
Port of Houston Authority OPEB Plan

Investment Performance Review
Period Ending June 30, 2024

MARINER

2nd Quarter 2024 Market Environment

The Economy

- The US Federal Reserve (the Fed) continued on its stable trajectory, holding rates steady during the second quarter. Capital markets have struggled to accurately predict the pace and timing of future Fed actions, resulting in an up and down quarter. In its press release for the June meeting, the Fed continued to assert that “In considering any adjustments to the target range for the federal funds rate, the Committee will carefully assess incoming data, the evolving outlook, and the balance of risks.”
- The Fed’s prolonged pause in its rate-hiking cycle and the insertion of the word “any” in its December press release provided capital markets hope that the Fed may pivot in its stance and begin reducing rates to a less restrictive level in 2024. The Fed’s published June “Dot Plot” revised expectations from three quarter-point rate cuts during the year to just one quarter-point rate cut. If this projection were to materialize, it would result in the first rate cut since the COVID pandemic in 2020.
- Growth in the US labor market continued in June, as nonfarm payrolls increased by 206,000 while unemployment rose slightly from 3.8% at the end of the first quarter to 4.1% at the end of the second quarter. Federal Reserve Chair Jerome Powell has maintained that “an unexpected weakening in the labor market could also warrant a policy response,” later defining unexpected weakening as something that would occur outside of their general forecasts.

Equity (Domestic and International)

- US equity results were mixed for the quarter, with large-capitalization (cap) stocks strongly outpacing small-cap stocks. As market participants continue to revise projections of future Fed actions, they sought safety among large-cap stocks due to these companies lessened dependence on external financing. The S&P 500 Index rose a solid 4.3% for the quarter, but ended a two-quarter streak of double-digit gains.
- Large-cap equity benchmarks continue to experience top-heavy concentration among a limited number of stocks. The top 10 stocks in the S&P 500 Index make up nearly 36% of the index’s weight as of June 2024. Year-to-date, these 10 stocks have contributed to more than 60% of the benchmark’s total return.
- International stocks also continued to experience growth during the second quarter, but results were muted by a strengthening US Dollar (USD). USD performance of international stocks lagged local currency (LCL) returns in most regions for the quarter, albeit to varying degrees.

Fixed Income

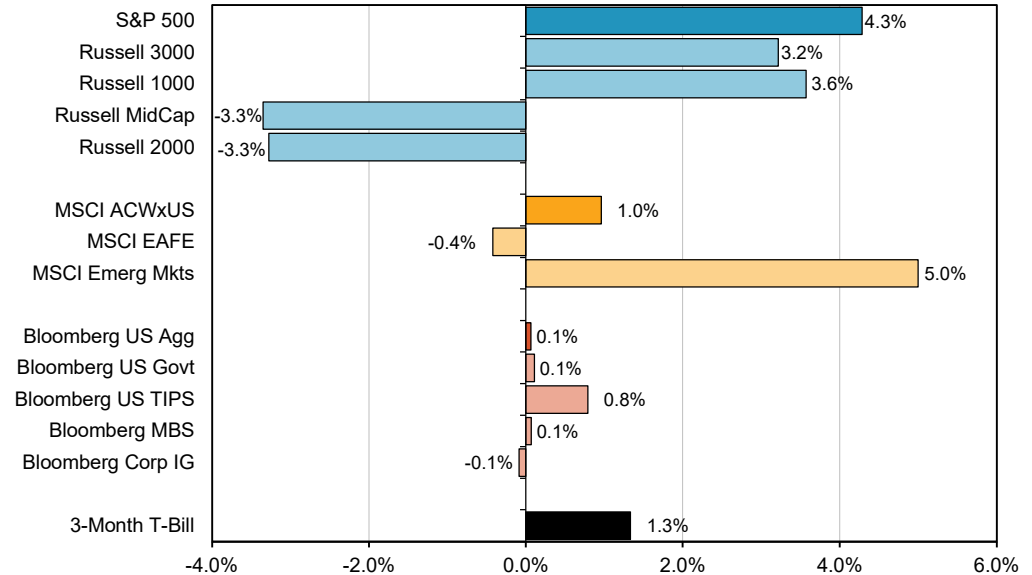
- Fixed-income markets remained largely steady during the quarter. While sticky inflation numbers and a robust job market prompted the Fed to keep the fed funds rate unchanged during the quarter, this lack of action also tempered expectations for the number of potential rate cuts in 2024.
- High-yield bonds outperformed investment-grade issues for the quarter, largely due to higher coupons. The high-yield index edged out the Bloomberg US Aggregate Bond Index, the bellwether bond benchmark, due to relative stability in both the yield curve and economic conditions.
- Global bonds continue to lag the domestic bond market, with the Bloomberg US Aggregate Bond Index outpacing the Global Aggregate ex-US Index by 2.2% for the quarter. The return gap between the two benchmarks continues to widen as the domestic index has outperformed the global index by 3.3% year-to-date.

Market Themes

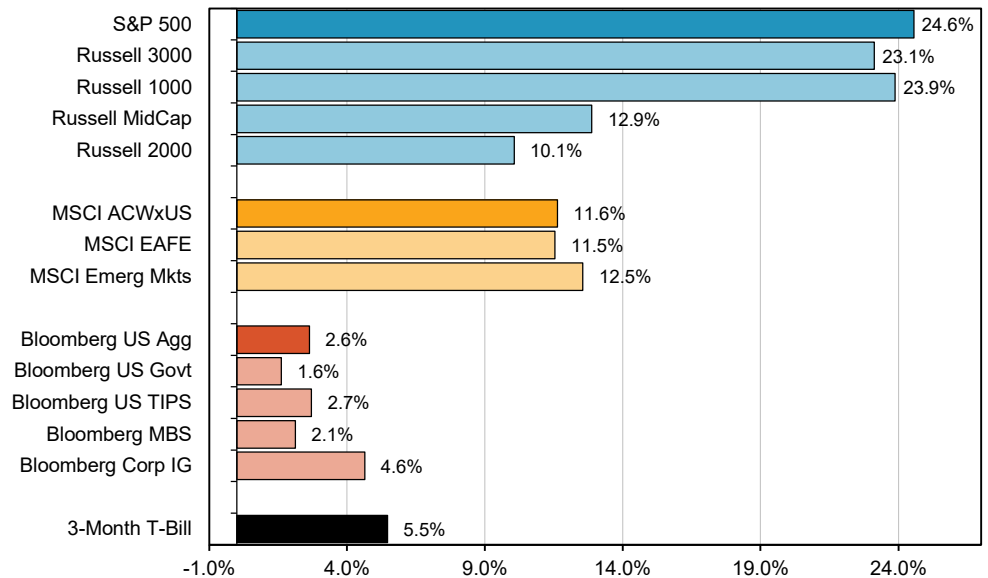
- Domestic and international equity markets posted strong results in the second quarter. Continuing their robust 2023 run, large-cap growth sectors continued to outpace their value counterparts in 2024, and by a wider margin than the prior year. The brief increased breadth markets experienced during of the first quarter did not continue during the second quarter, and so once again, large-cap growth stocks were the best-performing US asset category.
- Central banks remained vigilant in their stances to bring inflation under control. While inflation readings remain stubbornly elevated, signs of stable-to-cooling price pressures have shown up in most regions around the world. Domestically, job growth has slowed from a pace of 300,000+ month-over-month growth to just over 200,000 net new jobs.
- Policy rates were stable across most developed markets as central banks continued their tight monetary stances. Expectations of looser monetary policy have been frustrated by mixed economic data and central banks’ inaction so far this year.
- Ongoing military conflicts coupled with global economic uncertainty continue to act as headwinds to international market results. While global disruptions from the Russia-Ukraine conflict seemed to subside during the quarter, the proxy war in the Middle East has spread to other countries in the region and unsettled shipping channels globally.

- Performance in the domestic equity markets was disparate during the second quarter. After a more encouraging showing last quarter, where markets broadened out in terms of strength, large-cap stocks once again surged ahead while smaller-cap stocks weakened slightly. For the period, the large-cap S&P 500 and Russell 1000 indexes posted returns of 4.3% and 3.6%, respectively. The broad-cap Russell 3000 index lagged slightly, returning a more modest 3.2%. Outside of large-cap issues, the Russell Mid Cap and Russell 2000 indexes both experienced equivalent pullbacks during the quarter, with each benchmark returning -3.3%.
- International developed market equities were muted during the quarter. The MSCI ACWI ex US Index posted a modest 1.0% gain for the quarter, while the MSCI EAFE Index fell slightly, posting a return of -0.4% in USD terms. International emerging market (EM) equities posting a 5.0% return for the quarter, outpacing the performance of their developed market counterparts. Much of the solid performance in the EM region was attributed to a bounce back in China, Taiwan, and Singapore, each posting strong USD results during the quarter.
- Most broad fixed-income indexes rose slightly during the second quarter of 2024. The Bloomberg US Aggregate Index returned 0.1% for the quarter, while investment-grade corporate bonds slid -0.1%. The TIPS market was the best-performing sector during the quarter, outpacing the rest of the domestic fixed-income categories with a return of 0.8%.
- Large-cap US equity indexes have been a performance juggernaut over the trailing 12 months. The S&P 500 Index has gained 24.6% while the Russell 1000 Index was nearly as strong with a return of 23.9%. The weakest performing class of domestic equities for the year was the small-cap Russell 2000 Index, which still posted a double-digit return of 10.1% over the last 12 months.
- International markets also showcased healthy performance for the one-year trailing period. The MSCI EM Index was the best international performer, returning 12.5%, while the MSCI EAFE and MSCI ACWI ex US indexes posted returns of 11.5% and 11.6%, respectively.
- Bond markets posted positive but muted results for the trailing one-year period which substantially lagged equity benchmark results. Investment-grade corporate bonds led the way, up by 4.6% for the year. Meanwhile, Treasuries lagged, returning just 1.6% over the period. The bellwether fixed-income benchmark, the Bloomberg US Aggregate Bond Index, returned a mild 2.6% for the year.

Quarter Performance

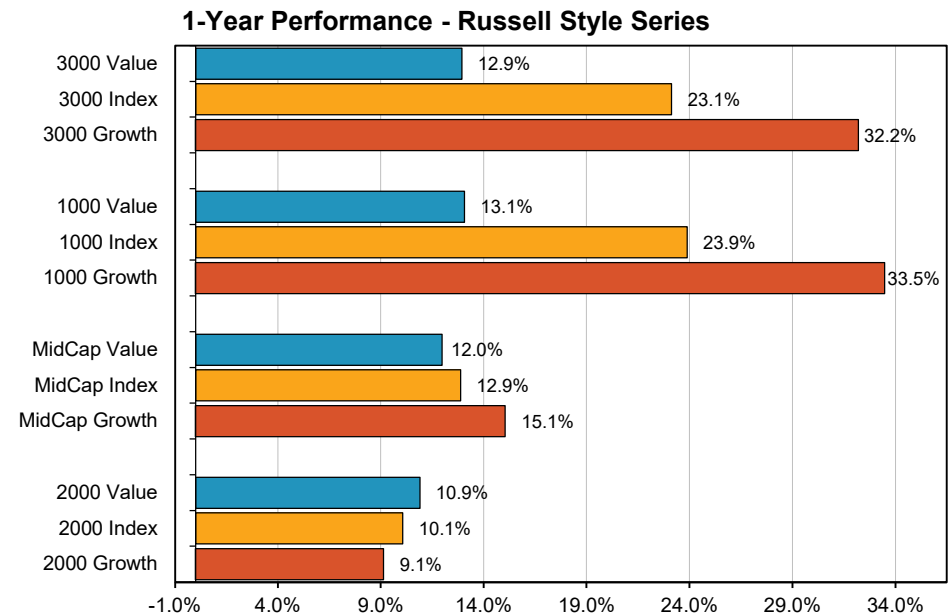
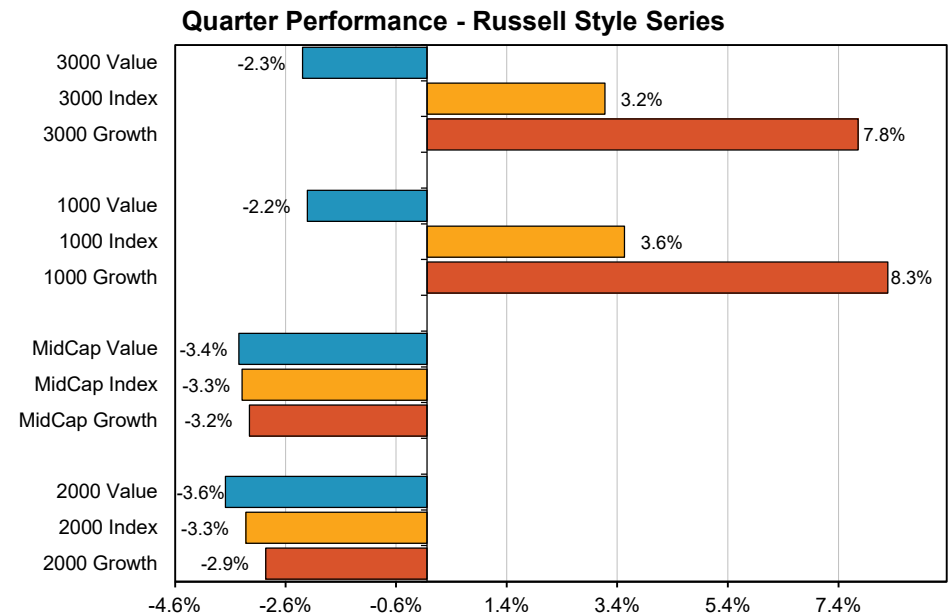


1-Year Performance



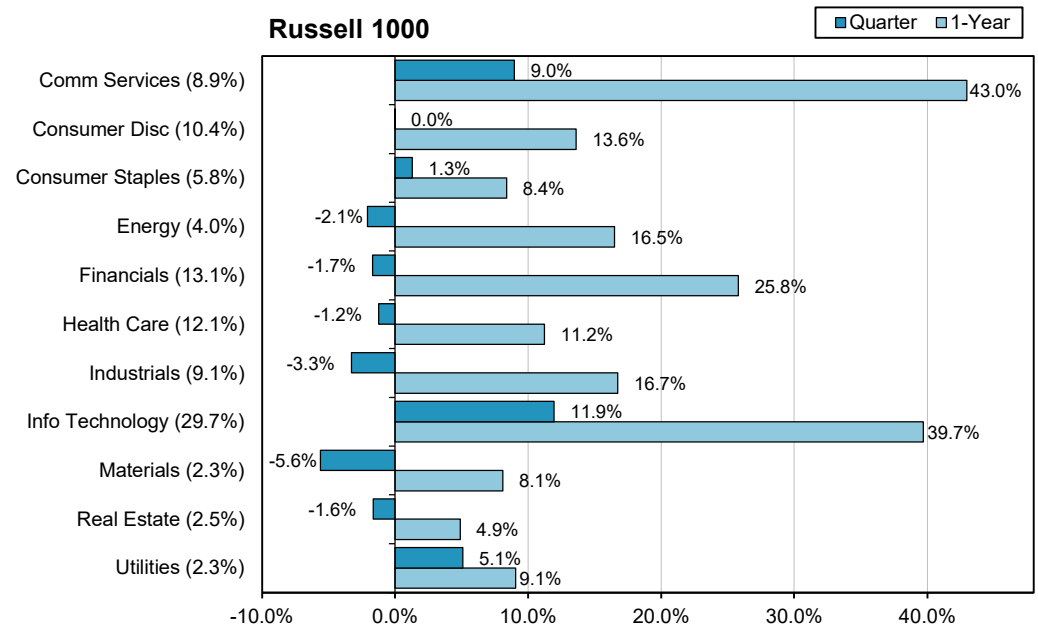
Source: Investment Metrics

- Domestic equity benchmarks posted mixed absolute results for the second quarter, but growth stocks outpaced their value counterparts at each capitalization level. The best-performing area of the equity market continues to be large-cap growth with the Russell 1000 Growth Index returning 8.3% for the quarter. The worst-performing segment of the domestic equity market for the second consecutive quarter was small-cap value with the Russell 2000 Value index falling -3.6% for the quarter. From a capitalization perspective, large-cap stocks once again led their small-cap counterparts, with the Russell 1000 Index returning 3.2% and the Russell 2000 Index falling by -3.3%.
- The market's growth-led rally continued during the quarter, and this disparity was most visible in large-cap style performance, with the Russell 1000 Growth Index outpacing the Russell 1000 Value Index by double digits (10.1%). While mid-cap and small-cap growth fell in absolute terms for the quarter, the mid- and small-cap growth indexes held up slightly better than their value counterparts. This quarter's results followed the theme of large-cap growth stocks being the best-performing segment of the domestic equity market over the past several years.
- For the year the Russell 1000 Growth Index returned an impressive 33.5%, leading the way among style and market capitalization classifications. Much of this strong performance has been attributable to the emergence of the "Magnificent 7" stocks, which have dominated the large-cap indexes over the past several years. The seven biggest stocks in the Russell 1000 Index contributed more than 70% of the index's total performance in the trailing 12-month period.
- The weakest performing index for the year was the Russell 2000 Growth, which still posted a solid return of 9.1%.
- The dominance of growth sectors is evident in the chart with the broad-cap, large-cap, and mid-cap benchmarks handily outperforming the core and value indexes for the trailing one-year period. The performance gap between the Russell 1000 Growth Index and the Russell 1000 Value Index was a staggering 20.4% for the year while the mid-cap growth index edged past the mid-cap value index by just 3.1%. Small-cap stocks bucked the growth-dominance trend with the Russell 2000 Value Index posting a return of 10.9% versus a return of 9.1% for the Russell 2000 Growth Index.

