

# CalPERS Chief Investment Officer Total Fund Update

## Appendix C: Asset Class Performance

Period Ending June 30, 2013

Joe Dear, CIO

Investment Committee

August 2013

# Global Equity Performance Summary

- Fiscal Year-to-Date (FYTD) Return of 19.03% outperformed benchmark by 73 basis points (BPS)
- International Developed FYTD return is 17.8%
- Emerging Markets FYTD return is 4.1%

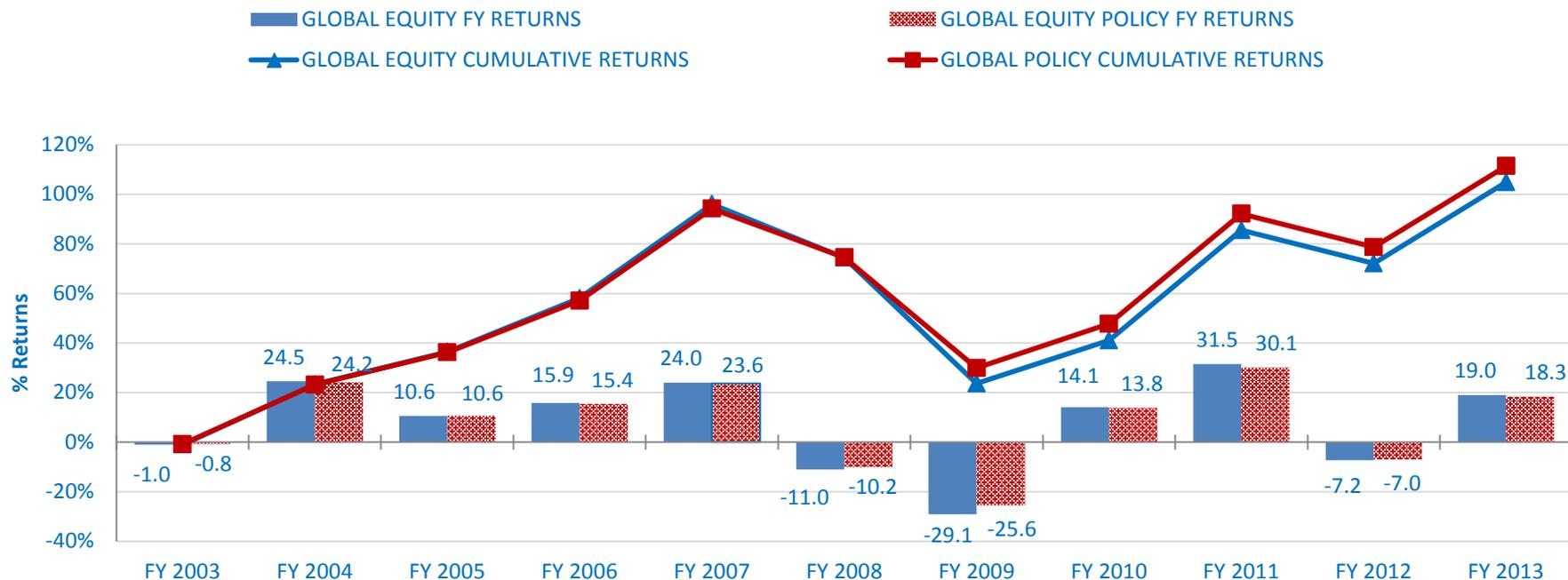
	EMV*	FYTD	1-YR	3-YR	5-YR	10-YR	20-YR	ITD**	Inception Date
	(Millions)								
<b>GLOBAL EQUITY</b>	<b>\$133,593</b>	<b>19.03</b>	<b>19.03</b>	<b>13.24</b>	<b>3.26</b>	<b>7.54</b>	<b>8.16</b>	<b>9.23</b>	<b>7/88</b>
<i>POLICY INDEX</i>		18.3	18.3	12.69	3.91	7.86	7.67	N/A	
<i>Excess Return</i>		0.73	0.73	0.56	(0.65)	(0.32)	0.49		

Performance data as of June 30, 2013

\*Ending market value (EMV)

