

THIRD QUARTER 2015
INVESTMENT UPDATE

for

CITY OF FORT PIERCE
RETIREMENT AND BENEFIT SYSTEM



RICHMOND CAPITAL MANAGEMENT
Experience, Knowledge, Service

CITY OF FORT PIERCE RETIREMENT AND BENEFIT SYSTEM

Performance Summary

As of September 30, 2015

	City of Fort Pierce Retirement and Benefit System	Barclays Aggregate Index*	Value Added
3rd Quarter, 2015	1.46%	1.23%	+0.23%
Year to Date	1.65%	1.13%	+0.52%
Fiscal Year to Date (1 year)	3.44%	2.94%	+0.50%
Annualized: 3 Years	2.34%	1.77%	+0.57%
5 Years	3.92%	3.21%	+0.71%
10 Years	5.39%	4.67%	+0.72%
Annualized Since Inception (8/1/1989)	6.96%	6.39%	+0.57%

Fiscal Year End September 30th

*Barclays Govt/Credit from 8/1/89 to 5/31/13, Barclays Aggregate from 6/1/13 forward

CITY OF FORT PIERCE RETIREMENT AND BENEFIT SYSTEM

Portfolio Review

As of September 30, 2015

Cash Flows Since Inception Through September 30, 2015	
Market Value (8/1/1989)	\$12,816,948
Change in Market Value of Holdings	5,098,580
Interest Earned	62,061,263
Contributions/ Withdrawals	26,506,983 (57,142,216)
Total	\$49,341,558

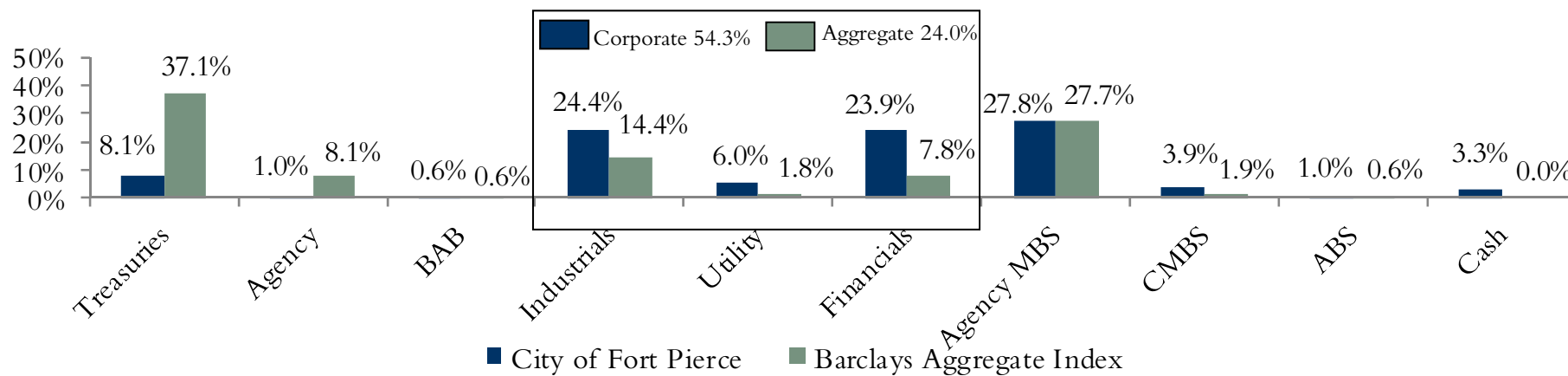
Portfolio Review Through September 30, 2015	
Average Maturity	6.62 Years
Portfolio Duration (Barclays Aggregate)	4.98 Years 5.43 Years
Average Yield to Maturity	2.34%
(Barclays Aggregate)	2.20%
Average Quality	AA

Statistics in this report are calculated by Bond Edge Fixed Income Analytic models.

CITY OF FORT PIERCE RETIREMENT AND BENEFIT SYSTEM

As of September 30, 2015

Quality Distribution		
	City of Fort Pierce	Barclays Aggregate Index
AAA	45.1%	72.6%
AA	2.9%	3.6%
A	34.9%	11.5%
BAA	17.1%	12.3%



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STRATEGY FOR TODAY'S MARKET

As of September 30, 2015

- » Income dominates return over the long term. We are presently overweight short and intermediate maturity corporate bonds and take comfort in the high quality of our holdings.
- » Diversify, diversify, and diversify! Portfolio has exposure to 82 credits.
- » Our mortgage holdings are currently duration neutral to the index. We continue to focus on specified pools with attractive prepayment characteristics.
- » Interest rates are low. The portfolio is defensively postured with duration 0.45 years less than the Barclays Aggregate Index. We cannot forecast when interest rates will rise, but view our duration strategy as an inexpensive insurance policy for our portfolios.
- » Yield curve is very positively sloped. The portfolio is defensively postured in the 1-5 year maturities.