
Port of Houston Authority Pension Plan

Investment Performance Review
Period Ending September 30, 2024

MARINER

3rd Quarter 2024 Market Environment

The Economy

- The US Federal Reserve (the Fed) shifted its policy stance during the quarter and cut the fed funds rate by 0.50% for the first time in four years to a range of 4.75%-5.00%. Capital markets celebrated the move after struggling to predict the pace and timing of future Fed actions earlier in the year. In its press release for the September meeting, the Fed continued to assert its stance on fighting inflation, while also inserting that the committee is strongly committed to “supporting maximum employment.” Fed Chairman Jerome Powell signaled to the markets that the expectation is for the committee to shift to a more expansionary policy moving forward.
- The Fed’s September “Dot Plot” showed revised expectations from a single 0.25% rate cut for the remainder of 2024 to a low-end estimate of a 4.25%-4.50% range. The dots also showed the target rate range decreasing below 4.00% in 2025.
- Growth in the US labor market continued in the third quarter, albeit at a slower pace than previous quarters with growth coming in at 527,000 new jobs. However, the strength of the labor market during the previous year was undermined by the large downward revision (818,000) on the trailing one-year statistic.

Equity (Domestic and International)

- US equity results were sharply higher for the quarter, which also saw a significant broadening of returns across both the style and capitalization spectrum. The S&P 500 Index rose a solid 5.9% for the quarter and the small-cap Russell 2000 Index posted a higher gain of 9.3%. This quarter not only saw a significant rotation from large-cap to small-cap stocks but also from growth stocks to value stocks as value indexes outpaced their growth counterparts.
- Large-cap equity benchmarks continue to represent top-heavy concentration among a limited number of stocks. As of quarter end, the top 10 stocks in the S&P 500 Index made up nearly 35% of the index.
- International stocks continued delivering positive results during the third quarter and US Dollar (USD) denominated results were further helped by a weakening USD. USD performance of international stocks surged past local currency (LCL) returns in most regions for the quarter, albeit to varying degrees.

Fixed Income

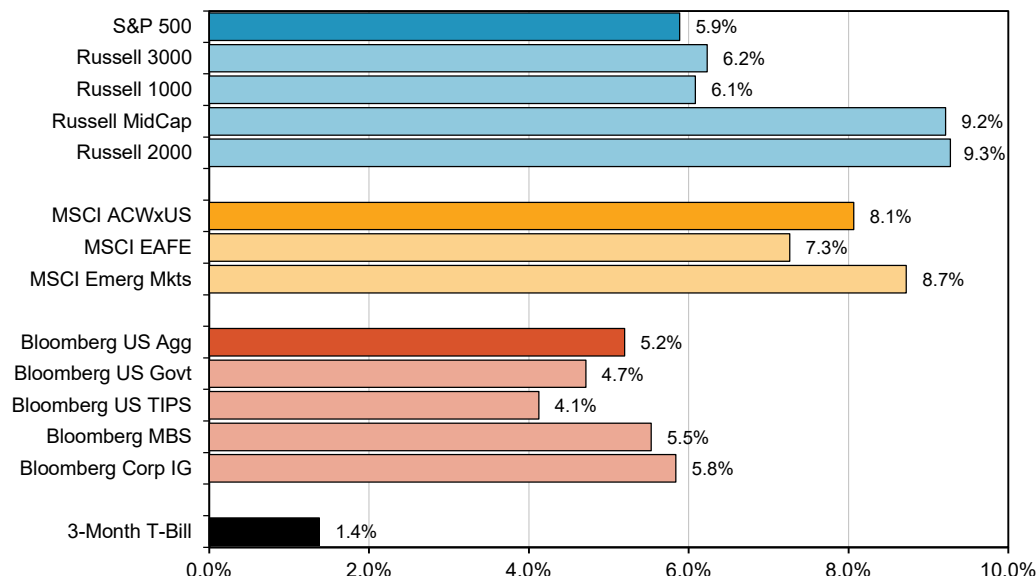
- Fixed-income markets traded higher during the quarter on the back of the Fed’s policy shift as Treasury yields fell. The inverse relationship between prices and yields resulted in the Bloomberg US Aggregate Bond Index advancing 5.2%. The yield on the bellwether 10-year Treasury declined by 0.55% during the quarter.
- High-yield bonds slightly outperformed the Bloomberg US Aggregate Bond Index for the quarter, largely due to higher coupons and partly due to narrowing option-adjusted spreads (OAS) for the Bloomberg US High-Yield index.
- Global bonds outpaced the domestic benchmarks, with the Bloomberg Global Aggregate ex-US returning 8.5% for the quarter in USD terms. Global bond performance was boosted by a weakening USD during the quarter.

Market Themes

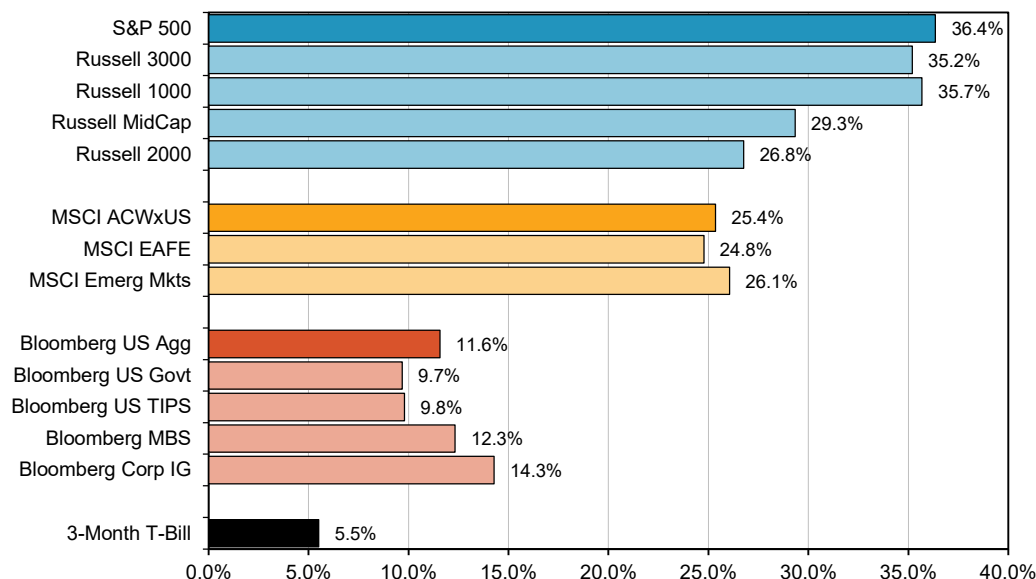
- Divergent monetary policies across regions led to increased volatility during the quarter. Most developed markets across the world kept rates at elevated levels as central banks continued their tight monetary stances. However, the Japanese Central Bank chose to raise its policy rates at the end of July, shortly before the Fed cut its policy rate in September. This divergence led to an unwinding of the systematic Yen carry trade, where investors quickly took action to cover short yen positions by taking down positions in various higher growth investments, including US equities. This subsequently led to a sharp decline in equity markets around the world in early August.
- Ongoing military conflicts in Ukraine and the Middle East, coupled with global economic uncertainty, continue to act as headwinds for international market results but they received a boost from the weakening USD. New escalations to existing conflicts have resulted in anticipated and unanticipated consequences. Domestic Defense companies have tended to trade higher on the news of developing escalations abroad while similarly putting upward pressure on oil prices and downward pressure on energy stocks as a result.

- Performance in the domestic equity markets was broadly positive after markets received a boost from the Fed's first rate cut in four years. Small-cap stocks outperformed their large-cap counterparts, with the Russell 2000 returning 9.3% versus a gain of 5.9% for the S&P 500. The all-cap Russell 3000, which is heavily weighted in its large-cap names, lagged the Russell 2000 Index by 3.1%, returning 6.2% for the quarter.
- International developed market equities realized similar results with both the MSCI ACWI ex US and MSCI EAFE indexes gaining during the quarter. The MSCI ACWI ex US Index posted a strong 8.1% for the quarter, while the MSCI EAFE Index returned a slightly lower 7.3%, both in USD terms. International emerging market (EM) equities were the best performing foreign segment, gaining 8.7% in for the quarter and outpacing their developed market counterparts. Much of the solid USD performance for EM can be attributed to the Far East index countries, particularly China, Taiwan, and Singapore.
- Broad fixed-income indexes added to their year-to-date results during the quarter, thanks in large part to the Fed's 0.50% rate cut on September 18th. The Bloomberg US Aggregate Index returned a solid 5.2% for the quarter. Investment-grade corporate bonds topped other US fixed-income sectors for the quarter, finishing with a return of 5.8%. The TIPS market, which is not part of the Aggregate Index, was the worst-performing bond benchmark during the quarter with a return of 4.1%, lagging the rest of the domestic fixed-income indexes.
- Large-cap US equity indexes built on their already massive returns over the trailing one-year period. The S&P 500 Index has gained 36.4%, while the Russell 1000 Index returned 35.7%. The weakest performing capitalization range of domestic equities for the year has been the small-cap Russell 2000 Index, which still posted a double-digit return of 26.8% over the last 12 months.
- Domestic bond indexes also produced strong, positive results for the year. Investment-grade corporate bonds continued to lead, returning an impressive 14.3% for the trailing one-year. The government bond index lagged for the year, but still returned a solid 9.7%.
- International markets also showcased healthy performance for the trailing one-year period. The MSCI EM Index was the best international performer, returning 26.1%, while the MSCI EAFE and MSCI ACWI ex US indexes posted returns of 24.8% and 25.4%, respectively.

Quarter Performance

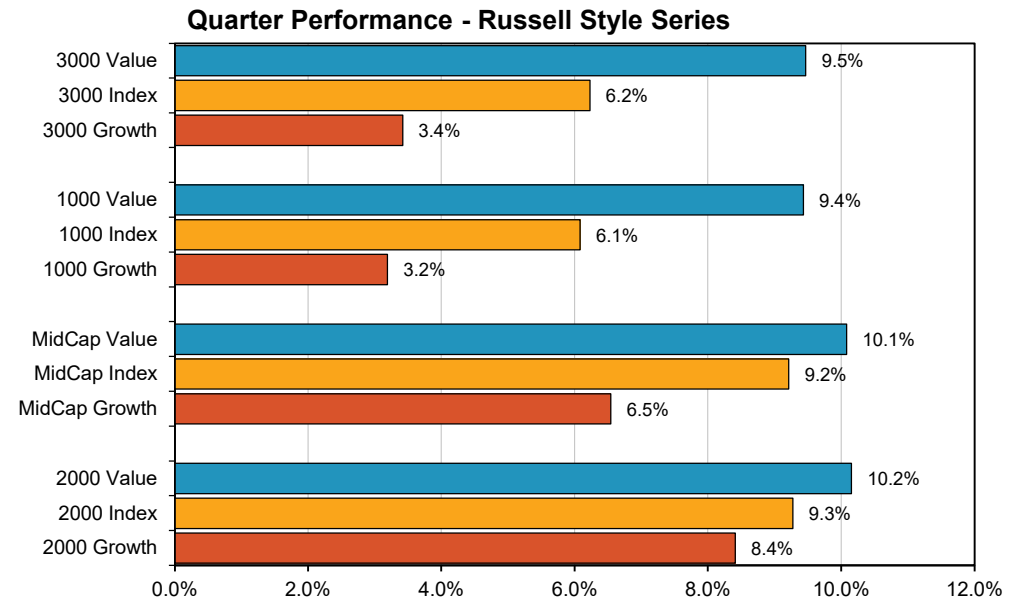


1-Year Performance

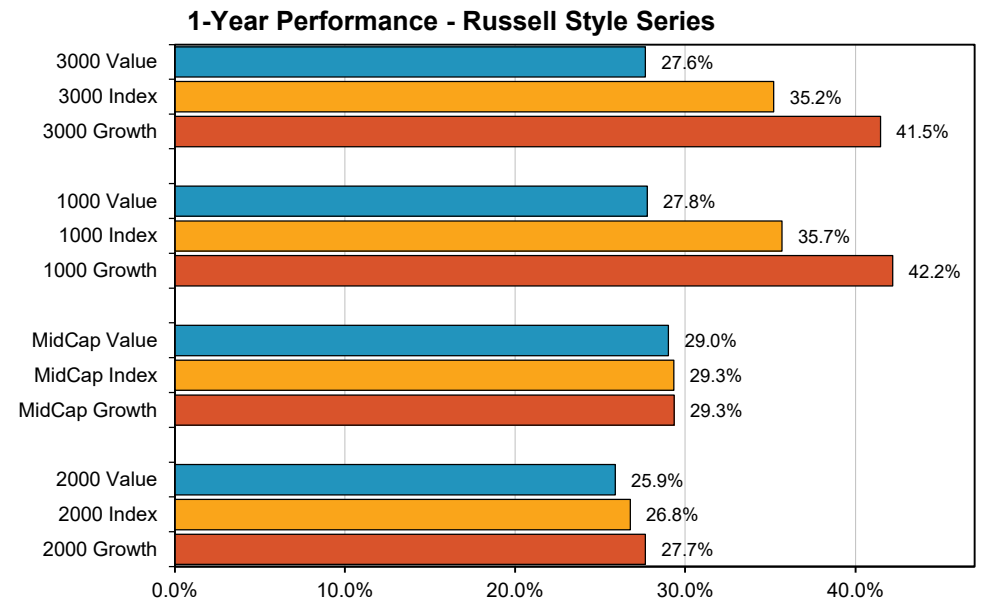


Source: Investment Metrics

- Domestic equity benchmarks posted strong absolute results across styles and market capitalization ranges. During the third quarter, value stocks outpaced their growth counterparts at each capitalization level for the first time since Q4 2022. The best-performing segment of the equity market was small-cap value, with the Russell 2000 Value Index advancing 10.2% for the quarter. Conversely, the large-cap growth Russell 1000 Growth Index produced the weakest relative equity performance, returning just 3.2%.
- The growth-oriented rally took a hiatus during the quarter with the broadest disparity visible in large-cap indexes. The Russell 1000 Value Index return of 9.4% surpassed the Russell 1000 Growth Index return by 6.2%. This quarter's results bucked the trend of large-cap growth stocks being the best-performing segment of the domestic equity market.



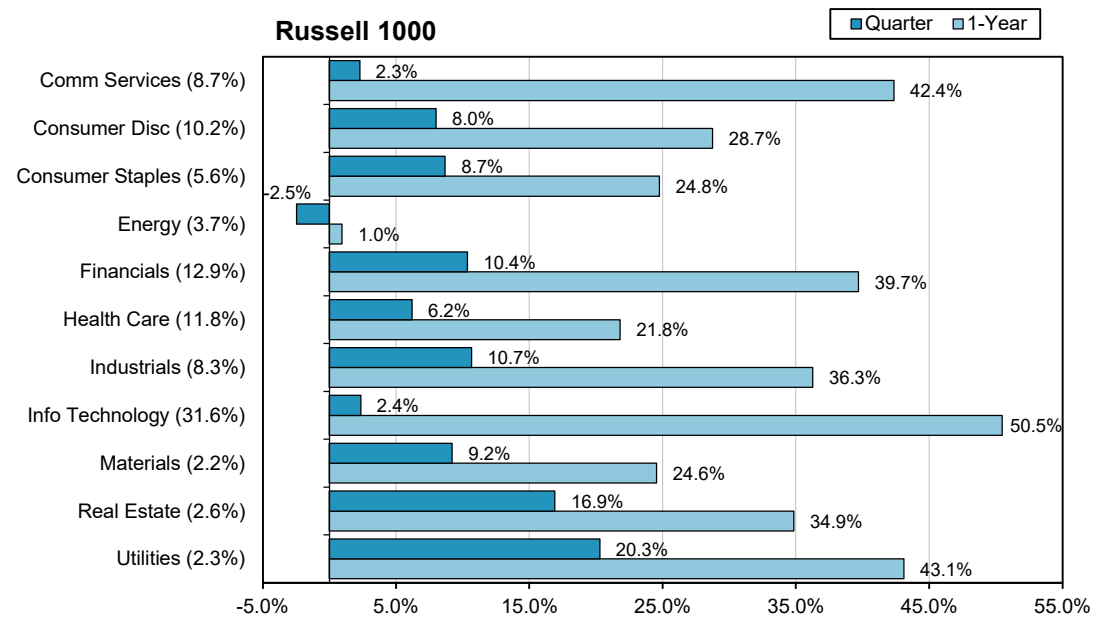
- This quarter's resurgence by the value indexes was not enough to bring them above growth indexes on a trailing one-year basis. The Russell 1000 Growth Index amassed a staggering 42.2%, leading the way among style and market capitalization classifications. Much of this strong performance has been attributable to the emergence of the "Magnificent 7" stocks (Alphabet, Amazon, Apple, Meta, Microsoft, Nvidia, and Tesla) which have dominated the large-cap core and growth indexes over the past several years. The 10 largest stocks in the Russell 1000 Index have contributed more than 50% of the index's total performance over the trailing 12-month period. The weakest performing index for the year was the Russell 2000 Value Index, which still posted an impressive 25.9%.
- The strength of growth sectors is evident in the chart with the broad-cap, large-cap, and small-cap benchmarks outpacing their value counterparts for the trailing one-year period. The gap between the Russell 1000 Growth Index and the Russell 1000 Value Index was in double-digits for the year, while the gaps for mid- and small-cap indexes were much narrower.



