

# FUND EVALUATION REPORT

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## District of Columbia Retirement Board

Quarterly Summary  
June 30, 2012



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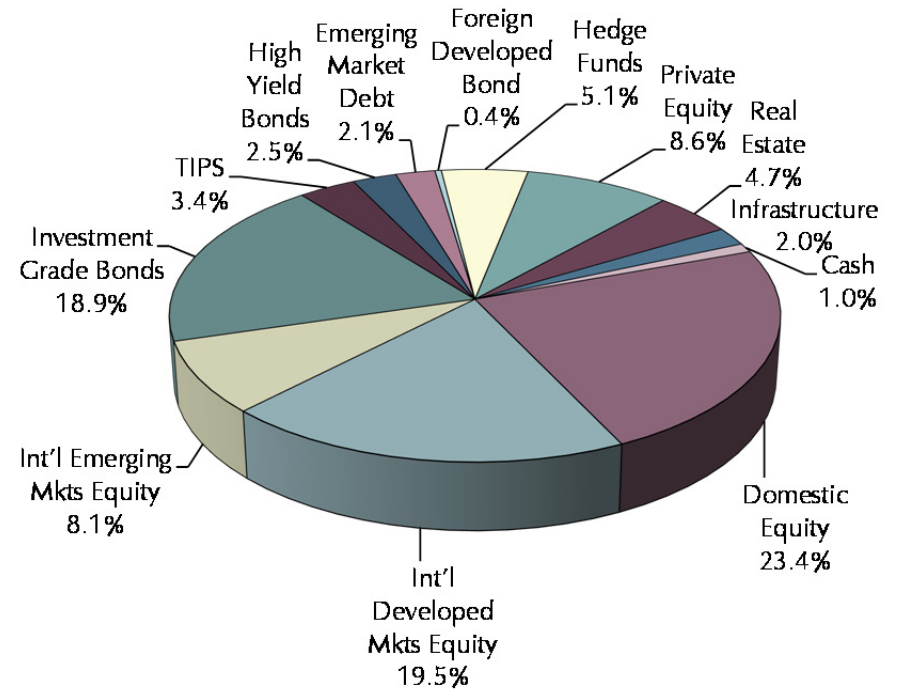
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Fund	Market Value 3/31/12 (\$ mm)	Market Value 6/30/12 (\$ mm)	% of Retirement Fund	Target Allocation (%)	Target Range <sup>1</sup> (%)
<b>Fund</b>	<b>5,097.4</b>	<b>4,964.4</b>	<b>100</b>	<b>NA</b>	<b>NA</b>
<b>Public Equities</b>	<b>2,731.2</b>	<b>2,531.7</b>	<b>51</b>	<b>50</b>	<b>40-60</b>
Domestic Equity Assets	1,288.0	1,161.8	23	22	18-26
International Developed Market Equity Assets	1,002.6 <sup>2</sup>	969.0 <sup>2</sup>	20	20	16-24
International Emerging Market Equity Assets	440.7 <sup>2</sup>	400.9 <sup>2</sup>	8	8	6-10
<b>Fixed Income<sup>2</sup></b>	<b>1,331.0</b>	<b>1,369.8</b>	<b>28</b>	<b>25</b>	<b>20-30</b>
Investment Grade Bond Assets	1,010.7 <sup>2</sup>	938.3 <sup>2,3</sup>	19	15	10-20
TIPS Assets	137.2 <sup>2</sup>	168.7 <sup>2</sup>	3	3	2-4
High Yield Assets	62.0 <sup>2</sup>	128.9 <sup>2</sup>	3	3	2-4
Emerging Market Debt Assets	68.8 <sup>2</sup>	115.0 <sup>2</sup>	2	2	1-3
Foreign Developed Bond Assets	52.3 <sup>2</sup>	18.8 <sup>2</sup>	1	2	1-3
<b>Alternatives</b>	<b>995.2</b>	<b>1,013.7</b>	<b>20</b>	<b>25</b>	<b>NA</b>
Hedge Fund Assets	256.9	252.2 <sup>4</sup>	5	10	NA
Private Equity Assets	427.0	427.2 <sup>4</sup>	9	8	NA
Real Estate Assets	221.8	234.6 <sup>4</sup>	5	5	NA
Infrastructure Assets	89.5	99.7 <sup>4</sup>	2	2	NA
<b>Cash</b>	<b>40.0</b>	<b>49.2</b>	<b>1</b>	<b>0</b>	<b>NA</b>

<sup>1</sup> Target ranges for Alternatives have not yet been determined.

<sup>2</sup> Figures represent underlying market exposures.

<sup>3</sup> The Investment Grade Bond market value includes assets within the transition account.

<sup>4</sup> Based on March 31, 2012 reported values, adjusted for subsequent flows.

