

# FUND EVALUATION REPORT

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## District of Columbia Retirement Board

Quarterly Summary  
June 30, 2015



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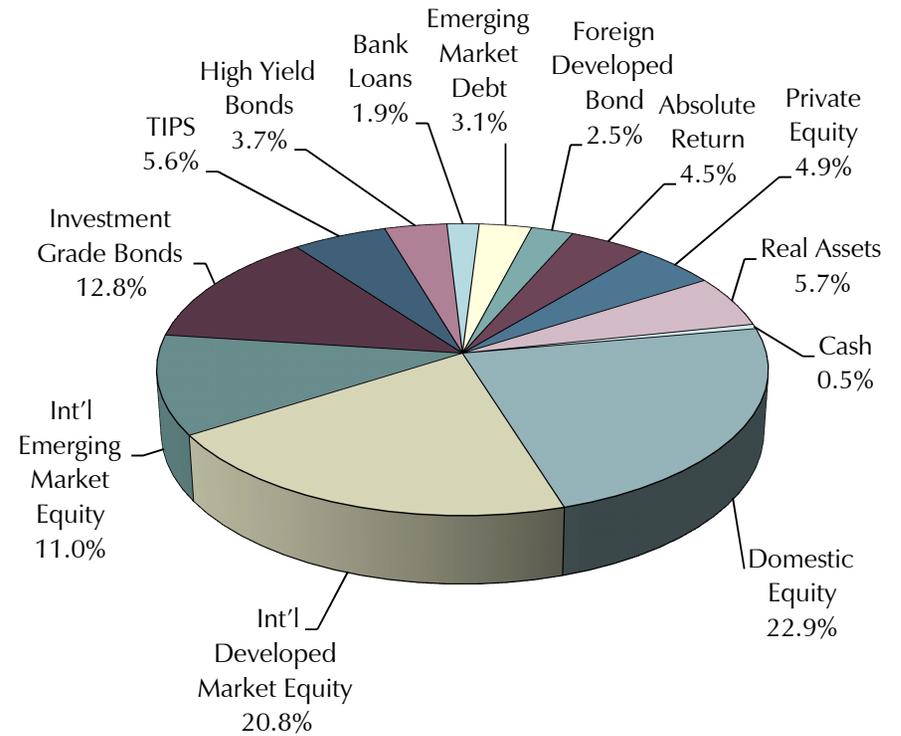
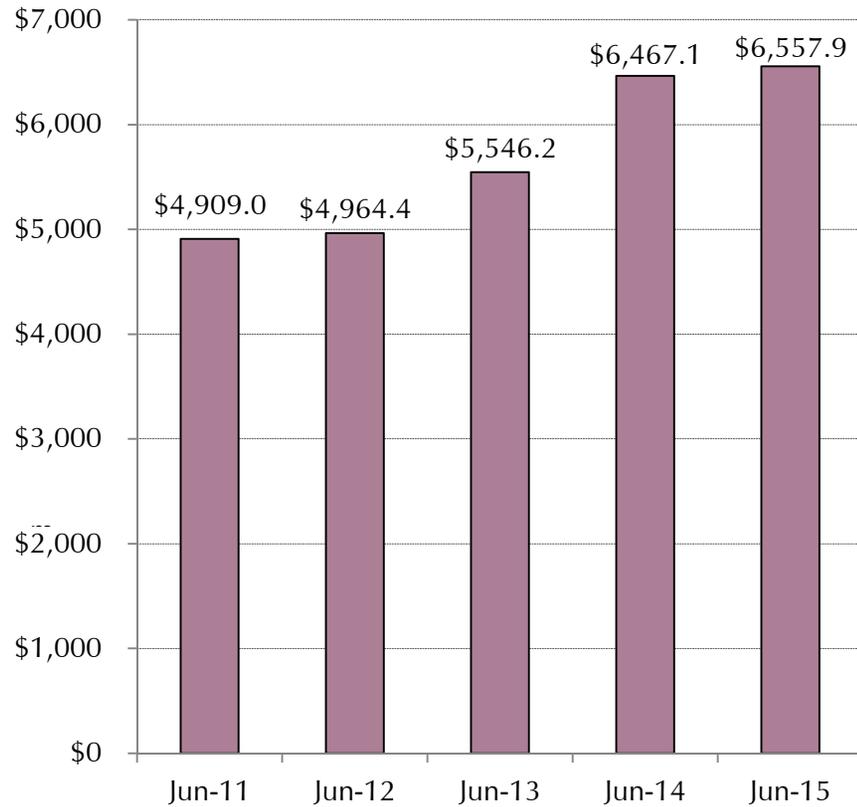
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## District of Columbia Retirement Board

