

Employees' Retirement System of the City of Norfolk

Performance Update
As of February 29, 2024

Fund Evaluation Report

Economic and Market Update

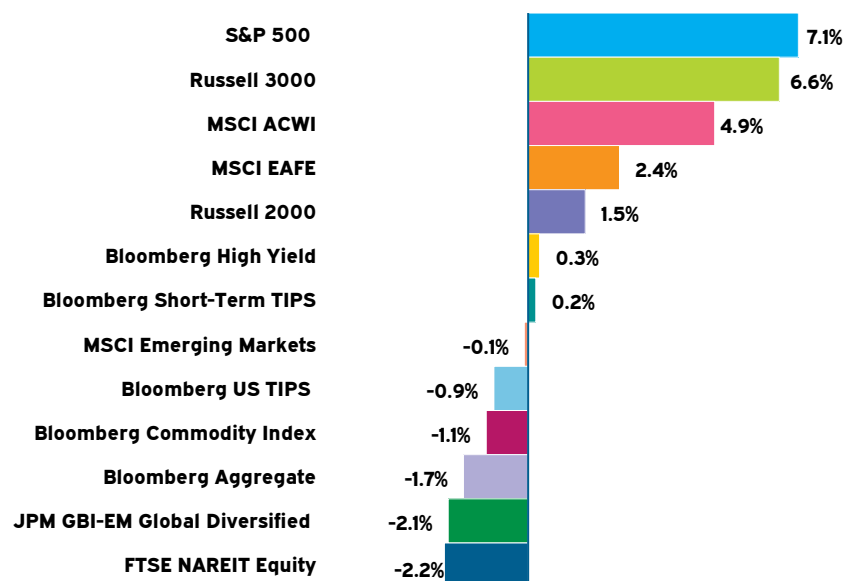
Data as of February 29, 2024

Commentary

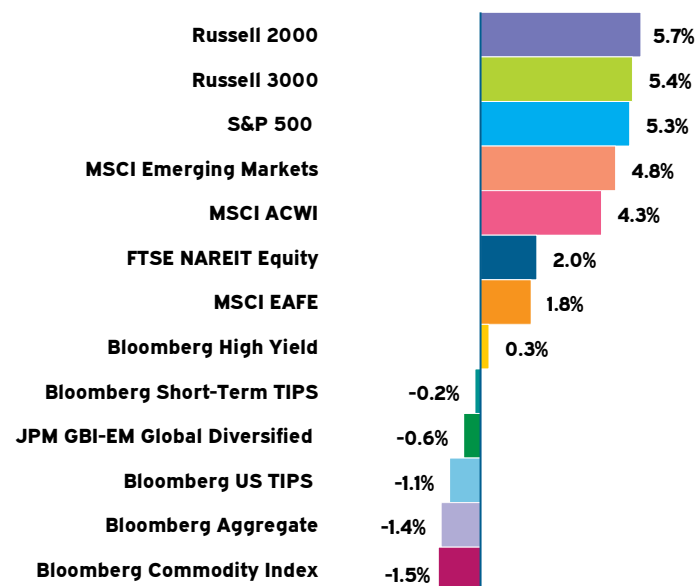
- Markets were mixed in February. Resilient economic data drove global equities higher and pushed out the timing of expected first rate cut, weighing on bonds.
- Major central banks have largely paused interest rate hikes with expectations that many will cut rates this year. The timing and pace of interest rate cuts has been downgraded for many economies given the continued strength of economic data and stubborn inflation.
 - In general, inflation pressures have eased in most countries, but some uncertainty remains and levels are still above central bank targets. Headline inflation in the US unexpectedly rose in February (3.1% to 3.2%), while core inflation fell (3.9% to 3.8%) but came in above expectations. Notably, China moved out of deflationary territory in February (0.7%) after four months of declining prices.
 - US equity markets (Russell 3000 index) rose 5.4% in February after a very strong 2023 (+26.0%). The technology and consumer discretionary sectors continued to perform well.
 - Non-US developed equity markets gained 1.8% in February, helped by Japanese equities which hit multi-decade highs during the month. A strengthening US dollar contributed to the weaker relative results for US investors in foreign markets.
 - Policy efforts to support mainland stock prices saw Chinese equities return 8.4%, driving emerging market equities higher (4.8%). The stronger dollar also weighed on emerging market equities with returns in local currency terms 0.3% higher.
 - Rising interest rates weighed on bonds with the broad US bond market declining 1.4% for the month.
- Looking to the rest of this year, the paths of inflation and monetary policy, China's economic disorder and slowing economic growth, the many looming elections, and the wars in Ukraine and Israel, will be key.

Index Returns¹

YTD



February



→ In February global equity markets produced strong results with the US leading the way.

→ Resilient economic data weighed on bond markets domestically and dashed any hopes of a near-term cut in interest rates.

¹ Source: Bloomberg. Data is as of February 29, 2024.

Domestic Equity Returns¹

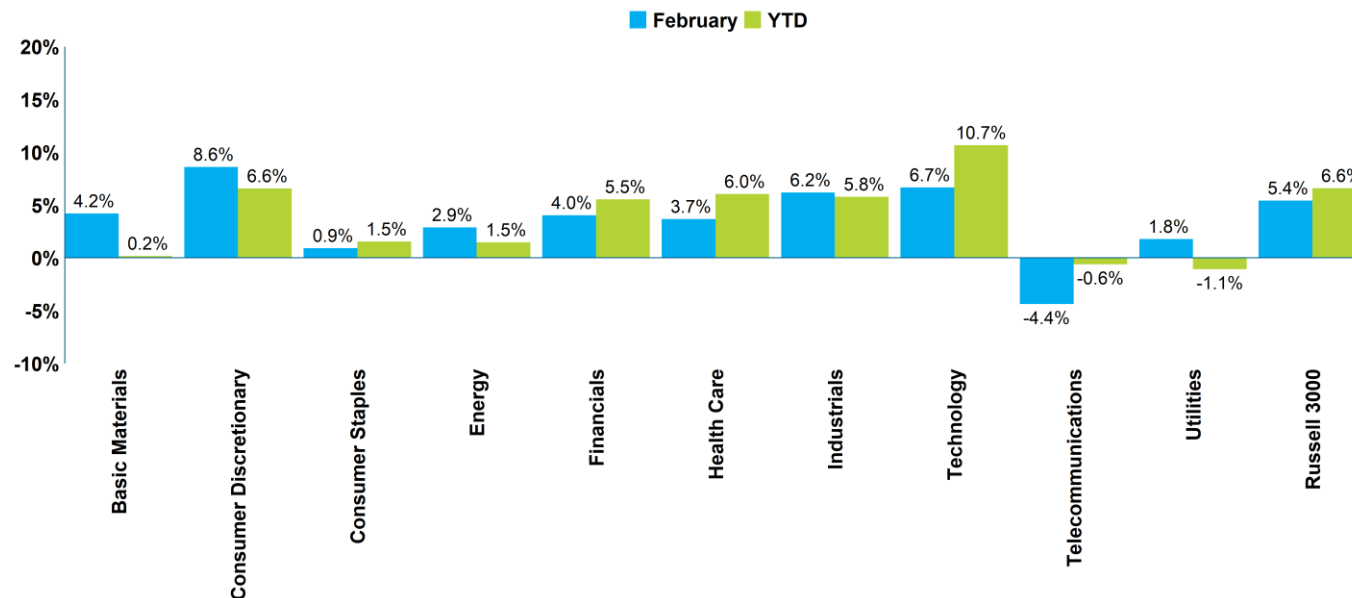
Domestic Equity	February (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
S&P 500	5.3	7.1	30.5	11.9	14.8	12.7
Russell 3000	5.4	6.6	28.6	9.9	13.9	12.0
Russell 1000	5.4	6.9	29.8	10.6	14.4	12.4
Russell 1000 Growth	6.8	9.5	45.9	12.5	18.8	15.6
Russell 1000 Value	3.7	3.8	14.0	8.4	9.4	8.7
Russell MidCap	5.6	4.1	15.5	5.5	10.3	9.4
Russell MidCap Growth	7.5	6.9	25.0	3.1	11.6	10.9
Russell MidCap Value	4.8	2.9	10.9	6.8	8.9	8.2
Russell 2000	5.7	1.5	10.0	-0.9	6.9	7.1
Russell 2000 Growth	8.1	4.7	14.2	-4.6	6.5	7.3
Russell 2000 Value	3.3	-1.4	5.6	2.5	6.6	6.5

US Equities: The Russell 3000 increased 5.4% in February bringing the year-to-date gain to 6.6%.

- US equities rose further during February, fueled by continued optimism over artificial intelligence related stocks and strong economic data. The highest quintile price-to-earnings stocks outperformed all other groups and accounted for half of the return of the Russell 3000 index.
- Small cap stocks slightly outperformed mid cap and large cap stocks.
- Growth outperformed value across the market cap spectrum, particularly in small cap.

¹ Source: Bloomberg. Data is as of February 29, 2024.

Russell 3000 Sector Returns¹



- So far in 2024, the sectors that drove results last year continue to lead the way. Technology led by the so-called “Magnificent Seven” gained 10.7% through February, with the continued strength of the US consumer putting consumer discretionary second at 6.6%.
- In February, all sectors except for telecommunications posted positive returns with consumer discretionary (+8.6%), technology (+6.7%), and industrials (+6.2%) leading the way. Traditionally defensive sectors like utilities (+1.8%) and consumer staples (+0.9%) trailed for the month.

¹ Source: Bloomberg. Data is as of February 29, 2024.

