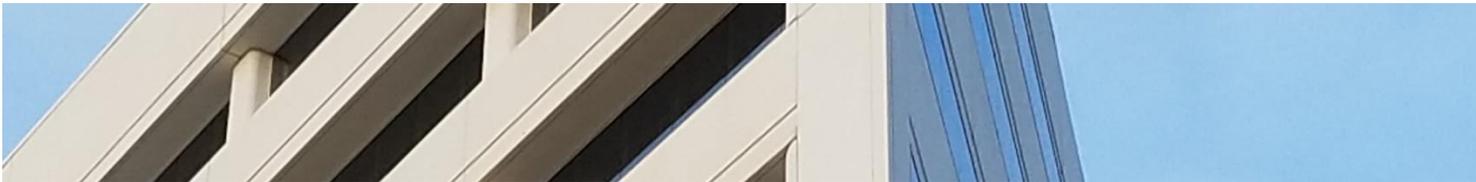




WILSHIRE ASSOCIATES

Wilshire Consulting



Executive Summary of Performance for

California Public Employees' Retirement System

Judges II

Legislators' Fund

Long-Term Care

California Employers' Retiree Benefit Trusts

Health Care Fund

Supplemental Income Plans

Second Quarter 2019



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CAPITAL MARKET OVERVIEW

U.S. Equity Market

The U.S. stock market, represented by the Wilshire 5000 Total Market IndexSM, was up 3.99% for the second quarter of 2019 and 18.66% for the year. This marks the strongest first half-year for U.S. equities in 24 years. Markets have been quite volatile this year as trade concerns and a possible global economic slowdown continue to sway the markets. Equity prices are also responding to actions and statements by the Federal Reserve, who has softened its monetary policy stance in the past few months.

Large capitalization stocks outperformed small caps for the quarter as the Wilshire Large-Cap IndexSM was up 4.19% versus a gain of 2.03% for the Wilshire US Small-Cap IndexSM. The large-cap segment of the market leads small-caps for the past twelve months, as well. The Wilshire US Micro-Cap IndexSM was down -0.69% for the quarter and -11.32% for the one-year. Growth stocks led value during the second quarter but underperformed in the large cap space during the past twelve months.

Ten of the eleven major sectors were in positive territory during the second quarter. The strongest performing sectors were Financials (+7.5%), Information Technology (+5.6%) and Consumer Discretionary (+4.6%). Energy was the only negative sector for the quarter, down -3.9%.

Fixed Income Market

The U.S. Treasury yield curve fell across all maturities during the quarter with the biggest decreases occurring in the 1 to 10-year portion of the curve. The bellwether 10-year Treasury yield ended the quarter at 2.00%, down 41 basis points from March. The Federal Open Market Committee left its overnight rate unchanged during the quarter at a range of 2.25% to 2.50%. The committee softened some of their messaging to indicate that they are at least willing to ease should conditions deteriorate. Their current forecast, however, is for no rate changes this year and a minor downward adjustment in 2020. Credit spreads tightened modestly during the quarter within both the investment grade and high yield markets.

Talk of what the Federal Open Market Committee will do at their next meeting is likely to dominate headlines during July. Some key data releases this month include the jobs report, consumer confidence, manufacturing activity and retail sales. After three years of steady increases in the federal funds rate, the Fed appears to be at a pivotal moment. They have left the rate unchanged during 2019 and are forecasting no changes for the second half of the year. The open market, however, is currently far more aggressive on monetary policy. Futures pricing suggests that the market expects two or three 0.25% reductions in the overnight rate. As Wilshire stated in our year-end memo, we are not surprised that the Fed has paused their tightening, and agree with markets that a move towards easing is very likely this year.

Non-U.S. Market

Equity markets outside of the U.S. continue to enjoy a strong 2019, although they are generally underperforming the U.S. equity market. Indicators out of Europe are still gloomy as recent data show that the manufacturing sector in Germany has weakened, which could also mean problems for countries with close industrial ties. Manufacturing in Britain has worsened, as well, as businesses continue to struggle with the effects of Brexit. News out of Japan is also troubling as consumption and capital spending shows little or no growth. Trade negotiations between the U.S. and China, the world's two largest economies, continue with both countries maintaining firm stances going into the G20. There was some good news following the conference as the two countries agreed to not impose new trade sanctions and, rather, continue negotiations.

Real Assets Market

U.S. real estate securities underperformed broader equities during the quarter but are still experiencing a surge for the year. Global real estate securities are up double-digits for the year, as well. Commodity results were negative for the quarter as crude oil fell -2.8% to \$58.47 per barrel. Natural gas prices were down -13.3%, ending the quarter at \$2.31 per million BTUs. MLPs were nearly flat for the quarter (+0.12%) but are up strong for the year. Finally, gold prices were up and finished at approximately \$1,414 per troy ounce, up +9.3% from last quarter.

SUMMARY OF INDEX RETURNS – JUNE 30, 2019

	Quarter	One Year	Three Years	Five Years	Ten Years
Domestic Equity					
Standard & Poor's 500	4.30%	10.42%	14.19%	10.71%	14.70%
Wilshire 5000	3.99	9.10	14.03	10.33	14.66
Wilshire 4500	2.86	2.10	13.24	8.31	14.85
Wilshire Large Cap	4.19	10.35	14.30	10.72	14.66
Wilshire Small Cap	2.03	-1.87	11.60	7.00	14.60
Wilshire Micro Cap	-0.69	-11.32	10.75	4.64	12.04
Domestic Equity					
Wilshire Large Value	3.76%	10.70%	10.69%	8.98%	13.62%
Wilshire Large Growth	4.66	9.94	18.06	12.41	15.68
Wilshire Mid Value	1.80	2.78	8.44	7.54	14.93
Wilshire Mid Growth	4.45	6.41	15.19	8.20	15.26
Wilshire Small Value	0.25	-4.74	7.88	6.29	14.05
Wilshire Small Growth	3.89	1.11	15.37	7.56	15.04
International Equity					
MSCI All World ex U.S. (USD)	2.98%	1.29%	9.38%	2.16%	6.54%
MSCI AW ex U.S. (local currency)	2.62	3.85	11.02	6.67	8.88
MSCI EAFE	3.68	1.08	9.11	2.25	6.90
MSCI Europe	4.48	1.88	9.11	1.27	6.99
MSCI Pacific	2.43	-0.18	9.37	4.29	6.90
MSCI Emerging Markets Index	0.61	1.21	10.66	2.49	5.81
Domestic Fixed Income					
Barclays Aggregate Bond	3.08%	7.87%	2.31%	2.95%	3.90%
Barclays Credit	4.27	10.34	3.74	3.92	5.77
Barclays Mortgage	1.96	6.22	2.06	2.56	3.23
Barclays Treasury	3.01	7.24	1.34	2.49	3.05
Citigroup High Yield Cash Pay	2.37	7.21	7.31	4.34	8.79
Barclays US TIPS	2.86	4.84	2.08	1.76	3.64
91-Day Treasury Bill	0.64	2.32	1.38	0.87	0.49
Currency*					
Euro vs. \$	1.42%	-2.46%	0.83%	-3.62%	-2.06%
Yen vs. \$	2.73	1.83	-1.62	-1.22	-1.10
Pound vs. \$	-2.33	-0.07	-1.62	-5.73	-2.54
Real Estate					
Wilshire REIT Index	1.63%	10.53%	4.11%	7.84%	15.66%
Wilshire RESI	1.62	10.47	4.30	8.16	15.84

SUMMARY REVIEW OF PLANS PERIOD ENDED JUNE 30, 2019

	Asset Value					
	(\$Million)	Quarter	1-Year	3-Year	5-Year	10-Year
CalPERS Total Fund	\$ 370,287.1	3.8%	6.7%	8.8%	5.8%	9.1%
Total Fund Policy Benchmark ¹		4.4%	7.1%	9.0%	6.1%	9.5%
Actuarial Rate		1.8%	7.3%	7.4%	7.5%	7.6%
Affiliate Funds:						
Judges I	\$ 15.8	0.6%	2.4%	1.6%	1.0%	0.6%
91-Day Treasury Bill		0.6%	2.3%	1.4%	0.9%	0.5%
Judges II	\$ 1,695.5	3.3%	6.8%	8.0%	5.0%	9.4%
Weighted Policy Benchmark		3.4%	6.4%	7.6%	4.5%	9.1%
Legislators' Retirement System	\$ 114.4	3.3%	7.3%	5.5%	4.1%	7.7%
Weighted Policy Benchmark		3.4%	7.1%	5.2%	3.8%	7.2%
Long-Term Care ("LTC")	\$ 4.8	3.2%	7.2%	4.2%	3.4%	7.0%
Weighted Policy Benchmark		3.3%	7.2%	4.2%	3.3%	6.7%
CERBT Strategy 1	\$ 7,876.9	3.2%	6.2%	8.2%	5.0%	9.4%
CERBT Strategy 1 Policy Benchmark		3.3%	6.0%	7.8%	4.7%	9.1%
CERBT Strategy 2	\$ 1,299.0	3.4%	7.0%	6.8%	4.6%	-.%
CERBT Strategy 2 Policy Benchmark		3.4%	6.9%	6.4%	4.2%	-.%
CERBT Strategy 3	\$ 624.6	3.3%	7.2%	5.3%	4.0%	-.%
CERBT Strategy 3 Policy Benchmark		3.4%	7.1%	5.0%	3.7%	-.%
Health Care Fund	\$ 478.2	3.1%	7.9%	2.4%	3.1%	4.5%
Barclays U.S. Aggregate		3.1%	7.9%	2.3%	3.0%	3.9%
Supplemental Contribution Plan	\$ 107.7					
CalPERS Custom SCP Plan Index		NM	NM	NM	NM	NM
457 Program	\$ 1,627.5					
CalPERS Custom 457 Plan Index		NM	NM	NM	NM	NM

¹ CalPERS Total Fund Policy Benchmark return equals the return of each asset class benchmark weighted at the approved target asset allocation.

TOTAL FUND PERIOD ENDED JUNE 30, 2019

TOTAL FUND PERFORMANCE

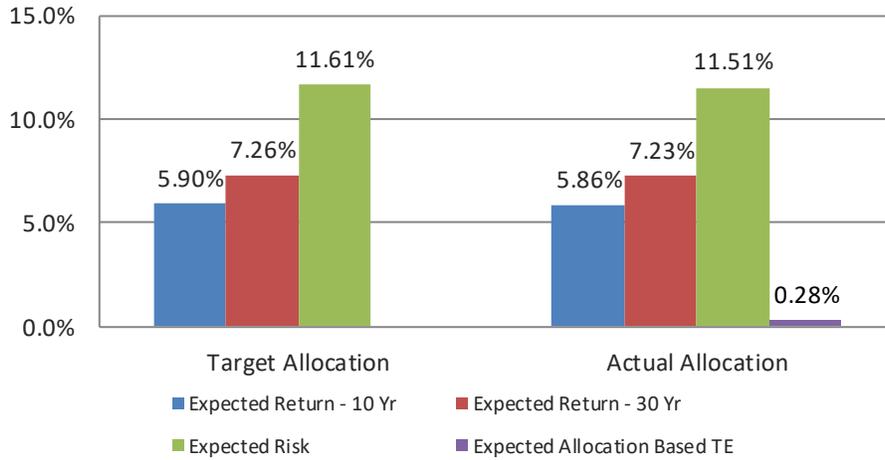
	Asset Value						VaR (\$Billion)	5-Year Ratios	
	(\$Billion)	Quarter	1-Year	3-Year	5-Year	10-Year		Sharpe	Info
TOTAL FUND	\$ 370.3	3.8%	6.7%	8.8%	5.8%	9.1%	\$ 48.9	0.8	-0.2
<i>Total Fund Policy Benchmark</i>		4.4%	7.1%	9.0%	6.1%	9.5%		0.9	0.0
<i>Actuarial Rate</i>		1.8%	7.3%	7.4%	7.5%	7.6%			
PUBLIC EQUITY	\$ 185.7	3.8%	6.1%	12.3%	6.7%	11.1%	\$ 36.7	0.5	-0.2
<i>Public Equity Policy Benchmark</i>		3.9%	6.2%	12.5%	6.8%	10.9%		0.5	0.0
Public Equity - Cap Weighted	\$ 131.4	3.7%	5.1%	11.9%	6.5%	11.0%	\$ 28.4	0.5	-0.3
<i>FTSE Global All Cap Custom Index Net</i>		3.7%	5.3%	12.2%	6.6%	10.8%		0.5	0.0
Public Equity - Factor Weighted	\$ 54.3	4.1%	13.4%	-.%	-.%	-.%	\$ 8.6	N/A	N/A
<i>MSCI ACWI Select Factor Weighted Index</i>		4.1%	13.5%	-.%	-.%	-.%		N/A	N/A
PRIVATE EQUITY	\$ 26.5	3.5%	7.7%	12.5%	9.6%	14.0%	\$ 10.7	2.4	-0.1
<i>Private Equity Policy Benchmark</i>		12.7%	4.0%	14.1%	10.4%	16.6%		0.8	0.0
INCOME	\$ 106.3	4.3%	9.6%	3.3%	4.1%	6.6%	\$ 9.9	0.7	1.2
<i>Income Policy Benchmark</i>		4.2%	9.3%	2.7%	3.5%	5.2%		0.6	0.0
Treasury	\$ 37.8	5.0%	10.5%	-.%	-.%	-.%	\$ 5.3	N/A	N/A
<i>CalPERS Custom Treasury Benchmark</i>		5.0%	10.5%	-.%	-.%	-.%		N/A	N/A
Spread	\$ 56.7	4.2%	9.5%	-.%	-.%	-.%	\$ 4.7	N/A	N/A
<i>BBG Barc Custom Global Long Spread Index</i>		3.9%	9.0%	-.%	-.%	-.%		N/A	N/A
High Yield	\$ 11.7	2.6%	8.4%	-.%	-.%	-.%	\$ 1.4	N/A	N/A
<i>BBG Barclays US High Yield BB/B Liquid Index</i>		2.5%	8.0%	-.%	-.%	-.%		N/A	N/A
REAL ASSETS	\$ 40.9	2.6%	3.7%	6.4%	7.5%	4.1%	\$ 5.9	1.5	-0.3
<i>Real Assets Policy Benchmark</i>		1.2%	6.5%	6.8%	8.6%	8.4%		2.2	0.0
LIQUIDITY	\$ 3.7	0.7%	2.6%	1.7%	1.3%	1.1%	\$ 0.01	0.6	0.2
<i>Liquidity Policy Benchmark</i>		0.6%	2.2%	1.3%	1.2%	1.2%		0.3	0.0
TRUST LEVEL PORTFOLIO MGMT *	\$ 7.1	NM	NM	-.%	-.%	-.%	\$ 0.9	N/A	N/A
<i>CalPERS Reference Portfolio Benchmark</i>		3.6%	7.2%	-.%	-.%	-.%		N/A	N/A
OTHER PERF **	\$ 0.2	NM	NM	NM	NM	NM		N/A	N/A
TERMINATED AGENCY POOL	\$ 0.2	3.9%	7.0%	2.4%	3.7%	-.%		N/A	N/A
TOTAL FUND PLUS TAP	\$ 370.5	3.8%	6.7%	8.8%	5.8%	9.1%		N/A	N/A

* More detail of the TLPM return can be found in the program section, page 20.