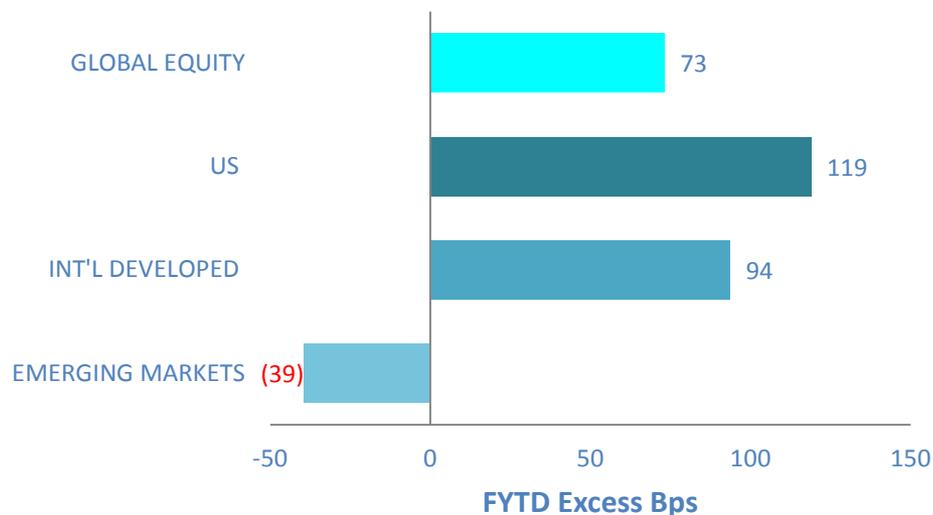
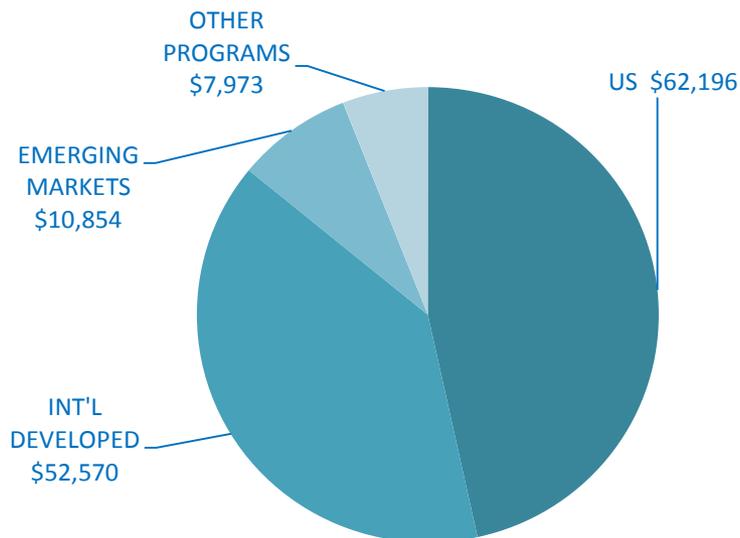
\*\* Inception to date (ITD)

# Global Equity Cumulative Returns



Performance as of June 30, 2013

# Global Equity Allocation & Relative Performance\*



Allocation and relative performance as of June 30, 2013

\* Public Equity allocation in millions and US, International Developed and Emerging Markets FYTD excess bps are measured against asset weighted benchmarks.