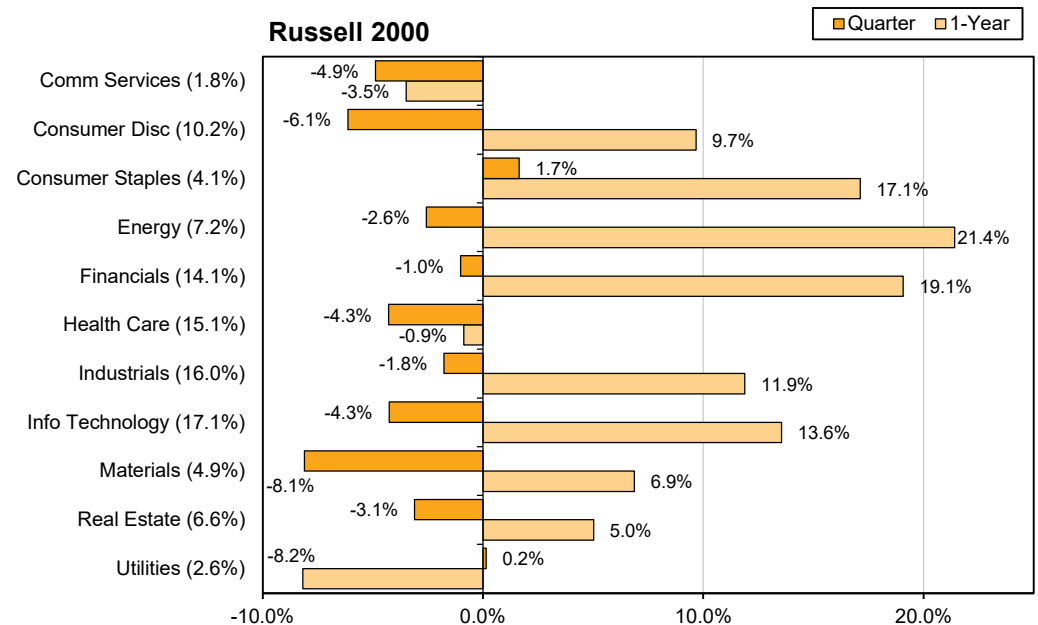


Source: Investment Metrics

- Economic sector performance was choppy during the second quarter. This quarter broke the preceding trend of broader participation in the equity market's rally. Only five of the 11 economic sectors posted positive absolute returns for the quarter, with information technology (11.9%), communication services (9.0%), and utilities (5.1%) leading the way.
- In contrast, full-year results were more consistent as all 11 economic sectors finished the year in positive territory. Of the 11 sectors, three (communication services, up 43.0%; information technology, up 39.7%; and financials, up 25.8%) were up by more than 25.0% for the past year. With their more than 40% combined weight in the benchmark, these three sectors were also the only ones to outpace the Russell 1000 Index's return of 23.9%. Despite solid positive performance, utilities (up 9.1%), consumer staples (8.4%), materials (8.1%), consumer staples (8.4%), and real estate (4.9%) were all relative detractors for the year with their single-digit returns.



- Nine of the 11 small-cap economic sectors lost value during the quarter. Consumer staples (up 1.7%), and utilities (0.2%) were the only two sectors to post gains for the quarter. Materials was the worst-performing sector posting a loss of -8.1% for the quarter. While not always the case, small-cap stocks generally have greater dependence on liquidity and access to capital which can lead to lagging performance relative to large-cap stocks during periods of restrictive monetary policy.
- Similar to large-cap sector performance, eight of the 11 small-cap sectors were positive over the trailing one-year period. Energy posted the strongest sector performance with a return of 21.4%, followed closely by the financials sector return of 19.1%. Consumer staples (up 17.1%), information technology (13.6%), and industrials (11.9%) each produced double-digit results for the period. Three sectors (communication services, health care, and utilities) posted negative results during the period.



Source: Morningstar Direct
 As a result of the GICS classification changes on 9/28/2018 and certain associated reporting limitations, sector performance represents backward looking performance for the prior year of each sector's current constituency, post creation of the Communication Services sector.

The Market Environment
Top 10 Index Weights & Quarterly Performance for the Russell 1000 & 2000
As of June 30, 2024

Top 10 Weighted Stocks				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Microsoft Corp	6.7%	6.4%	32.3%	Information Technology
Apple Inc	6.2%	23.0%	9.2%	Information Technology
NVIDIA Corp	5.9%	36.7%	192.1%	Information Technology
Amazon.com Inc	3.5%	7.1%	48.2%	Consumer Discretionary
Meta Platforms Inc Class A	2.2%	3.9%	76.1%	Communication Services
Alphabet Inc Class A	2.2%	20.8%	52.3%	Communication Services
Alphabet Inc Class C	1.9%	20.6%	51.8%	Communication Services
Eli Lilly and Co	1.5%	16.6%	94.5%	Health Care
Berkshire Hathaway Inc Class B	1.5%	21.5%	88.4%	Financials
Broadcom Inc	1.4%	-3.3%	19.3%	Information Technology

Top 10 Weighted Stocks				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Super Micro Computer Inc	1.6%	-18.9%	228.7%	Information Technology
MicroStrategy Inc Class A	0.8%	-19.2%	302.3%	Information Technology
Carvana Co Class A	0.5%	46.4%	396.6%	Consumer Discretionary
e.l.f. Beauty Inc	0.4%	7.5%	84.5%	Consumer Staples
Comfort Systems USA Inc	0.4%	-4.2%	86.0%	Industrials
Onto Innovation Inc	0.4%	21.3%	88.5%	Information Technology
FTAI Aviation Ltd	0.4%	54.0%	234.2%	Industrials
Light & Wonder Inc Ordinary Shares	0.4%	2.7%	52.5%	Consumer Discretionary
Insmed Inc	0.4%	147.0%	217.5%	Health Care
Fabrinet	0.4%	29.5%	88.5%	Information Technology

Top 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
GameStop Corp Class A	0.0%	97.2%	1.8%	Consumer Discretionary
Petco Health and Wellness Co	0.0%	65.8%	-57.5%	Consumer Discretionary
Alnylam Pharmaceuticals Inc	0.1%	62.6%	27.9%	Health Care
United Therapeutics Corp	0.0%	38.7%	44.3%	Health Care
Cirrus Logic Inc	0.0%	37.9%	57.6%	Information Technology
NCR Atleos Corp	0.0%	36.8%	N/A	Financials
NVIDIA Corp	5.9%	36.7%	192.1%	Information Technology
AMC Entertainment	0.0%	33.9%	-87.2%	Communication Services
First Solar Inc	0.0%	33.6%	18.6%	Information Technology
Cava Group Inc	0.0%	32.4%	126.5%	Consumer Discretionary

Top 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
AST SpaceMobile Inc Ordinary Shares	0.1%	300.3%	147.0%	Communication Services
Emergent BioSolutions Inc	0.0%	169.6%	-7.2%	Health Care
Novavax Inc	0.1%	164.9%	70.4%	Health Care
Rent the Runway Inc Class A	0.0%	154.3%	-55.6%	Consumer Discretionary
Insmed Inc	0.4%	147.0%	217.5%	Health Care
Innodata Inc	0.0%	124.7%	30.9%	Industrials
NuScale Power Corp Class A	0.0%	120.2%	71.9%	Industrials
TransMedics Group Inc	0.2%	103.7%	79.4%	Health Care
Vital Farms Inc Ordinary Shares	0.1%	101.2%	290.1%	Consumer Staples
Matterport Inc Ordinary Shares	0.0%	97.8%	41.9%	Information Technology

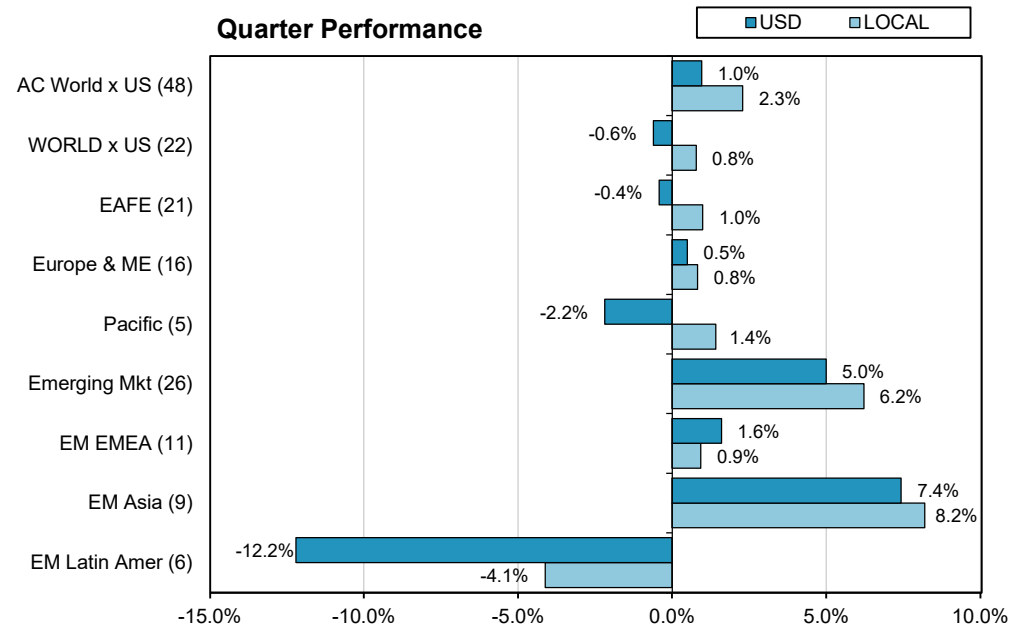
Bottom 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Ginkgo Bioworks Holdings Inc	0.0%	-71.2%	-82.0%	Materials
Hertz Global Holdings Inc	0.0%	-54.9%	-80.8%	Industrials
10x Genomics Inc	0.0%	-48.2%	-65.2%	Health Care
DoubleVerify Holdings Inc	0.0%	-44.6%	-50.0%	Information Technology
UiPath Inc Class A	0.0%	-44.1%	-23.5%	Information Technology
Walgreens Boots Alliance Inc	0.0%	-43.5%	-54.6%	Consumer Staples
Fortrea Holdings Inc	0.0%	-41.9%	-31.4%	Health Care
Five Below Inc	0.0%	-39.9%	-44.6%	Consumer Discretionary
Leggett & Platt Inc	0.0%	-39.9%	-58.8%	Consumer Discretionary
Unity Software Inc Ordinary Shares	0.0%	-39.1%	-62.6%	Information Technology

Bottom 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Aerovate Therapeutics Inc	0.0%	-94.4%	-90.3%	Health Care
Marinus Pharmaceuticals Inc	0.0%	-87.1%	-89.2%	Health Care
Cerence Inc Ordinary Shares	0.0%	-82.0%	-90.3%	Information Technology
Velo3D Inc	0.0%	-79.2%	-95.6%	Industrials
Akoustis Technologies Inc	0.0%	-77.7%	-95.9%	Information Technology
Gritstone Bio Inc	0.0%	-76.0%	-68.3%	Health Care
Ovid Therapeutics Inc	0.0%	-74.8%	-76.5%	Health Care
Maxeon Solar Technologies Ltd	0.0%	-74.4%	-97.0%	Information Technology
Zentalis Pharmaceuticals Inc	0.0%	-74.0%	-85.5%	Health Care
Nikola Corp	0.0%	-73.8%	-80.2%	Industrials

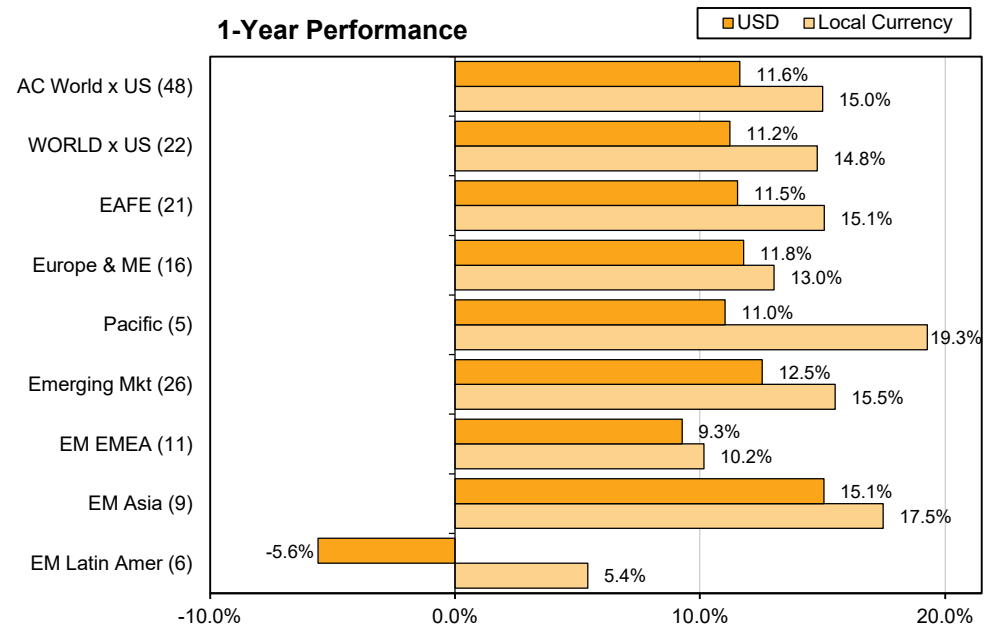
Source: Morningstar Direct

- Results among the broad international equity indexes were mixed during the quarter, echoing the performance of major domestic indexes. The strengthening USD relative to many major currencies during the quarter was a detractor to the USD performance of regional benchmark returns across most regions. The developed-market MSCI EAFE Index returned a muted 1.0% in LCL terms but fell -0.4% in USD terms. The MSCI Emerging Markets Index was the best-performing broad index and rose by 5.0% in USD and 6.2% in LCL terms for the quarter.
- Latin America continued to struggle during the quarter in both USD and LCL terms. The cyclical demand for commodity exports in the region has resulted in greater volatility due to ongoing uncertainty over central bank policies and future global demand.
- The heaviest-weighted country in the emerging market index (China) rebounded 7.1% during the quarter. The Chinese economy grew at a rate of 5.2% in 2023, lower than its pre-pandemic rate of 6.0% and has been a headwind for performance. Troubles in the commercial property and banking sectors have also created challenges for growth in the region. Despite the additive performance in the region, the Chinese banking sector underwent heavy consolidation during the second quarter amid regional bank failures across the country.
- Much like domestic markets, trailing one-year results for international developed and emerging markets benchmarks were strong. Higher LCL versus USD returns for most international benchmarks demonstrate the USD's strength over the trailing one-year period.
- Most broad and regional indexes were positive for the trailing 12 months in both USD and LCL terms. The sole exception was EM Latin America, where USD strength turned the region's positive LCL performance negative in USD terms. In LCL terms, the MSCI Pacific Index led the way with a return of 19.3% for the trailing year. USD returns for the region were still strong but returned a more muted 11.0%. The EM Asia regional index posted the strongest relative USD performance, returning 15.1% over the trailing 12 months.

