



# Summary of Fund Performance

City of Austin Employees' Retirement System

Period Ended: March 31, 2024



# Executive Summary

## Quarter to Date – As of March 31, 2024

Category	Results	Notes
Total Fund Performance	Positive	+4.2% (+\$135mm net investment change)
Performance vs. Benchmarks	Outperformed	4.2% vs. 4.2% (Policy) and 4.0% (Passive)
Performance vs. Peers <sup>1</sup>	Mixed	4.2% vs. 4.6% (All Public) median (60 <sup>th</sup> percentile) 4.2% vs. 4.0% (All Public \$1-5B) median (41 <sup>st</sup> percentile)
Asset Allocation Attribution Effects	Negative	Style selection within US Equity and manager selection in Developed Markets Equity was detractive
Active Managers vs. Benchmarks	Underperformed	6 of 13 active managers beat respective benchmarks (after fees)
Active Managers vs. Peer Groups	Underperformed	2 of 9 <sup>2</sup> active managers beat peer group median benchmarks (after fees)
Compliance with Targets	In Compliance	All exposure within policy ranges

Performance is shown net of fees, unless noted otherwise.

<sup>1</sup>Gross of fees vs. Investment Metrics All Public DB and All Public DB Plans (\$1B - \$5B)

<sup>2</sup>Excludes active managers without appropriate peer group.

# Executive Summary

## 1-Year – As of March 31, 2024

Category	Results	Notes
Total Fund Performance	Positive	+11.7% (+\$353mm net investment change)
Performance vs. Benchmarks	Underperformed	11.7% vs. 14.7% (Policy) and 13.7% (Passive)
Performance vs. Peers <sup>1</sup>	Mixed	12.0% vs. 13.4% (All Public) median (72 <sup>nd</sup> percentile) 12.0% vs. 11.7% (All Public \$1-5B) median (42 <sup>nd</sup> percentile)
Asset Allocation Attribution Effects	Negative	Style selection within US Equity and Real Estate Equity was detractive
Active Managers vs. Benchmarks	Underperformed	6 of 13 active managers beat respective benchmarks (after fees)
Active Managers vs. Peer Groups	Underperformed	3 of 9 <sup>2</sup> active managers beat peer group median benchmarks (after fees)
Compliance with Targets	In Compliance	All exposure within policy ranges

Performance is shown net of fees, unless noted otherwise.

<sup>1</sup>Gross of fees vs. Investment Metrics All Public DB and All Public DB Plans (\$1B - \$5B)

<sup>2</sup>Excludes active managers without appropriate peer group.

# Executive Summary

## 3-Years – As of March 31, 2024

Category	Results	Notes
Total Fund Performance	Positive	+3.1% (+\$295mm net investment change)
Performance vs. Benchmarks	Mixed	3.1% vs. 3.5% (Policy) and 2.3% (Passive)
Performance vs. Peers <sup>1</sup>	Underperformed	3.3% vs. 4.2% (All Public) median (75 <sup>th</sup> percentile) 3.3% vs. 4.7% (All Public \$1-5B) median (87 <sup>th</sup> percentile)
Asset Allocation Attribution Effects	Negative	Style selection within US Equity and manager selection in Developed Markets Equity was detractive
Active Managers vs. Benchmarks	Underperformed	5 of 11 active managers beat respective benchmarks (after fees)
Active Managers vs. Peer Groups	Underperformed	2 of 9 <sup>2</sup> active managers beat peer group median benchmarks (after fees)
Compliance with Targets	In Compliance	All exposure within policy ranges

Performance is shown net of fees, unless noted otherwise.

<sup>1</sup>Gross of fees vs. Investment Metrics All Public DB and All Public DB Plans (\$1B - \$5B)

<sup>2</sup>Excludes active managers without appropriate peer group.

# Executive Summary

## 5-Years – As of March 31, 2024

Category	Results	Notes
Total Fund Performance	Positive	+6.4% (+\$937mm net investment change)
Performance vs. Benchmarks	Mixed	6.4% vs. 6.9% (Policy) and 6.2% (Passive)
Performance vs. Peers <sup>1</sup>	Underperformed	6.7% vs. 7.9% (All Public) median (84 <sup>th</sup> percentile) 6.7% vs. 7.8% (All Public \$1-5B) median (84 <sup>th</sup> percentile)
Asset Allocation Attribution Effects	Negative	Style selection and manager skill within US Equity was detractive
Active Managers vs. Benchmarks	Outperformed	3 of 5 active managers beat respective benchmarks (after fees)
Active Managers vs. Peer Groups	Outperformed	3 of 4 <sup>2</sup> active managers beat peer group median benchmarks (after fees)
Compliance with Targets	In Compliance	All exposure within policy ranges

Performance is shown net of fees, unless noted otherwise.

<sup>1</sup>Gross of fees vs. Investment Metrics All Public DB and All Public DB Plans (\$1B - \$5B)

<sup>2</sup>Excludes active managers without appropriate peer group.

