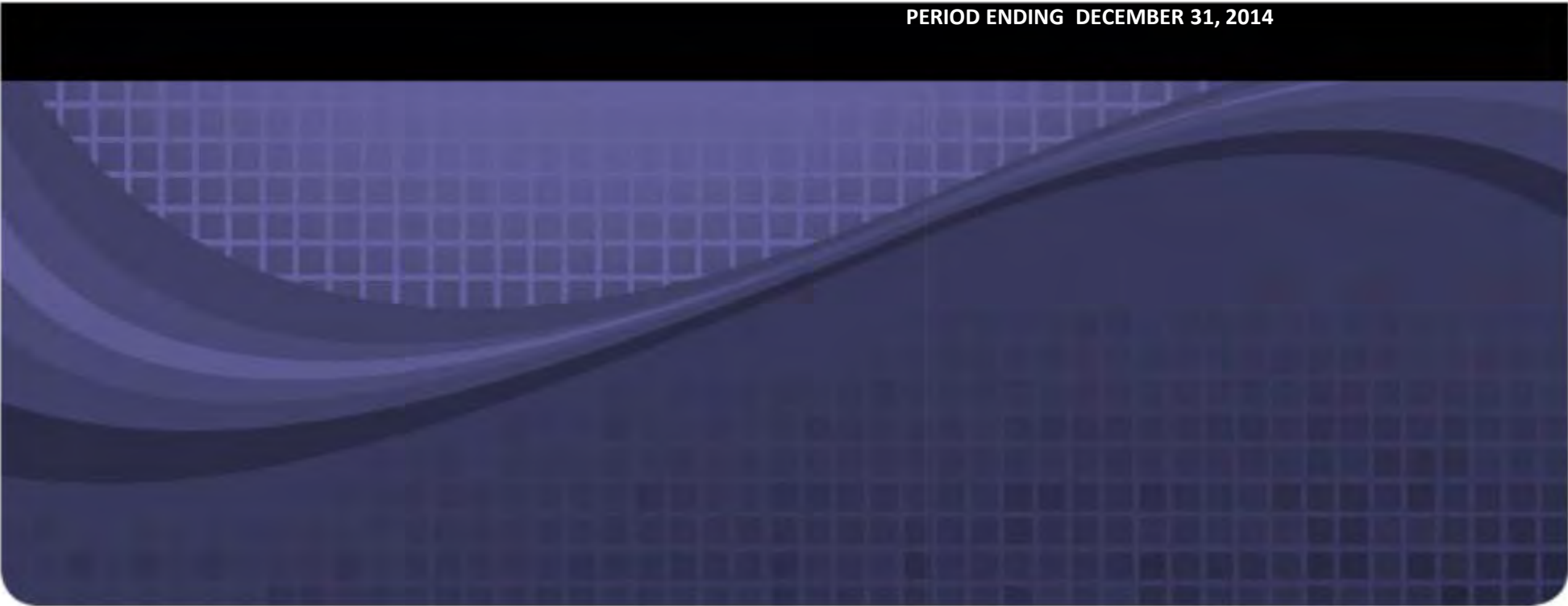




CalPERS
CIO Performance Report

PERIOD ENDING DECEMBER 31, 2014



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Section I
Total Fund

PERIOD ENDING DECEMBER 31, 2014

TOTAL FUND SUMMARY	December 31, 2014			1-Month		3-Months		FYTD			1-Yr		3-Yr		5-Yr		10-YR	
	Ending Market Value (MM)	% of Total Fund 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) ³	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	187,255	63.3	54-68	(1.33)	42	0.84	32	(0.95)	(15)	(284)	6.19	(74)	15.35	(163)	11.43	(1)	7.02	(91)
PUBLIC EQUITY	156,785	53.0	44-48	(1.50)	5	0.83	3	(1.97)	(9)	(142)	4.60	(2)	15.50	32	10.30	43	6.27	(32)
PRIVATE EQUITY	30,470	10.3	6-14	(0.43)	234	0.87	185	4.34	(48)	(149)	14.59	(247)	15.27	(785)	15.89	(79)	12.87	(231)
INCOME	53,624	18.1	14 - 24	0.05	(12)	2.47	6	2.39	37	194	9.92	35	4.34	120	7.34	101	6.50	74
REAL ASSETS ¹	29,583	10.0	7 - 17	N/A	N/A	0.84	(185)	2.26	(297)	(890)	12.97	217	12.28	149	8.40	(216)	3.06	(586)
REAL ESTATE ¹	25,245	8.5	5 - 15	N/A	N/A	0.82	(218)	2.11	(366)	(942)	13.14	177	13.44	174	9.06	(297)	2.41	(716)
FORESTLAND ¹	2,247	0.8	0 - 4	N/A	N/A	(0.26)	(173)	(0.25)	(281)	(64)	3.66	(672)	0.35	(703)	(0.65)	(423)	-	-
INFRASTRUCTURE ¹	2,090	0.7	0 - 4	N/A	N/A	2.24	139	7.39	466	90	23.29	1,757	13.56	789	18.07	1,153	-	-
INFLATION	14,791	5.0	3 - 9	(3.63)	83	(6.40)	137	(11.09)	148	227	(5.14)	173	(1.74)	19	2.57	108	-	-
LIQUIDITY	6,635	2.2	1- 3	(0.13)	9	0.45	(52)	0.52	(45)	(25)	1.48	(104)	0.38	(50)	1.06	(36)	2.24	(13)
TRUST LEVEL ⁵	3,934	1.3																-
TOTAL FUND	295,821	100.0		(0.94)	4	0.75	10	(0.51)	(27)	(805)	6.52	(31)	11.92	(4)	9.77	13	6.18	(96)
CALPERS POLICY INDEX ²				(0.99)		0.64		(0.24)			6.84		11.96		9.65		7.14	

TOTAL FUND 20-YEAR NET RATE OF RETURN 8.3%

TOTAL FUND INCEPTION DATE NET RATE OF RETURN (07/01/1988) 8.68%

TOTAL FUND PLUS TAP SUMMARY	December 31, 2014		1-Month		3-Months		FYTD		1-Yr		3-Yr		5-Yr		10-YR	
	Ending Market Value (MM)	% of Total Fund Plus TAP Assets	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
TOTAL FUND	295,821	99.96	(0.94)	4	0.75	10	(0.51)	(27)	6.52	(31)	11.92	(4)	9.77	13	6.18	(96)
TERMINATED AGENCY POOL ⁴	120	0.04	1.00	-	4.22	-	4.32	-	13.32	-	-	-	-	-	-	-
TOTAL FUND PLUS TAP	295,941	100.0	(0.94)		0.75		(0.51)		6.52		11.92		9.77		6.18	

¹ Real Assets, Real Estate, Forestland and Infrastructure returns are reported on a quarterly basis.

² See Section XII for components of CalPERS Policy Index. Current Asset Class Policy Benchmark performance is linked to their respective prior Policy Benchmark.

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.

⁴ The Terminated Agency Pool (TAP) was funded in July 2013 and exists to provide benefit payments to members who are employees of agencies that have terminated their contract with CalPERS.

⁵ Trust Level includes Absolute Return Strategies, Multi-Asset Class, and Transition and Plan Level portfolios

TRUST LEVEL SUMMARY	December 31, 2014		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
ABSOLUTE RETURN STRATEGIES ¹	2,752	70.0	1.70	139	1.69	53	2.22	(28)	(10)	4.57	(62)	5.64	40	4.51	(93)	4.44	(265)
MULTI-ASSET CLASS COMPOSITE ²	1,167	29.7	(0.08)	(69)	2.67	84	3.26	(42)	(5)	9.75	225	-	-	-	-	-	-
TRANSITION + PLAN LEVEL PORTFOLIOS	15	0.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TRUST LEVEL	3,934	100.0															

¹Absolute Return Strategies performance history is included in Public Equity prior to July 1, 2011. Ending market value and returns includes Public Equity Transition portfolio.

²The Multi-Asset Class was initially funded in December 2012.

** 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 II
Public Equity

PERIOD ENDING DECEMBER 31, 2014

PUBLIC EQUITY SUMMARY	December 31, 2014		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 INTERNAL DOMESTIC EQUITY	77,245	49.3	(0.10)	6	4.89	8	4.88	14	92	12.34	3	20.88	30	15.93	38	8.23	28
TOTAL INTERNAL INT'L DEVELOPED EQUITY	49,580	31.6	(2.90)	(0)	(3.79)	(3)	(9.53)	(7)	(42)	(4.07)	20	11.23	40	5.95	22	-	-
TOTAL INTERNAL EMERGING MARKET EQUITY	7,131	4.5	(4.25)	(16)	(3.01)	(83)	(5.59)	(110)	(82)	1.58	(87)	5.29	(41)	1.84	(25)	-	-
TOTAL EXTERNAL DOMESTIC TRADITIONAL EQUITY	4,911	3.1	0.49	60	5.33	60	6.23	78	49	13.48	8	22.06	144	15.64	11	7.36	(40)
EXTERNAL INT'L DEVELOPED TRADITIONAL EQUITY	7,298	4.7	(2.55)	76	(2.08)	138	(7.15)	118	97	(2.26)	86	12.35	249	7.32	226	6.10	66
EXTERNAL EMERGING MARKET EQUITY	4,563	2.9	(5.27)	(58)	(3.81)	(73)	(7.83)	(253)	(124)	0.65	(87)	5.61	79	2.58	45	8.67	23
TOTAL CORPORATE GOVERNANCE	2,822	1.8	0.34	86	1.03	(330)	(5.67)	(1,011)	(332)	3.50	(640)	15.53	(218)	10.24	(85)	4.83	(132)
TOTAL MANAGER DEVELOPMENTAL PROGRAM***	2,122	1.4	(1.68)	28	1.15	(31)	(1.22)	(92)	(16)	4.99	(135)	16.41	(28)	11.55	1	6.41	(87)
TOTAL EMERGING MANAGER FUND OF FUNDS****	1,077	0.7	(0.85)	(12)	2.02	(60)	(1.71)	(86)	(10)	1.37	(343)	15.21	(58)	12	6	-	-
TOTAL PUBLIC EQUITY*	156,785	100.0	(1.50)	5	0.83	3	(1.97)	(9)	(142)	4.60	(2)	15.50	32	10.30	43	6.27	(32)

*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 Developmental Program ending market value and returns.

**** Total Emerging Manger Fund of Funds (FOF) Transition portfolios are included in Ending Market Value.

	December 31, 2014		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
INTERNAL DOMESTIC EQUITY																	
CALPERS FOCUS LIST**	94	0.1	(1.37)	(106)	5.15	43	4.14	(128)	(1)	7.93	(533)	-	-	-	-	-	-
DOMESTIC FUNDAMENTAL	4,880	6.3	0.71	88	5.03	21	3.48	(133)	(63)	10.76	(163)	21.48	88	16.63	104	-	-
INT DOM FTSE 3000 PERF ACCTG	56,699	73.4	(0.19)	(2)	4.78	(4)	4.86	5	27	12.35	(4)	20.72	11	15.76	16	8.16	19
INT MICROCAP PERF ACCTG	371	0.5	3.02	99	4.39	262	(2.30)	331	12	2.38	451	22.68	658	16.46	706	7.85	387
INTERNAL FAN LONG ONLY	720	0.9	0.60	77	4.61	(21)	2.44	(237)	(17)	7.43	(496)	19.02	(159)	14.48	(111)	-	-
INT MOMENTUM US TIMI 3000*****	518	0.7	(0.50)	(33)	-	-	-	-	-	-	-	-	-	-	-	-	-
INTERNAL VOLADJ US TMI 3000****	2,545	3.3	(0.04)	13	6.14	132	6.65	184	34	14.23	184	-	-	-	-	-	-
SYNTHETIC ENHANCED EQUITY	11,418	14.8	(0.05)	(2)	5.37	10	6.09	31	22	14.03	134	22.23	196	16.44	169	-	-
TOTAL INTERNAL DOMESTIC EQUITY	77,245	100.0	(0.10)	6	4.89	8	4.88	14	92	12.34	3	20.88	30	15.93	38	8.23	28

