
Port of Houston Authority OPEB Plan

Investment Performance Review
Period Ending December 31, 2024

MARINER

4th Quarter 2024 Market Environment

The Economy

- The US Federal Reserve (the Fed) continued to loosen its policy stance during the quarter with two fed funds rate cuts totaling 0.50%, bringing the year-end rate to a range of 4.25%-4.50%. While the Fed conveyed a degree of confidence that the fight against inflation is progressing in its December press release, Fed Chairman Jerome Powell signaled in his post-meeting press conference that the pace and timing of future rate cuts is unclear. The Fed's December "Dot Plot" now projects only two quarter-point rate cuts in 2025, down from four anticipated cuts in September's plot.
- Growth in the US labor market continued during the fourth quarter. US payrolls grew by 256,000 in December, up from the previous month's total of 212,000, and well above the 155,000 projected. If strength in the labor market continues, this data could support a slower pace Fed action in the form of policy rate reductions in 2025.

Equity (Domestic and International)

- US equity results were modestly higher for the quarter. Markets also saw a return to the narrowly focused technology and communication services company exuberance which has dominated domestic performance in recent years. The S&P 500 Index rose 2.4% for the quarter with the small-cap Russell 2000 Index managing just a 0.3% rise. The rotation away from large cap growth stocks during the third quarter seemed to reverse as the Russell 1000 Growth Index once again outpaced the Russell 1000 Value Index by a large margin.
- Large-cap equity benchmarks continue to represent a heavy concentration among a limited number of stocks. As of quarter end, the weight of the top 10 stocks in the S&P 500 Index exceeded 35%.
- Most international stocks faltered during the fourth quarter and US Dollar (USD) denominated results were further exacerbated by a strengthening USD. The USD performance of international stocks fell short of local currency (LCL) returns in most regions for the quarter, albeit to varying degrees.

Fixed Income

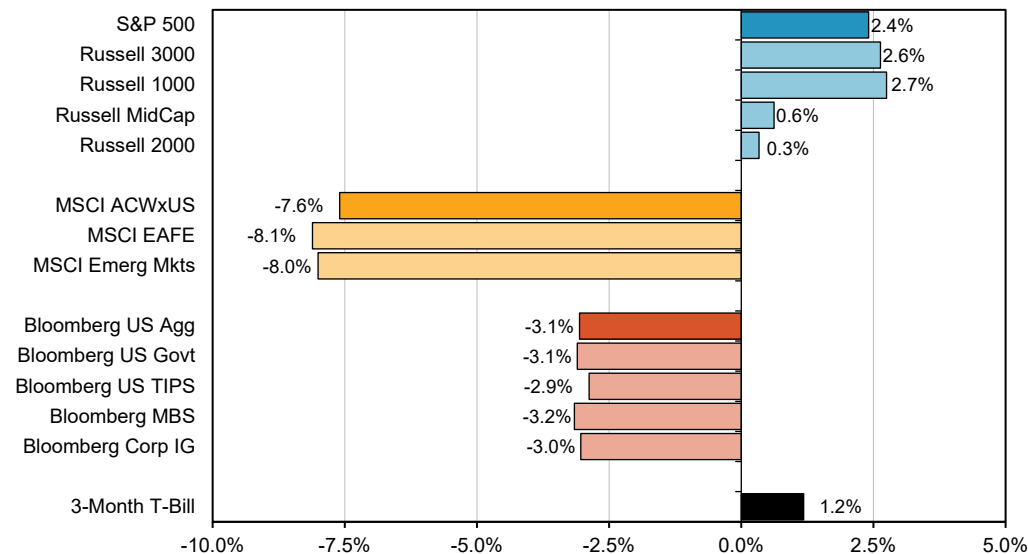
- Fixed-income markets traded lower during the quarter on the back of the Fed's ongoing policy actions. Short term Treasury yields fell while longer term yields rose, leading to a slight steepening in the yield curve. The yield on the bellwether 10-year Treasury advanced by 0.84% during the quarter, closing the year at a yield of 4.58%. The inverse relationship between prices and yields resulted in the Bloomberg US Aggregate Bond Index posting a -3.1% loss for the quarter.
- High-yield bonds outpaced the Bloomberg US Aggregate Bond Index for the quarter, largely due to higher coupons, a shorter duration profile, and a small narrowing of the option-adjusted spread (OAS) for the Bloomberg US High-Yield Index.
- Global bonds fell during the quarter, with the Bloomberg Global Aggregate ex-US returning -6.8% in USD terms. Like international equity results, global bond performance was dragged down by a strengthening USD during the quarter.

Market Themes

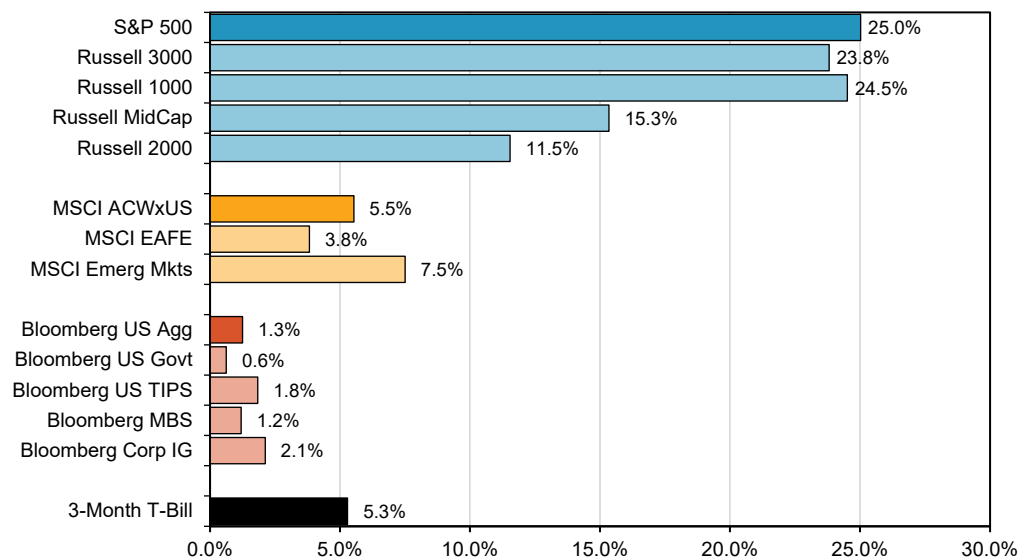
- Strength in the US Dollar during the quarter led to relative weakness in international markets. Many of the major currencies depreciated relative to the US Dollar as the year came to a close. Latin America saw the most significant decline during the period while the Pacific region was the only region to post positive LCL returns.
- The AI trade that has taken shape for much of the past two years continued in 2024 with the communication services and information technology sectors each posting gains of more than 35% for the year. This phenomenon contributed to narrow market leadership particularly within the large-cap segment of the market. The concentration in the large-cap indexes helped the S&P 500 post its second straight year of greater than a 20% return, further widening the performance gap between large and smaller capitalization benchmarks.
- Ongoing military conflicts in Ukraine and the Middle East, coupled with global economic uncertainty, continue to act as headwinds for international market results, further complicated by an advancing USD.
- The results of the most recent US presidential election appeared to please domestic equity markets in anticipation of the new administration supporting loosened regulations and pro-growth policies. As we move into the new year, equity markets will need to digest the anticipated effects of proposed tax legislation changes, a new view on foreign policy, and potential trade tariffs by the new administration.

- Domestic equity markets continued to climb higher during the quarter. Large-cap stocks returned to the forefront, outpacing small-cap stocks. The S&P 500 rose 2.4% during the quarter versus a muted gain of 0.3% for the Russell 2000 Index. The broad capitalization Russell 3000 Index, which benefited from strength in mid- and large-cap names, returned 2.6% for the quarter.
- International developed market equities reversed course and soured during the fourth quarter with the USD performance of the broad benchmarks each trading lower than (LCL) currency performance. The broad MSCI ACWI ex US Index delivered a disappointing -7.6% for the quarter but was down less than both the MSCI EAFE and MSCI EM indexes. The broad index was aided by Canada, which is not included in the EAFE or EM indexes. International developed market (DM) equities narrowly fell behind emerging market (EM) equities, returning -8.1% and -8.0%, respectively for the quarter. Negative performance for the international indexes was broad-based and not localized to any specific region.
- Broad market fixed-income benchmarks displayed a poor finish to the year as many of the core indexes succumbed to a steepening of the yield curve and the prospect of fewer rate cuts in 2025. The Bloomberg US Aggregate Index returned -3.1% for the quarter. The TIPS market, which is not part of the Aggregate Index, was also negative, posting a return of -2.9% for the quarter. While the performance differentials were small, the Mortgage-Backed Securities Index lagged other domestic bond market segments with a benchmark return of -3.2% for the quarter.
- Domestic equity indexes finished the year by adding to their already strong returns over the trailing one-year period. The S&P 500 Index gained 25.0% for the year and the Russell 1000 Index returned 24.5%. The weakest performing capitalization range of domestic equities for the year was the small-cap Russell 2000 Index, which still managed a double-digit climb over the last 12 months, returning a solid 11.5%.
- Domestic bond indexes' results were mixed throughout the year but still managed to deliver positive annual results. While the performance spread was narrow, investment-grade corporate bonds led bond index results for the year, returning a muted 2.1%. The government bond index lagged for the year, but was also positive, posting a return of 0.6%.
- International equity markets also delivered positive results for the trailing one-year period. The MSCI EM Index was the best international performer, returning 7.5%, while the MSCI EAFE and MSCI ACWI ex US indexes posted returns of 3.8% and 5.5%, respectively.

Quarter Performance



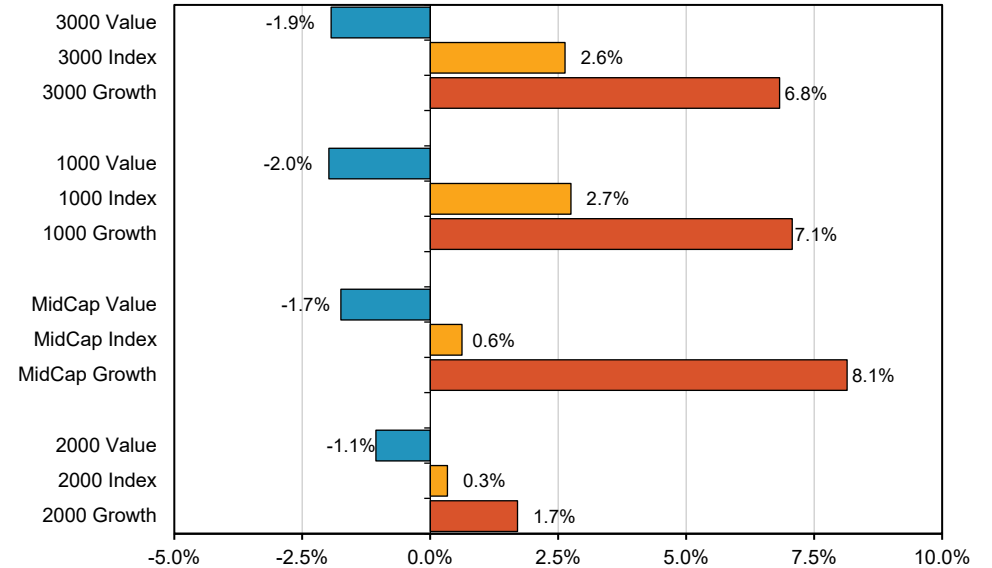
1-Year Performance



Source: Investment Metrics

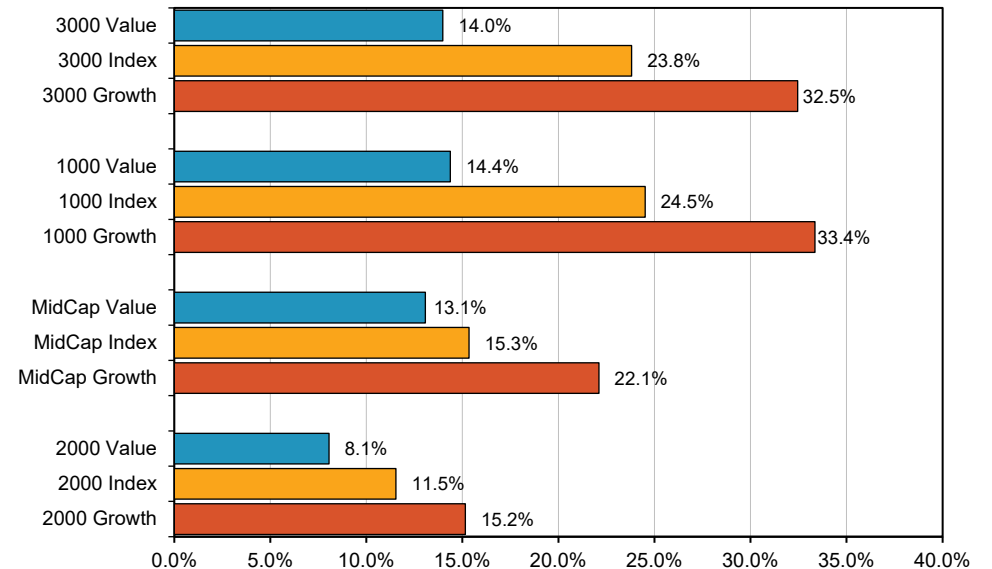
- Domestic equity benchmarks exhibited a return to their long-run trend of growth style companies vastly outperforming value during the fourth quarter. This theme was relatively consistent across the capitalization spectrum with growth benchmarks dominating performance results while value benchmarks each posted negative returns for the quarter.
- The broadest disparity between growth and value was visible in the mid-cap index. The Russell Mid Cap Value Index return of -1.7% trailed the Russell Mid Cap Growth Index return of 8.1%, a performance span of nearly 10%. The Russell Mid Cap Growth Index was also the best performing segment of the equity market during the quarter. Conversely, the worst performing segment of the market was large cap value which returned a disappointing -2.0% during the fourth quarter.

Quarter Performance - Russell Style Series



- This quarter's ascension of the growth indexes widened their performance gaps relative to the value indexes for the trailing year. The Russell 1000 Growth Index amassed a staggering 33.4% for the year, leading the way among style and market capitalization index performance. Much of the year's 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 and the headlines 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 climbed 8.1%.
- The strength of growth sectors is also evident in the trailing one-year period with the chart on the right showing growth benchmarks at all capitalization ranges outpacing their value counterparts. The performance gap between the Russell 1000 Growth Index and the Russell 1000 Value Index was nearly 20% and the gaps for mid- and small-cap indexes were narrower, but still wide.

