

CalPERS

Total Fund Monthly Update

MONTH ENDING MAY 31, 2013

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Month Ending May 31, 2013

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Section I
Asset Allocation and Risk

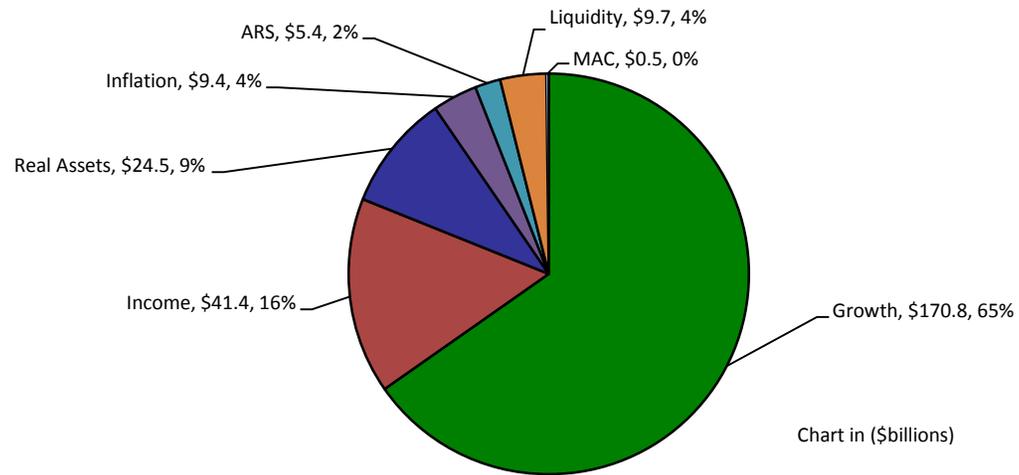


MONTH ENDING MAY 31, 2013



Section I: Asset Allocation and Risk

Asset Allocation and Unfunded Commitments (as of May 31, 2013)



Asset Allocation as of May 31, 2013												
	Growth	Public Equity ¹	Private Equity ¹	Income	Liquidity	Real Assets	Real Estate	Forestland/ Infrastructure	Inflation	ARS ³	Multi-Asset Class (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 %	65%	53%	12%	16%	4%	9%	8%	1%	4%	2%	0%	N/A
Variance % (Strategic vs. Actual)	1%	3%	(2%)	(1%)	(0%)	(2%)	(1%)	(1%)	(0%)	N/A	N/A	N/A
Interim Strategic Target (\$billions)	\$167.5	\$130.8	\$36.6	\$44.5	\$10.5	\$28.8	\$23.5	\$5.2	\$10.5	N/A	N/A	\$261.6
Actual Investment (\$billions)	\$170.8	\$138.9	\$31.9	\$41.4	\$9.7	\$24.5	\$21.1	\$3.4	\$9.4	\$5.4	\$0.5	\$261.6
Variance \$(Interim Strategic vs. Actual) (\$billions)	\$3.3	\$8.1	(\$4.8)	(\$3.1)	(\$0.8)	(\$4.3)	(\$2.5)	(\$1.9)	(\$1.0)	N/A	N/A	N/A
% Passive	54%	67%	0%	0%	0%	0%	0%	0%	0%	0%	0%	35%
% Active	46%	33%	100%	100%	100%	100%	100%	100%	100%	100%	100%	65%
% Internal	67%	83%	0%	91%	100%	0%	0%	0%	100%	0%	0%	66%
% External	33%	17%	100%	9%	0%	100%	100%	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, 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 = \$5.3 billion

Unfunded Market Commitments as of May 31, 2013										
	Private Equity		Real Estate (as of March 31, 2013)		Infrastructure (as of March 31, 2013)		Forestland (as of March 31, 2013)		Corporate Governance (as of April 30, 2013)	
Funded	\$(in Billions)	% Allocation	\$(in Billions)	% Allocation	\$(in Billions)	% Allocation	\$(in Billions)	% Allocation	\$(in Billions)	% Allocation
Fair Market Value (FMV)	\$31.9	12%	\$21.1	8%	\$1.1	0%	\$2.3	1%	\$4.7	2%
Unfunded Commitment (UC)	\$11.4	4%	\$9.1	3%	\$5	0%	\$0	0%	\$1	0%
FMV + UC	\$43.3	17%	\$30.2	12%	\$1.6	1%	\$2.3	1%	\$4.7	2%

Section I: Asset Allocation and Risk

Net Performance vs. Expected Returns (as of May 31, 2013)