Quarter Performance



1-Year Performance



Source: MSCI Global Index Monitor (Returns are Net)

The Market Environment
US Dollar International Index Attribution & Country Detail
As of June 30, 2024

MSCI - EAFE	Sector Weight	Quarter Return	1-Year Return
Communication Services	4.1%	0.5%	10.1%
Consumer Discretionary	11.5%	-9.0%	0.1%
Consumer Staples	8.5%	-1.6%	-6.8%
Energy	4.1%	1.3%	15.9%
Financials	20.0%	3.3%	24.2%
Health Care	13.5%	4.7%	11.5%
Industrials	16.9%	-0.8%	15.0%
Information Technology	9.5%	0.2%	24.1%
Materials	6.7%	-3.2%	8.5%
Real Estate	2.0%	-6.7%	7.6%
Utilities	3.1%	0.8%	-0.6%
Total	100.0%	-0.4%	11.5%

MSCI - ACWixUS	Sector Weight	Quarter Return	1-Year Return
Communication Services	5.3%	5.7%	-3.0%
Consumer Discretionary	11.1%	1.9%	8.6%
Consumer Staples	7.2%	-5.9%	-4.6%
Energy	5.5%	18.9%	21.4%
Financials	21.7%	18.7%	21.4%
Health Care	9.5%	10.0%	7.5%
Industrials	13.7%	13.1%	19.8%
Information Technology	14.0%	28.3%	29.4%
Materials	7.1%	5.1%	4.1%
Real Estate	1.8%	4.5%	6.8%
Utilities	3.1%	3.7%	5.2%
Total	100.0%	1.0%	11.6%

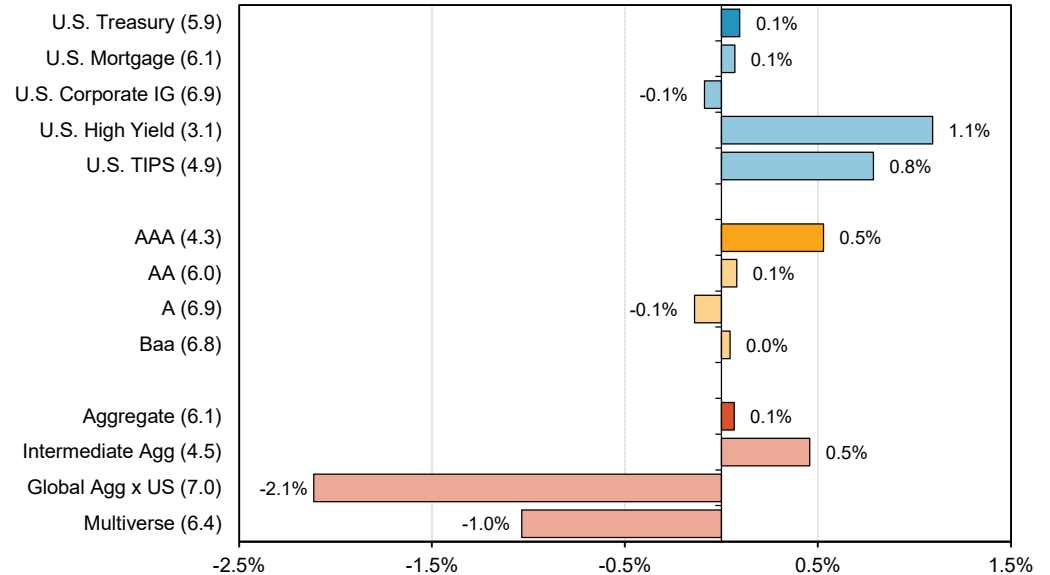
MSCI - Emerging Mkt	Sector Weight	Quarter Return	1-Year Return
Communication Services	8.9%	8.2%	2.7%
Consumer Discretionary	12.3%	5.1%	6.3%
Consumer Staples	5.2%	-3.0%	-5.7%
Energy	5.2%	3.3%	25.2%
Financials	21.9%	3.5%	12.6%
Health Care	3.2%	-4.3%	-2.8%
Industrials	6.9%	4.0%	6.9%
Information Technology	25.1%	11.3%	34.2%
Materials	6.9%	-1.8%	-3.1%
Real Estate	1.5%	2.8%	-4.1%
Utilities	3.0%	6.2%	20.3%
Total	100.0%	5.0%	12.5%

Country	MSCI-EAFE Weight	MSCI-ACWixUS Weight	Quarter Return	1-Year Return
Japan	22.7%	14.4%	-4.3%	13.2%
United Kingdom	14.9%	9.5%	3.7%	12.5%
France	11.2%	7.1%	-7.5%	0.5%
Switzerland	9.7%	6.2%	3.1%	6.1%
Germany	8.7%	5.5%	-1.4%	10.1%
Australia	7.5%	4.8%	1.6%	14.1%
Netherlands	5.4%	3.4%	5.0%	25.6%
Denmark	4.0%	2.5%	7.5%	42.1%
Sweden	3.2%	2.1%	2.2%	18.2%
Italy	2.7%	1.7%	-3.4%	21.3%
Spain	2.7%	1.7%	-1.6%	15.0%
Hong Kong	1.8%	1.1%	1.0%	-18.0%
Singapore	1.4%	0.9%	8.9%	13.5%
Finland	1.0%	0.6%	3.0%	1.7%
Belgium	1.0%	0.6%	0.9%	9.0%
Israel	0.7%	0.5%	-4.2%	23.6%
Norway	0.6%	0.4%	6.6%	14.2%
Ireland	0.3%	0.2%	-0.8%	12.5%
Portugal	0.2%	0.1%	8.5%	-6.4%
Austria	0.2%	0.1%	7.1%	17.9%
New Zealand	0.2%	0.1%	3.2%	3.7%
Total EAFE Countries	100.0%	63.6%	-0.4%	11.5%
Canada		7.4%	-2.1%	8.6%
Total Developed Countries		71.0%	-0.6%	11.2%
China		7.3%	7.1%	-1.6%
Taiwan		5.6%	15.1%	40.7%
India		5.6%	10.2%	34.4%
Korea		3.5%	-1.2%	8.1%
Brazil		1.2%	-12.2%	-7.7%
Saudi Arabia		1.1%	-7.4%	0.9%
South Africa		0.9%	12.3%	12.3%
Mexico		0.6%	-16.1%	-6.5%
Indonesia		0.5%	-12.4%	-11.8%
Malaysia		0.4%	4.4%	17.5%
Thailand		0.4%	-4.8%	-13.3%
United Arab Emirates		0.3%	-2.3%	0.8%
Poland		0.3%	6.1%	32.4%
Turkey		0.2%	21.4%	62.1%
Qatar		0.2%	-0.3%	0.7%
Kuwait		0.2%	-2.8%	2.2%
Philippines		0.1%	-10.7%	-3.1%
Greece		0.1%	-1.2%	9.6%
Chile		0.1%	-1.3%	-9.3%
Peru		0.1%	2.0%	40.0%
Hungary		0.1%	9.2%	29.0%
Czech Republic		0.0%	6.3%	3.5%
Colombia		0.0%	-4.6%	26.7%
Egypt		0.0%	-4.2%	-4.8%
Total Emerging Countries		29.0%	5.0%	12.5%
Total ACWixUS Countries		100.0%	1.0%	11.6%

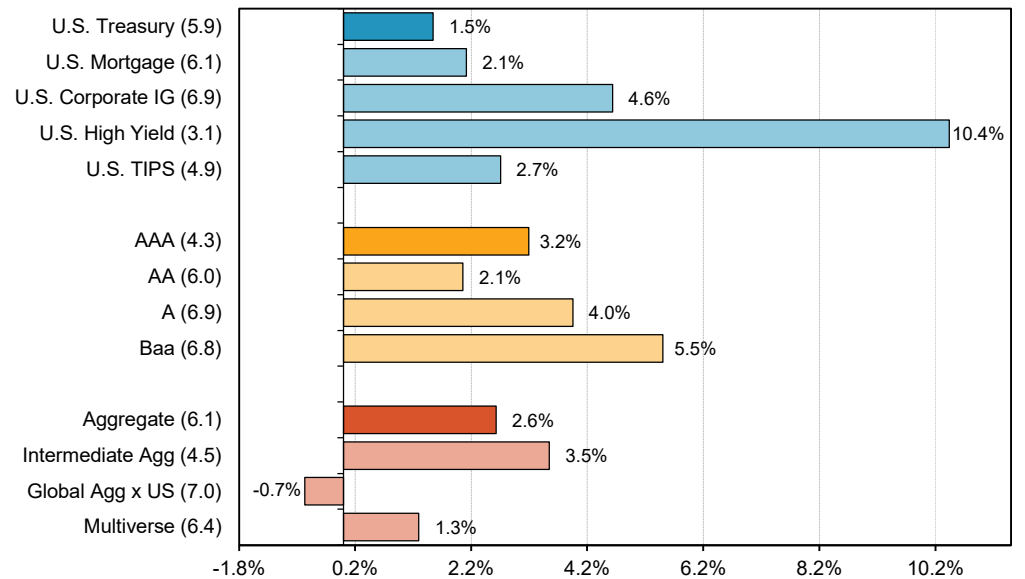
Source: Morningstar Direct, MSCI Global Index Monitor (Returns are Net in USD)
As a result of the GICS classification changes on 9/28/2018 and certain associated reporting limitations, sector performance represents backward looking performance for the prior year of each sector's current constituency, post creation of the Communication Services sector.

- Fixed-income markets fell in a relatively tight range for the quarter with many domestic sectors returning less than 0.5%. Yields remained at elevated levels as the Federal Reserve maintained its restrictive policy stance. If market expectations hold and the Fed begins to cut rates in 2024, to the extent any cuts lower yields across the curve, it will provide a jolt to bondholder performance since bond prices move in the opposite direction of yields.
- The Bloomberg US Aggregate Bond Index had a mixed quarter of performance made up of a large drawdown in April followed by smaller recoveries in May and June that combined for an index return of 0.1%. Performance across the investment-grade index's segments for the quarter was similarly muted with the Bloomberg US Corporate Investment Grade Index returning -0.1% and the US Mortgage Index gaining 0.1%.
- Outside of the Aggregate index's sub-components, high-yield bonds continued to rise, posting a return of 1.1%, boosted by the higher coupon income, and US TIPS climbed 0.8% for the quarter. The Bloomberg Global Aggregate ex-US Index returned -2.1% for the quarter with USD strength exerting downward pressure on performance. This global performance lagged domestic fixed-income indexes as well as the multiverse benchmark's return of -1.0%.
- Over the trailing one-year period, the Bloomberg US Aggregate Bond Index managed a 2.6% return. The benchmark's sub-components also posted positive performance over the trailing 12 months with the Bloomberg US Corporate Investment Grade Index rising 4.6% and the US Mortgage Index posting a more modest 2.1% return. US TIPS and high-yield corporate bonds, which are excluded from the aggregate index, each posted gains in the trailing year with returns of 2.7% and 10.4%, respectively. In addition to their higher coupons, high-yield bonds benefited from generally shorter duration than investment-grade corporate debt. This lower duration acted as a tailwind for high-yield bonds as interest rates rose during the trailing year.
- Among credit qualities, lower-quality bonds (both investment grade and non-investment grade) have outperformed higher-quality bonds due to both their higher yields, which contribute to higher interest payments, and narrowing credit spreads over the last year.
- Performance for non-US bonds was negative for the trailing year with the Bloomberg Global Aggregate ex-US Index falling -0.7%. With foreign central banks largely tracking the Fed's tight monetary stance, the negative performance of global bonds is largely attributable to USD strength over the last year.

Quarter Performance



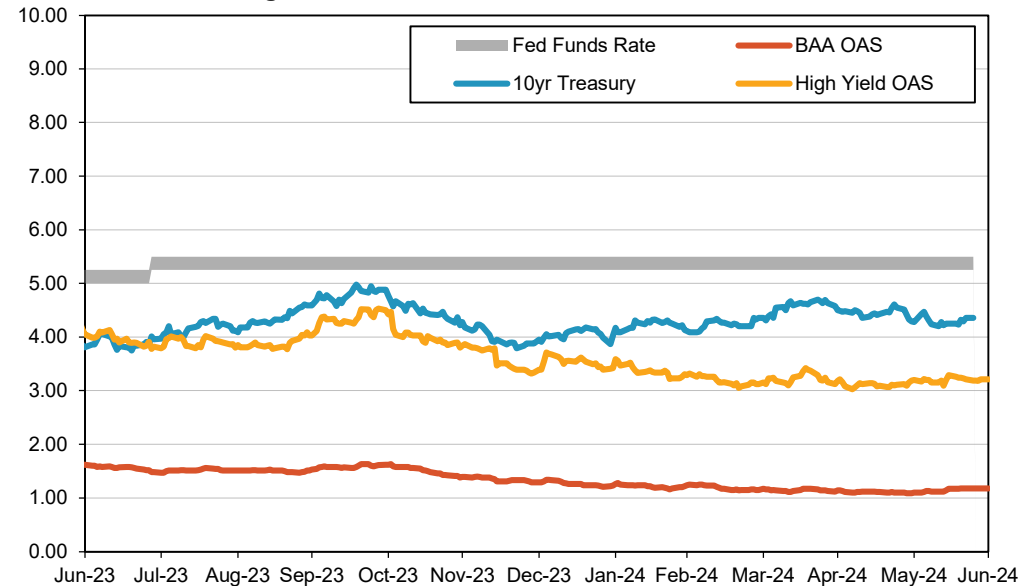
1-Year Performance



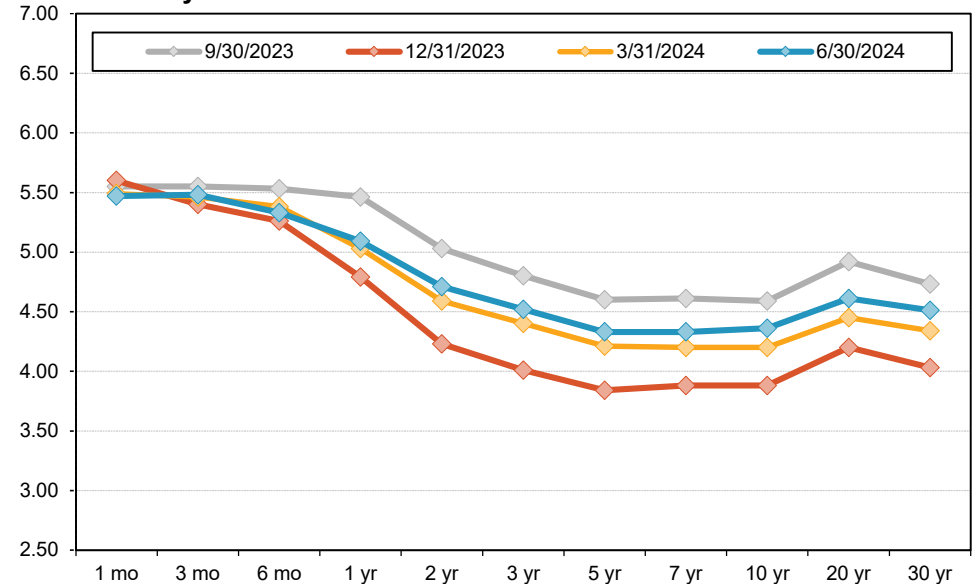
Source: Bloomberg

- The gray band across the graph illustrates the current fed funds target rate range over the last 12 months. During the second quarter, the Federal Open Market Committee (FOMC) continued to hold fed funds rates steady in the 5.25%-5.50% target range. The last rate increase in the current cycle occurred at the FOMC's July 2023 meeting. While the FOMC's press releases have continued to push economic data-dependent outcomes, the language used to describe economic conditions in these releases has also softened, resulting in market expectations that the next rate action by the FOMC will likely be a cut. The CME FedWatch tool, which forecasts rates based on Fed Fund futures pricing, currently shows a greater than 90% probability of a 0.25% rate decrease at the FOMC September meeting. Fed officials and market participants continue to express concern that leaving rates at their current levels for an extended period could tip the US economy into a recession. However, inflation remains above the FOMC's long-term 2.0% target level. Additionally, the FOMC continues to remove liquidity from the market by allowing bonds held on its balance sheet to mature without reinvesting principal payments.
- The yield on the US 10-year Treasury (blue line of the top chart) remained stable, opening the quarter at 4.33% and finishing June at a yield of 4.36%. The stability of the benchmark rate reflects the stability of the Federal Reserve's policy stance and the persistently high level of inflation throughout the economy. The 10-year Treasury benchmark's rate peaked in October 2023, cresting at a yield of just under 5.00% before pulling back in the remainder of the year.
- The red line in the top chart shows the Option Adjusted Spread (OAS) for BAA-rated corporate bonds. This measure quantifies the additional yield premium that investors require to purchase and hold non-US Treasury issues with the lowest investment grade rating. During the quarter, the yield spread was relatively unchanged, beginning the quarter at 1.18% and finishing June at 1.17%. The spread measure narrowed over the trailing 12-month period after concerns about the regional banking sector during March 2023 caused credit spreads to spike. High-yield OAS spreads (represented by the orange line in the top chart) have also remained relatively unchanged, rising by just 0.07%. The spread measures' stability results from steady economic growth, stable monetary policy, and falling inflation readings.
- The lower graph provides a snapshot of the US Treasury yield curve at the end of each of the last four quarters. The yield curve has been inverted for each of the last four quarter-end readings on the graph and for most of last two years. Historically, a persistent yield curve inversion has been a precursor of an economic recession within six to 24 months.

1-Year Trailing Market Rates



Treasury Yield Curve



Source: US Department of Treasury, FRED (Federal Reserve of St. Louis)

[CME FedWatch Tool - CME Group](#)

[Effective Federal Funds Rate - FEDERAL RESERVE BANK of NEW YORK \(newyorkfed.org\)](#)

[ICE BofA US High Yield Index Option-Adjusted Spread \(BAMLH0A0HYM2\) | FRED | St. Louis Fed \(stlouisfed.org\)](#)

[When will the Federal Reserve start cutting interest rates? | J.P. Morgan Asset Management \(jpmorgan.com\)](#)

[Resource Center | U.S. Department of the Treasury](#)

[China's Economy Limpers Into 2024 – WSJ](#)

[Support Site - Global Index Lens: Index Returns – MSCI](#)

[Federal Reserve issues FOMC statement](#)

[CME FedWatch - CME Group](#)

[Transcript of Chair Powell's Press Conference -- June 12, 2024 \(federalreserve.gov\)](#)

[U.S. Treasuries: investors look to inflation data due in week ahead \(cnbc.com\)](#)

[Yen drops to 38-year low, U.S. dollar slumps after weak data \(cnbc.com\)](#)

[Jobs report June 2024: \(cnbc.com\)](#)

[The Fed - June 12, 2024: FOMC Projections materials, accessible version \(federalreserve.gov\)](#)

[The Federal Reserve's latest dot plot, explained – and what it says about interest rates | Bankrate](#)

[Top 25 Stocks in the S&P 500 By Index Weight for July 2024 \(investopedia.com\)](#)

