

**INVESTMENT PERFORMANCE ANALYSIS FOR
PERIOD ENDING DECEMBER 31, 2019**

**NEW MEXICO EDUCATIONAL
RETIREMENT BOARD**

February 14, 2020

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MARKET ENVIRONMENT UPDATE & OUTLOOK

NEPC, LLC

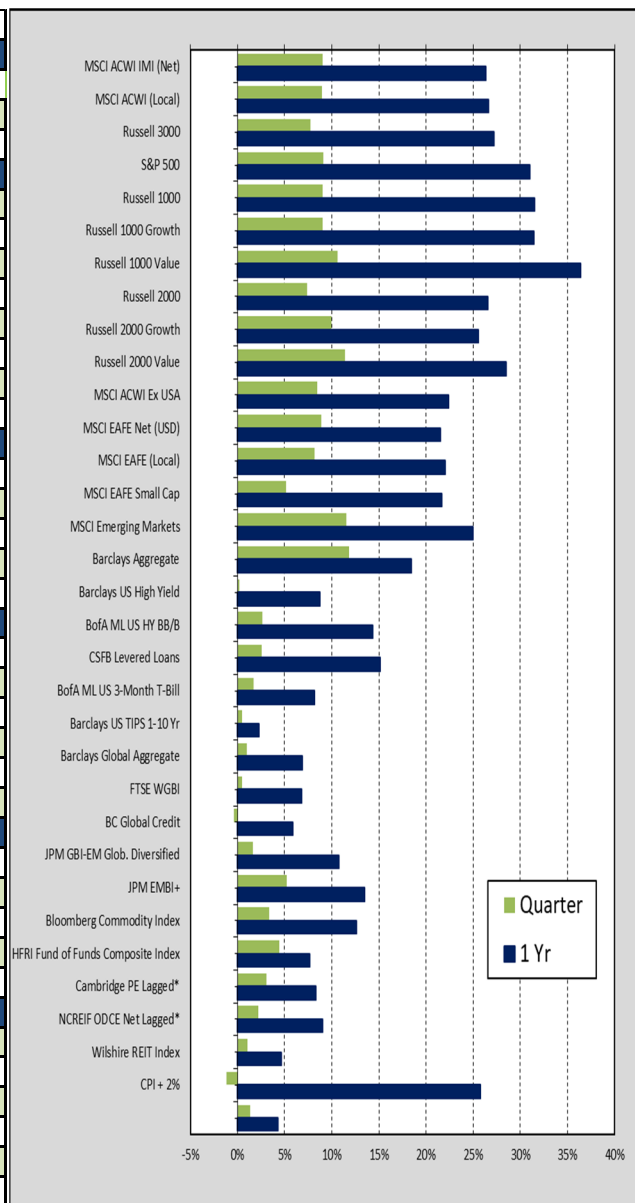
ECONOMIC ENVIRONMENT

- **Q3 Real GDP increased at an annual rate of 2.1%.**
 - Retail sales ended November at +5.7% on a YoY basis. In the same period last year the YoY growth rate was 3.5%.
 - Corporate profits (ended July) as a percent of GDP decreased to 8.5% from 8.8% (in September) and remain elevated relative to historical levels.
 - The inventory-to-sales ratio ended November flat at 1.4 from June levels and has remained relatively constant since early 2010.
 - The U.S. trade deficit fell sharply ended November (-5.4% vs. October) as imports decreased.
- **The unemployment rate remained flat at 3.5% in Q4; U-6, a broader measure of unemployment, decreased to 6.7% from 6.9% during Q4.**
- **The Case-Shiller Home Price Index (ended October) increased to 212.4 from 212.2 (in September) and remains at levels higher than that of pre-financial crisis levels of 150.9.**
- **Rolling 12-month seasonally-adjusted CPI saw an up-tick to 2.29% from 1.74% ended Q4; Capacity Utilization decreased to 77% from 77.5% in Q4.**
- **Fed Funds rate was decreased by 0.25% in Q4 to a targeted range of 1.50%-to-1.75%. The 10-year Treasury Yield (constant maturity) finished Q4 up to 1.9% from 1.7%.**
- **The Fed balance sheet increased in size ended Q4, and the European Central Bank balance sheet continues to grow.**
 - ECB held its benchmark refinance rate at 0%, deposit rates remain at -0.5%.
- **S&P valuations increased in Q4, remaining above the 10-year and long-term averages.**
 - Cyclically adjusted Shiller PE ratio (30.9x) is above the long-term average of 16.7x and above the 10-year average of 25.6x.



MARKET ENVIRONMENT – Q4 2019 OVERVIEW

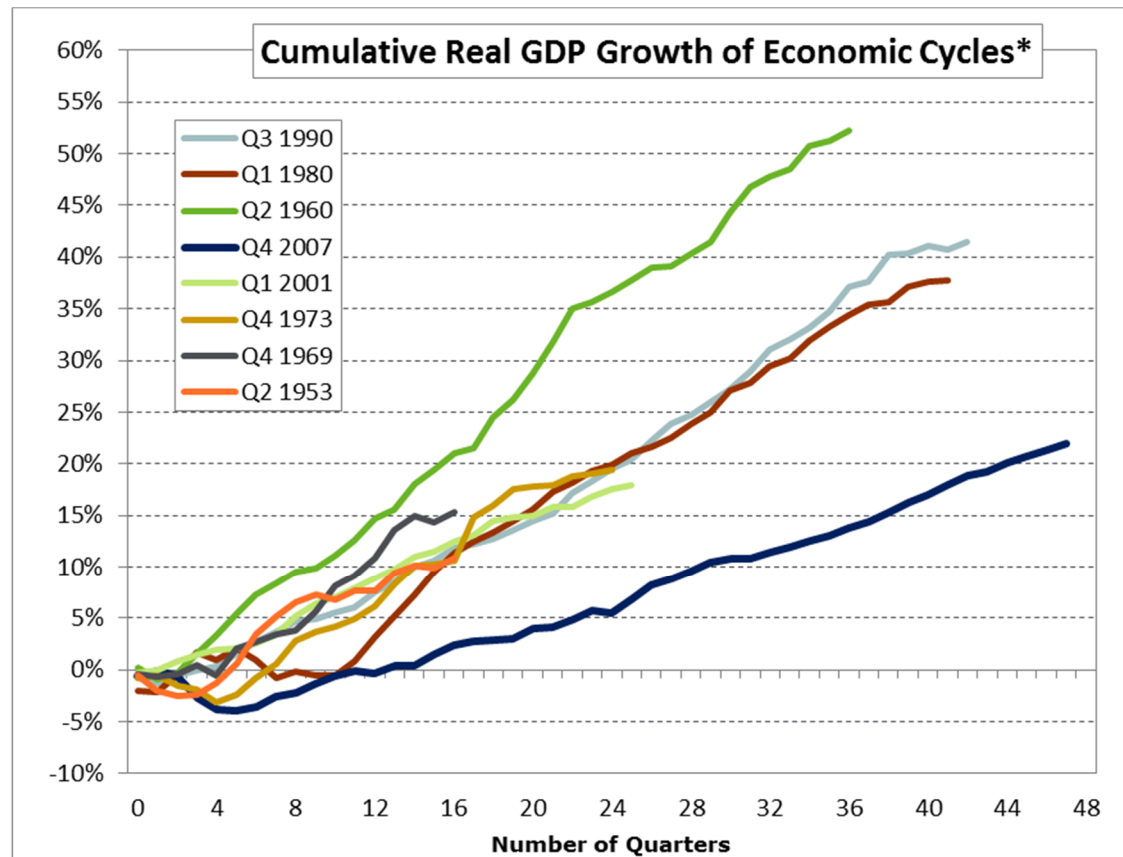
		Qtr.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
World Equity Benchmarks						
MSCI ACWI IMI (Net)	World with Small Cap	9.05%	26.35%	12.09%	8.34%	8.91%
MSCI ACWI Net (USD)	World W/O Small Cap	8.95%	26.60%	12.44%	8.41%	8.79%
MSCI ACWI (Local)	World (Local Currency)	7.73%	27.18%	11.56%	8.87%	9.66%
Domestic Equity Benchmarks						
Russell 3000	Domestic All Cap	9.10%	31.02%	14.57%	11.24%	13.42%
S&P 500	Large Core	9.07%	31.49%	15.27%	11.70%	13.56%
Russell 1000	Large Core	9.04%	31.43%	15.05%	11.48%	13.54%
Russell 1000 Growth	Large Growth	10.62%	36.39%	20.49%	14.63%	15.22%
Russell 1000 Value	Large Value	7.41%	26.54%	9.68%	8.29%	11.80%
Russell 2000	Small Core	9.94%	25.52%	8.59%	8.23%	11.83%
Russell 2000 Growth	Small Growth	11.39%	28.48%	12.49%	9.34%	13.01%
Russell 2000 Value	Small Value	8.49%	22.39%	4.77%	6.99%	10.56%
International Equity Benchmarks						
MSCI ACWI Ex USA	World ex-US	8.92%	21.51%	9.87%	5.51%	4.97%
MSCI EAFE Net (USD)	Int'l Developed	8.17%	22.01%	9.56%	5.67%	5.50%
MSCI EAFE (Local)	Int'l Developed (Local Currency)	5.19%	21.67%	7.66%	6.73%	7.24%
MSCI EAFE Small Cap	Small Cap Int'l	11.52%	24.96%	10.92%	8.85%	8.74%
MSCI Emerging Markets	Emerging Equity	11.84%	18.44%	11.57%	5.61%	3.68%
Domestic Fixed Income Benchmarks						
Barclays Aggregate	Core Bonds	0.18%	8.72%	4.03%	3.05%	3.75%
Barclays US High Yield	High Yield	2.61%	14.32%	6.37%	6.13%	7.57%
BofAML US HY BB/B	High Yield	2.58%	15.14%	6.48%	6.12%	7.43%
CSFB Levered Loans	Bank Loans	1.68%	8.17%	4.48%	4.54%	5.18%
BofAML US 3-Month T-Bill	Cash	0.46%	2.28%	1.67%	1.07%	0.58%
Barclays US TIPS 1-10 Yr	Inflation	1.00%	6.85%	2.79%	2.36%	2.57%
Global Fixed Income Benchmarks						
Barclays Global Aggregate	Global Core Bonds	0.48%	6.84%	4.27%	2.31%	2.48%
FTSE WGBI	World Gov. Bonds	-0.35%	5.90%	4.12%	2.03%	1.85%
BC Global Credit	Global Bonds	1.60%	10.74%	5.31%	3.15%	3.93%
JPM GBI-EM Glob. Diversified	Em. Mkt. Bonds (Local Currency)	5.20%	13.47%	7.03%	2.78%	2.71%
JPM EMBI+	Em. Mkt. Bonds	3.38%	12.60%	4.90%	5.20%	6.10%
Alternative Benchmarks						
Bloomberg Commodity Index	Commodities	4.42%	7.69%	-0.94%	-3.93%	-4.73%
HFRI Fund of Funds Composite Index	Fund of Hedge Funds	3.04%	8.34%	3.87%	2.36%	2.82%
Cambridge PE Lagged*	Private Equity	2.21%	9.02%	14.59%	11.64%	14.14%
NCREIF ODCE Net Lagged*	Real Estate	1.08%	4.65%	6.34%	8.36%	9.84%
Wilshire REIT Index	REIT	-1.14%	25.76%	7.63%	6.86%	11.94%
CPI + 2%	Inflation/Real Assets	1.33%	4.33%	4.15%	3.85%	3.78%



* As of 9/30/2019

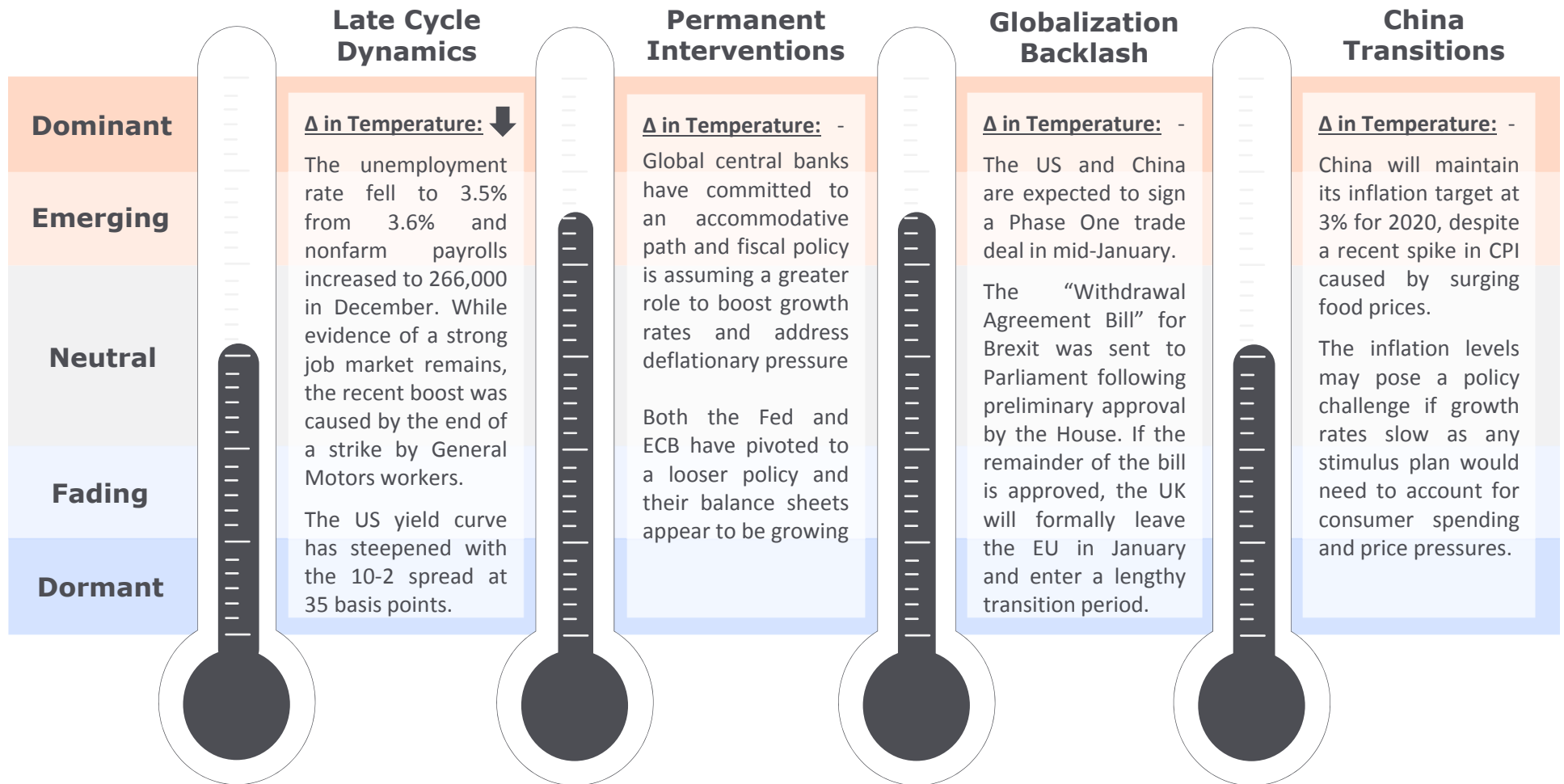
December 31, 2019

CURRENT ECONOMIC CYCLE IS THE LONGEST SINCE CIVIL WAR IN 1857

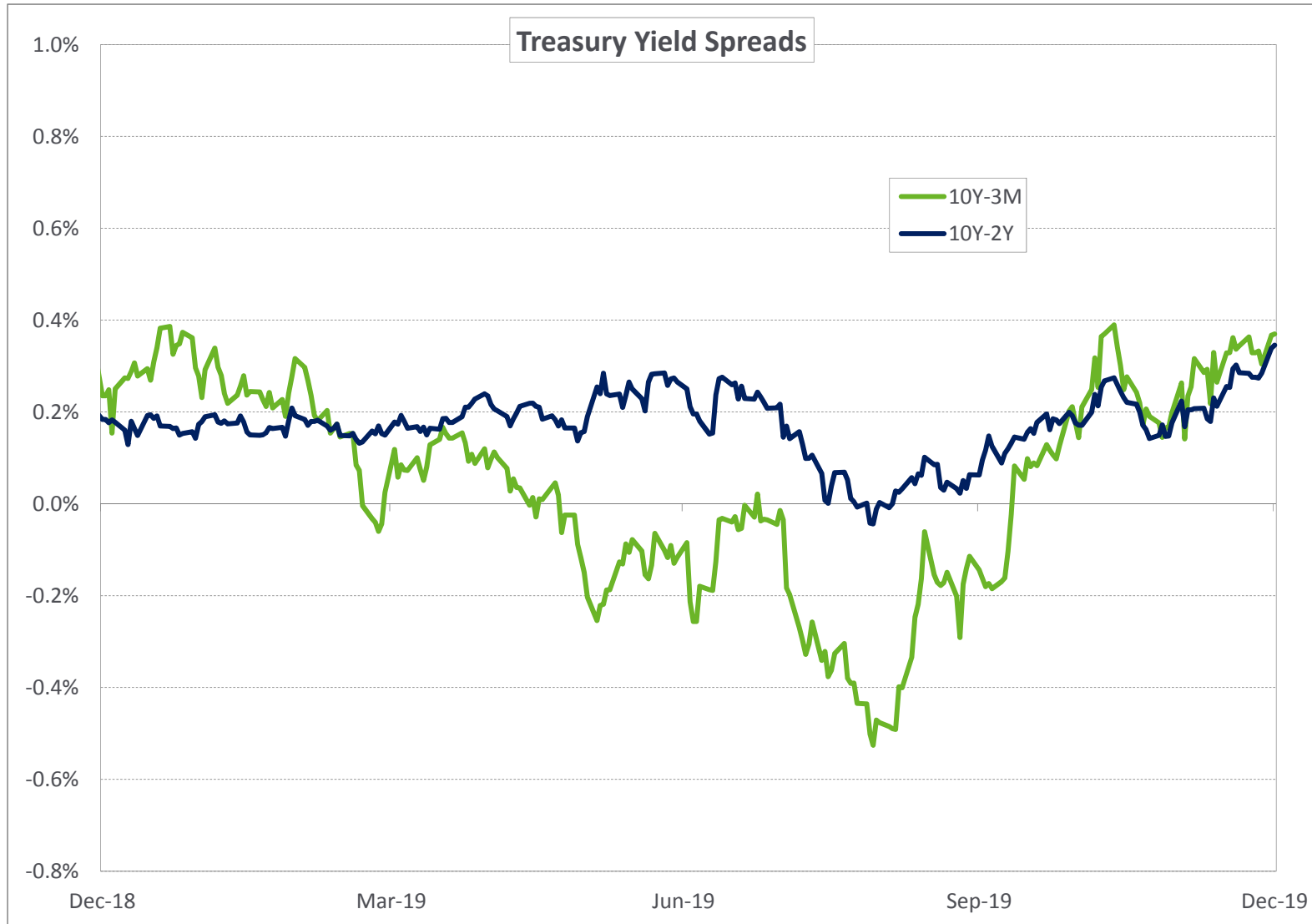


ASSESSING THE KEY MARKET THEMES

Current Temperatures



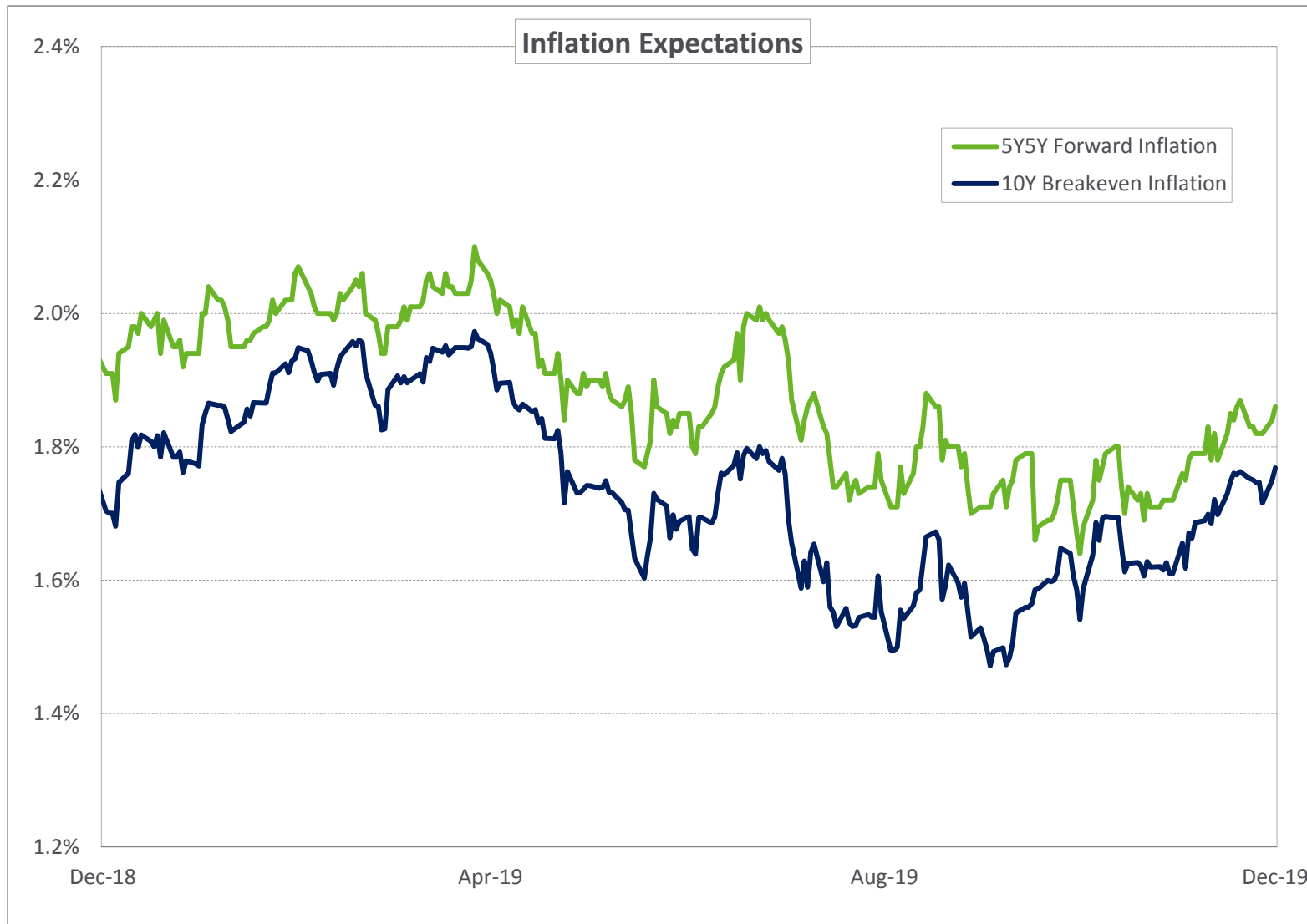
THE YIELD CURVE STEEPENED DURING Q4



Source: FactSet



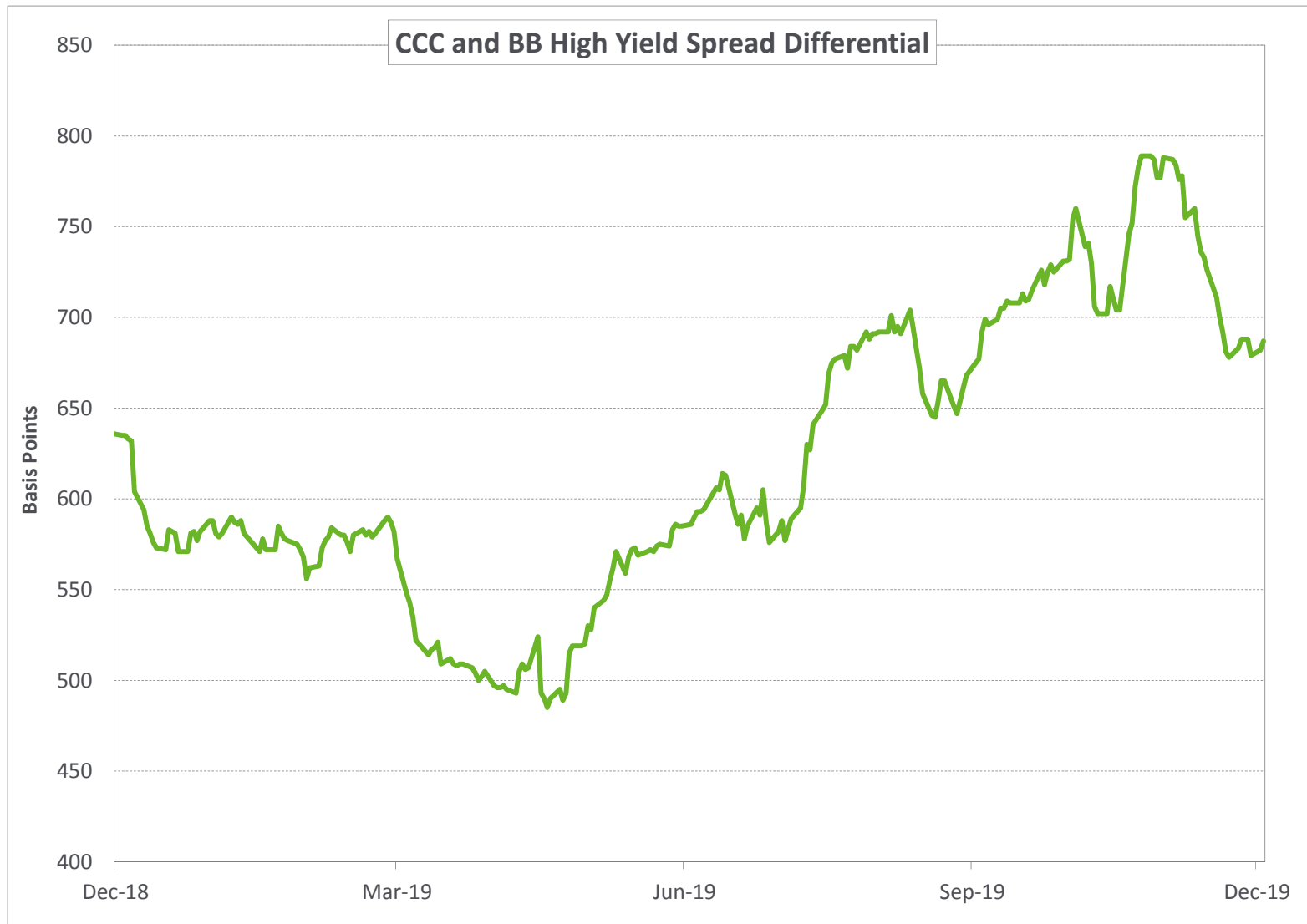
INFLATION EXPECTATIONS REMAIN LOW



Source: FactSet



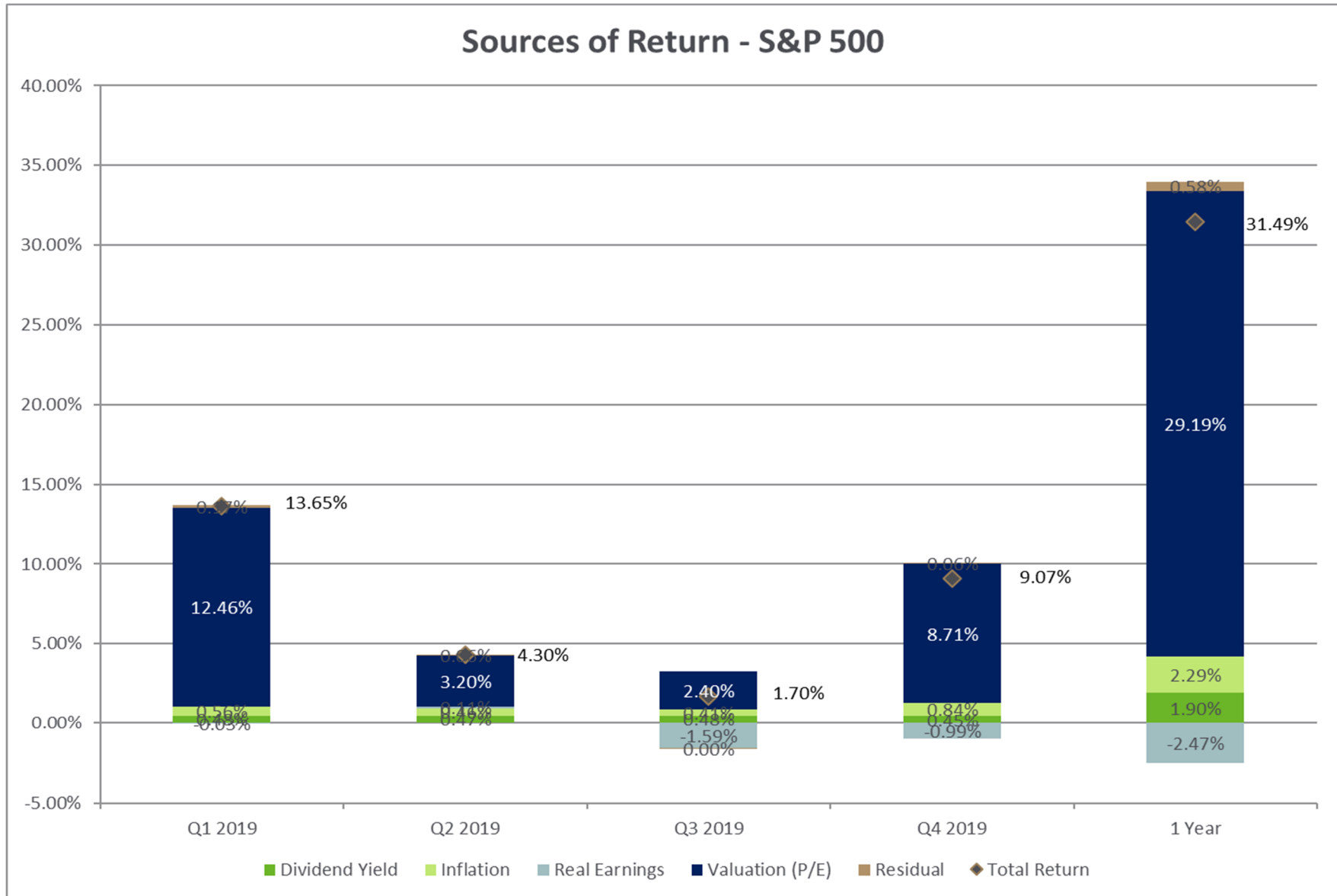
CCC SPREADS WIDENED DURING THE YEAR



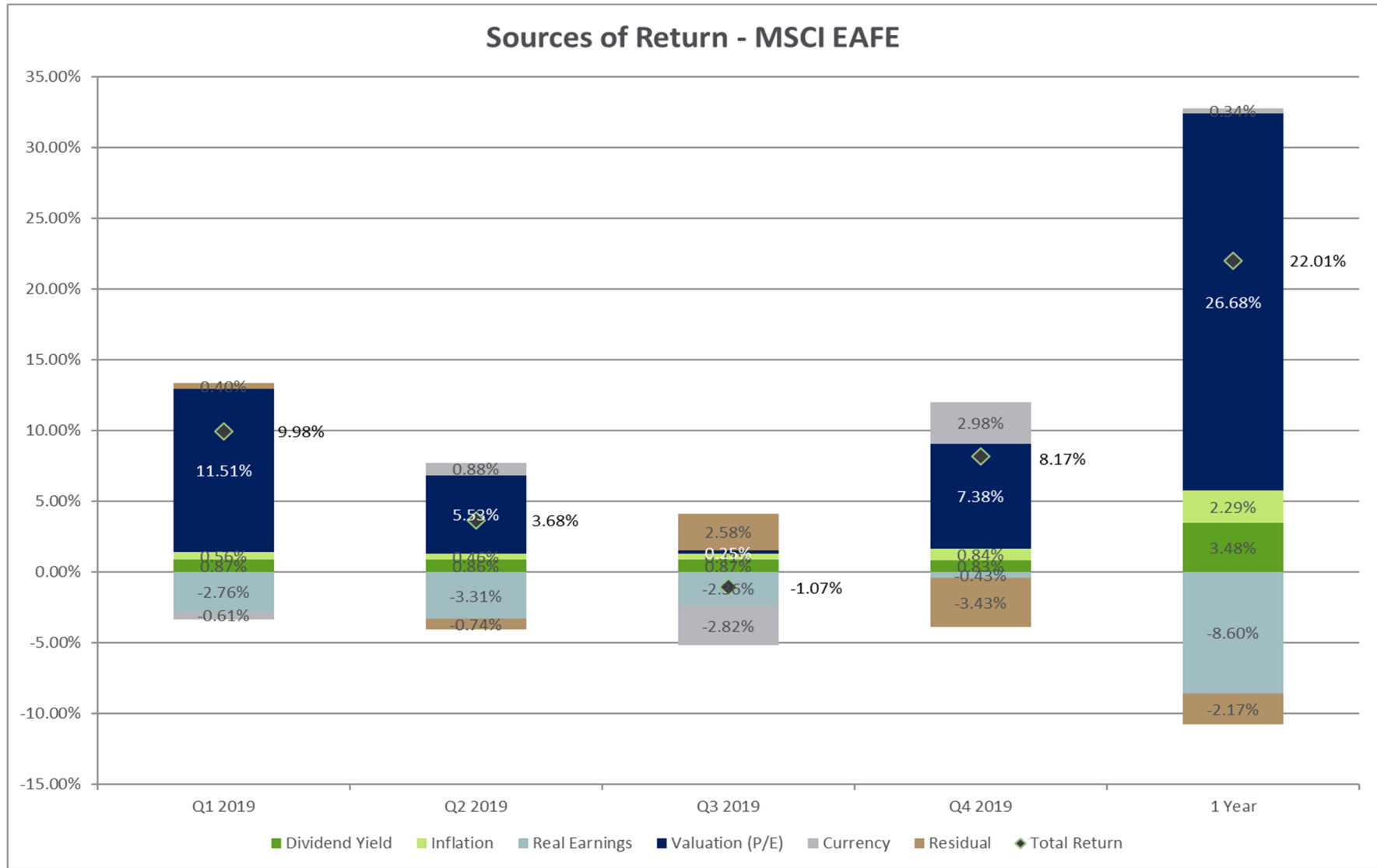
Source: Bloomberg, FactSet



1 YEAR ATTRIBUTION OF S&P 500 RETURNS



1 YEAR ATTRIBUTION OF MSCI EAFE RETURNS



Spot Rates

1 USD = 0.890 Euro

1 USD = 0.880 Euro

1 USD = 0.917 Euro

1 USD = 0.891 Euro



THIRD PARTY PLACEMENT AGENT DISCLOSURE

The New Mexico Educational Retirement Board Policy Regarding Placement Agent Disclosures requires that quarterly performance reports to the Board include information regarding any third-party marketers that were used by recipients of investments including any fee, commission or retainer paid by the hired fund to the third-party marketer for services rendered. These fees are not paid by NMERB but are paid by the hired funds for marketing services to the third-party.

The following investments were approved by the NMERB Investment Committee during the quarter, with disclosures made under the policy:

Eastern Timberland Ops III

The investment was approved for a \$50 million commitment on October 17, 2019 as part of the Fund's allocation to Real Assets.

Eastern Timberland has provided documentation confirming no placement agent was used in connection with NMERB's investment.

Additionally, Eastern Timberland has completed the ERB Campaign Contribution Disclosure and reports no applicable campaign contributions.

Varde XIII

The investment was approved for a \$102 million commitment on October 17, 2019 as part of the Fund's allocation to Opportunistic Credit.

Varde has provided documentation confirming no placement agent was used in connection with NMERB's investment.

Additionally, Varde has completed the ERB Campaign Contribution Disclosure and reports no applicable campaign contributions.

Cloverlay

The investment was approved for a \$150 million commitment on November 7, 2019 as part of the Fund's allocation to Diversifying Assets.

Cloverlay has provided documentation confirming no placement agent was used in connection with NMERB's investment.

Additionally, Cloverlay has completed the ERB Campaign Contribution Disclosure and reports no applicable campaign contributions.

