



# INVESTMENT PERFORMANCE SUMMARY

OFFICE OF THE STATE TREASURER &  
CASH MANAGEMENT POLICY BOARD

DECEMBER 31, 2023

Jennifer Appel, CFA, Sr. Investment Director  
Kevin M. Leonard, Partner  
Jonovan Sackey, Sr. Investment Associate





# EXECUTIVE SUMMARY

PROPRIETARY & CONFIDENTIAL

# TOTAL FUND PERFORMANCE DETAIL - NET OF FEES

	Allocation		Performance (%)										
	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	9 Mo (%)	1 Yr (%)	2 Yrs (%)	3 Yrs (%)	4 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Total Liquidity &amp; Reserve</b>	<b>5,924,884,744</b>	<b>100.00</b>	<b>1.96</b>	<b>3.96</b>	<b>3.03</b>	<b>5.37</b>	<b>1.23</b>	<b>0.39</b>	<b>1.59</b>	<b>2.30</b>		<b>2.07</b>	<b>Dec-16</b>
<b>Total Liquidity</b>	<b>1,500,493,847</b>	<b>25.33</b>	<b>0.62</b>	<b>1.69</b>	<b>4.00</b>	<b>5.27</b>	<b>2.53</b>	<b>1.64</b>	<b>1.60</b>	<b>1.86</b>	<b>1.41</b>	<b>1.78</b>	<b>Jan-05</b>
PFM Asset Management	764,147,509	12.90	0.60	1.69	4.00	5.28	2.95	1.95	1.82	2.03	1.54	1.49	Jun-13
Wilmington Liquidity	736,346,338	12.43	0.63	1.70	4.00	5.25	2.10	1.33	1.38	1.69	1.29	3.88	Jan-85
<b>Total Reserve</b>	<b>4,424,390,897</b>	<b>74.67</b>	<b>2.44</b>	<b>4.77</b>	<b>2.33</b>	<b>4.80</b>	<b>-1.39</b>	<b>-1.51</b>	<b>0.41</b>	<b>1.62</b>	<b>1.48</b>	<b>2.05</b>	<b>Jan-05</b>
Reserve Custom Index			<u>2.40</u>	<u>4.56</u>	<u>2.30</u>	<u>4.74</u>	<u>-2.21</u>	<u>-2.04</u>	<u>0.05</u>	<u>1.33</u>	<u>1.26</u>	<u>2.12</u>	
Over/Under			0.04	0.21	0.03	0.06	0.82	0.53	0.36	0.29	0.22	-0.07	
JPM Intermediate	1,096,080,045	18.50	1.31	2.94	3.33	4.87	0.76	0.38	1.16	1.73	1.46	1.40	Jun-13
J.P. Morgan Custom Index			<u>1.15</u>	<u>2.59</u>	<u>3.26</u>	<u>4.46</u>	<u>0.33</u>	<u>0.06</u>	<u>0.84</u>	<u>1.43</u>	<u>1.28</u>	<u>1.22</u>	
Over/Under			0.16	0.35	0.07	0.41	0.43	0.32	0.32	0.30	0.18	0.18	
Blackrock Financial Mangement	1,102,880,340	18.61	1.64	3.58	3.21	4.85	-0.45	-0.60	0.68	1.49		1.66	Mar-18
Blackrock Custom Index			<u>1.52</u>	<u>3.23</u>	<u>3.12</u>	<u>4.61</u>	<u>-0.48</u>	<u>-0.65</u>	<u>0.59</u>	<u>1.38</u>		<u>1.56</u>	
Over/Under			0.12	0.35	0.09	0.24	0.03	0.05	0.09	0.11		0.10	
Chandler Asset Management	1,120,776,670	18.92	3.53	6.64	1.67	5.59	-3.57	-3.24	-0.31	1.45	1.50	1.36	Jun-13
Chandler/Lazard Custom Index			<u>3.46</u>	<u>6.21</u>	<u>1.35</u>	<u>4.85</u>	<u>-4.39</u>	<u>-3.81</u>	<u>-0.67</u>	<u>1.20</u>	<u>1.22</u>	<u>1.16</u>	
Over/Under			0.07	0.43	0.32	0.74	0.82	0.57	0.36	0.25	0.28	0.20	
Lazard Financial Management	1,104,653,842	18.64	3.31	5.97	1.34	4.90	-3.90	-3.51	-0.70	1.14		1.44	Mar-18
Chandler/Lazard Custom Index			<u>3.46</u>	<u>6.21</u>	<u>1.35</u>	<u>4.85</u>	<u>-4.39</u>	<u>-3.81</u>	<u>-0.67</u>	<u>1.20</u>		<u>1.48</u>	
Over/Under			-0.15	-0.24	-0.01	0.05	0.49	0.30	-0.03	-0.06		-0.04	

Notes: Net of Fees. Results for periods longer than one year are annualized. Fiscal year end is June 30.

Performance history through 12/2015 is from BNY Mellon. NEPC Performance start date is January 2016. Fiscal Year end is June 30.

Reserve Custom Index consists of 25% ICE BofA 1-5 Yrs AAA-A US Corp & Govt TR / 25% ICE BofA 1-3 Yrs AAA-A US Corp & Govt / 50% ICE BofA US Gov/Credit 5-10 Yrs A Rated and Above, as of 4/1/2018.

Prior to this, the index comprised 75% ICE BofA 1-5 Yrs AAA-A US Corp & Govt TR / 25% ICE BofA 6 Months US T-Bills TR.

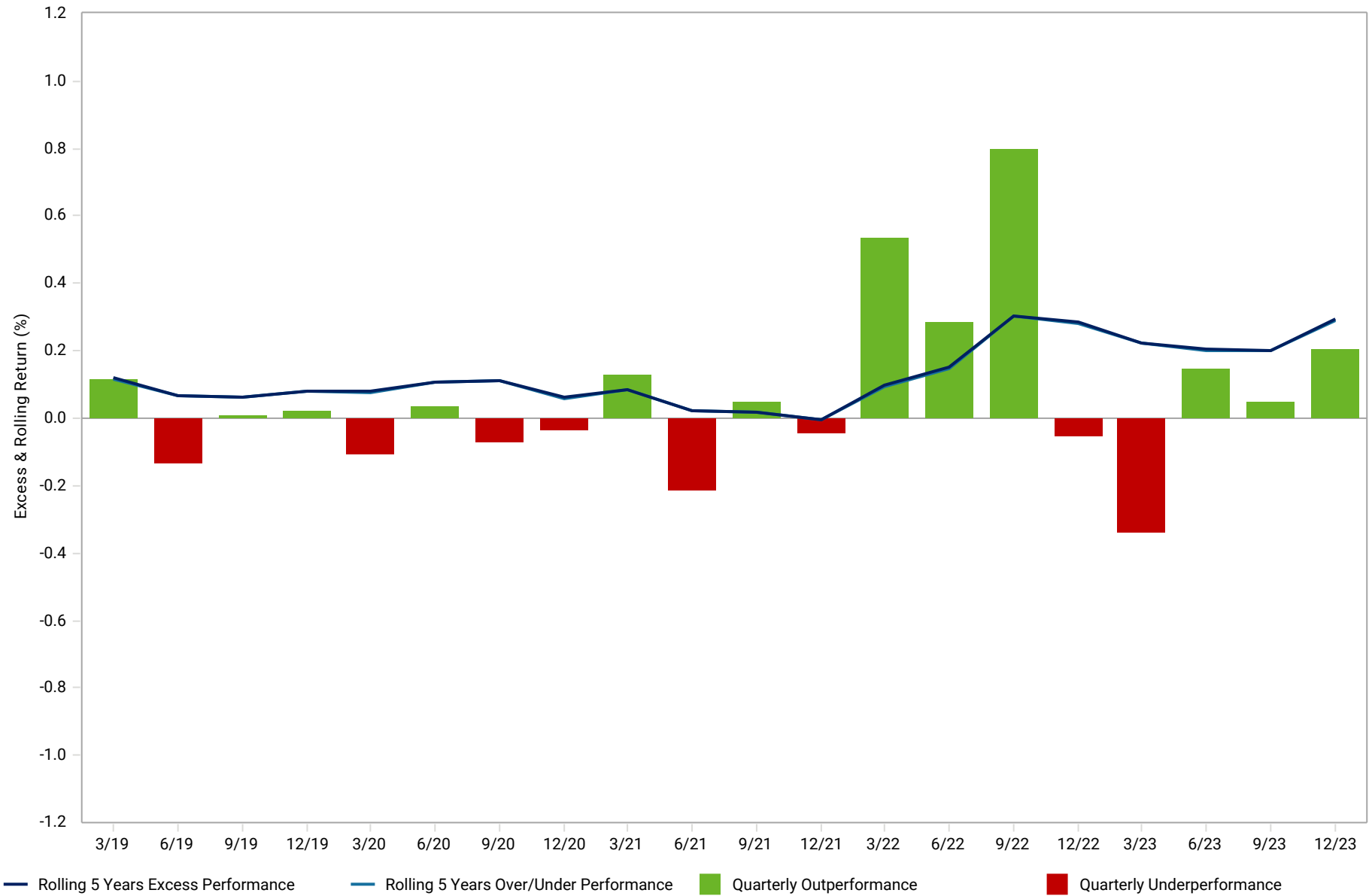
Endowment Custom Index consists of 60% MSCI World Index/40% Bloomberg US Aggregate.

BlackRock Custom Index consists of 100% ICE BofA 1-5 Yrs AAA-A US Corp & Govt TR.

J.P. Morgan Custom Index consists of 100% ICE BofA 1-3 Yrs AAA-A US Corp & Govt.

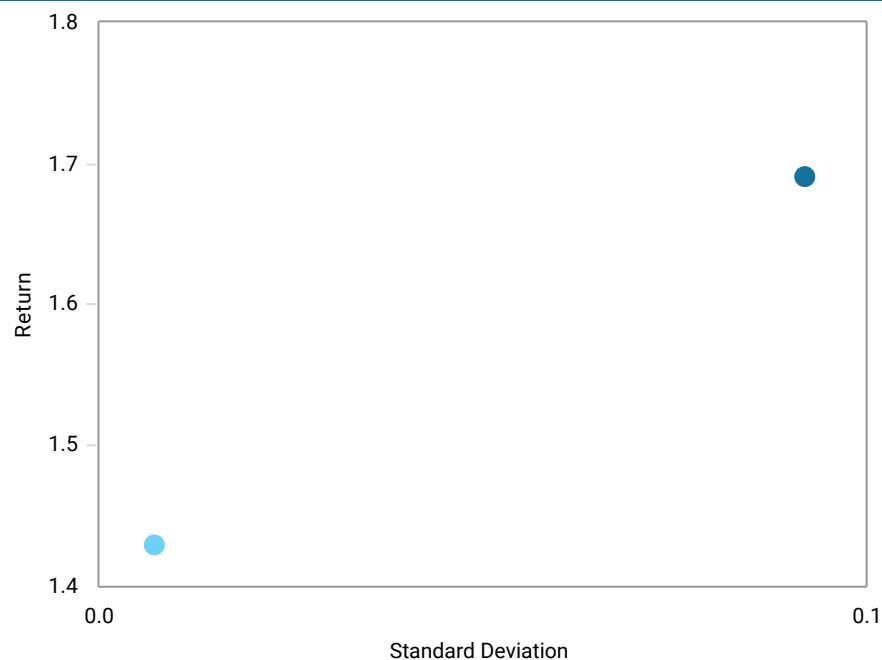
Chandler/Lazard Custom Index consists of ICE BofA US Gov/Credit 5-10 Yrs A Rated and Above.

# TOTAL RESERVE VS. RESERVE CUSTOM INDEX



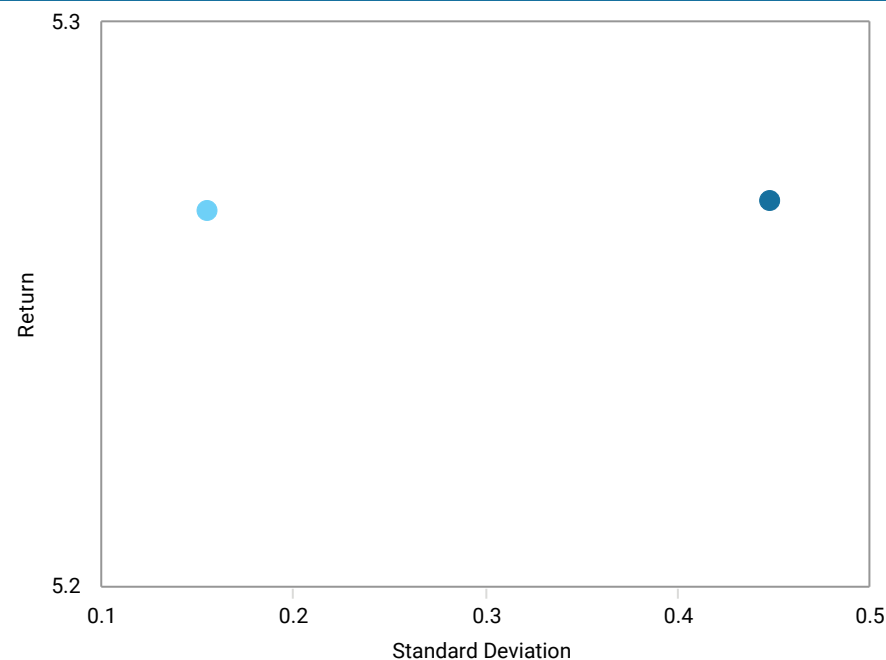
# LIQUIDITY RISK/RETURN - 3 MONTHS & 1 YEAR

0.25 Year Ending December 31, 2023



● eV US Cash Management ● Total Liquidity  
● FTSE 6 Month Tbill

1 Year Ending December 31, 2023



● eV US Cash Management ● Total Liquidity  
● FTSE 6 Month Tbill

3 months Ending December 31, 2023

	Return	Standard Deviation	Sharpe Ratio
Total Liquidity	1.7	0.1	1.2
FTSE 6 Month Tbill	1.4	0.0	3.2

1 Year Ending December 31, 2023

	Return	Standard Deviation	Sharpe Ratio
Total Liquidity	5.3	0.4	0.7
FTSE 6 Month Tbill	5.3	0.2	2.1

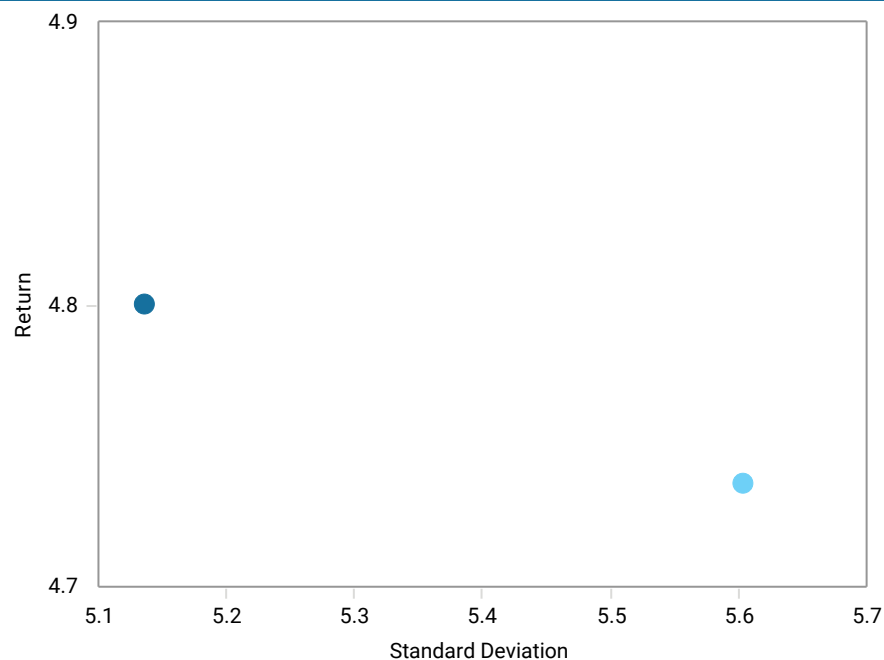
# LIQUIDITY RISK/RETURN - 3 & 5 YEARS



3 Years Ending December 31, 2023				5 Years Ending December 31, 2023			
	Return	Standard Deviation	Sharpe Ratio		Return	Standard Deviation	Sharpe Ratio
Total Liquidity	1.6	0.9	-1.0	Total Liquidity	1.9	0.8	0.0
FTSE 6 Month Tbill	2.2	0.7	0.8	FTSE 6 Month Tbill	2.0	0.5	0.7

