

CalPERS Chief Investment Officer Total Fund Update

Appendix C: Asset Class Performance

Period Ending September 30, 2013

Joe Dear, CIO

Investment Committee

November 2013

Global Equity Performance Summary

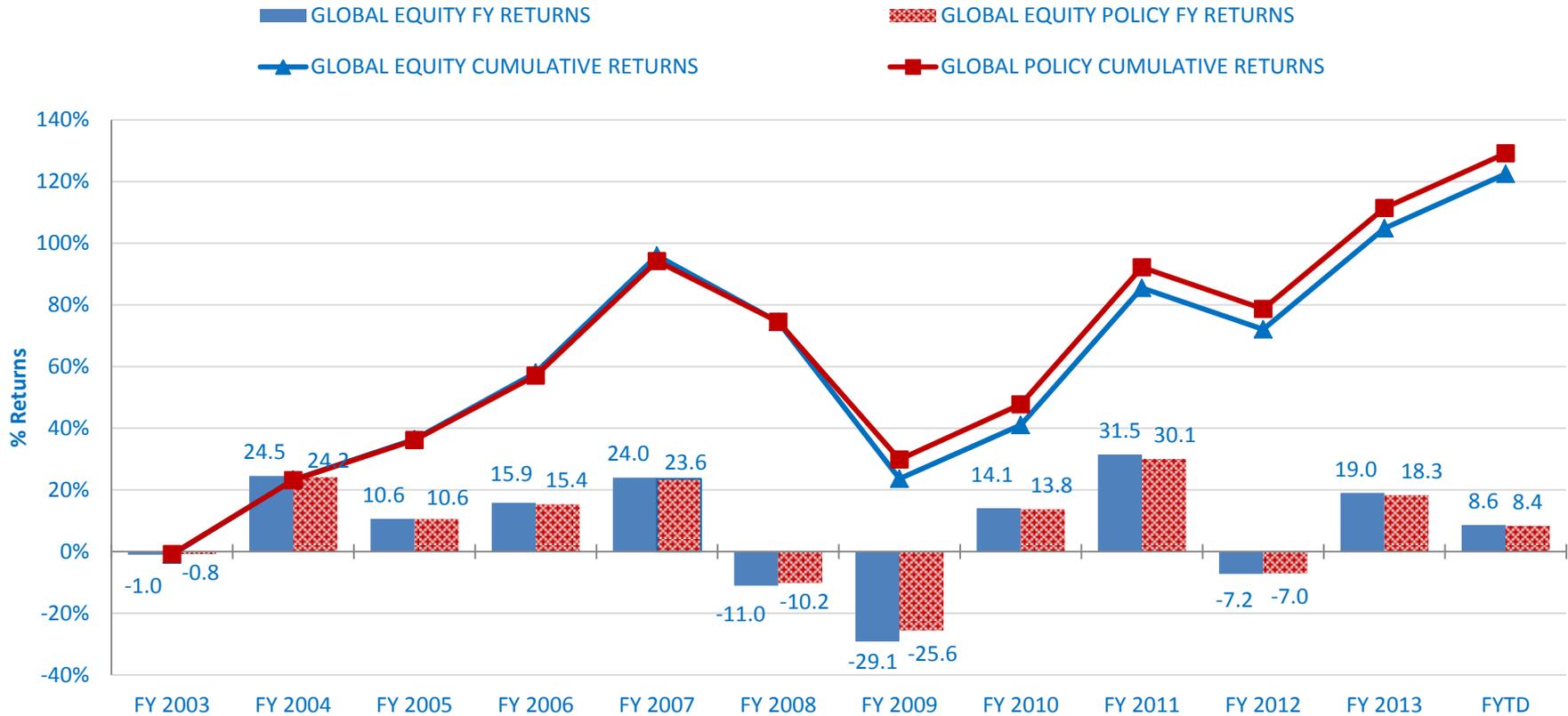
- Fiscal Year-to-Date (FYTD) Return of 8.6% outperformed benchmark by 20 basis points (BPS)
- International Developed FYTD return is 12.1%
- Emerging Markets FYTD return is 4.2%

As of September 30, 2013	EMV* (Millions)	FYTD	1-YR	3-YR	5-YR	10-YR	20-YR	ITD**	Inception Date
GLOBAL EQUITY	\$145,102	8.63	20.80	11.26	8.46	7.88	8.40	9.50	7/88
<i>POLICY INDEX</i>		8.43	19.8	10.81	8.85	8.2	7.85	N/A	
<i>Excess Return</i>		0.20	1.00	0.45	(0.39)	(0.32)	0.55		

*Ending market value (EMV)