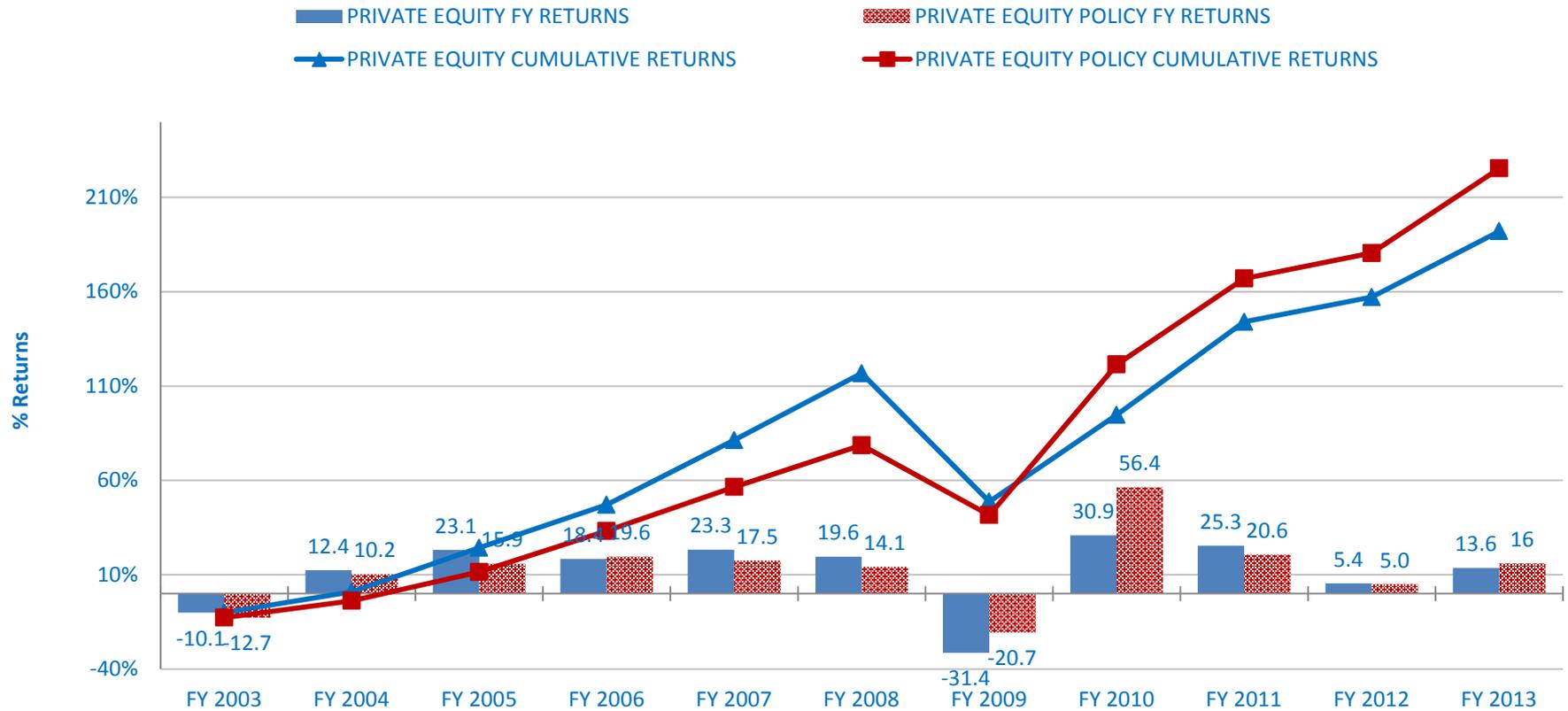
# Private Equity Performance Summary

- 5-year return of 6.15% underperformed benchmark by 660 BPS
- 10-year return of 12.51% underperformed benchmark by 156 BPS
- Credit Related FYTD return is 20.78%

	EMV (Millions)	FYTD	1-YR	3-YR	5-YR	10-YR	20-YR	ITD	Inception Date
<b>PRIVATE EQUITY</b>	<b>\$31,410</b>	<b>13.59</b>	<b>13.59</b>	<b>14.47</b>	<b>6.15</b>	<b>12.51</b>	<b>12.15</b>	<b>9.76</b>	<b>3/90</b>
<i>POLICY INDEX</i>		<i>16.03</i>	<i>16.03</i>	<i>13.69</i>	<i>12.75</i>	<i>14.07</i>	<i>10.92</i>	<i>11.30</i>	
<i>Excess Return</i>		<i>(2.44)</i>	<i>(2.44)</i>	<i>0.79</i>	<i>(6.60)</i>	<i>(1.56)</i>	<i>1.23</i>	<i>(1.53)</i>	

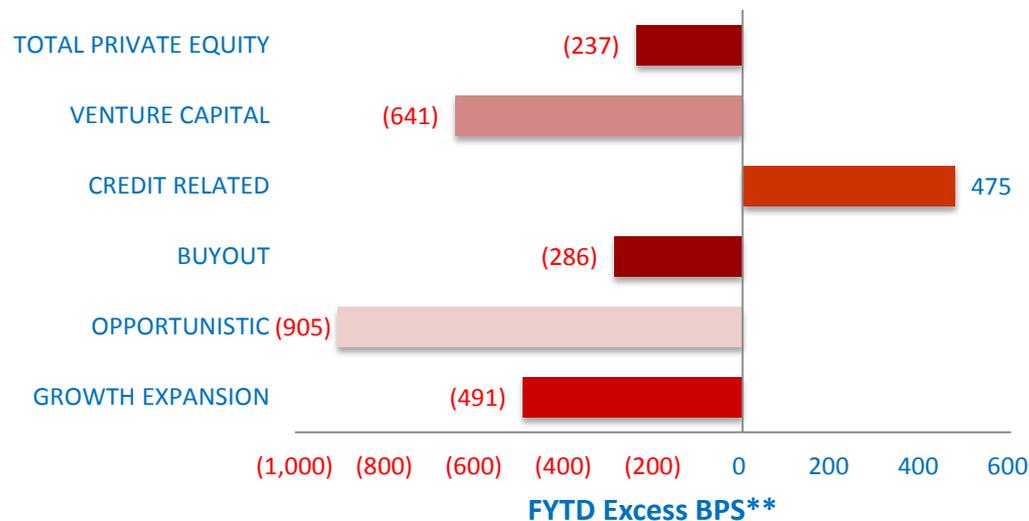
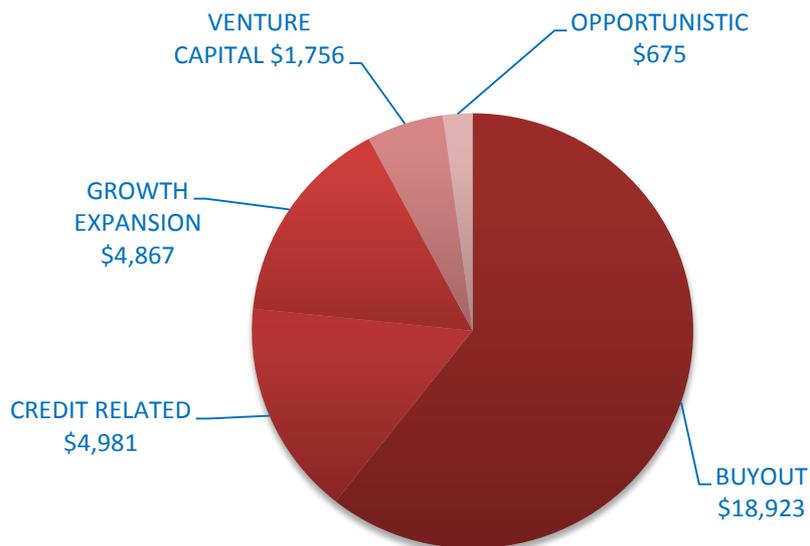
Performance data as of June 30, 2013

# Private Equity Historical Performance



Performance as of June 30, 2013

# Private Equity Allocation & Relative Performance\*



Allocation and relative performance as of June 30, 2013\*\*

\* Private Equity allocation in millions and FYTD excess bps is compared to Total Private Equity Policy benchmark since the strategies do not have a specified benchmark.