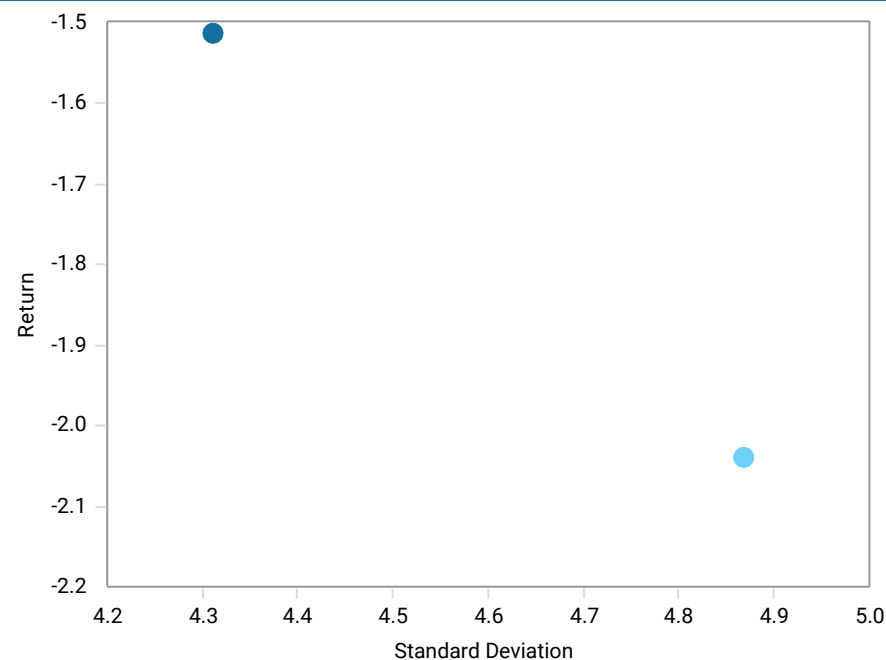
# RESERVE RISK/RETURN - 1 & 3 YEARS

1 Year Ending December 31, 2023



● eV US Interm Duration Fixed Inc
 ● Total Reserve  
● Reserve Custom Index

3 Years Ending December 31, 2023



● eV US Interm Duration Fixed Inc
 ● Total Reserve  
● Reserve Custom Index

1 Years Ending December 31, 2023

	Return	Standard Deviation	Sharpe Ratio
Total Reserve	4.8	5.1	0.0
Reserve Custom Index	4.7	5.6	0.0

3 Years Ending December 31, 2023

	Return	Standard Deviation	Sharpe Ratio
Total Reserve	-1.5	4.3	-0.9
Reserve Custom Index	-2.0	4.9	-0.9

# RESERVE RISK/RETURN - 3 & 5 YEARS

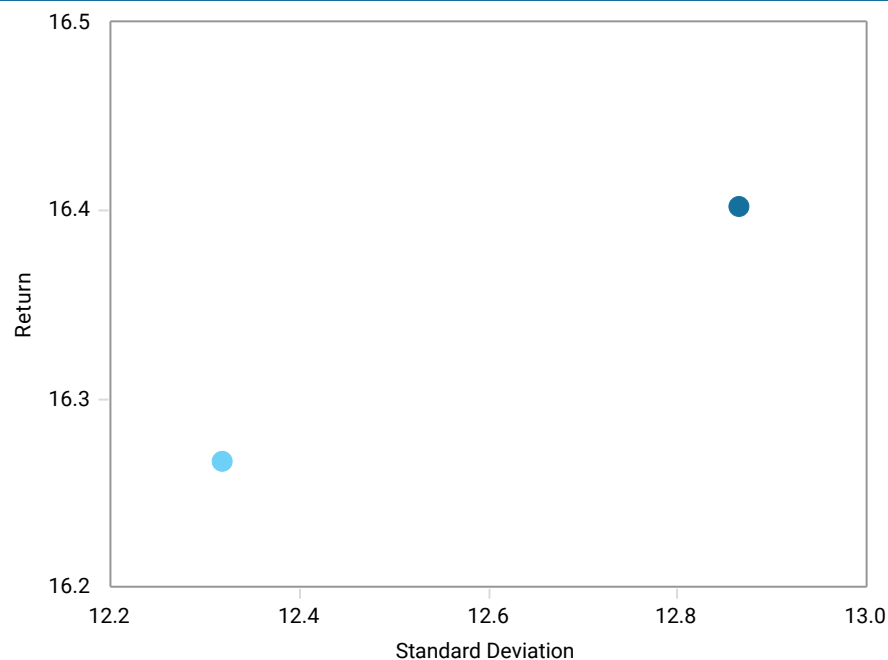


3 Years Ending December 31, 2023				5 Years Ending December 31, 2023			
	Return	Standard Deviation	Sharpe Ratio		Return	Standard Deviation	Sharpe Ratio
Total Reserve	-1.5	4.3	-0.9	Total Reserve	1.6	3.8	0.0
Reserve Custom Index	-2.0	4.9	-0.9	Reserve Custom Index	1.3	4.2	-0.1



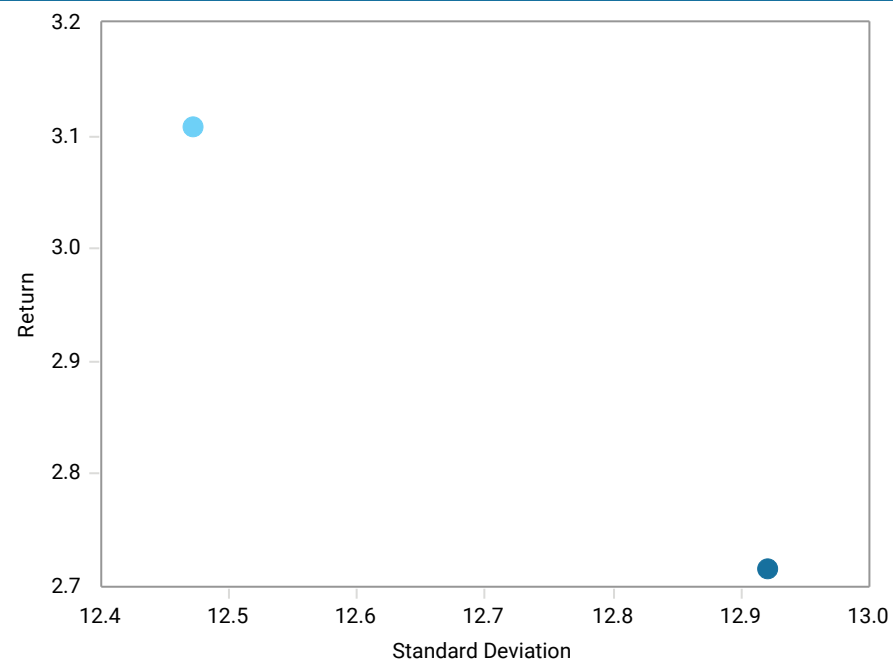
# ENDOWMENT RISK/RETURN - 1 & 3 YEARS

1 Year Ending December 31, 2023



● eV Global Balanced    ● Total Endowment  
● Endowment Custom Index

3 Years Ending December 31, 2023



● eV Global Balanced    ● Total Endowment  
● Endowment Custom Index

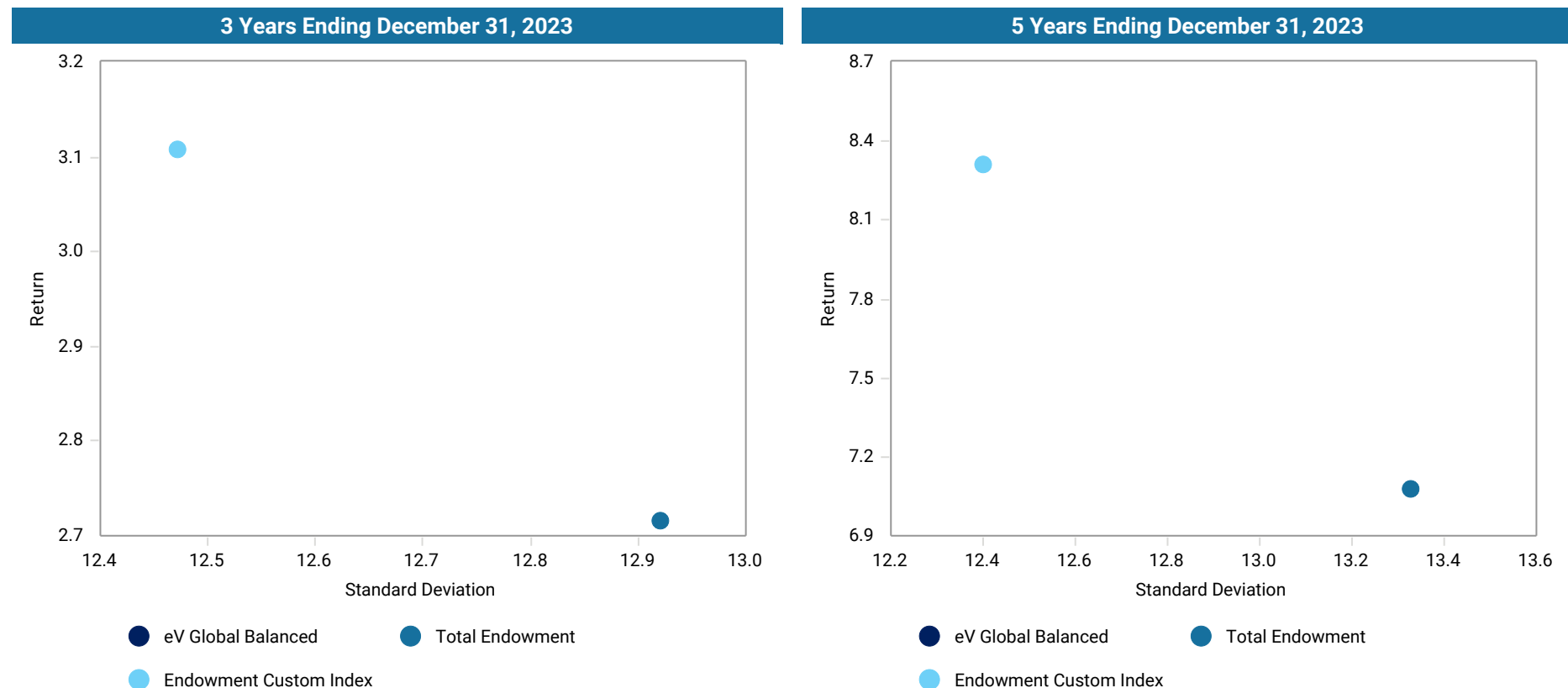
1 Years Ending December 31, 2023

	Return	Standard Deviation	Sharpe Ratio
Total Endowment	16.4	12.9	0.9
Endowment Custom Index	16.3	12.3	0.9

3 Years Ending December 31, 2023

	Return	Standard Deviation	Sharpe Ratio
Total Endowment	2.7	12.9	0.1
Endowment Custom Index	3.1	12.5	0.1

# ENDOWMENT RISK/RETURN - 3 & 5 YEARS



3 Years Ending December 31, 2023				5 Years Ending December 31, 2023			
	Return	Standard Deviation	Sharpe Ratio		Return	Standard Deviation	Sharpe Ratio
Total Endowment	2.7	12.9	0.1	Total Endowment	7.1	13.3	0.4
Endowment Custom Index	3.1	12.5	0.1	Endowment Custom Index	8.3	12.4	0.6

# TOTAL FUND PERFORMANCE DETAIL - NET OF FEES

	Allocation		Performance (%)										
	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	9 Mo (%)	1 Yr (%)	2 Yrs (%)	3 Yrs (%)	4 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	Inception Date
<b>Delaware Total Consolidation</b>	<b>6,577,716,328</b>	<b>100.00</b>	<b>1.89</b>	<b>3.85</b>	<b>3.76</b>	<b>5.54</b>	<b>1.41</b>	<b>0.65</b>	<b>1.70</b>	<b>2.47</b>	<b>1.84</b>	<b>2.05</b>	<b>Jan-05</b>
<b>Total Liquidity &amp; Reserve</b>	<b>5,924,884,744</b>	<b>90.08</b>	<b>1.96</b>	<b>3.96</b>	<b>3.60</b>	<b>5.37</b>	<b>1.23</b>	<b>0.39</b>	<b>1.59</b>	<b>2.30</b>		<b>2.07</b>	<b>Dec-16</b>
<b>Total Liquidity</b>	<b>1,500,493,847</b>	<b>22.81</b>	<b>0.62</b>	<b>1.69</b>	<b>4.06</b>	<b>5.27</b>	<b>2.53</b>	<b>1.64</b>	<b>1.60</b>	<b>1.86</b>	<b>1.41</b>	<b>1.78</b>	<b>Jan-05</b>
PFM Asset Management	764,147,509	11.62	0.60	1.69	4.05	5.28	2.95	1.95	1.82	2.03	1.54	1.49	Jun-13
Wilmington Liquidity	736,346,338	11.19	0.63	1.70	4.08	5.25	2.10	1.33	1.38	1.69	1.29	3.88	Jan-85
<b>Total Reserve</b>	<b>4,424,390,897</b>	<b>67.26</b>	<b>2.44</b>	<b>4.77</b>	<b>2.61</b>	<b>4.80</b>	<b>-1.39</b>	<b>-1.51</b>	<b>0.41</b>	<b>1.62</b>	<b>1.48</b>	<b>2.05</b>	<b>Jan-05</b>
Reserve Custom Index			<u>2.40</u>	<u>4.56</u>	<u>2.21</u>	<u>4.74</u>	<u>-2.21</u>	<u>-2.04</u>	<u>0.05</u>	<u>1.33</u>	<u>1.26</u>	<u>2.12</u>	
Over/Under			0.04	0.21	0.40	0.06	0.82	0.53	0.36	0.29	0.22	-0.07	
JPM Intermediate	1,096,080,045	16.66	1.31	2.94	3.38	4.87	0.76	0.38	1.16	1.73	1.46	1.40	Jun-13
J.P. Morgan Custom Index			<u>1.15</u>	<u>2.59</u>	<u>2.89</u>	<u>4.46</u>	<u>0.33</u>	<u>0.06</u>	<u>0.84</u>	<u>1.43</u>	<u>1.28</u>	<u>1.22</u>	
Over/Under			0.16	0.35	0.49	0.41	0.43	0.32	0.32	0.30	0.18	0.18	
Blackrock Financial Mangement	1,102,880,340	16.77	1.64	3.58	3.01	4.85	-0.45	-0.60	0.68	1.49		1.66	Mar-18
Blackrock Custom Index			<u>1.52</u>	<u>3.23</u>	<u>2.76</u>	<u>4.61</u>	<u>-0.48</u>	<u>-0.65</u>	<u>0.59</u>	<u>1.38</u>		<u>1.56</u>	
Over/Under			0.12	0.35	0.25	0.24	0.03	0.05	0.09	0.11		0.10	
Chandler Asset Management	1,120,776,670	17.04	3.53	6.64	2.61	5.59	-3.57	-3.24	-0.31	1.45	1.50	1.36	Jun-13
Chandler/Lazard Custom Index			<u>3.46</u>	<u>6.21</u>	<u>1.54</u>	<u>4.85</u>	<u>-4.39</u>	<u>-3.81</u>	<u>-0.67</u>	<u>1.20</u>	<u>1.22</u>	<u>1.16</u>	
Over/Under			0.07	0.43	1.07	0.74	0.82	0.57	0.36	0.25	0.28	0.20	
Lazard Financial Management	1,104,653,842	16.79	3.31	5.97	1.50	4.90	-3.90	-3.51	-0.70	1.14		1.44	Mar-18
Chandler/Lazard Custom Index			<u>3.46</u>	<u>6.21</u>	<u>1.54</u>	<u>4.85</u>	<u>-4.39</u>	<u>-3.81</u>	<u>-0.67</u>	<u>1.20</u>		<u>1.48</u>	
Over/Under			-0.15	-0.24	-0.04	0.05	0.49	0.30	-0.03	-0.06		-0.04	
<b>Total Endowment</b>	<b>101,389,909</b>	<b>1.54</b>	<b>4.82</b>	<b>9.75</b>	<b>10.07</b>	<b>16.40</b>	<b>-1.51</b>	<b>2.72</b>	<b>4.10</b>	<b>7.08</b>			<b>Dec-10</b>
Endowment Custom Index			<u>4.48</u>	<u>9.58</u>	<u>9.88</u>	<u>16.27</u>	<u>-1.09</u>	<u>3.11</u>	<u>5.57</u>	<u>8.31</u>	<u>6.08</u>	<u>6.89</u>	
Over/Under			0.34	0.17	0.19	0.13	-0.42	-0.39	-1.47	-1.23			
SEI Balanced Strategy	52,253,807	0.79	4.85	9.70	10.41	16.87	-1.53	2.71	5.69	8.53		6.71	Aug-15
Vanguard Funds	49,136,014	0.75	4.79	9.79	9.71	15.91	-1.48	2.72				4.68	Sep-20

# TOTAL FUND PERFORMANCE DETAIL - NET OF FEES

	Allocation		Performance (%)										Inception Date
	Market Value (\$)	% of Portfolio	1 Mo (%)	3 Mo (%)	9 Mo (%)	1 Yr (%)	2 Yrs (%)	3 Yrs (%)	4 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Inception (%)	
<b>ARPA</b>	<b>551,441,675</b>	<b>8.38</b>	<b>0.58</b>	<b>1.67</b>	<b>3.98</b>	<b>5.21</b>	<b>2.65</b>					<b>1.91</b>	<b>May-21</b>
FTSE 1 Month T-Bill			<u>0.46</u>	<u>1.38</u>	<u>3.99</u>	<u>5.13</u>	<u>3.29</u>					<u>2.47</u>	
Over/Under			0.12	0.29	-0.01	0.08	-0.64					-0.56	
<b>PFM ARPA</b>	<b>278,513,804</b>	<b>4.23</b>	<b>0.61</b>	<b>1.69</b>	<b>4.09</b>	<b>5.34</b>	<b>2.95</b>					<b>2.17</b>	<b>May-21</b>
FTSE 1 Month T-Bill			<u>0.46</u>	<u>1.38</u>	<u>3.99</u>	<u>5.13</u>	<u>3.29</u>					<u>2.47</u>	
Over/Under			0.15	0.31	0.10	0.21	-0.34					-0.30	
<b>Wilmington ARPA</b>	<b>272,927,871</b>	<b>4.15</b>	<b>0.56</b>	<b>1.64</b>	<b>3.87</b>	<b>5.08</b>	<b>2.34</b>					<b>1.65</b>	<b>May-21</b>
FTSE 1 Month T-Bill			<u>0.46</u>	<u>1.38</u>	<u>3.99</u>	<u>5.13</u>	<u>3.29</u>					<u>2.47</u>	
Over/Under			0.10	0.26	-0.12	-0.05	-0.95					-0.82	

Notes: Net of Fees. Results for periods longer than one year are annualized. Fiscal year end is June 30.

