ACWI ex USA
Average Market Cap (Billions)	49.01	79.40
Price To Earnings	24.81	16.40
Price To Book	2.17	2.72
Return On Equity	12.82	14.19
Dividend Yield	1.99%	2.87%
Beta (3 Year)	1.04	1.00
R-Squared (3 Year)	0.96	1.00

Top Holdings as of June 30, 2020

RELIANCE INDUSTRIES LTD	2.9%
ASML HOLDING NV	2.8%
MERCADOLIBRE INC	2.7%
AIA GROUP LTD	2.4%
ALIBABA GROUP HOLDING LTD	2.4%
ORDINARY SHARES	2.4%
DAIICHI SANKYO CO LTD	2.1%
SHOPIFY INC A	1.8%
KEYENCE CORP	1.7%
LVMH MOET HENNESSY LOUIS	1.6%
VUITTON SE	

Sector Allocation as of June 30, 2020

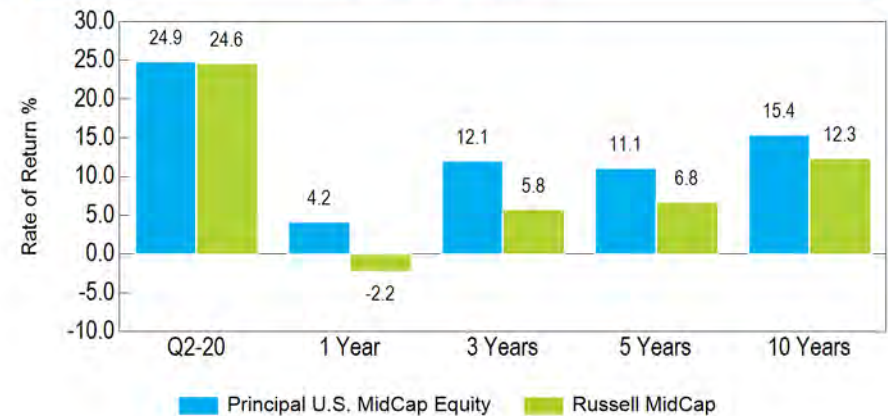
BASIC MATERIALS	5.8%
COMMUNICATION SERVICES	8.4%
CONSUMER CYCLICAL	15.6%
CONSUMER DEFENSIVE	5.9%
ENERGY	5.7%
FINANCIAL SERVICES	14.4%
HEALTHCARE	15.5%
INDUSTRIALS	8.4%
REAL ESTATE	1.3%
TECHNOLOGY	15.9%
UTILITIES	3.1%

Principal U.S. MidCap Equity | As of June 30, 2020

Portfolio Fund Information as of June 30, 2020

Ticker	PCBIX
Morningstar Category	Mid-Cap Growth
Average Market Cap (\$mm)	18,222.39
Net Assets (\$mm)	11,686.31
% Assets in Top 10 Holdings	30.87
Total Number of Holdings	83
Manager Name	K. William Nolin
Manager Tenure	20
Expense Ratio	0.70%
Closed to New Investors	No

Return Summary Ending June 30, 2020



Equity Characteristics Within Mutual Funds as of June 30, 2020 Versus Russell MidCap

	Portfolio	Russell MidCap
Average Market Cap (Billions)	18.22	15.29
Price To Earnings	32.40	19.79
Price To Book	2.65	3.20
Return On Equity	16.05	12.92
Dividend Yield	0.89%	1.69%
Beta (3 Year)	0.96	1.00
R-Squared (3 Year)	0.94	1.00

Top Holdings as of June 30, 2020

TRANSDIGM GROUP INC	4.2%
BROOKFIELD ASSET MANAGEMENT INC CLASS A	4.1%
CARMAX INC	3.4%
SBA COMMUNICATIONS CORP	3.0%
AUTODESK INC	3.0%
WIX.COM LTD	2.9%
O'REILLY AUTOMOTIVE INC	2.8%
BLACK KNIGHT INC A	2.7%
COPART INC	2.6%
MARKEL CORP	2.4%

Sector Allocation as of June 30, 2020

BASIC MATERIALS	4.4%
COMMUNICATION SERVICES	6.2%
CONSUMER CYCLICAL	16.3%
CONSUMER DEFENSIVE	1.1%
ENERGY	0.0%
FINANCIAL SERVICES	20.8%
HEALTHCARE	2.6%
INDUSTRIALS	16.4%
REAL ESTATE	8.9%
TECHNOLOGY	21.1%
UTILITIES	2.2%

T. Rowe Price MidCap Growth | As of June 30, 2020

Portfolio Fund Information as of June 30, 2020

Ticker	PMEGX
Morningstar Category	Mid-Cap Growth
Average Market Cap (\$mm)	15,358.89
Net Assets (\$mm)	6,976.66
% Assets in Top 10 Holdings	20.19
Total Number of Holdings	136
Manager Name	Brian W.H. Berghuis
Manager Tenure	24
Expense Ratio	0.61%
Closed to New Investors	Yes

Return Summary Ending June 30, 2020



Equity Characteristics Within Mutual Funds as of June 30, 2020

Versus Russell MidCap Growth

	Portfolio	Russell MidCap Growth
Average Market Cap (Billions)	15.36	18.17
Price To Earnings	27.39	33.99
Price To Book	3.21	9.33
Return On Equity	12.23	17.01
Dividend Yield	0.86%	0.59%
Beta (3 Year)	0.99	1.00
R-Squared (3 Year)	0.97	1.00

Top Holdings as of June 30, 2020

TELEFLEX INC	2.7%
HOLOGIC INC	2.4%
IAC INTERACTIVECOR	2.4%
BALL CORP	2.1%
MICROCHIP TECHNOLOGY INC	1.9%
CATALENT INC	1.9%
AGILENT TECHNOLOGIES INC	1.8%
DOLLAR GENERAL CORP	1.8%
THE COOPER COMPANIES INC	1.8%
MARVELL TECHNOLOGY GROUP LTD	1.5%

Sector Allocation as of June 30, 2020

BASIC MATERIALS	2.7%
COMMUNICATION SERVICES	1.4%
CONSUMER CYCLICAL	14.8%
CONSUMER DEFENSIVE	4.9%
ENERGY	1.2%
FINANCIAL SERVICES	6.3%
HEALTHCARE	25.3%
INDUSTRIALS	15.5%
REAL ESTATE	1.1%
TECHNOLOGY	25.1%
UTILITIES	1.5%

Fidelity Low-Priced Stock | As of June 30, 2020

Portfolio Fund Information as of June 30, 2020

Ticker	FLPKX
Morningstar Category	Mid-Cap Value
Average Market Cap (\$mm)	7,776.93
Net Assets (\$mm)	4,162.78
% Assets in Top 10 Holdings	32.92
Total Number of Holdings	758
Manager Name	Joel C. Tillinghast
Manager Tenure	31
Expense Ratio	0.43%
Closed to New Investors	No

Return Summary Ending June 30, 2020



Equity Characteristics Within Mutual Funds as of June 30, 2020

Versus Russell 2500 Value

	Portfolio	Russell 2500 Value
Average Market Cap (Billions)	7.78	4.41
Price To Earnings	10.89	11.57
Price To Book	1.23	1.90
Return On Equity	21.80	7.71
Dividend Yield	2.02%	2.74%
Beta (3 Year)	1.03	1.00
R-Squared (3 Year)	0.90	1.00

Top Holdings as of June 30, 2020

UNITEDHEALTH GROUP INC	6.0%
FIDELITY RESERVE	5.6%
METRO INC	5.6%
ROSS STORES INC	3.5%
NEXT PLC	3.1%
AMGEN INC	2.9%
AUTOZONE INC	2.9%
BEST BUY CO INC	2.9%
SEAGATE TECHNOLOGY PLC	2.8%
METLIFE INC	2.3%
ANTHEM INC	2.3%

Sector Allocation as of June 30, 2020

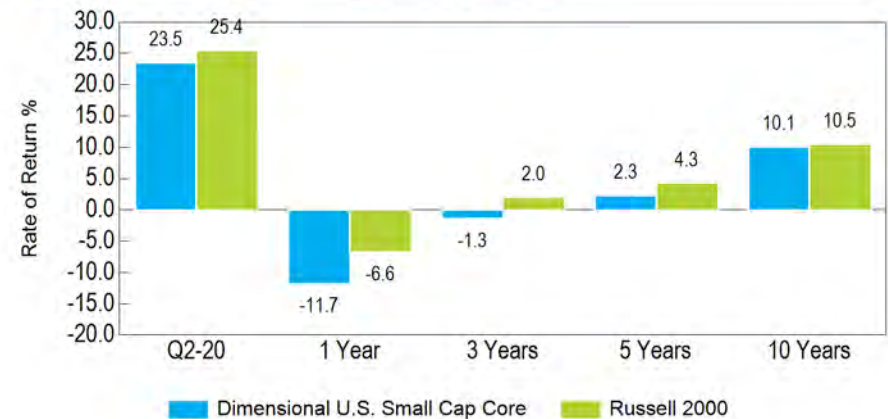
BASIC MATERIALS	3.8%
COMMUNICATION SERVICES	1.9%
CONSUMER CYCLICAL	24.4%
CONSUMER DEFENSIVE	13.7%
ENERGY	3.7%
FINANCIAL SERVICES	12.4%
HEALTHCARE	14.0%
INDUSTRIALS	7.6%
REAL ESTATE	0.3%
TECHNOLOGY	15.5%
UTILITIES	2.5%

Dimensional U.S. Small Cap Core | As of June 30, 2020

Portfolio Fund Information as of June 30, 2020

Ticker	DFSTX
Morningstar Category	Small Blend
Average Market Cap (\$mm)	1,805.74
Net Assets (\$mm)	13,560.09
% Assets in Top 10 Holdings	4.91
Total Number of Holdings	2,072
Manager Name	Jed S. Fogdall
Manager Tenure	8
Expense Ratio	0.35%
Closed to New Investors	No

Return Summary Ending June 30, 2020



Equity Characteristics Within Mutual Funds as of June 30, 2020 Versus Russell 2000

	Portfolio	Russell 2000
Average Market Cap (Billions)	1.81	2.08
Price To Earnings	17.91	16.18
Price To Book	1.43	2.68
Return On Equity	8.43	-6.07
Dividend Yield	1.70%	1.38%
Beta (3 Year)	1.02	1.00
R-Squared (3 Year)	0.99	1.00

Top Holdings as of June 30, 2020

S+P500 EMINI FUT SEP20 XCME	1.3%
20200918	
HORIZON THERAPEUTICS PLC	0.6%
QUIDEL CORP	0.5%
TECH DATA CORP	0.4%
AMEDISYS INC	0.4%
TREX CO INC	0.4%
HELEN OF TROY LTD	0.4%
DECKERS OUTDOOR CORP	0.3%
FTI CONSULTING INC	0.3%
LHC GROUP INC	0.3%

Sector Allocation as of June 30, 2020

BASIC MATERIALS	4.7%
COMMUNICATION SERVICES	3.6%
CONSUMER CYCLICAL	13.5%
CONSUMER DEFENSIVE	5.6%
ENERGY	2.9%
FINANCIAL SERVICES	18.6%
HEALTHCARE	11.3%
INDUSTRIALS	21.0%
REAL ESTATE	0.5%
TECHNOLOGY	14.8%
UTILITIES	3.6%

Fund Information as of June 30, 2020

Fund Name	TEMPLETON GLOBAL BOND R6
Ticker	FBNRX
Morningstar Category	Nontraditional Bond
Benchmark	FTSE WGBI TR
Expense Ratio	0.56%
Fund Assets (\$mm)	3,820.26
Share Class Inception Date	5/1/2013
Manager Tenure	19

Top Regions as of June 30, 2020

UNITED STATES	41.65%
ASIA EMERGING	27.24%
LATIN AMERICA	18.78%
ASIA DEVELOPED	7.75%
EUROZONE	4.43%
AFRICA	0.15%

Return Summary Ending June 30, 2020



Fund Characteristics as of June 30, 2020

Sharpe Ratio (3 Year)	-0.35
Average Duration	2.73
Average Coupon	5.61%
Average Effective Maturity	2.44
R-Squared (3 Year)	0.18
Alpha (3 Year)	1.01
Beta (3 Year)	-0.81

Credit Quality as of June 30, 2020

AAA	54.1%
AA	6.0%
A	4.0%
BBB	15.0%
BB	15.2%
B	2.3%
Below B	3.1%
Not Rated	0.3%

Fixed Income Sectors as of June 30, 2020

GOVERNMENT	71.8%
MUNICIPAL	0.0%
CORPORATE	0.1%
SECURITIZED	0.0%
CASH & EQUIVALENTS	28.2%
DERIVATIVE	0.0%

Principal Diversified Real Asset | As of June 30, 2020

Portfolio Fund Information as of June 30, 2020

Ticker	PDRDX
Morningstar Category	World Allocation
Average Market Cap (\$mm)	12,814.91
Net Assets (\$mm)	1,902.11
% Assets in Top 10 Holdings	19.60
Total Number of Holdings	1,016
Manager Name	Kelly A. Grossman
Manager Tenure	10
Expense Ratio	0.84%
Closed to New Investors	No

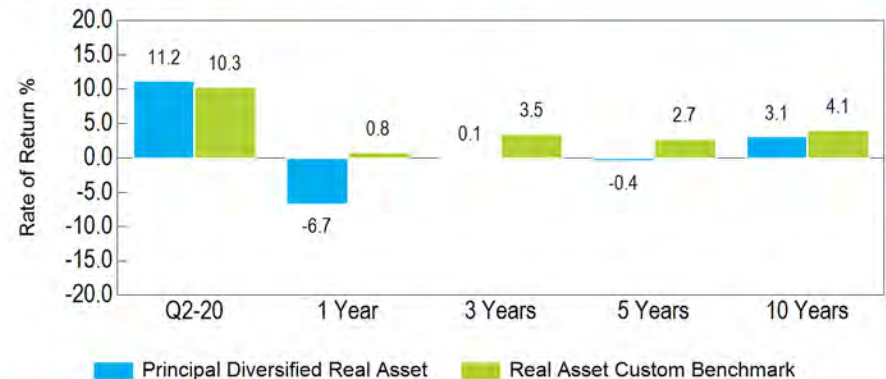
Fund Characteristics as of June 30, 2020

Versus Real Asset Custom Benchmark

Sharpe Ratio (3 Year)	-0.13
Average Market Cap (\$mm)	12,814.91
Price/Earnings	21.08
Price/Book	1.41
Price/Sales	1.19
Price/Cash Flow	6.88
Dividend Yield	4.53
Number of Equity Holdings	335
R-Squared (3 Year)	0.94
Alpha (3 Year)	-0.35%

Return Summary

Ending June 30, 2020



Top Holdings as of June 30, 2020

DRACAY CREDIT SUISSE - 30	9.4%
RECV CME INTEREST RATE SW_RECEIVE	1.8%
FUTURE ON 2 YEAR TREASURY NOTE FUTURE DEC 20	1.8%
PAYB CME INTEREST RATE SW_PAY	1.2%
2 YEAR INTEREST RATE SWAP	1.0%
ULTRA 10 YEAR US TREASURY NOTE FUTURE SEPT 20	1.0%
UNITED STATES TREASURY NOTES 0.38%	0.9%
UNITED STATES TREASURY NOTES 0.12%	0.9%
UNITED STATES TREASURY NOTES 0.62%	0.8%
UNITED STATES TREASURY NOTES 0.12%	0.8%

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

Aberdeen Emerging Markets Equity | As of June 30, 2020

Portfolio Fund Information as of June 30, 2020

Ticker	ABEMX
Morningstar Category	Diversified Emerging Mkts
Average Market Cap (\$mm)	61,867.68
Net Assets (\$mm)	3,134.87
% Assets in Top 10 Holdings	41.31
Total Number of Holdings	58
Manager Name	Mark Gordon-James
Manager Tenure	13
Expense Ratio	1.10%
Closed to New Investors	No

Top Regions as of June 30, 2020

ASIA EMERGING	54.03%
ASIA DEVELOPED	23.94%
LATIN AMERICA	10.16%
EUROPE EMERGING	5.39%
EUROZONE	3.31%

Return Summary Ending June 30, 2020



Equity Characteristics Within Mutual Funds as of June 30, 2020

Versus MSCI Emerging Markets

	Portfolio	Emerging Markets
Average Market Cap (Billions)	61.87	130.73
Price To Earnings	19.37	15.55
Price To Book	2.45	2.94
Return On Equity	18.16	15.61
Dividend Yield	2.39%	2.66%
Beta (3 Year)	1.03	1.00
R-Squared (3 Year)	0.94	1.00

Top Holdings as of June 30, 2020

TENCENT HOLDINGS LTD	9.1%
SAMSUNG ELECTRONICS CO LTD	7.7%
PARTICIPATING PREFERRED	6.9%
TAIWAN SEMICONDUCTOR MANUFACTURING CO LTD	6.9%
PING AN INSURANCE (GROUP) CO. OF CHINA LTD CLASS H	3.8%
HOUSING DEVELOPMENT FINANCE CORP LTD	2.5%
NASPERS LTD CLASS N	2.5%
CHINA TOURISM GROUP DUTY FREE CORP LTD CLASS A	2.3%
CHINA RESOURCES LAND LTD	2.2%
KWEICHOW MOUTAI CO LTD	2.2%

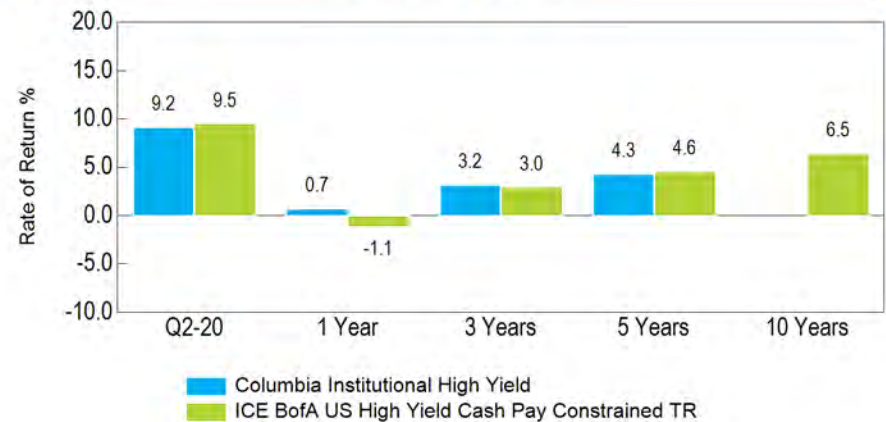
Sector Allocation as of June 30, 2020

BASIC MATERIALS	5.9%
COMMUNICATION SERVICES	18.4%
CONSUMER CYCLICAL	11.2%
CONSUMER DEFENSIVE	8.9%
ENERGY	3.0%
FINANCIAL SERVICES	21.6%
HEALTHCARE	1.3%
INDUSTRIALS	2.6%
REAL ESTATE	3.8%
TECHNOLOGY	22.3%
UTILITIES	1.1%

Fund Information as of June 30, 2020

Fund Name	COLUMBIA HIGH YIELD BOND INST3
Ticker	CHYYX
Morningstar Category	High Yield Bond
Benchmark	ICE BofA US High Yield Cash Pay Constrained TR
Expense Ratio	0.66%
Fund Assets (\$mm)	352.38
Share Class Inception Date	11/8/2012
Manager Tenure	10

Return Summary Ending June 30, 2020



Fund Characteristics as of June 30, 2020

Sharpe Ratio (3 Year)	0.17
Average Duration	4.26
Average Coupon	5.97%
Average Effective Maturity	5.38
R-Squared (3 Year)	0.98
Alpha (3 Year)	0.02%
Beta (3 Year)	0.99

Credit Quality as of June 30, 2020

AAA	0.6%
AA	0.0%
A	0.0%
BBB	0.8%
BB	42.5%
B	38.8%
Below B	16.1%
Not Rated	1.1%

Fixed Income Sectors as of June 30, 2020

GOVERNMENT	0.0%
MUNICIPAL	0.0%
CORPORATE	97.5%
SECURITIZED	0.0%
CASH & EQUIVALENTS	2.5%
DERIVATIVE	0.0%

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

Prudential Retirement Real Estate Fund II | As of June 30, 2020

Account Information

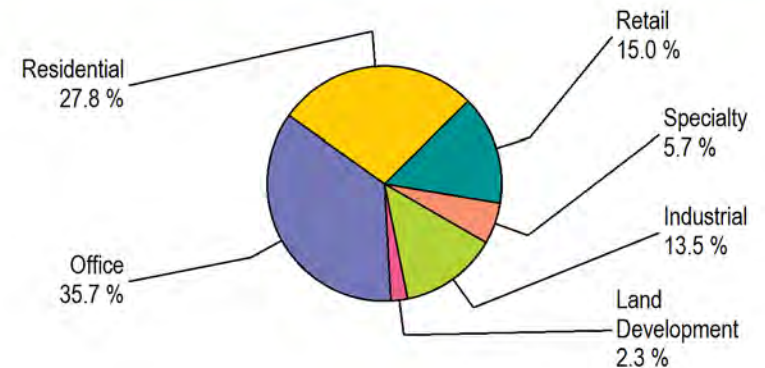
Account Name	Prudential Retirement Real Estate Fund II
Account Structure	Other
Investment Style	Active
Inception Date	1/01/18
Account Type	Real Estate
Benchmark	PRREF II Custom Benchmark
Expense Ratio	0.90%

	QTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	Inception (%)	Inception Date
Prudential Retirement Real Estate Fund II	-0.4	0.4	--	--	4.4	Jan-18
PRREF II Custom Benchmark	0.3	0.1	--	--	4.4	Jan-18

Geographic Diversification Allocation as of June 30, 2020



Property Type Allocation Allocation as of June 30, 2020



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

Benchmark History

As of June 30, 2020

New Mexico Conservative Portfolio

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

New Mexico LifeCycle 2020 Portfolio

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

1/1/2017	12/31/2017	15.2% Citigroup 3-month Treasury Bill + 1% / 17.8% BBgBarc US Aggregate TR / 9.2% BBgBarc US TIPS TR / 5% FTSE WGBI TR / 7.2% BBgBarc US High Yield TR / 12% S&P 500 / 5% Russell 2500 / 10.6% MSCI ACWI ex USA / 4.6% MSCI Emerging Markets / 8.4% FTSE EPRA/NAREIT Global Real Estate Index / 5% Real Asset Custom Benchmark
6/30/2016	12/31/2016	13.5% FTSE T-Bill 3 Months TR / 8.5% BBgBarc US TIPS TR / 20.5% BBgBarc US Aggregate TR / 14.3% S&P 500 / 5.8% Russell 2500 / 12.5% MSCI EAFE / 6% FTSE WGBI TR / 8.5% FTSE EPRA/NAREIT Global Real Estate Index / 5.5% MSCI Emerging Markets / 5% Real Asset Custom Benchmark
New Mexico LifeCycle 2025 Portfolio		
1/1/2020	Present	11.8% Citigroup 3-month Treasury Bill + 1% / 17.2% BBgBarc US Aggregate TR / 7.8% BBgBarc US TIPS TR / 5% FTSE WGBI TR / 6.8% BBgBarc US High Yield TR / 14.1% S&P 500 / 5.9% Russell 2500 / 12.6% MSCI ACWI ex USA / 5.2% MSCI Emerging Markets / 8.6% PRREF II Custom Benchmark / 5% Real Asset Custom Benchmark
1/1/2019	12/31/2019	10.1% Citigroup 3-month Treasury Bill + 1% / 16.9% BBgBarc US Aggregate TR / 7.1% BBgBarc US TIPS TR / 5% FTSE WGBI TR / 6.6% BBgBarc US High Yield TR / 15.2% S&P 500 / 6.3% Russell 2500 / 13.7% MSCI ACWI ex USA / 5.4% MSCI Emerging Markets / 8.7% PRREF II Custom Benchmark / 5% Real Asset Custom Benchmark
1/1/2018	12/31/2018	8.4% Citigroup 3-month Treasury Bill + 1% / 16.6% BBgBarc US Aggregate TR / 6.4% BBgBarc US TIPS TR / 5% FTSE WGBI TR / 6.4% BBgBarc US High Yield TR / 16.3% S&P 500 / 6.7% Russell 2500 / 14.8% MSCI ACWI ex USA / 5.6% MSCI Emerging Markets / 8.8% PRREF II Custom Benchmark / 5% Real Asset Custom Benchmark
1/1/2017	12/31/2017	6.7% Citigroup 3-month Treasury Bill + 1% / 16.3% BBgBarc US Aggregate TR / 5.7% BBgBarc US TIPS TR / 5% FTSE WGBI TR / 6.2% BBgBarc US High Yield TR / 17.4% S&P 500 / 7.1% Russell 2500 / 15.9% MSCI ACWI ex USA / 5.8% MSCI Emerging Markets / 8.9% FTSE EPRA/NAREIT Global Real Estate Index / 5% Real Asset Custom Benchmark
5/1/2016	12/31/2016	5% FTSE T-Bill 3 Months TR / 5% BBgBarc US TIPS TR / 19% BBgBarc US Aggregate TR / 18.5% S&P 500 / 8.5% Russell 2500 / 17% MSCI EAFE / 6% FTSE WGBI TR / 9% FTSE EPRA/NAREIT Global Real Estate Index / 7% MSCI Emerging Markets / 5% Real Asset Custom Benchmark
New Mexico LifeCycle 2030 Portfolio		
1/1/2020	Present	4.7% Citigroup 3-month Treasury Bill + 1% / 14.9% BBgBarc US Aggregate TR / 4.8% BBgBarc US TIPS TR / 4.9% FTSE WGBI TR / 5.9% BBgBarc US High Yield TR / 18.9% S&P 500 / 7.7% Russell 2500 / 17.4% MSCI ACWI ex USA / 6.4% MSCI Emerging Markets / 9.2% PRREF II Custom Benchmark / 5.2% Real Asset Custom Benchmark
1/1/2019	12/31/2019	4.4% Citigroup 3-month Treasury Bill + 1% / 13.8% BBgBarc US Aggregate TR / 4.6% BBgBarc US TIPS TR / 4.8% FTSE WGBI TR / 5.8% BBgBarc US High Yield TR / 19.3% S&P 500 / 7.9% Russell 2500 / 17.8% MSCI ACWI ex USA / 6.8% MSCI Emerging Markets / 9.4% PRREF II Custom Benchmark / 5.4% Real Asset Custom Benchmark
1/1/2018	12/31/2018	4.1% Citigroup 3-month Treasury Bill + 1% / 12.7% BBgBarc US Aggregate TR / 4.4% BBgBarc US TIPS TR / 4.7% FTSE WGBI TR / 5.7% BBgBarc US High Yield TR / 19.7% S&P 500 / 8.1% Russell 2500 / 18.2% MSCI ACWI ex USA / 7.2% MSCI Emerging Markets / 9.6% PRREF II Custom Benchmark / 5.6% Real Asset Custom Benchmark

