

Merced County Employees' Retirement Association

May 23, 2024

March Performance

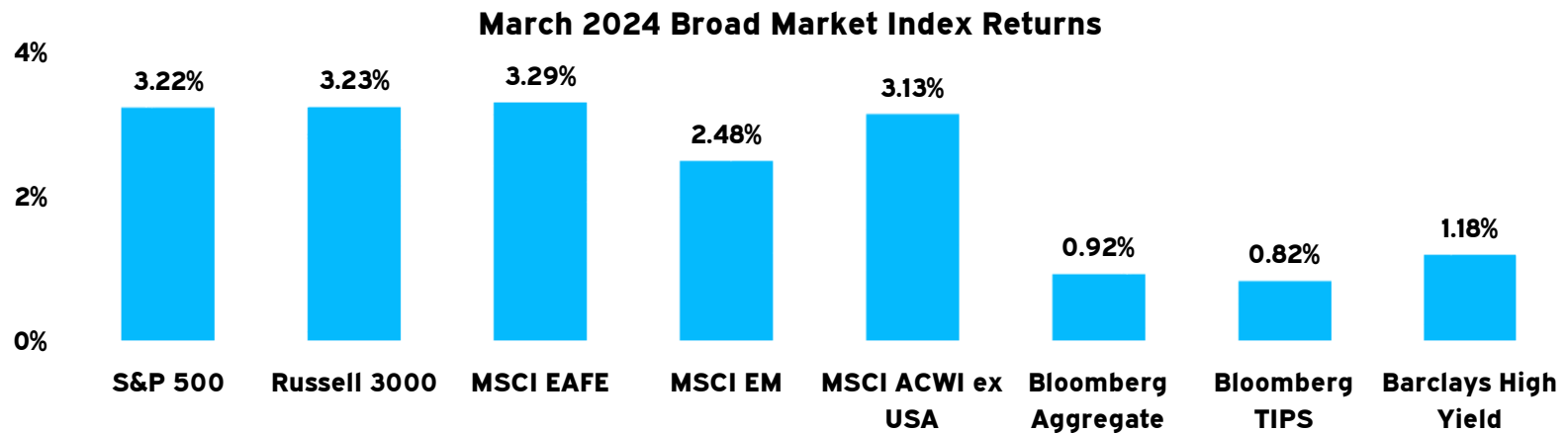
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Performance Highlights

As of March 31, 2024

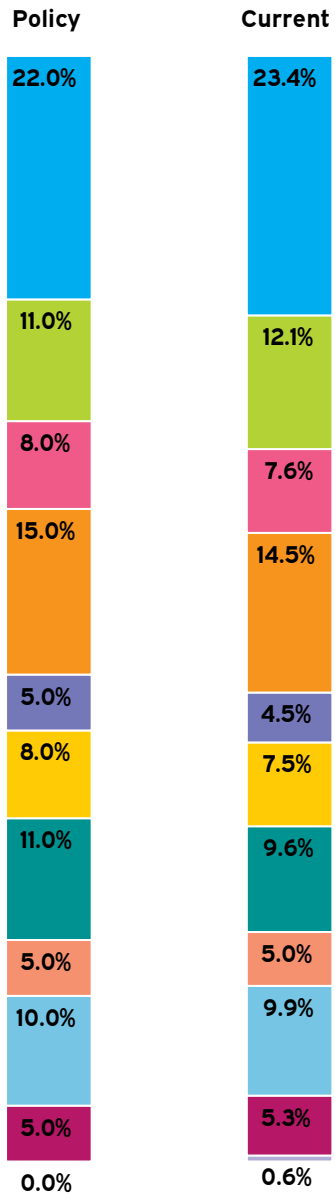
Market Review and Performance Summary for March 2024



- March saw positive returns across the markets. Equities broadly saw strong positive returns on continued strong economic data, while the same data weighed Fixed Incomes markets due to the implication of delayed rate cuts. Domestically, value outpaced growth stocks in March, while relative performance between small and large cap markets were mixed. Developed International Equities saw strong returns as continued strong performance by Japanese equities contributed, though Emerging Markets underperformed relative to their Developed counterparts, primarily due to China, though Chinese markets saw a small positive return over the month. Broad US Fixed Income saw positive returns in March, with High Yield performing the strongest over a turbulent quarter.
- Merced CERA reported a monthly return of 2.3% net of fees. US Equities returned 2.9%, marginally trailing the index return of 3.2%. International Equities returned 3.4%, with both International Developed and Emerging Markets sleeve outpaced their respective indices. US Fixed Income returned 0.9%, mirroring its benchmark return. Opportunistic Credit posted 1.1% for the month, outpacing the blended benchmark of 1.0%.
- As of March 31, 2024, total assets for the Merced CERA Portfolio are estimated at \$1.2 billion.

Performance Update
As of March 31, 2024

Total Fund | As of March 31, 2024



Allocation vs. Targets and Policy						
	Current Balance (\$)	Current Allocation (%)	Policy (%)	Difference (%)	Policy Range (%)	Within IPS Range?
US Equity	285,147,482	23.4	22.0	1.4	16.0 - 27.0	Yes
International Equity	147,779,874	12.1	11.0	1.1	6.0 - 16.0	Yes
Emerging Markets Equity	92,218,085	7.6	8.0	-0.4	4.0 - 12.0	Yes
Private Equity	177,325,412	14.5	15.0	-0.5	5.0 - 20.0	Yes
Direct Lending	54,918,394	4.5	5.0	-0.5	0.0 - 10.0	Yes
Real Estate	91,113,943	7.5	8.0	-0.5	6.0 - 10.0	Yes
US Fixed Income	116,844,580	9.6	11.0	-1.4	6.0 - 16.0	Yes
Opportunistic Credit	60,402,142	5.0	5.0	0.0	3.0 - 7.0	Yes
Hedge Funds	121,101,019	9.9	10.0	-0.1	5.0 - 15.0	Yes
Real Assets	64,746,649	5.3	5.0	0.3	3.0 - 7.0	Yes
Cash	7,662,442	0.6	0.0	0.6	0.0 - 5.0	Yes
Total	1,219,260,021	100.0	100.0	0.0		



