



Monthly Flash Report - Preliminary Performance

# Broward Health Pension Fund

Period Ending October 31, 2022

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# Market Environment – October 2022

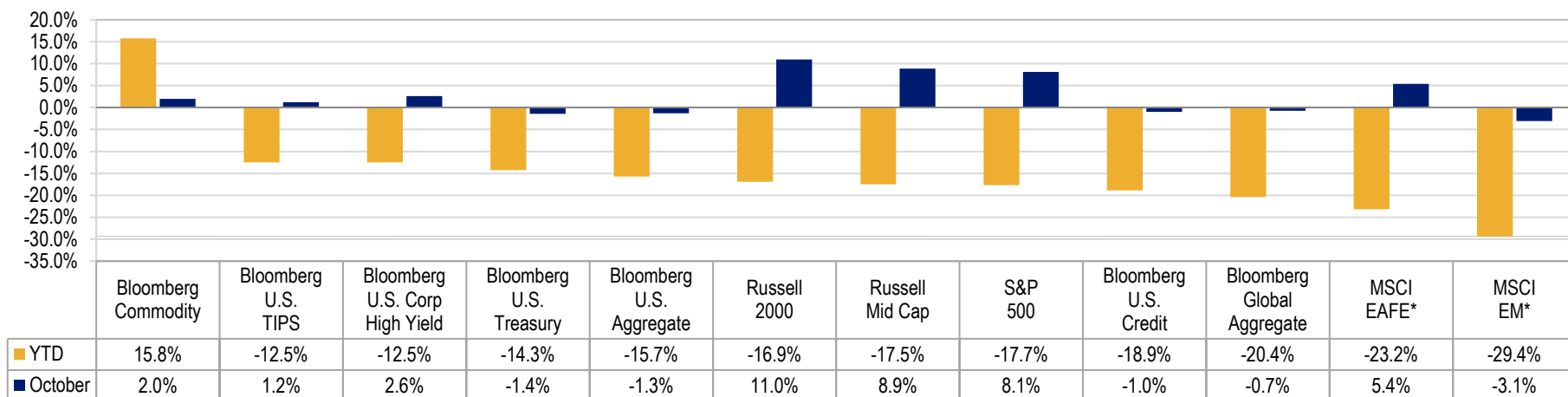
## October Highlights

- ❑ The U.S. economy gained 261,000 jobs in October, a strong number but the lowest since December 2020. Unemployment ticked up to 3.7%. Job gains were led by the health care sector. The October report shows that the job market is slowly cooling as the Federal Reserve continues to hike rates as high inflation persists.
- ❑ U.S. stocks rose in October. All capitalization sizes gained in the month, with small caps surging the most. All sectors increased, with the energy sector (+25%) making the biggest gain.
- ❑ Non-U.S. developed markets equity returns were more mixed amid continuing concerns on growth, inflation, energy and the European Central Bank's most recent 75 basis-point hike. EM stocks were lower with China stocks declining amid the effects of that country's continuing zero-Covid policy.
- ❑ Treasuries were lower as solid employment data and still-high inflation foreshadowed further Fed rate hikes. High yield debt rose as meaningful yields attracted investors and the risk on environment in the month.
- ❑ Commodities rose with huge gains for energy offsetting weaker performance by agriculture and precious metals.

## YTD Highlights

- ❑ The economic effects of the COVID-19 outbreak continues to impact areas like China. The Russia/Ukraine conflict, higher interest rates and high inflation have all taken a toll on global growth sentiment.
- ❑ Despite the July and October rebounds, all capitalization sizes of US stocks are sharply negative year to date. Large capitalization is down the most and growth continues to underperform value.
- ❑ While both non-U.S. developed and emerging market stocks are negative so far in 2022, country specific performance varies, with commodity-driven economies like Brazil and other Latin American countries faring best and Asia, led by China, down the most.
- ❑ All fixed income sectors are negative year to date. TIPS, which had benefited on a relative basis from support in this inflationary environment, are also negative YTD in spite of a positive October.
- ❑ Despite struggling in the third quarter, commodities have been the strongest performers year to date, with volatility in energy prices and other commodities rising on continued fears of inflation and supply constraints.

