

**CITY OF POMPANO BEACH  
GENERAL EMPLOYEES' RETIREMENT SYSTEM  
INVESTMENT PERFORMANCE ANALYSIS  
FIRST QUARTER 2017**

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Only the executive summary portion of our reporting is provided herein. If you would like an electronic copy of the back-up pages to this executive summary, send your request to [jeff@seadvisory.com](mailto:jeff@seadvisory.com).

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**INVESTMENT PERFORMANCE ANALYSIS**

**MARCH 31, 2017**

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## Executive Summary

# CITY OF POMPANO BEACH GENERAL EMPLOYEES' RETIREMENT SYSTEM

Quarter Ending March 31, 2017

### I. MARKET ENVIRONMENT

Index	First Quarter	1 Year	3 Year
Standard & Poor's 500 Index	6.1%	17.2%	10.4%
MSCI EAFE Index (Net)	7.2%	11.7%	0.5%
NCREIF Index	1.6%	7.3%	10.6%
CSFB Hedge Index	2.1%	5.7%	1.9%
BBgBarc U.S. Aggregate	0.8%	0.4%	2.7%
91 Day Treasury Bills	0.1%	0.4%	0.2%
Consumer Price Index	1.0%	2.4%	1.0%

The U.S. market rally continued through March 1, 2017 with the Wilshire 5000 setting thirteen record highs for the year, followed by a rate increase by The Federal Reserve -- their second in three months -- which calmed both equity and bond markets. Barring any unforeseen events, the markets are now poised to shift focus from the Fed to the new earnings season, beginning in April. Real GDP growth slowed during the fourth quarter of 2016 but was solid at 2.1% annualized. Economic growth for the entire year was equal to 1.6%, the lowest since a similar figure in 2013.

Rates were little changed during the quarter. While the 10-year Treasury was down just .05%, finishing at 2.4%, the 1-year yield was up .2%. This shift was driven by the Federal Reserve's decision to increase the Fed-funds rate by .25% during their March meeting, which followed a similar increase in December. Consumer price increases continue to accelerate into the first quarter of 2017. The Consumer Price Index was up .95% for the quarter and 2.35% for the one-year period. The 10-year breakeven inflation rate closed the first quarter at 2.0%, little changed from December. Breakeven did push past 2% in January, however, for the first time in more than two years.

**Equities:** The U.S. S&P 500 was up 6.1% for the first quarter of 2017. The market has been trending upward, generally, for more than a year now, including six straight quarterly gains. Economic releases during the quarter were strong and markets took comfort in both the Federal Reserve's .25% increase in the overnight rate and its accompanying statement. Large capitalization stocks outperformed smaller shares with the Wilshire Large-Cap Index up 6.0% versus a gain of 2.3% for the Wilshire US Small-Cap Index. Small cap performed better, however, for the one-year period although both segments have been quite strong. Growth stocks led value during the first quarter in both large- and small-cap spaces and lead for the past twelve months, as well. Sector performance was varied during the quarter. The best performing sector was IT (11.9%) with Health Care (8.8%) and Consumer Discretionary (7.9%) close behind. Two sectors were in negative territory; Energy (-6.9%) and Telecom Services (-3.4%).

**Fixed Income:** The U.S. Treasury yield curve did not shift much during the quarter but did flatten with the six-month yield up .3% and the ten-year down .05%. The bellwether 10-year Treasury yield ended the quarter at 2.4%, down slightly but much higher than a year ago (1.8%). The Federal Open Market Committee decided to increase their overnight rate by .25% at their March meeting, their third increase since 2008. Credit spreads continued lower during the quarter in both investment grade and high yield bonds. High yield spreads, which have averaged 6% during the past decade, fell below 4% during the quarter for the first time since mid-2014.

**Alternatives:** Hedge fund sentiment may be improving, as investors placed an estimated \$21.9 billion in new hedge capital during 1Q17. After years of net outflows, this bump in new allocations is the industry's largest since 3Q15. Total hedge fund AUM now sits at \$3.1 trillion, just 2% from its all-time high. The conclusion of industry tracker eVestment is that for the hedge fund industry to be successful and grow assets outside of performance gains, it must offer investors something that cannot be accessed elsewhere at a cheaper cost. *eVestment Hedge Fund Industry Report March/1Q17*



## II. Live Universe Comparisons and Reporting

### Wilshire Public Plan Sponsor Universe



Number of Plans	252
Median Size	\$316.9 Million
Total Assets	\$2.6 Trillion
Total Plans over \$1 Billion	93
Total Plans between \$100 - \$1,000 Million	88
Total Plans between \$20 Million - \$100 Million	42
Total Plans under \$20 Million	29

### About Wilshire Associates

The Wilshire Cooperative is collaboration between Wilshire Associates and more than 60 independent investment consulting firms. Wilshire provides advanced performance measurement and attribution reporting systems to participating firms while Cooperative members provide asset and performance data for their sponsor clients. These are then pooled into peer groups for comparative purposes. Today, the Wilshire Cooperative is the standard utilized by over 1600 plan sponsors with assets over \$3.9 trillion dollars.

### Our Universe Comparisons

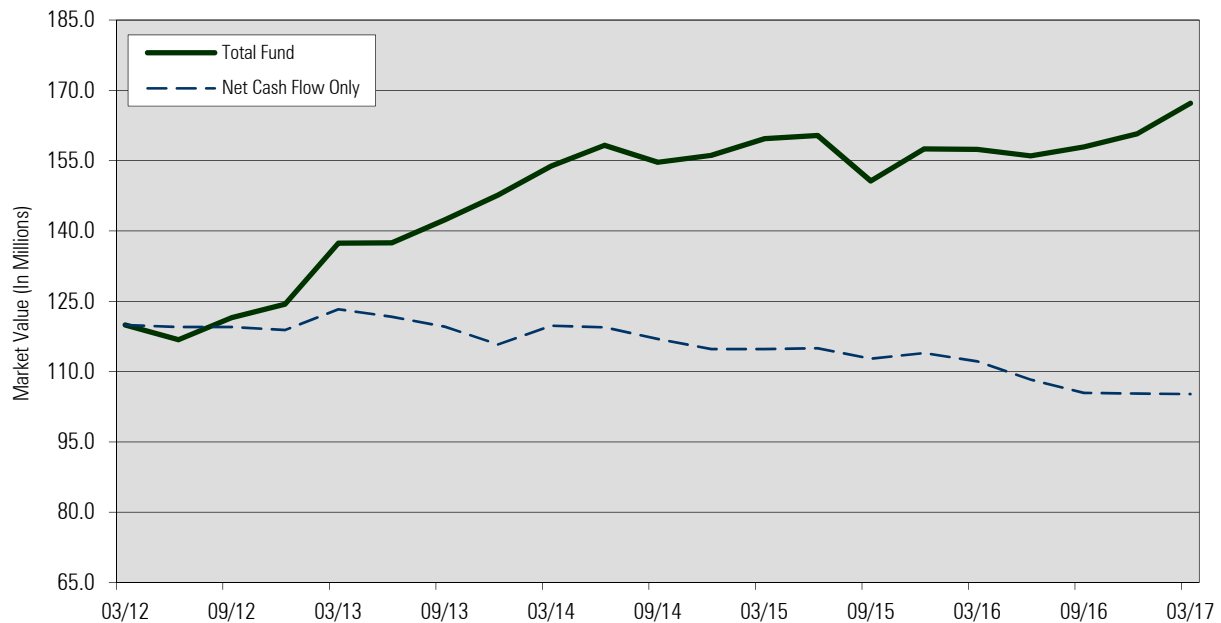
As a Wilshire affiliate, we are granted access to large and diverse peer comparisons, including total fund, portfolio-level, and style-based universes. The Wilshire Public Fund Universe (above) includes the actual, live results of over 250 public pension systems across the country. These are real public funds who face similar investment restrictions and guidelines to your own. These peer-to-peer performance comparisons are critical to the evaluation process.

### Our Reporting

Unique to Southeastern Advisory Services is our customized reporting platform. We have the ability to accurately calculate performance against virtually any benchmark, comparison or metric. These industry-leading tools include sophisticated attribution analyses and holdings-based style and characteristic analysis. Our goal is to deliver a clear, easily-understood picture of performance that fairly assesses the effectiveness of your investment policy, strategy and managers. Each performance report is fully-customized based on your input. We welcome your requests and suggestions.



