

FUND EVALUATION REPORT

District of Columbia Retirement Board

Quarterly Summary
December 31, 2017



Confidentiality: The material contained in this report is confidential and may not be reproduced, disclosed, or distributed, in whole or in part, to any person or entity without the prior written consent of Meketa Investment Group or the District of Columbia Retirement Board. No other parties are authorized to review or utilize the information contained herein without expressed written consent.

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

As of December 31, 2017

Allocation vs. Targets and Policy

	Current Balance	Current Allocation	Policy	Policy Range
US Equity	\$1,823,214,706	22%	20%	15% - 25%
Developed Market Equity	\$1,566,434,760	19%	16%	12% - 20%
Emerging Market Equity	\$962,881,839	12%	10%	7% - 13%
Investment Grade Bonds	\$825,428,582	10%	11%	7% - 15%
TIPS	\$546,710,425	7%	6%	4% - 8%
Foreign Bonds	\$178,367,224	2%	2%	1% - 3%
Emerging Market Bonds	\$323,832,026	4%	4%	2% - 6%
High Yield Bonds	\$307,480,820	4%	4%	2% - 6%
Bank Loans	\$270,111,530	3%	3%	2% - 5%
Private Equity	\$325,210,782	4%	9%	5% - 13%
Real Estate	\$491,298,159	6%	6%	5% - 7%
Natural Resources	\$86,672,207	1%	2%	1% - 3%
Infrastructure	\$119,824,692	1%	3%	2% - 4%
Absolute Return	\$299,916,287	4%	4%	1% - 7%
Cash	\$31,472,150	0%	0%	0% - 2%
Total	\$8,158,856,189	100%	100%	

Total Fund Aggregate

As of December 31, 2017

Market Value Summary

	Market Value 9/30/17 (\$)	Market Value 12/31/17 (\$)	% of Sector	% of Portfolio
Total Fund Aggregate	7,749,076,984	8,158,856,189	--	100.0
Domestic Equity	1,723,893,003	1,823,214,706	22.3	22.3
Northern Trust Russell 3000 Index	1,424,007,846	1,514,185,365	83.1	18.6
Sands Large Cap Growth Equity	132,240,924	137,271,793	7.5	1.7
Channing Small Cap Value Equity	167,644,233	171,757,548	9.4	2.1
International Developed Market Equity	1,484,662,224	1,566,434,760	19.2	19.2
SSgA MSCI World (ex U.S.) Index	1,170,478,037	1,240,684,202	79.2	15.2
Copper Rock International Small Cap	153,678,133	162,246,917	10.4	2.0
Altrinsic International Equity	160,506,054	163,503,641	10.4	2.0
International Emerging Market Equity	898,788,105	962,881,839	11.8	11.8
SSgA MSCI Emerging Markets Index	725,094,670	779,065,026	80.9	9.5
LSV Emerging Markets Value Equity	173,693,435	183,816,813	19.1	2.3
Fixed Income	2,355,976,456	2,451,930,607	30.1	30.1
BlackRock US Debt Index	782,209,750	825,428,582	33.7	10.1
BlackRock U.S. TIPS	539,795,370	546,710,425	22.3	6.7
DDJ High Yield Bond	305,634,090	307,480,820	12.5	3.8
Stone Harbor Emerging Markets Local Currency Debt	322,430,246	323,832,026	13.2	4.0
Mondrian International Fixed Income	176,567,983	178,367,224	7.3	2.2
Beach Point Loan Fund	229,339,017	270,111,530	11.0	3.3

Total Fund Aggregate

As of December 31, 2017

	Market Value 9/30/17 (\$)	Market Value 12/31/17 (\$)	% of Sector	% of Portfolio
Absolute Return	292,585,437	299,916,287	3.7	3.7
Bridgewater Pure Alpha	292,585,437	299,916,287	100.0	3.7
Private Equity	308,138,408	325,210,782	4.0	4.0
Real Assets	624,328,150	697,795,058	8.6	8.6
Real Estate	430,308,477	491,298,159	70.4	6.0
Northern Trust Global Real Estate Index Fund	285,652,469	342,494,877	69.7	4.2
Private Real Estate	144,656,008	148,803,282	30.3	1.8
Infrastructure	116,384,571	119,824,692	17.2	1.5
Natural Resources	77,635,102	86,672,207	12.4	1.1
Cash	60,705,201	31,472,150	0.4	0.4
Northern Trust STIF	60,705,201	31,472,150	100.0	0.4

