
Oklahoma Law Enforcement Retirement System

Market Update and Portfolio Review

April 30, 2023



2018 2019 2020 2021 2022

We are proud to announce that ACG has again been named a Greenwich Associates Quality Leader - recognized as one of the top consultants in the industry.

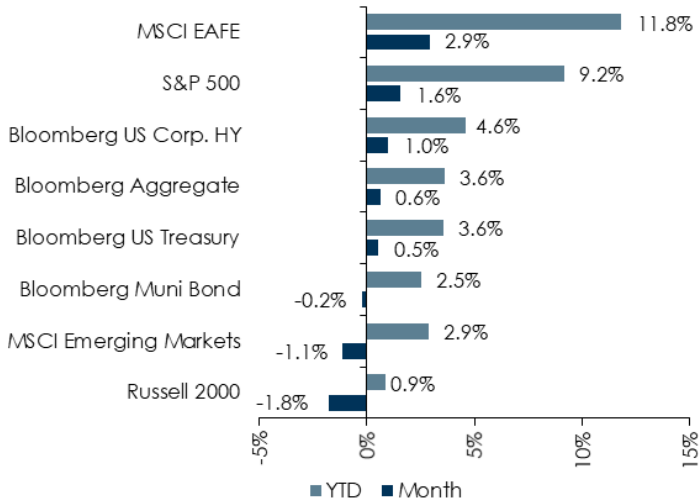
Methodology and Disclosure: Between February and November of 2022, Coalition Greenwich (previously known as Greenwich Associates), conducted in-person and phone interviews and online surveys with 727 professionals at 590 of the largest tax-exempt funds in the United States, including corporate and union funds, public funds, endowments and foundations, insurance general accounts, and healthcare organizations, with either pension or investment pool assets greater than \$150 million. Study participants were asked to provide quantitative and qualitative evaluations of their asset managers and investment consultants, including qualitative assessments of those firms soliciting their business and detailed information on important market trends. ACG is one of four firms recognized in the mid-size investment consultant category. The ratings may not be representative of any one client's experience with ACG; rather they are representative of those clients that chose to participate in the survey. The results are not indicative of ACG's future performance. ACG does not pay to have its clients participate in the study.

Economic Overview

- First Republic became the 3rd recent failure of a mid-sized bank, yet markets remained calm as risks to the financial system were downplayed
- US real GDP grew at a 1.1% annualized pace in 1Q23, below expectations and a slowdown from the 2.6% rate in the fourth quarter of 2022
- CPI fell from 6.0% to 5.0%, below forecasts, but the market is still expecting an additional 25 bps Fed rate hike in early May

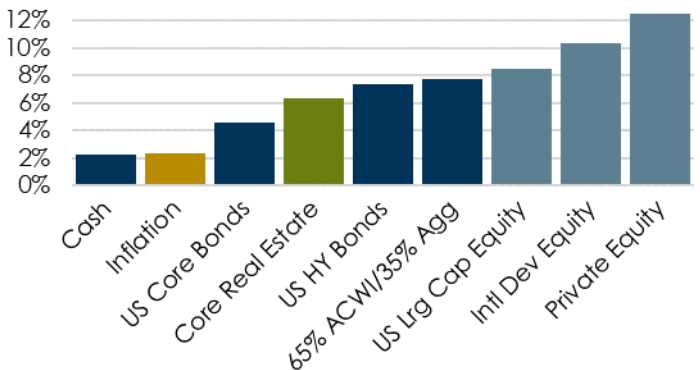
Market Returns

- April returns were mixed with US large, int'l dev. leading
- US small, EM lag on banking fears and China political tensions



Source: Bloomberg, ACG Research (as of 4/30/2023)

Average Annual Return Assumptions (Next 10 Years)



Asset Class Valuations - Rebalancing Rationale

- Equities currently priced for a mild recession
- Favor core bonds (US Treasuries) over high yield
- Cash remains attractive with yields around 5%

