



---

# ***Burgess Chambers & Associates, Inc.***

***Institutional Investment Advisors***

***[www.burgesschambers.com](http://www.burgesschambers.com)***

***September 30, 2017***

---

# Amalgamated Transit Union Local 1596 Pension Fund

## Investment Performance Period Ending September 30, 2017

The following investment information was prepared by BCA, relying upon data from statements provided by the plan custodian and/or investment manager(s).  
BCA reviews transactions provided by the custodian and uses reasonable care to ensure the accuracy of the data contained herein.  
However, BCA cannot guarantee the accuracy of the custodian's statement.



# Amalgamated Transit Union, Local 1596 Pension Fund

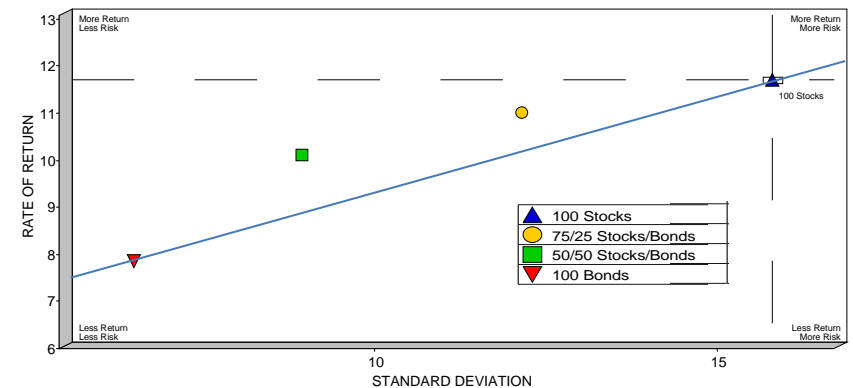
## BCA Market Perspective ©

### Bonds Place in a Bull Market

Mitchel Brennan  
October 2017

As the markets sit today, investors find themselves in uncharted waters. For over three decades, bonds have been an integral part to any well diversified investment portfolio, enjoying one of the longest secular bull markets in market history. This run has benefitted immensely from Fed actions and quantitative easing; but now, that accomodative environment is changing. The Federal Reserve looks to unwind their balance sheet and move US interest rates back to a more normalized level. Should investors maintain their position in fixed income with the prospect of rising interest rates?

In December 2015, the Fed began the process of raising the Federal Funds Rate, which has resulted in 4 rate hikes, raising the target from 0.25% to 1.25%. It is anticipated there will be an additional hike in December 2017 and three more for 2018. Most investors fear negative returns from bonds if rates rise, but what is the actual downside if they do? Right now the Bloomberg Barclay's Aggregate Bond Index (BBAG Index), the most widely used bond benchmark, has a duration of 6.1 years and an average coupon of 3.03%. That means if rates were to rise by 100 basis points (1.00%) you would expect a total return of roughly -3.0% from the index. The logical follow up questions are: "what is the worst case scenario for bonds?" and "how does that compare to the potential downside risk associated with equities?".



Historically, bonds have allowed investors to preserve capital with significantly less downside risk compared to stocks. The three worst drawdowns for bonds (BBAG Index) since 1980 were drops of -8.99% (6/1980-9/1981), -5.15% (1/1994-6/1994), and -4.89% (2/1987-9/1987). To put that into perspective, over the same time period US Equities (S&P 500 Index) have averaged intra-year drops of -14.1% (JPMorgan Market Insights), including drops of -50.95% (10/2007-2/2009), -44.73% (8/2000-9/2002), and -29.58% (8/1987-11/1987).

Complementing an equity portfolio with bonds helps generate alpha while reducing volatility, as illustrated above. Adding just 25% bonds to a portfolio reduces standard deviation by 23% and beta by 24% while only sacrificing 0.7% in total return. Adding 50% bonds reduces standard deviation by 44% and beta by 47% while only sacrificing 1.6% in total return.

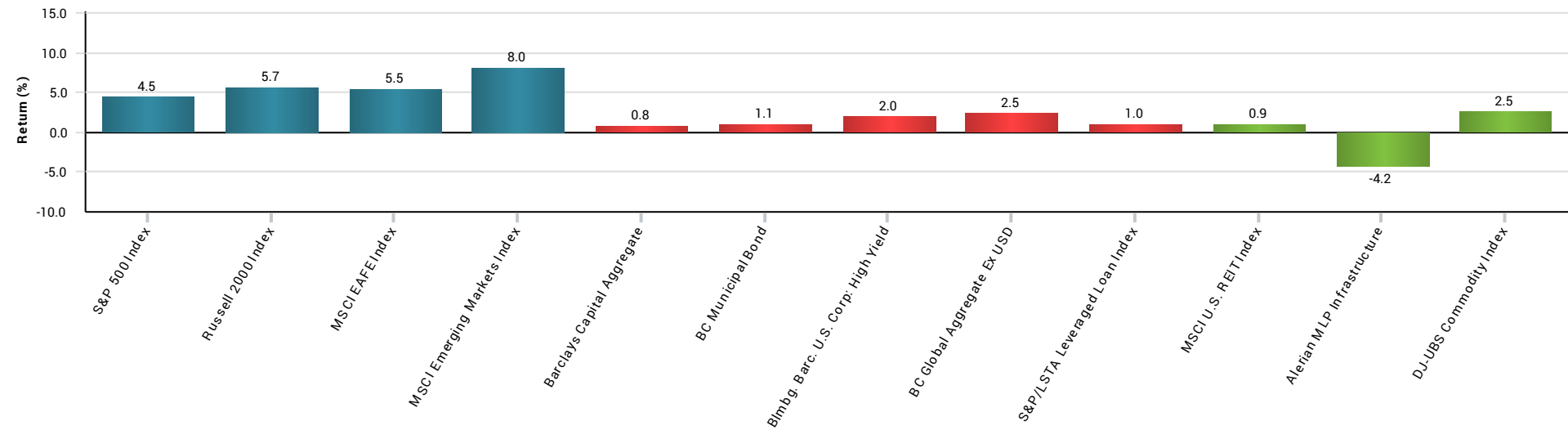
US stocks are in the second longest equity bull market, at 103 months and counting. Considering that historical bull markets have averaged a length of only 54 months, seeing a correction of 10% or more would not be out of the question. With that in mind, bonds still belong as a capital preserver and income producer in a well diversified investment portfolio.

Source: JPMorgan: Market Insights, September 2017. PSN.

Disclosure: All expressions of opinion reflect the judgment of the author as of the date of publication and are subject to change. Content should not be regarded as a complete analysis of the subjects discussed or as personalized investment advice. All investment strategies have the potential for profit or loss. References to market performance in publications do not represent the returns achieved by Burgess Chambers & Associates or any of its advisory clients.

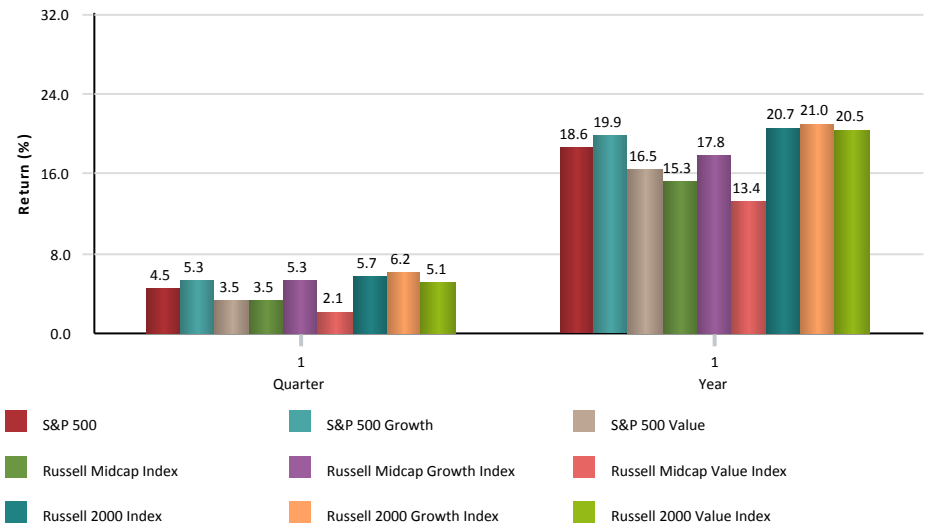


1 Quarter Performance



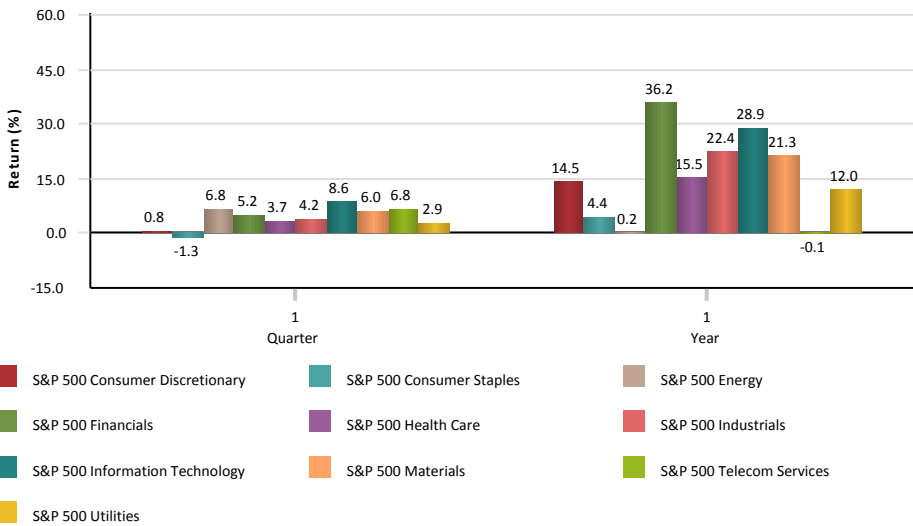
Source: Investment Metrics, LLC

US Market Indices Performance



Source: Investment Metrics, LLC

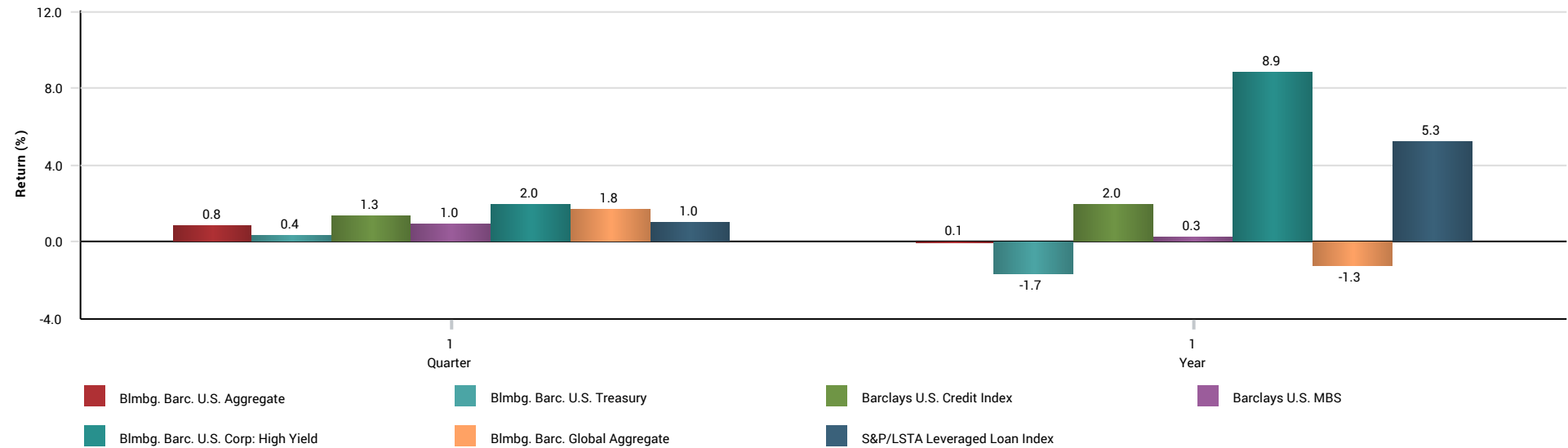
US Market Sector Performance



Source: Investment Metrics, LLC

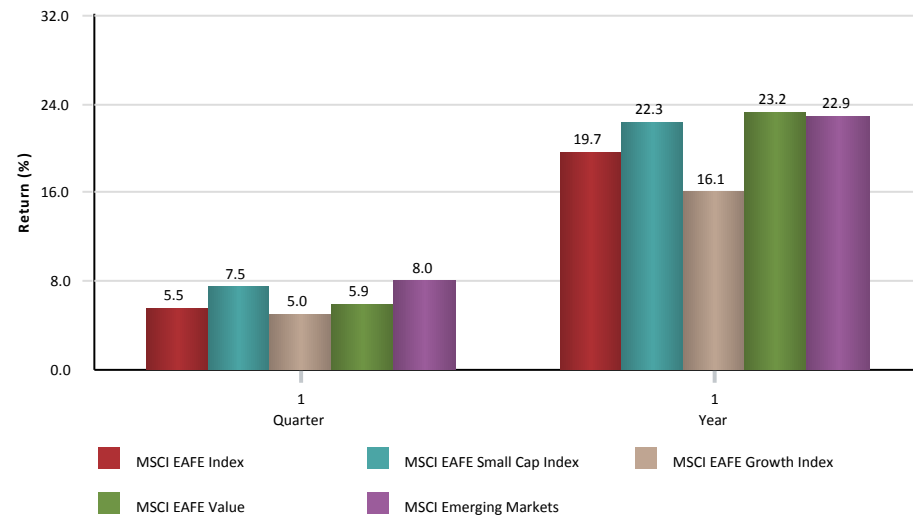


## Fixed Income Market Sector Performance



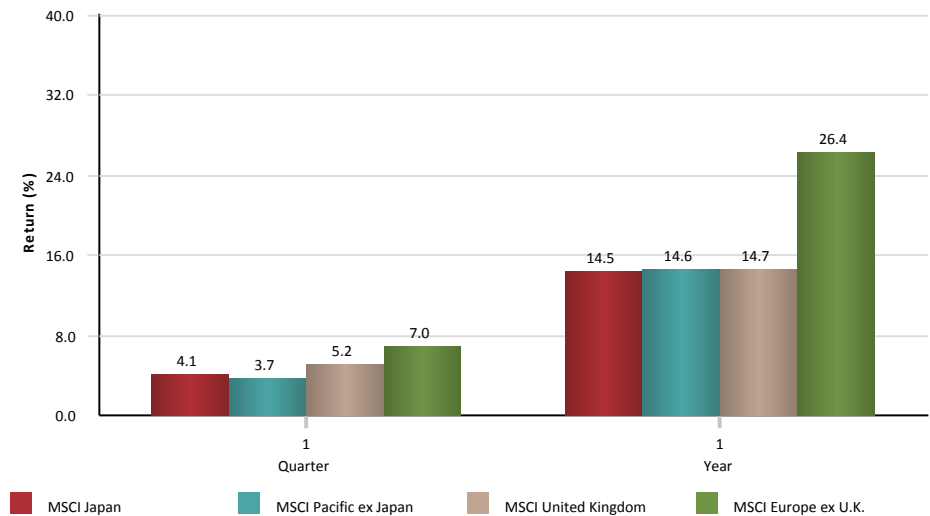
Source: Investment Metrics, LLC

## Intl Equity Indices Performance



Source: Investment Metrics, LLC

## Intl Equity Region Performance



Source: Investment Metrics, LLC

**Amalgamated Transit Union, Local 1596 Pension Fund**  
**Total Fund**  
**Investment Summary**  
**September 30, 2017**

During the third quarter, the U.S. stock market remained resilient to foreign politics and natural disasters. However, it should be noted that the market is trading at 11% premium, based on the 25-year average P/E ratio, and we are entering into the 103rd month of this current bull-market. Since the market peak (Oct 2007) and market low (March 2009), the S&P 500 index has risen 100% and 346%, respectively.

- ❑ For the quarter, the Fund earned \$4.6 million or +3.4% (+3.3% net), ahead of the target allocation objective (+3.1%) and ranked in the 60th percentile.
- ❑ For the fiscal-year period, the Fund earned \$15.2 million or +12.0% (+11.6% net), ahead of the target allocation objective (+11.3%) and ranked in the 55th percentile.
- ❑ The Fund earned \$26.2 million over the three-year period; an average of +7.0% (+6.7% net) per year, ahead of the target allocation objective (+6.2%) and ranked in the top 42nd percentile.
- ❑ For the five-year period, the Fund earned \$49.6 million, averaging +8.8% (+8.4% net) per year, ahead of the target allocation (+8.4%) and ranked in the top 47th percentile.



**Amalgamated Transit Union, Local 1596 Pension Fund**  
**Total Fund**  
**Investment Summary (continued)**  
**September 30, 2017**

**Manager Review and Strategy:**

- Fiduciary LCV was ahead of its benchmark for the quarter (+3.7% vs. +3.1%) and fiscal-year period (+18.4% vs. +15.1%), but ranked in the 63rd and 45th percentiles, respectively. The three-year result (+10.5% vs. +8.5%) ranked in the top 21st percentile.
- Eagle LCV exceeded its benchmark for the quarter (+3.8% vs. +3.1%), but ranked in the bottom 60th percentile. The product significantly outperformed its benchmark for the fiscal (+24.1% vs. +15.1%) and three-year period (+12.1% vs. +8.5%), ranking in the top 6th and 7th percentiles, respectively.
- Voya LCG was behind its benchmark for the quarter (+5.4% vs. +5.9%) and fiscal-year period (+20.7% vs. +21.9%) and ranked in the 52nd and 53rd percentiles, respectively.
- Salient outperformed its benchmark for the quarter (-1.7% vs. -3.0%) and fiscal-year period (-0.7% vs. -3.7%).
- EuroPacific international equity results were ahead of the benchmark for all periods and rankings were above average.
- JP Morgan private real estate results trailed the benchmark for the quarter (+1.7% vs. +1.9%) and fiscal-year period (+7.6% vs. +7.7%), but was ahead for the five-year period (+11.7% vs. +11.6%).
- Vanguard TIPS product results achieved the benchmark for the quarter (+0.8% vs. +0.7%) and ranked in the 49th percentile; however, the fiscal-year results (-1.0%) trailed the benchmark (-0.1%) and ranked in the 74th percentile.