\*\* Private Equity performance is based on General Partners' most recent received financial statements plus any cash adjustments made by State Street Bank thru June 30, 2013.

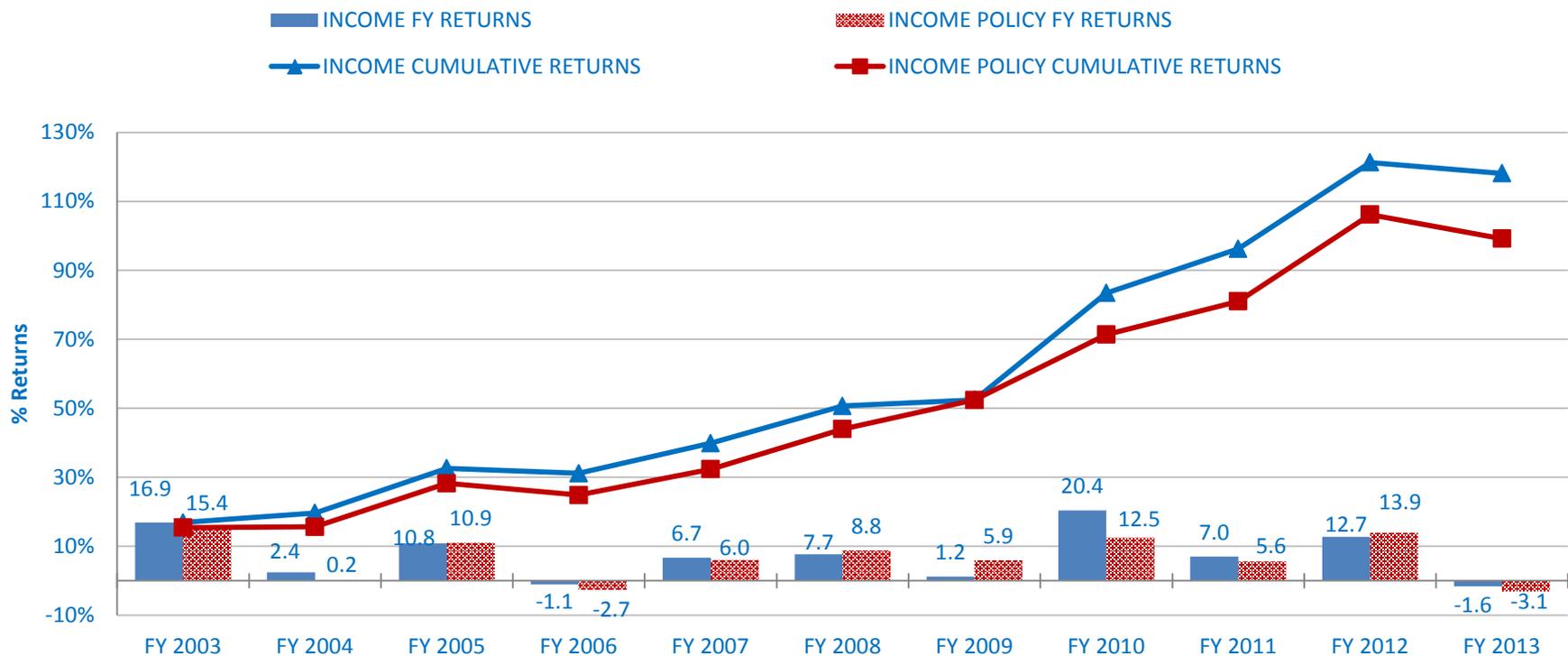
# Income Performance Summary

- FYTD return of -1.62% outperformed benchmark by 150 BPS
- Investment Grade Corporate portfolio FYTD return is 3.4%.

