

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

Investment Update



May 2018

Volume 28, Issue 11

	May 2018	Quarter Ended	Fiscal Y-T-D	1 Year Ended ¹	3 Years Ended ¹	5 Years Ended ¹	10 Years Ended ¹
SURS TOTAL FUND	0.7%	0.6%	8.4%	9.0%	6.4%	7.8%	6.1%
Market Goal / Policy Portfolio	0.4%	0.7%	8.0%	8.9%	6.3%	7.8%	6.1%
Public Funds Index	0.9%	0.1%	8.6%	9.2%	6.6%	7.8%	5.9%

Policy Portfolio Benchmark consists of 23% 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), 5% Hedge Funds (Blended Benchmark) 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	\$ 4,761	\$ (66)	\$ 4,695	13.0%	5.5%	5.9%	24.3%	23.0%	23.0%
Private Equity	1,050		1,050	0.0%	0.0%	5.4%	5.4%	6.0%	6.0%
Non-U.S. Equity	3,642	(41)	3,601	6.6%	5.9%	6.2%	18.7%	19.0%	19.0%
Global Equity	1,774	(195)	1,579	-1.0%	0.0%	9.2%	8.2%	8.0%	8.0%
Fixed Income	3,692	275	3,967	5.0%	0.0%	15.6%	20.6%	19.0%	19.0%
TIPS	692		692	3.6%	0.0%	0.0%	3.6%	4.0%	4.0%
Emerging Market Debt	576		576	0.0%	0.0%	3.0%	3.0%	3.0%	3.0%
Real Estate	1,771	(0)	1,771	3.8%	0.0%	5.4%	9.2%	10.0%	10.0%
Hedged Strategies	859		859	0.0%	0.0%	4.4%	4.4%	5.0%	5.0%
Commodities	380	26	406	0.1%	0.0%	2.0%	2.1%	2.0%	2.0%
Opportunity Fund	106		106	0.0%	0.0%	0.6%	0.6%	1.0%	1.0%
Total Fund	\$ 19,302	\$ (0)	\$ 19,302	31.0%	11.4%	57.6%	24.3%	100.0%	100.0%

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

Total Fund Summary

SURS total fund returned 0.7% for May, exceeding the Market Goal by 0.3%.

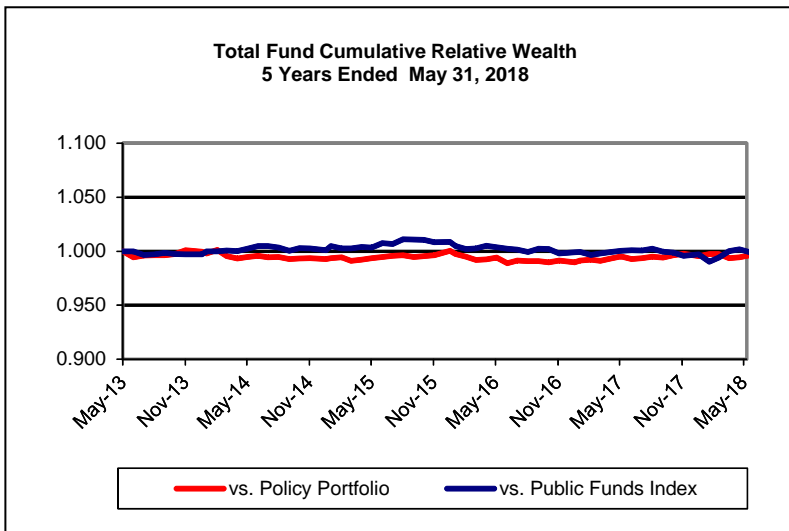
The above benchmark return relative to the Market Goal during May was due primarily to:

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

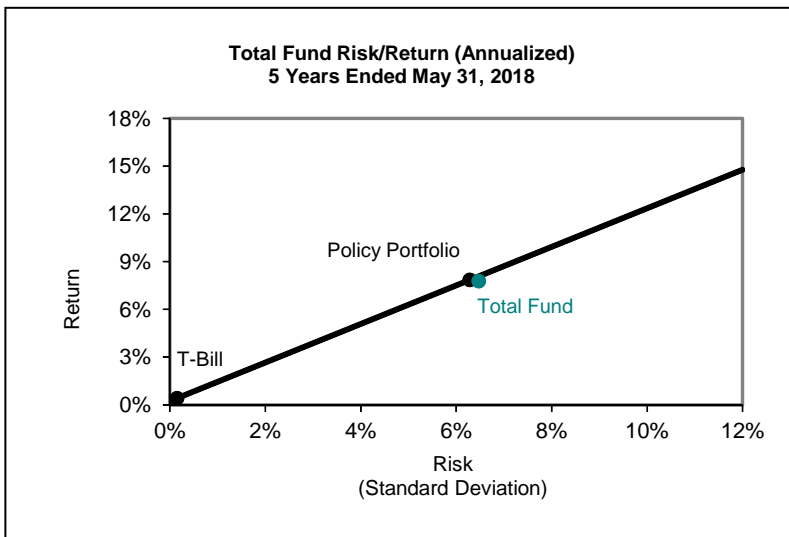
Investment Management Firms Utilized by SURS		
Emerging, Minority, Women and Disabled Ownership as of March 2018		
	Actual	Goal
As a % of Total Assets	29.9%	
As a % of Total Assets, per Public Act 96-0006	19.2%	20.0%
As a % of Total Actively-Managed Assets, per Public Act 96-0006	27.5%	25.0%

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 underperformed the Policy Portfolio by approximately 0.4%. The chart also indicates that during the same time period, SURS portfolio has lagged the median Public Funds Index return by approximately 0.1%.



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 trailed its benchmark for the five-year period by 31 basis points on an annualized basis (7.77% versus required return of 8.08%).

SURS Total Fund Investment Performance			
As of May 2018			
	SURS Fund	CPI-U *	SURS Real Return
1 Year Ended	9.0%	2.8%	6.2%
5 Years Ended	7.8%	1.6%	6.2%
10 Years Ended	6.1%	1.5%	4.6%
20 Years Ended	6.6%	2.2%	4.4%
25 Years Ended	8.1%	2.3%	5.8%
30 Years Ended	8.6%	2.6%	6.0%
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.

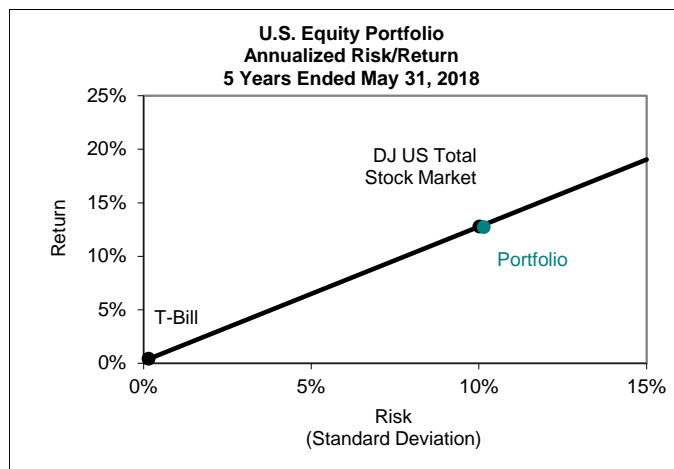
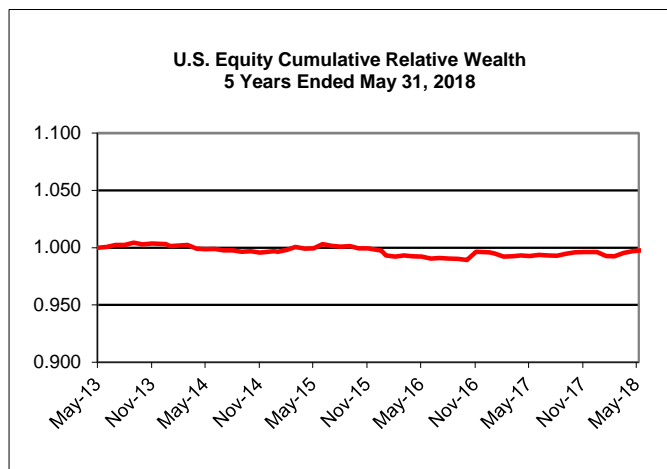
U.S. Equities

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 2.8% for the month. During May, small cap outperformed large cap stocks, and value stocks and growth stocks were mixed. SURS portfolio outperformed the benchmark for the month, returning 2.9%.

	May 2018	FYTD	1 YR	3 YR	5 YR	10 YR
SURS	2.9%	14.5%	15.7%	10.6%	12.7%	9.3%
Performance Benchmark	2.8%	14.0%	15.1%	10.7%	12.8%	9.3%
DJ U.S. Total Stock Market	2.8%	14.0%	15.1%	10.7%	12.8%	9.3%
DJ U.S. Large Cap TSM	2.5%	13.8%	14.6%	10.8%	12.9%	9.1%
DJ U.S. Lrg Cap Growth TSM	3.5%	18.7%	19.5%	12.8%	15.5%	10.4%
DJ U.S. Lrg Cap Value TSM	1.1%	8.5%	9.8%	9.3%	10.6%	7.6%
DJ U.S. Small Cap TSM	5.8%	15.9%	19.2%	10.4%	12.2%	10.6%
DJ U.S. Sm Cap Growth TSM	5.7%	19.1%	23.4%	10.1%	12.5%	10.9%
DJ U.S. Sm Cap Value TSM	5.9%	12.5%	14.9%	10.3%	11.7%	10.3%
S&P 500	2.4%	13.7%	14.4%	11.0%	13.0%	9.1%
Russell 3000	2.8%	14.0%	15.1%	10.7%	12.9%	9.2%
Russell 2000	6.1%	16.7%	20.8%	11.0%	12.2%	9.6%

Longer-Term Results

The five-year cumulative relative wealth chart, below (left) indicates that SURS U.S. Equity portfolio has trailed its benchmark return by approximately 0.2%. On a risk-adjusted basis, SURS U.S. Equity portfolio return trailed its benchmark by 22 basis points while incurring slightly greater risk than the benchmark. SURS portfolio has returned 12.73%, while the risk-adjusted benchmark return is 12.94%.



