



# Philadelphia Gas Works Pension Plan

## Monthly Performance Review For the Period Ended September 30, 2020

Client Management Team

Marc Ammaturo, Managing Director  
Alexander Goldsmith, Senior Managing Consultant  
Amy Otten, Sr. Client Services Analyst

PFM Asset Management LLC

1735 Market Street  
43rd Floor  
Philadelphia, PA 19103  
215-567-6100

## Asset Allocation &amp; Performance - Preliminary

	Allocation		Performance(%)									
	Market Value (\$)	%	1 Month	1 Quarter	Jul-2020 To Sep-2020	Year To Date	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
<b>Total Fund</b>	<b>555,227,216</b>	<b>100.00</b>	<b>-2.26</b>	<b>5.35</b>	<b>5.35</b>	<b>1.18</b>	<b>7.34</b>	<b>6.65</b>	<b>8.62</b>	<b>8.13</b>	<b>8.17</b>	<b>01/01/1987</b>
<i>Total Fund TMI</i>			-2.15	5.64	5.64	4.25	10.39	7.66	9.27	8.61	8.38	01/01/1987
<b>Combined Large Cap</b>	<b>224,449,894</b>	<b>40.42</b>	<b>-3.79</b>	<b>9.02</b>	<b>9.02</b>	<b>6.17</b>	<b>15.67</b>	<b>12.34</b>	<b>13.94</b>	<b>12.89</b>	<b>9.67</b>	<b>01/01/1987</b>
<i>Russell 1000 Index</i>			-3.65	9.47	9.47	6.40	16.01	12.38	14.09	13.76	10.61	01/01/1987
Rhumblin Advisers	127,248,155	22.92	-3.69	9.38	9.38	6.86	16.44	12.45	14.09	N/A	11.57	08/01/2014
<i>Russell 1000 Index</i>			-3.65	9.47	9.47	6.40	16.01	12.38	14.09	13.76	11.58	08/01/2014
Northern Trust	30,444,559	5.48	-3.64	9.42	9.42	6.32	15.92	12.20	13.96	N/A	10.80	12/01/2014
<i>Russell 1000 Index</i>			-3.65	9.47	9.47	6.40	16.01	12.38	14.09	13.76	10.89	12/01/2014
PineBridge	66,757,180	12.02	-4.06	8.14	8.14	4.26	13.53	N/A	N/A	N/A	10.37	11/01/2017
<i>S&amp;P 500</i>			-3.80	8.93	8.93	5.57	15.15	12.28	14.15	13.74	11.76	11/01/2017
<b>Combined Small Cap</b>	<b>45,000,932</b>	<b>8.10</b>	<b>-3.61</b>	<b>3.47</b>	<b>3.47</b>	<b>-13.60</b>	<b>-7.70</b>	<b>2.48</b>	<b>7.11</b>	<b>9.94</b>	<b>9.52</b>	<b>03/01/1994</b>
<i>Russell 2000 Index</i>			-3.34	4.93	4.93	-8.69	0.39	1.77	8.00	9.85	8.21	03/01/1994
Copeland Small Cap Dividend Growth	22,847,067	4.11	-2.54	3.76	3.76	-11.92	-7.08	N/A	N/A	N/A	-5.54	08/01/2019
<i>Russell 2000 Index</i>			-3.34	4.93	4.93	-8.69	0.39	1.77	8.00	9.85	-2.22	08/01/2019
Rhumblin Small Cap Core	22,153,865	3.99	-4.69	3.16	3.16	-15.26	-8.32	N/A	N/A	N/A	-8.16	08/01/2019
<i>S&amp;P SmallCap 600</i>			-4.70	3.17	3.17	-15.25	-8.29	-0.33	7.20	10.57	-8.20	08/01/2019
<b>Combined International Equity</b>	<b>107,531,988</b>	<b>19.37</b>	<b>-1.85</b>	<b>6.01</b>	<b>6.01</b>	<b>-7.38</b>	<b>0.88</b>	<b>0.78</b>	<b>6.76</b>	<b>4.10</b>	<b>4.18</b>	<b>10/01/1989</b>
<i>MSCI AC World ex USA (Net)*</i>			-2.46	6.25	6.25	-5.44	3.00	1.16	6.23	4.00	4.79	10/01/1989
Acadian ACW ex US	37,035,310	6.67	-1.57	4.78	4.78	-3.64	4.86	N/A	N/A	N/A	7.07	06/01/2019
<i>MSCI AC World ex USA (Net)</i>			-2.46	6.25	6.25	-5.44	3.00	1.16	6.23	4.00	5.38	06/01/2019
EARNEST Partners International	32,997,679	5.94	-2.91	5.87	5.87	-14.20	-6.51	N/A	N/A	N/A	-1.56	06/01/2019
<i>MSCI AC World ex USA (Net)</i>			-2.46	6.25	6.25	-5.44	3.00	1.16	6.23	4.00	5.38	06/01/2019
Rhumblin International	37,498,999	6.75	-1.19	7.38	7.38	-4.35	4.22	N/A	N/A	N/A	6.45	06/01/2019
<i>MSCI AC World ex USA (Net)</i>			-2.46	6.25	6.25	-5.44	3.00	1.16	6.23	4.00	5.38	06/01/2019

