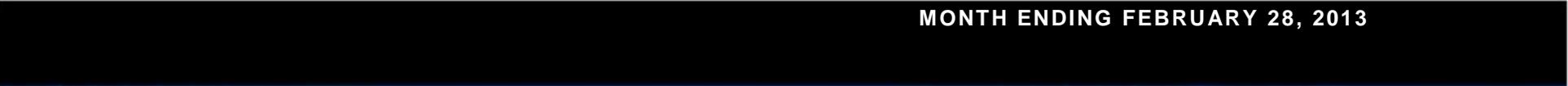




CaIPERS
Total Fund Monthly Update



MONTH ENDING FEBRUARY 28, 2013



CalPERS Total Fund Monthly Update

Month Ending February 28, 2013

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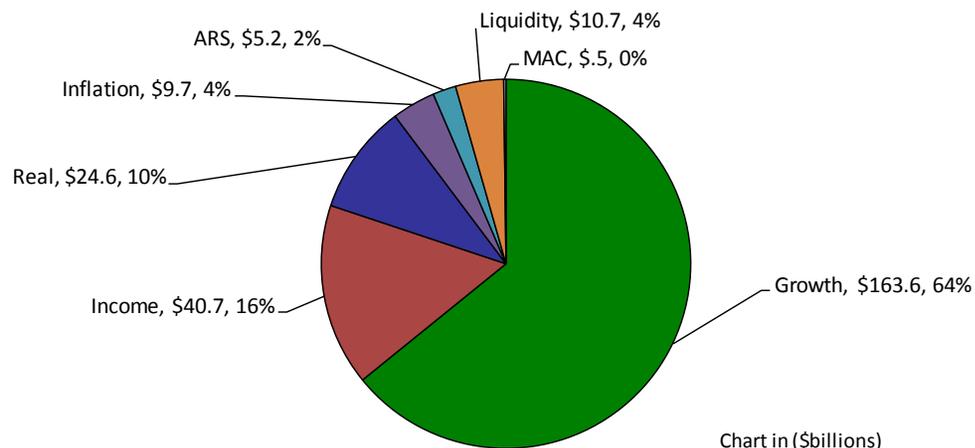
Section I
Asset Allocation and Risk

MONTH ENDING FEBRUARY 28, 2013



Section I: Asset Allocation and Risk

Asset Allocation and Unfunded Commitments (as of February 28, 2013)



Asset Allocation as of February 28, 2013												
	Growth	Public Equity ¹	Private Equity ¹	Income	Liquidity	Real	Real Estate	Forestland/ Infrastructure	Inflation	ARS ³	MAC	Total Fund
Strategic Target Range % ¹	56-70%	42-56%	10-18%	11-21%	1-7%	8-18%	7-13%	1-5%	1-7%			
Interim Strategic Target % ²	64%	50%	14%	17%	4%	11%	9%	2%	4%	N/A	N/A	N/A
Actual Investment %	64%	52%	12%	16%	4%	10%	8%	1%	4%	2%	0%	N/A
Variance % (Strategic vs. Actual)	0%	2%	(2%)	(1%)	0%	(1%)	(1%)	(1%)	(0%)	N/A	N/A	N/A
Interim Strategic Target (\$billions)	\$163.2	\$127.5	\$35.7	\$43.3	\$10.2	\$28.0	\$22.9	\$5.1	\$10.2	N/A	N/A	\$255.0
Actual Investment (\$billions)	\$163.6	\$131.9	\$31.7	\$40.7	\$10.7	\$24.6	\$21.4	\$3.2	\$9.7	\$5.2	\$0.5	\$255.0
Variance \$(Interim Strategic vs. Actual) (\$billions)	\$0.4	\$4.4	(\$4.0)	(\$2.7)	\$0.5	(\$3.5)	(\$1.6)	(\$1.9)	(\$0.5)	N/A	N/A	N/A
% Passive	56%	69%	0%	0%	0%	3%	4%	0%	0%	0%	0%	36%
% Active	44%	31%	100%	100%	100%	97%	96%	100%	100%	100%	100%	64%
% Internal	67%	83%	0%	91%	100%	3%	4%	0%	100%	0%	0%	66%
% External	33%	17%	100%	9%	0%	97%	96%	100%	0%	100%	100%	34%

¹ Equity overlay and lending income are included in International Equity, undistributed lending income is included in Global Equity, currency overlay funds are included in Liquidity, and the Global Equity Cash Account is included in Domestic Equity, and the Domestic Fixed Income Transition Account is included in Domestic Fixed Income.

² Interim strategic targets adopted by Board at the August 17, 2011 Investment Committee meeting

³ This report provides invested dollars and does not include futures overlay; notional value of futures = \$5.2 billion

Unfunded Market Commitments as of February 28, 2013										
	Private Equity		Real Estate (as of November 30, 2012)		Infrastructure (as of November 30, 2012)		Forestland (as of November 30, 2012)		Corporate Governance (as of January 31, 2013)	
Funded	\$(in Billions)	% Allocation	\$(in Billions)	% Allocation	\$(in Billions)	% Allocation	\$(in Billions)	% Allocation	\$(in Billions)	% Allocation
Fair Market Value (FMV)	\$31.7	12%	\$21.4	8%	\$1.1	0%	\$2.1	1%	\$4.5	2%
Unfunded Commitment (UC)	\$11.1	4%	\$8.6	3%	\$0.5	0%	\$0.0	0%	\$1.0	0%
FMV + UC	\$42.8	17%	\$30.0	12%	\$1.6	1%	\$2.1	1%	\$4.6	2%

Section I: Asset Allocation and Risk

Top 20 Exposures: Public Markets (as of February 28, 2013)

	Company Name ¹	Total Global Equity ²	Total Global Fixed Income ³	Market Value	% of Total Fund
1	EXXON MOBIL CORP	\$1217.7	\$0	\$1217.7	0.48%
2	APPLE INC	\$1176.3	\$0	\$1176.3	0.46%
3	GENERAL ELECTRIC CO	\$717.6	\$299.1	\$1016.7	0.40%
4	AT&T INC	\$658.2	\$190.8	\$849.1	0.33%
5	JPMORGAN CHASE & CO	\$608.3	\$163.0	\$771.3	0.30%
6	WELLS FARGO & CO	\$583.4	\$159.0	\$742.4	0.29%
7	NESTLE SA REG	\$737.9	\$0	\$737.9	0.29%
8	CHEVRON CORP	\$695.2	\$39.9	\$735.1	0.29%
9	MICROSOFT CORP	\$726.0	\$0	\$726.0	0.28%
10	SAMSUNG ELECTRONICS CO LTD	\$722.4	\$0	\$722.4	0.28%
11	PFIZER INC	\$607.1	\$84.4	\$691.5	0.27%
12	HSBC HOLDINGS PLC	\$652.0	\$0	\$652.0	0.26%
13	ROYAL DUTCH SHELL PLC*	\$649.4	\$0	\$649.4	0.25%
14	INTL BUSINESS MACHINES CORP	\$635.1	\$0	\$635.1	0.25%
15	JOHNSON & JOHNSON	\$628.8	\$0	\$628.8	0.25%
16	GOOGLE INC CL A	\$612.0	\$0	\$612.0	0.24%
17	PROCTER & GAMBLE CO	\$606.5	\$0	\$606.5	0.24%
18	WAL MART STORES INC	\$509.2	\$95.2	\$604.3	0.24%
19	BANK OF AMERICA CORP	\$424.7	\$152.1	\$576.8	0.23%
20	CITIGROUP INC	\$394.5	\$170.5	\$565.0	0.22%