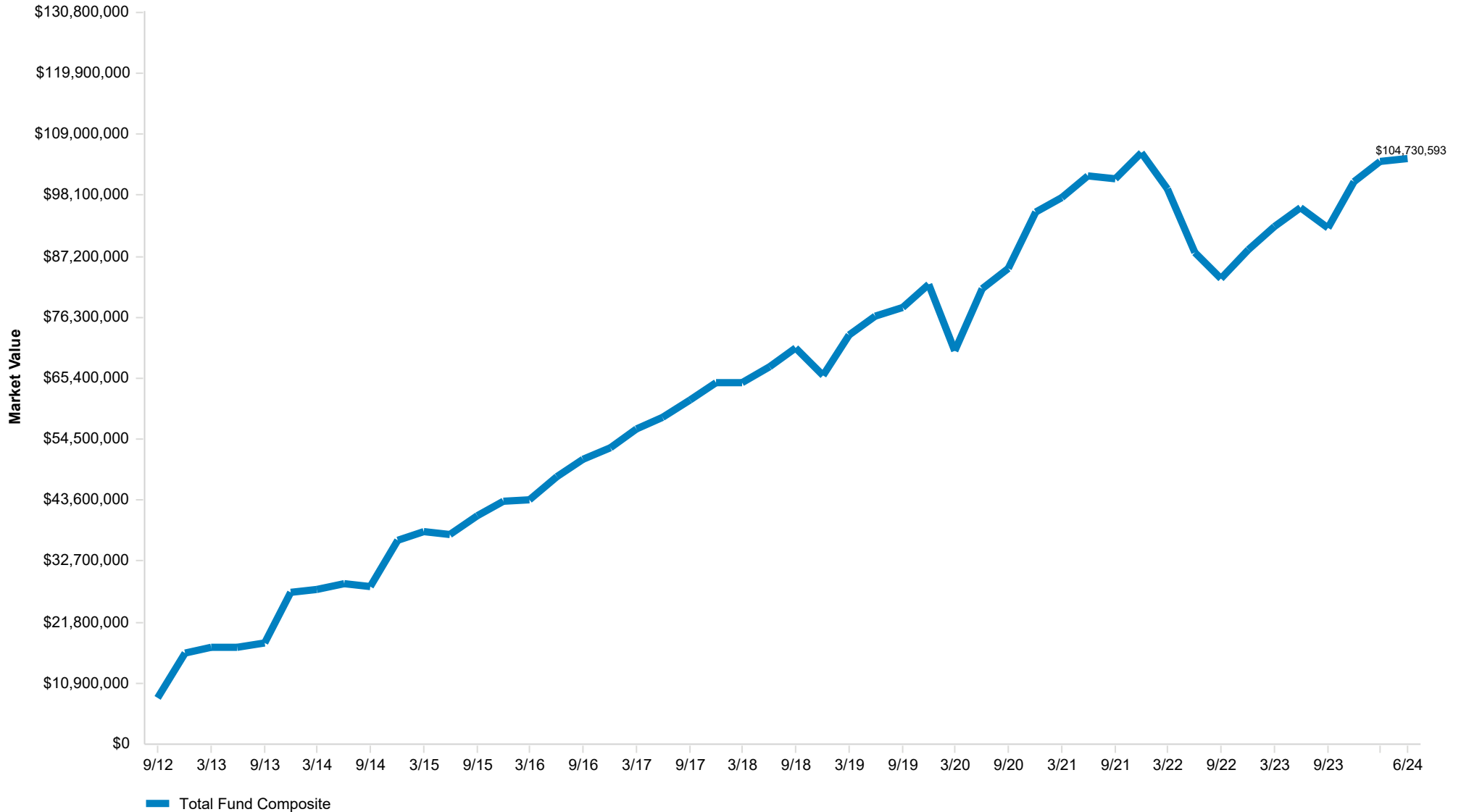
[Will Small-Cap Stocks Ever Catch Up? | Morningstar](#)

[Why Chinese banks are now vanishing \(economist.com\)](#)

12.7%

Schedule of Investable Assets
Total Fund Composite
 October 1, 2012 To June 30, 2024

Schedule of Investable Assets

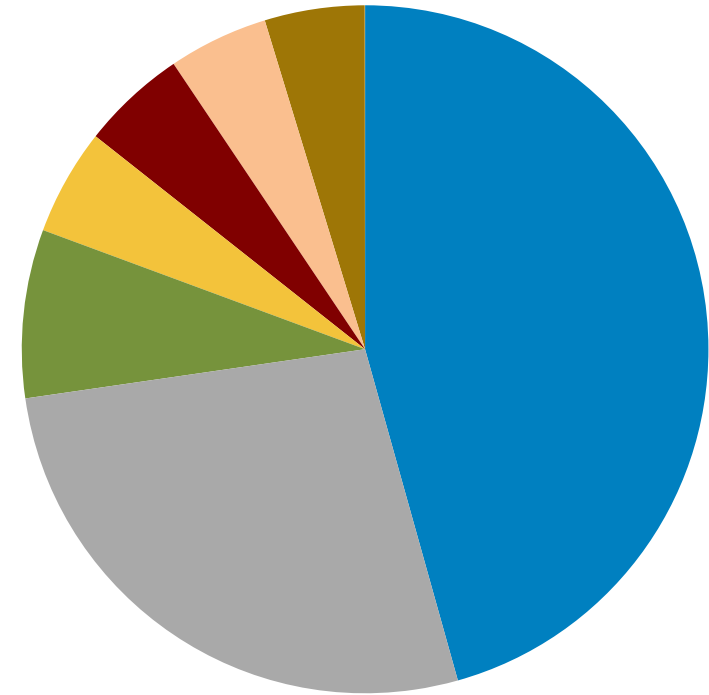
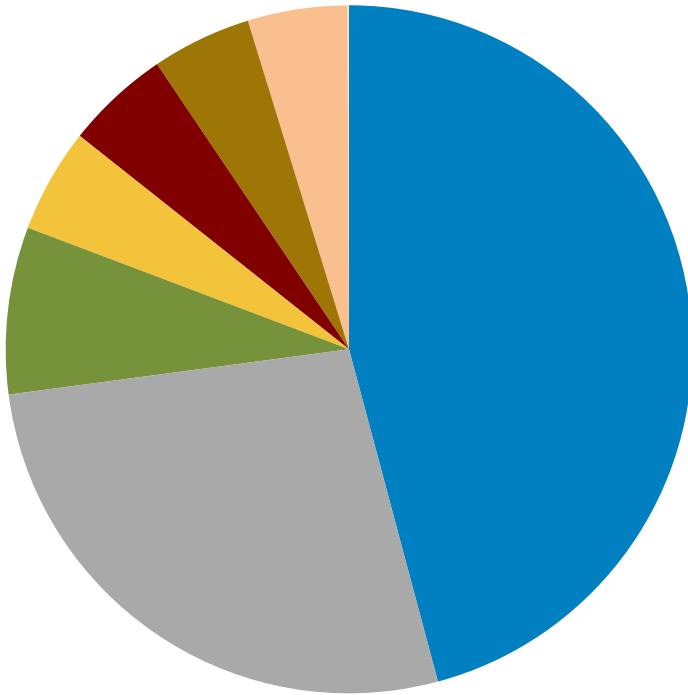


Schedule of Investable Assets

Periods Ending	Beginning Market Value \$	Net Cash Flow \$	Gain/Loss \$	Ending Market Value \$	%Return
Oct-2012 To Jun-2024	8,192,495	48,218,430	48,319,668	104,730,593	6.86

Mar-2024 : \$104,303,057

Jun-2024 : \$104,730,593



Allocation			Allocation		
	Market Value	Allocation		Market Value	Allocation
Domestic Equity	47,801,043	45.8	Domestic Equity	47,804,078	45.6
Core Plus Fixed Income	28,235,336	27.1	Core Plus Fixed Income	28,352,663	27.1
International Equity	8,183,457	7.8	International Equity	8,285,292	7.9
Bank Loans	5,119,247	4.9	Bank Loans	5,240,583	5.0
GTAA	5,108,119	4.9	GTAA	5,181,019	4.9
Real Estate	4,889,301	4.7	High Yield Fixed Income	4,922,134	4.7
High Yield Fixed Income	4,886,850	4.7	Real Estate	4,921,491	4.7
Cash	79,705	0.1	Cash	23,333	0.0

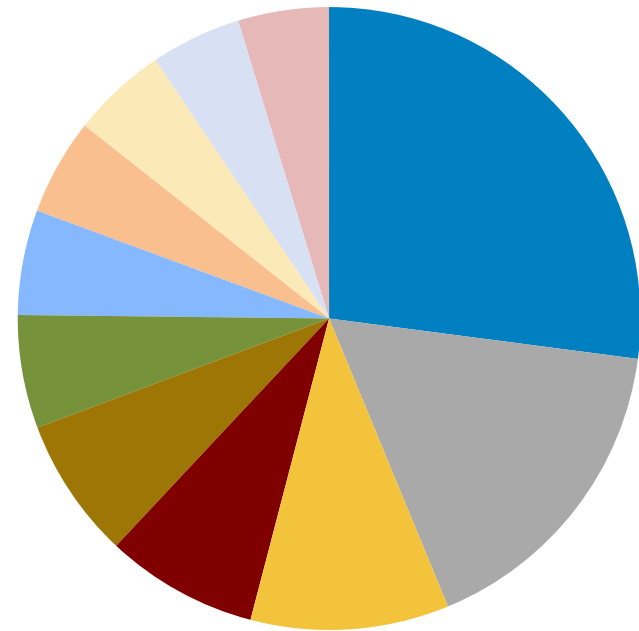
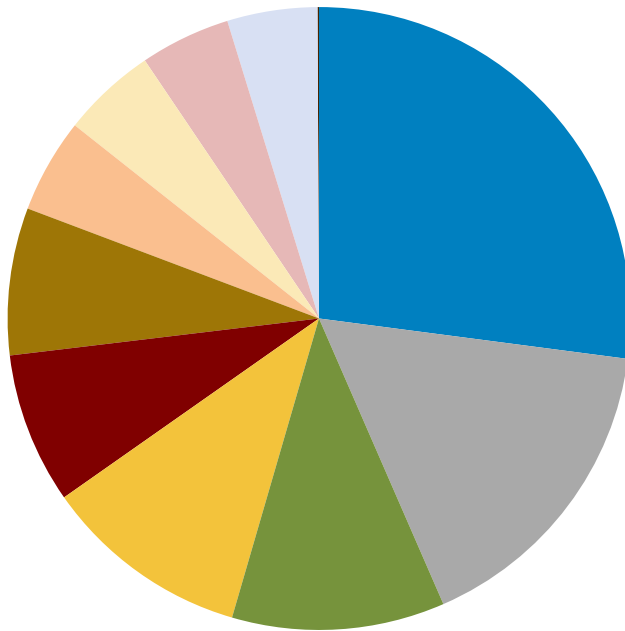
Asset Allocation by Asset Class

Total Fund

As of June 30, 2024

Mar-2024 : \$104,303,057

Jun-2024 : \$104,730,593



Allocation			Allocation		
	Market Value	Allocation		Market Value	Allocation
■ MacKay Shields Core Plus	28,235,336	27.1	■ MacKay Shields Core Plus	28,352,663	27.1
■ Vanguard Index Fund Institutional (VINIX)	17,098,681	16.4	■ Vanguard Index Fund Institutional (VINIX)	17,486,177	16.7
■ Fiduciary Management	11,516,812	11.0	■ Barrow Hanley MeWhinney & Strauss	10,786,016	10.3
■ Barrow Hanley MeWhinney & Strauss	11,217,189	10.8	■ Causeway International (CIVIX)	8,285,292	7.9
■ Causeway International (CIVIX)	8,183,457	7.8	■ Stephens Mid Cap Growth	7,668,287	7.3
■ Stephens Mid Cap Growth	7,968,362	7.6	■ Fiduciary Management	6,157,319	5.9
■ Aristotle Floating Rate (PLFRX)	5,119,247	4.9	■ Fidelity Large Cap Growth (FSPGX)	5,706,280	5.4
■ BlackRock Multi-Asset Income (BKMIX)	5,108,119	4.9	■ Aristotle Floating Rate (PLFRX)	5,240,583	5.0
■ Cohen & Steers (CSRIX)	4,889,301	4.7	■ BlackRock Multi-Asset Income (BKMIX)	5,181,019	4.9
■ Loomis Sayles High Yield (LSHIX)	4,886,850	4.7	■ Loomis Sayles High Yield (LSHIX)	4,922,134	4.7
■ Cash	79,705	0.1	■ Cohen & Steers (CSRIX)	4,921,491	4.7
■ Fidelity Large Cap Growth (FSPGX)	-	0.0	■ Cash	23,333	0.0

Financial Reconciliation
Total Fund
1 Quarter Ending June 30, 2024

Financial Reconciliation								
	Market Value 04/01/2024	Net Transfers	Contributions	Distributions	Management Fees	Other Expenses	Return On Investment	Market Value 06/30/2024
Fiduciary Management	11,516,812	-5,335,000	-	-	-15,836	-2,090	-6,567	6,157,319
Vanguard Index Fund Institutional (VINIX)	17,098,681	-330,000	-	-	-	-	717,496	17,486,177
Fidelity Large Cap Growth (FSPGX)	-	5,200,000	-	-	-	-	506,280	5,706,280
Stephens Mid Cap Growth	7,968,362	-	-	-	-14,625	-1,447	-284,003	7,668,287
Barrow Hanley MeWhinney & Strauss	11,217,189	-	-	-	-18,219	-2,037	-410,916	10,786,016
Causeway International (CIVIX)	8,183,457	-	-	-	-	-	101,835	8,285,292
Cohen & Steers (CSRIX)	4,889,301	-	-	-	-	-	32,190	4,921,491
BlackRock Multi-Asset Income (BKMIX)	5,108,119	-	-	-	-	-	72,900	5,181,019
MacKay Shields Core Plus	28,235,336	-	-	-	-24,706	-5,097	147,129	28,352,663
Loomis Sayles High Yield (LSHIX)	4,886,850	-	-	-	-	-	35,284	4,922,134
Aristotle Floating Rate (PLFRX)	5,119,247	-	-	-	-	-	121,336	5,240,583
Cash	79,705	465,000	-	-489,722	-	-32,623	974	23,333
Total Fund Composite	104,303,057	-	-	-489,722	-73,386	-43,295	1,033,939	104,730,593

Financial Reconciliation is for illustrative purposes only.

Financial Reconciliation
Total Fund
Year To Date Ending June 30, 2024

Financial Reconciliation								
	Market Value 01/01/2024	Net Transfers	Contributions	Distributions	Management Fees	Other Expenses	Return On Investment	Market Value 06/30/2024
Fiduciary Management	10,912,738	-5,635,000	-	-	-30,841	-4,103	914,525	6,157,319
Vanguard Index Fund Institutional (VINIX)	15,766,903	-640,000	-	-	-	-	2,359,274	17,486,177
Fidelity Large Cap Growth (FSPGX)	-	5,200,000	-	-	-	-	506,280	5,706,280
Stephens Mid Cap Growth	7,300,698	-	-	-	-28,294	-2,795	398,677	7,668,287
Barrow Hanley MeWhinney & Strauss	10,644,657	-	-	-	-35,722	-4,002	181,083	10,786,016
Causeway International (CIVIX)	7,967,571	-	-	-	-	-	317,721	8,285,292
Cohen & Steers (CSRIX)	4,913,216	-	-	-	-	-	8,275	4,921,491
BlackRock Multi-Asset Income (BKMIX)	5,003,399	-	-	-	-	-	177,620	5,181,019
MacKay Shields Core Plus	28,275,373	-	-	-	-49,447	-10,284	137,020	28,352,663
Loomis Sayles High Yield (LSHIX)	4,807,460	-	-	-	-	-	114,673	4,922,134
Aristotle Floating Rate (PLFRX)	5,021,938	-	-	-	-	-	218,646	5,240,583
Cash	43,678	1,075,000	-	-1,022,975	-	-74,940	2,570	23,333
Total Fund Composite	100,657,633	-	-	-1,022,975	-144,304	-96,125	5,336,363	104,730,593

Financial Reconciliation is for illustrative purposes only.

**Port of Houston Authority OPEB Plan
Asset Allocation & Performance**

As of June 30, 2024

Asset Allocation & Performance	Allocation		Performance(%)												
	Market Value \$	%	QTR		1 YR		3 YR		5 YR		7 YR		Inception	Inception Date	
Total Fund Composite (Gross of Fees)	104,730,593	100.0	1.00		11.92		3.33		6.61		6.44		6.86	10/01/2012	
Policy Index			0.42		10.28		1.35		4.90		5.22		6.12		
Difference			0.58		1.64		1.98		1.71		1.22		0.74		
OPEB Actuarial Assumption			1.47		6.00		6.00		6.00		6.00		6.00		
Difference			-0.47		5.92		-2.67		0.61		0.44		0.86		
Total Fund Composite (Net of Fees)	104,730,593	100.0	0.93		11.61		3.04		6.28		6.10		6.42	10/01/2012	
Fiduciary Management	6,157,319	5.9	0.47	(14)	20.40	(22)	7.48	(54)	10.26	(73)	10.62	(52)	11.73	(50)	10/01/2012
Russell 1000 Value Index			-2.17	(68)	13.06	(83)	5.52	(84)	9.01	(88)	8.61	(88)	10.44	(89)	
Difference			2.64		7.34		1.96		1.25		2.01		1.29		
S&P 500 Index			4.28	(2)	24.56	(10)	10.01	(13)	15.05	(9)	14.28	(7)	14.15	(8)	
Difference			-3.81		-4.16		-2.53		-4.79		-3.66		-2.42		
IM U.S. Large Cap Value Equity (SA+CF) Median			-1.24		16.77		7.68		11.47		10.69		11.70		
Vanguard Index Fund Institutional (VINIX)	17,486,177	16.7	4.29	(28)	24.52	(45)	9.98	(28)	15.02	(24)	14.25	(24)	14.22	(24)	05/01/2017
S&P 500 Index			4.28	(29)	24.56	(45)	10.01	(27)	15.05	(24)	14.28	(23)	14.24	(24)	
Difference			0.01		-0.04		-0.03		-0.03		-0.03		-0.02		
IM U.S. Large Cap Core Equity (MF) Median			3.54		23.89		8.62		14.08		13.35		13.32		
Fidelity Large Cap Growth (FSPGX)	5,706,280	5.4											13.12	(27)	05/01/2024
Russell 1000 Growth Index			8.33	(20)	33.48	(42)	11.28	(7)	19.34	(8)	18.64	(9)	13.13	(26)	
Difference													-0.01		
IM U.S. Large Cap Growth Equity (MF) Median			6.74		32.48		7.85		16.11		16.13		12.06		
Stephens Mid Cap Growth	7,668,287	7.3	-3.56	(49)	14.46	(29)	0.95	(25)	10.43	(35)	13.41	(21)	13.46	(25)	01/01/2013
Russell Midcap Growth Index			-3.21	(37)	15.05	(26)	-0.08	(41)	9.93	(47)	11.69	(44)	12.64	(52)	
Difference			-0.35		-0.59		1.03		0.50		1.72		0.82		
IM U.S. Mid Cap Growth Equity (SA+CF) Median			-3.65		12.10		-0.76		9.75		11.57		12.66		
Barrow Hanley MeWhinney & Strauss	10,786,016	10.3	-3.66	(49)	8.87	(76)	5.92	(24)	13.84	(6)	11.07	(7)	12.95	(3)	10/01/2012
Russell 2000 Value Index			-3.64	(48)	10.90	(57)	-0.53	(88)	7.07	(80)	5.89	(85)	8.64	(82)	
Difference			-0.02		-2.03		6.45		6.77		5.18		4.31		
IM U.S. Small Cap Value Equity (SA+CF) Median			-3.73		12.04		3.31		9.10		7.32		9.86		

Total Fund Composite (Gross of Fees) includes net performance for mutual funds within the portfolio: Vanguard Index Institutional (VINIX), Causeway International (CIVIX), Cohen & Steers (CSRIX), Blackrock (BKMIX), Loomis Sayles High Yield (LSHIX), and Aristotle (PLFRX).

