



Summary of Fund Performance

City of Austin Employees' Retirement System

Period Ended: June 30, 2022



Capital Markets Review						Market Performance																																																					
<ul style="list-style-type: none"> Inflation continued to rise in the US as the Consumer Price Index rose to 9.1% at the end of June. Central banks continued to tighten monetary policy with the Federal Open Market Committee raising the federal funds rate by .75% in June. Forecasters are increasingly citing a rising risk of a recession in the US, however the data is less clear. 						<table border="1"> <thead> <tr> <th></th> <th>QTD</th> <th>1 Year</th> <th>3 Years</th> <th>5 Years</th> <th>10 Years</th> </tr> </thead> <tbody> <tr> <td>S&P 500 (Mkt Cap Wtd)</td> <td>-16.1</td> <td>-10.6</td> <td>10.6</td> <td>11.3</td> <td>13.0</td> </tr> <tr> <td>Russell 2000</td> <td>-17.2</td> <td>-25.2</td> <td>4.2</td> <td>5.2</td> <td>9.4</td> </tr> <tr> <td>MSCI EAFE (Net)</td> <td>-14.5</td> <td>-17.8</td> <td>1.1</td> <td>2.2</td> <td>5.4</td> </tr> <tr> <td>MSCI Emg Mkts (Net)</td> <td>-11.4</td> <td>-25.3</td> <td>0.6</td> <td>2.2</td> <td>3.1</td> </tr> <tr> <td>Bbrg US Agg Bond</td> <td>-4.7</td> <td>-10.3</td> <td>-0.9</td> <td>0.9</td> <td>1.5</td> </tr> <tr> <td>Bbrg Cmdty (TR)</td> <td>-5.7</td> <td>24.3</td> <td>14.3</td> <td>8.4</td> <td>-0.8</td> </tr> <tr> <td>NCREIF ODCE (Net)</td> <td>4.5</td> <td>28.3</td> <td>11.7</td> <td>9.6</td> <td>10.2</td> </tr> </tbody> </table>							QTD	1 Year	3 Years	5 Years	10 Years	S&P 500 (Mkt Cap Wtd)	-16.1	-10.6	10.6	11.3	13.0	Russell 2000	-17.2	-25.2	4.2	5.2	9.4	MSCI EAFE (Net)	-14.5	-17.8	1.1	2.2	5.4	MSCI Emg Mkts (Net)	-11.4	-25.3	0.6	2.2	3.1	Bbrg US Agg Bond	-4.7	-10.3	-0.9	0.9	1.5	Bbrg Cmdty (TR)	-5.7	24.3	14.3	8.4	-0.8	NCREIF ODCE (Net)	4.5	28.3	11.7	9.6	10.2
	QTD	1 Year	3 Years	5 Years	10 Years																																																						
S&P 500 (Mkt Cap Wtd)	-16.1	-10.6	10.6	11.3	13.0																																																						
Russell 2000	-17.2	-25.2	4.2	5.2	9.4																																																						
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NCREIF ODCE (Net)	4.5	28.3	11.7	9.6	10.2																																																						
Total Fund Performance																																																											
	QTD	CYTD	1 Year	3 Years	5 Years	7 Years	10 Years	2021	2020	2019	2018	2017																																															
Total Fund	-11.1	-15.7	-12.0	4.1	5.2	5.4	6.7	13.0	10.8	20.7	-5.9	16.6																																															
Policy Benchmark	-13.6	-17.7	-13.9	3.7	4.9	5.1	6.5	14.4	10.9	21.6	-6.8	16.0																																															
Excess Return	2.5	2.0	1.9	0.4	0.3	0.3	0.2	-1.4	-0.1	-0.9	0.9	0.6																																															
Total Fund Risk Metrics																																																											
	1 Year	3 Years	5 Years	7 Years	10 Years	2021	2020	2019	2018	2017																																																	
Sharpe Ratio	-1.2	0.3	0.4	0.5	0.7	1.9	0.6	2.3	-0.9	7.8																																																	
Standard Deviation	10.7	12.5	10.2	11.1	9.1	6.7	17.4	7.3	8.3	1.8																																																	
Tracking Error	1.7	1.9	1.7	1.7	1.7	1.2	2.0	1.0	1.8	1.0																																																	
Asset Class Performance						Performance Commentary																																																					
	QTD	CYTD	1 Year	3 Years	Since Inception	Inception Date	<ul style="list-style-type: none"> The Total Fund returned -11.1% net of fees in the first quarter, overperforming the Policy Benchmark which returned -13.6%. Infrastructure Equity was the best performing asset class on an absolute net of fees returning -2.7%. Real Estate Equity had strong relative returns, outpacing its benchmark in Q2. 																																																				
Total Fund	-11.1	-15.7	-12.0	4.1	9.4	06/01/1982																																																					
Policy Benchmark	-13.6	-17.7	-13.9	3.7	N/A																																																						
Excess Return	2.5	2.0	1.9	0.4	N/A																																																						
US Equity	-16.7	-21.0	-14.4	7.4	10.4	06/01/1988																																																					
US Equity Benchmark	-16.9	-21.3	-13.2	9.9	10.4																																																						
Excess Return	0.2	0.3	-1.2	-2.5	0.0																																																						
Developed Markets Equity	-14.8	-22.9	-20.4	2.8	4.1	01/01/2008																																																					
Developed Market Equity Benchmark	-14.7	-18.8	-16.8	1.7	1.5																																																						
Excess Return	-0.1	-4.1	-3.6	1.1	2.6																																																						
Emerging Markets Equity	-12.3	-21.5	-30.9	-2.4	0.5	03/01/2008																																																					
Emerging Market Equity Benchmark	-11.4	-17.6	-25.3	0.6	1.3																																																						
Excess Return	-0.9	-3.9	-5.6	-3.0	-0.8																																																						
Real Estate Equity	-5.2	-4.0	9.7	8.6	7.5	09/01/2004																																																					
Real Estate Equity Benchmark	-17.0	-20.2	-6.3	4.0	8.3																																																						
Excess Return	11.8	16.2	16.0	4.6	-0.8																																																						
Infrastructure Equity	-2.7	0.2	7.2	0.8	1.0	01/01/2020																																																					
Infrastructure Equity Benchmark	-7.7	-0.9	4.8	2.7	1.1																																																						
Excess Return	5.0	1.1	2.4	-1.9	-0.1																																																						
Global Fixed Income	-5.4	-11.2	-10.2	-1.6	5.2	02/01/1991																																																					
Global Fixed Income Benchmark	-8.3	-13.9	-15.2	-3.2	4.9																																																						
Excess Return	2.9	2.7	5.0	1.6	0.3																																																						
Asset Allocation	-10.4	-15.1	-12.9	N/A	4.7	05/01/2020																																																					
Multi-Asset Benchmark	-12.7	-17.7	-15.4	2.5	6.6																																																						
Excess Return	2.3	2.6	2.5	N/A	-1.9																																																						
Commodities & Other	-6.3	0.5	2.8	N/A	N/A	07/01/2017																																																					
Commodities & Other Benchmark	-5.7	18.4	24.3	14.3	8.4																																																						
Excess Return	-0.6	-17.9	-21.5	N/A	N/A																																																						
Asset Allocation vs. Target Allocation																																																											
	Market Value (\$000)	Allocation (%)	Target (%)																																																								
US Equity	959,157	32.4	34.0																																																								
DM Equity	404,434	13.7	16.0																																																								
EM Equity	216,324	7.3	6.0																																																								
Real Estate Equity	364,455	12.3	10.0																																																								
Infrastructure Equity	178,642	6.0	5.0																																																								
Global Fixed Income	660,396	22.3	21.0																																																								
Asset Allocation	106,691	3.6	5.0																																																								
Commodities & Other	38,045	1.3	2.0																																																								
Cash & Equivalents	33,506	1.1	1.0																																																								
Total Fund	2,961,650	100.0	100.0																																																								
Schedule of Investable Assets																																																											
Periods Ending	Beginning Market Value (\$)	Net Cash Flow (\$)	Gain/Loss (\$)	Ending Market Value (\$)	% Return																																																						
CYTD	3,538,734,335	-25,145,011	-551,939,211	2,961,650,113	-15.66																																																						