¹ Only includes Global Equity and Fixed Income assets custodied with master custodian

*Includes both Class A and Class B shares of common stock

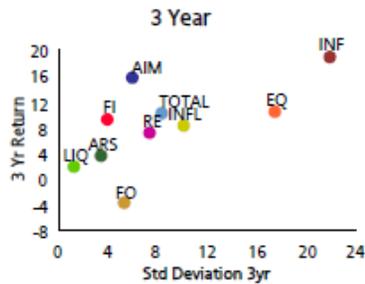
² Source for Global Equity values: State Street Bank

³ Source for Global Fixed Income values: Blackrock Solutions

Section I: Asset Allocation and Risk

Total Fund Risk Profile (as of February 28, 2013)

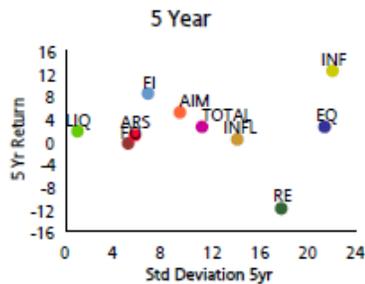
3 Year Risk Profile



TRACKING ERROR

	Excess Return (%)	Tracking Error	Information Ratio
TOTAL FUND	0.07	2.25	0.03
PUBLIC EQUITY	0.36	0.59	0.60
INCOME	0.52	1.28	0.41
PRIVATE EQUITY	2.52	14.96	0.17
REAL ESTATE	-5.24	6.11	-0.86
LIQUIDITY	-0.26	0.29	-0.91
INFLATION	1.23	3.84	0.32
ABSOLUTE RETURN STRATEGIES	-2.02	3.56	-0.57
FORESTLAND	-3.30	6.59	-0.50
INFRASTRUCTURE	11.78	21.88	0.54

5 Year Risk Profile



TRACKING ERROR

	Excess Return (%)	Tracking Error	Information Ratio
TOTAL FUND	-2.38	3.19	-0.74
PUBLIC EQUITY	-0.63	1.05	-0.60
INCOME	0.70	3.29	0.21
PRIVATE EQUITY	-5.96	14.57	-0.41
REAL ESTATE	-16.09	14.46	-1.11
LIQUIDITY	-0.12	0.23	-0.55
INFLATION	-1.15	4.49	-0.26
ABSOLUTE RETURN STRATEGIES	-5.24	6.17	-0.85
FORESTLAND	-3.88	5.83	-0.67
INFRASTRUCTURE	5.54	22.23	0.25

Excess Return - The difference between the portfolio return and the index return for the given period

Tracking Error - Standard deviation of the Excess Return

Information Ratio - Excess Return divided by the Tracking Error

The information ratio is used to measure risk adjusted returns; industry practice suggests that below 0.15 is considered low, between 0.15 and 0.25 is medium, and above 0.35 is high.



Section II
Investment Performance

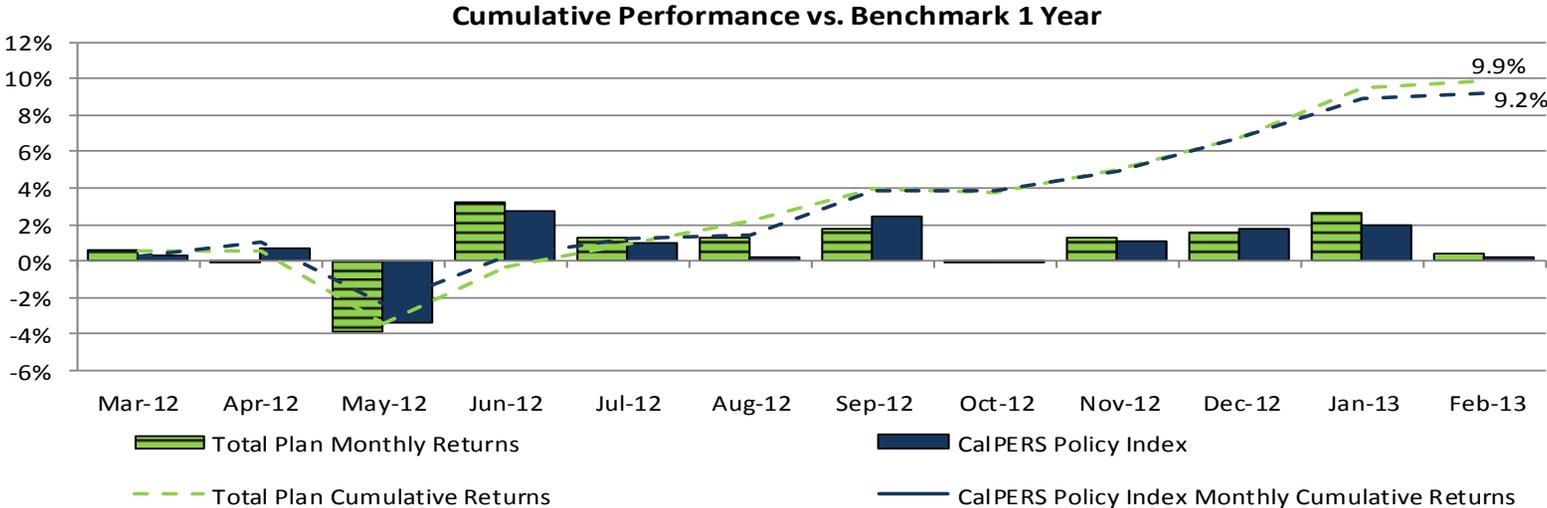
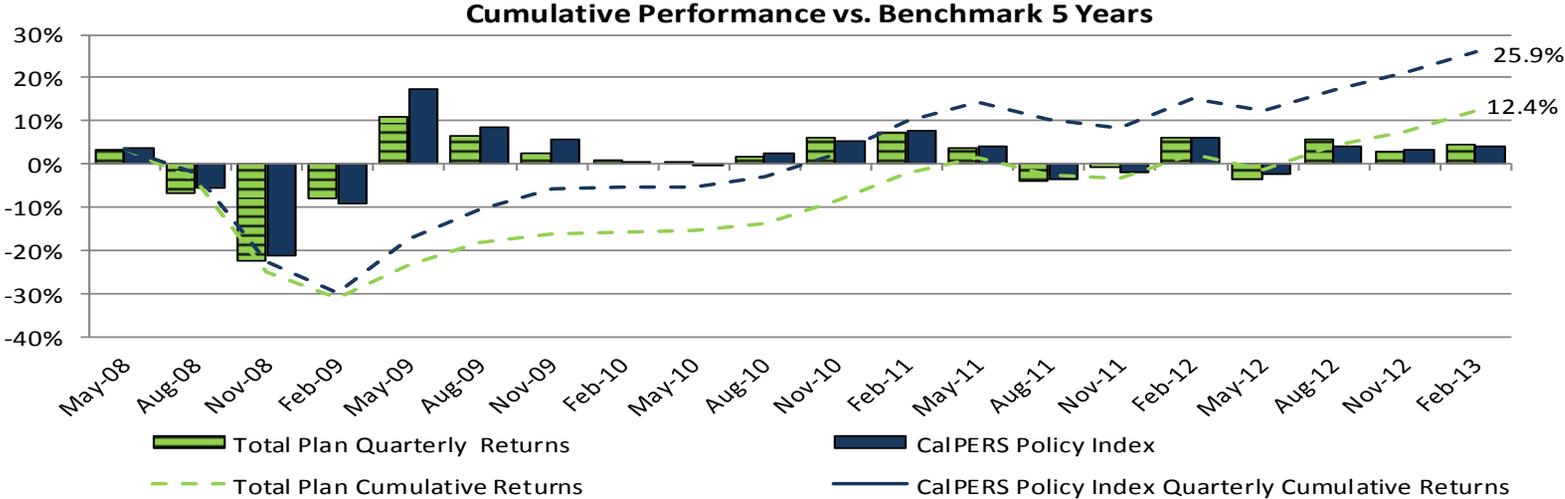