Asset Class	Current Valuation	Rationale
US Large Cap	Overvalued	Balanced upside/downside risks
US Small Cap	Overvalued	Balanced upside/downside risks
Int'l Developed	Fairly Valued	Favorable valuations, currency tailwinds
Emerging Mkt	Overvalued	Balanced upside/downside risks

Cash	Overvalued	High current yield
Core Bonds	Overvalued	Favor high quality
Multi-Sector	Fairly Valued	Duration, spreads balanced
Unconstrained	Fairly Valued	Duration, spreads balanced

Core Real Estate: Historically low (but rising) cap rates

Legend: Overvalued (Red), Fairly Valued (Yellow), Undervalued (Green)

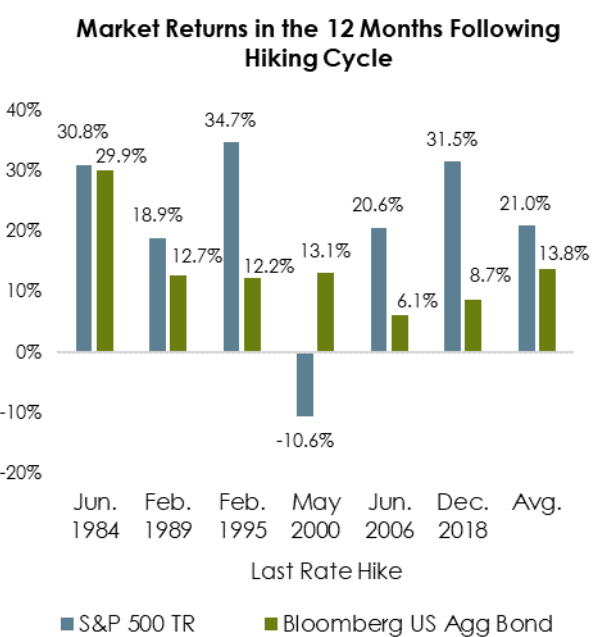
Recent Articles (click on links below)

- [US Banking System & the Economy \(May\)](#)
- [Covid – Three-Year Update \(March\)](#)
- [China Reopening \(January\)](#)

Key Risk Factors We Are Watching

- Inflation and labor market data
- Tightening financial conditions, Fed mistake
- Potential bank-crisis contagion
- Downward revisions to corporate earnings
- Ongoing geopolitical tensions
- Potential debt ceiling crisis

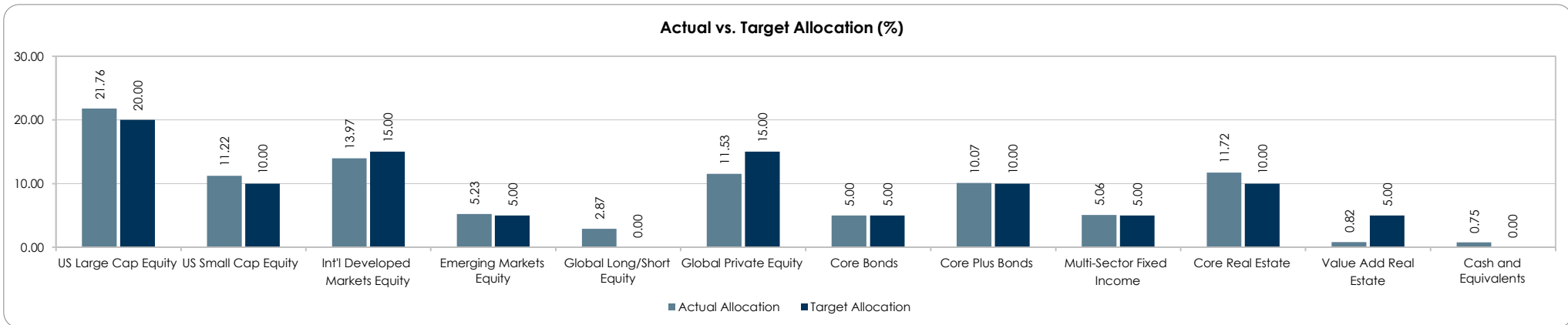
Markets Generally Perform Well After Fed Peaks



