

DRS ADVISORY COMMITTEE

QUARTER ENDING MARCH 31, 2024

Phil Paroian

Senior Investment Officer, Public Equity

Ben Lachmann

Investment Officer, Public Equity

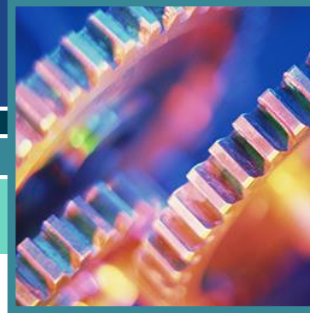


OVERVIEW

- **Market Environment**
- **Plan Market Values**
- **Plan Performance Discussion**

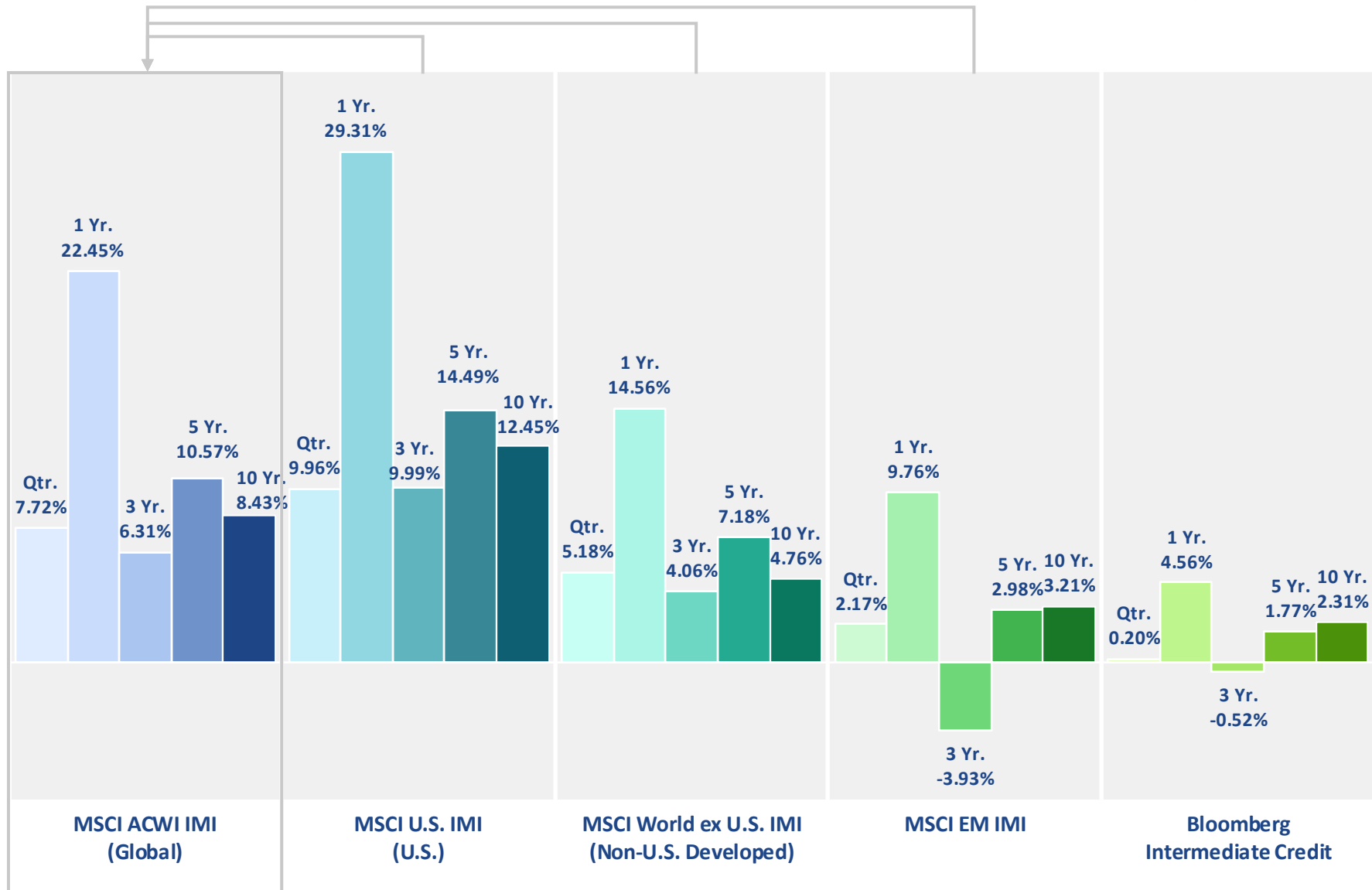


MARKET ENVIRONMENT



MARKET ENVIRONMENT

MARCH 31, 2024



CONSIDERATIONS FOR 2024

The US economy has shown surprising resilience

- Stocks have surged ahead in recent months – will markets continue to show strength?
- Will growth broaden to outside the US?



Inflation has come down from highs but remains above long-term target

- Will inflation rebound in 2024/2025?
 - Sustained large deficits may have raised the structural level of inflation
- Markets are expecting rate cuts in 2024
 - Could inflation dash the hopes of an immaculate disinflation?

Political and geopolitical risks hover over the horizon

- The US presidential election could generate market volatility
- Geopolitical tensions haven't gone away:
 - US/China rivalry, Ukraine war, deglobalization, etc.

Technological innovation continues to accelerate

- AI, quantum computing, personalized medicine, superconductivity, etc.