MONTH ENDING FEBRUARY 28, 2013



Section II: Investment Performance

Net Performance Summary (as of February 28, 2013)



Section II: Investment Performance

Net Performance Summary (as of February 28, 2013)

			1 Month		FYTD		1-Yr		3-Yr		5-Yr		10-Yr	
	Ending Market Value (\$millions)	% of Total Assets	Fund Rate of Return	Excess Return in Bps	Fund Rate of Return	Excess Return in Bps	Fund Rate of Return	Excess Return in Bps	Fund Rate of Return	Excess Return in Bps	Fund Rate of Return	Excess Return in Bps	Fund Rate of Return	Excess Return in Bps
TOTAL FUND SUMMARY														
GROWTH	162,417	63.7	0.3	(10)	14.1	70	11.4	(85)	11.5	54	2.7	(174)	9.4	(72)
PUBLIC EQUITY	130,697	51.3	0.1	(2)	16.4	36	10.5	31	10.3	36	2.4	(62)	9.0	(37)
PRIVATE EQUITY	31,719	12.4	1.1	(27)	6.0	223	14.1	(387)	15.5	252	4.9	(595)	11.6	(86)
INCOME	40,662	15.9	0.6	7	2.6	115	5.4	124	9.1	53	8.3	70	7.5	94
LIQUIDITY	10,490	4.1	0.3	(12)	0.4	(21)	1.2	(41)	1.8	(26)	1.6	(12)	2.5	1
REAL	24,569	9.6	0.0	1	2.9	(201)	12.2	254	6.2	(410)	(10.9)	(1,406)	3.5	(520)
REAL ESTATE	21,371	8.4	0.0	0	3.2	(226)	14.9	390	7.0	(524)	(12.1)	(1,609)	2.8	(644)
FORESTLAND	2,116	0.8	0.0	0	0.2	(120)	(7.1)	(933)	(3.8)	(330)	(0.6)	(388)		
INFRASTRUCTURE	1,081	0.4	0.0	15	1.7	(129)	6.9	104	18.7	1,178	12.3	554		
INFLATION	9,720	3.8	(2.2)	(7)	5.7	94	(1.3)	(228)	8.1	123	0.1	(115)		
COMMODITIES	1,279	0.5	(4.1)	27	7.7	1	(7.5)	43	4.1	63	(9.8)	35		
INFLATION LINKED BONDS	6,090	2.4	(1.8)	(14)	3.3	(3)	3.6	17	8.3	23				
TACTICAL INFLATION ASSETS	2,404	0.9												
ABSOLUTE RETURN STRATEGIES	5,178	2.0	0.6	16	5.6	199	4.8	(54)	3.5	(202)	0.9	(525)	5.5	(340)
MULTI-ASSET CLASS	509	0.2	1.3	66										
OVERLAY+TRANSITION+PLAN LEVEL PORTFOLIOS	1,453	0.6												
TOTAL FUND	254,997	100.0	0.4	11	10.2	127	9.9	64	10.0	7	2.4	(237)	8.0	(80)

Total Fund Inception to Date Net Return: 8.54%.

Inception date: 07/01/1988

Note: Returns for periods greater than one year are annualized.

Section II: Investment Performance

Net Performance vs. Long-Term Expected Returns (one year period ending February 28, 2013)

<u>Asset Class</u>	<u>Actual Allocation</u> (%)	<u>1-Year Net Asset Return</u> (%)	<u>CalPERS Long-Term Expected Annual Return</u> ^{1, 2} (%)	<u>Current Projected Standard Deviation</u> (%)	<u>Current +/- One Standard Deviation Range</u> (%)	<u>Expected Standard Deviation</u> ¹ (%)	<u>+/- One Standard Deviation Range</u> ³ (%)
Public Equity	52	10.5	7.75	18.15	(10.40) - 25.90	16.00	(8.25) - 23.75
Private Equity	12	14.1	9.00	19.49	(10.49) - 28.49	26.00	(17.00) - 35.00
Total Growth	64	11.4					
Income	16	5.4	3.75	5.74	(1.99) - 9.49	6.50	(2.75) - 10.25
Real Estate	10	14.9	7.00	14.18	(7.18) - 21.18	14.00	(7.00) - 21.00
Forestland	1	(7.1)	7.00	18.34	(11.34) - 25.34	10.00	(3.00) - 17.00
Infrastructure	0	6.9	7.00	13.92	(6.92) - 20.92	10.00	(3.00) - 17.00
Total Real	10	12.2					
Inflation Linked Bonds	3	(7.5)	3.50	5.77	(2.27) - 9.27	6.00	(2.50) - 9.50
Commodities	1	3.6	5.00	27.58	(22.58) - 32.58	21.00	(16.00) - 26.00
Total Inflation	4	(1.3)					
Absolute Return Strategy (ARS) ¹	2	4.8		3.63	(3.63) - 3.63		
Liquidity	4	1.2	3.25	1.87	1.38 - 5.12	6.20	(2.95) - 9.45
Multi-Asset Class ⁴	0			7.22	(7.22) - 7.22		0.00 - 0.00
Total Fund	100	9.9	7.38	13.11	(5.73) - 20.49	11.92	(4.54) - 19.30

¹ Investment Committee Meeting December 2010 excluding ARS which was not forecasted. These are the capital markets assumptions used in the 2010 Strategic Asset Allocation Study.