Asset Class	Actual	1-Year Net	CalPERS Long-Term	Current Projected	Current	Expected	+/- One Standard
	Allocation	Asset Return	Expected Annual	Standard Deviation	+/- One Standard	Standard Deviation ¹	Deviation Range ³
	(%)	(%)	Return ^{1, 2}	(%)	Deviation Range	(%)	(%)
Public Equity	53	28.3	7.75	16.85	(9.10) - 24.60	16.00	(8.25) - 23.75
Private Equity	12	13.3	9.00	17.16	(8.16) - 26.16	26.00	(17.00) - 35.00
Total Growth	65	24.8					
Income	16	1.3	3.75	5.65	(1.90) - 9.40	6.50	(2.75) - 10.25
Real Estate	9	13.1	7.00	13.95	(6.95) - 20.95	14.00	(7.00) - 21.00
Forestland	1	6.9	7.00	18.19	(11.19) - 25.19	10.00	(3.00) - 17.00
Infrastructure	0	9.3	7.00	13.82	(6.82) - 20.82	10.00	(3.00) - 17.00
Total Real Assets	9	12.4					
Inflation Linked Bonds	3	1.9	3.50	5.85	(2.35) - 9.35	6.00	(2.50) - 9.50
Commodities	1	1.9	5.00	34.39	(29.39) - 39.39	21.00	(16.00) - 26.00
Total Inflation	4	3.3					
Absolute Return Strategy (ARS)¹	2	8.9		3.64	(3.64) - 3.64		
Liquidity	4	(0.2)	3.25	1.91	1.34 - 5.16	6.20	(2.95) - 9.45
Multi-Asset Class⁴	0			5.03	(5.03) - 5.03		
Total Fund	100	17.8	7.38	12.18	(4.80) - 19.56	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 I: Asset Allocation and Risk

Top 20 Exposures: Public Markets (as of May 31, 2013)

	Company Name ¹	Total Global Equity ²	Total Global Fixed Income ³	Market Value (millions)	% of Total Fund
1	APPLE INC	\$1208.2	\$140.5	\$1348.7	0.51%
2	EXXON MOBIL CORP	\$1234.0	\$0.0	\$1234.0	0.47%
3	GENERAL ELECTRIC CO	\$738.7	\$297.2	\$1035.9	0.39%
4	MICROSOFT CORP	\$835.9	\$37.3	\$873.2	0.33%
5	JPMORGAN CHASE & CO	\$686.6	\$159.0	\$845.6	0.32%
6	AT&T INC	\$632.6	\$196.4	\$829.0	0.31%
7	WELLS FARGO & CO	\$677.9	\$136.5	\$814.3	0.31%
8	CHEVRON CORP	\$757.3	\$14.6	\$771.9	0.29%
9	NESTLE	\$730.1	\$0.0	\$730.1	0.28%
10	JOHNSON & JOHNSON	\$710.5	\$0.0	\$710.5	0.27%
11	CITIGROUP INC	\$531.5	\$174.5	\$706.0	0.27%
12	GOOGLE INC	\$683.2	\$0.0	\$683.2	0.26%
13	PFIZER INC	\$600.6	\$79.6	\$680.1	0.26%
14	BANK OF AMERICA CORP	\$526.6	\$149.8	\$676.5	0.26%
15	ROYAL DUTCH SHELL PLC*	\$659.7	\$0.0	\$659.7	0.25%
16	INTL BUSINESS MACHINES CORP	\$648.5	\$0.0	\$648.5	0.25%
17	HSBC HOLDINGS PLC	\$646.6	\$0.0	\$646.6	0.24%
18	PROCTER & GAMBLE CO	\$632.9	\$0.0	\$632.9	0.24%
19	ROGERS CORP	\$546.0	\$0.0	\$546.0	0.21%
20	VODAFONE GROUP PLC	\$483.4	\$58.5	\$541.9	0.21%

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

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

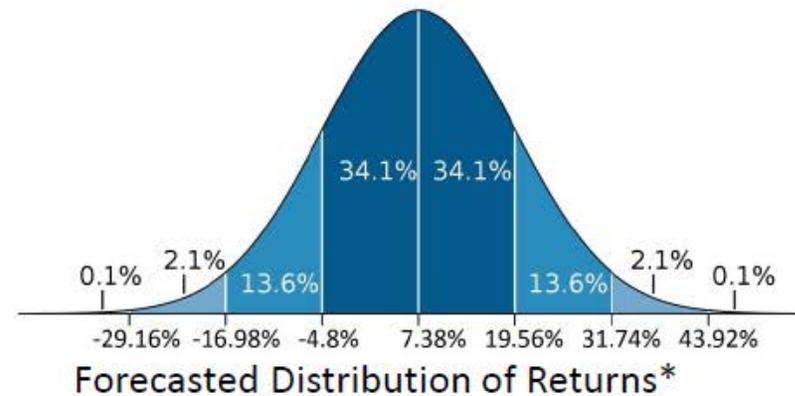
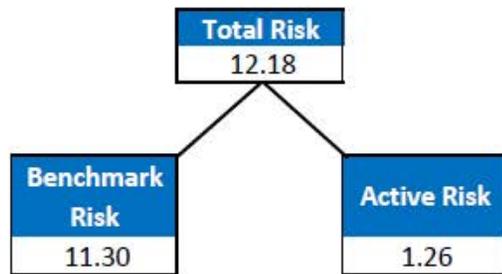
² Source for Global Equity values: State Street Bank

