

## Investment Performance Summary



**September 30, 2019**

by



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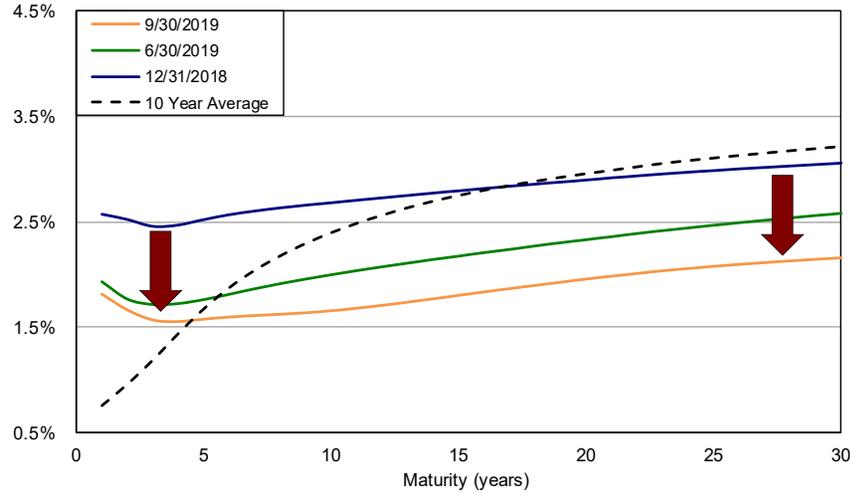
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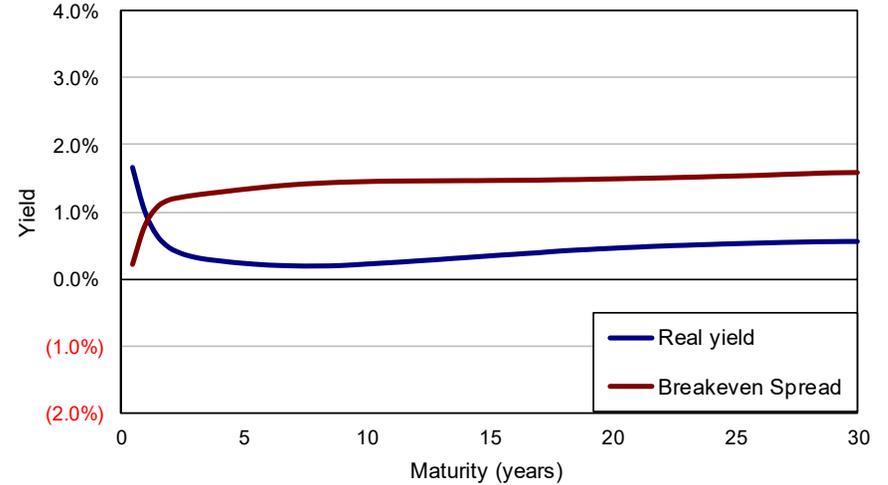


# CAPITAL MARKETS SUMMARY 3<sup>rd</sup> QUARTER 2019

## U.S. Treasury Rates



## Real Yield / Breakeven Spread



## Fixed Income Markets

		QTR	YTD	1 YR	3 YR	5 YR	10 YR	20 YR
Cash	ICE BofAML 91 Day T-bills	0.6%	1.8%	2.4%	1.5%	1.0%	0.5%	1.8%
	Bloomberg Barclays Aggregate	2.3%	8.5%	10.3%	2.9%	3.4%	3.7%	5.0%
Investment Grade	U.S. Treasury	2.4%	7.7%	10.5%	2.2%	2.9%	3.1%	4.6%
	U.S. Agency	1.7%	6.0%	8.0%	2.4%	2.6%	2.5%	4.3%
	U.S. Credit	3.0%	12.6%	12.6%	4.3%	4.5%	5.3%	5.9%
	ABS	0.9%	4.1%	5.4%	2.2%	2.3%	2.8%	4.0%
	MBS	1.4%	5.6%	7.8%	2.3%	2.8%	3.2%	4.8%
	CMBS	1.9%	8.6%	10.4%	3.3%	3.8%	6.1%	5.7%
	Bloomberg Barclays U.S. TIPS	1.3%	7.6%	7.1%	2.2%	2.5%	3.5%	5.5%
	Bloomberg Barclays Long G/C	6.6%	20.9%	21.9%	5.6%	6.8%	7.4%	7.6%
Muni	Bloomberg Barclays Municipal	1.6%	6.7%	8.6%	3.2%	3.7%	4.2%	5.0%
	S&P/LSTA	1.0%	6.8%	3.1%	4.5%	4.0%	5.2%	4.9%
High Yield	Bloomberg Barclays High Yield	1.3%	11.4%	6.4%	6.1%	5.4%	7.9%	7.1%

## Equity Markets

		QTR	YTD	1 YR	3 YR	5 YR	10 YR	20 YR
Large Cap	S&P 500	1.7%	20.6%	4.3%	13.4%	10.8%	13.2%	6.3%
	S&P 500 - Value	2.8%	20.0%	5.6%	10.6%	8.5%	11.6%	6.3%
	S&P 500 - Growth	0.7%	21.1%	3.2%	15.7%	12.8%	14.7%	6.1%
Small Cap	Russell 2000	-2.4%	14.2%	-8.9%	8.2%	8.2%	11.2%	8.0%
	Russell 2000 - Value	-0.6%	12.8%	-8.2%	6.5%	7.2%	10.1%	9.1%
	Russell 2000 - Growth	-4.2%	15.3%	-9.6%	9.8%	9.1%	12.2%	6.5%
International (net)	MSCI EAFE	-1.1%	12.8%	-1.3%	6.5%	3.3%	4.9%	3.7%
	MSCI EAFE - Value	-1.7%	7.7%	-4.9%	5.1%	1.0%	3.2%	3.8%
	MSCI EAFE - Growth	-0.4%	17.9%	2.2%	7.8%	5.5%	6.5%	3.6%
	MSCI Emerging Markets	-4.2%	5.9%	-2.0%	6.0%	2.3%	3.4%	7.1%



# EXECUTIVE SUMMARY

## September 30, 2019

### Summary

#### ➤ **For the quarter:**

##### • Portfolio update:

- ✓ The total balance for the portfolio was \$1.2 B.
- ✓ All asset classes for the quarter were within their target policy ranges.

##### • Capital Markets:

- ✓ Domestic large cap equities finished the quarter positive and off to their best start since 1997. However, small cap and international equities were both down. Developed markets fared better than emerging markets. US value outperformed growth equities for a change.
- ✓ Trade tensions between the U.S. and China escalated since second quarter with additional tariffs being imposed by both sides. Negotiations between the parties resulted in an initial deal in which China would purchase \$40 to \$50 billion worth of agricultural products and the U.S. would delay implementing more tariffs. Uncertainty regarding U.S. Presidential impeachment also increased market volatility towards the end of third quarter. The contested waters in the Strait of Hormuz continued to be a flash point for Iran and the United States.

##### • Performance:

- ✓ The PCF's overall portfolio outperformed the benchmark by 2 bps.
- ✓ Cash, core bonds, and risky debt lagged, while equities outperformed.

#### ➤ **For the past year:**

##### • Capital Markets:

- ✓ For investment grade fixed income markets, Long Gov't/Credit came in at 21.9% followed by Credit at 12.6%.
- ✓ For domestic equities, large cap did well and the only positive outcome for international was MSCI EAFE Growth.

##### • Performance:

- ✓ The PCF's overall portfolio underperformed the benchmark, returning 6.5% vs. 6.7%.
- ✓ Equities composite outperformed by 155 bps, returning 0.7% vs. -0.8% for the benchmark.

#### ➤ **For the past five years:**

##### • Capital Markets:

- ✓ High Yield, Barclay's Long G/C, and credit did well.
- ✓ The top equity asset performer was S&P 500 Growth at 12.8% followed by S&P 500 at 10.8%.

- Performance: the PCF's overall portfolio outperformed the benchmark by 28 bps, returning 3.5%.

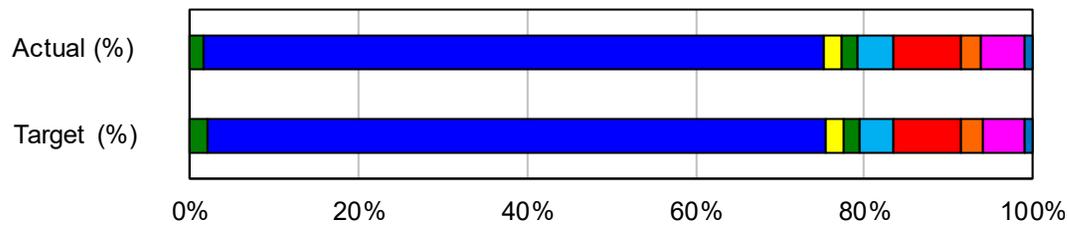


## COMPANY COMPOSITE September 30, 2019

### Total Company Allocation by Asset Class (\$000s)

	Actual (\$000s)	Actual (%)	Target (%)
■ Cash	18,780	1.6%	2.0%
■ Core Investment-Grade Bonds	855,621	73.6%	73.5%
■ High Yield Bank Loans	23,638	2.0%	2.0%
■ High Yield Bonds	23,631	2.0%	2.0%
■ Emerging Market Debt	47,093	4.1%	4.0%
■ Domestic Equity	93,648	8.1%	8.0%
■ US Small Cap	29,260	2.5%	2.5%
■ International Equity	59,023	5.1%	5.0%
■ International Small Cap Equity	11,596	1.0%	1.0%
<b>Total</b>	<b>1,162,290</b>	<b>100.0%</b>	<b>100.0%</b>

- All asset classes are within their policy target ranges.
- This is monitored monthly.