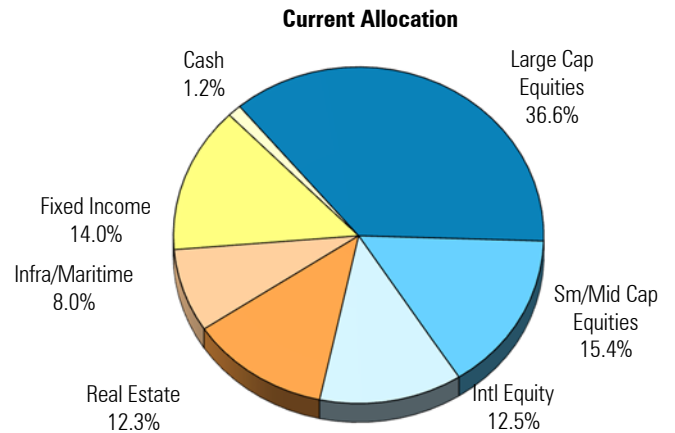
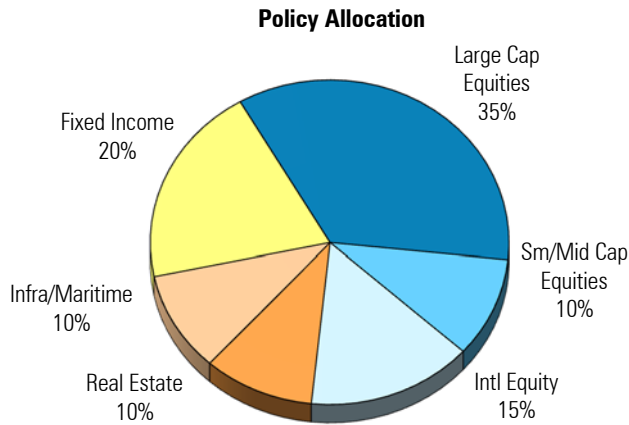
### III. PORTFOLIO GROWTH- PERIOD ENDED MARCH 31, 2017



Period Ending	Beginning Value \$(000)	Net Cash Flow	Net Gain/Loss	Ending Value \$(000)	Quarterly Return	Fiscal Yr Return
Jun-12	119,946	-420	-2,715	116,812	-2.1%	
Sep-12	116,812	0	4,691	121,503	4.2%	17.5%
Dec-12	121,503	-639	3,511	124,375	2.8%	
Mar-13	124,375	4,419	8,591	137,386	6.8%	
Jun-13	137,386	-1,584	1,666	137,469	1.3%	
Sep-13	137,469	-2,113	7,026	142,381	5.2%	16.9%
Dec-13	142,381	-3,794	9,073	147,661	6.7%	
Mar-14	147,661	3,995	2,191	153,847	1.4%	
Jun-14	153,847	-357	4,775	158,265	3.2%	
Sep-14	158,265	-2,469	-1,137	154,659	-0.8%	10.7%
Dec-14	154,659	-2,154	3,618	156,123	2.4%	
Mar-15	156,123	8	3,540	159,671	2.3%	
Jun-15	159,671	156	522	160,349	0.4%	
Sep-15	160,349	-2,236	-7,433	150,680	-4.6%	0.3%
Dec-15	150,680	1,205	5,606	157,491	3.8%	
Mar-16	157,491	-1,789	1,696	157,399	1.3%	
Jun-16	157,399	-3,864	2,509	156,044	1.6%	
Sep-16	156,044	-2,840	4,726	157,931	3.0%	10.1%
Dec-16	157,931	-154	2,978	160,755	2.0%	
Mar-17	160,755	-101	6,594	167,247	4.1%	6.1%
<b>Total-5 Yr</b>	<b>119,946</b>	<b>-14,729</b>	<b>62,030</b>	<b>167,247</b>	<b>54.9%</b>	
<b>Absolute Return Objective:</b>						<b>8.0%</b>



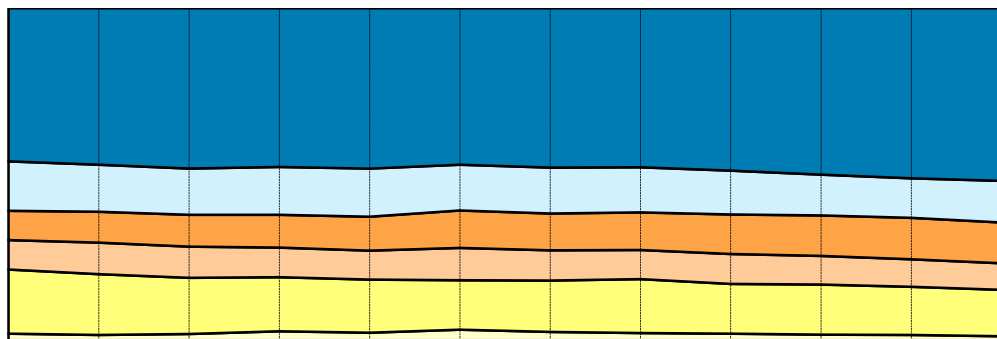
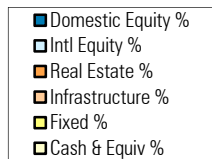
**IV. ALLOCATION OF ASSETS**



Asset Class	Target Range	Quarter End Allocation	Median Public Plan
Large Cap Equity Securities	30%-45%	36.6%	45.4%
Small/Mid Cap Equities	5%-15%	15.4%	n/a
Intl Equity Securities	10%-25%	12.5%	10.7%
Real Estate	5%-15%	12.3%	1.4%
Fixed Income Securities	10%-35%	14.0%	25.9%
Infrastructure	5%-20%	8.0%	0.0%
Cash Equivalents	0%-10%	1.2%	16.6%

\*Median Equity Public Plan in Large Cap Equity Securities Line also includes Small/Mid Cap Equities

**Historical Asset Allocation**



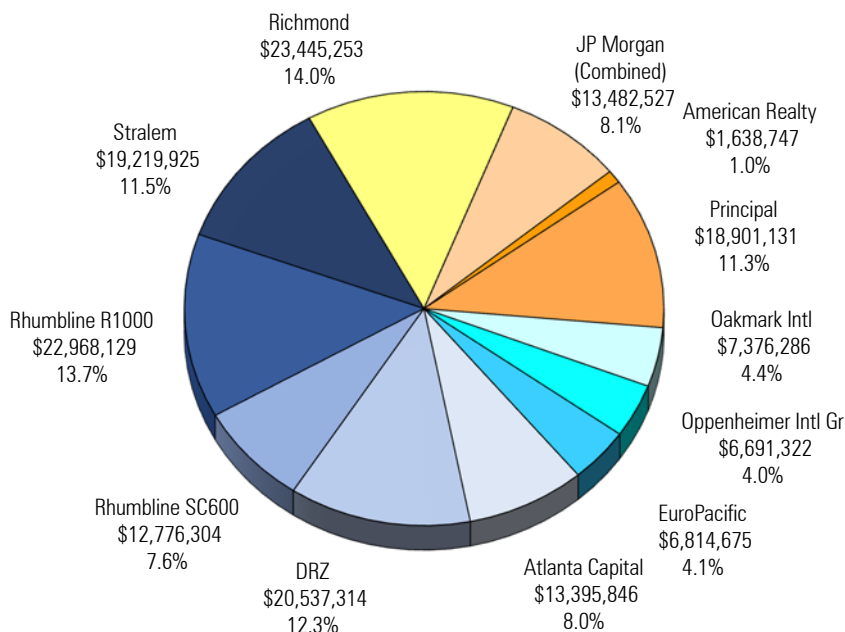
	06/14	09/14	12/14	03/15	06/15	09/15	12/15	03/16	06/16	09/16	12/16	03/17
Domestic Equity %	46.1	47.1	48.3	47.8	48.3	47.1	48.0	47.9	48.9	50.1	51.2	52.0
Intl Equity %	14.9	14.2	13.9	14.4	14.5	13.8	13.8	13.6	13.2	12.3	11.9	12.5
Real Estate %	8.8	9.3	9.6	9.9	10.2	11.3	11.1	11.3	11.9	12.2	12.5	12.3
Infrastructure %	8.9	9.5	9.4	8.9	8.7	9.7	9.1	8.8	9.0	8.6	8.3	8.0
Fixed %	19.3	18.3	16.9	16.3	16.0	14.9	15.5	16.2	15.0	15.1	14.5	14.0
Cash & Equiv %	2.0	1.6	1.9	2.7	2.3	3.2	2.5	2.2	2.0	1.7	1.6	1.2



<b>Manager</b>	<b>Dom. Equity</b>	<b>Intl Equity</b>	<b>Real Estate</b>	<b>Infrastructure</b>	<b>Fixed Inc</b>	<b>Cash</b>
DePrince, Race, and Zollo	97.7%	0.0%	0.0%	0.0%	0.0%	2.3%
Rhumblin R1000	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Stralem Large Cap	94.4%	0.0%	0.0%	0.0%	0.0%	5.6%
Rhumblin S&P SC 600	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Atlanta Capital	97.1%	0.0%	0.0%	0.0%	0.0%	2.9%
EuroPacific Growth	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%
Oakmark International	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%
Openheimer Intl Growth	0.0%	100.0%	0.0%	0.0%	0.0%	0.0%
Principal U.S. Property	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%
American Realty	0.0%	0.0%	100.0%	0.0%	0.0%	0.0%
JP Morgan Infrastructure	0.0%	0.0%	0.0%	100.0%	0.0%	0.0%
JP Morgan Maritime	0.0%	0.0%	0.0%	93.8%	0.0%	6.2%
Richmond Capital	0.0%	0.0%	0.0%	0.0%	99.9%	0.1%
<b>Total Fund</b>	<b>52.0%</b>	<b>12.5%</b>	<b>12.3%</b>	<b>8.0%</b>	<b>14.0%</b>	<b>1.2%</b>



