

**State Universities Retirement System
of Illinois (SURS)**

Investment Update



May 2017

Volume 27, Issue 11

	May <u>2017</u>	Quarter <u>Ended</u>	Fiscal <u>Y-T-D</u>	1 Year <u>Ended¹</u>	3 Years <u>Ended¹</u>	5 Years <u>Ended¹</u>	10 Years <u>Ended¹</u>
SURS TOTAL FUND	1.4%	3.6%	11.5%	11.8%	5.4%	9.5%	5.3%
Market Goal / Policy Portfolio	1.3%	3.3%	10.9%	11.7%	5.4%	9.7%	5.3%
Public Funds Index	1.4%	3.2%	11.8%	12.2%	5.5%	9.4%	5.0%

Policy Portfolio Benchmark consists of 25% of U.S. Equities (Dow Jones U.S. Total Stock Market), 19% Non-U.S. Equities (MSCI ACWI ex-US), 8% Global Equities (MSCI ACWI), 6% Private Equity (Dow Jones U.S. Total Stock Market + 3%), 19% Fixed Income (Bloomberg Barclays U.S. Aggregate), 4% TIPS (Bloomberg Barclays U.S. TIPS), 3% Emerging Market Debt (Blended Benchmark), 6% Direct Real Estate (NCREIF ODCE Index), 4% REITs (Blended Benchmark), 2% Commodities (Bloomberg Commodity Index), 3% Hedge Funds (LIBOR + 5%) and 1% Opportunity Fund (Blended Benchmark).

Asset Allocation and Target %'s	Total Fund \$'s (millions)	Cash Overlay Adjustment	Adjusted Asset Alloc	Passive*	Structured Active	Active	Adjusted Asset Alloc %	Interim Policy %	Strategic Policy %
U.S. Equity	\$ 4,138	\$ 165	\$ 4,303	12.8%	5.2%	5.6%	23.6%	25.0%	23.0%
Private Equity	916		916	0.0%	0.0%	5.0%	5.0%	6.0%	6.0%
Non-U.S. Equity	3,640	(45)	3,595	8.1%	5.7%	5.9%	19.7%	19.0%	19.0%
Global Equity	1,550	(51)	1,499	-0.3%	0.0%	8.5%	8.2%	8.0%	8.0%
Fixed Income	3,628	(64)	3,564	3.4%	0.0%	16.2%	19.6%	19.0%	19.0%
TIPS	687		687	3.8%	0.0%	0.0%	3.8%	4.0%	4.0%
Emerging Market Debt	570		570	0.0%	0.0%	3.1%	3.1%	3.0%	3.0%
Real Estate	1,729		1,728	3.8%	0.0%	5.7%	9.5%	10.0%	10.0%
Hedged Strategies	899		899	0.0%	0.0%	4.9%	4.9%	3.0%	5.0%
Commodities	334	(5)	328	0.0%	0.0%	1.8%	1.8%	2.0%	2.0%
Opportunity Fund	114		114	0.0%	0.0%	0.6%	0.6%	1.0%	1.0%
Total Fund	\$ 18,203	\$ -	\$ 18,203	31.7%	10.9%	57.4%	100.0%	100.0%	100.0%

*Implementation of the cash overlay program is reflected in Passive investments.

Total Fund Summary

SURS total fund returned 1.4% for May, exceeding the Market Goal by 0.1% and matching the estimated Public Funds Index.

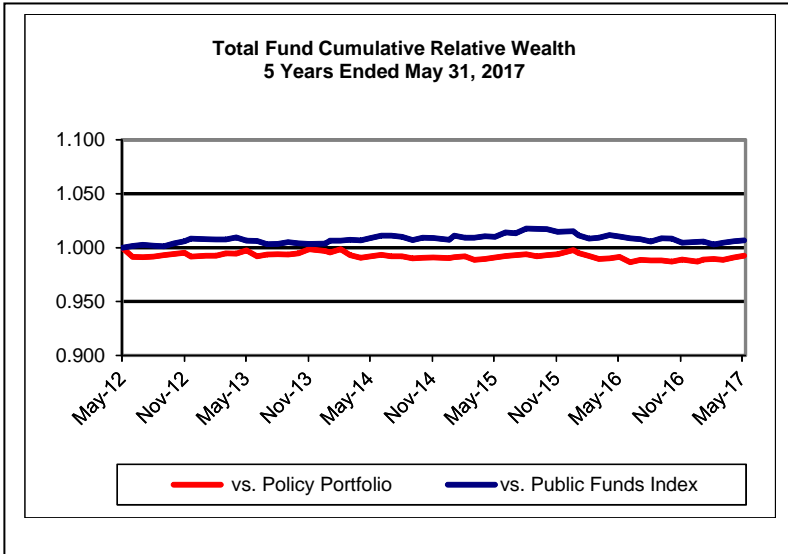
The above benchmark return relative to the Market Goal during May was due primarily to:

- Above benchmark performance in the Non-U.S. Equity, Global Equity, TIPS, REITs, and Opportunity Fund asset classes which was partially offset by
- Below benchmark performance in the U.S. Equity, Core/Core Plus/Absolute Return Fixed Income, Emerging Market Debt, Hedged Strategies and Commodities asset classes. In addition, the portfolio was positively impacted by
- An above target allocation to Non-U.S. Equity, Global Equity and Emerging Market Debt, three of the better absolute performing asset classes as measured against the Market Goal, and
- A below target allocation to U.S. Equity, TIPS, REITs, Commodities and the Opportunity Fund, five of the poorer absolute performing asset classes as measured against the Market Goal.

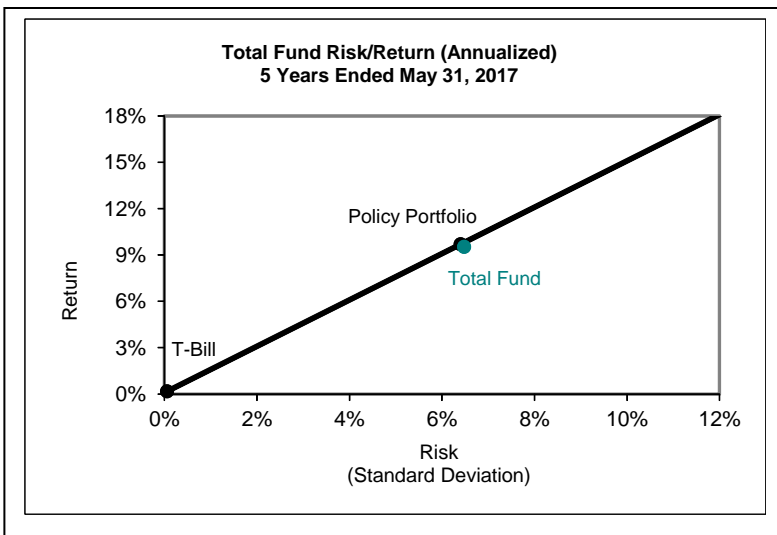
Investment Management Firms Utilized by SURS		
Emerging, Minority, Women and Disabled Ownership as of March 2017		
	Actual	Goal
As a % of Total Assets	26.7%	
As a % of Total Assets, per Public Act 96-0006	21.0%	20.0%
As a % of Total Actively-Managed Assets, per Public Act 96-0006	29.7%	25.0%

Longer-Term Results

The longer-term results, as indicated in the two graphs below, reflect how SURS compares on both an absolute and a risk-adjusted basis.



As the chart on the left indicates, SURS has performed in line with the Policy Portfolio for the past several years. The ending values indicate that over the past five years, SURS has trailed the Policy Portfolio by approximately 0.7%. The chart also indicates that during the same time period, SURS portfolio has outpaced the median Public Funds Index return by approximately 0.7%.



The chart to the left indicates that SURS total fund return has measured approximately the same level of volatility as the policy portfolio during the past five years. In addition, the chart also indicates that SURS has achieved approximately the same return with a similar level of volatility. This can be determined by the teal marker, indicating SURS total fund, being located on the line with the policy portfolio marker.

On a risk-adjusted basis, SURS has lagged its benchmark for the five-year period by 28 basis points on an annualized basis (9.53% versus required return of 9.81%).

SURS Total Fund Investment Performance			
As of May 2017			
	SURS Fund	CPI-U *	SURS Real Return
1 Year Ended	11.8%	1.9%	9.9%
5 Years Ended	9.5%	1.3%	8.3%
10 Years Ended	5.3%	1.6%	3.6%
20 Years Ended	7.1%	2.1%	4.9%
25 Years Ended	8.1%	2.3%	5.8%
30 Years Ended	8.4%	2.6%	5.7%
Since October 1981	9.9%	2.7%	7.2%

* CPI-U includes food and energy prices.

** SURS inflation assumption is 2.75%.

The returns and commentary for the twelve major asset portfolios follow.

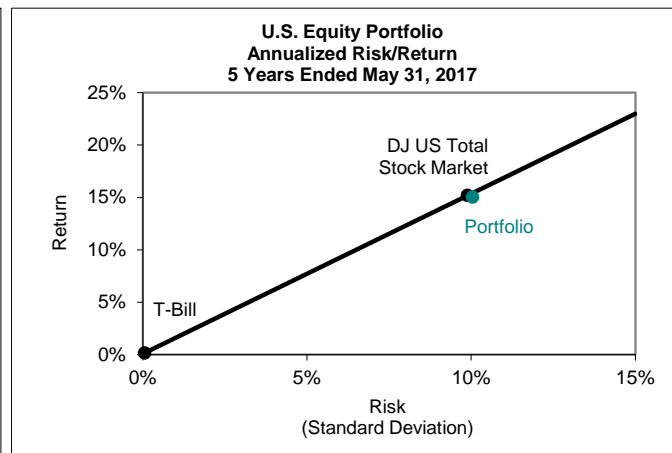
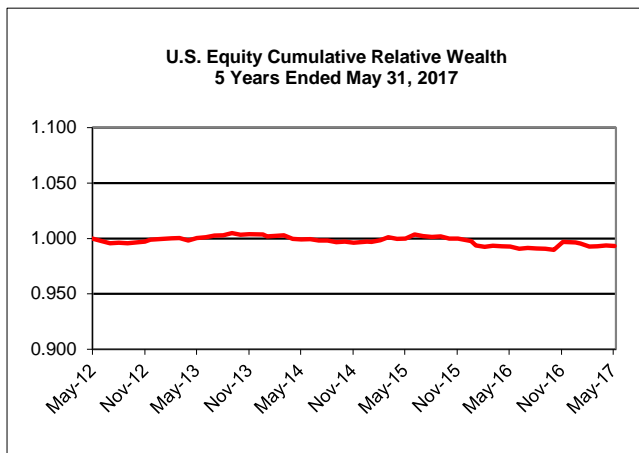
U.S. Equities

U.S. Equities experienced positive returns for the month of May. The broad market, as measured by the Dow Jones U.S. Total Stock Market (TSM) Index, posted a return of 1.0% for the month. During May, large cap outperformed small cap stocks, and growth outperformed value stocks. SURS portfolio matched the benchmark for the month, returning 1.0%.