³ Source for Global Fixed Income values: Blackrock Solutions

Section I: Asset Allocation and Risk

Total Fund Risk Profile (as of May 31, 2013)

- Total Fund Forecast Risk is 12.18%
- Forecast Tracking Error is 1.26%
- Tracking Error Forecast is within guidelines



*Based on Forecasted Returns from 2010 Asset Liability Workshop of 7.4% and Predicted Risk of 12.18%

Section I: Asset Allocation and Risk

Total Fund Risk Profile (as of May 31, 2013)

Active Risk Summary Table

Asset Class	Market Value (\$millions)	Total Risk (%)	%Contribution to Total Risk	Active Risk	Correlation	Value-at-Risk (\$)	Conditional VaR(\$)*
Private Equity	31,826	17.16	16.23	7.93	.95	1,790	2,168
Public Equity	136,923	16.85	71.61	5.87	.99	7,559	9,226
Income	43,175	5.64	0.28	12.38	.04	798	1,013
Commodities	2,218	33.69	1.15	29.92	.49	245	401
Inflation Linked Bonds	7,168	5.85	.42	10.89	.32	137	175
Real Assets	23,950	13.78	8.53	7.51	.83	569	715
Liquidity	9,589	1.91	-0.17	11.96	-0.29	60	76
Absolute Return	5,360	3.64	0.49	8.75	.79	64	70
MAC Program	527	5.03	.05	9.30	.59	9	11
Beta Overlay**	1,539	55.56	2.64	44.45	.99	280	346
Currency Overlay***	114	-	-1.22	-	-0.45	287	361
CalPERS PERF	262,397	12.18	100	1.25	1.00	10,471	12,410

*10 day, 95% confidence Monte Carlo VaR simulation

** Beta Overlay market value is collateral held in the portfolio

*** Currency Overlay market value is the net mark to market on the derivatives in the portfolio



Section II
Investment Performance



MONTH ENDING MAY 31, 2013



Section II: Investment Performance

Net Performance Summary (as of May 31, 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	169,310	64.7	0.6	35	20.2	35	24.8	2	13.5	6	2.6	(180)	8.6	(76)
PUBLIC EQUITY	137,435	52.5	0.3	22	22.5	75	28.3	80	13.1	48	2.1	(58)	8.0	(34)
PRIVATE EQUITY	31,875	12.2	1.8	105	12.4	(34)	13.3	(143)	14.7	(25)	5.8	(643)	12.4	(128)
INCOME	41,328	15.8	(3.4)	29	1.2	162	1.3	179	7.7	68	8.2	88	6.7	86
LIQUIDITY	9,589	3.7	(0.9)	20	(0.1)	(15)	(0.2)	(9)	1.6	(24)	1.3	(13)	2.4	2
REAL	24,457	9.3	0.0	(10)	4.0	(338)	12.4	232	7.2	(463)	(11.1)	(1,411)	3.2	(558)
REAL ESTATE	21,097	8.1	0.0	0	3.7	(398)	13.1	237	8.1	(545)	(12.5)	(1,624)	2.5	(686)
FORESTLAND	2,254	0.9	0.0	0	6.9	(44)	6.9	(85)	(2.3)	(534)	0.0	(261)		
INFRASTRUCTURE	1,107	0.4	0.0	(115)	4.6	(29)	9.3	329	20.1	1,312	13.3	685		
INFLATION	9,448	3.6	(3.6)	2	2.8	93	3.3	124	8.1	142	(1.7)	(177)		
COMMODITIES	1,195	0.5	(1.5)	(2)	0.6	(116)	1.9	(113)	4.4	(40)	(13.8)	1		
INFLATION LINKED BONDS	6,005	2.3	(4.3)	2	2.0	31	1.9	36	7.9	38	5.0	22		
TACTICAL INFLATION ASSETS	2,404	0.9	(2.8)	11										
ABSOLUTE RETURN STRATEGIES	5,360	2.0	1.6	120	9.3	442	8.9	356	4.3	(116)	1.5	(466)	5.4	(273)
MULTI-ASSET CLASS	527	0.2	(0.1)	(72)										
OVERLAY+TRANSITION+PLAN LEVEL PORTFOLIOS	1,623	0.6												
TOTAL FUND	261,643	100.0	(0.2)	45	14.1	159	17.8	220	11.1	(4)	2.4	(225)	7.3	(82)