**Amalgamated Transit Union, Local 1596 Pension Fund**  
**Total Fund**  
**Investment Policy Review**  
**September 30, 2017**

	<b><u>Yes</u></b>	<b><u>No</u></b>
The total Fund performance achieved the benchmark objective for the three-year period (+7.0% vs. +7.7%).	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The total Fund performance ranked in the top 40th percentile for the three-year period (Actual: 42nd).	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The total Fund annualized three-year performance achieved the 7.25% (net) actuarial assumption rate (Actual: +7.0%).	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The total Fund performance achieved the benchmark objective for the five-year period (+8.8% vs. +9.3%).	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The total Fund performance ranked in the top 40th percentile for the five-year period (Actual: 47th).	<input type="checkbox"/>	<input checked="" type="checkbox"/>
The total Fund annualized five-year performance achieved the 7.25% (net) actuarial assumption rate.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
 Voya Large-Cap Growth three-year performance achieved the benchmark (+12.4% vs. +12.7%).	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Voya Large-Cap Growth three-year performance ranked in the top 40th percentile.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Voya Large-Cap Growth five-year performance achieved the benchmark (+14.8% vs. +15.3%).	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Voya Large-Cap Growth five-year performance ranked in the top 40th percentile (Actual: 50th).	<input type="checkbox"/>	<input checked="" type="checkbox"/>
 Fiduciary Large-Cap Value fund three-year performance achieved the benchmark.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Fiduciary Large-Cap Value fund three-year performance ranked in the top 40th percentile.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
 Eagle Capital Large-Cap Value fund three-year performance achieved the benchmark.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Eagle Capital Large-Cap Value fund three-year performance ranked in the top 40th percentile.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
 LongView Large-Cap 500 fund three-year performance achieved the benchmark.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
LongView Large-Cap 500 fund three-year performance ranked in the top 40th percentile.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
 LongView Mid-Cap 400 fund three-year performance achieved the benchmark (+11.1% vs. +11.2%).	<input type="checkbox"/>	<input checked="" type="checkbox"/>
LongView Mid-Cap 400 fund three-year performance ranked in the top 40th percentile.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
 LongView Small-Cap 600 fund three-year performance achieved the benchmark (+13.8% vs. +14.1%).	<input type="checkbox"/>	<input checked="" type="checkbox"/>
LongView Small-Cap 600 fund three-year performance ranked in the top 40th percentile.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
 Salient MLP three-year performance achieved the benchmark.	<input checked="" type="checkbox"/>	<input type="checkbox"/>





**Amalgamated Transit Union, Local 1596 Pension Fund  
Total Fund  
Investment Policy Review (continued)  
September 30, 2017**

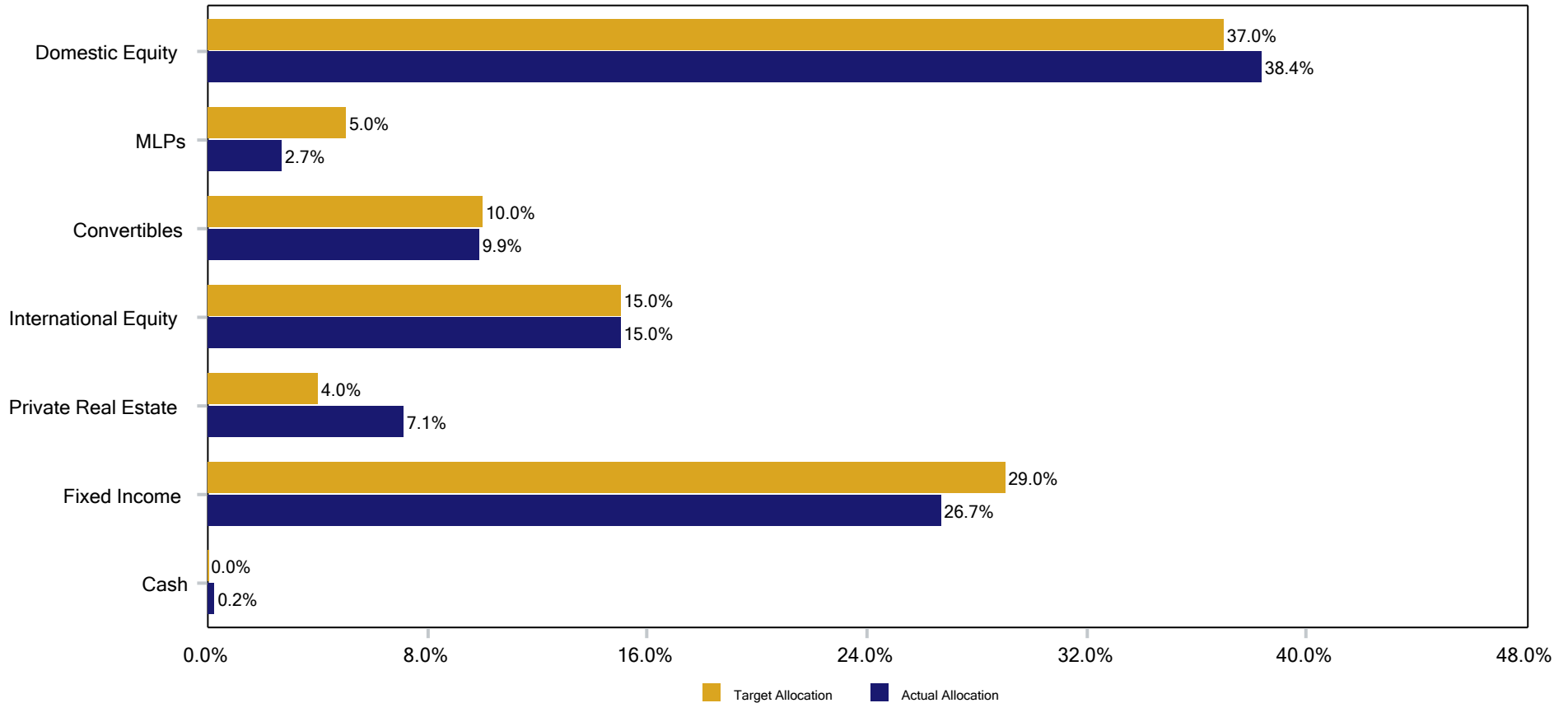
	<b><u>Yes</u></b>	<b><u>No</u></b>
SPDR Barclay's convertibles three-year performance achieved the benchmark (+7.8% vs. +8.2%).	<input type="checkbox"/>	<input checked="" type="checkbox"/>
SPDR Barclay's convertibles three-year performance ranked in the top 40th percentile.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
SPDR Barclay's convertibles five-year performance achieved the benchmark (+10.7% vs. +11.6%).	<input type="checkbox"/>	<input checked="" type="checkbox"/>
SPDR Barclay's convertibles five-year performance ranked in the top 40th percentile.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
American Funds EuroPacific International Equity three-year performance achieved the benchmark.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
American Funds EuroPacific International Equity three-year performance ranked in the top 40th percentile.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
American Funds EuroPacific International Equity five-year performance achieved the benchmark.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
American Funds EuroPacific International Equity five-year performance ranked in the top 40th percentile.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
JPMorgan Real Estate fund three-year performance achieved the benchmark (+10.6% vs. +10.8%).	<input type="checkbox"/>	<input checked="" type="checkbox"/>
JPMorgan Real Estate fund five-year performance achieved the benchmark.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
LongView Core Bond fund three-year performance achieved the benchmark.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
LongView Core Bond fund three-year performance ranked in the top 40th percentile.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Vanguard TIPS Index three-year performance achieved the benchmark.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Vanguard TIPS Index five-year performance achieved the benchmark (-0.1% vs. +0.1%).	<input type="checkbox"/>	<input checked="" type="checkbox"/>
International investments are within 25% of the total portfolio at market.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Investments in equity securities are within the 70% limitation.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Cash in R&D account did not exceed \$1 million.	<input checked="" type="checkbox"/>	<input type="checkbox"/>



**Amalgamated Transit Union Local 1596 Pension Fund**  
**Investment Performance - Net**  
**September 30, 2017**

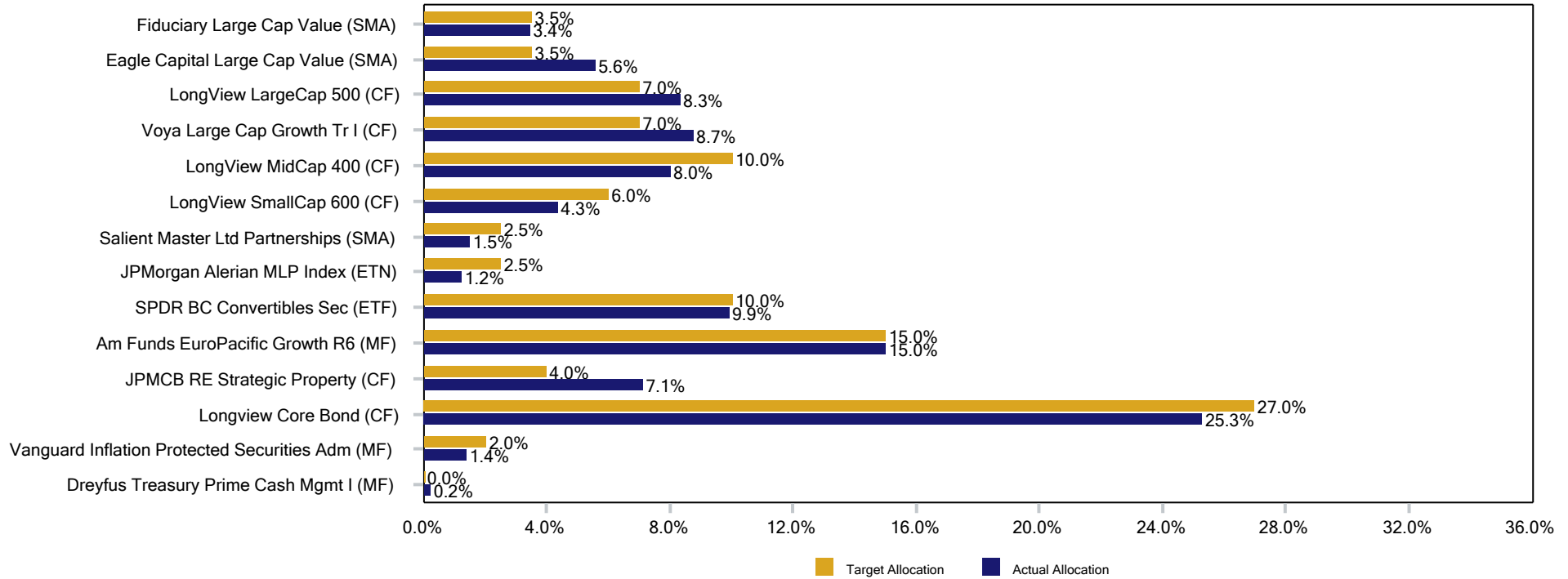
	<u>Quarter</u>	<u>One Year</u>	<u>Three Years</u>	<u>Five Years</u>
Beginning Market Value	139,213,322	130,200,915	121,819,616	96,590,951
Contributions	-554,754	-2,170,071	-4,734,754	-2,906,595
Gain/Loss	4,595,535	15,223,259	26,169,241	49,569,747
Ending Market Value	143,254,103	143,254,103	143,254,103	143,254,103
Total Fund (%)	3.3	11.6	6.7	8.4
Benchmark Objective (%)	3.0	10.9	7.7	9.3

**Amalgamated Transit Union Local 1596 Pension Fund  
Actual vs. Target Asset Allocation  
September 30, 2017**



	Market Value Actual \$	Percent Actual	Percent Target	Percent Difference
Total Fund	143,254,103	100.0	100.0	0.0
Domestic Equity	54,953,083	38.4	37.0	1.4
MLPs	3,896,321	2.7	5.0	-2.3
Convertibles	14,189,544	9.9	10.0	-0.1
International Equity	21,513,143	15.0	15.0	0.0
Private Real Estate	10,167,869	7.1	4.0	3.1
Fixed Income	38,206,424	26.7	29.0	-2.3
Cash	327,719	0.2	0.0	0.2

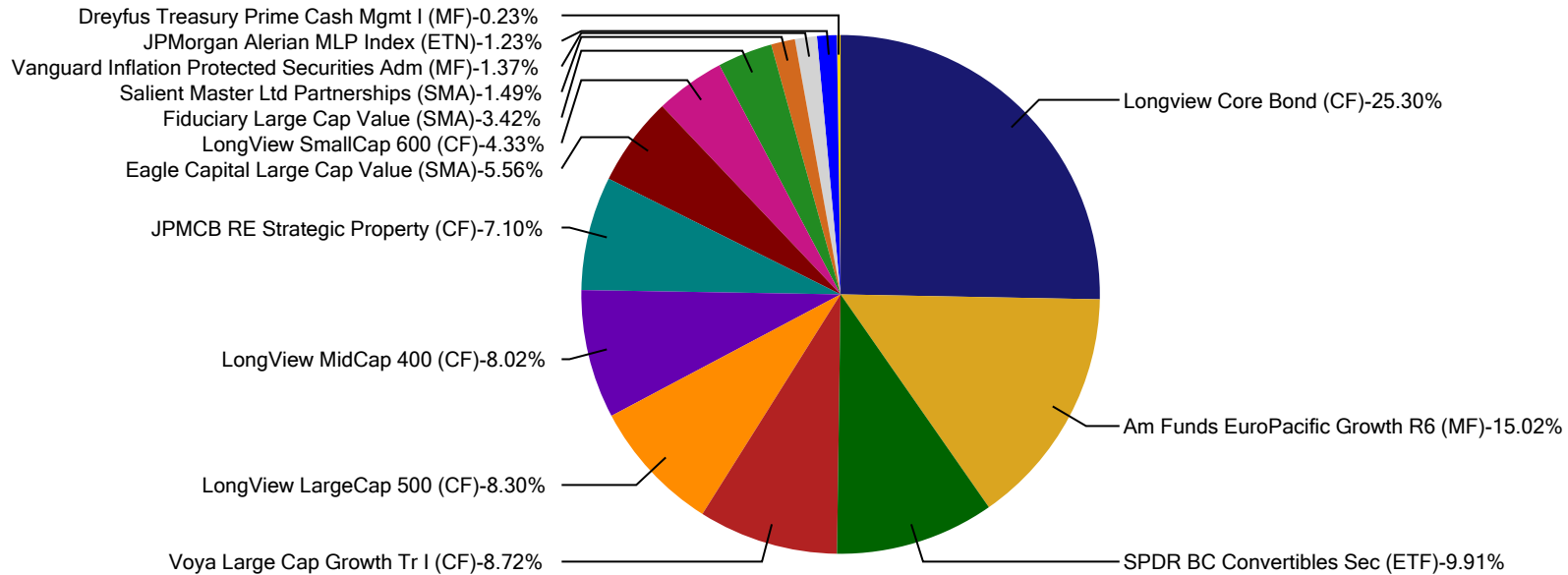
**Amalgamated Transit Union Local 1596 Pension Fund**  
**Actual vs. Target Asset Allocation**  
**September 30, 2017**



	Market Value Actual \$	Percent Actual	Percent Target	Percent Difference
Total Fund	143,254,103	100.0	100.0	0.0
Fiduciary Large Cap Value (SMA)	4,902,540	3.4	3.5	-0.1
Eagle Capital Large Cap Value (SMA)	7,964,167	5.6	3.5	2.1
LongView LargeCap 500 (CF)	11,896,447	8.3	7.0	1.3
Voya Large Cap Growth Tr I (CF)	12,494,438	8.7	7.0	1.7
LongView MidCap 400 (CF)	11,491,517	8.0	10.0	-2.0
LongView SmallCap 600 (CF)	6,203,975	4.3	6.0	-1.7
Salient Master Ltd Partnerships (SMA)	2,132,571	1.5	2.5	-1.0
JPMorgan Alerian MLP Index (ETN)	1,763,750	1.2	2.5	-1.3
SPDR BC Convertibles Sec (ETF)	14,189,544	9.9	10.0	-0.1
Am Funds EuroPacific Growth R6 (MF)	21,513,143	15.0	15.0	0.0
JPMCB RE Strategic Property (CF)	10,167,869	7.1	4.0	3.1
Longview Core Bond (CF)	36,239,509	25.3	27.0	-1.7
Vanguard Inflation Protected Securities Adm (MF)	1,966,916	1.4	2.0	-0.6
Dreyfus Treasury Prime Cash Mgmt I (MF)	327,719	0.2	0.0	0.2

