

Board of Trustees

1000 Mill Street
San Luis Obispo, CA 93408
Phone: (805) 781-5465
Fax: (805) 781-5697
www.SLOPensionTrust.org



Date: September 23, 2024

To: Board of Trustees

From: Katie Girardi – Executive Director
Amy Burke – Deputy Director

Agenda Item 10: Monthly Investment Report for August 2024

	1-month	YTD	2023	2022	2021	2020	2019
Total Fund (%) <i>(Gross)</i>	1.20	6.6	8.9	(8.0)	15.2	8.9	16.3
Policy Index (%)*	1.30	7.8	10.2	(9.7)	12.8	10	16.4

	YTD	2023	2022	2021	2020	2019
Market Value <i>(millions)</i>	\$1,801	\$1,694	\$1,614	\$1,775	\$1,552	\$1,446

- * Policy index as of Nov. 2021 Strategic Asset Allocation Policy with 2024 Interim targets:
- Public Mkt Equity- 20% Russell 3000, 17% MSCI ACWI ex-US
 - Public Mkt Debt- 4% Bloomberg/Barclays US Aggregate,
 - Risk Diversifying 8% Barclays 7-10yr Treasury, 7% Barclays 5-10yr US TIPS
 - Real Estate & Infrastructure- 14% NCREIF Index (inc. Infrastructure)
 - Private Equity- 12% actual private equity returns
 - Private Credit- 10% actual private credit returns
 - Liquidity- 8% 90-day T-Bills
- Pending annual updates to interim targets.

SLOCPT Investment Returns:

The attached report from Verus provides an overview of the preliminary investment returns of the SLOCPT portfolio and offers market commentary through the end of August. It's important to note that the report does not include any activity or data from September.

A “flash crash” is what investors are calling the 6% decrease in the S&P 500 at the beginning of August. The coupling of economic indicators showing an economic slowdown and an increase in Japanese interest rates led to an emotional “sell-off” from investors. However, like the markets tend to do, as quickly as the “crash” came on, it just as quickly recovered ending the month up 2.4%.

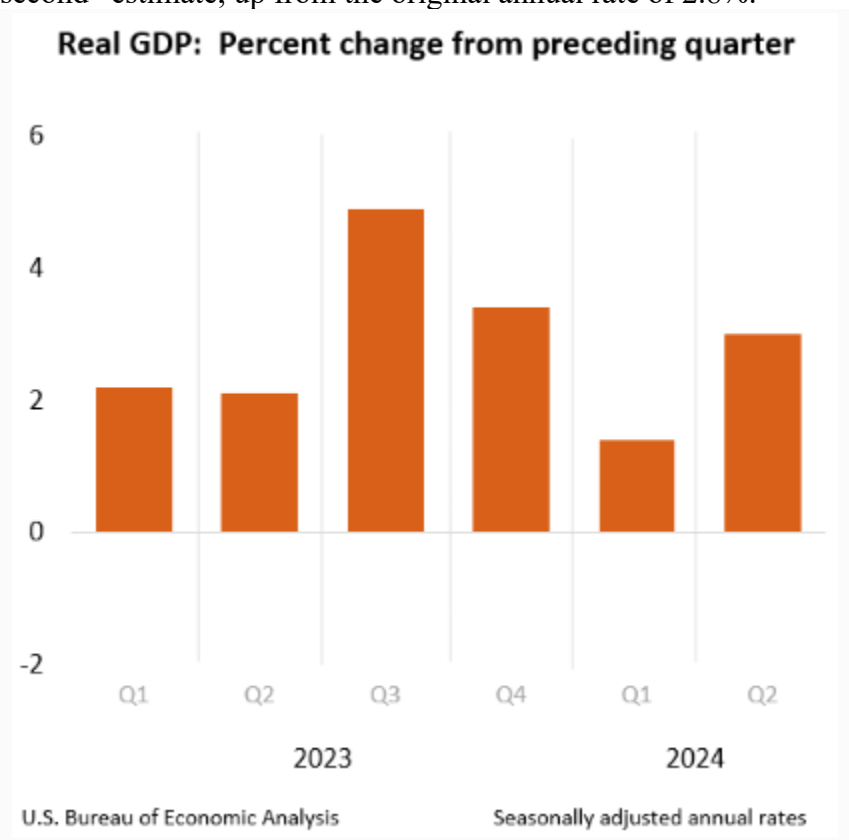
All asset classes within the portfolio reported positive returns for August. Top domestic and international manager performers include Atlanta Capital (170 bps), and WCM (230 bps). Year to date gross returns were reported at 6.6%.

Capital Markets:

- **Investment Markets** – International markets continued their outperformance of domestic markets for a second month due to an improved economic outlook in the Eurozone and the anticipated interest rate cut in September.
 - US stocks S&P 500 2.4%
 - International stocks MSCI ACWI ex-US 2.9%
 - Bonds Bloomberg US Aggregate bonds 1.4%

The Economy:

- **Inflation**
 - CPI increased 0.2%, seasonally adjusted, after also increasing 0.2% in July. Over the last 12 months, all items index increased 2.5 % before seasonal adjustment.
- **Gross Domestic Product (GDP)**
 - Real GDP was adjusted to 3.0% for the second quarter of 204 according to the “second” estimate, up from the original annual rate of 2.8%.



- **New Jobs, Unemployment**
 - **New Jobs** - The latest jobs report on non-farm employment report a gain of 142k new jobs. Employment trends continue in:
 - Health care: Aging population keeps demand steady

- Construction: fueled by the Biden administration’s infrastructure spending in nonresidential construction
 - **Unemployment Rate – 4.2%** - decrease from July– approximately 7.1 million people who are not employed but could be.
 - **Labor Force Participation – 62.7%** - same as July – the economy’s active workforce. Number of people ages 16 and older who are employed or actively seeking employment, divided by the total working-age population.
- **Monetary Policy**
 - At the 2024 Economic Policy Symposium held in Jackson Hole, Wyoming in August, Fed Chair Jerome Powell clearly signaled that the central bank was poised to cut interest rates in September (spoiler alert – they did!). To protect the labor market from weakening further and an attempt at an elusive soft landing, Powell stated *“The direction of travel is clear, and the timing and pace of rate cuts will depend on incoming (economic) data, the evolving outlook, and the balance of risks.”*
- **Verus Management Update -**
 - On September 16th, Verus provided a press release announcing the separation of President, Shelly Heier. Shelly started with Verus in 2000 as a research analyst and has been President of Verus since 2013. Upon her departure, Jeff MacLean, Chief Executive Officer, and Kraig McCoy, Chief Financial Officer and Chief Operating Officer, will absorb Shelly’s management responsibilities. Shelly will be leaving Verus at the end of September to take on a global leadership role at a financial services firm.

While this event occurred in September, Verus is a crucial partner of SLOCPT, and management changes should be reported immediately. I spoke with Scott regarding Shelly’s departure, and he assured me there would be no impact on the SLOCPT and Verus relationship.

Attachments:

Attachment A – August 31, 2024 Capital Markets Update

Attachment B – August 31, 2024 Investment Performance Review

A decorative geometric pattern of overlapping triangles in shades of blue and green is overlaid on the left side of the image. A prominent white triangle is positioned to the left of the main title text.

**PERSPECTIVES
THAT DRIVE
ENTERPRISE
SUCCESS**

**AUGUST 2024
Capital Markets Update**

Market commentary

U.S. ECONOMICS

- Investors remain focused on the U.S. labor market, as changes in conditions will likely have a large impact on the Federal Reserve's rate cutting path. The release of the Quarterly Census of Employment and Wages (QCEW) indicated a preliminary downward revision of -818k jobs through the period ended March 31st, broadly in line with expectations, though investors believe the full impact of immigration is likely not fully captured in the print.
- August nonfarm payrolls totaled 142,000, below estimates of 165,000, while June and July were revised lower by a combined 86,000. Interpretations of the print were mixed but there seems to be general consensus that the labor market has further cooled.
- The ISM Manufacturing Survey rose from 46.8 to 47.2, indicating a slight increase in manufacturing activity while the ISM Services Survey was roughly flat at 51.5 (+0.1 from July).