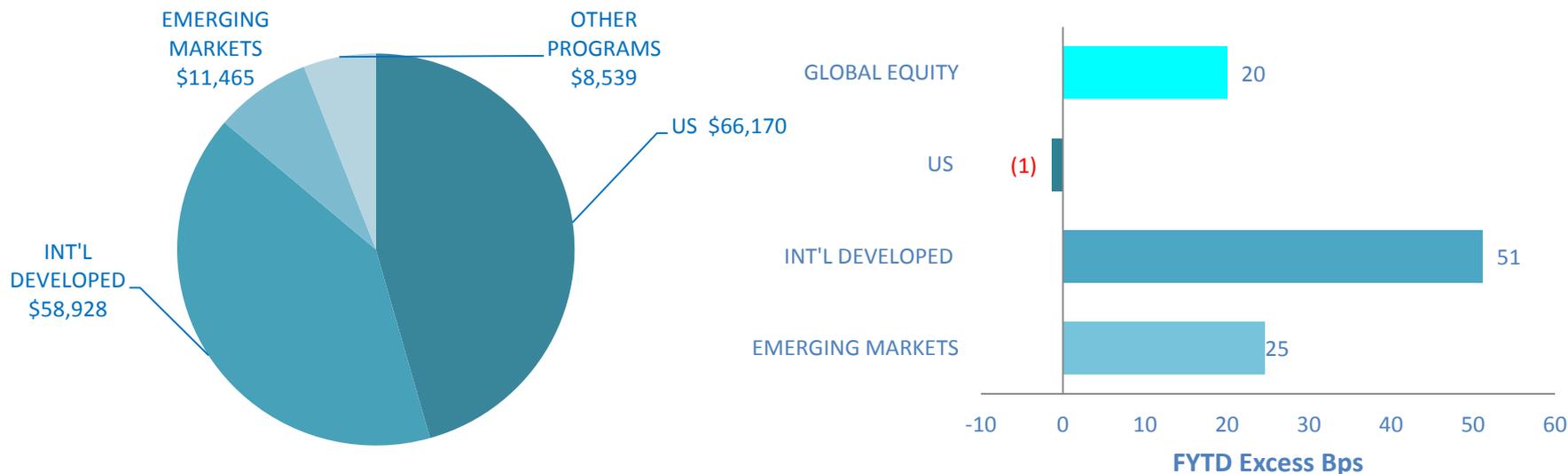
** Inception to date (ITD)

