

FUND EVALUATION REPORT

District of Columbia Retirement Board

Quarterly Summary
June 30, 2016



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

BOSTON
MASSACHUSETTS

CHICAGO
ILLINOIS

MIAMI
FLORIDA

PORTLAND
OREGON

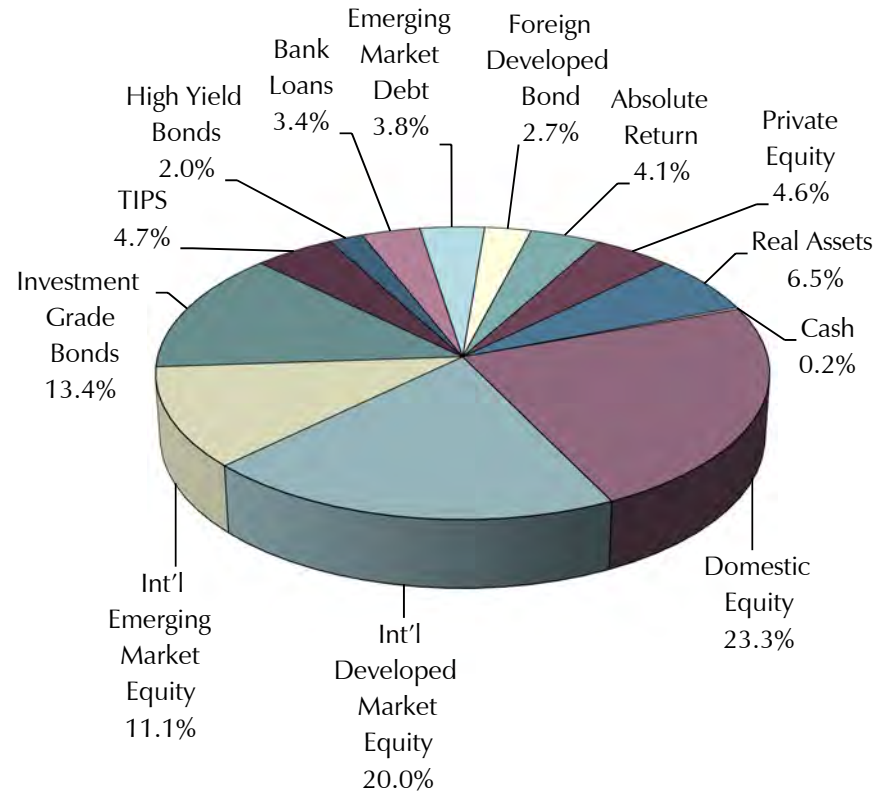
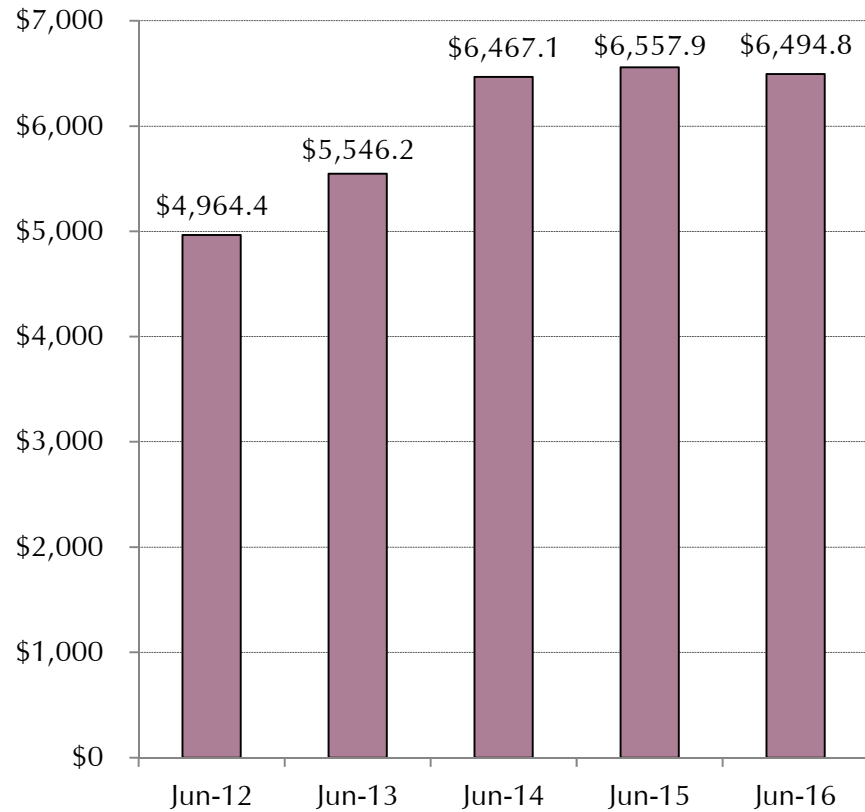
SAN DIEGO
CALIFORNIA