U.S. EQUITIES

- U.S. equities, along with other global markets, faced a difficult start to the month. A strengthening of the yen and the prospect of rate hikes in Japan triggered a rapid technical selloff as traders unwound yen positions. This flash crash, along with some weaker U.S. economic datapoints, contributed to one of the largest volatility spikes (VIX) in history. The S&P 500 fell about -6% from July 31st through August 5th but recovered nearly 9% to end the month +2.4%—near all time highs.
- Equities stabilized and recovered throughout the month as other data releases countered the narrative that the U.S. economy might be nearing a breaking point. Investor sentiment also improved after Chairman Jerome Powell spoke at the Jackson Hole Symposium and stated that the time had come for policy adjustments.

U.S. FIXED INCOME

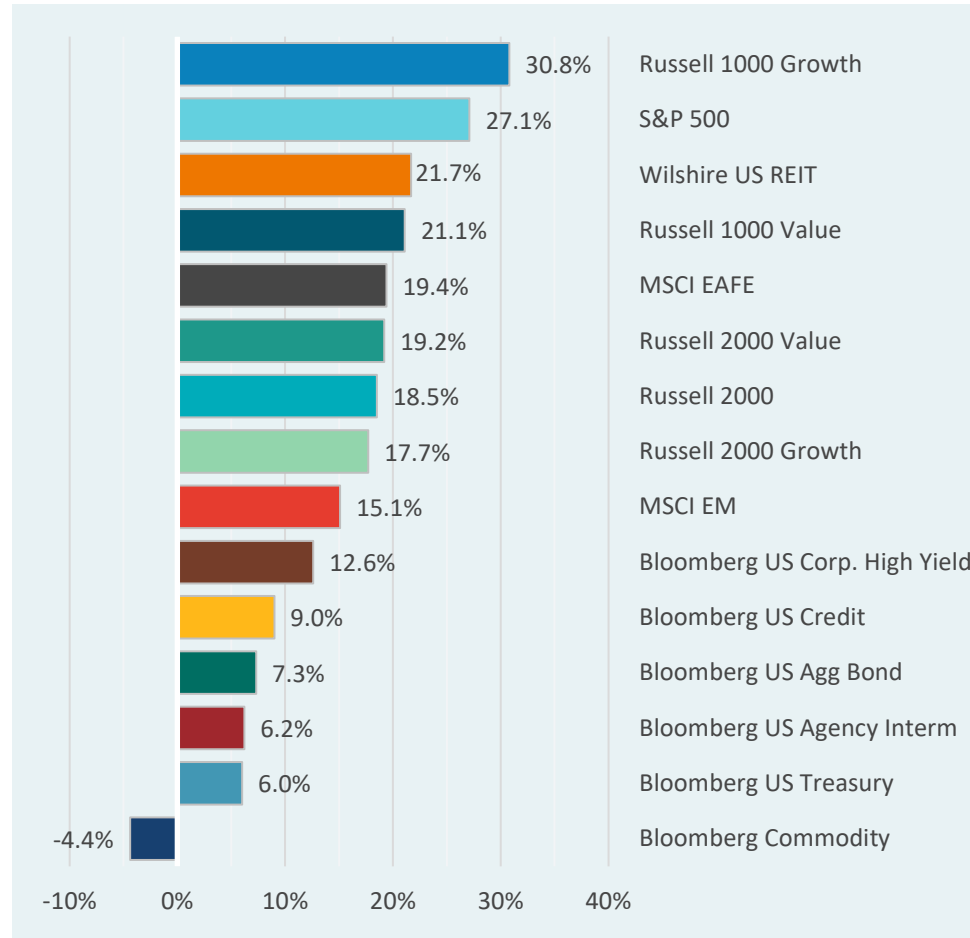
- Investor expectations for rate cuts changed significantly throughout the month. Early in August, investors were pricing in a nearly 100% probability of a second 0.25% rate cut (-0.5% total) for the September 17th meeting. By month end, expectations were reset to a 30% probability of a second rate cut, in line with prior expectations.
- Chairman Powell's commentary at Jackson Hole reiterated the recent statements on the trajectory of inflation and a cooling of the labor market but made a meaningful change in acknowledging that the bank would be adjusting its policy. To investors, the comments were indicative of rate cuts to come, and solidified expectations of a 0.25% rate cut in September.
- Fixed income markets continued to benefit from this shift in tone and confirmation of rate cuts. Yields fell overall, with the yield curve moving closer to normalization. At month end the spread between the 10-year and 2-year yield curve shape was flat rather than inverted.

INTERNATIONAL MARKETS

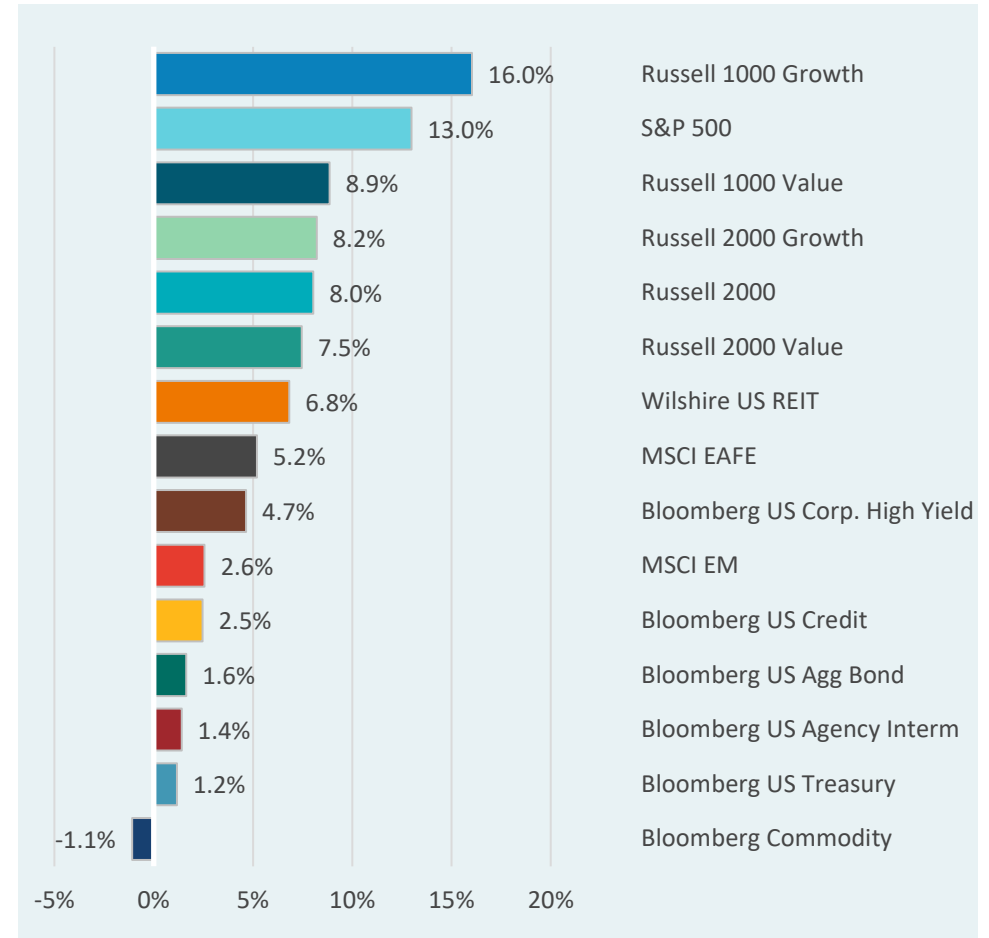
- The impacts of the July Bank of Japan rate hike rippled through markets well into August, though BOJ officials acknowledged that they would be mindful of the impact on markets as they consider policy changes going forward. Japanese equities fell -12% on the worst day for the TOPIX since 1987 but rebounded to end the month +0.4% in local currency terms.
- A drop in Eurozone inflation to 2.2% helped cement expectations for a European Central Bank September rate cut. The ECB had paused after its first cut in June but was widely expected to enact another cut in September. Inflation moderation and an improved economic outlook helped boost the MSCI Euro Index +4.1%.

Major asset class returns

ONE YEAR ENDING AUGUST



TEN YEARS ENDING AUGUST



*Only publicly traded asset performance is shown here. Performance of private assets is typically released with a 3- to 6-month delay.

