

San Joaquin Employees Retirement System

Preliminary Monthly Flash Report (Net) ¹													
May 2017													
Commitment (\$000)	Sub-Segment	Market Value (\$000)	Physical % of Total	% of Total + Overlay	Policy Target %	1-Mo	3-Mos	YTD	1-Yr	3-Yrs	5-Yrs	SI Return	SI Date
TOTAL PLAN¹		\$ 2,671,154	100.0%	100.0%	100.0%	0.8	1.9	4.2	9.4	3.1	6.5	7.7	Apr-90
<i>Policy Benchmark²</i>						1.5	3.6	5.7	11.5	4.9	7.1	7.6	
<i>Difference:</i>						-0.7	-1.6	-1.4	-2.1	-1.8	-0.6	0.1	
<i>60/40 Portfolio³</i>						1.7	3.8	7.8	11.8	4.8	8.4	7.4	
<i>Difference:</i>						-0.9	-1.9	-3.6	-2.4	-1.7	-1.9	0.4	
Global Public Equity		\$ 888,935	33.3%	34.1%	30.0%	1.4	3.5	8.8	18.6	4.5	11.6	8.4	Jan-90
<i>MSCI ACWI</i>						2.3	5.3	11.3	18.2	5.9	12.1	7.4	
<i>Difference:</i>						-0.9	-1.7	-2.5	0.5	-1.4	-0.5	1.0	
BlackRock Russell 1000 Index	<i>Large Cap US</i>	\$ 397,733	14.9%			1.3	2.4	8.5	17.5	9.9	15.4	14.3	Oct-09
<i>Russell 1000 Index</i>						1.3	2.4	8.5	17.5	9.8	15.4	14.3	
<i>Difference:</i>						0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Capital Prospects	<i>Small Cap Value US</i>	\$ 39,235	1.5%			-2.3	-0.8	0.9	21.3	7.3	15.0	7.9	Jul-06
<i>Russell 2000 Value Index</i>						-3.1	-3.6	-2.9	21.0	7.3	13.7	6.5	
<i>Difference:</i>						0.9	2.8	3.8	0.3	0.0	1.3	1.4	
BlackRock Russell 2000 Growth Index Fund	<i>Small Cap Growth US</i>	\$ 30,331	1.1%			-0.9	2.2	---	---	---	---	2.2	Mar-17
<i>Russell 200 Growth Index</i>						-0.9	2.1	---	---	---	---	2.1	
<i>Difference:</i>						0.0	0.1	---	---	---	---	0.1	
BlackRock International Stock Index	<i>Non-US Developed</i>	\$ 128,960	4.8%			3.4	8.5	13.0	16.2	1.4	9.8	5.9	Oct-09
<i>MSCI World ex-US Index Net</i>						3.3	8.2	12.7	15.7	1.1	9.5	5.6	
<i>Difference:</i>						0.1	0.3	0.3	0.5	0.3	0.3	0.3	
PIMCO RAE Fundamental International	<i>Non-US Enhanced</i>	\$ 139,511	5.2%			2.6	7.1	10.8	18.6	-0.1	11.0	4.0	Apr-06
<i>MSCI EAFE Index</i>						3.8	9.6	14.4	17.0	2.0	10.7	3.7	
<i>Difference:</i>						-1.2	-2.5	-3.6	1.6	-2.1	0.3	0.3	
PIMCO RAE Fundamental Emerging Markets	<i>Emerging Markets</i>	\$ 92,002	3.4%			-0.6	0.5	11.6	38.5	2.2	5.3	4.8	Apr-07
<i>MSCI Emerging Markets Index</i>						3.0	7.9	17.3	27.9	2.0	4.9	3.5	
