



D A L L A S
POLICE & FIRE
PENSION SYSTEM



Portfolio Update

November 13, 2025

Board Meeting

Executive Summary

- **Estimated YTD Return (through 10/31/25):** 13.9% for DPFP Portfolio; 16.1% for Public Portfolio which makes up 81.4% of the assets.
- **\$20.9M of private market proceeds** received YTD.
- **\$17M rebalanced from Public Equity to Cash & Fixed Income** in October.
- The IAC reviewed the Public Equity portfolio at the October meeting. Staff and Meketa will discuss this review and recommendations at the December Board Meeting.

Investment Initiatives – 2025/26 Plan

Q1 – Q3 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
- Multi Asset Credit (MAC) Search and Manager Selection

Q4 2025

- IAC Review of Public Equity Portfolio
- ICG Funding
- Board Review of Arbour Lane
- Board Review of Public Equity Portfolio

Q1 2026 & Beyond

- Global Equity Core/Value Search
- Sub-Committee Review of Private Equity Secondary Opportunities
- Small Cap Equity Search(es)
- Search for 2nd MAC Manager

Oaktree Memo: A Look Under the Hood

- Howard Marks, of Oaktree, released a memo in late October covering a recent Consultant survey of a US Pension Board that he participated in.

- Topics covered in the memo include:

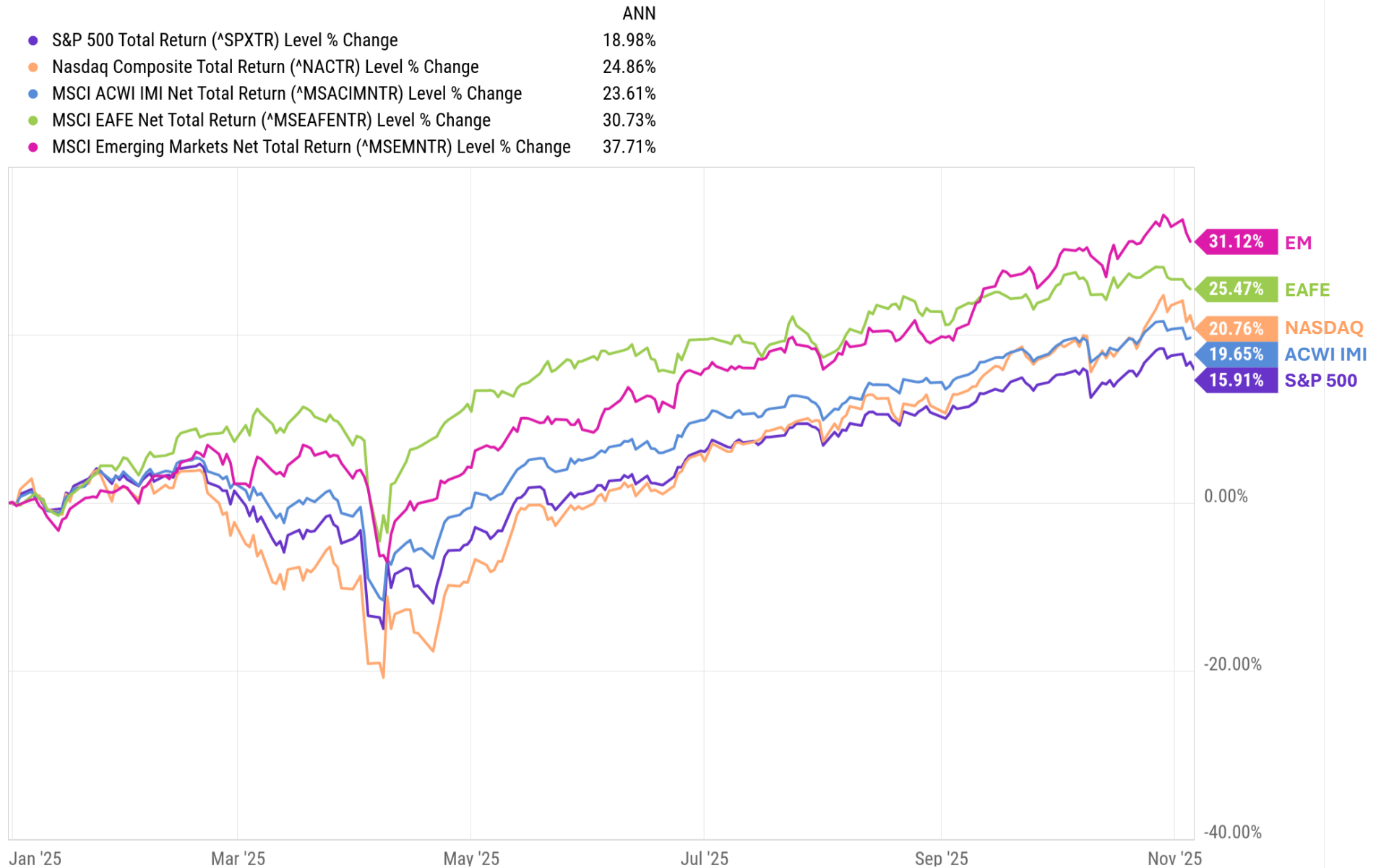
- Attitudes Towards Risk*
- Setting Objectives*
- Volatility*
- Investment Approach*
- Assessing Performance*