1/1/2017	12/31/2017	3.8% Citigroup 3-month Treasury Bill + 1% / 11.6% BBgBarc US Aggregate TR / 4.2% BBgBarc US TIPS TR / 4.6% FTSE WGBI TR / 5.6% BBgBarc US High Yield TR / 20.1% S&P 500 / 8.3% Russell 2500 / 18.6% MSCI ACWI ex USA / 7.6% MSCI Emerging Markets / 9.8% FTSE EPRA/NAREIT Global Real Estate Index / 5.8% Real Asset Custom Benchmark
6/30/2016	12/31/2016	3.5% FTSE T-Bill 3 Months TR / 4% BBgBarc US TIPS TR / 13% BBgBarc US Aggregate TR / 20.8% S&P 500 / 9.3% Russell 2500 / 19.5% MSCI EAFE / 5.5% FTSE WGBI TR / 10% FTSE EPRA/NAREIT Global Real Estate Index / 8.5% MSCI Emerging Markets / 6% Real Asset Custom Benchmark
New Mexico LifeCycle 2035 Portfolio		
1/1/2020	Present	3.2% Citigroup 3-month Treasury Bill + 1% / 9.4% BBgBarc US Aggregate TR / 3.8% BBgBarc US TIPS TR / 4.4% FTSE WGBI TR / 5.4% BBgBarc US High Yield TR / 20.8% S&P 500 / 8.8% Russell 2500 / 19.5% MSCI ACWI ex USA / 8.3% MSCI Emerging Markets / 10.2% PRREF II Custom Benchmark / 6.2% Real Asset Custom Benchmark
1/1/2019	12/31/2019	2.9% Citigroup 3-month Treasury Bill + 1% / 8.3% BBgBarc US Aggregate TR / 3.6% BBgBarc US TIPS TR / 4.3% FTSE WGBI TR / 5.3% BBgBarc US High Yield TR / 21.1% S&P 500 / 9.1% Russell 2500 / 20% MSCI ACWI ex USA / 8.6% MSCI Emerging Markets / 10.4% PRREF II Custom Benchmark / 6.4% Real Asset Custom Benchmark
1/1/2018	12/31/2018	2.6% Citigroup 3-month Treasury Bill + 1% / 7.2% BBgBarc US Aggregate TR / 3.4% BBgBarc US TIPS TR / 4.2% FTSE WGBI TR / 5.2% BBgBarc US High Yield TR / 21.4% S&P 500 / 9.4% Russell 2500 / 20.5% MSCI ACWI ex USA / 8.9% MSCI Emerging Markets / 10.6% PRREF II Custom Benchmark / 6.6% Real Asset Custom Benchmark
1/1/2017	12/31/2017	2.3% Citigroup 3-month Treasury Bill + 1% / 6.1% BBgBarc US Aggregate TR / 3.2% BBgBarc US TIPS TR / 4.1% FTSE WGBI TR / 5.1% BBgBarc US High Yield TR / 21.7% S&P 500 / 9.7% Russell 2500 / 21% MSCI ACWI ex USA / 9.2% MSCI Emerging Markets / 10.8% FTSE EPRA/NAREIT Global Real Estate Index / 6.8% Real Asset Custom Benchmark
5/1/2016	12/31/2016	2% FTSE T-Bill 3 Months TR / 3% BBgBarc US TIPS TR / 7% BBgBarc US Aggregate TR / 23% S&P 500 / 10% Russell 2500 / 22% MSCI EAFE / 5% FTSE WGBI TR / 11% FTSE EPRA/NAREIT Global Real Estate Index / 10% MSCI Emerging Markets / 7% Real Asset Custom Benchmark
New Mexico LifeCycle 2040 Portfolio		
1/1/2020	Present	1.8% Citigroup 3-month Treasury Bill + 1% / 4.9% BBgBarc US Aggregate TR / 2.9% BBgBarc US TIPS TR / 3.9% FTSE WGBI TR / 4.8% BBgBarc US High Yield TR / 22.2% S&P 500 / 10.1% Russell 2500 / 21.8% MSCI ACWI ex USA / 9.6% MSCI Emerging Markets / 11% PRREF II Custom Benchmark / 7% Real Asset Custom Benchmark
1/1/2019	12/31/2019	1.6% Citigroup 3-month Treasury Bill + 1% / 4.8% BBgBarc US Aggregate TR / 2.8% BBgBarc US TIPS TR / 3.8% FTSE WGBI TR / 4.6% BBgBarc US High Yield TR / 22.4% S&P 500 / 10.2% Russell 2500 / 22.1% MSCI ACWI ex USA / 9.7% MSCI Emerging Markets / 11% PRREF II Custom Benchmark / 7% Real Asset Custom Benchmark

1/1/2018	12/31/2018	1.4% Citigroup 3-month Treasury Bill + 1% / 4.7% BBgBarc US Aggregate TR / 2.7% BBgBarc US TIPS TR / 3.7% FTSE WGBI TR / 4.4% BBgBarc US High Yield TR / 22.60% S&P 500 / 10.3% Russell 2500 / 22.4% MSCI ACWI ex USA / 9.8% MSCI Emerging Markets / 11% PRREF II Custom Benchmark / 7% Real Asset Custom Benchmark
1/1/2017	12/31/2017	1.2% Citigroup 3-month Treasury Bill + 1% / 4.6% BBgBarc US Aggregate TR / 2.6% BBgBarc US TIPS TR / 3.6% FTSE WGBI TR / 4.2% BBgBarc US High Yield TR / 22.8% S&P 500 / 10.4% Russell 2500 / 22.7% MSCI ACWI ex USA / 9.9% MSCI Emerging Markets / 11% FTSE EPRA/NAREIT Global Real Estate Index / 7% Real Asset Custom Benchmark
6/30/2016	12/31/2016	1% FTSE T-Bill 3 Months TR / 2.5% BBgBarc US TIPS TR / 6.5% BBgBarc US Aggregate TR / 23.8% S&P 500 / 10.3% Russell 2500 / 23.5% MSCI EAFE / 4.5% FTSE WGBI TR / 11% FTSE EPRA/NAREIT Global Real Estate Index / 10% MSCI Emerging Markets / 7% Real Asset Custom Benchmark
New Mexico LifeCycle 2045 Portfolio		
1/1/2020	Present	0.8% Citigroup 3-month Treasury Bill + 1% / 4.4% BBgBarc US Aggregate TR / 2.3% BBgBarc US TIPS TR / 3.4% FTSE WGBI TR / 3.9% BBgBarc US High Yield TR / 23.2% S&P 500 / 10.6% Russell 2500 / 23.4% MSCI ACWI ex USA / 10% MSCI Emerging Markets / 11% PRREF II Custom Benchmark / 7% Real Asset Custom Benchmark
1/1/2019	12/31/2019	0.6% Citigroup 3-month Treasury Bill + 1% / 4.3% BBgBarc US Aggregate TR / 2.1% BBgBarc US TIPS TR / 3.3% FTSE WGBI TR / 3.8% BBgBarc US High Yield TR / 23.4% S&P 500 / 10.7% Russell 2500 / 23.8% MSCI ACWI ex USA / 10% MSCI Emerging Markets / 11% PRREF II Custom Benchmark / 7% Real Asset Custom Benchmark
1/1/2018	12/31/2018	0.4% Citigroup 3-month Treasury Bill + 1% / 4.2% BBgBarc US Aggregate TR / 1.9% BBgBarc US TIPS TR / 3.2% FTSE WGBI TR / 3.7% BBgBarc US High Yield TR / 23.6% S&P 500 / 10.8% Russell 2500 / 24.2% MSCI ACWI ex USA / 10% MSCI Emerging Markets / 11% PRREF II Custom Benchmark / 7% Real Asset Custom Benchmark
1/1/2017	12/31/2017	.2% Citigroup 3-month Treasury Bill + 1% / 4.1% BBgBarc US Aggregate TR / 1.7% BBgBarc US TIPS TR / 3.1% FTSE WGBI TR / 3.6% BBgBarc US High Yield TR / 23.8% S&P 500 / 10.9% Russell 2500 / 24.6% MSCI ACWI ex USA / 10% MSCI Emerging Markets / 11% FTSE EPRA/NAREIT Global Real Estate Index / 7% Real Asset Custom Benchmark
5/1/2016	12/31/2016	2% BBgBarc US TIPS TR / 6% BBgBarc US Aggregate TR / 24.5% S&P 500 / 10.5% Russell 2500 / 25% MSCI EAFE / 4% FTSE WGBI TR / 11% FTSE EPRA/NAREIT Global Real Estate Index / 10% MSCI Emerging Markets / 7% Real Asset Custom Benchmark

New Mexico LifeCycle 2050 Portfolio

1/1/2020	Present	3.8% BBgBarc US Aggregate TR / 1.4% BBgBarc US TIPS TR / 2.9% FTSE WGBI TR / 3.4% BBgBarc US High Yield TR / 24.2% S&P 500 / 10.9% Russell 2500 / 25.2% MSCI ACWI ex USA / 10% MSCI Emerging Markets / 11.1% PRREF II Custom Benchmark / 7.1% Real Asset Custom Benchmark
1/1/2019	12/31/2019	3.6% BBgBarc US Aggregate TR / 1.3% BBgBarc US TIPS TR / 2.8% FTSE WGBI TR / 3.3% BBgBarc US High Yield TR / 24.4% S&P 500 / 10.8% Russell 2500 / 25.4% MSCI ACWI ex USA / 10% MSCI Emerging Markets / 11.2% PRREF II Custom Benchmark / 7.2% Real Asset Custom Benchmark
1/1/2018	12/31/2018	3.4% BBgBarc US Aggregate TR / 1.2% BBgBarc US TIPS TR / 2.7% FTSE WGBI TR / 3.2% BBgBarc US High Yield TR / 24.6% S&P 500 / 10.7% Russell 2500 / 25.6% MSCI ACWI ex USA / 10% MSCI Emerging Markets / 11.3% PRREF II Custom Benchmark / 7.3% Real Asset Custom Benchmark
1/1/2017	12/31/2017	3.2% BBgBarc US Aggregate TR / 1.1% BBgBarc US TIPS TR / 2.6% FTSE WGBI TR / 3.1% BBgBarc US High Yield TR / 24.8% S&P 500 / 10.6% Russell 2500 / 25.8% MSCI ACWI ex USA / 10% MSCI Emerging Markets / 11.4% FTSE EPRA/NAREIT Global Real Estate Index / 7.4% Real Asset Custom Benchmark
6/30/2016	12/31/2016	5% BBgBarc US Aggregate TR / 25% S&P 500 / 10.5% Russell 2500 / 26% MSCI EAFE / 3.5% FTSE WGBI TR / 11.5% FTSE EPRA/NAREIT Global Real Estate Index / 10% MSCI Emerging Markets / 7.5% Real Asset Custom Benchmark

New Mexico LifeCycle 2055 Portfolio

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

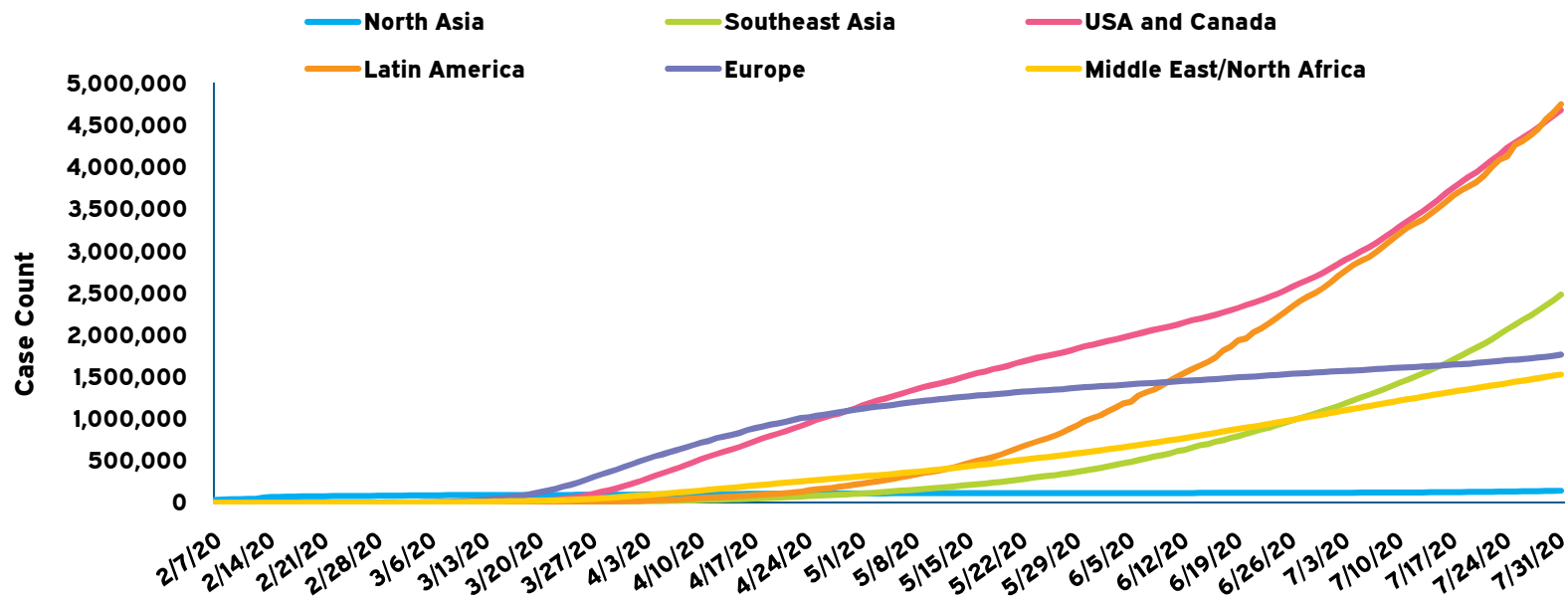
Appendices

Economic and Market Update

Data as of July 31, 2020



Case Count by Select Region^{1,2}

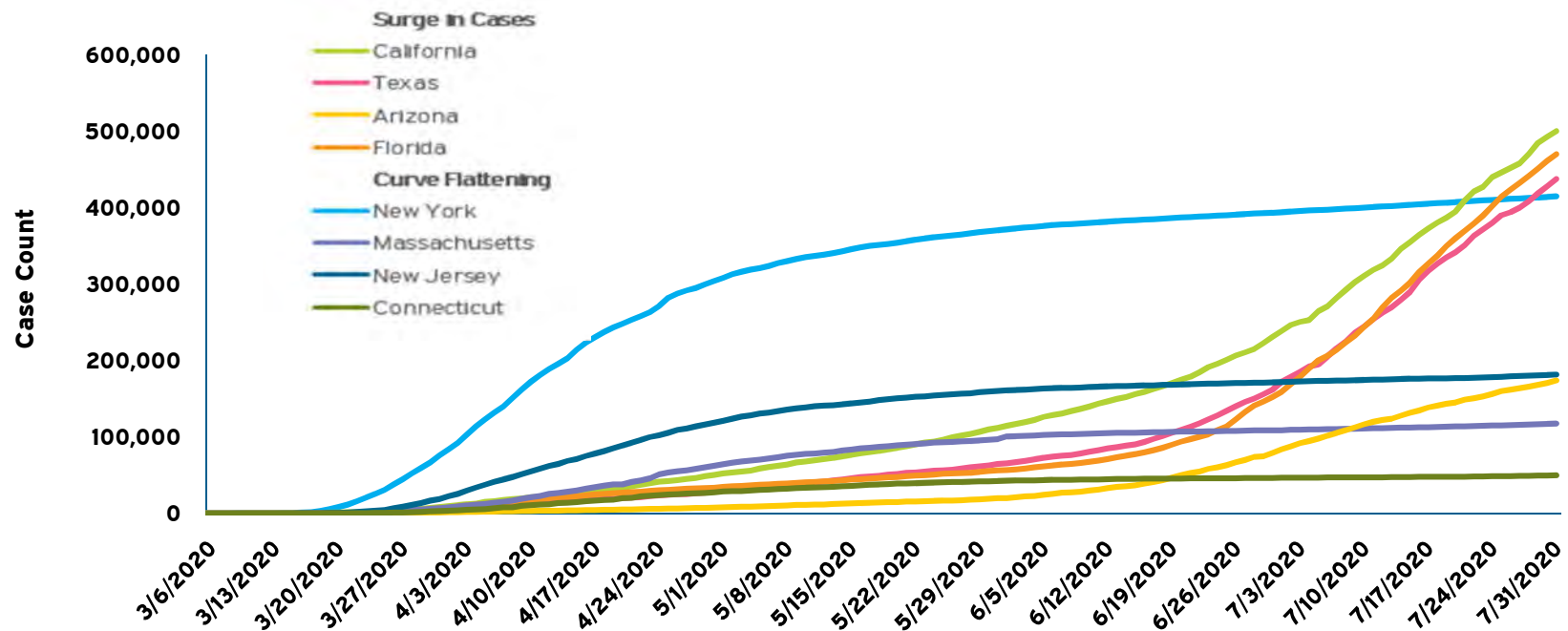


- Cases of COVID-19 continue to grow globally with now over 20 million reported cases across 188 countries.
- The US remains the epicenter, while cases in Latin America are surging, driven by Brazil, which now has the second highest case count. India has also emerged as a hotspot with over 2 million cases.

¹ Source: Bloomberg. Data is as of July 31, 2020.

² North Asia: China, Hong Kong, Japan, South Korea, and Taiwan. Southeast Asia: Singapore, India, Indonesia, Malaysia, Pakistan, Philippines, Thailand, Bangladesh, Sri Lanka, and Vietnam. Europe: Austria, Belarus, Bulgaria, Croatia, Czech Republic, Denmark, France, Germany, Hungary, Italy, Netherlands, Norway, Poland, Romania, Spain, Sweden, United Kingdom, Switzerland, and Ukraine. Latin America: Chile, Brazil, Mexico, Argentina, Colombia, Peru, Venezuela, Ecuador, Panama, Paraguay, Costa Rica, Bolivia, Uruguay, El Salvador, Honduras, Cuba, Dominican Republic, Haiti, and Nicaragua. Middle East/North Africa: Algeria, Bahrain, Egypt, Iran, Iraq, Israel, Jordan, Kuwait, Lebanon, Libya, Morocco, Oman, Qatar, Saudi Arabia, Syria, Turkey, Tunisia, United Arab Emirates, and Yemen.

COVID-19 Cases by State¹



- As the US economy slowly reopens, there has been a spike in cases in certain states that is creating stress on their healthcare systems, leading to officials slowing, or reversing, reopening plans.
- Some of the states that were hardest hit in the early stages made progress on containing the virus, but have also seen small upticks in cases.
- Looking ahead, a continued trend of rising cases could significantly weigh on economic growth.

¹ Source: Bloomberg. Data is as of July 31, 2020.

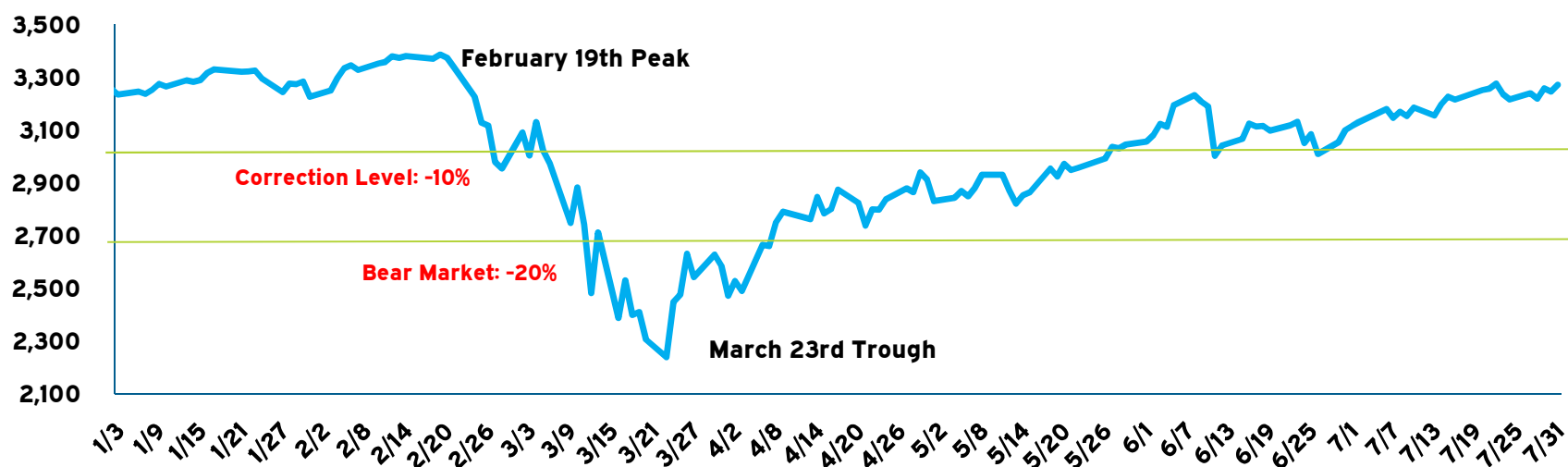
Market Returns¹

Indices	July	YTD	1 Year	3 Year	5 Year	10 Year
S&P 500	5.6%	2.4%	12.0%	12.0%	11.5%	13.8%
MSCI EAFE	2.3%	-9.3%	-1.7%	0.6%	2.1%	5.0%
MSCI Emerging Markets	8.9%	-1.7%	6.5%	2.8%	6.1%	3.3%
MSCI China	9.4%	13.3%	24.5%	8.7%	9.7%	6.9%
Bloomberg Barclays Aggregate	1.5%	7.7%	10.1%	5.7%	4.5%	3.9%
Bloomberg Barclays TIPS	2.3%	8.4%	10.4%	5.7%	4.2%	3.7%
Bloomberg Barclays High Yield	4.7%	0.7%	4.1%	4.5%	5.9%	6.8%
10-year US Treasury	1.2%	14.0%	12.7%	7.5%	5.1%	4.7%
30-year US Treasury	5.5%	31.8%	30.3%	16.2%	10.8%	8.9%

- Global risk assets have recovered meaningfully from their lows, largely driven by record fiscal and monetary policy stimulus; the S&P 500 recovered by over 46% from the mid-March lows.
- Risk assets have reacted positively to the combination of a gradual re-opening of the global economy, some economic data beating expectations, and the potential for a vaccine being developed sooner than initially expected.
- Despite the recovery in risk assets, yields on safe-haven assets like US Treasuries remain at record lows due to expectations for extremely accommodative monetary policy for the foreseeable future and expectations for weaker economic growth due to the recent surge in virus cases.

¹ Source: InvestorForce and Bloomberg. Data is as of July 31, 2020.

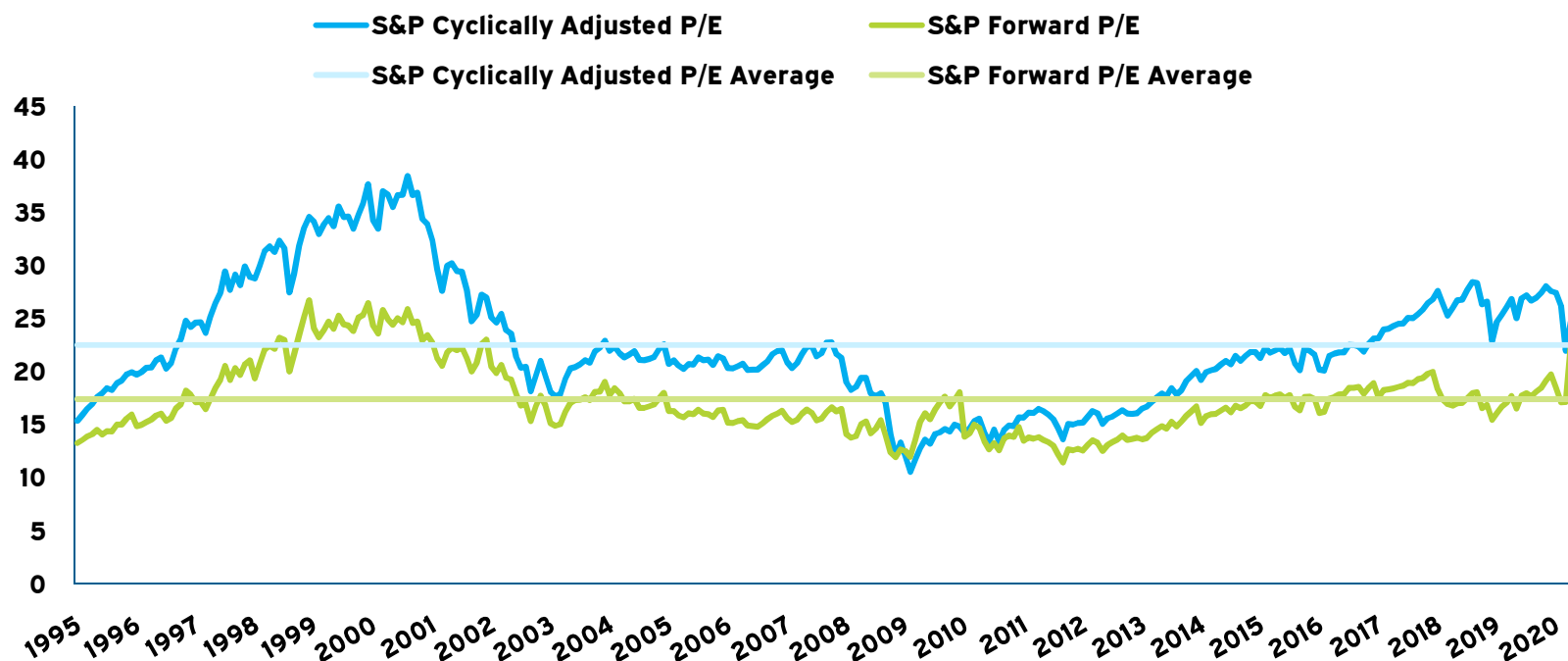
S&P 500 Almost Fully Recovers¹



- Given the anticipated economic carnage surrounding the pandemic, US stocks declined from a February peak into bear market (-20%) territory at the fastest pace in history.
- From the February 19 peak, the S&P 500 plunged 34% in just 24 trading days.
- The index rebounded from its lows, and was only down around 2.4% year-to-date through the end of July, primarily due to the unprecedented monetary and fiscal stimulus announced in the US, as well as improvements in some areas of the economy as it slowly reopens.
- It is unclear whether the pace of the recovery is sustainable in light of the recent surge in cases.

