CalPERS

CIO Quarterly Performance Report

QUARTER ENDING JUNE 30. 2013

CalPERS CIO Quarterly Performance Report

Quarter Ending June 30, 2013

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Section I

Total Fund

QUARTER ENDING JUNE 30, 2013

Total Fund Summary

TOTAL FUND SUMMARY	June 30, 2013 Ending Market Value (MM)	% of Total Assets	Asset Allocation Target Range %	1-Month Net Rate of Return	1-Month Excess Bps	3-Months Net Rate of Return	3-Months Excess Bps	FYTD Net Rate of Return	FYTD Excess Bps	FYTD $ Value Added (MM) ***	1-Yr Net Rate of Return	1-Yr Excess Bps	3-Yr Net Rate of Return	3-Yr Excess Bps	5-Yr Net Rate of Return	5-Yr Excess Bps	10-YR Net Rate of Return	10-YR Excess Bps
GROWTH	165,003	64.0	52 - 74	(2.07)	(54)	1.08	(89)	17.69	(30)	(470)	17.69	(30)	13.50	30	3.64	(196)	8.17	(81)
PUBLIC EQUITY	133,593	51.8	42 - 56	(2.79)	0	0.23	27	19.03	73	908	19.03	73	13.24	56	3.26	(65)	7.54	(32)
PRIVATE EQUITY	31,410	12.2	10 - 18	1.07	(186)	4.83	(443)	13.59	(244)	(789)	13.59	(244)	14.47	79	6.15	(660)	12.51	(156)
INCOME	40,177	15.6	11 - 21	(2.78)	(7)	(4.14)	32	(1.62)	150	633	(1.62)	150	5.87	73	7.69	97	6.44	83
REAL ASSETS	25,820	10.0	8 - 18	6.86	467	6.86	450	11.15	141	343	11.15	141	11.05	(138)	(9.54)	(1,270)	3.70	(515)
REAL ESTATE	22,444	8.7	7 - 13	7.95	551	7.95	551	11.91	163	344	11.91	163	12.64	(158)	(10.61)	(1,456)	3.02	(635)
FORESTLAND****	2,242	0.9	0 - 2	(0.39)	(192)	(0.39)	(192)	6.50	(250)	(54)	6.50	(250)	(2.50)	(611)	(1.14)	(321)		
INFRASTRUCTURE****	1,135	0.4	1 - 3	1.04	45	1.04	(134)	5.71	18	2	5.71	18	17.65	1,065	13.89	755		
INFLATION	9,206	3.6	1.5 - 8	(2.55)	23	(5.65)	40	0.20	114	95	0.20	114	6.80	153	(3.16)	(201)		
LIQUIDITY	10,424	4.0	1- 7	(0.71)	14	(1.20)	26	(0.79)	(1)	(1)	(0.79)	(1)	1.35	(20)	1.15	(10)	2.32	3
ABSOLUTE RETURN STRATEGIES *	5,210	2.0		(1.82)	(221)	0.58	(69)	7.35	202	104	7.35	202	3.79	(165)	1.41	(470)	4.99	(302)
MULTI-ASSET CLASS*****	516	0.2		(2.08)	(268)	(0.28)	(211)											
CURRENCY OVERLAY	148	0.1		(0.02)	0	(0.02)	4	(0.10)	9	0	(0.10)	9	(0.18)	20	(0.63)	(34)	0.27	10
PLAN LEVEL PORTFOLIOS	1,371	0.5																
TOTAL FUND	**257,876**	**100.0**		**(1.36)**	**(9)**	**0.53**	**10**	**12.54**	**148**	**3,670**	**12.54**	**148**	**11.10**	**43**	**3.10**	**(221)**	**7.01**	**(84)**
CALPERS POLICY INDEX *				***(1.27)***		***0.43***		***11.06***			***11.06***		***10.67***		***5.31***		***7.85***	

TOTAL FUND 20-YEAR NET RATE OF RETURN 7.64

TOTAL FUND INCEPTION DATE NET RATE OF RETURN (07/01/1988) 8.51

* Absolute Return Strategies was excluded from Public Equity after July 1, 2011. Public Equity performance history does not include Absolute Return Strategies performance.
** See Section XII for components of CalPERS Policy Index. Current Asset Class Policy Benchmark performance is linked to their respective prior Policy Benchmark.
*** 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 and Infrastructure returns are reported on a quarterly basis.
***** The Multi-Asset Class was initially funded in December 2012.