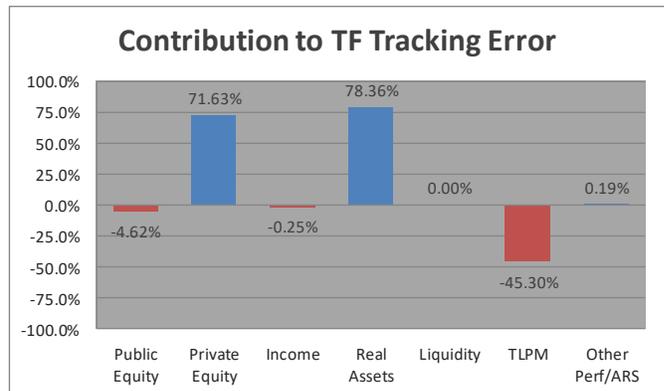
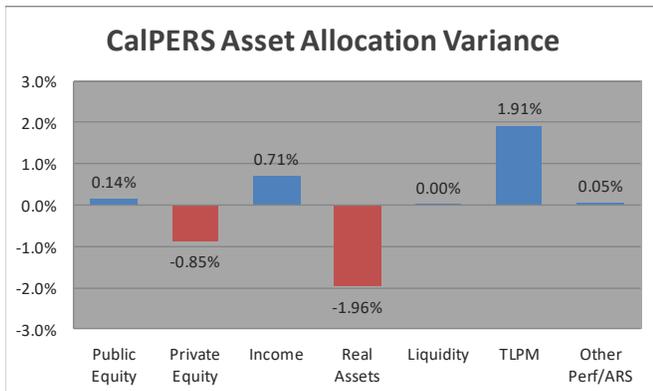
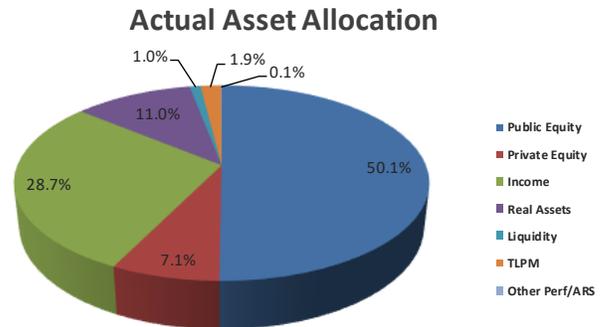
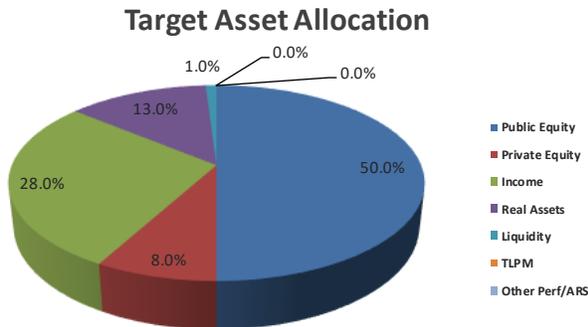
** More detail of the OTHER PERF return can be found in the program section, page 21.

TOTAL FUND PERIOD ENDED JUNE 30, 2019

EXPECTED RETURN AND RISK²



TOTAL FUND ASSET ALLOCATION BASED TRACKING ERROR

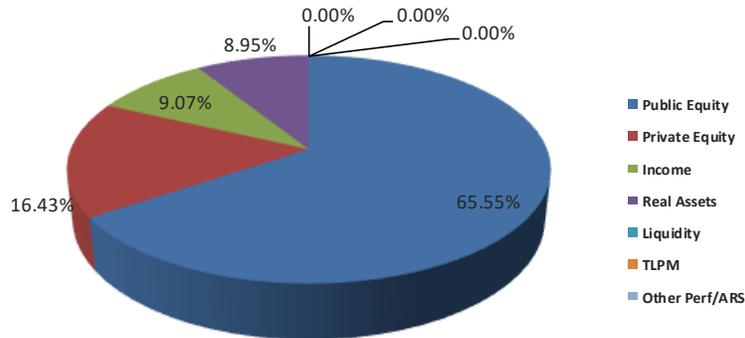


² Return and risk values expressed in this page are derived based on Wilshire Consulting Capital Market Assumptions, which are forward looking in nature.

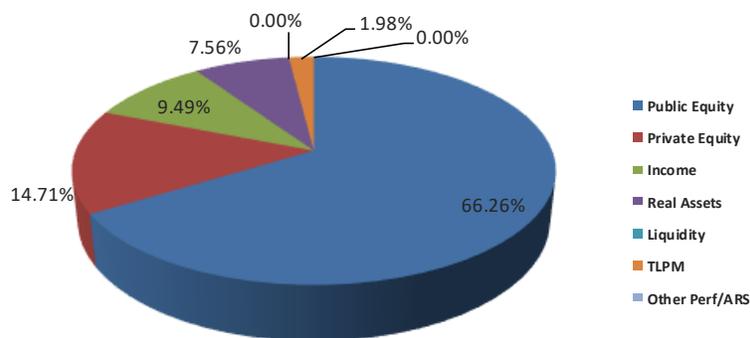
TOTAL FUND PERIOD ENDED JUNE 30, 2019

CONTRIBUTION TO TOTAL RISK³

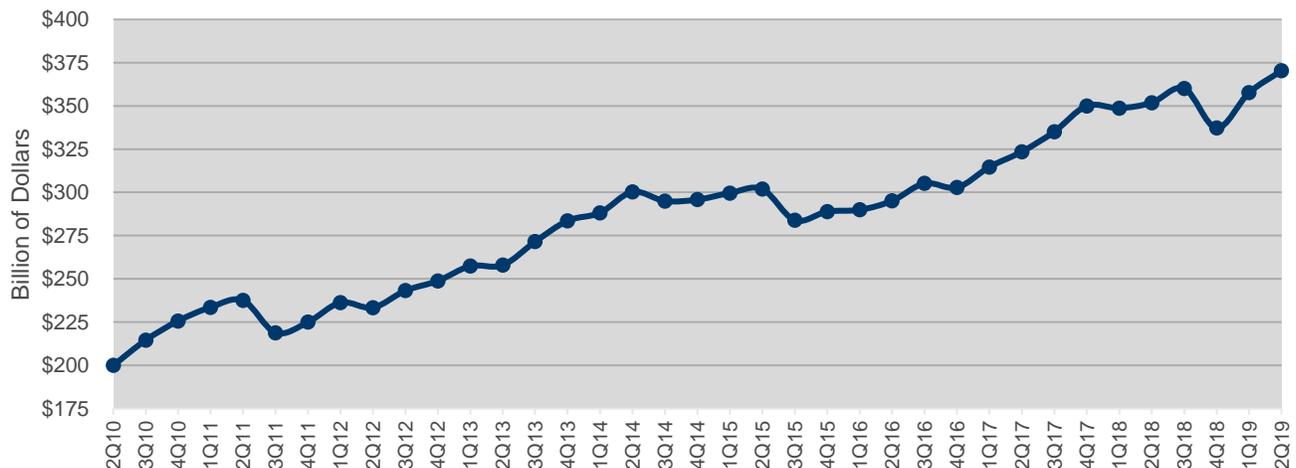
Contribution to Total Risk - Target Allocation



Contribution to Total Risk - Actual Allocation



CHANGES IN ASSET VALUE



³ Return and risk values expressed in this page are derived based on Wilshire Consulting Capital Market Assumptions, which are forward looking in nature.

TOTAL FUND PERIOD ENDED JUNE 30, 2019

TOTAL FUND ATTRIBUTION QUARTER

Asset Class	Actual (%)		Policy (%)		Difference (%)		Total Fund Return Contribution (%)		
	Weight *	Return	Weight *	Return	Weight	Return	Actual Allocation	Active Management	Total
Public Equity	49.93	3.84	50.00	3.86	-0.07	-0.02	-0.05	-0.01	-0.05
Public Equity - Cap Weighted	37.62	3.72	37.00	3.73	0.62	-0.01	-0.04	-0.01	-0.05
Public Equity - Factor Weighted	12.31	4.10	13.00	4.11	-0.69	-0.02	-0.01	0.00	0.00
Private Equity	7.38	3.50	8.00	12.73	-0.62	-9.23	-0.06	-0.67	-0.73
Income	28.85	4.33	28.00	4.19	0.85	0.14	-0.03	0.05	0.01
Treasury	10.44	5.03	10.00	5.03	0.44	-0.01	-0.01	0.00	-0.02
Spread	15.29	4.20	15.00	3.92	0.29	0.28	-0.02	0.04	0.03
High Yield	3.12	2.62	3.00	2.52	0.12	0.10	0.00	0.00	0.00
Real Assets	11.15	2.57	13.00	1.18	-1.85	1.40	0.05	0.16	0.21
Inflation	0.00	0.00	0.00	1.71	0.00	-1.71	0.00	0.00	0.00
Liquidity	1.13	0.66	1.00	0.58	0.13	0.08	0.00	0.00	0.00
TLPM	1.51	NM**	0.00	3.62	1.51	NM**	-0.01	0.00	-0.01
Other PERF/ARS	0.05	NM***	0.00	0.00	0.05	NM***	0.00	0.00	0.01
Monthly Linked Return	100.00	3.79	100.00	4.36			-0.08	-0.48	-0.56
Residual		0.00		0.00		0.00			-0.01
Total		3.79		4.36		-0.57			-0.57

* Average period weight displayed.

** More detail of the TLPM return can be found in the program section, page 20.

*** More detail of the OTHER PERF return can be found in the program section, page 21.

TOTAL FUND PERIOD ENDED JUNE 30, 2019

TOTAL FUND ATTRIBUTION CALENDAR YEAR TO DATE

Asset Class	Actual (%)		Policy (%)		Difference (%)		Total Fund Return Contribution (%)		
	Weight *	Return	Weight *	Return	Weight	Return	Actual Allocation	Active Management	Total
Public Equity	49.17	16.29	49.78	16.46	-0.62	-0.17	-0.14	-0.09	-0.22
Public Equity - Cap Weighted	38.67	16.32	38.37	16.52	0.30	-0.20	-0.11	-0.08	-0.19
Public Equity - Factor Weighted	10.50	15.39	11.42	15.44	-0.92	-0.06	-0.03	0.00	-0.03
Private Equity	7.68	1.33	8.00	-1.77	-0.32	3.10	-0.07	0.24	0.17
Income	28.33	9.08	27.92	8.87	0.41	0.21	-0.04	0.06	0.02
Treasury	10.24	9.38	10.00	9.41	0.24	-0.04	-0.01	0.00	-0.02
Spread	15.16	8.70	15.05	8.38	0.11	0.33	-0.02	0.05	0.03
High Yield	2.94	10.62	2.87	10.21	0.07	0.42	0.00	0.01	0.01
Real Assets	11.30	2.81	12.60	2.71	-1.30	0.10	0.07	0.01	0.07
Inflation	0.57	3.67	0.63	8.20	-0.06	-4.52	0.00	-0.01	-0.01
Liquidity	1.21	1.36	1.07	1.16	0.14	0.20	0.00	0.00	0.00
TLPM	1.69	NM**	0.00	14.38	1.69	NM**	0.05	-0.06	-0.01
Other PERF/ARS	0.06	NM***	0.00	0.00	0.06	NM***	0.00	0.00	0.00
Monthly Linked Return	100.00	11.06	100.00	11.03			-0.14	0.16	0.02
Residual		0.00		0.00		0.00			0.01
Total		11.06		11.03		0.03			0.03

* Average period weight displayed.