## Amalgamated Transit Union Local 1596 Pension Fund Asset Allocation

September 30, 2017 : 143,254,103

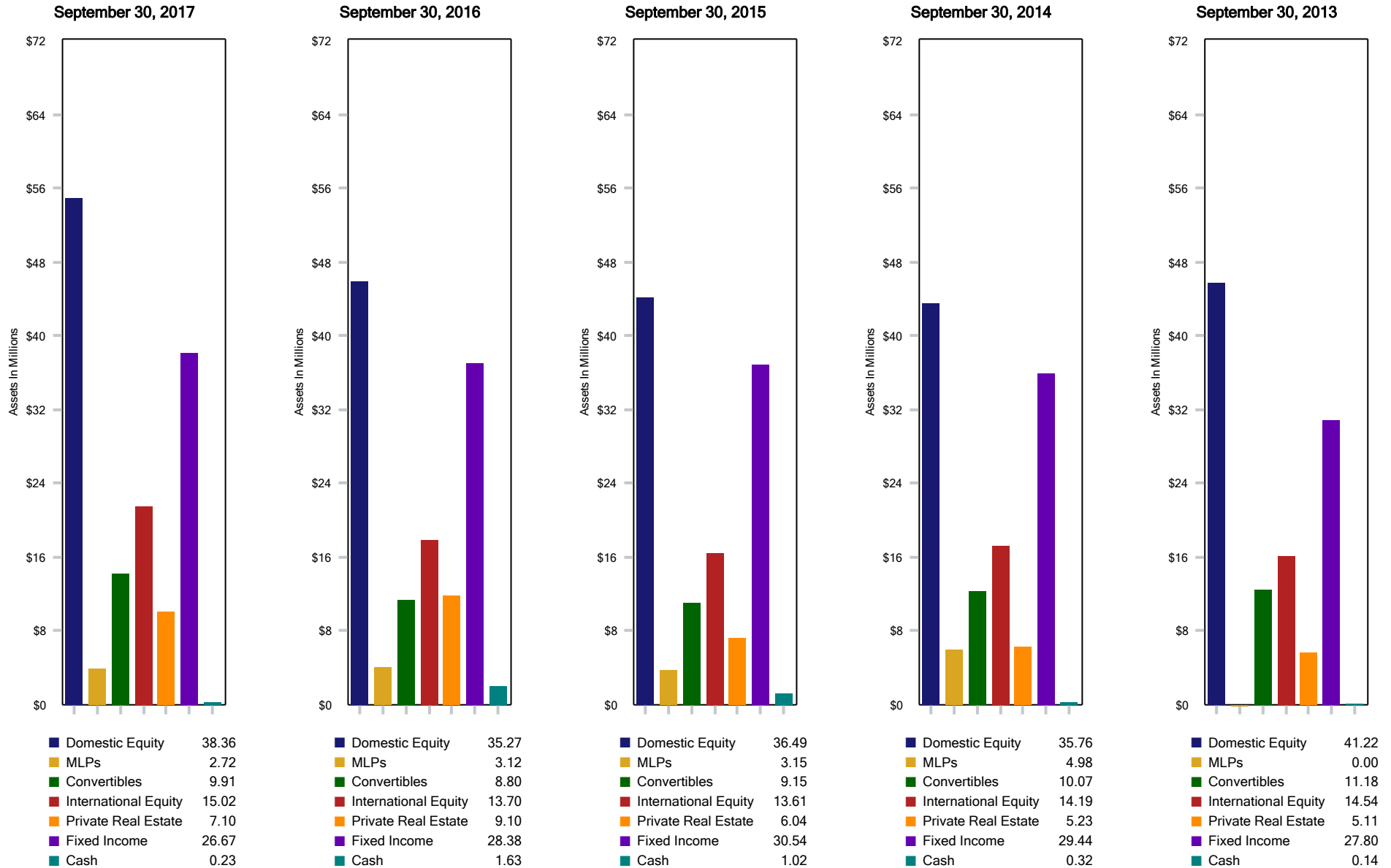


	<u>Market Value \$</u>	<u>Allocation (%)</u>
Longview Core Bond (CF)	36,239,509	25.30
Am Funds EuroPacific Growth R6 (MF)	21,513,143	15.02
SPDR BC Convertibles Sec (ETF)	14,189,544	9.91
Voya Large Cap Growth Tr I (CF)	12,494,438	8.72
LongView LargeCap 500 (CF)	11,896,447	8.30
LongView MidCap 400 (CF)	11,491,517	8.02
JPMCB RE Strategic Property (CF)	10,167,869	7.10
Eagle Capital Large Cap Value (SMA)	7,964,167	5.56
LongView SmallCap 600 (CF)	6,203,975	4.33
Fiduciary Large Cap Value (SMA)	4,902,540	3.42
Salient Master Ltd Partnerships (SMA)	2,132,571	1.49
Vanguard Inflation Protected Securities Adm (MF)	1,966,916	1.37
JPMorgan Alerian MLP Index (ETN)	1,763,750	1.23
Dreyfus Treasury Prime Cash Mgmt I (MF)	327,719	0.23

# Amalgamated Transit Union Local 1596 Pension Fund

## Historical Asset Allocation

### September 30, 2017



**Amalgamated Transit Union Local 1596 Pension Fund**  
**Asset Allocation & Performance**  
**September 30, 2017**

	Market Value	QTD ROR - Rank	1 Year ROR - Rank	3 Year ROR - Rank	5 Year ROR - Rank
<b>Total Fund</b>	<b>143,254,103</b>	<b>3.4 (60)</b>	<b>12.0 (55)</b>	<b>7.0 (42)</b>	<b>8.8 (47)</b>
Benchmark Objective (60/40)		3.0	10.9	7.7	9.3
Target Allocation Objective		3.1	11.3	6.2	8.4
<b>Equity</b>	<b>94,552,091</b>	<b>4.6</b>	<b>18.4</b>	<b>8.8</b>	<b>11.9</b>
<b>Domestic Equity</b>	<b>54,953,083</b>	<b>4.4</b>	<b>19.9</b>	<b>11.7</b>	<b>14.4</b>
Fiduciary Large Cap Value (SMA)	4,902,540	3.7 (63)	18.4 (45)	10.5 (21)	N/A
Russell 1000 Value Index		3.1	15.1	8.5	13.2
Eagle Capital Large Cap Value (SMA)	7,964,167	3.8 (60)	24.1 (6)	12.1 (7)	N/A
Russell 1000 Value Index		3.1	15.1	8.5	13.2
LongView LargeCap 500 (CF)	11,896,447	4.5 (47)	18.5 (45)	10.8 (17)	N/A
S&P 500 Index		4.5	18.6	10.8	14.2
Voya Large Cap Growth Tr I (CF)	12,494,438	5.4 (52)	20.7 (53)	12.4 (37)	14.8 (50)
Russell 1000 Growth Index		5.9	21.9	12.7	15.3
LongView MidCap 400 (CF)	11,491,517	3.2 (59)	17.5 (27)	11.1 (10)	N/A
S&P MidCap 400 Index		3.2	17.5	11.2	14.4
LongView SmallCap 600 (CF)	6,203,975	5.9 (41)	21.0 (36)	13.8 (14)	N/A
S&P SmallCap 600		6.0	21.1	14.1	15.6
<b>MLPs</b>	<b>3,896,321</b>	<b>-2.4</b>	<b>-1.9</b>	<b>-13.0</b>	<b>N/A</b>
JPMorgan Alerian MLP Index (ETN)	1,763,750	-3.4 (95)	N/A	N/A	N/A
Salient Master Ltd Partnerships (SMA)	2,132,571	-1.7	-0.7	-10.8	N/A
Alerian MLP Index		-3.0	-3.7	-12.9	-0.6
<b>Convertibles</b>	<b>14,189,544</b>	<b>3.9</b>	<b>15.4</b>	<b>8.2</b>	<b>11.1</b>
SPDR BC Convertibles Sec (ETF)	14,189,544	3.8 (49)	15.0 (30)	7.8 (10)	10.7 (5)
Blmbg. Barc. U.S. Convertibles: 500MM		4.2	15.6	8.2	11.6
<b>International Equity</b>	<b>21,513,143</b>	<b>7.0</b>	<b>21.2</b>	<b>8.1</b>	<b>10.0</b>

**Amalgamated Transit Union Local 1596 Pension Fund**  
**Asset Allocation & Performance**  
**September 30, 2017**

	Market Value	QTD ROR - Rank	1 Year ROR - Rank	3 Year ROR - Rank	5 Year ROR - Rank
<b>Am Funds EuroPacific Growth R6 (MF)</b>	<b>21,513,143</b>	<b>6.9 (41)</b>	<b>20.6 (39)</b>	<b>7.6 (23)</b>	<b>9.5 (22)</b>
International Benchmark		6.3	20.2	5.2	8.6
<b>Private Real Estate</b>	<b>10,167,869</b>	<b>1.7</b>	<b>7.6</b>	<b>10.6</b>	<b>11.7</b>
<b>JPMCB RE Strategic Property (CF)</b>	<b>10,167,869</b>	<b>1.7</b>	<b>7.6</b>	<b>10.6</b>	<b>11.7</b>
NCREIF Fund Index-ODCE (VW)		1.9	7.7	10.8	11.6
<b>Fixed Income</b>	<b>38,206,424</b>	<b>0.9</b>	<b>0.1</b>	<b>2.9</b>	<b>2.0</b>
<b>Longview Core Bond (CF)</b>	<b>36,239,509</b>	<b>0.8 (42)</b>	<b>0.0 (68)</b>	<b>2.8 (26)</b>	<b>N/A</b>
Bloomberg Barclays U.S. Aggregate Index		0.8	0.1	2.7	2.1
<b>Vanguard Inflation Protected Securities Adm (MF)</b>	<b>1,966,916</b>	<b>0.8 (49)</b>	<b>-1.0 (74)</b>	<b>1.6 (17)</b>	<b>-0.1 (27)</b>
Blmbg. Barc. U.S. TIPS 1-10 Year		0.7	-0.1	1.3	0.1
<b>Cash</b>	<b>327,719</b>	<b>0.2</b>	<b>0.5</b>	<b>0.2</b>	<b>0.1</b>
<b>Dreyfus Treasury Prime Cash Mgmt I (MF)</b>	<b>327,719</b>	<b>0.2</b>	<b>0.5</b>	<b>0.2</b>	<b>0.1</b>
BofA Merrill Lynch 3 Month U.S. T-Bill		0.3	0.7	0.3	0.2

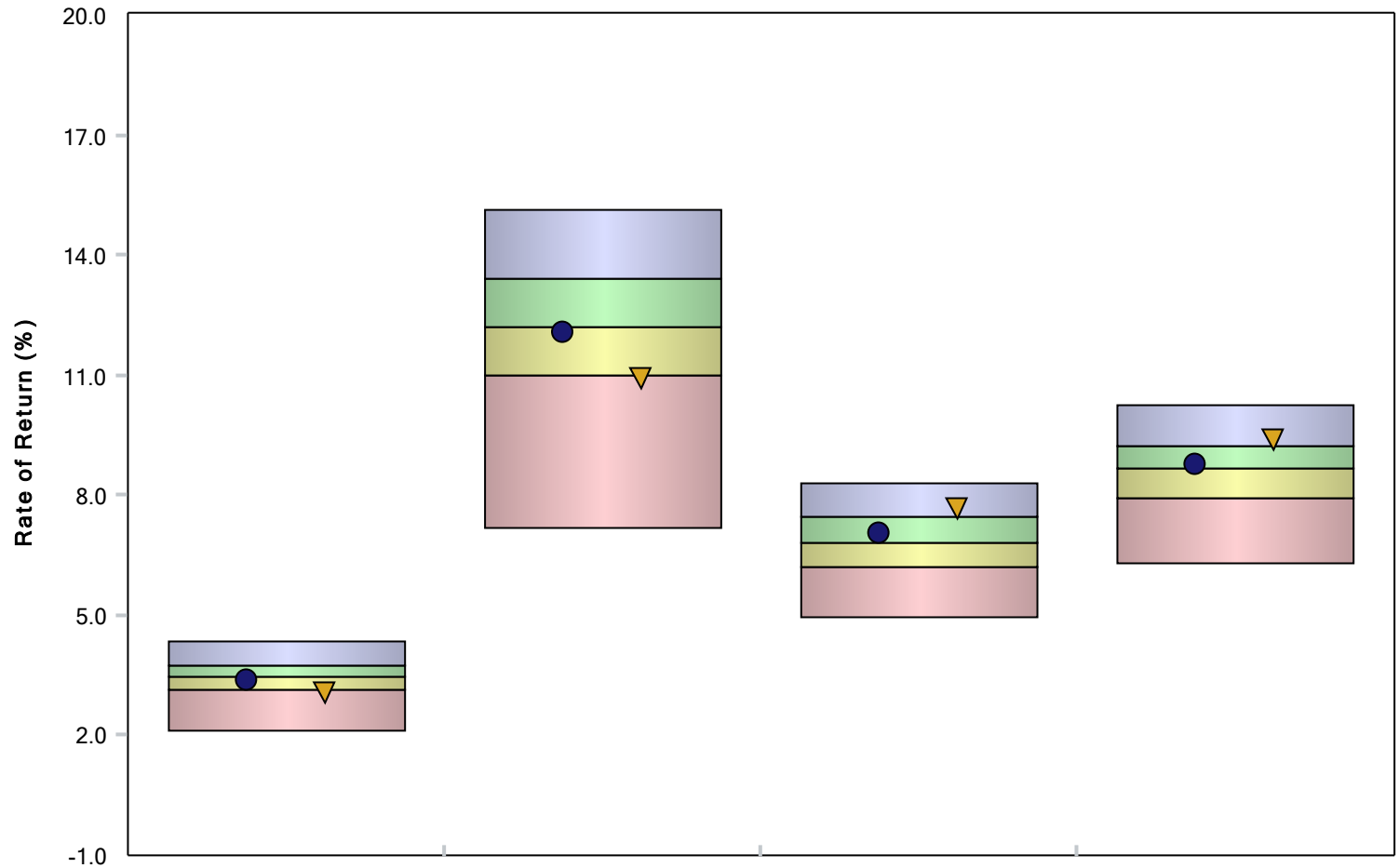
**1 Benchmark Objective (60/40):** Since Feb 2008: 60% S&P 500 + 40%Barclay's Agg (fka LB Agg); from Dec'01: 35% R1000 + 10% R2000 +15% MSCI EAFE + 10% NCREIF +30% ML Domestic Bond.

**2 Target Allocation Objective:** 7% R1000 + 7% R1000V + 7% R1000G + 10% S&P 400 + 6.0% R2000 + 10% ML CNV X144A ALLQUAL + 5% Alerian MLP + 15% ACWI + 4% ODCE + 27% BC AGG + 2% BC 1-10 YR TIPS. From Oct 2010: 7% R1000 + 7% R1000V + 7% R1000G + 10% S&P 400 + 6.0% R2000 + 10% ML CNV X144A ALLQUAL + 15% EAFE + 4% ODCE + 32% BC AGG + 2% BC 1-10 YR TIPS. From Feb 2008: 30% R1000 + 17% S&P 400 + 15% EAFE + 4% ODCE + 32% BC AGG + 2% BC 1-10 YR TIPS. From Jun 2007: 35% R1000 + 10.0% R2000 + 15% EAFE + 10% ODCE + 30% BofA ML US Domestic Master. From Dec 2004: 50% R3000 + 10.0% EAFE + 40% BofA ML Gov't/Corp Master.

**3 International Benchmark:** Since Aug'14: 100% ACWI; Prior 100% EAFE



**Amalgamated Transit Union Local 1596 Pension Fund**  
**Peer Universe Quartile Ranking**  
**September 30, 2017**

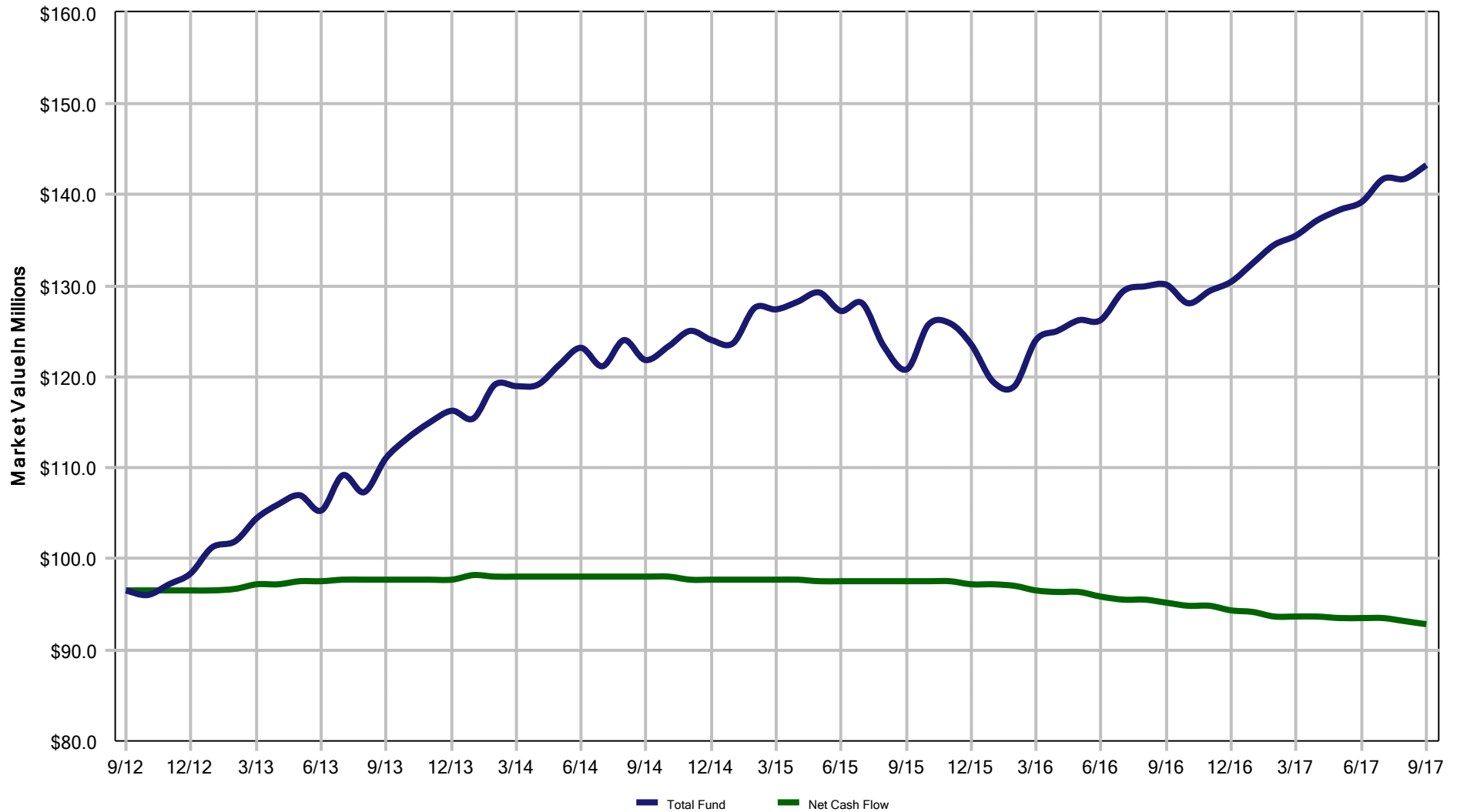


● Total Fund  
 ▼ Benchmark Objective (60/40)

5th Percentile	4.3	15.1	8.3	10.2
1st Quartile	3.8	13.4	7.5	9.2
Median	3.4	12.2	6.8	8.6
3rd Quartile	3.1	11.0	6.2	7.9
95th Percentile	2.1	7.2	4.9	6.3