## Returns



**Broward Health Pension Fund**  
*Asset Allocation Comparison as of October 31, 2022*

<u>TARGET ALLOCATIONS</u>			<u>CURRENT MANAGERS &amp; ALLOCATIONS</u>				<u>DIFF.</u>	<u>RANGES</u>
<u>EQUITIES</u>								
Large Cap Equity	16.00%	\$61,588,001	SSgA S&P 500 ex Tobacco (Large Cap Core)	13.91%	\$53,536,166			
			Large Cap Equity	<b>13.91%</b>	<b>\$53,536,166</b>	-2.09%	11-21%	
			Vanguard Extended Market Index Instl	2.58%	\$9,927,623			
			Westfield (SMID Growth)	2.63%	\$10,104,856			
			Earnest Partners (Small/Mid Value) - Pending Funding	0.00%	\$0			
Small/Mid Cap Equity	6.00%	\$23,095,500	Small/Mid Cap Equity	<b>5.20%</b>	<b>\$20,032,479</b>	-0.80%	3-9%	
			Wellington	9.23%	\$35,518,547			
International	11.00%	\$42,341,751	International	<b>9.23%</b>	<b>\$35,518,547</b>	-1.77%	6-16%	
			Brandes	1.42%	\$5,474,868			
			JP Morgan	1.31%	\$5,051,838			
Emerging Markets Equity	3.00%	\$11,547,750	Emerging Markets Equity	<b>2.73%</b>	<b>\$10,526,706</b>	-0.27%	0-6%	
<b>Equities Total</b>	<b>36.00%</b>	<b>\$138,573,002</b>	<b>Equities Total</b>	<b>31.07%</b>	<b>\$119,613,898</b>	<b>-4.93%</b>		
<u>FIXED INCOME</u>								
Core Fixed Income	20.00%	\$76,985,001	Baird Advisors	15.88%	\$61,134,105			
			Core Fixed Income	<b>15.88%</b>	<b>\$61,134,105</b>	-4.12%	15-25%	
TIPS	3.00%	\$11,547,750	SSgA TIPS Index	3.15%	\$12,140,016			
			TIPS	<b>3.15%</b>	<b>\$12,140,016</b>	0.15%	0-6%	
Unconstrained Fixed Including HY	8.00%	\$30,794,000	BlackRock	3.95%	\$15,201,670			
			Loomis	3.83%	\$14,731,182			
<b>Fixed Income Total</b>	<b>31.00%</b>	<b>\$119,326,752</b>	<b>Unconstrained Fixed Including HY</b>	<b>7.78%</b>	<b>\$29,932,852</b>	<b>-0.22%</b>	<b>5-11%</b>	
			<b>Fixed Income Total</b>	<b>26.81%</b>	<b>\$103,206,973</b>	<b>-4.19%</b>		
<u>REAL ESTATE</u>								
				<u>Commitment</u>	<u>Contributions</u>	<u>Distributions</u>		
			Invesco Core Real Estate USA	N/A	N/A	N/A	9.99%	
			Brookfield Strategic RE Partners III*	\$16,000,000	\$13,873,286	\$2,967,730	3.79%	
			Dune RE Fund IV LP*	\$8,000,000	\$3,639,486	\$46,389	1.05%	
<b>Real Estate Total</b>	<b>10.00%</b>	<b>\$38,492,501</b>	<b>Real Estate Total</b>				<b>14.83%</b>	
							<b>\$57,075,444</b>	
							<b>4.83%</b>	
							<b>5-15%</b>	