	December 31, 2014		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
INTERNAL INT'L DEVELOPED EQUITY																	
CALPERS DEV EX US DBI	1,166	2.4	(3.01)	13	(2.89)	81	(7.89)	128	16	(1.52)	275	-	-	-	-	-	-
FUNDAMENTAL DEVELOPED INTL(Ex Tobacco)	3,373	6.8	(3.23)	(9)	(4.94)	(124)	(11.19)	(203)	(73)	(5.07)	(80)	12.68	192	6.34	92	-	-
INT DEVELOPED SMALL CAP INDEX PERF ACCTG	5,020	10.1	(0.92)	(2)	(4.69)	8	(12.46)	17	9	(5.02)	34	11.28	41	7.73	32	-	-
INTERNAL GBL ENV STRATEGY HSBCCCI	637	1.3	(1.47)	8	1.03	23	(4.86)	(298)	(19)	4.04	(58)	12.10	(308)	-	-	-	-
INTERNAL INTL EQ PERF ACCTG	38,384	77.4	(3.15)	(1)	(3.70)	(0)	(9.15)	1	8	(4.21)	6	10.90	14	5.55	12	-	-
INTERNAL DEVELOPED INTL VOLATILITY ADJ*****	1,000	2.0	(2.41)	52	(2.34)	146	(7.42)	210	16	-	-	-	-	-	-	-	-
TOTAL INTERNAL INT'L DEVELOPED EQUITY	49,580	100.0	(2.90)	(0)	(3.79)	(3)	(9.53)	(7)	(42)	(4.07)	20	11.23	40	5.95	22	-	-

	December 31, 2014		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
INTERNAL EMERGING MARKET EQUITY																	
CALPERS EMERGING MARKETS DBI**	945	13.3	(5.07)	(83)	(5.04)	(302)	(5.91)	(176)	(18)	(0.74)	(326)	-	-	-	-	-	-
EMERGING MARKETS SMALL CAP INDEX FUND***	480	6.7	(2.11)	11	(3.50)	25	(7.44)	28	1	2.02	55	-	-	-	-	-	-
FUNDAMENTAL EMERGING MARKETS	1,121	15.7	(3.98)	27	(2.98)	(96)	(7.62)	(347)	(42)	0.56	(195)	4.45	(87)	2.05	0	-	-
INT EM SMALL CAP INDEX PERF ACCTG	46	0.6	(2.98)	(75)	(5.56)	(180)	(9.90)	(217)	(2)	(1.57)	(304)	8.56	(18)	-	-	-	-
INTERNAL EMERGING MARKET PERF ACCTG	3,373	47.3	(4.25)	(1)	(2.04)	(2)	(4.17)	(2)	(1)	2.53	2	5.43	11	2.08	3	-	-
STRUCTURED EMERGING MARKETS	914	12.8	(5.03)	(79)	(4.16)	(213)	(6.49)	(233)	(23)	0.95	(156)	5.10	(22)	2.55	50	-	-
INT EMERGING MARKET VOL ADJ*****	252	3.5	(3.80)	34	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL INTERNAL EMERGING MARKET EQUITY	7,131	100.0	(4.25)	(16)	(3.01)	(83)	(5.59)	(110)	(82)	1.58	(87)	5.29	(41)	1.84	(25)	-	-

* 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 September 2012

*** Funded October 2012

**** Funded April 2013

***** Funded April 2014

	December 31, 2014		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
EXTERNAL DOMESTIC TRADITIONAL EQUITY																	
BOSTON COMPANY	884	18.0	0.85	58	4.42	1	5.36	62	5	11.46	(178)	22.65	208	15.08	(41)	8.96	192
FIRST QUADRANT LONG/SHORT	1,658	33.8	0.03	33	5.80	108	6.99	157	25	14.30	103	22.18	150	17.18	160	-	-
JP MORGAN LG/SH DOM EQUITY	1,624	33.1	0.89	110	5.81	86	7.38	127	20	15.79	210	24.06	352	16.32	96	-	-
PZENA INVESTMENT MANAGEMENT	744	15.2	2.10	183	5.34	93	4.94	21	1	11.72	(151)	23.28	271	15.94	45	6.59	(62)
T ROWE PRICE	0	0.0	(0.36)	(5)	4.83	11	5.56	14	2	12.70	(57)	20.54	(14)	15.05	(32)	-	-
TOTAL EXTERNAL DOMESTIC TRADITIONAL EQUITY	4,911	100.0	0.49	60	5.33	60	6.23	78	49	13.48	8	22.06	144	15.64	11	7.36	(40)

	December 31, 2014		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
EXTERNAL INT'L DEVELOPED TRADITIONAL EQUITY																	
ARROWSTREET CAPITAL	3,477	47.6	(3.13)	35	(3.13)	47	(7.25)	124	45	(1.00)	217	14.14	453	8.71	383	9.68	412
BAILLIE GIFFORD OVERSEAS LIMITED	2,248	30.8	(1.48)	200	0.59	419	(5.85)	264	61	(1.93)	123	12.04	243	7.76	288	8.83	327
GRANTHAM, MAYO, VAN OTTERLOO & CO	2	0.0	(2.14)	108	(3.57)	15	(11.05)	(189)	(12)	(7.82)	(367)	9.42	(131)	5.30	(60)	5.16	(91)
NOMURA ASSET MANAGEMENT	562	7.7	(1.87)	(16)	(1.78)	(51)	(3.90)	(2)	(0)	0.28	(41)	9.45	(29)	6.29	42	6.12	30
PYRAMIS GLOBAL	1,010	13.8	(3.24)	(2)	(3.04)	68	(8.29)	87	9	(4.28)	(13)	11.77	104	6.68	116	-	-
TOTAL EXTERNAL INT'L DEVELOPED TRADITION EQ	7,298	100.0	(2.55)	76	(2.08)	138	(7.15)	118	97	(2.26)	86	12.35	249	7.32	226	6.10	66

	December 31, 2014		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
EXTERNAL EMERGING MARKET EQUITY																	
ALLIANCE BERNSTEIN INTL	796	17.4	(4.26)	43	(1.88)	120	(4.80)	49	4	6.75	524	4.63	(18)	(0.31)	(244)	6.55	(190)
DIMENSIONAL FUND ADVISORS	974	21.3	(4.24)	45	(1.63)	145	(4.06)	124	13	2.41	89	5.84	102	3.39	125	9.71	127
GENESIS ASSET MANAGERS	1,290	28.3	(5.46)	(77)	(5.31)	(222)	(10.06)	(477)	(67)	(2.27)	(378)	5.90	108	4.66	252	10.88	244
LAZARD EMERGING MKTS	1,158	25.4	(7.52)	(283)	(5.43)	(234)	(10.65)	(536)	(69)	(1.57)	(309)	6.49	167	4.25	211	-	-
DIMENSIONAL FUND ADVISORS EM SMALL CAP **	0	0.0	(2.81)	(57)	(8.58)	(480)	(13.01)	(525)	(4)	(5.33)	(660)	-	-	-	-	-	-
ASHMORE EMERGING MARKETS SMALL CAP**	99	2.2	(3.41)	(117)	(5.28)	(151)	(11.92)	(416)	(4)	(7.09)	(836)	-	-	-	-	-	-
WASATCH ADVISORS	247	5.4	(1.34)	89	(2.05)	172	(1.91)	585	9	-	-	-	-	-	-	-	-
TOTAL EXTERNAL EMERGING MARKET EQUITY	4,563	100.0	(5.27)	(58)	(3.81)	(73)	(7.83)	(253)	(124)	0.65	(87)	5.61	79	2.58	45	8.67	23

* 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 September 2013

		December 31, 2014		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
CORPORATE GOVERNANCE																		
SWFY	BLUM STRATEGIC PARTNERS II	0	0.0	(1.22)	(186)	(4.66)	(660)	(74.48)	(490)	(0)	(72.77)	(8,077)	(30.04)	(3,804)	(19.57)	(2,757)	-	-
SWCM	BLUM STRATEGIC PARTNERS III	33	1.2	9.03	839	23.51	2,157	15.83	1,171	4	18.18	1,018	7.10	(90)	(2.69)	(1,068)	-	-
SWGS	BLUM STRATEGIC PARTNERS IV	165	5.8	2.64	200	9.68	774	(0.33)	647	(7)	(4.78)	(1,278)	16.19	819	4.15	(385)	-	-
SWPA	CARTICA CAPITAL PARTNERS, LP	412	14.6	(3.44)	128	(4.66)	(120)	(10.28)	(470)	(21)	(8.35)	(991)	8.03	308	13.69	1,136	-	-
SW9O	CORPORATE GOVERNANCE PASSTHROUGH	4	0.1	29.41	2,941	206.02	20,602	64.14	6,414	2	5,690.06	569,006	3,932.20	393,220	1,861.28	186,128	-	-
SW9G	KNIGHT VINKE INSTITUTIONAL PARTNERS	33	1.2	1.86	626	(11.69)	(712)	(35.15)	(2,349)	(10)	(29.20)	(2,063)	(0.29)	(1,030)	(7.01)	(1,126)	0.88	(365)
SWCL	NEW MOUNTAIN CAPITAL	457	16.2	(0.84)	(58)	1.38	(355)	2.54	(358)	(16)	11.77	(192)	22.77	236	16.58	112	-	-
SWKA	RELATIONAL INVESTORS MID-CAP FUND	598	21.2	(1.84)	(327)	(0.90)	(778)	(8.71)	(1,058)	(105)	2.99	(911)	20.47	(10)	16.96	8	-	-
SWJM	TAIYO CYPRESS FUND	157	5.6	(1.70)	(150)	(4.42)	(1,055)	(7.33)	(1,881)	(31)	(10.36)	(1,844)	6.07	(1,848)	5.29	(388)	-	-
SW9L	TAIYO FUND MGMT	963	34.1	3.63	383	3.34	(278)	(6.31)	(1,779)	(176)	3.52	(456)	16.04	(851)	11.04	187	8.42	632
SWGH	TAIYO PEARL FUND (PUBLIC)	1	0.0														-	-
SWMKA1	TOTAL CORPORATE GOVERNANCE	2,822	100.0	0.34	86	1.03	(330)	(5.67)	(1,011)	(332)	3.50	(640)	15.53	(218)	10.24	(85)	4.83	(132)

* 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.

	December 31, 2014		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
MANAGER DEVELOPMENTAL PROGRAM**																	
QUOTIENT ALL CAP CORE	265	12.5	1.08	125	6.77	195	6.69	158	4	14.48	154	23.00	244	16.36	86	-	-
QUOTIENT LARGE ESG	189	8.9	(0.14)	16	4.30	(42)	4.44	(98)	(2)	14.83	156	25.23	455	-	-	-	-
REDWOOD LARGE GROWTH	235	11.1	0.32	118	4.53	(48)	5.05	(103)	(3)	12.69	(59)	21.41	67	15.55	(8)	-	-
SOURCECAP INTERNATIONAL	428	20.1	(5.08)	(40)	(5.59)	(77)	(13.42)	(180)	(8)	(12.15)	(559)	11.15	(79)	8.71	335	-	-
TOBAM GLOBAL	1,006	47.4	(1.34)	26	1.96	107	(2.15)	(86)	(2)	6.95	192	14.72	(117)	-	-	-	-
TOTAL MANAGER DEVELOPMENTAL PROGRAM	2,122	100.0	(1.68)	28	1.15	(31)	(1.22)	(92)	(16)	4.99	(135)	16.41	(28)	11.55	1	6.41	(87)

	December 31, 2014		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
FIS EMERGING MANAGER FUND OF FUNDS																	
ATIVO INTERNATIONAL	29	6.8	(2.12)	121	(1.80)	189	(7.35)	187	1	(3.40)	93	13.83	336	8.57	315	-	-
CUPPS CAPITAL	12	2.8	0.03	70	4.01	(105)	3.56	(181)	(0)	6.89	(539)	-	-	-	-	-	-
FIS GROUP TRANSITION	94	21.8	(1.85)	(185)	0.59	59	(1.46)	(146)	(1)	3.72	372	-	-	-	-	-	-
HANOVERIAN EAFE	42	9.8	(3.88)	(41)	(4.64)	(107)	(8.95)	29	0	(7.33)	(242)	11.73	67	-	-	-	-
HERNDON INTERNATIONAL	31	7.2	(3.86)	(29)	(4.48)	(67)	(10.16)	(135)	(0)	(8.98)	(555)	6.66	(283)	-	-	-	-
HERNDON LARGE VALUE	55	12.7	(1.20)	(147)	(2.14)	(654)	(2.36)	(709)	(4)	2.07	(1,117)	16.38	(419)	13.60	(189)	-	-
LOMBARDIA SMALL VALUE	13	3.1	1.50	32	8.59	224	(0.96)	(14)	(0)	2.72	(239)	16.81	(382)	15.14	(32)	-	-
MARQUE MILLENIUM	56	12.9	(0.06)	(33)	3.36	(105)	2.71	(203)	(1)	12.30	(94)	20.90	34	-	-	-	-
SOMERSET EM	17	3.9	(3.16)	145	0.00	451	(1.51)	634	1	10.22	1,241	9.75	571	-	-	-	-
THOMAS WHITE INTL	31	7.2	(4.45)	(88)	(5.54)	(172)	(11.87)	(306)	(1)	(9.33)	(589)	-	-	-	-	-	-
VISION LARGE GROWTH	51	11.7	(1.21)	(36)	2.14	(288)	3.69	(239)	(1)	7.74	(553)	17.54	(319)	-	-	-	-
TOTAL FIS EMERGING MANAGER FUND OF FUNDS***	433	100.0	(1.93)	(63)	(0.49)	(112)	(2.88)	(158)	(7)	1.73	(210)	13.48	49	10.2613	57	-	-

* 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 Developmental Program ending market value and returns.