** More detail of the TLPM return can be found in the program section, page 20.

*** More detail of the OTHER PERF return can be found in the program section, page 21.

TOTAL FUND PERIOD ENDED JUNE 30, 2019

TOTAL FUND ATTRIBUTION FISCAL YEAR TO DATE									
Asset Class	Actual (%)		Policy (%)		Difference (%)		Total Fund Return Contribution (%)		
	Weight *	Return	Weight *	Return	Weight	Return	Actual Allocation	Active Management	Total
Public Equity	48.73	6.08	49.49	6.24	-0.76	-0.16	-0.09	-0.08	-0.17
Public Equity - Cap Weighted	41.55	5.06	41.41	5.27	0.14	-0.21	-0.01	-0.08	-0.09
Public Equity - Factor Weighted	7.18	13.41	8.08	13.51	-0.90	-0.10	-0.08	0.00	-0.09
Private Equity	7.73	7.72	8.00	4.04	-0.27	3.68	-0.09	0.25	0.16
Income	26.29	9.61	26.09	9.31	0.20	0.30	-0.04	0.07	0.03
Treasury	9.48	10.50	9.47	10.54	0.01	-0.04	-0.01	0.00	-0.02
Spread	14.52	9.47	14.35	8.98	0.17	0.49	-0.03	0.07	0.04
High Yield	2.28	8.41	2.27	8.00	0.01	0.41	0.00	0.01	0.01
Real Assets	11.15	3.69	12.30	6.52	-1.15	-2.83	0.00	-0.34	-0.34
Inflation	2.47	-3.49	2.55	0.54	-0.08	-4.03	0.00	0.00	-0.01
Liquidity	1.75	2.60	1.57	2.15	0.18	0.45	-0.01	0.01	0.00
TLPM	1.81	NM**	0.00	7.18	1.81	NM**	-0.05	-0.04	-0.09
Other PERF/ARS	0.06	NM***	0.00	0.00	0.06	NM***	0.00	0.00	0.00
Monthly Linked Return	100.00	6.68	100.00	7.10			-0.29	-0.13	-0.42
Residual		0.00		0.00		0.00			0.00
Total		6.68		7.10		-0.42			-0.42

* Average period weight displayed.

** More detail of the TLPM return can be found in the program section, page 20.

*** More detail of the OTHER PERF return can be found in the program section, page 21.

TOTAL FUND PERIOD ENDED JUNE 30, 2019

TOTAL FUND ATTRIBUTION WILSHIRE COMMENT

The California Public Employees' Retirement System ("CalPERS, the System") generated a total fund return of 3.79% for the quarter ended June 30, 2019. CalPERS' return can be attributed as follows:

4.36%	Strategic Policy Allocation
-0.08%	Actual/Tactical Asset Allocation
-0.48%	Active Management
<u>-0.01%</u>	Residual (Trading/Currency Hedging)
3.79%	Total Return

The total fund attribution table in the previous pages display the return contribution of each asset class to the total fund. These tables allows the Board to see whether tactical allocation and active management within asset classes helped or hurt performance during the measured period.

- **Strategic Policy:** The contribution to total return from each asset class, calculated as the percentage allocated to each asset class multiplied by the benchmark return for that asset class
- **Actual Allocation:** The return contribution during the measured period due to differences in the actual allocation from the policy allocation (i.e. the actual allocation to total equity was higher than the policy allocation). A positive number would indicate an overweight benefited performance and vice versa
- **Active Management:** The return contribution from active management. The number would be positive if the asset class outperformed the designated policy index and vice versa (i.e. the Income segment outperformed its custom benchmark during a quarter and contributed positively to active management)
- **Actual Return:** The actual return of the asset classes if allocations to them were static during the quarter. These returns will not match exactly with the actual segment returns since asset class allocations change during the quarter due to market movement, cash flows, etc.

Wilshire's attribution showed that active management was the primary factor that led to this quarter's relative underperformance, costing -48 bps. This negative margin was driven entirely by the soft relative results of Private Equity, as this asset class's 2nd quarter return came in well behind its own policy benchmark's pace by -923 bps. The System's Income and Real Assets investments actually added some value during Q2 by recording various level of outperformance (by +14 bps and +140 bps, respectively), but their modest contribution were not enough to compensate for Private Equity's poor relative finish.

Asset allocation variance was also mildly negative this quarter, yielding a small detraction of -8 bps to the Total Fund return. Part of this stemmed from Private Equity exposure as well, where the underweight to this asset class that overall registered strong appreciations during Q2 hurt. The System's overweight to Public Equities, which fell sharply in May due to the revived trade/tariffs jitters, was another notable detractor.

TOTAL FUND PERIOD ENDED JUNE 30, 2019

RELATIVE TO TOTAL FUND POLICY BENCHMARK

Public Equity: Public equity markets endured whipsawing jerks of highs and lows during the second quarter of 2019, going from the favorable corporate earnings-driven buoyant climb in April to the escalating U.S.-China trade dispute induced sharp selloff in May, and capping off with a strong rebound in June that was pinned on the anticipation of easing global monetary policies. The CalPERS Public Equity asset class largely followed this pattern and concluded the quarter on a positive note, advancing 3.8% that was also the second highest output among all major CalPERS asset classes. This return easily mirrored Public Equity's own benchmark measure, but lagged when compared to the Total Fund Policy Benchmark's 4.4% pace. For the trailing 1-year period, Public Equity has generated a respectable return of 6.1% for CalPERS, closely following its own benchmark while continuing to sit a couple steps behind the Total Fund Policy Benchmark (+7.1%).

Private Equity: The Private Equity asset class continued the trend of producing modest yet steady returns for the System, finishing with a 3.5% return in the second quarter that came in right behind Public Equity and was a notch above the 3.0% quarterly gains that this asset class has averaged over the past three years. This Q2 results did fall short in relative terms, however, missing both the asset class benchmark and the Total Fund Policy Benchmark by wide margins. Things did improve at the 1-year mark, where Private Equity's 7.7% return currently tops its own benchmark's 4.0% rate and Total Fund Policy's 7.1%.

Income: Within the backdrop of interest rates turning sharply lower in response to the resumption of trade rhetoric/global growth concerns/central banks rate cut possibilities, fixed income markets in general registered welcoming gains during Q2, particularly in the back half of the quarter. The CalPERS Income asset class performed right along this line, benefiting from its Treasury and Spread investments to record a 4.3% total return. This output paced all other major CalPERS asset classes for the quarter, and essentially mirrored the pace of the Total Fund Policy Benchmark. Q2 marked the second straight quarter where Income returned in excess of 4%, and as a result it currently holds a 9.6% trailing 1-year return that compares favorably to the Total Fund Policy Benchmark's 7.1% rate.

Real Assets: After posting three-straight quarters of muted returns below 1%, the Real Assets asset class registered a notable rebound in Q2. Coinciding with falling bond yields/low inflation/higher equity multiples, Real Assets ended the quarter with a 2.6% advance, finishing above both of its own benchmark measure (1.2%) and the 1.5% quarterly return it had averaged over the previous three years. This rate of gain was not as strong as the Total Fund Policy Benchmark's 4.4% return, however, and Real Assets' steady-paced 3.7% 1-year return also remains behind Total Fund Policy's 7.1% rate.

Liquidity: The Liquidity asset class had seen its returns steadily risen since 2015 in correlation to the direction of short-term interest rates. Despite a dip in short rates after April this year, Liquidity still reported a 0.7% Q2 return that hovered near a 4-year high while tracking ahead of its own benchmark measure. Starting Q3 2015, this asset class is solely comprised of short-term investment funds.

PUBLIC EQUITY PERIOD ENDED JUNE 30, 2019

PUBLIC EQUITY ASSET ALLOCATION: ACTUAL VS. TARGET WEIGHTS

Asset Class	Actual Asset Allocation	Target Asset Allocation	Difference
PUBLIC EQUITY	50.1%	50.0%	0.1%
Public Equity - Cap Weighted	35.5%	36.0%	-0.5%
Public Equity - Factor Weighted	14.7%	14.0%	0.7%

PUBLIC EQUITY SEGMENT PERFORMANCE

	Asset Value						VaR (\$Billion)	5-Year Ratios	
	(\$Billion)	Quarter	1-Year	3-Year	5-Year	10-Year		Sharpe	Info
PUBLIC EQUITY	\$ 185.7	3.8%	6.1%	12.3%	6.7%	11.1%	\$ 36.7	0.5	-0.2
<i>Public Equity Policy Benchmark</i>		3.9%	6.2%	12.5%	6.8%	10.9%		0.5	0.0
Public Equity - Cap Weighted	\$ 131.4	3.7%	5.1%	11.9%	6.5%	11.0%	\$ 28.4	0.5	-0.3
<i>FTSE Global All Cap Custom Index Net</i>		3.7%	5.3%	12.2%	6.6%	10.8%		0.5	0.0
Public Equity - Factor Weighted	\$ 54.3	4.1%	13.4%	-.%	-.%	-.%	\$ 8.6	N/A	N/A
<i>MSCI ACWI Select Factor Weighted Index</i>		4.1%	13.5%	-.%	-.%	-.%		N/A	N/A

PUBLIC EQUITY PORTFOLIOS PERFORMANCE

	Asset Value						VaR (\$Billion)	5-Year Ratios	
	(\$Billion)	Quarter	1-Year	3-Year	5-Year	10-Year		Sharpe	Info
Public Equity - Cap Weighted									
Global Equity Alternative Beta	\$ 15.4	3.6%	4.4%	11.3%	5.5%	10.6%		0.4	-0.5
<i>GE Alternative Beta Custom Index</i>		3.7%	5.1%	12.1%	6.2%	10.2%		0.4	0.0
Global Equity Index-Oriented Strategy	\$ 88.8	3.9%	5.5%	12.5%	6.8%	11.2%		0.5	0.8
<i>GE Index-Oriented Strategy Benchmark</i>		3.8%	5.4%	12.4%	6.7%	11.1%		0.5	0.0
GE Active ex-Alternative Beta	\$ 26.9	3.2%	4.3%	11.1%	6.3%	11.1%		0.5	-0.2
<i>GE Active ex-Alt Beta Custom Index</i>		3.3%	4.9%	11.5%	6.4%	10.2%		0.5	0.0
Other	\$ 0.2	NM	NM	NM	NM	NM		N/A	N/A
Public Equity - Factor Weighted (Min Volatility)									
Internal Min Vol Index Oriented	\$ 54.3	4.1%	13.4%	-.%	-.%	-.%		N/A	N/A
<i>MSCI ACWI Select Factor Weighted Index</i>		4.1%	13.5%	-.%	-.%	-.%		N/A	N/A

PUBLIC EQUITY

PERIOD ENDED JUNE 30, 2019

PERFORMANCE NOTES PUBLIC EQUITY

Helped Performance:

Factor Weighted Public Equity: Amid the backdrop of seesawing investor sentiment, where global public equity markets swung from gains to losses and back to gains in light of the quick-shifting U.S.-China trade negotiation uncertainties and major central banks' dovish pivot, the Factor Weighted Public Equity portfolio was the strongest performing component within the CalPERS Public Equity program. This portfolio generated much milder swings than its cap weighted counterpart throughout the 2nd quarter and end up finishing with an asset class-leading Q2 return of 4.1%, tying its own benchmark while outpacing Public Equity Policy Benchmark's 3.9% return. The portfolio's trailing 12-month performance was also impressive, netting a 13.4% cumulative return that was more than double of the Public Equity Policy Benchmark's 6.2% pace.

Cap Weighted Public Equity – Index-Oriented Strategy: There were no surprises with this program's performance during the second quarter, as it finished with a market-like overall return of 3.9% that also matched the Public Equity Policy Benchmark's pace. The Index-Oriented Strategy program currently holds a 5.5% trailing 12-month return that comfortably mirrors its own assigned benchmark measure, although this figure is modestly below the asset class benchmark's 6.2% return for the same period.

Impeded Performance:

Cap Weighted Public Equity – Alternative Beta: This internally managed program performed just as intended during the second quarter, providing beta exposure with a 3.6% return that closely followed its assigned benchmark (which was up 3.7%). Relative to the total Public Equity Policy Benchmark, though, this rate of return was -26 bps lower for the quarter. For the trailing 12-month period, Alternative Beta's cumulative gains currently sit below the asset class benchmark as well, 4.4% to 6.2%.

Cap Weighted Public Equity – Active ex-Alternative Beta: With assets invested either directly by external managers or through models provided by external managers, the Active ex-Alternative Beta program performed respectably this quarter with a 3.2% advance. While solid on its own, this rate of return did come in at the bottom of the leaderboard among the Public Equity asset class's main components, and was -70 bps short of the Public Equity Policy Benchmark. As of June 30, the external Active program's 4.3% trailing 12-month return also lags the asset class benchmark's 6.2% pace.