<i>Difference:</i>						-3.6	-7.4	-5.7	10.6	0.2	0.4	1.2	
Public Real Estate	<i>Public Real Estate</i>	\$ 61,164	2.3%			1.5	1.9	6.4	5.6	4.8	8.5	6.9	Aug-04
<i>Custom Public RE Benchmark</i>						0.7	0.5	4.5	4.4	5.6	8.7	8.6	
<i>Difference:</i>						0.7	1.4	1.9	1.2	-0.8	-0.3	-1.7	
Invesco All Equity REIT	<i>Core US REIT</i>	\$ 35,016	1.3%			0.3	-1.0	3.2	4.9	8.0	10.0	9.6	Aug-04
<i>FTSE NAREIT Equity Index</i>						-0.8	-2.9	0.5	2.9	8.0	10.2	9.2	
<i>Difference:</i>						1.1	1.9	2.7	2.0	0.0	-0.2	0.3	
BlackRock Developed ex-US REIT	<i>Value Add Intl REIT</i>	\$ 26,148	1.0%			3.1	6.0	11.0	6.6	---	---	1.4	Aug-14
<i>FTSE ERPA/NAREIT Global ex-US REIT Index</i>						3.0	5.7	10.7	6.3	---	---	1.0	
<i>Difference:</i>						0.1	0.2	0.3	0.3	---	---	0.4	
Private Appreciation⁴		\$ 315,093	11.8%	11.8%	12.0%	2.2	2.2	2.2	4.9	8.4	10.5	2.4	Feb-05
<i>MSCI ACWI + 200 bps</i>						2.4	1.9	1.9	11.1	5.9	12.4	9.2	
<i>Difference:</i>						-0.2	0.3	0.3	-6.2	2.5	-1.9	-6.8	
Total Private Real Estate	<i>Private Real Estate</i>	\$ 400,122	9.5%			2.8	2.8	2.8	6.6	9.5	11.1	2.7	Nov-04
<i>NCREIF ODCE Net + 1%</i>						2.1	2.1	2.1	8.9	12.1	12.1	9.4	
<i>Difference:</i>						0.7	0.7	0.7	-2.3	-2.6	-1.0	-6.7	
Ocean Avenue II	<i>PE Buyout FOF</i>	\$ 22,345	0.8%			1.1	1.1	1.1	1.0	2.6	---	0.3	May-13
<i>9% Annual</i>						2.2	2.2	2.2	9.0	9.0	---	9.0	
<i>Difference:</i>						-1.1	-1.1	-1.1	-8.0	-6.4	---	-8.7	
Ocean Avenue III	<i>PE Buyout FOF</i>	\$ 7,120	0.3%			-2.1	-2.1	-2.1	---	---	---	-7.6	Apr-16
<i>9% Annual</i>						2.2	2.2	2.2	---	---	---	9.0	
<i>Difference:</i>						-4.2	-4.2	-4.2	---	---	---	-16.6	
Morgan Creek III	<i>Multi-Strat FOF</i>	\$ 9,384	0.4%			9.4	9.4	9.4	1.6	---	---	-5.6	Feb-15
<i>9% Annual</i>						2.2	2.2	2.2	9.0	---	---	9.0	
<i>Difference:</i>						7.3	7.3	7.3	-7.4	---	---	-14.6	
Morgan Creek V	<i>Multi-Strat FOF</i>	\$ 9,880	0.4%			6.3	6.3	6.3	9.5	11.1	---	16.8	Jun-13
<i>9% Annual</i>						2.2	2.2	2.2	9.0	9.0	---	9.0	
<i>Difference:</i>						4.1	4.1	4.1	0.5	2.1	---	7.8	
Morgan Creek VI	<i>Multi-Strat FOF</i>	\$ 11,632	0.4%			9.2	9.2	9.2	4.2	---	---	-6.6	Feb-15
<i>9% Annual</i>						2.2	2.2	2.2	9.0	---	---	9.0	
<i>Difference:</i>						7.0	7.0	7.0	-4.8	---	---	-15.6	

