

FUND EVALUATION REPORT

District of Columbia Retirement Board

Quarterly Summary
March 31, 2015



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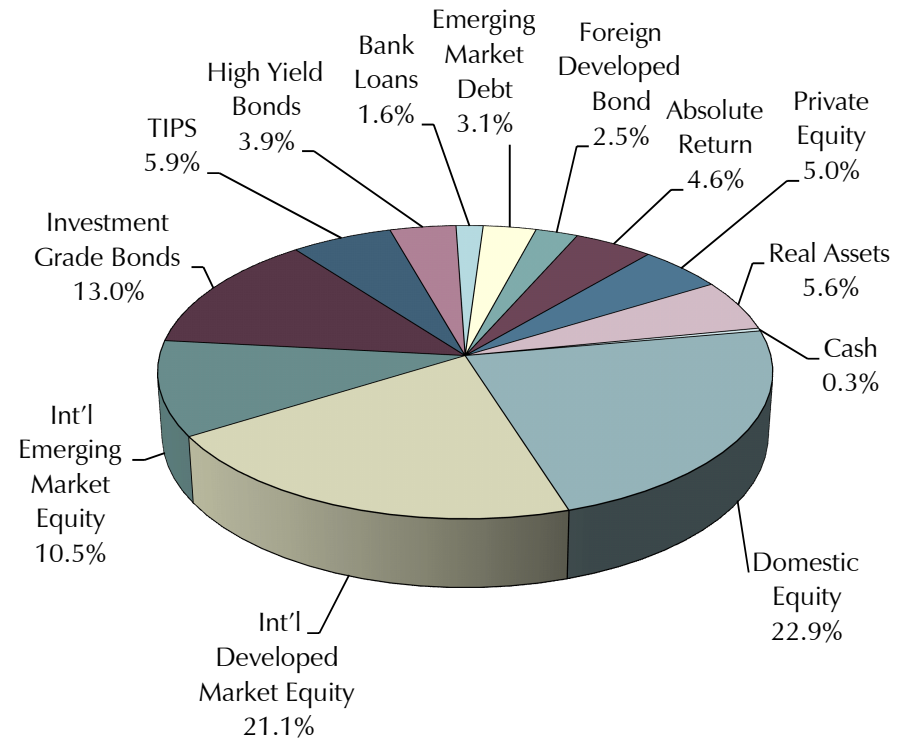
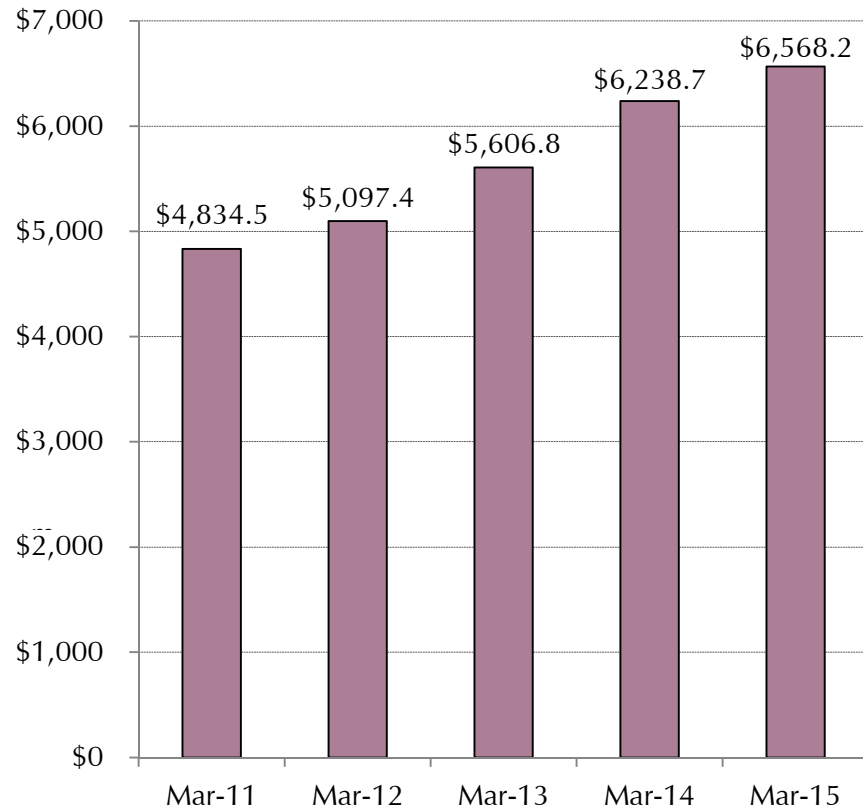
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District of Columbia Retirement Board

