



Illinois Police Officers' Pension Investment Fund

Investment Update

As of 3/5/25

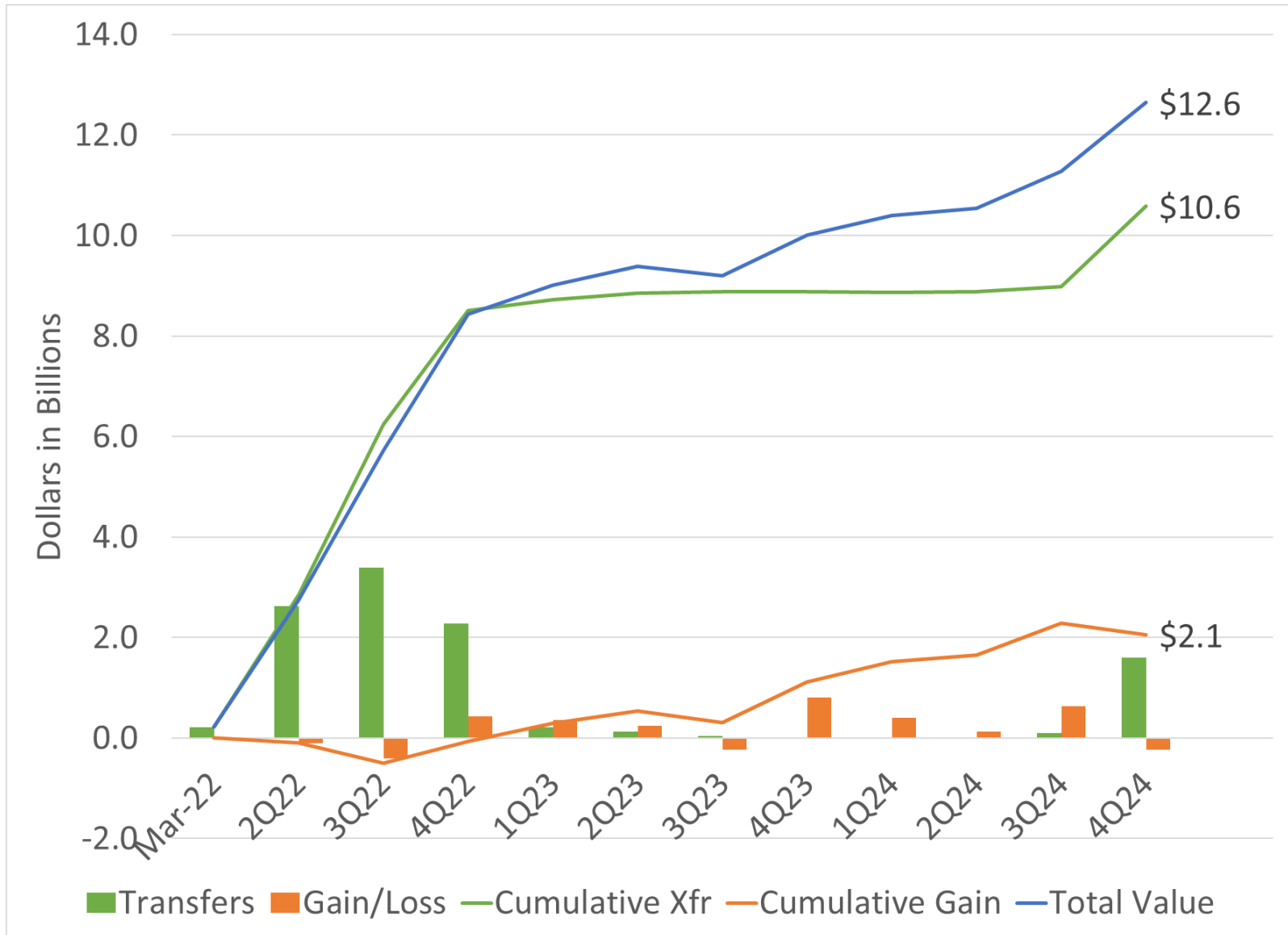
Performance Update

	2023	2024	Jan. 2025	FY25 July – Jan.	Since Incept. 4/22
IPOPIF Pool	+13.7%	+9.6%	+2.4%	+6.5%	5.4%
Policy Benchmark	+14.2%	+9.7%	+2.5%	+6.6%	5.5%
Broad Benchmark	+16.8%	+10.8%	+2.5%	+7.0%	5.3%