Section II

Public Equity

QUARTER ENDING JUNE 30, 2013

Public Equity Summary

PUBLIC EQUITY SUMMARY	June 30, 2013		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	56,834	42.5	(1.19)	0	3.04	15	22.80	88	451	22.80	88	18.83	39	7.55	49	8.01	24
TOTAL INTERNAL INT'L DEVELOPED EQUITY	45,612	34.1	(3.88)	2	(1.45)	43	17.71	53	231	17.71	53	9.87	12	(0.13)	(1)		
TOTAL INTERNAL EMERGING MARKET EQUITY	7,033	5.3	(6.63)	(15)	(7.62)	(44)	4.05	(86)	(64)	4.05	(86)	2.77	(12)	1.02	42		
TOTAL EXTERNAL DOMESTIC TRADITIONAL EQUITY	5,362	4.0	(1.19)	(5)	4.00	97	24.93	253	120	24.93	253	18.36	(35)	6.29	(76)	7.12	(62)
EXTERNAL INT'L DEVELOPED TRADITIONAL EQUITY	6,958	5.2	(4.23)	(16)	(1.26)	130	18.18	318	208	18.18	318	11.21	250	0.35	56	8.92	5
EXTERNAL EMERGING MARKET EQUITY	3,821	2.9	(6.52)	(32)	(8.09)	(56)	4.19	53	20	4.19	53	3.75	64	0.81	90	14.63	98
TOTAL CORPORATE GOVERNANCE	4,511	3.4	(2.11)	(16)	1.24	(100)	23.59	103	44	23.59	103	11.35	(180)	2.76	(17)	7.87	79
TOTAL MANAGER DEVELOPMENTAL PROGRAM***	1,521	1.1	(2.77)	9	0.92	28	17.57	(80)	(12)	17.57	(80)	13.75	18	3.70	(149)	7.04	(117)
TOTAL EMERGING MANAGER FUND OF FUNDS****	1,022	0.8	(1.51)	29	1.44	48	19.96	46	4	19.96	46	16.04	70	6	(55)		
PUBLIC EQUITY CASH PORTFOLIO	888	0.7	(2.75)	5	(0.01)	3	17.28	(102)	(9)	17.28	(102)	14.17	148				
TOTAL PUBLIC EQUITY*	**133,593**	**100.0**	**(2.79)**	0	**0.23**	27	**19.03**	73	908	**19.03**	73	**13.24**	56	**3.26**	(65)	**7.54**	(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.

