



D A L L A S
POLICE & FIRE
PENSION SYSTEM



Portfolio Update

August 14, 2025

Board Meeting

Executive Summary

- **Estimated YTD Return (through 7/31):** 7.8% for DPFP Portfolio; 10.0% for Public Portfolio which makes up 80.8% of the assets.
- **\$37M public equity rebalancing** was implemented in July with outperforming active managers being trimmed back to target with \$20M of proceeds being invested in the Northern Trust ACWI IMI Index and \$17M held back with the Cash allocation.
- **\$14.9M of private market proceeds** received YTD with \$8.8M distributed from the Lone Star CRA portfolio company sale on 8/1.
- US Small Cap manager **Eastern Shore was successfully liquidated for \$64M** on 8/5 with \$60M of the proceeds being reinvested into the passive Northern Trust Russell 2000 fund.

Investment Initiatives – 2025 Plan

Q1 & Q2 2025

- Appointment of Private Markets Sub-Committee
- Private Credit Pacing Plan
- Public Equity and Public Credit Asset Class Structure Reviews
- Private Equity Pacing Plan
- Sub-Committee Review of New Private Credit Investments
- Initiate Multi-Asset Credit Search
- Board Approval of Initial Private Credit Commitments

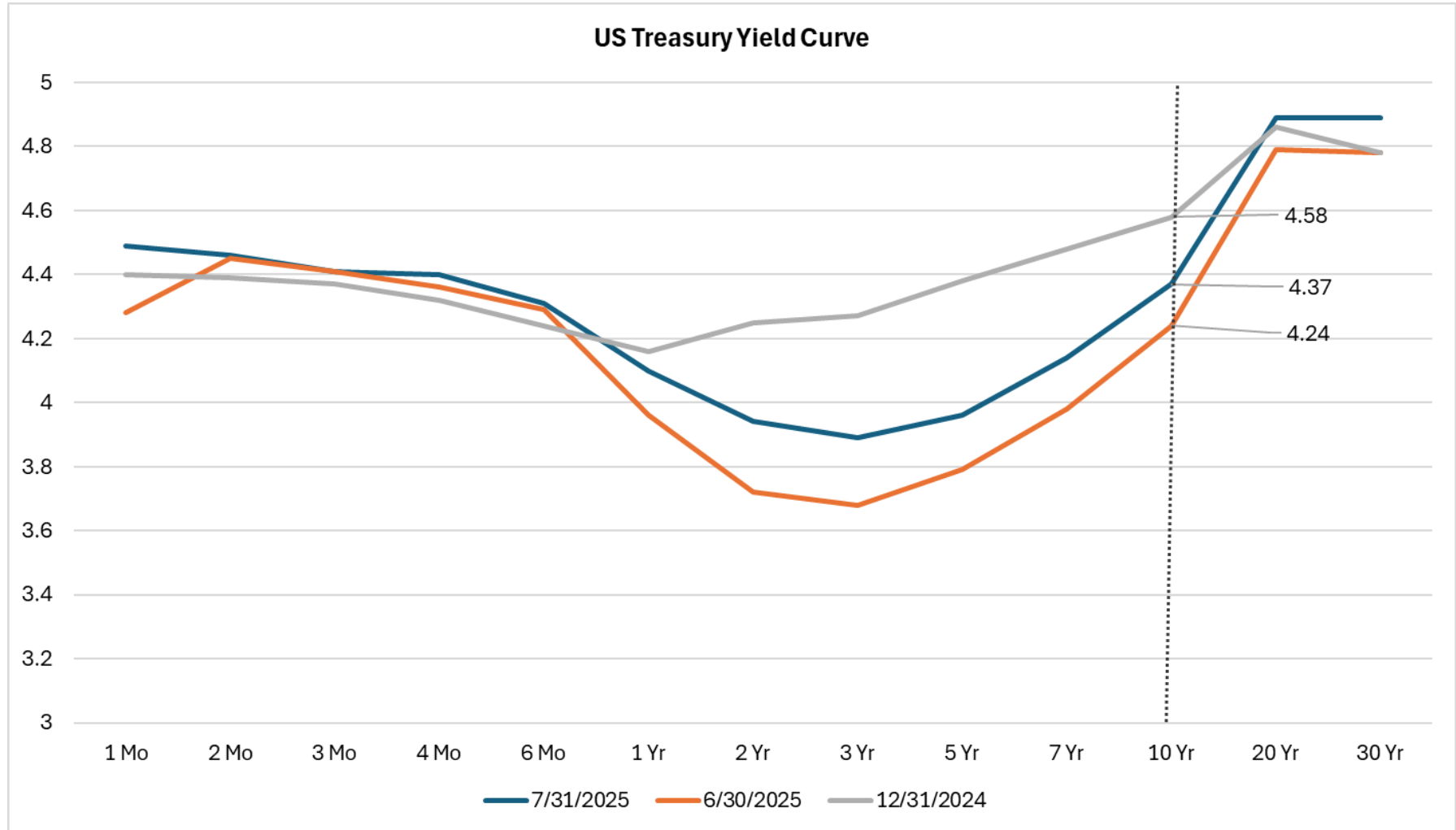
Q3 2025

- Multi Asset Credit (MAC) Search and Manager Selection
- MAC Funding
- Diligence of Buyout and Secondary Private Equity Funds
- Diligence of Additional Private Credit Investments