## V. MANAGER ALLOCATION AND CASH FLOWS- Quarter ending March 31, 2017



Manager	Beginning Value	% Alloc	Cash In	Cash Out	Gain/Loss	Ending Value	% Alloc
DePrince, Race, and Zollo	\$19,876,238	12.4%	\$0	\$0	\$661,076	\$20,537,314	12.3%
Rhumblin R1000	\$21,666,333	13.5%	\$0	(\$1,405)	\$1,303,201	\$22,968,129	13.7%
Stralem Large Cap	\$17,982,430	11.2%	\$0	\$0	\$1,237,495	\$19,219,925	11.5%
<b>Total Large Cap Equity</b>	<b>\$59,525,001</b>	<b>37.0%</b>	<b>\$0</b>	<b>(\$1,405)</b>	<b>\$3,201,772</b>	<b>\$62,725,368</b>	<b>37.5%</b>
Victory Capital	\$12,383,602	7.7%	\$0	(\$12,589,974)	\$206,372	\$0	0.0%
Rhumblin S&P SC600	\$0	0.0%	\$12,569,549	(\$1,567)	\$208,322	\$12,776,304	7.6%
Atlanta Capital	\$12,699,609	7.9%	\$0	\$0	\$696,237	\$13,395,846	8.0%
<b>Total SMID Cap Equity</b>	<b>\$25,083,211</b>	<b>15.6%</b>	<b>\$12,569,549</b>	<b>(\$12,591,541)</b>	<b>\$1,110,931</b>	<b>\$26,172,150</b>	<b>15.6%</b>
EuroPacific Growth Fund	\$6,230,877	3.9%	\$0	\$0	\$583,798	\$6,814,675	4.1%
Oakmark International	\$6,740,809	4.2%	\$0	\$0	\$635,477	\$7,376,286	4.4%
Oppenheimer Intl Growth	\$6,212,987	3.9%	\$0	\$0	\$478,335	\$6,691,322	4.0%
<b>Total Intl Equity</b>	<b>\$19,184,673</b>	<b>11.9%</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,697,610</b>	<b>\$20,882,283</b>	<b>12.5%</b>
Principal U.S. Property	\$18,558,819	11.5%	\$0	\$0	\$342,312	\$18,901,131	11.3%
American Realty	\$1,492,665	0.9%	\$105,000	(\$8,777)	\$49,859	\$1,638,747	1.0%
JP Morgan Infrastructure	\$11,108,018	6.9%	\$0	(\$310,316)	\$107,992	\$10,905,694	6.5%
JP Morgan Maritime	\$2,507,515	1.6%	\$160,189	(\$13,454)	(\$77,416)	\$2,576,834	1.5%
<b>Total Real Assets</b>	<b>\$33,667,017</b>	<b>20.9%</b>	<b>\$265,189</b>	<b>(\$332,547)</b>	<b>\$422,747</b>	<b>\$34,022,406</b>	<b>20.3%</b>
Richmond Capital Fixed	\$23,284,426	14.5%	\$0	\$0	\$160,827	\$23,445,253	14.0%
<b>Total Fixed Income</b>	<b>\$23,284,426</b>	<b>14.5%</b>	<b>\$0</b>	<b>\$0</b>	<b>\$160,827</b>	<b>\$23,445,253</b>	<b>14.0%</b>
<b>Total Fund</b>	<b>\$160,744,328</b>	<b>100%</b>	<b>\$12,834,738</b>	<b>(\$12,925,493)</b>	<b>\$6,593,887</b>	<b>\$167,247,460</b>	<b>100%</b>
<i>Receipts &amp; Disbursements</i>	<i>\$7,045,328</i>		<i>\$13,613,178</i>	<i>(\$16,966,962)</i>	<i>\$5,164</i>	<i>\$3,696,708</i>	
<b>Total Fund + R&amp;D Acct.</b>	<b>\$167,789,656</b>		<b>\$26,447,916</b>	<b>(\$29,892,455)</b>	<b>\$6,599,051</b>	<b>\$170,944,168</b>	

For this report, all performance and asset allocation information for the Total Fund does not include the Receipts & Disbursements Account.





## VI. TOTAL FUND PERFORMANCE COMPARISONS

<b>Manager/Index/Universe</b>	<b>Quarter</b>	<b>1 Year</b>	<b>3 Year</b>	<b>5 Year</b>
<b>Total Fund - Gross of Fees</b>	<b>4.1%</b>	<b>11.1%</b>	<b>6.3%</b>	<b>9.1%</b>
<b>Total Fund - Net of Fees</b>	<b>4.0%</b>	<b>10.7%</b>	<b>5.8%</b>	<b>8.7%</b>
Target Index	3.9%	11.7%	6.7%	8.8%
Wilshire Public Fund Ranking	52	57	25	9
<b>Total Domestic Equities</b>	<b>5.2%</b>	<b>17.3%</b>	<b>9.4%</b>	<b>13.0%</b>
80% Russell 1000/ 20% Russell 2000	5.3%	19.2%	9.5%	13.1%
vs. Equity Returns of Public Funds	61	67	29	29
<b>Total International Equities</b>	<b>8.9%</b>	<b>13.0%</b>	<b>1.6%</b>	<b>7.4%</b>
MSCI EAFE Index (Net)	7.2%	11.7%	0.5%	5.8%
vs. Intl Equity Returns of Public Funds	41	57	53	23
<b>Total Real Estate</b>	<b>2.0%</b>	<b>9.2%</b>	<b>11.8%</b>	<b>12.0%</b>
NCREIF ODCE Fund Index	1.8%	8.3%	11.8%	12.0%
NCREIF Property Index	1.6%	7.3%	10.6%	10.7%
vs. Real Estate Returns of Total Funds	21	10	17	11
<b>Total Infrastructure/Maritime</b>	<b>-0.6%</b>	<b>-3.5%</b>	<b>-2.3%</b>	<b>1.7%</b>
CPI + 3.0%	1.7%	5.4%	4.0%	4.2%
<b>Total Fixed Income</b>	<b>0.7%</b>	<b>1.2%</b>	<b>2.4%</b>	<b>2.2%</b>
BBgBarc Intermediate Aggregate	0.7%	0.3%	2.2%	2.0%
vs. Fixed Inc Returns of Public Funds	86	70	72	83

Current Target Index: 35% Russell 1000 /15% Russell 2500/20% BBgBarc US Intermediate Aggregate/10% MSCI EAFE (Net)/10% NCREIF/10% CPI+3%.

7/1/13 – 12/31/13: 30% Russell 1000 /10% Russell 2500/25% BBgBarc US Aggregate/15% MSCI EAFE (Net)/10% NCREIF/10% CPI+3%.

1/1/12 – 6/30/13: 30% Russell 1000 /10% Russell 2000/20% BBgBarc US Aggregate/15% MSCI EAFE (Net)/10% NCREIF/15% CPI+4%.

10/1/07 – 12/31/11: 40% Russell 1000 /10% Russell 2000/30% BBgBarc US Aggregate/10% MSCI EAFE (Net)/10% NCREIF.

Prior to October 2007: 40% Russell 1000/10% Russell 2000/30% ML Govt/Corp Master/10% MSCI EAFE (Net)/10% NCREIF.



**VII. EQUITY MANAGER COMPARISON**

<b>Manager/Index/Universe</b>	<b>Quarter</b>	<b>1 Year</b>	<b>3 Year</b>	<b>5 Year</b>
<b>DePrince, Race, and Zollo</b>	<b>3.3%</b>	<b>26.2%</b>	<b>9.2%</b>	<b>13.4%</b>
Russell 1000 Value	3.3%	19.2%	8.7%	13.1%
vs. Large Value Equity Portfolios	57	6	29	34
<b>Rhumblin Russell 1000</b>	<b>6.0%</b>	<b>17.4%</b>	<b>10.0%</b>	<b>13.2%</b>
Russell 1000	6.0%	17.4%	10.0%	13.3%
vs. Large Neutral Equity Portfolios	56	43	53	67
<b>Stralem Large Cap</b>	<b>6.9%</b>	<b>13.5%</b>	<b>8.3%</b>	<b>10.8%</b>
Russell 1000 Growth	8.9%	15.8%	11.3%	13.3%
vs. Large Growth Equity Portfolios	79	74	73	87
<b>Rhumblin S&amp;P Small Cap 600*</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>
S&P Small Cap 600	n/a	n/a	n/a	n/a
vs. Small Cap Equity Portfolios	n/a	n/a	n/a	n/a
<b>Atlanta Capital</b>	<b>5.5%</b>	<b>14.6%</b>	<b>12.2%</b>	<b>n/a</b>
Russell 2500	3.8%	21.5%	7.4%	n/a
vs. SMID Equity Portfolios	25	84	3	n/a

\*Rhumblin S&P Small Cap 600 inception: January 12, 2017.



