FELRA and UFCW Pension Fund

Master Consulting Services Report

Period Ended
June 30, 2022

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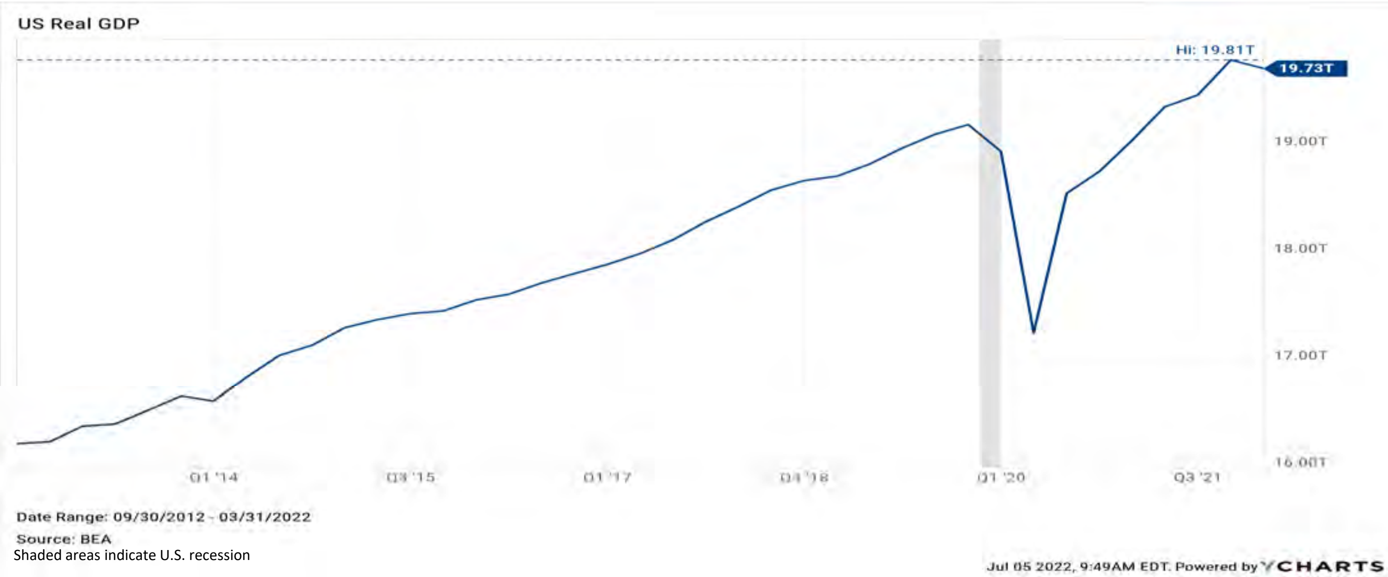
Market Discussion 2Q | 2022

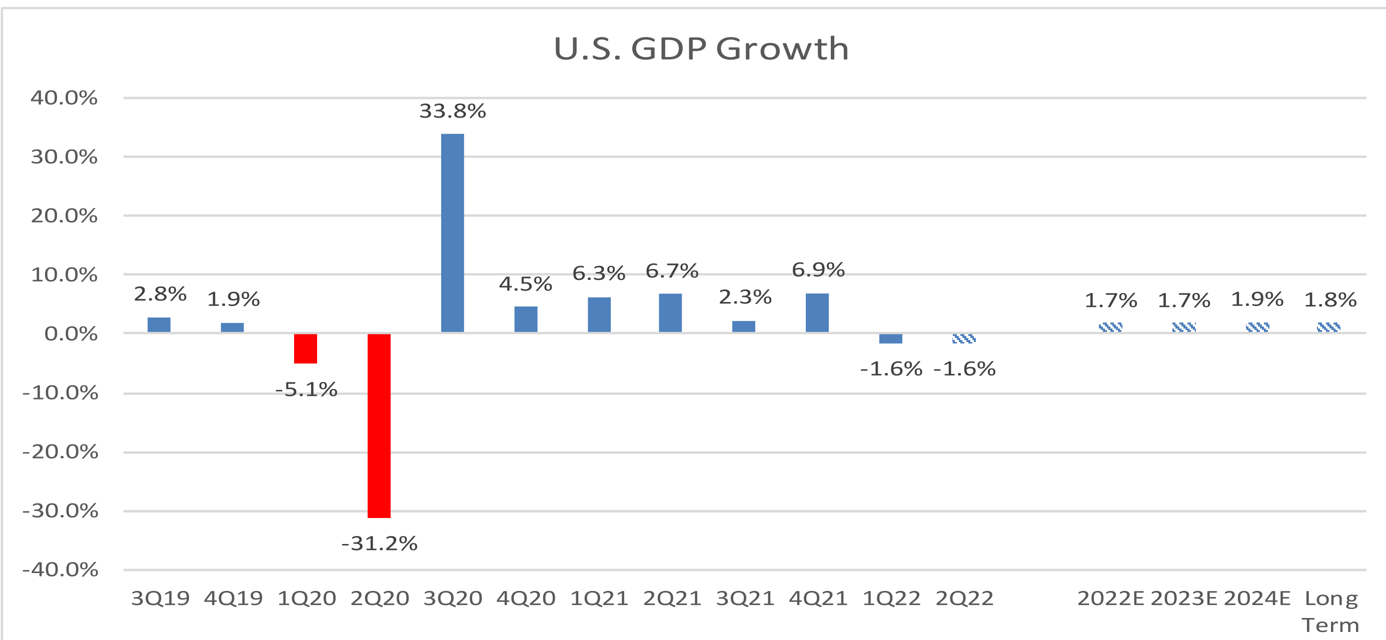
Financial Market Performance

Periods Ending June 30, 2022

Strategy	Sector	Index	QTR	YTD	2021	2020	2019	2018	2017	1-Yr	3-Yr	5-Yr	10-Yr	20-Yr
Stocks	US Large Cap	S&P 500	-16.1%	-20.0%	28.7%	18.4%	31.5%	-4.4%	21.8%	-10.6%	10.6%	11.3%	13.0%	8.6%
	US Small Cap	Russell 2000	-17.2%	-23.4%	14.8%	20.0%	25.5%	-11.0%	14.6%	-25.2%	4.2%	5.2%	9.4%	7.9%
	All Country	MSCI All Country World (net)	-15.7%	-20.2%	18.5%	16.3%	26.6%	-9.4%	24.0%	-15.8%	6.2%	7.0%	8.8%	6.9%
	Non-US Developed	MSCI EAFE (net)	-14.5%	-19.6%	11.3%	7.8%	22.0%	-13.8%	25.0%	-17.8%	1.1%	2.2%	5.4%	5.0%
	Emerging Markets	MSCI EM (net)	-11.4%	-17.6%	-2.5%	18.3%	18.4%	-14.6%	37.3%	-25.3%	0.6%	2.2%	3.1%	8.0%
	Int'l Small Cap	MSCI EAFE Small Cap (net)	-17.7%	-24.7%	10.1%	12.3%	25.0%	-17.9%	33.0%	-24.0%	1.1%	1.7%	7.2%	7.6%
Bonds	Treasury	Bloomberg US Govt	-3.7%	-9.0%	-2.3%	7.9%	6.8%	0.9%	2.3%	-8.8%	-0.8%	0.8%	1.0%	3.2%
	Broad Market	Bloomberg Aggregate	-4.7%	-10.3%	-1.5%	7.5%	8.7%	0.0%	3.5%	-10.3%	-0.9%	0.9%	1.5%	3.6%
	Intermediate	Bloomberg Gov/Credit Int.	-2.4%	-6.8%	-1.4%	6.4%	6.8%	0.9%	2.1%	-7.3%	-0.2%	1.1%	1.5%	3.3%
	High Yield	Bloomberg HY BaB 2% IC	-9.4%	-13.9%	4.7%	7.7%	15.2%	-1.9%	6.9%	-12.5%	0.5%	2.3%	4.4%	6.8%
	Short Duration HY	ICE BofA 1-3 Yrs BB US Cash Pay HY	-3.7%	-6.3%	3.2%	5.4%	8.7%	1.4%	3.6%	-5.4%	1.7%	2.6%	3.7%	5.2%
	Global Bonds	FTSE WGBI	-8.9%	-14.8%	-7.0%	10.1%	5.9%	-0.8%	7.5%	-16.8%	-4.3%	-1.2%	-0.7%	3.2%
GTAA	Unconstrained	65% MSCI World /35% FTSE WGBI	-13.6%	-18.5%	11.0%	14.6%	19.9%	-5.8%	17.0%	-15.1%	3.5%	4.9%	6.1%	6.2%
Real Estate	Core	NCREIF ODCE Equal Weighted (net)	4.4%	12.5%	21.9%	0.8%	5.2%	7.3%	6.9%	28.9%	12.3%	10.1%	10.5%	7.7%
Hedge Fund of Funds	Diversified FOFs	HFRI FOF Composite	-4.1%	-6.7%	6.2%	10.9%	8.4%	-4.0%	7.8%	-5.7%	3.9%	3.6%	3.7%	3.4%
	Equity Long-Short	HFRI Equity Hedge	-8.0%	12.0%	11.7%	17.9%	13.7%	-7.1%	13.3%	-12.2%	6.5%	5.5%	5.9%	5.2%
Commodities	Commodities	Goldman Sachs Commodity	2.0%	35.8%	40.4%	-23.7%	17.6%	-13.8%	5.8%	45.0%	14.7%	11.7%	-1.8%	0.9%

U.S. Economy



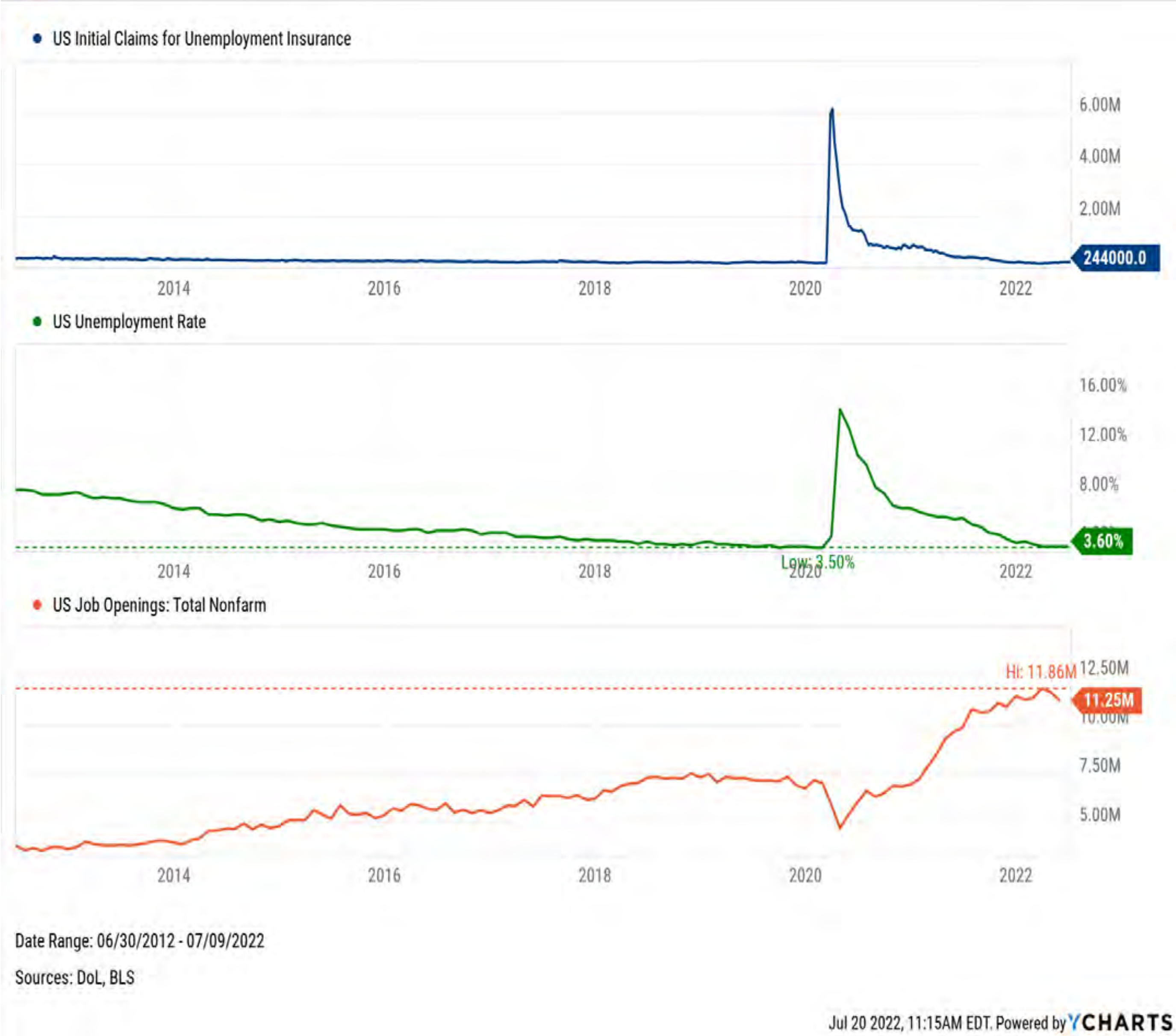


U.S. Economic Growth Turns Negative

- U.S. GDP fell by 1.6% annualized in Q1 2022, marking the first quarterly decline in GDP since the COVID-induced 2020 recession.
- The decline was driven by a widening trade deficit, which detracted 3.2% from economic growth in the quarter.
- The Q1 report reflected a build up of business inventories driven by lower than expected consumer spending.
- While consensus forecast is for GDP growth to return to positive territory in Q2, the July 19th estimate from the Atlanta Federal Reserve GDPNow model projects the U.S. economy contracted by 1.6% in the second quarter.
- In the most recent projections, the Federal Reserve foresees GDP growth at 1.7% in 2022 and 2023, 1.9% in 2024, and 1.8% over the long-term.

Sources: U.S. Bureau of Economic Analysis, Federal Reserve, Atlanta Federal Reserve

