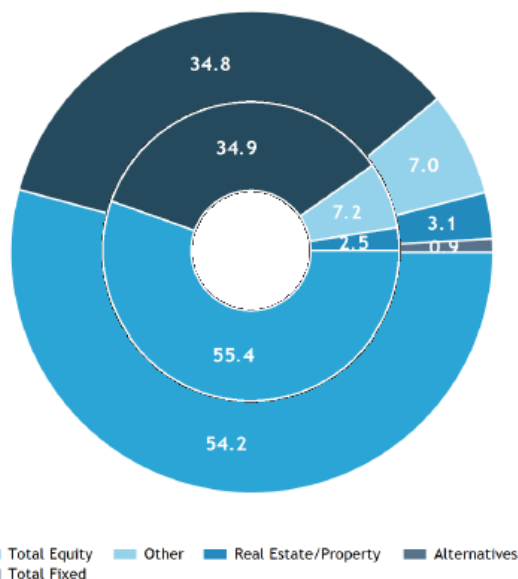


Fulton County Schools Employee Retirement Plan Quarterly Investment Review, September 30, 2023

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



Portfolio Review

In the 3rd quarter the Pension Plan was down -2.8%, but is up 14% for the 1 year period. Global equity markets pulled back during the quarter as investors concerns mounted over rising interest rates, and stubbornly high inflation, and the realization that there was likely more to come of both. Our expectation is that the equity asset class will experience continued levels of elevated volatility for the remainder of 2023 and into the new year. The equity allocation was down -3.3% for the quarter, but is up +21.9%, for the 1 year period. driven by a broad-based rally in risk assets amid improved investor sentiment. We continue to focus on our core approach; favoring high quality companies with positive earnings momentum at reasonable valuations. Fixed Income markets were impacted by rapidly rising interest rates, returning to levels not seen since 2007. As a result bond performance for the quarter was down -2.3% (bond prices decline as yields rise). The portfolio benefited from the strategic allocation to the Opportunistic Income and High Yield bond strategies.

Our View on the Economy and Markets

As we move into the last quarter of 2023 we remain broadly optimistic, but also cautious. We see risks in elevated equity prices, resolute central banks and the yet-to-be-fully-felt effects of interest rate increases on economies, markets, corporations, and consumers. In addition, while we expect inflation to continue to moderate, we believe the path to lower interest rates will still take longer than the market expects prompting central banks to maintain higher rates for a longer period. Regarding fixed income, interest rate volatility remains historically high; therefore, our directional interest rate positioning remains modest with a slight bias for lower rates into year-end. We still expect global economic growth to decelerate, possibly leading to a mild recession in 2024, accompanied by a modest rise in unemployment in both the U.S. and other major developed countries. Although economists have mostly shifted away from their recession calls, we remain skeptical that the Fed can truly attain a soft landing.

	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	477,959,506	100.0	-3.34	-2.84	6.09	-2.84	14.00	3.89	4.88	6.63
Standard Deviation Portfolio Policy Benchmark			-3.20	-2.83	6.16	-2.83	12.76	12.55	13.17	5.82
							3.11	4.74		



For existing institutional investor client use only. Not for public distribution. The information contained herein is confidential and proprietary to SEI and is not to be reproduced or made available in any form to any persons without the express prior written consent of SEI.

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%

1

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.