	EMV (Millions)	FYTD	1-YR	3-YR	5-YR	10-YR	20-YR	ITD	Inception Date
<b>GLOBAL INCOME</b>	<b>\$40,177</b>	<b>(1.62)</b>	<b>(1.62)</b>	<b>5.87</b>	<b>7.69</b>	<b>6.44</b>	<b>7.24</b>	<b>8.43</b>	<b>7/88</b>
<i>POLICY INDEX</i>		<i>(3.12)</i>	<i>(3.12)</i>	<i>5.14</i>	<i>6.71</i>	<i>5.61</i>	<i>6.67</i>	<i>7.74</i>	
<i>Excess Return</i>		<i>1.50</i>	<i>1.50</i>	<i>0.73</i>	<i>0.97</i>	<i>0.83</i>	<i>0.57</i>	<i>0.70</i>	

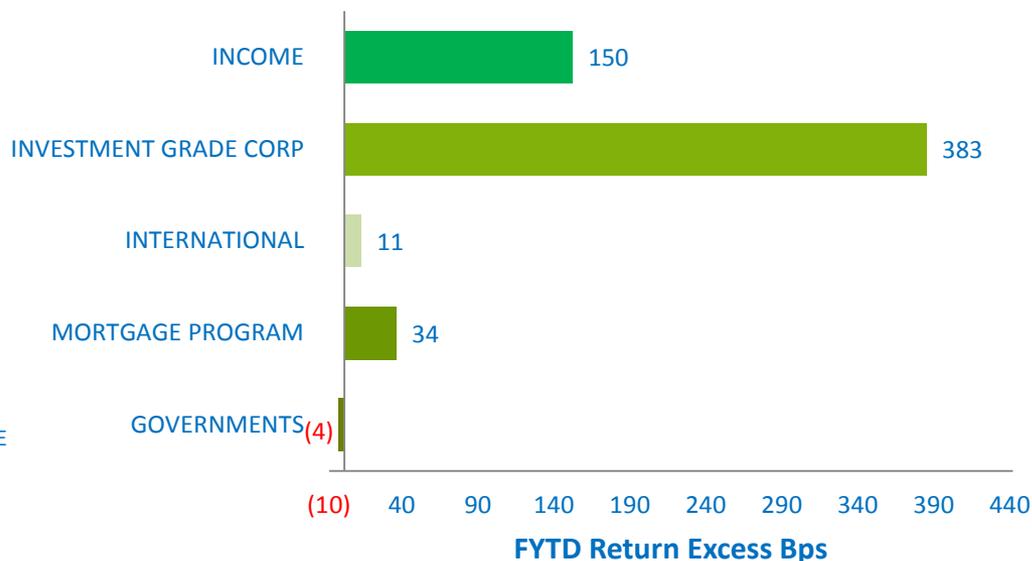
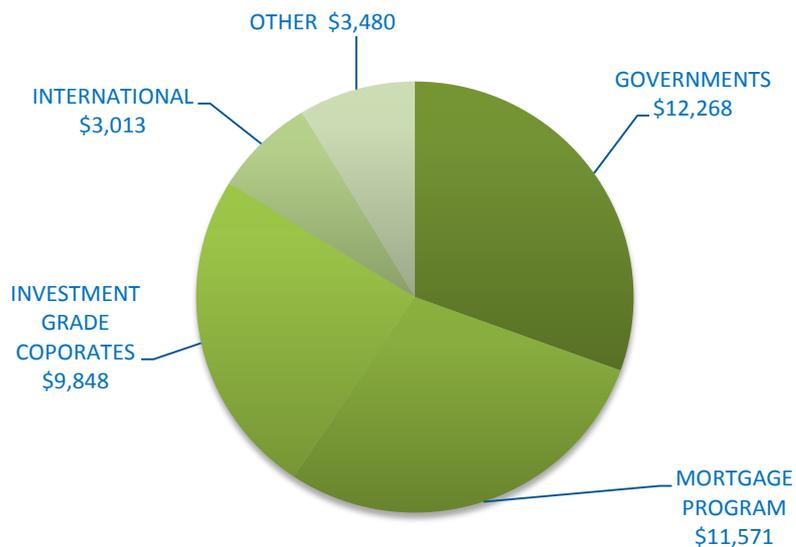
Performance data as of June 30, 2013

# Income Cumulative Returns



Performance as of June 30, 2013

# Income Allocation & Relative Performance\*



Allocation and relative performance as of June 30, 2013

\* Income allocation in millions and FYTD excess bps are measured against each allocation's policy benchmark.

# Liquidity Performance Summary

- FYTD return is 0.79%
- Underperformed benchmark by 1 BPS

	EMV (Millions)	FYTD	1-YR	3-YR	5-YR	10-YR	20-YR	ITD	Inception Date
<b>LIQUIDITY</b>	<b>\$10,424</b>	<b>(0.79)</b>	<b>(0.79)</b>	<b>1.35</b>	<b>1.15</b>	<b>2.32</b>	<b>3.66</b>	<b>3.69</b>	<b>7/92</b>
<i>POLICY INDEX</i>		<i>(0.78)</i>	<i>(0.78)</i>	<i>1.55</i>	<i>1.25</i>	<i>2.30</i>	<i>3.46</i>	<i>3.45</i>	
<i>Excess Return</i>		<i>(0.01)</i>	<i>(0.01)</i>	<i>(0.20)</i>	<i>(0.10)</i>	<i>0.03</i>	<i>0.20</i>	<i>0.24</i>	

Performance data as of June 30, 2013

# Inflation Performance Summary

- Internal Commodities generated FYTD return of 1.6%
- FYTD return of 0.20% outperformed benchmark by 114 BPS