Internal Equity

INTERNAL DOMESTIC EQUITY	June 30, 2013 Ending Market Value (MM)	June 30, 2013 % of Total Assets	1-Month Net Rate of Return	1-Month Excess Bps	3-Months Net Rate of Return	3-Months Excess Bps	FYTD Net Rate of Return	FYTD Excess Bps	FYTD $ Value Added (MM) *	1-Yr Net Rate of Return	1-Yr Excess Bps	3-Yr Net Rate of Return	3-Yr Excess Bps	5-Yr Net Rate of Return	5-Yr Excess Bps	10-YR Net Rate of Return	10-YR Excess Bps
CALPERS FOCUS LIST**	44	0.1	2.04	332	1.80	(98)											
CALPERS INTERNAL DOMESTIC CORE FUND	6,011	10.6	(1.28)	0	2.75	(3)	21.37	(13)	(8)	21.37	(13)						
CALPERS MASTER INT DOM CORE FUND	563	1.0	(0.47)	(13)	2.99	(106)											
DOMESTIC FUNDAMENTAL	4,884	8.6	(0.83)	37	4.51	162	27.81	588	252	27.81	588	20.00	150	9.28	218		
INT DOM FTSE 3000 PERF ACCTG	37,491	66.0	(1.19)	1	2.93	4	22.18	25	87	22.18	25	18.69	19	7.31	22	7.99	19
INT MICROCAP PERF ACCTG	268	0.5	0.87	67	6.32	288	28.04	863	23	28.04	863	18.18	927	11.85	569		
INTERNAL FAN LONG ONLY	565	1.0	(0.62)	58	3.44	55	22.40	47	2	22.40	47	17.95	(55)				
INTERNAL MINRISK US TMI 3000****	510	0.9	(0.98)	22													
INTERNAL VOLADJ US TMI 3000****	513	0.9	(0.95)	25													
SYNTHETIC ENHANCED EQUITY	5,985	10.5	(1.71)	(45)	2.83	(9)	25.22	420	192	25.22	420	19.54	208				
TOTAL INTERNAL DOMESTIC EQUITY	**56,834**	**100.0**	**(1.19)**	**0**	**3.04**	**15**	**22.80**	**88**	**451**	**22.80**	**88**	**18.83**	**39**	**7.55**	**49**	**8.01**	**24**

INTERNAL INT'L DEVELOPED EQUITY	June 30, 2013 Ending Market Value (MM)	June 30, 2013 % of Total Assets	1-Month Net Rate of Return	1-Month Excess Bps	3-Months Net Rate of Return	3-Months Excess Bps	FYTD Net Rate of Return	FYTD Excess Bps	FYTD $ Value Added (MM) *	1-Yr Net Rate of Return	1-Yr Excess Bps	3-Yr Net Rate of Return	3-Yr Excess Bps	5-Yr Net Rate of Return	5-Yr Excess Bps	10-YR Net Rate of Return	10-YR Excess Bps
CALPERS DEV EX US DBI	1,001	2.2	(2.98)	85	(0.06)	163	16.76	(54)	(2)	16.76	(53.81)						
FUNDAMENTAL DEVELOPED INTL(Ex Tobacco)	4,499	9.9	(4.27)	(44)	1.88	357	21.11	381	160	21.11	381	10.20	57	(0.27)	14		
INT DEVELOPED SMALL CAP INDEX PERF ACCTG	4,754	10.4	(4.39)	16	(3.55)	20	16.56	52	24	16.56	52	10.44	40				
INTERNAL GLBL ENV STRATEGY HSBCCCI	519	1.1	(2.76)	4	0.72	76	14.91	(339)	(16)	14.91	(339)						
INTERNAL INTL EQ PERF ACCTG	34,838	76.4	(3.80)	3	(1.63)	5	17.47	17	58	17.47	17	9.79	16	(0.37)	4		
TOTAL INTERNAL INT'L DEVELOPED EQUITY	**45,612**	**100.0**	**(3.88)**	**2**	**(1.45)**	**43**	**17.71**	**53**	**231**	**17.71**	**53**	**9.87**	**12**	**(0.13)**	**(1)**		

