



Illinois Police Officers' Pension Investment Fund

Investment Update

As of 4/9/26

Performance Update

	Feb. '26	FY26 July – Feb. '26	3 years ending Feb. '26	Since Incept. 4/22
IPOPIF Pool	+2.5%	+14.5%	+14.7%	9.2%
Policy Benchmark	+2.2%	+13.7%	+14.4%	8.9%
Broad Benchmark	+1.4%	+12.4%	+15.5%	8.7%

Source: Verus Preliminary Monthly Reporting <https://www.ipopif.org/reports/investment-reports/>

- Returns for periods longer than one year are annualized.
- IPOPIF Performance is net of investment management fees.
- Policy Benchmark – Weighted average of asset class benchmarks; gauges success of implementation (currently less stock exposure than the broad benchmark).
- Broad Benchmark – 70/30 global stocks/bonds; gauges success of asset allocation.
- IPOPIF Actuarial Assumed Rate of Return is 6.8% per year.

Preliminary data indicates that the Fund lost approximately 5% in March

FY 26 Performance Commentary

- **3Q25** – Following a strong 2Q, but a muted July, Stocks rallied in August and into September on strong 2Q earnings and a Fed rate cut. The portfolio gained 5.2% for the quarter, led by stocks (+7.1%), especially U.S. Small Caps (+12.3%), playing catch up from prior quarters.
- **4Q25** – 3Q momentum carried into 4Q, driving a 3.1% gain for the quarter. International stocks led the charge. International Developed Market stocks were up 5.2% vs. 2.4% for US Large Cap (Russell 1000). Emerging Market Equity ex China posted a 12.0% return for the quarter, bringing 2025 returns to 40.3%. ARGA gained 52.5% in 2025 vs. the benchmark index at 34.6%.
- **January – February 2026** (preliminary) – The portfolio gained 5.6% in the first two months of 2026 with continued strength from international and emerging market stocks, as well as US Small cap.
- **March 2026** (estimated) – Equity markets rolled over in March, giving back most of the prior 2026 gains as the Iran war and higher gas prices dampened economic enthusiasm. International stocks took relatively more pain. Bonds also suffered due to renewed inflation and interest rate concerns. Risk assets rallied in the final two days of the month, mitigating March losses.

Asset Allocation 4/8/26

Account	Current		Target		Variance	
	\$M	%	\$M	%	\$M	%
Growth	9,130	59.3%	8,935	58.0%	195	1.3%
RhumbLine US Large	3,362	21.8%	3,543	23.0%	(181)	-1.2%
US Small Cap (3 mgrs)	789	5.1%	770	5.0%	19	0.1%
RhumbLine US Small	298	1.9%	308	2.0%	(10)	-0.1%
Hood River	250	1.6%	231	1.5%	19	0.1%
Reinhart	241	1.6%	231	1.5%	10	0.1%
SSGA Non-US Developed	2,934	19.0%	2,927	19.0%	7	0.0%
Intl. Small Cap (3 mgrs)	823	5.3%	770	5.0%	53	0.3%
Acadian	415	2.7%	385	2.5%	30	0.2%
LSV (1 day lag)	221	1.4%	193	1.25%	29	0.2%
WCM (monthly)	187	1.2%	193	1.25%	(5)	0.0%
EME ex China	1,222	7.9%	924	6.0%	297	1.9%
ARGA (monthly)	645	4.2%	462	3.00%	183	1.2%
William Blair	577	3.7%	462	3.00%	114	0.7%
Income	2,383	15.5%	2,465	16.0%	(81)	-0.5%
High Yield (2 mgrs)	621	4.0%	616	4.0%	4	0.0%
SSGA High Yield	317	2.1%	308	2.0%	9	0.1%
MetLife	302	2.0%	308	2.0%	(6)	0.0%
Transition manager	2	0.0%	-	0.0%	2	
EM Debt (2 mgrs)	905	5.9%	924	6.0%	(20)	-0.1%
Cap Group EMD	224	1.5%	231	1.5%	(7)	0.0%
SSGA EM Debt	681	4.4%	693	4.5%	(12)	-0.1%
Bank Loans (2 mgrs)	452	2.9%	462	3.0%	(11)	-0.1%
Ares (monthly)	150	1.0%	154	1.0%	(4)	0.0%
Aristotle (monthly)	302	2.0%	308	2.0%	(7)	0.0%
Oaktree Priv. Cred.	407	2.6%	462	3.00%	(55)	-0.4%
Real Return	870	5.6%	924	6.0%	(54)	-0.4%
SSGA REITS	644	4.2%	616	4.0%	28	0.2%
PRINCIPAL USPA	226	1.5%	308	2.0%	(82)	-0.5%
Risk Mitigation	3,022	19.6%	3,081	20.0%	(59)	-0.4%
Cash Accounts	184	1.2%	154	1.0%	30	0.2%
SSGA ST GOV-CREDIT	1,485	9.6%	1,541	10.0%	(55)	-0.4%
SSGA TIPS	446	2.9%	462	3.0%	(16)	-0.1%
SSGA US TREASURY	448	2.9%	462	3.0%	(14)	-0.1%
SSGA CORE BONDS	458	3.0%	462	3.0%	(4)	0.0%
Legacy Transition Bonds	0.992	0.0%	-	0.0%	1	0.0%
Total Investment Pool	15,406	100.0%	15,406	100.0%		