PRIVATE EQUITY PERIOD ENDED JUNE 30, 2019

PRIVATE EQUITY ASSET ALLOCATION: ACTUAL VS. TARGET WEIGHTS

Asset Class	Actual Asset Allocation	Target Asset Allocation	Difference
PRIVATE EQUITY	7.5%	8.0%	-0.5%
Private Equity	7.5%	8.0%	-0.5%

PRIVATE EQUITY SEGMENT PERFORMANCE

	Asset Value						VaR (\$Billion)	5-Year Ratios	
	(\$Billion)	Quarter	1-Year	3-Year	5-Year	10-Year		Sharpe	Info
PRIVATE EQUITY	\$ 26.5	3.5%	7.7%	12.5%	9.6%	14.0%	\$ 10.7	2.4	-0.1
<i>CalPERS Custom Private Equity Benchmark</i>		12.7%	4.0%	14.1%	10.4%	16.6%		0.8	0.0

PRIVATE EQUITY PORTFOLIOS PERFORMANCE

	Asset Value						VaR (\$Billion)	5-Year Ratios	
	(\$Billion)	Quarter	1-Year	3-Year	5-Year	10-Year		Sharpe	Info
Private Equity									
Private Equity Partnership Investments	\$ 26.4	3.5%	7.8%	12.6%	9.6%	14.1%		N/A	N/A
AIM Distribution Stock	\$ 0.0	7.9%	27.1%	27.2%	-5.4%	-7.6%		N/A	N/A

INCOME

PERIOD ENDED JUNE 30, 2019

INCOME ASSET ALLOCATION: ACTUAL VS. TARGET WEIGHTS

Asset Class	Actual Asset Allocation	Target Asset Allocation	Difference
INCOME	28.8%	28.0%	0.8%
Treasury	10.4%	9.8%	0.6%
Spread	15.3%	15.1%	0.2%
High Yield	3.1%	3.1%	0.0%

INCOME SEGMENT PERFORMANCE

	Asset Value						VaR (\$Billion)	5-Year Ratios	
	(\$Billion)	Quarter	1-Year	3-Year	5-Year	10-Year		Sharpe	Info
INCOME	\$ 106.3	4.3%	9.6%	3.3%	4.1%	6.6%	\$ 9.9	0.7	1.2
<i>Income Policy Benchmark</i>		4.2%	9.3%	2.7%	3.5%	5.2%		0.6	0.0
Treasury	\$ 37.8	5.0%	10.5%	-.%	-.%	-.%	\$ 5.3	N/A	N/A
<i>CalPERS Custom Treasury Benchmark</i>		5.0%	10.5%	-.%	-.%	-.%		N/A	N/A
Spread	\$ 56.7	4.2%	9.5%	-.%	-.%	-.%	\$ 4.7	N/A	N/A
<i>BBG Barc Custom Global Long Spread Index</i>		3.9%	9.0%	-.%	-.%	-.%		N/A	N/A
High Yield	\$ 11.7	2.6%	8.4%	-.%	-.%	-.%	\$ 1.4	N/A	N/A
<i>BBG Barclays US High Yield BB/B Liquid Index</i>		2.5%	8.0%	-.%	-.%	-.%		N/A	N/A

INCOME PORTFOLIOS PERFORMANCE

	Asset Value						VaR (\$Billion)	5-Year Ratios	
	(\$Billion)	Quarter	1-Year	3-Year	5-Year	10-Year		Sharpe	Info
Treasury									
Internal US Treasury/Agency	\$ 37.8	5.0%	10.5%	1.8%	4.2%	-.%		0.5	0.2
<i>CalPERS Custom Treasury Benchmark</i>		5.0%	10.5%	1.7%	4.2%	-.%		0.5	0.0
Spread									
Mortgages	\$ 20.8	2.2%	6.6%	2.8%	3.7%	5.5%		1.2	1.4
<i>CalPERS Custom BBG Barc LPF Mortgage</i>		2.0%	6.4%	2.1%	2.6%	3.5%		0.8	0.0
Investment Grade Corporate Bonds	\$ 19.8	6.3%	14.3%	-.%	-.%	-.%		N/A	N/A
<i>CalPERS Corp x Sov x Tobacco Benchmark</i>		6.2%	13.8%	-.%	-.%	-.%		N/A	N/A
Sovereign Bonds	\$ 2.3	6.0%	16.0%	4.8%	5.4%	7.4%		0.7	0.6
<i>CalPERS Sovereign Benchmark</i>		5.9%	15.4%	4.2%	5.1%	6.8%		0.6	0.0
International	\$ 8.7	4.4%	5.5%	2.3%	-0.2%	2.7%		-0.2	0.8
<i>CalPERS World Government x US Benchmark</i>		3.9%	4.7%	1.7%	-0.8%	1.5%		-0.2	0.0
High Yield (Cash Pay)	\$ 2.2	2.0%	6.0%	7.8%	5.9%	9.3%		1.0	0.8
<i>CalPERS HY Cash Pay Benchmark</i>		2.2%	6.8%	7.3%	4.3%	8.8%		0.6	0.0
Non-Core/Opportunistic	\$ 2.8	1.4%	4.5%	-.%	-.%	-.%		N/A	N/A
High Yield									
BB/B High Yield Fund of Funds	\$ 11.7	2.6%	8.4%	-.%	-.%	-.%		N/A	N/A
<i>BBG Barclays US High Yield BB/B Liquid Index</i>		2.5%	8.0%	-.%	-.%	-.%		N/A	N/A

INCOME PERIOD ENDED JUNE 30, 2019

PERFORMANCE NOTES INCOME

Helped Performance:

Treasury: With a 5.0% total return, the Treasury program was the highest returning component of the Income asset class during Q2, as US Treasuries received a big boost in May due to escalating trade tensions with China and Mexico while rising further in June amid signs of slowing economic growth. This return was on par with program's own benchmark measure, and came in well ahead of Income Policy Benchmark's 4.2% pace for the quarter. The Treasury program's trailing 12-month results were similarly good, where it earned a 10.5% return that paced all Income components while also led the Income Policy Benchmark by a +119 bps margin.

Spread: The overall Spread program showed well this quarter, generating a 4.2% total return that was +28 bps better than its own benchmark measure while easily matched the Income Policy Benchmark. Within the program, however, some of the key components saw diverging results. The Mortgages portfolio underwhelmed with a 2.2% return in light of the falling (mortgage) rates and the likelihood of rising prepayment risks. On the other hand, the investment grade corporate credit and international bond portfolios both delivered strong gains of 6.3% and 4.4% respectively, thanks to the favorable dynamics of falling yields/tightening credit spreads/softening of US dollar. For the trailing 12-month period, the Spread program's 9.5% return currently sits mildly ahead of the Income Policy Benchmark by a +16 bps margin.

Impeded Performance:

High Yield: Non-investment grade credits exhibited patterns similar to public equities during Q2, with sharp drop in May that wiped out April's gains before recovering strongly in June. CalPERS's High Yield program, which has a high quality focus, capped off this rollercoaster quarter with a solid gain of 2.6% but was unable to match the pace of the Treasury and Spread components; it was also -157 bps short relative to the overall Income Policy Benchmark. The High Yield Program has a 8.4% trailing 12-month return that complements the Income asset class's other investments well, but this too remains below the asset class benchmark's 9.3% return by a modest margin.

REAL ASSETS PERIOD ENDED JUNE 30, 2019

REAL ASSETS ASSET ALLOCATION: ACTUAL VS. TARGET WEIGHTS

Asset Class	Actual Asset Allocation	Target Asset Allocation	Difference
REAL ASSETS	11.0%	13.0%	-2.0%
Real Estate	9.4%	--	--
Forestland	0.4%	--	--
Infrastructure	1.3%	--	--

REAL ASSETS SEGMENT & PORTFOLIOS PERFORMANCE

	Asset Value							VaR (\$Billion)	5-Year Ratios	
	(\$Billion)	Quarter	1-Year	3-Year	5-Year	10-Year	Sharpe		Info	
REAL ASSETS	\$ 40.9	2.6%	3.7%	6.4%	7.5%	4.1%	\$ 5.9	1.5	-0.3	
<i>Real Assets Policy Benchmark</i>		1.2%	6.5%	6.8%	8.6%	8.4%		2.2	0.0	
Real Estate	\$ 34.8	2.5%	3.4%	5.9%	7.6%	4.0%	\$ 5.0	1.4	-0.4	
<i>CalPERS Custom Real Estate Benchmark</i>		1.2%	6.5%	7.0%	9.2%	9.5%		2.1	0.0	
Forestland	\$ 1.3	0.8%	-10.7%	-2.8%	-3.7%	-2.2%	\$ 0.2	-0.7	-1.2	
<i>CalPERS Custom Forestland Benchmark</i>		1.2%	6.5%	4.6%	5.5%	4.2%		1.4	0.0	
Infrastructure	\$ 4.8	3.4%	11.1%	13.8%	12.7%	17.9%	\$ 0.7	2.0	1.2	
<i>CalPERS Custom Infrastructure Benchmark</i>		1.2%	6.5%	6.5%	5.6%	6.2%		3.1	0.0	

PERFORMANCE NOTES REAL ASSETS

Helped Performance:

Infrastructure: The Infrastructure portfolio remains the strongest performing Real Assets component, having steadily averaged nearly 3.3% return per quarter for the past three years. Its Q2 return of 3.4%, as well as its double-digit average annualized returns from 1-year and beyond, all compared favorably to the Real Assets Policy Benchmark.

Real Estate: Currently representing 85% of the Real Assets asset class, the Real Estate program continues to act as the main performance driver. After reporting two consecutive quarters of -0.3% finish, performance of this program ticked up during Q2, netting a gain of 2.5% that beat the Real Assets Policy Benchmark. Due to its two prior soft quarterly finishes, though, Real Estate currently holds a 3.4% 1-year return that trails the policy benchmark's 6.5% by a notable margin.

Impeded Performance:

Forestland: Q2 results of the smallest Real Assets component was muted, coming in at 0.8%. Due to drag from the sale of a legacy timber investment that represented a markdown of portfolio value at the beginning of Q3 2018, the Forestland program's trailing 1-year return currently stands in the red at -10.7%. Both of these performance figures underperformed the Real Assets Policy Benchmark.

LIQUIDITY

PERIOD ENDED JUNE 30, 2019

LIQUIDITY ASSET ALLOCATION: ACTUAL VS. TARGET WEIGHTS

Asset Class	Actual Asset Allocation	Target Asset Allocation	Difference
LIQUIDITY	1.0%	1.0%	0.0%
Internal Short Term Cash Portfolio	1.0%	1.0%	--

LIQUIDITY SEGMENT & PORTFOLIO PERFORMANCE

	Asset Value							VaR (\$Billion)	5-Year Ratios	
	(\$Billion)	Quarter	1-Year	3-Year	5-Year	10-Year	Sharpe		Info	
LIQUIDITY	\$ 3.7	0.7%	2.6%	1.7%	1.3%	1.1%	\$ 0.01	0.6	0.2	
<i>Liquidity Policy Benchmark</i>		0.6%	2.2%	1.3%	1.2%	1.2%		0.3	0.0	
Internal Short Term Cash Portfolio	\$ 3.7	0.7%	2.6%	1.7%	1.1%	0.7%	\$ 0.01	0.6	0.2	
<i>CalPERS Short Term Benchmark</i>		0.6%	2.2%	1.4%	0.9%	0.5%		0.3	0.0	

TRUST LEVEL PORTFOLIO MANAGEMENT PERIOD ENDED JUNE 30, 2019

TLPM ASSET ALLOCATION: ACTUAL VS. TARGET WEIGHTS

Asset Class	Actual Asset Allocation	Target Asset Allocation	Difference
TRUST LEVEL PORTFOLIO MANAGEMENT	2.4%	0.0%	2.4%
External Multi-Asset Class	0.7%	--	--
TLPM Overlay	0.3%	--	--
TLPM Risk Mitigation	0.0%	--	--
TLPM Transition	1.3%	--	--
Cross Asset Volatility Premia	0.0%	--	--

TLPM SEGMENT & PORTFOLIOS PERFORMANCE

	Asset Value						VaR (\$Billion)	5-Year Ratios	
	(\$Billion)	Quarter	1-Year	3-Year	5-Year	10-Year		Sharpe	Info
TRUST LEVEL PORTFOLIO MGMT	\$ 7.1	3.4%	2.5%	--%	--%	--%	\$ 0.9	N/A	N/A
<i>CalPERS Reference Portfolio Benchmark</i>		3.6%	7.2%	--%	--%	--%		N/A	N/A
External Multi-Asset Class	\$ 2.6	2.8%	4.0%	4.6%	3.7%	--%		N/A	N/A
<i>CalPERS Reference Portfolio Benchmark</i>		3.6%	7.2%	8.3%	5.5%	--%		N/A	N/A
TLPM Overlay	\$ 0.6	3.5%	7.4%	--%	--%	--%		N/A	N/A
<i>CalPERS Reference Portfolio Benchmark</i>		3.6%	7.2%	--%	--%	--%		N/A	N/A
TLPM Risk Mitigation *	\$ 0.2	-27.5%	-82.1%	--%	--%	--%		N/A	N/A
TLPM Transition	\$ 0.2	--%	--%	--%	--%	--%		N/A	N/A
Cross Asset Volatility Premia *	\$ 0.007	-41.6%	-38.0%	--%	--%	--%		N/A	N/A
<i>Custom Volatility Premia Benchmark</i>		0.6%	-5.8%	--%	--%	--%		N/A	N/A
TLPM Emerging Managers Program	\$ 3.5	--%	--%	--%	--%	--%		N/A	N/A
<i>FTSE Global All Cap Custom Index</i>		--%	--%	--%	--%	--%		N/A	N/A

* The Risk Mitigation and Cross Asset Volatility Premia portfolios are small components whose average monthly market values over the 2018-2019 fiscal year represented 0.038% and 0.010% of CalPERS total assets, respectively.

Due to their relative size, performance contribution to CalPERS Total Fund is estimated to be -0.031% and -0.004%, respectively, over the same period.