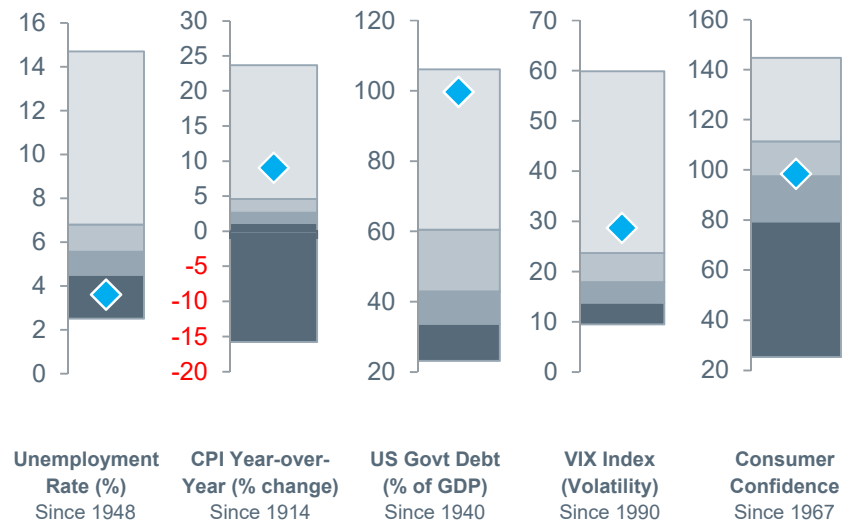
Performance shown is net of fees. Allocations shown may not sum up to 100% exactly. Tracking Error shown is relative to the Passive Benchmark. Risk statistics shown are less meaningful for periods less than one year. Please see the addendum for custom benchmark definitions.