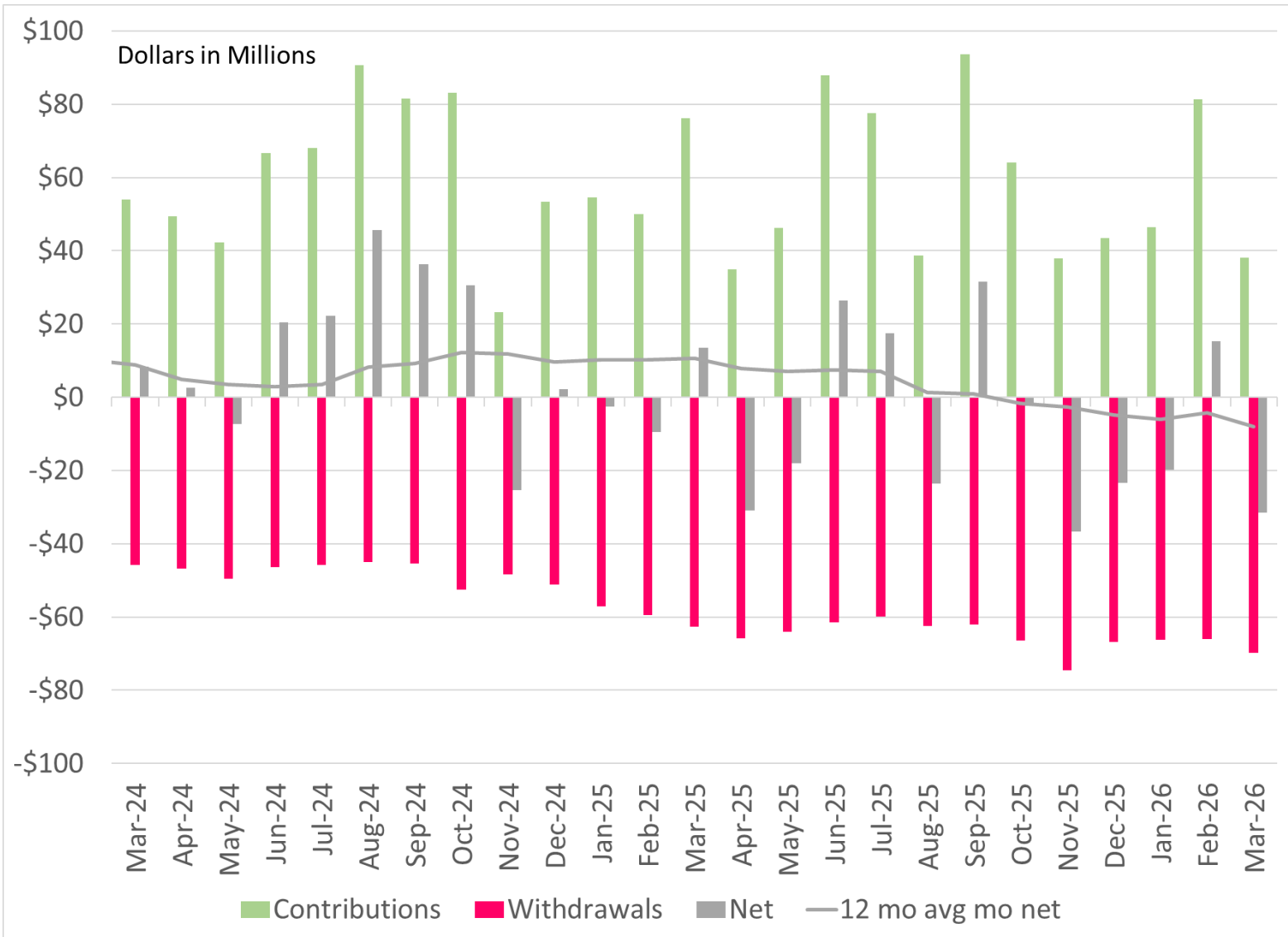
Funding and Rebalancing

Trade Date	Account	Flow \$ mil	Trading Costs \$*
1-Mar	ARGA	-15	-14,967
20-Mar	IPOPIF Cash	+15	
31-Mar	ARGA	-20	TBD
21-Apr	IPOPIF Cash	+20	

Trimming ARGA overweight gradually to minimize cost and impact. Proceeds expected within 15 business days of redemption.

*Trading costs include commissions, custody charges, and market impact adjustments, which can be positive (i.e., gain).

Monthly Participant Fund Cash Flow



High Yield Transition

- MetLife High yield bond transition was 84% complete as of 3/31/26.
 - Preliminary estimates indicate that, since 2/3/26, funding the portfolio underperformed the target strategy by -59 bps equating to a total cost of \$1.79 million.
 - The weighted average implicit transaction cost during the transition period was 31 bps (\$807K).

Comparative Performance 2/3/26 – 3/31/26

Comparison	Return
Illinois Police Officers' Pension Investment Fund	-1.99%
Opportunistic High Yield (Representative Account)	-1.34%
Opportunistic High Yield - Strategy	-1.40%
Bloomberg US High Yield - Corporate	-1.06%

Investment Updates

- Lexington private equity documentation is on track. Anticipate investment initiation in June.
- Private infrastructure search on track with strong candidates. Semifinalist interviews with Staff and Albourne planned for mid April, followed by Board interviews in June and final selection in July.
- Cerity contract under review at Cerity as of 4/8/26.
- No new information regarding non-transferred assets. Not expecting updated information from the Department of Insurance until October.

Board Agenda Projection

- April 17, 2026
 - Private Real Estate Search Request
 - Strategic Planning Update
- June 5, 2026
 - Quarterly Performance
 - Private Infrastructure Interviews
 - Asset Allocation Study and IPS review and revisions (or July).
- July 31, 2026
 - Private Infrastructure Selection
 - Private Credit Search Request
- September 18, 2026
 - Private Real Estate Interview
- October 16, 2026
 - Private Real Estate Selection
- December 11, 2026
 - Private Market Strategic Plan update (or early 2027)

For discussion and planning purposes. Subject to revision.