Merced County Employees' Retirement Association

Asset Allocation & Performance | As of March 31, 2024

	Market Value \$	% of Portfolio	QTD (%)	Fiscal YTD	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Fund (Net)	1,219,260,021	100.0	4.7	9.7	12.5	5.1	8.8	7.4	8.1	Jan-95
Total Fund (Gross)			4.8	10.0	12.9	5.5	9.1	7.7	8.2	Jan-95
<i>Policy Index</i>			5.0	10.4	14.1	5.7	8.6	7.5	6.4	
Total Fund w/o Alternatives (Net)	702,392,162	57.6	6.5	12.8	17.4	3.6	8.8	7.4	--	Jan-08
Total Fund w/o Alternatives (Gross)			6.7	13.1	17.8	4.0	9.2	7.7	--	Jan-08
<i>Policy Index w/o AI</i>			4.7	11.0	14.9	3.0	7.3	6.6	--	
US Equity (Net)	285,147,482	23.4	9.5	17.9	27.6	9.3	13.6	12.3	10.6	Jan-95
US Equity (Gross)			9.6	18.1	27.8	9.6	13.8	12.6	10.7	Jan-95
<i>Russell 3000</i>			10.0	19.3	29.3	9.8	14.2	12.1	10.6	
International Equity (Net)	239,997,959	19.7	7.8	13.8	16.0	0.0	9.1	5.6	5.9	Jan-99
International Equity (Gross)			8.1	14.5	17.0	0.8	9.9	6.3	6.2	Jan-99
<i>International Equity Custom</i>			4.4	10.2	12.7	0.9	5.7	4.5	4.5	
Developed International Equity (Net)	147,779,874	12.1	8.0	15.4	18.6	5.6	9.0	5.4	4.8	Feb-08
Developed International Equity (Gross)			8.2	16.0	19.4	6.3	9.7	5.9	5.3	Feb-08
<i>Custom Blended Developed International Equity BM</i>			5.0	11.7	14.8	3.9	7.1	4.7	3.7	
Emerging Markets Equity (Net)	92,218,085	7.6	7.6	11.2	12.2	-8.3	7.8	6.1	5.2	May-12
Emerging Markets Equity (Gross)			7.9	12.1	13.3	-7.4	8.8	7.1	6.2	May-12
<i>MSCI EM</i>			2.4	7.2	8.2	-5.1	2.3	3.2	2.9	
US Fixed Income (Net)	116,844,580	9.6	-0.6	2.8	2.0	-2.8	-0.1	1.4	4.3	Jan-95
US Fixed Income (Gross)			-0.6	2.9	2.1	-2.7	0.0	1.6	4.5	Jan-95
<i>US Fixed Income Custom Benchmark</i>			-0.7	2.7	1.8	-2.2	0.3	1.6	4.5	

Data Prior to March 2018 provided by prior consultant.

Asset Allocation & Performance | As of March 31, 2024

	Market Value \$	% of Portfolio	QTD (%)	Fiscal YTD	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Opportunistic Credit (Net)	60,402,142	5.0	2.7	8.3	11.9	4.3	--	--	5.3	May-19
Opportunistic Credit (Gross)			2.8	8.7	12.5	4.9	--	--	5.7	May-19
<i>50% Barclays US Aggregate / 25% Barclays US High Yield / 25% Credit Suisse Lever</i>			<i>0.6</i>	<i>5.8</i>	<i>6.7</i>	<i>0.8</i>	<i>2.6</i>	--	<i>2.5</i>	
Real Estate (Net)	91,113,943	7.5	-0.2	-0.2	-1.8	3.7	2.4	5.1	6.4	Dec-10
Real Estate (Gross)			-0.2	-0.2	-1.8	3.7	2.4	5.5	7.4	Apr-99
<i>Custom Blended Real Estate Benchmark</i>			<i>-4.8</i>	<i>-9.1</i>	<i>-12.0</i>	<i>4.9</i>	<i>4.1</i>	<i>6.6</i>	<i>6.8</i>	
<i>CPI +5% (Seasonally Adjusted)</i>			<i>2.4</i>	<i>6.5</i>	<i>8.6</i>	<i>10.9</i>	<i>9.4</i>	<i>8.0</i>	<i>7.7</i>	
Private Real Estate (Net)	73,483,266	6.0	0.0	-1.7	-4.0	4.9	2.8	5.3	6.6	Dec-10
Private Real Estate (Gross)			0.0	-1.7	-4.0	5.0	2.8	5.7	7.5	Apr-99
<i>Custom Blended Real Estate Benchmark</i>			<i>-4.8</i>	<i>-9.1</i>	<i>-12.0</i>	<i>4.9</i>	<i>4.1</i>	<i>6.6</i>	<i>6.8</i>	
Private Equity (Net)	177,325,412	14.5	2.6	5.9	6.3	16.1	16.8	13.1	10.3	Jul-05
Private Equity (Gross)			2.6	5.9	6.3	16.1	16.8	13.1	10.4	Jul-05
<i>Custom Private Equity Benchmark</i>			<i>12.2</i>	<i>17.2</i>	<i>26.4</i>	<i>12.3</i>	<i>16.6</i>	<i>15.0</i>	--	
Direct Lending (Net)	54,918,394	4.5	2.4	8.1	11.3	8.1	--	--	10.1	Jul-20
Direct Lending (Gross)			2.4	8.1	11.3	8.1	--	--	10.1	Jul-20
<i>S&P LSTA Leveraged Loan +2%</i>			<i>3.0</i>	<i>10.7</i>	<i>14.7</i>	<i>8.1</i>	<i>7.6</i>	<i>6.6</i>	<i>9.6</i>	
Hedge Fund (Net)	121,101,019	9.9	3.5	7.1	8.0	4.4	5.5	--	4.6	Jul-14
Hedge Fund (Gross)			3.9	8.2	9.3	5.4	6.4	--	5.2	Jul-14
<i>Custom Blended Hedge Fund Benchmark</i>			<i>4.2</i>	<i>8.1</i>	<i>9.8</i>	<i>2.9</i>	<i>5.0</i>	--	<i>3.8</i>	
Real Assets (Net)	64,746,649	5.3	3.7	8.7	10.8	14.1	11.8	9.6	9.8	Dec-10
Real Assets (Gross)			3.7	8.7	10.9	14.2	11.9	10.1	10.3	Dec-10
<i>Custom Blended Real Assets Benchmark</i>			<i>1.8</i>	<i>7.1</i>	<i>5.1</i>	<i>8.2</i>	<i>5.6</i>	<i>7.0</i>	--	
<i>CPI +5% (Seasonally Adjusted)</i>			<i>2.4</i>	<i>6.5</i>	<i>8.6</i>	<i>10.9</i>	<i>9.4</i>	<i>8.0</i>	<i>7.8</i>	

