



NYC Fire Pension Fund Investment Meeting (Public)

Schedule Wednesday, July 23, 2025 9:30 AM — 2:30 PM EDT
Venue Livestream: <https://vimeo.com/nycpensionmeeting>
Organizer Kim Boston

Agenda

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PUBLIC AGENDA -

Welcome and Opening

Market Commentary:



FIRE INVESTMENT MEETING

PUBLIC SESSION



July 23, 2025

INTERESTING TIMES

Don't fight the Fed

Instead of threatening the central bank chair, Donald Trump should heed this investors' mantra

Source: Financial Times, July 21, 2025

U.S. Leading Indicators Show Economic Clouds Gathering

While no recession has been yet forecast, economic growth is expected to slow substantially in 2025, The Conference Board says

Source: Wall Street Journal, July 21, 2025

Inflation Picks Up to 2.7% as Tariffs Start to Seep Into Prices

Economists are split on how much tariffs will affect prices in the coming months, as Trump's tariff policy remains uncertain.

Source: Wall Street Journal, July 15, 2025



ECONOMIC SNAPSHOT

Economic Growth

Real GDP	Last Report	Current	Prior	Change
U.S.	Mar-25	2.0%	2.5%	-0.5%
China	Jun-25	5.2%	5.4%	-0.2%
U.K.	Mar-25	1.3%	1.5%	-0.2%
Japan	Mar-25	-0.2%	2.2%	-2.4%
Germany	Mar-25	0.0%	-0.2%	0.2%

Inflation

CPI				
Region	Last Report	Current	Prior	Change
U.S.	Jun-25	2.7%	2.4%	0.3%
China	Jun-25	0.7%	0.6%	0.1%
U.K.	Jun-25	3.7%	3.5%	0.2%
Japan	May-25	2.5%	2.4%	0.1%
Germany	Jun-25	2.5%	2.7%	-0.2%

U.S. Job Market

	As of	Current	Prior	Change
Unemployment	Jun-25	4.1%	4.2%	-0.1%
Labor Partic.	Jun-25	62.3%	62.4%	-0.1%
	As of	Consensus	Actual	Prior
Payrolls	Jun-25	106k	147k	139k

World Currency Rates

As of 7/21/2025

Currency	Spot	1-Mo. %	3-Mo. %	6-Mo. %
EUR	1.17	1.0%	1.6%	12.1%
GBP	1.35	-0.2%	0.8%	9.2%
MXN	18.67	2.4%	5.7%	10.5%
BRL	5.57	-1.2%	4.3%	8.3%
JPY	147.37	-0.8%	-4.4%	5.5%
AUD	0.65	1.0%	1.7%	4.0%
CNY	7.17	0.1%	1.7%	1.3%
HKD	7.85	0.0%	-1.2%	-0.8%