Foreign Equity Returns¹

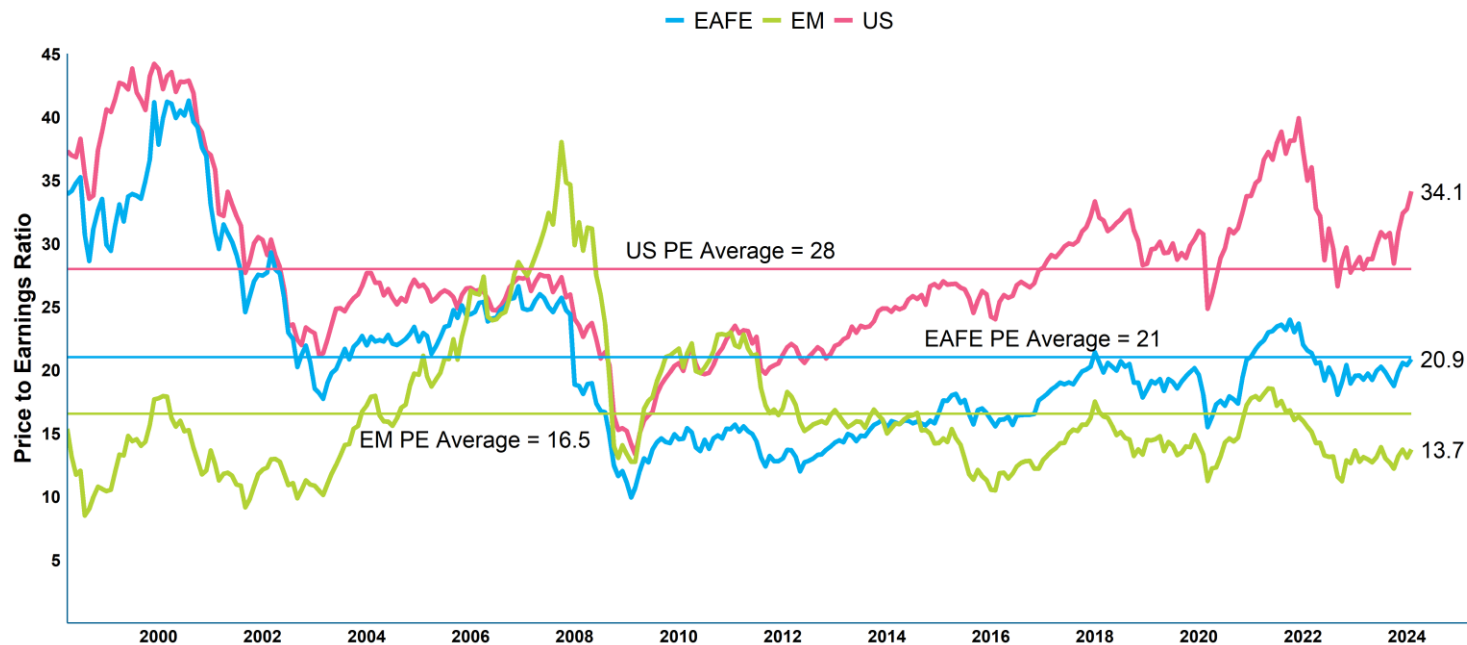
Foreign Equity	February (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)
MSCI ACWI ex. US	2.5	1.5	12.5	1.3	5.4	4.0
MSCI EAFE	1.8	2.4	14.4	4.4	6.8	4.4
MSCI EAFE (Local Currency)	3.0	5.7	14.8	9.8	8.8	7.2
MSCI EAFE Small Cap	0.4	-1.3	6.3	-1.8	4.2	4.3
MSCI Emerging Markets	4.8	-0.1	8.7	-6.3	1.9	3.0
MSCI Emerging Markets (Local Currency)	5.1	1.4	9.7	-3.6	4.0	5.6
MSCI China	8.4	-3.1	-14.1	-20.9	-6.1	1.0

Foreign Equity: Developed international equities (MSCI EAFE) gained 1.8% in February and had a year-to-date return of 2.4%. Emerging market equities (MSCI EM) rose 4.8% in February and are down slightly year-to-date (-0.1%).

- February saw solid positive performance in foreign developed markets, while emerging markets experienced stronger relative results driven by large gains in China.
- Eurozone equities underperformed in February relative to other developed markets, and the UK saw slightly negative returns. Hawkish statements from the ECB and BoE earlier in the month weighed on returns. Japan continued to perform strongly, with the Nikkei 225 surpassing its 1989 peak. A strong US dollar also hurt overall results for US investors with local currency returns 1.2% higher for the month.
- Emerging market equities benefitted from a strong rebound in China (the highest-performing country for the month at 8.4%). The Chinese recovery was driven by government buying programs, a cut on the five-year loan prime rate, new regulations on short-selling, and the Lunar New Year holiday's boost to consumer spending.

¹ Source: Bloomberg. Data is as of February 29, 2024.

Equity Cyclically Adjusted P/E Ratios¹



- In February, the US equity price-to-earnings ratio increased further above its 21st century average due to strong price appreciation.
- International market valuations rose slightly in February and remain well below the US. In the case of developed markets, valuations are now close to the long-term average, while emerging market valuations remain well below its long-term average.

¹ US Equity Cyclically Adjusted P/E on S&P 500 Index. Source: Robert Shiller, Yale University, and Meketa Investment Group. Developed and Emerging Market Equity (MSCI EAFE and EM Index) Cyclically Adjusted P/E – Source: Bloomberg. Earnings figures represent the average of monthly “as reported” earnings over the previous ten years. Data is as of February 2024. The average line is the long-term average of the US, EM, and EAFE PE values from April 1998 to the recent month-end respectively.

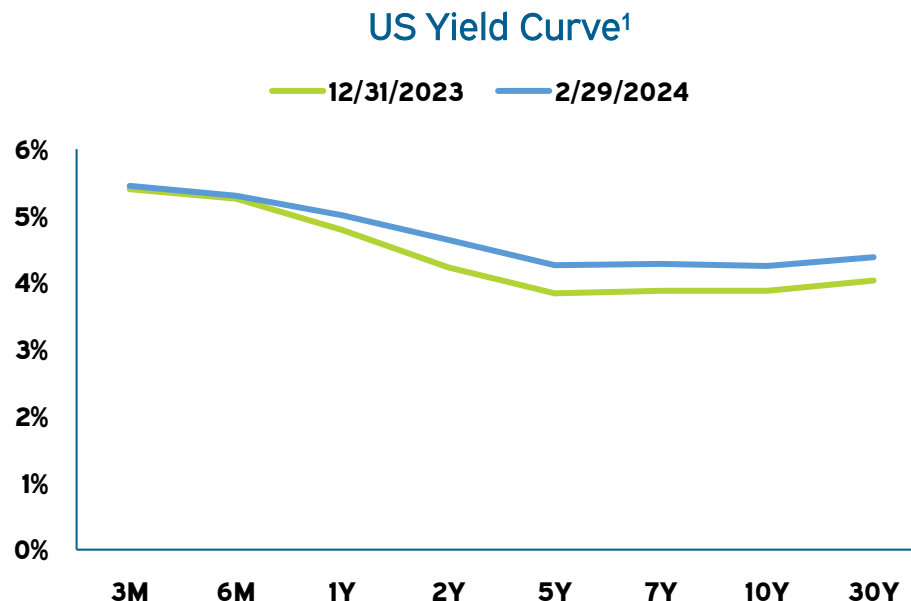
Fixed Income Returns¹

Fixed Income	February (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Current Yield (%)	Duration (Years)
Bloomberg Universal	-1.2	-1.4	4.1	-2.8	0.8	1.7	5.2	6.0
Bloomberg Aggregate	-1.4	-1.7	3.3	-3.2	0.6	1.4	4.9	6.2
Bloomberg US TIPS	-1.1	-0.9	2.5	-0.9	2.7	2.1	4.6	6.9
Bloomberg Short-term TIPS	-0.2	0.2	4.5	2.2	3.2	1.9	4.8	2.5
Bloomberg High Yield	0.3	0.3	11.0	1.8	4.2	4.3	7.9	3.7
JPM GBI-EM Global Diversified (USD)	-0.6	-2.1	9.3	-2.6	-0.1	0.0	6.3	5.0

Fixed Income: The Bloomberg Universal index fell -1.2% in February bringing the year-to-date decline to -1.4%.

- Strong economic data for the last two months and comments by policy makers hinting that rate cuts were not imminent, drove rates up over the month and weighed on bond prices.
- The broad US bond market (Bloomberg Aggregate), as well as TIPS, fell due to the repricing of stronger growth expectations.
- High yield bonds, however, provided slightly positive returns as risk appetite remains robust for high yield credit.

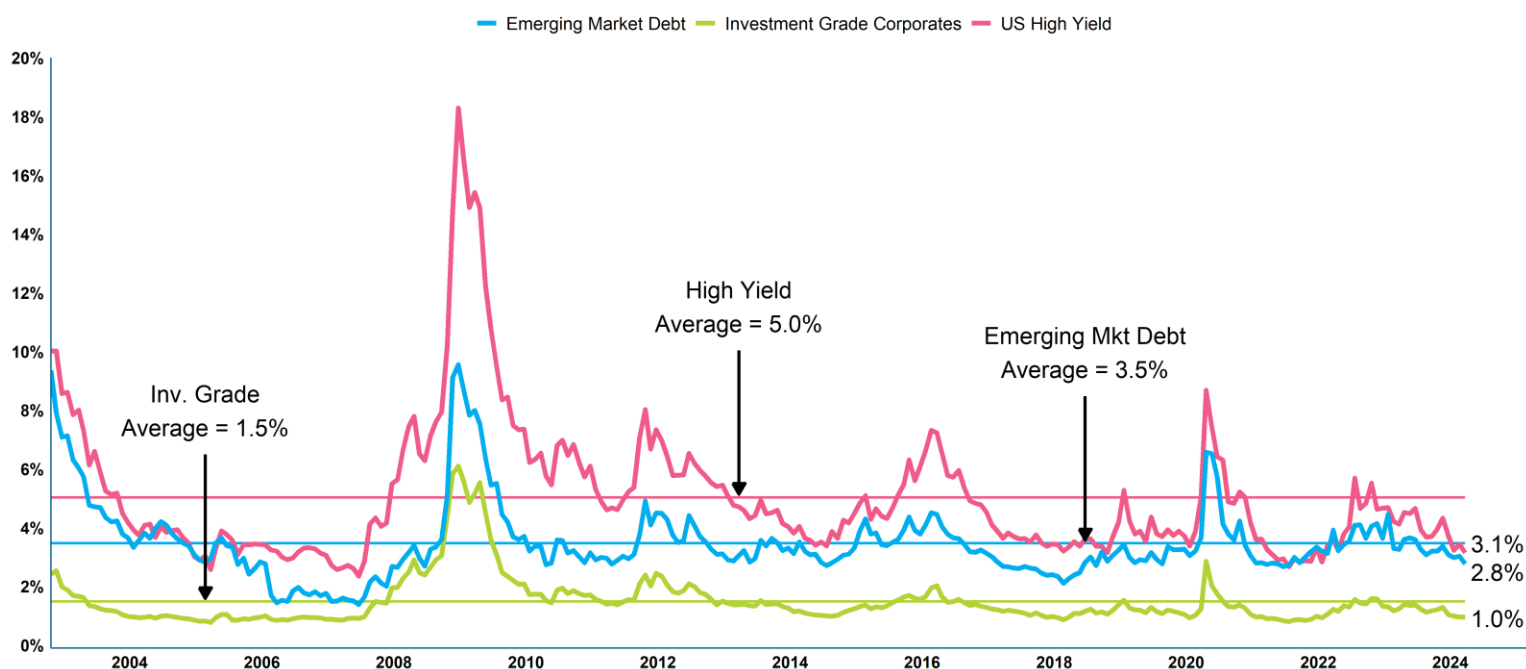
¹ Source: Bloomberg. JPM GBI-EM data is from InvestorForce. Data is as of February 29, 2024. The yield and duration data from Bloomberg is defined as the index's yield to worst and modified duration respectively.



