

March 13, 2025



Executive Summary Fourth Quarter 2024

Arkansas Judicial Retirement
System

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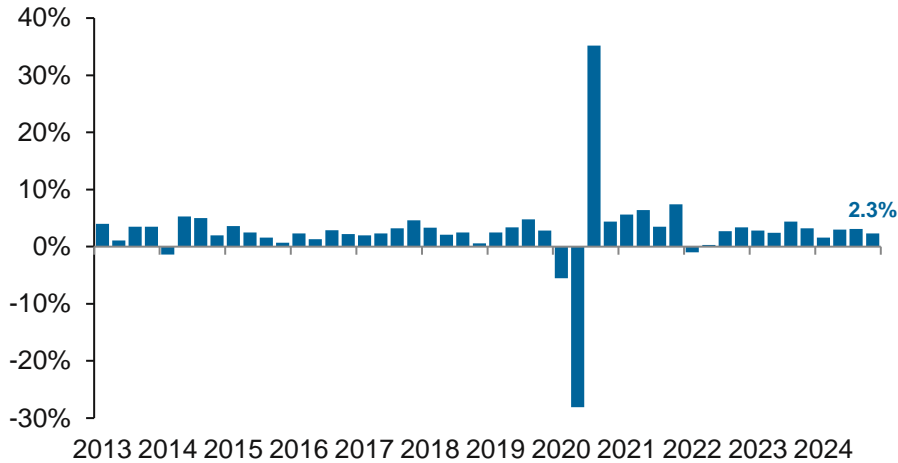