**Composite: Total Fund**  
**Asset Allocation & Performance - Net of Fees**

As of March 31, 2024

	Allocation		Rate of Return (%)							
	Market Value (\$)	%	QTD	CYTD	1 Year	3 Years	5 Years	10 Years	Since Incep.	Inception Date
<b>Total Fund</b>	<b>3,357,117,450</b>	<b>100.00</b>	<b>4.18</b>	<b>4.18</b>	<b>11.72</b>	<b>3.11</b>	<b>6.43</b>	<b>6.00</b>	<b>9.39</b>	<b>06/01/1982</b>
Policy Benchmark			4.17	4.17	14.66	3.46	6.92	6.15	N/A	
Excess Return			0.01	0.01	-2.94	-0.35	-0.49	-0.15	N/A	
Passive Benchmark			4.01	4.01	13.71	2.28	6.18	5.29	N/A	
Excess Return			0.17	0.17	-1.99	0.83	0.25	0.71	N/A	
<b>Global Equity</b>	<b>1,976,162,088</b>	<b>58.86</b>	<b>7.01</b>	<b>7.01</b>	<b>18.92</b>	<b>4.41</b>	<b>9.10</b>	<b>7.87</b>	<b>9.04</b>	<b>06/01/1988</b>
Global Equity Benchmark			7.72	7.72	22.45	6.31	10.57	8.43	N/A	
Excess Return			-0.71	-0.71	-3.53	-1.90	-1.47	-0.56	N/A	
<b>US Equity</b>	<b>1,219,084,067</b>	<b>36.31</b>	<b>9.21</b>	<b>9.21</b>	<b>24.51</b>	<b>8.03</b>	<b>11.85</b>	<b>10.46</b>	<b>10.79</b>	<b>06/01/1988</b>
US Equity Benchmark			10.30	10.30	29.67	10.30	14.42	12.37	10.99	
Excess Return			-1.09	-1.09	-5.16	-2.27	-2.57	-1.91	-0.20	
<b>Developed Markets Equity</b>	<b>536,882,834</b>	<b>15.99</b>	<b>3.97</b>	<b>3.97</b>	<b>11.53</b>	<b>2.48</b>	<b>7.35</b>	<b>5.69</b>	<b>5.21</b>	<b>01/01/2008</b>
Developed Market Equity Benchmark			5.59	5.59	15.29	4.93	7.48	4.81	3.08	
Excess Return			-1.62	-1.62	-3.76	-2.45	-0.13	0.88	2.13	
<b>Emerging Markets Equity</b>	<b>220,195,188</b>	<b>6.56</b>	<b>2.90</b>	<b>2.90</b>	<b>8.92</b>	<b>-6.74</b>	<b>1.11</b>	<b>2.48</b>	<b>1.20</b>	<b>03/01/2008</b>
Emerging Market Equity Benchmark			2.37	2.37	8.15	-5.05	2.22	2.95	1.73	
Excess Return			0.53	0.53	0.77	-1.69	-1.11	-0.47	-0.53	
<b>Real Assets</b>	<b>440,895,832</b>	<b>13.13</b>	<b>-0.87</b>	<b>-0.87</b>	<b>0.07</b>	<b>4.45</b>	<b>3.92</b>	<b>5.86</b>	<b>5.84</b>	<b>09/01/2004</b>
Real Assets Benchmark			0.26	0.26	8.04	4.47	4.23	5.95	7.55	
Excess Return			-1.13	-1.13	-7.97	-0.02	-0.31	-0.09	-1.71	
<b>Real Estate Equity</b>	<b>278,556,287</b>	<b>8.30</b>	<b>-1.20</b>	<b>-1.20</b>	<b>-2.37</b>	<b>2.81</b>	<b>3.61</b>	<b>6.93</b>	<b>6.38</b>	<b>09/01/2004</b>
Real Estate Equity Benchmark			-0.20	-0.20	10.54	4.14	4.15	7.12	7.89	
Excess Return			-1.00	-1.00	-12.91	-1.33	-0.54	-0.19	-1.51	
<b>Infrastructure Equity</b>	<b>162,339,545</b>	<b>4.84</b>	<b>-0.30</b>	<b>-0.30</b>	<b>4.59</b>	<b>7.76</b>	<b>2.26</b>	<b>N/A</b>	<b>2.66</b>	<b>01/01/2020</b>
Infrastructure Equity Benchmark			1.12	1.12	3.12	4.59	3.97	4.24	2.26	
Excess Return			-1.42	-1.42	1.47	3.17	-1.71	N/A	0.40	

Performance shown is net of fees and is annualized for periods greater than one year. Indices show N/A for since inception returns when the fund contains more history than the corresponding benchmark.



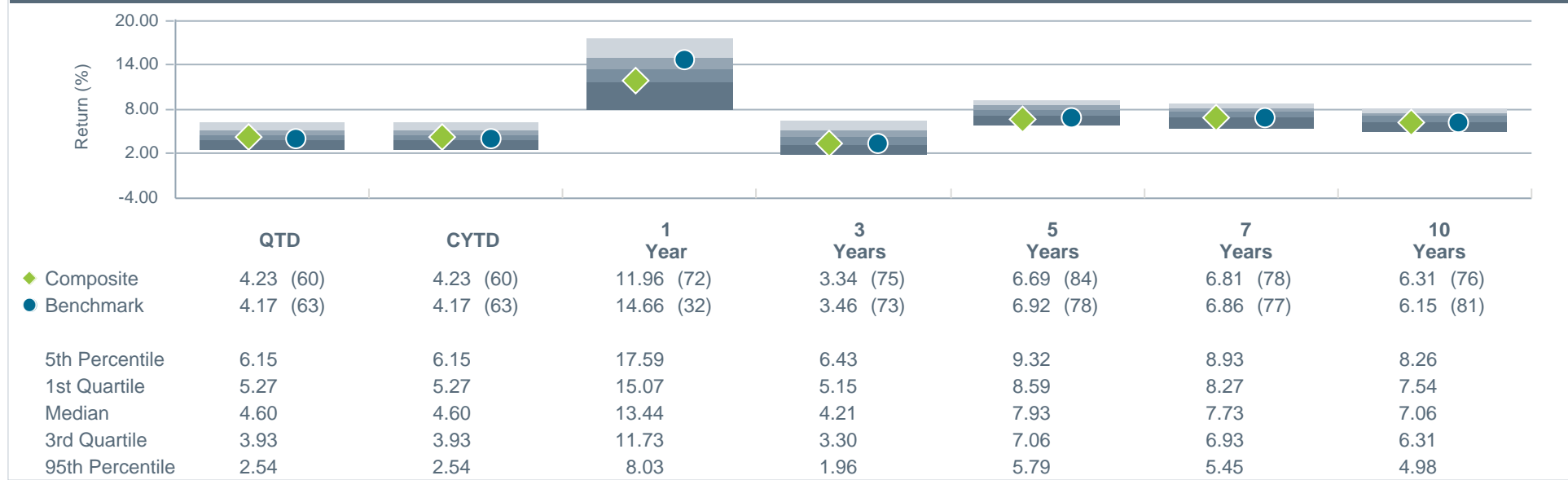
**Composite: Total Fund**  
**Asset Allocation & Performance - Net of Fees**