Returns are net of fees. Returns are expressed as percentages. All data and performance shown prior to 4/01/16 is based on information supplied by previous consultant. Fiscal year end for Sinking Fund is June 30th; Fiscal year end for PGW entity is August 31st. Fixed Income Blended Benchmark is 8.5% Blmbg Barclays US High Yield and 91.5% Blmbg Barclays US Aggregate. "T" indicates the manager has been terminated.



## Asset Allocation &amp; Performance - Preliminary

	Allocation		Performance(%)									
	Market Value (\$)	%	1 Month	1 Quarter	Jul-2020 To Sep-2020	Year To Date	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
<b>Combined Fixed Income</b>	<b>178,244,391</b>	<b>32.10</b>	<b>-0.11</b>	<b>1.08</b>	<b>1.08</b>	<b>5.60</b>	<b>6.13</b>	<b>4.91</b>	<b>4.04</b>	<b>3.82</b>	<b>6.06</b>	<b>07/01/1987</b>
<i>Fixed Income Blended Benchmark</i>			-0.14	0.96	0.96	6.33	6.74	N/A	N/A	N/A	6.69	04/01/2018
<i>Blmbg. Barc. U.S. Aggregate</i>			-0.05	0.62	0.62	6.79	6.98	5.24	4.18	3.64	6.29	07/01/1987
Weaver C. Barksdale & Associates	43,193,469	7.78	-0.05	0.69	0.69	6.34	6.68	5.44	4.38	4.00	5.57	10/01/1997
<i>Barclays Aggregate**</i>			-0.05	0.62	0.62	6.79	6.98	5.24	4.18	3.66	5.17	10/01/1997
MetLife Fixed Income	40,316,316	7.26	-0.03	1.09	1.09	7.07	7.36	5.72	5.06	N/A	4.51	12/01/2014
<i>Blmbg. Barc. U.S. Aggregate</i>			-0.05	0.62	0.62	6.79	6.98	5.24	4.18	3.64	3.79	12/01/2014
MetLife Inv. Grade Credit	15,911,029	2.87	-0.19	1.99	1.99	6.66	7.89	6.20	N/A	N/A	6.22	07/01/2017
<i>Blmbg. Barc. U.S. Credit 5-10 Year Index</i>			-0.20	1.76	1.76	7.05	8.31	6.43	5.82	5.24	6.38	07/01/2017
Lazard Asset Management	31,819,261	5.73	-0.03	0.17	0.17	4.58	4.86	3.99	3.37	N/A	3.32	03/01/2011
<i>Blmbg. Barc. U.S. Intermediate Aggregate</i>			-0.03	0.48	0.48	5.16	5.66	4.20	3.27	2.98	3.15	03/01/2011
Garcia Hamilton & Associates	34,318,694	6.18	-0.11	0.60	0.60	5.53	5.80	4.27	3.39	3.65	3.85	07/01/2010
<i>Blmbg. Barc. Intermed. U.S. Government/Credit</i>			-0.01	0.61	0.61	5.92	6.32	4.43	3.39	2.91	3.11	07/01/2010
Sky Harbor Capital Management	12,685,623	2.28	-0.61	5.04	5.04	0.29	2.50	N/A	N/A	N/A	4.78	04/01/2018
<i>Blmbg. Barc. U.S. Corp: High Yield</i>			-1.03	4.60	4.60	0.62	3.25	4.21	6.79	6.47	5.24	04/01/2018
<b>Cash Equivalent</b>												
Wells Fargo Government Money Market	11	0.00	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	04/01/2012
CUSTODY Cash Only***	10,115,230	1.82	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	07/01/2015

\*Performance shown prior to 1/2001: MSCI AC World ex USA.

\*\*Performance shown prior to 6/2012: Barclays U.S. Gov't/Credit Index.

\*\*\*Custody Cash account balance is not included in the total fund market value.

