

FUND EVALUATION REPORT

District of Columbia Retirement Board

Quarterly Summary
December 31, 2015



M E K E T A I N V E S T M E N T G R O U P

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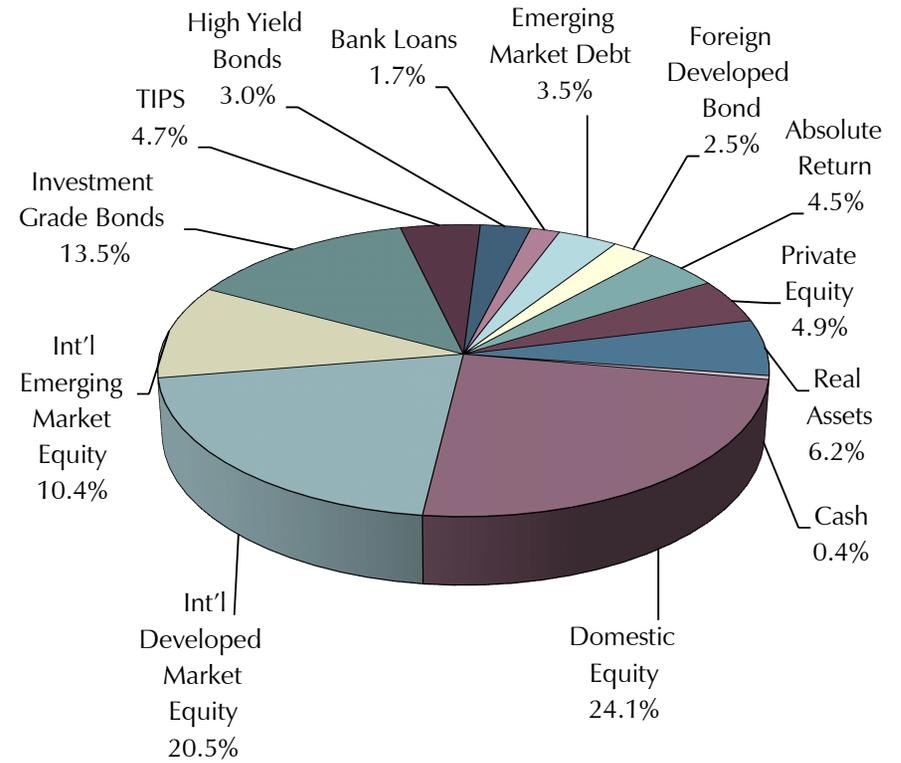
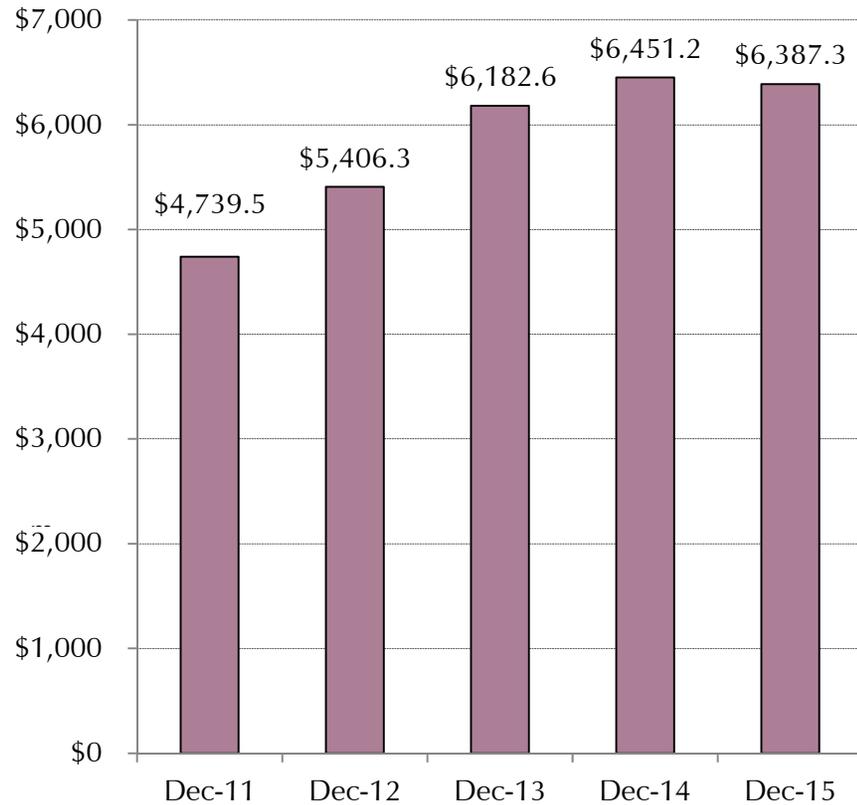
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	Market Value 9/30/15 (\$ mm)	Market Value 12/31/15 (\$ mm)	% of Retirement Fund	Target Allocation (%)	Target Range (%)
Fund	6,128.6	6,387.3	100	NA	NA
Public Equities	3,196.7	3,515.9	54	48	38-58
Domestic Equity Assets	1,394.3 ¹	1,541.5 ¹	24	21	17-25
International Developed Market Equity Assets	1,209.7 ¹	1,308.7 ¹	20	18	14-22
International Emerging Market Equity Assets	592.8 ¹	665.7 ¹	10	9	7-11
Fixed Income	1,887.5	1,845.9	29	27	22-32
Investment Grade Bond Assets	865.6 ¹	860.5 ¹	13	12	7-17
High Yield Assets	221.6 ¹	190.0 ¹	3	3	2-4
TIPS Assets	301.2 ¹	299.4 ¹	5	4	3-5
Emerging Market Debt Assets	205.5 ¹	224.7 ¹	4	3	2-4
Foreign Developed Bond Assets	163.7 ¹	161.3 ¹	3	2	1-3
Bank Loan Assets	129.8 ¹	110.0 ¹	2	3	2-4
Alternatives	984.8	997.5	16	25	25
Absolute Return Assets	286.5	288.6	5	10	8-12
Private Equity Assets	320.3	313.5 ²	5	8	5-11
Real Assets	378.0	395.4 ²	6	7	5-9
<i>Real Estate Assets</i>	257.0	264.3 ²	4	4	NA
<i>Infrastructure/Oppportunistic Assets</i>	97.8	101.2 ²	2	2	NA
<i>Private Energy Assets</i>	23.3	29.9 ²	< 1	1	NA
Cash	59.7	27.7	< 1	0	0

