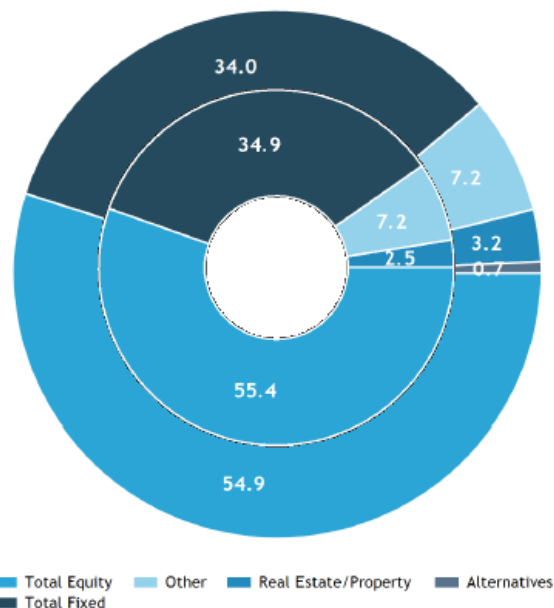


Fulton County Schools Employee Retirement Plan Quarterly Investment Review, March 31, 2023

Asset Allocation (%)
Actual (Outer Ring) vs. Target (Inner Ring)



Portfolio Review

The Fulton County Schools (FCS) portfolio is well-diversified across global capital markets, which is designed to provide a degree of protection when markets are under stress. The stock and bond rally that started in late 2022 continued in the 1st quarter, albeit with a continuing elevated level of volatility. Stocks were the best performing asset class, returning +7.3%, with Non-US stocks outperforming their U.S. counterparts for the second consecutive quarter. Bond returns were up more modestly, +3.6%, as yields declined (bond prices increase as yields decline) due in large part to lower inflation and an expectation that the Federal Reserve was at, or near, the end of raising short term interest rates.

Our View on the Economy and Markets

Economists have been struggling for the past several months to find the right analogy to describe the future trajectory of growth and inflation in the U.S. The optimists favor the term “soft landing,” whereby growth in business activity slows just enough to reduce inflation pressures without causing a recession. Pessimists see a “hard landing” ahead as the global economy stumbles into recession due to overly tight central-bank monetary policies. Still others see “no landing” whatsoever—economic growth actually accelerates, along with inflation. SEI suggests a fourth possibility: a “holding pattern” in which the economy moves in circles with no estimated time of arrival. Economic growth slows, but not enough to push inflation back to the 2% target rate that the Fed and other major central banks have set as their goal. Eventually, the plane runs out of gas and a recession develops. **We believe that recent events in the banking sector have raised the odds of recession in the U.S. beginning later this year or in early 2024.** Despite this the U.S. economy is fundamentally sound and may end up exhibiting a resiliency that surprises both the Fed and investors. Accordingly, SEI believes in maintaining a diversified approach to investing, which should provide better risk adjusted returns over a market cycle.

	Total Assets (\$)	Actual Alloc (%)	1 Month	3 Months	YTD	Fiscal YTD	1 Year	3 Years	5 Years	Inception 12/31/2015
Total Portfolio Return 1	480,954,609	100.0	1.83	5.51	5.51	6.91	-5.57	10.86	5.54	7.02
Policy Benchmark			2.65	5.45	5.45	6.53	-4.77	8.32	5.40	6.14



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Important information: asset valuation and portfolio returns

1. SEI investments began managing the portfolio for Fulton County Schools on 12/31/2015, therefore that is considered the inception date for performance reporting purposes.

The Policy Index return is composed of the following:

55% MSCI World Index (Net)
35% Bloomberg Barclays US Agg Bond Index
10% ICE BofA ML 3 Month US T-Bill Index + 2%

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Inception date 12/31/15; Historical Total Index can be provided upon request.

The Portfolio Return and fund performance numbers are calculated using Gross Fund Performance, using a true time-weighted performance method (prior to 6/30/2012, the Modified Dietz method of calculation was used). Gross Fund Performance reflects the effective performance of the underlying mutual funds that are selected or recommended by SIMC to implement an institutional client's investment strategy. Gross Fund Performance does not reflect the impact of fund level management fees, fund administration or shareholder servicing fees, all of which, if applicable, are used to offset the account level investment management fees the client pays to SIMC. Gross Fund Performance does reflect certain operational expenses charged by the funds and the reinvestment of dividends and other earnings. The inclusion of the fund level expenses that the client incurs but that are offset against the client's account level investment management fees would reduce the Gross Fund Performance of the mutual funds. For additional information about how performance is calculated, please see your monthly performance report.

If applicable, alternative, property and private assets performance and valuations may be reported on a monthly or quarterly lag. Alternative, property and private assets performance is calculated gross of investment management fees and net of administrative expenses and underlying fund expenses. However: Structured Credit Fund performance is calculated gross of investment management fees and net of administrative expenses; SEI Offshore Opportunity Fund II Ltd. Class A performance is calculated net of investment management and administrative expenses; and Energy Debt Fund performance is calculated net of management fees, performance fees, as applicable, and operating expenses.

