



**Indiana Public Retirement System
Select Equity
March 31, 2017**



OakBrook Select Equity Strategy First Quarter, 2017 Report

During the first quarter, the Select Equity Strategy returned 5.10% before fees, trailing the 8.91% return of the Russell 1000 Growth Index.

During January, solid economic figures and hopes for stronger growth to come propelled the US stock market to record highs. Reports of better than expected manufacturing activity in China and the US kicked off a two-day rally on January 3. By the close on January 6, the Russell 1000 Growth was up 2.4% for the month overall. After this strong start, the US market traded in a narrow range for more than two weeks. On January 24, better than expected earnings from chemical manufacturer **DuPont** and homebuilders **D.R. Horton** and **Lennar** triggered a strong market rally that lifted the Russell 1000 Growth to a record high. The rally continued on January 25, with the Dow Jones Industrial Average closing above 20,000 for the first time and the Russell 1000 Growth setting another record up 4% for the month overall. The Russell 1000 Growth drifted lower during the final four trading sessions of January. The majority of the market's decline during this period occurred on January 30 amid confusion and protests that followed President Trump's weekend order restricting immigration to the US. The Russell 1000 Growth returned 3.37% for the month overall. Select Equity trailed. Good stock selection was offset by the drag of its stable growth style in a rising market.

During February, US stocks trended steadily higher, pushing benchmark indices to a succession of record closing highs. Following modest gains during the first two trading sessions of the month, the Russell 1000 Growth gained 0.5% on February 3. Financial stocks led the broad market's rally, responding to comments from President Trump that he intended to pare back Dodd-Frank regulations. On February 9, President Trump's remark that a plan to overhaul business taxes might be released within two or three weeks propelled the Russell 1000 Growth to a gain of 0.5% and a new record high. The rally continued through February 15, with the Russell 1000 Growth gaining at least 0.3% and reaching a new record each day. After taking a breather with a modest decline on February 16, the rally and run of record highs resumed with a gain on February 17. On February 21, better than expected earnings from **Wal Mart** and **Home Depot** propelled the broad market higher and the Russell 1000 Growth gained 0.5%. US stocks traded in a narrow range for the remainder of the month. The Russell 1000 Growth returned 4.15% for the month overall. Select Equity trailed due to weak results from **Johnson Controls**, **Schlumberger**, **Gilead Sciences**, and **Grainger**. Johnson Controls reported better than expected earnings but had weaker than expected sales. We remain confident in the firm's ability to grow. Schlumberger's return was in line with the overall Energy sector. Gilead Sciences reported better than expected earnings but issued weaker than expected guidance for the full year. Grainger appeared to be hit by profit taking as it had a very strong run in January.



During March, the post-election US stock market rally encountered its first sustained resistance but still managed to tack on a modest gain for the month overall. US stocks started March with an opening-day rally of more than 1% as investors responded enthusiastically to better than expected economic reports delivered in the US, Germany, and China. However, these gains did not last long as market focus shifted, initially to the rising value of the dollar and later to falling crude oil prices. By the close on March 8, the US stock market was back near breakeven for the month to date. After trading in a narrow range for several sessions, US stocks gained more than 0.8% on March 15. Although the Federal Open Market Committee voted to raise the Fed Funds rate by 0.25% for the second time in three months, many investors were encouraged by the Committee's continued commitment to maintaining a gradual pace of rate increases going forward. Investors in financial stocks may have been hoping for acceleration in the Fed's pace, as Finance was the worst performing sector of the market on the 15th and during several other sessions over the next 10 days. On March 21, US stocks declined more than 1.2% as signs emerged that Republicans were struggling to pass a bill to replace the Affordable Care Act. The disunity of House Republicans raised concerns that hoped for tax and regulatory reforms might also be in danger. On March 28, US stocks rallied back with a gain of 0.7% as better than expected consumer confidence figures triggered a rally in Financial shares and Energy shares benefited from a rally of more than 1% in crude oil prices. The rally continued for two additional sessions, led alternately by Energy and Finance. The Russell 1000 Growth returned 1.16% for the month overall. Select Equity trailed due to weak results from **Amgen**, **Grainger**, **Caterpillar**, **Gilead**, and **Merck**. Amgen declined after the report for anti-cholesterol drug Repatha showed only a 15% reduction in critical heart events. Some investors were apparently looking for a 20% or better reduction. We expect Repatha will generate strong revenue regardless, as the 15% reduction is superior to any other drug on the market. Profit taking continued to weigh on Grainger. Caterpillar declined after a Federal raid of its Peoria headquarters related to an investigation of possible tax fraud at a Swiss subsidiary. The raid took place at the start of the month and the stock price had begun to recover by mid-month. Gilead and Merck appeared to be caught up in general concerns about possible drug price controls that resurfaced due to a tweet by President Trump.