Global Equity Cumulative Returns



Performance as of September 30, 2013

Global Equity Allocation & Relative Performance*



Allocation and relative performance as of September 30, 2013

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

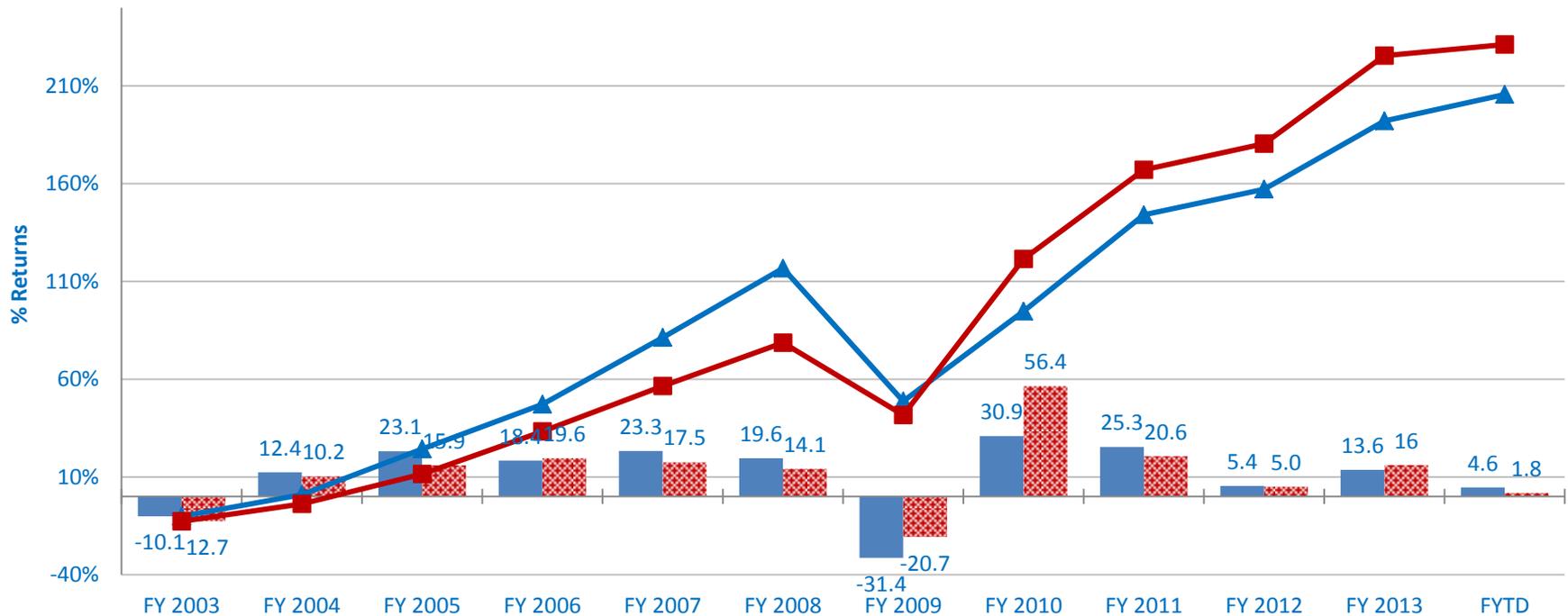
Private Equity Performance Summary

- 5-year return of 7.6% underperformed benchmark by 506 BPS
- 10-year return of 12.8% underperformed benchmark by 144 BPS
- Growth Expansion FYTD return is 9.6%

As of September 30, 2013	EMV (Millions)	FYTD	1-YR	3-YR	5-YR	10-YR	20-YR	ITD	Inception Date
PRIVATE EQUITY	\$31,310	4.64	19.04	15.77	7.62	12.78	12.39	9.86	3/90
<i>POLICY INDEX</i>		<i>1.77</i>	<i>23.01</i>	<i>18.69</i>	<i>12.68</i>	<i>14.22</i>	<i>10.79</i>	<i>11.25</i>	
<i>Excess Return</i>		<i>2.87</i>	<i>(3.97)</i>	<i>(2.92)</i>	<i>(5.06)</i>	<i>(1.44)</i>	<i>1.60</i>	<i>(1.39)</i>	

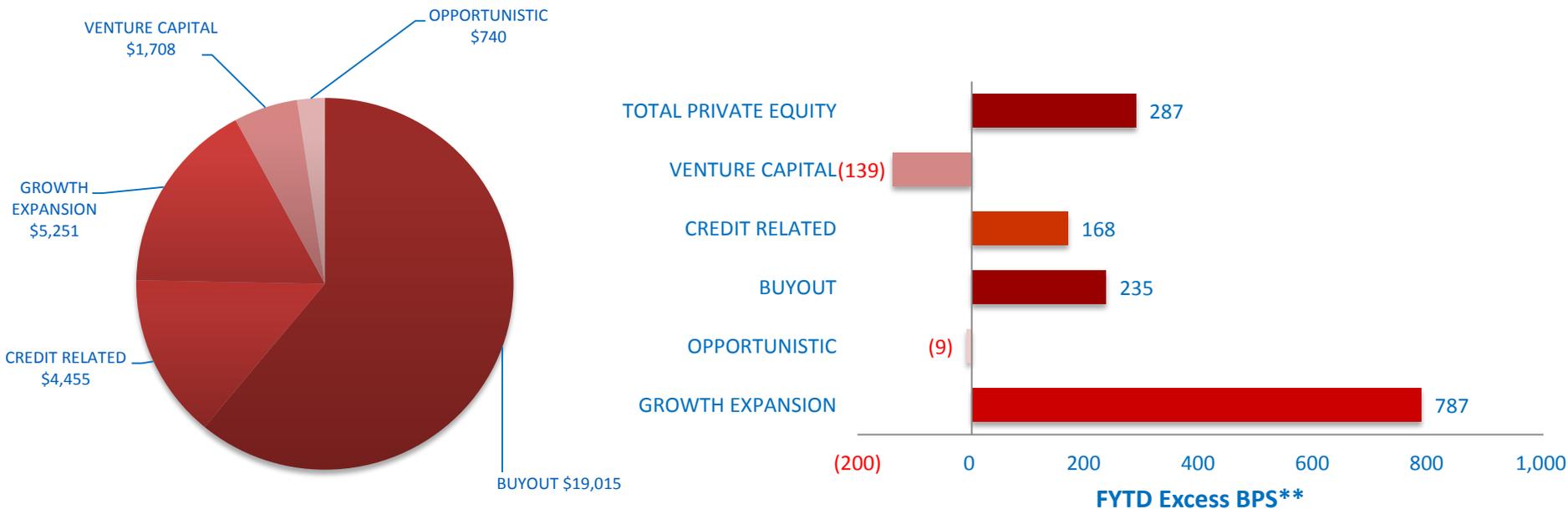
Private Equity Historical Performance

- PRIVATE EQUITY FY RETURNS
- ▲ PRIVATE EQUITY CUMULATIVE RETURNS
- ▨ PRIVATE EQUITY POLICY FY RETURNS
- PRIVATE EQUITY POLICY CUMULATIVE RETURNS



Performance as of September 30, 2013

Private Equity Allocation & Relative Performance*



Allocation and relative performance as of September 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 September 30, 2013.

