

December 5, 2024



Executive Summary Third Quarter 2024

Arkansas Judicial Retirement
System

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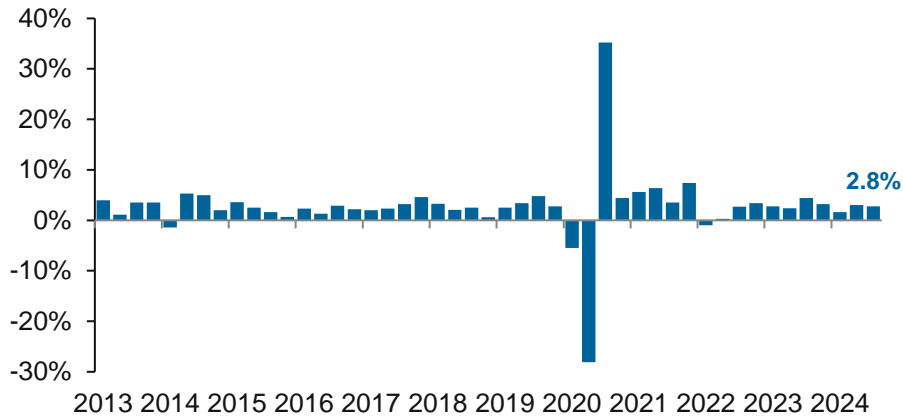


