FELRA and UFCW Pension Fund

Master Consulting Services Report

Period Ended
September 30, 2019

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Market Discussion Points 3Q | 2019

INVESTMENT
PERFORMANCE
SERVICES, LLC

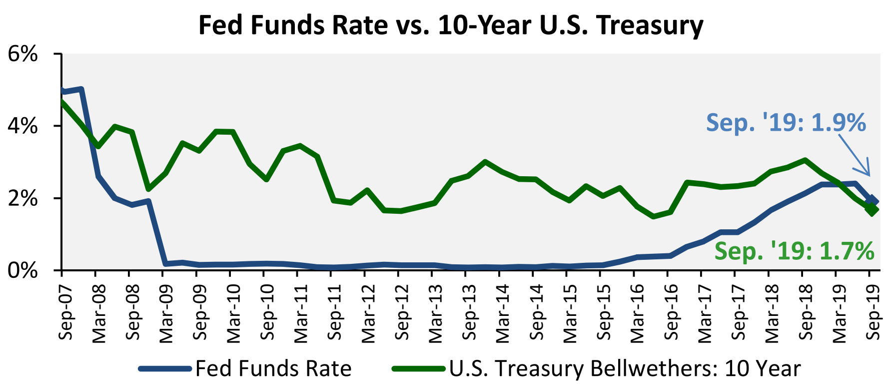
Financial Market Performance

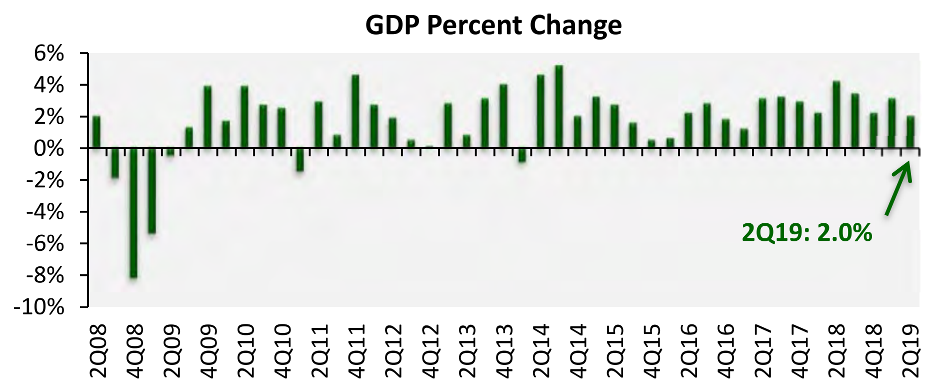
Periods Ending September 30, 2019

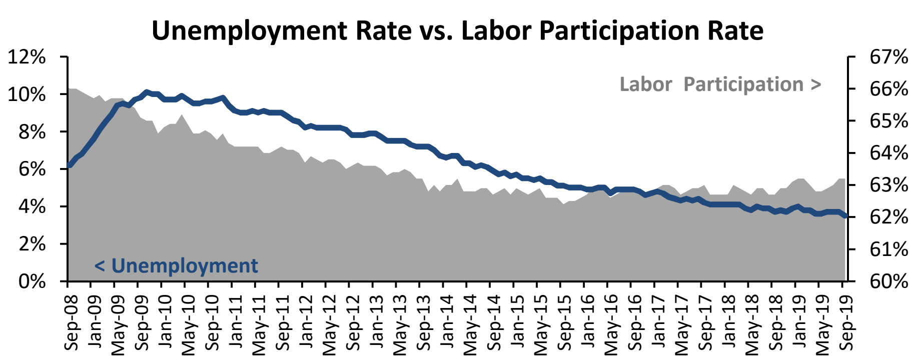
Strategy	Sector	Index	QTR	YTD	2018	2017	2016	2015	2014	1-Yr	3-Yr	5-Yr	10-Yr	20-Yr
Stocks	**US Large Cap**	S&P 500	1.7	20.6	-4.4	21.8	12.0	1.4	13.7	4.3	13.4	10.8	13.2	6.3
	US Small Cap	Russell 2000	-2.4	14.2	-11.0	14.7	21.3	-4.4	4.9	-8.9	8.2	8.2	11.2	8.0
	All Country	MSCI All Country World (net)	0.0	16.2	-9.4	24.0	7.9	-2.4	4.2	1.4	9.7	6.7	8.4	-
	Non-US Developed	MSCI EAFE (net)	-1.1	12.8	-13.8	25.0	1.0	-0.8	-4.9	-1.3	6.5	3.3	4.9	3.7
	Emerging Markets	MSCI EM (net)	-4.3	5.9	-14.6	37.3	11.2	-14.9	-2.2	-2.0	6.0	2.3	3.4	7.3
	Int'l Small Cap	MSCI EAFE Small Cap (net)	-0.4	12.1	-17.9	33.0	2.2	9.6	-5.0	-5.9	5.9	6.0	7.5	7.0
Bonds	**Treasury**	Bloomberg Barclays US Govt	2.4	7.7	0.9	2.3	1.1	0.9	4.9	10.4	2.3	2.9	3.0	4.6
	Broad Market	Bloomberg Barclays Aggregate	2.3	8.5	0.0	3.5	2.7	0.6	6.0	10.3	2.9	3.4	3.8	5.0
	Intermediate	Bloomberg Barclays Gov/Credit Int.	1.4	6.4	0.9	2.1	2.1	1.1	3.1	8.2	2.4	2.7	3.1	4.5
	High Yield	Bloomberg Barclays HY BaB 2% IC	1.9	12.4	-1.9	6.9	14.1	-2.7	3.5	8.3	6.0	5.5	7.7	6.9
	Short Duration HY	BofA ML HY Cash Pay BB 1-3 YR	1.5	7.1	1.4	3.6	8.5	1.2	1.9	6.3	4.3	4.5	5.9	-
	Global Bonds	FTSE WGBI	0.9	6.3	-0.8	7.5	1.6	-3.6	-0.5	8.1	1.2	1.8	1.7	4.2
GTAA	**Unconstrained**	65% MSCI World /35% FTSE WGBI	0.6	13.6	-5.7	17.0	5.6	-1.6	3.0	4.4	7.2	5.5	6.7	5.1
Real Estate	**Core**	NCREIF ODCE Equal Weighted (net)	1.2	3.9	7.3	6.9	8.4	14.2	11.4	5.3	6.7	8.7	9.9	7.1
Hedge Fund of Funds	**Diversified FOFs**	HFRI HFOF Composite	-0.9	5.2	-4.0	7.8	0.5	-0.3	3.4	0.0	3.2	2.0	2.7	3.9
	Equity Long-Short	HFRI Equity Hedge	-1.1	8.0	-7.1	13.3	5.5	-1.0	1.8	-1.2	4.8	3.5	4.4	5.8
Commodities	**Commodities**	Goldman Sachs Commodity	-4.2	8.6	-13.8	5.8	11.4	-32.9	-33.1	-16.3	1.5	-11.7	-5.4	-0.6

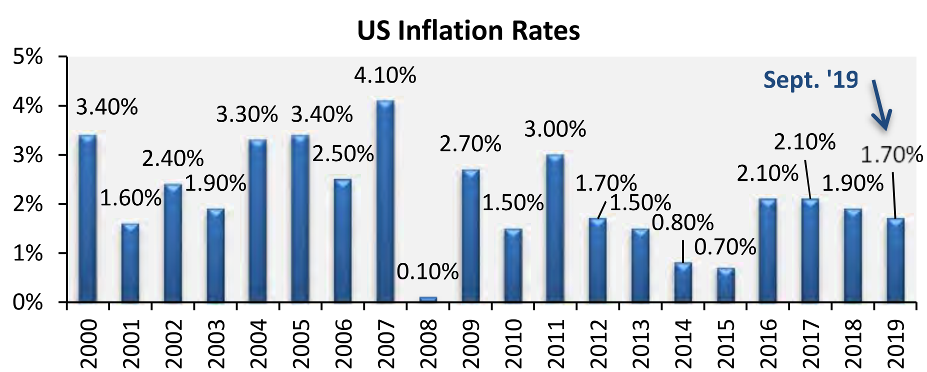
U.S. Economy

While the economic expansion in the U.S. continued into a record 11th year, there are clear signs that growth is slowing. As the effects of the 2017 tax cuts began to fade and the ongoing trade war between the U.S. and China impacts business confidence, resulting in depressed business investment globally, U.S. GDP grew at 2.0% in the 2nd quarter of 2019, down from 3.1% growth in the 1st quarter. U.S. manufacturing activity slowed in 2019, but current readings still indicate expansion. Conversely, activity has declined more meaningfully outside the U.S. and has dipped into contraction territory in several export-dependent countries such as China, Germany, Taiwan and Korea. Central banks around the world are seeking to prevent slowing growth from turning into a recession by easing monetary policy. The U.S. Federal Reserve cut interest rates in July for the first time in a decade and followed the cut with an additional 25 basis points cut in September. The Fed, which said the cuts were a “mid cycle adjustment” and not the start of an easing cycle, cited low inflation, economic weakness overseas, and rising trade tension as the reasons for the cuts. While business confidence and spending has slowed, the consumer continues to support U.S. growth. Although job growth has slowed somewhat in recent months, the unemployment rate is at a 50-year low and consumer confidence is high. Historically, recessions have been preceded by a decline in hiring. With business uncertainty rising, the labor market should be closely monitored for signs of a meaningful decline in new hires. For now, consumer sentiment remains well above the long-term average. Despite a decade of fiscal stimulus, inflation has remained subdued below 2%.





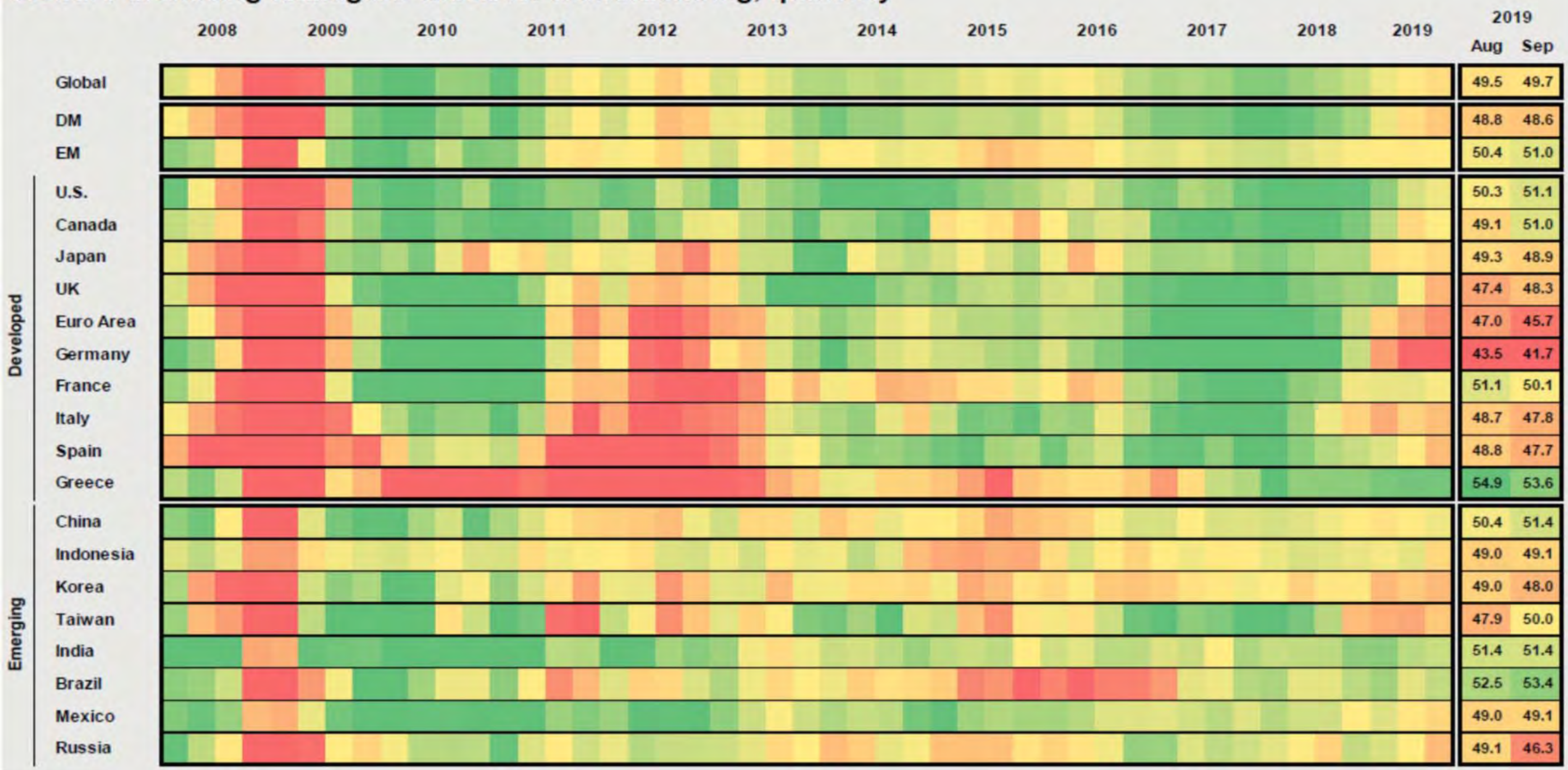




Source: Top Left - The Federal Reserve; Top Right - Bureau of Economics, U.S. Department of Commerce; Bottom Left and Right: Bureau of Labor Statistics

Global PMIs Showing Signs of Economic Slowdown

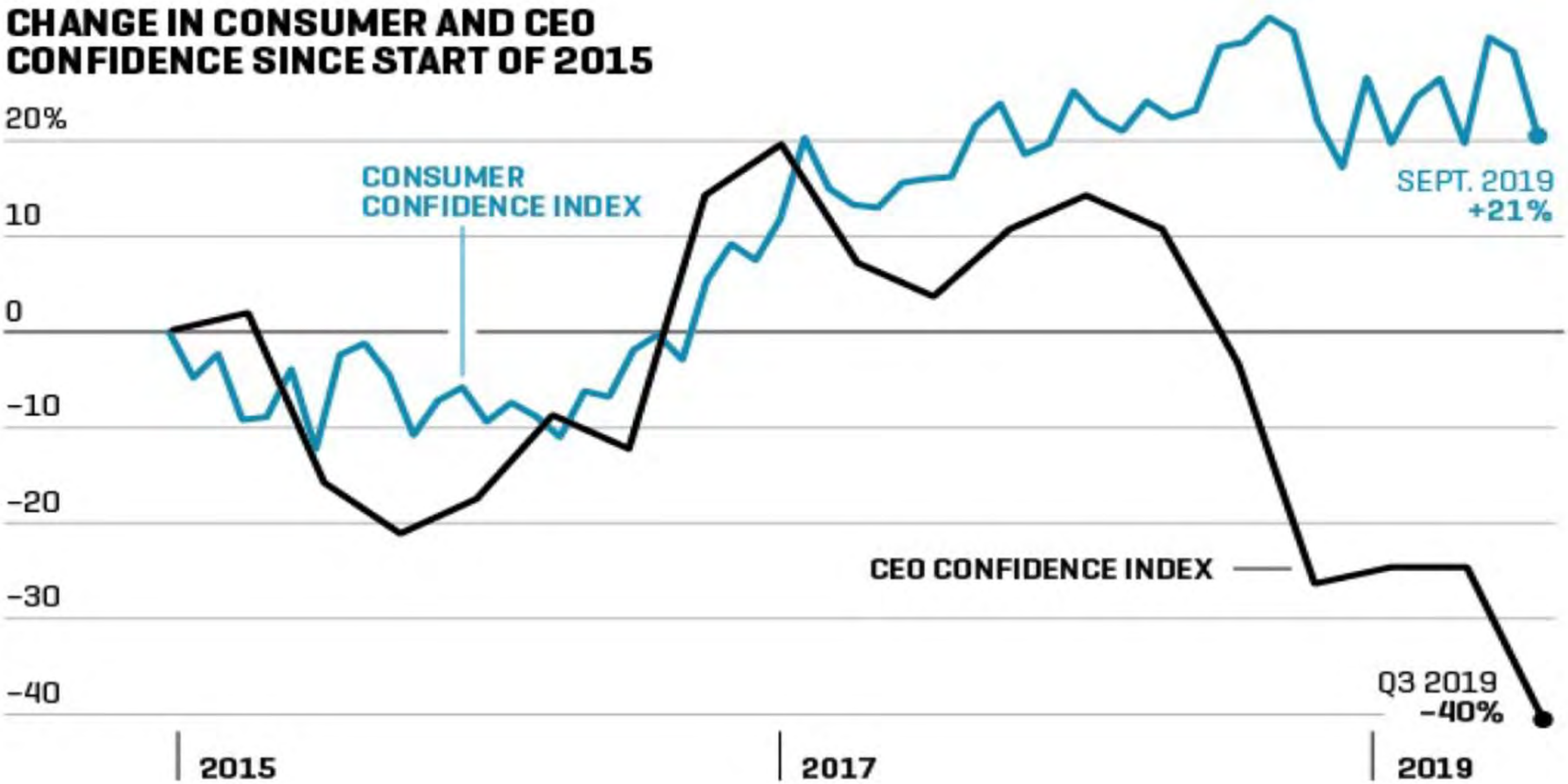
Global Purchasing Managers' Index for manufacturing, quarterly



Note: Heatmap colors are based on PMI relative to the 50 level, which indicates acceleration or deceleration of the sector, for the time period shown. Heat map is based on quarterly averages, with the exception of the two most recent figures, which are single month readings. Data for Canada, Indonesia and Mexico are back-tested and filled in from December 2007 to November 2010 for Canada and May 2011 for Indonesia and Mexico due to lack of existing PMI figures for these countries. DM and EM represent developed markets and emerging markets, respectively.