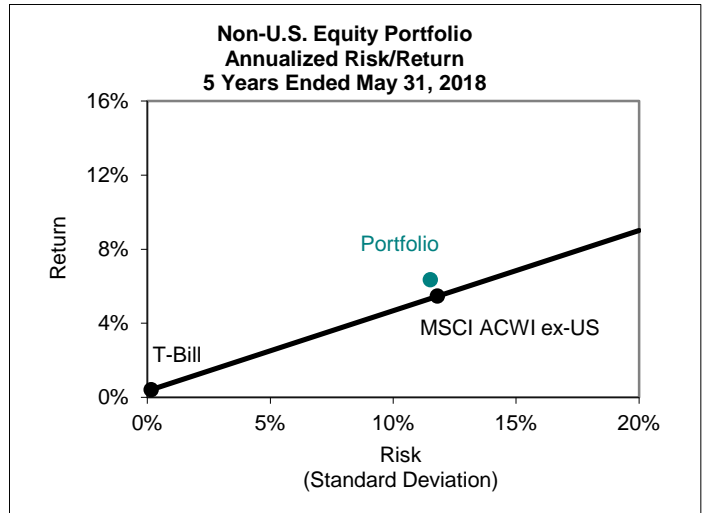
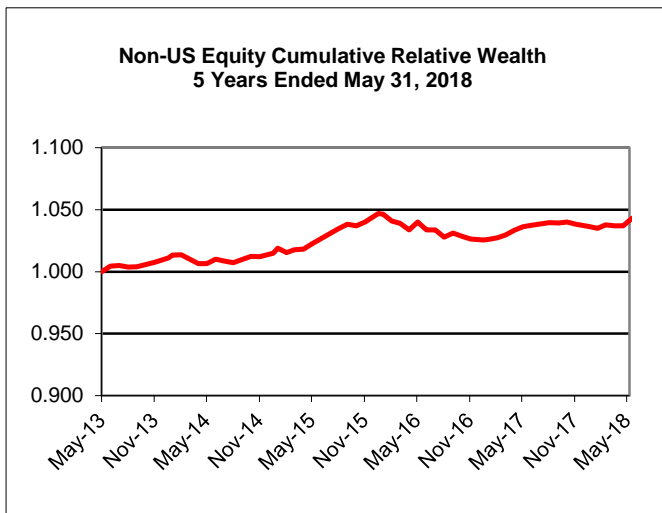
Non-U.S. Equities

Non-U.S. Equities posted negative returns for the month of May. The broad international markets, as represented by the MSCI All Country World Ex-US Index, returned -2.3%. SURS portfolio performance exceeded the benchmark for the period. 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 2018	FYTD	1 YR	3 YR	5 YR	10YR
SURS	-1.7%	9.9%	10.4%	5.4%	6.4%	2.3%
Performance Benchmark	-2.3%	9.3%	9.7%	4.7%	5.5%	1.9%
MSCI All Country World Ex-US	-2.3%	9.3%	9.7%	4.7%	5.5%	1.9%
MSCI All Country World Ex-US Growth	-0.6%	11.7%	11.8%	6.2%	6.6%	2.4%
MSCI All Country World Ex-US Value	-4.1%	7.0%	7.5%	3.2%	4.2%	1.3%
MSCI EAFE	-2.2%	8.2%	8.0%	4.3%	5.9%	2.1%
MSCI EAFE Growth	-0.2%	10.7%	10.0%	5.9%	7.0%	2.8%
MSCI EAFE Value	-4.3%	5.6%	5.9%	2.7%	4.8%	1.3%
MSCI EAFE Small Cap	-0.9%	15.0%	15.1%	10.7%	11.3%	6.5%
MSCI Emerging Markets	-3.5%	12.9%	14.0%	6.2%	4.5%	1.6%

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 102 basis points, generating a slightly higher return although with slightly less volatility than the benchmark. SURS portfolio has returned 6.35%, while the risk-adjusted benchmark return is 5.34%.



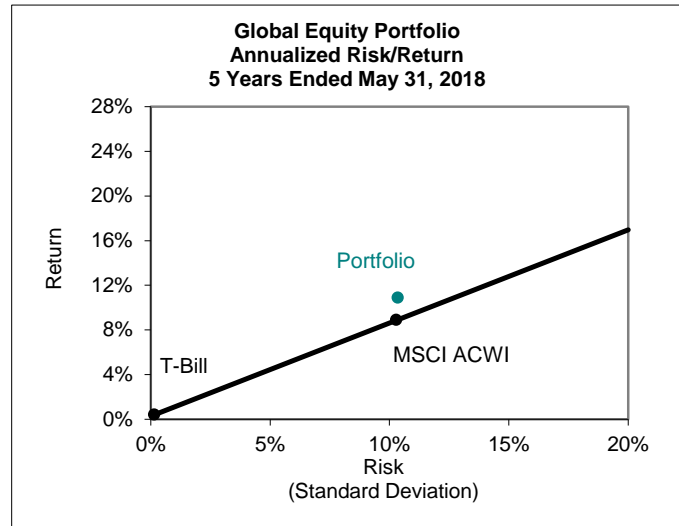
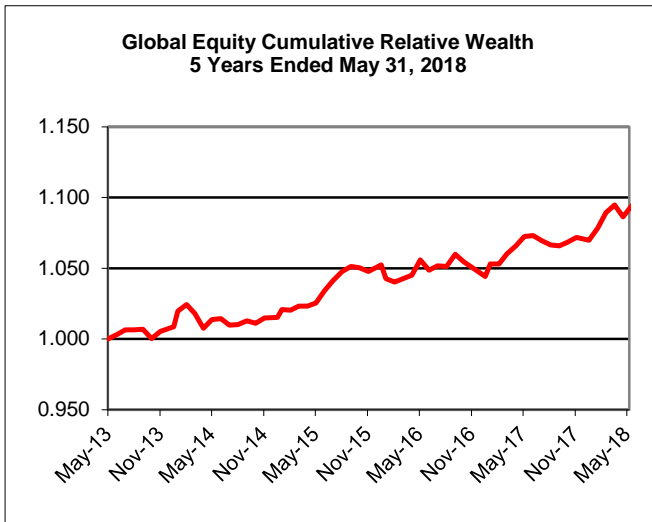
Global Equities

Global Equities posted positive returns for the month of May. The broad market as measured by the MSCI All Country World Index (ACWI) returned 0.1% during the month. SURS portfolio performance outperformed the benchmark return during May by 0.8%, returning 1.0%.

	May 2018	FYTD	1 YR	3 YR	5 YR	10 YR
SURS	0.9%	13.5%	14.1%	9.9%	10.9%	5.9%
Performance Benchmark	0.1%	11.3%	11.8%	7.5%	8.9%	5.2%
MSCI All Country World	0.1%	11.3%	11.8%	7.5%	8.9%	5.0%
MSCI World	0.6%	11.1%	11.6%	7.6%	9.4%	5.4%
Dow Jones U.S. Total Stock Mkt	2.8%	14.0%	15.1%	10.7%	12.8%	9.3%
MSCI All Country World Ex-US	-2.3%	9.3%	9.7%	4.7%	5.5%	1.9%

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 9.5%. The portfolio is generating slightly higher returns than, and with slightly more volatility than, the benchmark. On a risk-adjusted basis, the portfolio outpaced its benchmark by 194 basis points on an annualized basis of 10.87% versus a required return of 8.93%.



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, 2018 was 18.1% as compared to its benchmark return of 24.2%.

	March 2018	FYTD	1 YR	3 YR	5 YR	10 YR
SURS	3.7%	11.1%	18.1%	9.7%	11.7%	7.3%
Performance Benchmark	7.1%	12.7%	24.2%	14.1%	18.5%	11.7%

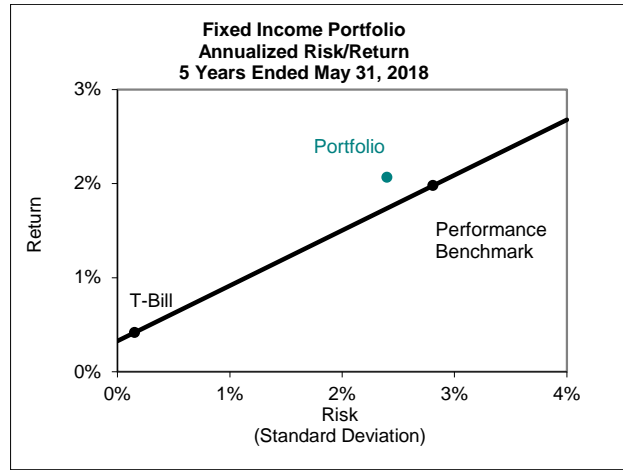
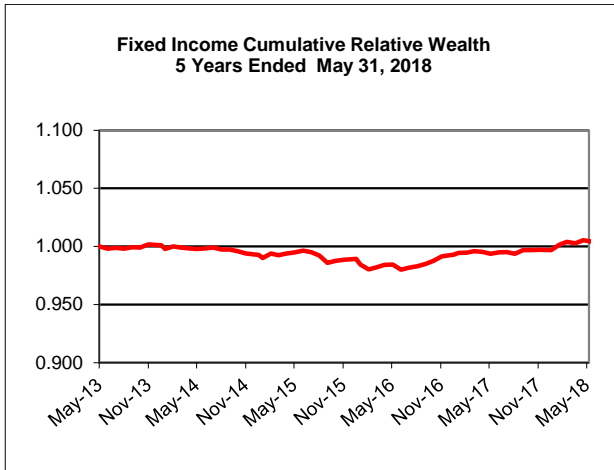
Fixed Income

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 0.7% for the month. SURS core/core plus/absolute return fixed income portfolio returned 0.6%, underperforming the benchmark return during May, by 0.1%. The Long Term Government sector experienced the strongest performance for the period.