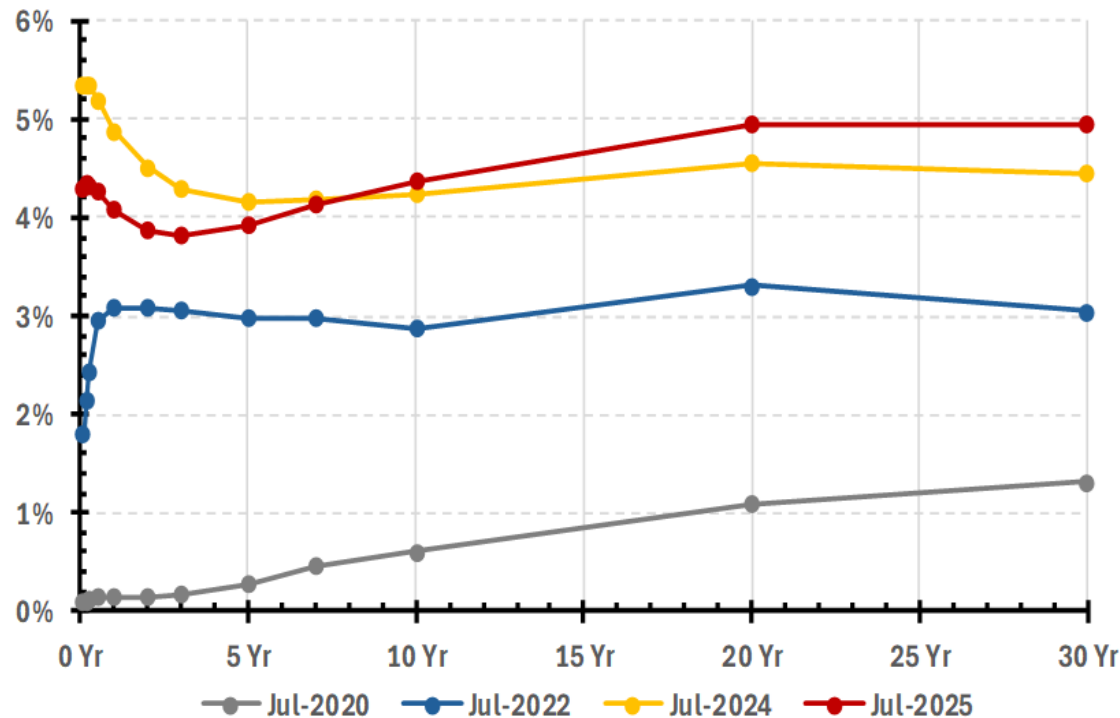


RATE SNAPSHOT

Rates

	Current	1 Year Ago	Change	Last Changed
U.S. Fed Funds	4.50%	5.50%	-1.00%	12/18/2024
U.K. BOE Official Rate	4.25%	5.25%	-1.00%	5/8/2025
E.U. ECB Deposit Facility	2.00%	3.75%	-1.75%	6/5/2025
Japan BOJ Overnight	0.50%	0.10%	0.40%	1/24/2025

U.S. Treasury Yield Curve History



Corporate Spreads

	Current	1 Year Ago	Change
Bloomberg US Agg Corporate Avg OAS	0.77%	0.91%	-0.14%
Bloomberg US Corp High Yield Avg OAS	2.83%	3.00%	-0.17%

Reference Rates

	Current	1 Year Ago	Change
2-year U.S. Treasuries	3.97%	4.85%	-0.88%
10-year U.S. Treasuries	4.48%	4.45%	0.04%
2s-10s Spread	0.52%	-0.40%	0.92%
30-year Fixed Mortgage	6.79%	7.21%	-0.42%
Gold Spot (\$/oz.)	3,397	2,397	41.7%

Effective 7/21/2025 unless otherwise noted.



MARKETS SNAPSHOT

World Equity Markets				
Index	P/E	DvYld	%Ytd	%YtdCur
1) Americas				
11) INDU	22.27	1.63	+4.18%	+4.18%
12) SPX	24.68	1.22	+7.21%	+7.21%
13) CCMP	34.41	0.65	+8.61%	+8.61%
14) SPTSX	17.49	2.62	+10.47%	+16.14%
15) MEXBOL	13.59	4.28	+12.78%	+25.83%
16) IBOV	10.88	6.17	+11.54%	+23.69%
2) EMEA				
21) SX5E	15.29	2.97	+9.13%	+23.24%
22) UKX	13.38	3.40	+10.28%	+18.88%
23) CAC	15.04	3.21	+5.66%	+19.32%
24) DAX	18.52	2.44	+22.09%	+37.88%
25) IBEX	11.98	3.91	+21.01%	+36.66%
26) FTSEMIB	11.36	4.70	+17.49%	+32.69%
27) OMX	17.82	3.52	+2.76%	+18.78%
28) SMI	17.41	3.19	+2.90%	+17.02%
3) Asia/Pacific				
31) NKY	20.37	1.92	-0.19%	+6.56%
32) HSI	11.56	3.14	+24.60%	+23.31%
33) SHSZ300	16.04	2.64	+3.83%	+5.71%
34) AS51	20.04	3.37	+6.24%	+11.99%
4) Global				
41) WORLD	21.09	1.78	+10.33%	+10.33%

World Bond Markets					
Maturity	10 Year		Data Range		YTD
Region	Yld	Low	Range	High	YTD Chg
1) Americas					
◆ Avg ● Now					
10) United States	4.378	3.994	—●—	4.792	-19.1
11) Canada	3.514	2.831	—◆—	3.597	+29.0
12) Brazil (USD)	6.502	6.377	—●◆—	7.092	-55.7
13) Argentina (USD)	11.789	10.222	—◆—	13.520	+96.5
14) Mexico (USD)	6.074	5.932	—●◆—	6.783	-53.6
2) EMEA					
20) United Kingdom	4.601	4.435	—●—	4.887	+3.9
21) France	3.292	3.081	—●—	3.583	+10.0
22) Germany	2.611	2.358	—●—	2.893	+24.9
23) Italy	3.447	3.403	—●◆—	4.011	-7.3
24) Spain	3.212	2.982	—●—	3.522	+15.8
25) Portugal	3.036	2.784	—●—	3.384	+20.1
26) Sweden	2.411	2.167	—●—	2.716	+1.5
27) Netherlands	2.779	2.545	—●—	3.108	+19.5
28) Switzerland	0.369	.164	—●—	.751	+15.7
29) Greece	3.281	3.196	—●◆—	3.690	+7.1
3) Asia/Pacific					
30) Japan	1.528	1.069	—◆—	1.574	+45.9
31) Australia	4.320	4.094	—●—	4.632	-4.0
32) New Zealand	4.541	4.320	—●—	4.755	+14.7
33) South Korea	2.830	2.562	—◆—	2.903	-2.1
34) China	1.673	1.588	—●—	1.917	+1.4