Economic Overview

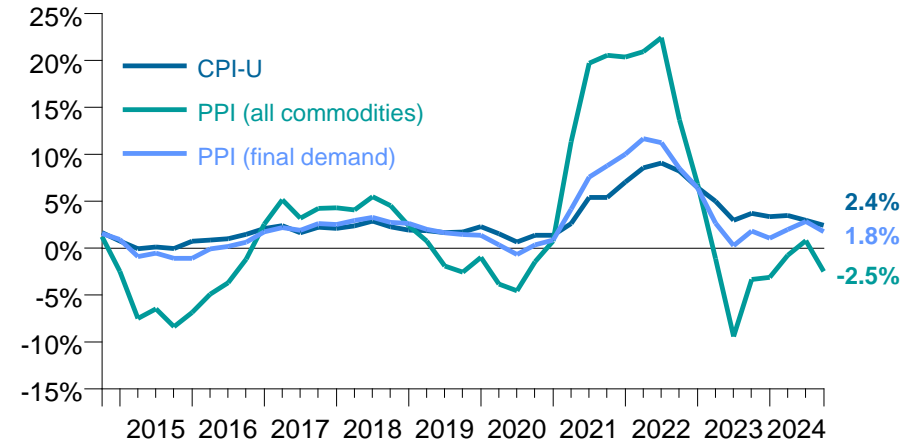
U.S. Economy—Summary

For periods ended 9/30/24

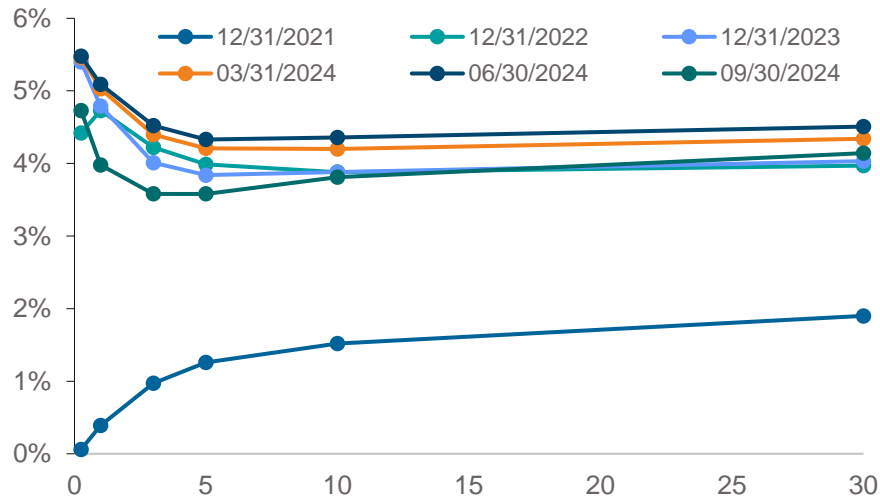
Quarterly Real GDP Growth



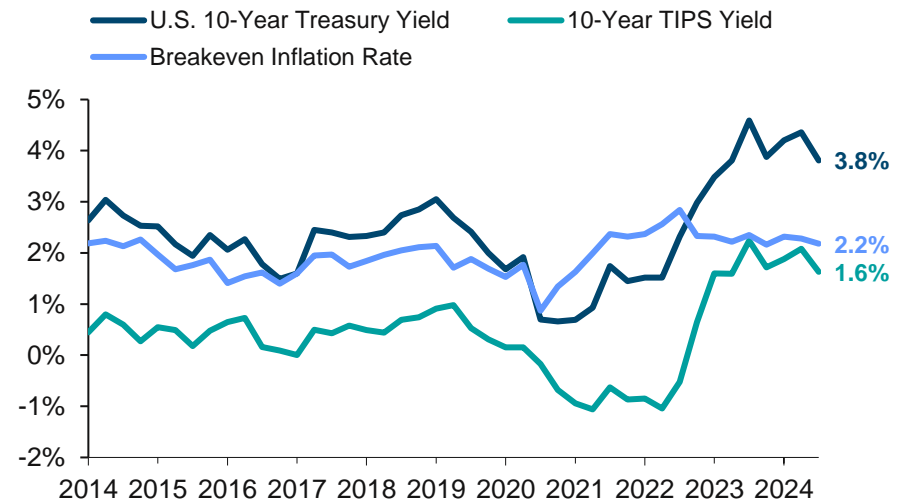
Inflation Year-Over-Year



U.S. Treasury Yield Curves



Historical 10-Year Yields



Sources: Bureau of Labor Statistics, Callan, Federal Reserve

Callan



Global Markets Snapshot

Global Markets Snapshot

Returns for Periods ended 9/30/24

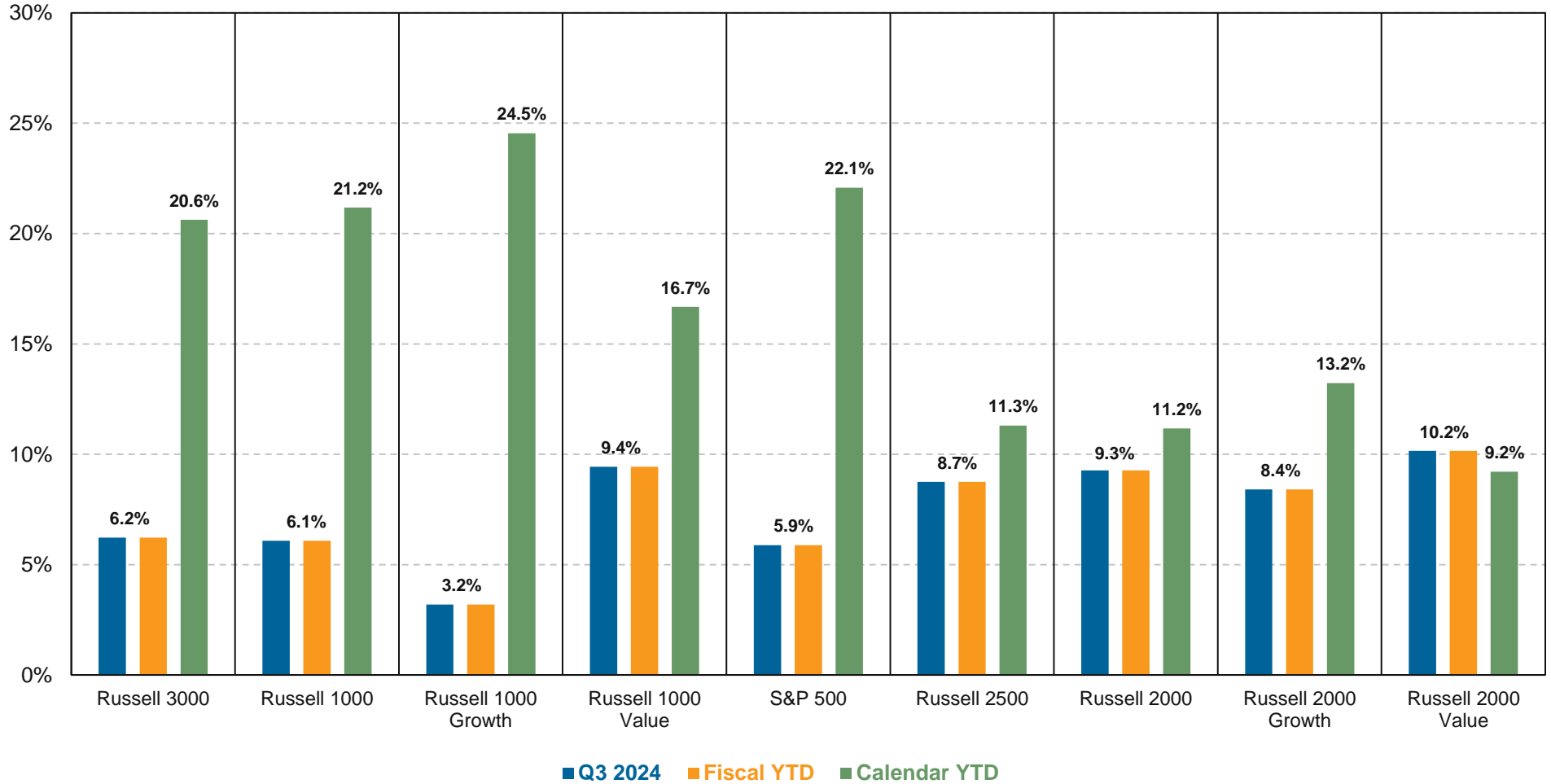
	Q3 2024	FYTD	1 Year	5 Years	10 Years	25 Years
U.S. Equity						
S&P 500	5.89	5.89	36.35	15.98	13.38	8.20
Russell 1000 Growth	3.19	3.19	42.19	19.74	16.52	8.48
Russell 1000 Value	9.43	9.43	27.76	10.69	9.23	7.68
Russell 2000	9.27	9.27	26.76	9.39	8.78	8.27
Russell 2000 Growth	8.41	8.41	27.66	8.82	8.95	6.98
Russell 2000 Value	10.15	10.15	25.88	9.29	8.22	9.10
Russell 3000	6.23	6.23	35.19	15.26	12.83	8.38
Global ex-U.S. Equity						
MSCI World ex USA	7.76	7.76	24.98	8.36	5.68	4.77
MSCI:EAFE	7.26	7.26	24.77	8.20	5.71	4.60
MSCI Emerging Markets	8.72	8.72	26.05	5.75	4.03	--
MSCI ACWI ex USA Small Cap	8.90	8.90	23.25	8.21	6.08	6.79
Fixed Income						
Bloomberg Aggregate	5.20	5.20	11.57	0.33	1.84	4.06
90-day T-Bill	1.37	1.37	5.46	2.32	1.65	1.92
Bloomberg Long Gov/Credit	7.96	7.96	17.24	-1.97	2.32	5.62
Bloomberg Global Agg ex-US	8.52	8.52	12.28	-1.86	-0.50	2.62
Real Estate						
NCREIF Property	-0.26	-0.26	-4.47	3.05	5.77	7.62
NCREIF NFI ODCE Eq Wt Net	-0.06	-0.06	-8.43	2.33	5.46	6.12
FTSE Nareit Equity	16.09	16.09	34.74	5.46	7.83	10.08
Alternatives						
HFRI Fund Weighted	2.84	2.84	12.64	7.41	5.12	6.09
Cambridge Private Equity*	1.00	1.00	4.62	13.84	13.10	12.73
Inflation - CPI-U						
	0.36	0.36	2.44	4.19	2.85	2.55

