



# INVESTMENT PERFORMANCE ANALYSIS FOR PERIOD ENDING DECEMBER 31, 2021

NEW MEXICO EDUCATIONAL  
RETIREMENT BOARD

DECEMBER 31, 2021

Allan Martin, Partner

Sam Austin, Partner

Michael Miranda, CFA, Senior Consulting Specialist



PROPRIETARY & CONFIDENTIAL

# TABLE OF CONTENTS

	<u>Page</u>
<b>Market Environment Update</b>	<b>3</b>
<b>Third Party Placement Agent Disclosure</b>	<b>11</b>
<b>Total Fund Performance</b>	<b>14</b>
<b>Appendix: Market Environment</b>	<b>58</b>



# MARKET ENVIRONMENT

# ECONOMIC ENVIRONMENT

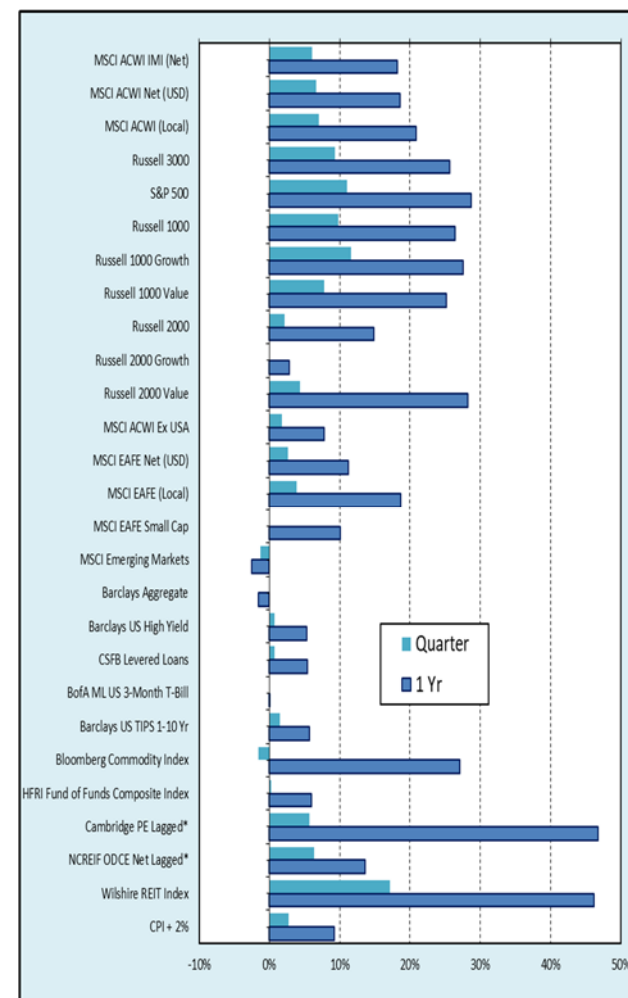
- **Q3 Real GDP (third estimate) grew at an annual rate of +2.3%.**
  - Retail sales ended November at +16.8% on a YoY basis. In the same period last year the YoY growth rate was +6.3%.
  - Corporate profits as a percent of GDP ended Q2 2021 at 11.7%, up from 8.9% on a YoY basis and remain elevated relative to historical levels.
  - The inventory-to-sales ratio ended November was 1.3. Levels have remained relatively constant since early 2010 with a spike to 1.7 in April 2020.
  - The U.S. trade deficit widened sharply on record imports; the trade gap jumped 19.4% in November.
- **The unemployment rate was 3.9% in Q4, down from 4.7% in Q3; U-6, a broader measure of unemployment, decreased to 7.3% in Q4 from 8.5% in Q3.**
  - The labor force participation rate ended Q4 at 61.9%, up from Q3 at 61.6% after declining to 60.2% in April 2020 and is at levels below the 10 year pre-pandemic average of 63.0%.
- **The Case-Shiller Home Price Index (ended November) increased to 276.12 from 271.44 (in September) and remains at levels higher than that of pre-financial crisis levels of 150.9.**
- **Rolling 12-month seasonally-adjusted CPI spiked to 7.12% in Q4 from 5.44% in Q3, in the same period last year it was 1.29%; Capacity Utilization increased to 76.5% in Q4 from 75.2% in Q3.**
- **Fed Funds rate remains at a targeted range of 0.00%-to-0.25%. The 10-year Treasury Yield (constant maturity) finished Q4 at 1.5% up from Q3 at 1.4%.**
- **The Fed has begun scaling back asset purchases in November. The Fed's balance sheet continues to grow in the wake of the pandemic.**
- **S&P valuations increased in Q4 to 38.66 from 37.62 in Q3 and remains higher than the 10-year average of 27.97x.**
  - Cyclically adjusted Shiller PE ratio remains above the long-term average of 16.9x.



# MARKET ENVIRONMENT

## Q4 2021 OVERVIEW

		Qtr.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
<b>World Equity Benchmarks</b>						
MSCI ACWI IMI (Net)	World with Small Cap	6.10%	18.22%	20.20%	14.12%	11.84%
MSCI ACWI Net (USD)	World W/O Small Cap	6.68%	18.54%	20.38%	14.40%	11.85%
MSCI ACWI (Local)	World (Local Currency)	7.03%	20.90%	20.65%	13.90%	12.90%
<b>Domestic Equity Benchmarks</b>						
Russell 3000	Domestic All Cap	9.28%	25.66%	25.79%	17.97%	16.30%
S&P 500	Large Core	11.03%	28.70%	26.07%	18.47%	16.55%
Russell 1000	Large Core	9.78%	26.45%	26.21%	18.43%	16.54%
Russell 1000 Growth	Large Growth	11.64%	27.60%	34.08%	25.32%	19.79%
Russell 1000 Value	Large Value	7.77%	25.16%	17.64%	11.16%	12.97%
Russell 2000	Small Core	2.14%	14.82%	20.02%	12.02%	13.23%
Russell 2000 Growth	Small Growth	0.01%	2.83%	21.16%	14.53%	14.14%
Russell 2000 Value	Small Value	4.36%	28.27%	17.99%	9.07%	12.03%
<b>International Equity Benchmarks</b>						
MSCI ACWI Ex USA	World ex-US	1.82%	7.82%	13.18%	9.61%	7.28%
MSCI EAFE Net (USD)	Int'l Developed	2.69%	11.26%	13.54%	9.55%	8.03%
MSCI EAFE (Local)	Int'l Developed (Local Currency)	3.91%	18.70%	13.35%	8.36%	10.09%
MSCI EAFE Small Cap	Small Cap Int'l	0.07%	10.10%	15.62%	11.04%	10.80%
MSCI Emerging Markets	Emerging Equity	-1.31%	-2.54%	10.94%	9.87%	5.49%
<b>Domestic Fixed Income Benchmarks</b>						
Barclays Aggregate	Core Bonds	0.01%	-1.54%	4.79%	3.57%	2.90%
Barclays US High Yield	High Yield	0.71%	5.28%	8.83%	6.30%	6.83%
CSFB Levered Loans	Bank Loans	0.71%	5.40%	5.43%	4.32%	4.83%
BofA ML US 3-Month T-Bill	Cash	0.01%	0.05%	0.99%	1.14%	0.63%
Barclays US TIPS 1-10 Yr	Inflation	1.54%	5.68%	6.97%	4.46%	2.57%
<b>Alternative Benchmarks</b>						
Bloomberg Commodity Index	Commodities	-1.56%	27.11%	9.86%	3.66%	-2.85%
HFRI Fund of Funds Composite Index	Fund of Hedge Funds	0.25%	5.99%	8.40%	5.67%	4.54%
Cambridge PE Lagged*	Private Equity	5.73%	46.76%	21.33%	19.78%	16.40%
NCREIF ODCE Net Lagged*	Real Estate	6.41%	13.65%	6.13%	6.56%	8.92%
Wilshire REIT Index	REIT	17.14%	46.19%	19.19%	10.92%	11.47%
CPI + 2%	Inflation/Real Assets	2.71%	9.25%	5.60%	4.98%	4.17%



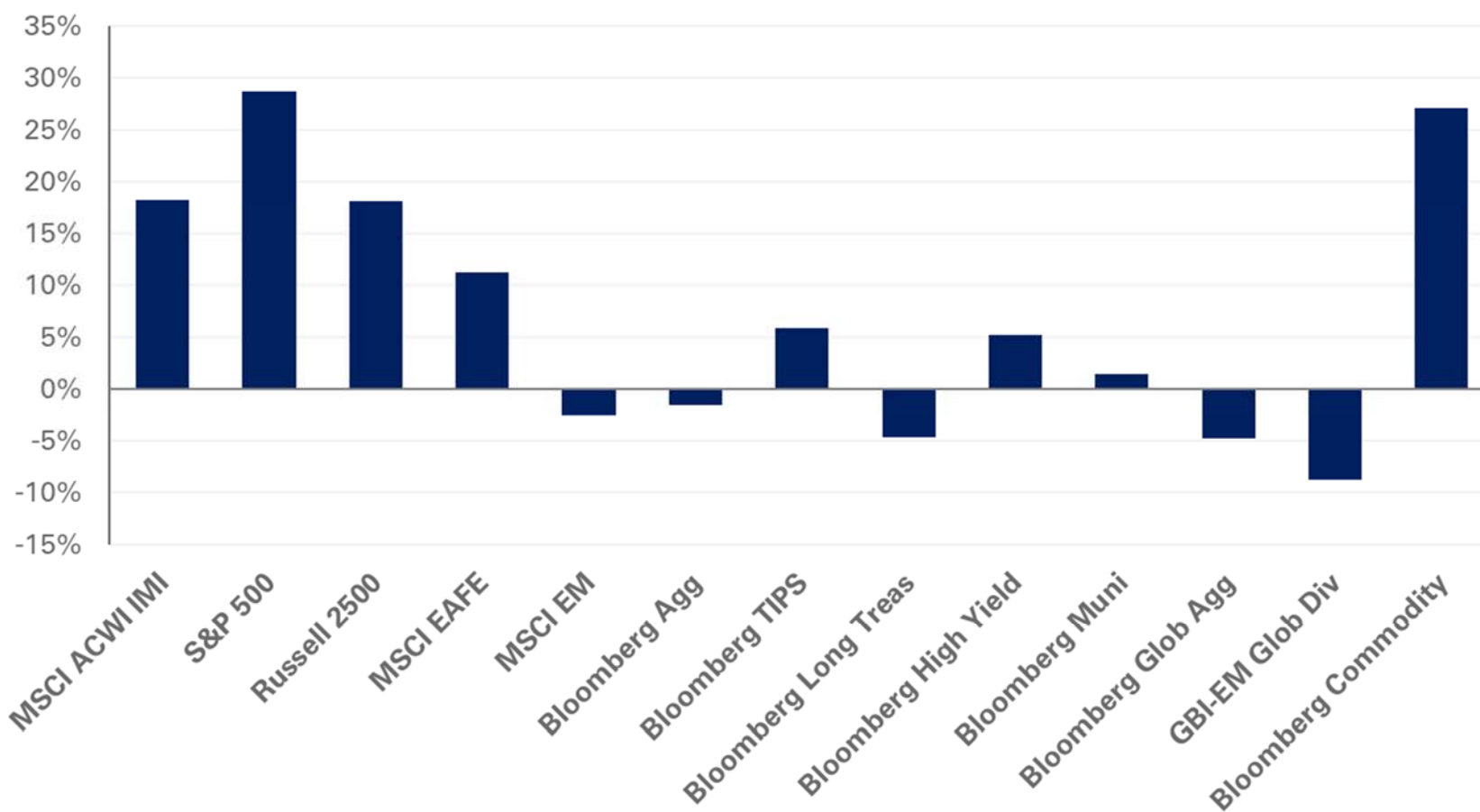
\* As of 9/30/2021

December 31, 2021



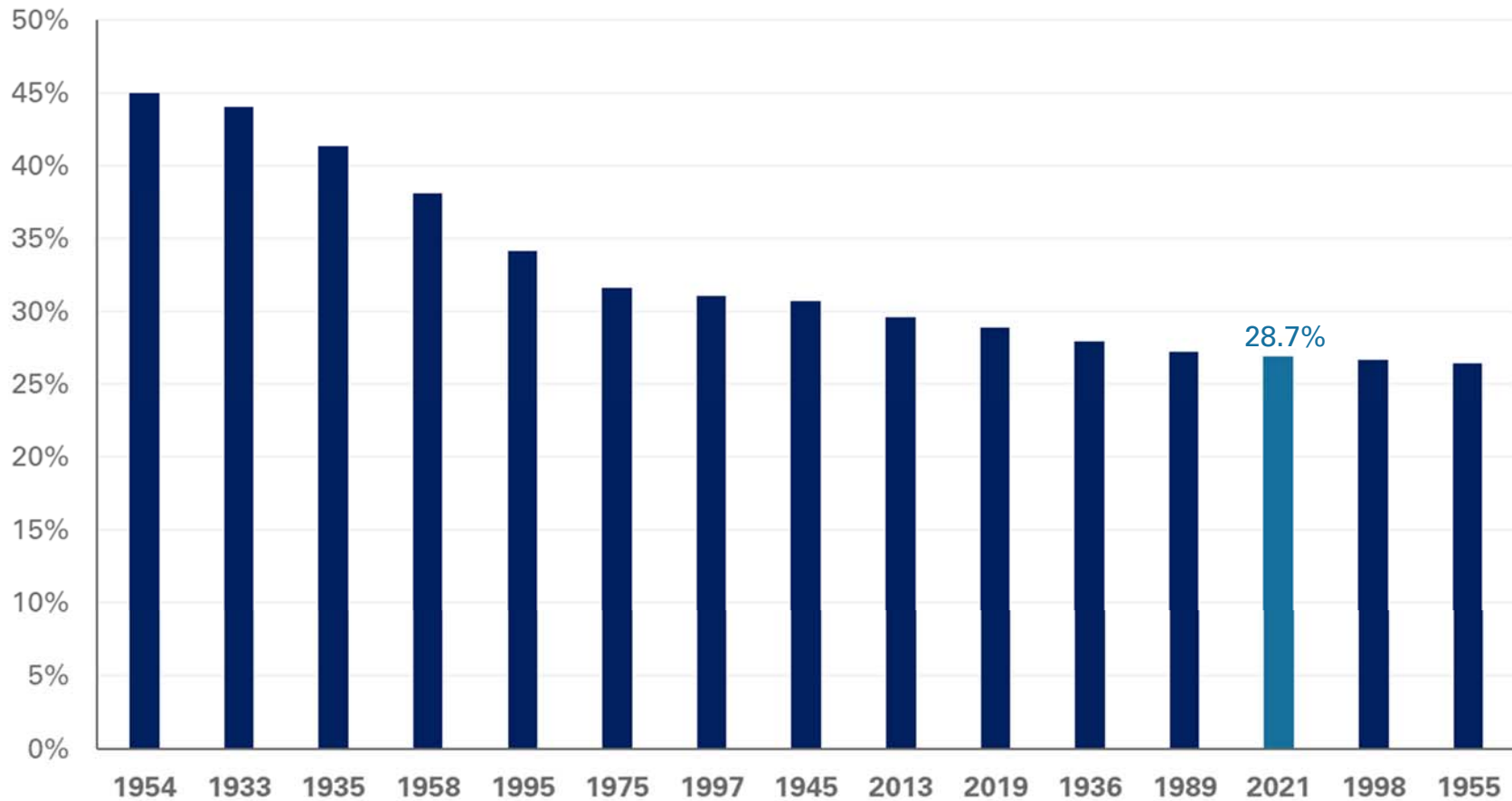
# RISK ASSETS OUTPERFORMED

## ANNUAL TOTAL RETURNS



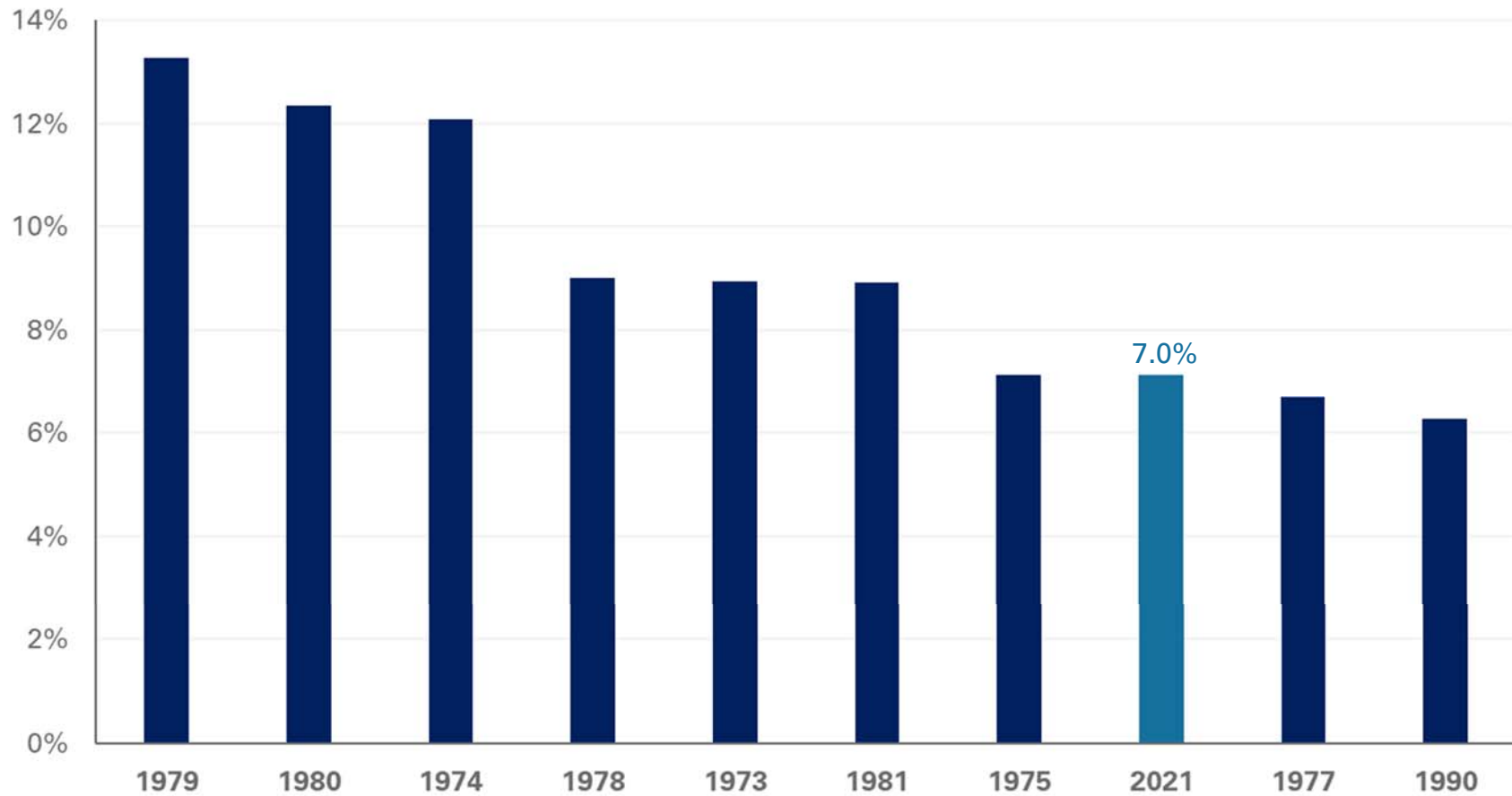
# 2021 EQUITY RETURNS WERE HISTORICALLY HIGH

## TOP 15 S&P 500 CALENDAR YEAR RETURNS



# INFLATION ROSE AT HIGHEST LEVEL SINCE 1981

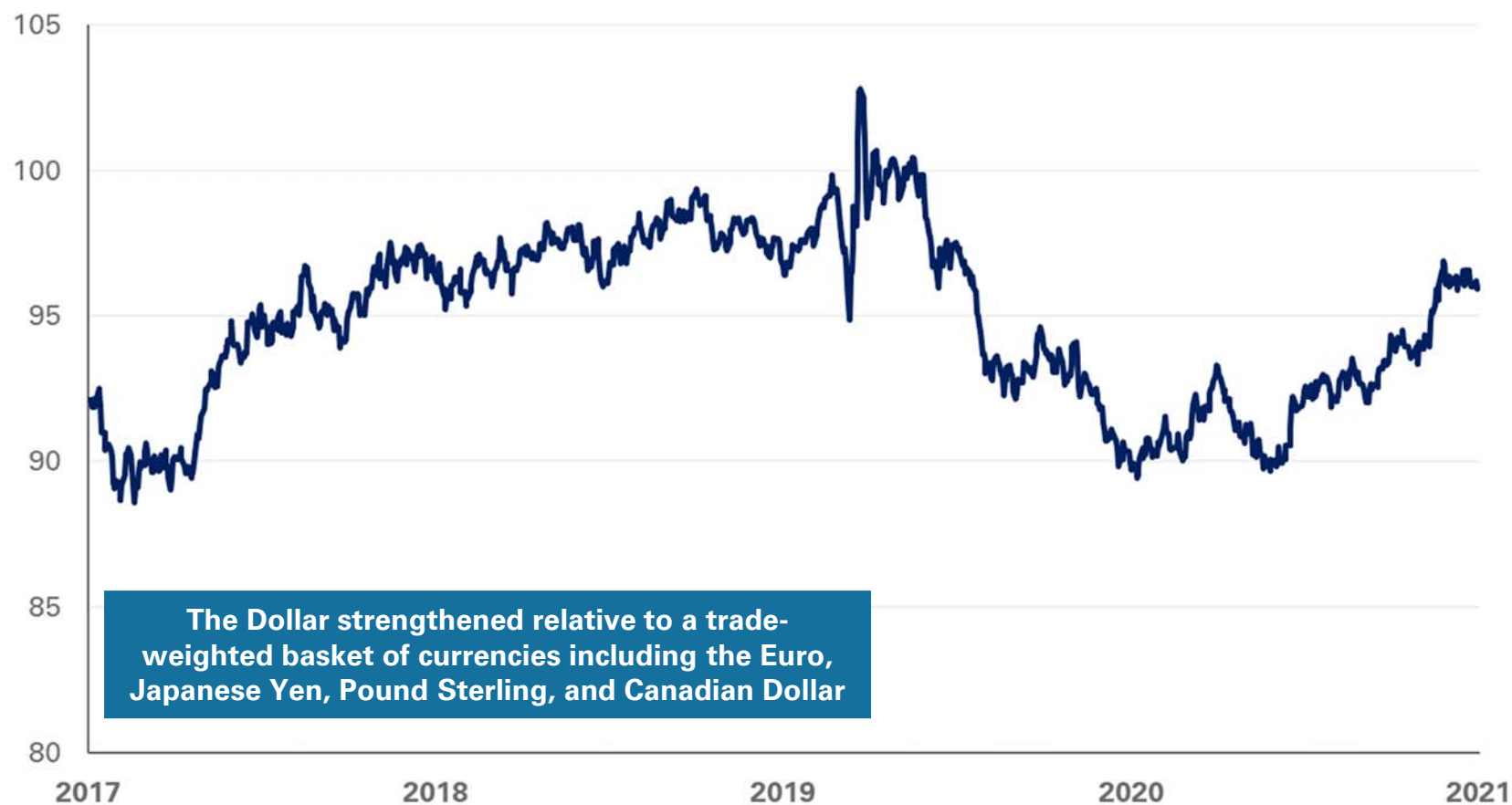
## TOP 10 ANNUAL U.S. CPI-U CHANGES





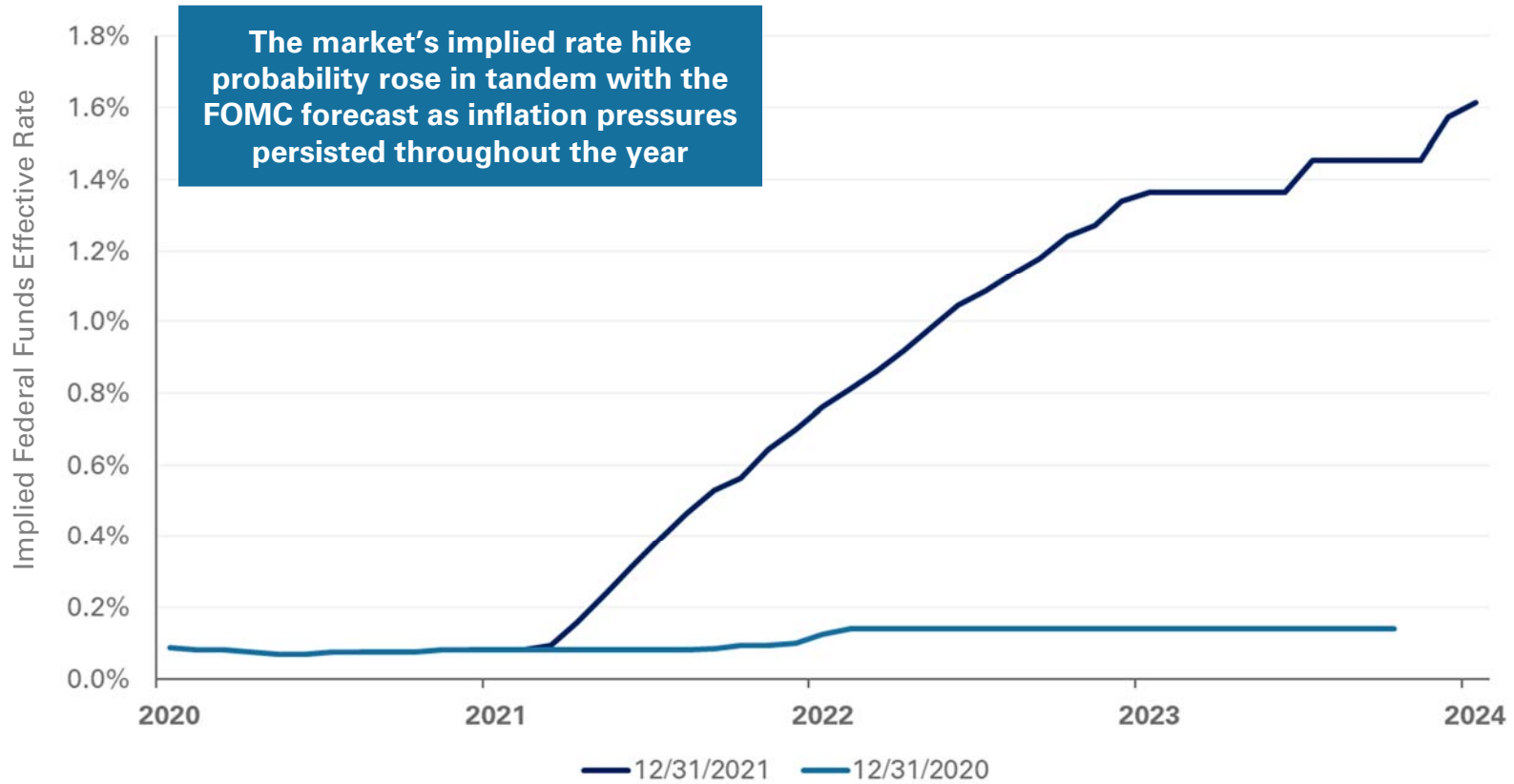
# THE U.S. DOLLAR STRENGTHENED IN 2021

## U.S. DOLLAR INDEX



# AT LEAST TWO RATE HIKES PRICED IN FOR 2022

## FEDERAL FUNDS FUTURES



# NEPC KEY MARKET THEMES

AS OF 12/31/21

<p><b>Economic Crossroads</b></p> <p>Change in Status:</p>	DORMANT	FADED	<b>NEUTRAL</b>	PREVALENT	DOMINANT
<p><b>Permanent Interventions</b></p> <p>Change in Status: <i>Prevalent to Faded</i></p>	DORMANT	<b>FADED</b>	NEUTRAL	PREVALENT	DOMINANT
<p><b>Globalization Backlash</b></p> <p>Change in Status: <i>Prevalent to Neutral</i></p>	DORMANT	FADED	<b>NEUTRAL</b>	PREVALENT	DOMINANT
<p><b>China Transitions</b></p> <p>Change in Status:</p>	DORMANT	FADED	NEUTRAL	<b>PREVALENT</b>	DOMINANT

- Diminishing policy support and higher levels of inflation/growth are driving a transition from Fed policy as the dominant input for capital markets to economic fundamentals
- This transition will dramatically influence the pricing of risk premia across capital markets and the economic outcome may track a wide regime spectrum

- Permanent Interventions enhances investor sentiment but is cyclically fading as monetary policy shifts to a less accommodative stance
- The Federal Reserve has begun tapering asset purchases and recent commentary suggests rate liftoff may happen sooner than anticipated given the economic and inflation backdrop

- The importance of this theme may increase as supply-chain disruptions and inflationary pressures strain the electorate and geopolitical relationships
- The world will likely be faced with an amplified wealth divide given economic and labor market conditions, which has historically driven more volatile political outcomes

- The “regulatory reset” highlights the potential for economic and capital market volatility on the country’s long transition path
- While in-line with the longer-term economic goals, these regulations have negatively impacted market sentiment; creating a tail-risk for market and economic contagion



Key Market Themes influence global markets and may remain relevant for an extended period with significant implications for capital markets  
Themes can be disrupted and incite outsized market volatility

# 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:

## **Sares Regis Multifamily Value Add IV**

The investment was approved for a \$60 million commitment on October 21, 2021 as part of the Fund's allocation to Real Estate.

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

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

## **Hammes Partners IV**

The investment was approved for a \$50 million commitment on October 21, 2021 as part of the Fund's allocation to Real Estate.

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

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

## **Raine Partners IV**

The investment was approved for a \$60 million additional commitment on October 21, 2021 as part of the Fund's allocation to Private Equity.

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

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

## **Industry Ventures Direct III**

The investment was approved for a \$20 million commitment on November 18, 2021 as part of the Fund's allocation to Private Equity.

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

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



# 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:

## **B Capital Growth III/Opportunities Fund II**

The investment was approved for a \$100 million commitment on November 18, 2021 as part of the Fund's allocation to Private Equity.

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

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

## **Oak Hill Advisors Strategic Credit Fund III**

The investment was approved for a \$100 million commitment on December 16, 2021 as part of the Fund's allocation to Opportunistic Credit.

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

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

## **Cloverlay Series Bravo II**

The investment was approved for a \$150 million commitment on December 16, 2021 as part of the Fund's allocation to Other 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.

## **TPG Real Estate Partners IV**

The investment was approved for a \$75 million commitment on December 16, 2021 as part of the Fund's allocation to Real Estate.

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

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



# 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:

## **Raith Real Estate Fund III**

The investment was approved for a \$75 million commitment on December 16, 2021 as part of the Fund's allocation to Real Estate.

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

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

## **TPG Thematic Advantage Core-Plus Fund**

The investment was approved for a \$25 million commitment on December 16, 2021 as part of the Fund's allocation to Real Estate.

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

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



# New Mexico Educational Retirement Board

## TOTAL FUND PERFORMANCE SUMMARY (NET)

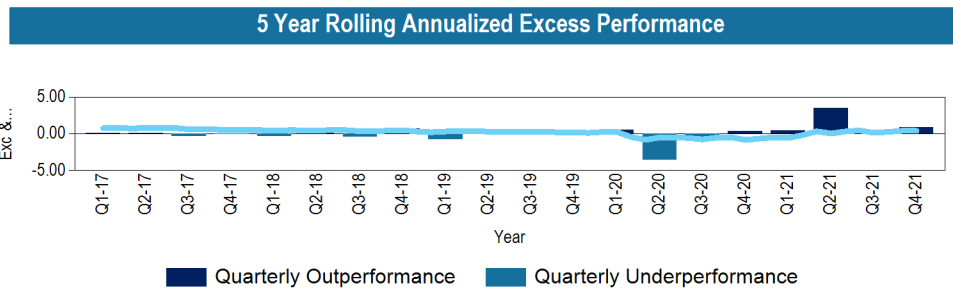
	Market Value	3 Mo Rank	Fiscal YTD Rank	1 Yr Rank	3 Yrs Rank	5 Yrs Rank	10 Yrs Rank	15 Yrs Rank	20 Yrs Rank	12/31/21 Rank	Inception	Inception Date									
<b>Total Fund</b>	<b>\$16,675,230,169</b>	<b>4.68%</b>	<b>22</b>	<b>6.99%</b>	<b>5</b>	<b>21.42%</b>	<b>3</b>	<b>13.95%</b>	<b>66</b>	<b>11.13%</b>	<b>47</b>	<b>9.79%</b>	<b>38</b>	<b>7.09%</b>	<b>38</b>	<b>7.49%</b>	<b>37</b>	<b>8.44%</b>	<b>28</b>	<b>9.30%</b>	<b>Jul-83</b>
<i>Policy Index</i>		3.75%	67	5.54%	29	15.48%	44	13.31%	88	10.72%	54	9.19%	66	6.51%	72	7.19%	57	7.66%	76	--	Jul-83
<i>60% MSCI ACWI (Net) / 40% FTSE WGBI</i>		3.56%	77	2.41%	95	7.75%	99	13.40%	87	9.97%	79	7.60%	99	5.74%	95	6.82%	83	6.95%	97	--	Jul-83
<i>S&amp;P 500</i>		11.03%	1	11.67%	1	28.70%	1	26.07%	1	18.47%	1	16.55%	1	10.66%	1	9.52%	1	10.65%	1	11.70%	Jul-83
<i>Bloomberg US Aggregate TR</i>		0.01%	99	0.06%	99	-1.54%	99	4.79%	99	3.57%	99	2.90%	99	4.09%	99	4.33%	99	5.29%	99	6.80%	Jul-83
<i>InvMetrics Public DB &gt; \$1B Net Median</i>		4.03%		4.48%		14.93%		14.69%		10.94%		9.69%		6.91%		7.37%		7.94%		8.64%	Jul-83

Over the past five years, the Fund returned 11.1% per annum, outperforming the policy index by 41 basis points and ranking in the 47<sup>th</sup> percentile of the Investment Metrics Public Funds > \$1 Billion universe and outperforming the actuarial assumed rate of 7.00%. The Fund's volatility was 6.1%, which ranks in the 3<sup>rd</sup> percentile of its peers over this period. The Fund's risk-adjusted performance, as measured by the Sharpe Ratio, ranks in the 3<sup>rd</sup> percentile of its peers.

Over the past three years, the Fund returned 14.0% per annum, outperforming the policy index by 64 basis points and ranking in the 66<sup>th</sup> percentile of its peer group. Over the same period, the Fund's volatility ranks in the 4<sup>th</sup> percentile of its peers, resulting in a three-year Sharpe Ratio of 1.9, which ranks in the 4<sup>th</sup> percentile.

For the year ending December 31, 2021, the Fund experienced a net investment gain of \$3.0 billion, which includes a net investment gain of \$751 million during the quarter. Assets increased from \$14.2 billion twelve months ago, to \$16.7 billion on December 31, 2021, with \$515.1 million in net distributions during the year. The Fund returned 21.4%, outperforming the policy index by 594 basis points and ranking in the 3<sup>rd</sup> percentile of its peers.