Source:J.P. Morgan Asset Management.

CEO and Consumer Confidence Diverting



Source: Fortune, BEA, IMF, Federal Reserve, The Conference Board

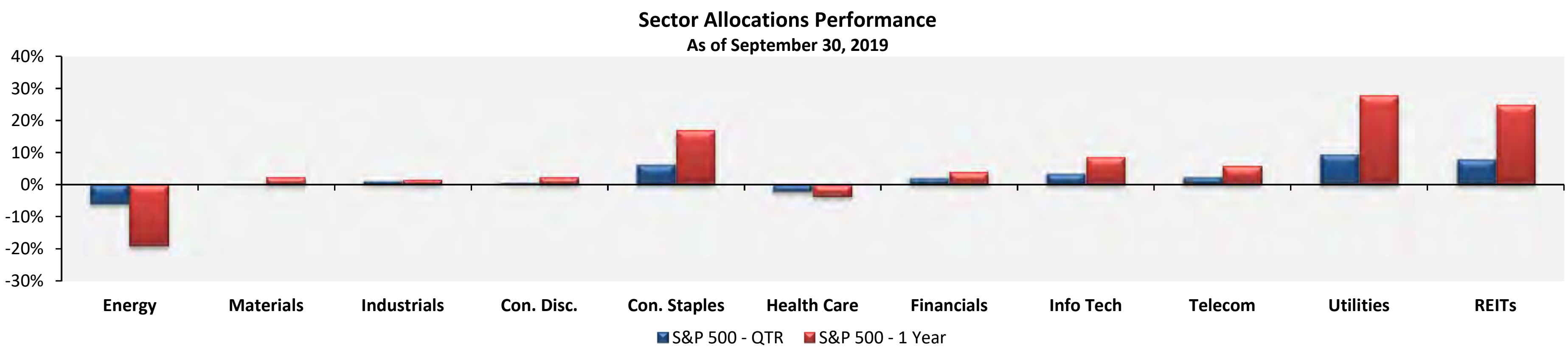
U.S. Equity Market

U.S. equities continued their strong performance with the broad-based Russell 3000 rising 1.2% for the quarter. Large cap stocks outperformed smaller companies, with the S&P 500 up 1.7% for the quarter, bringing the year to date return to 20.6%. Midcap stocks were up marginally for the quarter, 0.5%, while small caps, as measured by the Russell 2000, lagged with a return of -2.4%. For the year, small caps have trailed large caps by approximately 600 basis points. Within large caps, growth stocks narrowly outperformed value, while value performed better in the mid and small cap space.

In the face of falling bond yields, defensive and interest rate sensitive sectors such as utilities (+9.3%), REITs (+7.7%) and consumer staples (+6.1%) were the best performers for the quarter, while health care (-2.3%) and energy (-6.2%) were the only two sectors with meaningfully negative returns. Over the last twelve months, the energy sector is now down over 19%.

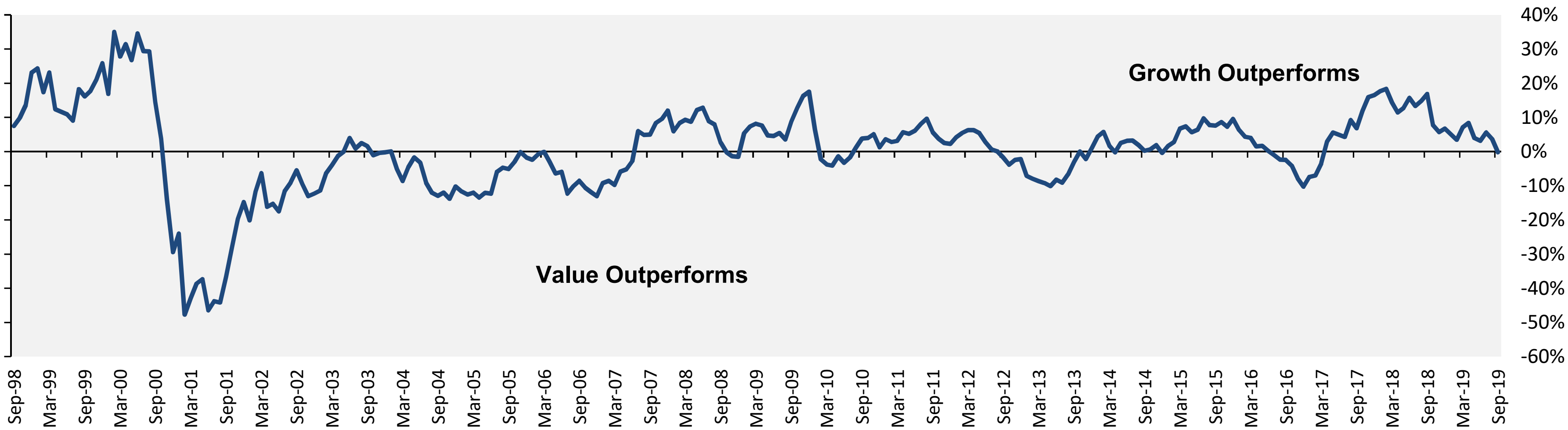
Following very strong profit growth in 2018, earnings grew at 4% in the 1st and 2nd quarters of 2019, with share buybacks accounting for nearly 50% of earnings growth in the most recent quarter. As of September 30, 2019, the S&P 500 was valued at 16.8x on a forward P/E basis, up from 14.4x at the start of the year and slightly above the 25-year average forward P/E of 16.2x.

Sector	Index	3Q 19	YTD	2018	2017	2016	2015	2014	1-Year	3-Year	5-Year	10-Year
Large Cap	S&P 500	1.7	20.6	-4.4	21.8	12.0	1.4	13.7	4.3	13.4	10.8	13.2
	Russell 1000	1.4	20.5	-4.8	21.7	12.1	0.9	13.3	3.9	13.2	10.6	13.2
	Russell 1000 Value	1.4	17.8	-8.3	13.7	17.3	-3.8	13.5	4.0	9.4	7.8	11.5
	Russell 1000 Growth	1.5	23.3	-1.5	30.2	7.1	5.7	13.1	3.7	16.9	13.4	14.9
Mid Cap	Russell Mid-Cap	0.5	21.9	-9.1	18.5	13.8	-2.4	13.2	3.2	10.7	9.1	13.1
	Russell Mid-Cap Value	1.2	19.5	-12.3	13.3	20.0	-4.8	14.7	1.6	7.8	7.6	12.3
	Russell Mid-Cap Growth	-0.7	25.2	-4.8	25.3	7.3	-0.2	11.9	5.2	14.5	11.1	14.1
Small Cap	Russell 2000	-2.4	14.2	-11.0	14.7	21.3	-4.4	4.9	-8.9	8.2	8.2	11.2
	Russell 2000 Value	-0.6	12.8	-12.9	7.8	31.7	-7.5	4.2	-8.2	6.5	7.2	10.1
	Russell 2000 Growth	-4.2	15.3	-9.3	22.2	11.3	-1.4	5.6	-9.6	9.8	9.1	12.2
Total Market	Wilshire 5000	1.2	20.1	-5.3	21.0	13.4	0.7	12.7	3.0	12.9	10.6	13.1
	Russell 3000	1.2	20.1	-5.2	21.1	12.7	0.5	12.6	2.9	12.8	10.4	13.1

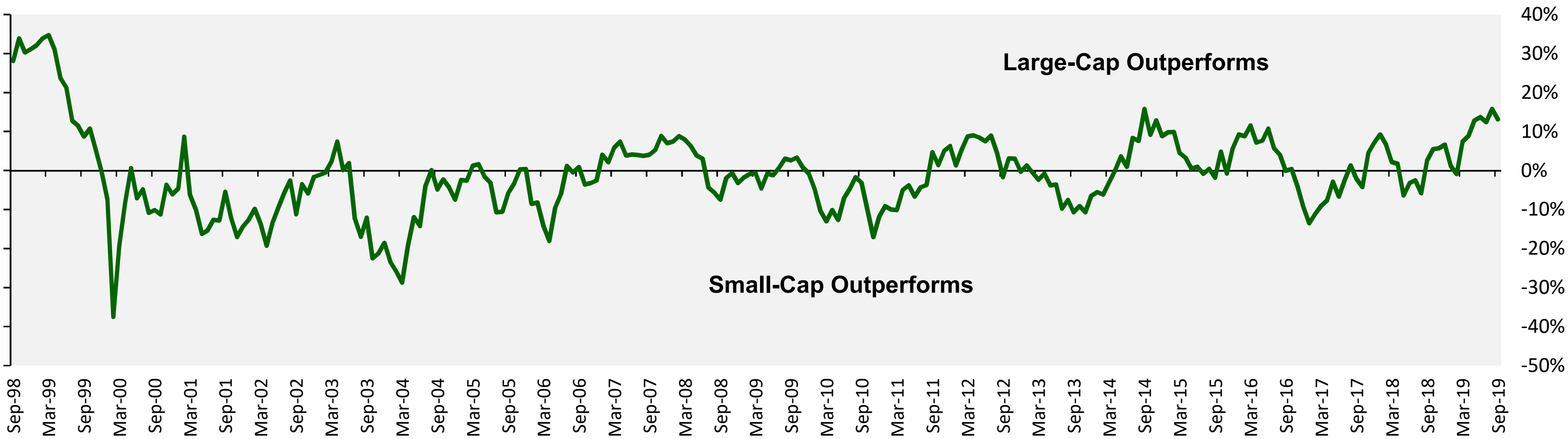


U.S. Equity Market

Russell 1000 Growth vs. Russell 1000 Value
Rolling One-Year Returns



S&P 500 vs. Russell 2000
Rolling One-Year Returns



U.S. Equity Valuations Slightly Above Historical Averages

S&P 500 Index: Forward P/E ratio

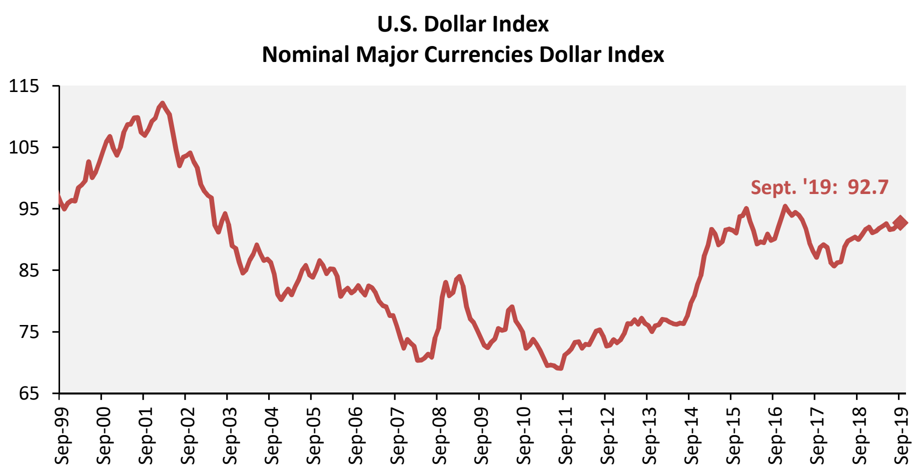
Valuation measure	Description	Latest	25-year avg.*	Std. dev. Over-/under-Valued
P/E	Forward P/E	16.82x	16.22x	0.19
CAPE	Shiller's P/E	29.66	27.08	0.42
Div. Yield	Dividend yield	2.05%	2.10%	0.13
P/B	Price to book	3.11	2.95	0.22
P/CF	Price to cash flow	12.23	10.63	0.86
EY Spread	EY minus Baa yield	2.06%	-0.06%	-1.08

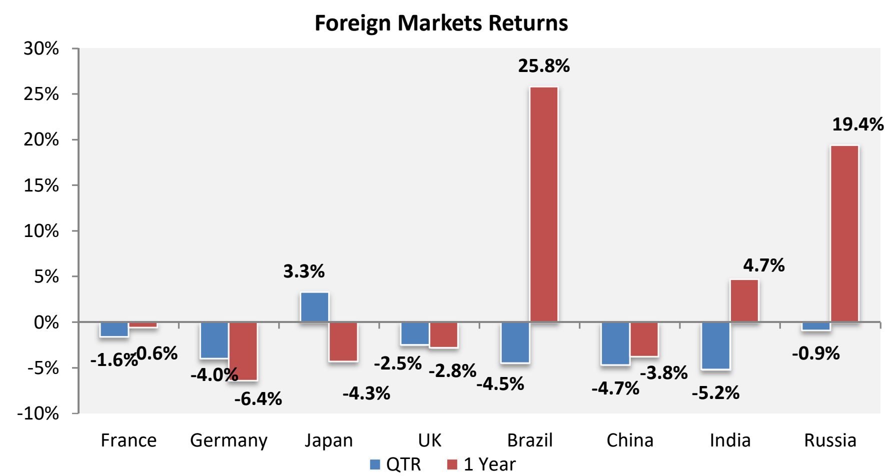
Source: FactSet, FRB, Robert Shiller, Standard & Poor's, Thomson Reuters, J.P. Morgan Asset Management. Data are as of September 30, 2019.

International Equity Market

The decade long trend of U.S. equity outperformance relative to non-U.S. markets continued during the 3rd quarter as the MSCI EAFE returned -1.1%. Germany, which has experienced a meaningful slowdown of its manufacturing sector and is close to entering a recession, returned -4.0% for the quarter. The U.K. returned -2.5% as uncertainty around Brexit negotiations continued to weigh on the market. Emerging markets underperformed developed markets with a return of -4.3% for the quarter. China, which reported their lowest growth rate in nearly three decades as they cope with the ongoing trade war, returned -4.7% for the quarter. India also performed poorly with a return of -5.2% for the quarter. Year to date, emerging markets have returned 5.9%, significantly trailing developed markets.