*** Total Emerging Manger FOF Transition portfolios are included in Ending Market Value.

LEADING EDGE EMERGING MANAGER FUND OF FUNDS	December 31, 2014		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
AFFINITY INVESTMENT ADVISORS	55	9.8	0.13	(14)	4.89	48	5.41	67	0	13.29	6	-	-	-	-	-	-
CUPPS SMALL GROWTH	55	9.7	3.77	243	9.33	390	1.53	317	2	(10.79)	(1,335)	13.29	(596)	13.01	(228)	-	-
LOGAN LARGE GROWTH	62	11.0	(0.88)	(2)	3.89	(113)	3.95	(213)	(1)	6.54	(674)	18.24	(250)	14.41	(121)	-	-
MARKSTON LARGE CORE	81	14.5	(0.13)	18	4.32	(40)	5.22	(20)	(0)	11.87	(140)	19.94	(74)	15.83	54	-	-
NICHOLAS SMALL GROWTH	68	12.2	1.10	(24)	7.46	202	0.92	256	2	0.60	(197)	21.65	240	-	-	-	-
PHOCAS SMALL VALUE	49	8.7	2.64	146	6.80	45	(0.42)	40	0	6.61	151	19.62	(101)	16.06	60	-	-
PIERMONT CAPITAL MANAGEMENT, LLC	81	14.4	2.88	170	10.17	382	3.29	411	3	6.94	183	20.50	(13)	-	-	-	-
WESTWOOD EMERGING MARKETS	112	19.8	(5.90)	(121)	(4.80)	(172)	(5.51)	(21)	(0)	0.76	(76)	6.95	214	6.11	397	-	-
TOTAL LEADING EDGE EMERGING MANAGER FUND OF FUNDS**	562	100.0	(0.24)	31	4.14	59	0.98	82	5	3.73	(275)	16.20	(52)	12.45	(3)	-	-

PROGRESS EMERGING MANAGER FUND OF FUNDS	December 31, 2014		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
CHANNING	35	43.1	1.91	73	7.85	150	0.12	94	0	4.92	(19)	21.31	68	-	-	-	-
HUBER	47	56.9	0.01	(117)	(1.54)	(789)	(12.00)	(1,118)	(6)	(9.63)	(1,474)	18.88	(175)	-	-	-	-
TOTAL PROGRESS EMERGING MANAGER FUND OF FUNDS**	82	100.0	0.82	(36)	1.86	(442)	(6.12)	(526)	(8)	(5.34)	(965)	16.49	(366)	-	-	-	-

* 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

PERIOD ENDING DECEMBER 31, 2014

	December 31, 2014		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 PRIVATE EQUITY SUMMARY *																	
PE PARTNERSHIP INVESTMENTS	30,460	100.0	(0.43)	234	0.87	186	4.35	(47)	(146)	14.61	(245)	15.37	(776)	15.96	(72)	13.06	(213)
PRIVATE EQUITY DISTRIBUTION STOCK ***	10	0.0	(5.73)	(295)	(0.27)	71	(6.05)	(1,087)	(2)	(21.52)	(3,858)	(24.37)	(4,749)	(11.32)	(2,800)	(2.44)	(1,763)
TOTAL PRIVATE EQUITY	30,470	100.0	(0.43)	234	0.87	185	4.34	(48)	(149)	14.59	(247)	15.27	(785)	15.89	(79)	12.87	(231)

	December 31, 2014		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
PRIVATE EQUITY STRATEGY *								
Buyout	18,047	60.2	0.93	4.30	14.43	14.67	15.81	16.04
Growth Expansion	4,893	16.3	(0.29)	1.69	8.01	11.87	14.70	8.71
Credit Related	3,501	11.7	0.76	4.81	16.12	23.02	19.72	15.17
Venture Capital	1,738	5.8	2.03	5.74	18.91	9.82	10.20	6.67
Opportunistic	1,716	5.7	3.62	8.81	14.78	8.39	13.78	5.85
Currency	101	0.3	(3.68)	63.05	1,188.85	94.90	17.10	
TOTAL PRIVATE EQUITY STRATEGY	29,995	100.0	0.87	4.34	14.59	15.27	15.89	12.87

* Private Equity time weighted rate of returns are computed by State Street Bank and are based on General Partners' most recent received 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.

	December 31, 2014	
	Ending Market Value (MM)	% of Total Private Equity
TOP 20 PRIVATE EQUITY PARTNERS EXPOSURE *		
Carlyle Group	2,755	9.2%
Apollo Management	2,373	7.9%
Blackstone Group	2,132	7.1%
TPG Capital	1,963	6.5%
Advent International	1,103	3.7%
KKR and Co.	1,086	3.6%
CERBERUS	943	3.1%
Yucaipa	881	2.9%
California Emerging Ventures	849	2.8%
CFIG	753	2.5%
Oak Hill Capital Partners	680	2.3%
CVC Capital Partners	662	2.2%
Silver Lake	648	2.2%
57 STARS	647	2.2%
First Reserve	608	2.0%
Hellman and Friedman Capital Partners	494	1.6%
Asia Alternative Assets	438	1.5%
Ares Management LLC	437	1.5%
Green Equity Investors	430	1.4%
Bridgepoint Capital	386	1.3%
TOP 20 PRIVATE EQUITY PARTNERS EXPOSURE	20,268	67.6%
OTHER PRIVATE EQUITY PARTNERS EXPOSURE	9,727	32.4%
TOTAL PRIVATE EQUITY PARTNERS EXPOSURE	29,995	100%

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

PRIVATE EQUITY GENERAL PARTNERS *	December 31, 2014		3-Months	FYTD	1-Yr	3-Yr	5-Yr	10-Yr
	Ending Market		Net Rate of Return	Net Rate of Return	Net Rate of Return	Net Rate of Return	Net Rate of Return	Net Rate of Return
	Value (MM)	% of Total Assets						
57 STARS	647	2.1	2.97	5.35	13.89	4.59	9.50	
Aberdare	48	0.2	(0.06)	0.55	7.80	24.05	6.37	
Advent International	1,103	3.6	0.53	6.22	15.38	22.20	17.87	35.72
Affinity Equity Partners	86	0.3	0.65	(0.31)	7.15	14.59	26.26	
Aisling Capital	124	0.4	8.40	13.56	26.48	21.94	10.86	10.76
Alta California Partners	9	0.0	(3.48)	(17.56)	33.00	31.88	10.76	
Alta Partners	0	0.0	(0.18)	(0.41)	(0.56)	(1.38)	0.52	
Apollo Management	2,373	7.8	(1.86)	(1.81)	9.19	35.30	28.35	19.38
ArcLight	106	0.3	2.60	27.95	51.09	17.25	19.28	11.55
Ares Management LLC	437	1.4	0.45	3.71	14.82	21.37	20.56	17.03
Asia Alternative Assets	438	1.4	4.55	19.16	27.53	22.05	21.21	
Audax Group	140	0.5	14.24	25.94	39.11	20.59	20.82	
Aurora Capital Group	11	0.0	2.83	3.81	35.62	36.77	31.01	19.65
Avenue Capital Partners	249	0.8	(1.65)	2.24	9.91	11.29	10.82	6.88
Bank of America	45	0.1	5.07	8.06	16.51	8.03	6.58	(7.67)
Baring	75	0.2	(11.60)	(9.59)	(9.22)	10.59	18.10	
Bastion Capital	32	0.1	3.53	20.11	31.58	2.07	12.63	
Birch Hill Equity Partners	204	0.7	5.35	4.94	23.85	9.59	10.62	
Blackstone Group	2,132	7.0	4.87	9.94	23.11	18.48	19.15	17.09
Bridgepoint Capital	386	1.3	(4.59)	(5.35)	(6.87)	4.57	6.16	11.37
California Emerging Ventures	849	2.8	4.99	9.72	19.52	11.80	12.33	9.69
Capital Dynamics	227	0.7	(0.71)	(0.71)	(3.83)	(14.38)	(10.91)	
Carlyle Group	2,755	9.0	(0.42)	1.77	7.46	9.56	14.67	15.92
CERBERUS	943	3.1	2.06	4.23	17.00			
CFIG	753	2.5	8.36	13.42	15.55	13.89	14.76	
Clarus Ventures	98	0.3	(1.63)	0.41	38.58	31.00	18.34	
CLEARLAKE CAPITAL	39	0.1	5.27	(0.29)	32.87			

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

PRIVATE EQUITY GENERAL PARTNERS *	December 31, 2014		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
Clearwater Capital	117	0.4	0.34	7.59	10.04	6.86	8.40	0.53
Clessidra Capital	62	0.2	(5.14)	(22.89)	(26.84)	(3.65)	(7.25)	
Coller Capital	136	0.4	(0.94)	8.42	20.69	9.81	11.95	9.23
Craton Equity Partners	16	0.1	(8.15)	(18.12)	(39.40)	(22.55)	(15.84)	
Currency	101	0.3	(3.68)	63.05	1,188.85	94.90	17.10	
CVC Capital Partners	662	2.2	(3.39)	(7.46)	(3.40)	7.77	10.93	11.12
Darby Overseas Investments	7	0.0	(7.97)	(27.63)	(20.24)	(20.32)	(13.06)	
DFJ	12	0.0	(0.00)	(0.08)	9.46	(22.70)	(15.96)	(12.55)
EM Alternatives	91	0.3	0.00	5.56	10.57	9.05	9.92	
Essex Woodlands Health Ventures	107	0.4	(4.07)	(0.59)	14.92	16.29	7.84	
First Reserve	608	2.0	(0.55)	3.09	(5.56)	5.16	5.46	28.68
Francisco Partners	219	0.7	0.74	6.16	23.62	15.15	14.75	11.05
Gael Partners, LLC	12	0.0	34.23	6.34	(5.40)	6.63	13.36	
Garage Ventures	5	0.0	0.00	0.00	19.77	(5.17)	(5.76)	
GCM Grosvenor	4	0.0						
Generation Partners	0	0.0	(8.38)	(8.38)	1.02	(9.18)	(12.20)	(0.78)
Granite Global Ventures	95	0.3	(5.30)	(6.29)	18.40	22.18	23.25	9.70
Green Equity Investors	430	1.4	(0.43)	6.26	21.98	23.92	43.03	32.86
GTCR	0	0.0	3.55	3.55	23.29	15.20		
Hamilton Lane	351	1.2	6.19	6.19	35.77	20.18	18.83	
Health Evolution Partners	145	0.5	(20.57)	(18.07)	(17.89)	(5.66)	(1.75)	(0.59)
Hellman and Friedman Capital Partners	494	1.6	0.42	11.63	58.07	29.63	23.94	29.49
Huntsman Gay Capital	97	0.3	1.54	2.25	10.76	29.80	20.81	

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

	December 31, 2014		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
PRIVATE EQUITY GENERAL PARTNERS *								
Inner City Venture	21	0.1	3.11	6.81	21.24	15.59	20.44	18.20
Insight Capital	102	0.3	4.73	13.39	38.74	22.18	25.43	
Khosla Ventures	359	1.2	5.43	7.19	21.98	11.33	17.34	
KKR and Co.	1,086	3.6	3.82	6.72	15.52	10.45	14.95	14.16
Kline Hawkes California	69	0.2	5.30	1.90	15.91	(6.12)	(2.68)	3.77
KMCP	279	0.9	(13.10)	(18.03)	(30.82)	16.55	19.99	9.87
KPS	96	0.3	24.36	34.50	46.74	31.40	28.37	
Levine Leichtman Capital Partners	94	0.3	0.19	3.58	10.88	6.06	11.20	4.20
Lexington Partners	37	0.1	3.64	5.56	16.31	11.01	14.49	13.99
Lime Rock	119	0.4	3.65	11.85	18.74	3.17	8.60	2.50
Lion Capital	98	0.3	(6.22)	(7.12)	(11.05)	(13.15)	(4.90)	
Lombard Investments	17	0.1	(9.23)	4.20	(5.81)	16.33	23.26	19.52
Madison Dearborn Partners	223	0.7	2.90	4.83	21.45	20.77	18.48	14.91
Magnum Capital	90	0.3	(4.71)	(10.31)	18.33	(0.43)	(0.48)	
MHR	304	1.0	(1.36)	8.07	1.07	27.01	19.33	12.26
New Mountain Capital LLC	384	1.3	(4.85)	(5.89)	5.21	16.80	11.91	9.14
NGEN	0	0.0	0.00	4.24	(19.66)	(57.65)	(51.52)	
Nogales	6	0.0	(0.04)	(0.16)	(0.58)	(8.15)	(2.36)	(10.94)
Oak Hill Capital Partners	680	2.2	3.48	9.22	21.64	19.00	15.77	6.62
Oaktree Capital Management	232	0.8	0.36	2.60	11.18	10.11		
Onex	15	0.0	(67.06)					
Pacific Community Ventures	3	0.0	38.45	93.49	64.66	27.40	11.41	(4.51)
PAGAsi	45	0.1	5.15	5.03	17.26			
Palladium	152	0.5	19.84	24.67	53.58	39.92	38.04	(1.56)
Permira	275	0.9	(6.71)	(12.30)	(7.15)	10.71	18.03	12.69
Pinnacle Ventures	12	0.0	9.61	4.60	11.59	3.56	7.97	
Polish Enterprise	138	0.5	0.06	(1.70)	5.61	10.95	9.06	12.60
Providence Equity Partners	241	0.8	(0.25)	4.09	15.18	5.78	9.02	3.96
Rhone Partners	28	0.1	(4.21)	74.60	(27.67)	15.33	14.42	