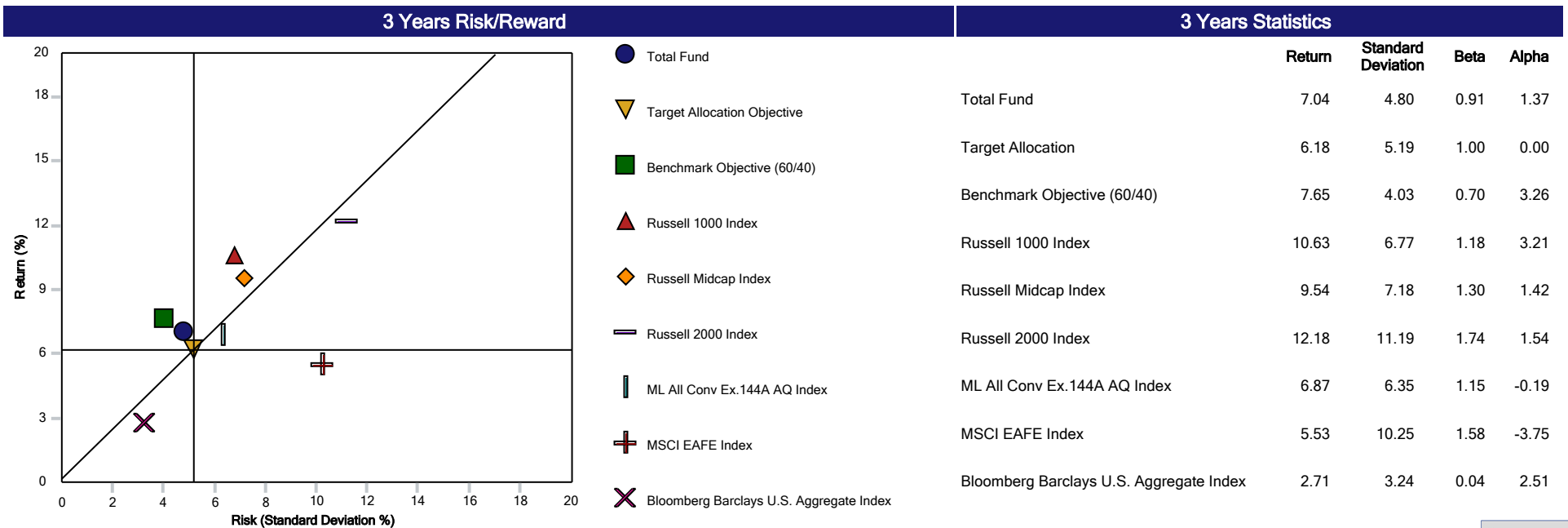
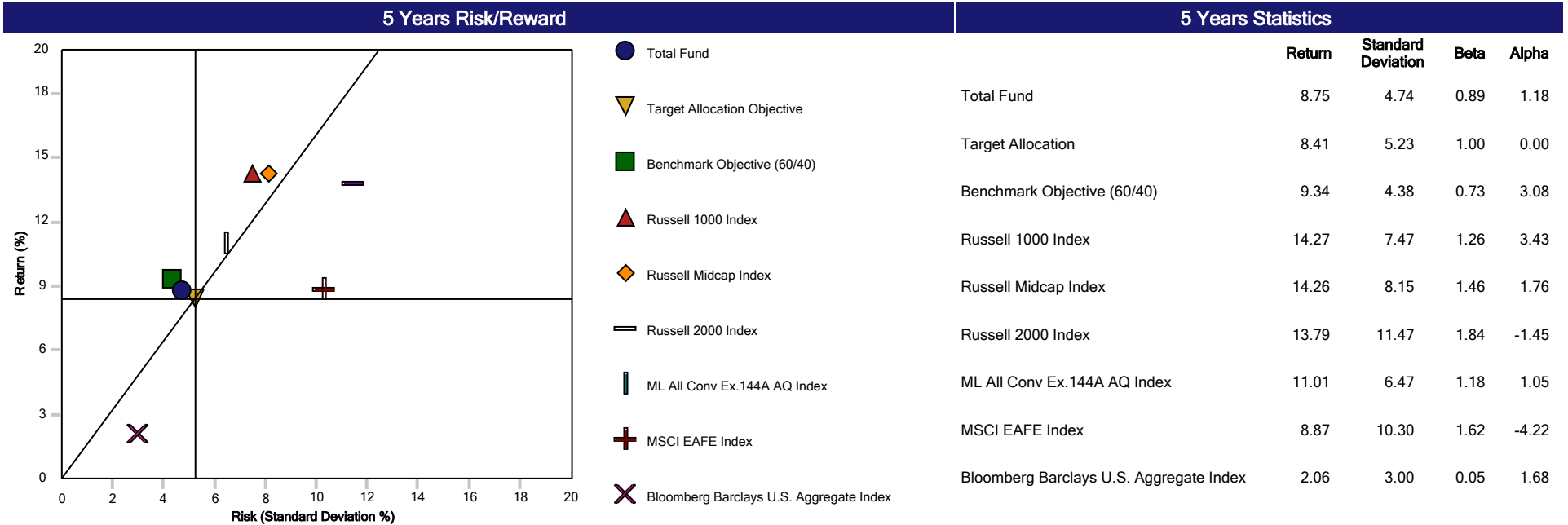
Parentheses contain percentile rankings.  
 Calculation based on monthly data.

**Amalgamated Transit Union Local 1596 Pension Fund**  
**Growth of Investments**  
**October 1, 2012 Through September 30, 2017**

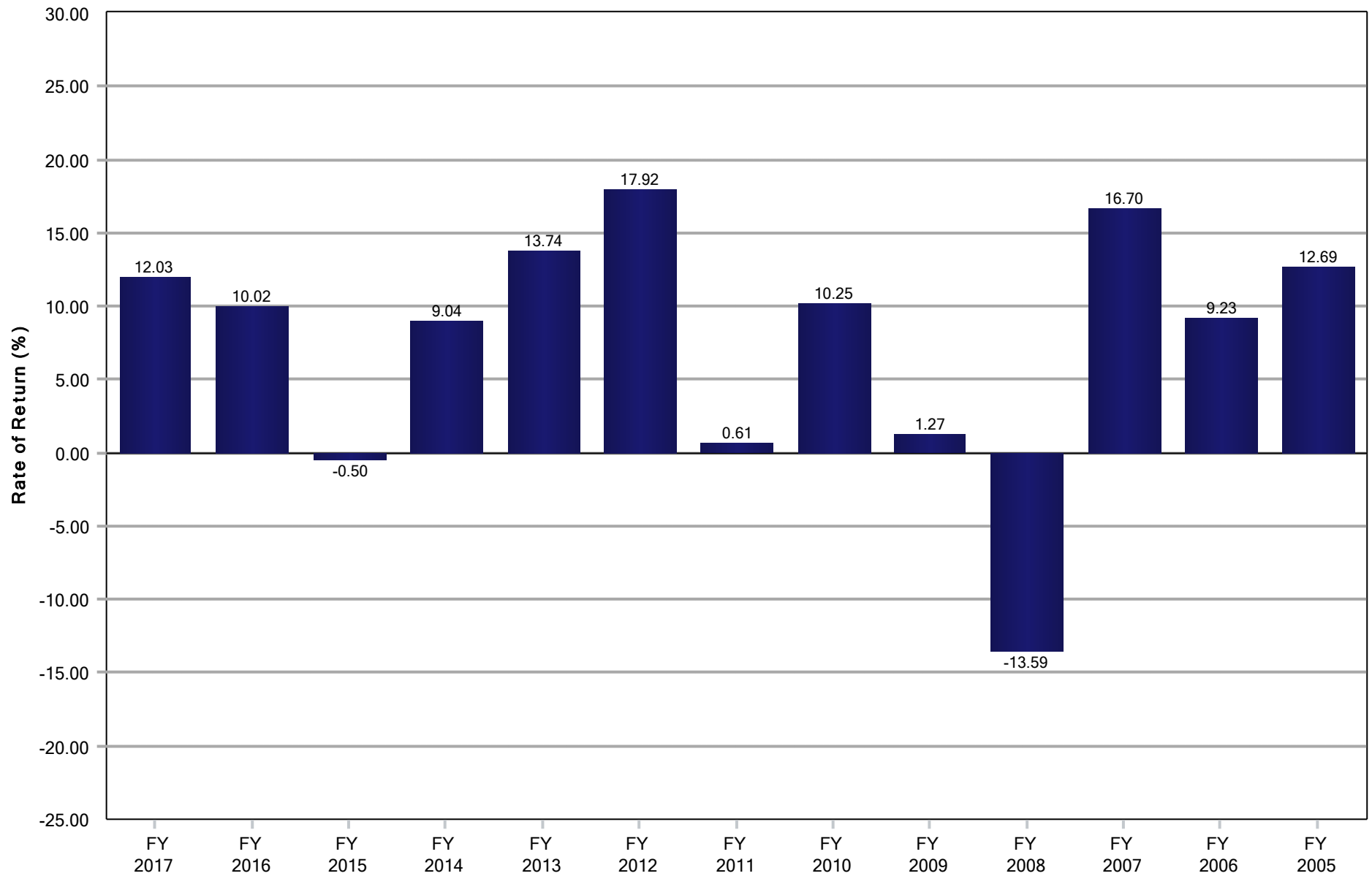


<u>Beginning MV</u>	<u>Ending MV</u>	<u>Annualized ROR</u>
\$96,590,951	\$143,254,103	8.8

**Amalgamated Transit Union Local 1596 Pension Fund**  
**Capital Market Line**  
**Period Ending September 30, 2017**



Amalgamated Transit Union Local 1596 Pension Fund  
Fiscal Year Rates of Return  
September 30, 2017

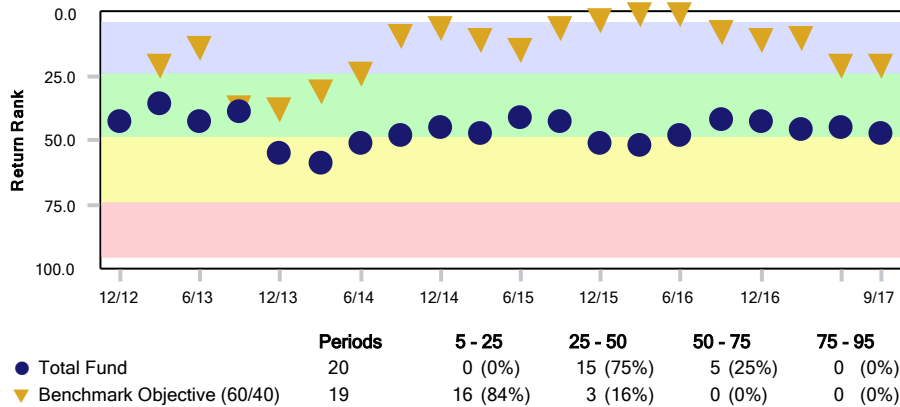


# Amalgamated Transit Union Local 1596 Pension Fund

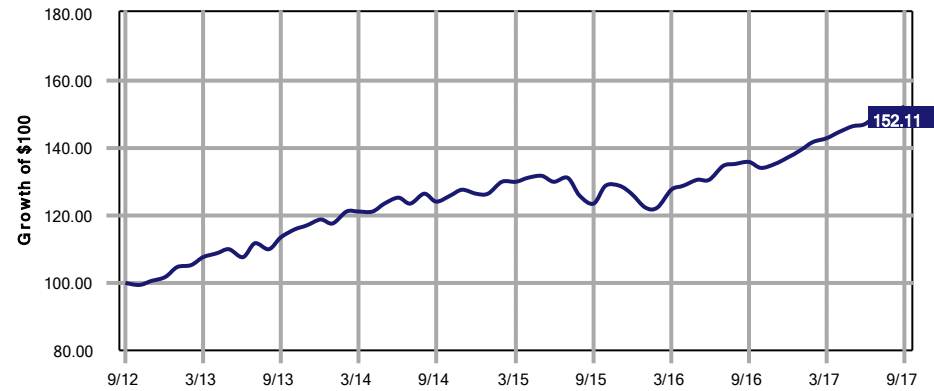
## Total Fund

### September 30, 2017

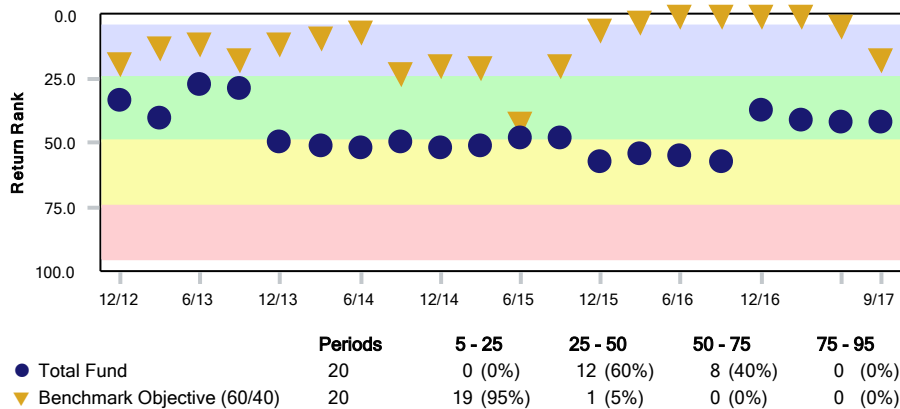
5 Years Rolling Percentile Ranking - 5 Years



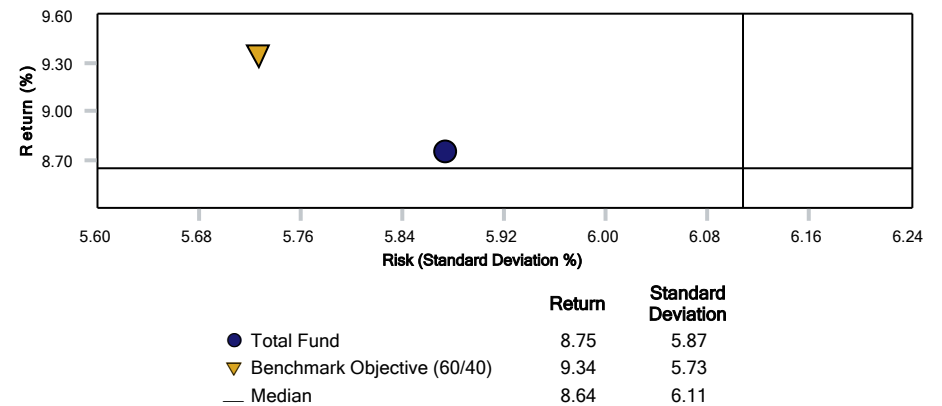
Growth of a Dollar



3 Years Rolling Percentile Ranking - 5 Years



Peer Group Risk/Reward - 5 Years



Historical Statistics - 5 Years

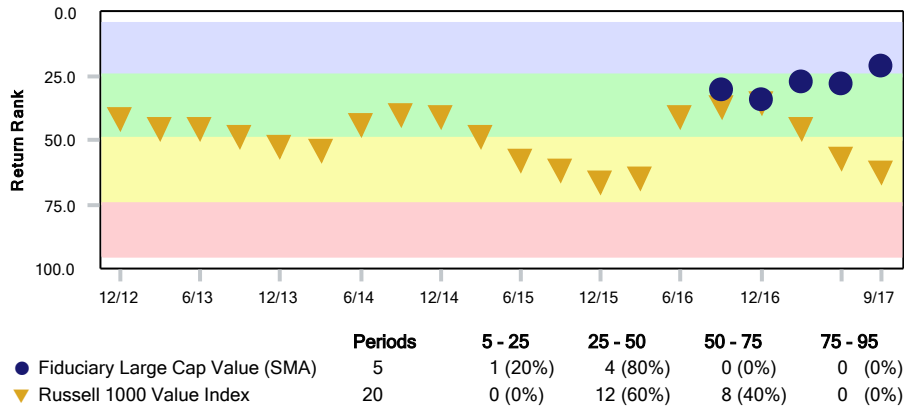
	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Total Fund	8.75	5.87	-0.31	0.98	1.43	106.53	98.07
Benchmark Objective (60/40)	9.34	5.73	0.00	1.00	1.56	100.00	100.00

Historical Statistics - 3 Years

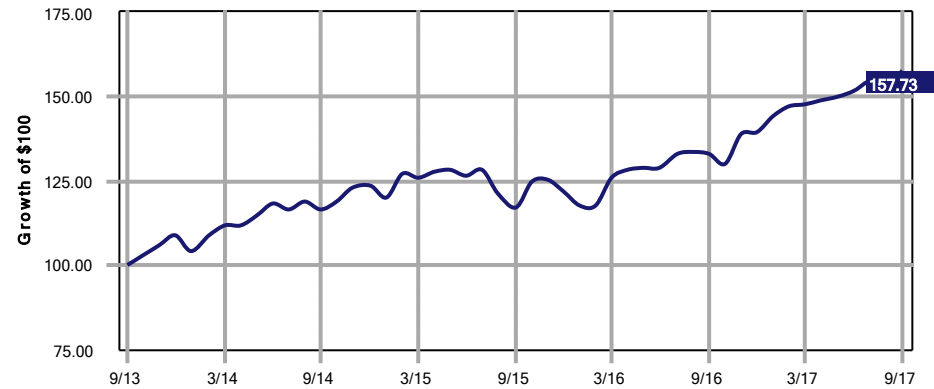
	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Total Fund	7.04	5.96	-0.33	0.97	1.13	107.36	97.98
Benchmark Objective (60/40)	7.65	5.89	0.00	1.00	1.24	100.00	100.00

**Amalgamated Transit Union Local 1596 Pension Fund**  
**Fiduciary Large Cap Value (SMA)**  
**September 30, 2017**

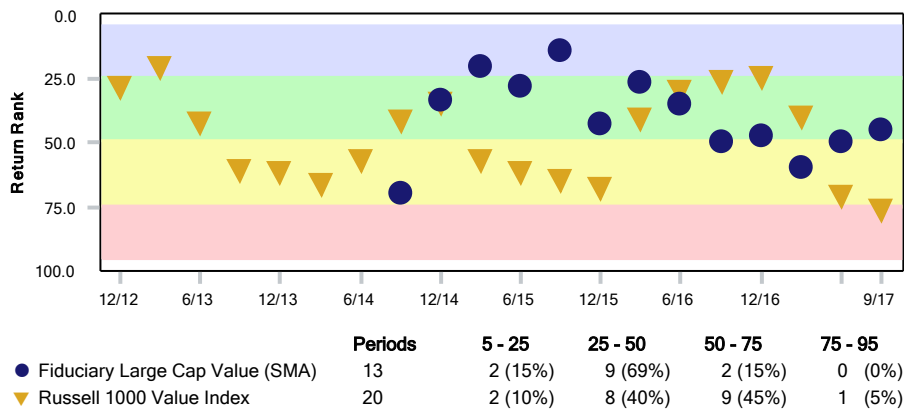
**3 Years Rolling Percentile Ranking - 5 Years**



