

ILLINOIS STATE BOARD OF INVESTMENT

Financial Statements

And

Supplementary Financial Information

Three Months Ended September 30, 2018

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STATEMENTS OF NET ASSETS
Illinois State Board of Investment
Three Months Ended September 30, 2018

	FY 2019	FY 2018
	\$	\$
ASSETS		
Cash and cash equivalents	22,702,094	18,960,241
Receivables:		
Foreign taxes	8,632,295	7,444,207
Accounts receivable	-	103,498
Investments sold	45,716,105	43,461,252
Interest & dividends	48,964,623	43,885,059
Total Receivables	103,313,023	94,894,016
Prepaid Expenses	242,010	203,397
Capital Assets	55,974	52,742
Capital Lease	5,163	6,479
Investments at fair value:		
Government and agency obligations	3,734,361,106	3,446,140,141
Foreign obligations	316,817,034	281,005,363
Corporate obligations	1,006,245,155	826,052,417
Municipal bonds	8,409,225	8,886,276
Common stock & equity funds	5,351,957,210	4,943,972,937
Commingled funds	1,778,262,120	1,424,136,904
Preferred stock	-	-
Foreign Preferred stock	8,849,557	10,776,412
Foreign equity securities	2,320,021,968	2,627,719,367
Hedge Funds	246,430,045	715,570,060
Bank Loans	473,975,421	427,657,213
Real estate funds	1,773,468,304	1,612,845,768
Private Equity	679,021,127	601,057,905
Money market instruments	220,172,389	236,496,778
Real Assets	420,505,481	538,476,879
Opportunistic Debt	309,829,860	124,982,291
Forward foreign exchange contracts	-	-
Total Investments	18,648,326,002	17,825,776,711
Securities lending collateral	-	8,655,310
Total Assets	18,774,644,266	17,948,548,896
LIABILITIES		
Payables:		
Investment purchases	123,373,858	102,430,820
Operating expenses	6,997,705	10,675,242
Securities lending collateral obligation	-	9,092,481
Total Liabilities	130,371,563	122,198,543
Net Assets	18,644,272,703	17,826,350,353

STATEMENTS OF CHANGES IN NET ASSETS
Illinois State Board of Investment
Three Months Ended September 30, 2018

	FY 2019	FY 2018
	\$	\$
ADDITIONS		
Investment income:		
Net increase in fair value of investments	311,186,508	472,987,819
Interest	53,037,743	51,634,895
Dividends	43,513,792	42,446,992
Securities lending income	102	369,361
Less securities lending rebates	-	(26,256)
Less securities lending expenses	-	(34,311)
Total net investment income	407,738,144	567,378,500
Members systems' contributions	-	-
Total additions	407,738,144	567,378,500
DEDUCTIONS		
Expenses:		
Salaries and benefits:		
Salaries	397,155	333,893
Benefits	285,493	255,306
Operating expenses:		
Rent and utilities	91,581	9,979
Audit	65,000	-
Other	101,738	115,919
External support:		
Custody	137,500	137,500
Consulting and professional	267,904	311,555
Investment advisors/managers	6,487,203	6,077,800
Investment services and research	66,316	84,400
Total expenses	7,899,890	7,326,352
Members systems' withdrawals	92,000,000	40,000,000
Total deductions	99,899,890	47,326,352
Increase(decrease) in net assets	307,838,254	520,052,148
Net assets at beginning of period	18,336,434,449	17,306,298,205
Net assets at end of period	18,644,272,703	17,826,350,353

ILLINOIS STATE BOARD OF INVESTMENT

<i>Member Systems' Participation</i>	General Assembly	Judges	State Employees'	Power Agency	Combined*
Member Systems' Income and Expenses Three Months Ended September 30, 2018	\$	\$	\$	\$	\$
Interest and dividends	271,929	5,166,271	90,909,405	203,929	96,551,534
Net securities lending income	-	-	102	-	102
Net realized gain on investments	393,247	7,471,124	131,685,137	294,906	139,844,414
Net unrealized gain (loss) on investments	480,793	9,134,360	161,366,383	360,558	171,342,094
Management expenses	(22,255)	(422,819)	(7,438,126)	(16,690)	(7,899,890)
Net investment income	<u>1,123,714</u>	<u>21,348,936</u>	<u>376,522,901</u>	<u>842,703</u>	<u>399,838,254</u>

**Member Systems' Changes in Net Assets
Three Months Ended September 30, 2018**

Net assets at beginning of period	51,487,942	978,196,836	17,268,137,474	38,612,197	18,336,434,449
Member systems' net (withdrawals)	-	-	(92,000,000)	-	(92,000,000)
Member systems' (contributions)	-	-	-	-	-
Net investment income	1,123,713	21,348,936	376,522,902	842,703	399,838,254
Net assets at end of period	<u>52,611,655</u>	<u>999,545,772</u>	<u>17,552,660,376</u>	<u>39,454,900</u>	<u>18,644,272,703</u>

The source of net assets of the member systems since inception at September 30, 2018, is as follows:

Member systems' net contributions (withdrawals)	(91,150,883)	(88,585,968)	(2,594,826,842)	21,965,119	(2,752,598,574)
Accumulated net investment income	143,762,534	1,088,131,738	20,147,487,221	17,489,784	21,396,871,277
	<u>52,611,651</u>	<u>999,545,770</u>	<u>17,552,660,379</u>	<u>39,454,903</u>	<u>18,644,272,703</u>

* Combined column for the member systems is presented for information purposes only and does not indicate that the assets of one system may be used for another system.