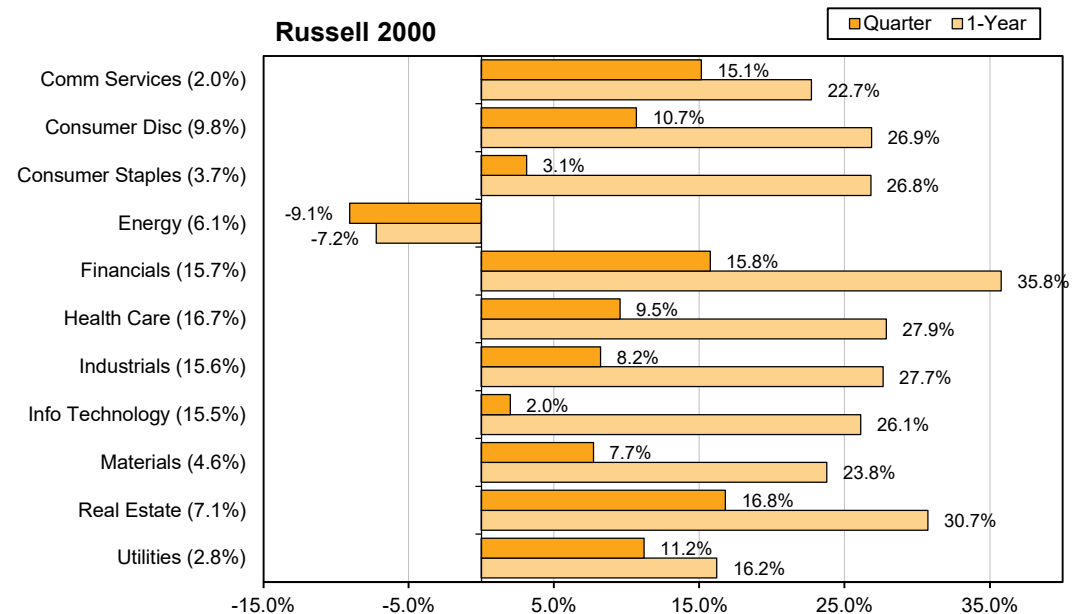
Source: Investment Metrics

- Economic sector performance was mostly positive during the third quarter, with 10 of the 11 economic sectors moving higher in both the large-cap and small-cap indexes. The quarter continued the previous trend in the domestic equities markets of broader participation in companies outside of the technology sector. Energy was the lone sector to slide during the quarter, posting a return of -2.5%.
- Third-quarter results for the large-cap benchmark added to already strong trailing one-year numbers, with all but one sector producing a return of greater than 20%. Similar to the quarter's results, the energy sector was the one to fall short, gaining just 1.0% over the trailing year. Of the 11 sectors, three (communication services, information technology, and utilities) were up by more than 40.0% for the past year. Financials, industrials, and real estate followed closely behind with gains of 39.7%, 36.3%, and 34.9%, respectively. Despite this strong sector performance, only five of the six leading sectors managed to outpace the Russell 1000 Index's return of 35.7%, which was lifted even higher by the strong results in the most heavily weighted sector, information technology.
- Small-cap stocks displayed similar strength, with 10 of the 11 small-cap economic sectors gaining value during the quarter. Real estate, financials, and communication services led the way with gains of more than 15% for the quarter. Similar to the large-cap benchmark, energy was the worst-performing sector for the quarter and produced the sole negative sector return, falling -9.1%.
- Small-cap stocks also had a strong performance for the trailing year. The same 10 small-cap sectors that advanced during the quarter moved higher over the trailing one-year period. Energy remains the weakest performing sector, with the most recent quarterly return dragging the sector's performance to -7.2% for the trailing year. Financials (up 35.8%), and seven other sectors earned more than 20%.

Russell 1000



Russell 2000



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 September 30, 2024

Top 10 Weighted Stocks				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Apple Inc	6.4%	10.8%	36.8%	Information Technology
Microsoft Corp	6.1%	-3.6%	37.3%	Information Technology
NVIDIA Corp	5.4%	-1.7%	179.3%	Information Technology
Amazon.com Inc	3.3%	-3.6%	46.6%	Consumer Discretionary
Meta Platforms Inc Class A	2.4%	13.6%	91.3%	Communication Services
Alphabet Inc Class A	1.8%	-8.8%	27.1%	Communication Services
Berkshire Hathaway Inc Class B	1.6%	13.1%	31.4%	Financials
Alphabet Inc Class C	1.6%	-8.7%	27.1%	Communication Services
Broadcom Inc	1.5%	7.8%	110.9%	Information Technology
Tesla Inc	1.4%	32.2%	4.6%	Consumer Discretionary

Top 10 Weighted Stocks				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Vaxcyte Inc Ordinary Shares	0.5%	51.3%	124.1%	Health Care
FTAI Aviation Ltd	0.5%	29.1%	281.0%	Industrials
Insmed Inc	0.4%	9.0%	189.1%	Health Care
Sprouts Farmers Market Inc	0.4%	32.0%	158.0%	Consumer Staples
Fabrinet	0.3%	-3.4%	41.9%	Information Technology
Applied Industrial Technologies Inc	0.3%	15.2%	45.4%	Industrials
Mueller Industries Inc	0.3%	30.5%	100.0%	Industrials
Fluor Corp	0.3%	9.6%	30.0%	Industrials
Ensign Group Inc	0.3%	16.3%	55.1%	Health Care
UFP Industries Inc	0.3%	17.5%	29.6%	Industrials

Top 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Exact Sciences Corp	0.0%	61.2%	-0.1%	Healthcare
Inspire Medical Systems Inc	0.0%	57.7%	6.4%	Healthcare
AppLovin Corp Ordinary Shares - A	0.1%	56.9%	226.7%	Information Technology
Doximity Inc Class A	0.0%	55.8%	105.3%	Healthcare
Ubiquiti Inc	0.0%	52.7%	55.3%	Information Technology
Vornado Realty Trust	0.0%	49.9%	75.4%	Real Estate
GE Vernova Inc	0.1%	48.7%	N/A	Utilities
VF Corp	0.0%	48.5%	15.5%	Communication Services
Palantir Technologies Inc Ordinary - A	0.1%	46.9%	132.5%	Technology
SharkNinja Inc	0.0%	44.7%	139.9%	Communication Services

Top 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Lumen Technologies Inc Ordinary	0.1%	545.5%	400.0%	Communication Services
CommScope Holding Co Inc	0.0%	396.7%	81.8%	Information Technology
Capricor Therapeutics Inc	0.0%	218.9%	344.7%	Health Care
Summit Therapeutics Inc Ordinary	0.0%	180.8%	1071.1%	Health Care
Q32 Bio Inc	0.0%	148.6%	N/A	Health Care
Intuitive Machines Inc Ordinary - A	0.0%	143.9%	120.5%	Industrials
IGM Biosciences Inc Ordinary	0.0%	140.8%	98.1%	Health Care
Cassava Sciences Inc	0.0%	138.3%	76.9%	Health Care
AST SpaceMobile Inc Ordinary - A	0.1%	125.2%	588.2%	Communication Services
Biomea Fusion Inc	0.0%	124.4%	-26.6%	Health Care

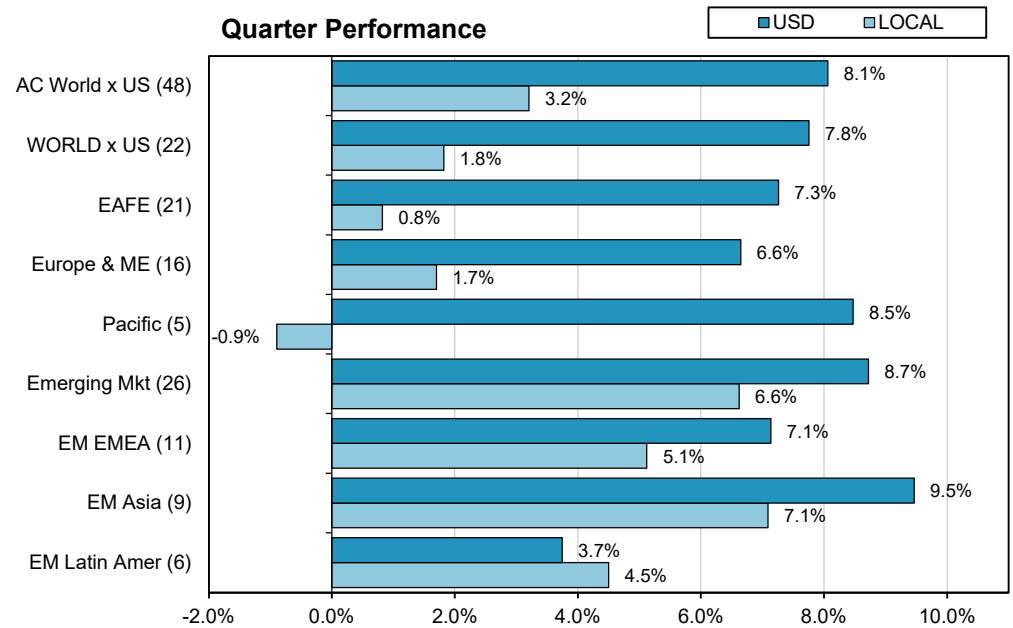
Bottom 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
New Fortress Energy Inc Class A	0.0%	-58.3%	-71.7%	Utilities
Wolfspeed Inc	0.0%	-57.4%	-74.5%	Information Technology
Trump Media & Technology Group Corp	0.0%	-50.9%	N/A	Communication Services
Super Micro Computer Inc	0.0%	-49.2%	51.8%	Information Technology
e.l.f. Beauty Inc	0.0%	-48.3%	-0.7%	Consumer Staples
Celsius Holdings Inc	0.0%	-45.1%	-45.2%	Consumer Staples
Moderna Inc	0.1%	-43.7%	-35.3%	Health Care
DexCom Inc	0.1%	-40.9%	-28.1%	Health Care
Advance Auto Parts Inc	0.0%	-38.2%	-29.1%	Communication Services
Dollar General Corp	0.0%	-35.7%	-18.6%	Consumer Staples

Bottom 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Conduit Pharmaceuticals Inc	0.0%	-88.8%	-98.0%	Health Care
HilleVax Inc	0.0%	-87.8%	-86.9%	Health Care
iLearningEngines Inc	0.0%	-81.6%	N/A	Information Technology
SolarMax Technology Inc	0.0%	-80.8%	N/A	Industrials
Verrica Pharmaceuticals Inc	0.0%	-80.1%	-62.7%	Health Care
Elevation Oncology Inc	0.0%	-77.8%	-9.5%	Health Care
Actinium Pharmaceuticals Inc	0.0%	-74.6%	-68.2%	Health Care
Renovaro Inc	0.0%	-72.4%	-89.2%	Health Care
B. Riley Financial Inc	0.0%	-70.2%	-86.1%	Financials
ALX Oncology Holdings Inc Ordinary	0.0%	-69.8%	-62.1%	Health Care

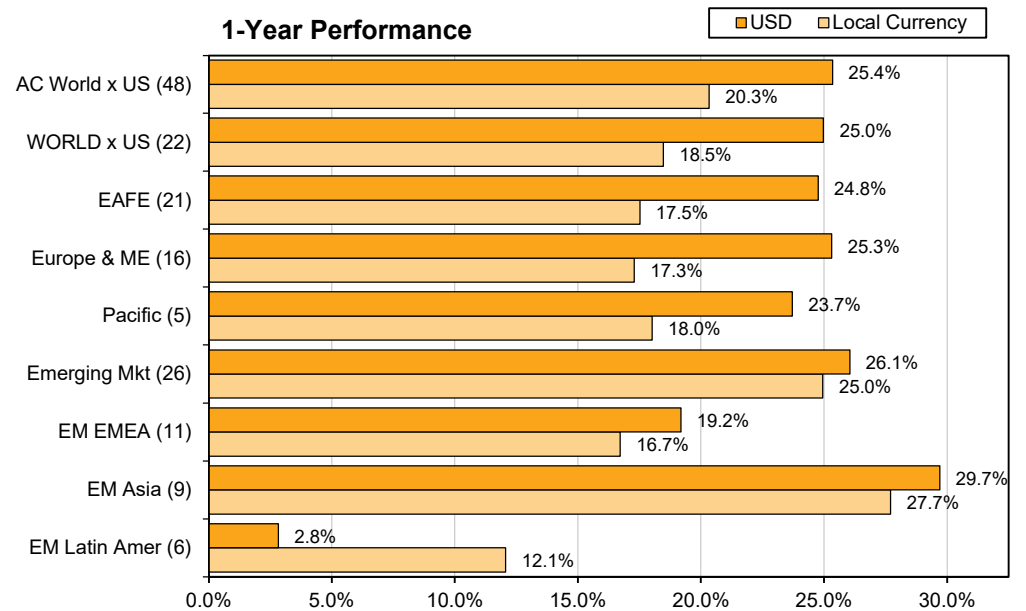
Source: Morningstar Direct

- Results in USD terms among the headline international equity indexes were sharply higher during the quarter, echoing the performance of major domestic equity benchmarks. The weakening USD relative to many major currencies during the quarter was a tailwind for the USD performance of most regional benchmarks' returns. The developed-market MSCI EAFE Index returned a muted 0.8% in LCL terms but rose 7.3% in USD terms. The MSCI Emerging Markets Index was the best-performing broad index, climbing 8.7% in USD and 6.6% in LCL terms for the quarter.
- Latin America lagged other regions during the quarter in USD terms, posting a return of 3.7%. Weakening currencies in the region put pressure on performance, making it the only region with USD performance that lagged LCL currency performance. The MSCI Pacific benchmark was the only regional benchmark to deliver negative performance in LCL teams (-0.9%), but USD weakness led to an 8.5% positive return in USD terms. Regional LCL currency performance struggles were led by the unwinding of the carry trade in the Japanese equity markets in early August which carried over to neighboring Pacific countries and US markets.
- China, which is the most heavily weighted country in the emerging market index, continued its rebound during the quarter posting a 23.5% gain in USD terms. Recently announced government stimulus for the Chinese economy helped lift equity markets in the country during the quarter. The Chinese economy has yet to expand at its pre-pandemic rate of roughly 5.0% primarily due to troubles in its commercial property and banking sectors, which have created challenges for growth in the region.
- Much like domestic markets, trailing one-year results for international developed and emerging markets benchmarks were strongly positive. Higher USD versus LCL returns for most international benchmarks demonstrate the USD's relative weakness over the trailing one-year period.
- All broad and regional indexes were positive for the trailing 12 months in both USD and LCL terms. The EM Latin America index, where weakening local currencies dragged the region's double-digit LCL performance to a muted 2.8% in USD terms. MSCI Asia Index led the way with a return of 27.7% in LCL terms for the trailing year. The relative weakening of the USD during the period further boosted returns in the region to 29.7% in USD terms.

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 September 30, 2024

MSCI - EAFE	Sector Weight	Quarter Return	1-Year Return
Communication Services	4.3%	11.5%	27.1%
Consumer Discretionary	11.0%	4.8%	14.4%
Consumer Staples	8.7%	10.6%	10.9%
Energy	3.6%	-5.8%	-2.1%
Financials	20.6%	10.4%	36.0%
Health Care	13.3%	4.6%	20.4%
Industrials	17.3%	9.4%	33.8%
Information Technology	8.7%	-2.4%	35.6%
Materials	6.8%	10.7%	24.0%
Real Estate	2.2%	17.3%	27.6%
Utilities	3.4%	14.9%	25.4%
Total	100.0%	7.3%	24.8%

MSCI - ACWixUS	Sector Weight	Quarter Return	1-Year Return
Communication Services	5.6%	13.6%	26.3%
Consumer Discretionary	11.3%	11.5%	20.4%
Consumer Staples	7.4%	10.5%	11.1%
Energy	5.0%	-1.7%	7.2%
Financials	22.5%	11.4%	33.2%
Health Care	9.4%	6.4%	20.4%
Industrials	13.8%	8.7%	30.5%
Information Technology	12.8%	-1.6%	38.3%
Materials	7.1%	9.4%	18.8%
Real Estate	1.9%	16.9%	23.5%
Utilities	3.2%	13.4%	27.7%
Total	100.0%	8.1%	25.4%

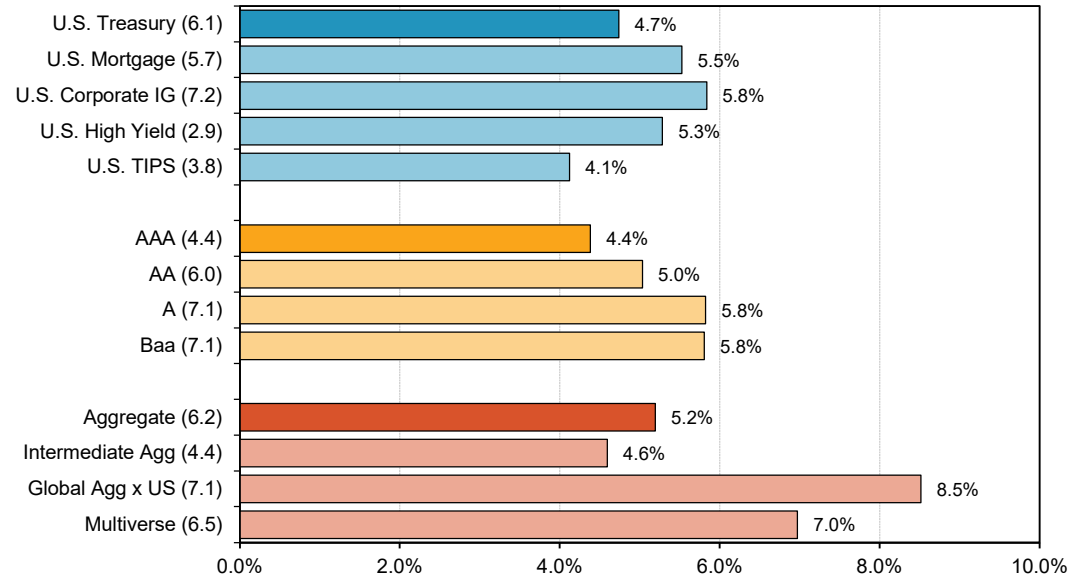
MSCI - Emerging Mkt	Sector Weight	Quarter Return	1-Year Return
Communication Services	9.4%	15.6%	26.2%
Consumer Discretionary	14.0%	25.0%	31.9%
Consumer Staples	5.2%	11.1%	9.6%
Energy	4.8%	-0.4%	17.4%
Financials	22.8%	10.4%	26.5%
Health Care	3.6%	22.9%	20.5%
Industrials	6.8%	7.0%	19.9%
Information Technology	22.2%	-2.6%	40.3%
Materials	6.6%	5.5%	5.5%
Real Estate	1.6%	14.8%	10.8%
Utilities	2.9%	9.3%	35.5%
Total	100.0%	8.7%	26.1%