PLAN MARKET VALUES



TEACHERS' RETIREMENT SYSTEM PLAN 3

MARCH 31, 2024

	% of Assets	Option	Market Value	Quarterly Change
	63.72%	WSIB TAP	\$8,888,293,369	\$205,493,069
	0.75%	Socially Responsible Balanced	105,257,100	1,332,479
18.81%	0.22%	Retirement Maturity Strategy	31,006,527	663,216
	0.36%	Retirement Strategy 2010	49,990,067	2,120,739
	0.70%	Retirement Strategy 2015	97,875,389	1,621,705
	1.49%	Retirement Strategy 2020	207,965,675	1,646,011
	3.18%	Retirement Strategy 2025	443,036,327	19,494,734
	3.56%	Retirement Strategy 2030	496,177,509	24,862,067
	3.13%	Retirement Strategy 2035	436,248,309	27,140,404
	2.15%	Retirement Strategy 2040	300,318,517	22,292,275
	1.47%	Retirement Strategy 2045	204,521,720	18,126,200
	1.12%	Retirement Strategy 2050	156,738,252	13,227,463
	0.95%	Retirement Strategy 2055	132,287,236	11,037,632
	0.40%	Retirement Strategy 2060	55,580,491	6,588,743
	0.09%	Retirement Strategy 2065	12,073,450	1,761,166
		9.21%	U.S. Large Stock	1,284,044,144
	1.43%	U.S. Small Value Stock	200,030,371	5,355,644
	1.39%	Global Equity	193,452,860	13,922,241
	0.40%	Emerging Markets Equity	56,289,972	834,735
	1.90%	WSIB Bond Market	264,756,759	1,527,132
	2.39%	STIF	333,028,897	2,722,651
		Total	\$13,948,972,942	\$508,384,642

