CalPERS

CIO Quarterly Performance Report

QUARTER ENDING JUNE 30. 2012

CalPERS CIO Quarterly Performance Report

Quarter Ending June 30, 2012

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Section I

Total Fund

QUARTER ENDING JUNE 30, 2012

Section I: Total Fund

Total Fund Summary

TOTAL FUND SUMMARY	June 30, 2012			1 Month		3 Months		FYTD			1 Yr		3 Yr		5 Yr		10 YR	
	Ending Market Value (MM)	% of Total Assets	Asset Allocation Target Range %	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	$ Value Added (MM) **	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps
GROWTH	146,962	63.0	52 - 74	3.81	(28)	(3.38)	(185)	(4.42)	(52)	(760)	(4.42)	(52)	13.50	(81)	(1.20)	(186)	6.23	(76)
PUBLIC EQUITY	112,713	48.3	42 - 56	4.76	1	(5.71)	(8)	(7.24)	(22)	(248)	(7.24)	(22)	11.65	42	(2.57)	(92)	5.58	(40)
PRIVATE EQUITY	34,249	14.7	10 - 18	0.78	(97)	4.99	(828)	5.37	35	113	5.37	35	20.02	(556)	7.24	(514)	9.91	(96)
INCOME	41,944	18.0	11 - 21	0.09	18	3.97	(19)	12.74	(115)	(469)	12.74	(115)	13.23	264	9.61	34	8.27	76
REAL ASSETS	24,178	10.4	8 - 18	8.01	555	7.72	536	12.59	160	346	12.59	160	(6.15)	(1,269)	(10.77)	(1,449)	3.13	(546)
REAL ESTATE	21,013	9.0	7 - 13	9.08	623	8.73	619	15.92	322	606	15.92	322	(7.03)	(1,581)	(12.07)	(1,663)	2.38	(667)
FORESTLAND****	2,117	0.9	0 - 2	(0.02)	(38)	(0.02)	(38)	(11.01)	(1,219)	(251)	(11.01)	(1,219)	(4.13)	(286)				
INFRASTRUCTURE****	1,048	0.4	1 - 3	4.51	342	4.51	187	8.36	161	11	8.36	161	30.00	2,248				
INFLATION	7,102	3.0	1.5 - 8	0.47	31	(5.06)	(277)	0.05	(204)	(149)	0.05	(204)	7.62	96				
LIQUIDITY	7,523	3.2	1 - 7	(0.11)	5	1.23	(30)	4.63	(64)	(56)	4.63	(64)	1.72	(18)	2.17	(7)	2.59	7
ABSOLUTE RETURN STRATEGIES *	5,110	2.2		(0.11)	(49)	(0.79)	(205)	(1.97)	(724)	(378)	(1.97)	(724)	4.69	(98)	(0.25)	(741)	5.00	(307)
CURRENCY OVERLAY	86	0.0		(0.02)	0	(0.32)	(23)	(1.38)	(93)		(1.38)	(93)	(0.54)	(16)	(0.21)	(3)	0.37	28
PLAN LEVEL PORTFOLIOS	495	0.2																
TOTAL FUND	**233,401**	**100.0**		**3.22**	**50**	**(0.90)**	**(90)**	**1.01**	**(67)**	**(1,544)**	**1.01**	**(67)**	**10.62**	**(142)**	**0.10**	**(262)**	**6.14**	**(100)**
CALPERS POLICY INDEX **				***2.72***		***0.00***		***1.68***			***1.68***		***12.04***		***2.73***		***7.14***	

TOTAL FUND 20 YEAR NET RATE OF RETURN **7.73**

TOTAL FUND INCEPTION DATE NET RATE OF RETURN (07/01/1988) **8.34**

* Absolute Return Strategies was excluded from Public Equity after July 1, 2011. Public Equity performance history does not include Absolute Return Strategies performance.
** See Section XI for components of CalPERS Policy Index. Current Asset Class Policy Benchmarks performance are linked to prior Policy Benchmarks.
*** Value Added is the Excess BPS converted into a dollar value by multiplying the excess bps by the fiscal year to date average market value.
**** Forestland and Infrastructure returns are reported on a quarterly basis.

Section II

Public Equity

QUARTER ENDING JUNE 30, 2012

Section II: Public Equity

Public Equity Summary

PUBLIC EQUITY SUMMARY	June 30, 2012 Ending Market Value (MM)	June 30, 2012 % of Total Assets	1 Month Net Rate of Return	1 Month Excess Bps	3 Months Net Rate of Return	3 Months Excess Bps	FYTD Net Rate of Return	FYTD Excess Bps	FYTD $ Value Added (MM) **	1 Yr Net Rate of Return	1 Yr Excess Bps	3 Yr Net Rate of Return	3 Yr Excess Bps	5 Yr Net Rate of Return	5 Yr Excess Bps	10 YR Net Rate of Return	10 YR Excess Bps
TOTAL INTERNAL DOMESTIC EQUITY	46,807	41.5	3.91	4	(3.24)	10	3.33	11	49	3.33	11	16.88	50	0.61	30	5.99	21
TOTAL INTERNAL INT'L DEVELOPED EQUITY	38,743	34.4	6.16	14	(7.47)	(4)	(15.08)	(15)	(61)	(15.08)	(15)	6.99	(5)	(5.05)	(9)		
TOTAL INTERNAL EMERGING MARKET EQUITY	7,043	6.2	4.05	29	(8.68)	24	(16.10)	8	5	(16.10)	8	9.29	7				
TOTAL EXTERNAL DOMESTIC TRADITIONAL EQUITY	4,294	3.8	3.72	(35)	(4.77)	(186)	1.49	(271)	(92)	1.49	(271)	14.77	(148)	(1.45)	(143)	4.87	(85)
EXTERNAL INT'L DEVELOPED TRADITIONAL EQUITY	5,538	4.9	6.22	40	(6.96)	46	(12.61)	161	94	(12.61)	161	9.58	234	(4.56)	(10)	6.20	(65)
EXTERNAL EMERGING MARKET EQUITY	3,510	3.1	4.59	65	(8.30)	81	(14.86)	113	44	(14.86)	113	11.68	191	0.46	77		
TOTAL CORPORATE GOVERNANCE	4,046	3.6	2.29	(223)	(7.28)	(185)	(12.26)	(795)	(346)	(12.26)	(795)	8.48	4	(6.00)	(187)	4.55	(33)
TOTAL MANAGER DEVELOPMENTAL PROGRAM***	1,294	1.1	4.27	(65)	(5.29)	(8)	(3.20)	(35)	(6)	(3.20)	(35)	12.25	11	(1.09)	(101)	5.16	(142)
TOTAL EMERGING MANAGER FUND OF FUNDS****	852	0.8	4.19	(46)	(5.81)	(88)	(5.52)	(104)	(9)	(5.52)	(104)	15.24	33				
PUBLIC EQUITY CASH PORTFOLIO	571	0.5	5.71	96	(3.05)	258	(2.97)	405	59	(2.97)	405	11.69	46				
TOTAL PUBLIC EQUITY*	**112,713**	**100.0**	**4.76**	**1**	**(5.71)**	**(8)**	**(7.24)**	**(22)**	**(248)**	**(7.24)**	**(22)**	**11.65**	**42**	**(2.57)**	**(92)**	**5.58**	**(40)**

*Absolute Return Strategies performance history is included in Public Equity prior to July 1, 2011. Ending market value and returns includes Public Equity Transition portfolio.
** Value Added is the Excess BPS converted into a dollar value by multiplying the excess bps by the fiscal year to date average market value.
*** Venture portfolios not included in Manager Develpmental Program ending market value and returns.
**** Total Emerging Manger FOF Transition portfolios are included in Ending Market Value.

Section II: Public Equity

Internal Equity

INTERNAL DOMESTIC EQUITY	June 30, 2012 Ending Market Value (MM)	% of Total Assets	1 Month Net Rate of Return	1 Month Excess Bps	3 Months Net Rate of Return	3 Months Excess Bps	FYTD Net Rate of Return	FYTD Excess Bps	FYTD $ Value Added (MM) *	1 Yr Net Rate of Return	1 Yr Excess Bps	3 Yr Net Rate of Return	3 Yr Excess Bps	5 Yr Net Rate of Return	5 Yr Excess Bps	10 YR Net Rate of Return	10 YR Excess Bps
SMITH BREEDEN-INTERNALLY MANAGED	291	0.6	4.89	77	(1.17)	158	13.40	795	22	13.40	795	21.34	494	3.28	306		
DOMESTIC FUNDAMENTAL	4,018	8.6	4.27	39	(2.79)	54	2.13	(117)	(44)	2.13	(117)	18.60	216	(0.40)	(74)		
CALPERS - DOMESTIC LONG-SHORT STRATEGY	82	0.2	0.02	1	(0.88)	(91)	(3.65)	(370)	(3)	(3.65)	(370)	(2.99)	(312)				
SYNTHETIC ENHANCED EQUITY	2,571	5.5	4.04	(16)	(3.09)	(20)	3.42	61	19	3.42	61	18.02	279				
INTERNAL FAN LONG ONLY	462	1.0	3.20	(68)	(4.37)	(104)	0.74	(257)	(8)	0.74	(257)						
CALPERS INTERNAL DOMESTIC CORE FUND	5,692	12.2	3.79	(0)	(3.27)	0											
CALPERS MASTER INT DOM CORE FUND	531	1.1	4.73	(16)	(3.58)	25											
INT DOM FTSE 3000 PERF ACCTG	32,803	70.1	3.87	(1)	(3.29)	3	3.40	9	29	3.40	9	16.58	14	0.55	22	6.02	22
INT MICROCAP PERF ACCTG	260	0.6	4.41	207	(3.50)	245	(0.60)	929	21	(0.60)	929	19.68	836	0.46	486		
INT DOM ACTIVE LONG ONLY	97	0.2	3.63	(25)	(4.43)	(111)	(5.47)	(878)	(8)	(5.47)	(878)						
TOTAL INTERNAL DOMESTIC EQUITY	**46,807**	**100.0**	**3.91**	**4**	**(3.24)**	**10**	**3.33**	**11**	**49**	**3.33**	**11**	**16.88**	**50**	**0.61**	**30**	**5.99**	**21**

INTERNAL INT'L DEVELOPED EQUITY	June 30, 2012 Ending Market Value (MM)	% of Total Assets	1 Month Net Rate of Return	1 Month Excess Bps	3 Months Net Rate of Return	3 Months Excess Bps	FYTD Net Rate of Return	FYTD Excess Bps	FYTD $ Value Added (MM) *	1 Yr Net Rate of Return	1 Yr Excess Bps	3 Yr Net Rate of Return	3 Yr Excess Bps	5 Yr Net Rate of Return	5 Yr Excess Bps	10 YR Net Rate of Return	10 YR Excess Bps
INTERNAL INTL EQ PERF ACCTG	30,495	78.7	6.35	6	(7.22)	7	(14.53)	16	51	(14.53)	16	6.62	12	(5.21)	3		
FUNDAMENTAL DEVELOPED INTL(Ex Tobacco)	3,523	9.1	7.27	97	(8.18)	(90)	(16.56)	(187)	(63)	(16.56)	(187)	5.62	(89)	(6.31)	(106)		
INTERNAL GLBL ENV STRATEGY HSBCCCI	452	1.2	4.46	(30)	(7.45)	(182)	(20.42)	(1,340)	(65)	(20.42)	(1,340)						
INT DEVELOPED SMALL CAP INDEX PERF ACCTG	4,273	11.0	4.09	8	(8.65)	11	(17.26)	30	14	(17.26)	30	10.58	23				
TOTAL INTERNAL INT'L DEVELOPED EQUITY	**38,743**	**100.0**	**6.16**	**14**	**(7.47)**	**(4)**	**(15.08)**	**(15)**	**(61)**	**(15.08)**	**(15)**	**6.99**	**(5)**	**(5.05)**	**(9)**		

INTERNAL EMERGING MARKET EQUITY	June 30, 2012 Ending Market Value (MM)	% of Total Assets	1 Month Net Rate of Return	1 Month Excess Bps	3 Months Net Rate of Return	3 Months Excess Bps	FYTD Net Rate of Return	FYTD Excess Bps	FYTD $ Value Added (MM) *	1 Yr Net Rate of Return	1 Yr Excess Bps	3 Yr Net Rate of Return	3 Yr Excess Bps	5 Yr Net Rate of Return	5 Yr Excess Bps	10 YR Net Rate of Return	10 YR Excess Bps
STRUCTURED EMERGING MARKETS	807	11.5	4.60	79	(8.19)	82	(14.49)	155	13	(14.49)	155	10.70	140	1.20	88		
FUNDAMENTAL EMERGING MARKETS	1,380	19.6	4.09	28	(8.08)	93	(14.40)	164	18	(14.40)	164	11.19	190	1.61	128		
INTERNAL EMERGING MARKET PERF ACCTG	4,284	60.8	3.84	3	(9.00)	0	(16.18)	(14)	(6)	(16.18)	(14)	9.07	(23)				
INT EM SMALL CAP INDEX PERF ACCTG	572	8.1	4.80	160	(8.36)	(45)	(18.90)	(245)	(14)	(18.90)	(245)						
TOTAL INTERNAL EMERGING MARKET EQUITY	**7,043**	**100.0**	**4.05**	**29**	**(8.68)**	**24**	**(16.10)**	**8**	**5**	**(16.10)**	**8**	**9.29**	**7**	**0.80**	**52**		

* Value Added is the Excess BPS converted into a dollar value by multiplying the excess bps by the fiscal year to date average market value.
** Funded October 2011.
*** Funded August 2011.

Section II: Public Equity

External Equity

EXTERNAL DOMESTIC TRADITIONAL EQUITY	June 30, 2012		1 Month		3 Months		FYTD			1 Yr		3 Yr		5 Yr		10 YR	
	Ending Market Value (MM)	% of Total Assets	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	$ Value Added (MM) *	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps
BOSTON COMPANY ASSET MGMT	506	11.8	3.39	(129)	(5.95)	(383)	(5.65)	(967)	(48)	(5.65)	(967)	12.02	(404)	(1.45)	71	7.27	185
PZENA INVESTMENT MANAGEMENT	431	10.0	3.52	(116)	(6.05)	(393)	(1.52)	(554)	(23)	(1.52)	(554)	15.71	(35)	(4.39)	(224)	5.68	(53)
T ROWE PRICE	1,092	25.4	3.97	18	(3.48)	(20)	5.11	120	10	5.11	120	15.51	(37)	0.58	75		
FIRST QUADRANT LONG/SHORT	1,003	23.4	4.30	51	(3.75)	(47)	5.91	199	14	5.91	199	17.49	109				
JP MORGAN LG/SH DOM EQ	761	17.7	3.66	(42)	(4.73)	(185)	1.44	(350)	(25)	1.44	(350)	15.24	(87)				
STUX LARGE CORE**	501	11.7	2.59	(120)													
TOTAL EXTERNAL DOMESTIC TRADITIONAL EQUITY	**4,294**	**100.0**	**3.72**	**(35)**	**(4.77)**	**(186)**	**1.49**	**(271)**	**(92)**	**1.49**	**(271)**	**14.77**	**(148)**	**(1.45)**	**(143)**	**4.87**	**(85)**

EXTERNAL INT'L DEVELOPED TRADITIONAL EQUITY	June 30, 2012		1 Month		3 Months		FYTD			1 Yr		3 Yr		5 Yr		10 YR	
	Ending Market Value (MM)	% of Total Assets	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	$ Value Added (MM) *	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps
NOMURA ASSET MANAGEMENT	453	8.2	4.48	15	(6.19)	55	(11.25)	(46)	(2)	(11.25)	(46)	9.25	169	(1.80)	57	7.71	71
GRANTHAM, MAYO, VAN OTTERLOO & CO	540	9.8	6.41	9	(6.85)	33	(14.65)	(39)	(3)	(14.65)	(39)	8.37	46	(4.48)	(60)	7.17	(5)
ARROWSTREET CAPITAL	2,437	44.0	7.02	119	(7.92)	(35)	(14.10)	51	13	(14.10)	51	10.53	322	(0.13)	408		
BAILLIE GIFFORD OVERSEAS LIMITED	1,349	24.4	5.43	(40)	(5.87)	171	(8.69)	592	76	(8.69)	592	12.36	505	(0.62)	358	9.43	239
PYRAMIS GLOBAL	759	13.7	6.02	(29)	(6.30)	88	(12.73)	154	12	(12.73)	154	8.17	145				
TOTAL EXTERNAL INT'L DEVELOPED TRADITION EQ	**5,538**	**100.0**	**6.22**	**40**	**(6.96)**	**46**	**(12.61)**	**161**	**94**	**(12.61)**	**161**	**9.58**	**234**	**(4.56)**	**(10)**	**6.20**	**(65)**

EXTERNAL EMERGING MARKET EQUITY	June 30, 2012		1 Month		3 Months		FYTD			1 Yr		3 Yr		5 Yr		10 YR	
	Ending Market Value (MM)	% of Total Assets	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	$ Value Added (MM) *	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps
DIMENSIONAL FUND ADVISORS	858	24.4	4.60	66	(7.73)	138	(14.73)	126	9	(14.73)	126	11.43	165	1.68	199		
ALLIANCE BERNSTEIN INTL	719	20.5	3.73	(22)	(11.79)	(268)	(22.10)	(611)	(49)	(22.10)	(611)	7.14	(264)	(3.46)	(315)		
GENESIS ASSET MANAGERS	1,003	28.6	3.56	(39)	(6.87)	224	(11.60)	439	46	(11.60)	439	15.91	613	4.94	525		
LAZARD EMERGING MKTS	930	26.5	6.36	242	(7.49)	162	(8.21)	778	63	(8.21)	778	13.75	397				
TOTAL EXTERNAL EMERGING MARKET EQUITY	**3,510**	**100.0**	**4.59**	**65**	**(8.30)**	**81**	**(14.86)**	**113**	**44**	**(14.86)**	**113**	**11.68**	**191**	**0.46**	**77**		

* Value Added is the Excess BPS converted into a dollar value by multiplying the excess bps by the fiscal year to date average market value.
** Funded April 2012.