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

	December 31, 2014		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
PRIVATE EQUITY GENERAL PARTNERS *								
Richardson Financial Group	15	0.0	(3.33)	(7.23)	5.90	13.70	13.76	2.92
RIVERSTONE GLOBAL ENERGY	323	1.1	8.09	16.46	45.90			
Riverstone LLC	240	0.8	14.29	21.90	24.00			
Riverwood Capital LLC	242	0.8	45.49	86.78	105.67	53.13		
Sageview Capital LLC	80	0.3	3.37	4.78	8.35	2.71		
SAIF Partners	243	0.8	(0.30)	0.92	9.68	0.67	5.95	
Sankaty Advisors	70	0.2	0.00					
Silver Lake	648	2.1	6.90	13.23	30.28	9.93	19.94	14.91
Standard Life	363	1.2	1.79	(4.42)	24.01	4.49	3.84	
Tailwind	65	0.2	(1.78)	0.53	18.55	22.01	17.85	
Technology Partners	1	0.0	(0.55)	(2.53)	(2.17)	2.90	(14.35)	
The Resolute Fund	181	0.6	3.77	5.03	11.19	16.19	13.11	
THL Equity Advisors	191	0.6	4.70	15.83	25.88	18.14	15.59	10.85
TowerBrook Capital Partners	341	1.1	(0.57)	7.20	17.90	10.95	19.28	25.72
TPG Capital	1,963	6.4	(2.17)	3.48	21.19	15.60	16.56	13.35
Trident	21	0.1	(7.33)					
VantagePoint Venture Partners	70	0.2	(1.55)	(1.98)	(18.65)	(17.09)	(7.06)	
W Capital Partners	64	0.2	(0.86)	(0.71)	(9.04)	1.21	12.06	7.56
Wayzata Opportunities Fund	124	0.4	5.13	19.53	46.12	27.05	21.92	
Wellspring Capital Management	83	0.3	6.93	2.80	(8.09)	(9.32)		
Welsh and Carson and Anderson and Stowe	207	0.7	4.03	8.21	15.03	15.59	13.20	11.13
WLR Recovery	204	0.7	(5.50)	(1.74)	11.64	4.49	6.23	8.94
Yucaipa	881	2.9	(1.68)	0.21	4.41	8.66	6.13	6.31
PRIVATE EQUITY PARTNERSHIP INVESTMENTS **	30,470	100.0	0.87	4.34	14.59	15.27	15.89	12.87

* Private Equity time weighted rate of returns are computed by State Street Bank and are based on General Partners' most recent received 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

PERIOD ENDING DECEMBER 31, 2014

	December 31, 2014		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 GLOBAL FIXED INCOME SUMMARY																	
TOTAL DOMESTIC FIXED INCOME	48,701	90.8	0.33	(22)	3.18	(10)	3.73	19	85	11.42	8	5.01	119	7.95	97	6.87	74
FI TOTAL INTERNATIONAL	4,923	9.2	(2.70)	54	(4.04)	120	(9.24)	162	84	(3.04)	241	(1.86)	110	1.95	154	3.30	93
TOTAL GLOBAL FIXED INCOME	53,624	100.0	0.05	(12)	2.47	6	2.39	37	194	9.92	35	4.34	120	7.34	101	6.50	74

** 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.

	December 31, 2014		1-Month		3-Months		FYTD			1-Yr		3-Yr		5-Yr		10-Yr	
	Ending Market		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
	Value (MM)	% of Total Assets															
DOMESTIC FIXED INCOME																	
BB HIGH YIELD FUND*	632	1.3	(0.96)	(3)	0.74	44	(0.95)	21	1	-	-	-	-	-	-	-	-
PASSIVE FALLEN ANGELS	10	0.0	(1.62)	6	0.23	170	(0.39)	300	1	8.22	642	-	-	-	-	-	-
DURATION MANAGEMENT*	7,811	16.0	0.44	(67)	3.74	(123)	4.53	(116)	(105)	10.88	(431)	2.40	(36)	6.50	(119)	5.57	(84)
EQUITABLE CCMF	3	0.0	0.68	55	1.94	20	3.98	209	0	8.03	216	8.96	647	8.32	430	8.41	374
GOVERNMENTS*	8,717	17.9	1.21	10	4.94	(3)	5.67	(2)	(2)	15.26	7	2.69	(7)	-	-	-	-
HIGH YIELD BOND MANAGERS ACCOUNTING*	1,027	2.1	(1.48)	20	(0.62)	85	(2.22)	116	13	3.62	183	10.38	257	10.30	170	-	-
HIGH YIELD MORTGAGE*	314	0.6	(4.44)	(277)	(2.27)	(80)	(0.41)	298	10	4.95	316	15.41	759	13.16	456	-	-
HIGH YIELD SOVEREIGN*	57	0.1	(0.36)	(50)	2.41	(178)	4.91	47	0	18.34	256	-	-	-	-	-	-
HIGH YIELD*	93	0.2	0.42	210	3.09	455	2.63	602	6	11.35	956	12.06	424	10.75	215	13.73	646
HIGHLAND CLN - LONGHORN A*	402	0.8	(1.47)	(37)	(0.61)	(24)	(1.01)	(32)	(1)	(0.20)	(225)	5.74	(9)	8.56	273	-	-
HIGHLAND CLN - LONGHORN B*	156	0.3	0.89	256	(2.78)	(131)	(2.81)	58	1	10.03	824	15.32	750	15.19	658	-	-
INTERNAL INV-GRADE CORP*	11,581	23.8	0.26	(21)	2.37	(53)	2.50	(33)	(37)	13.00	37	8.59	217	9.77	86	7.64	79
LONG DURATION CORPORATES*	1,989	4.1	0.33	(22)	2.20	(108)	1.81	(174)	(31)	7.68	(366)	11.20	738	13.10	569	-	-
LONG DURATION MTG*	4,051	8.3	0.28	(27)	2.48	(80)	2.83	(72)	(19)	8.58	(276)	4.03	21	8.24	93	-	-
MHLP-BRS*	111	0.2	0.70	57	1.55	(20)	3.35	145	2	7.82	194	12.32	984	7.11	309	6.52	184
NON-TRADITIONAL HIGH YIELD*	180	0.4	(1.01)	67	(2.54)	(107)	48.38	5,177	94	57.11	5,532	24.28	1,647	10.82	222	-	-
OPPORTUNISTIC*	130	0.3	0.00	-	-	-	0.00	-	-	0.00	-	(16.60)	-	(15.88)	-	-	-
AGENCY MORTGAGE*	6,219	12.8	0.17	2	1.91	12	2.13	16	10	6.25	17	2.68	31	-	-	-	-
INTERNAL MTG STRUCTURE*	3,120	6.4	0.03	(10)	6.64	490	8.31	641	197	12.52	665	6.82	433	7.50	348	6.23	155
PERS INTERNAL BONDS SOVEREIGN*	2,098	4.3	(0.04)	(18)	4.05	(15)	4.21	(22)	(5)	15.85	7	5.66	40	8.49	46	6.90	(38)
ABL	0	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL DOMESTIC FIXED INCOME	48,701	100.0	0.33	(22)	3.18	(10)	3.73	19	85	11.42	8	5.01	119	7.95	97	6.87	74

* 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.

	December 31, 2014		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
FI TOTAL INTERNATIONAL ***																	
ALLIANCE BERNSTEIN INSTITUTIONAL INVESTM	517	10.5	(2.86)	39	(4.42)	82	(9.77)	109	6	(3.96)	149	(2.31)	66	1.35	95	-	-
BARING ASSET MANAGEMENT	514	10.4	(2.87)	37	(4.39)	85	(9.39)	147	8	(3.60)	185	(2.44)	53	1.23	83	2.72	35
INT INTL FIXED INCOME	1,906	38.7	(2.74)	51	(3.78)	147	(8.93)	194	39	(2.72)	273	-	-	-	-	-	-
PIMCO	1,082	22.0	(2.45)	79	(3.87)	137	(8.99)	187	21	(1.99)	346	(1.40)	156	3.25	284	-	-
ROGGE GLOBAL PARTNERS	128	2.6	(1.17)	1	(2.47)	1	(7.11)	37	0	(2.78)	(10)	(1.95)	8	1.20	21	2.92	26
INTL EMERGING MARKETS FIXED INCOME****	187	3.8	(8.50)	84	(12.18)	111	(19.51)	107	2	-	-	-	-	-	-	-	-
INTL DEVELOPED MARKETS FIXED INCOME****	589	12.0	(1.08)	10	(2.08)	40	(6.83)	65	4	-	-	-	-	-	-	-	-
FI TOTAL INTERNATIONAL	4,923	100.0	(2.70)	54	(4.04)	120	(9.24)	162	84	(3.04)	241	(1.86)	110	1.95	154	3.30	93

	December 31, 2014		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	\$ 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
EXTERNAL HIGH YIELD FIXED INCOME																	
COLUMBIA HIGH YIELD*	354		-0.84	162	0.43	371	-1.66	398	14	3.76	460	9.85	148	10.01	127	-	-
HIGH YIELD NOMURA*	769		-1.87	(19)	-1.16	30	-2.92	47	4	3.65	186	11.49	367	11.56	295	8.83	156
LOGAN CIRCLE HY*	5		-2.27	19	-3.29	(1)	-6.38	(74)	(0)	-1.38	(54)	7.43	(94)	8.18	(55)	-	-

* 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.

**** Funded April 2014

Section V
Real Assets

PERIOD ENDING DECEMBER 31, 2014

REAL ASSETS*	December 31, 2014		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	\$ 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
FORESTLAND**	2,247	7.6	(0.26)	(173)	(0.25)	(281)	(64)	3.66	(672)	0.35	(703)	(0.65)	(423)	-	-
INFRASTRUCTURE**	2,090	7.1	2.24	139	7.39	466	90	23.29	1,757	13.56	789	18.07	1,153	-	-
REAL ESTATE**	25,245	85.3	0.82	(218)	2.11	(366)	(942)	13.14	177	13.44	174	9.06	(297)	2.41	(716)
TOTAL REAL ASSETS	29,583	100.0	0.84	(185)	2.26	(297)	(890)	12.97	217	12.28	149	8.40	(216)	3.06	(586)

REAL ESTATE*	December 31, 2014		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	\$ 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 REAL ESTATE**	25,245	100.0	0.82	(218)	2.11	(366)	(942)	13.14	177	13.13	142	8.90	(313)	2.77	(681)
TOTAL REAL ESTATE*	25,245	100.0	0.82	(218)	2.11	(366)	(942)	13.14	177	13.44	174	9.06	(297)	2.41	(716)

PRIVATE REAL ESTATE ^{1*}	December 31, 2014		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	\$ 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
LEGACY REAL ESTATE EX PUBLIC**	6,156	24.4	1.23	(177)	3.16	(260)	(175)	15.04	367	9.85	(185)	4.87	(716)	(1.83)	(1,141)
STRATEGIC REAL ESTATE**	19,089	75.6	0.69	(231)	1.75	(402)	(765)	12.48	111	14.89	318	13.54	152	15.04	546
PRIVATE REAL ESTATE**	25,245	100.0	0.82	(218)	2.11	(366)	(942)	13.14	177	13.13	142	8.90	(313)	2.77	(681)

* The Total Real Assets reflects the ending market value and rate of returns reported for June published by State Street Bank. Ending Market Values and Returns includes the Real Estate Transition portfolio.

**Partnership Market Values and Returns are based on the General Partners' March 31, 2014 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.

¹ Real Asset performance returns are calculated at the Partnership level. Individual assets have been transferred among existing Partnerships at different time periods (especially in FY 04-05 and 10-11).

Based on the Board of Administration's approval of the Real Assets Strategic Plan, and the transfer of assets, the Legacy and Strategic level returns are materially impacted.