- Both short-term and long-term maturity yields ended the month higher, largely from strong economic data and shifts in monetary policy expectations.
- For the month, the more policy sensitive two-year Treasury yield increased from 4.2% to 4.6% while 10-year Treasury yields rose from 3.9% to 4.3%.
- The yield curve remained inverted at month-end despite a recent flattening trend. The yield spread between the two-year and ten-year Treasury was -0.37% at the end of February.

¹ Source: Bloomberg. Data is as of February 29, 2024.

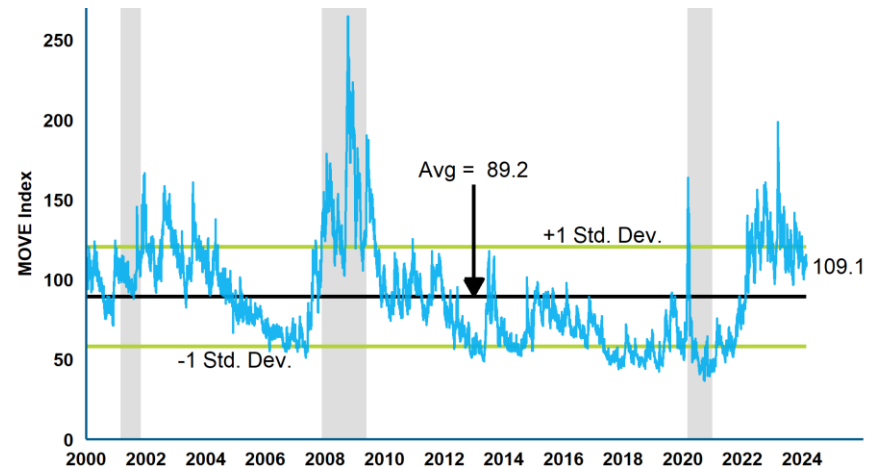
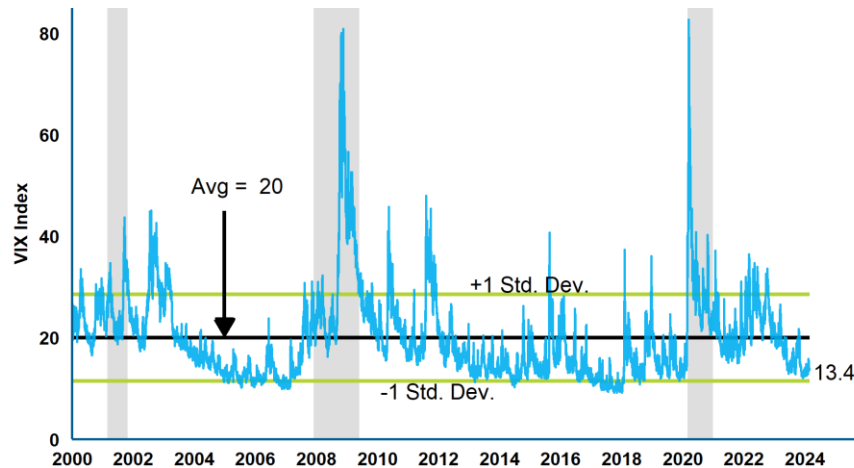
Credit Spreads vs. US Treasury Bonds¹



- A positive economic outlook along with expectations of lower interest rates has led to an increased risk appetite. This has benefited credit, with spreads (the added yield above a comparable maturity Treasury) narrowing.
- Credit spreads narrowed in February for high yield (3.4% to 3.1%) and emerging market bonds (3.0% to 2.8%) while spreads for investment grade corporate bonds remained the same.
- All spreads remain below their respective long-run averages, particularly within high yield.

¹ Source: Bloomberg. Data is as of February 29, 2024. Average lines denote the average of the investment grade, high yield, and emerging market spread values from September 2002 to the recent month-end, respectively.

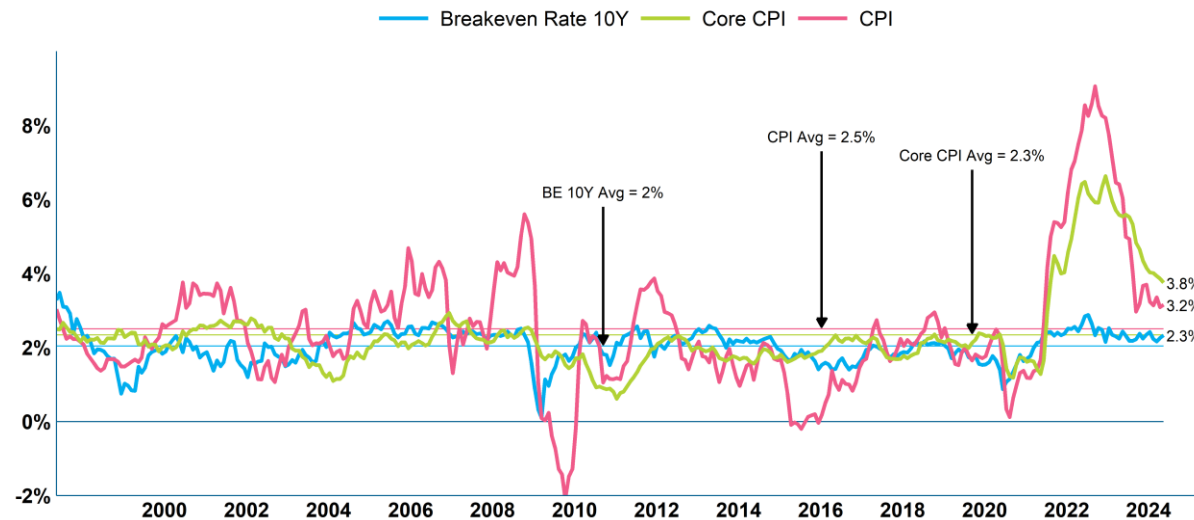
Equity and Fixed Income Volatility¹



- Volatility in equities (VIX) remains close to one standard deviation below the long-term average as the focus shifted late last year to peaking policy rates and the potential for a soft landing.
- Although volatility in the bond market (MOVE) remains above its long-run average (89.2) it has declined recently given falling inflation, growth expectations, and a likely cut in interest rates.

¹ Equity Volatility – Source: FRED. Fixed Income Volatility – Source: Bloomberg. Implied volatility as measured using VIX Index for equity markets and the MOVE Index to measure interest rate volatility for fixed income markets. Data is as of February 2024. The average line indicated is the average of the VIX and MOVE values between January 2000 and February 2024.

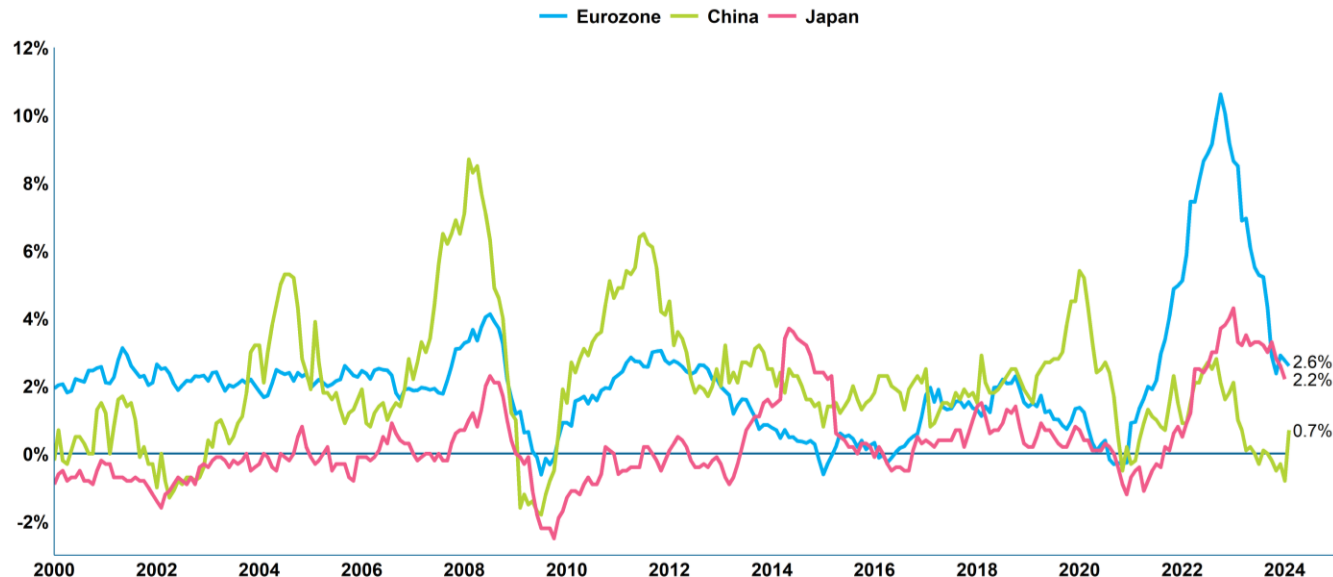
US Ten-Year Breakeven Inflation and CPI¹



- Year-over-year headline inflation rose in February (3.1% to 3.2%), coming in slightly above expectations. Inflation in services sectors, particularly shelter, remains a key reason consumer inflation is still above the Fed's 2% average target.
- Month-over-month inflation rose to 0.4% from the 0.3% January reading again driven by shelter costs. Food prices were flat from a month prior, while increases in gas prices drove energy higher.
- Core inflation - excluding food and energy - fell slightly from 3.9% to 3.8 but also came in above expectations.
- Inflation expectations (breakevens) have remained stable despite the recent significant volatility in inflation.

¹ Source: FRED. Data is as February 2024. The CPI and 10 Year Breakeven average lines denote the average values from February 1997 to the present month-end, respectively. Breakeven values represent month-end values for comparative purposes.