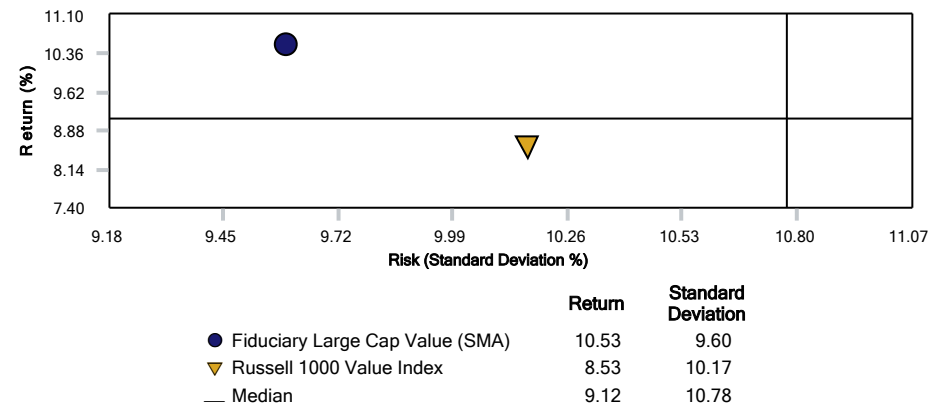
**Growth of a Dollar**



**1 Year Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 3 Years**



**Historical Statistics - 3 Years**

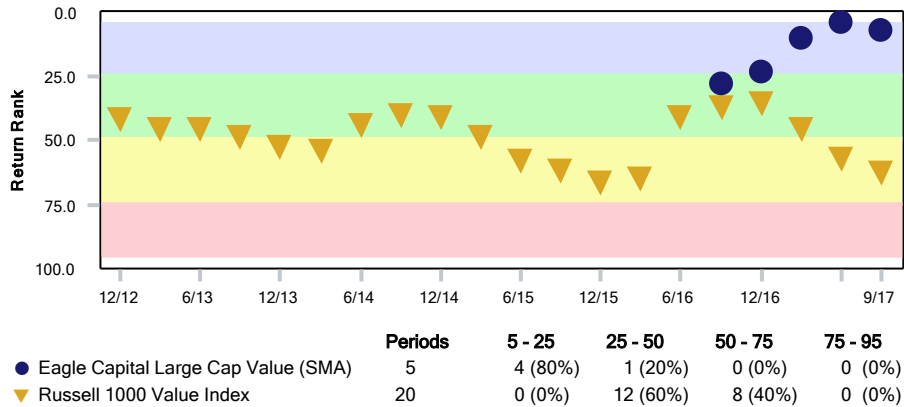
	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Fiduciary Large Cap Value (SMA)	10.53	9.60	2.71	0.90	1.07	77.05	98.05
Russell 1000 Value Index	8.53	10.17	0.00	1.00	0.83	100.00	100.00

**Historical Statistics - 1 Year**

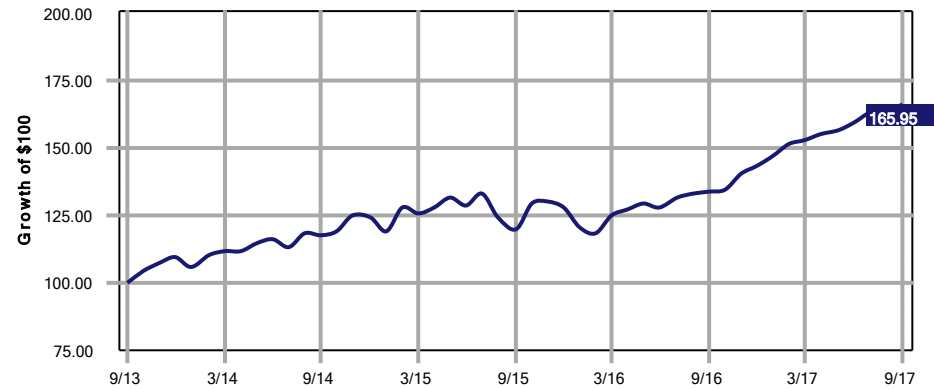
	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Fiduciary Large Cap Value (SMA)	18.45	7.44	4.83	0.87	2.24	34.68	101.48
Russell 1000 Value Index	15.12	7.28	0.00	1.00	1.89	100.00	100.00

**Amalgamated Transit Union Local 1596 Pension Fund**  
**Eagle Capital Large Cap Value (SMA)**  
**September 30, 2017**

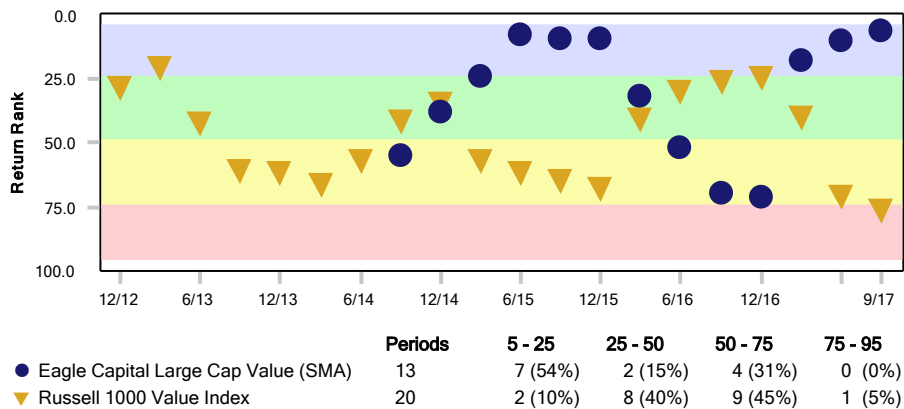
**3 Years Rolling Percentile Ranking - 5 Years**



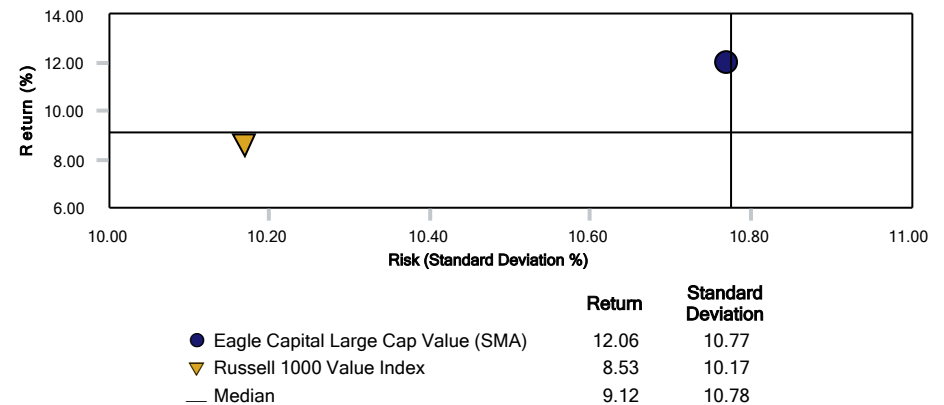
**Growth of a Dollar**



**1 Year Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 3 Years**



**Historical Statistics - 3 Years**

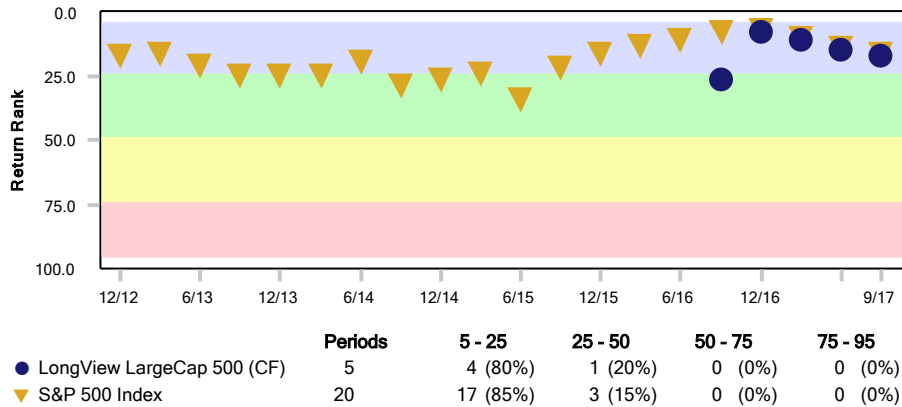
	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Eagle Capital Large Cap Value (SMA)	12.06	10.77	3.68	0.96	1.09	82.09	109.01
Russell 1000 Value Index	8.53	10.17	0.00	1.00	0.83	100.00	100.00

**Historical Statistics - 1 Year**

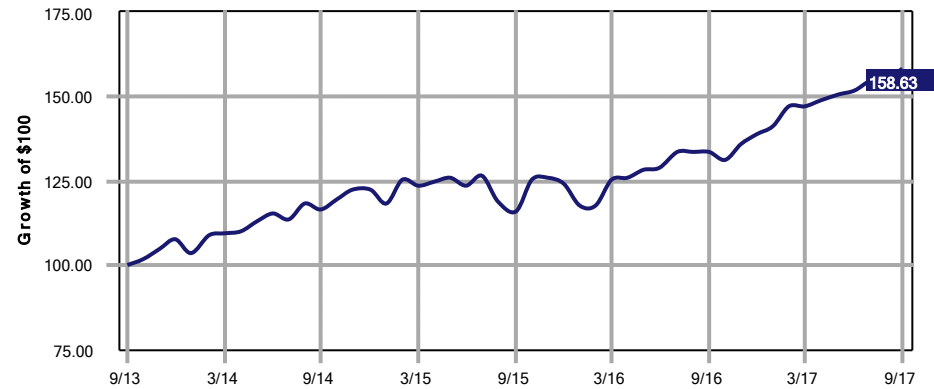
	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Eagle Capital Large Cap Value (SMA)	24.15	4.33	15.42	0.52	4.88	-90.17	99.20
Russell 1000 Value Index	15.12	7.28	0.00	1.00	1.89	100.00	100.00

**Amalgamated Transit Union Local 1596 Pension Fund**  
**LongView LargeCap 500 (CF)**  
**September 30, 2017**

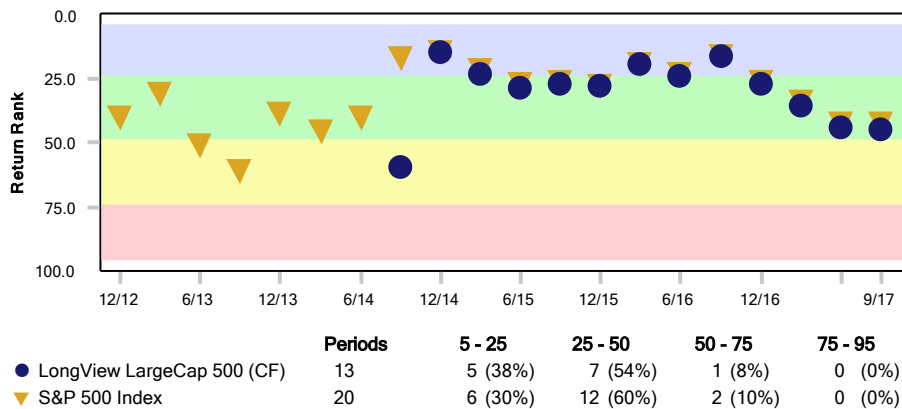
**3 Years Rolling Percentile Ranking - 5 Years**



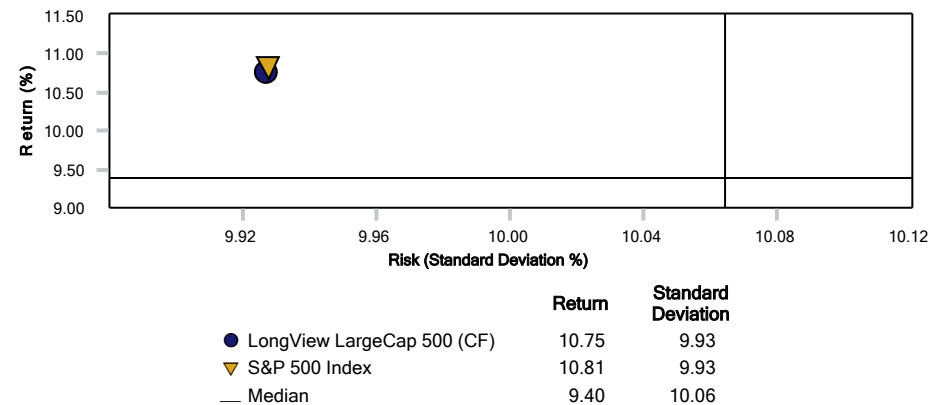
**Growth of a Dollar**



**1 Year Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 3 Years**



**Historical Statistics - 3 Years**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
LongView LargeCap 500 (CF)	10.75	9.93	-0.05	1.00	1.05	100.16	99.78
S&P 500 Index	10.81	9.93	0.00	1.00	1.06	100.00	100.00

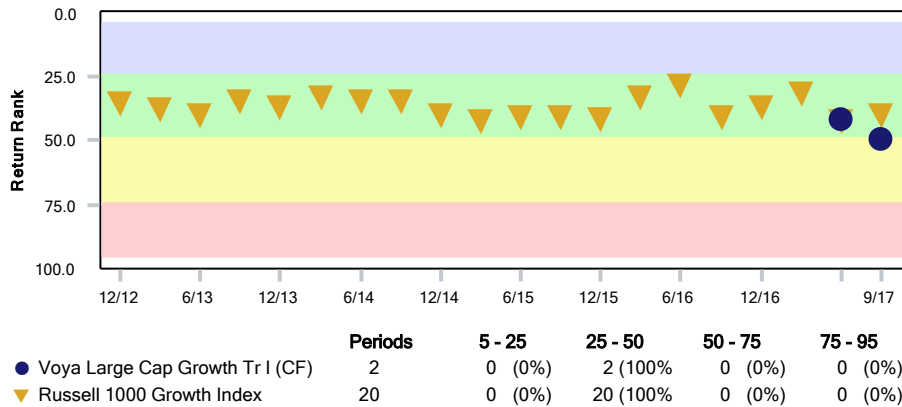
**Historical Statistics - 1 Year**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
LongView LargeCap 500 (CF)	18.51	5.23	-0.10	1.00	3.17	100.19	99.59
S&P 500 Index	18.61	5.23	0.00	1.00	3.19	100.00	100.00

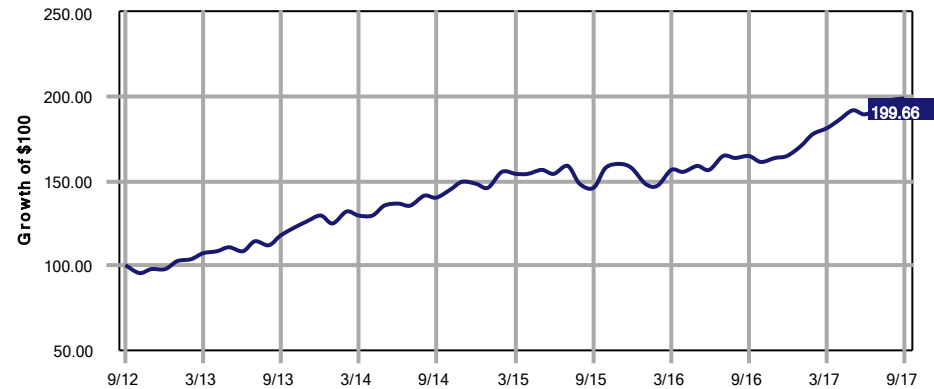


**Amalgamated Transit Union Local 1596 Pension Fund**  
**Voya Large Cap Growth Tr I (CF)**  
**September 30, 2017**

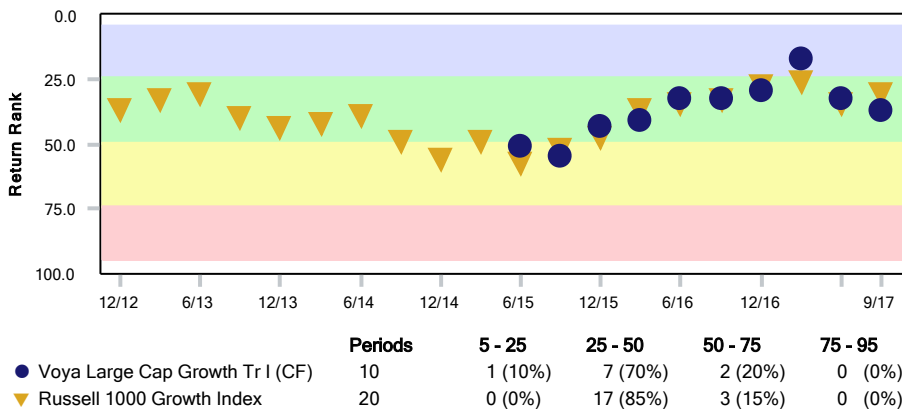
**5 Years Rolling Percentile Ranking - 5 Years**



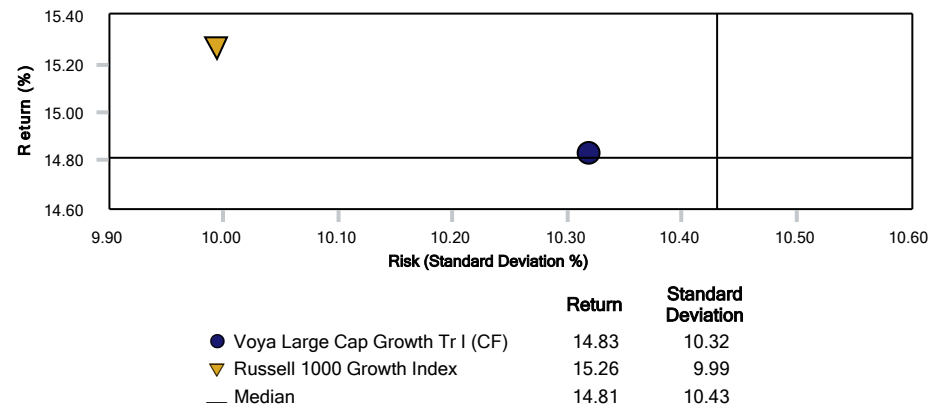
**Growth of a Dollar**



**3 Years Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 5 Years**



**Historical Statistics - 5 Years**

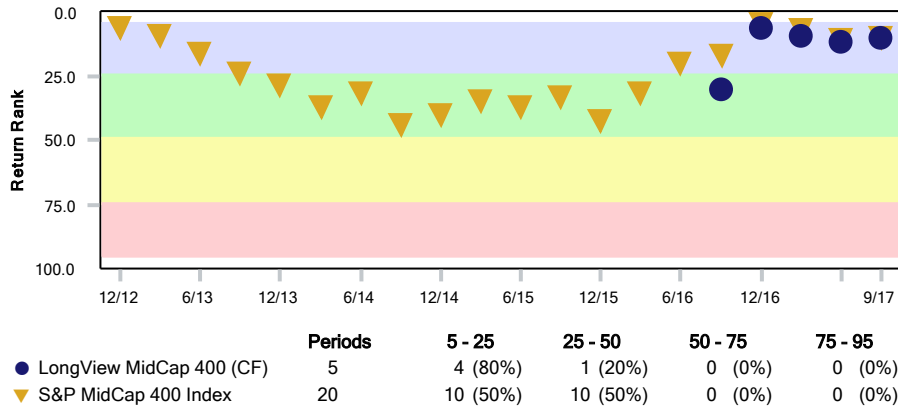
	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Voya Large Cap Growth Tr I (CF)	14.83	10.32	-0.58	1.02	1.38	107.72	101.15
Russell 1000 Growth Index	15.26	9.99	0.00	1.00	1.46	100.00	100.00