Economic Overview

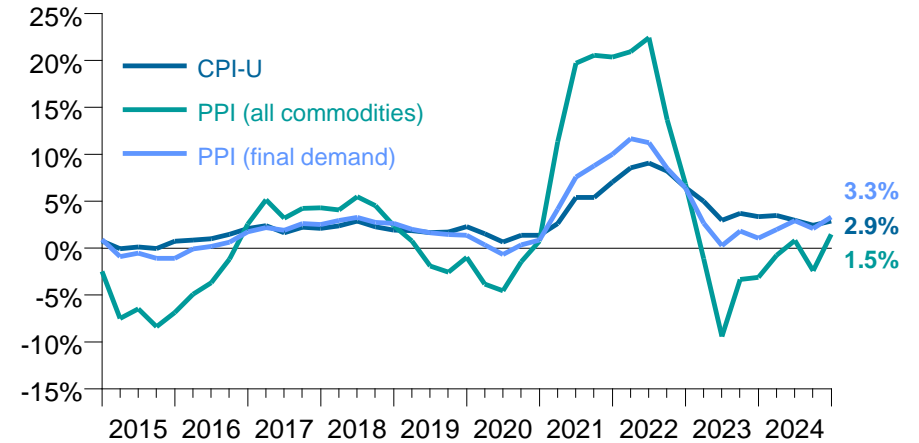
U.S. Economy—Summary

For periods ended 12/31/24

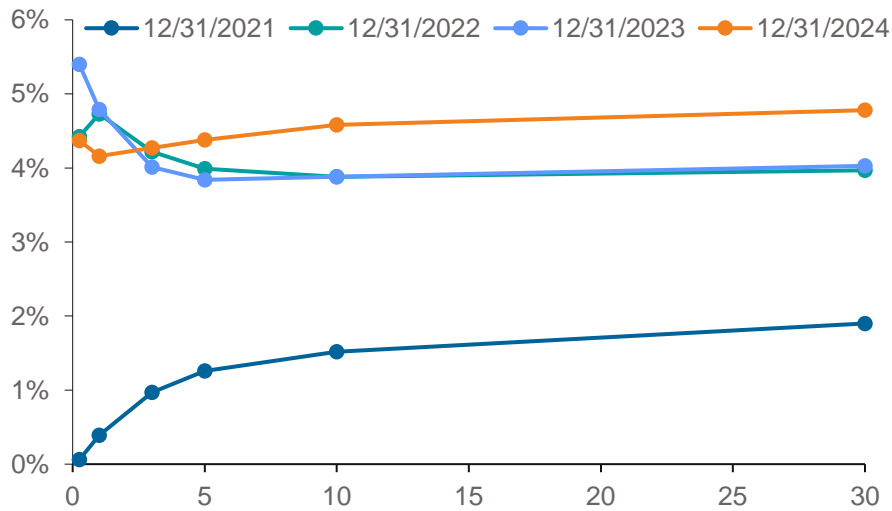
Quarterly Real GDP Growth



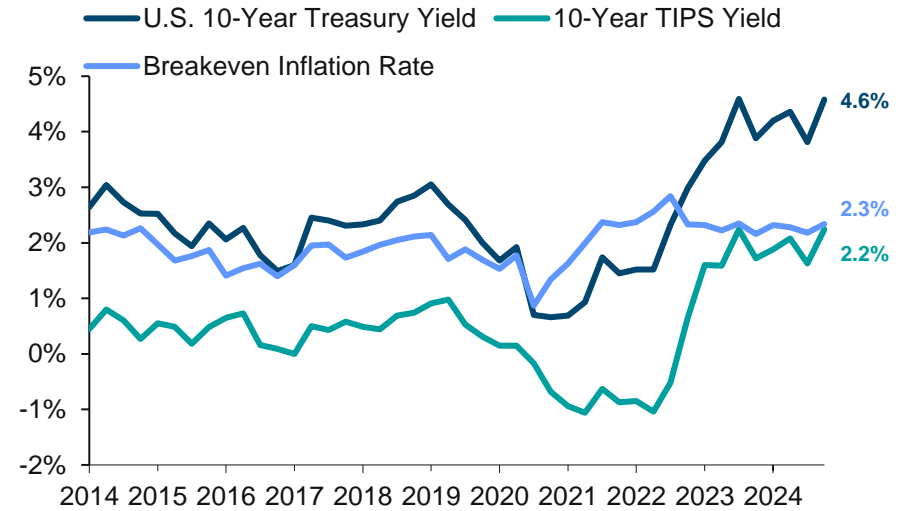
Inflation Year-Over-Year



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 12/31/24

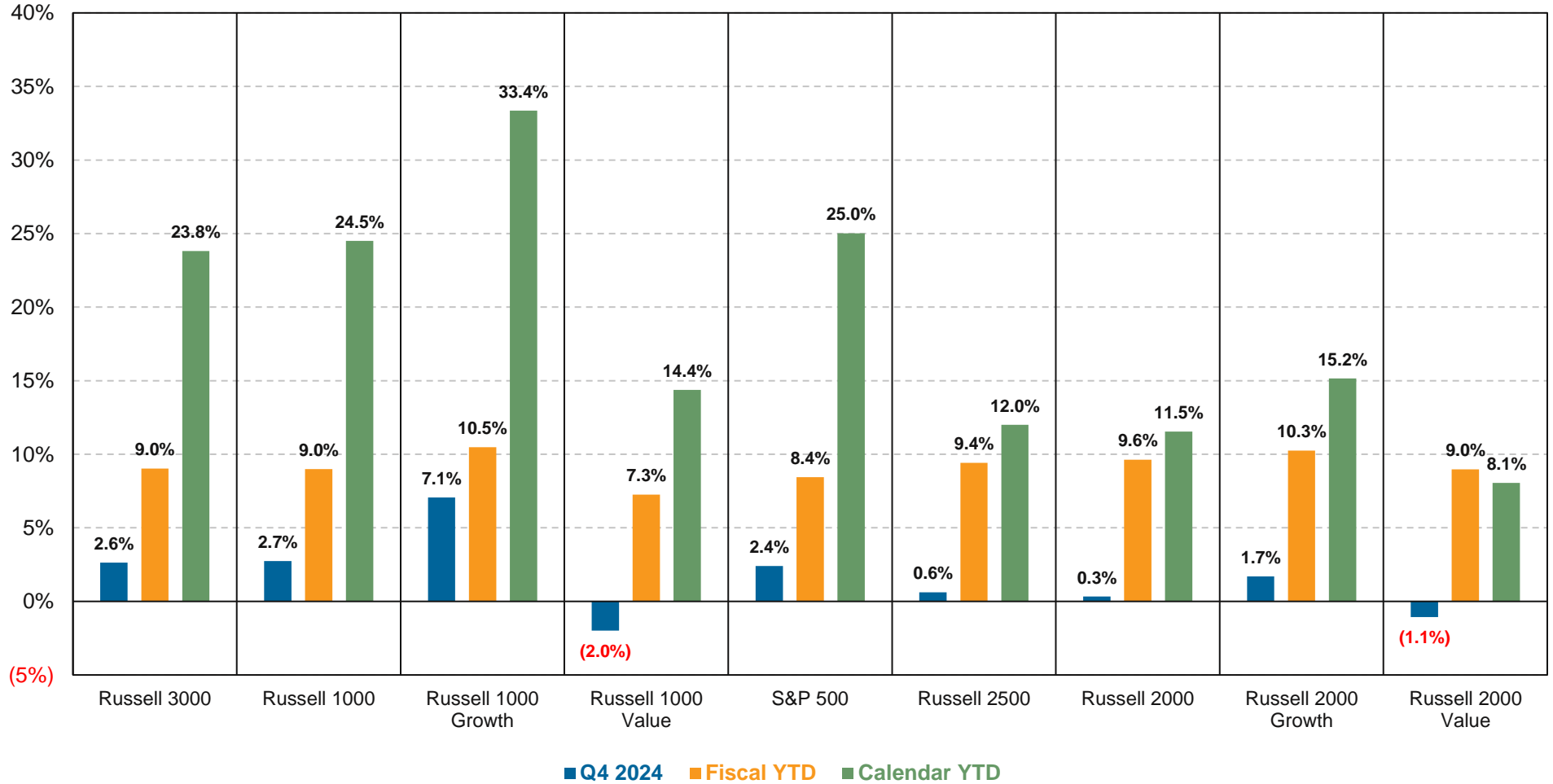
	Q4 2024	FYTD	1 Year	5 Years	10 Years	25 Years
U.S. Equity						
S&P 500	2.41	8.44	25.02	14.53	13.10	7.70
Russell 1000 Growth	7.07	10.49	33.36	18.96	16.78	7.80
Russell 1000 Value	-1.98	7.26	14.37	8.68	8.49	7.36
Russell 2000	0.33	9.64	11.54	7.40	7.82	7.55
Russell 2000 Growth	1.70	10.26	15.15	6.86	8.09	5.83
Russell 2000 Value	-1.06	8.98	8.05	7.29	7.14	8.98
Russell 3000	2.63	9.03	23.81	13.86	12.55	7.84
Global ex-U.S. Equity						
MSCI World ex USA	-7.43	-0.24	4.70	5.10	5.26	3.78
MSCI:EAFE	-8.11	-1.44	3.82	4.73	5.20	3.60
MSCI Emerging Markets	-8.01	0.02	7.50	1.70	3.64	--
MSCI ACWI ex USA Small Cap	-7.66	0.56	3.36	4.30	5.66	6.23
Fixed Income						
Bloomberg Aggregate	-3.06	1.98	1.25	-0.33	1.35	3.94
90-day T-Bill	1.17	2.55	5.25	2.46	1.77	1.91
Bloomberg Long Gov/Credit	-7.42	-0.06	-4.15	-3.26	0.99	5.36
Bloomberg Global Agg ex-US	-6.84	1.09	-4.22	-3.37	-0.90	2.45
Real Estate						
NCREIF Property	0.90	1.69	0.43	3.13	5.66	7.58
NCREIF NFI ODCE Eq Wt Net	0.85	0.78	-2.43	2.24	5.25	6.04
FTSE Nareit Equity	-6.21	8.88	8.73	4.27	5.73	9.84
Alternatives						
HFRI Fund Weighted	1.42	4.38	9.75	6.98	5.26	5.57
Cambridge Private Equity*	2.68	3.71	7.93	14.27	13.40	12.39
Inflation - CPI-U						
	0.10	0.46	2.89	4.20	3.00	2.54

Cambridge Private Equity and Cambridge Senior Debt data as of 9/30/24. Returns greater than one year are annualized.