Source: Bloomberg

Oklahoma Law Enforcement Retirement System

For the Periods Ending April 30, 2023



Asset Class	Market Value (\$000s)	Actual Allocation (%)	Target Allocation (%)	Over/Under (%)	Range Min - Max (%)
Total Portfolio	1,077,467	100.00	100.00		
Equity	717,359	66.58	65.00	1.58	
US Large Cap Equity	234,504	21.76	20.00	1.76	15.00 - 25.00
US Small Cap Equity	120,840	11.22	10.00	1.22	5.00 - 15.00
Int'l Developed Markets Equity	150,537	13.97	15.00	-1.03	10.00 - 20.00
Emerging Markets Equity	56,356	5.23	5.00	0.23	0.00 - 10.00
Global Long/Short Equity	30,895	2.87	0.00	2.87	0.00 - 10.00
Global Private Equity	124,227	11.53	15.00	-3.47	10.00 - 20.00
Fixed Income	216,880	20.13	20.00	0.13	
Core Bonds	53,882	5.00	5.00	0.00	0.00 - 10.00
Core Plus Bonds	108,520	10.07	10.00	0.07	5.00 - 15.00
Multi-Sector Fixed Income	54,479	5.06	5.00	0.06	0.00 - 10.00
Real Assets	135,115	12.54	15.00	-2.46	
Core Real Estate	126,266	11.72	10.00	1.72	5.00 - 15.00
Value Add Real Estate	8,850	0.82	5.00	-4.18	0.00 - 10.00
Cash and Equivalents	8,112	0.75	0.00	0.75	

Oklahoma Law Enforcement Retirement System

For the Periods Ending April 30, 2023

	Apr 2023 Market Value (\$000s)	Mar 2023 Market Value (\$000s)	Actual Allocation (%)	1 Month (%)	YTD (%)	FYTD (%)	1 Year (%)	3 Years (%)	5 Years (%)	10 Years (%)	Since Inception (%)
Total Portfolio (01/92)	1,077,467	1,078,069	100.00	0.32	4.18	4.22	-0.84	8.14	5.31	6.53	7.52
<i>Policy Index</i> ¹				0.85	5.30	6.13	1.14	8.41	6.52	7.11	7.78
US Large Cap Equity (04/10)	234,504	238,220	21.76	0.97	8.98	11.20	1.38	14.62	10.66	12.33	12.41
<i>S&P 500</i>				1.56	9.18	11.70	2.66	14.52	11.45	12.20	12.39
US Small Cap Equity (11/09)	120,840	122,630	11.22	-1.46	1.04	6.75	-1.84	14.23	5.91	8.59	11.48
<i>Russell 2000</i>				-1.80	0.89	4.83	-3.65	11.90	4.15	7.88	10.33
Non-US Equity (04/94)	206,893	203,672	19.20	1.59	9.55	10.87	2.07	9.57	3.11	4.64	5.72
<i>MSCI ACWI ex US</i>				1.81	8.94	12.38	3.61	10.25	2.99	4.45	5.52
Global Long/Short Equity (04/10)	30,895	35,966	2.87	0.62	2.97	6.50	-1.69	0.29	0.22	3.60	3.96
<i>MSCI ACWI</i>				1.48	9.04	11.78	2.59	12.56	7.56	8.47	8.62
<i>HFRI FOF: Strategic</i>				1.19	2.41	3.31	-0.67	5.96	2.48	3.16	3.00
Global Private Equity (12/01) *	124,227	123,173	11.53	-0.29	0.49	-1.78	-3.45	20.93	14.01	11.86	6.18
Fixed Income (10/90)	216,880	215,427	20.13	0.67	4.04	1.38	-0.47	-2.84	0.11	1.09	5.96
<i>Bloomberg US Aggregate</i>				0.61	3.59	0.51	-0.43	-3.15	1.18	1.32	5.16
Real Assets (06/99)	135,115	136,933	12.54	-1.13	-4.30	-8.45	-6.04	6.49	5.22	6.39	6.92
<i>Real Assets Blended Index</i> ²				0.00	-3.38	-8.09	-3.92	7.46	5.38	5.79	6.22
Cash and Equivalents (06/11)	8,112	2,050	0.75	0.42	1.64	3.23	3.41	1.29	1.67	1.14	1.02

Fiscal YTD is June 30.