Performance history through 12/2015 is from BNY Mellon. NEPC Performance start date is January 2016. Fiscal Year end is June 30. Reserve Custom Index consists of 25%

ICE BofA 1-5 Yrs AAA-A US Corp & Govt TR / 25% ICE BofA 1-3 Yrs AAA-A US Corp & Govt / 50% ICE BofA US Gov/Credit 5-10 Yrs A Rated and Above, as of 4/1/2018.

Prior to this, the index comprised 75% ICE BofA 1-5 Yrs AAA-A US Corp & Govt TR / 25% ICE BofA 6 Months US T-Bills TR.

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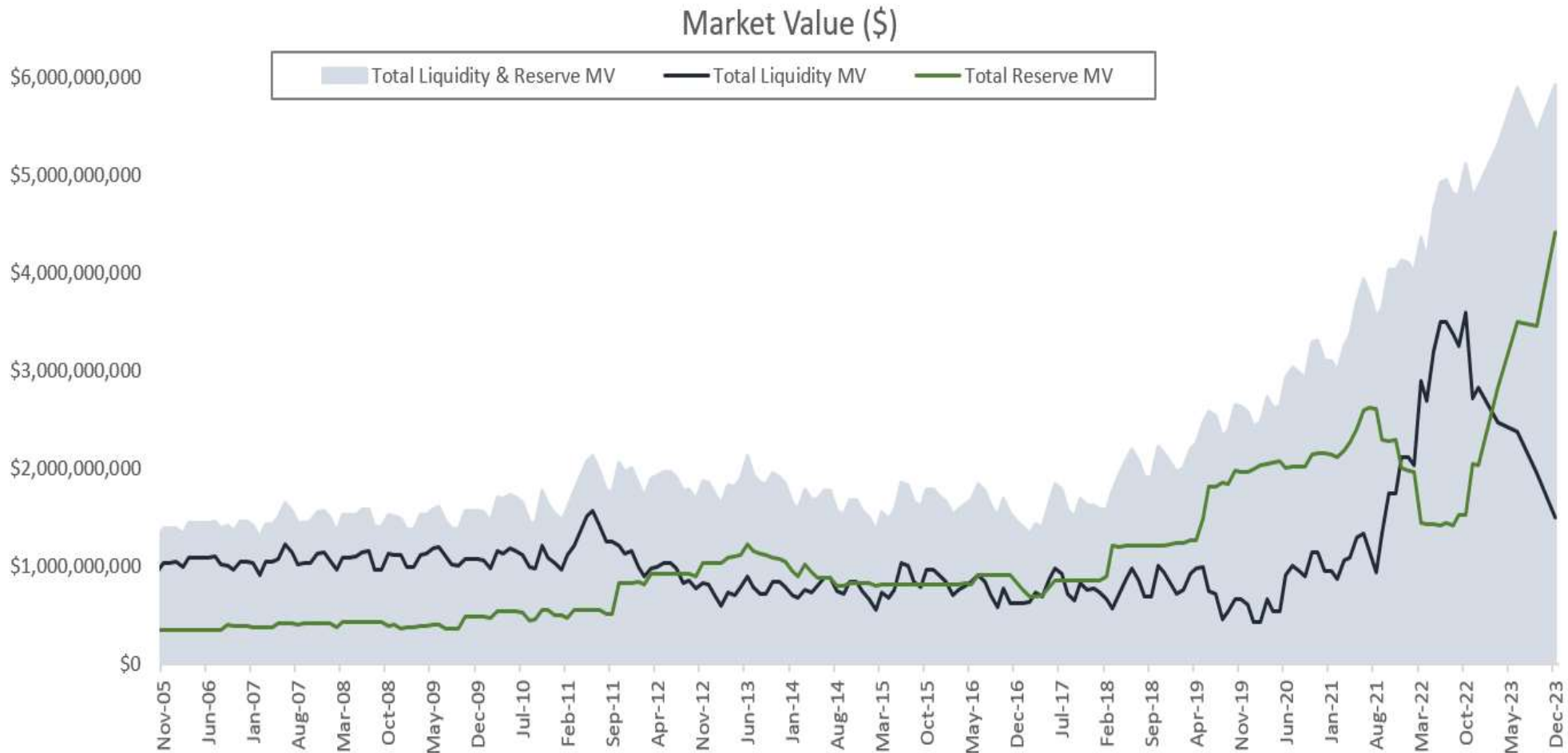
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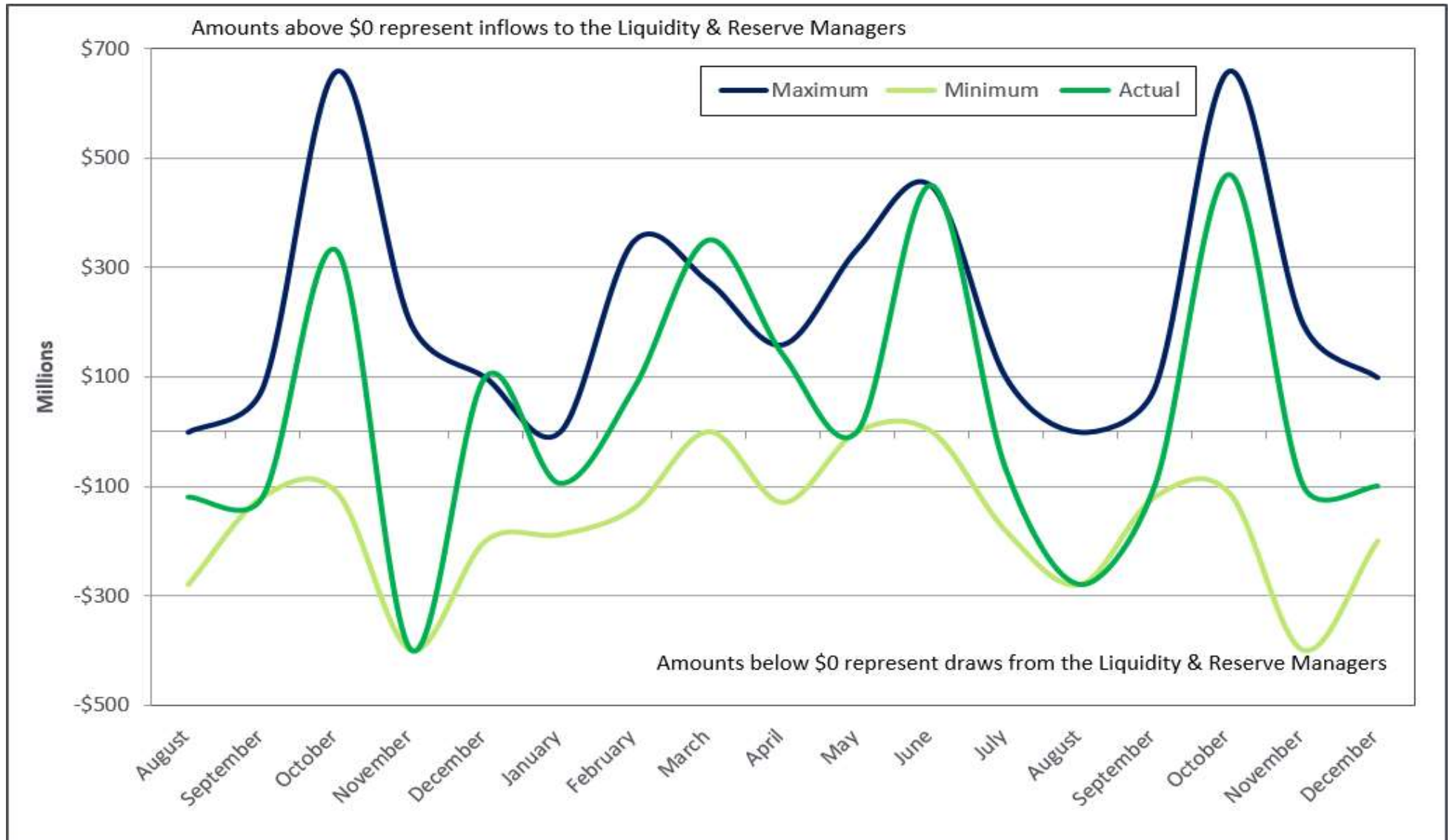
The CARES portfolio has been liquidated.

# TOTAL LIQUIDITY AND RESERVE MARKET VALUES

## ENDING DECEMBER 31, 2023

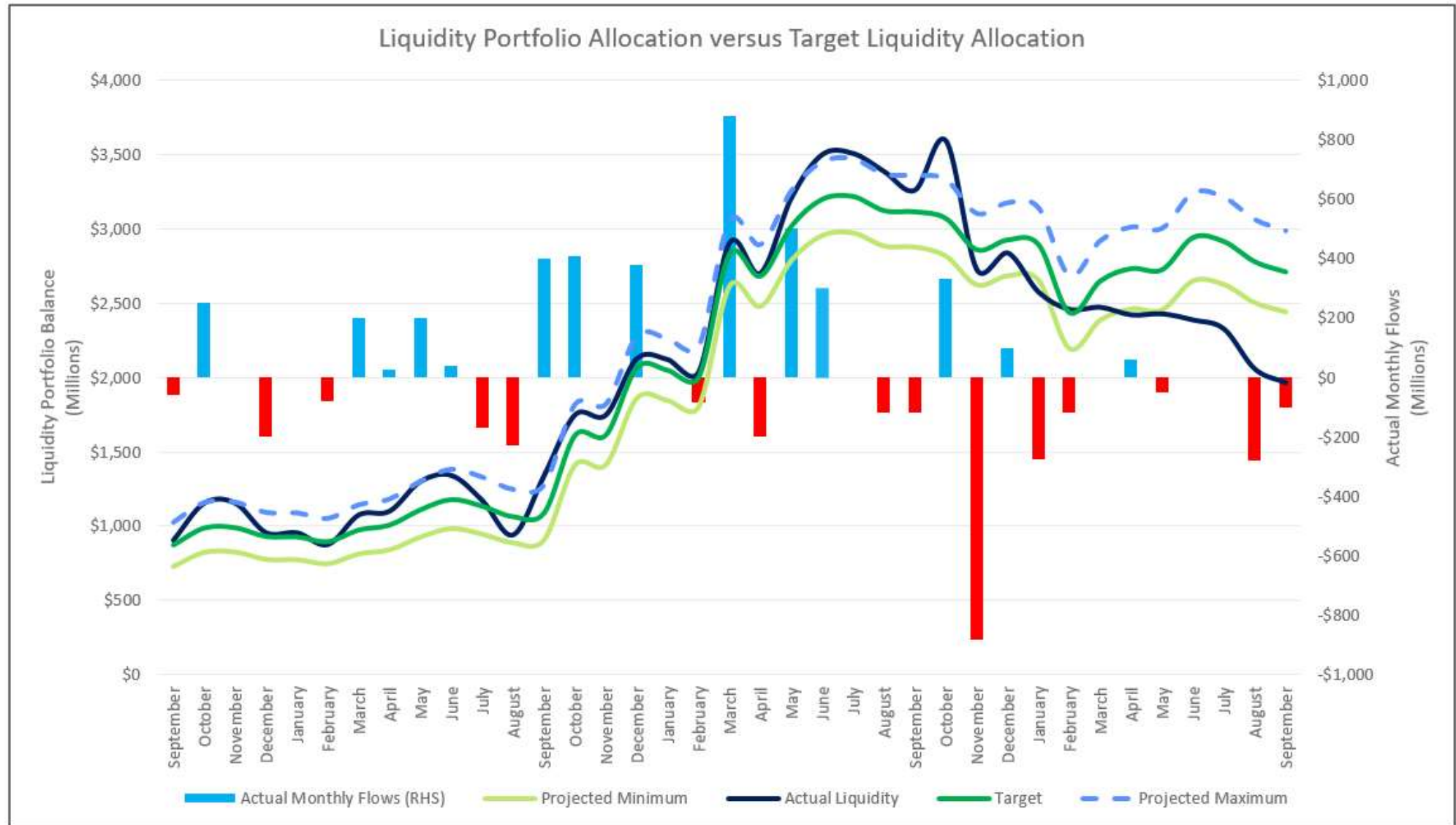


# LIQUIDITY & RESERVE CASH FLOWS



The maximum line series depicts the maximum cash flow that occurred in that particular calendar month over the last 12 fiscal year periods (i.e. \$0 is the maximum cash flow that has occurred in any August over the last 12 FYs). The minimum line series shows the same but for minimum cash flows. The purpose of this chart is to show the seasonality/cyclicality of the portfolio's liquid & reserve cash flows.

# LIQUIDITY BALANCE



As of June 2023, the target allocation between Liquidity and Reserve Portfolios was adjusted to 25%/75%. The previous target allocation was 50%/50%.





# FISCAL YEAR TO DATE

Change in Market Value Fiscal Year-to-Date Through December 31, 2023																		
	Beginning Market Value		Contributions		Withdrawals		Fees		Income		Unrealized Gain (Loss)		Realized Gain (Loss)		Amortization / Accretion		Ending Market Value	
Liquidity Managers																		
PFM Asset Management	\$	1,206,007,372	\$	-	\$	(470,000,000)	\$	(180,486)	\$	18,858,392	\$	5,899,776	\$	537,544	\$	3,223,578	\$	764,147,509
Wilmington Liquidity	\$	1,178,903,224	\$	-	\$	(470,000,000)	\$	(165,919)	\$	10,174,762	\$	12,135,655	\$	(87,551)	\$	5,569,554	\$	736,346,338
Total Liquidity Managers	\$	2,384,910,596	\$	-	\$	(940,000,000)	\$	(346,405)	\$	29,033,154	\$	18,035,431	\$	449,994	\$	8,793,133	\$	1,500,493,847
Reserve Managers																		
BlackRock Financial Management	\$	874,534,970	\$	190,000,000	\$	-	\$	(134,394)	\$	16,895,726	\$	21,375,021	\$	(3,079,861)	\$	3,409,239	\$	1,102,880,340
Chandler Asset Management	\$	885,547,859	\$	190,000,000	\$	-	\$	(129,587)	\$	17,501,355	\$	26,829,760	\$	(309,029)	\$	1,454,069	\$	1,120,776,670
JPM Intermediate	\$	869,429,478	\$	190,000,116	\$	-	\$	(154,098)	\$	16,718,931	\$	21,413,641	\$	(5,314,133)	\$	1,354,134	\$	1,096,080,045
Lazard Asset Management	\$	876,078,244	\$	190,000,000	\$	-	\$	(233,587)	\$	16,746,847	\$	24,111,454	\$	(3,541,067)	\$	1,700,485	\$	1,104,653,842
Total Reserve Managers	\$	3,505,590,551	\$	760,000,116	\$	-	\$	(651,667)	\$	67,862,859	\$	93,729,876	\$	(12,244,090)	\$	7,917,927	\$	4,424,390,897
Total Liquidity & Reserve Managers	\$	5,890,501,147	\$	760,000,116	\$	(940,000,000)	\$	(998,072)	\$	96,896,013	\$	111,765,307	\$	(11,794,096)	\$	16,711,060	\$	5,924,884,744
Land & Water Endowment																		
SEI Funds	\$	48,853,444	\$	366,500	\$	(6,532)	\$	(43,431)	\$	1,040,898	\$	427,387	\$	1,658,770	\$	-	\$	52,253,807
Vanguard	\$	46,013,315	\$	366,500	\$	(4,698)	\$	(20,306)	\$	639,048	\$	2,138,279	\$	24,163	\$	-	\$	49,136,014
Total Land & Water Endowment	\$	94,866,845	\$	1,466,000	\$	(744,230)	\$	(63,737)	\$	1,679,946	\$	2,565,666	\$	1,682,934	\$	-	\$	101,389,906
ARPA																		
PFM ARPA	\$	327,157,915	\$	5,180	\$	(57,548,133)	\$	(46,578)	\$	5,240,856	\$	1,529,441	\$	123,855	\$	1,526,590	\$	278,513,804
Wilmington ARPA	\$	322,009,164	\$	5,180	\$	(57,548,133)	\$	(47,218)	\$	3,988,639	\$	1,363,697	\$	33,031	\$	3,173,990	\$	272,927,871
Total ARPA	\$	649,167,079	\$	10,359	\$	(115,096,267)	\$	(93,796)	\$	9,229,495	\$	2,893,138	\$	156,886	\$	4,700,579	\$	551,441,675
Total	\$	6,634,535,071	\$	761,476,475	\$	(1,055,840,497)	\$	(1,155,605)	\$	107,805,454	\$	117,224,110	\$	(9,954,276)	\$	21,411,639	\$	6,577,716,328

## Footnotes:

As of June 2023, the target allocation between Liquidity and Reserve Portfolios was adjusted to 25%/75%. The previous target allocation was 50%/50%.