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

U.S. Equity Market Snapshot: Q4 2024

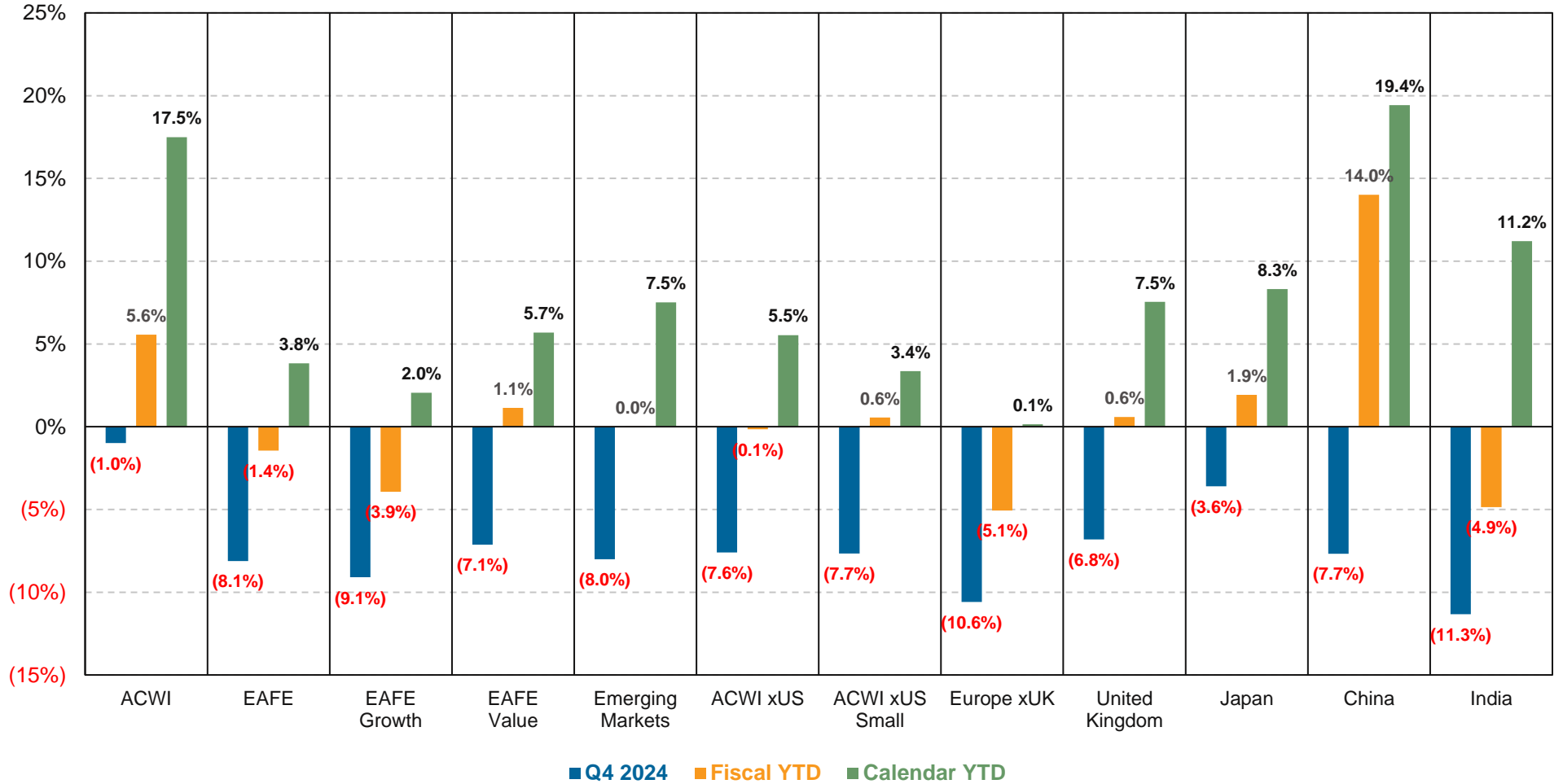
Returns for Periods Ended December 31, 2024