LONDON
UNITED KINGDOM

www.meketagroup.com

District of Columbia Retirement Board

Aggregate Assets as of 6/30/16



District of Columbia Retirement Board

Aggregate Assets Asset Summary as of 6/30/16

Fund	Market Value 3/31/16 (\$ mm)	Market Value 6/30/16 (\$ mm)	% of Retirement Fund	Target Allocation (%)	Target Range (%)
Fund	6,446.4	6,494.8	100	NA	NA
Public Equities	3,508.8	3,536.6	54	48	38-58
Domestic Equity Assets	1,511.7 ¹	1,514.6 ¹	23	21	17-25
International Developed Market Equity Assets	1,280.1 ¹	1,298.7 ¹	20	18	14-22
International Emerging Market Equity Assets	717.0 ¹	723.3 ¹	11	9	7-11
Fixed Income	1,948.7	1,955.9	30	27	22-32
Investment Grade Bond Assets	873.0 ¹	871.7 ¹	13	12	7-17
High Yield Assets	115.5 ¹	130.3 ¹	2	3	2-4
Bank Loan Assets	233.3 ¹	223.1 ¹	3	3	2-4
TIPS Assets	302.5 ¹	307.7 ¹	5	4	3-5
Emerging Market Debt Assets	250.2 ¹	246.0 ¹	4	3	2-4
Foreign Developed Bond Assets	174.2 ¹	177.2 ¹	3	2	1-3
Alternatives	970.7	986.6	15	25	25
Absolute Return Assets	275.4	266.3	4	10	8-12
Private Equity Assets	295.9	299.3 ²	5	8	5-11
Real Assets	399.5	420.9 ²	6	7	5-9
<i>Real Estate Assets</i>	264.3 ²	267.6 ²	4	4	NA
<i>Infrastructure/Oppportunistic Assets</i>	106.0 ²	112.3 ²	2	2	NA
<i>Private Energy Assets</i>	29.1 ²	41.0 ²	<1	1	NA
Cash	17.8	15.5	< 1	<1	0

¹ Figures represent underlying market exposures.

² Based on March 31, 2016 reported values, adjusted for subsequent cash flows.



District of Columbia Retirement Board

Aggregate Assets Portfolio Roster as of 6/30/16

	Market Value 3/31/16 (\$ mm)	Market Value 6/30/16 (\$ mm)	% of Asset Class	% of Retirement Fund
Fund	6,446.4	6,494.8	NA	100
Domestic Equity Assets¹	1,511.7	1,514.6	100	23
Northern Trust Russell 3000 Index	1,269.3	1,267.3	84	20
Sands Large Cap Growth Equity	117.0	116.6	8	2
Channing Small Cap Value	125.5	130.7	9	2
International Developed Market Equity Assets¹	1,298.0	1,318.8	100	20
SSgA MSCI World (ex. U.S.) Index-NL	1,045.6	1,067.0	81	16
Copper Rock International Small Cap	128.9	124.8	9	2
Altrinsic International Equity	123.4	127.0	10	2
International Emerging Market Equity Assets	699.1	703.1	100	11
SSgA Emerging Markets Index-NL	594.2	597.6	85	9
LSV Emerging Markets Value Equity	104.9	105.5	15	2
Investment Grade Bond Assets¹	846.3	839.8	100	13
BlackRock U.S. Debt Index	846.3	839.8	100	13
TIPS Assets¹	302.5	307.7	100	5
BlackRock TIPS	302.5	307.7	100	5
High Yield Assets¹	218.6	225.9	100	3
DDJ High Yield Bond	218.6	225.9	100	3
Bank Loans¹	156.9	159.4	2	2
Beach Point Leveraged Loan	156.9	159.4	2	2

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



District of Columbia Retirement Board

Aggregate Assets Portfolio Roster as of 6/30/16

	Market Value 3/31/16 (\$ mm)	Market Value 6/30/16 (\$ mm)	% of Asset Class	% of Retirement Fund
Emerging Market Debt Assets¹	250.2	246.0	100	4
Stone Harbor Emerging Markets Local Currency Debt	250.2	246.0	100	4
Foreign Developed Bond Assets¹	174.2	177.2	100	3
Mondrian International Fixed Income	174.2	177.2	100	3
Absolute Return Assets	275.4	266.3	100	4
Bridgewater Pure Alpha	275.4	266.3	100	4
Private Equity Assets²	295.9	299.3	100	5
Pantheon Capital Partners, L.P.	140.7	139.4	47	2
Pantheon Global Secondary Fund III 'B'	27.7	26.3	9	< 1
Legacy Private Equity	59.9	58.7	20	1
Current Private Equity	67.3	72.6	24	1
Real Assets	399.5	420.9	100	6
Real Estate Assets	264.3	267.6	100	4
Northern Trust Global Real Estate Index Fund-NL	144.2	149.2	56	2
Private Real Estate ²	120.1	118.4	44	2
Infrastructure/Oppportunistic Assets²	106.0	112.3	100	2
Private Infrastructure	106.0	112.3	100	2
Private Energy Assets²	29.1	41.0	100	1
Private Energy	29.1	41.0	100	1
Cash	17.8	15.5	100	< 1
Northern Trust STIF	17.8	15.5	100	< 1

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

² Based on March 31, 2016 reported values, adjusted for subsequent cash flows.