## Aggregate Assets Asset Summary as of 6/30/15

	Market Value 3/31/15 (\$ mm)	Market Value 6/30/15 (\$ mm)	% of Retirement Fund	Target Allocation (%)	Target Range (%)
<b>Fund</b>	<b>6,568.2</b>	<b>6,557.9</b>	<b>100</b>	<b>NA</b>	<b>NA</b>
<b>Public Equities</b>	<b>3,575.9</b>	<b>3,594.9</b>	<b>55</b>	<b>48</b>	<b>38-58</b>
Domestic Equity Assets	1,502.6	1,504.4 <sup>1</sup>	23	21	17-25
International Developed Market Equity Assets	1,383.9	1,366.5 <sup>1</sup>	21	18	14-22
International Emerging Market Equity Assets	689.5	724.1 <sup>1</sup>	11	9	7-11
<b>Fixed Income</b>	<b>1,968.1</b>	<b>1,935.2</b>	<b>30</b>	<b>27</b>	<b>22-32</b>
Investment Grade Bond Assets	854.2	839.9 <sup>1</sup>	13	12	7-17
High Yield Assets	254.1	240.7 <sup>1</sup>	4	3	2-4
TIPS Assets	389.4	365.3 <sup>1</sup>	6	4	3-5
Emerging Market Debt Assets	203.6	202.5 <sup>1</sup>	3	3	2-4
Foreign Developed Bond Assets	163.0	162.9 <sup>1</sup>	2	2	1-3
Bank Loan Assets	103.9	123.9 <sup>1</sup>	2	3	2-4
<b>Alternatives</b>	<b>997.0</b>	<b>994.0<sup>2</sup></b>	<b>15</b>	<b>25</b>	<b>25</b>
Absolute Return Assets	305.0	298.2 <sup>2</sup>	5	10	8-12
Private Equity Assets	328.5	322.0 <sup>2</sup>	5	8	5-11
Real Assets	369.6	373.8 <sup>2</sup>	6	7	5-9
<i>Real Estate Assets</i>	261.1	263.9 <sup>2</sup>	4	4	NA
<i>Infrastructure/Oppportunistic Assets</i>	87.7	88.9 <sup>2</sup>	1	2	NA
<i>Private Energy Assets</i>	20.7	21.0 <sup>2</sup>	< 1	1	NA
<b>Cash</b>	<b>21.1</b>	<b>33.9</b>	<b>&lt; 1</b>	<b>0</b>	<b>0</b>

<sup>1</sup> Figures represent underlying market exposures.

<sup>2</sup> Based on March 31, 2015, reported values, adjusted for subsequent cash flows.