The InvMetrics Public Funds >\$1 Billion Net Universe contains 75 observations for the period ending December 31, 2021, with total assets of \$848 billion.



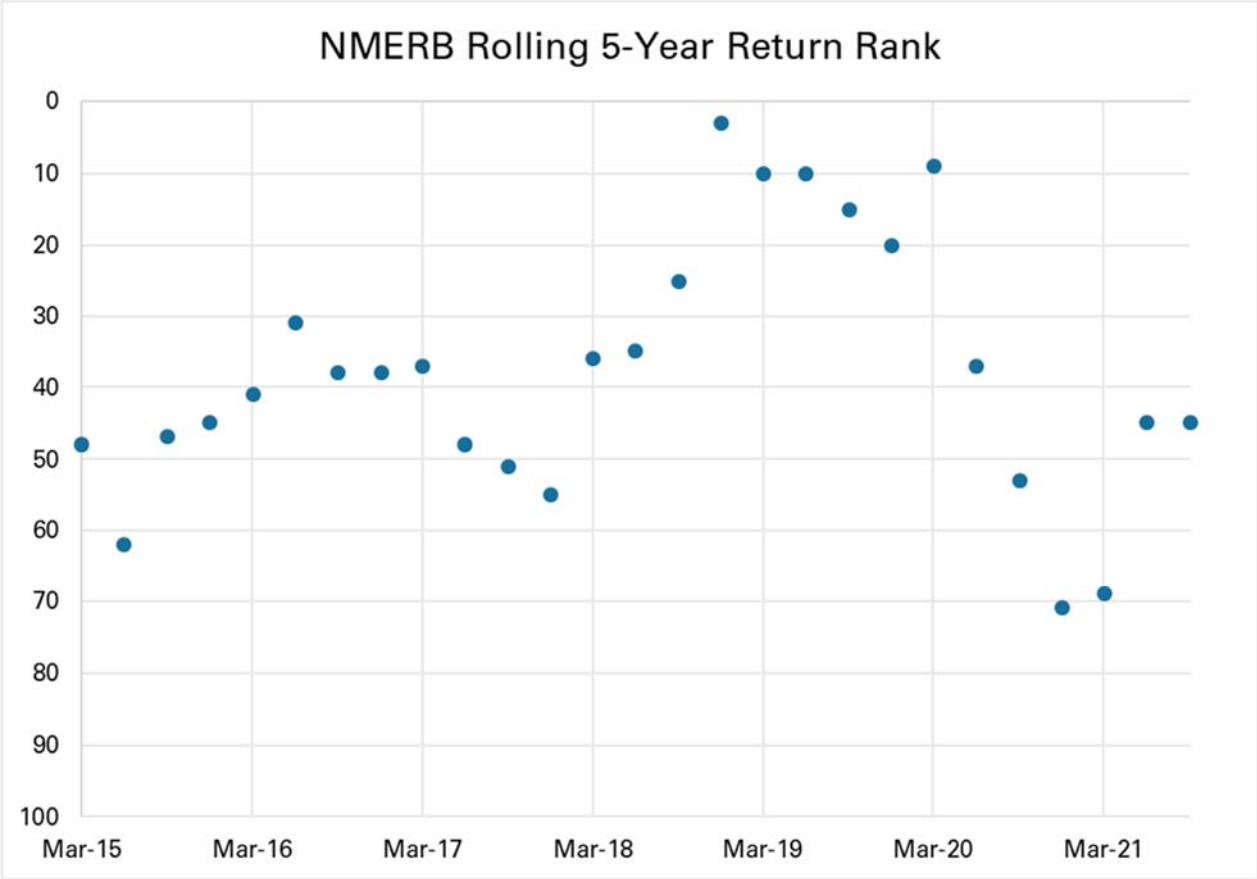
5 Years Ending December 31, 2021								
	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Sharpe Ratio	Rank	Sortino Ratio	Rank
Total Fund	11.1%	47	6.1%	3	1.6	3	1.8	9
Policy Index	10.7%	54	6.4%	4	1.5	8	1.6	22
InvMetrics Public DB > \$1B Net Median	10.9%	--	8.8%	--	1.1	--	1.3	--

3 Years Ending December 31, 2021								
	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Sharpe Ratio	Rank	Sortino Ratio	Rank
Total Fund	14.0%	66	7.0%	4	1.9	4	1.9	18
Policy Index	13.3%	88	7.5%	7	1.7	16	1.6	40
InvMetrics Public DB > \$1B Net Median	14.7%	--	10.1%	--	1.4	--	1.5	--

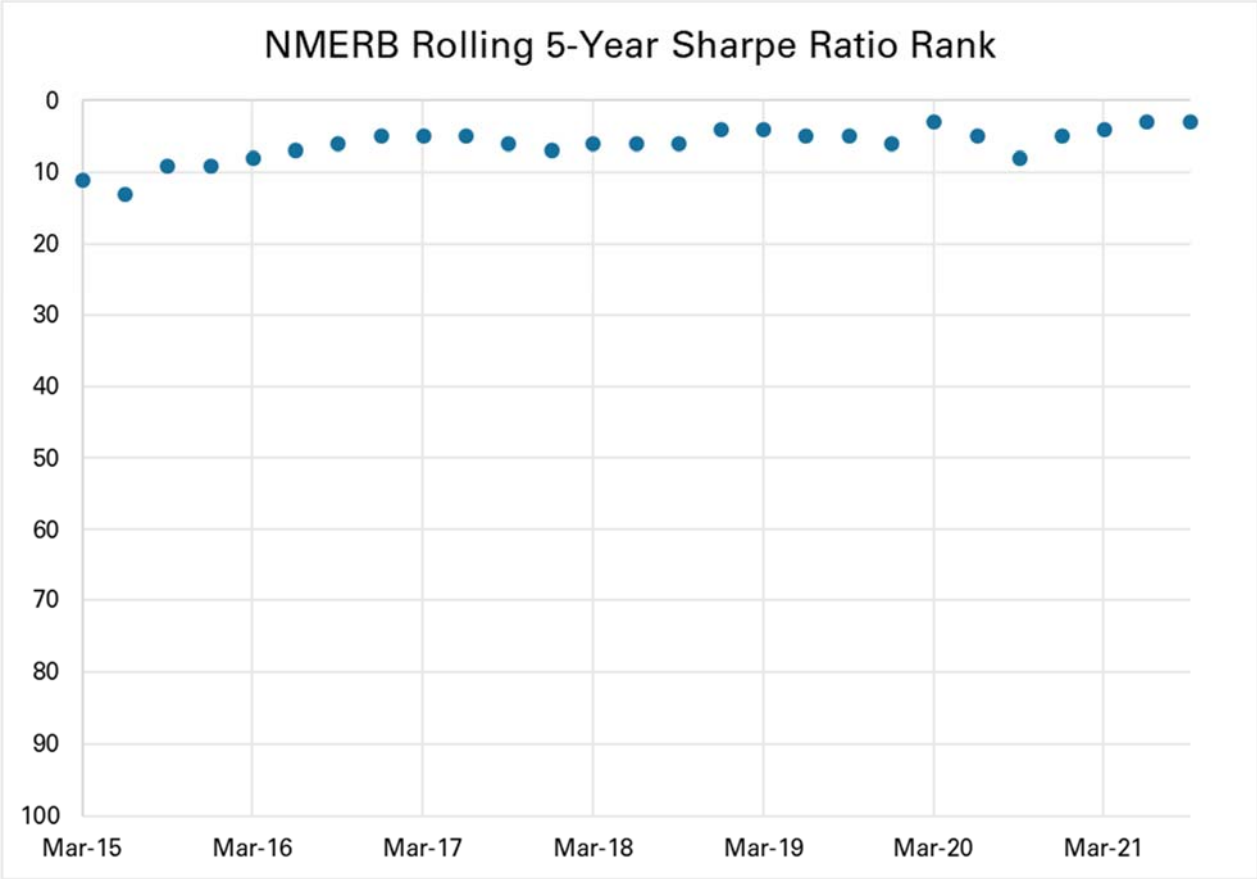




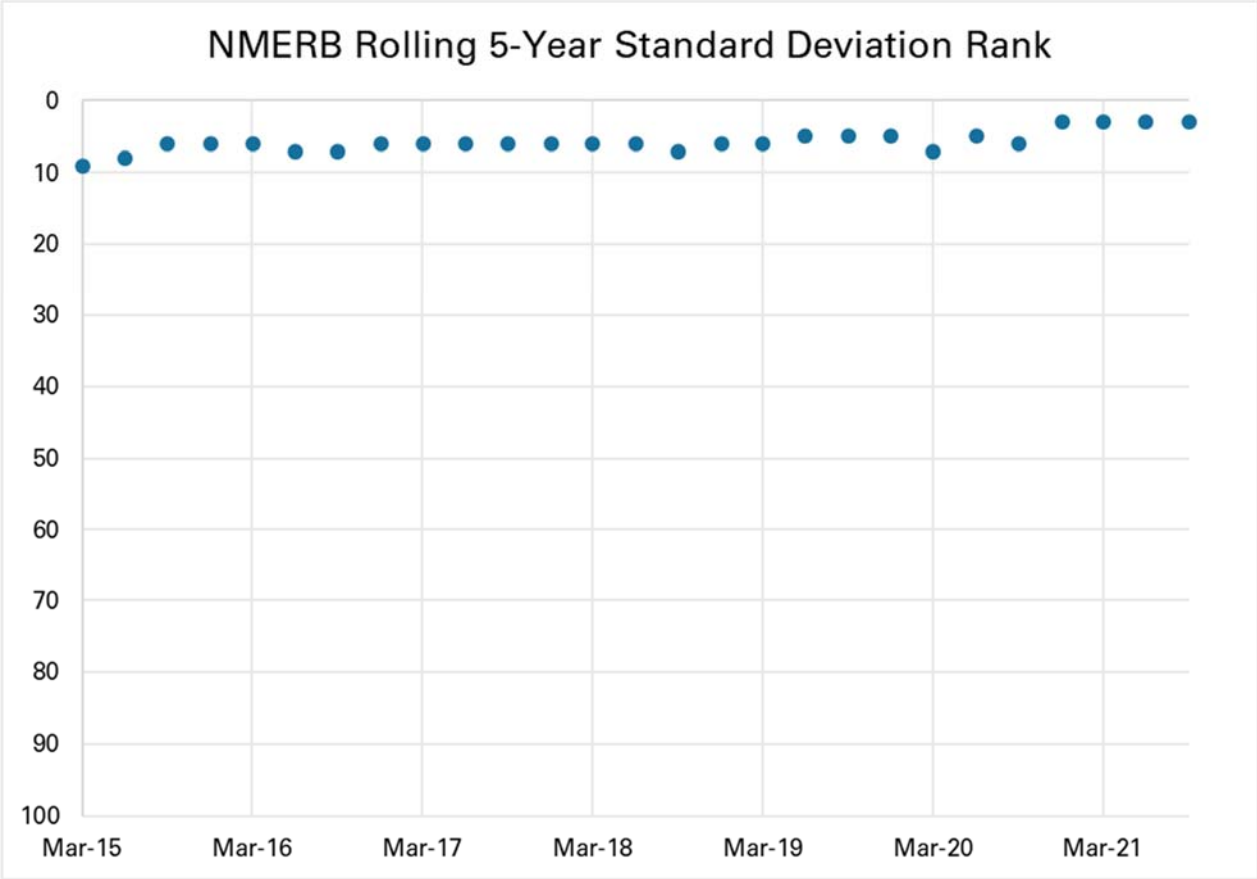
# NMERB ROLLING RETURN PEER RANKINGS



# NMERB ROLLING SHARPE RATIO RANKINGS



# NMERB ROLLING STANDARD DEVIATION RANKINGS



## NEW MEXICO EDUCATIONAL RETIREMENT BOARD

# 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.



## NEW MEXICO EDUCATIONAL RETIREMENT BOARD

# 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.



# NEW MEXICO EDUCATIONAL RETIREMENT BOARD

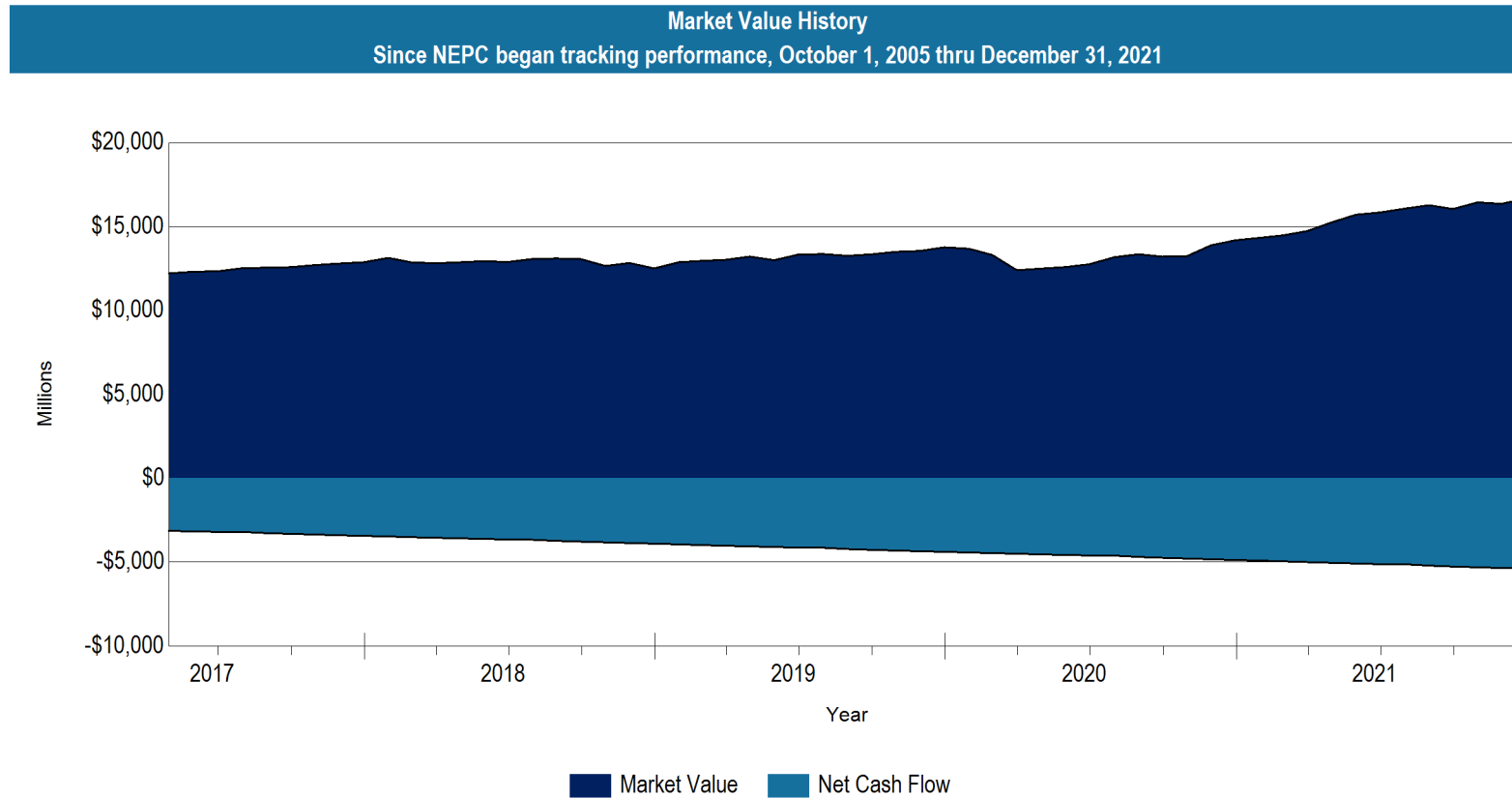
## POLICY INDEX HISTORY

- **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 – 9/30/2020:** 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.
  - **10/1/2020 – 9/30/2021:** 14% S&P 500 Index, 3% Russell 2500 Index, 5% MSCI EAFE Index, 9% MSCI Emerging Markets Index, 6% Barclays Aggregate Index, 16% (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, 6% NCREIF Property Index, 15% ILPA All Private Markets 1 Quarter Lag, 9% (CPI + 4% Seasonally Adjusted), 1% 91 Day T-Bill.
- 10/1/2021 – Present:** 14% S&P 500 Index, 3% Russell 2500 Index, 5% MSCI EAFE Index, 9% MSCI Emerging Markets Index, 6% Barclays Aggregate Index, 16% (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, 6% NCREIF Property Index, 15% State Street Private Equity Index All PE 1 Quarter Lag, 9% (CPI + 4% Seasonally Adjusted), 1% 91 Day T-Bill.



# New Mexico Educational Retirement Board

## TOTAL FUND ASSET GROWTH SUMMARY



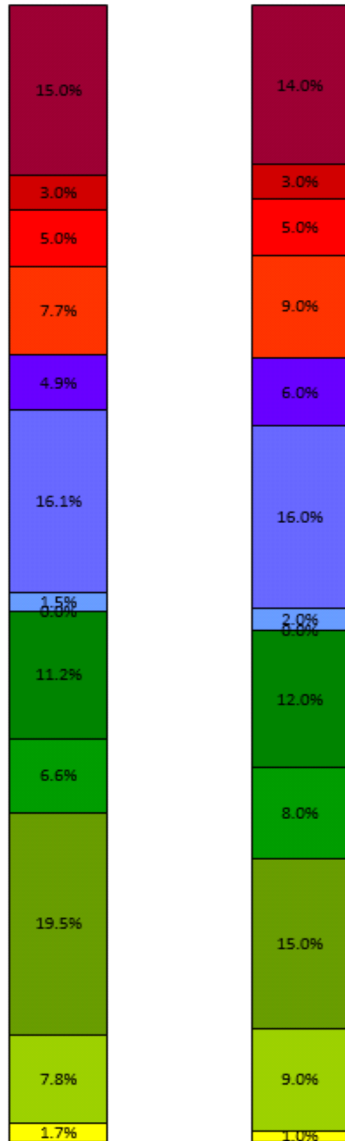
	Last Three Months	One Year	Three Years	Five Years	Since 10/1/05
Beginning Market Value	\$16,046,894,978	\$14,185,864,078	\$12,504,945,863	\$11,683,011,729	\$7,694,652,364
Net Cash Flow	-\$122,741,629	-\$515,145,619	-\$1,486,584,559	-\$2,376,314,599	-\$5,367,918,899
Net Investment Change	\$751,076,820	\$3,004,511,710	\$5,656,868,866	\$7,368,533,039	\$14,348,496,703
Ending Market Value	\$16,675,230,169	\$16,675,230,169	\$16,675,230,169	\$16,675,230,169	\$16,675,230,169





# New Mexico Educational Retirement Board

## TOTAL FUND ASSET ALLOCATION VS. POLICY



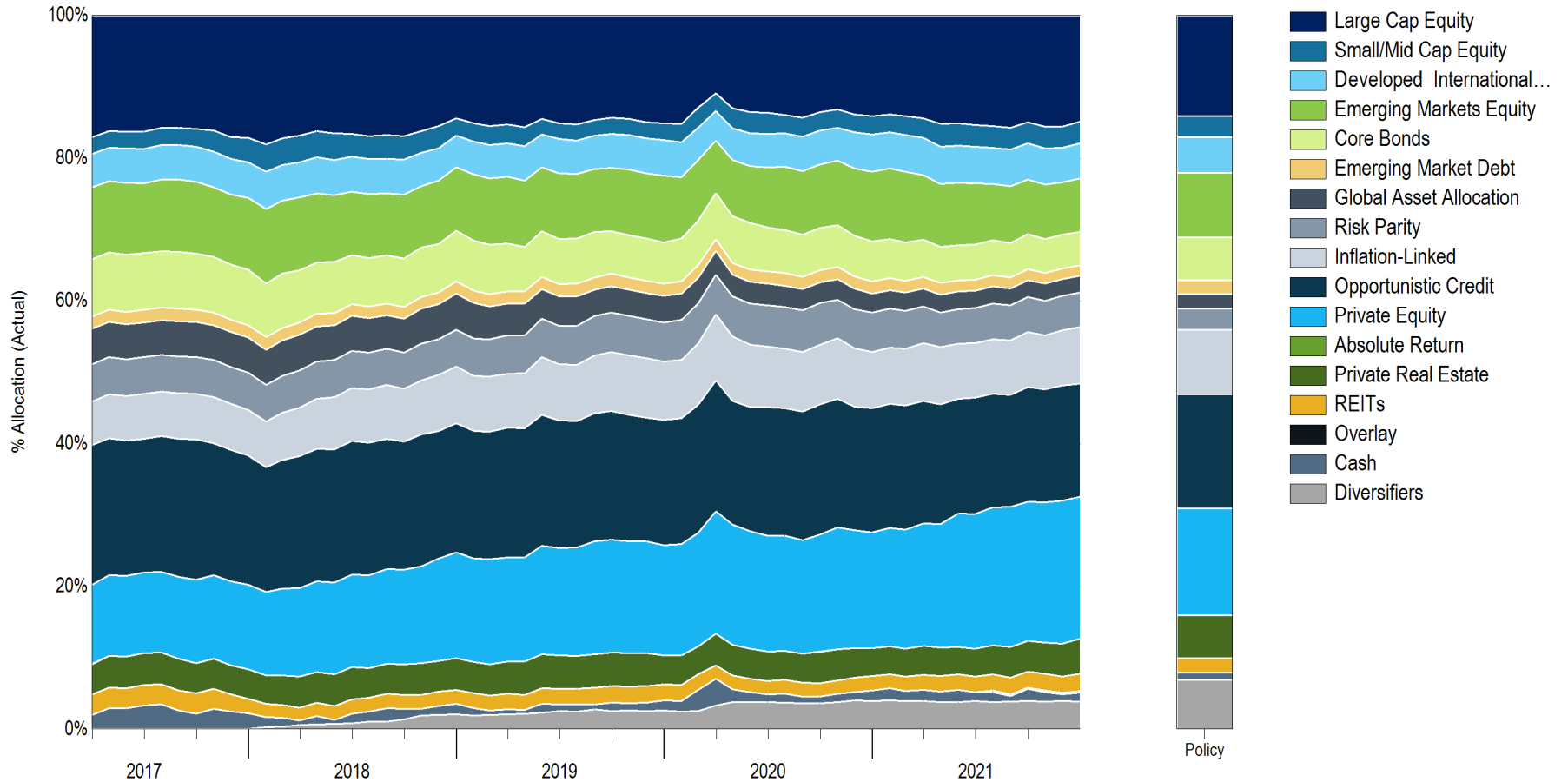
	<u>Current Mkt Value</u>	<u>Current Allocation</u>	<u>Policy Target<sup>1</sup></u>	<u>Policy Range</u>	<u>Within Range</u>	<u>Difference</u>
<b>Equity</b>	<b>\$4,919,008,266</b>	<b>30.7%</b>	<b>31.0%</b>	<b>15% - 55%</b>	<b>Yes</b>	<b>-0.3%</b>
<b>U.S. Equity</b>	<b>\$2,876,570,752</b>	<b>18.0%</b>	<b>17.0%</b>	<b>8% - 30%</b>	<b>Yes</b>	<b>1.0%</b>
<i>U.S. Large Cap Equity</i>	\$2,399,121,603	15.0%	14.0%	7% - 25%	Yes	1.0%
<i>U.S. Small/Mid Cap Equity</i>	\$477,449,149	3.0%	3.0%	0% - 5%	Yes	0.0%
<b>Non-U.S. Equity</b>	<b>\$2,042,437,514</b>	<b>12.8%</b>	<b>14.0%</b>	<b>5% - 25%</b>	<b>Yes</b>	<b>-1.2%</b>
<i>Non-U.S. Developed Mkts</i>	\$808,667,334	5.0%	5.0%	0% - 10%	Yes	0.0%
<i>Non-U.S. Emerging Mkts</i>	\$1,233,770,180	7.7%	9.0%	2% - 15%	Yes	-1.3%
<b>Fixed Income</b>	<b>\$3,609,215,621</b>	<b>22.5%</b>	<b>24.0%</b>	<b>10% - 58%</b>	<b>Yes</b>	<b>-1.5%</b>
<i>Core Fixed Income</i>	\$782,715,017	4.9%	6.0%	0% - 20%	Yes	-1.1%
<i>Opportunistic Credit</i>	\$2,578,700,252	16.1%	16.0%	0% - 30%	Yes	0.1%
<i>Emerging Mkts Debt</i>	\$247,800,352	1.5%	2.0%	0% - 8%	Yes	-0.5%
<b>Alternatives</b>	<b>\$7,217,442,296</b>	<b>45.1%</b>	<b>44.0%</b>	<b>10% - 65%</b>	<b>Yes</b>	<b>1.1%</b>
<b>Absolute Return</b>	<b>\$299,820</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0% - 10%</b>	<b>Yes</b>	<b>0.0%</b>
<b>Diversifying Assets</b>	<b>\$1,799,049,439</b>	<b>11.2%</b>	<b>12.0%</b>			<b>-0.8%</b>
<i>Global Asset Allocation</i>	\$386,130,926	2.4%	2.0%	0% - 6%	Yes	0.4%
<i>Risk Parity</i>	\$780,031,711	4.9%	3.0%	0% - 6%	Yes	1.9%
<i>Other Diversifying Assets</i>	\$632,886,802	4.0%	7.0%	0% - 12%	Yes	-3.0%
<b>Real Estate</b>	<b>\$1,051,005,464</b>	<b>6.6%</b>	<b>8.0%</b>	<b>0% - 15%</b>	<b>Yes</b>	<b>-1.4%</b>
<i>REITs</i>	\$356,315,084	2.2%	2.0%			0.2%
<i>Private Real Estate</i>	\$694,690,380	4.3%	6.0%			-1.7%
<b>Private Equity</b>	<b>\$3,124,333,823</b>	<b>19.5%</b>	<b>15.0%</b>	<b>0% - 24%</b>	<b>Yes</b>	<b>4.5%</b>
<b>Inflation-Linked Assets</b>	<b>\$1,242,753,750</b>	<b>7.8%</b>	<b>9.0%</b>	<b>0% - 16%</b>	<b>Yes</b>	<b>-1.2%</b>
<b>Cash</b>	<b>\$271,458,062</b>	<b>1.7%</b>	<b>1.0%</b>	<b>-20% - 15%</b>	<b>Yes</b>	<b>0.7%</b>
<b>Total Ex Parametric Overlay</b>	<b>\$16,017,124,252</b>	<b>100.0%</b>	<b>100.0%</b>			<b>0.0%</b>



# New Mexico Educational Retirement Board

## TOTAL FUND ASSET ALLOCATION HISTORY

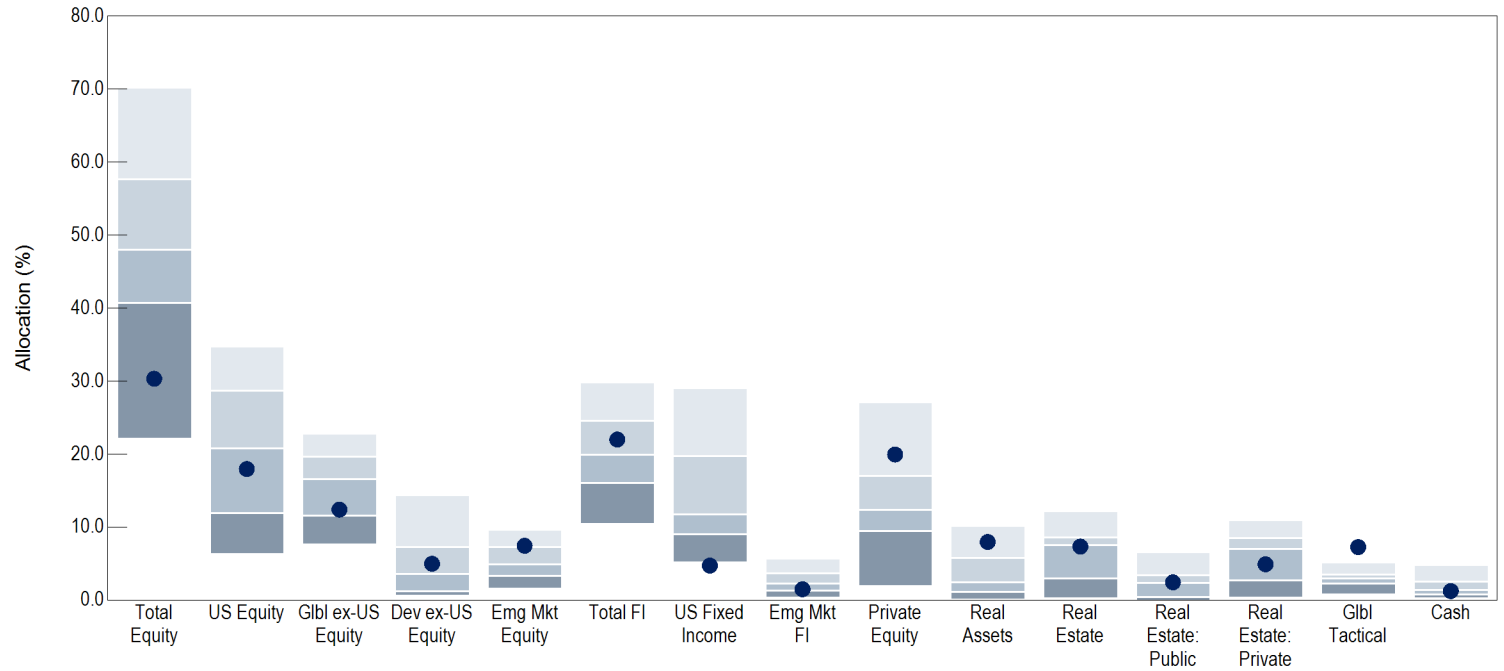
Quarterly Asset Allocation History  
September 2005 - Present



# New Mexico Educational Retirement Board

## TOTAL FUND ALLOCATIONS VS. PEER UNIVERSE

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



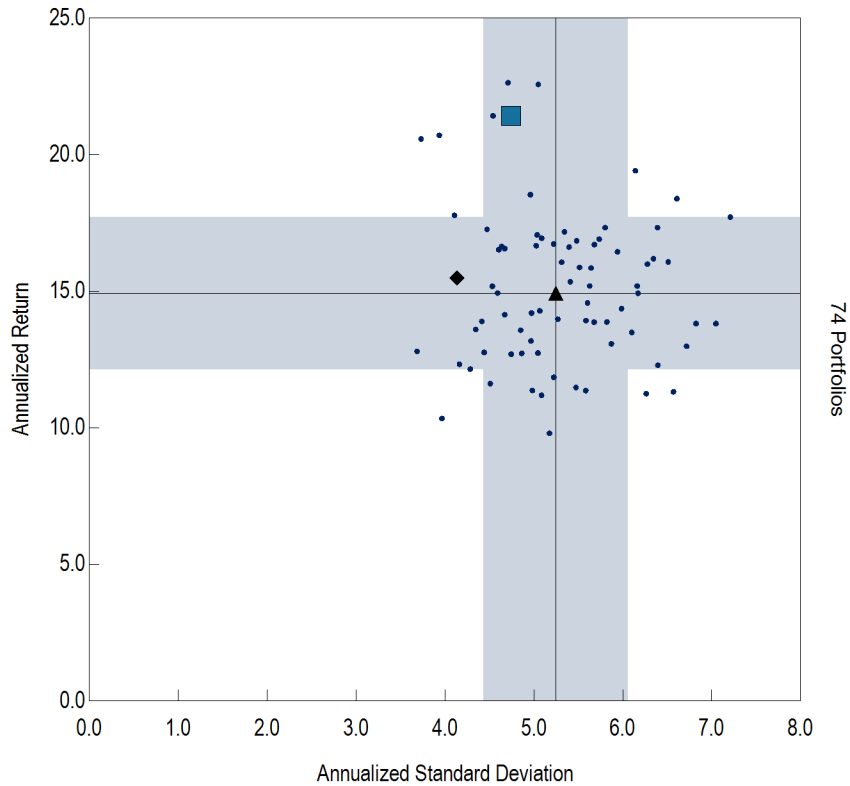
	Allocation (Rank)															
5th Percentile	70.2	34.7	22.8	14.4	9.6	29.8	29.0	5.6	27.0	10.1	12.2	6.6	10.9	5.1	4.8	--
25th Percentile	57.7	28.7	19.7	7.3	7.3	24.7	19.8	3.7	17.1	5.9	8.6	3.5	8.6	3.5	2.6	--
Median	48.1	20.9	16.6	3.6	5.0	19.9	11.8	2.3	12.4	2.5	7.6	2.4	7.1	3.1	1.4	--
75th Percentile	40.8	11.9	11.7	1.2	3.4	16.1	9.1	1.4	9.6	1.2	3.0	0.5	2.8	2.4	0.8	--
95th Percentile	22.2	6.4	7.7	0.7	1.6	10.5	5.2	0.4	1.9	0.1	0.3	0.0	0.4	0.9	0.3	--
# of Portfolios	40	31	37	22	30	40	28	22	34	26	37	11	35	5	40	--
● Total Fund	30.3 (90)	17.9 (58)	12.4 (67)	4.9 (40)	7.4 (25)	22.0 (40)	4.7 (97)	1.5 (74)	19.9 (15)	7.9 (11)	7.3 (53)	2.4 (51)	4.9 (65)	7.2 (1)	1.2 (57)	--



# New Mexico Educational Retirement Board

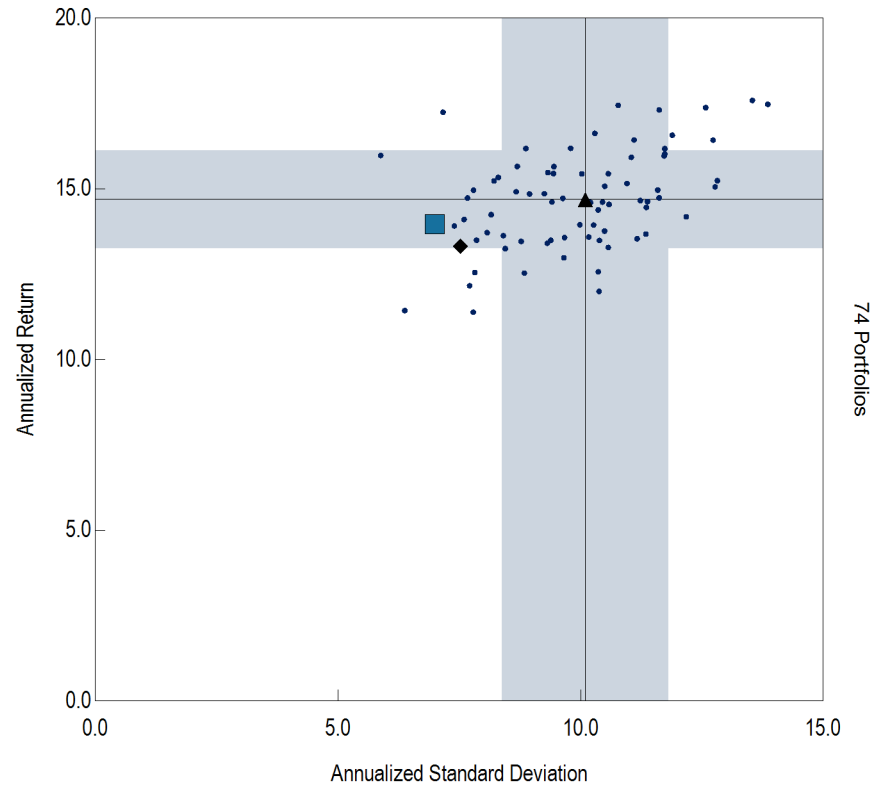
## TOTAL FUND RISK/RETURN

1 Year Ending December 31, 2021



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

3 Years Ending December 31, 2021



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

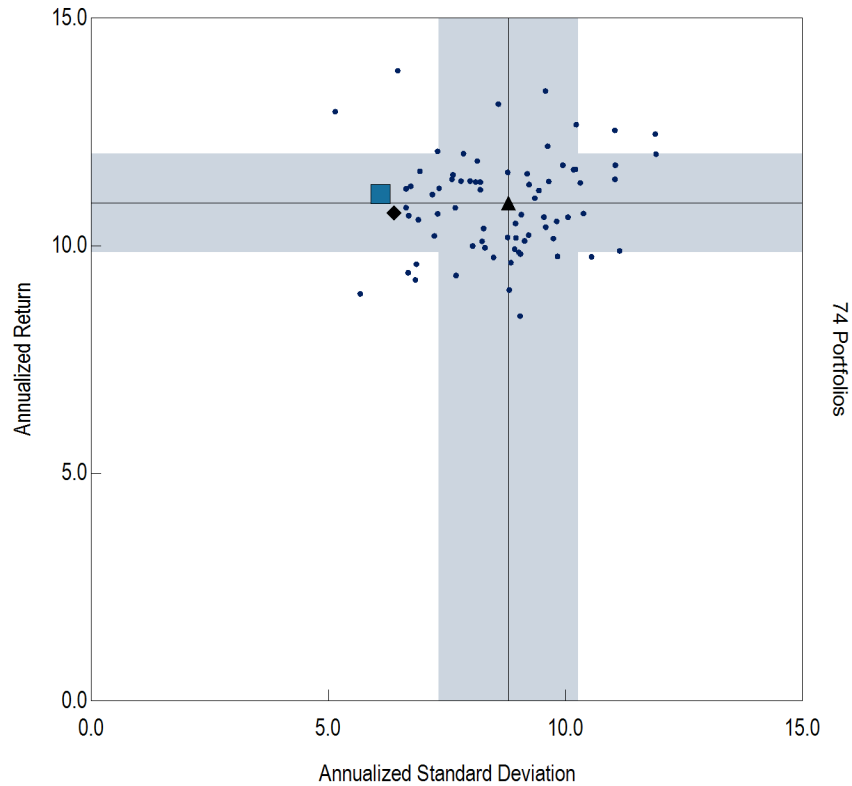
Note: Ranks are based on net returns.