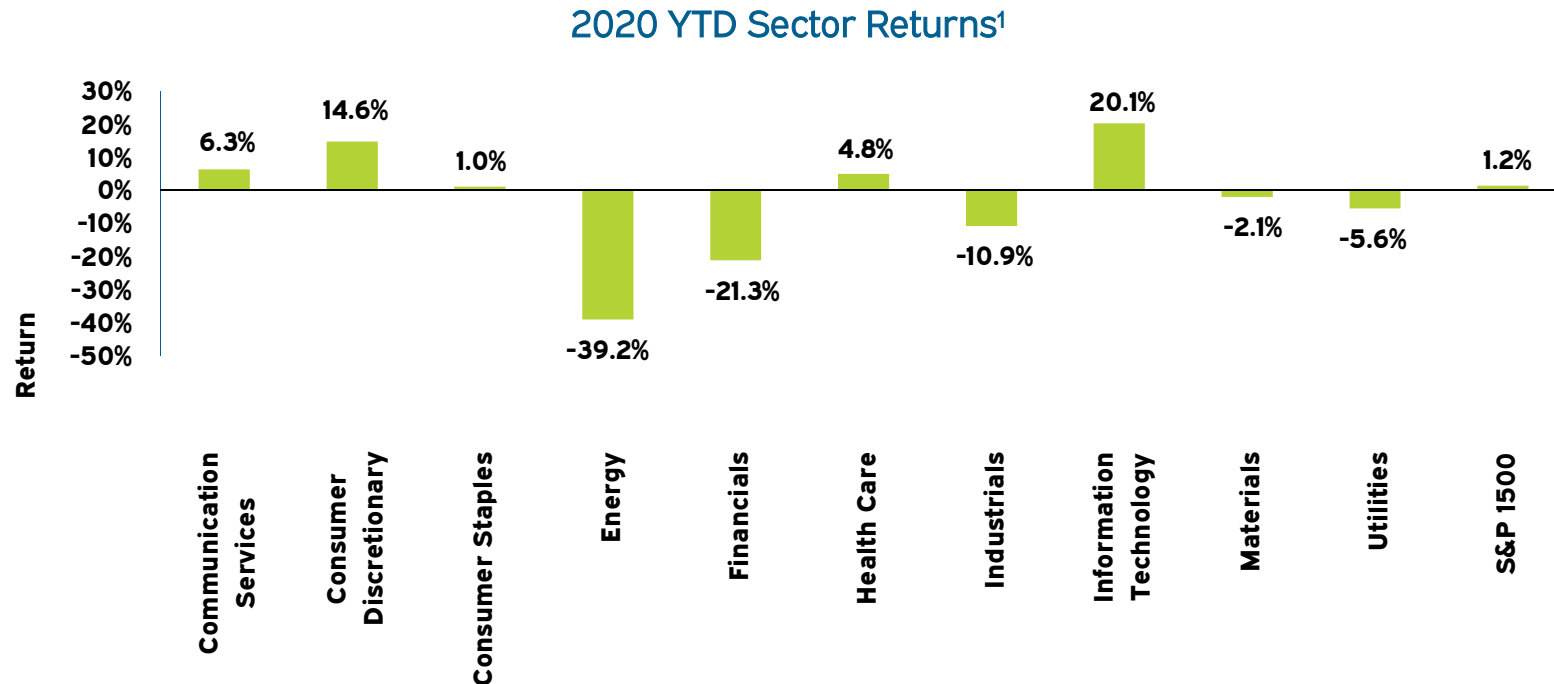
¹ Source: Bloomberg. Data is as of July 31, 2020.

S&P Equity Valuations¹



- Valuations based on both forward and backward looking earnings for the US stock market remain well above long-term averages, driven by the recent rise in equity markets.
- Many are looking to improvements in earnings to support market levels as the US economy continues to reopen with low interest rates also providing support.
- The key risk remains that a spike in COVID-19 cases could slow, or reverse, the reopening plans.

¹ Source: Bloomberg. Data is as of July 31, 2020.

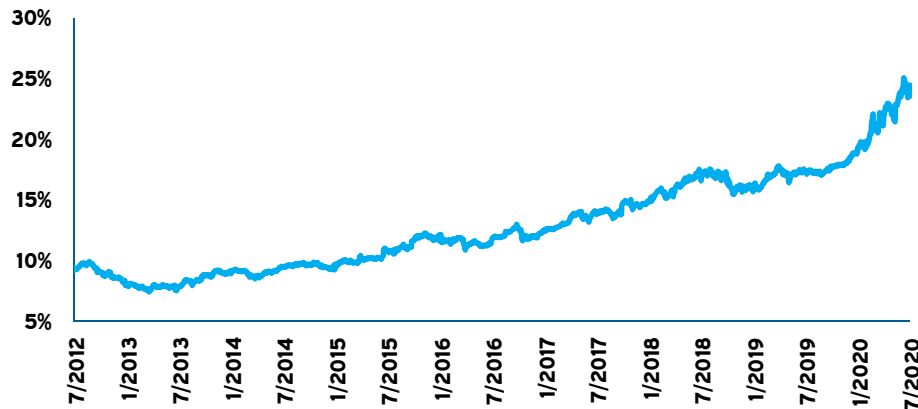


- Information technology is the best performing sector, with a narrow group of companies like Amazon and Netflix largely driving market gains. The outperformance has been due to consumers moving to online purchases and entertainment.
- The consumer discretionary sector also experienced gains as the economy slowly reopened, people returned to work, and as stimulus checks were spent.
- The energy sector has seen some improvements given supply cuts and economies starting to reopen, but it remains the sector with the greatest decline, triggered by the fall in oil prices.

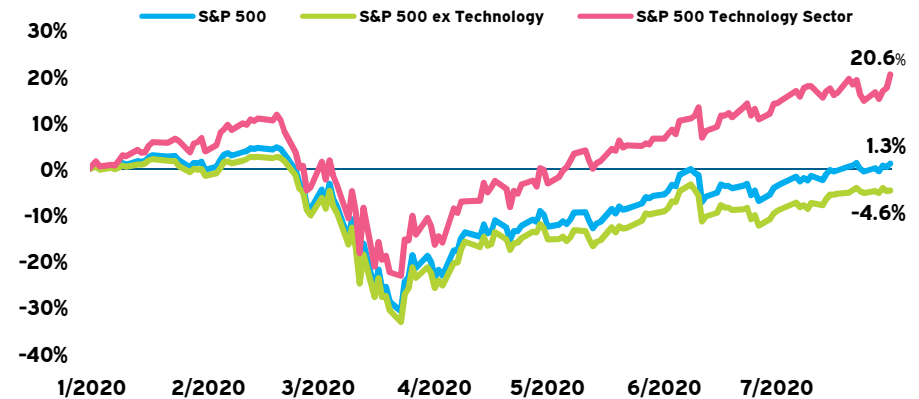
¹ Source: Bloomberg. Data is as of July 31, 2020.

Technology has led the way in the Rebound

FAANG+M Share of S&P 500¹



Returns Year to Date through July 31²

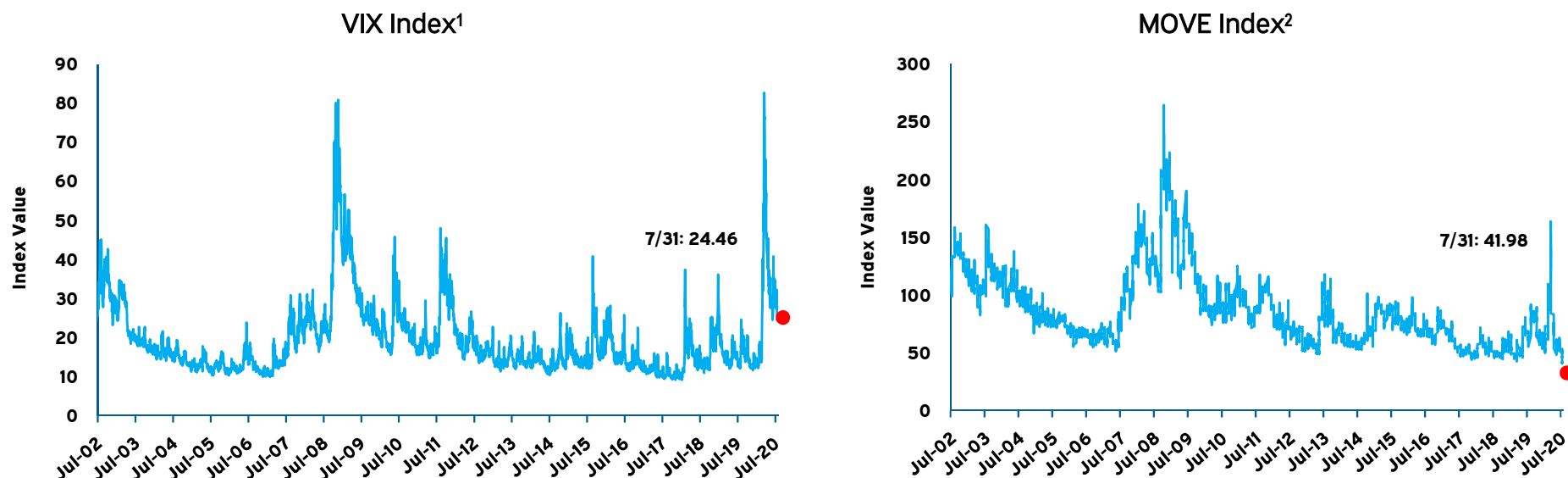


- The recent market recovery has largely been driven by a few select technology companies that have benefited from the stay-at-home environment related to the virus.
- Year-to date, the S&P 500 technology sector returned 20.6% compared to -4.6% for the S&P 500 ex. technology index, with Amazon (+71.3%), Netflix (+51.1%), and Apple (+44.7%) posting strong results.
- The strong relative results of these companies, has led to them making up a growing portion (24.4%) of the S&P 500 and making their performance going forward particularly impactful.

¹ FAANG+M = Facebook, Amazon, Apple, Netflix, Google (Alphabet), and Microsoft. The percentage represents the aggregate market capitalization of the 6 companies compared to the total market capitalization of the S&P 500.

² Each data point represents the price change relative to the 12/31/2019 starting value.

Volatility has Declined



- Given the recent fiscal and monetary support and corresponding improvement in investor risk sentiment, expectations of short-term equity volatility, as measured by the VIX index, continued to decline from record levels, though it remains elevated relative to the past decade.
- At the recent height, the VIX reached 82.7, surpassing the pinnacle of volatility during the GFC, showing the magnitude of the crisis, and of investor fear.
- In contrast, expectations of volatility within fixed income, as represented by the MOVE index, are at historic lows given the broad level of monetary support and forward guidance by the Fed to keep rates low.

¹ Source: Chicago Board of Exchange. Data is as of July 31, 2020.

² Source: Bloomberg. Data is as of July 31, 2020.

Global Financial Crisis Comparison

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

Global Financial Crisis Comparison (continued)

- The US **fiscal** response to the COVID-19 Crisis has been materially larger than the response to the 2007-2009 Global Financial Crisis (GFC), and stimulus is acutely focused on areas of the economy showing the greatest need, including small and mid-sized companies. For example, the Paycheck Protection Program (PPP) helps small businesses keep employees working by offering forgivable loans to cover salaries.
- On the **monetary** side, markets targeted during both crises represent those most in need, but for the COVID-19 Crisis the policy response was dramatically faster, measured in weeks, not years, as in the GFC.
- Of the monetary stimulus measures, the corporate debt (Primary & Secondary Corporate Debt) programs and Main Street Loan Facility are new and garnered much attention from market participants.
- Through the end of July, Fed programs have experienced various degrees of usage. However, at this point, none has come close to reaching program limits. Still, respective programs have been extended through December 2020, and the psychological value of knowing the programs are available, if necessary, likely supports market sentiment.

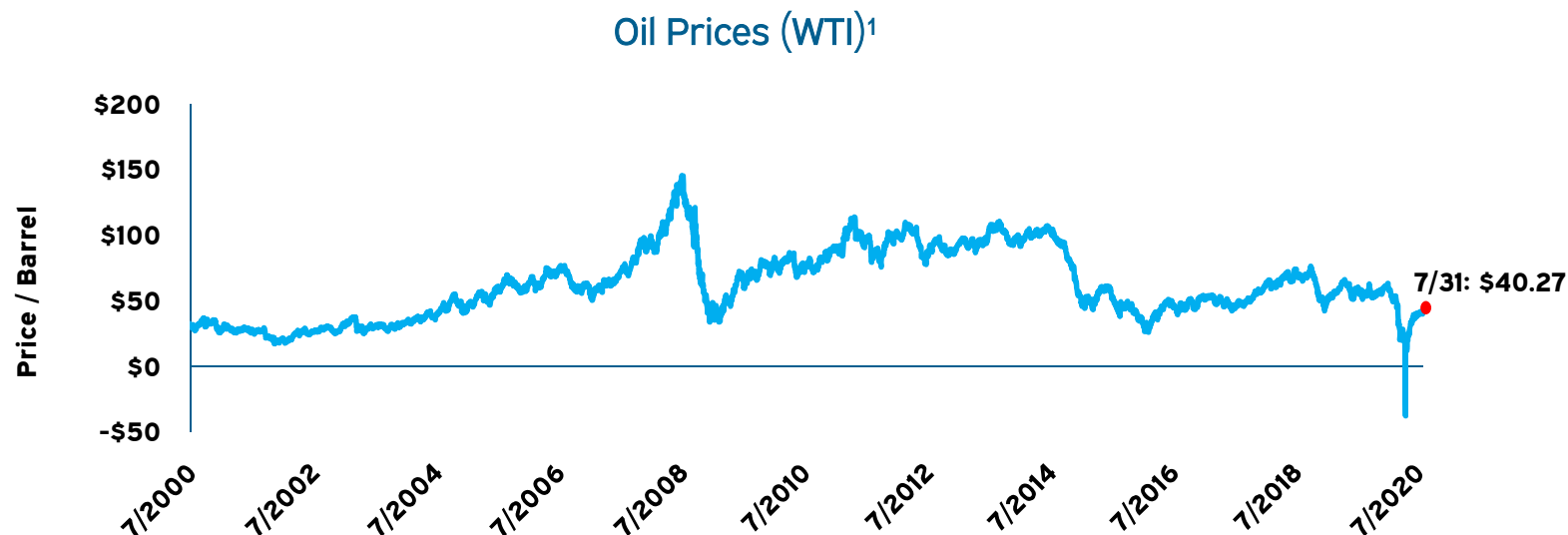
Historic \$2T US Fiscal Stimulus

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

- Late in March, a historic \$2 trillion fiscal package was approved in the US, representing close to 10% of GDP and including support across the economy.
- Individuals received cash payments of up to \$1,200 per adult and \$500 per child, and extended and higher weekly unemployment benefits (+\$600/week).
- The package also includes a \$500 billion lending program for distressed industries like airlines, and \$377 billion in loans to small businesses (this program was recently extended).
- Other parts of the package include allocations to state and local governments, support for public health, student loan relief, and a safety net.
- With certain programs having recently expired, and Congress at an impasse on the next round of stimulus, President Trump recently signed an executive order extending various elements of the above measures.

Policy Responses

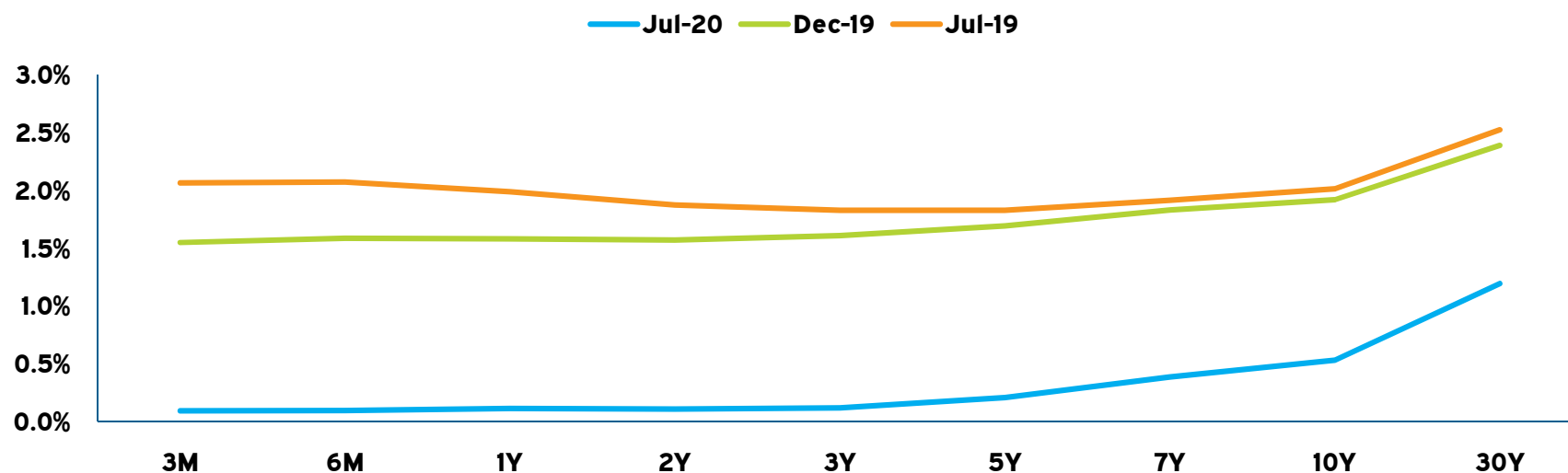
	Fiscal	Monetary
United States	\$50 billion to states for virus related support, interest waived on student loans, flexibility on tax payments and filings, expanded COVID-19 testing, paid sick leave for hourly workers, \$2 trillion package for individuals, businesses, and state/local governments. Additional \$484 billion package to replenish small business loans, provide funding to hospitals, and increase testing.	Cut policy rates to zero, forward guidance suggesting aggressively accommodative policy for the foreseeable future, unlimited QE4, offering trillions in repo market funding, restarted and extended CPFF, PDCF, MMTF programs to support lending and financing markets, expanded US dollar swap lines with foreign central banks, announced IG corporate debt buying program with subsequent amendment for certain HY securities, Main Street Lending program, Muni liquidity facility, repo facility with foreign central banks, and easing of some financial regulations for lenders.
Euro Area	European Union: Shared 750 billion euro stimulus package. Germany: 220 billion euro stimulus France: 57 billion euro stimulus. Italy: 75 billion euro stimulus. Spain: 200 billion euro and 700 million euro loan and aid package, respectively.	Targeted longer-term refinancing operations aimed at small and medium sized businesses, under more favorable pricing, and announced the 750 billion euro Pandemic Emergency Purchase Program, and then expanded the purchases to include lower-quality corporate debt.
Japan	Hundreds of trillions in yen stimulus for citizens and businesses, including low interest loans, deferrals on taxes, and direct cash handouts.	Initially increased QE purchases (ETFs, corporate bonds, and CP) and then expanded to unlimited purchases and doubling of corporate debt and commercial paper, expanded collateral and liquidity requirements, and 0% interest loans to businesses hurt by virus.
China	Tax cuts, low-interest business loans, extra payments to gov't benefit recipients.	Expanded repo facility, policy rate cuts, lowered reserve requirements, loan-purchase scheme.
Canada	\$7.1 billion in loans to businesses to help with virus damage, C\$381 billion stimulus.	Cut policy rates, expanded bond-buying and repos, lowered bank reserve requirements.
UK (BOE)	190 billion pound stimulus, Tax cut for retailers, small business cash grants, benefits for those infected with virus, expanded access to gov't benefits for self and un-employed.	Lowered policy rates and capital requirements for UK banks, restarts QE program and subsequently increased the purchase amounts.
Australia	\$11.4 billion, subsidies for impacted industries like tourism, one-time payment to gov't benefit recipients.	Policy rate cut, started QE.



- Global oil markets rallied from April lows, including from the technically-induced negative levels that saw the May futures contract trade at nearly -\$40 per barrel.
- In addition to improvements in sentiment as the global economy begins to reopen and some measures of economic fundamentals reporting better than expected numbers, OPEC+ recently agreed to extend supply cuts of 9.7 million barrels/day (~10% of global output) through July.
- Counterbalancing the OPEC+ production cut agreement, US oil producers (particularly shale output) are reportedly turning wells back on as the price of oil rises.
- As OPEC+ considers rolling back production cuts, and the virus spread increases with the potential to weigh on demand, oil pressures could experience pressure going forward.

¹ Source: Bloomberg. Represents WTI first available futures contract. Data is as of July 31, 2020.

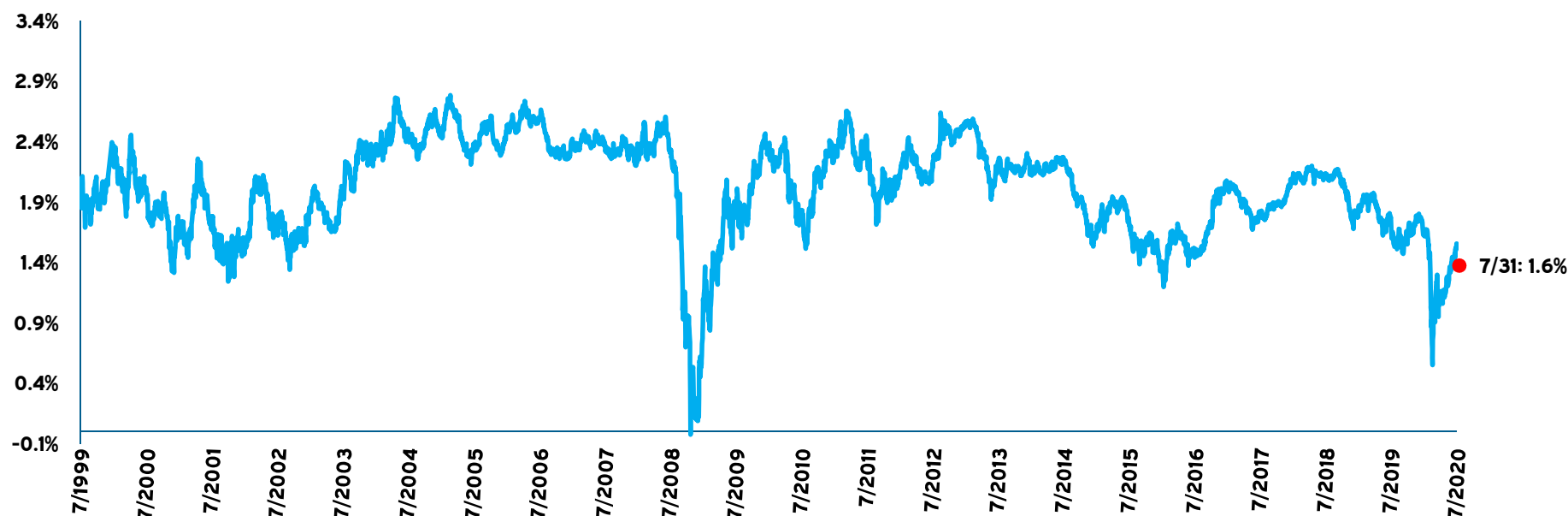
US Yield Curve Declines¹



- The US Treasury yield curve has declined materially since last year.
- Cuts in monetary policy rates, and policy maker's open commitments to keep rates low for the foreseeable future, drove yields down in shorter maturities, while flight-to-quality flows, low inflation, and economic growth uncertainty have driven the changes in longer maturities.
- The Federal Reserve's unlimited quantitative easing purchase program has provided further downward pressure on interest rates, particularly in the short and medium-term sectors due to the purchases being focused on those segments.

¹ Source: Bloomberg. Data is as of July 31, 2020.

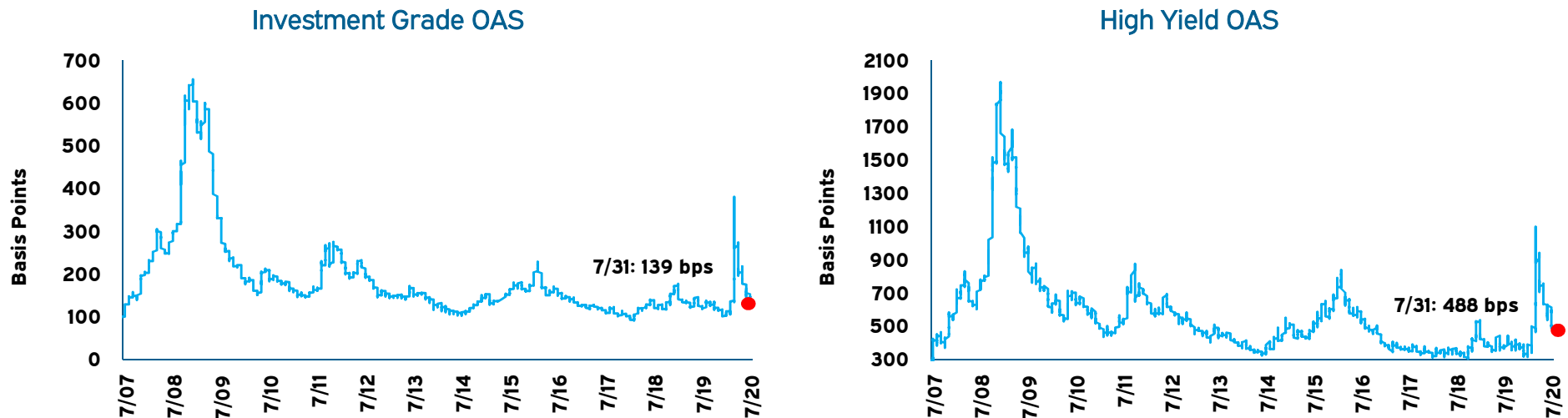
10-Year Breakeven Inflation¹



- Inflation breakeven rates initially declined sharply, due to a combination of lower growth and inflation expectations, as well as liquidity dynamics in TIPS during the height of rate volatility.
- Liquidity eventually improved and breakeven rates increased, but given the uncertainty regarding economic growth and the inflationary effects of the unprecedented US fiscal and monetary responses, inflation expectations continue to remain below historical averages.

¹ Source: Bloomberg. Data is as of July 31, 2020.