As of March 31, 2024

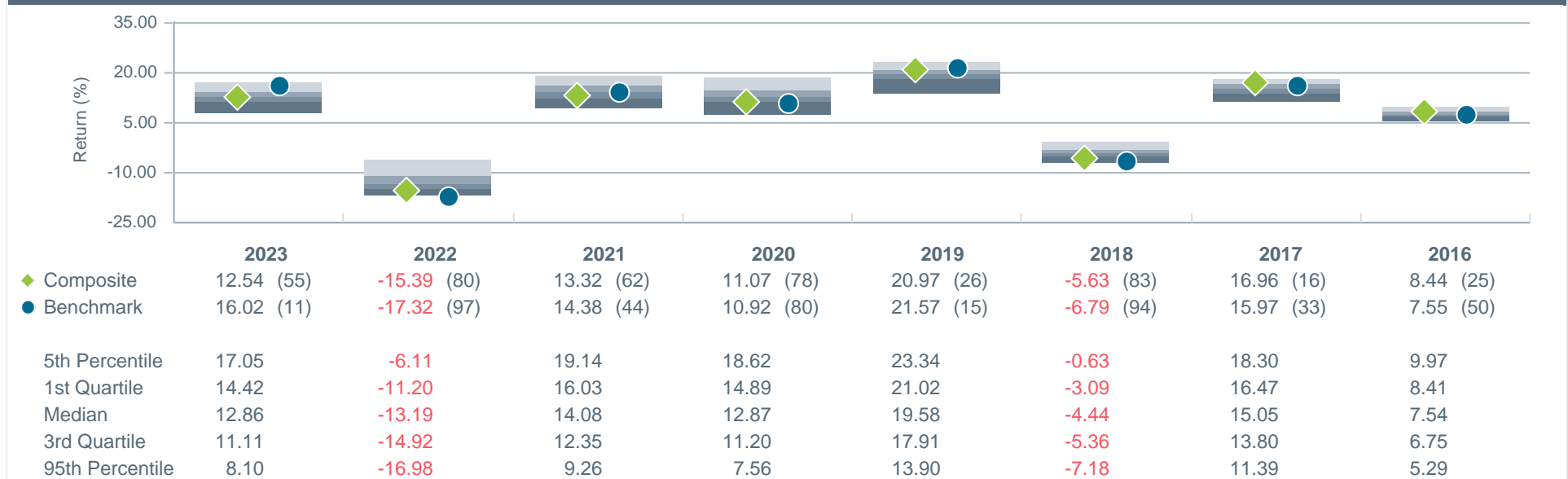
	Allocation		Rate of Return (%)							
	Market Value (\$)	%	QTD	CYTD	1 Year	3 Years	5 Years	10 Years	Since Incep.	Inception Date
<b>Global Fixed Income</b>	<b>568,095,937</b>	<b>16.92</b>	<b>-0.27</b>	<b>-0.27</b>	<b>1.33</b>	<b>-2.30</b>	<b>-0.14</b>	<b>1.34</b>	<b>4.91</b>	<b>02/01/1991</b>
Global Fixed Income Benchmark			-2.08	-2.08	0.49	-4.73	-1.17	0.71	4.65	
Excess Return			1.81	1.81	0.84	2.43	1.03	0.63	0.26	
<b>US Treasuries</b>	<b>370,868,369</b>	<b>11.05</b>	<b>-0.57</b>	<b>-0.57</b>	<b>0.01</b>	<b>-2.36</b>	<b>N/A</b>	<b>N/A</b>	<b>0.22</b>	<b>05/01/2019</b>
US Treasuries Benchmark			-0.96	-0.96	0.05	-2.73	-0.08	1.03	-0.03	
Excess Return			0.39	0.39	-0.04	0.37	N/A	N/A	0.25	
<b>US Mortgages</b>	<b>71,931,533</b>	<b>2.14</b>	<b>-0.67</b>	<b>-0.67</b>	<b>2.13</b>	<b>-2.79</b>	<b>N/A</b>	<b>N/A</b>	<b>-0.81</b>	<b>08/01/2019</b>
US Mortgages Benchmark			-1.04	-1.04	1.39	-2.84	-0.39	1.12	-0.91	
Excess Return			0.37	0.37	0.74	0.05	N/A	N/A	0.10	
<b>US Credit</b>	<b>125,296,036</b>	<b>3.73</b>	<b>0.94</b>	<b>0.94</b>	<b>6.15</b>	<b>-1.36</b>	<b>N/A</b>	<b>N/A</b>	<b>1.15</b>	<b>08/01/2019</b>
US Credit Benchmark			-0.41	-0.41	4.15	-1.86	1.39	2.49	0.48	
Excess Return			1.35	1.35	2.00	0.50	N/A	N/A	0.67	
<b>Multi-Asset</b>	<b>140,241,747</b>	<b>4.18</b>	<b>5.47</b>	<b>5.47</b>	<b>12.67</b>	<b>4.53</b>	<b>7.50</b>	<b>5.36</b>	<b>5.67</b>	<b>02/01/2014</b>
Multi-Asset Benchmark			4.01	4.01	13.71	2.28	6.09	5.24	5.53	
Excess Return			1.46	1.46	-1.04	2.25	1.41	0.12	0.14	
<b>Asset Allocation</b>	<b>95,698,831</b>	<b>2.85</b>	<b>4.61</b>	<b>4.61</b>	<b>14.92</b>	<b>3.35</b>	<b>N/A</b>	<b>N/A</b>	<b>8.44</b>	<b>05/01/2020</b>
Multi-Asset Benchmark			4.01	4.01	13.71	2.28	6.09	5.24	8.67	
Excess Return			0.60	0.60	1.21	1.07	N/A	N/A	-0.23	
<b>Commodities &amp; Other</b>	<b>44,542,917</b>	<b>1.33</b>	<b>7.34</b>	<b>7.34</b>	<b>7.73</b>	<b>8.19</b>	<b>N/A</b>	<b>N/A</b>	<b>8.19</b>	<b>04/01/2021</b>
Commodities & Other Benchmark			2.19	2.19	-0.56	9.11	6.38	-1.56	9.11	
Excess Return			5.15	5.15	8.29	-0.92	N/A	N/A	-0.92	
<b>Cash &amp; Equivalents</b>	<b>231,721,845</b>	<b>6.90</b>	<b>1.30</b>	<b>1.30</b>	<b>5.13</b>	<b>2.67</b>	<b>2.01</b>	<b>N/A</b>	<b>1.89</b>	<b>07/01/2017</b>
Cash & Equivalents Benchmark			1.32	1.32	5.38	2.65	2.02	1.36	1.93	
Excess Return			-0.02	-0.02	-0.25	0.02	-0.01	N/A	-0.04	
<b>US Dollar Instruments</b>	<b>181,317,422</b>	<b>5.40</b>	<b>1.30</b>	<b>1.30</b>	<b>5.00</b>	<b>2.65</b>	<b>2.00</b>	<b>1.33</b>	<b>1.55</b>	<b>09/01/2015</b>
Bloomberg US T-Bills 1-3 Mo Index			1.32	1.32	5.38	2.65	2.02	1.36	1.58	
Excess Return			-0.02	-0.02	-0.38	0.00	-0.02	-0.03	-0.03	
<b>Other Currencies</b>	<b>50,404,423</b>	<b>1.50</b>	<b>1.33</b>	<b>1.33</b>	<b>5.32</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>3.50</b>	<b>12/01/2021</b>
Bloomberg US T-Bills 1-3 Mo Index			1.32	1.32	5.38	2.65	2.02	1.36	3.42	
Excess Return			0.01	0.01	-0.06	N/A	N/A	N/A	0.08	

Performance shown is net of fees and is annualized for periods greater than one year. Indices show N/A for since inception returns when the fund contains more history than the corresponding benchmark.