U.S. Economy



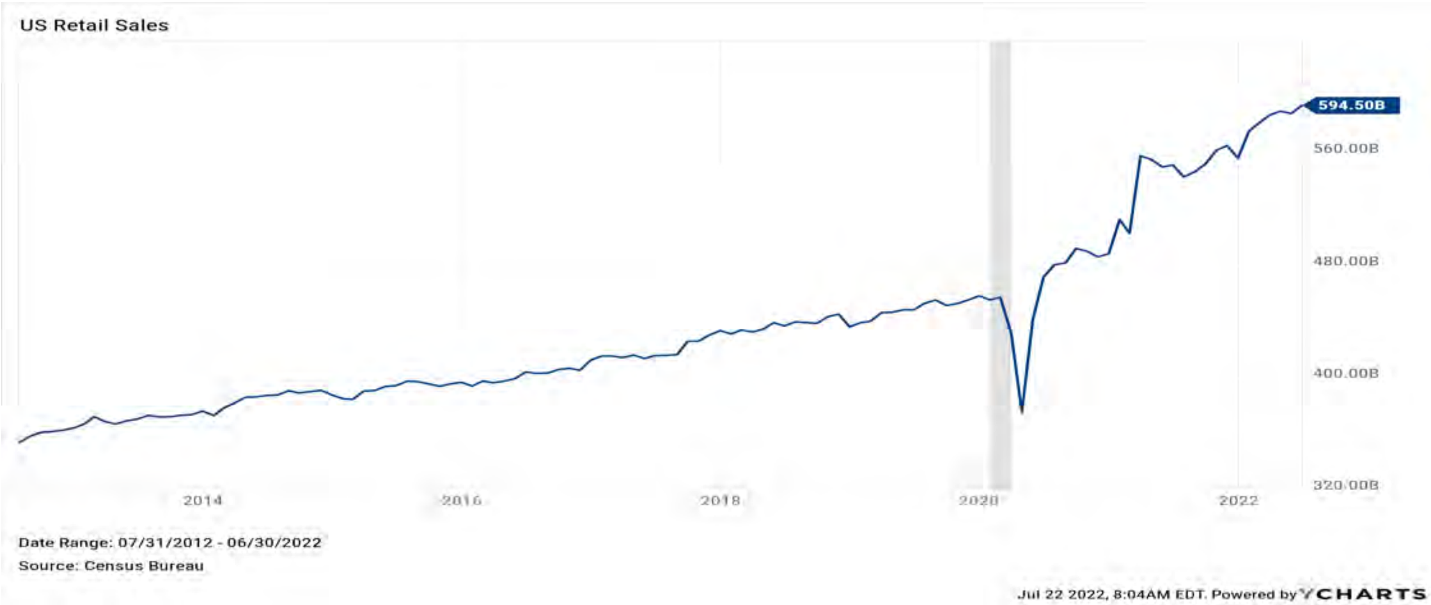
Employment Remains Robust

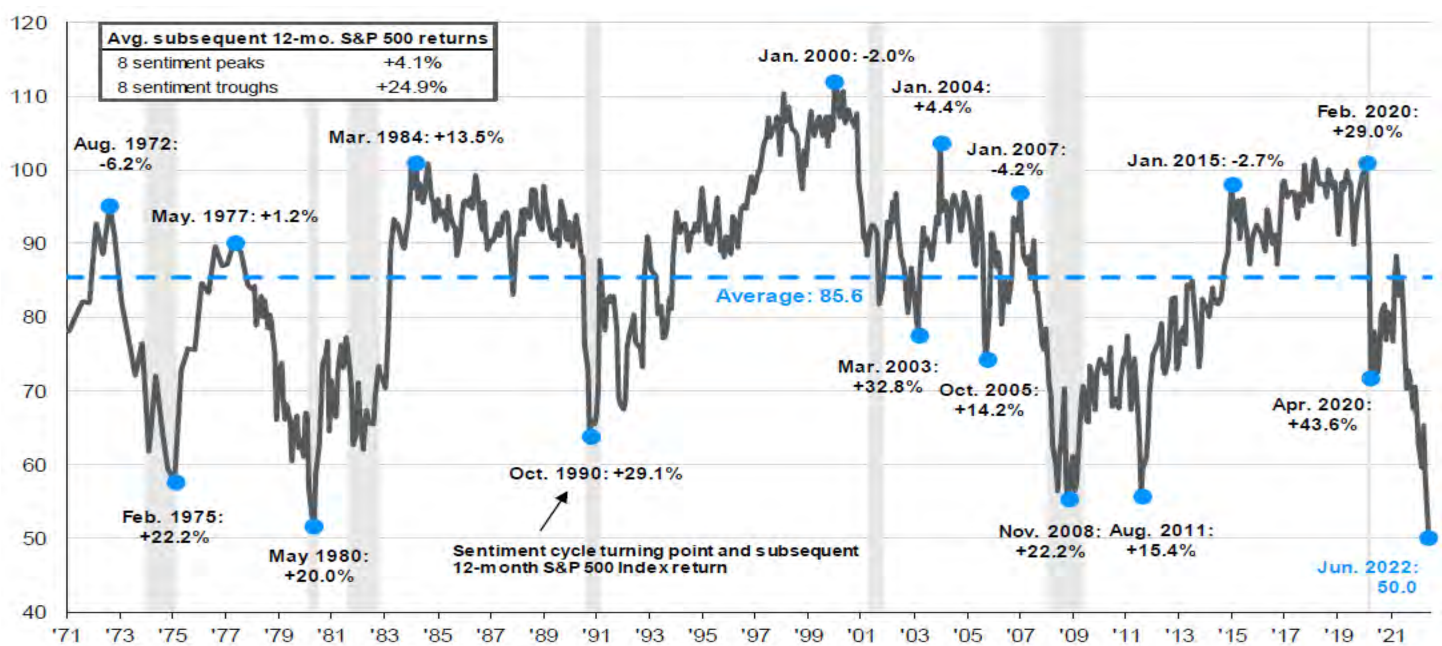
- While off the recent lows, initial unemployment claims remain below historical levels. The unemployment rate has remained at 3.6% for the last four months, slightly above the pre-pandemic low of 3.5%.

- Employers added 372,000 jobs in June, ahead of estimates of 250,000, suggesting it is unlikely the U.S. economy has entered a recession despite negative GDP growth in Q1 and potentially in Q2.

- Job openings in the U.S. remain elevated at 11.3 million compared to 5.9 million unemployed in the labor force. Workers benefited from the disparity between job openings and unemployed workers as wages increased by 5.1% over the last year as inflation continues to apply upward pressure on wages.

U.S. Economy



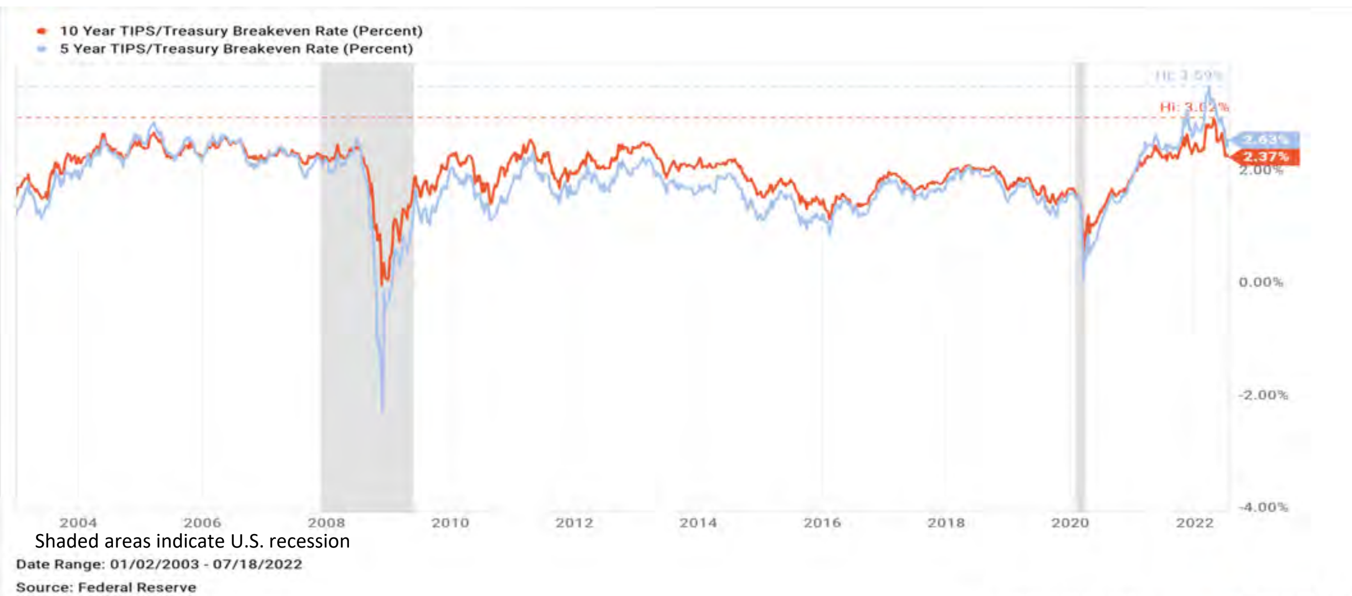


Sources: JP Morgan Guide to the Market

Retail Sales Slow When Adjusted for Inflation; Consumer Sentiment at All-Time Low

- Retail sales dipped slightly in May before growing by 1.0% in June.
- Growth was broad-based across categories; however, retail sales numbers are not adjusted for inflation. Therefore, June retail sales were actually negative on a real basis.
- The University of Michigan Consumer Sentiment Index fell to its lowest level on record in June. The index has been in existence since 1952.
- Concerns regarding rising inflation have been the primary cause of increasing consumer pessimism in 2022.
- Historically, the S&P 500 has performed well following a trough in consumer sentiment, returning 24.9% on average over the subsequent 12 months

U.S. Economy



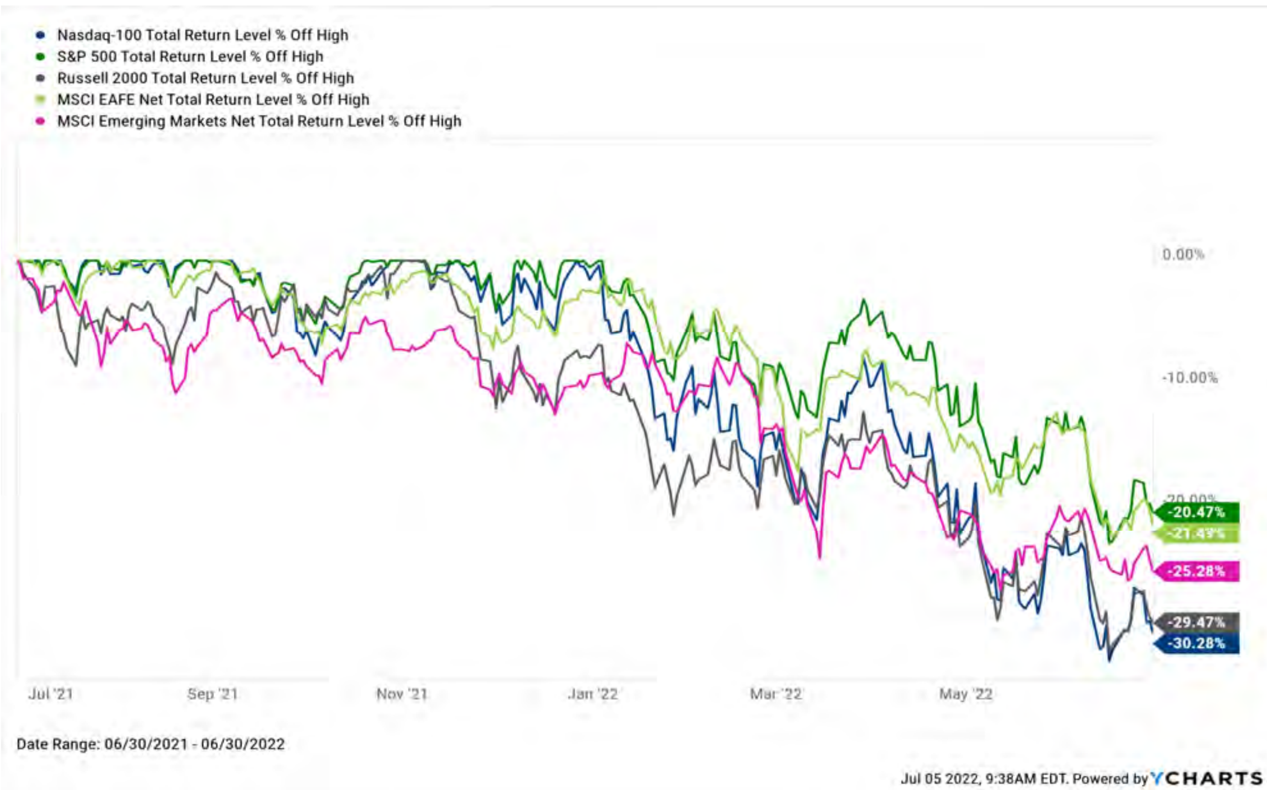
Shaded areas indicate U.S. recession

Inflation Surges to Highest Level Since Early 1980s

- Year-over-year CPI increased by 9.1% in June and has now exceeded 5% for 13 consecutive months.
- While price increases were broad-based, the largest contributors were gasoline, food, and rent. Excluding food and energy, core inflation increased by 5.9% vs. a year ago, down from peak year-over-year growth of 6.4% in March.
- Core Personal Consumption Expenditures, the Fed's preferred inflation measure, increased by 4.7% over the last year through May, down from the peak year-over-year growth of 5.3% in February.
- Despite surging inflation numbers, future inflation expectations, as measured by the 5- and 10-year breakeven inflation rate, are well off recent highs.

U.S. Equity Market

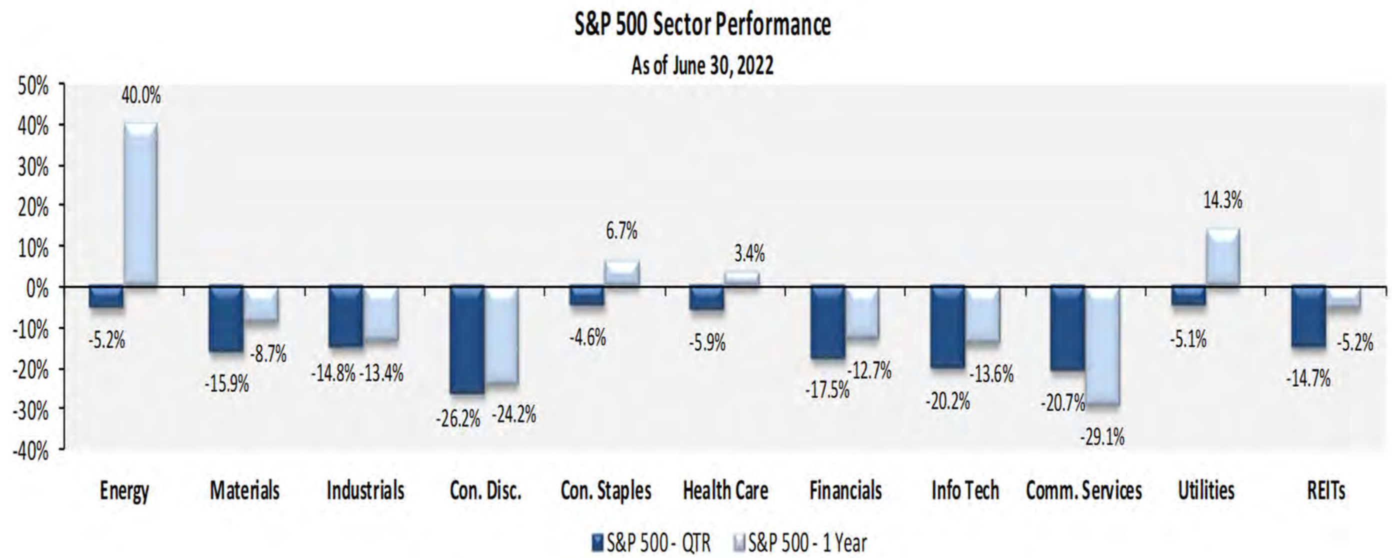
Sector	Index	2Q22	YTD	2021	2020	2019	2018	2017	1-Year	3-Year	5-Year	10-Year
Large Cap	S&P 500	-16.1%	-20.0%	28.7%	18.4%	31.5%	-4.4%	21.8%	-10.6%	10.6%	11.3%	13.0%
	Russell 1000	-16.7%	-20.9%	26.5%	21.0%	31.4%	-4.8%	21.7%	-13.0%	10.2%	11.0%	12.8%
	Russell 1000 Value	-12.2%	-12.9%	25.2%	2.8%	26.5%	-8.3%	13.7%	-6.8%	6.9%	7.2%	10.5%
	Russell 1000 Growth	-20.9%	-28.1%	27.6%	38.5%	36.4%	-1.5%	30.2%	-18.8%	12.6%	14.3%	14.8%
Mid Cap	Russell Mid-Cap	-16.8%	-21.6%	22.6%	17.1%	30.5%	-9.1%	18.5%	-17.3%	6.6%	8.0%	11.3%
	Russell Mid-Cap Value	-14.7%	-16.2%	28.3%	5.0%	27.1%	-12.3%	13.3%	-10.0%	6.7%	6.3%	10.6%
	Russell Mid-Cap Growth	-21.1%	-31.0%	12.7%	35.6%	35.5%	-4.8%	25.3%	-29.6%	4.3%	8.9%	11.5%
Small Cap	Russell 2000	-17.2%	-23.4%	14.8%	20.0%	25.5%	-11.0%	14.6%	-25.2%	4.2%	5.2%	9.4%
	Russell 2000 Value	-15.3%	-17.3%	28.3%	4.6%	22.4%	-12.9%	7.8%	-16.3%	6.2%	4.9%	9.1%
	Russell 2000 Growth	-19.3%	-29.5%	2.8%	34.6%	28.5%	-9.3%	22.2%	-33.4%	1.4%	4.8%	9.3%
Total Market	Wilshire 5000	-16.8%	-20.9%	26.7%	20.8%	31.0%	-5.3%	21.0%	-13.2%	10.2%	10.8%	12.7%
	Russell 3000	-16.7%	-21.1%	25.7%	20.9%	31.0%	-5.2%	21.1%	-13.9%	9.8%	10.6%	12.6%



- The S&P 500 declined 16% in Q2 2022, which is its fourth-worst quarter this millennium, behind only the worst quarters of the Global Financial Crisis, the Covid crisis (Q1 2020), and the end of the Dotcom bubble (Q3 2002).

- The S&P 500 registered its worst first half (-20%) since 1970 and its second-worst 1H since its formal inception in 1957. Soaring inflation, increasingly hawkish global central banks, the Russian-Ukrainian War, China lockdowns, food and energy shortages, and growing recession fears continue to be the primary headwinds driving the “risk-off” price action.