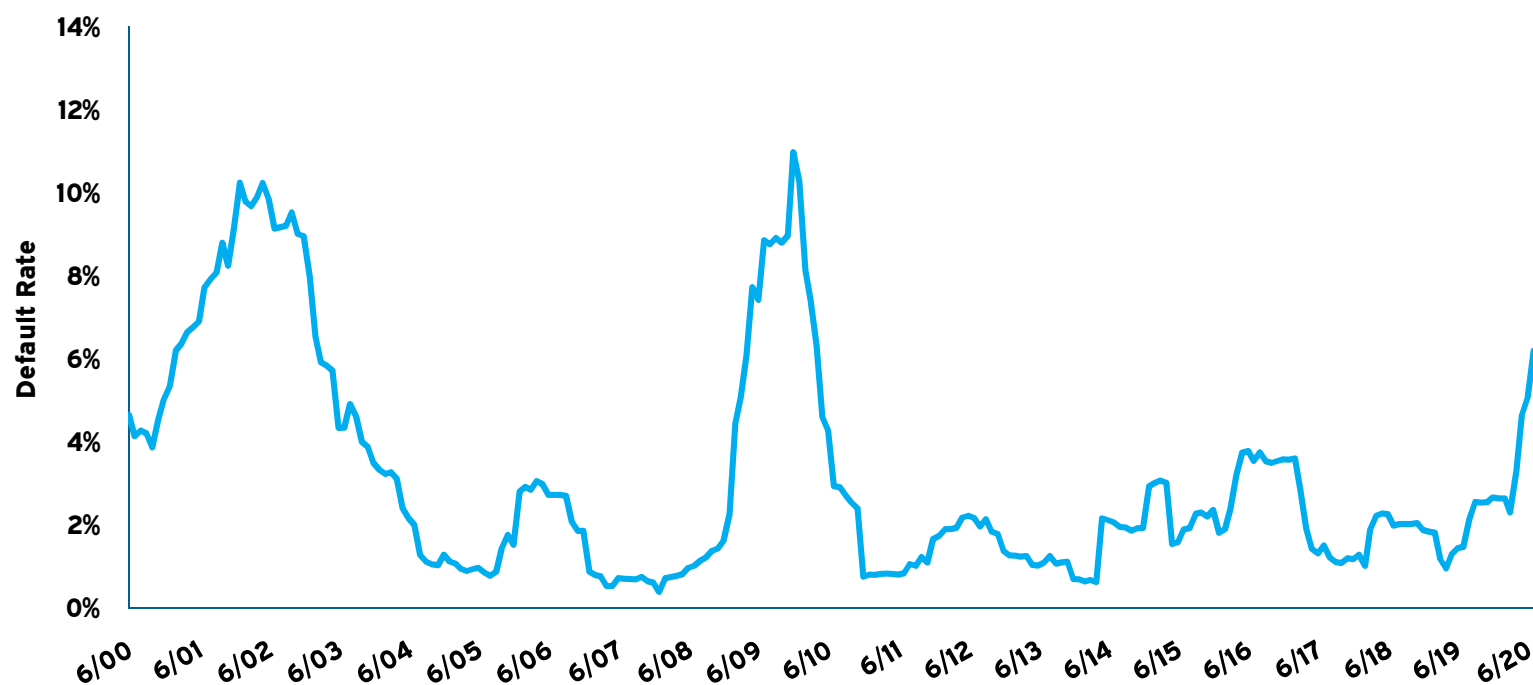
Credit Spreads (High Yield & Investment Grade)¹



- Credit spreads (the spread above a comparable Treasury bond) for investment grade and high yield corporate debt expanded sharply as investors sought safety.
- Investment grade bonds held up better than high yield bonds. The Federal Reserve's corporate debt purchase program for investment grade and certain high yield securities that were recently downgraded from investment grade, was well received by investors, leading to a decline in spreads.
- Overall, corporate debt issuance has more than doubled since 2008, which magnifies the impact of deterioration in the corporate debt market. This is particularly true in the energy sector, which represents over 10% of the high yield bond market.

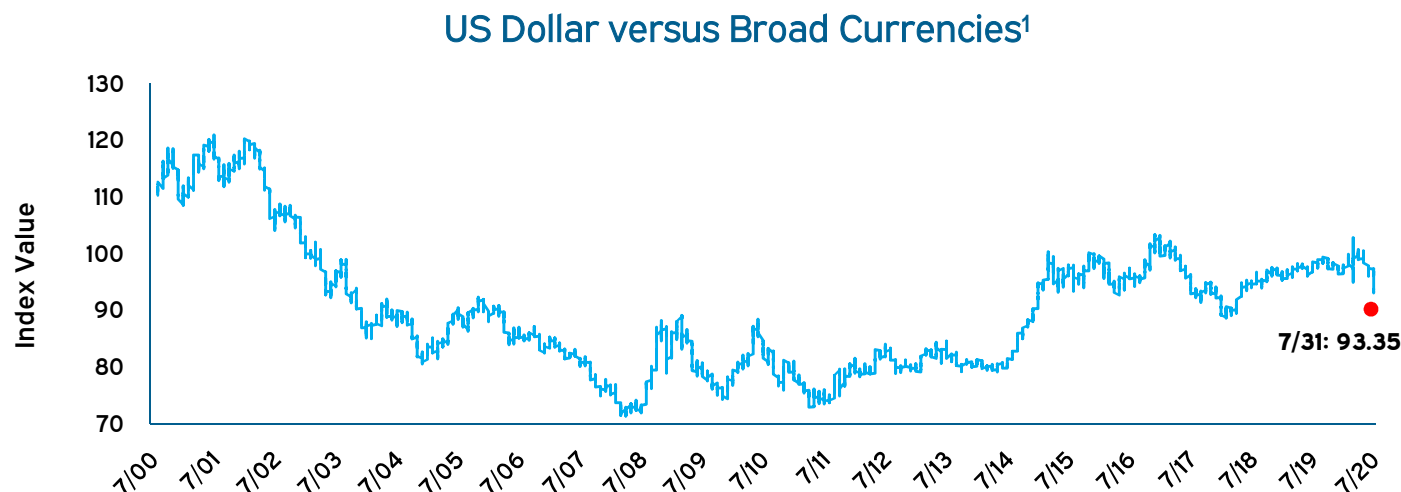
¹ Source: Federal Reserve Bank of St. Louis Economic Research. Data is as of July 31, 2020.

US High Yield Credit Defaults¹



- Even though spreads have declined given the Federal Reserve's support, defaults, particularly in the high yield sector, increased dramatically.
- The energy sector has seen the greatest impact given the decline in oil prices, with defaults reaching double-digit levels and expectations for them to increase.

¹ Source: J.P. Morgan; S&P LCD. July data is not yet available. Data is as of June 30, 2020.



- When financial markets began aggressively reacting to COVID-19 developments, the US dollar came under selling pressure as investors sought safe-haven exposure in currencies like the Japanese yen given its current account surplus and its status as the largest creditor globally.
- As the crisis grew into a pandemic, investors' preferences shifted to holding US dollars and highly liquid, short-term securities like US Treasury bills. This global demand for US dollars led to appreciation versus most major currencies.
- To help ease global demand for US dollars, the Federal Reserve, working with a number of global central banks, re-established the US dollar swap program, providing some relief to other currencies. Usage of the program continues to decline as dollar funding demands have eased.
- Recently we have seen some weakness in the dollar as interest rates have declined and the US has particularly struggled with containing the virus. Going forward, the dollar's safe haven quality and the still relatively higher rates in the US could provide support

¹ Source: Bloomberg. Represents the DXY Index. Data is as of July 31, 2020.

Economic Impact

Supply Chain Disruptions:

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

Labor Force Impacts:

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

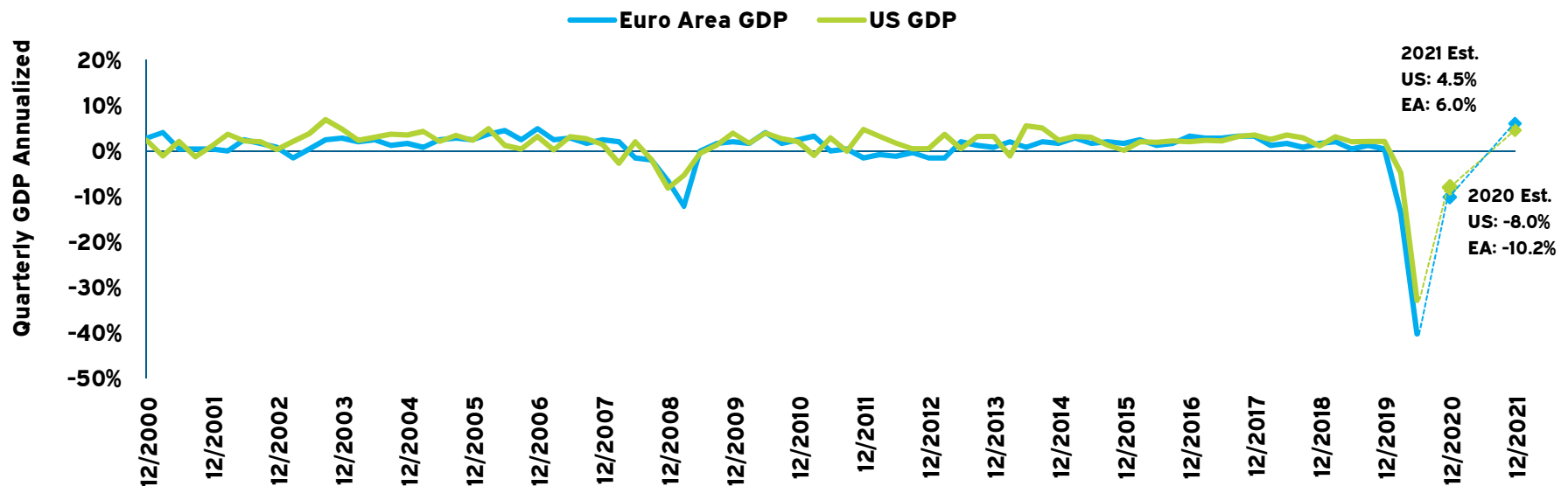
Declines in Business and Consumer Sentiment:

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

Wealth Effect:

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

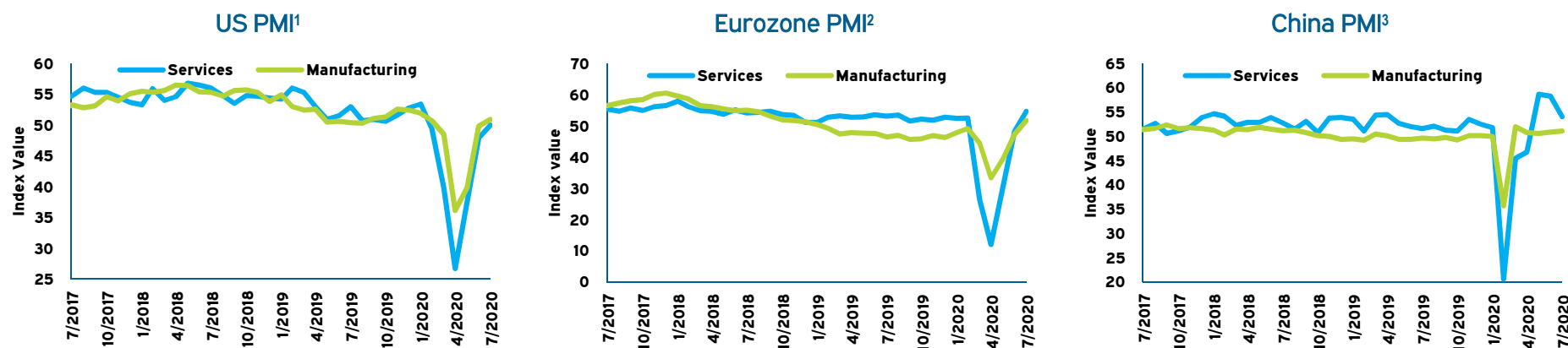
GDP Data Shows Impact of the Pandemic¹



- The global economy faces major recessionary pressures this year, but optimism remains for improvements in 2021, as economies are expected to gradually reopen.
- In the US, second quarter GDP posted a record decline of -32.9% annualized and officially put the US in a recession. Similarly, growth in the Euro Area declined by a record amount with the major economies in Germany, France, Italy, and Spain experiencing historic declines.
- Bloomberg Economics estimates that third quarter US GDP could be as high as 18.0% (QoQ annualized).

¹ Source: Bloomberg. Q2 2020 data represents first estimate of GDP for Euro Area and GDP for United States. Euro Area figures annualized by Meketa. Projections via June 2020 IMF World Economic Outlook and represent annual numbers.

Global PMIs



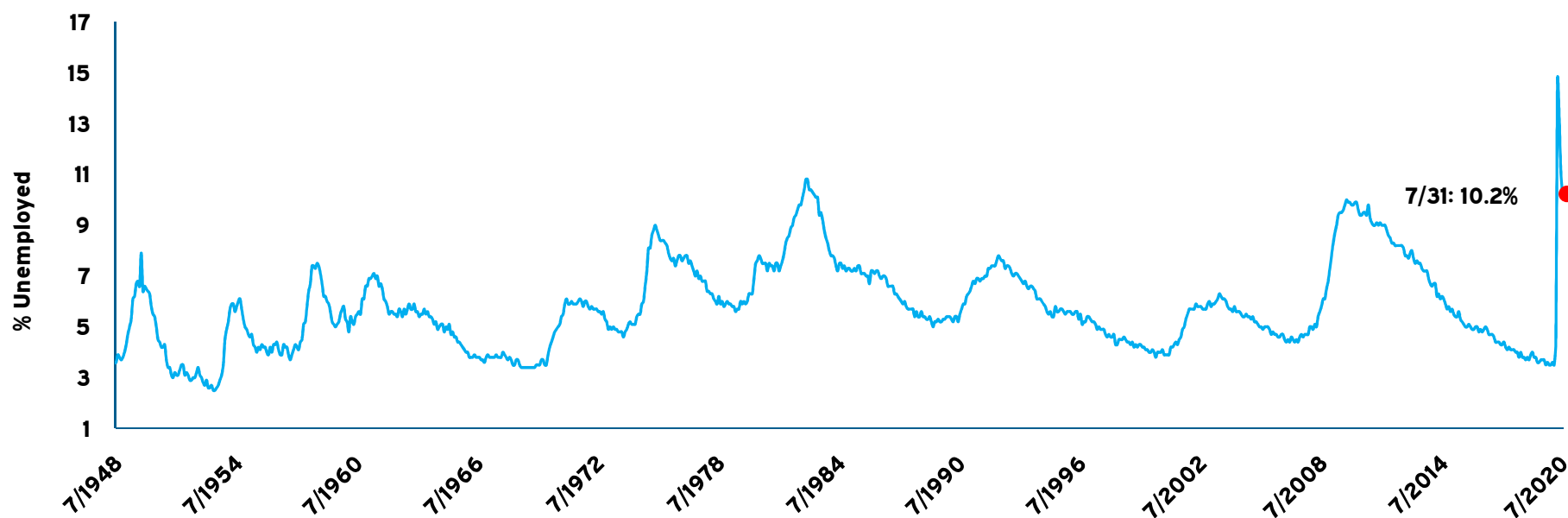
- Purchasing Managers Indices (PMI) based on surveys of private sector companies, initially collapsed across the world to record lows, as output, new orders, production, and employment were materially impacted by closed economies.
- Readings below 50 represent contractions across underlying components and act as a leading indicator of economic activity, including the future paths of GDP, employment, and industrial production.
- The services sector was particularly hard hit by the stay-at-home restrictions in many places.
- As the Chinese economy reopened over the last few month, their PMI's, particularly in the service sector, recovered materially. In the US and Europe, the indices have improved from their lows but remain below prior levels as they struggle to contain the spread of the virus.

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

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

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

US Unemployment Rate¹

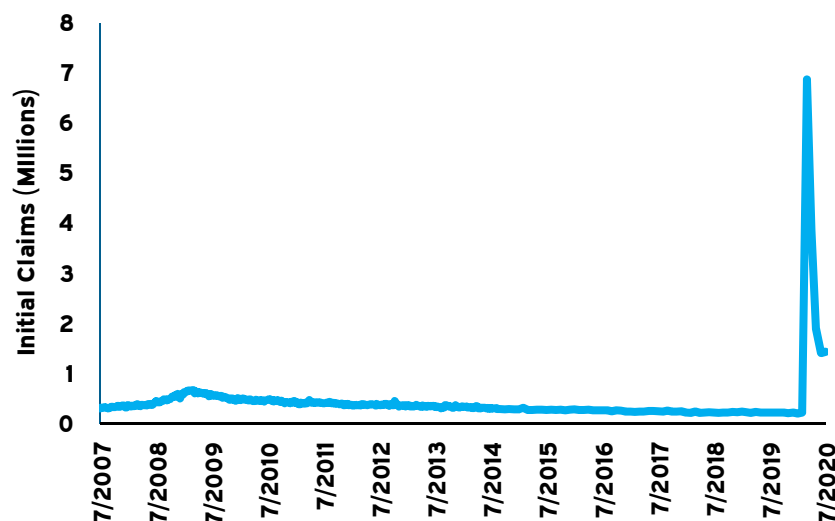


- In July, the unemployment rate continued its decline from the recent April 14.7% peak, falling to 10.2% as businesses emerged from the lockdown.
- Despite the improvement, unemployment levels remain well above pre-virus readings and are likely higher than reported due to issues related to some workers being misclassified. According to the Bureau of Labor Statistics, absent the misclassification issue, the July unemployment rate would be higher by 1.0%.
- The recent increase in COVID-19 cases could lead to an increase in the unemployment rate going forward.

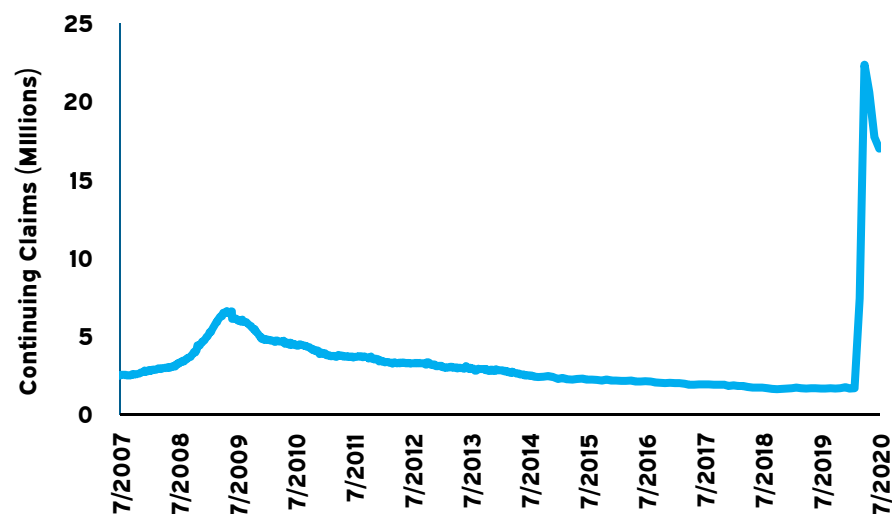
¹ Source: Bloomberg. Data is as of July 31, 2020.

US Jobless Claims

US Initial Jobless Claims¹



Continuing Claims²

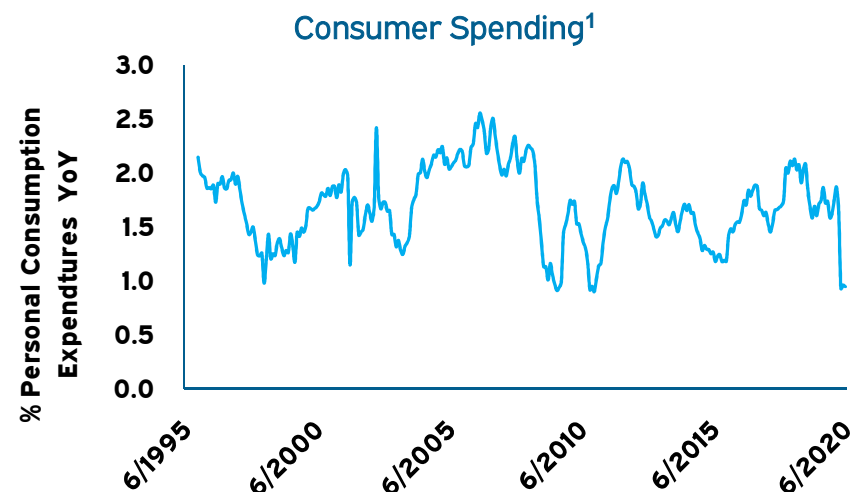
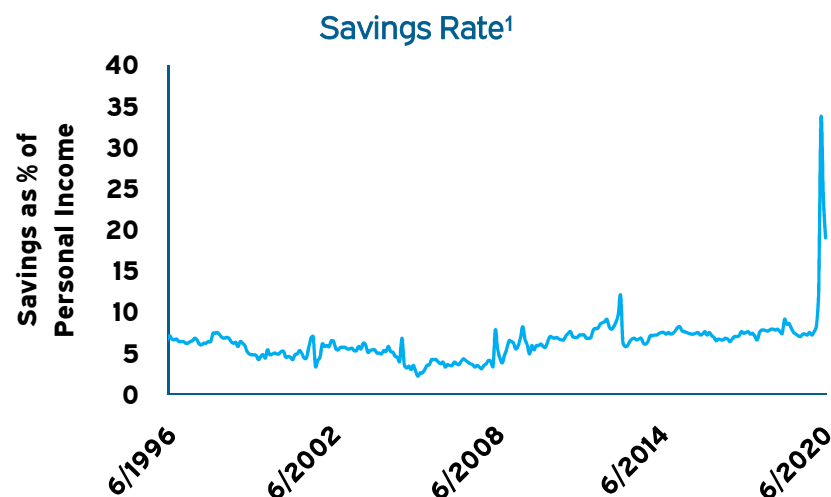


- Over the last 20 weeks, roughly 55.3 million people filed for initial unemployment. This level far exceeds the 22 million jobs added since the GFC, highlighting the unprecedented impact of the virus.
- Despite the continued decline in initial jobless claims, the 1.2 million level of the last reading (the lowest since the onset of the crisis) remains many multiples above the worst reading during the Global Financial Crisis.
- Continuing jobless claims (i.e., those currently receiving benefits) has also declined from record levels, but remains elevated at 16.1 million.

¹ Source: Bloomberg. First reading of seasonally adjusted initial jobless claims. Data is as of July 31, 2020

² Source: Bloomberg. US Continuing Jobless Claims SA. Data is as of July 31, 2020

Savings and Spending

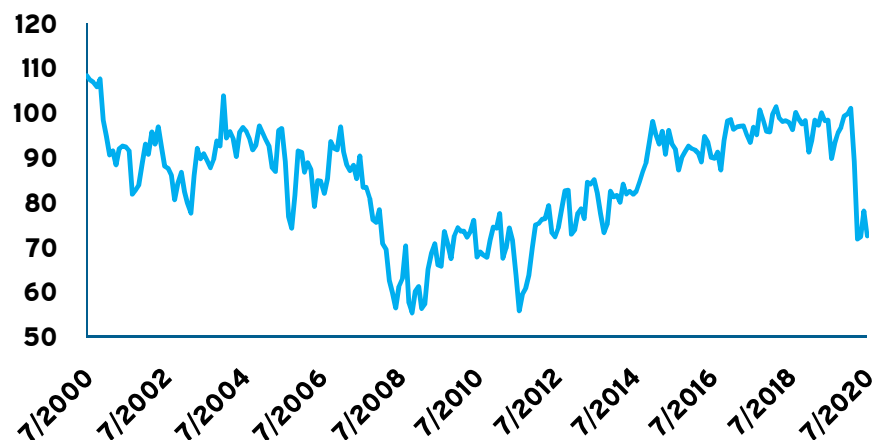


- Fiscal programs including stimulus checks, enhanced unemployment benefits, and loans to small businesses through the Paycheck Protection Program (PPP) have largely supported income levels through the shutdown.
- Despite the income support, the savings rate has increased due to the decline in consumer spending, driven by the initial lock-down of the economy, and by uncertainties related to the future of the job market and stimulus programs.
- More recently, the savings rate has declined from its peak as spending increased with the economy slowly reopening.

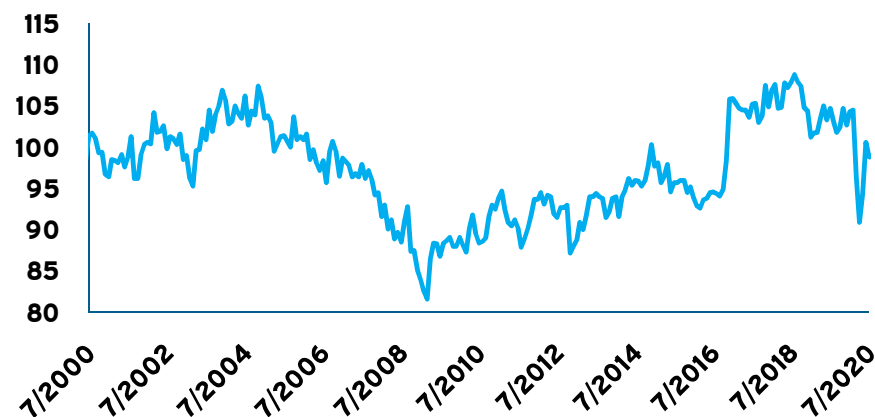
¹ Source: Bloomberg. Latest data is as of June 30, 2020.

Sentiment Indicators

University of Michigan Consumer Sentiment¹



Small Business Confidence²



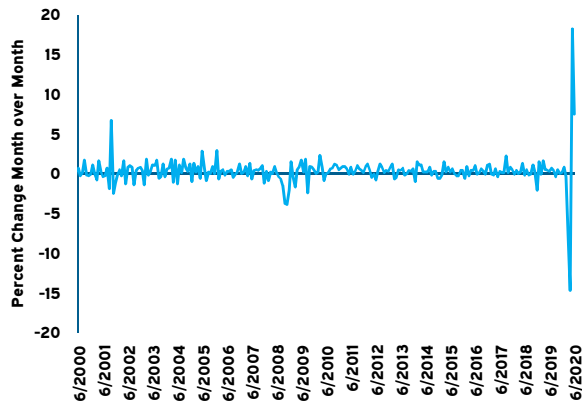
- A strong indicator of future economic activity are the attitudes of businesses and consumers today.
- Consumer spending comprises close to 70% of US GDP, making the attitudes of consumers an important driver of economic growth. Additionally, small businesses comprise a majority of the economy, making sentiment in that segment important too.
- Sentiment indicators have shown some improvements as the economy re-opens, but they remain below prior levels.

¹ Source: Bloomberg. University of Michigan Consumer Sentiment Index. Data is as of July 31, 2020.

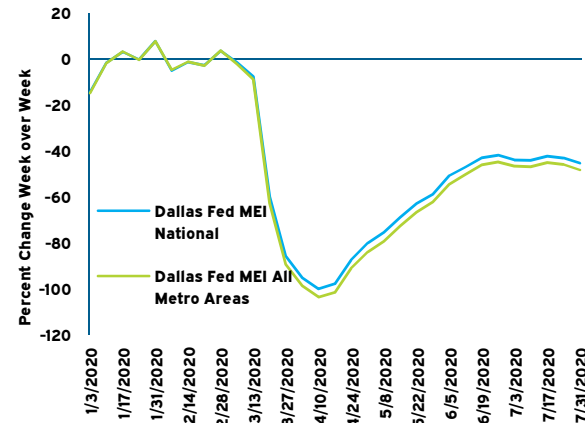
² Source: Bloomberg. NFIB Small Business Optimism Index. Data is as of July 31, 2020.