**Equity Portfolio Summary: Total Fund\***

	<b>Portfolio</b>	<b>80% R1000/20% R2000</b>
Total Number Of Securities	147	2,954
Equity Market Value	107,844,967	
Average Capitalization \$(000)	71,646,194	116,403,911
Median Capitalization \$(000)		
Equity Segment Yield	1.7	1.9
Equity Segment P/E - Average	22.5	31.5
Equity Segment P/E - Median		
Equity Segment Beta	0.8	1.0
Price/Book Ratio	2.2	2.5
Debt/Equity Ratio	47.6	63.1
Five Year Earnings Growth	1.9	4.9
Five Year Dividend Growth	6.0	7.0

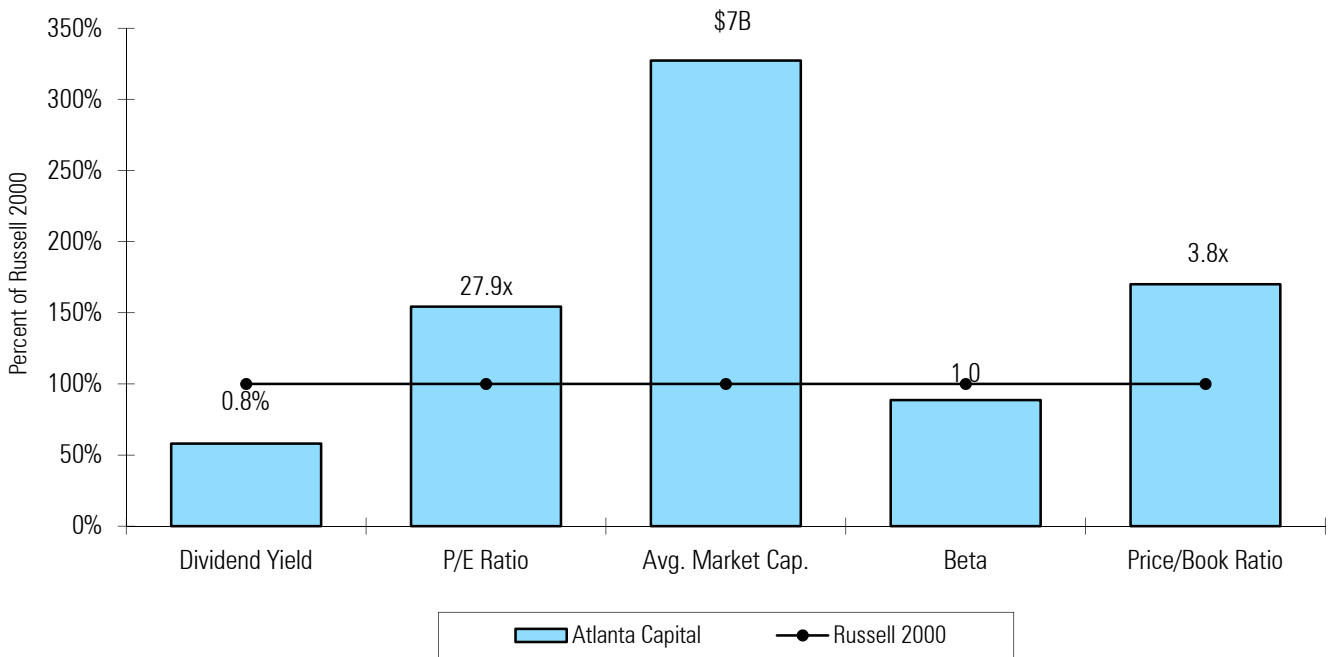
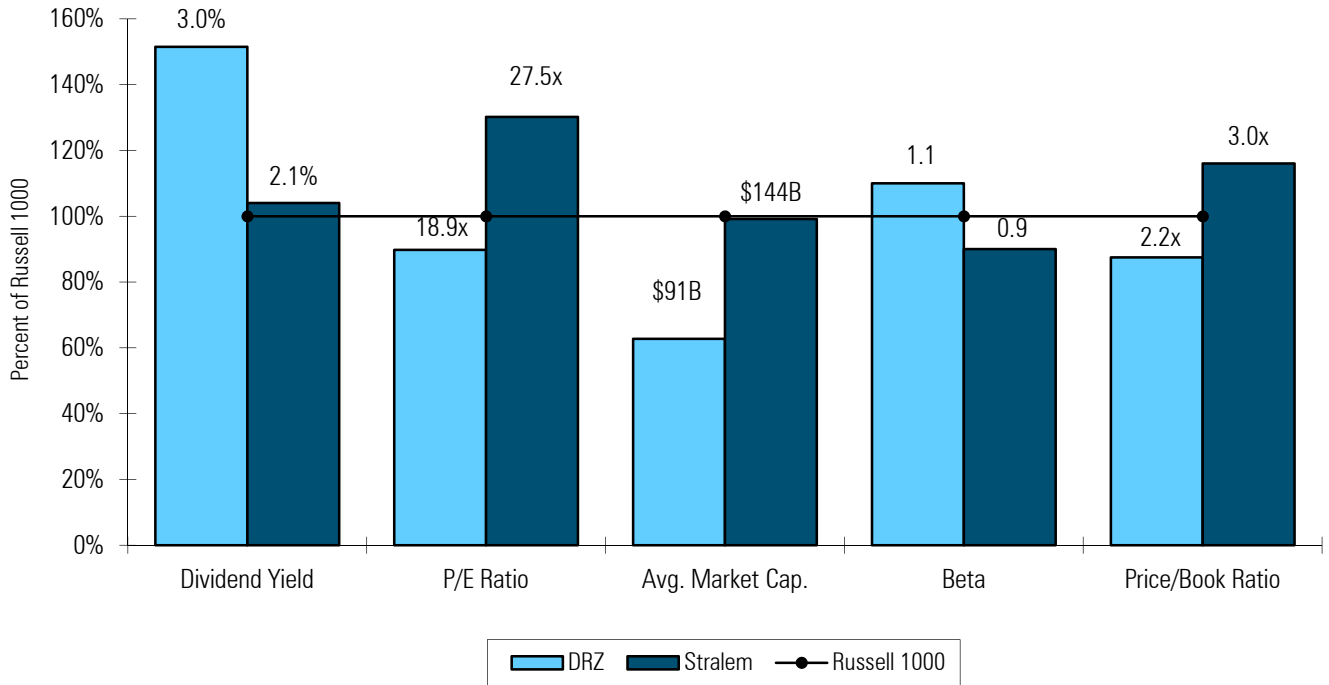
<b>Ten Largest Holdings</b>	<b>Market Value</b>	<b>% of Portfolio</b>	<b>Quarterly Return</b>
Exxon Mobil Corp	1,035,786	2.0%	-8.3%
Chevron Corp	1,021,089	2.0%	-7.9%
Merck & Co Inc New	989,318	2.0%	8.7%
At&T Inc	897,480	1.8%	-1.2%
Philip Morris Intl I	768,849	1.5%	24.5%
Cvs Corp	707,285	1.4%	0.1%
Adobe Sys Inc	696,196	1.4%	26.4%
Abbott Labs	656,646	1.3%	16.4%
Unitedhealth Group I	656,040	1.3%	2.9%
Johnson & Johnson	645,169	1.3%	8.8%

<b>Ten Best Performers</b>	<b>Quarterly Return</b>	<b>Ten Worst Performers</b>	<b>Quarterly Return</b>
Idexx Labs Inc	31.8%	Sally Beauty Hldgs I	-22.6%
Huntsman Corp	29.3%	Helmerich & Payne In	-13.1%
Olin Corp	29.2%	Commercial Metals Co	-11.7%
Adobe Sys Inc	26.4%	Acuity Brands Inc	-11.6%
Apple Inc	24.6%	Qualcomm Inc	-11.2%
Philip Morris Intl I	24.5%	New York Cmnty Banco	-11.2%
Transunion	24.0%	Teva Pharmaceutical	-10.8%
Facebook Inc	23.5%	Westamerica Bancorp	-10.7%
Western Digital Corp	22.2%	Occidental Pete Corp	-10.0%
KLA Instrs Corp	21.6%	Dril-Quip Inc	-9.2%