Q4 2025 & Beyond

- IAC review of Public Equity Portfolio
- Possible Global Equity Value Search

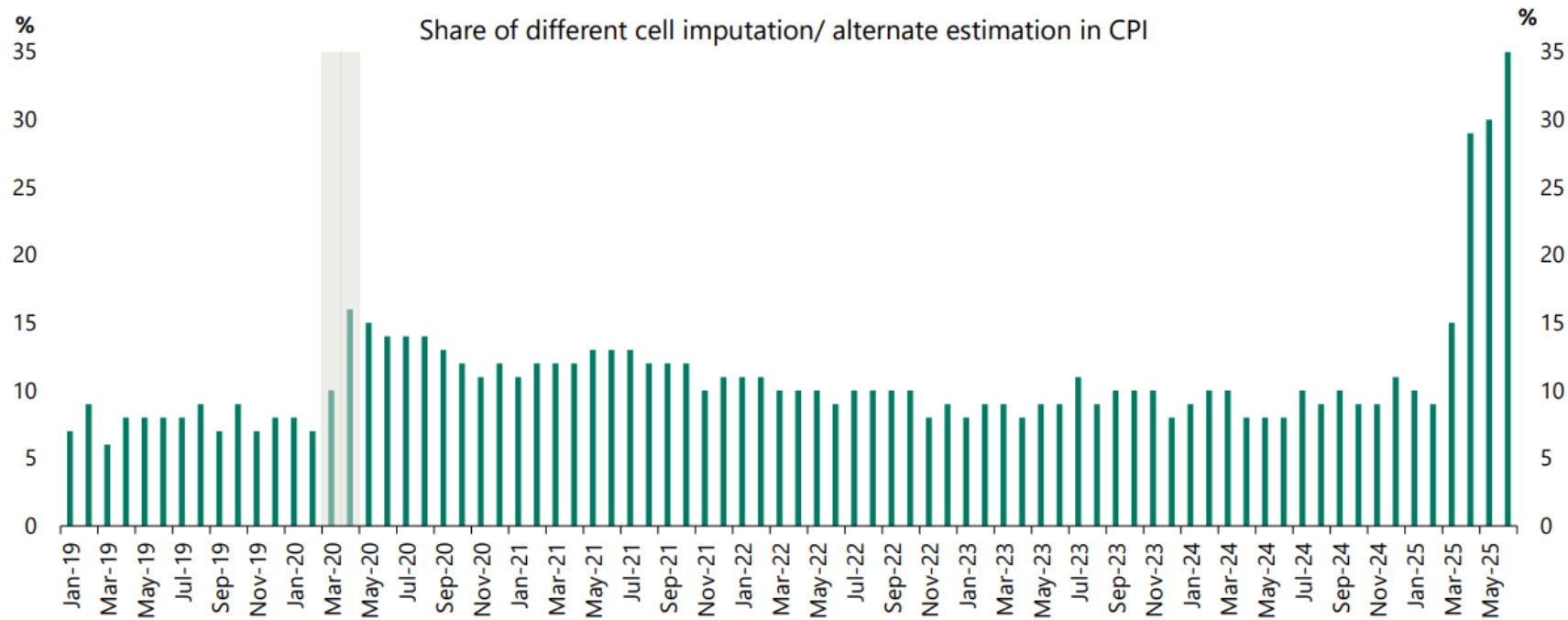
US Treasury Yield Curve



CPI Data

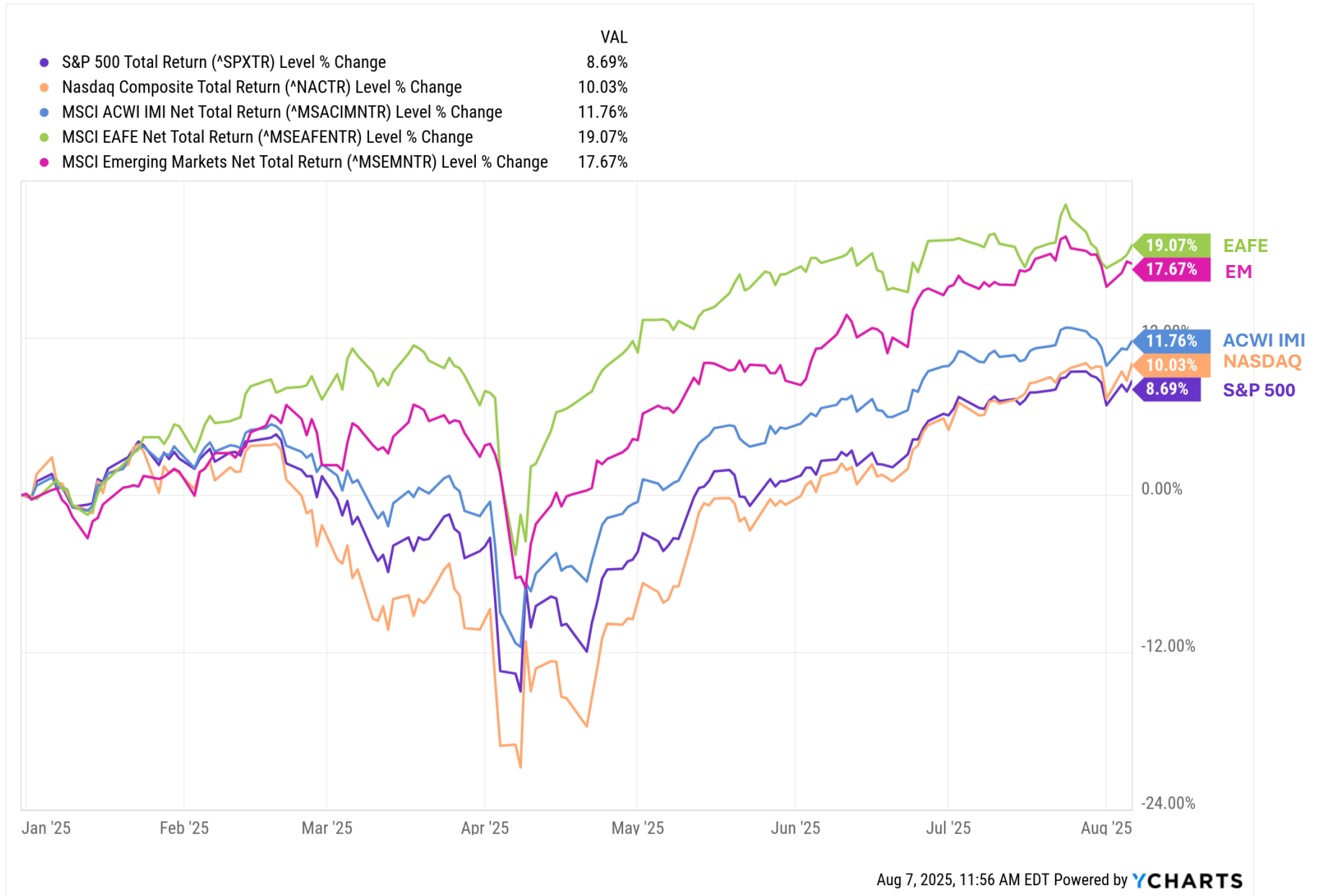
APOLLO

Significant increase in the share of alternate estimation in the CPI

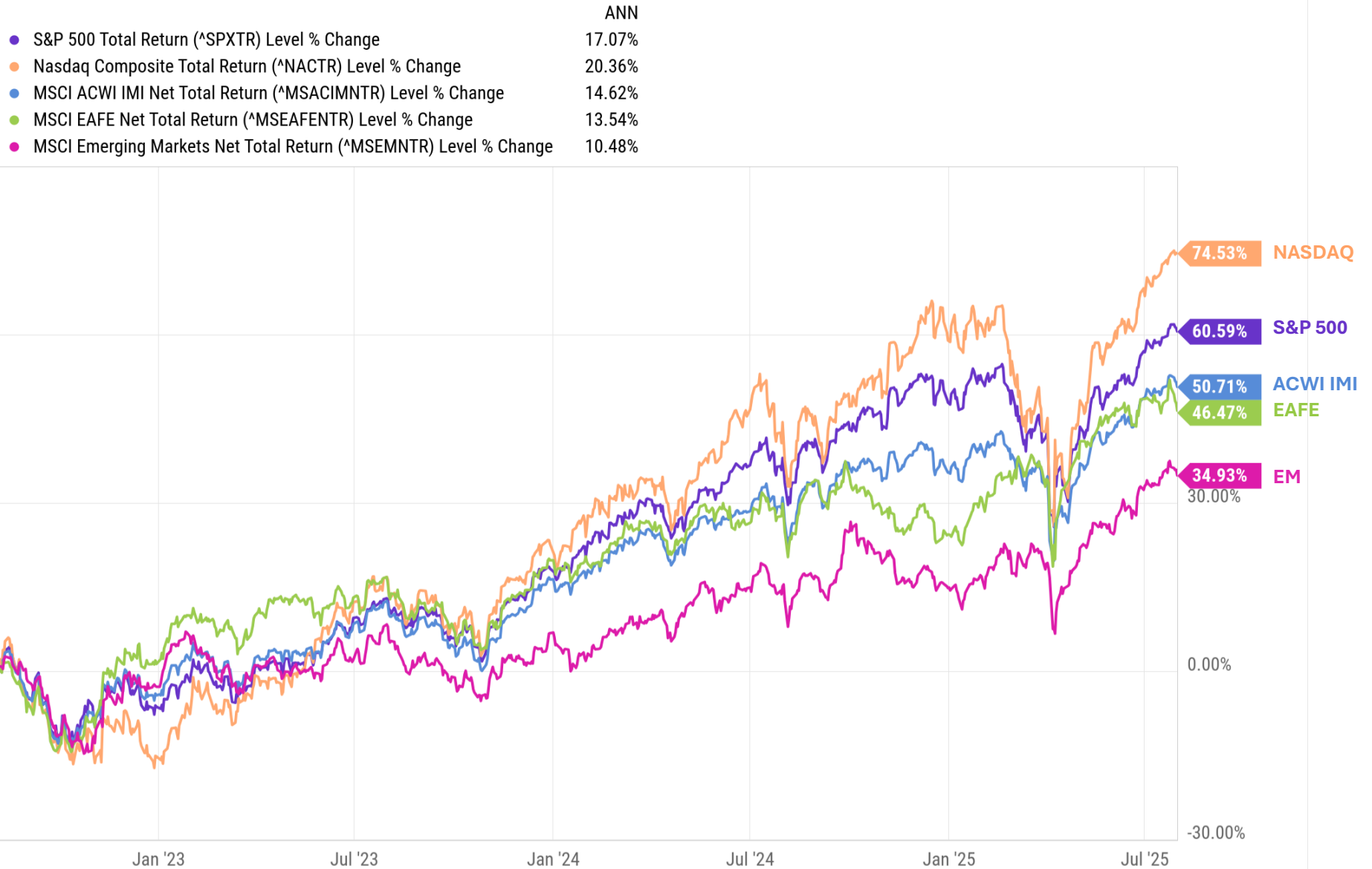


Note: Different cell imputation is where uncollected prices are imputed from collected prices of the same item in other geographic areas or from collected prices of related item categories in the same geographic area. Sources: BLS, Apollo Chief Economist

YTD Equity Markets Returns (As of 8/6/25)



Global Equity Markets Returns (3 Years Ending 7/31/25)

Aug 4, 2025, 3:12 PM EDT Powered by **YCHARTS**

Public Markets Performance Snapshot

Public Markets made up 80.8% of DPFP Investment Portfolio.

