

Alameda County Employees' Retirement Association
February 2024 Preliminary Monthly Performance Report

Periods Ending February 29, 2024

Portfolio Summary							
Portfolio Value							
Beginning Market Value	\$						11,198,275,766
Ending Market Value	\$						11,402,594,564
Monthly Unrealized Gain / (Loss)							204,318,798
Manager	Market Value \$	% of Fund	February Return	YTD Return	3 yr Return	10 yr Return	
U.S. EQUITY							
Blackrock R1000 Index	2,272,892,682	19.93	5.42	6.89	10.69	N/A	
Trust Co. of the West	178,456,458	1.57	6.07	11.67	9.69	13.95	
Kennedy Capital	160,795,042	1.41	4.22	0.36	4.52	7.55	
William Blair Small Cap Growth	152,442,825	1.34	9.17	4.76	1.25	N/A	
Aristotle Capital	182,417,195	1.60	2.97	3.61	8.23	N/A	
Total U.S. Equity	2,947,010,076	25.85	5.43	6.48	9.67	11.59	
Benchmark: Russell 3000			5.41	6.58	9.90	12.03	
Relative Performance			0.01	(0.10)	(0.23)	(0.44)	
INT'L EQUITY							
Bivium International Equity	410,562,761	3.60	1.95	1.52	2.03	N/A	
Capital Group	426,501,880	3.74	2.71	3.00	(2.18)	5.90	
Franklin Templeton Inv.	278,334,548	2.44	2.01	(2.34)	(1.18)	4.17	
Blackrock EMSA Index ⁹⁾	365,827,111	3.21	4.71	(0.08)	N/A	N/A	
William Blair EM Equity	424,630,454	3.72	4.86	3.59	N/A	N/A	
Blackrock MSCI World ex- U.S Index ⁷⁾	962,237,995	8.44	1.72	2.18	5.12	N/A	
Total Int'l Equity ⁸⁾	2,873,285,628	25.20	2.75	1.65	0.30	5.05	
Benchmark: MSCI ACWI ex US IMI Gross			2.34	1.23	1.64	4.51	
Relative Performance			0.41	0.42	(1.33)	0.54	
FIXED INCOME							
Baird Advisors	1,181,202,064	10.36	(1.32)	(1.30)	(2.62)	2.34	
Loomis Sayles	279,524,571	2.45	(0.75)	(0.81)	(1.29)	3.96	
Brandywine Global FI	185,988,456	1.63	(2.00)	(4.95)	(6.18)	1.18	
Total Fixed Income	1,646,715,091	14.44	(1.30)	(1.64)	(2.79)	2.61	
Benchmark: 75 BC AG/15 SSSI WGBxUS/10 BC HI YLD			(1.23)	(1.80)	(3.59)	1.25	
Relative Performance			(0.07)	0.15	0.80	1.37	
REAL ESTATE							
Total Real Estate	780,614,457	6.85	(0.45)	(2.96)	5.24	7.48	
Benchmark: NCREIF CUSTOM INDEX			(4.83)	(4.83)	5.97	7.61	
Relative Performance			4.38	1.87	(0.73)	(0.12)	
PRIVATE EQUITY							
Total Private Equity	1,133,900,247	9.94	0.35	0.29	16.33	15.60	
Benchmark: Cambridge Global Private Equity 1 Q Lag ⁴⁾			N/A	N/A	N/A	N/A	
Relative Performance			N/A	N/A	N/A	N/A	
ABSOLUTE RETURN							
Total Absolute Return	919,648,591	8.07	1.22	1.98	9.35	3.53	
Benchmark: HFRI Fund of Funds Composite Index			1.67	2.40	2.30	3.36	
Relative Performance			(0.45)	(0.43)	7.05	0.17	
REAL ASSETS							
Total Real Assets	650,171,860	5.70	0.63	(1.66)	9.16	(0.37)	
Benchmark: TOTAL REAL ASSETS CUSTOM BENCHMARK ³⁾			(0.12)	(4.19)	6.24	N/A	
Relative Performance			0.74	2.53	2.92	N/A	
Private Credit							
Total Private Credit	308,399,102	2.70	0.18	0.20	8.54	N/A	
Benchmark: S&P LSTA US Leveraged Loan 100 Index			1.12	1.44	5.23	4.08	
Relative Performance			(0.94)	(1.24)	3.31	N/A	
OVERLAY SERVICES							
OVERLAY SERVICES*	27,978,751	0.25	7.65*	4.59	N/A	N/A	
CASH / OTHER							
Cash Acct. ¹⁰⁾	114,864,429	1.01	0.39	0.77	2.52	1.68	
SSGA Transition ⁹⁾	6,332	0.00					
Total Fund ¹⁾	\$11,402,594,564	100.0	2.05	(0.53)	4.40	6.95	
Policy Index ²⁾			2.19	2.10	4.79	7.50	
Relative Performance			(0.15)	(2.64)	(0.40)	(0.55)	