Rate of Return - Trailing



Rate of Return - Calendar



Performance shown is gross of fees and is annualized for periods greater than one year. Calculation is based on monthly periodicity. Parentheses contain percentile ranks.

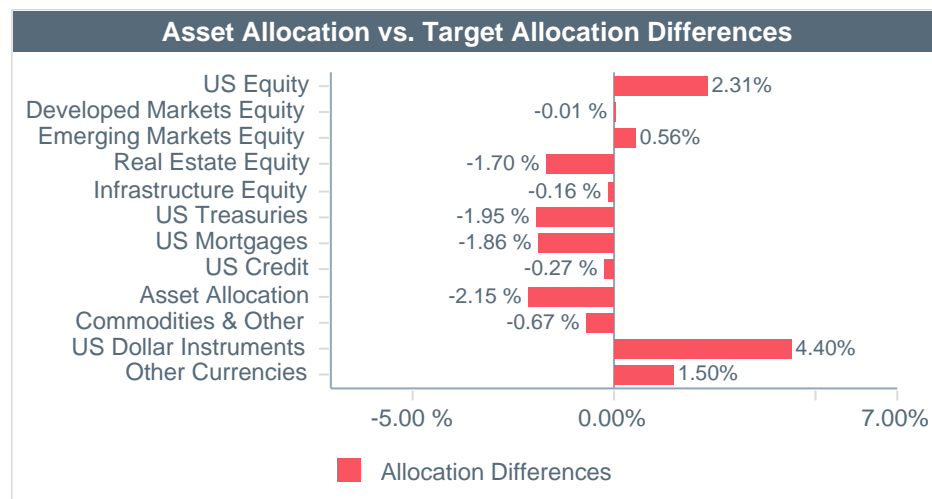
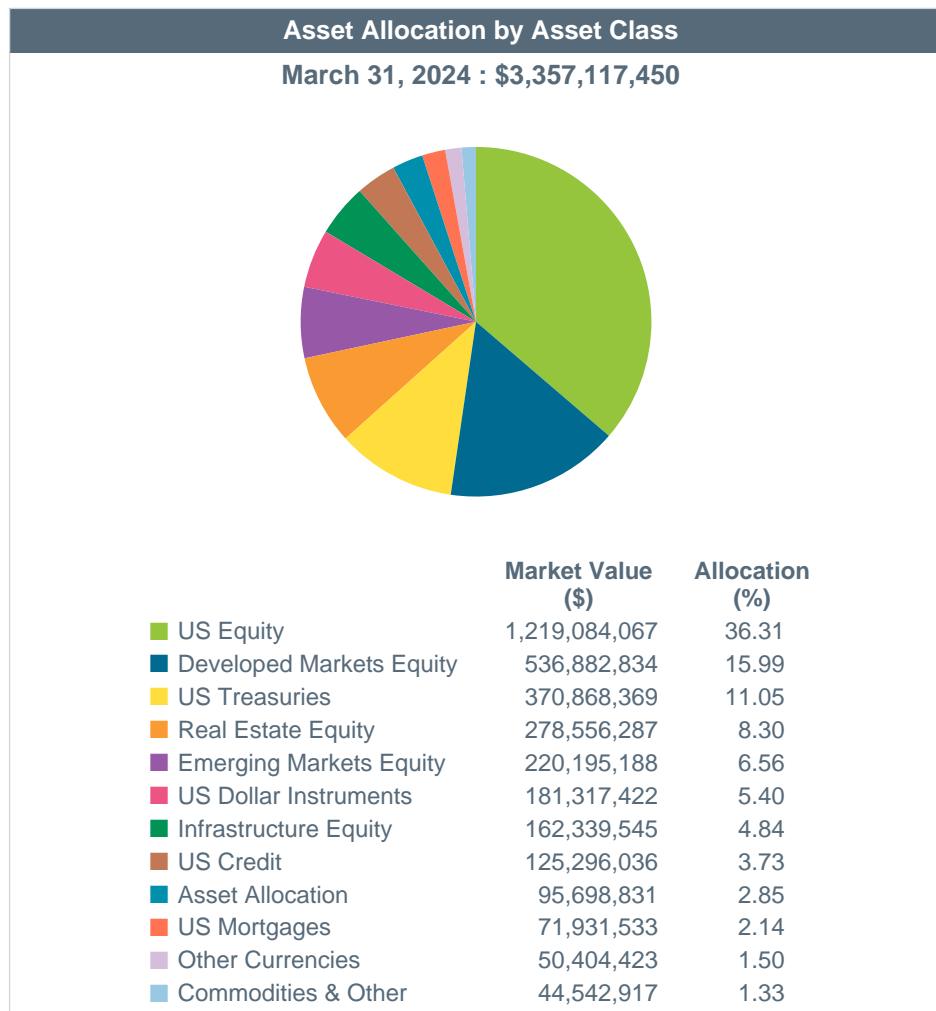


Composite: Total Fund

Asset Alloc. by Asset Class, Asset Alloc. vs. Target, and Schedule of Investable Assets