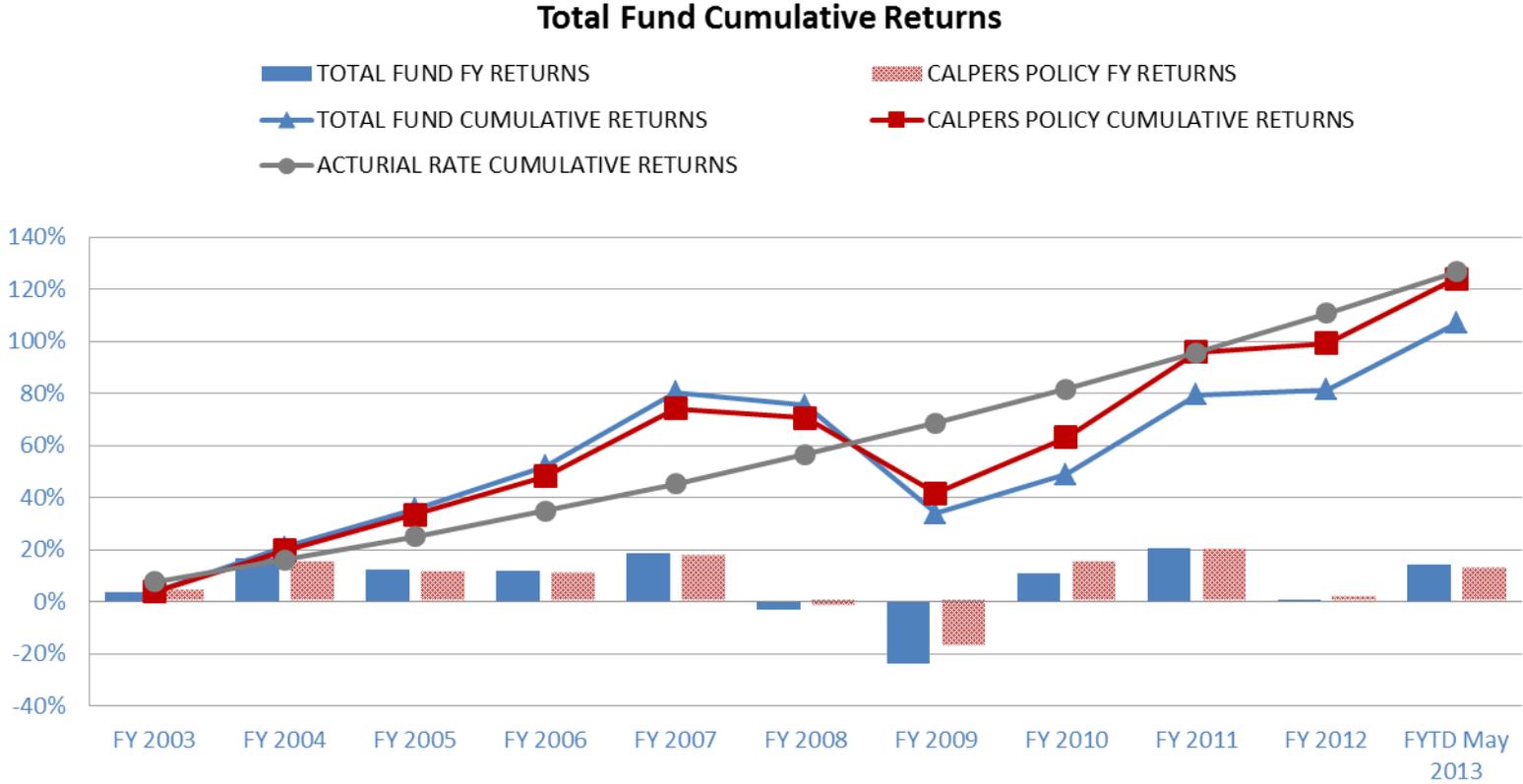
Total Fund Inception to Date Net Return: 8.60%.

Inception date: 07/01/1988

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

Section II: Investment Performance

Net Performance Summary (as of May 31, 2013)



Inflation, Liquidity and Real Assets were created July 1, 2011 from existing portfolios; historical values represented for prior years.

Note: Actuarial Rate of Return FY 2003-FY 2011 is 7.75%, FY 2012-FYTD May 2013 is 7.5%



Section III
Investment Transactions

MONTH ENDING MAY 31, 2013



Section III: Investment Transactions

Items Completed Under Delegated Authority *(as of May 31, 2013)*

Program Area	Name of Investment	Commitment	Initial Funding Date of Partnership	Complies with Delegation Number	Due Diligence Activities Conducted By
Private Equity	McGraw Hill Education Division Co-Investment	\$57,500,000	May-13	07-02-INV II (C) 2	Pension Consulting Alliance (PCA)**
Real Estate	Hines CalPERS Russia Long Term Hold	\$225,000,000	Jan-13	11-01-INV	Courtland Partners, LTD***
Global Equity	Genesis Asset Management*	\$200,000,000	Aug-02	07-03-INV	N/A
<p>*Additional commitment to existing investment. **PCA reviewed the transaction and provided a board investment consultant opinion ***Provided a Prudent Person Opinion</p>					