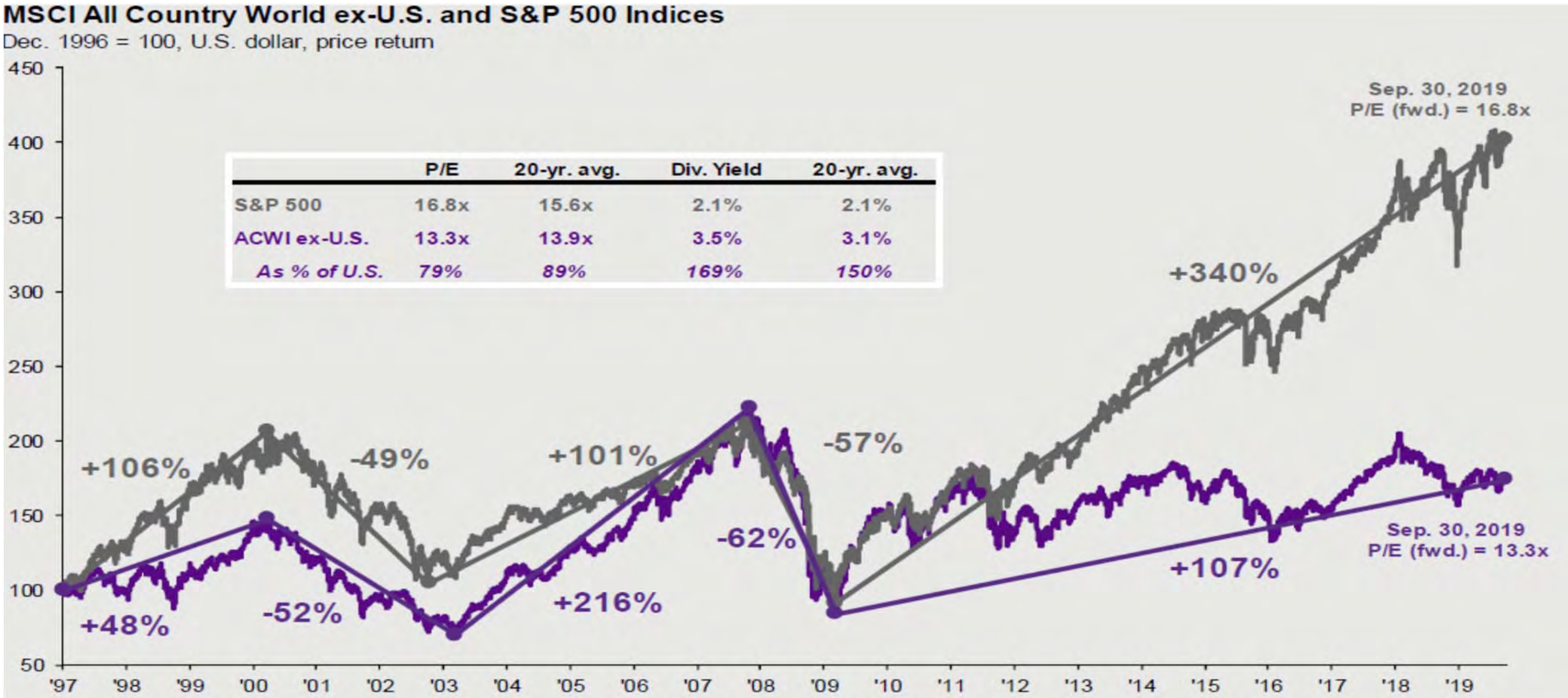
Sector	Index	3Q 19	YTD	2018	2017	2016	2015	2014	1-Year	3-Year	5-Year	10-Year
Global	MSCI AC World Index (net)	0.0	16.2	-9.4	24.0	7.9	-2.4	4.2	1.4	9.7	6.7	8.4
	MSCI World Small Cap (net)	-1.2	13.6	-14.4	23.8	11.6	-1.0	1.8	-5.5	7.0	6.2	9.1
	MSCI World ex US (net)	-1.8	11.6	-14.2	27.2	4.5	-5.7	-3.9	-1.2	6.3	2.9	4.5
	MSCI World ex US Small Cap (net)	-1.2	10.3	-18.2	31.6	3.9	2.6	-4.0	-5.6	4.6	4.0	6.1
Developed ex US	MSCI EAFE (net)	-1.1	12.8	-13.8	25.0	1.0	-0.8	-4.9	-1.3	6.5	3.3	4.9
	MSCI EAFE Value (net)	-1.7	7.7	-14.8	21.4	5.0	-5.7	-5.4	-4.9	5.1	1.0	3.2
	MSCI EAFE Growth (net)	-0.5	17.9	-12.8	28.9	-3.0	4.1	-4.4	2.2	7.8	5.5	6.5
	MSCI EAFE Small Cap (net)	-0.4	12.1	-17.9	33.0	2.2	9.6	-5.0	-5.9	5.9	6.0	7.5
Emerging Markets	MSCI Emerging Markets (net)	-4.3	5.9	-14.6	37.3	11.2	-14.9	-2.2	-2.0	6.0	2.3	3.4

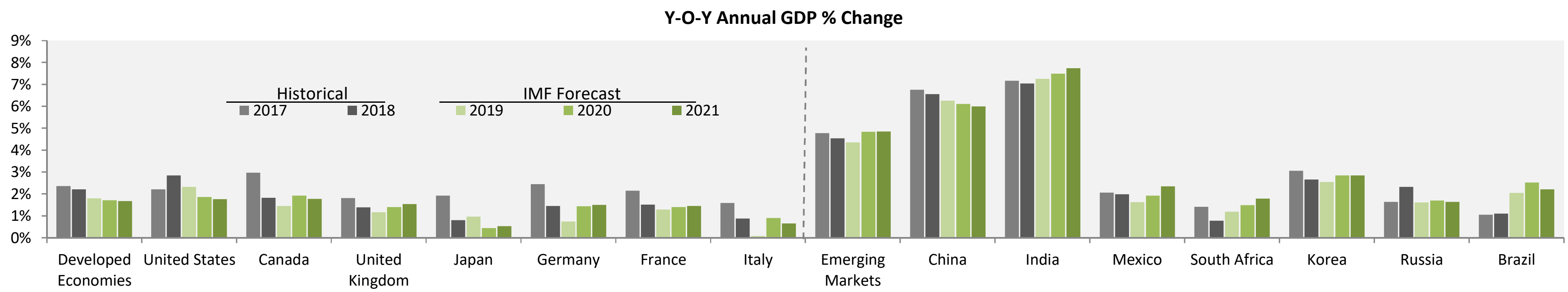




Left chart: The major currencies index is a weighted average of the foreign exchange values of the U.S. dollar against a subset of currencies in the broad index that circulate widely outside the country of issue. The weights are derived from those in the broad index. Source: The Federal Reserve. Right chart: Data as of September 30, 2019.

International Equity Market





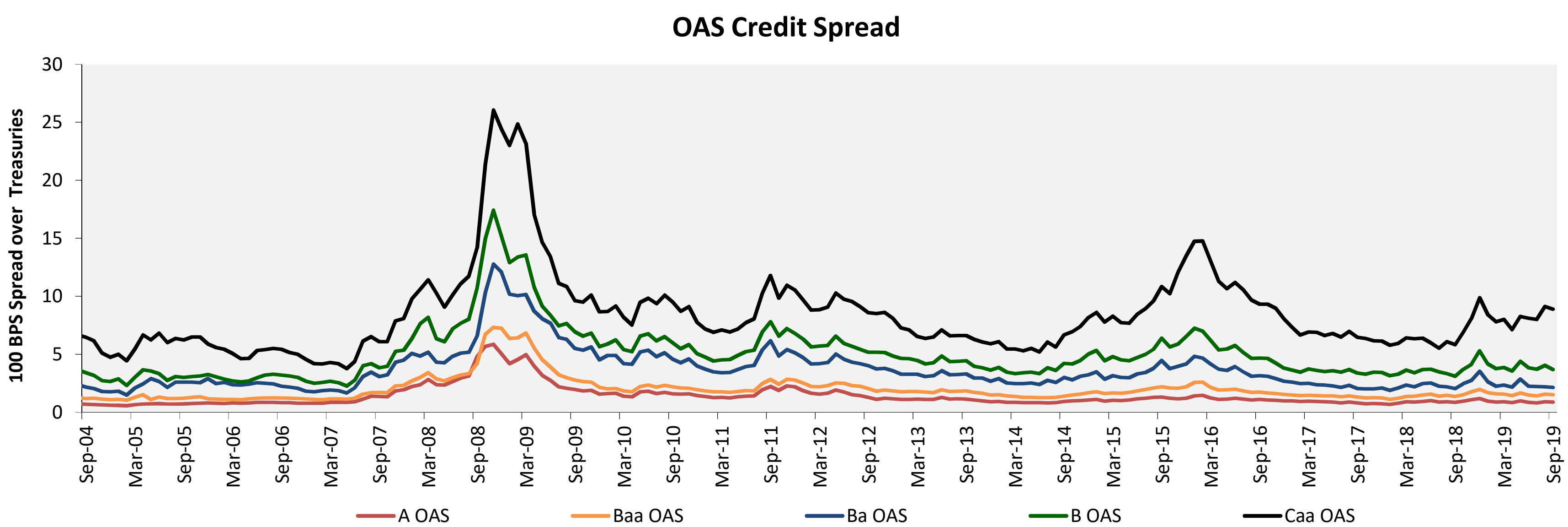
Top chart: Source - MSCI, Standard & Poor's, FactSet, J.P. Morgan Asset Management. Bottom chart: Annual percentages of constant price GDP are year-on-year changes; the base year is country-specific. Source: International Monetary Fund, World Economic Outlook Database, April 2019.

U.S. Bond Market

With growth continuing to slow and the Fed cutting rates twice, yields moved lower across the curve in the 3rd quarter. The 10-year Treasury ended the quarter at 1.68%, down from 2.00% to start the quarter, and from a 12-month high of 3.24% in November of 2018. The 2-year Treasury closed at 1.63%, down from 1.75% at the start of the quarter. Year-to-date, the 10-year has declined 101 basis points while the 2-year has fallen 85 basis points. While parts of the curve were inverted during the quarter, the spread between 2-year and 10-year bonds finished positive by 5 basis points. U.S. rates remain higher than rates in most developed markets. It is estimated that 25% of all sovereign debt globally now trades with a negative yield.

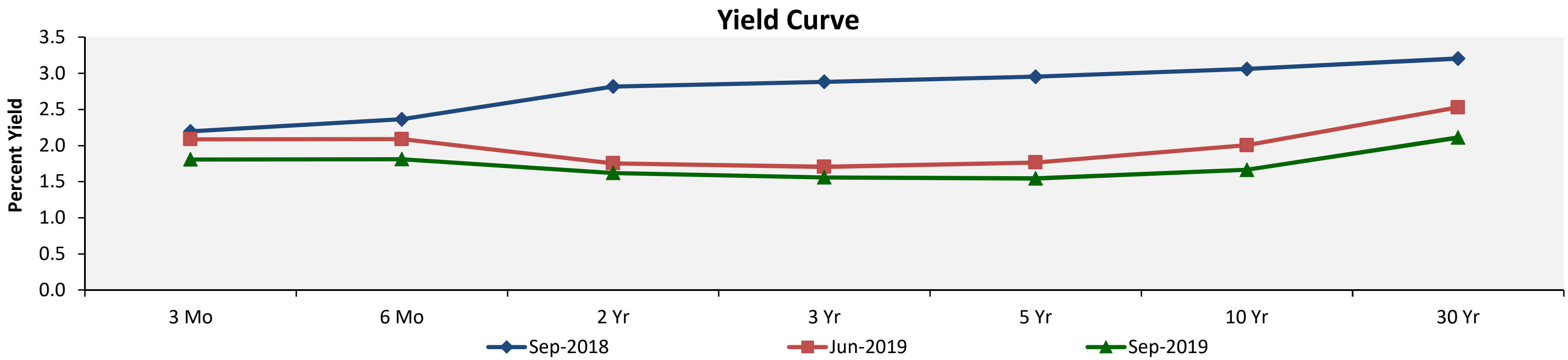
Declining interest rates have resulted in somewhat surprisingly strong bond returns in 2019. The Bloomberg Barclays US Aggregate index is up 8.5% year-to-date, and returned 2.3% for the quarter, the third consecutive quarter the index returned more than 2%. Credit spreads were largely unchanged for the quarter, and given the decline in rates, longer duration issues outperformed. Investment grade bonds, as measured by the Bloomberg Barclays Govt./Credit return of 2.6%, outperformed high yield, which returned 1.9% as measured by the Bloomberg Barclays HY Ba/B 2%.

Index	Yield	Duration	3Q 19	YTD	2018	2017	2016	2015	2014	1-Year	3-Year	5-Year	10-Year
Bloomberg Barclays Aggregate	2.26	6.1	2.3	8.5	0.0	3.5	2.7	0.6	6.0	10.3	2.9	3.4	3.8
Bloomberg Barclays Govt/Credit	2.19	7.0	2.6	9.7	-0.4	4.0	3.1	0.2	6.0	11.3	3.2	3.6	3.9
Bloomberg Barclays Int Agg	2.11	4.0	1.4	6.2	0.9	2.3	2.0	1.2	4.1	8.1	2.4	2.7	3.2
Bloomberg Barclays Int Govt/Credit	1.93	4.0	1.4	6.4	0.9	2.1	2.1	1.1	3.1	8.2	2.4	2.7	3.1
Bloomberg Barclays HY Ba/B 2% IC	4.77	3.3	1.9	12.4	-1.9	6.9	14.1	-2.7	3.5	8.3	6.0	5.5	7.7
BofA ML HY Cash Pay BB 1-3 Yr.	4.51	1.5	1.5	7.1	1.4	3.6	8.5	1.2	1.9	6.3	4.3	4.5	5.9
Bloomberg Barclays Mortgage	2.45	4.0	1.4	5.6	1.0	2.5	1.7	1.5	6.1	7.8	2.3	2.8	3.1
Bloomberg Barclays Treasury	1.72	6.6	2.4	7.7	0.9	2.3	1.0	0.8	5.1	10.5	2.2	2.9	3.1
Bloomberg Barclays US TIPS	1.88	7.8	1.4	7.6	-1.3	3.0	4.7	-1.4	3.6	7.1	2.2	2.5	3.5
BofA ML 91 day T-Bills	1.83	0.3	0.6	1.8	1.9	0.9	0.3	0.1	0.0	2.4	1.5	1.0	0.5



