



# **Illinois Police Officers' Pension Investment Fund**

## **Investment Update**

*As of 4/4/25*

# Performance Update

	Feb. 2025	2025 YTD	FY25 July – Feb.	2024	2023	Since Incept. 4/22
IPOPIF Pool	-0.1%	+2.3%	+6.4%	+9.6%	+13.7%	5.3%
Policy Benchmark	0.0%	+2.4%	+6.6%	+9.7%	+14.2%	5.3%
Broad Benchmark	-0.2%	+2.3%	+6.7%	+10.8%	+16.8%	5.1%

- 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.
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- Preliminary data indicates that the Fund was down nearly 2.0% in March.
  - Early April returns are negative following the April 2<sup>nd</sup> tariff announcement.

# FY 25 Performance Commentary

- Fiscal year to date (July – February) the investment pool is up 6.4%.
- The investment pool was up 6.1% for the three months ending 9/30/24, driven by continued economic strength and declining interest rates. Equity participation broadened with US Small Cap and International Stocks taking the lead. REITs were the overall leader for the quarter, returning 15.5%. China stocks spiked from mid-September into early October on news of government support but have subsequently reverted.
- The investment pool was down 1.9% for the three months ending 12/31/24, driven by weakness in international stocks and the negative impact of higher interest rates on fixed income and REITs.
- The investment pool was up 2.3% across January and February, driven by equities (especially Developed non-US stocks) and interest rate moderation.
- Preliminary data show the Fund was down nearly 2.0% in March.
- Early April returns are negative following the April 2<sup>nd</sup> tariff announcement.

# Funding and Rebalancing

<b>Date</b>	<b>Account</b>	<b>Flow \$ mil</b>	<b>Trading Effect \$</b>
<i>10-Mar</i>	<i>SSGA EME ex China</i>	<i>-55</i>	0
<i>13-Mar</i>	<i>IPOPIF Cash</i>	<i>+55</i>	
<i>10-Mar</i>	<i>Wm Blair EME ex China</i>	<i>+55</i>	0
<i>11-Mar</i>	<i>IPOPIF Cash</i>	<i>-55</i>	
<i>8-Apr</i>	<i>SSGA EME ex China</i>	<i>-54</i>	<i>tbd</i>
<i>11-Apr</i>	<i>IPOPIF Cash</i>	<i>+54</i>	
<i>8-Apr</i>	<i>Wm Blair EME ex China</i>	<i>+60</i>	<i>tbd</i>
<i>9-Apr</i>	<i>IPOPIF Cash</i>	<i>-60</i>	

Final contribution to William Blair scheduled for April 8.