SCHOOL EMPLOYEES' RETIREMENT SYSTEM PLAN 3

MARCH 31, 2024

	% of Assets	Option	Market Value	Quarterly Change
	73.43%	WSIB TAP	\$2,234,745,069	\$38,156,686
	0.48%	Socially Responsible Balanced	14,458,031	97,856
17.01%	0.20%	Retirement Maturity Strategy	6,016,252	182,300
	0.45%	Retirement Strategy 2010	13,688,428	383,329
	0.77%	Retirement Strategy 2015	23,532,693	84,401
	1.65%	Retirement Strategy 2020	50,348,948	984,253
	3.02%	Retirement Strategy 2025	91,976,217	2,536,138
	2.21%	Retirement Strategy 2030	67,412,456	4,668,296
	2.27%	Retirement Strategy 2035	69,145,421	4,980,054
	1.74%	Retirement Strategy 2040	52,838,101	4,670,945
	1.52%	Retirement Strategy 2045	46,234,514	4,695,641
	1.26%	Retirement Strategy 2050	38,453,305	3,593,238
	1.16%	Retirement Strategy 2055	35,203,140	3,105,041
	0.62%	Retirement Strategy 2060	19,001,376	1,799,874
	0.12%	Retirement Strategy 2065	3,742,999	614,215
		4.19%	U.S. Large Stock	127,650,859
	0.71%	U.S. Small Value Stock	21,597,983	475,850
	0.59%	Global Equity	18,008,607	1,619,956
	0.16%	Emerging Markets Equity	4,793,097	(184,108)
	0.85%	WSIB Bond Market	25,818,977	(231,288)
	2.59%	STIF	78,828,150	39,744
		Total	\$3,043,494,625	\$85,086,784

PUBLIC EMPLOYEES' RETIREMENT SYSTEM PLAN 3

MARCH 31, 2024

	% of Assets	Option	Market Value	Quarterly Change
	59.46%	WSIB TAP	\$3,105,143,341	\$71,983,529
	0.94%	Socially Responsible Balanced	49,028,989	161,708
23.57%	0.21%	Retirement Maturity Strategy	10,997,112	(377,997)
	0.45%	Retirement Strategy 2010	23,741,090	685,790
	0.67%	Retirement Strategy 2015	34,751,868	593,082
	1.52%	Retirement Strategy 2020	79,507,297	1,002,326
	3.31%	Retirement Strategy 2025	172,701,126	4,549,236
	3.32%	Retirement Strategy 2030	173,630,642	7,876,518
	3.30%	Retirement Strategy 2035	172,202,005	10,847,569
	2.65%	Retirement Strategy 2040	138,457,927	13,115,094
	2.58%	Retirement Strategy 2045	134,526,508	11,467,550
	2.40%	Retirement Strategy 2050	125,326,903	11,142,284
	2.02%	Retirement Strategy 2055	105,287,344	9,357,221
	0.95%	Retirement Strategy 2060	49,374,230	5,129,378
	0.20%	Retirement Strategy 2065	10,491,659	1,890,733
		8.00%	U.S. Large Stock	417,977,345
	1.74%	U.S. Small Value Stock	90,613,643	2,101,537
	1.38%	Global Equity	72,250,608	6,478,854
	0.42%	Emerging Markets Equity	21,681,842	176,572
	1.21%	WSIB Bond Market	63,330,764	(293,073)
	3.28%	STIF	171,053,888	(896,723)
		Total	\$5,222,076,130	\$206,255,168

DEFERRED COMPENSATION FUND

MARCH 31, 2024

	% of Assets	Option	Market Value	Quarterly Change
	2.96%	Socially Responsible Balanced	\$204,998,101	(\$3,205,078)
55.79%	1.04%	Retirement Maturity Strategy	72,377,721	4,390,965
	1.32%	Retirement Strategy 2010	91,313,249	1,334,152
	3.37%	Retirement Strategy 2015	233,467,457	1,873,053
	6.46%	Retirement Strategy 2020	447,436,940	3,148,443
	10.26%	Retirement Strategy 2025	710,859,854	27,226,324
	9.74%	Retirement Strategy 2030	674,570,339	45,824,336
	7.77%	Retirement Strategy 2035	538,591,826	40,939,784
	5.30%	Retirement Strategy 2040	367,382,014	30,808,036
	4.08%	Retirement Strategy 2045	282,772,569	24,812,532
	2.77%	Retirement Strategy 2050	192,007,656	21,172,076
	1.98%	Retirement Strategy 2055	137,111,093	16,784,879
	1.25%	Retirement Strategy 2060	86,412,959	10,389,572
	0.45%	Retirement Strategy 2065	31,257,997	5,084,813
	15.69%	U.S. Large Stock	1,087,359,268	126,512,935
	4.25%	U.S. Small Value Stock	294,267,075	6,917,397
	3.78%	Global Equity	261,970,254	20,047,892
	1.10%	Emerging Markets Equity	76,018,379	(118,889)
	3.58%	WSIB Bond Market	248,191,652	939,399
	12.84%	WSIB Savings Pool	889,827,818	(29,066,429)
		Total	\$6,928,194,220	\$355,816,192