	EMV (Millions)	FYTD	1 -YR	3-YR	5-YR	10-YR	20-YR	ITD	Inception Date
<b>INFLATION</b>	\$9,206	0.20	0.20	6.80	(3.16)			2.77	10/07
<i>POLICY INDEX</i>		(0.94)	(0.94)	5.27	(1.15)			2.42	
<i>Excess Return</i>		1.14	1.14	1.53	(2.01)			0.35	

Performance data as of June 30, 2013

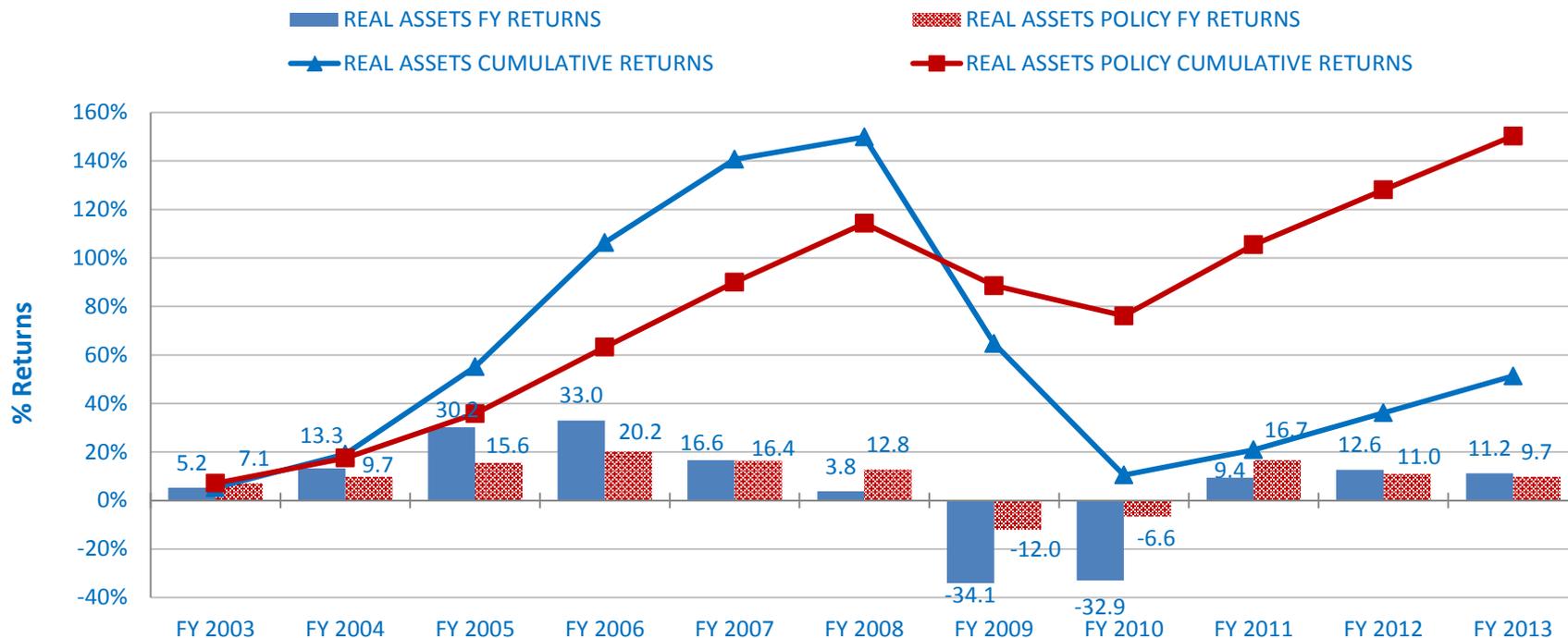
# Real Assets Performance Summary

- 5-year return of -9.54% underperformed benchmark by 1,273 BPS
- 10-year return of 3.70% underperformed benchmark by 515 BPS
- Real Estate FYTD return is 10.28%

	EMV (Millions)	FYTD	1-YR	3-YR	5-YR	10-YR	20-YR	ITD	Inception Date
<b>REAL ASSETS</b>	<b>\$25,820</b>	<b>11.15</b>	<b>11.15</b>	<b>11.05</b>	<b>(9.54)</b>	<b>3.70</b>	<b>6.77</b>	<b>7.40</b>	<b>7/82</b>
<i>POLICY INDEX</i>		9.74	9.74	12.43	3.15	8.86	9.12	8.13	
<i>Excess Return</i>		1.41	1.41	(1.38)	(12.70)	(5.15)	(2.35)	(0.73)	