Trailing Net Performance | As of July 31, 2025

Performance Summary Ending July 31, 2025								
	Market Value (\$)	1 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	Since Inception	Inception Date
Total Public Portfolio	1,686,199,431	0.5	10.0	12.0	11.8	8.5	6.9	Oct-05
<i>60% MSCI ACWI IMI Net/40% Bloomberg Global Aggregate Index</i>		<i>0.2</i>	<i>9.1</i>	<i>10.8</i>	<i>9.4</i>	<i>6.6</i>	<i>5.9</i>	
Public Equity	1,200,420,964	0.6	12.4	14.6	14.2	12.1	7.9	Jul-06
<i>MSCI AC World IMI Index (Net)</i>		<i>1.3</i>	<i>11.3</i>	<i>15.1</i>	<i>14.7</i>	<i>12.5</i>	<i>7.7</i>	
Boston Partners Global Equity Fund	128,650,005	0.2	22.3	18.4	16.6	17.3	10.2	Jul-17
<i>MSCI World Net</i>		<i>1.3</i>	<i>10.9</i>	<i>15.7</i>	<i>15.8</i>	<i>13.8</i>	<i>11.6</i>	
Manulife Global Equity Strategy	127,549,315	0.5	10.0	8.3	13.1	11.9	9.5	Jul-17
<i>MSCI ACWI Net</i>		<i>1.4</i>	<i>11.5</i>	<i>15.9</i>	<i>15.3</i>	<i>12.8</i>	<i>10.8</i>	
Walter Scott Global Equity Fund	127,754,935	-0.6	5.5	6.0	10.8	9.4	9.9	Dec-09