AE Industrial AA

The investment was approved for a \$150 million commitment on November 7, 2019 as part of the Fund's allocation to Diversifying Assets.

AE Industrial has provided documentation confirming Eaton Partners was engaged as a placement agent in connection with NMERB's investment.

Additionally, AE Industrial has completed the ERB Campaign Contribution Disclosure and reports no applicable campaign contributions.



New Mexico Educational Retirement Board

TOTAL FUND PERFORMANCE SUMMARY (NET)

	Market Value	3 Mo Rank	Fiscal YTD Rank	1 Yr Rank	3 Yrs Rank	5 Yrs Rank	10 Yrs Rank	15 Yrs Rank	20 Yrs Rank	30 Yrs Rank	Inception	Inception Date									
Total Fund	\$13,765,857,178	3.99%	91	5.21%	74	14.12%	95	9.34%	36	7.52%	20	8.34%	39	6.85%	24	5.45%	69	8.61%	1	9.06%	Jul-83
Policy Index		4.10%	88	5.25%	73	14.53%	93	9.42%	35	7.35%	33	7.92%	56	6.33%	52	5.56%	62	7.64%	56	--	Jul-83
60% MSCI ACWI (Net) / 40% FTSE WGBI		5.16%	45	5.55%	55	18.17%	26	9.23%	42	6.02%	96	6.18%	99	5.48%	91	4.72%	96	6.60%	88	--	Jul-83
S&P 500		9.07%	1	10.92%	1	31.49%	1	15.27%	1	11.70%	1	13.56%	1	9.00%	1	6.06%	28	9.96%	1	11.09%	Jul-83
BBgBarc US Aggregate TR		0.18%	99	2.45%	99	8.72%	99	4.03%	99	3.05%	99	3.75%	99	4.15%	99	5.03%	84	5.91%	94	7.02%	Jul-83
InvMetrics Public DB > \$1B Net Median		5.11%		5.64%		16.96%		8.93%		6.80%		8.07%		6.36%		5.73%		7.68%		8.30%	Jul-83

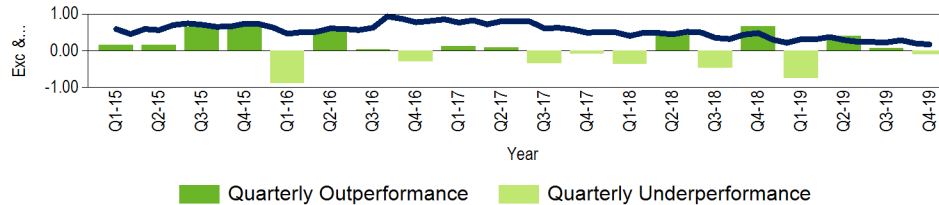
Over the past five years, the Fund returned 7.5% per annum, outperforming the policy index by 17 basis points and ranking in the 20th percentile of the Investment Metrics Public Funds > \$1 Billion universe and outperforming the actuarial assumed rate of 7.25%. The Fund's volatility was 4.8%, which ranks in the 6th percentile of its peers over this period. The Fund's risk-adjusted performance, as measured by the Sharpe Ratio, ranks in the 4th percentile of its peers.

Over the past three years, the Fund returned 9.3% per annum, underperforming the policy index by 8 basis points and ranking in the 36th percentile of its peer group. Over the same period, the Fund's volatility ranks in the 5th percentile of its peers, resulting in a three-year Sharpe Ratio of 1.8, which ranks in the 3rd percentile.

For the year ending December 31, 2019, the Fund experienced a net investment gain of \$1.7 billion, which includes a net investment gain of \$535.2 million during the quarter. Assets increased from \$12.5 billion twelve months ago, to \$13.38 billion on December 31, 2019, with \$484 million in net distributions during the year. The Fund returned 14.1%, underperforming the policy index by 41 basis points and ranking in the 95th percentile of its peers.

The InvMetrics Public Funds > \$1 Billion Net Universe contains 70 observations for the period ending December 31, 2019, with total assets of \$544 billion.

5 Year Rolling Annualized Excess Performance



5 Years Ending December 31, 2019								
	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Sharpe Ratio	Rank	Sortino Ratio	Rank
Total Fund	7.5%	20	4.8%	6	1.3	4	2.2	4
Policy Index	7.3%	33	5.2%	7	1.2	5	2.1	5
InvMetrics Public DB > \$1B Net Median	6.8%	--	6.4%	--	0.9	--	1.4	--

3 Years Ending December 31, 2019								
	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Sharpe Ratio	Rank	Sortino Ratio	Rank
Total Fund	9.3%	36	4.4%	5	1.8	3	2.5	5
Policy Index	9.4%	35	4.6%	6	1.7	3	3.4	1
InvMetrics Public DB > \$1B Net Median	8.9%	--	6.1%	--	1.2	--	1.6	--

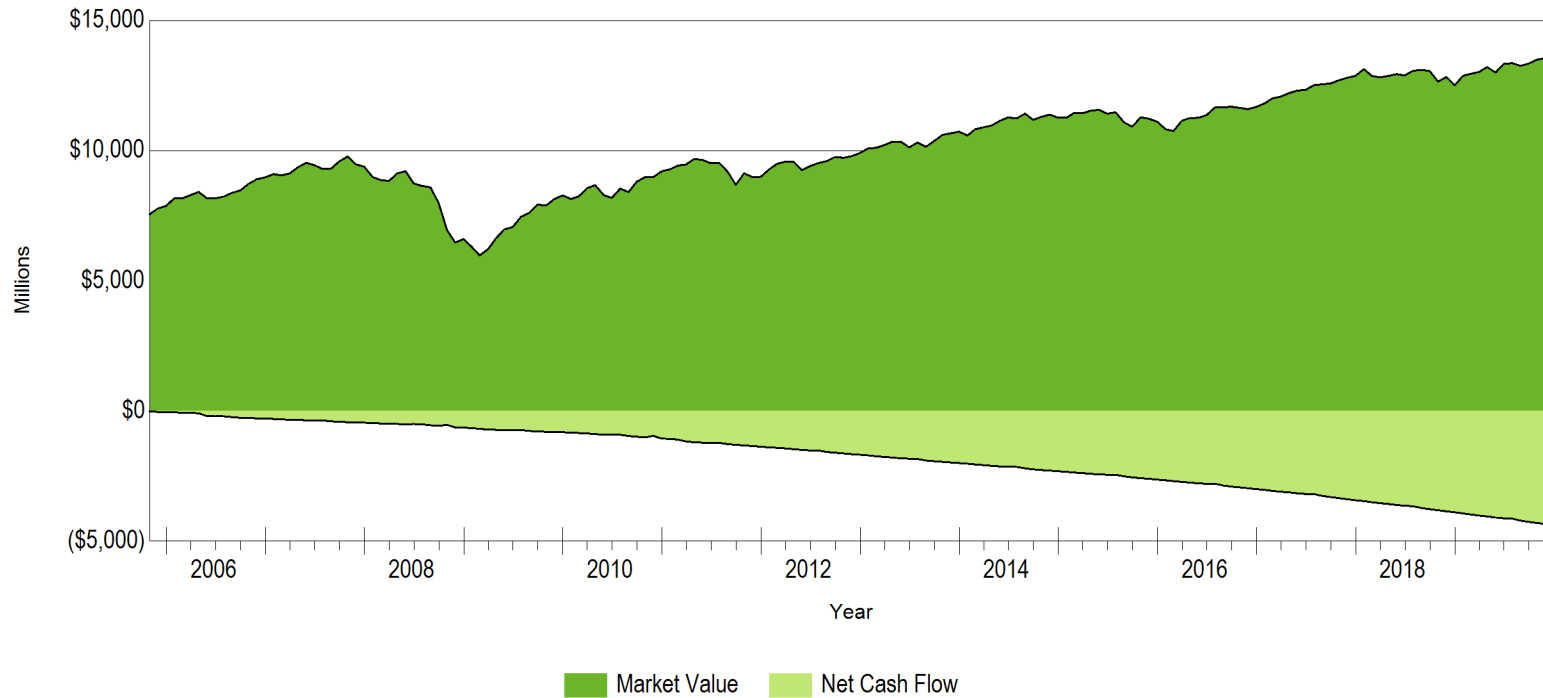
Total Fund	9.3%	36	4.4%	5	1.8	3	2.5	5
Policy Index	9.4%	35	4.6%	6	1.7	3	3.4	1
InvMetrics Public DB > \$1B Net Median	8.9%	--	6.1%	--	1.2	--	1.6	--



New Mexico Educational Retirement Board

TOTAL FUND ASSET GROWTH SUMMARY

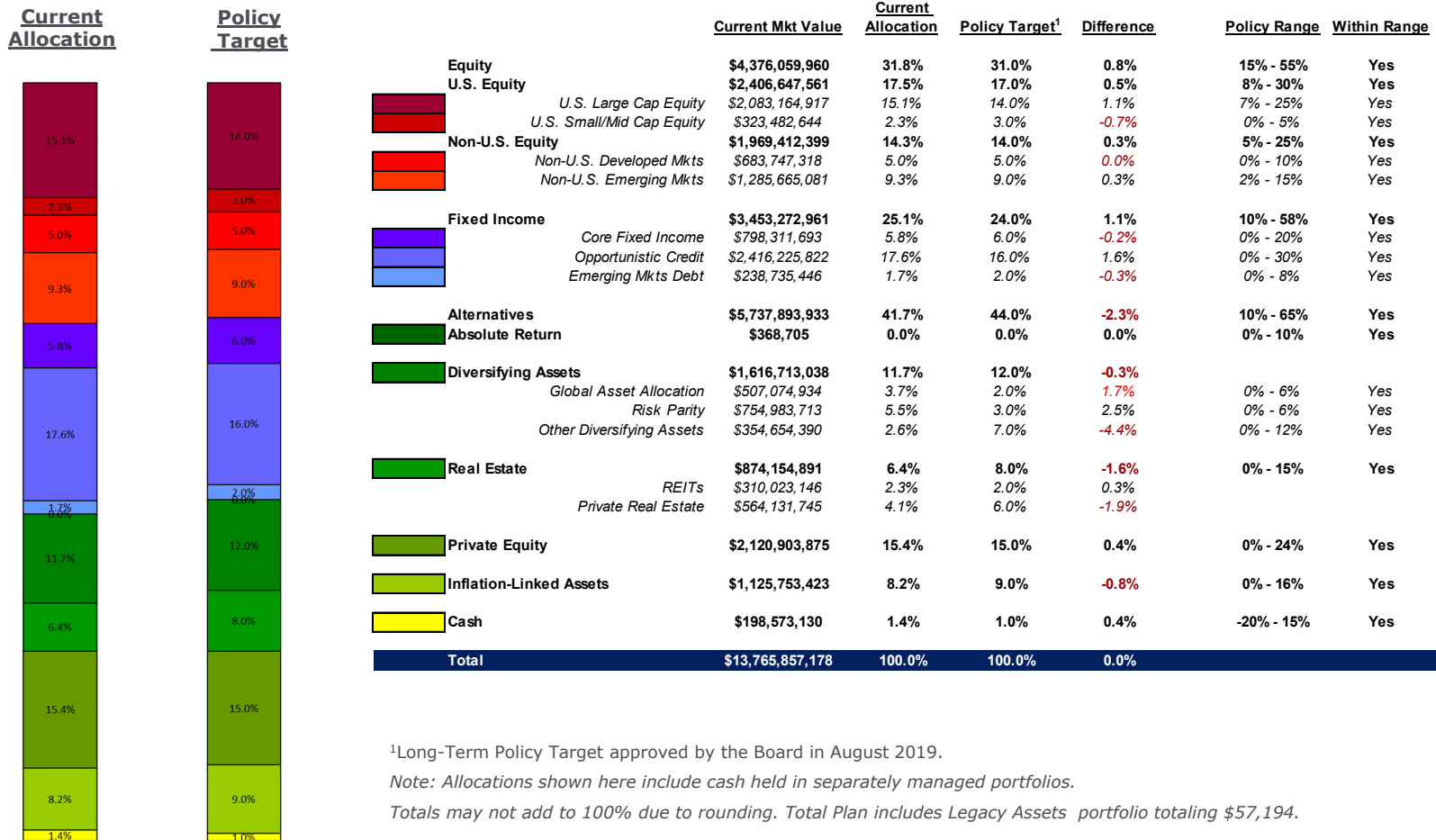
Market Value History
Since NEPC began tracking performance, October 1, 2005 thru December 31, 2019



	Last Three Months	Fiscal Year-To-Date	One Year	Three Years	Five Years	Since 10/1/05
Beginning Market Value	\$13,345,900,640	\$13,329,141,720	\$12,504,945,863	\$11,683,011,729	\$11,263,769,807	\$7,694,652,364
Net Cash Flow	-\$115,284,193	-\$254,093,047	-\$484,134,272	-\$1,373,864,311	-\$2,061,782,501	-\$4,365,468,611
Net Investment Change	\$535,240,731	\$690,808,505	\$1,745,045,587	\$3,456,709,760	\$4,563,869,872	\$10,436,673,425
Ending Market Value	\$13,765,857,178	\$13,765,857,178	\$13,765,857,178	\$13,765,857,178	\$13,765,857,178	\$13,765,857,178

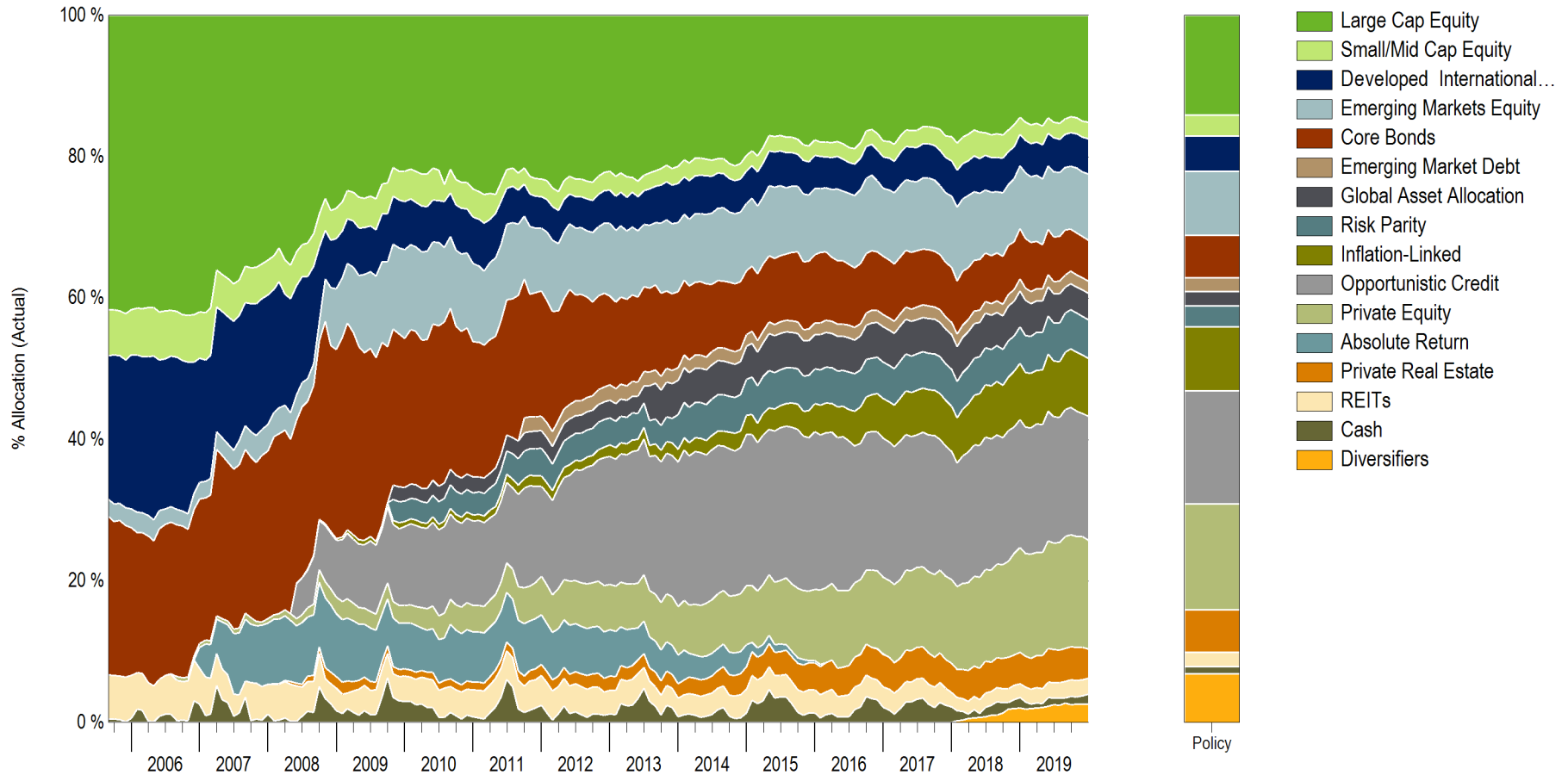


TOTAL FUND ASSET ALLOCATION VS. POLICY



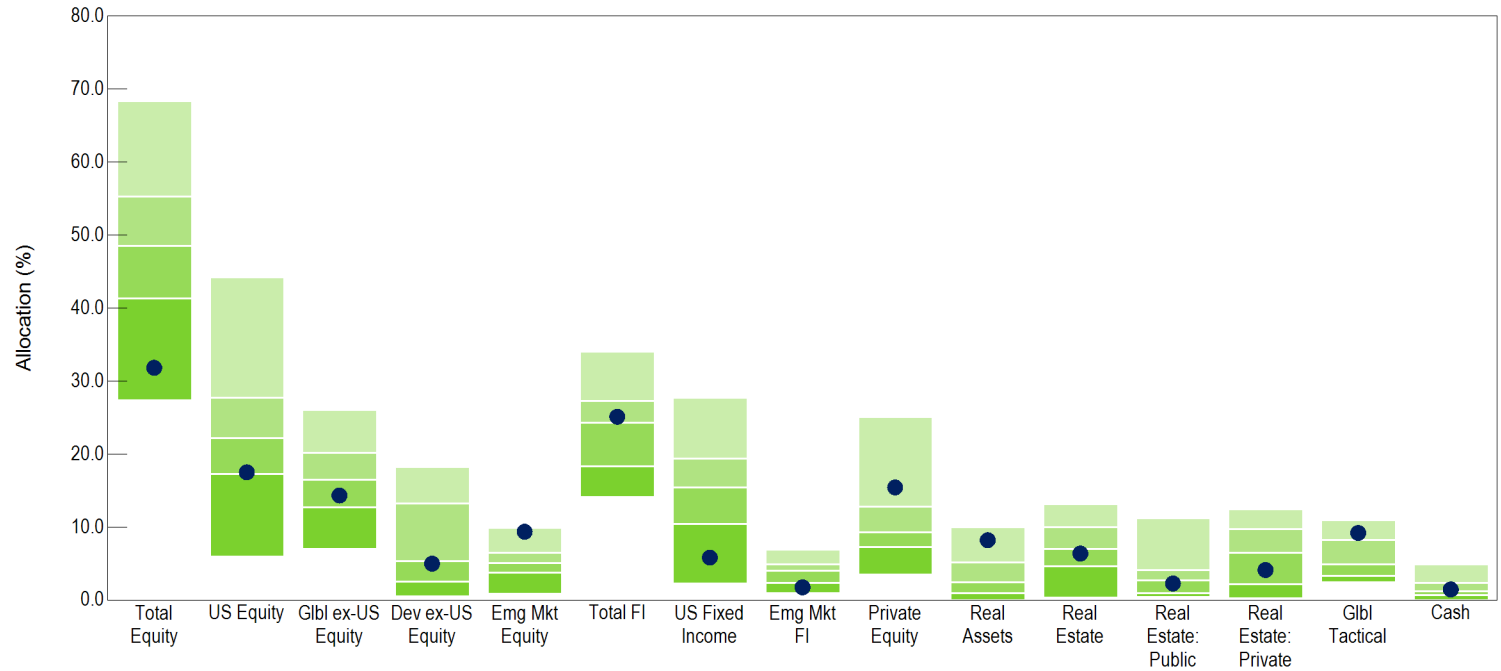
TOTAL FUND ASSET ALLOCATION HISTORY

Quarterly Asset Allocation History
September 2005 - Present



TOTAL FUND ALLOCATIONS VS. PEER UNIVERSE

Total Plan Allocation vs. InvMetrics Public DB > \$1B Net



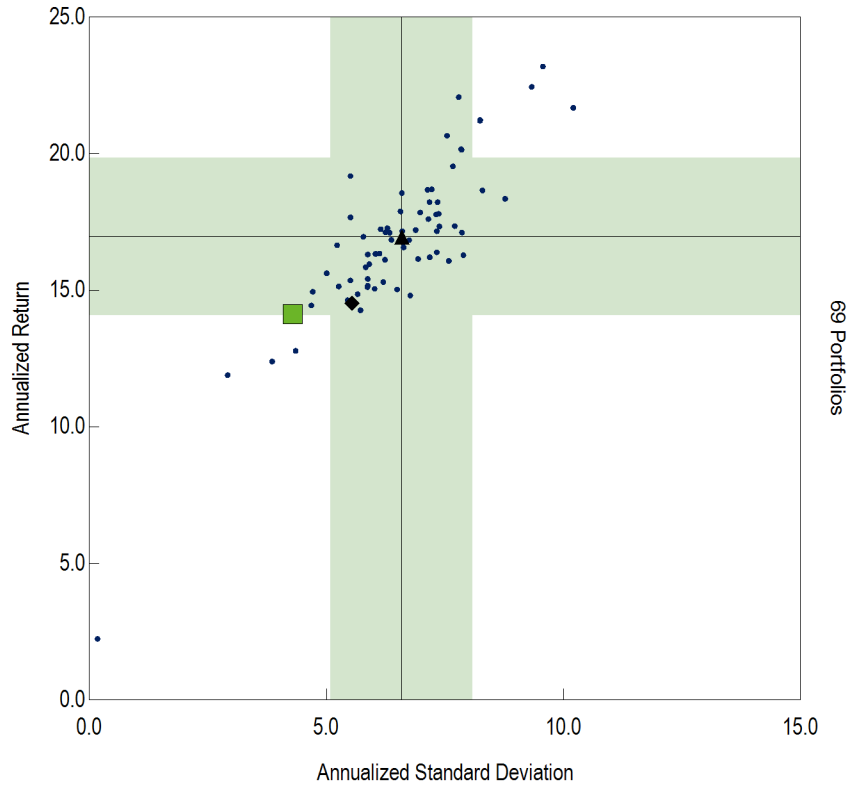
	Allocation (Rank)															
5th Percentile	68.3	44.1	26.0	18.2	9.9	34.0	27.7	6.9	25.1	10.0	13.1	11.2	12.4	11.0	4.9	--
25th Percentile	55.3	27.8	20.2	13.3	6.5	27.4	19.4	5.0	12.9	5.3	10.0	4.2	9.8	8.3	2.4	--
Median	48.6	22.3	16.6	5.4	5.2	24.3	15.5	4.1	9.4	2.5	7.0	2.8	6.5	4.9	1.3	--
75th Percentile	41.3	17.4	12.8	2.6	3.9	18.4	10.5	2.5	7.3	1.0	4.7	1.0	2.2	3.4	0.7	--
95th Percentile	27.4	6.1	7.0	0.6	0.9	14.2	2.3	1.0	3.6	0.1	0.4	0.5	0.3	2.5	0.1	--
# of Portfolios	57	47	55	29	42	57	48	26	51	27	53	16	49	10	58	--
● Total Fund	31.8 (94)	17.5 (75)	14.3 (64)	5.0 (54)	9.3 (7)	25.1 (45)	5.8 (87)	1.7 (86)	15.4 (14)	8.2 (10)	6.4 (58)	2.3 (56)	4.1 (72)	9.2 (19)	1.4 (48)	--



New Mexico Educational Retirement Board

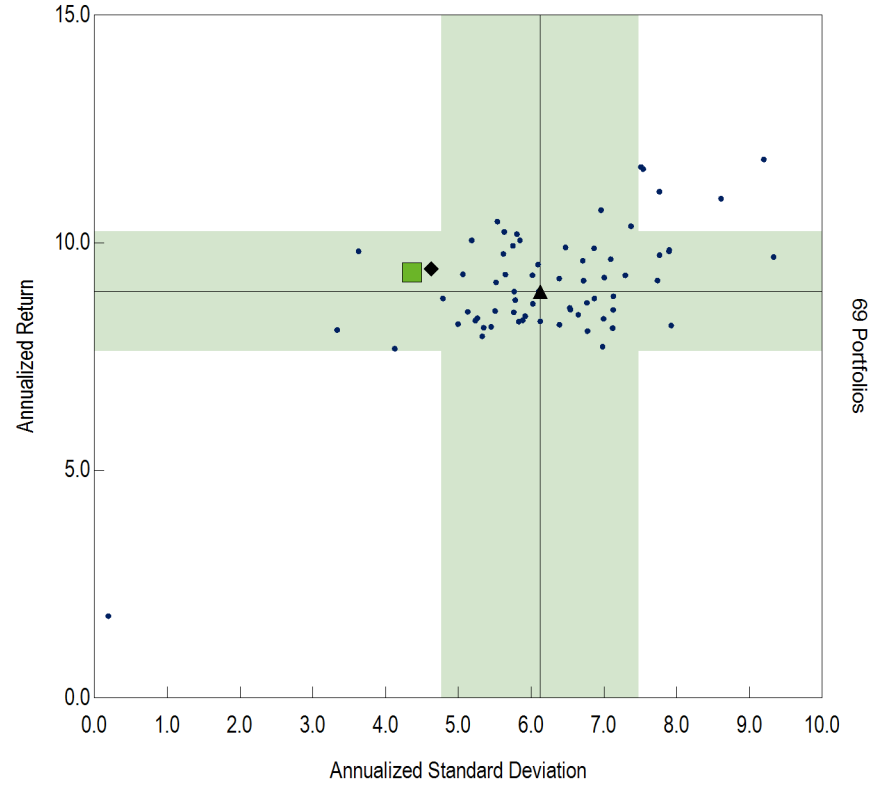
TOTAL FUND RISK/RETURN

1 Year Ending December 31, 2019



- Total Fund
- ◆ Policy Index
- ▲ Universe Median
- 68% Confidence Interval
- InvMetrics Public DB > \$1B Net

3 Years Ending December 31, 2019



- Total Fund
- ◆ Policy Index
- ▲ Universe Median
- 68% Confidence Interval
- InvMetrics Public DB > \$1B Net

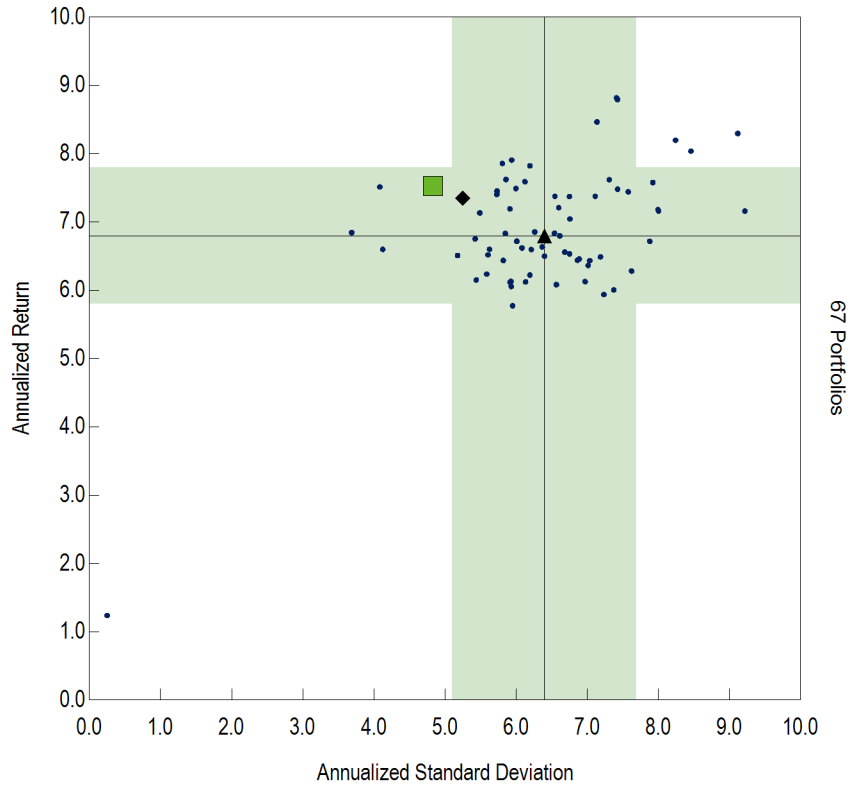
Note: Ranks are based on net returns.



New Mexico Educational Retirement Board

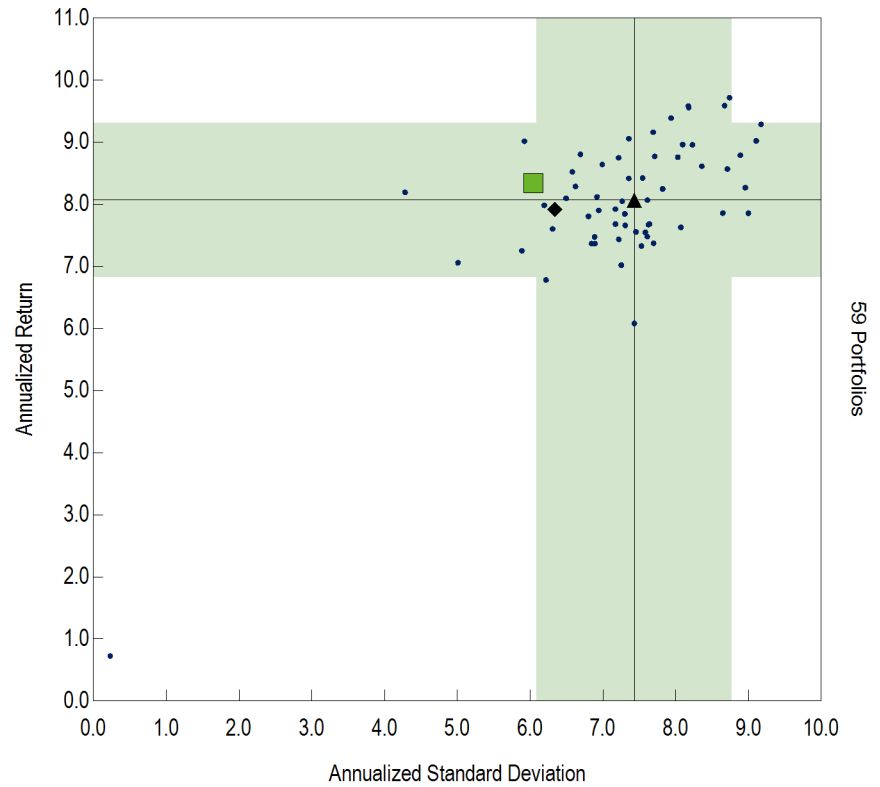
TOTAL FUND RISK/RETURN

5 Years Ending December 31, 2019



- Total Fund
- ◆ Policy Index
- ▲ Universe Median
- 68% Confidence Interval
- InvMetrics Public DB > \$1B Net

10 Years Ending December 31, 2019



- Total Fund
- ◆ Policy Index
- ▲ Universe Median
- 68% Confidence Interval
- InvMetrics Public DB > \$1B Net

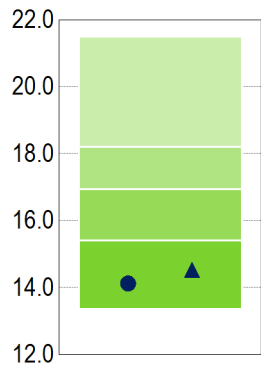
Note: Ranks are based on net returns.



TOTAL FUND RISK STATISTICS VS. PEER UNIVERSE

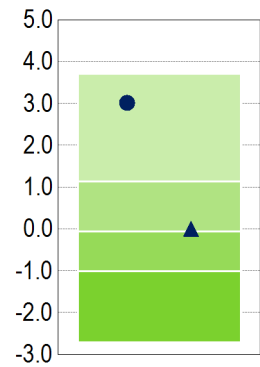
Total Fund vs. InvMetrics Public DB > \$1B Net (USD) (peer)
1 Year

Anlzd Return



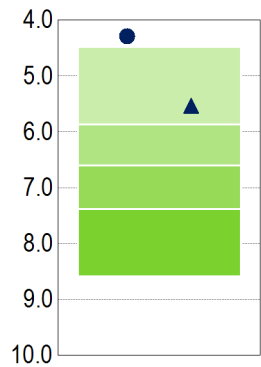
● Total Fund	
Value	14.1
Rank	95
▲ Policy Index	
Value	14.5
Rank	93
Universe	
5th %tile	21.5
25th %tile	18.2
Median	17.0
75th %tile	15.4
95th %tile	13.4

Anlzd Alpha



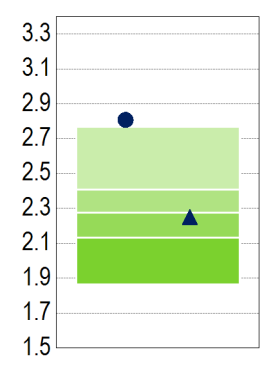
● Total Fund	
Value	3.0
Rank	9
▲ Policy Index	
Value	0.0
Rank	49
Universe	
5th %tile	3.7
25th %tile	1.2
Median	-0.1
75th %tile	-1.0
95th %tile	-2.7

Anlzd Standard Deviation



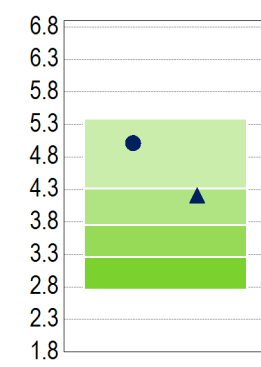
● Total Fund	
Value	4.3
Rank	5
▲ Policy Index	
Value	5.5
Rank	18
Universe	
5th %tile	4.5
25th %tile	5.9
Median	6.6
75th %tile	7.4
95th %tile	8.6

Sharpe Ratio



● Total Fund	
Value	2.8
Rank	4
▲ Policy Index	
Value	2.3
Rank	58
Universe	
5th %tile	2.8
25th %tile	2.4
Median	2.3
75th %tile	2.1
95th %tile	1.9

Sortino Ratio



● Total Fund	
Value	5.0
Rank	9
▲ Policy Index	
Value	4.2
Rank	29
Universe	
5th %tile	5.4
25th %tile	4.3
Median	3.8
75th %tile	3.3
95th %tile	2.8

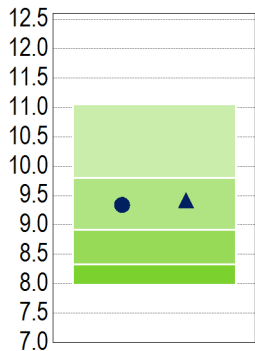
Note: Ranks are based on net returns. Universe contains 70 observations with total assets of \$544 billion. Sortino ratio needs two negative periods to populate.