*Cambridge PE data as of 06/30/24

Sources: Bloomberg, Callan, Cambridge, FTSE Russell, HFRI, MSCI, NCREIF, S&P Dow Jones Indices

U.S. Equity Market Snapshot: Q3 2024

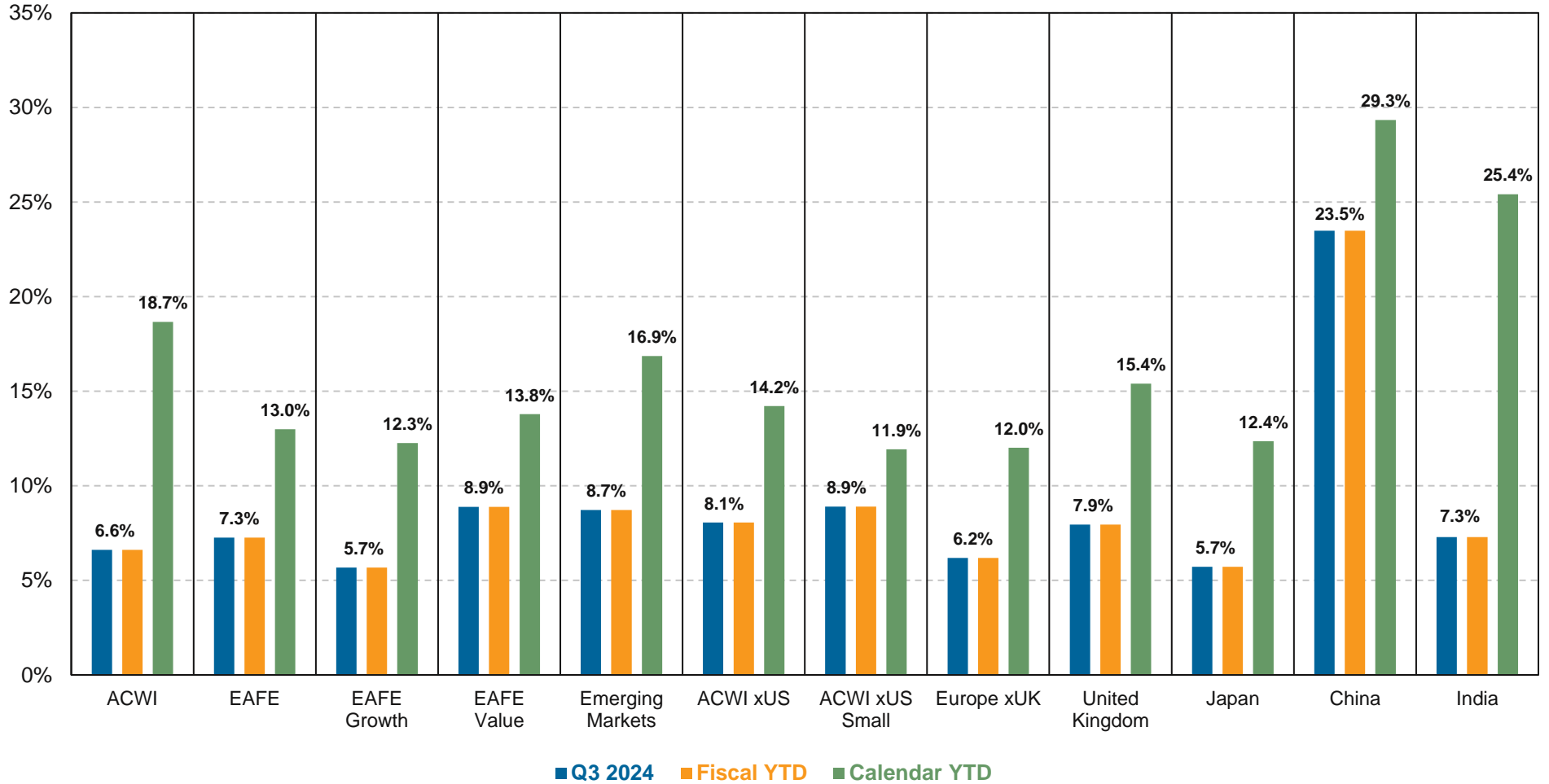
Returns for Periods Ended September 30, 2024