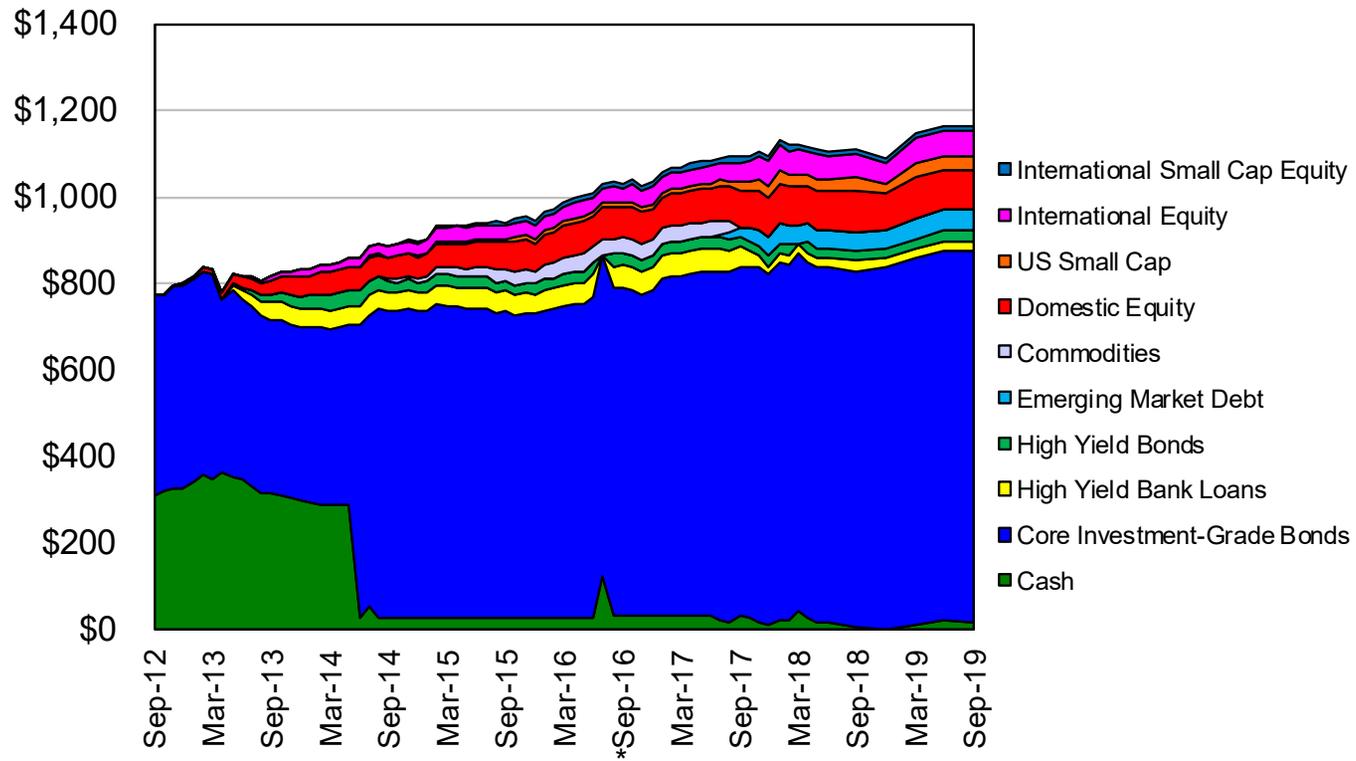




# COMPANY COMPOSITE

## September 30, 2019

### Company Growth by Asset Class (\$MM)



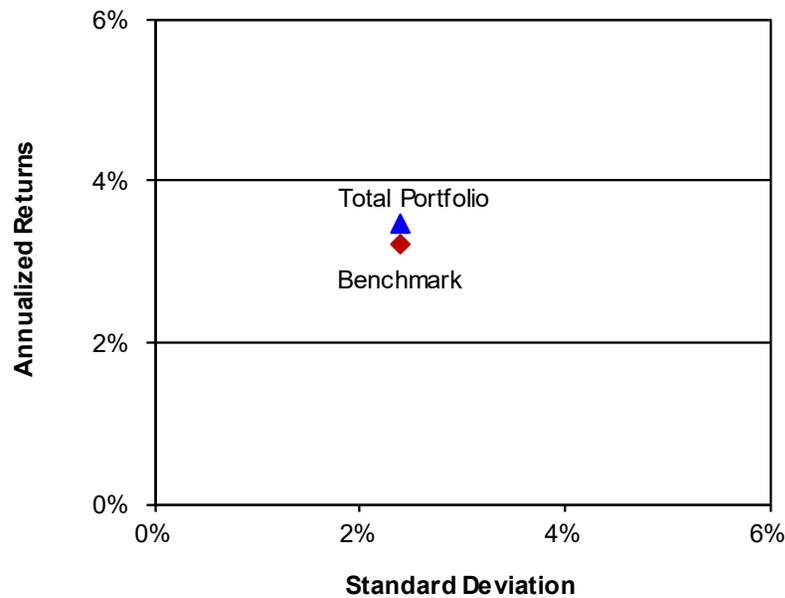
\* June 2016 had a brief bump up in cash due to the transition of the new High Yield Bank and Bond Managers.



# COMPANY COMPOSITE

## September 30, 2019

### Five Year Risk/Return Performance (Total Portfolio)



- This chart shows the risk and return for the actual portfolio and the overall benchmark for the past five years.
- Over the past five years, LAPCF outperformed its benchmark by 0.28% on an annualized basis with a similar level of risk.



# INVESTMENT PERFORMANCE

## Pretax, Net of Fees Performance as of September 30, 2019

Portfolio	Market Value (\$000s)	% of Overall Portfolio	Quarter	YTD	One Year	Two Years	Three Years	Five Years	Seven Years	Since Inception	Inception Date
<b>PCF Composite</b>											
Pretax Performance	1,162,290	100.0%	1.10%	7.91%	6.45%	3.90%	3.78%	3.45%	2.82%	2.75%	1/1/2012
<sup>1</sup> <u>Blended Benchmark</u>			1.07%	8.04%	6.67%	3.84%	3.55%	3.18%	3.15%	3.46%	
Relative Performance			0.02%	(0.13%)	(0.22%)	0.06%	0.23%	0.28%	(0.33%)	(0.70%)	
<b>Cash</b>											
WF Advantage Fund	18,780	1.6%	0.50%	1.20%	1.72%	1.37%	1.01%	NA	NA	0.67%	1/1/2015
<u>Merrill 91 Day T-Bill</u>			0.54%	1.75%	2.30%	1.90%	1.46%	NA	NA	0.95%	
Relative Performance			(0.04%)	(0.55%)	(0.58%)	(0.53%)	(0.45%)	NA	NA	(0.27%)	
<b>Core Fixed Income Composite</b>											
<sup>1</sup> <u>Blended Benchmark</u>	855,621	73.6%	1.33%	5.91%	7.77%	3.64%	2.65%	3.00%	2.33%	2.43%	1/1/2012
Relative Performance			(0.04%)	(0.23%)	(0.28%)	0.20%	0.30%	0.27%	0.08%	(0.12%)	
<b>Risky Debt Composite</b>											
<sup>1</sup> <u>Blended Benchmark</u>	94,362	8.1%	1.13%	10.48%	7.30%	3.87%	4.47%	3.64%	NA	3.78%	4/1/2013
Relative Performance			(0.14%)	0.27%	(0.17%)	(0.41%)	(0.43%)	(0.47%)	NA	(0.35%)	
<b>Total Equity Composite</b>											
<sup>1</sup> <u>Blended Benchmark</u>	193,527	16.7%	0.12%	17.24%	0.74%	5.44%	9.66%	7.19%	NA	10.38%	11/1/2012
Relative Performance			(0.42%)	15.61%	(0.81%)	4.46%	9.00%	6.95%	NA	10.19%	
Relative Performance			0.54%	1.63%	1.55%	0.98%	0.66%	0.25%	NA	0.19%	

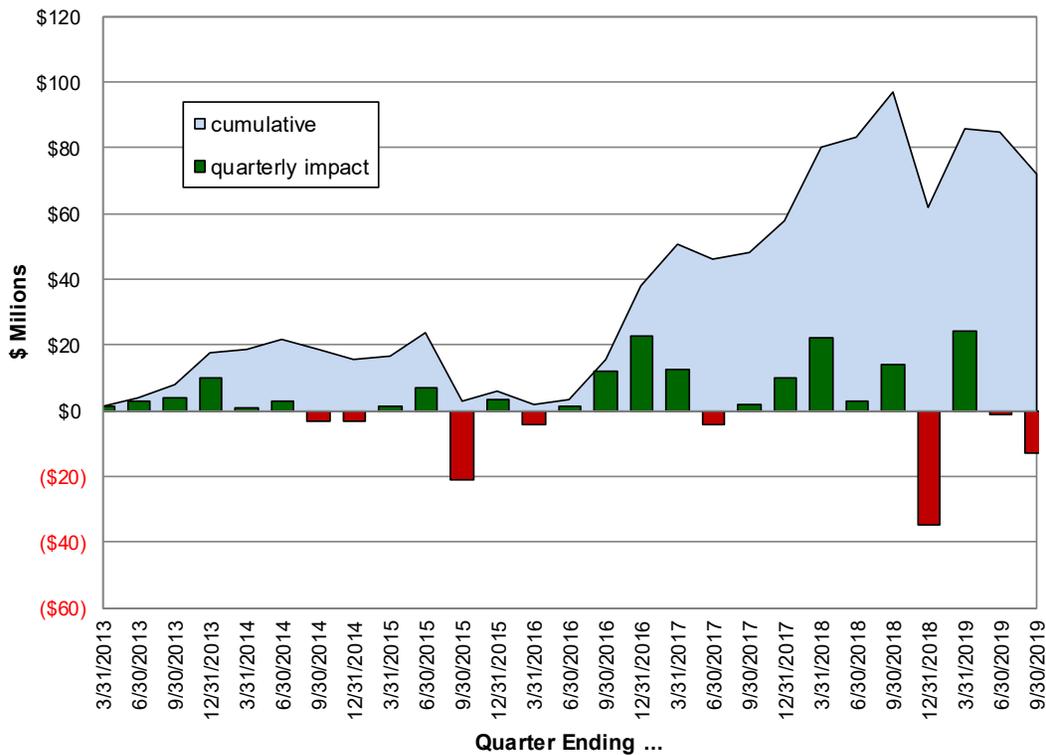
<sup>1</sup>The blended benchmark consists of a target-weighted blend of the underlying portfolio benchmarks.