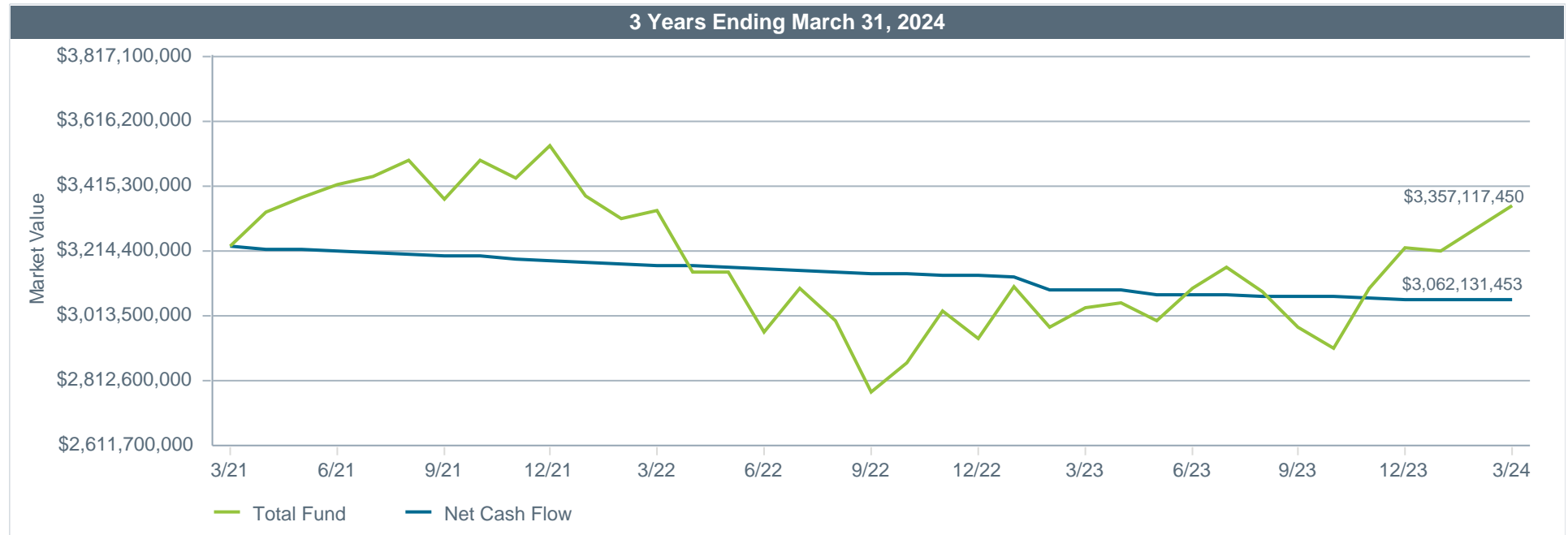
Schedule of Investable Assets					
Periods Ending	Beginning Market Value (\$)	Net Cash Flow (\$)	Gain/Loss (\$)	Ending Market Value (\$)	% Return
CYTD	3,222,615,819	-104,315	134,605,946	3,357,117,450	4.18
1 Year	3,037,798,691	-33,426,655	352,745,414	3,357,117,450	11.72
3 Years	3,227,606,952	-165,475,499	294,985,998	3,357,117,450	3.11

Asset Allocation vs. Target Allocation					
	Market Value (\$)	Allocation (%)	Neutral (%)	Min. (%)	Max. (%)
<b>Total Fund</b>	<b>3,357,117,450</b>	<b>100.00</b>	<b>100.00</b>	<b>-</b>	<b>-</b>
US Equity	1,219,084,067	36.31	34.00	29.00	39.00
Developed Markets Equity	536,882,834	15.99	16.00	13.50	18.50
Emerging Markets Equity	220,195,188	6.56	6.00	4.00	10.50
Real Estate Equity	278,556,287	8.30	10.00	7.00	13.00
Infrastructure Equity	162,339,545	4.84	5.00	1.00	7.00
US Treasuries	370,868,369	11.05	13.00	11.00	21.00
US Mortgages	71,931,533	2.14	4.00	3.00	6.00
US Credit	125,296,036	3.73	4.00	2.50	7.00
Asset Allocation	95,698,831	2.85	5.00	3.50	7.50
Commodities & Other	44,542,917	1.33	2.00	1.00	5.00
US Dollar Instruments	181,317,422	5.40	1.00	0.00	5.00
Other Currencies	50,404,423	1.50	0.00	0.00	1.00



Performance shown is net of fees. Allocations shown may not sum up to 100% exactly due to rounding. Performance is annualized for periods greater than one year. Total Fund market value does not include \$319,626.06 in assets remaining at Northern Trust - representing accruals, cash, tax reclaims, and some assets that were restricted from being delivered due to a liquidation or pending corporate action.





Schedule of Investable Assets - Quarter To Date						
Periods Ending	Beginning Market Value (\$)	Contributions (\$)	Withdrawals (\$)	Net Cash Flow (\$)	Gain/Loss (\$)	Ending Market Value (\$)
QTD	3,222,615,819	43,760,673	-43,864,988	-104,315	134,605,946	3,357,117,450

Schedule of Investable Assets - Year To Date						
Periods Ending	Beginning Market Value (\$)	Contributions (\$)	Withdrawals (\$)	Net Cash Flow (\$)	Gain/Loss (\$)	Ending Market Value (\$)
CYTD	3,222,615,819	43,760,673	-43,864,988	-104,315	134,605,946	3,357,117,450

Schedule of Investable Assets - 1 Year						
Periods Ending	Beginning Market Value (\$)	Contributions (\$)	Withdrawals (\$)	Net Cash Flow (\$)	Gain/Loss (\$)	Ending Market Value (\$)
1 Year	3,037,798,691	617,229,143	-650,655,798	-33,426,655	352,745,414	3,357,117,450

