**ASSET ALLOCATION COMPARISON**

**December 31, 2017**

| | Market Value | % of Total Fund | Allocation Policy | % Difference from Allocation | Prior Period Market Value | Prior Period % of Total Fund |
|---|---|---|---|---|---|---|
| **EQUITY** | | | | | | |
| SYSTEMATIC | 82,447,780.33 | **2.29** | | | 82,796,768.22 | **2.34** |
| REDWOOD- SL | 39,231,398.62 | **1.09** | | | 38,375,770.49 | **1.08** |
| CHANNING CAPITAL | 36,060,876.43 | **1.00** | | | 37,017,711.32 | **1.04** |
| ***Total Small Cap*** | ***157,740,055.38*** | ***4.38*** | | | ***158,190,250.03*** | ***4.46*** |
| SMITH GRAHAM | 71,237,013.84 | **1.98** | | | | |
| T. ROWE PRICE | 155,516,315.17 | **4.31** | | | 154,404,815.98 | **4.36** |
| ***Total Domestic/Enhanced equity*** | ***226,753,329.01*** | ***6.29*** | | | ***154,404,815.98*** | ***4.36*** |
| NTGI S&P 500 EQUITY INDEX | 163,761,011.19 | **4.54** | | | 161,951,762.85 | **4.57** |
| ***Total Index*** | ***163,761,011.19*** | ***4.54*** | | | ***161,951,762.85*** | ***4.57*** |
| ***Total Domestic*** | ***548,254,395.58*** | ***15.21*** | ***15.00*** | ***0.21*** | ***474,546,828.86*** | ***13.39*** |
| ADELANTE CAPITAL | 86,096,154.35 | **2.39** | | | 86,184,278.21 | **2.43** |
| BLACKROCK U.S REIT INDEX | 82,602,204.99 | **2.29** | | | 82,576,854.14 | **2.33** |
| ***Total REITS*** | ***168,698,359.34*** | ***4.68*** | ***5.00*** | ***-0.32*** | ***168,761,132.35*** | ***4.76*** |
| HEITMAN | 88,743,122.23 | **2.46** | | | 88,743,122.23 | **2.50** |
| INVESCO | 72,309,346.23 | **2.01** | | | 72,309,346.23 | **2.04** |
| INVESCO - SA | 62,632,904.32 | **1.74** | | | 62,631,282.16 | **1.77** |
| ***Total Real Estate*** | ***223,685,372.78*** | ***6.20*** | ***5.00*** | ***1.20*** | ***223,683,750.62*** | ***6.30*** |
| HAMILTON LANE | 89,106,599.85 | **2.47** | | | 89,175,630.54 | **2.52** |
| GROSVENOR GCM - CFIG | 113,020,897.28 | **3.14** | | | 113,218,351.09 | **3.19** |
| FAIRVIEW CAPITAL | 12,771,258.67 | **0.35** | | | 12,564,286.67 | **0.35** |
| ***Total Private Equity*** | ***214,898,755.80*** | ***5.95*** | ***5.00*** | ***0.95*** | ***214,958,268.30*** | ***6.05*** |
| ACADIAN | 111,768,827.30 | **3.10** | | | 109,052,150.95 | **3.08** |
| ATIVO | 35,452,428.85 | **0.98** | | | | |
| BARING | 203,368,678.93 | **5.64** | | | 199,181,622.25 | **5.62** |
| AQR CAPITAL | 216,339,270.66 | **6.00** | | | 212,112,441.60 | **5.98** |