# New Mexico Educational Retirement Board

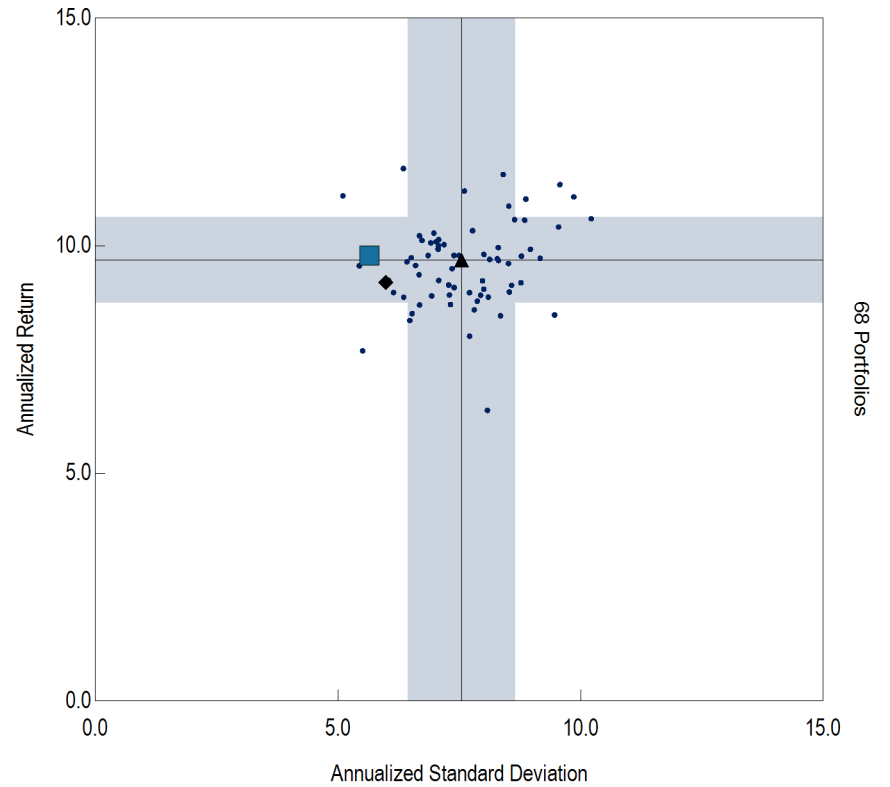
## TOTAL FUND RISK/RETURN

5 Years Ending December 31, 2021



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

10 Years Ending December 31, 2021



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

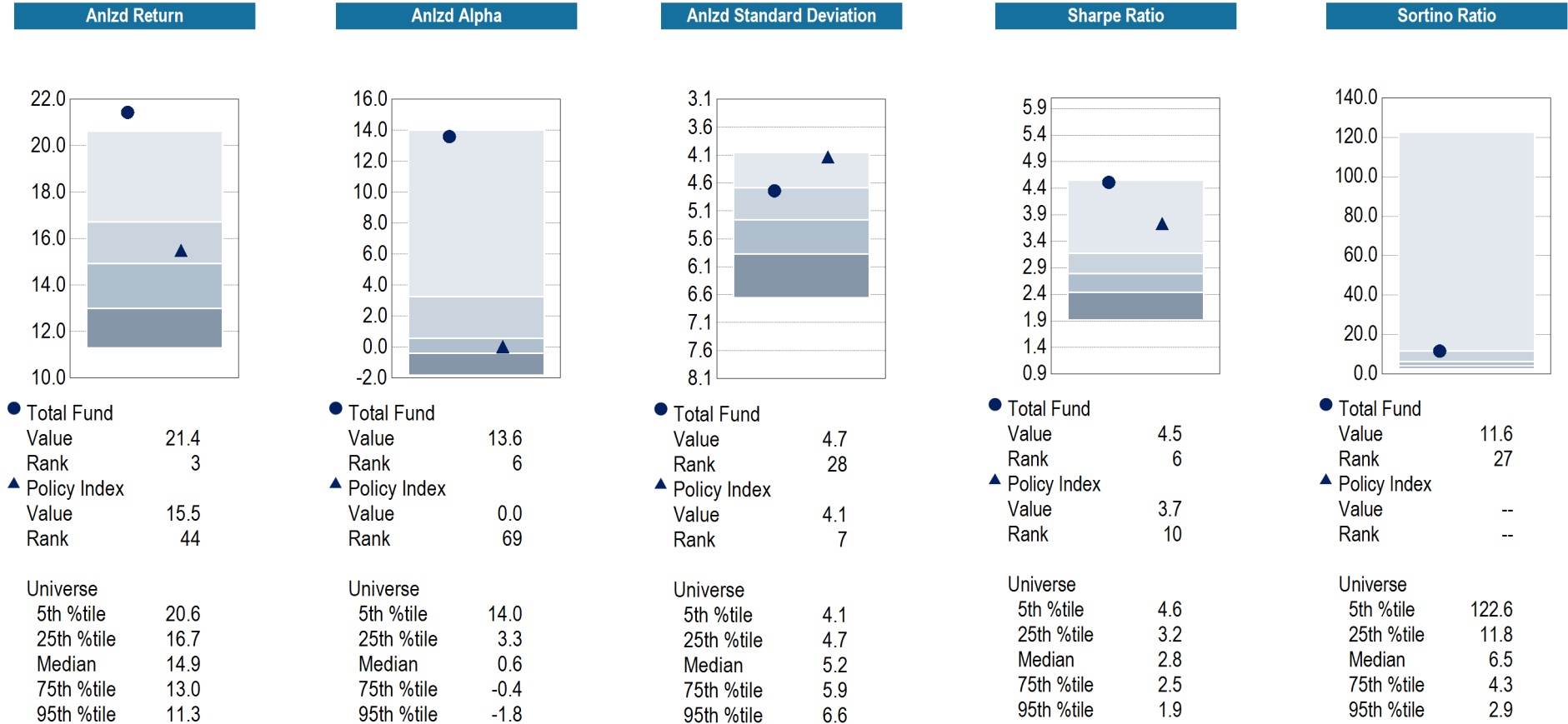
Note: Ranks are based on net returns.



# New Mexico Educational Retirement Board

## TOTAL FUND RISK STATISTICS VS. PEER UNIVERSE

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



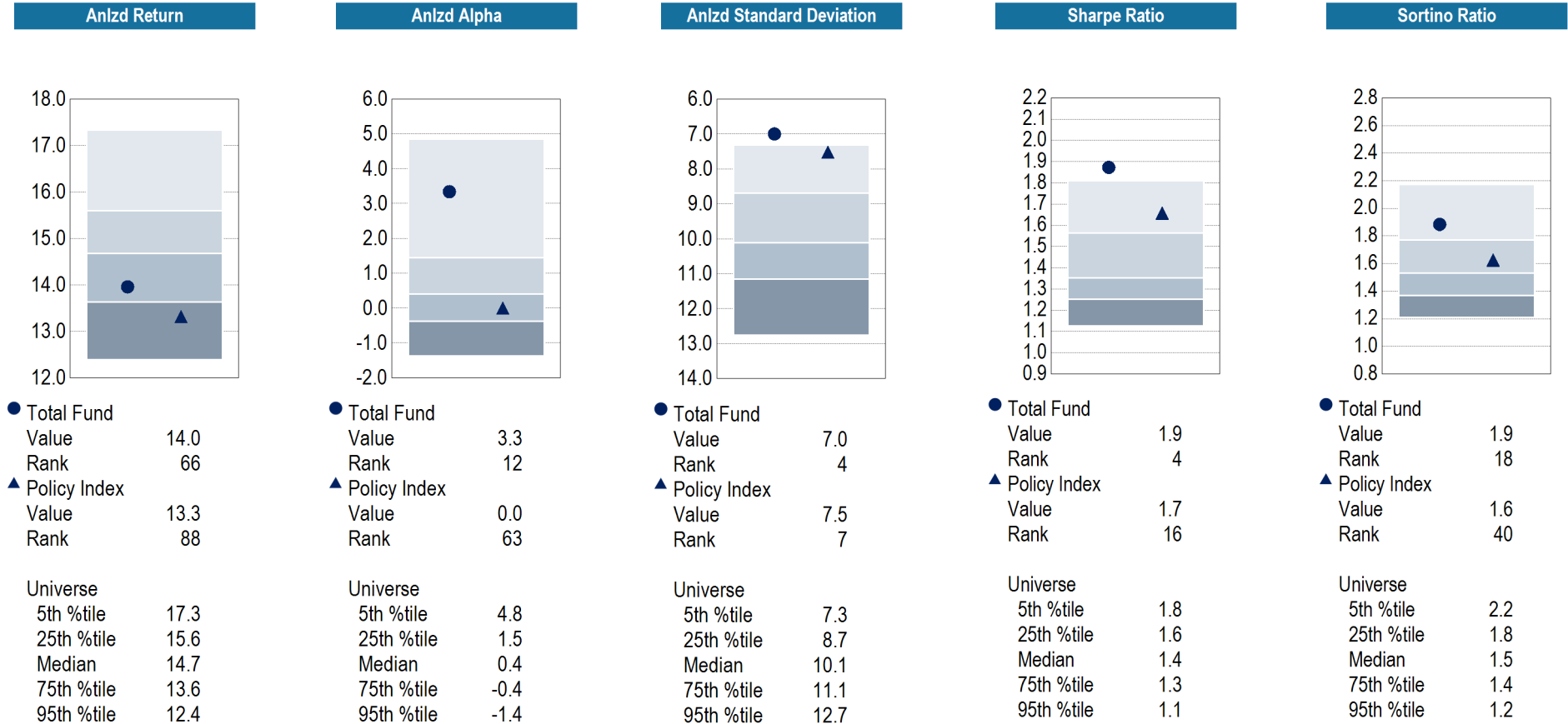
Note: Ranks are based on net returns. Universe contains 80 observations with total assets of \$557 billion. Sortino ratio needs two negative periods to populate.



# New Mexico Educational Retirement Board

## TOTAL FUND RISK STATISTICS VS. PEER UNIVERSE

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



Note: Ranks are based on net returns. Universe contains 80 observations with total assets of \$557 billion. Sortino ratio needs two negative periods to populate.

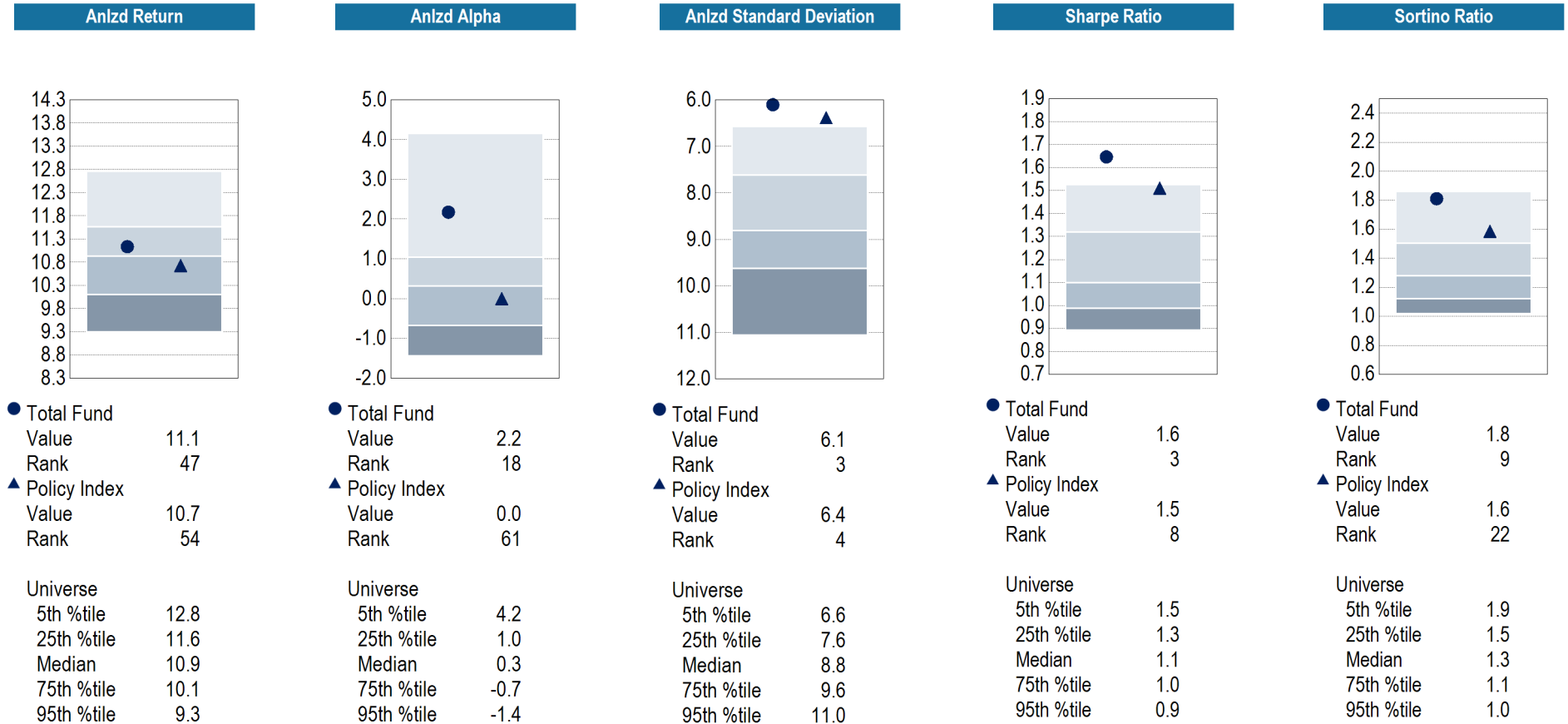




# New Mexico Educational Retirement Board

## TOTAL FUND RISK STATISTICS VS. PEER UNIVERSE

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



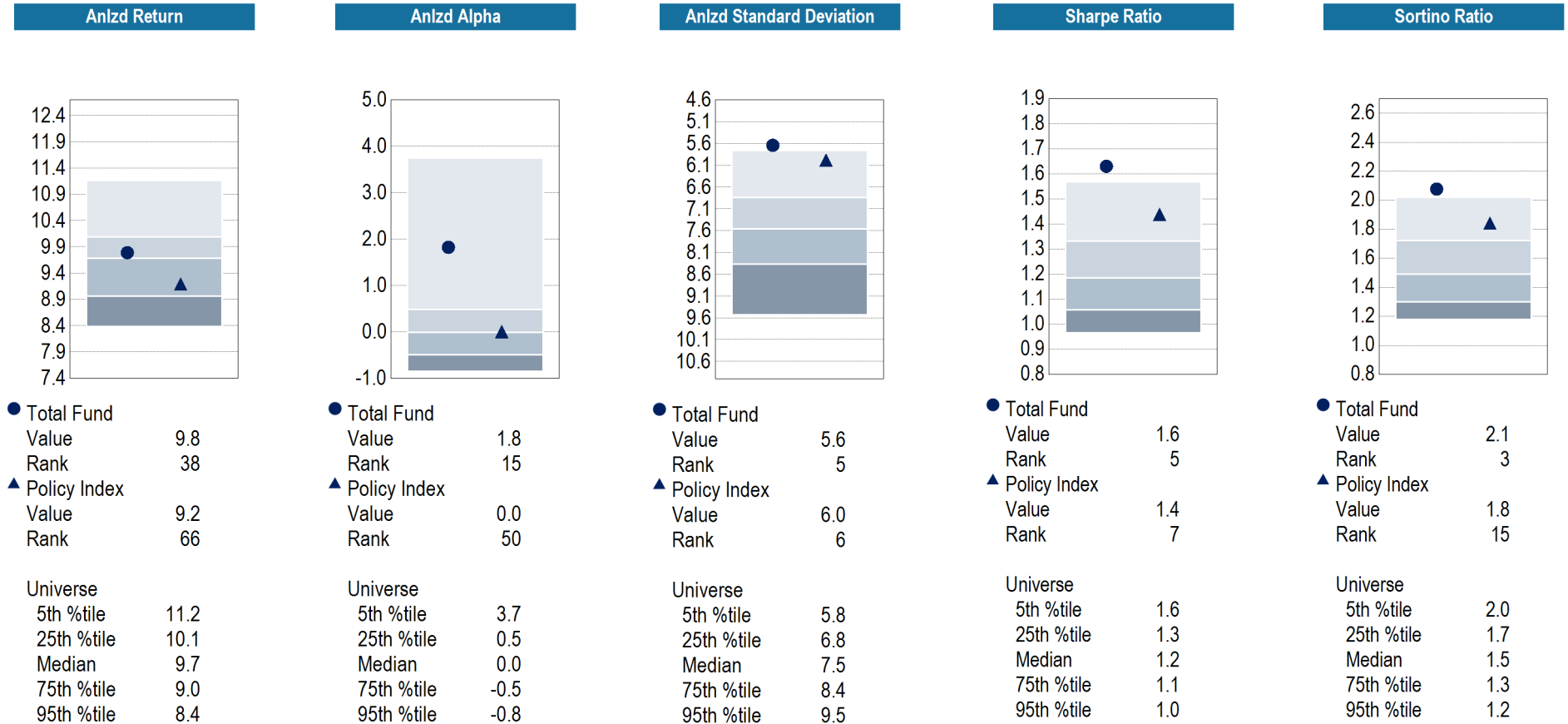
Note: Ranks are based on net returns. Universe contains 80 observations with total assets of \$557 billion. Sortino ratio needs two negative periods to populate.



# New Mexico Educational Retirement Board

## TOTAL FUND RISK STATISTICS VS. PEER UNIVERSE

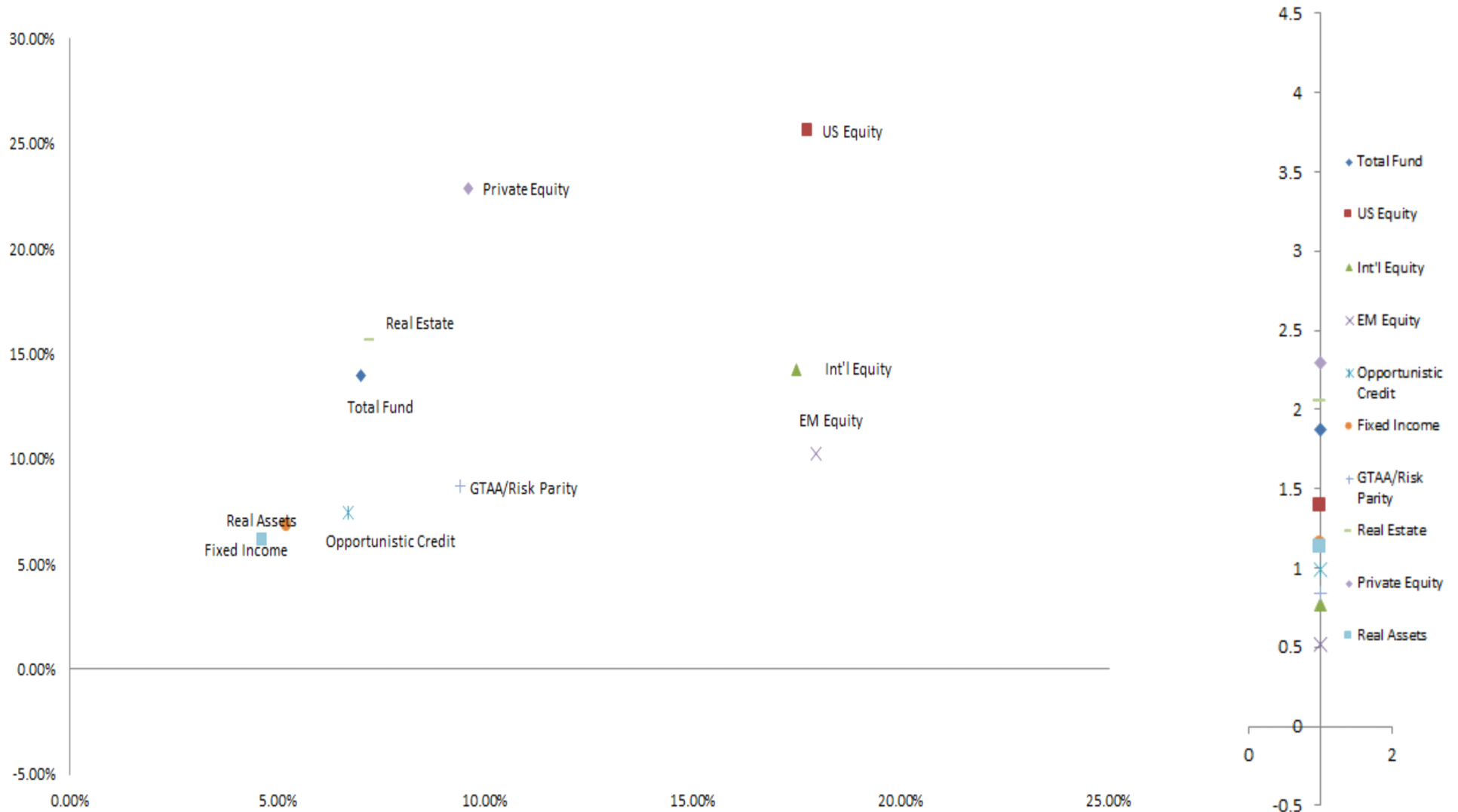
Total Fund vs. InvMetrics Public DB > \$1B Net (USD) (peer)  
10 Year



Note: Ranks are based on net returns. Universe contains 80 observations with total assets of \$557 billion. Sortino ratio needs two negative periods to populate.



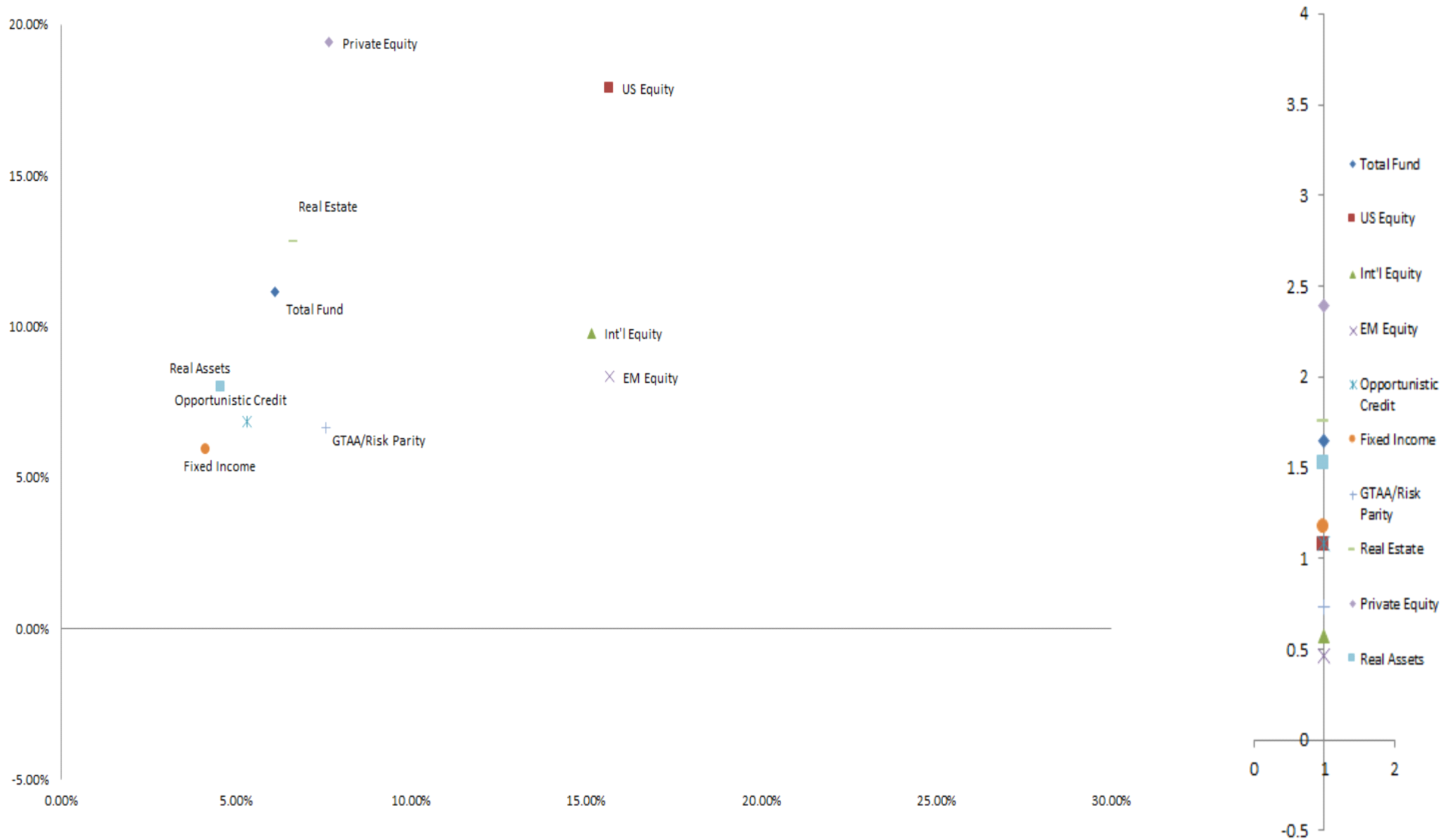
# New Mexico Educational Retirement Board 3 YEAR RISK/RETURN PROFILE



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



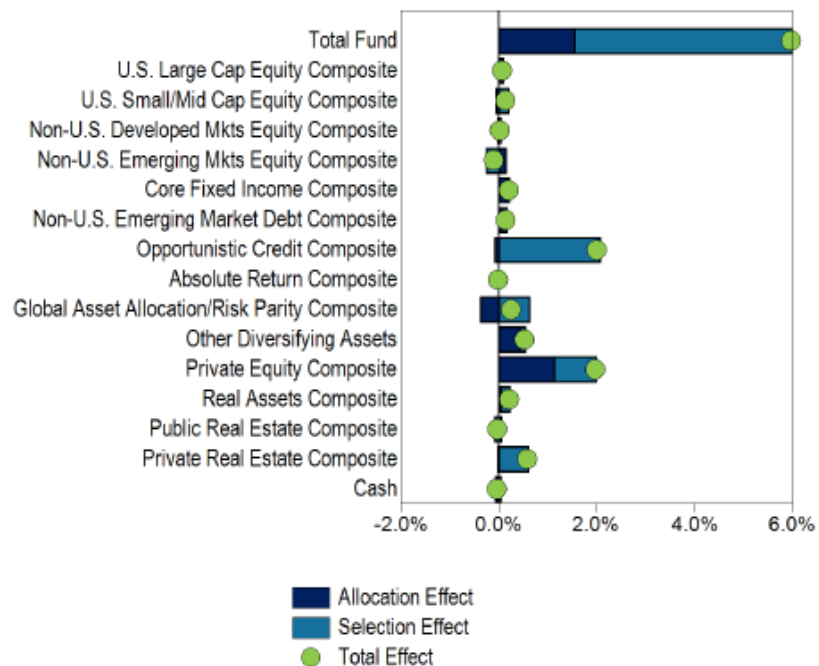
Note: Returns are net of fees. The graph on the right side shows composite level sharpe ratios.



# TOTAL FUND ATTRIBUTION ANALYSIS

Attribution Effects  
1 Year Ending December 31, 2021

1 Year Excess Return: 5.97%



- Allocation Effect: +1.56%
  - Private Equity overweight (+1.15%)
  - Other Diversifying Assets underweight (+0.45%)
  - Core Fixed Income underweight (+0.16%)
  - Non-U.S. Emerging Mkts Equity underweight (+0.13%)
  - Global Asset Allocation/Risk Parity overweight (-0.36%)
- Manager Selection Effect: +4.41%
  - Opportunistic Credit outperformed (+2.09%)
  - Private Equity outperformed (+0.83%)
  - Global Asset Allocation/Risk Parity outperformed (+0.62%)
  - Private Real Estate outperformed (+0.59%)
  - U.S. Small/Mid Cap Equity outperformed (+0.19%)
  - Real Assets outperformed (+0.17%)
  - Non U.S. Emerging Mkts Equity underperformed (-0.24%)
- 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.

**Interaction Effect:** Measures the impact of over/under weighting decisions and over/under performance.  $(\text{Return Asset Class Portfolio} (\text{Weight Asset Class Portfolio} - \text{Weight Asset Class Policy Index})) - (\text{Return Asset Class Index} (\text{Weight Asset Class Portfolio} - \text{Weight Asset Class Index}))$ .

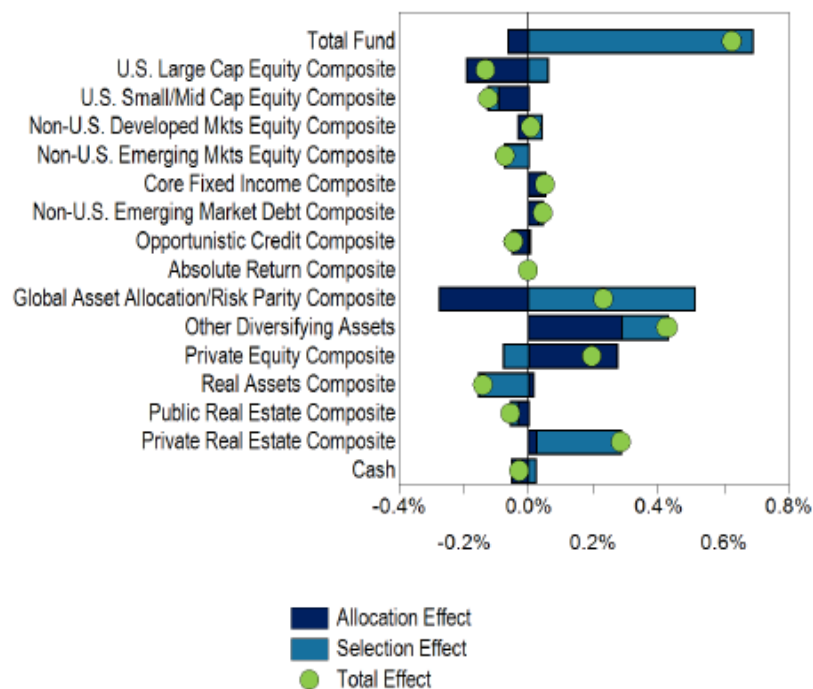
**Residual:** Contribution to excess return not captured in Allocation Effect and Manager Selection Effect.



# TOTAL FUND ATTRIBUTION ANALYSIS

Attribution Effects  
3 Years Ending December 31, 2021

3 Year Excess Return: +0.62%



- Allocation Effect: -0.11%
  - Other Diversifying Assets underweight (+0.28%)
  - Private Equity overweight (+0.28%)
  - U.S. Large Cap Equity underweight (-0.24%)
  - Global Asset Allocation/Risk Parity overweight (-0.28%)
- Manager Selection Effect: +0.72%
  - Global Asset Allocation/Risk Parity outperformed (+0.51%)
  - Private Real Estate outperformed (+0.26%)
  - Other Diversifying Assets outperformed (+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.

**Interaction Effect:** Measures the impact of over/under weighting decisions and over/under performance.  $(\text{Return Asset Class Portfolio} (\text{Weight Asset Class Portfolio} - \text{Weight Asset Class Policy Index})) - (\text{Return Asset Class Index} (\text{Weight Asset Class Portfolio} - \text{Weight Asset Class Index}))$ .