Sources: FTSE Russell, S&P Dow Jones Indices

Global Equity Market Snapshot: Q4 2024

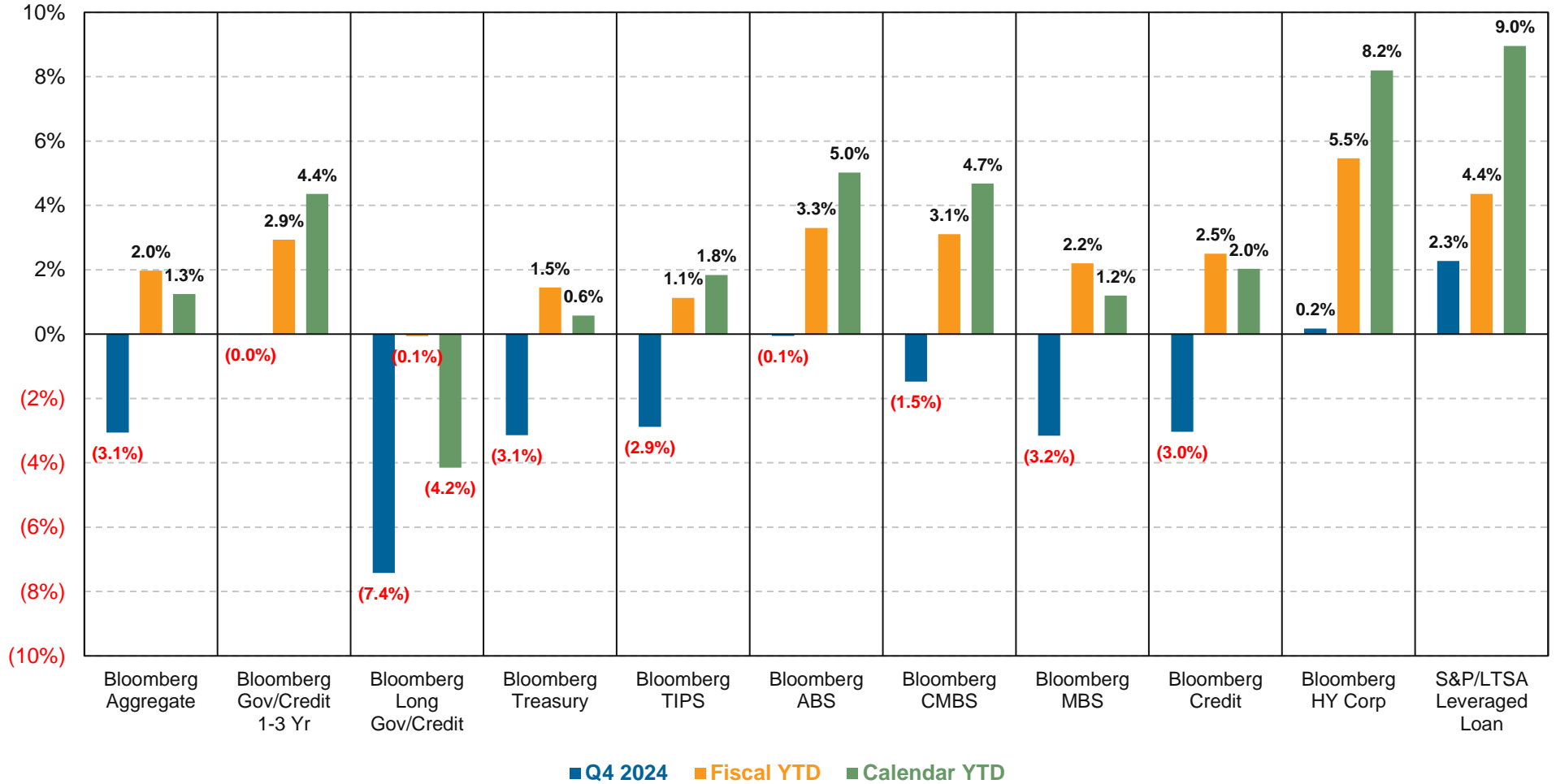
Returns for Periods Ended December 31, 2024