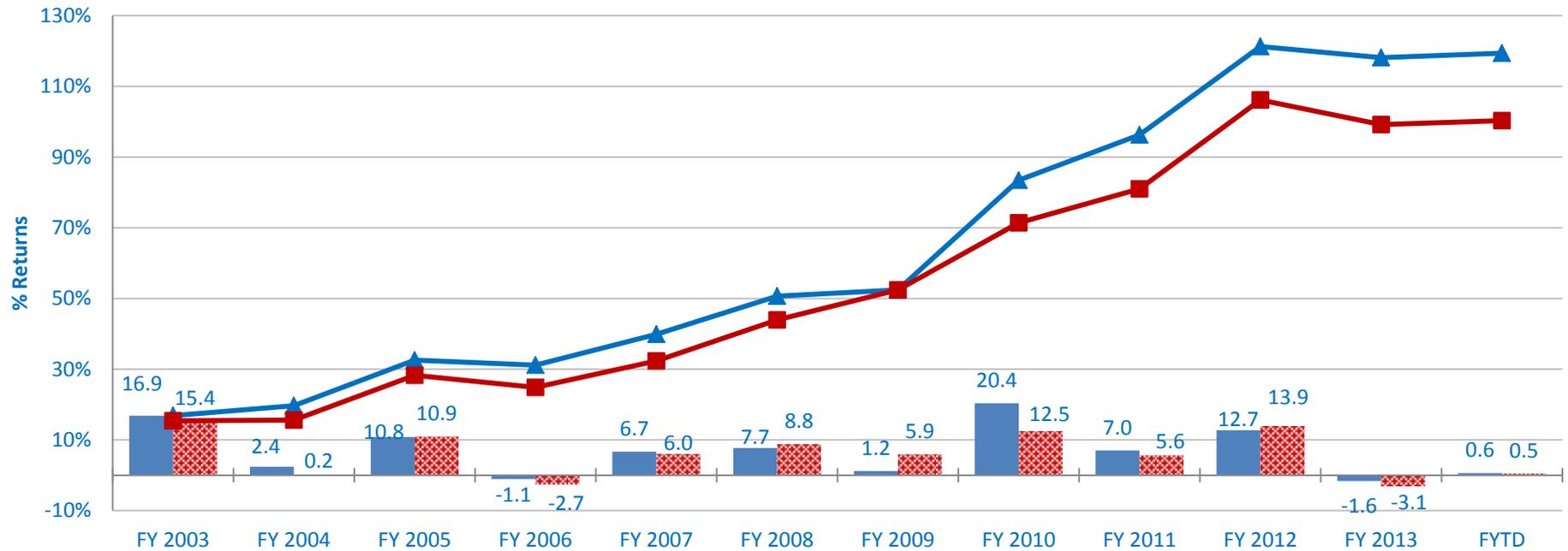
Income Performance Summary

- FYTD return of 0.6% outperformed benchmark by 5 BPS
- Investment Grade Corporate portfolio FYTD return is 0.8%

As of September 30, 2013	EMV (Millions)	FYTD	1-YR	3-YR	5-YR	10-YR	20-YR	ITD	Inception Date
GLOBAL INCOME	\$40,399	0.60	(3.89)	4.37	9.02	6.47	7.05	8.37	7/88
<i>POLICY INDEX</i>		<i>0.55</i>	<i>(4.90)</i>	<i>3.76</i>	<i>7.22</i>	<i>5.72</i>	<i>6.49</i>	<i>7.68</i>	
<i>Excess Return</i>		<i>0.05</i>	<i>1.01</i>	<i>0.61</i>	<i>1.80</i>	<i>0.75</i>	<i>0.56</i>	<i>0.69</i>	

