

# FUND EVALUATION REPORT

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## District of Columbia Retirement Board

Quarterly Summary  
June 30, 2017



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As of June 30, 2017

## Allocation vs. Targets and Policy

	Current Balance	Current Allocation	Policy	Policy Range
US Equity	\$1,667,691,836	22%	20%	15% - 25%
Developed Market Equity	\$1,424,890,899	19%	16%	12% - 20%
Emerging Market Equity	\$890,710,555	12%	10%	7% - 13%
Investment Grade Bonds	\$775,508,675	10%	11%	7% - 15%
TIPS	\$505,504,084	7%	6%	4% - 8%
Foreign Bonds	\$172,153,658	2%	2%	1% - 3%
Emerging Market Bonds	\$310,591,393	4%	4%	2% - 6%
High Yield Bonds	\$294,029,221	4%	4%	2% - 6%
Bank Loans	\$227,753,542	3%	3%	2% - 5%
Private Equity	\$309,082,205	4%	9%	5% - 13%
Real Estate	\$410,042,911	5%	6%	5% - 7%
Natural Resources	\$72,455,520	1%	2%	1% - 3%
Infrastructure	\$111,051,952	1%	3%	2% - 4%
Absolute Return	\$291,365,863	4%	4%	1% - 7%
Cash	\$22,191,077	0%	0%	0% - 2%
<b>Total</b>	<b>\$7,485,023,391</b>	<b>100%</b>	<b>100%</b>	

## Total Fund Aggregate

As of June 30, 2017

## Market Value Summary

	Market Value 3/31/17 (\$)	Market Value 6/30/17 (\$)	% of Sector	% of Portfolio
<b>Total Fund Aggregate</b>	<b>7,283,676,848</b>	<b>7,485,023,391</b>	<b>--</b>	<b>100.0</b>
<b>Domestic Equity</b>	<b>1,639,881,984</b>	<b>1,667,691,836</b>	<b>22.3</b>	<b>22.3</b>
Northern Trust Russell 3000 Index	1,341,826,699	1,361,805,917	81.7	18.2
Sands Large Cap Growth Equity	136,929,774	146,734,917	8.8	2.0
Channing Small Cap Value Equity	161,125,511	159,151,002	9.5	2.1
<b>International Developed Market Equity</b>	<b>1,449,445,052</b>	<b>1,424,890,899</b>	<b>19.0</b>	<b>19.0</b>
SSgA MSCI World (ex U.S.) Index	1,174,059,224	1,126,745,025	79.1	15.1
Copper Rock International Small Cap	131,067,024	142,928,350	10.0	1.9
Altrinsic International Equity	144,318,804	155,217,524	10.9	2.1
<b>International Emerging Market Equity</b>	<b>842,238,779</b>	<b>890,710,555</b>	<b>11.9</b>	<b>11.9</b>
SSgA MSCI Emerging Markets Index	684,264,066	726,799,893	81.6	9.7
LSV Emerging Markets Value Equity	157,974,713	163,910,662	18.4	2.2
<b>Fixed Income</b>	<b>2,218,333,273</b>	<b>2,285,540,573</b>	<b>30.5</b>	<b>30.5</b>
BlackRock US Debt Index	764,215,645	775,508,675	33.9	10.4
BlackRock U.S. TIPS	487,534,382	505,504,084	22.1	6.8
DDJ High Yield Bond	274,755,479	294,029,221	12.9	3.9
Stone Harbor Emerging Markets Local Currency Debt	301,003,498	310,591,393	13.6	4.1
Mondrian International Fixed Income	164,689,118	172,153,658	7.5	2.3
Beach Point Loan Fund	226,135,151	227,753,542	10.0	3.0