TOP 20 REAL ESTATE PARTNERS EXPOSURE*	September 30, 2014	
	Ending Market Value (MM)	% of Total Private Real Estate
GI Partners	4,142	16.4
Miller Capital Advisory	3,748	14.8
CommonWealth Partners	2,792	11.1
GID Investment Advisors, LLC	2,273	9.0
CIM	1,925	7.6
Hines	1,585	6.3
First Washington	1,284	5.1
Resmark Equity Partners	676	2.7
Starwood Capital	638	2.5
Institutional Housing Partners	1,062	4.2
ARA Management	582	2.3
Kennedy Associates Real Estate Counsel	297	1.2
Canyon Capital Realty Advisors	288	1.1
Newland	273	1.1
IL & FS Investment Advisors	262	1.0
Bentall Kennedy	241	1.0
Secured Capital Japan	224	0.9
Invesco	218	0.9
Klein Financial Corporation	217	0.9
Pacific Urban Residential	200	0.8
TOP 20 REAL ESTATE PARTNERS EXPOSURE	22,928	90.8
OTHER REAL ESTATE PARTNERS EXPOSURE	2,318	9.2
TOTAL REAL ESTATE PARTNERS EXPOSURE	25,245	100.0

*Partnership Market Values and Returns are based on the General Partners' September 30, 2014 financial statements and reported by CalPERS Portfolio Analytics.

STRATEGIC REAL ESTATE PARTNERS*	September 30, 2014		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
AGI Resmark Housing Fund, LLC	22	0.1	-	-	-	-	-
AGI-TMG Housing Partners I, LLC	7	0.0	(12.8)	(13.4)	(14.2)	20.5	-
ARA Asia Dragon Fund	228	1.2	0.1	(2.3)	(5.1)	6.1	6.4
ARA Asia Dragon Fund II	39	0.2	(0.7)	(1.5)	(4.1)	-	-
ARA China Long Term Hold	315	1.7	0.4	0.9	10.8	-	-
Bentall Kennedy OpCo	99	0.5	1.7	5.2	27.5	-	-
CalEast Canada Limited Partnership	119	0.6	(2.7)	3.9	(1.1)	9.2	-
CalEast Industrial Investors, LLC	285	1.5	3.6	(0.6)	(9.5)	(2.7)	-
CalEast Solstice, LLC	2,638	13.8	0.8	1.0	9.8	7.1	-
CalWest - CalPERS	290	1.5	(0.6)	1.1	(7.8)	-	-
Canyon Catalyst Fund, LLC	92	0.5	0.8	11.9	11.7	-	-
Canyon Johnson Urban Fund, III	140	0.7	2.9	5.9	14.1	14.8	-
CIM Fund III, LP	955	5.0	1.2	4.6	14.9	18.4	0.9
CIM Urban Real Estate Fund, LP	426	2.2	0.6	1.1	9.1	8.9	4.5
CIM Urban REIT LLC	527	2.8	2.9	(1.8)	6.6	9.0	7.4
FSP - Base	470	2.5	3.9	4.1	26.7	-	-
FSP - DT 2011	551	2.9	1.2	2.4	13.3	12.9	-
FSP - DT 2012 and Beyond	739	3.9	1.5	2.7	16.4	-	-
Global Retail Investors LLC	1,045	5.5	1.5	2.9	6.7	18.1	31.1
GRI - Base	143	0.7	1.5	2.7	17.2	-	-
GRI - DT 2011	96	0.5	1.8	3.1	16.1	9.9	-
HC Green Development Fund LP	74	0.4	(0.2)	(0.6)	(4.1)	29.5	12.0
HCB Interests II LP	159	0.8	(5.9)	(3.2)	28.2	26.6	18.9
HCB LTH	740	3.9	(8.8)	(5.0)	(5.7)	-	-
HCC Interests LP	54	0.3	(0.4)	(0.8)	(1.2)	(1.0)	-
HCR LTH LLC	511	2.7	1.2	2.3	37.0	-	-
IMI - Base	3,450	18.1	1.0	2.3	24.2	-	-
IMI - DT 2011	299	1.6	1.3	2.7	16.5	11.0	-
IMP - Base	387	2.0	1.3	2.3	12.9	-	-
IMP - DT 2011	552	2.9	1.2	2.4	14.5	13.7	-
IMP - DT 2012 and Beyond	127	0.7	0.3	1.3	11.2	-	-
Institutional Core Multifamily Investors	218	1.1	0.8	1.6	4.7	-	-
Institutional Logistics Partners, LLC	241	1.3	1.5	3.0	7.7	-	-
Institutional Multifamily Partners	1,194	6.3	1.2	2.2	1.9	19.6	-
National Office Partners, LLC (CWP)	1,033	5.4	1.5	2.6	24.1	30.5	-
Pacific Multifamily Investors, LLC	200	1.0	1.1	2.2	-	-	-
TechCore, LLC	573	3.0	1.5	2.9	10.9	-	-
Xander Co-Investment	35	0.2	(4.8)	(5.8)	(11.4)	(32.2)	(19.9)
Xander JV Fund I (India Realty)	16	0.1	(3.3)	(0.2)	8.3	(2.8)	0.3
Trailing Partnerships3	0	0.0	-	-	-	-	-
EXISTING STRATEGIC PARTNERS TOTAL PERFORMANCE **	19,089	100.0	0.7	1.7	12.5	15.1	13.6

*Partnership Market Values and Returns are based on the General Partners' September 30, 2014 financial statements and reported by CalPERS Portfolio Analytics.

**Performance represented here captures the cumulative Performance of all partnerships currently classified in the Strategic subportfolio

	September 30, 2014		QTR	FYTD	1-Yr	3-Yr	5-Yr
	Ending Market		Net Rate of Return	Net Rate of Return	Net Rate of Return	Net Rate of Return	Net Rate of Return
	Value (MM)	% of Total Legacy Assets					
LEGACY PARTNERS*							
301 Capitol Mall, LP	17	0.3	(0.6)	(1.1)	15.6	(4.0)	-
Aetos Asia Real Estate Securities	3	0.1	(0.0)	(0.1)	(0.4)	(0.5)	0.9
Aetos Capital Asia TE II, Ltd.	168	2.7	1.0	1.9	23.9	(0.4)	(5.7)
AEW Senior Housing Company LLC	63	1.0	2.2	6.5	27.0	14.8	12.4
AEW-SHP Managed Portfolio	8	0.1	4.9	9.7	19.1	-	-
American Value Partners Fund I, LP	44	0.7	1.1	2.6	12.7	11.9	8.7
Apollo Real Estate Finance Corporation	41	0.7	18.5	18.8	15.9	8.1	1.9
AREA Real Estate Investment Fund V, LP	41	0.7	9.9	12.3	25.4	18.0	5.6
BlackRock Asia Property Fund II, L.P.	68	1.1	(2.0)	(15.4)	(11.2)	(3.6)	2.9
BlackRock Europe Parallel Property Fund II L.P.	6	0.1	(31.2)	(32.5)	(45.9)	(24.9)	(11.3)
BRIDGE Urban Infill Land Development, LLC (BUILD)	3	0.1	0.1	-	-	-	-
Buchanan Urban Investors II LLC	13	0.2	(1.4)	(3.4)	(29.6)	40.8	(4.9)
California Smart Growth Fund IV LP	50	0.8	4.9	8.2	13.5	13.5	17.0
CalSmart LLC (Canyon)	57	0.9	21.7	20.8	2.1	12.9	-
CBRE Strategic Partners Europe Fund III	33	0.5	0.5	(0.6)	(9.7)	(9.3)	(9.9)
CBRE Strategic Partners UK Fund II	-27	-0.4	-	-	-	-	-
CBRE Strategic Partners UK Fund III	15	0.2	4.1	2.6	10.6	(1.7)	(2.9)
Centerline Urban Capital I LLC	123	2.0	(0.5)	(6.0)	(1.5)	27.2	24.0
CityView LA Urban Fund I, LP	47	0.8	3.6	6.2	86.3	29.4	7.3
CMR Commercial Mortgage Fund, LLC	7	0.1	-	-	-	-	-
DB Real Estate Global Opportunities IB LP	3	0.1	(13.3)	(11.0)	(29.9)	(26.6)	(13.4)
European Property Investors, LP	15	0.2	(10.1)	(14.0)	(14.7)	(4.7)	2.3
Fillmore East Fund, LP	9	0.1	32.6	31.3	28.9	12.0	-
Fortress Holiday Investment Fund L.P.	96	1.6	2.3	2.0	5.2	5.6	20.5
Fortress Investment Fund IV (Fund A) L.P.	83	1.3	(2.7)	(0.4)	(16.3)	13.1	11.3
GI Partners Fund II, L.P.	205	3.3	(0.6)	2.1	(1.8)	7.5	10.9
GI Partners Fund III, L.P.	312	5.1	(0.1)	4.8	17.1	17.4	16.6
Global Innovation Partners, LLC	10	0.2	-	-	-	-	-
Guggenheim Structured Real Estate III, L.P.	8	0.1	1.8	2.9	7.4	6.6	4.5
Hampshire Partners Fund VI, LP	12	0.2	(18.3)	(17.8)	(13.0)	(8.5)	(11.9)
Harbert European Real Estate Fund II, LP	40	0.7	(4.3)	(2.5)	9.1	7.5	10.4
HCM Holdings LP	12	0.2	(7.3)	-	-	-	-
HCM Holdings II LP	38	0.6	(0.6)	3.1	13.7	1.4	-
Hearthstone Housing Partners II, LLC	14	0.2	(0.1)	3.9	59.4	14.4	10.1
Hearthstone Housing Partners III, LLC	30	0.5	1.5	2.4	14.9	(1.5)	-
Hearthstone Path-of-Growth Fund, LLC	26	0.4	(9.8)	(10.0)	(8.4)	(8.3)	-
Hines European Development Fund LP	-5	-0.1	-	-	-	-	-
IHP Investment Fund I, L.P.	174	2.8	0.2	1.6	53.5	14.8	18.5
IHP Investment Fund II, L.P.	51	0.8	2.3	3.0	26.2	15.6	7.9
IHP Investment Fund III, L.P.	287	4.7	(0.2)	(0.7)	16.5	1.7	(2.9)
IL&FS India Realty Fund LLC	90	1.5	(1.8)	(0.2)	(9.3)	(6.2)	(3.1)

*Partnership Market Values and Returns are based on the General Partners' September 30, 2014 financial statements and reported by CalPERS Portfolio Analytics.

	September 30, 2014		QTR	FYTD	1-Yr	3-Yr	5-Yr
	Ending Market Value (MM)	% of Total Legacy Assets	Net Rate of Return	Net Rate of Return	Net Rate of Return	Net Rate of Return	Net Rate of Return
LEGACY PARTNERS*							
IL&FS India Realty Fund II LLC	171	2.8	0.4	0.6	(11.1)	(1.3)	4.2
JER Europe Fund III, L.P.	13	0.2	1.4	5.0	16.1	6.2	10.0
KAREC California Development Program, LLC	297	4.8	0.5	1.1	0.6	(23.2)	(16.6)
KC 2011, LLC	138	2.2	1.1	2.9	(12.6)	3.9	-
KSC Affordable Housing Investment Fund, LLC	79	1.3	1.2	2.3	8.0	6.6	3.4
Land Management Company, LLC	459	7.5	2.8	2.8	-	-	-
LaSalle Asia Opportunity Fund III LP	52	0.8	2.8	0.9	2.4	6.9	-
LaSalle French Fund II LP	14	0.2	1.1	11.7	(0.9)	(6.2)	(0.7)
LaSalle Japan Logistics Fund II LP	12	0.2	7.5	43.8	42.9	27.8	-
Market Street Capital Partners, LP	39	0.6	1.1	8.2	8.9	14.5	9.5
Meriwether Farms LLC	28	0.5	26.5	25.1	16.3	(61.3)	(49.6)
Newland National Partners III, LLC	262	4.3	(0.1)	(1.1)	8.0	(1.0)	-
Newland National Partners IV, LLC	11	0.2	(25.0)	(26.4)	(30.0)	(21.9)	(30.1)
Niam Nordic Investment Fund IV	64	1.0	1.0	8.6	12.2	15.3	17.7
ORA Multifamily Investments I, LLC	363	5.9	0.9	1.1	31.9	16.6	-
ORA Residential Investments I, L.P.	313	5.1	2.8	4.0	34.6	34.9	33.9
Pacific Vineyard Partners LLC	19	0.3	(0.6)	7.7	4.3	(22.7)	(21.8)
PERS-400 R STREET	18	0.3	3.6	7.5	19.9	19.2	21.9
PLA Retail Fund I, LP	77	1.3	2.9	3.9	8.8	11.6	10.6
PRECO Account Partnership III, LP	34	0.5	0.3	0.8	(0.6)	(3.2)	(9.1)
Principal Mortgage Value Investors, L.P.	4	0.1	(0.2)	(5.1)	20.7	40.4	27.3
Rockpoint Real Estate Fund II, L.P.	19	0.3	3.0	17.0	21.5	14.9	4.7
Rockpoint Real Estate Fund III, L.P.	44	0.7	2.0	4.2	10.9	15.2	14.3
RREEF Global Opportunities Fund II LLC	12	0.2	(12.6)	(12.9)	(9.6)	(10.0)	(1.9)
Savanna Real Estate Fund I, L.P.	30	0.5	0.2	0.6	29.0	20.5	13.5
SDL Hospitality Co-Invest Fund, L.P.	153	2.5	(5.8)	(4.3)	(6.6)	(3.6)	(0.6)
Secured Capital Japan Real Estate Partners Asia, L.P.	201	3.3	4.0	3.0	7.3	(3.2)	(5.9)
Secured Capital Japan Real Estate Partners II, L.P.	23	0.4	(5.5)	(4.9)	1.4	(4.5)	(10.3)
Starwood Capital Hospitality Fund I-2, L.P.	176	2.9	(7.7)	(4.1)	(3.0)	(1.9)	(1.0)
Starwood Capital Hospitality Fund II Global, L.P.	310	5.0	3.6	8.7	15.8	13.2	-
Stockbridge Hollywood Park Co-Investors, LP	85	1.4	2.2	34.3	50.4	18.8	10.7
Stockbridge Real Estate Fund II -B, LP	34	0.5	1.7	18.0	43.0	20.9	(5.5)
Strategic Partners Value Enhancement Fund, L.P.	28	0.5	(1.4)	2.8	3.6	3.7	(0.5)
Sun-Apollo India Real Estate Fund LLC	19	0.3	(2.2)	(2.4)	5.6	(0.1)	2.8
TPG Hospitality Investments IV, LLC	138	2.2	9.1	12.7	10.6	-	-
UrbanAmerica, LP II	27	0.4	(5.0)	(5.0)	(35.9)	(22.4)	(11.6)
Whitney Ranch Venture, LLC	90	1.5	1.4	1.0	43.4	-	-
Windsor Realty Fund VII LP	13	0.2	(2.1)	0.1	(11.2)	1.0	(18.7)
Trailing Partnerships	-5	-0.1	-	-	-	-	-
EXISTING LEGACY PARTNERS TOTAL PERFORMANCE **	6,156	100	1.2	3.2	15.0	11.0	5.5

