

Investment Performance Report as of June 30, 2020

Joint Committee on Pensions, Investments, and Benefits

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Chief Investment Officer
December 2, 2020



Total Fund Performance through June 2020*

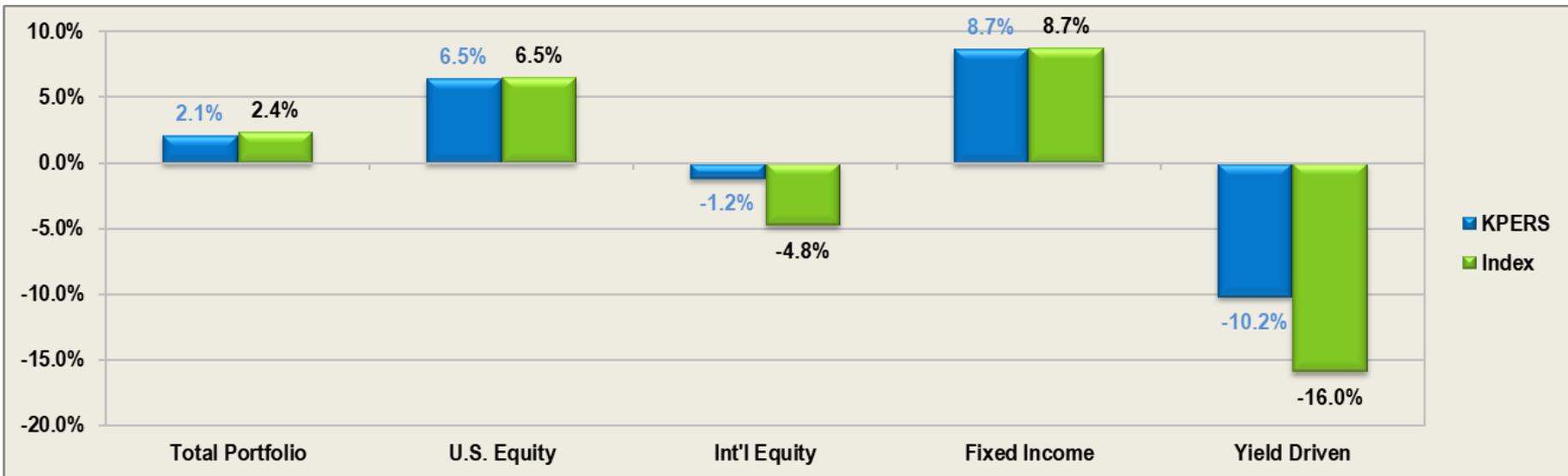
• Fiscal Year 2020	2.1%	[-0.3%]
• Trailing three years	5.8%	[+0.2%]
• Trailing five years	6.1%	[+0.1%]
• Trailing ten years	8.8%	[+0.2%]
• Trailing twenty-five years	7.8%	[+0.5%]

Best Performing Asset Classes (Fiscal Year 2020)

• Fixed Income	8.7%	[+0.0%]
• Real Return	7.5%	[-0.8%]
• Domestic Equity	6.5%	[+0.0%]

*Performance data as of June 30, 2020 represents gross total return. Performance results for time periods longer than one year represent average annualized total returns. [] = performance relative to Policy Index or asset class benchmark.

Fiscal Year 2020 Returns



Performance data as of June 30, 2020.
Returns for periods less than 1 Year are not annualized.