Source: Morningstar, as of 8/31/24

Source: Morningstar, as of 8/31/24

U.S. large cap equities

- The S&P 500 delivered a bumpy ride in August, falling -6.1% at the beginning of the month but recovering as investors focused on positive earnings news, cooling economic data, and the Federal Reserve’s upcoming meeting on September 17th. The index ended the month at a +2.4% gain.
- S&P sector performance in August appeared to reflect a defensive rotation. Top performers included consumer staples (+5.9%), real estate (+5.8%), and health care (+5.1%). Laggards included energy (-1.7%), consumer discretionary (-1.0%), and communication services (+1.2%).
- As of September 9th, 99% of S&P 500 companies had reported earnings, with results overall beating expectations. Positive earnings surprises were posted by 79% of companies and positive revenue surprises were posted by 60% of companies.
- The VIX spiked to 65 at the beginning of August as the yen carry trade unwound and investors became increasingly concerned about a recession. By the end of the month, the VIX settled to 15.6, below the two-year average of 17.5.

S&P 500 PRICE INDEX



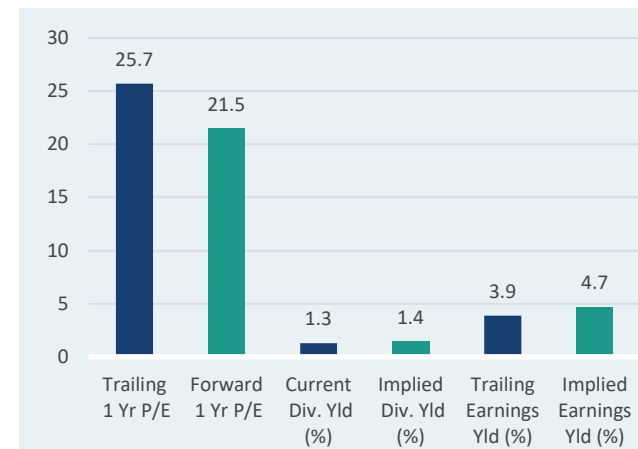
Source: S&P, as of 8/31/24

IMPLIED VOLATILITY (VIX INDEX)



Source: Cboe, based on closing price as of 8/31/24

S&P 500 VALUATION SNAPSHOT

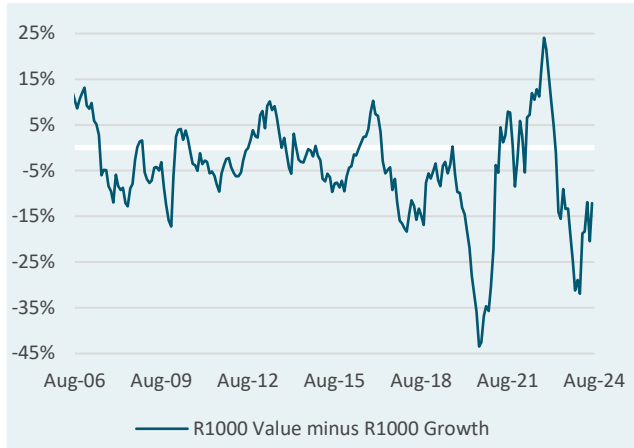


Source: S&P, as of 8/31/24

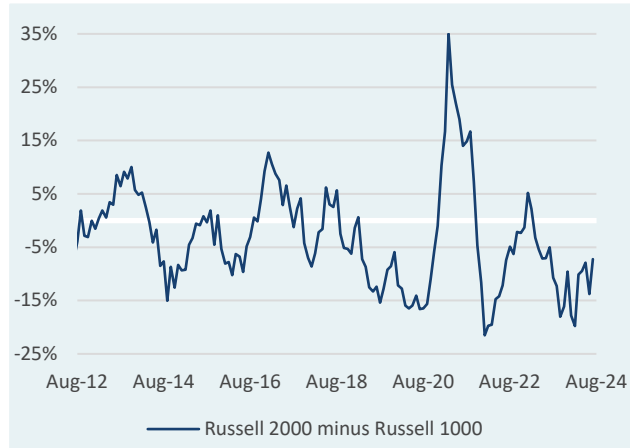
Domestic equity size and style

- Large cap indexes (Russell 1000 +2.4%) ended the month positive. At the beginning of August, small cap indexes (Russell 2000) fell -9.7% as the bank of Japan raised interest rates to 0.25%. By month end, small caps recovered most of those losses, ending the month down -1.5%.
- Style performance was mixed. Large value (Russell 1000 Value +2.7) outperformed large growth (Russell 1000 Growth +2.1%) while small value (Russell 2000 Value -1.9%) underperformed small growth (Russell 2000 Growth -1.1%). On a one-year basis, large cap growth stocks continued to significantly outperform.
- Large cap growth stocks have delivered strong returns partly due to a continued rise in valuations. The Russell 1000 Growth Index ended the month at 28.3x forward earnings, a +24.7% valuation premium over the 10-year average of 22.7x. Large cap value is trading at an 8.6% premium to the 10-year average.
- Small cap valuations have risen but are still cheap compared to large caps. In June, the Russell 2000 was trading at a -8.4% discount to the 10-year average. At the end of August, the Russell 2000 was trading at a +4.2% premium to the 10-year average.

VALUE VS. GROWTH 1-YR ROLLING RELATIVE PERFORMANCE



SMALL VS. LARGE 1-YR ROLLING RELATIVE PERFORMANCE



1-YEAR SIZE & STYLE PERFORMANCE

	Value	Core	Growth
Large Cap	21.1%	26.6%	30.8%
Mid Cap	20.2%	20.2%	19.1%
Small Cap	19.2%	18.5%	17.7%

Source: FTSE, Russell, as of 8/31/24

Source: FTSE, Russell, as of 8/31/24

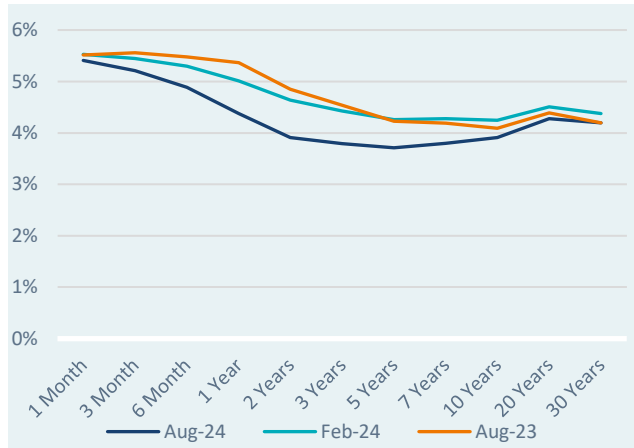
Source: FTSE, Russell, as of 8/31/24

Fixed income

- U.S. core bonds (Bloomberg U.S. Aggregate Index +0.8%) posted positive returns in August as downward revisions in labor data and continued economic cooling bolstered investor confidence in a September rate cut, pushing yields lower.
- All major U.S. fixed income indexes ended in positive territory as rates fell for the fourth consecutive month. The Bloomberg U.S. Treasury Long Index gained the most—up more than 2.0%. The Bloomberg US TIPS index (+0.8%) lagged other fixed income indexes. Emerging market debt led other sectors with a +3.1% gain.

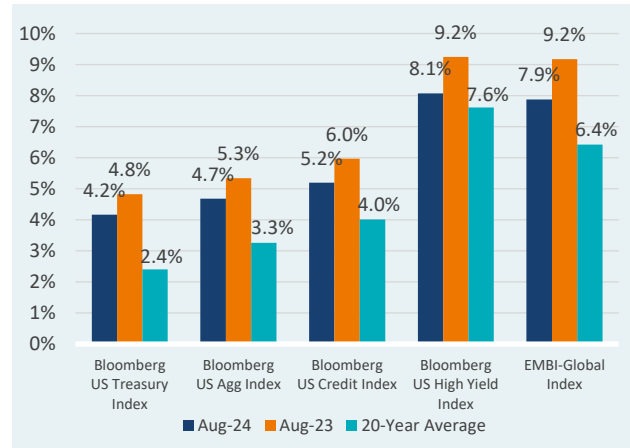
- Yields moved sharply downward in August. The 2-year moved -38 bps lower to 3.9% and the 10-year fell -18 bps to 3.9%. The 10/2 yield curve spread fell to 0 bps as the soft-landing narrative continued to build momentum.
- Annual default rates for bank loans and high yield corporate debt fell in August. High yield corporate annual default rates ended the month at 0.98% from 1.16% in July. Bank loan annual default rates fell 14 bps to end August at 0.78%. The annual default rate in August 2023 for high yield corporate debt and bank loans was 1.29% and 1.55%, respectively.