Country	MSCI-EAFE Weight	MSCI-ACWixUS Weight	Quarter Return	1-Year Return
Japan	22.3%	14.0%	5.7%	21.6%
United Kingdom	14.7%	9.3%	7.9%	23.3%
France	11.4%	7.1%	7.7%	16.4%
Switzerland	9.9%	6.2%	8.5%	21.6%
Germany	9.0%	5.7%	10.7%	32.1%
Australia	7.8%	4.9%	11.5%	31.6%
Netherlands	4.8%	3.0%	-4.5%	38.7%
Denmark	3.4%	2.1%	-10.3%	24.5%
Sweden	3.4%	2.1%	8.4%	35.8%
Italy	2.7%	1.7%	8.6%	34.4%
Spain	2.8%	1.8%	13.7%	35.9%
Hong Kong	2.0%	1.3%	24.4%	14.8%
Singapore	1.5%	0.9%	17.6%	33.9%
Finland	1.0%	0.7%	8.1%	16.5%
Belgium	1.0%	0.6%	15.3%	25.9%
Israel	0.8%	0.5%	12.4%	32.4%
Norway	0.6%	0.4%	2.1%	4.5%
Ireland	0.3%	0.2%	13.9%	38.6%
Portugal	0.2%	0.1%	8.7%	11.3%
Austria	0.2%	0.1%	8.7%	28.3%
New Zealand	0.2%	0.1%	5.6%	20.1%
Total EAFE Countries	100.0%	62.7%	7.3%	24.8%
Canada		7.7%	12.0%	26.8%
Total Developed Countries		70.4%	7.8%	25.0%
China		8.2%	23.5%	23.9%
India		5.8%	7.3%	40.3%
Taiwan		5.2%	0.5%	52.7%
Korea		3.1%	-5.6%	9.3%
Brazil		1.4%	7.1%	2.6%
Saudi Arabia		1.1%	5.3%	11.2%
South Africa		0.9%	16.1%	36.7%
Mexico		0.6%	-3.4%	-3.4%
Indonesia		0.5%	15.3%	5.2%
Malaysia		0.4%	20.5%	35.6%
Thailand		0.4%	28.9%	17.0%
United Arab Emirates		0.3%	12.0%	6.4%
Poland		0.3%	-3.9%	45.7%
Turkey		0.2%	-12.6%	6.8%
Qatar		0.2%	10.6%	11.2%
Kuwait		0.2%	3.7%	8.9%
Philippines		0.2%	21.7%	22.7%
Greece		0.1%	10.4%	31.3%
Chile		0.1%	5.3%	5.8%
Peru		0.1%	7.9%	57.4%
Hungary		0.1%	6.3%	36.4%
Czech Republic		0.0%	5.1%	7.7%
Colombia		0.0%	-0.9%	25.4%
Egypt		0.0%	12.3%	-7.3%
Total Emerging Countries		29.6%	8.7%	26.1%
Total ACWixUS Countries		100.0%	8.1%	25.4%

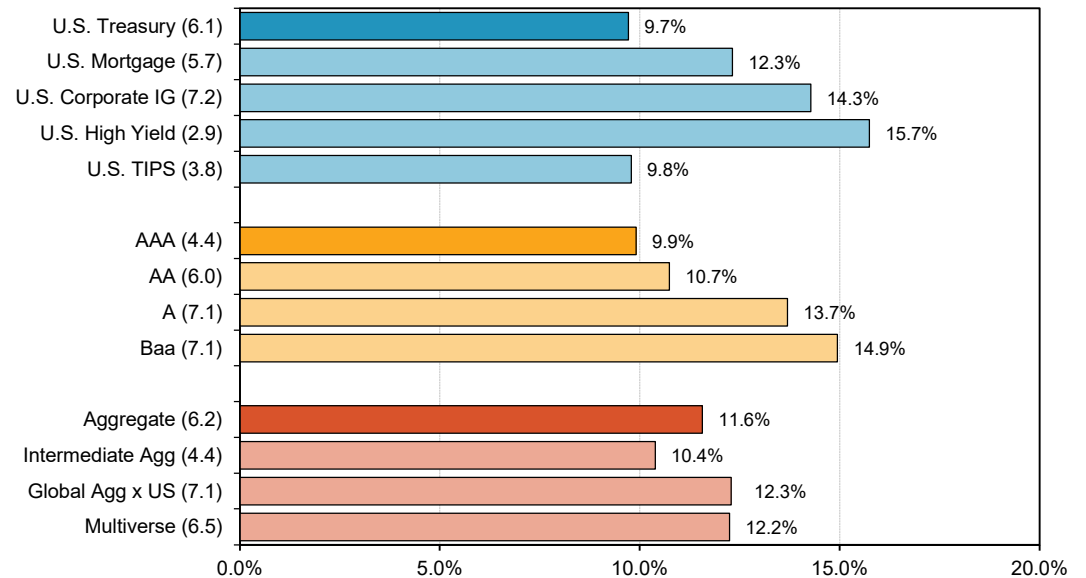
Source: Morningstar Direct, MSCI Global Index Monitor (Returns are Net in USD)
As a result of the GICS classification changes on 9/28/2018 and certain associated reporting limitations, sector performance represents backward looking performance for the prior year of each sector's current constituency,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

- Domestic fixed-income markets advanced during the third quarter. Although the Federal Reserve began to unwind its tight monetary policy stance that began in 2022 during the quarter, yields remained elevated. On September 18, the Fed reduced its target policy rate by 0.50%, a move that was celebrated in a performance boost by equity and bond markets alike.
- After a muted first half of 2024, which held the Bloomberg US Aggregate Bond Index slightly negative for the year, the index posted its best quarterly performance year-to-date, climbing 5.2% during the third quarter. Performance across the investment-grade index's segments was more favorable in the credit sectors, with the corporate investment-grade index rising 5.8%, outpacing the government and mortgage-backed-securities sectors. Lower quality issues also performed better, with A and BAA components of the index outpacing higher quality issues during the quarter.
- High Yield bonds underperformed investment grade issues as interest rates declined primarily due to the high-yield benchmark's lower duration. Despite their lower duration, below-investment grade issues continued to rise, posting a return of 5.3% for the quarter. The Bloomberg Global Aggregate ex-US Index outperformed all broad-market domestic indexes with a return of 8.5% for the quarter, aided by a weakening USD.
- Over the trailing one-year period, the Bloomberg US Aggregate Bond Index posted a solid 11.6% return. The benchmark's sub-components also posted positive performance over the trailing 12 months with the Bloomberg US Corporate Investment Grade Index rising a strong 14.3% and the US Mortgage Index returning 12.3%. US TIPS, which are excluded from the Bloomberg US Aggregate Bond Index, returned 9.8% for the trailing year.
- Among credit qualities, lower-quality issues (both within investment grade and below investment grade) have outperformed higher-quality bonds due to higher yields and credit spread compression over the last year. Higher yields mean larger coupon payments as well as greater sensitivity to changes in credit spreads, which narrowed. High-yield bonds have enjoyed a healthy 15.7% gain for the trailing year.
- The Bloomberg Global Aggregate ex-US Index moderately outpaced its domestic counterpart, the Bloomberg US Aggregate Bond Index, by 0.7% during the trailing year.

Quarter Performance



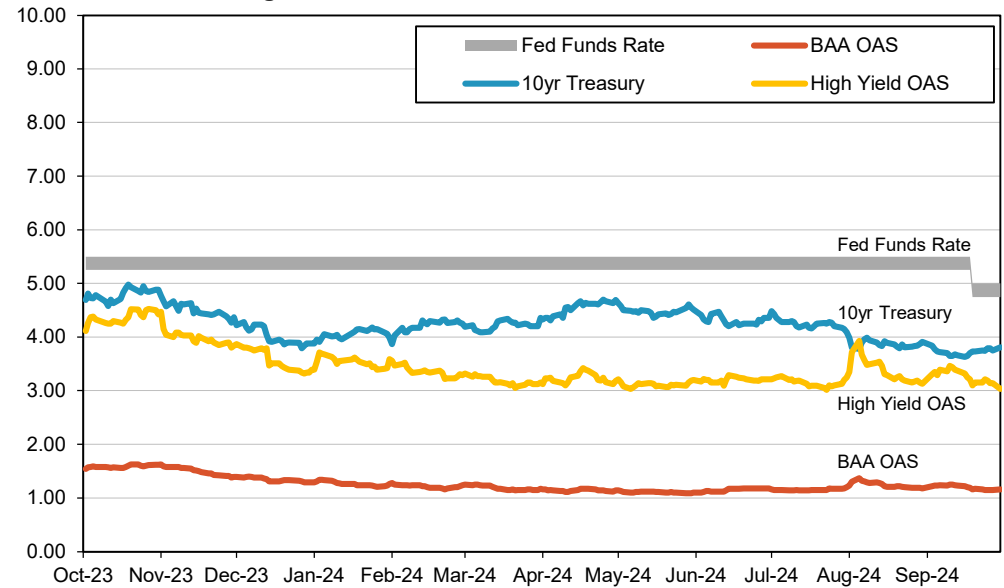
1-Year Performance



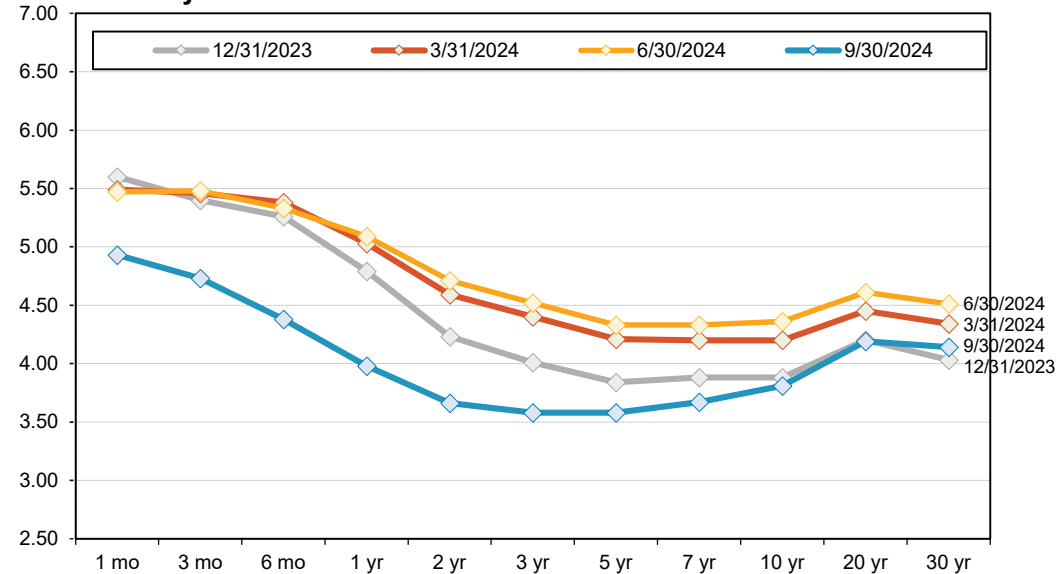
Source: Bloomberg

- The gray band across the graph illustrates the fed funds target rate range over the last 12 months. During the third quarter, the Federal Open Market Committee (FOMC) cut its policy rates by 0.50%, to a range of 4.75-5.00%. The last rate increase occurred at the FOMC's July 2023 meeting, and this was the first rate cut since March of 2020. With inflation declining and unemployment remaining largely stable, the Fed appears to be pivoting from a tight monetary policy stance. The most recent FOMC press release continued to emphasize economic data-dependent outcomes while placing renewed emphasis on the second part of the committee's dual mandate: full employment. The CME FedWatch tool, which forecasts rates based on fed fund futures pricing, showed a greater than 80% probability of a 0.25% rate decrease at the FOMC November meeting at the time of this writing. Fed officials and market participants continue to express concern that leaving rates at their current elevated 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.
- The yield on the US 10-year Treasury (blue line of the top chart) fell roughly 0.55% during the quarter, attributable to Fed policy decisions and expectations of future rate actions. The bellwether benchmark rate opened the quarter at a yield of 4.36% and finished September at a yield of 3.81%. The 10-year Treasury benchmark's rate peaked in October 2023, cresting at a yield of just under 5.00% before pulling back during 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 investors require to purchase and hold non-US Treasury issues with the lowest investment grade rating. During the quarter, the yield spread was relatively stable, beginning July at 1.18% and finishing September at 1.16%. High-yield OAS spreads (represented by the yellow line in the top chart) have also remained relatively unchanged, despite a sharp spike in early August spurred by an unwinding of the Yen carry trade. The high-yield OAS fell 0.18% over the quarter from 3.21% to 3.03%. The spread measure's relative stability over the trailing year 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. For the first time since July 2022, the quarter-end yield on the 10-year Treasury was higher relative to the two-year Treasury. The yield curve has been inverted for each of the previous three quarter-end readings on the graph and for much of the last two years. This 2-10-year yield curve inversion is a common heuristic used to foretell a pending recession environment.

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 \(jpmorgan.com\)](#)

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

[China's Economy Limpes Into 2024 – WSJ Support Site - Global Index Lens: Index Returns – MSCI](#)

[Federal Reserve issues FOMC statement](#)

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

[U.S. job growth revised down by the most since 2009. Why this time is different \(cnbc.com\)](#)

[The Fed - Meeting calendars and information \(federalreserve.gov\)](#)

[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 \(investopedia.com\)](#)

[Fed's Jerome Powell Declares 'Time Has Come' for Interest-Rate Cuts – WSJ](#)

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

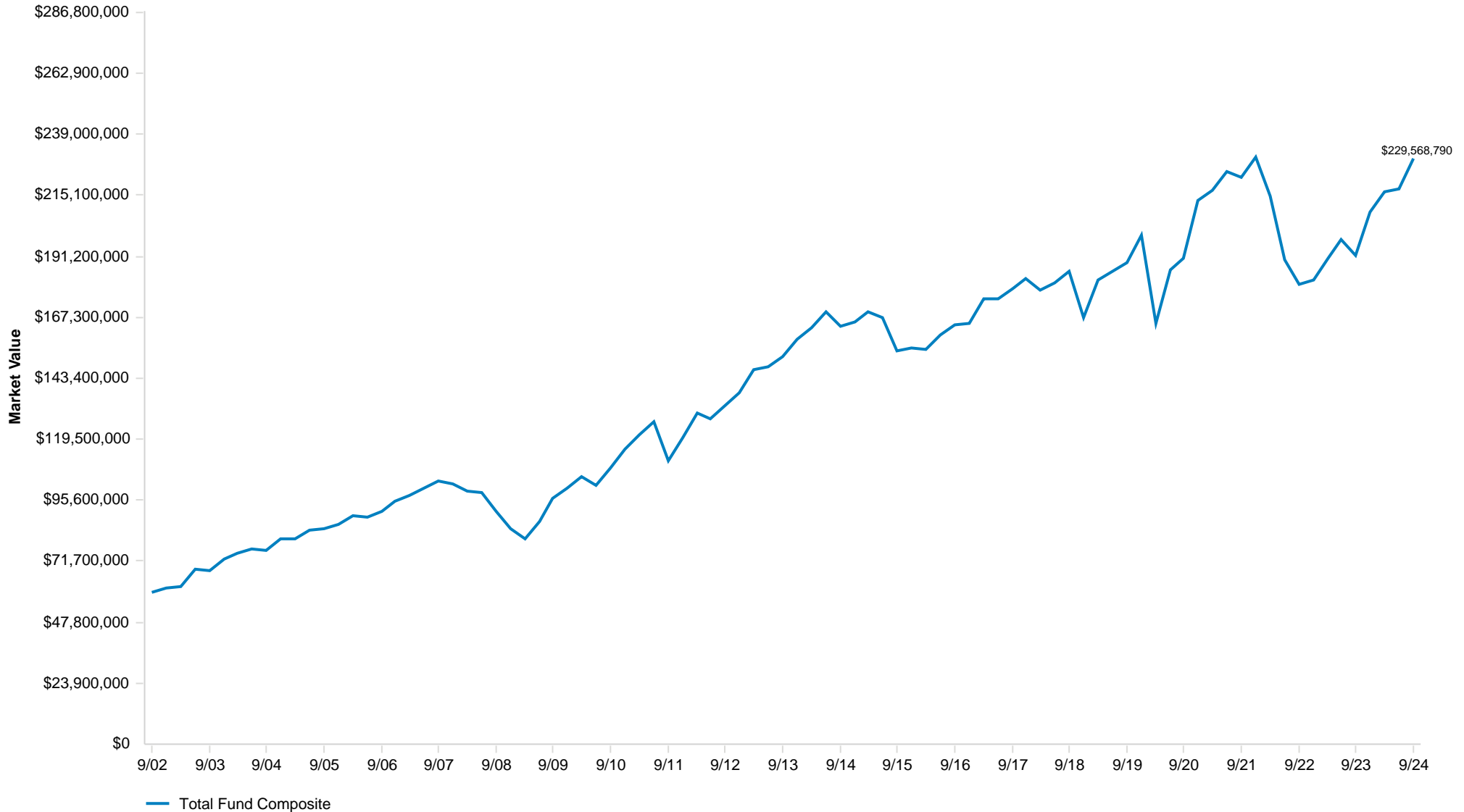
[Fed rate cut: Here's what changed in the central bank's statement \(cnbc.com\)](#)