* Performance is reported net of fees.

¹ Policy Index: Effective July 2021, the index consists of 35.00% S&P 500, 10.00% Russell 2000, 20.00% MSCI ACWI ex US, 20.00% Bloomberg US Aggregate, 15.00% NFI ODCE Net.

² Real Assets Blended Index: Effective October 2019, the index consists of 100.0% NFI ODCE Net.

Oklahoma Law Enforcement Retirement System

For the Periods Ending April 30, 2023

	Apr 2023 Market Value (\$000s)	Mar 2023 Market Value (\$000s)	Actual Allocation (%)	1 Month (%)	YTD (%)	FYTD (%)	1 Year (%)	3 Years (%)	5 Years (%)	10 Years (%)	Since Inception (%)
Equity											
US Large Cap Equity											
Hotchkis and Wiley (30 bp) (05/90)	65,955	67,353	6.12	0.90	4.23	13.46	5.66	22.17	8.49	10.78	10.61
<i>Russell 1000 Value</i>				1.51	2.53	8.79	1.21	14.38	7.75	9.13	9.77
NT S&P 500 Index Fund (1 bp) (08/08)	102,492	100,917	9.51	1.56	9.17	11.70	2.66	14.55	11.46	12.21	10.64
<i>S&P 500</i>				1.56	9.18	11.70	2.66	14.52	11.45	12.20	10.62
Polen (50 bp) (01/19)	66,057	69,950	6.13	0.16	14.47	8.36	-4.43	6.43	--	--	12.52
<i>Russell 1000 Growth</i>				0.99	15.49	13.78	2.34	13.62	13.80	14.46	16.97
US Small Cap Equity											
Kennedy Capital (89 bp) (07/93)	58,857	60,285	5.46	-2.37	-2.06	5.95	-0.88	21.27	6.65	9.62	12.11
<i>Russell 2000 Value</i>				-2.49	-3.13	0.18	-7.99	15.44	3.66	6.96	9.15
Wellington (80 bp) (09/16)	61,983	62,345	5.75	-0.58	4.17	7.75	-2.86	7.02	4.61	--	7.92
<i>Russell 2000 Growth</i>				-1.16	4.84	9.44	0.72	7.82	4.00	8.44	7.29
International Developed Markets Equity											
Mondrian International (52 bp) (01/05)	79,580	76,895	7.39	3.49	13.50	13.82	7.17	12.62	2.71	4.69	5.06
<i>MSCI EAFE</i>				2.93	11.80	19.06	9.00	12.22	4.14	5.25	5.21
<i>MSCI EAFE Value</i>				3.34	9.68	18.03	9.15	14.52	2.41	4.05	4.30
Barings Focused EAFE Plus Equity (40 bp) (02/12)	70,957	69,188	6.59	2.56	10.87	16.89	6.79	8.55	3.21	5.37	5.68
<i>MSCI ACWI ex US</i>				1.81	8.94	12.38	3.61	10.25	2.99	4.45	5.47
Emerging Markets Equity											
William Blair EM Leaders (76 bp) (10/16)	40,055	41,088	3.72	-2.51	1.64	-1.35	-8.95	3.05	0.31	--	4.43
<i>MSCI Emerging Markets</i>				-1.11	2.86	0.04	-6.09	4.71	-0.67	2.18	3.95
Wasatch Advisors (110 bp) (07/12)	16,301	16,502	1.51	-1.10	6.29	5.92	-9.42	11.60	5.94	4.42	6.13
<i>MSCI EM SC</i>				0.70	4.67	7.69	-5.12	16.35	2.40	3.42	5.02
Long/Short Equity											
Grosvenor (80 bp) (02/08)	357	296	0.03	20.61	17.33	9.91	7.86	8.72	5.20	6.14	4.45
<i>MSCI ACWI</i>				1.48	9.04	11.78	2.59	12.56	7.56	8.47	6.50
<i>HFRI FOF: Strategic</i>				1.19	2.41	3.31	-0.67	5.96	2.48	3.16	1.84
K2 Ascent (27 bp) (08/20)	30,538	35,669	2.83	0.43	2.82	6.43	-1.81	--	--	--	-0.75
<i>MSCI ACWI</i>				1.48	9.04	11.78	2.59	12.56	7.56	8.47	8.65
<i>HFRI FOF: Strategic</i>				1.19	2.41	3.31	-0.67	5.96	2.48	3.16	3.28
Private Equity (12/01) *	124,227	123,173	11.53	-0.29	0.49	-1.78	-3.45	20.93	14.01	11.86	6.18