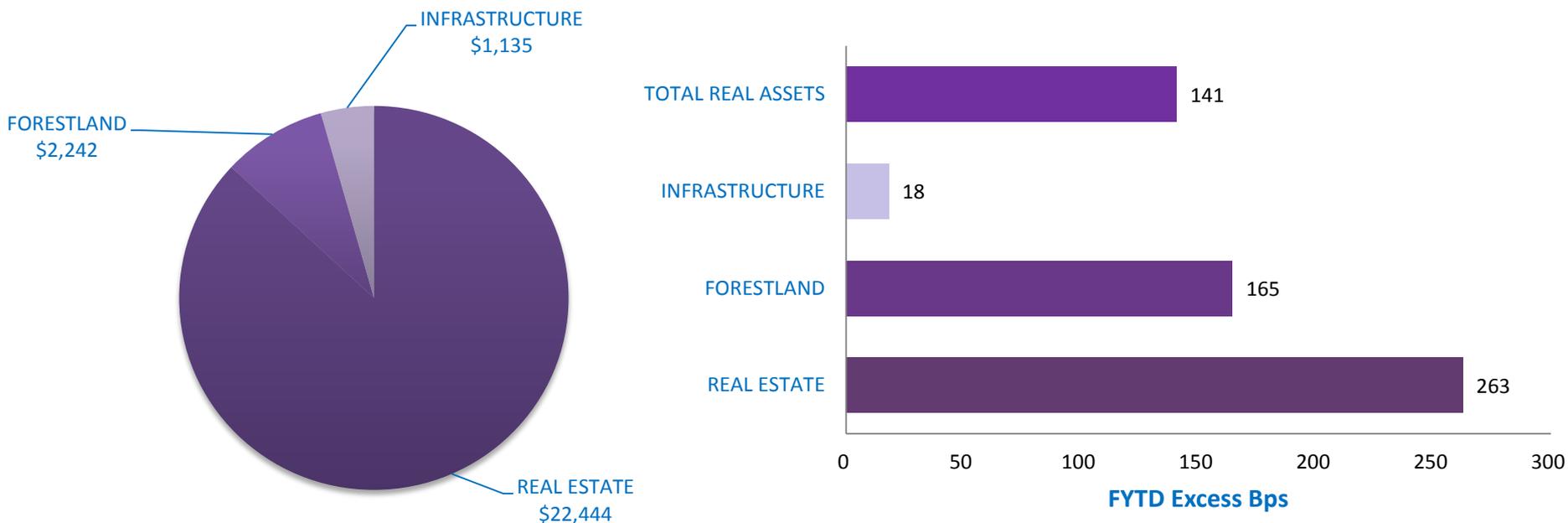
Performance data as of June 30, 2013

# Real Assets Cumulative Returns



Performance as of June 30, 2013

# Real Assets Allocation & Relative Performance\*



Allocation and relative performance as of June 30, 2013\*\*

\* Real Assets' allocation in millions and FYTD excess bps are measured against each allocation's policy benchmark.

\*\* Private Real Estate, Forestland and Infrastructure performance is based on General Partners' March 31, 2013 financial statements.

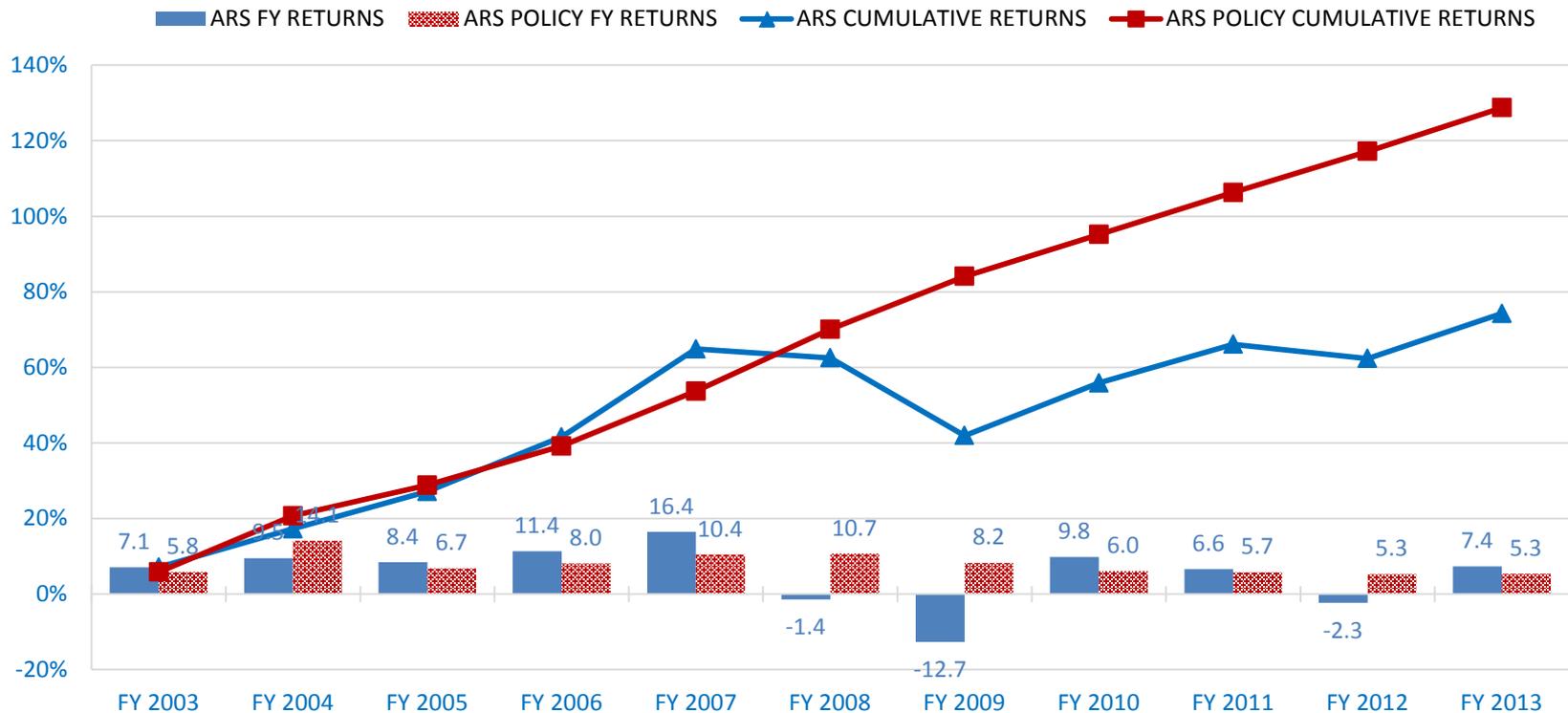
# Absolute Return Strategies (ARS) Performance