Some US Data has Improved

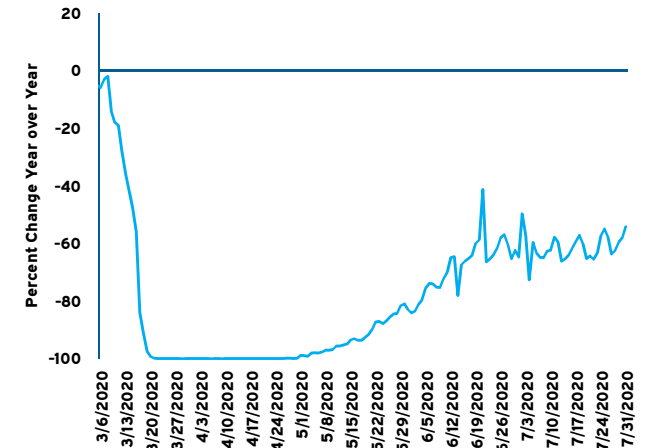
Retail Sales¹



Dallas Fed Mobility and Engagement Index²



OpenTable Seated Diners YoY % Change³



- There have been improvements in high frequency data, but overall levels remain well below prior readings and have slowed in some cases given the recent spike in cases.
- Generally, people have become more active as restrictions eased and stores reopened. Retail sales recovered from a record decline with two consecutive months of positive growth as the economy reopened.
- Restaurants saw initial improvements before declining and leveling-off, as in-store dining has been cited as a key contributor to increases in infections.

¹ Source: Bloomberg. Data is as of June 30, 2020 and represents the US Retail Sales SA MoM%

² Source: Bloomberg. Data is as of July 31, 2020 and represents the deviation from normal mobility behaviors induced by COVID-19 (formerly the "Social Distancing Index"). The index represents a weighted average of various lengths of time that a mobile device, like a cell phone, leaves its "home" or place of residence, and/or how long a device stays at home. A decline in this index represents a mobile device at home for a longer period of time than average.

³ Source: Bloomberg. This data shows year-over-year seated diners at restaurants on the OpenTable network across all channels: online reservations, phone reservations, and walk-ins. Only states or cities with 50+ restaurants in the sample are included. All such restaurants on the OpenTable network in either period are included. Data is as of July 31, 2020. Index start date 2/19/20.

Looking Forward...

- There will be significant economic impact and a global recession.
 - How deep it will be and how long it will last depend on factors (below) that are unknowable at this time.
- The length of the virus and country responses will be key considerations.
 - As of now, it is not clear the end is in sight, particularly given the recent increases in cases in certain areas; however, individual countries are attempting to lay the groundwork to support a recoveries in their economies.
- Central banks and governments are pledging support, but will it be enough?
 - Market reactions to announced policies have been positive, but additional support will likely be required until the virus gets better contained.
- Expect heightened market volatility should economies start to shut back down given the recent spike in cases.
 - This has been a consistent theme recently; volatility is likely to remain elevated for some time.
- It is important to retain a long-term focus.
 - History supports the argument that maintaining a long-term focus will ultimately prove beneficial for diversified portfolios.

Prior Drawdowns and Recoveries from 1926-2020¹

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

- As markets continue to recover and approach the prior peak, questions remain about the sustainability of the rally.
- Markets are continuing to reprice amid the uncertain impact of the virus on companies and the broader economy, which means this drawdown is still being defined in the context of history.
- That said, financial markets have experienced material declines with some frequency, and while certain declines took a meaningful time to recover, in all cases they eventually did.
- If the recovery continues back to prior peak levels it would represent one of the fastest recoveries on record, similar to the historic decline.

¹ Source: Goldman Sachs. Recent peak to trough declines are through July 31, 2020.

Implications for Clients

- Portfolios have generally experienced significant improvements from the March lows.
- Even though equity markets have recovered from their lows, it is important to remain vigilant and be prepared to rebalance if volatility increases again.
 - Before rebalancing, consider changes in liquidity needs given the potential for cash inflows to decline in some cases.
 - Also, consider the cost of rebalancing if investment liquidity declines.
- Diversification works. The latest decline was an example of a flight to quality leading to gains in very high quality bonds.

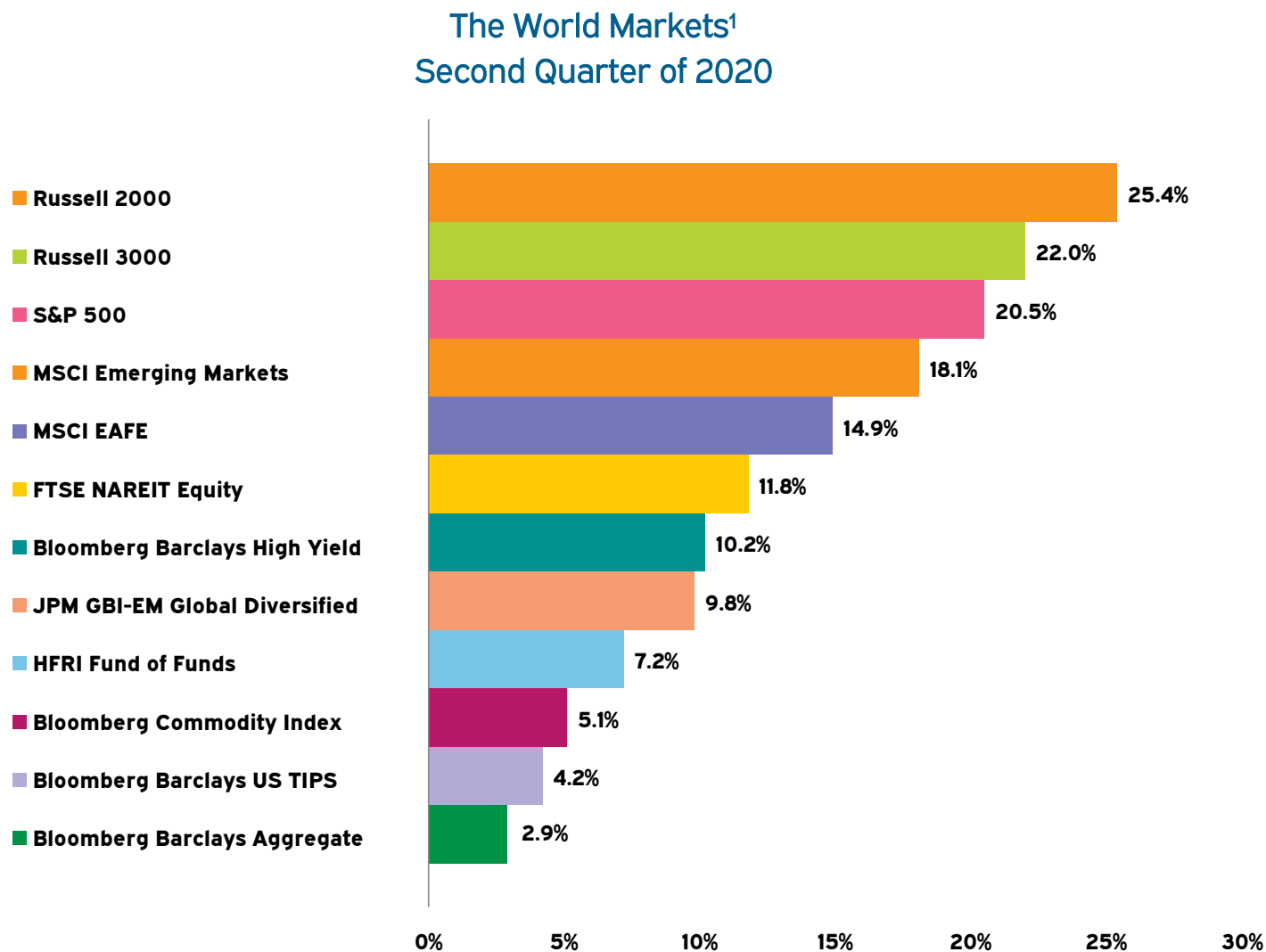
Performance YTD (through July 31, 2020)

S&P 500	ACWI (ex. US)	Aggregate Bond Index	Balanced Portfolio ¹
2.4%	-7.0%	7.7%	1.7%

- Meketa will continue to monitor the situation and communicate frequently.
 - The situation is fluid and the economic impact is uncertain at this stage.
- Please feel free to reach out with any questions.

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

The World Markets Second Quarter of 2020



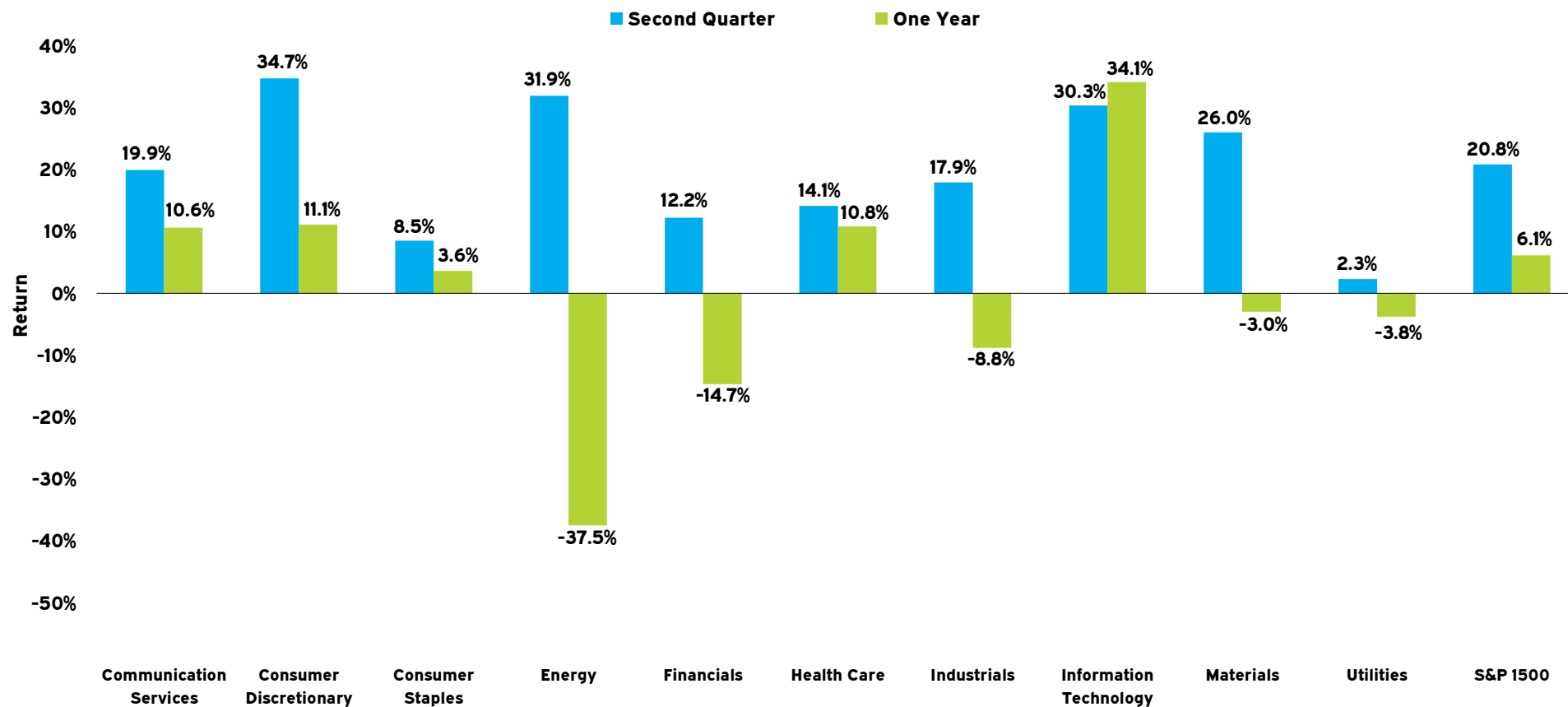
¹ Source: InvestorForce.

Index Returns¹

	2Q20 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
Domestic Equity						
S&P 500	20.5	-3.1	7.5	10.7	10.7	14.0
Russell 3000	22.0	-3.5	6.5	10.0	10.0	13.7
Russell 1000	21.8	-2.8	7.5	10.6	10.5	14.0
Russell 1000 Growth	27.8	9.8	23.3	19.0	15.9	17.2
Russell 1000 Value	14.3	-16.3	-8.8	1.8	4.6	10.4
Russell MidCap	24.6	-9.1	-2.2	5.8	6.8	12.3
Russell MidCap Growth	30.3	4.2	11.9	14.8	11.6	15.1
Russell MidCap Value	19.9	-18.1	-11.8	-0.5	3.3	10.3
Russell 2000	25.4	-13.0	-6.6	2.0	4.3	10.5
Russell 2000 Growth	30.6	-3.1	3.5	7.9	6.9	12.9
Russell 2000 Value	18.9	-23.5	-17.5	-4.3	1.3	7.8
Foreign Equity						
MSCI ACWI (ex. US)	16.1	-11.0	-4.8	1.1	2.3	5.0
MSCI EAFE	14.9	-11.3	-5.1	0.8	2.1	5.7
MSCI EAFE (Local Currency)	12.6	-10.5	-4.2	1.3	2.6	6.9
MSCI EAFE Small Cap	19.9	-13.1	-3.5	0.5	3.8	8.0
MSCI Emerging Markets	18.1	-9.8	-3.4	1.9	2.9	3.3
MSCI Emerging Markets (Local Currency)	16.7	-5.5	1.4	4.5	5.1	6.0
Fixed Income						
Bloomberg Barclays Universal	3.8	5.2	7.9	5.2	4.4	4.1
Bloomberg Barclays Aggregate	2.9	6.1	8.7	5.3	4.3	3.8
Bloomberg Barclays US TIPS	4.2	6.0	8.3	5.0	3.7	3.5
Bloomberg Barclays High Yield	10.2	-3.8	0.0	3.3	4.8	6.7
JPM GBI-EM Global Diversified	9.8	-6.9	-2.8	1.1	2.3	1.6
Other						
FTSE NAREIT Equity	11.8	-18.7	-13.0	0.0	4.1	9.1
Bloomberg Commodity Index	5.1	-19.4	-17.4	-6.1	-7.7	-5.8
HFRI Fund of Funds	7.2	-2.2	-0.2	2.0	1.4	2.7

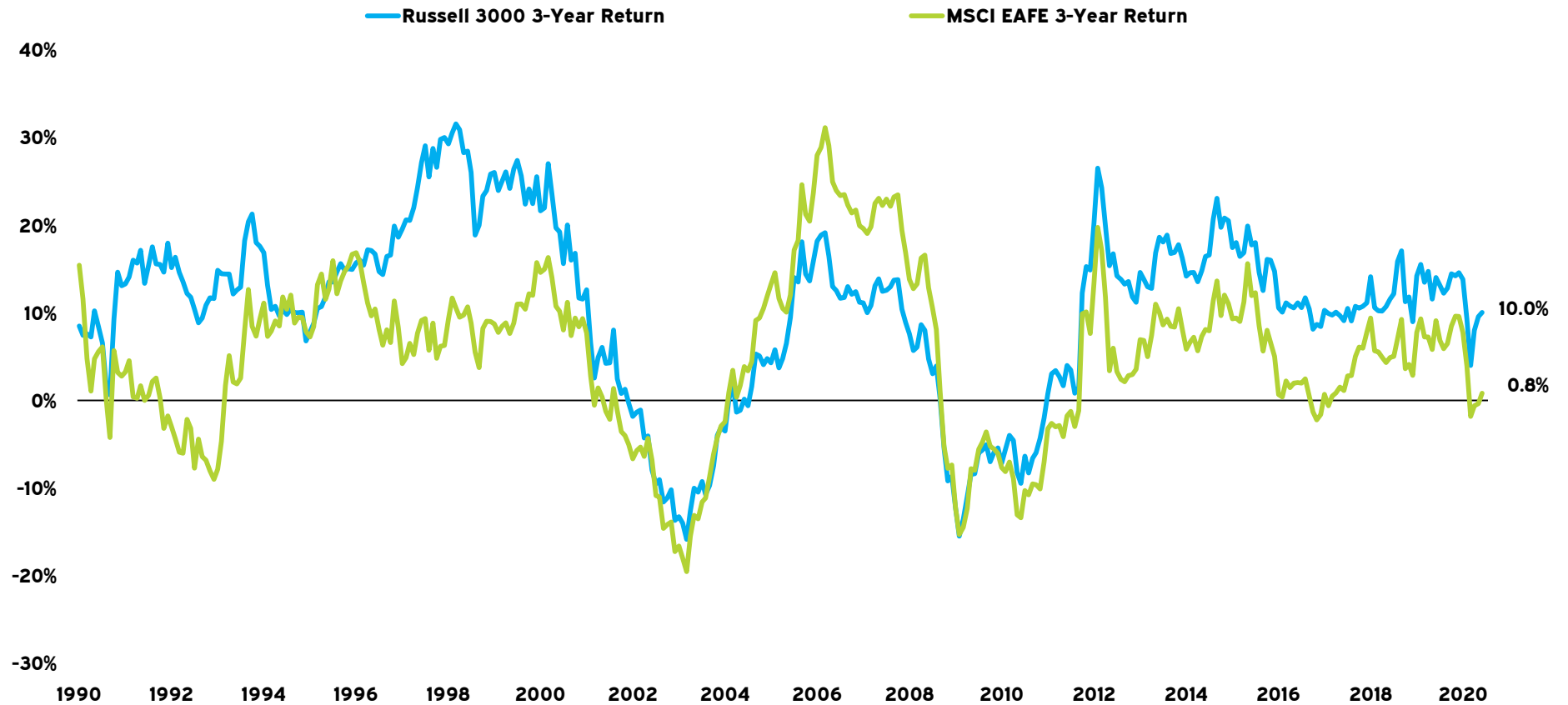
¹ Source: InvestorForce.

S&P Sector Returns¹



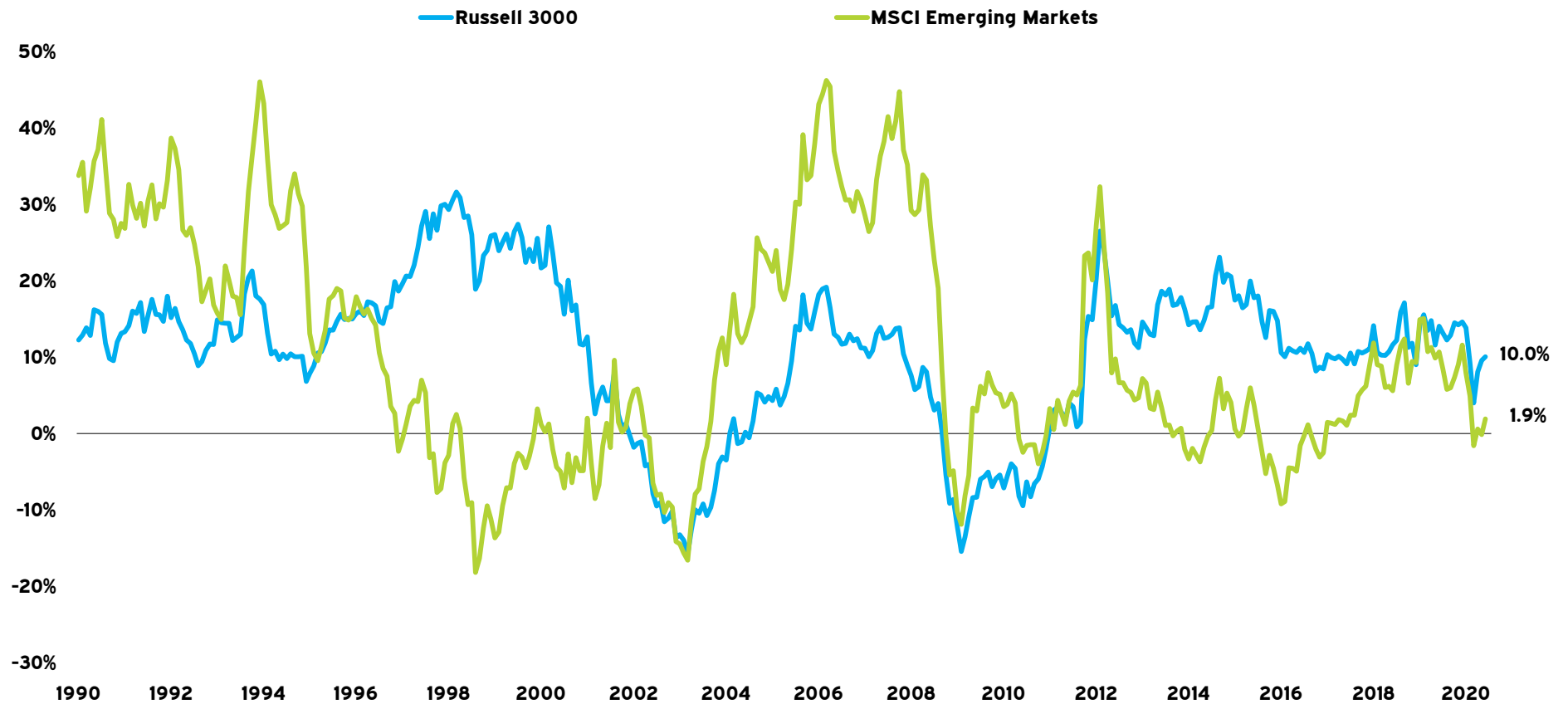
¹ Source: InvestorForce. Represents S&P 1500 (All Cap) data.

US and Developed Market Foreign Equity Rolling Three-Year Returns¹



¹ Source: InvestorForce.

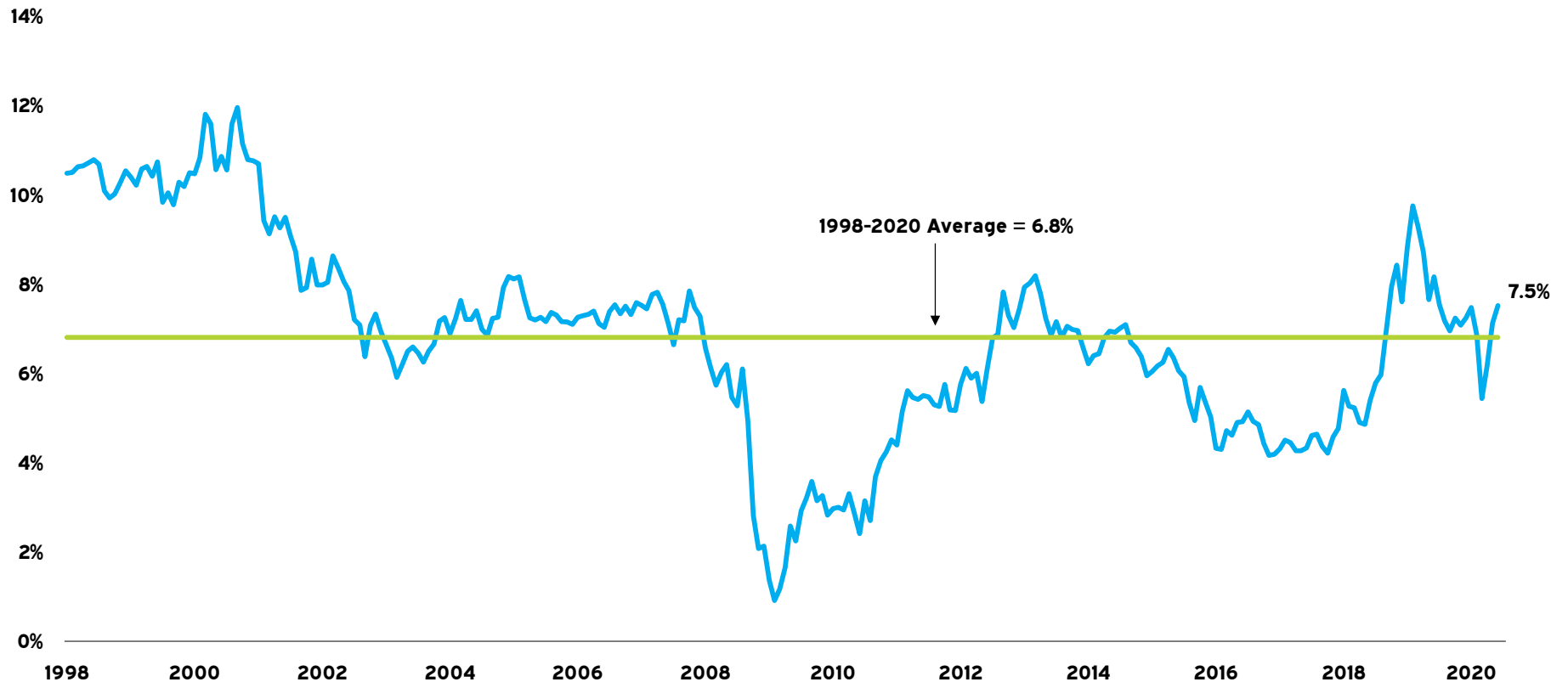
US and Emerging Market Equity Rolling Three-Year Returns¹



¹ Source: InvestorForce.

