

## Portfolio Performance (net of fees) for Period Ending September 30, 2018

	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>\$30,197</b>	<b>8.8%</b>	<b>9.4%</b>	<b>7.7%</b>	<b>7.8%</b>	<b>7.3%</b>	<b>6.8%</b>	<b>8.3%</b>
Policy Benchmark Portfolio		7.3%	8.9%	6.5%	6.7%	6.5%	6.1%	7.1%
<b>Equities</b>	<b>\$11,478</b>	<b>9.0%</b>	<b>13.1%</b>	<b>9.1%</b>	<b>8.8%</b>	<b>8.3%</b>	<b>6.6%</b>	<b>-</b>
U.S. Equities	\$5,132	17.7%	17.2%	13.5%	12.2%	10.1%	7.9%	-
International Developed Market Equities	\$3,412	3.2%	9.1%	5.2%	6.1%	7.3%	-	-
International Emerging Market Equities	\$2,315	-1.6%	9.9%	3.0%	4.2%	-	-	-
Global Equities	\$618	14.9%	15.0%	14.9%	-	-	-	-
<b>Hedge Funds</b>	<b>\$6,044</b>	<b>4.7%</b>	<b>4.3%</b>	<b>4.2%</b>	<b>5.3%</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Credit</b>	<b>\$4,418</b>	<b>10.5%</b>	<b>9.9%</b>	<b>8.3%</b>	<b>10.2%</b>	<b>8.1%</b>	<b>-</b>	<b>-</b>
Strategic Credit	\$2,544	10.9%	10.5%	8.5%	10.4%	8.1%	-	-
Distressed Debt*	\$489	13.4%	11.2%	10.4%	10.1%	-	-	-
Direct Lending*	\$1,385	8.1%	6.2%	5.3%	-	-	-	-
<b>Private Equity*</b>	<b>\$4,271</b>	<b>17.8%</b>	<b>14.0%</b>	<b>15.4%</b>	<b>9.9%</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Real Assets</b>	<b>\$2,770</b>	<b>10.2%</b>	<b>7.2%</b>	<b>5.5%</b>	<b>5.3%</b>	<b>9.5%</b>	<b>10.3%</b>	<b>-</b>
Private Real Estate*	\$653	13.4%	12.2%	14.5%	-	-	-	-
Master Limited Partnerships	\$1,426	8.2%	5.6%	1.6%	-	-	-	-
REITs	\$691	5.0%	6.8%	7.9%	6.9%	9.1%	10.0%	-
<b>Investment-Grade Bonds</b>	<b>\$1,623</b>	<b>-0.8%</b>	<b>2.4%</b>	<b>3.0%</b>	<b>4.7%</b>	<b>4.3%</b>	<b>5.0%</b>	<b>7.1%</b>
<b>Cash and Cash Equivalents</b>	<b>\$409</b>	<b>1.9%</b>	<b>1.0%</b>	<b>0.8%</b>	<b>1.0%</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 2018.

Source: BNY Mellon Performance and Risk Analytics, September 2018