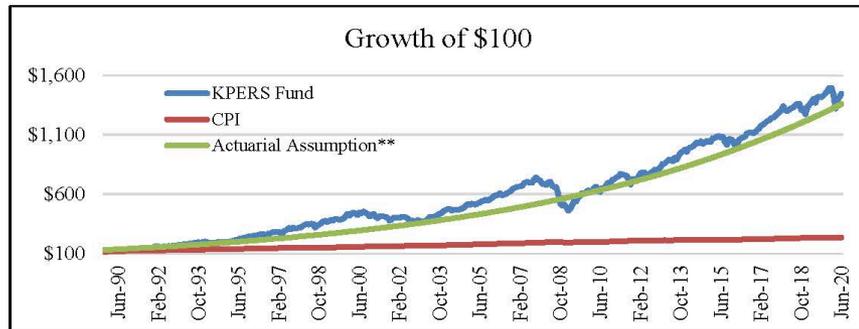
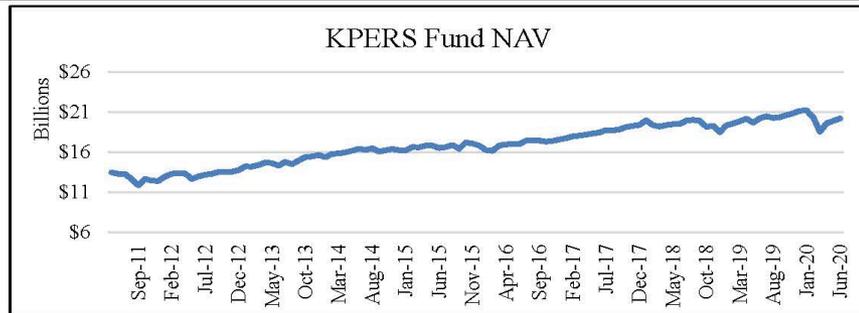
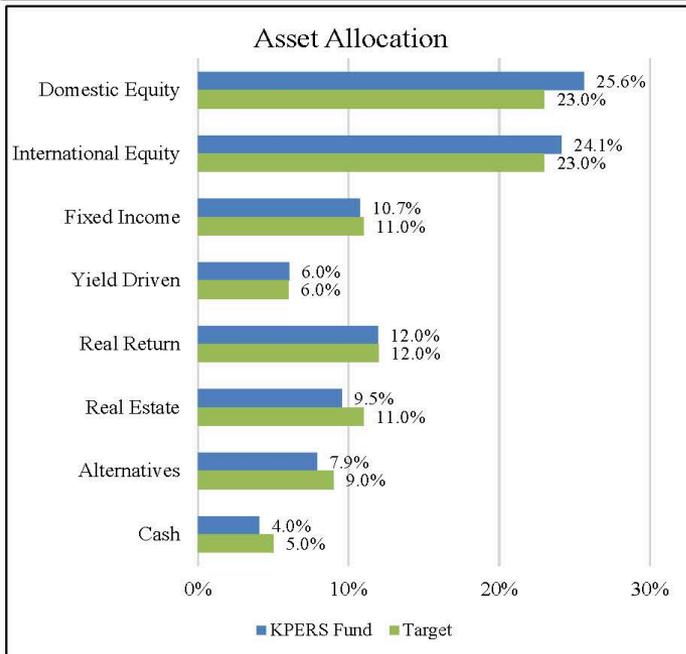
Total Plan Performance



KANSAS PUBLIC EMPLOYEES RETIREMENT SYSTEM INVESTMENT PERFORMANCE REPORT

June 30, 2020

	June 30, 2020 Net Asset Value (Millions)	Latest Quarter	Fiscal YTD	Calendar YTD	Latest 1 Year	Latest 3 Years	Latest 5 Years	Latest 10 Years	Latest 25 Years
Time Weighted Total Return*									
Total Portfolio	\$20,190.3	9.7%	2.1%	-3.2%	2.1%	5.8%	6.1%	8.8%	7.8%
Policy Index		11.9%	2.4%	-3.5%	2.4%	5.6%	6.0%	8.6%	7.3%
<i>Excess Return</i>		-2.2%	-0.3%	0.3%	-0.3%	0.2%	0.1%	0.2%	0.5%