¹ Returns are preliminary and are finalized during each quarterly reporting cycle. Monthly returns since previous quarter are provided by the managers. Market values are provided by Northern Trust.

² 1/1/16 to present benchmark is 30% MSCI ACWI, 10% BC Aggregate Bond Index, 14% 50% BC High Yield, 50% S&P Leveraged Loans, 14% T-Bill + 4%, 12% MSCI ACWI + 200 bps, 20% CRO Custom Benchmark. Prior to 1/1/16 benchmark is legacy policy benchmark.

³ 60% MSCI ACWI, 40% BC Universal

⁴ Total class and underlying manager returns are as of 3/31/2017, and lagged 1 quarter.

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May 2017													
Commitment (\$000)	Sub-Segment	Market Value (\$000)	Physical % of Total	% of Total + Overlay	Policy Target %	1-Mo	3-Mos	YTD	1-Yr	3-Yrs	5-Yrs	SI Return	SI Date
Stable Fixed Income <i>BC Aggregate Bond Index</i> Difference:		\$ 245,483	9.2%	10.9%	10.0%	0.7	0.9	1.5	4.6	4.2	4.8	5.2	Oct-90
						0.8	1.5	2.4	1.6	2.5	2.2	6.3	
						0.0	-0.6	-0.8	3.0	1.6	2.6	-1.1	
Dodge & Cox <i>BC Aggregate Bond Index</i> Difference:	Core Fixed Income	\$ 74,694	2.8%			0.8	1.7	3.1	5.1	3.4	3.9	5.1	Oct-90
						0.8	1.5	2.4	1.6	2.5	2.2	6.3	
						0.0	0.2	0.7	3.5	0.8	1.7	-1.2	
Doubleline Capital <i>BC Aggregate Bond Index</i> Difference:	MBS	\$ 74,055	2.8%			1.6	2.8	3.7	5.7	5.1	5.9	6.2	Feb-12
						0.8	1.5	2.4	1.6	2.5	2.2	2.4	
						0.9	1.3	1.3	4.2	2.5	3.7	3.9	
PRIMA <i>BC Aggregate Bond Index</i> Difference:	Comm. Mortgage	\$ 96,734	3.6%			0.0	-1.2	-1.2	3.5	4.1	4.8	4.4	Jul-08
						0.7	1.0	-2.1	1.4	2.6	2.2	3.9	
						-0.7	-2.2	0.9	2.1	1.4	2.5	0.5	
Credit² <i>50% BC High Yield, 50% S&P Leveraged Loans</i> Difference:		\$ 328,707	12.3%	12.3%	14.0%	0.2	0.2	0.2	5.8	3.0	5.3	4.0	Jul-06
						1.5	2.0	2.0	13.6	4.1	6.3	6.3	
						-1.3	-1.8	-1.8	-7.8	-1.1	-1.0	-2.3	
Stone Harbor Absolute Return <i>3-Month Libor Total Return</i> Difference:	Absolute Return	\$ 64,271	2.4%			0.5	2.1	2.6	10.2	2.3	3.1	2.8	Apr-08
						0.1	0.2	0.4	0.7	0.4	0.4	1.4	
						0.4	1.8	2.3	9.5	1.8	2.7	1.4	
Stone Harbor Bank Loans <i>S&P/LSTA Leveraged Loans Index</i> Difference:	Bank Loans	\$ 54,964	2.1%			0.4	1.9	2.6	9.6	---	---	2.7	Mar-14
						0.5	2.2	3.3	12.7	---	---	3.6	
						-0.1	-0.3	-0.8	-3.1	---	---	-0.9	
Mesa West RE Income III³ <i>9% Annual</i> Difference:	Comm. Mortgage	\$ 26,744	1.0%			1.4	1.4	1.4	8.8	9.2	---	4.1	Sep-13
						2.2	2.2	2.2	9.0	9.0	---	9.0	
						-0.8	-0.8	-0.8	-0.2	0.2	---	-4.9	
Mesa West RE Income IV³ <i>9% Annual</i> Difference:	Comm. Mortgage	\$ -	0.0%			---	---	---	---	---	---	---	Apr-16
						---	---	---	---	---	---	---	
						---	---	---	---	---	---	---	
Crestline Opportunity II³ <i>9% Annual</i> Difference:	Opportunistic	\$ 36,617	1.4%			5.2	5.2	5.2	10.6	10.0	---	8.7	Nov-13
						2.2	2.2	2.2	9.0	9.0	---	9.0	
						3.0	3.0	3.0	1.6	1.0	---	-0.3	
Marinus Opportunity <i>9% Annual</i> Difference:	MBS HF	\$ 43,651	1.6%			1.3	3.5	7.8	19.5	6.9	---	8.2	Apr-12
						0.7	2.2	3.7	9.0	9.0	---	9.0	
						0.6	1.4	4.1	10.5	-2.1	---	-0.8	
Raven Opportunity II³ <i>9% Annual</i> Difference:	Direct Lending	\$ 23,410	0.9%			-19.3	-19.3	-19.3	-15.9	---	---	-11.9	Aug-14
						2.2	2.2	2.2	9.0	---	---	9.0	
						-21.5	-21.5	-21.5	-24.9	---	---	-20.9	
Raven Opportunity III³ <i>9% Annual</i> Difference:	Direct Lending	\$ 13,916	0.5%			-11.1	-11.1	-11.1	-11.1	---	---	-11.3	Aug-15
						2.2	2.2	2.2	9.0	---	---	9.0	
						-13.3	-13.3	-13.3	-20.1	---	---	-20.3	
Medley Opportunity II³ <i>9% Annual</i> Difference:	Direct Lending	\$ 41,066	1.5%			2.8	2.8	2.8	6.3	7.0	---	7.0	Jul-12
						2.2	2.2	2.2	9.0	9.0	---	9.0	
						0.7	0.7	0.7	-2.7	-2.0	---	-2.0	
White Oak Summit Peer Fund³ <i>9% Annual</i> Difference:	Direct Lending	\$ 24,068	0.9%			2.8	2.8	2.8	---	---	---	6.8	Mar-16
						2.2	2.2	2.2	---	---	---	9.0	
						0.6	0.6	0.6	---	---	---	-2.2	