Corporate Governance

CORPORATE GOVERNANCE	June 30, 2012 Ending Market Value (MM)	June 30, 2012 % of Total Assets	1 Month Net Rate of Return	1 Month Excess Bps	3 Months Net Rate of Return	3 Months Excess Bps	FYTD Net Rate of Return	FYTD Excess Bps	FYTD $ Value Added (MM) *	1 Yr Net Rate of Return	1 Yr Excess Bps	3 Yr Net Rate of Return	3 Yr Excess Bps	5 Yr Net Rate of Return	5 Yr Excess Bps	10 YR Net Rate of Return	10 YR Excess Bps
RELATIONAL INVESTORS	706	17.4	0.50	(362)	(7.95)	(520)	(7.13)	(1,257)	(103)	(7.13)	(1,257)	15.96	(44)	(4.99)	(521)	4.25	(108)
KNIGHT VINKE INSTITUTIONAL PARTNERS	197	4.9	1.47	(629)	(18.17)	(894)	(37.13)	(1,710)	(42)	(37.13)	(1,710)	(11.52)	(1,446)	(14.15)	(431)		
TAIYO FUND MGMT	694	17.2	6.50	(53)	(1.11)	875	(4.49)	483	33	(4.49)	483	7.05	1,314	(3.13)	1,225		
CORPORATE GOVERNANCE PASSTHROUGH	3	0.1	13.54		103.68		231.89			231.89		377.61					
NEW MOUNTAIN CAPITAL	268	6.6	4.45	33	(0.03)	273	(4.25)	(970)	(25)	(4.25)	(970)	15.14	(126)	3.38	317		
BLUM STRATEGIC PARTNERS III	53	1.3	2.80	215	(15.61)	(1,756)	(42.56)	(5,056)	(33)	(42.56)	(5,056)	(2.86)	(1,085)	(11.22)	(1,922)		
KNIGHT VINKE INTERNAL PARTNERS	83	2.1	9.85	209	(8.15)	109	(6.08)	1,395	13	(6.08)	1,395	(0.10)	(304)	(6.00)	384		
BREEDEN PARTNERS	257	6.4	(5.06)	(918)	(13.56)	(1,081)	(20.52)	(2,597)	(87)	(20.52)	(2,597)	4.27	(1,213)	(8.74)	(896)		
GOVERNANCE FOR OWNERS	199	4.9	1.95	(599)	(16.47)	(921)	(28.40)	(1,177)	(27)	(28.40)	(1,177)	9.70	294	(11.16)	(481)		
BLUM STRATEGIC PARTNERS II	8	0.2	1.11	47	(8.92)	(1,087)	(23.85)	(3,185)	(3)	(23.85)	(3,185)	12.68	468				
INTERNAL GOVERNANCE FOR OWNERS	96	2.4	9.79	167	(8.66)	(126)	(26.94)	(990)	(10)	(26.94)	(990)	9.35	248				
TAIYO PEARL FUND (PUBLIC)	219	5.4	(0.05)	(5)	(3.78)	(378)	(5.71)	(571)	(13)	(5.71)	(571)	4.89	489				
BLUM STRATEGIC PARTNERS IV	183	4.5	3.98	333	(6.91)	(885)	(21.69)	(2,969)	(59)	(21.69)	(2,969)	(1.78)	(978)				
TAIYO CYPRESS FUND	192	4.7	5.43	(160)	(5.87)	399	(6.53)	279	6	(6.53)	279	5.70	1,179				
LAZARD KOREA CORPORATE GOVERNANCE FUND	7	0.2	3.49	(44)	(12.98)	(424)	(28.49)	(1,101)	(7)	(28.49)	(1,101)	3.43	(1,077)				
RELATIONAL INVESTORS MID-CAP FUND	563	13.9	1.39	(50)	(10.23)	(530)	1.16	349	17	1.16	349	24.81	545				
CARTICA CAPITAL PARTNERS, LP	315	7.8	(0.87)	(491)	2.43	1,141	0.12	1,573	40	0.12	1,573						
TOTAL CORPORATE GOVERNANCE	**4,046**	**100.0**	**2.29**	**(223)**	**(7.28)**	**(185)**	**(12.26)**	**(795)**	**(346)**	**(12.26)**	**(795)**	**8.48**	**4**	**(6.00)**	**(187)**	**4.55**	**(33)**

* Value Added is the Excess BPS converted into a dollar value by multiplying the excess bps by the fiscal year to date average market value.

Emerging Manager Program

MANAGER DEVELOPMENTAL PROGRAM**	June 30, 2012		1 Month		3 Months		FYTD			1 Yr		3 Yr		5 Yr		10 YR	
	Ending Market Value (MM)	% of Total Assets	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	$ Value Added (MM) *	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps
REDWOOD LARGE GROWTH	211	16.3	0.52	(238)	(6.80)	(239)	1.48	(235)	(5)	1.48	(235)	16.70	(6)				
QUOTIENT LARGE CORE	107	8.3	3.39	(40)	(4.14)	(87)	0.35	(356)	(4)	0.35	(356)	15.62	(78)				
QUOTIENT SMALL CORE	51	3.9	5.79	90	(4.66)	(83)	(4.98)	(215)	(1)	(4.98)	(215)	15.66	(155)				
SOURCECAP INTERNATIONAL	329	25.4	6.40	(172)	(5.10)	230	(5.46)	1,158	37	(5.46)	1,158	13.02	615				
PIEDMONT STRATEGIC CORE	213	16.5	4.55	76	(2.98)	29	2.47	(145)	(3)	2.47	(145)	14.41	(134)				
TOBAM GLOBAL	141	10.9	3.99	(112)	(4.12)	82	(7.59)	(257)	(4)	(7.59)	(257)						
QUOTIENT LARGE ESG	107	8.3	4.17	38	(2.59)	68	5.14	123	1	5.14	123						
VICTORIA EMERGING MARKETS MDP II	135	10.4	5.31	136	(8.53)	58											
TOTAL MANAGER DEVELOPMENTAL PROGRAM	**1,294**	**100.0**	**4.27**	**(65)**	**(5.29)**	**(8)**	**(3.20)**	**(35)**	**(6)**	**(3.20)**	**(35)**	**12.25**	**11**	**(1.09)**	**(101)**	**5.16**	**(142)**

FIS EMERGING MANAGER FUND OF FUNDS	June 30, 2012		1 Month		3 Months		FYTD			1 Yr		3 Yr		5 Yr		10 YR	
	Ending Market Value (MM)	% of Total Assets	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	$ Value Added (MM) *	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps
HERNDON LARGE VALUE	39	11.8	2.95	(173)	(4.93)	(280)	1.88	(214)	(1)	1.88	(214)	19.25	320				
MOODY ALDRICH ALL CAP VALUE	23	7.0	5.64	70	(8.22)	(589)	(7.89)	(1,033)	(2)	(7.89)	(1,033)	14.02	(176)				
LOMBARDIA SMALL VALUE	9	2.7	4.38	(48)	(4.78)	(150)	(1.21)	(28)	(1)	(1.21)	(28)	18.18	58				
HERNDON LARGE GROWTH	23	7.0	2.18	(45)	(5.72)	(150)	(1.12)	(618)	(0)	(1.12)	(618)	18.11	94				
ATIVO INTERNATIONAL	21	6.4	5.49	(106)	(4.16)	304	(13.74)	39	0	(13.74)	39	11.23	409				
HEXAVEST EAFE VALUE	24	7.3	6.33	(23)	(5.00)	220	(9.32)	481	1	(9.32)	481						
VICTORIA EMERGING MARKETS	18	5.5	4.51	65	(8.12)	77	(16.48)	(53)	(0)	(16.48)	(53)						
HERNDON INTERNATIONAL	27	8.2	4.90	(104)	(6.16)	122	(12.30)	185	0	(12.30)	185						
VISION LARGE GROWTH	35	10.6	2.95	5	(2.92)	149											
HANOVERIAN EAFE	32	9.7	7.04	3	(5.70)	143											
SOMERSET EM	14	4.2	4.83	97	(3.78)	511											
MARQUE MILLENIUM	33	10.0	4.29	(38)	(7.14)	(502)											
THOMAS WHITE INTL****	26	7.9	6.19	25	(4.39)	299											
CUPPS CAPITAL****	8	2.4	1.97	(111)	(10.75)	(634)											
TOTAL FIS EMERGING MANAGER FUND OF FUNDS***	**330**	**100.0**	**4.58**	**(34)**	**(5.59)**	**(31)**	**(6.57)**	**(103)**	**(3)**	**(6.57)**	**(103)**	**13.89**	**67**				

* Value Added is the Excess BPS converted into a dollar value by multiplying the excess bps by the fiscal year to date average market value.
** Venture portfolios not included in Manager Develpmental Program ending market value and returns.
*** Funded October 2011.
**** Funded March 2012.
***** Total Emerging Manger FOF Transition portfolios are included in Ending Market Value.

Section II: Public Equity

Emerging Manager Program

LEADING EDGE EMERGING MANAGER FUND OF FUNDS	June 30, 2012 Ending Market Value (MM)	June 30, 2012 % of Total Assets	1 Month Net Rate of Return	1 Month Excess Bps	3 Months Net Rate of Return	3 Months Excess Bps	FYTD Net Rate of Return	FYTD Excess Bps	FYTD $ Value Added (MM) *	1 Yr Net Rate of Return	1 Yr Excess Bps	3 Yr Net Rate of Return	3 Yr Excess Bps	5 Yr Net Rate of Return	5 Yr Excess Bps	10 YR Net Rate of Return	10 YR Excess Bps
LOGAN LARGE GROWTH	37	9.7	1.94	(96)	(9.82)	(541)	(5.78)	(961)	(4)	(5.78)	(961)	17.28	52				
MARKSTON LARGE CORE	41	10.7	4.52	73	(1.88)	139	6.61	269	1	6.61	269	16.95	121				
CUPPS SMALL GROWTH	42	11.0	3.92	(100)	(8.97)	(460)	(6.16)	(141)	(1)	(6.16)	(141)	20.11	337				
PHOCAS SMALL VALUE	38	9.9	3.69	(116)	(6.47)	(319)	(4.97)	(404)	(2)	(4.97)	(404)	17.71	12				
WESTWOOD EMERGING MARKETS	95	24.8	4.40	46	(7.21)	190	(9.82)	617	6	(9.82)	617	15.01	523				
NICHOLAS SMALL GROWTH	41	10.7	3.92	(101)	(7.88)	(350)	(7.18)	(243)	(1)	(7.18)	(243)						
WINDSOR - LEIA	28	7.3	1.99	(287)	(3.96)	(68)	0.77	169	0	0.77	169						
PIERMONT CAPITAL MANAGEMENT, LLC**	35	9.1	3.65	(121)	(4.07)	(79)											
AFFINITY INVESTMENT ADVISORS***	27	7.0	3.19	(149)	(4.44)	(232)											
TOTAL LEADING EDGE EMERGING MANAGER FUND OF FUNDS	**383**	**100.0**	**3.67**	**(67)**	**(6.43)**	**(141)**	**(5.51)**	**(56)**	**(2)**	**(5.51)**	**(56)**	**15.27**	**(5)**				

** Funded December 2011.
*** Funded March 2012.

PROGRESS EMERGING MANAGER FUND OF FUNDS	June 30, 2012 Ending Market Value (MM)	June 30, 2012 % of Total Assets	1 Month Net Rate of Return	1 Month Excess Bps	3 Months Net Rate of Return	3 Months Excess Bps	FYTD Net Rate of Return	FYTD Excess Bps	FYTD $ Value Added (MM) *	1 Yr Net Rate of Return	1 Yr Excess Bps	3 Yr Net Rate of Return	3 Yr Excess Bps	5 Yr Net Rate of Return	5 Yr Excess Bps	10 YR Net Rate of Return	10 YR Excess Bps
INDEPENDENCE	6	4.3	3.58	(135)	(4.98)	(60)	(10.45)	(570)	(0)	(10.45)	(570)						
HUBER	26	18.7	6.29	144	(5.17)	(189)	11.17	1,210	3	11.17	1,210						
GW CAPITAL	20	14.4	5.09	23	(2.22)	107	(10.11)	(919)	(2)	(10.11)	(919)						
OMT	15	10.8	3.78	(115)	(6.76)	(239)	(1.18)	357	1	(1.18)	357						
RIVERBRIDGE	18	12.9	7.71	278	2.66	704	6.64	1,139	2	6.64	1,139						
CHANNING	17	12.2	3.44	(141)	(5.71)	(243)	(5.67)	(475)	(1)	(5.67)	(475)						
CWC	10	7.2	3.71	(118)	(7.72)	(389)	(13.11)	(1,028)	(2)	(13.11)	(1,028)						
NICHOLS	16	11.5	5.13	20	(3.65)	73	(0.62)	413	1	(0.62)	413						
TOTAL PROGRESS EMERGING MANAGER FUND OF FUNDS****	**139**	**100.0**	**4.72**	**(17)**	**(4.57)**	**(78)**	**(2.92)**	**(20)**	**(0)**	**(2.92)**	**(20)**						

* Value Added is the Excess BPS converted into a dollar value by multiplying the excess bps by the fiscal year to date average market value.
***** Total Emerging Manger FOF Transition portfolios are included in Ending Market Value

Section III

Total Private Equity

QUARTER ENDING JUNE 30, 2012

Section III: Private Equity

Private Equity Summary & Performance by Strategy

TOTAL PRIVATE EQUITY SUMMARY *	June 30, 2012		1 Month		3 Months		FYTD			1 Yr		3 Yr		5 Yr		10 Yr	
	Ending Market Value (MM)	% of Total Assets	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	$ Value Added (MM) **	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps
PRIVATE EQUITY PARTNERSHIP INVESTMENTS	34,154	99.7	0.82	(93)	5.05	(821)	5.57	55	179	5.57	55	20.10	(548)	7.37	(501)	10.01	(86)
PRIVATE EQUITY DISTRIBUTION STOCK ***	95	0.3	(13.91)	(1,566)	(16.90)	(3,017)	(35.73)	(4,075)	(55)	(35.73)	(4,075)	(2.38)	(2,795)	(0.46)	(1,284)	8.89	(197)
TOTAL PRIVATE EQUITY	**34,249**	**100.0**	**0.78**	**(97)**	**4.99**	**(828)**	**5.37**	**35**	**113**	**5.37**	**35**	**20.02**	**(556)**	**7.24**	**(514)**	**9.91**	**(96)**

PRIVATE EQUITY STRATEGY *	June 30, 2012		3 Months	FYTD	1 Yr	3 Yr	5 Yr	10 Yr
	Ending Market Value (MM)	% of Total Assets	Net Rate of Return	Net Rate of Return	Net Rate of Return	Net Rate of Return	Net Rate of Return	Net Rate of Return
BUYOUT	19,408	56.8	5.79	6.80	6.80	18.49	8.03	15.40
CREDIT RELATED	6,298	18.4	10.10	7.67	7.67	35.69	12.24	14.13
GROWTH EXPANSION	5,188	15.2	1.49	2.96	2.96	17.13	5.33	5.32
VENTURE CAPITAL	2,138	6.3	(2.64)	1.47	1.47	6.68	1.00	0.04
OPPORTUNISTIC	976	2.9	(1.14)	(2.15)	(2.15)	15.81	0.50	2.06
TOTAL PRIVATE EQUITY STRATEGY	**34,154**	**100.0**	**5.07**	**5.62**	**5.62**	**20.12**	**7.42**	**10.03**

* Private Equity time weighted rate of returns are computed by State Street Bank and are based on General Partner's most recent recieved financial statements and any cash adjustments received prior to two business days before the end of the quarter.