**Historical Statistics - 3 Years**

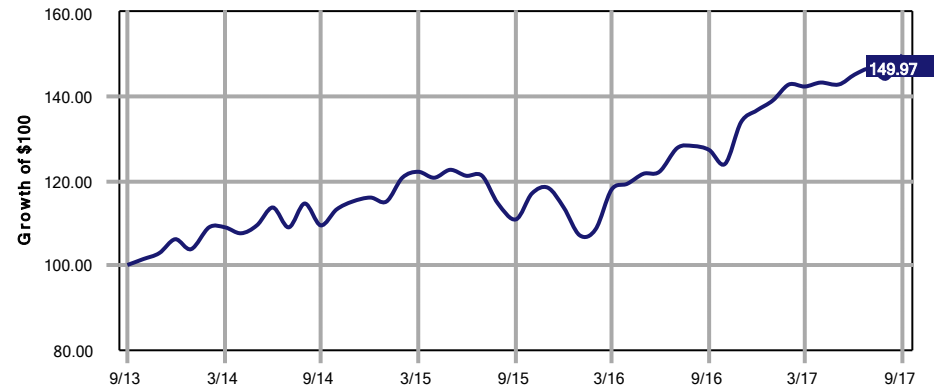
	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Voya Large Cap Growth Tr I (CF)	12.38	10.73	-0.33	1.01	1.12	106.82	101.51
Russell 1000 Growth Index	12.69	10.53	0.00	1.00	1.17	100.00	100.00

**Amalgamated Transit Union Local 1596 Pension Fund**  
**LongView MidCap 400 (CF)**  
**September 30, 2017**

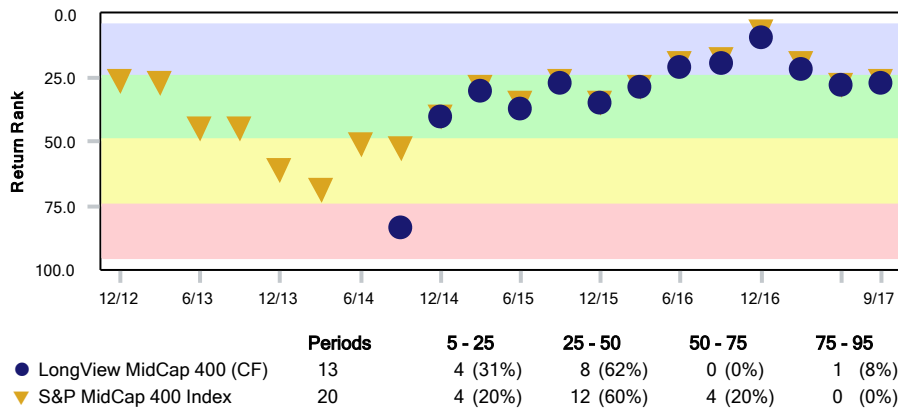
**3 Years Rolling Percentile Ranking - 5 Years**



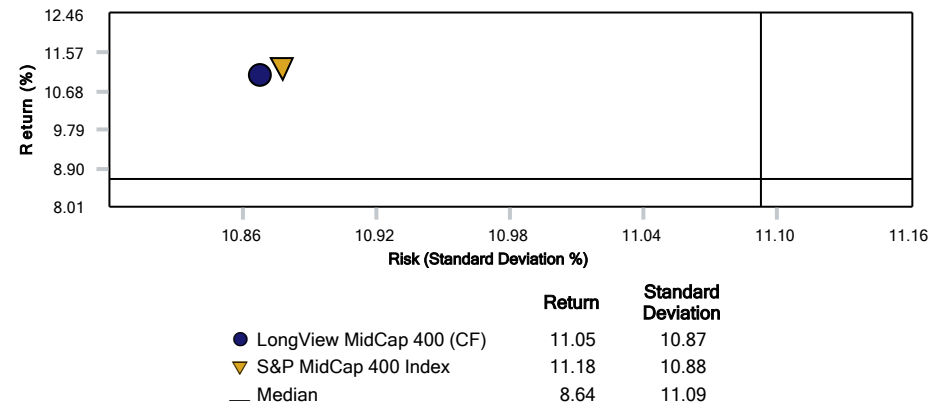
**Growth of a Dollar**



**1 Year Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 3 Years**



**Historical Statistics - 3 Years**

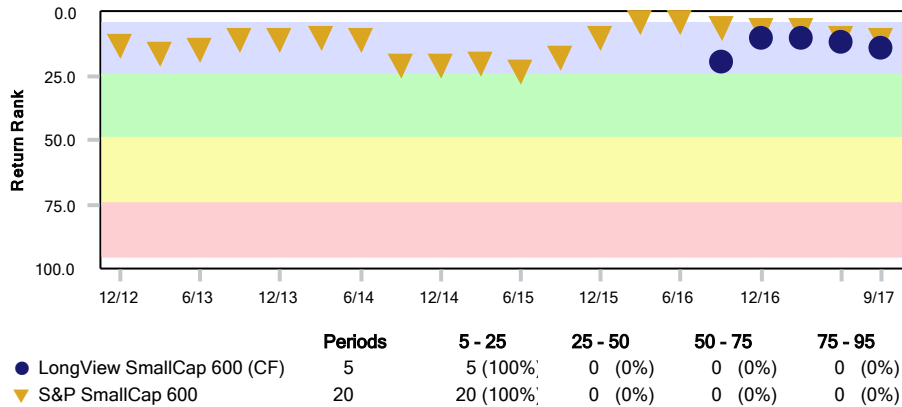
	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
LongView MidCap 400 (CF)	11.05	10.87	-0.11	1.00	1.00	100.34	99.59
S&P MidCap 400 Index	11.18	10.88	0.00	1.00	1.01	100.00	100.00

**Historical Statistics - 1 Year**

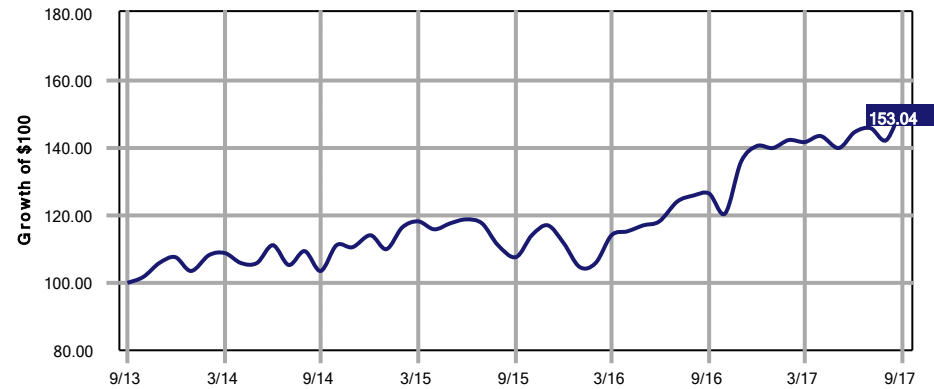
	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
LongView MidCap 400 (CF)	17.50	9.21	-0.01	1.00	1.74	100.99	100.17
S&P MidCap 400 Index	17.52	9.21	0.00	1.00	1.74	100.00	100.00

**Amalgamated Transit Union Local 1596 Pension Fund**  
**LongView SmallCap 600 (CF)**  
**September 30, 2017**

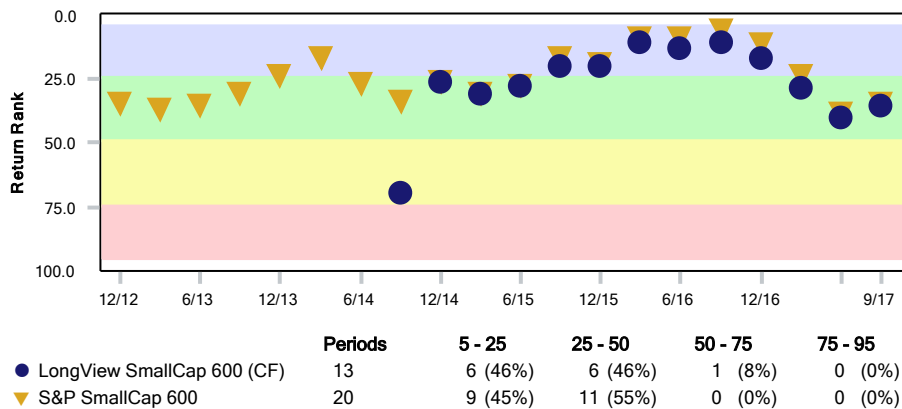
**3 Years Rolling Percentile Ranking - 5 Years**



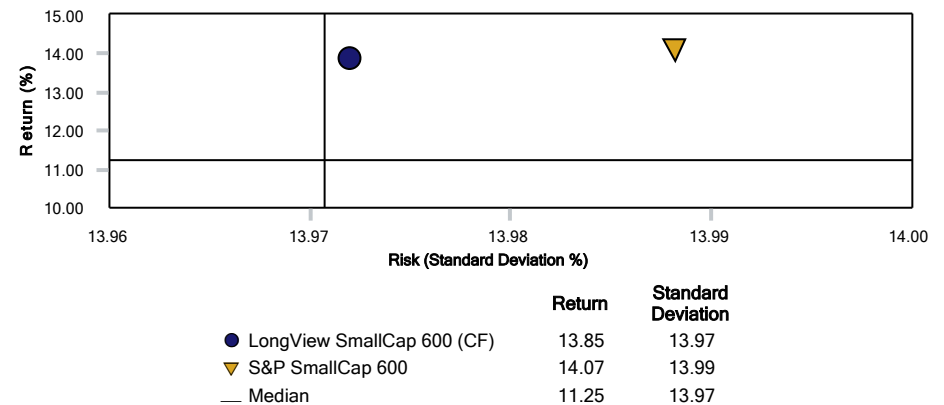
**Growth of a Dollar**



**1 Year Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 3 Years**



**Historical Statistics - 3 Years**

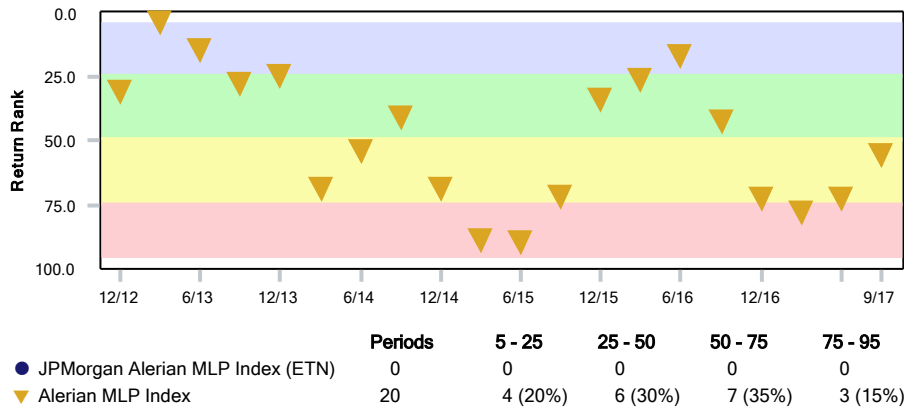
	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
LongView SmallCap 600 (CF)	13.85	13.97	-0.18	1.00	0.98	100.22	99.34
S&P SmallCap 600	14.07	13.99	0.00	1.00	0.99	100.00	100.00

**Historical Statistics - 1 Year**

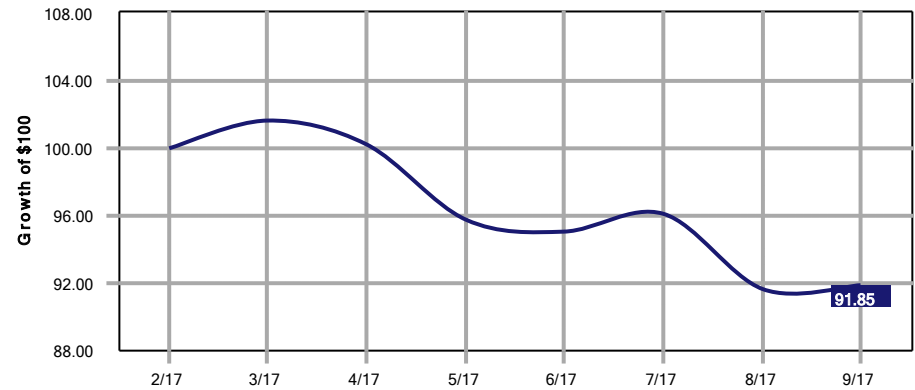
	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
LongView SmallCap 600 (CF)	20.97	15.39	-0.02	1.00	1.28	99.95	99.75
S&P SmallCap 600	21.05	15.43	0.00	1.00	1.28	100.00	100.00

**Amalgamated Transit Union Local 1596 Pension Fund**  
**JPMorgan Alerian MLP Index (ETN)**  
**September 30, 2017**

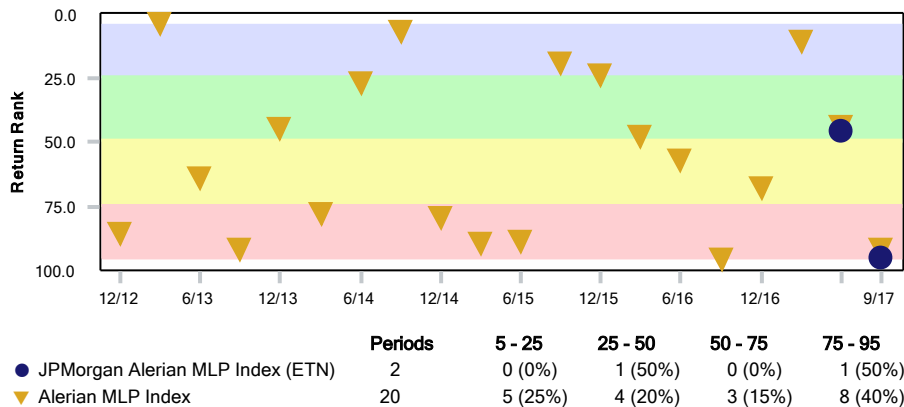
**1 Year Rolling Percentile Ranking - 5 Years**



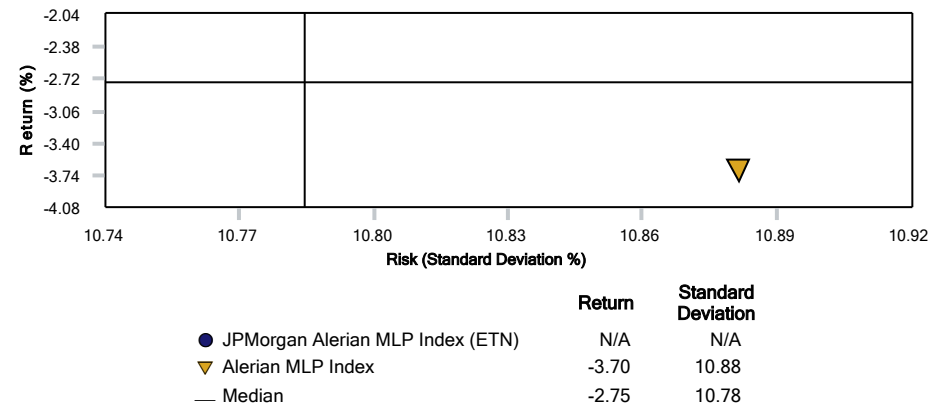
**Growth of a Dollar**



**1 Quarter Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 1 Year**



**Historical Statistics - 1 Year**

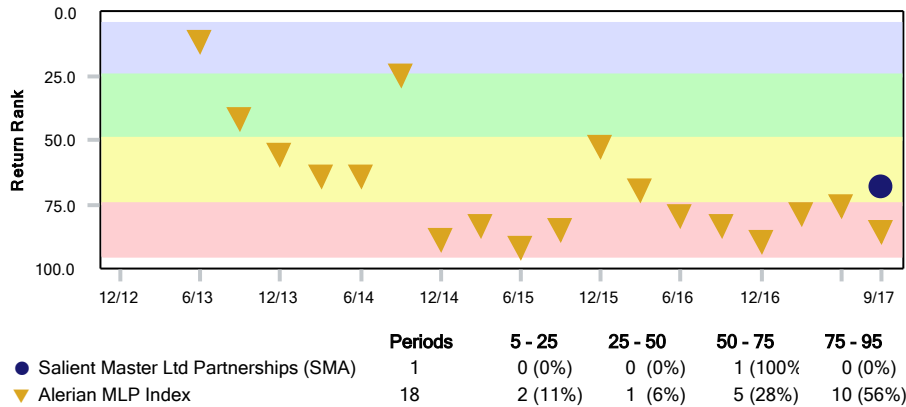
	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
JPMorgan Alerian MLP Index (ETN)	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Alerian MLP Index	-3.70	10.88	0.00	1.00	-0.35	100.00	100.00