# DIVERSIFIED PORTFOLIO

## Value Added or (Detracted) by the Diversified Portfolio

Impact of New Portfolio Structure



➤ Since inception, the diversified portfolio has added approximately \$72 MM above what the prior portfolio structure likely would have earned.

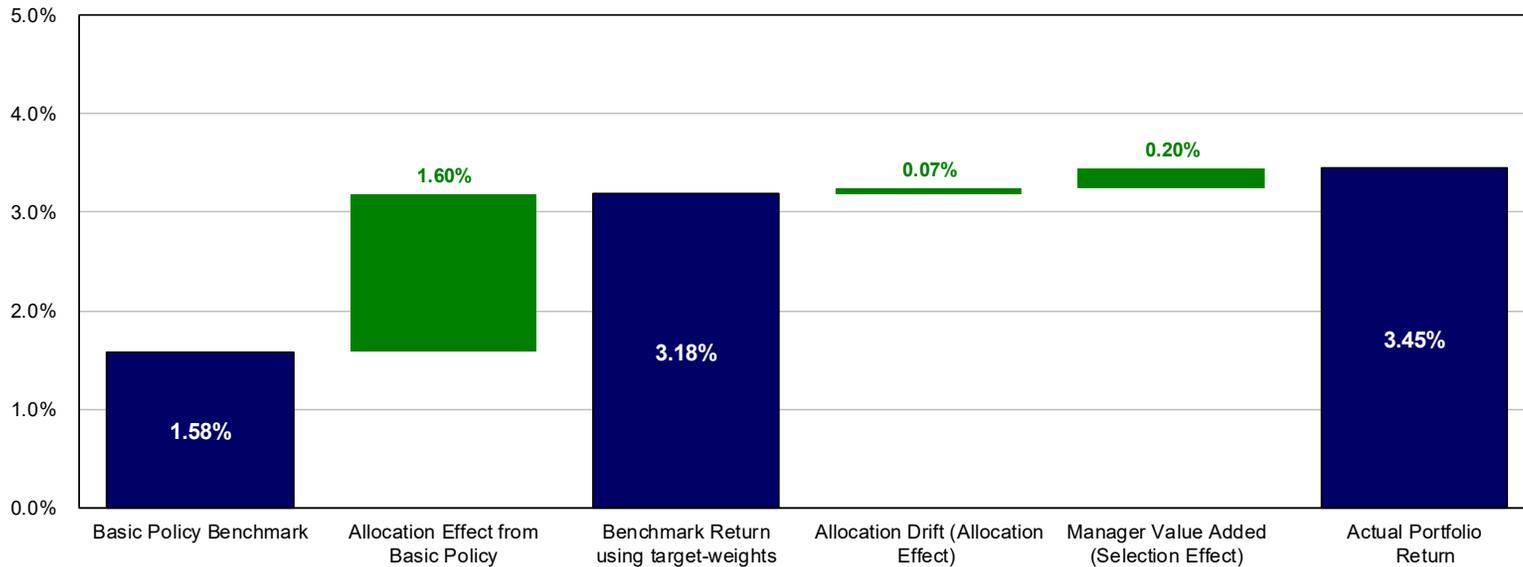
➤ The legacy allocation is defined as: 50% Treasury and 50% Agency.

Source: Wells Fargo, State of Louisiana, CIA analysis



# ATTRIBUTION

## Five-Year Performance Attribution: Overall



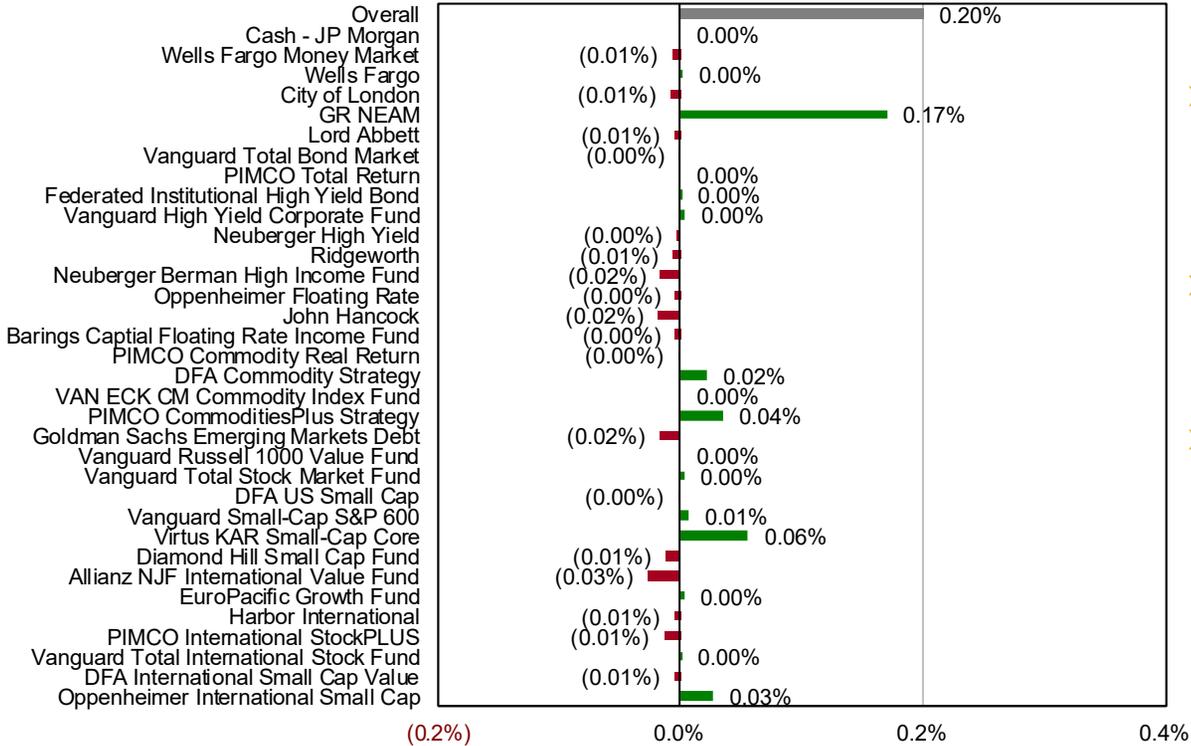
- If the PCF had not changed the law and its investment portfolio, it would have earned approximately 1.58% annualized over the last five years.
- By adding risk to the portfolio, the PCF earned an extra 1.60% per year.
- Drift, or the Allocation Effect, is small. This typically should be small as Cardinal does not recommend tactical bets. At times, it can deviate when new mandates are being implemented.
- The PCF's investment managers have added 0.20% in value overall on an annualized basis.



# ATTRIBUTION

## Five Year Performance Attribution

Manager Value Added



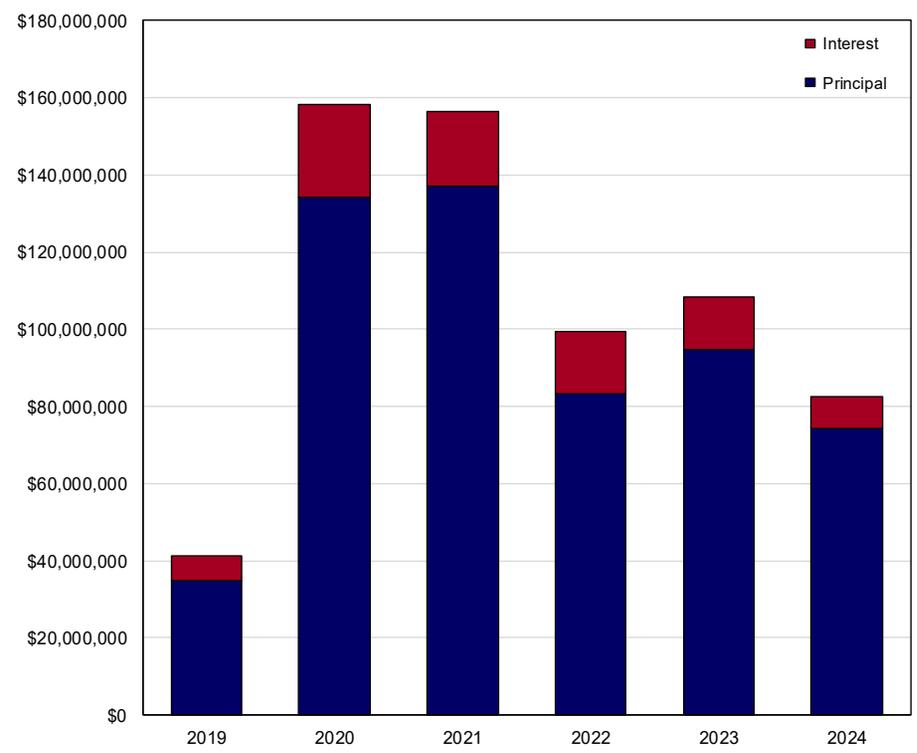
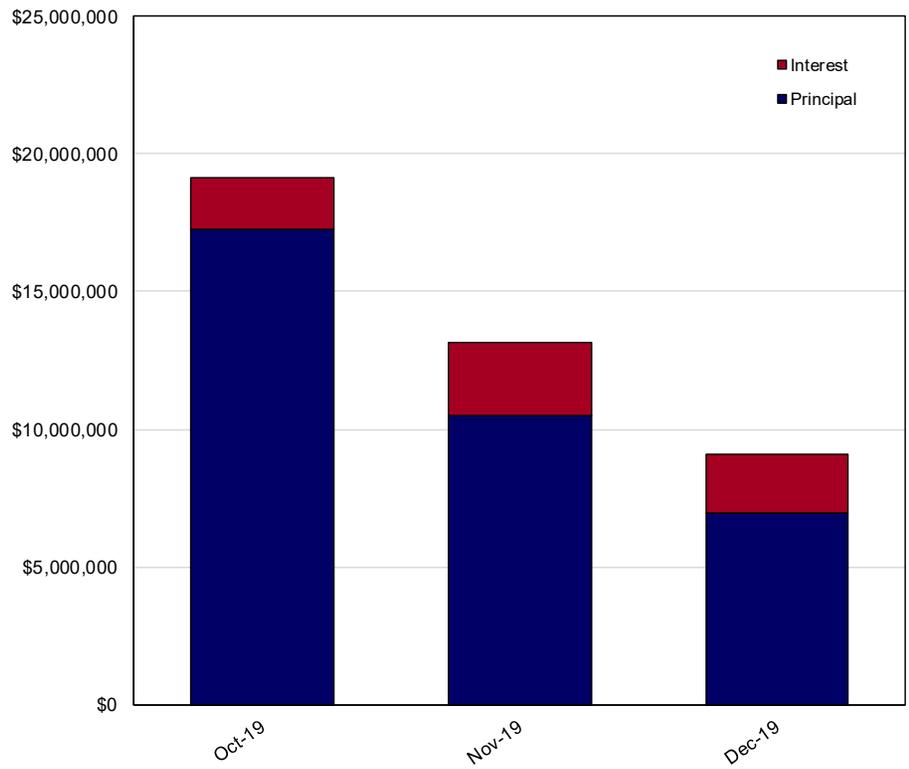
- NEAM has had a significantly positive impact on the overall portfolio (+0.17% annualized over the past five years) driven by good performance and a large allocation.
- As the rest of the managers have relatively small mandates, they have a limited ability to impact the relative returns of the overall portfolio.
- No one manager has had a significant negative effect on the overall portfolio. Nonetheless, many of the managers that were underperforming over this time period have been terminated.