** Value Added is the Excess BPS converted into a dollar value by multiplying the excess bps by the fiscal year to date average market value.

*** Private Equity Stock Distribution Portfolio is highly concentrated and significant tracking errors are expected due to its use of the Global Equity based Private Equity Policy Benchmark.

Private Equity Top 20 General Partner by Exposure

TOP 20 PRIVATE EQUITY PARTNERS EXPOSURE *	June 30, 2012 Ending Market Value (MM)	June 30, 2012 % of Total Private Real Estate
APOLLO MANAGEMENT	4,597	13.5
CARLYLE GROUP	3,576	10.5
TPG CAPITAL	2,008	5.9
CALIFORNIA EMERGING VENTURES	1,242	3.6
BLACKSTONE GROUP	1,109	3.2
KKR AND CO.	1,060	3.1
CVC CAPITAL PARTNERS	1,045	3.1
SILVER LAKE	964	2.8
CAPITAL DYNAMICS	948	2.8
ADVENT INTERNATIONAL	818	2.4
YUCAIPA	735	2.2
ARES MANAGEMENT LLC	690	2.0
FIRST RESERVE	686	2.0
HELLMAN AND FRIEDMAN CAPITAL PARTNERS	675	2.0
OAK HILL CAPITAL PARTNERS	625	1.8
GREEN EQUITY INVESTORS	506	1.5
BRIDGEPOINT CAPITAL	445	1.3
HEALTH EVOLUTION PARTNERS	439	1.3
AVENUE CAPITAL PARTNERS	424	1.2
WLR RECOVERY	422	1.2
TOP 20 PRIVATE EQUITY PARTNERS EXPOSURE	**23,015**	**67.4**
OTHER PRIVATE EQUITY PARTNERS EXPOSURE	**11,139**	**32.6**
TOTAL PRIVATE EQUITY PARTNERS EXPOSURE	**34,154**	**100.0**

* Private Equity Partners exposure data is based on General Partner's most recent received financial statements and any cash adjustments received prior to two business days before the end of the quarter.

Private Equity Performance by General Partner

PRIVATE EQUITY GENERAL PARTNERS *	June 30, 2012 Ending Market Value (MM)	June 30, 2012 % of Total Assets	3 Months Net Rate of Return	FYTD Net Rate of Return	1 Yr Net Rate of Return	3 Yr Net Rate of Return	5 Yr Net Rate of Return	10 Yr Net Rate of Return
57 STARS	377	1.1	(0.26)	0.99	0.99	13.82	5.78	
ABERDARE	33	0.1	0.00	(7.44)	(7.44)	(13.68)	(9.18)	
ADVENT INTERNATIONAL	818	2.4	13.79	13.29	13.29	22.53	25.13	30.65
AFFINITY EQUITY PARTNERS	103	0.3	(1.34)	20.71	20.71	32.52	(38.52)	
AISLING CAPITAL	84	0.2	2.22	2.23	2.23	0.70	(4.46)	8.16
ALTA CALIFORNIA PARTNERS	4	0.0	13.73	(16.43)	(16.43)	3.59		
ALTA PARTNERS	0	0.0	(0.33)	(1.49)	(1.49)	9.84	47.27	
APAX EUROPE	0	0.0	(0.32)	(21.24)	(21.24)	16.51	6.33	28.27
APOLLO MANAGEMENT	4,597	13.5	14.68	3.18	3.18	45.58	11.07	16.41
ARCLIGHT	205	0.6	(1.08)	8.90	8.90	15.31	7.94	
ARES MANAGEMENT LLC	690	2.0	20.14	21.28	21.28	37.93	13.13	
ASIA ALTERNATIVE ASSETS	255	0.7	0.99	3.36	3.36	8.94	4.94	
AUDAX GROUP	192	0.6	(2.33)	21.16	21.16	15.68	9.85	
AURORA CAPITAL GROUP	414	1.2	6.75	21.97	21.97	18.11	8.52	9.32
AVENUE CAPITAL PARTNERS	424	1.2	6.97	(3.41)	(3.41)	23.54	4.87	9.14
BANK OF AMERICA	56	0.2	0.48	(1.08)	(1.08)	1.55	(2.44)	
BARING	48	0.1	(9.09)	(23.74)	(23.74)	(9.56)	1.95	
BASTION CAPITAL	89	0.3	16.62	(15.27)	(15.27)	26.19	5.76	
BIRCH HILL EQUITY PARTNERS	140	0.4	5.74	(6.41)	(6.41)	20.07	9.75	
BLACKSTONE GROUP	1,109	3.2	4.86	8.40	8.40	17.85	5.93	14.51
BRIDGEPOINT CAPITAL	445	1.3	1.90	4.21	4.21	6.93	0.01	11.42
CALIFORNIA EMERGING VENTURES	1,242	3.6	0.91	7.80	7.80	9.22	4.02	3.91
CANDOVER	60	0.2	(48.14)	(50.76)	(50.76)	(18.72)	(19.33)	3.28
CAPITAL DYNAMICS	948	2.8	(0.24)	2.32	2.32	2.21	(2.17)	
CARLYLE GROUP	3,576	10.5	4.05	6.60	6.60	22.43	15.26	17.17
CENTRAL VALLEY	142	0.4						
CERBERUS INSTITUTIONAL PARTNER	2	0.0						
CLARUS VENTURES	57	0.2	2.53	(4.85)	(4.85)	2.93	(0.94)	
CLEARSTONE VENTURE PARTNERS	15	0.0	(45.66)	(40.46)	(40.46)	(5.01)	(8.53)	
CLEARWATER CAPITAL	197	0.6	8.07	(1.27)	(1.27)	20.34	4.27	

* Private Equity time weighted rate of returns are computed by State Street Bank and are based on General Partner's most recent recieved financial statements and any cash adjustments received prior to two business days before the end of the quarter.

Private Equity Performance by General Partner

PRIVATE EQUITY GENERAL PARTNERS *	June 30, 2012 Ending Market Value (MM)	June 30, 2012 % of Total Assets	3 Months Net Rate of Return	FYTD Net Rate of Return	1 Yr Net Rate of Return	3 Yr Net Rate of Return	5 Yr Net Rate of Return	10 Yr Net Rate of Return
CLESSIDRA CAPITAL	71	0.2	(8.03)	(18.02)	(18.02)	(12.34)	(0.09)	
COLLER CAPITAL	276	0.8	5.23	9.71	9.71	10.61	8.65	8.01
CONVERSUS	406	1.2	2.01	(0.87)	(0.87)	33.58	(0.85)	
COURT SQUARE VENTURES	155	0.5	5.40	7.44	7.44	14.53		
CRATON EQUITY PARTNERS	31	0.1	0.27	(2.25)	(2.25)	(4.43)	(16.50)	
CVC CAPITAL PARTNERS	1,045	3.1	8.14	10.31	10.31	21.09	7.90	20.94
DARBY OVERSEAS INVESTMENTS	113	0.3	20.63	15.76	15.76	13.10	12.66	
DFJ	27	0.1	(22.10)	(22.62)	(22.62)	(11.54)	(7.09)	
EM ALTERNATIVES	52	0.2	(3.81)	(10.01)	(10.01)	9.31	(8.37)	
EMERGENCE	8	0.0	(28.44)	(18.02)	(18.02)	(2.73)	(5.13)	
ENERTECH CAPITALPARTNERS	3	0.0	(41.70)	(33.88)	(33.88)	(8.54)		
ESSEX WOODLANDS HEALTH VENTURES	69	0.2	4.76	(2.85)	(2.85)	(2.72)		
ETHOS PRIVATE EQUITY	0	0.0	58.58	24.77	24.77			
EXXEL GROUP	0	0.0	0.00	0.00	0.00	0.00	(0.42)	(46.80)
FALCONHEAD CAPITAL	42	0.1	(34.92)	(21.57)	(21.57)	7.54	(0.99)	
FENWAY PARTNERS	1	0.0	0.00	0.00	0.00	(3.60)	(3.14)	13.53
FIRST RESERVE	686	2.0	5.12	8.17	8.17	10.73	9.79	30.69
FRANCISCO PARTNERS	150	0.4	0.80	6.17	6.17	12.08	9.56	9.84
FREEMAN SPOGLI AND CO.	12	0.0	(48.81)	(46.57)	(46.57)	(11.24)	(4.52)	16.37
GAEL PARTNERS, LLC	17	0.0	27.85	42.25	42.25	21.82	20.17	
GARAGE VENTURES	7	0.0	(4.24)	(9.98)	(9.98)	(8.77)	(1.72)	
GENERATION PARTNERS	0	0.0	(9.74)	(12.32)	(12.32)	(18.19)	(5.60)	(0.42)
GIZA	1	0.0	(68.94)	(76.66)	(76.66)	(42.65)	(100.00)	
GLEACHER	35	0.1	(6.81)	(9.18)	(9.18)	5.03	1.82	13.90
GRANITE GLOBAL VENTURES	92	0.3	6.95	(7.80)	(7.80)	19.35	8.47	
GREEN EQUITY INVESTORS	506	1.5	5.88	11.81	11.81	62.51	32.20	32.96
GTCR	0	0.0	0.00	36.80	36.80			
HAMILTON LANE	354	1.0	7.02	15.11	15.11	11.23	0.78	
HEALTH EVOLUTION PARTNERS	439	1.3	1.91	4.85	4.85	(3.57)	(7.32)	
HELLMAN AND FRIEDMAN CAPITAL PARTNERS	675	2.0	3.52	0.51	0.51	16.21	13.69	22.33

* Private Equity time weighted rate of returns are computed by State Street Bank and are based on General Partner's most recent recieved financial statements and any cash adjustments received prior to two business days before the end of the quarter.

Private Equity Performance by General Partner

PRIVATE EQUITY GENERAL PARTNERS *	June 30, 2012 Ending Market Value (MM)	June 30, 2012 % of Total Assets	3 Months Net Rate of Return	FYTD Net Rate of Return	1 Yr Net Rate of Return	3 Yr Net Rate of Return	5 Yr Net Rate of Return	10 Yr Net Rate of Return
HUNTSMAN GAY CAPITAL	148	0.4	7.50	14.49	14.49	7.07		
INNER CITY VENTURE	20	0.1	3.06	11.99	11.99	20.53	11.28	11.67
INSIGHT CAPITAL	144	0.4	3.99	21.74	21.74	27.20	20.57	
IRONBRIDGE	57	0.2	(11.41)	(12.45)	(12.45)	19.67	4.47	
KHOSLA VENTURES	234	0.7	(5.92)	22.83	22.83	12.73		
KKR AND CO.	1,060	3.1	8.13	1.35	1.35	18.35	1.62	
KLINE HAWKES CALIFORNIA	56	0.2	(0.77)	(19.75)	(19.75)	(3.64)	(0.85)	(3.65)
KMCP	251	0.7	0.14	0.34	0.34	22.03	10.33	8.38
KPS	111	0.3	(0.24)	9.27	9.27	30.03		
LEVINE LEICHTMAN CAPITAL PARTNERS	195	0.6	2.62	5.44	5.44	17.34	0.95	4.74
LEXINGTON PARTNERS	67	0.2	1.20	9.78	9.78	13.40	10.48	12.23
LIGHTSPEED VENTURES	23	0.1	(36.08)	(29.94)	(29.94)	(3.99)	(1.25)	
LIME ROCK	151	0.4	6.26	0.06	0.06	14.57	4.56	
LION CAPITAL	144	0.4	(11.15)	(19.54)	(19.54)	4.27	(2.41)	
LOMBARD INVESTMENTS	76	0.2	15.43	39.68	39.68	55.12	23.37	24.22
MADISON DEARBORN PARTNERS	331	1.0	11.64	12.61	12.61	19.71	6.69	12.93
MAGNUM CAPITAL	72	0.2	0.88	(10.55)	(10.55)	0.30	(9.09)	
MARKSTONE CAPITAL	17	0.0	(43.34)	(44.11)	(44.11)	(18.24)	(8.61)	
MHR	341	1.0	15.90	14.00	14.00	21.58	4.64	
NEW ENTERPRISE ASSOCIATES	50	0.1	(14.90)	7.71	7.71	11.58	7.98	
NEW MOUNTAIN CAPITAL LLC	354	1.0	(0.18)	17.48	17.48	10.15	5.64	
NGEN	5	0.0	8.55	(23.74)	(23.74)	(27.78)	(20.46)	
NOGALES	11	0.0	(52.62)	(48.07)	(48.07)	(16.71)	(33.24)	(32.42)
OAK HILL CAPITAL PARTNERS	625	1.8	6.18	15.84	15.84	9.81	1.97	
OAKTREE CAPITAL MANAGEMENT	82	0.2	3.73					
PACIFIC COMMUNITY VENTURES	2	0.0	(3.99)	(7.75)	(7.75)	(7.85)	(16.67)	
PAGASI	29	0.1	(12.37)					
PALLADIUM	178	0.5	22.78	31.58	31.58	30.84	11.81	
PARISH CAPITAL	44	0.1	(43.86)	(42.48)	(42.48)	(9.02)	(5.96)	
PERMIRA	326	1.0	17.54	14.80	14.80	6.68	3.44	21.50

* Private Equity time weighted rate of returns are computed by State Street Bank and are based on General Partner's most recent recieved financial statements and any cash adjustments received prior to two business days before the end of the quarter.