*Partnership Market Values and Returns are based on the General Partners' September 30, 2014 financial statements and reported by CalPERS Portfolio Analytics.

** Performance represented here captures the cumulative performance of all partnerships currently classified in the Legacy subportfolio

	September 30, 2014		QTR	FYTD	1-Yr	3-Yr	5-Yr
	Ending Market Value (MM)	% of Total Forestland Assets	Net Rate of Return	Net Rate of Return	Net Rate of Return	Net Rate of Return	Net Rate of Return
FORESTLAND PARTNERS*							
Lincoln Timber L.P.	1,761	78.3	(0.2)	(0.4)	2.4	(0.8)	(3.2)
Sylvanus LLC	486	21.7	(0.6)	0.2	8.2	4.8	11.3
TOTAL FORESTLAND	2,247	100.0	(0.3)	(0.3)	3.7	0.3	(0.7)
	September 30, 2014		QTR	FYTD	1-Yr	3-Yr	5-Yr
	Ending Market Value (MM)	% of Total Infrastructure Assets	Net Rate of Return	Net Rate of Return	Net Rate of Return	Net Rate of Return	Net Rate of Return
INFRASTRUCTURE PARTNERS*							
Alinda Infrastructure Fund I, L.P.	103	5.1	(2.9)	11.8	22.6	13.9	8.8
Alinda Infrastructure Fund II, L.P.	286	13.8	(2.3)	6.4	16.3	5.4	-
CIM Infrastructure Fund, L.P.	388	18.0	0.7	0.2	18.4	9.4	25.4
Carlyle Infrastructure Partners, L.P.	86	3.9	5.3	6.2	14.4	6.5	6.2
Global Infrastructure Partners II, L.P. (GIP II)	63	6.1	0.7	19.2	32.8	-	-
Harbert Gulf Pacific Power, LLC (HGPP)	517	25.3	2.3	1.5	4.3	-	-
Harbert Power Fund V, L.P. (HPF V)	35	1.7	(0.2)	3.5	-	-	-
Infrastructure Direct Investments	571	26.2	6.9	14.7	45.4	26.3	-
Morgan Stanley Infrastructure Partners Fund II, L.P.	42	2.0	-	-	-	-	-
UBS International Infrastructure Fund II (B), L.P.	(0)	0.0	-	-	-	-	-
UBS International Infrastructure Fund II (C), L.P.	(0)	0.0	-	-	-	-	-
TOTAL INFRASTRUCTURE	2,090	100.0	2.2	7.4	23.3	13.6	18.1

*Partnership Market Values and Returns are based on the General Partners' September 30, 2014 financial statements and reported by CalPERS Portfolio Analytics.

Section VI
Inflation

PERIOD ENDING DECEMBER 31, 2014

	December 31, 2014		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
INFLATION																	
CORE INFLATION LINKED BONDS	10,763	72.8	(1.00)	44	0.28	76	(2.33)	94	99	4.73	128	2.24	48	4.75	49	-	-
INTERNAL COMMODITIES PERF ACCTG	1,871	12.6	(13.32)	31	(27.18)	49	(36.47)	21	5	(32.65)	41	(13.17)	(32)	(6.43)	11	-	-
TACTICAL INFLATION ASSETS***	2,157	14.6	(6.97)	41	(13.80)	76	(19.91)	93	23	(15.36)	87	-	-	-	-	-	-
TOTAL INFLATION **	14,791	100.0	(3.63)	83	(6.40)	137	(11.09)	148	227	(5.14)	173	(1.74)	19	2.57	108	-	-

* 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 Total Inflation is a static 75/25% ratio. Actual program weights differ significantly resulting in an un-intuitive degree of excess performance.

*** Funded January 2013.

	December 31, 2014		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
TACTICAL INFLATION ASSETS																	
TACTICAL COMMODITIES**	959	44.5	(13.51)	12	(27.44)	23	(36.42)	26	3	(32.82)	24	-	-	-	-	-	-
TACTICAL TIPS**	1,198	55.5	(0.97)	16	(0.00)	2	(1.86)	20	3	3.74	10	-	-	-	-	-	-
TACTICAL INFLATION ASSETS**	2,157	100.0	(6.97)	41	(13.80)	76	(19.91)	93	23	(15.36)	87	-	-	-	-	-	-

* 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 January 2013.

Section VII
Liquidity

PERIOD ENDING DECEMBER 31, 2014

	December 31, 2014		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
LIQUIDITY																	
CALPERS DERIVATIVE COLLATERAL	110	1.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PERS ACTIVE RESERVE ADJUSTMENT***	(0)	(0.0)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
PERS INTERNAL SHORT TERM PORTFOLIO	2,171	32.7	0.02	2	0.11	10	0.19	18	6	0.27	27	0.15	18	0.18	13	1.77	10
STO - SMIF CALPERS	1,617	24.4	0.00	(0)	0.00	(1)	0.00	(1)	(14)		0	0.17	19	0.30	25	1.89	22
UST 2-10-Yr**	2,736	41.2	(0.31)	(2)	1.20	(9)	1.29	(1)		3.45	9	1.05	(10)	-	-	-	-
TOTAL LIQUIDITY	6,635	100.0	(0.13)	9	0.45	(52)	0.52	(45)	(25)	1.48	(104)	0.38	(50)	1.06	(36)	2.24	(13)

* 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.

*** This portfolio offsets the TARF balances allocated to external managers. TARF is being included in PERS Internal Short Term Portfolio.

Section VIII

Absolute Return Strategies

PERIOD ENDING DECEMBER 31, 2014

ABSOLUTE RETURN EQUITIZATION STRATEGIES	December 31, 2014		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 ARS	2,752	100.0	1.70	139	1.69	53	2.22	(28)	(10)	4.57	(62)	5.64	40	4.51	(93)	4.44	(265)
ARS OVERLAY PORTFOLIO**																	
TOTAL ARS WITH EQUITIZATION	2,752	100.0	1.70	325	1.69	89	2.22	409	145	4.57	(5)	14.36	4	9.49	(110)	6.89	(278)

ABSOLUTE RETURN STRATEGIES SUMMARY***	December 31, 2014		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
DIRECT INVESTMENTS	2,441	88.7	1.79	148	2.13	97	2.99	49	14	5.03	(16)	5.80	56	5.23	(20)	4.97	(212)
FUND OF HEDGE FUNDS	311	11.3	1.00	68	(1.37)	(253)	(2.23)	(474)	(28)	1.52	(367)	4.59	(65)	2.35	(309)	-	-
TOTAL ARS	2,752	100.0	1.70	139	1.69	53	2.22	(28)	(10)	4.57	(62)	5.64	40	4.51	(93)	4.44	(265)

ABSOLUTE RETURN STRATEGIES SUMMARY*** (Preliminary month-end returns provided by International Fund Services (IFS))	December 31, 2014		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
DIRECT INVESTMENTS	2,475	88.9	(0.02)	(33)	1.38	22	2.60	10		4.31	(88)	5.78	54	5.13	(30)	5.18	(191)
FUND OF HEDGE FUNDS	310	11.1	0.04	(28)	1.11	(5)	(1.66)	(416)		1.94	(325)	5.23	(1)	2.69	(275)	-	-
TOTAL ARS	2,785	100.0	(0.01)	(32)	1.35	19	1.78	(72)		5.72	(129)	5.72	48	4.49	(94)	4.69	(240)

* 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.

** 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 Strategies(ARS) Program Performance Review is based on the Absolute Total Return Strategy and not the Absolute Return Equitization Strategy.

FUND OF FUNDS (Preliminary month-end returns provided by IFS)	December 31, 2014		1-Month	3-Months	FYTD	1-Yr	3-Yr	5-Yr	10-Yr
	Ending Market Value	% 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	Net Rate of Return
STUBS FOF	3	1.0	0.00	(2.07)	(1.19)	2.76	1.90	(0.36)	-
EUROPEAN FUND OF FUNDS	2	0.7	0.00	(0.82)	(5.95)	(14.54)	(2.83)	(1.88)	-
FUND OF EMERGING HEDGE FUNDS	305	98.4	0.04	1.16	(2.10)	1.84	6.40	4.13	-
TOTAL FUND OF FUNDS	310	100.0	0.04	1.11	(1.66)	1.94	5.23	2.69	-

STUBS FOF (Preliminary month-end returns provided by IFS)	December 31, 2014		1-Month	3-Months	FYTD	1-Yr	3-Yr	5-Yr	10-Yr
	Ending Market Value	% 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	Net Rate of Return
PAAMCO 1848 Fund LP - Blue Diamond Separate Investment	2	52.9	0.00	(3.92)	(4.95)	(3.60)	1.09	0.15	-
Ermitage Highbury Fund, LP	1	14.7	0.00	(0.82)	(5.95)	(14.54)	(2.83)	(1.88)	-
AIS Highbury Liquidating SPV Fund, LP	1	32.4	0.00		0.83	2.58	3.06	1.81	-
TOTAL STUB FUND OF FUNDS	3	100.0	0.00	(2.07)	(1.19)	2.76	1.90	(0.36)	-

EUROPEAN FUND OF FUNDS (Preliminary month-end returns provided by IFS)	December 31, 2014		1-Month	3-Months	FYTD	1-Yr	3-Yr	5-Yr	10-Yr
	Ending Market Value	% 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	Net Rate of Return
AIS Highbury Fund, LP	2	100.0			0.83	2.58	3.06	1.81	-
TOTAL EUROPEAN FUND OF FUNDS	2	100.0	0.00		(2.07)	1.08	4.42	3.00	-

FUND OF EMERGING HEDGE FUNDS (Preliminary month-end returns provided by IFS)	December 31, 2014		1-Month	3-Months	FYTD	1-Yr	3-Yr	5-Yr	10-Yr
	Ending Market Value	% 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	Net Rate of Return
PAAMCO 1848 Fund, LP - 1848 Separate Investment	166	54.4	0.36	1.51	(3.17)	3.62	10.31	7.18	-
Rock Creek 1848 Fund, LP	139	45.6	(0.34)	0.76	(1.54)	0.970	6.78	4.39	-
TOTAL FUND OF EMERGING HEDGE FUNDS	305	100.0	0.04	1.16	(2.10)	1.84	6.40	4.13	-