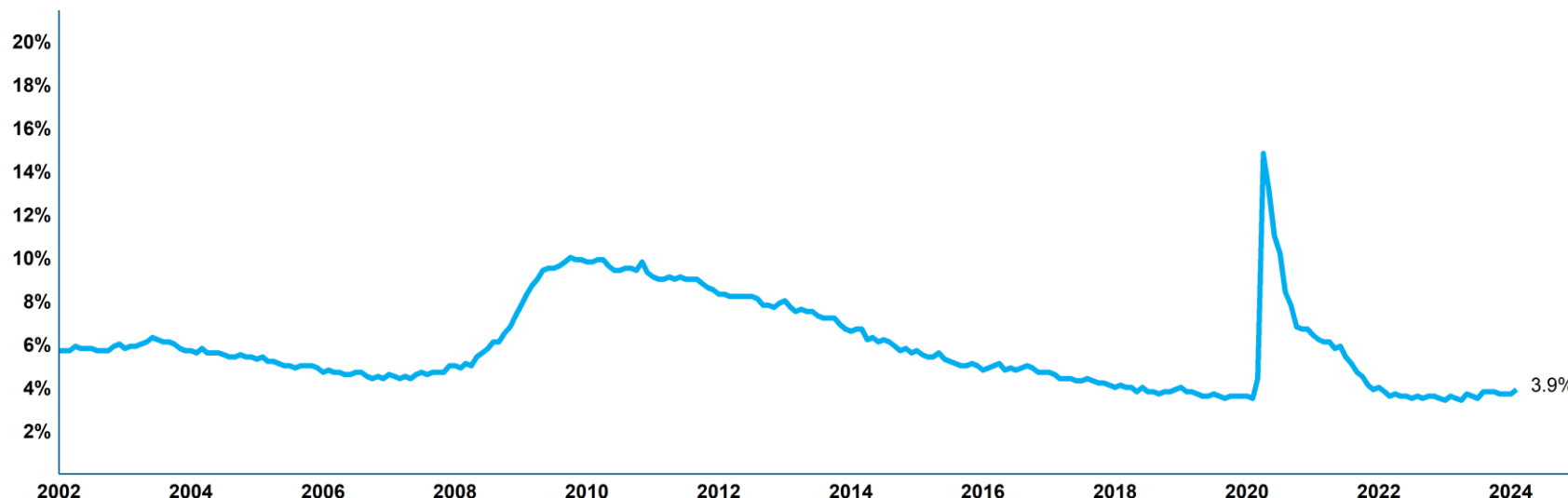
Global Inflation (CPI Trailing Twelve Months)¹



- Outside the US, inflation is also falling across major economies from the recent peaks.
- In the eurozone, prices experienced a dramatic decline last year but remains above the central bank's 2% target. In February, inflation fell further (2.8% to 2.6%), a level below the 3.2% year-over-year reading in the US.
- Inflation in Japan has slowly declined from the early 2023 peak of 4.3%, but it remains near levels not seen in a decade, driven by food prices.
- China emerged from deflationary pressures in February with the first positive reading (0.7%) since last September, driven largely by spending during the Lunar New Year holiday.

¹ Source: FRED for United States CPI and Eurozone CPI. Source: Bloomberg for Japan CPI, China CPI, and Eurozone CPI. Data is as February 29, 2024, except Japan which is as of January 31, 2024.

US Unemployment¹

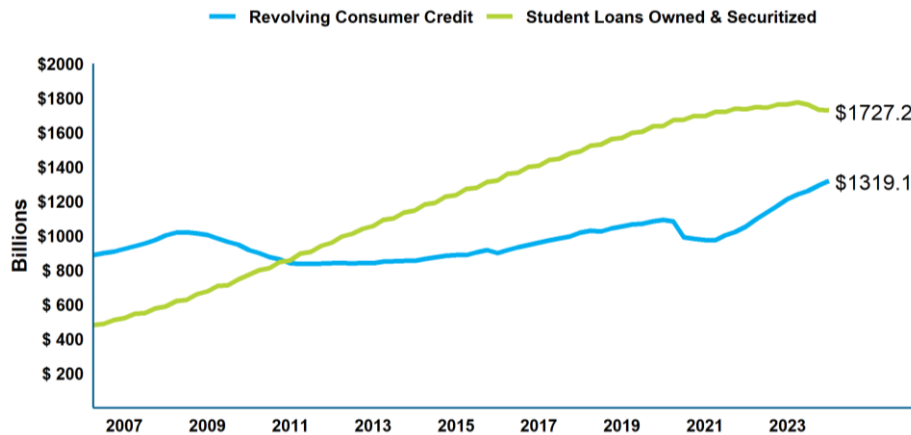


- Overall, the US labor market remains healthy, with the unemployment rate low, wage growth now positive in real terms, and initial claims for unemployment staying subdued.
- In February, the number of jobs added in the US was stronger than expected (275,000 versus 200,000) but with significant revisions to December and January data. The healthcare, government, and food service sectors added the most jobs for the month.
- The unemployment rate rose from 3.7% to 3.9%, while wage growth came in at 4.3% compared to a year prior, a level well off the 6.0% peak but above inflation levels.
- Quit rates have declined, and layoffs are stable, with 1.4 available workers per job opening.

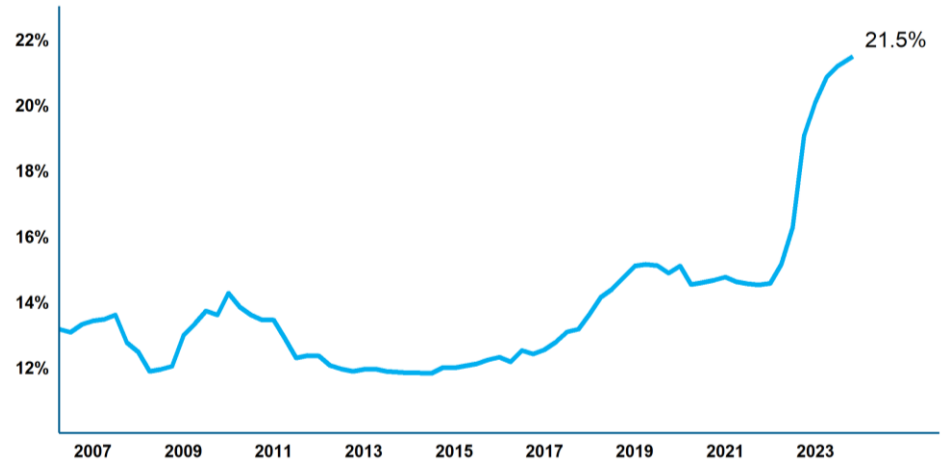
¹ Source: FRED. Data is as February 29, 2024.

US Consumer Under Stress?¹

Revolving Consumer Credit & Student Loans (\$B)



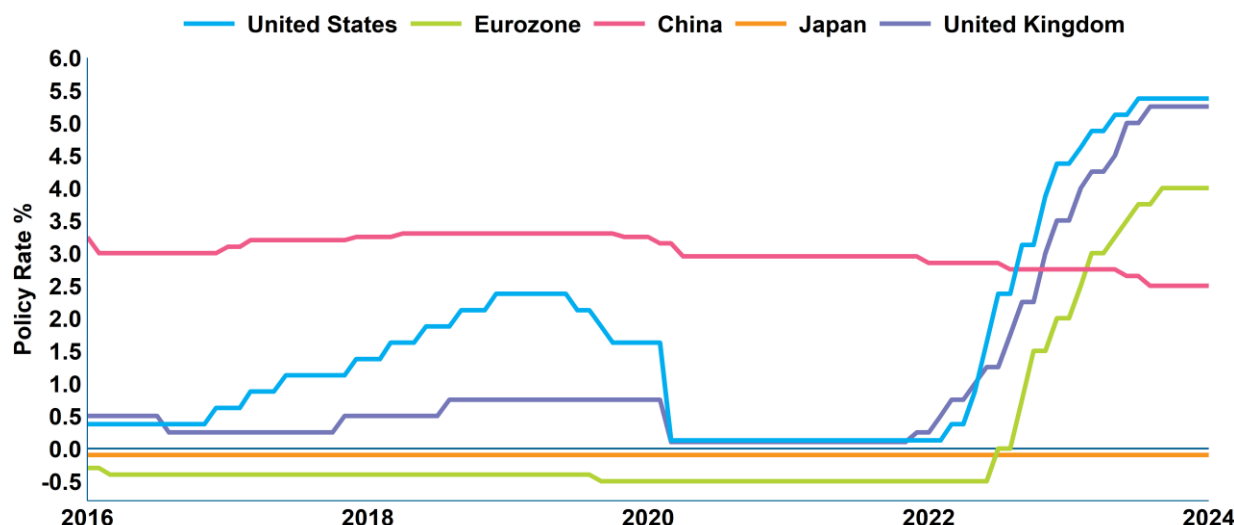
Consumer Credit Card Interest Rates (%)



- Despite the strong labor market and higher wages, pressures have started to build on the US consumer. This is an important consideration as consumer spending has been a key driver of economic growth.
- Revolving consumer credit surged to new highs in 2023 even as credit card interest rates hit levels not seen before (the prior peak was around 19% in the 1980s). Recently, we have also seen payment delinquencies on credit cards start to increase.
- The return of student loan repayments after a three-year pandemic-related reprieve could add to pressures on consumers' budgets. This might be partially mitigated by recently initiated repayment and forgiveness programs.
- As we look ahead, the strength of the US consumer will remain key as this sector makes up most of the domestic economy (GDP).

¹ Source: FRED. Data is as of December 31, 2023. Consumer Credit Card Rate data is as of November 30, 2023. Revolving Consumer Credit data is seasonally adjusted to remove distortions during the holiday season.

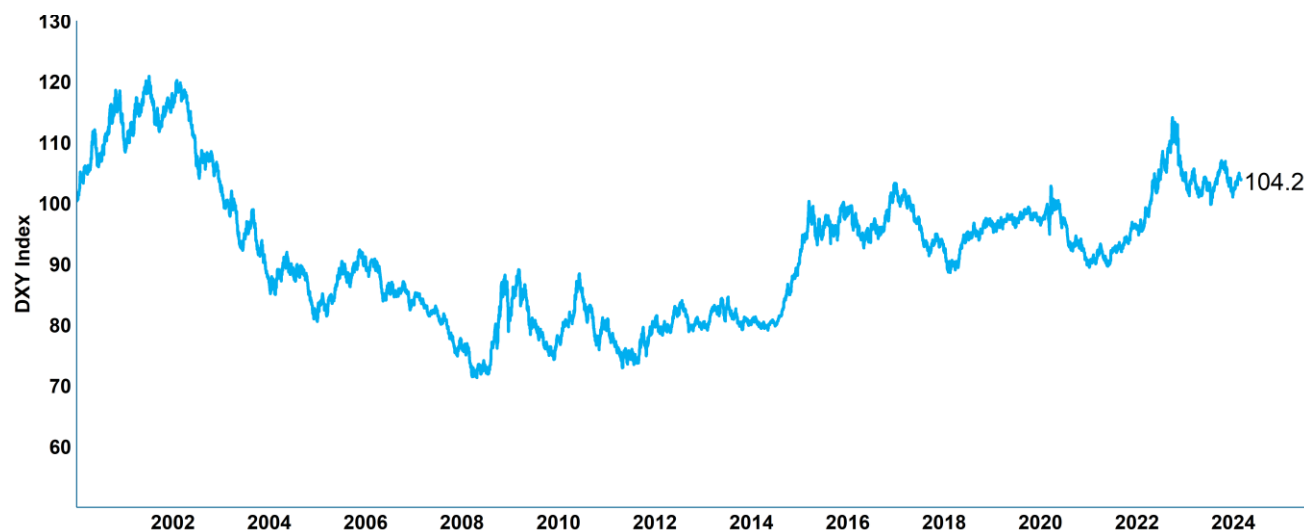
Policy Rates¹



- The Fed has been on hold since July 2023 when it raised rates to a range of 5.25%-5.50%. Markets are now pricing in slightly less than three rate cuts this year down from close to seven late last year as economic data has come in better than expectations. Market pricing for the first rate cut has also moved out from originally March to the summer or early fall.
- The European and UK central banks also recently paused their rate increases on slowing inflation with cuts likely to follow this year. In Japan, the BoJ has further relaxed its yield curve control on the 10-year bond, and expectations for further policy normalization are rising.
- The central bank in China has maintained interest rates at record low levels and continues to inject liquidity into the banking system, as weaker than expected economic data appears to indicate a widespread slowdown.

