



(Preliminary Subject to Change)



Employees Retirement System

City of Philadelphia
Employees Retirement System
Executive Summary
July 31, 2017

Total Fund Composite

Market Value: \$4,816.3 Million and 100.0% of Fund

Ending July 31, 2017

	Asset Class	Market Value (\$)	3 Mo Net Cash Flows (\$)	% of Portfolio	Policy %	Policy Difference (\$)
Total Fund Composite		4,816,268,323	-179,073,321	100.0	100.0	0
Total Fund w/o Alternative Assets		3,889,763,012	-85,643,039	80.8	79.4	65,645,964
Investment Grade Fixed Income Composite		693,213,194	-89,210	14.4	19.0	-221,877,787
Brandywine Global Investment Management	Global Fixed Income	167,292,873	0	3.5		
Garcia Hamilton & Associates	Int. Govt. Fixed Income	164,010,641	0	3.4		
Logan Circle	Core Plus Fixed Income	43,646,113	0	0.9		
Longfellow	Core Plus Fixed Income	155,342,023	-89,210	3.2		
Rhumblin Core Bond Index	Core Fixed Income	162,921,545	0	3.4		
Opportunistic Fixed Income Composite		377,921,760	-10,982,061	7.8	7.5	16,701,635
Apollo Franklin Partnership, L.P.	Opportunistic Fixed Income	29,670,205	-2,181,818	0.6		
Avenue Coppers Opportunity Fund LP	Opportunistic Fixed Income	45,940,385	-6,677,044	1.0		
KKR-PBPR Capital Partners LP	Opportunistic Fixed Income	110,680,795	-2,123,199	2.3		
Logan Circle - EMD	EM Fixed Income	79,219,802	0	1.6		
Strategic Income Management	High Yield Fixed Income	112,206,555	0	2.3		
U.S. Equity Composite		1,518,182,827	-25,097,879	31.5	29.8	82,934,867
Rhumblin Russell 1000 Index	Large-Cap Core	1,068,573,434	-22,000,000	22.2		
Rhumblin Russell 2000 Index	Small-Cap Core	36,705,828	0	0.8		
Aronson+Johnson+Ortiz LP	Large-Cap Value	41,344,842	0	0.9		
O'Shaughnessy Asset Management	Large-Cap Value	26,624,284	-3,000,000	0.6		
Rhumblin MidCap Index	Mid-Cap Core	153,458,166	0	3.2		
Apex Capital Management	Smid-Cap Growth	22,665,434	0	0.5		
Emerald Advisors	Small-Cap Growth	64,099,613	-97,879	1.3		
Fisher Asset Management	Small-Cap Value	55,026,697	0	1.1		
Ariel	Smid-Cap Value	49,626,388	0	1.0		
Non-U.S. Equity Developed Composite		962,624,441	0	20.0	16.8	153,491,363
Causeway Capital Management	Non-U.S. Large-Cap Core	237,690,012	0	4.9		
Northern Trust MSCI EAFE+Canada	Non-U.S. Large-Cap Core	720,623,601	0	15.0		
Non-U.S. Equity Emerging Composite		273,626,622	0	5.7	5.2	23,180,669
Rhumblin Emerging Markets Index	Emerging Markets	273,615,704	0	5.7		
Cash Composite		64,194,168	-49,473,889	1.3	1.1	11,215,216
Cash	Cash & Equivalents	63,431,507	-49,460,751	1.3		
Directed Commissions	Cash & Equivalents	762,661	-13,138	0.0		

Total Fund Composite

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Ending July 31, 2017

	Asset Class	Market Value (\$)	3 Mo Net Cash Flows (\$)	% of Portfolio	Policy %	Policy Difference (\$)
Absolute Return		46,511,859	-20,238,483	1.0	0.5	22,430,517
400 Capital Credit Opportunity Fund	Relative Value Hedge Fund	2,834,858	-12,840,012	0.1		
Elizabeth Park Capital Management	Long/Short Hedge Fund	27,982,973	0	0.6		
Archview Offshore Fund. LTD	Credit Hedge Fund	15,164,170	-7,398,470	0.3		
Real Assets Composite		462,363,500	-63,497,049	9.6	9.1	24,083,083
Real Assets - Public Real Estate Composite		113,173,735	0	2.3	1.4	45,745,978
Rhumblin FTSE NAREIT	Real Assets	113,173,735	0	2.3		
Real Assets - Open-End Real Estate Composite		100,199,794	-1,052,331	2.1	1.7	18,323,232
UBS Trumbull Fund	Core Real Estate	100,199,794	-1,052,331	2.1		
Real Assets - Infrastructure Composite		105,746,480	24,991,188	2.2	3.4	-58,006,643
Rhumblin Infrastructure Index	Publicly-Traded Infrastructure	105,746,480	25,000,000	2.2		
Real Assets - Private Real Estate Composite		137,525,095	-3,625,732	2.9	2.6	12,302,119
Real Assets - Private Energy/Infrastructure Composite		5,716,790	1,038,689	0.1	--	5,716,790
Private Assets Composite		417,629,952	-9,694,750	8.7	11.0	-112,159,563
Private Assets - Private Equity	U.S. Private Equity FoF	403,286,923	-7,703,129	8.4		
Private Assets - Private Debt	Mezz. Private Equity	14,343,029	-1,991,622	0.3		