¹ Retuns are preliminary and are finalized during each quarterly reporting cycle. Monthly returns since previous quarter are provided by the managers. Market values are provided by Northern Trust.

² Total class returns are as of 3/31/2017 and lagged 1 quarter.

³ Manager returns are as of 3/31/2017, and lagged 1 quarter.

San Joaquin Employees Retirement System

Preliminary Monthly Flash Report (Net)¹

May 2017

Commitment (\$000)	Sub-Segment	Market Value (\$000)	Physical % of Total	% of Total + Overlay	Policy Target %	1-Mo	3-Mos	YTD	1-Yr	3-Yrs	5-Yrs	SI Return	SI Date	
Risk Parity <i>T-Bill + 4%</i> Difference:		\$ 351,981	13.2%	13.2%	14.0%	1.0 0.4 0.6	3.0 1.7 1.9	6.5 1.9 4.6	10.7 4.5 6.3	0.9 4.2 -3.3	-0.5 4.2 -4.7	3.7 4.2 -0.4	Mar-12	
Bridgewater All Weather <i>T-Bill + 4%</i> Difference:	<i>Risk Parity</i>	\$ 170,996	6.4%			0.5 0.2 0.2	1.7 0.5 1.1	4.8 3.0 8.1	10.3 5.8 11.2	2.2 -3.1 ---	---	4.1 -1.6 10.4	5.6 5.6 4.4	Mar-12
PanAgora Diversified Risk Multi-Asset <i>T-Bill + 4%</i> Difference:	<i>Risk Parity</i>	\$ 180,985	6.8%			1.4 0.4 1.1	4.4 1.7 3.3	8.1 1.9 6.2	11.2 4.5 6.7	---	---	---	4.4 5.9	Apr-16
Crisis Risk Offset <i>CRO Custom Benchmark²</i> Difference:		\$ 465,434	17.4%	17.8%	20.0%	0.4 0.8 -0.4	-1.2 0.9 -2.1	-1.1 1.5 -2.7	-1.0 -0.6 -0.3	7.0 3.9 3.1	5.9 2.6 3.2	7.9 4.7 3.1	Jan-05	
Long Duration <i>BC US Long Duration Treasuries</i> Difference:		\$ 148,400	5.6%			1.7 2.0 -0.3	2.7 3.0 -0.3	4.5 5.0 -0.5	-1.9 -1.9 0.0	---	---	-1.6 1.0 -2.6	Feb-16	
Dodge & Cox Long Duration <i>BC US Long Duration Treasuries</i> Difference:	<i>Long Duration</i>	\$ 148,400	5.6%			1.7 2.0 -0.3	2.7 3.0 -0.3	4.5 5.0 -0.5	-1.9 -1.9 0.0	---	---	-1.6 1.0 -2.6	Feb-16	
Systematic Trend Following <i>BTOP50 Index</i> Difference:		\$ 143,143	5.4%			0.8 0.0 0.8	-3.0 -1.5 -1.6	-4.2 -2.3 -1.9	-9.4 -5.1 -4.3	21.1 0.8 20.3	7.1 2.8 4.3	10.3 4.8 5.4	Jan-05	