* Performance is reported net of fees.

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Fixed Income											
Core Bonds											
NT Aggregate Index Fund (2 bp) (04/04)	53,882	53,555	5.00	0.61	3.56	0.57	-0.32	-3.13	1.22	1.36	3.09
<i>Bloomberg US Aggregate</i>				<i>0.61</i>	<i>3.59</i>	<i>0.51</i>	<i>-0.43</i>	<i>-3.15</i>	<i>1.18</i>	<i>1.32</i>	<i>3.08</i>
Core Plus Bonds											
TCW Asset Management (34 bp) (10/93)	108,520	107,726	10.07	0.74	4.32	0.93	-0.83	-1.96	2.01	2.14	5.08
<i>Bloomberg US Aggregate</i>				<i>0.61</i>	<i>3.59</i>	<i>0.51</i>	<i>-0.43</i>	<i>-3.15</i>	<i>1.18</i>	<i>1.32</i>	<i>4.41</i>
Multi Sector Fixed Income											
Loomis Sayles (35 bp) (09/21)	54,479	54,146	5.06	0.61	3.98	3.15	-0.08	--	--	--	-5.79
<i>Bloomberg Gov't/Credit</i>				<i>0.63</i>	<i>3.82</i>	<i>0.87</i>	<i>-0.26</i>	<i>-3.14</i>	<i>1.46</i>	<i>1.44</i>	<i>-6.80</i>
Real Assets											
Real Estate											
JPM Strategic Property Fund (92 bp) (04/12)	104,867	105,395	9.73	-0.28	-3.26	-9.24	-6.71	6.83	6.38	8.74	9.14
<i>NFI ODCE Net</i>				<i>0.00</i>	<i>-3.38</i>	<i>-8.09</i>	<i>-3.92</i>	<i>7.46</i>	<i>6.56</i>	<i>8.47</i>	<i>8.51</i>
UBS Trumbull Property Fund (68 bp) (01/13)	16,598	17,888	1.54	-7.04	-11.87	-11.86	-8.32	3.02	2.45	6.03	6.00
<i>NFI ODCE Net</i>				<i>0.00</i>	<i>-3.38</i>	<i>-8.09</i>	<i>-3.92</i>	<i>7.46</i>	<i>6.56</i>	<i>8.47</i>	<i>8.44</i>
Colcord Center (11/07)³	4,800	4,800	0.45	0.04	-3.05	2.91	-0.81	4.53	4.83	5.65	5.12
Value Add Real Estate (02/22)	8,850	8,850	0.82	0.00	-1.51	6.47	6.47	--	--	--	14.29
Cash and Equivalents (03/10)	8,112	2,050	0.75	0.42	1.64	3.23	3.41	1.29	1.67	1.13	0.95

³ Performance is based on monthly cash flows and an annual appraisal valuation.