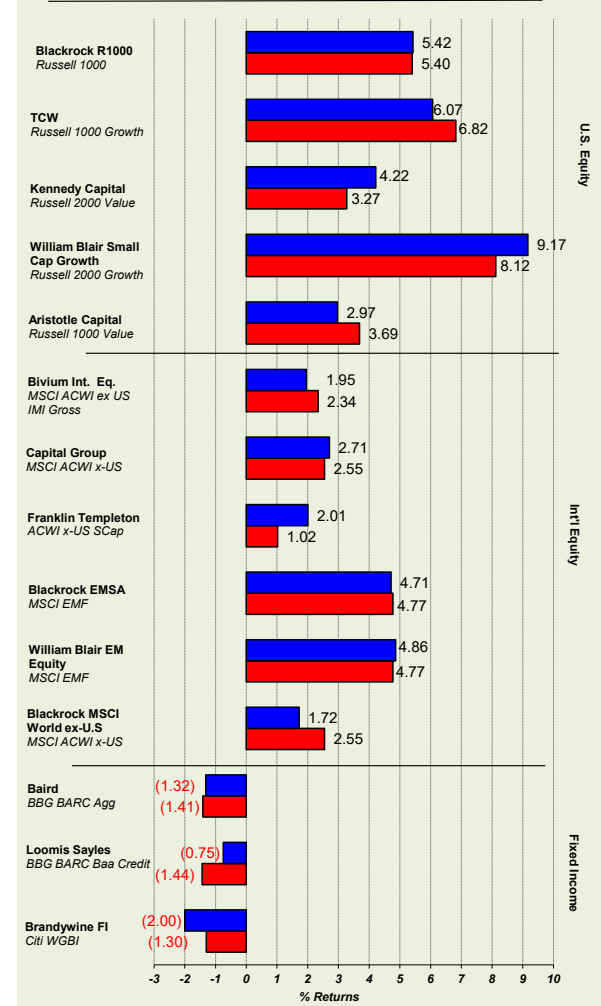
Monthly Commentary

Global public equities rallied and posted significant gains in February, and long-dated fixed income debt posted losses fueled by higher Treasury rates. Treasury yields increased in February as inflation remained somewhat elevated.

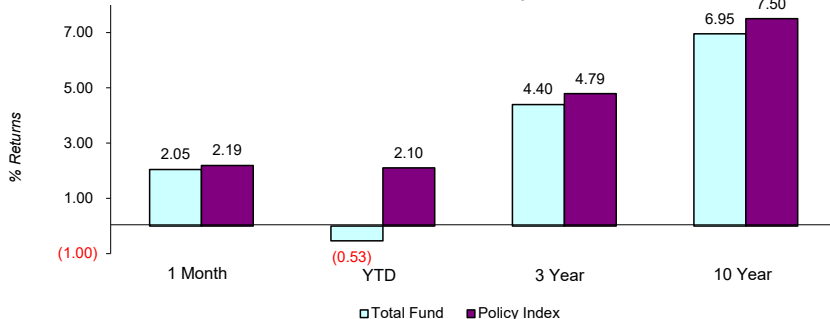
U.S. Equities gained 5.3%, according to the S&P 500 Index. During the same period, non-U.S. equities also experienced gains with international developed markets returning 1.8% and Emerging Markets returning 4.8%, according to the MSCI EAFE Index and MSCI EM Index respectively. The treasury curve rose modestly from the previous month and remained inverted from the one- to five-year tenors. This generally resulted in losses for investment-grade fixed-income markets, with long-credit fixed income experiencing somewhat lower losses compared to long treasuries.

