

August 2015



**Idaho Endowment Fund
Investment Board**

2nd Quarter 2015
Performance Review

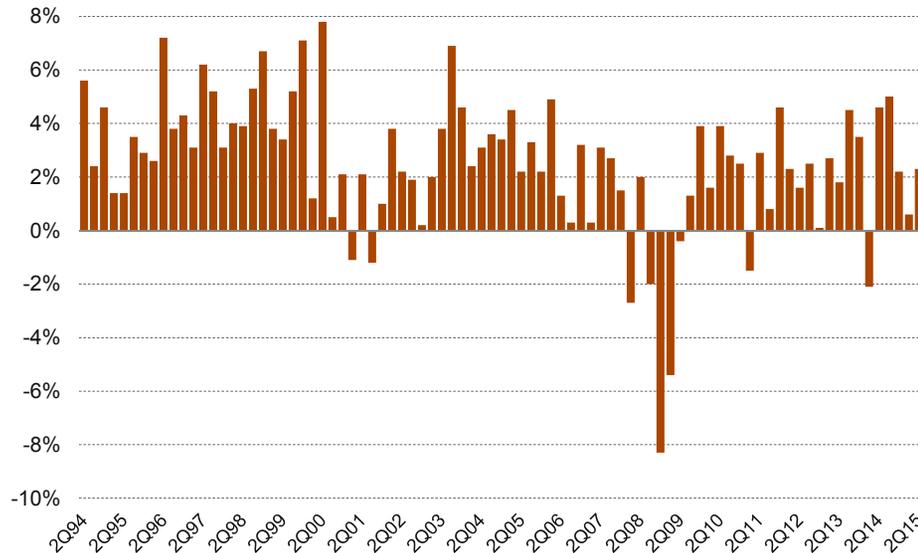
Janet Becker-Wold, CFA
Senior Vice President

Bill Howard, CFA
Senior Vice President

U.S. Economy

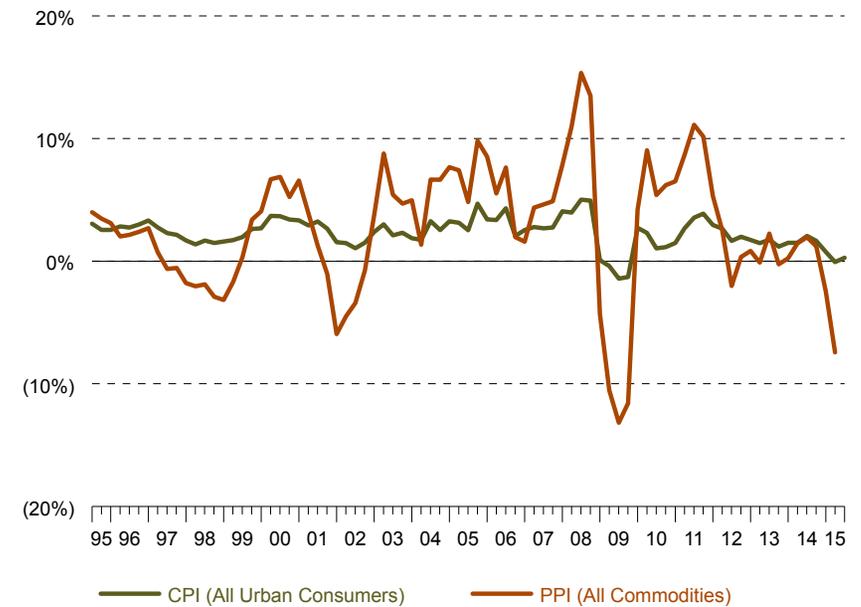
Periods Ending June 30, 2015

Quarterly Real GDP Growth (20 Years)*



Source: Bureau of Economic Analysis

Inflation Year-Over-Year



Source: Bureau of Labor Statistics

- The first estimate of second quarter GDP growth came out at 2.3%, leading the revised first quarter rise of 0.6%.
- June headline inflation was up 0.1% from a year earlier while core inflation rose 1.8%.
- The unemployment rate was 5.3% at quarter end, down 0.3% from the start of the year.
- Payroll growth accelerated with an average addition of 221,000 jobs per month in 2Q15, up from 195,000 in 1Q15.
- WTI oil price is down 44% from June 30, 2014

Asset Class Performance

Periods Ending June 30, 2015

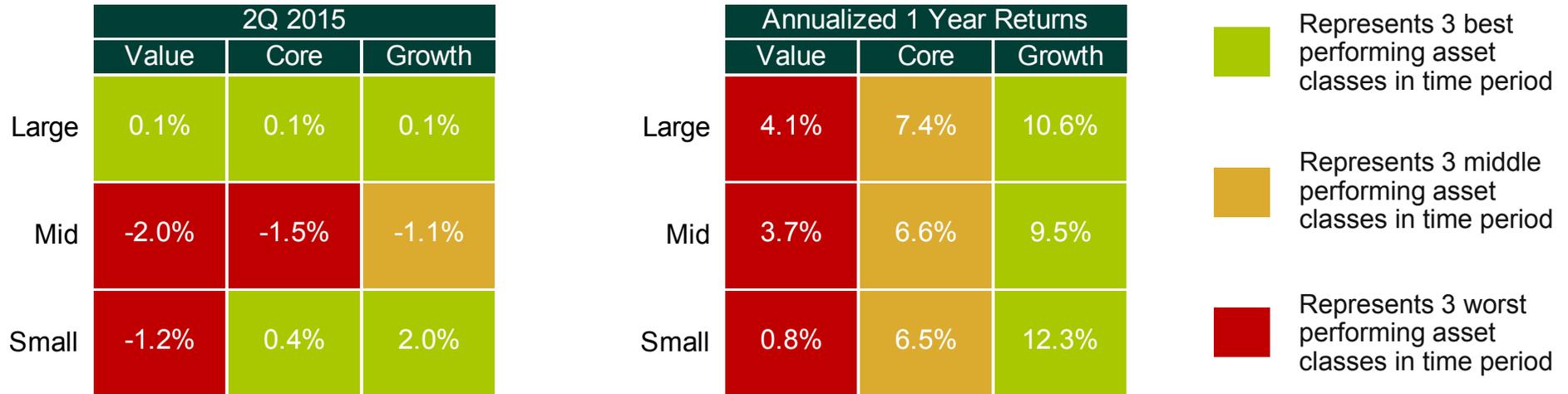
**Periodic Table of Investment Returns
for Periods Ended June 30, 2015**

Last Quarter	Last 2 Quarters	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
MSCI:Emer Markets 0.8%	MSCI:EAFE US\$ 5.5%	S&P:500 7.4%	Russell:2000 Index 17.8%	S&P:500 17.3%	MSCI:Emer Markets 8.5%
MSCI:EAFE US\$ 0.6%	Russell:2000 Index 4.8%	Russell:2000 Index 6.5%	S&P:500 17.3%	Russell:2000 Index 17.1%	Russell:2000 Index 8.4%
Russell:2000 Index 0.4%	MSCI:Emer Markets 3.1%	Barclays:Aggregate Index 1.9%	MSCI:EAFE US\$ 12.0%	MSCI:EAFE US\$ 9.5%	S&P:500 7.9%
S&P:500 0.3%	S&P:500 1.2%	3 Month T-Bill 0.0%	MSCI:Emer Markets 4.1%	MSCI:Emer Markets 4.0%	MSCI:EAFE US\$ 5.1%
3 Month T-Bill 0.0%	3 Month T-Bill 0.0%	MSCI:EAFE US\$ (4.2%)	Barclays:Aggregate Index 1.8%	Barclays:Aggregate Index 3.3%	Barclays:Aggregate Index 4.4%
Barclays:Aggregate Index (1.7%)	Barclays:Aggregate Index (0.1%)	MSCI:Emer Markets (4.8%)	3 Month T-Bill 0.1%	3 Month T-Bill 0.1%	3 Month T-Bill 1.4%

- S&P 500 gained 0.3%, behind Emerging Markets (0.8%) and EAFE (0.6%), but was best over the last year, up 7.4%
- The Russell 2000 gained 0.4% for the quarter but remains a top performer over the last 3, 5, and 10 years
- BC Aggregate fell 1.7%, but remains up 1.9% for last year
- Developed international equities beat domestic equities in 2Q but trailed over last year

U.S. Equity Style Returns

Periods Ending June 30, 2015



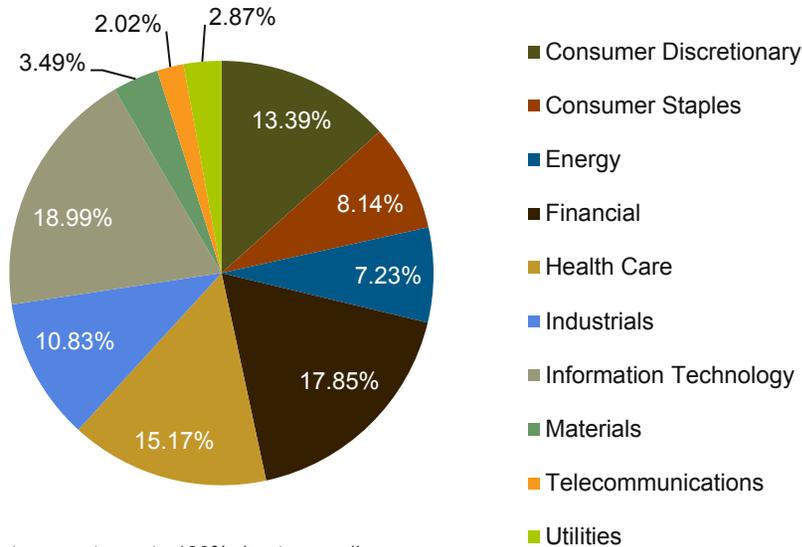
- Last Quarter: Small cap growth fared best overall. Large cap was consistent across all styles
- Last Year: Growth fared best across all market cap ranges, followed by core and value

Large Cap Core is represented by the Russell 1000 Index, Large Cap Value is represented by the Russell 1000 Value Index and Large Cap Growth is represented by the Russell 1000 Growth Index. Mid Cap Core is represented by the Russell Midcap Index, Mid Cap Value is represented by the Russell Midcap Value Index and Mid Cap Growth is represented by the Russell Midcap Growth Index. Small Cap Core is represented by the Russell 2000 Index, Small Cap Value is represented by the Russell 2000 Value Index and Small Cap Growth is represented by the Russell 2000 Growth Index.