Real Assets includes State Street Real Assets NL Fund.

Asset Allocation & Performance | As of March 31, 2024

	Market Value \$	% of Portfolio	QTD (%)	Fiscal YTD	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Private Infrastructure (Net)	33,571,158	2.8	4.9	8.5	12.4	11.8	13.6	--	10.3	Jan-15
Private Infrastructure (Gross)			4.9	8.5	12.4	12.0	13.7	--	10.3	Jan-15
<i>S&P Global Infrastructure</i>			<i>1.3</i>	<i>4.2</i>	<i>4.1</i>	<i>5.5</i>	<i>4.9</i>	<i>5.2</i>	<i>5.0</i>	
Private Natural Resources (Net)	26,751,354	2.2	2.6	10.4	13.1	25.0	14.7	--	15.8	Oct-15
Private Natural Resources (Gross)			2.6	10.4	13.1	25.0	14.7	--	15.8	Oct-15
<i>S&P Global Natural Resources Sector Index (TR)</i>			<i>2.2</i>	<i>9.7</i>	<i>5.7</i>	<i>9.5</i>	<i>9.0</i>	<i>5.4</i>	<i>11.2</i>	
Cash (Net)	7,662,442	0.6	1.1	3.1	4.3	1.7	1.4	--	--	Dec-10
Cash (Gross)			1.1	3.1	4.3	1.7	1.4	--	--	Dec-10



Merced County Employees' Retirement Association

Asset Allocation & Performance | As of March 31, 2024

	Market Value \$	% of Portfolio	QTD (%)	Fiscal YTD	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Total Fund	1,219,260,021	100.0	4.7	9.7	12.5	5.1	8.8	7.4	8.1	Jan-95
<i>Policy Index</i>			<i>5.0</i>	<i>10.4</i>	<i>14.1</i>	<i>5.7</i>	<i>8.6</i>	<i>7.5</i>	<i>6.4</i>	
Total Fund w/o Alternatives	702,392,162	57.6	6.5	12.8	17.4	3.6	8.8	7.4	--	Jan-08
<i>Policy Index w/o AI</i>			<i>4.7</i>	<i>11.0</i>	<i>14.9</i>	<i>3.0</i>	<i>7.3</i>	<i>6.6</i>	<i>--</i>	
US Equity	285,147,482	23.4	9.5	17.9	27.6	9.3	13.6	12.3	10.6	Jan-95
<i>Russell 3000</i>			<i>10.0</i>	<i>19.3</i>	<i>29.3</i>	<i>9.8</i>	<i>14.2</i>	<i>12.1</i>	<i>10.6</i>	
BNY Mellon Newton Dynamic US Equity	64,899,924	5.3	10.4	18.5	28.1	10.1	14.7	14.1	16.0	Jan-13
<i>S&P 500 Index</i>			<i>10.6</i>	<i>19.4</i>	<i>29.9</i>	<i>11.5</i>	<i>15.0</i>	<i>13.0</i>	<i>14.4</i>	
BNY Mellon Large Cap	189,692,049	15.6	10.4	19.6	30.0	10.4	14.7	--	14.3	Apr-16
<i>Russell 1000 Index</i>			<i>10.3</i>	<i>19.6</i>	<i>29.9</i>	<i>10.5</i>	<i>14.8</i>	<i>12.7</i>	<i>14.3</i>	
Champlain Small Cap	30,555,508	2.5	2.9	6.8	12.5	0.2	--	--	8.2	Nov-20
<i>Russell 2000 Index</i>			<i>5.2</i>	<i>13.8</i>	<i>19.7</i>	<i>-0.1</i>	<i>8.1</i>	<i>7.6</i>	<i>11.4</i>	
International Equity	239,997,959	19.7	7.8	13.8	16.0	0.0	9.1	5.6	5.9	Jan-99
<i>International Equity Custom</i>			<i>4.4</i>	<i>10.2</i>	<i>12.7</i>	<i>0.9</i>	<i>5.7</i>	<i>4.5</i>	<i>4.5</i>	
Developed International Equity	147,779,874	12.1	8.0	15.4	18.6	5.6	9.0	5.4	4.8	Feb-08
<i>Custom Blended Developed International Equity BM</i>			<i>5.0</i>	<i>11.7</i>	<i>14.8</i>	<i>3.9</i>	<i>7.1</i>	<i>4.7</i>	<i>3.7</i>	
Acadian ACWI ex U.S. Small Cap Equity	16,372,096	1.3	5.5	13.6	14.2	4.1	--	--	9.8	May-19
<i>MSCI AC World ex USA Small Cap (Net)</i>			<i>2.1</i>	<i>10.5</i>	<i>12.8</i>	<i>0.4</i>	<i>6.2</i>	<i>4.7</i>	<i>5.9</i>	
Driehaus International Small Cap Growth	16,266,310	1.3	7.8	14.9	16.9	-0.1	--	--	9.2	May-19
<i>MSCI AC World ex USA Small Growth Index (Net)</i>			<i>1.8</i>	<i>8.0</i>	<i>10.0</i>	<i>-2.5</i>	<i>5.8</i>	<i>4.8</i>	<i>5.3</i>	
GQG International Equity	61,676,400	5.1	13.2	25.5	32.9	10.2	--	--	11.3	Dec-19
<i>MSCI AC World ex USA (Net)</i>			<i>4.7</i>	<i>10.6</i>	<i>13.3</i>	<i>1.9</i>	<i>6.0</i>	<i>4.3</i>	<i>5.6</i>	

Historical returns for the US Equity Composite prior to January 2012 and for the International Equity Composite prior to December 2010 are gross only.