| ***Total International*** | ***566,929,205.74*** | ***15.73*** | ***15.00*** | ***0.73*** | ***520,346,214.80*** | ***14.68*** |
| ARIEL | *70,476,335.72* | **1.96** | | | | |
| WELLINGTON MGMT | *90,893,165.97* | **2.52** | | | *90,301,093.46* | **2.55** |
| NORTHERN TRUST INTL EQ ACWI INDEX | 24,958,456.19 | **0.69** | | | 94,570,581.35 | **2.67** |
| GLOBAL TRANSITION | *72,108.48* | **0.00** | | | *70,271,839.51* | **1.98** |
| ***Total Global Equity*** | ***186,400,066.36*** | ***5.17*** | ***5.00*** | ***0.17*** | ***255,143,514.32*** | ***7.20*** |
| ACADIAN | *188,478,567.33* | **5.23** | | | *185,771,383.79* | **5.24** |
| BLACKROCK | 186,875,896.98 | **5.18** | | | 185,638,258.09 | **5.24** |
| ***Total Low Volatility Global Equity*** | ***375,354,464.31*** | ***10.41*** | ***10.00*** | ***0.41*** | ***371,409,641.88*** | ***10.48*** |
| HARVEST FUND | 132,868,384.25 | **3.69** | | | 125,883,741.13 | **3.55** |
| ATLANTIC TRUST | 135,008,706.84 | **3.75** | | | 127,117,612.35 | **3.59** |
| ***Total MLP*** | ***267,877,091.09*** | ***7.43*** | ***10.00*** | ***-2.57*** | ***253,001,353.48*** | ***7.14*** |
| **TOTAL EQUITY** | **2,552,097,711.00** | **70.79** | **70.00** | **0.79** | **2,481,850,704.61** | **70.00** |
| **FIXED INCOME** | | | | | | |
| ADVANTUS CAPITAL MGMT | 206,280,103.39 | **5.72** | | | 205,236,566.24 | **5.79** |
| ABERDEEN ASSET MGMT | 207,305,543.27 | **5.75** | | | 206,359,535.76 | **5.82** |
| GARCIA HAMILTON | 68,595,836.84 | **1.90** | | | 68,249,517.30 | **1.93** |
| ***Total Investment Grade*** | ***482,181,483.50*** | ***13.38*** | ***15.00*** | ***-1.62*** | ***479,845,619.30*** | ***13.54*** |
| NEUBERGER BERMAN | 91,661,147.63 | **2.54** | | | 91,388,302.39 | **2.58** |
| OAKTREE | 222,584,625.40 | **6.18** | | | 222,362,956.96 | **6.27** |
| BLACKROCK | 223,388,897.28 | **6.20** | | | 222,605,479.36 | **6.28** |
| ***Total High Yield*** | ***537,634,670.31*** | ***14.92*** | ***15.00*** | ***-0.08*** | ***536,356,738.71*** | ***15.13*** |
| CASH ACCOUNT | 32,271,979.58 | **0.92** | | | 46,282,640.00 | **1.33** |
| ***Total Short Term*** | ***32,271,979.58*** | ***0.92*** | ***0.00*** | ***0.92*** | ***46,282,640.00*** | ***1.33*** |
| **TOTAL FIXED INCOME** | **1,052,088,133.39** | **29.21** | **30.00** | **-0.79** | **1,062,484,998.01** | **30.00** |
| **TOTAL FUND** | **$ 3,604,185,844.39** | | | | **$ 3,544,335,702.62** | |