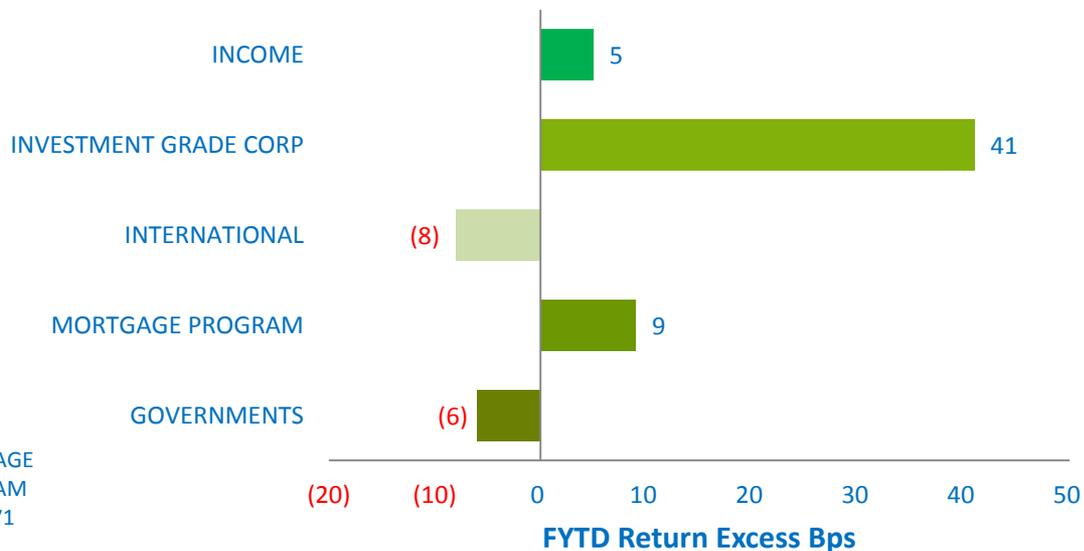
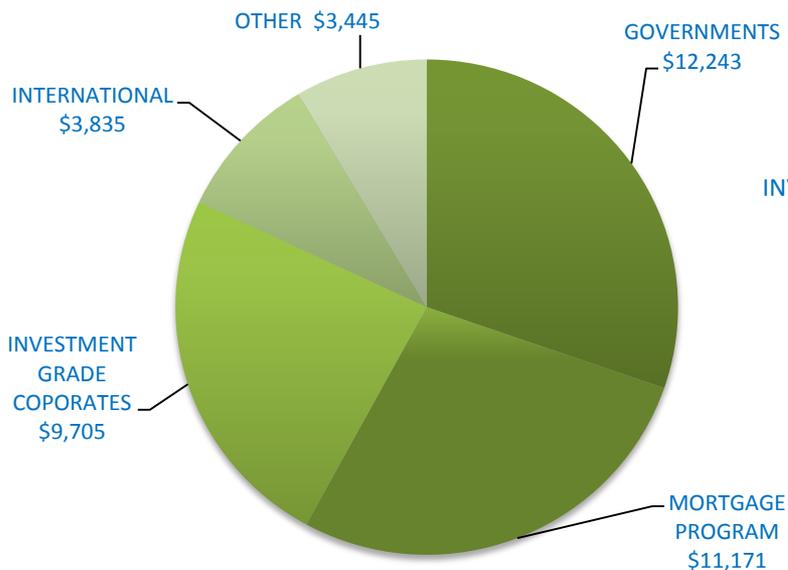
Income Cumulative Returns

■ INCOME FY RETURNS ■ INCOME POLICY FY RETURNS
▲ INCOME CUMULATIVE RETURNS ■ INCOME POLICY CUMULATIVE RETURNS



Performance as of September 30, 2013

Income Allocation & Relative Performance*



Allocation and relative performance as of September 30, 2013

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

Liquidity Performance Summary

- FYTD return is 0.12%
- Underperformed benchmark by 25 BPS

As of September 30, 2013	EMV (Millions)	FYTD	1-YR	3-YR	5-YR	10-YR	20-YR	ITD	Inception Date
LIQUIDITY	\$11,986	0.12	(1.06)	1.36	1.05	2.30	3.62	3.65	7/92
<i>POLICY INDEX</i>		<i>0.37</i>	<i>(0.98)</i>	<i>1.64</i>	<i>1.20</i>	<i>2.31</i>	<i>3.43</i>	<i>3.43</i>	
<i>Excess Return</i>		<i>(0.25)</i>	<i>(0.08)</i>	<i>(0.28)</i>	<i>(0.15)</i>	<i>(0.01)</i>	<i>0.19</i>	<i>0.22</i>	

Inflation Performance Summary

- Internal Commodities generated FYTD return of 3.41%
- FYTD return of 2.7% underperformed benchmark by 14 BPS