Sources: FTSE Russell, S&P Dow Jones Indices

Global Equity Market Snapshot: Q3 2024

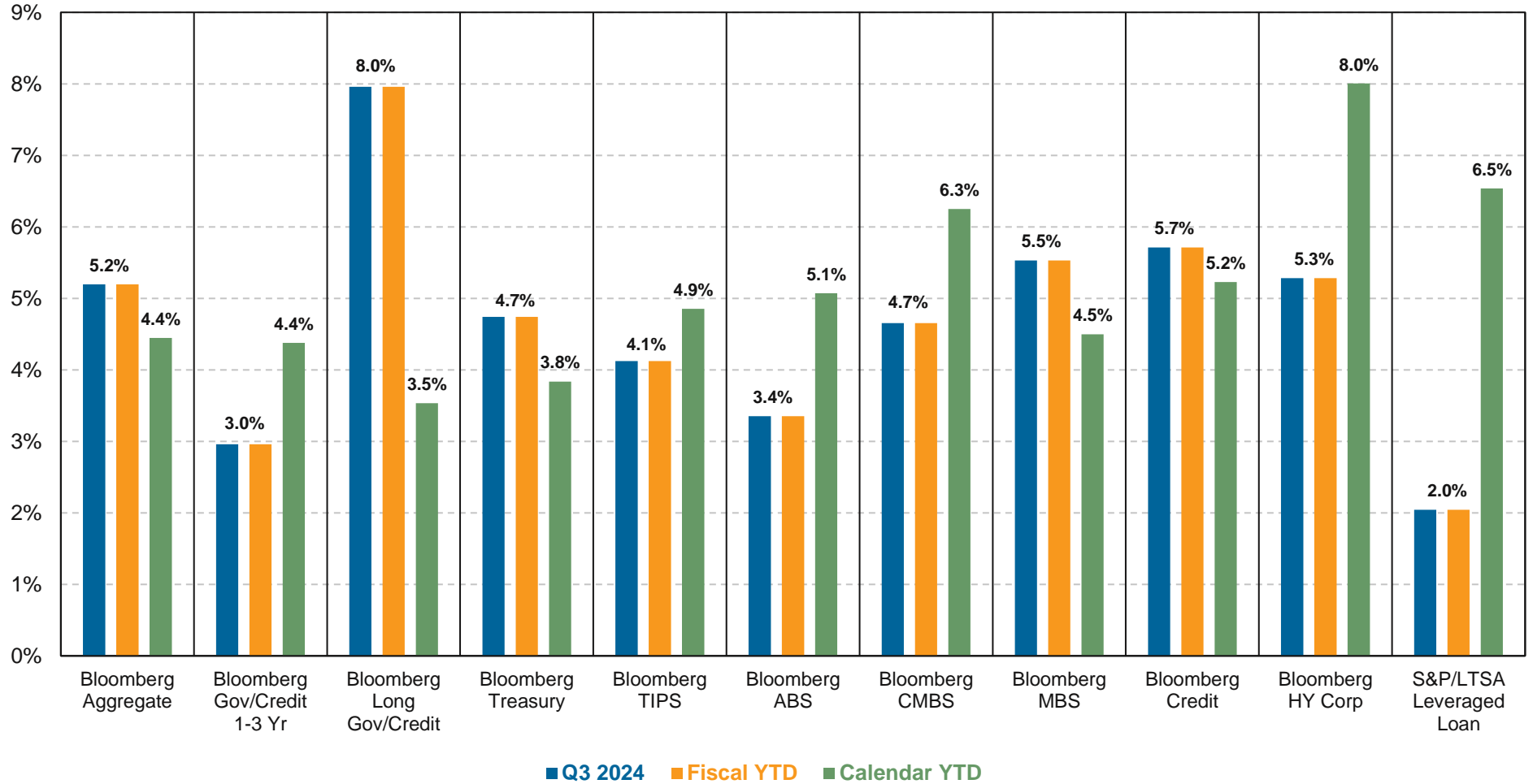
Returns for Periods Ended September 30, 2024



