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**Central Pennsylvania Teamsters**

Investment Review

March 31, 2018

## Economic & Capital Market Highlights

March 31, 2018

### Economy

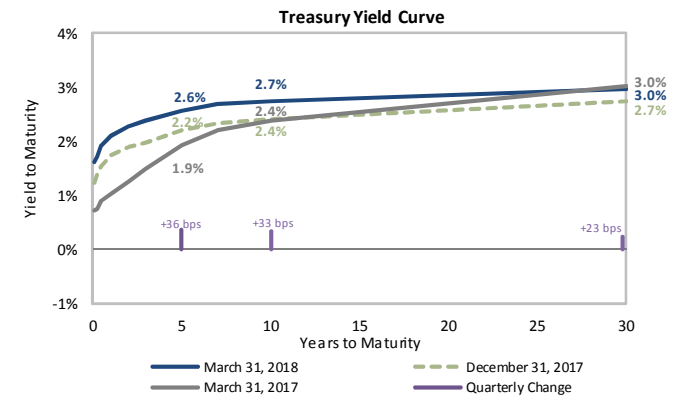
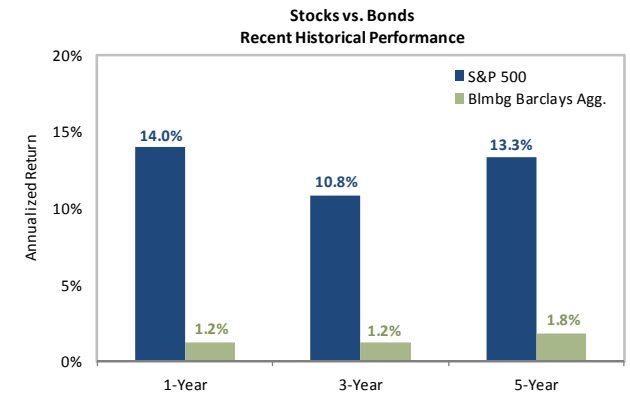
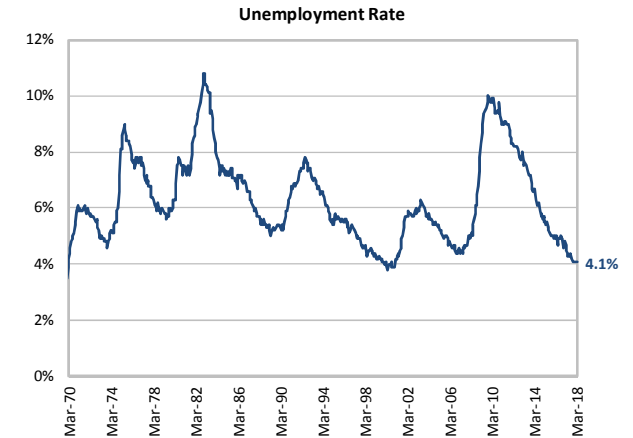
The global economy continued to expand during the first quarter, although at a modestly slower rate than the second half of 2017. Growth rates remain elevated across major economies, supported by strong consumer spending and confidence, business investment and central bank accommodation. These conditions, combined with increasing margins, have produced the fastest rate of global earnings growth since 2011. Citing further progress toward full employment and signs of building inflationary pressures, the Federal Reserve once again raised short-term interest rates at its March meeting; the target fed funds rate ended the quarter at 1.50%-1.75%, its highest level since 2008.

### Capital Markets

Rising trade tensions between the US and China and concerns of higher inflation in the US were catalysts for increased equity market volatility during the quarter. Following 2017, which saw global equities gain each month amid record low volatility, market fluctuations have returned to normal levels in 2018. MSCI ACWI IMI experienced its first quarterly decline since the third quarter of 2015, returning -0.9%. US large cap growth and emerging markets continued to outperform, driven by continued gains in the technology sector. Fixed income markets broadly declined as yields rose across the curve; the 10-year Treasury yield ended the quarter at 2.74%, up 33 bps from the end of 2017. Within fixed income markets, credit exposures generally underperformed treasuries as spreads widened modestly.