TOTAL FUND RISK STATISTICS VS. PEER UNIVERSE

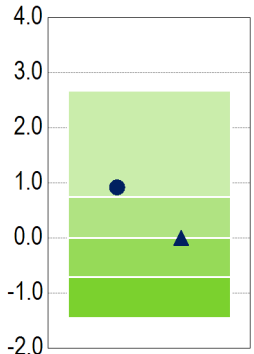
Total Fund vs. InvMetrics Public DB > \$1B Net (USD) (peer)
3 Year

Anlzd Return



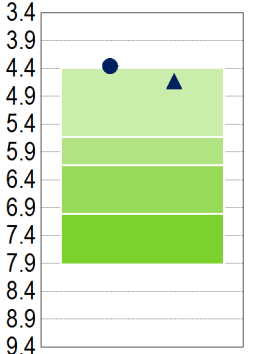
● Total Fund	
Value	9.3
Rank	36
▲ Policy Index	
Value	9.4
Rank	35
Universe	
5th %tile	11.1
25th %tile	9.8
Median	8.9
75th %tile	8.3
95th %tile	8.0

Anlzd Alpha



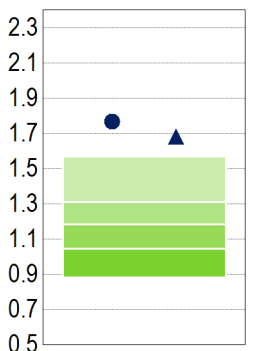
● Total Fund	
Value	0.9
Rank	21
▲ Policy Index	
Value	0.0
Rank	51
Universe	
5th %tile	2.7
25th %tile	0.7
Median	0.0
75th %tile	-0.7
95th %tile	-1.4

Anlzd Standard Deviation



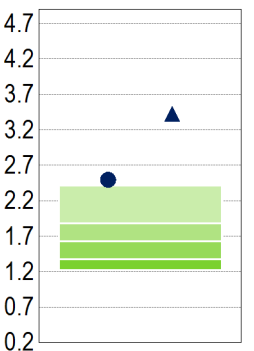
● Total Fund	
Value	4.4
Rank	5
▲ Policy Index	
Value	4.6
Rank	6
Universe	
5th %tile	4.4
25th %tile	5.6
Median	6.1
75th %tile	7.0
95th %tile	7.9

Sharpe Ratio



● Total Fund	
Value	1.8
Rank	3
▲ Policy Index	
Value	1.7
Rank	3
Universe	
5th %tile	1.6
25th %tile	1.3
Median	1.2
75th %tile	1.0
95th %tile	0.9

Sortino Ratio



● Total Fund	
Value	2.5
Rank	5
▲ Policy Index	
Value	3.4
Rank	1
Universe	
5th %tile	2.4
25th %tile	1.9
Median	1.6
75th %tile	1.4
95th %tile	1.2

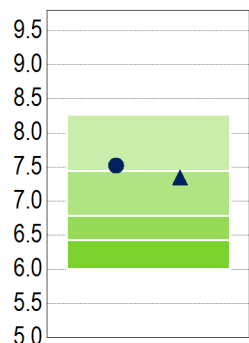
Note: Ranks are based on net returns. Universe contains 70 observations with total assets of \$544 billion. Sortino ratio needs two negative periods to populate.



TOTAL FUND RISK STATISTICS VS. PEER UNIVERSE

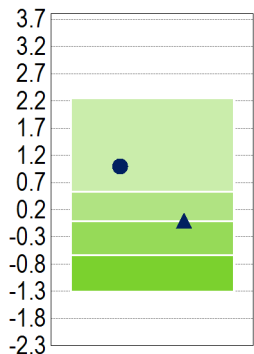
Total Fund vs. InvMetrics Public DB > \$1B Net (USD) (peer) 5 Year

Anlzd Return



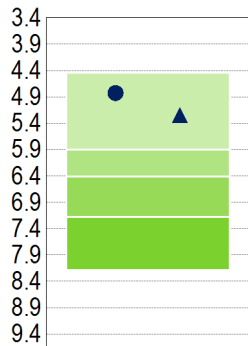
● Total Fund	
Value	7.5
Rank	20
▲ Policy Index	
Value	7.3
Rank	33
Universe	
5th %tile	8.3
25th %tile	7.4
Median	6.8
75th %tile	6.4
95th %tile	6.0

Anlzd Alpha



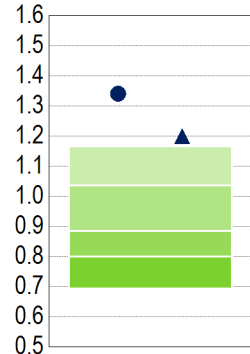
● Total Fund	
Value	1.0
Rank	17
▲ Policy Index	
Value	0.0
Rank	51
Universe	
5th %tile	2.3
25th %tile	0.5
Median	0.0
75th %tile	-0.6
95th %tile	-1.3

Anlzd Standard Deviation



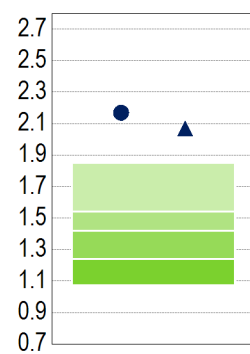
● Total Fund	
Value	4.8
Rank	6
▲ Policy Index	
Value	5.2
Rank	7
Universe	
5th %tile	4.4
25th %tile	5.9
Median	6.4
75th %tile	7.2
95th %tile	8.2

Sharpe Ratio



● Total Fund	
Value	1.3
Rank	4
▲ Policy Index	
Value	1.2
Rank	5
Universe	
5th %tile	1.2
25th %tile	1.0
Median	0.9
75th %tile	0.8
95th %tile	0.7

Sortino Ratio



● Total Fund	
Value	2.2
Rank	4
▲ Policy Index	
Value	2.1
Rank	5
Universe	
5th %tile	1.8
25th %tile	1.5
Median	1.4
75th %tile	1.2
95th %tile	1.1

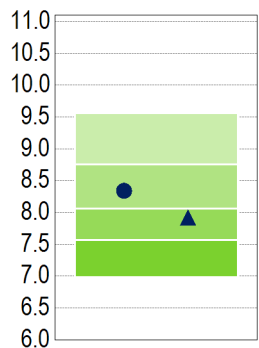
Note: Ranks are based on net returns. Universe contains 70 observations with total assets of \$544 billion. Sortino ratio needs two negative periods to populate.



TOTAL FUND RISK STATISTICS VS. PEER UNIVERSE

Total Fund vs. InvMetrics Public DB > \$1B Net (USD) (peer) 10 Year

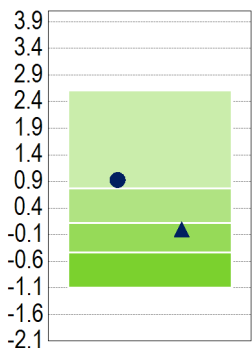
Anlzd Return



● Total Fund	
Value	8.3
Rank	39
▲ Policy Index	
Value	7.9
Rank	56

Universe	
5th %tile	9.6
25th %tile	8.8
Median	8.1
75th %tile	7.6
95th %tile	7.0

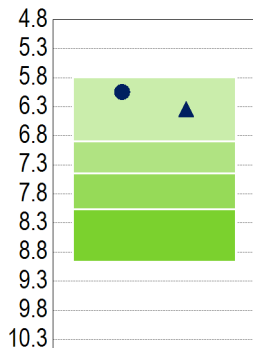
Anlzd Alpha



● Total Fund	
Value	0.9
Rank	22
▲ Policy Index	
Value	0.0
Rank	55

Universe	
5th %tile	2.6
25th %tile	0.8
Median	0.1
75th %tile	-0.4
95th %tile	-1.1

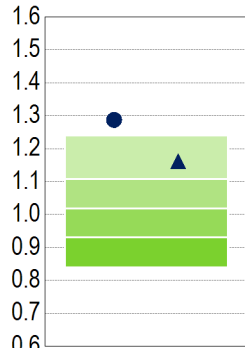
Anlzd Standard Deviation



● Total Fund	
Value	6.0
Rank	8
▲ Policy Index	
Value	6.3
Rank	13

Universe	
5th %tile	5.8
25th %tile	6.9
Median	7.4
75th %tile	8.0
95th %tile	9.0

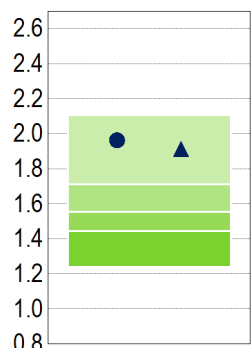
Sharpe Ratio



● Total Fund	
Value	1.3
Rank	4
▲ Policy Index	
Value	1.2
Rank	13

Universe	
5th %tile	1.2
25th %tile	1.1
Median	1.0
75th %tile	0.9
95th %tile	0.8

Sortino Ratio



● Total Fund	
Value	2.0
Rank	7
▲ Policy Index	
Value	1.9
Rank	7

Universe	
5th %tile	2.1
25th %tile	1.7
Median	1.6
75th %tile	1.4
95th %tile	1.2

Note: Ranks are based on net returns. Universe contains 70 observations with total assets of \$544 billion. Sortino ratio needs two negative periods to populate.



New Mexico Educational Retirement Board

3 YEAR RISK/RETURN PROFILE

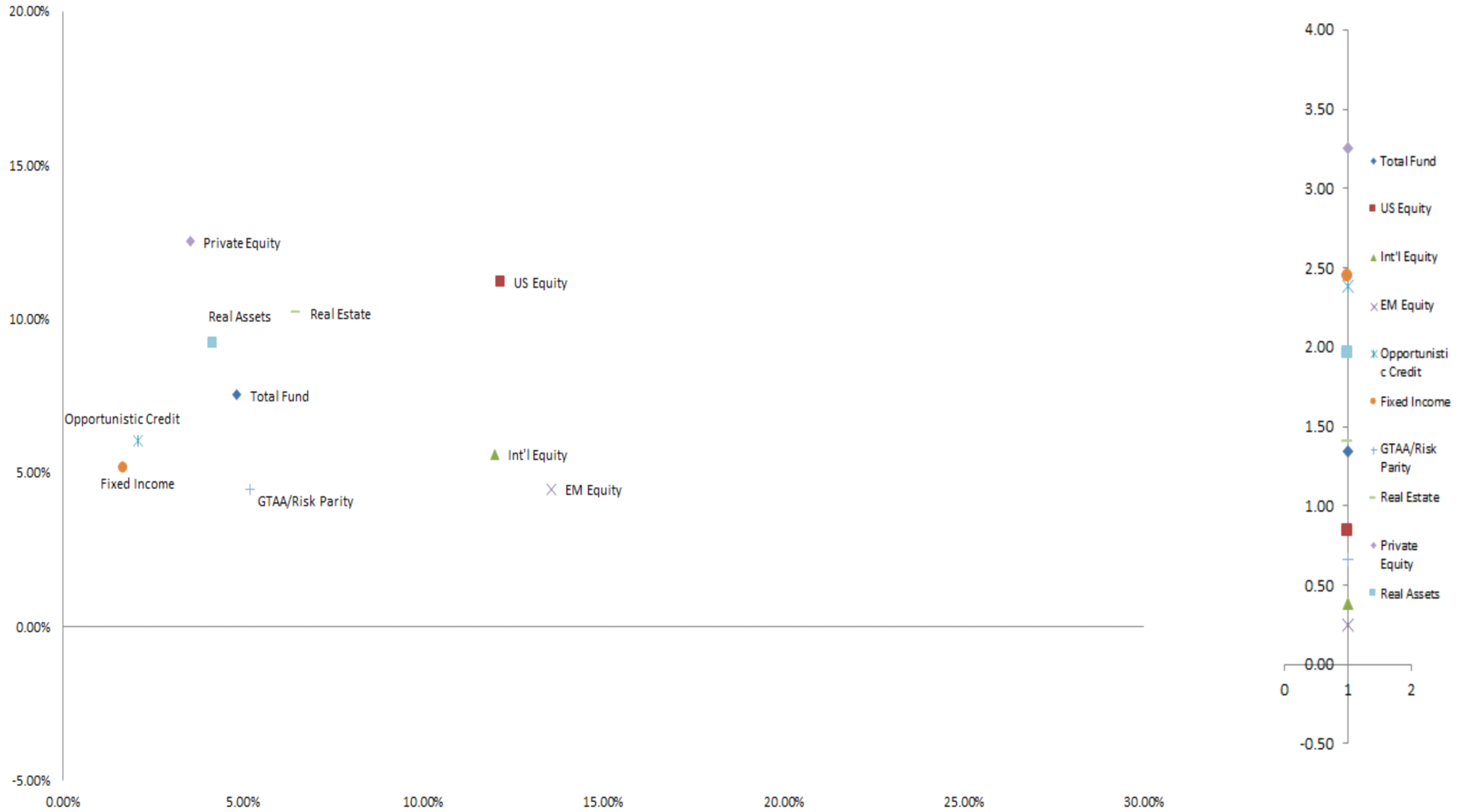


Note: Returns are net of fees. The graph on the right side shows composite level sharpe ratios.



New Mexico Educational Retirement Board

5 YEAR RISK/RETURN PROFILE



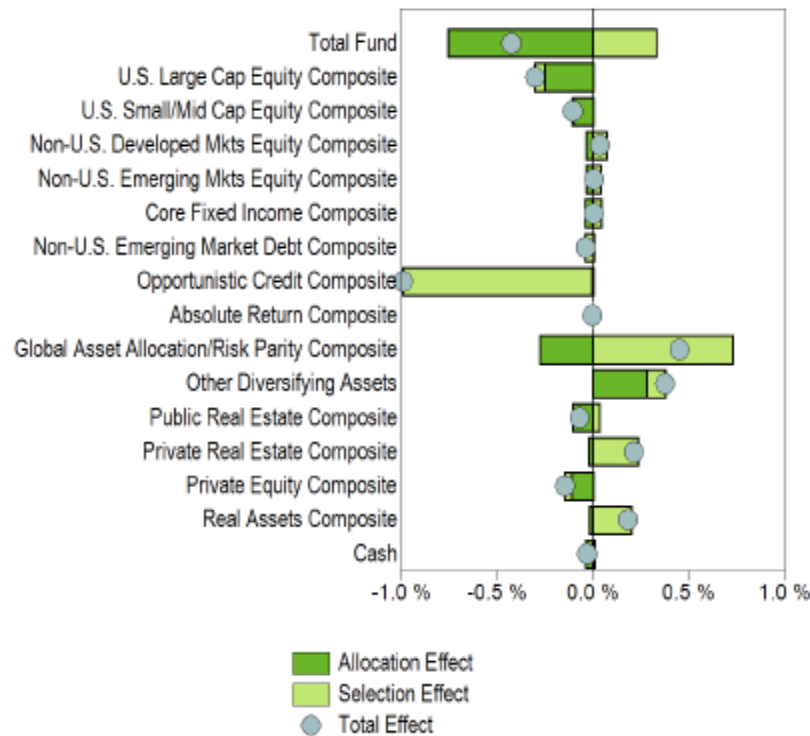
Note: Returns are net of fees. The graph on the right side shows composite level sharpe ratios.



TOTAL FUND ATTRIBUTION ANALYSIS

Attribution Effects
1 Year Ending December 31, 2019

1 Year Excess Return: -0.41%



- Allocation Effect: -0.75%
 - Other Diversifying Assets underweight (+0.28%)
 - Public Real Estate underweight (-0.10%)
 - U.S. Small/Mid Cap Equity underweight (-0.10%)
 - Private Equity overweight (-0.11%)
 - U.S. Large Cap Equity underweight (-0.25%)
 - Global Asset Allocation/Risk Parity overweight (-0.28%)
- Manager Selection Effect: +0.33%
 - Global Asset Allocation/Risk Parity outperformed (+0.73%)
 - Private Real Estate outperformed (+0.23%)
 - Real Assets outperformed (+0.20%)
 - Other Diversifying Assets outperformed (+0.09%)
 - Non-U.S. Developed Markets Equity outperformed (+0.07%)
 - U.S. Large Cap Equity underperformed (-0.05%)
 - Opportunistic Credit underperformed (-0.98%)
- Residual: 0.00%

The Brinson-Fachler Attribution model explains excess return by identifying the size of contributors or detractors from excess return based on the three effects defined below:

Allocation Effect: Measures the impact of the decision to over/under weight asset classes relative to Interim SAAP benchmark weights. $(\text{Return Asset Class Index} - \text{Total Interim Policy Index Return}) \times (\text{Weight Asset Class Portfolio} - \text{Weight Asset Class Interim Policy Index})$.

Manager Selection Effect: Measures the impact of over/under performance of asset classes in the portfolio relative to the asset class benchmarks in the Interim SAAP benchmark. $[\text{Weight Asset Class Benchmark} \times (\text{Return Portfolio Asset Class} - \text{Return Asset Class in Interim Policy Index})] + \text{Interaction Effect}$: Measures the impact of over/under weighting decisions and over/under performance. $(\text{Return Asset Class Portfolio} (\text{Weight Asset Class Portfolio} - \text{Weight Asset Class Policy Index})) - (\text{Return Asset Class Index} (\text{Weight Asset Class Portfolio} - \text{Weight Asset Class Index}))$.

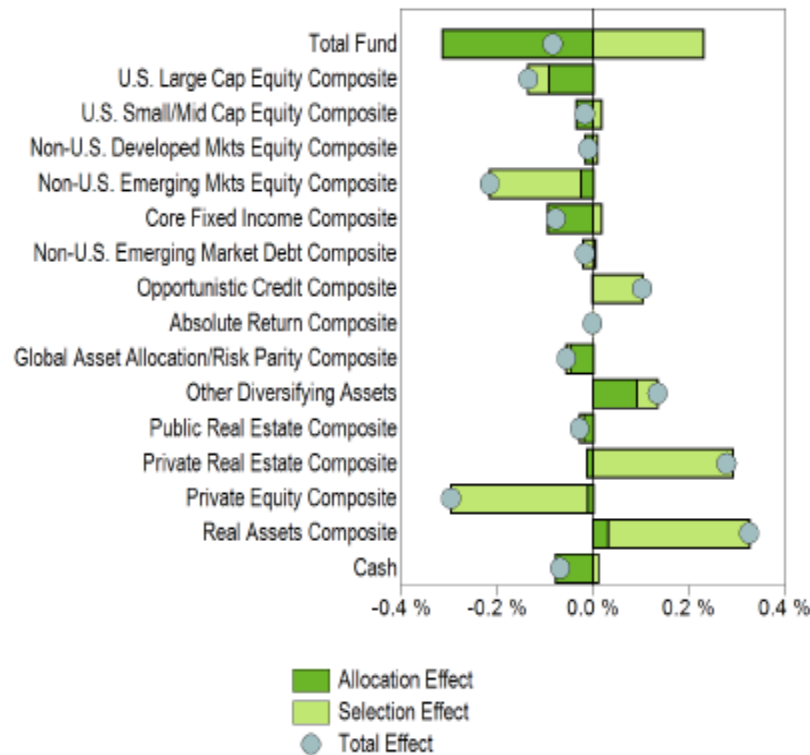
Residual: Contribution to excess return not captured in Allocation Effect and Manager Selection Effect.



TOTAL FUND ATTRIBUTION ANALYSIS

Attribution Effects
3 Years Ending December 31, 2019

3 Year Excess Return: -0.08%



- Allocation Effect: -0.31%
 - Other Diversifying Assets underweight (+0.09%)
 - Global Asset Allocation/Risk Parity overweight (-0.05%)
 - Cash overweight (-0.08%)
 - U.S. Large Cap Equity underweight (-0.09%)
 - Core Fixed Income overweight (-0.09%)
- Manager Selection Effect: +0.23%
 - Real Assets outperformed (+0.29%)
 - Private Real Estate outperformed (+0.29%)
 - Opportunistic Credit outperformed (+0.10%)
 - Non U.S. Emerging Mkts Equity underperformed (-0.19%)
 - Private Equity underperformed (-0.28%)
- Residual: 0.00%

The Brinson-Fachler Attribution model explains excess return by identifying the size of contributors or detractors from excess return based on the three effects defined below:

Allocation Effect: Measures the impact of the decision to over/under weight asset classes relative to Interim SAAP benchmark weights. $(\text{Return Asset Class Index} - \text{Total Interim Policy Index Return}) \times (\text{Weight Asset Class Portfolio} - \text{Weight Asset Class Interim Policy Index})$.

Manager Selection Effect: Measures the impact of over/under performance of asset classes in the portfolio relative to the asset class benchmarks in the Interim SAAP benchmark. $[\text{Weight Asset Class Benchmark} \times (\text{Return Portfolio Asset Class} - \text{Return Asset Class in Interim Policy Index})]$ + **Interaction Effect:** Measures the impact of over/under weighting decisions and over/under performance. $(\text{Return Asset Class Portfolio} (\text{Weight Asset Class Portfolio} - \text{Weight Asset Class Policy Index})) - (\text{Return Asset Class Index} (\text{Weight Asset Class Portfolio} - \text{Weight Asset Class Index}))$.

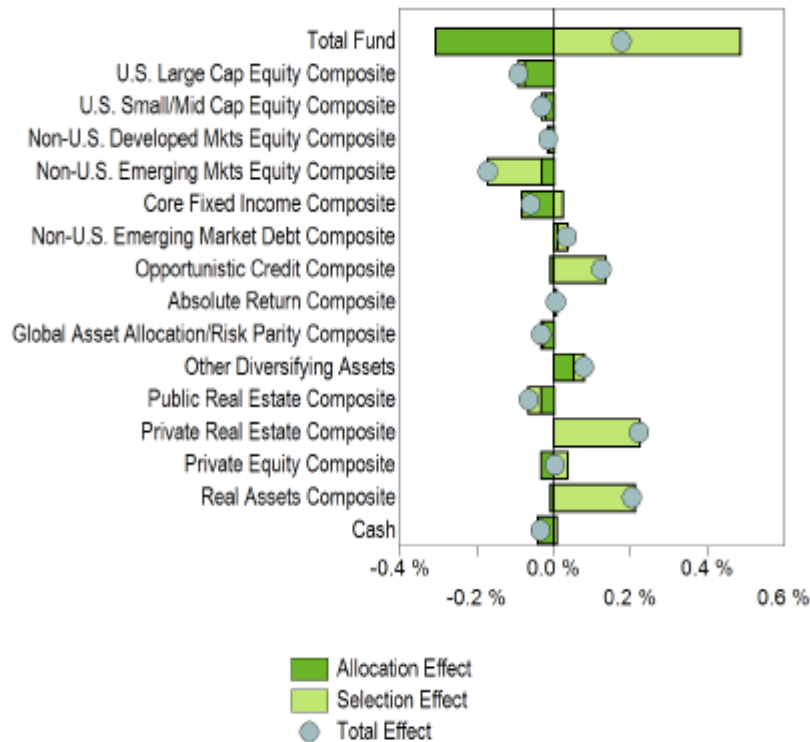
Residual: Contribution to excess return not captured in Allocation Effect and Manager Selection Effect.



TOTAL FUND ATTRIBUTION ANALYSIS

Attribution Effects
5 Years Ending December 31, 2019

5 Year Excess Return: +0.18%



- Allocation Effect: -0.31%
 - Other Diversifying Assets underweight (+0.05%)
 - U.S. Large Cap Equity underweight (-0.08%)
 - Core Fixed Income overweight (-0.08%)
- Manager Selection Effect: +0.49%
 - Private Real Estate outperformed (+0.22%)
 - Real Assets outperformed (+0.21%)
 - Opportunistic Credit outperformed (+0.13%)
 - Emerging Mkts Equity underperformed (-0.14%)
- Residual: 0.00%

The Brinson-Fachler Attribution model explains excess return by identifying the size of contributors or detractors from excess return based on the three effects defined below:

Allocation Effect: Measures the impact of the decision to over/under weight asset classes relative to Interim SAAP benchmark weights. $(\text{Return Asset Class Index} - \text{Total Interim Policy Index Return}) \times (\text{Weight Asset Class Portfolio} - \text{Weight Asset Class Interim Policy Index})$.

Manager Selection Effect: Measures the impact of over/under performance of asset classes in the portfolio relative to the asset class benchmarks in the Interim SAAP benchmark. $[\text{Weight Asset Class Benchmark} \times (\text{Return Portfolio Asset Class} - \text{Return Asset Class in Interim Policy Index})]$ + **Interaction Effect:** Measures the impact of over/under weighting decisions and over/under performance. $(\text{Return Asset Class Portfolio} (\text{Weight Asset Class Portfolio} - \text{Weight Asset Class Policy Index})) - (\text{Return Asset Class Index} (\text{Weight Asset Class Portfolio} - \text{Weight Asset Class Index}))$.

Residual: Contribution to excess return not captured in Allocation Effect and Manager Selection Effect.



New Mexico Educational Retirement Board

TOTAL FUND RISK STATISTICS

3 Years Ending December 31, 2019												
	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Anlzd AJ	Rank	Tracking Error	Rank	Info Ratio	Rank	Beta
U.S. Large Cap Equity Composite	15.1%	15.0%	12	12.1%	13	-0.3%	27	0.2%	1	-1.3	--	1.0
S&P 500	--	15.3%	8	12.1%	12	0.0%	14	0.0%	1	--	--	1.0
U.S. Small/Mid Cap Equity Composite	2.3%	11.4%	92	14.3%	99	1.5%	3	3.3%	93	0.3	13	0.9
NMERB Small/Mid Cap Equity Blended Index	--	10.3%	99	14.8%	99	0.0%	14	0.0%	1	--	--	1.0
Non-U.S. Developed Mkts Equity Composite	5.0%	9.7%	69	11.1%	32	0.1%	58	0.8%	11	0.2	58	1.0
MSCI EAFE	--	9.6%	78	11.0%	27	0.0%	66	0.0%	1	--	--	1.0
Non-U.S. Emerging Mkts Equity Composite	9.3%	9.9%	40	12.4%	29	-0.2%	36	3.1%	41	-0.6	--	0.8
MSCI Emerging Markets	--	11.6%	24	14.4%	87	0.0%	31	0.0%	1	--	--	1.0
Core Fixed Income Composite	5.8%	4.2%	49	3.0%	85	0.2%	84	0.6%	30	0.4	39	1.0
BBgBarc US Aggregate TR	--	4.0%	75	2.9%	77	0.0%	99	0.0%	1	--	--	1.0
Non-U.S. Emerging Market Debt Composite	1.7%	5.7%	28	5.9%	46	-0.3%	37	2.3%	64	-0.5	--	0.8
Non-U.S. EMD Custom Benchmark	--	6.9%	11	6.6%	50	0.0%	34	0.0%	1	--	--	1.0
Opportunistic Credit Composite	17.6%	6.0%	--	1.7%	--	2.8%	--	2.1%	--	0.2	--	0.4
50% CS Leveraged Loan / 50% ICE BofA ML US HY BB-B Rated Constrained Index	--	5.5%	--	3.1%	--	0.0%	--	0.0%	--	--	--	1.0
Global Asset Allocation/Risk Parity Composite	9.2%	6.2%	--	3.8%	--	1.8%	--	3.9%	--	-0.5	--	0.4
GAA/Risk Parity Custom Index	--	8.2%	--	2.0%	--	0.0%	--	0.0%	--	--	--	1.0

3 Years Ending December 31, 2019							
	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Anlzd AJ	Rank
Real Estate Composite	6.4%	11.1%	1	5.3%	99	11.0%	5
NCREIF Property Index	--	6.7%	58	2.7%	46	0.0%	85
Private Equity Composite	15.4%	12.2%	55	2.8%	1	11.5%	31
Cambridge Associates US All PE (1 Qtr Lag)	--	14.2%	42	6.8%	79	0.0%	85
Real Assets Composite	8.2%	10.1%	10	4.2%	26	13.4%	6
CPI + 4% (Seasonally Adjusted)	--	6.2%	33	0.6%	1	0.0%	75

1 - Performance for Equity, Fixed Income, and Emerging Mkt Debt, Opportunistic Credit and GAA/Risk Parity composites are net of fees.
 Note: Percent of Total equals 96% because Absolute Return Composite, Diversifying Assets Composite, and Cash Composite are not included.



New Mexico Educational Retirement Board

TOTAL FUND RISK STATISTICS

5 Years Ending December 31, 2019												
	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Anlzd AJ	Rank	Tracking Error	Rank	Info Ratio	Rank	Beta
U.S. Large Cap Equity Composite	15.1%	11.6%	8	12.0%	10	-0.1%	19	0.2%	1	-0.5	--	1.0
S&P 500	--	11.7%	7	12.0%	10	0.0%	17	0.0%	1	--	--	1.0
U.S. Small/Mid Cap Equity Composite	2.3%	8.7%	96	14.3%	99	0.1%	13	3.2%	93	-0.1	--	1.0
NMERB Small/Mid Cap Equity Blended Index	--	8.9%	94	14.6%	99	0.0%	17	0.0%	1	--	--	1.0
Non-U.S. Developed Mkts Equity Composite	5.0%	5.6%	79	12.0%	29	0.0%	79	1.1%	6	-0.1	--	1.0
MSCI EAFE	--	5.7%	79	12.2%	62	0.0%	80	0.0%	1	--	--	1.0
Non-U.S. Emerging Mkts Equity Composite	9.3%	4.5%	42	13.6%	29	-0.4%	41	3.4%	35	-0.3	--	0.8
MSCI Emerging Markets	--	5.6%	20	15.8%	88	0.0%	27	0.0%	1	--	--	1.0
Core Fixed Income Composite	5.8%	3.3%	59	3.1%	75	0.3%	75	0.5%	23	0.5	30	1.0
BBgBarc US Aggregate TR	--	3.0%	75	3.1%	65	0.0%	93	0.0%	1	--	--	1.0
Non-U.S. Emerging Market Debt Composite	1.7%	4.4%	34	6.3%	34	2.1%	1	3.5%	73	0.4	23	0.7
Non-U.S. EMD Custom Benchmark	--	2.8%	58	8.4%	58	0.0%	47	0.0%	1	--	--	1.0
Opportunistic Credit Composite	17.6%	6.0%	--	2.1%	--	3.3%	--	2.7%	--	0.3	--	0.4
50% CS Leveraged Loan / 50% ICE BofA ML US HY BB-B Rated Constrained Index	--	5.3%	--	3.6%	--	0.0%	--	0.0%	--	--	--	1.0
Global Asset Allocation/Risk Parity Composite	9.2%	4.5%	--	5.2%	--	0.7%	--	4.7%	--	-0.2	--	0.6
GAA/Risk Parity Custom Index	--	5.6%	--	5.2%	--	0.0%	--	0.0%	--	--	--	1.0

5 Years Ending December 31, 2019								
	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Anlzd AJ	Rank	
Real Estate Composite	6.4%	10.2%	13	6.5%	99	9.2%	1	
NCREIF Property Index	--	8.2%	58	3.5%	48	0.0%	87	
Private Equity Composite	15.4%	12.5%	38	3.5%	5	12.6%	22	
Cambridge Associates US All PE (1 Qtr Lag)	--	11.4%	47	6.1%	78	0.0%	88	
Real Assets Composite	8.2%	9.2%	5	4.2%	15	10.9%	1	
CPI + 4% (Seasonally Adjusted)	--	5.9%	23	0.7%	1	0.0%	82	

1 - Performance for Equity, Fixed Income, and Emerging Mkt Debt, Opportunistic Credit and GAA/Risk Parity composites are net of fees.
 Note: Percent of Total equals 96% because Absolute Return Composite, Diversifying Assets Composite, and Cash Composite are not included.



New Mexico Educational Retirement Board

PERFORMANCE DETAIL - TOTAL FUND & U.S. EQUITY

	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	Fiscal YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank	Inception (%)	Inception Date
Total Fund	13,765,857,178	100.0	4.0	91	5.2	74	14.1	95	9.3	36	7.5	20	8.3	39	9.1	Jul-83
<i>Policy Index</i>			<u>4.1</u>	88	<u>5.2</u>	73	<u>14.5</u>	93	<u>9.4</u>	35	<u>7.3</u>	33	<u>7.9</u>	56	--	Jul-83
Over/Under			-0.1		0.0		-0.4		-0.1		0.2		0.4			
<i>60% MSCI ACWI (Net) / 40% FTSE WGBI</i>			5.2	45	5.6	55	18.2	26	9.2	42	6.0	96	6.2	99	--	Jul-83
<i>InvMetrics Public DB > \$1B Net Median</i>			5.1		5.6		17.0		8.9		6.8		8.1		8.3	Jul-83
U.S. Equity Composite	2,406,647,561	17.5	8.8	53	10.3	12	30.6	28	14.5	27	11.2	25	13.3	32	11.4	Jan-85
<i>Russell 3000</i>			<u>9.1</u>	22	<u>10.4</u>	10	<u>31.0</u>	17	<u>14.6</u>	21	<u>11.2</u>	18	<u>13.4</u>	21	<u>11.3</u>	Jan-85
Over/Under			-0.3		-0.1		-0.4		-0.1		0.0		-0.1		0.1	
<i>InvMetrics Public DB > \$1 Billion US Equity Net Median</i>			8.9		9.4		29.9		13.9		10.5		13.0		11.5	Jan-85
U.S. Large Cap Equity Composite	2,083,164,917	15.1	8.9	40	10.6	4	31.1	17	15.0	12	11.6	8	13.5	20	7.0	Aug-99
<i>S&P 500</i>			<u>9.1</u>	27	<u>10.9</u>	4	<u>31.5</u>	15	<u>15.3</u>	8	<u>11.7</u>	7	<u>13.6</u>	10	<u>6.5</u>	Aug-99
Over/Under			-0.2		-0.3		-0.4		-0.3		-0.1		-0.1		0.5	
<i>InvMetrics Public DB > \$1 Billion US Equity Net Median</i>			8.9		9.4		29.9		13.9		10.5		13.0		6.8	Aug-99
<i>S&P 500 Index Fund</i>	2,083,164,917	15.1	8.9	30	10.6	28	31.1	32	15.0	29	11.6	20	13.5	14	5.9	Jan-00
<i>S&P 500</i>			<u>9.1</u>	28	<u>10.9</u>	24	<u>31.5</u>	28	<u>15.3</u>	25	<u>11.7</u>	19	<u>13.6</u>	13	<u>6.1</u>	Jan-00
Over/Under			-0.2		-0.3		-0.4		-0.3		-0.1		-0.1		-0.2	
<i>eV US Large Cap Core Equity Net Median</i>			8.0		9.7		28.9		13.6		10.3		12.8		7.1	Jan-00
U.S. Small/Mid Cap Equity Composite	323,482,644	2.3	8.0	82	8.4	89	27.8	85	11.4	92	8.7	96	11.9	90	7.6	Aug-99
<i>NMERB Small/Mid Cap Equity Blended Index</i>			<u>8.5</u>	62	<u>7.1</u>	98	<u>27.8</u>	85	<u>10.3</u>	99	<u>8.9</u>	94	<u>12.4</u>	77	<u>8.4</u>	Aug-99
Over/Under			-0.5		1.3		0.0		1.1		-0.2		-0.5		-0.8	
<i>InvMetrics Public DB > \$1 Billion US Equity Net Median</i>			8.9		9.4		29.9		13.9		10.5		13.0		6.8	Aug-99
<i>S&P 400 Mid-Cap</i>	323,482,644	2.3	8.0	31	8.4	39	27.8	66	--	--	--	--	--	--	8.4	Nov-17
<i>Russell 2500</i>			<u>8.5</u>	17	<u>7.1</u>	53	<u>27.8</u>	67	<u>10.3</u>	60	<u>8.9</u>	57	<u>12.6</u>	52	<u>8.4</u>	Nov-17
Over/Under			-0.5		1.3		0.0								0.0	
<i>eV US Mid Cap Equity Net Median</i>			7.2		7.3		29.9		11.7		9.3		12.7		9.8	Nov-17

1 - U.S. Small/Mid Cap Equity Composite includes the performance history of the U.S. Small Cap Equity Composite through November 2011.

2 - NMERB Small/Mid Cap Equity Blended Benchmark is the Russell 2000 Index through November 2011 and the Russell 2500 Index from December 2011 - forward.

3 - Total Fund market value includes \$57,194.64 from Legacy Assets.

Note: Performance shown is net of fees. Fiscal year ends June 30.



