

OKLAHOMA PUBLIC EMPLOYEES RETIREMENT SYSTEM
Regular Meeting of the Board of Trustees
Investment Manager Roundtable Discussion
Wednesday, January 20, 2016 – 9:00 a.m.

National Cowboy and Western Heritage Museum- Burk Burnett Room
1700 N.E. 63rd St
Oklahoma City, Oklahoma

DISCUSSION OUTLINE

Welcome and Introductions **9:00 a.m. to 9:15 a.m.**

ECONOMIC ISSUES **9:15 a.m. to 10:30 a.m.**

1. Discuss your current economic outlook for 2016.
 - a) What is your expectation for GDP growth, interest rates, and inflation in the U.S.?
 - b) International managers please address the questions above for Non-U.S. markets.
2. What are the key economic variables that determine your current outlook? What events could materially alter your current outlook?
3. Can the U.S. sustain economic levels and growth in the face of the slowdown in most global economic regions?
4. What are the major economic themes that you expect to drive asset returns over the next year?
5. In general, what is your outlook for active management versus passive management?
6. For those managers whose investment process is dominated by security selection, what has (and has not) worked from an active perspective and why? What is your outlook for stock picking in the short and medium terms?
7. Emerging Markets performance continued to lag developed markets over the calendar year. For those managers allowed to use emerging markets, comment on your current positioning. How does the strength of the dollar influence your decision to allocate to EM, if at all?
8. The Fed raised rates for the first time in almost a decade. What is the trajectory of rates over 2016?
9. Are high yield bonds the canary in the coal mine?

BREAK **10:30 a.m. to 10:45 a.m.**

ASSET CLASS EXPECTED RETURNS/RISK **10:45.m. to 12:00 noon**

1. Please discuss your forecasts relative to recent experience and long-term historical averages.
2. Discuss events that could change your forecast.
3. What is currently the most undervalued asset class?
4. What is currently the most overvalued asset class?
5. Given that U.S., Japanese, and European cash yield levels are at about 0%, and if one assumes that asset class return expectations are priced off of cash and/or bond yields, will it be possible for institutional clients to make their actuarial assumed returns going forward?

Other questions from Board, Staff and Consultant

LUNCH **12:00 noon to 1:00 p.m.**
David Draine
Officer, Public Sector Retirement Systems
Pew Charitable Trust

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Representatives from the investment management firms not asked to participate in the afternoon manager presentations are excused at this point.

MANAGER PRESENTATIONS	1:00 p.m. to 2:00 p.m.
UBS	1:00 p.m. to 1:30 p.m.
DePrince, Race, & Zollo	1:30 p.m. to 2:00 p.m.

Managers who are presenting as listed above, please cover the following topics during your abbreviated presentation time:

- A. The reasons for your underperformance in calendar year 2015.
- B. How your portfolio is positioned to meet alpha expectations going forward?
- C. Discuss recent organizational activity as appropriate.

MEETING ADJOURNED