¹ Source: Bloomberg. Data is as of February 29, 2024.

US Dollar vs. Broad Currencies¹



- Overall, the dollar finished last year only slightly below where it started but it was a volatile year for the US currency as expectations related to monetary policy evolved.
- Strong economic data in the US may delay policy rate cuts this year, which could contribute to upward pressure on the dollar as other countries pivot to rate cuts.

¹ Source: Bloomberg. Data as of February 29, 2024.

Summary

Key Trends:

- The impact of inflation still above policy targets will remain important, with bond market volatility likely to stay high.
- Global monetary policies could diverge going forward. The risk of policy errors remains elevated as central banks try to further reduce inflation toward targets while not tipping their economies into recession.
- Global growth is expected to slow this year, with some economies forecasted to enter recessions. However, optimism has been building that certain economies could experience soft landings. Inflation, monetary policy, and geopolitical issues will remain key in 2024.
- US consumers could feel pressure as certain components of inflation (e.g., shelter) remain high, borrowing costs are elevated, and the job market may weaken.
- A focus for US equities going forward will be whether earnings can remain resilient if growth continues to slow. Also, the future paths of the large technology companies that have driven market gains will be important.
- Equity valuations remain lower in emerging and developed markets, but risks remain, including China's economic uncertainty and on-going weakness in the real estate sector which could spill over into key trading partners' economies. Japan's recent hint at potentially tightening monetary policy along with changes in corporate governance in the country could influence relative results.

Executive Summary

→ In February, Global Equity markets continued their surge with the US leading the way. Fixed Income markets declined slightly as rates continued to tick up slightly in the face of stronger growth expectations.

→ The below table reflects the latest estimated valuation data through February 2024.

NERS	February 29, 2024	January 31, 2024	December 31, 2023
Total Fund Balance	\$1.30 Billion	\$1.28 Billion	\$1.30 Billion
Funded Status	85%	84%	85%
NERS Assumed Rate of Return	6.75%	6.75%	6.75%
FYTD Rate of Return	6.2%	4.0%	4.3%
12 Months Trailing Rate of Return	10.7%	5.6%	11.8%
Monthly Rate of Return	2.1%	-0.3%	3.7%
Monthly Gains/Losses	\$26.9 million	\$4.3 million	\$46.4 million
Monthly Net Cash Flow	-\$7.2 million	-\$9.2 million	-\$7.3 million

→ The Actuarial Determined Contribution rates for Fiscal Year 2024 are:

- NERS: 20.96%
- VRS: 12.94%

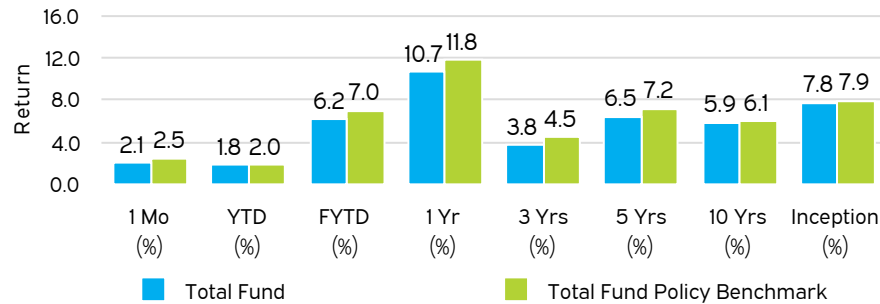
→ As of February 29, the System was inside of its target asset allocation ranges for all asset classes.

Performance Summary

Portfolio Objective

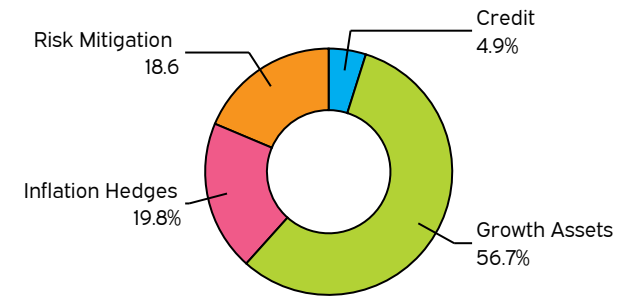
The Employees' Retirement System of the City of Norfolk is a long-term investor whose objective is to enable the System to provide retirement income for plan participants and beneficiaries. The System's strategy is to generate a return that meets the long-term return objective, while minimizing volatility.

Return Summary



	1 Mo (%)	YTD (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Since Inception	Inception Date
Total Fund	2.1	1.8	6.2	10.7	3.8	6.5	5.9	7.8	10/01/1990
Total Fund Policy Benchmark	2.5	2.0	7.0	11.8	4.5	7.2	6.1	7.9	

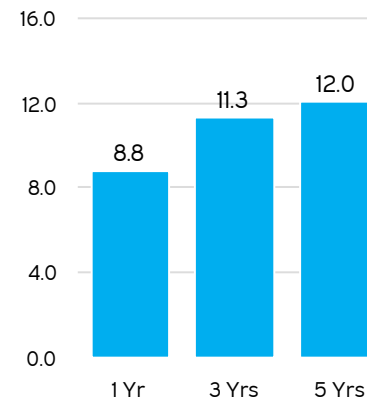
Current Allocation



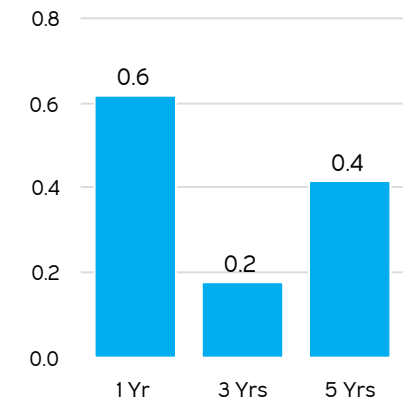
Summary of Cash Flows

	Last Month	Year-To-Date	One Year
Total Fund			
Beginning Market Value	1,282,191,614	1,295,810,106	1,228,659,634
Net Cash Flow	-7,233,485	-16,449,939	-56,273,258
Net Investment Change	26,864,425	22,462,386	129,436,177
Ending Market Value	1,301,822,553	1,301,822,553	1,301,822,553