Source: Bloomberg Barclays

U.S. Yield Curve



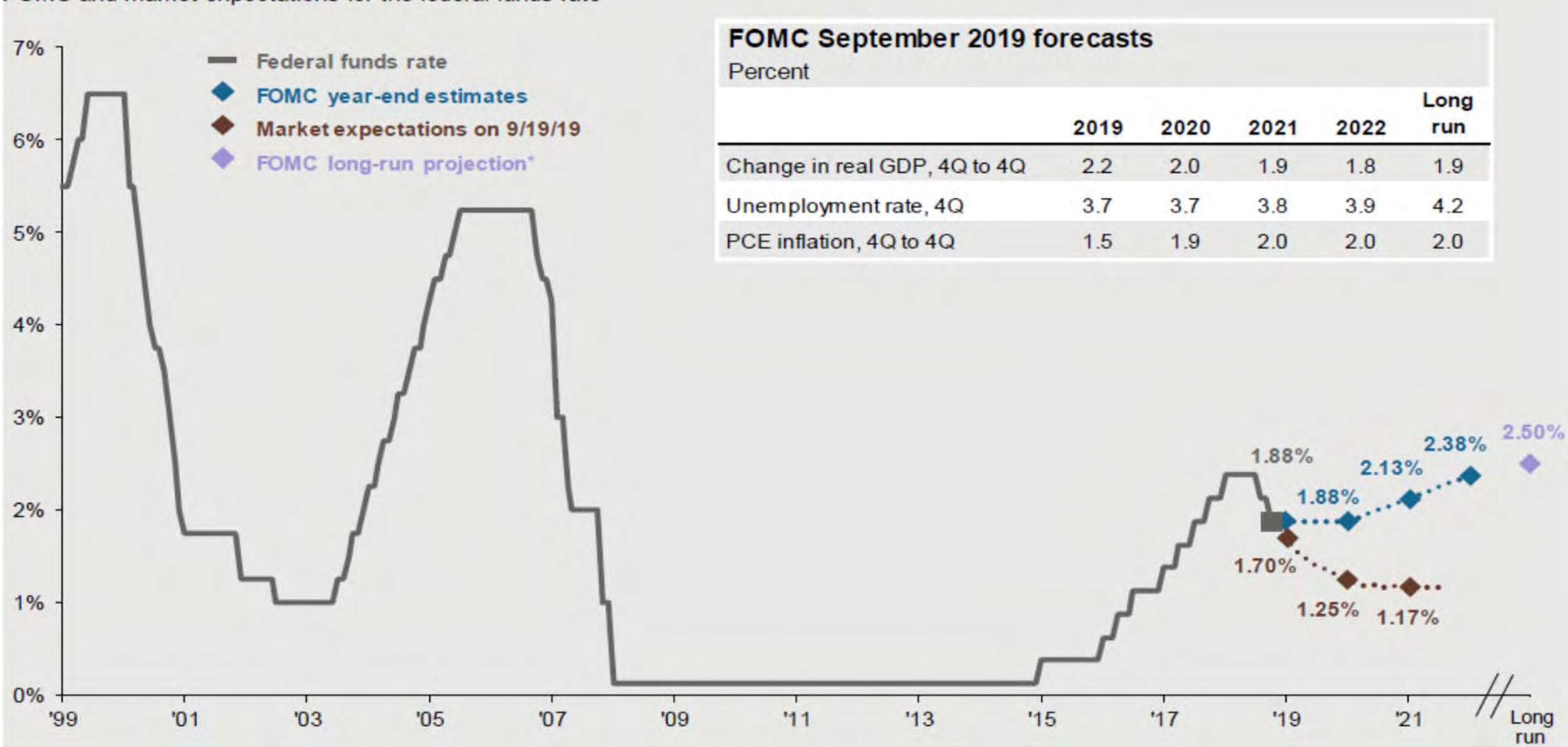
Date of inversion prior to recession	Time to recession
April 11, 1968	19 months
March 9, 1973	7 months
August 18, 1978	16 months
September 12, 1980	9 months
December 13, 1988	18 months
February 2, 2000	12 months
June 8, 2006	17 months
Average	**14 months**

Source: Top Chart - Bloomberg Barclays. Bottom Chart - FactSet, Federal Reservse, J.P. Morgan Asset Management. Data are as of September 30, 2019.

Fed Interest Rate Policy

Federal funds rate expectations

FOMC and market expectations for the federal funds rate



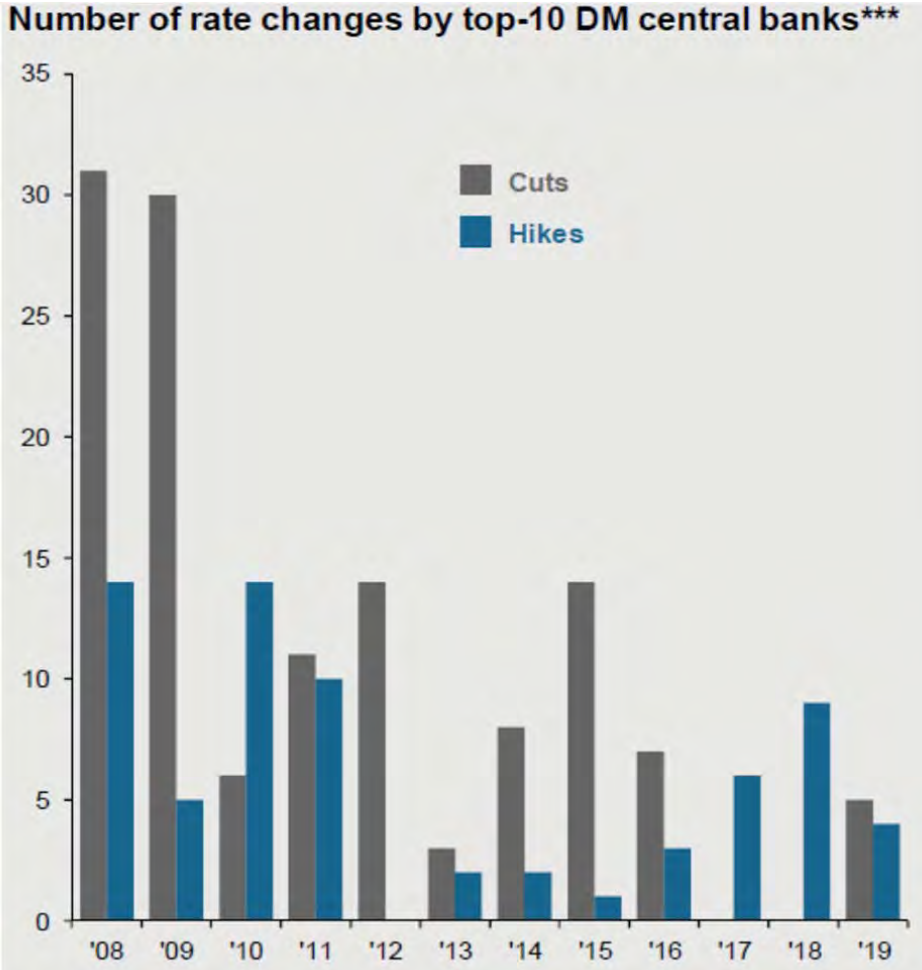
FOMC September 2019 forecasts

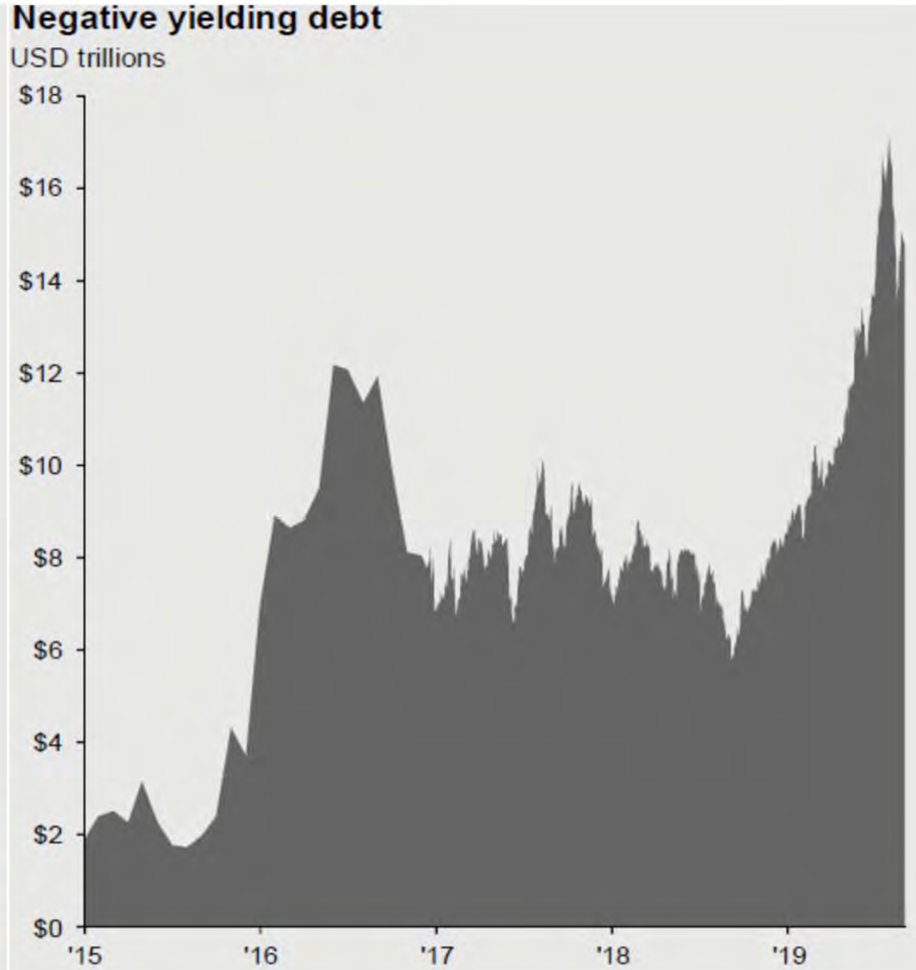
Percent

	2019	2020	2021	2022	Long run
Change in real GDP, 4Q to 4Q	2.2	2.0	1.9	1.8	1.9
Unemployment rate, 4Q	3.7	3.7	3.8	3.9	4.2
PCE inflation, 4Q to 4Q	1.5	1.9	2.0	2.0	2.0

Source: Bloomberg, FactSet, Federal Reserve, J.P. Morgan Asset Management. Data are as of September 30, 2019.

Central Bank Rate Cuts Decisions and Negative Yielding Debt





Left Source: Bloomberg, J.P. Morgan Asset Management. Data are as of September 30, 2019. *** Includes Australia, Canada, Denmark, Eurozone, Japan, Norway, Switzerlad, UK, and U.S.
Right Source: Bloomberg, J.P. Morgan Asset Management. Data are as of September 30, 2019.

Interest Rate Sensitivity

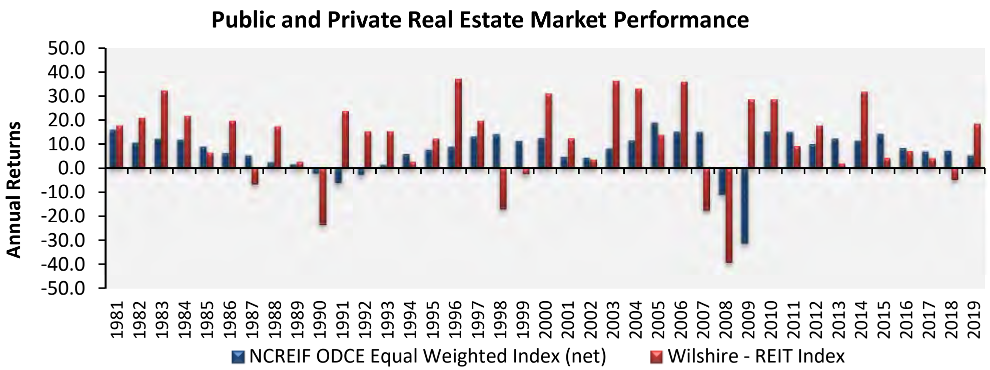
12 Month Holding Period - Annualized Returns as of 9/30/2019							
Yield Change	10 Year Treasury	Bloomberg Barclays Aggregate	Bloomberg Barclays Int Govt/Credit	ML Gov/Corp Master	ML 1-3 yr Gov/Corp	Defensive ML US HY BB/B ND	Short Duration ML US HY BB/B 1-3 yr
(bps)		US Aggregate	US Int Govt/Credit				
-150	15.27	11.46	7.86	12.66	4.66	9.66	6.70
-100	10.74	8.39	5.88	9.18	3.72	8.02	5.97
-50	6.21	5.33	3.91	5.71	2.79	6.39	5.24
-25	3.95	3.79	2.92	3.97	2.32	5.57	4.88
0	1.68	2.26	1.93	2.23	1.85	4.75	4.51
25	-0.59	0.73	0.94	0.49	1.38	3.93	4.15
50	-2.85	-0.81	-0.05	-1.25	0.92	3.12	3.78
100	-7.38	-3.87	-2.02	-4.72	-0.02	1.48	3.05
150	-11.91	-6.94	-4.00	-8.20	-0.96	-0.16	2.32
200	-16.44	-10.00	-5.97	-11.67	-1.89	-1.79	1.59
250	-20.97	-13.07	-7.95	-15.15	-2.83	-3.43	0.86
300	-25.50	-16.13	-9.92	-18.62	-3.76	-5.06	0.13
350	-30.03	-19.20	-11.90	-22.10	-4.70	-6.70	-0.60
400	-34.56	-22.26	-13.87	-25.57	-5.63	-8.33	-1.33
450	-39.09	-25.33	-15.85	-29.05	-6.57	-9.97	-2.06
500	-43.62	-28.39	-17.82	-32.52	-7.50	-11.60	-2.79
Duration	9.06	6.13	3.95	6.95	1.87	3.27	1.46

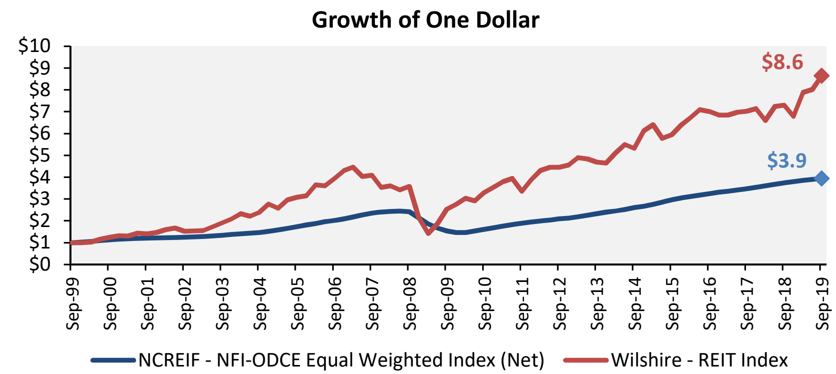
FOR ILLUSTRATIVE PURPOSES ONLY: For each index the current yield to worst as of 9/30/2019 was used as the base case annualized return. The annualized return sensitivity to a uniform increase or decrease in the yield curve was calculated by taking the index's Macaulay's (Modified) Duration to Worst as of 9/30/2019 multiplied by the percentage point change in the yield curve (basis point change divided by 100) and then appropriately adding or subtracting this implied percentage change in the value of the index (due to the shift in the yield curve) to the base case annualized return. This is a rough approximation of the annual return sensitivity to parallel shifts in the yield curve. **SOURCE:** PENN Capital Internal Research.

Real Estate Market

Private real estate, as measured by the NCREIF ODCE Equal Weighted Index, returned 1.4% (1.2% net) in the third quarter, consisting of income gains of 1.07% and modest appreciation of 0.31%. Consistent with expectations, income has been the primary driver of return, accounting for 4.3% of the 6.2% total return over the last year. The prospect of low interest rates for the foreseeable future should be supportive of real estate valuations going forward, while the income component remains attractive to investors seeking sources of yield in a low rate environment. Additionally, fundamentals such as occupancy, new supply, and rent growth all appear healthy. Assuming income of 4-5% per year and appreciation of 1-3%, expectations for total returns of 5-8% from core real estate appear reasonable.