**Historical Statistics - 1 Quarter**

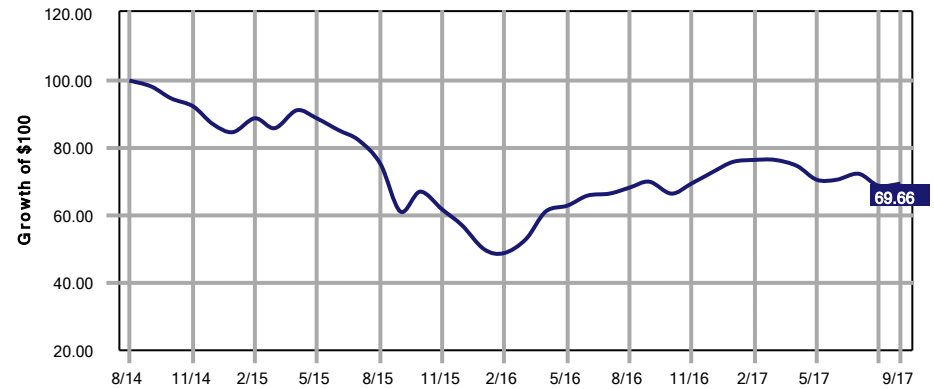
	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
JPMorgan Alerian MLP Index (ETN)	-3.35	2.54	-0.21	0.90	-0.47	94.05	68.34
Alerian MLP Index	-3.05	2.81	0.00	1.00	-0.38	100.00	100.00

**Amalgamated Transit Union Local 1596 Pension Fund**  
**Salient Master Ltd Partnerships (SMA)**  
**September 30, 2017**

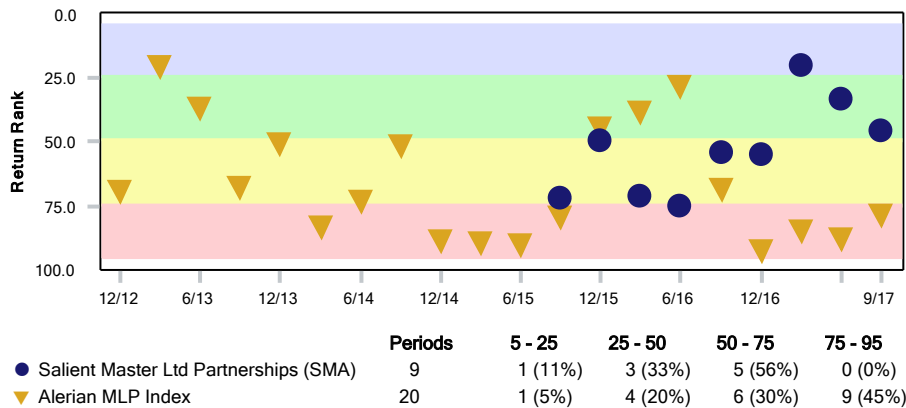
**3 Years Rolling Percentile Ranking - 5 Years**



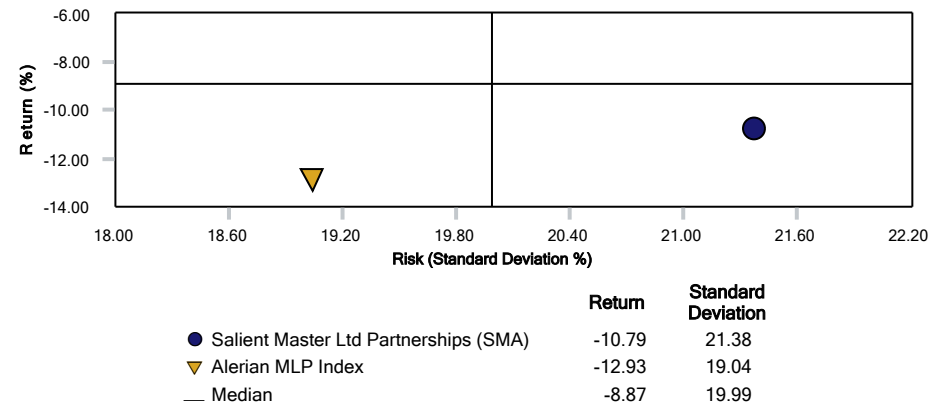
**Growth of a Dollar**



**1 Year Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 3 Years**



**Historical Statistics - 3 Years**

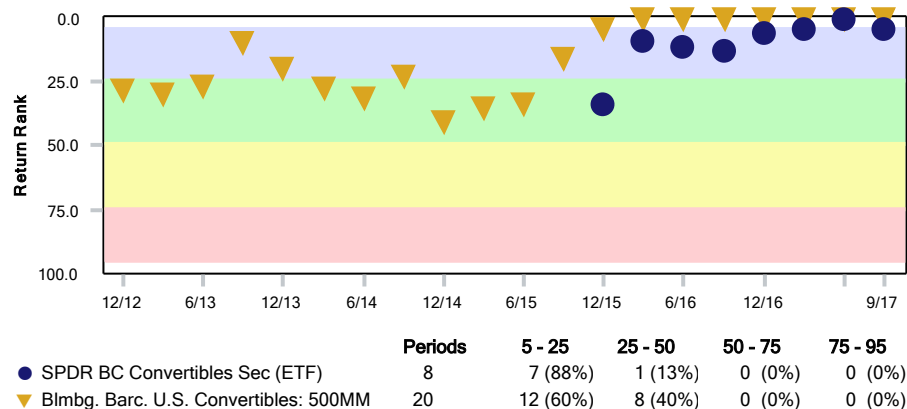
	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Salient Master Ltd Partnerships (SMA)	-10.79	21.38	3.97	1.08	-0.44	101.27	116.22
Alerian MLP Index	-12.93	19.04	0.00	1.00	-0.64	100.00	100.00

**Historical Statistics - 1 Year**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Salient Master Ltd Partnerships (SMA)	-0.67	11.86	3.45	1.06	-0.05	99.54	122.41
Alerian MLP Index	-3.70	10.88	0.00	1.00	-0.35	100.00	100.00

**Amalgamated Transit Union Local 1596 Pension Fund**  
**SPDR BC Convertibles Sec (ETF)**  
**September 30, 2017**

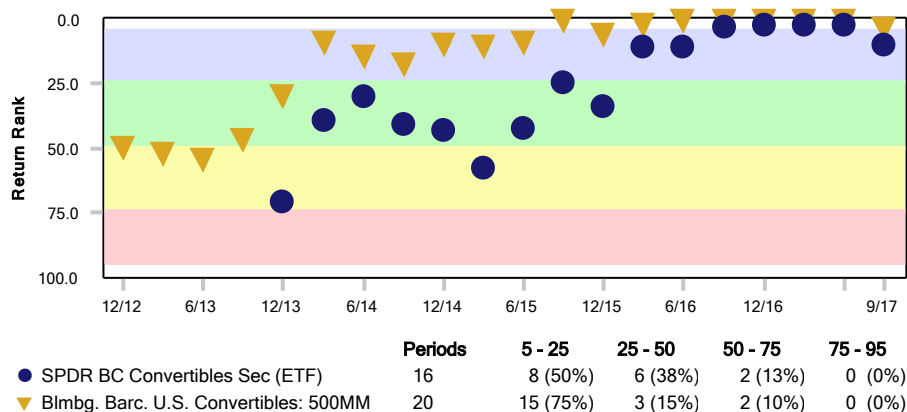
**5 Years Rolling Percentile Ranking - 5 Years**



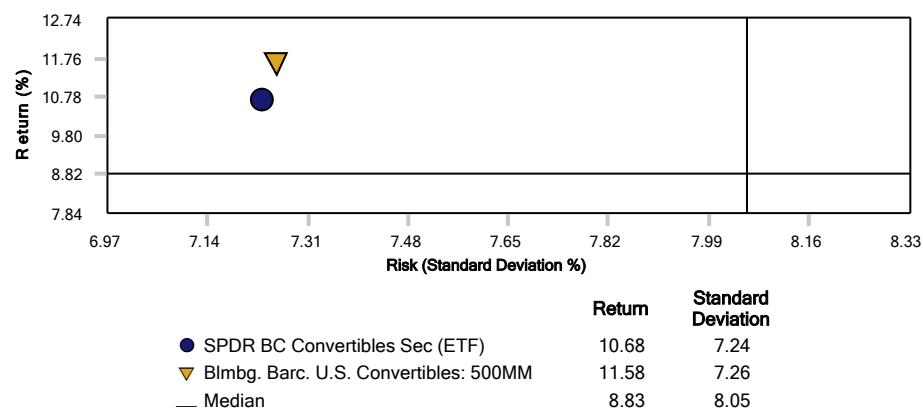
**Growth of a Dollar**



**3 Years Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 5 Years**



**Historical Statistics - 5 Years**

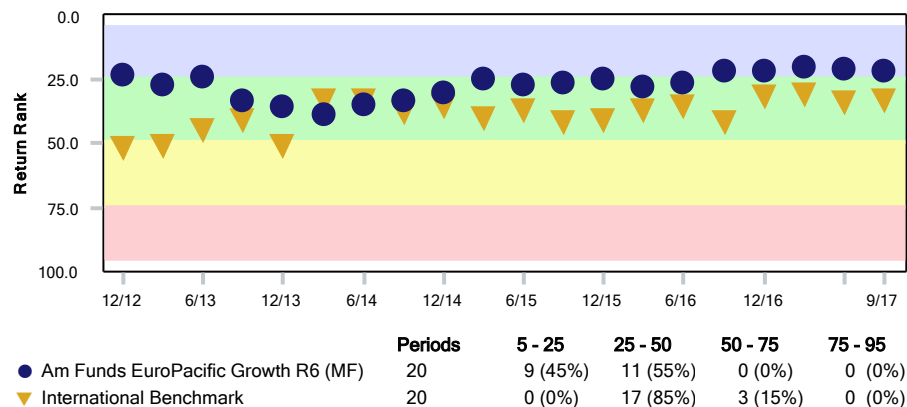
	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
SPDR BC Convertibles Sec (ETF)	10.68	7.24	-0.67	0.99	1.42	102.91	96.15
Blmbg. Barc. U.S. Convertibles: 500MM	11.58	7.26	0.00	1.00	1.53	100.00	100.00

**Historical Statistics - 3 Years**

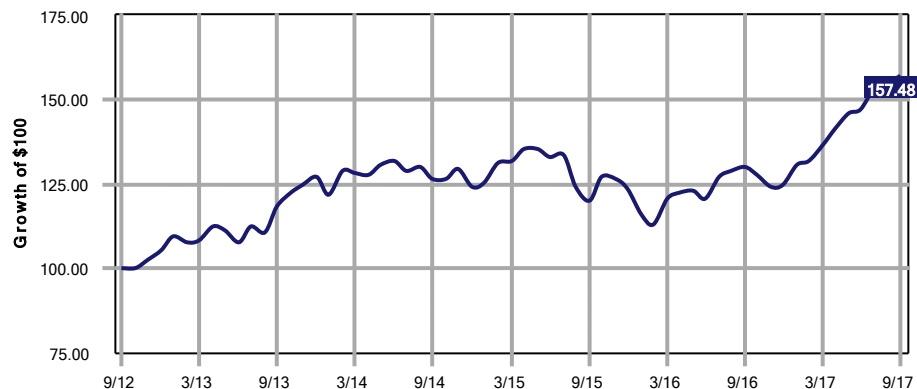
	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
SPDR BC Convertibles Sec (ETF)	7.77	7.49	-0.49	1.02	1.01	104.14	99.35
Blmbg. Barc. U.S. Convertibles: 500MM	8.17	7.33	0.00	1.00	1.08	100.00	100.00

**Amalgamated Transit Union Local 1596 Pension Fund**  
**Am Funds EuroPacific Growth R6 (MF)**  
**September 30, 2017**

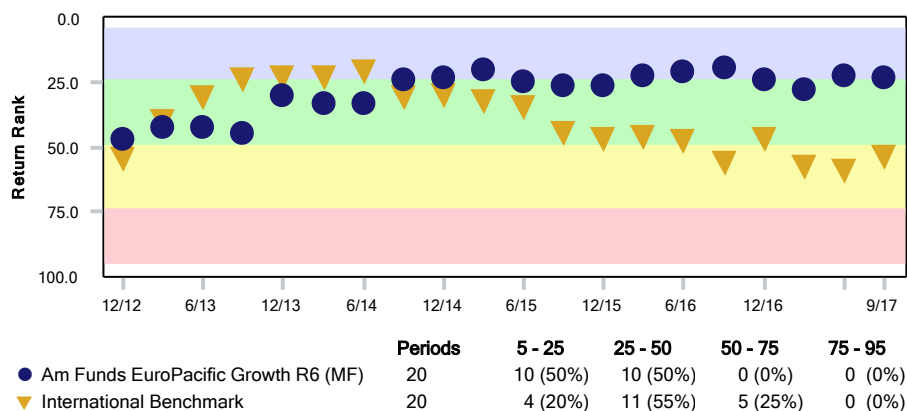
**5 Years Rolling Percentile Ranking - 5 Years**



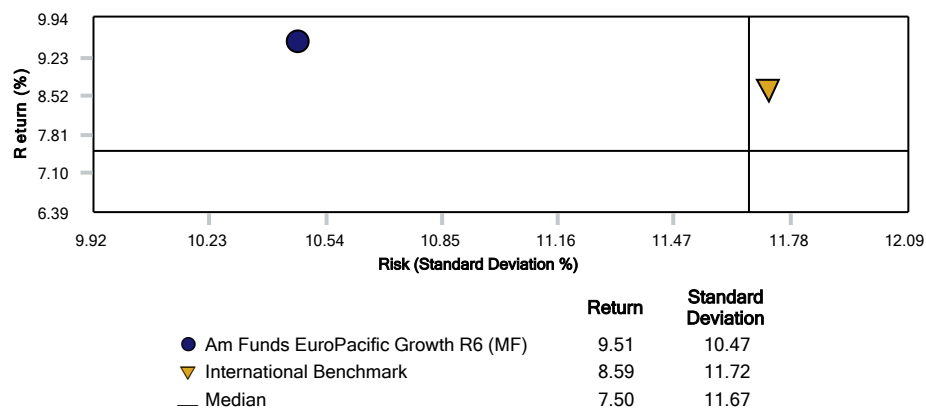
**Growth of a Dollar**



**3 Years Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 5 Years**



**Historical Statistics - 5 Years**

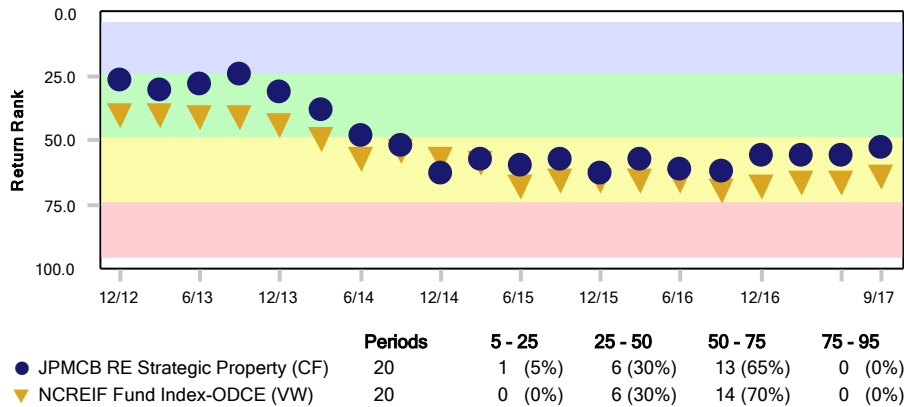
	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Am Funds EuroPacific Growth R6 (MF)	9.51	10.47	2.06	0.85	0.91	80.07	91.88
International Benchmark	8.59	11.72	0.00	1.00	0.75	100.00	100.00

**Historical Statistics - 3 Years**

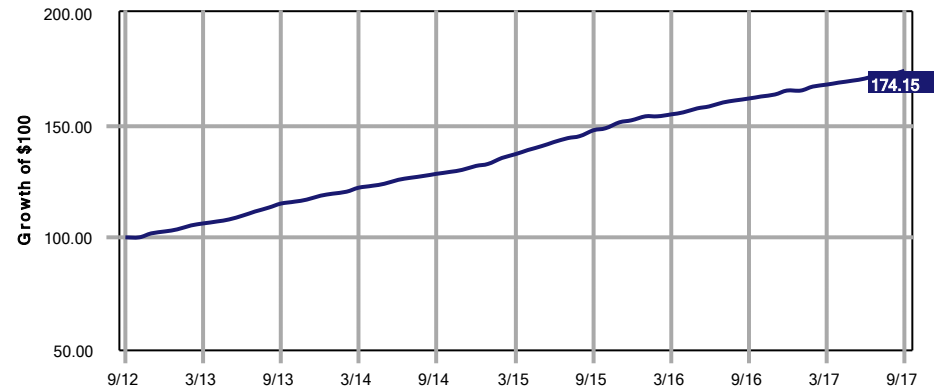
	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Am Funds EuroPacific Growth R6 (MF)	7.56	10.93	2.99	0.86	0.70	76.84	94.43
International Benchmark	5.19	12.10	0.00	1.00	0.46	100.00	100.00

**Amalgamated Transit Union Local 1596 Pension Fund**  
**JPMCB RE Strategic Property (CF)**  
**September 30, 2017**

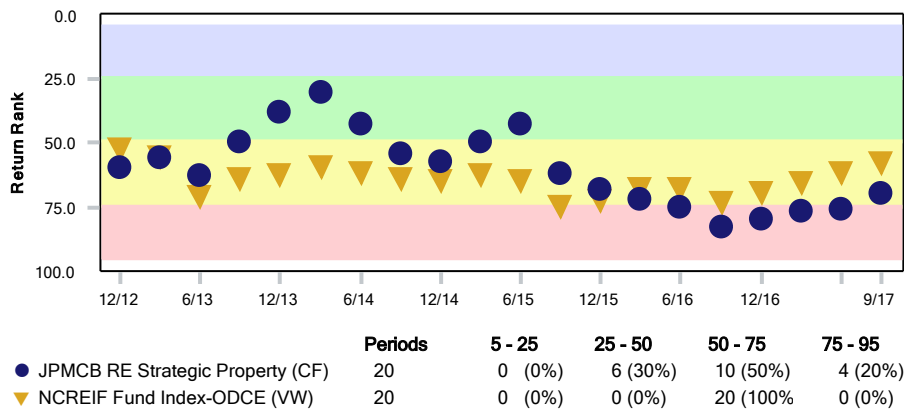
**5 Years Rolling Percentile Ranking - 5 Years**