Source: MSCI

U.S. Fixed Income Market Snapshot: Q4 2024

Returns for Periods Ended December 31, 2024



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

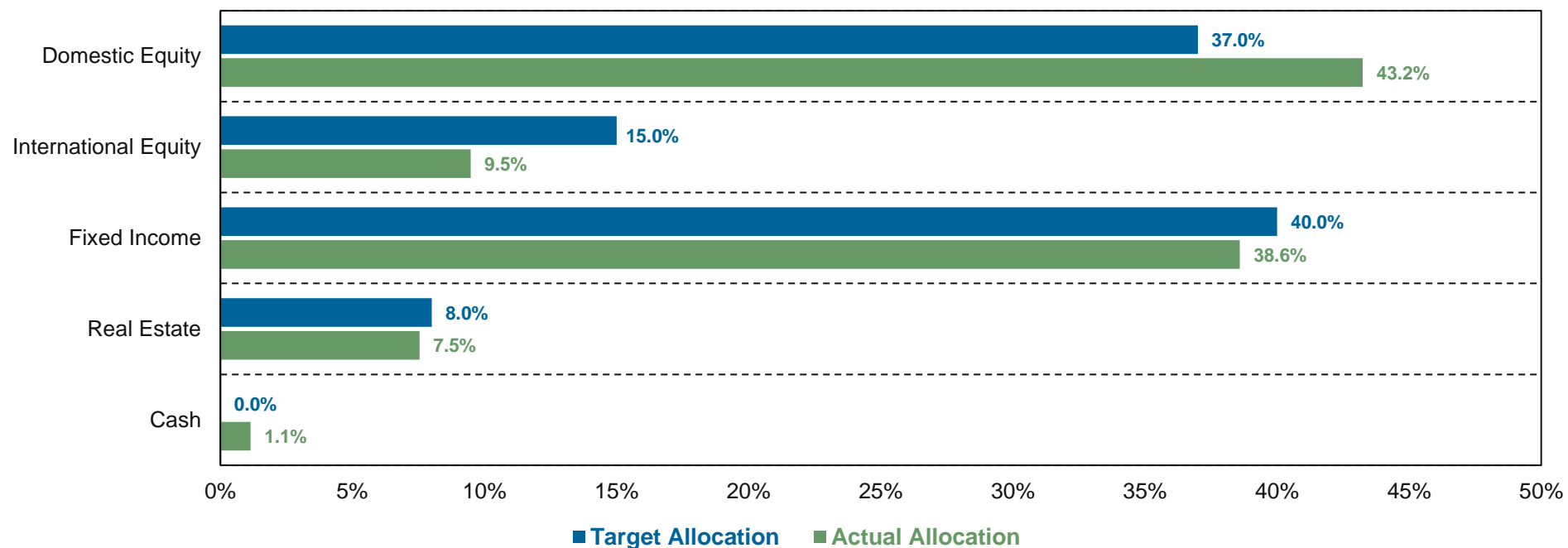
Callan



AJRS Portfolio Review

Actual vs. Target Asset Allocation

December 31, 2024

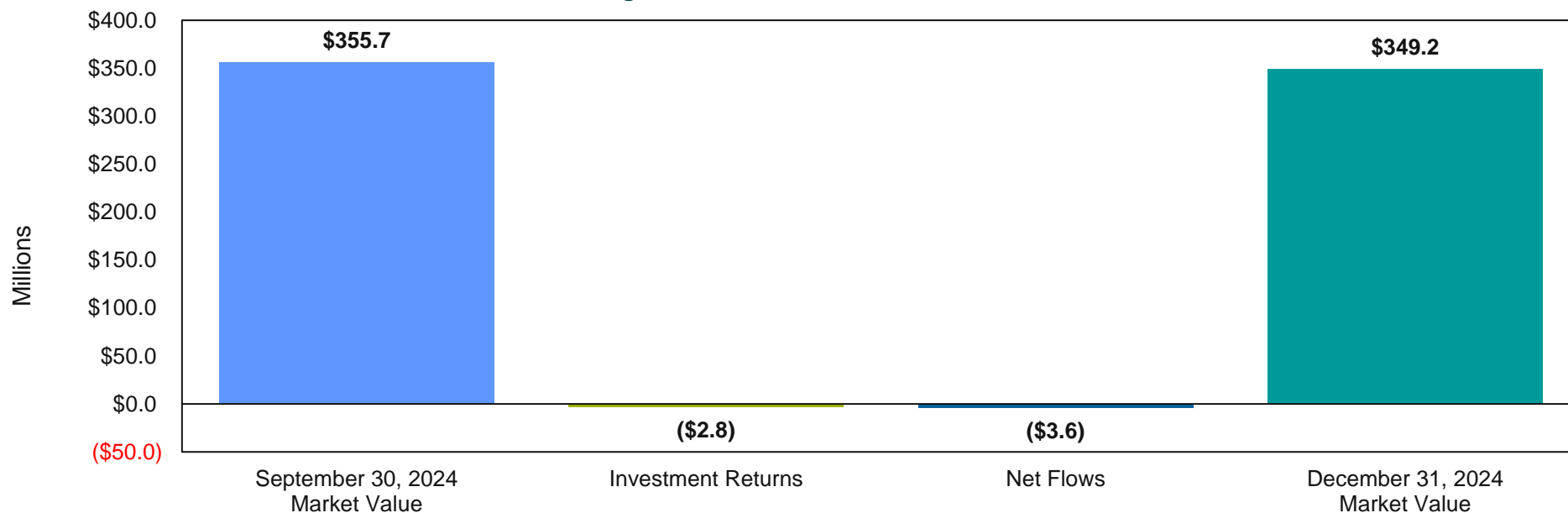


Asset Class	\$000s Actual	Weight Actual	Min. Target	Target	Max. Target
Domestic Equity	151,037	43.2%	32.0%	37.0%	42.0%
International Equity	33,088	9.5%	10.0%	15.0%	20.0%
Fixed Income	134,781	38.6%	35.0%	40.0%	45.0%
Real Estate	26,345	7.5%	3.0%	8.0%	13.0%
Cash	3,996	1.1%	0.0%	0.0%	5.0%
Total	349,247	100.0%		100.0%	

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

Total Fund Asset Summary

Changes in Total Fund Assets – Q4 2024



	Beginning Market Value	+	Investment Gain/(Loss)	+	Net Flows	=	Ending Market Value
Q4 2024 (9/30/24 – 12/31/24)	\$355,691,824	+	(\$2,826,700)	+	(\$3,618,404)	=	\$349,246,720
Fiscal YTD (6/30/24 – 12/31/24)	\$334,827,022	+	\$14,999,306	+	(\$579,610)	=	\$349,246,720

Total Fund Performance

December 31, 2024

Returns for Periods Ended December 31, 2024

Group: Callan Public Fd Mid DB

	Q4 2024	Last Year	Last 3 Years	Last 5 Years	Last 10 Years	Last 20 Years
10th Percentile	0.52%	12.94%	4.47%	8.38%	8.21%	7.47%
25th Percentile	(0.72%) ←	11.78%	3.53%	7.75%	7.70%	7.22%
Median	→ (1.29%)	→ 10.20%	2.80%	7.07%	7.27%	6.93%
75th Percentile	(1.65%)	8.81%	→ 1.84%	→ 6.16%	→ 6.68%	→ 6.59%
90th Percentile	(2.10%)	7.52%	← 0.97%	5.51%	6.03%	6.19%
Total Fund	(0.80%) (26)	10.63% (39)	1.42% (83)	6.45% (65)	6.93% (62)	6.82% (62)
Benchmark	(1.31) (51)	9.75 (54)	2.16 (67)	6.27 (72)	6.69 (75)	6.57 (77)
Peer Universe Constituents	121	121	118	118	111	72