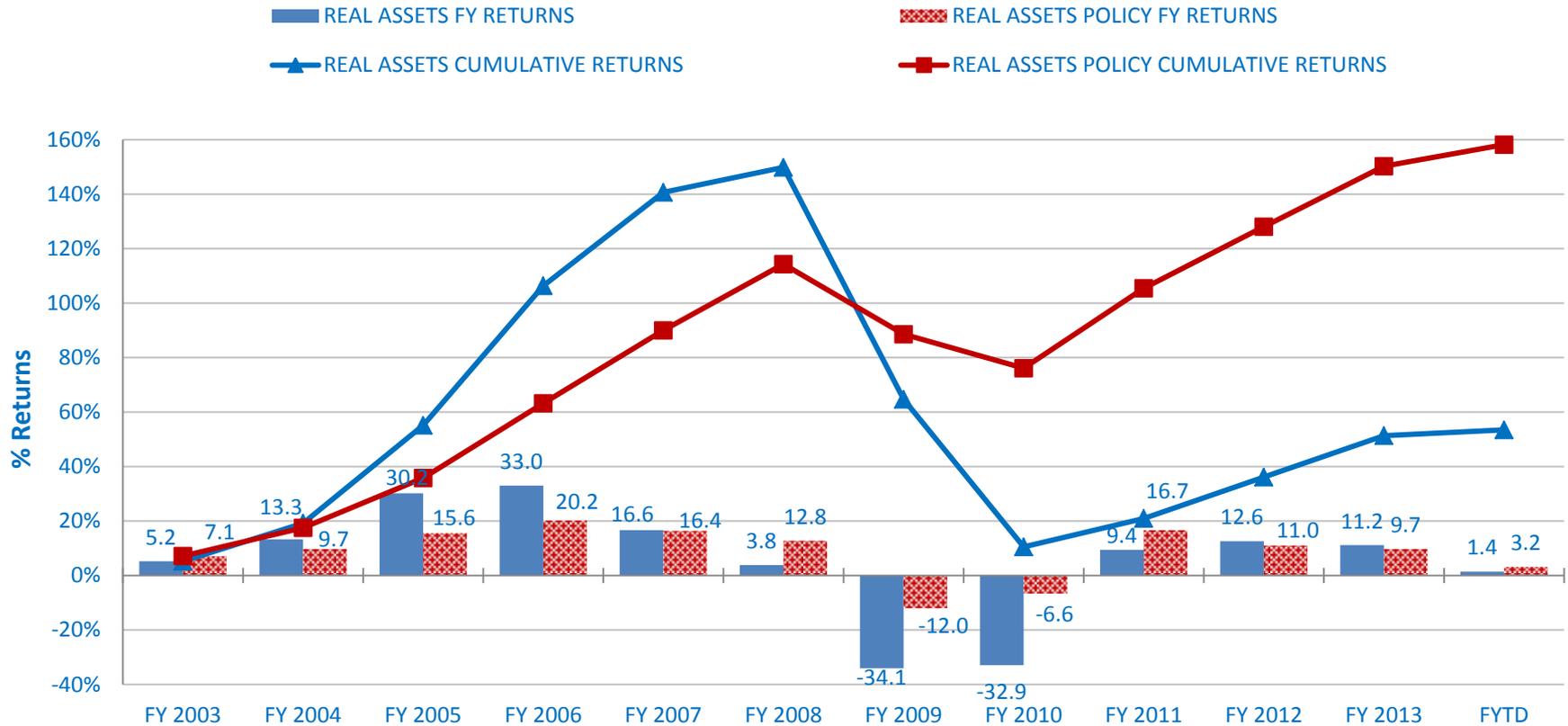
As of September 30, 2013	EMV (Millions)	FYTD	1 -YR	3-YR	5-YR	10-YR	20-YR	ITD	Inception Date
INFLATION	\$9,395	2.65	(2.87)	5.45	1.28	N/A	N/A	3.10	10/07
<i>POLICY INDEX</i>		2.79	(2.96)	4.13	1.92			2.79	
<i>Excess Return</i>		(0.14)	0.09	1.32	(0.64)			0.31	

Real Assets Performance Summary

- 5-year return of -6.8% underperformed benchmark by 1,045 BPS
- 10-year return of 3.7% underperformed benchmark by 528 BPS
- Real Estate FYTD return is 1.6%