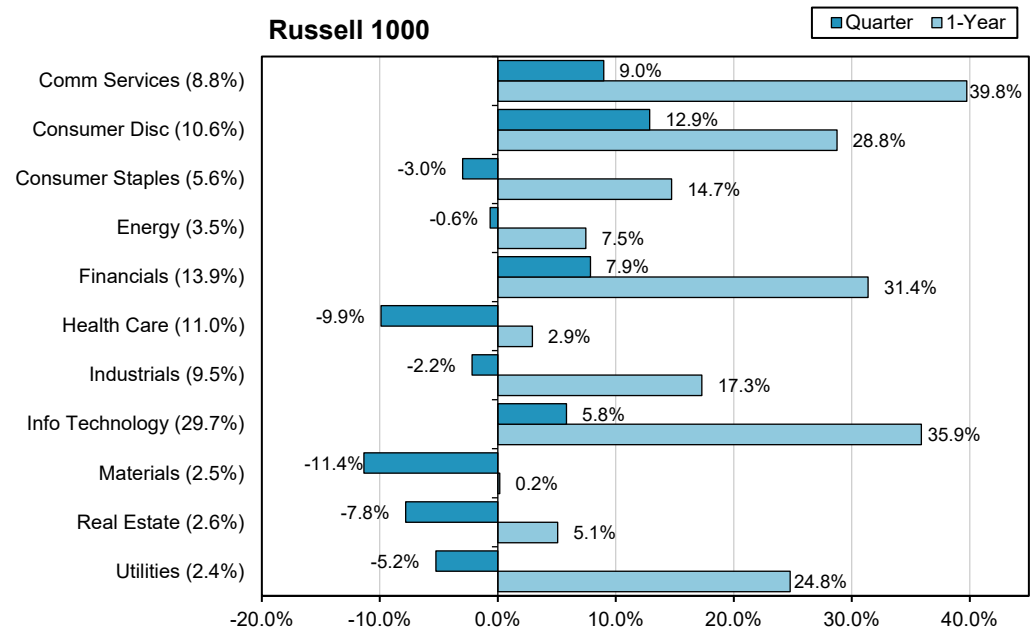
1-Year Performance - Russell Style Series



Source: Investment Metrics

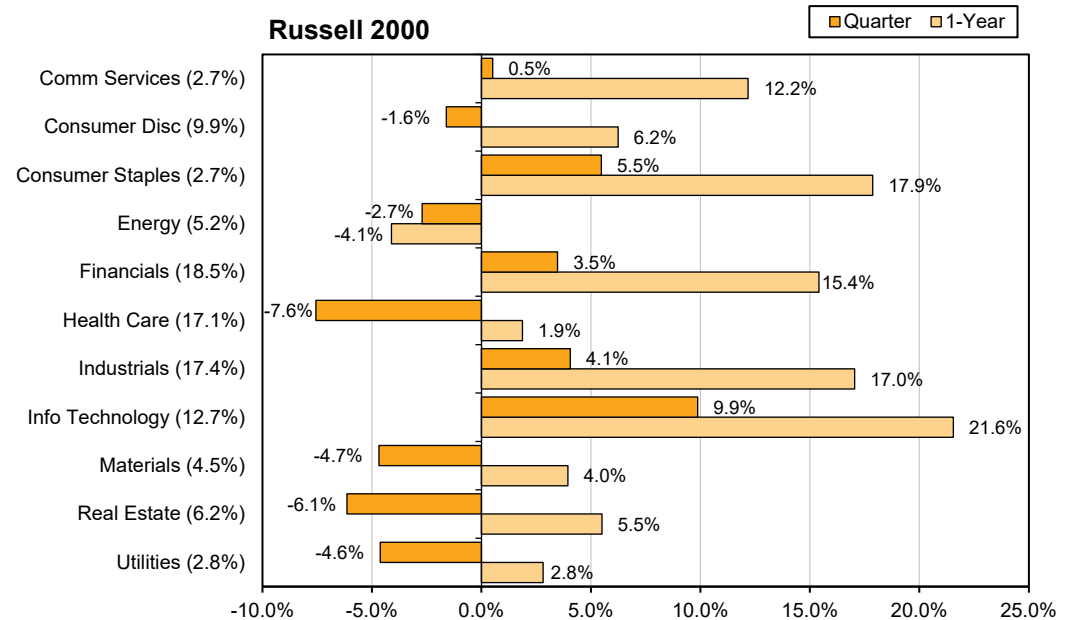
- Economic sector performance delivered mixed results in the fourth quarter as just four of the 11 economic sectors moved higher in the large-cap index. While performance during the year could be characterized by broader participation in the domestic equity markets, this was not the case during the fourth quarter as only the communication services, consumer discretionary, financials, and information technology sectors managed to post positive returns. Within the large cap index, consumer discretionary stocks led the way, collectively returning 12.9% for the quarter while the materials sector struggled, falling -11.4% during the period.
- Full year results during 2024 showcased strong performance across the economic sector classifications. Communication services narrowly outpaced information technology for the year, posting returns of 39.8% and 35.9%, respectively, with financials coming in third with a return of 31.4%. While all sectors posted positive returns for the year, the broad index's strong performance during 2024 was largely driven by three of the five most heavily weighted index sectors.

Russell 1000



- Similar to the large cap benchmark, just five of the 11 small-cap economic sectors gained value during the quarter. Communication services, consumer staples, financials, industrials, and information technology led the way with information technology as the best performing sector during the quarter. Health care faltered as the worst-performing sector with a return of -7.6% during the quarter, followed closely by real estate, which finished the quarter with a return of -6.1%.
- Despite their struggles during the most recent quarter, small-cap stocks delivered strong results for the year. Ten small-cap sectors advanced higher during the trailing one-year period, making energy the lone negative performer over the period. The sector's -2.7% return during the fourth quarter pushed the sector's performance to -4.1% for the trailing year. Information technology (up 21.6%) was the only sector to cross the 20% return threshold, but four others also amassed double digit positive returns for the calendar year.

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 December 31, 2024

Top 10 Weighted Stocks				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Apple Inc	6.6%	7.6%	30.7%	Information Technology
NVIDIA Corp	5.8%	10.6%	171.2%	Information Technology
Microsoft Corp	5.8%	-1.8%	12.9%	Information Technology
Amazon.com Inc	3.8%	17.7%	44.4%	Consumer Discretionary
Meta Platforms Inc Class A	2.4%	2.4%	66.0%	Communication Services
Tesla Inc	2.1%	54.4%	62.5%	Consumer Discretionary
Alphabet Inc Class A	2.1%	14.3%	36.0%	Communication Services
Broadcom Inc	2.0%	34.7%	110.4%	Information Technology
Alphabet Inc Class C	1.7%	14.0%	35.6%	Communication Services
Berkshire Hathaway Inc Class B	1.5%	-1.5%	27.1%	Financials

Top 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Astera Labs Inc	0.0%	152.8%	N/A	Information Technology
AppLovin Corp Ordinary Shares	0.2%	148.1%	712.6%	Information Technology
Trump Media & Technology Group	0.0%	112.2%	N/A	Communication Services
Palantir Technologies Inc Ordinary	0.3%	103.3%	340.5%	Information Technology
SoFi Technologies Inc Ordinary Shares	0.0%	95.9%	54.8%	Financials
Amer Sports Inc	0.0%	75.3%	N/A	Consumer Discretionary
MicroStrategy Inc	0.1%	71.8%	358.5%	Information Technology
United Airlines Holdings Inc	0.1%	70.2%	135.3%	Industrials
New Fortress Energy Inc	0.0%	66.3%	-59.3%	Utilities
Twilio Inc Class A	0.0%	65.7%	42.5%	Information Technology

Bottom 10 Performing Stocks (by Quarter)				
Russell 1000	Weight	1-Qtr Return	1-Year Return	Sector
Capri Holdings Ltd	0.0%	-50.4%	-58.1%	Consumer Discretionary
Celanese Corp Class A	0.0%	-48.8%	-54.6%	Materials
Rocket Companies Inc Ordinary	0.0%	-41.3%	-22.2%	Financials
Enphase Energy Inc	0.0%	-39.2%	-48.0%	Information Technology
Moderna Inc	0.0%	-37.8%	-58.2%	Health Care
Acadia Healthcare Co Inc	0.0%	-37.5%	-49.0%	Health Care
Viking Therapeutics Inc	0.0%	-36.4%	116.2%	Health Care
10x Genomics Inc Ordinary	0.0%	-36.4%	-74.3%	Health Care
Monolithic Power Systems Inc	0.1%	-35.9%	-5.6%	Information Technology
The AES Corp	0.0%	-35.1%	-30.3%	Utilities

Top 10 Weighted Stocks				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
FTAI Aviation Ltd	0.5%	8.6%	214.7%	Industrials
Sprouts Farmers Market Inc	0.5%	15.1%	164.1%	Consumer Staples
Insmed Inc	0.4%	-5.4%	122.8%	Health Care
Vaxcyte Inc Ordinary Shares	0.4%	-28.4%	30.4%	Health Care
Credo Technology Group Holding Ltd	0.4%	118.2%	245.2%	Information Technology
Applied Industrial Technologies Inc	0.3%	7.5%	39.7%	Industrials
Mueller Industries Inc	0.3%	7.4%	70.5%	Industrials
Rocket Lab USA Inc	0.3%	161.8%	360.6%	Industrials
Fluor Corp	0.3%	3.4%	25.9%	Industrials
IonQ Inc Class A	0.3%	377.9%	237.1%	Information Technology

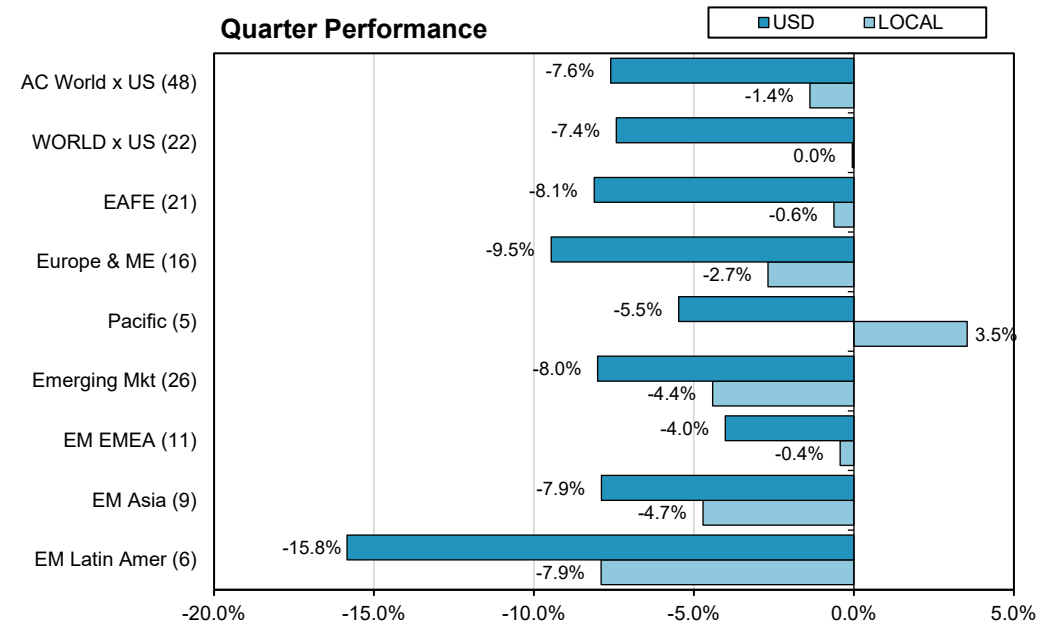
Top 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Rigetti Computing Inc	0.1%	1848.7%	1449.4%	Information Technology
D-Wave Quantum Inc.	0.0%	754.6%	854.4%	Information Technology
Scholar Rock Holding Corp	0.1%	439.6%	129.9%	Health Care
IonQ Inc Class A	0.3%	377.9%	237.1%	Information Technology
SoundHound AI Inc Ordinary Shares	0.2%	325.8%	835.8%	Information Technology
Kodiak Sciences Inc	0.0%	281.2%	227.3%	Health Care
The RealReal Inc	0.0%	248.1%	443.8%	Consumer Discretionary
SES AI Corp	0.0%	242.3%	19.7%	Industrials
Poseida Therapeutics Inc Ordinary	0.0%	235.7%	185.7%	Health Care
Archer Aviation Inc Class A	0.1%	221.8%	58.8%	Industrials

Bottom 10 Performing Stocks (by Quarter)				
Russell 2000	Weight	1-Qtr Return	1-Year Return	Sector
Q32 Bio Inc	0.0%	-92.3%	0.0%	Health Care
Cassava Sciences Inc	0.0%	-92.0%	-89.5%	Health Care
Applied Therapeutics Inc	0.0%	-89.9%	-74.4%	Health Care
Perspective Therapeutics Inc	0.0%	-76.1%	-20.6%	Health Care
Keros Therapeutics Inc	0.0%	-72.7%	-60.2%	Health Care
Bioage Labs Inc	0.0%	-72.2%	N/A	Health Care
Inovio Pharmaceuticals Inc	0.0%	-68.3%	-70.1%	Health Care
PACS Group Inc	0.0%	-67.2%	N/A	Health Care
Shattuck Labs Inc Ordinary Shares	0.0%	-65.3%	-83.0%	Health Care
Sunnova Energy International Inc	0.0%	-64.8%	-77.5%	Utilities

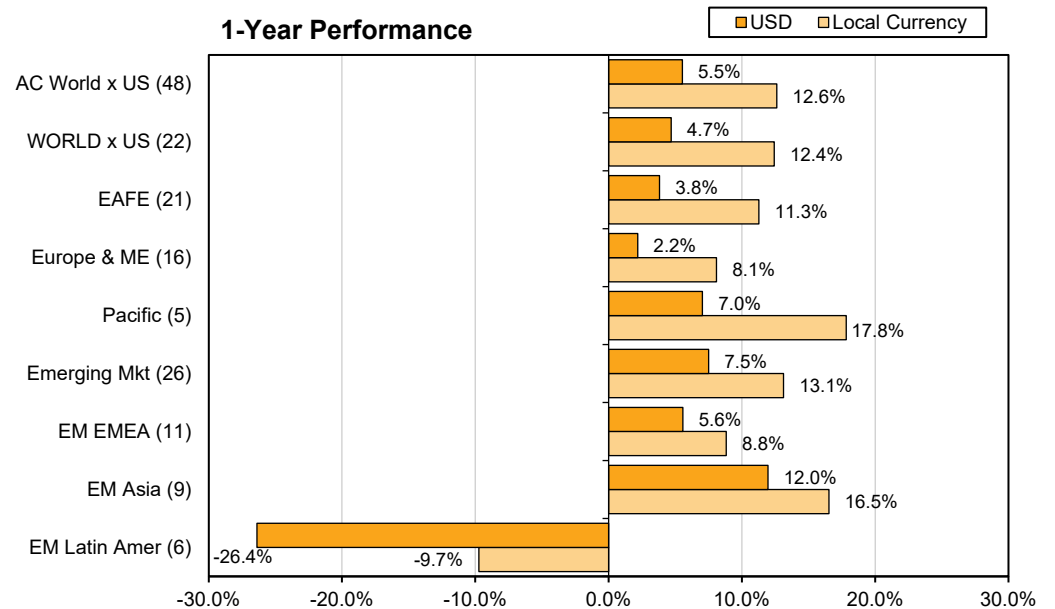
Source: Morningstar Direct

- Results in USD terms among the headline international equity indexes were sharply lower during the quarter. The strengthening USD relative to many major currencies during the quarter was a substantial headwind for the USD performance of non-US regional benchmarks' returns. The developed-market MSCI EAFE Index returned a muted -0.6% in LCL terms but fell -8.1% in USD terms. The MSCI ACWI ex-US Index pulled back -7.6% in USD and -1.4% in LCL terms for the quarter.
- Latin America continued to lag other regions during the quarter in USD terms, posting an outsized loss of -15.8%. Weakening currencies in the region put added pressure on realized performance for US investors. The MSCI Pacific benchmark was the only regional benchmark to deliver positive performance in LCL terms with a return of 3.5%, but USD strength led to a -5.5% decline in USD terms for the quarter. Regional LCL currency performance was disparate for the quarter, with some regional indexes remaining relatively flat over the final three months of the year.
- Full year results by country show Taiwan and Malaysia as the biggest winners during the year in USD terms. These two countries advanced 34.4% and 20.8%, respectively. China was not far behind with the largest economy in the emerging market world climbing 19.4% in USD terms for the year despite declining 7.7% during the fourth quarter. Much of the broad-based MSCI Emerging Market Index's returns are attributable to the health of the dominant Chinese economy, which came under pressure during the year due to troubles in the manufacturing and commercial property sectors.
- Much like domestic markets, trailing one-year results for international developed and emerging markets benchmarks were strongly positive. Higher LCL versus USD returns for most international benchmarks demonstrate the USD's relative strength over the trailing one-year period, which represents a drag on results for US investors.
- Most broad and regional indexes were positive for the trailing 12 months in both USD and LCL terms. The exception to these positive results is the EM Latin America index, where negative LCL performance was exacerbated by the region's currency weakness, which led to a more severe -26.4% return in USD terms. The MSCI Pacific Index led the way with a return of 17.8% in LCL terms for the trailing year, but US investor returns were dampened to just 7.0% 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 December 31, 2024