Investment Manager

Annualized Performance (Net of Fees)

Market Value: \$4,816.3 Million and 100.0% of Fund

Ending July 31, 2017

Inception

	1 Mo	3 Mo	YTD	Fiscal YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs	Return	Since
Total Fund Composite	1.8%	3.6%	9.2%	1.8%	12.0%	5.4%	4.2%	6.1%	7.6%	7.7%	4.8%	7.5%	Jul-88
<i>Total Fund Policy Benchmark</i>	1.5%	2.6%	7.4%	1.5%	10.6%	5.9%	5.0%	6.7%	8.1%	8.2%	5.9%	8.4%	Jul-88
Total Fund w/o Alternative Assets	2.1%	4.4%	11.0%	2.1%	13.1%	5.8%	4.4%	--	--	--	--	5.6%	Jan-14
Investment Grade Fixed Income Composite	0.9%	2.2%	4.8%	0.9%	1.1%	3.2%	1.7%	2.7%	2.0%	3.2%	4.5%	6.3%	Jul-88
<i>BBgBarc US Aggregate TR</i>	0.4%	1.1%	2.7%	0.4%	-0.5%	2.7%	2.7%	3.0%	2.0%	3.1%	4.4%	6.4%	Jul-88
Brandywine Global Investment Management	2.7%	6.1%	12.3%	2.7%	5.6%	6.2%	2.2%	3.7%	3.2%	5.4%	--	8.1%	Jan-09
<i>Citi WGBI</i>	1.9%	3.5%	6.4%	1.9%	-2.9%	4.0%	-0.1%	1.0%	0.0%	1.4%	3.4%	2.3%	Jan-09
Garcia Hamilton & Associates	0.2%	0.5%	1.9%	0.2%	0.1%	2.6%	2.5%	3.0%	2.9%	3.6%	5.3%	5.4%	Aug-00
<i>BBgBarc US Govt/Credit Int TR</i>	0.5%	0.8%	2.2%	0.5%	0.0%	2.1%	2.1%	2.2%	1.7%	2.5%	3.8%	4.5%	Aug-00
Logan Circle	0.6%	1.6%	3.9%	0.6%	1.4%	3.6%	--	--	--	--	--	3.0%	Oct-14
<i>BBgBarc US Aggregate TR</i>	0.4%	1.1%	2.7%	0.4%	-0.5%	2.7%	2.7%	3.0%	2.0%	3.1%	4.4%	2.4%	Oct-14
Longfellow	0.5%	1.4%	3.1%	0.5%	0.4%	2.9%	--	--	--	--	--	2.9%	Sep-14
<i>BBgBarc US Aggregate TR</i>	0.4%	1.1%	2.7%	0.4%	-0.5%	2.7%	2.7%	3.0%	2.0%	3.1%	4.4%	2.7%	Sep-14
Rhumblin Core Bond Index	0.4%	1.0%	2.7%	0.4%	-0.9%	2.3%	2.3%	2.7%	1.5%	2.8%	4.2%	4.2%	Jun-07
<i>BBgBarc US Aggregate TR</i>	0.4%	1.1%	2.7%	0.4%	-0.5%	2.7%	2.7%	3.0%	2.0%	3.1%	4.4%	4.4%	Jun-07
Opportunistic Fixed Income Composite	0.6%	1.1%	4.3%	0.6%	7.3%	3.2%	1.8%	3.8%	--	--	--	3.6%	Dec-12
<i>Opportunistic Fixed Income Benchmark</i>	0.9%	1.6%	4.3%	0.9%	8.8%	6.2%	4.5%	4.9%	5.6%	6.4%	--	5.1%	Dec-12
Apollo Franklin Partnership, L.P.	0.0%	-1.2%	-4.0%	0.0%	-4.5%	-7.5%	-9.7%	-5.7%	--	--	--	-5.2%	May-13
<i>50% BarCap HY / 50% CSFB Lev Loans</i>	0.9%	1.6%	4.4%	0.9%	8.9%	6.2%	4.6%	5.1%	5.8%	6.5%	6.4%	4.8%	May-13
Avenue Coppers Opportunity Fund LP	0.0%	0.5%	0.9%	0.0%	5.3%	0.8%	1.2%	--	--	--	--	3.2%	Dec-13
<i>Actuarial Rate 7.70%</i>	0.6%	1.9%	4.4%	0.6%	7.7%	7.7%	7.7%	7.7%	7.7%	7.7%	7.7%	7.7%	Dec-13
KKR-PBPR Capital Partners LP	0.0%	0.9%	6.0%	0.0%	8.8%	5.4%	3.7%	5.4%	6.8%	--	--	6.9%	Jun-12
<i>Actuarial Rate 7.70%</i>	0.6%	1.9%	4.4%	0.6%	7.7%	7.7%	7.7%	7.7%	7.7%	7.7%	7.7%	7.7%	Jun-12
Logan Circle - EMD	1.7%	3.0%	9.8%	1.7%	10.4%	9.9%	--	--	--	--	--	7.8%	Feb-15
<i>JP Morgan EMBI Global TR</i>	0.7%	1.2%	6.9%	0.7%	4.6%	8.0%	4.8%	6.1%	4.5%	6.4%	7.5%	6.9%	Feb-15
Strategic Income Management	0.9%	1.0%	4.7%	0.9%	10.6%	--	--	--	--	--	--	13.9%	Mar-16
<i>BofA Merrill Lynch US High Yield Master II TR</i>	1.2%	2.2%	6.1%	1.2%	11.2%	8.0%	5.3%	6.1%	6.8%	7.7%	8.0%	15.2%	Mar-16