² Compound return

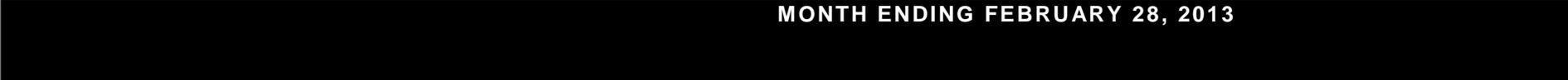
³ Standard Deviation is a measure of variability of returns around the expected average return. Returns are expected to be within minus one and plus one standard deviation 67% of the time, or two out of every three years.

Note: The Global Equity Transition Account is included in Domestic Equity, the Fixed Income Transition Account is included in Domestic Fixed Income, and the currency overlay funds are included in Liquidity for Asset Allocation purposes.

⁴ Multi-Asset Class began funding in December 2012



Section III
Investment Policy and Compliance



MONTH ENDING FEBRUARY 28, 2013



Policy Violations

Exceptions to Policy

According to policy requirements, the following is a summary of investment policy violations as reported by the program areas.

The following program areas had no violations to report for the month of February:

- Global Equity
- Private Equity
- Real Assets
- Absolute Return Strategies
- Global Governance
- Policy and Business Services
- Asset Allocation
- Risk Management

Section III: Investment Policy and Compliance

Policy Violations

Policy Violations:

New

Program Area or Asset Class	Event Date	Resolution Date	Policy Violated	Event Description	Resolution (expected) or Next Steps
Investment Servicing Division	5/16/2011	1/31/2013	Statement of Investment Policy for Benchmarks	The Global Fixed Income Benchmark component of the Total Fund Policy Benchmark was not updated timely to reflect changes approved by the Board. The components of the Global Fixed Income Benchmark had been approved to switch from 92%/8% blended benchmark to a 90%/10% blended benchmark effective July 1, 2011.	<p>In May 2011, the Investment Committee approved a change in the calculation of the Global Fixed Income component of the Total Fund Policy Benchmark. The change was not communicated to State Street, resulting in the benchmark to continue to be calculated using the previous component.</p> <p>In February 2013 Investment Office Staff identified the discrepancy and the Investment Office Portfolio Analytics team then worked with State Street and Wilshire Associates to make the necessary changes to the benchmark calculation retroactive to July 1, 2011. Changes were implemented effective February 2013.</p> <p>Change control procedures were implemented by State Street to prevent future recurrence.</p>

Section III: Investment Policy and Compliance

Policy Violations

Existing

Program Area or Asset Class	Event Date	Resolution Date	Policy Violated	Violation Description	Event Description and Resolution (expected) or Next Steps
Fixed Income	7/18/2012	5/15/13 or earlier	Statement of Investment Policy for Low Duration Fixed Income Program (Short Duration Fund).	"MBNA Credit Card Master Trust Note" (MBNANT 2006-A5 A5 10/15/15) exceeded the 15% concentration limit for structured securities in the Short Duration Fund Program with less than 1.5 years of weighted average life (WAL).	<p>The violation was caused when the market value of the Short Duration Program decreased due to maturities and partial return of principal, resulting in the concentration of the security to exceed 15% (currently at approximately 17%). As of February 2013, the security has 0.21 years weighted average life.</p> <p>The Global Fixed Income Senior Investment Officer recommends holding the security until maturity due to the high quality of the collateral, short weighted average life and expected yield.</p>

Section III: Investment Policy and Compliance

Disclosure of Closed Session Action Items

	Investment Committee Meeting	Agenda Item	Investment Committee Action	Vote
	No items to report			



Section IV
Investment Transactions



MONTH ENDING FEBRUARY 28, 2013

Section IV: Investment Transactions

Items Completed Under Delegated Authority *(for the month of February 28, 2013)*

Program Area	Name of Investment	Commitment	Initial Funding Date of Partnership	Complies with Delegation Number	Due Diligence Report Received From
ARS	Partners Fund Management*	60,000,000	Apr-05	ARS-SPM-001	N/A
Private Equity	FR AFG CO-INVESTMENT, L.P.	82,500,000	Feb-13	07-02-INV II (C) 1	PCA**
Private Equity	TowerBrook Investors Fund IV, L.P.	380,000,000	Feb-13	07-02-INV II (B) 2	Cambridge Associates and PCA**
Real Estate	PERS-400 R Street*	2,000,000	Apr-05	RA-SPM-002	N/A
*Additional commitment to existing investment.					
**Pension Consulting Alliance (PCA) reviewed the transaction and provided a board investment consultant opinion.					

Section IV: Investment Transactions

Disclosure of Placement Agent Fees *(for the month of February 28, 2013)*

Summary Disclosure							
Program Area	Firm Name	Fund	Placement Agent Firm	REGISTERED		Estimated Placement Agent Compensation	Transaction Type
				SEC/FINRA	Secretary of State		
No Items to report							

Section IV: Investment Transactions

Investment Transactions Summary – Estimated Values (for the month of February 28, 2013)