U.S. TREASURY YIELD CURVE



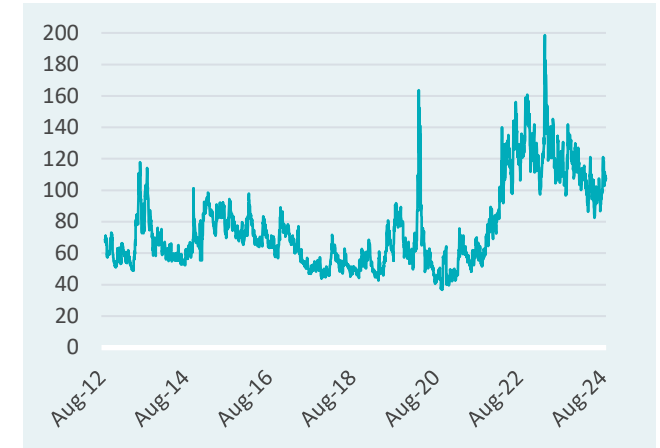
Source: Bloomberg, as of 8/31/24

NOMINAL YIELDS



Source: Morningstar, as of 8/31/24

U.S. TREASURY IMPLIED VOL (“MOVE” INDEX)

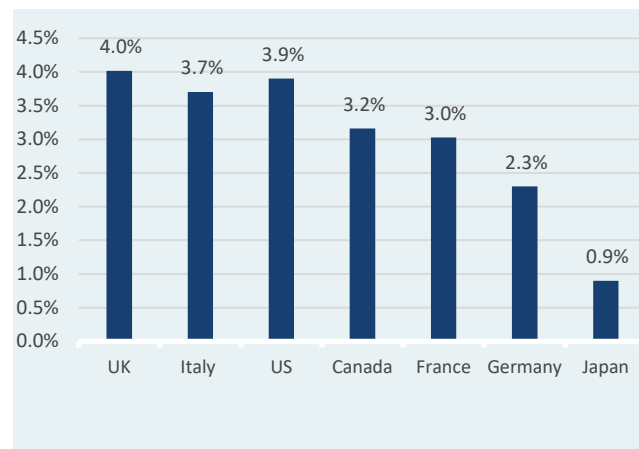


Source: Bloomberg, as of 8/31/24

Global markets

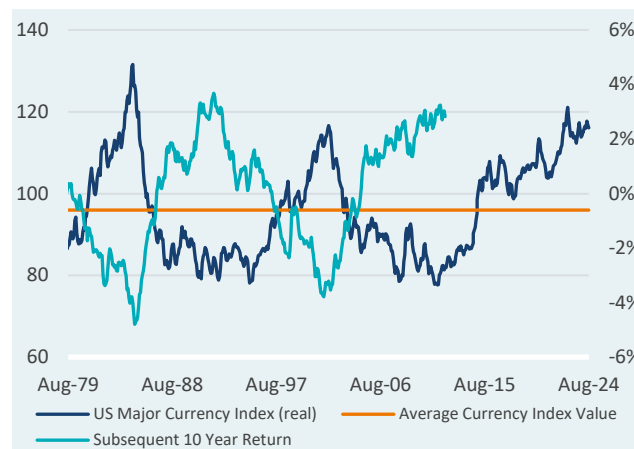
- International equities slightly outperformed U.S. equities. The MSCI ACWI ex-US returned +2.8% as the United Kingdom (+3.3%), Canada (+4.1%), and France (+3.8%) led the index as the top performers.
- The MSCI Euro was one of the top performing international indexes, up +4.1% and leading European equities to near all time highs. Moderating inflation and a largely anticipated rate cut for the September 12th ECB meeting lifted markets.
- The Japanese market showed only slightly positive returns of +0.5% for the month. Despite extreme volatility, the government upgraded their economic outlook, which helped buoy the index later in August.
- The MSCI China index returned a modest +1.0%, as investors remained concerned over the ailing property sector and a continued slowdown in manufacturing. Imports of raw materials also eased, adding to concerns that the Chinese Communist Party may not be doing enough to support their economy.

GLOBAL SOVEREIGN 10-YEAR YIELDS



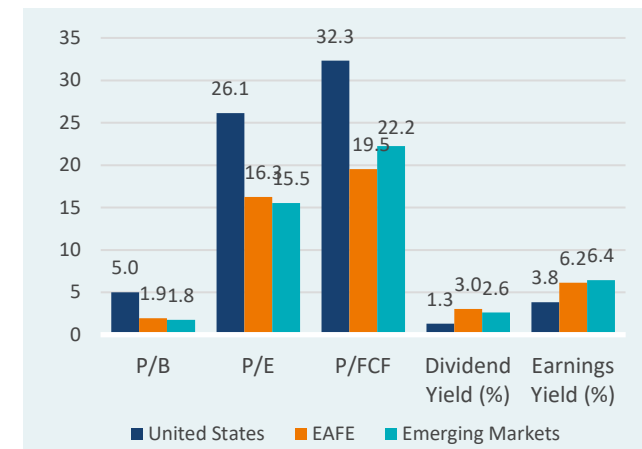
Source: Bloomberg, as of 8/31/24

U.S. DOLLAR MAJOR CURRENCY INDEX



Source: Federal Reserve, as of 8/31/24

MSCI VALUATION METRICS (3-MONTH AVG)



Source: MSCI, as of 8/31/24

Commodities

- Commodity performance was flat during the month as energy and petroleum weighed on the index, while softs, precious metals and industrial metals gained. Petroleum saw losses of -4.4%, likely driven in part by worries of slower economic growth in the U.S. and China.
- The Bloomberg Energy Index posted a -4.3% decline in August. Most components of the index were in the red, except for natural gas which gained +4.5%. Global demand for energy has fallen as some of the world's largest economies, particularly China, cope with excess inventories which has had negative implications for imports.

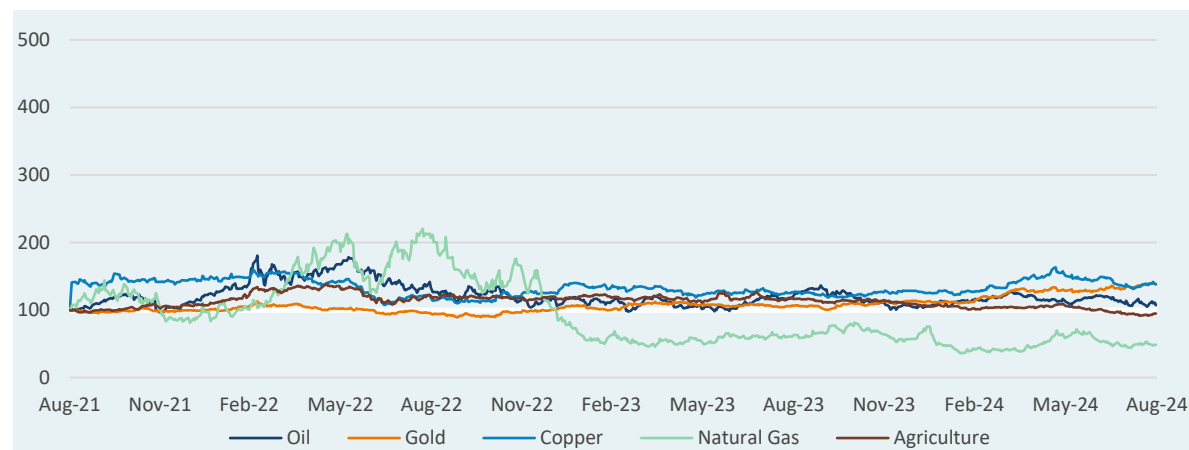
INDEX AND SECTOR PERFORMANCE

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Bloomberg Commodity	0.0	(4.0)	0.9	(4.4)	3.7	7.0	(1.1)
Bloomberg Agriculture	1.3	(3.6)	(9.7)	(13.7)	1.9	10.4	(0.2)
Bloomberg Energy	(4.3)	(11.6)	(4.6)	(18.4)	1.2	(1.0)	(9.8)
Bloomberg Grains	(0.3)	(6.8)	(19.1)	(22.6)	(4.1)	5.5	(2.6)
Bloomberg Industrial Metals	3.4	(3.6)	5.0	6.9	(0.3)	7.2	1.9
Bloomberg Livestock	0.4	2.7	12.6	2.7	5.8	1.2	(2.9)
Bloomberg Petroleum	(4.4)	(7.4)	8.2	(1.4)	21.0	11.9	(2.9)
Bloomberg Precious Metals	1.9	4.7	20.4	25.4	9.6	9.1	5.2
Bloomberg Softs	5.5	3.1	14.6	14.7	12.1	18.2	1.2