Investment Manager

Annualized Performance (Net of Fees)

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Ending July 31, 2017

Inception

	1 Mo	3 Mo	YTD	Fiscal YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs	Return	Since
U.S. Equity Composite	1.8%	4.0%	11.0%	1.8%	16.8%	8.7%	9.3%	10.9%	14.0%	13.9%	7.6%	9.6%	Jul-88
<i>Russell 3000</i>	1.9%	3.9%	11.0%	1.9%	16.1%	10.1%	10.5%	12.0%	14.8%	14.5%	7.8%	10.3%	<i>Jul-88</i>
Rhumblin Russell 1000 Index	2.0%	4.1%	11.6%	2.0%	16.2%	10.4%	10.6%	12.1%	14.9%	14.4%	7.8%	7.4%	May-07
<i>Rhumblin Russell 1000 Custom Benchmark</i>	2.0%	4.1%	11.6%	2.0%	16.2%	10.3%	10.7%	12.2%	15.0%	--	--	--	<i>May-07</i>
Rhumblin Russell 2000 Index	0.7%	2.3%	5.9%	0.7%	--	--	--	--	--	--	--	5.9%	Dec-16
<i>Russell 2000</i>	0.7%	2.1%	5.8%	0.7%	18.5%	8.8%	9.9%	9.6%	14.2%	13.4%	7.8%	5.8%	<i>Dec-16</i>
Aronson+Johnson+Ortiz LP	2.3%	3.8%	5.6%	2.3%	16.7%	5.7%	7.0%	8.9%	13.6%	13.2%	6.3%	7.8%	May-01
<i>Russell 1000 Value</i>	1.3%	2.9%	6.0%	1.3%	13.8%	9.5%	8.5%	10.2%	14.0%	13.5%	6.2%	6.8%	<i>May-01</i>
O'Shaughnessy Asset Management	3.4%	7.3%	11.7%	3.4%	21.0%	8.1%	6.9%	10.7%	15.4%	--	--	14.9%	Jun-12
<i>Russell 1000 Value</i>	1.3%	2.9%	6.0%	1.3%	13.8%	9.5%	8.5%	10.2%	14.0%	13.5%	6.2%	14.0%	<i>Jun-12</i>
Rhumblin MidCap Index	1.5%	3.4%	9.5%	1.5%	--	--	--	--	--	--	--	9.5%	Dec-16
<i>Russell MidCap</i>	1.5%	3.4%	9.6%	1.5%	13.0%	8.6%	9.3%	11.0%	15.0%	14.4%	8.2%	9.6%	<i>Dec-16</i>
Apex Capital Management	2.1%	2.8%	13.5%	2.1%	15.0%	2.5%	6.4%	9.8%	14.2%	14.7%	--	14.8%	Dec-09
<i>Russell 2500 Growth</i>	1.3%	3.7%	12.1%	1.3%	16.1%	6.0%	10.0%	10.4%	14.9%	14.6%	8.8%	14.1%	<i>Dec-09</i>