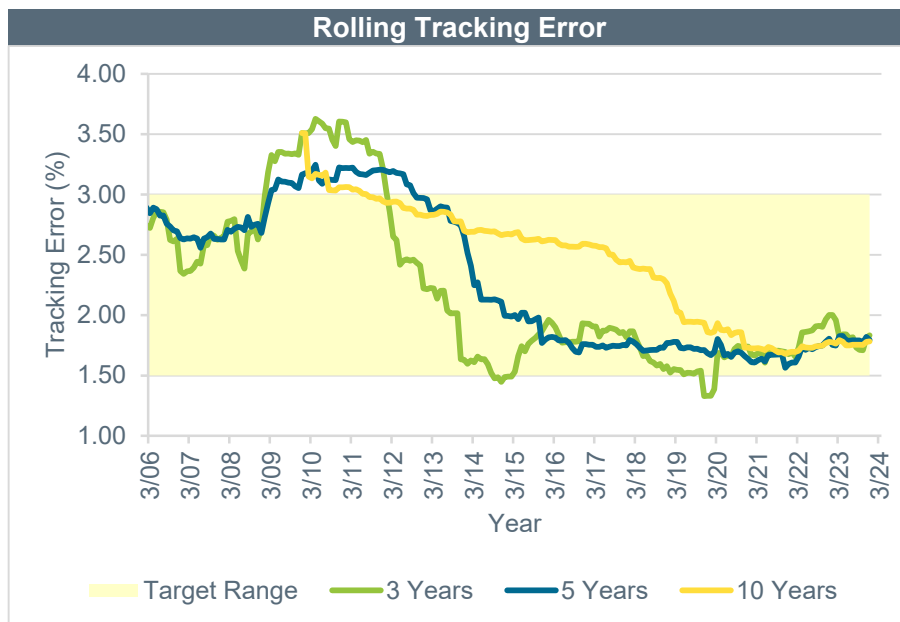
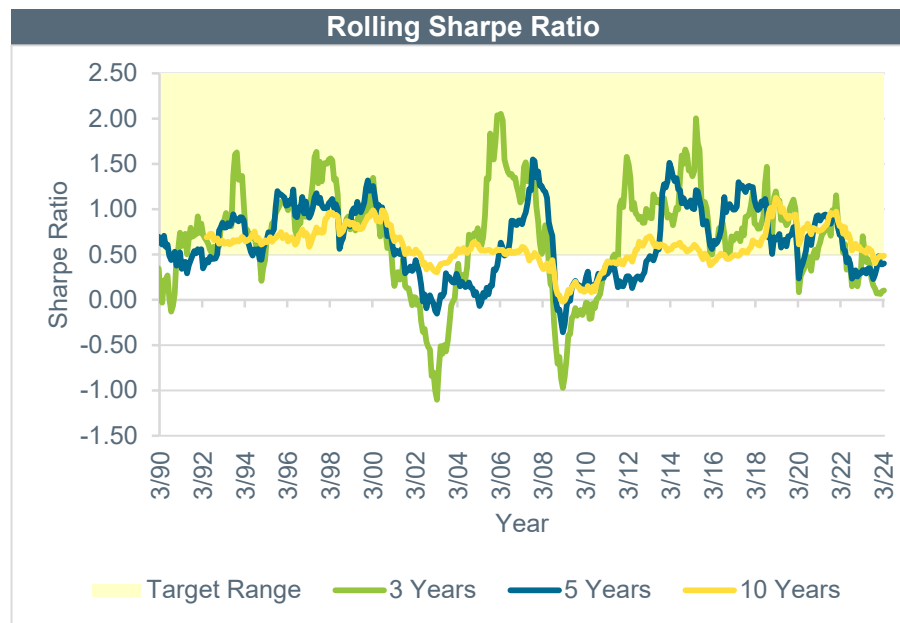
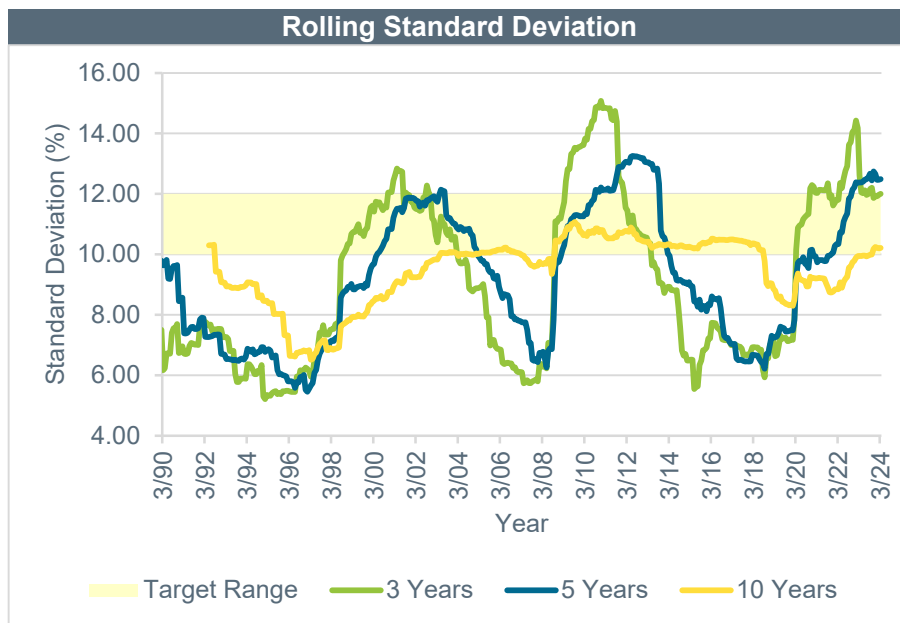
Schedule of Investable Assets - 3 Years						
Periods Ending	Beginning Market Value (\$)	Contributions (\$)	Withdrawals (\$)	Net Cash Flow (\$)	Gain/Loss (\$)	Ending Market Value (\$)
3 Years	3,227,606,952	2,105,544,627	-2,271,020,126	-165,475,499	294,985,998	3,357,117,450

Cash flows shown are net of fees. Net cash flow shown in the line chart represents the beginning market value, adjusted for cash flows. Contributions and withdrawals detail shown includes intra-portfolio cash flows.



**Composite: Total Fund**  
**Rolling Risk Statistics (Net of Fees)**

As of March 31, 2024



Performance shown is net of fees. Tracking Error and Info Ratio shown are relative to the Passive Benchmark.



Capital Markets Review	
<ul style="list-style-type: none"> <li>In Q1, risk assets built on their impressive performance in 2023 amid a resilient US economy and strong labor market despite rising uncertainty regarding the timing of future monetary policy changes and elevated geopolitical tensions.</li> <li>While moderating, inflation levels above target ranges has led investors to carefully monitor comments from the Federal Open Market Committee (FOMC). The FOMC communicated its intention to maintain the plan for three rate cuts during the year.</li> <li>The Organisation for Economic Co-Operation and Development forecasted world GDP growth of 2.9% and 3.0% in 2024 and 2025, respectively.</li> </ul>	

Market Performance					
	QTD	1 Year	3 Years	5 Years	10 Years
S&P 500 (Mkt Cap Wtd)	10.6	29.9	11.5	15.0	13.0
Russell 2000	5.2	19.7	-0.1	8.1	7.6
MSCI EAFE (Net)	5.8	15.3	4.8	7.3	4.8
MSCI Emg Mkts (Net)	2.4	8.2	-5.1	2.2	2.9
Bbrg US Agg Bond	-0.8	1.7	-2.5	0.4	1.5
Bbrg Cmdty (TR)	2.2	-0.6	9.1	6.4	-1.6
NCREIF ODCE (Net)	-2.6	-12.0	2.5	2.6	5.8