Looking ahead, we expect the US economy will continue to grow. Although the failure of Republicans to pass a repeal of the Affordable Care Act during March has caused prospects for tax reform to dim, the Trump administration is making progress in efforts to reduce regulatory burdens through executive orders. Any stimulus resulting from reduced regulatory burdens may be partially offset by rising interest rates. The Federal Reserve raised the Fed Funds rate in March and has signaled that it may raise the rate at least twice more during 2017. US stock market returns are likely to be volatile given continued uncertainty about the above factors as well as the efforts by the Trump administration to alter US trade and foreign policy.



OakBrook Investments, LLC
PORTFOLIO ACTIVITY SUMMARY
Indiana Public Retirement System
From 02-28-17 to 03-31-17

Portfolio Value on 02-28-17	19,391,840.72
Contributions	0.00
Withdrawals	-18,960.50
Realized Gains	0.00
Unrealized Gains	-136,866.10
Interest	170.96
Dividends	44,767.22
Portfolio Value on 03-31-17	19,280,952.30

OakBrook Investments, LLC
TWR FOR SELECTED PERIODS
ANNUALIZED
GROSS OF FEES
Indiana Public Retirement System
February 28, 2017

	<u>Month To Date</u>	<u>Quarter To Date</u>	<u>Year To Date</u>	<u>Inception To Date</u>
Portfolio Gross of Fees	-0.47	5.10	5.10	9.04
Portfolio Net of Fees	-0.50	5.02	5.02	8.90
Russell 1000 Growth	1.16	8.91	8.91	12.67
S&P 500 Index	0.12	6.07	6.07	12.17



OakBrook Investments, LLC
PERFORMANCE HISTORY
Indiana Public Retirement System
From 12-31-16 to 02-28-17

Time Period		Percent Return Per Period				Cumulative TWR Basis = 100			
		Portfolio Gross of Fees	Portfolio Net of Fees	Russell 1000 Growth	S&P 500 Index	Portfolio Gross of Fees	Portfolio Net of Fees	Russell 1000 Growth	S&P 500 Index
10-31-2016						100.00	100.00	100.00	100.00
10-31-2016	To 11-30-2016	2.44	2.41	2.18	3.70	102.44	102.41	102.18	103.70
11-30-2016	to 12-31-2016	1.28	1.25	1.24	1.98	103.75	103.69	103.45	105.75
12-31-2016	to 01-31-2017	2.03	2.01	3.37	1.90	105.86	105.78	106.94	107.76
01-31-2017	to 02-28-2017	3.49	3.47	4.15	3.97	109.56	109.44	111.38	112.04
02-28-2017	to 03-31-2017	-0.47	-0.50	1.16	0.12	109.04	108.90	112.67	112.17



OakBrook Investments, LLC
PORTFOLIO SUMMARY
Indiana Public Retirement System
 March 31, 2017