U.S. Equity Returns

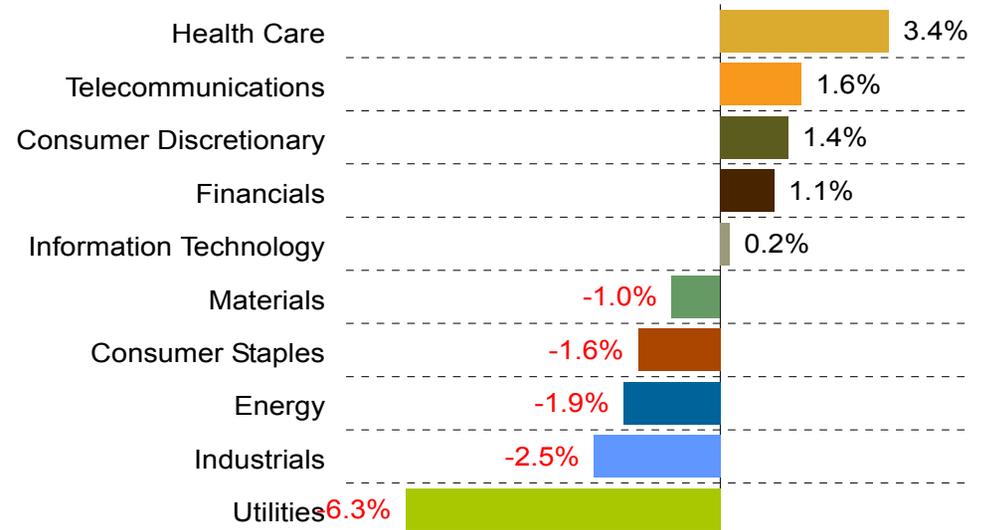
Periods Ending June 30, 2015

Economic Sector Exposure (Russell 3000)



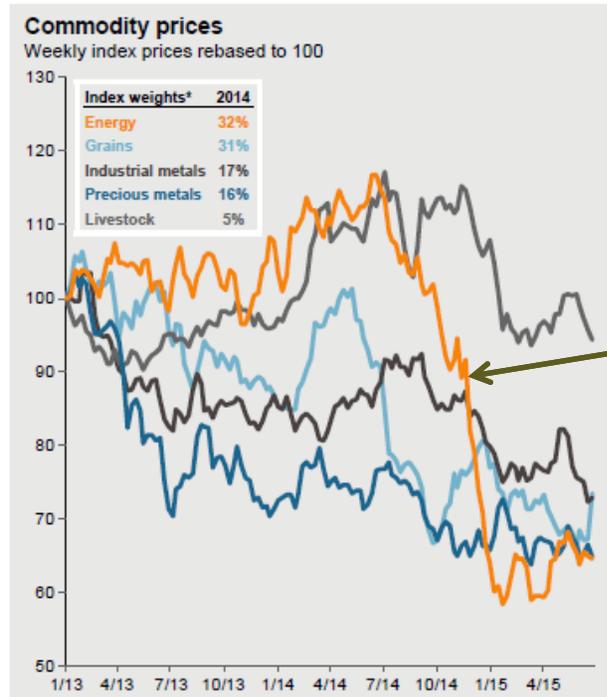
Pie chart may not sum to 100% due to rounding
Source: Russell Investment Group

Quarterly Returns (Russell 3000)

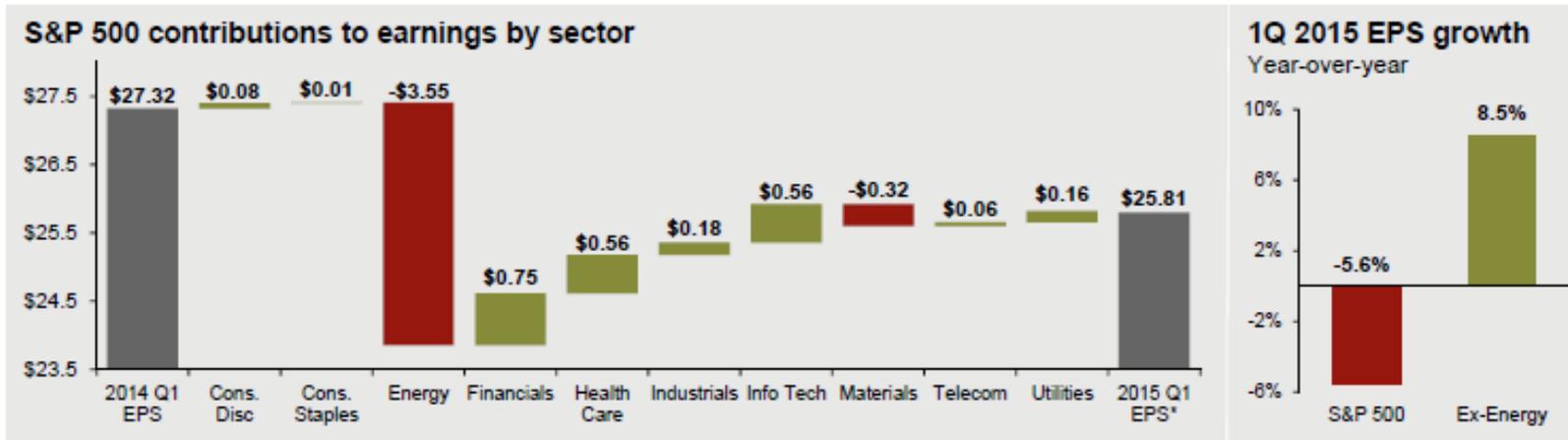


- Sector dispersion was quite large with a 9.7% spread between the best (Health Care: +3.4%) and worst (Utilities: -6.3%) sectors
- In the Russell 1000, cheaper (low P/E) and lower quality (low ROE) companies outperformed for quarter and year-to-date. High secular growth has also outperformed by a wide margin.
- In the Russell 2000, strong Healthcare gains (+5.9%) were driven by Biotech (+14.3%) during the quarter
- Higher interest rates hurt Utilities (-5.4%) and REITS (-8.3%) in the Russell 2000

Impact of Energy on Earnings



Energy prices

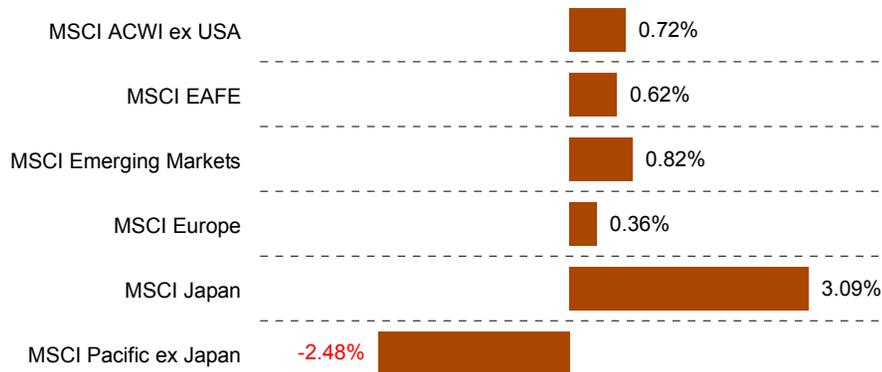


Source: J.P. Morgan Asset Management

International Equity Returns

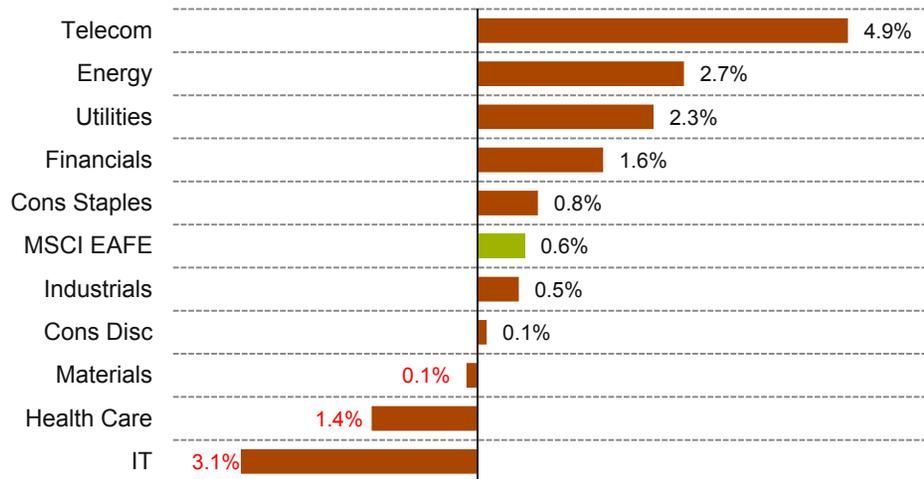
Periods Ending June 30, 2015

Regional Quarterly Performance (U.S. Dollar)