New Mexico Educational Retirement Board

PERFORMANCE DETAIL - NON-U.S. EQUITY

	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	Fiscal YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank	Inception (%)	Inception Date
Non-U.S. Equity Composite	1,969,412,399	14.3	10.3	25	7.8	57	20.6	82	9.9	61	4.9	87	3.2	99	6.4	Jul-95
MSCI ACWI ex USA			8.9	83	7.0	87	21.5	71	9.9	61	5.5	80	5.0	90	5.5	Jul-95
Over/Under			1.4		0.8		-0.9		0.0		-0.6		-1.8		0.9	
InvMetrics Public DB > \$1 Billion Global ex-US Equity Net Median			9.9		8.1		23.0		10.3		6.3		5.7		6.0	Jul-95
Non-U.S. Developed Mkts Equity Composite	683,747,318	5.0	8.4	90	7.9	55	23.6	56	9.7	69	5.6	79	5.2	99	6.2	Sep-95
MSCI EAFE			8.2	96	7.0	89	22.0	86	9.6	78	5.7	79	5.5	82	5.1	Sep-95
Over/Under			0.2		0.9		1.6		0.1		-0.1		-0.3		1.1	
InvMetrics Public DB > \$1 Billion Dev Mkt ex-US Eq Net Median			9.3		8.0		23.7		10.3		6.5		6.3		6.2	Sep-95
BlackRock MSCI EAFE	550,770,158	4.0	7.9	74	6.8	67	22.2	48	9.9	43	6.0	52	--	--	5.7	Aug-13
MSCI EAFE			8.2	70	7.0	63	22.0	52	9.6	48	5.7	58	5.5	79	5.4	Aug-13
Over/Under			-0.3		-0.2		0.2		0.3		0.3				0.3	
eV All EAFE Equity Net Median			9.0		7.5		22.1		9.3		6.1		6.7		5.7	Aug-13
Global Alpha International Small Cap	132,977,160	1.0														

Note: Performance shown is net of fees. Fiscal year ends June 30.



New Mexico Educational Retirement Board

PERFORMANCE DETAIL - EMERGING MARKET EQUITY

	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	Fiscal YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank	Inception (%)	Inception Date
Non-U.S. Emerging Mkts Equity Composite	1,285,665,081	9.3	11.4	24	7.8	13	19.1	18	9.9	40	4.5	42	2.1	86	6.6	Sep-00
MSCI Emerging Markets			<u>11.8</u>	9	<u>7.1</u>	21	<u>18.4</u>	28	<u>11.6</u>	24	<u>5.6</u>	20	<u>3.7</u>	37	<u>7.7</u>	Sep-00
Over/Under			-0.4		0.7		0.7		-1.7		-1.1		-1.6		-1.1	
InvMetrics Public DB > \$1 Billion Emg Mkt Eq Net Median			10.4		5.7		16.4		9.7		4.3		3.1		6.8	Sep-00
Neuberger Berman Emerging Markets	413,544,348	3.0	9.7	74	7.3	45	19.8	48	11.9	37	6.3	34	--	--	5.5	Aug-13
MSCI Emerging Markets			<u>11.8</u>	36	<u>7.1</u>	49	<u>18.4</u>	58	<u>11.6</u>	44	<u>5.6</u>	47	<u>3.7</u>	71	<u>5.0</u>	Aug-13
Over/Under			-2.1		0.2		1.4		0.3		0.7				0.5	
eV Emg Mkts Equity Net Median			11.4		7.0		19.3		10.7		5.5		4.4		5.1	Aug-13
IShares MSCI Emerging Markets	49,536,480	0.4	12.1	30	6.8	56	--	--	--	--	--	--	--	--	6.8	Jul-19
MSCI Emerging Markets			<u>11.8</u>	36	<u>7.1</u>	49	<u>18.4</u>	58	<u>11.6</u>	44	<u>5.6</u>	47	<u>3.7</u>	71	<u>7.1</u>	Jul-19
Over/Under			0.3		-0.3										-0.3	
eV Emg Mkts Equity Net Median			11.4		7.0		19.3		10.7		5.5		4.4		7.0	Jul-19
State Street Bank + Trust Co	1,451,229	0.0	0.5	--	1.0	--	--	--	--	--	--	--	--	--	1.1	Jun-19
MSCI Emerging Markets			<u>11.8</u>	--	<u>7.1</u>	--	<u>18.4</u>	--	<u>11.6</u>	--	<u>5.6</u>	--	<u>3.7</u>	--	<u>13.8</u>	Jun-19
Over/Under			-11.3		-6.1										-12.7	
RBC GAM EME Fund	390,901,152	2.8	10.1	72	--	--	--	--	--	--	--	--	--	--	5.4	Aug-19
MSCI Emerging Markets			<u>11.8</u>	36	<u>7.1</u>	49	<u>18.4</u>	58	<u>11.6</u>	44	<u>5.6</u>	47	<u>3.7</u>	71	<u>8.4</u>	Aug-19
Over/Under			-1.7												-3.0	
eV Emg Mkts Equity Net Median			11.4		7.0		19.3		10.7		5.5		4.4		8.3	Aug-19
UBS Emerging Markets EQ OPP	430,231,723	3.1	14.3	4	--	--	--	--	--	--	--	--	--	--	16.5	Aug-19
MSCI Emerging Markets			<u>11.8</u>	36	<u>7.1</u>	49	<u>18.4</u>	58	<u>11.6</u>	44	<u>5.6</u>	47	<u>3.7</u>	71	<u>8.4</u>	Aug-19
Over/Under			2.5												8.1	
eV Emg Mkts Equity Net Median			11.4		7.0		19.3		10.7		5.5		4.4		8.3	Aug-19

1 - IShares MSCI Emerging Markets was funded with \$666M in June 2019.

2 - State Street Bank + Trust Co was funded with \$1.5M in June 2019.

3 - RBC GAM EME fund was funded with \$285M in July 2019.

4 - UBS Emerging Markets EQ OPP funded with \$95M in July 2019.

Note: Performance shown is net of fees. Fiscal year ends June 30.



New Mexico Educational Retirement Board

PERFORMANCE DETAIL - EMERGING MARKET EQUITY

	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	Fiscal YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank	Inception (%)	Inception Date
Non-U.S. Emerging Mkts Equity Composite	1,285,665,081	9.3	11.4	24	7.8	13	19.1	18	9.9	40	4.5	42	2.1	86	6.6	Sep-00
MSCI Emerging Markets			<u>11.8</u>	9	<u>7.1</u>	21	<u>18.4</u>	28	<u>11.6</u>	24	<u>5.6</u>	20	<u>3.7</u>	37	<u>7.7</u>	Sep-00
Over/Under			-0.4		0.7		0.7		-1.7		-1.1		-1.6		-1.1	
InvMetrics Public DB > \$1 Billion Emg Mkt Eq Net Median			10.4		5.7		16.4		9.7		4.3		3.1		6.8	Sep-00
Robeco	149	0.0														
Neuberger Berman Emerging Markets	413,544,348	3.0	9.7	74	7.3	45	19.8	48	11.9	37	6.3	34	--	--	5.5	Aug-13
MSCI Emerging Markets			<u>11.8</u>	36	<u>7.1</u>	49	<u>18.4</u>	58	<u>11.6</u>	44	<u>5.6</u>	47	<u>3.7</u>	71	<u>5.0</u>	Aug-13
Over/Under			-2.1		0.2		1.4		0.3		0.7				0.5	
eV Emg Mkts Equity Net Median			11.4		7.0		19.3		10.7		5.5		4.4		5.1	Aug-13
iShares MSCI Emerging Markets	49,536,480	0.4	12.1	30	6.8	56	--	--	--	--	--	--	--	--	6.8	Jul-19
MSCI Emerging Markets			<u>11.8</u>	36	<u>7.1</u>	49	<u>18.4</u>	58	<u>11.6</u>	44	<u>5.6</u>	47	<u>3.7</u>	71	<u>7.1</u>	Jul-19
Over/Under			0.3		-0.3										-0.3	
eV Emg Mkts Equity Net Median			11.4		7.0		19.3		10.7		5.5		4.4		7.0	Jul-19
State Street Bank + Trust Co	1,451,229	0.0	0.5	--	1.0	--	--	--	--	--	--	--	--	--	1.1	Jun-19
MSCI Emerging Markets			<u>11.8</u>	--	<u>7.1</u>	--	<u>18.4</u>	--	<u>11.6</u>	--	<u>5.6</u>	--	<u>3.7</u>	--	<u>13.8</u>	Jun-19
Over/Under			-11.3		-6.1										-12.7	
RBC GAM EME Fund	390,901,152	2.8	10.1	72	--	--	--	--	--	--	--	--	--	--	5.4	Aug-19
MSCI Emerging Markets			<u>11.8</u>	36	<u>7.1</u>	49	<u>18.4</u>	58	<u>11.6</u>	44	<u>5.6</u>	47	<u>3.7</u>	71	<u>8.4</u>	Aug-19
Over/Under			-1.7												-3.0	
eV Emg Mkts Equity Net Median			11.4		7.0		19.3		10.7		5.5		4.4		8.3	Aug-19
UBS Emerging Markets EQ OPP	430,231,723	3.1	14.3	4	--	--	--	--	--	--	--	--	--	--	16.5	Aug-19
MSCI Emerging Markets			<u>11.8</u>	36	<u>7.1</u>	49	<u>18.4</u>	58	<u>11.6</u>	44	<u>5.6</u>	47	<u>3.7</u>	71	<u>8.4</u>	Aug-19
Over/Under			2.5												8.1	
eV Emg Mkts Equity Net Median			11.4		7.0		19.3		10.7		5.5		4.4		8.3	Aug-19

1 - iShares MSCI Emerging Markets was funded with \$666M in June 2019.

2 - State Street Bank + Trust Co was funded with \$1.5M in June 2019.

3 - RBC GAM EME fund was funded with \$285M in July 2019.

4 - UBS Emerging Markets EQ OPP funded with \$95M in July 2019.

Note: Performance shown is net of fees. Fiscal year ends June 30.



New Mexico Educational Retirement Board

PERFORMANCE DETAIL - TOTAL FI AND CORE FI

	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	Fiscal YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank	Inception (%)	Inception Date
Fixed Income Composite	3,453,272,961	25.1	1.2	52	2.2	89	7.5	95	5.5	6	5.2	2	6.4	3	3.1	Jan-85
<i>BBgBarc US Aggregate TR</i>			<u>0.2</u>	97	<u>2.5</u>	75	<u>8.7</u>	72	<u>4.0</u>	94	<u>3.0</u>	90	<u>3.7</u>	90	<u>6.8</u>	<i>Jan-85</i>
<i>Over/Under</i>			1.0		-0.3		-1.2		1.5		2.2		2.7		-3.7	
<i>InvMetrics Public DB > \$1 Billion Fixed Income Net Median</i>			1.2		2.6		9.4		4.7		3.8		4.5		--	<i>Jan-85</i>
Core Fixed Income Composite	798,311,693	5.8	0.4	55	2.8	16	9.4	22	4.2	49	3.3	59	4.5	60	5.3	Dec-99
<i>BBgBarc US Aggregate TR</i>			<u>0.2</u>	72	<u>2.5</u>	51	<u>8.7</u>	58	<u>4.0</u>	75	<u>3.0</u>	75	<u>3.7</u>	82	<u>5.0</u>	<i>Dec-99</i>
<i>Over/Under</i>			0.2		0.3		0.7		0.2		0.3		0.8		0.3	
<i>InvMetrics Public DB > \$1 Billion US Fixed Income Net Median</i>			0.5		2.5		8.8		4.2		3.4		4.6		5.3	<i>Dec-99</i>
Core Fixed Income	798,311,693	5.8	0.4	14	2.8	7	9.4	29	4.2	37	--	--	--	--	3.1	Apr-15
<i>BBgBarc US Aggregate TR</i>			<u>0.2</u>	44	<u>2.5</u>	52	<u>8.7</u>	68	<u>4.0</u>	56	<u>3.0</u>	64	<u>3.7</u>	71	<u>2.9</u>	<i>Apr-15</i>
<i>Over/Under</i>			0.2		0.3		0.7		0.2						0.2	
<i>eV US Core Fixed Inc Net Median</i>			0.2		2.5		9.0		4.1		3.1		4.0		3.0	<i>Apr-15</i>

Note: Performance shown is net of fees. Fiscal year ends June 30.



New Mexico Educational Retirement Board

PERFORMANCE DETAIL - EMERGING MARKET DEBT

	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	Fiscal YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank	Inception (%)	Inception Date
Non-U.S. Emerging Market Debt Composite	238,735,446	1.7	3.1	47	3.1	41	12.2	50	5.7	28	4.4	34	--	--	2.3	Sep-11
<i>Non-U.S. EMD Custom Benchmark</i>			<u>3.5</u>	41	<u>3.9</u>	19	<u>14.3</u>	10	<u>6.9</u>	11	<u>2.8</u>	58	--	--	<u>0.5</u>	<i>Sep-11</i>
Over/Under			-0.4		-0.8		-2.1		-1.2		1.6				1.8	
<i>InvMetrics All DB Emg Mkt Fix Inc Net Median</i>			2.9		3.0		12.2		5.6		3.9		--	--	2.5	<i>Sep-11</i>
EMSO	107,179,700	0.8	2.0	92	2.3	84	7.5	96	3.4	99	5.2	52	--	--	4.4	Sep-11
<i>JP Morgan GBI - EM Global Diversified Index</i>			<u>5.2</u>	20	<u>4.4</u>	17	<u>13.5</u>	59	<u>7.0</u>	26	<u>2.8</u>	83	<u>2.7</u>	79	<u>0.5</u>	<i>Sep-11</i>
Over/Under			-3.2		-2.1		-6.0		-3.6		2.4				3.9	
<i>eV All Emg Mkts Fixed Inc Net Median</i>			3.5		3.5		14.0		6.4		5.3		5.6		4.3	<i>Sep-11</i>
Prudential	131,537,351	1.0	3.9	41	3.8	42	16.3	9	7.8	9	--	--	--	--	9.0	Feb-16
<i>50% JPM EMBI Global Diversified/ 50% JPM GBI-EM Global Diversified</i>			<u>3.5</u>	51	<u>3.9</u>	37	<u>14.3</u>	39	<u>6.9</u>	29	<u>4.6</u>	60	<u>4.8</u>	65	<u>7.9</u>	<i>Feb-16</i>
Over/Under			0.4		-0.1		2.0		0.9						1.1	
<i>eV All Emg Mkts Fixed Inc Net Median</i>			3.5		3.5		14.0		6.4		5.3		5.6		7.7	<i>Feb-16</i>

1 - Non-U.S. Emerging Market Debt Composite market value includes \$18,395 in terminated manager account.

2 - InvMetrics Public DB > \$1B Emerging Mkt Fixed Income unavailable, universe includes all DB plans.

3 - Non-U.S. EMD Custom Benchmark Composition from 9/1/2011-1/31/2016: JP Morgan GBI-EM Diversified. 2/1/2016 - Current: 50% JPM EMBI Global Diversified / 50% JPM GBI-EM Global Diversified.

Note: Performance shown is net of fees. Fiscal year ends June 30.



New Mexico Educational Retirement Board

PERFORMANCE DETAIL - OPPORTUNISTIC FI

	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	Fiscal YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank	Inception (%)	Inception Date
Opportunistic Credit Composite	2,416,225,822	17.6	1.2	--	1.9	--	6.3	--	6.0	--	6.0	--	7.7	--	8.1	May-08
50% CS Leveraged Loan / 50% ICE BofA ML US HY BB-B Rated Constrained Index			<u>2.1</u>	--	<u>3.5</u>	--	<u>11.6</u>	--	<u>5.5</u>	--	<u>5.3</u>	--	<u>6.3</u>	--	<u>6.1</u>	May-08
Over/Under			-0.9		-1.6		-5.3		0.5		0.7		1.4		2.0	
ICE BofAML BB-B US High Yield Constrained TR			2.6	--	4.3	--	15.1	--	6.5	--	6.1	--	7.4	--	7.2	May-08
Beachpoint Combined	493,448,221	3.6	3.3	--	4.5	--	11.4	--	6.9	--	6.2	--	7.4	--	6.9	Mar-04
50% CS Leveraged Loan / 50% ICE BofA ML US HY BB-B Rated Constrained Index			<u>2.1</u>	--	<u>3.5</u>	--	<u>11.6</u>	--	<u>5.5</u>	--	<u>5.3</u>	--	<u>6.3</u>	--	<u>5.8</u>	Mar-04
Over/Under			1.2		1.0		-0.2		1.4		0.9		1.1		1.1	
Beachpoint Total Return	493,448,221	3.6	3.3	--	4.5	--	11.4	--	6.9	--	6.2	--	7.4	--	7.2	Jun-08
50% CS Leveraged Loan / 50% ICE BofA ML US HY BB-B Rated Constrained Index			<u>2.1</u>	--	<u>3.5</u>	--	<u>11.6</u>	--	<u>5.5</u>	--	<u>5.3</u>	--	<u>6.3</u>	--	<u>6.1</u>	Jun-08
Over/Under			1.2		1.0		-0.2		1.4		0.9		1.1		1.1	
Pimco Disco Combined	120,952,792	0.9	2.6	--	3.5	--	7.8	--	9.5	--	8.6	--	10.2	--	11.4	Jul-08
50% CS Leveraged Loan / 50% ICE BofA ML US HY BB-B Rated Constrained Index			<u>2.1</u>	--	<u>3.5</u>	--	<u>11.6</u>	--	<u>5.5</u>	--	<u>5.3</u>	--	<u>6.3</u>	--	<u>6.3</u>	Jul-08
Over/Under			0.5		0.0		-3.8		4.0		3.3		3.9		5.1	
Pimco Disco II	120,952,792	0.9	2.6	--	3.5	--	7.8	--	9.5	--	8.6	--	--	--	12.5	Oct-11
50% CS Leveraged Loan / 50% ICE BofA ML US HY BB-B Rated Constrained Index			<u>2.1</u>	--	<u>3.5</u>	--	<u>11.6</u>	--	<u>5.5</u>	--	<u>5.3</u>	--	<u>6.3</u>	--	<u>6.3</u>	Oct-11
Over/Under			0.5		0.0		-3.8		4.0		3.3				6.2	
GoldenTree Combined	196,259,902	1.4	0.5	--	-0.9	--	3.7	--	5.7	--	5.2	--	7.9	--	8.3	Oct-09
50% CS Leveraged Loan / 50% ICE BofA ML US HY BB-B Rated Constrained Index			<u>2.1</u>	--	<u>3.5</u>	--	<u>11.6</u>	--	<u>5.5</u>	--	<u>5.3</u>	--	<u>6.3</u>	--	<u>6.6</u>	Oct-09
Over/Under			-1.6		-4.4		-7.9		0.2		-0.1		1.6		1.7	
Goldentree II	196,259,902	1.4	0.5	--	-0.9	--	3.7	--	5.7	--	5.2	--	--	--	7.8	Sep-11
50% CS Leveraged Loan / 50% ICE BofA ML US HY BB-B Rated Constrained Index			<u>2.1</u>	--	<u>3.5</u>	--	<u>11.6</u>	--	<u>5.5</u>	--	<u>5.3</u>	--	<u>6.3</u>	--	<u>6.1</u>	Sep-11
Over/Under			-1.6		-4.4		-7.9		0.2		-0.1				1.7	
Medley Capital	52,022,304	0.4	-6.4	--	-11.0	--	-14.5	--	-8.5	--	-3.1	--	--	--	1.4	Aug-11
50% CS Leveraged Loan / 50% ICE BofA ML US HY BB-B Rated Constrained Index			<u>2.1</u>	--	<u>3.5</u>	--	<u>11.6</u>	--	<u>5.5</u>	--	<u>5.3</u>	--	<u>6.3</u>	--	<u>5.5</u>	Aug-11
Over/Under			-8.5		-14.5		-26.1		-14.0		-8.4				-4.1	

Note: Performance shown is net of fees. Fiscal year ends June 30.



New Mexico Educational Retirement Board

PERFORMANCE DETAIL - OPPORTUNISTIC FI

	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	Fiscal YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank	Inception (%)	Inception Date
Waterfall - Eden	315,703,277	2.3	1.8	--	3.1	--	6.3	--	8.3	--	6.3	--	--	--	9.2	Aug-11
50% CS Leveraged Loan / 50% ICE BofA ML US HY			<u>2.1</u>	--	<u>3.5</u>	--	<u>11.6</u>	--	<u>5.5</u>	--	<u>5.3</u>	--	<u>6.3</u>	--	<u>5.5</u>	Aug-11
BB-B Rated Constrained Index																
Over/Under			-0.3		-0.4		-5.3		2.8		1.0				3.7	
Waterfall - Victoria	95,502,904	0.7	3.3	--	6.5	--	9.4	--	11.9	--	11.0	--	--	--	10.5	Aug-11
50% CS Leveraged Loan / 50% ICE BofA ML US HY			<u>2.1</u>	--	<u>3.5</u>	--	<u>11.6</u>	--	<u>5.5</u>	--	<u>5.3</u>	--	<u>6.3</u>	--	<u>5.5</u>	Aug-11
BB-B Rated Constrained Index																
Over/Under			1.2		3.0		-2.2		6.4		5.7				5.0	
Gramercy Distressed Opp II	75,448,005	0.5	-7.9	--	-15.0	--	-13.0	--	-9.0	--	-4.6	--	--	--	-0.3	Jul-12
50% CS Leveraged Loan / 50% ICE BofA ML US HY			<u>2.1</u>	--	<u>3.5</u>	--	<u>11.6</u>	--	<u>5.5</u>	--	<u>5.3</u>	--	<u>6.3</u>	--	<u>5.6</u>	Jul-12
BB-B Rated Constrained Index																
Over/Under			-10.0		-18.5		-24.6		-14.5		-9.9				-5.9	
ICE Canyon	15,115,262	0.1	3.1	--	-1.2	--	3.4	--	4.2	--	2.6	--	--	--	2.4	Jun-12
50% CS Leveraged Loan / 50% ICE BofA ML US HY			<u>2.1</u>	--	<u>3.5</u>	--	<u>11.6</u>	--	<u>5.5</u>	--	<u>5.3</u>	--	<u>6.3</u>	--	<u>5.7</u>	Jun-12
BB-B Rated Constrained Index																
Over/Under			1.0		-4.7		-8.2		-1.3		-2.7				-3.3	
Lone Star VIII	21,649,434	0.2	-1.7	--	-1.7	--	-5.5	--	-1.9	--	1.4	--	--	--	6.8	Oct-13
50% CS Leveraged Loan / 50% ICE BofA ML US HY			<u>2.1</u>	--	<u>3.5</u>	--	<u>11.6</u>	--	<u>5.5</u>	--	<u>5.3</u>	--	<u>6.3</u>	--	<u>5.1</u>	Oct-13
BB-B Rated Constrained Index																
Over/Under			-3.8		-5.2		-17.1		-7.4		-3.9				1.7	
Marathon European Credit Opportunity I	11,756,997	0.1	5.7	--	9.3	--	16.2	--	18.2	--	13.3	--	--	--	11.4	Oct-11
50% CS Leveraged Loan / 50% ICE BofA ML US HY			<u>2.1</u>	--	<u>3.5</u>	--	<u>11.6</u>	--	<u>5.5</u>	--	<u>5.3</u>	--	<u>6.3</u>	--	<u>6.3</u>	Oct-11
BB-B Rated Constrained Index																
Over/Under			3.6		5.8		4.6		12.7		8.0				5.1	
Marathon European Credit Opportunity II	46,187,440	0.3	-0.6	--	2.3	--	12.1	--	11.1	--	9.0	--	--	--	8.3	Mar-14
50% CS Leveraged Loan / 50% ICE BofA ML US HY			<u>2.1</u>	--	<u>3.5</u>	--	<u>11.6</u>	--	<u>5.5</u>	--	<u>5.3</u>	--	<u>6.3</u>	--	<u>4.7</u>	Mar-14
BB-B Rated Constrained Index																
Over/Under			-2.7		-1.2		0.5		5.6		3.7				3.6	
Lone Star IX	47,959,525	0.3	-3.5	--	2.0	--	-2.6	--	3.8	--	--	--	--	--	-12.9	Apr-15
50% CS Leveraged Loan / 50% ICE BofA ML US HY			<u>2.1</u>	--	<u>3.5</u>	--	<u>11.6</u>	--	<u>5.5</u>	--	<u>5.3</u>	--	<u>6.3</u>	--	<u>5.1</u>	Apr-15
BB-B Rated Constrained Index																
Over/Under			-5.6		-1.5		-14.2		-1.7						-18.0	

Note: Performance shown is net of fees. Fiscal year ends June 30.



New Mexico Educational Retirement Board

PERFORMANCE DETAIL - OPPORTUNISTIC FI

	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	Fiscal YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank	Inception (%)	Inception Date
Kildare European Partners I LP	13,561,346	0.1	2.6	--	2.8	--	10.0	--	18.0	--	14.8	--	--	--	12.8	May-14
50% CS Leveraged Loan / 50% ICE BofA ML US HY			<u>2.1</u>	--	<u>3.5</u>	--	<u>11.6</u>	--	<u>5.5</u>	--	<u>5.3</u>	--	<u>6.3</u>	--	<u>4.7</u>	May-14
BB-B Rated Constrained Index																
Over/Under			0.5		-0.7		-1.6		12.5		9.5				8.1	
Black Forest	50,633,426	0.4	2.6	--	4.5	--	10.2	--	8.1	--	8.6	--	--	--	7.8	Aug-14
50% CS Leveraged Loan / 50% ICE BofA ML US HY			<u>2.1</u>	--	<u>3.5</u>	--	<u>11.6</u>	--	<u>5.5</u>	--	<u>5.3</u>	--	<u>6.3</u>	--	<u>4.8</u>	Aug-14
BB-B Rated Constrained Index																
Over/Under			0.5		1.0		-1.4		2.6		3.3				3.0	
Gramercy Distressed Opp III	85,899,400	0.6	-3.0	--	-10.8	--	-8.4	--	-5.3	--	--	--	--	--	-4.0	Jan-16
50% CS Leveraged Loan / 50% ICE BofA ML US HY			<u>2.1</u>	--	<u>3.5</u>	--	<u>11.6</u>	--	<u>5.5</u>	--	<u>5.3</u>	--	<u>6.3</u>	--	<u>7.1</u>	Jan-16
BB-B Rated Constrained Index																
Over/Under			-5.1		-14.3		-20.0		-10.8						-11.1	
GSO Capital Opp III	63,398,299	0.5	2.1	--	4.9	--	9.9	--	10.1	--	--	--	--	--	8.9	Oct-16
50% CS Leveraged Loan / 50% ICE BofA ML US HY			<u>2.1</u>	--	<u>3.5</u>	--	<u>11.6</u>	--	<u>5.5</u>	--	<u>5.3</u>	--	<u>6.3</u>	--	<u>5.6</u>	Oct-16
BB-B Rated Constrained Index																
Over/Under			0.0		1.4		-1.7		4.6						3.3	
Cross Ocean ESS II	55,521,411	0.4	2.0	--	4.3	--	5.9	--	--	--	--	--	--	--	10.8	May-17
50% CS Leveraged Loan / 50% ICE BofA ML US HY			<u>2.1</u>	--	<u>3.5</u>	--	<u>11.6</u>	--	<u>5.5</u>	--	<u>5.3</u>	--	<u>6.3</u>	--	<u>5.2</u>	May-17
BB-B Rated Constrained Index																
Over/Under			-0.1		0.8		-5.7								5.6	
OWS CREDIT OPPORTUNITY FD	121,478,400	0.9	1.6	--	2.1	--	5.5	--	--	--	--	--	--	--	8.1	Jul-17
50% CS Leveraged Loan / 50% ICE BofA ML US HY			<u>2.1</u>	--	<u>3.5</u>	--	<u>11.6</u>	--	<u>5.5</u>	--	<u>5.3</u>	--	<u>6.3</u>	--	<u>5.3</u>	Jul-17
BB-B Rated Constrained Index																
Over/Under			-0.5		-1.4		-6.1								2.8	
TAIGA SPECIAL OPP DAC LP	161,607,601	1.2	1.3	--	3.6	--	8.2	--	--	--	--	--	--	--	10.6	Aug-17
50% CS Leveraged Loan / 50% ICE BofA ML US HY			<u>2.1</u>	--	<u>3.5</u>	--	<u>11.6</u>	--	<u>5.5</u>	--	<u>5.3</u>	--	<u>6.3</u>	--	<u>5.1</u>	Aug-17
BB-B Rated Constrained Index																
Over/Under			-0.8		0.1		-3.4								5.5	

Note: Performance shown is net of fees. Fiscal year ends June 30.



New Mexico Educational Retirement Board

PERFORMANCE DETAIL - OPPORTUNISTIC FI

	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	Fiscal YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank	Inception (%)	Inception Date
Sutherland Asset Management	65,987,023	0.5	-0.6	--	8.8	--	23.1	--	--	--	--	--	--	--	5.1	Jul-17
50% CS Leveraged Loan / 50% ICE BofA ML US HY BB-B Rated Constrained Index			<u>2.1</u>	--	<u>3.5</u>	--	<u>11.6</u>	--	<u>5.5</u>	--	<u>5.3</u>	--	<u>6.3</u>	--	5.3	Jul-17
Over/Under			-2.7		5.3		11.5								-0.2	
OHA Strategic Credit II	42,087,200	0.3	-1.2	--	-0.2	--	7.4	--	--	--	--	--	--	--	20.2	Dec-17
50% CS Leveraged Loan / 50% ICE BofA ML US HY BB-B Rated Constrained Index			<u>2.1</u>	--	<u>3.5</u>	--	<u>11.6</u>	--	<u>5.5</u>	--	<u>5.3</u>	--	<u>6.3</u>	--	5.3	Dec-17
Over/Under			-3.3		-3.7		-4.2								14.9	
Lone Star X	83,659,636	0.6	2.5	--	7.2	--	8.8	--	--	--	--	--	--	--	-20.7	Jan-18
50% CS Leveraged Loan / 50% ICE BofA ML US HY BB-B Rated Constrained Index			<u>2.1</u>	--	<u>3.5</u>	--	<u>11.6</u>	--	<u>5.5</u>	--	<u>5.3</u>	--	<u>6.3</u>	--	5.4	Jan-18
Over/Under			0.4		3.7		-2.8								-26.1	
Kildare European Partners II LP	33,262,608	0.2	2.4	--	4.6	--	7.3	--	--	--	--	--	--	--	4.2	Nov-18
50% CS Leveraged Loan / 50% ICE BofA ML US HY BB-B Rated Constrained Index			<u>2.1</u>	--	<u>3.5</u>	--	<u>11.6</u>	--	<u>5.5</u>	--	<u>5.3</u>	--	<u>6.3</u>	--	7.3	Nov-18
Over/Under			0.3		1.1		-4.3								-3.1	
Riverstone Credit Partners II	44,349,539	0.3	1.8	--	4.7	--	16.9	--	--	--	--	--	--	--	0.7	Dec-18
50% CS Leveraged Loan / 50% ICE BofA ML US HY BB-B Rated Constrained Index			<u>2.1</u>	--	<u>3.5</u>	--	<u>11.6</u>	--	<u>5.5</u>	--	<u>5.3</u>	--	<u>6.3</u>	--	8.5	Dec-18
Over/Under			-0.3		1.2		5.3								-7.8	
RCP II N Strategic Credit	9,317,392	0.1	4.0	--	6.2	--	12.1	--	--	--	--	--	--	--	12.1	Jan-19
50% CS Leveraged Loan / 50% ICE BofA ML US HY BB-B Rated Constrained Index			<u>2.1</u>	--	<u>3.5</u>	--	<u>11.6</u>	--	<u>5.5</u>	--	<u>5.3</u>	--	<u>6.3</u>	--	11.6	Jan-19
Over/Under			1.9		2.7		0.5								0.5	
OLEA SPECIAL OPPS OFFSHORE I	49,394,749	0.4	9.0	--	9.3	--	--	--	--	--	--	--	--	--	16.3	Jun-19
50% CS Leveraged Loan / 50% ICE BofA ML US HY BB-B Rated Constrained Index			<u>2.1</u>	--	<u>3.5</u>	--	<u>11.6</u>	--	<u>5.5</u>	--	<u>5.3</u>	--	<u>6.3</u>	--	4.9	Jun-19
Over/Under			6.9		5.8										11.4	
Cross Ocean USD ESS III	34,014,570	0.2	--	--	--	--	--	--	--	--	--	--	--	--	-1.0	Nov-19
50% CS Leveraged Loan / 50% ICE BofA ML US HY BB-B Rated Constrained Index			<u>2.1</u>	--	<u>3.5</u>	--	<u>11.6</u>	--	<u>5.5</u>	--	<u>5.3</u>	--	<u>6.3</u>	--	2.2	Nov-19
Over/Under															-3.2	
The Varde Fund XIII, L.P.	10,000,000	0.1														
General Ledger	47,160	0.0														

Note: Performance shown is net of fees. Fiscal year ends June 30.
 Cross Ocean US ESS III funded 10/17/2019.
 The Varde Fund XIII, L.P. funded 12/31/2019.



New Mexico Educational Retirement Board

PERFORMANCE DETAIL - GAA/RISK PARITY

	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	Fiscal YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank	Inception (%)	Inception Date
Absolute Return Composite	368,705	0.0														
GAA, Risk Parity, and Other Diversifying Assets	1,616,713,038	11.7	2.1		3.3		11.0		6.4		4.6		7.2		7.2	Oct-09
3-Month LIBOR + 2%			<u>1.0</u>	--	<u>2.0</u>	--	<u>4.4</u>	--	<u>4.0</u>	--	<u>3.4</u>	--	<u>2.9</u>	--	<u>2.9</u>	Oct-09
Over/Under			1.1		1.3		6.6		2.4		1.2		4.3		4.3	
Global Asset Allocation/Risk Parity Composite	1,262,058,647	9.2	2.3	--	3.5	--	11.6	--	6.2	--	4.5	--	7.1	--	7.1	Oct-09
GAA/Risk Parity Custom Index			<u>1.0</u>	--	<u>2.0</u>	--	<u>4.4</u>	--	<u>8.2</u>	--	<u>5.6</u>	--	<u>6.4</u>	--	<u>6.4</u>	Oct-09
Over/Under			1.3		1.5		7.2		-2.0		-1.1		0.7		0.7	
Global Asset Allocation Composite	507,074,934	3.7	3.2	--	3.0	--	4.5	--	4.3	--	3.2	--	--	--	2.6	Nov-12
Credit Suisse Hedge Global Macro			<u>0.7</u>	--	<u>2.9</u>	--	<u>10.4</u>	--	<u>4.0</u>	--	<u>3.2</u>	--	<u>4.7</u>	--	<u>3.5</u>	Nov-12
Over/Under			2.5		0.1		-5.9		0.3		0.0				-0.9	
Bridgewater Pure Alpha	317,873,274	2.3	2.8	70	3.7	66	10.4	99	4.3	78	3.7	62	6.4	40	6.3	Oct-09
Credit Suisse Hedge Global Macro			<u>0.7</u>	93	<u>2.9</u>	79	<u>10.4</u>	74	<u>4.0</u>	79	<u>3.2</u>	70	<u>4.7</u>	74	<u>4.8</u>	Oct-09
Over/Under			2.1		0.8		-9.4		0.3		0.5		1.7		1.5	
eV Global TAA Net Median			4.4		5.0		15.7		6.7		4.6		5.9		6.1	Oct-09
PIMCO All Asset All Authority	189,201,661	1.4	3.8	59	1.8	85	7.6	80	4.2	78	2.5	79	--	--	1.7	Jul-13
Credit Suisse Hedge Global Macro			<u>0.7</u>	93	<u>2.9</u>	79	<u>10.4</u>	74	<u>4.0</u>	79	<u>3.2</u>	70	<u>4.7</u>	74	<u>3.4</u>	Jul-13
Over/Under			3.1		-1.1		-2.8		0.2		-0.7				-1.7	
eV Global TAA Net Median			4.4		5.0		15.7		6.7		4.6		5.9		5.3	Jul-13
Risk Parity	754,983,713	5.5	1.6	--	4.1	--	18.5	--	7.9	--	5.6	--	--	--	5.0	Nov-12
GAA/Risk Parity Custom Index			<u>1.0</u>	--	<u>2.0</u>	--	<u>4.4</u>	--	<u>8.2</u>	--	<u>5.6</u>	--	<u>6.4</u>	--	<u>6.6</u>	Nov-12
Over/Under			0.6		2.1		14.1		-0.3		0.0				-1.6	
Bridgewater All Weather	503,197,068	3.7	2.6	73	4.2	58	16.7	45	7.5	42	4.9	48	7.8	18	7.8	Oct-09
60% MSCI World (Gross) / 40% FTSE WGBI			<u>5.0</u>	38	<u>5.8</u>	27	<u>19.2</u>	26	<u>9.7</u>	20	<u>6.6</u>	19	<u>6.9</u>	27	<u>6.9</u>	Oct-09
Over/Under			-2.4		-1.6		-2.5		-2.2		-1.7		0.9		0.9	
eV Global TAA Net Median			4.4		5.0		15.7		6.7		4.6		5.9		6.1	Oct-09
PanAgora	251,786,645	1.8	-0.2	96	4.0	62	22.1	14	8.7	26	6.9	16	--	--	8.4	Dec-13
GAA/Risk Parity Custom Index			<u>1.0</u>	92	<u>2.0</u>	83	<u>4.4</u>	92	<u>8.2</u>	32	<u>5.6</u>	31	<u>6.4</u>	40	<u>5.1</u>	Dec-13
Over/Under			-1.2		2.0		17.7		0.5		1.3				3.3	
eV Global TAA Net Median			4.4		5.0		15.7		6.7		4.6		5.9		4.4	Dec-13

1 - Absolute Return Composite includes \$368,705 in liquidating assets.