Fund	Market Value 3/31/12 (\$ mm)	Market Value 6/30/12 (\$ mm)	% of Asset Class	% of Retirement Fund
<b>Fund</b>	<b>5,097.4</b>	<b>4,964.4</b>	<b>NA</b>	<b>100</b>
<b>Domestic Equity Assets<sup>1</sup></b>	<b>1,288.0</b>	<b>1,161.8</b>	<b>100</b>	<b>23</b>
AllianceBernstein Russell 3000 Index	1,037.4	923.6	79	19
Sands Large Cap Growth Equity	130.3	121.3	10	2
Thompson, Siegel & Walmsley Small Cap Value	67.7	65.3	6	1
PIMCO StocksPLUS	52.6	51.7	4	1
<b>International Developed Market Equity Assets<sup>1</sup></b>	<b>1,006.7</b>	<b>973.0</b>	<b>100</b>	<b>20</b>
SSgA MSCI World (ex. U.S.) Index - NL	901.3	876.3	90	18
Gryphon International EAFE	105.5	96.7	10	2
<b>International Emerging Market Equity Assets<sup>1</sup></b>	<b>436.4</b>	<b>396.9</b>	<b>100</b>	<b>8</b>
SSgA Emerging Markets Index-NL	355.0	323.1	81	7
LSV Emerging Markets Value Equity	81.5	73.8	19	1
<b>Investment Grade Bond Assets<sup>1</sup></b>	<b>1,133.8</b>	<b>1,007.3<sup>2</sup></b>	<b>100</b>	<b>20</b>
BlackRock U.S. Debt Index-NL	107.6	416.3	52	8
PIMCO Total Return Core Plus Full Authority	596.7	230.7	29	5
BlackRock Core Plus	429.5	150.4	19	3

<sup>1</sup> Figures reflect manager level market values and not underlying market exposure.

<sup>2</sup> Includes investment grade bond assets held in the transition account.

	Market Value 3/31/12 (\$ mm)	Market Value 6/30/12 (\$ mm)	% of Asset Class	% of Retirement Fund
<b>TIPS Assets<sup>1</sup></b>	<b>137.2</b>	<b>161.8</b>	<b>100</b>	<b>3</b>
BlackRock TIPS	137.2	161.8	100	3
<b>Emerging Market Debt Assets<sup>1</sup></b>	<b>60.0</b>	<b>100.1</b>	<b>100</b>	<b>2</b>
Stone Harbor Emerging Markets Local Currency Debt	60.0	100.1	100	2
<b>High Yield Assets<sup>1</sup></b>	<b>0.0</b>	<b>100.6</b>	<b>100</b>	<b>2</b>
DDJ High Yield Bond	0.0	100.6	100	2
<b>Private Equity Assets<sup>2</sup></b>	<b>427.0</b>	<b>427.2</b>	<b>100</b>	<b>9</b>
Pantheon Capital Partners <sup>2</sup>	233.0	228.8	54	5
Pantheon Global Secondary <sup>2</sup>	68.4	64.4	15	1
Legacy Private Equity <sup>2</sup>	125.6	134.0	31	3
<b>Real Estate Assets</b>	<b>221.8</b>	<b>234.6</b>	<b>100</b>	<b>5</b>
Private Real Estate <sup>2</sup>	185.8	176.6	75	4
Vanguard REIT Index	36.0	58.0	25	1
<b>Hedge Fund Assets</b>	<b>256.9</b>	<b>252.2</b>	<b>100</b>	<b>5</b>
Bridgewater Pure Alpha	256.9	252.2	100	5
<b>Infrastructure Assets<sup>2</sup></b>	<b>89.5</b>	<b>99.7</b>	<b>100</b>	<b>2</b>
Private Infrastructure	89.5	99.7	100	2
<b>Cash</b>	<b>40.0</b>	<b>49.2</b>	<b>100</b>	<b>1</b>
SSgA STIF	40.0	49.2	100	1

<sup>1</sup> Figures reflect manager level market values and not underlying market exposure.

<sup>2</sup> Based on March 31, 2012 reported values, adjusted for subsequent cash flows.