Values provided by Northern Trust and are reconciled to the audited custodian reports.

Income is a product of income received during the month plus accrued income.


Numbers may not add due to rounding.





# LEVEL 144A SECURITIES

	MV - 12/31/23 (\$)	144A Securities MV (\$)	144A Securities Percent of Total Portfolio (%)	144A Securities Percent of Manager Portfolio (%)
<b>Delaware Total Consolidation</b>	<b>\$6,577,716,328</b>	<b>\$405,435,827</b>	<b>6.2%</b>	
<b>Total Liquidity &amp; Reserve</b>	<b>\$5,924,884,744</b>	<b>\$405,435,827</b>	<b>6.2%</b>	
<b>Total Liquidity</b>	<b>\$1,500,493,847</b>	<b>\$179,903,765</b>	<b>2.7%</b>	
PFM Asset Management	\$764,147,509	\$62,574,922	1.0%	8.2%
Wilmington Liquidity	\$736,346,338	\$117,328,843	1.8%	15.9%
<b>Total Reserve</b>	<b>\$4,424,390,897</b>	<b>\$225,532,061</b>	<b>3.4%</b>	
JPM Intermediate	\$1,096,080,045	\$154,000,000	2.3%	14.1%
Blackrock Financial Mangement	\$1,102,880,340	\$53,487,557	0.8%	4.8%
Chandler Asset Management	\$1,120,776,670	\$18,044,504	0.3%	1.6%
Lazard Financial Management	\$1,104,653,842	\$0	0.0%	0.0%
<b>Total Endowment</b>	<b>\$101,389,909</b>	<b>\$0</b>	<b>0.0%</b>	
SEI Funds	\$52,253,807	\$0	0.0%	0.0%
Vanguard Funds	\$49,136,014	\$0	0.0%	0.0%
Cash	\$88	\$0	0.0%	
<b>ARPA</b>	<b>\$551,441,675</b>	<b>\$0</b>	<b>0.0%</b>	
PFM ARPA	\$278,513,804	\$29,467,683	0.4%	10.6%
Wilmington ARPA	\$272,927,871	\$55,973,475	0.9%	20.5%



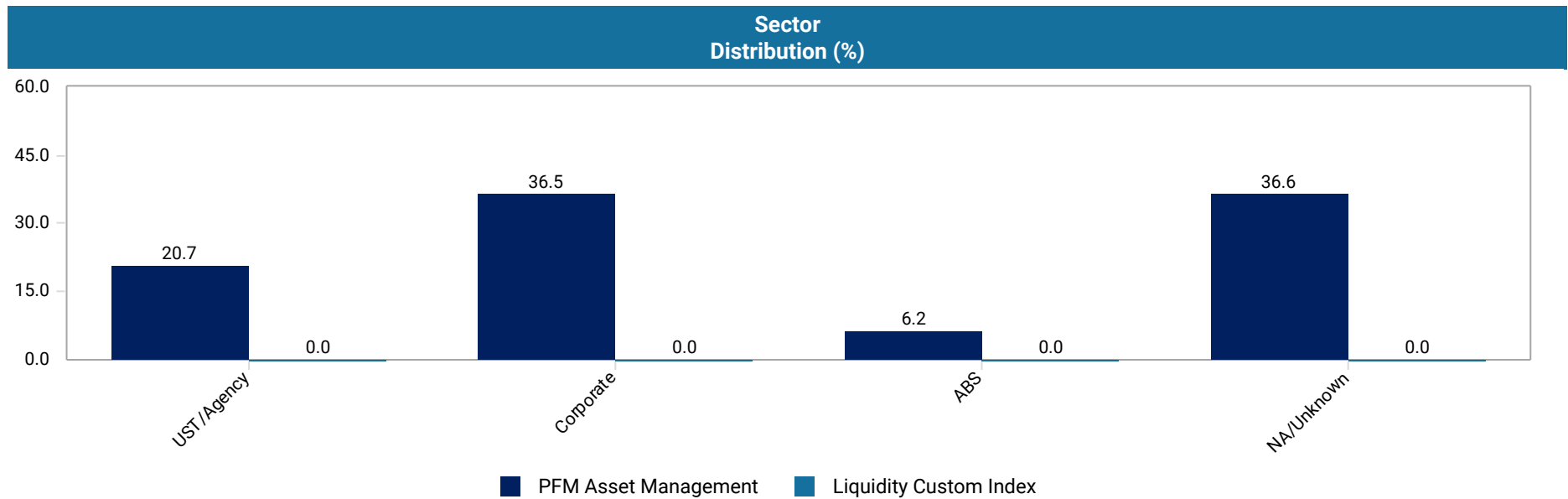
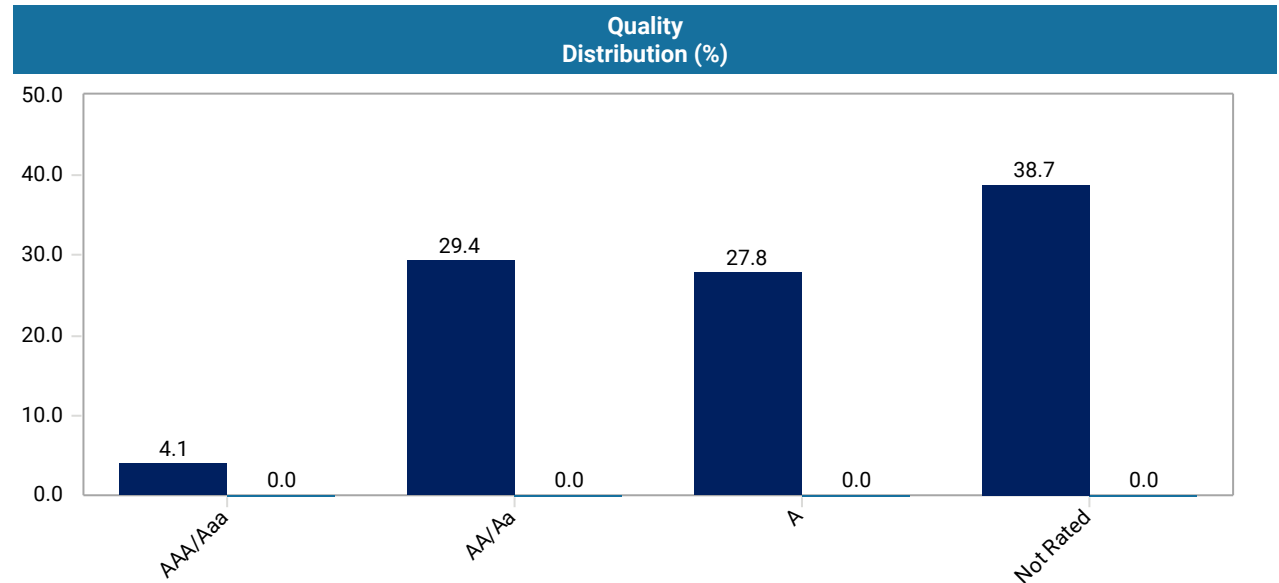
# LIQUIDITY MANAGER REVIEW



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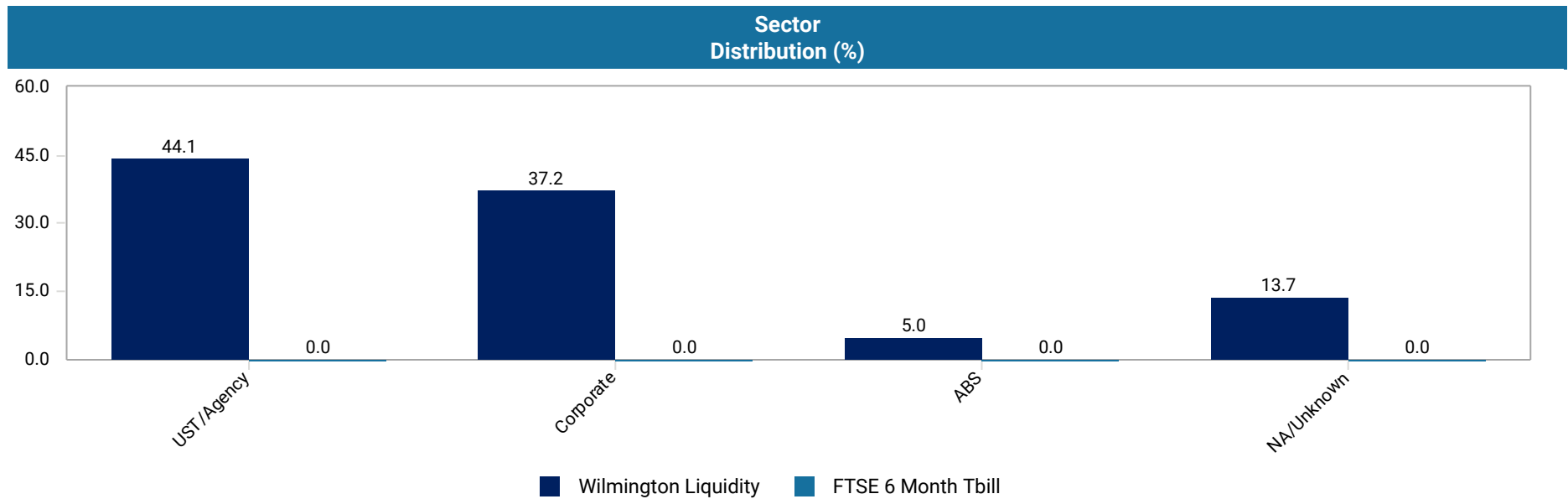
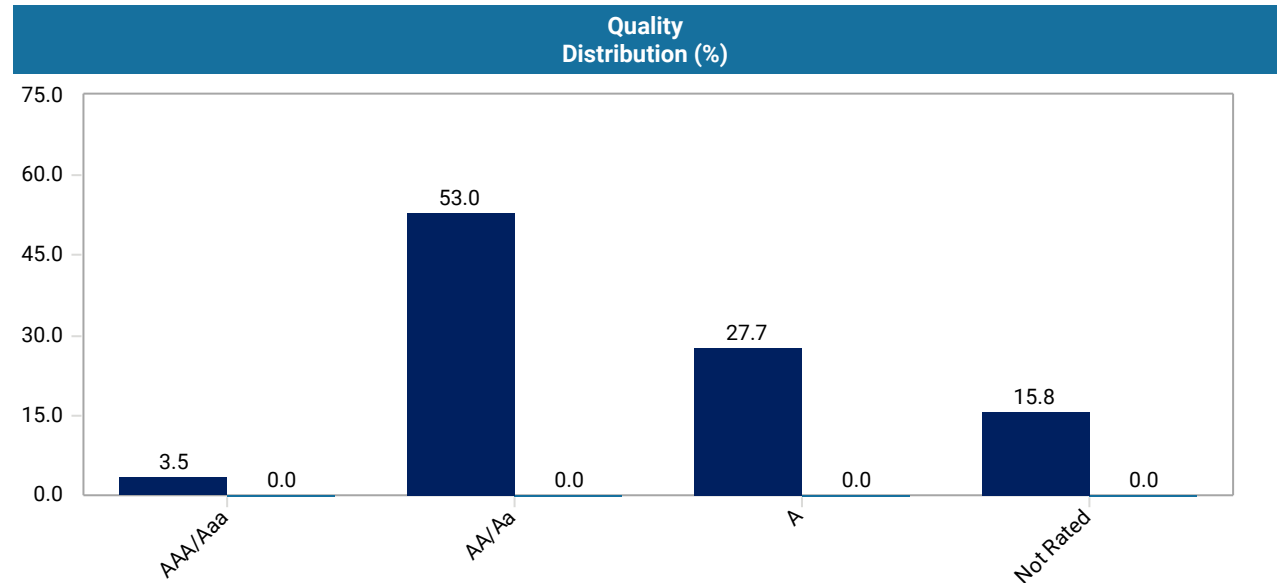
# PFM ASSET MANAGEMENT

Characteristics		
	Portfolio	Benchmark
Yield To Maturity (%)	5.0	
Avg. Maturity	0.6	
Average Duration	0.6	
Avg. Quality	AA	

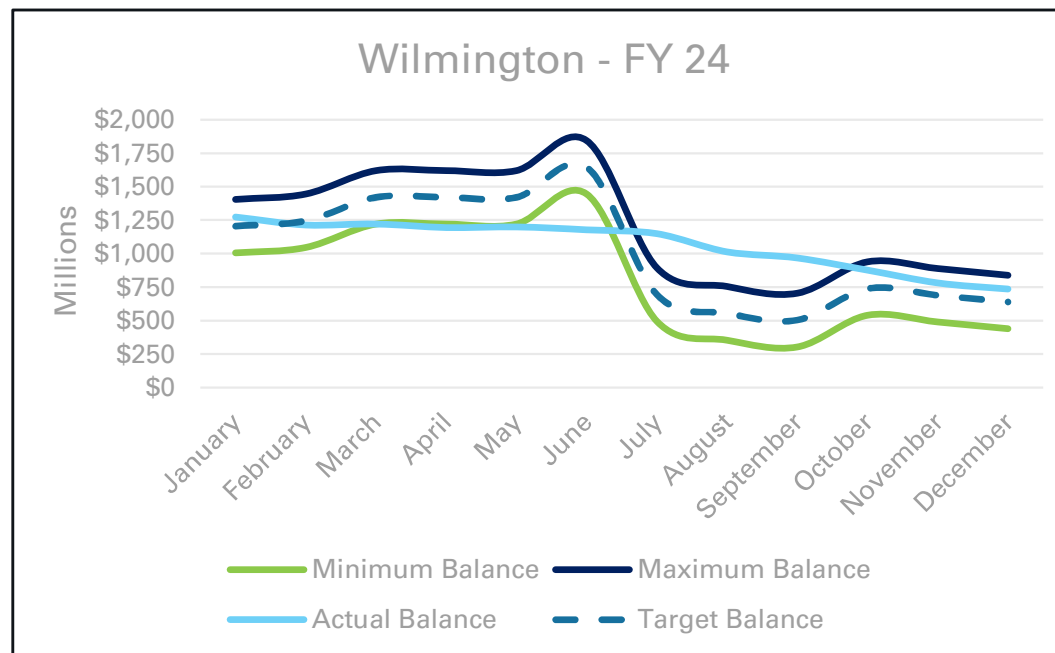
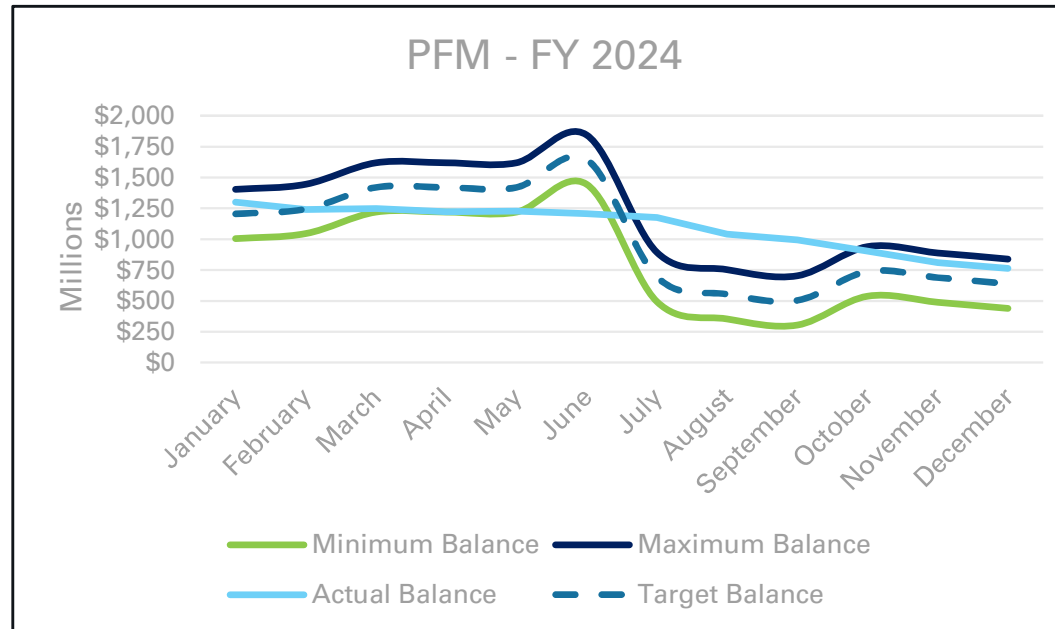