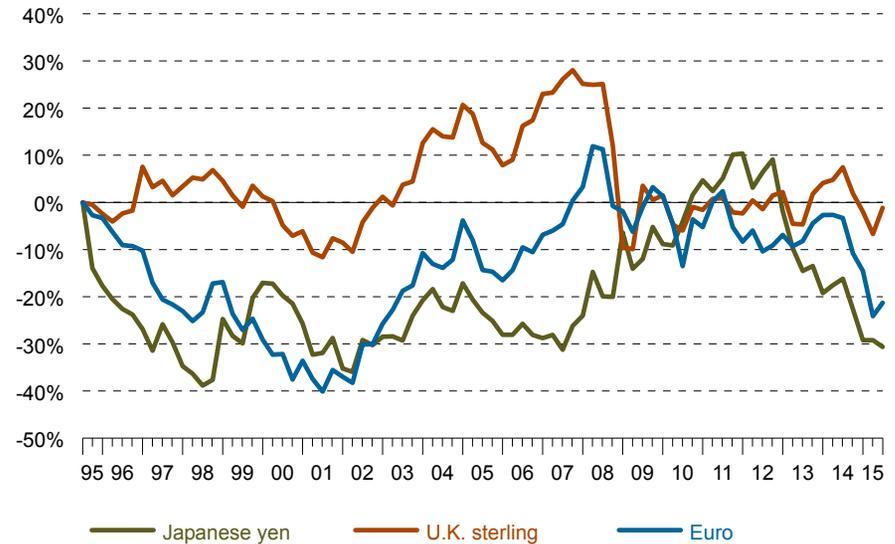
Source: MSCI

MSCI EAFE Sector Returns



Source: Barrow Hanley Quarterly Benchmark Review

Major Currencies' Cumulative Returns (vs. U.S. Dollar)



*Euro returns from 1Q99. German mark prior to 1Q99.

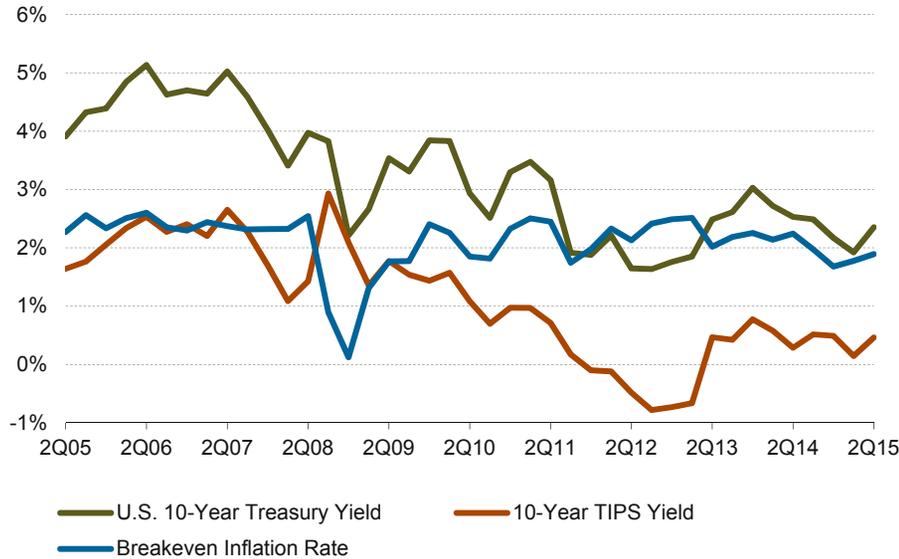
Source: MSCI

- The best performing large market was Japan (+3.1%)
- The euro rose 3.7% versus the dollar while the yen lost 2.2%
- Telecom and Energy were the best performing sectors while IT and Health Care lagged

Yield Curve Changes

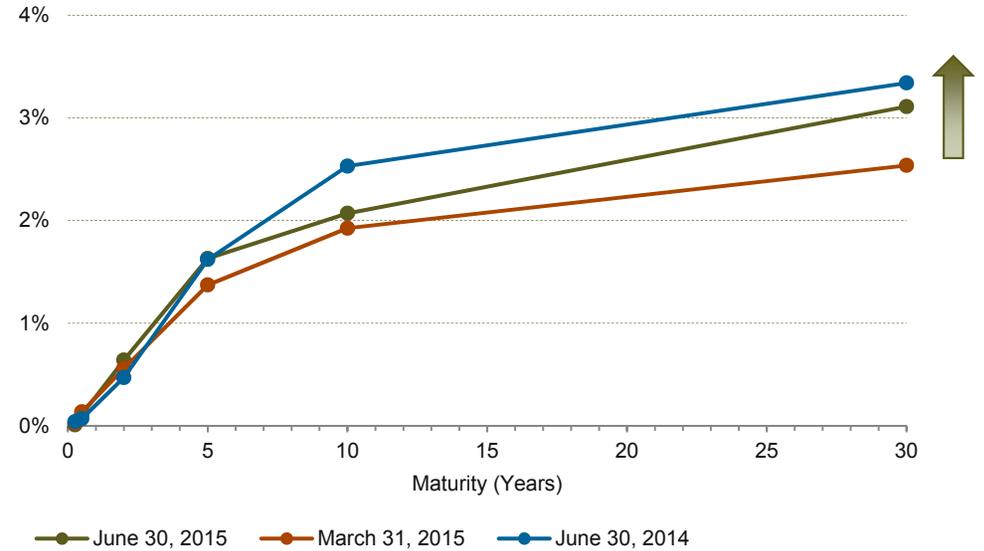
Periods Ending June 30, 2015

Historical 10-Year Yields



Source: Bloomberg

U.S. Treasury Yield Curves



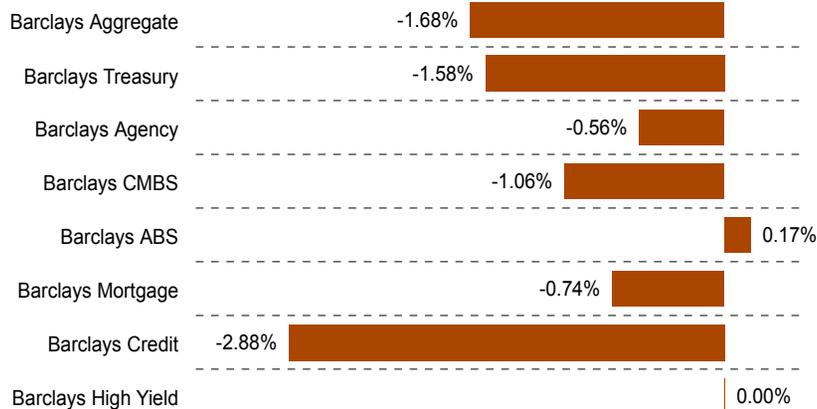
Source: U.S. Department of the Treasury

- The yield curve steepened as the yields on 10 and 30 year issues jumped 43 bps and 60 bps, respectively
- The breakeven inflation rate rose to 1.89% driven by an increase in the 10-year treasury yield
- Real yields also increased

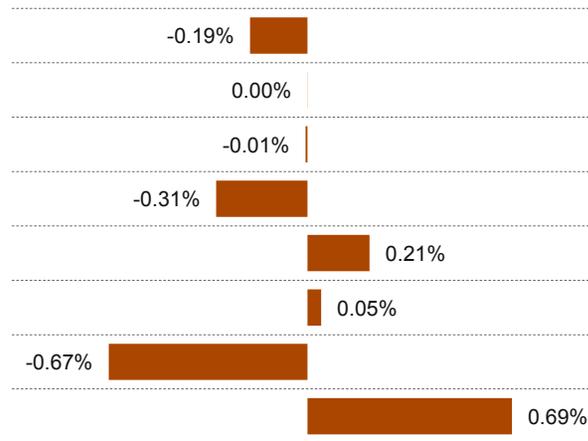
Total Rates of Return by Bond Sector

Periods Ending June 30, 2015

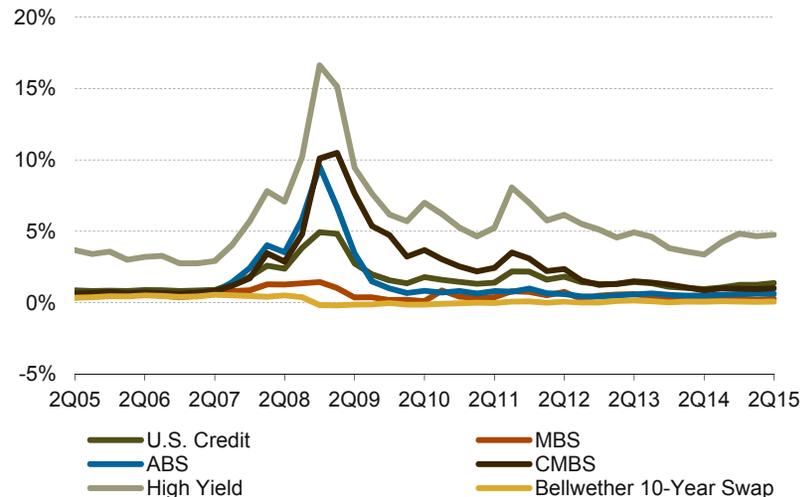
Absolute Returns for Quarter ended June 30, 2015