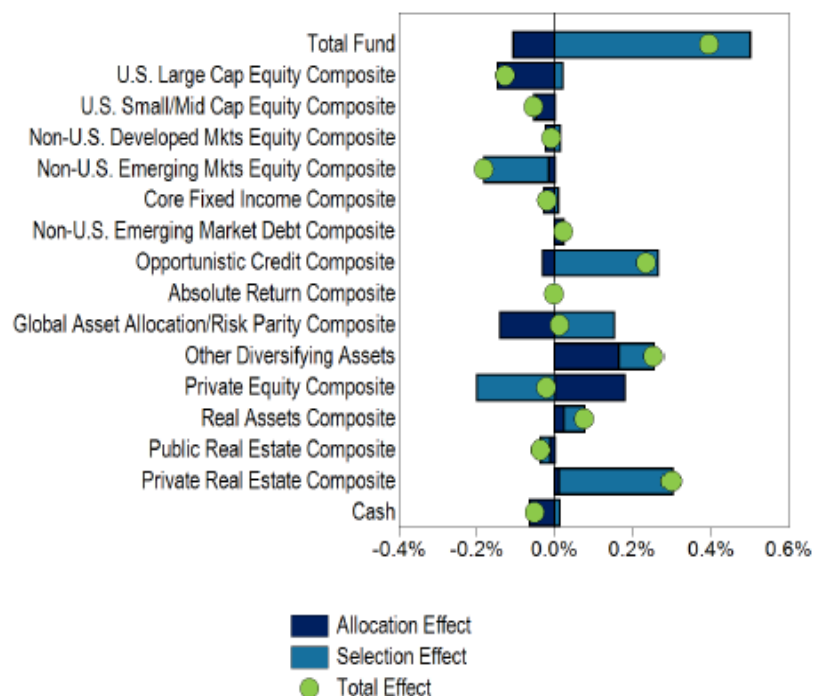
**Residual:** Contribution to excess return not captured in Allocation Effect and Manager Selection Effect.



# TOTAL FUND ATTRIBUTION ANALYSIS

Attribution Effects  
5 Years Ending December 31, 2021

5 Year Excess Return: +0.39%



- Allocation Effect: -0.11%
  - Private Equity overweight (+0.18%)
  - Other Diversifying Assets underweight (+0.17%)
  - Global Asset Allocation/Risk Parity overweight (-0.14%)
  - U.S. Large Cap Equity underweight (-0.15%)
- Manager Selection Effect: +0.50%
  - Private Real Estate outperformed (+0.29%)
  - Opportunistic Credit outperformed (+0.27%)
  - Global Asset Allocation/Risk Parity outperformed (+0.15%)
  - Non U.S. Emerging Mkts Equity underperformed (-0.17%)
  - Private Equity underperformed (-0.20%)
- 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.

**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, 2021												
	% 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	14.9%	26.6%	11	17.1%	5	1.1%	4	0.6%	11	0.9	1	1.0
S&P 500	--	26.1%	14	17.4%	8	0.0%	25	0.0%	1	--	--	1.0
U.S. Small/Mid Cap Equity Composite	3.1%	20.5%	99	22.6%	98	-0.9%	53	4.2%	87	-0.3	47	1.0
NMERB Small/Mid Cap Equity Blended Index	--	21.9%	96	22.8%	98	0.0%	25	0.0%	1	--	--	1.0
Non-U.S. Developed Mkts Equity Composite	4.9%	14.3%	75	17.5%	51	0.5%	64	1.1%	10	0.7	46	1.0
MSCI EAFE	--	13.5%	89	17.2%	35	0.0%	84	0.0%	1	--	--	1.0
Non-U.S. Emerging Mkts Equity Composite	7.4%	10.2%	62	18.0%	27	-0.2%	54	3.1%	16	-0.2	62	1.0
MSCI Emerging Markets	--	10.9%	55	18.6%	53	0.0%	50	0.0%	1	--	--	1.0
Core Fixed Income Composite	4.7%	5.0%	73	4.1%	47	-0.3%	99	1.7%	50	0.1	73	1.1
Bloomberg US Aggregate TR	--	4.8%	77	3.4%	10	0.0%	77	0.0%	1	--	--	1.0
Non-U.S. Emerging Market Debt Composite	1.5%	4.6%	28	11.2%	29	0.6%	10	2.4%	30	0.3	10	1.0
Non-U.S. EMD Custom Benchmark	--	4.0%	47	10.8%	26	0.0%	33	0.0%	1	--	--	1.0
Opportunistic Credit Composite	15.8%	7.5%	--	6.7%	--	4.9%	--	8.7%	--	0.1	--	0.3
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index	--	7.0%	--	8.5%	--	0.0%	--	0.0%	--	--	--	1.0
Global Asset Allocation/Risk Parity Composite	7.2%	8.7%	--	9.4%	--	16.7%	--	9.4%	--	0.6	--	-4.0
GAA/Risk Parity Custom Index	--	3.1%	--	0.3%	--	0.0%	--	0.0%	--	--	--	1.0

3 Years Ending December 31, 2021							
	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Anlzd AJ	Rank
Real Estate Composite	7.3%	15.7%	1	7.2%	95	13.8%	1
NCREIF Property Index	--	8.4%	53	5.2%	47	0.0%	83
Private Equity Composite	19.9%	22.9%	58	9.6%	11	20.6%	23
Private Equity Index	--	22.5%	64	15.7%	78	0.0%	64
Real Assets Composite	7.9%	6.1%	65	4.7%	13	-6.4%	99
CPI + 4% (Seasonally Adjusted)	--	7.7%	49	1.2%	1	0.0%	78

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 94.8% 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, 2021												
	% 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	14.9%	18.7%	8	15.2%	3	0.5%	4	0.5%	7	0.5	4	1.0
S&P 500	--	18.5%	9	15.4%	5	0.0%	21	0.0%	1	--	--	1.0
U.S. Small/Mid Cap Equity Composite	3.1%	13.6%	97	19.3%	98	0.3%	4	3.9%	88	0.0	26	1.0
NMERB Small/Mid Cap Equity Blended Index	--	13.8%	97	19.7%	98	0.0%	21	0.0%	1	--	--	1.0
Non-U.S. Developed Mkts Equity Composite	4.9%	9.8%	73	15.1%	43	0.1%	64	0.9%	10	0.2	46	1.0
MSCI EAFE	--	9.5%	79	14.8%	29	0.0%	67	0.0%	1	--	--	1.0
Non-U.S. Emerging Mkts Equity Composite	7.4%	8.3%	67	15.7%	4	-0.9%	67	3.0%	9	-0.5	75	0.9
MSCI Emerging Markets	--	9.9%	46	16.6%	60	0.0%	31	0.0%	1	--	--	1.0
Core Fixed Income Composite	4.7%	3.7%	78	3.6%	52	-0.1%	99	1.4%	51	0.1	78	1.1
Bloomberg US Aggregate TR	--	3.6%	83	3.1%	13	0.0%	91	0.0%	1	--	--	1.0
Non-U.S. Emerging Market Debt Composite	1.5%	3.8%	45	9.3%	35	0.1%	13	2.4%	51	0.0	25	1.0
Non-U.S. EMD Custom Benchmark	--	3.8%	52	9.2%	34	0.0%	23	0.0%	1	--	--	1.0
Opportunistic Credit Composite	15.8%	6.8%	--	5.3%	--	4.5%	--	6.8%	--	0.2	--	0.3
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index	--	5.2%	--	6.7%	--	0.0%	--	0.0%	--	--	--	1.0
Global Asset Allocation/Risk Parity Composite	7.2%	6.6%	--	7.6%	--	4.8%	--	7.7%	--	0.1	--	0.2
GAA/Risk Parity Custom Index	--	5.8%	--	1.7%	--	0.0%	--	0.0%	--	--	--	1.0

5 Years Ending December 31, 2021							
	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Anlzd AJ	Rank
Real Estate Composite	7.3%	12.8%	1	6.7%	99	11.2%	1
NCREIF Property Index	--	7.8%	76	4.3%	36	0.0%	88
Private Equity Composite	19.9%	19.4%	64	7.7%	4	17.5%	23
Private Equity Index	--	19.7%	61	12.7%	77	0.0%	65
Real Assets Composite	7.9%	8.0%	7	4.5%	14	0.1%	86
CPI + 4% (Seasonally Adjusted)	--	7.0%	22	1.0%	1	0.0%	91

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 94.8% 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

	% of Portfolio	Market Value (\$)	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank	Inception (%)	Inception Date
<b>Total Fund</b>	<b>100.0</b>	<b>16,675,230,169</b>	<b>4.7</b>	<b>22</b>	<b>21.4</b>	<b>3</b>	<b>21.4</b>	<b>3</b>	<b>14.0</b>	<b>66</b>	<b>11.1</b>	<b>47</b>	<b>9.8</b>	<b>38</b>	<b>9.3</b>	<b>Jul-83</b>
Policy Index			3.8	67	15.5	44	15.5	44	13.3	88	10.7	54	9.2	66	--	Jul-83
Over/Under			0.9		5.9		5.9		0.7		0.4		0.6			
60% MSCI ACWI (Net) / 40% FTSE WGBI			3.6	77	7.8	99	7.8	99	13.4	87	10.0	79	7.6	99	--	Jul-83
S&P 500			11.0	1	28.7	1	28.7	1	26.1	1	18.5	1	16.6	1	11.7	Jul-83
Bloomberg US Aggregate TR			0.0	99	-1.5	99	-1.5	99	4.8	99	3.6	99	2.9	99	6.8	Jul-83
InvMetrics Public DB > \$1B Net Median			4.0		14.9		14.9		14.7		10.9		9.7		8.6	Jul-83
<b>Total Fund Ex Parametric Overlay</b>	<b>99.7</b>	<b>16,630,296,752</b>	<b>4.6</b>	<b>25</b>	<b>21.4</b>	<b>3</b>	<b>21.4</b>	<b>3</b>	<b>13.9</b>	<b>69</b>	<b>11.1</b>	<b>49</b>	<b>9.8</b>	<b>43</b>	<b>9.3</b>	<b>Jul-83</b>
Policy Index			3.8	67	15.5	44	15.5	44	13.3	88	10.7	54	9.2	66	--	Jul-83
Over/Under			0.8		5.9		5.9		0.6		0.4		0.6			
60% MSCI ACWI (Net) / 40% FTSE WGBI			3.6	77	7.8	99	7.8	99	13.4	87	10.0	79	7.6	99	--	Jul-83
S&P 500			11.0	1	28.7	1	28.7	1	26.1	1	18.5	1	16.6	1	11.7	Jul-83
Bloomberg US Aggregate TR			0.0	99	-1.5	99	-1.5	99	4.8	99	3.6	99	2.9	99	6.8	Jul-83
InvMetrics Public DB > \$1B Net Median			4.0		14.9		14.9		14.7		10.9		9.7		8.6	Jul-83
<b>U.S. Equity Composite</b>	<b>17.9</b>	<b>2,988,769,093</b>	<b>10.6</b>	<b>12</b>	<b>28.0</b>	<b>16</b>	<b>28.0</b>	<b>16</b>	<b>25.6</b>	<b>28</b>	<b>17.9</b>	<b>25</b>	<b>16.2</b>	<b>13</b>	<b>12.0</b>	<b>Jan-85</b>
Russell 3000			9.3	29	25.7	46	25.7	46	25.8	15	18.0	24	16.3	8	11.9	Jan-85
Over/Under			1.3		2.3		2.3		-0.2		-0.1		-0.1		0.1	
InvMetrics Public DB > \$1 Billion US Equity Net Median			8.8		25.2		25.2		25.2		17.1		15.9		12.0	Jan-85
<b>U.S. Large Cap Equity Composite</b>	<b>14.9</b>	<b>2,477,909,538</b>	<b>11.1</b>	<b>6</b>	<b>28.7</b>	<b>11</b>	<b>28.7</b>	<b>11</b>	<b>26.6</b>	<b>11</b>	<b>18.7</b>	<b>8</b>	<b>16.7</b>	<b>6</b>	<b>8.5</b>	<b>Aug-99</b>
S&P 500			11.0	6	28.7	11	28.7	11	26.1	14	18.5	9	16.6	6	7.9	Aug-99
Over/Under			0.1		0.0		0.0		0.5		0.2		0.1		0.6	
InvMetrics Public DB > \$1 Billion US Equity Net Median			8.8		25.2		25.2		25.2		17.1		15.9		8.0	Aug-99
S&P 500 Index Fund	14.9	2,477,909,538	11.1	31	28.7	29	28.7	29	26.6	17	18.7	17	16.7	9	7.5	Jan-00
S&P 500			11.0	31	28.7	29	28.7	29	26.1	22	18.5	18	16.6	10	7.5	Jan-00
Over/Under			0.1		0.0		0.0		0.5		0.2		0.1		0.0	
eV US Large Cap Core Equity Net Median			10.1		26.9		26.9		23.7		16.7		15.1		8.6	Jan-00
<b>U.S. Small/Mid Cap Equity Composite</b>	<b>3.1</b>	<b>510,859,555</b>	<b>8.0</b>	<b>76</b>	<b>25.1</b>	<b>51</b>	<b>25.1</b>	<b>51</b>	<b>20.5</b>	<b>99</b>	<b>13.6</b>	<b>97</b>	<b>13.6</b>	<b>94</b>	<b>8.4</b>	<b>Aug-99</b>
NMERB Small/Mid Cap Equity Blended Index			3.8	97	18.2	99	18.2	99	21.9	96	13.8	97	14.1	92	9.3	Aug-99
Over/Under			4.2		6.9		6.9		-1.4		-0.2		-0.5		-0.9	
InvMetrics Public DB > \$1 Billion US Equity Net Median			8.8		25.2		25.2		25.2		17.1		15.9		8.0	Aug-99
S&P 400 Mid-Cap	3.1	510,859,555	8.0	41	25.1	43	25.1	43	20.5	70	--	--	--	--	12.4	Nov-17
Russell 2500			3.8	78	18.2	65	18.2	65	21.9	59	13.8	58	14.1	59	13.4	Nov-17
Over/Under			4.2		6.9		6.9		-1.4				-1.0		-1.0	
S&P 400 MidCap			8.0	41	24.8	45	24.8	45	21.4	64	13.1	62	14.2	58	12.8	Nov-17
eV US Mid Cap Equity Net Median			7.4		23.0		23.0		23.1		15.2		14.6		14.5	Nov-17

1 - Total Fund market value includes \$6.96 from Legacy Assets.

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

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

Note: Performance shown is net of fees.



# New Mexico Educational Retirement Board

## PERFORMANCE DETAIL - NON-U.S. EQUITY

	% of Portfolio	Market Value (\$)	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank	Inception (%)	Inception Date
<b>Non-U.S. Equity Composite</b>	<b>12.4</b>	<b>2,062,364,477</b>	<b>1.0</b>	<b>46</b>	<b>1.3</b>	<b>92</b>	<b>1.3</b>	<b>92</b>	<b>11.8</b>	<b>92</b>	<b>9.0</b>	<b>79</b>	<b>5.6</b>	<b>99</b>	<b>6.5</b>	<b>Jul-95</b>
MSCI ACWI ex USA			<u>1.8</u>	22	<u>7.8</u>	52	<u>7.8</u>	52	<u>13.2</u>	70	<u>9.6</u>	65	<u>7.3</u>	84	<u>5.8</u>	Jul-95
Over/Under			<b>-0.8</b>		<b>-6.5</b>		<b>-6.5</b>		<b>-1.4</b>		<b>-0.6</b>		<b>-1.7</b>		0.7	
InvMetrics Public DB > \$1 Billion Global ex-US Equity Net Median			0.8		8.0		8.0		14.7		10.6		8.2		6.4	Jul-95
<b>Non-U.S. Developed Mkts Equity Composite</b>	<b>4.9</b>	<b>825,344,848</b>	<b>2.1</b>	<b>39</b>	<b>11.9</b>	<b>25</b>	<b>11.9</b>	<b>25</b>	<b>14.3</b>	<b>75</b>	<b>9.8</b>	<b>73</b>	<b>7.8</b>	<b>82</b>	<b>6.4</b>	<b>Sep-95</b>
MSCI EAFE			<u>2.7</u>	18	<u>11.3</u>	36	<u>11.3</u>	36	<u>13.5</u>	89	<u>9.5</u>	79	<u>8.0</u>	76	<u>5.4</u>	Sep-95
Over/Under			<b>-0.6</b>		0.6		0.6		0.8		0.3		<b>-0.2</b>		1.0	
InvMetrics Public DB > \$1 Billion Dev Mkt ex-US Eq Net Median			1.7		8.8		8.8		14.7		10.4		8.6		6.4	Sep-95
BlackRock MSCI EAFE	4.0	665,508,289	2.7	39	11.7	49	11.7	49	13.9	55	9.9	52	--	--	6.7	Aug-13
MSCI EAFE			<u>2.7</u>	41	<u>11.3</u>	52	<u>11.3</u>	52	<u>13.5</u>	59	<u>9.5</u>	58	<u>8.0</u>	72	<u>6.4</u>	Aug-13
Over/Under			0.0		0.4		0.4		0.4		0.4				0.3	
eV All EAFE Equity Net Median			2.2		11.4		11.4		14.3		10.0		9.0		6.9	Aug-13
Global Alpha International Small Cap	1.0	159,836,559	-0.7	88	12.6	40	12.6	40	--	--	--	--	--	--	11.5	Dec-19
MSCI EAFE			<u>2.7</u>	41	<u>11.3</u>	52	<u>11.3</u>	52	<u>13.5</u>	59	<u>9.5</u>	58	<u>8.0</u>	72	<u>10.8</u>	Dec-19
Over/Under			<b>-3.4</b>		1.3		1.3								0.7	
MSCI EAFE Small Cap			0.1	81	10.1	64	10.1	64	15.6	39	11.0	39	10.8	22	13.0	Dec-19
eV All EAFE Equity Net Median			2.2		11.4		11.4		14.3		10.0		9.0		11.7	Dec-19

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



# New Mexico Educational Retirement Board

## PERFORMANCE DETAIL - EMERGING MARKET EQUITY

	% of Portfolio	Market Value (\$)	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank	Inception (%)	Inception Date
<b>Non-U.S. Emerging Mkts Equity Composite</b>	<b>7.4</b>	<b>1,237,019,628</b>	<b>0.3</b>	<b>29</b>	<b>-4.7</b>	<b>77</b>	<b>-4.7</b>	<b>77</b>	<b>10.2</b>	<b>62</b>	<b>8.3</b>	<b>67</b>	<b>4.4</b>	<b>80</b>	<b>6.6</b>	<b>Sep-00</b>
<i>MSCI Emerging Markets</i>			<i>-1.3</i>	<i>71</i>	<i>-2.5</i>	<i>72</i>	<i>-2.5</i>	<i>72</i>	<i>10.9</i>	<i>55</i>	<i>9.9</i>	<i>46</i>	<i>5.5</i>	<i>43</i>	<i>7.6</i>	<i>Sep-00</i>
Over/Under			1.6		-2.2		-2.2		-0.7		-1.6		-1.1		-1.0	
<i>InvMetrics Public DB &gt; \$1 Billion Emg Mkt Eq Net Median</i>			<i>-0.6</i>		<i>2.1</i>		<i>2.1</i>		<i>11.0</i>		<i>9.5</i>		<i>4.6</i>		<i>6.7</i>	<i>Sep-00</i>
<b>Neuberger Berman Emerging Markets</b>	<b>2.5</b>	<b>409,447,477</b>	<b>-0.6</b>	<b>47</b>	<b>-4.6</b>	<b>71</b>	<b>-4.6</b>	<b>71</b>	<b>8.9</b>	<b>85</b>	<b>8.6</b>	<b>77</b>	<b>--</b>	<b>--</b>	<b>5.1</b>	<b>Aug-13</b>
<i>MSCI Emerging Markets</i>			<i>-1.3</i>	<i>58</i>	<i>-2.5</i>	<i>65</i>	<i>-2.5</i>	<i>65</i>	<i>10.9</i>	<i>66</i>	<i>9.9</i>	<i>55</i>	<i>5.5</i>	<i>70</i>	<i>5.6</i>	<i>Aug-13</i>
Over/Under			0.7		-2.1		-2.1		-2.0		-1.3		--		-0.5	
<i>eV Emg Mkts Equity Net Median</i>			<i>-0.9</i>		<i>0.4</i>		<i>0.4</i>		<i>12.8</i>		<i>10.2</i>		<i>6.1</i>		<i>5.9</i>	<i>Aug-13</i>
<b>RBC GAM EME Fund</b>	<b>2.5</b>	<b>418,610,240</b>	<b>3.9</b>	<b>3</b>	<b>-1.2</b>	<b>58</b>	<b>-1.2</b>	<b>58</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>8.5</b>	<b>Aug-19</b>
<i>MSCI Emerging Markets</i>			<i>-1.3</i>	<i>58</i>	<i>-2.5</i>	<i>65</i>	<i>-2.5</i>	<i>65</i>	<i>10.9</i>	<i>66</i>	<i>9.9</i>	<i>55</i>	<i>5.5</i>	<i>70</i>	<i>9.7</i>	<i>Aug-19</i>
Over/Under			5.2		1.3		1.3		--		--		--		-1.2	
<i>eV Emg Mkts Equity Net Median</i>			<i>-0.9</i>		<i>0.4</i>		<i>0.4</i>		<i>12.8</i>		<i>10.2</i>		<i>6.1</i>		<i>11.1</i>	<i>Aug-19</i>
<b>UBS Emerging Markets EQ OPP</b>	<b>2.5</b>	<b>408,957,220</b>	<b>-2.4</b>	<b>71</b>	<b>-8.3</b>	<b>86</b>	<b>-8.3</b>	<b>86</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>12.2</b>	<b>Aug-19</b>
<i>MSCI Emerging Markets</i>			<i>-1.3</i>	<i>58</i>	<i>-2.5</i>	<i>65</i>	<i>-2.5</i>	<i>65</i>	<i>10.9</i>	<i>66</i>	<i>9.9</i>	<i>55</i>	<i>5.5</i>	<i>70</i>	<i>9.7</i>	<i>Aug-19</i>
Over/Under			-1.1		-5.8		-5.8		--		--		--		2.5	
<i>eV Emg Mkts Equity Net Median</i>			<i>-0.9</i>		<i>0.4</i>		<i>0.4</i>		<i>12.8</i>		<i>10.2</i>		<i>6.1</i>		<i>11.1</i>	<i>Aug-19</i>

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

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

3 - 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

	% of Portfolio	Market Value (\$)	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank	Inception (%)	Inception Date
<b>Fixed Income Composite</b>	<b>22.0</b>	<b>3,662,445,412</b>	<b>1.4</b>	<b>5</b>	<b>11.2</b>	<b>6</b>	<b>11.2</b>	<b>6</b>	<b>6.8</b>	<b>11</b>	<b>5.9</b>	<b>6</b>	<b>6.3</b>	<b>6</b>	<b>3.3</b>	<b>Jan-85</b>
<i>Bloomberg US Aggregate TR</i>			<u>0.0</u>	31	<u>-1.5</u>	96	<u>-1.5</u>	96	<u>4.8</u>	88	<u>3.6</u>	92	<u>2.9</u>	93	<u>6.6</u>	<i>Jan-85</i>
Over/Under			1.4		12.7		12.7		2.0		2.3		3.4		<b>-3.3</b>	
<i>InvMetrics Public DB &gt; \$1 Billion Fixed Income Net Median</i>			-0.1		0.2		0.2		6.0		4.7		4.1		--	<i>Jan-85</i>
<b>Core Fixed Income Composite</b>	<b>4.7</b>	<b>783,072,940</b>	<b>0.0</b>	<b>35</b>	<b>-0.8</b>	<b>48</b>	<b>-0.8</b>	<b>48</b>	<b>5.0</b>	<b>73</b>	<b>3.7</b>	<b>78</b>	<b>3.4</b>	<b>59</b>	<b>5.0</b>	<b>Dec-99</b>
<i>Bloomberg US Aggregate TR</i>			<u>0.0</u>	42	<u>-1.5</u>	74	<u>-1.5</u>	74	<u>4.8</u>	77	<u>3.6</u>	83	<u>2.9</u>	85	<u>4.8</u>	<i>Dec-99</i>
Over/Under			0.0		0.7		0.7		0.2		0.1		0.5		0.2	
<i>InvMetrics Public DB &gt; \$1 Billion US Fixed Income Net Median</i>			-0.1		-0.8		-0.8		5.2		3.9		3.6		4.8	<i>Dec-99</i>
Core Fixed Income	4.7	783,072,940	0.0	17	-0.8	21	-0.8	21	5.0	68	3.7	64	--	--	3.0	Apr-15
<i>Bloomberg US Aggregate TR</i>			<u>0.0</u>	22	<u>-1.5</u>	52	<u>-1.5</u>	52	<u>4.8</u>	76	<u>3.6</u>	73	<u>2.9</u>	80	<u>2.9</u>	<i>Apr-15</i>
Over/Under			0.0		0.7		0.7		0.2		0.1		0.1		0.1	
<i>eV US Core Fixed Inc Net Median</i>			-0.1		-1.5		-1.5		5.2		3.8		3.2		3.1	<i>Apr-15</i>

Note: Performance shown is net of fees.



# New Mexico Educational Retirement Board

## PERFORMANCE DETAIL - EMERGING MARKET DEBT

	% of Portfolio	Market Value (\$)	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank	Inception (%)	Inception Date
<b>Non-U.S. Emerging Market Debt Composite</b>	<b>1.5</b>	<b>244,126,203</b>	<b>-1.5</b>	<b>22</b>	<b>-2.5</b>	<b>34</b>	<b>-2.5</b>	<b>34</b>	<b>4.6</b>	<b>28</b>	<b>3.8</b>	<b>45</b>	<b>2.8</b>	<b>99</b>	<b>2.1</b>	<b>Sep-11</b>
<i>Non-U.S. EMD Custom Benchmark</i>			<u>-1.5</u>	23	<u>-5.3</u>	51	<u>-5.3</u>	51	<u>4.0</u>	47	<u>3.8</u>	52	<u>1.3</u>	99	<u>0.3</u>	Sep-11
Over/Under			0.0		2.8		2.8		0.6		0.0		1.5		1.8	
<i>InvMetrics All DB Emg Mkt Fix Inc Net Median</i>			-1.9		-5.2		-5.2		3.6		3.8		2.9		2.2	Sep-11
<b>EMSO</b>	<b>0.7</b>	<b>112,934,961</b>	<b>-1.3</b>	<b>42</b>	<b>0.1</b>	<b>15</b>	<b>0.1</b>	<b>15</b>	<b>4.2</b>	<b>70</b>	<b>3.1</b>	<b>80</b>	<b>4.3</b>	<b>52</b>	<b>4.0</b>	<b>Sep-11</b>
<i>JP Morgan GBI - EM Global Diversified Index</i>			<u>-2.5</u>	88	<u>-8.7</u>	92	<u>-8.7</u>	92	<u>2.1</u>	88	<u>2.8</u>	83	<u>0.7</u>	85	<u>-0.2</u>	Sep-11
Over/Under			1.2		8.8		8.8		2.1		0.3		3.6		4.2	
<i>eV All Emg Mkts Fixed Inc Net Median</i>			-1.4		-2.5		-2.5		5.8		4.4		4.5		4.2	Sep-11
<b>Prudential</b>	<b>0.8</b>	<b>131,173,676</b>	<b>-1.7</b>	<b>59</b>	<b>-4.7</b>	<b>66</b>	<b>-4.7</b>	<b>66</b>	<b>5.0</b>	<b>63</b>	<b>4.5</b>	<b>48</b>	<b>--</b>	<b>--</b>	<b>5.8</b>	<b>Feb-16</b>
<i>50% JPM EMBI Global Diversified/ 50% JPM GBI-EM Global Diversified</i>			<u>-1.5</u>	55	<u>-5.3</u>	73	<u>-5.3</u>	73	<u>4.0</u>	72	<u>3.8</u>	65	<u>3.0</u>	68	<u>4.9</u>	Feb-16
Over/Under			-0.2		0.6		0.6		1.0		0.7				0.9	
<i>eV All Emg Mkts Fixed Inc Net Median</i>			-1.4		-2.5		-2.5		5.8		4.4		4.5		5.7	Feb-16

1 - Non-U.S. Emerging Market Debt Composite market value includes \$17,676 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

	% of Portfolio	Market Value (\$)	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank	Inception (%)	Inception Date
<b>Opportunistic Credit Composite</b>	<b>15.8</b>	<b>2,635,246,269</b>	<b>2.2</b>	--	<b>16.6</b>	--	<b>16.6</b>	--	<b>7.5</b>	--	<b>6.8</b>	--	<b>8.3</b>	--	<b>8.1</b>	<b>May-08</b>
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index			<u>0.7</u>	--	<u>5.0</u>	--	<u>5.0</u>	--	<u>7.0</u>	--	<u>5.2</u>	--	<u>5.7</u>	--	<u>5.9</u>	May-08
Over/Under			1.5		11.6		11.6		0.5		1.6		2.6		2.2	
ICE BofA BB-B US High Yield Constrained TR			<u>0.7</u>	--	<u>4.6</u>	--	<u>4.6</u>	--	<u>8.6</u>	--	<u>6.0</u>	--	<u>6.5</u>	--	<u>7.0</u>	May-08
Beachpoint Combined	3.2	526,202,756	1.3	--	11.2	--	11.2	--	9.8	--	7.8	--	8.0	--	7.1	Mar-04
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index			<u>0.7</u>	--	<u>5.0</u>	--	<u>5.0</u>	--	<u>7.0</u>	--	<u>5.2</u>	--	<u>5.7</u>	--	<u>5.7</u>	Mar-04
Over/Under			0.6		6.2		6.2		2.8		2.6		2.3		1.4	
Pimco Disco Combined	0.2	40,678,403	0.7	--	6.1	--	6.1	--	6.1	--	7.8	--	10.5	--	10.4	Jul-08
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index			<u>0.7</u>	--	<u>5.0</u>	--	<u>5.0</u>	--	<u>7.0</u>	--	<u>5.2</u>	--	<u>5.7</u>	--	<u>6.0</u>	Jul-08
Over/Under			0.0		1.1		1.1		-0.9		2.6		4.8		4.4	
GoldenTree Combined	1.5	252,798,335	1.3	--	18.4	--	18.4	--	10.1	--	8.7	--	9.3	--	9.1	Oct-09
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index			<u>0.7</u>	--	<u>5.0</u>	--	<u>5.0</u>	--	<u>7.0</u>	--	<u>5.2</u>	--	<u>5.7</u>	--	<u>6.3</u>	Oct-09
Over/Under			0.6		13.4		13.4		3.1		3.5		3.6		2.8	
Medley Capital	0.1	14,238,846	-4.1	--	8.3	--	8.3	--	-10.0	--	-8.2	--	-0.5	--	-0.4	Aug-11
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index			<u>0.7</u>	--	<u>5.0</u>	--	<u>5.0</u>	--	<u>7.0</u>	--	<u>5.2</u>	--	<u>5.7</u>	--	<u>5.4</u>	Aug-11
Over/Under			-4.8		3.3		3.3		-17.0		-13.4		-6.2		-5.8	
Waterfall - Eden	2.2	364,432,941	5.2	--	21.1	--	21.1	--	7.1	--	7.9	--	9.2	--	8.9	Aug-11
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index			<u>0.7</u>	--	<u>5.0</u>	--	<u>5.0</u>	--	<u>7.0</u>	--	<u>5.2</u>	--	<u>5.7</u>	--	<u>5.4</u>	Aug-11
Over/Under			4.5		16.1		16.1		0.1		2.7		3.5		3.5	
Waterfall - Victoria	0.6	105,491,616	1.7	--	13.5	--	13.5	--	6.5	--	9.1	--	9.9	--	9.4	Aug-11
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index			<u>0.7</u>	--	<u>5.0</u>	--	<u>5.0</u>	--	<u>7.0</u>	--	<u>5.2</u>	--	<u>5.7</u>	--	<u>5.4</u>	Aug-11
Over/Under			1.0		8.5		8.5		-0.5		3.9		4.2		4.0	
Gramercy Distressed Opp II	0.4	66,422,033	-2.5	--	3.2	--	3.2	--	-8.5	--	-7.9	--	--	--	-1.6	Jul-12
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index			<u>0.7</u>	--	<u>5.0</u>	--	<u>5.0</u>	--	<u>7.0</u>	--	<u>5.2</u>	--	<u>5.7</u>	--	<u>5.4</u>	Jul-12
Over/Under			-3.2		-1.8		-1.8		-15.5		-13.1		--		-7.0	

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





# New Mexico Educational Retirement Board

## PERFORMANCE DETAIL - OPPORTUNISTIC FI

	% of Portfolio	Market Value (\$)	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank	Inception (%)	Inception Date
ICE Canyon	0.0	353,633	-27.6	--	-19.5	--	-19.5	--	-19.1	--	-10.3	--	--	--	-5.0	Jun-12
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index			<u>0.7</u>	--	<u>5.0</u>	--	<u>5.0</u>	--	<u>7.0</u>	--	<u>5.2</u>	--	<u>5.7</u>	--	<u>5.5</u>	Jun-12
Over/Under			-28.3		-24.5		-24.5		-26.1		-15.5				-10.5	
Lone Star VIII	0.1	15,212,223	-3.5	--	2.9	--	2.9	--	-6.2	--	-3.8	--	--	--	3.4	Oct-13
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index			<u>0.7</u>	--	<u>5.0</u>	--	<u>5.0</u>	--	<u>7.0</u>	--	<u>5.2</u>	--	<u>5.7</u>	--	<u>5.0</u>	Oct-13
Over/Under			-4.2		-2.1		-2.1		-13.2		-9.0				-1.6	
Marathon European Credit Opportunity II	0.2	26,029,726	-0.5	--	0.3	--	0.3	--	3.2	--	6.1	--	--	--	5.8	Mar-14
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index			<u>0.7</u>	--	<u>5.0</u>	--	<u>5.0</u>	--	<u>7.0</u>	--	<u>5.2</u>	--	<u>5.7</u>	--	<u>4.7</u>	Mar-14
Over/Under			-1.2		-4.7		-4.7		-3.8		0.9				1.1	
Lone Star IX	0.2	28,058,033	16.3	--	73.8	--	73.8	--	20.5	--	14.9	--	--	--	-1.0	Apr-15
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index			<u>0.7</u>	--	<u>5.0</u>	--	<u>5.0</u>	--	<u>7.0</u>	--	<u>5.2</u>	--	<u>5.7</u>	--	<u>5.0</u>	Apr-15
Over/Under			15.6		68.8		68.8		13.5		9.7				-6.0	
Kildare European Partners I LP	0.1	10,045,973	-3.5	--	24.4	--	24.4	--	-4.1	--	5.7	--	--	--	6.2	May-14
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index			<u>0.7</u>	--	<u>5.0</u>	--	<u>5.0</u>	--	<u>7.0</u>	--	<u>5.2</u>	--	<u>5.7</u>	--	<u>4.7</u>	May-14
Over/Under			-4.2		19.4		19.4		-11.1		0.5				1.5	
Black Forest	0.2	35,406,822	1.7	--	-8.1	--	-8.1	--	-2.8	--	1.1	--	--	--	3.1	Aug-14
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index			<u>0.7</u>	--	<u>5.0</u>	--	<u>5.0</u>	--	<u>7.0</u>	--	<u>5.2</u>	--	<u>5.7</u>	--	<u>4.8</u>	Aug-14
Over/Under			1.0		-13.1		-13.1		-9.8		-4.1				-1.7	
Gramercy Distressed Opp III	0.3	47,016,240	-7.4	--	2.2	--	2.2	--	-4.9	--	-4.5	--	--	--	-3.7	Jan-16
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index			<u>0.7</u>	--	<u>5.0</u>	--	<u>5.0</u>	--	<u>7.0</u>	--	<u>5.2</u>	--	<u>5.7</u>	--	<u>6.3</u>	Jan-16
Over/Under			-8.1		-2.8		-2.8		-11.9		-9.7				-10.0	
GSO Capital Opp III	0.3	57,409,340	-0.1	--	17.3	--	17.3	--	9.9	--	10.0	--	--	--	9.3	Oct-16
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index			<u>0.7</u>	--	<u>5.0</u>	--	<u>5.0</u>	--	<u>7.0</u>	--	<u>5.2</u>	--	<u>5.7</u>	--	<u>5.3</u>	Oct-16
Over/Under			-0.8		12.3		12.3		2.9		4.8				4.0	