# WILMINGTON LIQUIDITY

Characteristics		
	Portfolio	Benchmark
Yield To Maturity (%)	5.1	
Avg. Maturity	0.7	
Average Duration	0.7	
Avg. Quality	AA	



# LIQUIDITY MANAGERS – TARGET BALANCES







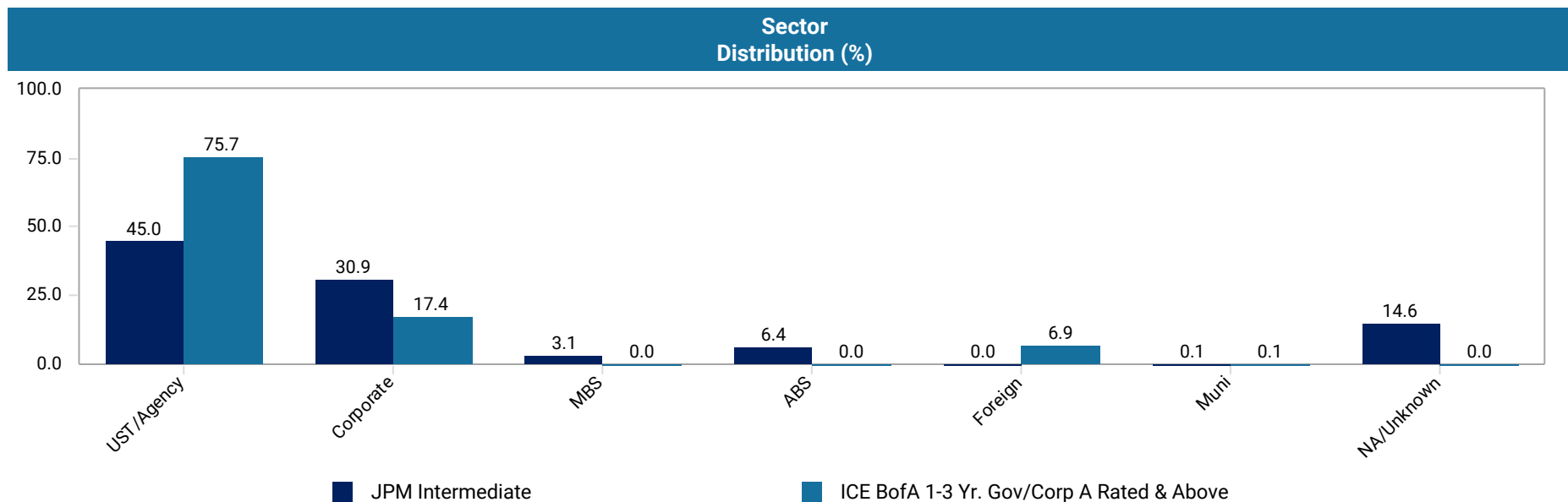
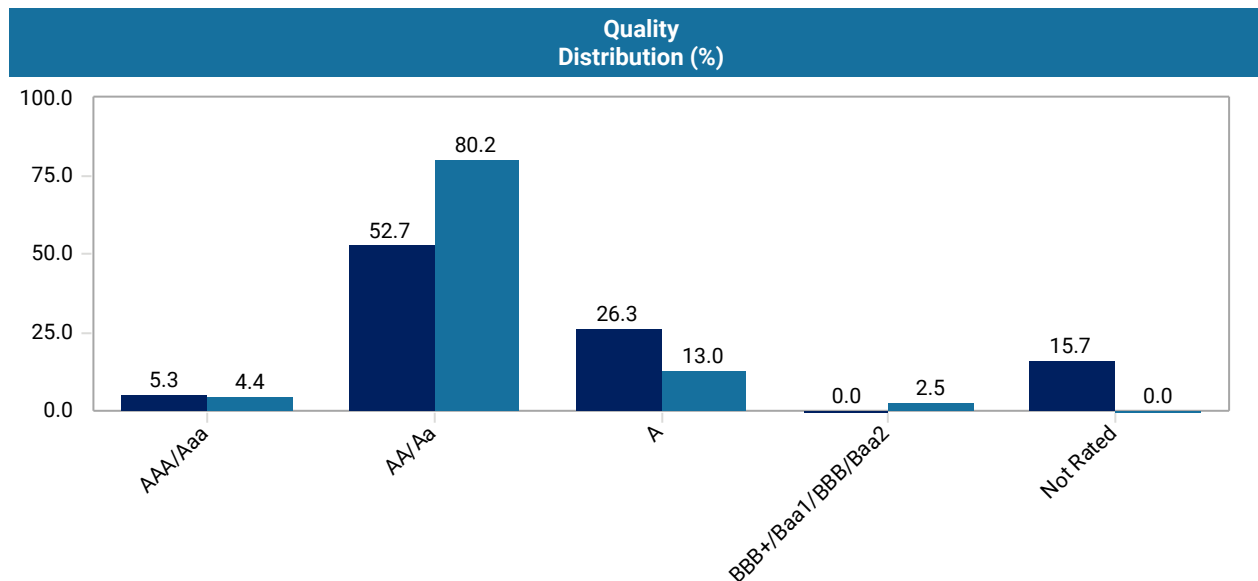
# RESERVE MANAGER REVIEW



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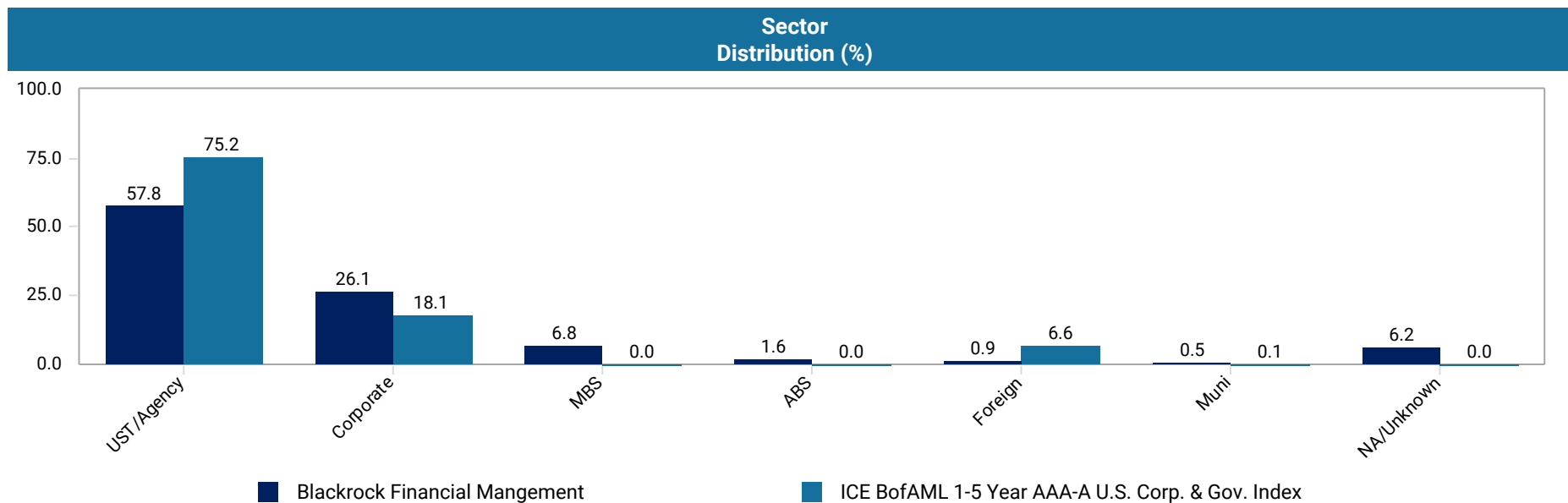
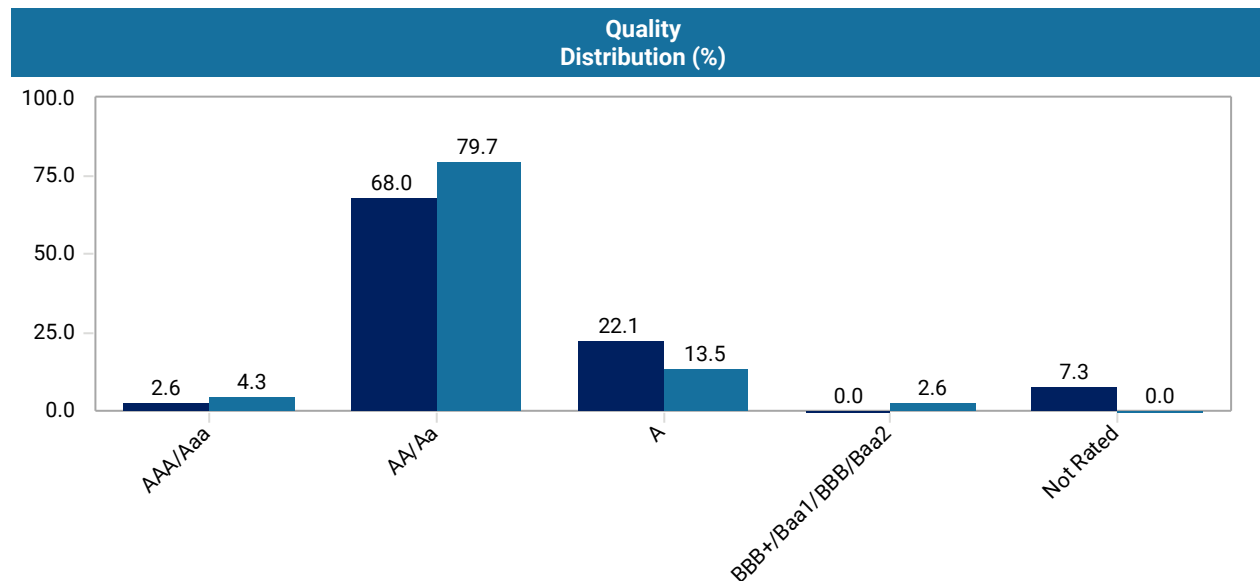
# JPM INTERMEDIATE

Characteristics		
	Portfolio	Benchmark
Yield To Maturity (%)	4.6	4.4
Avg. Maturity	2.2	1.9
Average Duration	2.0	1.8
Avg. Quality	AA	AA



# BLACKROCK FINANCIAL MANGEMENT

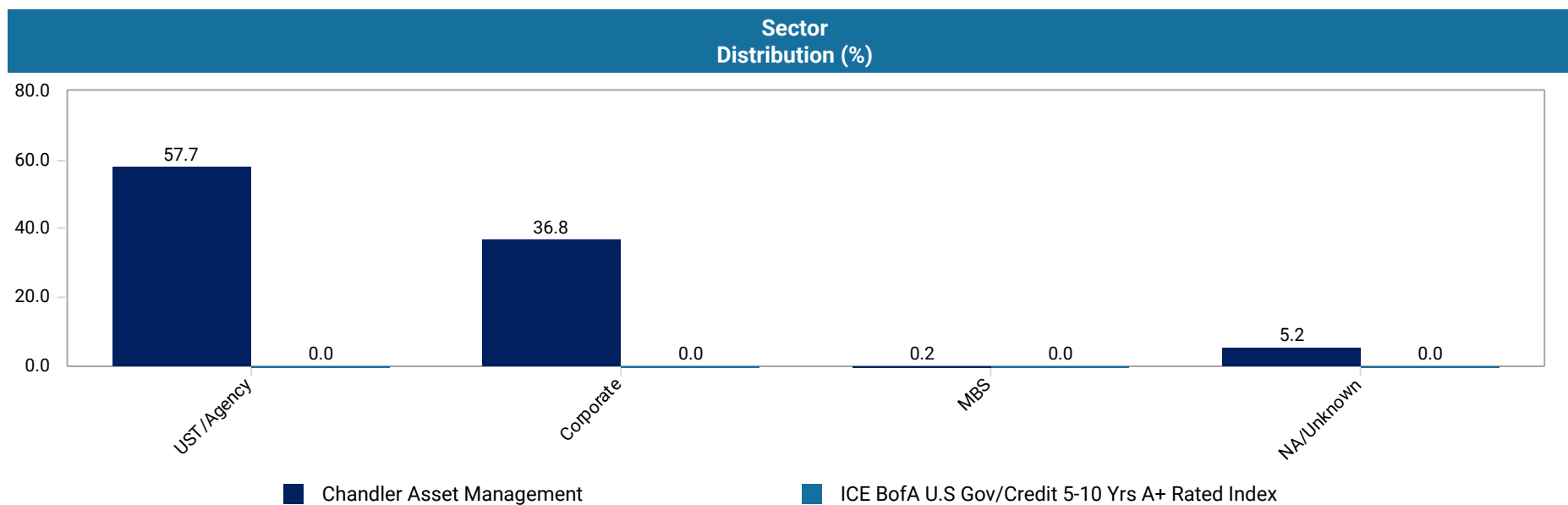
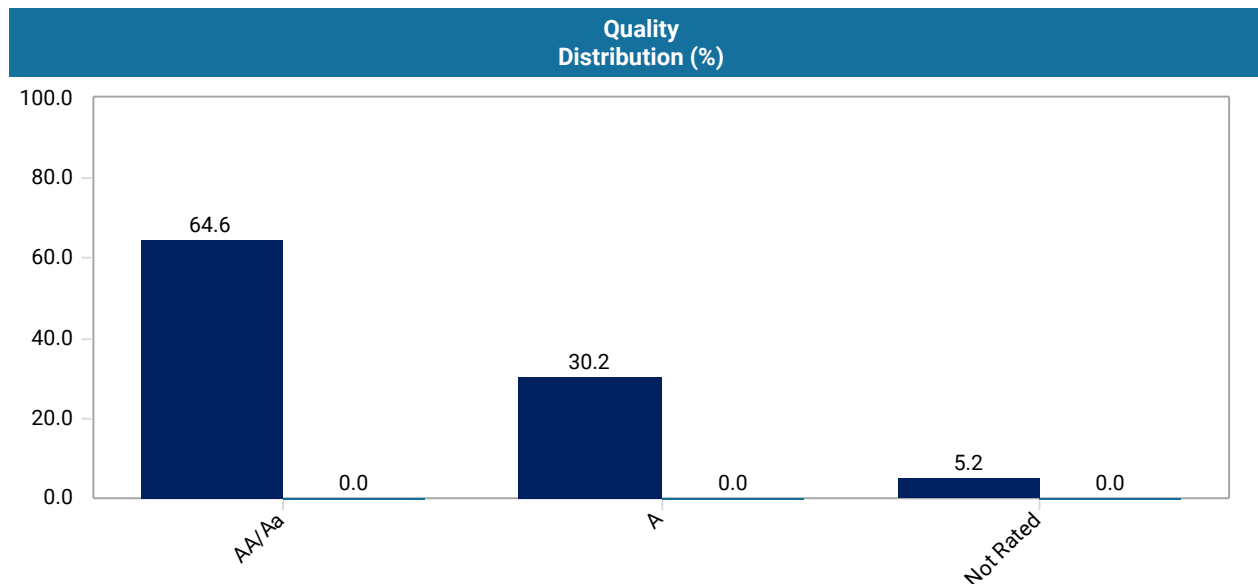
Characteristics		
	Portfolio	Benchmark
Yield To Maturity (%)	4.4	4.3
Avg. Maturity	2.8	2.8
Average Duration	2.6	2.6
Avg. Quality	AA	AA