2 - GAA/Risk Parity Custom Index: 60% MSCI World Half Hedged/ 40% CITI WGBI Half Hedged Inception - 6/30/2014; 60% MSCI World/ 40% CITI WGBI from 7/1/2014 - present.

3 - InvMetrics Public DB > \$1 Billion Global Tactical Net universe does not have enough observations to rank the GAA and Risk Parity Composites.

Note: Performance shown is net of fees. Fiscal year ends June 30.



New Mexico Educational Retirement Board

PERFORMANCE DETAIL - GAA/RISK PARITY

	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	Fiscal YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank	Inception (%)	Inception Date
Other Diversifying Assets	354,654,390	2.6	1.7	--	2.6	--	8.4	--	--	--	--	--	--	--	9.8	Feb-18
3-Month LIBOR + 2%			<u>1.0</u>	--	<u>2.0</u>	--	<u>4.4</u>	--	<u>4.0</u>	--	<u>3.4</u>	--	<u>2.9</u>	--	<u>4.4</u>	Feb-18
Over/Under			0.7		0.6		4.0								5.4	
EIG Energy Fund XVII	37,295,234	0.3	3.6	--	11.8	--	5.4	--	--	--	--	--	--	--	10.7	Apr-18
3-Month LIBOR + 2%			<u>1.0</u>	--	<u>2.0</u>	--	<u>4.4</u>	--	<u>4.0</u>	--	<u>3.4</u>	--	<u>2.9</u>	--	<u>4.5</u>	Apr-18
Over/Under			2.6		9.8		1.0								6.2	
The 1609 Fund LTD.	127,473,265	0.9	-5.7	--	-6.0	--	-5.6	--	--	--	--	--	--	--	2.7	Feb-18
3-Month LIBOR + 2%			<u>1.0</u>	--	<u>2.0</u>	--	<u>4.4</u>	--	<u>4.0</u>	--	<u>3.4</u>	--	<u>2.9</u>	--	<u>4.4</u>	Feb-18
Over/Under			-6.7		-8.0		-10.0								-1.7	
OLEA SPECIAL OPPS OFFSHORE I	142,063,033	1.0	9.1	--	9.4	--	31.9	--	--	--	--	--	--	--	21.9	Oct-18
3-Month LIBOR + 2%			<u>1.0</u>	--	<u>2.0</u>	--	<u>4.4</u>	--	<u>4.0</u>	--	<u>3.4</u>	--	<u>2.9</u>	--	<u>4.5</u>	Oct-18
Over/Under			8.1		7.4		27.5								17.4	
Orchard Liquid Credit Fund	43,078,440	0.3	0.2	--	1.2	--	6.9	--	--	--	--	--	--	--	6.1	Oct-18
3-Month LIBOR + 2%			<u>1.0</u>	--	<u>2.0</u>	--	<u>4.4</u>	--	<u>4.0</u>	--	<u>3.4</u>	--	<u>2.9</u>	--	<u>4.5</u>	Oct-18
Over/Under			-0.8		-0.8		2.5								1.6	
Orbimed Royalty Credit Opp III	4,744,419	0.0	14.4	--	--	--	--	--	--	--	--	--	--	--	14.4	Oct-19
3-Month LIBOR + 2%			<u>1.0</u>	--	<u>2.0</u>	--	<u>4.4</u>	--	<u>4.0</u>	--	<u>3.4</u>	--	<u>2.9</u>	--	<u>1.0</u>	Oct-19
Over/Under			13.4												13.4	

Note: Performance shown is net of fees. Fiscal year ends June 30.



New Mexico Educational Retirement Board

OTHER DIVERSIFYING ASSETS PERFORMANCE

Vintage Year	Investment	Commitment	Paid In Capital	Current MV	Time Weighted Returns Since Inception	Inception Date
2017	EIG Energy Fund XVII	100,000,000	34,584,353	37,295,234	10.7	Apr-18
2017	1609 Fund	125,000,000	125,000,000	127,473,265	2.7	Feb-18
2018	Olea Special Opportunities Offshore Fund	135,000,000	117,302,765	142,063,033	21.9	Oct-18
2018	Orchard Liquid Credit Fund	40,000,000	40,000,000	43,078,440	6.1	Nov-18
2019	OrbiMed Royalty & Credit Opps. III	100,000,000	4,145,693	4,744,419	14.4	Oct-19
2019	AE Industrial AA	150,000,000				
2019	Cloverlay	150,000,000				
Total	Other Diversifying Assets	800,000,000	321,032,811	354,654,391	9.8	Feb-18

*Market Values and Performance data are through 12/31/2019

Correlation of Monthly Returns Since Inception

	Total Fund	U.S. Equity	Non U.S. Developed Markets	Non U.S. Emerging Markets	Core Fixed Income	Non U.S. Emerging Markets Debt	Opportunistic Credit	Real Estate	Private Equity	Real Assets	Other Diversifying Assets	EIG Energy Fund	1609 Fund	OLEA	Orchard
Other Diversifying Assets	-0.09	-0.06	-0.04	-0.17	-0.07	0.32	-0.27	-0.02	-0.09	-0.08	1.00				
EIG Energy Fund	-0.49	-0.44	-0.45	-0.39	-0.27	-0.52	-0.70	0.21	-0.13	-0.18	0.20	1.00			
1609 Fund	-0.19	-0.15	-0.16	-0.36	-0.15	0.15	0.01	0.12	0.04	-0.13	0.39	-0.10	1.00		
OLEA	0.21	0.24	0.24	0.12	-0.01	0.60	0.01	-0.29	-0.10	-0.06	0.80	-0.22	-0.17	1.00	
Orchard	-0.10	-0.11	-0.09	-0.22	0.38	0.18	0.03	-0.14	0.01	0.28	0.18	-0.20	0.44	0.02	1.00



New Mexico Educational Retirement Board

PERFORMANCE DETAIL - REAL ESTATE

	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	Fiscal YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank	Inception (%)	Inception Date
Real Estate Composite	874,154,891	6.4	2.1	9	5.8	1	16.1	1	11.1	1	10.2	13	13.3	1	10.3	Dec-03
NCREIF Property Index			1.6	48	3.0	33	6.4	50	6.7	58	8.2	58	10.2	73	8.8	Dec-03
Over/Under			0.5		2.8		9.7		4.4		2.0		3.1		1.5	
Wilshire REIT			-1.1	99	6.6	1	25.8	1	7.6	41	6.9	96	11.9	5	9.4	Dec-03
InvMetrics Public DB > \$1 Billion Real Estate Net Median			1.4		2.5		6.4		7.4		8.6		11.0		7.5	Dec-03
Public Real Estate Composite	310,023,146	2.3	-0.5	99	6.9	1	27.4	1	7.3	52	5.8	99	11.6	6	9.2	Dec-03
Wilshire REIT			-1.1	99	6.6	1	25.8	1	7.6	41	6.9	96	11.9	5	9.4	Dec-03
Over/Under			0.6		0.3		1.6		-0.3		-1.1		-0.3		-0.2	
InvMetrics Public DB > \$1 Billion Real Estate Net Median			1.4		2.5		6.4		7.4		8.6		11.0		7.5	Dec-03
Brookfield	310,023,146	2.3	-0.5	69	6.9	67	27.4	53	7.3	84	5.2	98	--	--	9.5	Jul-11
MSCI US REIT			-1.1	96	6.2	77	24.3	87	6.7	89	5.7	90	10.6	95	8.2	Jul-11
Over/Under			0.6		0.7		3.1		0.6		-0.5				1.3	
eV US REIT Net Median			0.2		7.9		27.8		8.6		7.2		12.2		10.0	Jul-11
Private Real Estate Composite	564,131,745	4.1	3.4	1	5.2	4	11.1	4	13.3	1	13.6	1	13.6	1	8.9	Jan-08
NCREIF Property Index			1.6	28	3.0	26	6.4	16	6.7	59	8.2	65	10.2	51	6.2	Jan-08
Over/Under			1.8		2.2		4.7		6.6		5.4		3.4		2.7	
InvMetrics Public DB Real Estate Priv Net Median			1.3		2.9		5.8		7.2		8.5		10.2		4.6	Jan-08
U.S. Private Real Estate	564,131,745	4.1	3.4	--	5.2	--	11.1	--	13.2	--	13.7	--	14.1	--	9.4	Jan-08
NCREIF Property Index			1.6	--	3.0	--	6.4	--	6.7	--	8.2	--	10.2	--	6.2	Jan-08
Over/Under			1.8		2.2		4.7		6.5		5.5		3.9		3.2	

1 - InvMetrics Public DB > \$1B Real Estate Private is unavailable, universe includes all public funds.
 Note: Performance is shown net of fees. Fiscal year ends June 30.



New Mexico Educational Retirement Board

PERFORMANCE DETAIL - PE & RA

	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	Fiscal YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank	Inception (%)	Inception Date
Private Equity Composite	2,120,903,875	15.4	2.2	39	5.2	45	8.0	53	12.2	55	12.5	38	14.2	14	7.3	Jun-06
Cambridge Associates US All PE (1 Qtr Lag)			1.3	55	4.8	47	8.0	53	14.2	42	11.4	47	14.0	19	12.2	Jun-06
Over/Under			0.9		0.4		0.0		-2.0		1.1		0.2		-4.9	
InvMetrics Public DB > \$1 Billion Private Equity Net Median			1.4		4.4		8.3		12.5		11.1		12.3		9.7	Jun-06
Real Assets Composite	1,125,753,423	8.2	0.7	63	2.4	59	8.7	55	10.1	10	9.2	5	6.3	63	3.5	Jul-08
CPI + 4% (Seasonally Adjusted)			1.8	37	3.3	33	6.4	76	6.2	33	5.9	23	5.8	69	5.6	Jul-08
Over/Under			-1.1		-0.9		2.3		3.9		3.3		0.5		-2.1	
InvMetrics Public DB > \$1 Billion Real Assets/Commodities Net Median			1.4		2.9		9.0		4.7		3.6		7.0		2.7	Jul-08
Infrastructure Composite	454,376,677	3.3	2.3	--	5.1	--	11.6	--	8.8	--	9.0	--	6.3	--	3.8	Jul-08
Infrastructure	444,211,655	3.2	1.7	--	5.0	--	12.5	--	8.8	--	7.8	--	5.9	--	3.5	Jul-08
CPI + 4% (Seasonally Adjusted)			1.8	--	3.3	--	6.4	--	6.2	--	5.9	--	5.8	--	5.6	Jul-08
Over/Under			-0.1		1.7		6.1		2.6		1.9		0.1		-2.1	
International Infrastructure	10,165,022	0.1	12.3	--	6.8	--	1.6	--	10.6	--	27.7	--	--	--	-0.2	Jan-13
CPI + 4% (Seasonally Adjusted)			1.8	--	3.3	--	6.4	--	6.2	--	5.9	--	5.8	--	5.7	Jan-13
Over/Under			10.5		3.5		-4.8		4.4		21.8		--		-5.9	
Natural Resources	671,376,747	4.9	-0.3	--	0.7	--	6.9	--	11.1	--	9.2	--	6.0	--	4.9	Mar-09
Harvest Fund	49,018,273	0.4	-0.9	--	-5.9	--	13.5	--	-2.5	--	--	--	--	--	-0.8	Aug-16
Alerian MLP Index			-4.1	--	-8.9	--	6.6	--	-4.4	--	-7.0	--	4.2	--	-3.2	Aug-16
Over/Under			3.2		3.0		6.9		1.9		--		--		2.4	
Energy	276,862,171	2.0	-2.2	--	0.7	--	7.2	--	27.0	--	9.9	--	--	--	5.9	Jan-14
CPI + 4% (Seasonally Adjusted)			1.8	--	3.3	--	6.4	--	6.2	--	5.9	--	5.8	--	5.7	Jan-14
Over/Under			-4.0		-2.6		0.8		20.8		4.0		--		0.2	
Agriculture Composite	140,186,856	1.0	3.3	--	3.0	--	6.1	--	3.8	--	3.5	--	--	--	4.3	Aug-12
NCREIF Farmland			2.3	--	3.3	--	4.8	--	5.9	--	7.0	--	11.0	--	10.8	Aug-12
Over/Under			1.0		-0.3		1.3		-2.1		-3.5		--		-6.5	
Timber Composite	95,816,543	0.7	0.9	--	1.7	--	5.0	--	4.7	--	6.4	--	5.0	--	4.0	Mar-09
NCREIF Timberland Index			0.0	--	0.1	--	1.3	--	2.7	--	3.2	--	4.5	--	3.6	Mar-09
Over/Under			0.9		1.6		3.7		2.0		3.2		0.5		0.4	

1 - Energy composite includes Five Point Cap, Lime Rock, Enervest, BP Natural Gas, and Bluescape Energy.

2 - Agriculture Composite contains Halderman Farm Mgmt Services, Hancock Agriculture, and Blue Road Capital L.P.

3 - Timber Composite contains Brookfield Brazil Timber, Conservation Forestry II, Conservation Forestry IV, and ETO II Operating Partnership.

Note: Performance shown is net of fees. Fiscal year ends June 30.



New Mexico Educational Retirement Board

PERFORMANCE DETAIL - CASH

	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	Fiscal YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank	Inception (%)	Inception Date
Mitigation Banking	63,789,964	0.5	0.2	--	1.2	--	12.5	--	7.2	--	11.6	--	--	--	2.5	Mar-11
CPI + 4% (Seasonally Adjusted)			<u>1.8</u>	--	<u>3.3</u>	--	<u>6.4</u>	--	<u>6.2</u>	--	<u>5.9</u>	--	<u>5.8</u>	--	<u>5.8</u>	Mar-11
Over/Under			-1.6		-2.1		6.1		1.0		5.7				-3.3	
Water Property Investor, L.P.	45,702,939	0.3	-1.2	--	-1.3	--	-2.0	--	0.2	--	2.1	--	--	--	2.1	Jan-15
CPI + 4% (Seasonally Adjusted)			<u>1.8</u>	--	<u>3.3</u>	--	<u>6.4</u>	--	<u>6.2</u>	--	<u>5.9</u>	--	<u>5.8</u>	--	<u>5.9</u>	Jan-15
Over/Under			-3.0		-4.6		-8.4		-6.0		-3.8				-3.8	
Cash	198,573,130	1.4														
Cash	195,411,056	1.4	1.2	--	1.8	--	3.1	--	2.4	--	1.6	--	1.2	--	1.2	Dec-99
91 Day T-Bills			<u>0.4</u>	--	<u>0.9</u>	--	<u>2.1</u>	--	<u>1.6</u>	--	<u>1.1</u>	--	<u>0.6</u>	--	<u>1.7</u>	Dec-99
Over/Under			0.8		0.9		1.0		0.8		0.5		0.6		-0.5	
NM ERB Cash	3,056,508	0.0	0.9	--	0.6	--	0.6	--	0.3	--	0.2	--	0.5	--	0.9	Jun-00
91 Day T-Bills			<u>0.4</u>	--	<u>0.9</u>	--	<u>2.1</u>	--	<u>1.6</u>	--	<u>1.1</u>	--	<u>0.6</u>	--	<u>1.6</u>	Jun-00
Over/Under			0.5		-0.3		-1.5		-1.3		-0.9		-0.1		-0.7	
Local Government Investment Pool (LGIP) at STO	105,566	0.0	0.5	--	1.1	--	2.3	--	1.5	--	--	--	--	--	1.1	Jul-15
91 Day T-Bills			<u>0.4</u>	--	<u>0.9</u>	--	<u>2.1</u>	--	<u>1.6</u>	--	<u>1.1</u>	--	<u>0.6</u>	--	<u>1.2</u>	Jul-15
Over/Under			0.1		0.2		0.2		-0.1						-0.1	

NM ERB Cash market value as of 11/30/2019.

Note: Performance is shown net of fees. Fiscal year ends June 30.



New Mexico Educational Retirement Board

PRIVATE MARKETS PERFORMANCE SUMMARY

Private Equity Dollar Weighted vs. Time Weighted Performance								
	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yr (%)	5 Yr (%)	10 Yr (%)	Inception (%)	Inception Date
Dollar Weighted								
Total Net IRR	1.7	5.8	10.1	13.0	12.8	14.4	12.6	Jun-06
Time Weighted								
Net Time Weighted Return	2.9	5.6	10.7	12.8	12.5	14.6	7.3	Jun-06
Real Estate Dollar Weighted vs. Time Weighted Performance								
	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yr (%)	5 Yr (%)	10 Yr (%)	Inception (%)	Inception Date
Dollar Weighted								
Total Net IRR							11.1	Jan-08
Time Weighted								
Net Time Weighted Return	1.8	7.4	9.6	12.6	13.7	13.2	8.8	Jan-08
Infrastructure Dollar Weighted vs. Time Weighted Performance								
	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yr (%)	5 Yr (%)	10 Yr (%)	Inception (%)	Inception Date
Dollar Weighted								
Total Net IRR							7.0	Jul-08
Time Weighted								
Net Time Weighted Return	2.3	11.6	11.6	8.8	9.0	6.3	3.8	Jul-08
Natural Resources Dollar Weighted vs. Time Weighted Performance								
	3 Mo (%)	YTD (%)	1 Yr (%)	3 Yr (%)	5 Yr (%)	10 Yr (%)	Inception (%)	Inception Date
Dollar Weighted								
Total Net IRR							10.3	Mar-09
Time Weighted								
Net Time Weighted Return	1.0	7.2	13.6	11.3	8.7	5.9	5.1	Mar-09

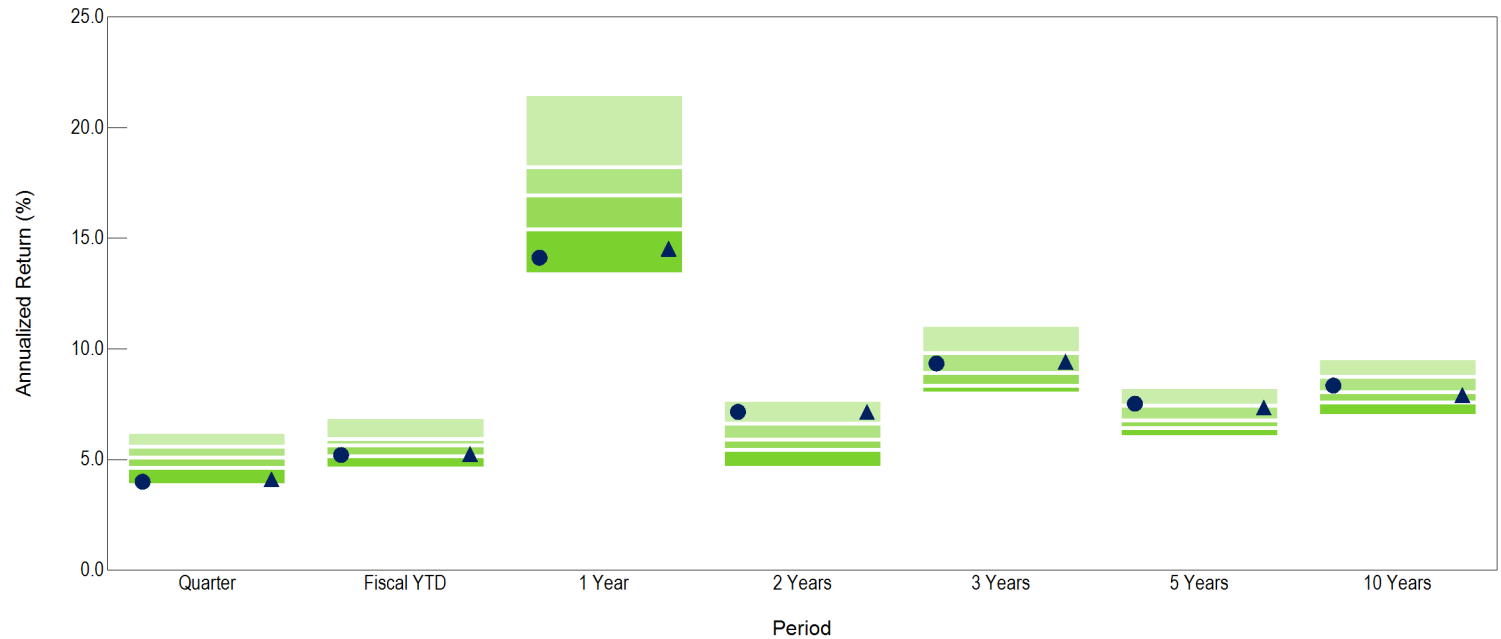
*Time weighted performance as of 9/30/2019 except for Infrastructure which is reported as of 12/31/2019

*Dollar weighted performance is as of 6/30/2019 except for Infrastructure is reported as of 9/30/2019



TOTAL FUND RETURN SUMMARY VS. PEER UNIVERSE

Total Fund vs. InvMetrics Public DB > \$1B Net



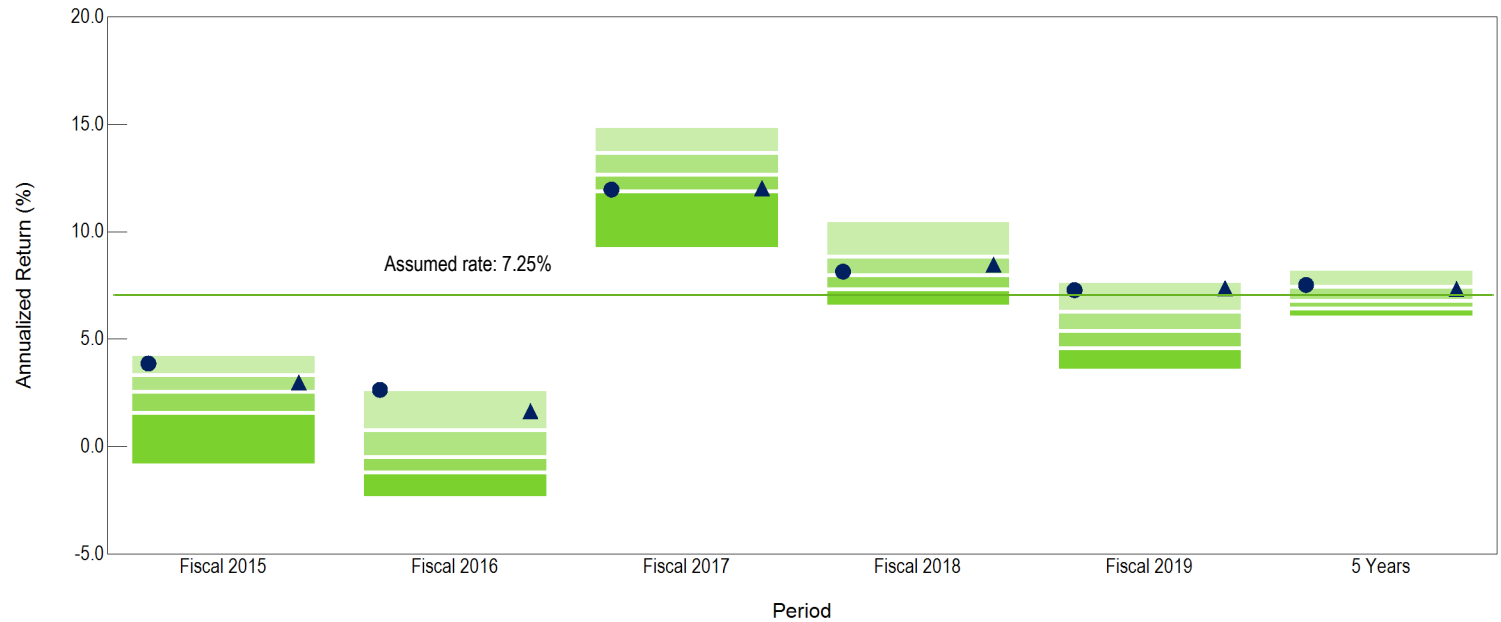
	Return (Rank)													
5th Percentile	6.2	6.9	21.5	7.7	11.1	8.3	9.6							
25th Percentile	5.6	5.9	18.2	6.6	9.8	7.4	8.8							
Median	5.1	5.6	17.0	5.9	8.9	6.8	8.1							
75th Percentile	4.6	5.1	15.4	5.4	8.3	6.4	7.6							
95th Percentile	3.9	4.6	13.4	4.6	8.0	6.0	7.0							
# of Portfolios	69	69	69	69	69	67	59							
● Total Fund	4.0	(91)	5.2	(74)	14.1	(95)	7.2	(17)	9.3	(36)	7.5	(20)	8.3	(39)
▲ Policy Index	4.1	(88)	5.2	(73)	14.5	(93)	7.2	(17)	9.4	(35)	7.3	(33)	7.9	(56)

Note: Ranks are based on net returns.



TOTAL FUND RETURN SUMMARY VS. PEER UNIVERSE

Total Fund vs. InvMetrics Public DB > \$1B Net



	Fiscal 2015		Fiscal 2016		Fiscal 2017		Fiscal 2018		Fiscal 2019		5 Years	
Return (Rank)												
5th Percentile	4.3		2.7		14.9		10.5		7.7		8.3	
25th Percentile	3.3		0.8		13.7		8.8		6.3		7.4	
Median	2.6		-0.5		12.7		8.0		5.4		6.8	
75th Percentile	1.6		-1.2		11.9		7.3		4.6		6.4	
95th Percentile	-0.9		-2.4		9.2		6.5		3.5		6.0	
# of Portfolios	53		55		65		51		77		67	
● Total Fund	3.9	(16)	2.6	(6)	12.0	(71)	8.1	(46)	7.3	(9)	7.5	(20)
▲ Policy Index	3.0	(42)	1.7	(9)	12.0	(68)	8.5	(33)	7.4	(7)	7.3	(33)

Note: Ranks are based on net returns.



New Mexico Educational Retirement Board

TOTAL FUND ATTRIBUTION ANALYSIS

Attribution Summary						
3 Months Ending December 31, 2019						
	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Total Effects
U.S. Large Cap Equity Composite	8.9%	9.1%	-0.1%	0.0%	-0.1%	-0.1%
U.S. Small/Mid Cap Equity Composite	8.0%	8.5%	-0.6%	0.0%	0.0%	0.0%
Non-U.S. Developed Mkts Equity Composite	8.4%	8.2%	0.3%	0.0%	0.0%	0.0%
Non-U.S. Emerging Mkts Equity Composite	11.4%	11.8%	-0.5%	0.0%	0.0%	0.0%
Core Fixed Income Composite	0.4%	0.2%	0.3%	0.0%	0.0%	0.0%
Non-U.S. Emerging Market Debt Composite	3.1%	3.5%	-0.4%	0.0%	0.0%	0.0%
Opportunistic Credit Composite	1.2%	2.1%	-0.9%	-0.2%	0.0%	-0.2%
Absolute Return Composite	-0.1%	0.9%	-1.1%	0.0%	0.0%	0.0%
Global Asset Allocation/Risk Parity Composite	2.3%	1.0%	1.3%	0.1%	-0.1%	0.0%
Other Diversifying Assets	1.7%	1.0%	0.7%	0.0%	0.1%	0.1%
Public Real Estate Composite	-0.5%	-1.1%	0.6%	0.0%	0.0%	0.0%
Private Real Estate Composite	3.4%	1.6%	1.9%	0.1%	0.0%	0.1%
Private Equity Composite	2.2%	1.3%	0.9%	0.1%	-0.1%	0.1%
Real Assets Composite	0.7%	1.8%	-1.1%	-0.1%	0.0%	-0.1%
Cash	1.2%	0.4%	0.8%	0.0%	0.0%	0.0%
Total	4.0%	4.1%	-0.1%	0.1%	-0.2%	-0.1%

Attribution Summary						
FYTD Ending December 31, 2019						
	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Total Effects
U.S. Large Cap Equity Composite	10.6%	10.9%	-0.3%	0.0%	-0.1%	-0.1%
U.S. Small/Mid Cap Equity Composite	8.4%	7.1%	1.3%	0.0%	0.0%	0.0%
Non-U.S. Developed Mkts Equity Composite	7.9%	7.0%	0.9%	0.0%	0.0%	0.0%
Non-U.S. Emerging Mkts Equity Composite	7.8%	7.1%	0.8%	0.1%	0.0%	0.1%
Core Fixed Income Composite	2.8%	2.5%	0.4%	0.0%	0.0%	0.0%
Non-U.S. Emerging Market Debt Composite	3.1%	3.9%	-0.8%	0.0%	0.0%	0.0%
Opportunistic Credit Composite	1.9%	3.5%	-1.6%	-0.3%	0.0%	-0.3%
Absolute Return Composite	0.0%	1.9%	-2.0%	0.0%	0.0%	0.0%
Global Asset Allocation/Risk Parity Composite	3.5%	2.0%	1.5%	0.1%	-0.1%	0.1%
Other Diversifying Assets	2.6%	2.0%	0.5%	0.0%	0.1%	0.1%
Public Real Estate Composite	6.9%	6.6%	0.3%	0.0%	0.0%	0.0%
Private Real Estate Composite	5.2%	3.0%	2.3%	0.1%	0.0%	0.1%
Private Equity Composite	5.2%	4.8%	0.5%	0.1%	0.0%	0.0%
Real Assets Composite	2.4%	3.3%	-0.8%	-0.1%	0.0%	-0.1%
Cash	1.7%	0.9%	0.8%	0.0%	0.0%	0.0%
Total	5.2%	5.2%	0.0%	0.1%	-0.1%	0.0%



New Mexico Educational Retirement Board

TOTAL FUND ATTRIBUTION ANALYSIS

Attribution Summary						
1 Year Ending December 31, 2019						
	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Total Effects
U.S. Large Cap Equity Composite	31.1%	31.5%	-0.4%	-0.1%	-0.3%	-0.3%
U.S. Small/Mid Cap Equity Composite	27.8%	27.8%	0.1%	0.0%	-0.1%	-0.1%
Non-U.S. Developed Mkts Equity Composite	23.6%	22.0%	1.6%	0.1%	0.0%	0.0%
Non-U.S. Emerging Mkts Equity Composite	19.1%	18.4%	0.7%	0.0%	0.0%	0.0%
Core Fixed Income Composite	9.4%	8.7%	0.7%	0.0%	0.0%	0.0%
Non-U.S. Emerging Market Debt Composite	12.2%	14.3%	-2.1%	0.0%	0.0%	0.0%
Opportunistic Credit Composite	6.3%	11.6%	-5.3%	-1.0%	0.0%	-1.0%
Absolute Return Composite	-3.4%	4.2%	-7.6%	0.0%	0.0%	0.0%
Global Asset Allocation/Risk Parity Composite	11.6%	4.4%	7.2%	0.7%	-0.3%	0.5%
Other Diversifying Assets	8.4%	4.4%	4.0%	0.1%	0.3%	0.4%
Public Real Estate Composite	27.4%	25.8%	1.7%	0.0%	-0.1%	-0.1%
Private Real Estate Composite	11.1%	6.4%	4.7%	0.2%	0.0%	0.2%
Private Equity Composite	8.0%	8.0%	-0.1%	0.0%	-0.1%	-0.1%
Real Assets Composite	8.7%	6.4%	2.4%	0.2%	0.0%	0.2%
Cash	2.7%	2.1%	0.6%	0.0%	0.0%	0.0%
Total	14.1%	14.5%	-0.4%	0.3%	-0.8%	-0.4%

Attribution Summary						
3 Years Ending December 31, 2019						
	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Total Effects
U.S. Large Cap Equity Composite	15.0%	15.3%	-0.3%	0.0%	-0.1%	-0.1%
U.S. Small/Mid Cap Equity Composite	11.4%	10.3%	1.1%	0.0%	0.0%	0.0%
Non-U.S. Developed Mkts Equity Composite	9.7%	9.6%	0.2%	0.0%	0.0%	0.0%
Non-U.S. Emerging Mkts Equity Composite	9.9%	11.6%	-1.7%	-0.2%	0.0%	-0.2%
Core Fixed Income Composite	4.2%	4.0%	0.2%	0.0%	-0.1%	-0.1%
Non-U.S. Emerging Market Debt Composite	5.7%	6.9%	-1.2%	0.0%	0.0%	0.0%
Opportunistic Credit Composite	6.0%	5.5%	0.5%	0.1%	0.0%	0.1%
Absolute Return Composite	-1.5%	3.6%	-5.1%	0.0%	0.0%	0.0%
Global Asset Allocation/Risk Parity Composite	6.2%	6.2%	0.0%	0.0%	0.0%	-0.1%
Other Diversifying Assets	--	--	--	0.0%	0.1%	0.1%
Public Real Estate Composite	7.3%	7.6%	-0.4%	0.0%	0.0%	0.0%
Private Real Estate Composite	13.3%	6.7%	6.6%	0.3%	0.0%	0.3%
Private Equity Composite	12.2%	14.2%	-2.1%	-0.3%	0.0%	-0.3%
Real Assets Composite	10.1%	6.2%	4.0%	0.3%	0.0%	0.3%
Cash	2.0%	1.6%	0.4%	0.0%	-0.1%	-0.1%
Total	9.3%	9.4%	-0.1%	0.2%	-0.3%	-0.1%



New Mexico Educational Retirement Board

TOTAL FUND ATTRIBUTION ANALYSIS

Attribution Summary						
5 Years Ending December 31, 2019						
	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Total Effects
U.S. Large Cap Equity Composite	11.6%	11.7%	-0.1%	0.0%	-0.1%	-0.1%
U.S. Small/Mid Cap Equity Composite	8.7%	8.9%	-0.2%	0.0%	0.0%	0.0%
Non-U.S. Developed Mkts Equity Composite	5.6%	5.7%	-0.1%	0.0%	0.0%	0.0%
Non-U.S. Emerging Mkts Equity Composite	4.5%	5.6%	-1.1%	-0.1%	0.0%	-0.2%
Core Fixed Income Composite	3.3%	3.0%	0.3%	0.0%	-0.1%	-0.1%
Non-U.S. Emerging Market Debt Composite	4.4%	2.8%	1.5%	0.0%	0.0%	0.0%
Opportunistic Credit Composite	6.0%	5.3%	0.7%	0.1%	0.0%	0.1%
Absolute Return Composite	0.1%	3.0%	-2.9%	0.0%	0.0%	0.0%
Global Asset Allocation/Risk Parity Composite	4.5%	4.5%	0.0%	0.0%	0.0%	0.0%
Other Diversifying Assets	--	--	--	0.0%	0.1%	0.1%
Public Real Estate Composite	5.8%	6.9%	-1.1%	0.0%	0.0%	-0.1%
Private Real Estate Composite	13.6%	8.2%	5.4%	0.2%	0.0%	0.2%
Private Equity Composite	12.5%	11.4%	1.1%	0.0%	0.0%	0.0%
Real Assets Composite	9.2%	5.9%	3.3%	0.2%	0.0%	0.2%
Cash	1.4%	1.1%	0.3%	0.0%	0.0%	0.0%
Total	7.5%	7.3%	0.2%	0.5%	-0.3%	0.2%