Source: MSCI

U.S. Fixed Income Market Snapshot: Q3 2024

Returns for Periods Ended September 30, 2024



Sources: Bloomberg, Callan, S&P Dow Jones Indices

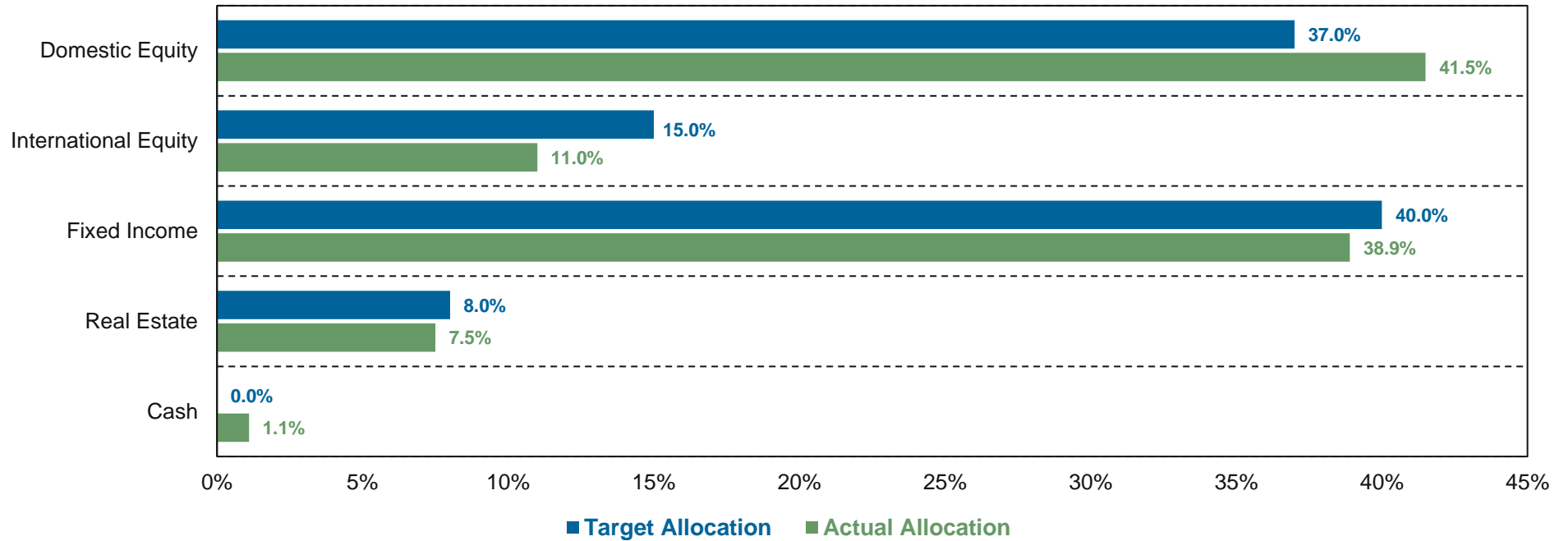
Callan



AJRS Portfolio Review

Actual vs. Target Asset Allocation

September 30, 2024

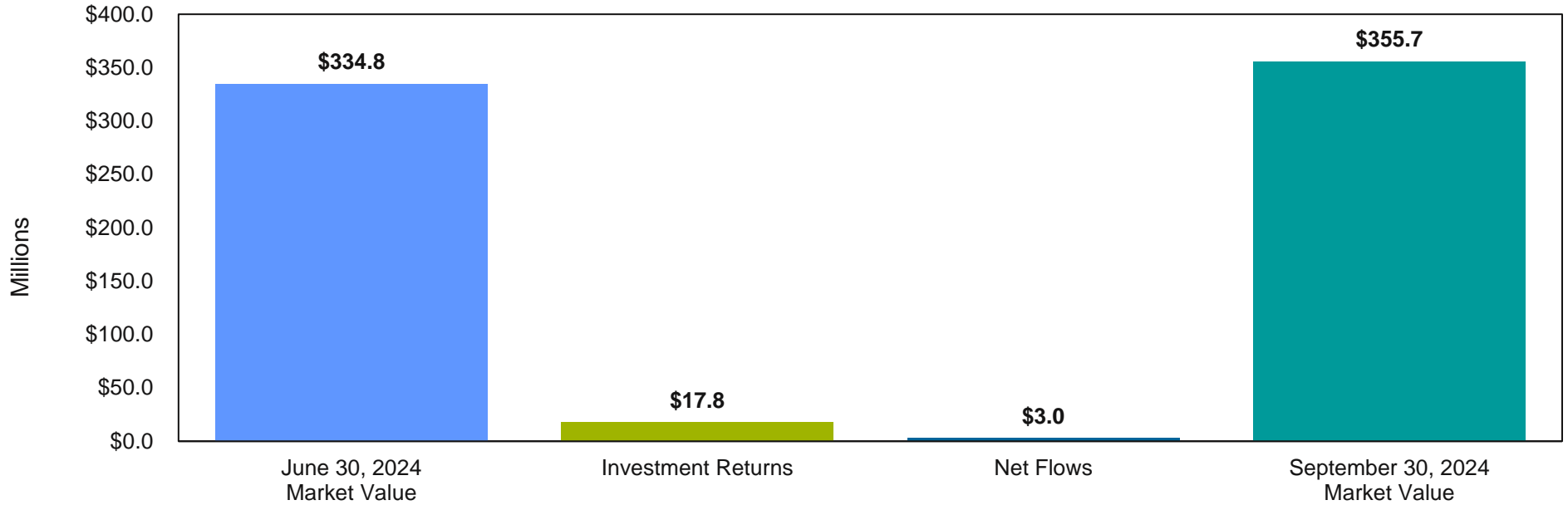


Asset Class	\$000s Actual	Weight Actual	Min. Target	Target	Max. Target
Domestic Equity	147,713	41.5%	32.0%	37.0%	42.0%
International Equity	39,098	11.0%	10.0%	15.0%	20.0%
Fixed Income	138,394	38.9%	35.0%	40.0%	45.0%
Real Estate	26,666	7.5%	3.0%	8.0%	13.0%
Cash	3,820	1.1%	0.0%	0.0%	5.0%
Total	355,692	100.0%		100.0%	

AJRS' target asset allocation was approved at the February 2024 Board meeting.

Total Fund Asset Summary

Changes in Total Fund Assets – Q3 2024



	Beginning Market Value	+	Investment Gain/(Loss)	+	Net Flows	=	Ending Market Value
Q3 2024 / Fiscal YTD (6/30/24 - 9/30/24)	\$334,827,022	+	\$17,826,007	+	\$3,038,795	=	\$355,691,824

Total Fund Performance

September 30, 2024

Returns for Periods Ended September 30, 2024

Group: Callan Public Fd Mid DB

	Q3 2024	Last Year	Last 3 Years	Last 5 Years	Last 10 Years	Last 20 Years
10th Percentile	5.91%	23.86%	6.26%	9.58%	8.46%	7.92%
25th Percentile	5.46%	21.70%	5.41%	9.05%	7.93%	7.60%
Median	4.94%	20.00%	4.53%	8.45%	7.52%	7.37%
75th Percentile	4.11%	18.04%	3.53%	7.57%	7.05%	6.95%
90th Percentile	3.88%	16.47%	2.92%	6.91%	6.48%	6.69%
Peer Universe Constituents	125	125	122	122	115	77
Total Fund	5.26% (42)	20.74% (41)	3.18% (85)	7.82% (70)	7.35% (60)	7.25% (59)
Benchmark	5.60 (20)	20.37 (46)	4.07 (64)	7.57 (75)	7.07 (72)	6.97 (74)

Peer group ranking in parentheses.
Benchmark definitions included in the Appendix

Asset Class Performance and Market Values

September 30, 2024

	Market Value \$(Dollars)	Ending Weight	3Q 2024	Fiscal YTD	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
Domestic Equity Russell:3000 Index	\$147,713,251	42.0%	5.17% 6.23%	5.17% 6.23%	32.56% 35.19%	10.57% 10.29%	15.47% 15.26%	12.64% 12.83%
International Equity Intl Equity Benchmark*	\$39,097,991	10.7%	8.92% 8.17%	8.92% 8.17%	25.29% 25.96%	(4.90%) 4.67%	5.44% 8.10%	4.98% 5.76%
Fixed Income Blmbg:Aggregate	\$138,394,402	39.2%	5.56% 5.20%	5.56% 5.20%	15.71% 11.57%	(0.14%) (1.39%)	2.07% 0.33%	3.04% 1.84%
Real Estate NCREIF:NFI-ODCE Eq Wt Net	\$26,666,057	8.0%	0.00% (0.07%)	0.00% (0.07%)	(9.07%) (8.44%)	(1.52%) (1.06%)	1.92% 2.33%	5.82% 5.46%
Cash & Equivalents 3 Month T-Bill	\$3,820,123	0.1%	1.32% 1.37%	1.32% 1.37%	5.42% 5.46%	3.52% 3.49%	2.30% 2.32%	1.66% 1.65%
Total Fund Total Fund Benchmark	\$355,691,824	100.0%	5.26% 5.60%	5.26% 5.60%	20.74% 20.37%	3.18% 4.07%	7.82% 7.57%	7.35% 7.07%

* Benchmark definitions included in the Appendix.