Private Equity Performance by General Partner

PRIVATE EQUITY GENERAL PARTNERS *	June 30, 2012 Ending Market Value (MM)	June 30, 2012 % of Total Assets	3 Months Net Rate of Return	FYTD Net Rate of Return	1 Yr Net Rate of Return	3 Yr Net Rate of Return	5 Yr Net Rate of Return	10 Yr Net Rate of Return
PHAROS CAPITAL	19	0.1	(33.89)	(27.85)	(27.85)	(3.65)	6.64	
PINNACLE VENTURES	16	0.0	(13.07)	(8.28)	(8.28)	2.27	5.36	
POLISH ENTERPRISE	112	0.3	1.44	14.94	14.94	20.09	0.11	3.64
PROSPECT PARTNERS	31	0.1	(36.50)	(24.97)	(24.97)	(2.81)	(4.27)	(2.17)
PROVIDENCE EQUITY PARTNERS	357	1.0	5.27	6.71	6.71	14.04	4.74	
QUADRANGLE CAPITAL PARTNERS	62	0.2	(16.53)	(19.82)	(19.82)	5.24	2.48	
RHONE PARTNERS	95	0.3	3.53	(7.39)	(7.39)	12.31	5.41	
RICHARDSON FINANCIAL GROUP	33	0.1	4.08	(1.44)	(1.44)	13.16	(5.76)	
RIPPLEWOOD PARTNERS	15	0.0	(36.82)	(36.99)	(36.99)	(1.87)	1.83	
RIVERWOOD CAPITAL LLC	74	0.2	36.22	79.97	79.97			
ROCKPORT	4	0.0	(47.88)	(69.96)	(69.96)	(33.27)	(18.20)	
ROSEWOOD CAPITAL	10	0.0	(31.43)	(17.04)	(17.04)	4.84	(7.39)	
SAGEVIEW CAPITAL LLC	73	0.2	0.00	0.00	0.00			
SAIF PARTNERS	229	0.7	4.42	8.82	8.82	19.60	12.52	
SILVER LAKE	964	2.8	2.91	20.70	20.70	35.95	6.92	25.18
SPACEVEST	0	0.0						
STANDARD LIFE	256	0.7	0.80	(1.77)	(1.77)	(5.21)		
TA ASSOCIATES	72	0.2	(8.73)	(6.38)	(6.38)	7.62	(0.54)	
TAILWIND	65	0.2	3.42	10.28	10.28	14.40	(100.00)	
TECHNOLOGY PARTNERS	2	0.0	10.29	(26.81)	(26.81)	(23.42)		
THE RESOLUTE FUND	116	0.3	7.97	8.03	8.03	6.87		
THL EQUITY ADVISORS	249	0.7	5.49	7.16	7.16	13.12	0.67	5.41
TOWERBROOK CAPITAL PARTNERS	295	0.9	4.84	20.40	20.40	27.03	12.36	29.72
TPG CAPITAL	2,008	5.9	5.34	5.06	5.06	20.68	6.26	12.32
TRICOR PACIFIC CAPITAL	74	0.2	(18.66)	7.16	7.16	9.75	(1.43)	
TRINITY VENTURES	16	0.0	(1.62)	(10.37)	(10.37)	0.78	8.76	
TSG CAPITAL GROUP	0	0.0	0.00	0.00	0.00	(16.79)	(8.06)	(11.81)
VANTAGEPOINT VENTURE PARTNERS	81	0.2	(7.98)	(9.54)	(9.54)	3.09	4.40	
W CAPITAL PARTNERS	105	0.3	6.81	(7.70)	(7.70)	22.07	8.67	
WAYZATA OPPORTUNITIES FUND	321	0.9	5.16	13.57	13.57	28.42		

* Private Equity time weighted rate of returns are computed by State Street Bank and are based on General Partner's most recent recieved financial statements and any cash adjustments received prior to two business days before the end of the quarter.

Private Equity Performance by General Partner

PRIVATE EQUITY GENERAL PARTNERS *	June 30, 2012 Ending Market Value (MM)	June 30, 2012 % of Total Assets	3 Months Net Rate of Return	FYTD Net Rate of Return	1 Yr Net Rate of Return	3 Yr Net Rate of Return	5 Yr Net Rate of Return	10 Yr Net Rate of Return
WELLSPRING CAPITAL MANAGEMENT	29	0.1	(11.73)	(35.71)	(35.71)			
WELSH AND CARSON AND ANDERSON AND STOWE	267	0.8	3.58	11.33	11.33	11.08	4.52	9.57
WLR RECOVERY	422	1.2	(3.11)	(6.77)	(6.77)	13.87	2.57	26.06
YUCAIPA	735	2.2	(1.37)	(3.24)	(3.24)	2.90	0.00	(15.71)
PRIVATE EQUITY PARTNERSHIP INVESTMENTS **	**34,154**	**100.0**	**5.07**	**5.62**	**5.62**	**20.12**	**7.42**	**10.03**

* Private Equity time weighted rate of returns are computed by State Street Bank and are based on General Partner's most recent recieved financial statements and any cash adjustments received prior to two business days before the end of the quarter.

** Private Equity Partnership Investments Totals include Currency and unclassified investments.

Section IV

Income

QUARTER ENDING JUNE 30, 2012

Section IV: Income

Global Income Summary & Domestic Income

TOTAL GLOBAL FIXED INCOME SUMMARY	June 30, 2012		1 Month		3 Months		FYTD			1 Yr		3 Yr		5 Yr		10 Yr	
	Ending Market Value (MM)	% of Total Assets	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	$ Value Added (MM) **	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps
TOTAL DOMESTIC FIXED INCOME	38,306	91.3	0.05	17	4.25	(23)	13.80	(129)	(479)	13.80	(129)	13.79	277	9.67	30	8.22	77
TOTAL INTERNATIONAL FIXED INCOME	3,638	8.7	0.52	30	1.09	70	2.45	167	61	2.45	167	8.41	291	8.80	145	8.01	81
TOTAL GLOBAL FIXED INCOME	**41,944**	**100.0**	**0.09**	**18**	**3.97**	**(19)**	**12.74**	**(115)**	**(469)**	**12.74**	**(115)**	**13.23**	**264**	**9.61**	**34**	**8.27**	**76**

DOMESTIC FIXED INCOME	June 30, 2012		1 Month		3 Months		FYTD			1 Yr		3 Yr		5 Yr		10 Yr	
	Ending Market Value (MM)	% of Total Assets	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	$ Value Added (MM) **	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps
EQUITABLE CCMF	15	0.0	0.66	51	2.19	112	7.56	249	0	7.56	249	7.21	100	7.45	91	7.79	248
PERS INTERNAL BONDS SOVEREIGN*	1,264	3.3	2.61	19	4.76	15	15.69	109	11	15.69	109	13.83	105	9.78	(85)	8.80	(39)
HIGH YIELD*	183	0.5	0.34	(174)	(0.34)	(192)	(0.57)	(780)	(20)	(0.57)	(780)	13.91	(181)	13.05	501	15.78	585
DURATION MANAGEMENT*	1,410	3.7	(1.29)	(42)	8.00	55	22.60	(26)	(6)	22.60	(26)	10.48	(145)	9.99	(91)	7.36	(75)
INTERNAL INV-GRADE CORP*	8,781	22.9	0.34	12	3.75	(39)	14.21	(179)	(161)	14.21	(179)	14.64	11	9.70	(8)	8.80	49
MHLP-BRS	253	0.7	1.46	130	5.66	459	10.44	537	15	10.44	537	3.59	(261)	4.69	(184)	5.24	(7)
LONG DURATION MTG*	3,430	9.0	0.34	46	2.65	(182)	10.83	(426)	(110)	10.83	(426)	15.87	587	10.19	24		
HIGH YIELD BOND MANAGERS ACCOUNTING*	654	1.7	2.07	(0)	1.69	12	7.51	28	2	7.51	28	16.71	100	7.69	(35)		
LONG DURATION CORPORATES*	183	0.5	0.01	13	4.67	19	17.41	232	3	17.41	232	20.60	666	11.69	200		
CALPERS MORTGAGE - LINE ITEM IN PERF*	8,940	23.3	0.26	11	1.27	20	5.68	61	55	5.68	61	9.45	324	6.85	31		
OPPORTUNISTIC*	182	0.5	1.30		3.00		(22.84)			(22.84)		(17.79)		(12.77)			
HIGH YIELD MORTGAGE*	246	0.6	0.94	(114)	4.13	256	1.32	(591)	(13)	1.32	(591)	16.70	99				
HIGHLAND CLN - LONGHORN A*	259	0.7	0.42	(166)	0.45	(112)	2.60	(463)	(12)	2.60	(463)	13.23	(248)				
HIGHLAND CLN - LONGHORN B*	137	0.4	0.00	(207)	2.85	127	0.40	(683)	(9)	0.40	(683)	16.59	88				
BB INTERNAL HIGH YIELD*	252	0.7	1.96	(4)	1.34	(40)	8.43	18	0	8.43	18	13.19	(21)				
NON-TRADITIONAL HIGH YIELD*	188	0.5	(2.88)	(496)	7.13	556	(6.73)	(1,396)	(27)	(6.73)	(1,396)						
GOVERNMENTS*	11,929	31.1	(0.72)	15	7.07	(38)	21.80	(106)	(128)	21.80	(106)						
TOTAL DOMESTIC FIXED INCOME	**38,306**	**100.0**	**0.05**	**17**	**4.25**	**(23)**	**13.80**	**(129)**	**(479)**	**13.80**	**(129)**	**13.79**	**277**	**9.67**	**30**	**8.22**	**77**

* Unitized portfolios owned by other retirement plans. Ending Market Value represents the PERF's Ownership in the portfolio.
** Value Added is the Excess BPS converted into a dollar value by multiplying the excess bps by the fiscal year to date average market value.

Section IV: Income

External International & External High Yield

EXTERNAL INTERNATIONAL FIXED INCOME***	June 30, 2012		1 Month		3 Months		FYTD			1 Yr		3 Yr		5 Yr		10 Yr	
	Ending Market Value (MM)	% of Total Assets	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	$ Value Added (MM) **	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps
BARING ASSET MANAGEMENT	662	18.2	0.47	25	1.29	89	1.14	36	2	1.14	36	7.04	154	8.24	89	7.39	18
ROGGE GLOBAL PARTNERS	543	14.9	0.40	18	0.60	20	1.18	39	4	1.18	39	6.62	113	7.91	56	7.81	61
PIMCO	1,245	34.2	0.66	44	1.50	110	5.34	456	56	5.34	456	10.54	505	10.13	278		
ALLIANCE BERNSTEIN INSTITUTIONAL INVESTMENTS	683	18.8	0.38	16	0.75	36	0.56	(22)	(2)	0.56	(22)	8.69	320	7.75	40		
TOTAL EXTERNAL INTERNATIONAL FIXED INCOME	**3,638**	**100.0**	**0.52**	**30**	**1.09**	**70**	**2.45**	**167**	**61**	**2.45**	**167**	**8.41**	**291**	**8.80**	**145**	**8.01**	**81**

EXTERNAL HIGH YIELD FIXED INCOME	June 30, 2012		1 Month		3 Months		FYTD			1 Yr		3 Yr		5 Yr		10 Yr	
	Ending Market Value (MM)	% of Total Assets	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	$ Value Added (MM) **	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps
COLUMBIA HIGH YIELD*	206		2.70	55	2.29	89	9.40	311	6	9.40	311						
HIGH YIELD NOMURA*	289		1.92	(16)	2.31	74	8.02	79	3	8.02	79	19.76	405	9.15	112	10.52	59
LOGAN CIRCLE HY*	212		1.64	(51)	0.34	(106)	4.30	(199)	(4)	4.30	(199)						

* Unitized portfolios owned by multiple retirement plans. Portfolios roll up to the PERF High Yield Bond Managers portfolio.
** Value Added is the Excess BPS converted into a dollar value by multiplying the excess bps by the fiscal year to date average market value.
*** Ending market value and returns includes Fixed Income Transition portfolio.

Section V

Real Assets

QUARTER ENDING JUNE 30, 2012

Real Assets Performance Summary & Real Estate Performance Summary

REAL ASSETS*	June 30, 2012 Ending Market Value (MM)	% of Total Assets	1 Month**** Net Rate of Return	Excess Bps	3 Months Net Rate of Return	Excess Bps	FYTD Net Rate of Return	Excess Bps	$ Value Added (MM) ***	1 Yr Net Rate of Return	Excess Bps	3 Yr Net Rate of Return	Excess Bps	5 Yr Net Rate of Return	Excess Bps	10 Yr Net Rate of Return	Excess Bps
REAL ESTATE**	21,013	86.9	9.08	623	8.73	619	15.92	322	606	15.92	322	(7.03)	(1,581)	(12.07)	(1,663)	2.38	(667)
FORESTLAND**	2,117	8.8	(0.02)	(38)	(0.02)	(38)	(11.01)	(1,219)	(251)	(11.01)	(1,219)	(4.13)	(286)				
INFRASTRUCTURE**	1,048	4.3	4.51	342	4.51	187	8.36	161	11	8.36	161	30.00	2,248				
TOTAL REAL ASSETS	**24,178**	**100.0**	**8.01**	**555**	**7.72**	**536**	**12.59**	**160**	**346**	**12.59**	**160**	**(6.15)**	**(1,269)**	**(10.77)**	**(1,449)**	**3.13**	**(546)**

REAL ESTATE*	June 30, 2012 Ending Market Value (MM)	% of Total Assets	1 Month**** Net Rate of Return	Excess Bps	3 Months Net Rate of Return	Excess Bps	FYTD Net Rate of Return	Excess Bps	$ Value Added (MM) ***	1 Yr Net Rate of Return	Excess Bps	3 Yr Net Rate of Return	Excess Bps	5 Yr Net Rate of Return	Excess Bps	10 Yr Net Rate of Return	Excess Bps
PRIVATE REAL ESTATE**	19,680	93.7	9.22	637	9.22	668	17.24	455	793	17.24	455	(7.53)	(1,632)	(11.50)	(1,606)	2.55	(650)
PUBLIC REITS	1,333	6.3	6.54	2	2.01	(11)	2.16	(20)	(2)	2.16	(20)	18.14	(137)	(3.79)	(125)	8.65	(135)
TOTAL REAL ESTATE*	**21,013**	**100.0**	**9.08**	**623**	**8.73**	**619**	**15.92**	**322**	**606**	**15.92**	**322**	**(7.03)**	**(1,581)**	**(12.07)**	**(1,663)**	**2.38**	**(667)**

PRIVATE REAL ESTATE*	June 30, 2012 Ending Market Value (MM)	% of Total Assets	1 Month**** Net Rate of Return	Excess Bps	3 Months Net Rate of Return	Excess Bps	FYTD Net Rate of Return	Excess Bps	$ Value Added (MM) ***	1 Yr Net Rate of Return	Excess Bps	3 Yr Net Rate of Return	Excess Bps	5 Yr Net Rate of Return	Excess Bps	10 Yr Net Rate of Return	Excess Bps
STRATEGIC REAL ESTATE**	12,851	65.3	12.66	981	12.66	1,012	22.26	957	1,051	22.26	957	6.41	(238)	7.42	285	14.23	518
LEGACY REAL ESTATE EX PUBLIC**	6,828	34.7	3.37	52	3.37	83	9.46	(324)	(222)	9.46	(324)	(15.19)	(2,398)	(18.24)	(2,280)	(1.59)	(1,065)
PRIVATE REAL ESTATE**	**19,680**	**100.0**	**9.22**	**637**	**9.22**	**668**	**17.24**	**455**	**793**	**17.24**	**455**	**(7.53)**	**(1,632)**	**(11.50)**	**(1,606)**	**2.55**	**(650)**

* The Total Real Assets reflects the ending market value and rate of returns reported for June 30, 2012 published by State Street Bank. Ending Market Values and Returns includes Real Estate Transition portfolio.
**Partnership Market Values and Returns are based on the General Partner's March 31, 2011 financial statements and reported by CalPERS Portfolio Analytics.
*** Value Added is the Excess BPS converted into a dollar value by multiplying the excess bps by the fiscal year to date average market value.
**** Forestland, Infrastructure and Private Real Estate returns are reported on a quarterly basis.