U.S. Equity Market

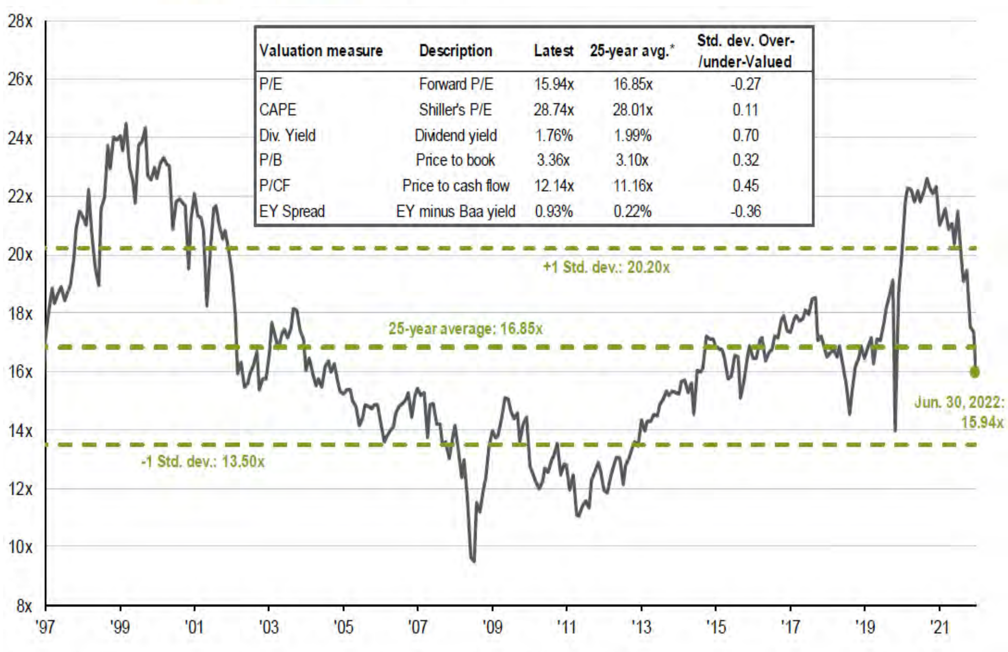


Investor & Main Street confidence has diverged from Wall Street

- All 11 sectors were lower in both 2Q22. Consumer staples and utilities were comparatively resilient.
- Energy is the lone S&P 500 sector in the green YTD (+32%); despite declining nearly 17% in June. Notable "standouts" YTD include Consumer Discretionary, with a 26% decline in Q2, its worst quarter since 1989, and Communications and Technology, each of which declined more than 20% in 2Q.
- Collectively, sell-side analysts remain confident that U.S. profitability will continue to be resilient despite inflationary pressures on margins as well as a potential economic slowdown. The progression of earnings estimate projections for the full year 2022 has not followed the typical pattern of declining estimates, as opposed to rising, as the year progresses.
- 2nd quarter earnings releases in late July and early August, and forward-looking management guidance will be especially pivotal for the near-term market outlook.

U.S. Equity Valuations Have Become More Compelling …if Forward Earnings are Valid

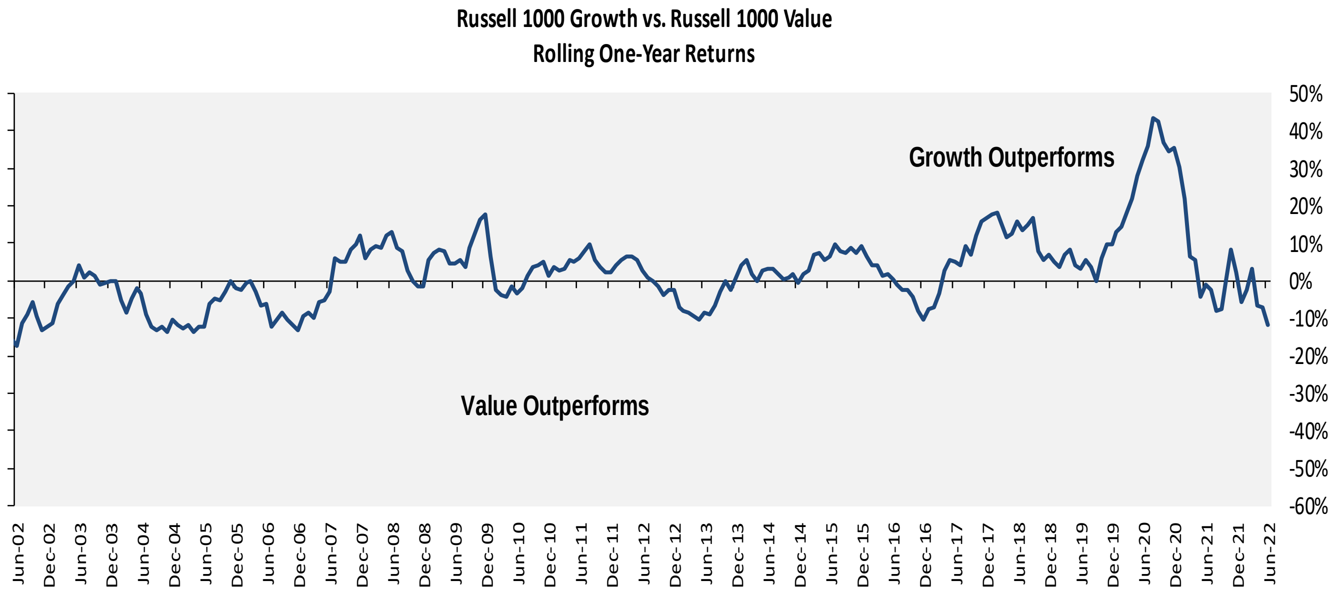
- The forward P/E of the S&P 500 declined from 21.2x at the start of 2022 to 15.9x at the end of Q2.
- As stock prices declined without analysts meaningfully lowering full-year guidance, the forward P/E of the S&P 500 is now below one standard deviation of its 25-year average.

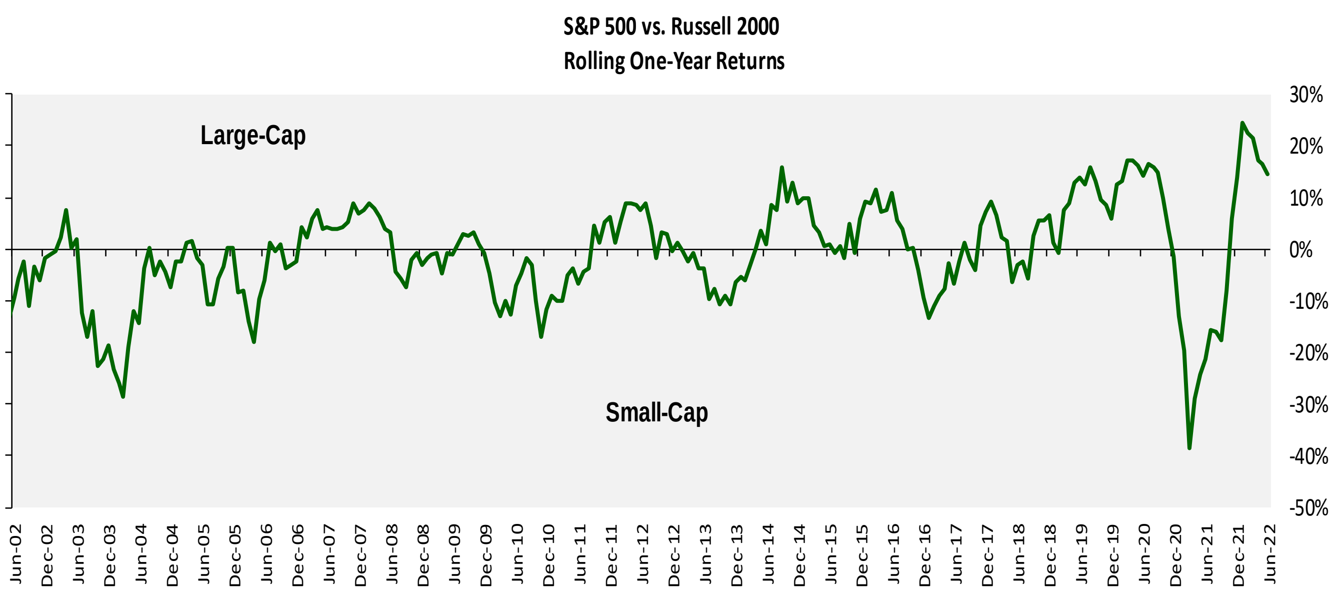


Valuation measure	Description	Latest	25-year avg.*	Std. dev. Over-/under-Valued
P/E	Forward P/E	15.94x	16.85x	-0.27
CAPE	Shiller's P/E	28.74x	28.01x	0.11
Div. Yield	Dividend yield	1.76%	1.99%	0.70
P/B	Price to book	3.36x	3.10x	0.32
P/CF	Price to cash flow	12.14x	11.16x	0.45
EY Spread	EY minus Baa yield	0.93%	0.22%	-0.36

Source: J.P. Morgan Asset Management

U.S. Equity Market



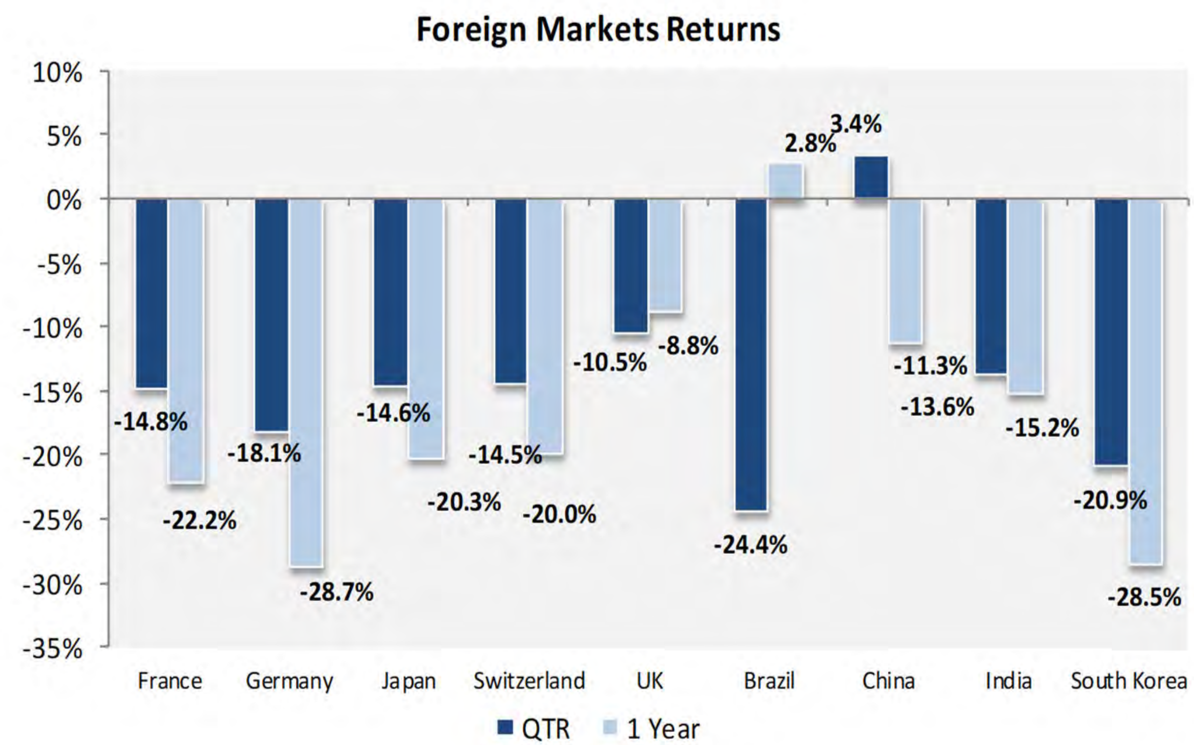


Value Outperforms Growth

- The Russell 1000 Large-Cap Value Index outperformed the Russell 1000 Large-Cap Growth Index by more than 15% through 1H 2022 marking Value’s second-best outperformance since the inception of the Russell indices in 1978. Value’s record outperformance took place in 2000 when the Value Index outperformed Growth by 28%, starting a streak of seven consecutive years of Value outperformance.
- While the major U.S. equity indexes sustained comparable losses for the quarter, 2Q extended a longer bearish pattern for small-cap stocks: a loss of 31.9% for the Russell 2000 from its last peak on 11/8/21 through the small-cap low on 6/16/22.
- From November 2021’s high through the mid-June low, the Russell 2000 Value was down 22.9% while the Russell 2000 Growth lost nearly twice that, falling 40.4%.

International Equity Market

Sector	Index	2Q22	YTD	2021	2020	2019	2018	2017	1-Year	3-Year	5-Year	10-Year
Global	MSCI AC World Index (net)	-15.7%	-20.2%	18.5%	16.3%	26.6%	-9.4%	24.0%	-15.8%	6.2%	7.0%	8.8%
	MSCI World Small Cap (net)	-17.2%	-22.6%	15.8%	16.0%	26.2%	-13.9%	22.7%	-22.0%	4.2%	4.8%	8.8%
	MSCI World ex US (net)	-14.7%	-18.8%	12.6%	7.6%	22.5%	-14.1%	24.2%	-16.8%	1.7%	2.7%	5.4%
	MSCI World ex US Small Cap (net)	-17.9%	-23.9%	11.1%	12.8%	25.4%	-18.1%	31.0%	-23.0%	2.0%	2.2%	6.7%
Developed ex US	MSCI EAFE (net)	-14.5%	-19.6%	11.3%	7.8%	22.0%	-13.8%	25.0%	-17.8%	1.1%	2.2%	5.4%
	MSCI EAFE Value (net)	-12.4%	-12.1%	10.9%	-2.6%	16.1%	-14.8%	21.4%	-11.9%	0.2%	0.5%	4.2%
	MSCI EAFE Growth (net)	-16.9%	-26.8%	11.3%	18.3%	27.9%	-12.8%	28.9%	-23.8%	1.3%	3.5%	6.3%
	MSCI EAFE Small Cap (net)	-17.7%	-24.7%	10.1%	12.3%	25.0%	-17.9%	33.0%	-24.0%	1.1%	1.7%	7.2%
Emerging Markets	MSCI Emerging Markets (net)	-11.4%	-17.6%	-2.5%	18.3%	18.4%	-14.6%	37.3%	-25.3%	0.6%	2.2%	3.1%



- 2Q 2022 saw further steep declines for European shares as the war in Ukraine continued and concerns mounted over potential gas shortages. Higher inflation is also denting consumer confidence, with the European Central Bank (ECB) poised to raise interest rates in July.
- The Japanese stock market ended lower for the quarter. The yen weakened sharply against the U.S. dollar, breaching the 130 level for the first time in 20 years.
- Emerging market equities experienced a fall in 2Q, with U.S. dollar strength a key headwind. This was despite outperforming developed market peers by a wide margin.
- China was the only emerging market to generate a positive return for the quarter. Prolonged lockdown measures in certain cities were eased and macroeconomic indicators began to pick up.