Source: Morningstar, as of 8/31/24

- Softs (+5.5%) were the top performing sub index with coffee, cotton, and sugar all in the green for the month. Coffee prices have faced upward price pressures due to poor and unexpected weather patterns as well as tighter environmental regulations.
- Industrial metals benefitted from robust demand in China and other Asian economies. Both aluminum and zinc rose +8.6% on tighter supply, partly due to disruptions at key zinc mines in South America and Europe. On the demand side, China and other key Asian economies have generated more industrial demand than expected as usage across many industrial applications has increased.

COMMODITY PERFORMANCE



Source: Bloomberg, as of 8/31/24

Appendix

Periodic table of returns

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	YTD	5-Year	10-Year
Large Cap Growth	26.0	34.5	32.6	39.8	5.2	79.0	29.1	14.3	18.6	43.3	13.5	13.3	31.7	37.3	6.7	36.4	38.5	28.3	16.1	42.7	21.1	19.1	16.0
Large Cap Equity	22.2	21.4	26.9	16.2	1.4	37.2	26.9	7.8	18.1	38.8	13.2	5.7	21.3	30.2	1.9	31.4	34.6	27.6	9.4	26.5	18.6	15.6	12.7
Large Cap Value	20.7	20.1	23.5	15.8	-6.5	34.5	24.5	2.6	17.9	34.5	13.0	0.9	17.3	25.0	0.0	28.5	21.0	27.1	1.5	18.7	15.1	11.2	8.9
International Equity	18.3	14.0	22.2	11.8	-21.4	32.5	19.2	1.5	17.5	33.5	11.8	0.6	12.1	22.2	-1.5	26.5	20.0	26.5	-4.7	18.2	12.0	7.0	8.2
Small Cap Growth	16.5	7.5	18.4	11.6	-25.9	28.4	16.8	0.4	16.4	33.1	6.0	0.0	11.8	21.7	-3.5	25.5	18.3	25.2	-7.5	16.9	11.7	10.4	8.0
Small Cap Equity	14.5	7.1	16.6	10.9	-28.9	27.2	16.7	0.1	16.3	32.5	5.6	-0.4	11.3	17.1	-4.8	22.4	14.0	17.7	-13.0	15.4	10.4	9.7	6.4
60/40 Global Portfolio	14.3	6.3	15.5	10.3	-33.8	23.3	16.1	-2.1	15.3	23.3	4.9	-0.8	11.2	14.6	-6.0	22.0	10.3	14.8	-14.5	14.6	10.2	8.6	7.5
Emerging Markets Equity	12.9	5.3	15.1	7.0	-35.6	20.6	15.5	-2.9	14.6	12.1	4.2	-1.4	8.0	13.7	-8.3	18.6	7.8	11.3	-14.5	11.5	9.5	8.4	5.0
Small Cap Value	11.4	4.7	13.3	7.0	-36.8	19.7	13.1	-4.2	11.5	11.0	3.4	-2.5	7.1	7.8	-9.3	18.4	7.5	8.9	-17.3	9.8	9.1	5.7	5.2
Hedge Funds of Funds	9.1	4.6	10.4	5.8	-37.6	18.9	10.2	-5.5	10.5	9.0	2.8	-3.8	5.7	7.7	-11.0	8.7	4.6	6.5	-19.1	6.3	5.4	5.0	3.5
Cash	6.9	4.6	9.1	4.4	-38.4	11.5	8.2	-5.7	4.8	0.1	0.0	-4.4	2.6	7.0	-11.2	7.8	2.8	2.8	-20.1	5.5	3.6	3.8	2.6
US Bonds	6.3	4.2	4.8	-0.2	-38.5	5.9	6.5	-11.7	4.2	-2.0	-1.8	-7.5	1.0	3.5	-12.9	7.7	0.5	0.0	-20.4	5.0	3.1	4.8	1.5
Commodities	4.3	3.2	4.3	-1.6	-43.1	0.2	5.7	-13.3	0.1	-2.3	-4.5	-14.9	0.5	1.7	-13.8	6.4	0.5	-1.5	-26.4	-7.9	0.9	2.1	1.6
Real Estate	1.4	2.4	2.1	-9.8	-53.2	-16.9	0.1	-18.2	-1.1	-9.5	-17.0	-24.7	0.3	0.9	-14.6	2.1	-3.1	-2.5	-29.1	-7.9	-1.2	0.0	-1.1

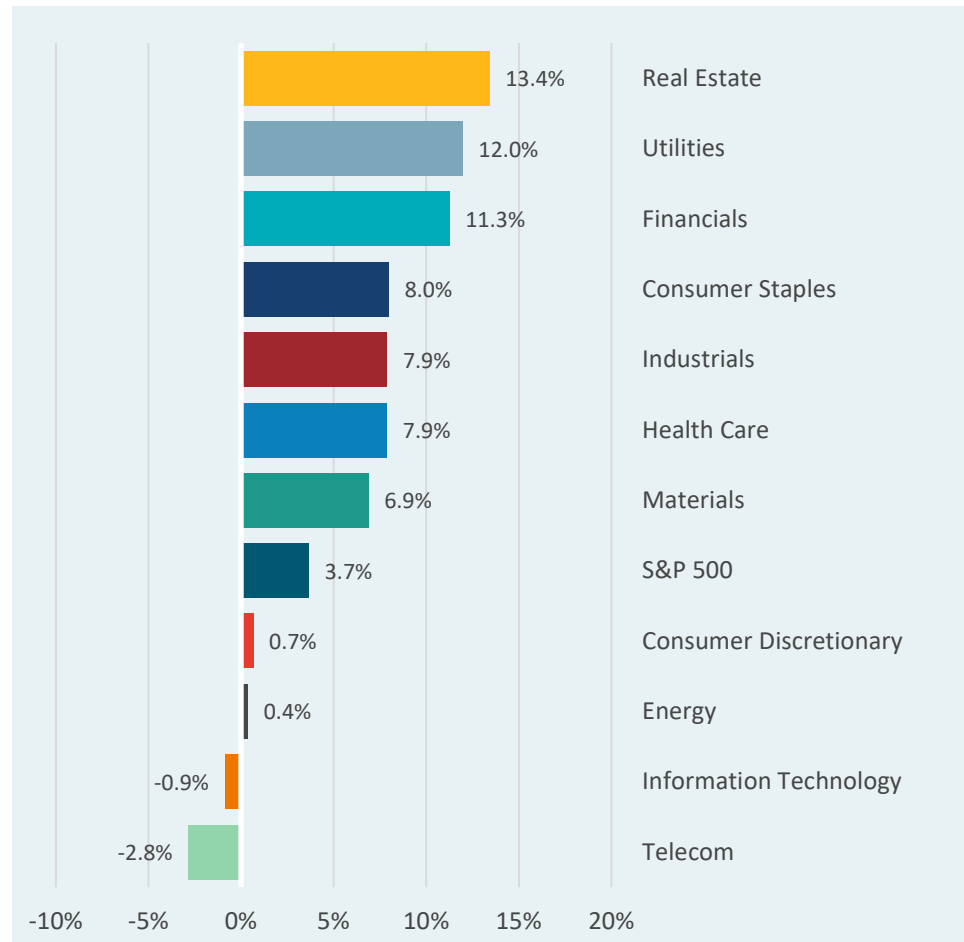
BEST
↑
WORST
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 Large Cap Equity	 Small Cap Growth	 Commodities
 Large Cap Value	 International Equity	 Real Estate
 Large Cap Growth	 Emerging Markets Equity	 Hedge Funds of Funds
 Small Cap Equity	 US Bonds	 60% MSCI ACWI/40% Bloomberg Global Bond
 Small Cap Value	 Cash	

Source Data: Morningstar, Inc., Hedge Fund Research, Inc. (HFR), National Council of Real Estate Investment Fiduciaries (NCREIF). Indices used: Russell 1000, Russell 1000 Value, Russell 1000 Growth, Russell 2000, Russell 2000 Value, Russell 2000 Growth, MSCI EAFE, MSCI EM, Bloomberg US Aggregate, T-Bill 90 Day, Bloomberg Commodity, NCREIF Property, HFRI FOF, MSCI ACWI, Bloomberg Global Bond. NCREIF Property Index performance data as of 6/30/24.

