

**STATE BOARD OF MEDICINE
INVESTMENT PERFORMANCE REPORT AS OF JULY 31, 2016**

	July-16					Current FYTD		Prior Year FY16	
	Market Value	Allocation		Month		Returns		Returns	
		Actual	Policy	Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net
TOTAL BOARD OF MEDICINE FUND	2,236,911	100.0%	100.0%	1.28%	1.28%	1.28%	1.28%	1.84%	1.63%
<i>POLICY TARGET BENCHMARK</i>				<i>1.01%</i>	<i>1.01%</i>	<i>1.01%</i>	<i>1.01%</i>	<i>1.32%</i>	<i>1.32%</i>
ATTRIBUTION ANALYSIS									
Asset Allocation				-0.01%	-0.01%	-0.01%	-0.01%	0.08%	0.08%
Manager Selection				0.28%	0.28%	0.28%	0.28%	0.44%	0.24%
TOTAL RELATIVE RETURN				0.27%	0.27%	0.27%	0.27%	0.52%	0.31%
LARGE CAP DOMESTIC EQUITY									
Los Angeles Capital	74,553	3.3%	3.3%	3.70%	3.70%	3.70%	3.70%	5.44%	5.24%
<i>Russell 1000 Growth</i>				4.72%	4.72%	4.72%	4.72%	3.02%	3.02%
LSV	72,084	3.2%	3.3%	4.30%	4.30%	4.30%	4.30%	-3.01%	-3.30%
<i>Russell 1000 Value</i>				2.90%	2.90%	2.90%	2.90%	2.86%	2.86%
Los Angeles Capital	49,452	2.2%	2.2%	2.67%	2.67%	2.67%	2.67%	5.96%	5.82%
<i>Russell 1000</i>				3.81%	3.81%	3.81%	3.81%	2.94%	2.94%
Clifton Group	49,385	2.2%	2.2%	3.75%	3.75%	3.75%	3.75%	5.29%	5.22%
<i>S&P 500</i>				3.69%	3.69%	3.69%	3.69%	3.99%	3.99%
TOTAL LARGE CAP DOMESTIC EQUITY	245,474	11.0%	11.0%	3.67%	3.67%	3.67%	3.67%	2.91%	2.72%
<i>Russell 1000</i>				3.81%	3.81%	3.81%	3.81%	2.94%	2.94%
SMALL CAP DOMESTIC EQUITY									
PIMCO RAE (formerly Research Affiliates)	27,619	1.2%	1.2%	5.45%	5.45%	5.45%	5.45%	-3.87%	-4.14%
Clifton	38,786	1.7%	1.7%	6.06%	6.06%	6.06%	6.06%	-5.52%	-5.98%
TOTAL SMALL CAP DOMESTIC EQUITY	66,405	3.0%	3.0%	5.80%	5.80%	5.80%	5.80%	-4.85%	-5.27%
<i>Russell 2000</i>				5.97%	5.97%	5.97%	5.97%	-6.73%	-6.73%
INTERNATIONAL EQUITY									
LSV	66,852	3.0%	3.0%	5.64%	5.64%	5.64%	5.64%	-11.21%	-11.55%
<i>MSCI EAFE</i>				5.07%	5.07%	5.07%	5.07%	-10.16%	-10.16%
William Blair	56,962	2.5%	2.8%	5.48%	5.48%	5.48%	5.48%	N/A	N/A
<i>MSCI ACWI ex-US IMI (Net)</i>				4.95%	4.95%				
DFA	16,504	0.7%	0.7%	7.20%	7.20%	7.20%	7.20%	-9.28%	-9.28%
Vanguard (1)	16,738	0.7%	0.7%	5.62%	5.62%	5.62%	5.62%	-7.27%	-7.27%
<i>S&P/Citigroup BMI EPAC < \$2BN</i>				6.06%	6.06%	6.06%	6.06%	-3.37%	-3.37%
TOTAL INTERNATIONAL EQUITY	157,056	7.0%	7.0%	5.74%	5.74%	5.74%	5.74%	-10.44%	-10.74%
<i>MSCI EAFE</i>				5.07%	5.07%	5.07%	5.07%	-10.16%	-10.16%

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FIXED INCOME									
Western Asset	81,540	3.6%	3.8%	1.30%	1.30%	1.30%	1.30%	6.79%	6.64%
Prudential	29,168	1.3%	1.0%	1.39%	1.39%	1.39%	1.39%	7.12%	6.83%
PIMCO (DISCO II) (1)	10,708	0.5%	0.5%	1.57%	1.57%	1.57%	1.57%	4.39%	4.39%
PIMCO (BRAVO II) (1)	6,020	0.3%	0.3%	0.00%	0.00%	0.00%	0.00%	7.02%	7.02%
BC Aggregate				0.63%	0.63%	0.63%	0.63%	6.00%	6.00%
Declaration (Total Return) (1)	21,060	0.9%	0.9%	1.02%	1.02%	1.02%	1.02%	2.59%	2.59%
3m LIBOR				0.06%	0.06%	0.06%	0.06%	0.49%	0.49%
State Street	37,636	1.7%	1.7%	0.80%	0.80%	0.80%	0.80%	6.71%	6.68%
BC Gov/Credit				0.80%	0.80%	0.80%	0.80%	6.70%	6.70%
Wells Capital	82,941	3.7%	3.8%	1.93%	1.93%	1.93%	1.93%	7.19%	6.99%
BC Credit Baa				1.59%	1.59%	1.59%	1.59%	6.93%	6.93%
TOTAL FIXED INCOME	269,073	12.0%	12.0%	1.37%	1.37%	1.37%	1.37%	6.42%	6.29%
BC Aggregate				0.63%	0.63%	0.63%	0.63%	6.00%	6.00%
REAL ESTATE									
JP Morgan	24,780	1.1%	1.0%	0.00%	0.00%	0.00%	0.00%	10.11%	9.03%
Invesco	22,106	1.0%	1.0%	0.00%	0.00%	0.00%	0.00%	10.96%	10.58%
TOTAL REAL ESTATE	46,886	2.1%	2.0%	0.00%	0.00%	0.00%	0.00%	10.51%	9.75%
NCREIF Total Index				0.67%	0.67%	0.67%	0.67%	10.64%	10.64%
CASH EQUIVALENTS									
Northern Trust (1)	3,256			0.02%	0.02%	0.02%	0.02%	0.12%	0.12%
TOTAL CASH EQUIVALENTS	3,256	0.1%	0.0%	0.02%	0.02%	0.02%	0.02%	0.12%	0.12%
90 Day T-Bill				0.03%	0.03%	0.03%	0.03%	0.19%	0.19%
SHORT TERM FIXED INCOME									
Babson Capital	791,723	35.4%	32.5%	0.36%	0.36%	0.36%	0.36%	1.95%	1.73%
BC 1-3 Year US Gov't Index				-0.06%	-0.06%	-0.06%	-0.06%	1.31%	1.31%
JP Morgan	657,037	29.4%	32.5%	0.05%	0.05%	0.05%	0.05%	1.82%	1.67%
BC 1-3 Year Gov/Credit Index				0.02%	0.02%	0.02%	0.02%	1.59%	1.59%
TOTAL SHORT TERM FIXED INCOME	1,448,760	64.8%	65.0%	0.22%	0.22%	0.22%	0.22%	0.05%	0.02%
BC 1-3 Year US Gov't Index				-0.06%	-0.06%	-0.06%	-0.06%	1.31%	1.31%

Initial funding: April 30, 2014

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) All limited partnership-type (and mutual funds as of 7/1/14) investment returns will only be reported net of fees, which is standard practice by the investm