Sector	Index	3Q 19	YTD	2018	2017	2016	2015	2014	1-Year	3-Year	5-Year	10-Year
US Private	NCREIF ODCE Equal Weighted (net)	1.2	3.9	7.3	6.9	8.4	14.2	11.4	5.3	6.7	8.7	9.9
US Public	Wilshire REIT	7.9	27.2	-4.8	4.2	7.2	4.2	31.8	18.4	7.2	10.2	13.1

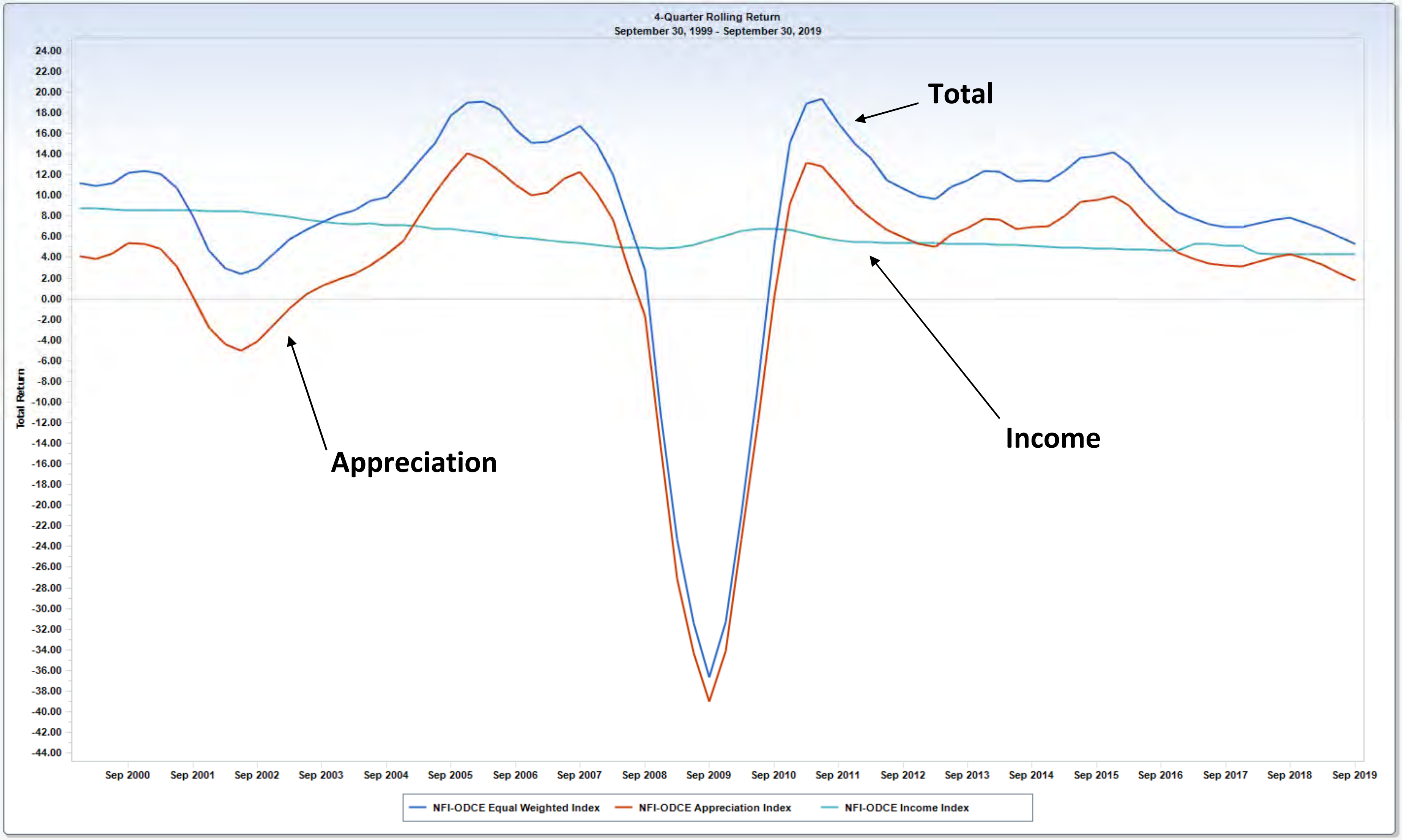




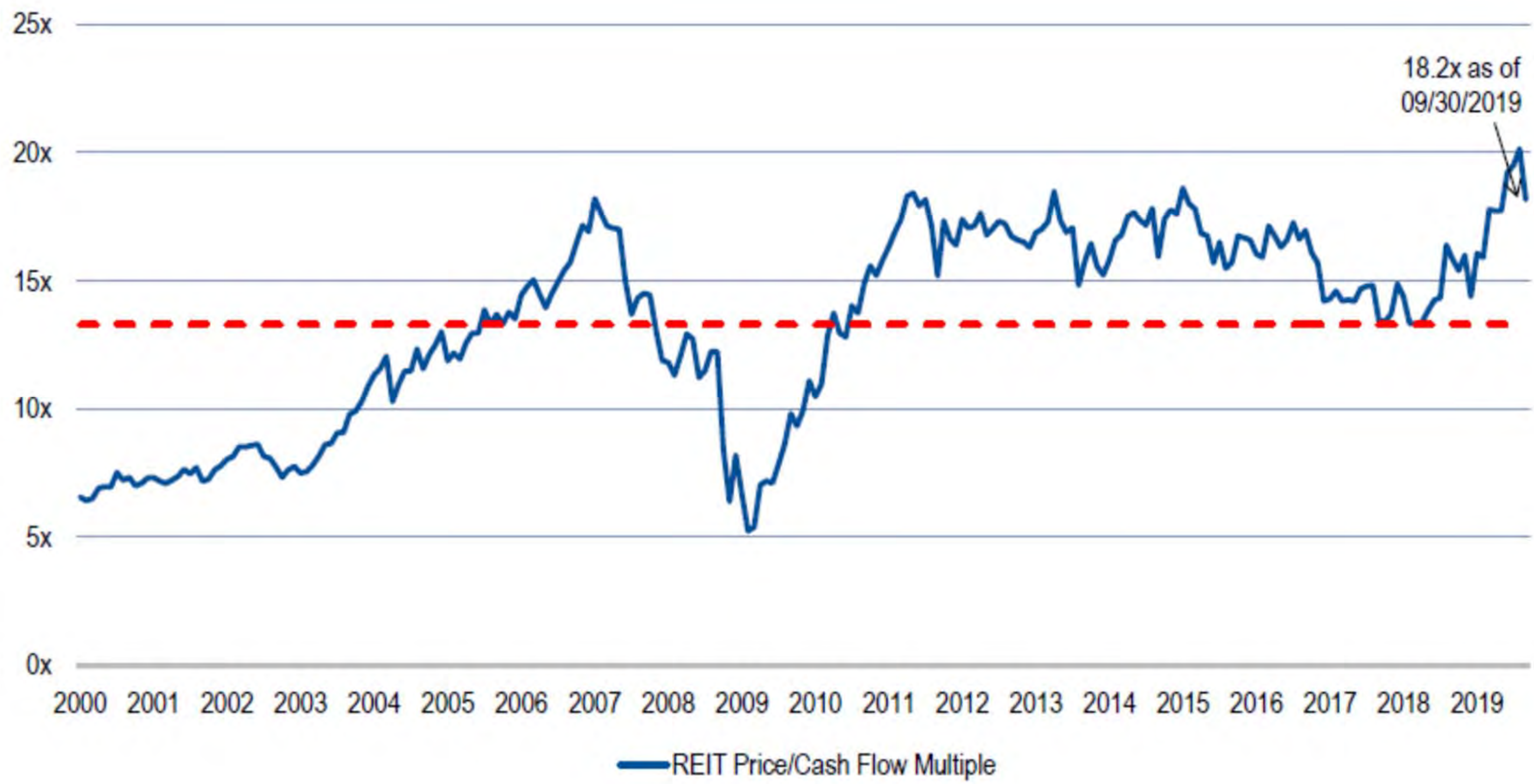
	Total return (incl. income) 2019	Total return (incl. income) 2020	Total return (incl. income) 2021	Total return (incl. income) 2019 to 2023 (per year)
National, All Property Types (NPI)	6.5	5.3	4.5	5.5
Office	6.3	5.0	4.0	5.1
Retail	2.8	3.3	3.6	3.8
Industrial	11.7	8.2	6.1	7.6
Apartment	6.0	5.4	4.6	5.5

Bottom chart: Average of respondents' forecasts of the NCREIF Property Index (NPI) and sub-indices by property type. **Source:** Pension Real Estate Association Consensus Forecast Survey of the NCREIF Property Index Q3 2019.

Real Estate Market



REIT Valuations are Above Their Long-Term Average



Source: Bloomberg, Neuberger Berman

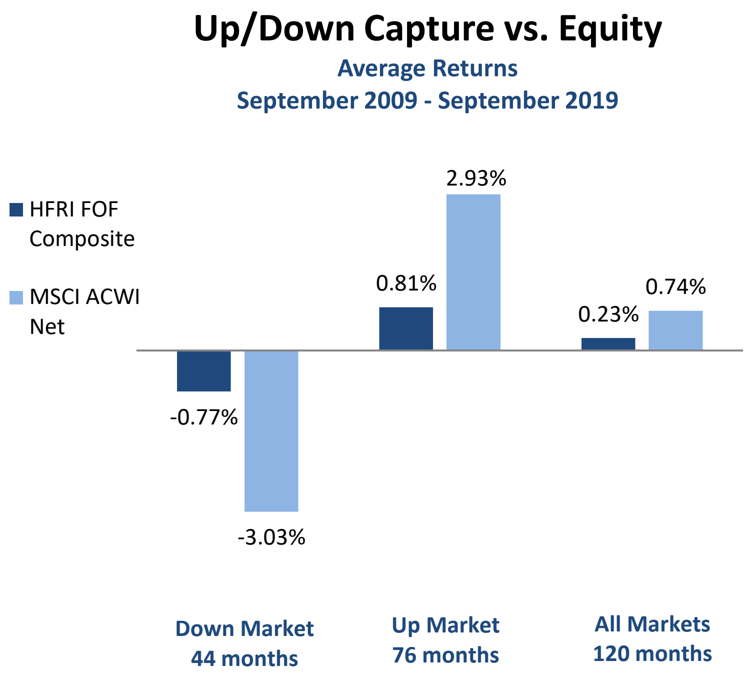
Hedge Fund of Funds Market

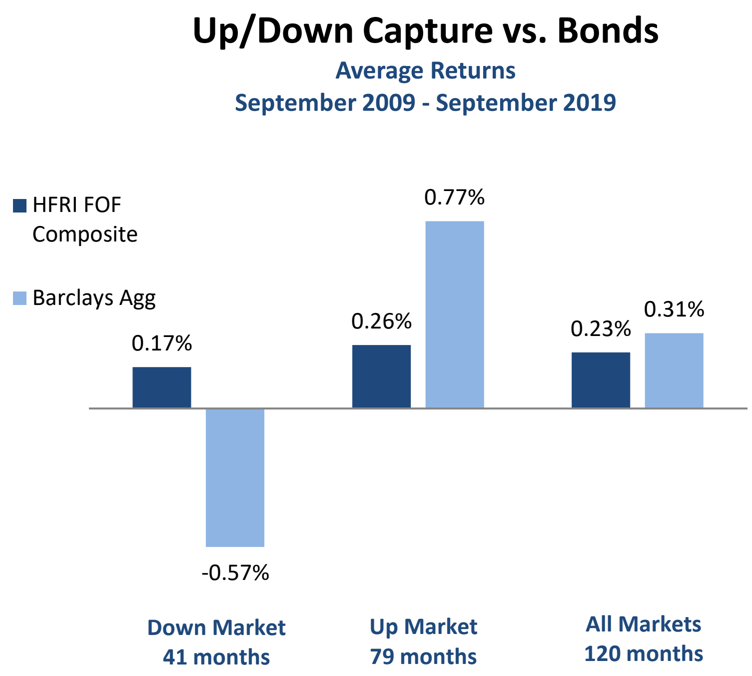
Hedge fund returns were mixed during a choppy third quarter that saw two Fed rate cuts, higher volatility in global equity markets, and several idiosyncratic events across asset classes. The HFRI Fund of Funds Composite declined 0.9% during the third quarter, reducing the YTD return to 5.2%. As equities bounced back, the index produced modestly positive returns in July, declined while protecting capital relative to global equity markets in August and declined roughly in line with core bonds in September. Equity hedge remains the strongest performing strategy YTD, but saw the largest declines during the quarter, down 1.1%. Dispersion among equity-oriented funds was wide and dependent on geographic, sector and market cap focus, as the U.S. outperformed international markets, large cap outperformed small cap and sell-offs in energy and healthcare disproportionately hurt managers focused on those sectors. Macro strategies again were the best performer for the quarter, up 1.5%, due to similar reasons as Q2 - active trading around periods of heightened volatility, declining stock correlations and the aforementioned disparate equity sector returns. Credit strategies were mixed during the quarter, with the HFRI Credit Index producing a slightly positive return of 0.1%. Loans underperformed bonds during the quarter, and lower quality securities generally lagged as spreads in the lowest quality sectors widened modestly during the quarter. The Fed's rate cuts during the quarter helped push bond prices up, though hedge fund managers without much rate-sensitivity in their portfolios benefitted less from this tailwind.

Strategy	Index	3Q 19	YTD	2018	2017	2016	2015	2014	1-Year	3-Year	5-Year	10-Year
Fund of Funds	HFRI HFOF Composite	-0.9	5.2	-4.0	7.8	0.5	-0.3	3.4	0.0	3.2	2.0	2.7
Equity Long-Short	HFRI Equity Hedge	-1.1	8.0	-7.1	13.3	5.5	-1.0	1.8	-1.2	4.8	3.5	4.4
Event Driven	HFRI Event Driven	-0.6	4.8	-2.1	7.6	10.6	-3.6	1.1	-0.2	4.6	3.0	5.1
Global Macro	HFRI Macro Index	1.5	6.5	-4.1	2.2	1.0	-1.3	5.6	4.0	1.2	1.3	1.3
Relative Value	HFRI Relative Value	0.2	5.6	-0.4	5.1	7.7	-0.3	4.0	2.0	4.0	3.3	5.4
Credit	HFRI Credit Index	0.1	4.9	0.0	6.0	8.6	-1.0	3.0	1.8	4.5	3.4	5.7

Hedge Fund Strategy Performance

Hedge Fund of Funds Market





FELRA and UFCW Pension Fund

Master Consulting Services Report

Period Ended

September 30, 2019

Total Fund Growth of Assets

	Third Quarter	Fiscal Year-To-Date	One Year	Three Years	Five Years	Seven Years	Ten Years
Beginning Market Value	$156,086,751	$193,056,463	$231,172,728	$375,236,931	$549,319,624	$610,155,182	$677,518,587
Net Cash Flow	-$25,879,043	-$77,560,482	-$102,711,623	-$300,332,730	-$514,255,134	-$694,809,347	-$922,719,641
Net Investment Change	$901,985	$15,613,712	$2,648,588	$56,205,492	$96,045,203	$215,763,858	$376,310,747
Ending Market Value	$131,109,693	$131,109,693	$131,109,693	$131,109,693	$131,109,693	$131,109,693	$131,109,693

- The Fund's fiscal year end is December 31st.
- The present assumed actuarial rate effective January 1, 2016 as determined by the plan actuary is 7.0%.