MSCI - EAFE	Sector Weight	Quarter Return	1-Year Return
Communication Services	4.8%	-4.7%	11.2%
Consumer Discretionary	11.3%	-4.3%	1.4%
Consumer Staples	8.3%	-12.6%	-7.9%
Energy	3.5%	-8.3%	-10.5%
Financials	21.9%	-2.3%	20.9%
Health Care	12.4%	-14.1%	-1.5%
Industrials	17.8%	-6.4%	9.6%
Information Technology	8.8%	-7.2%	3.8%
Materials	6.1%	-17.8%	-12.9%
Real Estate	2.0%	-13.4%	-3.9%
Utilities	3.2%	-12.8%	-4.1%
Total	100.0%	-8.1%	3.8%

MSCI - ACWixUS	Sector Weight	Quarter Return	1-Year Return
Communication Services	5.9%	-6.8%	12.4%
Consumer Discretionary	11.2%	-8.1%	4.6%
Consumer Staples	7.0%	-12.4%	-7.8%
Energy	5.0%	-7.9%	-3.5%
Financials	23.7%	-2.8%	17.5%
Health Care	8.8%	-13.9%	-1.4%
Industrials	14.0%	-7.1%	7.5%
Information Technology	13.5%	-1.8%	13.3%
Materials	6.3%	-17.2%	-12.6%
Real Estate	1.8%	-11.5%	-1.7%
Utilities	3.0%	-12.8%	-2.0%
Total	100.0%	-7.6%	5.5%

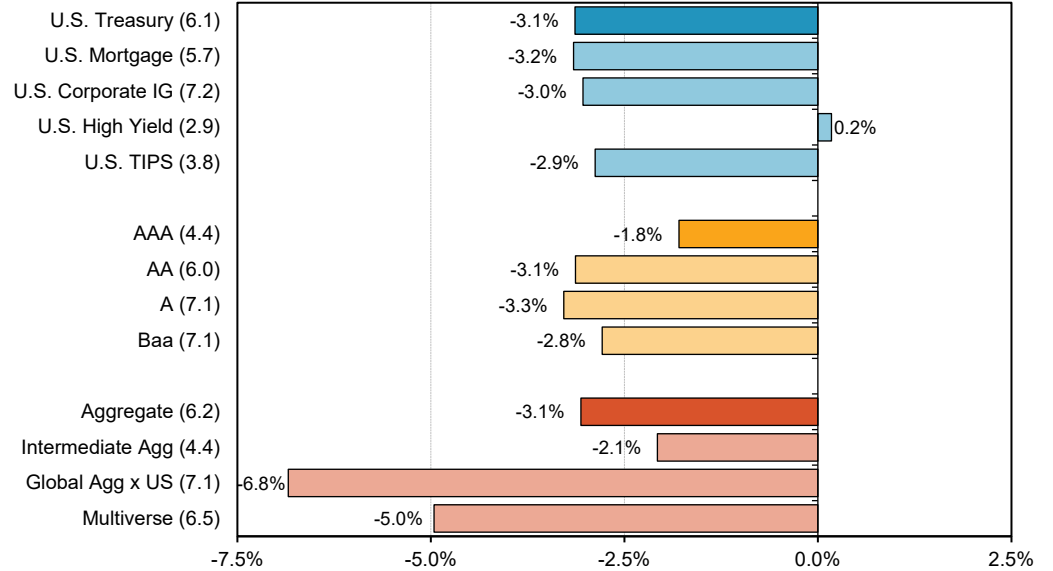
MSCI - Emerging Mkt	Sector Weight	Quarter Return	1-Year Return
Communication Services	9.4%	-8.1%	15.9%
Consumer Discretionary	13.1%	-14.5%	11.8%
Consumer Staples	4.8%	-13.9%	-11.1%
Energy	4.6%	-14.5%	-5.9%
Financials	23.7%	-5.0%	11.0%
Health Care	3.5%	-11.7%	-0.9%
Industrials	6.6%	-10.9%	0.6%
Information Technology	24.3%	1.1%	20.4%
Materials	5.7%	-18.6%	-19.6%
Real Estate	1.7%	-6.5%	3.8%
Utilities	2.7%	-14.1%	3.3%
Total	100.0%	-8.0%	7.5%

Country	MSCI-EAFE Weight	MSCI-ACWixUS Weight	Quarter Return	1-Year Return
Japan	23.2%	14.5%	-3.6%	8.3%
United Kingdom	14.9%	9.3%	-6.8%	7.5%
France	11.1%	6.9%	-10.3%	-5.3%
Switzerland	9.6%	6.0%	-11.3%	-2.0%
Germany	9.2%	5.8%	-5.7%	10.2%
Australia	7.4%	4.6%	-11.4%	1.2%
Netherlands	4.6%	2.9%	-12.4%	1.4%
Sweden	3.6%	2.2%	-14.0%	-3.7%
Denmark	2.9%	1.8%	-21.5%	-12.9%
Italy	2.8%	1.7%	-6.7%	11.3%
Spain	2.8%	1.7%	-9.2%	9.8%
Hong Kong	2.0%	1.2%	-9.8%	0.1%
Singapore	1.7%	1.0%	3.2%	32.3%
Belgium	1.0%	0.6%	-8.3%	8.5%
Finland	1.0%	0.6%	-13.1%	-7.3%
Israel	1.0%	0.6%	14.1%	38.3%
Norway	0.6%	0.4%	-5.4%	-4.3%
Ireland	0.3%	0.2%	-12.6%	14.0%
New Zealand	0.2%	0.1%	-6.0%	-1.5%
Austria	0.2%	0.1%	1.1%	18.3%
Portugal	0.2%	0.1%	-22.7%	-25.2%
Total EAFE Countries	100.0%	62.3%	-8.1%	3.8%
Canada		8.1%	-1.8%	11.9%
Total Developed Countries		70.4%	-7.4%	4.7%
China		8.2%	-7.7%	19.4%
Taiwan		5.8%	3.3%	34.4%
India		5.8%	-11.3%	11.2%
Korea		2.7%	-19.2%	-23.4%
Saudi Arabia		1.2%	-1.5%	0.6%
Brazil		1.2%	-19.4%	-29.8%
South Africa		0.9%	-12.1%	6.7%
Mexico		0.5%	-10.6%	-27.1%
Malaysia		0.5%	-6.9%	20.8%
Indonesia		0.4%	-15.6%	-13.0%
Thailand		0.4%	-10.1%	1.3%
United Arab Emirates		0.4%	9.0%	19.6%
Qatar		0.3%	-0.2%	6.1%
Poland		0.2%	-11.5%	-6.7%
Kuwait		0.2%	1.2%	10.5%
Turkey		0.2%	-3.2%	17.8%
Philippines		0.2%	-13.9%	-0.7%
Greece		0.1%	-6.2%	8.9%
Chile		0.1%	-6.8%	-7.5%
Peru		0.1%	-9.1%	15.8%
Hungary		0.1%	-2.3%	14.0%
Czech Republic		0.0%	0.9%	4.0%
Colombia		0.0%	-0.2%	7.9%
Egypt		0.0%	-9.0%	-31.2%
Total Emerging Countries		29.7%	-8.0%	7.5%
Total ACWixUS Countries		100.0%	-7.6%	5.5%

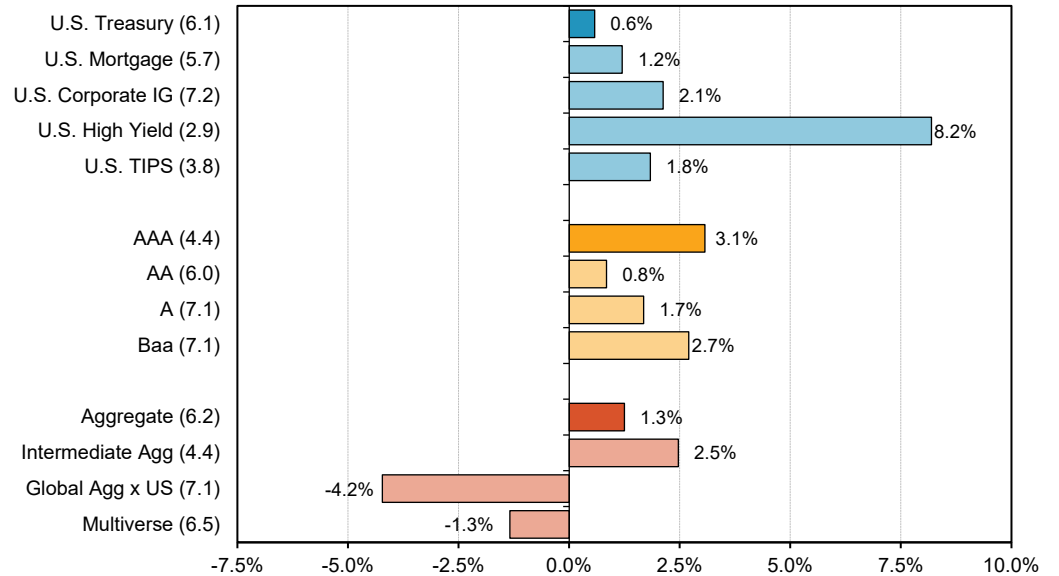
Source: Morningstar Direct, MSCI Global Index Monitor (Returns are Net in USD)
As a result of the GICS classification changes on 9/28/2018 and certain associated reporting limitations, sector performance represents backward looking performance for the prior year of each sector's current constituency,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

- Domestic fixed-income markets declined during the fourth quarter despite two additional 0.25% rate cuts by the Fed. Although the Fed's action moved short-term rates lower, longer-term yields advanced during the quarter, leading to a modest steepening of the Treasury Yield Curve. The Fed's target range is now set at 4.25%-4.50% at year-end, down a full percentage point, including the first 0.50% cut in September of 2024.
- While the Fed's first rate cut in September was initially celebrated by fixed income investors and boosted the levels of the indexes during the third quarter, many of the core indexes fell during the fourth quarter as longer-term yields advanced and worked against the Fed's short-term rate declines. Performance across the investment-grade index's segments declined with the Treasury, Mortgage-Backed and Corporate IG indexes falling in a tight range around -3.0%. Higher quality issues performed better, as BBB issues fell by -2.8%, while AAA issues fell a smaller -1.8% due in large part to their lower duration (4.4 vs. 7.1 years).
- High Yield bonds outperformed investment grade issues as longer-term yields climbed. This was primarily due to the high-yield benchmark's lower duration and higher coupon income. Despite their lower credit quality, below-investment grade issues returned just 0.2% for the quarter, but still outpaced all other broad-based investment-grade fixed income indexes.
- Over the trailing one-year period, the Bloomberg US Aggregate Bond Index posted a return of 1.3%. The benchmark's sub-components also posted positive performance over the trailing 12 months with the Bloomberg US Corporate Investment Grade Index rising 2.1% and the US Mortgage Index returning 1.2%. US TIPS, which are excluded from the Bloomberg US Aggregate Bond Index, returned 1.8% for the trailing year.
- Results were mixed across credit qualities of investment grade issues. The performance of AAA issues was aided by their lower duration and returned 3.1% while AA issues returned only 0.8% for the year. High yield bonds were also the best performing segment of the market for the year, returning an outsized 8.2%, more than double any other segment of the domestic fixed income market. Results in high yield were spurred by stable credit spreads and higher coupon income.
- The Bloomberg Global Aggregate ex-US Index finished both the quarter and the year significantly weaker than its domestic benchmark counterpart. Strength in the USD was a primary driver in the international index's weak -6.8% fourth quarter performance and its -4.2% return for the calendar year.

Quarter Performance



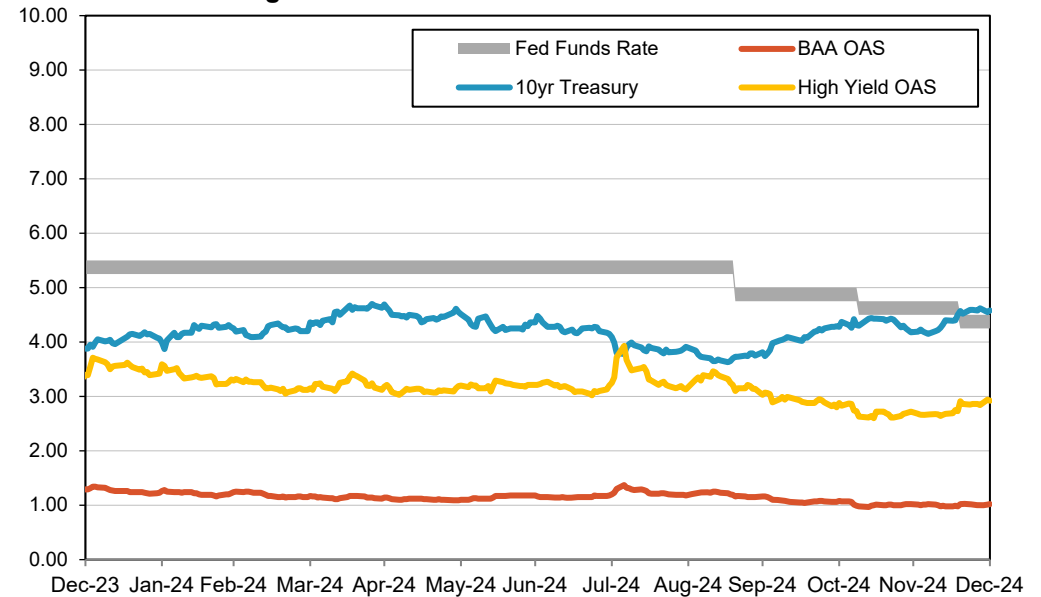
1-Year Performance



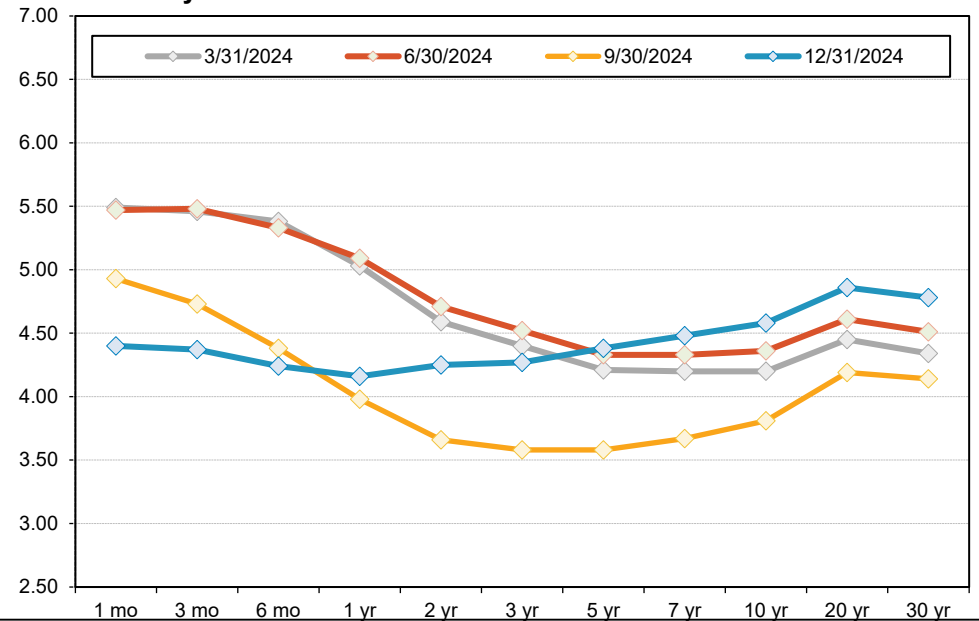
Source: Bloomberg

- The gray band across the graph illustrates the fed funds target rate range over the last 12 months. During the fourth quarter, the Federal Open Market Committee (FOMC) cut its policy rates by 0.50% with two successive 0.25% cuts in November and December. The target policy range now stands at 4.25-4.50%, a level not seen since January of 2023. With inflation declining and unemployment remaining largely stable, the Fed has pivoted from its restrictive monetary policy stance. The most recent FOMC press release continued to emphasize economic data-dependent outcomes while placing greater 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 90% probability of no rate decrease at the FOMC January 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.
- The yield on the US 10-year Treasury (blue line of the top chart) rose 0.84% during the quarter. The bellwether benchmark rate opened the quarter at a yield of 3.74% and finished December at a yield of 4.58%, which is its highest level since May 2024.
- 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 experienced a slight decline, beginning October at 1.13% and finishing December at 1.02%. High-yield OAS spreads (represented by the yellow line in the top chart) also remained relatively stable, despite a sharp spike in early August spurred by an unwinding of the yen carry trade. The high-yield OAS fell by 0.11% over the quarter from 3.03% to 2.92%. 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 November 2022, the quarter-end yield on the 30-year Treasury was higher than the one-month Treasury. Furthermore, the spread between the two-year yield and the 10-year yield continued to widen during the quarter, growing from 0.15% in October to 0.30% at year end. The yield curve had been inverted for much of the last two years. This 2-10-year yield curve inversion is a common heuristic used to foretell a pending recession.