[10-Year Treasury Constant Maturity Minus 2-Year Treasury Constant Maturity \(T10Y2Y\) | FRED | St. Louis Fed \(stlouisfed.org\)](#)

22.9%

Schedule of Investable Assets
Total Fund
 October 1, 2002 To September 30, 2024

Schedule of Investable Assets

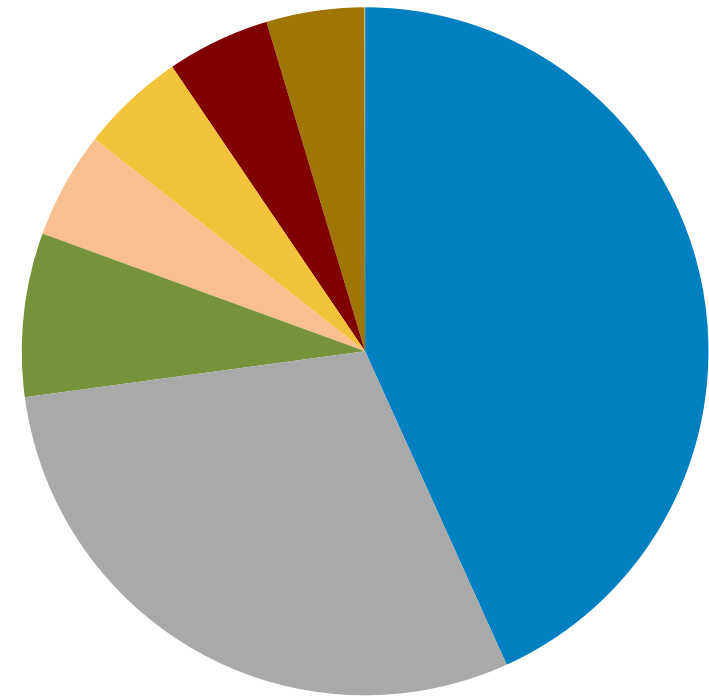
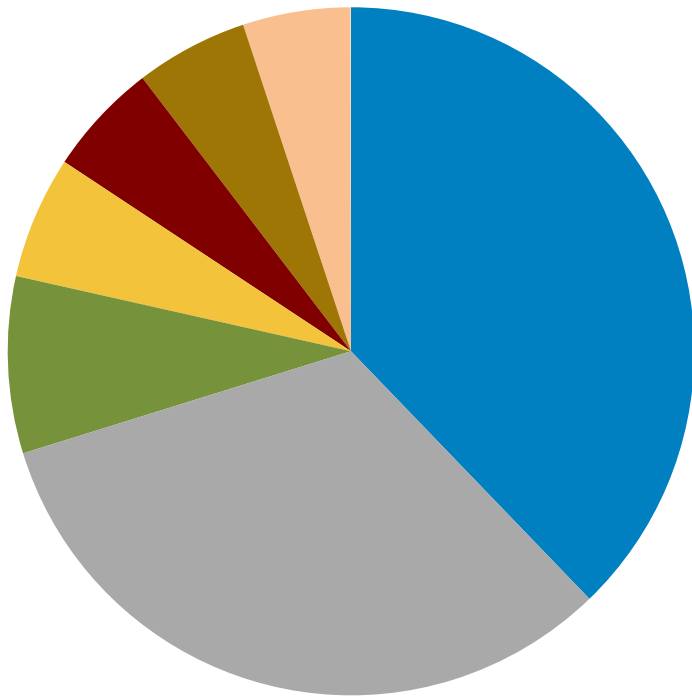


Schedule of Investable Assets

Periods Ending	Beginning Market Value \$	Net Cash Flow \$	Gain/Loss \$	Ending Market Value \$	%Return
Oct-2002 To Sep-2024	59,280,518	-40,340,958	210,629,230	229,568,790	7.32

Jun-2024 : \$217,554,097

Sep-2024 : \$229,568,790



Allocation			Allocation		
	Market Value	Allocation		Market Value	Allocation
Total Domestic Equity	74,143,579	37.8	Total Domestic Equity	99,261,505	43.2
Fixed Income	63,618,361	32.4	Fixed Income	68,017,031	29.6
International Equity	16,298,565	8.3	International Equity	17,660,655	7.7
GTAA	11,315,128	5.8	Real Estate	11,507,960	5.0
High Yield Fixed Income	10,469,070	5.3	GTAA	11,325,771	4.9
Total Bank Loans	10,388,119	5.3	High Yield Fixed Income	11,144,490	4.9
Real Estate	9,918,442	5.1	Total Bank Loans	10,576,581	4.6
Cash	71,492	0.0	Cash	74,798	0.0

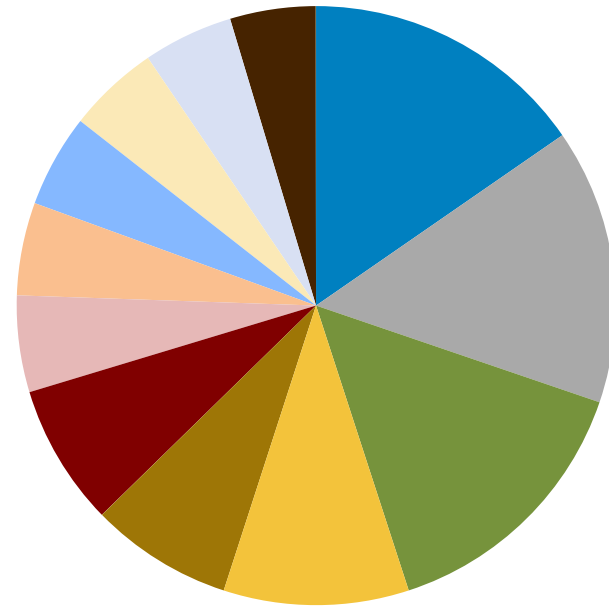
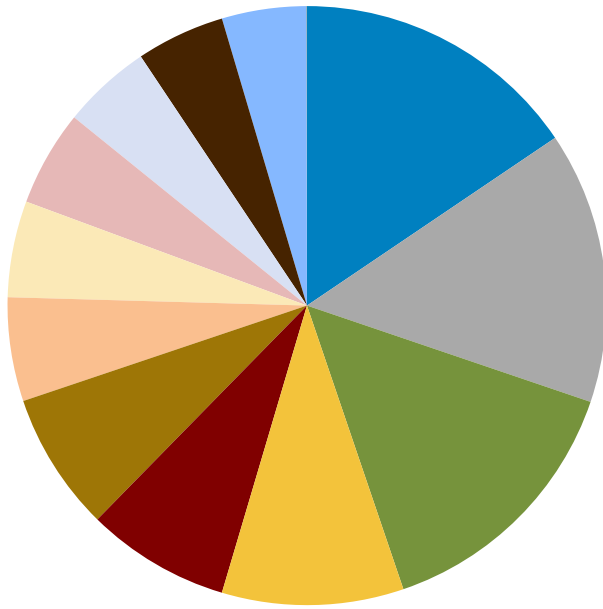
Asset Allocation by Asset Class

Total Fund

As of September 30, 2024

Jun-2024 : \$217,554,097

Sep-2024 : \$229,568,790



Allocation			Allocation		
	Market Value	Allocation		Market Value	Allocation
■ Vanguard Index Fund Institutional (VINIX)	33,806,274	15.5	■ Vanguard Index Fund Institutional (VINIX)	35,272,507	15.4
■ MacKay Shields Core Plus	31,914,308	14.7	■ MacKay Shields Core Plus	34,121,617	14.9
■ Dodge & Cox Income (DODIX)	31,704,053	14.6	■ Dodge & Cox Income (DODIX)	33,895,415	14.8
■ Barrow Hanley MeWhinney & Strauss	21,331,343	9.8	■ Barrow Hanley MeWhinney & Strauss	22,961,574	10.0
■ Stephens Mid Cap Growth	16,883,235	7.8	■ Causeway International (CIVIX)	17,660,655	7.7
■ Causeway International (CIVIX)	16,298,565	7.5	■ Stephens Mid Cap Growth	17,549,427	7.6
■ Fidelity Large Cap Growth (FSPGX)	12,199,464	5.6	■ Fiduciary Management	11,963,653	5.2
■ BlackRock Multi-Asset Income (BKMIX)	11,315,128	5.2	■ Fidelity Large Cap Growth (FSPGX)	11,514,344	5.0
■ Fiduciary Management	11,254,606	5.2	■ Cohen & Steers (CSRIX)	11,507,960	5.0
■ Loomis Sayles High Yield (LSHIX)	10,469,070	4.8	■ BlackRock Multi-Asset Income (BKMIX)	11,325,771	4.9
■ Aristotle Floating Rate (PLFRX)	10,388,119	4.8	■ Loomis Sayles High Yield (LSHIX)	11,144,490	4.9
■ Cohen & Steers (CSRIX)	9,918,442	4.6	■ Aristotle Floating Rate (PLFRX)	10,576,581	4.6
■ Cash	71,492	0.0	■ Cash	74,798	0.0

Financial Reconciliation
Total Fund
1 Quarter Ending September 30, 2024

	Market Value 07/01/2024	Net Transfers	Contributions	Distributions	Management Fees	Other Expenses	Return On Investment	Market Value 09/30/2024
Fiduciary Management	11,254,606	-	-	-	-15,475	-1,563	726,085	11,963,653
Vanguard Index Fund Institutional (VINIX)	33,806,274	-505,000	-	-	-	-	1,971,233	35,272,507
Stacey Braun	-	-	-	-	-	-	-	-
Fidelity Large Cap Growth (FSPGX)	12,199,464	-1,035,000	-	-	-	-	349,879	11,514,344
Stephens Mid Cap Growth	16,883,235	-	-	-	-31,094	-2,347	699,633	17,549,427
Barrow Hanley MeWhinney & Strauss	21,331,343	-	-	-	-34,966	-2,965	1,668,162	22,961,574
Causeway International (CIVIX)	16,298,565	-	-	-	-	-	1,362,090	17,660,655
Cohen & Steers (CSRIX)	9,918,442	-	-	-	-	-	1,589,518	11,507,960
BlackRock Multi-Asset Income (BKMIX)	11,315,128	-620,000	-	-	-	-	630,643	11,325,771
MacKay Shields Core Plus	31,914,308	420,000	-	-	-27,925	-4,518	1,819,752	34,121,617
Dodge & Cox Income (DODIX)	31,704,053	420,000	-	-	-	-	1,771,362	33,895,415
Loomis Sayles High Yield (LSHIX)	10,469,070	-	-	-	-	-	675,420	11,144,490
Aristotle Floating Rate (PLFRX)	5,240,583	-	-	-	-	-	95,077	5,335,660
Cash	71,492	1,320,000	1,827,500	-3,101,192	-	-46,663	3,660	74,798
Total Fund Composite	217,554,097	-	1,827,500	-3,101,192	-109,460	-58,056	13,455,900	229,568,790

Financial Reconciliation for illustrative purposes only.

Financial Reconciliation

Total Fund

Year To Date Ending September 30, 2024

	Market Value 01/01/2024	Net Transfers	Contributions	Distributions	Management Fees	Other Expenses	Return On Investment	Market Value 09/30/2024
Fiduciary Management	12,111,245	-1,770,000	-	-	-49,410	-5,016	1,676,833	11,963,653
Vanguard Index Fund Institutional (VINIX)	29,327,750	-505,000	-	-	-	-	6,449,757	35,272,507
Stacey Braun	11,737,711	-13,519,869	-	-	-24,460	-1,652	1,808,270	-
Fidelity Large Cap Growth (FSPGX)	-	10,237,396	-	-	-	-	1,276,948	11,514,344
Stephens Mid Cap Growth	16,071,591	-	-	-	-93,382	-7,053	1,578,271	17,549,427
Barrow Hanley MeWhinney & Strauss	21,053,877	-	-	-	-105,621	-9,018	2,022,336	22,961,574
Causeway International (CIVIX)	15,673,570	-	-	-	-	-	1,987,085	17,660,655
Cohen & Steers (CSRIX)	9,901,752	-	-	-	-	-	1,606,207	11,507,960
BlackRock Multi-Asset Income (BKMIX)	10,927,214	-620,000	-	-	-	-	1,018,557	11,325,771
MacKay Shields Core Plus	29,780,662	2,440,000	-	-	-80,911	-12,943	1,994,810	34,121,617
Dodge & Cox Income (DODIX)	31,646,627	420,000	-	-	-	-	1,828,788	33,895,415
Loomis Sayles High Yield (LSHIX)	10,225,167	-	-	-	-	-	919,323	11,144,490
Aristotle Floating Rate (PLFRX)	5,021,938	-	-	-	-	-	313,723	5,335,660
Cash	89,570	3,317,473	5,976,500	-9,120,528	-	-201,417	13,201	74,798
Total Fund Composite	208,501,455	-	5,976,500	-9,120,528	-353,785	-237,099	24,802,246	229,568,790

**Port of Houston Authority Pension Plan
Asset Allocation & Performance Trailing
As of September 30, 2024**

	Allocation		Performance(%)							
	Market Value \$	%	QTR	1 YR	3 YR	5 YR	7 YR	10 YR	Inception	Inception Date
Total Fund Composite (Gross of Fees)	229,568,790	100.0	6.22	22.89	5.28	7.74	6.97	6.65	7.32	10/01/2002
Policy Index			6.82	22.24	3.70	6.12	5.90	5.74	7.07	
Difference			-0.60	0.65	1.58	1.62	1.07	0.91	0.25	
Pension Actuarial Assumption			1.47	6.00	6.00	6.00	6.00	6.00	6.00	
Difference			4.75	16.89	-0.72	1.74	0.97	0.65	1.32	
Total Fund Composite (Net of Fees)	229,568,790	100.0	6.17	22.62	5.03	7.45	6.65	6.29	6.77	10/01/2002
Fiduciary Management	11,963,653	5.2	6.46 (74)	30.32 (35)	10.35 (57)	11.24 (80)	10.92 (56)	10.77 (39)	10.24 (22)	01/01/2006
Russell 1000 Value Index			9.43 (19)	27.76 (60)	9.03 (78)	10.69 (85)	9.53 (83)	9.23 (86)	8.16 (92)	
Difference			-2.97	2.56	1.32	0.55	1.39	1.54	2.08	
S&P 500 Index			5.89 (86)	36.35 (7)	11.91 (26)	15.98 (10)	14.50 (7)	13.38 (6)	10.66 (17)	
Difference			0.57	-6.03	-1.56	-4.74	-3.58	-2.61	-0.42	
IM U.S. Large Cap Value Equity (SA+CF) Median			7.72	28.85	10.70	12.89	11.16	10.52	9.35	
Vanguard Index Fund Institutional (VINIX)	35,272,507	15.4	5.88 (42)	36.30 (26)	11.88 (21)	15.95 (19)	14.47 (12)		14.59 (12)	05/01/2017
S&P 500 Index			5.89 (41)	36.35 (25)	11.91 (20)	15.98 (18)	14.50 (11)	13.38 (7)	14.61 (11)	
Difference			-0.01	-0.05	-0.03	-0.03	-0.03		-0.02	
Large Blend Median			5.79	34.79	10.73	14.87	13.16	12.11	13.31	
Fidelity Large Cap Growth (FSPGX)	11,514,344	5.0	3.14 (52)						11.75 (12)	04/01/2024
Russell 1000 Growth Index			3.19 (50)	42.19 (37)	12.02 (6)	19.74 (11)	18.20 (8)	16.52 (7)	11.79 (11)	
Difference			-0.05						-0.04	
Large Growth Median			3.19	40.32	8.30	16.50	15.47	14.17	9.12	
Stephens Mid Cap Growth	17,549,427	7.6	4.15 (72)	25.21 (50)	2.19 (34)	12.08 (16)	13.17 (9)	12.42 (12)	13.54 (16)	01/01/2013
Russell Midcap Growth Index			6.54 (27)	29.33 (21)	2.32 (32)	11.48 (27)	11.88 (32)	11.30 (35)	12.96 (25)	
Difference			-2.39	-4.12	-0.13	0.60	1.29	1.12	0.58	
IM U.S. Mid Cap Growth Equity (SA+CF) Median			4.83	24.90	-0.16	10.89	11.10	10.68	12.00	
Barrow Hanley McWhinney & Strauss	22,961,574	10.0	7.82 (59)	21.51 (73)	9.99 (17)	15.73 (6)	10.48 (13)	11.63 (8)	11.57 (3)	04/01/2005
Russell 2000 Value Index			10.15 (19)	25.88 (28)	3.77 (84)	9.29 (75)	6.60 (83)	8.22 (71)	7.48 (90)	
Difference			-2.33	-4.37	6.22	6.44	3.88	3.41	4.09	
IM U.S. Small Cap Value Equity (SA+CF) Median			8.24	23.92	6.49	10.77	7.95	8.83	8.62	
Causeway International (CIVIX)	17,660,655	7.7	8.36 (28)	23.87 (53)	10.53 (2)	11.38 (3)	6.77 (17)	5.89 (35)	5.81 (31)	10/01/2013
MSCI EAFE Index			7.33 (49)	25.38 (34)	6.02 (24)	8.72 (27)	6.52 (20)	6.22 (27)	6.08 (25)	
Difference			1.03	-1.51	4.51	2.66	0.25	-0.33	-0.27	
MSCI EAFE Value Index (Net)			8.89 (21)	23.14 (62)	8.94 (6)	8.27 (36)	5.02 (62)	4.56 (82)	4.66 (78)	
Difference			-0.53	0.73	1.59	3.11	1.75	1.33	1.15	
Foreign Median			7.25	24.09	3.85	7.68	5.35	5.45	5.34	
Cohen & Steers (CSRIX)	11,507,960	5.0	16.03 (47)	35.99 (10)	4.78 (8)	6.59 (9)	8.79 (3)	9.16 (4)	9.75 (4)	01/01/2012
FTSE NAREIT All Equity REITs			16.79 (25)	34.77 (20)	3.51 (32)	5.09 (45)	7.13 (40)	8.04 (29)	9.07 (17)	
Difference			-0.76	1.22	1.27	1.50	1.66	1.12	0.68	
Real Estate Median			15.92	32.89	2.98	4.94	6.62	7.31	8.28	