- Given the relevance of the topic, staff wanted to share with the Board. The memo along with a podcast version can be found here:

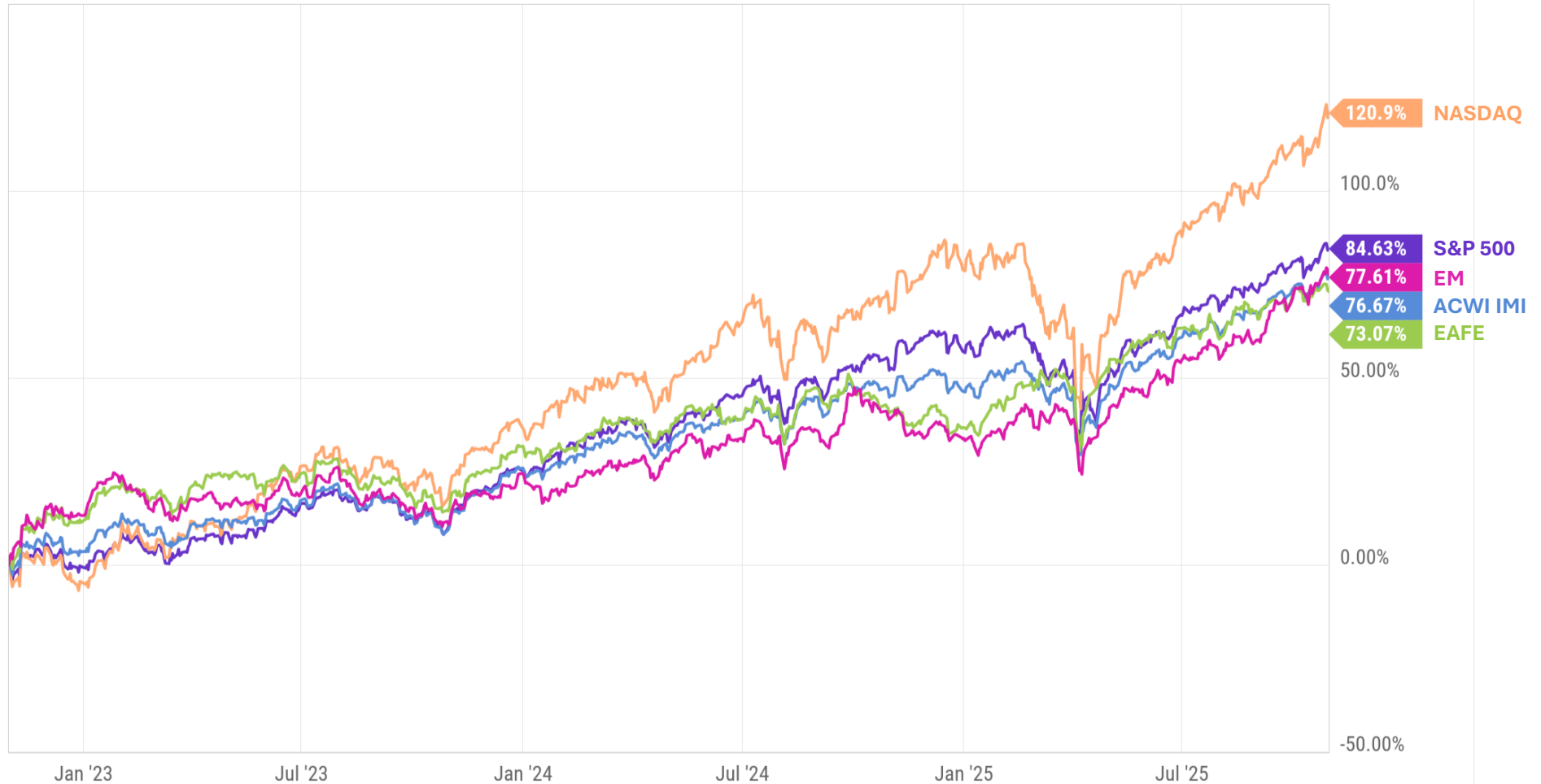
<https://www.oaktreecapital.com/insights/memo/a-look-under-the-hood>