	May 2017	FYTD	1 YR	3 YR	5 YR	10 YR
SURS	1.0%	17.7%	17.7%	9.4%	15.0%	6.9%
Performance Benchmark	1.0%	17.4%	17.7%	9.6%	15.2%	7.0%
DJ U.S. Total Stock Market	1.0%	17.4%	17.7%	9.6%	15.2%	7.0%
DJ U.S. Large Cap TSM	1.4%	17.5%	17.7%	9.9%	15.3%	7.0%
DJ U.S. Lrg Cap Growth TSM	2.0%	24.2%	21.9%	11.5%	16.2%	8.5%
DJ U.S. Lrg Cap Value TSM	0.5%	13.7%	15.4%	8.6%	14.3%	5.3%
DJ U.S. Small Cap TSM	-2.1%	17.8%	18.0%	7.7%	14.7%	7.6%
DJ U.S. Sm Cap Growth TSM	-1.4%	22.2%	20.5%	6.7%	14.3%	7.9%
DJ U.S. Sm Cap Value TSM	-2.9%	13.5%	15.6%	8.6%	14.9%	7.3%
S&P 500	1.4%	17.2%	17.5%	10.1%	15.4%	6.9%
Russell 3000	1.0%	17.4%	17.7%	9.7%	15.3%	7.0%
Russell 2000	-2.0%	20.4%	20.4%	8.0%	14.0%	6.4%

Longer-Term Results

The five-year cumulative relative wealth chart, below (left) indicates that SURS U.S. Equity portfolio has lagged its benchmark return by approximately 0.7%. On a risk-adjusted basis, SURS U.S. Equity portfolio return trailed its benchmark by 40 basis points while incurring slightly greater risk than the benchmark. SURS portfolio has returned 15.03%, while the risk-adjusted benchmark return is 15.43%.



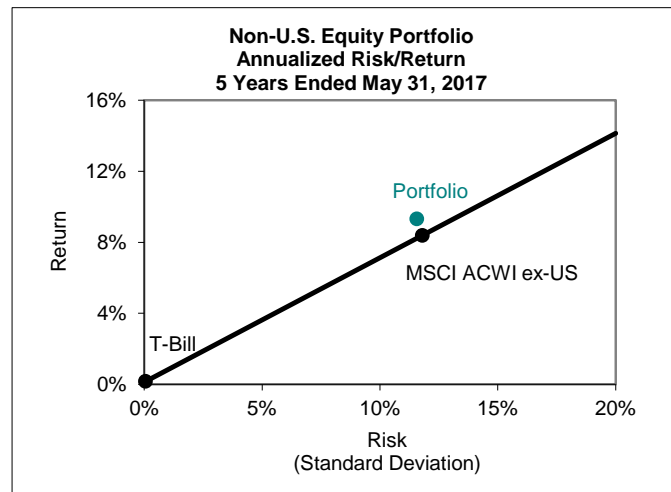
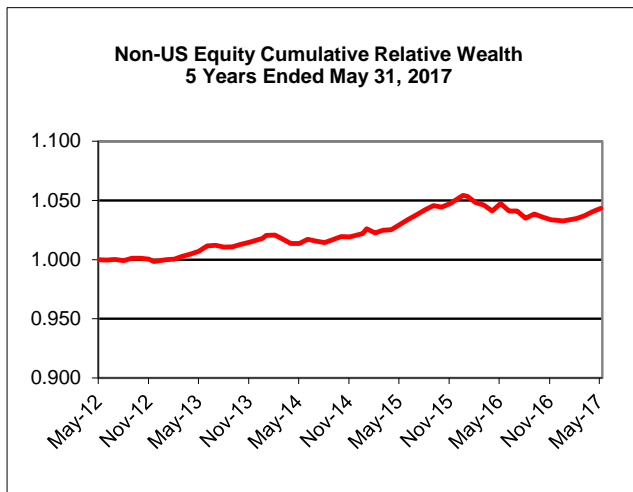
Non-U.S. Equities

Non-U.S. Equities posted positive returns for the month of May. The broad international markets, as represented by the MSCI All Country World Ex-US Index, returned 3.2%. SURS portfolio performance surpassed the benchmark for the period by 0.3%, returning 3.5%. Growth stocks outperformed value stocks for the month. Comparative performance of the emerging markets has been a detractor to relative performance for the five-year period.

	May 2017	FYTD	1 YR	3 YR	5 YR	10YR
SURS	3.5%	20.4%	17.8%	2.2%	9.3%	1.3%
Performance Benchmark	3.2%	20.1%	18.2%	1.3%	8.4%	1.2%
MSCI All Country World Ex-US	3.2%	20.1%	18.2%	1.3%	8.4%	1.2%
MSCI All Country World Ex-US Growth	4.4%	17.3%	16.8%	3.0%	9.0%	2.0%
MSCI All Country World Ex-US Value	2.1%	22.9%	19.7%	-0.5%	7.7%	0.3%
MSCI EAFE	3.7%	20.5%	16.4%	1.5%	10.2%	1.1%
MSCI EAFE Growth	5.1%	16.5%	14.4%	3.3%	10.5%	2.2%
MSCI EAFE Value	2.3%	24.6%	18.4%	-0.3%	9.9%	-0.1%
MSCI EAFE Small Cap	3.8%	23.6%	17.1%	6.5%	14.2%	3.7%
MSCI Emerging Markets	3.0%	22.5%	27.4%	1.6%	4.5%	2.3%

Longer-Term Results

The five-year cumulative relative wealth chart, below (left) indicates that SURS Non-U.S. Equity portfolio has exceeded its benchmark return by approximately 4.3%. On a risk-adjusted basis, SURS Non-U.S. Equity portfolio has outpaced its benchmark by 109 basis points, generating a slightly higher return although with slightly less volatility than the benchmark. SURS portfolio has returned 9.31%, while the risk-adjusted benchmark return is 8.22%.



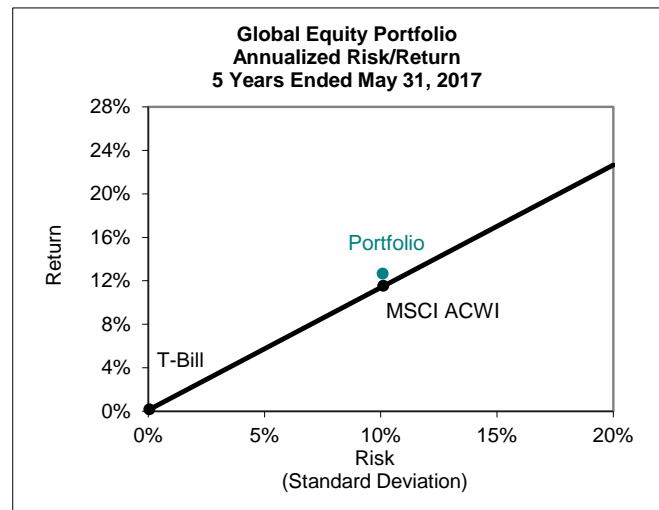
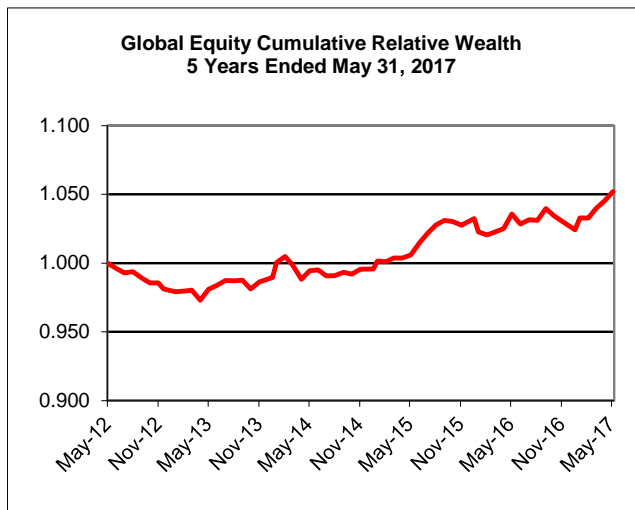
Global Equities

Global Equities posted positive returns for the month of May. The broad market as measured by the MSCI All Country World Index (ACWI) returned 2.2% during the month. SURS portfolio performance exceeded the benchmark return during May by 0.7%, returning 2.9%.

	May 2017	FYTD	1 YR	3 YR	5 YR	10 YR
SURS	2.9%	20.9%	19.4%	7.3%	12.6%	4.4%
Performance Benchmark	2.2%	18.2%	17.5%	5.3%	11.5%	3.6%
MSCI All Country World	2.2%	18.2%	17.5%	5.3%	11.5%	3.6%
MSCI World	2.1%	17.7%	16.4%	5.7%	12.4%	3.8%
Dow Jones U.S. Total Stock Mkt	1.0%	17.4%	17.7%	9.6%	15.2%	7.0%
MSCI All Country World Ex-US	3.2%	20.1%	18.2%	1.3%	8.4%	1.2%

Longer-Term Results

The five-year cumulative relative wealth chart, below (left) indicates that SURS Global Equities portfolio has outperformed its benchmark return by approximately 5.2%. The portfolio is generating slightly higher returns than, and with slightly less volatility than, the benchmark. On a risk-adjusted basis, the portfolio surpassed its benchmark by 117 basis points on an annualized basis of 12.65% versus a required return of 11.48%.



Private Equities

Private Equities posted positive returns for the quarter ended March. The returns from this asset class lag one quarter due to the time frame associated with data collection for both accounting and performance reporting purposes. The one-year return through March 31, 2017 was 7.9% as compared to its benchmark return of 15.6%.