	December 31, 2014		1-Month	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	Net Rate of Return
DIRECT INVESTMENTS (Preliminary month-end returns provided by IFS)									
Aspect Alternative Fund LLLP	0	-	(1.73)	15.99	21.54	22.78	2.82	5.89	0
Black River Commodity Multi - Strategy Fund LLC*	9	0.3	0.00	0.00	(5.78)	(12.05)	(13.39)	(11.23)	0
Black River Fixed Income Relative Value Opportunity Fund Ltd	264	10.7	0.21	(0.02)	0.86	6.35	6.06	6.89	9.65
Breton Hill Eureka Fund, LP	175	7.1	(0.28)	2.59	3.93	1.02	5.51	0.00	0
Brookside Capital Partners Fund, L.P. *	8	0.3	0.00	4.25	8.10	0.05	12.42	15.68	12.21
Carlyle Multi Strat Partners LP	2	0.1	0.00	(4.78)	10.09	12.33	4.10	2.44	0
Chatham Eureka Fund LP	355	14.3	0.95	1.74	3.05	6.08	9.59	7.32	0
Deephaven Global Multi-Strategy Fund LLC *	1	0.0	0.00	(2.34)	(5.58)	(13.78)	33.53	16.93	7.08
Double Haven Eureka LLC**	151	6.1	(3.09)	(4.28)	(6.06)	(1.51)	0.00	0.00	0
Kylin Eureka LLLP**	228	9.2	(2.20)	(2.84)	(2.74)	2.08	0.00	0.00	0
Lansdowne Eureka Fund, LP	96	3.9	0.45	(0.09)	(3.19)	(4.28)	7.69	3.12	0
Northwest Eureka Fund LLLP	172	6.9	0.92	4.12	8.79	9.60	0.00	0.00	0
OZ Domestic Partners II, L.P. *	9	0.4	0.33	(0.42)	(0.98)	0.36	3.18	5.06	0
OZ Eureka Fund, LP	562	22.7	0.48	3.68	4.95	8.16	13.70	9.50	0
PFM Diversified Eureka Fund, L.P	206	8.3	1.16	4.04	4.32	4.16	10.34	6.59	0
SuttonBrook Eureka Fund LP	3	0.1	0.00	(0.84)	(2.29)	(6.34)	(37.81)	(23.57)	0
Symphony Eureka Fund LP	236	9.5	(0.07)	(0.94)	(0.50)	2.86	5.95	6.47	0
TOTAL DIRECT INVESTMENTS	2,475	100.0	(0.02)	1.38	2.60	4.31	5.78	5.13	5.18

Section IX
Total Fund Portfolios

PERIOD ENDING DECEMBER 31, 2014

	December 31, 2014		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	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps	Net Rate of Return	Excess Bps
MULTI-ASSET CLASS																
STANDARD LIFE INVESTMENTS MAC LP*	580	49.7	0.78	17	0.74	(109)	4.98	130	6.72	(78)	-	-	-	-	-	-
AQR MULTI-ASSET CLASS FUND LP**	587	50.3	(0.92)	(152)	4.65	282	1.62	(206)	12.90	540	-	-	-	-	-	-
TOTAL MULTI-ASSET CLASS	1,167	100.0	(0.08)	(69)	2.67	84	3.26	(42)	9.75	225						

	December 31, 2014		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
PLAN LEVEL PORTFOLIOS																
CALPERS PLAN LEVEL GLOBAL FIXED INCOME	0		0.11	178	0.18	165	39.32	4,271	39.09	3,730	10.87	305	9.68	108	-	-
GLOBAL EQUITY PLAN LEVEL TRANSITION	0		-	-	-	-	-	-	-	-	-	-	-	-	-	-
MHLP PERSONAL LOANS	15		0.73	60	1.61	(13)	3.04	114	7.08	120	-	-	-	-	-	-
INFLATION ASSETS TRANSITION	0		0.01	447	0.03	779	109.16	12,173	-	-	-	-	-	-	-	-

* Funded in December 2012

** Funded October 2013

Section X

Affiliate Investment Programs

PERIOD ENDING DECEMBER 31, 2014

	December 31, 2014		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
AFFILIATE INVESTMENT PROGRAMS																	
CALPERS HEALTH CARE BOND FUND	421	3.8	0.10	1	2.27	47	2.54	58	2	6.55	59	3.76	110	5.17	72	5.09	38
CERBT STRATEGY 1 FUND	3,384	30.5	(1.24)	2	0.96	10	(1.60)	23	8	5.22	25	11.49	29	9.29	13	-	-
CERBT STRATEGY 2	609	5.5	(0.97)	(1)	1.15	6	(1.18)	16	1	5.65	11	9.52	34	-	-	-	-
CERBT STRATEGY 3	157	1.4	(0.90)	(2)	1.27	12	(0.42)	31	0	6.70	27	7.46	35	-	-	-	-
JUDGES' RETIREMENT FUND	48	0.4	0.01	1	0.03	2	0.05	4	0	0.07	4	0.05	(3)	0.10	1	1.69	13
JUDGES' RETIREMENT SYSTEM II FUND	1,024	9.2	(1.05)	(3)	1.12	1	(1.29)	10	1	5.75	2	11.64	32	9.76	9	6.45	7
LEGISLATORS' RETIREMENT SYSTEM FUND	124	1.1	(0.86)	(3)	1.26	7	(0.42)	20	0	6.79	9	7.94	58	8.32	32	6.24	27
LONG-TERM CARE FUND	4,146	37.4	(0.70)	9	1.43	28	(0.29)	29	12	7.34	29	6.55	44	6.98	26	5.41	26
SUPPLEMENTAL INCOME PLANS																	
BALANCED GROWTH - POFF	358	3.2	(1.30)	(14)	0.26	(9)	(1.78)	(11)	(1)	3.17	(27)	9.72	(32)	7.77	(83)	4.81	(82)
TOTAL AFFILIATE INVESTMENT PROGRAMS **	11,098	100.0	(0.94)	(2)	1.21	0	(0.78)	6	7	6.03	8	8.97	7	8.08	2	5.53	8

* 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.

** The 457 and SCP Program returns and EMV are included in the Total AIP Composite but removed in this report in July 2012 per a request from AIP.

*** Note: CERBT benchmark returns are preliminary. The final figures will be posted once completed by State Street Bank.

	December 31, 2014		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
JUDGES' RETIREMENT SYSTEM II FUND																	
JRS II CASH	0	0.0	0.01	1	0.02	2	1.24	123	0	1.26	123	0.44	36	0.33	24	1.78	22
JRS II COMMODITIES	29	2.8	(13.65)	(2)	(27.45)	22	(36.69)	(1)	(0)	(32.88)	18	(13.28)	(42)	-	-	-	-
JRS II DOMESTIC FIXED INCOME	345	33.7	0.34	(21)	3.16	(12)	3.71	16	1	11.38	4	4.98	117	7.85	88	6.55	62
JRS II GLOBAL EQUITY	518	50.6	(1.57)	(2)	0.78	(2)	(1.83)	4	0	4.62	1	15.30	12	10.13	5	5.91	6
JRS II REITS	82	8.0	0.48	3	8.07	(1)	3.30	2	0	15.97	8	15.89	1	12.02	(1)	4.73	(19)
JRS II TIPS	50	4.9	(1.10)	3	(0.02)	0	(2.10)	(4)	(0)	3.44	(20)	0.44	(0)	-	-	-	-
TOTAL JUDGES' RETIREMENT SYSTEM II FUND	1,024	100.0	(1.05)	(3)	1.12	1	(1.29)	10	1	5.75	(2)	11.64	32	9.76	9	6.45	7

	December 31, 2014		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
LEGISLATORS' RETIREMENT SYSTEM FUND																	
LRS CASH	0	0.0	0.01	1	0.02	2	0.05	3	0	0.07	3	0.04	(4)	0.10	1	1.70	13
LRS COMMODITIES	4	2.8	(13.65)	(2)	(27.46)	21	(36.70)	(2)	(0)	(32.89)	17	(13.28)	(42)	-	-	-	-
LRS DOMESTIC FIXED INCOME	48	38.9	0.34	(21)	3.18	(10)	3.73	19	0	11.41	7	4.99	117	7.85	88	6.64	47
LRS GLOBAL EQUITY	30	24.5	(1.57)	(2)	0.79	(1)	(1.83)	5	0	4.62	1	15.30	12	10.41	5	5.78	5
LRS REITS	10	8.1	0.49	3	8.07	(0)	3.30	2	0	15.98	9	15.90	1	-	-	-	-
LRS TIPS	32	25.7	(1.10)	3	(0.02)	1	(2.10)	(3)	(0)	3.45	(19)	0.44	0	4.07	(4)	4.11	(22)
TOTAL LEGISLATORS' RETIREMENT SYSTEM FUND	124	100.0	(0.86)	(3)	1.26	7	(0.42)	20	0	6.79	(9)	7.94	58	8.32	32	6.24	27

	December 31, 2014		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
LONG-TERM CARE FUND																	
LTC CASH	0	0.0	0.00	(0)	0.00	(0)	0.02	0	0	0.02	(1)	0.02	(5)	0.09	(0)	1.61	5
LTC COMMODITIES	200	4.8	(13.65)	(2)	(27.63)	3	(36.69)	(1)	(0)	(33.12)	(6)	(12.64)	21	-	-	-	-
LTC DOMESTIC FIXED INCOME	2,575	62.1	0.57	2	3.33	5	3.60	5	1	11.40	6	4.30	48	7.43	45	6.47	56
LTC GLOBAL EQUITY	623	15.0	(1.60)	5	0.66	7	(2.12)	13	1	4.08	25	14.76	11	10.28	8	6.05	4
LTC REITS	500	12.1	0.13	7	7.77	8	3.09	31	2	15.67	69	15.24	36	11.64	19	-	-
LTC TIPS	247	6.0	(1.13)	0	0.01	4	(2.02)	5	0	3.66	2	0.44	(0)	4.07	(5)	-	-
TOTAL LONG-TERM CARE FUND	4,146	100.0	(0.70)	9	1.43	28	(0.29)	29	12	7.34	(29)	6.55	44	6.98	26	5.41	26

* 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.

	December 31, 2014		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
CERBT STRATEGY 1																	
CERBT S1 CASH	10	0.3	0.02	2	0.03	3	0.07	5	0	0.10	6	0.05	(3)	0.10	1	-	-
CERBT S1 COMMODITIES	97	2.9	(13.47)	16	(27.32)	35	(36.63)	5	0	(32.82)	24	(13.25)	(39)	-	-	-	-
CERBT S1 DOMESTIC FIXED INCOME	912	27.0	0.34	(21)	3.23	(5)	3.78	24	2	11.46	12	5.01	119	7.87	89	-	-
CERBT S1 GLOBAL EQUITY	1,925	56.9	(1.62)	3	0.67	7	(2.10)	15	3	4.16	32	14.76	19	10.07	13	-	-
CERBT S1 REITs	271	8.0	0.16	10	7.84	15	3.17	39	1	15.74	77	15.25	38	11.65	20	-	-
CERBT S1 TIPS	168	5.0	(1.09)	4	0.00	3	(2.08)	(1)	(0)	3.46	(18)	0.45	1	-	-	-	-
CERBT STRATEGY 1	3,384	100.0	(1.24)	2	0.96	10	(1.60)	23	8	5.22	25	11.49	29	9.29	13	-	-

	December 31, 2014		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
CERBT STRATEGY 2																	
CERBT S2 CASH	2	0.3	0.01	1	0.03	2	0.05	4	0	0.11	8	0.05	(2)	-	-	-	-
CERBT S2 COMMODITIES	17	2.8	(13.41)	22	(27.26)	41	(36.58)	10	0	(32.77)	30	(13.22)	(37)	-	-	-	-
CERBT S2 DOMESTIC FIXED INCOME	235	38.6	0.33	(22)	3.20	(8)	3.76	21	0	11.43	9	5.00	118	-	-	-	-
CERBT S2 GLOBAL EQUITY	247	40.5	(1.62)	3	0.67	8	(2.10)	15	0	4.15	32	14.75	20	-	-	-	-
CERBT S2 REITs	49	8.0	0.15	9	7.67	(1)	3.01	23	0	15.57	59	15.19	32	-	-	-	-
CERBT S2 TIPS	60	9.8	(1.10)	3	(0.11)	(9)	(2.19)	(12)	(0)	3.35	(29)	0.41	(3)	-	-	-	-
CERBT STRATEGY 2	609	100.0	(0.97)	(1)	1.15	6	(1.18)	16	1	5.65	11	9.52	34	-	-	-	-

	December 31, 2014		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
CERBT STRATEGY 3																	
CERBT S3 CASH	0	0.1	0.00	(0)	0.02	1	3.91	390	0	4.39	436	1.46	138	-	-	-	-
CERBT S3 COMMODITIES	4	2.8	(13.42)	21	(27.09)	57	(36.36)	32	0	(32.54)	52	(13.13)	(27)	-	-	-	-
CERBT S3 DOMESTIC FIXED INCOME	61	38.9	0.33	(22)	3.05	(23)	3.63	8	0	11.30	(5)	4.96	114	-	-	-	-
CERBT S3 GLOBAL EQUITY	38	24.5	(1.63)	2	0.81	22	(2.03)	22	0	4.23	40	14.71	16	-	-	-	-
CERBT S3 REITs	13	8.1	0.14	8	7.88	19	3.18	40	0	15.75	78	15.21	34	-	-	-	-
CERBT S3 TIPS	40	25.7	(1.10)	3	(0.04)	(1)	(1.98)	9	0	3.57	(7)	0.48	4	-	-	-	-
TOTAL CERBT STRATEGY 3	157	100.0	(0.90)	(2)	1.27	12	(0.42)	31	0	6.70	27	7.46	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.