District of Columbia Retirement Board

Aggregate Assets Performance as of 6/30/16

	2Q16 (%)	YTD (%)	Fiscal ¹ YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Inception Date	Since Inception (%)
Fund	1.3	2.8	4.7	-1.7	4.7	4.8	4.5	1/1/87	7.9
Net of Fees	1.2	2.8	4.7	-1.8	4.6	4.7	4.3		7.8
<i>Interim Policy Benchmark</i>	1.7	3.6	5.8	-0.6	5.2	4.9	5.0		NA
<i>Long-Term Policy Benchmark</i>	1.7	3.6	6.3	0.0	5.2	4.9	4.8		NA
<i>Actual Allocation Benchmark</i>	1.5	3.5	5.9	-0.2	5.4	5.2	5.4		NA
<i>60% MSCI ACWI / 40% Barclays Global Aggregate</i>	1.8	4.4	7.2	1.4	4.9	4.1	4.6		NA

¹ Fiscal Year begins October 1.

Note: The Interim Policy Benchmark is a more appropriate comparison for periods of 5 years or less. Periods greater than 5 years should be compared to the Long-Term Policy Benchmark.



District of Columbia Retirement Board

Aggregate Assets Performance as of 6/30/16

	2Q16 (%)	YTD (%)	Fiscal ¹ YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Inception Date	Since Inception (%)
Fund	1.3	2.8	4.7	-1.7	4.7	4.8	4.5	1/1/87	7.9
Net of Fees	1.2	2.8	4.7	-1.8	4.6	4.7	4.3		7.8
Domestic Equity (net-of-fees)	2.5	2.6	8.9	0.9	10.9	11.2	7.0	1/1/87	10.0
<i>Russell 3000</i>	2.6	3.6	10.1	2.1	11.1	11.6	7.4		10.0
International Developed Market Equity (net-of-fees)	-0.7	-2.6	1.4	-9.1	2.9	1.8	2.8	4/1/87	5.6
<i>MSCI World (ex. US)²</i>	-1.1	-3.0	0.8	-9.8	1.9	1.3	2.5		5.0
International Emerging Market Equity (net-of-fees)	0.6	6.4	6.4	-12.8	-1.8	NA	NA	9/1/11	-2.1
<i>MSCI Emerging Markets</i>	0.7	6.4	7.1	-12.1	-1.6	-3.8	3.5		-1.9
Fixed Income (net-of-fees) ³	2.2	6.3	5.1	3.4	2.1	2.8	4.5	12/1/82	7.5
<i>DCRB Fixed Income Custom Benchmark⁴</i>	2.8	7.2	6.2	5.0	2.8	3.1	4.8		7.5
Absolute Return (net-of-fees)	-3.3	-7.7	-7.0	-10.7	0.9	2.3	6.0	7/1/06	6.0
<i>HFRI Macro Index</i>	1.9	3.5	3.4	2.6	2.7	1.0	3.5		3.5
<i>Spliced Benchmark⁵</i>	1.4	2.8	4.1	5.4	5.3	5.3	6.5		6.5

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.

⁵ LIBOR 1 Month rate from inception to September 30, 2013. 3 Month LIBOR + 500 bps from October 1, 2013 to present.

Note: For Absolute Return, the HFRI Macro Index is more appropriate at a short-term benchmark, while the Spliced Benchmark is more appropriate for longer-term performance evaluation.



District of Columbia Retirement Board

Aggregate Assets Performance as of 6/30/16

	2Q16 (%)	YTD (%)	Fiscal ¹ YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	Inception Date	Since Inception (%)
Fund	1.3	2.8	4.7	-1.7	4.7	4.8	4.5	1/1/87	7.9
Net of Fees	1.2	2.8	4.7	-1.8	4.6	4.7	4.3		7.7
Private Equity (net-of-fees) ²	0.6	1.6	-2.2	0.9	8.3	8.7	8.2	1/1/87	7.8
<i>Cambridge Associates Global PE & VC Index</i>	0.3	1.8	0.7	4.2	11.2	11.7	10.9		13.5
<i>Private Equity Custom Benchmark</i> ³	0.4	1.9	0.5	5.8	11.8	10.8	9.7		14.1
Real Assets (net-of-fees)	2.7	7.3	9.9	12.5	7.9	NA	NA	7/1/12	8.8
<i>CPI (inflation) + 5.5%</i>	2.5	4.6	5.4	6.5	6.5	NA	NA		NA
Cash	0.3	0.3	0.5	1.0	0.5	0.5	1.5	7/1/89	4.0
<i>90-Day T-Bills</i>	0.1	0.1	0.1	0.1	0.1	0.1	1.0		3.1

¹ Fiscal Year begins October 1.

² Portfolio and index performance reported one quarter lagged.

³ Prior to 1/1/2008 the benchmark consisted of the Russell 3000 + 3%. Since 1/1/2008 the benchmark consists of the MSCI ACWI + 3%.