	March 2017	FYTD	1 YR	3 YR	5 YR	10 YR
SURS	3.6%	6.2%	7.9%	7.4%	10.4%	8.4%
Performance Benchmark	4.9%	10.3%	15.6%	11.4%	17.6%	10.2%

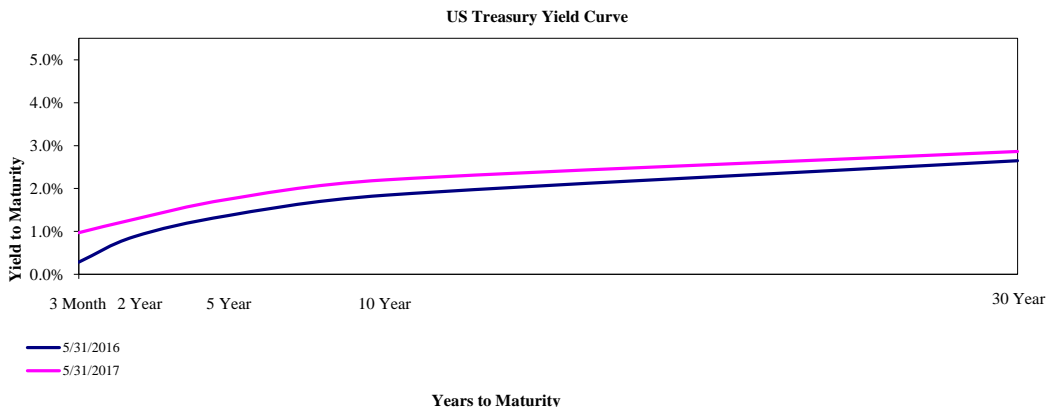
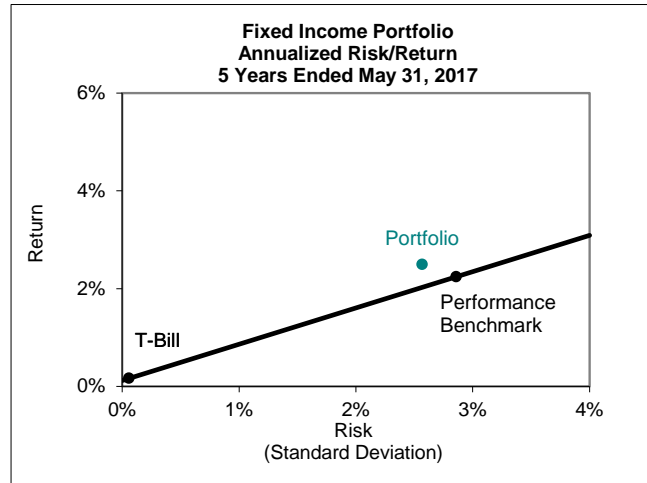
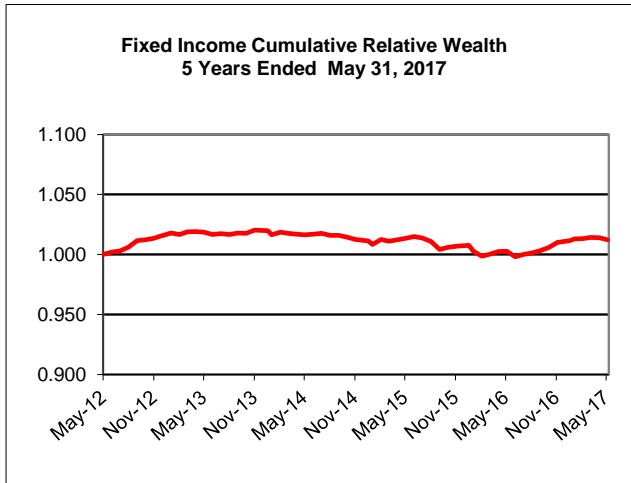
Fixed Income

The U.S. fixed income markets experienced positive returns for the month of May. The broad market, as measured by the Bloomberg Barclays U.S. Aggregate Index, posted a return of 0.8% for the month. SURS core/core plus/absolute return fixed income portfolio returned 0.6%, lagging the benchmark return by 0.2% during May. The Long Term Corporate and Long Term Government sectors experienced the strongest performance for the period.

	May 2017	FYTD	1 YR	3 YR	5 YR	10 YR
SURS	0.6%	1.2%	2.5%	2.4%	2.5%	5.1%
Performance Benchmark	0.8%	-0.2%	1.6%	2.5%	2.2%	4.5%
Bloomberg Barclays U.S. Aggregate	0.8%	-0.2%	1.6%	2.5%	2.2%	4.5%
Bloomberg Barclays Universal	0.8%	1.0%	2.8%	2.8%	2.8%	4.7%
Long Term Government	2.0%	-7.3%	-1.7%	5.3%	2.5%	7.1%
Intermediate Government	0.4%	-1.0%	0.4%	1.5%	1.1%	3.4%
Long Term Corporate	2.2%	2.5%	6.7%	5.1%	5.4%	7.4%
Intermediate Corporate	0.7%	1.7%	3.2%	2.9%	3.4%	5.1%
Mortgage Backed	0.6%	0.3%	1.2%	2.4%	2.1%	4.3%
90-day Treasury Bills	0.1%	0.5%	0.5%	0.2%	0.2%	0.5%
3-month LIBOR	0.1%	0.8%	0.8%	0.5%	0.4%	1.4%

Longer-Term Results

The five-year cumulative relative wealth chart, below (left) indicates that SURS fixed income portfolio has exceeded its benchmark return by approximately 1.2%. On a risk-adjusted basis, the portfolio is producing a slightly higher return with slightly less volatility than the benchmark. The portfolio has outpaced its risk-adjusted benchmark by 46 basis points on an annualized basis of 2.49% versus a required return of 2.03%.



5/31/2016	0.28%	0.88%	1.37%	1.85%	2.65%
5/31/2017	0.97%	1.28%	1.75%	2.20%	2.86%

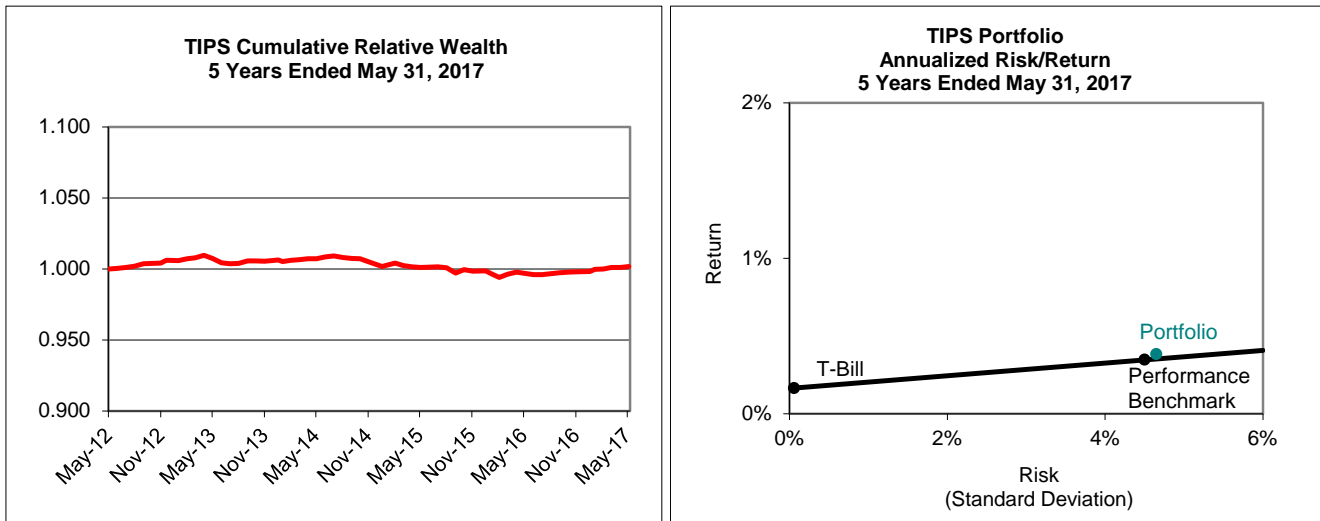
Treasury Inflation-Protected Securities (TIPS)

The TIPS markets experienced flat results during May, returning 0.0% for the month. SURS portfolio performance matched the benchmark for the period, returning 0.0%. SURS implemented a passive TIPS strategy in May 2017 to replace the active TIPS strategy in the investment portfolio.

	May 2017	FYTD	1 YR	3 YR	5 YR	10 YR
SURS	0.0%	0.9%	2.9%	0.9%	0.4%	4.8%
Custom Benchmark	0.0%	0.3%	2.4%	1.1%	0.3%	4.4%
Bloomberg Barclays U.S. TIPS Index	0.0%	0.3%	2.4%	1.1%	0.3%	4.4%
Bloomberg Barclays 1-10 year TIPS Index	0.0%	0.5%	2.2%	0.7%	0.4%	3.7%
90-day Treasury Bills	0.1%	0.5%	0.5%	0.2%	0.2%	0.5%

Longer-Term Results

The five-year cumulative relative wealth chart, below (left) indicates that SURS TIPS portfolio has added approximately 0.2% in value above its benchmark. On a risk-adjusted basis, the portfolio has experienced a slightly higher return with slightly greater volatility than its benchmark. The portfolio has surpassed its risk-adjusted benchmark by 3 basis points on an annualized basis of 0.38% versus required return of 0.35%.



Emerging Market Debt (EMD)

The emerging market debt markets experienced positive results during May, returning 1.3% for the month. SURS portfolio performance lagged the benchmark for the period by 0.1%, returning 1.2%. For the month, local-currency outperformed dollar-denominated and corporate securities.

	May 2017	FYTD	1 YR	3 YR	5 YR	10 YR
SURS	1.2%	7.1%	12.5%	4.2%	4.2%	4.2%
Custom Benchmark	1.3%	6.3%	10.8%	5.1%	5.1%	5.1%
JPM CEMBI Broad	0.5%	6.8%	9.0%	6.5%	6.5%	6.5%
JPM EMBI Global Diversf	0.9%	6.2%	9.8%	7.2%	7.2%	7.2%
JPM GBI-EM Global Diversf	2.0%	5.9%	12.2%	3.2%	3.2%	3.2%

Real Estate

Real Estate Investment Trust Securities (REITs)

The global REIT markets experienced positive investment performance for May. SURS total REIT portfolio matched its benchmark, returning 0.9% for the month.

	May 2017	FYTD	1 YR	3 YR	5 YR	10 YR
SURS	0.9%	-0.8%	2.5%	5.6%	9.1%	3.2%
Custom Benchmark	0.9%	-0.5%	3.1%	5.7%	9.1%	2.7%
FTSE EPRA /NAREIT Developed Index	0.9%	-0.5%	3.1%	3.8%	8.7%	1.1%
FTSE EPRA /NAREIT Developed Ex-U.S	3.0%	6.3%	6.3%	1.7%	8.6%	-0.3%

Direct Real Estate

SURS began funding its direct real estate portfolio in June 2005 and reports performance one quarter in arrears. The one-year return through March 31, 2017 was 7.9% as compared to its benchmark return of 7.8%.

	March 2017	FYTD	1 YR	3 YR	5 YR	10 YR
SURS	1.7%	3.8%	7.9%	11.5%	11.3%	6.3%
SURS Core Real Estate	1.7%	3.5%	7.2%	10.4%	10.1%	5.8%
SURS Non-Core Real Estate	1.8%	4.8%	10.0%	14.8%	15.2%	8.6%
NCREIF ODCE Index	1.9%	5.7%	7.8%	11.0%	11.2%	4.9%
Consumer Price Index	1.0%	1.2%	2.4%	1.0%	1.2%	1.9%

Hedged Strategies

Hedged strategies became a component of SURS portfolio in March 2016. The asset class experienced positive results during May, returning 0.5% for the month. SURS portfolio performance trailed the benchmark for the period by 0.3%, returning 0.2%.

	May 2017	FYTD	1 YR	3 YR	5 YR	Since Inception
SURS	0.2%	5.9%	5.1%	3.8%	3.8%	3.8%
Custom Benchmark	0.5%	5.4%	5.9%	5.8%	5.8%	5.8%
HFRI Fund of Funds Composite	-0.2%	6.0%	5.5%	5.5%	5.5%	5.5%
HFRI Fund Weighted Composite	0.5%	7.9%	8.3%	8.3%	8.3%	8.3%

Commodities

SURS began investing in commodities in May 2016. Commodities experienced negative results during May, returning -1.3% for the month. SURS portfolio performance lagged the benchmark for the period by 0.2%, returning -1.5%.