Second Quarter Economic Environment

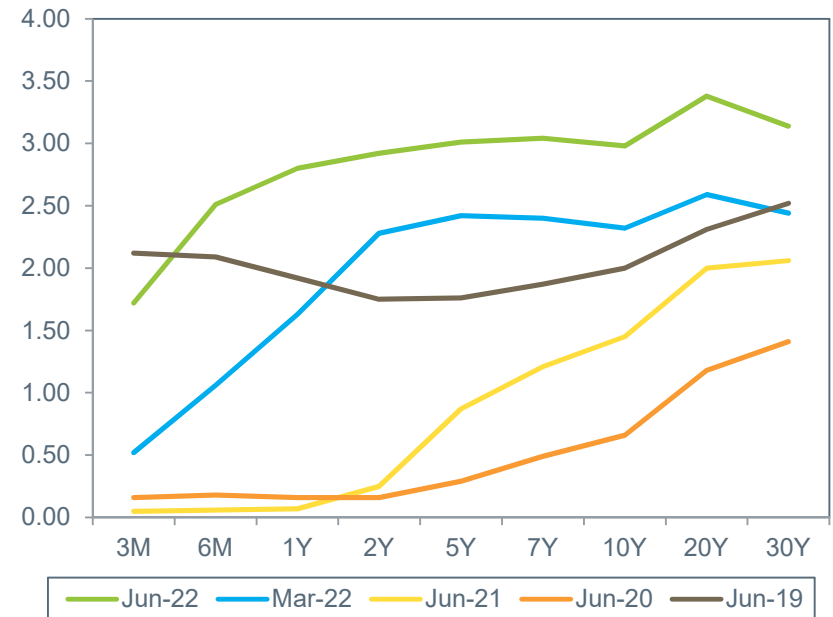
Continued rising inflation, accelerated tightening of global monetary policy and falling economic growth estimates led to most major indices ending negative in Q2. Inflation continued to rise in the US as the Consumer Price Index (CPI) rose to 9.1% at the end of June, spurred on by supply chain disruptions tied with the war in Ukraine and China's zero-COVID policy. The OECD's June Economic Outlook report now forecasts global inflation to end the year near 9%. Central banks continued to tighten monetary policy with the Federal Open Market Committee raising the federal funds rate by 0.75% in June which followed a 0.50% increase in May. Following the June CPI release, a 1.0% increase at the FOMC meeting in July is now the most likely scenario based on probabilities implied by traders. Forecasters are increasingly citing a rising risk of a recession in the US however the data is less clear. The Atlanta Fed's GDP Nowcast indicates a modest contraction of growth in Q2, with declining residential investment and private inventory overhang as key negative effects. However, manufacturing and services Purchasing Managers' indexes (PMIs) indicate expansion. The unemployment rate ended June at 3.6% as non-farm payroll growth averaged just under 375k per month. According to the latest JOLTS survey, the US currently has roughly two job openings for every unemployed individual. The Atlanta Fed's wage tracker also lists average annual wage growth at 6.7% based on a 3-month moving average.

Key Economic Indicators



Economic Indicators	Jun-22	Mar-22	Jun-21	Jun-19	20 Yr
Federal Funds Rate (%)	1.58 ▲	0.33	0.08	2.40	1.30
Breakeven Infl. - 5 Yr (%)	2.62 ▼	3.43	2.50	1.54	1.86
Breakeven Infl. - 10 Yr (%)	2.34 ▼	2.83	2.34	1.70	2.04
CPI YoY (Headline) (%)	9.1 ▲	8.5	5.4	1.6	2.2
Unemployment Rate (%)	3.6 —	3.6	5.9	3.6	6.1
Real GDP YoY (%)	1.6 ▼	3.5	12.2	2.1	1.9
PMI - Manufacturing	53.0 ▼	57.1	60.9	51.5	53.5
USD Total Wtd Idx	121.05 ▲	115.22	112.61	114.58	103.10
WTI Crude Oil per Barrel (\$)	105.8 ▲	100.3	73.5	58.5	64.4
Gold Spot per Oz (\$)	1,807 ▼	1,937	1,770	1,410	1,086

Treasury Yield Curve (%)