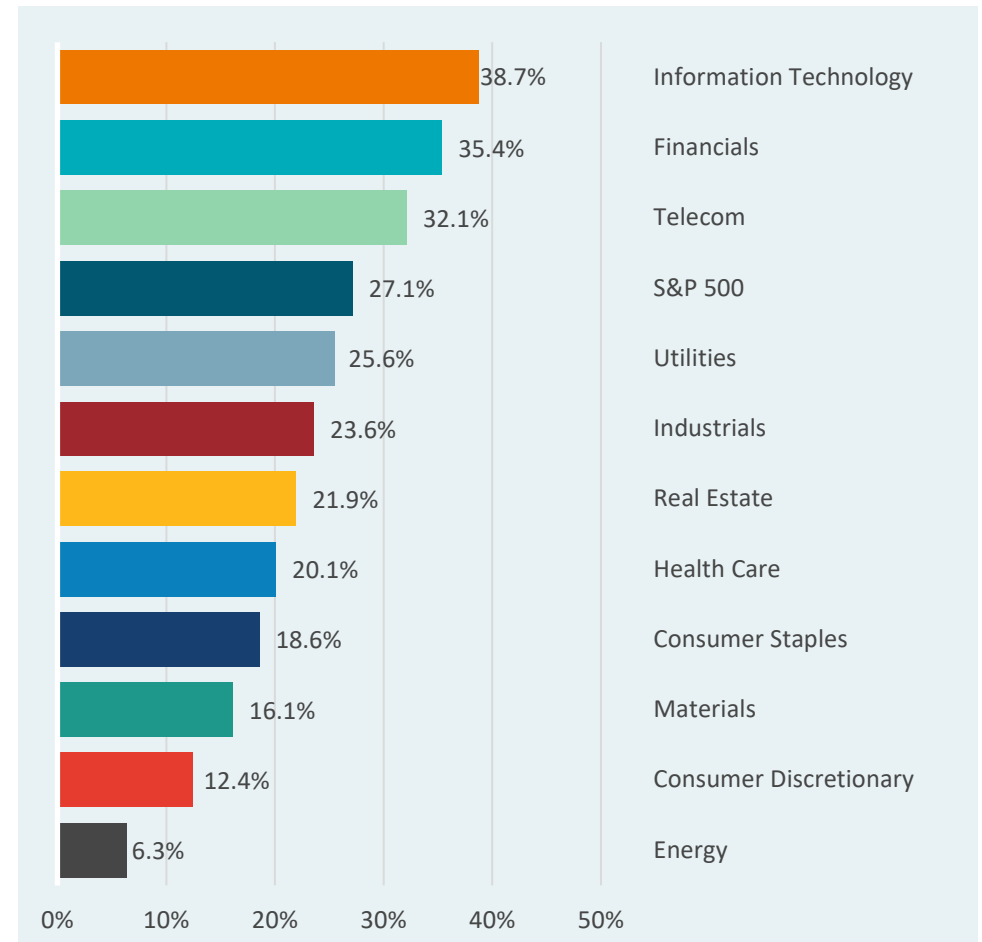
S&P 500 sector returns

QTD



Source: Morningstar, as of 8/31/24

ONE YEAR ENDING AUGUST



Source: Morningstar, as of 8/31/24

Detailed index returns

DOMESTIC EQUITY

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Core Index							
S&P 500	2.4	3.7	19.5	27.1	9.4	15.9	13.0
S&P 500 Equal Weighted	2.5	7.1	12.5	19.5	6.0	13.0	10.6
DJ Industrial Average	2.0	6.6	11.7	22.1	7.7	11.8	11.8
Russell Top 200	2.5	3.0	20.8	28.7	10.0	17.1	13.8
Russell 1000	2.4	3.9	18.6	26.6	8.3	15.6	12.7
Russell 2000	(1.5)	8.5	10.4	18.5	0.6	9.7	8.0
Russell 3000	2.2	4.1	18.2	26.1	7.9	15.2	12.4
Russell Mid Cap	2.0	6.8	12.1	20.2	3.5	11.2	9.6
Style Index							
Russell 1000 Growth	2.1	0.3	21.1	30.8	8.9	19.1	16.0
Russell 1000 Value	2.7	7.9	15.1	21.1	7.3	11.2	8.9
Russell 2000 Growth	(1.1)	7.0	11.7	17.7	(2.1)	8.4	8.2
Russell 2000 Value	(1.9)	10.1	8.2	19.2	3.1	10.4	7.5

INTERNATIONAL EQUITY

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Broad Index							
MSCI ACWI	2.5	4.2	16.0	23.4	5.8	12.1	8.8
MSCI ACWI ex US	2.8	5.2	11.2	18.2	2.1	7.6	4.4
MSCI EAFE	3.3	6.3	12.0	19.4	4.1	8.6	5.2
MSCI EM	1.6	1.9	9.5	15.1	(3.1)	4.8	2.6
MSCI EAFE Small Cap	2.0	7.8	8.3	15.1	(2.4)	6.4	5.3
Style Index							
MSCI EAFE Growth	3.9	5.2	11.8	18.4	0.4	7.9	6.2
MSCI EAFE Value	2.6	7.4	12.2	20.4	7.8	9.0	4.0
Regional Index							
MSCI UK	3.3	7.7	15.1	22.0	8.9	8.7	3.5
MSCI Japan	0.5	6.3	13.0	19.7	3.8	8.1	6.4
MSCI Euro	4.1	5.1	10.8	18.3	4.3	9.3	5.2
MSCI EM Asia	1.6	1.3	12.5	17.0	(3.2)	6.0	4.2
MSCI EM Latin American	2.6	3.6	(12.6)	0.4	3.3	2.6	(0.8)

FIXED INCOME

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Broad Index							
Bloomberg US TIPS	0.8	2.6	3.3	6.2	(1.3)	2.0	2.1
Bloomberg US Treasury Bills	0.5	1.0	3.6	5.5	3.3	2.3	1.6
Bloomberg US Agg Bond	1.4	3.8	3.1	7.3	(2.1)	(0.0)	1.6
Bloomberg US Universal	1.5	3.8	3.5	7.9	(1.8)	0.3	1.9
Duration							
Bloomberg US Treasury 1-3 Yr	0.9	2.1	3.3	5.9	1.0	1.3	1.3
Bloomberg US Treasury Long	2.0	5.7	0.4	4.9	(9.8)	(5.1)	0.7
Bloomberg US Treasury	1.3	3.5	2.6	6.0	(2.5)	(0.6)	1.2
Issuer							
Bloomberg US MBS	1.6	4.3	3.3	7.5	(1.7)	(0.2)	1.3
Bloomberg US Corp. High Yield	1.6	3.6	6.3	12.6	2.5	4.5	4.7
Bloomberg US Agency Interm	0.9	2.2	3.3	6.2	0.1	0.9	1.4
Bloomberg US Credit	1.6	3.9	3.5	9.0	(2.0)	0.6	2.5