INTERNAL EMERGING MARKET EQUITY	June 30, 2013 Ending Market Value (MM)	June 30, 2013 % of Total Assets	1-Month Net Rate of Return	1-Month Excess Bps	3-Months Net Rate of Return	3-Months Excess Bps	FYTD Net Rate of Return	FYTD Excess Bps	FYTD $ Value Added (MM) *	1-Yr Net Rate of Return	1-Yr Excess Bps	3-Yr Net Rate of Return	3-Yr Excess Bps	5-Yr Net Rate of Return	5-Yr Excess Bps	10-YR Net Rate of Return	10-YR Excess Bps
CALPERS EMERGING MARKETS DBI**	926	13.2	(6.06)	15	(7.28)	2											
EMERGING MARKETS SMALL CAP INDEX FUND***	408	5.8	(8.45)	6	(6.37)	5											
FUNDAMENTAL EMERGING MARKETS	1,382	19.7	(7.59)	(138)	(9.28)	(198)	(0.30)	(455)	(68)	(0.30)	(455)	2.12	(62)	0.97	46		
INT EM SMALL CAP INDEX PERF ACCTG	377	5.4	(7.97)	55	(7.33)	(92)	8.56	(52)	(3)	8.56	(52)						
INTERNAL EMERGING MARKET PERF ACCTG	3,081	43.8	(6.20)	1	(7.29)	2	4.40	14	6	4.40	14	2.76	2				
STRUCTURED EMERGING MARKETS	859	12.2	(5.72)	49	(6.90)	41	5.53	127	11	5.53	127	4.43	169	1.69	118		
TOTAL INTERNAL EMERGING MARKET EQUITY	**7,033**	**100.0**	**(6.63)**	**(15)**	**(7.62)**	**(44)**	**4.05**	**(86)**	**(64)**	**4.05**	**(86)**	**2.77**	**(12)**	**1.02**	**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.
** Funded September 2012
*** Funded October 2012
**** Funded April 2013

Section II: Public Equity

External Equity

EXTERNAL DOMESTIC TRADITIONAL EQUITY	June 30, 2013 Ending Market Value (MM)	June 30, 2013 % of Total Assets	1-Month Net Rate of Return	1-Month Excess Bps	3-Months Net Rate of Return	3-Months Excess Bps	FYTD Net Rate of Return	FYTD Excess Bps	FYTD $ Value Added (MM) *	1-Yr Net Rate of Return	1-Yr Excess Bps	3-Yr Net Rate of Return	3-Yr Excess Bps	5-Yr Net Rate of Return	5-Yr Excess Bps	10-YR Net Rate of Return	10-YR Excess Bps
BOSTON COMPANY	675	12.6	(0.98)	(24)	5.45	189	33.25	776	45	33.25	776	18.42	(43)	6.78	(1)	9.85	213
FIRST QUADRANT LONG/SHORT	1,227	22.9	(0.68)	60	3.70	92	22.37	86	9	22.37	86	19.37	89	6.64	(31)		
JP MORGAN LG/SH DOM EQUITY	961	17.9	(1.52)	(20)	4.08	109	26.58	566	48	26.58	566	18.41	12	9.32	249		
PZENA INVESTMENT MANAGEMENT	572	10.7	(1.08)	(34)	7.22	365	32.68	719	35	32.68	719	18.96	11	9.81	302	7.97	(55)
STUX LARGE CORE	607	11.3	(1.67)	(39)	2.11	(67)	21.23	(28)	(2)	21.23	(28)						
T ROWE PRICE	1,320	24.6	(1.37)	(9)	3.03	25	20.90	(60)	(7)	20.90	(60)	18.11	(13)	7.11	31		
TOTAL EXTERNAL DOMESTIC TRADITIONAL EQUITY	**5,362**	**100.0**	**(1.19)**	**(5)**	**4.00**	**97**	**24.93**	**253**	**120**	**24.93**	**253**	**18.36**	**(35)**	**6.29**	**(76)**	**7.12**	**(62)**