YTD Equity Markets Returns (As of 11/6/25)

Nov 6, 2025, 2:27 PM EST Powered by **YCHARTS**

Global Equity Markets Returns (3 Years Ending 10/31/25)

	ANN
● S&P 500 Total Return (^SPXTR) Level % Change	22.68%
● Nasdaq Composite Total Return (^NACTR) Level % Change	30.24%
● MSCI ACWI IMI Net Total Return (^MSACIMNTR) Level % Change	20.89%
● MSCI EAFE Net Total Return (^MSEAFENTR) Level % Change	20.06%
● MSCI Emerging Markets Net Total Return (^MSEMNTNTR) Level % Change	21.10%

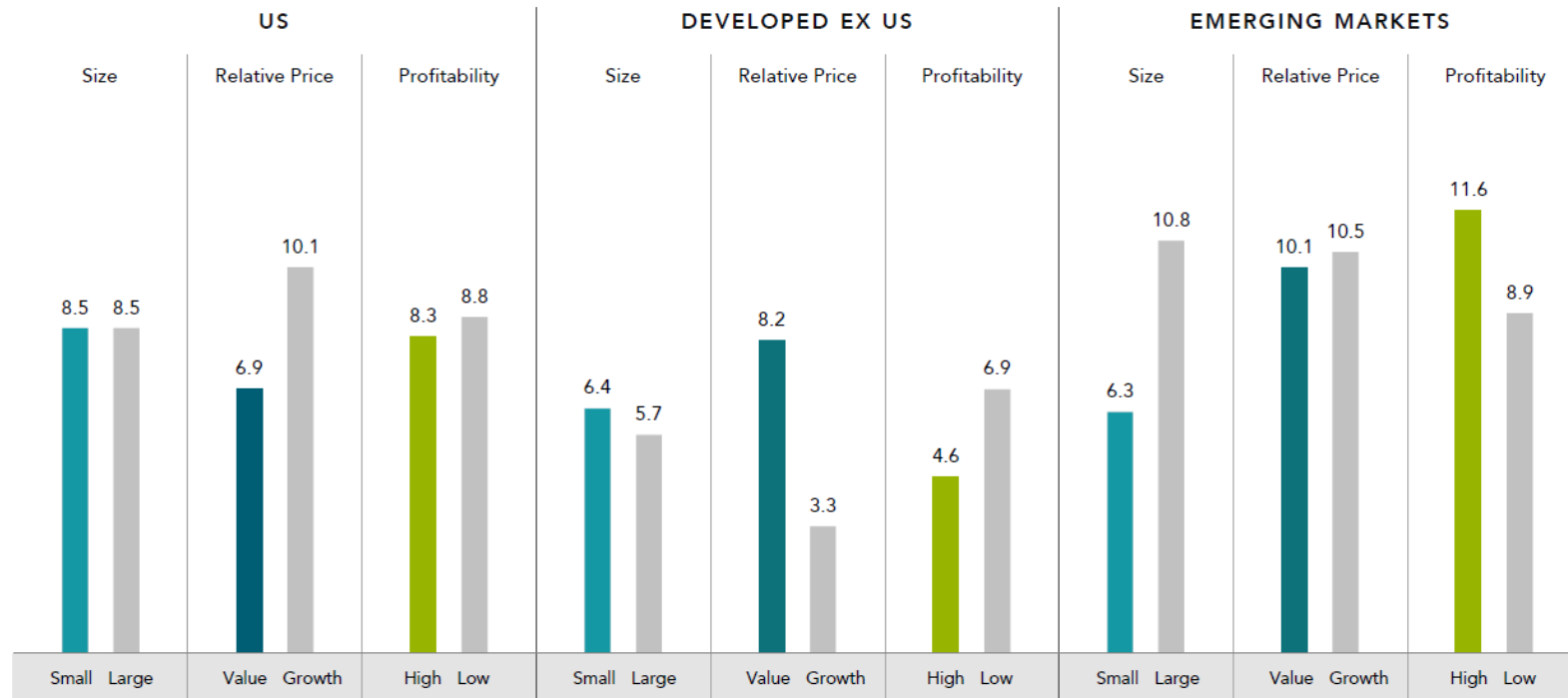
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Global Equity Q3 Returns