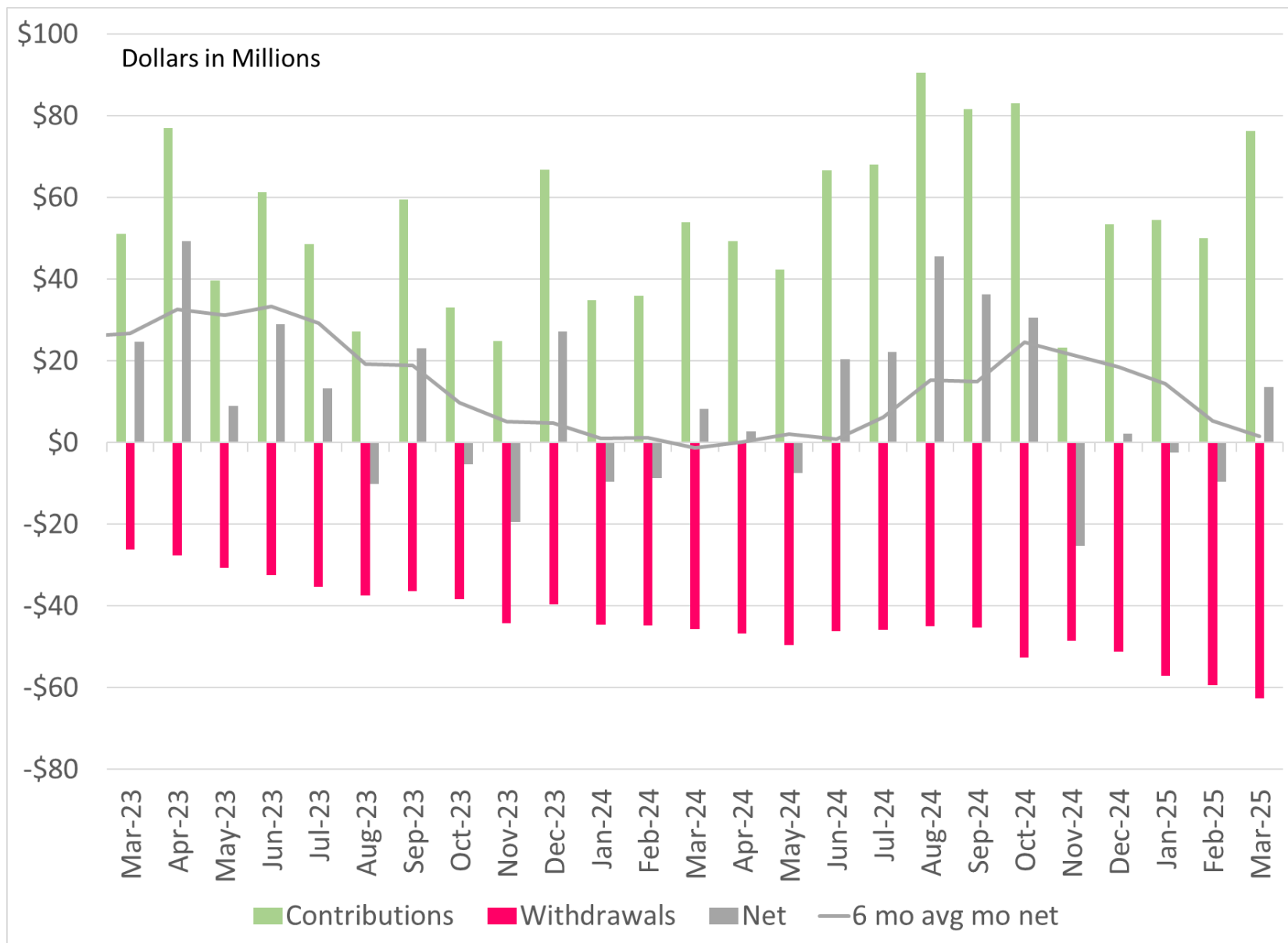
# Asset Allocation

## 4/3/25

- This allocation snapshot from April 3<sup>rd</sup> reflects the initial US market reaction to the April 2<sup>nd</sup> tariff announcement.
- The reaction of international securities is not yet reflected due to time zone lags.
- All asset classes are within rebalancing ranges.

Account	Current		Target		Variance	
	\$M	%	\$M	%	\$M	%
<b>Growth</b>	<b>7,123</b>	<b>56.6%</b>	<b>7,295</b>	<b>58.0%</b>	<b>(172)</b>	<b>-1.4%</b>
RhumbLine US Large	2,674	21.3%	2,893	23.0%	(219)	-1.7%
RhumbLine US Small	600	4.8%	629	5.0%	(29)	-0.2%
SSGA Non-US Developed	2,442	19.4%	2,390	19.0%	52	0.4%
Intl. Small Cap (3 mgrs)	657	5.2%	629	5.0%	28	0.2%
Acadian	324	2.6%	314	2.5%	9	0.1%
LSV (1 day lag)	170	1.4%	157	1.25%	13	0.1%
WCM (monthly)	163	1.3%	157	1.25%	6	0.0%
EME ex China	750	6.0%	755	6.0%	(4)	0.0%
ARGA	380	3.0%	377	3.00%	2	0.0%
William Blair	317	2.5%	314	2.50%	2	0.0%
SSGA EME ex China	54	0.4%	63	0.50%	(9)	-0.1%
<b>Income</b>	<b>2,102</b>	<b>16.7%</b>	<b>2,012</b>	<b>16.0%</b>	<b>90</b>	<b>0.7%</b>
SSGA High Yield	919	7.3%	880	7.0%	39	0.3%
EM Debt (2 mgrs)	784	6.2%	755	6.0%	30	0.2%
Cap Group EMD	198	1.6%	189	1.5%	9	0.1%
SSGA EM Debt	586	4.7%	566	4.5%	20	0.2%
Bank Loans (2 mgrs)	398	3.2%	377	3.0%	21	0.2%
Ares (monthly)	133	1.1%	126	1.0%	7	0.1%
Aristotle (monthly)	265	2.1%	252	2.0%	14	0.1%
<b>Real Assets</b>	<b>699</b>	<b>5.6%</b>	<b>755</b>	<b>6.0%</b>	<b>(55)</b>	<b>-0.4%</b>
SSGA REITS	486	3.9%	503	4.0%	(18)	-0.1%
PRINCIPAL USPA	214	1.7%	252	2.0%	(38)	-0.3%
<b>Risk Mitigation</b>	<b>2,653</b>	<b>21.1%</b>	<b>2,515</b>	<b>20.0%</b>	<b>137</b>	<b>1.1%</b>
Cash Accounts	147	1.2%	126	1.0%	21	0.2%
SSGA ST GOV-CREDIT	1,317	10.5%	1,258	10.0%	60	0.5%
SSGA TIPS	402	3.2%	377	3.0%	24	0.2%
SSGA US TREASURY	393	3.1%	377	3.0%	16	0.1%
SSGA CORE BONDS	393	3.1%	377	3.0%	16	0.1%
Legacy Transition Bonds	0.381	0.0%	-	0.0%	0	0.0%
<b>Total Investment Pool</b>	<b>12,577</b>	<b>100.0%</b>	<b>12,577</b>	<b>100.0%</b>		

# Monthly Participant Fund Cash Flow



# Investment Updates

- US Small Cap Manager search process underway.
- Planning High Yield Bond manager search.
- Private market consultant discussions continue.
- Oaktree private credit platform setup is proceeding at a conservative pace.
  - Legal structure has been finalized. Contracts are nearing completion.
  - Funding Implementation plan finalized.
  - Gradual funding to begin in May.

# Looking forward

- April 2025
  - High Yield education
  - Review, Intl. Small Cap
- June 2025
  - High Yield Bond Manager Search Request
  - Passive Mgr. Review
  - Bank Loan Mgr. Review
  - General Consultant Search Request
- September 2025
  - Private market strategic implementation plan
- US Small Cap manager selection interviews
- October 2025
  - Private Real Estate Review (Principal)
  - Custodian Review (State Street)
- December 2025
  - High Yield Bond manager selection interviews

For discussion and planning purposes. Subject to revision.