**Market Value YE 2016** **$ 3,335,479,301.24**

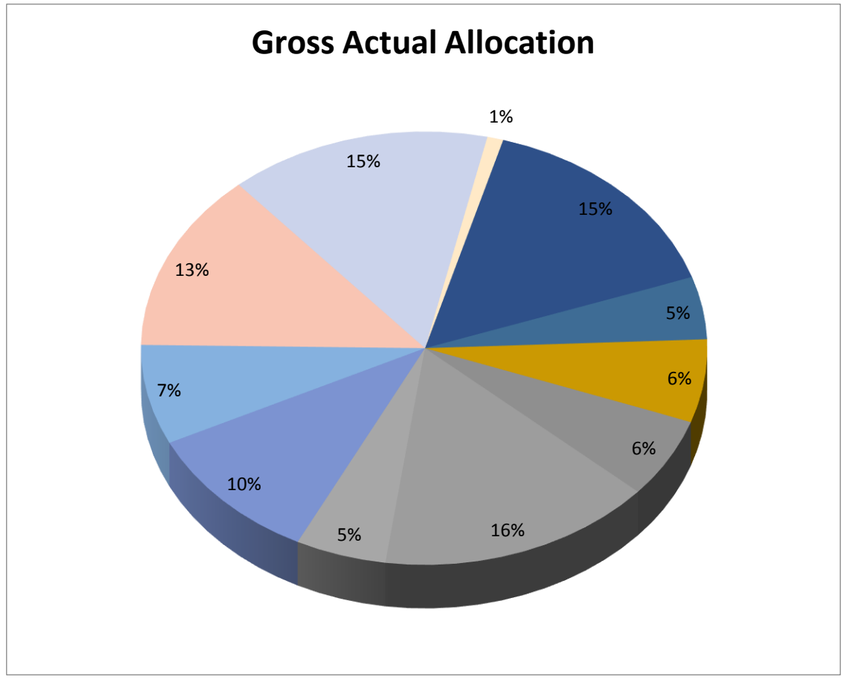
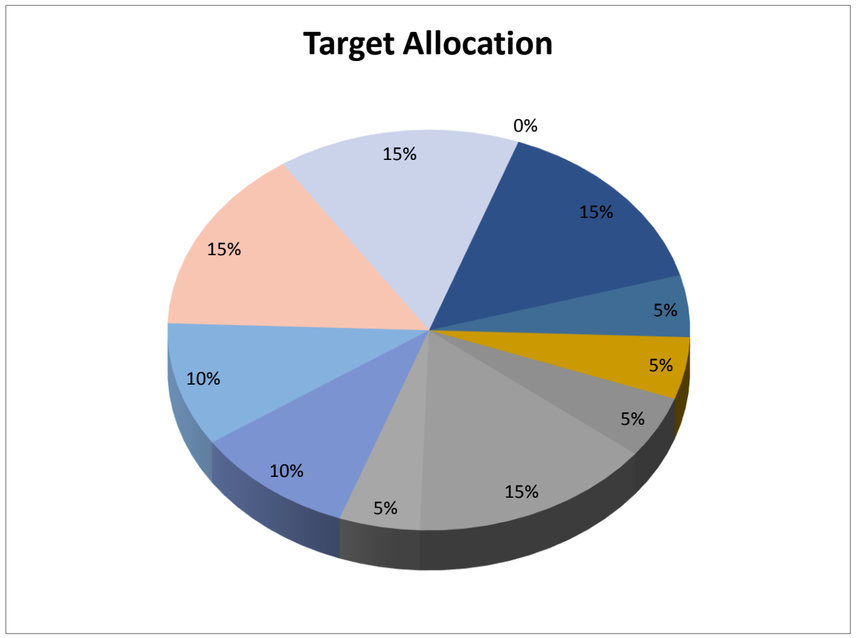
**Market Value Variance**