Excess Return versus Like-Duration Treasuries



Effective Yield Over Treasuries



- BC Aggregate gave back gains from 1Q as rates rose
- High amounts of corporate debt issuance, increased supply, and increasing corporate leverage contributed to wider spreads
- Spreads widened during the quarter with the most dramatic increases to investment grade credit and high yield
- High yield default rates remain below 2% concentrated in the energy sector

Source: Barclays



Fund Specific Review

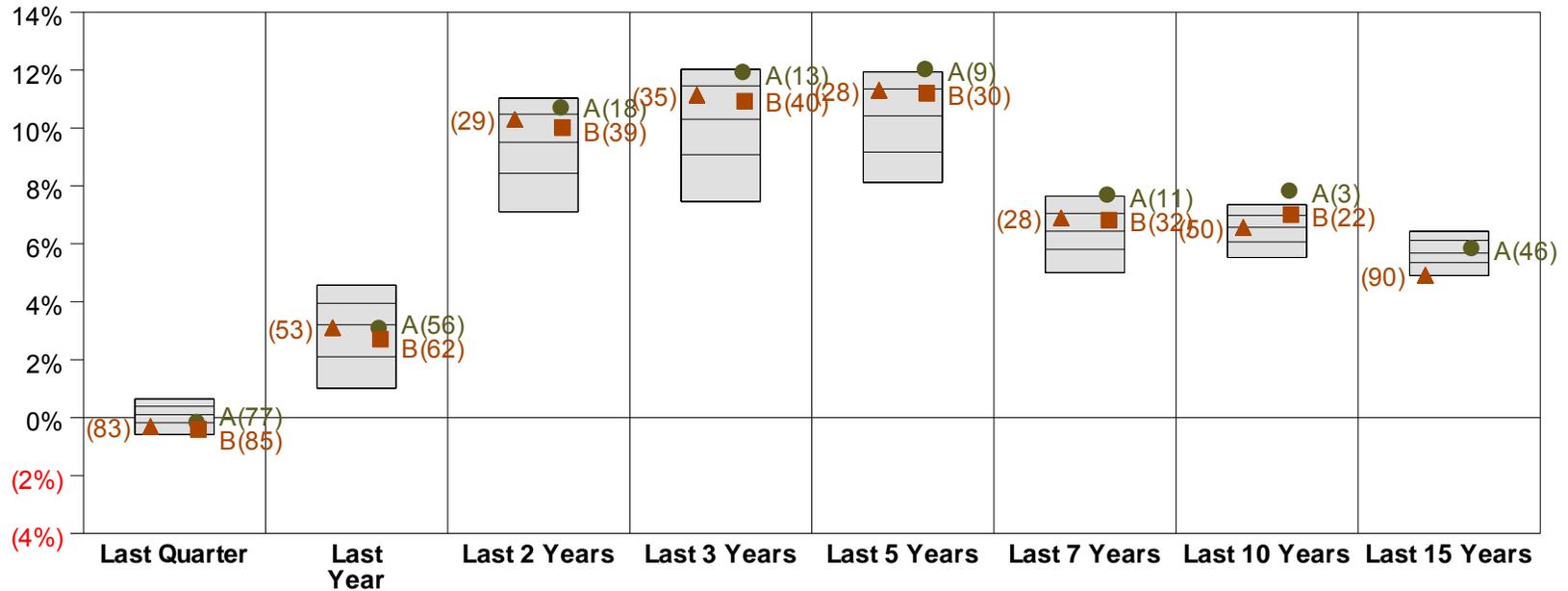
Endowments – Asset Allocation

	June 30, 2015				March 31, 2015	
	Market Value	Weight	Net New Inv.	Inv. Return	Market Value	Weight
Total Equity	\$1,299,316,623	69.42%	\$(3,942)	\$4,528,971	\$1,294,791,594	69.18%
Domestic Equity	\$866,707,143	46.31%	\$0	\$836,738	\$865,870,404	46.26%
Large Cap	\$593,441,158	31.71%	\$0	\$1,917,353	\$591,523,806	31.60%
NTGI S&P 500 SMA	193,521,860	10.34%	0	539,342	192,982,518	10.31%
LSV Asset Mgmt	101,016,253	5.40%	0	402,903	100,613,350	5.38%
Boston Partners	105,201,101	5.62%	0	471,177	104,729,924	5.60%
INTECH	97,629,055	5.22%	0	388,047	97,241,008	5.20%
Sands Capital	96,072,890	5.13%	0	115,884	95,957,005	5.13%
Mid Cap	\$175,277,518	9.36%	\$0	\$(2,187,085)	\$177,464,603	9.48%
Systematic Financial	83,607,539	4.47%	0	(1,666,188)	85,273,727	4.56%
Times Square	91,669,979	4.90%	0	(520,897)	92,190,876	4.93%
Small Cap	\$97,988,467	5.24%	\$0	\$1,106,471	\$96,881,996	5.18%
Barrow, Hanley	48,554,734	2.59%	0	(962,470)	49,517,204	2.65%
Eagle Asset Management	49,433,733	2.64%	0	2,068,940	47,364,793	2.53%
International Equity	\$274,029,993	14.64%	\$(3,942)	\$3,489,272	\$270,544,663	14.45%
Allianz	117,111,210	6.26%	0	1,806,620	115,304,590	6.16%
WCM	123,093,601	6.58%	0	1,399,127	121,694,474	6.50%
Capital International	17,049,566	0.91%	0	98,268	16,951,298	0.91%
Grantham Mayo	16,775,618	0.90%	0	185,088	16,590,530	0.89%
Global Equity	\$158,579,487	8.47%	\$0	\$202,961	\$158,376,526	8.46%
Aberdeen	75,037,753	4.01%	0	(990,329)	76,028,082	4.06%
Lazard	83,541,734	4.46%	0	1,193,289	82,348,444	4.40%
Domestic Fixed Income	\$547,480,844	29.25%	\$10,000,000	\$(8,922,853)	\$546,403,696	29.19%
State Street Global Advisors	547,480,844	29.25%	10,000,000	(8,922,853)	546,403,696	29.19%
Equitization	\$3,588,568	0.19%	\$(2,000,236)	\$292,324	\$5,296,480	0.28%
Cash	\$21,315,004	1.14%	\$(3,893,458)	\$368	\$25,208,094	1.35%
Total Plan ex Equitization	\$1,868,112,471	99.81%	\$6,102,600	\$(4,393,514)	\$1,866,403,385	99.72%
Total Plan	\$1,871,701,039	100.0%	\$4,102,364	\$(4,101,190)	\$1,871,699,865	100.0%

+\$0.0 million

Endowments – Total Fund Performance

Performance vs Public Fund Sponsor Database (Gross)