	December 31, 2014		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
SUPPLEMENTAL INCOME PLAN 457																	
CALPERS TARGET 2015 FUND	85	6.6	(0.38)	(7)	0.88	(5)	0.23	(12)	(0)	3.37	(34)	7.61	(41)	6.59	(94)	-	-
CALPERS TARGET 2020 FUND	107	8.4	(0.64)	(9)	0.75	(8)	(0.42)	(15)	(0)	3.38	(37)	8.72	(43)	7.17	(88)	-	-
CALPERS TARGET 2025 FUND	69	5.4	(0.96)	(12)	0.48	(11)	(1.14)	(17)	(0)	3.17	(39)	9.90	(51)	7.75	(88)	-	-
CALPERS TARGET 2030 FUND	69	5.4	(1.25)	(14)	0.28	(14)	(1.80)	(19)	(0)	3.07	(42)	11.10	(58)	8.43	(88)	-	-
CALPERS TARGET 2035 FUND	36	2.9	(1.49)	(16)	0.13	(15)	(2.36)	(19)	(0)	3.03	(42)	12.07	(70)	8.92	(95)	-	-
CALPERS TARGET 2040 FUND	32	2.5	(1.77)	(18)	(0.07)	(18)	(3.01)	(20)	(0)	2.93	(43)	12.63	(72)	9.21	(95)	-	-
CALPERS TARGET 2045 FUND	9	0.7	(1.87)	(19)	(0.15)	(19)	(3.14)	(22)	(0)	2.88	(44)	12.67	(72)	9.24	(94)	-	-
CALPERS TARGET 2050 FUND	4	0.3	(1.87)	(19)	(0.15)	(19)	(3.14)	(22)	(0)	2.88	(44)	12.66	(72)	9.21	(97)	-	-
CALPERS TARGET 2055 FUND***	2	0.2	(1.88)	(19)	(0.11)	(15)	(3.09)	(16)	(0)	2.94	(38)	-	-	-	-	-	-
CALPERS TARGET INCOME FUND	94	7.3	(0.38)	(7)	0.89	(4)	0.30	(12)	(0)	3.35	(33)	5.40	(14)	5.34	(80)	-	-
SSgA GBL ALL CAP EQ EX-US SL***	60	4.7	(3.82)	(52)	(4.44)	(57)	(9.76)	(63)	(0)	(4.62)	(73)	-	-	-	-	-	-
SSgA REAL ASSET NL***	4	0.3	(2.66)	2	(3.63)	(6)	(9.69)	(14)	(0)	(1.45)	(60)	-	-	-	-	-	-
SSgA RUSSELL ALL CAP INDEX SL***	491	38.5	(0.04)	(4)	5.13	(11)	5.14	(11)	(1)	12.20	(36)	-	-	-	-	-	-
SSgA STIF****	115	9.0	(0.02)	(2)	(0.07)	(7)	-	-	-	-	-	-	-	-	-	-	-
SSgA US BOND INDEX SL***	59	4.7	0.08	(1)	1.83	3	1.93	(4)	(0)	5.74	(23)	-	-	-	-	-	-
SSgA US SHORT TERM BOND***	42	3.3	(0.31)	(5)	0.04	(14)	(0.05)	(26)	(0)	0.23	(54)	-	-	-	-	-	-
TOTAL 457 AGGREGATE**	1,276	100.0	(0.55)	(9)	1.99	(12)	1.09	(16)	(2)	5.70	(39)	10.47	(43)	8.06	(54)	5.13	(42)

* 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 for the 5-Yr and 10-Yr time periods due to not having the appropriate gross level data for the underlying portfolios.

*** Transitioned to SSgA effective October 7, 2013.

**** Transitioned to STIF effective September 2, 2014.

SUPPLEMENTAL CONTRIBUTIONS PLAN	December 31, 2014		1-Month		3-Months		FYTD			1-Yr		3-Yr		5-Yr		10-Yr	
	Ending Market		Net		Net		Net		\$ Value Added (MM) *	Net		Net		Net		Net	
	Value (MM)	% of Total Assets	Rate of Return	Excess Bps	Rate of Return	Excess Bps	Rate of Return	Excess Bps		Rate of Return	Excess Bps	Rate of Return	Excess Bps	Rate of Return	Excess Bps	Rate of Return	Excess Bps
CALPERS TARGET 2015 FUND	2	10.3	(0.39)	(8)	0.85	(9)	0.17	(19)	(0)	3.23	(47)	7.59	(43)	6.59	(93)	-	-
CALPERS TARGET 2020 FUND	1	6.9	(0.65)	(10)	0.70	(12)	(0.50)	(22)	(0)	3.23	(52)	8.69	(46)	7.17	(88)	-	-
CALPERS TARGET 2025 FUND	1	4.9	(0.97)	(13)	0.46	(13)	(1.19)	(22)	(0)	3.05	(52)	9.88	(52)	-	-	-	-
CALPERS TARGET 2030 FUND	0	1.3	(1.26)	(16)	0.24	(18)	(1.88)	(27)	(0)	2.92	(57)	10.98	(70)	8.38	(93)	-	-
CALPERS TARGET 2035 FUND	0	0.7	(1.50)	(17)	0.13	(15)	(2.37)	(21)	(0)	2.95	(50)	-	-	-	-	-	-
CALPERS TARGET 2040 FUND	0	0.2	(1.78)	(19)	(0.12)	(22)	(3.09)	(29)	(0)	2.78	(58)	12.60	(75)	9.21	(95)	-	-
CALPERS TARGET 2045 FUND	0	0.6	(1.89)	(20)	(0.14)	(18)	(3.15)	(22)	(0)	2.81	(51)	-	-	-	-	-	-
CALPERS TARGET 2050 FUND	0	0.1	(1.89)	(20)	(0.16)	(19)	(3.17)	(25)	(0)	2.77	(54)	-	-	-	-	-	-
CALPERS TARGET 2055 FUND***	0	0.0		0			-	-	-	-	-	-	-	-	-	-	-
CALPERS TARGET INCOME FUND	11	54.7	(0.39)	(8)	0.85	(8)	0.23	(19)	(0)	3.21	(47)	5.38	(17)	5.35	(79)	-	-
SSgA GBL ALL CAP EQ EX-US SL***	0	1.4	(3.83)	(53)	(4.48)	(60)	(9.82)	(69)	(0)	(4.74)	(85)	-	-	-	-	-	-
SSgA REAL ASSET NL***	0	0.3	(2.67)	1	(3.67)	(9)	(9.75)	(20)	(0)	(1.58)	(72)	-	-	-	-	-	-
SSgA RUSSELL ALL CAP INDEX SL***	2	12.1	(0.05)	(5)	5.10	(14)	5.07	(18)	(0)	12.05	(50)	-	-	-	-	-	-
SSgA STIF****	1	4.5	(0.03)	(3)	(0.10)	(11)	-	-	-	-	-	-	-	-	-	-	-
SSgA US SHORT TERM BOND***	0	1.2	(0.32)	(6)	0.00	(17)	(0.11)	(32)	(0)	0.10	(67)	-	-	-	-	-	-
SSgA US BOND INDEX SL***	0	0.9	0.07	(2)	1.80	0	1.86	(10)	(0)	5.61	(36)	-	-	-	-	-	-
TOTAL SCP AGGREGATE**	20	100.0	(0.47)	(9)	1.16	(11)	0.40	(20)	(0)	3.86	(49)	8.79	(41)	7.18	(76)	-	-

* 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 for the 5-Yr and 10-Yr time periods due to not having the appropriate gross level data for the underlying portfolios.

*** Transitioned to SSgA effective October 7, 2013.

**** Transitioned to STIF effective September 2, 2014.

Section XI
Other Programs

PERIOD ENDING DECEMBER 31, 2014

	December 31, 2014		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
SECURITIES LENDING PROGRAM																	
CALPERS ESEC CASH COLLATERAL	6,913	71.2	0.01	(0)	(0.13)	(16)	0.06	2	1	0.11	3	0.14	3	-	-	-	-
EXTERNAL COLLATERAL PORTFOLIO**	129	1.3	1.72		6.38		7.32	-	-	14.93	-	30.81	-	-	-	-	-
INTERNAL ACTIVE SHORT TERM	2,671	27.5	0.02	2	0.06	5	0.11	9	3	0.21	21	0.21	23	-	-	-	-
SEC LENDING INT & EXT REINVEST	9,713	100.0	0.03	2	(0.04)	(6)	0.13	9	14	0.27	20	0.73	64	1.15	104	1.83	26

	December 31, 2014		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	\$ 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
SHORT TERM LIQUIDITY																	
SHORT TERM LIQUIDITY	6,593		0.02	1	0.04	3	0.07	6	4	0.13	13	0.10	12	-	-	-	-

	December 31, 2014		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
TERMINATED AGENCY POOL																	
TERMINATED AGENCY POOL***	120		1.00	-	4.22	-	4.32	-		13.32	-	-	-	-	-	-	-

* 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

*** Terminated Agency Pool funded July 2013

Section XII
**Asset Class Benchmarks &
Definitions**

PERIOD ENDING DECEMBER 31, 2014

BENCHMARK	TARGET WEIGHTS OF BENCHMARK COMPONENTS AS OF JULY 1, 2014	BENCHMARK COMPONENTS PRIOR TO JUNE 30, 2014
Total Fund*	Growth 61% Income 19% Real Assets 12% Inflation 6% Liquidity 2%	Growth 63% Income 16% Real Assets 13% Inflation 4% Liquidity 4%
Growth Benchmark	Public Equity 84% FSTE CalPERS Global (All-World, All Capitalization) customized to exclude Board directed divestments Private Equity 16% (67% FTSE U.S. TMI + 33% FTSE AW ex US TMI) + 3% 1 Qtr Lag	Public Equity 78% FSTE CalPERS Global (All-World, All Capitalization) customized to exclude Board directed divestments Private Equity 22% (67% FTSE U.S. TMI + 33% FTSE AW ex US TMI) + 3% 1 Qtr Lag
Income Benchmark	90% Barclays Long Liability + 10% Barclays International Fixed Income Index GDP weighted ex-US	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 75% Barclays Treasury 2 - 10-Yr Cash 25% 1-Month T-Bill
Real Assets Benchmark	Real Estate 83% NCREIF ODCE (Net) Infrastructure 8.5% CPI + 4% 1-Month Lag Forestland 8.5% NCREIF Timberland (Gross) 1 Qtr lag	Real Estate 77% NCREIF ODCE (Net) Infrastructure 15% CPI + 4% 1-Month Lag Forestland 8% NCREIF Timberland (Gross) 1 Qtr lag
Inflation Benchmark	Inflation Linked Bonds Portfolio 75% 67% Barclays Capital Global Inflation US + 33% Barclays Capital Global Inflation Linked Bonds (U.K., France, Italy, Germany, Canada) Commodities Portfolio 25% S&P GSCI 500 Total Return Index	Inflation Linked Bonds Portfolio 75% 67% Barclays Capital Global Inflation US + 33% Barclays Capital Global Inflation Linked Bonds (U.K., France, Italy, Germany, Canada) Commodities Portfolio 25% S&P GSCI 500 Total Return Index

*Benchmark linked to prior policy benchmarks from inception

ASSET CLASS	Q3 2013	Q4 2013	Q1 2014	Q2 2014	POLICY TARGETS
Global Equity	50%	50%	50%	51%	47%
Private Equity	<u>14%</u>	<u>14%</u>	<u>14%</u>	<u>10%</u>	<u>12%</u>
GROWTH	64%	64%	64%	61%	59%
INCOME	17%	17%	17%	19%	19%
Infrastructure/Forestland	2%	2%	2%	2%	3%
Real Estate	<u>9%</u>	<u>9%</u>	<u>9%</u>	<u>10%</u>	<u>11%</u>
REAL ASSETS	11%	11%	11%	12%	14%
INFLATION	4%	4%	4%	6%	6%
LIQUIDITY	4%	4%	4%	2%	2%
TOTAL FUND POLICY	100%	100%	100%	100%	100%

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 – Excess basis points (BPS) 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

$IRR = CFO + CF1 / (1+IRR) + CF2 / (1+IRR)^2 + CF3 / (1+IRR)^3 \dots CFn / (1+IRR)^n$

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 a 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.

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 Return_{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:

$$R_{Monthly} = ((1 + R_1) \times (1 + R_2) \times \dots (1 + R_n)) - 1$$

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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