Annualized Standard Deviation

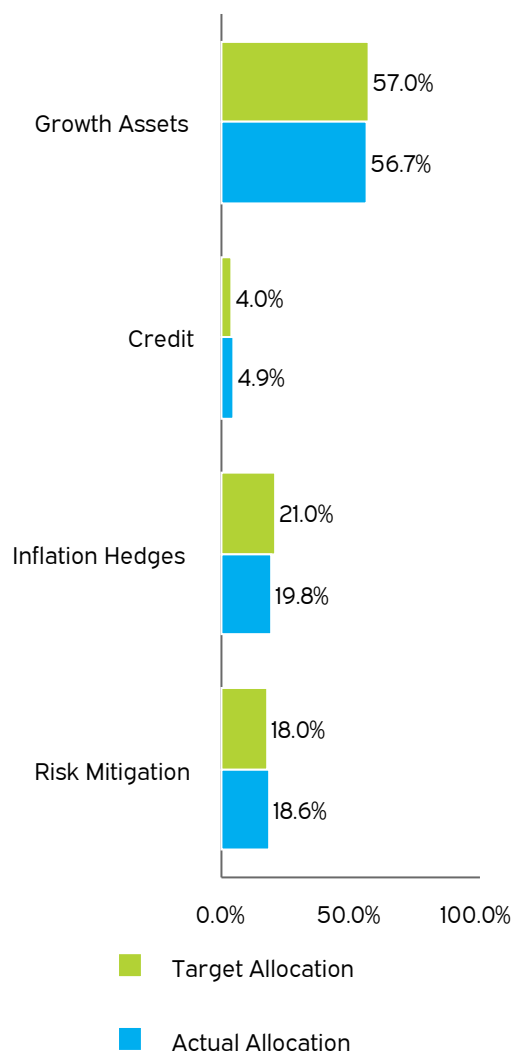


Sharpe Ratio



Performance Update | As of February 29, 2024

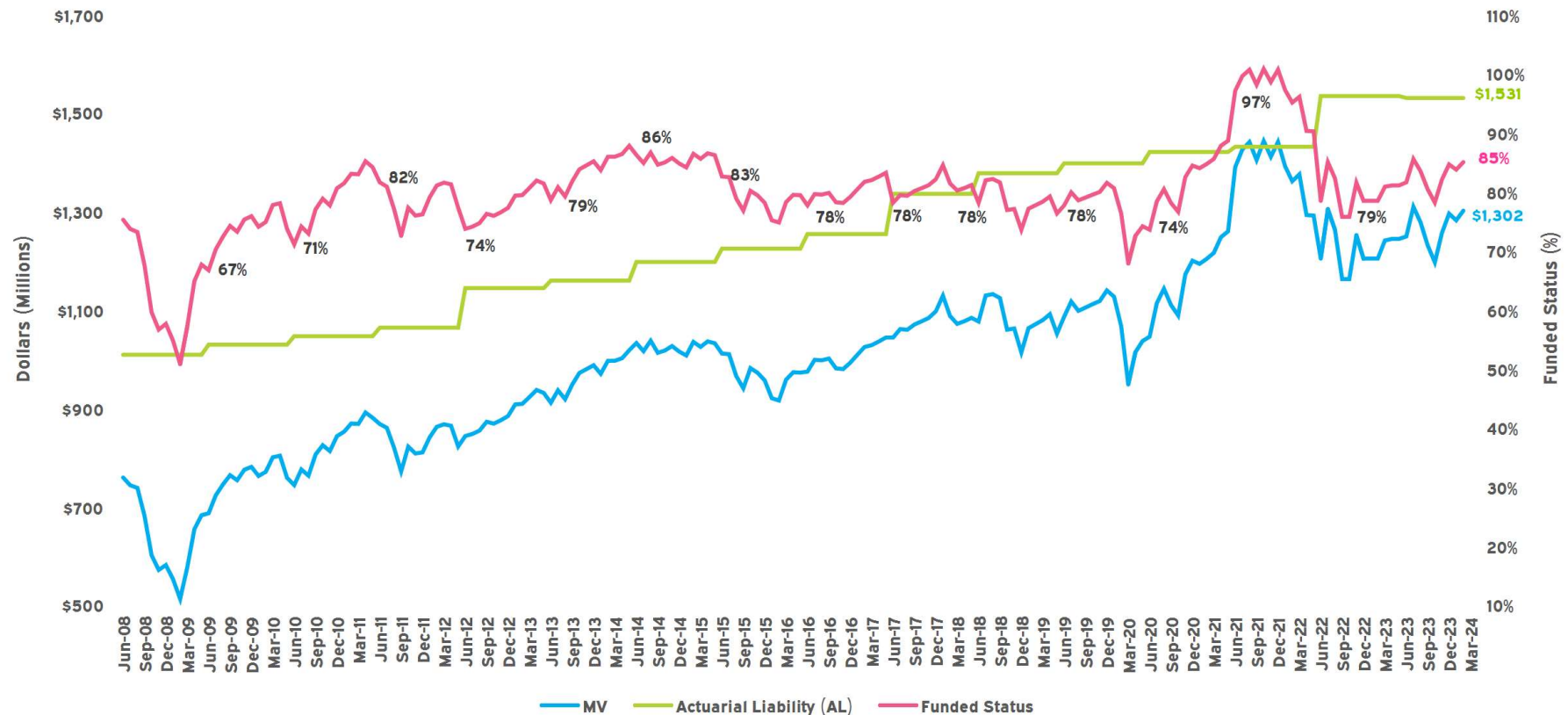
Actual vs. Target Allocation



Allocation vs. Targets and Policy

	Current Balance	Current Allocation (%)	Policy (%)	Policy Range (%)	Within IPS Range?
Growth Assets	\$738,623,820	56.7	57.0	47.0 - 67.0	Yes
Global Equity	\$735,668,010	56.5	52.0	42.0 - 62.0	Yes
Private Equity	\$2,955,809	0.2	5.0	0.0 - 10.0	Yes
Credit	\$63,412,389	4.9	4.0	0.0 - 9.0	Yes
High Yield & Bank Loans	\$63,412,389	4.9	4.0	0.0 - 9.0	Yes
Inflation Hedges	\$257,226,852	19.8	21.0	14.0 - 28.0	Yes
Real Estate	\$93,692,994	7.2	8.0	3.0 - 13.0	Yes
Natural Resources & Infrastructure	\$61,828,186	4.7	5.0	0.0 - 10.0	Yes
Gold	\$35,234,483	2.7	3.0	0.0 - 6.0	Yes
Short-Term TIPS	\$66,471,189	5.1	5.0	0.0 - 10.0	Yes
Risk Mitigation	\$242,559,493	18.6	18.0	11.0 - 25.0	Yes
Investment Grade Fixed Income	\$177,562,832	13.6	14.0	7.0 - 21.0	Yes
Hedge Funds	\$63,611,540	4.9	4.0	0.0 - 9.0	Yes
Cash	\$1,385,121	0.1	0.0	0.0 - 3.0	Yes
Total	\$1,301,822,553	100.0	100.0		

Assets, Liabilities and Funded Status Over Time



As of June 30, 2023, Total Plan Actuarial Liability (AL) is \$1.531 billion and the Actuarial Value of assets (AVA) is \$1.294 billion for an Actuarial funded ratio (AVA/AL) of 85%. Using the Market Value of Assets (MVA), the Market Funded Ratio (MV/AL) was approximately 84% in January 2024 and 85% in February 2024.

Asset Class Performance Summary											
	Market Value (\$)	% of Portfolio	1 Mo (%)	YTD (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Fund	1,301,822,553	100.0	2.1	1.8	6.2	10.7	3.8	6.5	5.9	7.8	Oct-90
Total Fund Policy Benchmark			2.5	2.0	7.0	11.8	4.5	7.2	6.1	7.9	
Total Fund Actual Allocation Benchmark			2.2	1.9	6.9	11.7	--	--	--	--	
Total Fund Public Benchmark			2.7	2.8	9.4	16.7	3.4	7.2	6.2	8.0	
Growth Assets	738,623,820	56.7	4.3	4.8	11.8	21.1	--	--	--	16.6	Dec-22
Growth Assets Custom Benchmark			4.7	4.6	12.2	21.3	--	--	--	17.4	
Global Equity	735,668,010	56.5	4.3	4.8	11.8	21.1	6.1	10.3	8.6	9.1	Oct-90
Global Equity Policy Benchmark			4.2	4.4	12.1	21.6	6.1	10.1	8.4	9.4	
Private Equity	2,955,809	0.2									
Credit	63,412,389	4.9	0.5	1.1	7.4	--	--	--	--	9.4	May-23
Credit Custom Benchmark			0.6	1.0	8.1	11.2	--	--	--	9.6	
High Yield & Bank Loans	63,412,389	4.9	0.5	1.1	7.4	--	--	--	--	9.4	May-23
High Yield & Bank Loans Custom Benchmark			0.6	1.0	8.1	11.2	3.7	4.7	4.5	9.6	
Inflation Hedges	257,226,852	19.8	-0.6	-2.8	-2.4	-7.1	--	--	--	-7.8	Dec-22
Inflation Hedges Custom Benchmark			-0.6	-2.7	-2.7	-4.5	--	--	--	-5.9	
Real Estate	93,692,994	7.2	-0.7	-1.9	-7.4	-12.0	-0.2	-0.4	3.9	5.6	Apr-11
NCREIF ODCE (Net)			0.0	0.0	-7.0	-12.7	4.0	3.3	6.3	7.5	
Natural Resources & Infrastructure	61,828,186	4.7	-0.1	-4.9	-0.8	--	--	--	--	-4.4	Apr-23
S&P Global LargeMidcap Resources & Commodities NR USD			-0.2	-6.5	-3.0	-7.2	6.3	7.1	3.6	-6.7	
Gold	35,234,483	2.7	-2.2	-6.8	-1.5	--	--	--	--	-6.8	Apr-23
60% Gold (Spot)/ 40% FTSE Gold Mines			-2.9	-8.1	-1.9	5.4	0.5	--	--	-5.9	
Short-Term TIPS	66,471,189	5.1	-0.2	0.3	3.2	3.5	--	--	--	3.5	Mar-23
Blmbg. U.S. TIPS 0-5 Year			-0.2	0.2	3.3	4.5	2.2	3.2	1.9	4.5	

Total Fund Public Benchmark consists of 74% MSCI ACWI IMI / 26% Bloomberg US Aggregate. Historical varies. See benchmark history page for additional benchmark detail.

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	Market Value (\$)	% of Portfolio	1 Mo (%)	YTD (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Risk Mitigation	242,559,493	18.6	-0.9	-1.6	0.1	2.8	--	--	--	2.5	Dec-22
<i>Risk Mitigation Custom Benchmark</i>			-0.6	-0.7	2.1	3.2	--	--	--	2.6	
Investment Grade Fixed Income	177,562,832	13.6	-1.6	-2.2	0.3	2.5	-3.2	0.5	1.5	5.1	Oct-90
<i>Blmbg. U.S. Aggregate Index</i>			-1.4	-1.7	1.6	3.3	-3.2	0.6	1.4	5.0	
Intermediate-Term Bonds	128,903,964	9.9	-1.3	-1.4	2.0	4.2	-2.7	0.8	1.7	5.1	Oct-90
<i>Blmbg. U.S. Aggregate Index</i>			-1.4	-1.7	1.6	3.3	-3.2	0.6	1.4	5.0	
Long-Term Bonds	48,658,868	3.7	-2.3	-4.2	-5.1	-2.9	--	--	--	-2.9	Mar-23
<i>Blmbg. U.S. Treasury: Long</i>			-2.3	-4.4	-5.0	-2.8	-10.0	-2.0	1.2	-2.8	
Hedge Funds	63,611,540	4.9	0.9	-0.3	-1.3	--	--	--	--	2.3	Apr-23
<i>Hedge Fund Custom Benchmark</i>			2.2	2.8	3.3	2.2	--	--	--	5.0	
Cash	1,385,121	0.1									

Trailing Net Performance											
	Market Value (\$)	% of Portfolio	1 Mo (%)	YTD (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Fund	1,301,822,553	100.0	2.1	1.8	6.2	10.7	3.8	6.5	5.9	7.8	Oct-90
Total Fund Policy Benchmark			2.5	2.0	7.0	11.8	4.5	7.2	6.1	7.9	
Total Fund Actual Allocation Benchmark			2.2	1.9	6.9	11.7	--	--	--	--	
Total Fund Public Benchmark			2.7	2.8	9.4	16.7	3.4	7.2	6.2	8.0	
Growth Assets	738,623,820	56.7	4.3	4.8	11.8	21.1	--	--	--	16.6	Dec-22
Growth Assets Custom Benchmark			4.7	4.6	12.2	21.3	--	--	--	17.4	
Global Equity	735,668,010	56.5	4.3	4.8	11.8	21.1	6.1	10.3	8.6	9.1	Oct-90
Global Equity Policy Benchmark			4.2	4.4	12.1	21.6	6.1	10.1	8.4	9.4	
SSgA Russell 1000 Growth Index	35,255,843	2.7	6.8	9.5	21.1	45.9	--	--	--	45.9	Mar-23
Russell 1000 Growth Index			6.8	9.5	21.1	45.9	12.5	18.8	15.7	45.9	
SSgA Russell 1000 Value Index	29,764,600	2.3	3.7	3.8	10.1	14.0	--	--	--	14.0	Mar-23
Russell 1000 Value Index			3.7	3.8	10.1	14.0	8.4	9.4	8.7	14.0	
Fidelity Small Cap Index Fund	15,343,926	1.2	5.7	2.3	--	--	--	--	--	5.7	Feb-24
Russell 2000 Index			5.7	1.5	9.9	10.0	-0.9	6.9	7.1	5.7	
SSgA Russell 3000 Index	194,574,765	14.9	5.4	6.6	15.6	28.6	--	--	--	28.6	Mar-23
Russell 3000 Index			5.4	6.6	15.6	28.6	9.9	13.9	12.0	28.6	
SSgA MSCI EAFE	83,617,520	6.4	1.8	2.4	8.4	14.7	--	--	--	14.7	Mar-23
MSCI EAFE (Net)			1.8	2.4	8.4	14.4	4.4	6.8	4.4	14.4	
SSgA Emerging Markets Index	34,957,768	2.7	4.8	-0.2	4.0	8.5	--	--	--	8.5	Mar-23
MSCI Emerging Markets (Net)			4.8	-0.1	4.6	8.7	-6.3	1.9	3.0	8.7	
ABS China Direct	7,522,096	0.6	5.9	-4.9	-12.7	-19.4	--	--	--	-19.4	Mar-23
MSCI China (Net)			8.4	-3.1	-9.0	-14.1	-20.9	-6.1	1.0	-14.1	