Gross of fees performance would be approximately 0.48% higher on an annual basis if these fees were included.

**Port of Houston Authority OPEB Plan
Asset Allocation & Performance**

As of June 30, 2024

	Allocation		Performance(%)									Inception Date
	Market Value \$	%	QTR	1 YR	3 YR	5 YR	7 YR	Inception				
Causeway International (CIVIX)	8,285,292	7.9	1.24 (19)	10.43 (61)	10.06 (1)	10.80 (1)	7.74 (5)	5.91 (10)	10/01/2013			
MSCI EAFE (Net) Index			-0.42 (68)	11.54 (39)	2.89 (29)	6.46 (41)	5.73 (25)	5.02 (35)				
Difference			1.66	-1.11	7.17	4.34	2.01	0.89				
MSCI EAFE Value Index (Net)			0.01 (49)	13.75 (20)	5.55 (3)	6.07 (52)	4.60 (69)	3.95 (82)				
Difference			1.23	-3.32	4.51	4.73	3.14	1.96				
IM International Core Equity (MF) Median			-0.02	11.02	1.67	6.18	5.18	4.77				
Cohen & Steers (CSRIX)	4,921,491	4.7	0.66 (17)	6.89 (25)	-0.01 (12)	5.28 (6)	6.49 (4)	8.01 (3)	01/01/2013			
FTSE NAREIT All Equity REITs			-0.90 (59)	5.78 (51)	-1.63 (53)	3.40 (45)	4.94 (34)	6.94 (16)				
Difference			1.56	1.11	1.62	1.88	1.55	1.07				
IM Real Estate Sector (MF) Median			-0.53	5.78	-1.54	3.26	4.32	6.06				
BlackRock Multi-Asset Income (BKMIX)	5,181,019	4.9	1.43 (29)	9.76 (63)	1.13 (52)			6.66 (73)	04/01/2020			
50% S&P 500/50% Barclays Agg			2.18 (14)	13.22 (29)	3.54 (21)	7.48 (18)	7.70 (13)	9.52 (41)				
Difference			-0.75	-3.46	-2.41			-2.86				
IM Flexible Portfolio (MF) Median			0.93	10.95	1.20	4.97	4.85	8.85				
MacKay Shields Core Plus	28,352,663	27.1	0.52 (28)	3.34 (81)	-2.28 (50)	0.90 (53)	1.77 (64)	2.01 (73)	07/01/2014			
Blmbg. U.S. Aggregate Index			0.07 (95)	2.63 (95)	-3.02 (94)	-0.23 (99)	0.86 (100)	1.35 (100)				
Difference			0.45	0.71	0.74	1.13	0.91	0.66				
IM U.S. Broad Market Core+ Fixed Income (SA+CF) Median			0.42	4.34	-2.32	0.93	1.90	2.25				
Loomis Sayles High Yield (LSHIX)	4,922,134	4.7	0.72 (87)	9.29 (70)	0.36 (83)	2.62 (82)	2.81 (88)	4.51 (21)	01/01/2013			
ICE BofA U.S. High Yield Index			1.09 (58)	10.45 (29)	1.65 (36)	3.73 (35)	4.10 (25)	4.80 (13)				
Difference			-0.37	-1.16	-1.29	-1.11	-1.29	-0.29				
IM U.S. High Yield Bonds (MF) Median			1.15	9.81	1.28	3.34	3.58	4.08				
Aristotle Floating Rate (PLFRX)	5,240,583	5.0	2.37 (1)	11.07 (13)				6.40 (4)	10/01/2021			
Credit Suisse Leveraged Loan Index			1.87 (22)	11.04 (14)	5.97 (8)	5.36 (2)	5.09 (2)	6.09 (7)				
Difference			0.50	0.03				0.31				
IM U.S. Bank Loans (MF) Median			1.60	9.90	4.84	4.20	3.94	4.99				
Cash	23,333	0.0										

Total Fund Composite (Gross of Fees) includes net performance for mutual funds within the portfolio: Vanguard Index Institutional (VINIX), Causeway International (CIVIX), Cohen & Steers (CSRIX), Blackrock (BKMIX), Loomis Sayles High Yield (LSHIX), and Aristotle (PLFRX).

Gross of fees performance would be approximately 0.48% higher on an annual basis if these fees were included.

**Port of Houston Authority OPEB Plan
Asset Allocation & Performance**

As of June 30, 2024

Asset Allocation & Performance

	Allocation		Performance(%)					
	Market Value \$	%	YTD	2023	2022	2021	2020	2019
Total Fund Composite (Gross of Fees)	104,730,593	100.0	5.34	16.72	-14.08	11.28	12.03	17.38
Policy Index			4.07	13.91	-15.49	11.63	9.04	17.62
Difference			1.27	2.81	1.41	-0.35	2.99	-0.24
OPEB Actuarial Assumption			2.96	6.00	6.00	6.00	6.00	6.00
Difference			2.38	10.72	-20.08	5.28	6.03	11.38
Total Fund Composite (Net of Fees)	104,730,593	100.0	5.19	16.40	-14.34	10.97	11.64	16.96
Fiduciary Management	6,157,319	5.9	9.14 (36)	21.42 (16)	-13.08 (85)	19.11 (95)	11.13 (24)	24.39 (77)
Russell 1000 Value Index			6.62 (67)	11.46 (70)	-7.54 (69)	25.16 (76)	2.80 (67)	26.54 (58)
Difference			2.52	9.96	-5.54	-6.05	8.33	-2.15
S&P 500 Index			15.29 (3)	26.29 (8)	-18.11 (94)	28.71 (41)	18.40 (9)	31.49 (17)
Difference			-6.15	-4.87	5.03	-9.60	-7.27	-7.10
IM U.S. Large Cap Value Equity (SA+CF) Median			8.15	14.36	-5.41	27.92	4.49	27.55
Vanguard Index Fund Institutional (VINIX)	17,486,177	16.7	15.28 (39)	26.24 (38)	-18.12 (45)	28.66 (26)	18.39 (50)	31.46 (37)
S&P 500 Index			15.29 (39)	26.29 (37)	-18.11 (45)	28.71 (25)	18.40 (50)	31.49 (36)
Difference			-0.01	-0.05	-0.01	-0.05	-0.01	-0.03
IM U.S. Large Cap Core Equity (MF) Median			14.68	24.85	-18.72	26.95	18.39	30.70
Fidelity Large Cap Growth (FSPGX)	5,706,280	5.4						
Russell 1000 Growth Index			20.70 (43)	42.68 (37)	-29.14 (27)	27.60 (17)	38.49 (34)	36.39 (19)
Difference								
IM U.S. Large Cap Growth Equity (MF) Median			20.13	40.78	-31.30	22.39	35.62	33.26
Stephens Mid Cap Growth	7,668,287	7.3	5.48 (48)	26.61 (17)	-27.09 (44)	13.36 (57)	42.17 (38)	32.97 (70)
Russell Midcap Growth Index			5.98 (43)	25.87 (21)	-26.72 (42)	12.73 (62)	35.59 (54)	35.47 (59)
Difference			-0.50	0.74	-0.37	0.63	6.58	-2.50
IM U.S. Mid Cap Growth Equity (SA+CF) Median			5.21	23.41	-27.43	13.70	38.03	36.20
Barrow Hanley MeWhinney & Strauss	10,786,016	10.3	1.72 (55)	20.46 (31)	-8.84 (35)	20.12 (94)	29.97 (1)	26.81 (30)
Russell 2000 Value Index			-0.85 (84)	14.65 (73)	-14.48 (80)	28.27 (58)	4.63 (52)	22.39 (73)
Difference			2.57	5.81	5.64	-8.15	25.34	4.42
IM U.S. Small Cap Value Equity (SA+CF) Median			1.96	17.24	-10.59	30.09	5.18	24.99

Total Fund Composite (Gross of Fees) includes net performance for mutual funds within the portfolio: Vanguard Index Institutional (VINIX), Causeway International (CIVIX), Cohen & Steers (CSRIX), Blackrock (BKMIX), Loomis Sayles High Yield (LSHIX), and Aristotle (PLFRX).

Gross of fees performance would be approximately 0.48% higher on an annual basis if these fees were included.

**Port of Houston Authority OPEB Plan
Asset Allocation & Performance**

As of June 30, 2024

	Allocation		Performance(%)						
	Market Value \$	%	YTD	2023	2022	2021	2020	2019	
Causeway International (CIVIX)	8,285,292	7.9	3.99 (73)	37.53 (1)	-6.75 (2)	9.17 (69)	5.40 (78)	20.10 (68)	
MSCI EAFE (Net) Index			5.34 (50)	18.24 (32)	-14.45 (38)	11.26 (41)	7.82 (56)	22.01 (37)	
Difference			-1.35	19.29	7.70	-2.09	-2.42	-1.91	
MSCI EAFE Value Index (Net)			4.49 (65)	18.95 (24)	-5.58 (2)	10.89 (48)	-2.63 (98)	16.09 (94)	
Difference			-0.50	18.58	-1.17	-1.72	8.03	4.01	
IM International Core Equity (MF) Median			5.33	17.15	-15.18	10.70	8.13	21.40	
Cohen & Steers (CSRIX)	4,921,491	4.7	0.17 (18)	12.72 (38)	-24.70 (19)	42.38 (34)	-2.62 (26)	33.01 (8)	
FTSE NAREIT All Equity REITs			-2.19 (65)	11.36 (64)	-24.95 (24)	41.30 (51)	-5.12 (60)	28.66 (37)	
Difference			2.36	1.36	0.25	1.08	2.50	4.35	
IM Real Estate Sector (MF) Median			-1.64	11.91	-26.17	41.32	-4.31	27.32	
BlackRock Multi-Asset Income (BKMIX)	5,181,019	4.9	3.55 (77)	11.10 (43)	-11.53 (37)	7.19 (73)			
50% S&P 500/50% Barclays Agg			7.09 (25)	15.58 (13)	-15.26 (69)	12.80 (35)	13.66 (23)	19.89 (19)	
Difference			-3.54	-4.48	3.73	-5.61			
IM Flexible Portfolio (MF) Median			5.24	10.01	-12.97	10.49	7.44	16.51	
MacKay Shields Core Plus	28,352,663	27.1	0.49 (40)	7.46 (34)	-14.12 (89)	-0.18 (49)	9.90 (27)	9.48 (67)	
Blmbg. U.S. Aggregate Index			-0.71 (97)	5.53 (94)	-13.01 (54)	-1.55 (99)	7.51 (85)	8.72 (89)	
Difference			1.20	1.93	-1.11	1.37	2.39	0.76	
IM U.S. Broad Market Core+ Fixed Income (SA+CF) Median			0.33	6.86	-12.91	-0.24	8.98	9.95	
Loomis Sayles High Yield (LSHIX)	4,922,134	4.7	2.39 (68)	9.98 (92)	-11.67 (71)	8.25 (7)	3.42 (84)	10.51 (91)	
ICE BofA U.S. High Yield Index			2.62 (54)	13.46 (14)	-11.22 (59)	5.36 (40)	6.17 (34)	14.41 (36)	
Difference			-0.23	-3.48	-0.45	2.89	-2.75	-3.90	
IM U.S. High Yield Bonds (MF) Median			2.67	12.17	-10.97	4.94	5.43	13.83	
Aristotle Floating Rate (PLFRX)	5,240,583	5.0	4.35 (23)	13.82 (7)	-0.89 (17)				
Credit Suisse Leveraged Loan Index			4.44 (18)	13.04 (18)	-1.06 (20)	5.40 (20)	2.78 (12)	8.17 (37)	
Difference			-0.09	0.78	0.17				
IM U.S. Bank Loans (MF) Median			3.87	11.89	-2.23	4.39	1.42	7.62	
Cash	23,333	0.0							

Total Fund Composite (Gross of Fees) includes net performance for mutual funds within the portfolio: Vanguard Index Institutional (VINIX), Causeway International (CIVIX), Cohen & Steers (CSRIX), Blackrock (BKMIX), Loomis Sayles High Yield (LSHIX), and Aristotle (PLFRX).

Gross of fees performance would be approximately 0.48% higher on an annual basis if these fees were included.

Fiduciary's objective is to buy durable business at value prices in order to achieve top in class investment results over a three to five year time horizon. Fiduciary considers themselves long-term investors, not traders. They will typically hold between 20-30 companies in their portfolio with an average turnover of 35%. The research process is geared toward finding six new investment ideas for the portfolio in a given year. All investment ideas are generated by a research team, rather than relying on the portfolio manager. As of June 30 2024, Fiduciary had a market value of \$6,157,319.

Fiduciary Management		Russell 1000 Value Index	
	Weight %		Weight %
Alphabet Inc	6.1	Berkshire Hathaway Inc	3.5
Schwab (Charles) Corp	5.2	JPMorgan Chase & Co	2.7
Ferguson PLC	5.0	Exxon Mobil Corp	2.5
Berkshire Hathaway Inc	4.8	Johnson & Johnson	1.7
Booking Holdings Inc	4.6	Procter & Gamble Co (The)	1.5
Avery Dennison Corp	4.3	Walmart Inc	1.4
Carlisle Cos Inc	4.2	Bank of America Corp	1.3
Masco Corporation	3.7	Chevron Corp	1.3
Carrier Global Corp	3.5	Merck & Co Inc	1.2
CarMax Inc	3.4	Wells Fargo & Co	1.0

Equity Assets Exposures by Sector

	Fiduciary Management	Russell 1000 Value Index
Cash	4.76	0.00
Communication Services	8.66	4.49
Consumer Discretionary	16.91	4.74
Consumer Staples	11.31	7.95
Energy	1.40	8.01
Financials	19.60	22.87
Health Care	12.06	13.91
Industrials	16.40	14.25
Information Technology	4.62	9.53
Materials	4.29	4.66
Real Estate	0.00	4.60
Utilities	0.00	4.98

Equity Characteristics

	Fiduciary Management	Russell 1000 Value Index
Wtd. Avg. Mkt. Cap (\$)	231,548,897,881	160,113,850,677
Price/Earnings ratio	20.4	19.0
Price/Book ratio	3.5	2.6
Current Yield	1.3	2.2
Number of Stocks	32	846

Fund Information As of 06/30/2024

Fund Name :	Vanguard Institutional Index Fund: Vanguard Institutional Index Fund; Institutional Shares	Portfolio Assets :	\$289,306 Million
Fund Family :	Vanguard	Portfolio Manager :	Louie/Birkett
Ticker :	VINIX	PM Tenure :	2017--2023
Inception Date :	07/31/1990	Fund Style :	IM S&P 500 Index (MF)
Fund Assets :	\$120,290 Million	Style Benchmark :	S&P 500 Index
Portfolio Turnover :	3%		

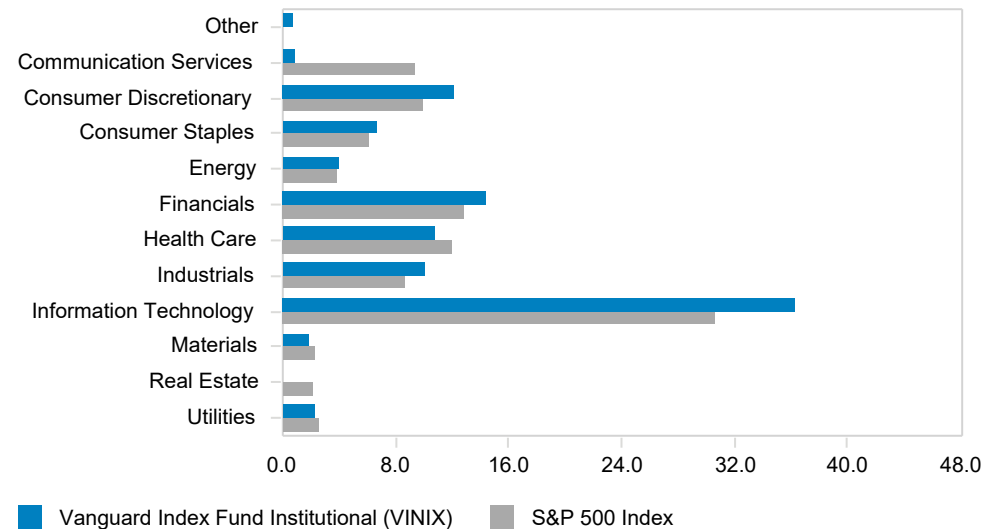
Portfolio Characteristics As of 05/31/2024

	Portfolio	Benchmark
Total Securities	506	503
Avg. Market Cap	845,329,725,092	884,891,506,783
Price/Earnings (P/E)	33.10	26.06
Price/Book (P/B)	10.25	4.73
Dividend Yield	1.66	1.41
Annual EPS	22.15	9.79
5 Yr EPS	16.01	17.03
3 Yr EPS Growth	25.16	N/A
Beta (5 Years, Monthly)	1.00	1.00

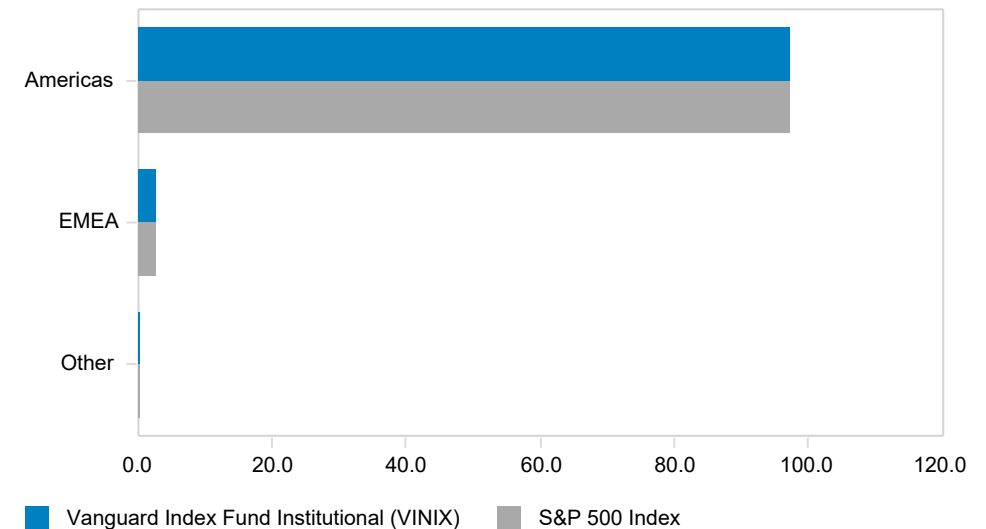
Top Ten Securities As of 05/31/2024

Microsoft Corp ORD	7.0 %
Apple Inc ORD	6.3 %
NVIDIA Corp ORD	6.1 %
Amazon.com Inc ORD	3.6 %
Meta Platforms Inc ORD	2.3 %
Alphabet Inc Class A ORD	2.3 %
Alphabet Inc Class C ORD	1.9 %
Berkshire Hathaway Inc ORD	1.7 %
Eli Lilly and Co ORD	1.5 %
JPMorgan Chase & Co ORD	1.3 %

Sector Weights As of 05/31/2024



Region (%) As of 06/30/2024



Statistics provided by Lipper. Most recent available data shown.