**TARGET ALLOCATIONS**

**CURRENT MANAGERS & ALLOCATIONS**

**DIFF.**

**RANGES**

<b>ALTERNATIVES</b>						<i>Commitment</i>	<i>Contributions</i>	<i>Distributions</i>				
			QVT Mount Auburn*			\$5,000,000	\$4,164,937	\$7,133,390	0.00%	\$9,053		
			Investcorp Technology Partners III*			\$3,000,000	\$2,776,782	\$5,342,520	0.00%	\$6,176		
			Lexington Capital Partners VII*			\$2,500,000	\$2,244,962	\$3,307,102	0.10%	\$373,392		
			Trivest Fund IV*			\$4,000,000	\$4,641,370	\$11,648,005	0.00%	\$7,687		
			Trivest Fund V*			\$3,000,000	\$2,965,951	\$6,306,442	0.64%	\$2,459,992		
			Levine Leichtman V*			\$1,250,000	\$1,968,035	\$2,972,827	0.14%	\$557,048		
			Z Capital Special Situations Fund II, L.P.*			\$2,500,000	\$2,848,622	\$1,901,377	0.85%	\$3,289,620		
			Sentinel V*			\$1,250,000	\$1,350,901	\$2,179,414	0.15%	\$583,654		
			Wave Equity Fund, L.P.*			\$2,000,000	\$1,892,877	\$0	0.98%	\$3,763,814		
			Wave Equity Fund II, L.P.*			\$5,000,000	\$4,900,000	\$0	1.62%	\$6,248,321		
			Snow Phipps III*			\$4,000,000	\$4,072,898	\$4,924,773	0.75%	\$2,905,525		
			LCM Healthcare Fund I*			\$4,000,000	\$2,885,762	\$500,924	1.17%	\$4,509,290		
			W Capital Partners IV*			\$4,000,000	\$3,508,195	\$5,603,712	0.44%	\$1,699,170		
			FS Equity Partners VIII*			\$4,000,000	\$3,020,074	\$169,758	1.17%	\$4,487,982		
			Arlington Capital Partners V, L.P.*			\$2,500,000	\$2,095,354	\$89,198	0.80%	\$3,082,510		
			Trivest Discovery Fund, L.P.*			\$650,000	\$414,990	\$9,180	0.15%	\$560,051		
			HGGC Fund IV-A, L.P.*			\$3,400,000	\$2,950,846	\$1,718,066	0.39%	\$1,492,810		
			Kohlberg Investors IX, L.P.*			\$5,000,000	\$3,223,106	\$147,054	1.03%	\$3,957,337		
			Lindsay Goldberg V*			\$5,000,000	\$1,515,749	\$681,527	0.41%	\$1,563,365		
			Tenex Capital Partners III*			\$5,000,000	\$2,241,390	\$1,349,174	0.75%	\$2,903,235		
			Trivest Growth Fund II*			\$1,000,000	\$359,125	\$0	0.11%	\$412,734		
<b>Private Equity Total</b>	<b>7.50%</b>	<b>\$28,869,375</b>	<b>Private Equity Total</b>						<b>11.66%</b>	<b>\$44,872,766</b>	<b>4.16%</b>	<b>4-11%</b>
			Blackstone						4.69%	\$18,060,978		
			Entrust						0.13%	\$494,129		
<b>Hedge Fund of Funds</b>	<b>5.00%</b>	<b>\$19,246,250</b>	<b>Hedge Fund of Funds</b>						<b>4.82%</b>	<b>\$18,555,107</b>	<b>-0.18%</b>	<b>2-8%</b>
			Vanguard STAR						1.93%	\$7,419,905		
			Vanguard Global Wellington Fund						2.07%	\$7,952,758		
<b>MACS</b>	<b>5.00%</b>	<b>\$19,246,250</b>	<b>MACS</b>						<b>3.99%</b>	<b>\$15,372,663</b>	<b>-1.01%</b>	<b>2-8%</b>
			IFM Global Infrastructure (US), LP			<i>Commitment</i>	<i>Contributions</i>	<i>Distributions</i>	3.23%	\$12,427,095		
			Macquarie-MIRA Infrastructure Global Solution II, L.P.*			\$15,000,000	\$15,000,000	\$7,506,384	3.65%	\$14,046,534		
<b>Infrastructure</b>	<b>5.50%</b>	<b>\$21,170,875</b>	<b>Infrastructure</b>						<b>6.88%</b>	<b>\$26,473,629</b>	<b>1.38%</b>	<b>2-8%</b>
<b>Alternatives Total</b>	<b>23.00%</b>	<b>\$88,532,751</b>	<b>Alternatives Total</b>						<b>27.35%</b>	<b>\$105,274,165</b>	<b>4.35%</b>	
<b>CASH</b>												
			Cash Account						0.30%	\$1,159,747		
			Private Equity Cash						-0.37%	-\$1,405,222		
			Transition Account						0.00%	\$0		
<b>Cash Total</b>	<b>0.00%</b>	<b>\$0</b>	<b>Cash Total</b>						<b>-0.06%</b>	<b>-\$245,475</b>		
<b>TOTAL</b>	<b>100%</b>	<b>\$384,925,005</b>	<b>TOTAL</b>						<b>100%</b>	<b>\$384,925,005</b>		

\*Represents 9/30/22 market values; evaluated on a quarterly basis, therefore, contributions/distributions are added at cost through October 31, 2022.