## Total Fund Aggregate

As of June 30, 2017

	Market Value 3/31/17 (\$)	Market Value 6/30/17 (\$)	% of Sector	% of Portfolio
<b>Absolute Return</b>	<b>300,184,951</b>	<b>291,365,863</b>	<b>3.9</b>	<b>3.9</b>
Bridgewater Pure Alpha	300,184,951	291,365,863	100.0	3.9
<b>Private Equity</b>	<b>299,097,609</b>	<b>309,082,205</b>	<b>4.1</b>	<b>4.1</b>
<b>Real Assets</b>	<b>500,207,210</b>	<b>593,550,383</b>	<b>7.9</b>	<b>7.9</b>
<b>Real Estate</b>	<b>324,044,462</b>	<b>410,042,911</b>	<b>69.1</b>	<b>5.5</b>
Northern Trust Global Real Estate Index Fund	198,697,215	276,667,680	67.5	3.7
Private Real Estate	125,347,247	133,375,231	32.5	1.8
<b>Infrastructure</b>	<b>111,566,789</b>	<b>111,051,952</b>	<b>18.7</b>	<b>1.5</b>
<b>Natural Resources</b>	<b>64,595,959</b>	<b>72,455,520</b>	<b>12.2</b>	<b>1.0</b>
<b>Cash</b>	<b>34,287,990</b>	<b>22,191,077</b>	<b>0.3</b>	<b>0.3</b>
Northern Trust STIF	34,287,990	22,191,077	100.0	0.3

As of June 30, 2017

## Asset Class Performance Summary

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	20 Yrs (%)	Return (%)	Since
<b>Total Fund Aggregate (Gross of Fees)</b>	<b>7,485,023,391</b>	<b>100.0</b>	<b>3.3</b>	<b>8.7</b>	<b>13.5</b>	<b>3.9</b>	<b>7.6</b>	<b>4.1</b>	<b>6.1</b>	<b>8.8</b>	<b>Oct-82</b>
<b>Total Fund Aggregate</b>			<b>3.3</b>	<b>8.6</b>	<b>13.4</b>	<b>3.8</b>	<b>7.5</b>	<b>3.9</b>	<b>5.9</b>	--	
<i>Interim Policy Benchmark</i>			3.4	8.5	13.0	4.0	7.6	4.3	6.4	9.8	Oct-82
<i>Long-Term Policy Benchmark</i>			3.3	8.4	12.8	4.4	7.7	4.2	6.1	9.7	Oct-82
<i>60% MSCI ACWI / 40% Barclays Global Aggregate</i>			3.6	6.3	10.0	2.9	6.7	4.0	5.5	--	Oct-82
<b>Domestic Equity</b>	<b>1,667,691,836</b>	<b>22.3</b>	<b>2.9</b>	<b>13.5</b>	<b>19.3</b>	<b>8.9</b>	<b>14.6</b>	<b>7.0</b>	<b>7.5</b>	<b>10.6</b>	<b>Oct-82</b>
<i>Russell 3000</i>			3.0	13.5	18.5	9.1	14.6	7.3	7.4	11.7	Oct-82
<b>International Developed Market Equity</b>	<b>1,424,890,899</b>	<b>19.0</b>	<b>6.2</b>	<b>12.3</b>	<b>19.5</b>	<b>1.7</b>	<b>9.0</b>	<b>1.9</b>	<b>4.7</b>	<b>5.8</b>	<b>Apr-87</b>
<i>International Developed Equity Custom Benchmark</i>			5.6	12.4	19.5	0.7	8.1	1.6	4.7	5.5	Apr-87
<b>International Emerging Market Equity</b>	<b>890,710,555</b>	<b>11.9</b>	<b>5.8</b>	<b>13.7</b>	<b>24.2</b>	<b>0.7</b>	<b>3.9</b>	--	--	<b>1.9</b>	<b>Sep-11</b>
<i>MSCI Emerging Markets</i>			6.3	13.5	23.7	1.1	4.0	1.9	5.5	2.1	Sep-11
<b>Fixed Income</b>	<b>2,285,540,573</b>	<b>30.5</b>	<b>1.7</b>	<b>1.2</b>	<b>3.0</b>	<b>1.3</b>	<b>2.0</b>	<b>4.2</b>	<b>5.4</b>	<b>7.4</b>	<b>Dec-82</b>
<i>DCRB Fixed Income Custom Benchmark</i>			1.6	0.9	2.5	1.8	2.2	4.4	5.2	7.3	Dec-82
<b>Absolute Return</b>	<b>291,365,863</b>	<b>3.9</b>	<b>-2.0</b>	<b>9.1</b>	<b>10.5</b>	<b>1.0</b>	<b>3.1</b>	<b>7.2</b>	--	<b>6.4</b>	<b>Jul-06</b>
<i>HFRI Macro (Total) Index</i>			-0.6	-1.4	-2.4	1.2	1.0	2.2	5.7	2.8	Jul-06
<i>Spliced Hedge Fund Benchmark</i>			1.5	4.6	6.1	5.6	4.2	2.7	3.3	3.0	Jul-06
<b>Private Equity</b>	<b>309,082,205</b>	<b>4.1</b>	<b>4.8</b>	<b>9.3</b>	<b>12.2</b>	<b>6.1</b>	<b>10.1</b>	<b>7.0</b>	<b>6.7</b>	<b>7.9</b>	<b>Jan-87</b>
<i>Cambridge Spliced US/Global PE &amp; VC Index</i>			3.9	11.1	13.8	9.4	11.7	8.6	13.6	14.0	Jan-87
<i>Russell/MSCI+3% Index (1 Quarter Lagged)</i>			7.7	16.4	18.5	8.2	11.6	6.8	9.3	12.2	Jan-87