¹ Figures represent underlying market exposures.

² Based on September 30, 2015 reported values, adjusted for subsequent cash flows.

Fund	Market Value 9/30/15 (\$ mm)	Market Value 12/31/15 (\$ mm)	% of Asset Class	% of Retirement Fund
Fund	6,128.6	6,387.3	NA	100
Domestic Equity Assets¹	1,394.3	1,541.5	100	24
Northern Trust Russell 3000 Index	1,276.2	1,287.1	83	20
Sands Large Cap Growth Equity	118.1	129.2	8	2
Channing Small Cap Value Equity	0.0	125.2	8	2
International Developed Market Equity Assets¹	1,229.0	1,324.0	100	21
SSgA MSCI World (ex. U.S.) Index-NL	982.8	1,065.5	80	17
Copper Rock International Small Cap	127.0	133.9	10	2
Altrinsic International Equity	119.3	124.6	9	2
International Emerging Market Equity Assets¹	573.4	650.3	100	10
SSgA Emerging Markets Index-NL	472.6	551.3	85	9
LSV Emerging Markets Value Equity	100.8	99.1	15	2
Investment Grade Bond Assets¹	865.6	860.5	100	13
BlackRock U.S. Debt Index-Non Lending	865.6	860.5	100	13
TIPS Assets¹	301.2	299.4	100	5
BlackRock TIPS	301.2	299.4	100	5
High Yield Assets¹	351.4	300.0	100	5
DDJ High Yield Bond	351.4	300.0	100	5

¹ Figures reflect manager level market values and not underlying exposure.



	Market Value 9/30/15 (\$ mm)	Market Value 12/31/15 (\$ mm)	% of Asset Class	% of Retirement Fund
Emerging Market Debt Assets¹	205.5	224.7	100	4
Stone Harbor Emerging Markets Local Currency Debt	205.5	224.7	100	4
Foreign Developed Bond Assets¹	163.7	161.3	100	3
Mondrian International Fixed Income	163.7	161.3	100	3
Absolute Return Assets¹	286.5	288.6	100	5
Bridgewater Pure Alpha	286.5	288.6	100	5
Private Equity Assets¹	320.3	313.5	100	5
Pantheon Capital Partners	167.3	153.4	49	2
Pantheon Global Secondary	35.0	32.3	10	1
Legacy Private Equity	78.2	70.4	22	1
Current Private Equity	39.7	57.5	18	1
Real Assets	378.0	395.4	100	6
Real Estate Assets	257.0	264.3	100	4
Northern Trust Global Real Estate Index Fund-NL	131.1	137.3	52	2
Private Real Estate	125.9	127.0	48	2
Infrastructure/Oppportunistic Assets¹	97.8	101.2	100	2
Private Infrastructure	97.8	101.2	100	2
Private Energy Assets¹	23.3	29.9	100	< 1
Private Energy	23.3	29.9	100	< 1
Cash	59.7	27.7	100	< 1
SSgA STIF	59.7	27.7	100	< 1

¹ Based on September 30, 2015 reported values, adjusted for subsequent cash flows.