	May 2017	FYTD	1 YR	3 YR	5 YR	Since Inception
SURS	-1.5%	-1.6%	0.6%	0.6%	0.6%	0.6%
Custom Benchmark	-1.3%	-6.3%	-2.4%	-2.4%	-2.4%	-2.4%

Commodities

**Standard & Poor's Goldman Sachs Commodity Index (blue line)
and Bloomberg Commodity Index (red line)**



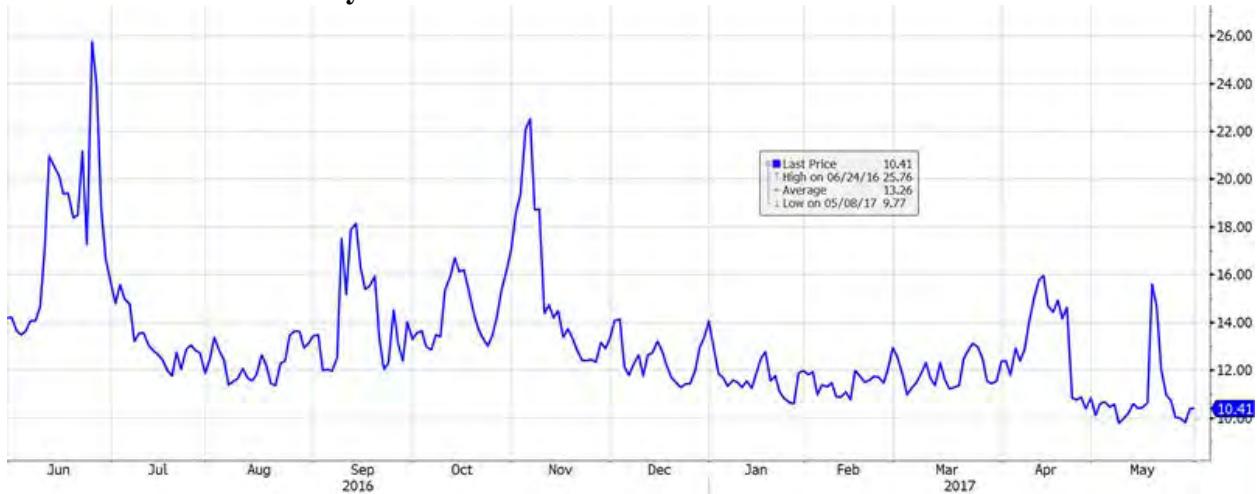
Source: Bloomberg. Calculations are as of the last monthly trading day. All data is as of May 31, 2017.

Opportunity Fund

The Opportunity Fund currently is comprised of an infrastructure portfolio that reports performance one quarter in arrears. The one-year return through March 31, 2017 was 0.6% versus its benchmark return of 7.3%.

	March 2017	FYTD	1 YR	3 YR	5 YR	10 YR
SURS	0.0%	-0.8%	0.6%	6.2%	9.8%	9.3%
Custom Benchmark	0.4%	5.2%	7.3%	6.4%	7.1%	3.5%

CBOE S&P 500 Volatility Index

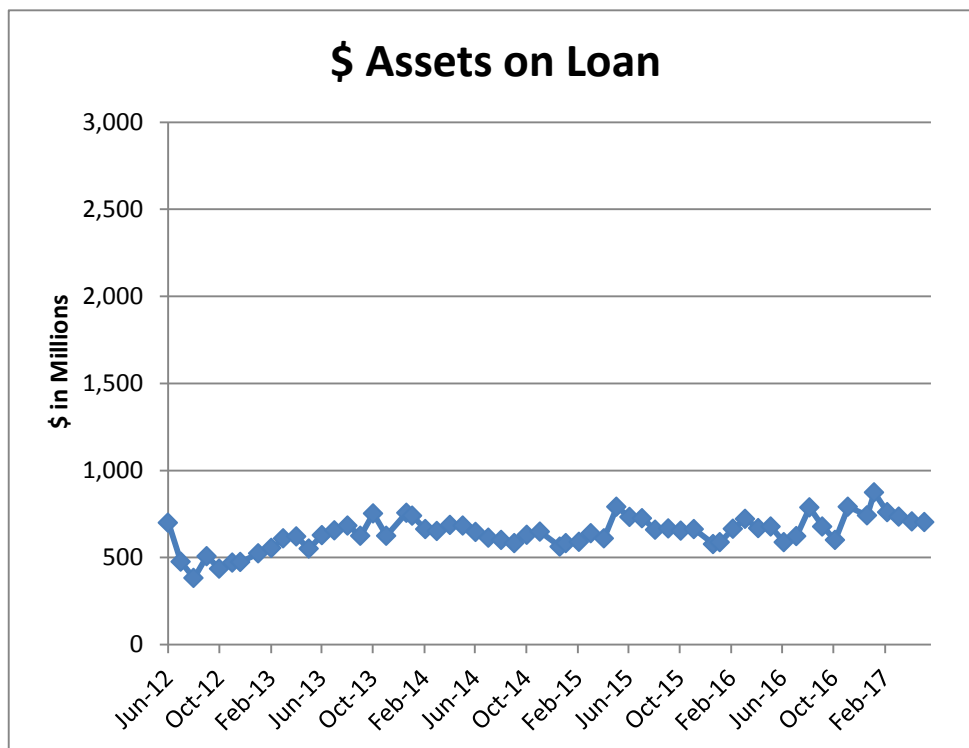


Source: Bloomberg. Calculations are as of the last monthly trading day. All data is as of May 31, 2017.

Securities Lending

At its April 2012 meeting, SURS Board of Trustees approved a risk-averse securities lending strategy that was implemented in July 2012 with third-party services provider Deutsche Bank. Program statistics for the month of May and the 2017 fiscal year are as listed, below:

Securities Lending Income as of May 31, 2017	
Total for the Month	\$406,918
Fiscal Year to Date	\$5,059,753
Fiscal Year to Date Monthly Average	\$459,978



**Schedule of Self-Managed Plan Investment Allocation
as of May 31, 2017**

	<u>U.S. Equity</u>	<u>Non-U.S. Equity</u>	<u>Fixed Income</u>	<u>Balanced</u>	<u>Real Estate</u>	<u>Total</u>
Fidelity Investment Options						
Actively Managed						
Fidelity Managed Income Portfolio Class 2			44,500,131			44,500,131
PIMCO Total Return Institutional			40,067,850			40,067,850
Fidelity Puritan Class K				201,611,170		201,611,170
Ariel Fund Institutional	34,569,301					34,569,301
American Beacon Large Cap Value Inst.	12,729,192					12,729,192
Wells Fargo Small Company Growth R6	16,019,148					16,019,148
Fidelity Growth Company Commingled Pool	107,123,382					107,123,382
Fidelity Contrafund Commingled Pool	100,436,680					100,436,680
Fidelity Low-Priced Stock Class K	45,976,569					45,976,569
Fidelity Diversified International Class K		45,644,862				45,644,862
Fidelity Real Estate Investment					18,788,993	18,788,993
Passively Managed						
Fidelity U.S. Bond Index Institutional ⁽⁴⁾			36,600,547			36,600,547
Fidelity Freedom Index Funds ⁽¹⁾				246,438,592		246,438,592
Fidelity Extended Market Index Premium ⁽⁴⁾	43,480,308					43,480,308
Fidelity 500 Index Institutional ⁽⁴⁾	205,374,652					205,374,652
Fidelity Global ex-U.S. Index Institutional ⁽⁴⁾		26,574,687				26,574,687
Fidelity Total	565,709,232	72,219,549	121,168,528	448,049,762	18,788,993	1,225,936,065 60.2%
TIAA-CREF Investment Options						
Actively Managed						
CREF Money Market Account R3			18,243,036			18,243,036
TIAA Traditional Annuity			110,933,542			110,933,542
CREF Bond Market Account R3			50,288,856			50,288,856
CREF Inflation-Linked Bond Account R3			25,178,361			25,178,361
CREF Social Choice Account R3				53,238,252		53,238,252
CREF Growth Account R3 ⁽²⁾	517,867					517,867
CREF Stock Account R3	167,007,474					167,007,474
CREF Global Equities Account R3		57,880,873				57,880,873
TIAA Real Estate Account					18,410,411	18,410,411
Passively Managed						
CREF Equity Index Account R3	86,036,368					86,036,368
TIAA-CREF Large-Cap Growth Index - Institutional	112,753,644					112,753,644
TIAA-CREF Lifecycle Index Funds - Institutional Class				110,014,333		110,014,333
TIAA-CREF Total	366,315,353	57,880,873	204,643,794	163,252,585	18,410,411	810,503,017 39.8%
GRAND TOTALS	<u>\$932,024,586</u> 45.8%	<u>\$130,100,422</u> 6.4%	<u>\$325,812,323</u> 16.0%	<u>\$611,302,346</u> 30.0%	<u>\$37,199,405</u> 1.8%	<u>\$2,036,439,081</u> 100.0%
SMP Forfeiture Reserve ⁽³⁾						15,623,422
SMP Disability Reserve ⁽³⁾						88,165,962
Total SMP Investments						<u>2,140,228,465</u>

1. As of May 31, 2017, the Fidelity Freedom Index Fund (lifecycle) series is the default fund for members who have selected the Self-Managed Plan, but have not yet selected individual mutual/variable annuity funds.

2. CREF Growth Account is no longer an approved option for the Self-Managed Plan. Assets remaining in the Account were invested prior to termination of this option.

3. These assets are commingled with the SURS defined benefit plan investments and accrue interest equal to the overall annual rate of return of the fund, net of fees. The reserve totals are preliminary and unaudited.