PLAN MARKET DISCUSSION

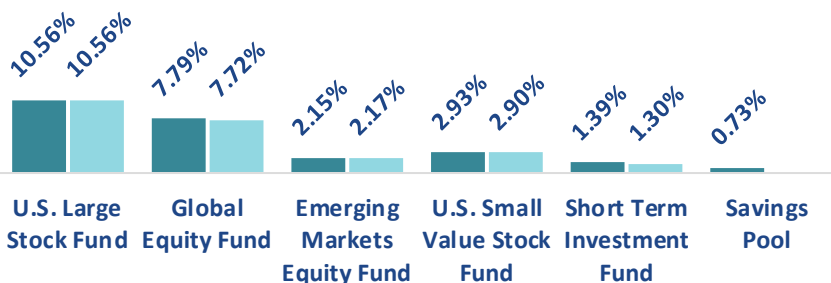


EQUITY AND CASH FUNDS – QUARTER, 1, 3, AND 5 YEAR RETURNS

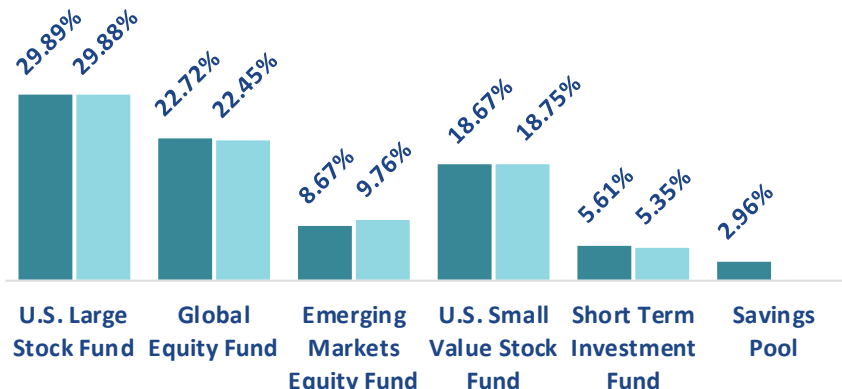
MARCH 31, 2024



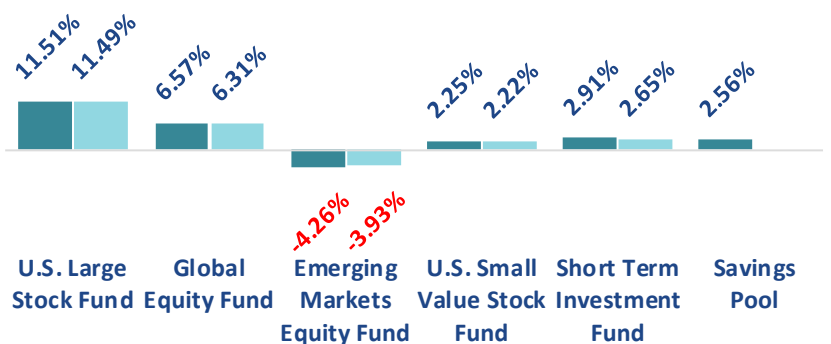