Fund Information As of 06/30/2024

Fund Name : Fidelity Salem Street Trust: Fidelity Large Cap Growth Index Fund
 Fund Family : Fidelity Investments
 Ticker : FSPGX
 Inception Date : 06/07/2016
 Fund Assets : \$27,294 Million
 Portfolio Turnover : 12%

Portfolio Assets : \$28,121 Million
 Portfolio Manager : Team Managed
 PM Tenure :
 Fund Style : IM U.S. Large Cap Growth Equity (MF)
 Style Benchmark : Russell 1000 Growth Index

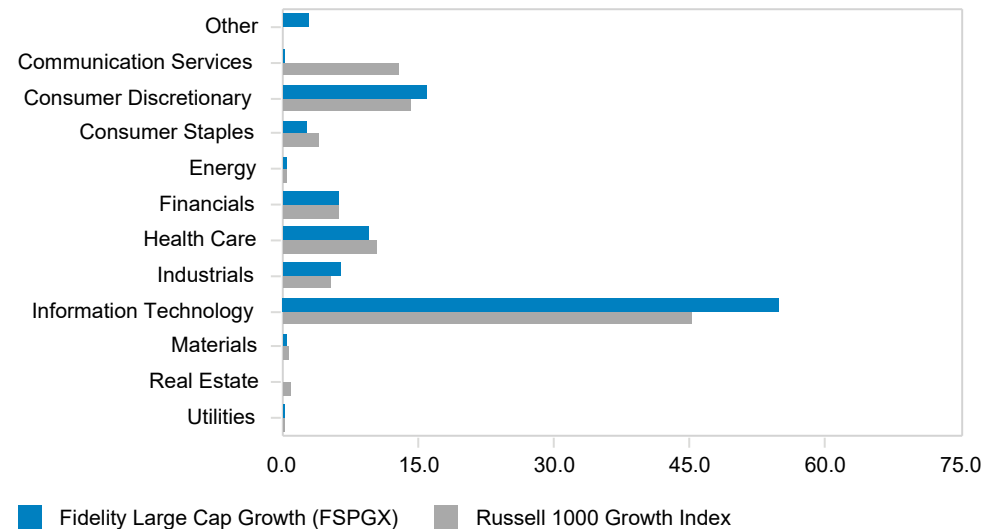
Portfolio Characteristics As of 05/31/2024

	Portfolio	Benchmark
Total Securities	446	439
Avg. Market Cap	-	1,338,377,751,990
Price/Earnings (P/E)	38.46	34.16
Price/Book (P/B)	14.73	11.50
Dividend Yield	0.93	0.74
Annual EPS	29.89	10.10
5 Yr EPS	20.70	23.46
3 Yr EPS Growth	29.45	N/A
Beta	N/A	1.00

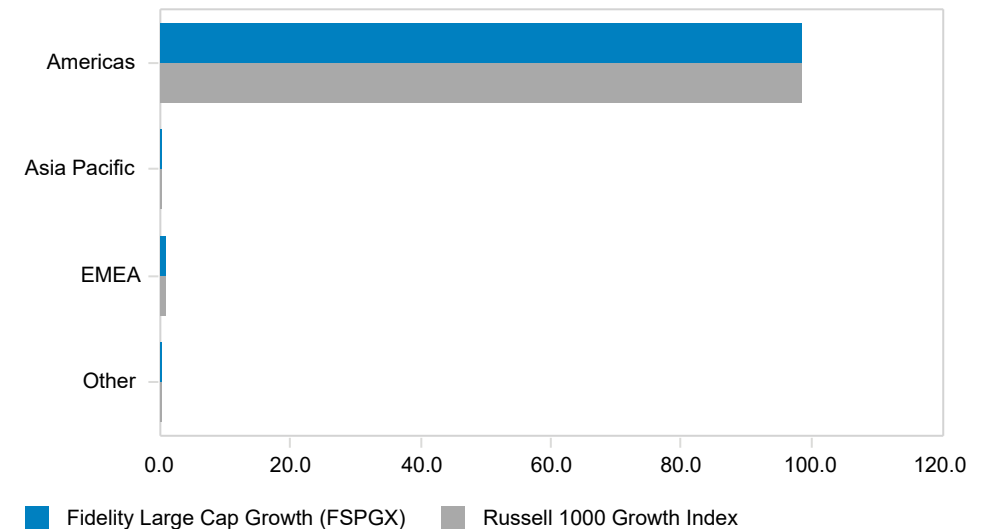
Top Ten Securities As of 05/31/2024

Microsoft Corp ORD	11.6 %
Apple Inc ORD	10.5 %
NVIDIA Corp ORD	9.8 %
Amazon.com Inc ORD	6.0 %
Meta Platforms Inc ORD	3.9 %
Alphabet Inc Class A ORD	3.8 %
Alphabet Inc Class C ORD	3.3 %
Eli Lilly and Co ORD	2.6 %
Broadcom Inc ORD	2.2 %
Tesla Inc ORD	1.8 %

Sector Weights As of 05/31/2024



Region (%) As of 05/31/2024



Statistics provided by Lipper. Most recent available data shown.

The Stephens Mid Cap Growth portfolio is a diversified portfolio that seeks long term growth of capital by investing primarily in common stock of U.S. companies with market capitalizations of between \$1.5 billion to \$12.5 billion. They select mid cap growth companies that are established growth companies that have achieved above average growth. The combination of core growth and catalyst growth stocks positions the portfolio for varying market conditions. As of June 30, 2024, Stephens had a market value of \$7,668,287.

Stephens Mid Cap Growth		Russell Midcap Growth Index	
	Weight %		Weight %
ICON Public Limited Company	2.4	CrowdStrike Holdings Inc	2.5
Cadence Design Systems Inc	2.2	Apollo Global Management Inc	1.9
Tradeweb Markets Inc	2.0	Cintas Corp	1.7
Manhattan Associates Inc	2.0	Palantir Technologies Inc	1.5
Copart Inc	2.0	Copart Inc	1.4
Spotify Technology SA	1.9	Ross Stores Inc	1.4
CrowdStrike Holdings Inc	1.8	Spotify Technology SA	1.4
Guidewire Software Inc	1.8	DexCom Inc	1.4
VERISK ANALYTICS INC	1.7	Trade Desk Inc (The)	1.3
Burlington Stores Inc	1.7	Ameriprise Financial Inc	1.3

Equity Assets Exposures by Sector

	Stephens Mid Cap Growth	Russell Midcap Growth Index
Cash	2.91	0.00
Communication Services	7.89	4.86
Consumer Discretionary	10.44	13.78
Consumer Staples	2.95	2.58
Energy	5.72	4.08
Financials	7.20	11.16
Health Care	16.12	16.97
Industrials	15.54	19.69
Information Technology	30.51	23.46
Materials	0.00	1.24
Real Estate	0.71	1.68
Utilities	0.00	0.49

Equity Characteristics

	Stephens Mid Cap Growth	Russell Midcap Growth Index
Wtd. Avg. Mkt. Cap (\$)	27,119,766,528	32,053,216,979
Price/Earnings ratio	40.3	29.1
Price/Book ratio	5.6	8.1
Current Yield	0.5	0.7
Number of Stocks	96	330

The strategy is designed to exploit inefficiencies in the small cap sector of the market by carefully employing high value-added proprietary research in a universe of small capitalization, low-expectation stocks. This process is directed toward the discovery of companies in which the value of the underlying business is significantly greater than the market price. The portfolio's goal is to consistently generate superior returns while assuming below average levels of risk. As of June 30 2024, Barrow, Hanley, MeWhinney & Strauss had a market value of \$10,786,016.

Barrow Hanley MeWhinney & Strauss		Russell 2000 Value Index	
	Weight %		Weight %
Coherent Corp	4.8	Chord Energy Corp	0.8
Enerpac Tool Group Corp	4.3	Carvana Co	0.6
Kirby Corp	4.0	Centennial Resource Dev	0.6
Greenbrier Cos Inc (The)	3.8	Commercial Metals Co	0.5
Tower Semiconductor Ltd	3.6	Murphy Oil Corp	0.5
ATI Inc	3.6	Jackson Financial Inc	0.5
Kaiser Aluminum Corp	3.4	Meritage Homes Corp	0.5
Triumph Financial Inc	3.4	Essent Group Ltd	0.5
Infinera Corp	3.2	SouthState Corporation	0.5
Texas Capital Bancshares Inc	3.2	Taylor Morrison Home Corporation	0.5

Equity Assets Exposures by Sector

	Barrow Hanley MeWhinney & Strauss	Russell 2000 Value Index
Cash	3.15	0.00
Communication Services	0.00	2.38
Consumer Discretionary	7.58	10.48
Consumer Staples	5.55	2.24
Energy	2.55	10.39
Financials	16.16	26.28
Health Care	0.85	8.66
Industrials	33.93	14.40
Information Technology	17.70	6.40
Materials	12.52	5.03
Real Estate	0.00	9.86
Utilities	0.00	3.87

Equity Characteristics

	Barrow Hanley MeWhinney & Strauss	Russell 2000 Value Index
Wtd. Avg. Mkt. Cap (\$)	3,086,702,142	2,979,563,973
Price/Earnings ratio	16.5	12.8
Price/Book ratio	1.9	1.7
Current Yield	0.8	2.3
Number of Stocks	39	1,402

Fund Information As of 06/30/2024

Fund Name : Causeway Capital Management Trust: Causeway International Value Fund; Institutional Class Shares
 Fund Family : Causeway
 Ticker : CIVIX
 Inception Date : 10/26/2001
 Fund Assets : \$8,714 Million
 Portfolio Turnover : 54%

Portfolio Assets : \$9,115 Million
 Portfolio Manager : Team Managed
 PM Tenure :
 Fund Style : IM International Large Cap Value Equity (MF)
 Style Benchmark : MSCI EAFE (Net) Index

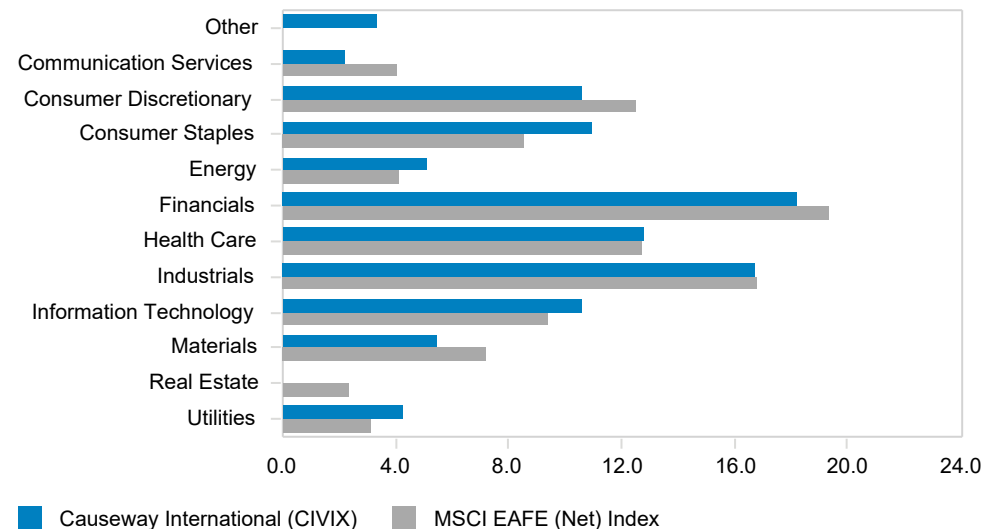
Portfolio Characteristics As of 03/31/2024

	Portfolio	Benchmark
Total Securities	75	768
Avg. Market Cap	87,643,242,815	99,234,484,566
Price/Earnings (P/E)	22.16	15.64
Price/Book (P/B)	2.86	2.68
Dividend Yield	3.21	3.15
Annual EPS	20.55	137.06
5 Yr EPS	4.16	8.53
3 Yr EPS Growth	13.56	N/A
Beta (5 Years, Monthly)	1.21	1.00

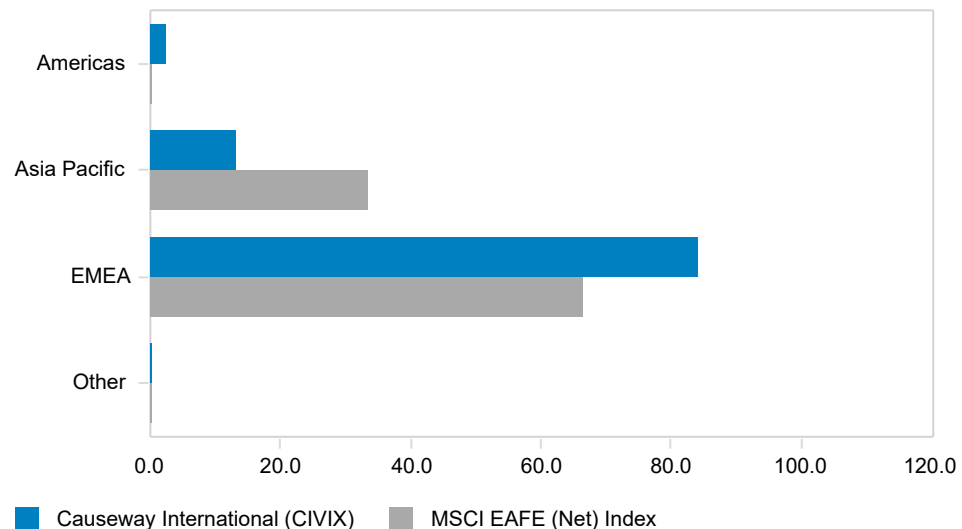
Top Ten Securities As of 03/31/2024

Rolls-Royce Holdings PLC ORD	6.0 %
Samsung Electronics Co Ltd ORD	4.1 %
Barclays PLC ORD	2.9 %
BP PLC ORD	2.7 %
Invesco Government & Agency Portfolio;In	2.4 %
AstraZeneca PLC ORD	2.4 %
Shell PLC ORD	2.4 %
Alstom SA ORD	2.4 %
Reckitt Benckiser Group PLC ORD	2.4 %
Roche Holding AG	2.3 %

Sector Weights As of 03/31/2024



Region (%) As of 03/31/2024



Statistics provided by Lipper. Most recent available data shown.