Note: Market values and performance for the Private Equity and Real Assets portfolios and benchmarks are reported one quarter lagged, adjusted for current quarter cash flows. The REIT portfolio is reported in real time.

As of June 30, 2017

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	20 Yrs (%)	Return (%)	Since
<b>Real Assets</b>	<b>593,550,383</b>	<b>7.9</b>	<b>2.5</b>	<b>6.8</b>	<b>10.3</b>	<b>8.9</b>	<b>9.0</b>	<b>2.6</b>	<b>4.2</b>	<b>4.4</b>	<b>Mar-96</b>
<i>CPI + 5.5% (1Q Lagged)</i>			2.3	5.3	8.0	6.6	6.8	7.3	7.7	7.8	Mar-96
<b>Real Estate</b>	<b>410,042,911</b>	<b>5.5</b>	<b>3.3</b>	<b>3.5</b>	<b>5.7</b>	<b>7.3</b>	<b>8.3</b>	<b>1.3</b>	<b>3.7</b>	<b>2.3</b>	<b>Apr-88</b>
<i>Real Estate Benchmark</i>			3.5	5.9	7.7	9.3	10.2	3.2	9.6	7.8	Apr-88
Private Real Estate	133,375,231	1.8	2.6	6.2	8.6	10.5	10.5	3.0	4.1	2.5	Apr-88
<i>Cambridge Real Estate (1 Quarter Lagged)</i>			3.5	6.8	8.0	10.1	11.0	2.2	9.5	8.0	Apr-88
<b>Infrastructure</b>	<b>111,051,952</b>	<b>1.5</b>	<b>-1.3</b>	<b>0.9</b>	<b>4.3</b>	<b>9.9</b>	<b>8.8</b>	<b>--</b>	<b>--</b>	<b>8.0</b>	<b>Jun-08</b>
<i>Cambridge Infrastructure (1 Quarter Lagged)</i>			4.6	8.0	12.4	8.8	8.5	6.3	4.7	5.3	Jun-08
<b>Natural Resources</b>	<b>72,455,520</b>	<b>1.0</b>	<b>5.7</b>	<b>35.5</b>	<b>48.6</b>	<b>11.7</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>13.6</b>	<b>Oct-12</b>
<i>CA Energy Upstream, Royalties, and PE (1 Quarter Lagged)</i>			2.8	13.0	20.6	-11.5	-7.3	1.3	9.0	-6.9	Oct-12
<b>Cash</b>	<b>22,191,077</b>	<b>0.3</b>	<b>0.3</b>	<b>0.6</b>	<b>0.8</b>	<b>0.4</b>	<b>0.3</b>	<b>0.9</b>	<b>2.4</b>	<b>3.9</b>	<b>Jul-89</b>
<i>91 Day T-Bills</i>			0.2	0.5	0.5	0.2	0.2	0.4	2.0	2.9	Jul-89

Note: Market values and performance for the Private Equity and Real Assets portfolios and benchmarks are reported one quarter lagged, adjusted for current quarter cash flows. The REIT portfolio is reported in real time.