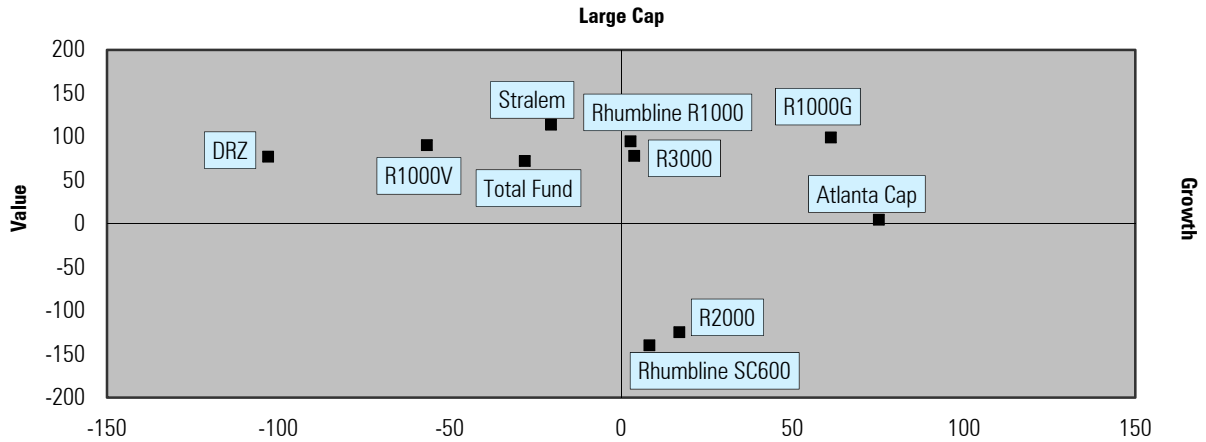
\*Does not include Rhumblin R1000/Rhumblin S&P SC600 as they are commingled accounts.



**Equity Portfolio Characteristics**



## Equity Style Map (Current Quarter)



Small Cap			Small Cap		
	Growth-Value	Size		Growth-Value	Size
Atlanta Capital	75.2	4.74	Total Fund	-28.1	72.2
DePrince Race Zollo	-103.0	77.3	Russell 2000	17.0	-124.8
Rhumblin S&P SC600	8.2	139.8	Russell 3000	-.8	78.1
Rhumblin R1000	2.7	94.9	Russell 1000 Growth	61.2	99.4
Stralem Large Cap	-20.5	114.1	Russell 1000 Value	-56.7	90.4

### VIII. INTERNATIONAL EQUITY PERFORMANCE COMPARISONS

Manager/Index/Universe	Quarter	1 Year	3 Year	5 Year
<b>EuroPacific Growth</b>	<b>9.4%</b>	<b>13.1%</b>	<b>2.2%</b>	<b>6.6%</b>
MSCI EAFE (Net)	7.2%	11.7%	0.5%	5.8%
vs. International Equity Mutual Funds	38	44	30	21
<b>Oakmark International</b>	<b>9.4%</b>	<b>21.7%</b>	<b>2.1%</b>	<b>9.0%</b>
MSCI EAFE (Net)	7.2%	11.7%	0.5%	5.8%
vs. International Equity Mutual Funds	38	6	30	7
<b>Oppenheimer International Growth</b>	<b>7.7%</b>	<b>4.4%</b>	<b>0.2%</b>	<b>6.5%</b>
MSCI EAFE (Net)	7.2%	11.7%	0.5%	5.8%
vs. International Equity Mutual Funds	64	95	64	23



# American Funds Europacific Growth R6 (USD)

**Morningstar Analyst Rating™** **Gold** **Overall Morningstar Rating™** **★★★★** **Standard Index** MSCI ACWI Ex USA NR USD **Category Index** MSCI ACWI Ex USA Growth NR USD **Morningstar Cat** US Fund Foreign Large Growth

## Performance 03-31-2017

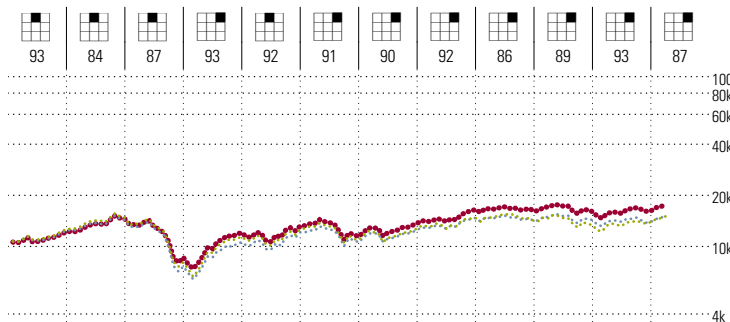
Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2015	5.97	1.12	-9.81	2.97	-0.48
2016	-2.32	-0.32	8.23	-4.15	1.01
2017	9.37	—	—	—	9.37

Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	13.10	2.17	6.64	—	9.22
Std 03-31-2017	13.10	—	6.64	—	9.22
Total Return	13.10	2.17	6.64	3.51	9.22

+/- Std Index	+/- Cat Index	% Rank Cat	No. in Cat
-0.04	1.61	14	400
2.28	0.62	23	324
2.16	1.80	23	276
—	—	7	191



**Investment Style**  
Equity  
Stocks %

**Growth of \$10,000**  
— American Funds Europacific Growth R6 17,717  
— Category Average 15,219  
— Standard Index 15,033

**Performance Quartile**  
(within category)

**History**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	03-17
NAV/Price	—	—	—	38.34	41.37	35.13	41.18	49.03	47.09	45.32	45.04	49.26
Total Return %	21.87	18.96	-40.53	39.35	9.76	-13.31	19.64	20.58	-2.29	-0.48	1.01	9.37
+/- Standard Index	-4.78	2.30	5.00	-2.10	-1.39	0.40	2.81	5.29	1.57	5.18	-3.48	1.51
+/- Category Index	-1.74	-2.07	5.09	0.68	-4.69	0.90	2.97	5.09	0.36	0.77	0.89	0.24
% Rank Cat	—	—	—	—	—	—	—	—	27	66	20	—
No. of Funds in Cat	—	—	—	—	—	—	—	—	341	361	363	419

	Subsidized	Unsubsidized
7-day Yield	—	—
30-day SEC Yield	1.31	1.31

**Performance Disclosure**  
The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.  
The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate; thus an investor's shares, when sold or redeemed, may be worth more or less than their original cost.  
Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-421-4225 or visit [www.americanfunds.com](http://www.americanfunds.com).

**Fees and Expenses**

**Sales Charges**

**Front-End Load %** **NA**

**Deferred Load %** **NA**

**Fund Expenses**

Management Fees % 0.42

12b1 Expense % NA

**Gross Expense Ratio %** **0.50**

**Risk and Return Profile**

	3 Yr	5 Yr	10 Yr
Morningstar Rating™	4★	4★	5★
Morningstar Risk	-Avg	-Avg	-Avg
Morningstar Return	+Avg	+Avg	High

	3 Yr	5 Yr	10 Yr
Standard Deviation	10.91	11.69	17.62
Mean	2.17	6.64	3.51
Sharpe Ratio	0.23	0.60	0.25

**MPT Statistics**

	Standard Index	Best Fit Index
Alpha	1.62	0.75
Beta	0.83	0.88
R-Squared	88.58	92.16

	3 Yr	5 Yr	10 Yr
12-Month Yield	—	—	1.50%
Potential Cap Gains Exp	—	—	24.26%

**Portfolio Analysis 03-31-2017**

Asset Allocation %	Net %	Long %	Short %
Cash	11.38	11.38	0.00
US Stocks	1.56	1.56	0.00
Non-US Stocks	85.28	85.28	0.00
Bonds	1.25	1.25	0.00
Other/Not Clsfd	0.53	0.53	0.00
Total	100.00	100.00	0.00

**Equity Style**

Value	Blend	Growth
High	—	—
Mid	—	—
Small	—	—

**Portfolio Statistics**

	Port Avg	Rel Index	Rel Cat
P/E Ratio TTM	19.3	1.12	0.89
P/C Ratio TTM	11.4	1.34	0.87
P/B Ratio TTM	2.1	1.30	0.85
Geo Avg Mkt Cap \$mil	39771	1.30	1.30

**Fixed-Income Style**

Ltd	Mod	Ext
High	—	—
Mid	—	—
Low	—	—

**Credit Quality Breakdown** — Bond %

AAA	—
AA	—
A	—
BBB	—
BB	—
B	—
Below B	—
NR	—

**Regional Exposure**

	Stocks %	Rel Std Index
Americas	8.0	0.73
Greater Europe	42.9	0.91
Greater Asia	49.1	1.17

Share Chg since 12-2016	Share Amount	Holdings :	Net Assets %
		240 Total Stocks , 13 Total Fixed-Income, 30% Turnover Ratio	
⊕	2 mil	Samsung Electronics Co Ltd	2.59
⊖	24 mil	Alibaba Group Holding Ltd ADR	2.14
⊕	423 mil	Taiwan Semiconductor Manufacturing	2.13
⊕	410 mil	AIA Group Ltd	2.09
⊖	81 mil	Tencent Holdings Ltd	1.89
⊕	100 mil	HDFC Bank Ltd	1.83
⊕	31 mil	SoftBank Group Corp	1.76
⊕	27 mil	Airbus SE	1.63
⊕	97 mil	Reliance Industries Ltd	1.59
⊕	56 mil	Sony Corp	1.53
	667 mil	Barclays PLC	1.52
	13 mil	ASML Holding NV	1.39
⊖	7 mil	Nintendo Co Ltd	1.38
⊖	73 mil	Prudential PLC	1.24
	11 mil	Murata Manufacturing Co Ltd	1.23