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), Dodge & Cox Income (DODIX), 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 Pension Plan
Asset Allocation & Performance Trailing
As of September 30, 2024**

	Allocation		Performance(%)								Inception Date
	Market Value \$	%	QTR	1 YR	3 YR	5 YR	7 YR	10 YR	Inception		
BlackRock Multi-Asset Income (BKMIX)	11,325,771	4.9	5.70 (62)	18.13 (79)	3.12 (62)					7.60 (86)	04/01/2020
50% S&P 500/50% Barclays Agg			5.54 (67)	23.48 (29)	5.30 (28)	8.22 (12)	8.12 (6)	7.74 (4)	10.28 (49)		
Difference			0.16	-5.35	-2.18				-2.68		
Global Allocation Median			6.09	21.74	3.71	6.41	5.45	5.15	10.17		
MacKay Shields Core Plus	34,121,617	14.9	5.70 (7)	13.71 (18)	-0.63 (35)	1.60 (25)	2.49 (23)	2.71 (29)	2.63 (29)	2.63 (29)	07/01/2014
Blmbg. U.S. Aggregate Index			5.20 (56)	11.57 (87)	-1.39 (82)	0.33 (94)	1.47 (91)	1.84 (89)	1.81 (88)		
Difference			0.50	2.14	0.76	1.27	1.02	0.87	0.82		
IM U.S. Broad Market Core+ Fixed Income (SA+CF) Median			5.22	12.70	-0.92	1.14	2.14	2.48	2.39		
Dodge & Cox Income (DODIX)	33,895,415	14.8	5.59 (17)	13.53 (17)						9.15 (6)	11/01/2022
Blmbg. U.S. Aggregate Index			5.20 (54)	11.57 (85)	-1.39 (51)	0.33 (73)	1.47 (64)	1.84 (64)	6.96 (81)		
Difference			0.39	1.96					2.19		
Intermediate Core-Plus Bond Median			5.22	12.61	-1.38	0.74	1.68	2.02	7.78		
Loomis Sayles High Yield (LSHIX)	11,144,490	4.9	6.45 (1)	15.70 (17)	2.37 (66)	4.12 (43)	3.62 (71)	3.74 (77)	5.95 (13)		01/01/2012
ICE BofA U.S. High Yield Index			5.28 (12)	15.66 (17)	3.08 (35)	4.55 (27)	4.56 (22)	4.95 (13)	5.94 (13)		
Difference			1.17	0.04	-0.71	-0.43	-0.94	-1.21	0.01		
High Yield Bond Median			4.51	14.29	2.73	4.03	3.99	4.23	5.24		
Aristotle Floating Rate (PLFRX)	10,576,581	4.6	1.81 (77)	9.58 (24)	6.46 (6)					6.46 (6)	10/01/2021
Credit Suisse Leveraged Loan Index			2.05 (33)	9.62 (23)	6.28 (8)	5.60 (4)	5.24 (3)	4.85 (2)	6.28 (8)		
Difference			-0.24	-0.04	0.18				0.18		
Bank Loan Median			1.95	8.95	5.31	4.52	4.17	3.95	5.31		
Cash	74,798	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), Dodge & Cox Income (DODIX), 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 Pension Plan
Asset Allocation & Performance Trailing
As of September 30, 2024

	Allocation		Performance(%)						
	Market Value \$	%	YTD	2023	2022	2021	2020	2019	
Total Fund Composite (Gross of Fees)	229,568,790	100.0	12.07	16.89	-14.85	11.51	12.08	18.22	
Policy Index			11.16	13.91	-15.49	11.63	9.04	17.62	
Difference			0.91	2.98	0.64	-0.12	3.04	0.60	
Pension Actuarial Assumption			4.47	6.00	6.00	6.00	6.00	6.00	
Difference			7.60	10.89	-20.85	5.51	6.08	12.22	
Total Fund Composite (Net of Fees)	229,568,790	100.0	11.89	16.63	-15.06	11.21	11.68	17.79	
Fiduciary Management	11,963,653	5.2	15.39 (61)	21.35 (15)	-13.07 (81)	19.07 (94)	11.07 (22)	24.33 (70)	
Russell 1000 Value Index			16.68 (45)	11.46 (62)	-7.54 (64)	25.16 (67)	2.80 (63)	26.54 (53)	
Difference			-1.29	9.89	-5.53	-6.09	8.27	-2.21	
S&P 500 Index			22.08 (3)	26.29 (8)	-18.11 (93)	28.71 (33)	18.40 (7)	31.49 (14)	
Difference			-6.69	-4.94	5.04	-9.64	-7.33	-7.16	
IM U.S. Large Cap Value Equity (SA+CF) Median			16.25	13.29	-5.86	26.96	3.97	26.82	
Vanguard Index Fund Institutional (VINIX)	35,272,507	15.4	22.04 (25)	26.25 (25)	-18.12 (49)	28.67 (21)	18.39 (35)	31.48 (22)	
S&P 500 Index			22.08 (24)	26.29 (24)	-18.11 (49)	28.71 (20)	18.40 (35)	31.49 (22)	
Difference			-0.04	-0.04	-0.01	-0.04	-0.01	-0.01	
Large Blend Median			20.58	24.51	-18.15	26.80	17.32	29.98	
Fidelity Large Cap Growth (FSPGX)	11,514,344	5.0							
Russell 1000 Growth Index			24.55 (32)	42.68 (32)	-29.14 (36)	27.60 (15)	38.49 (38)	36.39 (19)	
Difference									
Large Growth Median			22.87	39.01	-30.94	22.00	35.66	32.79	
Stephens Mid Cap Growth	17,549,427	7.6	9.86 (57)	26.63 (12)	-27.30 (51)	13.10 (52)	42.40 (30)	33.25 (62)	
Russell Midcap Growth Index			12.91 (28)	25.87 (14)	-26.72 (47)	12.73 (57)	35.59 (47)	35.47 (45)	
Difference			-3.05	0.76	-0.58	0.37	6.81	-2.22	
IM U.S. Mid Cap Growth Equity (SA+CF) Median			11.22	23.20	-27.11	13.15	34.27	34.69	
Barrow Hanley MeWhinney & Strauss	22,961,574	10.0	9.65 (56)	20.58 (26)	-8.83 (28)	20.64 (89)	26.79 (3)	27.54 (20)	
Russell 2000 Value Index			9.22 (60)	14.65 (65)	-14.48 (76)	28.27 (53)	4.63 (50)	22.39 (66)	
Difference			0.43	5.93	5.65	-7.63	22.16	5.15	
IM U.S. Small Cap Value Equity (SA+CF) Median			10.25	16.40	-11.57	28.76	4.42	24.00	
Causeway International (CIVIX)	17,660,655	7.7	12.68 (50)	27.33 (2)	-6.75 (6)	9.07 (65)	5.40 (75)	20.21 (73)	
MSCI EAFE Index			13.50 (37)	18.85 (23)	-14.01 (29)	11.78 (36)	8.28 (59)	22.66 (50)	
Difference			-0.82	8.48	7.26	-2.71	-2.88	-2.45	
MSCI EAFE Value Index (Net)			13.79 (32)	18.95 (22)	-5.58 (4)	10.89 (47)	-2.63 (96)	16.09 (92)	
Difference			-1.11	8.38	-1.17	-1.82	8.03	4.12	
Foreign Median			12.65	16.22	-16.85	10.64	10.18	22.56	

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), Dodge & Cox Income (DODIX), 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 Pension Plan
Asset Allocation & Performance Trailing
As of September 30, 2024

	Allocation		Performance(%)						
	Market Value \$	%	YTD	2023	2022	2021	2020	2019	
Cohen & Steers (CSRIX)	11,507,960	5.0	16.22 (17)	12.72 (39)	-24.72 (13)	42.69 (34)	-2.57 (20)	33.01 (7)	
FTSE NAREIT All Equity REITs			14.23 (42)	11.36 (66)	-24.95 (18)	41.30 (53)	-5.12 (54)	28.66 (39)	
Difference			1.99	1.36	0.23	1.39	2.55	4.35	
Real Estate Median			13.86	12.07	-26.29	41.44	-4.86	27.78	
BlackRock Multi-Asset Income (BKMIX)	11,325,771	4.9	9.46 (77)	11.10 (55)	-11.53 (37)	7.20 (81)			
50% S&P 500/50% Barclays Agg			13.03 (28)	15.58 (10)	-15.26 (60)	12.80 (32)	13.66 (21)	19.89 (18)	
Difference			-3.57	-4.48	3.73	-5.60			
Global Allocation Median			11.51	11.66	-14.28	10.75	7.28	17.33	
MacKay Shields Core Plus	34,121,617	14.9	6.29 (20)	7.35 (37)	-14.07 (88)	-0.12 (47)	10.28 (18)	9.47 (68)	
Blmbg. U.S. Aggregate Index			4.45 (99)	5.53 (94)	-13.01 (54)	-1.55 (99)	7.51 (86)	8.72 (89)	
Difference			1.84	1.82	-1.06	1.43	2.77	0.75	
IM U.S. Broad Market Core+ Fixed Income (SA+CF) Median			5.60	6.88	-12.91	-0.25	8.99	9.94	
Dodge & Cox Income (DODIX)	33,895,415	14.8	5.78 (23)	7.69 (7)					
Blmbg. U.S. Aggregate Index			4.45 (85)	5.53 (75)	-13.01 (26)	-1.55 (81)	7.51 (71)	8.72 (67)	
Difference			1.33	2.16					
Intermediate Core-Plus Bond Median			5.25	6.20	-13.95	-0.85	8.41	9.28	
Loomis Sayles High Yield (LSHIX)	11,144,490	4.9	8.99 (7)	9.98 (91)	-11.66 (75)	8.25 (6)	3.47 (78)	10.53 (84)	
ICE BofA U.S. High Yield Index			8.03 (25)	13.46 (13)	-11.22 (63)	5.36 (37)	6.17 (31)	14.41 (34)	
Difference			0.96	-3.48	-0.44	2.89	-2.70	-3.88	
High Yield Bond Median			7.29	12.11	-10.68	4.80	5.31	13.55	
Aristotle Floating Rate (PLFRX)	10,576,581	4.6	6.25 (31)	13.79 (7)	-0.86 (15)				
Credit Suisse Leveraged Loan Index			6.58 (17)	13.04 (20)	-1.06 (20)	5.40 (20)	2.78 (13)	8.17 (38)	
Difference			-0.33	0.75	0.20				
Bank Loan Median			5.96	12.02	-2.22	4.37	1.57	7.69	
Cash	74,798	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), Dodge & Cox Income (DODIX), 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 a single portfolio manager. As of September 30, 2024, Fiduciary had a market value of \$11,963,653.

Fiduciary Management		Russell 1000 Value Index	
	Weight %		Weight %
Berkshire Hathaway Inc	5.1	Berkshire Hathaway Inc	3.3
Schwab (Charles) Corp	5.0	JPMorgan Chase & Co	2.4
Ferguson Enterprises Inc	4.9	Exxon Mobil Corp	2.1
Avery Dennison Corp	4.8	UnitedHealth Group Inc	2.0
Booking Holdings Inc	4.6	Johnson & Johnson	1.5
Masco Corporation	4.4	Walmart Inc	1.4
Carlisle Cos Inc	4.4	Procter & Gamble Co (The)	1.3
Aramark	4.3	Bank of America Corp	1.1
Carrier Global Corp	4.2	Chevron Corp	1.0
Unilever PLC	3.8	Thermo Fisher Scientific Inc	0.9

Equity Assets Exposures by Sector

	Fiduciary Management	Russell 1000 Value Index
Cash	4.83	0.00
Communication Services	6.57	4.22
Consumer Discretionary	19.14	6.27
Consumer Staples	8.63	7.95
Energy	1.17	6.72
Financials	18.68	21.17
Health Care	14.03	15.54
Industrials	17.79	14.72
Information Technology	4.41	9.07
Materials	4.75	4.62
Real Estate	0.00	4.92
Utilities	0.00	4.81

Equity Characteristics

	Fiduciary Management	Russell 1000 Value Index
Wtd. Avg. Mkt. Cap (\$)	191,939,989,748	172,124,772,046
Price/Earnings ratio	22.6	20.8
Price/Book ratio	3.7	2.9
Current Yield	1.2	2.1
Number of Stocks	31	872

Fund Information As of 09/30/2024

Fund Name : Vanguard Institutional Index I
 Fund Family : Vanguard
 Ticker : VINIX
 Inception Date : 07/31/1990
 Fund Assets : \$309,798 Million
 Portfolio Turnover : 3%

Portfolio Assets : \$126,604 Million
 Portfolio Manager : Birkett,N/Louie,M
 PM Tenure : 6 Years 10 Months
 Fund Style : Large Blend
 Style Benchmark : Russell 1000 Index

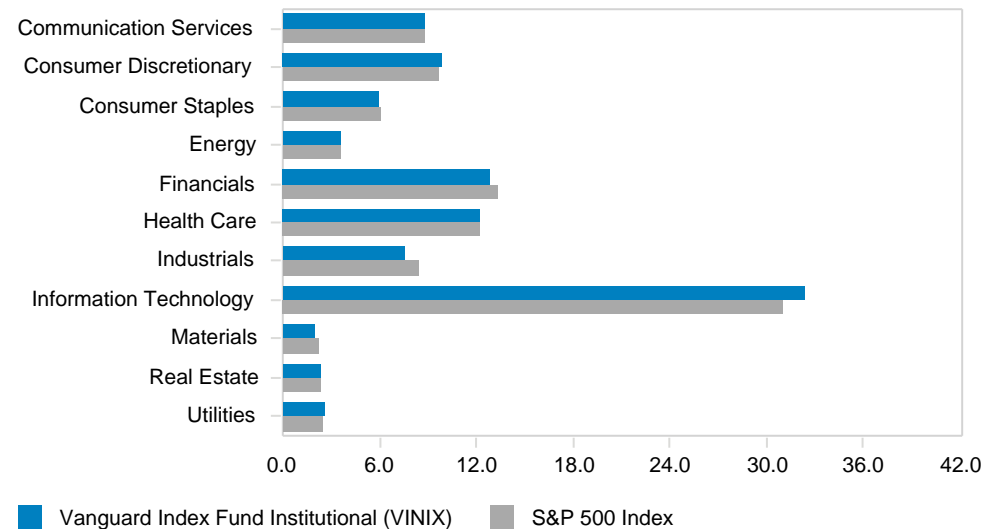
Portfolio Characteristics As of 08/31/2024

	Portfolio	Benchmark
Total Securities	506	503
Avg. Market Cap	-	-
Price/Earnings (P/E)	22.85	27.18
Price/Book (P/B)	4.22	5.02
Dividend Yield	1.45	1.33
Annual EPS	N/A	N/A
5 Yr EPS	N/A	N/A
3 Yr EPS Growth	N/A	N/A
Beta (5 Years, Monthly)	1.00	1.00

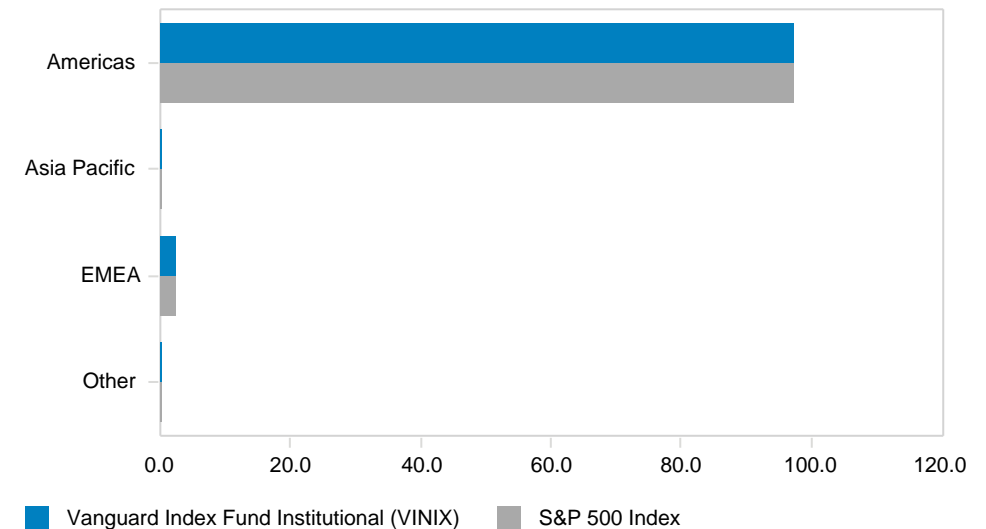
Top Ten Securities As of 08/31/2024

Apple Inc	7.0 %
Microsoft Corp	6.5 %
NVIDIA Corp	6.2 %
Amazon.com Inc	3.4 %
Meta Platforms Inc Class A	2.4 %
Alphabet Inc Class A	2.0 %
Berkshire Hathaway Inc Class B	1.8 %
Alphabet Inc Class C	1.7 %
Eli Lilly and Co	1.6 %
Broadcom Inc	1.5 %
Total	34.2 %

Sector Weights As of 08/31/2024



Region (%) As of 09/30/2024



Statistics provided by Morningstar. Most recent available data shown.