Global Size, Relative Price, and Profitability Returns

Returns (USD, %), 3rd Quarter 2025



Past performance is no guarantee of future results.

In USD. Market segment (index representation) as follows: US Stock Market (Russell 3000 Index), Developed ex US Stocks (MSCI World ex USA IMI Index [net div.]), Emerging Markets (MSCI Emerging Markets IMI Index [net div.]). Market Returns are computed from index published security weights, Dimensional computed security returns and Dimensional classification of securities based on size, value, and profitability parameters. Within the US, Large Cap is defined as approximately the largest 90% of market capitalization in each country or region; Small Cap is approximately the smallest 10%. Within the non-US developed markets, Large Cap is defined as approximately the largest 87.5% of market capitalization in each country or region; Small Cap is approximately the smallest 12.5%. Within emerging markets, Large Cap is defined as approximately the largest 85% of market capitalization in each country or region; Small Cap is approximately the smallest 15%. Designations between value and growth are based on price to book ratios. Value is defined as the 50% of market cap with the lowest price to book ratios by size category and growth is the highest 50%. Profitability is measured as operating income before depreciation and amortization minus interest expense scaled by book. High profitability is defined as the 50% of market cap with the highest profitability by size category and low profitability is the lowest 50%. REITs and utilities, identified by GICS code, and stocks without size, relative price, or profitability metrics are excluded from this analysis. GICS was developed by and is the exclusive property of MSCI and S&P Dow Jones Indices LLC, a division of S&P Global. Countries not in the Dimensional investable universe are excluded from the analysis. Indices are not available for direct investment. Their performance does not reflect the expenses associated with the management of an actual portfolio. Frank Russell Company is the source and owner of the trademarks, service marks, and copyrights related to the Russell Indexes. MSCI data © MSCI 2025, all rights reserved.

Public Markets Performance Snapshot

Public Markets made up 81.4% of DPFP Investment Portfolio.