**Change from YE 2016: $ 268,706,543.15**

**Change from prior month: $ 59,850,141.77**

Employees' Retirement Fund of the City of DALLAS

## Asset Allocation: Actual vs. Target

**December 31, 2017**

| | Market Value | Gross Actual Allocation | Target Allocation | % Difference from Allocation |
|---|---|---|---|---|
| **EQUITY** | | | | |
| SYSTEMATIC | 82,447,780.33 | 2.29 | | |
| REDWOOD -SL | 39,231,398.62 | 1.09 | | |
| CHANNING CAPITAL | 36,060,876.43 | 1.00 | | |
| *Total Small Cap* | 157,740,055.38 | 4.38 | | |
| SMITH GRAHAM | 71,237,013.84 | 1.98 | | |
| T. ROWE PRICE | 155,516,315.17 | 4.31 | | |
| *Total Enhanced equity* | 226,753,329.01 | 6.30 | | |
| NTGI S&P 500 EQUITY INDEX | 163,761,011.19 | 4.54 | | |
| *Total Index* | 163,761,011.19 | 4.54 | | |
| *Total Domestic* | 548,254,395.58 | *15.22* | *15.00* | *0.22* |
| ADELANTE CAPITAL | 86,096,154.35 | 2.39 | | |
| BLACKROCK U.S REIT INDEX | 82,602,204.99 | 2.29 | | |
| *Total REITS* | 168,698,359.34 | 4.68 | *5.00* | *-0.32* |
| HEITMAN | 88,743,122.23 | 2.46 | | |
| INVESCO | 72,309,346.23 | 2.01 | | |
| INVESCO - SA | 62,632,904.32 | 1.74 | | |
| *Total Real Estate* | 223,685,372.78 | 6.21 | *5.00* | *1.21* |
| HAMILTON LANE | 89,106,599.85 | 2.47 | | |
| GROSVENOR GCM - CFIG | 113,020,897.28 | 3.14 | | |
| FAIRVIEW CAPITAL | 12,771,258.67 | 0.35 | | |
| *Total Private Equity* | 214,898,755.80 | 5.96 | *5.00* | *0.96* |
| ACADIAN | 111,768,827.30 | 3.10 | | |
| ATIVO | 35,452,428.85 | 0.98 | | |
| BARING | 203,368,678.93 | 5.64 | | |
| AQR CAPITAL | 216,339,270.66 | 6.00 | | |
| *Total International* | 566,929,205.74 | 15.72 | *15.00* | *0.72* |
| ARIEL | 70,476,335.72 | 1.96 | | |
| WELLINGTON MGMT | 90,893,165.97 | 2.52 | | |
| NORTHERN TRUST INTL EQ ACWI INDEX | 24,958,456.19 | 0.69 | | |
| GLOBAL TRANSITION | 72,108.48 | 0.00 | | |
| *Total Global Equity* | 115,923,730.64 | 5.17 | *5.00* | *0.17* |
| ACADIAN | 188,478,567.33 | 5.23 | | |
| BLACKROCK | 186,875,896.98 | 5.18 | | |
| *Total Low Volatility Global Equity* | 375,354,464.31 | 10.41 | *10.00* | *0.41* |
| HARVEST FUND | 132,868,384.25 | 3.69 | | |
| ATLANTIC TRUST | 135,008,706.84 | 3.75 | | |
| *Total MLP* | 267,877,091.09 | 7.43 | *10.00* | *-2.57* |
| **TOTAL EQUITY** | **2,552,097,711.00** | **70.79** | **70.00** | **0.79** |
| **FIXED INCOME** | | | | |
| ADVANTUS CAPITAL MGMT | 206,280,103.39 | 5.72 | | |
| ABERDEEN ASSET MGMT | 207,305,543.27 | 5.75 | | |
| GARCIA HAMILTON | 68,595,836.84 | 1.90 | | |
| *Total Investment Grade* | 482,181,483.50 | 13.37 | *15.00* | *-1.63* |
| NEUBERGER BERMAN | 91,661,147.63 | 2.54 | | |
| OAKTREE | 222,584,625.40 | 6.18 | | |
| BLACKROCK | 223,388,897.28 | 6.20 | | |
| *Total High Yield* | 537,634,670.31 | 14.93 | *15.00* | *-0.07* |
| CASH ACCOUNT | 32,271,979.58 | 0.92 | | |
| *Total Short Term* | 32,271,979.58 | 0.92 | *0.00* | *0.92* |
| **TOTAL FIXED INCOME** | **1,052,088,133.39** | **29.21** | **30.00** | **-0.79** |
| **TOTAL FUND** | **$ 3,604,185,844.39** | | | |