Investment Manager Returns and Peer Group Rankings

September 30, 2024

	Q3 2024	Fiscal YTD	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
Domestic Equity	5.17%	5.17%	32.56%	10.57%	15.47%	12.64%
Russell 3000 Index	6.23%	6.23%	35.19%	10.29%	15.26%	12.83%
S&P 500 Index	5.89%	5.89%	36.35%	11.91%	15.98%	13.38%
Mellon Russell 1000 Growth Idx	3.19% (42)	3.19% (42)	42.37% (42)	11.91% (18)	19.59% (9)	--
Russell:1000 Growth	3.19% (42)	3.19% (42)	42.19% (43)	12.02% (17)	19.74% (9)	16.52% (14)
Callan Large Cap Growth	2.90%	2.90%	40.79%	9.35%	17.29%	15.37%
Boston Partners	6.09% (85)	6.09% (85)	28.32% (49)	12.44% (17)	13.68% (23)	10.82% (20)
Russell:1000 Value	9.43% (16)	9.43% (16)	27.76% (54)	9.03% (74)	10.69% (86)	9.23% (84)
Callan Large Cap Value	7.79%	7.79%	28.20%	10.61%	12.41%	10.08%
Aristotle Capital Boston	7.46% (78)	7.46% (78)	22.37% (79)	4.11% (67)	--	--
Russell:2000 Index	9.27% (20)	9.27% (20)	26.76% (31)	1.84% (83)	9.39% (41)	8.78% (7)
Callan Small Cap Core	8.90%	8.90%	26.47%	5.03%	11.26%	10.33%
International Equity	8.92%	8.92%	25.29%	(4.90%)	5.44%	4.98%
Intl Equity Benchmark	8.17%	8.17%	25.96%	4.67%	8.10%	5.76%
Baillie Gifford	9.60% (17)	9.60% (17)	26.07% (45)	(4.70%) (99)	5.57% (97)	--
MSCI:ACWI xUS GD	8.17% (36)	8.17% (36)	25.96% (47)	4.67% (55)	8.10% (72)	5.72% (80)
Callan NonUS Eq	7.32%	7.32%	25.64%	4.95%	8.93%	6.60%

Benchmark definitions included in the Appendix.
Peer Group ranking in parentheses.

Investment Manager Returns and Peer Group Rankings

September 30, 2024

	Q3 2024	Fiscal YTD	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
Fixed Income	5.56%	5.56%	15.71%	(0.14%)	2.07%	3.04%
Blmbg:Aggregate	5.20%	5.20%	11.57%	(1.39%)	0.33%	1.84%
MacKay Shields LLC	5.56% (24)	5.56% (24)	15.71% (1)	(0.14%) (18)	2.07% (17)	3.04% (24)
Blmbg:Aggregate	5.20% (76)	5.20% (76)	11.57% (95)	(1.39%) (90)	0.33% (98)	1.84% (100)
Callan Core Plus FI	5.38%	5.38%	13.17%	(0.68%)	1.50%	2.78%
Real Estate	0.00%	0.00%	(9.07%)	(1.52%)	1.92%	5.82%
NCREIF NFI ODCE Eq Wt Net	(0.07%) (100)	(0.07%) (100)	(8.44%) (100)	(1.06%) (100)	2.33% (100)	5.46% (100)
Invesco Core Real Estate	0.00% (73)	0.00% (73)	(9.07%) (78)	(1.52%) (69)	1.92% (69)	5.82% (47)
NCREIF NFI ODCE Eq Wt Net	(0.07%) (81)	(0.07%) (81)	(8.44%) (69)	(1.06%) (67)	2.33% (60)	5.46% (61)
Callan OE Core Cmngld RE	0.34%	0.34%	(6.32%)	0.20%	2.96%	5.75%
Total Fund	5.26% (42)	5.26% (42)	20.74% (41)	3.18% (85)	7.82% (70)	7.35% (60)
Total Fund Benchmark	5.60% (20)	5.60% (20)	20.37% (46)	4.07% (64)	7.57% (75)	7.07% (72)
Callan Public Fd Mid DB	4.94%	4.94%	20.00%	4.53%	8.45%	7.52%

Benchmark definitions included in the Appendix.
Peer Group ranking in parentheses.

Work Plan Update

Annual Work Plan

Agenda Item	Frequency	Last Completed	Scheduled Review
Performance Measurement Reports	Quarterly	12/2024	02/2025
Quarterly Board Meetings	Quarterly	12/2024	02/2025
Customized Board Education Sessions	As Needed		
Investment Policy Statement Review	Annual	02/2024	02/2025

Multi-Year Work Plan

Agenda Item	Frequency	Last Completed	Scheduled Review
Asset Allocation Analysis	3-5 years	02/2024	2027 - 2029
Domestic Equity Manager Search – Aristotle Hired	As Needed	05/2019	
Non-U.S. Equity Manager Search – TBD	As Needed	08/2024	
Fixed Income Manager Search – Mackay Shields Hired	As Needed	02/2010	
Real Estate Manager Search – Invesco Hired	As Needed	11/2011	

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 **Appendix**

Benchmark Definitions

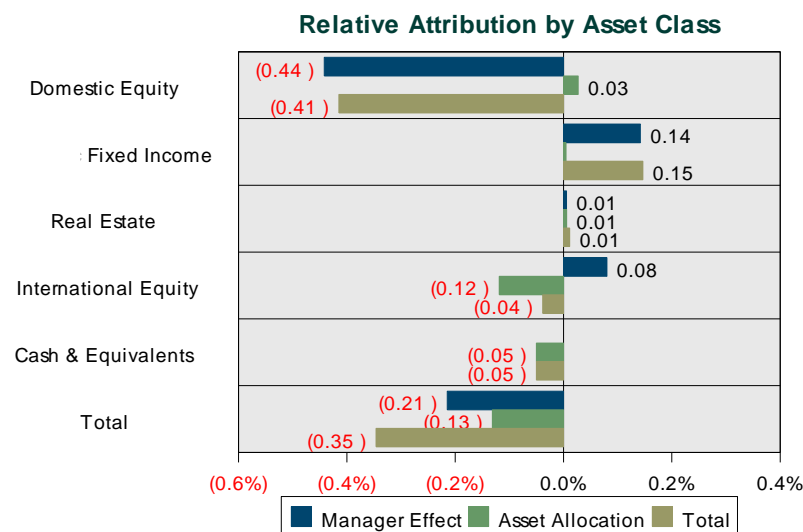
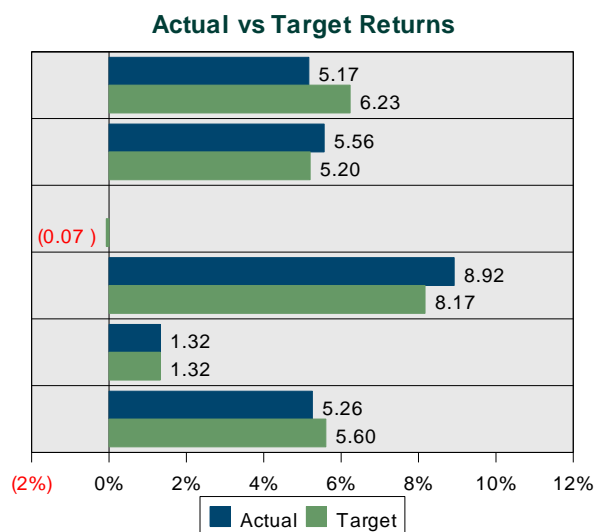
1. **Total Fund Benchmark (Target):** Blend of asset class benchmarks at policy weights.