Investment management fee estimates stated after the manager names are calculated based on March 31, 2021 market values and exclude performance based fees.

Global Private Equity

For the Period Ending April 30, 2023

Summary of Cash Flows for 1 Month

Cash Outflows	Cash Inflows	Net Cash Flows
-1,659,120	247,067	-1,412,053

Summary of Portfolio Inception to Date

	Inception Date	Committed	Drawn to Date	Remaining Commitment	Distributions to Date	Adjusted Ending Value	Total Value	Total Value to Paid-in
Total	Dec-01	232,685,000	141,080,786	95,535,626	75,349,720	124,226,953	199,576,673	1.41x
AMR I	Dec-01	8,000,000	8,352,692	-	9,400,696	-	9,400,696	1.13x
Knightsbridge VI	Dec-04	10,000,000	9,506,658	493,342	15,170,861	2,138,198	17,309,059	1.82x
AMR / APEP II	Dec-05	10,000,000	10,110,724	18,407	12,616,531	45,242	12,661,773	1.25x
Knightsbridge VII	Aug-08	7,500,000	6,247,505	1,252,495	12,854,689	5,981,434	18,836,123	3.01x
Apollo VIII	Feb-14	10,000,000	10,583,139	1,054,177	11,539,403	3,798,431	15,337,833	1.45x
Warburg Pincus XII	Dec-15	10,000,000	9,865,000	135,000	10,331,292	10,136,248	20,467,540	2.07x
Apollo IX	Mar-19	8,500,000	7,622,831	2,689,442	2,799,212	7,601,358	10,400,570	1.36x
Warburg Pincus Global Growth	Mar-19	40,000,000	35,180,000	4,820,000	290,000	46,625,521	46,915,521	1.33x
FirstMark Capital Opportunity Fund III	Jun-20	5,000,000	5,000,000	-	201,123	4,900,788	5,101,911	1.02x
CVI Credit Value Fund A V LP	Jul-20	15,000,000	9,750,000	5,250,000	-	10,241,762	10,241,762	1.05x
FirstMark Capital Fund V	Jul-20	5,000,000	3,325,000	1,675,000	114,914	4,390,410	4,505,324	1.35x
Oaktree Opportunities Fund XI	Aug-20	15,000,000	10,500,000	4,500,000	31,000	12,176,349	12,207,349	1.16x
Francisco Partners Agility II	Sep-20	4,050,000	2,577,825	1,472,175	-	2,905,437	2,905,437	1.13x
Francisco Partners VI	Jan-21	12,135,000	10,284,412	1,850,588	-	11,159,014	11,159,014	1.09x
Warburg Pincus Global Growth 14	Jun-22	10,000,000	2,000,000	8,000,000	-	1,951,761	1,951,761	0.98x
FirstMark Capital OF IV	Apr-23	5,000,000	175,000	4,825,000	-	175,000	175,000	1.00x
FirstMark Capital VI		5,000,000	-	5,000,000	-	-	-	-
Clayton, Dubilier, & Rice Fund XII		10,000,000	-	10,000,000	-	-	-	-
Saw Mill Capital Partners III		12,500,000	-	12,500,000	-	-	-	-
TrueBridge Capital Partners Fund VIII		5,000,000	-	5,000,000	-	-	-	-
TrueBridge Secondaries I		5,000,000	-	5,000,000	-	-	-	-
Francisco Partners Agility III		5,000,000	-	5,000,000	-	-	-	-
Francisco Partners VII		15,000,000	-	15,000,000	-	-	-	-

Global Private Equity

For the Period Ending April 30, 2023

Cash Flow Activity for 1 Month

Fund Name	Date	Transaction Type	Cash Outflows	Cash Inflows	Net Cash Flows
Total			-1,659,120	247,067	-1,412,053
Francisco Partners VI	4/05/2023	Capital Call	-1,359,120	-	
Knightsbridge VII	4/05/2023	Distribution	-	247,067	
FirstMark Capital Fund V	4/13/2023	Capital Call	-125,000	-	
FirstMark Capital OF IV	4/24/2023	Capital Call	-175,000	-	