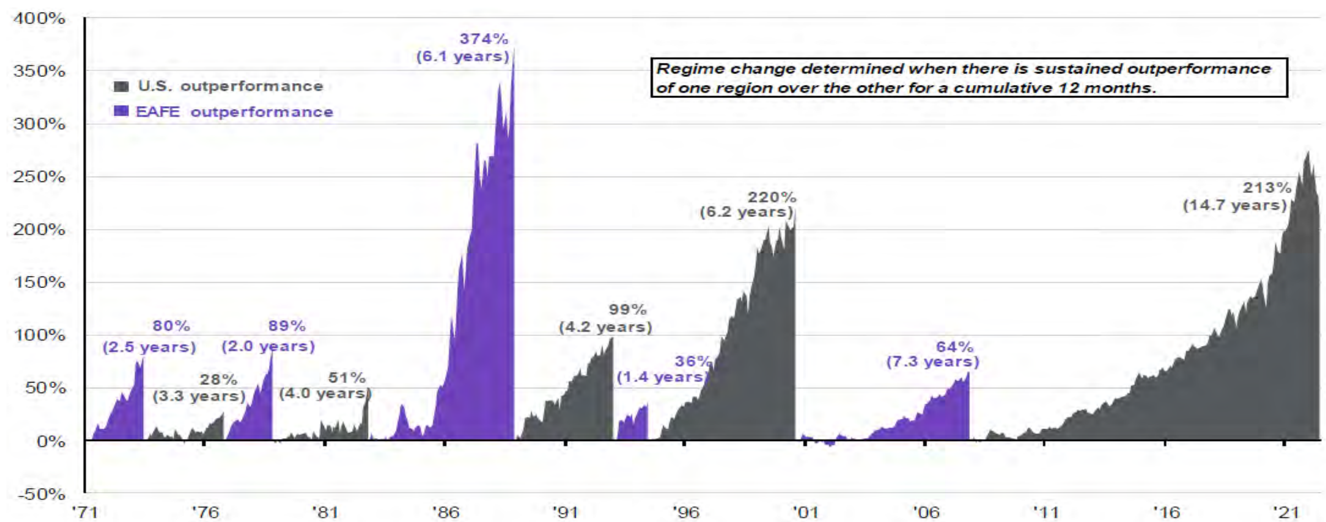
International Equity Market

U.S. Dollar Strength Persists

- The increasingly hawkish Federal Reserve, along with the global "risk-off" price action, led to a 10% gain in the U.S. Dollar Index (DXY). The Euro declined 8% in the 1H vs. the dollar, while the Japanese Yen was down 18%.
- While most global central banks are tightening monetary policy via rate hikes, the Bank of Japan (BoJ) is an outlier. To the detriment of its currency, the BoJ has implemented yield-curve control (YCC) by locking its long rate at 25bps.

Unprecedented Period of U.S. Equity Market Outperformance Continues

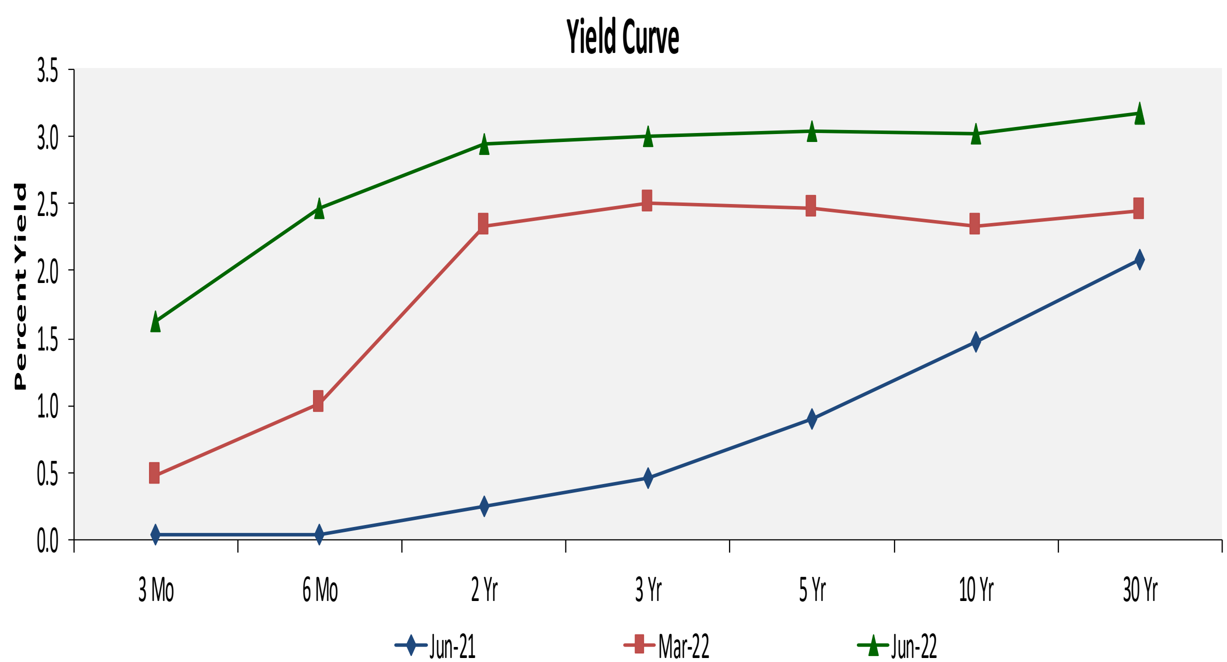
- U.S. equity markets outperformed developed non-U.S. markets by 213% cumulatively over the last 14.7 years.
- Notably, the current cycle represents the longest period of outperformance, as well as the greatest degree of U.S. outperformance, over the last 50 years. However, the magnitude is less than the period of non-U.S. outperformance in the late 1980s.



Source: J.P. Morgan Asset Management

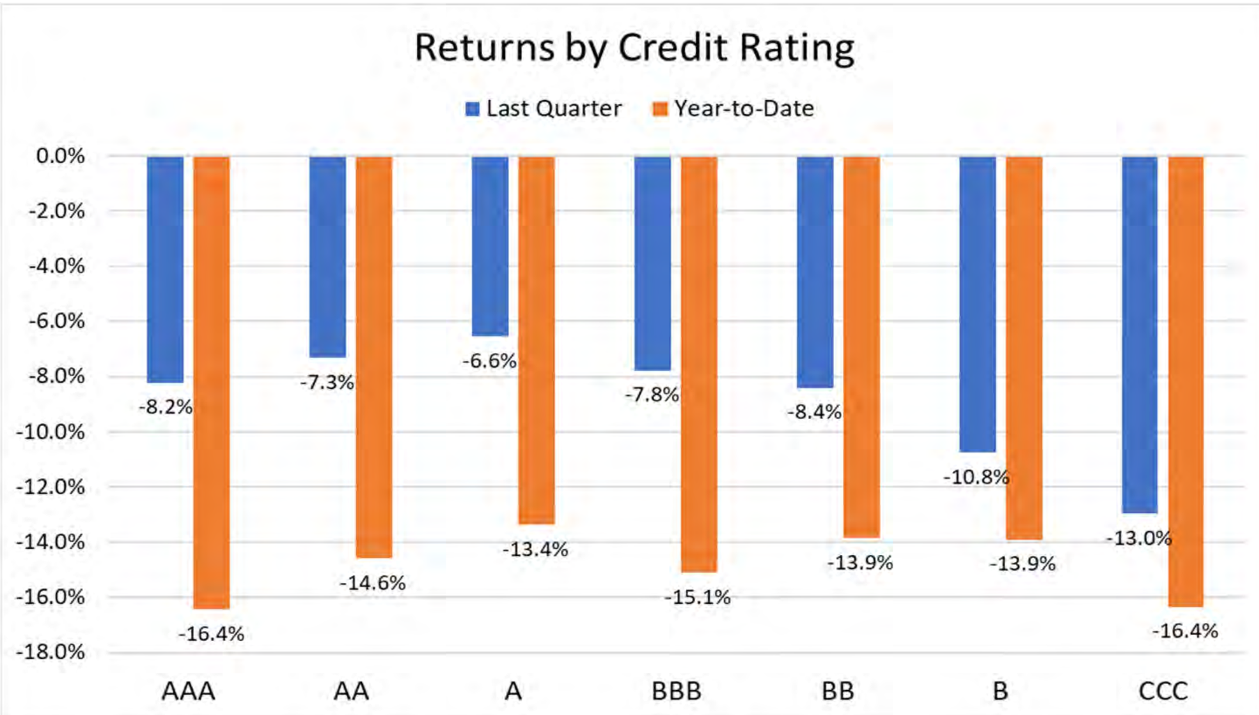
Bond Market

Index	Duration (years)	Yield	2Q22	YTD	2021	2020	2019	2018	2017	1-Year	3-Year	5-Year	10-Year
Bloomberg Aggregate	6.6	3.72%	-4.7%	-10.3%	-1.5%	7.5%	8.7%	0.0%	3.5%	-10.3%	-0.9%	0.9%	1.5%
Bloomberg Govt/Credit	6.8	3.69%	-5.0%	-11.0%	-1.7%	8.9%	9.7%	-0.4%	4.0%	-10.9%	-0.8%	1.0%	1.7%
Bloomberg Int Agg	4.8	3.60%	-2.9%	-7.5%	-1.3%	5.6%	6.7%	0.9%	2.3%	-7.9%	-0.6%	0.9%	1.4%
Bloomberg Int Govt/Credit	4.0	3.48%	-2.4%	-6.8%	-1.4%	6.4%	6.8%	0.9%	2.1%	-7.3%	-0.2%	1.1%	1.5%
Bloomberg U.S. Corporate	7.8	4.70%	-7.3%	-14.4%	-1.0%	9.9%	14.5%	-2.5%	6.4%	-14.2%	-1.0%	1.3%	2.6%
Bloomberg HY Ba/B 2% IC	4.9	8.19%	-9.4%	-13.9%	4.7%	7.7%	15.2%	-1.9%	6.9%	-12.5%	0.5%	2.3%	4.4%
ICE BofA 1-3 Yrs BB US Cash Pay HY	2.3	6.70%	-3.7%	-6.3%	3.2%	5.4%	8.7%	1.4%	3.6%	-5.4%	1.7%	2.6%	3.7%
Bloomberg Mortgage	6.2	3.77%	-4.0%	-8.8%	-1.0%	3.9%	6.4%	1.0%	2.5%	-9.0%	-1.4%	0.4%	1.2%
Bloomberg Treasury	6.5	3.09%	-3.8%	-9.1%	-2.3%	8.0%	6.9%	0.9%	2.3%	-8.9%	-0.9%	0.7%	1.0%
Bloomberg US TIPS	7.0	3.38%	-6.1%	-8.9%	6.0%	11.0%	8.4%	-1.3%	3.0%	-5.1%	3.0%	3.2%	1.7%
BofA ML 91 day T-Bills	0.2	1.67%	0.1%	0.1%	0.0%	0.7%	2.3%	1.9%	0.9%	0.2%	0.6%	1.1%	0.6%



- The treasury yield curve continued to flatten in Q2 2022 as short-term rates pushed higher. The expectation is the Federal Reserve will raise rates faster than previously anticipated.
- In July, the curve inverted with 2-year through 7-year maturities yielding more than the 10-year, reflecting some level of uncertainty about how high the Federal Reserve can and will raise rates.
- U.S. Bond markets experienced losses again in Q2. While longer duration sectors underperformed in Q1 due to the sharp rise in interest rates, lower quality credit underperformed in Q2 as markets begin to price in the potential for an economic slowdown due to tighter fiscal policy (higher short-term rates).

Bond Market



Bond Ratings

	Standard & Poor's	Moody's
Investment Grade	AAA	Aaa
	AA	Aa
	A	A
	BBB	Baa
High Quality High Yield	BB	Ba
	B	B
Low Quality High Yield	CCC	Caa
	CC	Ca
	C	C

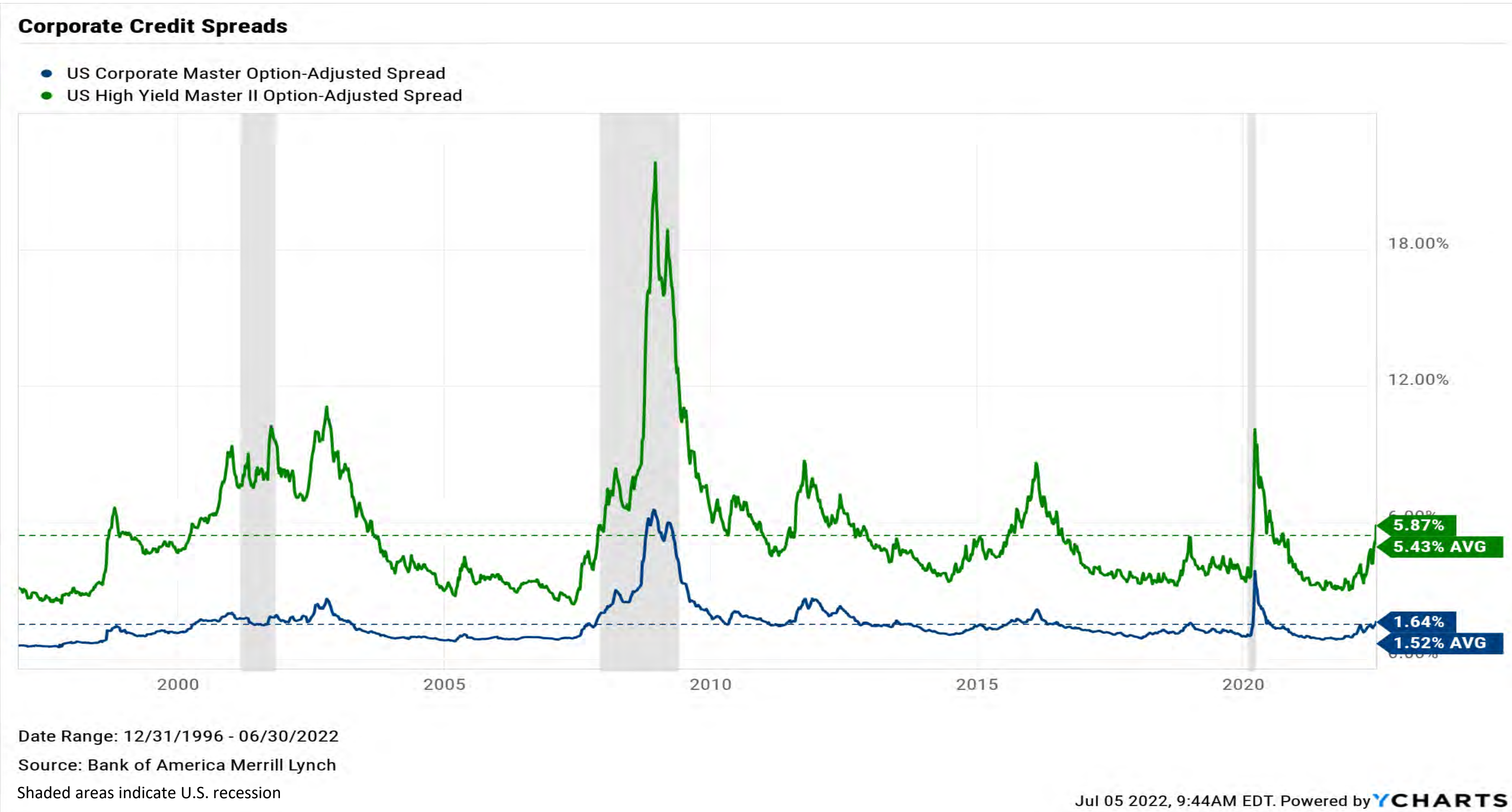
Nowhere to Hide In Corporate Bonds

- Investment grade bonds (BBB & higher) outperformed high yield bonds (BB & lower) in 2Q 2022, which was a reversal of the trend in Q1.
- Investment grade bonds (AAA-BBB) lagged high yield bonds in Q1 as investors sold longer duration bonds over fears of rising interest rates.
- Investment grade bonds have a longer duration because investors are willing to lend to higher quality companies for longer periods of time. The best companies have taken advantage of this by locking in historically low interest rates and issuing bonds with long maturities. These long maturity bonds are more sensitive to interest rate changes.
- In Q2, high yield bonds (BB & lower) underperformed investment grade bonds as investors sold riskier credits in fear that rising interest rates will have a material impact on corporate profits and the U.S. economy.