Real Estate Top 20 Partnership Exposure

TOP 20 REAL ESTATE PARTNERS EXPOSURE	March 31, 2012 Ending Market Value (MM)	March 31, 2012 % of Total Private Real Estate
GI Partners (CBRE)	3,616	18.4
Miller Capital	2,344	11.9
GID Advisors	2,074	10.5
CIM Management	1,746	8.9
Hines	1,067	5.4
CWP	952	4.8
First Washington	852	4.3
Institutional Housing Partners	562	2.9
Starwood Capital	536	2.7
ARA Fund Management	534	2.7
RREEF	347	1.8
Resmark Equity Partners, LLC	321	1.6
IL & FS Investment Managers Limited	274	1.4
Secured Capital	260	1.3
Fortress Investment Group	259	1.3
Shea Homes, L.P.	254	1.3
Centerline Capital Group	224	1.1
Bentall Kennedy LP	221	1.1
Klein Financial	197	1.0
Rockpoint Group	189	1.0
TOP 20 REAL ESTATE PARTNERS EXPOSURE	**16,829**	**85.5**
OTHER REAL ESTATE PARTNERS EXPOSURE	**2,851**	**14.5**
TOTAL REAL ESTATE PARTNERS EXPOSURE	**19,680**	**100.0**

*Partnership Market Values and Returns are based on the General Partner's March 31, 2012 financial statements and reported by CalPERS Portfolio Analytics.

Real Estate Partnerships Performance by Strategy

STRATEGIC REAL ESTATE PARTNERS*	March 31, 2012 Ending Market Value (MM)	March 31, 2012 % of Total Strategic Assets	QTR Net Rate of Return	FYTD Net Rate of Return	1 Yr Net Rate of Return	3 Yr Net Rate of Return	5 Yr Net Rate of Return
AGI-TMG Housing Partners I, LLC	74	0.6	6.1	44.2	44.2		
ARA Asia Dragon Fund	534	4.2	(0.3)	19.2	19.2	8.4	
CalEast Canada LP	143	1.1	11.1	2.9	2.9		
CalEast Industrial Investors, LLC	330	2.6	(8.8)	0.5	0.5		
CalEast Solstice, LLC	1,995	15.5	3.3	33.3	33.3		
CalWest Industrial Properties, LLC	347	2.7	1.9	4.6	4.6	(7.3)	5.0
Canyon Johnson Urban Fund III	114	0.9	3.3	10.4	10.4		
CIM Fund III, L.P.	635	4.9	20.4	18.1	18.1		
CIM Urban Real Estate Fund, L.P.	620	4.8	21.9	24.8	24.8	5.7	6.0
CIM Urban REIT, LLC	473	3.7	9.2	11.8	11.8	7.6	6.0
Fifth Street Properties	51	0.4	(8.8)	(8.7)	(8.7)	(21.8)	(14.8)
FSP -DT 2011	70	0.5	6.4	6.8			
Global Retail Investors, LLC	805	6.3	6.3	28.8	28.8	34.3	14.0
GRI - DT 2011	46	0.4	(1.8)	1.1			
HC Green Development Fund, L.P.	162	1.3	(2.0)	1.4	1.4	(3.3)	
HCB Interests II, L.P.	748	5.8	6.8	18.4	18.4		
HCB Interests, L.P.	1	0.0	(2.6)	51.0	51.0	52.2	42.8
HCC Interests, L.P.	49	0.4	(3.3)	(10.6)	(10.6)		
IL & FS India Realty Fund II, LLC	176	1.4	2.7	1.1	1.1	4.2	
IL & FS India Realty Fund, LLC	98	0.8	(5.5)	(19.3)	(19.3)	(2.9)	(4.5)
IMI - DT 2011	123	1.0	1.0	2.6			
Institutional Mall Investors, LLC	2,221	17.3	22.4	24.4	24.4	7.8	6.6
National Office Partners LLC (CWP)	832	6.5	25.9	34.1	34.1		
Sun Apollo India Real Estate Fund, LLC	25	0.2	4.7	(1.4)	(1.4)	7.1	

*Partnership Market Values and Returns are based on the General Partner's March 31, 2012 financial statements and reported by CalPERS Portfolio Analytics.

Real Estate Partnerships Performance by Strategy

STRATEGIC REAL ESTATE PARTNERS*	March 31, 2012		QTR	FYTD	1 Yr	3 Yr	5 Yr
	Ending Market Value (MM)	% of Total Strategic Assets	Net Rate of Return	Net Rate of Return	Net Rate of Return	Net Rate of Return	Net Rate of Return
Western Multifamily (GID)	1,844	14.3	28.2	36.1	36.1		
WMF DT - 2011	212	1.6	4.8	7.0			
Xander Co-Investment	104	0.8	3.2	(11.7)	(11.7)	(1.1)	
Xander JV Fund I (India Realty)	19	0.1	2.8	9.0	9.0	2.1	
TOTAL STRATEGIC PARTNERS	**12,851**	**100.0**	**12.7**	**22.3**	**22.3**	**6.4**	**7.4**

*Partnership Market Values and Returns are based on the General Partner's March 31, 2012 financial statements and reported by CalPERS Portfolio Analytics.

Real Estate Partnerships Performance by Strategy

LEGACY PARTNERS*	March 31, 2012 Ending Market Value (MM)	March 31, 2012 % of Total Legacy Assets	QTR Net Rate of Return	FYTD Net Rate of Return	1 Yr Net Rate of Return	3 Yr Net Rate of Return	5 Yr Net Rate of Return
Principal Mortgage Value Investors, L.P.	17	0.2	4.3	1.6	1.6	30.7	(57.1)
Rockpoint Real Estate Fund II, L.P.	15	0.2	0.3	15.7	15.7	(11.5)	(15.2)
Rockpoint Real Estate Fund III, L.P.	174	2.6	5.0	32.4	32.4	(3.5)	
RREEF Global Opportunities Fund II, LLC	117	1.7	1.4	18.9	18.9	(0.4)	(9.0)
Savanna Real Estate Fund I, L.P.	63	0.9	3.9	2.6	2.6	2.6	
SDL Hospitality Co-Invest Fund, L.P.	202	3.0	0.7	2.6	2.6	2.3	6.4
Secured Capital Japan Real Estate Partners Asia, L.P.	207	3.0	(2.5)	(10.5)	(10.5)	(11.0)	(4.4)
Secured Capital Japan Real Estate Partners I, L.P.	0	0.0	(4.5)	(6.7)	(6.7)	(12.0)	(6.4)
Secured Capital Japan Real Estate Partners II, L.P.	53	0.8	2.2	(17.9)	(17.9)	(14.9)	(5.9)
Shea Capital I, LLC	135	2.0	25.9	18.8	18.8	(26.1)	
Shea Mountain House, LLC	119	1.7	20.4	18.8	18.8	(21.6)	
Starwood Capital Hospitality Fund I-2, L.P.	191	2.8	(1.0)	(5.6)	(5.6)	(1.8)	(4.2)
Starwood Capital Hospitality Fund II Global, L.P.	143	2.1	1.8	10.3	10.3		
Stockbridge Hollywood Park Co-Investors, L.P.	102	1.5	(0.2)	(0.8)	(0.8)	4.1	1.5
Stockbridge Real Estate Fund II-B, L.P.	19	0.3	0.1	9.1	9.1	(44.2)	(50.1)
Strategic Partners Value Enhancement Fund, L.P.	42	0.6	11.6	14.4	14.4	(5.2)	(4.2)
TPG Hospitality Investments IV, LLC	92	1.3					
Urban America L.P. II	58	0.8	1.0	4.8	4.8	(3.2)	(14.6)
Windsor Realty Fund VII, L.P.	18	0.3	1.5	1.5	1.5	(29.9)	(27.6)
TOTAL LEGACY PARTNERS	**6,827**	**100**	**3.4**	**9.5**	**9.5**	**(15.2)**	**(18.2)**

*Partnership Market Values and Returns are based on the General Partner's March 31, 2012 financial statements and reported by CalPERS Portfolio Analytics.

Real Estate Partnerships Performance by Strategy

LEGACY PARTNERS*	March 31, 2012 Ending Market Value (MM)	March 31, 2012 % of Total Legacy Assets	QTR Net Rate of Return	FYTD Net Rate of Return	1 Yr Net Rate of Return	3 Yr Net Rate of Return	5 Yr Net Rate of Return
Fortress Holiday Investment Fund, L.P.	107	1.6	6.7	20.5	20.5	32.2	8.0
Fortress Investment Fund IV (Fund A), L.P.	88	1.3	1.5	(2.7)	(2.7)	11.7	(3.2)
Fortress Residential Investment Deutschland (Fund A)	51	0.7	58.7	(1.8)	(1.8)	21.9	(19.2)
Fortress RIC CoInvestment Fund, L.P.	12	0.2	7.3	(34.6)	(34.6)	44.6	(14.8)
GI Partners Fund II, L.P.	463	6.8	(2.3)	(3.8)	(3.8)	11.9	6.2
GI Partners Fund III, L.P.	477	7.0	5.9	8.7	8.7	27.1	
Global Innovation Partners, LLC	10	0.2					
Guggenheim Structured Real Estate III, L.P.	36	0.5	3.3	4.9	4.9	2.1	
Hampshire Partners Fund VI, L.P.	21	0.3	(0.2)	(3.0)	(3.0)	(12.7)	(7.0)
Harbert European Real Estate Fund II, L.P.	65	0.9	4.0	5.2	5.2	16.8	9.2
HCM Holdings II, L.P.	54	0.8	0.1	(4.6)	(4.6)		
HCM Holdings, L.P.	57	0.8	2.9	16.6	16.6	(3.5)	(9.1)
Hearthstone Housing Partners II, LLC	107	1.6	(0.7)	0.5	0.5	(11.5)	(26.0)
Hearthstone Housing Partners III, LLC	18	0.3	(23.7)	(22.1)	(22.1)		
Hearthstone Multi-State Residential Value-Added III	-8	-0.1					
Hearthstone Path-of-Growth Fund, LLC	66	1.0	(16.5)	(21.1)	(21.1)		
Hines European Development Fund II, L.P.	-3	0.0					
Hines European Development Fund, L.P.	-1	0.0					
IHP Investment Fund I, L.P.	188	2.8	(3.7)	(3.3)	(3.3)	12.7	0.2
IHP Investment Fund II, L.P.	32	0.5	(18.9)	(25.9)	(25.9)	(16.6)	(41.4)
IHP Investment Fund III, L.P.	340	5.0	(2.5)	10.1	10.1	(14.9)	(29.4)
JER US Debt Co-Investment Vehicle, L.P.	62	0.9	6.6	30.2	30.2	(24.4)	
KAREC California Development Program, LLC	221	3.2	18.4	7.2	7.2	(14.1)	(5.0)
KC 2011, LLC	130	1.9	3.3	15.0	15.0		

*Partnership Market Values and Returns are based on the General Partner's March 31, 2012 financial statements and reported by CalPERS Portfolio Analytics.

Real Estate Partnerships Performance by Strategy

LEGACY PARTNERS*	March 31, 2012 Ending Market Value (MM)	March 31, 2012 % of Total Legacy Assets	QTR Net Rate of Return	FYTD Net Rate of Return	1 Yr Net Rate of Return	3 Yr Net Rate of Return	5 Yr Net Rate of Return
Kennedy Wilson Property Fund II	14	0.2	(49.8)	(51.9)	(51.9)	(32.0)	(17.1)
KSC Affordable Housing Investment Fund, LLC	67	1.0	2.4	13.0	13.0	3.3	1.4
LaSalle Asia Opportunity Fund III, L.P.	99	1.5	2.5	13.6	13.6		
LaSalle French Fund II, L.P.	45	0.7	0.5	6.3	6.3	3.6	0.2
LaSalle Japan Logistics Fund II, L.P.	26	0.4	6.4	10.0	10.0		
Legacy Partners Affordable Housing Fund, LLC	64	0.9	18.7	5.9	5.9	(27.5)	(18.0)
Market Street Capital Partners/Divco West	94	1.4	9.8	9.9	9.9	8.8	(8.3)
Meriwether Farms, LLC	87	1.3	(95.1)	(95.7)	(95.7)	(71.9)	(53.8)
MGPA Asia Fund II	72	1.1	0.6	4.0	4.0	3.3	2.8
MGPA Europe Parallel Fund II, L.P.	56	0.8	0.9	(6.0)	(6.0)	6.0	(6.0)
Newland National Partners III, LLC	131	1.9	1.1				
Newland National Partners IV, LLC	50	0.7	(11.5)	38.3	38.3	(37.7)	(69.2)
Niam Nordic Investment Fund III	47	0.7	2.8	(0.9)	(0.9)	12.8	11.8
Niam Nordic Investment Fund IV	135	2.0	3.7	18.4	18.4	18.8	
NNP Whitney Ranch	-34	-0.5					
NREP Real Estate Debt Fund, LP	24	0.3	1.8	16.0	16.0	(7.4)	(31.6)
ORA Multifamily Investments I, LLC	104	1.5	7.4				
ORA Residential Investments I, L.P.	217	3.2	21.3	5.0	5.0	(3.4)	(25.0)
Pacific Vineyard Partners, LLC	111	1.6	(41.2)	(47.0)	(47.0)	(32.9)	(19.5)
PERS-400 R Street	16	0.2	4.8	24.7	24.7	25.2	22.4
PLA Residential Fund I, LLC	4	0.1	59.8	182.3	182.3	96.3	69.1
PLA Retail Fund I, L.P.	79	1.2	3.0	5.0	5.0	1.4	2.9
PRECO Account Partnership III, L.P.	61	0.9	0.0	14.1	14.1	(11.9)	(12.1)
PRECO III Co-invest (Senior Housing UK Investment II)	4	0.1	0.6	32.4	32.4	(32.9)	(27.9)

*Partnership Market Values and Returns are based on the General Partner's March 31, 2012 financial statements and reported by CalPERS Portfolio Analytics.

Real Estate Partnerships Performance by Strategy

LEGACY PARTNERS*	March 31, 2012 Ending Market Value (MM)	March 31, 2012 % of Total Legacy Assets	QTR Net Rate of Return	FYTD Net Rate of Return	1 Yr Net Rate of Return	3 Yr Net Rate of Return	5 Yr Net Rate of Return
Principal Mortgage Value Investors, L.P.	17	0.2	4.3	1.6	1.6	30.7	(57.1)
Rockpoint Real Estate Fund II, L.P.	15	0.2	0.3	15.7	15.7	(11.5)	(15.2)
Rockpoint Real Estate Fund III, L.P.	174	2.6	5.0	32.4	32.4	(3.5)	
RREEF Global Opportunities Fund II, LLC	117	1.7	1.4	18.9	18.9	(0.4)	(9.0)
Savanna Real Estate Fund I, L.P.	63	0.9	3.9	2.6	2.6	2.6	
SDL Hospitality Co-Invest Fund, L.P.	202	3.0	0.7	2.6	2.6	2.3	6.4
Secured Capital Japan Real Estate Partners Asia, L.P.	207	3.0	(2.5)	(10.5)	(10.5)	(11.0)	(4.4)
Secured Capital Japan Real Estate Partners I, L.P.	0	0.0	(4.5)	(6.7)	(6.7)	(12.0)	(6.4)
Secured Capital Japan Real Estate Partners II, L.P.	53	0.8	2.2	(17.9)	(17.9)	(14.9)	(5.9)
Shea Capital I, LLC	135	2.0	25.9	18.8	18.8	(26.1)	
Shea Mountain House, LLC	119	1.7	20.4	18.8	18.8	(21.6)	
Starwood Capital Hospitality Fund I-2, L.P.	191	2.8	(1.0)	(5.6)	(5.6)	(1.8)	(4.2)
Starwood Capital Hospitality Fund II Global, L.P.	143	2.1	1.8	10.3	10.3		
Stockbridge Hollywood Park Co-Investors, L.P.	102	1.5	(0.2)	(0.8)	(0.8)	4.1	1.5
Stockbridge Real Estate Fund II-B, L.P.	19	0.3	0.1	9.1	9.1	(44.2)	(50.1)
Strategic Partners Value Enhancement Fund, L.P.	42	0.6	11.6	14.4	14.4	(5.2)	(4.2)
TPG Hospitality Investments IV, LLC	92	1.3					
Urban America L.P. II	58	0.8	1.0	4.8	4.8	(3.2)	(14.6)
Windsor Realty Fund VII, L.P.	18	0.3	1.5	1.5	1.5	(29.9)	(27.6)
TOTAL LEGACY PARTNERS	**6,827**	**100**	**3.4**	**9.5**	**9.5**	**(15.2)**	**(18.2)**

*Partnership Market Values and Returns are based on the General Partner's March 31, 2012 financial statements and reported by CalPERS Portfolio Analytics.