Merced County Employees' Retirement Association

Asset Allocation & Performance | As of March 31, 2024

	Market Value \$	% of Portfolio	QTD (%)	Fiscal YTD	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
First Eagle International Value Fund <i>MSCI EAFE (Net)</i>	53,465,068	4.4	3.3 <i>5.8</i>	6.2 <i>12.0</i>	7.0 <i>15.3</i>	3.0 <i>4.8</i>	-- <i>7.3</i>	-- <i>4.8</i>	4.1 <i>6.7</i>	Dec-19
Emerging Markets Equity <i>MSCI EM</i>	92,218,085	7.6	7.6 <i>2.4</i>	11.2 <i>7.2</i>	12.2 <i>8.2</i>	-8.3 <i>-5.1</i>	7.8 <i>2.3</i>	6.1 <i>3.2</i>	5.2 <i>2.9</i>	May-12
Artisan Developing World TR <i>MSCI Emerging Markets (Net)</i>	66,266,332	5.4	11.1 <i>2.4</i>	15.2 <i>7.2</i>	17.1 <i>8.2</i>	-7.8 <i>-5.1</i>	-- <i>2.2</i>	-- <i>2.9</i>	7.8 <i>2.5</i>	Dec-19
RWC <i>MSCI Emerging Markets (Net)</i>	25,951,753	2.1	-0.3 <i>2.4</i>	2.1 <i>7.2</i>	1.4 <i>8.2</i>	-9.4 <i>-5.1</i>	-- <i>2.2</i>	-- <i>2.9</i>	0.6 <i>2.5</i>	Dec-19
US Fixed Income <i>US Fixed Income Custom Benchmark</i>	116,844,580	9.6	-0.6 <i>-0.7</i>	2.8 <i>2.7</i>	2.0 <i>1.8</i>	-2.8 <i>-2.2</i>	-0.1 <i>0.3</i>	1.4 <i>1.6</i>	4.3 <i>4.5</i>	Jan-95
Vanguard Short-Term Treasury Index Fund <i>Bloomberg U.S. Government 1-3 Year Index</i>	6,735,308	0.6	0.2 <i>0.3</i>	3.5 <i>3.6</i>	2.9 <i>3.0</i>	0.0 <i>0.0</i>	1.1 <i>1.1</i>	-- <i>1.1</i>	1.4 <i>1.4</i>	Mar-18
Vanguard Total Bond Market Index Fund <i>Blmbg. U.S. Aggregate Index</i>	17,788,230	1.5	-0.8 <i>-0.8</i>	2.6 <i>2.6</i>	1.7 <i>1.7</i>	-2.4 <i>-2.5</i>	-- <i>0.4</i>	-- <i>1.5</i>	0.4 <i>0.4</i>	May-19
Payden & Rygel Low Duration Fund <i>Blmbg. U.S. Treasury: 1-3 Year</i>	8,197,443	0.7	0.8 <i>0.3</i>	4.7 <i>3.6</i>	4.4 <i>2.9</i>	-- <i>0.0</i>	-- <i>1.1</i>	-- <i>1.1</i>	6.4 <i>3.8</i>	Nov-22
Brandywine US Fixed Income <i>Blmbg. U.S. Aggregate Index</i>	33,702,829	2.8	-1.7 <i>-0.8</i>	0.9 <i>2.6</i>	-0.9 <i>1.7</i>	-- <i>-2.5</i>	-- <i>0.4</i>	-- <i>1.5</i>	0.8 <i>5.6</i>	Nov-22
Wellington Core Bond <i>Blmbg. U.S. Aggregate Index</i>	50,420,769	4.1	-0.2 <i>-0.8</i>	3.8 <i>2.6</i>	3.8 <i>1.7</i>	-- <i>-2.5</i>	-- <i>0.4</i>	-- <i>1.5</i>	4.9 <i>5.6</i>	Nov-22

Developed International Equity and Emerging Markets Equity composites were only reported as one composite prior to March 2018.