Fund Information As of 09/30/2024

Fund Name : Fidelity Large Cap Growth Idx
 Fund Family : Fidelity Investments
 Ticker : FSPGX
 Inception Date : 06/07/2016
 Fund Assets : \$28,187 Million
 Portfolio Turnover : 15%

Portfolio Assets : \$28,187 Million
 Portfolio Manager : Team Managed
 PM Tenure : 8 Years 3 Months
 Fund Style : Large Growth
 Style Benchmark : Russell 1000 Growth Index

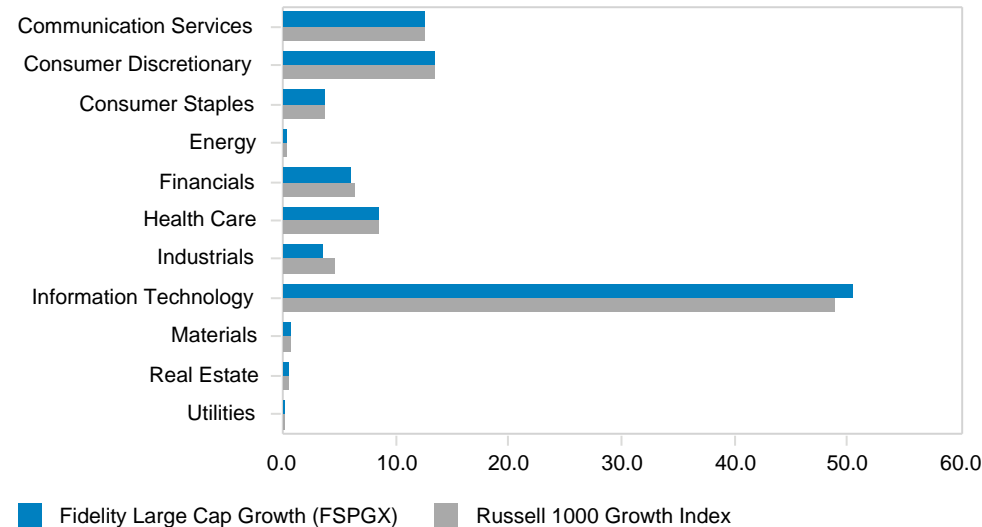
Portfolio Characteristics As of 08/31/2024

	Portfolio	Benchmark
Total Securities	399	394
Avg. Market Cap	-	-
Price/Earnings (P/E)	30.27	36.77
Price/Book (P/B)	10.15	12.62
Dividend Yield	0.69	0.62
Annual EPS	N/A	N/A
5 Yr EPS	N/A	N/A
3 Yr EPS Growth	N/A	N/A
Beta	N/A	1.00

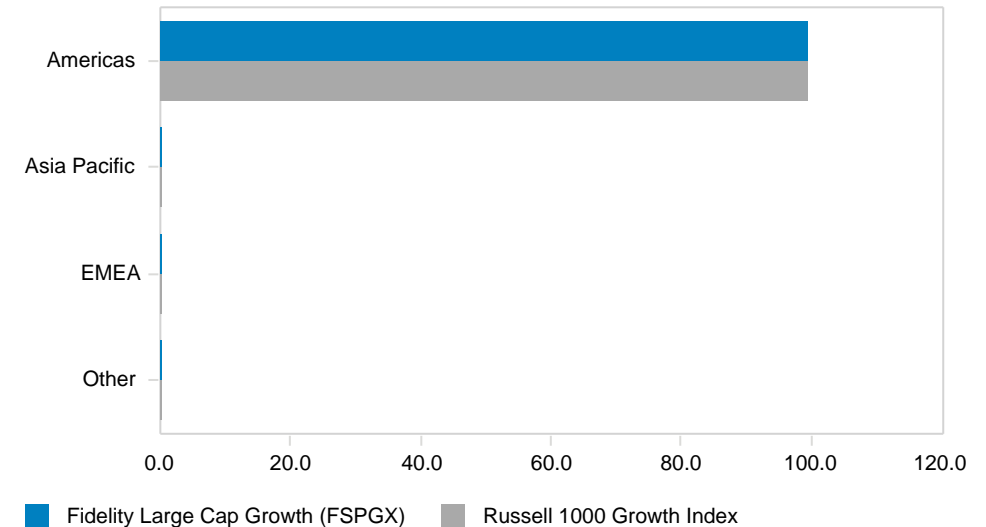
Top Ten Securities As of 08/31/2024

Apple Inc	12.4 %
Microsoft Corp	11.5 %
NVIDIA Corp	10.5 %
Amazon.com Inc	6.2 %
Meta Platforms Inc Class A	4.2 %
Alphabet Inc Class A	3.6 %
Eli Lilly and Co	3.0 %
Alphabet Inc Class C	3.0 %
Broadcom Inc	2.7 %
Tesla Inc	2.2 %
Total	59.4 %

Sector Weights As of 08/31/2024



Region (%) As of 08/31/2024



Statistics provided by Morningstar. Most recent available data shown.

Stephens Mid Cap Growth

As of September 30, 2024

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. 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 September 30, 2024, Stephens had a market value of \$17,549,427.

Stephens Mid Cap Growth		Russell Midcap Growth Index	
	Weight %		Weight %
Tradeweb Markets Inc	2.3	Palantir Technologies Inc	2.7
Guidewire Software Inc	2.3	Trade Desk Inc (The)	1.7
ICON Public LTD	2.1	Nu Holdings Ltd	1.5
Axon Enterprise Inc	2.0	Monolithic Power Systems Inc	1.5
Spotify Technology SA	2.0	Ameriprise Financial Inc	1.5
Manhattan Associates Inc	2.0	IDEXX Laboratories Inc	1.5
Copart Inc	1.8	Vistra Corp	1.5
Cadence Design Systems Inc	1.8	Grainger (W.W.) Inc	1.4
Burlington Stores Inc	1.8	Old Dominion Freight Line	1.4
Palantir Technologies Inc	1.7	Fair Isaac Corporation	1.4

Equity Assets Exposures by Sector

	Stephens Mid Cap Growth	Russell Midcap Growth Index
Cash	3.67	0.00
Communication Services	8.86	4.36
Consumer Discretionary	10.24	15.49
Consumer Staples	1.14	2.47
Energy	5.20	3.90
Financials	8.56	12.56
Health Care	16.11	13.79
Industrials	17.42	18.21
Information Technology	27.92	24.66
Materials	0.00	1.38
Real Estate	0.90	1.45
Utilities	0.00	1.73

Equity Characteristics

	Stephens Mid Cap Growth	Russell Midcap Growth Index
Wtd. Avg. Mkt. Cap (\$)	26,873,731,857	29,057,948,223
Price/Earnings ratio	39.8	34.4
Price/Book ratio	5.5	9.3
Current Yield	0.5	0.6
Number of Stocks	90	288

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 September 30, 2024, Barrow, Hanley, MeWhinney & Strauss had a market value of \$22,961,574.

Barrow Hanley MeWhinney & Strauss		Russell 2000 Value Index	
	Weight %		Weight %
Coherent Corp	4.9	SouthState Corporation	0.6
Enerpac Tool Group Corp	4.3	Meritage Homes Corp	0.6
ATI Inc	4.0	Taylor Morrison Home Corporation	0.5
Kirby Corp	3.8	Lumen Technologies Inc	0.5
Tower Semiconductor Ltd	3.8	Jackson Financial Inc	0.5
Ciena Corp	3.6	Essent Group Ltd	0.5
Greenbrier Cos Inc (The)	3.6	Terreno Realty Corp	0.5
Live Oak Bancshares Inc	3.4	Commercial Metals Co	0.5
Texas Capital Bancshares Inc	3.4	Essential Properties Realty Trust Inc	0.5
Lumentum Holdings Inc	3.2	Old National Bancorp	0.4

Equity Assets Exposures by Sector

	Barrow Hanley MeWhinney & Strauss	Russell 2000 Value Index
Cash	3.06	0.00
Communication Services	0.00	3.38
Consumer Discretionary	7.28	10.01
Consumer Staples	6.03	2.30
Energy	2.88	7.16
Financials	17.47	27.97
Health Care	0.43	9.27
Industrials	34.47	12.20
Information Technology	18.00	5.81
Materials	10.40	5.13
Real Estate	0.00	11.51
Utilities	0.00	5.25

Equity Characteristics

	Barrow Hanley MeWhinney & Strauss	Russell 2000 Value Index
Wtd. Avg. Mkt. Cap (\$)	3,561,353,169	2,842,428,545
Price/Earnings ratio	19.2	14.2
Price/Book ratio	2.0	1.6
Current Yield	0.8	2.1
Number of Stocks	38	1,438

Fund Information As of 09/30/2024

Fund Name : Causeway International Value Instl
 Fund Family : Causeway
 Ticker : CIVIX
 Inception Date : 10/26/2001
 Fund Assets : \$11,603 Million
 Portfolio Turnover : 54%

Portfolio Assets : \$11,101 Million
 Portfolio Manager : Team Managed
 PM Tenure : 22 Years 11 Months
 Fund Style : Foreign Large Value
 Style Benchmark : MSCI AC World ex USA Value (Net)

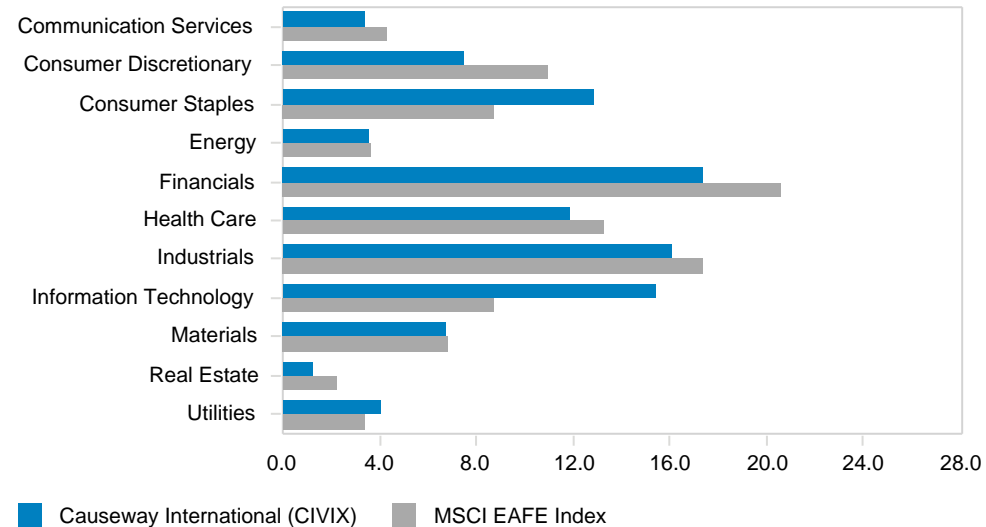
Portfolio Characteristics As of 09/30/2024

	Portfolio	Benchmark
Total Securities	75	732
Avg. Market Cap	-	-
Price/Earnings (P/E)	11.71	15.17
Price/Book (P/B)	1.36	2.64
Dividend Yield	3.49	3.04
Annual EPS	N/A	N/A
5 Yr EPS	N/A	N/A
3 Yr EPS Growth	N/A	N/A
Beta (5 Years, Monthly)	1.22	1.00

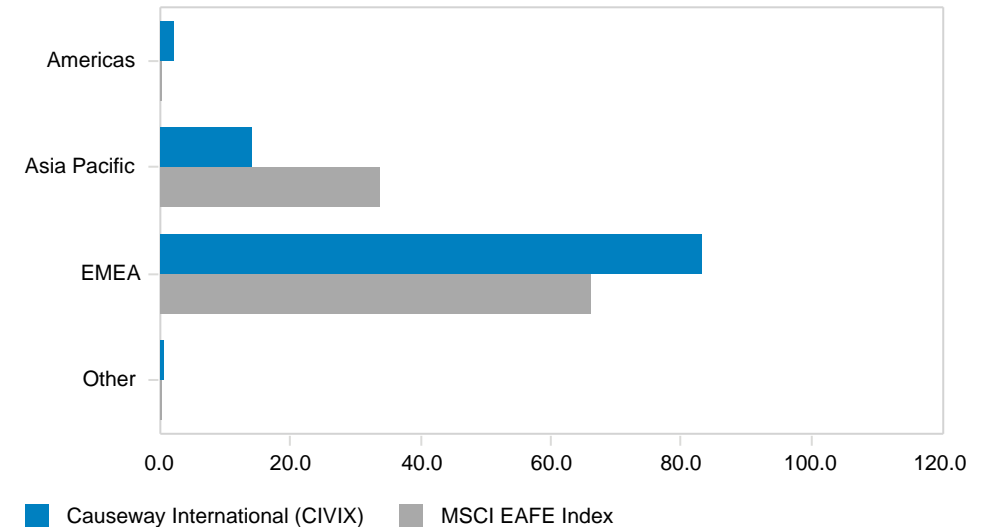
Top Ten Securities As of 09/30/2024

Rolls-Royce Holdings PLC	4.5 %
Alstom SA	3.6 %
Samsung Electronics Co Ltd	3.3 %
Barclays PLC	3.3 %
Kering SA	3.2 %
Reckitt Benckiser Group PLC	2.9 %
Akzo Nobel NV	2.7 %
Roche Holding AG	2.5 %
Prudential PLC	2.5 %
Renesas Electronics Corp	2.4 %
Total	30.9 %

Sector Weights As of 09/30/2024



Region (%) As of 06/30/2024



Statistics provided by Morningstar. Most recent available data shown.

Fund Information As of 09/30/2024

Fund Name : Cohen & Steers Instl Realty Shares
 Fund Family : Cohen & Steers
 Ticker : CSRIX
 Inception Date : 02/14/2000
 Fund Assets : \$7,935 Million
 Portfolio Turnover : 32%

Portfolio Assets : \$7,935 Million
 Portfolio Manager : Team Managed
 PM Tenure : 16 Years 11 Months
 Fund Style : Real Estate
 Style Benchmark : S&P US REIT

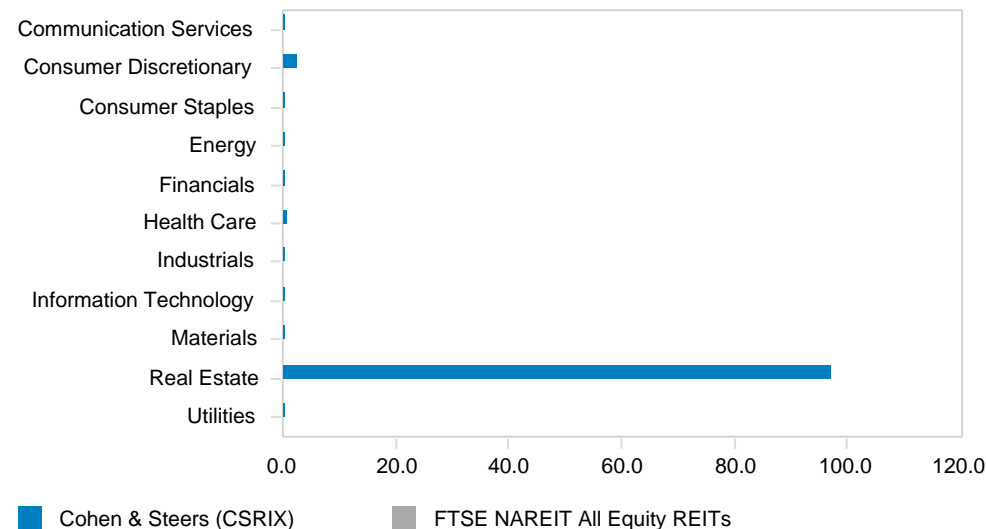
Portfolio Characteristics As of 09/30/2024

	Portfolio	Benchmark
Total Securities	35	N/A
Avg. Market Cap	-	-
Price/Earnings (P/E)	38.94	N/A
Price/Book (P/B)	2.85	N/A
Dividend Yield	3.54	N/A
Annual EPS	N/A	N/A
5 Yr EPS	N/A	N/A
3 Yr EPS Growth	N/A	N/A
Beta (5 Years, Monthly)	0.98	1.00

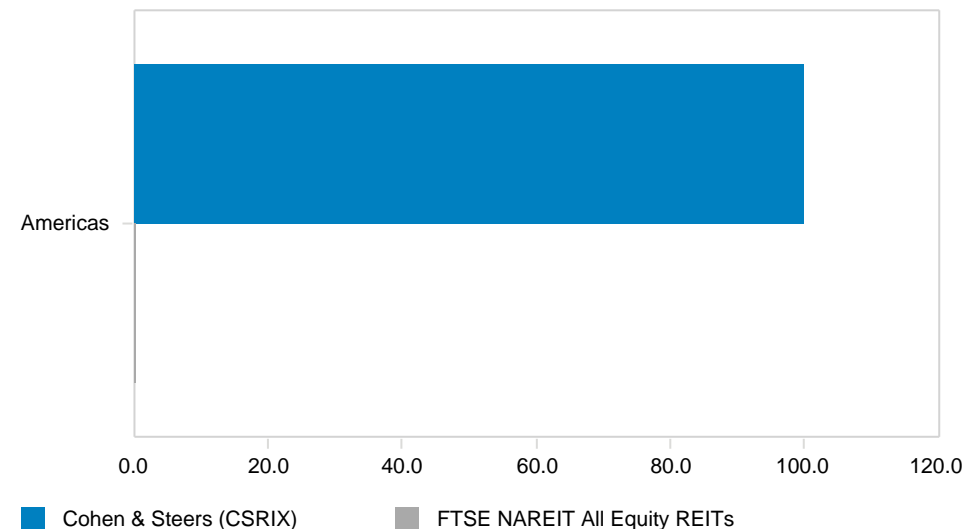
Top Ten Securities As of 09/30/2024

American Tower Corp	9.3 %
Welltower Inc	8.7 %
Digital Realty Trust Inc	7.1 %
Prologis Inc	6.8 %
Crown Castle Inc	6.2 %
Simon Property Group Inc	5.8 %
Equinix Inc	4.7 %
Iron Mountain Inc	4.3 %
Invitation Homes Inc	3.6 %
Sun Communities Inc	3.4 %
Total	59.9 %

Sector Weights As of 09/30/2024



Region (%) As of 06/30/2024



Statistics provided by Morningstar. Most recent available data shown.