	PERF - Public Markets						
	Public Equity	REIT	Income	Inflation	ARS	Liquidity	MAC
Beginning Market Value	131,744,960,036	772,533,365	40,470,975,752	9,942,926,311	5,153,649,930	10,627,626,587	502,365,500
+ Purchases	1,140,400,532	1,990,000	1,779,035,157	857,509,730	60,000,000	2,899,375,290	-
- Sales	(1,140,030,559)	-	(1,652,013,773)	(856,165,627)	(65,535,018)	(2,894,061,406)	-
+ Unitized Fund Purchases	-	-	-	-	-	-	-
- Unitized Fund Sales	(22,461,230)	-	-	-	-	(51,030,433)	-
+/- Other Changes in MV	159,722,948	5,377,346	91,229,768	(224,310,468)	30,056,272	148,392,721	6,309,000
Ending Market Value	131,882,591,727	779,900,711	40,689,226,904	9,719,959,946	5,178,171,184	10,730,302,758	508,674,500
	PERF - Private Markets						
	Private Equity	Real Estate	Forestland	Infrastructure			
Beginning Market Value	31,881,102,565	20,593,300,155	2,116,299,909	1,081,109,242			
+ Contributions	309,298,488	89,902,723	-	11,042,414			
- Distributions	(748,366,666)	(139,804,175)	-	(386,860)			
+ Unitized Fund Purchases	-	-	-	-			
- Unitized Fund Sales	-	-	-	-			
+/- Other Changes in MV	277,339,476	47,911,453	-	(10,655,555)			
Ending Market Value	31,719,373,863	20,591,310,155	2,116,299,909	1,081,109,242			
	Total PERF						
	Total Public Markets	Total Private Markets	Total PERF				
Beginning Market Value	199,215,037,481	55,671,811,871	254,886,849,351				
+ Contributions	6,738,310,708	410,243,625	7,148,554,333				
- Distributions	(6,607,806,383)	(888,557,701)	(7,496,364,084)				
+ Unitized Fund Purchases	-	-	-				
- Unitized Fund Sales	(73,491,663)	-	(73,491,663)				
+/- Other Changes in MV	216,777,587	314,595,374	531,372,962				
Ending Market Value	199,488,827,730	55,508,093,169	254,996,920,899				

Note: Numbers will not tie exactly to the Asset Allocation/Performance categories due to classification differences.

Section IV: Investment Transactions

Investment Proposal Activity Summary (for the month of February 28, 2013)

	Private Asset Classes				Public Asset Classes				Total
	Private Equity	Forestland	Infrastructure	Real Estate	ARS	Global Equities	Commodities	Global Fixed Income	
Start of Month Proposals	36	0	23	23	0	3	1	1	87
New Proposal During the Month	12	1	5	5	9	6	0	0	38
Reinstated Proposal During Month	0	0	0	0	0	0	0	0	0
Decisions During the Month	16	0	1	9	0	3	0	1	30
End of Month Proposals	32	1	27	19	9	6	1	0	95
Status Details									
Status	Private Asset Classes				Public Asset Classes				Total
	Private Equity	Forestland	Infrastructure	Real Estate	ARS	Global Equities	Commodities	Global Fixed Income	
Start of Month Proposals									
Submitted	0	0	2	12	0	0	0	0	14
Screening	31	0	18	7	0	3	1	1	61
Due Diligence	2	0	3	4	0	0	0	0	9
Approved	3	0	0	0	0	0	0	0	3
Subtotal	36	0	23	23	0	3	1	1	87
New Proposals During the Month									
Subtotal	12	1	5	5	9	6	0	0	38
Reinstated Proposals During Month									
Subtotal	0	0	0	0	0	0	0	0	0
Decisions During the Month									
Committed	2	0	0	1	0	0	0	0	3
Declined	12	0	1	8	0	2	0	1	24
Failed to Materialize	0	0	0	0	0	1	0	0	1
Referred	2	0	0	0	0	0	0	0	2
Subtotal	16	0	1	9	0	3	0	1	30
End of Month Proposals									
Submitted	0	1	3	6	2	0	0	0	12
Screening	28	0	21	10	7	6	1	0	73
Due Diligence	2	0	3	3	0	0	0	0	8
Approved	2	0	0	0	0	0	0	0	2
Subtotal	32	1	27	19	9	6	1	0	95



Section V
Affiliate and Other Funds

MONTH ENDING FEBRUARY 28, 2013



Section V: Affiliate and Other Funds

Asset Allocation (for the month of February 28, 2013)

Asset Allocation as of February 28, 2013								
	Global Equity	Domestic Equity	International Equity	Domestic Fixed	TIPS	REITs	Commodities	Cash
Defined Benefit Plans								
<i>Legislators Retirement System</i>								
Target Ranges %	27-37%	N/A	N/A	37-47%	11-19%	6-10%	1-5%	N/A
Strategic Target %	32%			42%	15%	8%	3%	0%
Actual Investment %	33%			41%	15%	8%	3%	0%
Variance % (Strategic vs. Actual)	1%	0%	0%	(1%)	(0%)	0%	(0%)	0%
<i>Judges I Retirement System</i>								
Target Ranges %	N/A	N/A	N/A	N/A	N/A	N/A	N/A	100%
Strategic Target %	N/A	N/A	N/A	N/A	N/A	N/A	N/A	100%
Actual Investment %	N/A	N/A	N/A	N/A	N/A	N/A	N/A	100%
Variance % (Strategic vs. Actual)	0%	0%	0%	0%	0%	0%	0%	0%
<i>Judges II Retirement System</i>								
Target Ranges %	58-68%	N/A	N/A	15-25%	4-8%	6-10%	1-5%	N/A
Strategic Target %	63%			20%	6%	8%	3%	0%
Actual Investment %	64%			19%	6%	8%	3%	0%
Variance % (Strategic vs. Actual)	1%	0%	0%	(1%)	(0%)	0%	(0%)	0%

Note: Allocation targets approved at the August 15, 2011 Investment Committee meeting.

Section V: Affiliate and Other Funds

Asset Allocation (for the month of February 28, 2013)

Asset Allocation as of February 28, 2013								
	Global Equity	Domestic Equity	International Equity	Domestic Fixed	TIPS	REITs	Commodities	Cash
Health and Other Post-Employment Benefit Trusts								
Long-Term Care Fund								
Target Ranges %	11-19%	N/A	N/A	56-66%	4-8%	8-16%	4-8%	N/A
Strategic Target %	15%			61%	6%	12%	6%	0%
Actual Investment %	16%			60%	6%	12%	6%	0%
Variance % (Strategic vs. Actual)	1%	0%	0%	(1%)	(0%)	0%	0%	0%
CERBT Strategy 1								
Target Ranges %	61-71%	N/A	N/A	13-23%	3-7%	6-10%	1-5%	N/A
Strategic Target %	66%			18%	5%	8%	3%	0%
Actual Investment %	67%			18%	5%	8%	3%	0%
Variance % (Strategic vs. Actual)	1%	0%	0%	(0%)	(0%)	(0%)	(0%)	0%
CERBT Strategy 2								
Target Ranges %	45-55%	N/A	N/A	19-29%	11-19%	6-10%	1-5%	N/A
Strategic Target %	50%			24%	15%	8%	3%	0%
Actual Investment %	51%			23%	14%	8%	3%	0%
Variance % (Strategic vs. Actual)	1%	0%	0%	(1%)	(1%)	0%	(0%)	0%
CERBT Strategy 3								
Target Ranges %	27-37%	N/A	N/A	37-47%	11-19%	6-10%	1-5%	N/A
Strategic Target %	32%			42%	15%	8%	3%	0%
Actual Investment %	33%			41%	15%	8%	3%	0%
Variance % (Strategic vs. Actual)	1%	0%	0%	(1%)	(0%)	0%	(0%)	0%
Health Care Bond Fund								
Variance % (Strategic vs. Actual)	0%	0%	0%	0%	0%	0%	0%	0%
Contingency Reserve Fund								
Variance % (Strategic vs. Actual)	0%	0%	0%	0%	0%	0%	0%	0%

Note: In 2011 the Affiliate Funds were transitioned to new asset allocation policy targets and ranges (approved by the Investment Committee 8/15/11).