- Returns for periods longer than one year are annualized.
- IPOPIF Performance is net of investment management fees.
- Policy Benchmark – Weighted average of asset class benchmarks; gauges success of implementation (currently less stock exposure than the broad benchmark).
- Broad Benchmark – 70/30 global stocks/bonds; gauges success of asset allocation.
- IPOPIF Actuarial Assumed Rate of Return is 6.8% per year.

Preliminary data indicates that the Fund return was near 0% (flat) in February.

IPOPIF Growth



FY 25 Performance Commentary

- The investment pool was up 6.1% for the three months ending 9/30/24, driven by continued economic strength and declining interest rates. Equity participation broadened with US Small Cap and International Stocks taking the lead. REITs were the overall leader for the quarter, returning 15.5%. China stocks spiked from mid-September into early October on news of government support but have subsequently reverted.
- The investment pool was down 1.9% for the three months ending 12/31/24, driven by weakness in international stocks and the negative impact of higher interest rates on fixed income and REITs.
- The investment pool was up 2.4% in January, driven by equities (especially non-US) and interest rate moderation.
- Fiscal year to date (July – January) the investment pool is up 6.5%.
- Preliminary data show the Fund return near zero (0%) for February.

Active Manager Value Add – 12/31/24

month =>	2024-12					Fee %
	Start	End \$M	GVA	Fees	NVA	of GVA
Acadian	Jan 2024	317	17,003,614	1,450,685	15,552,929	8.5%
LSV	Mar 2024	156	4,422,222	930,197	3,492,025	21.0%
WCM	Mar 2024	160	2,208,514	732,443	1,476,071	33.2%
ARGA	Dec 2024	92	(2,286,591)	53,429	(2,340,020)	Neg GVA
Wm Blair	Dec 2024	93	860,489	36,782	823,706	4.3%
Capital	Nov 2024	194	816,882	104,938	711,944	12.8%
Ares	Mar 2024	132	737,693	219,365	518,328	29.7%
Aristotle	Mar 2024	264	(536,319)	541,546	(1,077,864)	Neg GVA
Principal	Jan 2023*	214	5,906,879	2,771,666	3,135,213	46.9%
Total		1,619	29,133,383	6,841,052	22,292,330	23.5%

Source: Investment Staff Calculations

*Principal value add measured
subsequent to asset consolidation

NAV - Net Asset Value

GVA - Gross Value Add (before fees)

NVA - Net Value Add (after fees)

- The Value-add model compares the ending value of an investment to a theoretical investment in the benchmark with the same cash flow dates. Fees and value added are cumulative since inception.
- Manager evaluation is multifaceted and should take a long-term perspective. This is only one view.
- The short timeframe summarized above provides a baseline but is not sufficient for meaningful conclusions.

Funding and Rebalancing

Date	Account	Flow \$ mil	Trading Effect \$
29-Jan	SSGA Non-US Dev.	-50	-38
30-Jan	IPOPIF Cash	+50	
31-Jan	IPOPIF Cash	-95	
31-Jan	ARGA EME ex China	+95	-437,000
31-Jan	SSGA EME ex China	-80	
3-Feb	IPOPIF Cash	+80	
10-Feb	SSGA EME ex China	-95	
13-Feb	IPOPIF Cash	+95	
10-Feb	Wm Blair EME ex China	+95	-58,305
11-Feb	IPOPIF Cash	-95	
25-Feb	SSGA Non-US Dev.	-63	
26-Feb	IPOPIF Cash	+63	
27-Feb	IPOPIF Cash	-95	
27-Feb	ARGA EME ex China	+95	-437,000
3-Mar	SSGA EME ex China	-102	
4-Mar	IPOPIF Cash	+102	
10-Mar	SSGA EME ex China	-55	tbd
13-Mar	IPOPIF Cash	+55	
11-Mar	Wm Blair EME ex China	+55	tbd
11-Mar	IPOPIF Cash	-55	

- Rebalanced Non-US Developed stocks to replenish cash.
- Tranche #3 of ARGA funding.
- Smaller liquidation from SSGA brought EME to target weight.
- Tranche #3 of William Blair funding. Crossing opportunities have generally avoided exit charges for SSGA redemptions.
- Rebalanced Non-US Developed stocks to replenish cash.
- Tranche #4 of ARGA funding (complete).
- Larger liquidation from SSGA brought EME to target weight.
- Tranche #4 of William Blair funding in process as of 3/5/25. One more tranche planned for April to complete Blair funding.