OTHER

	Month	QTD	YTD	1 Year	3 Year	5 Year	10 Year
Index							
Bloomberg Commodity	0.0	(4.0)	0.9	(4.4)	3.7	7.0	(1.1)
Wilshire US REIT	6.4	12.2	11.9	21.7	1.9	5.4	6.8
CS Leveraged Loans	0.6	1.3	5.8	9.8	6.3	5.5	4.7
S&P Global Infrastructure	4.6	9.3	13.7	20.2	7.8	6.5	5.5
Alerian MLP	0.4	1.2	20.6	27.1	26.8	12.7	1.6
Regional Index							
JPM EMBI Global Div	2.3	4.2	6.7	13.4	(1.7)	0.4	2.9
JPM GBI-EM Global Div	3.1	5.4	1.5	6.0	(1.7)	0.1	(0.3)
Hedge Funds							
HFRI Composite	0.3	1.1	6.0	9.7	3.2	6.9	4.8
HFRI FOF Composite	0.1	0.6	5.4	8.3	2.1	5.0	3.5
Currency (Spot)							
Euro	2.3	3.3	0.2	2.0	(2.1)	0.1	(1.7)
Pound Sterling	2.3	4.0	3.1	3.7	(1.5)	1.5	(2.3)
Yen	3.3	10.5	(3.2)	(0.0)	(9.0)	(6.1)	(3.3)

Source: Morningstar, HFRI, as of 8/31/24

Detailed private market returns

Private Equity Pooled IRRs	1 Year	3 Year	5 Year	10 Year
Global Private Equity FoFs & Secondary Funds	2.7	7.4	14.9	12.4
<i>MSCI World Index (PME)</i>	25.2	9.0	12.4	9.1
Global Private Equity Direct Funds ¹	4.9	6.9	15.3	14.0
<i>MSCI World Index (PME)</i>	25.1	9.2	12.4	9.6
U.S. Private Equity Direct Funds ¹	6.2	8.3	17.0	15.3
<i>Russell 3000 Index (PME)</i>	29.2	10.4	14.6	12.5
Europe Private Equity Direct Funds ¹	4.3	8.2	14.8	12.5
<i>MSCI Europe Index (PME)</i>	14.4	7.0	8.6	4.8
Asia Private Equity Direct Funds ^{1,4}	(1.1)	(0.7)	8.2	11.1
<i>MSCI AC Asia Pacific Index (PME)</i>	11.7	(1.9)	4.4	4.9

Private Credit Pooled IRRs	1 Year	3 Year	5 Year	10 Year
U.S. All Private Debt ^{2,4}	8.0	12.1	12.2	10.8
<i>Morningstar LSTA U.S. Leveraged Loan 100 Index (PME)</i>	12.1	5.9	5.6	4.8

Private Real Estate Pooled IRRs	1 Year	3 Year	5 Year	10 Year
U.S. All Private Real Estate	(4.0)	8.4	7.6	10.3
<i>FTSE NAREIT Equity REIT Index (PME)</i>	10.8	5.2	5.0	7.6

Private Real Assets Pooled IRRs	1 Year	3 Year	5 Year	10 Year
Global Natural Resources ^{3,4}	6.6	17.9	6.1	3.4
<i>S&P Global Natural Resources Index (PME)</i>	4.6	9.1	8.5	5.7
Global Infrastructure ⁴	8.2	10.3	10.2	10.2
<i>S&P Global Infrastructure Index (PME)</i>	3.5	4.6	4.3	4.6

Notices & disclosures

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San Luis Obispo County

Investment Performance Review
Period Ending: August 31, 2024



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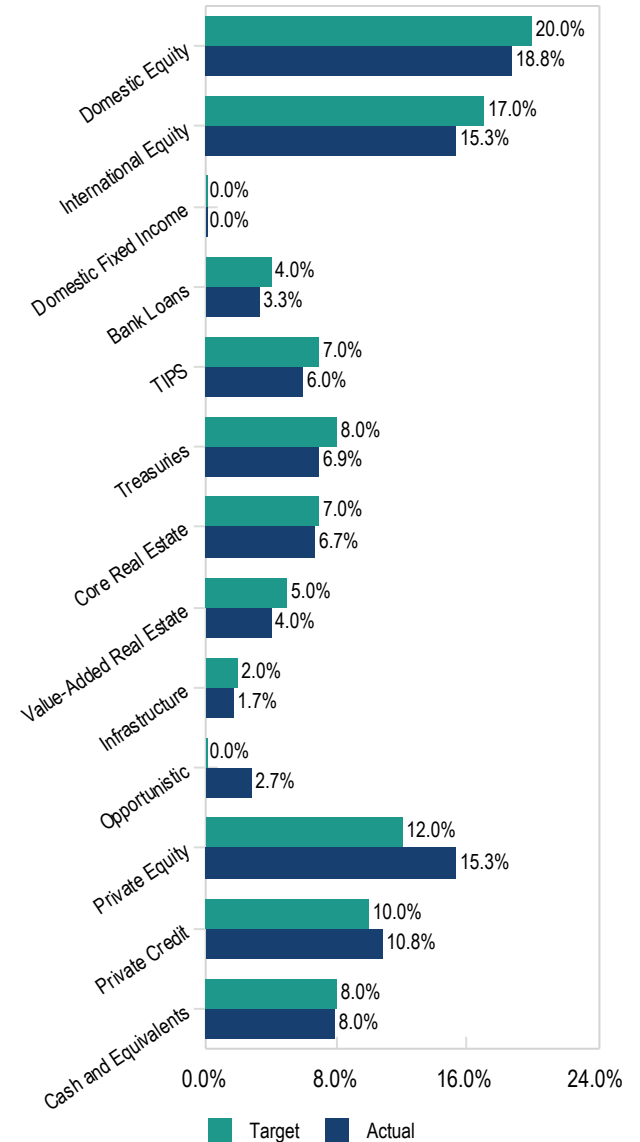
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Total Fund
Executive Summary - Preliminary (Gross of Fees)

San Luis Obispo County Pension Trust
Period Ending: August 31, 2024

	Market Value	% of Portfolio	1 Mo	YTD
Total Fund	1,801,143,502	100.0	1.2	6.6
Interim Policy Index			1.3	7.8
FFP SAA Index			1.4	7.7
Total Growth	1,316,126,917	73.1	1.4	8.3
Custom Growth Benchmark			1.5	9.5
Total Public Equity	613,403,928	34.1	2.5	14.9
Public Equity Benchmark			2.5	15.3
Total Domestic Equity	338,014,977	18.8	1.2	15.8
Russell 3000 Index			2.2	18.2
PIMCO RAE US	84,294,100	4.7	-0.5	13.1
S&P 500 Index			2.4	19.5
Loomis Sayles Large Cap Growth	85,963,424	4.8	1.8	18.7
Russell 1000 Growth Index			2.1	21.1
Boston Partners Large Cap Value	82,771,529	4.6	1.5	16.4
Russell 1000 Value Index			2.7	15.1
Atlanta Capital Mgmt	84,985,924	4.7	2.0	15.1
Russell 2500 Index			-0.3	9.7
Total International Equity	275,388,951	15.3	4.2	13.7
MSCI AC World ex USA Index			2.9	11.6
Dodge & Cox Intl Stock	134,773,865	7.5	3.0	10.0
MSCI AC World ex USA Value			2.5	11.9
WCM International Growth	140,615,086	7.8	5.5	17.5
MSCI AC World ex USA Growth			3.2	11.5
Total Private Equity	275,386,945	15.3	0.7	6.0
Harbourvest Partners IX Buyout Fund L.P.	9,038,099	0.5	0.0	-2.2
Pathway Private Equity Fund Investors 9 L.P.	85,326,332	4.7	1.9	9.4
Harbourvest 2018 Global Fund L.P.	20,868,372	1.2	0.0	2.7
Harbourvest SLO Fund Private Equity	139,966,133	7.8	0.0	12.7
Pathway Private Equity Fund Investors 10 L.P.	20,188,009	1.1	1.2	5.6
Total Private Credit	195,041,479	10.8	0.0	5.3
Sixth Street Partners DCP	90,625,824	5.0	0.0	4.0
Harbourvest SLO Credit Fund	104,415,655	5.8	0.0	8.5