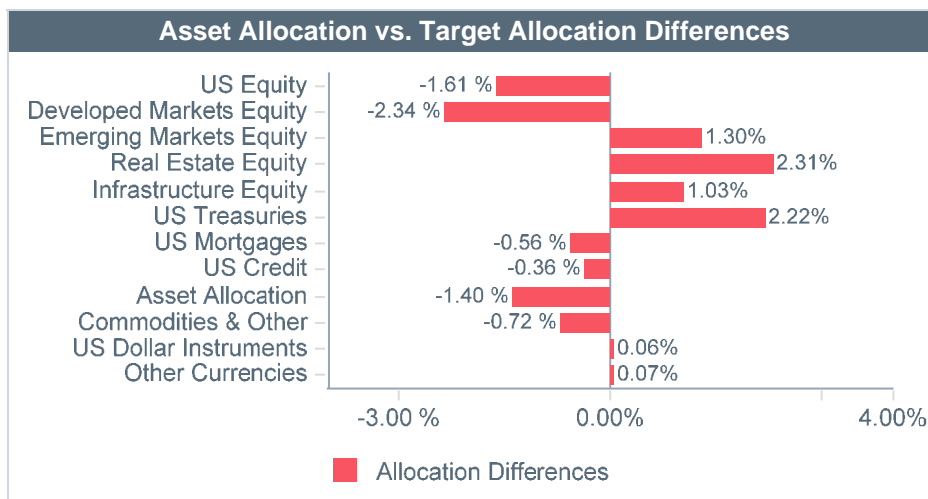
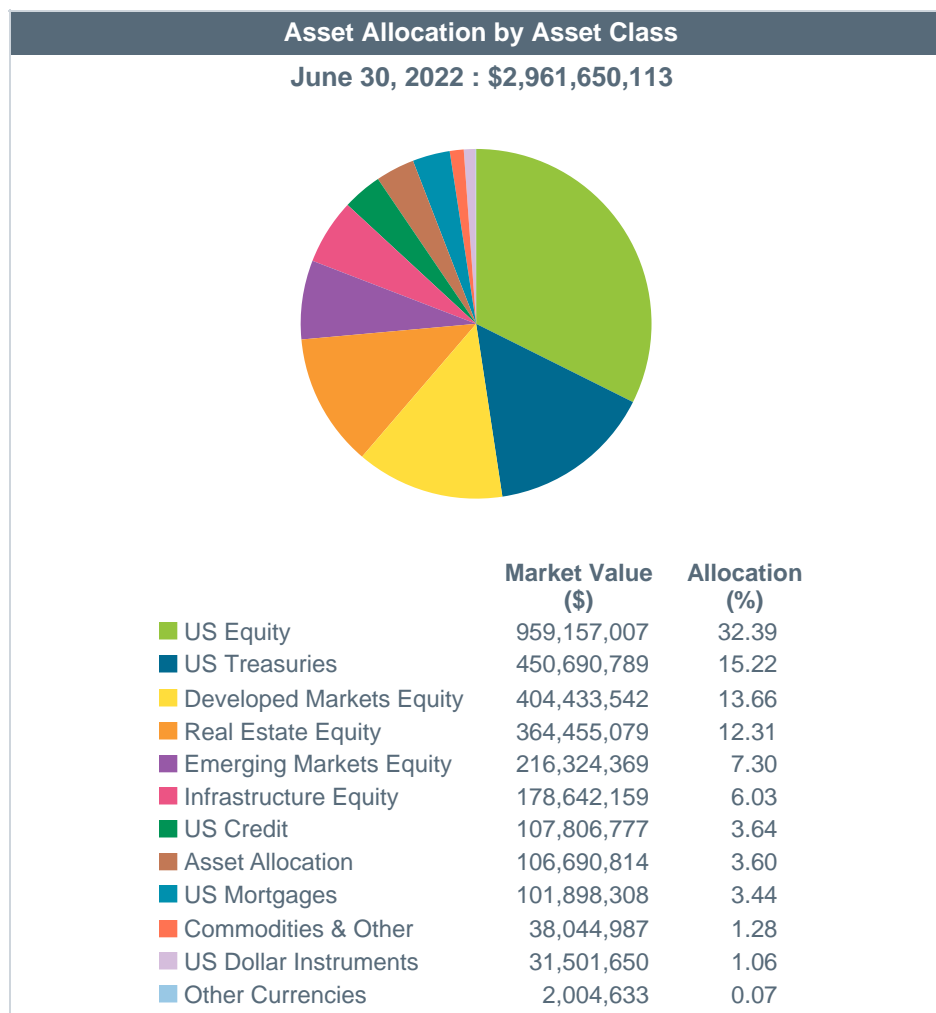
Market Performance (%)	QTD	CYTD	1 Yr	5 Yr	10 Yr
S&P 500 (Cap Wtd)	-16.10	-19.96	-10.62	11.31	12.96
Russell 2000	-17.20	-23.43	-25.20	5.17	9.35
MSCI EAFE (Net)	-14.51	-19.57	-17.77	2.20	5.40
MSCI EAFE SC (Net)	-17.69	-24.71	-23.98	1.72	7.18
MSCI Emg Mkts (Net)	-11.45	-17.63	-25.28	2.18	3.06
Bloomberg US Agg Bond	-4.69	-10.35	-10.29	0.88	1.54
ICE BofAML 3 Mo US T-Bill	0.11	0.15	0.17	1.11	0.64
NCREIF ODCE (Gross)	4.77	12.49	29.51	10.54	11.16
FTSE NAREIT Eq REIT (TR)	-16.97	-20.20	-6.27	5.30	7.39
HFRI FOF Comp	-3.88	-6.53	-5.45	3.63	3.75
Bloomberg Cmdty (TR)	-5.66	18.44	24.27	8.39	-0.82

Composite: Total Fund

Asset Alloc. by Asset Class, Asset Alloc. vs. Target, and Schedule of Investable Assets

Schedule of Investable Assets					
Periods Ending	Beginning Market Value (\$)	Net Cash Flow (\$)	Gain/Loss (\$)	Ending Market Value (\$)	% Return
CYTD	3,538,734,335	-25,145,011	-551,939,211	2,961,650,113	-15.66
1 Year	3,422,486,262	-54,995,604	-405,840,545	2,961,650,113	-12.04
3 Years	2,744,772,371	-135,966,071	352,843,812	2,961,650,113	4.09

Asset Allocation vs. Target Allocation					
	Market Value (\$)	Allocation (%)	Neutral (%)	Min. (%)	Max. (%)
Total Fund	2,961,650,113	100.00	100.00	-	-
US Equity	959,157,007	32.39	34.00	29.00	39.00
Developed Markets Equity	404,433,542	13.66	16.00	13.50	18.50
Emerging Markets Equity	216,324,369	7.30	6.00	4.00	10.50
Real Estate Equity	364,455,079	12.31	10.00	7.00	13.00
Infrastructure Equity	178,642,159	6.03	5.00	1.00	7.00
US Treasuries	450,690,789	15.22	13.00	11.00	21.00
US Mortgages	101,898,308	3.44	4.00	3.00	6.00
US Credit	107,806,777	3.64	4.00	2.50	7.00
Asset Allocation	106,690,814	3.60	5.00	3.50	7.50
Commodities & Other	38,044,987	1.28	2.00	1.00	5.00
US Dollar Instruments	31,501,650	1.06	1.00	0.00	5.00
Other Currencies	2,004,633	0.07	0.00	0.00	1.00