	<u>Target</u>
Domestic Equity	37.0%
International Equity	15.0
Fixed Income	40.0
<u>Real Estate</u>	<u>8.0</u>
Total Target	100.0%

2. **Domestic Equity Benchmark:** Russell 3000 Index
3. **International Equity Benchmark:** MSCI EAFE prior to 7/1/17, MSCI ACWI xUS Gross thereafter
4. **Fixed Income Benchmark:** Bloomberg Aggregate Index
5. **Real Estate Benchmark:** NCREIF NFI-ODCE Eq Wt Net

Total Fund Relative Attribution – Q3 2024

September 30, 2024



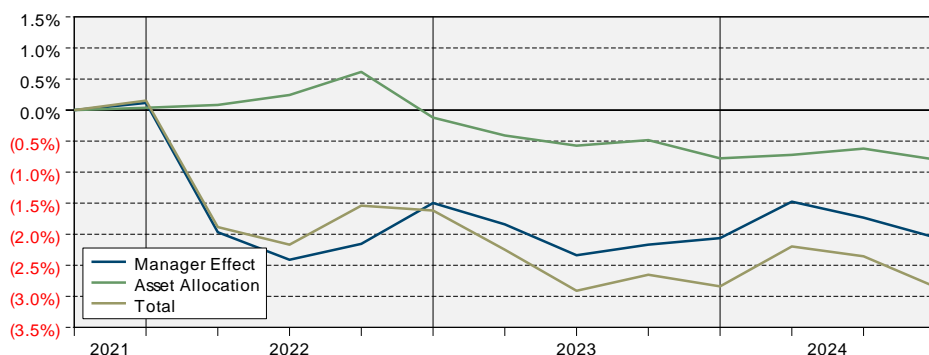
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Domestic Equity	42%	37%	5.17%	6.23%	(0.44%)	0.03%	(0.41%)
Fixed Income	39%	40%	5.56%	5.20%	0.14%	0.00%	0.15%
Real Estate	8%	8%	0.00%	(0.07%)	0.01%	0.01%	0.01%
International Equity	11%	15%	8.92%	8.17%	0.08%	(0.12%)	(0.04%)
Cash & Equivalents	1%	0%	1.32%	1.32%	0.00%	(0.05%)	(0.05%)
Total			5.26%	5.60%	(0.21%)	(0.13%)	(0.35%)

Benchmark definitions included in the Appendix.

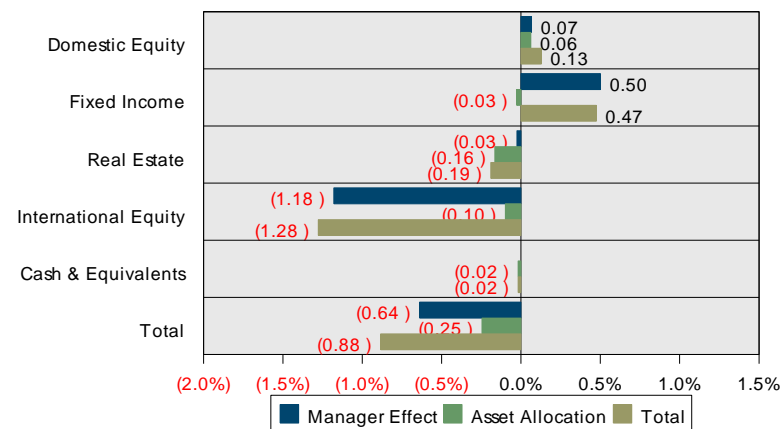
Total Fund Relative Attribution – 3 Years

September 30, 2024

Cumulative Relative Attribution Effects



3-Year Annualized Relative Attribution Effects



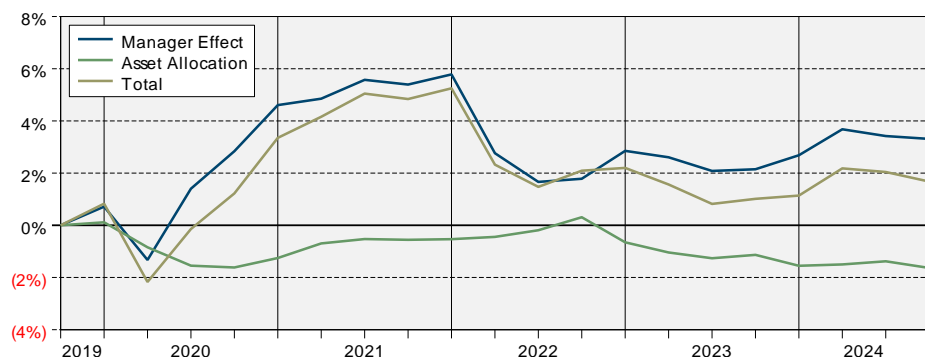
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Domestic Equity	39%	37%	10.57%	10.29%	0.07%	0.06%	0.13%
Fixed Income	40%	40%	(0.14%)	(1.39%)	0.50%	(0.03%)	0.47%
Real Estate	10%	8%	(1.52%)	(1.06%)	(0.03%)	(0.16%)	(0.19%)
International Equity	12%	15%	(4.90%)	4.67%	(1.18%)	(0.10%)	(1.28%)
Cash & Equivalents	0%	0%	3.52%	3.52%	0.00%	(0.02%)	(0.02%)
Total			3.18%	4.07%	(0.64%)	(0.25%)	(0.88%)

Benchmark definitions included in the Appendix.