Section V: Affiliate and Other Funds

Asset Allocation (for the month of February 28, 2013)

Asset Allocation as of February 28, 2013					
	Global Equity	Fixed Income	TIPS	Commodities	REITs
Defined Contribution Plans					
Conservative					
Target Range %	25-35%	48-58%	11-19%	1-3%	0%
Strategic Target %	30%	53%	15%	2%	0%
Actual Investment %	31%	52%	15%	2%	0%
Variance % (Strategic vs. Actual)	1%	(1%)	(0%)	(0%)	0%
Moderate					
Target Range %	55-65%	23-33%	3-7%	2-6%	2-4%
Strategic Target %	60%	28%	5%	4%	3%
Actual Investment %	61%	27%	5%	4%	3%
Variance % (Strategic vs. Actual)	1%	(1%)	(0%)	(0%)	0%
Aggressive					
Target Range %	79-91%	3-7%	0%	3-7%	3-7%
Strategic Target %	85%	5%	0%	5%	5%
Actual Investment %	85%	5%	0%	5%	5%
Variance % (Strategic vs. Actual)	0%	(0%)	0%	(0%)	0%
Income					
Target Range %	25-35%	48-58%	11-19%	1-3%	0%
Strategic Target %	30%	53%	15%	2%	0%
Actual Investment %	31%	52%	15%	2%	0%
Variance % (Strategic vs. Actual)	1%	(1%)	(0%)	(0%)	0%
2005					
Target Range %	30-40%	42-52%	12-20%	1-3%	0%
Strategic Target %	35%	47%	16%	2%	0%
Actual Investment %	36%	46%	16%	2%	0%
Variance % (Strategic vs. Actual)	1%	(1%)	(0%)	(0%)	0%
2010					
Target Range %	38-48%	32-42%	12-20%	1-3%	1-3%
Strategic Target %	43%	37%	16%	2%	2%
Actual Investment %	44%	36%	16%	2%	2%
Variance % (Strategic vs. Actual)	1%	(1%)	(0%)	(0%)	0%
2015					
Target Range %	43-53%	29-39%	9-15%	1-5%	2-4%
Strategic Target %	48%	34%	12%	3%	3%
Actual Investment %	49%	33%	12%	3%	3%
Variance % (Strategic vs. Actual)	1%	(1%)	(0%)	(0%)	0%

Section V: Affiliate and Other Funds

Asset Allocation (for the month of February 28, 2013)

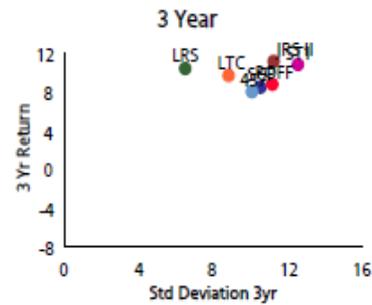
Asset Allocation as of February 28, 2013					
	Global Equity	Fixed Income	TIPS	Commodities	REITs
<i>Defined Contribution Plans</i>					
2020					
Target Range %	50-60%	26-36%	5-9%	2-6%	2-4%
Strategic Target %	55%	31%	7%	4%	3%
Actual Investment %	56%	30%	7%	4%	3%
Variance % (Strategic vs. Actual)	1%	(1%)	(0%)	(0%)	0%
2025					
Target Range %	59-69%	19-29%	2-4%	3-7%	2-6%
Strategic Target %	64%	24%	3%	5%	4%
Actual Investment %	65%	23%	3%	5%	4%
Variance % (Strategic vs. Actual)	1%	(1%)	(0%)	(0%)	0%
2030					
Target Range %	66-78%	12-22%	0-2%	3-7%	3-7%
Strategic Target %	72%	17%	1%	5%	5%
Actual Investment %	73%	16%	1%	5%	5%
Variance % (Strategic vs. Actual)	1%	(1%)	(0%)	(0%)	0%
2035					
Target Range %	75-87%	7-11%	0%	3-7%	3-7%
Strategic Target %	81%	9%	0%	5%	5%
Actual Investment %	82%	9%	0%	5%	5%
Variance % (Strategic vs. Actual)	1%	(0%)	0%	(0%)	0%
2040					
Target Range %	79-91%	3-7%	0%	3-7%	3-7%
Strategic Target %	85%	5%	0%	5%	5%
Actual Investment %	85%	5%	0%	5%	5%
Variance % (Strategic vs. Actual)	0%	(0%)	0%	(0%)	0%
2045					
Target Range %	79-91%	3-7%	0%	3-7%	3-7%
Strategic Target %	85%	5%	0%	5%	5%
Actual Investment %	85%	5%	0%	5%	5%
Variance % (Strategic vs. Actual)	0%	(0%)	0%	(0%)	0%
2050					
Target Range %	79-91%	3-7%	0%	3-7%	3-7%
Strategic Target %	85%	5%	0%	5%	5%
Actual Investment %	85%	5%	0%	5%	5%
Variance % (Strategic vs. Actual)	0%	(0%)	0%	(0%)	0%

Note: Policy target weights are compared to actual target weights for internally managed risk-based and target date asset allocation plans. Asset allocation strategies are not applicable to some SIP core funds (e.g., Total Bond Return Fund).