Mt. Lucas Managed Futures - Cash <i>BTOP50 Index</i> Difference:	<i>Systematic Trend Following</i>	\$ 65,329	2.4%			-1.1 0.0 -1.1	-4.9 -1.5 -3.4	-10.0 -2.3 -7.7	-16.7 -5.1 -11.5	17.8 0.8 17.0	5.4 2.8 2.5	9.5 4.8 4.7	Jan-05	
Graham Tactical Trend <i>SG Trend Index</i> Difference:	<i>Systematic Trend Following</i>	\$ 77,814	2.9%			2.4 -0.3 2.8	-1.5 -3.8 2.3	1.3 -2.2 3.5	-3.9 -5.1 1.2	---	---	-5.7 -9.5 3.8	Mar-16	
Alternative Risk Premia <i>5% Annual</i> Difference:		\$ 173,891	6.5%			-0.9 0.4 -1.3	-2.9 1.2 -4.1	-3.1 2.1 -5.1	5.7 5.0 0.7	0.2 8.6 -8.5	3.3 10.0 -6.6	10.3 6.9 3.5	Aug-06	
Bridgewater Pure Alpha & PAMM <i>5% Annual</i> Difference:	<i>Alternative Risk Premia</i>	\$ 74,130	2.8%			-2.4 0.4 -2.8	-2.5 1.2 -3.7	-2.6 2.1 -4.6	9.8 5.0 4.8	1.5 8.6 -7.2	4.1 10.0 -5.8	10.7 6.9 3.9	Aug-06	
AQR Style Premia <i>5% Annual</i> Difference:	<i>Alternative Risk Premia</i>	\$ 38,975	1.5%			1.0 0.4 0.6	-2.3 1.2 -3.6	1.5 2.1 -0.5	2.9 5.0 -2.1	---	---	2.6 5.0 -2.4	May-16	
PE Diversified Global Macro <i>5% Annual</i> Difference:	<i>Alternative Risk Premia</i>	\$ 60,785	2.3%			-0.3 0.4 -0.7	-3.8 1.2 -5.0	-6.3 2.1 -8.4	0.7 5.0 -4.3	---	---	0.7 5.0 -4.3	Jul-16	
Cash <i>US T-Bills</i> Difference:		\$ 75,521	2.8%	-0.1%	0.0%	0.1 0.1 0.0	0.2 0.1 0.0	0.2 0.2 0.0	0.7 0.4 0.2	0.3 0.2 0.1	0.2 0.2 0.0	2.9 2.5 0.4	Sep-94	
Northern Trust STIF <i>US T-Bills</i> Difference:	<i>Collective Govt. Short Term</i>	\$ 72,961	2.7%			0.1 0.1 0.0	0.2 0.1 0.0	0.2 0.2 0.0	0.7 0.4 0.2	0.3 0.2 0.1	0.2 0.2 0.0	2.9 2.6 0.3	Jan-95	
Parametric PIOS <i>US T-Bills</i> Difference:	<i>Cash Overlay</i>	\$ 2,560	0.1%			0.0 0.1 -0.1	0.1 0.1 0.0	0.1 0.2 -0.1	0.4 0.4 0.0	0.0 0.2 -0.2	0.0 0.2 -0.2	0.6 1.1 -0.5	Mar-06	

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² Benchmark is (1/3) BC Long Duration Treasuries, (1/3) BTOP50 Index, (1/3) 5% Annual.