Source: Wells Fargo, State of Louisiana, CIA analysis



# INVESTMENT PERFORMANCE

## Fixed Income Cash Flow Projections





# INVESTMENT PERFORMANCE

## Pretax, Net of Fees Performance as of September 30, 2019

Portfolio	Market Value (\$000s)	% of Overall Portfolio	Quarter	YTD	One Year	Two Years	Three Years	Five Years	Seven Years	Since Inception	Inception Date
<b>Core Fixed Income Composite</b>	855,621	73.6%	1.33%	5.91%	7.77%	3.64%	2.65%	3.00%	2.33%	2.43%	1/1/2012
<sup>1</sup> <u>Blended Benchmark</u>			1.37%	6.15%	8.04%	3.44%	2.34%	2.73%	2.25%	2.55%	
Relative Performance			(0.04%)	(0.23%)	(0.28%)	0.20%	0.30%	0.27%	0.08%	(0.12%)	
NEAM	855,621	73.6%	1.33%	5.91%	7.77%	3.64%	2.65%	3.08%	NA	2.87%	6/27/2014
<u>Bloomberg Barclays Intermediate Aggregate</u>			1.37%	6.15%	8.04%	3.44%	2.34%	2.68%	NA	2.52%	
Relative Performance			(0.04%)	(0.23%)	(0.28%)	0.20%	0.31%	0.40%	NA	0.35%	

- NEAM outperformed for longer time periods. Despite lagging for the past year, NEAM has outperformed their relative benchmark by 35 bps on an annualized basis since inception.
- The Core Fixed Income Composite includes, in chronological order:
  - State of Louisiana fixed income,
  - Various mutual funds used transitionally,
  - JP Morgan, and
  - NEAM.

<sup>1</sup>The blended benchmark consists of a market-weighted blend of the underlying portfolio benchmarks.



## INVESTMENT PERFORMANCE

### Pretax, Net of Fees Performance as of September 30, 2019

Portfolio	Market Value (\$000s)	% of Overall Portfolio	Quarter	YTD	One Year	Two Years	Three Years	Five Years	Seven Years	Since Inception	Inception Date
<b>High Yield Bank Loan Composite</b>	23,638	2.0%	1.16%	5.75%	1.50%	3.57%	4.10%	3.22%	NA	3.28%	4/1/2013
<u>S&amp;P LSTA Index</u>			0.83%	6.28%	2.44%	3.47%	3.86%	3.48%	NA	3.44%	
Relative Performance			0.33%	(0.53%)	(0.94%)	0.10%	0.24%	(0.26%)	NA	(0.16%)	
<b>Barings Capital Floating Rate Income</b>	23,638	2.0%	1.16%	5.75%	1.50%	3.57%	4.10%	NA	NA	4.34%	8/1/2016
<u>S&amp;P LSTA Index</u>			0.83%	6.28%	2.44%	3.47%	3.86%	NA	NA	4.14%	
Relative Performance			0.33%	(0.53%)	(0.94%)	0.10%	0.24%	NA	NA	0.20%	

- Barings outperformed for the quarter and over longer time periods. Since inception they have outperformed their relative benchmark by 0.20 bps.



## INVESTMENT PERFORMANCE

### Pretax, Net of Fees Performance as of September 30, 2019

Portfolio	Market Value (\$000s)	% of Overall Portfolio	Quarter	YTD	One Year	Two Years	Three Years	Five Years	Seven Years	Since Inception	Inception Date
<b>High Yield Bond Composite</b>	23,631	2.0%	1.62%	12.56%	7.47%	4.99%	5.52%	4.62%	NA	4.40%	5/1/2013
<sup>1</sup> <u>Blended Benchmark</u>			1.19%	11.40%	6.16%	4.80%	6.15%	4.84%	NA	4.69%	
Relative Performance			0.43%	1.17%	1.31%	0.19%	(0.63%)	(0.21%)	NA	(0.29%)	
Federated Institutional High Yield Bond <u>ML HY Master II Constrained</u>	11,775	1.0%	1.37%	11.86%	6.62%	NA	NA	NA	NA	6.59%	4/1/2018
Relative Performance			0.18%	0.47%	0.46%	NA	NA	NA	NA	0.18%	
Vanguard High Yield Corporate Fund <u>ML HY Master II Constrained</u>	11,856	1.0%	1.86%	13.26%	8.33%	NA	NA	NA	NA	7.61%	4/1/2018
Relative Performance			0.67%	1.86%	2.17%	NA	NA	NA	NA	1.20%	

- The HYB composite underperformed the benchmark over longer time periods driven by legacy managers, specifically Neuberger.
- Both Federated and Vanguard High Yield outperformed for all reporting time periods.



## INVESTMENT PERFORMANCE

### Pretax, Net of Fees Performance as of September 30, 2019

Portfolio	Market Value (\$000s)	% of Overall Portfolio	Quarter	YTD	One Year	Two Years	Three Years	Five Years	Seven Years	Since Inception	Inception Date
<b>Emerging Market Debt Composite</b>	47,093	4.1%	0.88%	11.90%	10.33%	3.25%	NA	NA	NA	3.74%	8/1/2017
<u>50% EMBI Global / 50% CEMBI Broad</u>			1.53%	11.64%	10.86%	4.43%	NA	NA	NA	4.80%	
Relative Performance			(0.65%)	0.25%	(0.52%)	(1.18%)	NA	NA	NA	(1.07%)	
SSGA Emerging Market	24,011	2.1%	1.52%	11.52%	10.84%	4.46%	NA	NA	NA	4.38%	9/1/2017
<u>50% EMBI Global / 50% CEMBI Broad</u>			1.53%	11.64%	10.86%	4.43%	NA	NA	NA	4.33%	
Relative Performance			(0.01%)	(0.12%)	(0.01%)	0.04%	NA	NA	NA	0.05%	
Goldman Sachs Emerging Market	23,082	2.0%	0.23%	12.29%	9.81%	2.07%	NA	NA	NA	2.62%	8/1/2017
<u>50% EMBI Global / 50% CEMBI Broad</u>			1.53%	11.64%	10.86%	4.43%	NA	NA	NA	4.80%	
Relative Performance			(1.30%)	0.65%	(1.05%)	(2.36%)	NA	NA	NA	(2.18%)	

- SSGA is an index fund and is doing a nice job tracking the benchmark.
- Goldman Sachs underperformed for the quarter by 1.30% but outperformed YTD.