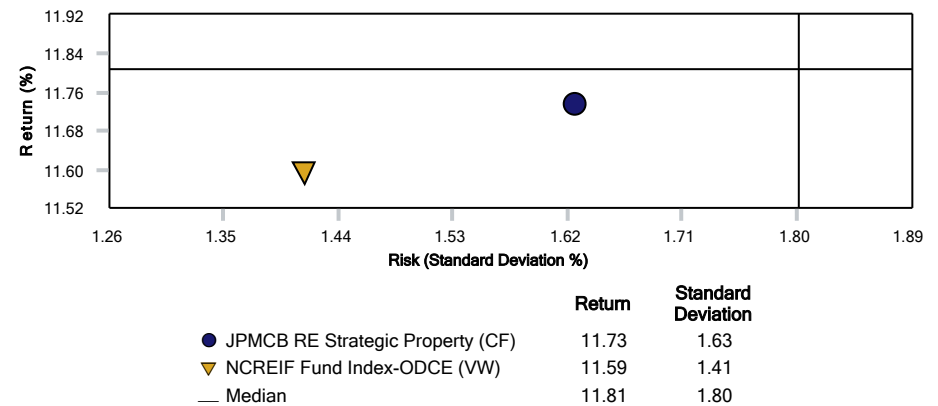
**Growth of a Dollar**



**3 Years Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 5 Years**



**Historical Statistics - 5 Years**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
JPMCB RE Strategic Property (CF)	11.73	1.63	0.00	1.01	6.42	N/A	101.20
NCREIF Fund Index-ODCE (VW)	11.59	1.41	0.00	1.00	7.22	N/A	100.00

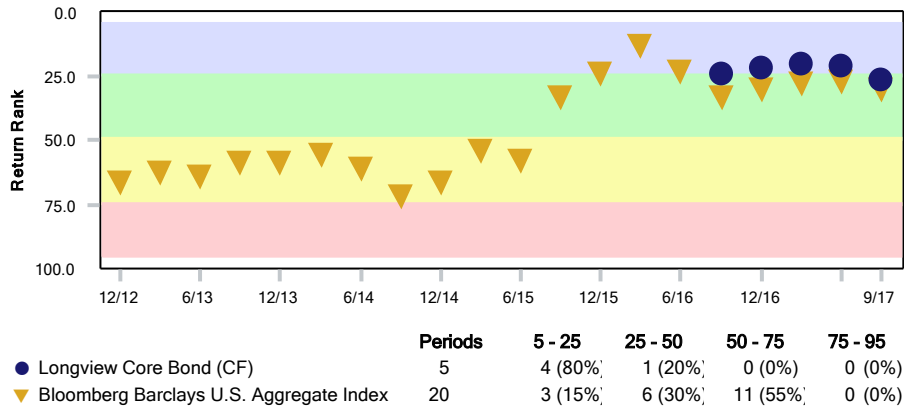
**Historical Statistics - 3 Years**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
JPMCB RE Strategic Property (CF)	10.56	1.62	-0.17	0.99	5.67	N/A	97.43
NCREIF Fund Index-ODCE (VW)	10.85	1.55	0.00	1.00	6.06	N/A	100.00



**Amalgamated Transit Union Local 1596 Pension Fund**  
**Longview Core Bond (CF)**  
**September 30, 2017**

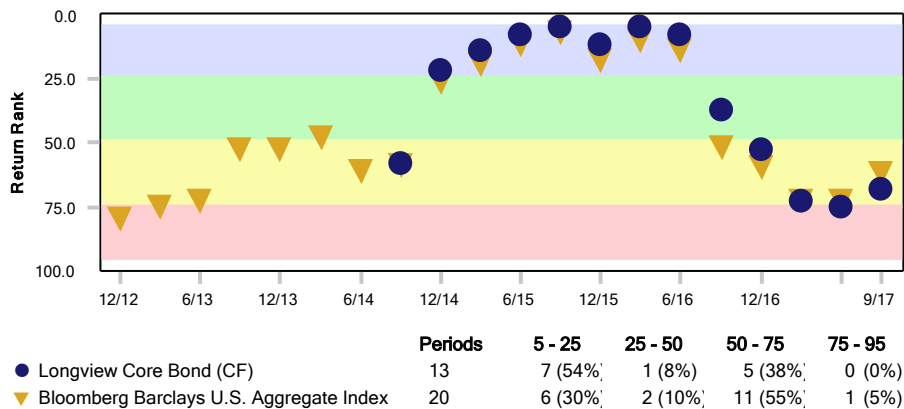
**3 Years Rolling Percentile Ranking - 5 Years**



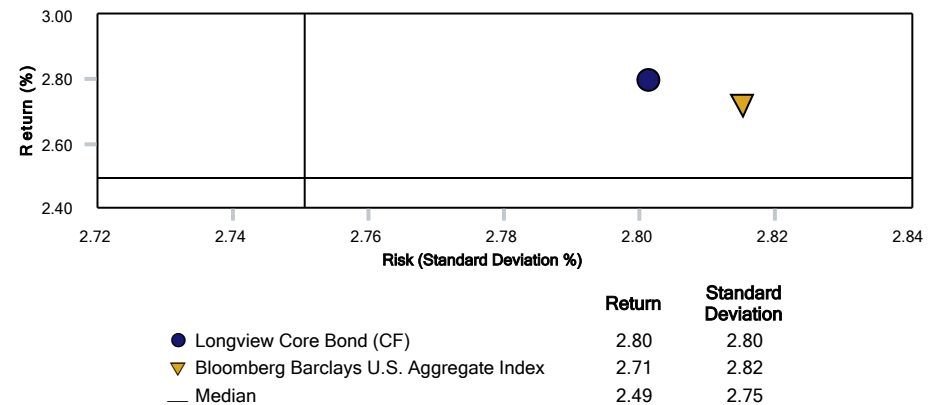
**Growth of a Dollar**



**1 Year Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 3 Years**



**Historical Statistics - 3 Years**

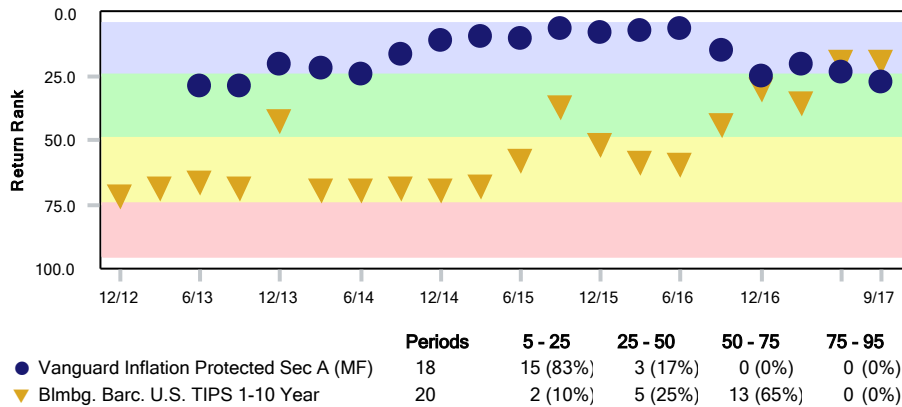
	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Longview Core Bond (CF)	2.80	2.80	0.10	0.99	0.90	99.56	101.38
Bloomberg Barclays U.S. Aggregate Index	2.71	2.82	0.00	1.00	0.87	100.00	100.00

**Historical Statistics - 1 Year**

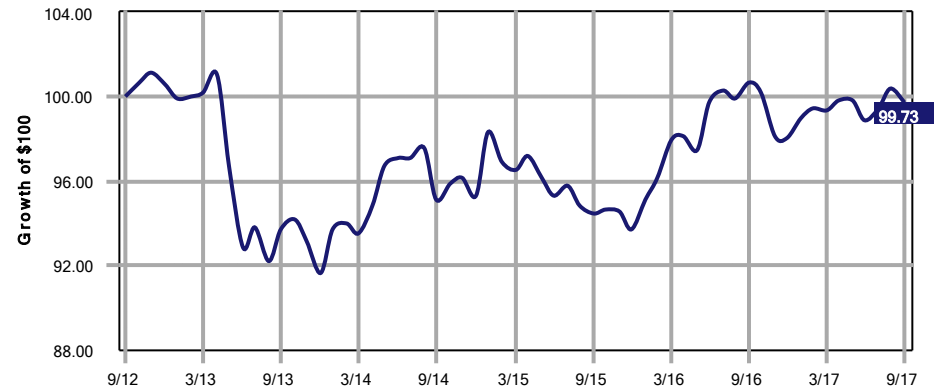
	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Longview Core Bond (CF)	-0.01	2.99	-0.08	0.99	-0.20	100.85	98.68
Bloomberg Barclays U.S. Aggregate Index	0.07	3.02	0.00	1.00	-0.17	100.00	100.00

**Amalgamated Transit Union Local 1596 Pension Fund**  
**Vanguard Inflation Protected Sec A (MF)**  
**September 30, 2017**

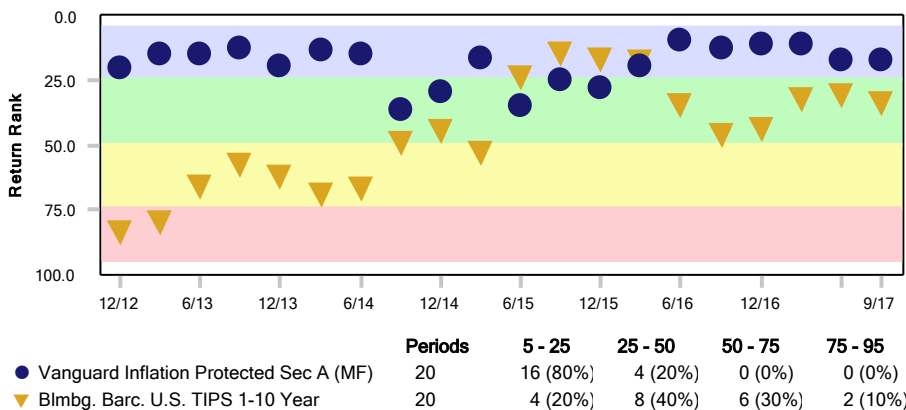
**5 Years Rolling Percentile Ranking - 5 Years**



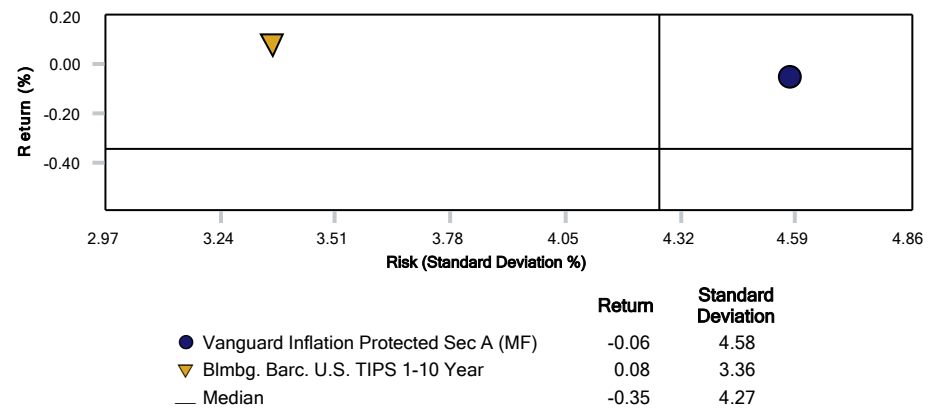
**Growth of a Dollar**



**3 Years Rolling Percentile Ranking - 5 Years**



**Peer Group Risk/Reward - 5 Years**



**Historical Statistics - 5 Years**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Vanguard Inflation Protected Sec A (MF)	-0.06	4.58	-0.13	1.33	-0.03	135.06	132.10
Blmbg. Barc. U.S. TIPS 1-10 Year	0.08	3.36	0.00	1.00	-0.02	100.00	100.00

**Historical Statistics - 3 Years**

	Return	Standard Deviation	Alpha	Beta	Sharpe Ratio	Down Market Capture	Up Market Capture
Vanguard Inflation Protected Sec A (MF)	1.57	3.64	0.03	1.23	0.37	126.27	126.05
Blmbg. Barc. U.S. TIPS 1-10 Year	1.26	2.84	0.00	1.00	0.36	100.00	100.00

**Amalgamated Transit Union Local 1596 Pension Fund**  
**Glossary**  
**September 30, 2017**

- ACCRUED INTEREST- Bond interest earned since the last interest payment, but not yet received.
- ALPHA- A linear regressive constant that measures expected return independent of Beta.
- ASSET ALLOCATION- The division of portfolio asset classes in order to achieve an expected investment objective.
- BALANCED UNIVERSES - Public Funds, Endowments & Foundations, Corporate peer groups, and PSN peer groups.
- BETA- A measure of portfolio sensitivity (volatility) in relation to the market, based upon past experience.
- BOND DURATION- A measure of portfolio sensitivity to interest rate risk.
- COMMINGLED FUND- An investment fund which is similar to a mutual fund in that investors are permitted to purchase and redeem units that represent ownership in a pool of securities.
- CONVERTIBLE BONDS - Hybrid securities' that offer equity returns during rising equity markets and improved down-market protection.
- CORE- An equal weighting in both growth and value stocks.
- CORRELATION COEFFICIENT- A measure of how two assets move together. The measure is bounded by +1 and -1; +1 means that the two assets move together positively, while a measure of -1 means that the assets are perfectly negatively correlated.
- GROWTH MANAGER- Generally invests in companies that have either experienced above-average growth rates and/or are expected to experience above-average growth rates in the future. Growth portfolios tend to have high price/earnings ratios and generally pay little to no dividends.
- INDEXES- Indexes are used as "independent representations of markets" (e.g., S&P 500).
- INFORMATION RATIO- Annualized excess return above the benchmark relative to the annualized tracking error.
- LARGE CAP- Generally, the term refers to a company that has a market capitalization that exceeds \$10 billion.
- MANAGER UNIVERSE- A collection of quarterly investment returns from various investment management firms that may be subdivided by style (e.g. growth, value, core).
- MID CAP- Generally, the term refers to a company that has a market capitalization between \$2 and \$10 billion.
- NCREIF - A quarterly time series composite total rate of return measure of investment performance of a large pool of individual commercial real estate properties acquired in the private market for investment purposes only.
- NCREIF ODCE - Open End Diversified Core Equity index which consists of historical and current returns from 26 open-end commingled funds pursuing core strategy. This index is capitalization weighted, time weighted and gross of fees.
- NET- Investment return accounts only for manager fees.
- PROTECTING FLORIDA INVESTMENT ACT (PFIA) - SBA publishes a list of prohibited investments (scrutinized companies).
- RATE OF RETURN- The percentage change in the value of an investment in a portfolio over a specified time period, excluding contributions.
- RISK MEASURES- Measures of the investment risk level, including beta, credit, duration, standard deviation, and others that are based on current and historical data.
- R-SQUARED- Measures how closely portfolio returns and those of the market are correlated, or how much variation in the portfolio returns may be explained by the market. An R2 of 40 means that 40% of the variation in a fund's price changes could be attributed to changes in the market index over the time period.

**Amalgamated Transit Union Local 1596 Pension Fund**  
**Glossary**  
**September 30, 2017**

- SHARPE RATIO- The ratio of the rate of return earned above the risk-free rate to the standard deviation of the portfolio. It measures the number of units of return per unit of risk.
- SMALL CAP- Generally refers to a company with a market capitalization \$300 million to \$2 billion.
- STANDARD DEVIATION- Measure of the variability (dispersion) of historical returns around the mean. It measures how much exposure to volatility was experienced by the implementation of an investment strategy.
- SYSTEMATIC RISK- Measured by beta, it is the risk that cannot be diversified away (market risk).
- TIME WEIGHTED (TW) RETURN - A measure of the investments versus the investor. When there are no flows the TW & DOLLAR weighted (DW) returns are the same and vice versa.
- TRACKING ERROR- A measure of how closely a manager's performance tracks an index; it is the annualized standard deviation of the differences between the quarterly returns for the manager and the benchmark.
- TREYNOR RATIO- A measure of reward per unit of risk. (excess return divided by beta).
- UP AND DOWN-MARKET CAPTURE RATIO- Ratio that illustrates how a manager performed relative to the market during rising and declining market periods.
- VALUE MANAGER- Generally invests in companies that have low price-to-earnings and price-to-book ratios and/or above-average dividend yields.

**Amalgamated Transit Union Local 1596 Pension Fund**  
**Disclosure**  
**September 30, 2017**

Advisory services are offered through or by Burgess Chambers and Associates, Inc., a registered SEC investment advisor.

Performance Reporting:

- 1.Changes in portfolio valuations due to capital gains or losses, dividends, interest, income and management fees are included in the calculation of returns. All calculations are made in accordance with generally accepted industry standards.
- 2.Transaction costs, such as commissions, are included in the purchase cost or deducted from the proceeds or sale of a security. Differences in transaction costs may affect comparisons.
- 3.Individual client returns may vary due to a variety of factors, including differences in investment objectives, asset allocating and timing of investment decisions.
- 4.Performance reports are generated from information supplied by the client, custodian, and/or investment managers. BCA relies upon the accuracy of this data when preparing reports.
- 5.The market indexes do not include transaction costs, and an investment in a product similar to the index would have lower performance dependent upon costs, fees, dividend reinvestments, and timing. Benchmarks and indexes are for comparison purposes only, and there is no assurance or guarantee that such performance will be achieved.
- 6.Performance information prepared by third party sources may differ from that shown by BCA. These differences may be due to different methods of analysis, different time periods being evaluated, different pricing sources for securities, treatment of accrued income, treatment of cash, and different accounting procedures.
- 7.Certain valuations, such as alternative assets, ETF, and mutual funds, are prepared based on information from third party sources, the accuracy of such information cannot be guaranteed by BCA. Such data may include estimates and maybe subject to revision.
- 8.BCA has not reviewed the risks of individual security holdings.
- 9.BCA investment reports are not indicative of future results.
10. Performance rankings are time sensitive and subject to change.
11. Mutual Fund (MF) and ETF returns are presented net of fees and ranked in net of fee universes.
12. Separately Managed Account (SMA) and Commingled Fund (CF) returns are presented gross of fees and ranked in gross of fees universes.
13. Composite returns are reported gross of fees and ranked in universes that encompass both gross and net of fee returns.
14. Total Fund returns are presented gross of fees and ranked in a gross of fee universe.
15. For a free copy of Part II (mailed w/i 5 bus. days from request receipt) of Burgess Chambers & Associates, Inc.'s most recent Form ADV which details pertinent business procedures, please contact: 407-644-0111, [info@burgesschambers.com](mailto:info@burgesschambers.com), 315 East Robinson Street Suite #690, Orlando, Florida 32801.

---

***Burgess Chambers & Associates, Inc.***  
***Institutional Investment Advisors***  
***[www.burgesschambers.com](http://www.burgesschambers.com)***

315 East Robinson Street, Suite 690, Orlando, Florida 32801  
P: 407-644-0111 F: 407-644-0694