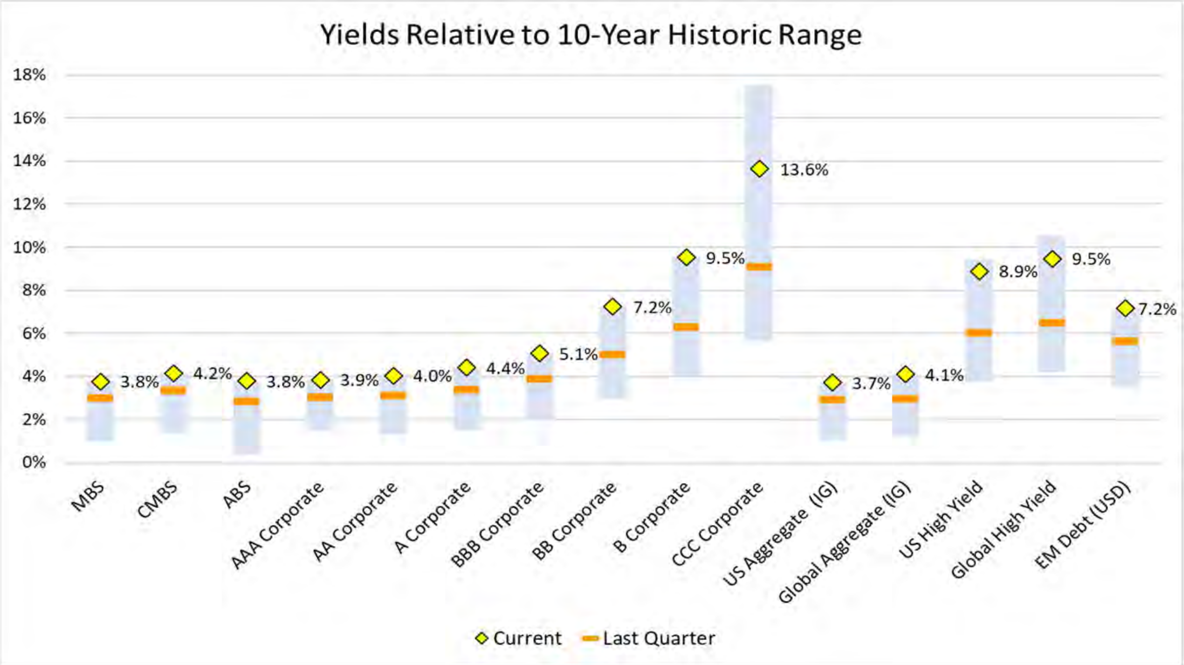
Bond Market

Credit Spreads Widen Meaningfully in Second Quarter

- Both investment grade (IG) and high yield (HY) spreads widened in Q2 and are now above their long-term averages.
- High yield spreads moved sharply wider in Q2 after experiencing less spread widening in Q1.

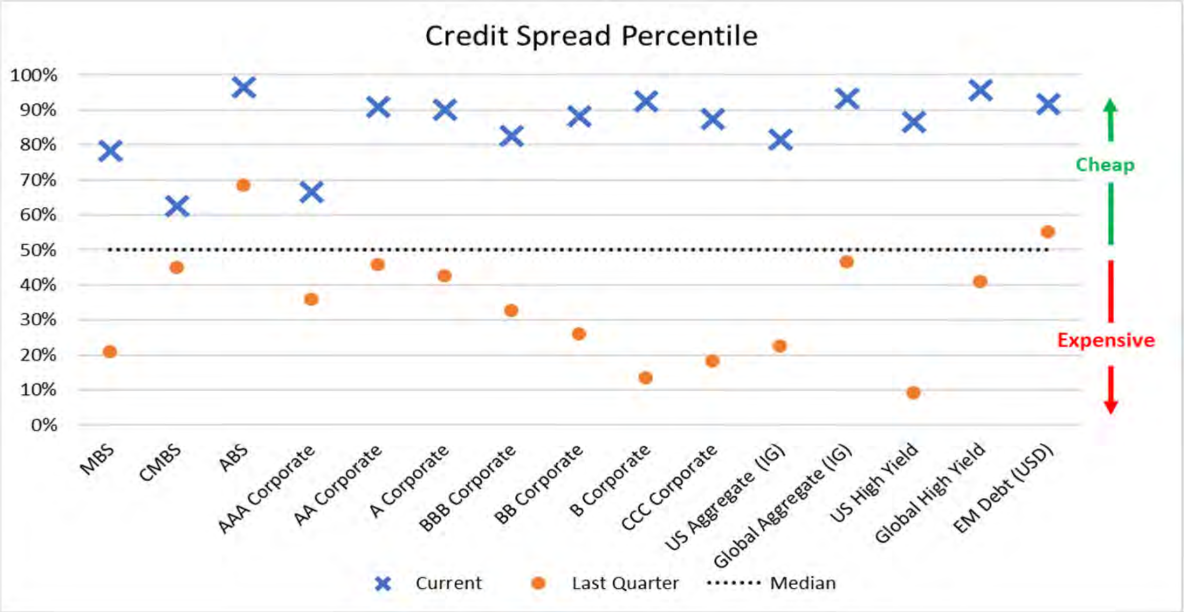


Bond Market



Yields

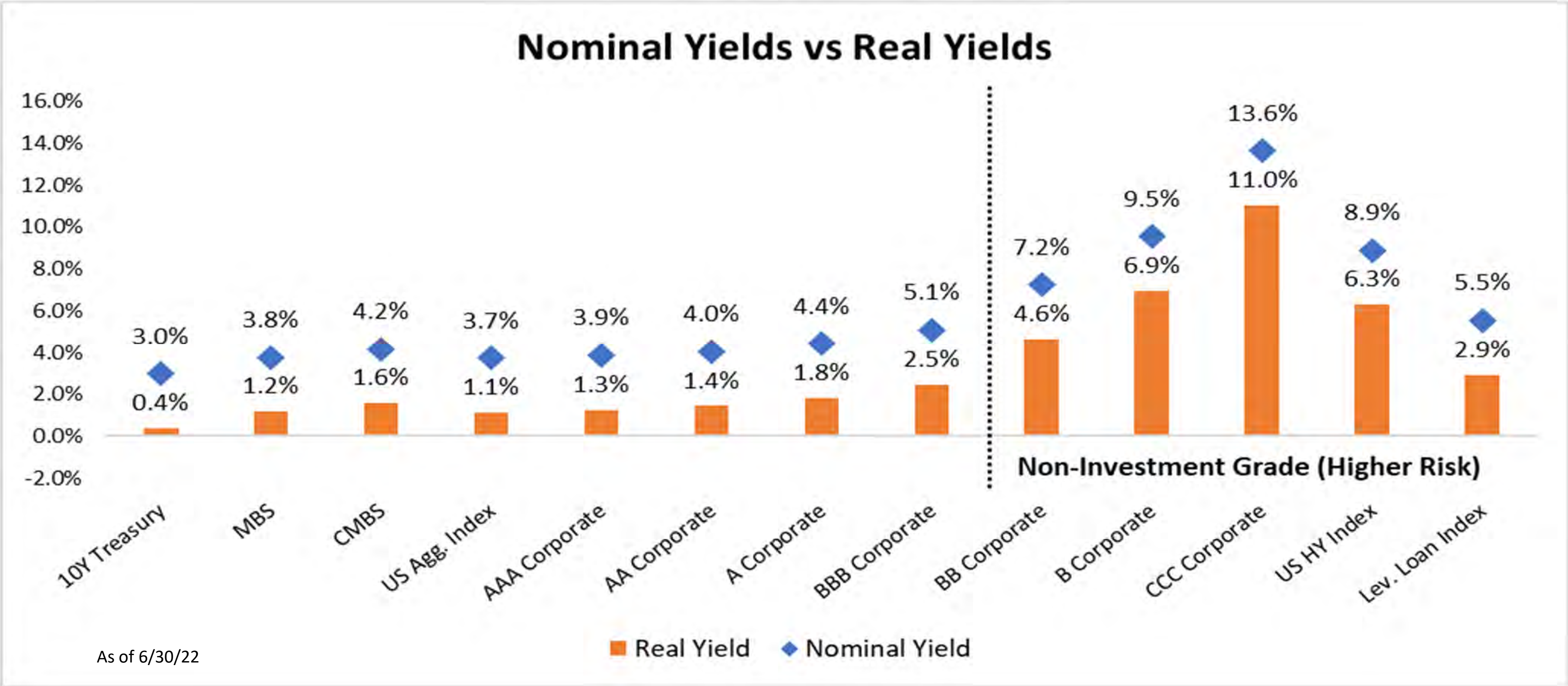
- Yields increased across bond sectors as short-term interest rates moved higher in 2Q 2022.
- Across most sectors, yields are at their highest levels in 10 years.
- Investment grade bonds are yielding ~4% with BBB Corporates (IG) yielding ~5%.
- BB Corporates (HY) are yielding 7.2% while the broad U.S. high yield market is yielding ~9% due to B & CCC Corporates yielding more than higher quality high yield bonds.



Credit Spreads/Valuations

- Credit spreads widened in Q2, with high yield spreads experiencing the largest increase.
- Corporate credit spreads are now cheaper than 80% of monthly observations over the past decade.
- The broad U.S. High Yield Index experienced the biggest shift in valuation, moving from the top decile of valuations to nearly the bottom decile in Q2.

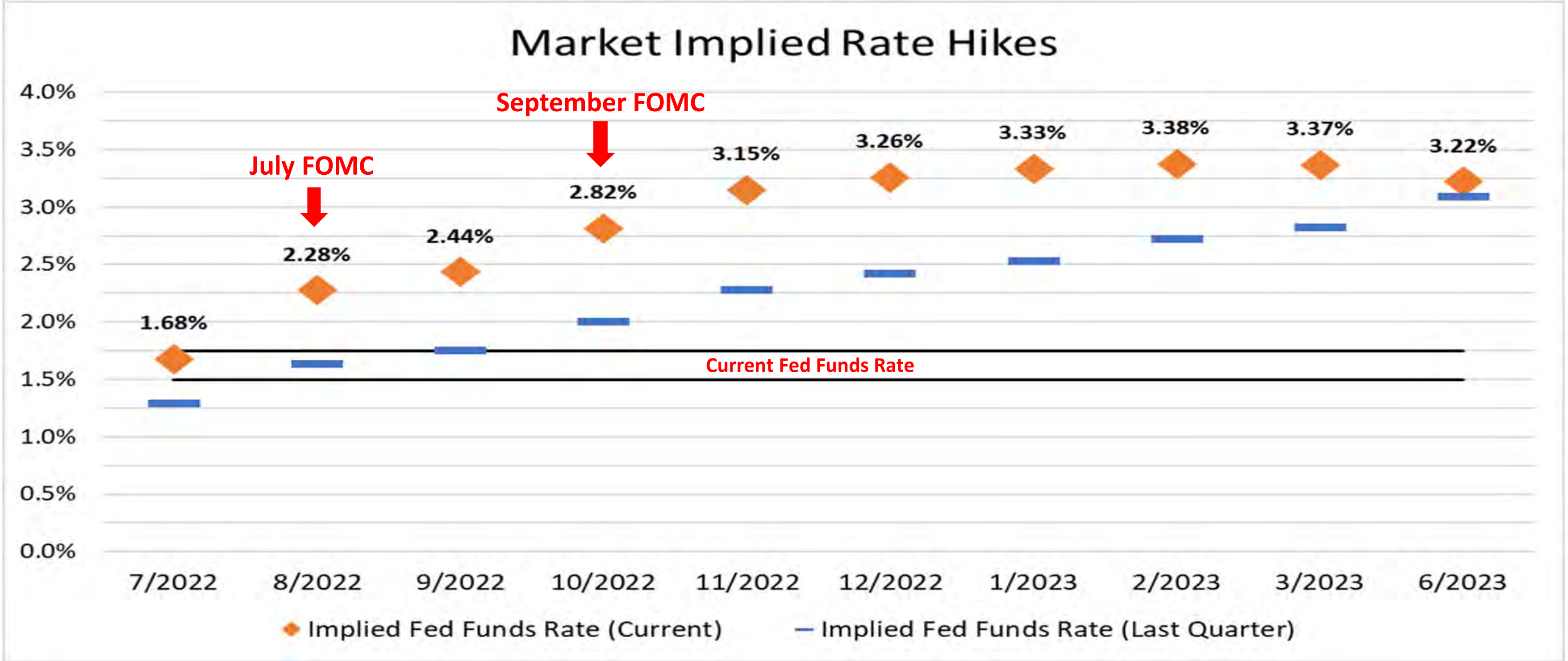
Bond Market



*Real Yield = Nominal Yield minus 5-Year Breakeven Inflation Rate; 5-Year Breakeven Inflation Rate = 5-Year Treasury Yield minus 5-Year TIPs Yield

- The current inflation expectation for the next five years, based on the 5-Year Breakeven Inflation Rate, is approximately 2.6%, down from its peak of 3.5% in March.
- For the first time in 2022, real yields, the yield received after adjusting for future inflation, are now positive for investment grade bonds.
- The push higher in bond yields appears to have taken a pause at a level where investors believe they are currently being compensated for future inflation risk.
- If inflation readings continue to remain elevated and fears of higher future inflation start to increase again, we may see more selling pressure in bonds as investors will demand higher yields to compensate for inflation risks.

Bond Market



As of 7/05/22

- The FOMC raised interest rates by 50 bps in early May and raised rates again by 75 bps in June, the largest rate hike since 1994. The current target federal funds rate is now 1.50-1.75%.
- Market expectations for interest rate hikes by the FOMC continued to rise in Q2 2022. Rate hike expectations for the 2nd half of 2022 rose by ~75 bps in Q2.
- As of July 5th, the market is now expecting the FOMC to hike rates by 100-125 bps between the July and September meetings, in addition to another 25-50 bps increase by year-end.
- Market Implied Fed Funds Rate:
  - <u>End of Q3</u>: 2.75% - 3.00%
  - <u>Year-End 2022</u>: 3.25% - 3.50%
- The Fed Funds Futures Curve is currently flat to downward sloping throughout 2023. This indicates the market expects the Fed to stop raising rates at 3.25% and potentially begin to cut rates in late 2023, implying the Fed will have raised rates too quickly.

Bond Market

Interest Rate Sensitivity

12 Month Holding Period - Annualized Returns as of 6/30/2022

Yield Change (bps)	10 Year Treasury	Bloomberg Aggregate	Bloomberg Int Govt/Credit	ICE BofA Gov/Corp Master	ICE BofA 1-3 yr Gov/Corp	Defensive ICE BofA US HY BB/B ND	Short Duration ICE BofA US HY BB/B 1-3 yr
-300	28.47	23.58	15.63	23.99	8.85	13.86	12.60
-250	24.22	20.27	13.61	20.60	7.91	12.86	11.62
-200	19.97	16.96	11.58	17.21	6.97	11.85	10.64
-150	15.72	13.65	9.56	13.82	6.03	10.85	9.66
-100	11.47	10.34	7.53	10.43	5.09	9.84	8.68
-75	9.35	8.69	6.52	8.74	4.62	9.34	8.19
-50	7.22	7.03	5.51	7.04	4.15	8.84	7.70
-25	5.10	5.38	4.49	5.35	3.68	8.33	7.21
0	2.97	3.72	3.48	3.65	3.21	7.83	6.72
25	0.85	2.07	2.47	1.96	2.74	7.33	6.23
50	-1.28	0.41	1.46	0.26	2.27	6.83	5.74
75	-3.41	-1.25	0.44	-1.44	1.80	6.32	5.25
100	-5.53	-2.90	-0.57	-3.13	1.33	5.82	4.76
150	-9.78	-6.21	-2.60	-6.52	0.39	4.82	3.78
200	-14.03	-9.52	-4.62	-9.91	-0.55	3.81	2.80
250	-18.28	-12.83	-6.65	-13.30	-1.49	2.81	1.82
300	-22.53	-16.14	-8.67	-16.69	-2.43	1.80	0.84
Duration	8.50	6.62	4.05	6.78	1.88	2.01	1.96

FOR ILLUSTRATIVE PURPOSES ONLY: For each index the current yield to worst as of 6/30/2022 was used as the base case annualized return. The annualized return sensitivity to a uniform increase or decrease in the yield curve was calculated by taking the index's Option-Adjusted Duration as of 6/30/2022 multiplied by the percentage point change in the yield curve (basis point change divided by 100) and then appropriately adding or subtracting this implied percentage change in the value of the index (due to the shift in the yield curve) to the base case annualized return. This is a rough approximation of the annual return sensitivity to parallel shifts in the yield curve.

Real Estate Market

Sector	Index	2Q22	YTD	2021	2020	2019	2018	2017	1-Year	3-Year	5-Year	10-Year
US Private	NCREIF ODCE Equal Weighted (net)	4.4%	12.5%	21.9%	0.8%	5.2%	7.3%	6.9%	28.9%	12.3%	10.1%	10.5%
	NCREIF ODCE EW Income Index	0.9%	1.9%	4.1%	3.6%	3.5%	3.5%	3.6%	3.9%	3.8%	3.7%	3.9%
	NCREIF ODCE EW Appreciation Index	3.7%	10.9%	18.3%	-2.4%	1.7%	3.7%	3.2%	25.4%	8.9%	6.6%	6.6%

PREA Consensus Forecast Return

	Total return (incl. income) 2022	Total return (incl. income) 2023	Total return (incl. income) 2024	Total return (incl. income) 2022-2026
National, All Property Types (NPI)	11.7%	8.6%	7.9%	7.5%
Office	5.4%	5.9%	6.1%	5.3%
Retail	6.9%	7.0%	7.2%	6.1%
Industrial	19.1%	10.9%	9.9%	9.6%
Apartment	12.9%	8.9%	7.5%	7.6%

Source: Pension Real Estate Association (PREA) Consensus Forecast Survey of the NCREIF Property Index, Q2 2022.