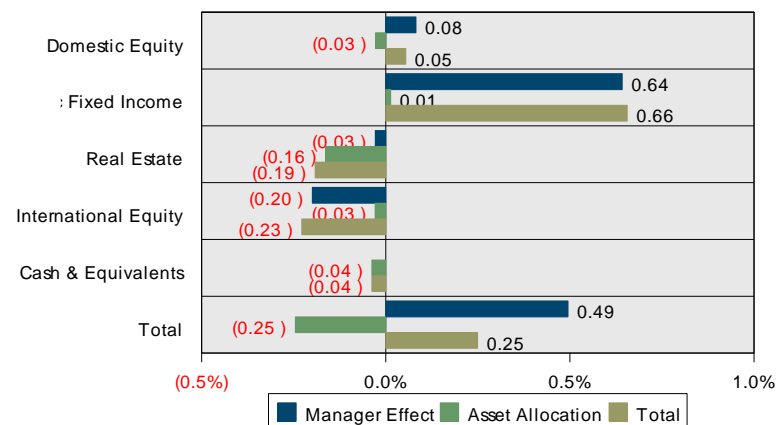
Total Fund Relative Attribution – 5 Years

September 30, 2024

Cumulative Relative Attribution Effects



5-Year Annualized Relative Attribution Effects



Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Domestic Equity	38%	37%	15.47%	15.26%	0.08%	(0.03%)	0.05%
Fixed Income	39%	40%	2.07%	0.33%	0.64%	0.01%	0.66%
Real Estate	9%	8%	1.92%	2.33%	(0.03%)	(0.16%)	(0.19%)
International Equity	13%	15%	5.44%	8.10%	(0.20%)	(0.03%)	(0.23%)
Cash & Equivalents	0%	0%	2.30%	2.30%	0.00%	(0.04%)	(0.04%)
Total			7.82%	7.57%	+ 0.49%	(0.25%)	0.25%

Benchmark definitions included in the Appendix.

Asset Distribution Across Investment Managers

September 30, 2024

	September 30, 2024		Net New Inv.	Inv. Return	June 30, 2024	
	Market Value	Weight			Market Value	Weight
Domestic Equity	\$147,713,251	41.53%	\$(128,651)	\$7,257,119	\$140,584,783	41.99%
Mellon Russell 1000 Growth Index	55,793,240	15.69%	(5,278)	1,723,497	54,075,021	16.15%
Boston Partners	71,068,895	19.98%	(84,516)	4,084,503	67,068,908	20.03%
Aristotle Capital Boston	20,851,115	5.86%	(38,858)	1,449,119	19,440,854	5.81%
International Equity	\$39,097,991	10.99%	\$0	\$3,201,834	\$35,896,157	10.72%
Baillie Gifford Intl Choice Fd	29,537,567	8.30%	(9,000,000)	2,641,409	35,896,157	10.72%
Mellon ACWI ex US Fund	9,560,424	2.69%	9,000,000	560,424	-	-
Fixed Income	\$138,394,402	38.91%	\$(97,784)	\$7,292,716	\$131,199,470	39.18%
MacKay Shields LLC	138,394,402	38.91%	(97,784)	7,292,716	131,199,470	39.18%
Real Estate	\$26,666,057	7.50%	\$0	\$0	\$26,666,057	7.96%
Invesco Core Real Estate	26,666,057	7.50%	0	0	26,666,057	7.96%
Cash & Equivalents	\$3,820,123	1.07%	\$3,265,231	\$74,338	\$480,554	0.14%
AJRS Cash Account	3,820,123	1.07%	3,265,231	74,338	480,554	0.14%
Total Fund	\$355,691,824	100.0%	\$3,038,795	\$17,826,007	\$334,827,022	100.0%

Investment Manager Returns – Net of Fees

September 30, 2024

	Q3 2024	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
NET OF FEE RETURNS					
Domestic Equity					
Mellon Russell 1000 Growth Index	3.18%	42.32%	11.86%	19.54%	-
Russell 1000 Growth Index	3.19%	42.19%	12.02%	19.74%	16.52%
Boston Partners	5.96%	27.66%	11.84%	13.08%	10.22%
Russell 1000 Value	9.43%	27.76%	9.03%	10.69%	9.23%
Aristotle Capital Boston	7.25%	21.39%	3.28%	-	-
Russell 2000 Index	9.27%	26.76%	1.84%	9.39%	8.78%
International Equity					
Baillie Gifford Intl Choice Fd	9.50%	25.59%	(5.13%)	5.08%	-
MSCI ACWIxUS Gross	8.17%	25.96%	4.67%	8.10%	5.72%
Domestic Fixed Income					
MacKay Shields LLC	5.48%	15.36%	(0.44%)	1.76%	2.73%
Blmbg Aggregate Index	5.20%	11.57%	(1.39%)	0.33%	1.84%
Real Estate					
Invesco Core Real Estate	0.00%	(9.35%)	(1.80%)	1.64%	5.31%
NFI-ODCE Equal Weight Net	(0.07%)	(8.44%)	(1.06%)	2.33%	5.46%
Total Fund	5.18%	20.34%	2.83%	7.45%	6.91%
Total Fund ex Cash	5.23%	20.44%	2.83%	7.50%	6.94%
Target Benchmark*	5.60%	20.37%	4.07%	7.57%	7.07%

Benchmark definitions included in the Appendix.

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