ACERA's Total Fund returned 2.05%, underperforming the policy index by 15 bps. The U.S. Equity asset class outperformed its benchmarks by 1 bp, while the Int'l Equity asset class outperformed its benchmarks by 41 bps. The Fixed Income asset class underperformed its benchmark by 7 bps. William Blair Small Cap Growth outperformed its benchmark by 104 bps while TCW underperformed its benchmark by 75 bps. The ending market value of the Total Fund was \$11,402,594,564.

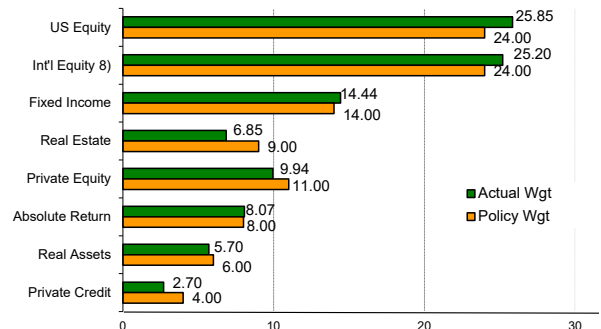
Monthly Return - Account vs. Benchmark



Total Fund Return vs. Policy Index



Asset Allocation - Actual vs. Target



*The standard methodology used to calculate the Overlay Services return does not accurately represent the performance of the cash overlay account because the average monthly cash balance of the plan (available for overlay) is not included. For February 2024, the average monthly cash balance was \$102 million and the Overlay Services return was 2.72%.

1. The Total Fund is calculated using the latest available valuations for Private Equity, Absolute Return, Real Estate and Real Assets.

2. The Policy Benchmark reflects the 11/30/2023 NCREIF ODCE.

3. The Real Assets Custom Benchmark was adopted by the Board in March 2016 and consists of 60% S&P Global Infrastructure Index/35% S&P Global LargeMidCap Commodity and Resources/5% Bloomberg Commodity Index.**

4. The rights for the Cambridge indices were recently purchased by IHS Markit. The Cambridge data will be temporarily unavailable while State Street and ACERA work through licensing issues.
5. Relative performance may not compute due to rounding.
6. See sensitivity grid below (numbers may be estimates).
7. The BlackRock MSCI World ex-US Net benchmark is the correct benchmark that should be used and returned a 1.71% for the month of February. The erroneous 2.55% return of the current benchmark (MSCI ACWI x-US) is a result of a licensing issue that staff and SSB are addressing and will be corrected upon resolution of the named licensing issue.
8. The International Equity Total includes a \$3.8M residual balance of open receivables from the Mondrian account.
9. The Blackrock EMSFA fund is a temporary account to gain emerging markets exposure from liquidating Mondrian. Once the international equity transition plan resumes, the funds will be used to fund the new emerging markets manager and close this EMSFA fund.
10. Cash Balance is reflective of cash raise in preparation for monthly payroll wires and capital calls; balance is monitored daily and invested via overlay.

	Amount (in 000,000s)	in bps
Retiree Payroll paid from Fund	(\$25.00)	(22.32)
Net Total Payroll Supplement	(\$25.00)	(22.32)
Estimated Monthly Manager/ Consultant Fees	(\$4.00)	(3.57)
Distributions less Capital Calls	(\$7.91)	(7.07)

Data provided by State Street Analytics
 Prepared by: State Street Analytics
 Commentary Source contributed by: NEPC
 Verified by: Investment Staff
 Date: 03/20/2024

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