### Market Performance (Returns in USD)

		Quarter	1 Year	3 Year	5 Year
MSCI ACWI IMI	Global Equity	-0.9%	15.0%	8.3%	9.3%
Russell 3000	US Equity	-0.6%	13.8%	10.2%	13.0%
S&P 500	US Large Cap Equity	-0.8%	14.0%	10.8%	13.3%
Russell 1000	US Large Cap Equity	-0.7%	14.0%	10.4%	13.2%
Russell 1000 Value	US Large Cap Value Equity	-2.8%	6.9%	7.9%	10.8%
Russell 1000 Growth	US Large Cap Growth Equity	1.4%	21.3%	12.9%	15.5%
Russell 2000	US Small Cap Core Equity	-0.1%	11.8%	8.4%	11.5%
Russell 2000 Value	US Small Cap Value Equity	-2.6%	5.1%	7.9%	10.0%
Russell 2000 Growth	US Small Cap Growth Equity	2.3%	18.6%	8.8%	12.9%
MSCI EAFE	Int'l Developed Large Cap Equity	-1.5%	14.8%	5.6%	6.5%
MSCI EAFE Small Cap	Int'l Developed Small Cap Equity	0.2%	23.5%	12.3%	11.1%
MSCI Emerging Markets	Emerging Market Equity	1.4%	24.9%	8.8%	5.0%
Alerian MLP	Master Limited Partnerships	-11.1%	-20.1%	-11.2%	-5.8%
Blmbg Barc. US Aggregate	US Core Fixed Income	-1.5%	1.2%	1.2%	1.8%
Blmbg Barc. US Treasury	US Treasuries	-1.2%	0.4%	0.4%	1.1%
Blmbg Barc. US Credit	US Corporate Bonds	-2.1%	2.6%	2.2%	2.8%
Blmbg Barc. US MBS	US Mortgage Backed Securities	-1.2%	0.8%	1.1%	1.8%
Blmbg Barc. High Yield	US High Yield Bonds	-0.9%	3.8%	5.2%	5.0%



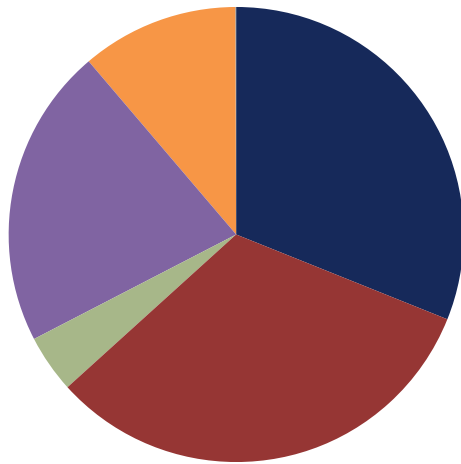
# Central Pennsylvania Teamsters

Retirement Income Plan 1987: Portfolio Summary

As of March 31, 2018

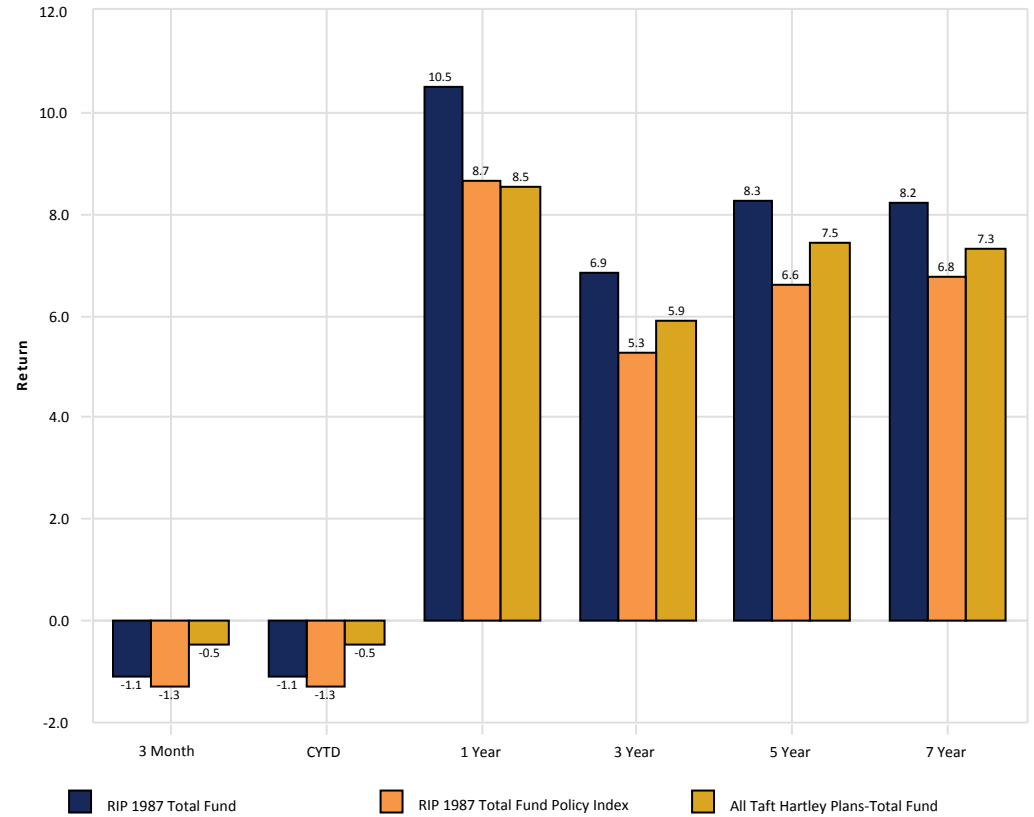
## Asset Allocation

March 31, 2018 : \$1,228,853,564



	Market Value (\$)	Allocation (%)
US Equity	381,875,125	31.08
International Equity	395,853,357	32.21
Energy MLPs	50,642,969	4.12
Fixed Income	262,552,421	21.37
Real Estate	137,093,292	11.16
Cash	836,400	0.07