**Sector Weightings**

	Stocks %	Rel Std Index
<b>Cyclical</b>	<b>38.0</b>	<b>0.82</b>
Basic Materials	6.8	0.80
Consumer Cyclical	11.5	1.04
Financial Services	17.9	0.78
Real Estate	1.8	0.51
<b>Sensitive</b>	<b>41.3</b>	<b>1.26</b>
Communication Services	5.9	1.23
Energy	6.5	0.96
Industrials	9.8	0.91
Technology	19.2	1.83
<b>Defensive</b>	<b>20.7</b>	<b>0.98</b>
Consumer Defensive	10.5	1.05
Healthcare	7.4	0.94
Utilities	2.8	0.88

**Operations**

Family:	American Funds	Base Currency:	USD	Purchase Constraints:	A
Manager:	Multiple	Ticker:	RERGX	Incept:	05-01-2009
Tenure:	25.4 Years	Minimum Initial Purchase:	\$250	Type:	MF
Objective:	Foreign Stock	Min Auto Investment Plan:	\$50	Total Assets:	\$139,085.92 mil

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# Oakmark International Investor (USD)

**Morningstar Analyst Rating™** **Gold** **Overall Morningstar Rating™** **★★★★★** **Standard Index** MSCI ACWI Ex USA NR USD **Category Index** MSCI ACWI Ex USA NR USD **Morningstar Cat** US Fund Foreign Large Blend

## Performance 03-31-2017

Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2015	6.51	-1.13	-13.18	5.19	-3.83
2016	-2.95	-7.77	13.28	6.42	7.91
2017	9.43	—	—	—	9.43

Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	21.68	2.15	8.98	4.59	9.97
Std 03-31-2017	21.68	—	8.98	4.59	9.97
Total Return	21.68	2.15	8.98	4.59	9.97
+/- Std Index	8.54	1.58	4.62	3.24	—
+/- Cat Index	8.54	1.58	4.62	3.24	—

% Rank Cat	2	15	4	4
No. in Cat	735	586	525	327

	Subsidized	Unsubsidized
7-day Yield	—	—
30-day SEC Yield	—	—

### Performance Disclosure

The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.

The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate; thus an investor's shares, when sold or redeemed, may be worth more or less than their original cost.

Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-625-6275 or visit www.oakmark.com.

### Fees and Expenses

#### Sales Charges

Front-End Load %	NA
Deferred Load %	NA

#### Fund Expenses

Management Fees %	0.84
12b1 Expense %	NA
Gross Expense Ratio %	1.05

### Risk and Return Profile

	3 Yr	5 Yr	10 Yr
Morningstar Rating™	4★	5★	5★
Morningstar Risk	High	High	High
Morningstar Return	+Avg	High	High

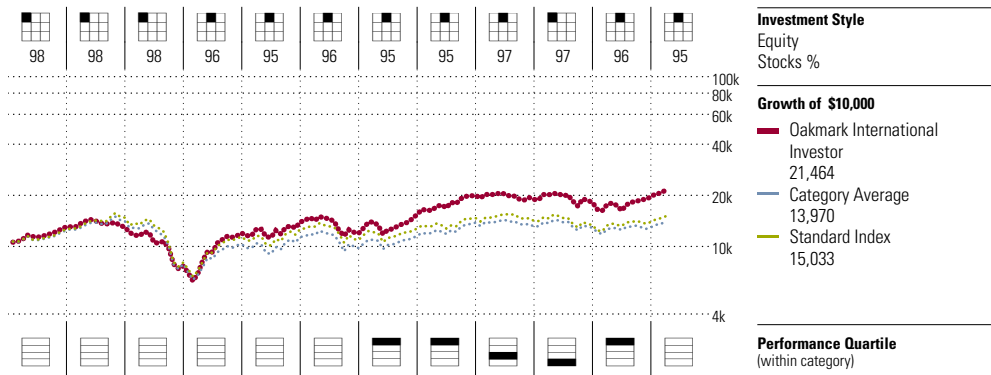
	3 Yr	5 Yr	10 Yr
Standard Deviation	15.28	15.55	20.17
Mean	2.15	8.98	4.59
Sharpe Ratio	0.20	0.62	0.29

MPT Statistics	Standard Index	Best Fit Index
	MSCI EAFE Value NR USD	MSCI EAFE Value NR USD
Alpha	1.82	3.02
Beta	1.12	1.11
R-Squared	82.00	90.03

12-Month Yield	—
Potential Cap Gains Exp	5.98%

### Operations

Family:	Oakmark	Ticker:	OAKIX	Incept:	09-30-1992
Manager:	Multiple	Minimum Initial Purchase:	\$1,000	Type:	MF
Tenure:	24.7 Years	Min Auto Investment Plan:	\$500	Total Assets:	\$32,794.84 mil
Objective:	Foreign Stock	Minimum IRA Purchase:	\$1,000		
Base Currency:	USD	Purchase Constraints:	—		



History	NAV/Price	Total Return %	+/- Standard Index	+/- Category Index	% Rank Cat	No. of Funds in Cat
2006	25.45	30.60	3.95	3.95	—	—
2007	20.95	-0.51	-17.16	-17.16	—	—
2008	10.85	-41.06	4.46	4.46	—	—
2009	16.84	56.30	14.86	14.86	—	—
2010	19.41	16.22	5.07	5.07	—	—
2011	16.55	-14.07	-0.36	-0.36	—	—
2012	20.93	29.22	12.39	12.39	2	786
2013	26.32	29.34	14.06	14.06	3	791
2014	23.34	-5.41	-1.54	-1.54	52	750
2015	21.36	-3.83	1.84	1.84	77	788
2016	22.70	7.91	3.42	3.42	3	762
03-17	24.84	9.43	1.57	1.57	—	790

### Portfolio Analysis 03-31-2017

Asset Allocation %	Net %	Long %	Short %	Share Chg since 12-2016	Share Amount	Holdings :	Net Assets %
Cash	3.01	3.01	0.00			60 Total Stocks, 0 Total Fixed-Income, 44% Turnover Ratio	
US Stocks	5.39	5.39	0.00				
Non-US Stocks	89.70	89.70	0.00	⊖	296 mil	Glencore PLC	3.91
Bonds	0.00	0.00	0.00	⊕	1,282 mil	Lloyds Banking Group PLC	3.59
Other/Not Clsfd	1.90	1.90	0.00	⊕	16 mil	BNP Paribas	3.57
Total	100.00	100.00	0.00	⊕	6 mil	Allianz SE	3.54
				⊕	381 mil	Intesa Sanpaolo	3.49
				⊕	67 mil	Credit Suisse Group AG	3.36
				⊕	13 mil	Daimler AG	3.20
					95 mil	CNH Industrial NV	3.08
				⊕	33 mil	Hennes & Mauritz AB B	2.81
				⊕	23 mil	Honda Motor Co Ltd	2.30
				⊖	13 mil	EXOR NV	2.23
				⊕	12 mil	Toyota Motor Corp	2.15
				⊕	3 mil	Continental AG	2.08
				⊕	23 mil	Grupo Televisa SAB ADR	2.00
				⊕	4 mil	Willis Towers Watson PLC	1.96

Equity Style	Portfolio Statistics	Port Avg	Rel Index	Rel Cat
Value Blend Growth	P/E Ratio TTM	17.7	1.03	0.96
	P/C Ratio TTM	8.9	1.04	0.91
	P/B Ratio TTM	1.6	0.99	0.92
	Geo Avg Mkt Cap \$mil	31297	1.03	0.79

Fixed-Income Style	Avg Eff Maturity	Avg Eff Duration	Avg Wtd Coupon	Avg Wtd Price
Ltd Mod Ext	—	—	—	—
High Med Low	—	—	—	—

Credit Quality Breakdown	Bond %
AAA	—
AA	—
A	—
BBB	—
BB	—
B	—
Below B	—
NR	—

Regional Exposure	Stocks %	Rel Std Index
Americas	7.8	0.71
Greater Europe	73.4	1.56
Greater Asia	18.8	0.45

Sector Weightings	Stocks %	Rel Std Index
<b>Cyclical</b>	<b>67.6</b>	<b>1.46</b>
Basic Materials	8.1	0.95
Consumer Cyclical	28.2	2.54
Financial Services	31.3	1.36
Real Estate	0.0	0.00
<b>Sensitive</b>	<b>25.1</b>	<b>0.77</b>
Communication Services	0.0	0.00
Energy	0.0	0.00
Industrials	20.2	1.86
Technology	4.9	0.47
<b>Defensive</b>	<b>7.3</b>	<b>0.35</b>
Consumer Defensive	6.1	0.61
Healthcare	1.2	0.15
Utilities	0.0	0.00