District of Columbia Retirement Board

Aggregate Assets  
Portfolio Roster as of 6/30/15

Fund	Market Value 3/31/15 (\$ mm)	Market Value 6/30/15 (\$ mm)	% of Asset Class	% of Retirement Fund
<b>Fund</b>	<b>6,568.2</b>	<b>6,557.9</b>	<b>NA</b>	<b>100</b>
<b>Domestic Equity Assets<sup>1</sup></b>	<b>1,502.6</b>	<b>1,504.4</b>	<b>100</b>	<b>23</b>
Northern Trust Russell 3000 Index	1,374.2	1,376.0	91	21
Sands Large Cap Growth Equity	128.4	128.4	9	2
<b>International Developed Market Equity Assets<sup>1</sup></b>	<b>1,392.6</b>	<b>1,390.9</b>	<b>100</b>	<b>21</b>
SSgA MSCI World (ex. U.S.) Index-NL	1,111.2	1,118.4	80	17
Copper Rock International Small Cap	145.4	137.8	10	2
Altrinsic International Equity	0.0	134.8	10	2
<b>International Emerging Market Equity Assets<sup>1</sup></b>	<b>680.8</b>	<b>699.6</b>	<b>100</b>	<b>11</b>
SSgA Emerging Markets Index-NL	572.4	575.2	82	9
LSV Emerging Markets Value Equity	108.4	124.3	18	2
<b>Investment Grade Bond Assets<sup>1</sup></b>	<b>854.2</b>	<b>839.9</b>	<b>100</b>	<b>13</b>
BlackRock U.S. Debt Index-NL	854.2	839.9	100	13
<b>TIPS Assets<sup>1</sup></b>	<b>389.4</b>	<b>365.3</b>	<b>100</b>	<b>6</b>
BlackRock TIPS	389.4	365.3	100	6
<b>High Yield Assets<sup>1</sup></b>	<b>357.9</b>	<b>364.7</b>	<b>100</b>	<b>6</b>
DDJ High Yield Bond	357.9	364.7	100	6

<sup>1</sup> Figures reflect manager level market values and not underlying exposure.



## District of Columbia Retirement Board

## Aggregate Assets Portfolio Roster as of 6/30/15

	Market Value 3/31/15 (\$ mm)	Market Value 6/30/15 (\$ mm)	% of Asset Class	% of Retirement Fund
<b>Emerging Market Debt Assets<sup>1</sup></b>	<b>203.6</b>	<b>202.5</b>	<b>100</b>	<b>3</b>
Stone Harbor Emerging Markets Local Currency Debt	203.6	202.5	100	3
<b>Foreign Developed Bond Assets<sup>1</sup></b>	<b>163.0</b>	<b>162.9</b>	<b>100</b>	<b>2</b>
Mondrian International Fixed Income	163.0	162.9	100	2
<b>Absolute Return Assets</b>	<b>305.0</b>	<b>298.2</b>	<b>100</b>	<b>5</b>
Bridgewater Pure Alpha	305.0	298.2	100	5
<b>Private Equity Assets<sup>1</sup></b>	<b>328.5</b>	<b>322.0</b>	<b>100</b>	<b>5</b>
Pantheon Capital Partners	187.0	173.9	54	3
Pantheon Global Secondary	39.5	36.7	11	< 1
Legacy Private Equity	81.8	84.5	26	1
Current Private Equity	20.1	26.7	8	< 1
<b>Real Assets</b>	<b>369.6</b>	<b>373.8</b>	<b>100</b>	<b>6</b>
<b>Real Estate Assets</b>	<b>261.1</b>	<b>263.9</b>	<b>100</b>	<b>4</b>
Northern Trust Global Real Estate Index Fund-NL	143.9	135.7	51	2
Private Real Estate <sup>1</sup>	117.2	128.2	49	2
<b>Infrastructure/Oppportunistic Assets<sup>1</sup></b>	<b>87.7</b>	<b>88.9</b>	<b>100</b>	<b>1</b>
Private Infrastructure	87.7	88.9	100	1
<b>Private Energy Assets<sup>1</sup></b>	<b>20.7</b>	<b>21.0</b>	<b>100</b>	<b>&lt; 1</b>
Private Energy	20.7	21.0	100	< 1
<b>Cash</b>	<b>21.1</b>	<b>33.9</b>	<b>100</b>	<b>&lt; 1</b>
SSgA STIF	21.1	33.9	100	< 1

<sup>1</sup> Based on March 31, 2015 reported values, adjusted for subsequent cash flows.