# GOLDMAN SACHS EMERGING MARKETS FUND

## Portfolio Characteristics

	Goldman Sachs Emerging Market as of		50% EMBI Global / 50% CEMBI Broad Div.
	6/30/19	9/30/19	9/30/19
No. of Holdings	346	349	2,254
Effective Duration	6.6 years	7.1 years	5.9 years
Effective Maturity	7.4 years	6.9 years	9.3 years
Avg. Credit Quality	BB	BB	A
Yield	5.9%	5.6%	5.4%

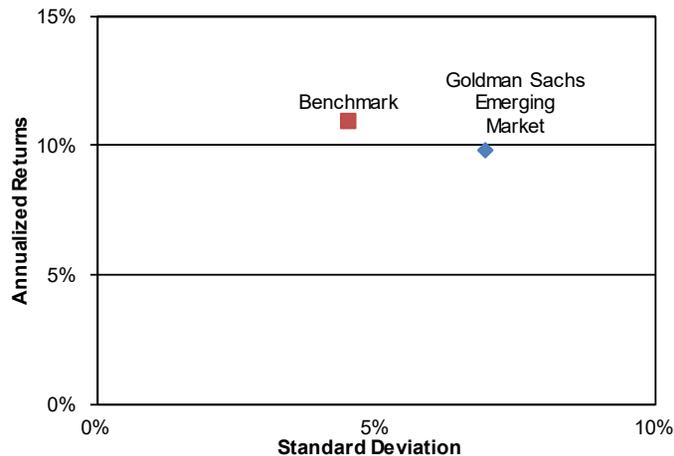
## Advisor's Mandate

- Fund (GSDIX)
- Inception: August 2017
- Objective: Exceed total return of JPM 50% EMBI Global Diversified / 50% CEMBI Broad Diversified
- Annual fee 0.86%

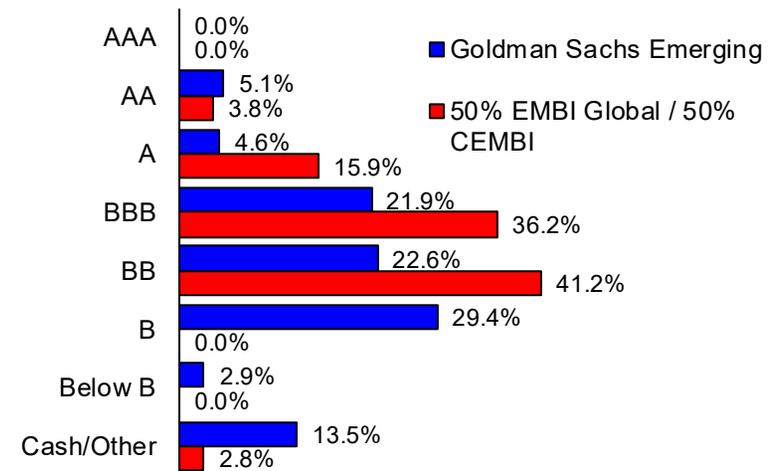
## Commentary

- The portfolio underperformed by 130 bps for the quarter.
- Goldman Sachs takes more credit risk than the index. It has nearly the same yield as the index, despite having a much shorter effective maturity.

## One-Year Risk/Return



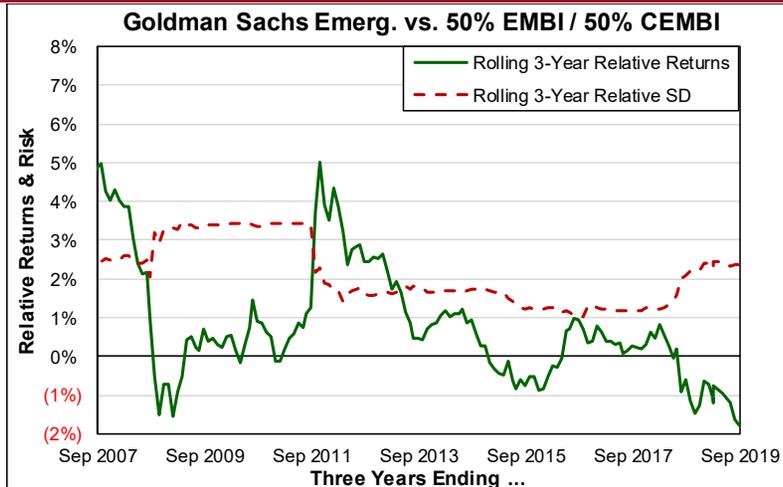
## Quarter End Quality Distribution



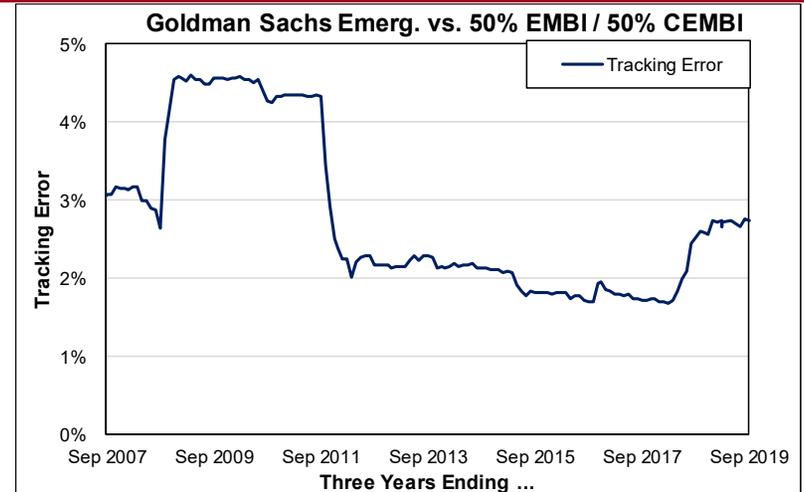


# GOLDMAN SACHS EMERGING MARKETS FUND

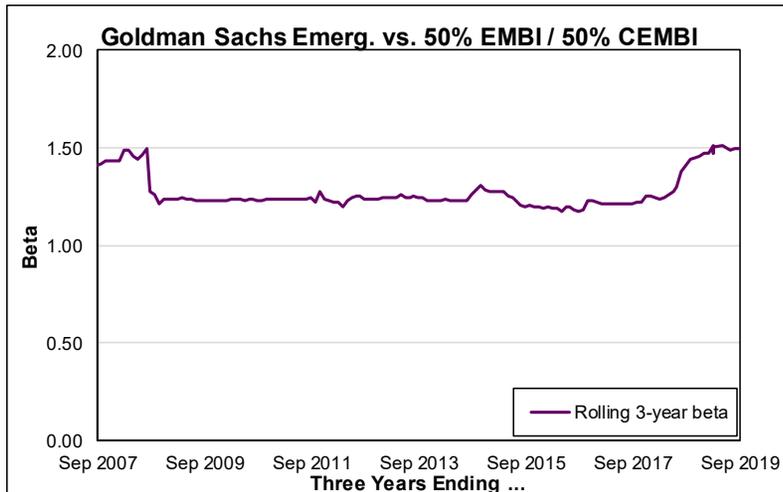
## Relative Returns & Risk\*



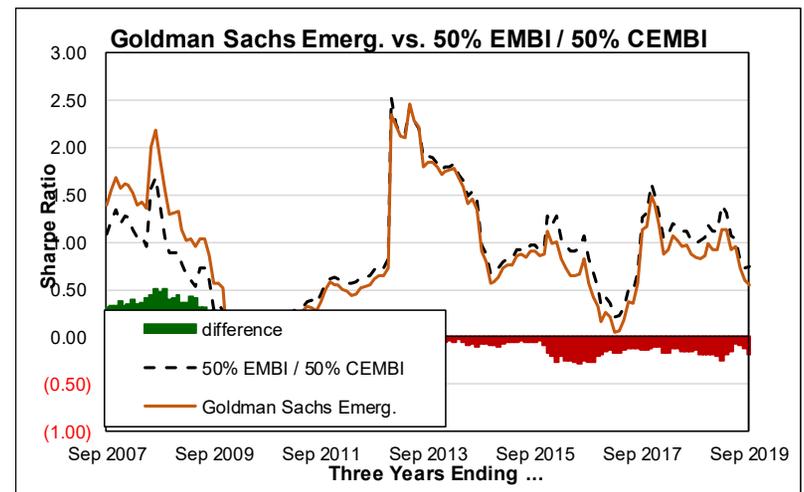
## Tracking Error\*



## Beta\*



## Sharpe Ratio\*



\*Mutual Fund returns were used for periods longer than the actual investment period for LAPCF.

Source: Goldman Sachs, Bloomberg, CIA Analysis, Wells Fargo



# INVESTMENT PERFORMANCE

## Pretax, Net of Fees Performance as of September 30, 2019

Portfolio	Market Value (\$000s)	% of Overall Portfolio	Quarter	YTD	One Year	Two Years	Three Years	Five Years	Seven Years	Since Inception	Inception Date
<b>Domestic Equity Composite</b>	122,908	10.6%	1.30%	20.28%	2.76%	8.59%	11.59%	9.53%	NA	12.73%	11/1/2012
<sup>1</sup> <u>Blended Benchmark</u>			0.30%	18.13%	0.13%	7.04%	10.64%	9.05%	NA	12.35%	
Relative Performance			0.99%	2.15%	2.62%	1.55%	0.95%	0.48%	NA	0.38%	
Vanguard Russell 1000 Value Fund	23,836	2.1%	1.35%	17.79%	4.01%	6.66%	9.38%	7.71%	NA	7.85%	5/1/2014
<u>Russell 1000 Value Index</u>			1.33%	17.74%	3.91%	6.60%	9.34%	7.70%	NA	7.85%	
Relative Performance			0.02%	0.05%	0.09%	0.06%	0.04%	0.00%	NA	0.00%	
Vanguard Total Stock Market Fund	69,812	6.0%	1.06%	20.00%	2.89%	10.02%	12.84%	10.45%	NA	13.44%	11/1/2012
<u>CRSP US Total Market Index</u>			1.10%	20.00%	2.88%	9.98%	12.78%	10.39%	NA	13.37%	
Relative Performance			(0.04%)	(0.00%)	0.01%	0.04%	0.06%	0.05%	NA	0.07%	
Vanguard Small Cap S&P 600	14,742	1.3%	(0.19%)	13.49%	(9.33%)	NA	NA	NA	NA	0.94%	3/1/2018
<u>Russell 2000 Index</u>			(2.42%)	14.11%	(8.97%)	NA	NA	NA	NA	(0.76%)	
Relative Performance			2.23%	(0.61%)	(0.36%)	NA	NA	NA	NA	1.71%	
Virtus KAR Small Cap Core	14,518	1.2%	3.74%	32.49%	12.82%	NA	NA	NA	NA	13.99%	3/1/2018
<u>Russell 2000 Index</u>			(2.42%)	14.11%	(8.97%)	NA	NA	NA	NA	(0.76%)	
Relative Performance			6.16%	18.38%	21.79%	NA	NA	NA	NA	14.75%	

- The Domestic Equity composite outperformed for the current quarter by 99 bps.
- The index funds have done a nice job matching their respective indices.
- For the small cap portfolios, Vanguard and Virtus KAR did well for the quarter. Virtus KAR outperformed their benchmark by 616 bps.