Emerald Advisors	0.5%	6.2%	12.0%	0.5%	20.6%	3.0%	13.5%	11.9%	16.7%	16.9%	9.2%	9.6%	Dec-04
<i>Russell 2000 Growth</i>	0.9%	3.4%	10.9%	0.9%	17.8%	5.6%	10.2%	9.9%	14.6%	14.2%	8.5%	8.4%	<i>Dec-04</i>
Fisher Asset Management	1.1%	3.8%	9.2%	1.1%	22.5%	11.1%	12.7%	11.7%	15.5%	14.1%	--	10.4%	May-08
<i>Russell 2000 Value</i>	0.6%	0.9%	1.2%	0.6%	19.2%	12.2%	9.5%	9.2%	13.8%	12.5%	6.9%	8.5%	<i>May-08</i>
Ariel	-0.3%	0.1%	7.3%	-0.3%	16.9%	--	--	--	--	--	--	19.1%	Jan-16
<i>Russell 2500 Value</i>	0.8%	1.2%	2.7%	0.8%	14.1%	10.2%	8.2%	9.3%	14.0%	13.1%	7.4%	23.4%	<i>Jan-16</i>
Non-U.S. Equity Developed Composite	3.2%	6.7%	16.7%	3.2%	18.2%	3.9%	2.2%	4.6%	7.6%	6.4%	1.5%	5.7%	Jan-89
<i>MSCI EAFE</i>	2.9%	6.5%	17.1%	2.9%	17.8%	4.4%	2.8%	5.7%	9.1%	7.0%	1.5%	4.7%	<i>Jan-89</i>
Causeway Capital Management	3.5%	6.2%	17.0%	3.5%	20.6%	3.3%	2.7%	5.3%	9.6%	--	--	10.0%	Nov-11
<i>MSCI EAFE</i>	2.9%	6.5%	17.1%	2.9%	17.8%	4.4%	2.8%	5.7%	9.1%	7.0%	1.5%	8.5%	<i>Nov-11</i>
Northern Trust MSCI EAFE+Canada	3.1%	6.9%	16.6%	3.1%	17.4%	4.7%	2.6%	5.4%	8.6%	6.9%	2.4%	3.0%	Mar-07
<i>Northern Trust MSCI EAFE + Canada Custom Benchmark</i>	3.1%	6.9%	16.7%	3.1%	17.7%	5.2%	3.1%	6.5%	9.7%	7.5%	2.1%	2.6%	<i>Mar-07</i>
Non-U.S. Equity Emerging Composite	5.8%	11.0%	26.2%	5.8%	24.0%	12.0%	2.9%	5.1%	3.5%	2.2%	--	10.4%	Jan-09
<i>MSCI Emerging Markets</i>	6.0%	10.2%	25.5%	6.0%	24.8%	11.3%	2.4%	5.5%	4.8%	3.5%	2.0%	11.2%	<i>Jan-09</i>
Rhumblin Emerging Markets Index	5.8%	11.0%	26.2%	5.8%	24.0%	12.0%	2.8%	5.5%	--	--	--	2.4%	Feb-13
<i>MSCI Emerging Markets</i>	6.0%	10.2%	25.5%	6.0%	24.8%	11.3%	2.4%	5.5%	4.8%	3.5%	2.0%	2.5%	<i>Feb-13</i>