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

Asset Class Performance and Market Values

December 31, 2024

	Market Value \$(Dollars)	Ending Weight	4Q 2024	Fiscal YTD	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
Domestic Equity Russell:3000 Index	\$151,037,320	43.25%	2.34% 2.63%	7.63% 9.03%	22.04% 23.81%	7.98% 8.01%	13.99% 13.86%	12.17% 12.55%
International Equity Intl Equity Benchmark*	\$33,087,826	9.47%	(7.02%) (7.50%)	1.27% 0.05%	4.32% 6.09%	(7.63%) 1.35%	1.54% 4.61%	4.38% 5.32%
Fixed Income Blmbg:Aggregate	\$134,780,926	38.59%	(2.54%) (3.06%)	2.88% 1.98%	4.64% 1.25%	(1.05%) (2.41%)	1.44% (0.33%)	2.66% 1.35%
Real Estate NCREIF:NFI-ODCE Eq Wt Net	\$26,344,620	7.54%	(1.00%) 0.85%	(1.00%) 0.78%	(5.60%) (2.43%)	(3.68%) (3.11%)	1.26% 2.24%	5.35% 5.25%
Cash & Equivalents 3 Month T-Bill	\$3,996,028	1.14%	0.83% 1.17%	2.16% 2.55%	4.89% 5.25%	3.81% 3.89%	2.36% 2.46%	1.74% 1.77%
Total Fund Total Fund Benchmark	\$349,246,720	100.0%	(0.80%) (1.31%)	4.41% 4.22%	10.63% 9.75%	1.42% 2.16%	6.45% 6.27%	6.93% 6.69%

* Benchmark definitions included in the Appendix.

Investment Manager Returns and Peer Group Rankings

December 31, 2024

	Q4 2024	Fiscal YTD	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
Domestic Equity	2.34%	7.63%	22.04%	7.98%	13.99%	12.17%
Russell 3000 Index	2.63%	9.03%	23.81%	8.01%	13.86%	12.55%
S&P 500 Index	2.41%	8.44%	25.02%	8.94%	14.53%	13.10%
Mellon Russell 1000 Growth Idx	7.07% (16)	10.49% (14)	33.47% (24)	10.36% (18)	18.81% (12)	--
Russell:1000 Growth	7.07% (16)	10.49% (14)	33.36% (24)	10.47% (17)	18.96% (9)	16.78% (10)
Callan Large Cap Growth	5.32%	8.20%	29.91%	8.42%	16.43%	15.41%
Boston Partners	(0.60%) (33)	5.46% (71)	17.10% (30)	8.84% (28)	11.81% (21)	10.15% (25)
Russell:1000 Value	(1.98%) (72)	7.26% (35)	14.37% (55)	5.63% (77)	8.68% (85)	8.49% (87)
Callan Large Cap Value	(1.25%)	6.66%	15.41%	7.24%	10.45%	9.46%
Aristotle Capital Boston	(0.29%) (60)	7.14% (72)	9.86% (66)	2.28% (64)	7.18% (88)	--
Russell:2000 Index	0.33% (1)	9.64% (1)	11.54% (10)	1.24% (59)	7.40% (13)	7.82% (11)
Callan Small Cap Core	0.15%	9.12%	11.73%	3.14%	9.58%	9.37%
International Equity	(7.02%)	1.27%	4.32%	(7.63%)	1.54%	4.38%
Intl Equity Benchmark	(7.50%)	0.05%	6.09%	1.35%	4.61%	5.32%

- Note: Baillie Gifford International Equity was terminated during the 4th quarter of 2024 and replaced by Conor Clark & Lund (CC&L) International Equity. CC&L's first quarter of performance will be reflected in the 1Q 2025 report.

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

Investment Manager Returns and Peer Group Rankings

December 31, 2024

	Q4 2024	Fiscal YTD	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
Fixed Income	(2.54%)	2.88%	4.64%	(1.05%)	1.44%	2.66%
Blmbg:Aggregate	(3.06%)	1.98%	1.25%	(2.41%)	(0.33%)	1.35%
MacKay Shields LLC	(2.54%) (22)	2.88% (10)	4.64% (2)	(1.05%) (15)	1.44% (15)	2.66% (24)
Blmbg:Aggregate	(3.06%) (80)	1.98% (91)	1.25% (95)	(2.41%) (88)	(0.33%) (98)	1.35% (100)
Callan Core Plus FI	(2.76%)	2.44%	2.74%	(1.59%)	0.78%	2.31%
Real Estate	(1.00%)	(1.00%)	(5.60%)	(3.68%)	1.26%	5.35%
NCREIF NFI ODCE Eq Wt Net	0.85% (14)	0.78% (98)	(2.43%) (100)	(3.11%) (100)	2.24% (100)	5.25% (100)
Invesco Core Real Estate	(1.00%) (96)	(1.00%) (86)	(5.60%) (89)	(3.68%) (68)	1.26% (77)	5.35% (59)
NCREIF NFI ODCE Eq Wt Net	0.85% (33)	0.78% (41)	(2.43%) (64)	(3.11%) (67)	2.24% (56)	5.25% (61)
Callan OE Core Cmngld RE	0.72%	0.48%	(1.72%)	(1.95%)	2.55%	5.49%
Total Fund	(0.80%) (26)	4.41% (36)	10.63% (39)	1.42% (83)	6.45% (65)	6.93% (62)
Total Fund Benchmark	(1.31%) (51)	4.22% (47)	9.75% (54)	2.16% (67)	6.27% (72)	6.69% (75)
Callan Public Fd Mid DB	(1.29%)	4.08%	10.20%	2.80%	7.07%	7.27%

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

Organizational Developments

4th Quarter 2024

Mellon Investments Corporation – Passive Large Cap Growth Equity

January 2025 – Mellon Investments Corporation informed Callan of its plan to close the San Francisco office, which has housed passive index investment professionals. Employees may relocate to Mellon's Pittsburgh office and must decide by the end of February. Those accepting the offer have until Q3 2026 to move. Head of Index Stephanie Hill has accepted and will relocate. The remaining 16 team members have not disclosed their plans. Callan will monitor the decisions of remaining team members.

No action required.