- FYTD return of 7.35% outperformed benchmark by 202 BPS
- Fund of Hedge Funds FYTD return is 8.96%

	EMV (Millions)	FYTD	1-YR	3-YR	5-YR	10-YR	20-YR	ITD	Inception Date
<b>ARS</b>	<b>\$5,210</b>	<b>7.35</b>	<b>7.35</b>	<b>3.79</b>	<b>1.41</b>	<b>4.99</b>		<b>4.92</b>	<b>4/02</b>
<i>POLICY INDEX</i>		5.33	5.33	5.43	6.10	8.01		7.13	
<i>Excess Return</i>		2.02	2.02	(1.65)	(4.70)	(3.02)		(2.21)	

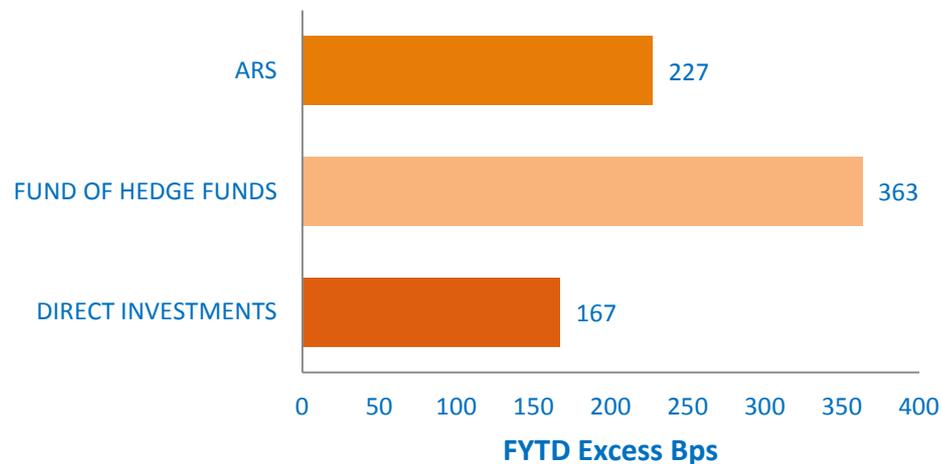
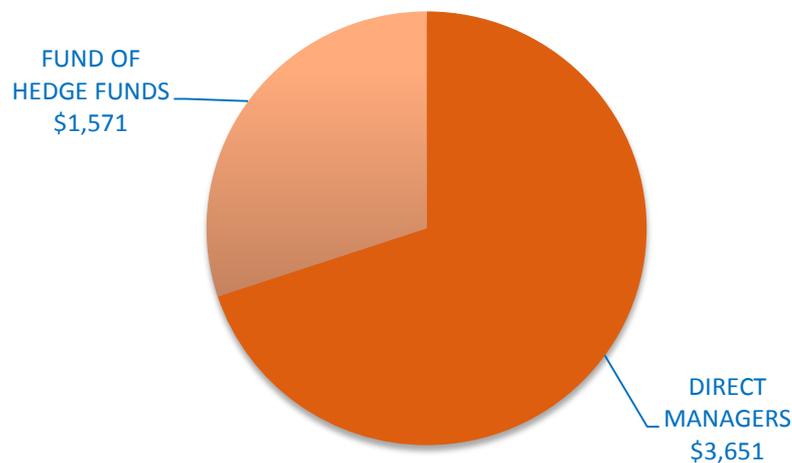
Performance data as of June 30, 2013

# ARS Cumulative Returns



\*ARS performance based on third week estimates from IFS due to ending period report timing.

# ARS Allocation & Relative Performance\*



Allocation and relative performance as of June 30, 2013

\*ARS allocation in millions and FYTD return excess bps is compared to ARS Policy benchmark since the allocations do not have a specified benchmark.