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



# New Mexico Educational Retirement Board

## PERFORMANCE DETAIL - OPPORTUNISTIC FI

	% of Portfolio	Market Value (\$)	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank	Inception (%)	Inception Date
Cross Ocean ESS II	0.2	26,453,387	2.5	--	20.0	--	20.0	--	8.9	--	--	--	--	--	10.6	May-17
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index			0.7	--	5.0	--	5.0	--	7.0	--	5.2	--	5.7	--	5.0	May-17
Over/Under			1.8		15.0		15.0		1.9						5.6	
OWS CREDIT OPPORTUNITY FD	0.8	139,918,500	2.7	--	17.0	--	17.0	--	6.7	--	--	--	--	--	7.7	Jul-17
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index			0.7	--	5.0	--	5.0	--	7.0	--	5.2	--	5.7	--	5.0	Jul-17
Over/Under			2.0		12.0		12.0		-0.3						2.7	
TAIGA SPECIAL OPP DAC LP	1.2	193,136,965	0.2	--	12.7	--	12.7	--	5.2	--	--	--	--	--	7.5	Aug-17
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index			0.7	--	5.0	--	5.0	--	7.0	--	5.2	--	5.7	--	4.9	Aug-17
Over/Under			-0.5		7.7		7.7		-1.8						2.6	
Sutherland Asset Management	0.4	70,231,033	16.6	--	48.2	--	48.2	--	17.7	--	--	--	--	--	9.4	Jul-17
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index			0.7	--	5.0	--	5.0	--	7.0	--	5.2	--	5.7	--	5.0	Jul-17
Over/Under			15.9		43.2		43.2		10.7						4.4	
OHA Strategic Credit II	0.5	75,701,808	0.5	--	23.7	--	23.7	--	10.2	--	--	--	--	--	15.9	Dec-17
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index			0.7	--	5.0	--	5.0	--	7.0	--	5.2	--	5.7	--	5.1	Dec-17
Over/Under			-0.2		18.7		18.7		3.2						10.8	
Lone Star X	0.3	51,091,402	9.3	--	55.7	--	55.7	--	21.2	--	--	--	--	--	0.7	Jan-18
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index			0.7	--	5.0	--	5.0	--	7.0	--	5.2	--	5.7	--	5.1	Jan-18
Over/Under			8.6		50.7		50.7		14.2						-4.4	
Kildare European Partners II LP	0.3	45,867,619	5.7	--	25.3	--	25.3	--	14.5	--	--	--	--	--	12.9	Nov-18
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index			0.7	--	5.0	--	5.0	--	7.0	--	5.2	--	5.7	--	5.7	Nov-18
Over/Under			5.0		20.3		20.3		7.5						7.2	
Riverstone Credit Partners II	0.3	44,577,804	-0.5	--	9.4	--	9.4	--	4.5	--	--	--	--	--	-0.5	Dec-18
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index			0.7	--	5.0	--	5.0	--	7.0	--	5.2	--	5.7	--	6.1	Dec-18
Over/Under			-1.2		4.4		4.4		-2.5						-6.6	
RCP II N Strategic Credit	0.1	14,725,114	-0.2	--	13.6	--	13.6	--	11.2	--	--	--	--	--	11.2	Jan-19
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index			0.7	--	5.0	--	5.0	--	7.0	--	5.2	--	5.7	--	7.0	Jan-19
Over/Under			-0.9		8.6		8.6		4.2						4.2	

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



# New Mexico Educational Retirement Board

## PERFORMANCE DETAIL - OPPORTUNISTIC FI

	% of Portfolio	Market Value (\$)	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank	Inception (%)	Inception Date
OLEA SPECIAL OPPS OFFSHORE I	0.3	51,893,000	-1.3	--	3.3	--	3.3	--	--	--	--	--	--	--	13.5	Jun-19
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index			<u>0.7</u>	--	<u>5.0</u>	--	<u>5.0</u>	--	<u>7.0</u>	--	<u>5.2</u>	--	<u>5.7</u>	--	<u>5.6</u>	Jun-19
Over/Under			-2.0		-1.7		-1.7								7.9	
Cross Ocean USD ESS III	0.6	104,650,083	1.9	--	26.0	--	26.0	--	--	--	--	--	--	--	18.1	Nov-19
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index			<u>0.7</u>	--	<u>5.0</u>	--	<u>5.0</u>	--	<u>7.0</u>	--	<u>5.2</u>	--	<u>5.7</u>	--	<u>5.5</u>	Nov-19
Over/Under			1.2		21.0		21.0								12.6	
The Varde Fund XIII, L.P.	0.4	68,723,210	-0.5	--	9.8	--	9.8	--	--	--	--	--	--	--	12.6	Jan-20
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index			<u>0.7</u>	--	<u>5.0</u>	--	<u>5.0</u>	--	<u>7.0</u>	--	<u>5.2</u>	--	<u>5.7</u>	--	<u>4.8</u>	Jan-20
Over/Under			-1.2		4.8		4.8								7.8	
PIMCO Corp Opps Fund III	0.7	116,651,441	3.9	--	65.4	--	65.4	--	--	--	--	--	--	--	47.7	May-20
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index			<u>0.7</u>	--	<u>5.0</u>	--	<u>5.0</u>	--	<u>7.0</u>	--	<u>5.2</u>	--	<u>5.7</u>	--	<u>11.8</u>	May-20
Over/Under			3.2		60.4		60.4								35.9	
BPC Tactical Fund LP	0.2	34,327,982	7.9	--	26.1	--	26.1	--	--	--	--	--	--	--	20.1	Jul-20
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index			<u>0.7</u>	--	<u>5.0</u>	--	<u>5.0</u>	--	<u>7.0</u>	--	<u>5.2</u>	--	<u>5.7</u>	--	<u>9.5</u>	Jul-20
Over/Under			7.2		21.1		21.1								10.6	
Cross Ocean USD ESS IV FD	0.0	7,500,000	0.0	--	--	--	--	--	--	--	--	--	--	--	0.0	Oct-21
50% CS Leveraged Loan / 50% ICE BofA US HY BB-B Rated Constrained Index			<u>0.7</u>	--	<u>5.0</u>	--	<u>5.0</u>	--	<u>7.0</u>	--	<u>5.2</u>	--	<u>5.7</u>	--	<u>0.7</u>	Oct-21
Over/Under			-0.7												-0.7	

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.  
 PIMCO Corp Opps Fund III funded 4/9/2020.  
 BPC Tactical Fund LP funded 6/16/2020.



# New Mexico Educational Retirement Board

## PERFORMANCE DETAIL - GAA/RISK PARITY

	% of Portfolio	Market Value (\$)	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank	Inception (%)	Inception Date
<b>Absolute Return Composite</b>	<b>0.0</b>	<b>245,545</b>														
<b>GAA, Risk Parity, and Other Diversifying Assets</b>	<b>11.1</b>	<b>1,851,413,275</b>	<b>2.6</b>		<b>7.5</b>		<b>7.5</b>		<b>7.9</b>		<b>6.4</b>		<b>4.8</b>		<b>7.0</b>	<b>Oct-09</b>
3-Month LIBOR + 2%			<u>0.5</u>	--	2.2	--	2.2	--	3.1	--	3.4	--	2.9	--	2.8	Oct-09
Over/Under			2.1		5.3		5.3		4.8		3.0		1.9		4.2	
<b>Global Asset Allocation/Risk Parity Composite</b>	<b>7.2</b>	<b>1,206,350,429</b>	<b>3.4</b>	--	<b>9.6</b>	--	<b>9.6</b>	--	<b>8.7</b>	--	<b>6.6</b>	--	<b>4.9</b>	--	<b>7.1</b>	<b>Oct-09</b>
GAA/Risk Parity Custom Index			<u>0.5</u>	--	2.2	--	2.2	--	3.1	--	5.8	--	6.1	--	5.8	Oct-09
Over/Under			2.9		7.4		7.4		5.6		0.8		-1.2		1.3	
InvMetrics Public DB > \$1 Billion Global Tactical Net Median			--		--		--		--		--		--		--	Oct-09
<b>Global Asset Allocation Composite</b>	<b>2.4</b>	<b>397,872,055</b>	<b>3.0</b>	--	<b>8.3</b>	--	<b>8.3</b>	--	<b>2.6</b>	--	<b>3.3</b>	--	<b>--</b>	--	<b>2.4</b>	<b>Nov-12</b>
Credit Suisse Hedge Global Macro			<u>0.6</u>	--	9.6	--	9.6	--	8.8	--	5.6	--	4.4	--	4.5	Nov-12
Over/Under			2.4		-1.3		-1.3		-6.2		-2.3		--		-2.1	
Bridgewater Pure Alpha	1.9	314,711,409	3.0	52	6.5	71	6.5	71	0.0	98	2.3	93	2.5	94	5.2	Oct-09
Credit Suisse Hedge Global Macro			<u>0.6</u>	84	9.6	49	9.6	49	8.8	67	5.6	70	4.4	75	5.4	Oct-09
Over/Under			2.4		-3.1		-3.1		-8.8		-3.3		-1.9		-0.2	
eV Global TAA Net Median			3.1		9.0		9.0		10.4		7.5		6.6		7.0	Oct-09
PIMCO All Asset All Authority	0.5	83,160,646	3.2	50	15.5	7	15.5	7	8.9	67	6.3	60	--	--	3.5	Jul-13
Credit Suisse Hedge Global Macro			<u>0.6</u>	84	9.6	49	9.6	49	8.8	67	5.6	70	4.4	75	4.5	Jul-13
Over/Under			2.6		5.9		5.9		0.1		0.7		--		-1.0	
eV Global TAA Net Median			3.1		9.0		9.0		10.4		7.5		6.6		6.3	Jul-13
<b>Risk Parity</b>	<b>4.8</b>	<b>808,478,373</b>	<b>3.6</b>	--	<b>10.4</b>	--	<b>10.4</b>	--	<b>13.2</b>	--	<b>9.0</b>	--	<b>--</b>	--	<b>6.2</b>	<b>Nov-12</b>
GAA/Risk Parity Custom Index			<u>0.5</u>	--	2.2	--	2.2	--	3.1	--	5.8	--	6.1	--	5.7	Nov-12
Over/Under			3.1		8.2		8.2		10.1		3.2		--		0.5	
Bridgewater All Weather	3.0	498,667,687	4.3	29	11.8	30	11.8	30	12.7	36	8.7	37	6.4	55	8.3	Oct-09
60% MSCI World (Gross) / 40% FTSE WGBI			<u>4.3</u>	30	9.8	49	9.8	49	14.5	15	10.7	13	8.4	19	7.8	Oct-09
Over/Under			0.0		2.0		2.0		-1.8		-2.0		-2.0		0.5	
eV Global TAA Net Median			3.1		9.0		9.0		10.4		7.5		6.6		7.0	Oct-09
PanAgora	1.9	309,810,686	2.6	59	8.3	56	8.3	56	14.5	15	9.6	22	--	--	9.0	Dec-13
GAA/Risk Parity Custom Index			<u>0.5</u>	84	2.2	82	2.2	82	3.1	95	5.8	68	6.1	60	4.4	Dec-13
Over/Under			2.1		6.1		6.1		11.4		3.8		--		4.6	
eV Global TAA Net Median			3.1		9.0		9.0		10.4		7.5		6.6		5.6	Dec-13

1 - Absolute Return Composite includes \$299,819 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.

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



# New Mexico Educational Retirement Board

## PERFORMANCE DETAIL - GAA/RISK PARITY

	% of Portfolio	Market Value (\$)	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank	Inception (%)	Inception Date
<b>Other Diversifying Assets</b>	<b>3.9</b>	<b>645,062,847</b>	<b>1.1</b>	--	<b>3.9</b>	--	<b>3.9</b>	--	<b>6.8</b>	--	--	--	--	--	<b>7.9</b>	<b>Feb-18</b>
3-Month LIBOR + 2%			<u>0.5</u>	--	<u>2.2</u>	--	<u>2.2</u>	--	<u>3.1</u>	--	<u>3.4</u>	--	<u>2.9</u>	--	<u>3.4</u>	Feb-18
Over/Under			0.6		1.7		1.7		3.7						4.5	
EIG Energy Fund XVII	0.4	69,780,616	2.7	--	-10.5	--	-10.5	--	-3.6	--	--	--	--	--	0.4	Apr-18
3-Month LIBOR + 2%			<u>0.5</u>	--	<u>2.2</u>	--	<u>2.2</u>	--	<u>3.1</u>	--	<u>3.4</u>	--	<u>2.9</u>	--	<u>3.4</u>	Apr-18
Over/Under			2.2		-12.7		-12.7		-6.7						-3.0	
The 1609 Fund LTD.	0.9	155,326,024	0.2	--	-1.4	--	-1.4	--	-1.1	--	--	--	--	--	1.9	Feb-18
3-Month LIBOR + 2%			<u>0.5</u>	--	<u>2.2</u>	--	<u>2.2</u>	--	<u>3.1</u>	--	<u>3.4</u>	--	<u>2.9</u>	--	<u>3.4</u>	Feb-18
Over/Under			-0.3		-3.6		-3.6		-4.2						-1.5	
OLEA SPECIAL OPPS OFFSHORE I	0.9	149,673,095	-1.3	--	3.3	--	3.3	--	16.3	--	--	--	--	--	14.0	Oct-18
3-Month LIBOR + 2%			<u>0.5</u>	--	<u>2.2</u>	--	<u>2.2</u>	--	<u>3.1</u>	--	<u>3.4</u>	--	<u>2.9</u>	--	<u>3.2</u>	Oct-18
Over/Under			-1.8		1.1		1.1		13.2						10.8	
Orchard Liquid Credit Fund	0.6	105,099,500	-1.3	--	-3.1	--	-3.1	--	4.9	--	--	--	--	--	4.8	Oct-18
3-Month LIBOR + 2%			<u>0.5</u>	--	<u>2.2</u>	--	<u>2.2</u>	--	<u>3.1</u>	--	<u>3.4</u>	--	<u>2.9</u>	--	<u>3.2</u>	Oct-18
Over/Under			-1.8		-5.3		-5.3		1.8						1.6	
Orbimed Royalty Credit Opp III	0.2	32,006,005	2.3	--	41.6	--	41.6	--	--	--	--	--	--	--	39.1	Oct-19
3-Month LIBOR + 2%			<u>0.5</u>	--	<u>2.2</u>	--	<u>2.2</u>	--	<u>3.1</u>	--	<u>3.4</u>	--	<u>2.9</u>	--	<u>2.6</u>	Oct-19
Over/Under			1.8		39.4		39.4								36.5	
AE Industrial Partners Aerospace	0.5	82,723,102	5.3	--	20.3	--	20.3	--	--	--	--	--	--	--	12.7	Apr-20
3-Month LIBOR + 2%			<u>0.5</u>	--	<u>2.2</u>	--	<u>2.2</u>	--	<u>3.1</u>	--	<u>3.4</u>	--	<u>2.9</u>	--	<u>2.2</u>	Apr-20
Over/Under			4.8		18.1		18.1								10.5	
Cloverlay Solutions (Bravo)	0.2	34,356,497	0.8	--	-5.4	--	-5.4	--	--	--	--	--	--	--	-5.0	Dec-20
3-Month LIBOR + 2%			<u>0.5</u>	--	<u>2.2</u>	--	<u>2.2</u>	--	<u>3.1</u>	--	<u>3.4</u>	--	<u>2.9</u>	--	<u>2.2</u>	Dec-20
Over/Under			0.3		-7.6		-7.6								-7.2	
Longford Capital Fund III, LP	0.1	16,098,008	26.8	--	--	--	--	--	--	--	--	--	--	--	26.8	Oct-21
3-Month LIBOR + 2%			<u>0.5</u>	--	<u>2.2</u>	--	<u>2.2</u>	--	<u>3.1</u>	--	<u>3.4</u>	--	<u>2.9</u>	--	<u>0.5</u>	Oct-21
Over/Under			26.3												26.3	

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



# New Mexico Educational Retirement Board

## PERFORMANCE DETAIL - REAL ESTATE

	% of Portfolio	Market Value (\$)	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank	Inception (%)	Inception Date
<b>Private Equity Composite</b>	<b>19.9</b>	<b>3,320,967,767</b>	<b>6.0</b>	<b>37</b>	<b>59.3</b>	<b>11</b>	<b>59.3</b>	<b>11</b>	<b>22.9</b>	<b>58</b>	<b>19.4</b>	<b>64</b>	<b>17.4</b>	<b>27</b>	<b>10.1</b>	<b>Jun-06</b>
Private Equity Index			6.3	29	49.7	36	49.7	36	22.5	64	19.7	61	15.7	55	13.8	Jun-06
Over/Under			-0.3		9.6		9.6		0.4		-0.3		1.7		-3.7	
InvMetrics Public DB > \$1 Billion Private Equity Net Median			5.2		44.3		44.3		23.4		20.9		16.2		12.9	Jun-06
<b>Real Assets Composite</b>	<b>7.9</b>	<b>1,322,670,015</b>	<b>2.3</b>	<b>59</b>	<b>13.3</b>	<b>59</b>	<b>13.3</b>	<b>59</b>	<b>6.1</b>	<b>65</b>	<b>8.0</b>	<b>7</b>	<b>5.7</b>	<b>50</b>	<b>3.7</b>	<b>Jul-08</b>
CPI + 4% (Seasonally Adjusted)			3.2	33	11.4	84	11.4	84	7.7	49	7.0	22	6.2	43	6.0	Jul-08
Over/Under			-0.9		1.9		1.9		-1.6		1.0		-0.5		-2.3	
InvMetrics Public DB > \$1 Billion Real Assets/Commodities Net Median			2.5		15.1		15.1		7.4		5.7		5.7		2.8	Jul-08
<b>Infrastructure Composite</b>	<b>3.4</b>	<b>568,929,401</b>	<b>3.2</b>	--	<b>12.5</b>	--	<b>12.5</b>	--	<b>9.8</b>	--	<b>8.9</b>	--	<b>6.2</b>	--	<b>4.6</b>	<b>Jul-08</b>
Infrastructure	3.4	562,891,945	3.1	--	12.2	--	12.2	--	10.1	--	8.8	--	5.8	--	4.3	Jul-08
CPI + 4% (Seasonally Adjusted)			3.2	--	11.4	--	11.4	--	7.7	--	7.0	--	6.2	--	6.0	Jul-08
Over/Under			-0.1		0.8		0.8		2.4		1.8		-0.4		-1.7	
International Infrastructure	0.0	6,037,456	20.1	--	63.6	--	63.6	--	13.5	--	14.3	--	--	--	3.9	Jan-13
CPI + 4% (Seasonally Adjusted)			3.2	--	11.4	--	11.4	--	7.7	--	7.0	--	6.2	--	6.2	Jan-13
Over/Under			16.9		52.2		52.2		5.8		7.3		--		-2.3	
<b>Natural Resources</b>	<b>4.5</b>	<b>753,740,615</b>	<b>1.7</b>	--	<b>13.8</b>	--	<b>13.8</b>	--	<b>3.7</b>	--	<b>7.4</b>	--	<b>6.1</b>	--	<b>4.5</b>	<b>Mar-09</b>
Harvest Fund	0.3	52,522,881	1.5	--	42.1	--	42.1	--	6.6	--	-0.2	--	--	--	0.7	Aug-16
Alerian MLP Index			0.6	--	40.2	--	40.2	--	2.1	--	-2.7	--	-0.3	--	-2.0	Aug-16
Over/Under			0.9		1.9		1.9		4.5		2.5		--		2.7	
Energy	1.5	249,364,530	2.2	--	23.6	--	23.6	--	-1.3	--	12.9	--	--	--	3.0	Jan-14
CPI + 4% (Seasonally Adjusted)			3.2	--	11.4	--	11.4	--	7.7	--	7.0	--	6.2	--	6.3	Jan-14
Over/Under			-1.0		12.2		12.2		-9.0		5.9		--		-3.3	
Agriculture Composite	1.2	204,260,161	2.3	--	8.8	--	8.8	--	7.1	--	5.3	--	--	--	5.0	Aug-12
NCREIF Farmland			3.8	--	7.8	--	7.8	--	5.2	--	5.7	--	9.7	--	9.6	Aug-12
Over/Under			-1.5		1.0		1.0		1.9		-0.4		--		-4.6	
Timber Composite	0.7	111,088,302	2.6	--	7.4	--	7.4	--	4.5	--	4.6	--	5.5	--	4.1	Mar-09
NCREIF Timberland Index			4.6	--	9.2	--	9.2	--	3.7	--	3.6	--	5.3	--	3.8	Mar-09
Over/Under			-2.0		-1.8		-1.8		0.8		1.0		0.2		0.3	
Mitigation Banking	0.4	66,869,622	-1.5	--	1.9	--	1.9	--	5.0	--	4.8	--	4.7	--	2.3	Mar-11
CPI + 4% (Seasonally Adjusted)			3.2	--	11.4	--	11.4	--	7.7	--	7.0	--	6.2	--	6.3	Mar-11
Over/Under			-4.7		-9.5		-9.5		-2.7		-2.2		-1.5		-4.0	
Water Property Investor, L.P.	0.4	69,635,119	0.3	--	3.5	--	3.5	--	13.3	--	8.4	--	--	--	7.4	Jan-15
CPI + 4% (Seasonally Adjusted)			3.2	--	11.4	--	11.4	--	7.7	--	7.0	--	6.2	--	6.6	Jan-15
Over/Under			-2.9		-7.9		-7.9		5.6		1.4		--		0.8	

1 - Private Equity Index consists of the ILPA All Private Markets Index (qtr lagged) through 9/30/2021 and the State Street Private Equity All PE Index (qtr lagged) thereafter



# New Mexico Educational Retirement Board

## PERFORMANCE DETAIL - PE & RA

	% of Portfolio	Market Value (\$)	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank	Inception (%)	Inception Date
<b>Real Estate Composite</b>	<b>7.3</b>	<b>1,218,469,624</b>	<b>9.4</b>	<b>1</b>	<b>36.9</b>	<b>1</b>	<b>36.9</b>	<b>1</b>	<b>15.7</b>	<b>1</b>	<b>12.8</b>	<b>1</b>	<b>13.1</b>	<b>1</b>	<b>10.9</b>	<b>Dec-03</b>
<i>NCREIF Property Index</i>			<u>6.2</u>	73	<u>17.7</u>	55	<u>17.7</u>	55	<u>8.4</u>	53	<u>7.8</u>	76	<u>9.3</u>	75	<u>8.9</u>	<i>Dec-03</i>
Over/Under			3.2		19.2		19.2		7.3		5.0		3.8		2.0	
<i>Wilshire REIT</i>			17.1	1	46.2	1	46.2	1	19.2	1	10.9	6	11.5	8	10.1	<i>Dec-03</i>
<i>InvMetrics Public DB &gt; \$1 Billion Real Estate Net Median</i>			7.2		18.8		18.8		8.5		8.1		10.2		8.6	<i>Dec-03</i>
<b>Public Real Estate Composite</b>	<b>2.4</b>	<b>403,537,558</b>	<b>13.3</b>	<b>1</b>	<b>42.5</b>	<b>1</b>	<b>42.5</b>	<b>1</b>	<b>18.2</b>	<b>1</b>	<b>9.8</b>	<b>13</b>	<b>10.7</b>	<b>30</b>	<b>9.7</b>	<b>Dec-03</b>
<i>Wilshire REIT</i>			<u>17.1</u>	1	<u>46.2</u>	1	<u>46.2</u>	1	<u>19.2</u>	1	<u>10.9</u>	6	<u>11.5</u>	8	<u>10.1</u>	<i>Dec-03</i>
Over/Under			-3.8		-3.7		-3.7		-1.0		-1.1		-0.8		-0.4	
<i>InvMetrics Public DB &gt; \$1 Billion Real Estate Net Median</i>			7.2		18.8		18.8		8.5		8.1		10.2		8.6	<i>Dec-03</i>
Brookfield	2.4	403,537,558	13.3	80	42.5	36	42.5	36	18.2	78	9.8	82	11.2	68	10.3	Jul-11
<i>MSCI US REIT</i>			<u>16.0</u>	35	<u>41.7</u>	57	<u>41.7</u>	57	<u>17.2</u>	83	<u>9.5</u>	83	<u>10.0</u>	93	<u>9.3</u>	<i>Jul-11</i>
Over/Under			-2.7		0.8		0.8		1.0		0.3		1.2		1.0	
<i>eV US REIT Net Median</i>			15.5		42.0		42.0		21.0		12.3		12.2		11.5	<i>Jul-11</i>
<b>Private Real Estate Composite</b>	<b>4.9</b>	<b>814,932,066</b>	<b>7.6</b>	<b>72</b>	<b>34.2</b>	<b>3</b>	<b>34.2</b>	<b>3</b>	<b>14.8</b>	<b>3</b>	<b>14.6</b>	<b>1</b>	<b>14.6</b>	<b>1</b>	<b>10.0</b>	<b>Jan-08</b>
<i>NCREIF Property Index</i>			<u>6.2</u>	92	<u>17.7</u>	96	<u>17.7</u>	96	<u>8.4</u>	71	<u>7.8</u>	71	<u>9.3</u>	76	<u>6.6</u>	<i>Jan-08</i>
Over/Under			1.4		16.5		16.5		6.4		6.8		5.3		3.4	
<i>InvMetrics Public DB Real Estate Priv Net Median</i>			8.6		22.4		22.4		9.2		8.7		9.8		5.6	<i>Jan-08</i>
U.S. Private Real Estate	4.9	814,932,066	7.6	--	34.2	--	34.2	--	14.8	--	14.6	--	14.7	--	10.4	Jan-08
<i>NCREIF Property Index</i>			<u>6.2</u>	--	<u>17.7</u>	--	<u>17.7</u>	--	<u>8.4</u>	--	<u>7.8</u>	--	<u>9.3</u>	--	<u>6.6</u>	<i>Jan-08</i>
Over/Under			1.4		16.5		16.5		6.4		6.8		5.4		3.8	

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 is shown net of fees. Fiscal year ends June 30. Q1 I

InvMetrics Public DB > \$1B Real Estate Private is unavailable, universe includes all public funds.

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



# New Mexico Educational Retirement Board

## PERFORMANCE DETAIL - CASH

	% of Portfolio	Market Value (\$)	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	10 Yrs (%)	Rank	Inception (%)	Inception Date
<b>Cash</b>	<b>1.2</b>	<b>202,951,537</b>														
Cash	1.2	199,576,118	0.0	--	3.2	--	3.2	--	2.3	--	2.2	--	1.3	--	1.3	Dec-99
91 Day T-Bills			<u>0.0</u>	--	<u>0.0</u>	--	<u>0.0</u>	--	<u>0.8</u>	--	<u>1.1</u>	--	<u>0.6</u>	--	<u>1.5</u>	Dec-99
Over/Under			0.0		3.2		3.2		1.5		1.1		0.7		-0.2	
NM ERB Cash	0.0	3,373,349	0.0	--	0.0	--	0.0	--	0.7	--	0.5	--	0.6	--	0.9	Jun-00
91 Day T-Bills			<u>0.0</u>	--	<u>0.0</u>	--	<u>0.0</u>	--	<u>0.8</u>	--	<u>1.1</u>	--	<u>0.6</u>	--	<u>1.4</u>	Jun-00
Over/Under			0.0		0.0		0.0		-0.1		-0.6		0.0		-0.5	
Liquid Reserves Fund	0.0	2,069	--	--	--	--	--	--	--	--	--	--	--	--	0.0	Dec-21
91 Day T-Bills			<u>0.0</u>	--	<u>0.0</u>	--	<u>0.0</u>	--	<u>0.8</u>	--	<u>1.1</u>	--	<u>0.6</u>	--	<u>0.0</u>	Dec-21
Over/Under															0.0	
<b>Parametric Overlay</b>	<b>0.3</b>	<b>44,933,417</b>														

Note: Performance is shown 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	75,789,284	69,780,616	0.4	Apr-18
2017	1609 Fund	150,000,000	150,000,000	155,326,024	1.9	Feb-18
2018	Olea Special Opportunities Offshore Fund	135,000,000	135,000,000	149,673,095	14.0	Oct-18
2018	Orchard Liquid Credit Fund	100,000,000	100,000,000	105,099,500	4.8	Nov-18
2019	OrbiMed Royalty & Credit Opps. III	100,000,000	28,871,496	32,006,005	39.1	Oct-19
2019	AE Industrial AA	150,000,000	70,750,562	82,723,102	12.7	Apr-20
2019	Cloverlay	150,000,000	35,718,225	34,356,497	-5.0	Dec-20
2021	Longford Capital Fund III	110,000,000	11,425,792	16,098,008	26.8	Oct-21
2021	Cloverlay Series Bravo II	150,000,000				
<b>Total</b>	<b>Other Diversifying Assets</b>	<b>1,145,000,000</b>	<b>607,555,359</b>	<b>645,062,847</b>	<b>7.9</b>	<b>Feb-18</b>

*\*Market Values and Performance data are through 12/31/2021*

### Correlation of Monthly Returns Since Inception

	Total Fund	U.S. Equity	Non U.S. Developed Markets Equity	Non U.S. Emerging Markets Equity	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	OLEA	AE Industrial	Cloverlay
<b>Diversifying Assets</b>	0.01	0.02	0.04	0.13	-0.10	0.02	0.08	-0.18	-0.15	-0.10	1.00							
<b>EIG Energy Fund</b>	-0.20	-0.21	-0.16	-0.17	-0.22	-0.13	0.19	-0.21	-0.27	0.09	0.30	1.00						
<b>1609 Fund</b>	-0.06	-0.05	-0.05	-0.08	-0.09	-0.02	0.00	-0.03	-0.03	0.03	0.44	0.00	1.00					
<b>OLEA</b>	0.33	0.40	0.43	0.41	0.22	0.30	0.06	0.08	-0.17	-0.08	0.56	-0.16	-0.06	1.00				
<b>Orchard</b>	-0.69	-0.50	-0.57	-0.56	-0.30	-0.66	-0.64	-0.56	-0.13	-0.23	0.05	-0.11	0.11	-0.09	1.00			
<b>Orbimed</b>	0.03	-0.10	-0.09	0.19	-0.22	0.01	0.18	-0.11	0.06	-0.08	0.65	0.06	0.08	-0.03	-0.09	1.00		
<b>AE Industrial</b>	-0.22	-0.25	-0.35	-0.48	-0.35	-0.36	0.02	0.18	0.23	0.17	0.21	0.19	0.14	-0.20	0.08	0.10	1.00	
<b>Cloverlay</b>	-0.15	-0.28	0.05	0.02	-0.19	0.11	-0.26	-0.18	-0.05	-0.03	0.02	0.10	-0.10	-0.34	-0.13	0.05	-0.32	1.00



# NEW MEXICO EDUCATIONAL RETIREMENT BOARD

## PRIVATE MARKETS PERFORMANCE SUMMARY

Private Equity Dollar Weighted vs. Time Weighted Performance							
	3 Mo (%)	1 Yr (%)	3 Yr (%)	5 Yr (%)	10 Yr (%)	Inception (%)	Inception Date
<b>Dollar Weighted</b>							
Total Net IRR	10.3	59.9	22.5	19.4	16.9	15.6	Jun-06
<b>Time Weighted</b>							
Net Time Weighted Return	9.6	60.3	22.4	18.9	16.4	9.9	Jun-06

Real Estate Dollar Weighted vs. Time Weighted Performance							
	3 Mo (%)	1 Yr (%)	3 Yr (%)	5 Yr (%)	10 Yr (%)	Inception (%)	Inception Date
<b>Dollar Weighted</b>							
Total Net IRR	10.4	29.7	12.6	12.9	13.8	11.6	Jul-08
<b>Time Weighted</b>							
Net Time Weighted Return	9.9	29.9	12.8	13.3	13.8	9.6	Jan-08

Infrastructure Dollar Weighted vs. Time Weighted Performance							
	3 Mo (%)	1 Yr (%)	3 Yr (%)	5 Yr (%)	10 Yr (%)	Inception (%)	Inception Date
<b>Dollar Weighted</b>							
Total Net IRR	12.2	15.0	9.0	8.5	8.0	7.2	Jul-08
<b>Time Weighted</b>							
Net Time Weighted Return	2.4	14.4	9.1	8.3	5.8	4.4	Jul-08

Natural Resources Dollar Weighted vs. Time Weighted Performance							
	3 Mo (%)	1 Yr (%)	3 Yr (%)	5 Yr (%)	10 Yr (%)	Inception (%)	Inception Date
<b>Dollar Weighted</b>							
Total Net IRR	3.8	10.4	4.0	6.5	6.5	6.4	Mar-09
<b>Time Weighted</b>							
Net Time Weighted Return	4.5	13.6	5.1	7.1	5.9	4.4	Mar-09

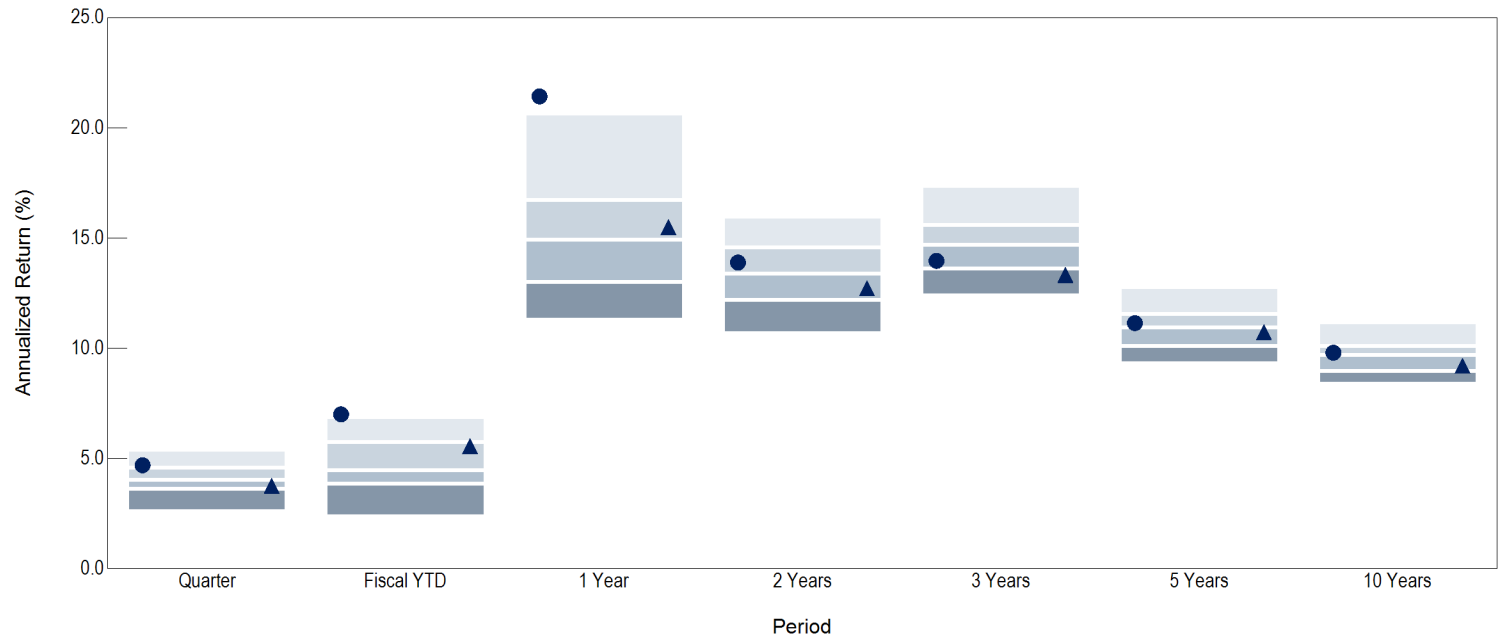
\* Time weighted performance as of 9/30/2021  
 \* Dollar weighted performance is as of 6/30/2021