Forestland & Infrastructure Partnerships Performance by Strategy

FORESTLAND PARTNERS*	March 31, 2012 Ending Market Value (MM)	March 31, 2012 % of Total Forestland Assets	QTR Net Rate of Return	FYTD Net Rate of Return	1 Yr Net Rate of Return	3 Yr Net Rate of Return
Lincoln Timber Company (Campbell)	1,655	78.2	(0.4)	(14.7)	(14.7)	(7.9)
Sylvanus LLC (Global Forest Partners)	461	21.8	1.3	4.4	4.4	16.0
TOTAL FORESTLAND	**2,117**	**100.0**	**0.0**	**(11.0)**	**(11.0)**	**(4.1)**

INFRASTRUCTURE PARTNERS*	March 31, 2012 Ending Market Value (MM)	March 31, 2012 % of Total Infrastructure Assets	QTR Net Rate of Return	FYTD Net Rate of Return	1 Yr Net Rate of Return	3 Yr Net Rate of Return
Alinda Infrastructure Fund I, L.P.	94	9.0	1.6	8.5	8.5	6.3
Alinda Infrastructure Fund II, L.P.	186	17.8	1.2	2.6	2.6	
CIM Infrastructure Fund	309	29.5	5.0	(2.4)	(2.4)	77.1
Carlyle Infrastructure Partner LP	69	6.6	9.6	0.3	0.3	5.9
Infrastructure Direct Investments	389	37.2	6.1	42.1	42.1	
TOTAL INFRASTRUCTURE	**1,048**	**100.0**	**4.5**	**8.4**	**8.4**	**30.0**

*Partnership Market Values and Returns are based on the General Partner's March 31, 2012 financial statements and reported by CalPERS Portfolio Analytics.

Section VI

Inflation

QUARTER ENDING JUNE 30, 2012

Inflation Summary

INFLATION	June 30, 2012 Ending Market Value (MM)	June 30, 2012 % of Total Assets	1 Month Net Rate of Return	1 Month Excess Bps	3 Months Net Rate of Return	3 Months Excess Bps	FYTD Net Rate of Return	FYTD Excess Bps	FYTD $ Value Added (MM) *	1 Yr Net Rate of Return	1 Yr Excess Bps	3 Yr Net Rate of Return	3 Yr Excess Bps	5 Yr Net Rate of Return	5 Yr Excess Bps	10 Yr Net Rate of Return	10 Yr Excess Bps
INFLATION LINKED BONDS	3,970	55.9	(0.14)	5	1.29	20	8.22	42	18	8.22	42	8.58	29				
INTERNAL COMMODITIES	3,132	44.1	1.24	4	(12.07)	32	(10.97)	(23)	(7)	(10.97)	(23)	2.82	72				
TOTAL INFLATION **	**7,102**	**100.0**	**0.47**	31	**(5.06)**	(277)	**0.05**	(204)	(149)	**0.05**	(204)	**7.62**	96				

* Value Added is the Excess BPS converted into a dollar value by multiplying the excess bps by the fiscal year to date average market value.
** Policy Benchmark for the Total Inflation is a static 75/25% ratio. Actual program weights differ significantly resulting in an un-intuitive degree of excess performance

Section VII

Liquidity

QUARTER ENDING JUNE 30, 2012

Section VII: Liquidity

Liquidity Summary

LIQUIDITY	June 30, 2012 Ending Market Value (MM)	June 30, 2012 % of Total Assets	1 Month Net Rate of Return	1 Month Excess Bps	3 Months Net Rate of Return	3 Months Excess Bps	FYTD Net Rate of Return	FYTD Excess Bps	FYTD $ Value Added (MM) *	1 Yr Net Rate of Return	1 Yr Excess Bps	3 Yr Net Rate of Return	3 Yr Excess Bps	5 Yr Net Rate of Return	5 Yr Excess Bps	10 Yr Net Rate of Return	10 Yr Excess Bps
UST 2-10 Yr**	5,252	69.8	(0.15)	6	2.03	(1)	6.84	(21)	(12)	6.84	(21)						
PERS INTERNAL SHORT TERM PORTFOLIO	1,714	22.8	0.00	0	0.00	1	0.05	10	3	0.05	10	0.20	5	1.23	4	2.07	7
POOLED HIGH YIELD INTERNAL***	698	9.3	0.03	3	0.09	10	0.39	44	0	0.39	44	0.54	39	1.67	48	2.32	33
CALPERS DERIVATIVE COLLATERAL	10	0.1															
PERS ACTIVE RESERVE ADJUSTMENT****	(151)	(2.0)	(0.00)		0.00		(0.03)			(0.03)		(0.18)		(1.20)		(1.96)	
TOTAL LIQUIDITY	**7,523**	**100.0**	**(0.11)**	**5**	**1.23**	**(30)**	**4.63**	**(64)**	**(56)**	**4.63**	**(64)**	**1.72**	**(18)**	**2.17**	**(7)**	**2.59**	**7**

* Value Added is the Excess BPS converted into a dollar value by multiplying the excess bps by the fiscal year to date average market value.
** UST 2 - 10 YR portfolio was funded in June 2011; therefore the positive performance is having an impact on the Composite's 1, 3, 5 and 10 yr returns.
*** SMIF account held at State Treasurer's Office.
**** This portfolio offsets the TARF balances allocated to external managers. TARF is being included in PERS Internal Short Term Portfolio.

Section VI

Absolute Return Strategies

QUARTER ENDING JUNE 30, 2012

ARS Equitization & Total ARS Summary

ABSOLUTE RETURN EQUITIZATION STRATEGY	June 30, 2012 Ending Market Value (MM)	June 30, 2012 % of Total Assets	1 Month Net Rate of Return	1 Month Excess Bps	3 Months Net Rate of Return	3 Months Excess Bps	FYTD Net Rate of Return	FYTD Excess Bps	FYTD $ Value Added (MM) *	1 Yr Net Rate of Return	1 Yr Excess Bps	3 Yr Net Rate of Return	3 Yr Excess Bps	5 Yr Net Rate of Return	5 Yr Excess Bps	10 YR Net Rate of Return	10 YR Excess Bps
TOTAL ARS	5,110	91.3	(0.11)	(49)	(0.79)	(205)	(1.97)	(724)	(378)	(1.97)	(724)	4.69	(98)	(0.25)	(741)	5.00	(307)
ARS OVERLAY PORTFOLIO*	490	8.8	N/M		N/M		N/M			N/M		N/M		N/M		N/M	
TOTAL ARS WITH EQUITIZATION	**5,600**	**100.0**	**4.21**	**(54)**	**(3.93)**	**169**	**0.49**	**(482)**	**(258)**	**0.49**	**(482)**	**5.55**	**(12)**	**0.25**	**(692)**	**5.26**	**(281)**

* Portfolio market value and returns roll directly to Total Fund and the Absolute Return Equitization strategy. The portfolio funded October 2011 and the returns are not shown on the report at the portfolio level because the returns are not meaningful (N/M).

ABSOLUTE RETURN STRATEGY SUMMARY**	June 30, 2012 Ending Market Value (MM)	June 30, 2012 % of Total Assets	1 Month Net Rate of Return	1 Month Excess Bps	3 Months Net Rate of Return	3 Months Excess Bps	FYTD Net Rate of Return	FYTD Excess Bps	FYTD $ Value Added (MM) *	1 Yr Net Rate of Return	1 Yr Excess Bps	3 Yr Net Rate of Return	3 Yr Excess Bps	5 Yr Net Rate of Return	5 Yr Excess Bps	10 YR Net Rate of Return	10 YR Excess Bps
DIRECT INVESTMENTS	3,602	70.5	0.02	(36)	(0.46)	(173)	(0.83)	(609)	(236)	(0.83)	(609)	6.69	102	0.72	(644)	5.82	(159)
FUND OF HEDGE FUNDS	1,508	29.5	(0.40)	(78)	(1.55)	(282)	(4.08)	(935)	(143)	(4.08)	(935)	0.49	(518)	(1.40)	(856)		
TOTAL ARS	**5,110**	**100.0**	**(0.11)**	**(49)**	**(0.79)**	**(205)**	**(1.97)**	**(724)**	**(378)**	**(1.97)**	**(724)**	**4.69**	**(98)**	**(0.25)**	**(741)**	**5.00**	**(307)**

* Value Added is the Excess BPS converted into a dollar value by multiplying the excess bps by the fiscal year to date average market value.
** ARS Program Performance Review is based on the Absolute Total Return Strategy and not the Absolute Return Equitization Strategy.

Direct Investments

DIRECT INVESTMENTS*	June 30, 2012 Ending Market Value (MM)	June 30, 2012 % of Total Assets	1 Month Net Rate of Return	3 Months Net Rate of Return	FYTD Net Rate of Return	1 Yr Net Rate of Return	3 Yr Net Rate of Return	5 Yr Net Rate of Return	10 YR Net Rate of Return
Aspect Alternative Fund LLLP	288	8.0	(3.94)	(2.93)	7.54	7.54	8.09	6.46	
Black River Commodity Multi - Strategy Fund LLC **	16	0.4	0.00	0.00	(10.59)	(10.59)	(4.41)	(3.08)	
Black River Commodity Trading Fund (Onshore) Ltd	200	5.6	1.25	0.79	1.12	1.12	1.87	0.30	
Black River Fixed Income Relative Value Opportunity Fund Ltd	402	11.2	1.00	0.53	11.33	11.33	9.45	11.51	
BlueTrend Fund LP	276	7.7	(5.07)	(0.84)	(4.75)	(4.75)	7.27		
Breton Hill Eureka Fund, LP	96	2.7	1.68	(2.58)	(3.67)				
Brookside Capital Partners Fund, L.P. **	23	0.6	0.00	(0.88)	(10.57)	(10.57)	22.99	12.28	13.54
Canyon Value Realization Fund L.P. **	17	0.5	0.00	0.02	(2.19)	(2.19)	10.05	1.39	
Chatham Eureka Fund LP	492	13.7	0.54	2.57	(4.10)	(4.10)	8.44	6.84	
Deephaven Global Multi-Strategy Fund LLC **	5	0.1	0.00	12.34	(5.13)	(5.13)	0.86	(7.66)	
Farallon Capital Offshore Investors, Inc. **	2	0.1	0.00	(0.11)	44.67	44.46	40.83	15.37	
Lansdowne Eureka Fund, LP	221	6.1	(2.03)	(0.81)	(11.52)	(11.52)	2.78	(0.89)	
O'Connor Global Fundamental Market Neutral Long Short LLC - A1	113	3.1	(1.32)	(1.78)	0.43	0.43	1.39		
O'Connor Global Quantitative Equity LLC	49	1.4	0.00	(3.77)	(4.55)	(4.55)	0.97	(1.19)	
OMG Eureka LP	96	2.7	0.16	(0.99)	(4.66)	(4.66)			
OZ Domestic Partners II, L.P. **	43	1.2	0.18	(0.35)	(0.29)	(0.29)	9.99	5.52	
OZ Eureka Fund, LP	523	14.5	(0.04)	(0.32)	1.99	1.99	8.11	4.44	
PFM Diversified Eureka Fund, L.P	210	5.8	0.06	(4.66)	(4.16)	(4.16)	3.79	5.04	
Standard Pacific Euraka Fund, L.P	85	2.4	1.67	(5.89)	(12.88)	(12.88)			
SuttonBrook Eureka Fund LP	152	4.2	(5.75)	(4.61)	(10.13)	(10.13)	(3.23)	(3.87)	
Symphony Eureka Fund LP	292	8.1	0.13	0.37	4.62	4.62	15.33	10.39	10.06
Tennenbaum Multi-Strategy SPV (Cayman) LTD **	1	0.0	0.00	0.00	(23.62)	(23.62)	14.87	2.91	
TOTAL DIRECT INVESTMENTS* **	**3,602**	**100.0**	**0.02**	**(0.46)**	**(1.11)**	**(1.11)**	**6.74**	**0.82**	**5.41**

* Absolute Return Strategies Direct Investments data provided by IFS. Manager's custom benchmark not available for the current month.

** Manager is no longer actively managed and has "stub" positions in illiquid or quasi-illiquid assets held in hedge funds that have been redeemed or transferred out of by CalPERS.

*** Total Direct Investments 3 yr, 5 yr and10 yr returns do not match the ARS Summary due to International Funds Services providing return information based on the current underlying portfolio.

Fund of Funds

FUND OF FUNDS*	June 30, 2012 Ending Market Value	June 30, 2012 % of Total Assets	1 Month Net Rate of Return	3 Months Net Rate of Return	FYTD Net Rate of Return	1 Yr Net Rate of Return	3 Yr Net Rate of Return	5 Yr Net Rate of Return	10 YR Net Rate of Return
FUND OF EMERGING HEDGE FUNDS	546	36.2	(0.02)	(0.95)	(3.57)	(3.57)	2.98	(0.89)	
ASIAN FUND OF FUNDS	447	29.7	(0.09)	(2.17)	(6.42)	(6.42)	(2.09)	(2.18)	
EUROPEAN FUND OF FUNDS	515	34.2	(0.50)	(0.80)	(1.23)	(1.23)	2.10	(0.68)	
TOTAL FUND OF FUNDS	**1,508**	**63.8**	**(0.40)**	**(1.55)**	**(4.08)**	**(4.08)**	**0.49**	**(1.40)**	

ASIAN FUND OF FUNDS*	June 30, 2012 Ending Market Value	June 30, 2012 % of Total Assets	1 Month Net Rate of Return	3 Months Net Rate of Return	FYTD Net Rate of Return	1 Yr Net Rate of Return	3 Yr Net Rate of Return	5 Yr Net Rate of Return	10 YR Net Rate of Return
Vision Blue Diamond Fund, LP	252	56.3	(0.37)	(3.47)	(7.11)	(7.11)	(2.43)	(1.34)	
PAAMCO 1848 Fund LP - Blue Diamond Separate Investment	196	43.7	0.08	(1.30)	(5.96)	(5.96)	(1.94)	(4.02)	
TOTAL ASIAN FUND OF FUNDS	**447**	**100.0**	**(0.09)**	**(2.17)**	**(6.42)**	**(6.42)**	**(2.09)**	**(2.18)**	

EUROPEAN FUND OF FUNDS*	June 30, 2012 Ending Market Value	June 30, 2012 % of Total Assets	1 Month Net Rate of Return	3 Months Net Rate of Return	FYTD Net Rate of Return	1 Yr Net Rate of Return	3 Yr Net Rate of Return	5 Yr Net Rate of Return	10 YR Net Rate of Return
Ermitage Highbury Fund, LP	132	25.6	(0.45)	(1.30)	(1.13)	(1.13)	1.13	(0.91)	
AIS Highbury Fund, LP	118	22.9	(0.77)	(2.48)	(7.36)	(7.36)	(3.87)	(6.55)	
ERAAM Highbury Fund, LP	266	51.5	(0.64)	(0.93)	(0.76)	(0.76)	3.19	2.17	
TOTAL EUROPEAN FUND OF FUNDS	**515**	**100.0**	**(0.50)**	**(0.80)**	**(1.23)**	**(1.23)**	**2.10**	**(0.68)**	

FUND OF EMERGING HEDGE FUNDS*	June 30, 2012 Ending Market Value	June 30, 2012 % of Total Assets	1 Month Net Rate of Return	3 Months Net Rate of Return	FYTD Net Rate of Return	1 Yr Net Rate of Return	3 Yr Net Rate of Return	5 Yr Net Rate of Return	10 YR Net Rate of Return
47 Degrees North 1848 Fund, LP	191	35.0	0.51	1.12	(1.56)	(1.56)	1.42	(1.87)	
Rock Creek 1848 Fund, LP	209	38.3	(0.91)	(2.11)	(5.12)	(5.12)	3.68		
PAAMCO 1848 Fund, LP - 1848 Separate Investment	145	26.6	(0.79)	(1.75)	(3.49)	(3.49)	4.39		
TOTAL FUND OF EMERGING HEDGE FUNDS	**546**	**100.0**	**(0.02)**	**(0.95)**	**(3.57)**	**(3.57)**	**2.98**	**(0.89)**	

* Absolute Return Strategies Fund of Funds data provided by IFS. Manager's custom benchmark not available for the current month.