	Performance (%)									
	1 Month	1 Quarter	Year To Date	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception	Inception Date
Total Fund Composite	1.7	-3.8	-10.4	-8.8	7.6	7.4	8.2	9.2	8.2	04/01/1993
<i>TF Policy Index</i>	2.9	-5.3	-12.9	-11.4	5.0	5.5	6.8	8.1	7.4	
Domestic Equity Composite	8.1	-5.3	-21.7	-21.7	8.5	9.2	10.2	11.8	9.8	04/01/1993
<i>Russell 3000 Index</i>	8.2	-5.5	-18.4	-16.5	9.8	9.9	10.9	12.5	9.6	
International Equity Composite	2.9	-10.3	-25.8	-26.1	2.0	1.1	3.9	4.7	7.5	07/01/2002
<i>MSCI AC World ex USA (Net)</i>	3.0	-10.3	-24.3	-24.7	-1.7	-0.6	2.7	3.3	5.3	
Emerging Markets Equity Composite	-1.9	-11.9	-29.9	-31.5	-5.0	N/A	N/A	N/A	-2.1	10/01/2018
<i>MSCI EM (net)</i>	-3.1	-14.1	-29.4	-31.0	-4.4	-3.1	2.4	0.8	-2.8	
Fixed Income Composite	-1.0	-8.0	-19.2	-19.2	-4.7	-1.0	0.3	0.8	4.3	04/01/1993
<i>Blmbg. U.S. Aggregate</i>	-1.3	-8.2	-15.7	-15.7	-3.8	-0.5	0.4	0.7	4.4	
Global Fixed Income Composite	0.0	-2.9	-8.3	-8.3	0.9	N/A	N/A	N/A	1.7	10/01/2018
<i>Global Fixed Income Index - MB</i>	-0.3	-3.1	-5.5	-4.9	1.7	3.2	3.4	3.3	3.3	
MACS Composite	4.6	-6.4	-16.3	-16.0	-3.6	N/A	N/A	N/A	-2.1	10/01/2018
<i>MACS Policy Index</i>	3.4	-8.3	-21.0	-20.5	0.4	N/A	N/A	N/A	1.9	
Real Estate Composite	0.0	1.5	13.4	20.1	11.5	10.0	9.7	10.9	6.8	01/01/2008
<i>NCREIF ODCE Equal Weighted</i>	0.0	0.5	13.1	21.8	12.7	10.6	10.2	11.1	6.6	
Hedge Fund Composite	0.6	0.8	1.9	2.1	5.0	4.1	3.5	4.1	4.5	09/01/2009
<i>HFRI FOF: Conservative Index</i>	0.7	0.5	-0.7	-0.6	4.9	3.8	3.5	3.7	3.3	
<i>90-Day T-Bill + 5%</i>	0.6	1.8	4.9	5.8	5.6	6.2	6.0	5.7	5.6	

	Performance (%)									
	1 Month	1 Quarter	Year To Date	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception	Inception Date
Domestic Equity Composite	8.1	-5.3	-21.7	-21.7	8.5	9.2	10.2	11.8	9.8	04/01/1993
<i>Russell 3000 Index</i>	8.2	-5.5	-18.4	-16.5	9.8	9.9	10.9	12.5	9.6	
Large Cap Equity Composite	8.1	-5.9	-20.6	-19.4	8.3	9.6	10.3	11.9	8.3	01/01/2007
<i>S&amp;P 500</i>	8.1	-5.9	-17.7	-14.6	10.2	10.4	11.4	12.8	8.7	
SSGA S&P 500 ex Tobacco	8.1	-5.9	-17.8	-14.7	10.2	10.5	11.4	N/A	10.6	06/01/2015
<i>S&amp;P 500 Tobacco Free Index</i>	8.1	-5.9	-17.8	-14.8	10.2	10.5	11.4	12.8	10.6	
SMID Equity Composite	8.1	-3.8	-23.2	-25.6	8.4	8.2	9.9	11.6	10.0	01/01/2007
<i>Russell 2500 Index</i>	9.6	-3.5	-16.7	-17.6	7.9	7.1	9.0	10.7	7.9	
Vanguard Extended Market Index Instl	8.6	-4.3	-24.1	-27.5	N/A	N/A	N/A	N/A	5.6	08/01/2020
<i>Vanguard Spliced Extended Market Index</i>	8.5	-4.3	-24.1	-27.5	6.4	6.2	8.3	10.4	5.5	
Westfield Capital Management Company	7.7	-3.3	-21.8	-23.0	11.5	10.6	11.4	12.5	11.4	01/01/2005
<i>Russell 2500 Growth Index</i>	8.1	-3.1	-23.8	-27.4	6.6	7.4	9.3	11.4	8.9	
International Equity Composite	2.9	-10.3	-25.8	-26.1	2.0	1.1	3.9	4.7	7.5	07/01/2002
<i>MSCI AC World ex USA (Net)</i>	3.0	-10.3	-24.3	-24.7	-1.7	-0.6	2.7	3.3	5.3	
Wellington International	2.9	-10.3	-26.5	-26.9	0.4	0.2	2.9	4.7	5.0	11/01/2011
<i>MSCI AC World ex USA (Net)</i>	3.0	-10.3	-24.3	-24.7	-1.7	-0.6	2.7	3.3	3.3	