EXTERNAL INT'L DEVELOPED TRADITIONAL EQUITY	June 30, 2013 Ending Market Value (MM)	June 30, 2013 % of Total Assets	1-Month Net Rate of Return	1-Month Excess Bps	3-Months Net Rate of Return	3-Months Excess Bps	FYTD Net Rate of Return	FYTD Excess Bps	FYTD $ Value Added (MM) *	1-Yr Net Rate of Return	1-Yr Excess Bps	3-Yr Net Rate of Return	3-Yr Excess Bps	5-Yr Net Rate of Return	5-Yr Excess Bps	10-YR Net Rate of Return	10-YR Excess Bps
ARROWSTREET CAPITAL	2,971	42.7	(4.21)	6	0.24	303	22.38	798	223	22.38	798	11.99	357	5.09	532	12.77	377
BAILLIE GIFFORD OVERSEAS LIMITED	1,957	28.1	(4.96)	(68)	(3.56)	(76)	14.59	20	3	14.59	20	11.63	321	1.63	186	11.56	256
GRANTHAM, MAYO, VAN OTTERLOO & CO	627	9.0	(3.68)	16	0.69	236	16.15	(96)	(6)	16.15	(96)	9.94	5	0.51	(7)	8.91	(53)
NOMURA ASSET MANAGEMENT	513	7.4	(3.47)	(63)	(3.28)	(42)	13.41	(132)	(7)	13.41	(132)	8.70	58	2.30	31	9.78	30
PYRAMIS GLOBAL	892	12.8	(3.51)	33	(1.14)	53	17.53	42	4	17.53	42	11.16	140	(0.36)	(8)		
TOTAL EXTERNAL INT'L DEVELOPED TRADITION EQ	**6,958**	**100.0**	**(4.23)**	**(16)**	**(1.26)**	**130**	**18.18**	**318**	**208**	**18.18**	**318**	**11.21**	**250**	**0.35**	**56**	**8.92**	**5**

EXTERNAL EMERGING MARKET EQUITY	June 30, 2013 Ending Market Value (MM)	June 30, 2013 % of Total Assets	1-Month Net Rate of Return	1-Month Excess Bps	3-Months Net Rate of Return	3-Months Excess Bps	FYTD Net Rate of Return	FYTD Excess Bps	FYTD $ Value Added (MM) *	1-Yr Net Rate of Return	1-Yr Excess Bps	3-Yr Net Rate of Return	3-Yr Excess Bps	5-Yr Net Rate of Return	5-Yr Excess Bps	10-YR Net Rate of Return	10-YR Excess Bps
ALLIANCE BERNSTEIN INTL	695	18.2	(8.77)	(258)	(10.86)	(332)	(3.29)	(695)	(53)	(3.29)	(695)	(1.81)	(492)	(4.31)	(422)	12.34	(131)
DIMENSIONAL FUND ADVISORS	902	23.6	(5.45)	74	(7.52)	1	5.17	151	14	5.17	151	4.28	117	2.62	271	15.37	171
GENESIS ASSET MANAGERS	1,250	32.7	(6.40)	(21)	(7.05)	48	7.41	375	43	7.41	375	6.87	376	6.10	619	16.71	305
LAZARD EMERGING MKTS	974	25.5	(6.00)	20	(7.83)	(29)	5.49	183	18	5.49	183	6.40	329	3.17	326		
TOTAL EXTERNAL EMERGING MARKET EQUITY	**3,821**	**100.0**	**(6.52)**	**(32)**	**(8.09)**	**(56)**	**4.19**	**53**	**20**	**4.19**	**53**	**3.75**	**64**	**0.81**	**90**	**14.63**	**98**

* 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.