4. The fund was renamed from "Spartan" to "Fidelity", effective June 14, 2016.

SURS Private Equity Program Returns
Investment Values for Month Ended May 31, 2017
Investment Performance for Quarter Ended March 31, 2017 ⁽¹⁾

Manager	Incep	Benchmark	Assets (\$mil)	Quarter Mgr	Quarter Bmark	FYTD Mgr	FYTD Bmark	1 YR Mgr	1 YR Bmark	3 YR Mgr	3 YR Bmark	5 YR ⁽²⁾ Mgr	5 YR ⁽²⁾ Bmark	10 YR ⁽²⁾ Mgr	10 YR ⁽²⁾ Bmark	Incep ⁽²⁾ Mgr	Incep ⁽²⁾ Bmark
Adams Street Venture Partnerships (SEP)	Jan-91	DJ US Ttl Stk Mkt + 3%	77	9.95%	4.89%	11.36%	10.26%	12.67%	15.62%	6.22%	11.36%	10.93%	17.59%	6.95%	10.18%	28.18%	13.15%
Adams Street 2016 Global Fund (FOF)	Dec-16	DJ US Ttl Stk Mkt + 3%	6	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF
Adams Street 2015 Global Fund (FOF)	Jun-15	DJ US Ttl Stk Mkt + 3%	27	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF
Adams Street 2014 Global Fund (FOF)	May-14	DJ US Ttl Stk Mkt + 3%	51	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF
Adams Street 2013 Global Fund (FOF)	Mar-13	DJ US Ttl Stk Mkt + 3%	65	3.54%	4.89%	6.90%	10.26%	8.13%	15.62%	6.73%	11.36%	6.74%	15.84%	6.74%	15.84%	6.74%	15.84%
Adams Street 2012 Global Fund (FOF)	Apr-12	DJ US Ttl Stk Mkt + 3%	55	2.33%	4.89%	4.88%	10.26%	6.36%	15.62%	7.63%	11.36%	7.23%	15.51%	7.23%	15.51%	7.23%	15.51%
Adams Street 2009 Global Offering (FOF)	Jan-09	DJ US Ttl Stk Mkt + 3%	78	1.58%	4.89%	4.59%	10.26%	8.30%	15.62%	11.65%	11.36%	12.02%	17.59%	12.29%	17.80%	12.29%	12.29%
Adams Street 2008 Global Offering (FOF)	Jan-08	DJ US Ttl Stk Mkt + 3%	72	0.58%	4.89%	4.49%	10.26%	8.70%	15.62%	14.25%	11.36%	14.37%	17.59%	13.40%	10.35%	13.40%	10.35%
Adams Street Global Opportunities Secondary Fund - 2004 (FOF)	Mar-04	DJ US Ttl Stk Mkt + 3%	5	4.61%	4.89%	9.01%	10.26%	12.92%	15.62%	9.62%	11.36%	7.47%	17.59%	8.76%	10.18%	11.21%	10.96%
Adams Street 2007 Global Opportunities Portfolio (FOF)	Jun-07	DJ US Ttl Stk Mkt + 3%	43	0.40%	4.89%	4.19%	10.26%	3.30%	15.62%	5.04%	11.36%	10.23%	17.59%	8.09%	9.51%	8.09%	9.51%
Adams Street Global Secondary Fund 5 - 2012 (FOF)	Oct-12	DJ US Ttl Stk Mkt + 3%	11	-8.01%	4.89%	-1.99%	10.26%	1.63%	15.62%	-2.59%	11.36%	-1.44%	16.32%	-1.44%	16.32%	-1.44%	16.32%
Adams Street 2004 Non-U.S. Fund (FOF)	Jul-98	DJ US Ttl Stk Mkt + 3%	11	-1.97%	4.89%	0.24%	10.26%	-1.33%	15.62%	0.79%	11.36%	5.45%	17.59%	4.12%	10.18%	11.70%	9.17%
Total Adams Street Partners	Jan-91		502														
Lincoln Fund I (FOF)	Apr-14	DJ US Ttl Stk Mkt + 3%	30	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF
Total Fairview Capital Partners	Apr-14		30														
Emerging Private Equity Fund of I	Jan-17	DJ US Ttl Stk Mkt + 3%	4	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF
Illinois Private Equity Fund of Funds (FOF)	Dec-04	DJ US Ttl Stk Mkt + 3%	3	0.00%	4.89%	2.22%	10.26%	6.73%	15.62%	-0.12%	11.36%	1.64%	17.59%	0.92%	10.18%	-0.10%	11.06%
M ² Private Equity Fund of Funds (FOF)	Mar-08	DJ US Ttl Stk Mkt + 3%	9	-0.30%	4.89%	-0.68%	10.26%	0.31%	15.62%	12.07%	11.36%	11.61%	17.59%	8.88%	11.64%	8.88%	11.64%
Total Muller and Monroe	Dec-04		16														
Pantheon Ventures, Inc. (SEP)	Mar-02	DJ US Ttl Stk Mkt + 3%	121	1.63%	4.89%	5.00%	10.26%	4.62%	15.62%	5.46%	11.36%	10.30%	17.59%	9.77%	10.18%	10.57%	10.65%
Pantheon Europe Fund III - 2003 (FOF)	Jan-03	DJ US Ttl Stk Mkt + 3%	10	11.72%	4.89%	2.57%	10.26%	1.79%	15.62%	0.63%	11.36%	10.79%	17.59%	10.97%	10.18%	14.57%	12.69%
Pantheon Europe Fund VI - 2008 (FOF)	Sep-08	DJ US Ttl Stk Mkt + 3%	24	13.57%	4.89%	4.33%	10.26%	7.73%	15.62%	6.04%	11.36%	9.75%	17.59%	7.50%	12.38%	7.50%	12.38%
Pantheon Europe Fund VII - 2013 (FOF)	Jan-13	DJ US Ttl Stk Mkt + 3%	26	11.05%	4.89%	2.24%	10.26%	6.98%	15.62%	3.12%	11.36%	4.62%	17.15%	4.62%	17.15%	4.62%	17.15%
Pantheon Global Secondary Fund II - 2004 (FOF)	Mar-04	DJ US Ttl Stk Mkt + 3%	4	-5.88%	4.89%	-2.84%	10.26%	-2.78%	15.62%	0.24%	11.36%	0.98%	17.59%	0.15%	10.18%	4.02%	10.96%
Pantheon Multi-Strategy Program 2014 (US), L.P.	Feb-15	DJ US Ttl Stk Mkt + 3%	31	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF
Pantheon USA Fund VIII - 2008 (FOF)	Jan-08	DJ US Ttl Stk Mkt + 3%	82	4.99%	4.89%	8.29%	10.26%	10.65%	15.62%	11.48%	11.36%	13.51%	17.59%	11.17%	10.35%	11.17%	10.35%
Pantheon USA Fund IX - 2013 (FOF)	Jan-13	DJ US Ttl Stk Mkt + 3%	70	3.52%	4.89%	6.17%	10.26%	9.65%	15.62%	10.07%	11.36%	10.65%	17.15%	10.65%	17.15%	10.65%	17.15%
Total Pantheon Ventures, Inc.	Mar-02		368														
Total Private Equities	Jan-91	DJ US Ttl Stk Mkt + 3%	916	3.57%	4.89%	6.16%	10.26%	7.94%	15.62%	7.40%	11.36%	10.43%	17.59%	8.43%	10.18%	20.51%	13.15%

(1) reports quarterly in arrears
(2) or since inception, whichever is less
(FOF) fund of funds

**Progress Investment Manager of Managers Program
Investment Performance for Month Ended May 31, 2017**

Manager	Incep (1)	Benchmark	Assets (\$mil)	% Fund	Month Mgr	Month Bmark	FYTD Mgr	FYTD Bmark	1 YR (2) Mgr	1 YR (2) Bmark	3 YR (2) Mgr	3 YR (2) Bmark	5 YR (2) Mgr	5 YR (2) Bmark	Incep (2) Mgr	Incep (2) Bmark
PROGRESS TOTAL FUND	May-08		428	100.0%	2.2%		10.5%		9.9%		3.2%		9.2%		5.8%	
Non-U.S. Equity																
Affinity Investment Advisors	Jun-15	MSCI EAFE	50	11.6%	4.3%	3.7%	21.0%	20.5%	15.9%	16.4%	4.0%	4.2%	4.0%	4.2%	4.0%	4.2%
Arga Investment Management	Sep-16	MSCI EAFE	20	4.7%	4.3%	3.7%	15.4%	13.2%	15.4%	13.2%	15.4%	13.2%	15.4%	13.2%	15.4%	13.2%
Brown Capital Management	May-08	MSCI EAFE	33	7.8%	4.5%	3.7%	16.1%	20.5%	12.2%	16.4%	4.3%	1.5%	13.2%	10.2%	5.1%	1.6%
Denali	Apr-17	MSCI EAFE	24	5.6%	4.1%	3.7%	4.1%	3.7%	4.1%	3.7%	4.1%	3.7%	4.1%	3.7%	4.1%	3.7%
Glovista Investments	Jan-16	MSCI EAFE	21	4.8%	3.7%	3.7%	19.0%	20.5%	16.3%	16.4%	11.8%	17.6%	11.8%	17.6%	11.8%	17.6%
Strategic Global Advisors	May-08	MSCI EAFE	58	13.4%	3.4%	3.7%	23.1%	20.5%	18.9%	16.4%	5.5%	1.5%	14.1%	10.2%	5.1%	1.6%
TOTAL NON-U.S. EQUITY	May-08	MSCI EAFE	205	48.0%	4.0%	3.7%	21.4%	20.5%	17.3%	16.4%	2.1%	1.5%	10.0%	10.2%	2.9%	1.6%
Core Fixed Income																
Garcia Hamilton & Associates	Oct-09	Bloomberg Barclays U.S. Aggr	15	3.5%	0.5%	0.8%	-0.6%	-0.2%	1.2%	1.6%	2.7%	2.5%	3.5%	2.2%	4.6%	3.6%
GIA Partners	Jul-14	Bloomberg Barclays U.S. Aggr	32	7.6%	0.7%	0.8%	2.4%	-0.2%	4.2%	1.6%	3.3%	2.8%	3.3%	2.8%	3.3%	2.8%
LM Capital Group	May-08	Bloomberg Barclays U.S. Aggr	32	7.4%	0.6%	0.8%	0.7%	-0.2%	2.4%	1.6%	2.7%	2.5%	2.8%	2.2%	4.5%	4.1%
New Century Advisors	May-08	Bloomberg Barclays U.S. Aggr	32	7.4%	0.7%	0.8%	0.2%	-0.2%	2.0%	1.6%	2.0%	2.5%	2.3%	2.2%	4.4%	4.1%
Piedmont Investment Advisors	May-08	Bloomberg Barclays U.S. Aggr	18	4.2%	0.6%	0.8%	0.5%	-0.2%	2.5%	1.6%	2.5%	2.5%	2.4%	2.2%	4.2%	4.1%
Ramirez Asset Management	May-13	Bloomberg Barclays U.S. Aggr	17	4.0%	0.8%	0.8%	0.8%	-0.2%	2.4%	1.6%	2.8%	2.5%	2.8%	2.6%	2.8%	2.6%
TOTAL Core Fixed Income	May-08	Bloomberg Barclays U.S. Aggr	146	34.1%	0.7%	0.8%	0.8%	-0.2%	2.6%	1.6%	2.6%	2.5%	2.6%	2.2%	4.5%	4.1%
Emerging Market Debt																
GIA Partners	Apr-15	JPM CEMBI Broad	35	8.3%	0.4%	0.5%	8.9%	6.8%	11.4%	9.0%	6.0%	5.7%	6.0%	5.7%	6.0%	5.7%
LM Capital Group	Apr-15	JPM CEMBI Broad	41	9.7%	0.6%	0.5%	7.1%	6.8%	9.1%	9.0%	5.0%	5.7%	5.0%	5.7%	5.0%	5.7%
TOTAL Emerging Market Debt	Apr-15	JPM CEMBI Broad	77	17.9%	0.5%	0.5%	8.0%	6.8%	10.1%	9.0%	5.5%	5.7%	5.5%	5.7%	5.5%	5.7%

(1) inception date of account or (2) since inception, whichever is less

SURS Manager Diversity Program Returns
Investment Performance for Month Ended May 31, 2017