Section III: Investment Transactions

Disclosure of Placement Agent Fees (as of May 31, 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							

Detailed Disclosure		
Firm Name	Fund	Estimated Placement Agent Compensation
No Items to report		

Section III: Investment Transactions

Investment Transactions Summary – Estimated Values (as of May 31, 2013)

	PERF - Public Markets						
	Public Equity	REIT	Income	Inflation	ARS	Liquidity	MAC
Beginning Market Value	138,503,291,740	71,153,023	42,824,639,366	9,808,068,990	5,275,202,214	10,508,569,904	527,789,000
+ Purchases	1,671,480,375	102,588,750	773,659,602	858,068,621	-	3,839,664,630	-
- Sales	(1,441,105,675)	(1,025,347)	(738,703,511)	(856,510,330)	-	(4,981,779,830)	-
+ Unitized Fund Purchases	2,016	-	-	-	-	-	-
- Unitized Fund Sales	(67,046,878)	-	-	-	-	(54,000,000)	-
+/- Other Changes in MV	250,574,612	68,300,369	(1,503,565,812)	(362,014,451)	84,976,522	389,688,265	(616,500)
Ending Market Value	138,917,196,191	241,016,795	41,356,029,646	9,447,612,830	5,360,178,735	9,702,142,970	527,172,500
PERF - Private Markets							
	Private Equity	Real Estate	Forestland	Infrastructure			
Beginning Market Value	32,039,315,250	21,025,564,318	2,253,563,074	1,106,811,947			
+ Contributions	238,616,395	283,567,448	-	23,843,597			
- Distributions	(795,822,191)	(325,704,123)	(1,081,941)	(5,455,478)			
+ Unitized Fund Purchases	-	-	-	-			
- Unitized Fund Sales	-	-	-	-			
+/- Other Changes in MV	393,241,711	(127,733,478)	1,081,941	(18,388,119)			
Ending Market Value	31,875,351,165	20,855,694,165	2,253,563,074	1,106,811,947			
Total PERF							
	Total Public Markets	Total Private Markets	Total PERF				
Beginning Market Value	207,518,714,237	56,425,254,589	263,943,968,826				
+ Contributions	7,245,461,978	546,027,440	7,791,489,418				
- Distributions	(8,019,124,692)	(1,128,063,732)	(9,147,188,424)				
+ Unitized Fund Purchases	2,016	-	2,016				
- Unitized Fund Sales	(121,046,878)	-	(121,046,878)				
+/- Other Changes in MV	(1,072,656,995)	248,202,054	(824,454,941)				
Ending Market Value	205,551,349,666	56,091,420,351	261,642,770,017				

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

Section III: Investment Transactions

Investment Proposal Activity Summary (as of May 31, 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	34	2	27	14	15	2	1	1	96
New Proposal During the Month	13	1	20	7	12	5	1	2	61
Reinstated Proposal During Month	0	0	0	0	0	0	0	0	0
Decisions During the Month	21	0	13	0	16	2	0	1	53
End of Month Proposals	26	3	34	21	11	5	2	2	104

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	1	1	0	0	0	1	3
Screening	31	2	25	13	15	2	1	0	89
Due Diligence	2	0	1	0	0	0	0	0	3
Approved	1	0	0	0	0	0	0	0	1
Subtotal	34	2	27	14	15	2	1	1	96
New Proposals During the Month									
Subtotal	13	1	20	7	12	5	1	2	61
Reinstated Proposals During Month									
Subtotal	0	0	0	0	0	0	0	0	0
Decisions During the Month									
Committed	1	0	0	0	0	0	0	0	1
Declined	18	0	13	0	0	0	0	1	32
Failed to Materialize	0	0	0	0	0	2	0	0	2
Referred	2	0	0	0	16	0	0	0	18
Subtotal	21	0	13	0	16	2	0	1	53
End of Month Proposals									
Submitted	0	1	5	4	0	0	1	0	11
Screening	21	2	27	17	11	5	1	2	86
Due Diligence	4	0	2	0	0	0	0	0	6
Approved	1	0	0	0	0	0	0	0	1
Subtotal	26	3	34	21	11	5	2	2	104



Section IV
Affiliate and Other Funds

MONTH ENDING MAY 31, 2013



Section IV: Affiliate and Other Funds

Asset Allocation (as of May 31, 2013)