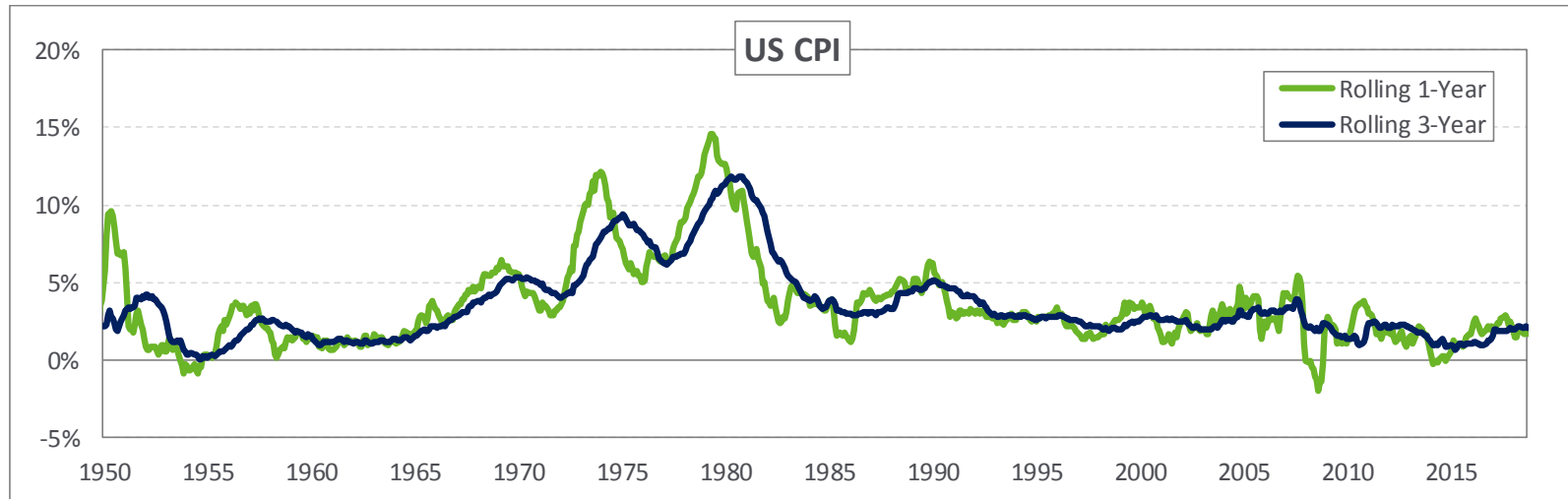
APPENDIX

NEPC, LLC

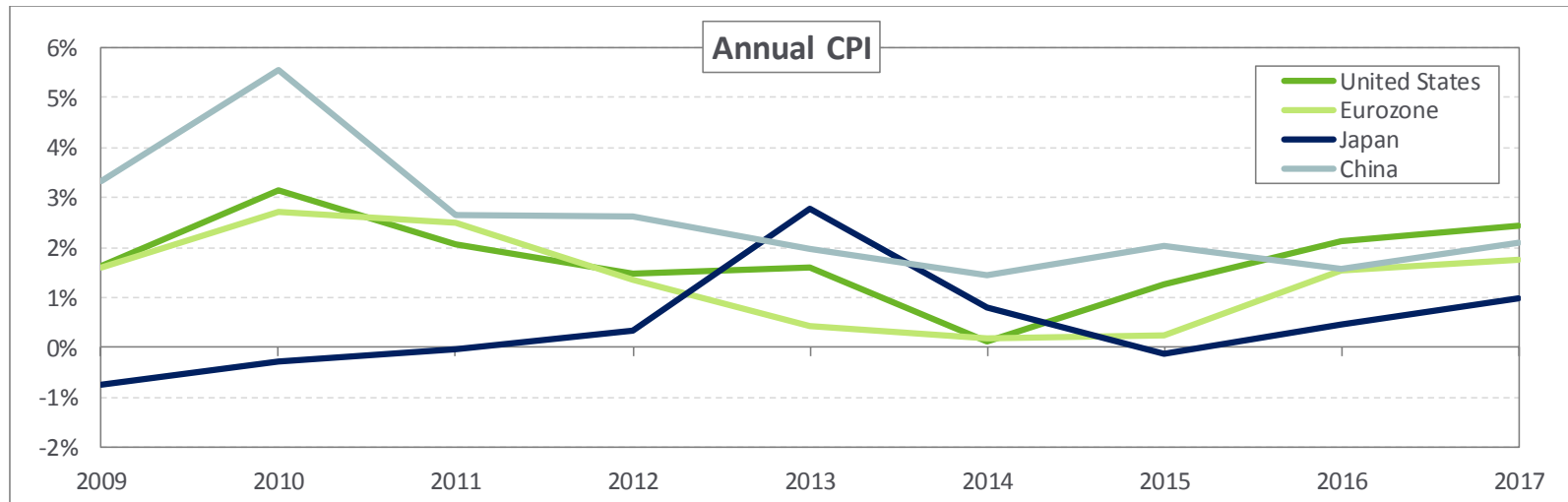
MACRO

NEPC, LLC

INFLATION



Source: Bureau of Labor Statistics, FactSet



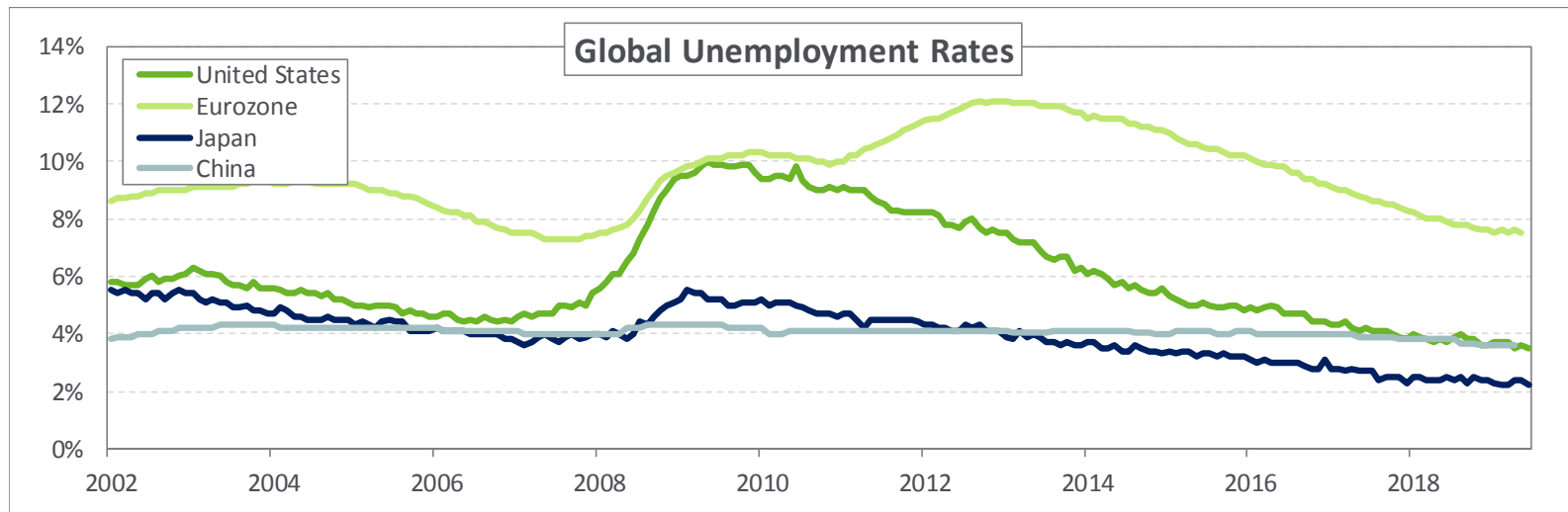
Source: FactSet



UNEMPLOYMENT



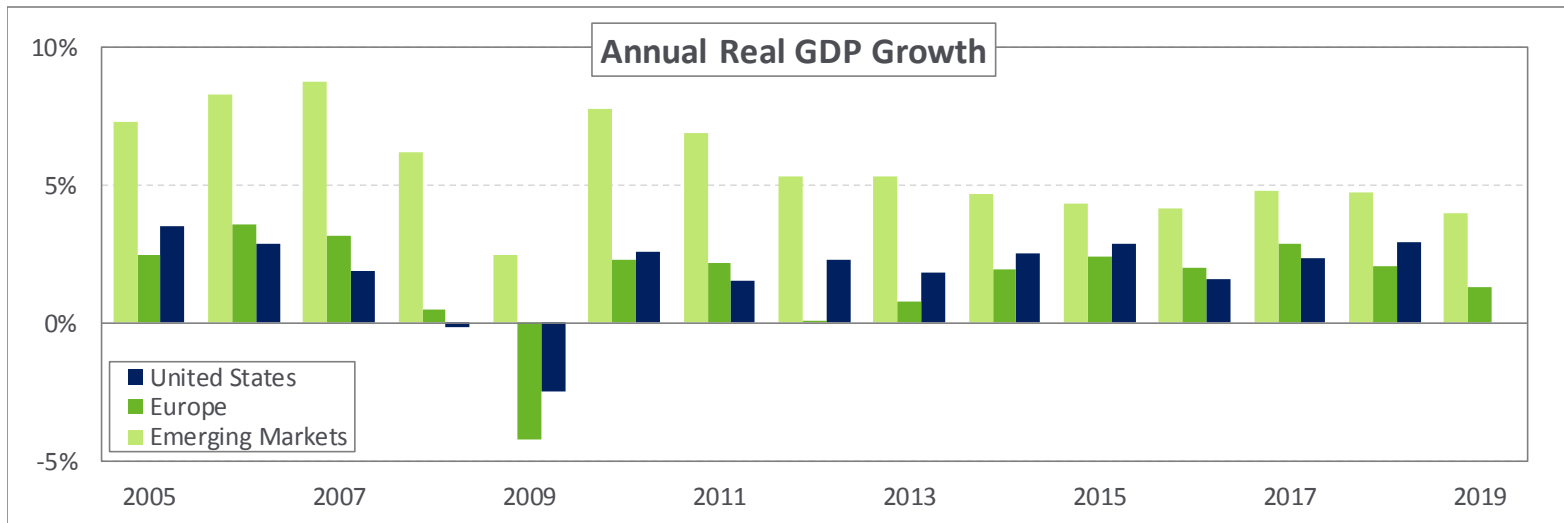
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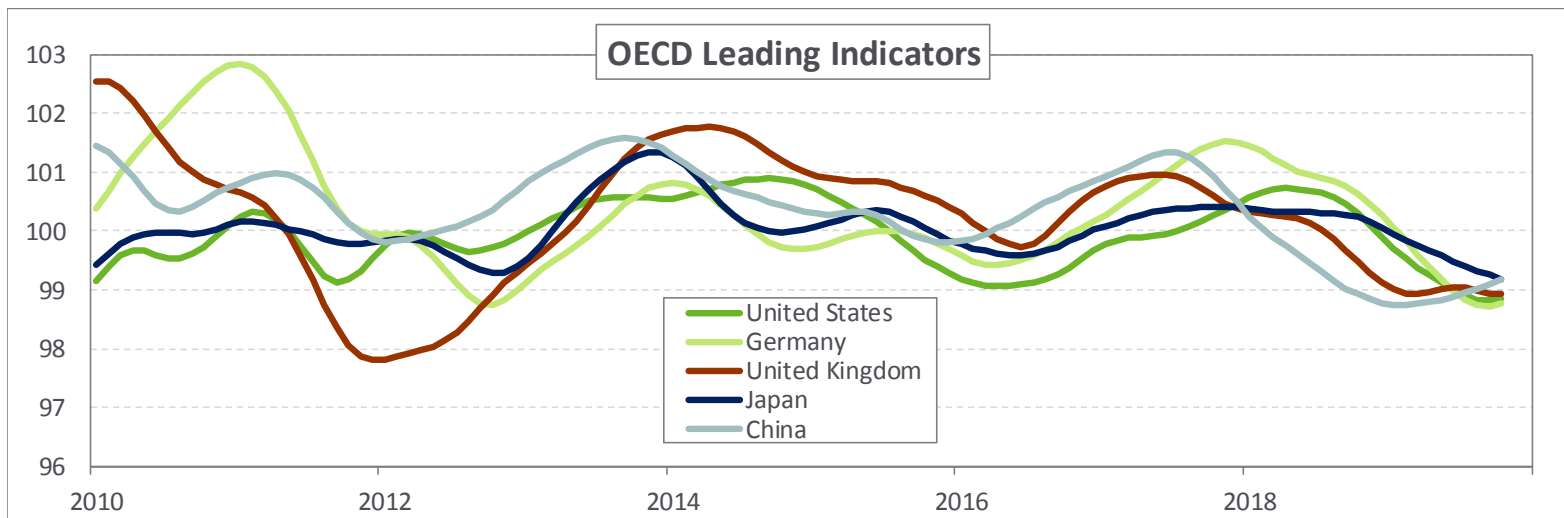
Source: FactSet



ECONOMIC INDICATORS



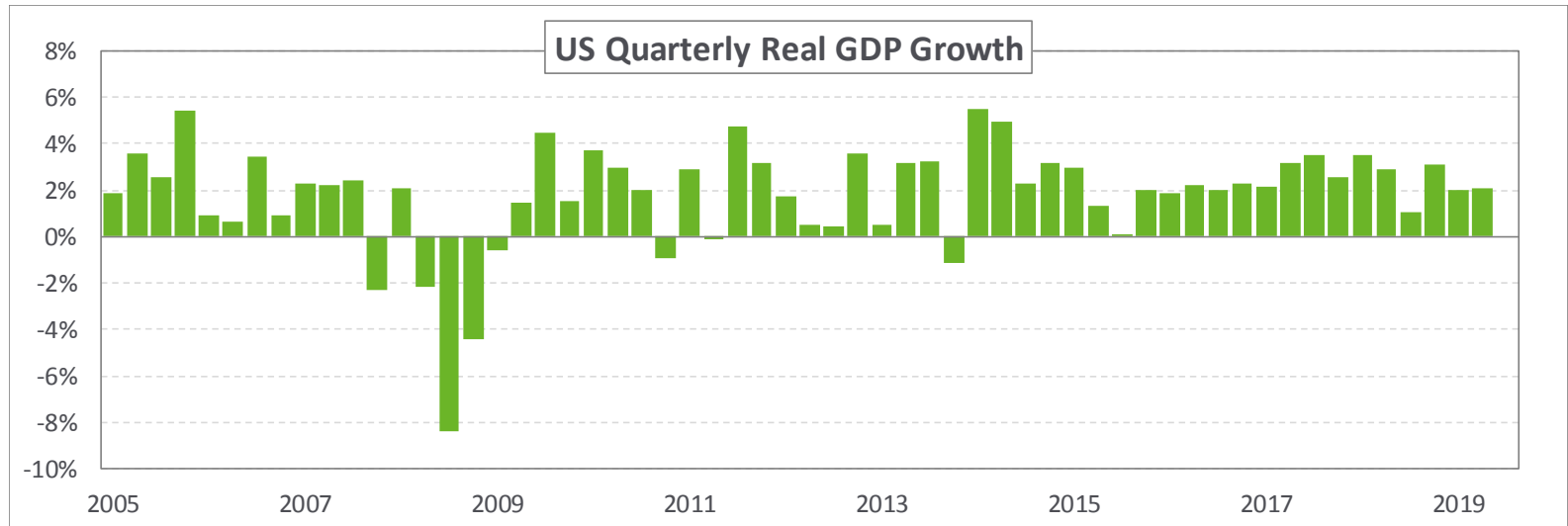
Source: Bureau of Economic Analysis, Oxford Economics, FactSet



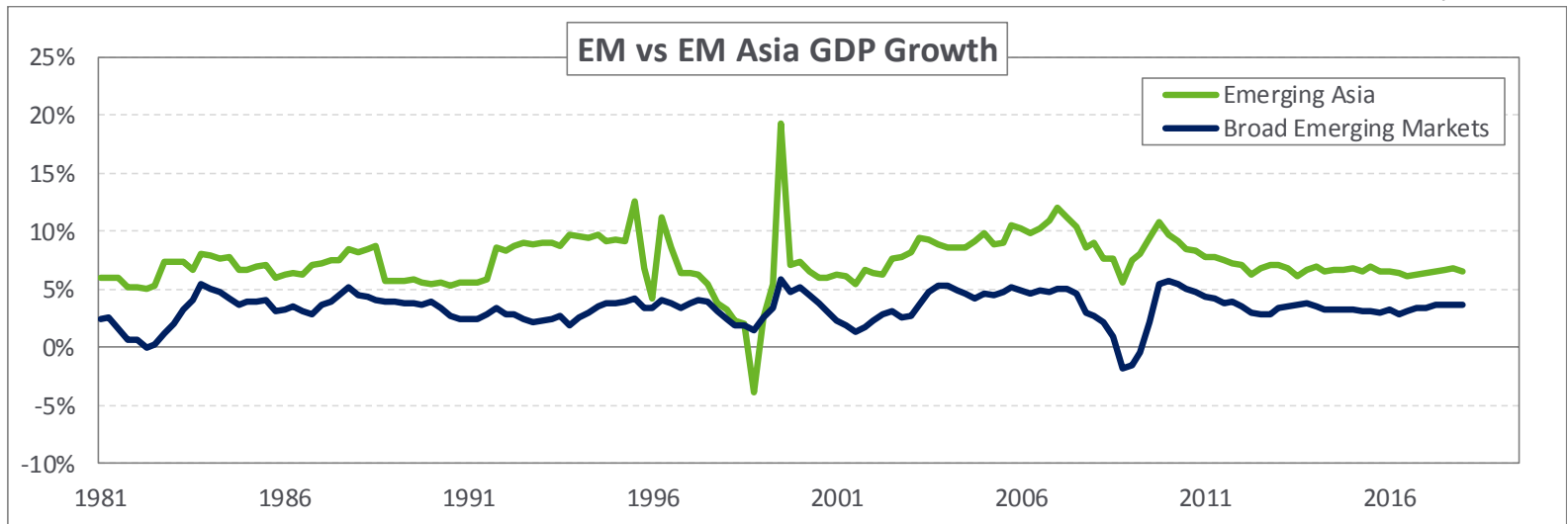
Source: OECD, FactSet



GROSS DOMESTIC PRODUCT



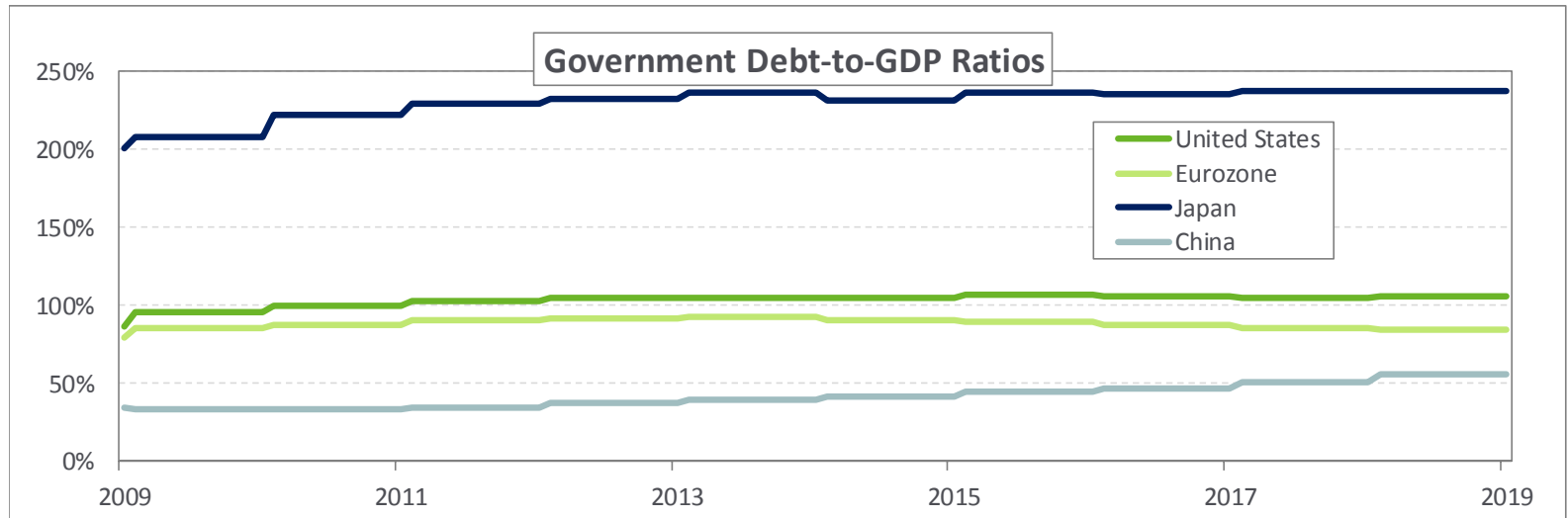
Source: Bureau of Economic Analysis, FactSet



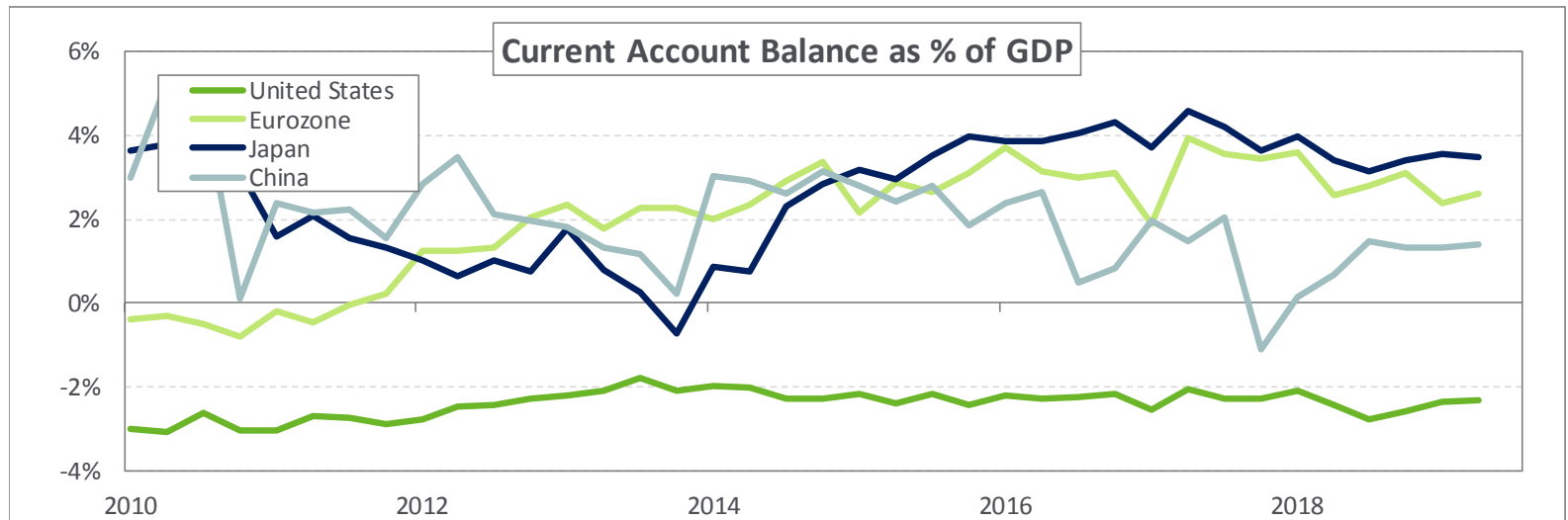
Source: IMF, FactSet



GROSS DOMESTIC PRODUCT METRICS



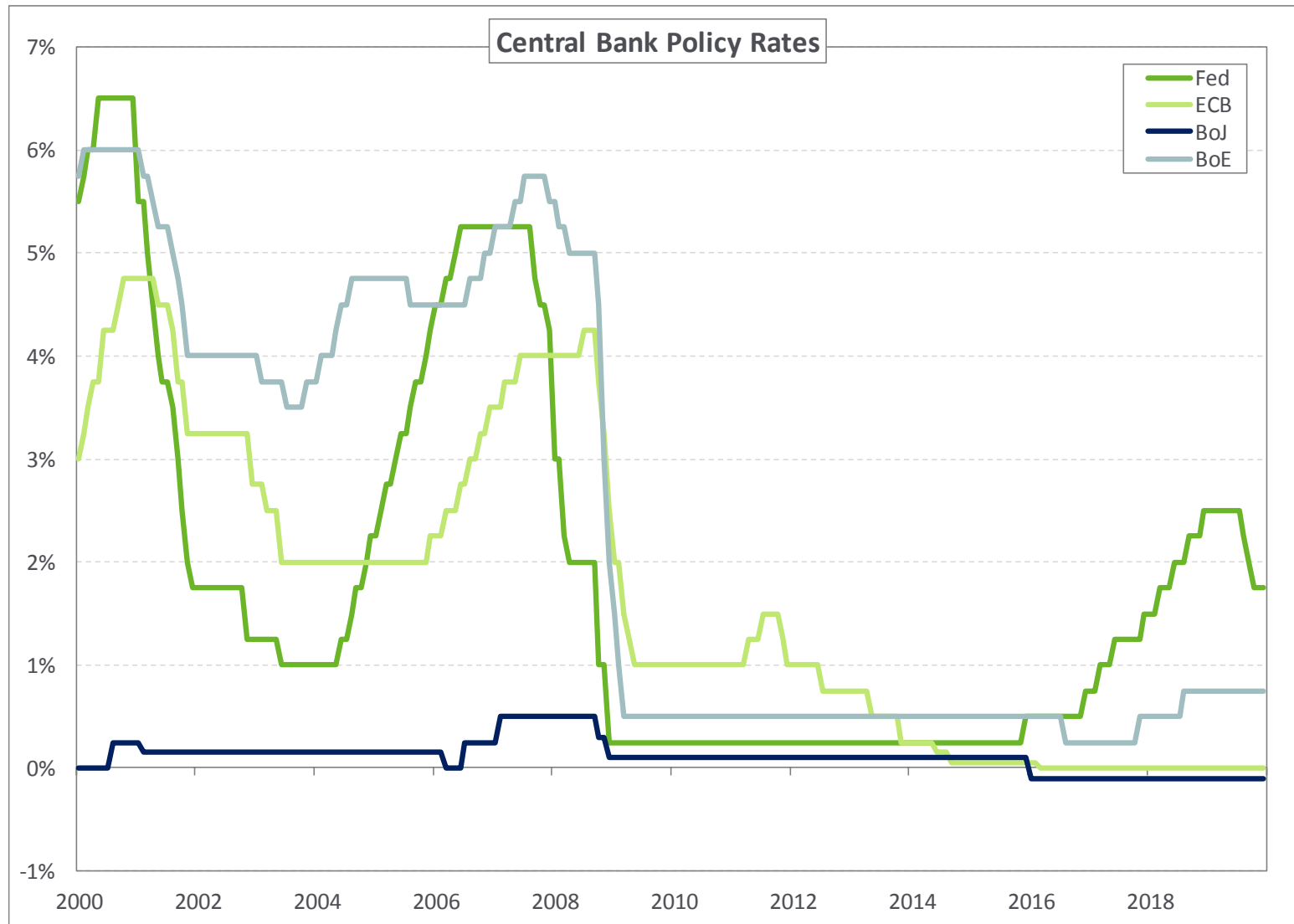
Source: IMF, FactSet



Source: FactSet



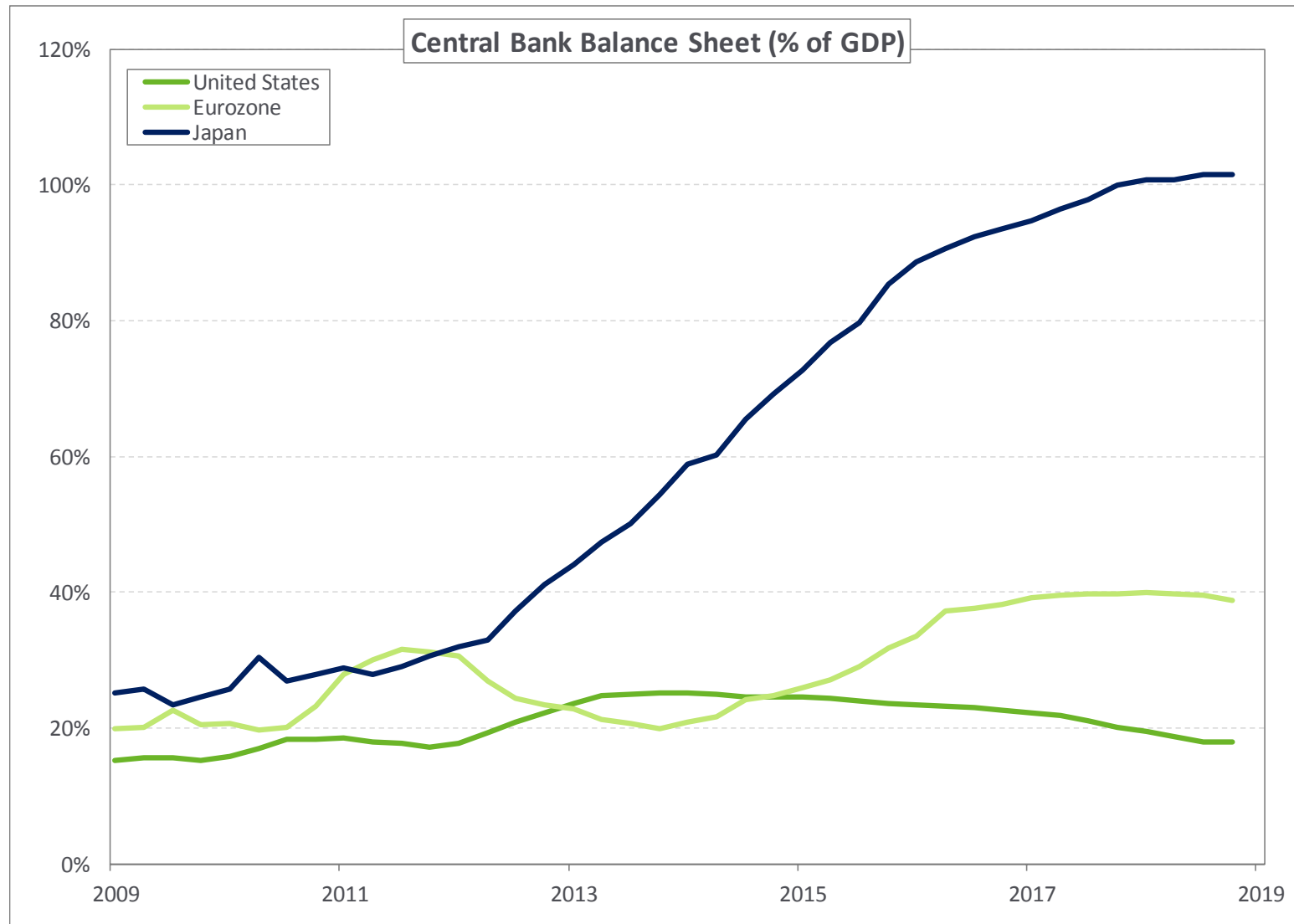
CENTRAL BANK RATES



Source: Federal Reserve, ECB, Bank of Japan, Bank of England, FactSet



CENTRAL BANK BALANCE SHEETS



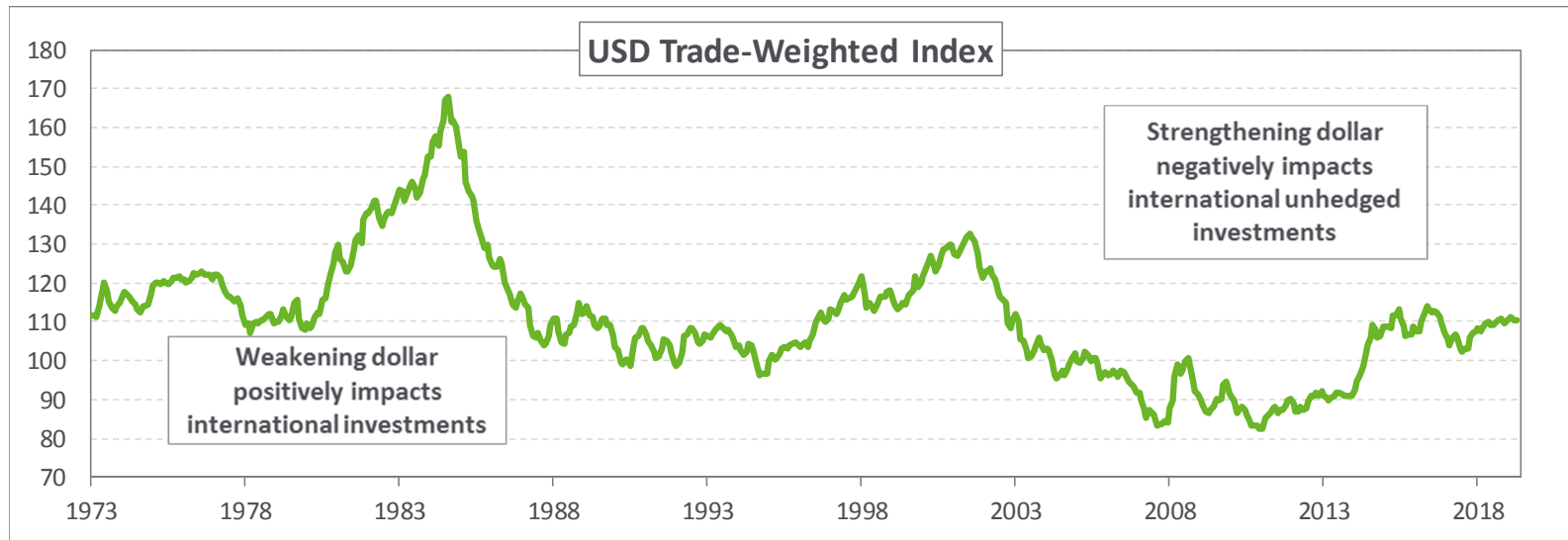
Source: FactSet



CURRENCIES

Currencies	% Change Relative to USD			
	Spot	1 Month	YTD	1 Year
Euro	1.12	1.80%	-1.81%	-1.81%
British Pound	1.32	2.42%	4.02%	4.02%
Japanese Yen	108.68	-0.76%	-0.95%	-0.95%
Swiss Franc	0.97	-3.10%	-1.77%	-1.77%
Australian Dollar	0.70	3.93%	-0.15%	-0.15%
Chinese Yuan	6.97	-0.87%	1.46%	1.46%
Brazilian Real	4.02	-4.86%	3.79%	3.79%
Russian Ruble	62.11	-3.36%	-10.47%	-10.47%
Indian Rupee	71.38	-0.50%	2.24%	2.24%
Mexican Peso	18.88	-3.19%	-4.11%	-4.11%
South African Rand	13.98	-4.57%	-2.79%	-2.79%