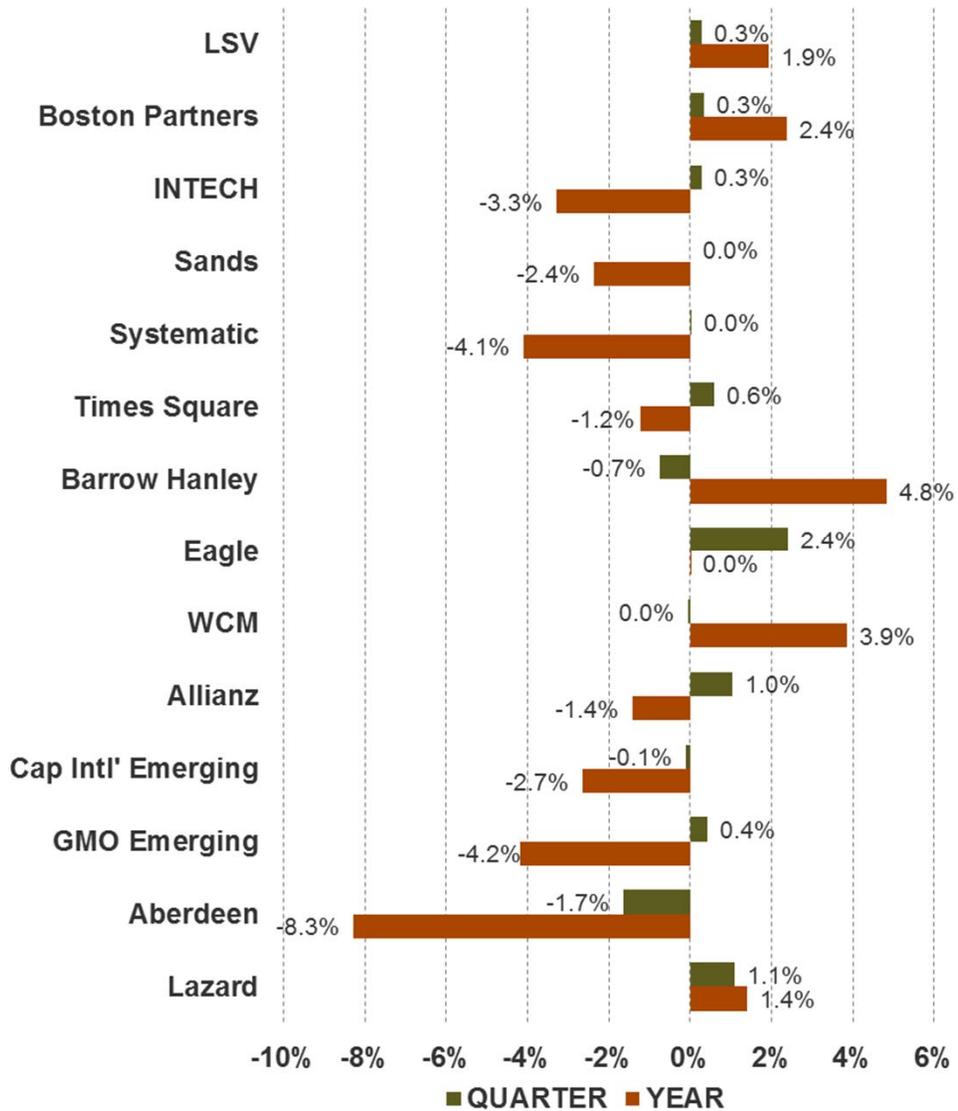


10th Percentile	0.64	4.57	11.04	12.03	11.93	7.64	7.35	6.43
25th Percentile	0.39	3.94	10.48	11.46	11.35	7.05	6.98	6.12
Median	0.10	3.21	9.50	10.30	10.42	6.44	6.57	5.68
75th Percentile	(0.18)	2.10	8.43	9.08	9.17	5.81	6.07	5.35
90th Percentile	(0.58)	1.01	7.11	7.46	8.13	5.01	5.53	4.91
Total Plan	● A (0.22)	3.03	10.64	11.86	11.98	7.63	7.78	5.79
Secondary Benchmark	■ B (0.41)	2.71	10.01	10.93	11.20	6.82	7.01	-
Total Plan Target	▲ (0.31)	3.11	10.30	11.14	11.31	6.90	6.57	4.92

- For the quarter, outperformed the target by nine basis points, ranking 77th percentile
- For the last year, underperformed the target by eight basis points, ranking 56th percentile
- Fund ranked 37th percentile against the Endowment/Foundation database for the last year

Dashboard – All Managers

% Deviation from Benchmark



Quarter:

Below Benchmark:

- Barrow Hanley
- Capital Int'l
- Aberdeen

Year:

Below Benchmark:

- INTECH
- Sands
- Systematic
- Times Square
- Allianz
- Capital Int'l
- GMO
- Aberdeen

Endowments – U.S. Equity Manager Performance

	Last Quarter	Last Year	Last 3 Years	Last 4 Years	Last 5 Years
Total Equity	0.35%	3.45%	15.93%	11.02%	15.12%
MSCI ACWI	0.52%	1.23%	13.61%	8.36%	12.52%
Domestic Equity	0.10%	6.68%	18.68%	14.41%	18.39%
Russell 3000	0.14%	7.29%	17.73%	14.09%	17.54%
Large Cap	0.32%	7.14%	18.53%	15.03%	18.65%
Russell 1000	0.11%	7.37%	17.73%	14.24%	17.58%
Large Cap Core	0.28%	7.44%	17.28%	14.20%	17.33%
NTGI S&P 500 SMA	0.28%	7.44%	17.28%	14.20%	17.33%
S&P 500	0.28%	7.42%	17.31%	14.22%	17.34%
Large Cap Value	0.43%	6.29%	20.16%	15.49%	18.42%
LSV Asset Management	0.40%	6.07%	21.28%	15.76%	18.24%
Boston Partners	0.45%	6.51%	19.10%	15.22%	-
Russell 1000 Value	0.11%	4.13%	17.34%	13.58%	16.50%
Large Cap Growth	0.26%	7.72%	18.00%	15.26%	19.99%
INTECH	0.40%	7.28%	16.31%	13.25%	17.38%
Sands Capital	0.12%	8.18%	19.45%	17.10%	22.47%
Russell 1000 Growth	0.12%	10.56%	17.99%	14.81%	18.59%
Mid Cap	(1.23%)	3.92%	18.04%	12.75%	16.91%
Russell MidCap Index	(1.54%)	6.63%	19.26%	13.65%	18.23%
Systematic Financial	(1.95%)	(0.42%)	16.31%	10.64%	15.72%
Russell MidCap Value	(1.97%)	3.67%	19.13%	13.92%	17.73%
Times Square	(0.56%)	8.23%	19.67%	14.78%	18.02%
Russell MidCap Growth	(1.14%)	9.45%	19.24%	13.24%	18.69%
Small Cap	1.14%	8.91%	21.04%	13.27%	19.25%
Russell 2000	0.42%	6.49%	17.81%	12.49%	17.08%
Barrow, Hanley	(1.94%)	5.61%	21.93%	13.97%	19.10%
Russell 2000 Value	(1.20%)	0.78%	15.50%	11.01%	14.81%
Eagle Asset Management	4.37%	12.35%	19.86%	12.03%	18.91%
Russell 2000 Growth	1.98%	12.34%	20.11%	13.95%	19.33%

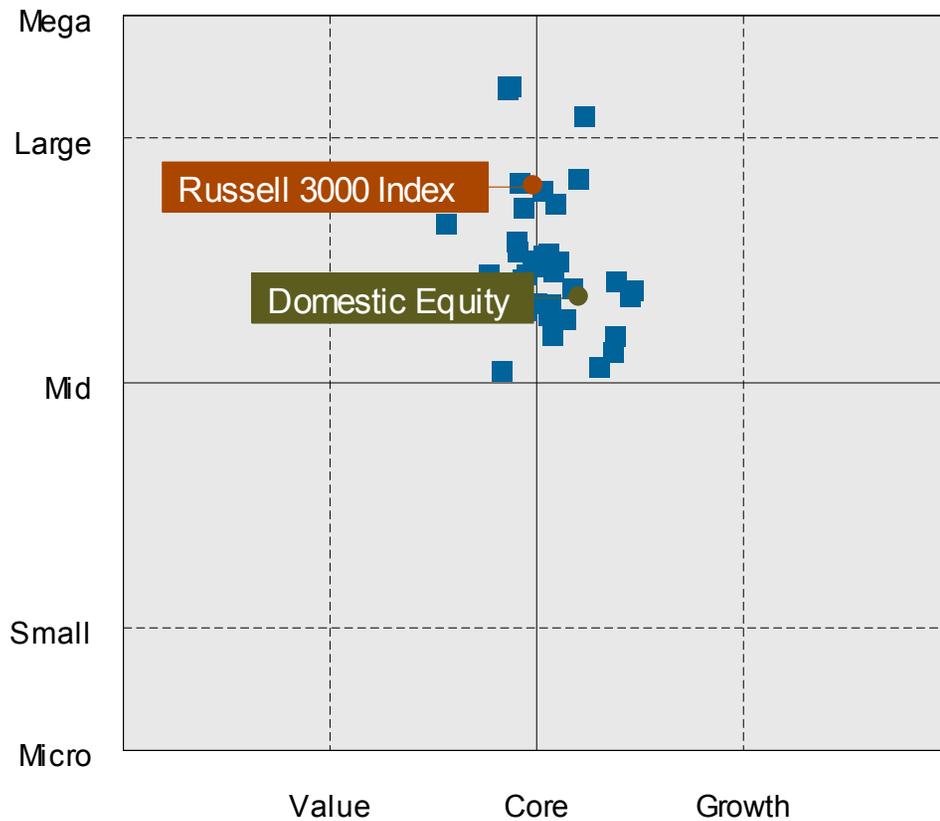
For the Quarter:

- Domestic equity trailed the Russell 3000 by 4 bps
- Large cap value managers outperformed index by 32 bps
- Mid cap managers experienced a tough quarter but beat their respective benchmarks
- Best absolute and relative performance came from Eagle who outperformed benchmark by 2.4%

U.S. Equity Style Map

(\$867 Million; 46.3% of the Portfolio)

Style Map vs Pub Pln- Dom Equity Holdings as of June 30, 2015



- U.S. Equity composite exhibits a slight growth and smaller capitalization bias
 - For the quarter, the smaller capitalization bias boosted performance as small caps outperformed large caps
- Russell 1000 Index: 0.1%
 - Russell 2000 Index: 0.4%