Asset Allocation as of May 31, 2013						
	Global Equity	Domestic Fixed	TIPS	REITs	Commodities	Cash
Defined Benefit Plans						
<i>Legislators' Retirement System</i>						
Target Ranges %	27-37%	37-47%	11-19%	6-10%	1-5%	N/A
Strategic Target %	32%	42%	15%	8%	3%	0%
Actual Investment %	33%	42%	15%	8%	3%	0%
Variance % (Strategic vs. Actual)	1%	(0%)	(0%)	(0%)	(0%)	0%
<i>Judges' I Retirement System</i>						
Target Ranges %	N/A	N/A	N/A	N/A	N/A	100%
Strategic Target %	N/A	N/A	N/A	N/A	N/A	100%
Actual Investment %	N/A	N/A	N/A	N/A	N/A	100%
Variance % (Strategic vs. Actual)	0%	0%	0%	0%	0%	0%
<i>Judges' II Retirement System</i>						
Target Ranges %	58-68%	15-25%	4-8%	6-10%	1-5%	N/A
Strategic Target %	63%	20%	6%	8%	3%	0%
Actual Investment %	64%	20%	6%	8%	3%	0%
Variance % (Strategic vs. Actual)	1%	(0%)	(0%)	(0%)	(0%)	0%

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

Section IV: Affiliate and Other Funds

Asset Allocation (as of May 31, 2013)

Asset Allocation as of May 31, 2013						
	Global Equity	Domestic Fixed	TIPS	REITs	Commodities	Cash
HEALTH AND AND OTHER POST-EMPLOYMENT BENEFIT TRUSTS						
Long-Term Care Fund						
Target Ranges %	11-19%	56-66%	4-8%	8-16%	4-8%	N/A
Strategic Target %	15%	61%	6%	12%	6%	0%
Actual Investment %	16%	61%	6%	11%	6%	0%
Variance % (Strategic vs. Actual)	1%	0%	(0%)	(1%)	(0%)	0%
CERBT Strategy 1						
Target Ranges %	61-71%	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%
CERBT Strategy 2						
Target Ranges %	45-55%	19-29%	11-19%	6-10%	1-5%	N/A
Strategic Target %	50%	24%	15%	8%	3%	0%
Actual Investment %	51%	24%	14%	8%	3%	0%
Variance % (Strategic vs. Actual)	1%	(0%)	(1%)	(0%)	(0%)	0%
CERBT Strategy 3						
Target Ranges %	27-37%	37-47%	11-19%	6-10%	1-5%	N/A
Strategic Target %	32%	42%	15%	8%	3%	0%
Actual Investment %	33%	42%	15%	8%	3%	0%
Variance % (Strategic vs. Actual)	1%	(0%)	(0%)	(0%)	(0%)	0%
Health Care Bond Fund						
Variance % (Strategic vs. Actual)	0%	0%	0%	0%	0%	0%
Contingency Reserve Fund						
Variance % (Strategic vs. Actual)	0%	0%	0%	0%	0%	0%

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

Section IV: Affiliate and Other Funds

Asset Allocation (as of May 31, 2013)

Asset Allocation as of May 31, 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%	14%	2%	0%
Variance % (Strategic vs. Actual)	1%	(1%)	(1%)	(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 %	86%	5%	0%	5%	5%
Variance % (Strategic vs. Actual)	1%	(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%	14%	2%	0%
Variance % (Strategic vs. Actual)	1%	(1%)	(1%)	(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%	15%	2%	0%
Variance % (Strategic vs. Actual)	1%	(1%)	(1%)	(0%)	0%
2010					
Target Range %	38-48%	32-42%	12-20%	1-3%	1-3%
Strategic Target %	43%	37%	16%	2%	2%
Actual Investment %	45%	36%	15%	2%	2%
Variance % (Strategic vs. Actual)	2%	(1%)	(1%)	(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%	11%	3%	3%
Variance % (Strategic vs. Actual)	1%	(0%)	(0%)	(0%)	0%

Section IV: Affiliate and Other Funds

Asset Allocation (as of May 31, 2013)

Asset Allocation as of May 31, 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 %	86%	5%	0%	5%	5%
Variance % (Strategic vs. Actual)	1%	(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 %	86%	5%	0%	5%	5%
Variance % (Strategic vs. Actual)	1%	(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 %	86%	5%	0%	5%	5%
Variance % (Strategic vs. Actual)	1%	(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 Supplemental Income Plan core funds (e.g. Total Bond Return Fund).