Trailing Net Performance | As of October 31, 2025

Performance Summary Ending October 31, 2025								
	Market Value (\$)	1 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	Since Inception	Inception Date
Total Public Portfolio	1,789,417,453	0.9	16.1	16.5	16.4	9.6	7.1	Oct-05
<i>60% MSCI ACWI IMI Net/40% Bloomberg Global Aggregate Index</i>		1.1	15.4	15.4	14.7	7.8	6.1	
Public Equity	1,265,556,225	1.0	20.5	20.9	20.2	13.7	8.2	Jul-06
<i>MSCI AC World IMI Index (Net)</i>		2.0	20.7	22.0	20.9	14.3	8.1	
Boston Partners Global Equity Fund	131,925,357	0.3	28.2	25.3	18.5	18.8	10.5	Jul-17
<i>MSCI World Net</i>		2.0	19.8	22.0	21.7	15.6	12.3	
Manulife Global Equity Strategy	132,275,399	-0.4	14.1	12.9	16.0	13.1	9.7	Jul-17
<i>MSCI ACWI Net</i>		2.2	21.1	22.6	21.6	14.6	11.6	
Walter Scott Global Equity Fund	131,109,880	-0.2	8.2	7.6	15.5	10.0	9.9	Dec-09
<i>MSCI ACWI Net</i>		2.2	21.1	22.6	21.6	14.6	10.1	
WCM Global Equity	130,328,785	-0.7	27.5	36.1	--	--	34.9	Dec-23
<i>MSCI AC World Index Growth (Net)</i>		4.2	24.1	30.0	--	--	28.1	
NT Russell 2000 Index	67,026,259	1.8	--	--	--	--	5.0	Sep-25
<i>Russell 2000 Index (Net)</i>		1.8	--	--	--	--	4.9	
NT ACWI Index IMI	518,963,565	2.0	21.0	22.4	21.3	--	10.7	Apr-21
<i>MSCI AC World IMI Index (Net)</i>		2.0	20.7	22.0	20.9	--	10.3	
Global Alpha International Small Cap	62,619,388	-1.8	17.7	13.4	10.6	--	2.7	May-22
<i>MSCI EAFE Small Cap (Net)</i>		-0.8	27.3	24.5	17.7	--	9.0	
RBC Emerging Markets Equity	91,307,591	4.2	30.8	26.3	20.8	8.2	5.9	Jan-18
<i>MSCI Emerging Markets IMI (Net)</i>		3.9	30.9	26.1	20.8	8.1	5.1	

Public Markets Performance Snapshot

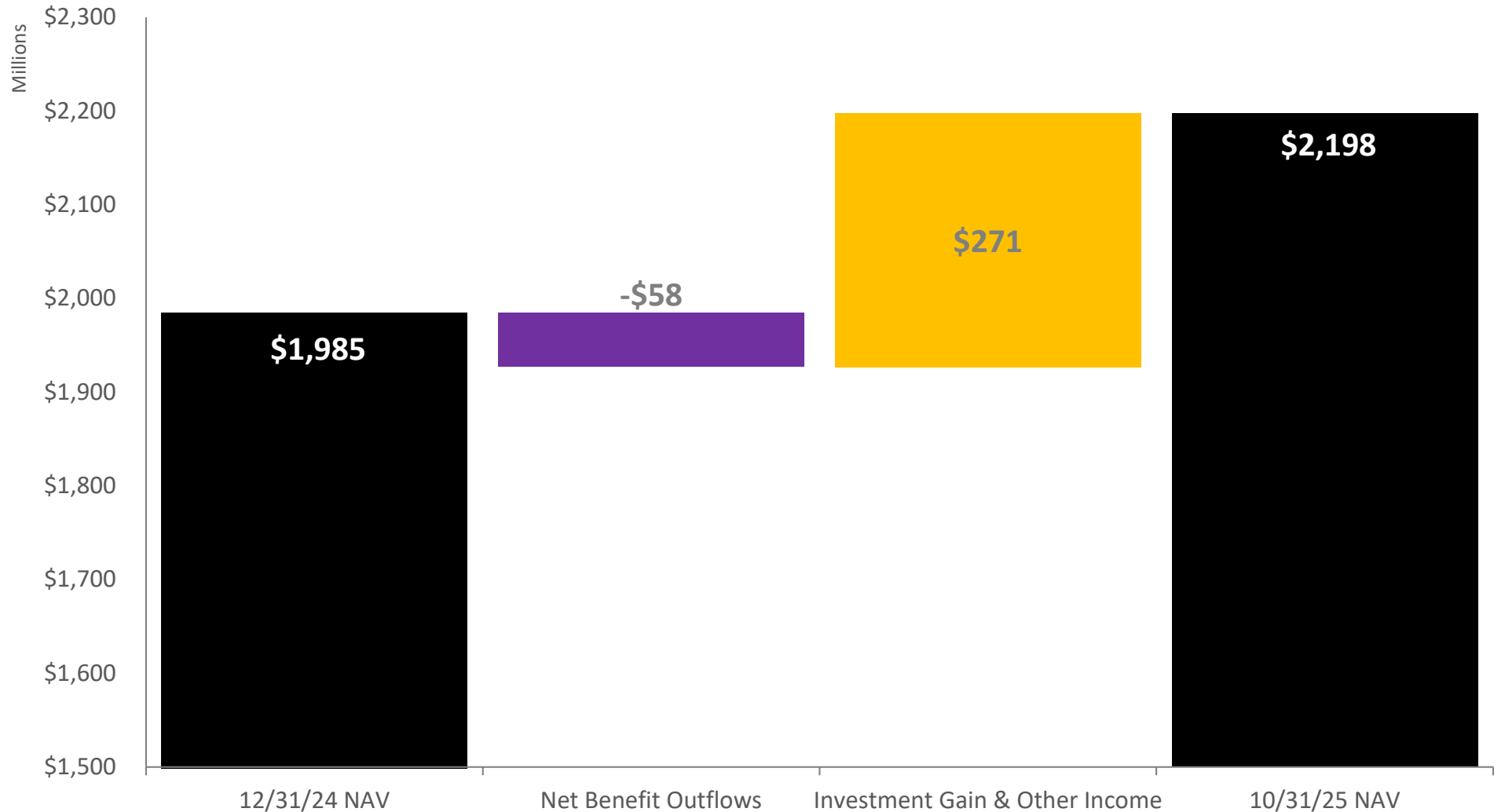
Trailing Net Performance | As of October 31, 2025