Section IX

Currency Overlay & Plan Level Transition Portfolios

QUARTER ENDING JUNE 30, 2012

Currency Overlay Summary & Plan Level Portfolios Performance

CURRENCY OVERLAY	June 30, 2012	1 Month		3 Months		FYTD		1 Yr		3 Yr		5 Yr		10 Yr	
	Ending Market Value (MM)	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps
PARETO PARTNERS	60	(0.02)	1	(0.79)	(71)	(2.77)	(232)	(2.77)	(232)	(1.24)	(86)	(0.76)	(58)	0.16	7
SSGA CURRENCY FORWARDS	10	(0.04)	(2)	(0.32)	(24)	(1.20)	(76)	(1.20)	(76)	(0.13)	25	0.15	33	0.43	34
INTERNAL TRADE - FX	15	(0.01)	1	(0.08)	1	(0.44)	0	(0.44)	0	(0.36)	2	(0.17)	1	0.12	3
ACTIVE CURRENCY OVERLAY - INTERNALLY MANAGED	0	0.02	4	(0.08)	(0)	0.36	80	0.36	80	(0.02)	36	0.18	36		
TOTAL CURRENCY OVERLAY	**86**	**(0.02)**	**0**	**(0.32)**	**(23)**	**(1.38)**	**(93)**	**(1.38)**	**(93)**	**(0.54)**	**(16)**	**(0.21)**	**(3)**	**0.37**	**28**

PLAN LEVEL PORTFOLIOS	June 30, 2012	1 Month		3 Months		FYTD		1 Yr		3 Yr		5 Yr		10 Yr	
	Ending Market Value (MM)	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps
CALPERS PLAN LEVEL GLOBAL FIXED INCOME	5	(10.61)	(1,269)	(20.21)	(2,178)	(4.01)	(1,124)	(4.01)	(1,124)	2.81	(1,290)				

Section X

Affiliate Investment Program

QUARTER ENDING JUNE 30, 2012

Affiliate Investment Program Summary & Judges II Retirement System

AFFILIATE INVESTMENT PROGRAM	June 30, 2012 Ending Market Value (MM)	June 30, 2012 % of Total Assets	1 Month Gross Rate of Return	1 Month Excess Bps	3 Months Gross Rate of Return	3 Months Excess Bps	FYTD Gross Rate of Return	FYTD Excess Bps	FYTD $ Value Added (MM) *	1 Yr Gross Rate of Return	1 Yr Excess Bps	3 Yr Gross Rate of Return	3 Yr Excess Bps	5 Yr Gross Rate of Return	5 Yr Excess Bps	10 Yr Gross Rate of Return	10 Yr Excess Bps
JUDGES' RETIREMENT SYSTEM II FUND	642	8.3	3.55	5	(2.62)	(1)	1.94	(79)	(5)	1.94	(79)	13.12	41	2.06	(17)	6.18	2
LEGISLATORS' RETIREMENT SYSTEM FUND	122	1.6	2.00	6	0.35	(8)	6.55	(88)	(1)	6.55	(88)	12.75	87	5.20	9	6.76	(6)
LONG-TERM CARE FUND	3,508	45.2	2.68	2	(0.48)	(8)	3.37	(54)	(18)	3.37	(54)	13.19	58	3.34	(1)	6.70	22
CALPERS CALIFORNIA EMPLOYERS' RETIREE BENEFIT TRUST (CERBT) FUND	2,053	26.5	3.71	(7)	(2.42)	(14)	0.17	(37)	(7)	0.17	(37)	13.19	24	1.22	35		
SUPPLEMENTAL INCOME PLANS																	
457 AGGREGATE	949	12.2	2.32	(19)	(2.43)	(34)	0.55	(55)	(5)	0.55	(55)	9.78	0				
BALANCED GROWTH - POFF	467	6.1	2.61	(32)	(3.01)	(63)	0.25	(99)	(5)	0.25	(99)	10.98	(64)	1.61	(37)	5.38	(29)
SCP AGGREGATE	19	0.2	2.45	(26)	(2.66)	(51)	0.44	(82)	(0)	0.44	(82)	10.56	(67)				
TOTAL AFFILIATES INVESTMENT PROGRAM	**7,761**	**100.0**	**2.90**	**(2)**	**(1.61)**	**(33)**	**1.83**	**(72)**	**(56)**	**1.83**	**(72)**	**12.81**	**46**	**2.29**	**(9)**	**6.11**	**20**

JUDGES II RETIREMENT SYSTEM	June 30, 2012 Ending Market Value (MM)	June 30, 2012 % of Total Assets	1 Month Gross Rate of Return	1 Month Excess Bps	3 Months Gross Rate of Return	3 Months Excess Bps	FYTD Gross Rate of Return	FYTD Excess Bps	FYTD $ Value Added (MM) *	1 Yr Gross Rate of Return	1 Yr Excess Bps	3 Yr Gross Rate of Return	3 Yr Excess Bps	5 Yr Gross Rate of Return	5 Yr Excess Bps	10 Yr Gross Rate of Return	10 Yr Excess Bps
JRS II GLOBAL EQUITY	407	5.3	4.80	4	(5.60)	3	(6.29)	(11)	(0)	(6.29)	(11)	11.16	(2)	(2.66)	(1)	5.00	2
JRS II DOMESTIC FIXED INCOME	126	1.6	0.04	16	4.25	(23)	13.85	(124)	(2)	13.85	(124)	13.05	203	9.55	18	7.29	62
JRS II TIPS	38	0.5	(0.50)	5	3.22	7											
JRS II COMMODITIES	20	0.3	1.24	4	(12.07)	32											
JRS II REITs	52	0.7	6.54	2	2.01	(11)	2.16	(20)	(0)	2.16	(20)	21.28	(12)	(3.29)	54		
JRS II CASH	0	0.0	0.00	(0)	0.02	(1)	0.05	(0)	(0)	0.05	(0)	0.19	6	1.22	24	1.98	11
JUDGES II TOTAL RETIREMENT SYSTEM	**642**	**100.0**	**3.55**	**5**	**(2.62)**	**(1)**	**1.94**	**(79)**	**(5)**	**1.94**	**(79)**	**13.12**	**41**	**2.06**	**(17)**	**6.18**	**2**

* Value Added is the Excess BPS converted into a dollar value by multiplying the excess bps by the fiscal year to date average market value.

Section X: Affiliate Investment Program

Legislators' Retirement System & Long Term Care Fund

LEGISLATORS' RETIREMENT SYSTEM	June 30, 2012		1 Month		3 Months		FYTD			1 Yr		3 Yr		5 Yr		10 Yr	
	Ending Market Value (MM)	% of Total Assets	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	$ Value Added (MM) *	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps
LRS GLOBAL EQUITY	40	0.5	4.80	4	(5.60)	3	(5.61)	(12)	(0)	(5.61)	(12)	11.63	(3)	(2.39)	(1)	4.79	3
LRS DOMESTIC FIXED INCOME	51	0.7	0.04	16	4.25	(23)	13.85	(124)	(1)	13.85	(124)	13.05	203	9.54	17	7.38	(10)
LRS TIPS	18	0.2	(0.50)	5	3.22	7	11.60	(6)	(0)	11.60	(6)	9.47	(16)	8.62	18		
LRS COMMODITIES	4	0.1	1.24	4	(12.07)	32											
LRS REITs	10	0.1	6.54	2	2.01	(11)											
LRS CASH	0	0.0	0.00	(0)	0.01	(2)	0.04	(1)	(0)	0.04	(1)	0.18	6	1.22	23	2.06	20
LEGISLATORS' RETIREMENT SYSTEM	**122**	**100.0**	**2.00**	**6**	**0.35**	**(8)**	**6.55**	**(88)**	**(1)**	**6.55**	**(88)**	**12.75**	**87**	**5.20**	**9**	**6.76**	**(6)**

LONG TERM CARE FUND	June 30, 2012		1 Month		3 Months		FYTD			1 Yr		3 Yr		5 Yr		10 Yr	
	Ending Market Value (MM)	% of Total Assets	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	$ Value Added (MM) *	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps
LTC DOMESTIC EQUITY	889	11.5	4.09	1	(2.86)	2	4.96	2	0	4.96	2	16.12	1	(0.04)	2	5.14	2
LTC INTERNATIONAL EQUITY	670	8.7	6.35	6	(7.22)	7	(14.53)	16	1	(14.53)	16	6.63	13	(5.21)	3	5.76	8
LTC DOMESTIC FIXED INCOME	1,035	13.4	0.04	16	4.25	(23)	13.85	(124)	(13)	13.85	(124)	13.05	203	9.57	20	7.44	79
LTC HIGH YIELD	0	0.0	0.00	(207)	1.36	(21)	(2.73)	(996)	(0)	(2.73)	(996)	13.72	(199)	5.95	(208)		
LTC TIPS	517	6.7	(0.50)	5	3.22	7	11.60	(6)	(0)	11.60	(6)	9.47	(16)	8.62	18		
LTC COMMODITIES	111	1.4	1.24	4	(12.07)	32											
LTC REITs	286	3.7	6.54	2	2.01	(11)	2.16	(20)	(1)	2.16	(20)	21.30	(10)	(3.70)	14		
LTC CASH	0	0.0	0.00	(0)	0.01	(1)	0.04	(1)	(0)	0.04	(1)	0.19	7	1.22	24	1.90	3
LONG TERM CARE TOTAL FUND	**3,508**	**100.0**	**2.68**	**2**	**(0.48)**	**(8)**	**3.37**	**(54)**	**(18)**	**3.37**	**(54)**	**13.19**	**58**	**3.34**	**(1)**	**6.70**	**22**

* Value Added is the Excess BPS converted into a dollar value by multiplying the excess bps by the fiscal year to date average market value.

Section X: Affiliate Investment Program

California Employers' Retiree Benefit Trust (CERBT) Summary & CERBT Strategy 1

CALPERS CALIFORNIA EMPLOYERS' RETIREE BENEFIT TRUST (CERBT) FUND	June 30, 2012		1 Month		3 Months		FYTD			1 Yr		3 Yr		5 Yr		10 Yr	
	Ending Market Value (MM)	% of Total Assets	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	$ Value Added (MM) *	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps
CERBT STRATEGY 1	1,750	85.2	3.81	(8)	(2.51)	(8)	0.15	(36)	(6)	0.15	(36)	13.19	24	1.22	35		
CERBT STRATEGY 2	297	14.5	3.15	0	(1.39)	(8)											
CERBT STRATEGY 3	6	0.3	2.02	(14)	0.20	(29)											
CERBT TRUST COMPOSITE	**2,053**	**100.0**	**3.71**	**(7)**	**(2.42)**	**(14)**	**0.17**	**(37)**	**(7)**	**0.17**	**(37)**	**13.19**	**24**	**1.22**	**35**		

CERBT STRATEGY 1	June 30, 2012		1 Month		3 Months		FYTD			1 Yr		3 Yr		5 Yr		10 Yr	
	Ending Market Value (MM)	% of Total Assets	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	$ Value Added (MM) *	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps
CERBT S1 DOMESTIC EQUITY	603	34.5	4.09	1	(2.86)	2	4.96	2	0	4.96	2	16.12	1	(0.20)	(14)		
CERBT S1 INTERNATIONAL EQUITY	529	30.2	6.35	6	(7.22)	7	(14.53)	16	1	(14.53)	16	6.63	13	(5.05)	19		
CERBT S1 DOMESTIC FIXED INCOME	301	17.2	0.04	16	4.25	(23)	13.85	(124)	(4)	13.85	(124)	13.05	203	9.53	17		
CERBT S1 HIGH YIELD	0	0.0	0.00	(207)	1.36	(21)	(2.73)	(996)	(0)	(2.73)	(996)	13.72	(199)				
CERBT S1 TIPS	83	4.7	(0.50)	5	3.22	7											
CERBT S1 COMMODITIES	54	3.1	1.24	4	(12.07)	32											
CERBT S1 REITs	139	7.9	6.54	2	2.01	(11)	2.16	(20)	(0)	2.16	(20)	21.16	(24)	(2.97)	87		
CERBT S1 CASH	41	2.3	0.00	(0)	0.01	(1)	0.04	(1)	(0)	0.04	(1)	0.19	6	1.20	22		
TOTAL CERBT STRATEGY 1	**1,750**	**100.0**	**3.81**	**(8)**	**(2.51)**	**(8)**	**0.15**	**(36)**	**(6)**	**0.15**	**(36)**	**13.19**	**24**	**1.22**	**35**		

* Value Added is the Excess BPS converted into a dollar value by multiplying the excess bps by the fiscal year to date average market value.

CERBT Strategy 2 & CERBT Strategy 3

CERBT STRATEGY 2	June 30, 2012		1 Month		3 Months		FYTD			1 Yr		3 Yr		5 Yr		10 Yr	
	Ending Market Value (MM)	% of Total Assets	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	$ Value Added (MM) *	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps
CERBT S2 DOMESTIC EQUITY	60	20.2	4.09	1	(2.86)	2											
CERBT S2 INTERNATIONAL EQUITY	89	30.0	6.35	6	(7.22)	7											
CERBT S2 DOMESTIC FIXED INCOME	70	23.6	0.04	16	4.25	(23)											
CERBT S2 TIPS	44	14.8	(0.50)	5	3.22	7											
CERBT S2 COMMODITIES	9	3.0	1.24	4	(12.07)	32											
CERBT S2 REITs	24	8.1	6.54	2	2.01	(11)											
CERBT S2 CASH	1	0.3	0.00	(0)	0.01	(2)											
TOTAL CERBT STRATEGY 2	**297**	**100.0**	**3.15**	**0**	**(1.39)**	**(8)**											

CERBT STRATEGY 3	June 30, 2012		1 Month		3 Months		FYTD			1 Yr		3 Yr		5 Yr		10 Yr	
	Ending Market Value (MM)	% of Total Assets	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	$ Value Added (MM) *	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps
CERBT S3 DOMESTIC EQUITY	1	16.7	4.09	1	(2.86)	2											
CERBT S3 INTERNATIONAL EQUITY	1	16.7	6.35	6	(7.22)	7											
CERBT S3 DOMESTIC FIXED INCOME	3	50.0	0.04	16	4.25	(23)											
CERBT S3 TIPS	1	16.7	(0.50)	5	3.22	7											
CERBT S3 COMMODITIES	0	0.0	1.24	4	(12.07)	32											
CERBT S3 REITSs	1	16.7	6.54	2	2.01	(11)											
CERBT S3 CASH	0	0.0	0.00	(0)	0.01	(1)											
TOTAL CERBT STRATEGY 3	**6**	**100.0**	**2.02**	**(14)**	**0.20**	**(29)**											

* Value Added is the Excess BPS converted into a dollar value by multiplying the excess bps by the fiscal year to date average market value.

