

NJ DIVISION OF INVESTMENT

Director's Report

State Investment Council
October 29, 2025

“The mission of the New Jersey Division of Investment is to achieve the best possible return at an acceptable level of risk using the highest fiduciary standards.”

Capital Markets Update (through June 30, 2025)

	Monthly	Calendar YTD	Fiscal YTD	One Year	Three Years (Annualized)	Five Years (Annualized)
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Global Equity Indices

MSCI ALL Country World Index	4.49	10.05	16.17	16.17	17.33	13.64
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US Equity Indices

MSCI USA	5.14	6.33	15.78	15.78	19.93	16.47
Russell 1000	5.06	6.11	15.65	15.65	19.55	16.28
Russell 2000	5.43	-1.79	7.66	7.66	9.96	10.00
Russell 2500	4.61	0.44	9.89	9.89	11.27	11.41
Russell 3000	5.08	5.74	15.28	15.28	19.04	15.93
Russell Growth	6.29	5.79	16.88	16.88	25.04	17.53
Russell Value	3.49	5.55	13.28	13.28	12.44	13.83

Non-US Equity Indices

MSCI EAFE	2.20	19.45	17.73	17.73	15.95	11.15
MSCI EAFE Canada Net Total Ret	2.34	18.99	18.70	18.70	15.72	11.50
MSCI Emerging Markets	6.01	15.27	15.29	15.29	9.69	6.80

Fixed Income Indices

Bloomberg Barclays U.S. Aggregate	1.54	4.02	6.08	6.08	2.55	-0.73
Bloomberg Barclays U.S. Treasury	1.25	3.79	5.30	5.30	1.53	-1.60
Bloomberg Barclays U.S. Credit	1.83	4.22	6.83	6.83	4.19	0.12
Bloomberg Barclays U.S. High Yield	1.84	4.57	10.28	10.28	9.92	5.96

Real Estate

Bloomberg U.S. REIT Index	-0.08	0.97	7.97	7.97	1.30	5.27
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Asset Allocation and Net Returns by Asset Class June 30, 2025

	Mkt Value	Actual %	Target %	Difference	FYTD		YTD		Annualized			
									3 Year		5 Year	
					Fund	Benchmark	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark
GLOBAL GROWTH												
U.S. Equity	21,161	27.65	28.00	(0.35)	15.21	15.23	5.77	5.76	19.15	19.20	16.08	16.11
Non-US Dev Market Eq	9,688	12.66	12.75	(0.09)	18.95	18.62	19.34	18.99	16.04	15.64	11.82	11.44
Int'l Small Cap Equity	1,004	1.31	1.25	0.06	24.04	18.36	21.24	17.68	13.89	13.47	9.04	10.73
Emerging Market Eq	4,097	5.35	5.50	(0.15)	16.33	15.44	16.32	15.34	11.14	9.64	8.04	6.75
Private Equity	7,888	10.31	13.00	(2.69)	5.10	6.91	4.10	2.23	4.15	4.08	12.14	15.94
TOTAL GLOBAL GROWTH	43,840	57.28	60.50	(3.22)	14.46	14.97	9.32	9.28	14.61	14.72	13.61	14.74
REAL RETURN												
Real Assets	1,918	2.51	3.00	(0.49)	11.11	5.60	7.47	1.90	5.42	6.99	12.09	13.84
Real Estate	4,466	5.83	8.00	(2.17)	4.29	1.17	2.85	1.82	0.15	(5.07)	6.29	2.01
TOTAL REAL RETURN	6,384	8.34	11.00	(2.66)	6.25	2.37	4.22	1.84	1.71	(1.71)	7.95	5.32
INCOME												
Investment Grade Credit	5,214	6.81	7.00	(0.19)	6.51	6.47	4.19	4.15	3.37	3.46	(0.59)	(0.44)
High Yield	3,280	4.29	4.50	(0.21)	9.90	10.29	4.35	4.57	9.59	9.93	5.92	5.96
Private Credit	5,347	6.99	8.00	(1.01)	7.73	10.40	4.19	2.75	8.97	7.81	10.11	6.84
TOTAL INCOME	13,841	18.08	19.50	(1.42)	7.75	9.01	4.22	3.70	6.86	6.29	4.59	3.27
DEFENSIVE												
Cash Equivalents	7,876	10.29	2.00	8.29	4.89	4.68	2.20	2.07	4.79	4.56	2.96	2.76
U.S. Treasuries	3,096	4.05	4.00	0.05	5.55	5.30	4.02	3.79	1.79	1.53	(1.44)	(1.60)
Risk Mitigation Strategies	1,357	1.77	3.00	(1.23)	8.85	7.83	5.38	3.56	7.61	7.71	8.28	5.88
TOTAL DEFENSIVE	12,329	16.11	9.00	7.11	5.31	6.03	3.08	3.35	4.31	4.35	2.39	1.93
OTHER												
OPPORTUNISTIC PE	0	0.00	0.00	0.00								
OTHER	141	0.18	0.00	0.18								
TOTAL FUND	76,534	100.00	100.00	0.00	10.96	11.70	6.88	6.90	10.25	10.31	9.69	10.17