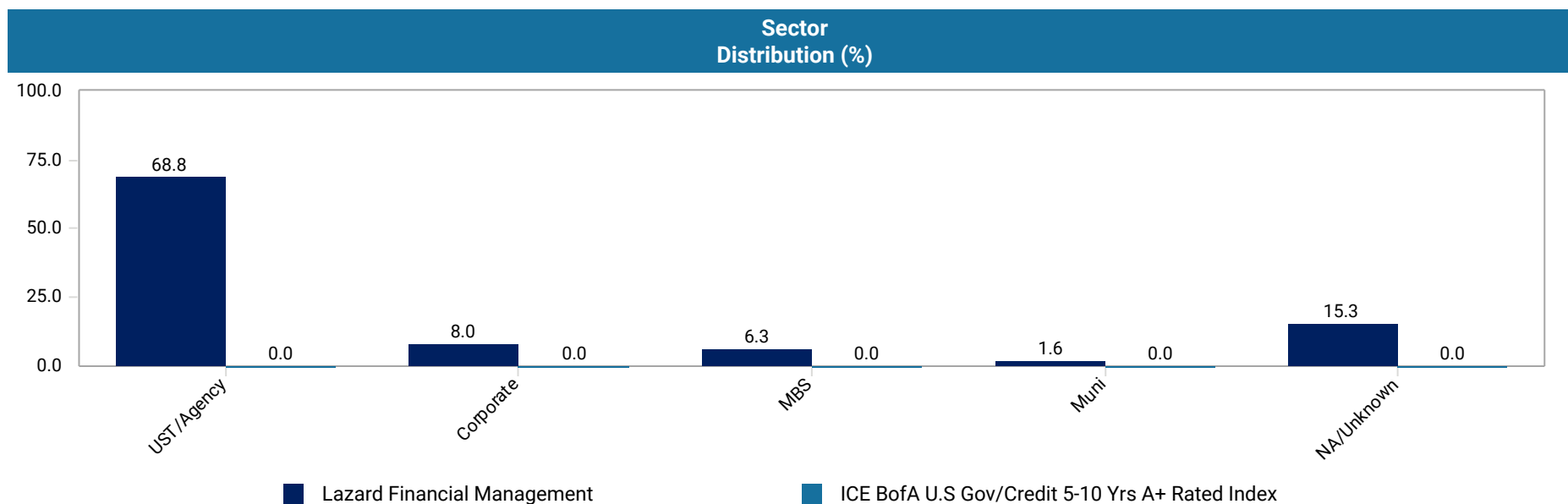
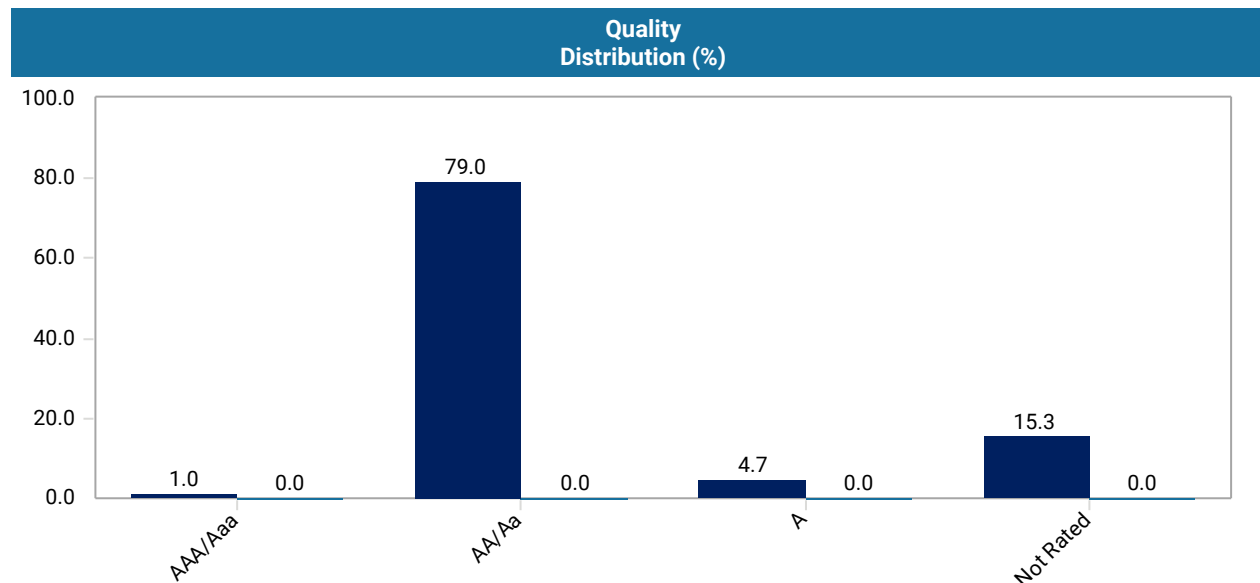
# CHANDLER ASSET MANAGEMENT

Characteristics		
	Portfolio	Benchmark
Yield To Maturity (%)	4.2	
Avg. Maturity	7.1	
Average Duration	6.1	
Avg. Quality	AA	



# LAZARD FINANCIAL MANAGEMENT

Characteristics		
	Portfolio	Benchmark
Yield To Maturity (%)	4.0	
Avg. Maturity	6.0	
Average Duration	5.2	
Avg. Quality	AA	





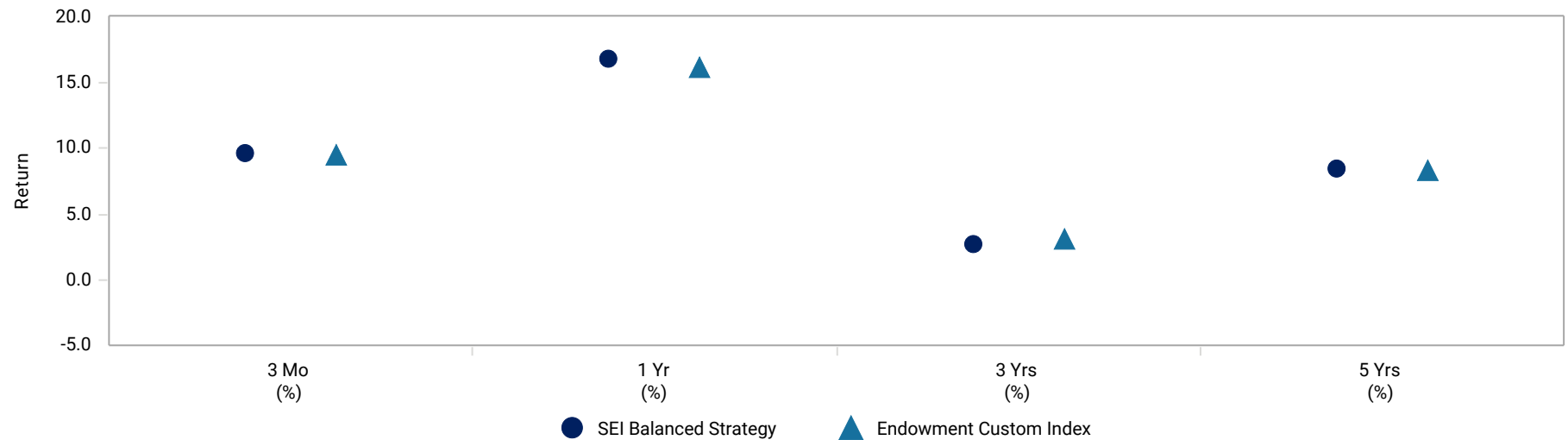
# ENDOWMENT MANAGER REVIEW



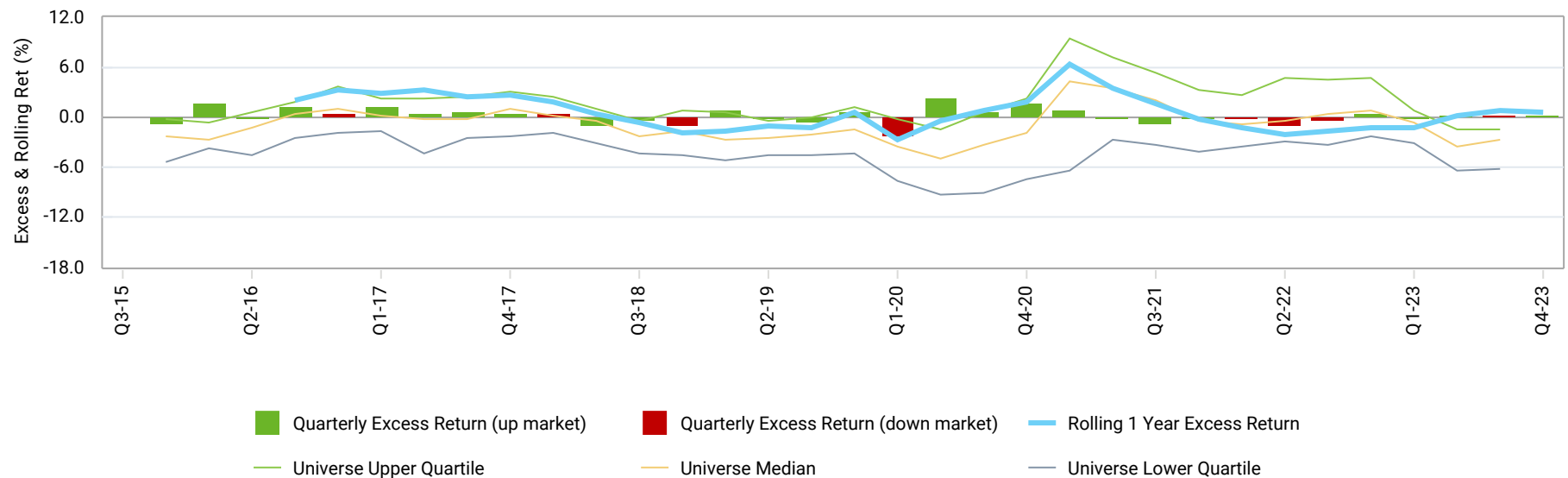
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# SEI BALANCED STRATEGY

eV Global Balanced (net of fees)



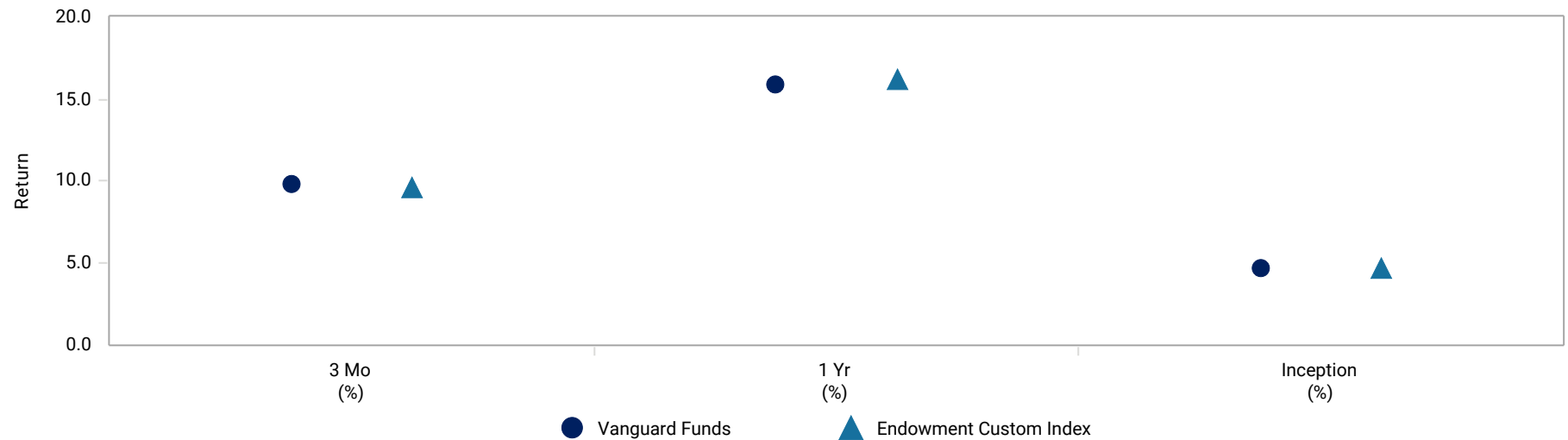
Quarter Excess Return with a Rolling 1 Year Excess Return over Since Inception Ending December 31, 2023



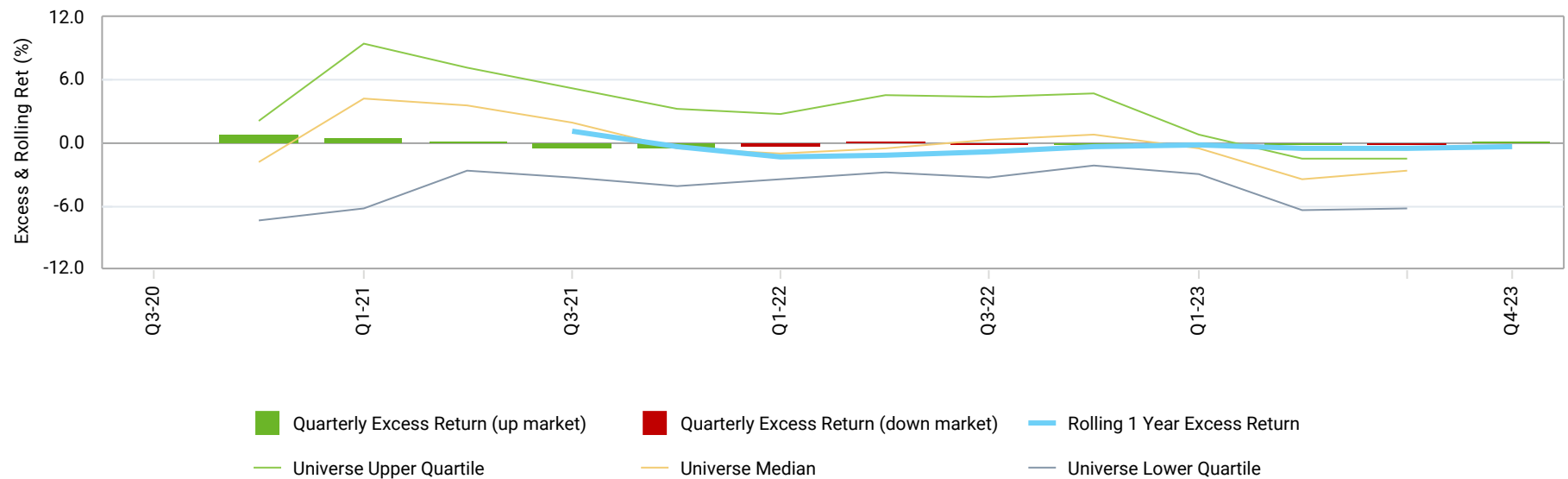
Delaware State Treasury

# VANGUARD FUNDS

eV Global Balanced (net of fees)



Quarter Excess Return with a Rolling 1 Year Excess Return over Since Inception Ending December 31, 2023





# ARPA MANAGER REVIEW

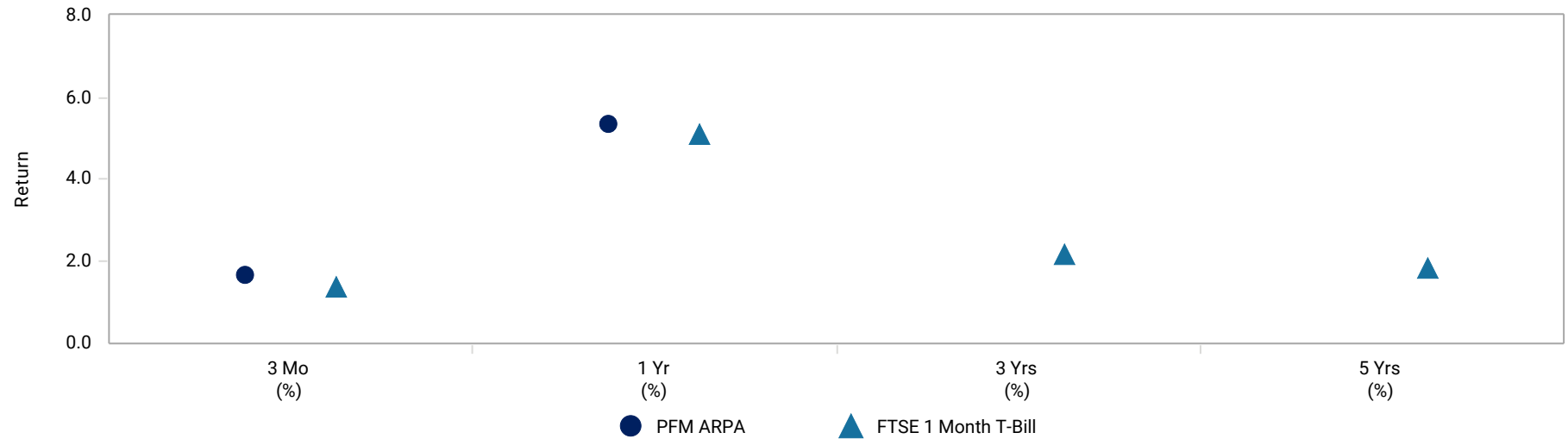


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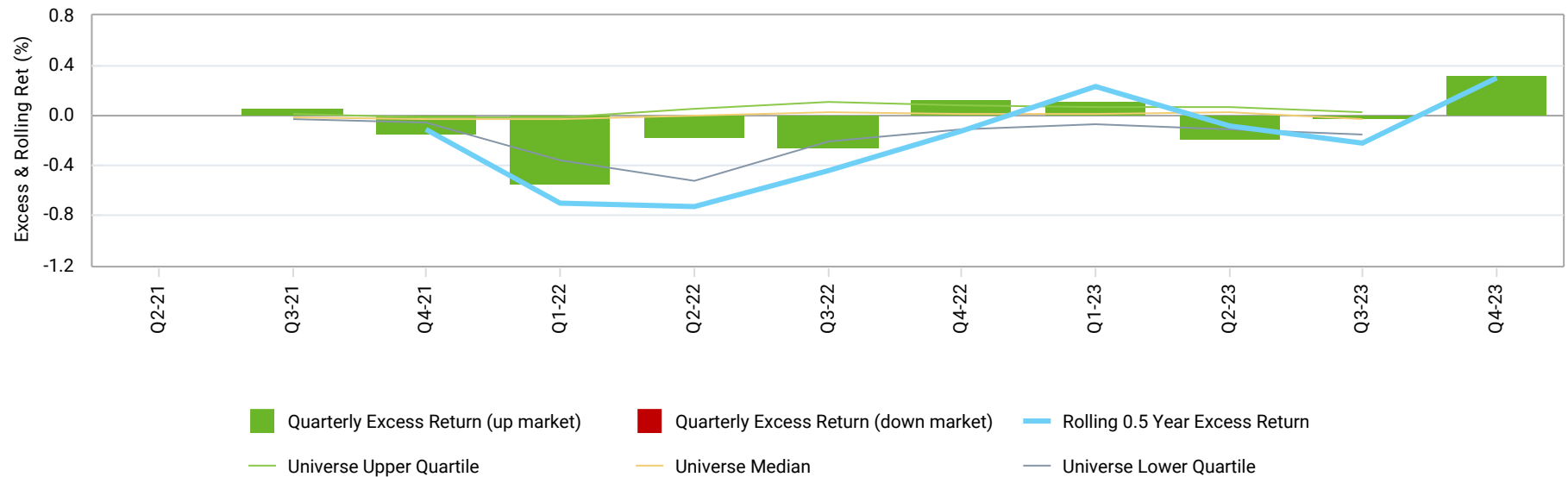
# Delaware State Treasury