Endowments – International and Fixed Income Performance

	Last Quarter	Last Year	Last 3 Years	Last 4 Years	Last 5 Years
International Equity	1.29%	(2.68%)	10.48%	2.97%	7.50%
International Equity Target	0.53%	(5.26%)	9.44%	2.87%	7.76%
MSCI ACWI x US (Net)	0.53%	(5.26%)	9.44%	2.87%	7.76%
WCM	1.15%	2.88%	-	-	-
MSCI EAFE Growth	1.19%	(0.97%)	12.50%	5.73%	10.47%
Allianz	1.57%	(6.67%)	-	-	-
MSCI EAFE Value	0.48%	(6.64%)	12.37%	4.92%	9.53%
Capital International	0.58%	(7.78%)	2.55%	(4.15%)	0.95%
Grantham Mayo	1.12%	(9.30%)	0.55%	(4.45%)	2.31%
MSCI Emerging Mkts (net)	0.69%	(5.12%)	3.71%	(1.59%)	3.69%
Global Equity	0.13%	(2.71%)	10.17%	6.72%	10.37%
Aberdeen	(1.30%)	(7.57%)	7.87%	5.54%	10.18%
Lazard	1.45%	2.12%	12.44%	7.84%	10.53%
MSCI ACWI - Net	0.35%	0.71%	13.01%	7.79%	11.93%
Domestic Fixed Income	(1.60%)	1.36%	1.42%	3.09%	3.31%
State Street Global Advisors	(1.60%)	1.36%	1.42%	3.09%	3.31%
BC Aggregate	(1.68%)	1.86%	1.83%	3.21%	3.35%
85% Agg/ 15% TIPS	(1.59%)	1.32%	1.44%	3.07%	3.31%
Cash	0.00%	0.01%	0.06%	0.05%	0.22%
3-month Treasury Bill	0.01%	0.02%	0.06%	0.06%	0.08%
Total Plan ex Equitization	(0.24%)	2.82%	11.76%	8.81%	11.76%
Total Plan	(0.22%)	3.03%	11.86%	9.02%	11.98%
Total Plan Target	(0.31%)	3.11%	11.14%	8.59%	11.31%
Secondary Benchmark	(0.41%)	2.71%	10.93%	8.29%	11.20%
CPI All Urban Consumers	1.07%	0.12%	1.31%	1.40%	1.83%

- Int'l equity composite beat the benchmark for the quarter and last year
- Global equity composite lagged the benchmark for the quarter and last year
- Fixed income posted negative returns on rising interest rates

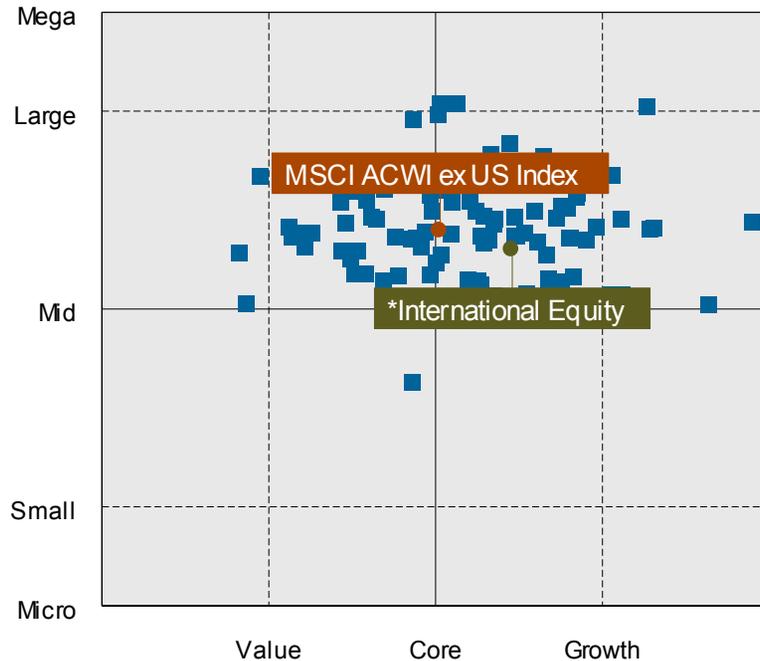
Total Plan Target: 45.0% Russell 3000; 30.0% BC Aggregate; 16.0% MSCI ACWI ex-US (net); 9.0% MSCI All Country World (net)

Secondary Benchmark: 30.8% Russell 1000; 25.5% BC Aggregate; 14.00% MSCI ACWI ex-US (Net); 9.1% MSCI ACWI (Net); 9.0% Russell Mid Cap Index; 5.0% Russell 2000; 4.5% BC US TIPS; 2.1% MSCI Emerging Markets (Net)

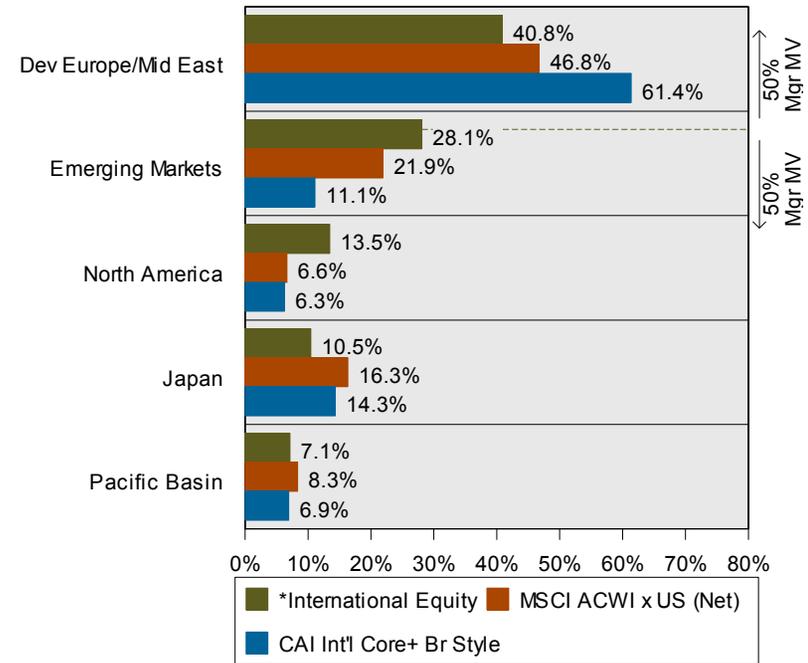
International Equity

(\$274 Million; 14.6% of the Portfolio)

Style Map vs CAI Non-U.S. Eq. Style Holdings as of June 30, 2015



Regional Allocation June 30, 2015



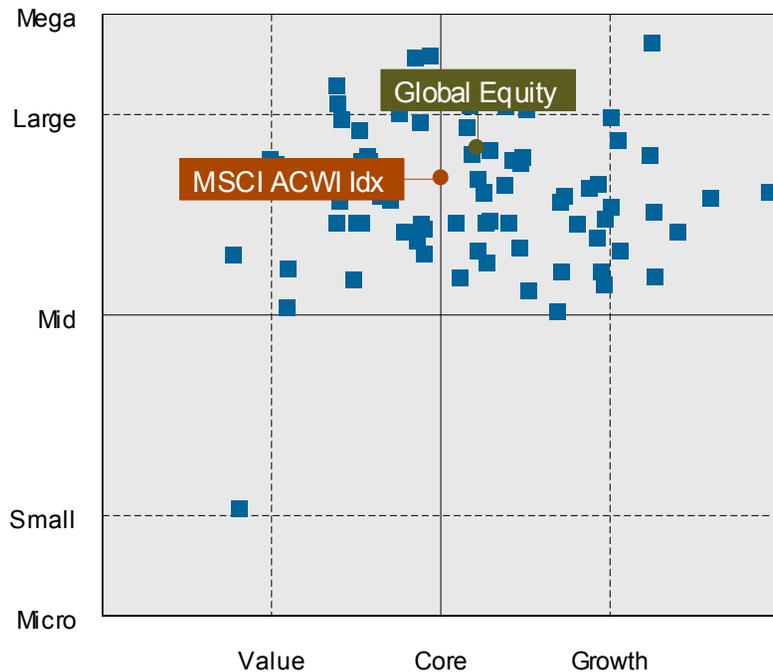
- International composite exhibits a slightly smaller capitalization and growth bias relative to the Index
- Portfolio's regional exposure deviates from the benchmark with overweights to North America (WCM) and Emerging Markets

*6/30/15 portfolio characteristics generated using most recently available holdings (3/31/15) modified based on a "buy-and-hold" assumption (repriced and adjusted for corporate actions). Analysis is then done using current market and company financial data.