Quarter



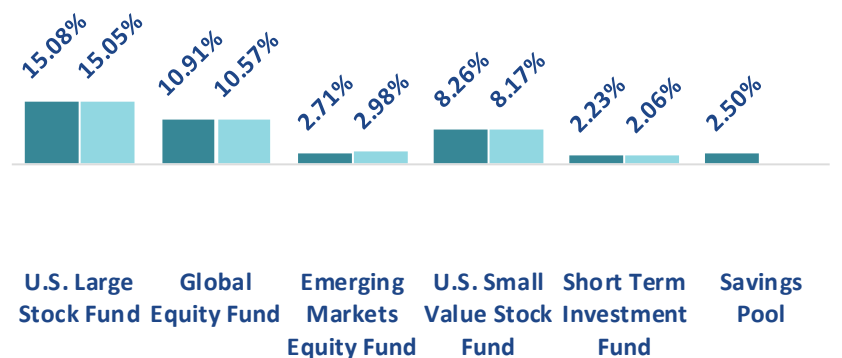
1 Year



3 Year



5 Year



Fund Benchmark

BALANCED AND BOND FUNDS – QUARTER, 1, 3, AND 5 YEAR RETURNS

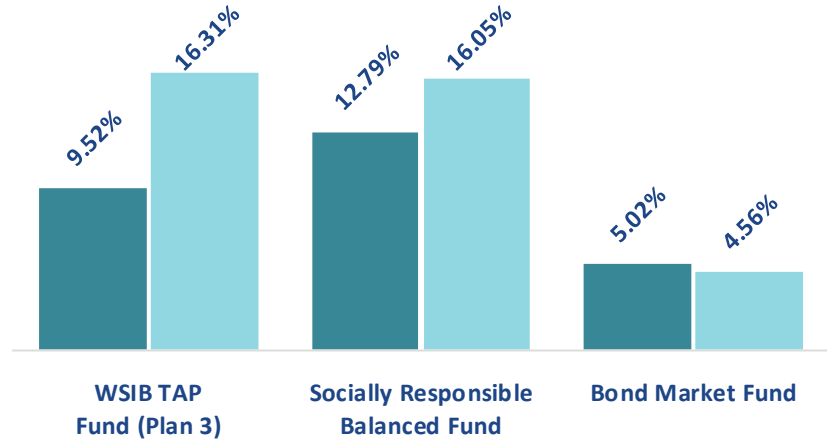
MARCH 31, 2024



Quarter