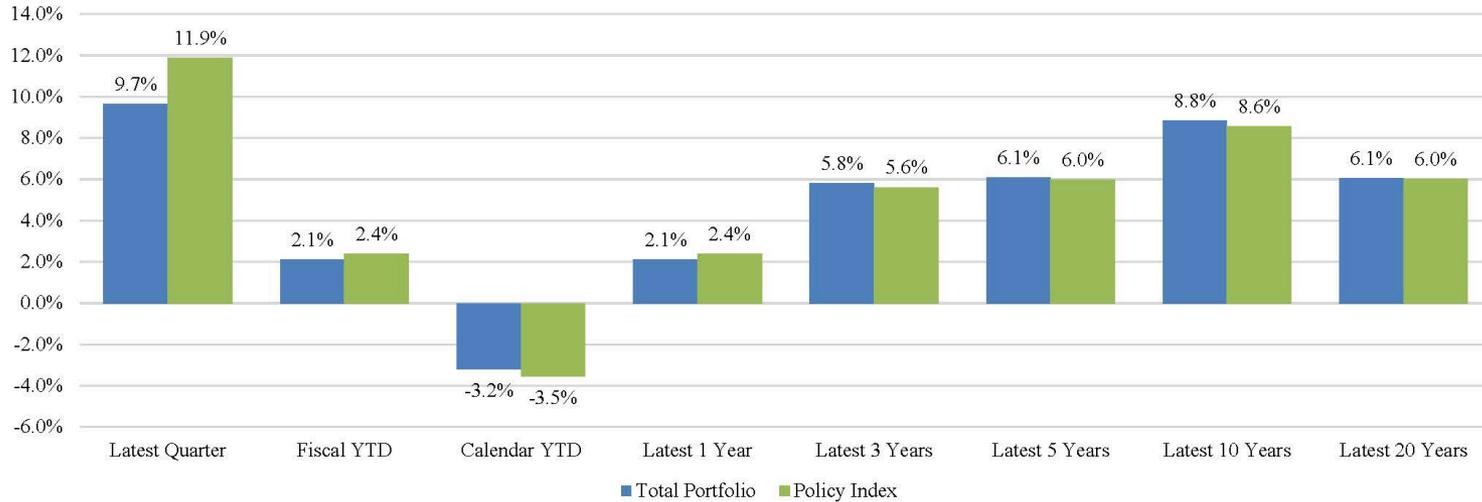


* Returns for time periods less than one year are not annualized.

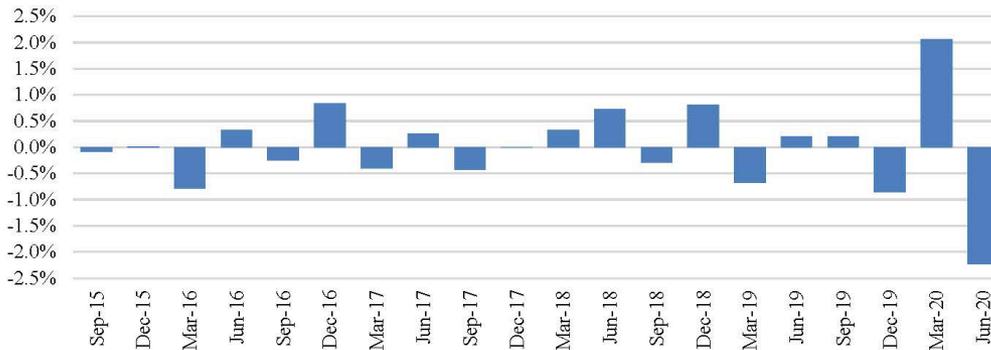
** Actuarial assumption was 8% from 1986 through 2016; 7.75% currently.

Total Plan Performance

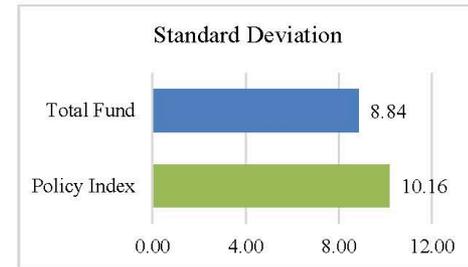
KANSAS PUBLIC EMPLOYEES RETIREMENT SYSTEM PLAN PERFORMANCE June 30, 2020



Rolling 3-Month Excess Return



Risk Statistics - Trailing 3 Years



	Fund
Standard Deviation	8.84
Sharpe Ratio	0.46

Current Investment Environment

****Massive uncertainty related to global COVID-19 pandemic****

Other Factors:

- +Accommodative monetary policy by global central banks
- +US: Federal Reserve policy focus on unemployment (positive for risk assets)
- US: historically low interest rates translates to low expected returns from all asset classes
- US: equity valuations again at historically high levels; ability of corporate earnings to support valuations depends on economic recovery (see ** above)

Current Risk Mitigation Strategies:

- Holding ~5% cash equivalents
- Holding significant portfolios of Core FI/TIPS
- Holdings of private market assets (PE/RE/Infrastructure)
- Maintain disciplined rebalancing program
- Maintain currency overlay program for IE portfolio

Retain perspective of long term institutional investor:

- “Keep Calm and Carry On”
- Maintain long term strategic allocation to risk assets
- Continue gradual implementation of LT asset allocation targets