Broward Health Pension Fund

Comparative Performance

As of October 31, 2022

	Performance (%)									
	1 Month	1 Quarter	Year To Date	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception	Inception Date
Emerging Markets Equity Composite	-1.9	-11.9	-29.9	-31.5	-5.0	N/A	N/A	N/A	-2.1	10/01/2018
MSCI EM (net)	-3.1	-14.1	-29.4	-31.0	-4.4	-3.1	2.4	0.8	-2.8	
Brandes Investment Partners	-0.9	-9.6	-28.6	-28.9	-7.3	N/A	N/A	N/A	-4.1	10/01/2018
MSCI EM (net)	-3.1	-14.1	-29.4	-31.0	-4.4	-3.1	2.4	0.8	-2.8	
MSCI Emerging Markets Value (Net)	-1.8	-11.7	-24.7	-25.2	-4.2	-3.1	1.6	-0.5	-3.5	
JP Morgan Investment Mgmt	-3.1	-14.3	-31.2	-34.0	-3.0	N/A	N/A	N/A	-2.6	07/01/2019
MSCI EM (net)	-3.1	-14.1	-29.4	-31.0	-4.4	-3.1	2.4	0.8	-4.0	
Fixed Income Composite	-1.0	-8.0	-19.2	-19.2	-4.7	-1.0	0.3	0.8	4.3	04/01/1993
Blmbg. U.S. Aggregate	-1.3	-8.2	-15.7	-15.7	-3.8	-0.5	0.4	0.7	4.4	
Baird Advisors	-1.4	-8.1	-16.0	-16.0	-3.4	-0.3	0.8	1.2	3.1	01/01/2008
Blmbg. U.S. Aggregate	-1.3	-8.2	-15.7	-15.7	-3.8	-0.5	0.4	0.7	2.5	
SSGA TIPS Index	1.2	-7.9	N/A	N/A	N/A	N/A	N/A	N/A	-7.0	06/01/2022
Blmbg. U.S. TIPS	1.2	-8.0	-12.5	-11.5	1.1	2.2	2.4	1.0	-7.0	
Global Fixed Income Composite	0.0	-2.9	-8.3	-8.3	0.9	N/A	N/A	N/A	1.7	10/01/2018
Global Fixed Income Index - MB	-0.3	-3.1	-5.5	-4.9	1.7	3.2	3.4	3.3	3.3	
Blackrock Strategic Income	-0.1	-3.4	-7.2	-7.3	0.6	N/A	N/A	N/A	1.9	10/01/2018
Blmbg. U.S. Universal Index	-1.1	-7.8	-15.8	-15.8	-3.6	-0.4	0.7	1.0	-0.2	
Loomis, Sayles	0.1	-2.3	-9.4	-9.3	1.3	N/A	N/A	N/A	1.6	11/01/2018
ICE Libor + 4%	0.6	1.7	5.9	7.2	7.1	6.8	6.2	5.7	7.0	