<i>MSCI ACWI Net</i>		<i>1.4</i>	<i>11.5</i>	<i>15.9</i>	<i>15.3</i>	<i>12.8</i>	<i>9.7</i>	
WCM Global Equity	128,886,197	1.0	16.3	33.5	--	--	33.5	Dec-23
<i>MSCI AC World Index Growth (Net)</i>		<i>2.1</i>	<i>11.6</i>	<i>20.2</i>	<i>18.4</i>	<i>12.7</i>	<i>24.7</i>	
NT ACWI Index IMI	478,330,319	1.3	11.5	15.4	15.0	--	9.3	Apr-21
<i>MSCI AC World IMI Index (Net)</i>		<i>1.3</i>	<i>11.3</i>	<i>15.1</i>	<i>14.7</i>	<i>12.5</i>	<i>8.9</i>	
Eastern Shore US Small Cap	64,408,888	1.8	3.3	5.1	7.9	--	2.0	Oct-21
<i>Russell 2000 Index</i>		<i>1.7</i>	<i>-0.1</i>	<i>-0.6</i>	<i>7.0</i>	<i>9.8</i>	<i>1.5</i>	
Global Alpha International Small Cap	62,023,139	-2.2	16.6	6.7	4.6	--	2.6	May-22
<i>MSCI EAFE Small Cap (Net)</i>		<i>-0.1</i>	<i>20.8</i>	<i>15.8</i>	<i>10.9</i>	<i>8.5</i>	<i>8.0</i>	
RBC Emerging Markets Equity	82,818,166	-0.4	14.9	13.6	11.4	6.1	4.3	Jan-18
<i>MSCI Emerging Markets IMI (Net)</i>		<i>1.8</i>	<i>16.6</i>	<i>16.0</i>	<i>10.8</i>	<i>6.1</i>	<i>3.7</i>	

Public Markets Performance Snapshot

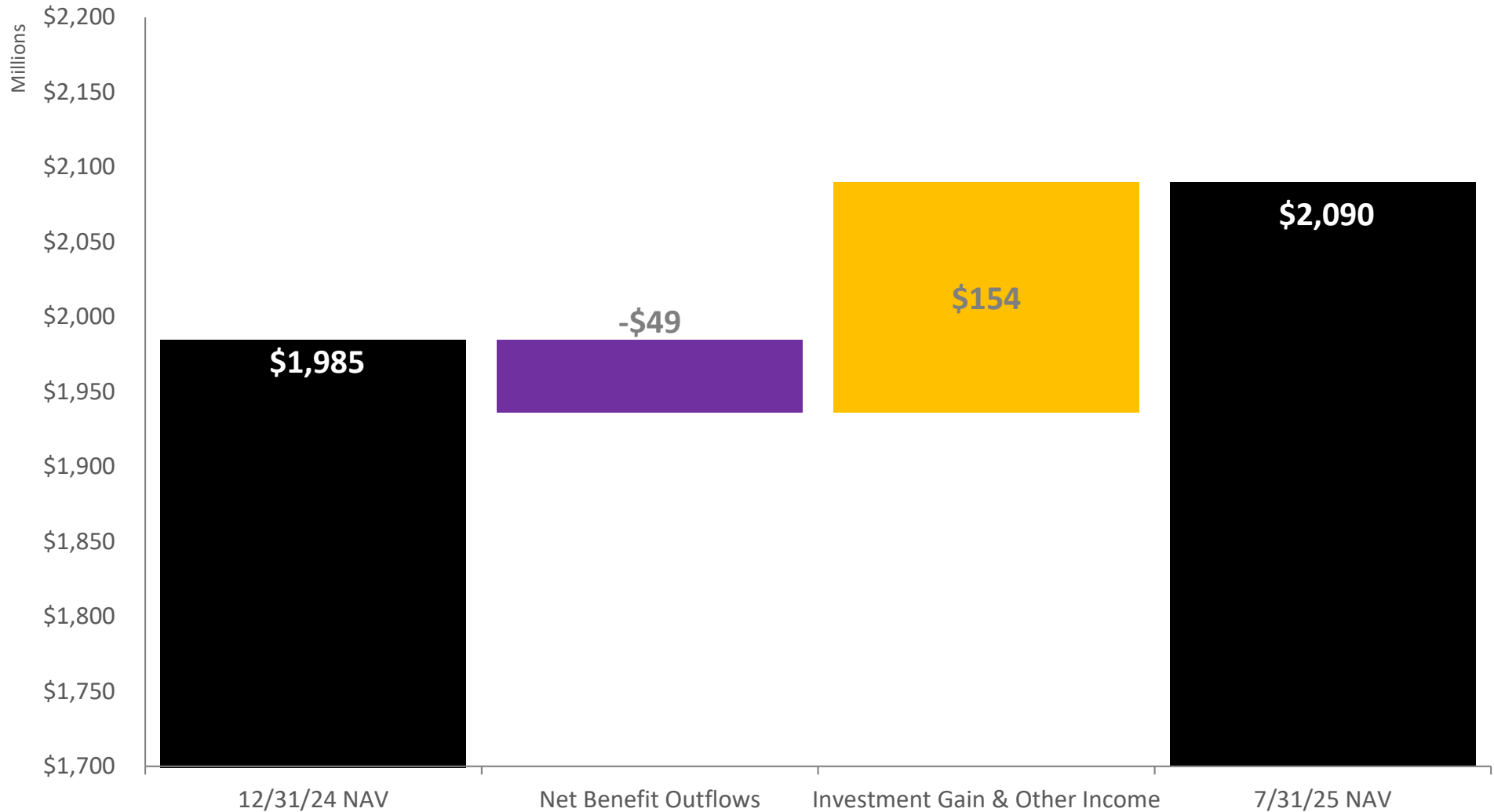
Trailing Net Performance | As of July 31, 2025