## Comparative Performance



## Year to Date Financial Reconciliation

	Market Value As of 01/01/2018	Net Flows	Return On Investment	Market Value As of 03/31/2018
RIP 1987 Total Fund	1,283,471,476	-41,484,889	-13,133,023	1,228,853,564

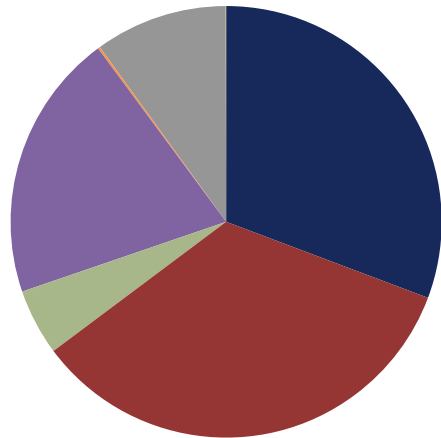
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Defined Benefit Plan: Portfolio Summary

As of March 31, 2018

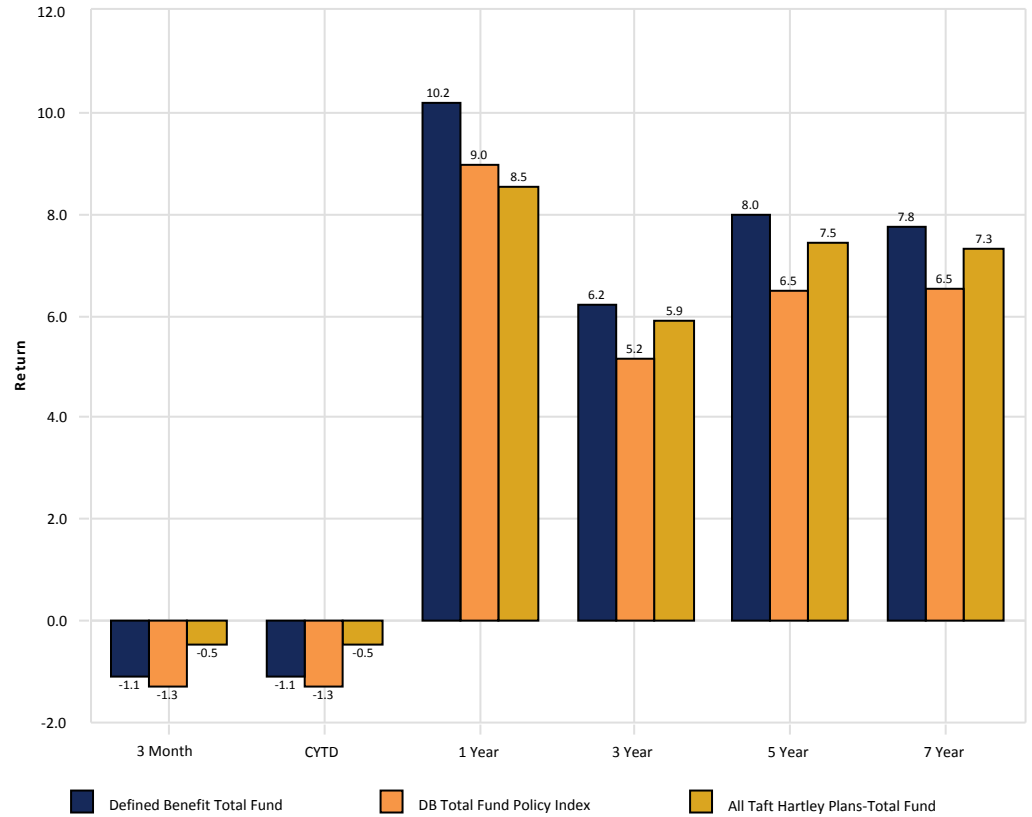
## Asset Allocation

March 31, 2018 : \$1,064,454,751



	Market Value (\$)	Allocation (%)
US Equity	327,059,800	30.73
International Equity	362,530,060	34.06
Energy MLPs	52,990,284	4.98
Fixed Income	213,979,373	20.10
Hedge Fund	1,687,206	0.16
Real Estate	105,803,098	9.94
Cash	404,930	0.04

## Comparative Performance



## Year to Date Financial Reconciliation

	Market Value As of 01/01/2018	Net Flows	Return On Investment	Market Value As of 03/31/2018
Defined Benefit Total Fund	1,081,075,706	-4,944,664	-11,676,291	1,064,454,751

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