<u>Security Type</u>	<u>Total Cost</u>	<u>Market Value</u>	<u>Pct. Assets</u>	<u>Cur. Yield</u>	<u>Est. Annual Income</u>
Equities					
COMMON STOCK					
Energy	662,904.00	653,697.00	3.4	2.6	16,740.00
Industrials	3,372,774.80	3,604,961.49	18.7	2.4	86,850.12
Consumer Discretionary	1,506,519.47	1,722,563.03	8.9	1.3	23,056.32
Consumer Staples	2,580,766.02	2,669,713.24	13.8	2.5	67,101.67
Health Care	4,200,607.60	4,438,809.64	23.0	2.1	92,753.16
Financials	781,795.75	929,610.00	4.8	2.2	20,658.00
Information Technology	4,618,323.01	4,998,538.83	25.9	1.4	71,038.60
COMMON STOCK	17,723,690.65	19,017,893.23	98.6	2.0	378,197.87
	17,723,690.65	19,017,893.23	98.6	2.0	378,197.87
Cash and Equiv.					
CASH AND EQUIVALENTS	263,059.07	263,059.07	1.4	0.0	0.00
	263,059.07	263,059.07	1.4	0.0	0.00
TOTAL PORTFOLIO	17,986,749.72	19,280,952.30	100.0	2.0	378,197.87



OakBrook Investments, LLC
PORTFOLIO APPRAISAL
Indiana Public Retirement System
 March 31, 2017

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Cur. Yield
COMMON STOCK							
895.0000	Alphabet Inc. Class C	795.15	711,660.75	829.56	742,456.20	3.9	0.0
6,131.0000	Amgen, Inc.	145.18	890,098.58	164.07	1,005,913.17	5.2	2.8
14,677.0000	Autodesk, Inc.	71.84	1,054,465.22	86.47	1,269,120.19	6.6	0.0
9,098.0000	Automatic Data Processing	87.16	792,981.68	102.39	931,544.22	4.8	2.2
7,825.0000	CME Group	99.91	781,795.75	118.80	929,610.00	4.8	2.2
8,048.0000	Caterpillar Inc.	83.88	675,066.24	92.76	746,532.48	3.9	3.3
32,362.0000	General Electric Company	29.22	945,617.64	29.80	964,387.60	5.0	3.2
10,878.0000	Gilead Sciences, Inc.	73.88	803,666.64	67.92	738,833.76	3.8	3.1
15,369.0000	Johnson Controls International	39.77	611,207.97	42.12	647,342.28	3.4	2.4
9,180.0000	McCormick & Company, Inc.	95.40	875,772.00	97.55	895,509.00	4.6	1.9
10,761.0000	Medtronic, Plc	81.93	881,648.73	80.56	866,906.16	4.5	2.1
12,455.0000	Merck & Co., Inc.	58.84	732,852.20	63.54	791,390.70	4.1	3.0
13,749.0000	NIKE, Inc.	52.02	715,222.98	55.73	766,231.77	4.0	1.3
9,374.0000	PepsiCo, Inc.	107.07	1,003,674.18	111.86	1,048,575.64	5.4	2.7
10,168.0000	QUALCOMM, Inc.	68.41	695,542.50	57.34	583,033.12	3.0	3.7
8,370.0000	Schlumberger Limited	79.20	662,904.00	78.10	653,697.00	3.4	2.6
6,049.0000	Stericycle, Inc.	78.34	473,874.33	82.89	501,401.61	2.6	0.0
8,076.0000	The Procter & Gamble Company	86.84	701,319.84	89.85	725,628.60	3.8	3.0
8,434.0000	The Walt Disney Company	93.82	791,296.49	113.39	956,331.26	5.0	1.4
32,438.0000	The Western Union Co.	19.93	646,579.54	20.35	660,113.30	3.4	3.4
3,962.0000	Varex Imaging Corp.	25.78	102,136.51	33.60	133,123.20	0.7	0.0
9,905.0000	Varian Medical Systems, Inc.	79.78	790,204.94	91.13	902,642.65	4.7	0.0
9,140.0000	Visa Inc.	78.46	717,093.32	88.87	812,271.80	4.2	0.7
3,202.0000	W.W. Grainger, Inc.	208.31	667,008.62	232.76	745,297.52	3.9	2.1
			17,723,690.65		19,017,893.23	98.6	2.0
CASH AND EQUIVALENTS							
	Cash		229,720.67		229,720.67	1.2	0.0
	Dividends Receivable		33,338.40		33,338.40	0.2	0.0
			263,059.07		263,059.07	1.4	0.0
TOTAL PORTFOLIO			17,986,749.72		19,280,952.30	100.0	2.0



