



Thomas J. Wilford :: Chairman
Jerry F. Aldape Irving Littman
Bob Donaldson Richelle A. Sugiyama
Joseph Forney Chuck Winder
Steven C. Harris Brian Yeargain

Chris J. Anton :: Manager of Investments

Monthly Report to the Board of Land Commissioners

Investment performance through October 31, 2022

Month: 4.8% Fiscal year: 0.1%

Global equity markets rebounded following poor performance the prior two months. Initial third quarter corporate earnings are pointing toward solid revenue growth but contracting earnings growth as escalating costs begin to put pressure on profit margins. Job openings increased during September, but the forward-looking Atlanta Wage Growth Tracker points toward a deceleration in wages. U.S. GDP rose 2.6% during the quarter following declines in the previous two quarters. The generally healthy state of the U.S. economy is allowing the Federal Reserve to tighten monetary policy quickly to reduce inflation before it becomes entrenched. Shortly after month-end, the Federal Reserve raised its benchmark federal-funds rate by 0.75% to a range of 3.75% - 4.00% and cautioned that they will likely need to take interest rates higher than previously forecast to lower inflation.

Status of endowment fund reserves

Distributions for FY2022 and FY2023 are well secured.

Significant actions of the Endowment Fund Investment Board

None.

Compliance/legal issues, areas of concern

Material deviations from Investment Policy: None.

Material legal issues: None.

Changes in board membership or agency staffing: None.

Upcoming issues/events

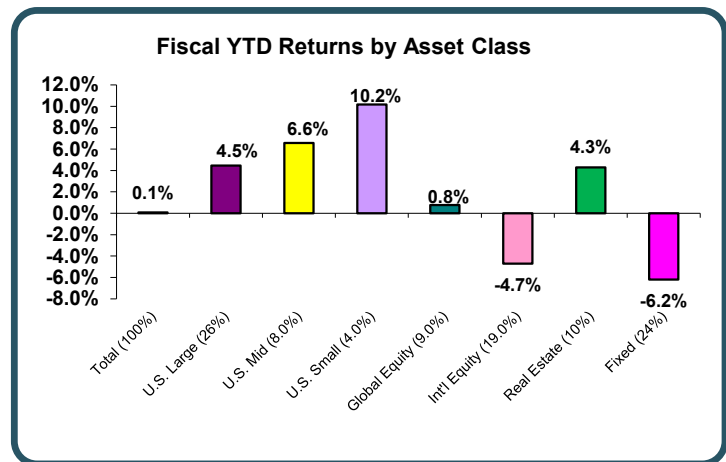
Board Meeting – February 16, 2023

	<u>Month</u>	<u>FYTD</u>
Beginning Value of Fund	2,580,475,515	\$ 2,723,562,805
Distributions to Beneficiaries	(8,359,583)	(33,688,332)
Land Revenue net of IDL Expenses	8,130,164	27,409,864
Change in Market Value net of Investment Mgt. Expenses	124,088,244	(12,949,997)
Current Value of Fund	\$ 2,704,334,340	\$ 2,704,334,340

	<u>Current Month</u>	<u>Calendar Y-T-D</u>	<u>Fiscal Y-T-D</u>	<u>One Year</u>	<u>Three Year</u>	<u>Five Year</u>	<u>Ten Year</u>
Gross Returns							
Total Fund	4.8%	-16.7%	0.1%	-16.0%	5.1%	5.9%	7.8%
<i>Total Fund Benchmark*</i>	3.9%	-16.0%	-1.1%	-14.8%	4.2%	5.1%	7.3%
Total Fixed	-1.4%	-16.3%	-6.2%	-16.1%	-3.5%	-0.3%	0.7%
<i>BBG U.S. Agg. (Ag)</i>	-1.3%	-15.4%	-6.0%	-15.3%	-3.1%	-0.2%	0.8%
Total Equity	8.0%	-20.7%	1.8%	-20.1%	7.6%	7.7%	10.2%
<i>57% R3 29% Ax 14% AC</i>	6.4%	-20.5%	-0.4%	-19.4%	5.8%	6.2%	9.4%
Domestic Equity	9.7%	-17.6%	5.5%	-16.9%	10.3%	9.9%	12.6%
<i>Russell 3000 (R3)</i>	8.2%	-18.4%	3.4%	-16.5%	9.8%	9.9%	12.5%
Global Equity	7.1%	-22.5%	0.8%	-21.4%	7.0%	6.9%	7.5%
<i>MSCI ACWI (AC)</i>	6.0%	-21.1%	-1.2%	-20.0%	4.8%	5.2%	8.0%
Int'l. Equity	5.0%	-25.9%	-4.7%	-25.5%	2.6%	3.5%	5.6%
<i>MSCI ACWI ex-US (Ax)</i>	3.0%	-24.3%	-7.2%	-24.7%	-1.7%	-0.6%	3.3%
Real Estate			4.3%	22.1%	10.7%	9.2%	
<i>NCREIF ODCE Index (OD)</i>			4.5%	28.3%	11.7%	9.6%	