Value Add Real Estate

For the Period Ending April 30, 2023

Summary of Cash Flows for 1 Month

Cash Outflows	Cash Inflows	Net Cash Flows
-	-	-

Summary of Portfolio Inception to Date

	Inception Date	Committed	Drawn to Date	Remaining Commitment	Distributions to Date	Adjusted Ending Value	Total Value	Total Value to Paid-in
Total	Jan-22	70,000,000	8,074,899	61,925,101	-	8,849,643	8,849,643	1.10x
Starwood Distressed Opp. Fund XII	Jan-22	30,000,000	6,000,000	24,000,000	-	6,920,507	6,920,507	1.15x
Angelo Gordon XI	Oct-22	20,000,000	2,000,000	18,000,000	-	1,854,237	1,854,237	0.93x
Blackstone Real Estate Partners X	Mar-23	20,000,000	74,899	19,925,101	-	74,899	74,899	1.00x

Cash Flow Activity for 1 Month

Fund Name	Date	Transaction Type	Cash Outflows	Cash Inflows	Net Cash Flows
Total			-	-	-

Market Overview

For the Periods Ending April 30, 2023

	1 Month (%)	YTD (%)	FYTD (%)	1 Year (%)	3 Years (%)	5 Years (%)	10 Years (%)
Equity Markets - Core							
S&P 500	1.56	9.18	11.70	2.66	14.52	11.45	12.20
Russell 1000	1.24	8.79	11.29	1.82	14.22	11.07	11.95
Russell Mid Cap	-0.53	3.51	9.12	-1.69	13.78	7.97	9.85
Russell 2000	-1.80	0.89	4.83	-3.65	11.90	4.15	7.88
Equity Markets - Growth							
Russell 1000 Growth	0.99	15.49	13.78	2.34	13.62	13.80	14.46
Russell Mid Cap Growth	-1.45	7.56	14.23	1.60	9.21	8.96	10.84
Russell 2000 Growth	-1.16	4.84	9.44	0.72	7.82	4.00	8.44
Equity Markets - Value							
Russell 1000 Value	1.51	2.53	8.79	1.21	14.38	7.75	9.13
Russell Mid Cap Value	0.01	1.33	6.40	-3.47	15.76	6.43	8.68
Russell 2000 Value	-2.49	-3.13	0.18	-7.99	15.44	3.66	6.96
International Markets							
MSCI EAFE	2.93	11.80	19.06	9.00	12.22	4.14	5.25
MSCI ACWI ex US	1.81	8.94	12.38	3.61	10.25	2.99	4.45
MSCI World	1.80	9.82	13.34	3.72	13.64	8.69	9.29
MSCI Emerging Markets	-1.11	2.86	0.04	-6.09	4.71	-0.67	2.18
MSCI EM SC	0.70	4.67	7.69	-5.12	16.35	2.40	3.42
Fixed Income							
ICE BofA ML 1-3 Yr Treasury	0.25	1.81	0.95	0.93	-0.74	1.19	0.83
Bloomberg Intermediate Agg	0.58	2.98	0.73	0.30	-2.14	1.22	1.22
Bloomberg Intermediate G/C	0.61	2.96	1.34	0.96	-1.54	1.63	1.32
Bloomberg US Aggregate	0.61	3.59	0.51	-0.43	-3.15	1.18	1.32
Bloomberg Gov't/Credit	0.63	3.82	0.87	-0.26	-3.14	1.46	1.44
ICE BofA ML High Yield Master II	0.93	4.69	8.11	1.02	4.86	3.11	3.93
FTSE World Govt Bond	0.41	3.93	-0.31	-3.51	-5.53	-1.90	-0.66
Bloomberg Multiverse	0.44	3.47	1.02	-2.17	-3.58	-0.84	0.12

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