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](#)

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

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

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

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

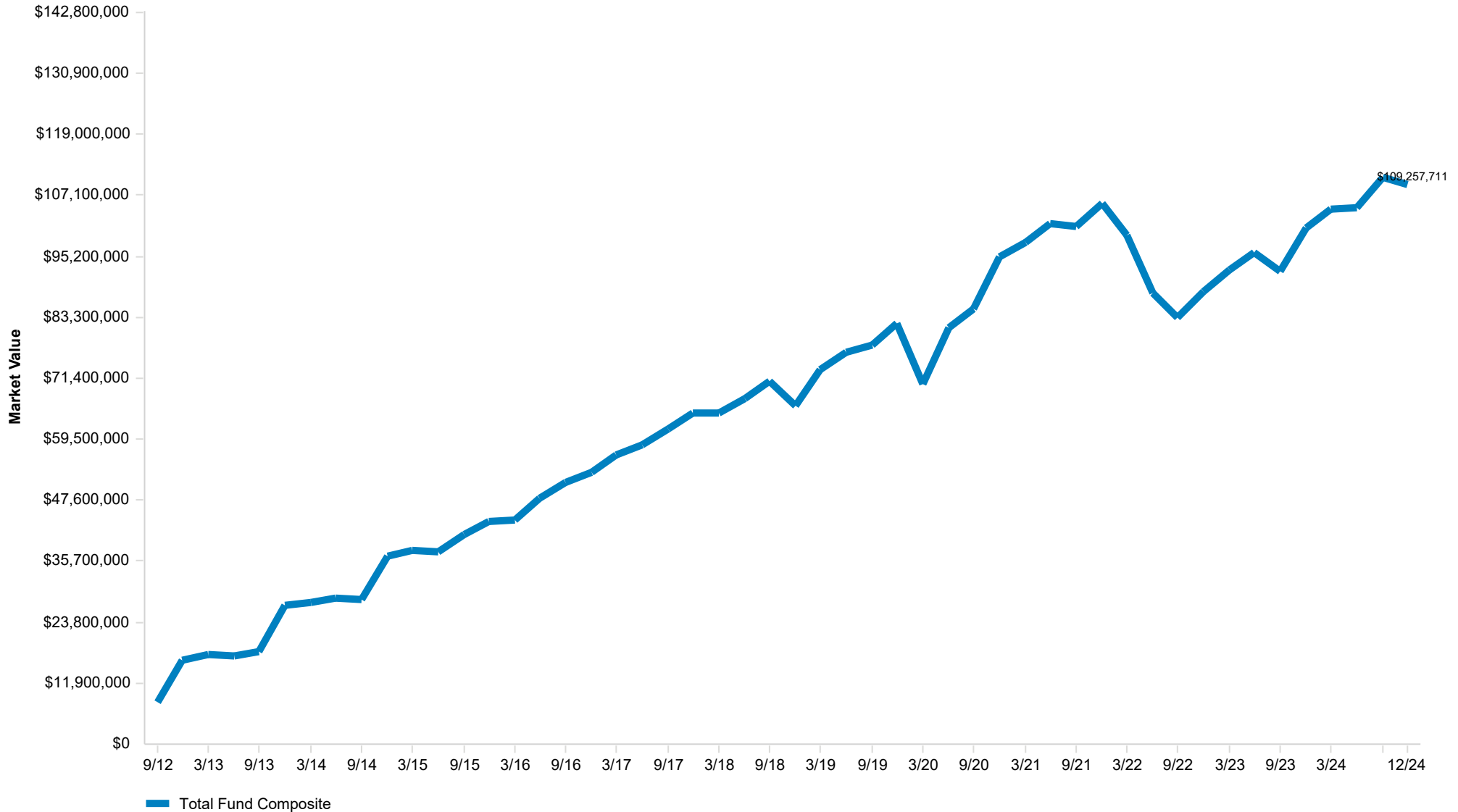
[10-Year Treasury Constant Maturity Minus 2-Year Treasury Constant Maturity \(T10Y2Y\) | FRED | St. Louis Fed \(stlouisfed.org\)](#)

[The Fed's dot plot shows only two rate cuts in 2025, fewer than previously projected](#)

10.9%

Schedule of Investable Assets
Total Fund Composite
 October 1, 2012 To December 31, 2024

Schedule of Investable Assets

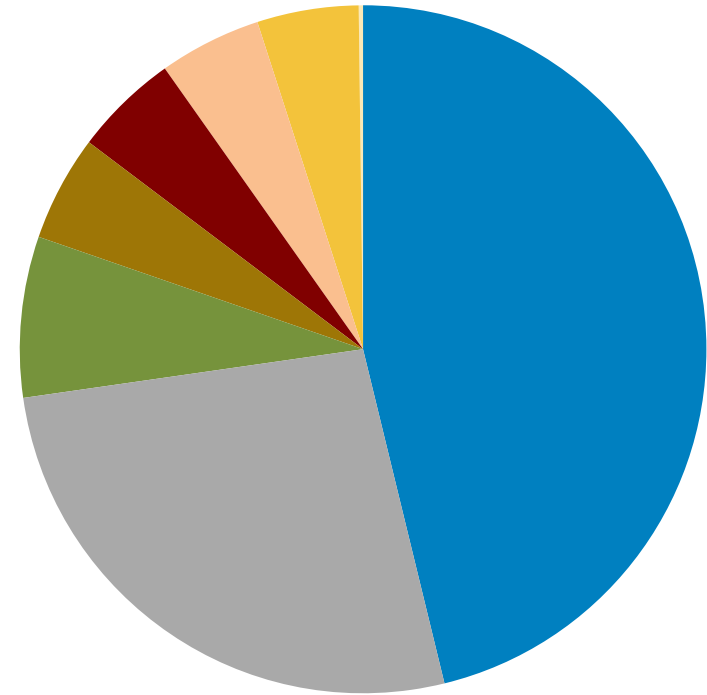
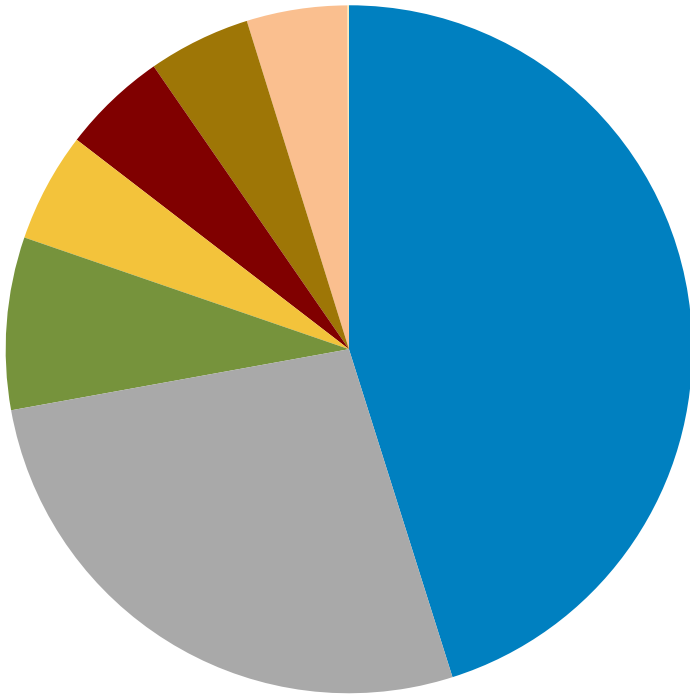


Schedule of Investable Assets

Periods Ending	Beginning Market Value \$	Net Cash Flow \$	Gain/Loss \$	Ending Market Value \$	%Return
Oct-2012 To Dec-2024	8,192,495	47,246,664	53,818,552	109,257,711	7.02

Sep-2024 : \$110,747,628

Dec-2024 : \$109,257,711



Allocation			Allocation		
	Market Value	Allocation		Market Value	Allocation
Domestic Equity	49,977,122	45.1	Domestic Equity	50,468,701	46.2
Fixed Income	29,939,291	27.0	Fixed Income	29,003,482	26.5
International Equity	8,977,745	8.1	International Equity	8,262,728	7.6
Real Estate	5,710,241	5.2	Bank Loans	5,442,628	5.0
GTAA	5,475,959	4.9	GTAA	5,376,869	4.9
Bank Loans	5,335,660	4.8	High Yield Fixed Income	5,261,508	4.8
High Yield Fixed Income	5,239,691	4.7	Real Estate	5,219,877	4.8
Cash	91,919	0.1	Cash	221,919	0.2

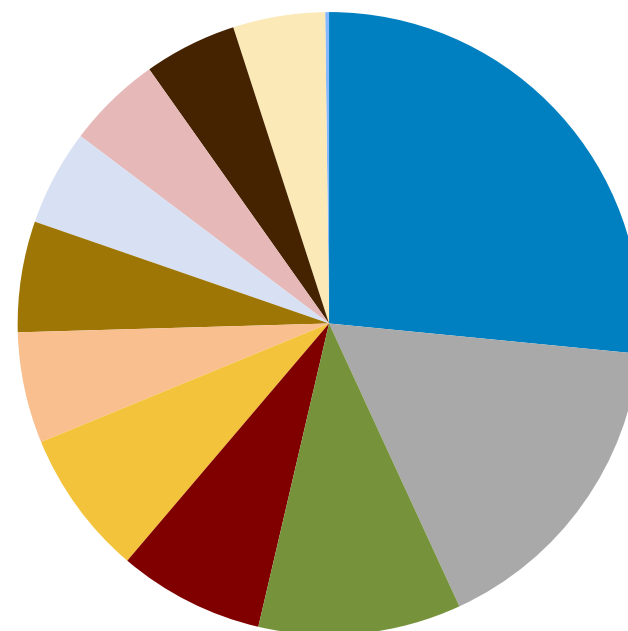
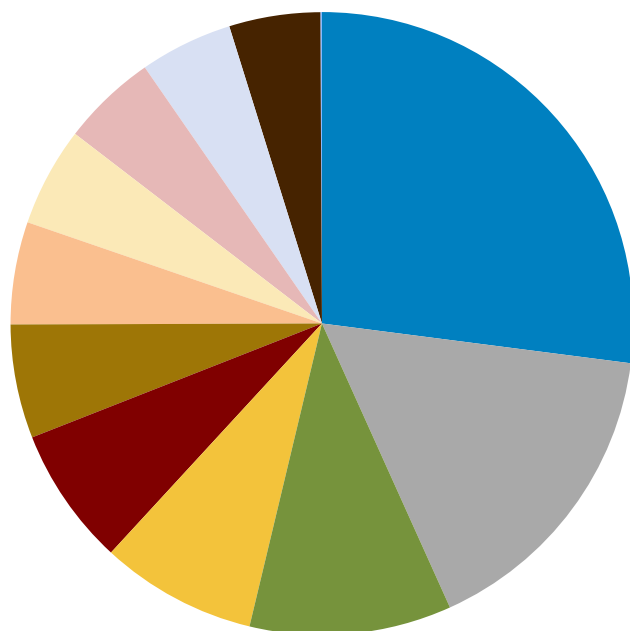
Asset Allocation by Asset Class

Total Fund

As of December 31, 2024

Sep-2024 : \$110,747,628

Dec-2024 : \$109,257,711



Allocation			Allocation		
	Market Value	Allocation		Market Value	Allocation
■ MacKay Shields Core Plus	29,939,291	27.0	■ MacKay Shields Core Plus	29,003,482	26.5
■ Vanguard Index Fund Institutional (VINIX)	17,968,195	16.2	■ Vanguard Index Fund Institutional (VINIX)	18,117,130	16.6
■ Barrow Hanley MeWhinney & Strauss	11,608,570	10.5	■ Barrow Hanley MeWhinney & Strauss	11,493,331	10.5
■ Causeway International (CIVIX)	8,977,745	8.1	■ Stephens Mid Cap Growth	8,276,821	7.6
■ Stephens Mid Cap Growth	7,970,622	7.2	■ Causeway International (CIVIX)	8,262,728	7.6
■ Fiduciary Management	6,543,958	5.9	■ Fidelity Large Cap Growth (FSPGX)	6,301,306	5.8
■ Fidelity Large Cap Growth (FSPGX)	5,885,776	5.3	■ Fiduciary Management	6,280,114	5.7
■ Cohen & Steers (CSRIX)	5,710,241	5.2	■ Aristotle Floating Rate (PLFRX)	5,442,628	5.0
■ BlackRock Multi-Asset Income (BKMIX)	5,475,959	4.9	■ BlackRock Multi-Asset Income (BKMIX)	5,376,869	4.9
■ Aristotle Floating Rate (PLFRX)	5,335,660	4.8	■ Loomis Sayles High Yield (LSHIX)	5,261,508	4.8
■ Loomis Sayles High Yield (LSHIX)	5,239,691	4.7	■ Cohen & Steers (CSRIX)	5,219,877	4.8
■ Cash	91,919	0.1	■ Cash	221,919	0.2

Financial Reconciliation
Total Fund
1 Quarter Ending December 31, 2024

	Market Value 10/01/2024	Net Transfers	Contributions	Distributions	Management Fees	Other Expenses	Return On Investment	Market Value 12/31/2024
Fiduciary Management	6,543,958	-	-	-	-8,998	-1,157	-253,689	6,280,114
Vanguard Index Fund Institutional (VINIX)	17,968,195	-285,000	-	-	-	-	433,934	18,117,130
Fidelity Large Cap Growth (FSPGX)	5,885,776	-	-	-	-	-	415,530	6,301,306
Stephens Mid Cap Growth	7,970,622	-	-	-	-14,789	-1,410	322,398	8,276,821
Barrow Hanley MeWhinney & Strauss	11,608,570	-200,000	-	-	-18,708	-2,054	105,522	11,493,331
Causeway International (CIVIX)	8,977,745	-	-	-	-	-	-715,017	8,262,728
Cohen & Steers (CSRIX)	5,710,241	-	-	-	-	-	-490,364	5,219,877
BlackRock Multi-Asset Income (BKMIX)	5,475,959	-	-	-	-	-	-99,090	5,376,869
MacKay Shields Core Plus	29,939,291	-	-	-	-26,197	-5,262	-904,350	29,003,482
Loomis Sayles High Yield (LSHIX)	5,239,691	-	-	-	-	-	21,817	5,261,508
Aristotle Floating Rate (PLFRX)	5,335,660	-	-	-	-	-	106,967	5,442,628
Cash	91,919	485,000	-	-336,274	-	-19,910	1,184	221,919
Total Fund Composite	110,747,628	-	-	-336,274	-68,692	-29,794	-1,055,157	109,257,711

Financial Reconciliation is for illustrative purposes only.