Aggregate Assets Asset Summary as of 3/31/15

Fund	Market Value 12/31/14 (\$ mm)	Market Value 3/31/15 (\$ mm)	% of Retirement Fund	Target Allocation (%)	Target Range (%)
Fund	6,451.2	6,568.2	100	NA	NA
Public Equities	3,477.8	3,575.9	54	48	38-58
Domestic Equity Assets	1,541.7	1,502.6	23	21	17-25
International Developed Market Equity Assets	1,298.9	1,383.9 ¹	21	18	14-22
International Emerging Market Equity Assets	637.2	689.5 ¹	10	9	7-11
Fixed Income	1,955.5	1,968.1	30	27	22-32
Investment Grade Bond Assets	840.7	854.2 ¹	13	12	7-17
High Yield Assets	241.7	254.1 ¹	4	3	2-4
TIPS Assets	383.5	389.4 ¹	6	4	3-5
Emerging Market Debt Assets	210.4	203.6 ¹	3	3	2-4
Foreign Developed Bond Assets	170.7	163.0 ¹	2	2	1-3
Bank Loan Assets	108.6	103.9 ¹	2	3	2-4
Alternatives	997.9	997.0²	15	25	25
Absolute Return Assets	278.5	305.0 ²	5	10	8-12
Private Equity Assets	349.9	328.5 ²	5	8	5-11
Real Assets	369.5	369.6 ²	6	7	5-9
<i>Real Estate Assets</i>	259.5	261.1 ²	4	4	NA
<i>Infrastructure/Oppportunistic Assets</i>	90.3	87.7 ²	1	2	NA
<i>Private Energy Assets</i>	19.7	20.7 ²	< 1	1	NA
Cash	20.1	21.1	< 1	0	0

¹ Figures represent underlying market exposures.

² Based on December 31, 2015, reported values, adjusted for subsequent cash flows.



Fund	Market Value 12/31/14 (\$ mm)	Market Value 3/31/15 (\$ mm)	% of Asset Class	% of Retirement Fund
Fund	6,451.2	6,568.2	NA	100
Domestic Equity Assets¹	1,541.7	1,502.6	100	23
Northern Trust Russell 3000 Index	1,413.9	1,374.2	91	21
Sands Large Cap Growth Equity	127.8	128.4	9	2
International Developed Market Equity Assets¹	1,298.9	1,392.6	100	21
SSgA MSCI World (ex. U.S.) Index - NL	1,038.3	1,111.2	80	17
Copper Rock International Small Cap	135.5	145.4	10	2
Gryphon International EAFE	125.2	136.0 ²	10	2
International Emerging Market Equity Assets¹	637.2	680.8	100	10
SSgA Emerging Markets Index-NL	528.8	572.4	84	9
LSV Emerging Markets Value Equity	108.4	108.4	16	2
Investment Grade Bond Assets¹	840.7	854.2	100	13
BlackRock U.S. Debt Index-Non Lending	840.7	854.2	100	13
TIPS Assets¹	383.5	389.4	100	6
BlackRock TIPS	383.5	389.4	100	6
High Yield Assets¹	350.3	357.9	100	5
DDJ High Yield Bond	350.3	357.9	100	5

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

² Gryphon was terminated at the end of the first quarter. Assets were held in a transition account as of March 31. Altrinsic was funded early April.

	Market Value 12/31/14 (\$ mm)	Market Value 3/31/15 (\$ mm)	% of Asset Class	% of Retirement Fund
Emerging Market Debt Assets¹	210.4	203.6	100	3
Stone Harbor Emerging Markets Local Currency Debt	210.4	203.6	100	3
Foreign Developed Bond Assets¹	170.7	163.0	100	2
Mondrian International Fixed Income	170.7	163.0	100	2
Absolute Return Assets	278.5	305.0	100	5
Bridgewater Pure Alpha	278.5	305.0	100	5
Private Equity Assets²	349.9	328.5	100	5
Pantheon Capital Partners	197.2	187.0	57	3
Pantheon Global Secondary	43.0	39.5	12	< 1
Legacy Private Equity	93.9	81.8	25	1
Current Private Equity	15.8	20.1	6	< 1
Real Assets	369.5	369.6	100	6
Real Estate Assets	259.5	261.1	100	4
Northern Trust Global Real Estate Index Fund-NL	138.3	143.9	55	2
Private Real Estate ²	121.1	117.2	45	2
Infrastructure/Oppportunistic Assets²	90.3	87.7	100	1
Private Infrastructure	90.3	87.7	100	1
Private Energy Assets²	19.7	20.7	100	< 1
Private Energy	19.7	20.7	100	< 1
Cash	20.1	21.1	100	< 1
SSgA STIF	20.1	21.1	100	< 1

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

² Based on December 31, 2015 reported values, adjusted for subsequent cash flows.