Fund Information As of 06/30/2024

Fund Name : Cohen & Steers Institutional Realty Shares, Inc
 Fund Family : Cohen & Steers
 Ticker : CSRIX
 Inception Date : 02/14/2000
 Fund Assets : \$6,621 Million
 Portfolio Turnover : 32%

Portfolio Assets : \$6,621 Million
 Portfolio Manager : Cheigh/Yablon/Kirschner
 PM Tenure : 2007--2013--2020
 Fund Style : IM Real Estate Sector (MF)
 Style Benchmark : FTSE NAREIT All Equity REITs

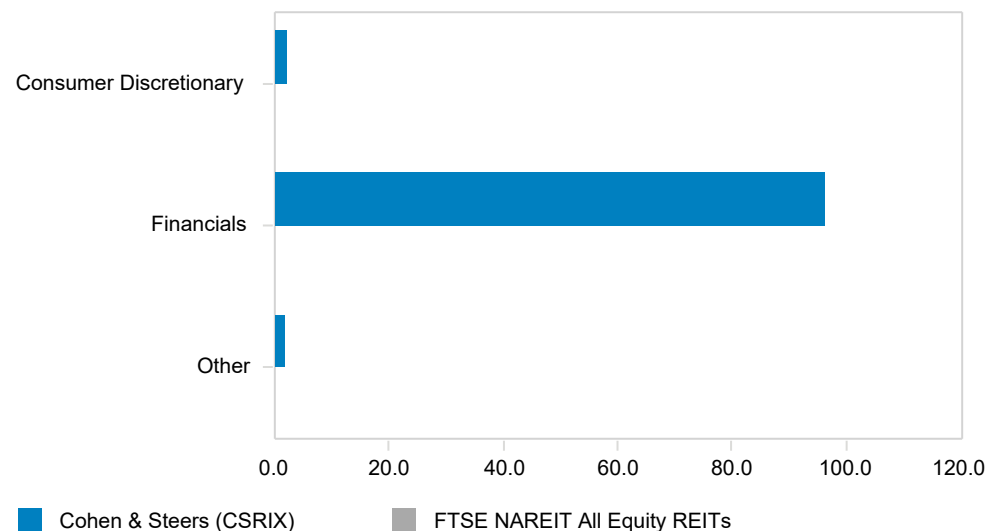
Portfolio Characteristics As of 03/31/2024

	Portfolio	Benchmark
Total Securities	34	N/A
Avg. Market Cap	47,315,686,474	-
Price/Earnings (P/E)	40.17	N/A
Price/Book (P/B)	6.85	N/A
Dividend Yield	3.78	N/A
Annual EPS	12.87	N/A
5 Yr EPS	6.63	N/A
3 Yr EPS Growth	11.47	N/A
Beta (5 Years, Monthly)	0.98	1.00

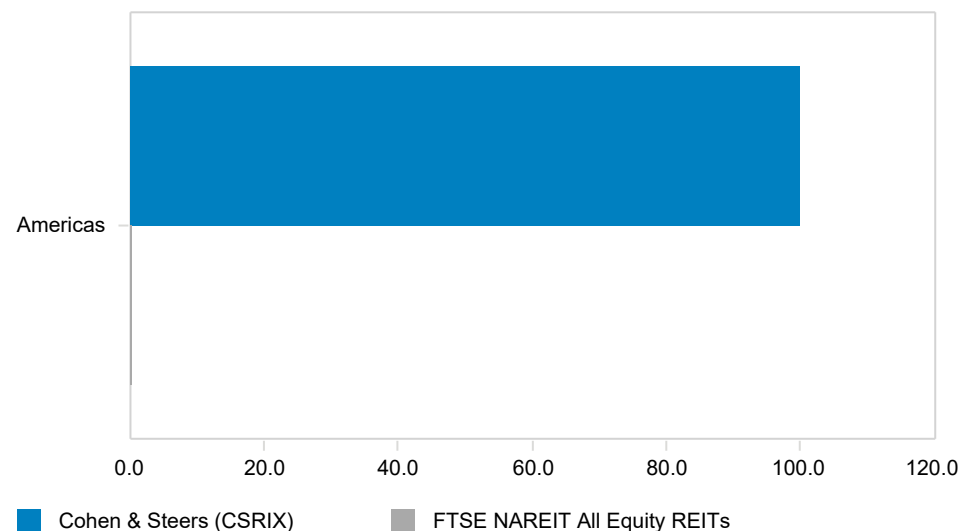
Top Ten Securities As of 03/31/2024

American Tower Corp ORD	9.7 %
Welltower Inc ORD	8.2 %
Prologis Inc ORD	8.1 %
Simon Property Group Inc ORD	7.4 %
Digital Realty Trust Inc ORD	7.3 %
Realty Income Corp ORD	5.5 %
Crown Castle Inc ORD	4.9 %
Iron Mountain Inc ORD	4.8 %
Invitation Homes Inc ORD	4.8 %
Equinix Inc ORD	4.6 %

Sector Weights As of 03/31/2024



Region (%) As of 03/31/2024



Statistics provided by Lipper. Most recent available data shown.

Fund Information As of 06/30/2024

Fund Name :	BlackRock Funds II: BlackRock Multi-Asset Income Portfolio; Class K Shares	Portfolio Assets :	\$10,807 Million
Fund Family :	BlackRock	Portfolio Manager :	Christofel/Shingler
Ticker :	BKMIX	PM Tenure :	2017--2017
Inception Date :	02/03/2017	Fund Style :	IM Flexible Portfolio (MF)
Fund Assets :	\$652 Million	Style Benchmark :	S&P 500 Index
Portfolio Turnover :	56%		

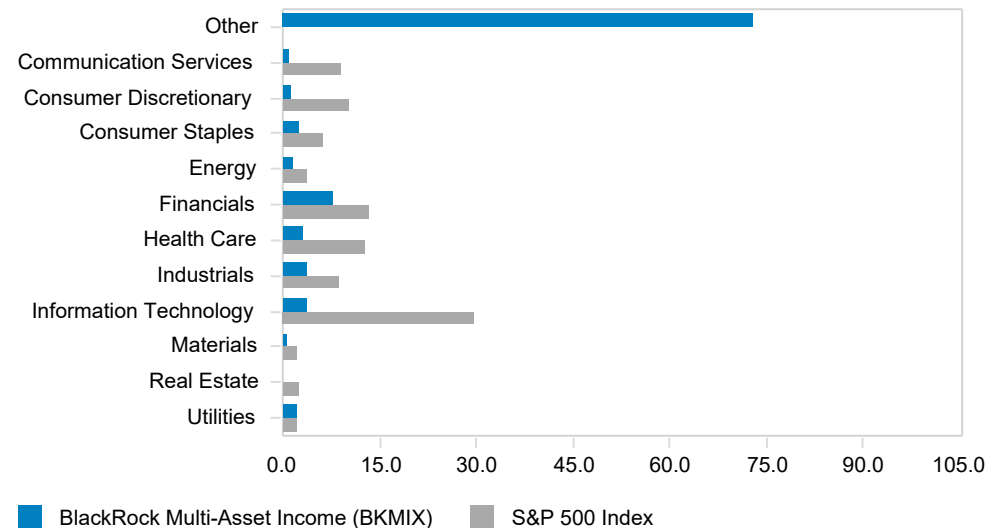
Portfolio Characteristics As of 01/31/2024

	Portfolio	Benchmark
Total Securities	3,762	503
Avg. Market Cap	164,474,017,428	736,064,820,932
Price/Earnings (P/E)	24.79	24.68
Price/Book (P/B)	4.76	4.50
Dividend Yield	3.44	1.48
Annual EPS	13.46	8.00
5 Yr EPS	9.52	14.16
3 Yr EPS Growth	12.81	N/A
Beta (3 Years, Monthly)	0.47	1.00

Top Ten Securities As of 05/31/2024

BlackRock Liquidity T-Fund;Institutional	8.4 %
iShares Core Dividend Growth ETF	3.1 %
iShares iBoxx \$ High Yield Corporate	2.1 %
Taiwan Semiconductor Manufacturing	0.5 %
Microsoft Corp ORD	0.3 %
Sanofi SA ORD	0.2 %
Wells Fargo & Co ORD	0.2 %
Shell PLC ORD	0.2 %
AstraZeneca PLC ORD	0.2 %
Novo Nordisk A/S ORD	0.2 %

Sector Weights As of 01/31/2024



Region (%) As of 06/30/2024

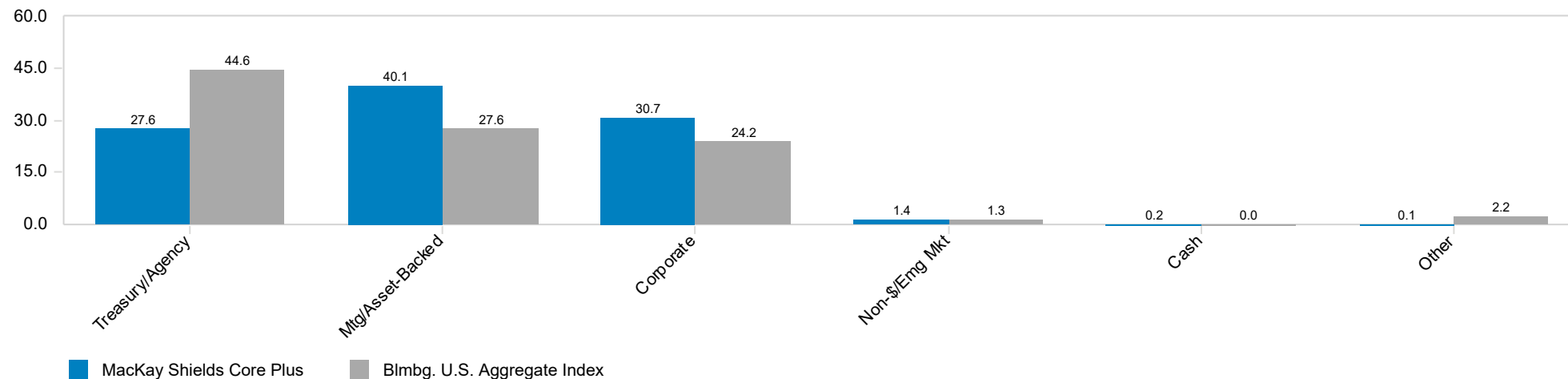
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Statistics provided by Lipper. Most recent available data shown.

MacKay Shields Core Plus seeks to outperform the benchmark by eliminating or reducing uncompensated risk while opportunistically allocating investments across a range of core and off-benchmark sectors. The fund typically invests in the same sectors represented by the Barclays U.S. Aggregate Bond Index, as well as high yield, emerging market debt, and non-US Dollar exposure. Their philosophy is centered on their pursuit of consistent, superior rates of return with low volatility. Their goal for the product is to provide enhanced returns over a full market cycle with lower-than market risk. As of June 30, 2024,

MacKay Shields had a market value of \$29,121,199.

Sector Distribution (%)



Portfolio Characteristics

	Portfolio	Benchmark
Avg. Maturity	8.79	8.43
Avg. Quality	A+	Aa2
Coupon Rate (%)	4.54	3.40
Modified Duration	N/A	N/A
Yield To Maturity (%)	6.10	5.00
Holdings Count	235	13,535

Fund Information As of 06/30/2024

Fund Name :	Loomis Sayles Funds I: Loomis Sayles Institutional High Income Fund; Institutional Class	Portfolio Assets :	\$329 Million
Fund Family :	Loomis Sayles	Portfolio Manager :	Team Managed
Ticker :	LSHIX	PM Tenure :	
Inception Date :	06/05/1996	Fund Style :	IM U.S. High Yield Bonds (MF)
Fund Assets :	\$329 Million	Style Benchmark :	FTSE High Yield Market Index
Portfolio Turnover :	64%		

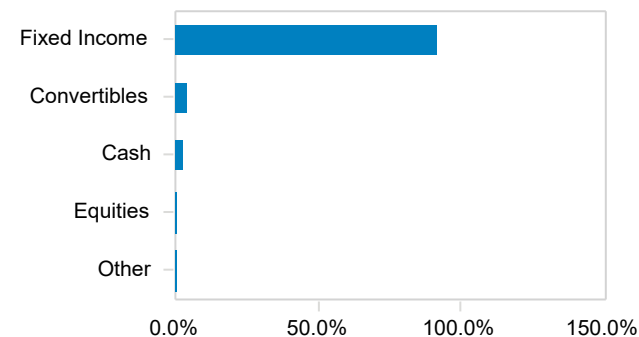
Fund Characteristics As of 03/31/2024

Avg. Coupon	5.71 %
Nominal Maturity	5.46 Years
Effective Maturity	N/A
Duration	3.08 Years
SEC 30 Day Yield	5.5
Avg. Credit Quality	BB

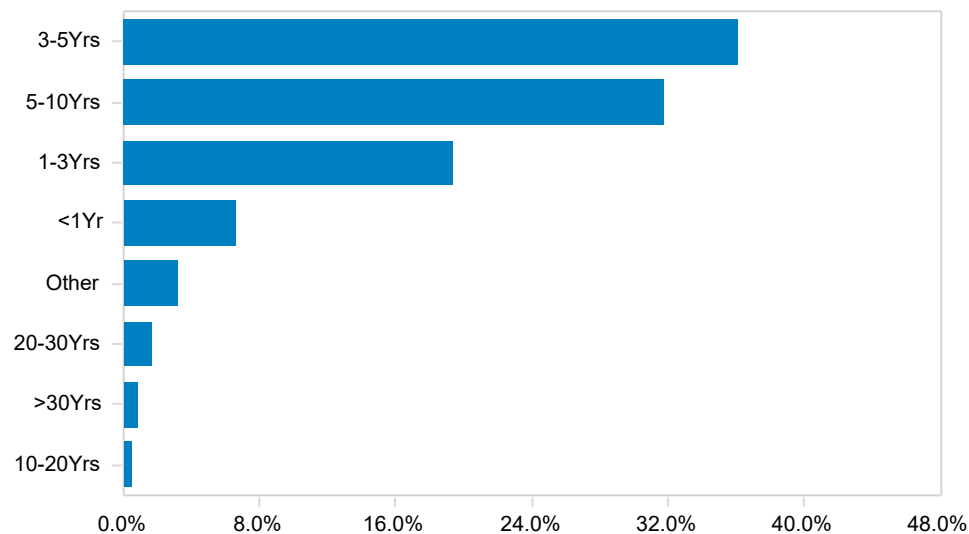
Top Ten Securities As of 03/31/2024

Corporate Notes/Bonds	80.5 %
Fgn. Currency Denominated Bonds	6.3 %
Convertible Securities	4.4 %
Asset Backed Securities	3.8 %
Preferred Stock-Non Convertible	1.1 %
Common Stock	0.9 %

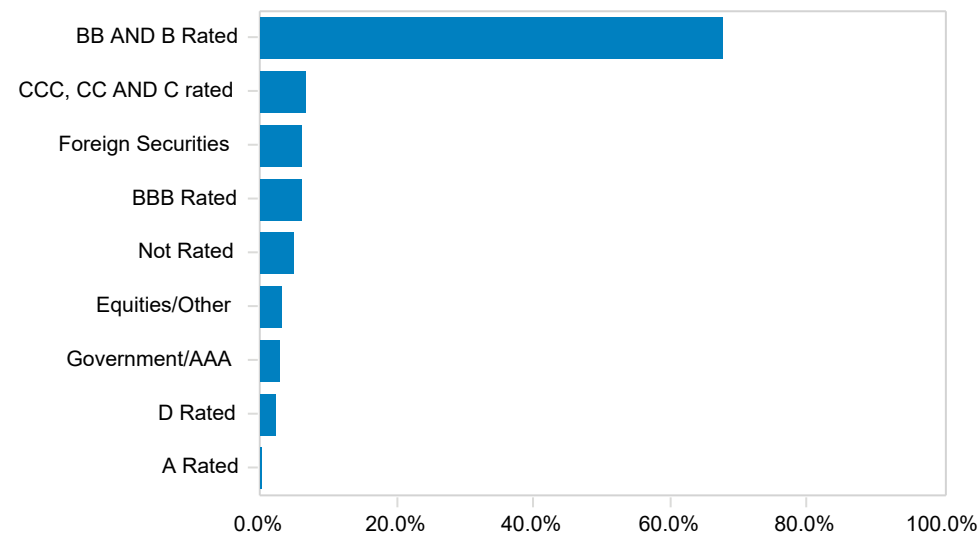
Asset Allocation As of 03/31/2024



Maturity Distribution As of 03/31/2024



Sector/Quality Allocation As of 03/31/2024



Fund Information As of 06/30/2024

Fund Name :	Aristotle Funds Series Trust: Aristotle Floating Rate Income Fund; Class I Shares	Portfolio Assets :	\$4,295 Million
Fund Family :	Aristotle Funds	Portfolio Manager :	Marzouk/Leasure
Ticker :	PLFRX	PM Tenure :	2011--2011
Inception Date :	06/30/2011	Fund Style :	IM U.S. Bank Loans (MF)
Fund Assets :	\$1,783 Million	Style Benchmark :	Morningstar LSTA US Leveraged Loan Index
Portfolio Turnover :	130%		

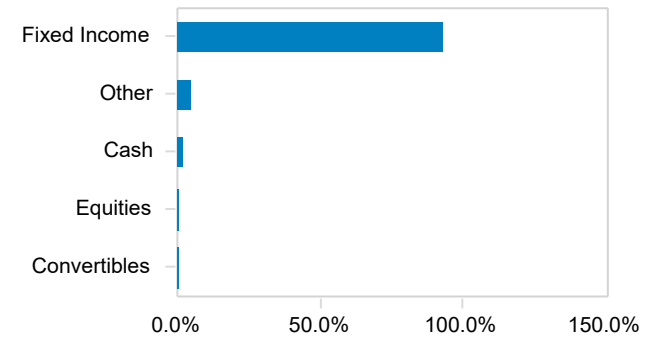
Fund Characteristics As of 03/31/2024

Avg. Coupon	N/A
Nominal Maturity	N/A
Effective Maturity	4.10 Years
Duration	0.38 Years
SEC 30 Day Yield	N/A
Avg. Credit Quality	B