Manager	Incep	Benchmark	Assets (\$mil)	Month Mgr	Month Bmark	Quarter Mgr	Quarter Bmark	FYTD Mgr	FYTD Bmark	1 YR Mgr	1YR Bmark	3 YR Mgr	3 YR Bmark	5 YR Mgr	5 YR Bmark	Incep Mgr	Incep Bmark
TOTAL MDP	Jan-05	Policy Portfolio	2,562	1.3%	1.5%	3.3%	3.6%	11.4%	12.2%	10.8%	12.1%	5.1%	4.7%	8.5%	8.5%	6.1%	6.0%
U.S. Equity: Active																	
Channing Capital Management	Apr-05	Russell Midcap Value	181	-0.6%	-0.3%	-0.1%	-0.8%	15.3%	14.2%	12.7%	15.3%	7.4%	8.2%	15.6%	15.6%	8.5%	9.1%
EARNEST Partners	Jun-11	Russell Midcap	137	1.5%	0.9%	3.0%	1.5%	22.4%	15.3%	21.5%	15.9%	11.0%	8.5%	16.0%	15.1%	12.6%	11.8%
Piedmont Investment Advisors	Jul-14	S&P 500	543	1.5%	1.4%	2.4%	2.6%	17.7%	17.2%	17.8%	17.5%	10.2%	9.7%	10.2%	9.7%	10.2%	9.7%
Composite, Active U.S. Equity		Blended	861	0.9%	0.7%	2.0%	1.6%	17.7%	18.0%	16.9%	18.3%	9.2%	8.8%	14.7%	14.7%	9.1%	8.8%
TOTAL U.S. Equity	Jan-05	Blended	861	0.9%	0.7%	2.0%	1.6%	17.7%	18.0%	16.9%	18.3%	9.2%	8.8%	14.7%	14.7%	8.5%	8.4%
Non-U.S. Equity																	
Ativo Capital Management	Jul-08	MSCI ACWI Ex-U.S.	264	3.2%	3.2%	8.1%	8.1%	12.2%	20.1%	9.4%	18.2%	2.1%	1.3%	9.8%	8.4%	3.8%	2.5%
GlobeFlex Capital	Jul-14	MSCI ACWI Ex-U.S.	291	3.1%	3.2%	8.0%	8.1%	22.3%	20.1%	18.2%	18.2%	2.4%	0.7%	2.4%	0.7%	2.4%	0.7%
Strategic Global Advisors	Aug-08	MSCI EAFE	314	4.0%	3.7%	10.0%	9.2%	19.8%	20.5%	14.9%	16.4%	5.0%	1.5%	13.7%	10.2%	6.8%	3.4%
TOTAL Non-U.S. Equity	Aug-06	Blended	869	3.5%	2.3%	8.7%	6.6%	18.2%	16.3%	14.2%	12.1%	2.6%	0.8%	10.3%	6.3%	4.0%	2.4%
Private Equity																	
Fairview Lincoln Fund I	Apr-14	DJ U.S. Total Stk Mkt + 3% (1)	30	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF
Muller and Monroe Emerg PEF	Jan-17	DJ U.S. Total Stk Mkt + 3% (1)	4	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF
Muller and Monroe ILPEFF	Dec-04	DJ U.S. Total Stk Mkt + 3% (1)	3	0.0%	4.9%	0.0%	4.9%	2.2%	10.3%	6.7%	15.6%	-0.1%	11.4%	1.6%	17.6%	-0.1%	11.1%
Muller and Monroe MPEFF	Mar-08	DJ U.S. Total Stk Mkt + 3% (1)	9	-0.3%	4.9%	-0.3%	4.9%	-0.7%	10.3%	0.3%	15.6%	12.1%	11.4%	11.6%	17.6%	8.9%	11.6%
TOTAL Private Equity	Dec-04	DJ U.S. Total Stk Mkt + 3% (1)	46	-0.2%	4.9%	-0.2%	4.9%	0.5%	10.3%	2.9%	15.6%	6.9%	11.4%	7.5%	17.6%	4.4%	11.1%
Fixed Income: Core																	
Garcia Hamilton	Feb-09	Bloomberg Barclays U.S. Aggregate	311	0.4%	0.8%	0.9%	1.5%	-0.4%	-0.2%	1.4%	1.6%	3.0%	2.5%	3.8%	2.2%	5.9%	4.2%
LM Capital Group	Dec-10	Bloomberg Barclays U.S. Aggregate	163	0.7%	0.8%	1.7%	1.5%	0.8%	-0.2%	2.5%	1.6%	3.0%	2.5%	2.7%	2.2%	3.8%	3.3%
Pugh Capital Management	Apr-06	Bloomberg Barclays U.S. Aggregate	162	0.8%	0.8%	1.5%	1.5%	-0.2%	-0.2%	1.6%	1.6%	2.6%	2.5%	2.4%	2.2%	5.0%	4.6%
Smith Graham & Company	Apr-06	Bloomberg Barclays U.S. Aggregate	105	0.7%	0.8%	1.4%	1.5%	-0.1%	-0.2%	1.5%	1.6%	2.5%	2.5%	2.5%	2.2%	4.6%	4.6%
Composite, Core Fixed Inc		Bloomberg Barclays U.S. Aggregate	741	0.6%	0.8%	1.3%	1.5%	0.0%	-0.2%	1.7%	1.6%	2.7%	2.5%	2.7%	2.2%	4.8%	4.6%
TOTAL Fixed Income	Apr-06	Blended	741	0.0%	0.5%	0.7%	1.2%	-0.2%	0.0%	1.6%	2.0%	1.9%	2.0%	1.6%	1.4%	4.6%	4.5%
Real Estate																	
Franklin Templeton EMREFF	Aug-11	NCREIF ODCE Index + 1.5% (1)	35	11.4%	2.2%	11.4%	2.2%	11.4%	2.2%	19.9%	10.6%	18.0%	12.9%	10.5%	13.2%	15.9%	13.2%
Frnkln Templeton MDP RE 2015	Sep-15	NCREIF ODCE Index + 1.5% (1)	10	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF
TOTAL Real Estate	Aug-11	NCREIF ODCE Index + 1.5% (1)	45	11.4%	2.2%	11.4%	2.2%	11.4%	2.2%	19.9%	10.6%	18.0%	12.9%	10.5%	13.2%	15.9%	13.2%

Custom Benchmark Composition

MDP Policy Portfolio	35% Russell 2500 Index, 23% S&P 500, 7% MSCI EAFE and 35% Barclays Capital Aggregate through January 2008; value weighted as of February 2008
----------------------	---

(1) reports quarterly in arrears

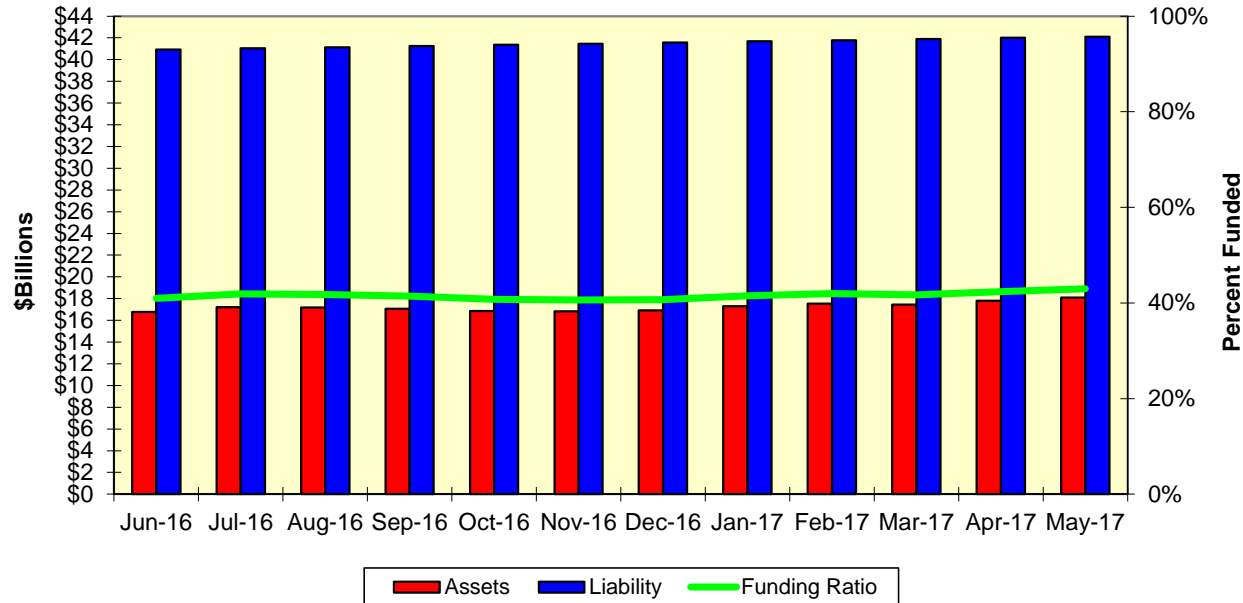
Asset Class	\$'s (millions)	Actual %
U.S. Equity	\$ 861	33.6%
Private Equity	46	1.8%
Non-U.S. Equity	869	33.9%
Global Equity	-	0.0%
Fixed Income	741	28.9%
TIPS	-	0.0%
Real Estate	45	1.8%
Total Fund	\$ 2,562	100.0%