## PFM ARPA

### eV US Cash Management (net of fees)



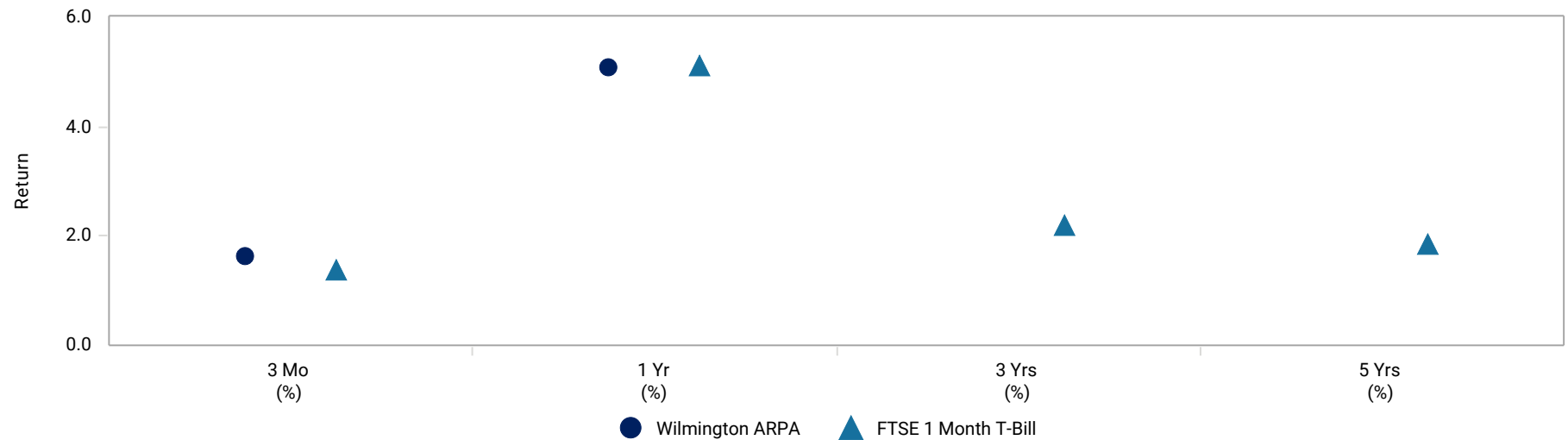
### Quarter Excess Return with a Rolling 0.5 Year Excess Return over Since Inception Ending December 31, 2023



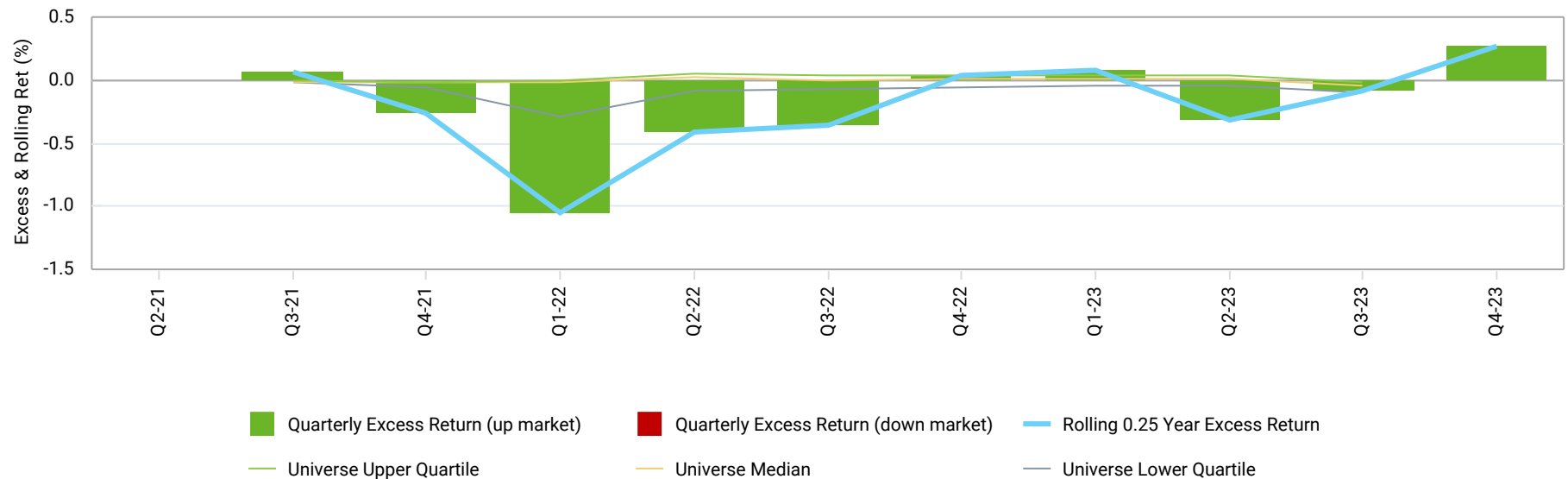
# Delaware State Treasury

## WILMINGTON ARPA

eV US Cash Management (net of fees)



Quarter Excess Return with a Rolling 0.25 Year Excess Return over Since Inception Ending December 31, 2023







# REPORT APPENDIX

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# INVESTMENT REGIME SHIFTS TAKE TIME

## 2024 MARKET OUTLOOK



### Economic Resilience

**Robust labor market reinforces a “no recession” outcome for the U.S.**



### Long and Variable Monetary Policy Lag

**Access to capital and liquidity slowly adjusting to the investment landscape**



### Higher for Longer Interest Rates

**Market participants have not accepted long-term interest rates above 4%**



### Inflation Expectations Are Awry

**Market expectations are anchored to the low inflation levels of the past decade**

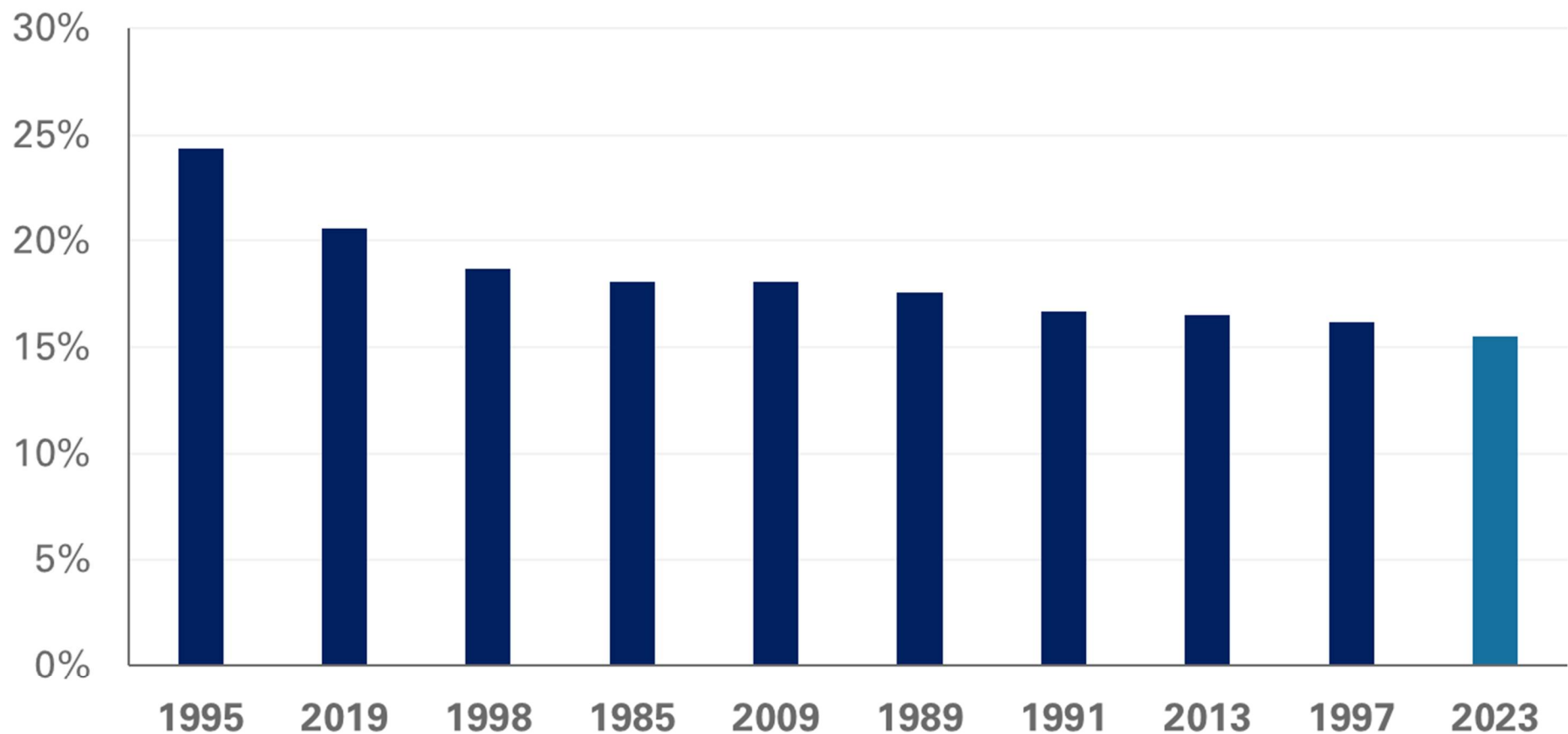


### Geopolitical Dynamics

**Geopolitical trends are straining supply chains and macroeconomic conditions**

# 2023 WAS A STRONG YEAR FOR 60/40

## 60/40 ANNUAL PORTFOLIO RETURNS

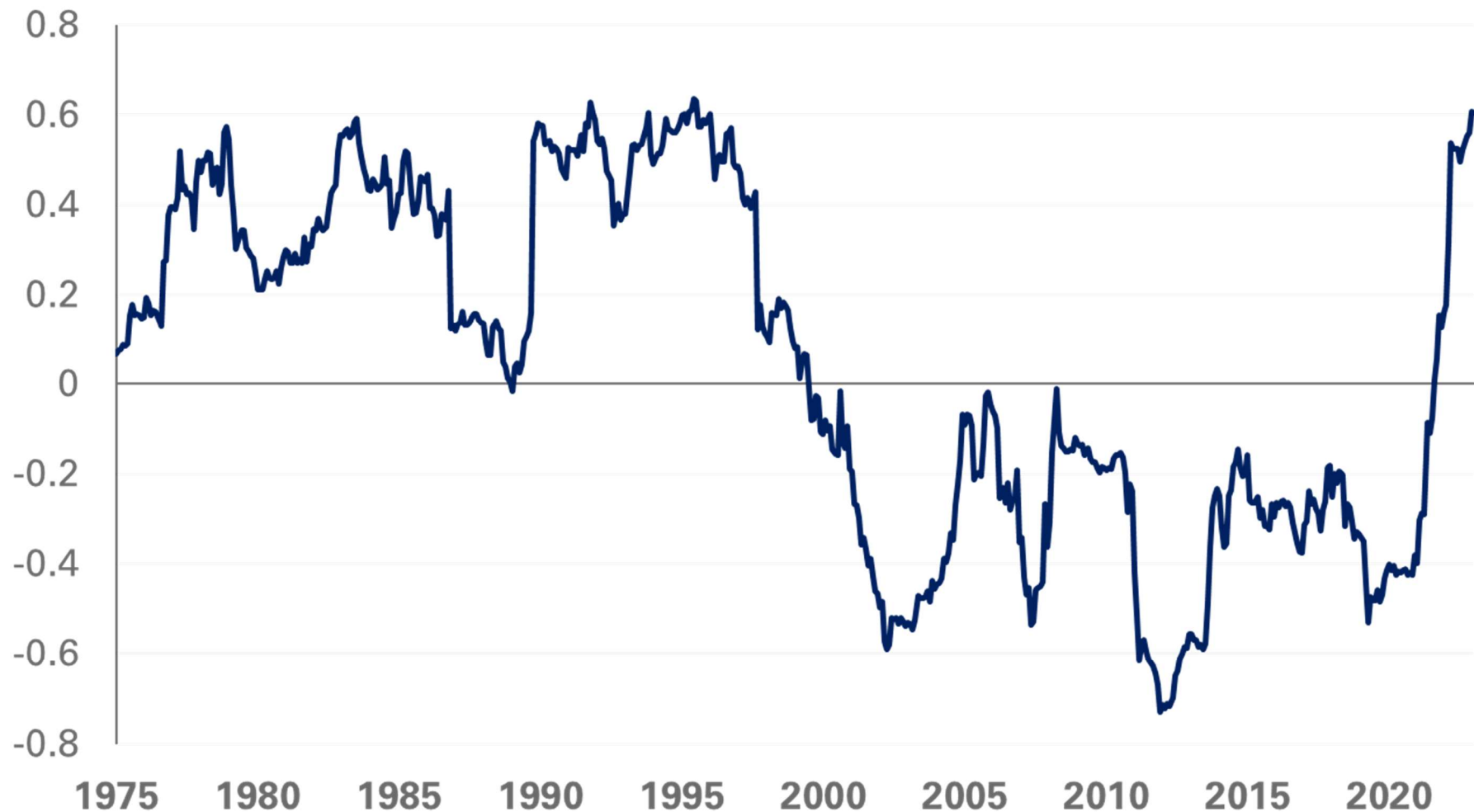


Notes: Chart calculated using annual data 1976 to present. 60% reflects S&P 500 price return, 40% reflects Bloomberg U.S. Aggregate Bond Index returns  
Sources: S&P, Bloomberg, FactSet