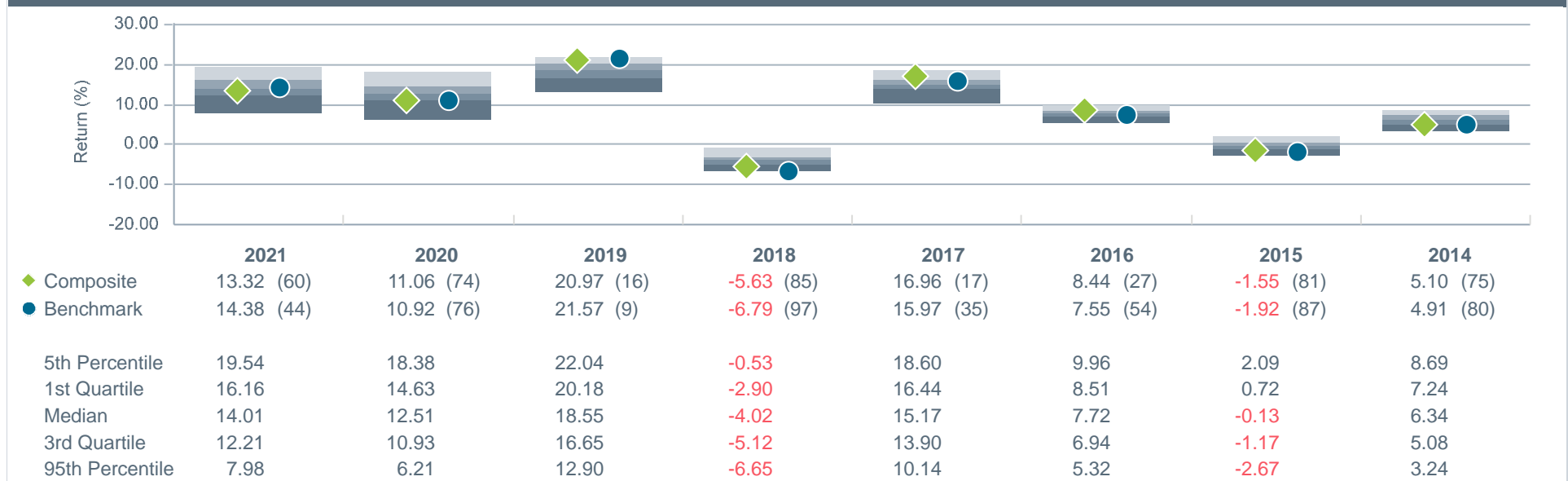
Performance shown is net of fees. Allocations shown may not sum up to 100% exactly due to rounding. Performance is annualized for periods greater than one year. Total Fund market value does not include \$823,978.74 in assets remaining at Northern Trust - representing accruals, cash, tax reclaims, and some assets that were restricted from being delivered due to a liquidation or pending corporate action.