Corporate Governance

CORPORATE GOVERNANCE	June 30, 2013 Ending Market Value (MM)	% of Total Assets	1-Month Net Rate of Return	1-Month Excess Bps	3-Months Net Rate of Return	3-Months Excess Bps	FYTD Net Rate of Return	FYTD Excess Bps	FYTD $ Value Added (MM) *	1-Yr Net Rate of Return	1-Yr Excess Bps	3-Yr Net Rate of Return	3-Yr Excess Bps	5-Yr Net Rate of Return	5-Yr Excess Bps	10-YR Net Rate of Return	10-YR Excess Bps
BLUM STRATEGIC PARTNERS II	0	0.0	1.10	46	1.10	(84)	34.39	2,639	1	34.39	2,639	13.09	509	0.93	(707)		
BLUM STRATEGIC PARTNERS III	44	1.0	0.22	(43)	2.82	88	(13.96)	(2,196)	(9)	(13.96)	(2,196)	(15.56)	(2,356)	(6.93)	(1,493)		
BLUM STRATEGIC PARTNERS IV	176	3.9	4.03	338	5.56	361	26.02	1,803	31	26.02	1,803	4.23	(377)	2.63	(537)		
BREEDEN PARTNERS	15	0.3	(8.04)	(669)	25.85	2,294	67.80	4,720	72	67.80	4,720	18.84	38	3.13	(388)		
CARTICA CAPITAL PARTNERS, LP	417	9.2	(6.57)	(43)	(8.99)	(142)	19.55	1,593	63	19.55	1,593	15.61	1,230				
CORPORATE GOVERNANCE PASSTHROUGH	3	0.1	(31.86)	(3,186)	416.66	41,666	8,142.46	814,246	244	8,142.46	814,246	1,121.64	112,164	554.41	55,441		
GOVERNANCE FOR OWNERS	251	5.6	(0.27)	453	1.93	196	25.87	894	20	25.87	894	8.17	(203)	(0.81)	39		
INTERNAL GOVERNANCE FOR OWNERS	104	2.3	(1.98)	291	3.47	394	14.93	(428)	(4)	14.93	(428)	9.13	(164)	(1.80)	(70)		
KNIGHT VINKE INSTITUTIONAL PARTNERS	169	3.7	(9.09)	(396)	4.39	646	27.02	1,068	21	27.02	1,068	0.85	(916)	(9.71)	(838)		
KNIGHT VINKE INTERNAL PARTNERS	82	1.8	(9.21)	(408)	(4.99)	(292)	7.51	(884)	(8)	7.51	(884)	9.00	(101)	(5.95)	(462)		
NEW MOUNTAIN CAPITAL	352	7.8	1.49	283	5.04	213	31.00	1,040	31	31.00	1,040	17.64	(81)	10.20	319		
RELATIONAL INVESTORS	849	18.8	(1.21)	13	2.57	(34)	23.50	291	22	23.50	291	18.82	36	6.03	(98)	7.48	18
RELATIONAL INVESTORS MID-CAP FUND	767	17.0	(2.15)	(31)	(0.40)	(140)	32.33	715	47	32.33	715	22.29	284				
TAIYO CYPRESS FUND	231	5.1	2.40	257	3.20	(638)	20.28	(2,695)	(56)	20.28	(2,695)	7.65	(280)	4.01	700		
TAIYO FUND MGMT	808	17.9	(2.34)	(217)	3.02	(656)	16.47	(3,076)	(223)	16.47	(3,076)	9.83	(62)	2.19	518		
TAIYO PEARL FUND (PUBLIC)	244	5.4	(3.09)	(309)	(2.95)	(295)	11.69	1,169	27	11.69	1,169	6.09	609	5.14	514		
TOTAL CORPORATE GOVERNANCE	**4,511**	**100.0**	**(2.11)**	**(16)**	**1.24**	**(100)**	**23.59**	**103**	**44**	**23.59**	**103**	**11.35**	**(180)**	**2.76**	**(17)**	**7.87**	**79**

* 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.