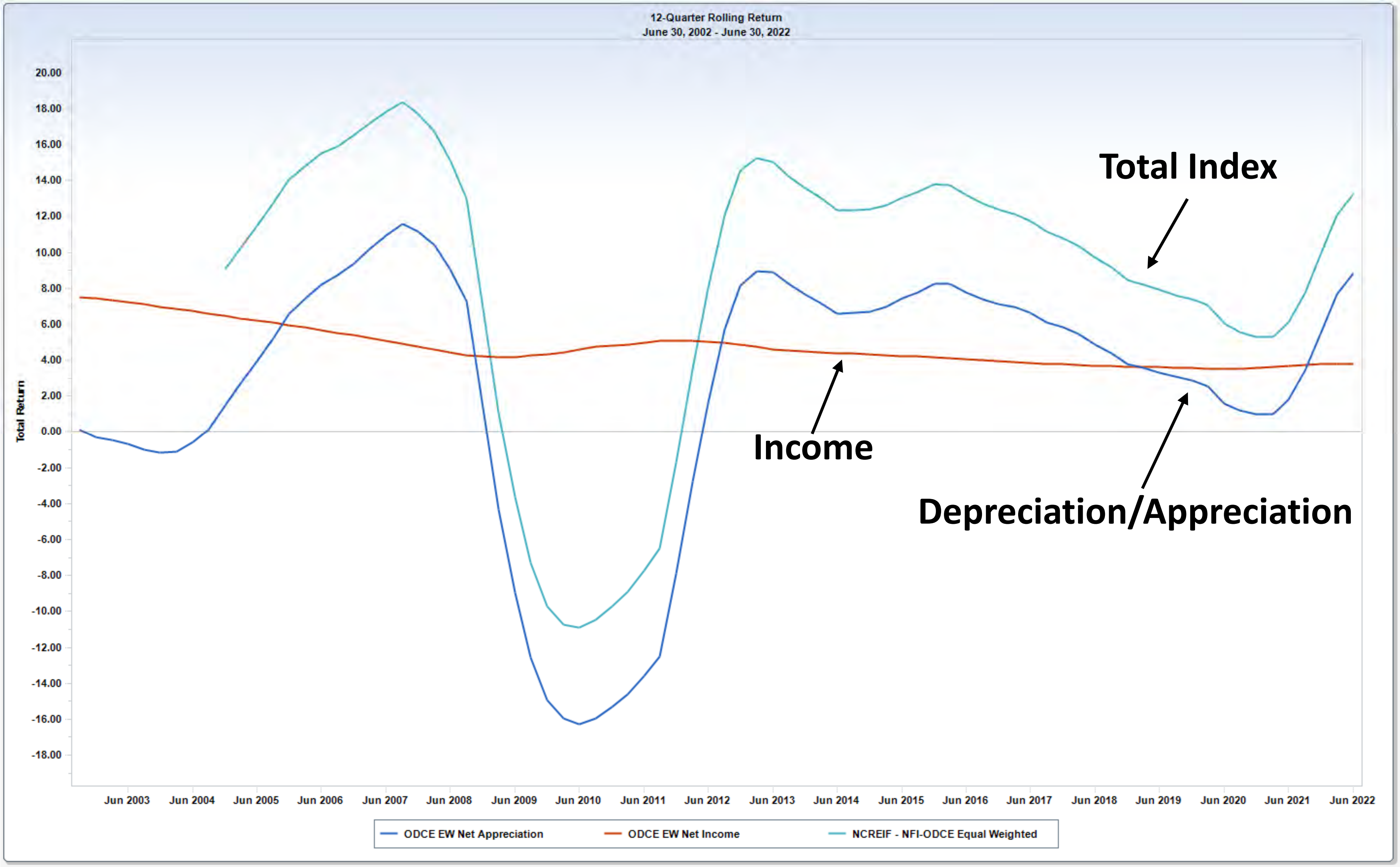
- Private real estate continued to generate positive results in the second quarter; its lack of correlation to declining equity and fixed income markets provided a ballast to investor portfolios. While the NCREIF ODCE Equal Weighted Index did not generate a fourth consecutive record high quarterly return, it rose another 4.37% and is now up 12.48% year-to-date through June 30th.

- The income component of real estate returns continues to remain stable at around 1% per quarter, with appreciation making up the majority of returns this year.

- The industrial and apartment sectors continue to be strong performers, with industrial seeing high demand from e-commerce growth and apartments seeing strong tenant demand and high levels of rent increases. High degrees of uncertainty still surround the office sector; varying lease terms and expirations mean the market still has not realized the full effects of post-pandemic occupancy and remote work.

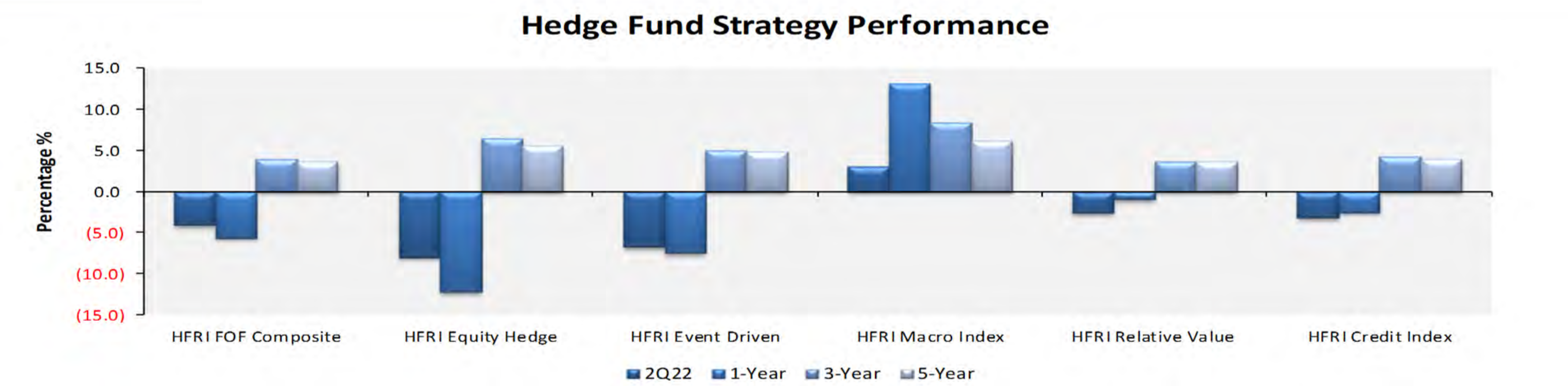
Real Estate Market

- The appreciation component of real estate returns continues to drive overall real estate returns and is well above long-term averages. The trailing twelve-month appreciation return for the NCREIF ODCE Equal Weighted Index is now 25.4%, compared to the 10-year annualized rate of 6.59%. Income has remained characteristically stable at 3.9% for the trailing twelve months ended June 30, 2022.



Hedge Fund Market

Strategy	Index	2Q22	YTD	2021	2020	2019	2018	2017	1-Year	3-Year	5-Year	10-Year
Fund of Funds	HFRI FOF Composite	-4.1%	-6.7%	6.2%	10.9%	8.4%	-4.0%	7.8%	-5.7%	3.9%	3.6%	3.7%
Equity Long-Short	HFRI Equity Hedge	-8.0%	-12.0%	11.7%	17.9%	13.7%	-7.1%	13.3%	-12.2%	6.5%	5.5%	5.9%
Event Driven	HFRI Event Driven	-6.7%	-8.6%	12.4%	9.3%	7.5%	-2.1%	7.6%	-7.5%	5.0%	4.8%	5.5%
Global Macro	HFRI Macro Index	3.0%	13.2%	7.7%	5.4%	6.5%	-4.1%	2.2%	13.1%	8.3%	6.1%	3.8%
Relative Value	HFRI Relative Value	-2.6%	-1.9%	7.6%	3.4%	7.4%	-0.4%	5.1%	-1.0%	3.6%	3.6%	4.5%
Credit	HFRI Credit Index	-3.2%	-3.0%	7.9%	6.3%	6.5%	-0.0%	6.0%	-2.5%	4.2%	4.0%	4.9%



- Hedge funds were mostly negative in Q2 2022 aside from macro strategies, which for the second straight quarter were the best-performing broad sub-strategy and one of the few areas to generate positive returns. The HFRI Fund of Funds Composite declined -4.08% during the quarter and is now -6.73% YTD, which represents one of the better YTD returns relative to the larger declines across global equity and fixed income markets.
- Macro strategies continued their positive run in April 2022 before turning negative in May and June. The sub-strategy continued to benefit from rising energy prices, as well as active trading around moves in interest rates and currencies.
- Hedged equity strategies were not immune to the carnage in global equity markets, as the HFRI Equity Hedge index declined nearly -8% during Q2 and -11.97% YTD. Though the ability of hedge fund managers to short stocks and maintain low net exposures (long positions minus short positions, expressed as a percentage) can help protect capital during market declines, several prominent equity-oriented hedge funds that invest primarily in growth and technology stocks have suffered steep losses this year.

INVESTMENT PERFORMANCE SERVICES, LLC

FELRA and UFCW Pension Fund

Master Consulting Services Report

Period Ended

June 30, 2022

Total Fund Growth of Assets

	Second Quarter	Fiscal Year-To-Date	One Year	Three Years	Five Years	Seven Years	Ten Years
Beginning Market Value	$65,988,945	$91,926,567	$133,418,817	$156,086,751	$332,574,360	$506,374,069	$601,666,895
Net Cash Flow	$1,219,077,784	$1,196,479,641	$1,149,293,163	$1,108,272,722	$902,920,222	$692,116,145	$419,839,890
Net Investment Change	$739,752	-$2,599,726	$3,094,500	$21,447,008	$50,311,900	$87,316,267	$264,299,696
Ending Market Value	$1,285,806,481	$1,285,806,481	$1,285,806,481	$1,285,806,481	$1,285,806,481	$1,285,806,481	$1,285,806,481

- The Fund's fiscal year end is December 31st.
- The present assumed actuarial rate effective January 1, 2016 as determined by the plan actuary is 7.0%.
- The merger of the Mid-Atlantic UFCW and Participating Employers Pension Fund into FELRA and UFCW Pension Fund was effective January 1, 2021. A total of $149,140,492 transferred into the Fund.
- On May 31, 2022, $1,242,121,642 of SFA assets transferred into the Fund.

Performance Summary (Gross of Fees) - Annualized

	Market Value	% of Portfolio	2022 Q2	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs
			Ending June 30, 2022						
Total Fund	**$1,285,806,481**	**100.0%**	**0.1%**	**-2.9%**	**2.2%**	**5.8%**	**5.9%**	**5.9%**	**7.4%**
Total Opportunistic Strategies	**$1,991,048**	**0.2%**							
Total Private Equity	**$6,979,337**	**0.5%**							
Total Cash Equivalents	**$1,274,985,003**	**99.2%**	**0.1%**	**0.1%**	**0.3%**	**0.6%**	**0.8%**	**0.7%**	**0.5%**
Total Other	**$1,851,093**	**0.1%**							

Note: Time-weighted returns are not shown for asset classes for which internal rate of return (IRR) is a more appropriate performance measurement. IRRs can be found on the Commitment and Funding of Alternative Investments chart.

	Fiscal YTD	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
	Fiscal Year Ending December 31st (Gross of Fees)											
Total Fund	**-2.9%**	**15.8%**	**3.1%**	**10.2%**	**-1.6%**	**12.0%**	**8.1%**	**3.0%**	**6.0%**	**14.9%**	**12.5%**	**0.6%**

	Fiscal YTD	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
	Fiscal Year Ending December 31st (Net of Fees)											
Total Fund	**-3.0%**	**15.4%**	**3.0%**	**9.9%**	**-2.1%**	**11.2%**	**7.3%**	**2.3%**	**5.3%**	**14.2%**	**11.7%**	**0.0%**

Current vs. Policy

	Current	Current	Policy	Policy Range	Difference	Difference
Domestic Large Cap Equity	$0	0.0%	20.0%	15.0% - 25.0%	-20.0%	-$257,161,296
Domestic Small / Mid Cap Equity	$0	0.0%	7.5%	2.5% - 12.5%	-7.5%	-$96,435,486
International Equity	$0	0.0%	10.0%	5.0% - 15.0%	-10.0%	-$128,580,648
Global Tactical Asset Allocation	$0	0.0%	10.0%	5.0% - 15.0%	-10.0%	-$128,580,648
High Yield Fixed Income	$0	0.0%	10.0%	5.0% - 15.0%	-10.0%	-$128,580,648
Real Estate - Value Add	$0	0.0%	20.0%	15.0% - 25.0%	-20.0%	-$257,161,296
Opportunistic Strategies	$1,991,048	0.2%	10.0%	5.0% - 15.0%	-9.8%	-$126,589,600
Private Equity	$6,979,337	0.5%	12.5%	7.5% - 17.5%	-12.0%	-$153,746,473
Cash Equivalents / Other	$1,276,836,096	99.3%	0.0%	0.0% - 0.0%	99.3%	$1,276,836,096
Total	**$1,285,806,481**	**100.0%**	**100.0%**			

- The Policy was adopted June 2022 and is effective TBD (pending funding of managers).
- Cash Equivalents / Other includes PNC STIF (FELRA) and EnTrust Capital Diversified Fund - Class X.

FELRA and UFCW Pension Fund – Asset Allocation

- Asset allocation and glide path reviews were presented and discussed with the Board of Trustees at the following meetings: April 27, 2016, August 3, 2016, January 26, 2017, March 5, 2017, May 31, 2017, July 13, 2017, January 10, 2018, March 3, 2018, June 4, 2018, July 18, 2019, March 11, 2021, June 22, 2021, September 27, 2021, December 15, 2021, March 11, 2022, and June 10, 2022.
- At the April 16, 2020 meeting, the Trustees approved: (1) The request from SBH to change the maximum of 20.0% to 75.0% for the amount of the portfolio that may be invested in non-rated bonds and bonds rated below A-. (2) The termination of Marco's proxy voting service, given the Fund does not own any separately managed equities.
- At the October 22, 2020 meeting, in order to improve the liquidity of the Plan, the following actions were approved: (1) Submit a full redemption to real estate - core (ARA Core Property Fund, LP). Status: The redemption request was fully satisfied as of June 30, 2021. (2) Submit a full redemption request to real estate - value add (Intercontinental U.S. Real Estate Investment Fund, LLC). Status: The redemption request was fully satisfied as of April 30, 2021. (3) Submit a full redemption to opportunistic strategies (Corbin ERISA Opportunity Fund, LP - Class C Shares). Status: The redemption request was fully satisfied as of September 30, 2021.
- At the December 14, 2020 meeting, pending approval of the merger by PBGC, the Trustees elected to amend the Policy and Policy Ranges as follows: domestic large cap equity - decrease Policy from 20.0% to 7.5% and increase Policy Range from (0.0-40.0%) to (0.0-50.0%), international equity - increase Policy Range from (0.0-0.0%) to (0.0-5.0%), global tactical asset allocation - decrease Policy from 15.0% to 0.0% and decrease Policy Range from (0.0-30.0%) to (0.0-25.0%), investment grade fixed income - increase Policy from 45.0% to 50.0% (0.0-100.0%), short duration high yield fixed income - increase Policy from 5.0% to 20.0% and increase Policy Range from (0.0-10.0%) to (0.0-30.0%), real estate - core - increase Policy from 0.0% to 7.5% and increase Policy Range from (0.0-0.0%) to (0.0-20.0%), real estate - value add - 0.0% (0.0-0.15%), opportunistic strategies - 5.0% (0.0-100.0%), private equity - 5.0% (0.0-100.0%), cash equivalents / other - 5.0% - increase Policy Range from (0.0-20.0%) to (0.0-100.0%). The merger with the Mid-Atlantic UFCW and Participating Employers Pension Fund is effective January 1, 2021.
- In a July 2021 memo, to raise cash for cash needs IPS recommended submitting a partial redemption of $8.0M to global tactical asset allocation (First Eagle) and a $1.0M redemption from domestic large cap equity (Vanguard U.S. Stock Market Index). Decision: Approved. Status: In July 2021, domestic large cap equity (Vanguard U.S. Stock Market Index) transferred $1.0M to cash. In August 2021, global tactical asset allocation (First Eagle) transferred $8.0M to cash.
- In a August 2021 memo, to raise $7.5M for cash needs IPS recommended submitting a partial redemption of $7.5M to global tactical asset allocation (First Eagle). Decision: Approved. Status: In September 2021, global tactical asset allocation (First Eagle) transferred $7.5M to cash.
- In a September 2021 memo, to raise $7.5M for cash needs IPS recommended submitting a full redemption to international equity (Hardman Johnston International Group Trust) and have the remainder redeemed from domestic large cap equity (Vanguard U.S. Stock Market Index Fund). Decision: Approved. Status: In October 2021, international equity (Hardman Johnston International Group Trust) was terminated and transferred $5.5M to cash and domestic large cap equity (Vanguard U.S. Stock Market Index Fund) transferred $2.0M to cash.
- In a October 2021 memo, to raise $2.0M for cash needs IPS recommended submitting a $2.0M redemption to domestic large cap equity (Vanguard U.S. Stock Market Index Fund). Decision: Approved. Status: In October 2021, $2.0M was transferred to cash.