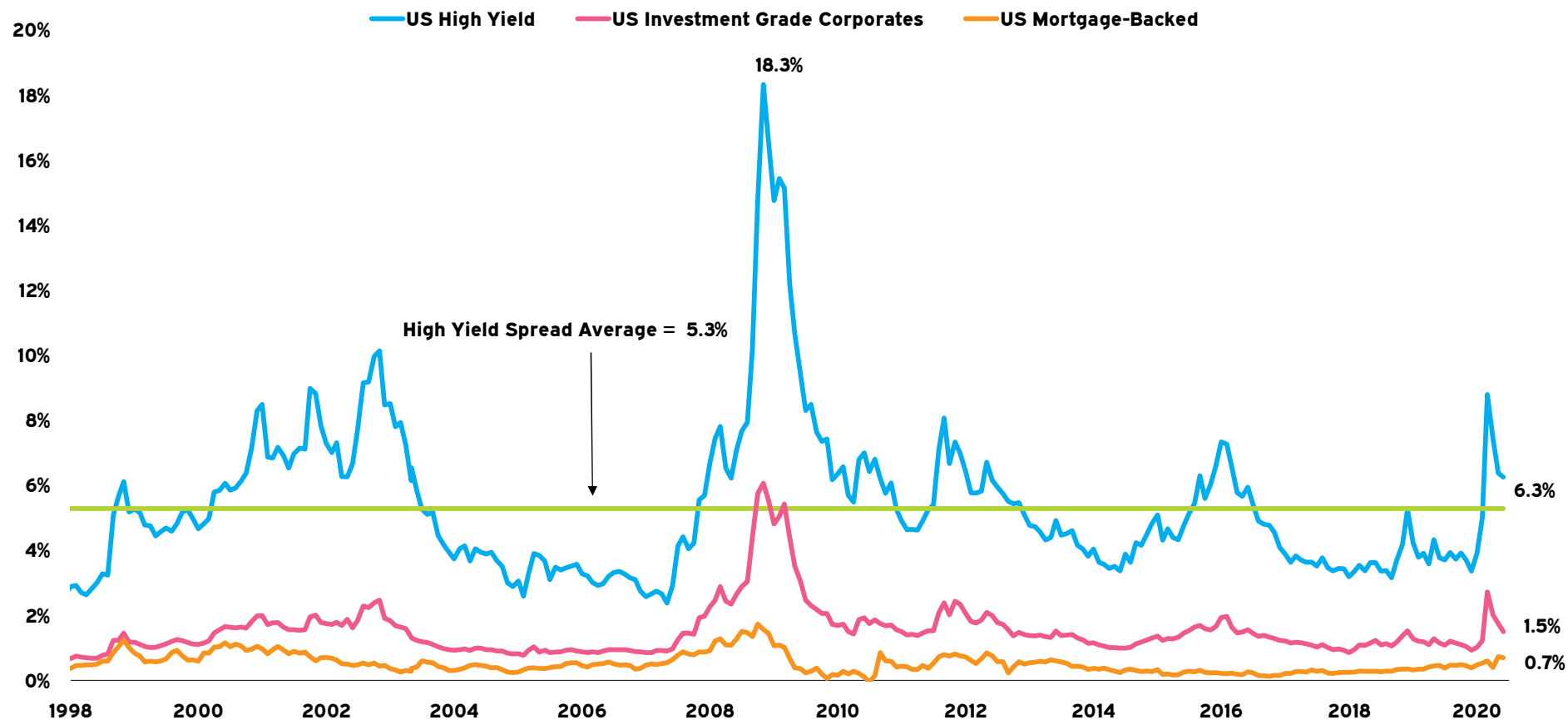
Rolling Ten-Year Returns: 65% Stocks and 35% Bonds¹

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



¹ Source: InvestorForce.

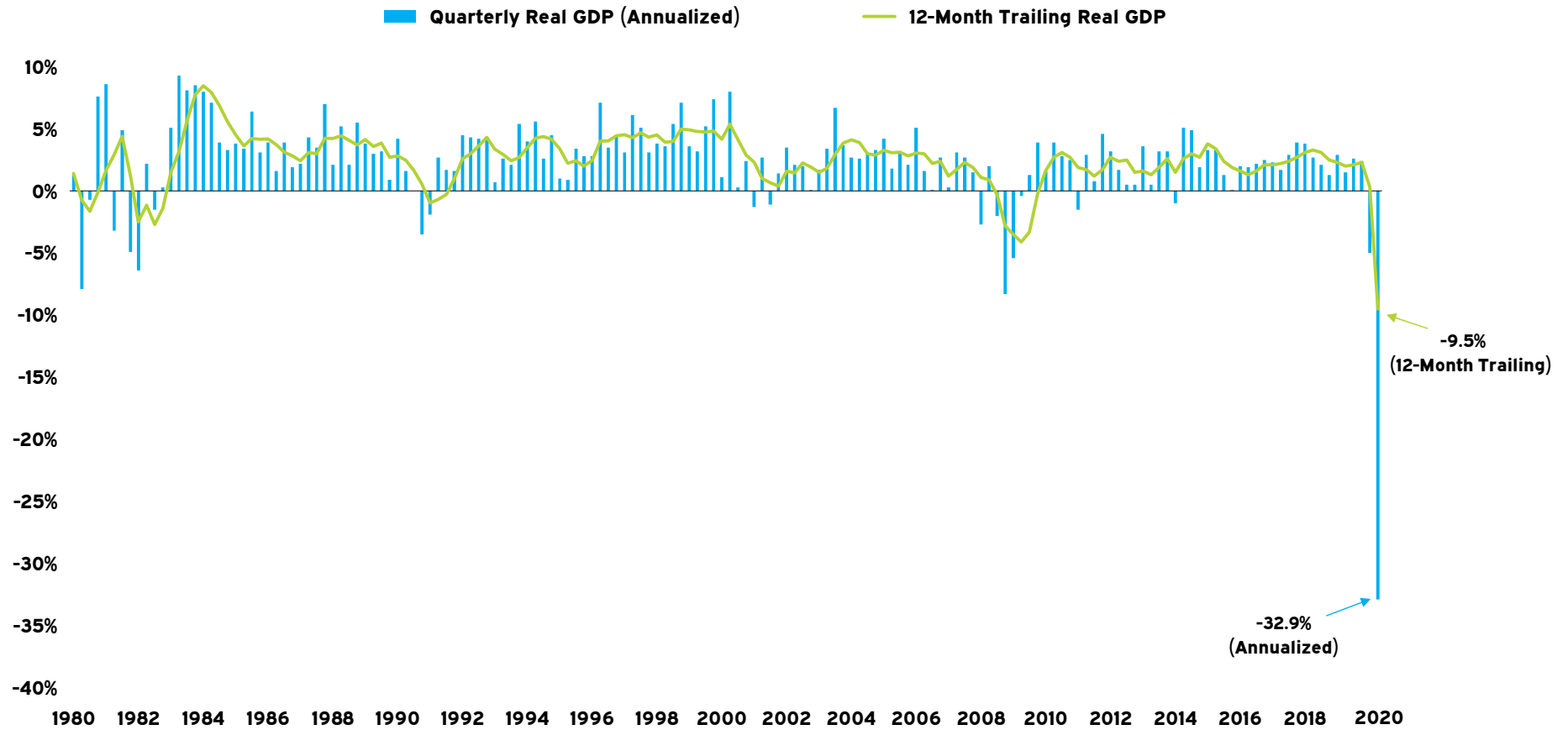
Credit Spreads vs. US Treasury Bonds^{1,2}



¹ Source: Barclays Live. Data represents the OAS.

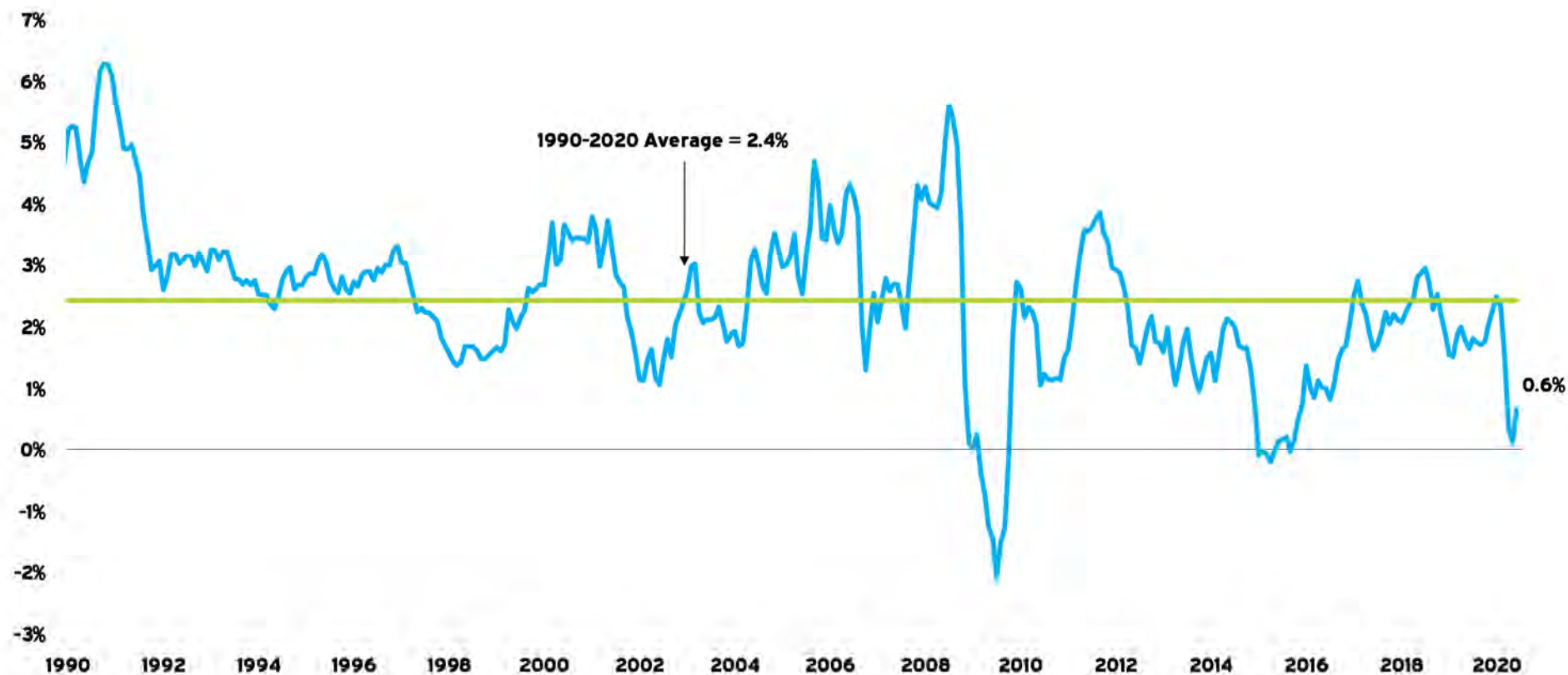
² The median high yield spread was 4.8% from 1997-2020.

US Real Gross Domestic Product (GDP) Growth¹



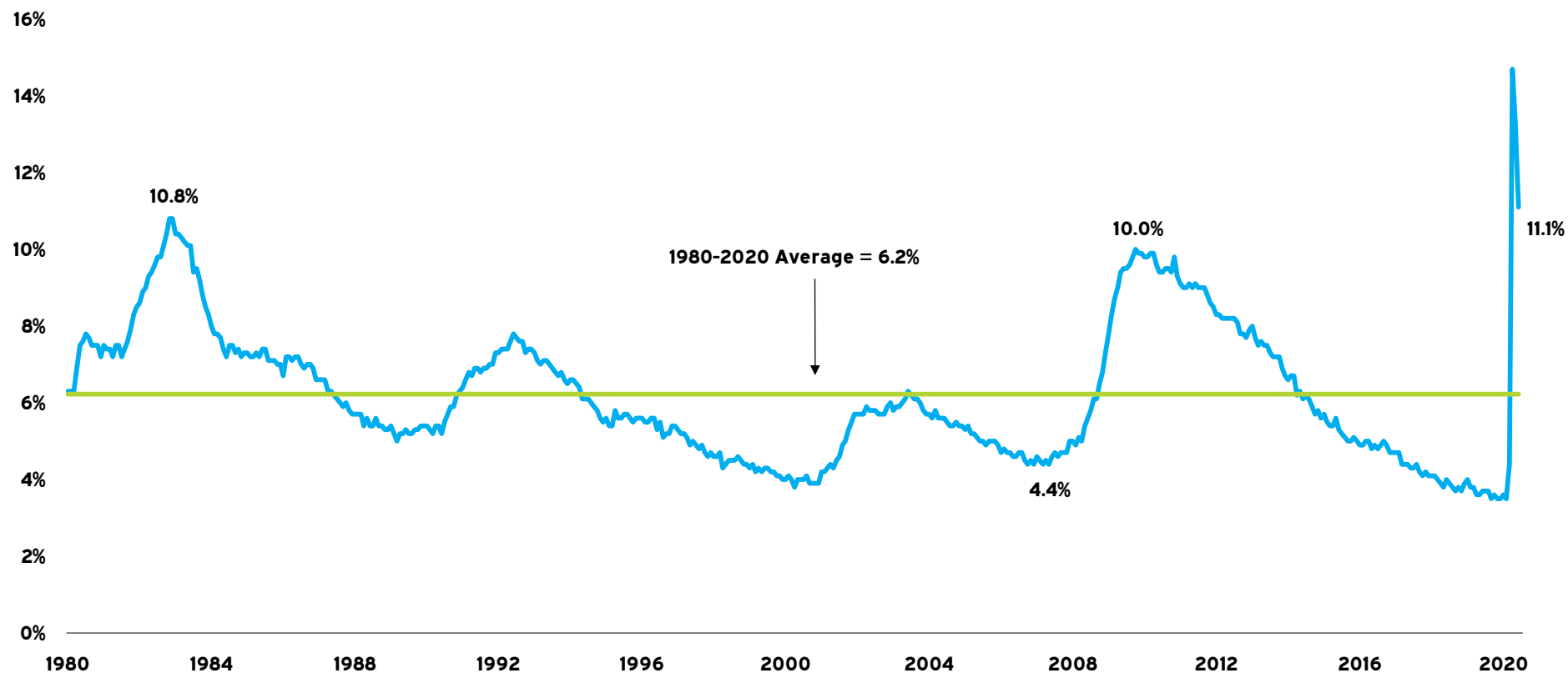
¹ Source: Bureau of Economic Analysis. Data is as of Q2 2020 and represents the first estimate.

US Inflation (CPI) Trailing Twelve Months¹



¹ Source: Bureau of Labor Statistics. Data is non-seasonally adjusted CPI, which may be volatile in the short-term. Data is as of June 30, 2020.

US Unemployment¹



¹ Source: Bureau of Labor Statistics. Data is as of June 30, 2020.

Capital Markets Outlook & Risk Metrics

As of July 31, 2020

Capital Markets Outlook

Takeaways

- July continued where Q2 left off, as equity markets across the globe continued to appreciate while interest rates declined at the margin. With the additional gains, the number of equity markets/indices across the globe that are in or approaching positive return territory for 2020 continued to grow.
- The outperformance of growth stocks continued during July. Additionally, large cap stocks changed course (in comparison to Q2) to outperform small cap stocks over the month. There continues to be a material divergence in trailing period performance for growth vs. value and large vs. small, and this is exemplified at the extremes with large cap growth stocks (e.g., Russell 1000 Growth) outperforming small cap value stocks (e.g., Russell 2000 Value) by over 40% thus far in 2020.
- As the Federal Reserve continued to implement unprecedented monetary policies, US Treasuries produced positive returns during July, with long-term US Treasuries (i.e., 20+ years) generating returns above 4% for the month and over 25% year-to-date.
- Although monetary and fiscal policies across the globe remain extremely accommodative, many global authorities appear to be in a period of observation as they attempt to gauge how the economy does, or does not, recover in the short term. If the recovery proves insufficient, it is expected that we will experience a continuation of the until recently unprecedented policies to combat a sustained economic downturn.

Capital Markets Outlook

Takeaways

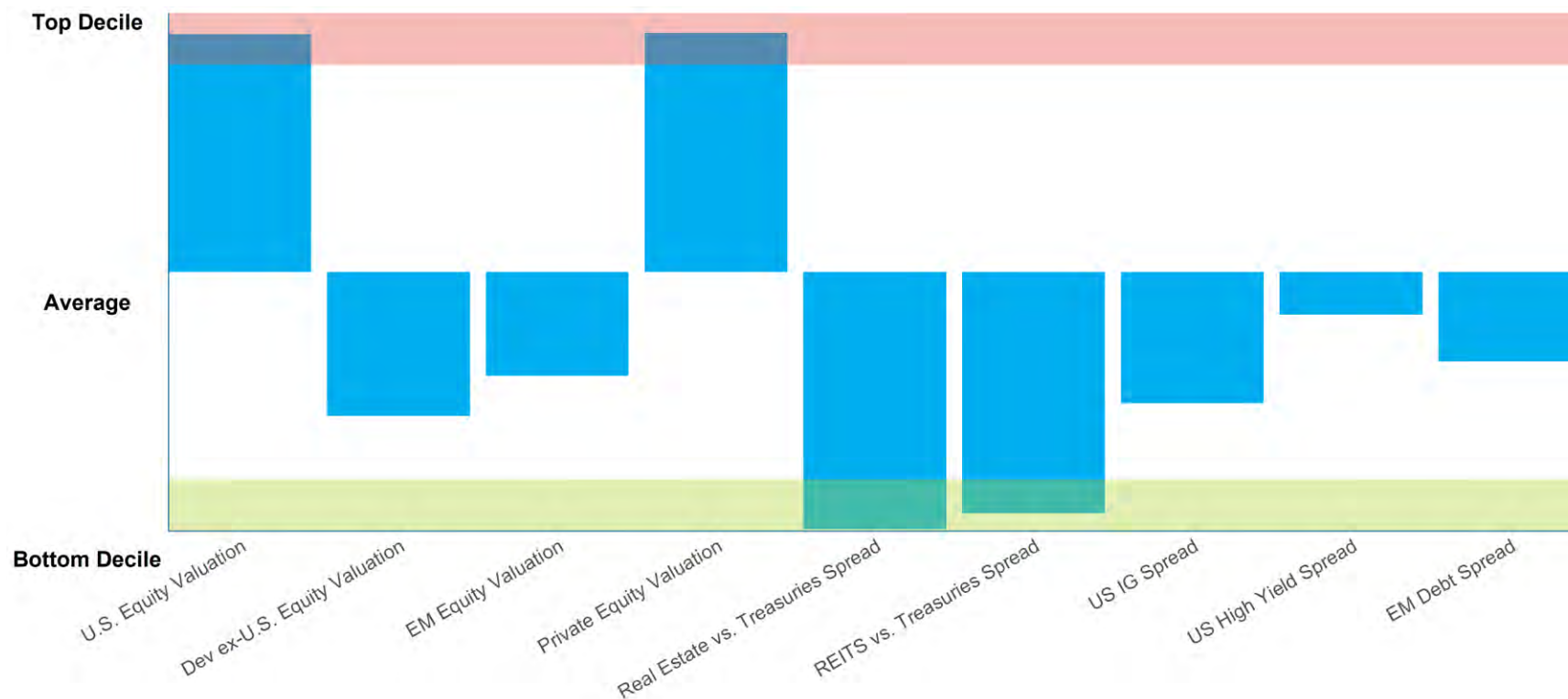
- Local/regional US economies are in various stages of reopening, and the timeline for returning to normal levels of economic activity remains uncertain. Relatedly, the aggregate impacts to global GDP due to the COVID-19 pandemic are still unknown. The advance estimate of US GDP indicated a decline of over 32% during Q2 on an annualized basis, which comes on the back of a 5% decline in Q1 (annualized).
- Implied equity market volatility¹ declined throughout the month of July from approximately 30 to 24.5 at month-end. Similarly, implied fixed income volatility² decreased to historically low levels and our Systemic Risk measure also declined during July.
- While valuations for several risk-based asset classes appear attractive at first glance, it is important to note that the full impact on corporate earnings and solvencies remains unknown. The actual path that the global economy will take moving forward is uncertain
- The Market Sentiment Indicator³ flipped to **green** (i.e., positive) at month-end.

¹ As measured by VIX Index.

² As measured by MOVE Index.

³ See Appendix for the rationale for selection and calculation methodology used for the risk metrics.

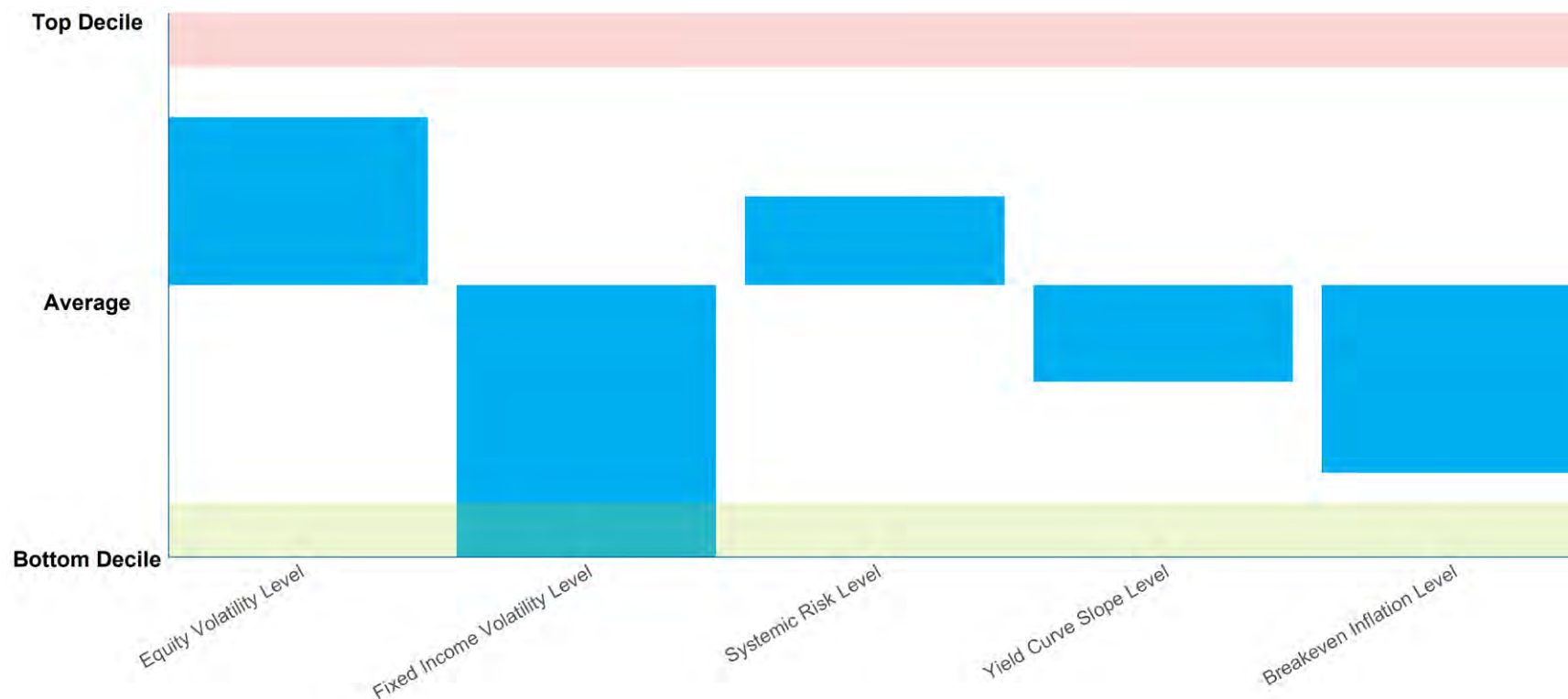
Risk Overview/Dashboard (1) (As of July 31, 2020)¹



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

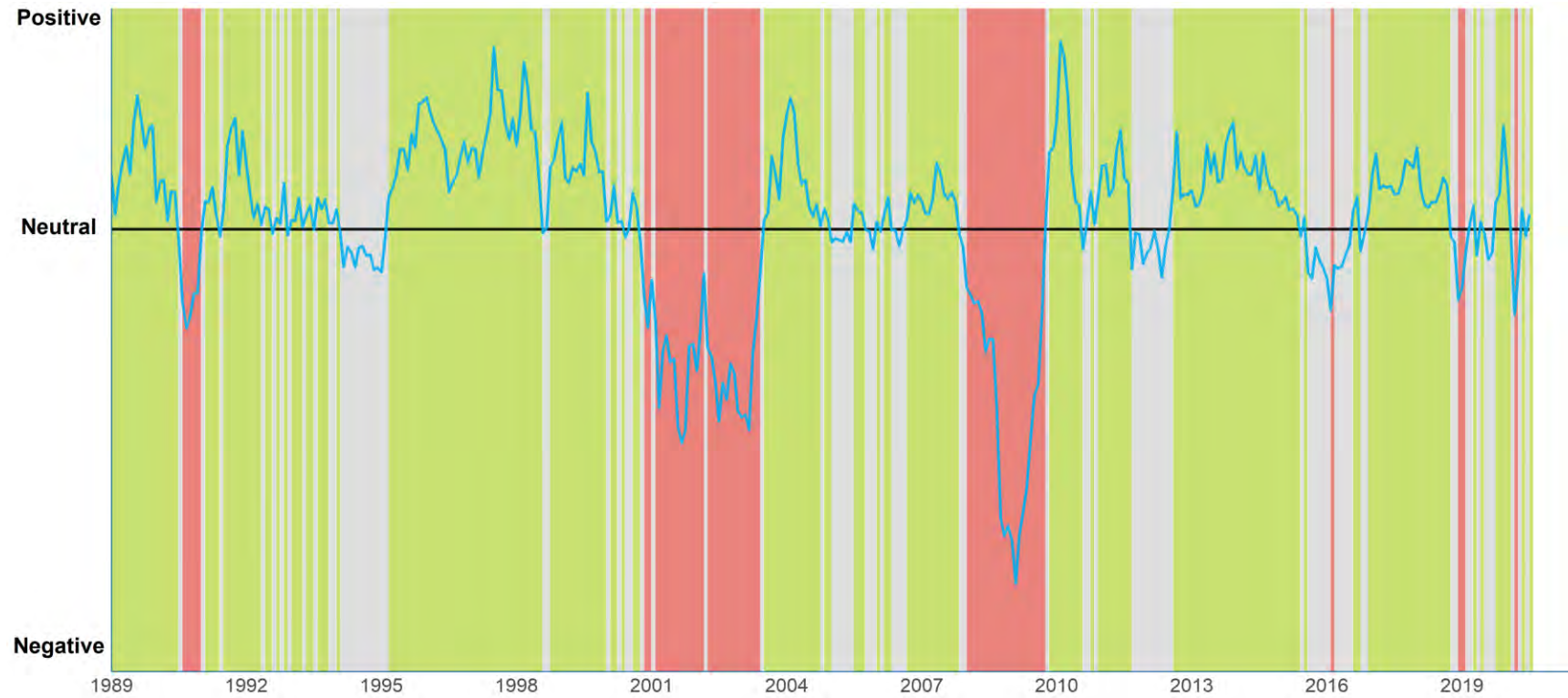
¹ With the exception of Private Equity Valuation, that is YTD as of December 31, 2019.