# New Mexico Educational Retirement Board

## TOTAL FUND RETURN SUMMARY VS. PEER UNIVERSE

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



	Return (Rank)													
5th Percentile	5.4	6.9	20.6	15.9	17.3	12.8	11.2							
25th Percentile	4.6	5.8	16.7	14.6	15.6	11.6	10.1							
Median	4.0	4.5	14.9	13.4	14.7	10.9	9.7							
75th Percentile	3.6	3.9	13.0	12.2	13.6	10.1	9.0							
95th Percentile	2.6	2.4	11.3	10.7	12.4	9.3	8.4							
# of Portfolios	75	74	74	74	74	74	68							
● Total Fund	4.7	(22)	7.0	(5)	21.4	(3)	13.9	(39)	14.0	(66)	11.1	(47)	9.8	(38)
▲ Policy Index	3.8	(67)	5.5	(29)	15.5	(44)	12.7	(63)	13.3	(88)	10.7	(54)	9.2	(66)

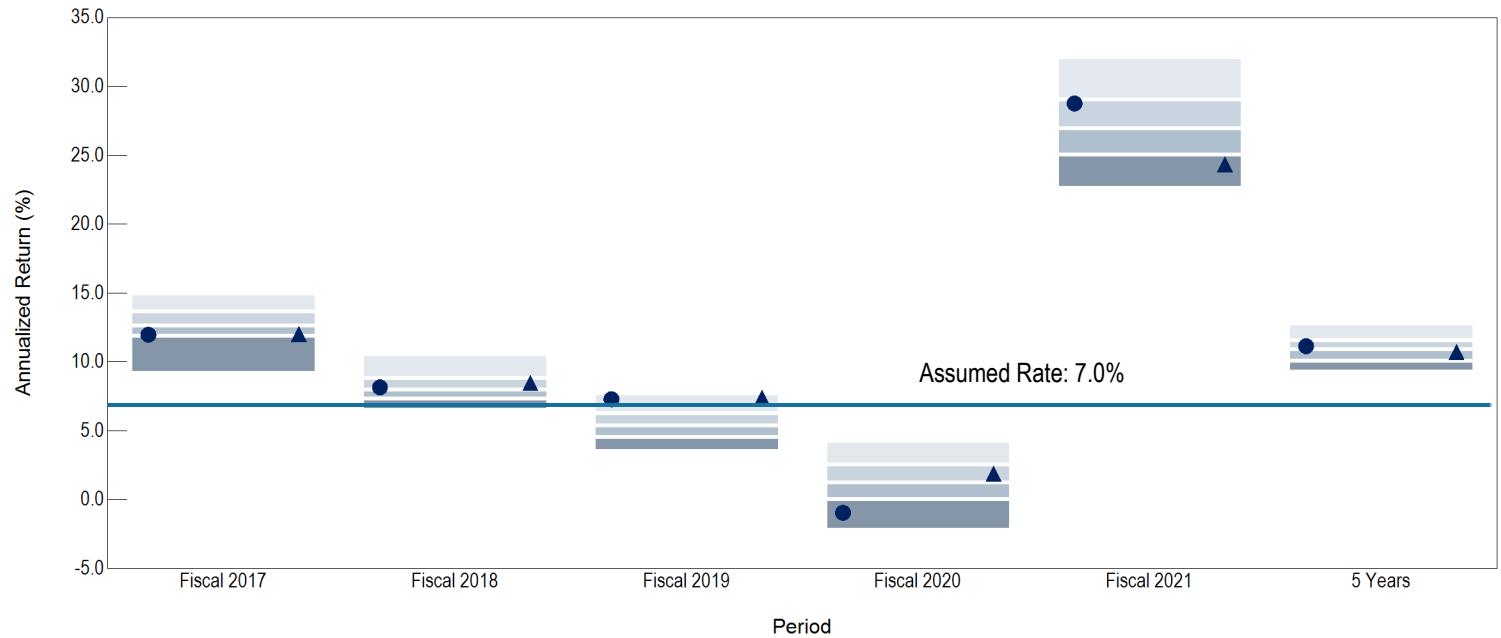
Note: Ranks are based on net returns.



# New Mexico Educational Retirement Board

## TOTAL FUND RETURN SUMMARY VS. PEER UNIVERSE

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



	Fiscal 2017		Fiscal 2018		Fiscal 2019		Fiscal 2020		Fiscal 2021		5 Years	
<b>Return (Rank)</b>												
5th Percentile	14.9		10.5		7.7		4.2		32.1		12.8	
25th Percentile	13.7		8.8		6.3		2.6		29.1		11.6	
Median	12.7		8.0		5.4		1.3		27.0		10.9	
75th Percentile	11.9		7.3		4.6		0.0		25.1		10.1	
95th Percentile	9.2		6.5		3.5		-2.2		22.7		9.3	
# of Portfolios	65		51		77		71		77		74	
● Total Fund	12.0	(71)	8.1	(46)	7.3	(9)	-1.0	(90)	28.8	(27)	11.1	(47)
▲ Policy Index	12.0	(68)	8.5	(33)	7.4	(7)	1.9	(36)	24.3	(85)	10.7	(54)

Note: Ranks are based on net returns.



# New Mexico Educational Retirement Board

## TOTAL FUND ATTRIBUTION ANALYSIS

Attribution Summary						
3 Months Ending December 31, 2021						
	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Total Effects
U.S. Large Cap Equity Composite	11.1%	11.0%	0.1%	0.0%	0.1%	0.1%
U.S. Small/Mid Cap Equity Composite	8.0%	3.8%	4.2%	0.1%	0.0%	0.1%
Non-U.S. Developed Mkts Equity Composite	2.1%	2.7%	-0.6%	0.0%	0.0%	0.0%
Non-U.S. Emerging Mkts Equity Composite	0.3%	-1.3%	1.6%	0.1%	0.1%	0.2%
Core Fixed Income Composite	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Non-U.S. Emerging Market Debt Composite	-1.5%	-1.5%	0.0%	0.0%	0.0%	0.0%
Opportunistic Credit Composite	2.2%	0.7%	1.4%	0.2%	0.0%	0.2%
Absolute Return Composite	-6.6%	0.5%	-7.1%	0.0%	0.0%	0.0%
Global Asset Allocation/Risk Parity Composite	3.4%	0.5%	2.9%	0.2%	-0.1%	0.1%
Other Diversifying Assets	1.1%	0.5%	0.5%	0.0%	0.1%	0.1%
Private Equity Composite	6.0%	6.3%	-0.2%	-0.1%	0.1%	0.0%
Real Assets Composite	2.3%	3.2%	-0.9%	-0.1%	0.0%	-0.1%
Public Real Estate Composite	13.3%	17.1%	-3.9%	-0.1%	0.0%	0.0%
Private Real Estate Composite	7.6%	6.2%	1.4%	0.0%	0.0%	0.0%
Cash	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Total</b>	<b>4.6%</b>	<b>3.8%</b>	<b>0.8%</b>	<b>0.5%</b>	<b>0.3%</b>	<b>0.8%</b>

Attribution Summary						
1 Year Ending December 31, 2021						
	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Total Effects
U.S. Large Cap Equity Composite	28.7%	28.7%	0.0%	0.0%	0.1%	0.1%
U.S. Small/Mid Cap Equity Composite	25.1%	18.2%	6.9%	0.2%	0.0%	0.1%
Non-U.S. Developed Mkts Equity Composite	11.9%	11.3%	0.6%	0.0%	0.0%	0.0%
Non-U.S. Emerging Mkts Equity Composite	-4.7%	-2.5%	-2.2%	-0.2%	0.2%	-0.1%
Core Fixed Income Composite	-0.8%	-1.5%	0.7%	0.0%	0.2%	0.2%
Non-U.S. Emerging Market Debt Composite	-2.5%	-5.3%	2.8%	0.1%	0.1%	0.1%
Opportunistic Credit Composite	16.6%	5.0%	11.6%	2.1%	-0.1%	2.0%
Absolute Return Composite	-12.0%	2.0%	-14.1%	0.0%	0.0%	0.0%
Global Asset Allocation/Risk Parity Composite	9.6%	2.2%	7.5%	0.6%	-0.4%	0.2%
Other Diversifying Assets	3.9%	2.2%	1.7%	0.1%	0.4%	0.5%
Private Equity Composite	59.3%	49.7%	9.6%	0.8%	1.1%	1.9%
Real Assets Composite	13.3%	11.4%	1.9%	0.2%	0.0%	0.2%
Public Real Estate Composite	42.5%	46.2%	-3.7%	-0.1%	0.0%	0.0%
Private Real Estate Composite	34.2%	17.7%	16.5%	0.6%	0.0%	0.6%
Cash	2.7%	0.0%	2.7%	0.0%	-0.1%	-0.1%
<b>Total</b>	<b>21.4%</b>	<b>15.5%</b>	<b>5.9%</b>	<b>4.3%</b>	<b>1.5%</b>	<b>5.9%</b>



# New Mexico Educational Retirement Board

## TOTAL FUND ATTRIBUTION ANALYSIS

Attribution Summary						
3 Years Ending December 31, 2021						
	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Total Effects
U.S. Large Cap Equity Composite	26.6%	26.1%	0.6%	0.1%	-0.2%	-0.1%
U.S. Small/Mid Cap Equity Composite	20.5%	21.9%	-1.4%	0.0%	-0.1%	-0.1%
Non-U.S. Developed Mkts Equity Composite	14.3%	13.5%	0.7%	0.0%	0.0%	0.0%
Non-U.S. Emerging Mkts Equity Composite	10.2%	10.9%	-0.7%	-0.1%	0.0%	-0.1%
Core Fixed Income Composite	5.0%	4.8%	0.2%	0.0%	0.0%	0.0%
Non-U.S. Emerging Market Debt Composite	4.6%	4.0%	0.6%	0.0%	0.0%	0.0%
Opportunistic Credit Composite	7.5%	7.0%	0.5%	0.0%	-0.1%	0.0%
Absolute Return Composite	-6.9%	2.9%	-9.8%	0.0%	0.0%	0.0%
Global Asset Allocation/Risk Parity Composite	8.7%	3.1%	5.7%	0.5%	-0.3%	0.2%
Other Diversifying Assets	6.8%	3.1%	3.8%	0.1%	0.3%	0.4%
Private Equity Composite	22.9%	22.1%	0.8%	-0.1%	0.3%	0.2%
Real Assets Composite	6.1%	7.7%	-1.5%	-0.2%	0.0%	-0.1%
Public Real Estate Composite	18.2%	19.2%	-1.0%	0.0%	0.0%	-0.1%
Private Real Estate Composite	14.8%	8.4%	6.4%	0.3%	0.0%	0.3%
Cash	2.1%	0.8%	1.2%	0.0%	-0.1%	0.0%
<b>Total</b>	<b>13.9%</b>	<b>13.3%</b>	<b>0.6%</b>	<b>0.7%</b>	<b>-0.1%</b>	<b>0.6%</b>

Attribution Summary						
5 Years Ending December 31, 2021						
	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Total Effects
U.S. Large Cap Equity Composite	18.7%	18.5%	0.2%	0.0%	-0.1%	-0.1%
U.S. Small/Mid Cap Equity Composite	13.6%	13.8%	-0.2%	0.0%	-0.1%	-0.1%
Non-U.S. Developed Mkts Equity Composite	9.8%	9.5%	0.2%	0.0%	0.0%	0.0%
Non-U.S. Emerging Mkts Equity Composite	8.3%	9.9%	-1.5%	-0.2%	0.0%	-0.2%
Core Fixed Income Composite	3.7%	3.6%	0.1%	0.0%	0.0%	0.0%
Non-U.S. Emerging Market Debt Composite	3.8%	3.8%	0.1%	0.0%	0.0%	0.0%
Opportunistic Credit Composite	6.8%	5.2%	1.6%	0.3%	0.0%	0.2%
Absolute Return Composite	-4.4%	3.1%	-7.5%	0.0%	0.0%	0.0%
Global Asset Allocation/Risk Parity Composite	6.6%	4.7%	2.0%	0.1%	-0.1%	0.0%
Other Diversifying Assets	--	--	--	0.1%	0.2%	0.3%
Private Equity Composite	19.4%	20.2%	-0.8%	-0.2%	0.2%	0.0%
Real Assets Composite	8.0%	7.0%	1.0%	0.0%	0.0%	0.1%
Public Real Estate Composite	9.8%	10.9%	-1.1%	0.0%	0.0%	0.0%
Private Real Estate Composite	14.6%	7.8%	6.9%	0.3%	0.0%	0.3%
Cash	1.9%	1.1%	0.8%	0.0%	-0.1%	-0.1%
<b>Total</b>	<b>11.1%</b>	<b>10.7%</b>	<b>0.4%</b>	<b>0.5%</b>	<b>-0.1%</b>	<b>0.4%</b>





# APPENDIX



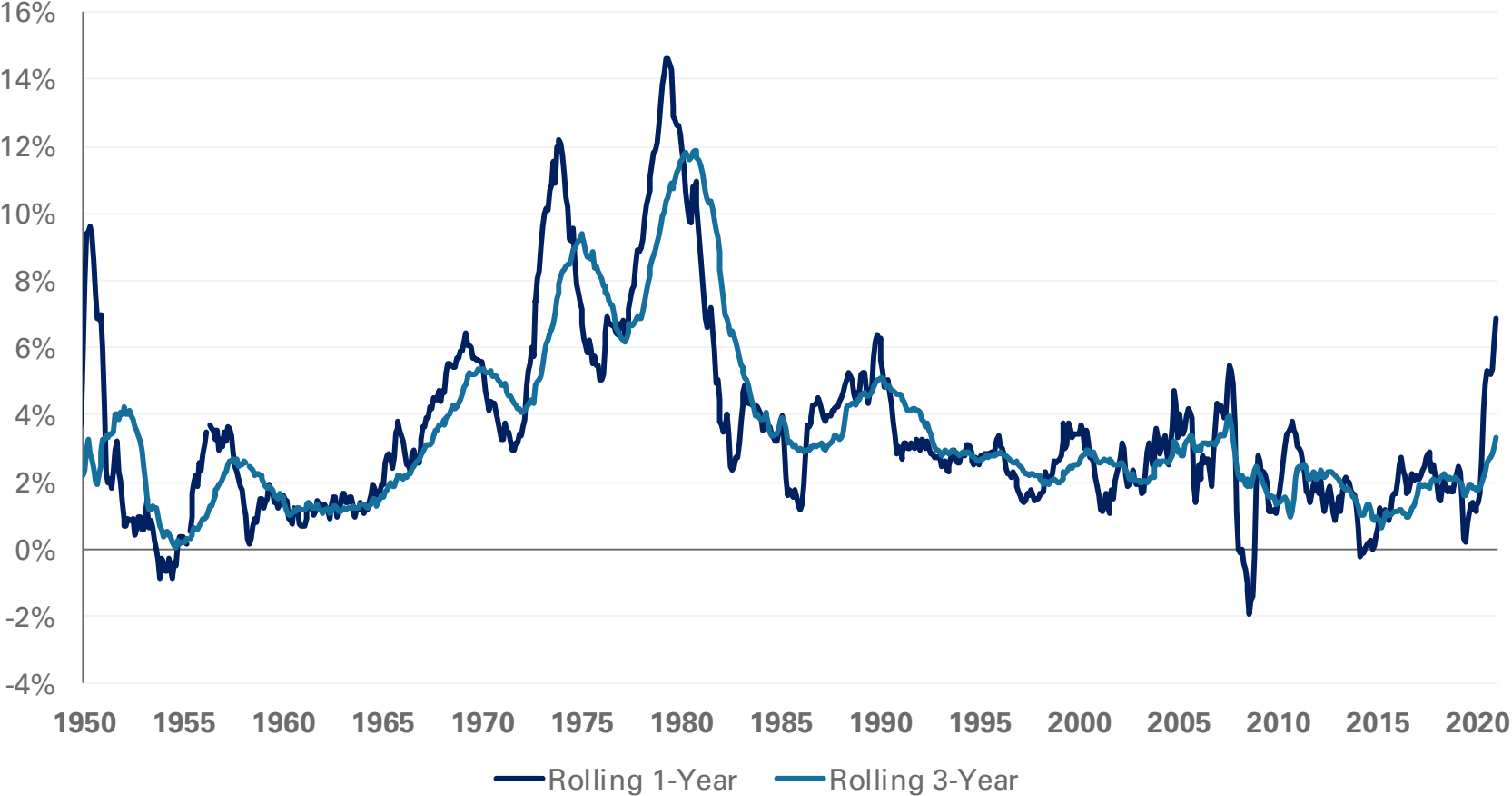
**MACRO**



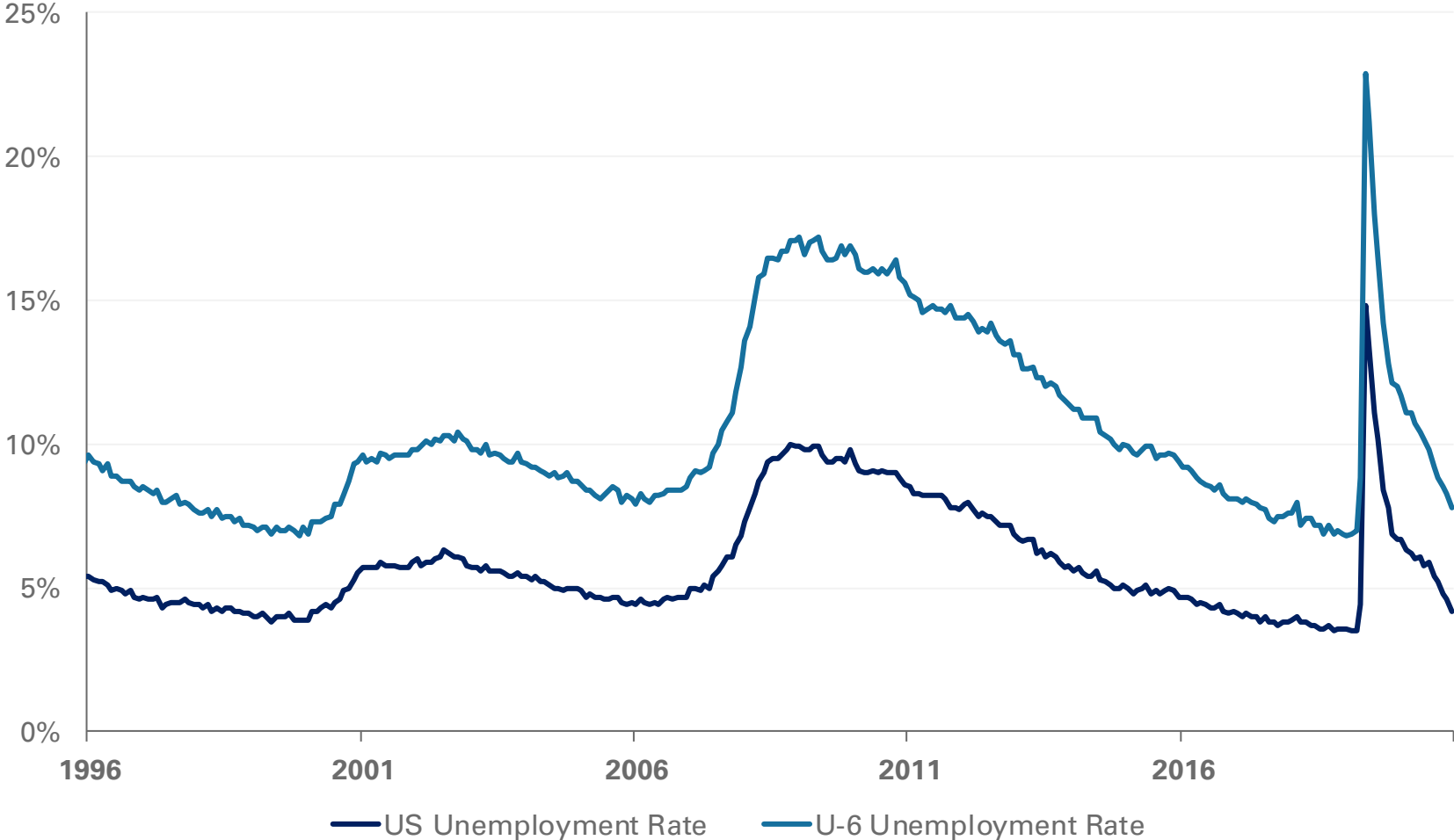


# INFLATION

## U.S. CONSUMER PRICE INDEX

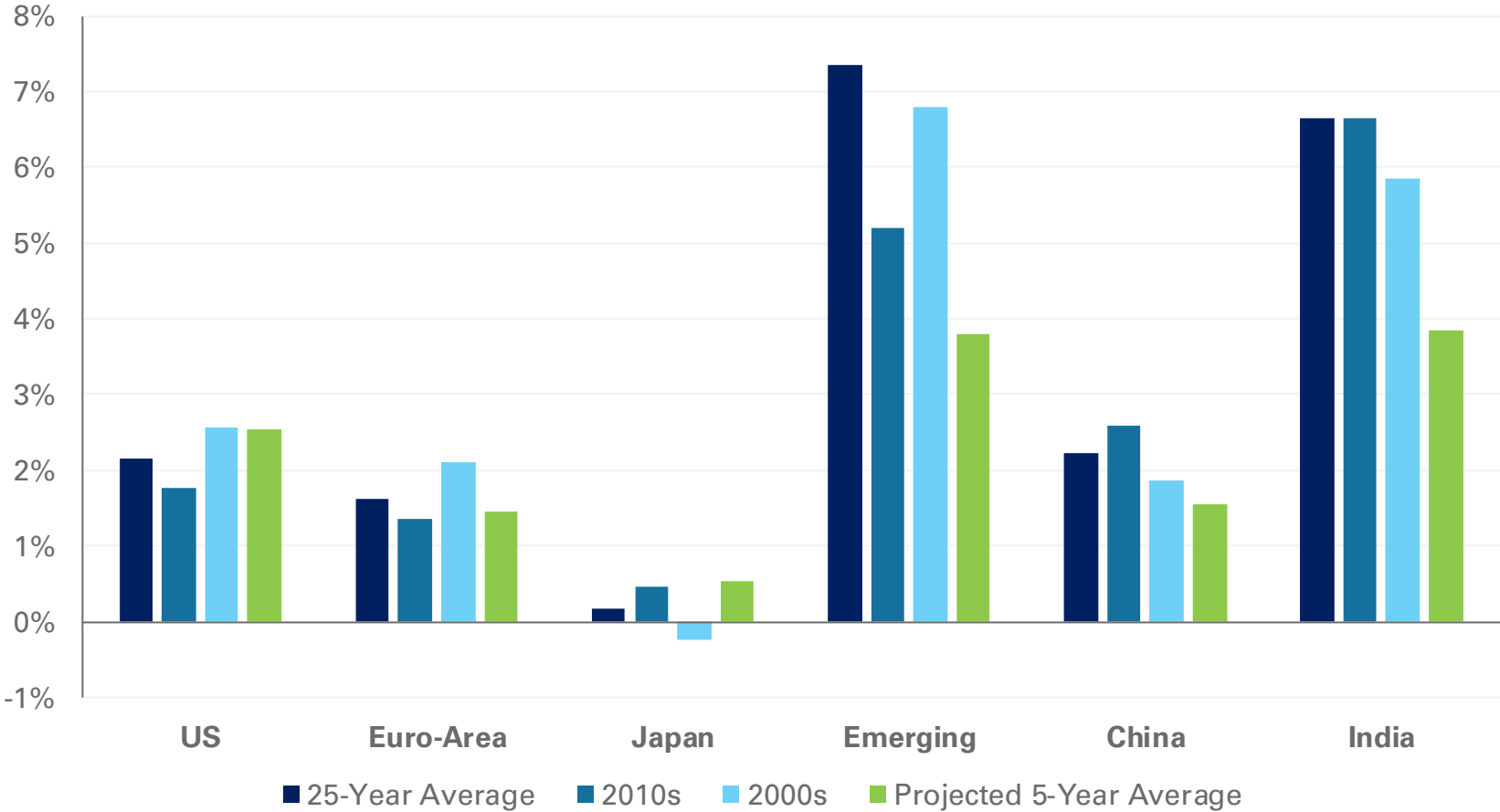


# U.S. UNEMPLOYMENT RATES

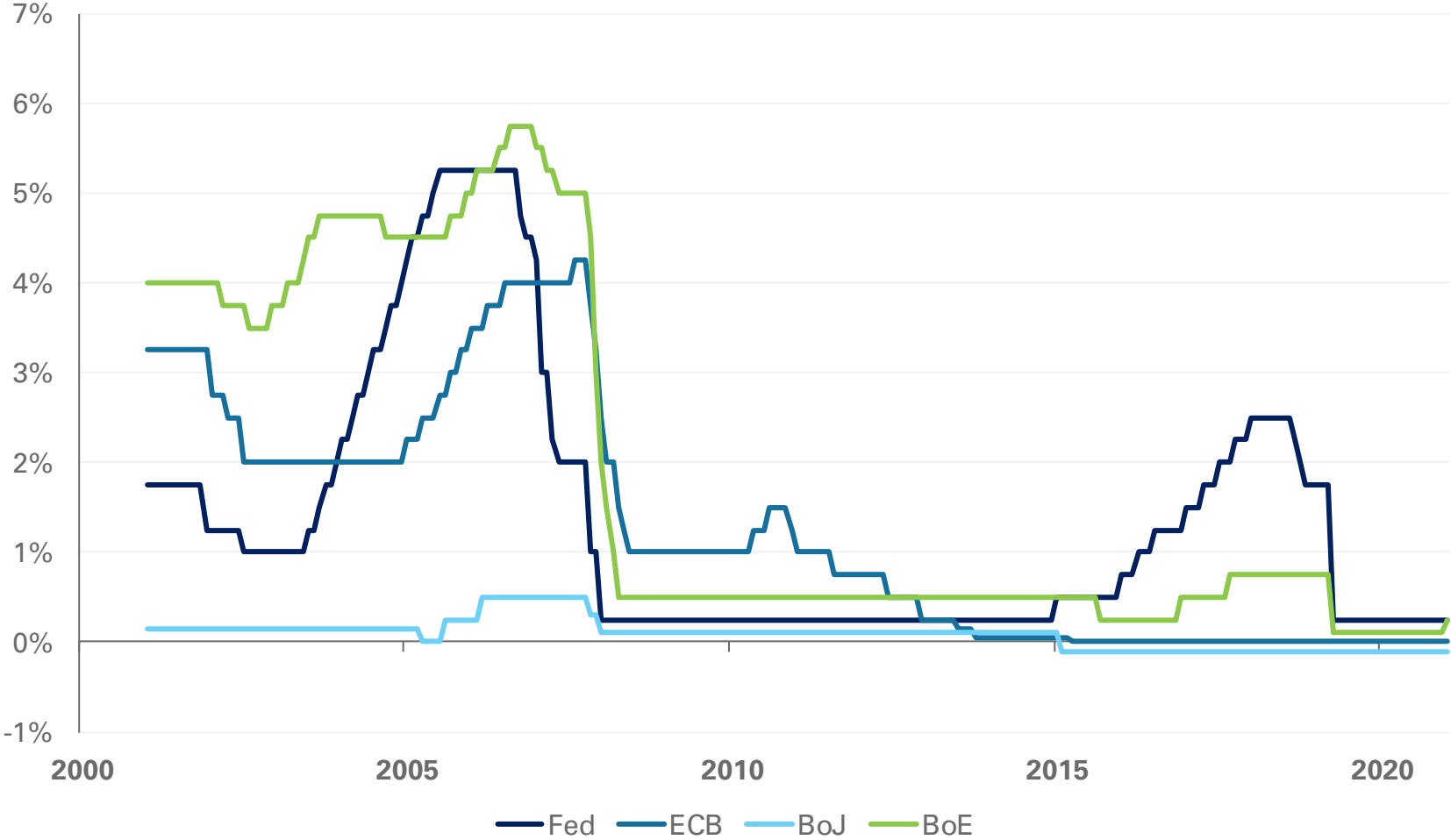


# HISTORICAL INFLATION

## IMF PROJECTIONS

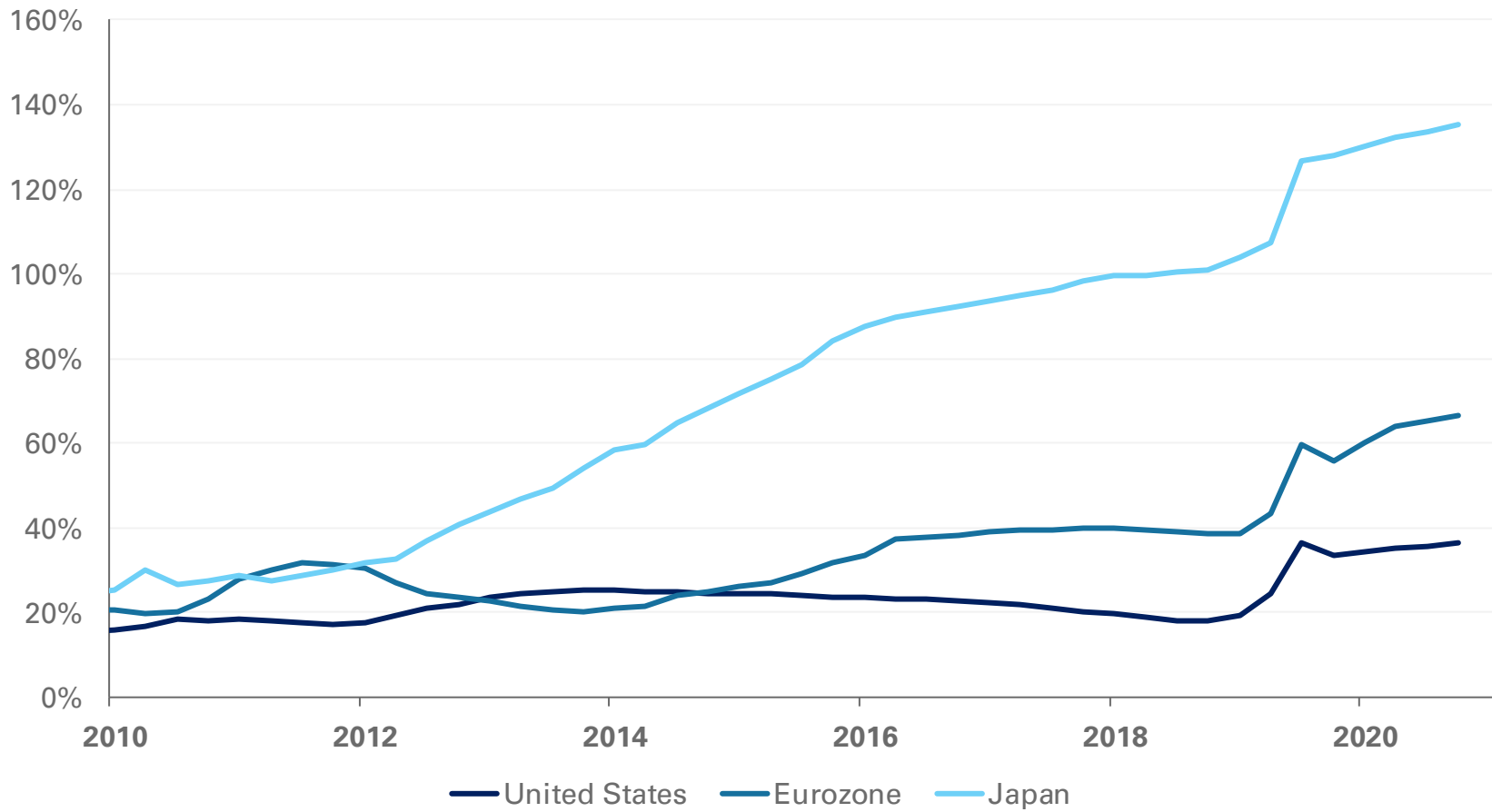


# CENTRAL BANK POLICY RATES



# CENTRAL BANK BALANCE SHEETS

AS A PERCENTAGE OF GDP



# CURRENCIES

## RELATIVE TO THE U.S. DOLLAR

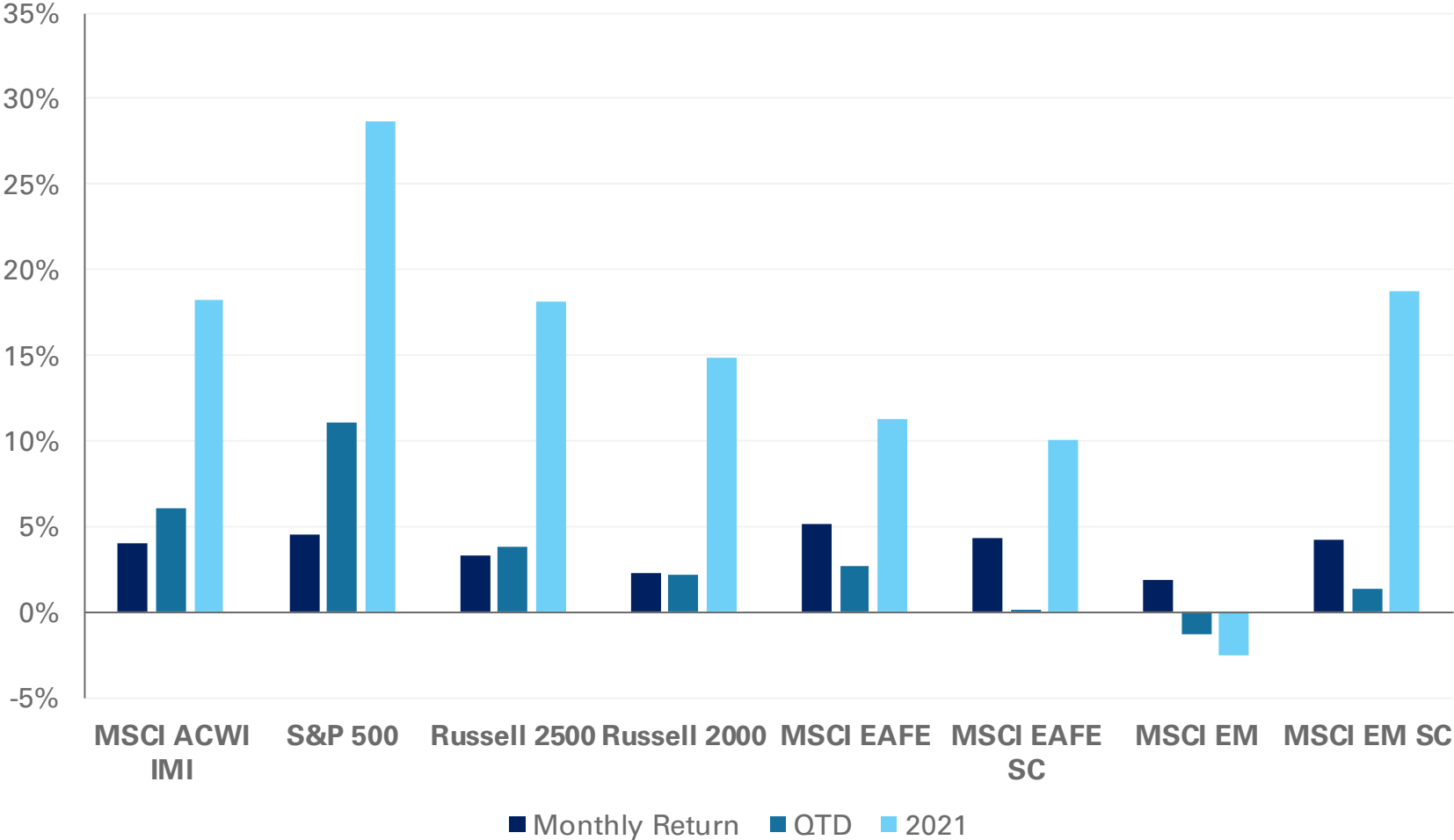
Currencies	Spot	1 Month	QTD	2021
<b>Euro</b>	<b>1.14</b>	1.0%	-1.9%	-7.1%
<b>British Pound</b>	<b>1.35</b>	2.4%	0.5%	-0.9%
<b>Japanese Yen</b>	<b>115.16</b>	-1.4%	-3.1%	-10.3%
<b>Swiss Franc</b>	<b>0.91</b>	1.6%	2.4%	-3.0%
<b>Australian Dollar</b>	<b>0.73</b>	2.5%	0.7%	-5.8%
<b>New Zealand Dollar</b>	<b>1.46</b>	0.9%	-0.8%	-4.9%
<b>Canadian Dollar</b>	<b>1.26</b>	1.6%	0.3%	0.9%
<b>Chinese Yuan</b>	<b>6.37</b>	0.0%	1.4%	2.6%
<b>Taiwanese Dollar</b>	<b>27.67</b>	0.5%	0.7%	1.6%
<b>Korean Won</b>	<b>1189</b>	-0.1%	-0.4%	-8.6%
<b>Vietnamese Dong</b>	<b>22790</b>	-0.4%	-0.1%	1.3%
<b>Thai Baht</b>	<b>33.41</b>	0.9%	1.3%	-10.3%
<b>Philippines Peso</b>	<b>50.99</b>	-1.2%	0.0%	-5.8%
<b>Indian Rupee</b>	<b>74.34</b>	1.1%	-0.1%	-1.7%
<b>Russian Ruble</b>	<b>75.01</b>	-0.8%	-3.0%	-1.4%
<b>Mexican Peso</b>	<b>20.47</b>	5.0%	0.4%	-2.6%
<b>Brazilian Real</b>	<b>5.57</b>	1.4%	-2.2%	-6.7%
<b>Chilean Peso</b>	<b>0.03</b>	-0.2%	-2.2%	-11.0%
<b>Argentine Peso</b>	<b>102.69</b>	-1.7%	-3.8%	-18.1%
<b>South African Rand</b>	<b>15.96</b>	0.4%	-5.7%	-8.0%