## District of Columbia Retirement Board

## Aggregate Assets Performance as of 6/30/15

	2Q15 (%)	YTD (%)	Fiscal <sup>1</sup> YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Inception Date	Since Inception (%)
<b>Fund</b>	<b>0.2</b>	<b>2.4</b>	<b>2.4</b>	<b>0.6</b>	<b>9.0</b>	<b>9.7</b>	<b>5.8</b>	<b>1/1/87</b>	<b>8.3</b>
<b>Net of Fees</b>	<b>0.1</b>	<b>2.3</b>	<b>2.3</b>	<b>0.4</b>	<b>8.9</b>	<b>9.5</b>	<b>5.5</b>		<b>8.1</b>
<i>Policy Benchmark<sup>2</sup></i>	0.5	2.3	2.6	1.5	8.7	9.4	6.3		8.8
<i>Actual Allocation Benchmark<sup>3</sup></i>	0.3	2.3	2.5	1.0	9.1	9.5	6.6		NA
<i>Active Management-Related Excess Return<sup>4</sup></i>	-0.2	0.0	-0.2	-0.6	-0.2	0.0	-1.1		NA
<i>Tactical Asset Allocation-Related Excess Return<sup>5</sup></i>	-0.2	0.0	-0.1	-0.5	0.4	0.1	0.3		NA
<i>60% MSCI ACWI / 40% Barclays Global Aggregate<sup>6</sup></i>	-0.3	0.4	0.2	-2.4	7.4	8.1	5.5		NA

<sup>1</sup> Fiscal Year begins October 1.

<sup>2</sup> Policy Benchmark, as reported by State Street Bank, reflects targets set forth in the Fund's Investment Policy Statement. The benchmark uses the following indexes as proxies: 21% Russell 3000 (domestic equity), 18% MSCI World ex. U.S., 9% MSCI EM (international equity), 12% Barclays Aggregate (investment grade bonds), 4% Barclays U.S. TIPS (TIPS), 3% Barclays U.S. High Yield (high yield), 3% CSFB Leveraged Loan (bank loans), 2% Barclays Global Aggregate ex. U.S. (foreign bonds), 3% JPM GBI-EM Global Diversified (emerging market bonds), 7% CPI-U + 700 bps (real assets), 10% 3-month LIBOR + 5% (hedge funds), and 8% Cambridge Private Equity (lagged) (alternatives).

<sup>3</sup> Actual Allocation Benchmark, as reported by State Street Bank, is constructed with the same market indices as the Policy Benchmark, weighted by the Fund's monthly asset allocation, and measures the contribution from manager selection decisions.

<sup>4</sup> Represents the difference between the Fund (net-of-fees) and the Actual Allocation Benchmark, and measures the contribution from active management.

<sup>5</sup> Represents the difference between the Policy Benchmark and the Actual Allocation Benchmark, and measures the contribution from the variance of the Fund's current asset allocation relative to the long-term target allocation).

<sup>6</sup> The Static Benchmark is comprised of 60% MSCI ACWI and 40% Barclays Global Aggregate Bond indexes.