<sup>1</sup>The blended benchmark consists of a market-weighted blend of the underlying portfolio benchmarks.



# VIRTUS KAR SMALL CAP FUND

## Portfolio Characteristics

	Virtus KAR Small Cap as of		Russell 2000 as of
	6/30/19	9/30/19	9/30/19
No. of Securities	29	26	2,003
<b>P/E Ratio</b>	<b>25.1x</b>	<b>25.9x</b>	<b>19.1x</b>
Price/Book Ratio	6.1x	5.2x	2.2x
Avg Mkt Cap (billions)	\$6.4	\$6.7	\$2.2
% in Top 10 Holdings	58.1%	56.2%	3.6%

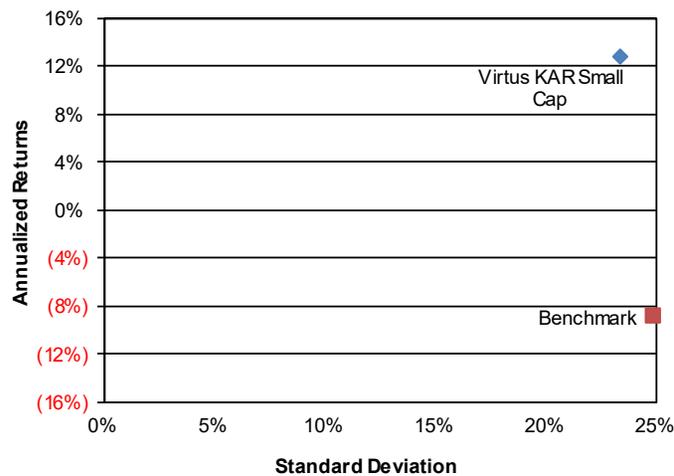
## Advisor's Mandate

- Actively managed equity index fund (PKSFX)
- Inception: March 2018
- Objective: Exceed performance of the Russell 2000 Index.
- Annual Fee = 1.03%

## Commentary

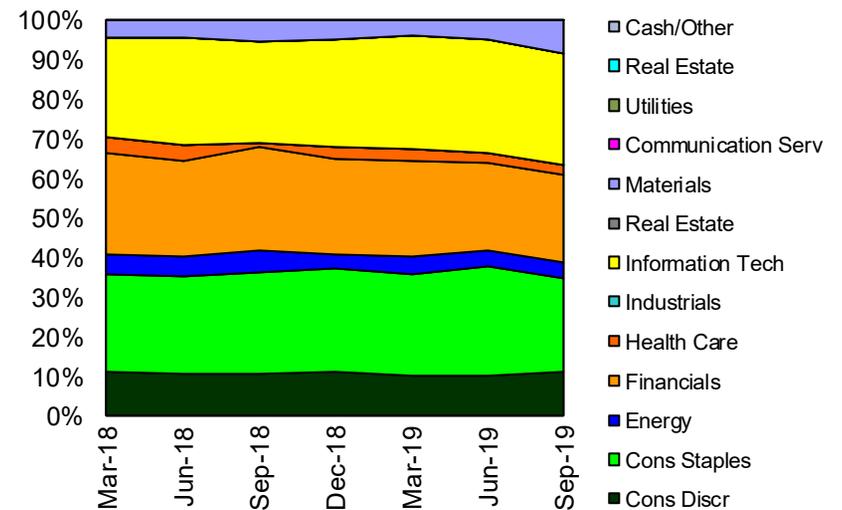
- The fund outperformed the benchmark by 616 basis points (6.16%) for the quarter.

## One-Year Risk/Return



Source: Virtus, Bloomberg, CIA analysis

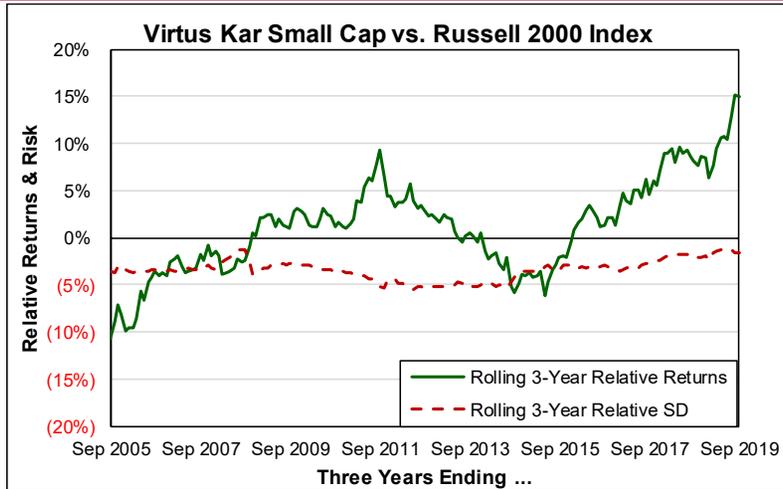
## Historical Sector Distribution



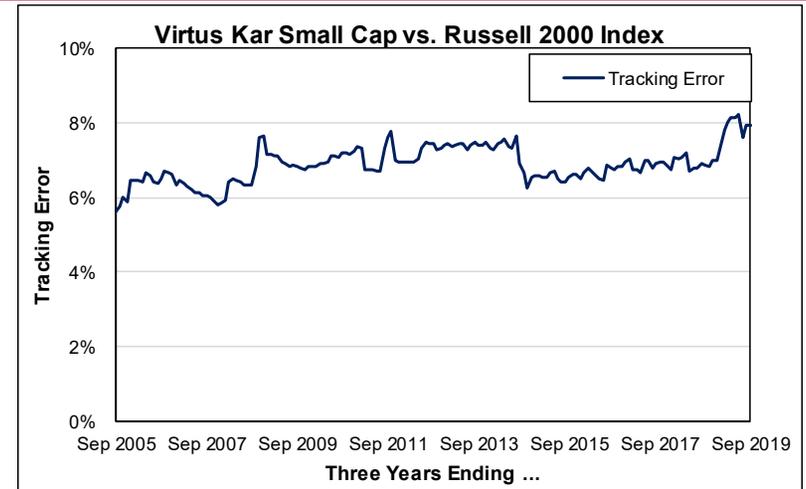


# VIRTUS KAR SMALL CAP FUND

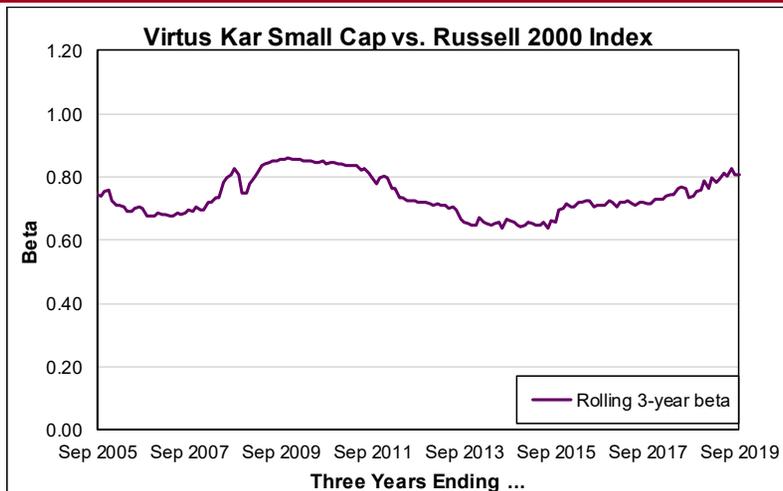
## Relative Returns & Risk\*



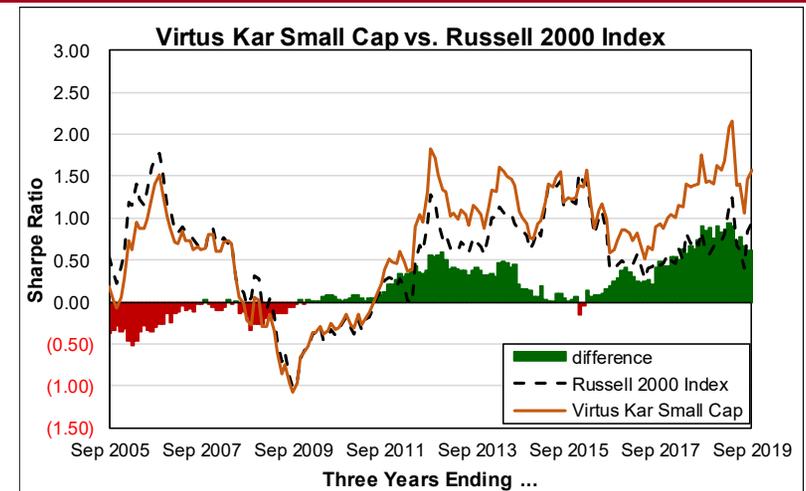
## Tracking Error\*



## Beta\*



## Sharpe Ratio\*



\*Mutual Fund returns were used for periods longer than the actual investment period for LAPCF.