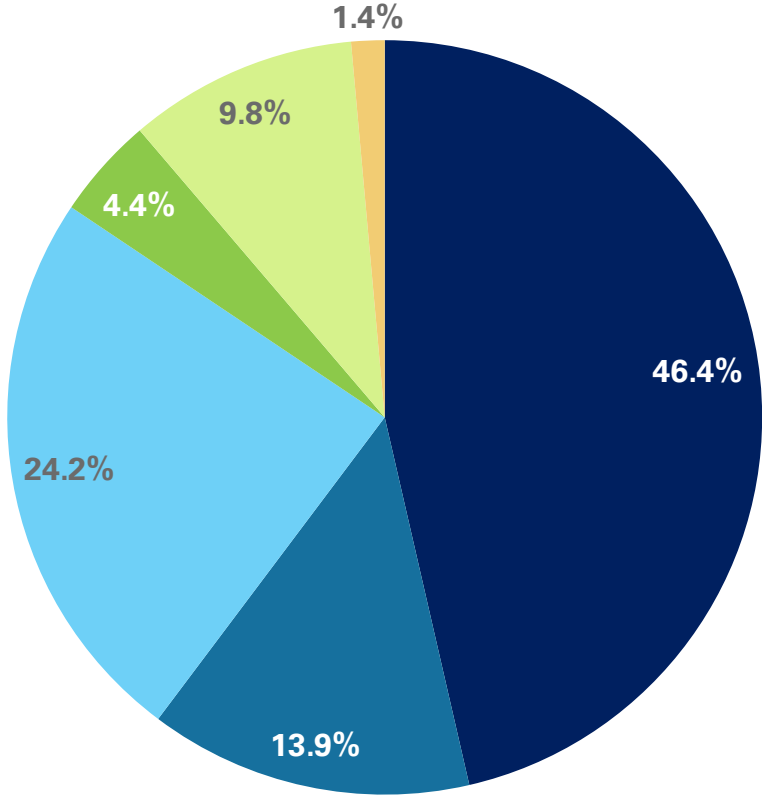
# EQUITY

# EQUITY INDEX PERFORMANCE





# MSCI ACWI IMI WEIGHTS

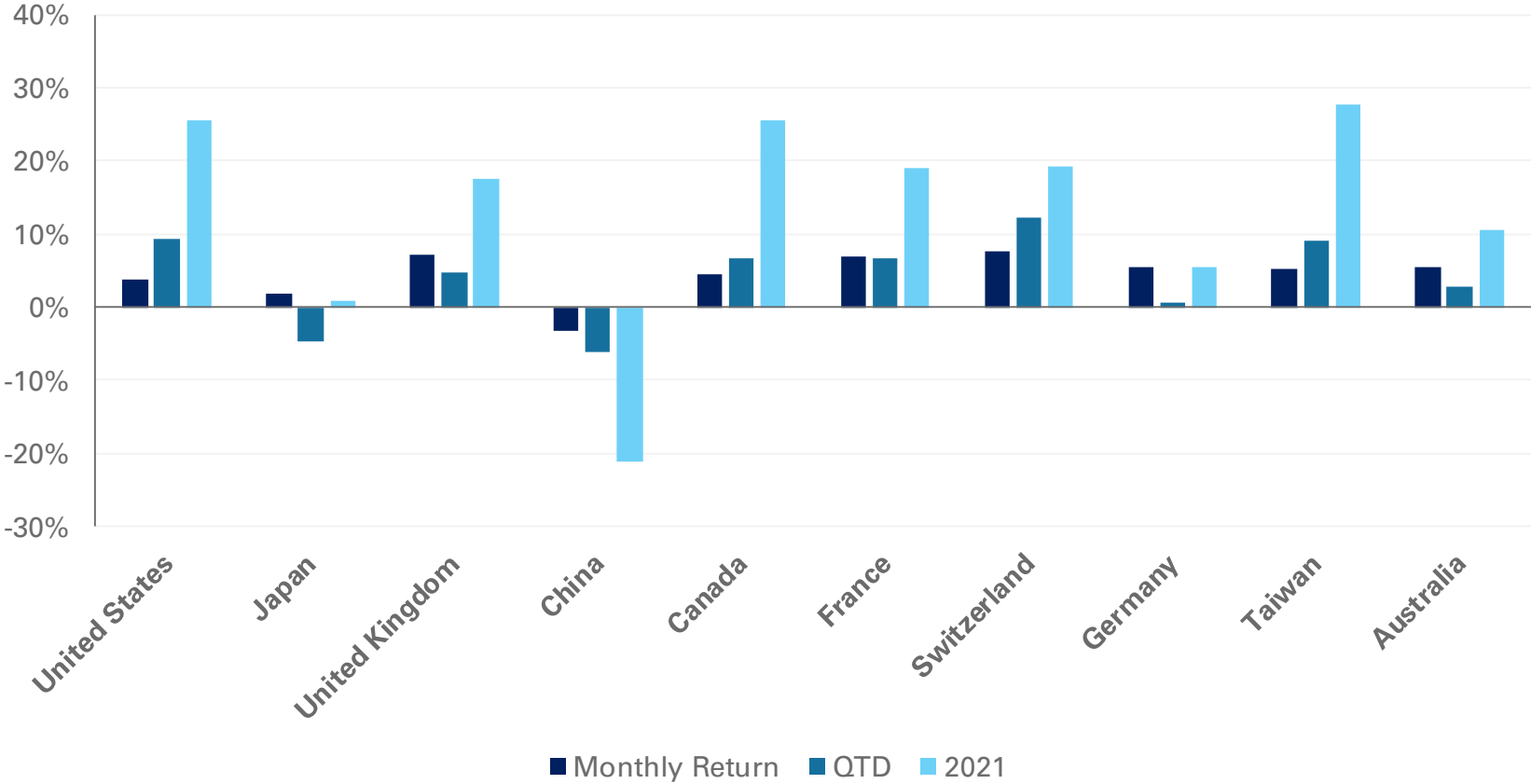


■ US Large Cap ■ US Small Cap ■ EAFE ■ EAFE Small Cap ■ EM ■ EM Small Cap

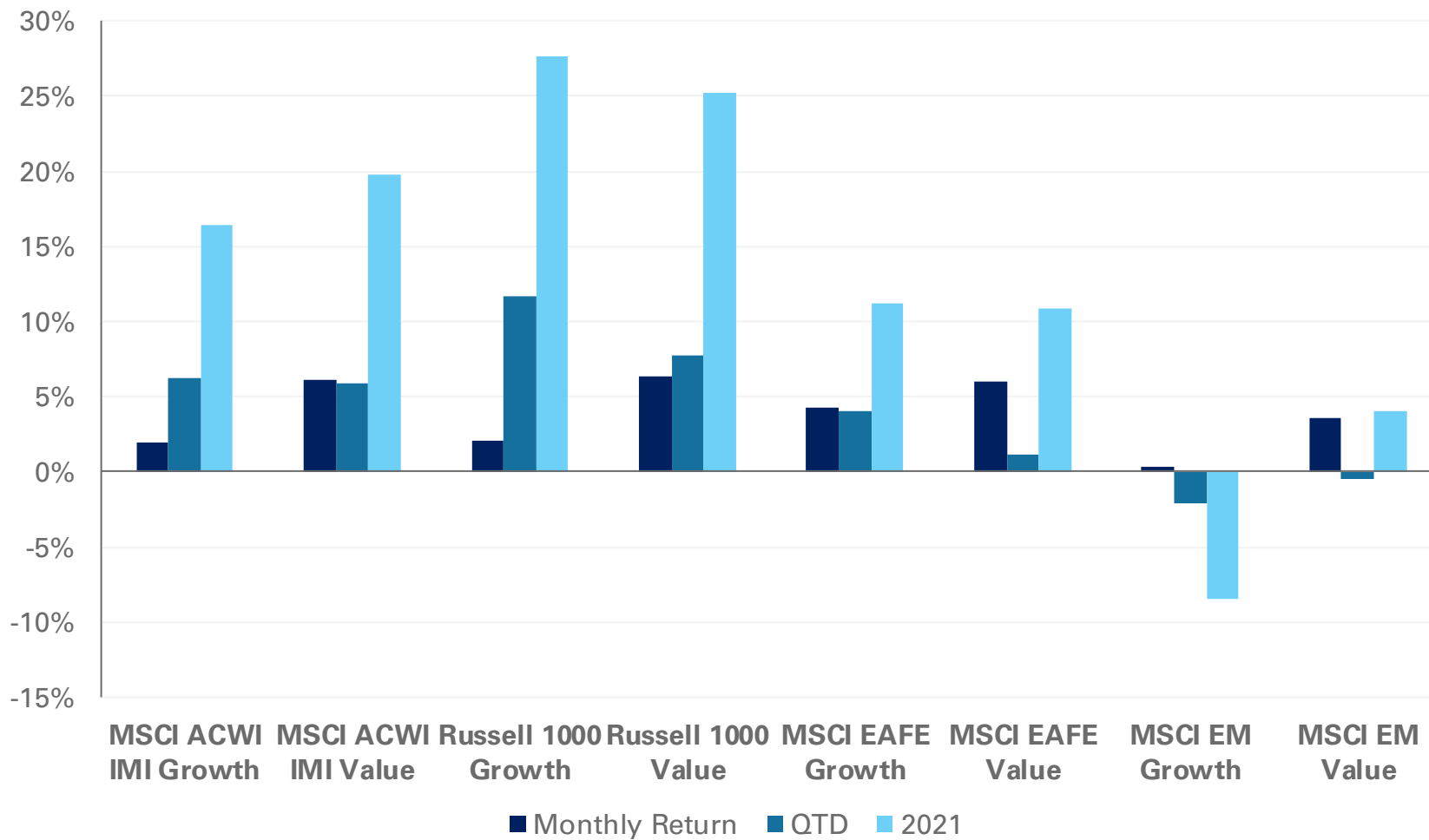


# EQUITY INDEX PERFORMANCE

## TOP 10 COUNTRIES BY MARKET CAP IN MSCI ACWI IMI INDEX



# STYLE INDEX PERFORMANCE



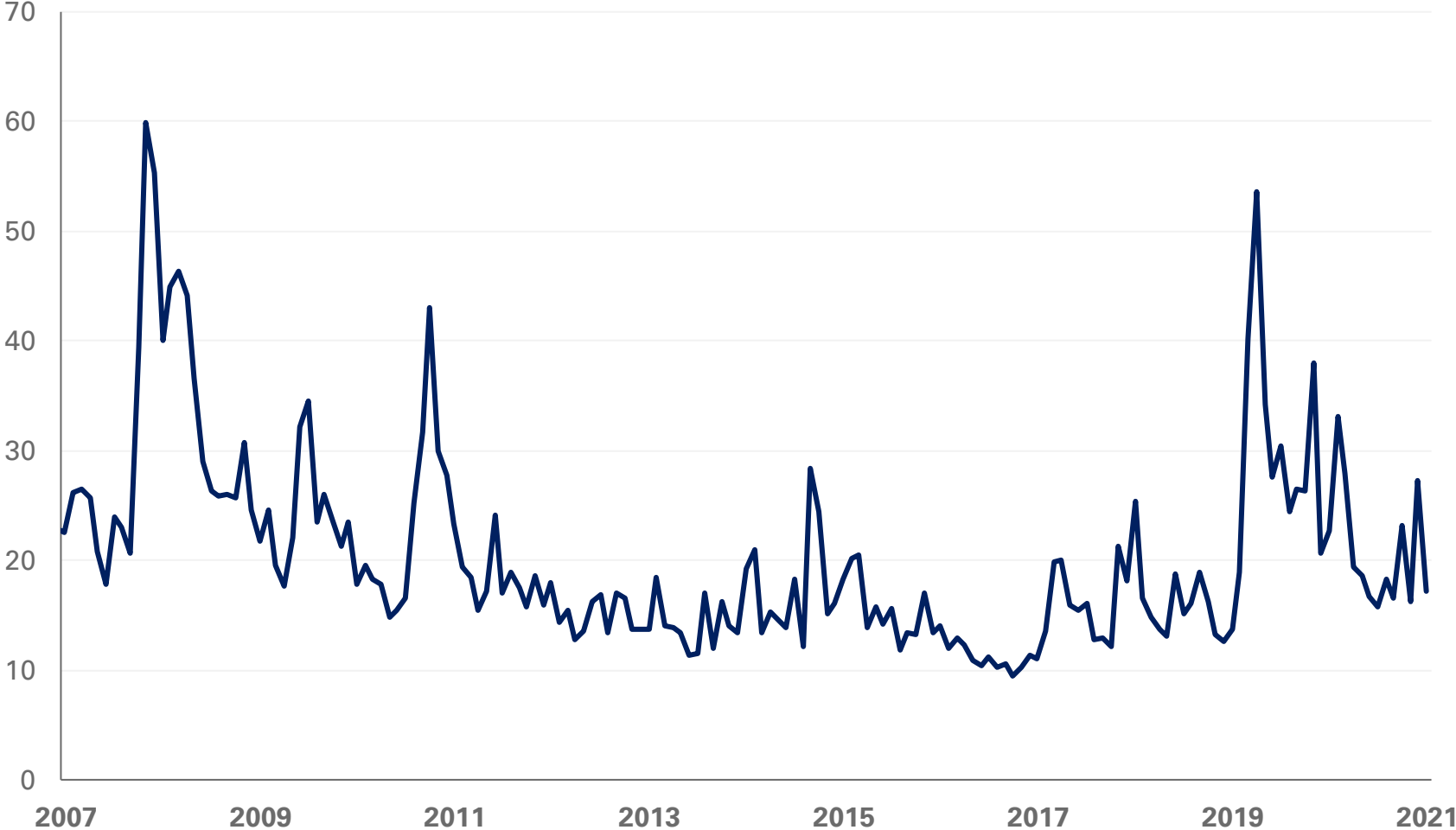
# SECTOR INDEX PERFORMANCE

	Monthly Return	QTD	2021	Index Weight
<b>MSCI ACWI IMI</b>	<b>4.0%</b>	<b>6.1%</b>	<b>18.2%</b>	<b>100.0%</b>
Communication Services	1.5%	-1.7%	10.2%	7.9%
Consumer Discretionary	0.1%	5.2%	9.8%	12.5%
Consumer Staples	7.7%	7.4%	10.4%	6.5%
Energy	3.8%	2.5%	37.6%	3.4%
Financials	4.0%	3.1%	24.6%	13.8%
Health Care	6.2%	5.1%	14.2%	11.5%
Industrials	5.1%	5.2%	17.4%	10.7%
Information Technology	3.0%	12.0%	26.4%	22.3%
Materials	6.2%	6.7%	15.4%	5.1%
Real Estate	6.7%	8.5%	22.5%	3.6%
Utilities	7.7%	9.7%	10.3%	2.7%

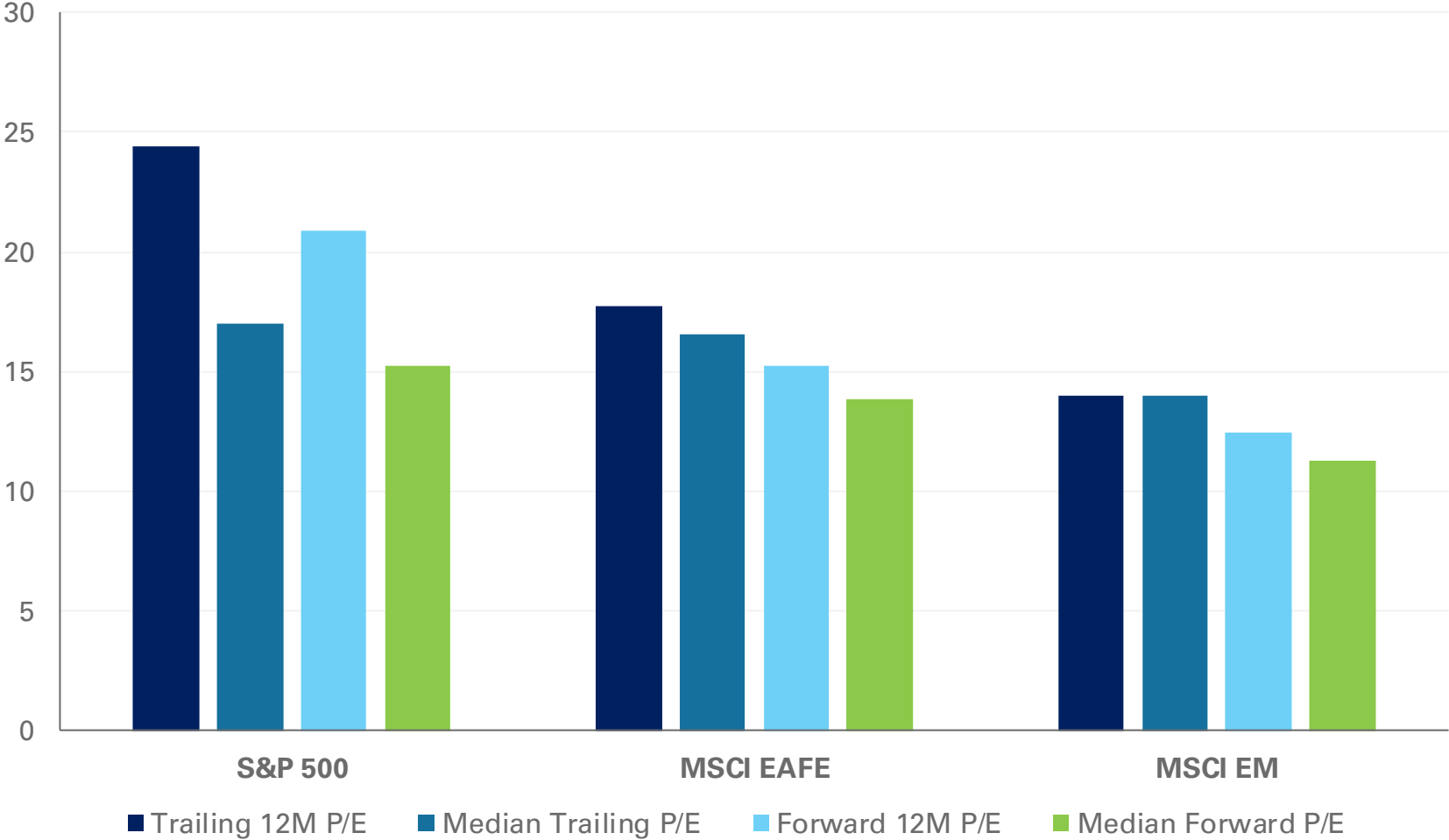
	Monthly Return	QTD	2021	Index Weight
<b>S&amp;P 500</b>	<b>4.5%</b>	<b>11.0%</b>	<b>28.7%</b>	<b>100.0%</b>
Communication Services	2.5%	0.0%	21.6%	10.2%
Consumer Discretionary	-0.3%	12.8%	24.4%	12.5%
Consumer Staples	10.3%	13.3%	18.6%	5.9%
Energy	3.1%	8.0%	54.6%	2.7%
Financials	3.3%	4.6%	35.0%	10.7%
Health Care	9.0%	11.2%	26.1%	13.3%
Industrials	5.3%	8.6%	21.1%	7.8%
Information Technology	3.4%	16.7%	34.5%	29.2%
Materials	7.6%	15.2%	27.3%	2.6%
Real Estate	10.2%	17.5%	46.2%	2.8%
Utilities	9.6%	12.9%	17.7%	2.5%



# EQUITY VOLATILITY INDEX (VIX)



# GLOBAL EQUITY VALUATIONS

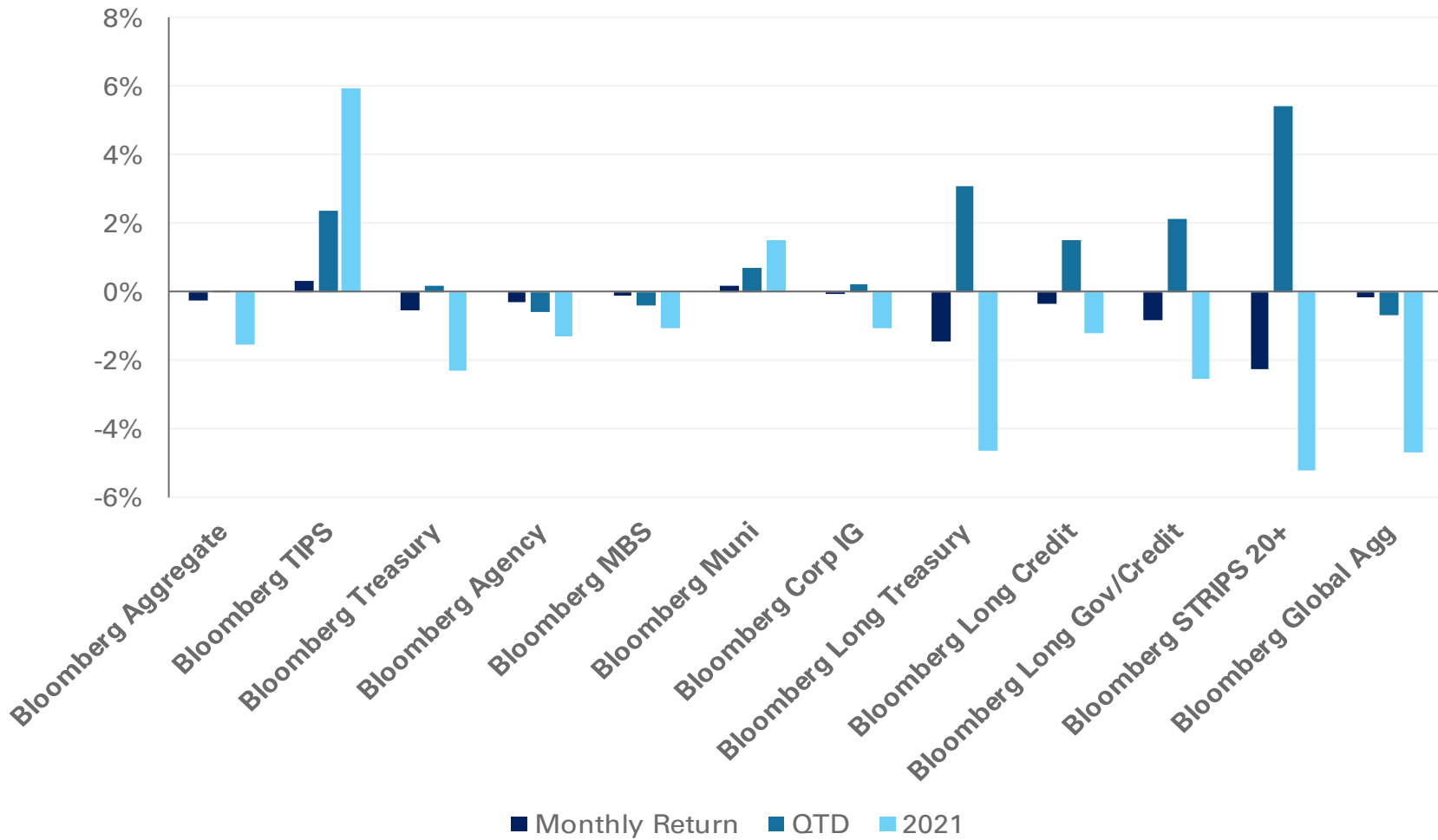




# SAFE-HAVEN FIXED INCOME



# SAFE-HAVEN FIXED INCOME PERFORMANCE



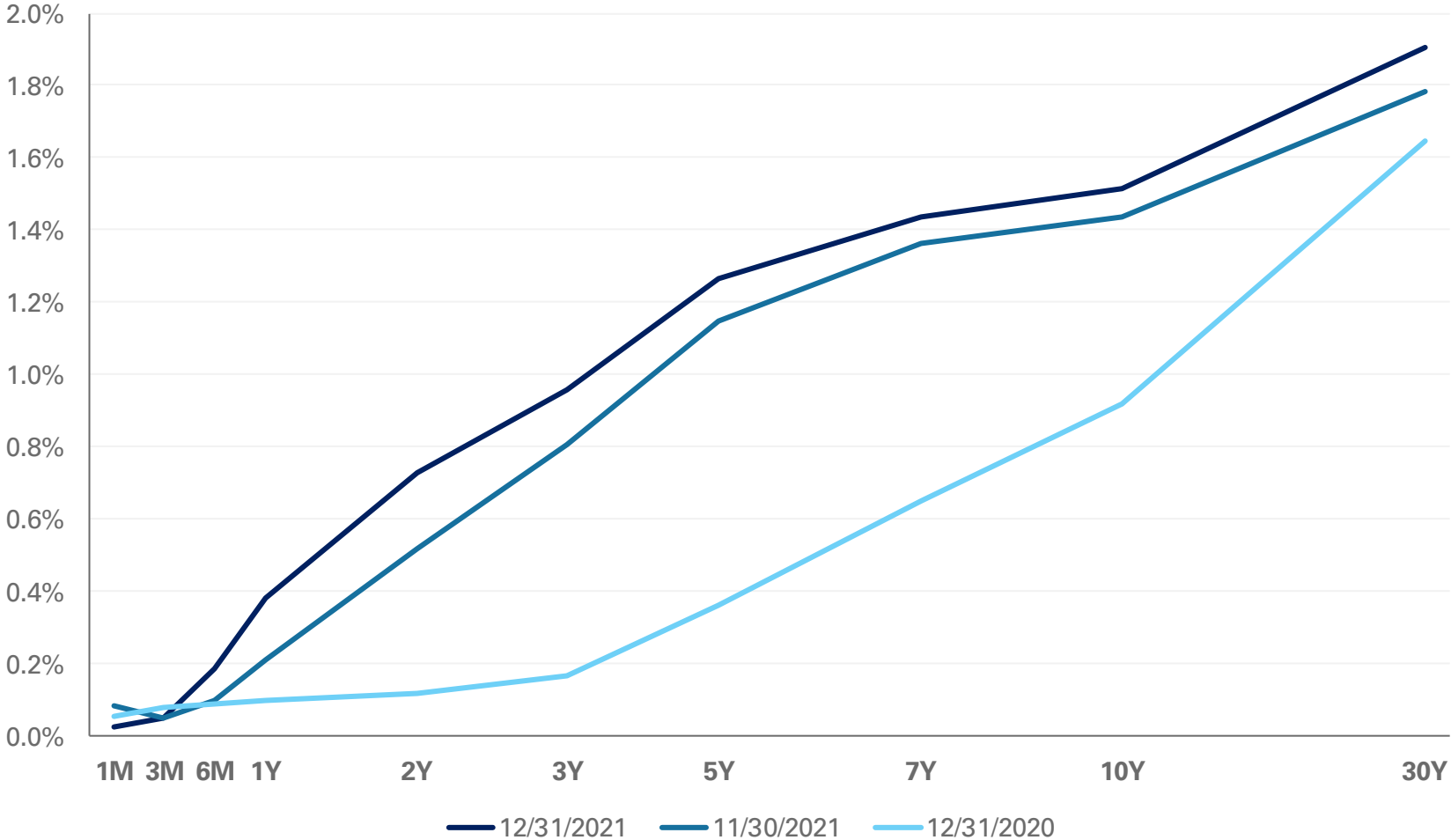


# FIXED INCOME CHARACTERISTICS

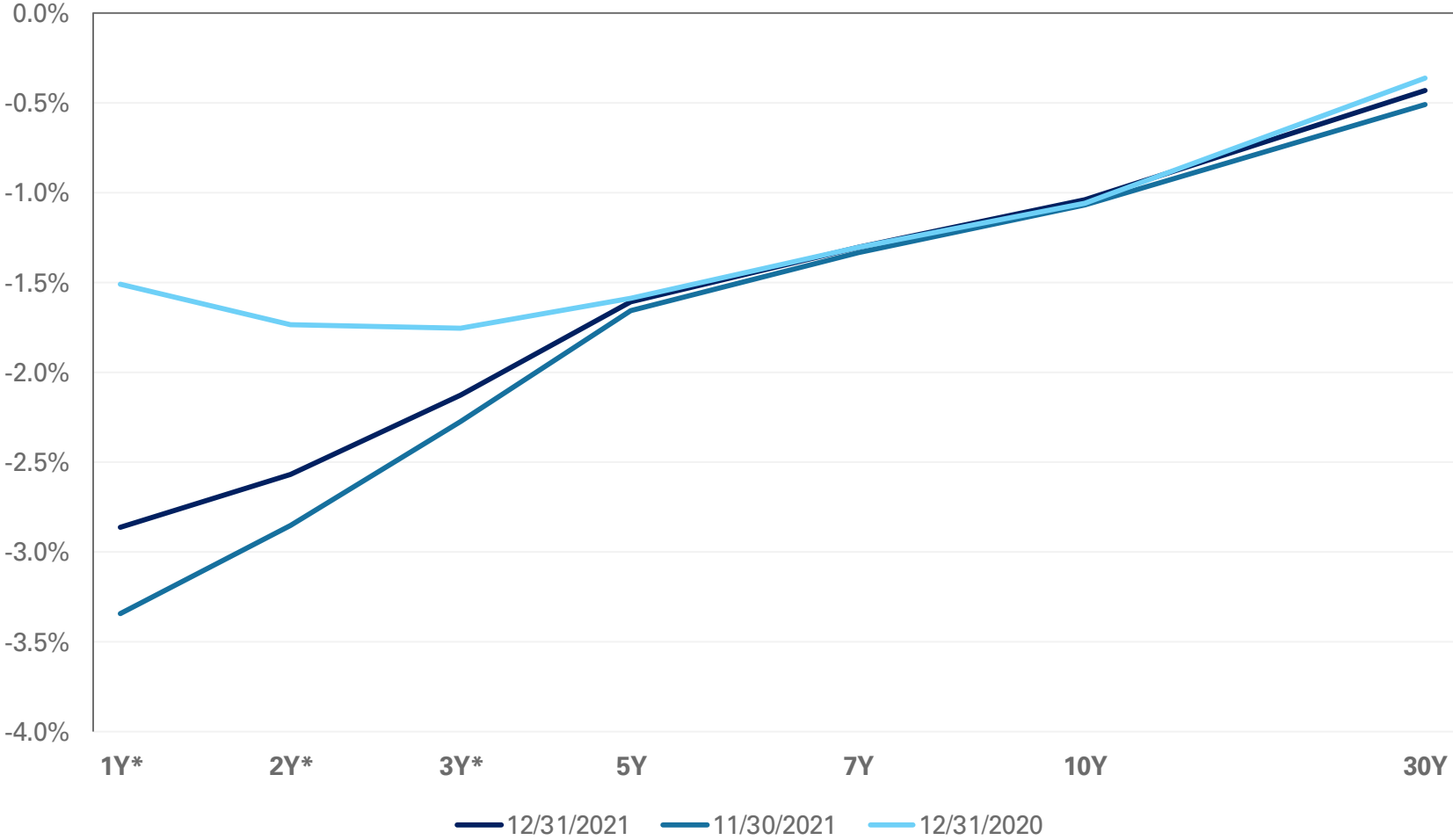
	Yield to Worst	Spread (bps)	Duration (Years)
<b>Bloomberg Aggregate</b>	1.75%	36	6.8
<b>Bloomberg TIPS</b>	1.34%	-	4.4
<b>Bloomberg Treasury</b>	1.23%	-	7.1
<b>Bloomberg Agency</b>	1.15%	8	3.9
<b>Bloomberg MBS</b>	1.98%	31	4.8
<b>Bloomberg Muni</b>	1.02%	-	5.1
<b>Bloomberg Corp IG</b>	2.33%	92	8.7
<b>Bloomberg Long Treasury</b>	1.89%	-	18.6
<b>Bloomberg Long Credit</b>	3.10%	130	15.0
<b>Bloomberg Long Gov/Credit</b>	2.58%	74	16.5
<b>Bloomberg STRIPS 20+</b>	1.95%	-	26.3
<b>Bloomberg Global Agg</b>	1.31%	36	7.5