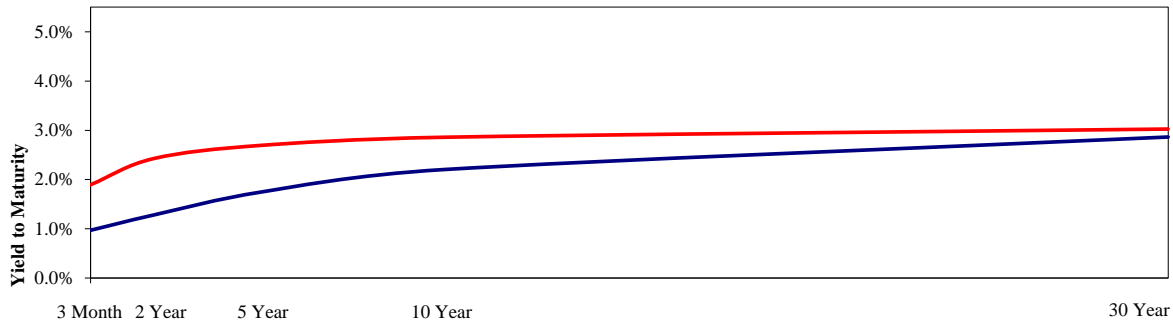
	May 2018	FYTD	1 YR	3 YR	5 YR	10 YR
SURS	0.6%	0.6%	0.7%	1.7%	2.1%	4.3%
Performance Benchmark	0.7%	-0.3%	-0.4%	1.4%	2.0%	3.7%
Bloomberg Barclays U.S. Aggregate	0.7%	-0.3%	-0.4%	1.4%	2.0%	3.7%
Bloomberg Barclays Universal	0.5%	-0.1%	-0.2%	1.8%	2.3%	4.1%
Long Term Government	2.1%	-0.3%	0.1%	2.0%	3.8%	6.2%
Intermediate Government	0.6%	-0.7%	-1.0%	0.5%	0.9%	2.5%
Long Term Corporate	0.5%	-0.4%	0.7%	4.3%	4.7%	7.5%
Intermediate Corporate	0.6%	-0.2%	-0.2%	1.9%	2.4%	4.6%
Mortgage Backed	0.7%	0.1%	-0.3%	1.2%	2.0%	3.5%
90-day Treasury Bills	0.2%	1.3%	1.4%	0.7%	0.4%	0.3%
3-month LIBOR	0.2%	1.4%	1.4%	0.9%	0.6%	0.7%

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 0.4%. 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 33 basis points on an annualized basis of 2.07% versus a required return of 1.74%.



US Treasury Yield Curve



— 5/31/2017
— 5/31/2018

Years to Maturity

5/31/2017	0.97%	1.28%	1.75%	2.20%	2.86%
5/31/2018	1.89%	2.43%	2.70%	2.86%	3.03%

Treasury Inflation-Protected Securities (TIPS)

The TIPS markets experienced positive results during May, returning 0.4% for the month. SURS portfolio performance equaled the benchmark for the period, also returning 0.4%. SURS implemented a passive TIPS strategy in May 2017 to replace the active TIPS strategy in the investment portfolio.

	May 2018	FYTD	1 YR	3 YR	5 YR	10 YR
SURS	0.4%	1.7%	0.7%	1.5%	0.7%	3.5%
Custom Benchmark	0.4%	1.7%	0.7%	1.5%	0.9%	3.1%
Bloomberg Barclays U.S. TIPS Index	0.4%	1.7%	0.7%	1.5%	0.9%	3.1%
Bloomberg Barclays 1-10 year TIPS Index	0.5%	1.2%	0.4%	1.2%	0.6%	2.5%
90-day Treasury Bills	0.2%	1.3%	1.4%	0.7%	0.4%	0.3%

Emerging Market Debt (EMD)

The emerging market debt markets experienced negative results during May, returning -2.9% for the month. SURS portfolio performance lagged the benchmark for the period, returning -3.5%. For the month, corporate securities outperformed dollar denominated and local currency securities.

	May 2018	FYTD	1 YR	3 YR	5 YR	10 YR
SURS	-3.5%	0.6%	0.9%	3.5%	3.1%	3.1%
Custom Benchmark	-2.9%	0.4%	0.6%	3.5%	3.6%	3.6%
JPM CEMBI Broad	-0.6%	0.5%	0.7%	3.9%	4.6%	4.6%
JPM EMBI Global Diversf	-0.9%	-0.4%	-0.6%	4.5%	4.7%	4.7%
JPM GBI-EM Global Diversf	-5.0%	0.5%	1.0%	2.5%	2.5%	2.5%

Real Estate

Real Estate Investment Trust Securities (REITs)

The global REIT markets experienced positive returns in May, returning 1.6%. SURS total REIT portfolio exceeded the index by 0.1% with a return of 1.7% for the month.

	May 2018	FYTD	1 YR	3 YR	5 YR	10 YR
SURS	1.7%	5.0%	5.9%	5.1%	6.6%	5.4%
Custom Benchmark	1.6%	4.2%	4.9%	4.9%	6.3%	4.9%
FTSE EPRA /NAREIT Developed Index	1.6%	4.2%	4.9%	3.8%	5.1%	3.4%
FTSE EPRA /NAREIT Developed Ex-U.S	-1.1%	10.4%	9.4%	4.2%	4.7%	2.6%

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, 2018 was 7.4% as compared to its benchmark return of 6.7%.

	March 2018	FYTD	1 YR	3 YR	5 YR	10 YR
SURS	2.3%	4.1%	7.4%	9.9%	10.8%	6.0%
SURS Core Real Estate	1.9%	3.5%	5.9%	8.8%	9.2%	5.2%
SURS Non-Core Real Estate	3.4%	6.0%	11.6%	13.3%	15.2%	9.0%
NCREIF ODCE Index	1.9%	5.0%	6.7%	9.4%	10.5%	4.1%
Consumer Price Index	1.2%	1.9%	2.4%	1.9%	1.4%	2.0%

Hedged Strategies

Hedged strategies became a component of SURS portfolio in March 2016. The asset class experienced positive results during May, returning 1.0% for the month. SURS portfolio performance lagged the benchmark for the period by 0.5%, returning 0.5%.

	May 2018	FYTD	1 YR	3 YR	5 YR	Since Inception
SURS	0.5%	3.8%	4.1%	3.9%	3.9%	3.9%
Custom Benchmark	1.0%	6.3%	6.9%	6.3%	6.3%	6.3%
HFRI Fund of Funds Composite	0.7%	5.7%	5.6%	5.8%	5.8%	5.8%
HFRI Fund Weighted Composite	1.0%	6.3%	6.7%	7.3%	7.3%	7.3%

Commodities

SURS began investing in commodities in May 2016. Commodities experienced positive results during May, returning 1.4% for the month. SURS portfolio performance outperformed the benchmark for the period by 0.6%, returning 2.0%.

	May 2018	FYTD	1 YR	3 YR	5 YR	Since Inception
SURS	2.0%	15.1%	13.8%	7.0%	7.0%	7.0%
Custom Benchmark	1.4%	11.2%	11.0%	4.1%	4.1%	4.1%

Commodities

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



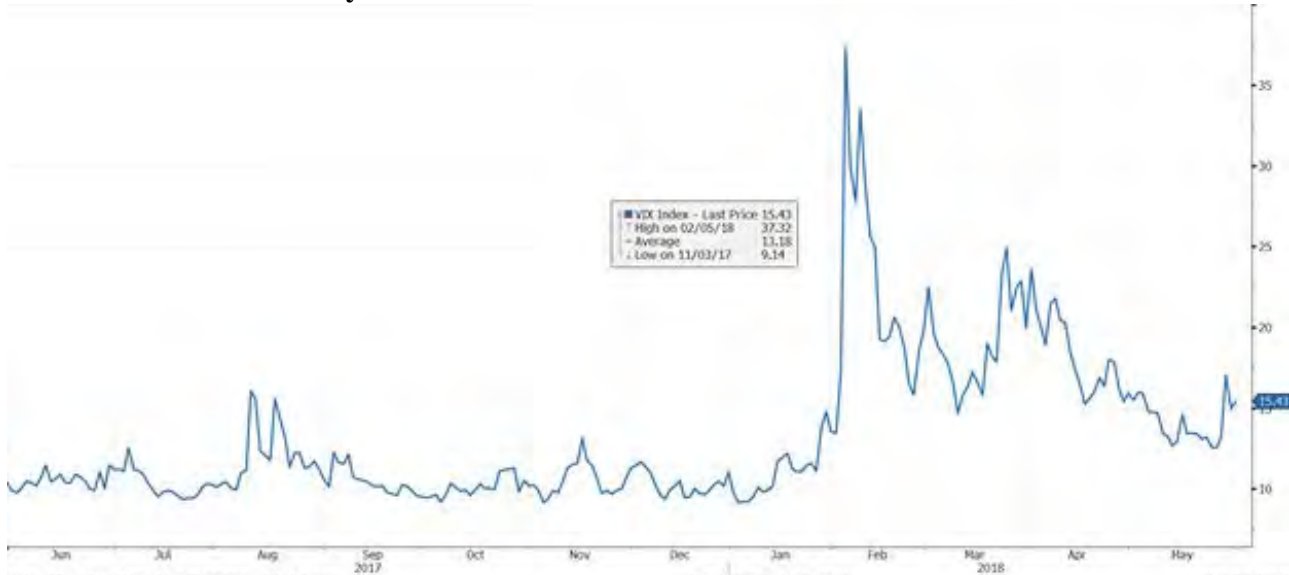
Source: Bloomberg. Calculations are as of the last monthly trading day. All data is as of May 31, 2018.

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, 2018 was 4.3% versus its benchmark return of 7.3%.