Section IV: Affiliate and Other Funds

Net Performance Summary (as of May 31, 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	48	0.0	(1)	0.1	(5)	0.1	(6)	0.1	1	0.4	12	1.9	11
JUDGES' RETIREMENT SYSTEM II FUND	799	(1.5)	6	15.2	41	19.3	48	12.1	(10)	4.8	(16)	7.3	(32)
LEGISLATORS' RETIREMENT SYSTEM FUND	126	(2.7)	15	8.7	74	10.9	82	10.2	13	6.2	25	6.8	(18)
DEFINED CONTRIBUTION AND DEFERRED COMPENSATION PLANS													
		1 Month		FYTD		1-Yr		3-Yr		5-Yr		10-Yr	
CALPERS SUPPLEMENTAL INCOME 457 PLAN	1,093	0.5	3	13.2	(58)	15.8	(85)	9.3	(62)	3.8	(39)	5.6	(37.0)
SUPPLEMENTAL CONTRIBUTIONS PLAN	20	(0.1)	8	12.9	(45)	15.6	(80)	9.8	(91)	4.6	(103)		
STATE PEACE OFFICERS' & FIREFIGHTERS' (POFF) SUPPLEMENTAL PLAN	496	(0.1)	11	13.3	(48)	16.3	(91)	10.2	(112)	3.7	(91)	5.8	(90)
HEALTH AND OTHER POST-EMPLOYMENT BENEFIT FUNDS													
		1 Month		FYTD		1-Yr		3-Yr		5-Yr		10-Yr	
CERBT STRATEGY 1	2,187	(1.6)	8	15.0	17	19.4	8	12.2	(8)	3.8	(6)		
CERBT STRATEGY 2	413	(2.2)	10	12.0	30	15.6	32						
CERBT STRATEGY 3	56	(2.7)	18	8.3	39	10.5	26						
CALPERS HEALTH CARE BOND FUND	397	(1.7)	5	2.4	152	2.5	160	5.3	70	5.8	31		
LONG - TERM CARE FUND	3,813	(3.5)	6	6.4	49	9.3	53	9.5	12	4.3	7	6.9	(14)
RESERVE FUNDS													
		1 Month		FYTD		1-Yr		3-Yr		5-Yr		10-Yr	
CONTINGENCY RESERVE FUND	6	0.0	(1)	0.1	(5)	0.1	(6)	0.1	1	0.4	12	1.9	12
SECURITIES LENDING COLLATERAL													
		1 Month		FYTD		1-Yr		3-Yr		5-Yr		10-Yr	
SECURITIES LENDING COLLATERAL REINVESTMENT POOLS	18,029	0.0	2	0.87	75	0.9	80	0.98	85	0.85	57	1.96	18

Section IV: Affiliate and Other Funds

Gross Performance Summary (as of May 31, 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	48	0.0	(1)	0.1	(5)	0.1	(6)	0.1	1	0.4	12	1.9	11
JUDGES' RETIREMENT SYSTEM II FUND	799	(1.5)	6	15.2	41	19.3	48	12.1	(10)	4.8	(16)	7.3	(32)
LEGISLATORS' RETIREMENT SYSTEM FUND	126	(2.7)	15	8.7	74	10.9	82	10.2	13	6.2	25	6.8	(18)
DEFINED CONTRIBUTION AND DEFERRED COMPENSATION PLANS													
		1 Month		FYTD		1-Yr		3-Yr		5-Yr		10-Yr	
CALPERS SUPPLEMENTAL INCOME 457 PLAN	1,093	0.5	53	13.8	(5)	16.4	(27)	9.8	(8)				
SUPPLEMENTAL CONTRIBUTIONS PLAN	20	(0.0)	13	13.4	10	16.2	(19)	10.3	(39)				
STATE PEACE OFFICERS' & FIREFIGHTERS' (POFF) SUPPLEMENTAL PLAN	496	(0.1)	15	13.9	7	16.9	(30)	10.7	(54)	4.4	(25)	6.5	(17)
HEALTH AND OTHER POST-EMPLOYMENT BENEFIT FUNDS													
		1 Month		FYTD		1-Yr		3-Yr		5-Yr		10-Yr	
CERBT STRATEGY 1	2,187	(1.6)	8	15.0	17	19.4	8	12.2	(8)	3.8	(6)		
CERBT STRATEGY 2	413	(2.2)	10	12.0	30	15.6	32						
CERBT STRATEGY 3	397	(2.7)	18	8.3	39	10.5	26						
CALPERS HEALTH CARE BOND FUND	397	(1.7)	5	2.4	152	2.5	160	5.3	70	5.8	31	4.8	
LONG - TERM CARE FUND	3,813	(3.5)	6	6.4	49	9.3	53	9.5	12	4.3	7	6.9	(14)
RESERVE FUNDS													
		1 Month		FYTD		1-Yr		3-Yr		5-Yr		10-Yr	
CONTINGENCY RESERVE FUND	6	0.0	(1)	0.1	(5)	0.1	(6)	0.1	1	0.4	12	1.9	12
SECURITIES LENDING COLLATERAL													
		1 Month		FYTD		1-Yr		3-Yr		5-Yr		10-Yr	
SECURITIES LENDING COLLATERAL REINVESTMENT POOLS	18,029	0.0	2	0.87	75	0.9	80	0.98	85	0.85	57	1.96	18

Section IV: Affiliate and Other Funds

Investment Transactions Summary (as of May 31, 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	2,212,254,704	407,491,110	57,372,485	404,418,221	3,946,847,148	6,113,419
+ Purchases	-	-	-	-	-	-
- Sales	-	-	-	-	-	-
+ Unitized Fund Purchases	12,800,000	14,500,000	850,000	-	71,232,202	-
- Unitized Fund Sales	-	-	(45,000)	(27,065)	(66,232,202)	-
+/- Other Changes in MV	(38,293,920)	(8,971,768)	(1,685,506)	(6,985,372)	(138,504,751)	(61)
Ending Market Value	2,186,760,784	413,019,342	56,491,979	397,405,785	3,813,342,397	6,113,358