Performance Summary (Gross of Fees) - Annualized

	Market Value	% of Portfolio	Ending September 30, 2019						
			2019 Q3	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs
Total Fund	**$131,109,693**	**100.0%**	**0.6%**	**8.6%**	**2.9%**	**7.0%**	**6.2%**	**7.5%**	**7.9%**
Total Domestic Equity	**$19,018,037**	**14.5%**	**0.3%**	**20.5%**	**2.2%**	**12.2%**	**10.1%**	**12.7%**	**12.4%**
S&P 500			*1.7%*	*20.6%*	*4.3%*	*13.4%*	*10.8%*	*13.3%*	*13.2%*
Russell 2000			*-2.4%*	*14.2%*	*-8.9%*	*8.2%*	*8.2%*	*10.4%*	*11.2%*
Total Investment Grade Fixed Income	**$79,986,136**	**61.0%**	**0.8%**	**3.5%**	**4.4%**	**1.7%**	**2.4%**	**2.0%**	**3.8%**
Custom Benchmark Fixed Income			*0.7%*	*3.4%*	*4.6%*	*1.4%*	*2.1%*	*1.5%*	*2.9%*
Total Hedge Fund of Funds	**$23,684**	**0.0%**							
Total Global Tactical Asset Allocation	**$24,981,622**	**19.1%**	**1.1%**	**15.2%**	**5.7%**	**6.8%**	**6.0%**	**6.2%**	**--**
65% MSCI World Index/35% CitigroupWGBI			*0.7%*	*13.7%*	*4.4%*	*7.2%*	*5.5%*	*6.6%*	*6.6%*
Total Cash	**$5,131,547**	**3.9%**	**0.4%**	**1.1%**	**1.5%**	**1.0%**	**0.7%**	**0.5%**	**0.4%**
Total Other	**$1,968,668**	**1.5%**							

	Fiscal Year Ends December 31st										
	Fiscal YTD	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Fund	**8.6%**	**-1.6%**	**12.0%**	**8.1%**	**3.0%**	**6.0%**	**14.9%**	**12.5%**	**0.6%**	**13.6%**	**12.5%**

Current vs. Policy						
	Current	Current	Policy	Policy Range	Difference	Difference
Domestic Equity	$19,018,037	14.5%	20.0%	0.0% - 40.0%	-5.5%	-$7,203,902
Investment Grade Fixed Income	$79,986,136	61.0%	45.0%	0.0% - 100.0%	16.0%	$20,986,774
Opportunistic Fixed Income	--	--	10.0%	0.0% - 20.0%	-10.0%	-$13,110,969
Short Duration High Yield Bonds	--	--	5.0%	0.0% - 10.0%	-5.0%	-$6,555,485
Global Tactical Asset Allocation	$24,981,622	19.1%	15.0%	0.0% - 30.0%	4.1%	$5,315,168
Cash Equivalents / Other	$7,100,215	5.4%	5.0%	0.0% - 20.0%	0.4%	$544,730
Hedge Fund of Funds	$23,684	0.0%	0.0%	0.0% - 0.0%	0.0%	$23,684
Total	**$131,109,693**	**100.0%**	**100.0%**			

- The Policy is effective October 1, 2019.
- Cash Equivalents / Other includes PNC STIF and EnTrust Capital Diversified Peru Class X.

FELRA and UFCW Pension Fund – Asset Allocation

- Asset allocation and glide path reviews were presented and discussed with the Board of Trustees at the following meetings: April 27, 2016, August 3, 2016, January 26, 2017, March 5, 2017, May 31, 2017, July 13, 2017, January 10, 2018, March 3, 2018, June 4, 2018, and July 18, 2019.
- At the January 26, 2017 meeting, IPS recommended: 1) Eliminate the HFoF investments with EnTrust and Mesirow as soon as possible; 2) Submit a redemption schedule with JPM real estate to fully liquidate by 12/31/18. Rebalance to the 15% policy ASAP, to 10% at 12/31/17, and fully redeem by 12/31/18. Recommendations were not approved at that time. Additional cash flow analysis and asset allocation information was sent to the Administrator and co-counsel. The Trustees elected to eliminate the Policy to reflect the ongoing liquidation of the Fund's assets. The effective date is January 1, 2017.
- On March 5, 2017, IPS sent a follow-up memo to the Board of Trustees regarding cash flow analysis and what order the Fund's portfolios should be liquidated so there is sufficient cash to pay benefits and administrative expenses.
- At the May 31, 2017 meeting, the Trustees voted to rebalance to the January 2017 recommended policy shown on page 3 of the report. To rebalance to those targets, terminate Gryphon (liquidated March 2018) and Vanguard EM (liquidated February 2018). Proceeds were used for cash flow needs. On approximately a quarterly basis, discuss additional potential changes to the asset allocation.
- At the January 10, 2018 meeting, the Trustees voted to adopt the Policy labeled January 1, 2018 (effective 1/1/18). The only change compared to the current policy allocation was a further reduction to real estate (from 15% to 10%). In addition, the Trustees agreed to fully liquidate the real estate allocation effective December 31, 2018. The liquidation of the approximately $38m was completed in four installments (3/31, 6/30, 9/30, 12/31). Any proceeds from the liquidation of real estate not needed for cash needs could be invested with SBH (investment grade fixed income).
- At the December 12, 2018 meeting, the recommendations to liquidate Franklin Templeton (global bonds) and Chartwell (short duration high yield) were approved. The portfolios were liquidated in January 2019 and February 2019 respectively.
- At the July 18, 2019 meeting, the Trustees elected to amend the Policy and Policy Ranges as follows: domestic equity – decrease Policy from 30% to 20% (no change to range of 20–40%) and investment grade fixed income – increase Policy from 25% to 45% (0–100%).
- At the September 25, 2019 meeting, the Trustees elected to liquidate the portfolios managed by WEDGE Capital (Domestic Equity), Vanguard (Domestic Equity), and First Eagle (GTAA) and utilize the proceeds for cash needs as needed. The Trustees also elected to modify the Policy Range for Domestic Equity to 0 – 40%.

Recommendations: None.

FELRA and UFCW Pension Fund – Recent Portfolio Activity

2018 – 4Q

- On October 3, 2018, $7.0M from the ongoing JP Morgan (real estate) liquidation transferred to cash (PNC STIF).
- On October 25, 2018, $4.0M transferred from equity (Vanguard) to cash (PNC STIF).
- On November 30, 2018, $2.0M transferred from equity (Vanguard) to cash (PNC STIF).
- On December 21, 2018, $12.0M transferred from equity (Vanguard) to cash (PNC STIF).

2019 – 1Q

- On January 9, 2019, the balance of JP Morgan (real estate) liquidation totaling $7,289,460.15 transferred to cash (PNC STIF).
- On January 10, 2019, Meridian distributed $10,618.94 in part of the ongoing liquidation.
- On January 18, 2019, $10.0M transferred from equity (Vanguard) to cash (PNC STIF).
- On February 1, 2019, cash proceeds of the Franklin Templeton termination (effective 1/31/2019) totaling $29,417,079.98 transferred to cash (PNC STIF). SBH (investment grade fixed income) received $29.0M with the remainder utilized for ongoing cash needs.
- On February 13, 2019, Meridian distributed $91,904.00 in part of the ongoing liquidation.
- On February 14, 2019, proceeds of the Chartwell SDHY termination totaling $4,334,627.25 transferred to SBH.
- On February 27, 2019, $4.0M transferred from equity (Wedge) to cash (PNC STIF).
- On March 21, 2019, $3.5M transferred from equity (Vanguard) to cash (PNC STIF).
- On March 28, 2019, $6.5M transferred from equity (Wedge) to cash (PNC STIF).

2019 – 2Q

- On April 4, 2019, $5.0M transferred from GTAA (First Eagle) to cash (PNC STIF).
- On April 17, 2019, Meridian distributed $5,113.23 in part of the ongoing liquidation.
- On May 29, 2019, $3.0M transferred from fixed income (SBH) to cash (PNC STIF).
- On June 26, 2019, $12.0M transferred from fixed income (SBH) to cash (PNC STIF).

2019 – 3Q

- On July 30, 2019, $10.0M transferred from fixed income (SBH) to cash (PNC STIF).
- On August 29, 2019, $6.0M transferred from fixed income (SBH - $3M) and equity (WEDGE - $3M) to cash (PNC STIF).
- On September 27, 2019, proceeds of the Vanguard (equity) termination totaling $12,784,123 transferred to cash (PNC STIF). Of those proceeds, $1.2M was reinvested with SBH.

Performance Detail (Gross of Fees) - Annualized

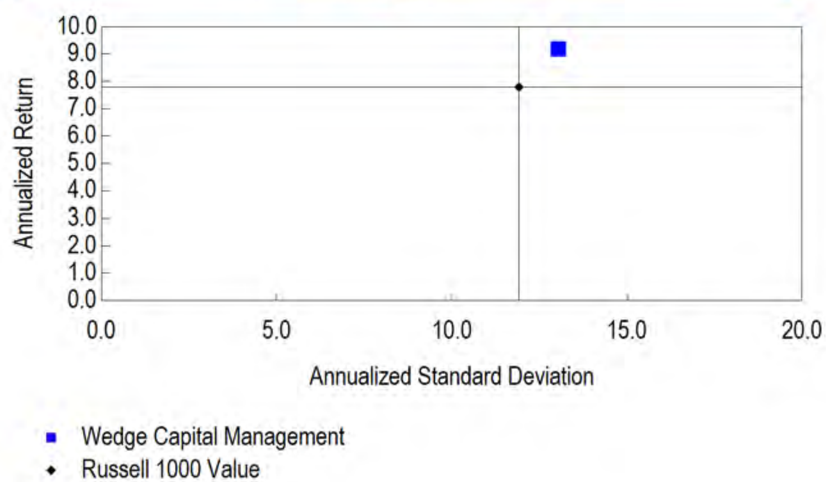
			Ending September 30, 2019								
	Market Value	% of Portfolio	2019 Q3	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs	Inception	Inception Date
Total Fund	**$131,109,693**	**100.0%**	**0.6%**	**8.6%**	**2.9%**	**7.0%**	**6.2%**	**7.5%**	**7.9%**	**6.3%**	**Jan-97**
Total Domestic Equity	**$19,018,037**	**14.5%**	**0.3%**	**20.5%**	**2.2%**	**12.2%**	**10.1%**	**12.7%**	**12.4%**	**7.6%**	**Jul-97**
S&P 500			*1.7%*	*20.6%*	*4.3%*	*13.4%*	*10.8%*	*13.3%*	*13.2%*	*7.6%*	*Jul-97*
Russell 2000			*-2.4%*	*14.2%*	*-8.9%*	*8.2%*	*8.2%*	*10.4%*	*11.2%*	*7.6%*	*Jul-97*
Wedge Capital Management	$19,018,037	14.5%	-0.3%	20.5%	0.9%	10.8%	9.2%	12.6%	12.7%	8.6%	Jan-05
Russell 1000 Value			*1.4%*	*17.8%*	*4.0%*	*9.4%*	*7.8%*	*11.3%*	*11.5%*	*7.2%*	*Jan-05*
Total Investment Grade Fixed Income	**$79,986,136**	**61.0%**	**0.8%**	**3.5%**	**4.4%**	**1.7%**	**2.4%**	**2.0%**	**3.8%**	**3.3%**	**Jun-07**
Custom Benchmark Fixed Income			*0.7%*	*3.4%*	*4.6%*	*1.4%*	*2.1%*	*1.5%*	*2.9%*	*3.7%*	*Jun-07*
Segall Bryant & Hamill	$79,986,136	61.0%	0.8%	3.5%	4.4%	1.7%	2.4%	1.9%	3.2%	3.8%	Jan-09
Custom Benchmark Segall			*0.7%*	*3.4%*	*4.6%*	*1.4%*	*2.1%*	*1.5%*	*2.9%*	*3.2%*	*Jan-09*
Total Hedge Fund of Funds	**$23,684**	**0.0%**									
LumX Asset Management	$23,684	0.0%									
Total Global Tactical Asset Allocation	**$24,981,622**	**19.1%**	**1.1%**	**15.2%**	**5.7%**	**6.8%**	**6.0%**	**6.2%**	**--**	**6.3%**	**Apr-10**
65% MSCI World Index/35% CitigroupWGBI			*0.7%*	*13.7%*	*4.4%*	*7.2%*	*5.5%*	*6.6%*	*--*	*6.6%*	*Apr-10*
First Eagle Global Value	$24,981,622	19.1%	1.1%	15.2%	5.7%	6.8%	6.4%	--	--	5.8%	Sep-14
65% MSCI World Index/35% CitigroupWGBI			*0.7%*	*13.7%*	*4.4%*	*7.2%*	*5.5%*	*--*	*--*	*4.8%*	*Sep-14*
Total Cash	**$5,131,547**	**3.9%**	**0.4%**	**1.1%**	**1.5%**	**1.0%**	**0.7%**	**0.5%**	**0.4%**	**--**	**Jul-06**
PNC STIF	$5,131,547	3.9%	0.4%	1.1%	1.5%	1.0%	0.7%	0.5%	0.4%	1.6%	Jul-06
Total Other	**$1,968,668**	**1.5%**									
EnTrust Capital Diversified Peru Class X	$1,968,668	1.5%									

Account Information	
Account Name	**Wedge Capital Management**
Account Structure	**Separate Account**
Investment Style	**Active**
Inception Date	**1/01/05**
Account Type	**US Stock Large Cap Value**
Benchmark	**Russell 1000 Value**
Universe	**eV US Large Cap Value Equity Gross**

Wedge Capital Management
Ending September 30, 2019

	Third Quarter	Inception 1/1/05
Beginning Market Value	$22,142,016	$72,145,281
Net Cash Flow	-$3,000,000	-$105,825,565
Net Investment Change	-$123,979	$52,698,320
Ending Market Value	$19,018,037	$19,018,037

Annualized Return vs. Annualized Standard Deviation
5 Years Ending September 30, 2019



3 Years Ending September 30, 2019

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Wedge Capital Management	10.8%	13.9%	111.4%	103.6%
Russell 1000 Value	9.4%	12.3%	100.0%	100.0%

5 Years Ending September 30, 2019

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Wedge Capital Management	9.2%	13.0%	108.6%	98.5%
Russell 1000 Value	7.8%	11.9%	100.0%	100.0%

	2019 Q3	Rank	YTD	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	Calendar Years 2018	Rank	2017	Rank	2016	Rank	2015	Rank	2014	Rank	Inception	Inception Date
Wedge Capital Management	-0.3%	92	20.5%	20	0.9%	62	10.8%	44	9.2%	31	-11.9%	81	21.7%	12	14.1%	59	0.2%	18	12.5%	45	8.6%	Jan-05
Russell 1000 Value	*1.4%*	*62*	*17.8%*	*50*	*4.0%*	*40*	*9.4%*	*71*	*7.8%*	*64*	*-8.3%*	*50*	*13.7%*	*87*	*17.3%*	*26*	*-3.8%*	*64*	*13.5%*	*33*	*7.2%*	*Jan-05*

Note: Returns are gross of fees.

FELRA & UFCW Pension Fund - Wedge Capital Management

Manager Summary

- IPS conducted due diligence meetings with Wedge Capital on August 11, 2017, October 4, 2018 and June 13, 2019.

Recommendation: Liquidate as needed for cash flow needs. Decision: Approved

Compliance Summary

Exceptions: None.

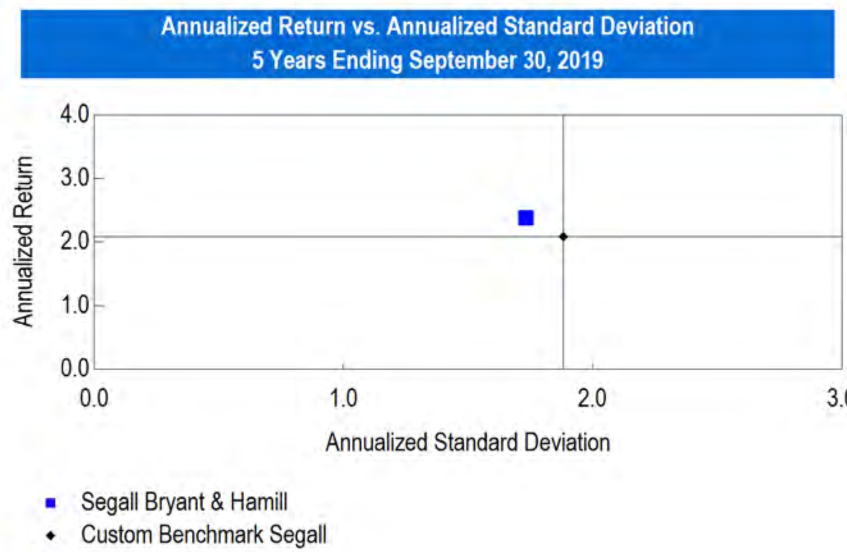
Action to be taken: None.