Rate of Return - Trailing



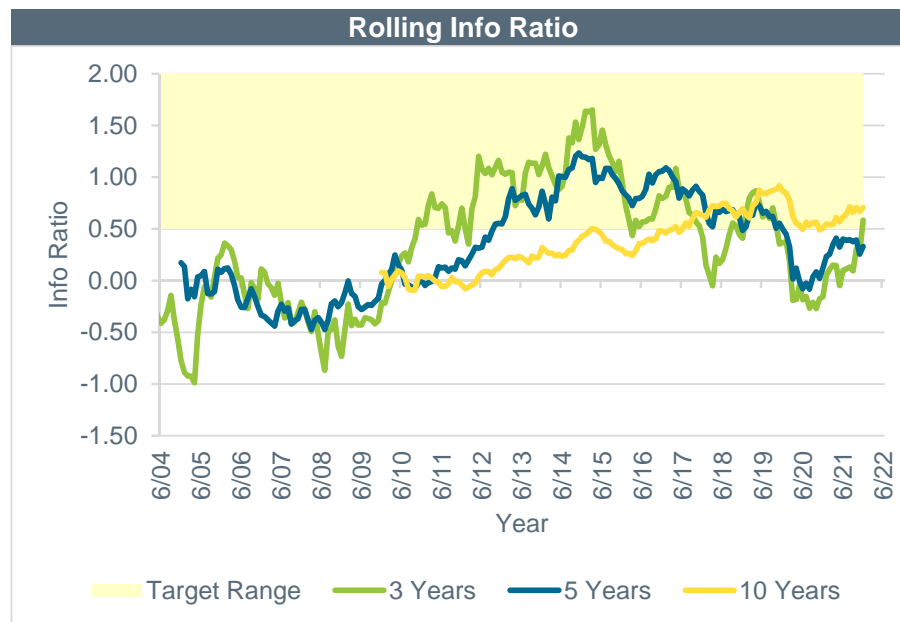
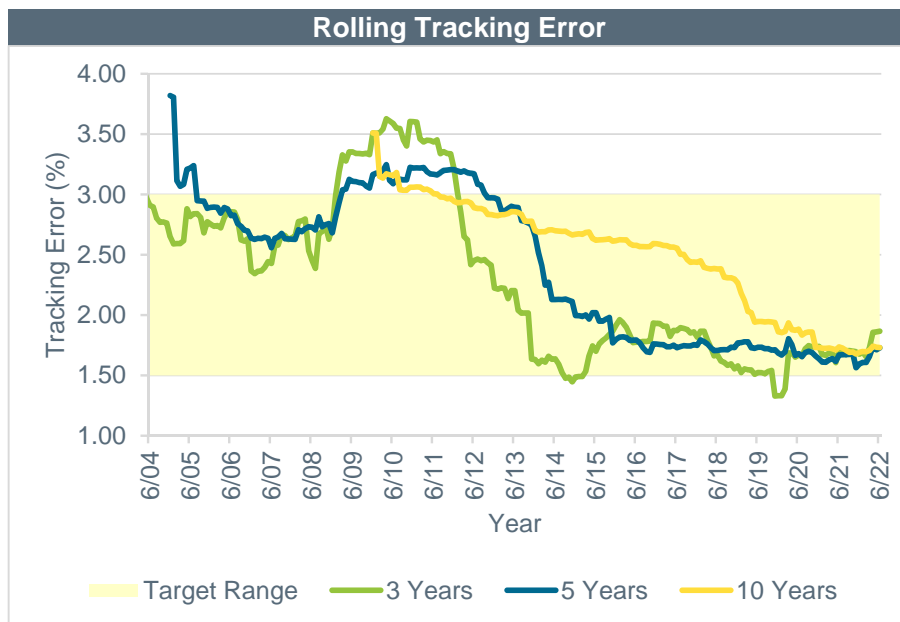
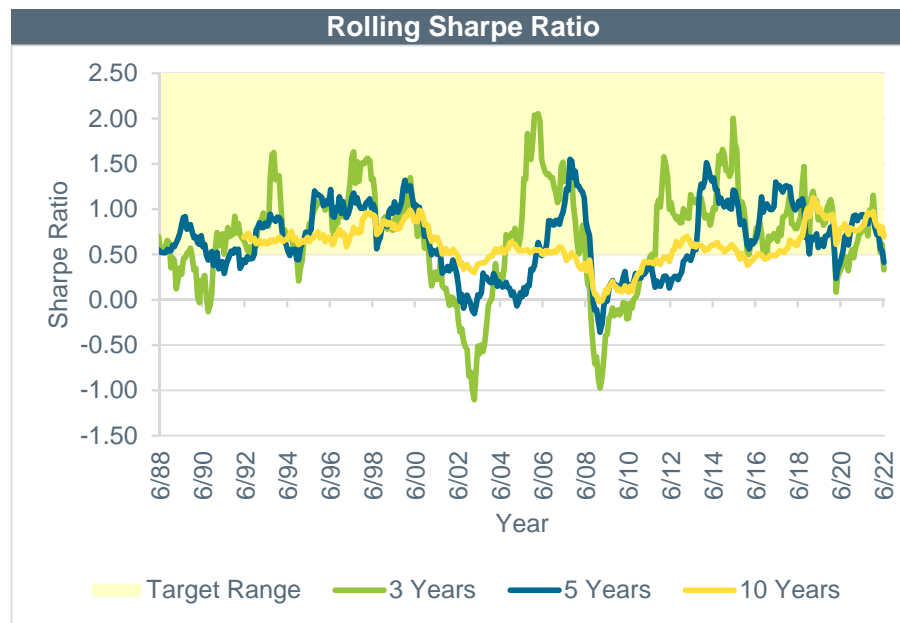
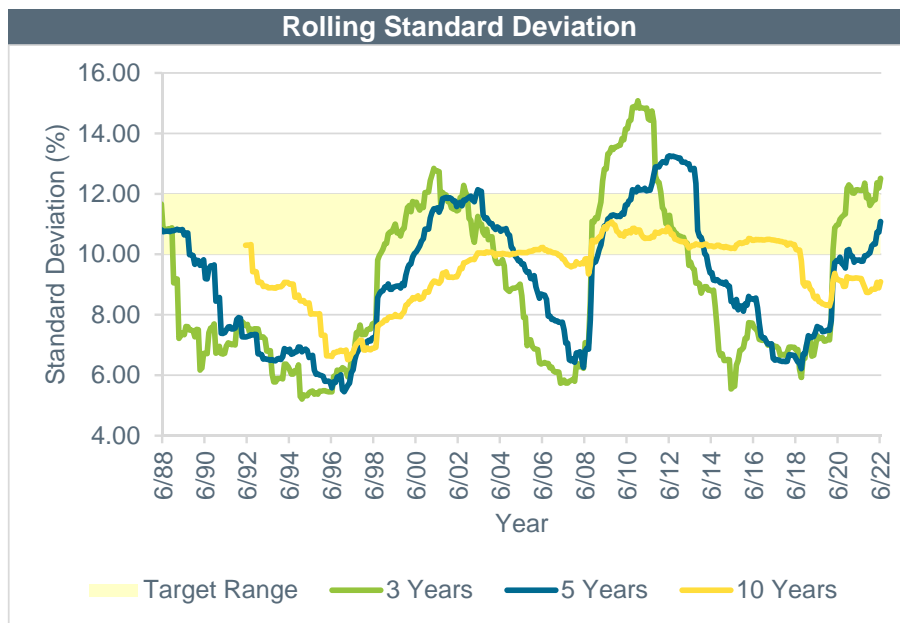
Rate of Return - Calendar



Performance shown is gross of fees and is annualized for periods greater than one year. Calculation is based on monthly periodicity. Parentheses contain percentile ranks.

Composite: Total Fund
Rolling Risk Statistics (Net of Fees)

As of June 30, 2022



Performance shown is net of fees. Tracking Error and Info Ratio shown are relative to the Passive Benchmark.