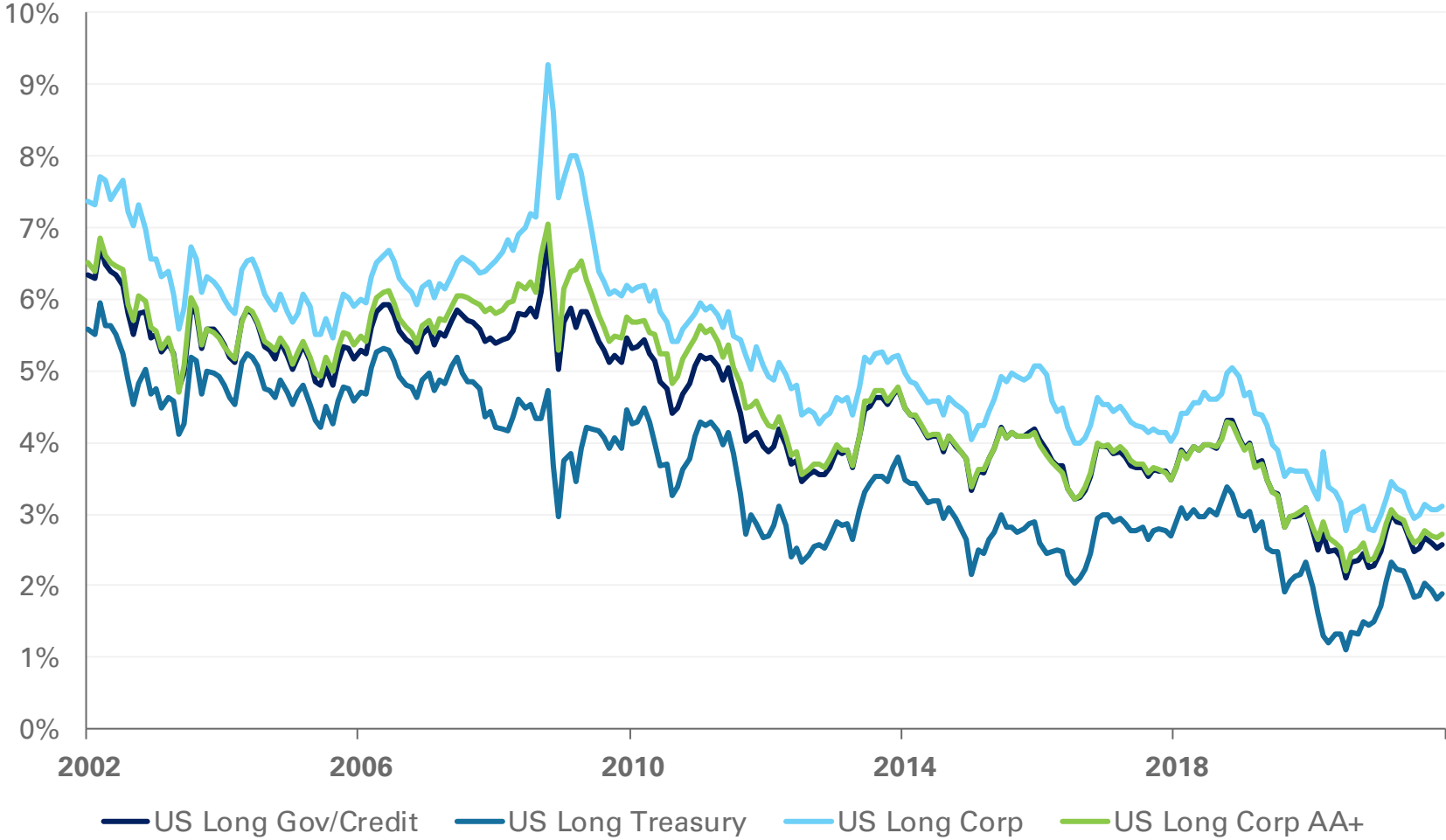
# US TREASURY YIELD CURVE



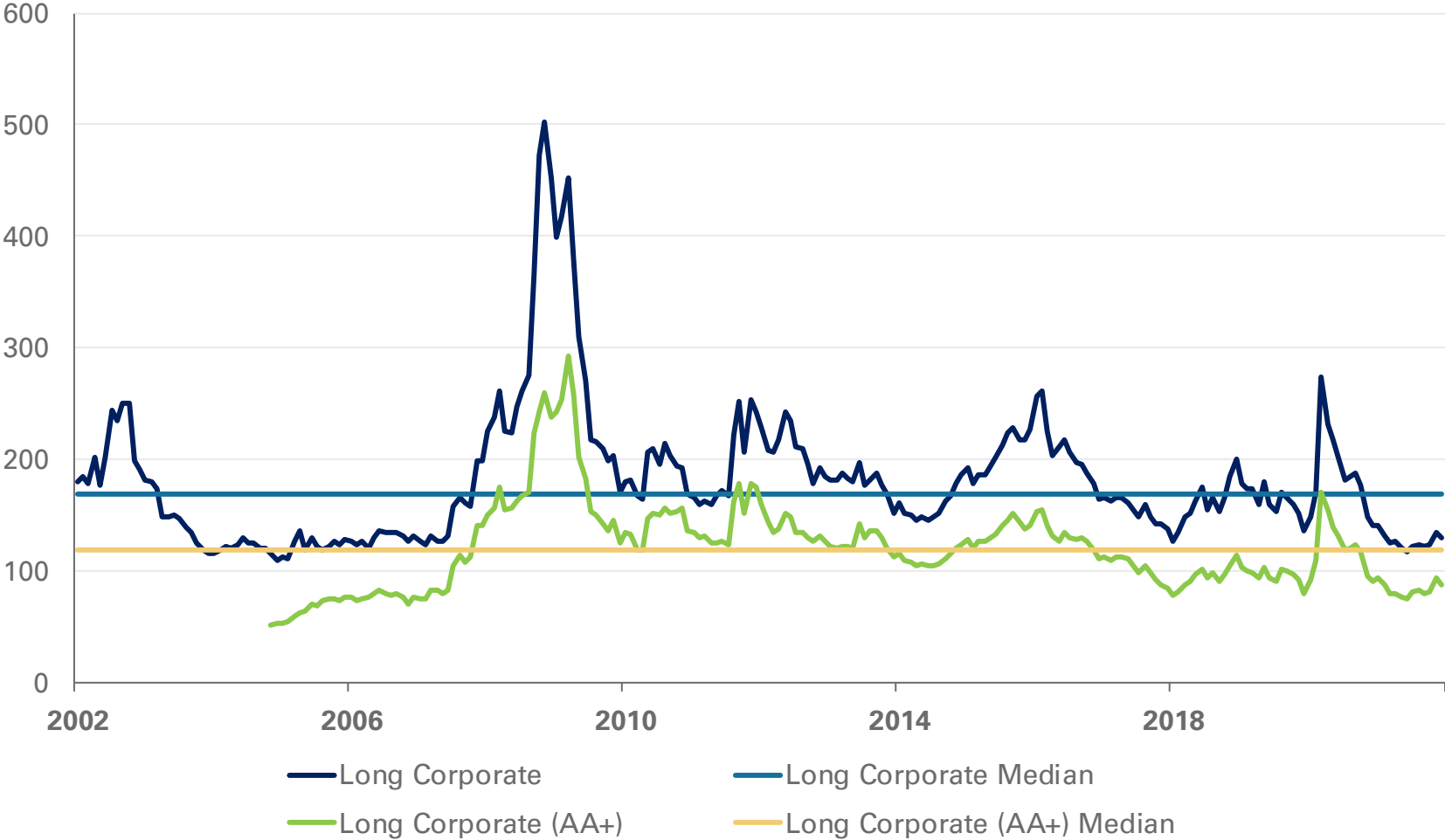
# US TREASURY REAL YIELD CURVE



# LONG DURATION YIELDS



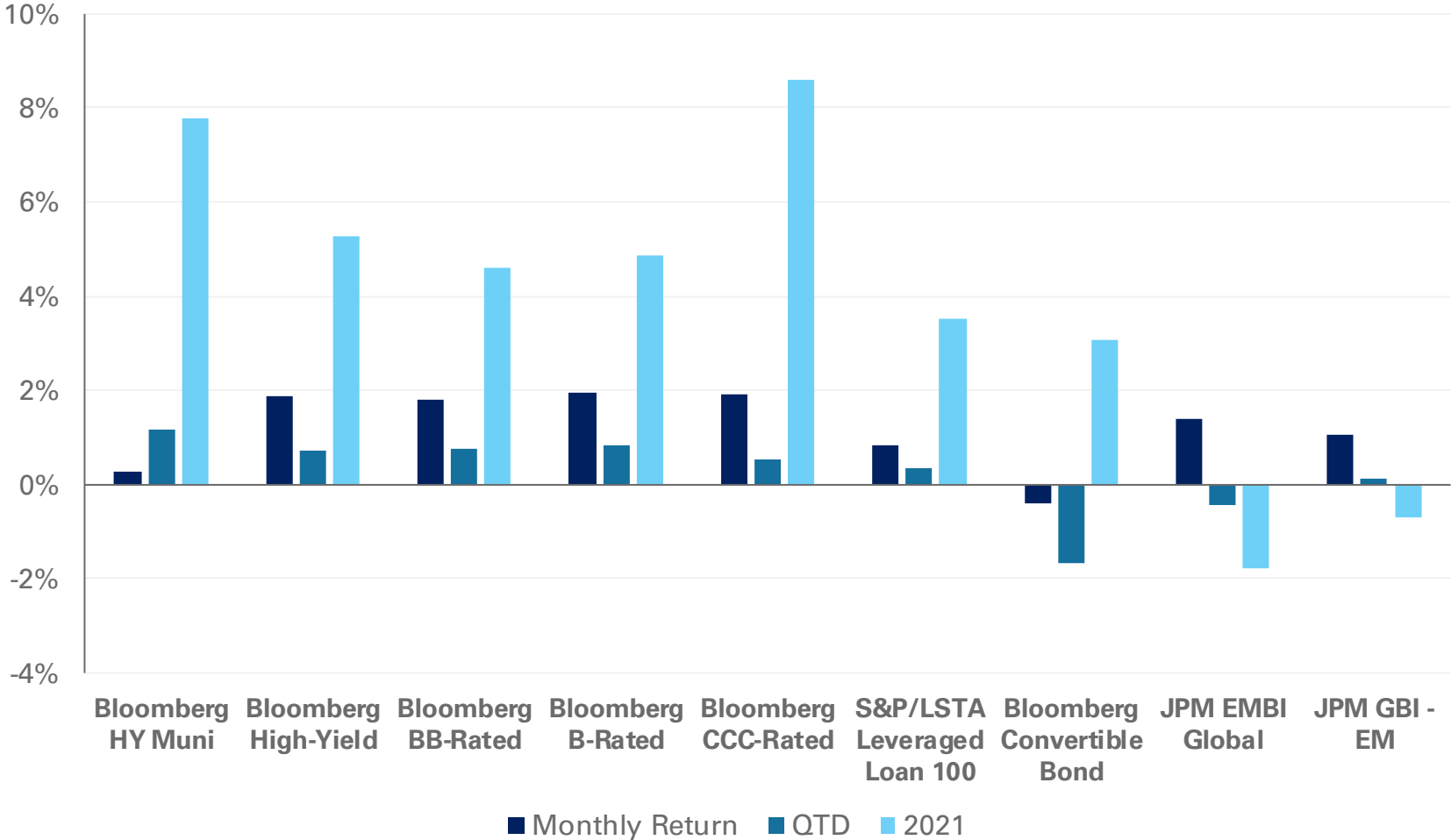
# LONG DURATION CORPORATE SPREADS





# RETURN-SEEKING CREDIT

# RETURN-SEEKING CREDIT INDEX PERFORMANCE



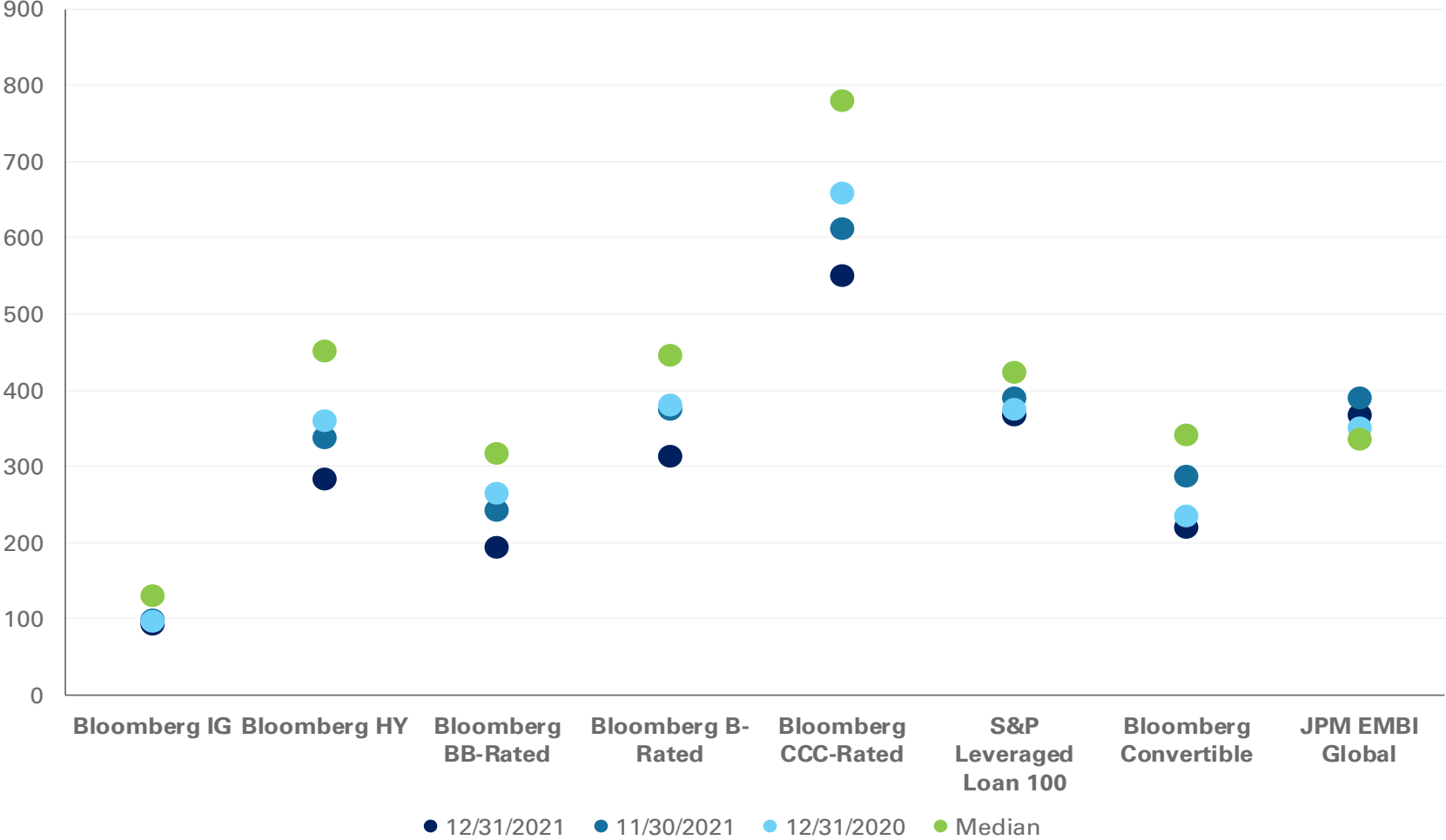
# RETURN-SEEKING CREDIT CHARACTERISTICS

	Yield to Worst	Spread (bps)	Duration (Years)
<b>Bloomberg HY Muni</b>	3.11%	-	6.5
<b>Bloomberg High-Yield</b>	4.21%	283	3.8
<b>Bloomberg BB-Rated</b>	3.30%	194	4.6
<b>Bloomberg B-Rated</b>	4.57%	313	3.1
<b>Bloomberg CCC-Rated</b>	6.82%	549	2.7
<b>S&amp;P/LSTA Leveraged Loan 100</b>	3.88%	367	-
<b>Bloomberg Convertible Bond</b>	0.95%	220	2.0
<b>JPM EMBI Global</b>	5.29%	367	7.9
<b>JPM GBI - EM</b>	4.72%	-	5.4





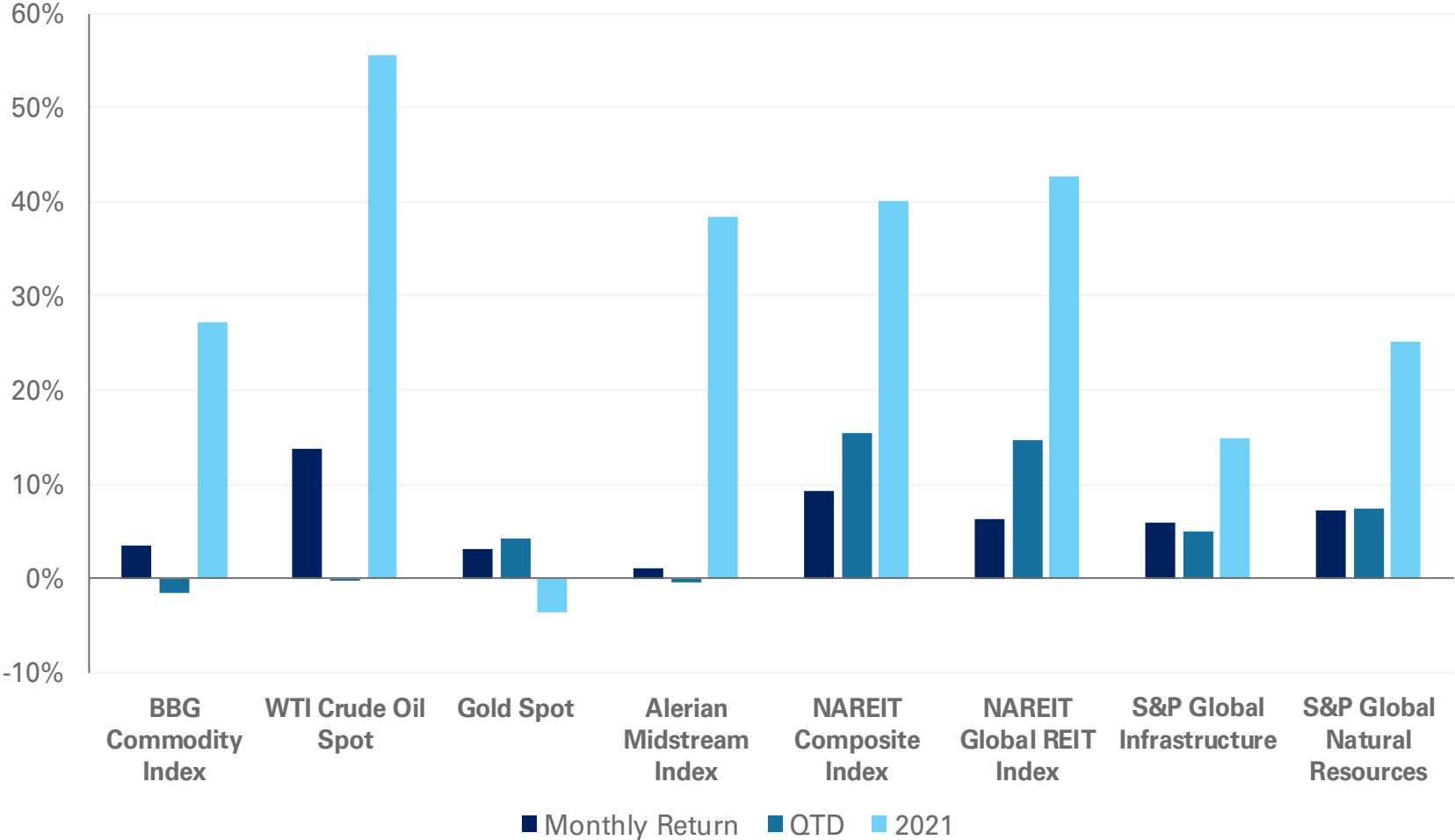
# CREDIT SPREADS





# REAL ASSETS

# REAL ASSETS INDEX PERFORMANCE



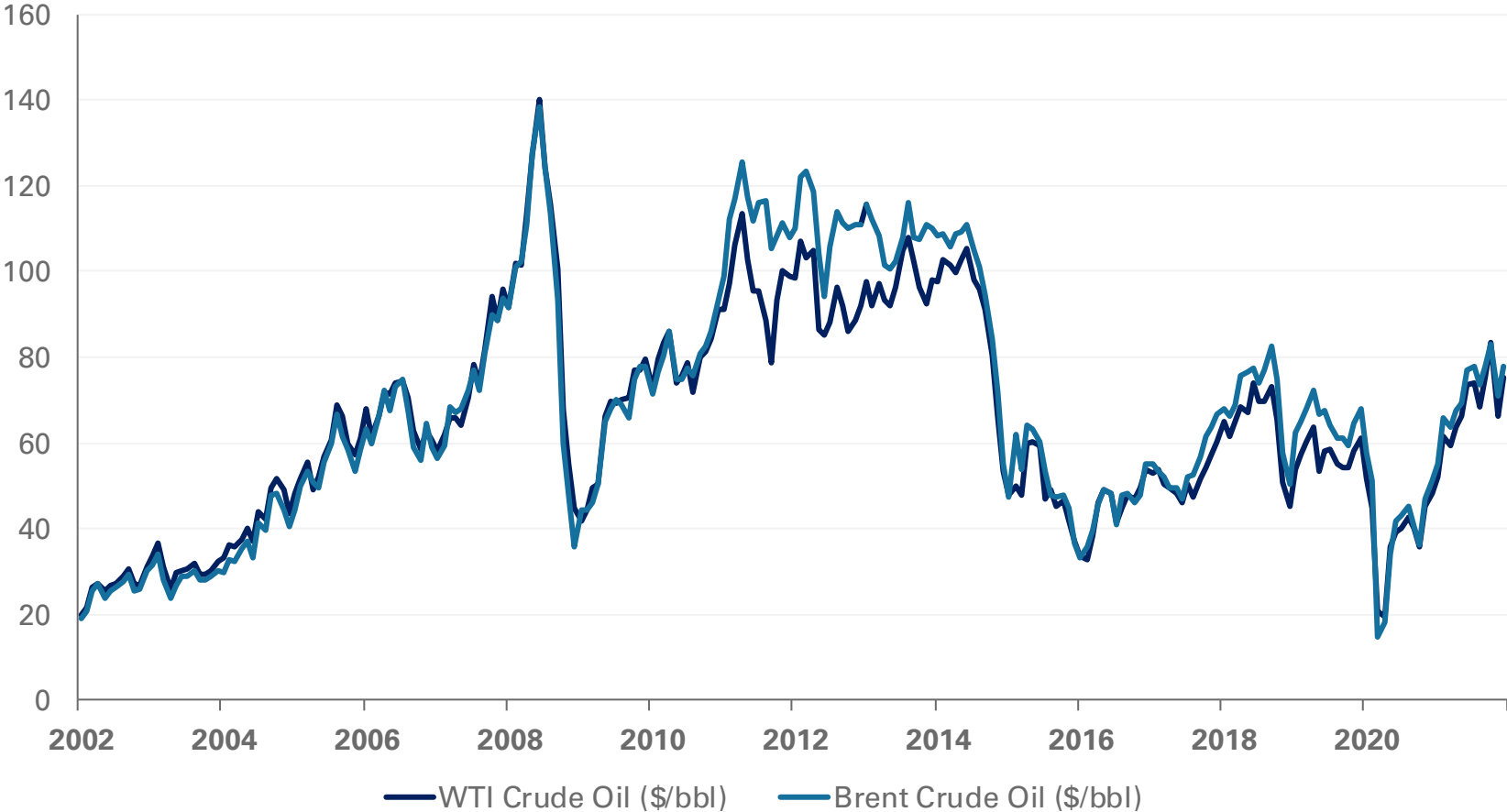
# REAL ASSETS INDEX PERFORMANCE

Index	1 Month	3 Month	2021	3 Year	5 Year
<b>Bloomberg Commodity Index</b>	<b>3.5%</b>	<b>-1.6%</b>	<b>27.0%</b>	<b>9.8%</b>	<b>3.6%</b>
<b>Bloomberg Sub Agriculture Index</b>	<b>3.6%</b>	<b>6.3%</b>	<b>26.6%</b>	<b>14.4%</b>	<b>3.5%</b>
Coffee	-2.7%	15.0%	63.4%	18.4%	0.5%
Corn	4.5%	8.7%	34.3%	12.8%	3.8%
Cotton	5.8%	9.8%	42.4%	13.6%	8.9%
Soybean	9.4%	5.1%	8.2%	12.4%	2.9%
Soybean Oil	2.3%	-3.7%	50.3%	27.8%	9.4%
Sugar	1.5%	-7.2%	22.6%	11.4%	-5.2%
Wheat	-2.1%	4.6%	14.0%	11.2%	4.5%
<b>Bloomberg Sub Energy</b>	<b>2.8%</b>	<b>-13.0%</b>	<b>51.9%</b>	<b>-0.9%</b>	<b>-4.0%</b>
Brent Crude	12.9%	2.9%	65.2%	15.3%	8.3%
Heating Oil	13.1%	0.5%	58.0%	6.8%	3.4%
Natural Gas	-19.3%	-39.9%	27.9%	-22.3%	-21.5%
Unleaded Gas	15.3%	5.4%	69.3%	19.1%	4.5%
WTI Crude Oil	13.9%	2.0%	61.3%	2.3%	-2.2%
<b>Bloomberg Sub Industrial Metals</b>	<b>6.4%</b>	<b>8.6%</b>	<b>30.2%</b>	<b>17.4%</b>	<b>11.0%</b>
Aluminum	6.8%	-2.0%	38.8%	11.5%	8.6%
Copper	4.3%	9.4%	26.9%	18.8%	11.3%
Nickel	4.5%	16.4%	25.0%	24.5%	15.2%
Zinc	11.1%	19.6%	27.8%	14.4%	8.8%
<b>Bloomberg Sub Precious Metals</b>	<b>2.8%</b>	<b>4.3%</b>	<b>-6.1%</b>	<b>11.3%</b>	<b>7.8%</b>
Gold	2.9%	4.0%	-4.3%	10.9%	8.4%
Silver	2.4%	5.7%	-12.2%	12.4%	6.2%
<b>Bloomberg Sub Livestock</b>	<b>1.5%</b>	<b>1.9%</b>	<b>8.6%</b>	<b>-7.8%</b>	<b>-3.9%</b>
Lean Hogs	1.9%	-8.7%	25.0%	-11.5%	-8.7%
Live Cattle	1.3%	7.2%	-0.1%	-6.0%	-1.5%



# OIL MARKETS

## WTI VERSUS BRENT CRUDE SPOT PRICES



# GOLD SPOT PRICE



# GLOSSARY OF INVESTMENT TERMINOLOGY

- **# Of Portfolios/Observations<sup>1</sup>**
  - The total number of data points that make up a universe or sample.
- **Allocation Index<sup>3</sup>**
  - The Allocation Index measures the value added to (or subtracted from) each portfolio by active management. It is calculated monthly: The portfolio weight allocated to each category from the prior month-end is multiplied by a specified market index return.
- **Asset Allocation Effect<sup>2</sup>**
  - 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 a 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)<sup>3</sup>**
  - 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)<sup>3</sup>**
  - 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.
- **Attribution<sup>3</sup>**
  - Attribution is an analytical technique used to evaluate the performance of a portfolio relative to a benchmark. A proper attribution highlights where value was added or subtracted as a result of the manager's decisions.
- **Average Effective Maturity<sup>4</sup>**
  - 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 Average<sup>1</sup>**
  - A measurement representing an investment manager's history in surpassing an index.  
*Formula: Divide the number of days (or months, quarters, etc.) in which the manager beat or matched the index by the total number of days (or months, quarters, etc.) in the time period, and multiply that factor by 100.*
- **Brinson Fachler (BF) Attribution<sup>1</sup>**
  - 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.

Source: <sup>1</sup>InvestorForce, <sup>2</sup>Interaction Effect Performance Attribution, <sup>3</sup>NEPC, LLC, <sup>4</sup>Investopedia, <sup>5</sup>Hedgeco.net



# GLOSSARY OF INVESTMENT TERMINOLOGY

- **Brinson Hood Beebower (BHB) Attribution<sup>1</sup>**
  - 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)<sup>4</sup>**
  - 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.
- **Correlation<sup>1</sup>**
  - 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.
- **Coupon<sup>4</sup>**
  - 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 Effect<sup>1</sup>**
  - The effect that changes in currency exchange rates over time affect excess performance.
- **Derivative Instrument<sup>3</sup>**
  - 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 Deviation<sup>1</sup>**
  - 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.*
- **Duration<sup>3</sup>**
  - 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 Ratio<sup>1</sup>**
  - 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 Bond<sup>3</sup>**
  - 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 Hurdle<sup>5</sup>**
  - A rate of return that, once beaten, allows a fund manager to charge a performance fee on returns above the specified hurdle rate.
- **High-Water Mark<sup>4</sup>**
  - The highest 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.

Source: <sup>1</sup>InvestorForce, <sup>2</sup>Interaction Effect Performance Attribution, <sup>3</sup>NEPC, LLC, <sup>4</sup>Investopedia, <sup>5</sup>Hedgeco.net





# GLOSSARY OF INVESTMENT TERMINOLOGY

- **High-Water Mark<sup>4</sup>**
  - The highest 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 Rate<sup>4</sup>**
  - The minimum rate of return on an investment required for a manager to collect incentive fees from the investor, which is usually tied to a benchmark.
- **Interaction Effect<sup>2</sup>**
  - 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 overweighted 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 either effect.
- **Median<sup>3</sup>**
  - The value that exceeds one-half of the values in a population and that is exceeded by one-half of the values. The median has a percentile rank of 50.
- **Modified Duration<sup>3</sup>**
  - The percentage change in the price of a fixed income security that results from a change in yield.
- **Mortgage Backed Securities (MBS)<sup>3</sup>**
  - Bonds which are a general obligation of the issuing institution but are also collateralized by a pool of mortgages.
- **Municipal Bond (Muni)<sup>4</sup>**
  - A debt security issued by a state, municipality or county to finance its capital expenditures.
- **Net Investment Change<sup>1</sup>**
  - The change in an investment after accounting for all Net Cash Flows.
- **Performance Fee<sup>4</sup>**
  - 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.
- **Policy Index<sup>3</sup>**
  - A custom benchmark designed to indicate the returns that a passive investor would earn by consistently following the asset allocation targets set forth in the investment policy statement.
- **Price to Book (P/B)<sup>4</sup>**
  - 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)<sup>3</sup>**
  - The weighted equity P/E is based on current price and trailing 12 months earnings per share (EPS).
- **Price to Sales (P/S)<sup>4</sup>**
  - 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.
- **Quartile<sup>3</sup>**
  - One of four segments of a distribution. The top quartile consists of observations that rank from 1 to 25, the second quartile consists of observations that rank between 25 and 50, etc.

Source: <sup>1</sup>InvestorForce, <sup>2</sup>Interaction Effect Performance Attribution, <sup>3</sup>NEPC, LLC, <sup>4</sup>Investopedia, <sup>5</sup>Hedgeco.net



# GLOSSARY OF INVESTMENT TERMINOLOGY

- **Rank<sup>3</sup>**
  - The relative position of a single observation in a larger population. Universe rankings range from 1 to 100, with 1 being the best and 100 the worst.
- **Return on Equity (ROE)<sup>4</sup>**
  - 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) Effect<sup>2</sup>**
  - 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, positive or negative.
- **Soft Hurdle<sup>5</sup>**
  - A rate of return that, once beaten, allows a fund manager to charge a performance fee based on the entire annualized return.
- **Tiered Fee<sup>1</sup>**
  - 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 Effect<sup>2</sup>**
  - 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 Return<sup>1</sup>**
  - The actual rate of return of an investment over a specified time period. Total return includes interest, capital gains, dividends, and distributions realized over the time period.
- **Universe<sup>3</sup>**
  - The list of all assets eligible for inclusion in a portfolio, or group of portfolios eligible for inclusion in a distribution.
- **Upside Deviation<sup>1</sup>**
  - Standard Deviation of Positive Returns
- **Weighted Average Market Cap.<sup>4</sup>**
  - 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 (%)<sup>3</sup>**
  - The current yield of a security is the current indicated annual dividend rate divided by current price.
- **Yield to Maturity<sup>3</sup>**
  - The discount rate that equates the present value of cash flows, both principal and interest, to market price.

# DISCLAIMERS & DISCLOSURES

Past performance is no guarantee of future results.

Returns for pooled funds, e.g. mutual funds and collective investment trusts, are collected from third parties; they are not generally calculated by NEPC. Returns for separate accounts, with some exceptions, are calculated by NEPC. Returns are reported net of manager fees unless otherwise noted.

A “since inception” return, if reported, begins with the first full month after funding, although actual inception dates (e.g. the middle of a month) and the timing of cash flows are taken into account in Composite return calculations.

NEPC’s preferred data source is the plan’s custodian bank or record-keeper. If data cannot be obtained from one of the preferred data sources, data provided by investment managers may be used. Information on market indices and security characteristics is received from additional providers. While NEPC has exercised reasonable professional care in preparing this report, we cannot guarantee the accuracy of all source information contained within. In addition, some index returns displayed in this report or used in calculation of a policy index, allocation index or other custom benchmark may be preliminary and subject to change.

All investments carry some level of risk. Diversification and other asset allocation techniques are not guaranteed to ensure profit or protect against losses.

The opinions presented herein represent the good faith views of NEPC as of the date of this presentation and are subject to change at any time. Neither fund performance nor universe rankings contained in this report should be considered a recommendation by NEPC.

This report may contain confidential or proprietary information and may not be copied or redistributed to any party not legally entitled to receive it.

Source of private fund performance benchmark data: Cambridge Associates, via Refinitiv