	March 2018	FYTD	1 YR	3 YR	5 YR	10 YR
SURS	1.7%	3.3%	4.3%	4.4%	5.7%	8.5%
Custom Benchmark	0.4%	5.0%	7.3%	6.8%	6.6%	3.7%

CBOE S&P 500 Volatility Index

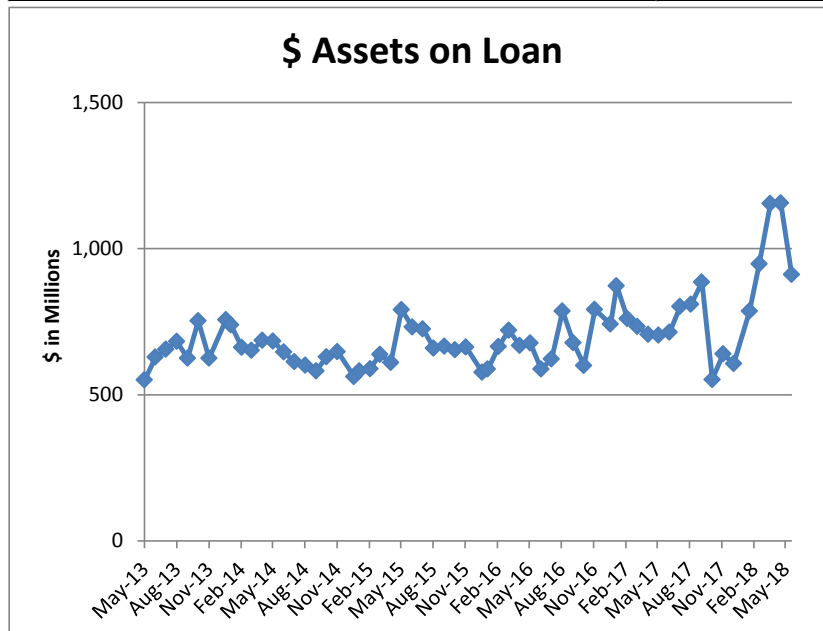


Source: Bloomberg. Calculations are as of the last monthly trading day. All data is as of May 31 2018.

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 2018 fiscal year are as listed, below:

Securities Lending Income as of May 31, 2018	
Total for the Month	\$470,316
Fiscal Year to Date	\$3,920,856
Fiscal Year to Date Monthly Average	\$356,441



**Schedule of Self-Managed Plan Investment Allocation
as of May 31, 2018**

	<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			49,836,224			49,836,224
PIMCO Total Return Institutional			43,186,476			43,186,476
Fidelity Puritan Class K				220,300,345		220,300,345
Ariel Fund Institutional	37,028,056					37,028,056
American Beacon Large Cap Value Inst.	13,392,271					13,392,271
Wells Fargo Small Company Growth R6	23,021,924					23,021,924
Fidelity Growth Company Commingled Pool	147,161,582					147,161,582
Fidelity Contrafund Commingled Pool	126,044,532					126,044,532
Fidelity Low-Priced Stock Class K	50,746,841					50,746,841
Fidelity Diversified International Class K		51,008,913				51,008,913
Fidelity Real Estate Investment					18,471,166	18,471,166
Passively Managed						
Fidelity U.S. Bond Index Institutional			39,863,690			39,863,690
Fidelity Freedom Index Funds - Inst Premium ⁽¹⁾				304,739,105		304,739,105
Fidelity Extended Market Index Premium	52,327,563					52,327,563
Fidelity 500 Index Institutional	234,907,066					234,907,066
Fidelity Global ex-U.S. Index Institutional		33,670,758				33,670,758
Fidelity Total	684,629,835	84,679,671	132,886,390	525,039,450	18,471,166	1,445,706,512 61.3%
TIAA-CREF Investment Options						
Actively Managed						
CREF Money Market Account R3			5,481,973			5,481,973
Vanguard Federal Money Market Fund - Investor ⁽⁵⁾			13,964,461			13,964,461
TIAA Traditional Annuity			124,618,944			124,618,944
CREF Bond Market Account R3			51,014,299			51,014,299
CREF Inflation-Linked Bond Account R3			25,988,917			25,988,917
CREF Social Choice Account R3				55,705,712		55,705,712
CREF Growth Account R3 ⁽³⁾	634,809					634,809
CREF Stock Account R3	186,858,843					186,858,843
CREF Global Equities Account R3		64,279,085				64,279,085
Dimensional Target Date Ret Inc Fund - Inst ^{(2) (5)}				2,635,471		2,635,471
TIAA Real Estate Account					19,778,785	19,778,785
Passively Managed						
CREF Equity Index Account R3	94,481,305					94,481,305
TIAA-CREF Large-Cap Growth Index - Institutional	134,184,457					134,184,457
TIAA-CREF Lifecycle Index Funds - Institutional Class				133,012,145		133,012,145
TIAA-CREF Total	416,159,415	64,279,085	221,068,593	191,353,327	19,778,785	912,639,205 38.7%
GRAND TOTALS	<u>\$1,100,789,250</u> 46.7%	<u>\$148,958,756</u> 6.3%	<u>\$353,954,983</u> 15.0%	<u>\$716,392,777</u> 30.4%	<u>\$38,249,951</u> 1.6%	<u>\$2,358,345,717</u> 100.0%
SMP Forfeiture Reserve ⁽⁴⁾						18,209,363
SMP Disability Reserve ⁽⁴⁾						99,524,200
Total SMP Investments						<u>2,476,079,280</u>

- As of May 31, 2018, 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 investment provider(s), or who have selected Fidelity but have not selected individual mutual funds/variable annuities/commingled pools.
- As of May 31, 2018, the Dimensional Target Date Retirement Income series is the default fund for members who have selected TIAA but have not yet selected individual mutual funds/variable annuities/commingled pools.
- 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.
- 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.
- Effective August 31, 2017, the fund became an SMP approved investment option.

SURS Private Equity Program Returns
Investment Values for Month Ended May 31, 2018
Investment Performance for Quarter Ended March 31, 2018 ⁽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%	46	1.67%	7.08%	7.97%	12.68%	12.68%	24.16%	5.78%	14.08%	11.64%	18.52%	4.72%	11.66%	28.16%	13.54%
Adams Street 2017 Global Fund (FOF)	Aug-17	DJ US Ttl Stk Mkt + 3%	4	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF
Adams Street 2016 Global Fund (FOF)	Dec-16	DJ US Ttl Stk Mkt + 3%	42	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%	59	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%	74	4.40%	7.08%	9.57%	12.68%	15.28%	24.16%	12.12%	14.08%	11.14%	14.90%	11.14%	14.90%	11.14%	14.90%
Adams Street 2013 Global Fund (FOF)	Mar-13	DJ US Ttl Stk Mkt + 3%	80	4.69%	7.08%	18.04%	12.68%	16.47%	24.16%	11.23%	14.08%	10.19%	17.51%	10.19%	17.51%	10.19%	17.51%
Adams Street 2012 Global Fund (FOF)	Apr-12	DJ US Ttl Stk Mkt + 3%	66	4.12%	7.08%	8.90%	12.68%	16.98%	24.16%	10.49%	14.08%	10.41%	18.52%	10.10%	16.97%	10.10%	16.97%
Adams Street 2009 Global Offering (FOF)	Jan-09	DJ US Ttl Stk Mkt + 3%	86	9.21%	7.08%	14.29%	12.68%	18.74%	24.16%	8.34%	14.08%	14.45%	18.52%	14.81%	18.49%	14.81%	18.49%
Adams Street 2008 Global Offering (FOF)	Jan-08	DJ US Ttl Stk Mkt + 3%	77	5.81%	7.08%	8.85%	12.68%	22.49%	24.16%	14.72%	14.08%	22.62%	18.52%	15.23%	11.66%	15.23%	11.66%
Adams Street Global Opportunities Secondary Fund - 2004 (FOF)	Mar-04	DJ US Ttl Stk Mkt + 3%	5	1.54%	7.08%	8.71%	12.68%	16.61%	24.16%	19.31%	14.08%	10.32%	18.52%	8.32%	11.66%	11.34%	11.94%
Adams Street 2007 Global Opportunities Portfolio (FOF)	Jun-07	DJ US Ttl Stk Mkt + 3%	37	1.42%	7.08%	4.86%	12.68%	13.22%	24.16%	6.50%	14.08%	9.05%	18.52%	9.00%	11.66%	8.33%	10.81%
Adams Street Global Secondary Fund 5 - 2012 (FOF)	Oct-12	DJ US Ttl Stk Mkt + 3%	13	2.45%	7.08%	8.71%	12.68%	26.22%	24.16%	6.94%	14.08%	6.40%	18.52%	6.61%	17.77%	6.61%	17.77%
Adams Street 2004 Non-U.S. Fund (FOF)	Jul-98	DJ US Ttl Stk Mkt + 3%	9	6.50%	7.08%	8.52%	12.68%	17.36%	24.16%	5.00%	14.08%	4.74%	18.52%	1.29%	11.66%	1.75%	9.89%
Total Adams Street Partners	Jan-91		597														
Lincoln Fund I (FOF)	Apr-14	DJ US Ttl Stk Mkt + 3%	42	3.55%	7.08%	6.27%	12.68%	13.12%	24.16%	8.05%	14.08%	7.04%	14.64%	7.04%	14.64%	7.04%	14.64%
Total Fairview Capital Partners	Apr-14		42														
Mesirow Financial Private Equity Fund VII-B	Jan-18	DJ US Ttl Stk Mkt + 3%	7	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF
Total Mesirow Private Equity	Jan-18		7														
Emerging Private Equity Fund of 1	Jan-17	DJ US Ttl Stk Mkt + 3%	26	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF
M ² Private Equity Fund of Funds (FOF)	Mar-08	DJ US Ttl Stk Mkt + 3%	7	-0.36%	7.08%	3.50%	12.68%	6.64%	24.16%	6.62%	14.08%	9.08%	18.52%	8.95%	12.85%	8.95%	12.85%
Total Muller and Monroe	Dec-04		32														
Pantheon Ventures, Inc. (SEP)	Mar-02	DJ US Ttl Stk Mkt + 3%	89	-0.48%	7.08%	7.48%	12.68%	9.91%	24.16%	3.90%	14.08%	13.05%	18.52%	7.77%	11.66%	10.56%	11.46%
Pantheon Europe Fund III - 2003 (FOF)	Jan-03	DJ US Ttl Stk Mkt + 3%	8	-5.61%	7.08%	7.96%	12.68%	33.23%	24.16%	6.77%	14.08%	9.39%	18.52%	5.17%	11.66%	14.71%	13.42%
Pantheon Europe Fund VI - 2008 (FOF)	Sep-08	DJ US Ttl Stk Mkt + 3%	22	4.09%	7.08%	17.76%	12.68%	47.91%	24.16%	17.46%	14.08%	14.22%	18.52%	10.71%	13.59%	10.71%	13.59%
Pantheon Europe Fund VII - 2013 (FOF)	Jan-13	DJ US Ttl Stk Mkt + 3%	29	6.10%	7.08%	21.32%	12.68%	55.47%	24.16%	20.59%	14.08%	15.52%	18.52%	15.52%	18.52%	15.52%	18.52%
Pantheon Global Secondary Fund II - 2004 (FOF)	Mar-04	DJ US Ttl Stk Mkt + 3%	3	0.00%	7.08%	5.56%	12.68%	5.25%	24.16%	0.52%	14.08%	0.45%	18.52%	-3.11%	11.66%	4.05%	11.86%
Pantheon Multi-Strategy Program 2014 (US), L.P.	Feb-15	DJ US Ttl Stk Mkt + 3%	50	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF
Pantheon Access (US) 2017	Nov-17	DJ US Ttl Stk Mkt + 3%	12	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%	81	4.66%	7.08%	16.66%	12.68%	22.03%	24.16%	13.42%	14.08%	14.71%	18.52%	12.28%	11.66%	12.28%	11.66%
Pantheon USA Fund IX - 2013 (FOF)	Jan-13	DJ US Ttl Stk Mkt + 3%	78	6.19%	7.08%	14.86%	12.68%	20.11%	24.16%	13.25%	14.08%	13.05%	18.52%	13.05%	18.52%	13.05%	18.52%
Total Pantheon Ventures, Inc.	Mar-02		371														
Total Private Equities	Jan-91	DJ US Ttl Stk Mkt + 3%	1,050	3.68%	7.08%	11.05%	12.68%	18.12%	24.16%	9.72%	14.08%	11.69%	18.52%	7.34%	11.66%	20.45%	13.54%