Broward Health Pension Fund

Comparative Performance

As of October 31, 2022

	Performance (%)									
	1 Month	1 Quarter	Year To Date	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception	Inception Date
MACS Composite	4.6	-6.4	-16.3	-16.0	-3.6	N/A	N/A	N/A	-2.1	10/01/2018
<i>MACS Policy Index</i>	3.4	-8.3	-21.0	-20.5	0.4	N/A	N/A	N/A	1.9	
Vanguard STAR Inv	3.7	-7.9	-20.5	-21.1	N/A	N/A	N/A	N/A	-1.7	09/01/2020
<i>Vanguard STAR Composite Index</i>	3.8	-6.7	-17.1	-16.2	3.6	4.7	6.0	6.8	0.0	
Vanguard Global Wellington Fund Adm	5.5	-5.0	-12.0	-10.8	N/A	N/A	N/A	N/A	3.5	09/01/2020
<i>Vanguard Global Wellington Composite Index</i>	4.4	-7.1	-18.5	-17.5	2.9	4.3	N/A	N/A	-0.4	
Real Estate Composite	0.0	1.5	13.4	20.1	11.5	10.0	9.7	10.9	6.8	01/01/2008
<i>NCREIF ODCE Equal Weighted</i>	0.0	0.5	13.1	21.8	12.7	10.6	10.2	11.1	6.6	
Invesco Real Estate	0.0	1.5	13.4	20.1	11.5	10.0	9.7	10.9	6.8	01/01/2008
<i>NCREIF ODCE Equal Weighted</i>	0.0	0.5	13.1	21.8	12.7	10.6	10.2	11.1	6.6	
Hedge Fund Composite	0.6	0.8	1.9	2.1	5.0	4.1	3.5	4.1	4.5	09/01/2009
<i>HFRI FOF: Conservative Index</i>	0.7	0.5	-0.7	-0.6	4.9	3.8	3.5	3.7	3.3	
<i>90-Day T-Bill + 5%</i>	0.6	1.8	4.9	5.8	5.6	6.2	6.0	5.7	5.6	
Blackstone	0.7	0.9	2.0	2.2	5.3	4.7	4.7	5.4	4.6	04/01/2008
<i>HFRI FOF: Conservative Index</i>	0.7	0.5	-0.7	-0.6	4.9	3.8	3.5	3.7	2.1	



From Date	To Date	Benchmark
<b>Total Fund Composite</b>		
06/01/2022	Present	23.5% S&P 500, 6.0% Russell 2500 Index, 11.0% MSCI EAFE (Net), 3.0% MSCI EM (net), 4.0% NCREIF Property Index, 6.0% NCREIF ODCE Equal Weighted, 20.0% Blmbg. U.S. Aggregate, 4.0% Blmbg. U.S. Universal Index, 4.0% ICE Libor + 4%, 2.0% FTSE World Government Bond Index, 5.5% CPI + 5%, 5.0% HFRI FOF: Conservative Index, 3.0% Blmbg. U.S. TIPS, 3.0% MSCI AC World ex USA (Net)
02/01/2021	06/01/2022	27.5% S&P 500, 10.0% Russell 2500 Index, 15.0% MSCI EAFE (Net), 4.0% MSCI EM (net), 5.0% NCREIF Property Index, 5.0% NCREIF ODCE Equal Weighted, 14.0% Blmbg. U.S. Aggregate, 4.0% Blmbg. U.S. Universal Index, 4.0% ICE Libor + 4%, 1.2% FTSE World Government Bond Index, 5.5% CPI + 5%, 3.0% HFRI FOF: Conservative Index, 1.8% MSCI AC World ex USA (Net)
01/01/2019	02/01/2021	27.5% S&P 500, 10.0% Russell 2500 Index, 15.0% MSCI EAFE (Net), 4.0% MSCI EM (net), 5.0% NCREIF Property Index, 5.0% NCREIF ODCE Equal Weighted, 14.0% Blmbg. U.S. Aggregate, 4.0% BofAML High Yield Master II Constrained, 4.0% FTSE World Government Bond Index, 5.5% CPI + 5%, 6.0% T-Bill + 5%
04/01/2008	01/01/2019	37.5% S&P 500, 20.0% Blmbg. U.S. Aggregate, 15.0% Russell 2500 Index, 15.0% MSCI EAFE (Net), 7.5% NCREIF ODCE Equal Weighted, 5.0% T-Bill + 5%
10/01/2007	04/01/2008	42.5% S&P 500, 20.0% Blmbg. U.S. Aggregate, 15.0% Russell 2500 Index, 15.0% MSCI EAFE (Net), 7.5% NCREIF ODCE Equal Weighted
01/01/2007	10/01/2007	46.3% S&P 500, 23.8% Blmbg. U.S. Aggregate, 15.0% Russell 2500 Index, 15.0% MSCI EAFE (Net)
04/01/1993	01/01/2007	58.0% S&P 500, 34.0% Blmbg. Intermed. U.S. Government/Credit, 5.0% FTSE 1 Month T-Bill, 3.0% MSCI EAFE (Net)
<b>Global Fixed Income Composite</b>		
10/01/2018	Present	50.0% Blmbg. U.S. Universal Index, 50.0% ICE Libor + 4%
<b>MACS Composite</b>		
10/01/2018	Present	60.0% MSCI AC World Index, 40.0% FTSE World Government Bond Index