	Market Value (\$)	1 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	Since Inception	Inception Date
Fixed Income and Cash	262,226,923	0.1	3.3	4.9	3.7	1.5	2.2	May-18
<i>Fixed Income and Cash Blended Benchmark</i>		<i>0.0</i>	<i>3.1</i>	<i>4.3</i>	<i>3.3</i>	<i>1.0</i>	<i>2.2</i>	
IR&M 1-3 Year Strategy	127,291,457	0.1	3.2	5.2	4.1	2.0	2.5	Jul-17
<i>Blmbg. U.S. Aggregate 1-3 Yrs</i>		<i>0.0</i>	<i>2.9</i>	<i>4.7</i>	<i>3.6</i>	<i>1.5</i>	<i>2.0</i>	
Longfellow Core Fixed Income	83,054,326	-0.2	4.0	3.8	2.5	-0.4	-0.2	Jul-20
<i>Blmbg. U.S. Aggregate Index</i>		<i>-0.3</i>	<i>3.7</i>	<i>3.4</i>	<i>1.6</i>	<i>-1.1</i>	<i>-0.8</i>	
Cash Equivalents	51,881,141	0.4	2.7	5.0	4.9	3.0	4.7	Jul-96
<i>ICE BofA 3 Month U.S. T-Bill</i>		<i>0.3</i>	<i>2.4</i>	<i>4.6</i>	<i>4.7</i>	<i>2.8</i>	<i>2.3</i>	
Public Credit	223,551,544	0.8	5.4	8.8	8.6	3.9	3.5	May-18
<i>Credit Blended Benchmark</i>		<i>0.6</i>	<i>5.3</i>	<i>8.3</i>	<i>8.4</i>	<i>5.0</i>	<i>4.7</i>	
Aristotle Pacific Capital Bank Loan	87,222,816	0.9	3.8	7.2	9.5	7.0	5.6	Aug-17
<i>S&P UBS Leveraged Loan Index</i>		<i>0.8</i>	<i>3.9</i>	<i>7.6</i>	<i>9.2</i>	<i>7.2</i>	<i>5.4</i>	
Loomis US High Yield Fund	72,382,251	0.7	5.5	10.4	7.8	--	3.5	Jan-21
<i>Blmbg. U.S. High Yield - 2% Issuer Cap</i>		<i>0.5</i>	<i>5.0</i>	<i>8.7</i>	<i>8.0</i>	<i>5.1</i>	<i>4.2</i>	
Metlife Emerging Markets Debt Blend	63,946,477	0.6	7.6	9.3	--	--	11.8	Oct-22
<i>35% JPMEB Global Index/35% JPM CEMBI Broad Diversified Index/ 30% JPMGBI-EM Di</i>		<i>0.5</i>	<i>7.5</i>	<i>8.8</i>	<i>7.7</i>	<i>1.8</i>	<i>10.3</i>	