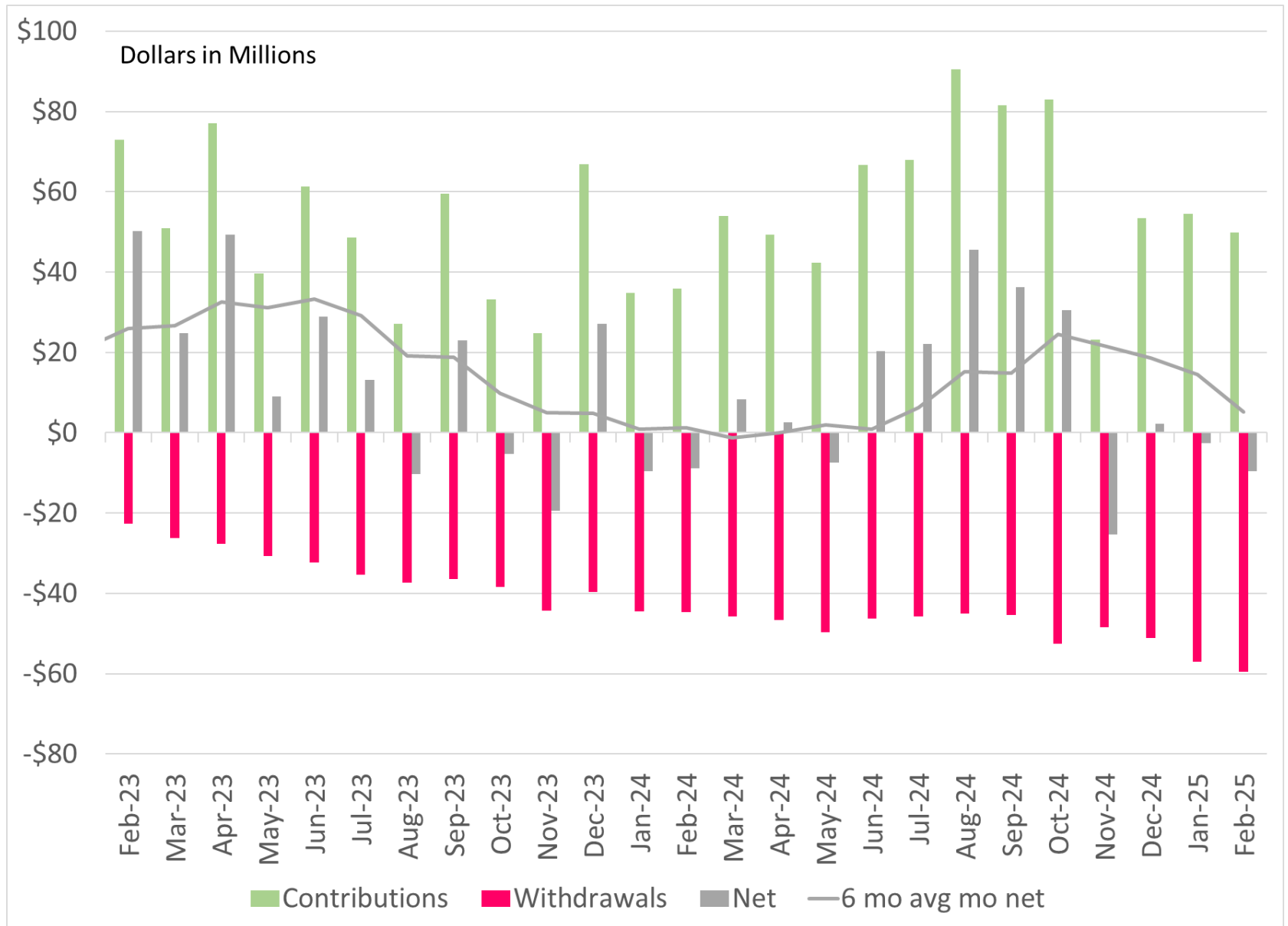
Asset Allocation

3/5/25

- Rebalanced Non-US Developed to cash in February.
- ARGA funding complete. W Blair funding to be completed in April and SSGA EME ex China will be fully redeemed.