Fund Information As of 09/30/2024

Fund Name : BlackRock Multi-Asset Income Portfolio K
 Fund Family : BlackRock
 Ticker : BKMIX
 Inception Date : 02/03/2017
 Fund Assets : \$11,048 Million
 Portfolio Turnover : 83%

Portfolio Assets : \$670 Million
 Portfolio Manager : Christofel,J/Shingler,A
 PM Tenure : 12 Years 10 Months
 Fund Style : Moderately Conservative Allocation
 Style Benchmark : Morningstar Mod Con Tgt Risk TR USD

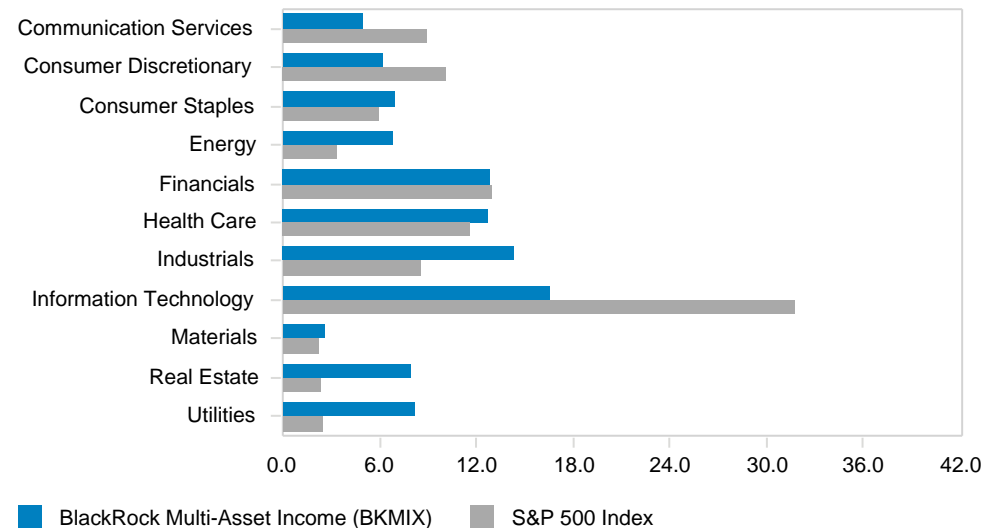
Portfolio Characteristics As of 09/30/2024

	Portfolio	Benchmark
Total Securities	4,751	504
Avg. Market Cap	-	-
Price/Earnings (P/E)	16.49	27.98
Price/Book (P/B)	2.47	5.14
Dividend Yield	2.75	1.31
Annual EPS	N/A	N/A
5 Yr EPS	N/A	N/A
3 Yr EPS Growth	N/A	N/A
Beta (3 Years, Monthly)	0.48	1.00

Top Ten Securities As of 09/30/2024

Us 5Yr Note Dec 24	15.5 %
10 Year Treasury Note Future Dec	9.7 %
Euro Bund Future Dec 24	6.6 %
BlackRock Liquidity T-Fund Instl	5.2 %
iShares Core Dividend Growth ETF	4.3 %
iShares iBoxx \$ High Yield Corp	2.2 %
Microsoft Corp	0.7 %
Barclays Bank Plc	0.6 %
United States Treasury Notes	0.5 %
United States Treasury Bonds	0.5 %
Total	45.8 %

Sector Weights As of 09/30/2024



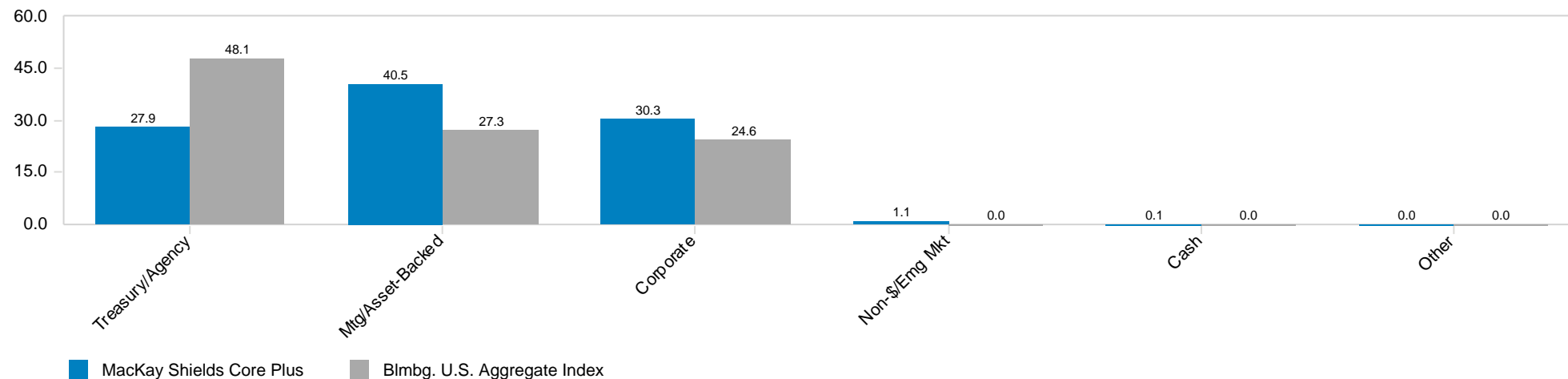
Region (%) As of 09/30/2024

No data found.

Statistics provided by Morningstar. 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 \$32,730,878.

Sector Distribution (%)



Portfolio Characteristics

	Portfolio	Benchmark
Avg. Maturity	8.77	8.36
Avg. Quality	A+	AA
Coupon Rate (%)	4.42	3.37
Modified Duration	N/A	N/A
Yield To Maturity (%)	5.07	4.23
Holdings Count	235	N/A

Fund Information As of 09/30/2024

Fund Name :	Dodge & Cox Income I	Portfolio Assets :	\$73,124 Million
Fund Family :	Dodge & Cox	Portfolio Manager :	Team Managed
Ticker :	DODIX	PM Tenure :	35 Years 8 Months
Inception Date :	01/03/1989	Fund Style :	Intermediate Core-Plus Bond
Fund Assets :	\$88,583 Million	Style Benchmark :	Bloomberg U.S. Universal Index
Portfolio Turnover :	55%		

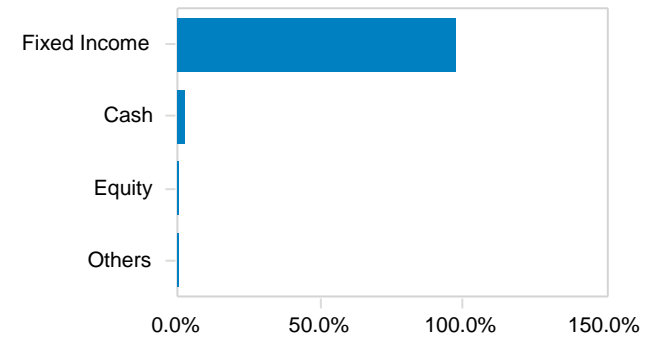
Fund Characteristics As of 09/30/2024

Avg. Coupon	4.33 %
Avg. Effective Maturity	9.58 Years
Avg. Effective Duration	6.26 Years
Avg. Credit Quality	A
Yield To Maturity	4.72 %
SEC Yield	4.27 %

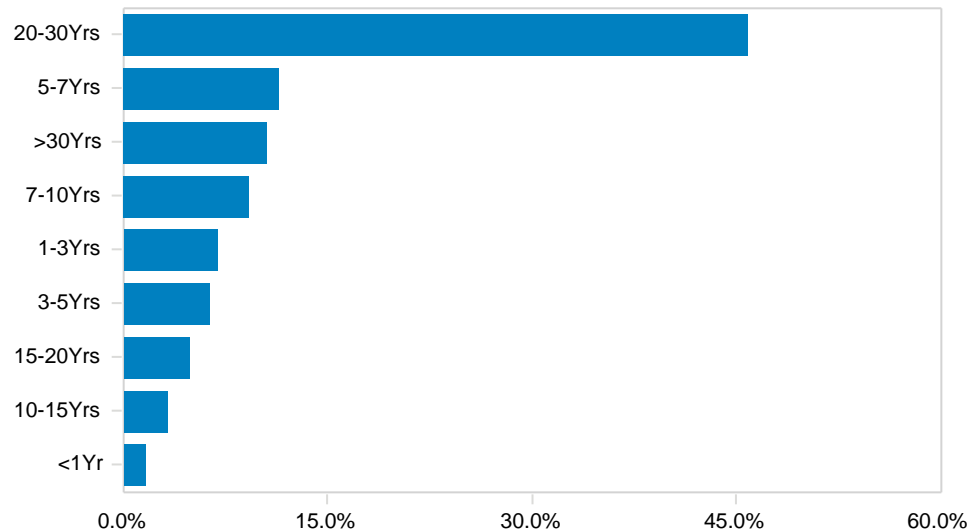
Top Ten Securities As of 09/30/2024

Federal National Mortgage Asso	2.8 %
United States Treasury Bonds	2.4 %
Federal Home Loan Mortgage Corp.	1.8 %
United States Treasury Notes	1.6 %
United States Treasury Notes	1.6 %
United States Treasury Notes	1.2 %
Federal National Mortgage Asso	1.1 %
United States Treasury Notes	1.1 %
United States Treasury Bonds	1.0 %
United States Treasury Bonds	1.0 %
Total	15.5 %

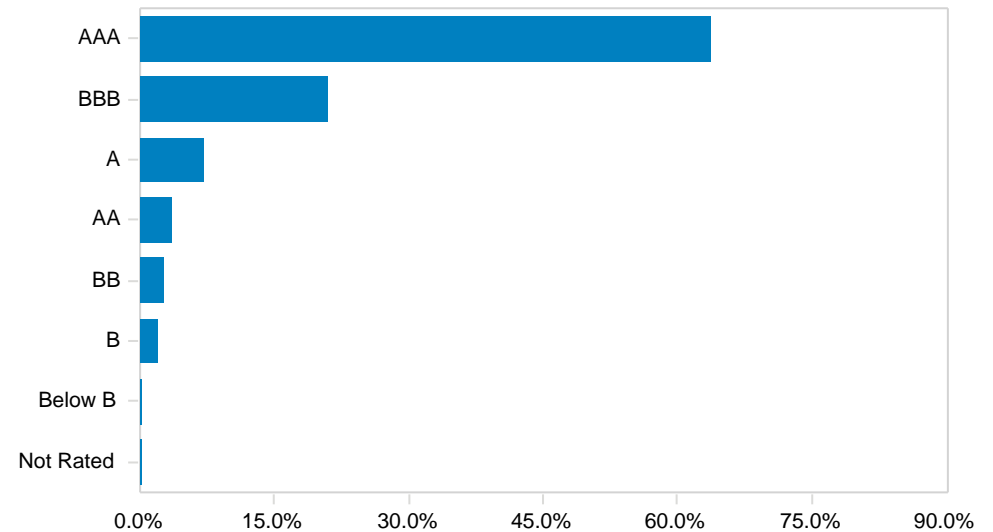
Asset Allocation As of 09/30/2024



Maturity Distribution As of 09/30/2024



Quality Allocation As of 09/30/2024



Statistics provided by Morningstar. Most recent available data shown.

Fund Information As of 09/30/2024

Fund Name : Loomis Sayles Instl High Income
 Fund Family : Loomis Sayles Funds
 Ticker : LSHIX
 Inception Date : 06/05/1996
 Fund Assets : \$334 Million
 Portfolio Turnover : 64%

Portfolio Assets : \$334 Million
 Portfolio Manager : Team Managed
 PM Tenure : 17 Years 7 Months
 Fund Style : High Yield Bond
 Style Benchmark : ICE BofAML US High Yield, Cash Pay Index

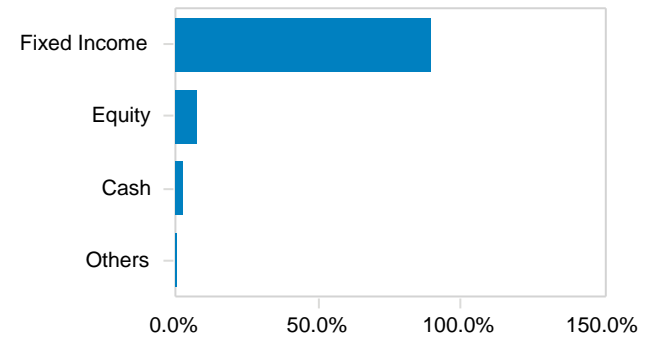
Fund Characteristics As of 09/30/2024

Avg. Coupon 5.79 %
 Avg. Effective Maturity N/A
 Avg. Effective Duration N/A
 Avg. Credit Quality N/A
 Yield To Maturity N/A
 SEC Yield 6.21 %

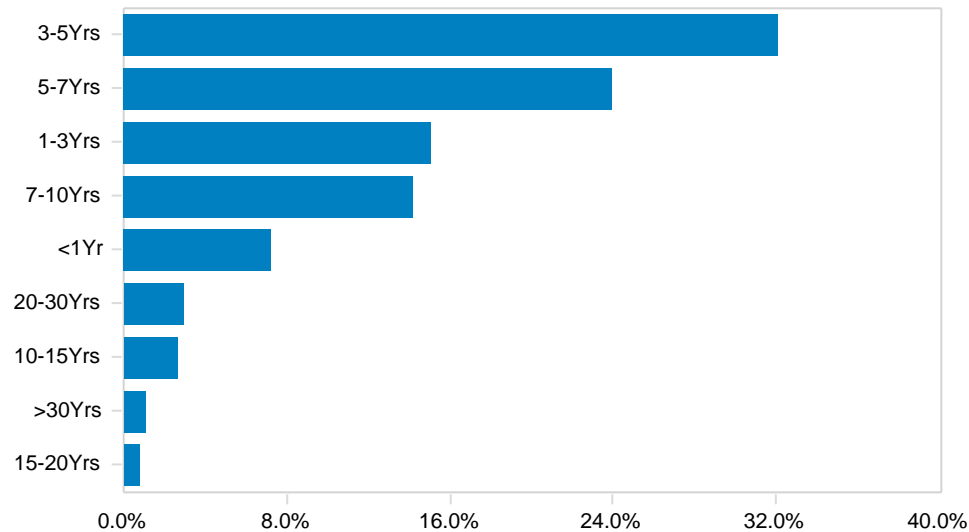
Top Ten Securities As of 08/31/2024

Us 5yr Note (Cbt) Dec24 Xcvt 2	5.4 %
Hercules Incorporated 6.5%	1.4 %
DISH Network Corporation 3.375%	1.3 %
Uber Technologies Inc 6.25%	1.3 %
Teva Pharmaceutical Finance Ne	1.3 %
United States Treasury Notes 4.5%	1.2 %
CCO Holdings, LLC/ CCO Holdings	1.0 %
Directv Financing LLC/Directv	1.0 %
CCO Holdings, LLC/ CCO Holdings	1.0 %
Hilton Grand Vacations Borrower	0.9 %
Total	15.8 %

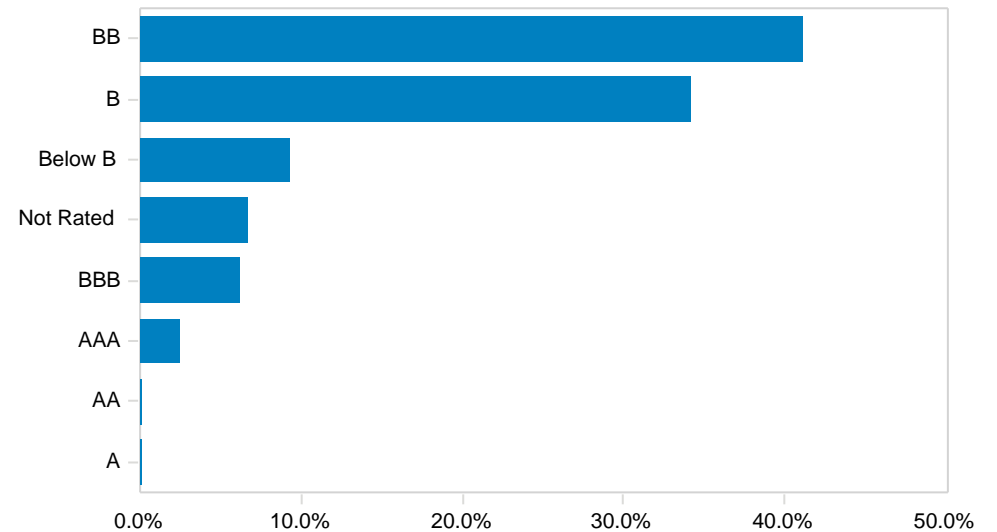
Asset Allocation As of 08/31/2024



Maturity Distribution As of 08/31/2024



Quality Allocation As of 02/28/2021



Statistics provided by Morningstar. Most recent available data shown.