Section V: Affiliate and Other Funds

Asset Allocation (for the month of February 28, 2013)

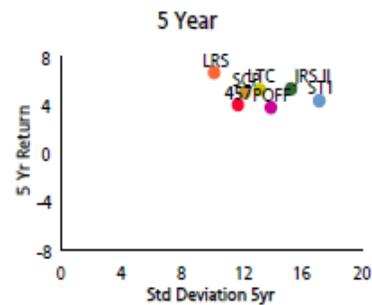
3 Year Risk Profile



TRACKING ERROR

	Excess Return (%)	Tracking Error	Information Ratio
LONG-TERM CARE FUND	0.08	0.44	0.18
CERBT STRATEGY 1 FUND	-0.12	0.28	-0.42
457 AGGREGATE	-0.59	0.59	-1.00
JUDGES' RETIREMENT SYSTEM II FUND	-0.14	0.47	-0.30
BALANCED GROWTH - POFF	-1.16	0.81	-1.44
CERBT STRATEGY 2			
LEGISLATORS' RETIREMENT SYSTEM FUND	0.06	0.62	0.09
CERBT STRATEGY 3			
SCP AGGREGATE	-0.92	0.67	-1.37

5 Year Risk Profile



TRACKING ERROR

	Excess Return (%)	Tracking Error	Information Ratio
LONG-TERM CARE FUND	0.05	1.01	0.05
CERBT STRATEGY 1 FUND	-0.17	0.86	-0.20
457 AGGREGATE	-0.36	0.69	-0.52
JUDGES' RETIREMENT SYSTEM II FUND	-0.14	1.03	-0.13
BALANCED GROWTH - POFF	-1.01	1.07	-0.94
CERBT STRATEGY 2			
LEGISLATORS' RETIREMENT SYSTEM FUND	0.27	1.65	0.16
CERBT STRATEGY 3			
SCP AGGREGATE	-1.22	0.76	-1.62

Excess Return - The difference between the portfolio return and the index return for the given period

Tracking Error - Standard deviation of the Excess Return

Information Ratio - Excess Return divided by the Tracking Error

The information ratio is used to measure risk adjusted returns; industry practice suggests that below 0.15 is considered low, between 0.15 and 0.25 is medium, and above 0.35 is high.

CBERT Strategy 2 Inception date 10/1/2011. 3 and 5yr Tracking Error unavailable due to insufficient return history

CBERT Strategy 3 Inception date 1/1/2012. 3 and 5yr Tracking Error unavailable due to insufficient return history

Section V: Affiliate and Other Funds

Net Performance Summary (for the month of February 28, 2013)

	Ending Market Value (\$millions)	1 Month		FYTD		1-Yr		3-Yr		5-Yr		10-Yr	
		Fund Rate of Return	Excess Return in Bps	Fund Rate of Return	Excess Return in Bps	Fund Rate of Return	Excess Return in Bps	Fund Rate of Return	Excess Return in Bps	Fund Rate of Return	Excess Return in Bps	Fund Rate of Return	Excess Return in Bps
DEFINED BENEFIT PLANS													
JUDGES RETIREMENT FUND	56	0.0	0	0.1	(2)	0.1	(5)	0.1	3	0.6	19	1.9	12
JUDGES RETIREMENT SYSTEM II FUND	765	0.2	2	12.4	34	9.6	40	11.1	(14)	5.2	(13)	8.1	13
LEGISLATORS RETIREMENT SYSTEM FUND	127	0.3	2	8.2	58	8.0	59	10.3	5	6.5	27	7.8	19
DEFINED CONTRIBUTION AND DEFERRED COMPENSATION PLANS													
		1 Month		FYTD		1-Yr		3-Yr		5-Yr		10-Yr	
CALPERS SUPPLEMENTAL INCOME 457 PLAN	1,052	0.5	(4)	9.0	(52)	7.4	(102)	7.9	(59)	3.9	(36)	6.1	(37.0)
SUPPLEMENTAL CONTRIBUTIONS PLAN	20	0.4	(4)	9.3	(41)	7.1	(110)	8.4	(92)	4.9	(123)		
STATE PEACE OFFICERS' & FIREFIGHTERS' (POFF) SUPPLEMENTAL PLAN	490	0.3	(5)	9.7	(51)	7.2	(135)	8.7	(116)	3.6	(101)	6.6	(83)
HEALTH AND OTHER POST-EMPLOYMENT BENEFIT FUNDS													
		1 Month		FYTD		1-Yr		3-Yr		5-Yr		10-Yr	
CERBT STRATEGY 1	2,075	0.1	2	12.1	7	10.0	2	10.7	(12)	4.2	(18)		
CERBT STRATEGY 2	376	0.2	1	10.5	19	8.9	14						
CERBT STRATEGY 3	53	0.3	3	7.9	23	7.6	2						
CALPERS HEALTH CARE BOND FUND	399	0.6	12	2.8	121	4.5	139	6.0	57	5.8	32		
LONG TERM CARE FUND	3,816	0.3	3	7.0	40	6.7	38	9.6	7	5.1	6	8.1	34
RESERVE FUNDS													
		1 Month		FYTD		1-Yr		3-Yr		5-Yr		10-Yr	
CONTINGENCY RESERVE FUND	6	0.0	0	0.1	(2)	0.1	(5)	0.1	3	0.6	19	1.9	13
SECURITIES LENDING COLLATERAL REINVESTMENT POOLS													
		1 Month		FYTD		1-Yr		3-Yr		5-Yr		10-Yr	
SECURITIES LENDING COLLATERAL REINVESTMENT POOLS	15,534	0.1	9	0.72	63	0.9	77	1.21	108	0.90	52	1.98	17

Section V: Affiliate and Other Funds

Gross Performance Summary (for the month February 28, 2013)

	Ending Market Value (\$millions)	1 Month		FYTD		1-Yr		3-Yr		5-Yr		10-Yr	
		Fund Rate of Return	Excess Return in Bps	Fund Rate of Return	Excess Return in Bps	Fund Rate of Return	Excess Return in Bps	Fund Rate of Return	Excess Return in Bps	Fund Rate of Return	Excess Return in Bps	Fund Rate of Return	Excess Return in Bps
DEFINED BENEFIT PLANS													
JUDGES RETIREMENT FUND	56	0.0	0	0.1	(2)	0.1	(5)	0.1	3	0.6	19	1.9	12
JUDGES RETIREMENT SYSTEM II FUND	765	0.2	2	12.4	34	9.6	40	11.1	(14)	5.2	(13)	8.1	13
LEGISLATORS RETIREMENT SYSTEM FUND	127	0.3	2	8.2	58	8.0	59	10.3	5	6.5	27	7.8	19
DEFINED CONTRIBUTION AND DEFERRED COMPENSATION PLANS													
		1 Month		FYTD		1-Yr		3-Yr		5-Yr		10-Yr	
CALPERS SUPPLEMENTAL INCOME 457 PLAN	1,052	0.6	56	9.3	(16)	8.0	(48)	8.5	(5)				
SUPPLEMENTAL CONTRIBUTIONS PLAN	20	0.4	0	9.6	(5)	7.7	(58)	8.9	(42)				
STATE PEACE OFFICERS' & FIREFIGHTERS' (POFF) SUPPLEMENTAL PLAN	490	0.4	0	10.1	(11)	7.8	(76)	9.3	(57)	4.3	(31)	7.3	(9)
HEALTH AND OTHER POST-EMPLOYMENT BENEFIT FUNDS													
		1 Month		FYTD		1-Yr		3-Yr		5-Yr		10-Yr	
CERBT STRATEGY 1	2,075	0.1	2	12.1	7	10.0	2	10.7	(12)	4.2	(18)		
CERBT STRATEGY 2	376	0.2	1	10.5	19	8.9	14						
CERBT STRATEGY 3	399	0.3	3	7.9	23	7.6	2						
CALPERS HEALTH CARE BOND FUND	399	0.6	12	2.8	121	4.5	139	6.0	57	5.8	32		
LONG TERM CARE FUND	3,816	0.3	3	7.0	40	6.7	38	9.6	7	5.1	6	8.1	34
RESERVE FUNDS													
		1 Month		FYTD		1-Yr		3-Yr		5-Yr		10-Yr	
CONTINGENCY RESERVE FUND	6	0.0	0	0.1	(2)	0.1	(5)	0.1	3	0.6	19	1.9	13
SECURITIES LENDING COLLATERAL REINVESTMENT POOLS													
		1 Month		FYTD		1-Yr		3-Yr		5-Yr		10-Yr	
SECURITIES LENDING COLLATERAL REINVESTMENT POOLS	15,534	0.1	9	0.72	63	0.9	77	1.21	108	0.90	52	1.98	17