Risk Overview/Dashboard (2) (As of July 31, 2020)

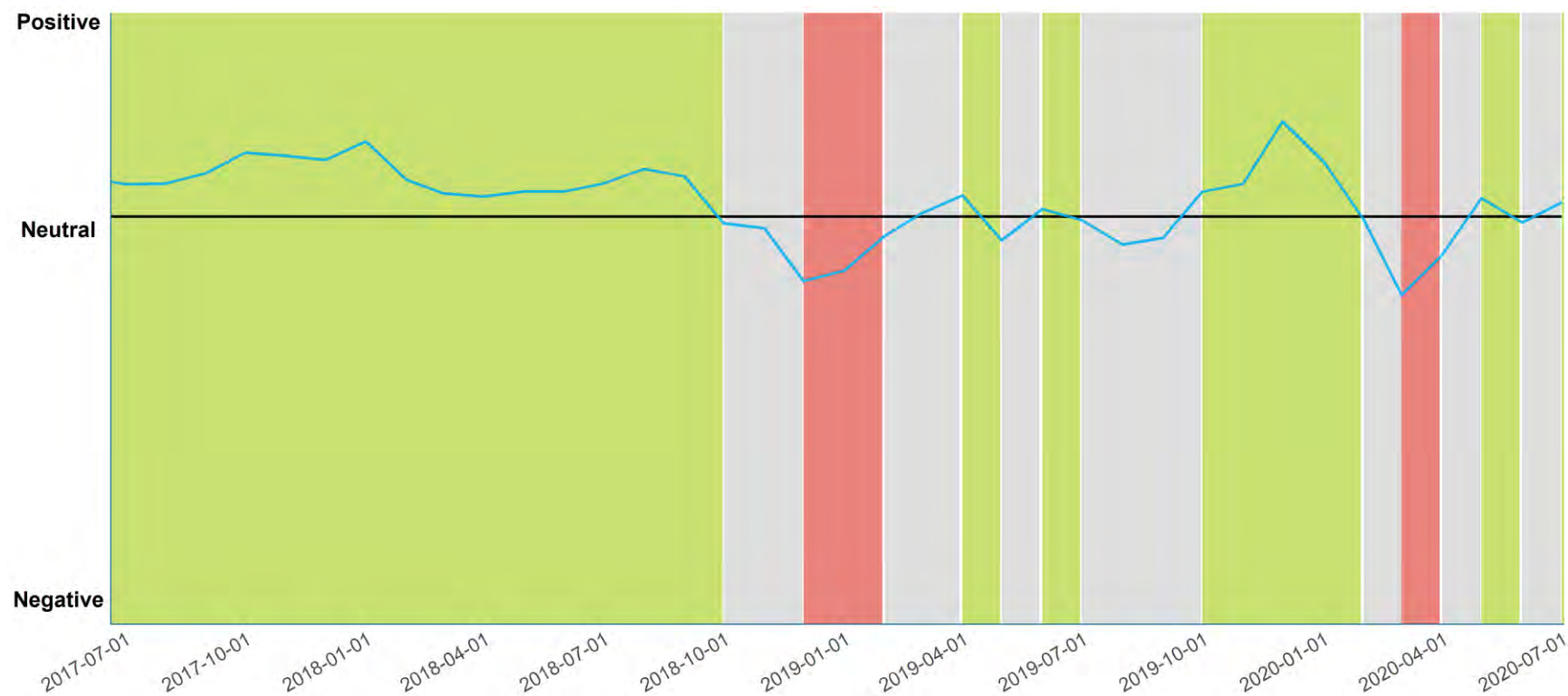


- Dashboard (2) shows how the current level of each indicator compares to its respective history.

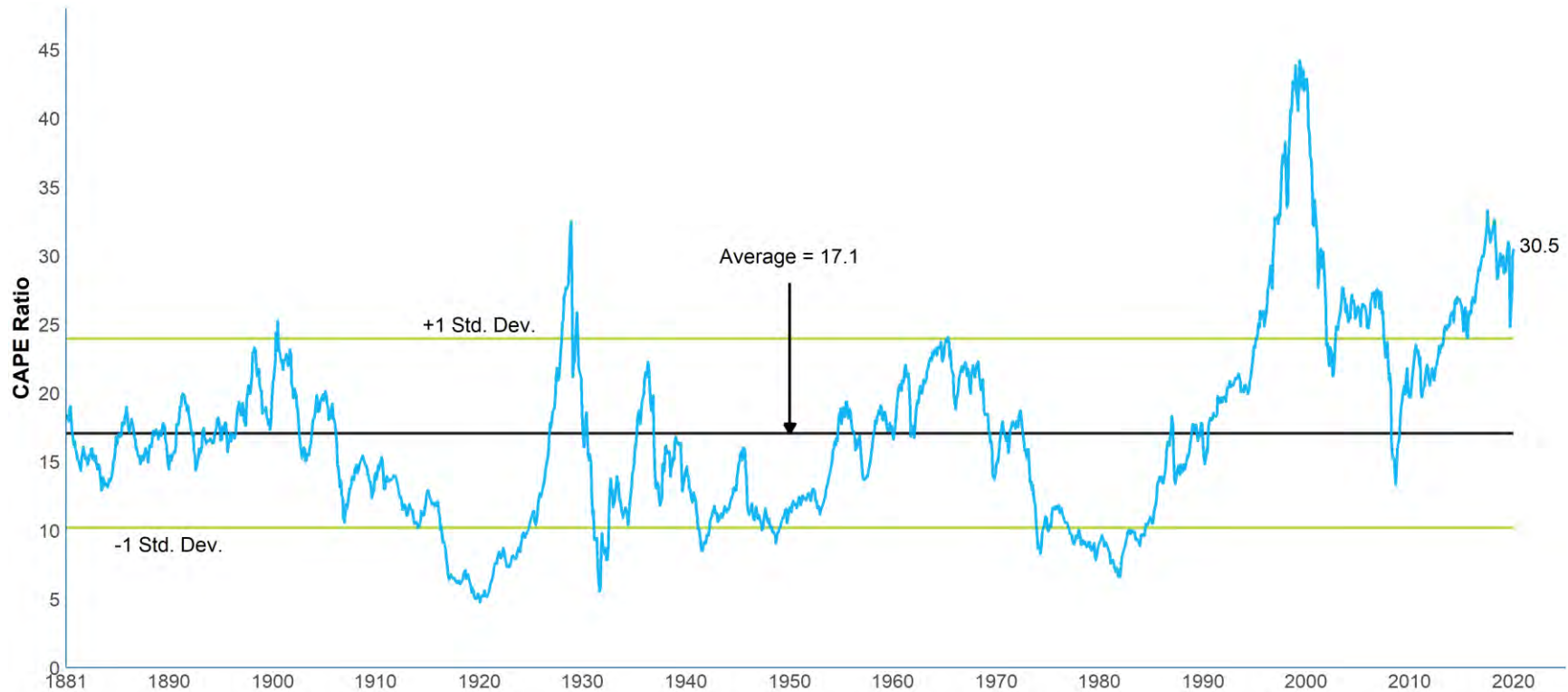
Market Sentiment Indicator (All History) (As of July 31, 2020)



Market Sentiment Indicator (Last Three Years)
(As of July 31, 2020)



US Equity Cyclically Adjusted P/E¹ (As of July 31, 2020)



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

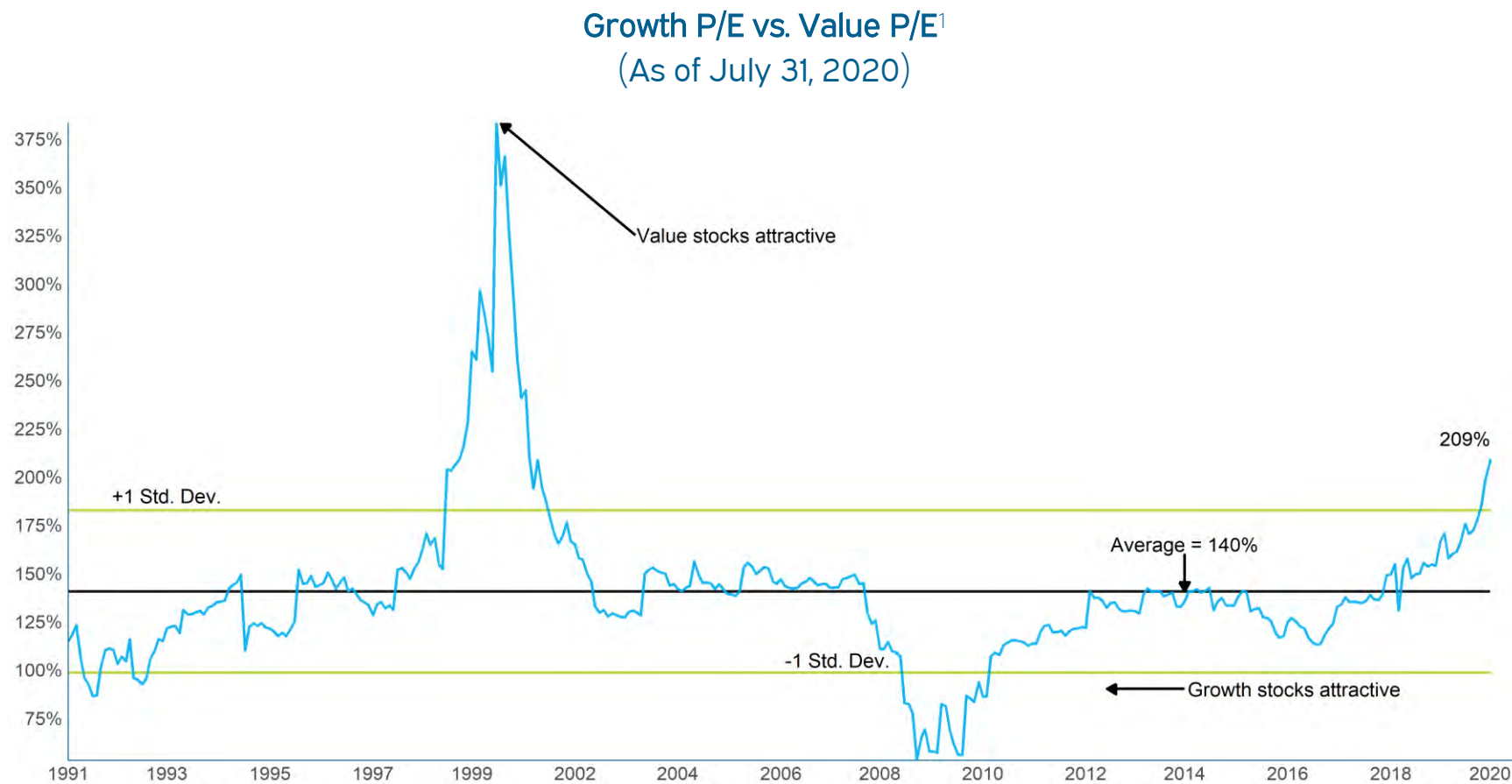
¹ US Equity Cyclically Adjusted P/E on S&P 500 Index. Source: Robert Shiller, Yale University, and Meketa Investment Group.

Small Cap P/E vs. Large Cap P/E¹ (As of July 31, 2020)



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

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



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

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

Developed International Equity Cyclically Adjusted P/E¹ (As of July 31, 2020)



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

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

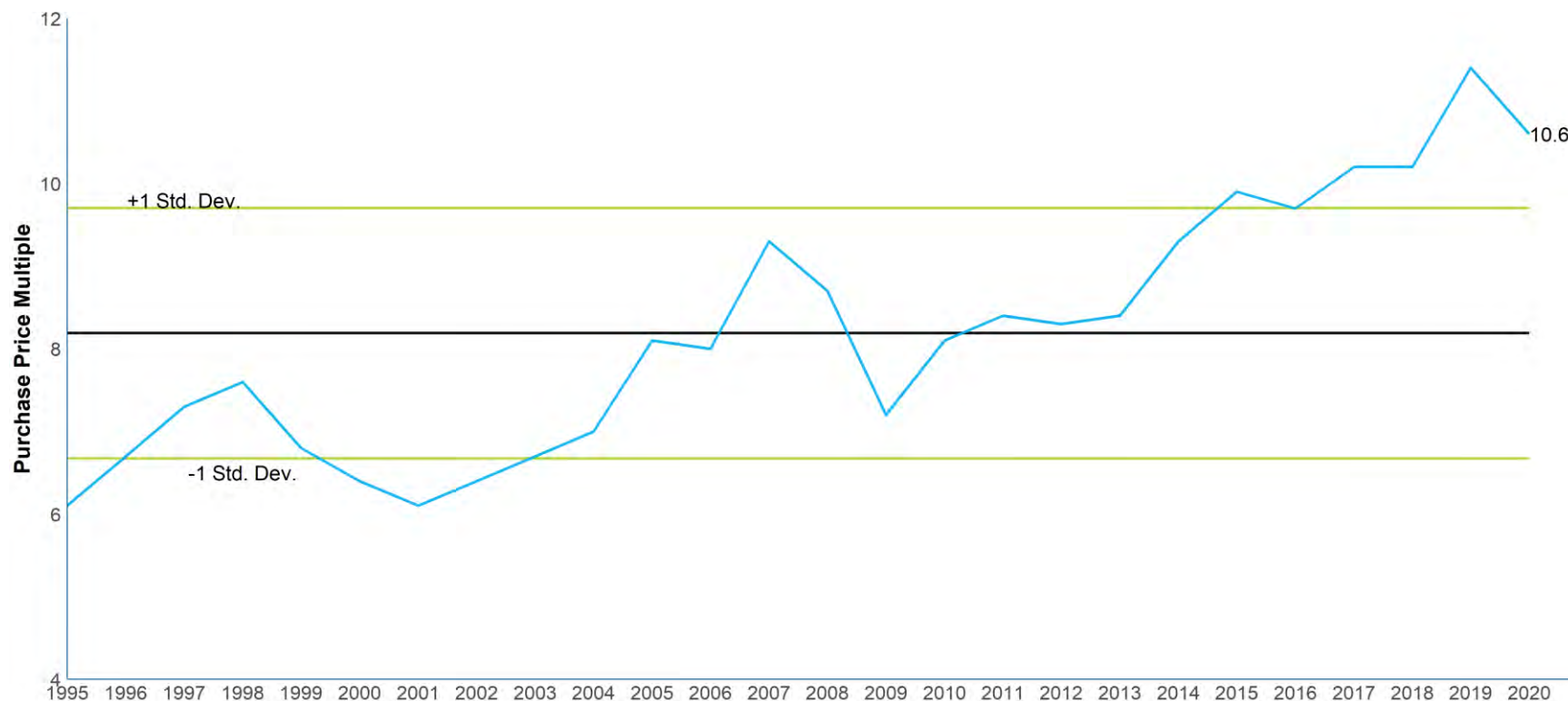
Emerging Market Equity Cyclically Adjusted P/E¹ (As of July 31, 2020)



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

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

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

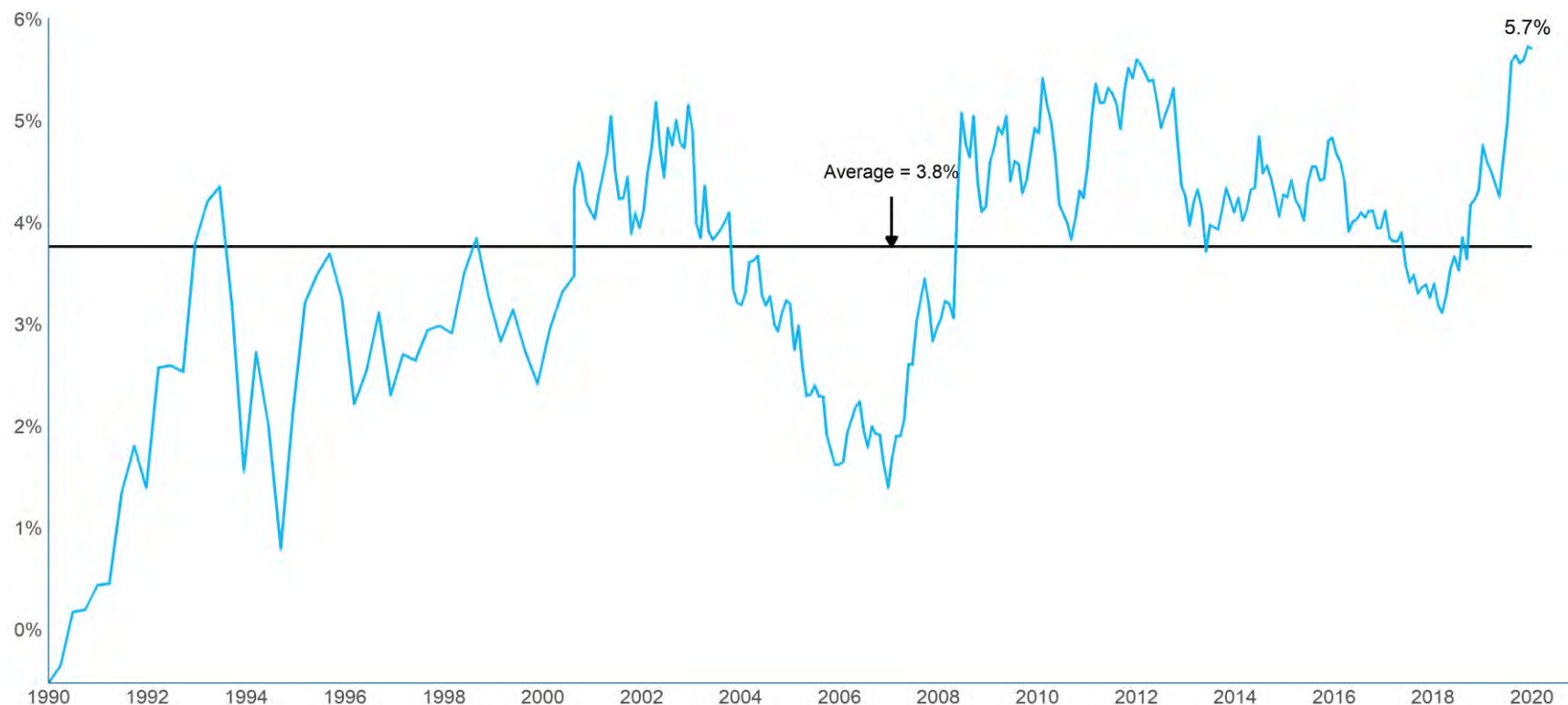


- This chart details one valuation metric for the private equity market. A higher (lower) figure indicates more expensive (cheaper) valuation relative to history.

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

² Annual figures, except for 2020 (YTD).

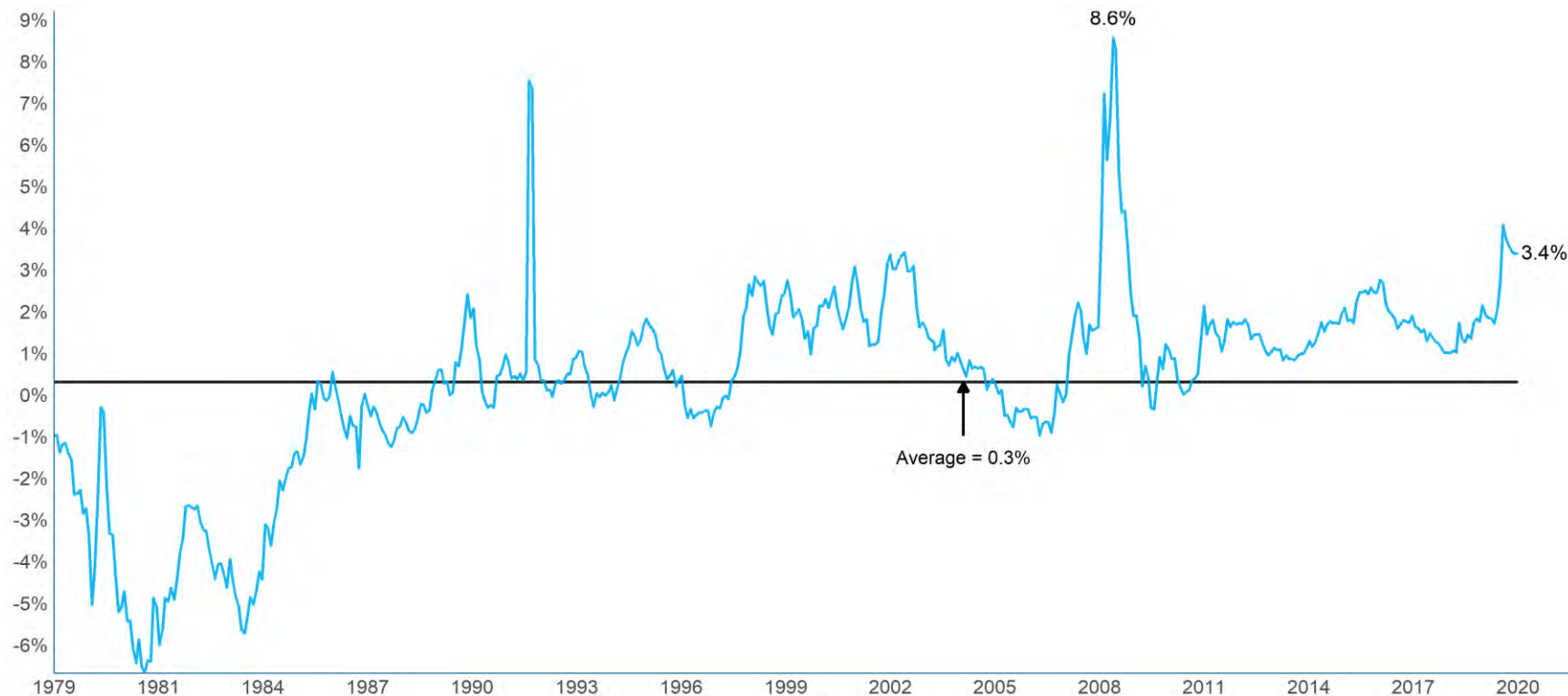
Core Real Estate Spread vs. Ten-Year Treasury¹ (As of July 31, 2020)



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

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

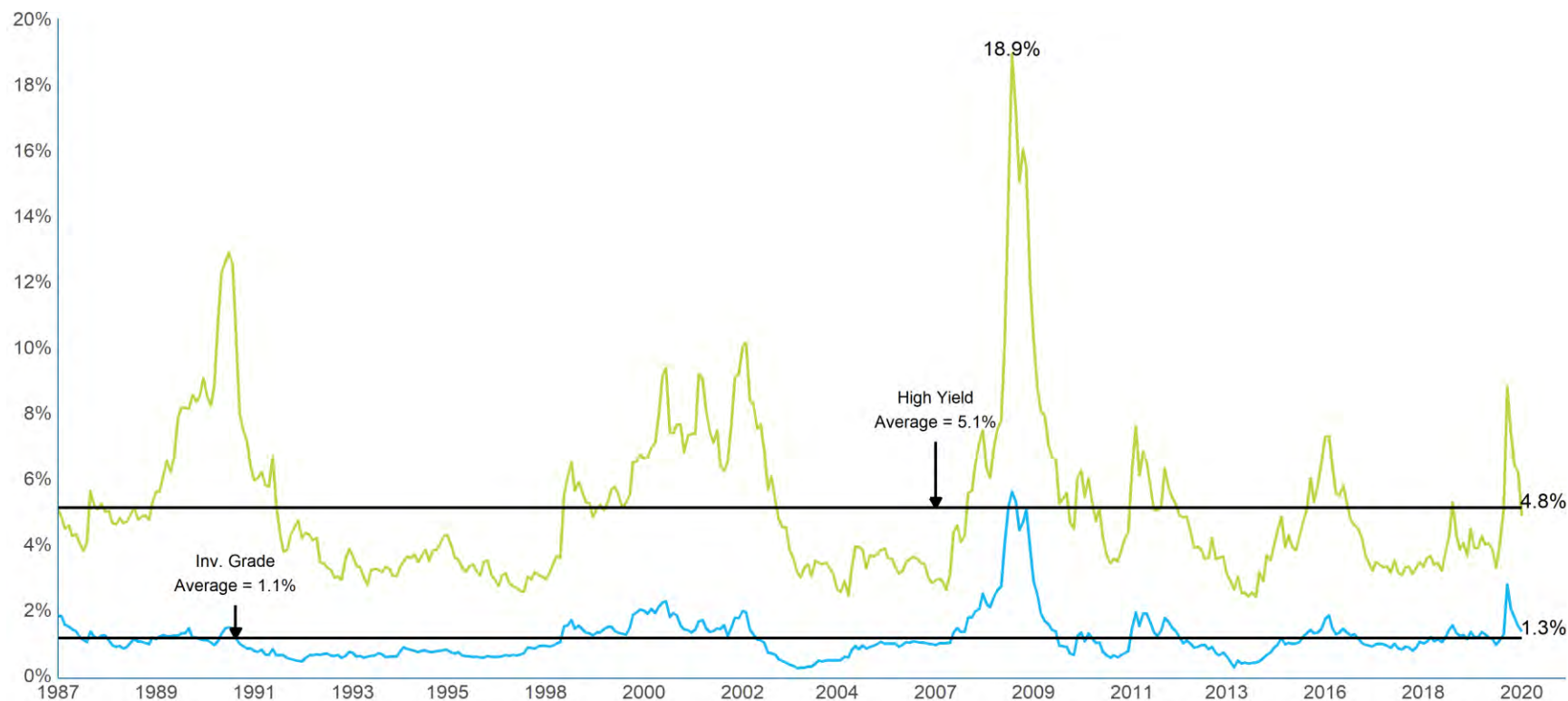
REITs Dividend Yield Spread vs. Ten-Year Treasury¹ (As of July 31, 2020)



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

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

Credit Spreads¹ (As of July 31, 2020)



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

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

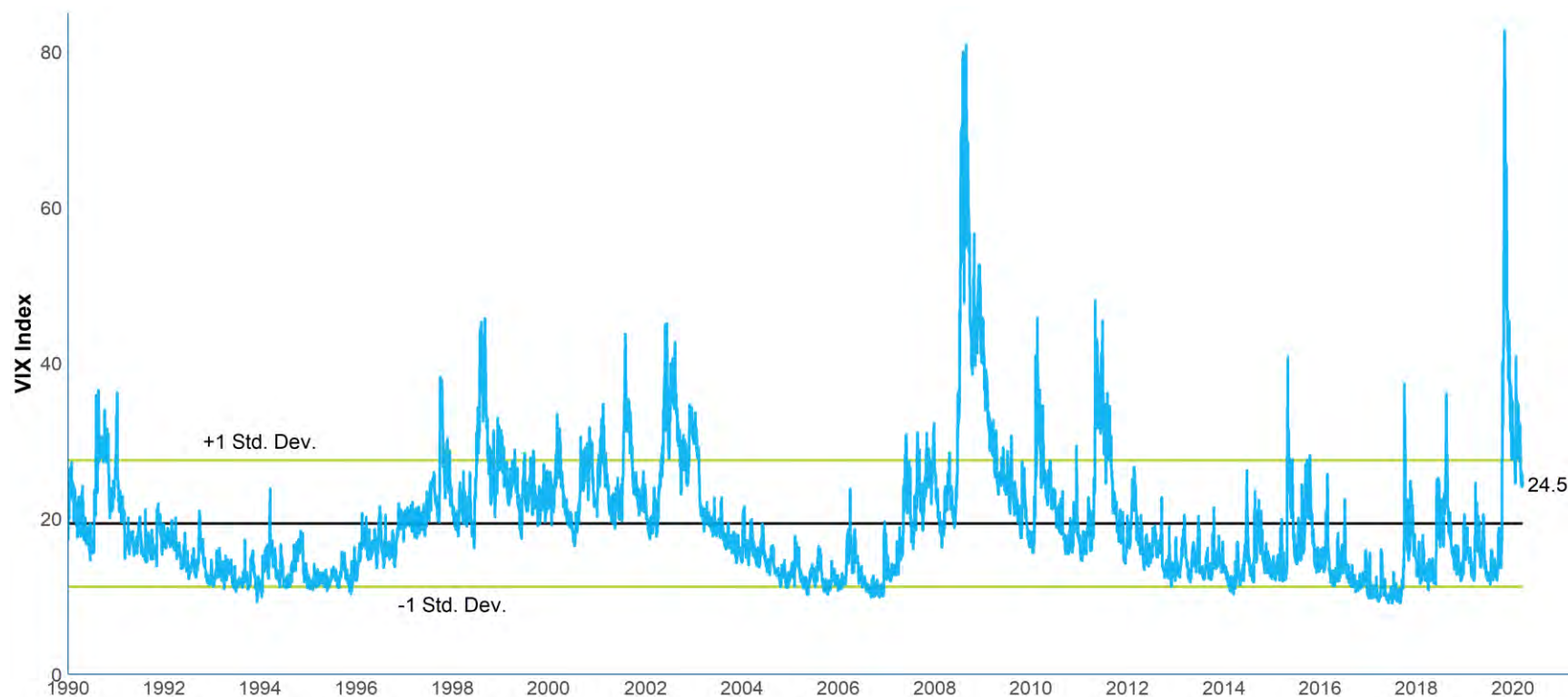
Emerging Market Debt Spreads¹ (As of July 31, 2020)