	1Q15 (%)	Fiscal ¹ YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Inception Date	Since Inception (%)
Fund	2.2	2.2	4.5	8.1	8.5	6.0	1/1/87	8.3
Net of Fees	2.2	2.1	4.3	7.9	8.3	5.7		8.2
<i>Policy Benchmark²</i>	1.8	2.1	4.7	7.9	7.9	6.5		8.8
<i>Actual Allocation Benchmark³</i>	2.0	2.1	4.6	7.7	8.3	6.7		NA
<i>Active Management-Related Excess Return⁴</i>	0.2	0.0	-0.3	0.2	0.0	-1.0		NA
<i>Tactical Asset Allocation-Related Excess Return⁵</i>	-0.2	0.0	-0.1	-0.2	0.4	0.2		NA
<i>60% MSCI ACWI / 40% Barclays Global Aggregate</i>	0.6	0.5	1.8	6.3	6.5	5.6		NA

¹ Fiscal year begins October 1.

² 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).

³ 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.

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

⁵ 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).

	1Q15 (%)	Fiscal ¹ YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Inception Date	Since Inception (%)
Fund	2.2	2.2	4.5	8.1	8.5	6.0	1/1/87	8.3
Net of Fees	2.2	2.1	4.3	7.9	8.3	5.7		8.2
Domestic Equity (net-of-fees)	1.6	6.8	12.0	16.4	14.9	8.1	1/1/87	10.4
<i>Russell 3000</i>	1.8	7.1	12.4	16.4	14.7	8.4		10.4
International Developed Market Equity (net-of-fees)	4.7	1.5	-0.4	9.1	6.5	6.1	4/1/87	6.2
<i>MSCI World (ex. US)²</i>	3.8	0.0	-1.4	8.2	5.9	5.8		5.7
International Emerging Market Equity (net-of-fees)	1.7	-2.8	0.3	0.3	NA	NA	9/1/11	0.7
<i>MSCI Emerging Markets</i>	2.2	-2.4	0.4	0.3	1.7	8.5		0.8
Fixed Income (net-of-fees) ³	0.6	-0.1	0.8	2.0	4.0	4.5	12/1/82	7.8
<i>Barclays Universal</i>	1.7	3.1	5.3	3.5	4.7	5.2		NA
<i>DCRB Fixed Income Custom Benchmark⁴</i>	0.6	0.5	1.5	2.1	3.9	4.7		7.7
Absolute Return (net-of-fees)	9.5	10.2	10.7	5.8	11.1	NA	7/1/06	8.5
<i>3 Month Libor + 5%</i>	1.3	2.6	5.3	5.3	5.3	7.0		6.7
<i>HFRI Macro Index</i>	3.4	5.7	9.5	2.5	2.4	4.6		4.1

¹ Fiscal year begins October 1.

² 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.

³ Prior to August 2011, Fixed Income performance included the performance of infrastructure assets.

⁴ 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 3/31/15

	1Q15 (%)	Fiscal ¹ YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Inception Date	Since Inception (%)
Fund	2.2	2.2	4.5	8.1	8.5	6.0	1/1/87	8.3
Net of Fees	2.2	2.1	4.3	7.9	8.3	5.7		8.2
Private Equity (net-of-fees) ²	0.5	-2.3	7.1	12.0	13.4	10.3	1/1/87	8.0
<i>Russell 3000 + 3% (1-quarter lagged)</i>	–	–	–	–	–	10.9		13.6
<i>Cambridge Associates Private Equity Index</i>	0.7	2.4	11.5	15.3	15.4	13.6		NA
Real Assets (net-of-fees)	0.8	4.4	9.0	NA	NA	NA	7/1/12	8.5
<i>CPI (inflation) + 7%</i>	2.3	2.6	6.9	8.0	8.7	9.2		8.1
Cash	-1.2	-1.0	-0.6	0.2	0.2	1.8	7/1/89	4.2
<i>90-Day T-Bills</i>	0.0	0.0	0.0	0.1	0.1	1.4		3.3

¹ Fiscal year begins October 1.

² Portfolio and index performance reported one quarter lagged.