Section V: Affiliate and Other Funds

Policy Violations *(for the month of February 28, 2013)*

Exceptions to Policy

According to policy requirements, the following is a summary of investment policy violations as reported by the program areas.

The following program areas had no violations to report for the month of February:

- Affiliate Investments

Policy Violations:

New

Program Area or Asset Class	Event Date	Resolution Date	Policy Violated	Event Description	Resolution (expected) or Next Steps
No items report					

Section V: Affiliate and Other Funds

Policy Violations (for the month of February 28, 2013)

Existing

Program Area or Asset Class	Event Date	Resolution Date	Policy Violated	Violation Description	Event Description and Resolution (expected) or Next Steps
Fixed Income (Sec Lending)	2/7/2012	Unresolved	Statement of Investment Policy for Securities Lending.	"SLM Student Loan Trust" (SLMA 2007-3 A2 10/25/17) was downgraded by S&P and no longer meets rating standards specified by the policy.	<p>The violation was caused when Standard & Poor's downgraded the rating of the security. Moody's and Fitch maintain their Aaa/AAA ratings of the security. As of February 2013, the security has an approximately 1.3 years weighted average life and is generating principal returns. Since the event date, February 2012, 35% of the principal was recovered.</p> <p>The Global Fixed Income Senior Investment Officer recommends holding the security to maturity due to the high quality of the collateral, short weighted average life and expected yield. Attached is Wilshire's letter for the most recent Policy Violations (Attachment 2).</p>
Fixed Income (Sec Lending)	10/10/2011	Unresolved	Statement of Investment Policy for Securities Lending.	"ACCESS Group" (ACCSS 2007-1 A2 4/25/17) was downgraded and no longer meets rating standards specified by the policy.	<p>The violation was caused when Standard & Poor's and Moody's downgraded the rating of the security. Fitch maintains its AAA rating of the security. As of February 2013, the security has an approximately 1.16 years weighted average life and is generating partial returns. Since the event date, October 2011, 45% of the principal was recovered.</p> <p>The Global Fixed Income Senior Investment Officer recommends holding the security to maturity due to the high quality of the collateral, short weighted average life and expected yield.</p>
Fixed Income (Sec Lending)	12/21/2007	Unresolved	Statement of Investment Policy for Securities Lending.	"Ironside Holdings (SIV)" was downgraded and no longer meets rating standards specified by the policy.	<p>This is a restructured Structured Investment Vehicle which is in a pay down mode, with no maturity date.</p> <p>The Global Fixed Income Senior Investment Officer believes the current pricing of the restructured Structured Investment Vehicle is undervalued and recommends holding the security.</p>
Fixed Income (Sec Lending)	8/29/2007	Unresolved	Statement of Investment Policy for Securities Lending.	"Gryphon (SIV)" was downgraded and no longer meets rating standards specified by the policy.	<p>This is a restructured Structured Investment Vehicle which is in a pay down mode, with no maturity date.</p> <p>The Global Fixed Income Senior Investment Officer believes the current pricing of the restructured Structured Investment Vehicles is undervalued and recommends holding the security.</p>

Section V: Affiliate and Other Funds

Investment Transactions Summary (for the month of February 28, 2013)

	Health and Other Post-Employment Benefit Funds					Reserve Fund
	CERBT Strategy 1 Fund	CERBT Strategy 2 Fund	CERBT Strategy 3 Fund	Health Care Bond Fund	Long Term Care Fund	Contingency Reserve Fund
Beginning Market Value	2,069,081,137	376,392,259	52,493,314	396,605,520	3,801,653,231	6,113,059
+ Purchases	-	-	-	-	-	-
- Sales	-	-	-	-	-	-
+ Unitized Fund Purchases	1,563,530,947	224,015,739	21,687,644	235	14,423,687	-
- Unitized Fund Sales	(1,555,619,220)	(226,132,301)	(21,689,147)	(13,157)	(15,774,616)	-
+/- Other Changes in MV	(1,634,712)	1,385,437	71,231	2,467,098	15,969,974	39
Ending Market Value	2,075,358,152	375,661,134	52,563,042	399,059,697	3,816,272,276	6,113,098

	Defined Contribution and Deferred Compensation Plans	Defined Benefit Plans		
	Supplemental Income Plans (457/SCP/POFF)	Judges Retirement Fund	Judges Retirement System II Fund	Legislators Retirement System Fund
Beginning Market Value	1,266,071,331	55,896,561	761,108,627	127,433,122
+ Purchases	-	-	-	-
- Sales	-	-	-	-
+ Unitized Fund Purchases	7,806,794	-	2,887,000	-
- Unitized Fund Sales	(10,110,881)	-	-	(755,000)
+/- Other Changes in MV	(502,307,889)	(6,316)	1,303,063	353,743
Ending Market Value	761,459,355	55,890,245	765,298,690	127,031,865

	Unitized Funds					Affiliated and Other Funds
	Public Equity	REIT	Income*	Inflation	Liquidity*	
Beginning Market Value	82,579,078,669	871,122,558	40,241,672,154	1,471,348,468	5,357,523,533	2,899,911,091
+ Purchases	114,283,332	2,958,790	22,233,047,696	3,102,274	16,435,811,545	164,399,142
- Sales	(26,646,038)	(49)	(21,455,033,038)	(2,677,047)	(15,448,752,000)	(149,941,593)
+/- Other Changes in MV	2,442,682	3,011,575	(475,274,532)	(61,155,528)	(1,849,534,275)	(3,769,634)
Ending Market Value	82,669,158,645	877,092,874	40,544,412,279	1,410,618,166	4,495,048,803	2,910,599,006

* Maturities may be included due to the volume of transactions



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