Total Fund Performance												
	QTD	CYTD	1 Year	3 Years	5 Years	7 Years	10 Years	2023	2022	2021	2020	2019
<b>Total Fund</b>	<b>4.2</b>	<b>4.2</b>	<b>11.7</b>	<b>3.1</b>	<b>6.4</b>	<b>6.5</b>	<b>6.0</b>	<b>12.3</b>	<b>-15.6</b>	<b>13.0</b>	<b>10.8</b>	<b>20.7</b>
Policy Benchmark	4.2	4.2	14.7	3.5	6.9	6.9	6.1	16.0	-17.3	14.4	10.9	21.6
Excess Return	0.0	0.0	-3.0	-0.4	-0.5	-0.4	-0.1	-3.7	1.7	-1.4	-0.1	-0.9

Total Fund Risk Metrics												
	1 Year	3 Years	5 Years	7 Years	10 Years	2023	2022	2021	2020	2019		
Sharpe Ratio	0.6	0.1	0.4	0.4	0.5	0.6	-1.2	1.9	0.6	2.3		
Standard Deviation	10.1	12.0	11.3	12.5	10.2	11.5	14.3	6.7	17.4	7.3		
Tracking Error	1.1	1.8	1.8	1.7	1.8	1.4	2.1	1.2	2.0	1.0		

Asset Class Performance						
	QTD	CYTD	1 Year	3 Years	Since Incep	Inception Date
<b>Total Fund</b>	<b>4.2</b>	<b>4.2</b>	<b>11.7</b>	<b>3.1</b>	<b>9.4</b>	<b>06/01/1982</b>
Policy Benchmark	4.2	4.2	14.7	3.5	N/A	
Excess Return	0.0	0.0	-3.0	-0.4	N/A	
<b>US Equity</b>	<b>9.2</b>	<b>9.2</b>	<b>24.5</b>	<b>8.0</b>	<b>10.8</b>	<b>06/01/1988</b>
US Equity Benchmark	10.3	10.3	29.7	10.3	11.0	
Excess Return	-1.1	-1.1	-5.2	-2.3	-0.2	
<b>Developed Markets Equity</b>	<b>4.0</b>	<b>4.0</b>	<b>11.5</b>	<b>2.5</b>	<b>5.2</b>	<b>01/01/2008</b>
Developed Market Equity Benchmark	5.6	5.6	15.3	4.9	3.1	
Excess Return	-1.6	-1.6	-3.8	-2.4	2.1	
<b>Emerging Markets Equity</b>	<b>2.9</b>	<b>2.9</b>	<b>8.9</b>	<b>-6.7</b>	<b>1.2</b>	<b>03/01/2008</b>
Emerging Market Equity Benchmark	2.4	2.4	8.2	-5.1	1.7	
Excess Return	0.5	0.5	0.7	-1.6	-0.5	
<b>Real Estate Equity</b>	<b>-1.2</b>	<b>-1.2</b>	<b>-2.4</b>	<b>2.8</b>	<b>6.4</b>	<b>09/01/2004</b>
Real Estate Equity Benchmark	-0.2	-0.2	10.5	4.1	7.9	
Excess Return	-1.0	-1.0	-12.9	-1.3	-1.5	
<b>Infrastructure Equity</b>	<b>-0.3</b>	<b>-0.3</b>	<b>4.6</b>	<b>7.8</b>	<b>2.7</b>	<b>01/01/2020</b>
Infrastructure Equity Benchmark	1.1	1.1	3.1	4.6	2.3	
Excess Return	-1.4	-1.4	1.5	3.2	0.4	
<b>Global Fixed Income</b>	<b>-0.3</b>	<b>-0.3</b>	<b>1.3</b>	<b>-2.3</b>	<b>4.9</b>	<b>02/01/1991</b>
Global Fixed Income Benchmark	-2.1	-2.1	0.5	-4.7	4.6	
Excess Return	1.8	1.8	0.8	2.4	0.3	
<b>Asset Allocation</b>	<b>4.6</b>	<b>4.6</b>	<b>14.9</b>	<b>3.4</b>	<b>8.4</b>	<b>05/01/2020</b>
Multi-Asset Benchmark	4.0	4.0	13.7	2.3	8.7	
Excess Return	0.6	0.6	1.2	1.1	-0.3	
<b>Commodities &amp; Other</b>	<b>7.3</b>	<b>7.3</b>	<b>7.7</b>	<b>8.2</b>	<b>N/A</b>	<b>07/01/2017</b>
Commodities & Other Benchmark	2.2	2.2	-0.6	9.1	4.9	
Excess Return	5.1	5.1	8.3	-0.9	N/A	

Performance Commentary	
<ul style="list-style-type: none"> <li>The Total Fund returned 4.2% net of fees during the quarter, matching the Policy Benchmark.</li> <li>US Equity was the best performing asset class on an absolute basis, net of fees, returning 9.2%. Emerging Markets Equity had strong relative returns, outpacing its benchmark in Q1 by 0.5%.</li> </ul>	

Asset Allocation vs. Target Allocation			
	Market Value (\$000)	Allocation (%)	Target (%)
US Equity	1,219,084	36.3	34.0
DM Equity	536,883	16.0	16.0
EM Equity	220,195	6.6	6.0
Real Estate Equity	278,556	8.3	10.0
Infrastructure Equity	162,340	4.8	5.0
Global Fixed Income	568,096	16.9	21.0
Asset Allocation	95,699	2.9	5.0
Commodities & Other	44,543	1.3	2.0
Cash & Equivalents	231,722	6.9	1.0
<b>Total Fund</b>	<b>3,357,117</b>	<b>100.0</b>	<b>100.0</b>

Schedule of Investable Assets					
Periods Ending	Beginning Market Value (\$)	Net Cash Flow (\$)	Gain/Loss (\$)	Ending Market Value (\$)	% Return
<b>CYTD</b>	<b>3,222,615,819</b>	<b>-104,315</b>	<b>134,605,946</b>	<b>3,357,117,450</b>	<b>4.18</b>