OakBrook Investments, LLC
DATE TO DATE GAINS AND LOSSES
Indiana Public Retirement System
From 02-28-17 to 03-31-17

Security	02-28-17 Market Value	Additions Withdrawals	03-31-17 Market Value	03-31-17 Cost Basis	Realized Gain or Loss		Unrealized Gain or Loss	
					Cost	Market	Cost	Market
COMMON STOCK								
Alphabet Inc. Class C	736,772.95	0.00	742,456.20	711,660.75	0.00	0.00	30,795.45	5,683.25
Amgen, Inc.	1,082,305.43	0.00	1,005,913.17	890,098.58	0.00	0.00	115,814.59	-76,392.26
Autodesk, Inc.	1,266,625.10	0.00	1,269,120.19	1,054,465.22	0.00	0.00	214,654.97	2,495.09
Automatic Data Processing	933,636.76	-5,185.86	931,544.22	792,981.68	0.00	0.00	138,562.54	-2,092.54
CME Group	950,424.50	-5,164.50	929,610.00	781,795.75	0.00	0.00	147,814.25	-20,814.50
Caterpillar Inc.	777,919.68	0.00	746,532.48	675,066.24	0.00	0.00	71,466.24	-31,387.20
General Electric Company	964,711.22	0.00	964,387.60	945,617.64	0.00	0.00	18,769.96	-323.62
Gilead Sciences, Inc.	766,681.44	-5,656.56	738,833.76	803,666.64	0.00	0.00	-64,832.88	-27,847.68
Johnson Controls International	644,575.86	-3,073.80	647,342.28	611,207.97	0.00	0.00	36,134.31	2,766.42
McCormick & Company, Inc.	903,495.60	0.00	895,509.00	875,772.00	0.00	0.00	19,737.00	-7,986.60
Medtronic, Plc	870,672.51	-4,627.23	866,906.16	881,648.73	0.00	0.00	-14,742.57	-3,766.35
Merck & Co., Inc.	820,410.85	-5,853.85	791,390.70	732,852.20	0.00	0.00	58,538.50	-29,020.15
NIKE, Inc.	785,892.84	-2,474.82	766,231.77	715,222.98	0.00	0.00	51,008.79	-19,661.07
PepsiCo, Inc.	1,034,702.12	-7,053.94	1,048,575.64	1,003,674.18	0.00	0.00	44,901.46	13,873.52
QUALCOMM, Inc.	574,288.64	0.00	583,033.12	695,542.50	0.00	0.00	-112,509.38	8,744.48
Schlumberger Limited	672,613.20	0.00	653,697.00	662,904.00	0.00	0.00	-9,207.00	-18,916.20
Stericycle, Inc.	501,341.12	0.00	501,401.61	473,874.33	0.00	0.00	27,527.28	60.49
The Procter & Gamble Company	735,481.32	0.00	725,628.60	701,319.84	0.00	0.00	24,308.76	-9,852.72
The Walt Disney Company	928,499.06	0.00	956,331.26	791,296.49	0.00	0.00	165,034.77	27,832.20
The Western Union Co.	637,082.32	-5,676.66	660,113.30	646,579.54	0.00	0.00	13,533.76	23,030.98
Varex Imaging Corp.	137,956.84	0.00	133,123.20	102,136.51	0.00	0.00	30,986.69	-4,833.64
Varian Medical Systems, Inc.	830,930.45	0.00	902,642.65	790,204.94	0.00	0.00	112,437.71	71,712.20
Visa Inc.	803,771.60	0.00	812,271.80	717,093.32	0.00	0.00	95,178.48	8,500.20
W.W. Grainger, Inc.	793,967.92	0.00	745,297.52	667,008.62	0.00	0.00	78,288.90	-48,670.40
	19,154,759.33		19,017,893.23	17,723,690.65	0.00	0.00	1,294,202.58	-136,866.10
CASH AND EQUIVALENTS								
Cash	207,139.18	22,410.53	229,720.67	229,720.67				
Dividends Receivable	29,942.21	3,396.19	33,338.40	33,338.40				
	237,081.39		263,059.07	263,059.07				
TOTAL PORTFOLIO	19,391,840.72		19,280,952.30	17,986,749.72	0.00	0.00	1,294,202.58	-136,866.10