Fund Information As of 09/30/2024

Fund Name : Aristotle Floating Rate Income I
 Fund Family : Aristotle Funds
 Ticker : PLFRX
 Inception Date : 06/30/2011
 Fund Assets : \$4,130 Million
 Portfolio Turnover : 130%

Portfolio Assets : \$1,764 Million
 Portfolio Manager : Leasure,J/Marzouk,M
 PM Tenure : 13 Years 3 Months
 Fund Style : Bank Loan
 Style Benchmark : Morningstar LSTA US Leveraged Loan Index

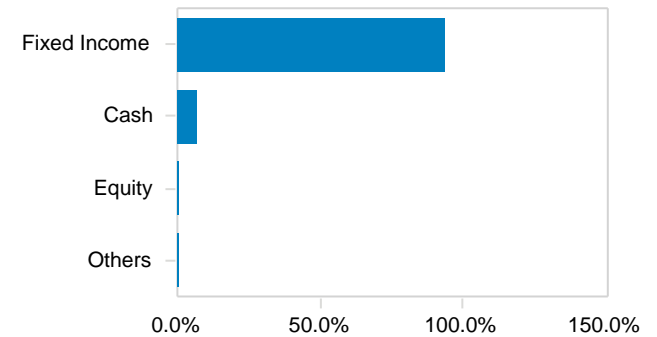
Fund Characteristics As of 09/30/2024

Avg. Coupon : 8.71 %
 Avg. Effective Maturity : N/A
 Avg. Effective Duration : 0.42 Years
 Avg. Credit Quality : B
 Yield To Maturity : N/A
 SEC Yield : 8.58 %

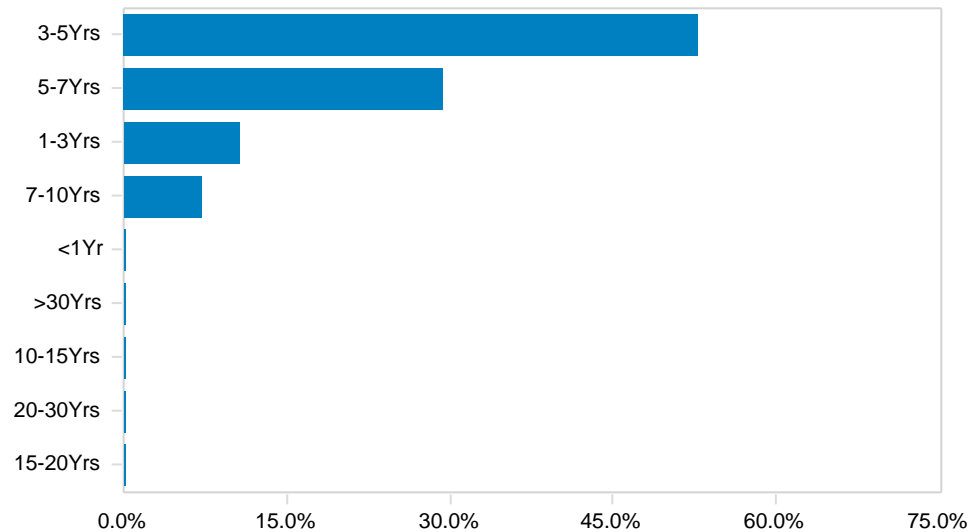
Top Ten Securities As of 09/30/2024

Ukg Inc : 2.9 %
 Assuredpartners Inc : 2.8 %
 Dynasty Acquisition Co Inc : 2.4 %
 Truist Insurance Holdings Llc : 2.3 %
 Filtration Group Corp : 2.1 %
 Clubcorp Holdings Inc : 2.0 %
 Applied Systems Inc : 2.0 %
 Broadstreet Partners Inc : 1.6 %
 Alterra Mountain Co : 1.6 %
 Crosby Us Acquisition Corp : 1.5 %
 Total : 21.3 %

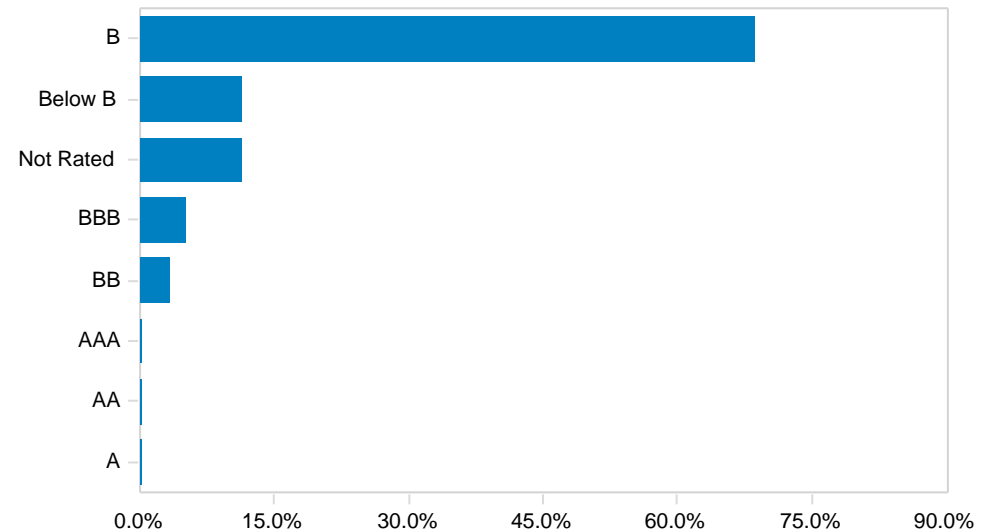
Asset Allocation As of 09/30/2024



Maturity Distribution As of 09/30/2024



Quality Allocation As of 09/30/2024



Statistics provided by Morningstar. Most recent available data shown.

Port of Houston Authority Pension Plan
Manager Status Summary
As of September 30, 2024

Manager	Mandate	Status	Notes
Fiduciary Management	Large Cap Value Equity	In Compliance	
Vanguard Index Institutional (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	
Dodge & Cox Income (DODIX)	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 Pension Plan
Fee Analysis**

As of September 30, 2024

	Estimated Annual Fee (%)	Market Value (\$)	Estimated Annual Fee (\$)	Fee Schedule
Total Fund Composite	0.48	229,568,790	1,091,002	
Total Equity	0.49	128,430,119	625,025	
Total Domestic Equity	0.39	99,261,505	383,302	
Fiduciary Management	0.55	11,963,653	65,800	0.55 % of Assets
Vanguard Index Fund Institutional (VINIX)	0.04	35,272,507	14,109	0.04 % of Assets
Fidelity Large Cap Growth (FSPGX)	0.03	11,514,344	3,454	0.03 % of Assets
Stephens Mid Cap Growth	0.77	17,549,427	135,131	0.77 % of Assets
Barrow Hanley MeWhinney & Strauss	0.72	22,961,574	164,808	1.00 % of First \$10 M 0.50 % of Next \$190 M 0.40 % of Next \$200 M 0.30 % Thereafter
Total International Equity	0.88	17,660,655	155,414	
Causeway International (CIVIX)	0.88	17,660,655	155,414	0.88 % of Assets
Total Real Estate-REITS	0.75	11,507,960	86,310	
Cohen & Steers (CSRIX)	0.75	11,507,960	86,310	0.75 % of Assets
Total GTAA	0.51	11,325,771	57,761	
BlackRock Multi-Asset Income (BKMIX)	0.51	11,325,771	57,761	0.51 % of Assets
Total Fixed Income	0.45	89,738,103	408,215	
Core Fixed Income	0.38	68,017,031	258,397	
MacKay Shields Core Plus	0.35	34,121,617	119,426	0.35 % of Assets
Dodge & Cox Income (DODIX)	0.41	33,895,415	138,971	0.41 % of Assets
Total High Yield Fixed Income	0.68	11,144,490	75,783	
Loomis Sayles High Yield (LSHIX)	0.68	11,144,490	75,783	0.68 % of Assets
Bank Loans	0.70	10,576,581	74,036	
Aristotle Floating Rate (PLFRX)	0.70	10,576,581	74,036	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 Pension Plan
Fee Summary
As of September 30, 2024

Structure	Mandate	Expense Ratio	Category Average	Difference	Annual Savings
Fiduciary Management	Large Cap Value Equity	0.55%	0.79%	0.24%	\$28,713
Vanguard Index Institutional (VINIX)	Large Cap Core Equity	0.04%	0.79%	0.75%	\$264,544
Fidelity Large Cap Growth (FSPGX)	Large Cap Growth Equity	0.04%	0.79%	0.75%	\$86,358
Stephens Mid Cap Growth	Mid Cap Growth Equity	0.77%	1.04%	0.27%	\$47,383
Barrow Hanley MeWhinney & Strauss	Small Cap Value Equity	0.76%	1.04%	0.28%	\$64,292
Causeway International (CIVIX)	International Equity	0.88%	0.90%	0.02%	\$3,532
Cohen & Steers (CSRIX)	Real Estate and Investment Trust	0.75%	0.91%	0.16%	\$18,413
BlackRock Multi-Asset (BKMIX)	GTAA	0.52%	0.84%	0.32%	\$36,242
Mackay Shields Core Plus	Core Plus Fixed Income	0.35%	0.56%	0.21%	\$71,655
Dodge & Cox Income (DODIX)	Core Plus Fixed Income	0.41%	0.56%	0.15%	\$50,843
Loomis Sayles High Yield (LSHIX)	High Yield Fixed Income	0.70%	0.76%	0.06%	\$6,687
Aristotle Floating Rate (PLFRX)	Bank Loans	0.72%	0.85%	0.13%	\$13,750
Total Management Fees		0.48%	0.78%	0.30%	\$692,412

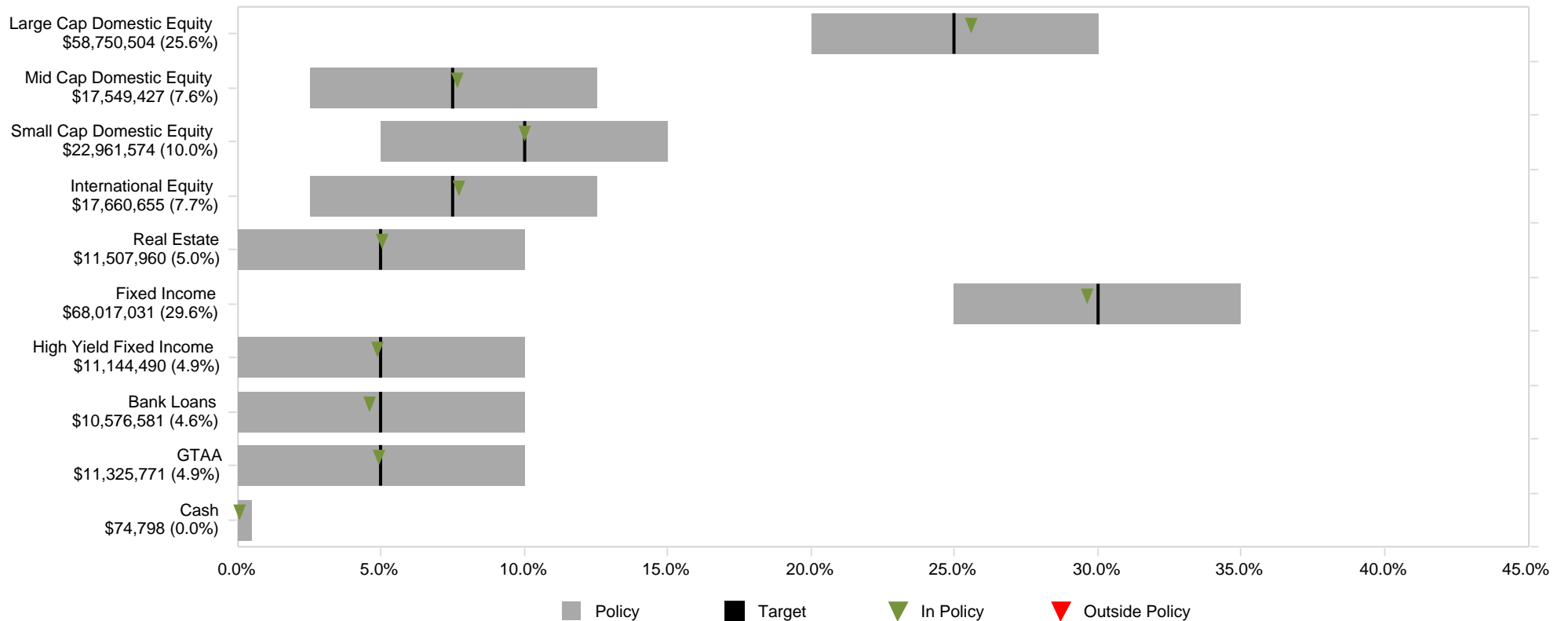
Source: Morningstar and Investment Managers

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 August 27, 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.

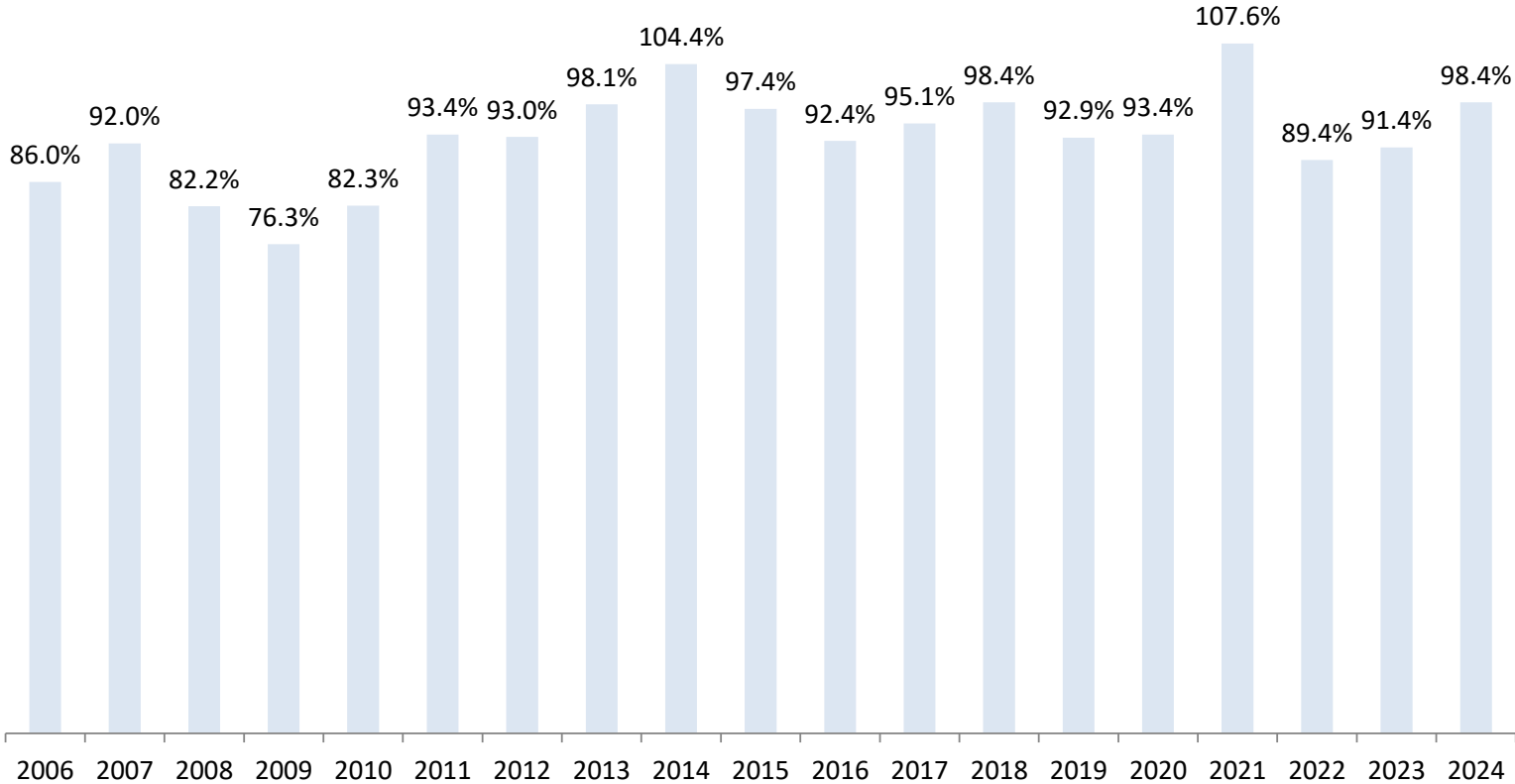
Asset Allocation Compliance

	Asset Allocation \$	Current Allocation (%)	Target Allocation (%)	Differences (%)	Minimum Allocation (%)	Maximum Allocation (%)
Total Fund Composite	229,568,790	100.0	100.0	0.0		
Large Cap Domestic Equity	58,750,504	25.6	25.0	0.6	20.0	30.0
Mid Cap Domestic Equity	17,549,427	7.6	7.5	0.1	2.5	12.5
Small Cap Domestic Equity	22,961,574	10.0	10.0	0.0	5.0	15.0
International Equity	17,660,655	7.7	7.5	0.2	2.5	12.5
Real Estate	11,507,960	5.0	5.0	0.0	0.0	10.0
Fixed Income	68,017,031	29.6	30.0	-0.4	25.0	35.0
High Yield Fixed Income	11,144,490	4.9	5.0	-0.1	0.0	10.0
Bank Loans	10,576,581	4.6	5.0	-0.4	0.0	10.0
GTAA	11,325,771	4.9	5.0	-0.1	0.0	10.0
Cash	74,798	0.0	0.0	0.0	0.0	0.5

Executive Summary



**Port of Houston Authority Pension Plan
Funded Status Summary
As of September 30, 2024**



Source: Port of Houston Authority Restated Retirement Plan Actuarial Valuation Report as of August 1, 2020. The funded ratio is calculated by dividing the actuarial value of assets by the actuarial accrued liability.

The 2013 funded status was calculated as 100.7%, prior to reduction of the actuarial assumption from 7.25% to 7.00%.
 The actuarial assumption was reduced from 7.00% to 6.75% by the Port Commission on December 13, 2016. The effective date of the change is January 1, 2017 for reporting purposes.
 The actuarial assumption was reduced from 6.75% to 6.50% on September 24, 2019. The effective date of the change is January 1, 2019 for reporting purposes.
 The actuarial assumption was reduced from 6.50% to 6.25% on December 8, 2020. The effective date of the change is August 1, 2020 for reporting purposes.
 The actuarial assumption was reduced from 6.25% to 6.00% on September 20, 2022. The effective date of the change is August 1, 2022 for reporting purposes.

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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