Composite: Total Fund
Asset Allocation & Performance - Net of Fees

As of June 30, 2022

	Allocation		Rate of Return (%)							
	Market Value (\$)	%	QTD	CYTD	1 Year	3 Years	5 Years	10 Years	Since Incep.	Inception Date
Total Fund	2,961,650,113	100.00	-11.08	-15.66	-12.04	4.09	5.21	6.75	9.39	06/01/1982
Policy Benchmark			-13.59	-17.70	-13.89	3.65	4.93	6.52	N/A	
Excess Return			2.51	2.04	1.85	0.44	0.28	0.23	N/A	
Passive Benchmark			-12.74	-17.66	-15.41	2.63	4.18	5.41	N/A	
Excess Return			1.66	2.00	3.37	1.46	1.03	1.34	N/A	
Global Equity	1,579,914,918	53.35	-15.63	-21.59	-18.56	4.68	6.05	8.42	8.69	06/01/1988
Global Equity Benchmark			-15.83	-20.44	-16.52	5.98	6.70	8.71	N/A	
Excess Return			0.20	-1.15	-2.04	-1.30	-0.65	-0.29	N/A	
US Equity	959,157,007	32.39	-16.70	-21.05	-14.38	7.40	8.74	11.30	10.39	06/01/1988
US Equity Benchmark			-16.87	-21.29	-13.17	9.87	10.65	12.60	10.44	
Excess Return			0.17	0.24	-1.21	-2.47	-1.91	-1.30	-0.05	
Developed Markets Equity	404,433,542	13.66	-14.79	-22.88	-20.42	2.77	3.73	6.26	4.15	01/01/2008
Developed Market Equity Benchmark			-14.66	-18.76	-16.76	1.70	2.66	5.37	1.53	
Excess Return			-0.13	-4.12	-3.66	1.07	1.07	0.89	2.62	
Emerging Markets Equity	216,324,369	7.30	-12.27	-21.49	-30.93	-2.39	0.51	2.44	0.54	03/01/2008
Emerging Market Equity Benchmark			-11.45	-17.63	-25.28	0.57	2.18	3.06	1.33	
Excess Return			-0.82	-3.86	-5.65	-2.96	-1.67	-0.62	-0.79	
Real Assets	543,097,238	18.34	-4.39	-2.70	8.90	7.10	6.76	8.05	6.45	09/01/2004
Real Assets Benchmark			-13.81	-13.95	-2.39	3.71	4.98	7.17	7.88	
Excess Return			9.42	11.25	11.29	3.39	1.78	0.88	-1.43	
Real Estate Equity	364,455,079	12.31	-5.18	-4.03	9.72	8.61	8.26	10.02	7.53	09/01/2004
Real Estate Equity Benchmark			-16.97	-20.20	-6.27	4.00	6.10	8.27	8.26	
Excess Return			11.79	16.17	15.99	4.61	2.16	1.75	-0.73	
Infrastructure Equity	178,642,159	6.03	-2.71	0.22	7.20	0.81	-0.52	N/A	0.98	01/01/2020
Infrastructure Equity Benchmark			-7.66	-0.94	4.77	2.69	3.93	6.31	1.13	
Excess Return			4.95	1.16	2.43	-1.88	-4.45	N/A	-0.15	

Performance shown is net of fees and is annualized for periods greater than one year. Indices show N/A for since inception returns when the fund contains more history than the corresponding benchmark.



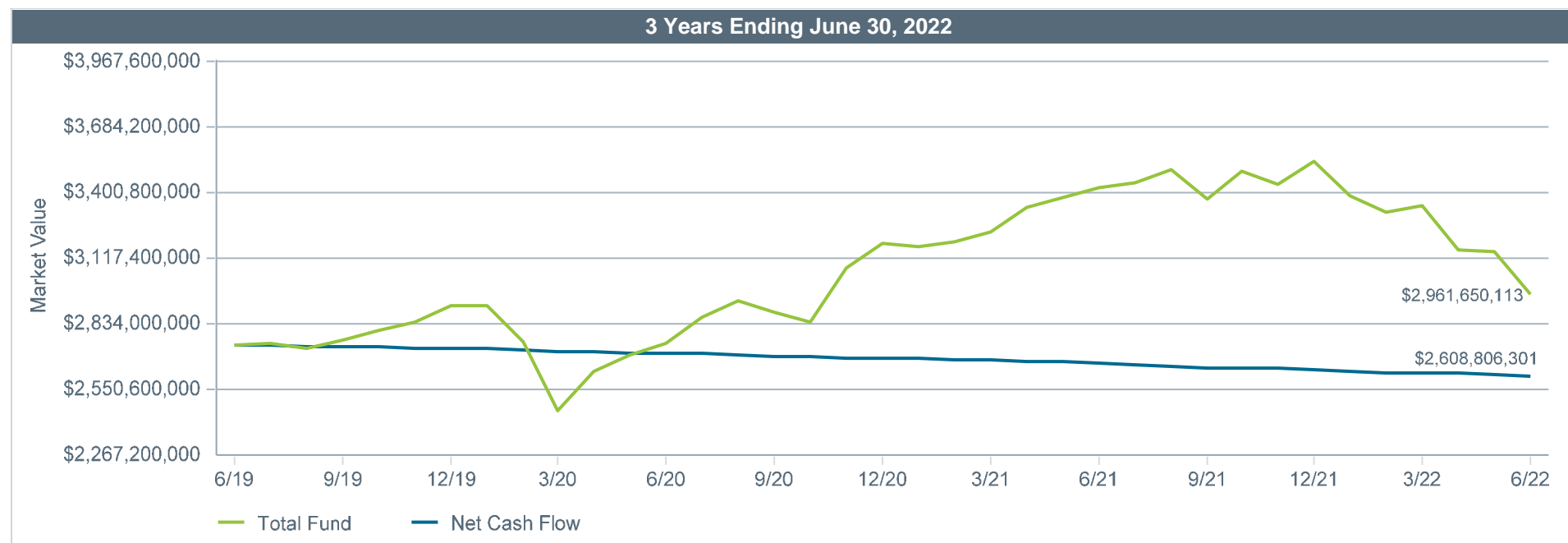
Composite: Total Fund
Asset Allocation & Performance - Net of Fees