	Market Value (\$)	1 Mo (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	Since Inception	Inception Date
Fixed Income and Cash	293,506,843	0.4	5.3	5.7	5.5	1.9	2.4	May-18
<i>Fixed Income and Cash Blended Benchmark</i>		<i>0.4</i>	<i>5.0</i>	<i>5.3</i>	<i>5.1</i>	<i>1.5</i>	<i>2.4</i>	
IR&M 1-3 Year Strategy	135,309,487	0.3	4.8	5.5	5.5	2.3	2.6	Jul-17
<i>Blmbg. U.S. Aggregate 1-3 Yrs</i>		<i>0.3</i>	<i>4.5</i>	<i>5.1</i>	<i>4.9</i>	<i>1.9</i>	<i>2.1</i>	
Longfellow Core Fixed Income	90,560,175	0.7	7.1	6.5	6.4	0.4	0.4	Jul-20
<i>Blmbg. U.S. Aggregate Index</i>		<i>0.6</i>	<i>6.8</i>	<i>6.2</i>	<i>5.6</i>	<i>-0.2</i>	<i>-0.2</i>	
Cash Equivalents	67,637,182	0.5	4.2	5.0	5.2	3.3	4.7	Jul-96
<i>ICE BofA 3 Month U.S. T-Bill</i>		<i>0.3</i>	<i>3.5</i>	<i>4.3</i>	<i>4.8</i>	<i>3.0</i>	<i>2.4</i>	
Public Credit	230,354,385	0.8	8.6	9.3	11.1	4.5	3.7	May-18
<i>Credit Blended Benchmark</i>		<i>0.5</i>	<i>7.8</i>	<i>8.4</i>	<i>10.4</i>	<i>5.3</i>	<i>4.8</i>	
Aristotle Pacific Capital Bank Loan	88,558,753	0.4	5.4	6.9	9.9	7.1	5.6	Aug-17
<i>S&P UBS Leveraged Loan Index</i>		<i>0.3</i>	<i>5.1</i>	<i>6.6</i>	<i>9.5</i>	<i>6.9</i>	<i>5.4</i>	
Loomis US High Yield Fund	74,604,740	0.4	8.6	9.7	10.1	--	3.9	Jan-21
<i>Blmbg. U.S. High Yield - 2% Issuer Cap</i>		<i>0.2</i>	<i>7.4</i>	<i>8.2</i>	<i>10.2</i>	<i>--</i>	<i>4.4</i>	
Metlife Emerging Markets Debt Blend	67,190,892	1.8	13.0	12.2	13.6	--	12.6	Oct-22
<i>35% JPMEBBI Global Index/35% JPM CEMBI Broad Diversified Index/ 30% JPMGBI-EM Di</i>		<i>1.1</i>	<i>11.9</i>	<i>11.0</i>	<i>11.5</i>	<i>--</i>	<i>10.9</i>	