Supplemental Income Plan – 457 Aggregate

SUPPLEMENTAL INCOME PLAN 457 AGGREGATE	June 30, 2012 Ending Market Value (MM)	% of Total Assets	1 Month Gross Rate of Return	1 Month Excess Bps	3 Months Gross Rate of Return	3 Months Excess Bps	FYTD Gross Rate of Return	FYTD Excess Bps	FYTD $ Value Added (MM) *	1 Yr Gross Rate of Return	1 Yr Excess Bps	3 Yr Gross Rate of Return	3 Yr Excess Bps	5 Yr Gross Rate of Return	5 Yr Excess Bps	10 Yr Gross Rate of Return	10 Yr Excess Bps
ALLIANCE BERNSTEIN LARGE CAP	5	0.5	3.44	(152)	(7.03)	(483)	(6.03)	(904)	(0)	(6.03)	(904)	11.30	(450)	(3.48)	(129)		
TURNER LARGE CAP GROWTH	43	4.5	1.08	(163)	(7.85)	(382)	(2.25)	(801)	(3)	(2.25)	(801)	12.97	(453)	(0.98)	(385)		
S&P 500 EQUITY INDEX FUND	152	16.0	4.12	0	(2.73)	2	5.49	4	0	5.49	4	16.45	5	0.37	16	5.41	8
INTERNATIONAL INDEX	15	1.6	6.35	6	(7.22)	7	(14.53)	16	0	(14.53)	16	6.63	(2)	(5.21)	(19)		
SMALL/MID EQUITY INDEX FUND	119	12.5	3.65	1	(3.79)	35	(1.71)	58	1	(1.71)	58	19.33	26	1.34	16		
TOTAL RETURN BOND FUND	62	6.5	0.11	8	2.10	3	7.23	(24)	(0)	7.23	(24)	7.97	104	6.68	(12)		
TIPS SECURITIES	42	4.4	(0.50)	5	3.22	7	11.61	(5)	(0)	11.61	(5)	9.65	2	8.67	23		
THE BOSTON COMPANY SMID GROWTH	6	0.6	3.82	60	(3.40)	198	6.25	944	1	6.25	944	21.10	172				
THE BOSTON COMPANY SMID VALUE	2	0.2	2.43	(157)	(5.82)	(279)	(2.40)	(91)	(0)	(2.40)	(91)	15.10	(368)				
PYRAMIS SELECT INTERNATIONAL	30	3.2	6.06	(26)	(6.30)	88	(12.70)	156	0	(12.70)	156	7.67	118				
CALPERS CONSERVATIVE	36	3.8	1.12	(15)	(0.55)	(34)	3.91	(48)	(0)	3.91	(48)	8.53	(69)				
CALPERS MODERATE	107	11.3	2.61	(32)	(3.01)	(63)	0.25	(98)	(1)	0.25	(98)	10.98	(63)				
CALPERS AGGRESSIVE	50	5.3	3.74	(45)	(5.16)	(87)	(3.19)	(125)	(1)	(3.19)	(125)	12.74	(54)				
CALPERS TARGET INCOME FUND	13	1.4	1.13	(15)	(0.55)	(34)	3.79	(60)	(0)	3.79	(60)	8.47	(75)				
CALPERS TARGET 2005 FUND	2	0.2	1.38	(20)	(1.04)	(43)	2.87	(60)	(0)	2.87	(60)	9.31	(91)				
CALPERS TARGET 2010 FUND	16	1.7	1.79	(26)	(1.52)	(53)	2.42	(81)	(0)	2.42	(81)	10.01	(85)				
CALPERS TARGET 2015 FUND	22	2.3	2.10	(30)	(2.14)	(64)	1.30	(97)	(0)	1.30	(97)	10.63	(73)				
CALPERS TARGET 2020 FUND	29	3.1	2.46	(30)	(2.80)	(63)	0.28	(91)	(0)	0.28	(91)	11.20	(59)				
CALPERS TARGET 2025 FUND	12	1.3	2.91	(37)	(3.70)	(76)	(1.25)	(113)	(0)	(1.25)	(113)	11.69	(49)				
CALPERS TARGET 2030 FUND	17	1.8	3.32	(40)	(4.28)	(78)	(1.87)	(107)	(0)	(1.87)	(107)	12.36	(49)				
CALPERS TARGET 2035 FUND	5	0.5	3.61	(44)	(4.90)	(87)	(2.88)	(124)	(0)	(2.88)	(124)	12.65	(65)				
CALPERS TARGET 2040 FUND	9	0.9	3.74	(45)	(5.17)	(87)	(3.19)	(126)	(0)	(3.19)	(126)	12.72	(56)				
CALPERS TARGET 2045 FUND	1	0.1	3.74	(45)	(5.17)	(87)	(3.29)	(135)	(0)	(3.29)	(135)	12.66	(62)				
CALPERS TARGET 2050 FUND	1	0.1	3.75	(44)	(5.16)	(87)	(3.29)	(135)	(0)	(3.29)	(135)	12.64	(63)				
SSgA STIF	145	15.3	0.00	(0)	0.01	(1)	0.03	(2)	(0)	0.03	(2)						
PIMCO SHORT-TERM BOND FUND	9	0.9	0.10	9	0.37	32	0.89	72	0	0.89	72						
TOTAL 457 AGGREGATE**	**949**	**100.0**	**2.32**	**(19)**	**(2.43)**	**(34)**	**0.55**	**(55)**	**(5)**	**0.55**	**(55)**	**9.78**	**0**				

* Value Added is the Excess BPS converted into a dollar value by multiplying the excess bps by the fiscal year to date average market value.

** SSB does not have the gross returns due to not having the appropriate gross level data for the underlying portfolios.

Section XI

Other Programs

QUARTER ENDING JUNE 30, 2012

Securities Lending Program & Short Term Liquidity Performance Summary

SECURITIES LENDING PROGRAM	June 30, 2012 Ending Market Value (MM)	% of Total Assets	1 Month Net Rate of Return	1 Month Excess Bps	3 Months Net Rate of Return	3 Months Excess Bps	FYTD Net Rate of Return	FYTD Excess Bps	FYTD $ Value Added (MM) *	1 Yr Net Rate of Return	1 Yr Excess Bps	3 Yr Net Rate of Return	3 Yr Excess Bps	5 Yr Net Rate of Return	5 Yr Excess Bps	10 Yr Net Rate of Return	10 Yr Excess Bps
SHORT DURATION - MED	771	8.7	(0.08)	(10)	0.72	68	2.51	240	26	2.51	240	6.57	643	2.08	114		
EXTERNAL COLLATERAL PORTFOLIO**	206	2.3	1.26		5.75												
CALPERS HIGH QUALITY LIBOR	1,418	16.0	0.11	10	0.22	18	0.65	55	10	0.65	55	1.09	95	0.71	(23)	1.86	(5)
SEC LENDING INTERNAL COLLATERAL REINVESTMENT	235	2.6	0.36	35	0.75	71	1.02	92	3	1.02	92						
INTERNAL ACTIVE SHORT TERM	608	6.8	0.03	3	0.08	9	0.21	26	2	0.21	26						
CALPERS ESEC CASH COLLATERAL	5,638	63.5	0.02	0	0.04	0											
SEC LENDING INT & EXT REINVEST	**8,876**	**100.0**	**0.06**	**5**	**0.31**	**27**	**0.64**	**54**	**65**	**0.64**	**54**	**3.08**	**294**	**1.04**	**11**	**2.03**	**12**

SHORT TERM LIQUIDITY	June 30, 2012 Ending Market Value (MM)	1 Month Net Rate of Return	1 Month Excess Bps	3 Months Net Rate of Return	3 Months Excess Bps	FYTD Net Rate of Return	FYTD Excess Bps	FYTD $ Value Added (MM) *	1 Yr Net Rate of Return	1 Yr Excess Bps	3 Yr Net Rate of Return	3 Yr Excess Bps	5 Yr Net Rate of Return	5 Yr Excess Bps	10 Yr Net Rate of Return	10 Yr Excess Bps
SHORT TERM LIQUIDITY	5,737	0.01	1	0.02	3											

* Value Added is the Excess BPS converted into a dollar value by multiplying the excess bps by the fiscal year to date average market value.
** Structured Investment Vehicle

Section XII

Asset Class Benchmarks & Definitions

QUARTER ENDING JUNE 30, 2012

Asset Class Benchmarks

BENCHMARK	TARGET WEIGHTS OF BENCHMARK COMPONENTS AS OF JULY 1, 2011	BENCHMARK COMPONENTS PRIOR TO JUNE 30, 2011
Total Fund*	**Growth 63%** **Income 16%** **Real Assets 13%** **Inflation 4%** **Liquidity 4%**	**Global Equity* 49%** **Fixed Income* 20%** **AIM* 14%** **Real Estate* 10%** **Inflation Linked 5%** **Cash 2%**
Growth Benchmark	**Public Equity 78%** FTSE All World **Private Equity 22%** (67% FTSE U.S. TMI + 33% FTSE AW ex US TMI) + 3% 1 Qtr Lag	**Global Equity* (Public Equity)** 95% FTSE All World + 5% 12 mo. T-Bill **AIM* (Private Equity)** Wilshire 2500 + 3% 1 Qtr Lag and Linked to Custom Young Fund on June 30, 2009
Income Benchmark	90% Barclays Long Liability + 10% Barclays International Fixed Income	90% Barclays Long Liability + 10% Barclays International Fixed Income
Liquidity Benchmark	**Liquidity Portfolio 75%** Barclays Treasury 2 - 10 Yr **Cash 25%** 1 Month T-Bill	**Liquidity Portfolio** Barclays Treasury 2 - 10 Yr **Cash** STIF

*Benchmark linked to prior policy benchmarks from inception.

Asset Class Benchmarks

BENCHMARK	TARGET WEIGHTS OF BENCHMARK COMPONENTS AS OF JULY 1, 2011	BENCHMARK COMPONENTS PRIOR TO JUNE 30, 2011
Real Assets Benchmark	**Real Estate 77%** NCREIF ODCE (Net) + FTSE EPRA NAREIT Global **Infrastructure 15%** CPI + 4% 1 Month Lag **Forestland 8%** NCREIF Timberland (Gross) 1 Qtr lag	**Real Estate*** 90% NCREIF Property Index + 10% FTSE EPRA NAREIT Global **Infrastructure (Inflation Linked Asset Class)** CPI + 5% 1 Month Lag **Forestland (Inflation Linked Asset Class)** NCREIF Timberland (Gross) 1 Qtr lag (Performance Reporting purposes) CPI + 5% 1 Month Lag (Incentive Compensation purposes)
Inflation Benchmark	**Inflation Linked Bonds Portfolio 75%** 67% Barclays Capital Global Inflation US + 33% Barclays Capitla Global Inflation (U.K., France, Italy, Germany, Canada) **Commodities Portfolio 25%** S&P 500 Total Return Index	**Inflation Linked Bonds Portfolio** 67% Barclays Capital Global Inflation US + 33% Barclays Capitla Global Inflation (U.K., France, Italy, Germany, Canada) **Commodities Portfolio** S&P 500 Total Return Index

*Benchmark linked to prior policy benchmarks from inception

Total Fund Policy Benchmark Target Weights Transition Schedule

ASSET CLASS	2012 Q1	2012 Q2	2012 Q3	2012 Q4	POLICY TARGETS*
Global Equity	50.0%	50.0%	50.0%	50.0%	49.0%
AIM	14.0%	14.0%	14.0%	14.0%	14.0%
Growth	**64.0%**	**64.0%**	**64.0%**	**64.0%**	**63.0%**
Income	**17.0%**	**17.0%**	**17.0%**	**17.0%**	**16.0%**
Infrastructure/Forestland	2.0%	2.0%	2.0%	2.0%	3.0%
Real Estate	9.0%	9.0%	9.0%	9.0%	10.0%
Real Assets	**11.0%**	**11.0%**	**11.0%**	**11.0%**	**13.0%**
Inflation	**4.0%**	**4.0%**	**4.0%**	**4.0%**	**4.0%**
Liquidity	**4.0%**	**4.0%**	**4.0%**	**4.0%**	**4.0%**
Total Fund Policy	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

*Policy Targets Date has yet to be determined but has tentatively been targeted for the end of calendar year 2013

Definitions

CASH IN – The total contributions, net of temporary returns of capital, made by CalPERS towards investments.

CASH OUT – The total distributions received by CalPERS from its investments.

CONTRIBUTIONS – The total amount of cash that has been called from limited partners.

DISTRIBUTIONS – The total amount of cash and stock that has been paid out to limited partners.

EXCESS BPS – Exess Basis Points is the difference between the portfolio or composite return and the benchmark return multiplied by 100 to convert the Excess BPS to a whole number.

Excess BPS Calculation

Excess BPS = (Portfolio or Composite Return – Benchmark Return) x 100

INTERNAL RATE OF RETURN (IRR) – Dollar weighted rate of return that shows profitability as a percentage, showing the return on each dollar invested. IRR equates the present value of a partnership's estimated cash flows (CF) with the present value of the partnership's costs. Before fees (BF) IRR is calculated before all expensed fees such as Asset Management, Disposition, Incentive Fees, etc. After fees (AF) IRR is calculated after all expensed fees such as Asset Management, Disposition, Incentive Fees, etc.

IRR is the quarterly discount rate that makes the following relationship hold:

Present Value (inflows) = Present Value (investment costs)

IRR Calculation

CF0 + CF1 / (1+IRR) + CF2 / (1+IRR)2 + CF3 / (1+IRR)3 … CFn / (1+IRR)n =

Definitions

IRR COMPARED TO TIME WEIGHTED RATE OF RETURN (TWRR) – According to the Global Investment Performance Standards (GIPS); using IRR is a more accurate method than TWRR to measure private equity funds. An IRR reflects the effects of the timing of cash flows in a portfolio. The IRR is required for private equity assets because the firm controls the cash flows into and out of the portfolio. A time-weighted rate of return (TWRR) will not offer the best measure for an investor to compare returns between private equity funds because the TWRR will not capture the critical effects of cash flow management within the control of the private equity manager.

INVESTMENT MULTIPLE – A measure of the fund's performance showing the fund's total value as a multiple of its cost basis. The computation is as follows:

Investment Multiple Calculation

(Distributions + Market Value) / Contributions

MARKET VALUE: PRIVATE ASSETS – An opinion of value as of a certain date as stated by either the investment advisor or independent appraiser. Market value differs from amount funded or net investment in that the value includes unrealized gains or losses during the holding period.

MARKET VALUE: PUBLIC ASSETS AT SECURITY LEVEL - Ending market value in the performance system is calculated as the shares * price + income accrual. Market Value is generally computed by the Custodian based on CalPERS pricing hierarchy.

MARKET VALUE: PUBLIC ASSETS AT PORTFOLIO LEVEL - Ending market value in the performance system is calculated as the sum of the underlying securities' ending market values as described above +/- any open receivables or payables (uninvested assets). This is consistent with the Net Asset Value or Total Net Assets reported in accounting.

REALIZED GAIN OR LOSS – The gain or loss CalPERS realized from the disposition of an asset.

Definitions

RATE OF RETURNS - CalPERS' performance uses a daily Modified-Dietz methodology which is geometrically linked to produce time-weighted returns for longer periods.

Daily Return Calculation

Rate of $\text{Return}_{\text{Daily}}$ = Dollar Value Added / Average Balance

Where:

Dollar Value Added = Gains/losses due to price appreciation and income

Average Balance = Beginning Market Value + Net Cash Flows

Daily returns are then geometrically linked to produce multi-period returns. The linking formula is as follows:

$$R_{Monthy} = \left(\left(1+R_1\right)\times\left(1+R_2\right)\times\ldots\left(1+R_n\right)\right)$$

TOTAL EXPOSURE – Total Exposure is the current reported value of investments plus remaining amount of unfunded commitments.

UNREALIZED GAIN OR LOSS – The difference between an asset's cost and market value.

VALUE ADDED – Value Added is the Excess BPS converted into a dollar value by multiplying the excess bps multiplied by the Fiscal Year To Date Average Market Value.

Value Added Calculation

Value Added = ((Portfolio or Composite Return – Benchmark Return) x 100) x Fiscal Year To Date Average Market Value

DISCLAIMER – Only actively traded portfolios are listed in CIO Report.

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