

## Portfolio Performance (net of fees) for Period Ending September 30, 2017

	Market Value (millions)	Annualized Returns for:						
		1 Year	3 Years	5 Years	10 Years	15 Years	20 Years	30 Years
<b>Total Fund</b>	<b>\$28,643</b>	<b>12.2%</b>	<b>5.8%</b>	<b>8.5%</b>	<b>5.0%</b>	<b>7.6%</b>	<b>7.1%</b>	<b>8.5%</b>
Policy Benchmark Portfolio		11.9%	5.2%	7.1%	4.1%	7.1%	6.3%	7.3%
<b>Equities</b>	<b>\$10,996</b>	<b>18.5%</b>	<b>8.1%</b>	<b>10.9%</b>	<b>4.7%</b>	<b>9.4%</b>	<b>6.6%</b>	<b>-</b>
U.S. Equities	\$5,139	18.8%	10.8%	14.2%	7.8%	10.6%	7.5%	-
International Developed Market Equities	\$3,155	18.6%	5.9%	9.1%	2.0%	8.8%	-	-
International Emerging Market Equities	\$2,163	17.4%	4.3%	3.6%	0.4%	-	-	-
Global Equities	\$538	19.8%	10.9%	-	-	-	-	-
<b>Hedge Funds</b>	<b>\$6,256</b>	<b>6.9%</b>	<b>2.5%</b>	<b>5.6%</b>	<b>3.5%</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>High-Yield Investments</b>	<b>\$3,535</b>	<b>13.3%</b>	<b>6.3%</b>	<b>8.8%</b>	<b>8.3%</b>	<b>8.8%</b>	<b>-</b>	<b>-</b>
Opportunistic Credit	\$1,962	13.5%	6.9%	9.7%	7.2%	-	-	-
Distressed Debt*	\$501	20.1%	7.7%	11.0%	8.9%	-	-	-
High-Yield Bonds	\$271	8.1%	4.9%	5.9%	7.3%	8.1%	-	-
Direct Lending*	\$800	10.1%	3.4%	-	-	-	-	-
<b>Private Equity*</b>	<b>\$3,457</b>	<b>18.9%</b>	<b>11.9%</b>	<b>14.4%</b>	<b>7.9%</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Real Assets</b>	<b>\$2,202</b>	<b>0.3%</b>	<b>0.5%</b>	<b>3.9%</b>	<b>3.8%</b>	<b>10.7%</b>	<b>-</b>	<b>-</b>
Private Real Estate*	\$631	12.0%	13.6%	15.5%	-	-	-	-
Master Limited Partnerships	\$817	-3.7%	-9.6%	-	-	-	-	-
REITs	\$754	-0.1%	7.8%	8.4%	3.9%	10.6%	-	-
<b>Investment-Grade Bonds</b>	<b>\$1,635</b>	<b>1.0%</b>	<b>3.6%</b>	<b>3.0%</b>	<b>4.8%</b>	<b>4.6%</b>	<b>5.9%</b>	<b>7.6%</b>
<b>Cash and Cash Equivalents</b>	<b>\$561</b>	<b>0.7%</b>	<b>0.4%</b>	<b>0.6%</b>	<b>1.5%</b>	<b>-</b>	<b>-</b>	<b>-</b>

Due to rounding, totals and detail may not equal.

\*Performance of TCDRS' distressed debt, direct lending, private equity and private real estate portfolios are lagged one quarter. Actual third-quarter performance for these asset classes will be available in December 2017.

Source: BNY Mellon Performance and Risk Analytics, September 2017