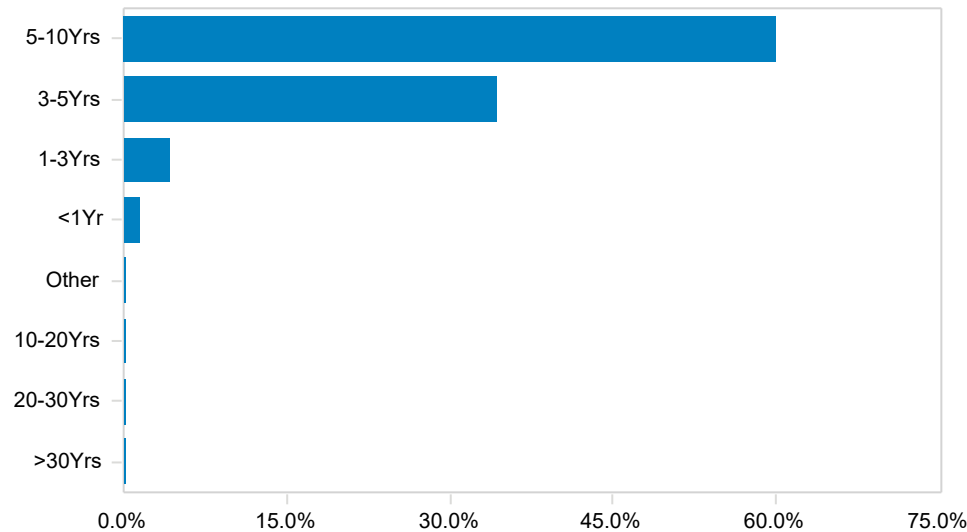
Top Ten Securities As of 03/31/2024

Corporate Notes/Bonds	92.9 %
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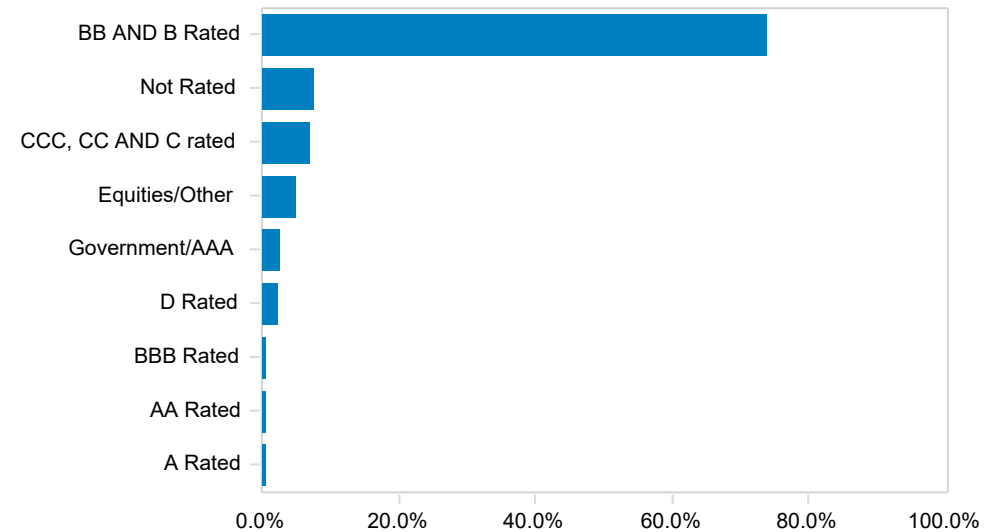
Asset Allocation As of 03/31/2024



Maturity Distribution As of 06/30/2019



Sector/Quality Allocation As of 03/31/2024



Statistics provided by Lipper. Most recent available data shown.

Port of Houston Authority OPEB Plan
Manager Status Summary
As of June 30, 2024

Manager	Mandate	Status	Notes
Fiduciary Management	Large Cap Value Equity	In Compliance	
Vanguard Index Fund (VINIX)	Large Cap Core Equity	In Compliance	
Fidelity Large Cap Growth (FSPGX)	Large Cap Growth Equity	In Compliance	
Stephens Mid Cap Growth	Mid Cap Growth Equity	In Compliance	
Barrow Hanley MeWhinney & Strauss	Small Cap Value Equity	In Compliance	Jim McClure announced retirement-2025
Causeway International (CIVIX)	International Equity	In Compliance	
Cohen & Steers (CSRIX)	Real Estate and Investment Trust	In Compliance	
BlackRock Multi-Asset (BKMIX)	GTAA	In Compliance	
Mackay Shields Core Plus	Core Plus Fixed Income	In Compliance	
Loomis Sayles High Yield (LSHIX)	High Yield Fixed Income	In Compliance	
Aristotle Floating Rate (PLFRX)	Bank Loans	In Compliance	

In Compliance- The portfolio is acting in full compliance with its guidelines and it is performing according to expectations.

On Alert- Concerns exist with the portfolio's performance, a change in investment characteristics, management style, ownership structure, staff or other related events.

On Notice- A continued and serious problem with any of the issues mentioned above. If the situation is not resolved to Port Commission's satisfaction, a replacement will be hired.

**Port of Houston Authority OPEB Plan
Fee Analysis
As of June 30, 2024**

	Estimated Annual Fee (%)	Market Value (\$)	Estimated Annual Fee (\$)	Fee Schedule
Total Fund Composite	0.44	104,730,593	461,699	
Equity Composite	0.43	61,010,861	265,369	
Domestic Equity	0.33	47,804,078	155,547	
Fiduciary Management	0.55	6,157,319	33,865	0.55 % of Assets
Vanguard Index Fund Institutional (VINIX)	0.04	17,486,177	6,994	0.04 % of Assets
Fidelity Large Cap Growth (FSPGX)	0.03	5,706,280	1,712	0.03 % of Assets
Stephens Mid Cap Growth	0.77	7,668,287	59,046	0.77 % of Assets
Barrow Hanley MeWhinney & Strauss	0.50	10,786,016	53,930	0.50 % of Assets
International Equity	0.88	8,285,292	72,911	
Causeway International (CIVIX)	0.88	8,285,292	72,911	0.88 % of Assets
Real Estate	0.75	4,921,491	36,911	
Cohen & Steers (CSRIX)	0.75	4,921,491	36,911	0.75 % of Assets
GTAA Composite	0.52	5,181,019	26,941	
BlackRock Multi-Asset Income (BKMIX)	0.52	5,181,019	26,941	0.52 % of Assets
Fixed Income Composite	0.45	43,719,732	196,330	
Core Plus Fixed Income	0.35	28,352,663	99,234	
MacKay Shields Core Plus	0.35	28,352,663	99,234	0.35 % of Assets
High Yield Fixed Income	0.68	4,922,134	33,471	
Loomis Sayles High Yield (LSHIX)	0.68	4,922,134	33,471	0.68 % of Assets
Bank Loans	0.70	5,240,583	36,684	
Aristotle Floating Rate (PLFRX)	0.70	5,240,583	36,684	0.70 % of Assets

Fee information on this page is an illustrative estimate of management fees based on current reported portfolio values. Fee estimates do not reflect actual calculation methodologies or applicable carried interest.

Port of Houston Authority OPEB Plan
Fee Summary
As of June 30, 2024

Structure	Mandate	Expense Ratio	Category Average	Difference	Annual Savings
Fiduciary Management	Large Cap Value Equity	0.55%	0.79%	0.24%	\$14,778
Vanguard Index Fund (VINIX)	Large Cap Core Equity	0.04%	0.79%	0.75%	\$131,146
Fidelity Large Cap Growth (FSPGX)	Large Cap Growth Equity	0.04%	0.79%	0.75%	\$42,797
Stephens Mid Cap Growth	Mid Cap Growth Equity	0.77%	1.04%	0.27%	\$20,704
Barrow Hanley MeWhinney & Strauss	Small Cap Value Equity	0.76%	1.04%	0.28%	\$30,201
Causeway International (CIVIX)	International Equity	0.88%	0.90%	0.02%	\$1,657
Cohen & Steers (CSRIX)	Real Estate and Investment Trust	0.75%	0.91%	0.16%	\$7,874
BlackRock Multi-Asset (BKMIX)	GTAA	0.52%	0.84%	0.32%	\$16,579
Mackay Shields Core Plus	Core Plus Fixed Income	0.35%	0.56%	0.21%	\$61,155
Loomis Sayles High Yield (LSHIX)	High Yield Fixed Income	0.70%	0.76%	0.06%	\$2,953
Aristotle Floating Rate (PLFRX)	Bank Loans	0.70%	0.85%	0.15%	\$7,861
Total Management Fees		0.44%	0.79%	0.35%	\$337,706

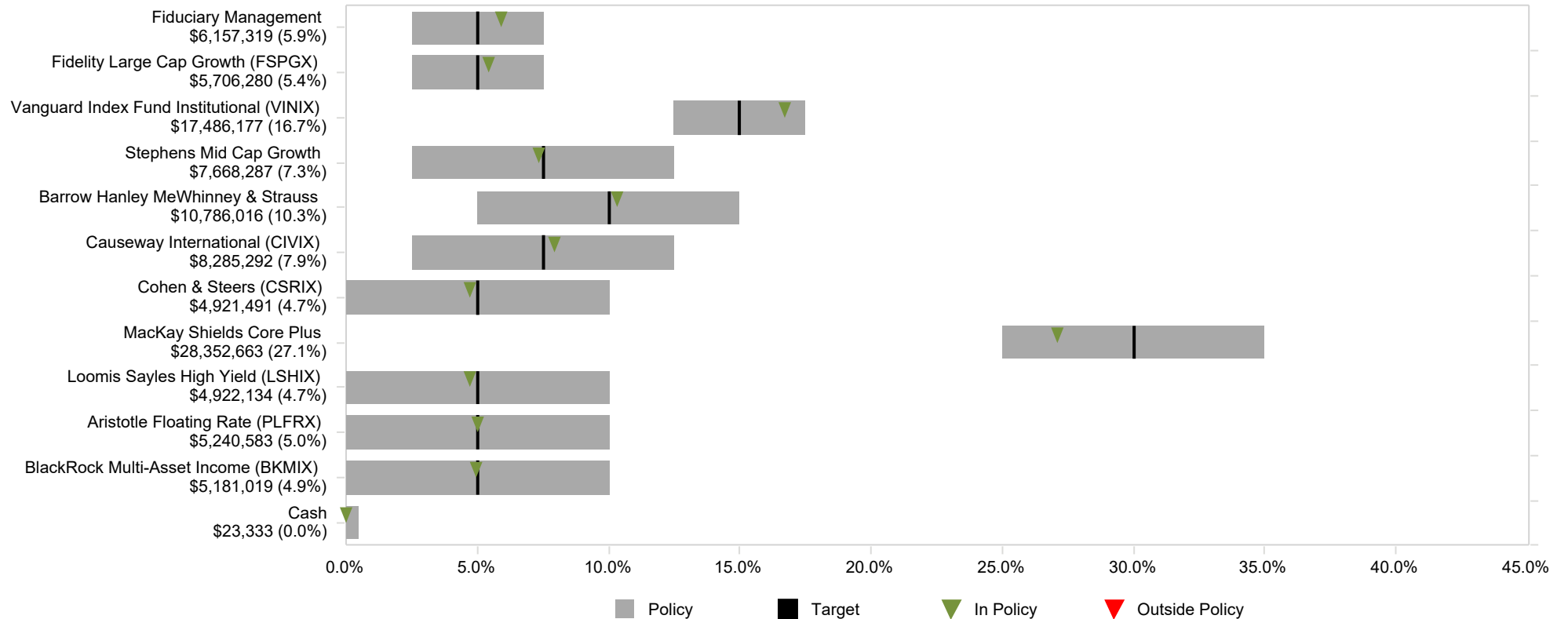
Source: Morningstar and Investment Managers

This display is for illustrative purposes only and is an estimate based on recent market values and available fee data. Fee data is based on information retrieved from Morningstar Direct on July 12, 2024, and data is subject to change as category average fee information updates regularly. We rely on Morningstar to classify each manager's category fee for comparison purposes.

Asset Allocation Compliance

	Asset Allocation \$	Current Allocation (%)	Target Allocation (%)	Differences (%)	Minimum Allocation (%)	Maximum Allocation (%)
Total Fund Composite	104,730,593	100.0	100.0	0.0		
Fiduciary Management	6,157,319	5.9	5.0	0.9	2.5	7.5
Fidelity Large Cap Growth (FSPGX)	5,706,280	5.4	5.0	0.4	2.5	7.5
Vanguard Index Fund Institutional (VINIX)	17,486,177	16.7	15.0	1.7	12.5	17.5
Stephens Mid Cap Growth	7,668,287	7.3	7.5	-0.2	2.5	12.5
Barrow Hanley MeWhinney & Strauss	10,786,016	10.3	10.0	0.3	5.0	15.0
Causeway International (CIVIX)	8,285,292	7.9	7.5	0.4	2.5	12.5
Cohen & Steers (CSRIX)	4,921,491	4.7	5.0	-0.3	0.0	10.0
MacKay Shields Core Plus	28,352,663	27.1	30.0	-2.9	25.0	35.0
Loomis Sayles High Yield (LSHIX)	4,922,134	4.7	5.0	-0.3	0.0	10.0
Aristotle Floating Rate (PLFRX)	5,240,583	5.0	5.0	0.0	0.0	10.0
BlackRock Multi-Asset Income (BKMIX)	5,181,019	4.9	5.0	-0.1	0.0	10.0
Cash	23,333	0.0	0.0	0.0	0.0	0.5

Executive Summary



Historical Hybrid Composition

Allocation Mandate	Weight (%)
Jan-1979	
S&P 500 Index	47.50
Russell Midcap Index	12.50
Blmbg. U.S. Aggregate Index	40.00
Dec-2012	
S&P 500 Index	15.00
Russell Midcap Index	12.50
Russell 2000 Index	10.00
MSCI EAFE Index	12.50
Blmbg. U.S. Aggregate Index	35.00
ICE BofA U.S. High Yield Index	5.00
FTSE NAREIT All Equity REITs	5.00
Alerian MLP Index	5.00
Aug-2015	
S&P 500 Index	15.00
Russell Midcap Index	7.50
Russell 2000 Index	10.00
MSCI EAFE Index	7.50
Blmbg. U.S. Aggregate Index	40.00
ICE BofA U.S. High Yield Index	5.00
FTSE NAREIT All Equity REITs	5.00
Alerian MLP Index	10.00
Jan-2021	
S&P 500 Index	22.50
Russell Midcap Index	7.50
Russell 2000 Index	10.00
MSCI EAFE Index	7.50
Blmbg. U.S. Aggregate Index	42.50
ICE BofA U.S. High Yield Index	5.00
FTSE NAREIT All Equity REITs	5.00

Active Return	- Arithmetic difference between the manager's performance and the designated benchmark return over a specified time period.
Alpha	- A measure of the difference between a portfolio's actual performance and its expected return based on its level of risk as determined by beta. It determines the portfolio's non-systemic return, or its historical performance not explained by movements of the market.
Beta	- A measure of the sensitivity of a portfolio to the movements in the market. It is a measure of the portfolio's systematic risk.
Consistency	- The percentage of quarters that a product achieved a rate of return higher than that of its benchmark. Higher consistency indicates the manager has contributed more to the product's performance.
Distributed to Paid In (DPI)	- The ratio of money distributed to Limited Partners by the fund, relative to contributions. It is calculated by dividing cumulative distributions by paid in capital. This multiple shows the investor how much money they got back. It is a good measure for evaluating a fund later in its life because there are more distributions to measure against.
Down Market Capture	- The ratio of average portfolio performance over the designated benchmark during periods of negative returns. A lower value indicates better product performance
Downside Risk	- A measure similar to standard deviation that utilizes only the negative movements of the return series. It is calculated by taking the standard deviation of the negative quarterly set of returns. A higher factor is indicative of a riskier product.
Excess Return	- Arithmetic difference between the manager's performance and the risk-free return over a specified time period.
Excess Risk	- A measure of the standard deviation of a portfolio's performance relative to the risk free return.
Information Ratio	- This calculates the value-added contribution of the manager and is derived by dividing the active rate of return of the portfolio by the tracking error. The higher the Information Ratio, the more the manager has added value to the portfolio.
Public Market Equivalent (PME)	- Designs a set of analyses used in the Private Equity Industry to evaluate the performance of a Private Equity Fund against a public benchmark or index.
R-Squared	- The percentage of a portfolio's performance that can be explained by the behavior of the appropriate benchmark. A high R-Squared means the portfolio's performance has historically moved in the same direction as the appropriate benchmark.
Return	- Compounded rate of return for the period.
Sharpe Ratio	- Represents the excess rate of return over the risk free return divided by the standard deviation of the excess return. The result is an absolute rate of return per unit of risk. A higher value demonstrates better historical risk-adjusted performance.
Standard Deviation	- A statistical measure of the range of a portfolio's performance. It represents the variability of returns around the average return over a specified time period.
Total Value to Paid In (TVPI)	- The ratio of the current value of remaining investments within a fund, plus the total value of all distributions to date, relative to the total amount of capital paid into the fund to date. It is a good measure of performance before the end of a fund's life
Tracking Error	- This is a measure of the standard deviation of a portfolio's returns in relation to the performance of its designated market benchmark.
Treynor Ratio	- Similar to Sharpe ratio but utilizes beta rather than excess risk as determined by standard deviation. It is calculated by taking the excess rate of return above the risk free rate divided by beta to derive the absolute rate of return per unit of risk. A higher value indicates a product has achieved better historical risk-adjusted performance.
Up Market Capture	- The ratio of average portfolio performance over the designated benchmark during periods of positive returns. A higher value indicates better product performance.

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Methodology for this Award: For the 2022 Greenwich Quality Award for Overall U.S. Investment Consulting – Midsize Consultants – Between February and November 2022, Coalition Greenwich conducted interviews with 727 individuals from 590 of the largest tax-exempt funds in the United States. These U.S.-based institutional investors are corporate and union funds, public funds, and endowment and foundation funds, with either pension or investment pool assets greater than \$150 million. Study participants were asked to provide quantitative and qualitative evaluations of their asset management and investment consulting providers, including qualitative assessments of those firms soliciting their business and detailed information on important market trends.

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