Change in Market Value Bridge Chart - As of 10/31/2025

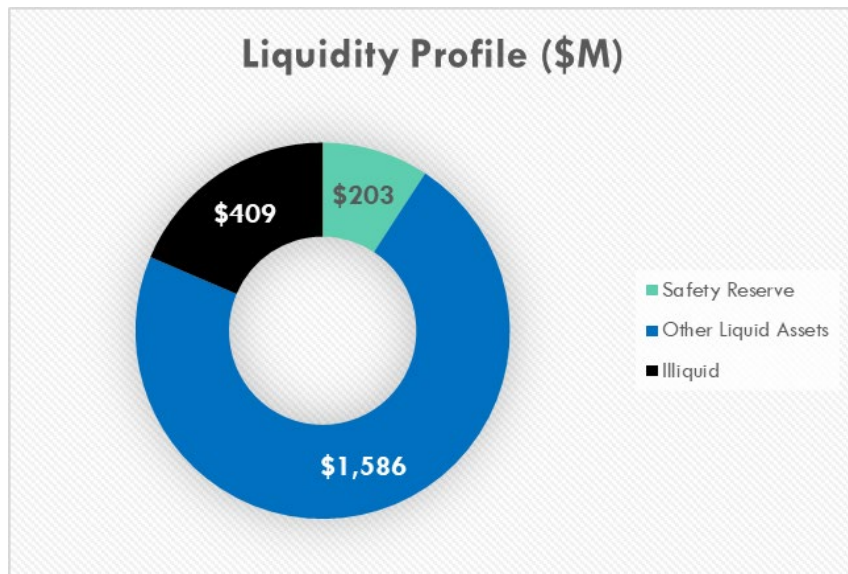
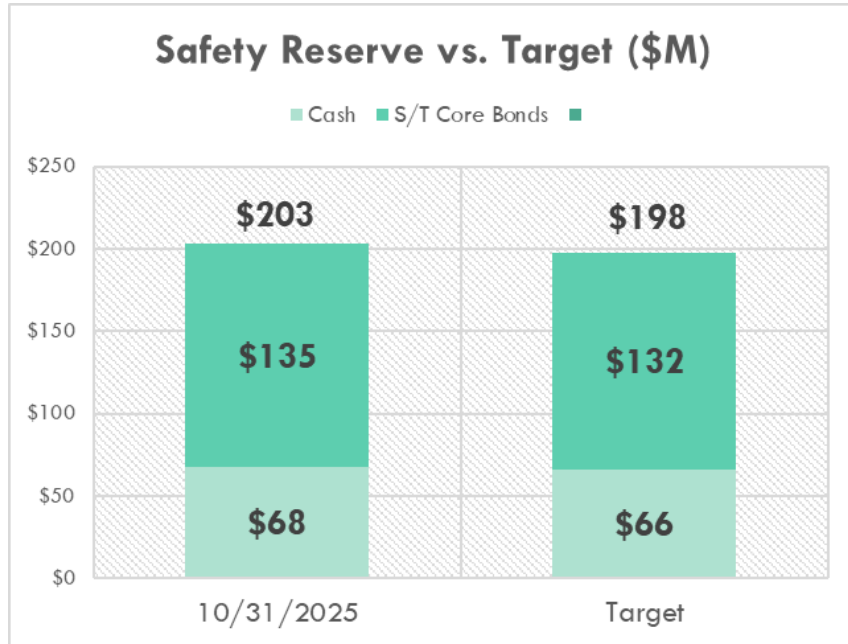
In Millions

2025 YTD Preliminary Investment Return estimated at 13.9%



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

Liquidity Dashboard – As of 10/31/25



Projected Net Monthly outflows of **\$5.4M** per month. Safety Reserve of **\$203M** would cover net monthly outflows for next **37 months** or through **December 2028.**

Expected Cash Activity	Date	Amount (\$M)	Projected Cash Balance (\$M)	Projected Cash (%)
	10/31/25		\$67.6	3.1%
City & Member Contribution	11/7/25	\$11.3	\$79.0	3.6%
City & Member Contribution	11/21/25	\$11.3	\$90.3	4.1%
Pension Payroll	11/26/25	(\$29.0)	\$61.2	2.8%
City & Member Contribution	12/5/25	\$11.3	\$72.6	3.3%
City & Member Contribution	12/19/25	\$11.3	\$83.9	3.8%
Pension Payroll	12/31/25	(\$29.0)	\$54.8	2.5%
City & Member Contribution	1/2/26	\$11.3	\$66.2	3.0%
City & Member Contribution	1/16/26	\$11.3	\$77.5	3.5%
Pension Payroll	1/28/26	(\$29.0)	\$48.5	2.2%

Numbers may not foot due to rounding.