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

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

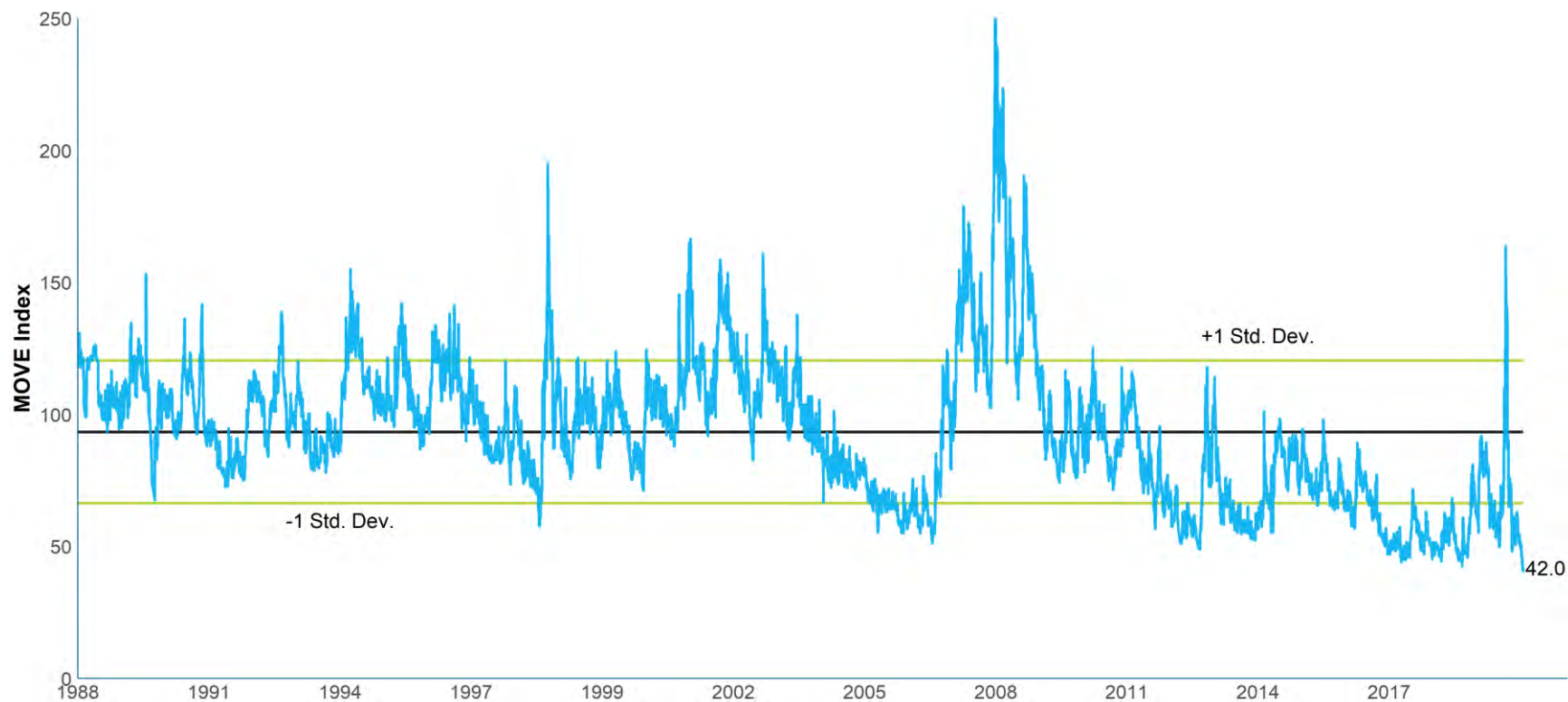
Equity Volatility¹ (As of July 31, 2020)



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

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

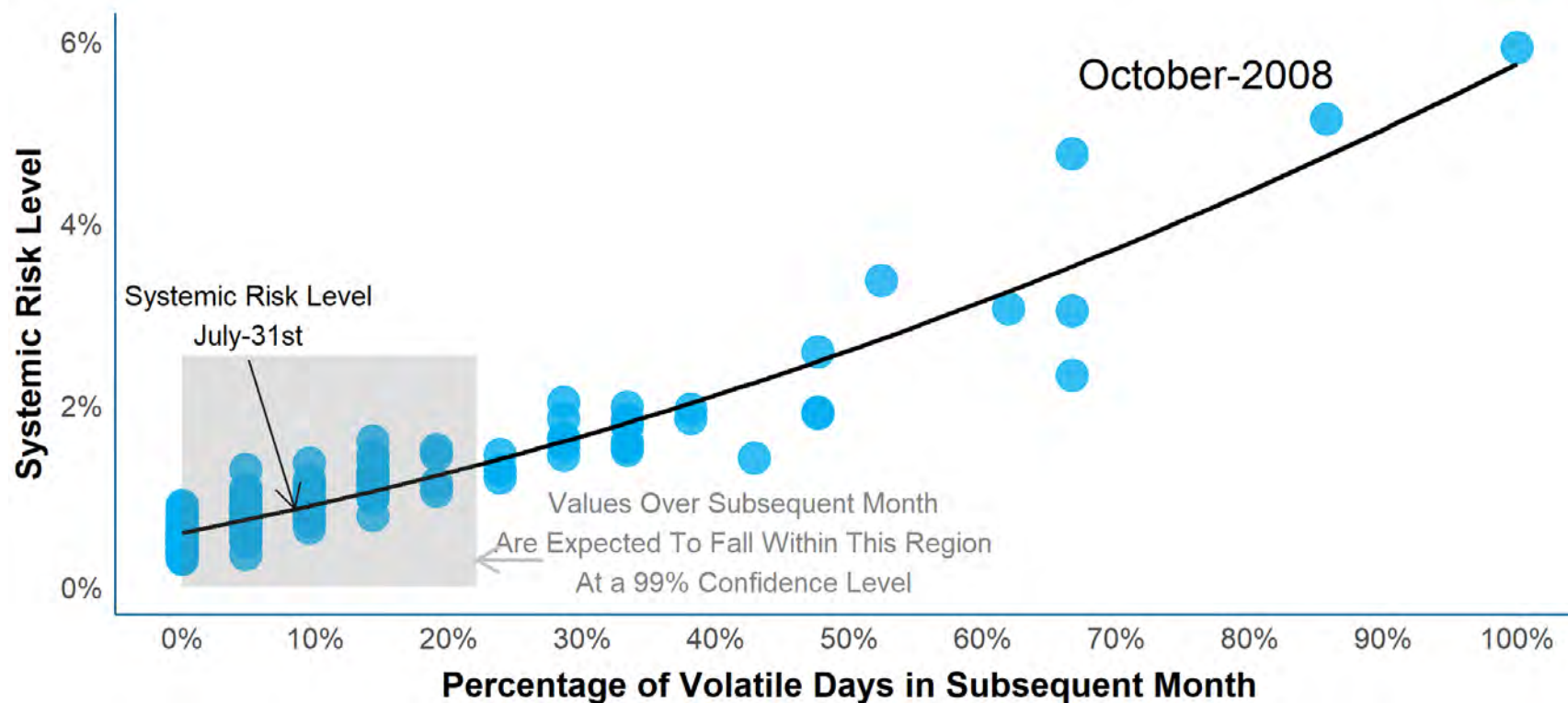
Fixed Income Volatility¹ (As of July 31, 2020)



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

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

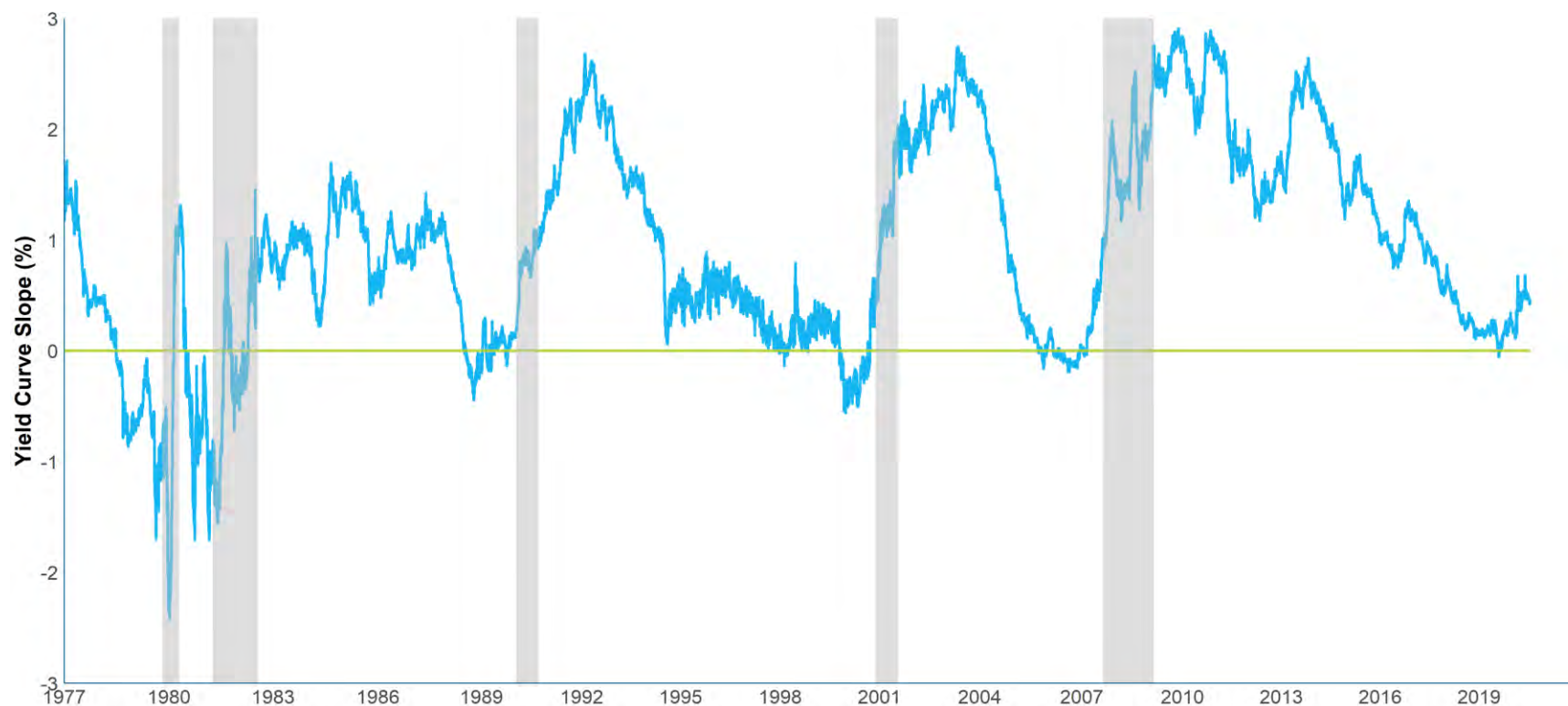
Systemic Risk and Volatile Market Days¹ (As of July 31, 2020)



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

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

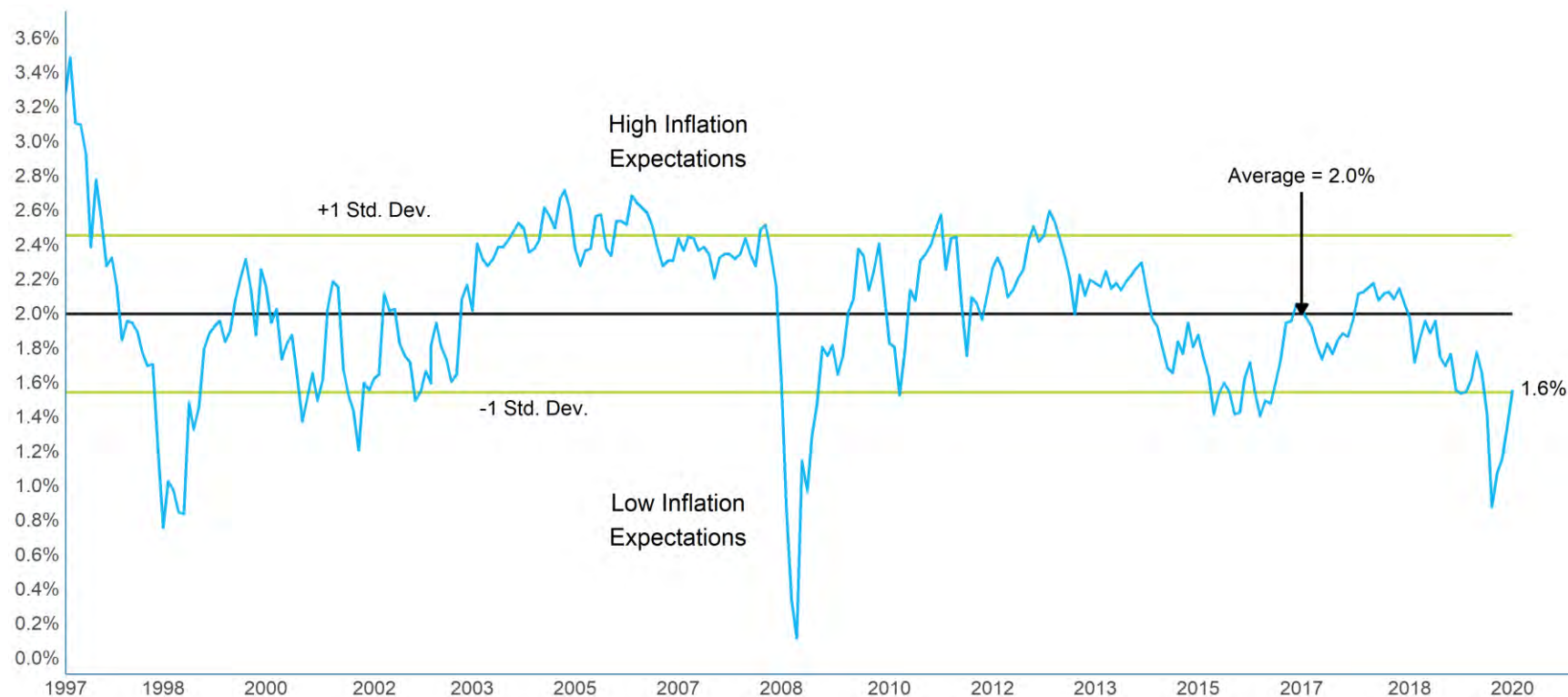
Yield Curve Slope (Ten Minus Two)¹
(As of July 31, 2020)



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

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

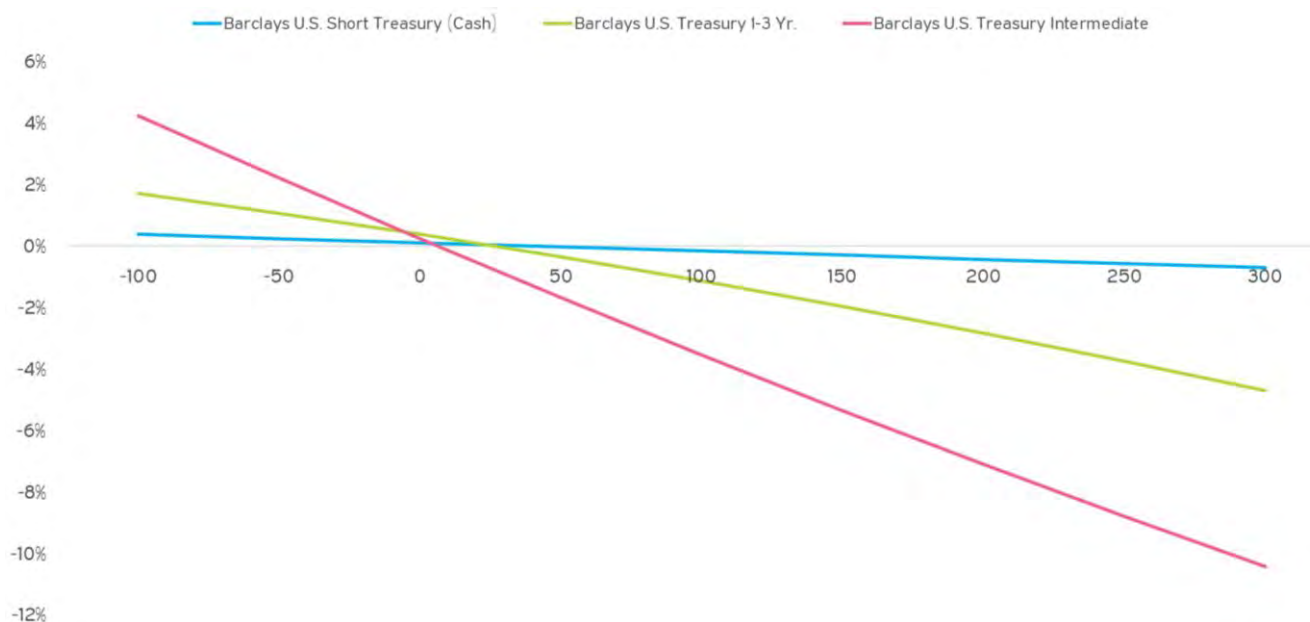
Ten-Year Breakeven Inflation¹ (As of July 31, 2020)



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

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

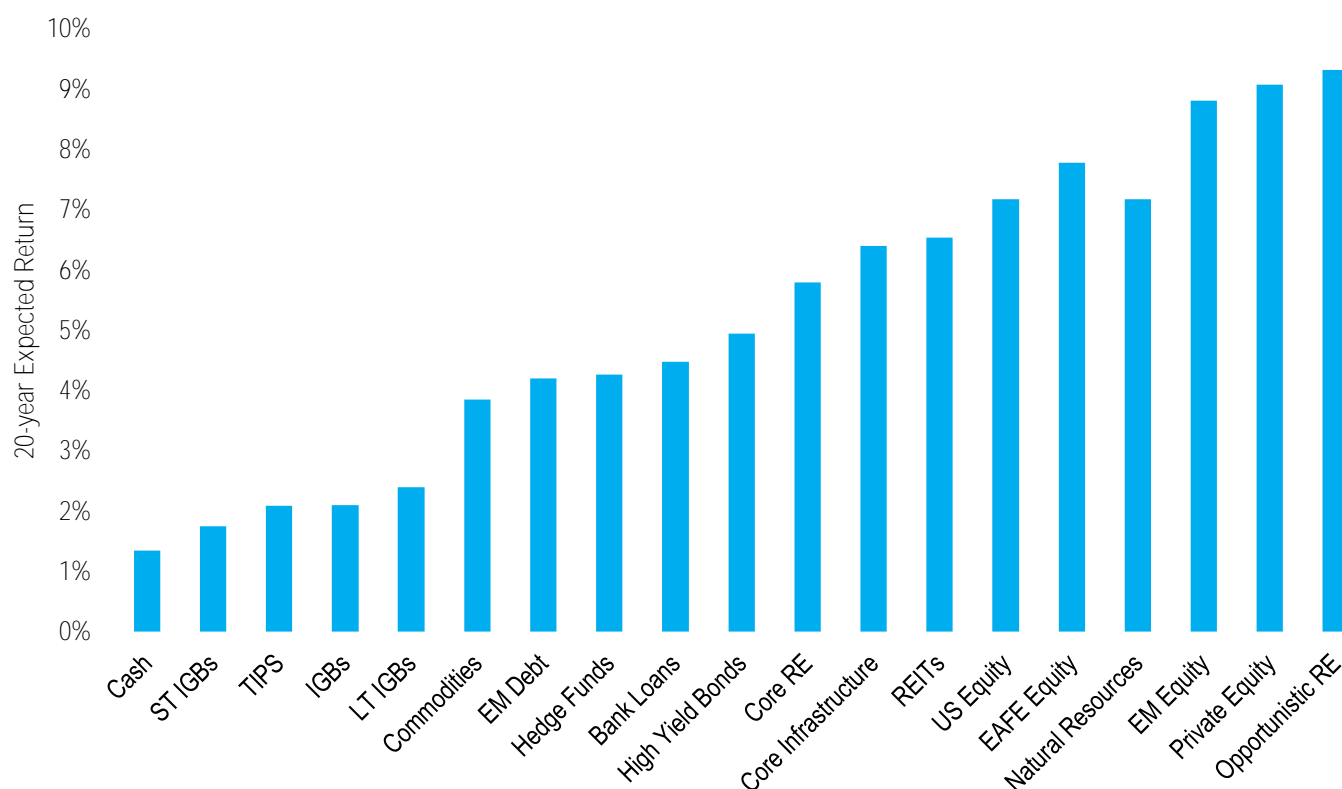
Total Return Given Changes in Interest Rates (bps)¹ (As of July 31, 2020)



	Total Return for Given Changes in Interest Rates (bps)									Statistics	
	-100	-50	0	50	100	150	200	250	300	Duration	YTW
Barclays US Short Treasury (Cash)	0.4%	0.2%	0.1%	0.0%	-0.2%	-0.3%	-0.4%	-0.6%	-0.7%	0.27	0.09%
Barclays US Treasury 1-3 Yr.	1.7%	1.0%	0.4%	-0.4%	-1.2%	-2.0%	-2.8%	-3.8%	-4.7%	1.42	0.36%
Barclays US Treasury Intermediate	4.2%	2.2%	0.2%	-1.7%	-3.6%	-5.4%	-7.1%	-8.8%	-10.4%	3.89	0.22%
Barclays US Treasury Long	22.9%	11.4%	1.1%	-8.1%	-16.1%	-22.9%	-28.6%	-33.1%	-36.5%	19.49	1.10%

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

Long-Term Outlook – 20-Year Annualized Expected Returns¹



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

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

Appendix

Data Sources and Explanations¹

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

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

Appendix

Data Sources and Explanations¹

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

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

Appendix

Data Sources and Explanations¹

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

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

Meketa Market Sentiment Indicator

Explanation, Construction and Q&A

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

This appendix explores:

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

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

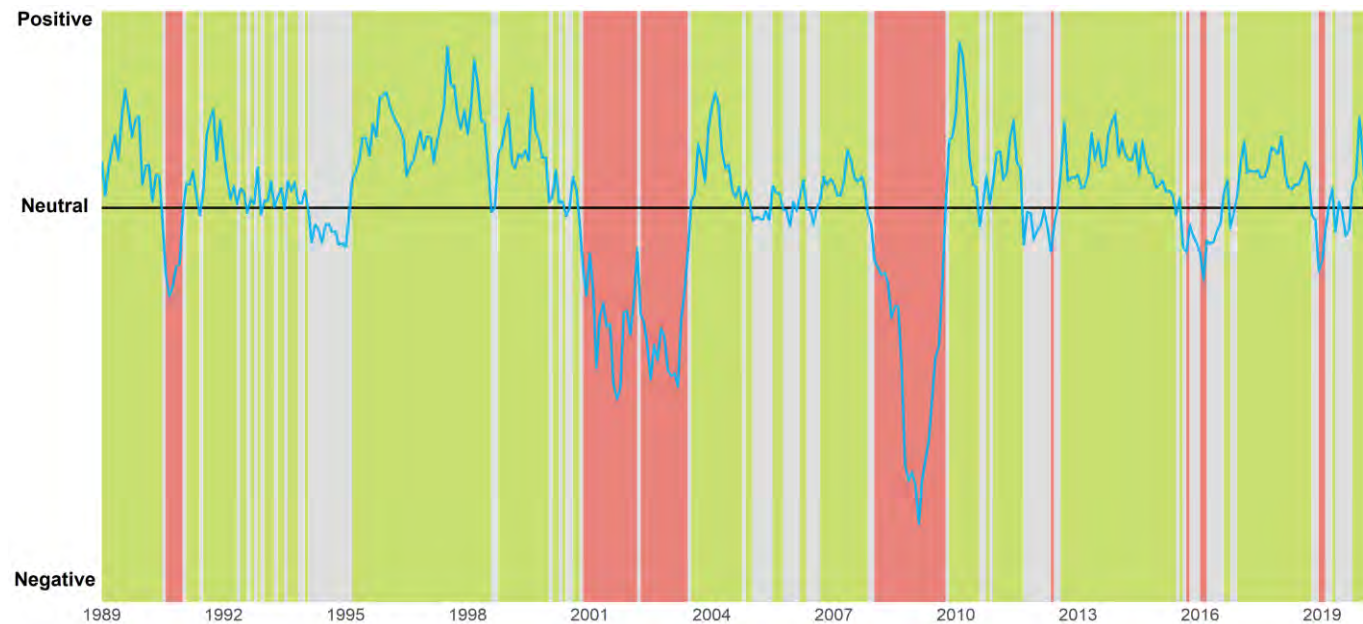
- Meketa's Risk Metrics, which rely significantly on standard market measures of relative valuation, often provide valid early signals of increasing long-term risk levels in the global investment markets. However, as is the case with numerous valuation measures, the Risk Metrics may convey such risk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

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

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

How do I read the Meketa Market Sentiment Indicator graph?

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



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

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

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

“Time Series Momentum” Moskowitz, Ooi, Pedersen, August 2010. <http://pages.stern.nyu.edu/~lpedersen/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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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. $\text{Portfolio Return} - [\text{Risk Free Rate} + \text{Beta} \times (\text{market return} - \text{Risk Free Rate})]$.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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