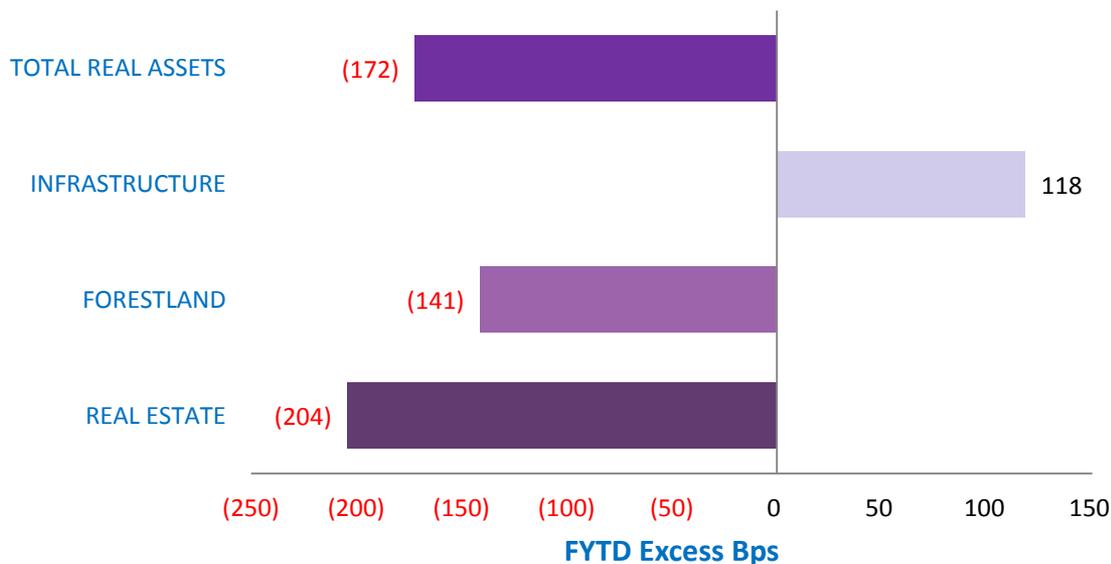
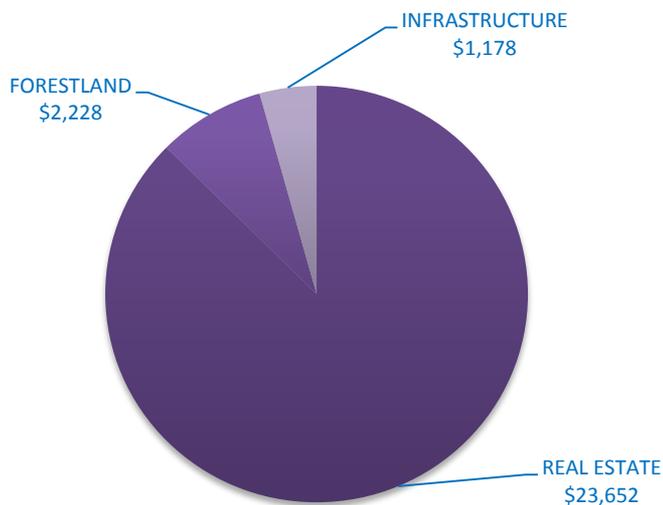
As of September 30, 2013	EMV (Millions)	FYTD	1-YR	3-YR	5-YR	10-YR	20-YR	ITD	Inception Date
REAL ASSETS	\$27,057	1.43	11.68	11.86	(6.77)	3.69	6.73	7.39	7/82
<i>POLICY INDEX</i>		<i>3.15</i>	<i>10.78</i>	<i>12.06</i>	<i>3.68</i>	<i>8.97</i>	<i>9.30</i>	<i>8.17</i>	
<i>Excess Return</i>		<i>(1.72)</i>	<i>0.90</i>	<i>(0.20)</i>	<i>(10.45)</i>	<i>(5.28)</i>	<i>(2.57)</i>	<i>(0.78)</i>	

Real Assets Cumulative Returns



Performance as of September 30, 2013

Real Assets Allocation & Relative Performance*



Allocation and relative performance as of September 30, 2013**

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

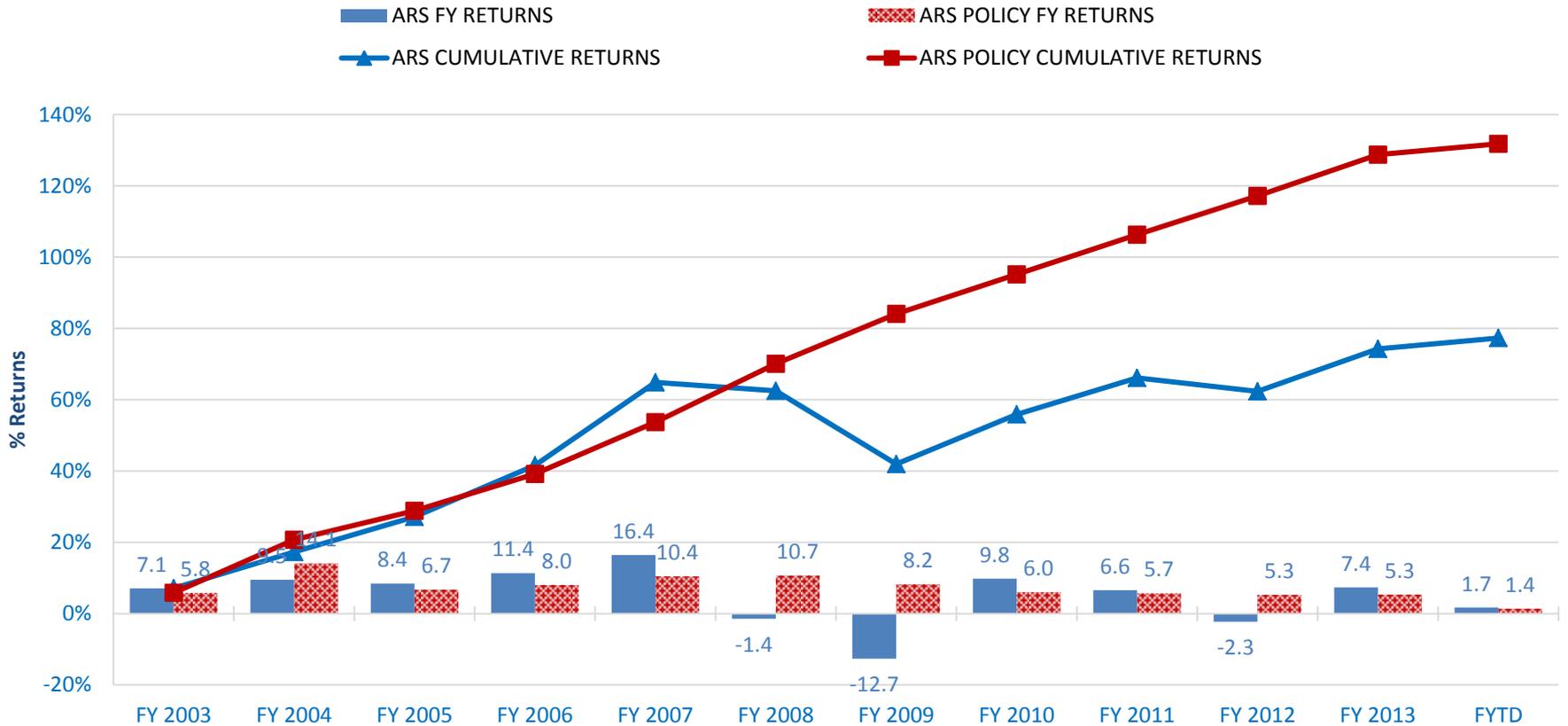
** Private Real Estate, Forestland and Infrastructure performance is based on General Partners' June 30, 2013 financial statements.