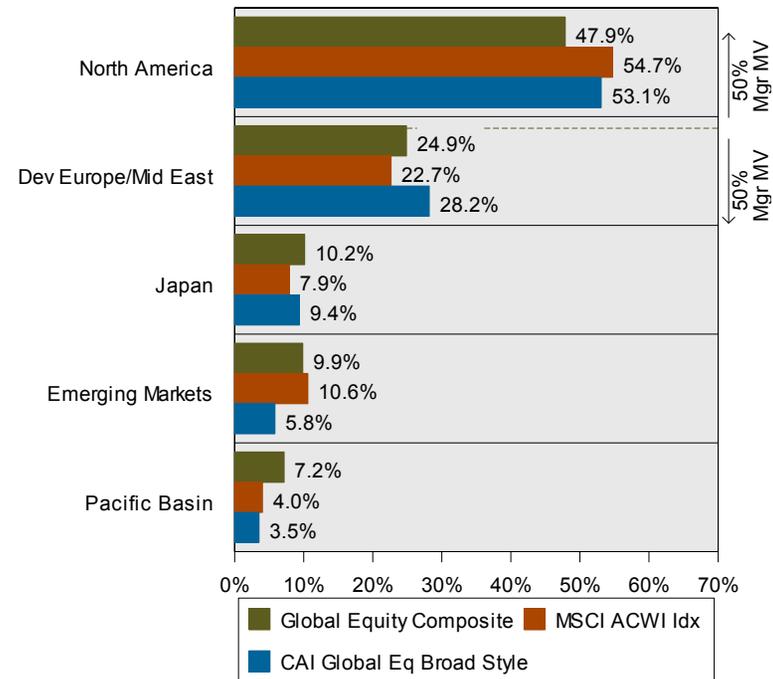
Global Equity

(\$159 Million; 8.5% of the Portfolio)

Style Map vs CAI Global Eq Broad Style Holdings as of June 30, 2015



Regional Allocation June 30, 2015



- Global composite exhibits a larger capitalization and slight growth bias relative to the Index
- Portfolio's regional exposure maintains a non-U.S. bias

*6/30/15 portfolio characteristics generated using most recently available holdings (3/31/15) modified based on a "buy-and-hold" assumption (repriced and adjusted for corporate actions). Analysis is then done using current market and company financial data.

SIF – Asset Allocation

	June 30, 2015			Net New Inv.	Inv. Return	March 31, 2015	
	Market Value	Weight	Market Value			Weight	
Total Equity	\$83,190,610	13.38%		\$211	\$217,921	\$82,972,477	13.25%
Domestic Equity	\$64,377,105	10.36%		\$211	\$23,561	\$64,353,332	10.28%
Large Cap	\$41,690,118	6.71%		\$211	\$130,391	\$41,559,515	6.64%
NTGI S&P 500	41,690,118	6.71%		211	130,391	41,559,515	6.64%
Mid Cap	\$15,342,181	2.47%		\$0	\$(192,046)	\$15,534,226	2.48%
Systematic Financial	7,284,952	1.17%		0	(145,259)	7,430,211	1.19%
Times Square	8,057,228	1.30%		0	(46,787)	8,104,015	1.29%
Small Cap	\$7,344,807	1.18%		\$0	\$85,216	\$7,259,590	1.16%
Barrow, Hanley	3,649,900	0.59%		0	(71,183)	3,721,084	0.59%
Eagle Asset Management	3,694,906	0.59%		0	156,400	3,538,507	0.56%
International Equity	\$18,813,505	3.03%		\$0	\$194,360	\$18,619,145	2.97%
Vanguard FTSE ex-US	18,813,505	3.03%		0	194,360	18,619,145	2.97%
Domestic Fixed Income	\$538,349,630	86.62%		\$0	\$(4,970,033)	\$543,319,663	86.75%
NTGI Blended Fixed Income	486,162,339	78.22%		0	(4,415,700)	490,578,039	78.33%
NTGI TIPS	52,187,291	8.40%		0	(554,333)	52,741,624	8.42%
Total Plan	\$621,540,240	100.0%		\$126	\$(4,752,112)	\$626,292,225	100.0%

-\$4.8 million

SIF – Manager Performance

	Last Quarter	Last Year	Last 3 Years	Last 4 Years	Last 5 Years
Total Equity	0.26%	4.15%	15.91%	11.35%	15.37%
Domestic Equity	0.04%	6.86%	17.63%	13.70%	17.36%
Russell 3000	0.14%	7.29%	17.73%	14.09%	17.54%
Large Cap	0.31%	7.43%	17.11%	14.07%	17.18%
Russell 1000	0.11%	7.37%	17.73%	14.24%	17.58%
NTGI S&P 500	0.31%	7.43%	17.11%	14.07%	17.18%
S&P 500	0.28%	7.42%	17.31%	14.22%	17.34%
Mid Cap	(1.24%)	3.88%	17.98%	12.68%	16.85%
Russell Mid Cap	(1.54%)	6.63%	19.26%	13.65%	18.23%
Systematic Financial	(1.96%)	(0.43%)	16.21%	10.59%	15.66%
Russell MidCap Value	(1.97%)	3.67%	19.13%	13.92%	17.73%
Times Square	(0.58%)	8.11%	19.64%	14.71%	17.94%
Russell MidCap Growth	(1.14%)	9.45%	19.24%	13.24%	18.69%
Small Cap	1.17%	8.90%	20.79%	12.85%	19.01%
Russell 2000	0.42%	6.49%	17.81%	12.49%	17.08%
Barrow, Hanley	(1.91%)	5.55%	21.82%	13.72%	18.99%
Russell 2000 Value	(1.20%)	0.78%	15.50%	11.01%	14.81%
Eagle Asset Management	4.42%	12.41%	19.77%	11.99%	18.92%
Russell 2000 Growth	1.98%	12.34%	20.11%	13.95%	19.33%
International Equity	1.04%	(4.38%)	9.78%	3.09%	8.26%
Vanguard FTSE ex-US	1.04%	(4.38%)	9.78%	3.09%	8.26%
MSCI ACWI x US (Net)	0.53%	(5.26%)	9.44%	2.87%	7.76%
Domestic Fixed Income	(0.91%)	1.50%	1.26%	2.74%	2.91%
Domestic Fixed Income Target**	(0.89%)	1.24%	1.27%	2.39%	2.65%
NTGI Blended Fixed Income	(0.90%)	1.87%	1.49%	2.80%	2.86%
Blended Benchmark	(0.87%)	1.58%	1.49%	2.40%	2.58%
NTGI TIPS	(1.05%)	(1.74%)	(0.72%)	2.27%	3.33%
BC US TIPS Index	(1.06%)	(1.73%)	(0.76%)	2.21%	3.29%
Total Plan	(0.76%)	1.85%	3.17%	3.93%	4.56%
Total Plan Target	(0.73%)	1.56%	3.02%	3.51%	4.23%
CPI All Urban Consumers	1.07%	0.12%	1.31%	1.40%	1.83%

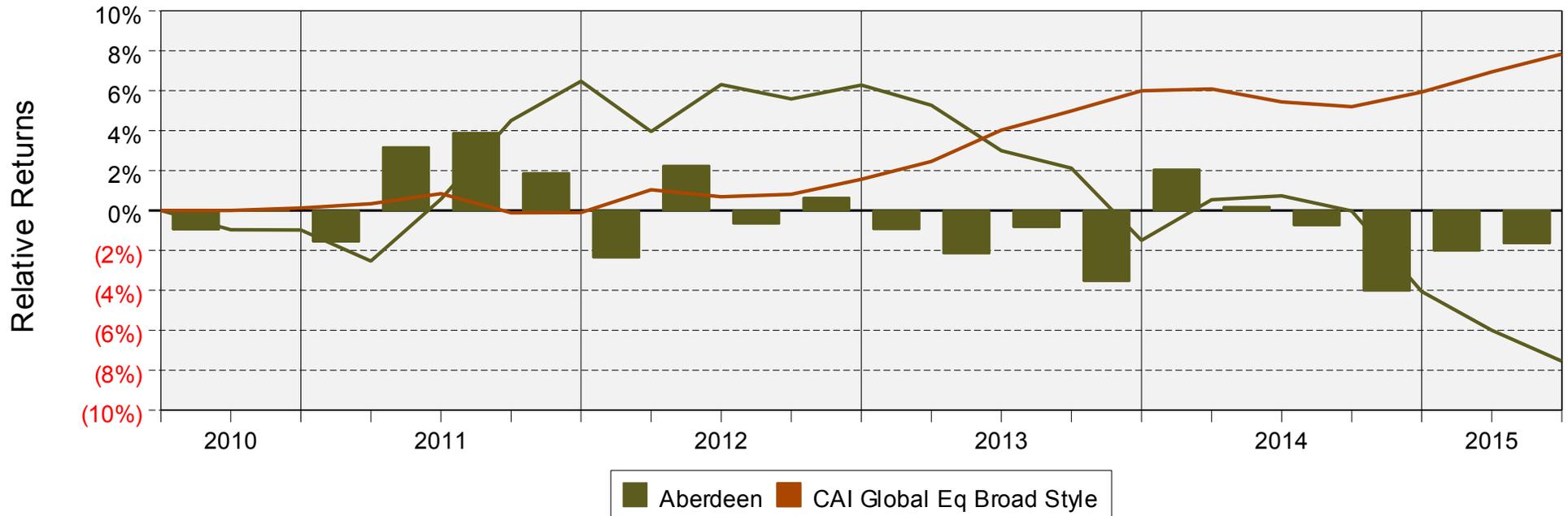
For the Quarter:

- Mid Cap and Small Cap managers generally outperformed benchmarks
- Fixed Income experienced difficult quarter as rates ticked upward
- Total Plan ahead of target over longer time periods

** Domestic fixed income target = 35.1% BC Gov/Credit Int, 35.1% BC Agg, 19.8% ML 1-3 yr Treasury, 10% TIPS

Aberdeen – Global Equity (\$75.0 M, 4.0%)