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	Market Value (\$)	% of Portfolio	1 Mo (%)	YTD (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
ABS EM ex China Direct	21,192,465	1.6	3.4	1.4	10.0	23.1	--	--	--	23.1	Mar-23
MSCI EM ex China			3.6	1.0	10.3	19.7	0.6	5.1	4.0	19.7	
Kopernik Global All-Cap	31,792,482	2.4	2.8	0.3	10.7	--	--	--	--	10.2	Apr-23
MSCI AC World Index (Net)			4.3	4.9	12.5	23.1	6.8	10.5	8.4	19.5	
First Eagle Global Equity	119,050,539	9.1	1.9	3.0	5.7	--	--	--	--	10.9	Apr-23
MSCI AC World Index (Net)			4.3	4.9	12.5	23.1	6.8	10.5	8.4	19.5	
Artisan Global Opportunities	100,740,951	7.7	4.5	7.1	14.7	--	--	--	--	21.8	Apr-23
MSCI AC World Index (Net)			4.3	4.9	12.5	23.1	6.8	10.5	8.4	19.5	
J. Stern & Co. World Stars Global Equity Fund	61,855,056	4.8	8.0	7.0	--	--	--	--	--	8.0	Feb-24
MSCI AC World IMI Index (Net)			4.2	4.4	12.1	21.6	6.1	10.1	8.1	4.2	
Private Equity	2,955,809	0.2									
NexPhase Capital Fund V, L.P.	115,030	0.0									
Vitruvian Investment Partnership V	224,874	0.0									
Lexington Capital Partners X, L.P.	2,615,905	0.2									
Credit	63,412,389	4.9	0.5	1.1	7.4	--	--	--	--	9.4	May-23
Credit Custom Benchmark			0.6	1.0	8.1	11.2	--	--	--	9.6	
High Yield & Bank Loans	63,412,389	4.9	0.5	1.1	7.4	--	--	--	--	9.4	May-23
High Yield & Bank Loans Custom Benchmark			0.6	1.0	8.1	11.2	3.7	4.7	4.5	9.6	
Sculptor Credit Opportunities Overseas Fund [CE]	25,719,051	2.0	0.2	0.8	3.8	--	--	--	--	6.2	May-23
Blmbg. Global High Yield Index			0.8	0.6	9.0	12.3	0.4	2.9	3.4	10.5	
Brigade High Income Fund	37,693,338	2.9	0.7	1.3	9.9	--	--	--	--	11.8	May-23
60% Barclays U.S. Corporate High Yield & 40% CS Lev Loans			0.5	0.8	8.0	11.2	3.4	4.6	4.4	9.5	

Sculptor Credit Opportunities market value is estimated based on preliminary manager returns.

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	Market Value (\$)	% of Portfolio	1 Mo (%)	YTD (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Inflation Hedges	257,226,852	19.8	-0.6	-2.8	-2.4	-7.1	--	--	--	-7.8	Dec-22
<i>Inflation Hedges Custom Benchmark</i>			-0.6	-2.7	-2.7	-4.5	--	--	--	-5.9	
Real Estate	93,692,994	7.2	-0.7	-1.9	-7.4	-12.0	-0.2	-0.4	3.9	5.6	Apr-11
<i>NCREIF ODCE (Net)</i>			0.0	0.0	-7.0	-12.7	4.0	3.3	6.3	7.5	
JP Morgan Asset Management Strategic Property Fund	44,535,356	3.4	-2.5	-2.7	-13.1	-15.9	0.5	1.2	4.9	6.8	Apr-11
<i>NCREIF ODCE (Net)</i>			0.0	0.0	-7.0	-12.7	4.0	3.3	6.3	7.5	
UBS Trumbull Property Fund	23,211,397	1.8	0.0	0.0	-5.8	-15.7	0.7	-1.2	3.2	4.1	Dec-11
<i>NCREIF ODCE (Net)</i>			0.0	0.0	-7.0	-12.7	4.0	3.3	6.3	7.2	
SSgA US REIT	25,946,240	2.0	1.9	-2.3	5.2	5.5	--	--	--	5.5	Mar-23
<i>Dow Jones U.S. Select RESI</i>			1.8	-2.2	5.4	5.7	4.6	3.2	5.8	5.7	
Natural Resources & Infrastructure	61,828,186	4.7	-0.1	-4.9	-0.8	--	--	--	--	-4.4	Apr-23
<i>S&P Global LargeMidcap Resources & Commodities Ind</i>			-0.2	-6.5	-3.0	-7.2	6.3	7.1	3.6	-6.7	
SSgA S&P Global LargeMidCap Natural Resources Index	46,335,977	3.6	-0.1	-6.4	-3.0	--	--	--	--	-6.6	Apr-23
<i>S&P Global LargeMidcap Resources & Commodities Ind</i>			-0.2	-6.5	-3.0	-7.2	6.3	7.1	3.6	-6.7	
JP Morgan Infrastructure Investments Fund	15,492,208	1.2	0.0	0.0	--	--	--	--	--	3.3	Oct-23
<i>DJ Brookfield Listed Public Infrastructure +1%</i>			-0.1	-3.1	0.5	2.0	5.9	4.9	--	9.0	

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	Market Value (\$)	% of Portfolio	1 Mo (%)	YTD (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Gold	35,234,483	2.7	-2.2	-6.8	-1.5	--	--	--	--	-6.8	Apr-23
60% Gold (Spot)/ 40% FTSE Gold Mines			-2.9	-8.1	-1.9	5.4	0.5	--	--	-5.9	
First Eagle Institutional Gold Fund, LP	35,234,483	2.7	-2.2	-6.8	-1.5	--	--	--	--	-6.8	Apr-23
60% Gold (Spot)/ 40% FTSE Gold Mines			-2.9	-8.1	-1.9	5.4	0.5	--	--	-5.9	
Short-Term TIPS	66,471,189	5.1	-0.2	0.3	3.2	3.5	--	--	--	3.5	Mar-23
Blmbg. U.S. TIPS 0-5 Year			-0.2	0.2	3.3	4.5	2.2	3.2	1.9	4.5	
Vanguard Short-Term TIPS Index	66,471,189	5.1	-0.2	0.3	3.2	--	--	--	--	2.5	Apr-23
Blmbg. U.S. TIPS 0-5 Year			-0.2	0.2	3.3	4.5	2.2	3.2	1.9	2.5	
Risk Mitigation	242,559,493	18.6	-0.9	-1.6	0.1	2.8	--	--	--	2.5	Dec-22
Risk Mitigation Custom Benchmark			-0.6	-0.7	2.1	3.2	--	--	--	2.6	
Investment Grade Fixed Income	177,562,832	13.6	-1.6	-2.2	0.3	2.5	-3.2	0.5	1.5	5.1	Oct-90
Blmbg. U.S. Aggregate Index			-1.4	-1.7	1.6	3.3	-3.2	0.6	1.4	5.0	
Intermediate-Term Bonds	128,903,964	9.9	-1.3	-1.4	2.0	4.2	-2.7	0.8	1.7	5.1	Oct-90
Blmbg. U.S. Aggregate Index			-1.4	-1.7	1.6	3.3	-3.2	0.6	1.4	5.0	
SSgA US Aggregate Bond	36,462,886	2.8	-1.4	-1.6	1.6	3.3	-3.2	0.6	1.4	2.5	Jan-09
Blmbg. U.S. Aggregate Index			-1.4	-1.7	1.6	3.3	-3.2	0.6	1.4	2.5	
Wellington Core Bond	74,673,954	5.7	-1.1	-1.1	2.7	--	--	--	--	1.5	May-23
Blmbg. U.S. Aggregate Index			-1.4	-1.7	1.6	3.3	-3.2	0.6	1.4	0.2	
Brandywine U.S. Fixed Income	17,767,125	1.4	-2.2	-2.5	0.1	--	--	--	--	-0.6	Jun-23
Blmbg. U.S. Aggregate Index			-1.4	-1.7	1.6	3.3	-3.2	0.6	1.4	1.3	

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	Market Value (\$)	% of Portfolio	1 Mo (%)	YTD (%)	FYTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Long-Term Bonds	48,658,868	3.7	-2.3	-4.2	-5.1	-2.9	--	--	--	-2.9	Mar-23
Blmbg. U.S. Treasury: Long			-2.3	-4.4	-5.0	-2.8	-10.0	-2.0	1.2	-2.8	
SSgA Long US Treasury Index	48,658,868	3.7	-2.3	-4.2	-5.1	-2.9	--	--	--	-2.9	Mar-23
Blmbg. U.S. Treasury: Long			-2.3	-4.4	-5.0	-2.8	-10.0	-2.0	1.2	-2.8	
Hedge Funds	63,611,540	4.9	0.9	-0.3	-1.3	--	--	--	--	2.3	Apr-23
Hedge Fund Custom Benchmark			2.2	2.8	3.3	2.2	--	--	--	5.0	
36 South Kohinoor Series (Cayman) Fund	21,085,098	1.6	-1.4	-0.8	-1.6	--	--	--	--	-0.1	Apr-23
CBOE Eurekahedge Long Volatility Hedge Fund Index			-2.2	-2.3	-4.5	-6.3	-3.5	1.1	-1.4	-7.1	
BH-DG Systematic Trading Master Fund	17,693,795	1.4	4.2	0.0	-3.4	--	--	--	--	6.0	Apr-23
Barclay CTA Index			1.7	2.1	1.1	1.6	3.9	4.9	2.6	3.6	
Lombard Odier Bear Convexity	7,790,446	0.6	1.7	2.4	-2.4	--	--	--	--	-2.6	Apr-23
CBOE Eurekahedge Long Volatility Hedge Fund Index			-2.2	-2.3	-4.5	-6.3	-3.5	1.1	-1.4	-7.1	
Alpstone Global Macro Fund	17,042,200	1.3	0.2	-1.1	1.9	--	--	--	--	2.0	May-23
HFRI Macro (Total) Index			2.4	3.0	3.5	2.3	5.3	6.0	3.3	4.3	
Cash	1,385,121	0.1									
Cash	1,385,121	0.1									