FELRA and UFCW Pension Fund – Asset Allocation (cont.)

- In a November 2021 memo, to raise $6.0M for cash needs IPS recommended submitting a $6.0M redemption to domestic large cap equity (Vanguard U.S. Stock Market Index Fund). Decision: Approved. Status: In November 2021, $6.0M was transferred to cash.
- In a December 2021 memo, to raise $7.5M for cash needs IPS recommended submitting a $7.5M redemption to domestic large cap equity (Vanguard U.S. Stock Market Index Fund). Decision: Approved. Status: In December 2021, $7.5M was transferred to cash.
- In a January 2022 memo, to raise $7.5M for cash needs IPS recommended submitting a $7.5M redemption to domestic large cap equity (Vanguard U.S. Stock Market Index Fund). Decision: Approved. Status: In January 2022, $7.5M was transferred to cash.
- In a February 2022 memo, to raise $7.5M for cash needs IPS recommended submitting a $7.5M redemption to domestic large cap equity (Vanguard U.S. Stock Market Index Fund). Decision: Approved. Status: In February 2022, $7.5M was transferred to cash.
- In a March 2022 memo, to raise $7.0M for cash needs IPS recommended submitting a $7.0M redemption to domestic large cap equity (Vanguard U.S. Stock Market Index Fund). Decision: Approved. Status: In March 2022, $7.0M was transferred to cash.
- In a March 16, 2022 memo, in order to increase the probability of the Pension Fund's ability to meet benefit payments through October 2022, IPS recommended the Trustees approve the full liquidation of domestic large cap equity (Vanguard U.S. Stock Market Index Fund), global tactical asset allocation (First Eagle), investment grade fixed income (Segall Bryant & Hamill), and short duration high yield fixed income (Chartwell). Decision: Approved. Status: In March 2022, domestic large cap equity (Vanguard U.S. Stock Market Index Fund), investment grade fixed income (Segall Bryant & Hamill), and short duration high yield fixed income (Chartwell) were terminated and proceeds ($46.2M) transferred to cash. In April 2022, global tactical asset allocation (First Eagle) was terminated and proceeds ($14.7M) transferred to cash.
- In a May 13, 2022 memo, IPS recommeded that the Trustees select the following investment managers for finalist interviews for the SFA mandate: Columbia Threadneedle, Loomis, Sayles & Company, and Wellington. Decision: Approved.
- At the May 24, 2022 meeting, the trustees heard presentations from Columbia Threadneedle, Loomis, Sayles & Company, and Wellington. After discussion, the Trustees elected to hire Loomis, Sayles & Company for the SFA mandate. Status: In process. Additionally, the Trustees elected to hire Ryan ALM to provide a custom liability benchmark for the Fund.
- At the June 10, 2022 meeting, an asset allocation review was presented to determine how to invest the legacy assets now that the SFA proceeds have been received. After discussion, the Trustees elected to adopt an asset allocation policy of 20.0% domestic large cap equity, 7.5% domestic small / mip cap equity, 10.0% international equity, 10.0% high yield fixed income, 10.0% global tactical asset allocation, 20.0% real estate - value add, 10.0% opportunistic strategies, and 12.5% private equity. Additionally, within the domestic large cap equity allocation the Trustees elected to target a mix of 60.0% value and 40.0% growth.

Recommendations: Consider a new asset allocation for the legacy assets since the final ARPA rule is materially different than the preliminary rule.

Commitment and Funding of Opportunistic Investments (In Millions) as of June 30, 2022

Investments		Commitments			Contributions & Distributions		Valuations		Performance		
Account Name	Vintage Year	Commitment	Unfunded Commitment	Call Ratio	Cumulative Contributions	Cumulative Distributions	Valuation	Total Value	DPI	TVPI	IRR
EnTrustPermal Special Opportunities Fund IV, Ltd - Class A	2018	$2.0	$0.0	1.0	$2.0	$0.0	$2.0	$2.0	0.0	1.0	-0.1%
Total		**$2.0**	**$0.0**	**1.0**	**$2.0**	**$0.0**	**$2.0**	**$2.0**	**0.0**	**1.0**	**-0.1%**

Commitment and Funding of Private Equity Investments (In Millions) as of June 30, 2022

Investments		Commitments			Contributions & Distributions		Valuations		Performance		
Account Name	Vintage Year	Commitment	Unfunded Commitment	Call Ratio	Cumulative Contributions	Cumulative Distributions	Valuation	Total Value	DPI	TVPI	IRR
GCM Grosvenor Secondary Opportunities Feeder Fund II, LP[1]	2017	$9.1	$3.4	0.6	$5.7	$1.6	$7.0	$8.6	0.3	1.5	21.6%
Total		**$9.1**	**$3.4**	**0.6**	**$5.7**	**$1.6**	**$7.0**	**$8.6**	**0.3**	**1.5**	**21.6%**

[1]Unfunded commitment includes recallable distributions of $99K; Commitment amount includes $1.1M unfunded commitment adjustment.

- Distribution to Paid-In (DPI) – The DPI is the value of all distributions to limited partners divided by the amount limited partners have contributed to the fund. A DPI of 1 indicates the investor has received capital back equal to what they invested while a DPI over 1 indicates an investor has received more capital back than they invested. DPI is most relevant for closed-end fund structures such as private equity.
- Total Value to Paid in Multiple (TVPI) – The TVPI is a measure of return that expresses how much a fund has made relative to how much was contributed. It is calculated by dividing the sum of the amount of capital distributed to investors and the amount of remaining value by the amount of invested capital. A TVPI below 1 indicates the current value of the investment plus the capital returned to the investor is less than the investor contributed. A TVPI greater than 1 indicates the current value of the investment plus the capital returned to the investor is more than the investor contributed. For closed-end funds such as private equity, DPI and TVPI will be the same at the end of the fund’s life.
- Internal Rate of Return (IRR) – The discount rate at which the net present value of an investment's cash flows is equal to zero. IRR is commonly used to gauge fund performance.
- Performance data included in the table above may differ from performance data provided by the investment manager due to the availability and timing of data used in the calculations.

Performance Detail (Net of Fees) - Annualized

			Ending June 30, 2022								
	Market Value	% of Portfolio	2022 Q2	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs	Inception	Inception Date
Total Fund	**$1,285,806,481**	**100.0%**	**0.1%**	**-3.0%**	**1.9%**	**5.5%**	**5.5%**	**5.5%**	**6.9%**	**5.9%**	**Jan-97**
Total Opportunistic Strategies	**$1,991,048**	**0.2%**									
EnTrustPermal Special Opportunities Fund IV, Ltd - Class A	$1,991,048	0.2%									
Total Private Equity	**$6,979,337**	**0.5%**									
GCM Grosvenor Secondary Opportunities Feeder Fund II, LP	$6,979,337	0.5%									
Total Cash Equivalents	**$1,274,985,003**	**99.2%**	**0.1%**	**0.1%**	**0.3%**	**0.6%**	**0.8%**	**0.7%**	**0.5%**	**--**	**Jul-06**
PNC STIF (FELRA)	$1,274,985,003	99.2%	0.1%	0.2%	0.3%	0.6%	0.8%	0.7%	0.5%	1.4%	Jul-06
Total Other	**$1,851,093**	**0.1%**									
EnTrust Capital Diversified Fund - Class X	$1,851,093	0.1%									

Account Information	
Account Name	**EnTrustPermal Special Opportunities Fund IV, Ltd - Class A**
Account Structure	**Commingled Fund**
Investment Style	**Active**
Inception Date	**1/01/21**
Account Type	**Fund of Funds**
Benchmark	
Universe	

EnTrustPermal Special Opportunities Fund IV, Ltd - Class A

Ending June 30, 2022

	Second Quarter	Inception 1/1/21
Beginning Market Value	$2,376,503	$0
Net Cash Flow	$0	$1,905,529
Net Investment Change	-$385,455	$85,519
Ending Market Value	$1,991,048	$1,991,048

FELRA & UFCW Pension Fund - EnTrustPermal Special Opportunities Fund IV, Ltd - Class A

Manager Summary

- IPS conducted due diligence meetings with EnTrust on May 18, 2020, November 20, 2020, March 2, 2021 (annual meeting participation), September 8, 2021 and March 29, 2022.
- In March 2019, EnTrustPermal rebranded the firm as EnTrust Global.
- On February 18, 2020, Legg Mason (which owns 65% of EnTrust Global) announced they would be acquired by Franklin Templeton. EnTrust subsequently announced that they will be reacquiring Legg Mason's interest in EnTrust, effective upon the consummation of the Franklin Templeton/Legg Mason combination, to once again become an independent, privately-owned firm. The transaction closed on July 31, 2020.

The investment is illiquid (closed-end, self-liquidating fund).

Compliance Summary

Manager verified the portfolio is currently, and has been during the past quarter, in compliance with the firm's commingled investment vehicle guidelines and/or offering document governing the management of the investment. With respect to the portfolio(s) under management, the manager acknowledges sole fiduciary responsibility under ERISA for adherence with the commingled investment vehicle and/or offering document guidelines.

Items of Interest: None.

Account Information	
Account Name	**GCM Grosvenor Secondary Opportunities Feeder Fund II, LP**
Account Structure	**Commingled Fund**
Investment Style	**Active**
Inception Date	**1/01/21**
Account Type	**Private Equity**
Benchmark	
Universe	

GCM Grosvenor Secondary Opportunities Feeder Fund II, LP

Ending June 30, 2022

	Second Quarter	Inception 1/1/21
Beginning Market Value	$6,979,337	$0
Net Cash Flow	$0	$4,940,384
Net Investment Change	$0	$2,038,953
Ending Market Value	$6,979,337	$6,979,337

Note: Investment is valued as of March 31, 2022, plus or minus flows.

FELRA & UFCW Pension Fund - GCM Grosvenor Secondary Opportunities Feeder Fund II, LP

Manager Summary

- IPS conducted due diligence meetings with Grosvenor on March 20, 2020, April 13, 2021 and July 14, 2021.
- On August 3, 2020, Grosvenor announced their intention to become a publicly-traded company through a merger with CF Finance Acquisition Corp., a special purpose acquisition company (SPAC) sponsored by Cantor Fitzgerald, a global financial services firm. The combined company will operate as GCM Grosvenor Inc. and will be listed on the NASDAQ stock exchange. Upon completion of the transaction, Grosvenor management will own more than 70% of the firm's equity. Existing shareholder Hellman & Friedman, a private equity firm that has been a passive minority shareholder in Grosvenor since 2007, will sell their equity interest. No personnel changes are expected as a result and no client action is required. Grosvenor announced the completion of the transaction on November 17, 2020.

Recommendation: None.

Compliance Summary

Manager verified that the portfolio is currently, and has been during the past quarter, in compliance with the commingled investment vehicle guidelines and/or offering document governing the management of the investment. With respect to the portfolio under management, manager acknowledges sole fiduciary responsibility under ERISA for adherence with the commingled investment vehicle and /or offering document guidelines.

Items of Interest: Communication – The manager states they believe the Fund is receiving all reporting it requires or has requested, but as the general partner and a fiduciary to GCM Grosvenor Secondary Opportunities Fund II, L.P. and its investors, the firm cannot be bound by the terms and conditions of the Fund's investment policy statement. **Form ADV** – The manager stated that GCMLP's Form ADV Part 1, which is several hundred pages in length, can be found online at www.adviserinfo.sec.gov and Form ADV Part 2A can be accessed via the SEI Investor Dashboard/Client Web Portal. Please see the firm's most recent Form ADV Part 2A in the full Compliance Report. The following section of the Form ADV Part 2A brochure received material updates: ***Item 8*** **–** Disclosure relating to Risks and Other Special Considerations.

Investment Policy Statement

- Investment policy statement was adopted in August 2014.

Custody Bank

- The current custodian is PNC Bank.
- Separate account market values and flows are derived from the custodial statement.

Proxy Voting Provider

- Effective April 17, 2020, Segal Marco Advisors proxy voting services were terminated.

Commingled Funds

- Commingled Fund: Due to the commingled fund structure, IPS does not monitor the holdings within the commingled fund for compliance with the client's investment policy statement. The commingled fund is governed by its own investment policy.
- Commingled fund market values and flows are derived from the manager's statement.

FELRA and UFCW Pension Fund

Appendix

FELRA and UFCW Pension Fund - Cash Flow Analysis

Quarter Ending	Beginning Market Value	Net Contributions / Withdrawals	Appreciation / Depreciation	Ending Market Value
Jun-08	$927,883,998	($22,279,057)	$3,761,688	$909,366,629
Sep-08	$909,366,629	($20,509,818)	($80,014,998)	$808,841,813
Dec-08	$808,841,813	($20,711,188)	($113,094,795)	$675,035,830
Mar-09	$675,035,830	($20,585,950)	($39,228,598)	$615,221,281
Jun-09	$615,221,281	($20,646,824)	$46,554,642	$641,129,099
Sep-09	$641,129,099	($15,477,240)	$51,866,729	$677,518,587
Dec-09	$677,518,587	($20,301,671)	$16,291,888	$673,508,804
Mar-10	$673,508,804	($23,964,727)	$24,806,670	$674,350,747
Jun-10	$674,350,747	($14,607,147)	($28,805,278)	$630,938,322
Sep-10	$630,938,322	($18,531,935)	$48,030,080	$660,436,468
Dec-10	$660,436,468	($19,020,364)	$39,663,596	$681,079,700
Mar-11	$681,079,700	($19,226,978)	$23,472,595	$685,325,318
Jun-11	$685,325,317	($19,226,221)	$7,939,126	$674,038,223
Sep-11	$674,038,223	($17,543,142)	($54,950,333)	$601,544,748
Dec-11	$601,544,748	($17,996,347)	$26,652,623	$610,201,024
Mar-12	$610,201,024	($18,424,045)	$41,651,407	$633,428,386
Jun-12	$633,428,386	($19,565,191)	($12,196,300)	$601,666,895
Sep-12	$601,666,895	($19,502,528)	$27,990,815	$610,155,182
Dec-12	$610,155,182	($19,736,735)	$13,322,360	$603,740,808
Mar-13	$603,740,808	($21,331,110)	$25,836,469	$608,246,166
Jun-13	$608,246,166	($22,971,241)	($3,558,977)	$581,715,949
Sep-13	$581,715,949	($22,792,009)	$29,121,566	$588,045,505
Dec-13	$588,045,505	($23,020,041)	$29,768,336	$594,793,801
Mar-14	$594,793,801	($22,948,172)	$11,617,817	$583,463,445
Jun-14	$583,463,445	($23,781,419)	$20,935,774	$580,617,800
Sep-14	$580,617,800	($23,973,486)	($7,324,690)	$549,319,624
Dec-14	$549,319,624	($24,616,981)	$6,603,834	$531,306,478
Mar-15	$531,306,478	($23,458,617)	$17,197,180	$525,045,041
Jun-15	$525,045,041	($24,143,915)	$5,472,944	$506,374,069
Sep-15	$506,374,069	($24,112,722)	($22,853,704)	$459,407,643
Dec-15	$459,407,643	($27,542,185)	$12,993,637	$444,859,095
Mar-16	$444,859,095	($26,773,145)	$1,631,135	$419,717,085
Jun-16	$419,717,085	($26,381,540)	$6,603,058	$399,938,603
Sep-16	$399,938,603	($36,893,297)	$12,191,625	$375,236,931
Dec-16	$375,236,931	($16,095,723)	$8,021,326	$367,162,534
Mar-17	$367,162,534	($26,515,622)	$12,883,529	$353,530,441
Jun-17	$353,530,441	($26,489,842)	$5,533,760	$332,574,360
Sep-17	$332,574,360	($26,197,063)	$8,419,541	$314,796,838
Dec-17	$314,796,838	($25,843,977)	$9,214,416	$298,167,277
Mar-18	$298,167,277	($25,673,057)	($709,162)	$271,785,057
Jun-18	$271,785,057	($23,495,940)	$2,668,486	$250,957,604
Sep-18	$250,957,604	($27,227,771)	$7,572,457	$231,312,290
Dec-18	$231,312,290	($24,743,983)	($13,372,282)	$193,196,024
Mar-19	$193,196,024	($33,290,012)	$11,059,732	$170,826,184
Jun-19	$170,826,184	($18,391,427)	$3,651,995	$156,086,751
Sep-19	$156,086,751	($25,879,043)	$901,985	$131,109,693
Dec-19	$131,109,693	($26,962,901)	$1,520,339	$105,667,131
Mar-20	$105,667,131	($24,855,060)	($999,229)	$79,812,842
Jun-20	$79,812,842	($25,451,087)	$2,213,062	$56,574,816
Sep-20	$56,574,816	($25,496,118)	$223,731	$31,302,540
Dec-20	$31,302,540	($25,877,125)	$298,053	$5,726,908
Mar-21	$5,726,908	$135,266,912	$5,362,546	$148,853,764
Jun-21	$148,853,764	($23,524,636)	$7,359,490	$133,418,817
Sep-21	$133,418,817	($22,836,907)	($1,810)	$110,999,030
Dec-21	$110,999,030	($24,349,571)	$5,306,812	$91,926,567
Mar-22	$91,926,567	($22,598,143)	($3,339,478)	$65,988,945
Jun-22	$65,988,945	$1,219,077,784	$739,752	$1,285,806,481
		$89,952,699	$264,478,971	