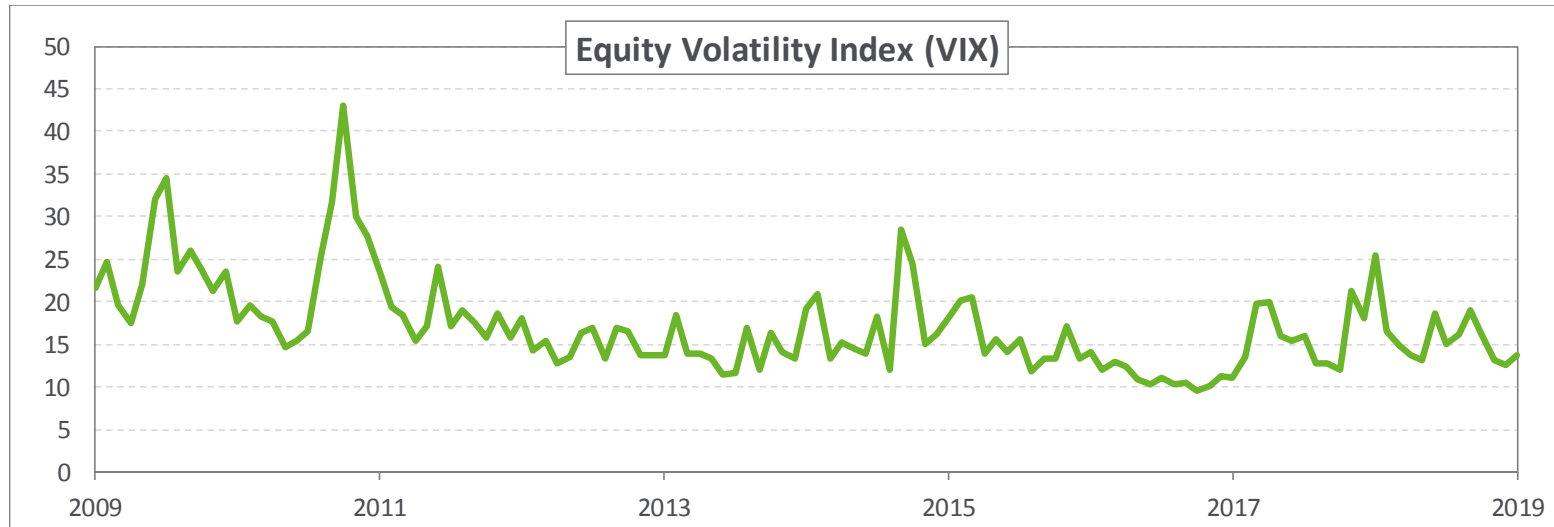
Source: FactSet



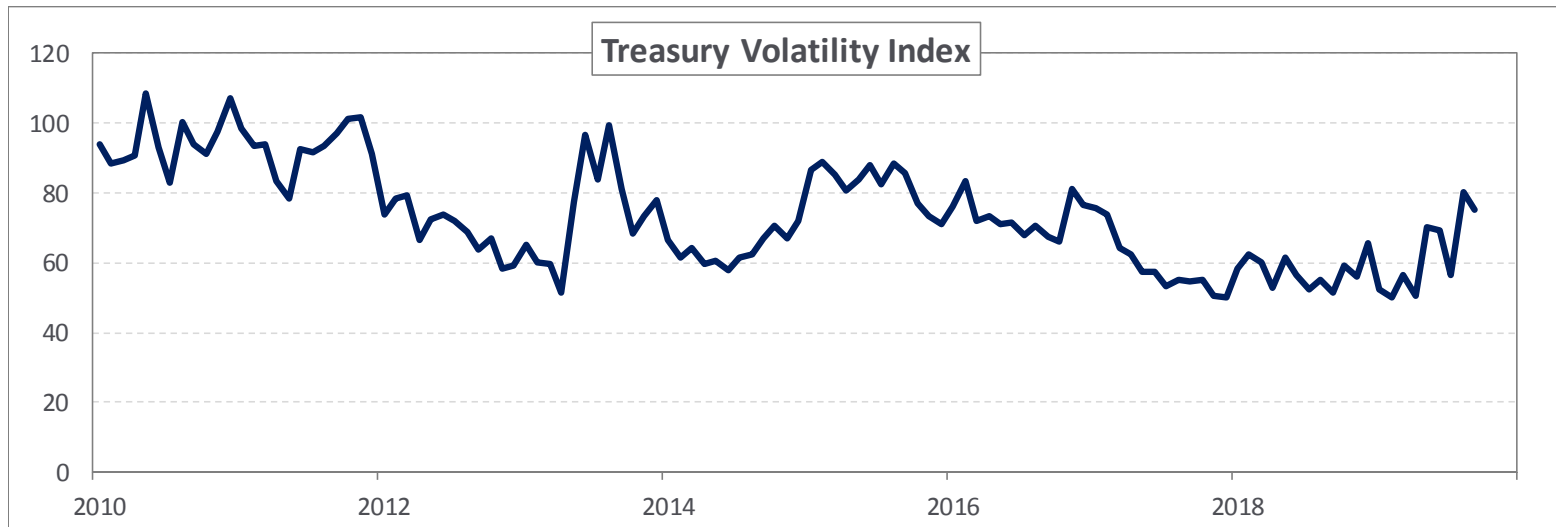
Source: FactSet



VOLATILITY



Source: CBOE, FactSet



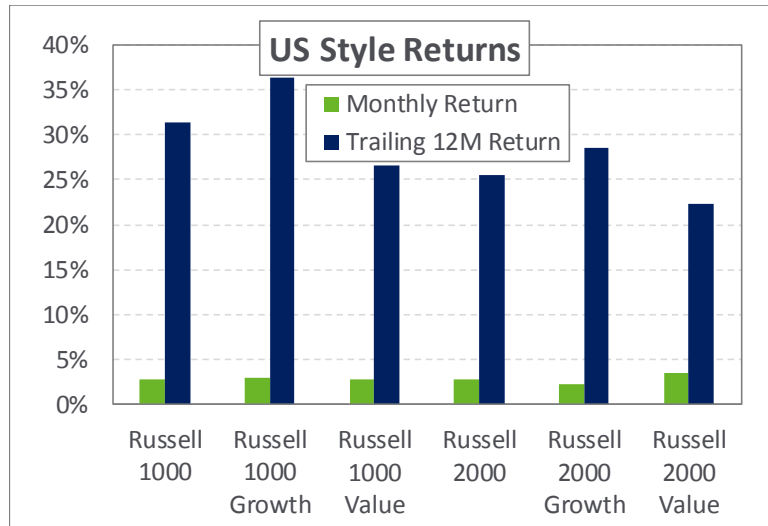
Source: Merrill Lynch, FactSet



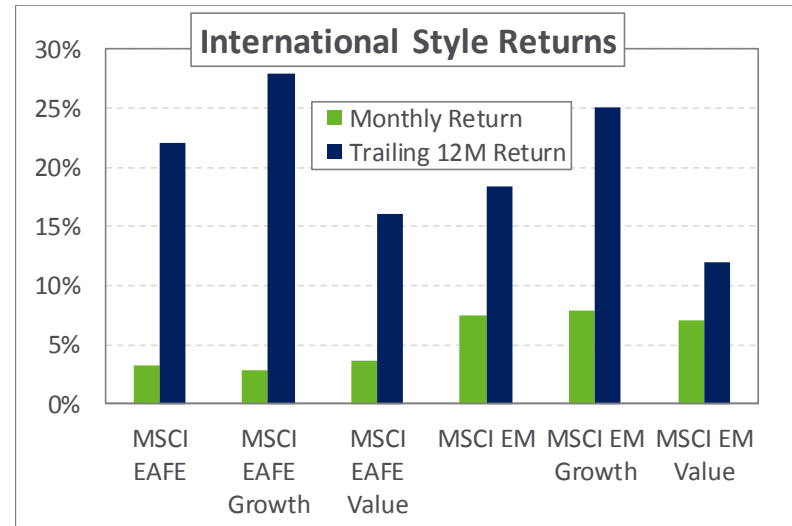
EQUITY

NEPC, LLC

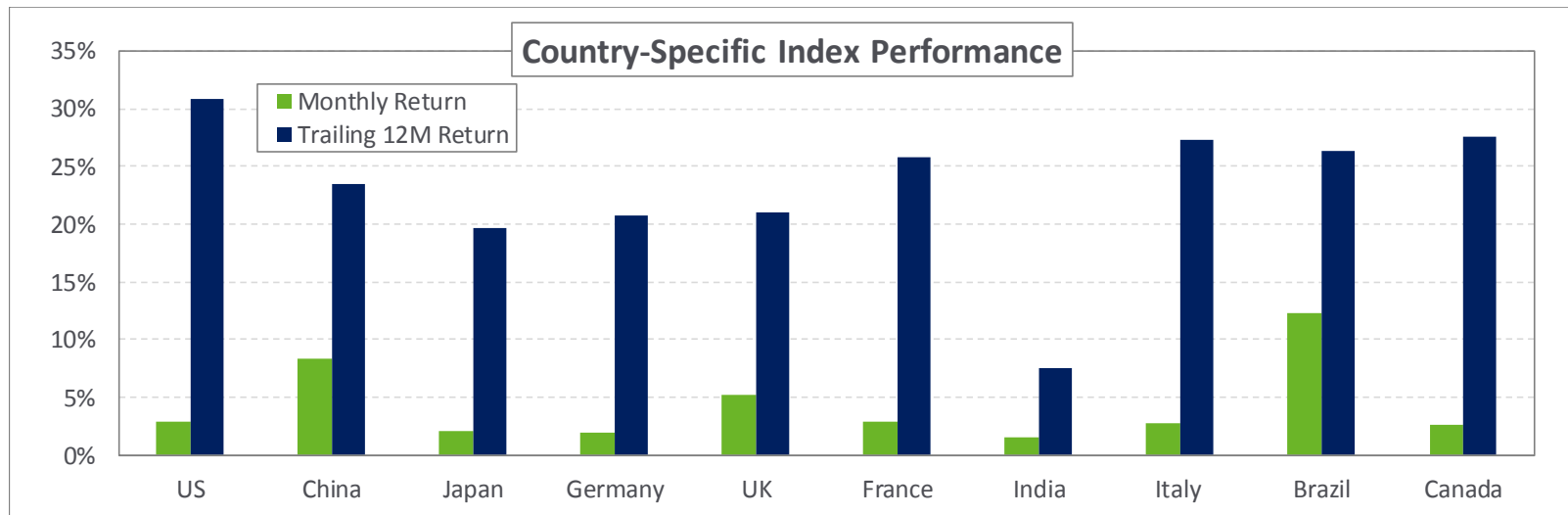
EQUITY INDEX PERFORMANCE



Source: Russell, FactSet



Source: MSCI, FactSet



Source: MSCI, FactSet
Represents returns in USD



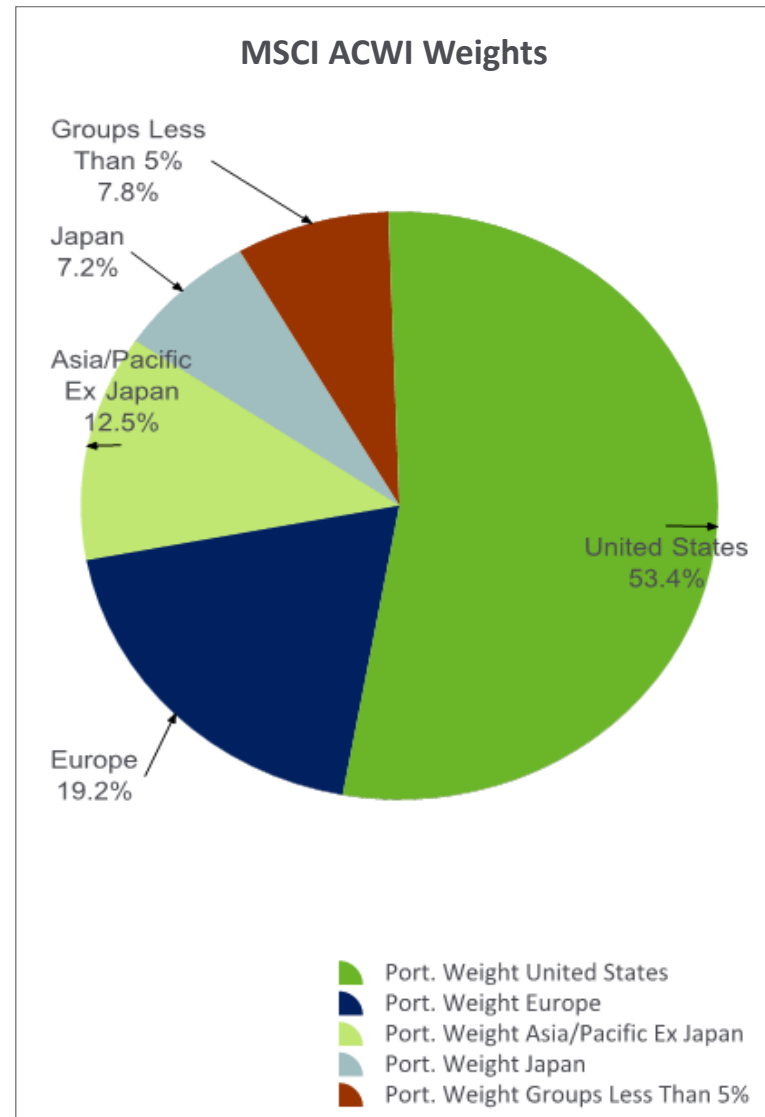
INDEX COMPOSITION

	MTD	QTD	YTD	Index Weight
S&P 500	3.0%	9.1%	31.5%	100.0%
Communication Services	0.2%	1.0%	3.3%	10.4%
Consumer Discretionary	0.3%	0.4%	2.9%	9.8%
Consumer Staples	0.2%	0.3%	2.1%	7.2%
Energy	0.3%	0.2%	0.7%	4.3%
Financials	0.4%	1.4%	4.1%	13.0%
Health Care	0.5%	1.9%	2.9%	14.2%
Industrials	0.0%	0.5%	2.8%	9.1%
Information Technology	1.0%	3.2%	9.8%	23.2%
Materials	0.1%	0.2%	0.7%	2.7%
Real Estate	0.0%	0.0%	0.9%	2.9%
Utilities	0.1%	0.0%	0.9%	3.3%

Source: S&P, FactSet

	MTD	QTD	YTD	Index Weight
MSCI ACWI	3.5%	9.0%	26.6%	100.0%
Communication Services	0.3%	0.7%	2.2%	8.7%
Consumer Discretionary	0.4%	0.9%	3.0%	10.8%
Consumer Staples	0.2%	0.2%	1.9%	8.0%
Energy	0.3%	0.3%	0.8%	5.2%
Financials	0.6%	1.5%	4.0%	16.7%
Health Care	0.4%	1.5%	2.6%	11.8%
Industrials	0.1%	0.8%	2.8%	10.3%
Information Technology	0.8%	2.4%	6.6%	17.1%
Materials	0.2%	0.4%	1.0%	4.8%
Real Estate	0.1%	0.1%	0.8%	3.2%
Utilities	0.1%	0.1%	0.8%	3.3%

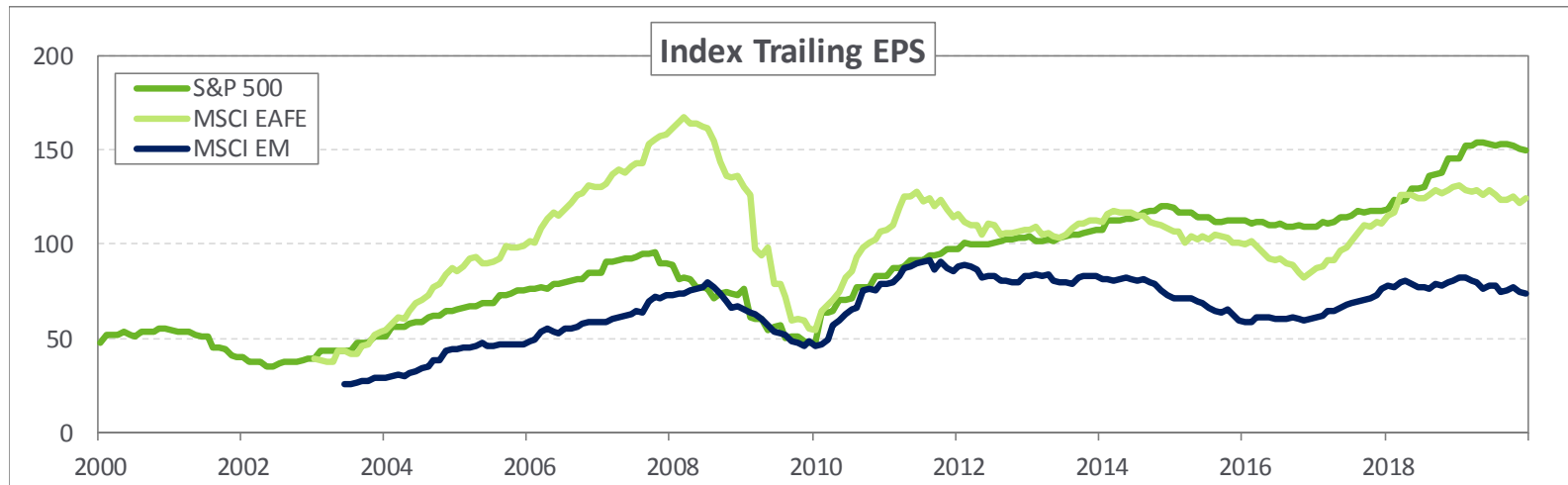
Source: MSCI, FactSet



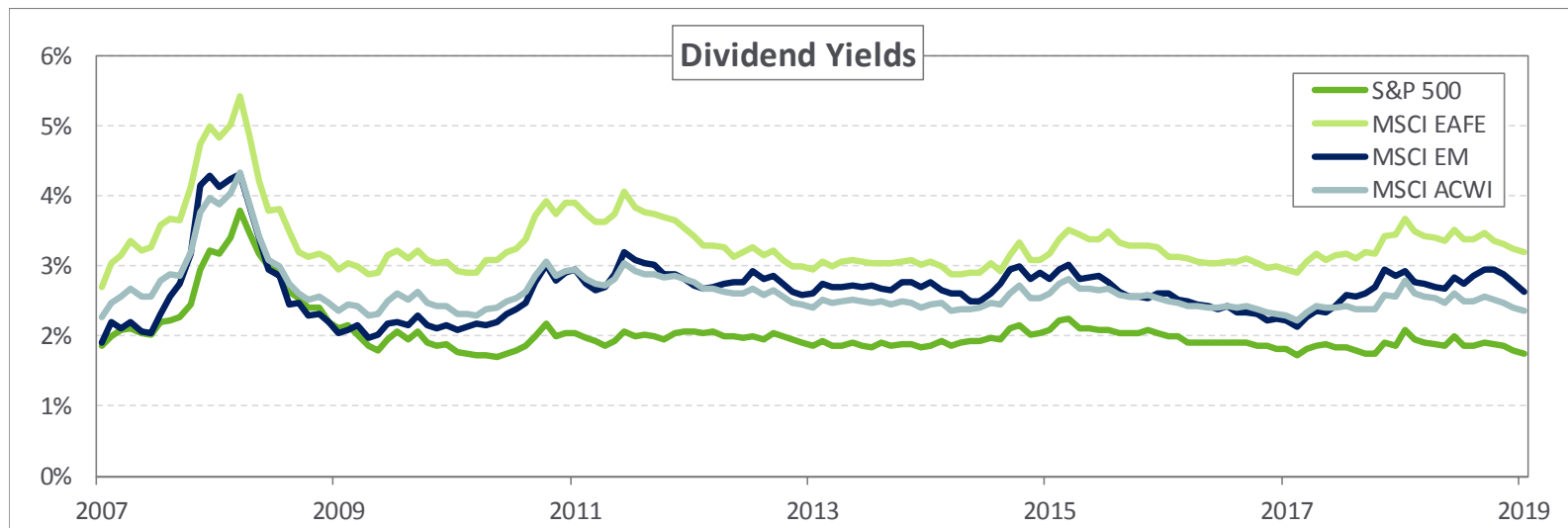
Source: MSCI, FactSet



EARNINGS & YIELDS



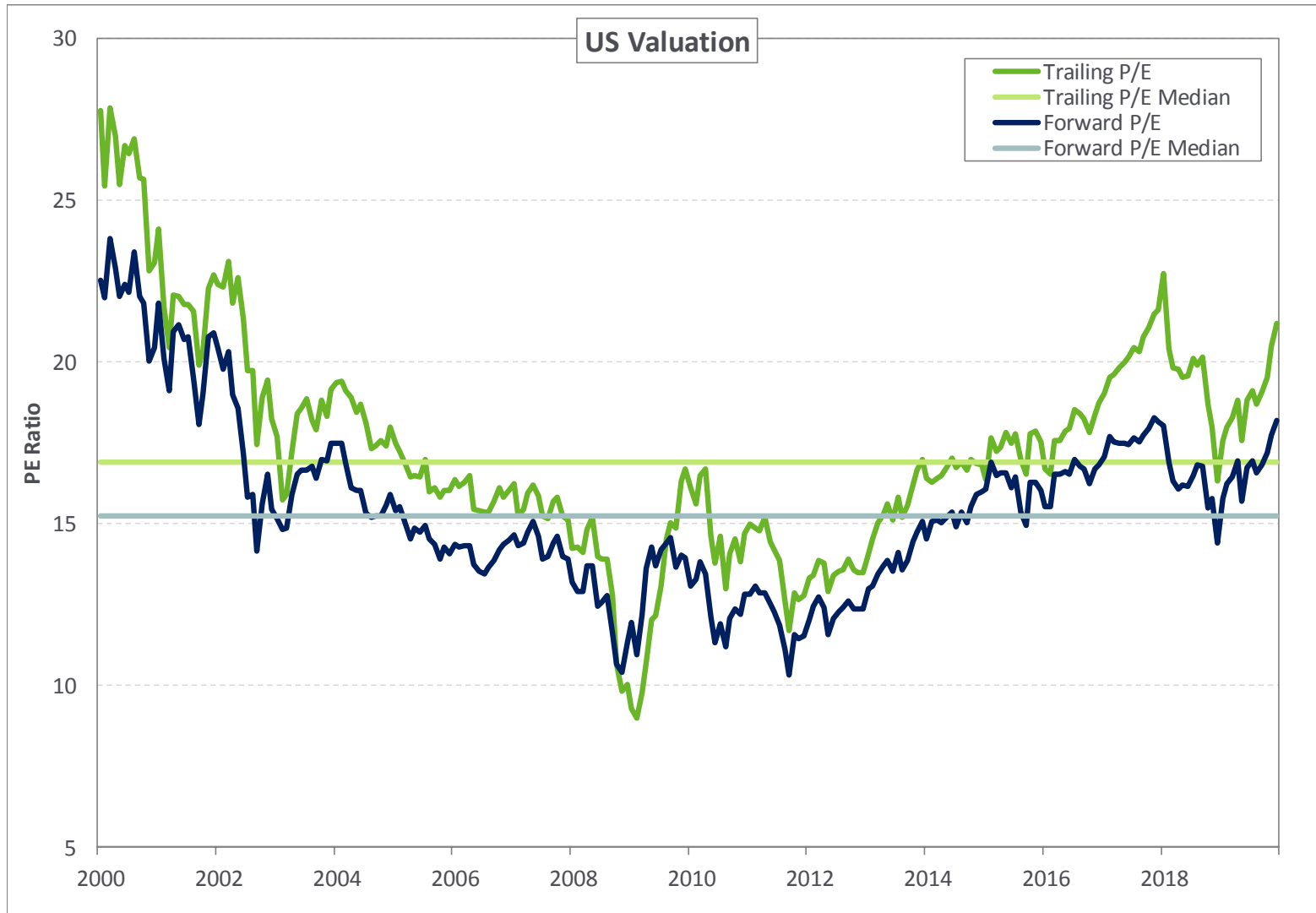
Source: FactSet



Source: FactSet



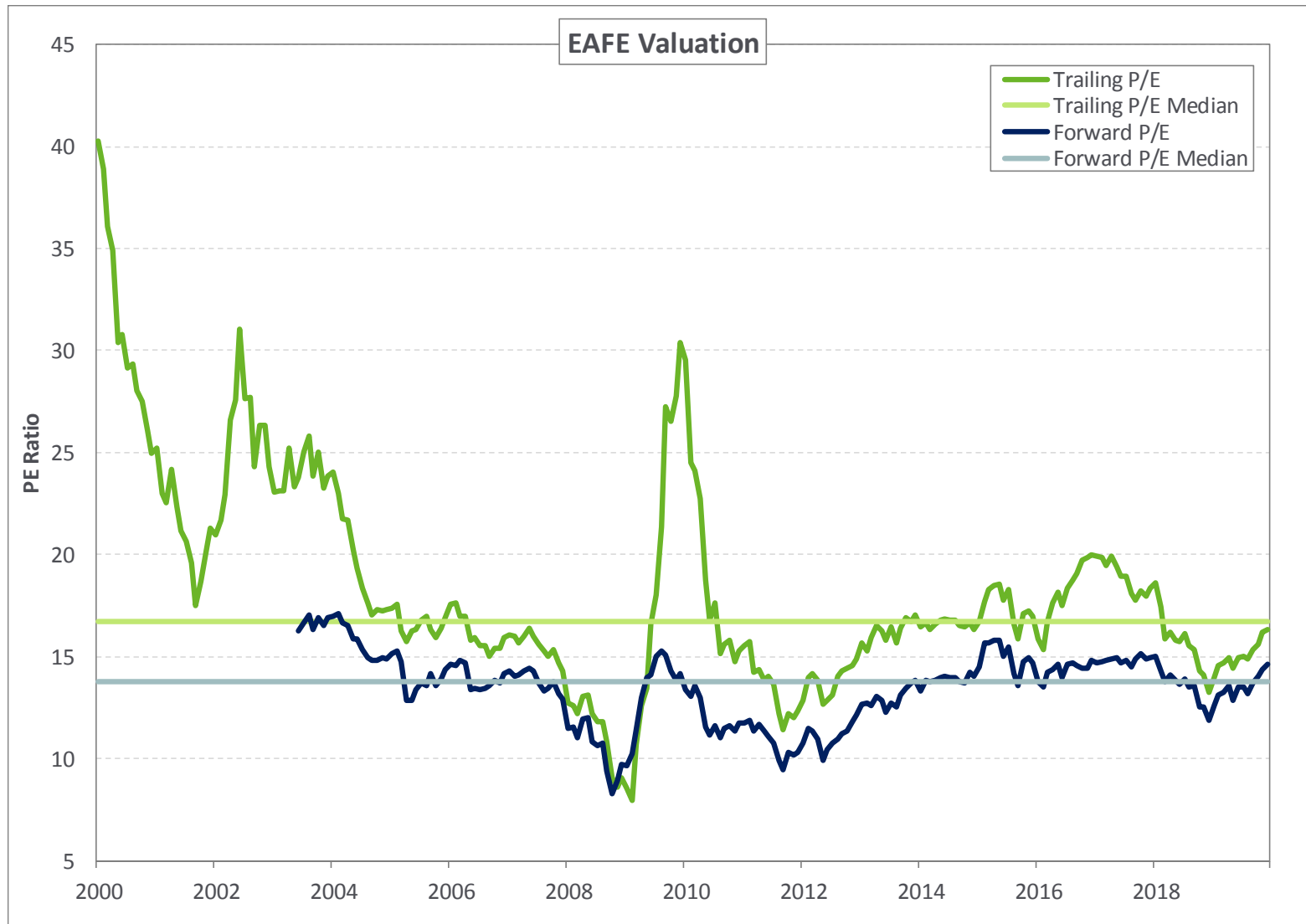
US EQUITY VALUATIONS



Source: S&P, FactSet



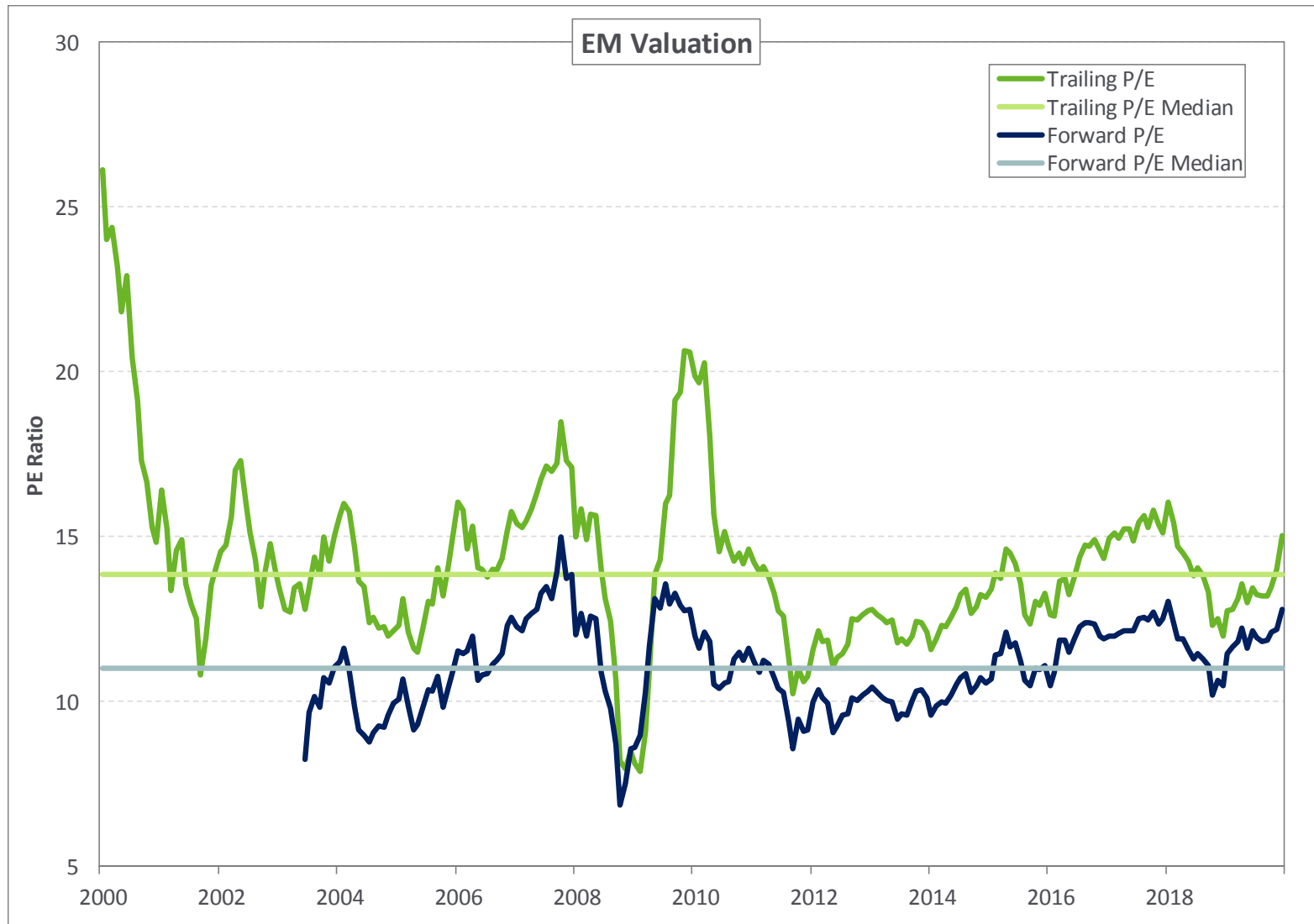
EAFE EQUITY VALUATIONS



Source: MSCI, FactSet



EM EQUITY VALUATIONS



Source: MSCI, FactSet



CREDIT

NEPC, LLC

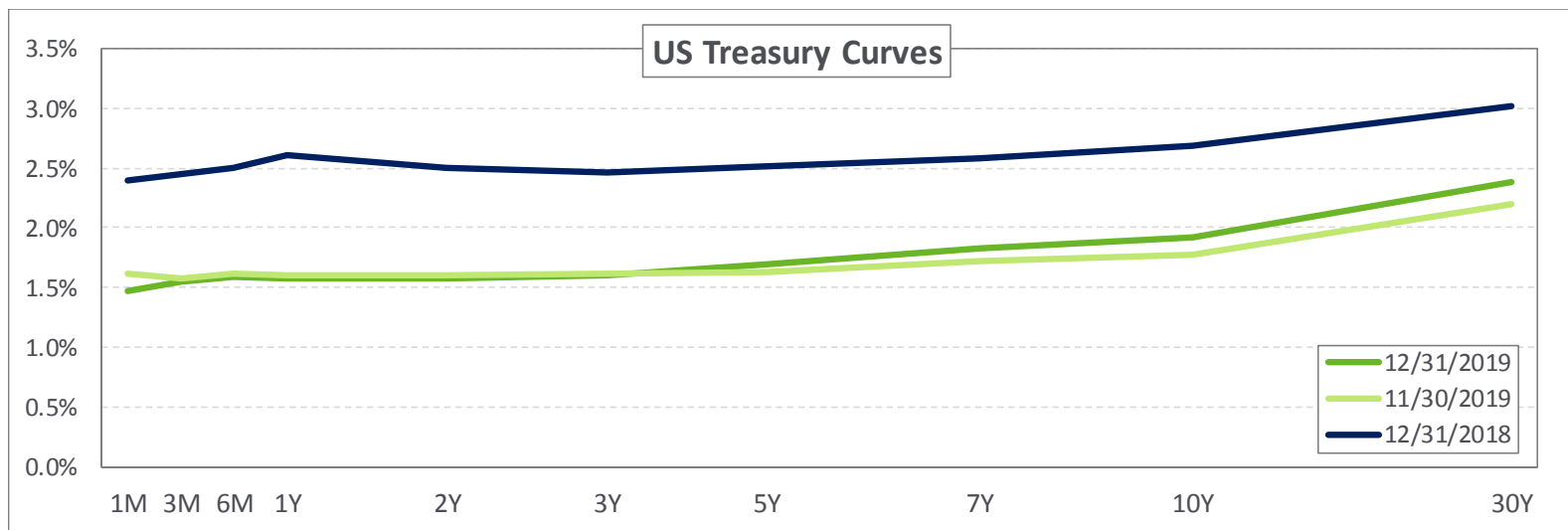
FIXED INCOME CHARACTERISTICS

	Averages			Total Returns (%)		
	Yield to Worst	Spread (bps)	Duration (Years)	1-Month	YTD	1-Year
Barclays Aggregate	2.31%	39	5.9	-0.1%	8.7%	8.7%
Barclays Treasury	1.80%	-	6.5	-0.6%	6.8%	6.8%
Barclays Agency	1.87%	10	4.1	-0.2%	5.9%	5.9%
Barclays MBS	2.54%	39	3.2	0.3%	6.3%	6.3%
Barclays ABS	2.05%	44	2.1	0.1%	4.5%	4.5%
Barclays CMBS	2.35%	58	5.6	-0.5%	7.5%	7.5%
Barclays Corp IG	2.84%	93	7.9	0.3%	14.5%	14.5%
Barclays Muni	1.78%	-	5.3	0.3%	7.5%	7.5%
Barclays HY Muni	4.02%	-	7.1	0.3%	10.6%	10.6%
Barclays TIPS	1.99%	-	4.7	0.4%	8.4%	8.4%
Barclays HY	5.19%	336	3.1	2.0%	14.3%	14.3%
Barclays Global Agg	1.45%	38	7.1	0.6%	6.8%	6.8%
JPM EMBI Glob Div	-	289	7.5	2.0%	15.0%	15.0%
JPM GBI - EM	4.88%	-	5.4	4.1%	13.4%	13.4%

Source: Barclays, JP Morgan, FactSet



TREASURIES



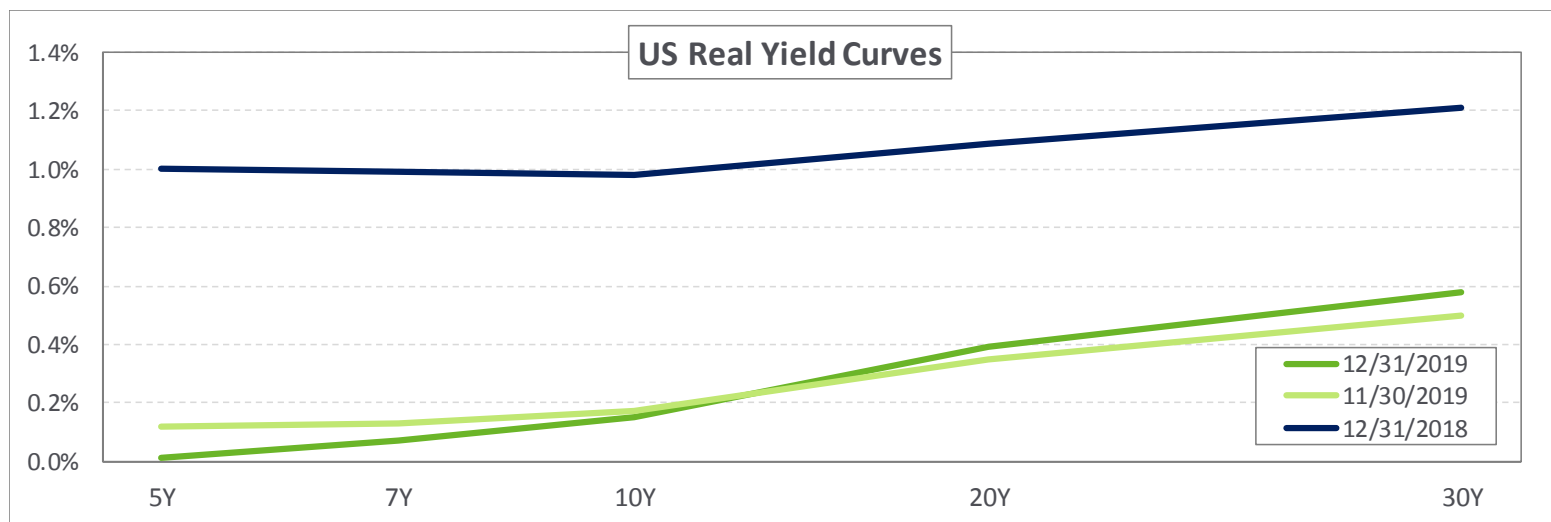
Source: FactSet

	Yield (%)			Total Return (%)	
	Current	1 Month Ago	12 Months Ago	1 Month	12 Months
3M Treasury	1.55%	1.58%	2.45%	0.14%	2.28%
6M Treasury	1.59%	1.61%	2.50%	0.16%	2.57%
2Y Treasury	1.57%	1.60%	2.50%	0.23%	3.49%
5Y Treasury	1.69%	1.62%	2.51%	-0.08%	5.91%
10Y Treasury	1.92%	1.78%	2.68%	-1.02%	8.91%
30Y Treasury	2.39%	2.20%	3.01%	-3.51%	16.33%