Merced County Employees' Retirement Association

Asset Allocation & Performance | As of March 31, 2024

	Market Value \$	% of Portfolio	QTD (%)	Fiscal YTD	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Opportunistic Credit	60,402,142	5.0	2.7	8.3	11.9	4.3	--	--	5.3	May-19
<i>50% Barclays US Aggregate / 25% Barclays US High Yield / 25% Credit Suisse Lever</i>			<i>0.6</i>	<i>5.8</i>	<i>6.7</i>	<i>0.8</i>	<i>2.6</i>	--	<i>2.5</i>	
PIMCO Income Fund	11,982,272	1.0	1.4	6.8	8.1	1.6	--	--	2.9	May-19
<i>Blmbg. U.S. Aggregate Index</i>			<i>-0.8</i>	<i>2.6</i>	<i>1.7</i>	<i>-2.5</i>	<i>0.4</i>	<i>1.5</i>	<i>0.4</i>	
GoldenTree Multi-Sector Credit	26,653,247	2.2	3.3	10.8	13.2	4.7	--	--	5.6	Jun-19
<i>50% BBg US High Yield TR/50% Credit Suisse Leveraged Loans</i>			<i>2.0</i>	<i>9.2</i>	<i>11.8</i>	<i>4.0</i>	<i>4.8</i>	<i>4.5</i>	<i>4.8</i>	
Sculptor Credit Opportunities Domestic Partners, LP	392,565	0.0	0.0	0.0	8.1	5.4	--	--	8.8	Jul-20
<i>50% BBg US High Yield TR/50% Credit Suisse Leveraged Loans</i>			<i>2.0</i>	<i>9.2</i>	<i>11.8</i>	<i>4.0</i>	<i>4.8</i>	<i>4.5</i>	<i>6.2</i>	
OWS Credit Opportunity Fund LP	21,374,058	1.8	2.7	--	--	--	--	--	5.0	Oct-23
<i>50% BBg US High Yield TR/50% Credit Suisse Leveraged Loans</i>			<i>2.0</i>	<i>9.2</i>	<i>11.8</i>	<i>4.0</i>	<i>4.8</i>	<i>4.5</i>	<i>7.1</i>	
Real Estate	91,113,943	7.5	-0.2	-0.2	-1.8	3.7	2.4	5.1	6.4	Dec-10
<i>Custom Blended Real Estate Benchmark</i>			<i>-4.8</i>	<i>-9.1</i>	<i>-12.0</i>	<i>4.9</i>	<i>4.1</i>	<i>6.6</i>	<i>8.3</i>	
<i>CPI +5% (Seasonally Adjusted)</i>			<i>2.4</i>	<i>6.5</i>	<i>8.6</i>	<i>10.9</i>	<i>9.4</i>	<i>8.0</i>	<i>7.8</i>	
Vanguard REIT Index	17,630,677	1.4	-1.2	6.8	8.6	1.8	--	--	5.7	Sep-20
<i>Spliced Vanguard REIT Benchmark</i>			<i>-1.1</i>	<i>6.9</i>	<i>8.7</i>	<i>1.9</i>	<i>3.8</i>	<i>6.3</i>	<i>5.8</i>	
Private Real Estate	73,483,266	6.0	0.0	-1.7	-4.0	4.9	2.8	5.3	6.6	Dec-10
<i>Custom Blended Real Estate Benchmark</i>			<i>-4.8</i>	<i>-9.1</i>	<i>-12.0</i>	<i>4.9</i>	<i>4.1</i>	<i>6.6</i>	<i>8.3</i>	
Greenfield Gap VII	724,565	0.1	-10.9	-6.1	-3.0	13.6	14.5	--	13.9	Jan-15
Patron Capital V	5,506,166	0.5	12.3	-2.5	2.4	-8.6	-7.7	--	0.9	Feb-16
UBS Trumbull Property	22,027,729	1.8	-4.0	-8.9	-15.4	1.7	-0.5	3.4	5.7	Apr-99
Carlyle Realty VIII	2,406,661	0.2	-3.8	-1.0	-1.5	37.8	27.3	--	9.3	Jan-18

Sculptor market value reflects holdback from June liquidation.

All private markets performance and market values reflect a 12/31/2023 capital account balance unless otherwise noted.

Private Real Estate results prior to 1/1/2019 were included in the Real Assets composite. All results for the Private Real Estate composite that include the period prior to 1/1/2019 will reflect only the latest lineup of managers that Meketa received information for, therefore it may not reflect the entire Private Real Estate composite at that given time.



Merced County Employees' Retirement Association

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	Market Value \$	% of Portfolio	QTD (%)	Fiscal YTD	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Taconic CRE Dislocation Fund II	3,234,114	0.3	-2.1	0.6	0.9	8.9	9.4	--	8.5	Nov-18
Carmel Partners Investment Fund VII	4,536,927	0.4	5.6	6.8	7.8	3.0	-17.5	--	-17.5	Apr-19
AG Realty Value Fund X, L.P.	3,350,233	0.3	-2.4	-5.3	-6.1	9.2	--	--	4.3	Jun-19
Rockpoint Real Estate Fund VI, L.P.	4,554,740	0.4	-4.6	-6.6	-6.1	9.8	--	--	7.5	May-20
Cerberus Real Estate Debt Fund, L.P.	4,934,009	0.4	1.8	9.3	10.8	6.6	--	--	10.7	Jul-20
Taconic CRE Dislocation Onshore Fund III	7,631,136	0.6	2.9	8.6	7.7	--	--	--	8.1	Jun-21
Starwood Distressed Opportunity Fund XII Global	4,313,962	0.4	7.5	3.7	-0.7	--	--	--	90.4	Jun-21
Carlyle Realty Partners IX	1,711,915	0.1	-8.6	-4.4	-12.5	--	--	--	-156.3	Dec-21
Carmel Partners Investment Fund VIII	5,363,241	0.4	3.6	10.4	9.7	--	--	--	-3.4	Apr-22
Rockpoint Real Estate Fund VII L.P.	3,187,868	0.3	1.1	0.2	3.9	--	--	--	8.1	Aug-22
Private Equity	177,325,412	14.5	2.6	5.9	6.3	16.1	16.8	13.1	10.3	Jul-05
<i>Custom Private Equity Benchmark</i>			<i>12.2</i>	<i>17.2</i>	<i>26.4</i>	<i>12.3</i>	<i>16.6</i>	<i>15.0</i>	<i>--</i>	
Taconic Credit Dislocation Fund IV L.P.	3,252,268	0.3	3.6	9.6	--	--	--	--	9.6	Jul-23
Khosla Ventures Seed F, L.P.	553,142	0.0	-3.0	-7.6	--	--	--	--	-7.6	Jul-23
Adams Street	3,629,072	0.3	1.4	-2.5	-3.3	1.5	10.1	11.0	7.7	Oct-05
Invesco VI	477,377	0.0	0.0	-10.0	-29.4	7.2	16.3	14.8	13.9	Jul-13
Ocean Avenue II	6,712,520	0.6	3.4	-3.8	-7.8	23.3	27.6	--	20.0	Jul-14
Pantheon I	62,737	0.0	1.9	0.1	-3.4	-13.0	-13.4	-4.7	-1.4	Jan-06
Pantheon II	2,607,497	0.2	2.0	-0.1	-0.7	6.0	11.6	11.6	11.7	Jan-12

Pantheon I includes Pantheon US Fund VI and Pantheon Europe Fund IV. Pantheon Europe Fund IV is adjusting from the 12/31/2022 NAV.

Pantheon II includes Pantheon US Fund IX, Pantheon Asia Fund VI, and Pantheon Europe Fund VII.