Absolute Return Strategies (ARS) Performance

- FYTD return of 1.7% outperformed benchmark by 37 BPS
- Fund of Hedge Funds FYTD return is 1.14%

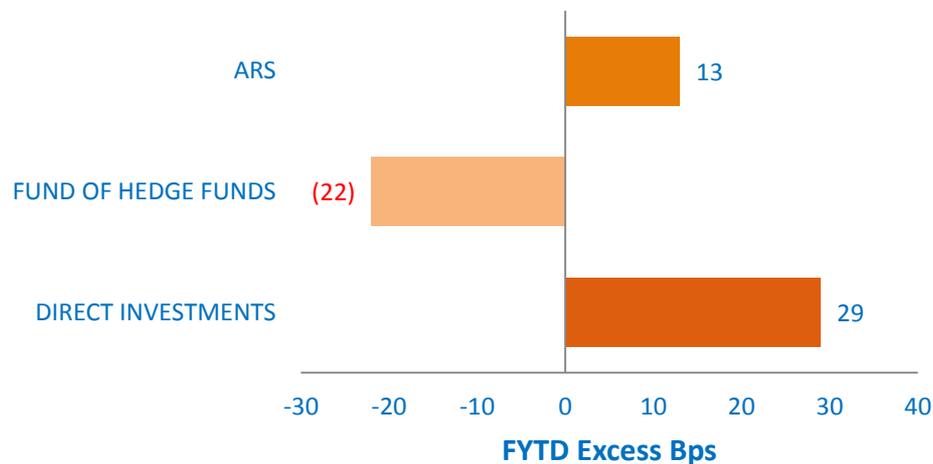
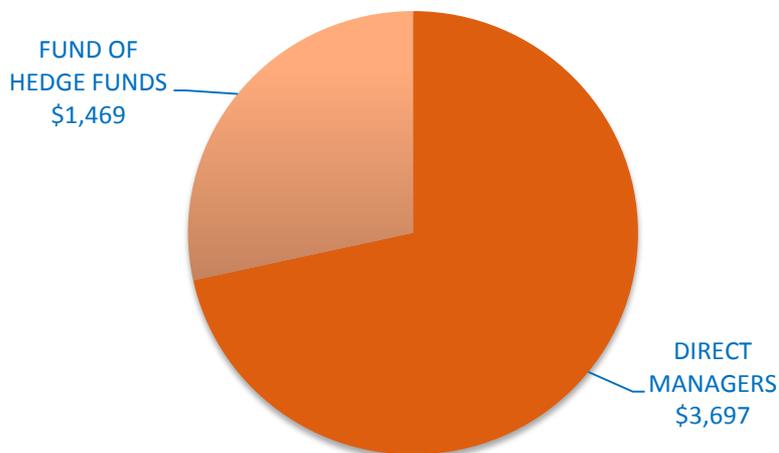
As of September 30, 2013	EMV (Millions)	FYTD	1-YR	3-YR	5-YR	10-YR	20-YR	ITD	Inception Date
ARS	\$5,175	1.73	6.82	3.50	3.63	5.01	N/A	4.96	4/02
<i>POLICY INDEX</i>		<i>1.36</i>	<i>5.32</i>	<i>5.39</i>	<i>5.91</i>	<i>7.87</i>		<i>7.09</i>	
<i>Excess Return</i>		<i>0.37</i>	<i>1.50</i>	<i>(1.89)</i>	<i>(2.28)</i>	<i>(2.86)</i>		<i>(2.13)</i>	

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 September 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.