Items of Interest: Proxy Voting - The manager stated Wedge does not vote the proxies for this account.

Account Information	
Account Name	**Segall Bryant & Hamill**
Account Structure	**Separate Account**
Investment Style	**Active**
Inception Date	**1/01/09**
Account Type	**US Fixed Income Core**
Benchmark	**Custom Benchmark Segall**
Universe	

Segall Bryant & Hamill
Ending September 30, 2019

	Third Quarter	Inception 1/1/09
Beginning Market Value	$91,099,596	$41,048,647
Net Cash Flow	-$11,800,000	$26,217,964
Net Investment Change	$686,540	$12,719,524
Ending Market Value	$79,986,136	$79,986,136



3 Years Ending September 30, 2019

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Segall Bryant & Hamill	1.7%	1.6%	94.1%	73.4%
Custom Benchmark Segall	1.4%	1.7%	100.0%	100.0%

5 Years Ending September 30, 2019

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
Segall Bryant & Hamill	2.4%	1.7%	96.1%	73.0%
Custom Benchmark Segall	2.1%	1.9%	100.0%	100.0%

						Calendar Years						
	2019 Q3	YTD	1 Yr	3 Yrs	5 Yrs	2018	2017	2016	2015	2014	Inception	Inception Date
Segall Bryant & Hamill	0.8%	3.5%	4.4%	1.7%	2.4%	1.1%	2.6%	2.4%	1.3%	3.7%	3.8%	Jan-09
Custom Benchmark Segall	*0.7%*	*3.4%*	*4.6%*	*1.4%*	*2.1%*	*0.8%*	*2.1%*	*2.1%*	*1.1%*	*3.1%*	*3.2%*	*Jan-09*

Note: Returns are gross of fees.

FELRA & UFCW Pension Fund - Segall Bryant & Hamill

Manager Summary

- IPS conducted due diligence meetings with Segall Bryant and Hamill on June 7, 2017, June 20, 2017, August 28, 2018, January 11, 2019 and April 24, 2019.

Recommendation: None.

Compliance Summary

Exception #1: Investment Objectives and Guidelines states: Fixed income securities must be rated at least BBB-Baa3/BBB- or higher by Fitch, Moody's or Standard & Poor's. If a security is rated by all three agencies, two of the agencies must rate the security BBB- or Baa3 or above at the time of purchase. If only two of the rating agencies rate a security, the lower rating applies. If only one of the rating agencies rates a security, that rating will apply. If a security's rating falls below BBB-/Baa3/BBB-, the fixed income manager will immediately notify the trustees in writing of the event and describe its plan for dealing with the security. Should the manager decide to continue to hold the downgraded issue, the manager will report to the Trustees no less than quarterly in writing as to the status of the security and keep the Trustees fully informed of the improvement/deterioration of the valuation as well as to any change in their recommendation.

Four inherited bonds held as of 9/30/2019 are currently below investment grade with a total market value of $1,446 (0.08% of the portfolio) and two bonds are in default with a total market value of $771 (0.01% of the portfolio).

Manager Response Summary: The manager provided a table with the inherited bonds that are currently below investment grade and in default in 3Q19 checklist. The manager noted ESC Lehman Brothers holdings Security is in liquidation and recovery is uncertain. Twin Reefs Pass-Securities are under strategic reorganization and the status of the securities is uncertain. The manager noted they received DPS 144 A Washington Mutual stock out of escrow and have sold the shares. The manager also noted they may receive additional shares.

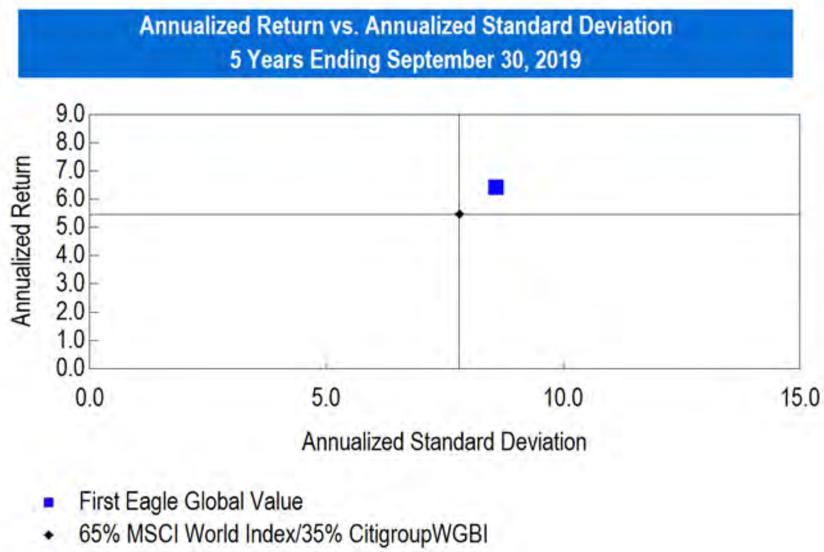
Action to be taken: Based on the follow-up information and comments provided by the manager, no action is required.

Items of Interest: None.

Account Information	
Account Name	First Eagle Global Value
Account Structure	Commingled Fund
Investment Style	Active
Inception Date	9/01/14
Account Type	Other
Benchmark	65% MSCI World Index/35% CitigroupWGBI
Universe	

First Eagle Global Value
Ending September 30, 2019

	Third Quarter	Inception 9/1/14
Beginning Market Value	$24,773,588	$0
Net Cash Flow	$0	$12,500,000
Net Investment Change	$208,034	$12,481,622
Ending Market Value	$24,981,622	$24,981,622



3 Years Ending September 30, 2019

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
First Eagle Global Value	6.8%	8.3%	97.6%	100.6%
65% MSCI World Index/35% CitigroupWGBI	7.2%	7.7%	100.0%	100.0%

5 Years Ending September 30, 2019

	Anlzd Return	Anlzd Standard Deviation	Up Mkt Capture Ratio	Down Mkt Capture Ratio
First Eagle Global Value	6.4%	8.6%	105.7%	96.2%
65% MSCI World Index/35% CitigroupWGBI	5.5%	7.8%	100.0%	100.0%

	2019 Q3	YTD	1 Yr	3 Yrs	5 Yrs	Calendar Years 2018	2017	2016	2015	2014	Inception	Inception Date
First Eagle Global Value	1.1%	15.2%	5.7%	6.8%	6.4%	-7.6%	14.4%	11.4%	0.1%	--	5.8%	Sep-14
65% MSCI World Index/35% CitigroupWGBI	*0.7%*	*13.7%*	*4.4%*	*7.2%*	*5.5%*	*-5.8%*	*17.0%*	*5.6%*	*-1.6%*	*3.1%*	*4.8%*	*Sep-14*

Note: Returns are gross of fees.

FELRA & UFCW Pension Fund - First Eagle Global Value

Manager Summary

- IPS conducted due diligence meetings with First Eagle on December 21, 2016, April 13, 2017, May 11, 2017, July 24, 2017, November 9, 2017 and December 13, 2018.
- Effective July 1, 2018, First Eagle lowered the annual expense cap from 87 basis points to 78 basis points for the Global Value commingled fund. The annual management fee remains at 75 basis points. Investors should receive a supplement to the fund's Private Placement Memorandum on or before July 31, and no action is required on the part of investors to receive the reduced expense cap.

Recommendation: Liquidate as needed for cash flow needs. Decision: Approved

Compliance Summary

Commingled Fund: Due to the commingled fund structure, IPS does not monitor the holdings within the commingled fund for compliance with the client's investment policy statement. The commingled fund is governed by its own investment policy.

Manager verified that the portfolio is currently, and has been during the past quarter, in compliance with the firm's commingled investment vehicle guidelines and/or prospectus governing the management of the investment. With respect to the portfolio(s) under management, manager acknowledges sole fiduciary responsibility under ERISA for adherence with the commingled investment vehicle and /or prospectus guidelines.

Items of Interest: None.

Account Information	
Account Name	**LumX Asset Management**
Account Structure	**Commingled Fund**
Investment Style	**Active**
Inception Date	**4/01/05**
Account Type	**Hedge Fund**
Benchmark	**HFRI Fund of Funds Composite Index**
Universe	

LumX Asset Management
Ending September 30, 2019

	Third Quarter	Inception 4/1/05
Beginning Market Value	$23,684	$25,494,521
Net Cash Flow	$0	-$29,925,191
Net Investment Change	$0	$4,454,354
Ending Market Value	$23,684	$23,684

Market value is as of December 31, 2016.

Correspondence/Transfer Summary - LumX Asset Management.

- Funded with $25 million during the 1st quarter of 2005.
- On March 30, 2011, $13 million was transferred to Transition Mesirow Cash account.
- Per the November 9, 2012 memo from Artis (underlying manager of EIM), the Fund received 455 shares of KiOR (CUSIP 4972171 09) and the shares were transferred to a Merrill Lynch brokerage account. Artis/EIM no longer manages the shares distributed and they are now the Fund's responsibility. Westwood will accept the shares of KiOR in-kind (existing 455 shares already in ML account) and any future distributions.
- On September 30, 2014, the merger between Gottex Fund Management Holdings Ltd. and EIM Group was completed.
- On June 2, 2017, Gottex Fund Management Holdings Ltd. changed the company name to LumX Asset Management.
- On January 14, 2016, the manager requested the Fund sign a consent to assignment due to the merger of Gottex Fund Management and EIM in September 2014. The Investment Management Agreement (IMA) that governs the relationship with FELRA was executed in January 2005 with EIM Management. IPS recommended the Fund sign the consent to agreement, subject to review by counsel. Decision : Approved

Manager Summary

Recommendation: A full redemption was submitted. As the remainder of the proceeds become available, use for cash flow needs.

Compliance Summary

Due to the customized separate HFoF structure, IPS does not monitor the fund of funds portfolio or the underlying managers' portfolios for compliance with the customized investment policy or the individual managers' policies.

Items of Interest: Compliance - The relationship was terminated as of September 30, 2010. **Manager did not return 4Q2014, 1Q2015, 2Q2015, 3Q2015, 4Q2015, 3Q2016, 4Q2016, 1Q2017, 2Q2017, 3Q2017, 4Q2017, 1Q2018, 2Q2018, 3Q2018, 4Q2018, 1Q2019, 2Q2019, 3Q2019 compliance checklist.** In an email dated March 29, 2017 the manager stated there are no changes in any of the answers from their prior checklists. The manager stated the only positions that they currently manage for the mutual client are illiquid hedge fund positions. There have been no changes in their firm that would in any way impact their ongoing monitoring of the illiquid positions.

Commission Recapture Provider

- Cowen and Company, LLC.
- On April 3, 2017, Cowen Group announced the signing of a definitive agreement to acquire ConvergEx Group. IPS contacted John Seyler at ConvergEx to discuss the transaction. Per ConvergEx, there will be no impact to existing ConvergEx clients and a consent to assignment is not required. The transaction closed on June 1, 2017. Following the acquisition, the name changed to Cowen Execution Services, LLC.
- As a result of this transaction, CovergEx's Plan Sponsor Division, renamed Cowen Execution Services, LLC, will be moved into Cowen and Company, LLC. You may have received correspondence from Cowen regarding "assignment" of your current agreement with Cowen Execution Services to Cowen and Company . IPS has been in contact with Cowen and recommends that you agree to the assignment. The notice sent by Cowen is structured as a negative consent; therefore, agreeing to the assignment requires no action.

Custody Bank

- The current custodian is PNC Bank.

Investment Policy Statement

- Investment policy statement was adopted in August 2014.

Commingled Funds

- Commingled Fund: Due to the commingled fund structure, IPS does not monitor the holdings within the commingled fund for compliance with the client's investment policy statement. The commingled fund is governed by its own investment policy.

Proxy Voting

- Pursuant to its Agreement with the Fund, responsibility for the exercise of ownership rights including the right to vote proxies is delegated to Marco Consulting Group, which is expected to vote all proxies in accordance with applicable law and the fiduciary responsibility provisions of ERISA. To enable the Trustees to monitor proxy voting, the Investment Managers shall submit to Marco any proxies for the Fund, on a monthly basis.

FELRA and UFCW Pension Fund

Appendix

FELRA and UFCW Pension Fund - Cash Flow Analysis

Quarter Ending	Beginning Market Value	Net Contributions / Withdrawals	Appreciation / Depreciation	Ending Market Value
Jun-08	$927,883,998	($22,279,057)	$3,761,688	$909,366,629
Sep-08	$909,366,629	($20,509,818)	($80,014,998)	$808,841,813
Dec-08	$808,841,813	($20,711,188)	($113,094,795)	$675,035,830
Mar-09	$675,035,830	($20,585,950)	($39,228,598)	$615,221,281
Jun-09	$615,221,281	($20,646,824)	$46,554,642	$641,129,099
Sep-09	$641,129,099	($15,477,240)	$51,866,729	$677,518,587
Dec-09	$677,518,587	($20,301,671)	$16,291,888	$673,508,804
Mar-10	$673,508,804	($23,964,727)	$24,806,670	$674,350,747
Jun-10	$674,350,747	($14,607,147)	($28,805,278)	$630,938,322
Sep-10	$630,938,322	($18,531,935)	$48,030,080	$660,436,468
Dec-10	$660,436,468	($19,020,364)	$39,663,596	$681,079,700
Mar-11	$681,079,700	($19,226,978)	$23,472,595	$685,325,318
Jun-11	$685,325,317	($19,226,221)	$7,939,126	$674,038,223
Sep-11	$674,038,223	($17,543,142)	($54,950,333)	$601,544,748
Dec-11	$601,544,748	($17,996,347)	$26,652,623	$610,201,024
Mar-12	$610,201,024	($18,424,045)	$41,651,407	$633,428,386
Jun-12	$633,428,386	($19,565,191)	($12,196,300)	$601,666,895
Sep-12	$601,666,895	($19,502,528)	$27,990,815	$610,155,182
Dec-12	$610,155,182	($19,736,735)	$13,322,360	$603,740,808
Mar-13	$603,740,808	($21,331,110)	$25,836,469	$608,246,166
Jun-13	$608,246,166	($22,971,241)	($3,558,977)	$581,715,949
Sep-13	$581,715,949	($22,792,009)	$29,121,566	$588,045,505
Dec-13	$588,045,505	($23,020,041)	$29,768,336	$594,793,801
Mar-14	$594,793,801	($22,948,172)	$11,617,817	$583,463,445
Jun-14	$583,463,445	($23,781,419)	$20,935,774	$580,617,800
Sep-14	$580,617,800	($23,973,486)	($7,324,690)	$549,319,624
Dec-14	$549,319,624	($24,616,981)	$6,603,834	$531,306,478
Mar-15	$531,306,478	($23,458,617)	$17,197,180	$525,045,041
Jun-15	$525,045,041	($24,143,915)	$5,472,944	$506,374,069
Sep-15	$506,374,069	($24,112,722)	($22,853,704)	$459,407,643
Dec-15	$459,407,643	($27,542,185)	$12,993,637	$444,859,095
Mar-16	$444,859,095	($26,773,145)	$1,631,135	$419,717,085
Jun-16	$419,717,085	($26,381,540)	$6,603,058	$399,938,603
Sep-16	$399,938,603	($36,893,297)	$12,191,625	$375,236,931
Dec-16	$375,236,931	($16,095,723)	$8,021,326	$367,162,534
Mar-17	$367,162,534	($26,515,622)	$12,883,529	$353,530,441
Jun-17	$353,530,441	($26,489,842)	$5,533,760	$332,574,360
Sep-17	$332,574,360	($26,197,063)	$8,419,541	$314,796,838
Dec-17	$314,796,838	($25,843,977)	$9,214,416	$298,167,277
Mar-18	$298,167,277	($25,673,057)	($709,162)	$271,785,057
Jun-18	$271,785,057	($23,495,940)	$2,668,486	$250,957,604
Sep-18	$250,957,604	($27,227,771)	$7,572,457	$231,312,290
Dec-18	$231,312,290	($24,743,983)	($13,372,282)	$193,196,024
Mar-19	$193,196,024	($33,290,012)	$11,059,732	$170,826,184
Jun-19	$170,826,184	($18,391,427)	$3,651,995	$156,086,751
Sep-19	$156,086,751	($25,879,043)	$901,985	$131,109,693
		($1,042,440,449)	$245,795,703	