Account	Current		Target		Variance	
	\$M	%	\$M	%	\$M	%
Growth	7,409	57.2%	7,507	58.0%	(97)	-0.8%
RhumbLine US Large	2,896	22.4%	2,977	23.0%	(81)	-0.6%
RhumbLine US Small	589	4.5%	647	5.0%	(58)	-0.5%
SSGA Non-US Developed	2,500	19.3%	2,459	19.0%	41	0.3%
Intl. Small Cap (3 mgrs)	656	5.1%	647	5.0%	9	0.1%
Acadian	327	2.5%	324	2.5%	4	0.0%
LSV (1 day lag)	164	1.3%	162	1.25%	2	0.0%
WCM (monthly)	164	1.3%	162	1.25%	3	0.0%
EME ex China	769	5.9%	777	6.0%	(8)	-0.1%
ARGA	389	3.0%	388	3.00%	1	0.0%
William Blair	270	2.1%	291	2.25%	(21)	-0.2%
SSGA EME ex China	109	0.8%	97	0.75%	12	0.1%
Income	2,120	16.4%	2,071	16.0%	50	0.4%
SSGA High Yield	935	7.2%	906	7.0%	29	0.2%
EM Debt (2 mgrs)	788	6.1%	777	6.0%	11	0.1%
Cap Group EMD	198	1.5%	194	1.5%	4	0.0%
SSGA EM Debt	590	4.6%	582	4.5%	8	0.1%
Bank Loans (2 mgrs)	398	3.1%	388	3.0%	9	0.1%
Ares (monthly)	133	1.0%	129	1.0%	3	0.0%
Aristotle (monthly)	265	2.0%	259	2.0%	6	0.0%
Real Assets	740	5.7%	777	6.0%	(37)	-0.3%
SSGA REITS	525	4.1%	518	4.0%	7	0.1%
PRINCIPAL USPA	215	1.7%	259	2.0%	(44)	-0.3%
Risk Mitigation	2,673	20.7%	2,588	20.0%	85	0.7%
Cash Accounts	194	1.5%	129	1.0%	65	0.5%
SSGA ST GOV-CREDIT	1,307	10.1%	1,294	10.0%	13	0.1%
SSGA TIPS	396	3.1%	388	3.0%	7	0.1%
SSGA US TREASURY	387	3.0%	388	3.0%	(1)	0.0%
SSGA CORE BONDS	389	3.0%	388	3.0%	0	0.0%
Legacy Transition Bonds	0.377	0.0%	-	0.0%	0	0.0%
Total Investment Pool	12,942	100.0%	12,942	100.0%		

Monthly Participant Fund Cash Flow



Investment Updates

- Significant follow-up analysis and contracting work for private market consultant.
- Oaktree private credit platform setup is proceeding at a conservative pace.
 - Document review and analysis of legal structure has been time consuming but appropriate for the complexity of the private credit platform.
 - This will be a good template for other private asset classes.
 - Targeting initial funding of the Oaktree Global Credit Fund by the end of April. This is the feeder/buffer for private loans. 3% from high yield, ~\$390 million.
- Evaluating and planning small cap and high yield active manager searches.
- Participant reporting
 - Resumed daily valuation access and normal reporting timeline in January.

Looking forward

- March 2025
 - IPS and SAA adoption
 - US small cap education and search request
 - Review, Consultant
- April 2025
 - High Yield education and search request
 - Review, Intl. Small Cap
- June 2025
 - Private market strategic implementation plan
 - Review, Passive Mgrs
- 2nd half 2025
 - General Investment Consultant Search
 - US small cap and high yield interviews/selection
 - Private Market Searches
 - Reviews: bank loans, Principal, Custodian

For discussion and planning purposes. Subject to revision.