Work Plan Update

Annual Work Plan

Agenda Item	Frequency	Last Completed	Scheduled Review
Performance Measurement Reports	Quarterly	03/2025	06/2025
Quarterly Board Meetings	Quarterly	03/2025	06/2025
Customized Board Education Sessions	As Needed		
Investment Policy Statement Review	Annual	02/2024	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

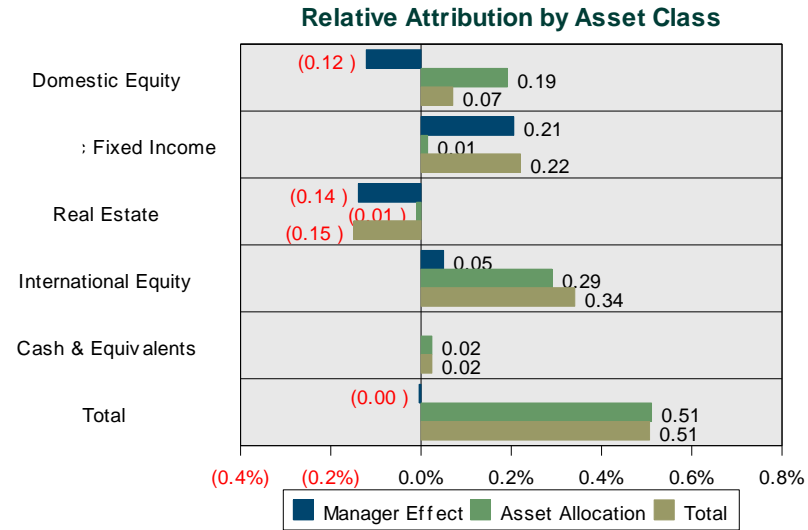
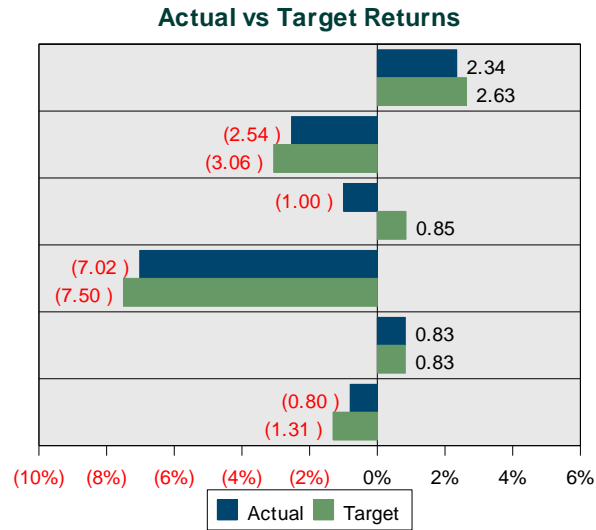
1. **Total Fund Benchmark (Target):** Blend of asset class benchmarks at policy weights.

	<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 – Q4 2024

December 31, 2024



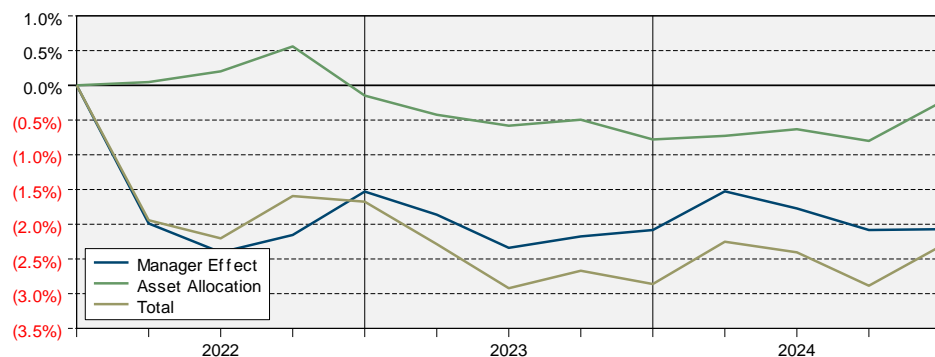
Asset Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Asset Allocation	Total Relative Return
Domestic Equity	42%	37%	2.34%	2.63%	(0.12)%	0.19%	0.07%
Fixed Income	39%	40%	(2.54)%	(3.06)%	0.21%	0.01%	0.22%
Real Estate	8%	8%	(1.00)%	0.85%	(0.14)%	(0.01)%	(0.15)%
International Equity	10%	15%	(7.02)%	(7.50)%	0.05%	0.29%	0.34%
Cash & Equivalents	1%	0%	0.83%	0.83%	0.00%	0.02%	0.02%
Total			(0.80)%	(1.31)%	(0.00)%	0.51%	0.51%

Benchmark definitions included in the Appendix.

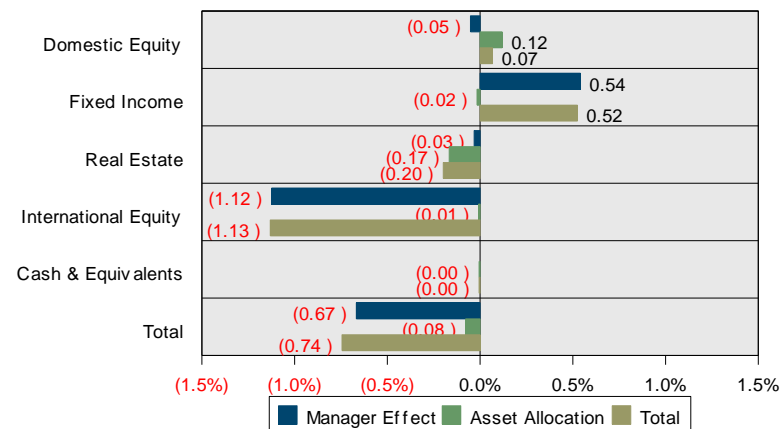
Total Fund Relative Attribution – 3 Years

December 31, 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%	7.98%	8.01%	(0.05%)	0.12%	0.07%
Fixed Income	40%	40%	(1.05%)	(2.41%)	0.54%	(0.02%)	0.52%
Real Estate	9%	8%	(3.68%)	(3.11%)	(0.03%)	(0.17%)	(0.20%)
International Equity	11%	15%	(7.63%)	1.35%	(1.12%)	(0.01%)	(1.13%)
Cash & Equivalents	0%	0%	3.81%	3.81%	0.00%	(0.00%)	(0.00%)
Total			1.42%	2.16%	(0.67%)	(0.08%)	(0.74%)

Benchmark definitions included in the Appendix.