(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, 2018**

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		501	100.0%	-0.7%		5.0%		5.1%		3.1%		5.9%		5.7%	
Non-U.S. Equity																
Affinity Investment Advisors	Jun-15	MSCI EAFE	35	6.9%	-1.4%	-2.2%	13.4%	8.2%	13.0%	8.0%	7.0%	5.5%	7.0%	5.5%	7.0%	5.5%
Arga Investment Management	Sep-16	MSCI EAFE	44	8.7%	-2.4%	-2.2%	6.9%	8.2%	6.2%	8.0%	13.0%	12.8%	13.0%	12.8%	13.0%	12.8%
Brown Capital Management	May-08	MSCI EAFE	36	7.3%	0.3%	-2.2%	10.2%	8.2%	9.3%	8.0%	5.7%	4.3%	8.6%	5.9%	5.5%	2.2%
Denali	Apr-17	MSCI EAFE	27	5.3%	-1.9%	-2.2%	10.1%	8.2%	10.9%	8.0%	14.2%	11.0%	14.2%	11.0%	14.2%	11.0%
Solstein Capital	Oct-17	MSCI EAFE	22	4.5%	-0.7%	-2.2%	5.6%	1.1%	5.6%	1.1%	5.6%	1.1%	5.6%	1.1%	5.6%	1.1%
Strategic Global Advisors	May-08	MSCI EAFE	64	12.8%	-1.3%	-2.2%	10.5%	8.2%	11.4%	8.0%	7.2%	4.3%	9.7%	5.9%	5.7%	2.2%
TOTAL NON-U.S. EQUITY	May-08	MSCI EAFE	228	45.5%	-1.3%	-2.2%	10.6%	8.2%	10.6%	8.0%	5.4%	4.3%	6.9%	5.9%	3.7%	2.2%
Core Fixed Income																
GIA Partners	Jul-14	Bloomberg Barclays U.S. Aggr	37	7.5%	0.5%	0.7%	-0.1%	-0.3%	0.0%	-0.4%	2.0%	1.4%	2.4%	1.9%	2.4%	1.9%
Integrity Fixed Income	Oct-17	Bloomberg Barclays U.S. Aggr	20	4.0%	0.8%	0.7%	-0.9%	-1.2%	-0.9%	-1.2%	-0.9%	-1.2%	-0.9%	-1.2%	-0.9%	-1.2%
New Century Advisors	May-08	Bloomberg Barclays U.S. Aggr	44	8.7%	0.7%	0.7%	0.0%	-0.3%	0.0%	-0.4%	1.3%	1.4%	1.9%	2.0%	3.9%	3.6%
Piedmont Investment Advisors	May-08	Bloomberg Barclays U.S. Aggr	20	4.0%	0.7%	0.7%	0.1%	-0.3%	-0.1%	-0.4%	1.5%	1.4%	2.0%	2.0%	3.8%	3.6%
Ramirez Asset Management	May-13	Bloomberg Barclays U.S. Aggr	25	5.0%	0.7%	0.7%	0.8%	-0.3%	1.0%	-0.4%	2.1%	1.4%	2.4%	2.0%	2.4%	2.0%
TOTAL Core Fixed Income	May-08	Bloomberg Barclays U.S. Aggr	146	29.2%	0.7%	0.7%	-0.1%	-0.3%	0.0%	-0.4%	1.7%	1.4%	2.2%	2.0%	4.1%	3.6%
Emerging Market Debt																
GIA Partners	Apr-15	JPM CEMBI Broad	75	15.0%	-1.4%	-0.6%	1.3%	0.5%	1.6%	0.7%	4.4%	3.9%	4.6%	4.1%	4.6%	4.1%
LM Capital Group	Apr-15	JPM CEMBI Broad	52	10.3%	-1.2%	-0.6%	0.4%	0.5%	0.9%	0.7%	3.5%	3.9%	3.7%	4.1%	3.7%	4.1%
TOTAL Emerging Market Debt	Apr-15	JPM CEMBI Broad	127	25.3%	-1.3%	-0.6%	0.7%	0.5%	1.1%	0.7%	3.9%	3.9%	4.0%	4.1%	4.0%	4.1%

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

SURS Manager Diversity Program Returns
Investment Performance for Month Ended May 31, 2018

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	3,441	1.0%	0.7%	0.7%	0.4%	9.6%	8.5%	10.4%	8.7%	6.6%	6.1%	7.2%	6.9%	6.4%	6.2%
U.S. Equity: Active																	
Matarin Capital	Jan-18	Russell 2000	103	6.4%	6.1%	8.2%	8.4%	3.8%	4.2%	3.8%	4.2%	3.8%	4.2%	3.8%	4.2%	3.8%	4.2%
Channing SMID Value	Jan-18	Russell 2500 Value	96	2.7%	4.1%	2.6%	6.4%	-2.6%	1.2%	-2.6%	1.2%	-2.6%	1.2%	-2.6%	1.2%	-2.6%	1.2%
EARNEST Partners	Jun-11	Russell Midcap	158	1.7%	2.3%	1.1%	2.2%	13.9%	11.6%	15.0%	12.7%	12.3%	8.6%	13.7%	11.8%	12.9%	11.9%
Denali Advisors	Dec-17	Russell 1000 Value	49	0.1%	0.6%	-0.9%	-0.8%	-2.2%	-1.9%	-2.2%	-1.9%	-2.2%	-1.9%	-2.2%	-1.9%	-2.2%	-1.9%
Gladius - US Equity	Dec-16	Russell 3000	436	3.1%	2.8%	2.2%	1.1%	15.1%	14.0%	16.1%	15.1%	16.6%	16.5%	16.6%	16.5%	16.6%	16.5%
Piedmont Investment Advisors	Jul-14	S&P 500	647	2.1%	2.4%	0.8%	0.2%	17.5%	13.7%	18.9%	14.4%	12.2%	11.0%	12.4%	10.9%	12.4%	10.9%
Composite, Active U.S. Equity	Apr-05	Blended	1,489	2.7%	2.7%	1.9%	1.6%	15.1%	13.2%	16.3%	14.2%	10.3%	10.0%	12.4%	11.9%	9.7%	9.3%
TOTAL U.S. Equity	Jan-05	Blended	1,489	2.7%	2.7%	1.9%	1.6%	15.1%	13.2%	16.3%	14.2%	10.3%	10.0%	12.4%	11.9%	9.0%	8.9%
Non-U.S. Equity																	
Ativo Capital Management	Jul-08	MSCI ACWI Ex-U.S.	292	-0.2%	-2.3%	0.1%	-2.5%	9.5%	9.3%	10.4%	9.7%	4.6%	4.7%	5.6%	5.5%	4.5%	3.2%
GlobeFlex Capital	Jul-14	MSCI ACWI Ex-U.S.	339	-1.7%	-2.3%	-1.4%	-2.5%	13.9%	9.3%	15.7%	9.7%	8.2%	4.7%	5.7%	2.9%	5.7%	2.9%
Strategic Global Advisors	Aug-08	MSCI EAFE	340	-1.2%	-2.2%	-1.3%	-1.8%	7.8%	8.2%	8.1%	8.0%	5.5%	4.3%	8.7%	5.9%	6.9%	3.8%
TOTAL Non-U.S. Equity	Aug-06	Blended	971	-1.1%	-2.3%	-0.9%	-2.3%	10.4%	8.9%	11.3%	9.1%	5.9%	4.7%	7.0%	5.8%	4.6%	3.2%
Private Equity																	
Fairview Lincoln Fund I	Apr-14	DJ U.S. Total Stk Mkt + 3% (1)	42	3.6%	7.1%	3.6%	7.1%	6.3%	12.7%	13.1%	24.2%	8.1%	14.1%	7.0%	14.6%	7.0%	14.6%
Muller and Monroe Emerg PEF	Jan-17	DJ U.S. Total Stk Mkt + 3% (1)	26	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF
Muller and Monroe MPEFF	Mar-08	DJ U.S. Total Stk Mkt + 3% (1)	7	-0.4%	7.1%	-0.4%	7.1%	3.5%	12.7%	6.3%	24.2%	6.6%	14.1%	9.1%	18.5%	9.0%	12.8%
TOTAL Private Equity	Dec-04	DJ U.S. Total Stk Mkt + 3% (1)	75	1.7%	7.1%	1.7%	7.1%	3.4%	12.7%	8.7%	24.2%	3.3%	14.1%	4.5%	18.5%	4.0%	11.8%
Fixed Income: Core																	
Garcia Hamilton	Feb-09	Bloomberg Barclays U.S. Aggregate	315	0.7%	0.7%	1.0%	0.6%	1.1%	-0.3%	1.3%	-0.4%	2.2%	1.4%	3.0%	2.0%	5.4%	3.7%
LM Capital Group	Dec-10	Bloomberg Barclays U.S. Aggregate	162	0.2%	0.7%	-0.2%	0.6%	-0.6%	-0.3%	-0.7%	-0.4%	1.6%	1.4%	2.1%	2.0%	3.1%	2.8%
Pugh Capital Management	Apr-06	Bloomberg Barclays U.S. Aggregate	162	0.7%	0.7%	0.5%	0.6%	-0.2%	-0.3%	-0.2%	-0.4%	1.5%	1.4%	2.1%	2.0%	4.6%	4.1%
Smith Graham & Company	Apr-06	Bloomberg Barclays U.S. Aggregate	104	0.6%	0.7%	0.2%	0.6%	-0.3%	-0.3%	-0.3%	-0.4%	1.6%	1.4%	2.1%	2.0%	4.2%	4.1%
Composite, Core Fixed Inc	Apr-06	Bloomberg Barclays U.S. Aggregate	744	0.6%	0.7%	0.5%	0.6%	0.2%	-0.3%	0.3%	-0.4%	1.8%	1.4%	2.3%	2.0%	4.5%	4.1%
TOTAL Fixed Income	Apr-06	Blended	744	0.6%	0.7%	0.5%	0.6%	0.2%	-0.3%	0.3%	-0.4%	1.5%	1.3%	1.6%	1.4%	4.2%	4.1%
Real Estate																	
Franklin Templeton EMREFF	Aug-11	NCREIF ODCE Index + 1.5% (1)	29	4.7%	2.2%	4.7%	2.2%	6.6%	4.3%	0.6%	8.2%	16.4%	10.9%	19.3%	12.0%	14.9%	12.2%
Frnkln Templeton MDP RE 2015	Sep-15	NCREIF ODCE Index + 1.5% (1)	30	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF
Basis Real Estate Fund I	Jan-18	NCREIF ODCE Index + 1.5% (1)	8	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)	68	4.7%	2.2%	4.7%	2.2%	6.6%	4.3%	0.6%	8.2%	16.4%	10.9%	19.3%	12.0%	14.9%	12.2%
Hedge Funds - Options																	
Gladius - Options	May-18	Blended	95	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF
TOTAL Hedge Funds		Blended	95	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF

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	\$ 1,489	43.3%
Private Equity	75	2.2%
Non-U.S. Equity	971	28.2%
Global Equity	-	0.0%
Fixed Income	744	21.6%
TIPS	-	0.0%
Real Estate	68	2.0%
Hedge Funds	95	2.8%
Total Fund	\$ 3,441	100.0%

**SURS Defined Benefit Portfolio
Investment Performance**

May-18	Incep (1)	Benchmark	\$ millions	% Fund	5/2018 Mgr	5/2018 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	106	0.5%	7.28%	6.30%	24.12%	20.92%	27.25%	25.08%	9.87%	10.81%	13.10%	13.33%	15.83%	15.46%
Matarin Capital	Jan-18	Russell 2000	103	0.5%	6.43%	6.07%	3.76%	4.17%	3.76%	4.17%	3.76%	4.17%	3.76%	4.17%	3.76%	4.17%
Mesirow Financial Investment Mgmt	May-11	Russell 2000	190	1.0%	5.50%	6.07%	11.42%	16.73%	13.96%	20.76%	8.83%	10.98%	10.61%	12.18%	9.89%	11.35%
Channing SMID Value	Jan-18	Russell 2500 Value	96	0.5%	2.73%	4.11%	-2.56%	1.18%	-2.56%	1.18%	-2.56%	1.18%	-2.56%	1.18%	-2.56%	1.18%
EARNEST Partners	Jun-11	Russell Midcap	158	0.8%	1.72%	2.27%	13.90%	11.56%	15.00%	12.67%	12.28%	8.57%	13.68%	11.79%	12.91%	11.93%
Denali Advisors	Dec-17	Russell 1000 Value	49	0.3%	0.11%	0.59%	-2.21%	-1.93%	-2.21%	-1.93%	-2.21%	-1.93%	-2.21%	-1.93%	-2.21%	-1.93%
Gladius	Dec-16	Russell 3000	436	2.3%	3.14%	2.82%	15.06%	14.03%	16.13%	15.06%	16.63%	16.54%	16.63%	16.54%	16.63%	16.54%
<i>Active U.S. Equities</i>	Oct-81	Blended	1,138	5.9%	3.87%	3.66%	13.96%	14.07%	15.51%	16.17%	8.90%	10.60%	11.11%	12.57%	8.30%	9.26%
Piedmont Investment Advisors	Jan-08	S&P 500	647	3.3%	2.08%	2.41%	17.48%	13.67%	18.90%	14.38%	12.21%	10.97%	14.49%	12.98%	9.67%	9.14%
T. Rowe Price	Mar-08	S&P 500	411	2.1%	2.21%	2.41%	14.40%	13.67%	15.01%	14.38%	11.84%	10.97%	13.56%	12.98%	9.53%	9.14%
<i>Structured Active U.S. *</i>	Oct-87	Blended	1,058	5.5%	2.13%	2.41%	16.20%	13.67%	17.27%	14.38%	11.65%	10.70%	13.88%	12.83%	10.01%	9.30%
Northern Trust Asset Management	Feb-99	Dow Jones U.S. Total Stock Market	1,574	8.2%	2.84%	2.82%	14.02%	14.04%	15.08%	15.09%	10.72%	10.68%	12.76%	12.78%	9.31%	9.27%
RhumbLine Advisers	Feb-05	Custom / Wilshire 5000	991	5.1%	2.76%	2.75%	13.99%	13.90%	14.97%	14.89%	10.95%	10.96%	12.90%	12.94%	9.31%	9.24%
<i>Passive U.S. Equities</i>	Jul-86	Blended	2,566	13.3%	2.79%	2.80%	13.98%	13.99%	15.02%	15.02%	10.81%	10.79%	12.81%	12.84%	9.30%	9.26%
Total U.S. Equities	Oct-81	Dow Jones U.S. Total Stock Market	4,761	24.7%	2.90%	2.82%	14.48%	14.04%	15.65%	15.09%	10.61%	10.68%	12.73%	12.78%	9.28%	9.27%
Non-U.S. Equities																
Ativo Capital Management	Jul-08	MSCI ACWI Ex-US	292	1.5%	-0.23%	-2.31%	9.53%	9.33%	10.37%	9.67%	4.63%	4.74%	5.64%	5.46%	4.45%	3.17%
GlobeFlex Capital	Dec-11	MSCI ACWI Ex-US	339	1.8%	-1.68%	-2.31%	13.86%	9.33%	15.75%	9.67%	8.19%	4.74%	8.75%	5.46%	10.65%	7.23%
Progress Investment	May-08	MSCI EAFE	228	1.2%	-1.27%	-2.25%	10.58%	8.16%	10.65%	7.97%	5.37%	4.33%	6.89%	5.93%	3.55%	2.10%
Strategic Global Advisors	Aug-08	MSCI EAFE	340	1.8%	-1.17%	-2.25%	7.82%	8.16%	8.08%	7.97%	5.53%	4.33%	8.73%	5.93%	6.93%	3.83%
<i>Active Non U.S. Equities</i>	Jul-92	Blended	1,199	6.2%	-1.11%	-2.28%	10.41%	8.77%	11.21%	8.85%	5.76%	4.29%	6.69%	5.52%	2.54%	2.06%
BTC International Alpha Tilts	Nov-03	MSCI EAFE	545	2.8%	-1.09%	-2.25%	9.81%	8.16%	9.95%	7.97%	5.94%	4.33%	8.26%	5.93%	3.50%	2.10%
Fidelity Institutional Asset Mgmt	Dec-11	MSCI ACWI Ex-US	592	3.1%	-1.95%	-2.31%	8.33%	9.33%	8.51%	9.67%	4.05%	4.74%	5.81%	5.46%	7.70%	7.23%
<i>Structured Active Non U.S. *</i>	Nov-03	Blended	1,137	5.9%	-1.54%	-2.28%	9.04%	8.78%	9.20%	8.86%	4.94%	4.54%	6.96%	5.68%	2.52%	1.76%
BTC Emerging Markets	Oct-09	MSCI Emerging Markets	248	1.3%	-3.54%	-3.54%	12.73%	12.89%	13.89%	14.03%	6.00%	6.17%	4.35%	4.52%	4.61%	4.82%
BTC International	Jul-86	MSCI ACWI Ex-US	1,058	5.5%	-2.22%	-2.31%	9.70%	9.33%	10.10%	9.67%	5.30%	4.74%	5.97%	5.46%	2.33%	1.86%
<i>Passive Non U.S. Equities</i>	Jul-86	Blended / MSCI ACWI Ex-US	1,306	6.8%	-2.47%	-2.55%	10.11%	9.83%	10.61%	10.28%	5.41%	4.94%	5.76%	5.41%	2.18%	1.83%
Total Non U.S. Equities	Jul-86	MSCI ACWI Ex-US	3,642	18.9%	-1.73%	-2.31%	9.92%	9.33%	10.41%	9.67%	5.44%	4.74%	6.35%	5.46%	2.27%	1.86%
Global Equities																
Mondrian Investment Partners	Dec-11	MSCI ACWI	545	2.8%	-1.85%	0.12%	7.53%	11.33%	8.13%	11.84%	6.64%	7.52%	7.26%	8.88%	9.15%	10.71%
T. Rowe Price Global Focused Growth	Oct-08	MSCI ACWI	651	3.4%	3.30%	0.12%	20.19%	11.33%	21.13%	11.84%	15.03%	7.52%	16.21%	8.88%	14.45%	10.67%
Wellington Management	Jun-02	Custom / MSCI ACWI	578	3.0%	0.88%	0.12%	12.47%	11.33%	12.73%	11.84%	8.47%	7.52%	10.96%	8.88%	6.15%	5.26%
Total Global Equities	Jan-04	Blended / MSCI ACWI	1,774	9.2%	0.89%	0.12%	13.55%	11.33%	14.15%	11.84%	9.89%	7.52%	10.87%	8.88%	5.92%	5.19%
* Structured Active strategies, also known as Enhanced Index strategies, attempt to add modest amounts of excess return over time within a risk controlled framework.																