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# Oppenheimer International Growth Y (USD)

**Morningstar Analyst Rating™** **Overall Morningstar Rating™** **Standard Index** **Category Index** **Morningstar Cat**  
**Silver** **★★★★** **MSCI ACWI Ex** **MSCI ACWI Ex** **US Fund Foreign Large**  
 06-29-2016 324 US Fund Foreign Large Growth USA NR USD USA Growth NR Growth

**Performance 03-31-2017**

Quarterly Returns	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Total %
2015	4.10	2.63	-8.14	5.39	3.44
2016	1.06	-3.50	6.11	-5.35	-2.06
2017	7.70	—	—	—	7.70

Trailing Returns	1 Yr	3 Yr	5 Yr	10 Yr	Incept
Load-adj Mthly	4.38	0.15	6.48	3.90	6.62
Std 03-31-2017	4.38	—	6.48	3.90	6.62
Total Return	4.38	0.15	6.48	3.90	6.62
+/- Std Index	-8.76	-0.41	2.12	2.54	—
+/- Cat Index	-5.25	-1.40	1.65	1.92	—
% Rank Cat	88	69	27	2	—
No. in Cat	400	324	276	191	—

	Subsidized	Unsubsidized
7-day Yield	—	—
30-day SEC Yield	—	—

**Performance Disclosure**  
 The Overall Morningstar Rating is based on risk-adjusted returns, derived from a weighted average of the three-, five-, and 10-year (if applicable) Morningstar metrics.  
 The performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment will fluctuate; thus an investor's shares, when sold or redeemed, may be worth more or less than their original cost.  
 Current performance may be lower or higher than return data quoted herein. For performance data current to the most recent month-end, please call 800-225-5677 or visit [www.oppenheimerfunds.com](http://www.oppenheimerfunds.com).

**Fees and Expenses**

Sales Charges	NA
Front-End Load %	NA
Deferred Load %	NA
Fund Expenses	0.65
Management Fees %	0.65
12b1 Expense %	NA
Gross Expense Ratio %	0.89

**Risk and Return Profile**

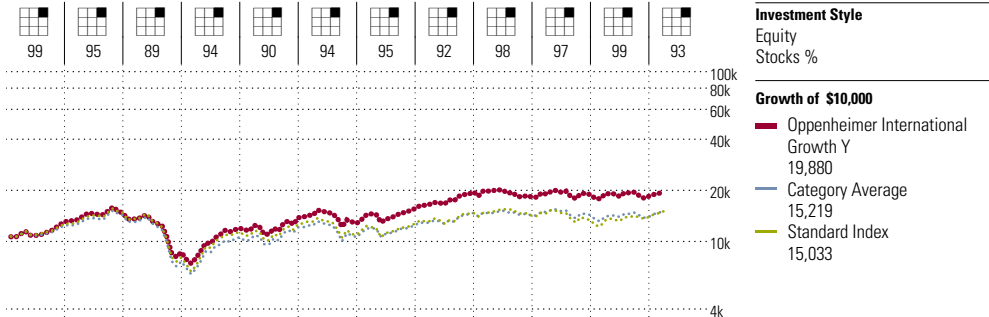
	3 Yr	5 Yr	10 Yr
Morningstar Rating™	2★	4★	5★
Morningstar Risk	+Avg	+Avg	-Avg
Morningstar Return	-Avg	+Avg	High

	3 Yr	5 Yr	10 Yr
Standard Deviation	11.90	12.49	17.97
Mean	0.15	6.48	3.90
Sharpe Ratio	0.06	0.56	0.27

MPT Statistics	Standard Index	Best Fit Index
		MSCI EAFE Growth NR USD
Alpha	-0.33	-1.25
Beta	0.88	0.95
R-Squared	83.82	91.75
12-Month Yield	—	—
Potential Cap Gains Exp	—	13.06%

**Operations**

Family:	OppenheimerFunds	Base Currency:	USD	Incept:	09-07-2005
Manager:	Multiple	Ticker:	OIGYX	Type:	MF
Tenure:	21.2 Years	Minimum Initial Purchase:	\$0	Total Assets:	\$25,415.11 mil
Objective:	Foreign Stock	Purchase Constraints:	A		



**Investment Style**  
Equity Stocks %

**Growth of \$10,000**  
 Oppenheimer International Growth Y: 19,880  
 Category Average: 15,219  
 Standard Index: 15,033

**Performance Quartile (within category)**  
**History**

Year	NAV/Price	Total Return %	+/- Standard Index	+/- Category Index	% Rank Cat	No. of Funds in Cat
2006	27.79	30.18	3.53	6.57	5	243
2007	30.94	12.93	-3.73	-8.10	74	220
2008	17.83	-41.22	4.30	4.39	10	251
2009	24.43	38.44	-3.01	-0.24	36	266
2010	27.90	15.35	4.20	0.89	33	261
2011	25.52	-7.31	6.39	6.89	13	251
2012	30.71	22.10	5.27	5.43	11	250
2013	38.16	25.46	10.17	9.97	7	278
2014	35.08	-6.99	-3.12	-4.34	85	341
2015	35.89	3.44	9.10	4.69	23	361
2016	34.68	-2.06	-6.55	-2.18	49	363
03-17	37.35	7.70	-0.16	-1.43	—	419

**Portfolio Analysis 03-31-2017**

Asset Allocation %	Net %	Long %	Short %	Share Chg since 02-2017	Share Amount	Holdings : 91 Total Stocks, 51 Total Fixed-Income, 9% Turnover Ratio	Net Assets %
Cash	1.04	1.04	0.00				
US Stocks	3.72	3.72	0.00				
Non-US Stocks	89.75	89.75	0.00		27 mil	Infineon Technologies AG	2.38
Bonds	0.00	0.00	0.00		5 mil	SAP SE	1.97
Other/Not Clsfd	5.49	5.49	0.00		7 mil	Valeo SA	1.90
Total	100.00	100.00	0.00		10 mil	Nippon Telegraph & Telephone Corp	1.81
					5 mil	Temenos Group AG	1.65
					2 mil	Continental AG	1.60
					6 mil	Carnival Corp	1.60
					4 mil	Dollarama Inc	1.57
					4 mil	Nidec Corp	1.52
					882,842	Keyence Corp	1.51
					7 mil	Hero MotoCorp Ltd	1.47
					4 mil	Airbus SE	1.41
					9 mil	Aalberts Industries NV	1.40
					2 mil	SEB SA	1.38
					13 mil	Grifols SA A	1.37

**Equity Style**

Value	Blend	Growth	High	Mid	Small

**Portfolio Statistics**

	Port Avg	Rel Index	Rel Cat
P/E Ratio TTM	23.3	1.35	1.08
P/C Ratio TTM	13.2	1.55	1.00
P/B Ratio TTM	3.6	2.15	1.42
Geo Avg Mkt Cap \$mil	18213	0.60	0.59

**Fixed-Income Style**

Ltd	Mod	Ext	High	Mid	Low

**Credit Quality Breakdown** — Bond %

AAA	—
AA	—
A	—
BBB	—
BB	—
B	—
Below B	—
NR	—

**Regional Exposure**

	Stocks %	Rel Std Index
Americas	9.4	0.86
Greater Europe	75.0	1.59
Greater Asia	15.6	0.37

**Sector Weightings**

	Stocks %	Rel Std Index
<b>Cyclical</b>	<b>31.4</b>	<b>0.68</b>
Basic Materials	4.8	0.56
Consumer Cyclical	23.2	2.09
Financial Services	3.3	0.14
Real Estate	0.0	0.00
<b>Sensitive</b>	<b>40.4</b>	<b>1.23</b>
Communication Services	7.1	1.50
Energy	0.0	0.00
Industrials	17.1	1.58
Technology	16.2	1.54
<b>Defensive</b>	<b>28.2</b>	<b>1.34</b>
Consumer Defensive	16.5	1.66
Healthcare	11.7	1.49
Utilities	0.0	0.00

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**IX. REAL ASSETS PERFORMANCE COMPARISONS**

Manager/Index/Universe	Quarter	1 Year	3 Year	5 Year
<b>Principal U.S. Property (Core)</b>	<b>1.8%</b>	<b>9.0%</b>	<b>11.6%</b>	<b>11.9%</b>
NCREIF ODCE Fund Index	1.8%	8.3%	11.8%	12.0%
NCREIF Property Index	1.6%	7.3%	10.6%	10.7%
vs. Real Estate Portfolios	41	26	34	33
<b>American Realty (Value Add)</b>	<b>3.3%</b>	<b>12.8%</b>	<b>n/a</b>	<b>n/a</b>
NCREIF Property Index	1.6%	7.3%	n/a	n/a
vs. Real Estate Portfolios	16	12	n/a	n/a