Sum of component allocation may not equal total due to rounding

- (1) Returns are preliminary, unaudited, and net of all fees
- (2) Total Pension Fund excludes Police and Fire Mortgage Program

Notes: Sum of components may not equal totals due to rounding. Certain asset class returns, including private equity, real assets, real estate, and private credit do not include up-to-date valuations and benchmark returns for these asset classes are presented on a lagged basis. This results in performance comparisons that may be less meaningful.

Capital Markets Update (through September 30, 2025)

	Monthly	Fiscal YTD	Calendar YTD	One Year	Three Years (Annualized)	Five Years (Annualized)
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Global Equity Indices

MSCI ALL Country World Index	3.62	7.62	18.44	17.27	23.10	13.54
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US Equity Indices

MSCI USA	3.67	8.12	14.97	18.18	25.08	16.15
Russell 1000	3.46	7.98	14.58	17.72	24.59	15.96
Russell 2000	3.11	12.39	10.38	10.74	15.16	11.52
Russell 2500	1.60	9.00	9.48	10.14	15.61	12.06
Russell 3000	3.44	8.17	14.38	17.38	24.07	15.71
Russell Growth	5.10	10.41	16.81	24.78	30.71	17.02
Russell Value	1.50	5.62	11.47	9.30	16.71	13.88

Non-US Equity Indices

MSCI EAFE	1.91	4.77	25.14	14.99	21.68	11.15
MSCI EAFE Canada	2.13	5.33	25.34	16.03	21.58	11.59
MSCI Emerging Markets	7.15	10.64	27.53	17.32	18.19	7.01

Fixed Income Indices

Bloomberg Barclays U.S. Aggregate	1.09	2.03	6.13	2.88	4.92	-0.45
Bloomberg Barclays U.S. Treasury	0.85	1.51	5.36	2.06	3.56	-1.33
Bloomberg Barclays U.S. Credit	1.44	2.57	6.90	3.65	6.86	0.33
Bloomberg Barclays U.S. High Yield	0.82	2.54	7.22	7.41	11.08	5.54

Real Estate

MSCI US REIT Index	1.15	4.81	4.72	-1.69	10.86	9.31
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Source: Bloomberg