Investment Manager

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Ending July 31, 2017

Inception

	1 Mo	3 Mo	YTD	Fiscal YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs	Return	Since
Absolute Return	0.5%	1.9%	4.6%	0.5%	14.3%	2.9%	1.5%	3.5%	4.4%	3.8%	2.0%	3.2%	Sep-05
<i>HFRI Fund of Funds Composite Index</i>	1.1%	1.4%	4.3%	1.1%	6.0%	0.8%	2.0%	3.1%	3.9%	3.1%	0.9%	2.5%	Sep-05
400 Capital Credit Opportunity Fund	0.0%	2.7%	7.1%	0.0%	13.3%	1.9%	3.2%	6.0%	--	--	--	5.4%	Jun-13
<i>HFRI ED: Distressed/Restructuring Index</i>	0.7%	0.6%	4.0%	0.7%	13.0%	5.1%	1.2%	3.4%	5.7%	5.2%	3.6%	3.3%	Jun-13
<i>HFRI Distressed Securities Index</i>	0.5%	0.9%	3.1%	0.5%	10.8%	4.7%	1.2%	2.8%	2.5%	1.9%	-2.7%	2.7%	Jun-13
Elizabeth Park Capital Management	0.4%	2.3%	4.9%	0.4%	25.7%	13.1%	12.3%	--	--	--	--	11.1%	May-14
<i>HFRI Event Driven Index</i>	1.0%	1.9%	5.7%	1.0%	11.0%	4.7%	0.4%	2.2%	4.1%	2.9%	0.8%	0.6%	May-14
Archview Offshore Fund. LTD	1.0%	1.1%	0.8%	1.0%	8.4%	-0.8%	-0.7%	--	--	--	--	0.2%	Mar-14
<i>HFRI ED: Distressed/Restructuring Index</i>	0.7%	0.6%	4.0%	0.7%	13.0%	5.1%	1.2%	3.4%	5.7%	5.2%	3.6%	1.8%	Mar-14
Real Assets Composite	0.9%	0.7%	3.5%	0.9%	5.4%	1.9%	0.6%	4.9%	--	--	--	6.6%	Dec-12
<i>Real Assets Benchmark</i>	0.7%	-2.3%	-0.6%	0.7%	1.9%	-1.6%	-5.1%	-1.1%	--	--	--	1.4%	Dec-12
Real Assets - Public Real Estate Composite	1.3%	3.1%	6.5%	1.3%	-2.0%	9.5%	10.5%	10.7%	--	--	--	9.9%	Jan-13
<i>FTSE NAREIT All Equity REIT</i>	1.3%	3.1%	6.2%	1.3%	-2.3%	9.3%	9.3%	10.0%	9.8%	12.2%	7.2%	9.5%	Jan-13
Rhumblin FTSE NAREIT	1.3%	3.1%	6.5%	1.3%	-2.0%	9.5%	9.4%	10.1%	--	--	--	7.8%	May-13
<i>FTSE NAREIT All Equity REIT</i>	1.3%	3.1%	6.2%	1.3%	-2.3%	9.3%	9.3%	10.0%	9.8%	12.2%	7.2%	7.5%	May-13
Real Assets - Open-End Real Estate Composite	-0.2%	1.0%	--	-0.2%	--	--	--	--	--	--	--	1.9%	Jan-17
<i>NFI</i>	0.0%	1.0%	3.0%	0.0%	6.2%	8.2%	10.0%	10.4%	10.6%	11.8%	4.2%	2.5%	Jan-17
UBS Trumbull Fund	-0.2%	1.0%	--	-0.2%	--	--	--	--	--	--	--	1.9%	Jan-17
<i>NFI</i>	0.0%	1.0%	3.0%	0.0%	6.2%	8.2%	10.0%	10.4%	10.6%	11.8%	4.2%	2.5%	Jan-17
Real Assets - Infrastructure Composite	3.8%	6.2%	--	3.8%	--	--	--	--	--	--	--	7.9%	Mar-17
<i>Dow Jones Brookfield Global Infrastructure Index</i>	2.9%	4.3%	13.1%	2.9%	8.8%	6.3%	3.0%	7.3%	9.1%	11.6%	7.7%	5.5%	Mar-17
Rhumblin Infrastructure Index	3.8%	6.2%	--	3.8%	--	--	--	--	--	--	--	7.9%	Mar-17
<i>Dow Jones Brookfield Global Infrastructure Index</i>	2.9%	4.3%	13.1%	2.9%	8.8%	6.3%	3.0%	7.3%	9.1%	11.6%	7.7%	5.5%	Mar-17
Real Assets - Private Real Estate Composite	0.0%	-0.5%	2.4%	0.0%	7.2%	8.2%	8.4%	10.4%	11.3%	11.2%	2.6%	3.5%	May-06
<i>Real Assets - Private Real Estate Benchmark</i>	0.0%	-0.5%	2.4%	0.0%	7.2%	9.4%	9.1%	11.0%	11.8%	--	--	--	May-06
Real Assets - Private Energy/Infrastructure Composite	0.0%	0.0%	-1.7%	0.0%	-1.9%	-10.5%	-19.5%	0.6%	1.6%	--	--	1.5%	May-12
<i>Real Assets - Private Energy/Infrastructure Benchmark</i>	0.0%	0.0%	-1.7%	0.0%	-1.9%	-10.5%	-19.5%	0.6%	1.6%	--	--	1.5%	May-12
Private Assets Composite	0.0%	0.0%	0.0%	0.0%	5.8%	4.7%	--	--	--	--	--	--	Mar-87