OTHER PERF PERIOD ENDED JUNE 30, 2019

OTHER PERF ASSET ALLOCATION: ACTUAL VS. TARGET WEIGHTS

Asset Class	Actual Asset Allocation	Target Asset Allocation	Difference
OTHER PERF	0.1%	0.0%	0.1%
Absolute Return Strategies	0.1%	--	--

OTHER PERF SEGMENT & PORTFOLIO PERFORMANCE

	Asset Value						VaR (\$Billion)	5-Year Ratios	
	(\$Billion)	Quarter	1-Year	3-Year	5-Year	10-Year		Sharpe	Info
OTHER PERF	\$ 0.2	NM	NM	NM	NM	NM	\$ -	N/A	N/A
Absolute Return Strategies *	\$ 0.2	-2.4%	-13.6%	-6.7%	-3.0%	1.2%		-0.6	-1.3
<i>Total ARS Program Blended Benchmark</i>		2.2%	8.1%	6.5%	6.1%	5.8%		13.0	0.0
Other Plan Level	\$ 0.0	--%	--%	--%	--%	--%			

* The Absolute Return Strategies portfolio is a small component whose average monthly market values over the 2018-2019 fiscal year represented 0.06% of CalPERS total assets.

Due to its relative size, performance contribution to CalPERS Total Fund is estimated to be -0.008% over the same period.



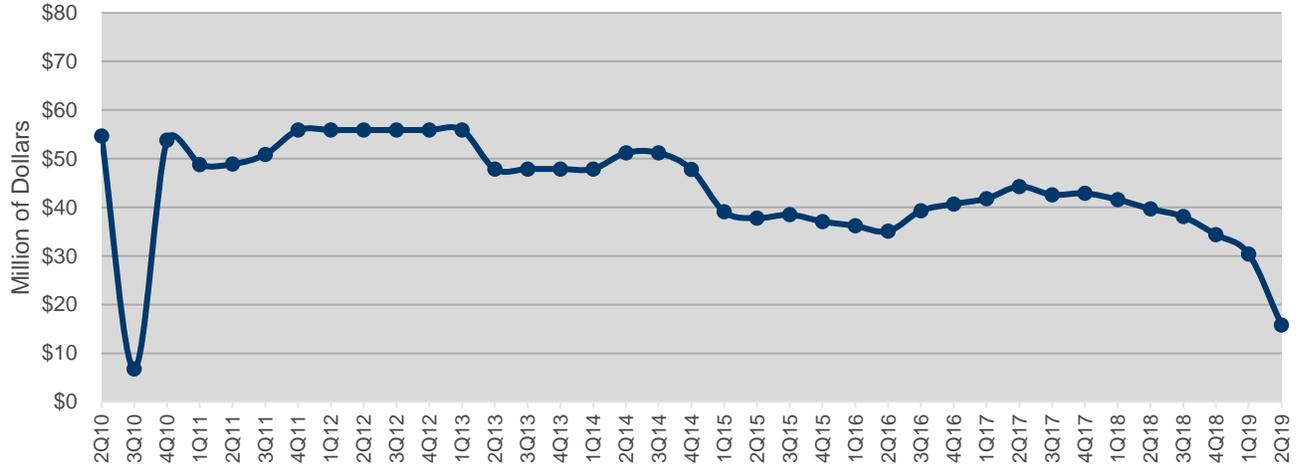
AFFILIATE FUND INFORMATION

JUDGES RETIREMENT SYSTEM I FUND



JUDGES I PERFORMANCE PERIOD ENDED JUNE 30, 2019

GROWTH IN ASSETS



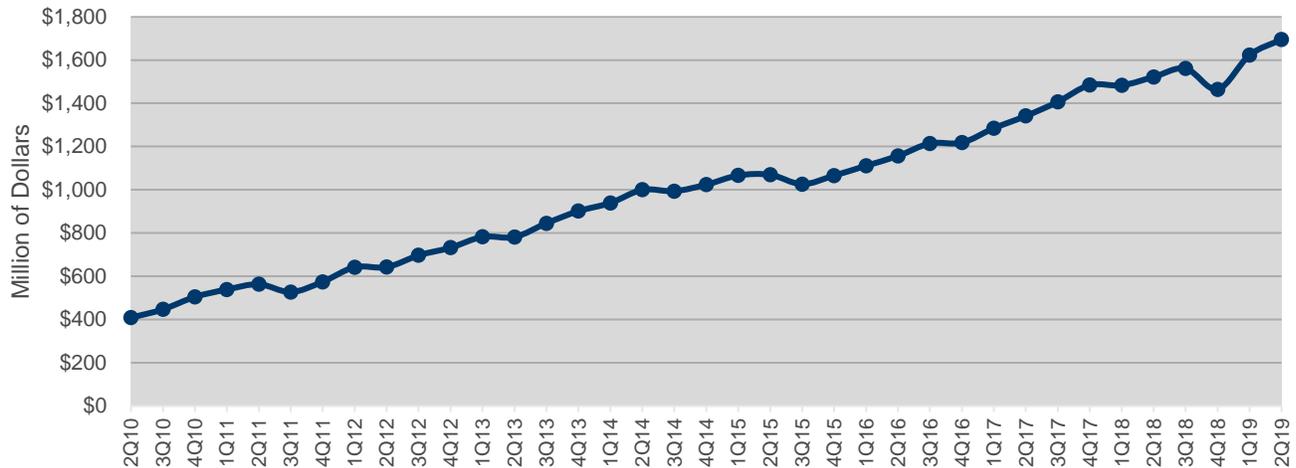
NET OF FEE PLAN PERFORMANCE RESULTS JUDGES I

	Asset Value					
	(\$Million)	Quarter	1-Year	3-Year	5-Year	10-Year
Judges Retirement I Fund	\$ 15.8	0.6%	2.4%	1.6%	1.0%	0.6%
<i>91-Day Treasury Bill</i>		<i>0.6%</i>	<i>2.3%</i>	<i>1.4%</i>	<i>0.9%</i>	<i>0.5%</i>
Judges I Programs:						
Judges I Internal Short-Term	\$ 15.8	0.6%	2.4%	1.6%	1.0%	0.6%
<i>91-Day Treasury Bill</i>		<i>0.6%</i>	<i>2.3%</i>	<i>1.4%</i>	<i>0.9%</i>	<i>0.5%</i>

JUDGES RETIREMENT SYSTEM II FUND

JUDGES II PERFORMANCE PERIOD ENDED JUNE 30, 2019

GROWTH IN ASSETS



NET OF FEE PLAN PERFORMANCE RESULTS JUDGES II

	Asset Value					
	(\$Million)	Quarter	1-Year	3-Year	5-Year	10-Year
Judges Retirement II Fund	\$ 1,695.5	3.3%	6.8%	8.0%	5.0%	9.4%
<i>Weighted Policy Benchmark</i>		3.4%	6.4%	7.6%	4.8%	9.1%
Judges II Programs:						
JRS II Global Equity	\$ 882.7	3.5%	5.0%	12.2%	6.6%	10.8%
<i>Global Equity Benchmark</i>		3.4%	4.6%	11.9%	6.4%	10.7%
JRS II US Fixed Income	\$ 543.3	4.4%	10.2%	3.5%	4.6%	6.8%
<i>Custom Benchmark</i>		4.4%	10.1%	2.9%	4.0%	5.7%
JRS II TIPS	\$ 84.6	2.9%	4.8%	2.1%	1.7%	--%
<i>Custom Benchmark</i>		2.9%	4.8%	2.1%	1.8%	--%
JRS II REITs	\$ 133.8	0.2%	9.0%	5.6%	5.9%	12.0%
<i>Custom Benchmark</i>		0.0%	8.1%	5.3%	5.7%	11.9%
JRS II Commodities	\$ 51.1	-1.4%	-11.4%	1.7%	-13.1%	--%
<i>GSCI Total Return</i>		-1.4%	-11.5%	1.6%	-13.3%	--%
JRS II Cash/Short-Term	\$ 0.03	0.5%	54.2%	19.4%	11.6%	5.7%
<i>91-Day T-Bill</i>		0.6%	2.3%	1.4%	0.9%	0.5%

JUDGES II PERFORMANCE PERIOD ENDED JUNE 30, 2019

JUDGES II ASSET ALLOCATION: ACTUAL VS. TARGET WEIGHTS

Asset Class	Actual Asset Allocation	Target Asset Allocation	Difference
JUDGES II TOTAL FUND	100.0%	100.0%	0.0%
Global Equity	52.1%	52.0%	0.1%
US Fixed Income	32.0%	32.0%	0.0%
TIPS	5.0%	5.0%	0.0%
REITs	7.9%	8.0%	-0.1%
Commodities	3.0%	3.0%	0.0%
Cash/Short-Term	0.0%	0.0%	0.0%

PERFORMANCE NOTES JUDGES II

Judges II (“JRS II, the Plan”) experienced some performance swings during the second quarter of 2019 that largely corresponded with the broad risk assets’ movements, which were heavily influenced by the progress of trade negotiation with China and the central bank’s monetary policy stance. Just as quickly as the market’s mood soured on the flaring of U.S./China trade tensions in the month of May (and wiped out grounds gained in April from a good corporate earnings season), the Fed’s quick signal on a potential interest rate cut to counter growth headwinds vaulted investor sentiment right back to the positive track in June. Riding on this late wave of risk-on rally, JRS II concluded the second quarter with a solid total return of 3.3%, closely tracking its weighted policy benchmark while further extending an already strong 2019 output following Q1’s 9.7% advance. There are also no concerns with JRS II’s performance over longer-term horizon, as its 6.8% trailing 1-year gain and all other annualized returns shown currently compare favorably against the policy benchmark.

At the end of Q2, Judges II’s asset allocation showed minor overweight in global equity and was fractionally underweight in REITs; it was on target in U.S. fixed income, TIPS, commodities and short-term cash.

Global equities recorded modest overall advance in the second quarter of 2019, clinching decisive gains in June on the back of easing signals from global central banks after having rode through heightened volatility earlier in the quarter. The global equity fund did not deviate much from this market pattern, closely following its custom benchmark’s steps to deliver a 3.5% return. After a double-digit drop at the end of 2018, this marked the fund’s second straight quarter of gains and kept its trailing 12-month cumulative return firmly in the positive territory. Longer-term track record of the global equity fund does also remain in good shape, as it continues to perform in line with expectations by carrying market-like gains beyond the 1-year mark.

The U.S. fixed income fund also turned in a favorable result this quarter. Benefiting from falling US Treasury yields and tighter credit spreads, this fund reached a 4.4% total return for the quarter that actually made it Judges II’s strongest performing major investment. Q2’s gain marked back-to-back quarters of above-4% finish for the U.S. fixed income fund, and pushed its trailing 12-month return to 10.2%; both figures mirrored the fund’s custom benchmark’s pace, while allowing the fund to maintain its long-term edge in relative terms.

JUDGES II PERFORMANCE PERIOD ENDED JUNE 30, 2019

PERFORMANCE NOTES JUDGES II (CONTINUED)

With real interest rates experiencing a quick pullback during the second quarter, the TIPS segment in general saw very good returns. The JRS II TIPS portfolio did not disappoint, either, by pulling ahead 2.9% for the quarter and properly mirrored the output of its custom benchmark, the Bloomberg Barclays U.S. TIPS Index.

The JRS II REIT portfolio's nearly flat-Q2 finish underwhelmed when compared to the also-publicly traded global equity portfolio. However, due to a double-digit run up during Q1, this portfolio is still up 9.0% over the course of the past year and remains comfortably ahead of the 8.1% return of the REIT custom benchmark.

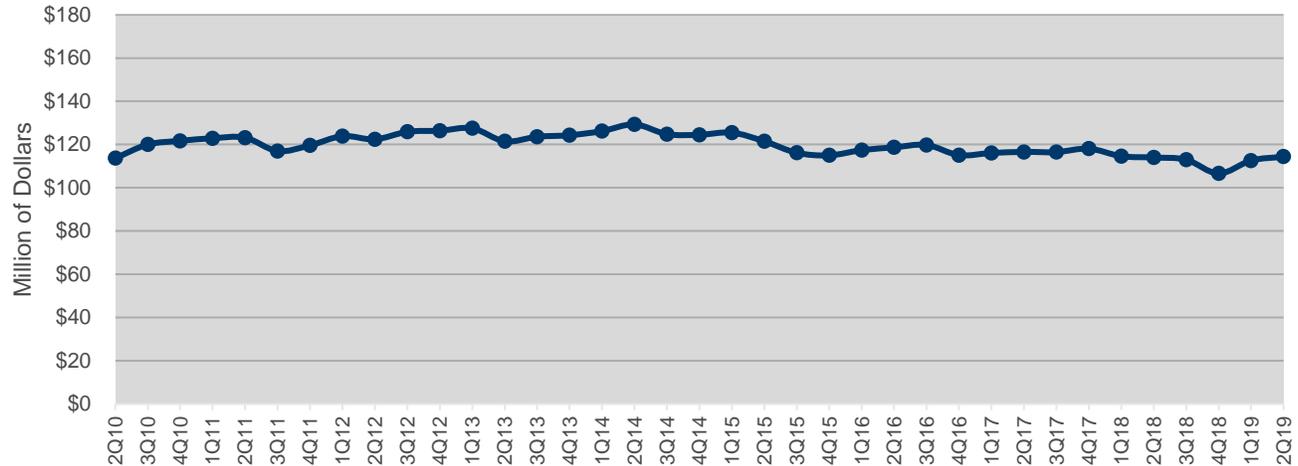
The commodities segment's 2019 rally stalled during the second quarter, primarily as crude oil and natural gas prices experienced pullbacks, falling -2.8% and -13.3%, respectively. As a result, the commodities portfolio also finished the quarter in the red, shedding -1.4% that was on par with the pace of the benchmark GSCI Commodity Total Return Index. Coupled with the -23.0% drop that this fund suffered during the fourth quarter of 2018 global risk assets selloff, the fund's trailing 1-year return currently remains firmly in the red, although the longer-term track record does continue to track closely to the assigned benchmark.