Pantheon Secondary includes Pantheon GLO SEC III B.

Adams Street includes Adams street 2005, Adams Street 2007, and Adams Street 2011.

Invesco VI is adjusting from the 9/30/2023 NAV.

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	Market Value \$	% of Portfolio	QTD (%)	Fiscal YTD	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Pantheon Secondary	108,489	0.0	-0.5	-1.9	-2.2	-9.1	-7.0	-2.0	0.4	Jul-07
Davidson Kempner Long-Term Distressed Opportunities Fund IV	2,635,566	0.2	3.2	10.2	21.6	29.1	19.0	--	18.5	Apr-18
GTCR Fund XII	5,645,631	0.5	-0.1	6.1	3.6	19.0	26.9	--	14.7	Jun-18
Carrick Capital Partners III	5,028,440	0.4	2.6	9.8	10.6	13.8	16.0	--	11.5	Aug-18
Cressey & Company Fund VI	5,089,115	0.4	-3.0	-4.4	-3.5	15.7	16.7	--	13.3	Jan-19
TCV X	6,403,125	0.5	4.2	9.3	12.0	10.5	16.8	--	16.8	Apr-19
Accel-KKR Growth Capital Partners III	4,873,918	0.4	1.9	-8.6	-7.7	15.5	--	--	6.7	Jul-19
Genstar Capital Partners IX	9,884,148	0.8	3.5	12.3	14.1	28.2	--	--	25.6	Aug-19
Cortec Group Fund VII	9,128,362	0.7	3.9	8.3	2.2	20.7	--	--	24.7	Dec-19
Spark Capital Growth Fund III	8,484,275	0.7	-1.8	-3.4	-2.9	22.8	--	--	13.0	Mar-20
Spark Capital VI	3,754,789	0.3	3.4	44.9	40.4	15.7	--	--	7.1	Mar-20
Summit Partners Growth Equity Fund X-A	9,080,188	0.7	5.0	8.4	15.9	5.6	--	--	7.5	Mar-20
Taconic Market Dislocation Fund III L.P.	6,542,217	0.5	6.0	13.0	12.6	15.0	--	--	14.9	Jul-20
Marlin Heritage Europe II, L.P.	7,811,535	0.6	4.7	3.6	7.5	2.2	--	--	0.8	Oct-20
Khosla Ventures VII	5,508,064	0.5	6.1	13.3	14.8	9.1	--	--	8.4	Jan-21
Accel-KKR Capital Partners VI	4,492,147	0.4	0.0	0.0	0.0	6.7	--	--	-4.4	Feb-21
Khosla Ventures Seed E	2,329,867	0.2	1.6	9.7	18.2	110.9	--	--	102.8	Feb-21
TCV XI	5,158,532	0.4	1.3	-3.7	-3.1	-5.3	--	--	-5.0	Feb-21

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	Market Value \$	% of Portfolio	QTD (%)	Fiscal YTD	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Thoma Bravo Discover Fund III	9,233,014	0.8	5.8	10.1	10.9	--	--	--	8.3	Jun-21
Summit Partners Venture Capital Fund V-A	3,855,055	0.3	5.3	9.0	7.7	--	--	--	-1.9	May-21
GTCR Fund XIII/A & B	4,414,082	0.4	4.1	9.8	7.9	--	--	--	74.7	Jun-21
Genstar Capital Partners X	7,673,339	0.6	-1.4	-1.5	-0.1	--	--	--	4.1	Oct-21
Nautic Partners X	4,600,389	0.4	3.4	16.5	18.4	--	--	--	7.5	Jan-22
Spark Capital Growth Fund IV	2,923,739	0.2	-1.5	-5.5	-7.9	--	--	--	10.2	Jan-22
Spark Capital VII	1,716,424	0.1	0.8	-2.5	-4.5	--	--	--	-6.2	Feb-22
TCV Velocity Fund I	4,016,581	0.3	4.8	69.5	61.3	--	--	--	2.5	Feb-22
Accel-KKR Growth Capital Partners IV	1,861,196	0.2	0.9	1.6	2.1	--	--	--	-13.5	Apr-22
Summit Partners Growth Equity Fund XI-A	2,321,763	0.2	4.2	8.6	10.2	--	--	--	-35.1	Apr-22
GTCR Strategic Growth Fund I/A&B LP	1,784,374	0.1	-1.4	4.8	4.2	--	--	--	-31.2	Jul-22
Threshold Ventures IV LP	875,130	0.1	1.3	-6.7	-10.8	--	--	--	-18.8	Aug-22
Thoma Bravo Discovery Fund IV	4,982,251	0.4	3.3	7.6	13.0	--	--	--	13.5	Jan-23
Marlin Heritage III	1,888,174	0.2	4.3	-0.6	4.6	--	--	--	-76.1	Jan-23
Cortec Group Fund VIII, L.P.	839,848	0.1	-2.1	-15.7	-16.7	--	--	--	-16.7	Apr-23
Khosla Ventures VIII	856,668	0.1	-3.4	--	--	--	--	--	-5.3	Sep-23
Ares Capital Europe VI (D) Levered, L.P.	4,218,999	0.3	1.3	--	--	--	--	--	7.8	Nov-23
Genstar Capital Partners XI	11,363	0.0	-64.3	--	--	--	--	--	-64.3	Nov-23