As of June 30, 2022

	Allocation		Rate of Return (%)							
	Market Value (\$)	%	QTD	CYTD	1 Year	3 Years	5 Years	10 Years	Since Incep.	Inception Date
Global Fixed Income	660,395,874	22.30	-5.38	-11.17	-10.19	-1.61	0.62	1.49	5.17	02/01/1991
Global Fixed Income Benchmark			-8.26	-13.91	-15.25	-3.22	-0.59	0.80	4.89	
Excess Return			2.88	2.74	5.06	1.61	1.21	0.69	0.28	
US Treasuries	450,690,789	15.22	-5.18	-10.84	-9.31	-0.36	N/A	N/A	0.76	05/01/2019
US Treasuries Benchmark			-3.78	-9.14	-8.90	-0.88	0.74	1.01	0.18	
Excess Return			-1.40	-1.70	-0.41	0.52	N/A	N/A	0.58	
US Mortgages	101,898,308	3.44	-3.43	-8.11	-8.68	N/A	N/A	N/A	-1.49	08/01/2019
US Mortgages Benchmark			-4.01	-8.78	-9.03	-1.44	0.36	1.18	-1.62	
Excess Return			0.58	0.67	0.35	N/A	N/A	N/A	0.13	
US Credit	107,806,777	3.64	-7.96	-15.17	-14.93	N/A	N/A	N/A	-1.00	08/01/2019
US Credit Benchmark			-6.90	-13.81	-13.64	-1.00	1.24	2.45	-1.21	
Excess Return			-1.06	-1.36	-1.29	N/A	N/A	N/A	0.21	
Multi-Asset	144,735,801	4.89	-9.39	-11.69	-9.45	4.58	6.01	N/A	4.54	02/01/2014
Multi-Asset Benchmark			-12.74	-17.66	-15.41	2.48	4.09	5.36	4.38	
Excess Return			3.35	5.97	5.96	2.10	1.92	N/A	0.16	
Asset Allocation	106,690,814	3.60	-10.45	-15.09	-12.88	N/A	N/A	N/A	4.73	05/01/2020
Multi-Asset Benchmark			-12.74	-17.66	-15.41	2.48	4.09	5.36	6.62	
Excess Return			2.29	2.57	2.53	N/A	N/A	N/A	-1.89	
Commodities & Other	38,044,987	1.28	-6.32	0.53	2.81	N/A	N/A	N/A	6.48	04/01/2021
Commodities & Other Benchmark			-5.66	18.44	24.27	14.34	8.39	-0.82	31.49	
Excess Return			-0.66	-17.91	-21.46	N/A	N/A	N/A	-25.01	
Cash & Equivalents	33,506,282	1.13	0.11	0.12	0.12	0.52	0.98	N/A	0.98	07/01/2017
Cash & Equivalents Benchmark			0.12	0.16	0.18	0.57	1.05	0.60	1.05	
Excess Return			-0.01	-0.04	-0.06	-0.05	-0.07	N/A	-0.07	
US Dollar Instruments	31,501,650	1.06	0.10	0.11	0.11	0.51	0.97	N/A	0.79	09/01/2015
Bloomberg US T-Bills 1-3 Mo Index			0.12	0.16	0.18	0.57	1.05	0.60	0.86	
Excess Return			-0.02	-0.05	-0.07	-0.06	-0.08	N/A	-0.07	
Other Currencies	2,004,633	0.07	0.19	0.23	N/A	N/A	N/A	N/A	0.23	12/01/2021
Bloomberg US T-Bills 1-3 Mo Index			0.12	0.16	0.18	0.57	1.05	0.60	0.16	
Excess Return			0.07	0.07	N/A	N/A	N/A	N/A	0.07	

Performance shown is net of fees and is annualized for periods greater than one year. Indices show N/A for since inception returns when the fund contains more history than the corresponding benchmark.





Schedule of Investable Assets - Quarter To Date						
Periods Ending	Beginning Market Value (\$)	Contributions (\$)	Withdrawals (\$)	Net Cash Flow (\$)	Gain/Loss (\$)	Ending Market Value (\$)
QTD	3,341,635,687	138,355,682	148,433,841	-10,078,159	-369,907,414	2,961,650,113

Schedule of Investable Assets - Year To Date						
Periods Ending	Beginning Market Value (\$)	Contributions (\$)	Withdrawals (\$)	Net Cash Flow (\$)	Gain/Loss (\$)	Ending Market Value (\$)
CYTD	3,538,734,335	154,135,071	179,280,082	-25,145,011	-551,939,211	2,961,650,113

Schedule of Investable Assets - 1 Year						
Periods Ending	Beginning Market Value (\$)	Contributions (\$)	Withdrawals (\$)	Net Cash Flow (\$)	Gain/Loss (\$)	Ending Market Value (\$)
1 Year	3,422,486,262	675,719,008	730,714,612	-54,995,604	-405,840,545	2,961,650,113

Schedule of Investable Assets - 3 Years						
Periods Ending	Beginning Market Value (\$)	Contributions (\$)	Withdrawals (\$)	Net Cash Flow (\$)	Gain/Loss (\$)	Ending Market Value (\$)
3 Years	2,744,772,371	5,300,636,217	5,436,602,288	-135,966,071	352,843,812	2,961,650,113

Cash flows shown are net of fees. Net cash flow shown in the line chart represents the beginning market value, adjusted for cash flows. Contributions and withdrawals detail shown includes intra-portfolio cash flows.