Financial Reconciliation

Total Fund

Year To Date Ending December 31, 2024

	Market Value 01/01/2024	Net Transfers	Contributions	Distributions	Management Fees	Other Expenses	Return On Investment	Market Value 12/31/2024
Fiduciary Management	10,912,738	-5,635,000	-	-	-48,305	-6,373	1,057,054	6,280,114
Vanguard Index Fund Institutional (VINIX)	15,766,903	-1,455,000	-	-	-	-	3,805,227	18,117,130
Fidelity Large Cap Growth (FSPGX)	-	5,200,000	-	-	-	-	1,101,306	6,301,306
Stephens Mid Cap Growth	7,300,698	-	-	-	-57,206	-5,592	1,038,921	8,276,821
Barrow Hanley MeWhinney & Strauss	10,644,657	-200,000	-	-	-72,111	-8,006	1,128,791	11,493,331
Causeway International (CIVIX)	7,967,571	-	-	-	-	-	295,157	8,262,728
Cohen & Steers (CSRIX)	4,913,216	-	-	-	-	-	306,661	5,219,877
BlackRock Multi-Asset Income (BKMIX)	5,003,399	-	-	-	-	-	373,469	5,376,869
MacKay Shields Core Plus	28,275,373	-	-	-	-100,452	-20,775	849,336	29,003,482
Loomis Sayles High Yield (LSHIX)	4,807,460	-	-	-	-	-	454,048	5,261,508
Aristotle Floating Rate (PLFRX)	5,021,938	-	-	-	-	-	420,690	5,442,628
Cash	43,678	2,090,000	-	-1,801,914	-	-114,433	4,588	221,919
Total Fund Composite	100,657,633	-	-	-1,801,914	-278,074	-155,180	10,835,246	109,257,711

Financial Reconciliation is for illustrative purposes only.

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

As of December 31, 2024

	Allocation		Performance(%)							
	Market Value \$	%	QTR	1 YR	3 YR	5 YR	7 YR	Inception	Inception Date	
Total Fund Composite (Gross of Fees)	109,257,711	100.0	-0.96	10.87	3.60	6.75	6.38	7.02	10/01/2012	
Policy Index			-1.64	9.34	1.72	5.08	5.31	6.30		
Difference			0.68	1.53	1.87	1.67	1.07	0.72		
OPEB Actuarial Assumption			1.47	6.00	6.00	6.00	6.00	6.00		
Difference			-2.43	4.87	-2.40	0.75	0.38	1.02		
Total Fund Composite (Net of Fees)	109,257,711	100.0	-1.02	10.57	3.31	6.44	6.04	6.58	10/01/2012	
Fiduciary Management	6,280,114	5.7	-3.88 (90)	11.66 (72)	5.63 (61)	9.30 (63)	9.47 (46)	11.43 (44)	10/01/2012	
Russell 1000 Value Index			-1.98 (58)	14.37 (51)	5.63 (61)	8.68 (72)	8.41 (64)	10.63 (69)		
Difference			-1.90	-2.71	0.00	0.62	1.06	0.80		
S&P 500 Index			2.41 (5)	25.02 (3)	8.94 (20)	14.53 (4)	13.83 (4)	14.29 (4)		
Difference			-6.29	-13.36	-3.31	-5.22	-4.36	-2.86		
IM U.S. Large Cap Value Equity (SA+CF) Median			-1.58	14.47	6.50	10.03	9.19	11.19		
Vanguard Index Fund Institutional (VINIX)	18,117,130	16.6	2.40 (30)	24.98 (23)	8.91 (22)	14.50 (19)	13.81 (11)	14.43 (12)	05/01/2017	
S&P 500 Index			2.41 (28)	25.02 (22)	8.94 (21)	14.53 (18)	13.83 (11)	14.46 (11)		
Difference			-0.01	-0.04	-0.03	-0.03	-0.03	-0.03		
Large Blend Median			2.05	23.23	7.88	13.39	12.50	13.16		
Fidelity Large Cap Growth (FSPGX)	6,301,306	5.8	7.06 (22)					24.92 (18)	05/01/2024	
Russell 1000 Growth Index			7.07 (22)	33.36 (28)	10.47 (8)	18.96 (8)	18.08 (8)	25.00 (17)		
Difference			-0.01					-0.08		
Large Growth Median			5.26	30.00	7.36	15.68	15.30	20.82		
Stephens Mid Cap Growth	8,276,821	7.6	4.05 (58)	14.31 (53)	1.81 (37)	11.21 (17)	12.89 (9)	13.62 (20)	01/01/2013	
Russell Midcap Growth Index			8.14 (7)	22.10 (18)	4.04 (7)	11.47 (14)	12.08 (21)	13.41 (20)		
Difference			-4.09	-7.79	-2.23	-0.27	0.81	0.21		
IM U.S. Mid Cap Growth Equity (SA+CF) Median			4.59	15.14	0.69	10.00	10.98	12.32		
Barrow Hanley MeWhinney & Strauss	11,493,331	10.5	0.80 (31)	10.53 (47)	6.67 (22)	13.64 (7)	10.21 (11)	13.15 (3)	10/01/2012	
Russell 2000 Value Index			-1.06 (64)	8.05 (68)	1.94 (86)	7.29 (83)	6.13 (83)	9.03 (90)		
Difference			1.86	2.48	4.73	6.34	4.09	4.12		
IM U.S. Small Cap Value Equity (SA+CF) Median			-0.32	10.12	3.92	9.11	7.32	10.30		
Causeway International (CIVIX)	8,262,728	7.6	-7.96 (62)	3.70 (56)	9.97 (1)	8.88 (2)	5.92 (9)	5.61 (18)	10/01/2013	
MSCI EAFE (Net) Index			-8.11 (66)	3.82 (54)	1.65 (31)	4.73 (36)	4.10 (32)	4.66 (42)		
Difference			0.15	-0.12	8.33	4.16	1.82	0.96		
MSCI EAFE Value Index (Net)			-7.12 (38)	5.68 (32)	5.88 (5)	5.09 (30)	3.45 (56)	3.87 (75)		
Difference			-0.84	-1.98	4.09	3.80	2.47	1.74		
Foreign Median			-7.51	4.19	0.22	4.19	3.58	4.47		

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 December 31, 2024

	Allocation		Performance(%)							
	Market Value \$	%	QTR	1 YR	3 YR	5 YR	7 YR	Inception	Inception Date	
Cohen & Steers (CSRIX)	5,219,877	4.8	-8.59 (94)	6.24 (45)	-3.39 (23)	4.57 (16)	6.91 (6)	8.20 (5)	01/01/2013	
FTSE NAREIT All Equity REITs			-8.15 (86)	4.92 (72)	-4.28 (52)	3.29 (57)	5.47 (47)	7.26 (27)		
Difference			-0.44	1.32	0.89	1.28	1.45	0.93		
Real Estate Median			-6.97	6.02	-4.17	3.47	5.35	6.68		
BlackRock Multi-Asset Income (BKMIX)	5,376,869	4.9	-1.81 (16)	7.46 (56)	1.84 (42)			6.77 (86)	04/01/2020	
50% S&P 500/50% Barclays Agg			-0.33 (2)	12.65 (9)	3.33 (23)	7.18 (8)	7.54 (4)	9.64 (38)		
Difference			-1.48	-5.18	-1.49			-2.87		
Global Allocation Median			-2.94	8.12	1.45	4.66	4.49	8.78		
MacKay Shields Core Plus	29,003,482	26.5	-3.02 (75)	3.01 (31)	-1.67 (38)	0.84 (29)	1.86 (30)	2.15 (37)	07/01/2014	
Blmbg. U.S. Aggregate Index			-3.06 (76)	1.25 (85)	-2.41 (80)	-0.33 (90)	0.97 (89)	1.47 (87)		
Difference			0.04	1.76	0.74	1.17	0.90	0.68		
IM U.S. Broad Market Core+ Fixed Income (SA+CF) Median			-2.79	2.51	-1.95	0.49	1.63	2.06		
Loomis Sayles High Yield (LSHIX)	5,261,508	4.8	0.42 (30)	9.44 (9)	2.06 (73)	3.54 (51)	3.46 (78)	4.90 (20)	01/01/2013	
ICE BofA U.S. High Yield Index			0.16 (54)	8.20 (33)	2.91 (39)	4.04 (29)	4.53 (22)	5.06 (15)		
Difference			0.26	1.24	-0.85	-0.50	-1.07	-0.15		
High Yield Bond Median			0.20	7.63	2.58	3.55	3.96	4.37		
Aristotle Floating Rate (PLFRX)	5,442,628	5.0	2.00 (67)	8.38 (41)	6.93 (5)			6.62 (5)	10/01/2021	
S&P UBS Leveraged Loan Index			2.29 (29)	9.02 (15)	6.84 (7)	5.72 (4)	5.40 (3)	6.53 (8)		
Difference			-0.28	-0.64	0.09			0.10		
Bank Loan Median			2.11	8.23	5.84	4.65	4.31	5.52		
Cash	221,919	0.2								

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 December 31, 2024

	Allocation		Performance(%)					
	Market Value \$	%	YTD	2023	2022	2021	2020	2019
Total Fund Composite (Gross of Fees)	109,257,711	100.0	10.87	16.72	-14.08	11.28	12.03	17.38
Policy Index			9.34	13.91	-15.49	11.63	9.04	17.62
Difference			1.53	2.81	1.41	-0.35	2.99	-0.24
OPEB Actuarial Assumption			6.00	6.00	6.00	6.00	6.00	6.00
Difference			4.87	10.72	-20.08	5.28	6.03	11.38
Total Fund Composite (Net of Fees)	109,257,711	100.0	10.57	16.40	-14.34	10.97	11.64	16.96
Fiduciary Management	6,280,114	5.7	11.66 (72)	21.42 (14)	-13.08 (82)	19.11 (94)	11.13 (22)	24.39 (70)
Russell 1000 Value Index			14.37 (51)	11.46 (62)	-7.54 (64)	25.16 (68)	2.80 (63)	26.54 (53)
Difference			-2.71	9.96	-5.54	-6.05	8.33	-2.15
S&P 500 Index			25.02 (3)	26.29 (8)	-18.11 (93)	28.71 (33)	18.40 (7)	31.49 (14)
Difference			-13.36	-4.86	5.03	-9.59	-7.27	-7.09
IM U.S. Large Cap Value Equity (SA+CF) Median			14.47	13.18	-5.86	27.00	3.98	26.82
Vanguard Index Fund Institutional (VINIX)	18,117,130	16.6	24.98 (23)	26.24 (25)	-18.12 (48)	28.66 (21)	18.39 (38)	31.46 (23)
S&P 500 Index			25.02 (22)	26.29 (24)	-18.11 (48)	28.71 (20)	18.40 (38)	31.49 (23)
Difference			-0.04	-0.04	-0.01	-0.05	0.00	-0.03
Large Blend Median			23.23	24.66	-18.23	26.79	17.64	30.03
Fidelity Large Cap Growth (FSPGX)	6,301,306	5.8						
Russell 1000 Growth Index			33.36 (28)	42.68 (33)	-29.14 (34)	27.60 (15)	38.49 (40)	36.39 (20)
Difference								
Large Growth Median			30.00	39.34	-31.16	21.89	36.16	32.89
Stephens Mid Cap Growth	8,276,821	7.6	14.31 (53)	26.61 (13)	-27.09 (50)	13.36 (47)	42.17 (31)	32.97 (64)
Russell Midcap Growth Index			22.10 (18)	25.87 (15)	-26.72 (47)	12.73 (55)	35.59 (49)	35.47 (47)
Difference			-7.79	0.75	-0.37	0.64	6.59	-2.50
IM U.S. Mid Cap Growth Equity (SA+CF) Median			15.14	23.22	-27.35	13.14	34.42	34.91
Barrow Hanley MeWhinney & Strauss	11,493,331	10.5	10.53 (47)	20.46 (26)	-8.84 (28)	20.12 (90)	29.97 (1)	26.81 (22)
Russell 2000 Value Index			8.05 (68)	14.65 (65)	-14.48 (76)	28.27 (53)	4.63 (50)	22.39 (66)
Difference			2.48	5.81	5.65	-8.15	25.34	4.41
IM U.S. Small Cap Value Equity (SA+CF) Median			10.12	16.40	-11.57	28.76	4.42	24.00
Causeway International (CIVIX)	8,262,728	7.6	3.70 (56)	37.53 (1)	-6.75 (6)	9.17 (64)	5.40 (75)	20.10 (74)
MSCI EAFE (Net) Index			3.82 (54)	18.24 (28)	-14.45 (33)	11.26 (42)	7.82 (63)	22.01 (55)
Difference			-0.12	19.29	7.71	-2.09	-2.42	-1.91
MSCI EAFE Value Index (Net)			5.68 (32)	18.95 (22)	-5.58 (4)	10.89 (47)	-2.63 (96)	16.09 (92)
Difference			-1.98	18.58	-1.16	-1.72	8.03	4.01
Foreign Median			4.19	16.24	-16.87	10.65	10.17	22.57

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 December 31, 2024

	Allocation		Performance(%)						
	Market Value \$	%	YTD	2023	2022	2021	2020	2019	
Cohen & Steers (CSRIX)	5,219,877	4.8	6.24 (45)	12.72 (39)	-24.70 (13)	42.38 (37)	-2.62 (22)	33.01 (7)	
FTSE NAREIT All Equity REITs			4.92 (72)	11.36 (66)	-24.95 (18)	41.30 (53)	-5.12 (54)	28.66 (39)	
Difference			1.32	1.36	0.24	1.09	2.51	4.35	
Real Estate Median			6.02	12.07	-26.29	41.44	-4.84	27.78	
BlackRock Multi-Asset Income (BKMIX)	5,376,869	4.9	7.46 (56)	11.10 (55)	-11.53 (37)	7.19 (81)			
50% S&P 500/50% Barclays Agg			12.65 (9)	15.58 (10)	-15.26 (60)	12.80 (32)	13.66 (21)	19.89 (18)	
Difference			-5.18	-4.48	3.74	-5.62			
Global Allocation Median			8.12	11.66	-14.28	10.75	7.28	17.33	
MacKay Shields Core Plus	29,003,482	26.5	3.01 (31)	7.46 (22)	-14.12 (78)	-0.18 (37)	9.90 (19)	9.48 (54)	
Blmbg. U.S. Aggregate Index			1.25 (85)	5.53 (86)	-13.01 (42)	-1.55 (88)	7.51 (80)	8.72 (78)	
Difference			1.76	1.93	-1.11	1.36	2.39	0.76	
IM U.S. Broad Market Core+ Fixed Income (SA+CF) Median			2.51	6.48	-13.24	-0.55	8.65	9.59	
Loomis Sayles High Yield (LSHIX)	5,261,508	4.8	9.44 (9)	9.98 (91)	-11.67 (75)	8.25 (6)	3.42 (79)	10.51 (84)	
ICE BofA U.S. High Yield Index			8.20 (33)	13.46 (13)	-11.22 (63)	5.36 (37)	6.17 (31)	14.41 (34)	
Difference			1.24	-3.48	-0.45	2.88	-2.75	-3.90	
High Yield Bond Median			7.63	12.11	-10.67	4.82	5.32	13.55	
Aristotle Floating Rate (PLFRX)	5,442,628	5.0	8.38 (41)	13.82 (7)	-0.89 (16)				
S&P UBS Leveraged Loan Index			9.02 (15)	13.04 (20)	-1.06 (20)	5.40 (20)	2.78 (14)	8.17 (38)	
Difference			-0.64	0.77	0.16				
Bank Loan Median			8.23	12.02	-2.22	4.37	1.58	7.69	
Cash	221,919	0.2							

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 December 31, 2024, Fiduciary had a market value of \$6,280,114.