As of December 31, 2017

Asset Class Performance Summary

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	20 Yrs (%)	Return (%)	Since
Total Fund Aggregate (Gross of Fees)	8,158,856,189	100.0	3.7	3.7	17.1	7.2	7.7	4.7	6.2	8.9	Oct-82
Total Fund Aggregate			3.7	3.7	17.0	7.1	7.6	4.5	6.0	--	
<i>Interim Policy Benchmark</i>			3.9	3.9	17.2	7.3	7.8	4.8	6.6	9.9	Oct-82
<i>Long-Term Policy Benchmark</i>			3.6	3.6	16.5	7.5	7.8	4.8	6.2	9.8	Oct-82
<i>60% MSCI ACWI / 40% Barclays Global Aggregate</i>			3.9	3.9	17.1	6.5	6.8	4.3	5.8	--	Oct-82
Domestic Equity	1,823,214,706	22.3	5.8	5.8	20.7	10.8	15.4	8.2	7.5	10.8	Oct-82
<i>Russell 3000</i>			6.3	6.3	21.1	11.1	15.6	8.6	7.4	11.8	Oct-82
International Developed Market Equity	1,566,434,760	19.2	4.1	4.1	24.9	8.1	8.2	2.7	5.7	6.1	Apr-87
<i>International Developed Equity Custom Benchmark</i>			4.2	4.2	24.2	7.4	7.5	2.2	5.6	5.7	Apr-87
International Emerging Market Equity	962,881,839	11.8	7.1	7.1	36.1	8.5	4.1	--	--	4.1	Sep-11
<i>MSCI Emerging Markets</i>			7.4	7.4	37.3	9.1	4.3	1.7	7.8	4.3	Sep-11
Fixed Income	2,451,930,607	30.1	1.0	1.0	6.8	3.0	1.9	3.8	5.2	7.4	Dec-82
<i>DCRB Fixed Income Custom Benchmark</i>			0.7	0.7	5.9	3.1	2.0	4.1	5.0	7.3	Dec-82
Absolute Return	299,916,287	3.7	2.5	2.5	1.6	2.5	2.8	6.6	--	6.3	Jul-06
<i>HFRI Macro (Total) Index</i>			2.4	2.4	2.2	0.7	1.4	2.0	5.5	3.0	Jul-06
<i>Spliced Hedge Fund Benchmark</i>			1.6	1.6	6.4	5.8	4.8	2.8	3.4	3.1	Jul-06
Private Equity	325,210,782	4.0	4.3	4.3	17.4	8.7	10.6	7.5	6.4	8.1	Jan-87
<i>Cambridge Spliced US/Global PE & VC Index</i>			4.3	4.3	16.3	10.7	13.0	8.6	12.8	14.1	Jan-87
<i>Russell/MSCI+3% Index (1 Quarter Lagged)</i>			5.9	5.9	22.2	10.6	13.5	7.0	8.5	12.4	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.

Total Fund Aggregate

As of December 31, 2017

	Market Value (\$)	% of Portfolio	QTD (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	20 Yrs (%)	Return (%)	Since
Real Assets	697,795,058	8.6	2.4	2.4	11.7	9.3	8.9	2.9	4.1	4.5	Mar-96
Interim Real Assets Benchmark			4.0	4.0	14.4	6.8	8.0	--	--	--	Mar-96
CPI + 5.5%			1.6	1.6	7.4	7.0	7.1	7.2	7.5	7.5	Mar-96
Real Estate	491,298,159	6.0	2.6	2.6	12.5	8.3	8.1	1.6	3.7	2.4	Apr-88
Interim Real Estate Benchmark			3.9	3.9	15.0	9.4	10.7	1.9	--	--	Apr-88
Long Term Real Estate Benchmark			4.2	4.2	15.5	11.5	12.0	3.6	9.8	8.1	Apr-88
Private Real Estate	148,803,282	1.8	0.2	0.2	8.1	10.2	9.1	2.4	3.9	2.6	Apr-88
Cambridge Real Estate (1 Quarter Lagged)			4.2	4.2	15.6	12.8	13.2	2.4	9.8	8.4	Apr-88
Infrastructure	119,824,692	1.5	2.8	2.8	5.6	10.6	9.4	--	--	8.3	Jun-08
Cambridge Infrastructure (1 Quarter Lagged)			5.3	5.3	14.5	11.1	9.7	6.1	5.0	5.9	Jun-08
Natural Resources	86,672,207	1.1	0.4	0.4	21.2	4.9	13.6	--	--	12.3	Oct-12
CA Energy Upstream, Royalties, and PE (1 Quarter Lagged)			1.7	1.7	11.8	-11.9	-6.4	0.9	9.2	-5.7	Oct-12
Cash	31,472,150	0.4	-0.1	-0.1	0.7	0.5	0.3	0.6	2.3	3.8	Jul-89
91 Day T-Bills			0.3	0.3	0.9	0.4	0.3	0.3	1.9	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.