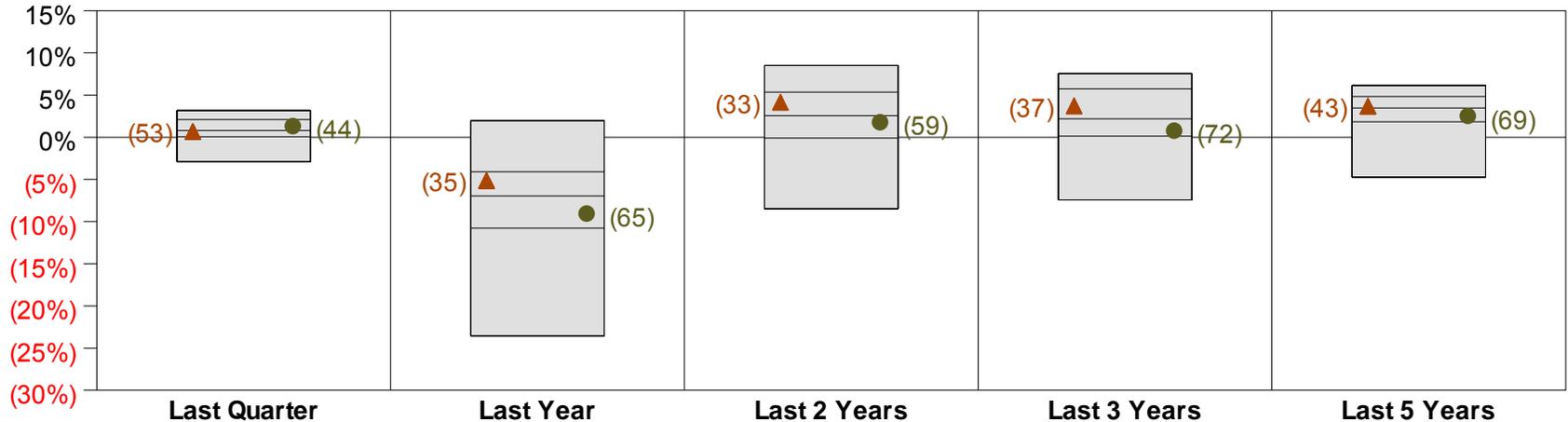
Cumulative and Quarterly Relative Return vs MSCI ACWI - Net



- Underperformed the benchmark in eight of the last ten quarters
- Cumulative underperformance nearly 8% over last 5 years versus the benchmark
- Underweight to the U.S. and a value and quality orientation has been a headwind to performance

GMO– Emerging Markets (\$16.8 M, 0.9%)

Performance vs CAI MF - Emerging Markets Style (Net)

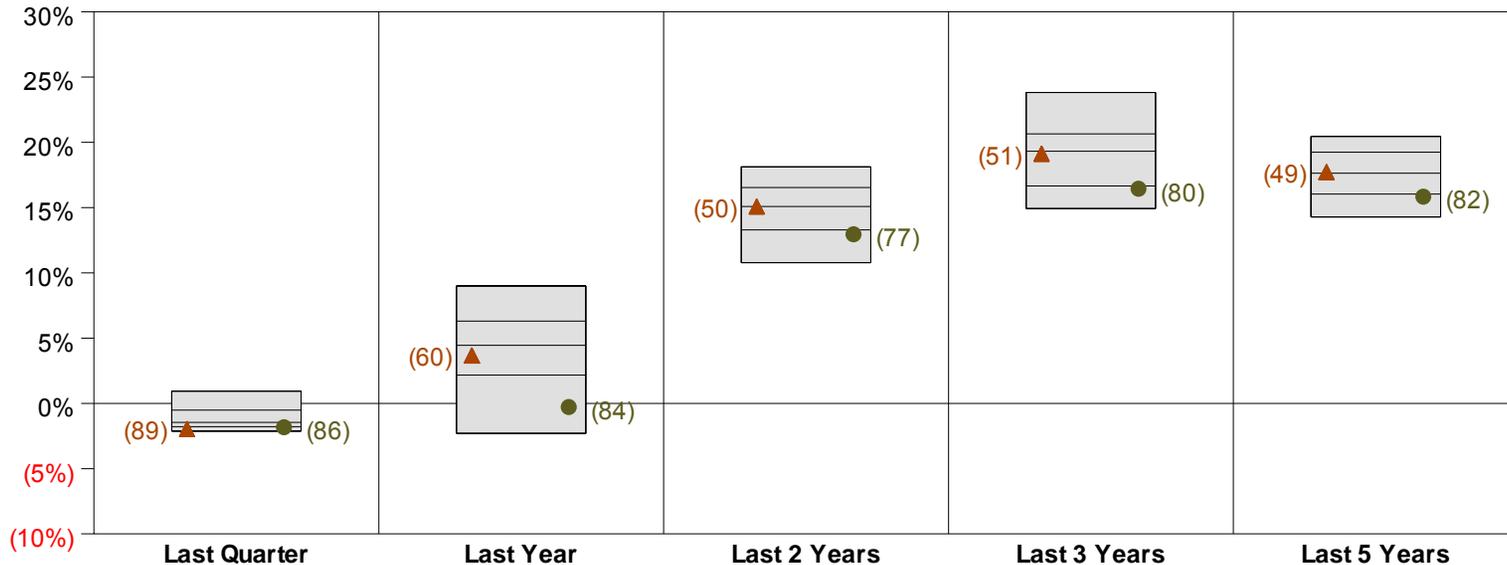


	Last Quarter	Last Year	Last 2 Years	Last 3 Years	Last 5 Years
10th Percentile	3.15	1.97	8.52	7.55	6.13
25th Percentile	2.09	(4.09)	5.35	5.74	4.82
Median	0.81	(6.95)	2.56	2.18	3.47
75th Percentile	0.05	(10.79)	(0.10)	0.13	1.83
90th Percentile	(2.90)	(23.57)	(8.50)	(7.45)	(4.74)
Grantham Mayo ●	1.12	(9.30)	1.56	0.55	2.31
MSCI Emerging Mkts - Net ▲	0.69	(5.12)	4.14	3.71	3.69

- GMO reversed recent trends and outperformed the index by 43 bps, ranking in the 44th percentile versus peers
- In the quarter, country and currency selection added 72 bps and 48 bps, respectively, while security selection detracted 90 bps
- Lags benchmark and median over 1-, 2-, 3- and 5-year period

Systematic – Mid Cap (\$83.6 M, 4.5%)

Performance vs CAI Mid Cap Value Style (Gross)



	Last Quarter	Last Year	Last 2 Years	Last 3 Years	Last 5 Years
10th Percentile	0.94	9.00	18.13	23.82	20.45
25th Percentile	(0.51)	6.31	16.54	20.64	19.25
Median	(1.45)	4.46	15.09	19.31	17.63
75th Percentile	(1.78)	2.16	13.30	16.66	16.03
90th Percentile	(2.13)	(2.29)	10.78	14.92	14.28
Systematic Financial ●	(1.95)	(0.42)	12.83	16.31	15.72
Russell MidCap Value Idx ▲	(1.97)	3.67	15.09	19.13	17.73

- While Systematic beat the benchmark by 2 bps this quarter, they have underperformed the Russell MidCap Value Index over every other time period shown
- Systematic is in bottom quartile over all time periods shown



Appendix

Endowments Compliance Report

Objectives – Three Years	Compliant?	Comments
Maintain purchasing power (3-year trailing)	Yes	

Asset Allocation			
Category	Range	Target	Actual
Equities	67%-73%	70.0%	69.4%
Domestic	40%-50%	44.8%	46.3%
Large cap	26.5%-36.5%	30.8%	31.7%
Mid cap	5%-13%	9.0%	9.4%
Small cap	2.0%-7%	5.0%	5.2%
International	12%-20%	16.1%	14.6%
Global	5-13%	9.1%	8.5%
Fixed Income	27%-33%	30.0%	29.3%
Cash and Equivalents	0%-5%	0.0%	1.3%

Rebalancing		
Applied when appropriate	Yes	

Performance		
Managers remain in specified style	Yes	
Active managers above median/indices for 3-years	No	See 1 below

Note 1: Allianz, INTECH, Systematic, Eagle, GMO, Aberdeen and Lazard are behind their median and index. Capital International is behind its index

SIF Compliance Report

Provide reserves for workers' compensation claims	Yes	\$621.5 million in assets
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Asset Allocation			
Category	Range	Target	Actual
Equities		13.0%	13.4%
Domestic	7%-11%	9.0%	10.4%
Large cap		6.3%	6.7%
Mid cap		1.8%	2.5%
Small cap		0.9%	1.2%
International	2%-6%	4.0%	3.0%
Fixed Income	80%-90%	87.0%	86.6%
Blended Fixed Income		78.4%	78.2%
TIPS		8.6%	8.4%
Cash and Equivalents	0%-3%	0.0%	0.0%

Rebalancing		
Applied when appropriate	Yes	

Performance		
Managers remain in specified style	Yes	
Active managers above median/indices for 3-years	No	See 1 below

Note 1: Systematic and Eagle are behind their median and index returns