## District of Columbia Retirement Board

## Aggregate Assets Performance as of 6/30/15

	2Q15 (%)	YTD (%)	Fiscal <sup>1</sup> YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Inception Date	Since Inception (%)
<b>Fund</b>	<b>0.2</b>	<b>2.4</b>	<b>2.4</b>	<b>0.6</b>	<b>9.0</b>	<b>9.7</b>	<b>5.8</b>	<b>1/1/87</b>	<b>8.3</b>
<b>Net of Fees</b>	<b>0.1</b>	<b>2.3</b>	<b>2.3</b>	<b>0.4</b>	<b>8.9</b>	<b>9.5</b>	<b>5.5</b>		<b>8.1</b>
Domestic Equity (net-of-fees)	0.1	1.8	7.0	7.3	17.9	17.7	7.8	1/1/87	10.3
<i>Russell 3000</i>	0.1	1.9	7.3	7.3	17.7	17.5	8.2		10.3
International Developed Market Equity (net-of-fees)	1.1	5.9	2.5	-3.2	12.2	9.5	6.2	4/1/87	6.2
<i>MSCI World (ex. US)<sup>2</sup></i>	0.5	4.3	0.5	-5.3	11.1	8.9	5.9		5.6
International Emerging Market Equity (net-of-fees)	0.6	2.3	-2.3	-5.8	3.7	NA	NA	9/1/11	0.8
<i>MSCI Emerging Markets</i>	0.7	2.9	-1.7	-5.1	3.7	3.7	8.1		0.9
Fixed Income (net-of-fees) <sup>3</sup>	-0.7	0.0	-0.8	-2.4	1.2	3.4	4.1	12/1/82	7.7
<i>Barclays Universal</i>	-1.4	0.3	1.6	1.6	2.3	3.8	4.7		NA
<i>DCRB Fixed Income Custom Benchmark<sup>4</sup></i>	-1.0	-0.4	-0.5	-2.1	1.2	3.0	4.2		7.6
Absolute Return (net-of-fees)	-2.2	7.1	7.8	4.6	5.7	9.1	NA	7/1/06	8.0
<i>3 Month Libor + 5%</i>	1.3	2.6	3.9	5.3	5.3	5.3	6.9		6.7
<i>HFRI Macro Index</i>	-3.6	-0.4	1.9	4.1	1.8	1.8	4.2		3.6

<sup>1</sup> Fiscal Year begins October 1.

<sup>2</sup> The International Developed Market Equity custom benchmark is comprised of the MSCI EAFE Index prior to April 2006, the MSCI ACWI (ex U.S.) Index April 2006 through September 2011, and the MSCI World (ex U.S.) thereafter.

<sup>3</sup> Prior to August 2011, Fixed Income performance included the performance of infrastructure assets.

<sup>4</sup> The Fixed Income custom benchmark is comprised of the Barclays Aggregate prior to April 2006, the Barclays US Universal Index from April 2006 to March 2012, 60% Barclays US Aggregate Index, 12% Barclays US TIPS Index, 12% Barclays US High Yield Index, 8% Barclays Global Aggregate ex US Index, 8% JPM GBI-EM Global Diversified Index from April 2012 to September 2013, and 44% Barclays US Aggregate Index, 15% Barclays US TIPS Index, 11% Barclays US High Yield Index, 11% CSFB Leveraged Loan Index, 8% Barclays Global Aggregate ex US Index, 11% JPM GBI-EM Global Diversified Index thereafter.



## District of Columbia Retirement Board

## Aggregate Assets Performance as of 6/30/15

	2Q15 (%)	YTD (%)	Fiscal <sup>1</sup> YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Inception Date	Since Inception (%)
<b>Fund</b>	<b>0.2</b>	<b>2.4</b>	<b>2.4</b>	<b>0.6</b>	<b>9.0</b>	<b>9.7</b>	<b>5.8</b>	<b>1/1/87</b>	<b>8.3</b>
<b>Net of Fees</b>	<b>0.1</b>	<b>2.3</b>	<b>2.3</b>	<b>0.4</b>	<b>8.9</b>	<b>9.5</b>	<b>5.5</b>		<b>8.1</b>
Private Equity (net-of-fees) <sup>2</sup>	2.6	3.1	0.2	5.4	12.7	13.2	8.8	1/1/87	8.1
<i>Russell 3000 + 3% (1-quarter lagged)</i>	-	-	-	-	-	-	10.4		13.2
<i>Cambridge Associates Private Equity Index</i>	2.6	3.4	4.9	10.5	14.4	15.2	13.7		NA
Real Assets (net-of-fees)	-0.6	0.1	3.7	4.3	7.6	NA	NA	7/1/12	7.6
<i>CPI (inflation) + 7%</i>	2.8	5.1	5.5	7.1	8.4	8.9	9.2		8.4
Cash	0.3	-0.9	-0.7	-0.4	0.3	0.3	1.8	7/1/89	4.2
<i>90-Day T-Bills</i>	0.0	0.0	0.0	0.0	0.0	0.1	1.4		3.2

<sup>1</sup> Fiscal Year begins October 1.

<sup>2</sup> Portfolio and index performance reported one quarter lagged.