# THE STOCK-BOND CORRELATION IS POSITIVE

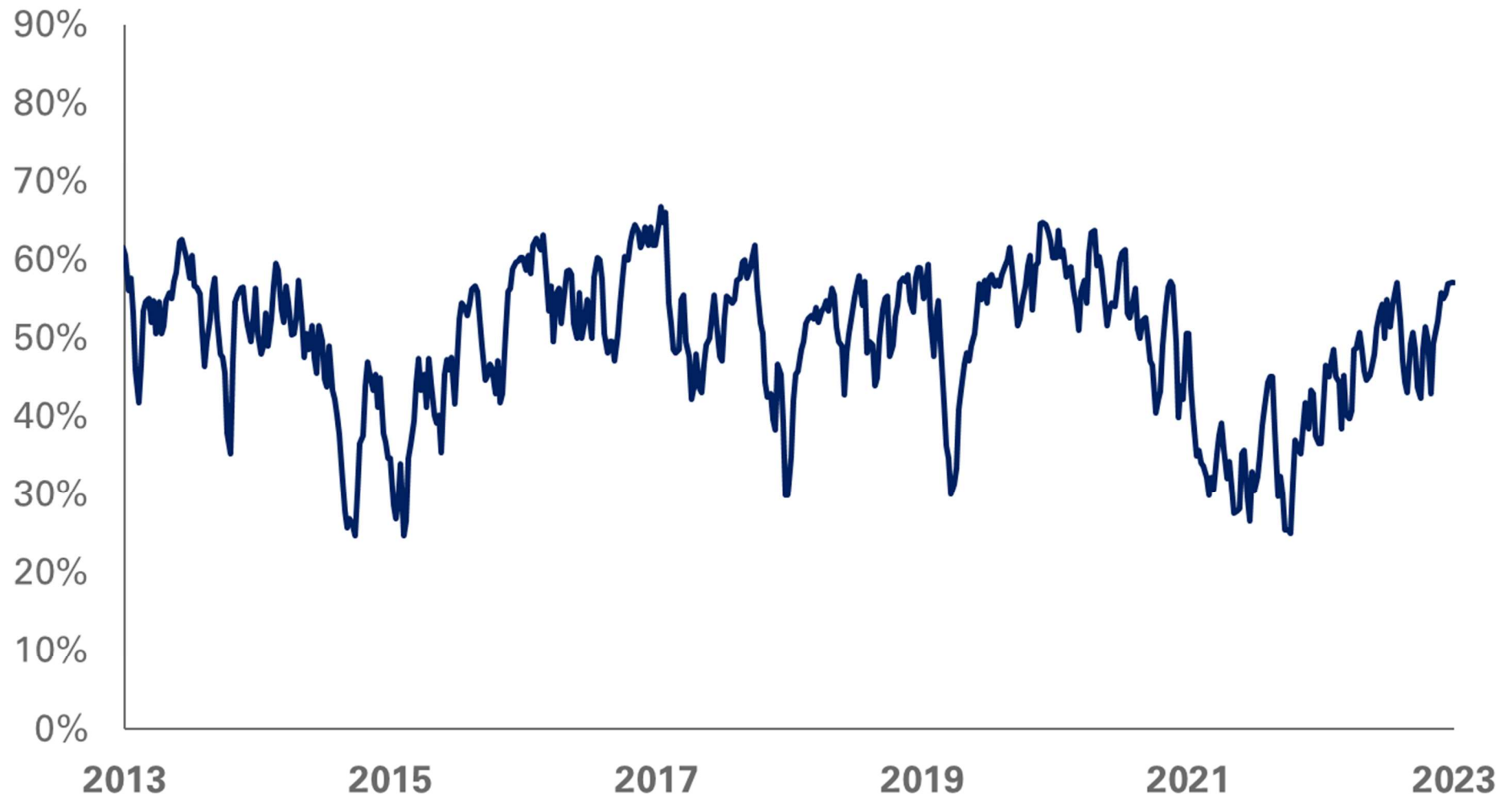
S&P 500 & U.S. TREASURY INDEX: 3-YEAR ROLLING CORRELATIONS



Sources: Bloomberg, S&P, FactSet

# INVESTOR SENTIMENT SURGED IN 2023

## INVESTORS INTELLIGENCE BULLISH SENTIMENT INDEX



Source: Investors Intelligence, FactSet

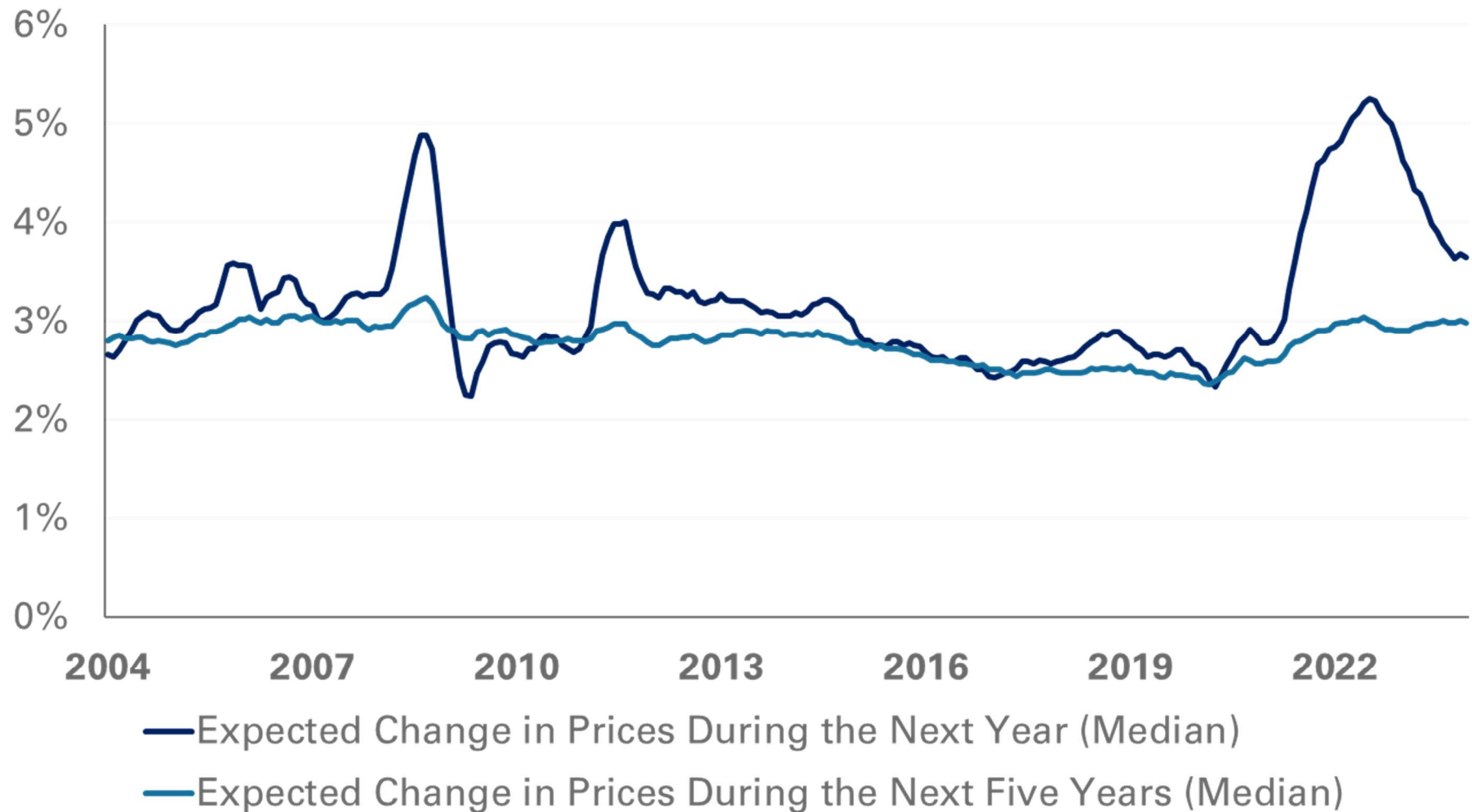
# RESILIENCY STEMMED FROM THE LABOR MARKET

## UNEMPLOYMENT INSURANCE CLAIMS AS % OF THE LABOR FORCE



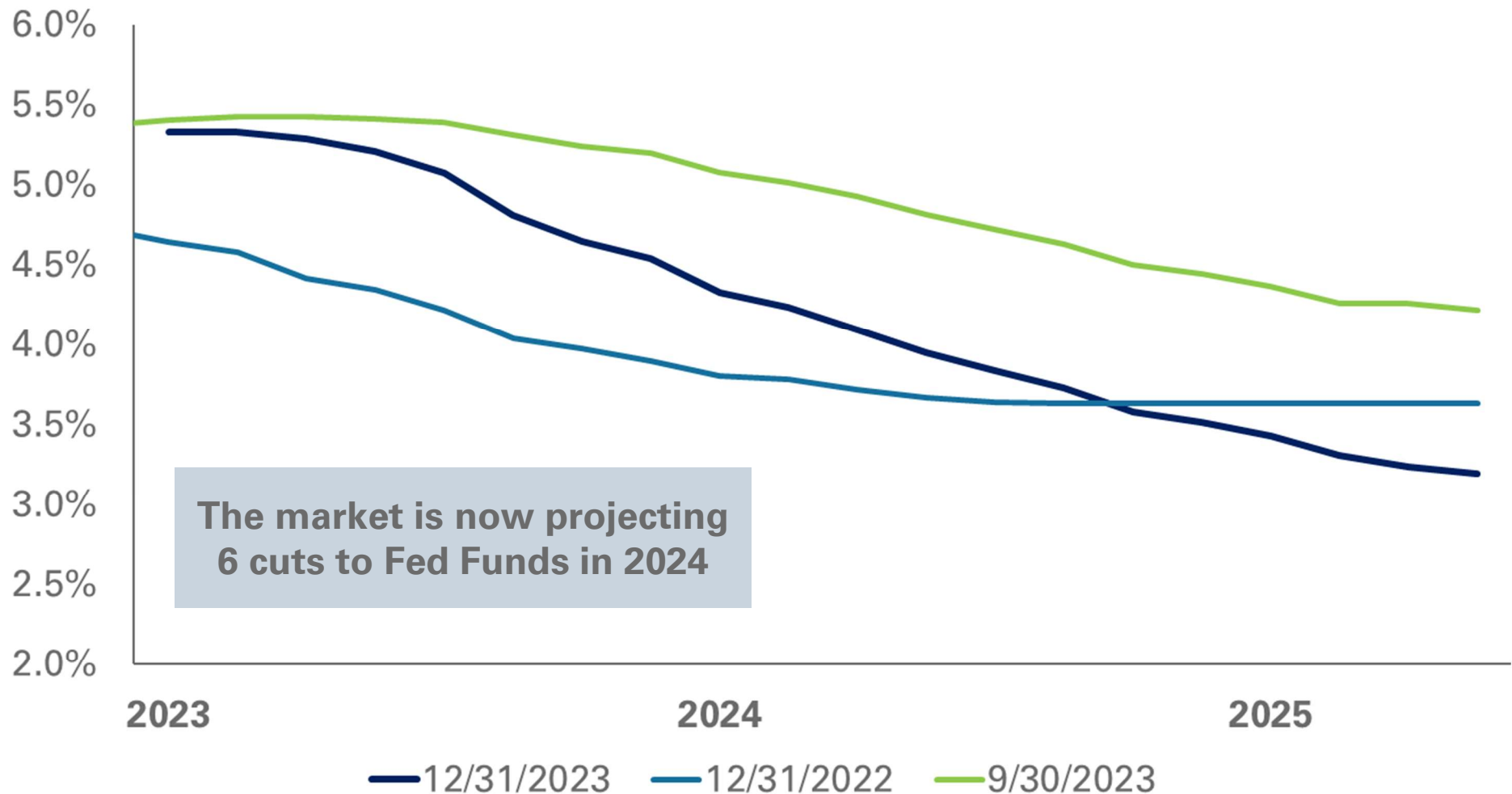
# INFLATION MAY NORMALIZE ABOVE EXPECTATIONS

## ROLLING 6-MONTH AVG CONSUMER INFLATION EXPECTATIONS



# MARKETS ARE BIASED TO LOWER U.S. RATES

## FEDERAL FUND FUTURES





# PORTFOLIO POSITIONING VIEWS

## CURRENT OPPORTUNITIES

Look to **reduce S&P 500 and U.S. mega-cap exposure in favor of U.S. value positions and high yield credit**

We suggest **tilting equity implementation to global equity strategies** and encourage greater usage of active equity approaches

With the **normalization of real interest rates**, we recommend introducing dedicated U.S. TIPS exposure to strategic policy targets

**We remain comfortable holding greater levels of cash** and holding appropriate safe-haven fixed income exposure

# EQUITY RISK PREMIUMS REMAINED LOW

S&P 500 NTM EARNINGS YIELD – 10-YEAR TREASURY YIELDS



Source: S&P, FactSet

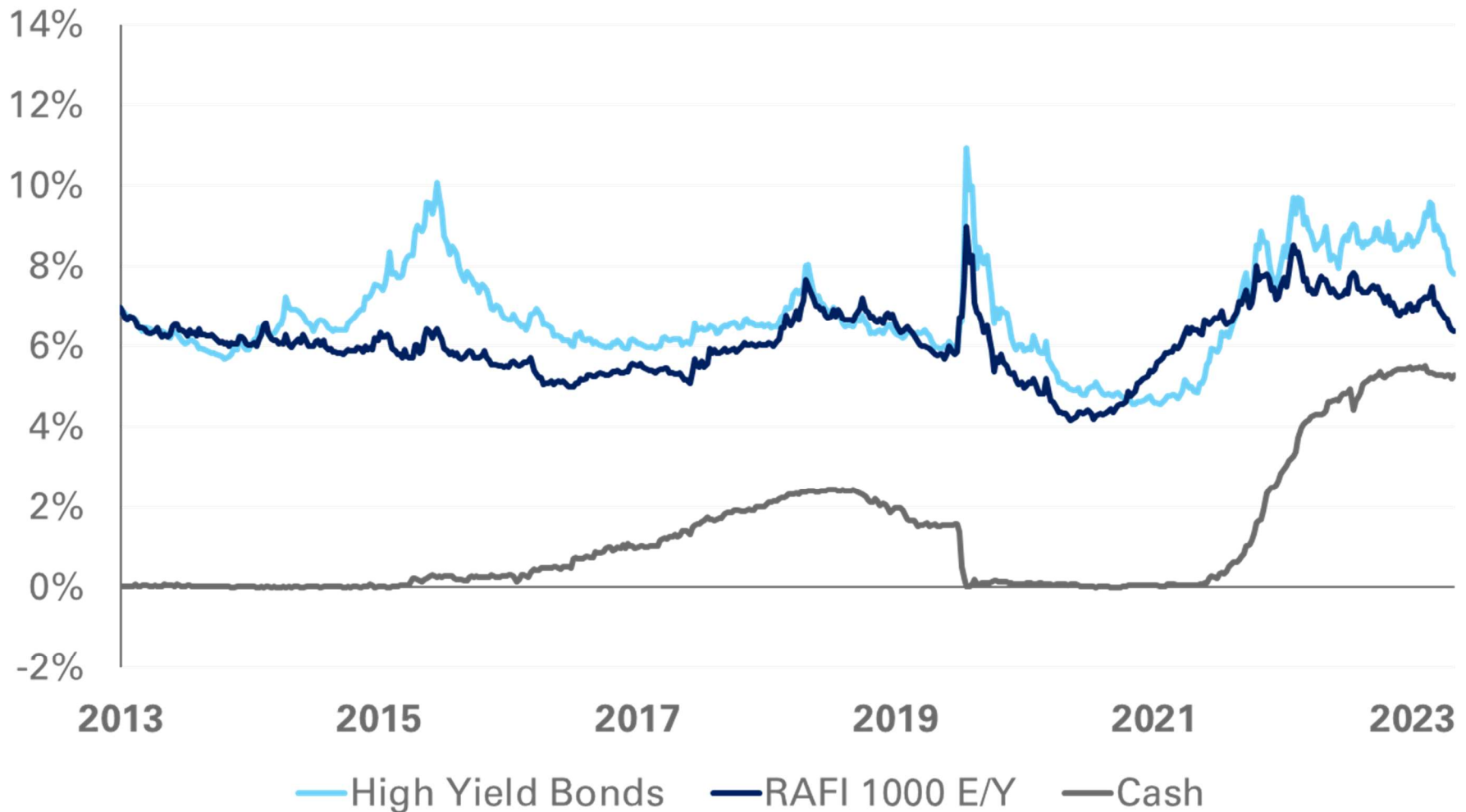
# U.S. TIPS ARE ATTRACTIVE IN THIS ENVIRONMENT

## 10-YEAR U.S. TIPS REAL YIELD AND BREAKEVEN INFLATION



# HIGH YIELD AND VALUE OFFER A CARRY BENEFIT

## INDEX EARNINGS YIELD AND BOND YIELDS



Sources: Bloomberg, FactSet

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Past performance is no guarantee of future results.

Returns for pooled funds, e.g. mutual funds and collective investment trusts, are collected from third parties; they are not generally calculated by NEPC. Returns for separate accounts, with some exceptions, are calculated by NEPC. Returns are reported net of manager fees unless otherwise noted.

A “since inception” return, if reported, begins with the first full month after funding, although actual inception dates (e.g. the middle of a month) and the timing of cash flows are taken into account in Composite return calculations.

NEPC’s preferred data source is the plan’s custodian bank or record-keeper. If data cannot be obtained from one of the preferred data sources, data provided by investment managers may be used. Information on market indices and security characteristics is received from additional providers. While NEPC has exercised reasonable professional care in preparing this report, we cannot guarantee the accuracy of all source information contained within. In addition, some index returns displayed in this report or used in calculation of a policy index, allocation index or other custom benchmark may be preliminary and subject to change.

All investments carry some level of risk. Diversification and other asset allocation techniques are not guaranteed to ensure profit or protect against losses.

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Source of private fund performance benchmark data: Cambridge Associates, via Refinitiv



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