Annual Investment Expense Analysis As of February 29, 2024				
	Fee Schedule	Market Value	Estimated Fee Value	Estimated Fee
Total Fund		\$1,301,822,553	\$4,338,722	0.33
Growth Assets		\$738,623,820	\$2,054,612	0.28
Global Equity		\$735,668,010	\$2,048,039	0.28
SSgA Russell 1000 Growth Index	0.02 % of Assets	\$35,255,843	\$7,051	0.02
SSgA Russell 1000 Value Index	0.02 % of Assets	\$29,764,600	\$5,953	0.02
Fidelity Small Cap Index Fund	0.03 % of Assets	\$15,343,926	\$3,836	0.03
SSgA Russell 3000 Index	0.02 % of Assets	\$194,574,765	\$38,915	0.02
SSgA MSCI EAFE	0.04 % of Assets	\$83,617,520	\$33,447	0.04
SSgA Emerging Markets Index	0.08 % of Assets	\$34,957,768	\$27,966	0.08
ABS China Direct	0.65 % of Assets	\$7,522,096	\$48,894	0.65
ABS EM ex China Direct	0.50 % of Assets	\$21,192,465	\$105,962	0.50
Kopernik Global All-Cap	0.75 % of Assets	\$31,792,482	\$238,444	0.75
First Eagle Global Equity	0.55 % of Assets	\$119,050,539	\$654,778	0.55
Artisan Global Opportunities	0.60 % of Assets	\$100,740,951	\$604,446	0.60
J. Stern & Co. World Stars Global Equity Fund	0.45 % of Assets	\$61,855,056	\$278,348	0.45
Private Equity		\$2,955,809	\$6,573	0.22
NexPhase Capital Fund V, L.P.	2.00 % of Assets	\$115,030	\$2,301	2.00
Vitruvian Investment Partnership V	1.90 % of Assets	\$224,874	\$4,273	1.90
Lexington Capital Partners X, L.P.	1.00% on committed capital.	\$2,615,905	-	-
Credit		\$63,412,389	\$453,196	0.71
High Yield & Bank Loans		\$63,412,389	\$453,196	0.71
Sculptor Credit Opportunities Overseas Fund[CE]	Performance Based 1.00 % and 20.00 %	\$25,719,051	\$257,191	1.00
Brigade High Income Fund	0.52 % of Assets	\$37,693,338	\$196,005	0.52

	Fee Schedule	Market Value	Estimated Fee Value	Estimated Fee
Inflation Hedges		\$257,226,852	\$1,003,989	0.39
Real Estate		\$93,692,994	\$625,334	0.67
JP Morgan Asset Management Strategic Property Fund	0.91 % of Assets	\$44,535,356	\$405,272	0.91
UBS Trumbull Property Fund	0.96 % of First \$10 M	\$23,211,397	\$204,494	0.88
	0.83 % of Next \$15 M			
	0.81 % of Next \$25 M			
	0.79 % of Next \$50 M			
	0.67 % of Next \$150 M			
	0.60 % of Next \$150 M			
	0.56 % of Next \$200 M			
	0.52 % Thereafter			
SSgA US REIT	0.06 % of Assets	\$25,946,240	\$15,568	0.06
Natural Resources & Infrastructure		\$61,828,186	\$193,512	0.31
SSgA S&P Global LargeMidCap Natural Resources Index	0.10 % of Assets	\$46,335,977	\$46,336	0.10
JP Morgan Infrastructure Investments Fund	0.95 % of Assets	\$15,492,208	\$147,176	0.95
Gold		\$35,234,483	\$158,555	0.45
First Eagle Institutional Gold Fund, LP	0.45 % of Assets	\$35,234,483	\$158,555	0.45
Short-Term TIPS		\$66,471,189	\$26,588	0.04
Vanguard Short-Term TIPS Index	0.04 % of Assets	\$66,471,189	\$26,588	0.04
Risk Mitigation		\$242,559,493	\$826,925	0.34
Investment Grade Fixed Income		\$177,562,832	\$163,024	0.09
Intermediate-Term Bonds		\$128,903,964	\$148,426	0.12
SSgA US Aggregate Bond	0.02 % of Assets	\$36,462,886	\$7,293	0.02
Wellington Core Bond	0.12 % of Assets	\$74,673,954	\$89,609	0.12
Brandywine U.S. Fixed Income	0.29 % of Assets	\$17,767,125	\$51,525	0.29

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	Fee Schedule	Market Value	Estimated Fee Value	Estimated Fee
Long-Term Bonds		\$48,658,868	\$14,598	0.03
SSgA Long US Treasury Index	0.03 % of Assets	\$48,658,868	\$14,598	0.03
Hedge Funds		\$63,611,540	\$663,901	1.04
36 South Kohinoor Series (Cayman) Fund	Performance Based 1.00 % and 20.00 %	\$21,085,098	\$210,851	1.00
BH-DG Systematic Trading Master Fund	0.93 % of Assets	\$17,693,795	\$164,552	0.93
Lombard Odier Bear Convexity	Performance Based 0.75 % and 27.50 %	\$7,790,446	\$58,428	0.75
Alpstone Global Macro Fund	Performance Based 1.35 % and 20.00 %	\$17,042,200	\$230,070	1.35
Cash		\$1,385,121	-	-
Cash		\$1,385,121	-	-

Benchmark History		
From Date	To Date	Benchmark
Total Fund		
01/01/2024	Present	14.0% Blmbg. U.S. Aggregate Index, 2.0% Blmbg. U.S. Corp: High Yield Index, 4.0% Hedge Fund Custom Benchmark, 8.0% NCREIF Fund Index-Open End Diversified Core Equity (VW) (Net), 52.0% MSCI AC World IMI Index (Net), 5.0% Blmbg. U.S. TIPS 0-5 Year, 5.0% S&P Global LargeMidcap Resources & Commodities Ind, 2.0% Credit Suisse Leveraged Loan Index, 3.0% 60% Gold (Spot)/ 40% FTSE Gold Mines, 5.0% MSCI ACWI + 3% 1Q Lag
12/01/2022	01/01/2024	14.0% Blmbg. U.S. Aggregate Index, 2.0% Blmbg. U.S. Corp: High Yield Index, 4.0% HFRI Macro (Total) Index, 8.0% NCREIF Fund Index-Open End Diversified Core Equity (VW) (Net), 52.0% MSCI AC World IMI Index (Net), 5.0% Blmbg. U.S. TIPS 0-5 Year, 5.0% S&P Global LargeMidcap Resources & Commodities Ind, 2.0% Credit Suisse Leveraged Loan Index, 3.0% 60% Gold (Spot)/ 40% FTSE Gold Mines, 5.0% MSCI ACWI + 3% 1Q Lag
05/01/2016	12/01/2022	30.0% Blmbg. U.S. Aggregate Index, 7.5% NCREIF Fund Index-Open End Diversified Core Equity (VW) (Net), 7.5% Alerian MLP Index, 55.0% MSCI AC World IMI Index (Net)
03/01/2016	05/01/2016	33.0% Russell 3000 Index, 30.0% Blmbg. U.S. Aggregate Index, 7.5% NCREIF Fund Index-Open End Diversified Core Equity (VW) (Net), 22.0% MSCI AC World ex USA (Net), 7.5% Alerian MLP Index
02/01/2013	03/01/2016	33.0% Russell 3000 Index, 35.0% Blmbg. U.S. Aggregate Index, 5.0% NCREIF Fund Index-Open End Diversified Core Equity (VW) (Net), 22.0% MSCI AC World ex USA (Net), 5.0% Alerian MLP Index
03/01/2011	02/01/2013	36.0% Russell 3000 Index, 35.0% Blmbg. U.S. Aggregate Index, 5.0% NCREIF Fund Index-Open End Diversified Core Equity (VW) (Net), 24.0% MSCI AC World ex USA (Net)
09/01/2009	03/01/2011	36.0% Russell 3000 Index, 40.0% Blmbg. U.S. Aggregate Index, 24.0% MSCI AC World ex USA (Net)
06/01/2009	09/01/2009	42.0% Russell 3000 Index, 40.0% Blmbg. U.S. Aggregate Index, 18.0% MSCI AC World ex USA (Net)
06/01/2006	06/01/2009	42.0% Russell 3000 Index, 40.0% Blmbg. U.S. Aggregate Index, 18.0% MSCI EAFE (Net)
07/01/2003	06/01/2006	60.0% S&P 500 Index, 40.0% Blmbg. U.S. Aggregate Index
10/01/2002	07/01/2003	55.0% S&P 500 Index, 45.0% Blmbg. U.S. Aggregate Index
10/01/1990	10/01/2002	50.0% S&P 500 Index, 50.0% Blmbg. U.S. Aggregate Index

Total Fund Public benchmark consists of 74% MSCI ACWI IMI / 26% Bloomberg US Aggregate. Historical Varies.

Total Fund Actual Allocation Benchmark reflects the asset classes set fourth in the Fund's investment policy statement, weighted for the Fund's actual investments and performance of the indexes referenced above.

Benchmark History		
From Date	To Date	Benchmark
Growth Assets		
12/01/2022	Present	91.0% MSCI AC World IMI Index (Net), 9.0% MSCI ACWI + 3% 1Q Lag
Global Equity		
05/01/2016	Present	100.0% MSCI AC World IMI Index (Net)
09/01/2009	05/01/2016	60.0% Russell 3000 Index, 40.0% MSCI AC World ex USA (Net)
06/01/2009	09/01/2009	70.0% Russell 3000 Index, 30.0% MSCI AC World ex USA (Net)
01/01/2006	06/01/2009	70.0% Russell 3000 Index, 30.0% MSCI EAFE (Net)
10/01/1990	01/01/2006	100.0% S&P 500 Index
Inflation Hedges		
12/01/2022	Present	38.0% NCREIF Fund Index-Open End Diversified Core Equity (VW) (Net), 24.0% Blmbg. U.S. TIPS 1-5 Year Index, 24.0% S&P Global LargeMidcap Resources & Commodities Ind, 14.0% 60% Gold (Spot)/ 40% FTSE Gold Mines
Risk Mitigation		
01/01/2024	Present	78.0% Blmbg. U.S. Aggregate Index, 22.0% Hedge Fund Custom Benchmark
12/01/2022	01/01/2024	78.0% Blmbg. U.S. Aggregate Index, 22.0% HFRI Macro (Total) Index
Hedge Funds		
01/01/2024	Present	33.3% HFRI Macro (Total) Index, 33.3% SG Trend Index, 33.3% CBOE Eurekahedge Long Volatility Hedge Fund Index
03/01/2023	01/01/2024	100.0% HFRI Macro (Total) Index