Merced County Employees' Retirement Association

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	Market Value \$	% of Portfolio	QTD (%)	Fiscal YTD	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Direct Lending	54,918,394	4.5	2.4	8.1	11.3	8.1	--	--	10.1	Jul-20
<i>S&P LSTA Leveraged Loan +2%</i>			<i>3.0</i>	<i>10.7</i>	<i>14.7</i>	<i>8.1</i>	<i>7.6</i>	<i>6.6</i>	<i>9.6</i>	
Silver Point Specialty Credit Fund II, L.P.	6,637,022	0.5	2.7	8.4	12.1	8.6	--	--	10.5	Jul-20
Ares Senior Direct Lending Fund II	12,658,920	1.0	3.7	12.7	16.5	--	--	--	11.5	Jan-22
Varagon Capital Direct Lending Fund	12,618,290	1.0	0.0	5.0	7.2	--	--	--	2.1	Jan-22
AG Direct Lending Fund IV Annex	9,487,006	0.8	2.9	8.5	11.2	--	--	--	9.4	May-22
AG Direct Lending Fund V	4,587,820	0.4	0.0	3.9	6.0	--	--	--	6.8	Aug-22
Accel-KKR Credit Partners II LP	2,178,821	0.2	2.1	9.3	42.4	--	--	--	38.6	Mar-23
Silver Point Specialty Credit Fund III	6,750,515	0.6	6.0	7.6	5.8	--	--	--	5.3	Mar-23
Hedge Fund	121,101,019	9.9	3.5	7.1	8.0	4.4	5.5	--	4.6	Jul-14
<i>Custom Blended Hedge Fund Benchmark</i>			<i>4.2</i>	<i>8.1</i>	<i>9.8</i>	<i>2.9</i>	<i>5.0</i>	--	<i>3.8</i>	
Hudson Bay Fund	15,838,514	1.3	2.4	5.3	--	--	--	--	5.6	Jun-23
Sculptor (OZ) Domestic II	264,914	0.0	-0.4	-1.0	1.7	-2.1	3.9	--	4.8	Jul-14
Graham Absolute Return	10,750,533	0.9	5.8	11.2	9.8	7.7	6.4	--	5.3	Sep-17
Wellington-Archipelago	17,551,435	1.4	7.3	11.8	16.7	8.0	7.3	--	6.7	Sep-17
Marshall Wace Eureka	4,925,106	0.4	7.1	8.5	11.0	6.1	7.2	--	6.4	Dec-17
Silver Point Capital	19,825,672	1.6	3.6	5.5	8.0	8.5	10.1	--	8.1	Dec-17
Laurion Capital	14,008,641	1.1	-0.1	3.6	2.1	-1.9	8.9	--	8.7	Aug-18
Taconic Opportunity Fund	14,514,232	1.2	1.9	4.9	5.7	1.9	3.2	--	3.4	Jan-19

AG Direct Lending Fund V is adjusting from the 9/30/2023 NAV.

Varagon Capital Direct Lending Fund is adjusting from the 9/30/2023 NAV.

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	Market Value \$	% of Portfolio	QTD (%)	Fiscal YTD	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Marshall Wace Global Opportunities	11,641,670	1.0	5.4	7.8	9.2	6.0	--	--	6.3	May-20
Caxton Global Investments	11,780,302	1.0	0.8	7.6	2.3	--	--	--	5.2	May-21
Real Assets	64,746,649	5.3	3.7	8.7	10.8	14.1	11.8	9.6	9.8	Dec-10
<i>Custom Blended Real Assets Benchmark</i>			<i>1.8</i>	<i>7.1</i>	<i>5.1</i>	<i>8.2</i>	<i>5.6</i>	<i>7.0</i>	<i>--</i>	
SSgA	4,424,137	0.4	0.9	3.6	1.5	5.8	5.9	--	5.5	May-17
<i>Real Asset NL Custom Blended Index</i>			<i>0.9</i>	<i>4.1</i>	<i>2.3</i>	<i>5.8</i>	<i>6.0</i>	<i>--</i>	<i>5.6</i>	
Private Infrastructure	33,571,158	2.8	4.9	8.5	12.4	11.8	13.6	--	10.3	Jan-15
<i>S&P Global Infrastructure</i>			<i>1.3</i>	<i>4.2</i>	<i>4.1</i>	<i>5.5</i>	<i>4.9</i>	<i>5.2</i>	<i>5.0</i>	
KKR Global II	3,465,700	0.3	7.2	11.7	25.1	19.5	23.7	--	17.2	Jan-15
North Haven Infrastructure II	2,624,087	0.2	0.2	-1.8	-4.3	8.6	8.6	--	7.5	Jun-15
ISQ Global Infrastructure Fund II	5,653,049	0.5	3.0	6.1	5.1	10.8	12.5	--	4.7	Jul-18
KKR Global Infrastructure Investors III	4,911,045	0.4	9.7	17.1	26.5	7.6	3.5	--	1.0	Jan-19
Ardian Infrastructure Fund V	4,426,095	0.4	5.3	8.9	13.3	5.1	--	--	-5.9	Nov-19
ISQ Global Infrastructure Fund III	2,204,427	0.2	7.1	10.7	12.3	--	--	--	-457.8	Jun-21
KKR Global Infrastructure Investors IV	5,297,678	0.4	3.8	10.8	14.2	--	--	--	-219.7	Sep-21
BlackRock Global Infrastructure Fund IV	3,995,416	0.3	4.2	2.6	-2.1	--	--	--	-7.6	Dec-22
Ardian Infrastructure Fund VI	993,662	0.1								

Ardian Infrastructure Fund VI is being cash flow adjusted as its initial quarterly NAV has not yet been released.

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	Market Value \$	% of Portfolio	QTD (%)	Fiscal YTD	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
Private Natural Resources	26,751,354	2.2	2.6	10.4	13.1	25.0	14.7	--	15.8	Oct-15
<i>S&P Global Natural Resources Sector Index (TR)</i>			<i>2.2</i>	<i>9.7</i>	<i>5.7</i>	<i>9.5</i>	<i>9.0</i>	<i>5.4</i>	<i>11.2</i>	
EnCap Flatrock Midstream Fund V	2,902,011	0.2	-1.1	-5.9	--	--	--	--	-5.9	Jun-23
EnCap XI	4,932,576	0.4	-1.5	16.4	20.2	35.0	8.3	--	-4.7	Aug-17
EnCap IV	1,729,812	0.1	1.5	4.5	5.8	49.1	32.5	--	22.4	Mar-18
GSO Energy Opportunities	440,892	0.0	31.1	51.3	61.0	54.6	27.9	--	23.3	Dec-15
Taurus Mining	357,964	0.0	5.8	1.8	6.6	54.9	28.5	--	24.1	Oct-15
Taurus Mining Annex	185,475	0.0	5.2	0.0	2.8	20.1	19.2	--	22.7	Feb-17
BlackRock Global Energy and Power Infrastructure Fund III LP	4,669,979	0.4	0.3	3.2	6.1	8.0	--	--	12.8	Aug-19
Tailwater Energy Fund IV, LP	4,411,751	0.4	9.5	10.0	9.4	30.0	--	--	8.0	Oct-19
Carnelian Energy Capital IV	4,262,644	0.3	0.2	13.7	19.0	--	--	--	2.4	May-22
EnCap Energy Capital Fund XII	2,858,249	0.2	8.2	--	--	--	--	--	23.7	Aug-23
Cash	7,662,442	0.6	1.1	3.1	4.3	1.7	1.4	--	--	Dec-10
Cash	4,582,523	0.4	1.4	3.6	4.9	1.8	1.6	1.2	-1.2	Dec-10
Treasury Cash	3,079,919	0.3	0.0	0.0	0.0	0.0	0.0	--	0.1	Sep-17