## District of Columbia Retirement Board

## Aggregate Assets Performance as of 6/30/12

Fund	2Q12 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	20 YR (%)	Inception Date	Since Inception (%)
<b>Fund</b>	<b>-2.4</b>	<b>5.4</b>	<b>-0.4</b>	<b>11.2</b>	<b>0.7</b>	<b>5.7</b>	<b>7.6</b>	<b>1/1/87</b>	<b>8.2</b>
<b>Net of Fees</b>	<b>-2.4</b>	<b>5.3</b>	<b>-0.6</b>	<b>10.9</b>	<b>0.4</b>	<b>5.4</b>	<b>7.4</b>		<b>8.0</b>
<i>Policy Benchmark<sup>1</sup></i>	-1.6	5.2	-0.2	11.3	1.7	6.8	8.2		8.8
<i>Actual Allocation Benchmark<sup>2</sup></i>	-3.5	3.7	-0.6	11.1	1.8	6.9	NA		NA
<i>60% Russell 3000 / 40% Barclays Aggregate</i>	-1.0	6.6	5.8	13.1	3.4	6.1	8.0		8.9
Domestic Equity (net-of-fees)	-3.7	9.8	3.0	16.9	0.0	5.3	8.9	1/1/87	9.6
<i>Russell 3000</i>	-3.1	9.3	3.8	16.7	0.4	5.8	8.5		9.5
International Developed Market Equity <sup>3</sup> (net-of-fees)	-7.1	2.9	-14.9	7.7	-4.7	5.3	5.9	4/1/87	5.4
<i>MSCI World (ex. US)<sup>4</sup></i>	-7.2	2.4	-14.0	7.2	-4.5	6.8	6.1		NA
International Emerging Markets Equity (net-of-fees)	-9.1	4.1	NA	NA	NA	NA	NA	9/1/11	-7.4
<i>MSCI Emerging Markets</i>	-8.9	3.9	-16.0	9.8	-0.1	14.1	8.1		-7.3
Fixed Income <sup>5</sup> (net-of-fees)	1.7	3.2	7.1	9.0	6.4	6.0	6.9	12/1/82	8.3
<i>Barclays Universal</i>	2.0	2.9	7.4	7.6	6.8	6.0	6.6		NA
<i>Barclays Aggregate</i>	2.1	2.4	7.5	6.9	6.8	5.6	6.5		8.2

<sup>1</sup> Policy Benchmark, as reported by State Street Bank, reflects targets set forth in the Fund's Investment Policy Statement. The benchmark uses the following indexes as proxies: 22% Russell 3000 (domestic equity), 20% MSCI World ex. U.S. and 8% MSCI EM (international equity), 27% Barclays Universal (fixed income), 4% NCREIF ODCE (lagged) and 1% Wilshire RESI (real estate), 10% 1-month LIBOR (hedge funds), and 8% Cambridge Private Equity (lagged) (alternatives).

<sup>2</sup> Actual Allocation Benchmark, as reported by State Street Bank, is constructed with the same market indices as the Policy Benchmark, weighted by the Fund's monthly asset allocation.

<sup>3</sup> Includes international emerging markets equity performance prior to September 2011.

<sup>4</sup> The International Developed Market Equity custom benchmark is comprised of the MSCI ACWI (ex U.S.) Index prior to September 2011 and the MSCI World (ex U.S.) since.

<sup>5</sup> Prior to August 2011, Fixed Income performance included the performance of infrastructure assets.

\*Note: Aggregate asset class returns throughout the summary section for periods of 20 years and longer are presented gross-of-fees.



## District of Columbia Retirement Board

## Aggregate Assets Performance as of 6/30/12

Fund	2Q12 (%)	YTD (%)	1 YR (%)	3 YR (%)	5 YR (%)	10 YR (%)	20 YR (%)	Inception Date	Since Inception (%)
<b>Net of Fees (continued)</b>	<b>-2.4</b>	<b>5.4</b>	<b>-0.4</b>	<b>11.2</b>	<b>0.7</b>	<b>5.7</b>	<b>7.6</b>	<b>1/1/87</b>	<b>8.2</b>
Private Equity <sup>1</sup> (net-of-fees)	0.7	5.3	4.9	11.2	4.0	5.0	7.7	1/1/87	7.4
<i>Russell 3000 + 5% (1-quarter lagged)</i>	NA	NA	NA	NA	NA	9.9	14.1		15.2
<i>Cambridge Associates Private Equity Index</i>	5.4	11.0	10.8	18.2	7.0	13.0	15.5		13.9
Real Estate <sup>2</sup> (net-of-fees)	2.5	7.6	11.4	3.7	-5.3	1.8	2.6	4/1/88	1.3
<i>80% NCREIF ODCE/20% Wilshire US RESI<sup>2</sup></i>	2.8	7.3	12.9	13.0	2.8	8.8	9.0		7.6
<i>NCREIF ODCE (lagged one qtr.)</i>	2.8	5.9	14.7	4.1	-0.5	6.4	7.4		6.4
<i>Wilshire U.S. RESI</i>	3.5	3.5	1.5	29.1	-0.2	9.2	10.6		8.2
Hedge Funds (net-of-fees)	-1.8	-2.5	6.4	15.7	11.4	NA	NA	7/1/06	9.2
<i>1 Month LIBOR</i>	0.1	0.1	0.2	0.3	1.3	2.1	3.5		2.0
<i>HFRI Macro Index</i>	-1.3	-0.6	-2.6	1.9	3.5	6.5	10.6		4.5
Infrastructure <sup>3</sup> (net-of-fees)	3.1	2.1	9.0	9.8	NA	NA	NA	6/1/08	7.1
<i>Barclays Universal</i>	2.0	2.9	7.4	7.6	6.8	6.0	6.6		6.7

<sup>1</sup> Portfolio and index performance reported one quarter lagged.

<sup>2</sup> Portfolio and index performance reported one quarter lagged for private segment and NCREIF ODCE index.

<sup>3</sup> Portfolio performance is one quarter lagged.