	4Q15 (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Inception Date	Since Inception (%)
Fund	1.9	-2.1	4.8	5.5	4.6	1/1/87	8.0
Net of Fees	1.8	-2.2	4.7	5.4	4.3		7.8
<i>Policy Benchmark¹</i>	2.0	-0.8	5.3	5.5	5.3		8.6
<i>Actual Allocation Benchmark²</i>	2.3	-1.3	5.4	5.6	5.5		NA
<i>Active Management-Related Excess Return³</i>	-0.5	-0.9	-0.7	-0.2	-1.2		NA
<i>Tactical Asset Allocation-Related Excess Return⁴</i>	0.3	-0.5	0.1	0.1	0.2		NA
<i>60% MSCI ACWI / 40% Barclays Global Aggregate</i>	2.7	-2.5	3.9	4.2	4.7		NA

¹ Policy Benchmark, as reported Northern Trust, 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).

² Actual Allocation Benchmark, as reported by Northern Trust, 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.

³ Represents the difference between the Fund (net-of-fees) and the Actual Allocation Benchmark, and measures the contribution from active management.

⁴ 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).

	4Q15 (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Inception Date	Since Inception (%)
Fund	1.9	-2.1	4.8	5.5	4.6	1/1/87	8.0
Net of Fees	1.8	-2.2	4.7	5.4	4.3		7.8
Domestic Equity (net-of-fees)	6.2	0.2	14.7	12.1	7.0	1/1/87	10.1
<i>Russell 3000</i>	6.3	0.5	14.7	12.2	7.4		10.1
International Developed Market Equity (net-of-fees)	4.1	-1.2	5.0	3.3	3.9	4/1/87	5.8
<i>MSCI World (ex. US)¹</i>	3.9	-3.0	3.9	2.6	3.7		5.2
International Emerging Market Equity (net-of-fees)	0.0	-16.1	-7.1	NA	NA	9/1/11	-3.8
<i>MSCI Emerging Markets</i>	0.7	-14.9	-6.8	-4.8	3.6		-3.6
Fixed Income (net-of-fees) ²	-1.1	-2.8	-0.8	2.2	3.8	12/1/82	7.5
<i>Barclays Universal</i>	-0.5	0.4	1.5	3.5	4.7		NA
<i>DCRB Fixed Income Custom Benchmark³</i>	-1.0	-2.5	-0.7	2.2	4.0		7.5
Absolute Return (net-of-fees)	0.7	3.6	3.4	5.3	NA	7/1/06	7.2
<i>Spliced Benchmark⁴</i>	1.3	5.4	5.3	5.4	6.8		6.6
<i>HFRI Macro Index</i>	-0.1	-1.2	1.3	-0.1	3.5		3.3

¹ 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.

² Prior to August 2011, Fixed Income performance included the performance of infrastructure assets.

³ 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.

⁴ LIBOR 1 Month rate from inception to September 30, 2013. 3 Month LIBOR + 500 bps from October 1, 2013 to present.



	4Q15 (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Inception Date	Since Inception (%)
Fund	1.9	-2.1	4.8	5.5	4.6	1/1/87	8.0
Net of Fees	1.8	-2.2	4.7	5.4	4.3		7.8
Private Equity (net-of-fees) ¹	-3.9	2.3	9.7	11.0	7.7	1/1/87	7.9
<i>Russell 3000 + 3% (1-quarter lagged)</i>	-	-	-	-	8.9		12.8
<i>Cambridge Associates Private Equity Index</i>	-2.5	5.9	13.7	14.3	12.2		13.7
Real Assets (net-of-fees)	2.5	5.0	7.3	NA	NA	7/1/12	7.9
<i>CPI (inflation) + 7%</i>	1.2	7.9	8.1	8.6	9.0		7.9
Cash	0.1	-0.2	0.4	0.4	1.7	7/1/89	4.1
<i>90-Day T-Bills</i>	0.0	0.0	0.0	0.1	1.2		3.2

¹ Portfolio and index performance reported one quarter lagged.