**SURS Defined Benefit Portfolio
Investment Performance**

May-18	Incep (1)	Benchmark	\$ millions	% Fund	5/2018 Mgr	5/2018 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)	597	3.1%	4.54%	7.08%	10.55%	12.68%	17.05%	24.16%	10.60%	14.08%	12.03%	18.52%	6.88%	11.66%
Fairview Capital Partners	Apr-14	DJ U.S. Total Stock Market + 3% (3)	42	0.2%	3.55%	7.08%	6.27%	12.68%	13.12%	24.16%	8.05%	14.08%	7.04%	14.64%	7.04%	14.64%
Mesirov Private Equity	Jan-18	DJ U.S. Total Stock Market + 3% (3)	7	0.0%	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)	32	0.2%	-1.48%	7.08%	-1.71%	12.68%	0.68%	24.16%	-1.65%	14.08%	3.20%	18.52%	4.11%	11.66%
Pantheon Ventures, Inc.	Mar-02	DJ U.S. Total Stock Market + 3% (3)	371	1.9%	2.75%	7.08%	12.94%	12.68%	20.88%	24.16%	9.31%	14.08%	11.91%	18.52%	7.97%	11.66%
Total Private Equities	Jan-91	DJ U.S. Total Stock Market + 3% (3)	1,050	5.4%	3.68%	7.08%	11.05%	12.68%	18.12%	24.16%	9.72%	14.08%	11.69%	18.52%	7.34%	11.66%
TOTAL EQUITIES																
TOTAL EQUITIES	Oct-81	Blended	11,227	58.2%	0.76%	0.47%	12.62%	12.44%	13.67%	13.83%	8.78%	8.84%	10.30%	10.71%	6.65%	7.10%
Fixed Income																
Cash Flow	Oct-81	90-day T-bills	346	1.8%	0.18%	0.16%	1.83%	1.28%	1.93%	1.36%	0.99%	0.67%	0.63%	0.42%	0.53%	0.33%
<i>Core Fixed Income Managers</i>																
Garcia Hamilton & Associates	Feb-09	Bloomberg Barclays U.S. Aggregate	315	1.6%	0.73%	0.71%	1.06%	-0.27%	1.26%	-0.37%	2.17%	1.39%	2.96%	1.98%	5.37%	3.74%
Progress Investment	May-08	Bloomberg Barclays U.S. Aggregate	146	0.8%	0.66%	0.71%	-0.05%	-0.27%	-0.03%	-0.37%	1.66%	1.39%	2.16%	1.98%	4.20%	3.72%
Pugh Capital Management	Apr-06	Bloomberg Barclays U.S. Aggregate	162	0.8%	0.74%	0.71%	-0.15%	-0.27%	-0.17%	-0.37%	1.52%	1.39%	2.06%	1.98%	4.32%	3.72%
Smith Graham & Company	Apr-06	Bloomberg Barclays U.S. Aggregate	104	0.5%	0.58%	0.71%	-0.31%	-0.27%	-0.34%	-0.37%	1.57%	1.39%	2.13%	1.98%	3.89%	3.72%
<i>Core Plus Fixed Income Managers</i>																
LM Capital Group	Dec-10	Bloomberg Barclays U.S. Aggregate	162	0.8%	0.21%	0.71%	-0.65%	-0.27%	-0.73%	-0.37%	1.63%	1.39%	2.12%	1.98%	3.15%	2.81%
Neuberger Berman	Dec-10	Bloomberg Barclays U.S. Aggregate	345	1.8%	-0.01%	0.71%	-0.21%	-0.27%	-0.17%	-0.37%	2.07%	1.39%	2.47%	1.98%	3.54%	2.81%
PIMCO Total Return	Oct-81	Bloomberg Barclays U.S. Aggregate	395	2.0%	0.78%	0.71%	0.81%	-0.27%	0.73%	-0.37%	1.61%	1.39%	2.19%	1.98%	4.78%	3.72%
TCW MetWest	Nov-01	Bloomberg Barclays U.S. Aggregate	545	2.8%	0.85%	0.71%	0.26%	-0.27%	0.19%	-0.37%	1.63%	1.39%	2.24%	1.98%	5.45%	3.72%
<i>Active Fixed Income</i>	Oct-81	Bloomberg Barclays U.S. Aggregate	2,522	13.1%	0.54%	0.71%	0.39%	-0.27%	0.38%	-0.37%	1.54%	1.39%	2.06%	1.98%	4.46%	3.72%
State Street Global Advisors	Sep-10	Bloomberg Barclays U.S. Aggregate	608	3.2%	0.72%	0.71%	-0.27%	-0.27%	-0.37%	-0.37%	1.40%	1.39%	1.98%	1.98%	2.56%	2.54%
<i>Passive Fixed Income</i>	Oct-86	Blended / Bloomberg Barclays U.S. Agg	608	3.2%	0.72%	0.71%	-0.27%	-0.27%	-0.37%	-0.37%	1.40%	1.39%	1.98%	1.98%	2.91%	2.91%
PIMCO Unconstrained	May-13	LIBOR + 3%	487	2.5%	0.71%	0.45%	3.18%	4.10%	3.51%	4.44%	2.96%	3.88%	2.20%	3.63%	2.20%	3.63%
<i>Absolute Return Fixed Income</i>	May-13	LIBOR + 3%	487	2.5%	0.71%	0.45%	3.18%	4.10%	3.51%	4.44%	2.96%	3.88%	2.20%	3.63%	2.20%	3.63%
Total Core Fixed Income	Oct-81	Bloomberg Barclays U.S. Aggregate	3,617	18.7%	0.59%	0.71%	0.65%	-0.27%	0.67%	-0.37%	1.71%	1.39%	2.06%	1.98%	4.35%	3.72%
TIPS																
RhumbLine TIPS	May-17	Bloomberg Barclays U.S. TIPS	692	3.6%	0.44%	0.43%	1.71%	1.70%	0.74%	0.74%	0.74%	0.74%	0.74%	0.74%	0.74%	0.74%
Total TIPS	Jul-04	Bloomberg Barclays U.S. TIPS (4)	692	3.6%	0.44%	0.43%	1.69%	1.70%	0.66%	0.74%	1.46%	1.46%	0.73%	0.86%	3.52%	3.15%
Emerging Market Debt																
Colchester Local Markets Debt Fund	Apr-15	JPM GBI-EM Global Diversif unhedged	140	0.7%	-5.30%	-4.98%	1.03%	0.55%	1.67%	1.01%	3.03%	2.53%	2.07%	1.60%	2.07%	1.60%
Progress Investment	Apr-15	JPM Corp Em Mkts Bond Index-Broad	127	0.7%	-1.33%	-0.60%	0.74%	0.49%	1.12%	0.67%	3.90%	3.94%	4.04%	4.05%	4.04%	4.05%
Prudential Emerging Mkts Debt Blend	Jun-15	Custom	309	1.6%	-3.46%	-2.96%	0.86%	0.13%	0.98%	0.29%	5.50%	4.20%	5.50%	4.20%	5.50%	4.20%
Total Emerging Market Debt	Mar-15	Custom	576	3.0%	-3.46%	-2.87%	0.61%	0.37%	0.91%	0.61%	3.55%	3.46%	3.13%	3.64%	3.13%	3.64%
TOTAL FIXED INCOME																
TOTAL FIXED INCOME	Oct-81	Custom	4,885	25.3%	0.08%	0.22%	0.82%	0.59%	0.73%	0.45%	1.88%	1.93%	1.96%	2.16%	4.29%	3.73%