Benchmark History

From Date	To Date	Benchmark
Total Fund		
01/01/2022	Present	22.0% Russell 3000, 11.0% Custom Blended Developed International Equity BM, 8.0% MSCI EM, 11.0% US Fixed Income Custom Benchmark, 10.0% Custom Blended Hedge Fund Benchmark, 15.0% Custom Private Equity Benchmark, 5.0% S&P LSTA Leveraged Loan +2%, 5.0% Custom Blended Real Assets Benchmark, 8.0% Custom Blended Real Estate Benchmark, 5.0% 50% Barclays US Aggregate / 25% Barclays US High Yield / 25% Credit Suisse Lever
01/01/2020	01/01/2022	21.0% Russell 3000, 10.0% Custom Blended Developed International Equity BM, 8.0% MSCI EM, 18.0% BBgBarc US Aggregate TR, 10.0% Custom Blended Hedge Fund Benchmark, 15.0% Custom Private Equity Benchmark, 5.0% Custom Blended Real Assets Benchmark, 8.0% Custom Blended Real Estate Benchmark, 5.0% 50% Barclays US Aggregate / 25% Barclays US High Yield / 25% Credit Suisse Lever
07/01/2019	01/01/2020	21.0% US Equity Custom, 18.0% International Equity Custom, 18.0% US Fixed Custom, 10.0% Custom Blended Hedge Fund Benchmark, 15.0% Thomson Reuters Cambridge Private Equity Index, 5.0% Real Asset Custom, 8.0% NCREIF ODCE (Net), 5.0% 50% Barclays US Aggregate / 25% Barclays US High Yield / 25% Credit Suisse Lever
01/01/2019	07/01/2019	21.0% US Equity Custom, 23.0% US Fixed Custom, 18.0% International Equity Custom, 10.0% Custom Blended Hedge Fund Benchmark, 15.0% Thomson Reuters Cambridge Private Equity Index, 5.0% Real Asset Custom, 8.0% NCREIF ODCE (Net)
01/01/2017	01/01/2019	27.0% US Equity Custom, 22.0% US Fixed Custom, 23.0% International Equity Custom, 5.0% Custom Blended Hedge Fund Benchmark, 9.0% Thomson Reuters Cambridge Private Equity Index, 14.0% Real Asset Custom
07/01/2014	01/01/2017	22.7% Russell 1000 Index, 5.7% Russell 2000 Index, 23.6% International Equity Custom, 28.5% US Fixed Custom, 4.5% Custom Blended Hedge Fund Benchmark, 8.0% NCREIF ODCE (Net), 7.0% Thomson Reuters Cambridge Private Equity Index
US Equity		
01/01/2020	Present	100.0% Russell 3000 Index
12/31/1994	01/01/2020	100.0% Russell 3000
International Equity		
01/01/2019	Present	56.0% MSCI EAFE Index, 44.0% MSCI Emerging Markets Index
01/01/2017	01/01/2019	69.6% MSCI EAFE Index, 30.4% MSCI Emerging Markets Index
07/01/2013	01/01/2017	100.0% MSCI AC World ex USA index
US Fixed Income		
12/01/1994	Present	10.0% Blmbg. U.S. Treasury: 1-3 Year, 90.0% BBgBarc US Aggregate TR

From Date	To Date	Benchmark
Hedge Fund		
07/01/2017	Present	100.0% HFRI Fund of Funds Composite Index
01/01/2015	07/01/2017	50.0% HFRI Fund of Funds Composite Index, 50.0% HFRI RV: Multi-Strategy Index
Real Assets		
01/01/2022	Present	50.0% S&P Global Infrastructure, 50.0% S&P Global Natural Resources Sector Index (TR)
01/01/2020	01/01/2022	50.0% Cambridge Energy Upstream & Royalties & Private Energy (1 Quarter Lagged), 50.0% Cambridge Infrastructure (1 Quarter Lagged)
03/01/1999	01/01/2020	100.0% Real Asset Custom
SSgA		
04/01/2017	Present	10.0% S&P Global Infrastructure, 15.0% Dow Jones U.S. Select RESI, 25.0% Bloomberg Roll Select Commodity TR Index, 25.0% S&P Global LargeMidcap Resources & Commodities Ind, 25.0% Blmbg. U.S. TIPS Index
Private Real Estate		
01/01/2020	Present	100.0% NCREIF ODCE 1Q Lagged
03/01/1999	01/01/2020	100.0% NCREIF Fund Index-Open End Diversified Core Equity (VW) (Net)
Private Equity		
01/01/2022	Present	100.0% Custom PE BM (Jan 2022 -) 1Q Lag
01/01/2020	01/01/2022	100.0% Cambridge Global Private Equity & VC (1 Quarter Lagged)
12/31/1994	01/01/2020	100.0% Thomson Reuters Cambridge Private Equity Index

Disclaimer, Glossary, and Notes

WE HAVE PREPARED THIS REPORT (THIS "REPORT") FOR THE SOLE BENEFIT OF THE INTENDED RECIPIENT (THE "RECIPIENT").

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

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.