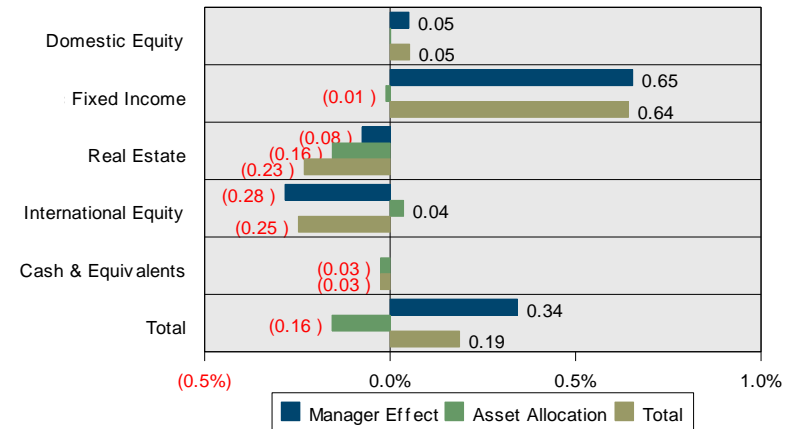
Total Fund Relative Attribution – 5 Years

December 31, 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%	13.99%	13.86%	0.05%	0.00%	0.05%
Fixed Income	39%	40%	1.44%	(0.33%)	0.65%	(0.01%)	0.64%
Real Estate	9%	8%	1.26%	2.24%	(0.08%)	(0.16%)	(0.23%)
International Equity	13%	15%	1.54%	4.61%	(0.28%)	0.04%	(0.25%)
Cash & Equivalents	0%	0%	2.36%	2.36%	0.00%	(0.03%)	(0.03%)
Total			6.45%	6.27%	+ 0.34%	+ (0.16%)	0.19%

Benchmark definitions included in the Appendix.

Asset Distribution Across Investment Managers

December 31, 2024

	December 31, 2024				September 30, 2024	
	Market Value	Weight	Net New Inv.	Inv. Return	Market Value	Weight
Domestic Equity	\$151,037,320	43.25%	\$(135,498)	\$3,459,567	\$147,713,251	41.53%
Mellon Russell 1000 Growth Index	59,733,760	17.10%	(5,319)	3,945,838	55,793,240	15.69%
Boston Partners	70,555,097	20.20%	(88,505)	(425,293)	71,068,895	19.98%
Aristotle Capital Boston	20,748,463	5.94%	(41,674)	(60,978)	20,851,115	5.86%
International Equity	\$33,087,826	9.47%	\$(3,438,686)	\$(2,571,479)	\$39,097,991	10.99%
Baillie Gifford Intl Choice Fd	0	0.00%	(28,438,425)	(1,099,142)	29,537,567	8.30%
CC&L Q Intl Equity	29,416,183	8.42%	30,000,000	(583,817)	-	-
Mellon ACWI ex US Fund	3,671,643	1.05%	(5,000,261)	(888,520)	9,560,424	2.69%
Fixed Income	\$134,780,926	38.59%	\$(103,165)	\$(3,510,311)	\$138,394,402	38.91%
MacKay Shields LLC	134,780,926	38.59%	(103,165)	(3,510,311)	138,394,402	38.91%
Real Estate	\$26,344,620	7.54%	\$(56,091)	\$(265,346)	\$26,666,057	7.50%
Invesco Core Real Estate	26,344,620	7.54%	(56,091)	(265,346)	26,666,057	7.50%
Cash & Equivalents	\$3,996,028	1.14%	\$115,037	\$60,868	\$3,820,123	1.07%
AJRS Cash Account	3,996,028	1.14%	115,037	60,868	3,820,123	1.07%
Total Fund	\$349,246,720	100.0%	\$(3,618,405)	\$(2,826,700)	\$355,691,824	100.0%

Investment Manager Returns – Net of Fees

December 31, 2024

	Q4 2024	Last Year	Last 3 Years	Last 5 Years	Last 10 Years
NET OF FEE RETURNS					
Domestic Equity					
Mellon Russell 1000 Growth Index	7.06%	33.41%	10.32%	18.77%	-
Russell 1000 Growth Index	7.07%	33.36%	10.47%	18.96%	16.78%
Boston Partners Russell 1000 Value Index	(0.72%) (1.98%)	16.51% 14.37%	8.26% 5.63%	11.22% 8.68%	9.56% 8.49%
Aristotle Capital Boston Russell 2000 Index	(0.49%) 0.33%	8.98% 11.54%	1.46% 1.24%	6.32% 7.40%	- 7.82%
Domestic Fixed Income					
MacKay Shields LLC Blmbg Aggregate Index	(2.61%) (3.06%)	4.33% 1.25%	(1.34%) (2.41%)	1.14% (0.33%)	2.36% 1.35%
Real Estate					
Invesco Core Real Estate NFI-ODCE Equal Weight Net	(1.21%) 0.85%	(5.98%) (2.43%)	(4.00%) (3.11%)	0.95% 2.24%	4.84% 5.25%
Total Fund	(0.88%)	10.26%	1.07%	6.09%	6.49%
Total Fund ex Cash	(0.91%)	10.29%	1.06%	6.13%	6.53%
Target Benchmark*	(1.31%)	9.75%	2.16%	6.27%	6.69%

Benchmark definitions included in the Appendix.

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