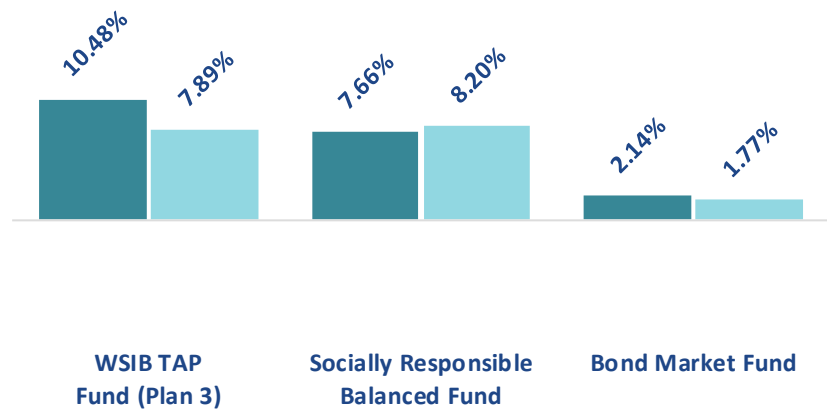
1 Year



3 Year



5 Year

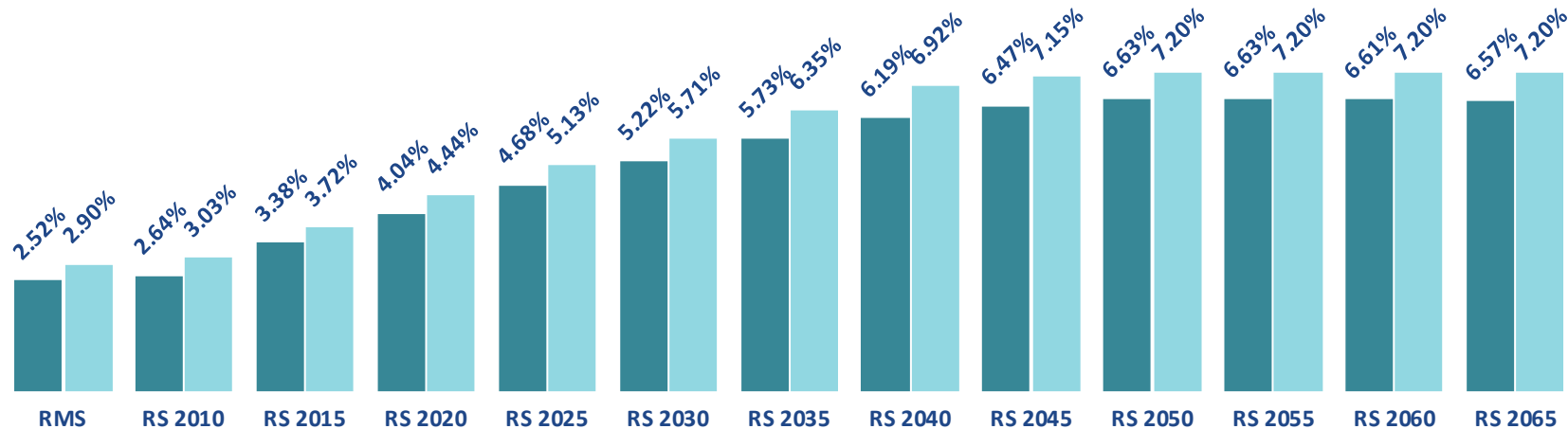


■ Fund ■ Benchmark

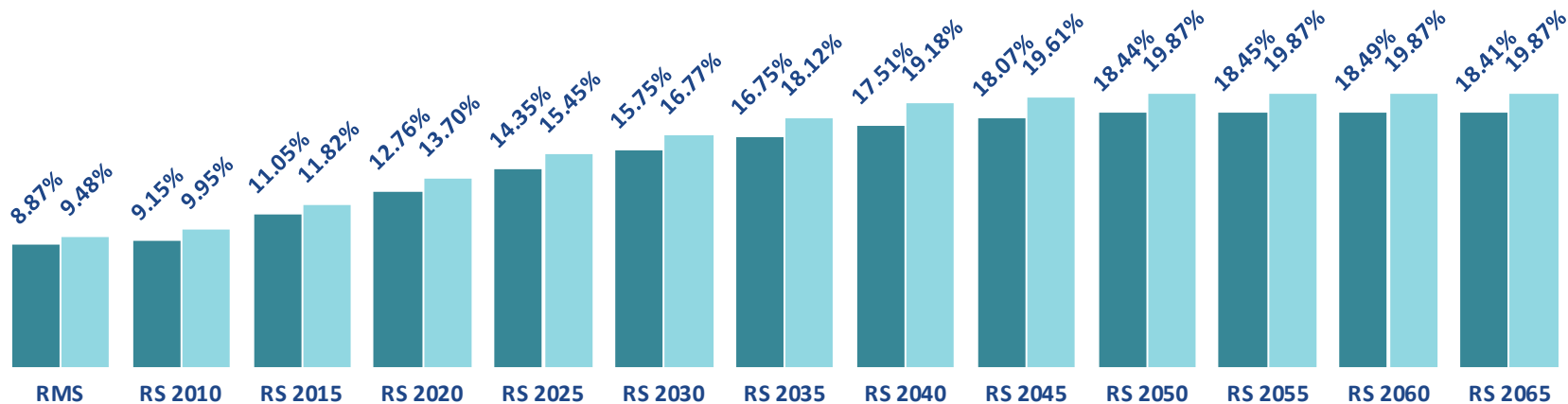
RETIREMENT STRATEGY FUNDS – QUARTER AND 1 YEAR RETURNS

