

*Teachers' Retirement System of the State of Kentucky
Health Insurance Trust
Quarterly Investment Performance
Gross Returns
For the Period Ended September 30, 2018*

FINAL

	<u>Market Value</u>	<u>Last Qtr</u>	<u>FYTD</u>	<u>1-Year</u>	<u>3-Year*</u>	<u>5-Year*</u>
TOTAL PLAN	\$ 1,133,943,298.56	3.30	3.30	8.37	10.93	7.22
<i>Policy Benchmark</i>		3.08	3.08	7.68	11.04	-
Total Equity	\$ 632,051,683.08	4.11	4.11	10.28	13.79	9.07
All Cap Equities	\$ 37,687,626.26	6.25	6.25	14.87	-	-
<i>Russell 3000</i>		7.12	7.12	17.58	-	-
Fort Washington Focused Equity	\$ 37,687,626.26	4.11	4.11	10.28	-	-
Global Equities	\$ 594,364,056.82	3.97	3.97	10.01	13.91	9.14
<i>MSCI AC World IMI (Net)</i>		3.88	3.88	9.63	13.47	8.69
BlackRock Fund B	\$ 594,364,056.82	3.97	3.97	10.01	13.91	9.14
Fixed Income	\$ 91,972,873.16	0.18	0.18	-0.93	1.29	1.24
<i>Barclays Government Credit</i>		0.06	0.06	-1.37	1.45	2.23
Internal Bond Fund	\$ 91,972,873.16	0.18	0.18	-0.60	1.48	1.24
Real Estate:						
Core Real Estate	\$ 29,067,902.00	3.43	3.43	9.58	-	-
<i>NCREIF ODCE (VW)</i>		2.09	2.09	8.68	-	-
Prudential Real Estate	\$ 12,122,547.72	1.78	1.78	8.68	-	-
Carlyle Property Investors	\$ 11,074,458.24	2.70	2.70	8.76	-	-
TA Realty Core Property Fund	\$ 5,870,896.04	8.50	8.50	-	-	-
Non-Core Real Estate	\$ 36,165,475.88	3.18	3.18	14.39	16.85	-
<i>NCREIF Property Index</i>		1.67	1.67	7.16	7.75	-
Carlyle Realty Partners VII	\$ 6,182,119.00	6.21	6.21	18.28	17.56	-
Landmark Real Estate Partners VII	\$ 6,195,307.00	1.47	1.47	9.32	18.66	-
Blackstone Partners VIII	\$ 6,506,997.00	2.80	2.80	15.70	17.77	-
The Realty Associates Fund XI	\$ 10,324,869.00	2.56	2.56	9.96	-	-
Rockwood Capital Real Estate X	\$ 4,677,979.88	7.17	7.17	14.68	-	-
Landmark Real Estate Partners VIII	\$ 1,730,329.00	-10.37	-10.37	28.90	-	-
Carlyle Realty Partners VIII	\$ 547,875.00	-107.78	-107.78	-107.36	-	-

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<u>Alternative Investments</u>						
<u>Private Equity</u>	\$ 85,451,995.58	3.77	3.77	16.68	16.49	16.51
<u>Mature Private Equity</u>	\$ 8,225,143.00	9.36	9.36	19.68	16.34	15.45
<i>S&P 500 plus 3%</i>		8.51	8.51	21.45	20.83	17.37
Fort Washington Fund VII	\$ 4,019,528.00	2.94	2.94	20.83	16.71	15.67
Actis Global Fund IV	\$ 4,205,615.00	16.00	16.00	17.49	6.94	13.79
<u>Private Equity < 5 Years</u>	\$ 77,226,852.58	3.25	3.25	16.92	16.71	16.64
Landmark Equity Partners XV	\$ 2,154,461.00	4.97	4.97	25.14	15.55	-
Fort Washington Fund VIII	\$ 7,487,671.00	2.57	2.57	14.02	14.64	-
Fort Washington PE Opportunities Fund III	\$ 4,617,376.00	0.15	0.15	20.12	22.88	-
NGP Natural Resources Fund XI	\$ 10,381,172.00	6.78	6.78	20.00	18.02	-
KKR European Fund IV	\$ 7,895,162.00	2.42	2.42	28.87	5.58	-
Carlyle Europe Partners IV	\$ 9,139,228.00	-0.99	-0.99	28.27	18.08	-
Audax PE Fund V	\$ 5,909,984.58	0.00	0.00	0.51	-	-
Fort Washington Fund IX	\$ 2,600,467.00	4.41	4.41	5.00	-	-
Fort Washington Fund IX-K	\$ 3,198,785.00	6.30	6.30	5.33	-	-
Riverstone E&P Fund VI	\$ 7,667,503.00	1.62	1.62	12.87	-	-
APAX IX	\$ 4,787,308.00	4.43	4.43	18.34	-	-
Oaktree European Principal IV	\$ 6,451,647.00	6.79	6.79	10.60	-	-
KKR Americas XII	\$ 1,417,927.00	5.49	5.49	-38.50	-	-
NGP Natural Resources Fund XII	\$ 2,060,788.00	10.20	10.20	-	-	-
Carlyle Global Financial Services III	\$ 1,457,372.00	2.38	2.38	-	-	-
APAX Digital	\$ 1.00	0.00	0.00	-	-	-
<u>Additional Categories:</u>	\$ 193,501,801.15	2.66	2.66	4.15	6.56	4.72
<i>B of A Merrill Lynch High Yield Master II</i>		2.44	2.44	2.94	8.19	5.54
<u>Evergreen Funds:</u>						
Fort Washington High Yield Bond Fund	\$ 46,040,500.66	2.17	2.17	2.21	7.08	4.90
Shenkman Capital Management	\$ 42,592,339.49	2.33	2.33	5.59	5.32	4.57
Marathon/TRS Credit Fund	\$ 42,871,718.98	3.30	3.30	4.01	6.57	-
Columbia High Yield Bond Fund	\$ 46,000,133.12	2.87	2.87	1.64	-	-
<u>Non-Evergreen Funds:</u>						
Highbridge Principal Strategies III	\$ 2,084,957.74	2.34	2.34	7.46	6.95	7.98
Marathon European Credit Opportunities Fund II	\$ 2,952,029.50	4.54	4.54	22.39	13.01	-
Oaktree European Capital Solutions Fund	\$ 3,546,645.00	-1.15	-1.15	9.95	-	-
Marathon European Credit Opportunities Fund III	\$ 6,914,662.66	4.30	4.30	13.38	-	-
Oaktree Opportunities Fund X(b)	\$ 498,814.00	-0.47	-0.47	-	-	-
<u>Short Term:</u>						
Cash (Unallocated)	\$ 65,731,567.71	0.53	0.53	1.68	0.88	0.57
<i>90 Day T-Bill</i>		0.49	0.49	1.59	0.80	0.50

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*Returns are annualized for periods longer than one year

** Prior to July 1, 2015, TRS did not benchmark overall fund performance. Effective July 1, 2015, the Board of Trustees approved a Policy Index that represents the returns of appropriate benchmarks for the various asset classes weighted by the mid point of the strategic range for the current fiscal year.