Performance Detail (Gross of Fees) - Annualized

	Market Value	% of Portfolio	Ending June 30, 2022								
			2022 Q2	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs	Inception	Inception Date
Total Fund	**$1,285,806,481**	**100.0%**	**0.1%**	**-2.9%**	**2.2%**	**5.8%**	**5.9%**	**5.9%**	**7.4%**	**6.3%**	**Jan-97**
Total Opportunistic Strategies	**$1,991,048**	**0.2%**									
EnTrustPermal Special Opportunities Fund IV, Ltd - Class A	$1,991,048	0.2%									
Total Private Equity	**$6,979,337**	**0.5%**									
GCM Grosvenor Secondary Opportunities Feeder Fund II, LP	$6,979,337	0.5%									
Total Cash Equivalents	**$1,274,985,003**	**99.2%**	**0.1%**	**0.1%**	**0.3%**	**0.6%**	**0.8%**	**0.7%**	**0.5%**	**--**	**Jul-06**
PNC STIF (FELRA)	$1,274,985,003	99.2%	0.1%	0.2%	0.3%	0.6%	0.8%	0.7%	0.5%	1.4%	Jul-06
Total Other	**$1,851,093**	**0.1%**									
EnTrust Capital Diversified Fund - Class X	$1,851,093	0.1%									

Account	Fee Schedule	Market Value As of 6/30/2022	% of Portfolio	Estimated Annual Fee ($)	Estimated Annual Fee (%)
Total Opportunistic Strategies	**-**	**$1,991,048**	**0.2%**	**--**	**--**
EnTrustPermal Special Opportunities Fund IV, Ltd - Class A	1.25% of Assets	$1,991,048	0.2%	$24,888	1.25%
Total Private Equity	**-**	**$6,979,337**	**0.5%**	**--**	**--**
*GCM Grosvenor Secondary Opportunities Feeder Fund II, LP	20,000 Quarterly	$6,979,337	0.5%	$80,000	1.15%
Total Cash Equivalents	**-**	**$1,274,985,003**	**99.2%**	**--**	**--**
PNC STIF (FELRA)	-	$1,274,985,003	99.2%	--	--
Total Other	**-**	**$1,851,093**	**0.1%**	**--**	**--**
EnTrust Capital Diversified Fund - Class X	0.50% of Assets	$1,851,093	0.1%	$9,255	0.50%
Investment Management Fee		**$1,285,806,481**	**100.0%**	**$114,144**	**0.01%**

* The estimated annual fee (%) shown in the above table is calculated based on the investment market value. For investments in which the fee is based on committed capital, the estimated annual fee (%) shown may not be representative of the actual annual fee (%).

- The above fees do not include incentive fees.

Footnotes

- Montag & Caldwell was terminated on August 1, 2006 and funds were transferred to Capital Management Associates.
- Fountain was terminated and assets moved to Lazard High Yield on July 2, 2007.
- Ark was terminated and assets moved to Westwood on August 1, 2007.
- The net of fees returns in this report are estimated. Fees do not include: the investment consulting fee paid to IPS, custodian fees, or other administrative costs.
- The net of fees calculations began 3rd Quarter 2004 and cannot be calculated for prior time periods.
- Gottex Fund Management Holdings Ltd. values, flows, and returns are provided by Gottex and cannot be independently verified.
- Segall Bryant & Hamill hired with initial funding from Logan Circle Partners on November 14, 2008 in the amount of $39,669,926.
- On December 16, 2016 Tremont Recovery amount of $215,947 was transferred to the cash account. The Tremont Recovery payment is reflected as a gain in the Hedge Fund of Funds group.
- The following composite returns prior to 1st quarter 2010 do not include cash in the calculation of returns.
    - Total Fund Domestic Equity
    - Total Fund International Equity
    - Total Domestic Fixed Investment Grade
    - Total Fixed High Yield
    - Total Fund Real Estate
    - Total Fund Hedge Fund of Fund
    - Total Fund GTAA/Risk Parity
- Separately managed account returns are calculated by IPS using custodian data.
- Values, flows, and returns for all commingled funds, mutual funds, partnerships, and all other alternative assets are provided by the firm managing the assets and cannot be independently verified by IPS.
- Total asset class inception returns may not be available if the performance history begins prior to December 2007.

FELRA and UFCW Pension Fund

Preliminary Monthly Performance Update

Period Ended

July 31, 2022

Total Fund Growth of Assets

	Last Month	Fiscal Year-To-Date
Beginning Market Value	$1,285,806,481	$91,926,567
Net Cash Flow	-$7,548,044	$1,188,931,596
Net Investment Change	$1,633,010	-$966,717
Ending Market Value	$1,279,891,447	$1,279,891,447

- The Fund's fiscal year end is December 31st.
- The merger of the Mid-Atlantic UFCW and Participating Employers Pension Fund into FELRA and UFCW Pension Fund was effective January 1, 2021. A total of $149,140,492 transferred into the Fund.
- On May 31, 2022, $1,242,121,642 of SFA assets transferred into the Fund.

Current vs. Policy

	Current	Current	Policy	Policy Range	Difference	Difference
Domestic Large Cap Equity	$0	0.0%	20.0%	15.0% - 25.0%	-20.0%	-$255,978,289
Domestic Small / Mid Cap Equity	$0	0.0%	7.5%	2.5% - 12.5%	-7.5%	-$95,991,859
International Equity	$0	0.0%	10.0%	5.0% - 15.0%	-10.0%	-$127,989,145
Global Tactical Asset Allocation	$0	0.0%	10.0%	5.0% - 15.0%	-10.0%	-$127,989,145
High Yield Fixed Income	$0	0.0%	10.0%	5.0% - 15.0%	-10.0%	-$127,989,145
Real Estate - Value Add	$0	0.0%	20.0%	15.0% - 25.0%	-20.0%	-$255,978,289
Opportunistic Strategies	$1,991,048	0.2%	10.0%	5.0% - 15.0%	-9.8%	-$125,998,097
Private Equity	$6,979,337	0.5%	12.5%	7.5% - 17.5%	-12.0%	-$153,007,094
Cash Equivalents / Other	$1,270,921,062	99.3%	0.0%	0.0% - 0.0%	99.3%	$1,270,921,062
Total	**$1,279,891,447**	**100.0%**	**100.0%**			

- The Policy was adopted June 2022 and is effective TBD (pending funding of managers).
- Cash Equivalents / Other includes PNC STIF (FELRA) and EnTrust Capital Diversified Fund - Class X.

Performance Detail (Gross of Fees)

	Market Value	% of Portfolio	Ending July 31, 2022 1 Mo	Ending July 31, 2022 Fiscal YTD
Total Fund	**$1,279,891,447**	**100.0%**	**0.1%**	**-2.7%**
Total Opportunistic Strategies	**$1,991,048**	**0.2%**		
EnTrustPermal Special Opportunities Fund IV, Ltd - Class A	$1,991,048	0.2%		
Total Private Equity	**$6,979,337**	**0.5%**		
GCM Grosvenor Secondary Opportunities Feeder Fund II, LP	$6,979,337	0.5%		
Total Cash Equivalents	**$1,269,072,554**	**99.2%**	**0.1%**	**0.3%**
PNC STIF (FELRA)	$1,269,072,554	99.2%	0.1%	0.3%
Total Other	**$1,848,508**	**0.1%**		
EnTrust Capital Diversified Fund - Class X	$1,848,508	0.1%		

Performance Detail (Net of Fees)

	Market Value	% of Portfolio	1 Mo	Fiscal YTD
			Ending July 31, 2022	
Total Fund	**$1,279,891,447**	**100.0%**	**0.1%**	**-2.8%**
Total Opportunistic Strategies	**$1,991,048**	**0.2%**		
EnTrustPermal Special Opportunities Fund IV, Ltd - Class A	$1,991,048	0.2%		
Total Private Equity	**$6,979,337**	**0.5%**		
GCM Grosvenor Secondary Opportunities Feeder Fund II, LP	$6,979,337	0.5%		
Total Cash Equivalents	**$1,269,072,554**	**99.2%**	**0.1%**	**0.3%**
PNC STIF (FELRA)	$1,269,072,554	99.2%	0.1%	0.3%
Total Other	**$1,848,508**	**0.1%**		
EnTrust Capital Diversified Fund - Class X	$1,848,508	0.1%		

Footnotes

- The information contained in this report is proprietary and confidential information. You are hereby notified that any dissemination, distribution, or copying of this document is strictly prohibited.
- Values, flows, and returns for all commingled funds, mutual funds, partnerships, and all other alternative assets are provided by the firm managing the assets and cannot be independently verified by IPS.
- Separately managed account returns are calculated by IPS using custodian data.
- The net of fees returns in this report are estimated. Fees do not include: the investment consulting fee paid to IPS, custodian fees, or other administrative costs.
- The following manager is valued as of March 31, 2022, plus or minus flows:
    - GCM Grosvenor Secondary Opportunities Feeder Fund II, LP
- The following manager is valued as of June 30, 2022, plus or minus flows:
    - EnTrustPermal Special Opportunities Fund IV, Ltd - Class A
- In July 2022, $4.83M was contributed to cash (PNC STIF) from outside cash.
- In July 2022, $11.98M was distributed from cash (PNC STIF) for benefit payments.

Glossary of Investment Terminology

Total Return	The annual return on an investment including appreciation, depreciation and income (interest, dividends, net operating income).
Alpha	The excess return (positive or negative) generated by active portfolio management and security selection, relative to a benchmark.
Beta	A historical measure of an investment's volatility relative to the market. The beta of the market is 1.0 (as represented by a benchmark such as the S&P 500 Index). A beta of greater than 1.0 indicates an investment with greater volatility than the benchmark. A beta of less than 1.0 indicates less volatility than the benchmark.
Standard Deviation	Standard deviation is a statistical measurement of the dispersion of a set of data from its mean. The more spread apart the data are, the greater the standard deviation.
Risk	For an investment portfolio, risk is typically defined as the volatility of the returns, as measured by calculating the standard deviation. The risk does not necessarily indicate the risk of loss, but does indicate the risk of inconsistent returns.
Capture Ratio	Calculates how well a manager performs in a rising or falling market as a percentage of a benchmark. In a rising market, a percentage of 100 or better is preferred, and indicates the manager exceeded the benchmark (upside capture ratio). In a falling market, a percentage of less than 100 is preferred, indicating that the manager lost less than the benchmark (downside capture ratio).
Correlation	A statistical measure of how two asset classes perform in relation to each other. Asset classes with a correlation of 1.0 have perfect positive correlation (exactly the same). Assets with perfect negative correlation of -1.0 will perform equally but in opposite directions.
Efficient Frontier	A series of portfolios with the maximum expected return for any level of risk, which is calculated based on assumptions of risk, return and correlation. These portfolios are shown graphically on a risk and return chart, and represent the most efficient tradeoff between risk and return.
Market Cap	The dollar value of a corporation, which is calculated by multiplying the share price and the number of outstanding shares.
Large Cap	Stocks which typically have a market capitalization of $10 billion or higher.
Mid Cap	Stocks which typically have a market capitalization of $2 to $10 billion.
Small Cap	Stocks which typically have a market capitalization of $2 billion or less.
Geometric Calculation	Geometric Calculations are used when determining an annualized investment return and tends to dampen the effect of very high or very low values. The result is a number that is smaller than (or equal to) the arithmetic average of the values.
Compound Annual Returns	Compound annual returns show the annual investment return, assuming the investment grew at a constant rate, and reflects the impact of the time in the calculation of an investment return.
Return/Risk Ratio	The return/risk ratio is the expected return of an investment divided by the expected standard deviation (risk). When comparing return/risk ratios a higher value is presumed to be better than a lower value

Disclaimer:

This report has been prepared by Investment Performance Services, LLC (“IPS”). Certain information, including information relating to market indices, was provided by sources external to IPS and may not have been verified. While IPS has exercised reasonable professional care in preparing this report, we cannot guarantee the accuracy of source information contained herein. Information provided in this report is as of the date of the report unless noted otherwise, and IPS is under no obligation to update the information or communicate that any updates have been made. If this report contains information regarding a matter that is outside of the description of services in the written agreement between IPS and the Fund, such information is included for informational purposes only and, the inclusion of such information does not alter or expand the scope of the services provided by IPS.

The Fund’s performance is attributable to factors other than the advice of IPS because, among other things, (a) IPS may act in an advisory capacity (i.e., IPS may not have discretion over Fund assets), (b) the Fund may or may not follow advice provided by IPS, and (c) returns may include investments made prior to the Fund’s relationship with IPS. Nothing contained herein constitutes investment, legal, accounting, actuarial, or tax advice, or a recommendation to buy, sell, or hold a security or pursue a particular investment vehicle or any trading strategy. Past performance is no guaranty of future results.

EPIC

April 27- 29, 2022

The following investment managers and providers attended and helped to defray the cost of IPS' annual conference EPIC. EPIC is an educational conference addressing various issues related to employee benefit plans. IPS does not give preferential treatment to investment managers or any other provider that pays to attend EPIC.

Adams Street Partners
Amalgamated Bank of Chicago
American Realty Advisors
Columbia Threadneedle Investments
Ares Management
ASB Real Estate Investments
Atlanta Capital Management
Barrow Hanley Global Investors
BentallGreenOak
BlackRock Financial Management
BNY Mellon Asset Management (Mellon)
Boston Partners Global Investors
Boyd Watterson Asset Management
Capital Group
CarillonTower Advisers
Chartwell Investment Partners
Christenson Investment Partners
Corbin Capital Partners
EnTrust Global
First Eagle Investment Mgmt.
Fisher Investments
Foundry Partners
Fred Alger Management
GAMCO Asset Management
GCM Grosvenor
Glouston Capital Partners
GoldenTree Asset Management
Great Lakes Advisors
Hamilton Lane Advisors
Hardman Johnston Global Advisors
Intercontinental Real Estate Corp.
Invesco Advisers, Inc.
Janus Henderson Investors
JP Morgan Asset Management
Kearney Capital LLC
Kelson Group
Lazard Asset Management
Loomis, Sayles & Company
Lord Abbett & Co.
LSV Asset Management
MacKay Shields
McMorgan & Company
Mesirow Private Equity
National Investment Services
Neuberger Berman
Old Glory Asset Management
Owl Rock Capital Holdings
Partners Group
Patriot Financial Partners
PNC Capital Advisors
Polen Capital
Post Advisory Group
Principal Global Investors
RBC Global Asset Management
Richmond Capital Mgmt
Schroders Investment Management
Segall Bryant & Hamill
Sierra Investment Partners
Smith Graham & Co.
State Street Global Advisors
Stonepeak Partners
Stuart Portfolio Consultants
Ullico Investment Company
Victory Capital Management
Washington Capital Management
WEDGE Capital Management
Wellington Management Company
Westfield Capital Management
William Blair & Company
Xponance