Returns are net of fees. Returns are expressed as percentages. All data and performance shown prior to 4/01/16 is based on information supplied by previous consultant. Fiscal year end for Sinking Fund is June 30th; Fiscal year end for PGW entity is August 31st. Fixed Income Blended Benchmark is 8.5% Blmbg Barclays US High Yield and 91.5% Blmbg Barclays US Aggregate. "T" indicates the manager has been terminated.



## Historical Hybrid Composition - Total Fund TMI

Allocation Mandate	Weight (%)
<b>Jan-1985</b>	
FTSE World Government Bond Index	3.0
FTSE World Government Bond Index (Hedged)	3.0
S&P 500	36.0
Russell 2000 Index	7.5
MSCI EAFE (net)	12.5
Blmbg. Barc. U.S. Aggregate	34.0
Blmbg. Barc. U.S. Gov't/Credit	4.0
<b>Oct-2001</b>	
FTSE World Government Bond Index	3.8
FTSE World Government Bond Index (Hedged)	3.8
Russell 1000 Index	35.0
Russell 2000 Index	7.5
MSCI EAFE (net)	7.5
Fixed Income Target	42.5
<b>Apr-2003</b>	
Russell 1000 Index	35.0
Russell 2000 Index	7.5
MSCI EAFE (net)	7.5
Fixed Income Target	50.0
<b>Dec-2003</b>	
Russell 1000 Index	42.0
Russell 2000 Index	9.0
MSCI EAFE (net)	9.0
Fixed Income Target	40.0

Allocation Mandate	Weight (%)
<b>Jul-2007</b>	
Russell 1000 Index	45.0
Russell 2000 Index	10.0
MSCI EAFE (net)	10.0
Fixed Income Target	35.0
<b>Oct-2008</b>	
Russell 1000 Index	41.0
Russell 2000 Index	9.0
MSCI EAFE (net)	15.0
Fixed Income Target	35.0
<b>Jun-2012</b>	
Russell 1000 Index	41.0
Russell 2000 Index	9.0
MSCI AC World ex USA (Net)	15.0
Fixed Income Target	35.0
<b>Dec-2016</b>	
Russell 3000 Index	45.0
MSCI AC World ex USA (Net)	20.0
Blmbg. Barc. U.S. Aggregate	35.0



## IMPORTANT DISCLOSURES

---

PFM is the marketing name for a group of affiliated companies providing a range of services. All services are provided through separate agreements with each company. This material is for general information purposes only and is not intended to provide specific advice or a specific recommendation, as it was prepared without regard to any specific objectives or financial circumstances.

Investment advisory services are provided by PFM Asset Management LLC which is registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940. The information contained is not an offer to purchase or sell any securities. Additional applicable regulatory information is available upon request.

PFM asset management professionals have exercised reasonable professional care in the preparation of this performance report. Information in this report is obtained from sources external to PFM's asset management business and is generally believed to be reliable and available to the public; however, we cannot guarantee its accuracy, completeness or suitability. We rely on the client's custodian for security holdings and market values. Transaction dates reported by the custodian may differ from money manager statements. While efforts are made to ensure the data contained herein is accurate and complete, we disclaim all responsibility for any errors that may occur. References to particular issuers are for illustrative purposes only, and are not intended to be recommendations or advice regarding such issuers. Fixed income manager and index characteristics are gathered from external sources. When average credit quality is not available, it is estimated by taking the market value weights of individual credit tiers on the portion of the strategy rated by a NRSRO.

It is not possible to invest directly in an index. The index returns shown throughout this material do not represent the results of actual trading of investor assets. Third-party providers maintain the indices shown and calculate the index levels and performance shown or discussed. Index returns do not reflect payment of any sales charges or fees an investor would pay to purchase the securities they represent. The imposition of these fees and charges would cause investment performance to be lower than the performance shown.

The views expressed within this material constitute the perspective and judgment of PFM's asset management business at the time of distribution and are subject to change. Any forecast, projection, or prediction of the market, the economy, economic trends, and equity or fixed-income markets are based upon certain assumptions and current opinion as of the date of issue, and are also subject to change. Some, but not all assumptions are noted in the report. Assumptions may or may not be proven correct as actual events occur, and results may depend on events outside of your or our control. Changes in assumptions may have a material effect on results. Opinions and data presented are not necessarily indicative of future events or expected performance.

For more information regarding PFM's services or entities, please visit [www.pfm.com](http://www.pfm.com).

© 2020 PFM Asset Management LLC. Further distribution is not permitted without prior written consent.