Fiduciary Management		Russell 1000 Value Index	
	Weight %		Weight %
Schwab (Charles) Corp	5.9	Berkshire Hathaway Inc	3.4
Booking Holdings Inc	5.6	JPMorgan Chase & Co	2.7
Berkshire Hathaway Inc	5.2	Exxon Mobil Corp	2.0
Alphabet Inc	4.5	UnitedHealth Group Inc	1.8
Ferguson Enterprises Inc	4.4	Walmart Inc	1.6
Aramark	4.3	Johnson & Johnson	1.4
Avery Dennison Corp	4.2	Procter & Gamble Co (The)	1.3
Masco Corporation	3.9	Bank of America Corp	1.2
CarMax Inc	3.7	Chevron Corp	1.0
Carrier Global Corp	3.7	Cisco Systems Inc	1.0

Equity Assets Exposures by Sector

	Fiduciary Management	Russell 1000 Value Index
Cash	4.63	0.00
Communication Services	4.46	4.36
Consumer Discretionary	21.27	6.21
Consumer Staples	8.53	7.90
Energy	1.11	6.72
Financials	17.21	23.07
Health Care	13.48	14.19
Industrials	18.90	14.75
Information Technology	6.22	9.29
Materials	4.20	4.17
Real Estate	0.00	4.70
Utilities	0.00	4.63

Equity Characteristics

	Fiduciary Management	Russell 1000 Value Index
Wtd. Avg. Mkt. Cap (\$)	218,569,959,543	171,890,983,553
Price/Earnings ratio	21.7	19.9
Price/Book ratio	3.5	2.7
Current Yield	1.4	2.1
Number of Stocks	31	869

Fund Information As of 12/31/2024

Fund Name : Vanguard Institutional Index I
Fund Family : Vanguard
Ticker : VINIX
Inception Date : 07/31/1990
Fund Assets : \$314,898 Million
Portfolio Turnover : 3%

Portfolio Assets : \$125,535 Million
Portfolio Manager : Birkett,N/Louie,M
PM Tenure : 7 Years 1 Month
Fund Style : Large Blend
Style Benchmark : Russell 1000 Index

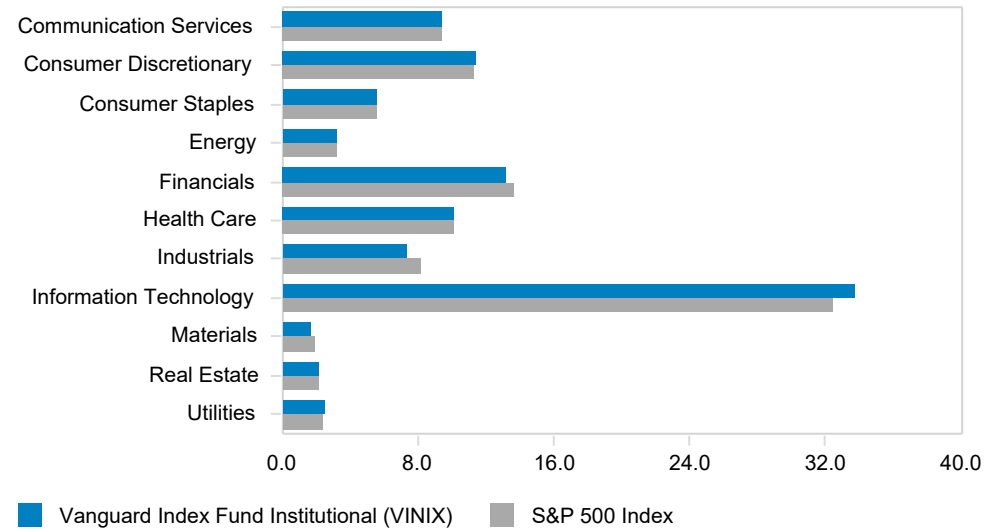
Portfolio Characteristics As of 12/31/2024

	Portfolio	Benchmark
Total Securities	506	503
Avg. Market Cap	-	-
Price/Earnings (P/E)	21.83	27.07
Price/Book (P/B)	4.33	5.13
Dividend Yield	1.43	1.30
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

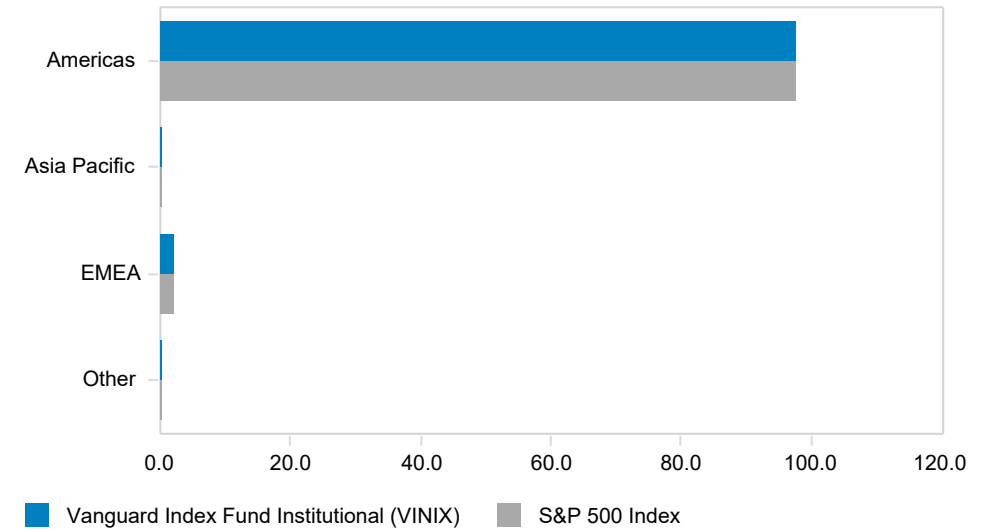
Top Ten Securities As of 12/31/2024

Apple Inc	7.6 %
NVIDIA Corp	6.6 %
Microsoft Corp	6.3 %
Amazon.com Inc	4.1 %
Meta Platforms Inc Class A	2.6 %
Tesla Inc	2.3 %
Alphabet Inc Class A	2.2 %
Broadcom Inc	2.2 %
Alphabet Inc Class C	1.8 %
Berkshire Hathaway Inc Class B	1.7 %
Total	37.3 %

Sector Weights As of 12/31/2024



Region (%) As of 12/31/2024



Statistics provided by Morningstar. Most recent available data shown.

Fund Information As of 12/31/2024

Fund Name : Fidelity Large Cap Growth Idx
Fund Family : Fidelity Investments
Ticker : FSPGX
Inception Date : 06/07/2016
Fund Assets : \$31,567 Million
Portfolio Turnover : 15%

Portfolio Assets : \$31,567 Million
Portfolio Manager : Team Managed
PM Tenure : 8 Years 6 Months
Fund Style : Large Growth
Style Benchmark : Russell 1000 Growth Index

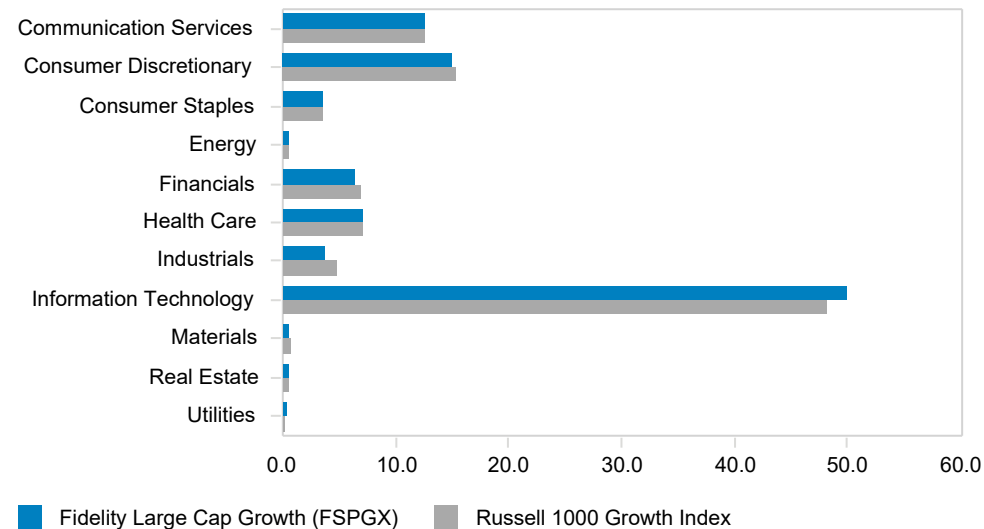
Portfolio Characteristics As of 11/30/2024

	Portfolio	Benchmark
Total Securities	400	394
Avg. Market Cap	-	-
Price/Earnings (P/E)	29.04	36.14
Price/Book (P/B)	10.49	12.60
Dividend Yield	0.65	0.59
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

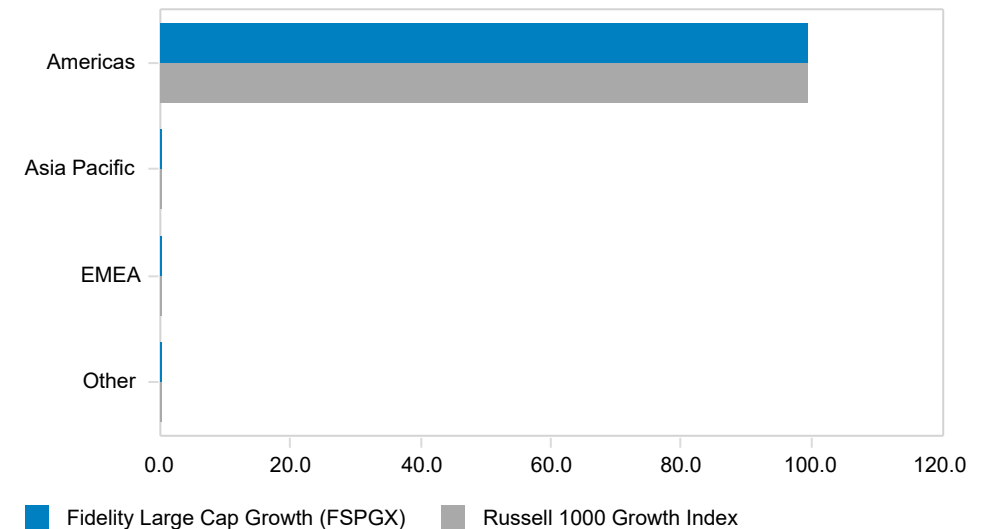
Top Ten Securities As of 11/30/2024

Apple Inc	11.8 %
NVIDIA Corp	11.0 %
Microsoft Corp	10.7 %
Amazon.com Inc	6.6 %
Meta Platforms Inc Class A	4.3 %
Alphabet Inc Class A	3.4 %
Tesla Inc	3.3 %
Alphabet Inc Class C	2.9 %
Broadcom Inc	2.5 %
Eli Lilly and Co	2.2 %
Total	58.6 %

Sector Weights As of 11/30/2024



Region (%) As of 11/30/2024



Statistics provided by Morningstar. Most recent available data shown.

Stephens Mid Cap Growth

As of December 31, 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 December 31, 2024, Stephens had a market value of \$8,276,821.

Stephens Mid Cap Growth		Russell Midcap Growth Index	
	Weight %		Weight %
Palantir Technologies Inc	2.7	Palantir Technologies Inc	5.0
Axon Enterprise Inc	2.3	AppLovin Corporation	2.8
Spotify Technology SA	2.1	Trade Desk Inc (The)	1.7
Tradeweb Markets Inc	2.1	Ameriprise Financial Inc	1.6
Copart Inc	1.9	Vistra Corp	1.5
Guidewire Software Inc	1.9	Datadog Inc	1.4
Burlington Stores Inc	1.9	Axon Enterprise Inc	1.4
Marvell Technology Inc	1.8	COINBASE GLOBAL INC	1.4
Take-Two Interactive	1.7	Vertiv Holdings Co	1.3
Manhattan Associates Inc	1.7	Fair Isaac Corporation	1.3

Equity Assets Exposures by Sector

	Stephens Mid Cap Growth	Russell Midcap Growth Index
Cash	3.48	0.00
Communication Services	8.55	4.55
Consumer Discretionary	9.79	14.77
Consumer Staples	0.20	2.26
Energy	5.58	4.05
Financials	8.78	12.82
Health Care	14.57	12.53
Industrials	18.53	17.31
Information Technology	28.88	27.53
Materials	0.00	1.13
Real Estate	0.82	1.26
Utilities	0.82	1.79

Equity Characteristics

	Stephens Mid Cap Growth	Russell Midcap Growth Index
Wtd. Avg. Mkt. Cap (\$)	31,947,546,615	37,509,896,266
Price/Earnings ratio	41.3	32.0
Price/Book ratio	5.4	9.8
Current Yield	0.4	0.6
Number of Stocks	93	290

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 December 31, 2024, Barrow, Hanley, MeWhinney & Strauss had a market value of \$11,493,331.

Barrow Hanley MeWhinney & Strauss		Russell 2000 Value Index	
	Weight %		Weight %
Coherent Corp	4.6	SouthState Corporation	0.6
Ciena Corp	4.5	Old National Bancorp	0.5
Tower Semiconductor Ltd	4.4	Jackson Financial Inc	0.5
Lumentum Holdings Inc	4.2	Cadence Bank	0.5
Enerpac Tool Group Corp	4.1	Taylor Morrison Home Corporation	0.5
Greenbrier Cos Inc (The)	4.1	Summit Materials Inc	0.5
Texas Capital Bancshares Inc	3.7	Glacier Bancorp Inc	0.4
Triumph Financial Inc	3.5	Essent Group Ltd	0.4
Kirby Corp	3.3	Commercial Metals Co	0.4
ATI Inc	3.3	Terreno Realty Corp	0.4

Equity Assets Exposures by Sector

	Barrow Hanley MeWhinney & Strauss	Russell 2000 Value Index
Cash	3.22	0.00
Communication Services	0.00	3.26
Consumer Discretionary	5.43	9.11
Consumer Staples	5.87	2.27
Energy	2.88	7.07
Financials	17.74	29.22
Health Care	0.35	8.84
Industrials	32.29	12.70
Information Technology	23.02	6.49
Materials	9.22	4.91
Real Estate	0.00	11.04
Utilities	0.00	5.09

Equity Characteristics

	Barrow Hanley MeWhinney & Strauss	Russell 2000 Value Index
Wtd. Avg. Mkt. Cap (\$)	3,807,325,115	2,831,398,915
Price/Earnings ratio	22.3	14.4
Price/Book ratio	2.0	1.6
Current Yield	0.8	2.1
Number of Stocks	39	1,434

Fund Information As of 12/31/2024

Fund Name : Causeway International Value Instl
Fund Family : Causeway
Ticker : CIVIX
Inception Date : 10/26/2001
Fund Assets : \$10,486 Million
Portfolio Turnover : 49%

Portfolio Assets : \$10,036 Million
Portfolio Manager : Team Managed
PM Tenure : 23 Years 2 Months
Fund Style : Foreign Large Value
Style Benchmark : MSCI AC World ex USA Value (Net)

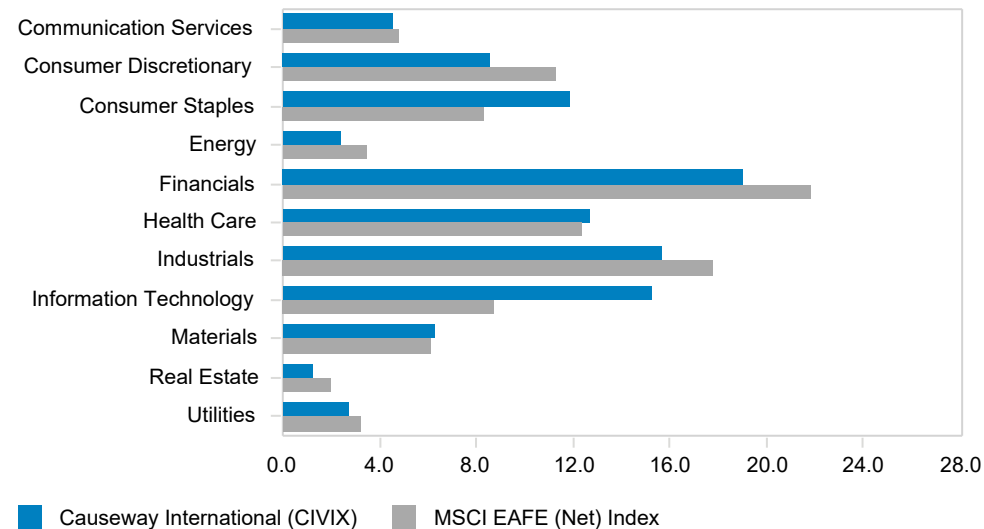
Portfolio Characteristics As of 12/31/2024