**SURS Defined Benefit Portfolio
Investment Performance**

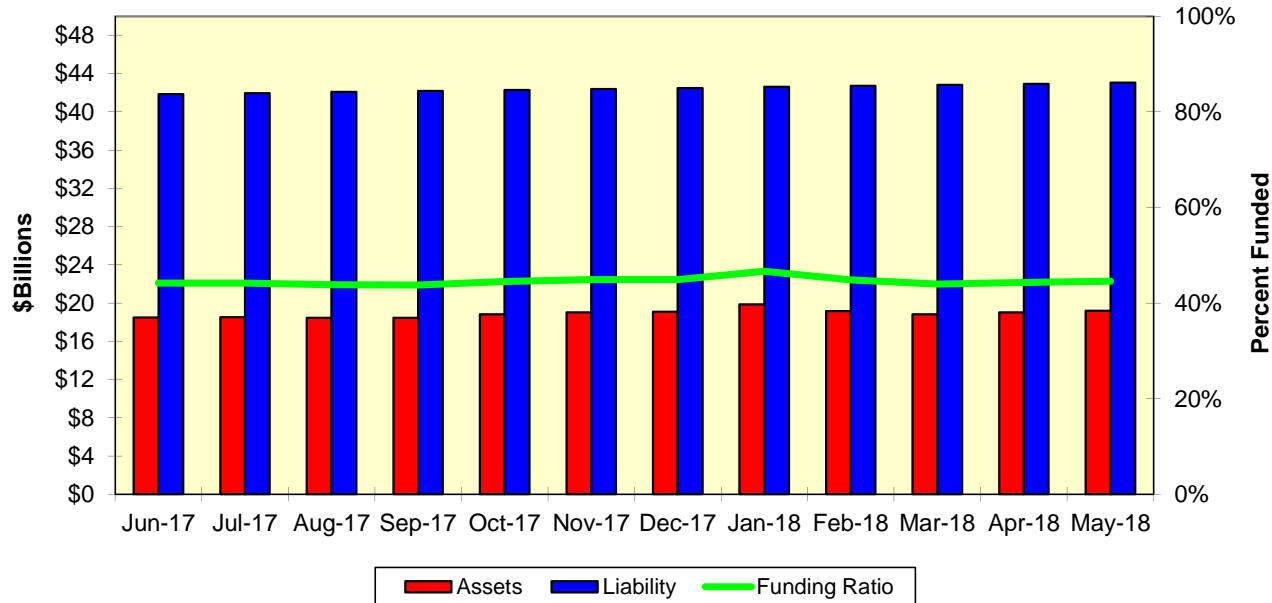
May-18	Incep (1)	Benchmark	\$ millions	% Fund	5/2018 Mgr	5/2018 Bmark	FYTD Mgr	FYTD Bmark	1 YR (2) Mgr	1 YR (2) Bmark	3 YR (2) Mgr	3 YR (2) Bmark	5 YR (2) Mgr	5 YR (2) Bmark	10 YR (2) Mgr	10 YR (2) Bmark
Real Estate																
<i>Core Direct Real Estate Managers</i>																
Heitman America Real Estate Trust	Jul-14	NCREIF ODCE Index (3)	210	1.1%	1.87%	1.85%	3.71%	5.04%	6.18%	6.66%	10.05%	9.42%	10.20%	9.87%	10.20%	9.87%
JPMCB Strategic Property Fund	Jun-14	NCREIF ODCE Index (3)	215	1.1%	1.58%	1.85%	3.11%	5.04%	6.27%	6.66%	9.25%	9.42%	9.56%	10.44%	9.56%	10.44%
UBS Trumbull Property Fund	Jun-06	NCREIF ODCE Index (3)	275	1.4%	2.18%	1.85%	3.49%	5.04%	5.50%	6.66%	7.82%	9.42%	8.69%	10.52%	6.05%	4.10%
<i>Non-Core Direct Real Estate Managers</i>																
Blue Vista Real Estate Partners IV	Apr-16	NCREIF ODCE Index + 1.5% (3)	25	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)	27	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)	29	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)	24	0.1%	1.93%	2.23%	2.02%	4.27%	8.83%	8.16%	11.57%	10.92%	15.56%	12.02%	16.63%	9.36%
Dune Real Estate Fund III	Jul-13	NCREIF ODCE Index + 1.5% (3)	109	0.6%	3.93%	2.23%	8.62%	4.27%	16.13%	8.16%	15.16%	10.92%	13.43%	11.78%	13.43%	11.78%
Franklin Templeton EMREFF	Aug-11	NCREIF ODCE Index + 1.5% (3)	29	0.2%	4.73%	2.23%	6.55%	4.27%	0.62%	8.16%	16.39%	10.92%	19.33%	12.02%	14.90%	12.21%
Franklin Templeton FTPREF	Jun-12	NCREIF ODCE Index + 1.5% (3)	14	0.1%	5.09%	2.23%	6.20%	4.27%	22.01%	8.16%	22.24%	10.92%	25.70%	12.02%	21.77%	12.22%
Franklin Templeton MDP RE 2015	Sep-15	NCREIF ODCE Index + 1.5% (3)	30	0.2%	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF
Courtland/Pru RE Global Ptrnshp II	Apr-12	NCREIF ODCE Index + 1.5% (3)	38	0.2%	0.00%	2.23%	1.71%	4.27%	5.51%	8.16%	8.27%	10.92%	10.13%	11.89%	9.10%	11.89%
<i>Real Estate Debt Managers</i>																
Basis Real Estate Fund I	Jan-18	NCREIF ODCE Index + 1.5% (3)	8	0.0%	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF
Oaktree Real Estate Debt Fund II	Dec-17	NCREIF ODCE Index + 1.5% (3)	3	0.0%	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF
Total Direct Real Estate	Jun-05	NCREIF ODCE Index (3)	1,034	5.4%	2.34%	1.85%	4.13%	5.04%	7.36%	6.66%	9.89%	9.42%	10.75%	10.52%	6.01%	4.10%
Global REITs																
BTC Global REIT Fund	Mar-13	FTSE EPRA/NAREIT Developed Index	737	3.8%	1.70%	1.65%	4.98%	4.16%	5.87%	4.93%	4.61%	3.79%	5.80%	5.08%	5.76%	5.04%
Total GLOBAL REITs	Apr-07	Blended / FTSE EPRA/NAREIT Dev In	737	3.8%	1.70%	1.65%	4.98%	4.16%	5.87%	4.93%	4.56%	3.79%	5.75%	5.08%	3.85%	3.17%
TOTAL REAL ESTATE INVESTMENT TRUSTS																
TOTAL REITs	Mar-00	Custom	737	3.8%	1.70%	1.65%	4.98%	4.16%	5.87%	4.93%	5.10%	4.94%	6.55%	6.32%	5.37%	4.88%
Hedge Fund																
Gladius - Options	May-18	Blended	95	0.5%	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF
Neuberger Berman - Options	Apr-18	CBOE S&P 500 PutWrite Index	193	1.0%	1.79%	1.99%	1.79%	1.99%	1.79%	1.99%	1.79%	1.99%	1.79%	1.99%	1.79%	1.99%
<i>Options Strategies</i>	Apr-18	Blended	288	1.5%	1.74%	1.99%	1.74%	1.99%	1.74%	1.99%	1.74%	1.99%	1.74%	1.99%	1.74%	1.99%
KKR Prisma Codlin Fund	Mar-16	LIBOR + 5%	355	1.8%	-0.62%	0.61%	4.41%	5.98%	4.29%	6.50%	3.51%	6.12%	3.51%	6.12%	3.51%	6.12%
PAAMCO Newport Monarch	Apr-16	LIBOR + 5%	216	1.1%	1.34%	0.61%	3.14%	5.98%	3.78%	6.50%	4.96%	6.14%	4.96%	6.14%	4.96%	6.14%
<i>Hedge Fund of Funds</i>	Mar-16	LIBOR + 5%	571	3.0%	0.11%	0.61%	3.52%	5.98%	3.79%	6.50%	3.80%	6.12%	3.80%	6.12%	3.80%	6.12%
Total Hedge Funds	Mar-16	Custom	859	4.4%	0.53%	0.95%	3.83%	6.35%	4.10%	6.87%	3.94%	6.28%	3.94%	6.28%	3.94%	6.28%
Commodities																
Invesco Balanced Risk Commodity Trust	Jun-16	Bloomberg Commodity Index	273	1.4%	2.24%	1.42%	17.31%	11.23%	15.10%	11.02%	3.44%	2.07%	3.44%	2.07%	3.44%	2.07%
PIMCO Commodity Alpha Fund	May-16	Bloomberg Commodity Index	107	0.6%	1.40%	1.42%	9.75%	11.23%	10.64%	11.02%	13.78%	4.07%	13.78%	4.07%	13.78%	4.07%
Total Commodities	May-16	Bloomberg Commodity Index	380	2.0%	2.00%	1.42%	15.08%	11.23%	13.81%	11.02%	7.03%	4.07%	7.03%	4.07%	7.03%	4.07%
Opportunity Fund																
Alinda Capital Partners	Dec-09	CPI + 5% (3)	24	0.1%	-10.31%	1.13%	-18.73%	3.14%	-15.32%	7.11%	-2.17%	6.64%	2.71%	6.43%	2.49%	6.63%
Macquarie Infrastructure Partners II	Apr-10	CPI + 5% (3)	36	0.2%	2.33%	1.13%	4.60%	3.14%	10.14%	7.11%	6.83%	6.64%	4.72%	6.43%	8.18%	6.62%
Macquarie Infrastructure Partners III	Oct-14	CPI + 5% (3)	44	0.2%	4.34%	1.13%	9.61%	3.14%	18.52%	7.11%	11.31%	6.64%	11.29%	6.08%	11.29%	6.08%
Macquarie Infrastructure Partners IV	Apr-18	CPI + 5% (3)	2	0.0%	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF
<i>Infrastructure</i>	Dec-09	CPI + 5% (3)	106	0.6%	-0.43%	1.13%	-0.76%	3.14%	4.18%	7.11%	4.14%	6.64%	4.93%	6.43%	6.20%	6.63%
TOTAL OPPORTUNITY FUND	Jul-99	Custom	106	0.6%	1.34%	0.87%	3.54%	6.90%	1.40%	7.43%	4.09%	7.20%	5.14%	6.60%	8.49%	3.91%
TOTAL FUND																
TOTAL FUND ex-Overlay	Sep-14	Policy Portfolio	19,228	99.6%	0.63%	0.44%	8.47%	8.04%	9.08%	8.90%	6.33%	6.30%	7.78%	7.85%	6.12%	6.14%
Parametric Clifton Cash Overlay	Sep-14		75	0.4%	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF	NMF
TOTAL FUND	Oct-81	Policy Portfolio	19,302	100.0%	0.66%	0.44%	8.44%	8.04%	9.04%	8.90%	6.40%	6.30%	7.77%	7.85%	6.12%	6.14%

Policy Portfolio Benchmark consists of 23% 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), 5% Hedge Funds (Blended Benchmark) 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

STATE UNIVERSITIES RETIREMENT SYSTEM

**SURS Projected Funding Status
2018 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 Month</u>	<u>Rate of Return FYTD</u>
Jun-17	\$ 18.48	\$ 41.85	\$ 23.37	44.2%		
Jul-17	18.53	41.96	23.43	44.2%	1.74%	1.7%
Aug-17	18.45	42.07	23.62	43.9%	0.61%	2.4%
Sep-17	18.46	42.18	23.72	43.8%	1.19%	3.6%
Oct-17	18.81	42.29	23.47	44.5%	1.27%	4.9%
Nov-17	19.04	42.39	23.36	44.9%	1.30%	6.3%
Dec-17	19.10	42.50	23.41	44.9%	1.30%	7.6%
Jan-18	19.87	42.61	22.74	46.6%	2.81%	10.7%
Feb-18	19.16	42.72	23.56	44.8%	-2.62%	7.8%
Mar-18	18.82	42.83	24.01	43.9%	-0.51%	7.2%
Apr-18	19.01	42.94	23.92	44.3%	0.48%	7.7%
May-18	19.18	43.04	23.86	44.6%	0.66%	8.4%

Note: Assets and liabilities are estimated and unaudited through May 31, 2018.
The fund has an actuarial value funding ratio of 44.4% at the end of Fiscal Year 2017, utilizing a 7.25% assumed rate of return.