MARKET VOLATILITY



PORTFOLIO RETURNS

FIRE Time Weighted Net Returns for Periods Ended May 31, 2025

Strategy	1 Month	3 Months	1 Year	3 Years	5 Years	10 Years
U.S. Equity	6.0%	-0.9%	11.2%	12.6%	14.8%	11.6%
Developed Markets	4.9%	6.4%	10.9%	10.0%	10.2%	6.8%
Emerging Markets	4.4%	5.9%	11.2%	7.2%	8.6%	4.5%
Core Fixed Income	-0.6%	-0.4%	5.6%	1.5%	-1.3%	2.2%
High Yield	1.7%	0.9%	8.9%	6.6%	5.9%	4.9%
Hedge Funds*	0.5%	2.0%	4.3%	4.0%	5.3%	4.9%
Private Equity*	1.3%	-0.1%	3.8%	2.5%	15.3%	13.5%
Private Real Estate*	0.1%	1.2%	2.2%	-2.0%	6.3%	7.7%
Infrastructure*	2.0%	4.9%	11.2%	10.4%	12.9%	11.9%
Alternative Credit*	1.5%	1.8%	10.1%	8.1%	11.1%	7.4%
Total Plan	2.7%	1.2%	8.5%	6.7%	8.4%	7.3%



Update on Economically Targeted Investments:



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VALERIE RED-HORSE MOHL
DCIO, Responsible Investing

RESPONSIBLE INVESTING UPDATE AND DISCUSSION

ROLE OVERVIEW & LISTENING TOUR

- I joined as Deputy Chief Investment Officer, Responsible Investing, on Feb 10, 2025
- Responsible for ETIs, Diverse/Emerging Managers, ESG, and Climate
- Completed extensive learning and listening tour; met with BAM staff, some trustees, consultants, external partners and managers
- Reviewed IPS, pacing plans, greenlight and IC memos, and manager pipeline



ECONOMICALLY TARGETED INVESTMENTS (ETIS)

Key Issues

- Only ~\$3.6B of \$5.7B (2% of AUM) target is allocated; limited to housing/real estate
- ETIs are typically not included in annual pacing plans and face understandable challenges trying to insert into existing asset classes
- Seeks to offer returns in line with NYCERS' targets and benchmarks but may not be at the highest end of ranges
- There are a lot of opportunities to explore



ECONOMICALLY TARGETED INVESTMENTS (ETIS)

ETIs are by mandate designed to offer a triple bottom line:

- Risk Adjusted Financial Returns in line with Targets/Benchmarks
- Strategies offer Measurable Collateral Benefits
- Placed based priority into NYC and surrounding counties

In most cases these will be special customized programs as an SMA or Single LP

However, other NY based funds have asked to be informed about NYCRS' ETI opportunities as they also have interest



ECONOMICALLY TARGETED INVESTMENTS (ETIS)

Potential Solutions Identified

- Strengthen Responsible Investing Team (fill current open roles)
- Work with general consultants and BAM in collaborative diligence to present 2-3 ETIs in 2025 (proposals received)
- Work with general consultants to establish 2026 ETI pipeline
- ETIs require curated, targeted sourcing (i.e. quadruple bottom line)
- ETI collateral benefits should be measured/reported in an annual report
- Most ETIs are multi-strategy and do not fit squarely into existing asset classes; may need to discuss changes



ECONOMICALLY TARGETED INVESTMENTS (ETIS)

- Further Opportunity for ETI Risk Mitigation
- Non-profits have expressed interest in exploring financial support whereby they can offer NYCERS guarantees or first loss protections on our ETIs through their Program Related Investments (PRIs) — discussions ongoing



ECONOMICALLY TARGETED INVESTMENTS (ETIS)

ETI Pipeline

(2025):

- Community Healthcare | Private Equity/Alt Credit | MWBE
- Community Banks/Small Business Lending | Direct Lending | MWBE
- Start Up funding in NY areas | Fund of Funds | MWBE

(2026):

In Development

- Homes for City Workers: Diverse experienced team | Workforce Housing Real Estate focus (MWBE)
- Private Equity investments into Diverse Founders in NY
- Climate investments into NY

In Research Phase

- Student Loan Lending: NY based students (with guarantees)
- Reup in Public Fixed Income RE | MWBE



DIVERSE AND EMERGING MANAGERS

Potential Opportunities

- Opportunity to further curate outreach and identification
- Opportunity for further specific direction to asset class teams on goals/structures for pacing plans
- Partner Emerging/Diverse Fund-of-Funds Programs – opportunity for greater collaboration



DIVERSE AND EMERGING MANAGERS

Potential Solutions Identified:

- Launch curated network for shared peer recommendations, leverage external databases, increase efficiency of existing database, increase efficiency of introductions
- Review and Assess each Funds of Funds partner relationships; (Emerging and Diverse Manager Programs); more involvement from RI; add RI teams to pipeline calls
- Build experienced qualified diverse managers into pacing plans; utilize expertise of RI team in collaboration with consultants and asset class heads



More to Come!

REACH OUT TO ME ANYTIME

VALERIE RED-HORSE MOHL