LEGISLATORS' RETIREMENT SYSTEM FUND

LEGISLATORS' RETIREMENT SYSTEM PERFORMANCE PERIOD ENDED JUNE 30, 2019

GROWTH IN ASSETS



NET OF FEE PLAN PERFORMANCE RESULTS LEGISLATORS

	Asset Value (\$Million)	Quarter	1-Year	3-Year	5-Year	10-Year
Legislators' Retirement System Fund	\$ 114.4	3.3%	7.3%	5.5%	4.1%	7.7%
<i>Weighted Policy Benchmark</i>		3.4%	7.1%	5.2%	3.8%	7.2%
LRS Programs:						
LRS Global Equity	\$ 25.2	3.5%	5.0%	12.2%	6.6%	10.9%
<i>Global Equity Benchmark</i>		3.4%	4.6%	11.9%	6.4%	10.8%
LRS US Fixed Income	\$ 56.2	4.4%	10.1%	3.5%	4.6%	6.8%
<i>Custom Benchmark</i>		4.4%	10.1%	2.9%	4.0%	5.7%
LRS TIPS	\$ 18.3	2.9%	4.9%	2.1%	1.7%	3.6%
<i>Custom Benchmark</i>		2.9%	4.8%	2.1%	1.8%	3.6%
LRS REITs	\$ 9.0	0.2%	9.0%	5.6%	5.9%	12.0%
<i>Custom Benchmark</i>		0.0%	8.1%	5.3%	5.7%	11.9%
LRS Commodities	\$ 5.8	-1.4%	-10.4%	2.1%	-12.9%	-.-%
<i>GSCI Total Return</i>		-1.4%	-11.5%	1.6%	-13.3%	-.-%
LRS Cash/Short-Term	\$ 0.0	0.5%	26.1%	11.7%	7.0%	3.5%
<i>91-Day T-Bill</i>		0.6%	2.3%	1.4%	0.9%	0.5%

LEGISLATORS' RETIREMENT SYSTEM PERFORMANCE PERIOD ENDED JUNE 30, 2019

LEGISLATORS ASSET ALLOCATION: ACTUAL VS. TARGET WEIGHTS

Asset Class	Actual Asset Allocation	Target Asset Allocation	Difference
LEGISLATORS' RETIREMENT SYSTEM FUND	100.0%	100.0%	0.0%
Global Equity	22.0%	22.0%	0.0%
US Fixed Income	49.1%	49.0%	0.1%
TIPS	16.0%	16.0%	0.0%
REITs	7.9%	8.0%	-0.1%
Commodities	5.0%	5.0%	0.0%
Cash/Short-Term	0.0%	0.0%	0.0%

PERFORMANCE NOTES LEGISLATORS

Despite having a smaller allocation to global equity, the California Legislators' Retirement System ("LRS, the System") actually turned in a 3.3% total Q2 return that matched the JRS II's pace, thanks to a higher investment grade fixed income exposure that outperformed all other major components and lifted the System's overall result. Coupled with a strong Q1 advance that helped offset weaker showings during the second half of 2018, the LRS currently holds a trailing 1-year return of 7.3%; both the quarterly and annual returns compared well to the weighted policy benchmark, which was up 3.4% and 7.1%, respectively. Given LRS's more conservative asset allocation and its utilization of investment grade fixed income, the long-term track record exhibits a relatively consistent pace. This is readily observed as the System's 3- and 5-year returns have both averaged at or near the mid-single digit range, while also modestly outpacing the weighted policy benchmark.

At the end of Q2, the System's asset allocation showed minor overweight in U.S. fixed income and was mildly underweight in REITs; it was on target in global equity, TIPS, commodities and short-term cash.

Global equities recorded modest overall advance in the second quarter of 2019, clinching decisive gains in June on the back of easing signals from global central banks after having rode through heightened volatility earlier in the quarter. The LRS global equity fund did not deviate much from this market pattern, closely following its custom benchmark's steps to deliver a 3.5% return. After a double-digit drop at the end of 2018, this marked the fund's second straight quarter of gains and kept its trailing 12-month cumulative return firmly in the positive territory. Longer-term track record of the global equity fund does also remain in good shape, as it continues to perform in line with expectations by carrying market-like gains beyond the 1-year mark.

The U.S. fixed income fund also turned in a favorable result this quarter. Benefiting from falling US Treasury yields and tighter credit spreads, this fund reached a 4.4% total return for the quarter that actually made it LRS's strongest performing major investment. Q2's gain marked back-to-back quarters of above-4% finish for the U.S. fixed income fund, and pushed its trailing 12-month return to 10.1%; both figures mirrored the fund's custom benchmark's pace, while allowing the fund to maintain its long-term edge in relative terms.

LEGISLATORS' RETIREMENT SYSTEM PERFORMANCE PERIOD ENDED JUNE 30, 2019

PERFORMANCE NOTES LEGISLATORS (CONTINUED)

With real interest rates experiencing a quick pullback during the second quarter, the TIPS segment in general saw very good returns. The LRS TIPS portfolio did not disappoint, either, by pulling ahead 2.9% for the quarter and properly mirrored the output of its custom benchmark, the Bloomberg Barclays U.S. TIPS Index.

The LRS REIT portfolio's nearly flat-Q2 finish underwhelmed when compared to the also-publicly traded global equity portfolio. However, due to a double-digit run up during Q1, this portfolio is still up 9.0% over the course of the past year and remains comfortably ahead of the 8.1% return of the REIT custom benchmark.

The commodities segment's 2019 rally stalled during the second quarter, primarily as crude oil and natural gas prices experienced pullbacks, falling -2.8% and -13.3%, respectively. As a result, the commodities portfolio also finished the quarter in the red, shedding -1.4% that was on par with the pace of the benchmark GSCI Commodity Total Return Index. Coupled with the -22.0% drop that this fund suffered during the fourth quarter of 2018 global risk assets selloff, the fund's trailing 1-year return currently remains firmly in the red, although the longer-term track record does continue to track closely to the assigned benchmark.

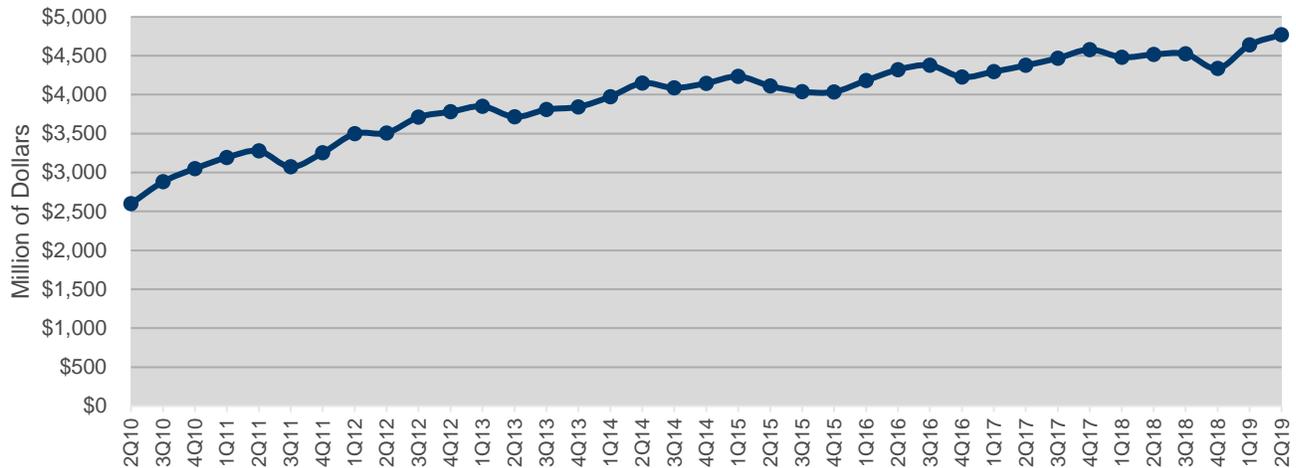


LONG-TERM CARE FUND

LONG-TERM CARE FUND PERFORMANCE

PERIOD ENDED JUNE 30, 2019

GROWTH IN ASSETS



NET OF FEE PLAN PERFORMANCE RESULTS LONG TERM CARE FUND

	Asset Value (\$Million)	Quarter	1-Year	3-Year	5-Year	10-Year
Long-Term Care Fund	\$ 4,769.8	3.2%	7.2%	4.2%	3.4%	7.0%
<i>Weighted Policy Benchmark</i>		3.3%	7.2%	4.2%	3.3%	6.7%
LTC Programs:						
LTC Global Equity	\$ 770.9	3.4%	4.9%	11.7%	6.3%	10.8%
<i>Custom Benchmark</i>		3.4%	4.6%	11.4%	6.0%	10.6%
LTC US Fixed Income	\$ 2,869.0	4.4%	10.2%	2.9%	4.1%	6.3%
<i>Custom Benchmark</i>		4.4%	10.1%	2.9%	4.0%	5.7%
LTC TIPS	\$ 272.0	2.9%	4.8%	2.1%	1.8%	3.6%
<i>Bloomberg Barc. US TIPS Index</i>		2.9%	4.8%	2.1%	1.8%	3.6%
LTC REITs	\$ 515.0	0.2%	9.1%	5.0%	5.3%	11.6%
<i>Custom Benchmark</i>		0.0%	8.1%	4.2%	4.5%	11.1%
LTC Commodities	\$ 342.9	-1.4%	-11.5%	1.4%	-13.3%	-.-%
<i>GSCI Total Return</i>		-1.4%	-11.5%	1.6%	-13.3%	-.-%
LTC Cash/Short-Term	\$ 0.0	17.8%	19010.0%	492.9%	190.9%	70.7%
<i>91-Day T-Bill</i>		0.6%	2.3%	1.4%	0.9%	0.5%

LONG-TERM CARE FUND PERFORMANCE PERIOD ENDED JUNE 30, 2019

LONG TERM CARE FUND ASSET ALLOCATION: ACTUAL VS. TARGET WEIGHTS

Asset Class	Actual Asset Allocation	Target Asset Allocation	Difference
LONG-TERM CARE TOTAL FUND	100.0%	100.0%	0.0%
Global Equity	16.2%	15.0%	1.2%
US Fixed Income	60.2%	60.0%	0.2%
TIPS	5.7%	6.0%	-0.3%
REITs	10.8%	11.0%	-0.2%
Commodities	7.2%	8.0%	-0.8%
Cash/Short-Term	0.0%	0.0%	0.0%

PERFORMANCE NOTES LONG TERM CARE FUND

Among the three major Affiliates programs, the Long-Term Care Fund (“LTC, the Fund”) has the lowest exposure to global equities, currently at 16.2% (with a 15% target). But similar to the Legislators’ Retirement System, LTC’s Q2 output was supported by a high investment grade fixed income allocation that turned in very favorable rate of total returns. Not surprisingly, the Fund’s Q2 and trailing 1-year finishing also drew similarity with Legislators’, coming in at 3.2% and 7.2% respectively that essentially mirrored the pace of its own weighted policy benchmark. Over longer time horizon, the LTC has done relatively well as its track record currently sits comfortably ahead of the policy benchmark over time periods 5-year and beyond.

At the end of Q2, the LTC’s asset allocation showed modest overweight in global equity and U.S. fixed income, with mild underweight in TIPS, REITs and commodities; it was on target in short-term cash.

Global equities recorded modest overall advance in the second quarter of 2019, clinching decisive gains in June on the back of easing signals from global central banks after having rode through heightened volatility earlier in the quarter. The LTC global equity fund did not deviate much from this market pattern, closely following its custom benchmark’s steps to deliver a 3.4% return. After a double-digit drop at the end of 2018, this marked the fund’s second straight quarter of gains and kept its trailing 12-month cumulative return firmly in the positive territory. Longer-term track record of the global equity fund does also remain in good shape, as it continues to perform in line with expectations by carrying market-like gains beyond the 1-year mark.

The U.S. fixed income fund also turned in a favorable result this quarter. Benefiting from falling US Treasury yields and tighter credit spreads, this fund reached a 4.4% total return for the quarter that actually made it LTC’s strongest performing major investment. Q2’s gain marked back-to-back quarters of above-4% finish for the U.S. fixed income fund, and pushed its trailing 12-month return to 10.2%; both figures mirrored the fund’s custom benchmark’s pace, while allowing the fund to maintain its long-term edge in relative terms.

LONG-TERM CARE FUND PERFORMANCE PERIOD ENDED JUNE 30, 2019

PERFORMANCE NOTES LONG TERM CARE FUND (CONTINUED)

With real interest rates experiencing a quick pullback during the second quarter, the TIPS segment in general saw very good returns. The LTC TIPS portfolio did not disappoint, either, by pulling ahead 2.9% for the quarter and properly mirrored the output of its custom benchmark, the Bloomberg Barclays U.S. TIPS Index.

The LTC REIT portfolio's nearly flat-Q2 finish underwhelmed when compared to the also-publicly traded global equity portfolio. However, due to a double-digit run up during Q1, this portfolio is still up 9.1% over the course of the past year and remains comfortably ahead of the 8.1% return of the REIT custom benchmark.