Asset Allocation Detail

DPFP Asset Allocation	10/31/2025		Targets			Variance	
	NAV	%	\$ mil.	%	% of Target	\$ mil.	%
Equity	1,436	65.3%	1,407	64%	102%	29	1.3%
Public Equity	1,265	57.6%	1,275	58%	99%	-9	-0.4%
<i>Northern Trust ACWI IMI Index</i>	<i>519</i>	<i>23.6%</i>	<i>528</i>	<i>24%</i>	<i>98%</i>	<i>-9</i>	<i>-0.4%</i>
<i>Boston Partners</i>	<i>132</i>	<i>6.0%</i>	<i>132</i>	<i>6%</i>	<i>100%</i>	<i>0</i>	<i>0.0%</i>
<i>Manulife</i>	<i>132</i>	<i>6.0%</i>	<i>132</i>	<i>6%</i>	<i>100%</i>	<i>0</i>	<i>0.0%</i>
<i>Walter Scott</i>	<i>131</i>	<i>6.0%</i>	<i>132</i>	<i>6%</i>	<i>99%</i>	<i>-1</i>	<i>0.0%</i>
<i>WCM</i>	<i>130</i>	<i>5.9%</i>	<i>132</i>	<i>6%</i>	<i>99%</i>	<i>-2</i>	<i>-0.1%</i>
<i>Northern Trust Russell 2000</i>	<i>67</i>	<i>3.0%</i>	<i>66</i>	<i>3%</i>	<i>102%</i>	<i>1</i>	<i>0.0%</i>
<i>Global Alpha Intl Small Cap</i>	<i>63</i>	<i>2.8%</i>	<i>66</i>	<i>3%</i>	<i>95%</i>	<i>-3</i>	<i>-0.2%</i>
<i>RBC Emerging Markets Equity</i>	<i>91</i>	<i>4.2%</i>	<i>88</i>	<i>4%</i>	<i>104%</i>	<i>3</i>	<i>0.2%</i>
Private Equity	40	1.8%	132	6%	31%	-92	-4.2%
Huff Energy Fund	130	5.9%	0	0%		130	5.9%
Credit	232	10.5%	330	15%	70%	-98	-4.5%
Public Credit	230	10.5%	242	11%	95%	-11	-0.5%
<i>Aristotle Pacific Bank Loans</i>	<i>89</i>	<i>4.0%</i>	<i>88</i>	<i>4%</i>	<i>101%</i>	<i>1</i>	<i>0.0%</i>
<i>Loomis Sayles High Yield Bonds</i>	<i>75</i>	<i>3.4%</i>	<i>88</i>	<i>4%</i>	<i>85%</i>	<i>-13</i>	<i>-0.6%</i>
<i>MetLife Emerging Market Debt</i>	<i>67</i>	<i>3.1%</i>	<i>66</i>	<i>3%</i>	<i>102%</i>	<i>1</i>	<i>0.1%</i>
Private Credit	1	0.1%	88	4%	1%	-87	-3.9%
Real Assets	237	10.8%	176	8%	135%	61	2.8%
Real Estate	148	6.7%	110	5%	135%	38	1.7%
Natural Resources	76	3.4%	66	3%	115%	10	0.4%
Infrastructure	13	0.6%	0	0%		13	0.6%
Fixed Income & Cash	294	13.4%	286	13%	103%	8	0.4%
Cash	68	3.1%	66	3%	103%	2	0.1%
IR+M Short Term Bonds	135	6.2%	132	6%	103%	3	0.2%
Longfellow IG Bonds	91	4.1%	88	4%	103%	3	0.1%
Total	2,198	100.0%	2,198	100%		0	0.0%
Safety Reserve	203	9.2%	198	9%	103%	5	0.2%
Private Market Assets	409	18.6%	396	18%		13	-5.3%

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

Asset Allocation – Actual vs Target