Performance Detail (Net of Fees) - Annualized

	Market Value	% of Portfolio	Ending September 30, 2019								
			2019 Q3	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs	Inception	Inception Date
Total Fund	**$131,109,693**	**100.0%**	**0.5%**	**8.4%**	**2.5%**	**6.4%**	**5.6%**	**6.9%**	**7.2%**	**5.9%**	**Jan-97**
Total Domestic Equity	**$19,018,037**	**14.5%**	**0.2%**	**20.2%**	**1.9%**	**11.9%**	**9.8%**	**12.2%**	**12.0%**	**7.4%**	**Jul-97**
S&P 500			*1.7%*	*20.6%*	*4.3%*	*13.4%*	*10.8%*	*13.3%*	*13.2%*	*7.6%*	*Jul-97*
Russell 2000			*-2.4%*	*14.2%*	*-8.9%*	*8.2%*	*8.2%*	*10.4%*	*11.2%*	*7.6%*	*Jul-97*
Wedge Capital Management	$19,018,037	14.5%	-0.4%	20.1%	0.5%	10.3%	8.7%	12.0%	12.2%	8.1%	Jan-05
Russell 1000 Value			*1.4%*	*17.8%*	*4.0%*	*9.4%*	*7.8%*	*11.3%*	*11.5%*	*7.2%*	*Jan-05*
Total Investment Grade Fixed Income	**$79,986,136**	**61.0%**	**0.8%**	**3.4%**	**4.3%**	**1.5%**	**2.2%**	**1.8%**	**3.6%**	**3.2%**	**Jun-07**
Custom Benchmark Fixed Income			*0.7%*	*3.4%*	*4.6%*	*1.4%*	*2.1%*	*1.5%*	*2.9%*	*3.7%*	*Jun-07*
Segall Bryant & Hamill	$79,986,136	61.0%	0.8%	3.4%	4.3%	1.5%	2.2%	1.7%	3.0%	3.6%	Jan-09
Custom Benchmark Segall			*0.7%*	*3.4%*	*4.6%*	*1.4%*	*2.1%*	*1.5%*	*2.9%*	*3.2%*	*Jan-09*
Total Hedge Fund of Funds	**$23,684**	**0.0%**									
LumX Asset Management	$23,684	0.0%									
Total Global Tactical Asset Allocation	**$24,981,622**	**19.1%**	**0.8%**	**14.4%**	**4.8%**	**5.9%**	**5.1%**	**5.4%**	**--**	**5.5%**	**Apr-10**
65% MSCI World Index/35% CitigroupWGBI			*0.7%*	*13.7%*	*4.4%*	*7.2%*	*5.5%*	*6.6%*	*--*	*6.6%*	*Apr-10*
First Eagle Global Value	$24,981,622	19.1%	0.8%	14.4%	4.8%	5.9%	5.5%	--	--	4.8%	Sep-14
65% MSCI World Index/35% CitigroupWGBI			*0.7%*	*13.7%*	*4.4%*	*7.2%*	*5.5%*	*--*	*--*	*4.8%*	*Sep-14*
Total Cash	**$5,131,547**	**3.9%**	**0.4%**	**1.1%**	**1.5%**	**1.0%**	**0.7%**	**0.5%**	**0.4%**	**--**	**Jul-06**
PNC STIF	$5,131,547	3.9%	0.4%	1.1%	1.5%	1.0%	0.7%	0.5%	0.4%	1.6%	Jul-06
Total Other	**$1,968,668**	**1.5%**									
EnTrust Capital Diversified Peru Class X	$1,968,668	1.5%									

Benchmark History

Total Investment Grade Fixed Income		
4/1/2018	Present	BBgBarc US Govt/Credit 1-3 Yr. TR 100%
9/1/2013	3/31/2018	BBgBarc US Govt/Credit Int TR 100%
6/1/2007	8/31/2013	BBgBarc US Aggregate TR 100%

Benchmark History

Segall Bryant & Hamill		
4/1/2018	Present	BBgBarc US Govt/Credit 1-3 Yr. TR 100%
9/1/2013	3/31/2018	BBgBarc US Govt/Credit Int TR 100%
1/1/2009	8/31/2013	BBgBarc US Aggregate TR 100%

Index Disclosure

- Russell 2000 - Index is listed for illustrative purposes.

Footnotes

- Montag & Caldwell was terminated on 8/1/2006 and funds were transferred to Capital Management Associates.
- Fountain was terminated and assets moved to Lazard High Yield on 7/2/07.
- Ark was terminated and assets moved to Westwood on 8/1/07.
- The net of fees returns in this report are estimated. Fees do not include: the investment consulting fee paid to IPS, investment manager incentive fees, custodians fees, or other administrative costs.
- NOF calculations began 3rd Quarter 2004 and cannot be calculated for prior time periods.
- Gottex Fund Management Holdings Ltd. values, flows, and returns are provided by Gottex and cannot be independently verified.
- Segall Bryant & Hamill hired with initial funding from Logan Circle Partners on 11/14/08 in the amount of $39,669,926.
- On 12/16/16 Tremont Recovery amount of $215,947 was transferred to the cash account. The Tremont Recovery payment is reflected as a gain in the Hedge Fund of Funds group.
- The following composite returns prior to 1st quarter 2010 do not include cash in the calculation of returns.

- Total Fund Domestic Equity

- Total Fund International Equity

- Total Domestic Fixed Investment Grade

- Total Fixed High Yield

- Total Fund Real Estate

- Total Fund Hedge Fund of Fund

- Total Fund GTAA/Risk Parity

- Separately managed account returns are calculated by IPS using custodian data.
- Values, flows, and returns for all commingled funds, mutual funds, partnerships, and all other alternative assets are provided by the firm managing the assets and cannot be independently verified by IPS.

EPIC

April 30 - May 3, 2019

The following investment managers and providers attended and helped to defray the cost of IPS' annual conference EPIC. EPIC is an educational conference addressing various issues related to employee benefit plans. IPS does not give preferential treatment to investment managers or any other provider that pays to attend EPIC.

Aberdeen Standard Investments
Amalgamated Bank of Chicago
American Realty Advisors
ASB Real Estate Investments
Atlanta Capital Management
BlackRock Financial Management
BNY Mellon Asset Management (Mellon)
Boyd Watterson Asset Management
Brown Advisory
Capital Institutional Services, Inc. (CAPIS)
Chartwell Investment Partners
Christenson Investment Partners
Corbin Capital Partners
Corry Capital Advisors
Eaton Vance Management
EnTrust Global
First Eagle Investment Mgmt.
Foundry Partners
Fred Alger Management
GAMCO Asset Management
GCM Grosvenor
Gerding Edlen
Glouston Capital Partners
GoldenTree Asset Management
Great Lakes Advisors
Hamilton Lane Advisors
HarbourVest Partners
Hardman Johnston Global Advisors
Intercontinental Real Estate Corp.
Invesco Advisers, Inc.
Janus Henderson Investors
JP Morgan Asset Management
Kearney Capital LLC
Kelson Group
Lazard Asset Management
Loomis, Sayles & Company
Lord Abbett & Co.
LSV Asset Management
MacKay Shields
McMorgan & Company
MEPT/Bentall Kennedy
National Investment Services
Neuberger Berman
Nuveen
Patriot Financial Partners
PENN Capital Management
Piedmont Investment Advisors
PNC Capital Advisors
Post Advisory Group
Quantitative Management Associates
Quest Investment Management
Rothschild Asset Management
Ryan Labs Asset Management
Segall Bryant & Hamill
Sierra Investment Partners
Smith Graham & Co.
Ullico Investment Company
U.S. Bank
Victory Capital Management
Washington Capital Management
WEDGE Capital Management
Wellington Management Company
Westfield Capital Management
William Blair & Company

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FELRA And UFCW Pension Fund

Preliminary Monthly Performance Analysis

Period Ended

October 31, 2019

Total Fund Growth of Assets

	Last Month	Fiscal Year-To-Date
Beginning Market Value	$131,109,693	$193,056,463
Net Cash Flow	-$12,259,380	-$89,819,862
Net Investment Change	$852,749	$16,466,460
Ending Market Value	$119,703,061	$119,703,061

- The Fund's fiscal year end is December 31st.

Current vs. Policy

	Current	Current	Policy	Policy Range	Difference	Difference
Domestic Equity	$9,262,881	7.7%	20.0%	0.0% - 40.0%	-12.3%	-$14,677,731
Investment Grade Fixed Income	$80,258,776	67.0%	45.0%	0.0% - 100.0%	22.0%	$26,392,399
Opportunistic Fixed Income	--	--	10.0%	0.0% - 20.0%	-10.0%	-$11,970,306
Short Duration High Yield Bonds	--	--	5.0%	0.0% - 10.0%	-5.0%	-$5,985,153
Global Tactical Asset Allocation	$25,315,550	21.1%	15.0%	0.0% - 30.0%	6.1%	$7,360,091
Cash Equivalents / Other	$4,842,170	4.0%	5.0%	0.0% - 20.0%	-1.0%	-$1,142,984
Hedge Fund of Funds	$23,684	0.0%	0.0%	0.0% - 0.0%	0.0%	$23,684
Total	**$119,703,061**	**100.0%**	**100.0%**			

- The Policy is effective October 1, 2019.
- Cash Equivalents / Other includes PNC STIF, and EnTrust Capital Diversified Peru Class X.

Performance Detail (Gross of Fees)

	Market Value	% of Portfolio	Ending October 31, 2019 1 Mo	Ending October 31, 2019 Fiscal YTD
Total Fund	**$119,703,061**	**100.0%**	**0.7%**	**9.4%**
Total Domestic Equity	**$9,262,881**	**7.7%**	**1.3%**	**22.0%**
S&P 500			*2.2%*	*23.2%*
Russell 2000			*2.6%*	*17.2%*
Wedge Capital Management	$9,262,881	7.7%	1.3%	22.1%
Russell 1000 Value			*1.4%*	*19.5%*
Total Investment Grade Fixed Income	**$80,258,776**	**67.0%**	**0.3%**	**3.9%**
Custom Benchmark Fixed Income			*0.3%*	*3.8%*
Segall Bryant & Hamill	$80,258,776	67.0%	0.3%	3.9%
Custom Benchmark Segall			*0.3%*	*3.8%*
Total Hedge Fund of Funds	**$23,684**	**0.0%**		
LumX Asset Management	$23,684	0.0%		
Total Global Tactical Asset Allocation	**$25,315,550**	**21.1%**	**1.4%**	**16.8%**
65% MSCI World Index/35% CitigroupWGBI			*1.8%*	*15.8%*
First Eagle Global Value	$25,315,550	21.1%	1.4%	16.8%
65% MSCI World Index/35% CitigroupWGBI			*1.8%*	*15.8%*
Total Cash	**$2,878,058**	**2.4%**	**0.1%**	**1.2%**
PNC STIF	$2,878,058	2.4%	0.1%	1.2%
Total Other	**$1,964,111**	**1.6%**		
EnTrust Capital Diversified Peru Class X	$1,964,111	1.6%		

Performance Detail (Net of Fees)

	Market Value	% of Portfolio	Ending October 31, 2019 1 Mo	Ending October 31, 2019 YTD
Total Fund	**$119,703,061**	**100.0%**	**0.6%**	**9.1%**
Total Domestic Equity	**$9,262,881**	**7.7%**	**1.3%**	**21.7%**
S&P 500			*2.2%*	*23.2%*
Russell 2000			*2.6%*	*17.2%*
Wedge Capital Management	$9,262,881	7.7%	1.3%	21.7%
Russell 1000 Value			*1.4%*	*19.5%*
Total Investment Grade Fixed Income	**$80,258,776**	**67.0%**	**0.3%**	**3.7%**
Custom Benchmark Fixed Income			*0.3%*	*3.8%*
Segall Bryant & Hamill	$80,258,776	67.0%	0.3%	3.7%
Custom Benchmark Segall			*0.3%*	*3.8%*
Total Hedge Fund of Funds	**$23,684**	**0.0%**		
LumX Asset Management	$23,684	0.0%		
Total Global Tactical Asset Allocation	**$25,315,550**	**21.1%**	**1.3%**	**15.9%**
65% MSCI World Index/35% CitigroupWGBI			*1.8%*	*15.8%*
First Eagle Global Value	$25,315,550	21.1%	1.3%	15.9%
65% MSCI World Index/35% CitigroupWGBI			*1.8%*	*15.8%*
Total Cash	**$2,878,058**	**2.4%**	**0.1%**	**1.2%**
PNC STIF	$2,878,058	2.4%	0.1%	1.2%
Total Other	**$1,964,111**	**1.6%**		
EnTrust Capital Diversified Peru Class X	$1,964,111	1.6%		

Footnotes

- In 10/19, $10,000,000 was transferred from domestic equity (Wedge Capital Management) to PNC STIFF.

Glossary of Investment Terminology

Total Return	The annual return on an investment including appreciation, depreciation and income (interest, dividends, net operating income).
Alpha	The excess return (positive or negative) generated by active portfolio management and security selection, relative to a benchmark.
Beta	A historical measure of an investment's volatility relative to the market. The beta of the market is 1.0 (as represented by a benchmark such as the S&P 500 Index). A beta of greater than 1.0 indicates an investment with greater volatility than the benchmark. A beta of less than 1.0 indicates less volatility than the benchmark.
Standard Deviation	Standard deviation is a statistical measurement of the dispersion of a set of data from its mean. The more spread apart the data are, the greater the standard deviation.
Risk	For an investment portfolio, risk is typically defined as the volatility of the returns, as measured by calculating the standard deviation. The risk does not necessarily indicate the risk of loss, but does indicate the risk of inconsistent returns.
Capture Ratio	Calculates how well a manager performs in a rising or falling market as a percentage of a benchmark. In a rising market, a percentage of 100 or better is preferred, and indicates the manager exceeded the benchmark (upside capture ratio). In a falling market, a percentage of less than 100 is preferred, indicating that the manager lost less than the benchmark (downside capture ratio).
Correlation	A statistical measure of how two asset classes perform in relation to each other. Asset classes with a correlation of 1.0 have perfect positive correlation (exactly the same). Assets with perfect negative correlation of -1.0 will perform equally but in opposite directions.
Efficient Frontier	A series of portfolios with the maximum expected return for any level of risk, which is calculated based on assumptions of risk, return and correlation. These portfolios are shown graphically on a risk and return chart, and represent the most efficient tradeoff between risk and return.
Market Cap	The dollar value of a corporation, which is calculated by multiplying the share price and the number of outstanding shares.
Large Cap	Stocks which typically have a market capitalization of $10 billion or higher.
Mid Cap	Stocks which typically have a market capitalization of $2 to $10 billion.
Small Cap	Stocks which typically have a market capitalization of $2 billion or less.
Geometric Calculation	Geometric Calculations are used when determining an annualized investment return and tends to dampen the effect of very high or very low values. The result is a number that is smaller than (or equal to) the arithmetic average of the values.
Compound Annual Returns	Compound annual returns show the annual investment return, assuming the investment grew at a constant rate, and reflects the impact of the time in the calculation of an investment return.
Return/Risk Ratio	The return/risk ratio is the expected return of an investment divided by the expected standard deviation (risk). When comparing return/risk ratios a higher value is presumed to be better than a lower value