Source: FactSet



REAL YIELDS



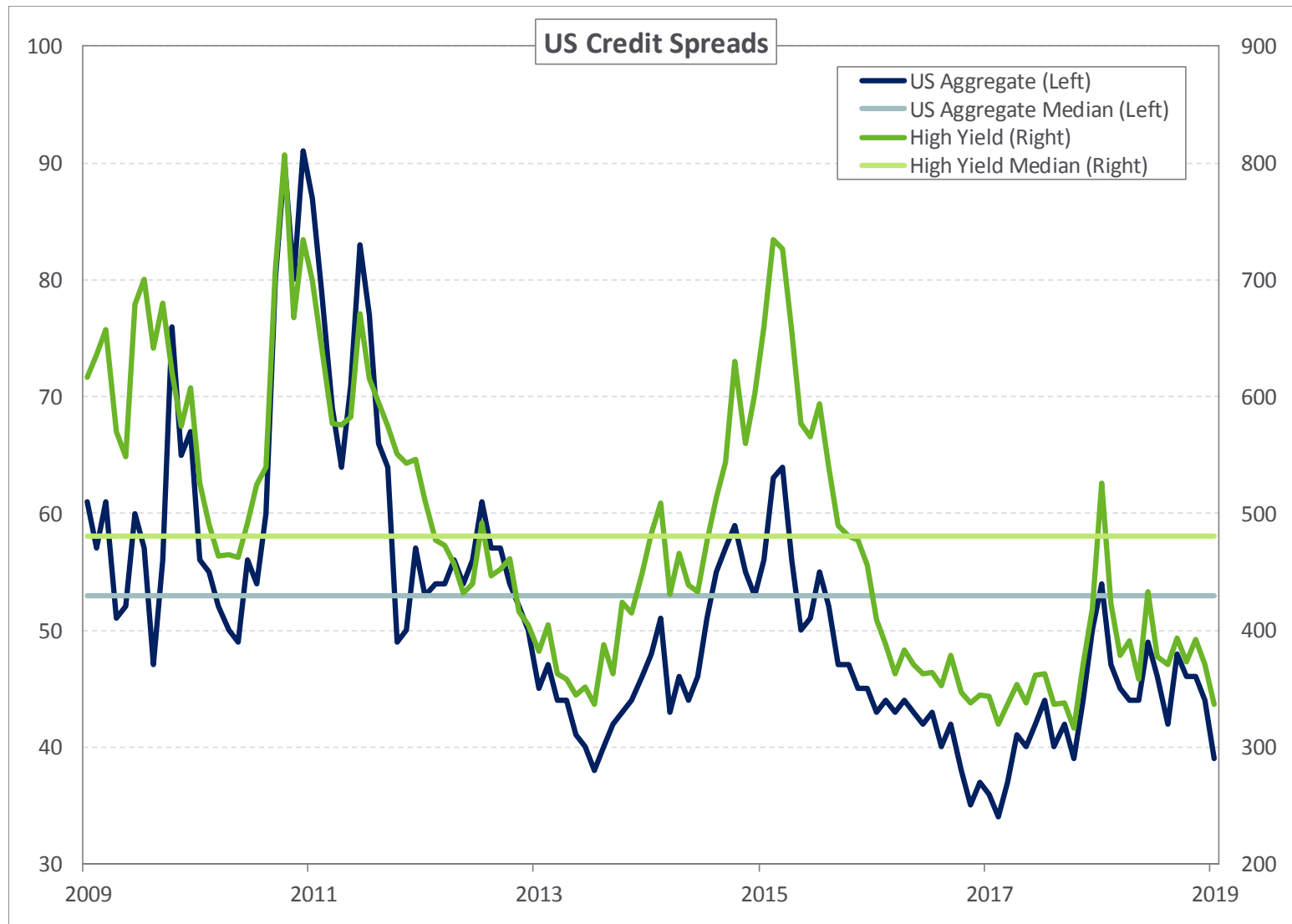
Source: FactSet

	Real Rates			Breakeven Rates	
	Current	1 Month Ago	12 Months Ago	Current	12 Months Ago
2-Year	-0.47%	-0.44%	0.55%	1.56%	1.50%
5-Year	-0.44%	-0.43%	0.51%	1.62%	1.52%
10-Year	-0.35%	-0.42%	0.56%	1.68%	1.60%
20-Year	-0.22%	-0.32%	0.64%	1.53%	1.59%
30-Year	-0.13%	-0.27%	0.74%	1.81%	1.80%

Source: FactSet



CREDIT SPREADS



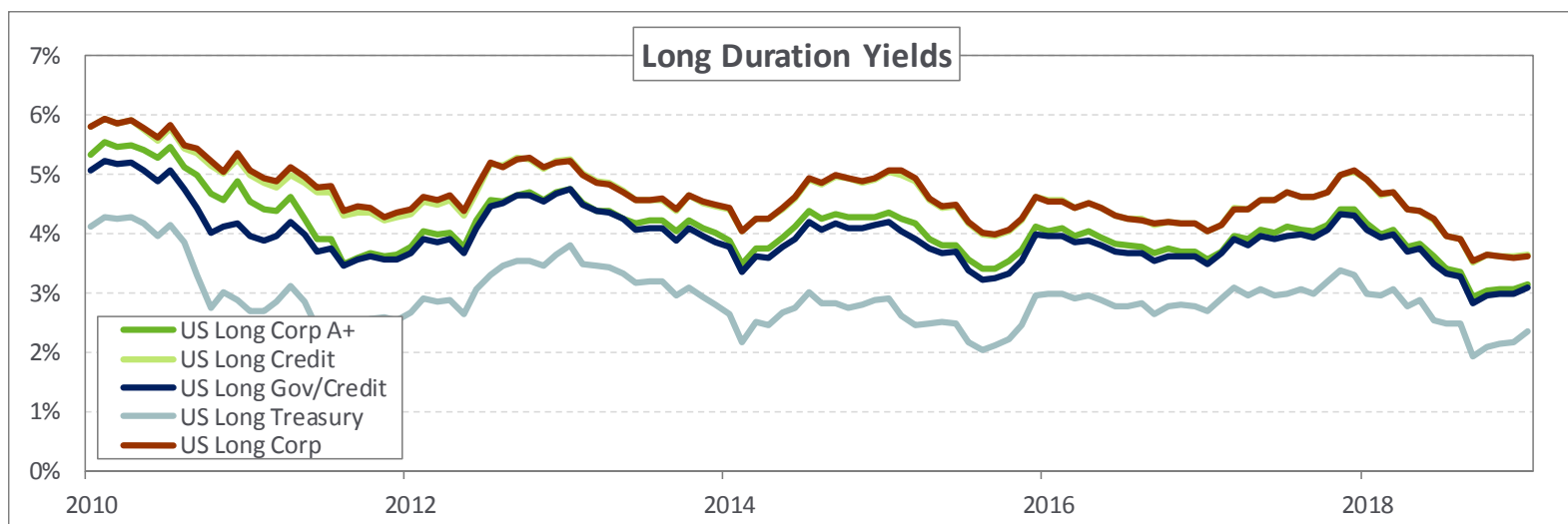
Source: Barclays, FactSet



LONG DURATION

Index	Current	1 Month Ago	12 Months Ago	Duration
Barclays Long Treasury	2.3%	2.2%	3.0%	18.0
Barclays 20+ STRIPS	2.4%	2.2%	3.1%	26.2
Barclays Long Credit	3.6%	3.6%	4.9%	14.1
Barclays Long Gov/Credit	3.1%	3.0%	4.1%	15.7
Barclays Long Corp A+	3.3%	3.2%	4.4%	15.1

Source: Barclays, FactSet



Source: Barclays, FactSet



REAL ASSETS

NEPC, LLC

REAL ASSETS INDEX PERFORMANCE

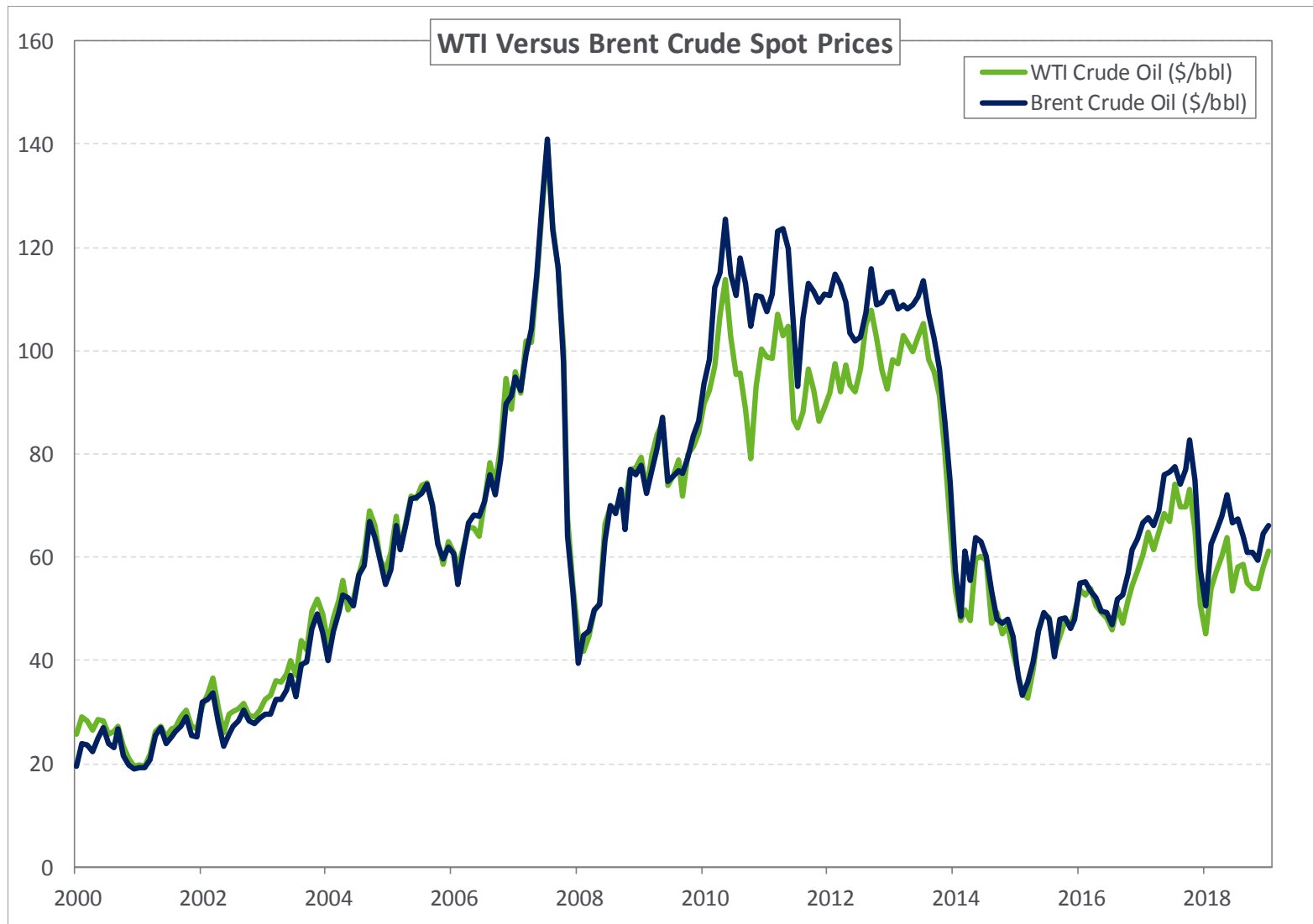
Index	1 Month	3 Month	YTD	1 Year	3 Year	5 Year
Bloomberg Commodity Index	5.0%	4.4%	7.7%	7.7%	-0.9%	-3.9%
Bloomberg Sub Agriculture Index	5.8%	7.1%	1.7%	1.7%	-6.9%	-7.0%
Coffee	9.1%	24.8%	12.1%	12.1%	-11.5%	-14.1%
Corn	1.8%	-2.0%	-5.2%	-5.2%	-7.3%	-10.3%
Cotton	5.8%	10.9%	-6.4%	-6.4%	-0.8%	2.1%
Soybean	7.4%	2.6%	-0.6%	-0.6%	-6.9%	-4.6%
Soybean Oil	12.9%	18.1%	19.8%	19.8%	-3.4%	-2.2%
Sugar	3.9%	6.5%	1.9%	1.9%	-17.4%	-8.0%
Wheat	3.3%	12.2%	9.3%	9.3%	-0.3%	-10.1%
Bloomberg Sub Energy	6.9%	5.8%	11.7%	11.7%	-2.3%	-7.9%
Brent Crude	10.4%	16.2%	35.4%	35.4%	9.6%	-2.1%
Heating Oil	8.0%	9.2%	24.5%	24.5%	6.5%	-1.6%
Natural Gas	-3.0%	-17.2%	-37.1%	-37.1%	-26.3%	-23.3%
Unleaded Gas	6.1%	13.4%	44.3%	44.3%	2.1%	-0.2%
WTI Crude Oil	11.0%	13.9%	34.3%	34.3%	4.0%	-7.7%
Bloomberg Sub Industrial Metals	3.1%	-0.2%	7.0%	7.0%	3.7%	-0.5%
Aluminum	1.8%	5.0%	-3.8%	-3.8%	1.6%	-2.4%
Copper	5.2%	8.5%	7.2%	7.2%	2.9%	-1.1%
Nickel	2.6%	-17.6%	32.4%	32.4%	11.6%	-2.2%
Zinc	-0.1%	-4.1%	-1.2%	-1.2%	0.3%	2.7%
Bloomberg Sub Precious Metals	3.9%	3.7%	16.9%	16.9%	7.4%	3.7%
Gold	3.6%	3.3%	18.0%	18.0%	8.9%	4.4%
Silver	4.9%	5.0%	13.8%	13.8%	2.7%	1.5%
Bloomberg Sub Livestock	1.6%	0.1%	-6.0%	-6.0%	-0.6%	-5.5%
Lean Hogs	4.9%	-14.9%	-19.1%	-19.1%	-9.5%	-11.9%
Live Cattle	-0.1%	9.3%	1.2%	1.2%	4.2%	-2.1%

Source: Bloomberg, FactSet

Bloomberg subindex total return indices reflects the return of the underlying one month commodity futures price movements



OIL MARKETS



Source: FactSet



POLICY INDEX HISTORY

- **4/1/2012 – 6/30/2012:** 23% S&P 500 Index, 2% Russell 2500 Index, 5% MSCI EAFE Index, 10% MSCI Emerging Markets Index, 18% Barclays Aggregate, 15% Bank of America Merrill Lynch US High BB-B Constrained Index, 2% JP Morgan GBI – EM Global Diversified Index, 5% (60% MSCI World HH / 40% CITI WGBI HH), 8% (90 Day T-Bill + 2%), 3% Wilshire REIT, 2% NCREIF Property Index, 5% Cambridge Associates US All PE 1 Quarter Lag, 1% (CPI + 4% Seasonally Adjusted), 1% 90 Day T-Bill.
- **7/1/2012 – 6/30/2013:** 23% S&P 500 Index, 2% Russell 2500 Index, 5% MSCI EAFE Index, 10% MSCI Emerging Markets Index, 18% Barclays Aggregate Index, 15% (50% Credit Suisse Leveraged Loan Index / 50% Bank of America Merrill Lynch US HY BB-B Rated Constrained Index), 2% JP Morgan GBI – EM Global Diversified Index, 5% (60% MSCI World HH / 40% CITI WGBI HH), 3% Wilshire REIT, 2% NCREIF Property Index, 8% (91 Day T-Bill + 2% 1 month lag), 5% Cambridge Associates All US PE 1 Quarter Lag, 1% (CPI + 4% Seasonally Adjusted), 1% 91 Day T-Bill.
- **7/1/2013 – 6/30/2014:** 20% S&P 500 Index, 2% Russell 2500 Index, 5% MSCI EAFE Index, 10% MSCI Emerging Markets Index, 7% Barclays Aggregate Index, 20% (50% Credit Suisse Leveraged Loan Index / 50% Bank of America Merrill Lynch US HY BB-B Rated Constrained Index), 2% JP Morgan GBI – EM Global Diversified Index, 5% (60% MSCI World HH / 40% CITI WGBI HH), 5% Credit Suisse Hedge Global Macro Index, 3% Wilshire REIT Index, 2% NCREIF Property Index, 3% (91 Day T-Bill + 2% 1 Month Lag), 8% Cambridge Associates US All PE 1 Quarter Lag, 7% (CPI + 4% Seasonally Adjusted), 1% 91 Day T-Bill.
- **7/1/2014 – 9/30/2014:** 20% S&P 500 Index, 2% Russell 2500 Index, 5% MSCI EAFE Index, 10% MSCI Emerging Markets Index, 7% Barclays Aggregate Index, 20% (50% Credit Suisse Leveraged Loan Index / 50% Bank of America Merrill Lynch US HY BB-B Rated Constrained Index), 2% JP Morgan GBI – EM Global Diversified Index, 5% (60% MSCI World / 40% CITI WGBI), 5% Credit Suisse Hedge Global Macro Index, 3% Wilshire REIT Index, 2% NCREIF Property Index, 3% (91 Day T-Bill + 2% 1 Month Lag), 8% Cambridge Associates US All PE 1 Quarter Lag, 7% (CPI + 4% Seasonally Adjusted), 1% 91 Day T-Bill.



POLICY INDEX HISTORY

- **10/1/2014 – 1/31/2016:** 18% S&P 500 Index, 2% Russell 2500 Index, 5% MSCI EAFE Index, 10% MSCI Emerging Markets Index, 6% Barclays Aggregate Index, 20% (50% Credit Suisse Leveraged Loan Index / 50% Bank of America Merrill Lynch US HY BB-B Rated Constrained Index), 2% JP Morgan GBI – EM Global Diversified Index, 5% (60% MSCI World / 40% CITI WGBI), 5% Credit Suisse Hedge Global Macro Index, 4% Wilshire REIT Index, 3% NCREIF Property Index, 11% Cambridge Associates US All PE 1 Quarter Lag, 8% (CPI + 4% Seasonally Adjusted), 1% 91 Day T-Bill.
- **2/1/2016 – 12/31/2016:** 18% S&P 500 Index, 2% Russell 2500 Index, 5% MSCI EAFE Index, 10% MSCI Emerging Markets Index, 6% Barclays Aggregate Index, 20% (50% Credit Suisse Leveraged Loan Index / 50% Bank of America Merrill Lynch US HY BB-B Rated Constrained Index), 2% (50% JP Morgan EMBI Global Diversified Index / 50% JP Morgan GBI – EM Global Diversified Index), 5% (60% MSCI World / 40% CITI WGBI), 5% Credit Suisse Hedge Global Macro Index, 4% Wilshire REIT Index, 3% NCREIF Property Index, 11% Cambridge Associates US All PE 1 Quarter Lag, 8% (CPI + 4% Seasonally Adjusted), 1% 91 Day T-Bill.
- **1/1/2017 – 9/30/2017:** 18% S&P 500 Index, 2% Russell 2500 Index, 5% MSCI EAFE Index, 10% MSCI Emerging Markets Index, 6% Barclays Aggregate Index, 20% (50% Credit Suisse Leveraged Loan Index / 50% Bank of America Merrill Lynch US HY BB-B Rated Constrained Index), 2% (50% JP Morgan EMBI Global Diversified Index / 50% JP Morgan GBI – EM Global Diversified Index), 5% (60% MSCI World / 40% CITI WGBI), 5% Credit Suisse Hedge Global Macro Index, 3% Wilshire REIT Index, 4% NCREIF Property Index, 11% Cambridge Associates US All PE 1 Quarter Lag, 8% (CPI + 4% Seasonally Adjusted), 1% 91 Day T-Bill.
- **10/1/2017 – 12/31/2017:** 16% S&P 500 Index, 3% Russell 2500 Index, 5% MSCI EAFE Index, 9% MSCI Emerging Markets Index, 6% Barclays Aggregate Index, 18% (50% Credit Suisse Leveraged Loan Index / 50% Bank of America Merrill Lynch US HY BB-B Rated Constrained Index), 2% JP Morgan GBI – EM Global Diversified Index, 7% (60% MSCI World / 40% CITI WGBI), 5% Libor + 2%, 3% Wilshire REIT Index, 4% NCREIF Property Index, 13% Cambridge Associates US All PE 1 Quarter Lag, 8% (CPI + 4% Seasonally Adjusted), 1% 91 Day T-Bill.
- **1/1/2018 – 6/30/2019:** 16% S&P 500 Index, 3% Russell 2500 Index, 5% MSCI EAFE Index, 9% MSCI Emerging Markets Index, 6% Barclays Aggregate Index, 18% (50% Credit Suisse Leveraged Loan Index / 50% Bank of America Merrill Lynch US HY BB-B Rated Constrained Index), 2% JP Morgan GBI – EM Global Diversified Index, 12% Libor + 2%, 3% Wilshire REIT Index, 4% NCREIF Property Index, 13% Cambridge Associates US All PE 1 Quarter Lag, 8% (CPI + 4% Seasonally Adjusted), 1% 91 Day T-Bill.
- **7/1/2019 – Present:** 16% S&P 500 Index, 3% Russell 2500 Index, 5% MSCI EAFE Index, 9% MSCI Emerging Markets Index, 6% Barclays Aggregate Index, 18% (50% Credit Suisse Leveraged Loan Index / 50% Bank of America Merrill Lynch US HY BB-B Rated Constrained Index), 2% JP Morgan GBI – EM Global Diversified Index, 12% Libor + 2%, 2% Wilshire REIT Index, 5% NCREIF Property Index, 13% Cambridge Associates US All PE 1 Quarter Lag, 8% (CPI + 4% Seasonally Adjusted), 1% 91 Day T-Bill.



GLOSSARY OF INVESTMENT TERMINOLOGY

Alpha - Measures the relationship between the fund performance and the performance of another fund or benchmark index and equals the excess return while the other fund or benchmark index is zero.

Alpha Jensen - The average return on a portfolio over and above that predicted by the capital asset pricing model (CAPM), given the portfolio's beta and the average market return. Also known as the abnormal return or the risk adjusted excess return.

Annualized Excess Return over Benchmark - Annualized fund return minus the annualized benchmark return for the calculated return.

Annualized Return - A statistical technique whereby returns covering periods greater than one year are converted to cover a 12 month time span.

Beta - Measures the volatility or systematic risk and is equal to the change in the fund's performance in relation to the change in the assigned index's performance.

Information Ratio - A measure of the risk adjusted return of a financial security, asset, or portfolio.

Formula: (Annualized Return of Portfolio - Annualized Return of Benchmark)/Annualized Standard Deviation(Period Portfolio Return - Period Benchmark Return). To annualize standard deviation, multiply the deviation by the square root of the number of periods per year where monthly returns per year equals 12 and quarterly returns is four periods per year.

R-Squared - Represents the percentage of a fund's movements that can be explained by movements in an index. R-Squared values range from 0 to 100. An R-Squared of 100 denotes that all movements of a fund are completely explained by movements in the index.

Sharpe Ratio - A measure of the excess return or risk premium per unit of risk in an investment asset or trading strategy.

Sortino Ratio - A method to differentiate between good and bad volatility in the Sharpe Ratio. The differentiation of up and down volatility allows the calculation to provide a risk adjusted measure of a security or fund's performance without upward price change penalties.

*Formula: Calculation Average (X-Y)/Downside Deviation (X-Y) * 2 Where X=Return Series X Y = Return Series Y which is the risk free return (91 day T-bills)*

Standard Deviation - The standard deviation is a statistical term that describes the distribution of results. It is a commonly used measure of volatility of returns of a portfolio, asset class, or security. The higher the standard deviation the more volatile the returns are.

Formula: (Annualized Return of Portfolio - Annualized Return of Risk Free) / Annualized Standard Deviation (Portfolio Returns)

Tracking Error - Tracking error, also known as residual risk, is a measure of the degree to which a portfolio tracks its benchmark. It is also a measure of consistency of excess returns. Tracking error is computed as the annualized standard deviation of the difference between a portfolio's return and that of its benchmark.

*Formula: Tracking Error = Standard Deviation (X-Y) * $\sqrt{(\# \text{ of periods per year})}$ Where X = periods portfolio return and Y = the period's benchmark return For monthly returns, the periods per year = 12 For quarterly returns, the periods per year = 4*

Treynor Ratio - A risk-adjusted measure of return based on systematic risk. Similar to the Sharpe ratio with the difference being the Treynor ratio uses beta as the measurement of volatility.

Formula: (Portfolio Average Return - Average Return of Risk-Free Rate)/Portfolio Beta

Up/Down Capture Ratio - A measure of what percentage of a market's re-turns is "captured" by a portfolio. For example, if the market declines 10% over some period, and the manager declines only 9%, then his or her capture ratio is 90%. In down markets, it is advantageous for a manager to have as low a capture ratio as possible. For up markets, the higher the capture ratio the better. Looking at capture ratios can provide insight into how a manager achieves excess returns. A value manager might typically have a lower capture ratio in both up and down markets, achieving excess returns by protecting on the downside, whereas a growth manager might fall more than the overall market in down markets, but achieve above-market returns in a rising market.

UpsideCapture = TotalReturn(FundReturns)/TotalReturns(BMReturn) when Period Benchmark Return is > = 0

UpsideCapture = TotalReturn(FundReturns)/TotalReturns(BMReturn) when Period Benchmark Return is > = 0



GLOSSARY OF INVESTMENT TERMINOLOGY

Of Portfolios/Observations¹ - The total number of data points that make up a specified universe

Allocation Index³ - The allocation index measures the value added (or subtracted) to each portfolio by active management. It is calculated monthly: The portfolio asset allocation to each category from the prior month-end is multiplied by a specified market index.

Asset Allocation Effect² - Measures an investment manager's ability to effectively allocate their portfolio's assets to various sectors. The allocation effect determines whether the overweighting or underweighting of sectors relative to benchmark contributes positively or negatively to the overall portfolio return. Positive allocation occurs when the portfolio is over weighted in a sector that outperforms the benchmark and underweighted in a sector that underperforms the benchmark. Negative allocation occurs when the portfolio is over weighted in a sector that underperforms the benchmark and under weighted in a sector that outperforms the benchmark.

Agency Bonds (Agencies)³ - The full faith and credit of the United States government is normally not pledged to payment of principal and interest on the majority of government agencies issuing these bonds, with maturities of up to ten years. Their yields, therefore, are normally higher than government and their marketability is good, thereby qualifying them as a low risk-high liquidity type of investment. They are eligible as security for advances to the member banks by the Federal Reserve, which attests to their standing.

Asset Backed Securities (ABS)³ - Bonds which are similar to mortgage-backed securities but are collateralized by assets other than mortgages; commonly backed by credit card receivables, auto loans, or other types of consumer financing.

Attribution³ - Attribution is an analytical technique that allows us to evaluate the performance of the portfolio relative to the benchmark. A proper attribution tells us where value was added or subtracted as a result of the manager's decisions.

Average Effective Maturity⁴ - For a single bond, it is a measure of maturity that takes into account the possibility that a bond might be called back to the issuer.

For a portfolio of bonds, average effective maturity is the weighted average of the maturities of the underlying bonds. The measure is computed by weighing each bond's maturity by its market value with respect to the portfolio and the likelihood of any of the bonds being called. In a pool of mortgages, this would also account for the likelihood of prepayments on the mortgages.

Batting Average¹ - A measurement representing an investment manager's ability to meet or beat an index.

Formula: Divide the number of days (or months, quarters, etc.) in which the manager beats or matches the index by the total number of days (or months, quarters, etc.) in the period of question and multiply that factor by 100.

Brinson Fachler (BF) Attribution¹ - The BF methodology is a highly accepted industry standard for calculating the allocation, selection, and interaction effects within a portfolio that collectively explains a portfolio's underlying performance. The main advantage of the BF methodology is that rather than using the overall return of the benchmark, it goes a level deeper than BHB and measures whether the benchmark sector, country, etc. outperformed/or underperformed the overall benchmark.

Brinson Hood Beebower (BHB) Attribution¹ - The BHB methodology shows that excess return must be equal to the sum of all other factors (i.e., allocation effect, selection effect, interaction effect, etc.). The advantage to using the BHB methodology is that it is a highly accepted industry standard for calculating the allocation, selection, and interaction effects within a portfolio that collectively explains a portfolio's underlying performance.

Corporate Bond (Corp)⁴ - A debt security issued by a corporation and sold to investors. The backing for the bond is usually the payment ability of the company, which is typically money to be earned from future operations. In some cases, the company's physical assets may be used as collateral for bonds.

Correlation¹ - A range of statistical relationships between two or more random variables or observed data values. A correlation is a single number that describes the degree of relationship between variables.

Data Source: ¹InvestorForce, ²Interaction Effect Performance Attribution, ³NEPC, LLC, ⁴Investopedia, ⁵Hedgeco.net



GLOSSARY OF INVESTMENT TERMINOLOGY

Coupon⁴ – The interest rate stated on a bond when it is issued. The coupon is typically paid semiannually. This is also referred to as the “coupon rate” or “coupon percent rate.”

Currency Effect¹ – Is the effect that changes in currency exchange rates over time affect excess performance.

Derivative Instrument² – A financial obligation that derives its precise value from the value of one or more other instruments (or assets) at the same point of time. For example, the relationship between the value of an S&P 500 futures contract (the derivative instrument in this case) is determined by the value of the S&P 500 Index and the value of a U.S. Treasury bill that matures at the expiration of the futures contract.

Downside Deviation¹ – Equals the standard deviation of negative return or the measure of downside risk focusing on the standard deviation of negative returns.

Formula:

Annualized Standard Deviation (Fund Return - Average Fund Return) where average fund return is greater than individual fund returns, monthly or quarterly.

Duration³ – Duration is a measure of interest rate risk. The greater the duration of a bond, or a portfolio of bonds, the greater its price volatility will be in response to a change in interest rates. A bond’s duration is inversely related to interest rates and directly related to time to maturity.

Equity/Debt/Cash Ratio¹ – The percentage of an investment or portfolio that is in Equity, Debt, and/or Cash (i.e. A 7/89/4 ratio represents an investment that is made up of 7% Equity, 89% Debt, and 4% Cash).

Foreign Bond³ – A bond that is issued in a domestic market by a foreign entity, in the domestic market’s currency. A foreign bond is most often issued by a foreign firm to raise capital in a domestic market that would be most interested in purchasing the firm’s debt. For foreign firms doing a large amount of business in the domestic market, issuing foreign bonds is a common practice.

Hard Hurdle⁵ – is a hurdle rate that once beaten allows a fund manager to charge a performance fee on only the funds above the specified hurdle rate.

High-Water Mark⁴ – The highest peak in value that an investment fund/account has reached. This term is often used in the context of fund manager compensation, which is performance based. Some performance-based fees only get paid when fund performance exceeds the high-water mark. The high-water mark ensures that the manager does not get paid large sums for poor performance.

Hurdle Rate⁴ – The minimum rate of return on an investment required, in order for a manager to collect incentive fees from the investor, which is usually tied to a benchmark.

Interaction Effects² – The interaction effect measures the combined impact of an investment manager’s selection and allocation decisions within a sector. For example, if an investment manager had superior selection and over weighted that particular sector, the interaction effect is positive. If an investment manager had superior selection, but underweighted that sector, the interaction effect is negative. In this case, the investment manager did not take advantage of the superior selection by allocating more assets to that sector. Since many investment managers consider the interaction effect to be part of the selection or the allocation, it is often combined with the either effect.

Median³ – The value (rate of return, market sensitivity, etc.) that exceeds one-half of the values in the population and that is exceeded by one-half of the values. The median has a percentile rank of 50.

Modified Duration³ – The percentage change in the price of a fixed income security that results from a change in yield.

Mortgage Backed Securities (MBS)³ – Bonds which are a general obligation of the issuing institution but are also collateralized by a pool of mortgages.

Municipal Bond (Muni)⁴ – A debt security issued by a state, municipality or county to finance its capital expenditures.

Net Investment Change¹ – Is the change in an investment after accounting for all Net Cash Flows.

Performance Fee⁴ – A payment made to a fund manager for generating positive returns. The performance fee is generally calculated as a percentage of investment profits, often both realized and unrealized.

Data Source: ¹InvestorForce, ²Interaction Effect Performance Attribution, ³NEPC, LLC, ⁴Investopedia, ⁵Hedgeco.net



GLOSSARY OF INVESTMENT TERMINOLOGY

Policy Index³ - A custom benchmark designed to indicate the returns that a passive investor would earn by consistently following the asset allocation targets set forth in this investment policy statement.

Price to Book (P/B)⁴ - A ratio used to compare a stock's market value to its book value. It is calculated by dividing the current closing price of the stock by the latest quarter's book value per share, also known as the "price-equity ratio".

Price to Earnings (P/E)³ - The weighted equity P/E is based on current price and trailing 12 months earnings per share (EPS).

Price to Sales (P/S)⁴ - A ratio for valuing a stock relative to its own past performance, other companies, or the market itself. Price to sales is calculated by dividing a stock's current price by its revenue per share for the trailing 12 months.

Return on Equity (ROE)⁴ - The amount of net income returned as a percentage of shareholders equity. Return on equity measures a corporation's profitability by revealing how much profit a company generates with the money shareholders have invested.

Selection (or Manager) Effect² - Measures the investment manager's ability to select securities within a given sector relative to a benchmark. The over or underperformance of the portfolio is weighted by the benchmark weight, therefore, selection is not affected by the manager's allocation to the sector. The weight of the sector in the portfolio determines the size of the effect—the larger the sector, the larger the effect is, positive or negative.

Soft Hurdle rate⁵ - is a hurdle rate that once beaten allows a fund manager to charge a performance fee based on the entire annualized return.

Tiered Fee¹ - A fee structure that is paid to fund managers based on the size of the investment (i.e. 1.00% fee on the first \$10M invested, 0.90% on the next \$10M, and 0.80% on the remaining balance).

Total Effects² - The active management (total) effect is the sum of the selection, allocation, and interaction effects. It is also the difference between the total portfolio return and the total benchmark return. You can use the active management effect to determine the amount the investment manager has added to a portfolio's return.

Total Return¹ - The actual rate of return of an investment over a specified time period. Total return includes interest, capital gains, dividends, and distributions realized over a defined time period.

Universe³ - The list of all assets eligible for inclusion in a portfolio.

Upside Deviation¹ - Standard Deviation of Positive Returns

Weighted Avg. Market Cap.⁴ - A stock market index weighted by the market capitalization of each stock in the index. In such a weighting scheme, larger companies account for a greater portion of the index. Most indexes are constructed in this manner, with the best example being the S&P 500.

Yield (%)³ - The current yield of a security is the current indicated annual dividend rate divided by current price.

Yield to Maturity³ - The discount rate that equates the present value of cash flows, both principal and interest, to market price.

Data Source: ¹InvestorForce, ²Interaction Effect Performance Attribution, ³NEPC, LLC, ⁴Investopedia, ⁵Hedgero.net



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- For managers funded in the middle of a month, the "since inception" return will start with the first full month, although actual inception dates and cash flows are taken into account in all Composite calculations.
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