Change in Market Value Bridge Chart - As of 7/31/2025

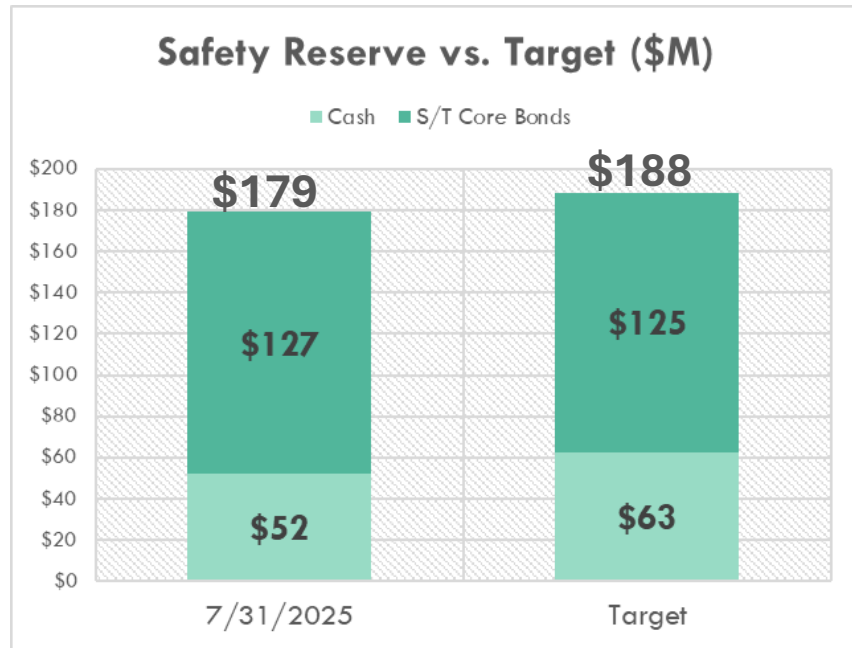
In Millions

2025 YTD Preliminary Investment Return estimated at 7.8%

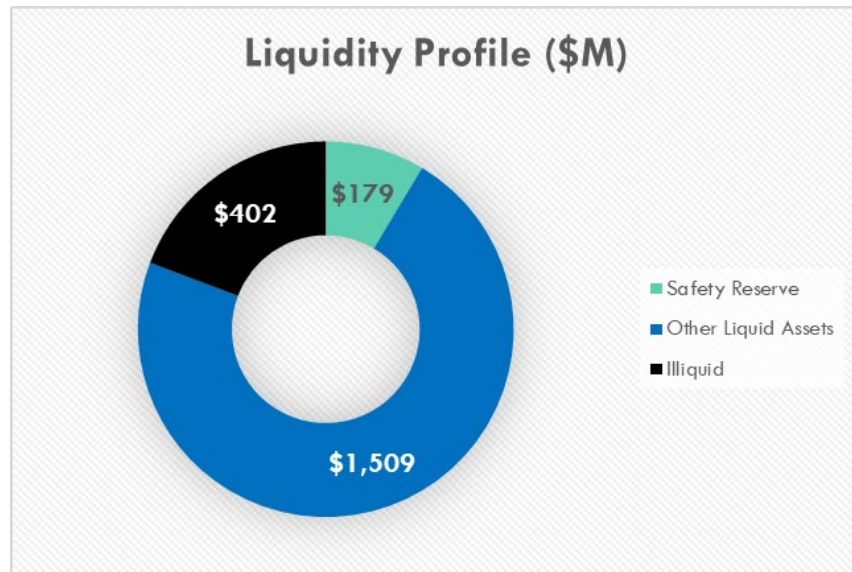


The beginning 12/31/24 value includes a one-quarter lag on private assets.
Numbers may not foot due to rounding.

Safety Reserve Dashboard – As of 7/31/25



Projected Net Monthly outflows of **\$6.5M** per month. Safety Reserve of **\$179M** would cover net monthly outflows for next **27 months** or through **October 2027**.