MARCH 31, 2024

Quarter



1 Year

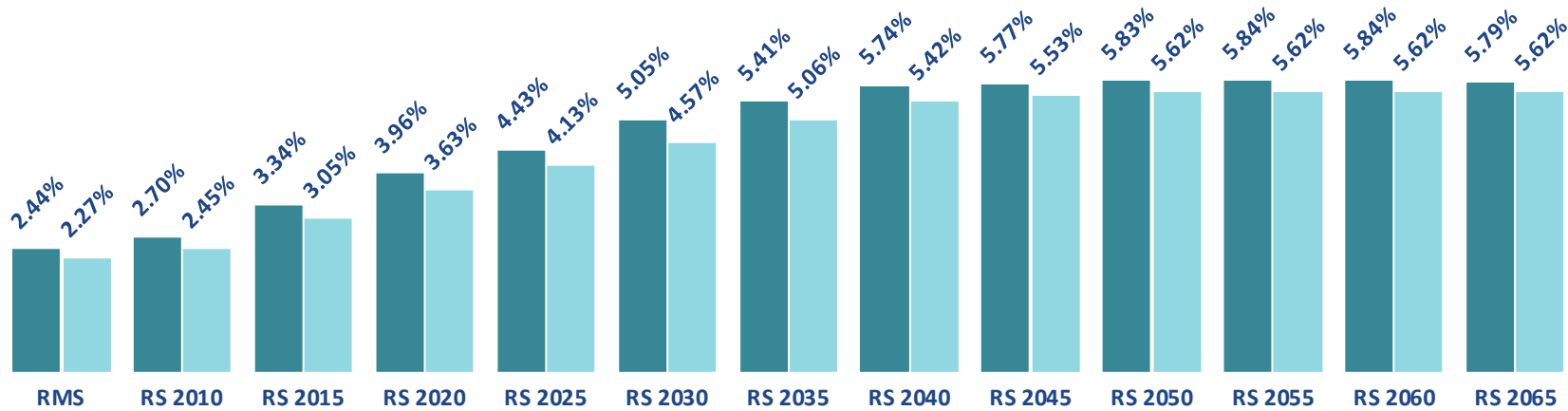


Fund Benchmark

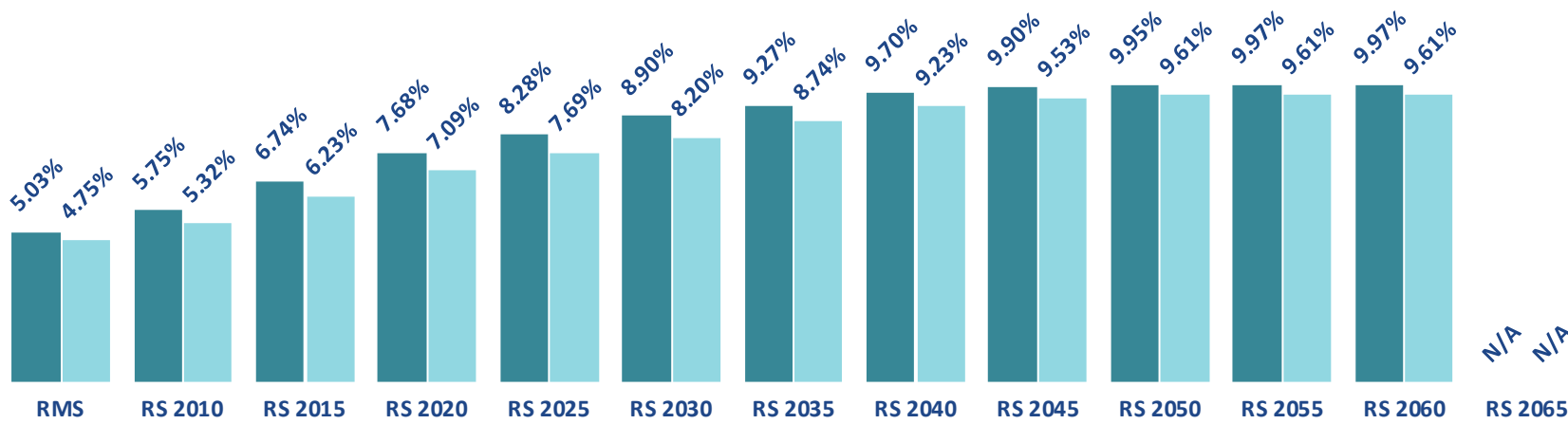
RETIREMENT STRATEGY FUNDS – 3 AND 5 YEAR RETURNS

MARCH 31, 2024

3 Year



5 Year



■ Fund ■ Benchmark