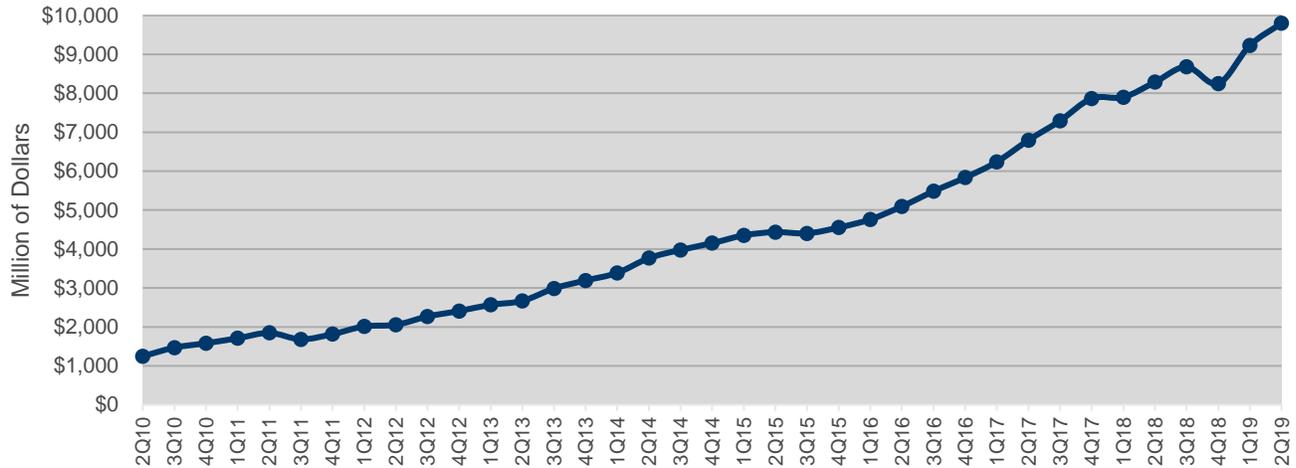
The commodities segment's 2019 rally stalled during the second quarter, primarily as crude oil and natural gas prices experienced pullbacks, falling -2.8% and -13.3%, respectively. As a result, the commodities portfolio also finished the quarter in the red, shedding -1.4% that was on par with the pace of the benchmark GSCI Commodity Total Return Index. Coupled with the -23.0% drop that this fund suffered during the global risk assets selloff in fourth quarter of 2018, the fund's trailing 1-year return currently remains firmly in the red, although the longer-term track record does continue to track closely to the assigned benchmark.

CALIFORNIA EMPLOYERS' RETIREE BENEFIT TRUST



CALIFORNIA EMPLOYERS' RETIREE BENEFIT TRUST AGGREGATE PERIOD ENDED JUNE 30, 2019

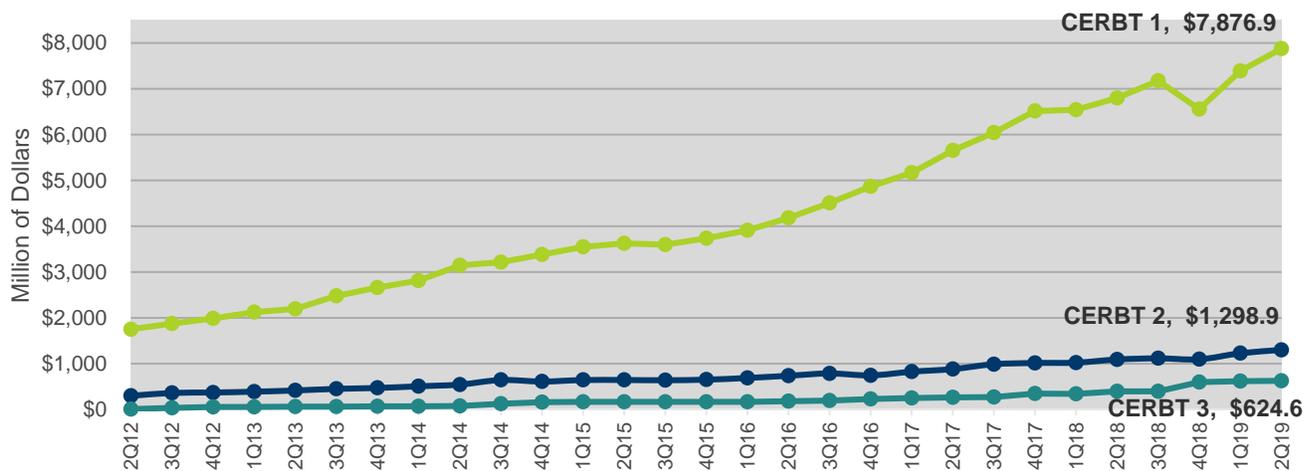
GROWTH IN ASSETS CERBT AGGREGATE



NET OF FEE PLAN PERFORMANCE RESULTS CERBT AGGREGATE

	Asset Value					
	(\$Million)	Quarter	1-Year	3-Year	5-Year	10-Year
CERBT Aggregate	\$ 9,800.5	3.3%	6.3%	7.9%	4.9%	9.2%
<i>CERBT Trust Aggregate Benchmark</i>		3.3%	6.0%	7.5%	4.6%	8.9%

GROWTH IN ASSETS CERBT 1, 2, 3



CALIFORNIA EMPLOYERS' RETIREE BENEFIT TRUST 1

PERIOD ENDED JUNE 30, 2019

CERBT 1 ASSET ALLOCATION: ACTUAL VS. TARGET WEIGHTS

Asset Class	Actual Asset Allocation	Target Asset Allocation	Difference
TOTAL CERBT 1	100.0%	100.0%	0.0%
Global Equity	58.9%	59.0%	-0.1%
US Fixed Income	25.0%	25.0%	0.0%
TIPS	5.0%	5.0%	0.0%
REITs	7.9%	8.0%	-0.1%
Commodities	3.0%	3.0%	0.0%
Cash/Short-Term	0.3%	0.0%	0.3%

NET OF FEE PLAN PERFORMANCE RESULTS CERBT 1

	Asset Value (\$Million)	Asset Value				
		Quarter	1-Year	3-Year	5-Year	10-Year
CERBT Strategy 1	\$ 7,876.9	3.2%	6.2%	8.2%	5.0%	9.4%
<i>Total CERBT Strategy 1 Benchmark</i>		3.3%	6.0%	7.8%	4.7%	9.1%
CERBT 1 Programs:						
Global Equity	\$ 4,640.9	3.4%	4.9%	11.8%	6.4%	10.7%
<i>CERBT Global Equity Benchmark</i>		3.4%	4.6%	11.4%	6.0%	10.5%
Domestic Fixed Income	\$ 1,967.0	4.4%	10.2%	3.5%	4.6%	6.8%
<i>CalPERS Custom Long Liability</i>		4.4%	10.1%	2.9%	4.0%	5.7%
TIPS	\$ 392.2	2.8%	4.8%	2.1%	1.7%	-.%
<i>CalPERS TIPS</i>		2.9%	4.8%	2.1%	1.8%	-.%
REITs	\$ 619.9	0.2%	9.1%	5.0%	5.4%	11.5%
<i>PERS FTSE/EPRA NAREIT Dev. Liquid</i>		0.0%	8.1%	4.2%	4.5%	11.1%
Commodities	\$ 236.7	-1.5%	11.5%	1.7%	13.3%	-.%
<i>GSCI Total Return</i>		-1.4%	-11.5%	1.6%	-13.3%	-.%
Cash/Short-Term	\$ 20.3	NM	NM	NM	NM	NM
<i>91-Day T-Bill</i>		0.6%	2.3%	1.4%	0.9%	0.5%

CALIFORNIA EMPLOYERS' RETIREE BENEFIT TRUST 2 PERIOD ENDED JUNE 30, 2019

CERBT 2 ASSET ALLOCATION: ACTUAL VS. TARGET WEIGHTS

Asset Class	Actual Asset Allocation	Target Asset Allocation	Difference
TOTAL CERBT 2	100.0%	100.0%	0.0%
Global Equity	40.0%	40.0%	0.0%
US Fixed Income	43.0%	43.0%	0.0%
TIPS	5.0%	5.0%	0.0%
REITs	7.9%	8.0%	-0.1%
Commodities	4.0%	4.0%	0.0%
Cash/Short-Term	0.1%	0.0%	0.1%

NET OF FEE PLAN PERFORMANCE RESULTS CERBT 2

	Asset Value (\$Million)	Performance				
		Quarter	1-Year	3-Year	5-Year	10-Year
CERBT Strategy 2	\$ 1,299.0	3.4%	7.0%	6.8%	4.6%	-.-%
<i>Total CERBT Strategy 2 Benchmark</i>		3.4%	6.9%	6.4%	4.2%	-.-%
CERBT 2 Programs:						
Global Equity	\$ 519.6	3.4%	4.9%	11.8%	6.4%	-.-%
<i>CERBT Global Equity Benchmark</i>		3.4%	4.6%	11.4%	6.0%	-.-%
Domestic Fixed Income	\$ 558.7	4.4%	10.2%	3.5%	4.6%	-.-%
<i>CalPERS Custom Long Liability</i>		4.4%	10.1%	2.9%	4.0%	-.-%
TIPS	\$ 64.8	2.8%	4.9%	2.1%	1.7%	-.-%
<i>CalPERS TIPS</i>		2.9%	4.8%	2.1%	1.8%	-.-%
REITs	\$ 102.4	0.2%	9.2%	5.0%	5.4%	-.-%
<i>PERS FTSE/EPRA NAREIT Dev. Liquid</i>		0.0%	8.1%	4.2%	4.5%	-.-%
Commodities	\$ 52.2	-1.5%	-10.9%	1.9%	-13.2%	-.-%
<i>GSCI Total Return</i>		-1.4%	-11.5%	1.6%	13.3%	-.-%
Cash/Short-Term	\$ 1.4	NM	NM	NM	NM	-.-%
<i>91-Day T-Bill</i>		0.6%	2.3%	1.4%	0.9%	-.-%

CALIFORNIA EMPLOYERS' RETIREE BENEFIT TRUST 3 PERIOD ENDED JUNE 30, 2019

CERBT 3 ASSET ALLOCATION: ACTUAL VS. TARGET WEIGHTS

Asset Class	Actual Asset Allocation	Target Asset Allocation	Difference
TOTAL CERBT 3	100.0%	100.0%	0.0%
Global Equity	22.0%	22.0%	0.0%
US Fixed Income	49.0%	49.0%	0.0%
TIPS	16.0%	16.0%	0.0%
REITs	7.9%	8.0%	-0.1%
Commodities	5.0%	5.0%	0.0%
Cash/Short-Term	0.1%	0.0%	0.1%

NET OF FEE PLAN PERFORMANCE RESULTS CERBT 3

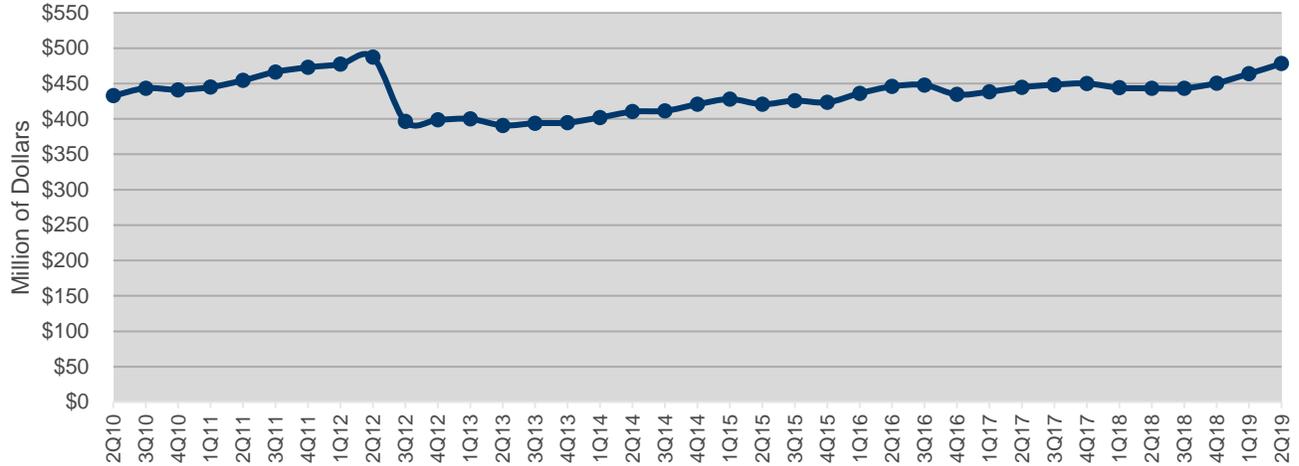
	Asset Value (\$Million)	Performance				
		Quarter	1-Year	3-Year	5-Year	10-Year
CERBT Strategy 3	\$ 624.6	3.3%	7.2%	5.3%	4.0%	-.-%
<i>Total CERBT Strategy 3 Benchmark</i>		3.4%	7.1%	5.0%	3.7%	-.-%
CERBT 3 Programs:						
Global Equity	\$ 137.4	3.5%	4.9%	11.8%	6.4%	-.-%
<i>CERBT Global Equity Benchmark</i>		3.4%	4.6%	11.4%	6.0%	-.-%
Domestic Fixed Income	\$ 306.1	4.4%	10.1%	3.4%	4.5%	-.-%
<i>CalPERS Custom Long Liability</i>		4.4%	10.1%	2.9%	4.0%	-.-%
TIPS	\$ 99.6	2.9%	4.9%	2.1%	1.8%	-.-%
<i>CalPERS TIPS</i>		2.9%	4.8%	2.1%	1.8%	-.-%
REITs	\$ 49.2	0.2%	9.3%	5.0%	5.4%	-.-%
<i>PERS FTSE/EPRA NAREIT Dev. Liquid</i>		0.0%	8.1%	4.2%	4.5%	-.-%
Commodities	\$ 31.3	-1.4%	-10.3%	2.3%	-12.9%	-.-%
<i>GSCI Total Return</i>		-1.4%	-11.5%	1.6%	-13.3%	-.-%
Cash/Short-Term	\$ 0.9	NM	NM	NM	NM	-.-%
<i>91-Day T-Bill</i>		0.6%	2.3%	1.4%	0.9%	-.-%