Expected Cash Activity	Date	Amount (\$M)	Projected Cash Balance (\$M)	Projected Cash (%)
	7/31/25		\$51.9	2.5%
City & Member Contribution	8/1/25	\$10.8	\$62.7	3.0%
City & Member Contribution	8/15/25	\$10.8	\$73.6	3.5%
Pension Payroll	8/27/25	(\$28.9)	\$44.7	2.1%
City & Member Contribution	8/29/25	\$10.8	\$55.5	2.7%
City & Member Contribution	9/12/25	\$10.8	\$66.3	3.2%
Pension Payroll	9/24/25	(\$28.9)	\$37.4	1.8%
City & Member Contribution	9/26/25	\$10.8	\$48.3	2.3%
City & Member Contribution	10/10/25	\$10.8	\$59.1	2.8%
City & Member Contribution	10/24/25	\$10.8	\$69.9	3.3%

Numbers may not foot due to rounding.

Asset Allocation Detail

DPFP Asset Allocation	7/31/2025		Targets			Variance	
	NAV	%	\$ mil.	%	% of Target	\$ mil.	%
Equity	1,361	65.1%	1,337	64%	102%	24	1.1%
Public Equity	1,202	57.5%	1,212	58%	99%	-10	-0.5%
<i>Northern Trust ACWI IMI Index</i>	<i>478</i>	<i>22.9%</i>	<i>502</i>	<i>24%</i>	<i>95%</i>	<i>-23</i>	<i>-1.1%</i>
<i>Boston Partners</i>	<i>129</i>	<i>6.2%</i>	<i>125</i>	<i>6%</i>	<i>103%</i>	<i>3</i>	<i>0.2%</i>
<i>Manulife</i>	<i>128</i>	<i>6.1%</i>	<i>125</i>	<i>6%</i>	<i>102%</i>	<i>2</i>	<i>0.1%</i>
<i>Walter Scott</i>	<i>128</i>	<i>6.1%</i>	<i>125</i>	<i>6%</i>	<i>102%</i>	<i>2</i>	<i>0.1%</i>
<i>WCM</i>	<i>129</i>	<i>6.2%</i>	<i>125</i>	<i>6%</i>	<i>103%</i>	<i>4</i>	<i>0.2%</i>
<i>Eastern Shore US Small Cap</i>	<i>65</i>	<i>3.1%</i>	<i>63</i>	<i>3%</i>	<i>103%</i>	<i>2</i>	<i>0.1%</i>
<i>Global Alpha Intl Small Cap</i>	<i>63</i>	<i>3.0%</i>	<i>63</i>	<i>3%</i>	<i>101%</i>	<i>1</i>	<i>0.0%</i>
<i>RBC Emerging Markets Equity</i>	<i>83</i>	<i>4.0%</i>	<i>84</i>	<i>4%</i>	<i>99%</i>	<i>-1</i>	<i>0.0%</i>
Private Equity	40	1.9%	125	6%	32%	-86	-4.1%
Huff Energy Fund	120	5.7%	0	0%		120	5.7%
Credit	225	10.8%	313	15%	72%	-89	-4.2%
Public Credit	224	10.7%	230	11%	97%	-6	-0.3%
<i>Aristotle Pacific Bank Loans</i>	<i>87</i>	<i>4.2%</i>	<i>84</i>	<i>4%</i>	<i>104%</i>	<i>4</i>	<i>0.2%</i>
<i>Loomis Sayles High Yield Bonds</i>	<i>72</i>	<i>3.5%</i>	<i>84</i>	<i>4%</i>	<i>87%</i>	<i>-11</i>	<i>-0.5%</i>
<i>MetLife Emerging Market Debt</i>	<i>64</i>	<i>3.1%</i>	<i>63</i>	<i>3%</i>	<i>102%</i>	<i>1</i>	<i>0.1%</i>
Private Credit	1	0.1%	84	4%	1%	-82	-3.9%
Real Assets	241	11.6%	167	8%	144%	74	3.6%
Real Estate	148	7.1%	104	5%	142%	44	2.1%
Natural Resources	79	3.8%	63	3%	126%	16	0.8%
Infrastructure	14	0.7%	0	0%		14	0.7%
Fixed Income & Cash	262	12.5%	272	13%	97%	-9	-0.5%
Cash	52	2.5%	63	3%	83%	-11	-0.5%
IR+M Short Term Bonds	127	6.1%	125	6%	102%	2	0.1%
Longfellow IG Bonds	83	4.0%	84	4%	99%	-1	0.0%
Total	2,090	100.0%	2,090	100%		0	0.0%
Safety Reserve	179	8.6%	188	9%	95%	-9	-0.4%
Private Market Assets	402	19.2%	376	18%		26	-4.5%

Source: Preliminary BNY Custodial Data, Staff Estimates and Calculations. Numbers may not foot due to rounding.

Asset Allocation – Actual vs Target