	Portfolio	Benchmark
Total Securities	74	722
Avg. Market Cap	-	-
Price/Earnings (P/E)	11.41	16.43
Price/Book (P/B)	1.29	2.48
Dividend Yield	3.48	3.13
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)	1.19	1.00

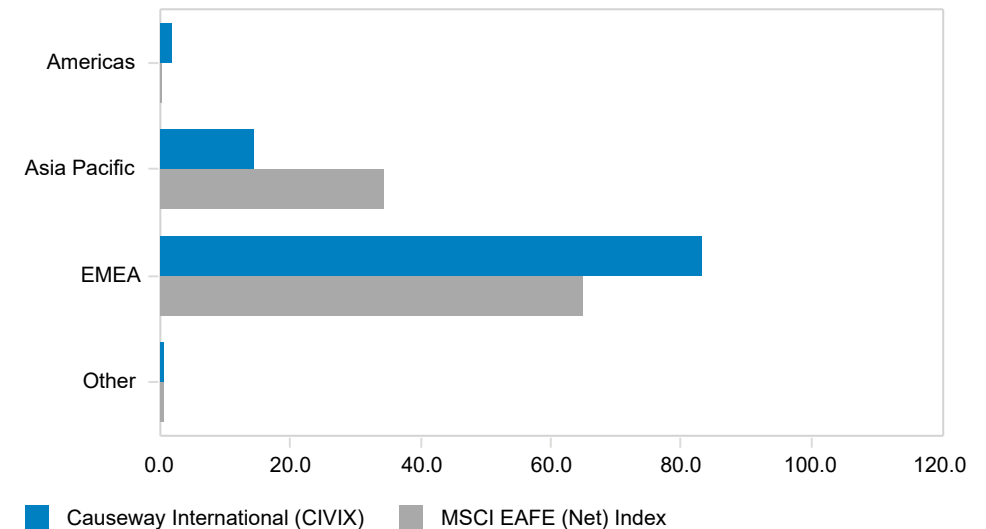
Top Ten Securities As of 12/31/2024

Alstom SA	4.2 %
Barclays PLC	3.9 %
Kering SA	3.8 %
Rolls-Royce Holdings PLC	3.6 %
Reckitt Benckiser Group PLC	3.3 %
Samsung Electronics Co Ltd	3.2 %
Canadian Pacific Ltd	2.9 %
AstraZeneca PLC	2.8 %
Renesas Electronics Corp	2.7 %
Akzo Nobel NV	2.6 %
Total	33.0 %

Sector Weights As of 12/31/2024



Region (%) As of 06/30/2024



Statistics provided by Morningstar. Most recent available data shown.

Fund Information As of 12/31/2024

Fund Name : Cohen & Steers Instl Realty Shares
 Fund Family : Cohen & Steers
 Ticker : CSRIX
 Inception Date : 02/14/2000
 Fund Assets : \$7,712 Million
 Portfolio Turnover : 32%

Portfolio Assets : \$7,712 Million
 Portfolio Manager : Team Managed
 PM Tenure : 17 Years 2 Months
 Fund Style : Real Estate
 Style Benchmark : S&P U.S. REIT

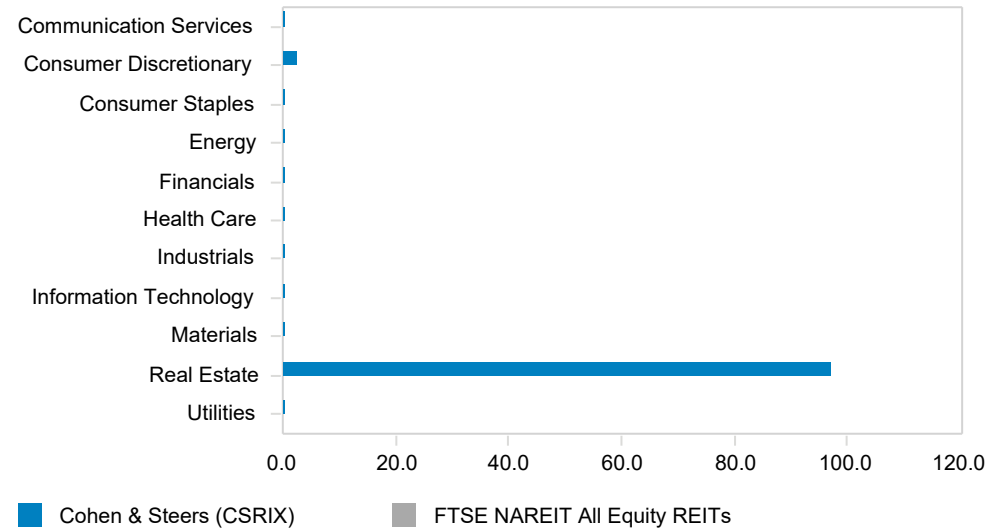
Portfolio Characteristics As of 12/31/2024

	Portfolio	Benchmark
Total Securities	35	N/A
Avg. Market Cap	-	-
Price/Earnings (P/E)	35.26	N/A
Price/Book (P/B)	2.72	N/A
Dividend Yield	3.96	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

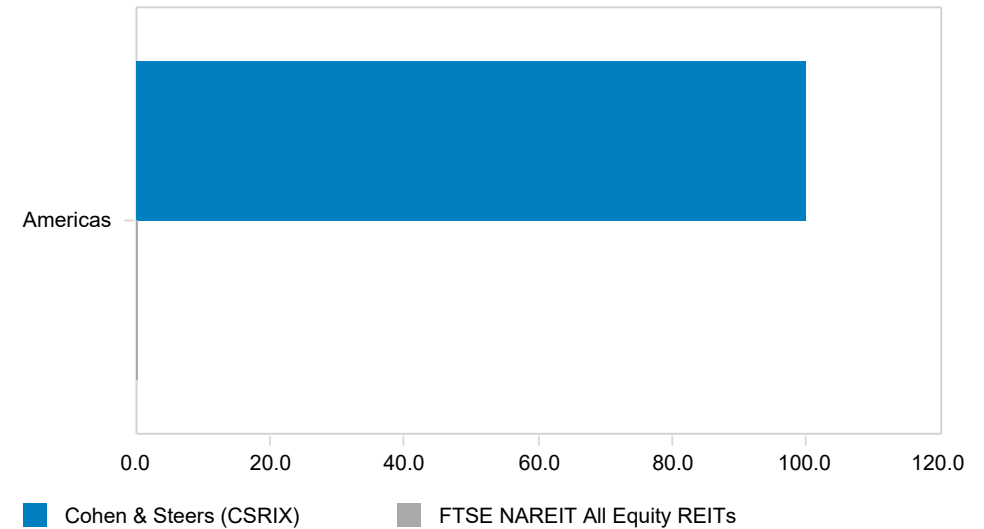
Top Ten Securities As of 12/31/2024

American Tower Corp	9.4 %
Welltower Inc	9.3 %
Digital Realty Trust Inc	7.5 %
Prologis Inc	6.3 %
Simon Property Group Inc	5.9 %
Equinix Inc	5.1 %
Crown Castle Inc	4.9 %
Sun Communities Inc	4.4 %
Public Storage	3.5 %
Weyerhaeuser Co	3.5 %
Total	59.7 %

Sector Weights As of 12/31/2024



Region (%) As of 09/30/2024



Statistics provided by Morningstar. Most recent available data shown.

Fund Information As of 12/31/2024

Fund Name : BlackRock Multi-Asset Income Portfolio K
 Fund Family : BlackRock
 Ticker : BKMIX
 Inception Date : 02/03/2017
 Fund Assets : \$10,482 Million
 Portfolio Turnover : 83%

Portfolio Assets : \$648 Million
 Portfolio Manager : Christofel,J/Shingler,A
 PM Tenure : 13 Years 1 Month
 Fund Style : Moderately Conservative Allocation
 Style Benchmark : Morningstar Mod Con Tgt Risk TR USD

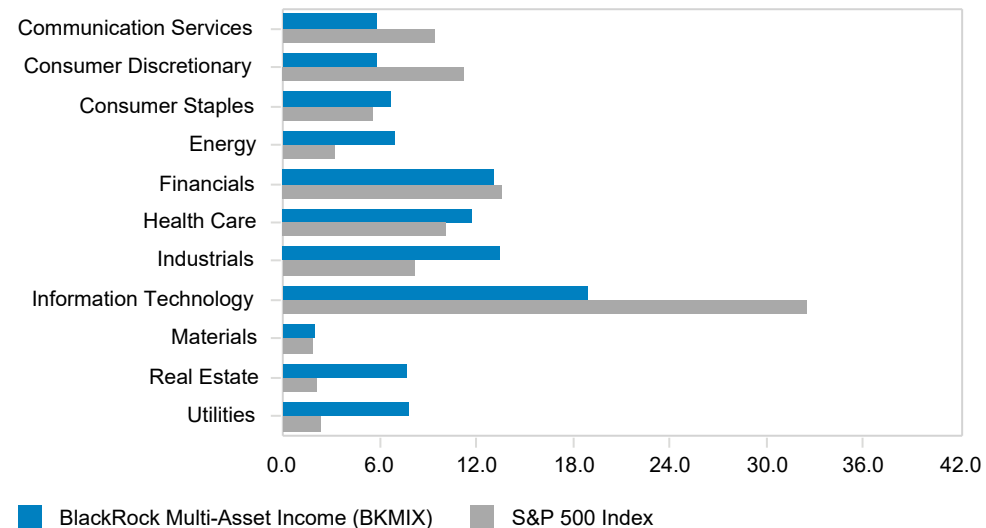
Portfolio Characteristics As of 12/31/2024

	Portfolio	Benchmark
Total Securities	4,231	503
Avg. Market Cap	-	-
Price/Earnings (P/E)	16.48	27.07
Price/Book (P/B)	2.41	5.13
Dividend Yield	2.81	1.30
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)	0.49	1.00

Top Ten Securities As of 12/31/2024

Us 5Yr Note Mar 25	15.8 %
Us 10Yr Note Mar 25	13.7 %
Euro Bund Future Mar 25	6.3 %
BlackRock Liquidity T-Fund Instl	5.1 %
iShares iBoxx \$ High Yield Corp	2.2 %
iShares Core Dividend Growth ETF	2.1 %
iShares 5-10 Year invmt Grd Corp	2.0 %
Microsoft Corp	0.9 %
BNP Paribas Issuance BV	0.5 %
Citigroup Global Markets Holdings	0.5 %
Total	49.1 %

Sector Weights As of 12/31/2024

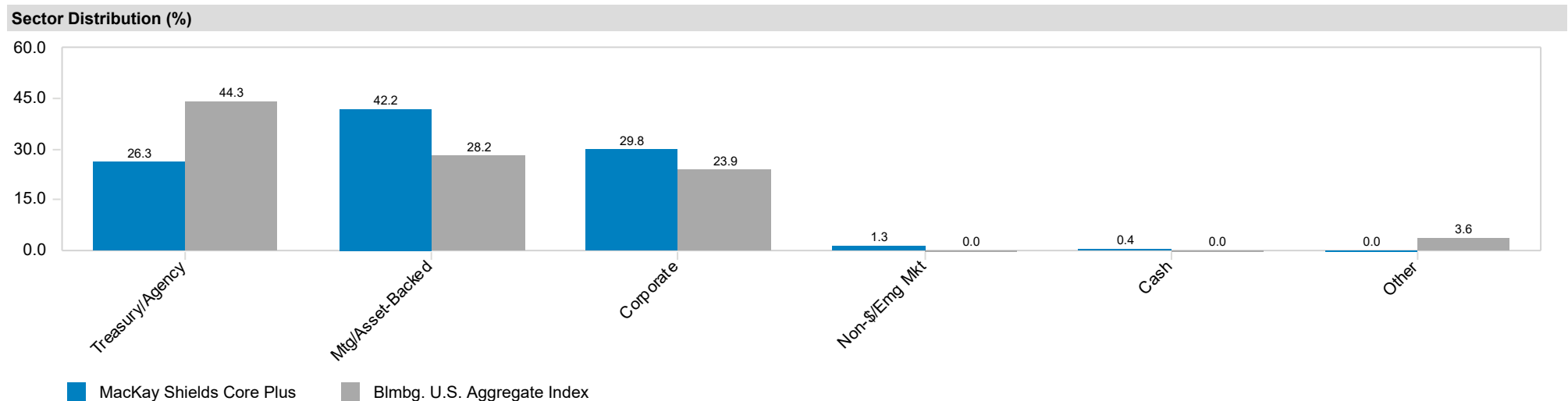


Region (%) As of 12/31/2024

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 December 31, 2024, MacKay Shields had a market value of \$29,003,482.



Portfolio Characteristics

	Portfolio	Benchmark
Avg. Maturity	8.47	8.38
Avg. Quality	A+	Aa2
Coupon Rate (%)	4.43	3.43
Modified Duration	N/A	6.23
Yield To Maturity (%)	6.49	4.91
Holdings Count	235	13,704

Fund Information As of 12/31/2024

Fund Name : Loomis Sayles Instl High Income
 Fund Family : Loomis Sayles Funds
 Ticker : LSHIX
 Inception Date : 06/05/1996
 Fund Assets : \$318 Million
 Portfolio Turnover : 90%

Portfolio Assets : \$318 Million
 Portfolio Manager : Team Managed
 PM Tenure : 17 Years 10 Months
 Fund Style : High Yield Bond
 Style Benchmark : ICE BofA U.S. High Yield Cash Pay Index

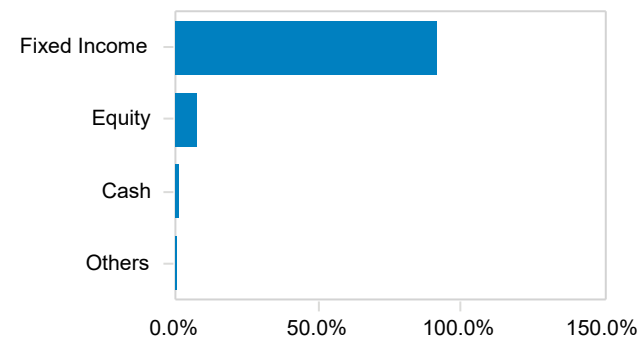
Fund Characteristics As of 12/31/2024

Avg. Coupon 6.21 %
 Avg. Effective Maturity N/A
 Avg. Effective Duration N/A
 Avg. Credit Quality N/A
 Yield To Maturity N/A
 SEC Yield 6.15 %

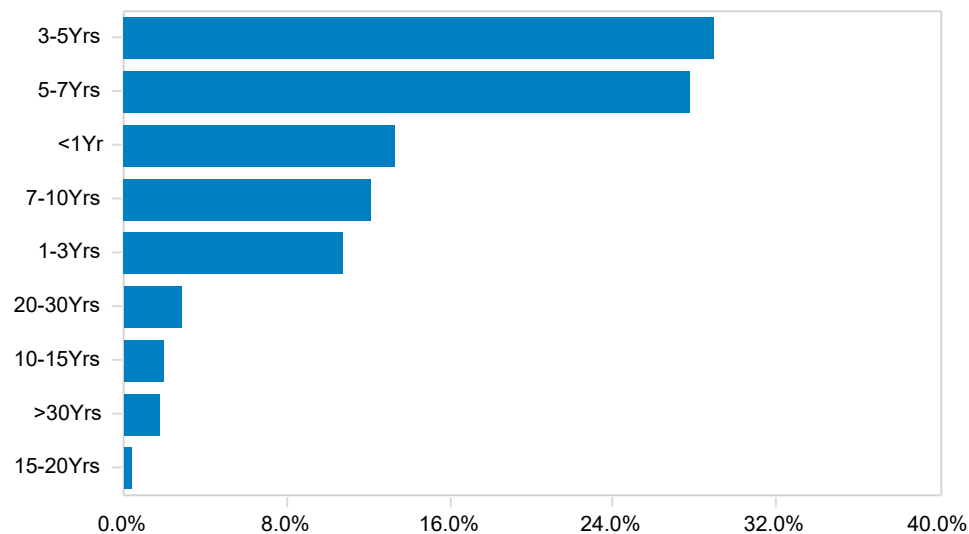
Top Ten Securities As of 11/30/2024

2 Year Treasury Note Future Mar	9.8 %
Us 5yr Note (Cbt) Mar25 Xcbt 2	1.8 %
EchoStar Corp. 10.75%	1.4 %
Hercules LLC 6.5%	1.3 %
Teva Pharmaceutical Finance Ne	1.2 %
DISH DBS Corporation 7.75%	1.1 %
EchoStar Corp. 3.875%	1.0 %
CCO Holdings, LLC/ CCO Holdings	1.0 %
CSC Holdings, LLC 5.75%	0.9 %
EchoStar Corp. 6.75%	0.9 %
Total	20.4 %