	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	794,620,040	55,891,511	806,742,025	129,828,710
+ Purchases	-	-	-	-
- Sales	-	-	-	-
+ Unitized Fund Purchases	7,775,332	-	8,789,000	-
- Unitized Fund Sales	(12,897,672)	(7,999,207)	-	(645,000)
+/- Other Changes in MV	5,296,440	(1,386)	(16,436,734)	(3,465,784)
Ending Market Value	794,794,139	47,890,918	799,094,291	125,717,926

	Unitized Funds					Affiliated and Other Funds
	Public Equity	REIT	Income*	Inflation	Liquidity*	
Beginning Market Value	83,815,897,149	108,278,274	42,893,502,178	1,346,586,648	4,748,586,332	3,011,885,089
+ Purchases	366,463,459	497,477	25,233,126,630	1,147,951,742	26,166,880,444	221,515,555
- Sales	(189,435,757)	(8)	(24,299,498,595)	(1,232,922,529)	(25,668,405,000)	(206,177,357)
+/- Other Changes in MV	(247,935,923)	(8,809,327)	(2,272,832,426)	66,133,418	(806,687,928)	(33,938,203)
Ending Market Value	83,744,988,929	99,966,416	41,554,297,786	1,327,749,278	4,440,373,849	2,993,285,084

* Maturities may be included due to the volume of transactions



Section V
Investment Policy and Compliance

MONTH ENDING MAY 31, 2013



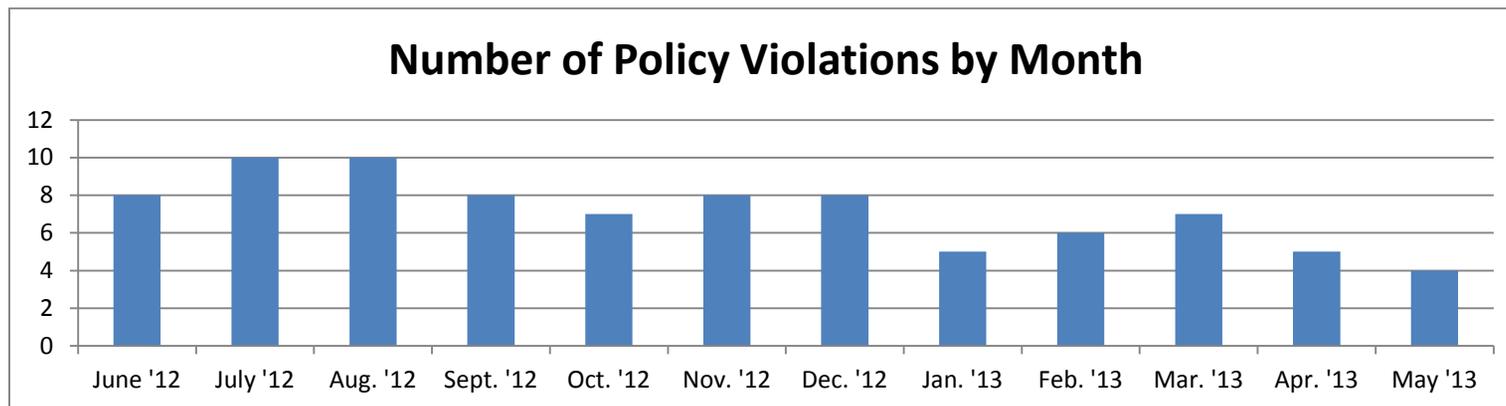
Section V: Investment Policy and Compliance

Policy Violations (as of May 31, 2013)**Material 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 May:

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



Section V: Investment Policy and Compliance

Policy Violations (as of May 31, 2013)

Policy Violations:

New

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

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 (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 Standard & Poor (S&P) and no longer meets rating standards specified by the policy.	<p>The violation was caused when S&P'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.</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 S&P'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>

Section V: Investment Policy and Compliance

Policy Violations (as of May 31, 2013)

Existing (cont'd)

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)	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.	This is a restructured Structured Investment Vehicle which is in a pay down mode, with no maturity date. The Global Fixed Income Senior Investment Officer believes the current pricing of the restructured Structured Investment Vehicle is undervalued and recommends holding the security.
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.	This is a restructured Structured Investment Vehicle which is in a pay down mode, with no maturity date. The Global Fixed Income Senior Investment Officer believes the current pricing of the restructured Structured Investment Vehicles is undervalued and recommends holding the security.

Section V: Investment Policy and Compliance

Disclosure of Closed Session Action Items *(as of May 31, 2013)*

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



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