May-17	Incep (1)	Benchmark	\$ millions	% Fund	5/2017 Mgr	5/2017 Bmark	FYTD Mgr	FYTD Bmark	1 YR (2) Mgr	1 YR (2) Bmark	3 YR (2) Mgr	3 YR (2) Bmark	5 YR (2) Mgr	5 YR (2) Bmark	10 YR (2) Mgr	10 YR (2) Bmark
U.S. Equities																
CastleArk Management	Sep-12	Russell 2000 Growth	167	0.9%	0.72%	-0.91%	19.16%	20.26%	20.33%	19.71%	5.61%	8.59%	13.56%	13.53%	13.56%	13.53%
Mesirow Financial Investment Mgmt	May-11	Russell 2000	166	0.9%	-0.87%	-2.03%	16.91%	20.44%	16.27%	20.36%	7.70%	8.00%	13.00%	14.04%	9.23%	9.85%
EARNEST Partners	Jun-11	Russell Midcap	137	0.8%	1.55%	0.91%	22.41%	15.34%	21.50%	15.86%	11.02%	8.50%	15.97%	15.13%	12.55%	11.80%
Channing Capital Management	Apr-05	Russell Midcap Value	181	1.0%	-0.59%	-0.31%	15.33%	14.23%	12.70%	15.27%	7.36%	8.15%	15.64%	15.63%	7.08%	6.77%
Gladius	Dec-16	Russell 3000	374	2.1%	0.89%	1.02%	7.08%	7.96%	7.08%	7.96%	7.08%	7.96%	7.08%	7.96%	7.08%	7.96%
<i>Active U.S. Equities</i>	Oct-81	Blended	1,025	5.6%	0.31%	-0.42%	18.38%	16.43%	17.44%	16.66%	7.16%	8.33%	13.53%	14.44%	5.36%	6.47%
Piedmont Investment Advisors	Jan-08	S&P 500	543	3.0%	1.48%	1.41%	17.68%	17.16%	17.77%	17.47%	10.59%	10.14%	16.06%	15.42%	7.61%	7.73%
T. Rowe Price	Mar-08	S&P 500	401	2.2%	2.04%	1.41%	19.22%	17.16%	18.98%	17.47%	10.85%	10.14%	15.87%	15.42%	9.64%	9.12%
<i>Structured Active U.S. *</i>	Oct-87	Blended	944	5.2%	1.71%	1.41%	18.36%	17.16%	18.31%	17.47%	10.42%	9.88%	15.81%	15.32%	7.54%	7.09%
Northern Trust Asset Management	Feb-99	Dow Jones U.S. Total Stock Market	1,395	7.7%	0.95%	1.02%	17.58%	17.44%	17.80%	17.66%	9.65%	9.61%	15.17%	15.19%	7.11%	7.05%
RhumbLine Advisers	Feb-05	Custom / Wilshire 5000	774	4.3%	0.92%	1.00%	17.34%	17.54%	17.68%	17.90%	9.93%	9.92%	15.31%	15.32%	7.11%	7.03%
<i>Passive U.S. Equities</i>	Jul-86	Blended	2,169	11.9%	0.94%	1.01%	17.49%	17.48%	17.76%	17.75%	9.76%	9.73%	15.22%	15.23%	7.10%	7.04%
Total U.S. Equities	Oct-81	Dow Jones U.S. Total Stock Market	4,138	22.7%	0.96%	1.02%	17.72%	17.44%	17.71%	17.66%	9.39%	9.61%	15.03%	15.19%	6.92%	7.05%
Non-U.S. Equities																
Ativo Capital Management	Jul-08	MSCI ACWI Ex-US	264	1.5%	3.22%	3.24%	12.16%	20.08%	9.38%	18.24%	2.11%	1.26%	9.77%	8.39%	3.81%	2.46%
GlobeFlex Capital	Dec-11	MSCI ACWI Ex-US	291	1.6%	3.07%	3.24%	22.34%	20.08%	18.19%	18.24%	3.51%	1.26%	11.03%	8.39%	9.74%	6.80%
Progress Investment	May-08	MSCI EAFE	205	1.1%	3.98%	3.67%	21.41%	20.48%	17.33%	16.44%	2.12%	1.53%	10.04%	10.21%	2.93%	1.56%
Strategic Global Advisors	Aug-08	MSCI EAFE	314	1.7%	4.02%	3.67%	19.83%	20.48%	14.90%	16.44%	4.96%	1.53%	13.67%	10.21%	6.80%	3.37%
<i>Active Non U.S. Equities</i>	Jul-92	Blended	1,074	5.9%	3.56%	3.45%	18.78%	20.28%	14.79%	17.38%	2.52%	1.15%	9.72%	9.06%	1.45%	1.39%
BTC International Alpha Tilts	Nov-03	MSCI EAFE	495	2.7%	4.31%	3.67%	23.76%	20.48%	19.13%	16.44%	3.55%	1.53%	12.64%	10.21%	2.03%	1.06%
Fidelity Institutional Asset Mgmt	Dec-11	MSCI ACWI Ex-US	544	3.0%	3.46%	3.24%	19.08%	20.08%	17.11%	18.24%	2.06%	1.26%	8.87%	8.39%	7.56%	6.80%
<i>Structured Active Non U.S. *</i>	Nov-03	Blended	1,040	5.7%	3.86%	3.45%	21.29%	20.26%	18.05%	17.35%	2.77%	1.38%	10.61%	9.22%	1.27%	0.64%
BTC Emerging Markets	Oct-09	MSCI Emerging Markets	217	1.2%	2.93%	2.96%	22.24%	22.51%	27.10%	27.41%	1.45%	1.62%	4.35%	4.54%	3.44%	3.66%
BTC International	Jul-86	MSCI ACWI Ex-US	1,309	7.2%	3.31%	3.24%	20.58%	20.08%	18.77%	18.24%	1.85%	1.26%	8.86%	8.39%	1.66%	1.18%
<i>Passive Non U.S. Equities</i>	Jul-86	Blended / MSCI ACWI Ex-US	1,527	8.4%	3.25%	3.20%	20.78%	20.37%	19.70%	19.26%	1.71%	1.29%	8.30%	7.99%	1.46%	1.09%
Total Non U.S. Equities	Jul-86	MSCI ACWI Ex-US	3,640	20.0%	3.52%	3.24%	20.35%	20.08%	17.80%	18.24%	2.25%	1.26%	9.31%	8.39%	1.27%	1.18%
Global Equities																
Mondrian Investment Partners	Dec-11	MSCI ACWI	503	2.8%	2.10%	2.21%	16.03%	18.25%	15.40%	17.53%	4.24%	5.31%	10.66%	11.51%	9.34%	10.51%
T. Rowe Price Global Focused Growth	Oct-08	MSCI ACWI	536	2.9%	3.42%	2.21%	27.57%	18.25%	24.47%	17.53%	11.92%	5.31%	17.20%	11.51%	13.69%	10.53%
Wellington Management	Jun-02	Custom / MSCI ACWI	511	2.8%	3.02%	2.21%	20.43%	18.25%	18.43%	17.53%	7.18%	5.31%	13.69%	11.51%	4.92%	3.70%
Total Global Equities	Jan-04	Blended / MSCI ACWI	1,550	8.5%	2.85%	2.21%	20.94%	18.25%	19.38%	17.53%	7.31%	5.31%	12.65%	11.51%	4.41%	3.63%
* Structured Active strategies, also known as Enhanced Index strategies, attempt to add modest amounts of excess return over time within a risk controlled framework.																

May-17	Incep (1)	Benchmark	\$ millions	% Fund	5/2017 Mgr	5/2017 Bmark	FYTD Mgr	FYTD Bmark	1 YR (2) Mgr	1 YR (2) Bmark	3 YR (2) Mgr	3 YR (2) Bmark	5 YR (2) Mgr	5 YR (2) Bmark	10 YR (2) Mgr	10 YR (2) Bmark
Private Equities																
Adams Street Partners	Jan-91	DJ U.S. Total Stock Market + 3% (3)	502	2.8%	3.42%	4.89%	7.03%	10.26%	9.13%	15.62%	8.29%	11.36%	10.73%	17.59%	7.68%	10.18%
Fairview Capital Partners	Apr-14	DJ U.S. Total Stock Market + 3% (3)	30	0.2%	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF
Muller and Monroe	Dec-04	DJ U.S. Total Stock Market + 3% (3)	16	0.1%	-0.18%	4.89%	0.51%	10.26%	2.86%	15.62%	6.88%	11.36%	7.47%	17.59%	5.14%	10.18%
Pantheon Ventures, Inc.	Mar-02	DJ U.S. Total Stock Market + 3% (3)	368	2.0%	4.06%	4.89%	5.49%	10.26%	6.92%	15.62%	6.62%	11.36%	10.42%	17.59%	9.47%	10.18%
Total Private Equities	Jan-91	DJ U.S. Total Stock Market + 3% (3)	916	5.0%	3.57%	4.89%	6.16%	10.26%	7.94%	15.62%	7.40%	11.36%	10.43%	17.59%	8.43%	10.18%
TOTAL EQUITIES																
TOTAL EQUITIES	Oct-81	Blended	10,244	56.3%	2.10%	1.79%	18.36%	18.09%	17.24%	17.61%	6.68%	6.79%	12.36%	13.09%	5.06%	5.47%
Fixed Income																
Cash Flow	Oct-81	90-day T-bills	308	1.7%	0.09%	0.07%	0.71%	0.46%	0.75%	0.49%	0.38%	0.23%	0.28%	0.16%	0.80%	0.52%
<i>Core Fixed Income Managers</i>																
Garcia Hamilton & Associates	Feb-09	Bloomberg Barclays U.S. Aggregate	311	1.7%	0.39%	0.77%	-0.35%	-0.21%	1.38%	1.58%	3.04%	2.53%	3.83%	2.24%	5.88%	4.25%
Progress Investment	May-08	Bloomberg Barclays U.S. Aggregate	146	0.8%	0.66%	0.77%	0.83%	-0.21%	2.59%	1.58%	2.60%	2.53%	2.64%	2.24%	4.54%	4.07%
Pugh Capital Management	Apr-06	Bloomberg Barclays U.S. Aggregate	162	0.9%	0.83%	0.77%	-0.23%	-0.21%	1.55%	1.58%	2.56%	2.53%	2.38%	2.24%	4.99%	4.46%
Smith Graham & Company	Apr-06	Bloomberg Barclays U.S. Aggregate	105	0.6%	0.73%	0.77%	-0.09%	-0.21%	1.54%	1.58%	2.48%	2.53%	2.46%	2.24%	4.55%	4.46%
<i>Core Plus Fixed Income Managers</i>																
LM Capital Group	Dec-10	Bloomberg Barclays U.S. Aggregate	163	0.9%	0.73%	0.77%	0.79%	-0.21%	2.49%	1.58%	2.97%	2.53%	2.75%	2.24%	3.76%	3.32%
Neuberger Berman	Dec-10	Bloomberg Barclays U.S. Aggregate	346	1.9%	0.73%	0.77%	2.27%	-0.21%	3.68%	1.58%	2.99%	2.53%	3.30%	2.24%	4.13%	3.32%
PIMCO Total Return	Oct-81	Bloomberg Barclays U.S. Aggregate	392	2.2%	0.50%	0.77%	1.04%	-0.21%	2.16%	1.58%	2.32%	2.53%	2.71%	2.24%	5.87%	4.46%
TCW MetWest	Nov-01	Bloomberg Barclays U.S. Aggregate	543	3.0%	0.73%	0.77%	0.76%	-0.21%	2.33%	1.58%	2.69%	2.53%	3.42%	2.24%	6.14%	4.46%
<i>Active Fixed Income</i>																
State Street Global Advisors	Sep-10	Bloomberg Barclays U.S. Aggregate	610	3.4%	0.77%	0.77%	-0.21%	-0.21%	1.59%	1.58%	2.55%	2.53%	2.26%	2.24%	3.00%	2.99%
<i>Passive Fixed Income</i>																
PIMCO Unconstrained	May-13	LIBOR + 3%	469	2.6%	0.47%	0.34%	6.67%	3.52%	6.65%	3.83%	2.34%	3.48%	1.88%	3.43%	1.88%	3.43%
<i>Absolute Return Fixed Income</i>																
Total Core Fixed Income	Oct-81	Bloomberg Barclays U.S. Aggregate	3,554	19.5%	0.61%	0.77%	1.19%	-0.21%	2.54%	1.58%	2.40%	2.53%	2.49%	2.24%	5.07%	4.46%
TIPS																
RhumbLine TIPS	May-17	Bloomberg Barclays U.S. TIPS	687	3.8%	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF
Total TIPS	Jul-04	Bloomberg Barclays U.S. TIPS (4)	687	3.8%	0.04%	-0.04%	0.89%	0.32%	2.90%	2.41%	0.87%	1.05%	0.38%	0.35%	4.84%	4.36%
Emerging Market Debt																
BlueBay Emerging Mkts Select Debt	Mar-15	Custom	184	1.0%	1.04%	1.42%	5.17%	6.09%	10.41%	11.00%	2.27%	5.24%	2.27%	5.24%	2.27%	5.24%
Colchester Local Markets Debt Fund	Apr-15	JPM GBI-EM Global Diversif unhedged	110	0.6%	1.88%	1.96%	7.74%	5.93%	16.09%	12.16%	2.26%	1.88%	2.26%	1.88%	2.26%	1.88%
Progress Investment	Apr-15	JPM Corp Em Mkts Bond Index-Broad	77	0.4%	0.53%	0.49%	7.95%	6.77%	10.14%	8.95%	5.47%	5.72%	5.47%	5.72%	5.47%	5.72%
Prudential Emerging Mkts Debt Blend	Jun-15	Custom	199	1.1%	1.37%	1.42%	8.18%	6.09%	13.60%	11.00%	7.94%	6.29%	7.94%	6.29%	7.94%	6.29%
Total Emerging Market Debt	Mar-15	Custom	570	3.1%	1.25%	1.32%	7.08%	6.25%	12.54%	10.82%	4.17%	5.07%	4.17%	5.07%	4.17%	5.07%
TOTAL FIXED INCOME																
TOTAL FIXED INCOME	Oct-81	Custom	4,811	26.4%	0.60%	0.68%	1.83%	1.00%	3.73%	3.03%	2.32%	2.64%	2.25%	2.16%	5.11%	4.49%