Source: Virtus, Bloomberg, CIA Analysis, Wells Fargo



# INVESTMENT PERFORMANCE

## Pretax, Net of Fees Performance as of September 30, 2019

Portfolio	Market Value (\$000s)	% of Overall Portfolio	Quarter	YTD	One Year	Two Years	Three Years	Five Years	Seven Years	Since Inception	Inception Date
<b>International Equity Composite</b>	70,619	6.1%	(1.90%)	12.03%	(2.64%)	(0.29%)	5.97%	2.90%	NA	3.32%	5/1/2013
<sup>1</sup> Blended Benchmark			(1.66%)	11.20%	(2.31%)	(0.35%)	5.79%	3.07%	NA	3.60%	
Relative Performance			(0.24%)	0.82%	(0.33%)	0.06%	0.18%	(0.16%)	NA	(0.28%)	
Vanguard Total International Stock Fund	32,518	2.8%	(1.61%)	11.50%	(1.51%)	0.07%	6.11%	3.19%	NA	3.73%	5/1/2013
FTSE Global All Cap ex US Index			(1.68%)	11.40%	(1.76%)	0.05%	6.08%	3.07%	NA	3.66%	
Relative Performance			0.07%	0.09%	0.25%	0.02%	0.03%	0.11%	NA	0.07%	
City of London	13,387	1.2%	(3.01%)	9.69%	(4.77%)	NA	NA	NA	NA	(5.43%)	8/1/2018
MSCI ACWI ex US			(1.83%)	11.46%	(1.35%)	NA	NA	NA	NA	(2.57%)	
Relative Performance			(1.18%)	(1.77%)	(3.43%)	NA	NA	NA	NA	(2.86%)	
EuroPacific Growth Fund	13,118	1.1%	(1.59%)	15.84%	1.25%	NA	NA	NA	NA	0.32%	7/1/2018
MSCI ACWI ex US			(1.83%)	11.46%	(1.35%)	NA	NA	NA	NA	(0.55%)	
Relative Performance			0.24%	4.38%	2.59%	NA	NA	NA	NA	0.86%	
DFA International Small Cap Fund	5,542	0.5%	(0.56%)	8.21%	(11.17%)	(7.20%)	2.60%	2.75%	NA	2.25%	8/8/2014
MSCI ACWI ex US Small Cap			(1.25%)	10.08%	(5.86%)	(2.19%)	4.39%	3.74%	NA	3.04%	
Relative Performance			0.69%	(1.87%)	(5.31%)	(5.00%)	(1.79%)	(0.99%)	NA	(0.79%)	
Oppenheimer International Small Cap	6,054	0.5%	(2.87%)	15.57%	(3.98%)	5.51%	11.13%	10.91%	NA	10.16%	8/8/2014
MSCI ACWI ex US Small Cap			(1.25%)	10.08%	(5.86%)	(2.19%)	4.39%	3.74%	NA	3.04%	
Relative Performance			(1.63%)	5.49%	1.89%	7.71%	6.74%	7.17%	NA	7.13%	

- The International Equity Composite underperformed for the quarter by 24 basis points.
  - DFA International Small Cap was the big winner for the quarter beating its relative benchmark by 0.69%.

<sup>1</sup>The blended benchmark consists of a market-weighted blend of the underlying portfolio benchmarks.



# CITY OF LONDON FUND

## Portfolio Characteristics

	City of London as of		MSCI ACWI ex US as of
	6/30/19	9/30/19	9/30/19
No. of Holdings	54	56	2,215
P/E Ratio	14.6x	14.7x	14.7x
Price/Book Ratio	1.6x	1.6x	1.6x
Avg Mkt Cap (billion)	\$9.4	\$9.3	\$9.3
Dividend Yield	3.2%	3.2%	3.2%
Return on Equity	11.0%	11.0%	11.0%
% in Top 10 Holdings	36.5%	39.4%	10.0%

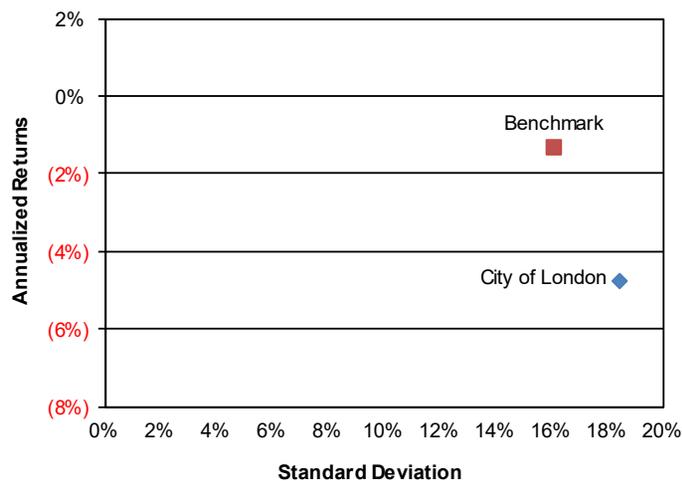
## Advisor's Mandate

- Actively-managed International Commingled fund
- Inception: August 2018
- Objective: Exceed total return of the MSCI ACWI ex US Index
- Annual Fee = 0.70%

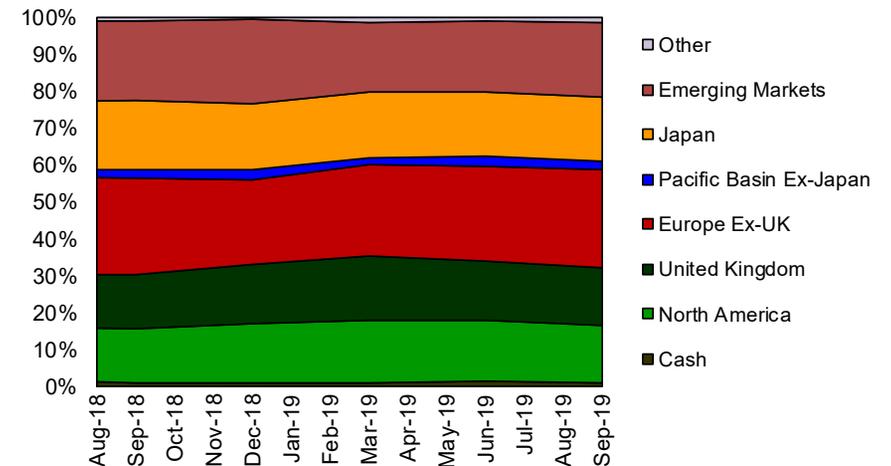
## Commentary

- City of London underperformed their benchmark by 118 basis points for the quarter.
- The fund's holdings are at greater than a 10% discount to NAV, so the investment thesis remains intact.