Asset Allocation and Net Returns by Asset Class September 30, 2025

	Mkt Value	Actual %	Target %	Difference	FYTD		YTD		Annualized			
					Fund	Benchmark	Fund	Benchmark	3 Year		5 Year	
									Fund	Benchmark	Fund	Benchmark
GLOBAL GROWTH												
U.S. Equity	22,441	28.41	28.00	0.41	8.20	8.25	14.44	14.48	24.22	24.26	15.88	15.90
Non-US Dev Market Eq	10,170	12.87	12.75	0.12	5.44	5.39	25.83	25.41	21.98	21.57	11.95	11.57
Int'l Small Cap Equity	1,046	1.32	1.25	0.07	4.21	6.62	26.34	25.47	19.06	19.34	7.40	9.94
Emerging Market Eq	4,509	5.71	5.50	0.21	10.05	10.73	28.01	27.71	19.04	18.20	8.11	6.95
Private Equity	7,923	10.03	13.00	(2.97)	0.11	0.29	4.22	2.53	4.34	6.00	11.99	13.83
TOTAL GLOBAL GROWTH	46,091	58.34	60.50	(2.16)	6.20	6.12	16.09	15.96	19.01	19.54	13.48	14.19
REAL RETURN												
Real Assets	2,005	2.54	3.00	(0.46)	(0.38)	1.66	7.06	3.59	5.26	6.61	12.04	13.44
Real Estate	4,491	5.68	8.00	(2.32)	1.45	0.81	4.34	2.65	1.63	(6.21)	6.40	2.54
TOTAL REAL RETURN	6,495	8.22	11.00	(2.78)	0.89	1.04	5.15	2.91	2.72	(2.65)	8.01	5.64
INCOME												
Investment Grade Credit	5,332	6.75	7.00	(0.25)	2.36	2.36	6.65	6.61	6.00	6.08	(0.34)	(0.18)
High Yield	3,459	4.38	4.50	(0.12)	2.57	2.54	7.03	7.22	10.85	11.09	5.40	5.54
Private Credit	5,259	6.66	8.00	(1.34)	0.48	3.83	4.69	6.69	9.14	10.39	9.60	6.20
TOTAL INCOME	14,050	17.78	19.50	(1.72)	1.71	3.01	6.01	6.82	8.30	8.72	4.51	3.20
DEFENSIVE												
Cash Equivalents	7,597	9.62	2.00	7.62	1.10	1.08	3.33	3.17	4.99	4.77	3.17	2.98
U.S. Treasuries	3,101	3.93	4.00	(0.07)	1.62	1.51	5.71	5.36	3.83	3.56	(1.15)	(1.33)
Risk Mitigation Strategies	1,567	1.98	3.00	(1.02)	0.70	1.85	6.11	5.47	7.75	7.93	7.86	6.10
TOTAL DEFENSIVE	12,265	15.52	9.00	6.52	1.20	1.53	4.32	4.93	5.06	5.31	2.50	2.18
OTHER												
OPPORTUNISTIC PE	0	0.00	0.00	0.00								
OTHER	100	0.13	0.00	0.13								
TOTAL FUND	79,001	100.00	100.00	0.00	4.16	4.53	11.33	11.75	13.23	13.52	9.61	9.92

Sum of component allocation may not equal total due to rounding

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Notes: Sum of components may not equal totals due to rounding. Certain asset class returns, including private equity, real assets, real estate, and private credit do not include up-to-date valuations and benchmark returns for these asset classes are presented on a lagged basis. This results in performance comparisons that may be less meaningful.

Notification: Modification to West Street NJ Private Credit Partners, LP

Background: In December 2022, the Division committed to invest \$500 million in West Street NJ Private Credit Partners, LP (the "Fund"). The Fund is a separately managed account ("SMA") managed by Goldman Sachs Asset Management ("GSAM") focused on various direct lending strategies. The Fund's performance is meeting the Private Credit team's expectations and is an integral part of the Private Credit portfolio. The Fund was designed as an evergreen vehicle and has started recycling proceeds from realized investments into new investments. The initial three-year Investment Period is scheduled to expire on 12/31/2025.

Modification: The Private Credit team proposes to extend the investment period of the Fund by three years, until 12/31/2028.

Impact on Pension Fund: The Pension Fund's investment in West Street NJ Private Credit Partners, LP is an integral part of the Private Credit portfolio. The proposed amendment will allow the Pension Fund to maintain its current exposure to the core strategy of this portfolio.

**The Director is notifying the SIC of this modification in accordance with the
Alternative Investment Modification Procedures**



State of New Jersey

PHILIP D. MURPHY
Governor

TAHESHA L. WAY
Lt. Governor

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ELIZABETH MAHER MUOIO
State Treasurer

SHOAIB KHAN
Director

October 23, 2025

To: State Investment Council

From: Shoaib Khan
Director

Subject: Recent Alternative Investment Fund Commitments

N.J.A.C. 17:16-69.9 requires the Division to provide an informational memorandum to the Council on each binding commitment made by the Division as part of its Alternative Investment Program.

This memorandum provides information regarding the following binding commitments which were made between July 30, 2025 and October 16, 2025.

Name	Closing Date	Asset Class	Commitment Amount
Coller International Partners IX-G. L.P.	August 19, 2025	Private Equity	\$150 Million
CIP IX-G Strategic Co-Investment Vehicle, L.P.	August 19, 2025	Private Equity	\$50 Million
BPEA Private Equity Fund IX (No.2), SCSp	September 8, 2025	Private Equity	\$200 Million
Capula Global Relative Value Fund Limited	September 29, 2025	Risk Mitigation Strategies	\$100 Million
PIMCO Arculus Onshore Feeder Fund, L.P.	October 16, 2025	Risk Mitigation Strategies	\$300 Million