May-17	Incep (1)	Benchmark	\$ millions	% Fund	5/2017 Mgr	5/2017 Bmark	FYTD Mgr	FYTD Bmark	1 YR (2) Mgr	1 YR (2) Bmark	3 YR (2) Mgr	3 YR (2) Bmark	5 YR (2) Mgr	5 YR (2) Bmark	10 YR (2) Mgr	10 YR (2) Bmark
Real Estate																
<i>Core Direct Real Estate Managers</i>																
Heitman America Real Estate Trust	Jul-14	NCREIF ODCE Index (3)	196	1.1%	2.35%	1.88%	4.54%	5.73%	9.11%	7.79%	11.98%	11.18%	11.98%	11.18%	11.98%	11.18%
JPMCB Strategic Property Fund	Jun-14	NCREIF ODCE Index (3)	200	1.1%	1.94%	1.88%	3.81%	5.73%	7.41%	7.79%	10.86%	11.94%	10.86%	11.94%	10.86%	11.94%
UBS Trumbull Property Fund	Jun-06	NCREIF ODCE Index (3)	371	2.0%	1.23%	1.88%	2.70%	5.73%	6.19%	7.79%	9.54%	11.04%	9.41%	11.16%	6.60%	4.87%
<i>Non-Core Direct Real Estate Managers</i>																
Blue Vista Real Estate Partners IV	Apr-16	NCREIF ODCE Index + 1.5% (3)	17	0.1%	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF
Brookfield Strategic RE Partners II	Feb-16	NCREIF ODCE Index + 1.5% (3)	17	0.1%	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF
Crow Holdings Realty Partners VII	Jan-16	NCREIF ODCE Index + 1.5% (3)	26	0.1%	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF
Dune Real Estate Parallel Fund II	Apr-09	NCREIF ODCE Index + 1.5% (3)	23	0.1%	-0.98%	2.25%	0.23%	4.49%	8.18%	9.29%	14.92%	12.54%	19.56%	12.66%	17.27%	9.52%
Dune Real Estate Fund III	Jul-13	NCREIF ODCE Index + 1.5% (3)	86	0.5%	5.11%	2.25%	5.70%	4.49%	12.92%	9.29%	14.17%	12.54%	12.35%	12.84%	12.35%	12.84%
Franklin Templeton EMREFF	Aug-11	NCREIF ODCE Index + 1.5% (3)	35	0.2%	8.60%	2.25%	21.37%	4.49%	22.94%	9.29%	19.51%	12.54%	18.09%	12.66%	16.71%	12.98%
Franklin Templeton FTPREF	Jun-12	NCREIF ODCE Index + 1.5% (3)	13	0.1%	3.29%	2.25%	4.50%	4.49%	15.99%	9.29%	27.38%	12.54%	21.75%	13.12%	21.75%	13.12%
Franklin Templeton MDP RE 2015	Sep-15	NCREIF ODCE Index + 1.5% (3)	10	0.1%	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF
Courtland/Pru RE Global Ptnrshp II	Apr-12	NCREIF ODCE Index + 1.5% (3)	39	0.2%	1.13%	2.25%	3.76%	4.49%	9.13%	9.29%	9.82%	12.54%	9.93%	12.69%	9.93%	12.69%
Total Direct Real Estate	Jun-05	NCREIF ODCE Index (3)	1,033	5.7%	1.71%	1.88%	3.81%	5.73%	7.94%	7.79%	11.52%	11.04%	11.31%	11.16%	6.33%	4.87%
Global REITs																
BTC Global REIT Fund	Mar-13	FTSE EPRA/NAREIT Developed Index	696	3.8%	0.93%	0.86%	0.13%	-0.53%	3.81%	3.06%	4.52%	3.85%	5.74%	5.07%	5.74%	5.07%
Total GLOBAL REITs	Apr-07	Blended / FTSE EPRA/NAREIT Dev In	696	3.8%	0.93%	0.86%	-0.82%	-0.53%	2.54%	3.06%	4.40%	3.85%	9.51%	9.12%	1.59%	0.90%
TOTAL REAL ESTATE INVESTMENT TRUSTS																
TOTAL REITs	Mar-00	Custom	696	3.8%	0.93%	0.86%	-0.82%	-0.53%	2.54%	3.06%	5.60%	5.74%	9.13%	9.11%	3.23%	2.67%
Hedge Fund																
KKR Prisma Codlin Fund	Mar-16	LIBOR + 5%	450	2.5%	0.46%	0.50%	5.48%	5.37%	4.12%	5.87%	2.89%	5.82%	2.89%	5.82%	2.89%	5.82%
PAAMCO Newport Monarch	Apr-16	LIBOR + 5%	449	2.5%	-0.07%	0.50%	6.42%	5.37%	6.45%	5.87%	5.98%	5.83%	5.98%	5.83%	5.98%	5.83%
Total Hedge Funds	Mar-16	LIBOR + 5%	899	4.9%	0.22%	0.50%	5.86%	5.37%	5.08%	5.87%	3.81%	5.82%	3.81%	5.82%	3.81%	5.82%
Commodities																
Invesco Balanced Risk Commodity Trust	Jun-16	Bloomberg Commodity Index	237	1.3%	-2.06%	-1.33%	-7.30%	-6.32%	-7.30%	-6.32%	-7.30%	-6.32%	-7.30%	-6.32%	-7.30%	-6.32%
PIMCO Commodity Alpha Fund	May-16	Bloomberg Commodity Index	97	0.5%	0.00%	-1.33%	16.00%	-6.32%	17.01%	-2.45%	17.01%	-2.45%	17.01%	-2.45%	17.01%	-2.45%
Total Commodities	May-16	Bloomberg Commodity Index	334	1.8%	-1.48%	-1.33%	-1.58%	-6.32%	0.65%	-2.45%	0.65%	-2.45%	0.65%	-2.45%	0.65%	-2.45%
Opportunity Fund																
Alinda Capital Partners	Dec-09	CPI + 5% (3)	42	0.2%	-3.93%	1.25%	-5.30%	2.67%	-3.63%	7.07%	9.74%	6.18%	6.15%	6.36%	5.61%	6.56%
Macquarie Infrastructure Partners II	Apr-10	CPI + 5% (3)	33	0.2%	-4.79%	1.25%	-2.54%	2.67%	2.36%	7.07%	1.28%	6.18%	6.77%	6.36%	7.96%	6.55%
Macquarie Infrastructure Partners III	Oct-14	CPI + 5% (3)	39	0.2%	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF
<i>Infrastructure</i>	Dec-09	CPI + 5% (3)	114	0.6%	-2.61%	1.25%	-2.51%	2.67%	0.72%	7.07%	5.52%	6.18%	6.21%	6.36%	6.61%	6.56%
TOTAL OPPORTUNITY FUND	Jul-99	Custom	114	0.6%	2.69%	0.73%	2.33%	7.07%	2.33%	7.98%	5.44%	6.41%	9.85%	7.03%	8.88%	3.24%
TOTAL FUND																
TOTAL FUND ex-Overlay	Sep-14	Policy Portfolio	18,129	99.6%	1.43%	1.26%	11.38%	10.86%	11.59%	11.67%	5.39%	5.36%	9.53%	9.69%	5.25%	5.27%
Parametric Clifton Cash Overlay	Sep-14		74	0.4%	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF
TOTAL FUND	Oct-81	Policy Portfolio	18,203	100.0%	1.45%	1.26%	11.55%	10.86%	11.78%	11.67%	5.38%	5.36%	9.53%	9.69%	5.25%	5.27%
Policy Portfolio Benchmark consists of 25% U.S. Equities (Dow Jones U.S. Total Stock Market), 19% Non-U.S. Equities (MSCI ACWI ex-US), 8% Global Equities (MSCI ACWI), 6% Private Equity (Dow Jones U.S. Total Stock Market + 3%), 19% Fixed Income (Bloomberg Barclays U.S. Aggregate), 4% TIPS (Bloomberg Barclays U.S. TIPS), 3% Emerging Market Debt (Blended Benchmark), 6% Direct Real Estate (NCREIF ODCE Index), 4% REITs (Blended Benchmark), 2% Commodities (Bloomberg Commodity Index), 3% Hedge Funds (LIBOR + 5%) and 1% Opportunity Fund (Blended Benchmark)																
(1) inception date of account (2) or since inception, whichever is less (3) reports quarterly in arrears (4) TIPS benchmark used beginning April 2006 (NMF) not meaningful (FOF) fund of funds																

SURS Projected Funding Status 2017 Fiscal Year-to-Date Results



	<u>Assets</u>	<u>Estimated Liabilities</u>	<u>Unfunded Liabilities</u>	<u>Market Value Funding Ratio</u>	<u>Rate of Return</u>	
					<u>Month</u>	<u>FYTD</u>
Jun-16 \$	16.77	\$ 40.92	\$ 24.16	41.0%		
Jul-16	17.20	41.03	23.83	41.9%	2.83%	2.8%
Aug-16	17.19	41.14	23.95	41.8%	0.02%	2.9%
Sep-16	17.08	41.25	24.17	41.4%	0.73%	3.6%
Oct-16	16.87	41.36	24.49	40.8%	-1.47%	2.1%
Nov-16	16.84	41.46	24.62	40.6%	0.17%	2.3%
Dec-16	16.91	41.57	24.66	40.7%	1.62%	3.9%
Jan-17	17.31	41.68	24.37	41.5%	1.73%	5.7%
Feb-17	17.53	41.79	24.26	41.9%	1.88%	7.7%
Mar-17	17.46	41.90	24.44	41.7%	0.83%	8.6%
Apr-17	17.79	42.01	24.21	42.4%	1.26%	10.0%
May-17	18.10	42.11	24.02	43.0%	1.45%	11.5%

Note: Assets and liabilities are estimated and unaudited through May 31, 2017.
The fund has an actuarial value funding ratio of 43.3% at the end of Fiscal Year 2016, utilizing a 7.25% assumed rate of return.