Manager/Index/Universe	Quarter	1 Year	3 Year	5 Year
<b>JP Morgan Infrastructure</b>	<b>0.0%</b>	<b>2.3%</b>	<b>2.0%</b>	<b>5.1%</b>
CPI + 3.0%	1.7%	5.3%	4.0%	4.2%
<b>JP Morgan Maritime</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>	<b>n/a</b>
CPI + 3.0%	1.7%	5.3%	4.0%	4.2%

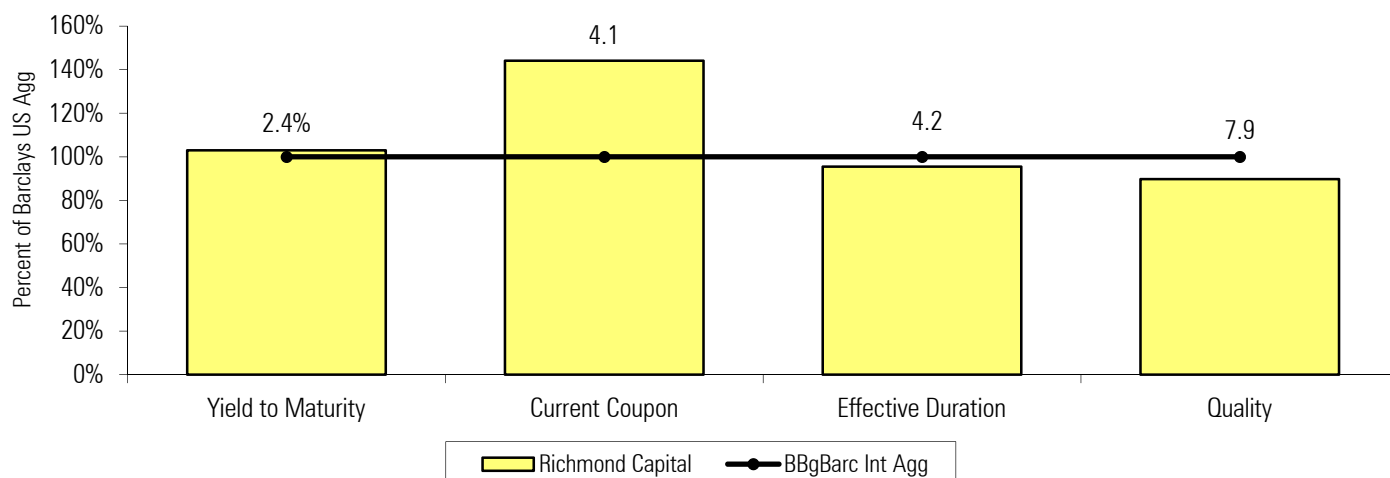
JPM Maritime has \$5MM commitment. SEAS will begin reporting performance once the commitment is fully drawn and/or JPM begins to provide performance data on the fund.

**X. FIXED INCOME/ABSOLUTE RETURN PERFORMANCE COMPARISONS**

Manager/Index/Universe	Quarter	1 Year	3 Year	5 Year
<b>Richmond Capital</b>	<b>0.7%</b>	<b>1.1%</b>	<b>2.6%</b>	<b>2.4%</b>
BBgBarc Intermediate Aggregate	0.7%	0.3%	2.2%	1.9%
vs. Intermediate Fixed Income Portfolios	78	35	49	56

Due to the custody transition in 2015, SEAS has listed the manager-report returns for Pacific Life

**Fixed Income Portfolio Characteristics**



## **XI. POLICY COMPLIANCE - For Discussion Only**

### **A. Investment Guidelines: Total Fund**

<b>Goal</b>	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>
Exceed Target Index	x	x	✓
Rank Above 50 <sup>th</sup> Percentile in Public Fund Universe	x	✓	✓
Earn Average Annual Return of 8.0%	✓	x	✓
Standard Deviation Relative to Target Index	N/A	>	>

<b>Guideline</b>	<b>Total Fund</b>
Equity securities limited to less than 70% of Total Fund market value	64.5%
Investment in foreign company stock limited to 25% of value of Total Fund	12.5%
Investment in real estate limited to 15% of value of Total Fund	12.3%
Equity securities with Market Cap of less than \$5 billion limited to 25% of market value of Total Fund	✓
Fixed Income portfolio average credit quality of "A" or better	✓
Fixed Income portfolio duration should be < 135% of the market index duration	✓
< 5% of fixed income portfolio (at cost) shall be invested in single corp. issuer	✓



## B. Fund Performance Objective

Manager	Exceed Benchmark 3-Year	Exceed Benchmark 4-Year	Exceed Benchmark 5-Year	Risk vs. Benchmark 5-Year
DePrince, Race, and Zollo	✓	✓	✓	>
Rhumblin R1000	n/a	n/a	n/a	n/a
Stralem Large Cap	✗	✗	✗	<
Rhumblin S&P SC600	n/a	n/a	n/a	n/a
Atlanta Capital	✓	✓	n/a	n/a
EuroPacific Growth	✓	✓	✓	<
Oakmark International	✓	✓	✓	>
Oppenheimer International Growth	✗	✓	✓	>
Principal U.S. Property	✓	✓	✓	>
American Realty	n/a	n/a	n/a	n/a
JP Morgan Infrastructure	✗	✗	✓	>
Richmond Capital	✓	✓	✓	<

Manager	Rank Above 50 <sup>th</sup> Percentile 3-Year	Rank Above 50 <sup>th</sup> Percentile 4-Year	Rank Above 50 <sup>th</sup> Percentile 5-Year
DePrince, Race, and Zollo	✓	✓	✓
Rhumblin R1000	n/a	n/a	n/a
Stralem Large Cap	✗	✗	✗
Rhumblin S&P SC600	n/a	n/a	n/a
Atlanta Capital	✓	✓	n/a
EuroPacific Growth	✓	✓	✓
Oakmark International	✓	✓	✓
Oppenheimer International Growth	✓	✓	✓
Principal U.S. Property	✓	✓	✓
American Realty	n/a	n/a	n/a
JP Morgan Infrastructure	n/a	n/a	n/a
Richmond Capital	✓	✗	✗



**C. Manager Status**

<b>Manager</b>	<b>Status</b>	<b>Effective Date</b>
DePrince, Race, and Zollo	Good Standing	
Rhumblin R1000	Good Standing	
Stralem Large Cap	Good Standing	
Victory Capital	Terminated	1Q17
Rhumblin S&P SC600	Good Standing	
Atlanta Capital	Good Standing	
EuroPacific Growth	Good Standing	
Oakmark International	Good Standing	
Oppenheimer International Growth	Good Standing	
Principal U.S. Property	Good Standing	
American Realty	Good Standing	
JP Morgan Infrastructure	Good Standing	
JP Morgan Maritime	Good Standing	
Richmond Capital	Good Standing	

**XII. COMMISSION RECAPTURE SUMMARY**

<b>Period</b>	<b>Commissions Paid</b>	<b>Commissions Received through Recapture/Rebates</b>
4Q2016	\$3,642	\$0
1Q2017	\$4,132	\$0
2Q2017		
3Q2017		
<b>Fiscal YTD 2017</b>	<b>\$7,773</b>	<b>\$0</b>

Source for commissions paid: Salem Trust custodial statements



### **XIII. HISTORICAL EARNINGS ANALYSIS (Net of Fees)**

<b>Fiscal Year</b>	<b>Fiscal Year Earnings</b>	<b>Fiscal Year Return</b>
2003	\$10,395,140	13.7%
2004	\$8,485,935	9.3%
2005	\$9,033,405	9.8%
2006	\$9,300,446	9.3%
2007	\$17,706,111	16.1%
2008	(\$19,925,235)	-16.0%
2009	(\$6,068,122)	-5.1%
2010	\$7,144,888	6.9%
2011	\$1,993,958	2.0%
2012	\$17,665,210	16.9%
2013	\$20,794,211	16.5%
2014	\$14,902,092	10.4%
2015	\$247,512	-0.1%
2016	\$14,538,548	9.7%
2017 FYTD	\$9,558,592	5.9%
Since Inception	\$115,772,694	7.1%*

\*Annualized, net of management fees for all time periods following 2006. For years 2003 - 2006 the former consultant did not track manager fees; numbers in table above will not match returns on page 3 that are reported "Gross" of management fees.

### **XIV. NOTES**

- 1) The prior investment consultant, Merrill Lynch Consulting Services, provided all performance and market value data for periods prior to December 31, 2006.
- 2) Performance data for The Plan is based on market value and transaction information provided in the Salem Trust accounting statements. The statements currently provided by Salem Trust are trade date statements.
- 3) Salem Trust reports the JP Morgan Infrastructure fund values via a "shadow entry" which causes this valuation to generally trail by one quarter. Because Salem Trust is the official record-keeper, SEAS uses only these statements for all performance reporting.
- 4) The inception date of the American Strategic Value Realty Fund is January, 2015.
- 5) The inception date of the Rhumblin S&P Small Cap 600 is January 12, 2017.