* Benchmark: 38% Russell 3000 19% ACWI ex-US 9% AC 24% BB Agg. 10% OD

	<u>Mkt Value</u>	<u>Allocation</u>
Domestic Equity	\$ 1,049.6	38.8%
Large Cap	705.3	26.1%
Mid Cap	227.4	8.4%
Small Cap	116.8	4.3%
Global Equity	247.4	9.1%
Int'l Equity	501.6	18.5%
Fixed Income	579.8	21.4%
Real Estate	309.2	11.4%
Cash	16.7	0.6%
Total Fund	\$ 2,704.3	100.0%



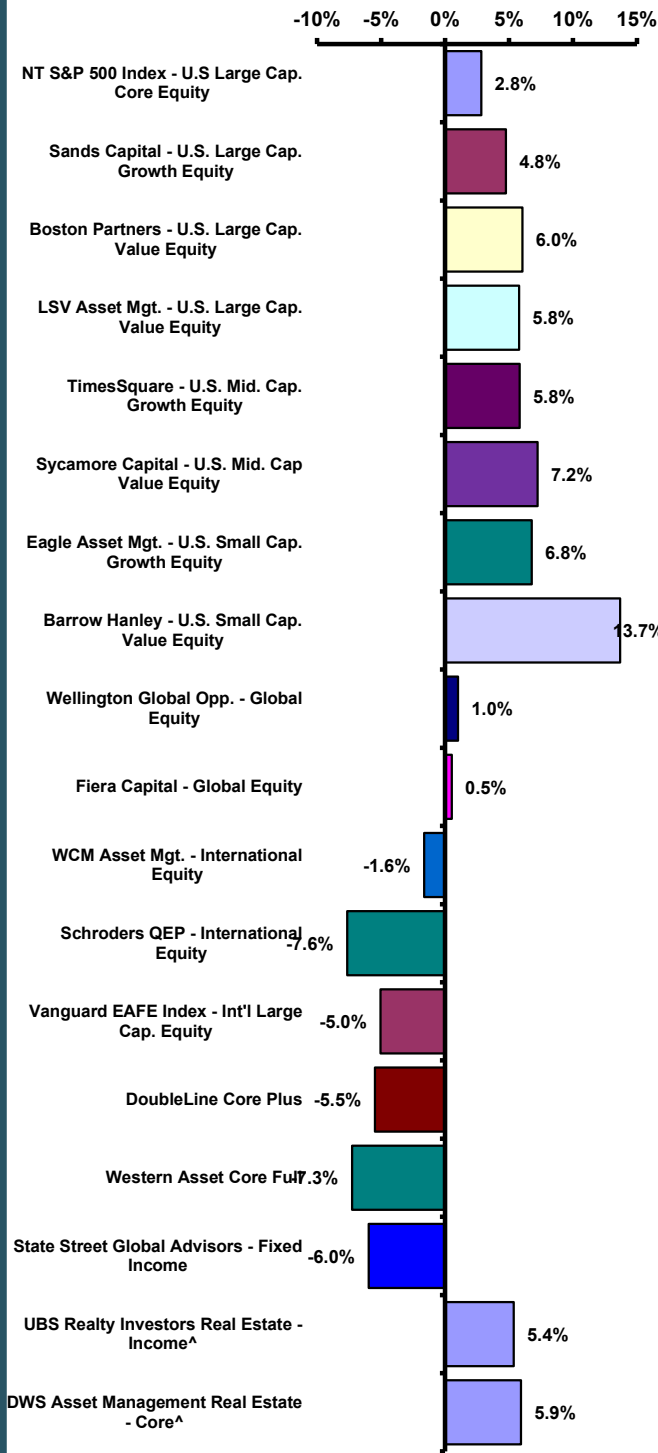
Endowment Fund Staff Comments:

Global equity markets rebounded following poor performance the prior two months. Initial third quarter corporate earnings are pointing toward solid revenue growth but contracting earnings growth as escalating costs begin to put pressure on profit margins. Job openings increased during September, but the forward-looking Atlanta Wage Growth Tracker points toward a deceleration in wages. U.S. GDP rose 2.6% during the quarter following declines in the previous two quarters. The generally healthy state of the U.S. economy is allowing the Federal Reserve to tighten monetary policy quickly to reduce inflation before it becomes entrenched. Shortly after month-end, the Federal Reserve raised its benchmark federal-funds rate by 0.75% to a range of 3.75% - 4.00% and cautioned that they will likely need to take interest rates higher than previously forecast to lower inflation.

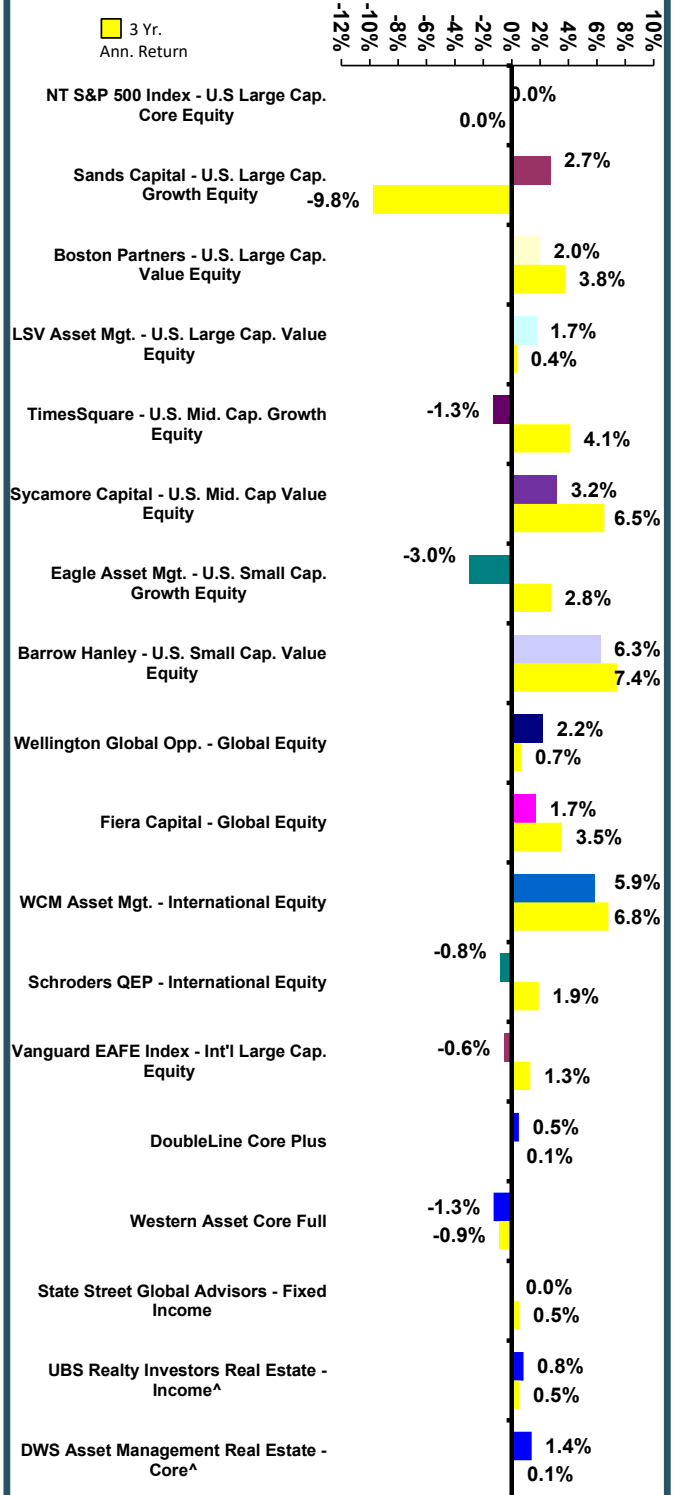
October 31, 2022

INVESTMENT REPORT

FYTD Manager Returns



Manager Relative Returns Fiscal YTD and 3-Yr Ave*



* Most recent valuation.