OakBrook Investments, LLC
FUNDAMENTAL DATA
Indiana Public Retirement System
 March 31, 2017

Security	Price	Annual Dividend	Yield	Latest 4 Qtr. PE	Latest 4 Qtr. EPS	Latest Annual Book Value	Latest Annual Price/Book	Beta
COMMON STOCK								
Alphabet Inc. Class C	829.56	0.000	0.0	29.5	28.08	201.13	4.1	1.28
Amgen, Inc.	164.07	4.600	2.8	15.4	10.66	40.47	4.1	1.29
Autodesk, Inc.	86.47	0.000	0.0	N M	-2.31	3.33	26.0	1.39
Automatic Data Processing	102.39	2.280	2.2	28.6	3.59	8.50	12.0	0.99
CME Group	118.80	2.640	2.2	28.6	4.15	60.14	2.0	0.92
Caterpillar Inc.	92.76	3.080	3.3	28.8	3.22	22.40	4.1	1.26
General Electric Company	29.80	0.960	3.2	29.3	1.02	8.67	3.4	1.08
Gilead Sciences, Inc.	67.92	2.080	3.1	6.4	10.58	14.42	4.7	1.10
Johnson Controls International	42.12	1.000	2.4	15.3	2.76	20.86	2.0	1.01
McCormick & Company, Inc.	97.55	1.880	1.9	25.3	3.85	13.79	7.1	0.74
Medtronic, Plc	80.56	1.720	2.1	23.2	3.47	36.08	2.2	0.83
Merck & Co., Inc.	63.54	1.880	3.0	21.1	3.02	14.58	4.4	0.89
NIKE, Inc.	55.73	0.720	1.3	23.2	2.40	7.69	7.2	1.05
PepsiCo, Inc.	111.86	3.010	2.7	23.1	4.85	7.74	14.5	0.71
QUALCOMM, Inc.	57.34	2.120	3.7	14.5	3.95	21.12	2.7	1.07
Schlumberger Limited	78.10	2.000	2.6	133.0	0.59	29.53	2.6	0.97
Stericycle, Inc.	82.89	0.000	0.0	24.9	3.33	24.42	3.4	0.82
The Procter & Gamble Company	89.85	2.678	3.0	23.9	3.76	20.36	4.4	0.70
The Walt Disney Company	113.39	1.560	1.4	20.1	5.64	27.01	4.2	1.03
The Western Union Co.	20.35	0.700	3.4	11.7	1.75	1.87	10.9	1.10
Varex Imaging Corp.	33.60	0.000	0.0	NA	NA	NA	NA	NA
Varian Medical Systems, Inc.	91.13	0.000	0.0	20.8	4.38	18.45	4.9	0.88
Visa Inc.	88.87	0.660	0.7	29.2	3.05	11.21	7.9	0.94
W.W. Grainger, Inc.	232.76	4.880	2.1	20.6	11.29	30.58	7.6	0.87
COMMON STOCK Average			2.0	26.5	4.93	27.04	7.0	1.00
OVERALL AVERAGE			2.0	26.5	4.93	27.04	7.0	1.00

A NM in the PE column indicates that a PE is not meaningful.



OakBrook Investments, LLC
PURCHASE AND SALE
Indiana Public Retirement System
From 03-01-17 To 03-31-17

Trade Date	Settle Date	Quantity	Security	Unit Price	Amount
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No transactions this period

OakBrook Investments, LLC
COMMISSION PURPOSE
Indiana Public Retirement System
From 03-01-17 to 03-31-17

Commission Amount	Avg. Commission Per Share	Percent of Total Commission
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No commissions this period



OakBrook urges our clients to compare information provided in its statement with those from your custodian.
If you are not receiving a custodial statement, please notify OakBrook.