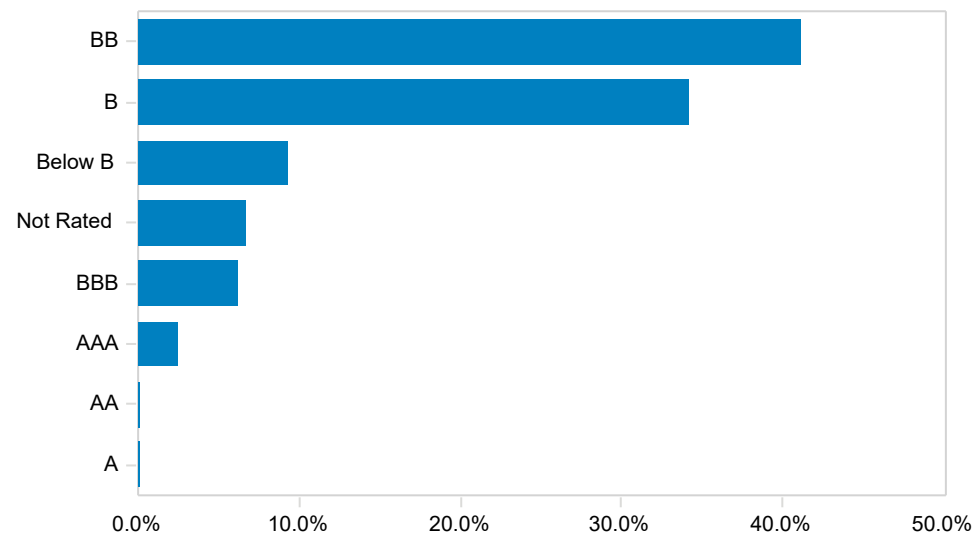
Asset Allocation As of 11/30/2024



Maturity Distribution As of 11/30/2024



Quality Allocation As of 02/28/2021



Fund Information As of 12/31/2024

Fund Name : Aristotle Floating Rate Income I
 Fund Family : Aristotle Funds
 Ticker : PLFRX
 Inception Date : 06/30/2011
 Fund Assets : \$4,275 Million
 Portfolio Turnover : 130%

Portfolio Assets : \$1,800 Million
 Portfolio Manager : Leasure,J/Marzouk,M
 PM Tenure : 13 Years 6 Months
 Fund Style : Bank Loan
 Style Benchmark : Morningstar LSTA U.S. Leveraged Loan Index

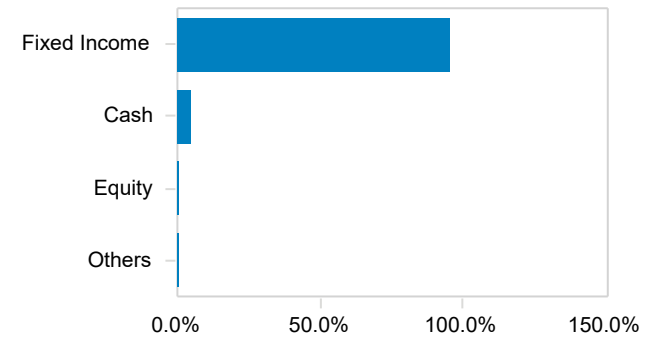
Fund Characteristics As of 12/31/2024

Avg. Coupon 8.17 %
 Avg. Effective Maturity N/A
 Avg. Effective Duration 0.43 Years
 Avg. Credit Quality B
 Yield To Maturity N/A
 SEC Yield 8.03 %

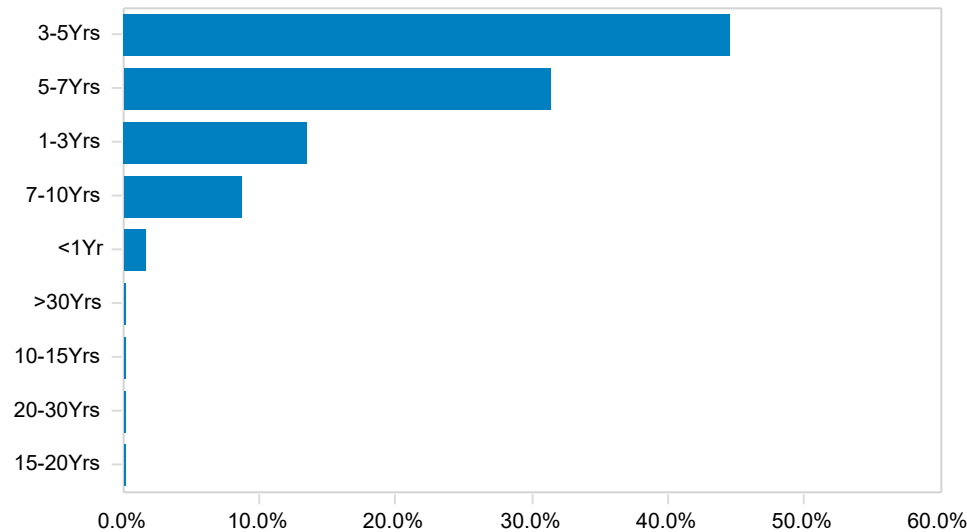
Top Ten Securities As of 12/31/2024

Ukg Inc 3.1 %
 Central Parent Inc 2.1 %
 Broadstreet Partners Inc 2.0 %
 Truist Insurance Holdings Llc 1.9 %
 Clubcorp Holdings Inc 1.9 %
 Applied Systems Inc 1.9 %
 Filtration Group Corp 1.8 %
 Bausch + Lomb Corp 1.8 %
 Southern Veterinary Partners T/L 1.7 %
 Medline Borrower Lp 1.6 %
 Total 19.9 %

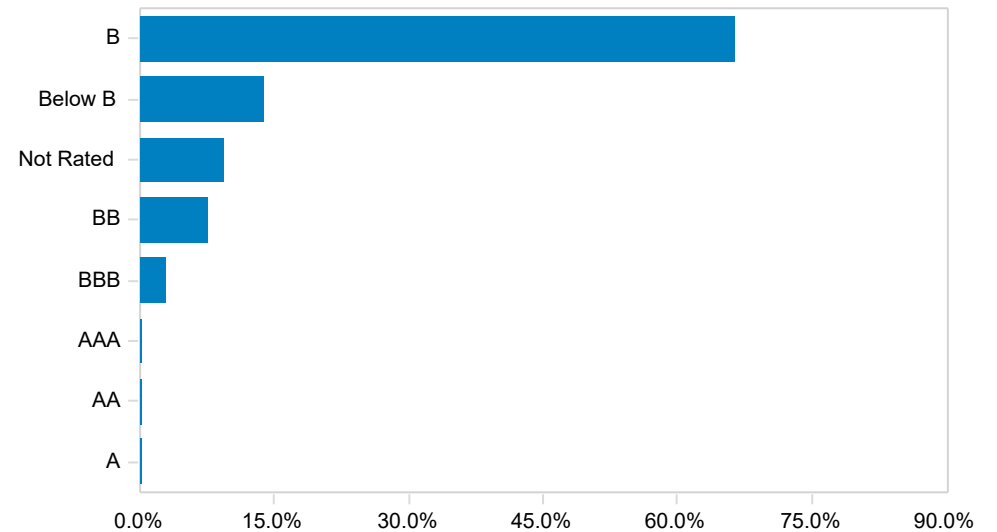
Asset Allocation As of 12/31/2024



Maturity Distribution As of 12/31/2024



Quality Allocation As of 12/31/2024



Statistics provided by Morningstar. Most recent available data shown.

Port of Houston Authority OPEB Plan
Manager Status Summary
As of December 31, 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 December 31, 2024**

	Estimated Annual Fee (%)	Market Value (\$)	Estimated Annual Fee (\$)	Fee Schedule
Total Fund Composite	0.44	109,257,711	480,086	
Equity Composite	0.43	63,951,306	276,737	
Domestic Equity	0.33	50,468,701	164,876	
Fiduciary Management	0.55	6,280,114	34,541	0.55 % of Assets
Vanguard Index Fund Institutional (VINIX)	0.04	18,117,130	7,247	0.04 % of Assets
Fidelity Large Cap Growth (FSPGX)	0.03	6,301,306	1,890	0.03 % of Assets
Stephens Mid Cap Growth	0.77	8,276,821	63,732	0.77 % of Assets
Barrow Hanley MeWhinney & Strauss	0.50	11,493,331	57,467	0.50 % of Assets
International Equity	0.88	8,262,728	72,712	
Causeway International (CIVIX)	0.88	8,262,728	72,712	0.88 % of Assets
Real Estate	0.75	5,219,877	39,149	
Cohen & Steers (CSRIX)	0.75	5,219,877	39,149	0.75 % of Assets
GTAA	0.52	5,376,869	27,960	
BlackRock Multi-Asset Income (BKMIX)	0.52	5,376,869	27,960	0.52 % of Assets
Fixed Income Composite	0.45	45,306,405	203,349	
Fixed Income	0.35	29,003,482	101,512	
MacKay Shields Core Plus	0.35	29,003,482	101,512	0.35 % of Assets
High Yield Fixed Income	0.68	5,261,508	35,778	
Loomis Sayles High Yield (LSHIX)	0.68	5,261,508	35,778	0.68 % of Assets
Bank Loans	0.70	5,442,628	38,098	
Aristotle Floating Rate (PLFRX)	0.70	5,442,628	38,098	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 December 31, 2024

Structure	Mandate	Expense Ratio	Category Average	Difference	Annual Savings
Fiduciary Management	Large Cap Value Equity	0.55%	0.79%	0.24%	\$15,072
Vanguard Index Fund (VINIX)	Large Cap Core Equity	0.04%	0.79%	0.75%	\$135,878
Fidelity Large Cap Growth (FSPGX)	Large Cap Growth Equity	0.04%	0.79%	0.75%	\$47,260
Stephens Mid Cap Growth	Mid Cap Growth Equity	0.77%	1.04%	0.27%	\$22,347
Barrow Hanley MeWhinney & Strauss	Small Cap Value Equity	0.76%	1.04%	0.28%	\$32,181
Causeway International (CIVIX)	International Equity	0.88%	0.90%	0.02%	\$1,653
Cohen & Steers (CSRIX)	Real Estate and Investment Trust	0.75%	0.91%	0.16%	\$8,352
BlackRock Multi-Asset (BKMIX)	GTAA	0.52%	0.84%	0.32%	\$17,206
Mackay Shields Core Plus	Core Plus Fixed Income	0.35%	0.56%	0.21%	\$60,907
Loomis Sayles High Yield (LSHIX)	High Yield Fixed Income	0.70%	0.76%	0.06%	\$3,157
Aristotle Floating Rate (PLFRX)	Bank Loans	0.72%	0.85%	0.13%	\$7,075
Total Management Fees		0.44%	0.79%	0.35%	\$351,089

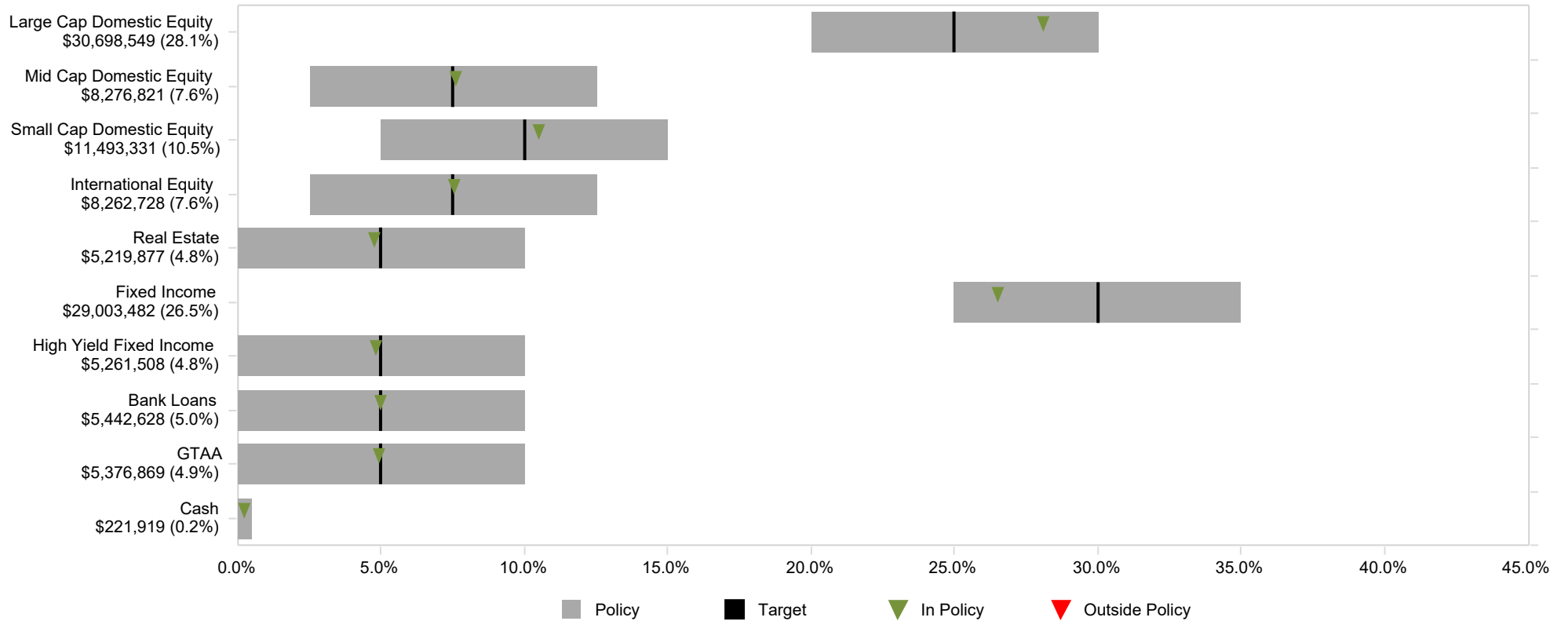
Source: Morningstar and Investment Managers

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	109,257,711	100.0	100.0	0.0		
Large Cap Domestic Equity	30,698,549	28.1	25.0	3.1	20.0	30.0
Mid Cap Domestic Equity	8,276,821	7.6	7.5	0.1	2.5	12.5
Small Cap Domestic Equity	11,493,331	10.5	10.0	0.5	5.0	15.0
International Equity	8,262,728	7.6	7.5	0.1	2.5	12.5
Real Estate	5,219,877	4.8	5.0	-0.2	0.0	10.0
Fixed Income	29,003,482	26.5	30.0	-3.5	25.0	35.0
High Yield Fixed Income	5,261,508	4.8	5.0	-0.2	0.0	10.0
Bank Loans	5,442,628	5.0	5.0	0.0	0.0	10.0
GTAA	5,376,869	4.9	5.0	-0.1	0.0	10.0
Cash	221,919	0.2	0.0	0.2	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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