HEALTH CARE FUND



HEALTH CARE FUND PERFORMANCE PERIOD ENDED JUNE 30, 2019

GROWTH IN ASSETS



NET OF FEE PLAN PERFORMANCE RESULTS HEALTH CARE FUND

	Asset Value					
	(\$Million)	Quarter	1-Year	3-Year	5-Year	10-Year
CalPERS Health Care Bond Fund	\$ 478.2	3.1%	7.9%	2.4%	3.1%	4.5%
<i>Bloomberg Barc. US Aggregate Bond Idx</i>		3.1%	7.9%	2.3%	3.0%	3.9%

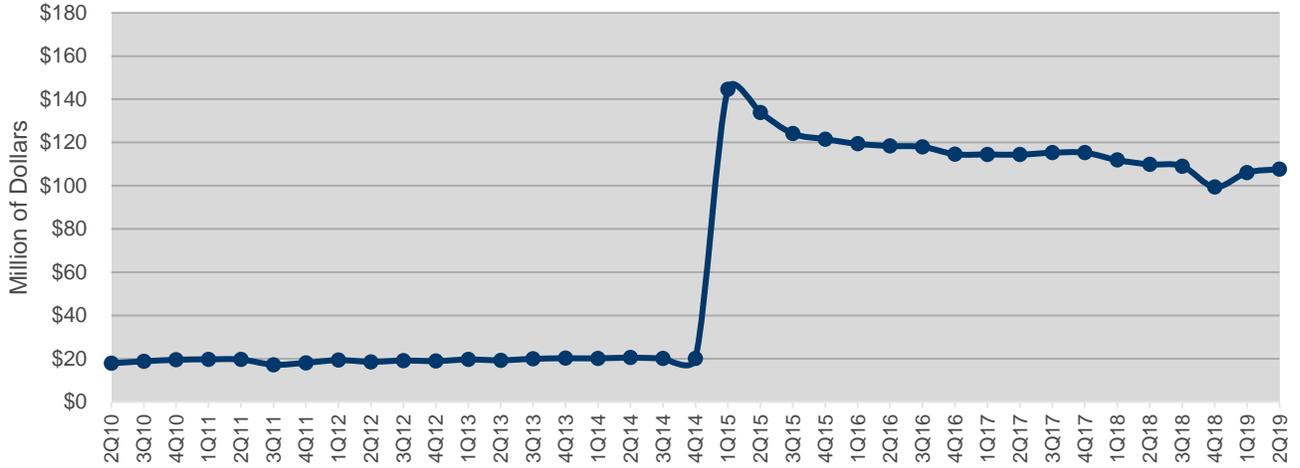


SUPPLEMENTAL INCOME PLANS

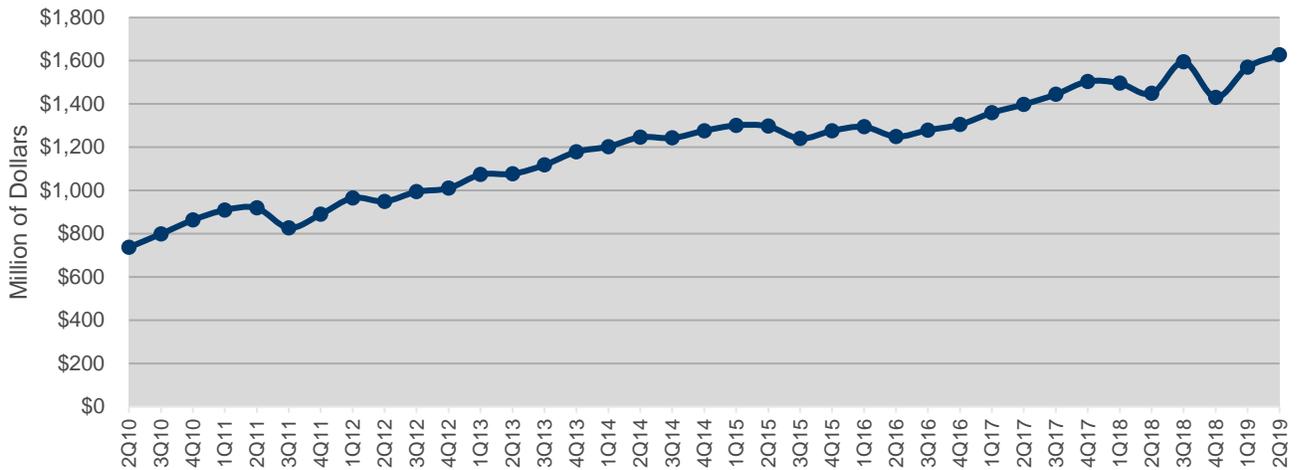


SUPPLEMENTAL INCOME PLANS PERIOD ENDED JUNE 30, 2019

GROWTH IN ASSETS SUPPLEMENTAL CONTRIBUTION PLAN



GROWTH IN ASSETS 457 PROGRAM



SUPPLEMENTAL CONTRIBUTION PLAN PERFORMANCE PERIOD ENDED JUNE 30, 2019

NET OF FEE PLAN PERFORMANCE RESULTS		SCP				
	Asset Value (\$Million)	Quarter	1-Year	3-Year	5-Year	10-Year
CalPERS Target Income Fund	\$ 17.3	3.0%	6.5%	4.2%	3.3%	5.5%
<i>SIP Income Policy</i>		3.1%	6.4%	4.1%	3.1%	5.6%
CalPERS Target 2015 Fund	\$ 15.3	3.1%	6.1%	4.1%	3.2%	6.6%
<i>SIP 2015 Policy</i>		3.2%	6.0%	4.0%	3.1%	6.7%
CalPERS Target 2020 Fund	\$ 21.7	3.2%	5.4%	4.5%	3.1%	7.1%
<i>SIP 2020 Policy</i>		3.3%	5.3%	4.4%	3.0%	7.2%
CalPERS Target 2025 Fund	\$ 19.9	3.3%	5.1%	5.8%	3.7%	--%
<i>SIP 2025 Policy</i>		3.3%	5.0%	5.8%	3.6%	--%
CalPERS Target 2030 Fund	\$ 14.9	3.4%	4.5%	6.6%	3.9%	8.6%
<i>SIP 2030 Policy</i>		3.4%	4.4%	6.6%	3.8%	8.7%
CalPERS Target 2035 Fund	\$ 7.0	3.5%	4.0%	7.6%	4.3%	--%
<i>SIP 2035 Policy</i>		3.4%	3.9%	7.6%	4.1%	--%
CalPERS Target 2040 Fund	\$ 3.6	3.5%	4.0%	8.7%	4.6%	9.7%
<i>SIP 2040 Policy</i>		3.4%	3.8%	8.7%	4.5%	9.8%
CalPERS Target 2045 Fund	\$ 0.8	3.5%	4.3%	9.7%	5.2%	--%
<i>SIP 2045 Policy</i>		3.4%	4.1%	9.7%	5.0%	--%
CalPERS Target 2050 Fund	\$ 0.1	3.5%	4.3%	9.7%	5.1%	--%
<i>SIP 2050 Policy</i>		3.4%	4.1%	9.7%	5.0%	--%
CalPERS Target 2055 Fund	\$ 0.1	3.5%	4.3%	9.7%	--%	--%
<i>SIP 2055 Policy</i>		3.4%	4.1%	9.7%	--%	--%
SSgA Russell All Cap Index SL	\$ 3.9	4.1%	9.0%	14.0%	10.2%	--%
<i>Russell 3000</i>		4.1%	9.0%	14.0%	10.2%	--%
SSgA Global All Cap ex-US SL	\$ 0.5	3.0%	0.6%	9.2%	2.5%	--%
<i>MSCI ACWI ex-US IMI (N)</i>		2.7%	0.3%	9.2%	2.3%	--%
SSgA US Bond Index SL	\$ 0.5	3.1%	7.9%	2.4%	3.0%	--%
<i>Bloomberg Barc. US Aggregate Bond Idx</i>		3.1%	7.9%	2.3%	3.0%	--%
SSgA US Short Term Bond	\$ 0.3	1.5%	4.2%	1.5%	1.3%	--%
<i>Bloomberg Barc. US Gov/Credit</i>		1.5%	4.3%	1.6%	1.5%	--%
SSgA Real Asset NL	\$ 0.2	1.3%	1.9%	4.0%	-0.3%	--%
<i>Real Assets Blended Index</i>		1.4%	2.0%	4.2%	-0.1%	--%
SSgA STIF	\$ 1.4	0.6%	2.7%	1.6%	--%	--%
<i>BofAML 3 Months US T-Bill</i>		0.6%	2.3%	1.4%	--%	--%
SCP AGGREGATE	\$ 107.7					

457 PROGRAM PERFORMANCE

PERIOD ENDED JUNE 30, 2019

NET OF FEE PLAN PERFORMANCE RESULTS 457						
	Asset Value					
	(\$Million)	Quarter	1-Year	3-Year	5-Year	10-Year
CalPERS Target Income Fund	\$ 85.2	3.0%	6.5%	4.2%	3.3%	5.5%
<i>SIP Income Policy</i>		3.1%	6.4%	4.1%	3.1%	5.6%
CalPERS Target 2015 Fund	\$ 73.9	3.1%	6.1%	4.1%	3.2%	6.6%
<i>SIP 2015 Policy</i>		3.2%	6.0%	4.0%	3.1%	6.7%
CalPERS Target 2020 Fund	\$ 144.6	3.2%	5.4%	4.5%	3.1%	7.1%
<i>SIP 2020 Policy</i>		3.3%	5.3%	4.4%	3.0%	7.2%
CalPERS Target 2025 Fund	\$ 147.7	3.3%	5.1%	5.8%	3.7%	8.0%
<i>SIP 2025 Policy</i>		3.3%	5.0%	5.8%	3.6%	8.0%
CalPERS Target 2030 Fund	\$ 130.0	3.4%	4.5%	6.6%	3.9%	8.6%
<i>SIP 2030 Policy</i>		3.4%	4.4%	6.6%	3.8%	8.7%
CalPERS Target 2035 Fund	\$ 77.3	3.5%	4.0%	7.6%	4.2%	9.2%
<i>SIP 2035 Policy</i>		3.4%	3.9%	7.6%	4.1%	9.4%
CalPERS Target 2040 Fund	\$ 72.3	3.5%	3.9%	8.7%	4.6%	9.7%
<i>SIP 2040 Policy</i>		3.4%	3.8%	8.7%	4.5%	9.8%
CalPERS Target 2045 Fund	\$ 39.2	3.5%	4.3%	9.7%	5.1%	10.0%
<i>SIP 2045 Policy</i>		3.4%	4.1%	9.7%	5.0%	10.1%
CalPERS Target 2050 Fund	\$ 19.6	3.5%	4.3%	9.7%	5.1%	10.0%
<i>SIP 2050 Policy</i>		3.4%	4.1%	9.7%	5.0%	10.1%
CalPERS Target 2055 Fund	\$ 8.5	3.5%	4.3%	9.7%	5.2%	--%
<i>SIP 2055 Policy</i>		3.4%	4.1%	9.7%	5.0%	--%
CalPERS Target 2060 Fund	\$ 1.9	3.5%	--%	--%	--%	--%
<i>SIP 2060 Policy</i>		3.4%	--%	--%	--%	--%
SSgA Russell All Cap Index SL	\$ 554.7	4.1%	9.0%	14.0%	10.2%	--%
<i>Russell 3000</i>		4.1%	9.0%	14.0%	10.2%	--%
SSgA Global All Cap ex-US SL	\$ 67.1	3.0%	0.6%	9.2%	2.5%	--%
<i>MSCI ACWI ex-US IMI (N)</i>		2.7%	0.3%	9.2%	2.3%	--%
SSgA US Bond Index SL	\$ 58.9	3.1%	7.9%	2.3%	3.0%	--%
<i>Bloomberg Barc. US Aggregate Bond Idx</i>		3.1%	7.9%	2.3%	3.0%	--%
SSgA US Short Term Bond	\$ 35.0	1.5%	4.2%	1.5%	1.3%	--%
<i>Bloomberg Barc. US Gov/Credit</i>		1.5%	4.3%	1.6%	1.5%	--%
SSgA Real Asset NL	\$ 7.1	1.3%	1.9%	4.0%	-0.3%	--%
<i>Real Assets Blended Index</i>		1.4%	2.0%	4.2%	-0.1%	--%
SSgA STIF	\$ 104.4	0.6%	2.7%	1.6%	--%	--%
<i>BofAML 3 Months US T-Bill</i>		0.6%	2.3%	1.4%	--%	--%
457 AGGREGATE	\$ 1,627.5					