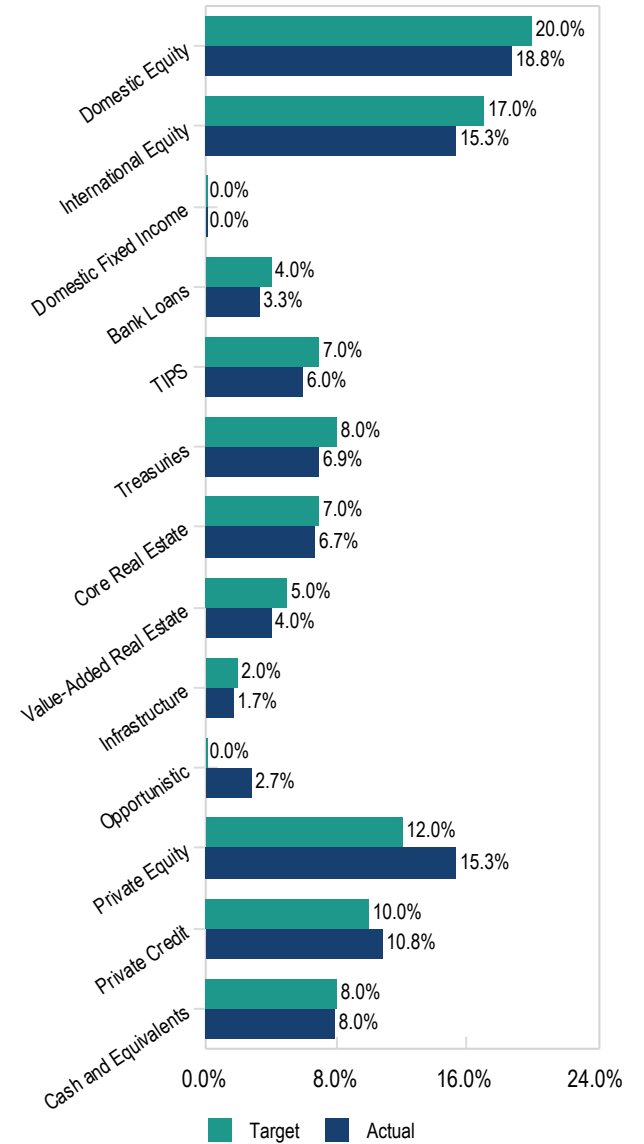


Interim Policy Index as of 1/1/2024: 20% Russell 3000, 17% MSCI ACWI ex-US (Gross), 4% Morningstar LTSA U.S. Leveraged Loan Index, 8% Bloomberg U.S. Gov't Bond Index, 7% Bloomberg US TIPS 5+ Year, 12% NCREIF Property Index, 2% Dow Jones Brookfield Index, 12% Private Equity Return, 10% Private Credit Return, 4% 90-day T-Bills, 4% Bloomberg U.S. Gov't/Credit 1-3 Yr. All privates are valued as of 6/30/24 except for the HarborVest Infrastructure Fund which is valued as of 3/31/24. All data is preliminary.

Total Fund
Executive Summary - Preliminary (Gross of Fees)

San Luis Obispo County Pension Trust
Period Ending: August 31, 2024

	Market Value	% of Portfolio	1 Mo	YTD
Total Real Assets	232,294,565	12.9	0.2	-2.2
NCREIF Property Index			0.0	-1.2
JP Morgan Core Real Estate	120,359,971	6.7	0.4	-3.6
NCREIF-ODCE			0.0	-2.8
NCREIF Property Index			0.0	-1.2
ARA American Strategic Value Realty	72,501,497	4.0	0.0	-3.7
NCREIF-ODCE			0.0	-2.8
NCREIF Property Index			0.0	-1.2
Brookfield Infrastructure Fund	31,216,127	1.7	0.0	7.4
Dow Jones Brookfield Global Infrastructure			4.5	11.2
HarbourVest Infrastructure	8,216,970	0.5		
Total Risk Diversifying	292,095,113	16.2	0.9	3.2
Total Risk Diversifying Benchmark			1.6	2.5
Total Domestic Fixed Income	292,095,113	16.2	0.9	3.7
Blmbg. U.S. Aggregate Index			1.4	3.1
Pacific Asset Corporate Loan	60,200,209	3.3	0.5	5.9
Morningstar LSTA U.S. Leveraged Loan			0.6	5.8
SSGA U.S. Govt Bond Index	124,254,738	6.9	1.3	2.7
Blmbg. U.S. Government Index			1.3	2.6
BlackRock TIPS	107,640,167	6.0	0.8	3.6
Blmbg. U.S. TIPS Index			0.8	3.3

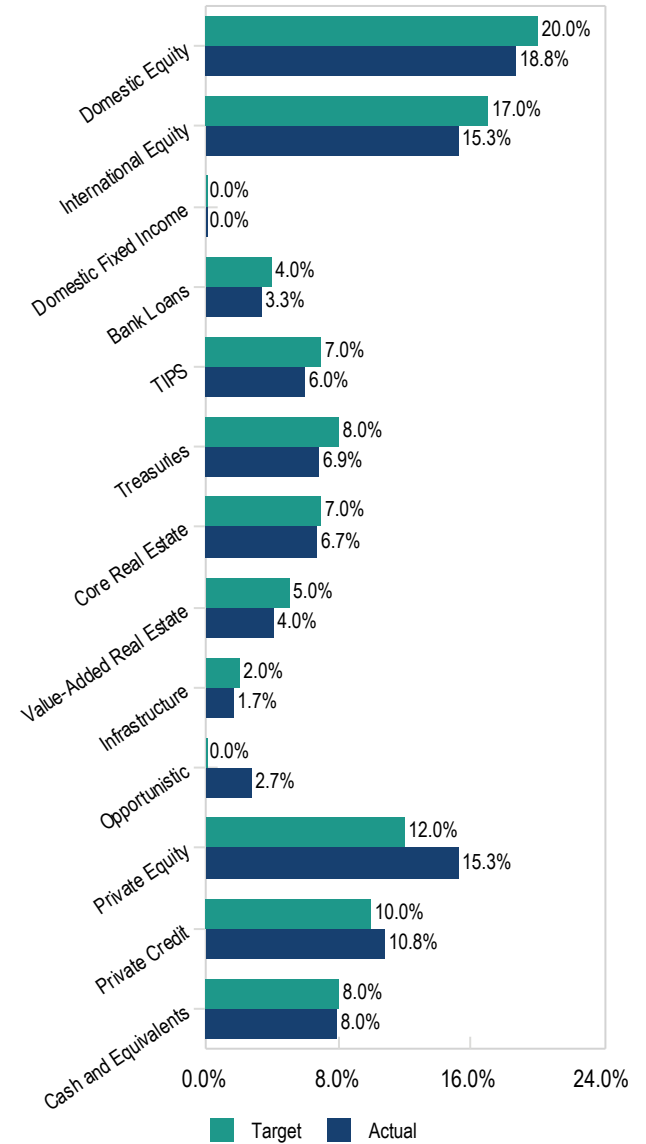


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Total Fund
Executive Summary - Preliminary (Gross of Fees)

San Luis Obispo County Pension Trust
Period Ending: August 31, 2024

	Market Value	% of Portfolio	1 Mo	YTD
Total Liquidity	143,413,071	8.0	0.4	2.6
<i>90 Day U.S. Treasury Bill</i>			0.5	3.6
Total Cash	143,413,071	8.0	0.4	2.6
<i>90 Day U.S. Treasury Bill</i>			0.5	3.6
PIMCO Short Duration Fund	36,011,169	2.0	1.0	3.6
<i>Bloomberg U.S. Gov/Credit 1-3 Year Index</i>			0.9	3.5
Cash Account	37,494,567	2.1	0.0	2.5
<i>90 Day U.S. Treasury Bill</i>			0.5	3.6
Investment Cash	69,907,335	3.9	0.4	2.6
<i>90 Day U.S. Treasury Bill</i>			0.5	3.6
Total Opportunistic	49,508,400	2.7	0.0	5.1
Kohlberg Kravis Roberts & Co. Mezzanine Partners I	2,754,955	0.2	0.0	-16.2
Sixth Street Partners TAO	46,753,445	2.6	0.0	6.7



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