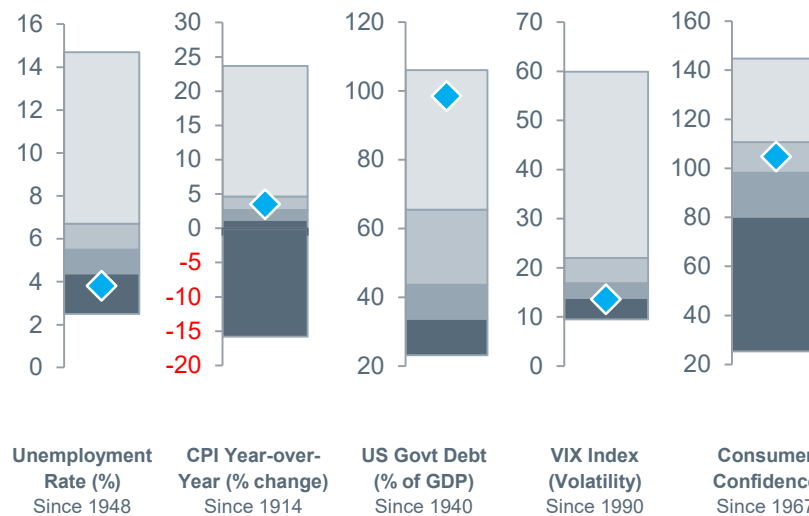
Performance shown is net of fees. Allocations shown may not sum up to 100% exactly. Tracking Error shown is relative to the Passive Benchmark. Risk statistics shown are less meaningful for periods less than one year. Please see the addendum for custom benchmark definitions.



**First Quarter Economic Environment**

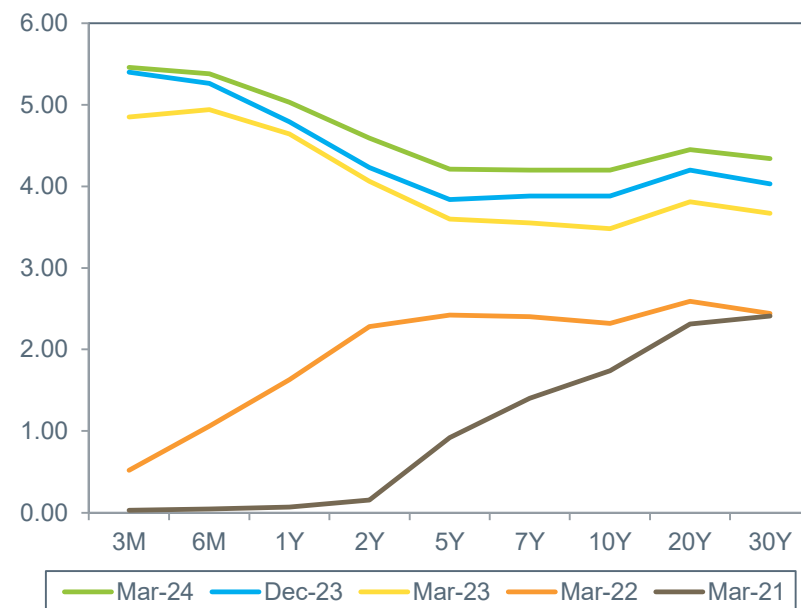
In Q1, risk assets built on their impressive performance in 2023 amid a resilient US economy and strong labor market despite rising uncertainty regarding the timing of future monetary policy changes and elevated geopolitical tensions. Both US and developed international equities, across all capitalizations and styles, posted gains. The public fixed income market posted mixed results with strong economic data and moderating expectations for future rate cuts contributing to increasing yields in Q1. The broad fixed income market experienced negative returns with shorter duration bonds outperforming longer maturity bonds, representing a trend change from late-2023. The more credit sensitive sectors, such as bank loans, high yield, and emerging market debt, posted positive returns. While moderating, inflation levels above target ranges has led investors to carefully monitor comments from the Federal Open Market Committee (FOMC). In late March, the FOMC communicated its intention to maintain the plan for three rate cuts during the year. Overall, indicators currently point to stable economic activity with purchasing manager indexes for manufacturing and services remaining in expansionary territory in Q1. In its February economic outlook, the Organisation for Economic Co-operation and Development (OECD) forecasted world GDP growth of 2.9% and 3.0% in 2024 and 2025, respectively, and projected headline inflation of 6.6% in 2024 before moderating down to 3.8% in 2025.

**Key Economic Indicators**



Economic Indicators	Mar-24	Dec-23	Mar-23	Mar-21	20 Yr
Federal Funds Rate (%)	5.33 =	5.33	4.83	0.06	1.55
Breakeven Infl. - 5 Yr (%)	2.44 ▲	2.14	2.47	2.60	1.94
Breakeven Infl. - 10 Yr (%)	2.32 ▲	2.17	2.33	2.37	2.10
CPI YoY (Headline) (%)	3.5 ▲	3.4	5.0	2.6	2.6
Unemployment Rate (%)	3.8 ▲	3.7	3.5	6.0	5.9
Real GDP YoY (%)	3.0 ▼	3.1	1.7	1.6	2.0
PMI - Manufacturing	50.3 ▲	47.4	46.3	63.7	53.3
USD Total Wtd Idx	121.41 ▲	118.77	119.46	113.86	104.14
WTI Crude Oil per Barrel (\$)	83.2 ▲	71.7	75.7	59.2	70.7
Gold Spot per Oz (\$)	2,230 ▲	2,068	1,979	1,708	1,259

**Treasury Yield Curve (%)**



Market Performance (%)	QTD	CYTD	1 Yr	5 Yr	10 Yr
S&P 500 (Cap Wtd)	10.56	10.56	29.88	15.05	12.96
Russell 2000	5.18	5.18	19.71	8.10	7.58
MSCI EAFE (Net)	5.78	5.78	15.32	7.33	4.80
MSCI EAFE SC (Net)	2.40	2.40	10.45	4.94	4.70
MSCI Emg Mkts (Net)	2.37	2.37	8.15	2.22	2.95
Bloomberg US Agg Bond	-0.78	-0.78	1.70	0.36	1.54
ICE BofAML 3 Mo US T-Bill	1.29	1.29	5.24	2.02	1.38
NCREIF ODCE (Gross)	-2.37	-2.37	-11.29	3.46	6.76
FTSE NAREIT Eq REIT (TR)	-0.20	-0.20	10.54	4.15	6.61
HFRI FOF Comp	4.17	4.17	9.68	5.00	3.59
Bloomberg Cmdty (TR)	2.19	2.19	-0.56	6.38	-1.56