## One-Year Risk/Return



## Historical Country Distribution

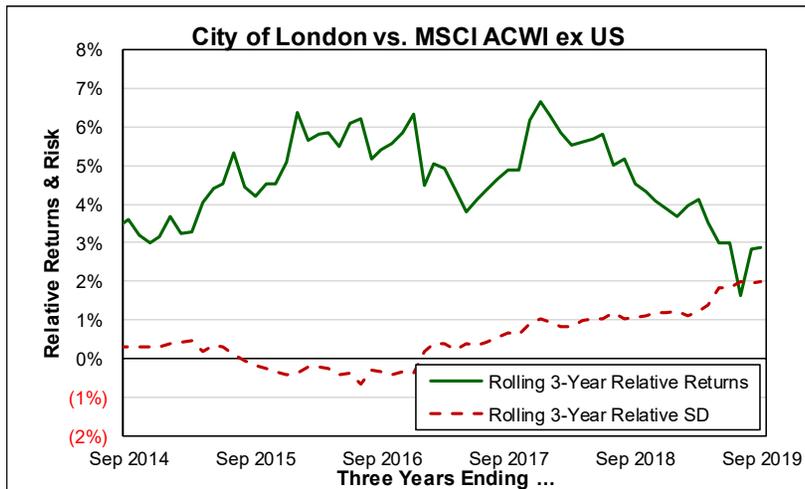


Source: City of London, MSCI, CIA Analysis

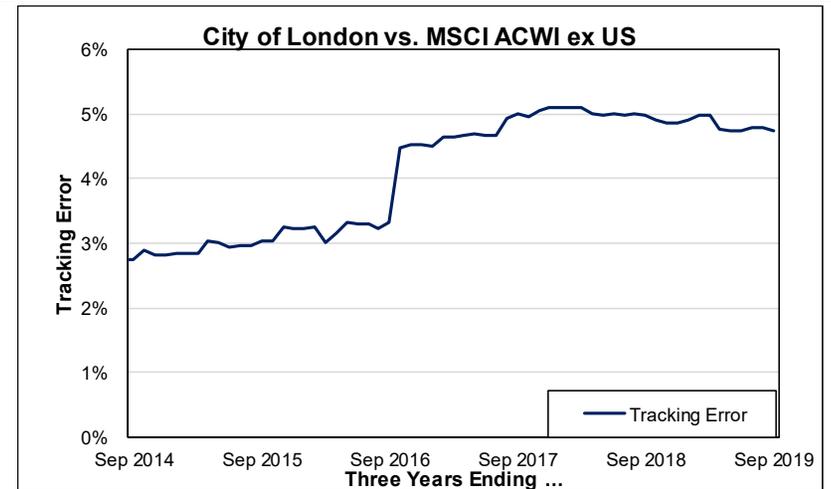


# CITY OF LONDON FUND

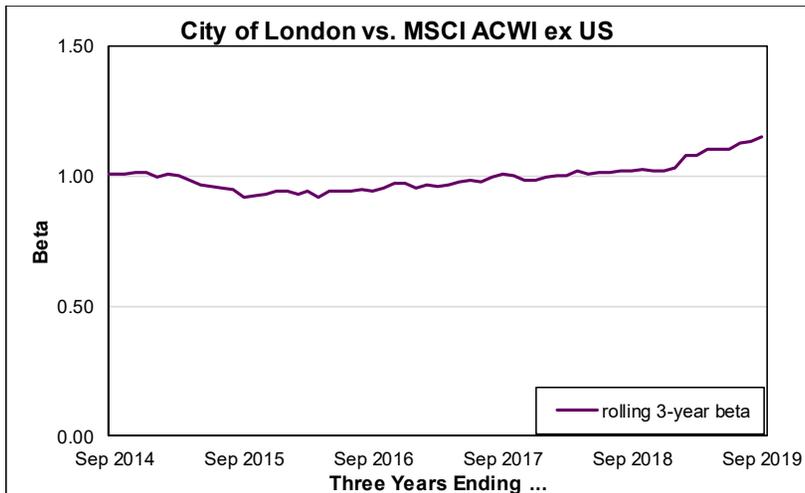
## Relative Returns & Risk\*



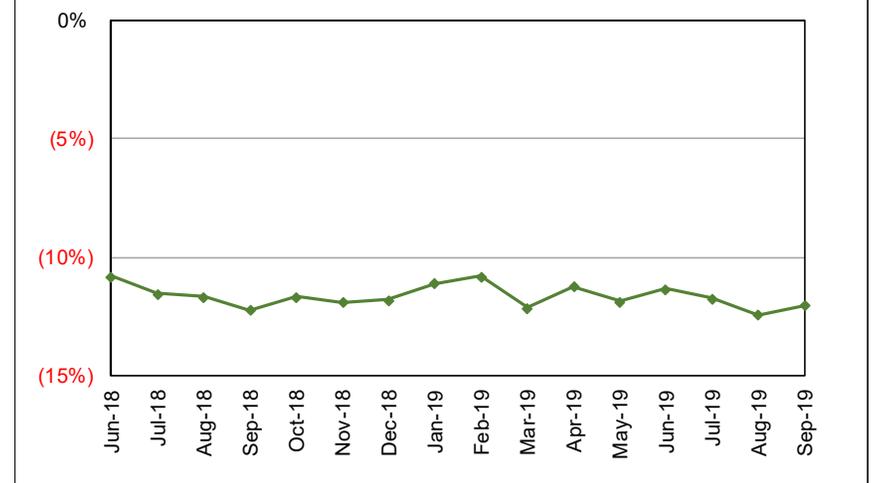
## Tracking Error\*



## Beta\*



## Discount to NAV



\*Mutual Fund returns were used for periods longer than the actual investment period for LAPCF.

Source: City of London, Bloomberg, CIA Analysis, Wells Fargo



# DFA INTERNATIONAL SMALL CAP FUND

## Portfolio Characteristics

	DFA Intl Small Cap as of		MSCI ACWI ex US Small Cap as of
	6/30/19	9/30/19	9/30/19
No. of Securities	2,174	2,143	4,177
<b>P/E Ratio</b>	<b>10.9x</b>	<b>9.6x</b>	<b>14.3x</b>
Price/Book Ratio	0.7x	0.7x	1.4x
Avg Mkt Cap (billions)	\$1.8	\$1.9	\$0.7
% in Top 10 Holdings	6.9%	6.9%	2.0%

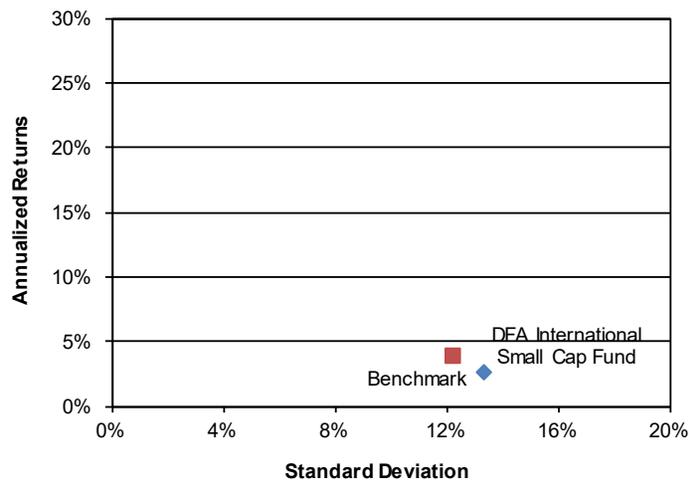
## Advisor's Mandate

- Actively managed equity index fund (DISVX)
- Inception: August 2014
- Objective: Exceed total return of the MSCI ACWI ex US Small Cap Fund
- Annual Fee = 0.68%

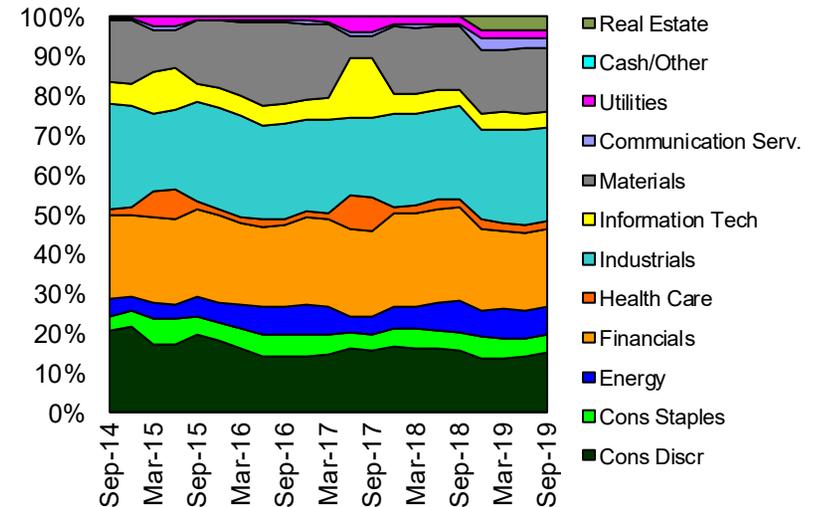
## Commentary

- DFA outperformed their benchmark by 69 bps for the quarter and since inception has underperformed by 79 bps annually.

## Five-Year Risk/Return



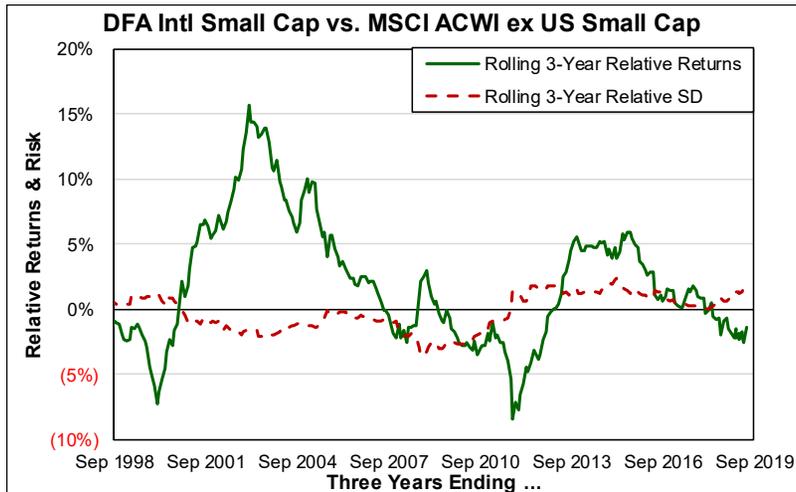
## Historical Sector Distribution





# DFA INTERNATIONAL SMALL CAP FUND

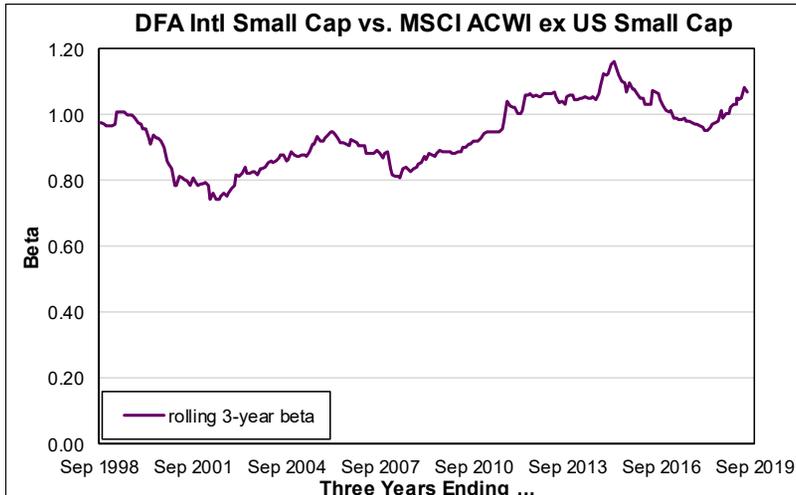
## Relative Returns & Risk\*



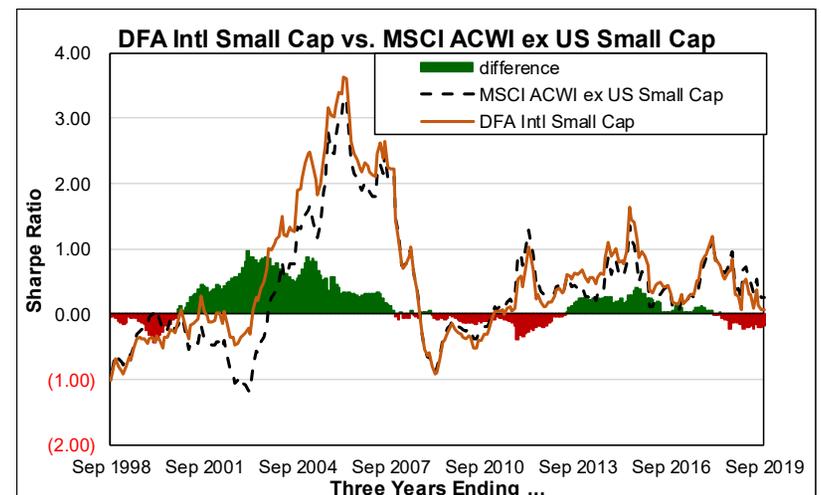
## Tracking Error\*



## Beta\*



## Sharpe Ratio\*



\*Mutual Fund returns were used for periods longer than the actual investment period for LAPCF.

Source: DFA, Bloomberg, CIA Analysis, Wells Fargo