Emerging Manager Program

MANAGER DEVELOPMENTAL PROGRAM**	June 30, 2013		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
PIEDMONT STRATEGIC CORE	248	16.3	(1.95)	(67)	1.97	(82)	16.41	(509)	(12)	16.41	(509)	15.05	(305)				
QUOTIENT LARGE CORE	135	8.8	(1.02)	26	5.86	308	25.90	439	5	25.90	439	18.08	(40)	7.00	4		
QUOTIENT LARGE ESG	136	8.9	(2.13)	(85)	3.76	98	26.91	540	6	26.91	540						
QUOTIENT SMALL CORE	61	4.0	(1.61)	(127)	1.69	(236)	19.60	(688)	(4)	19.60	(688)	16.54	(226)	4.52	(431)		
REDWOOD LARGE GROWTH	246	16.2	(1.42)	41	3.78	179	16.87	(61)	(1)	16.87	(61)	17.67	(40)	3.66	(338)		
SOURCECAP INTERNATIONAL	397	26.1	(4.14)	76	(0.07)	40	20.46	125	5	20.46	125	18.18	741				
TOBAM GLOBAL	165	10.8	(2.30)	21	0.07	(62)	16.89	(216)	(3)	16.89	(216)						
VICTORIA EMERGING MARKETS MDP II	134	8.8	(6.00)	19	(8.94)	(140)	(0.50)	(416)	(6)	(0.50)	(416)						
TOTAL MANAGER DEVELOPENTAL PROGRAM	**1,521**	**100.0**	**(2.77)**	**9**	**0.92**	**28**	**17.57**	**(80)**	**(12)**	**17.57**	**(80)**	**13.75**	**18**	**3.70**	**(149)**	**7.04**	**(117)**

FIS EMERGING MANAGER FUND OF FUNDS	June 30, 2013		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
ATIVO INTERNATIONAL	25	6.6	(2.97)	77	(0.93)	69	22.66	559	1	22.66	559	11.38	196				
CUPPS CAPITAL	9	2.4	(0.79)	91	5.32	309	19.96	194	0	19.96	194						
FIS GROUP TRANSITION	78	20.6	(2.11)	(211)	0.51	51											
HANOVERIAN EAFE	38	9.9	(1.95)	160	0.52	150	16.93	(169)	(1)	16.93	(169)						
HERNDON INTERNATIONAL	29	7.5	(3.85)	45	(3.94)	(105)	7.33	(680)	(2)	7.33	(680)	6.44	(204)				
HERNDON LARGE VALUE	46	12.0	(2.18)	(144)	0.21	(336)	17.77	(771)	(3)	17.77	(771)	18.55	(30)	8.75	196		
LOMBARDIA SMALL VALUE	11	2.9	(0.14)	30	5.11	192	27.56	(145)	(0)	27.56	(145)	18.46	(37)				
MARQUE MILLENIUM	41	10.8	(1.80)	(107)	3.29	(28)	24.91	(58)	(0)	24.91	(58)						
SOMERSET EM	16	4.1	(4.52)	185	(2.97)	511	11.84	897	1	11.84	897						
THOMAS WHITE INTL	30	7.9	(4.07)	23	(2.47)	43	17.38	324	1	17.38	324						
VICTORIA EMERGING MARKETS	18	4.7	(6.02)	35	(8.52)	(44)	1.13	(174)	(0)	1.13	(174)	3.65	27				
VISION LARGE GROWTH	40	10.6	(3.10)	(127)	0.29	(170)	15.27	(221)	(1)	15.27	(221)						
TOTAL FIS EMERGING MANAGER FUND OF FUNDS*	**381**	**100.0**	**(2.73)**	**(47)**	**(0.32)**	**(6)**	**15.72**	**(92)**	**(3)**	**15.72**	**(92)**	**13.31**	**(8)**	**4.1241**	**(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.
** 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.

Emerging Manager Program

	June 30, 2013		1-Month		3-Months		FYTD			1-Yr		3-Yr		5-Yr		10-YR	
LEADING EDGE EMERGING MANAGER FUND OF FUNDS	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	41	8.9	(1.17)	(43)	3.54	(3)	23.10	(239)	(1)	23.10	(239)						
CUPPS SMALL GROWTH	54	11.7	5.47	572	16.56	1,165	29.23	532	2	29.23	532	24.78	610	12.43	425		
LOGAN LARGE GROWTH	46	10.0	(2.42)	(59)	0.96	(103)	15.43	(205)	(1)	15.43	(205)	15.81	(225)	4.69	(236)		
MARKSTON LARGE CORE	63	13.7	(1.34)	(6)	2.74	(5)	22.49	98	1	22.49	98	19.55	145	8.91	218		
NICHOLAS SMALL GROWTH	55	12.0	2.71	296	7.49	258	34.11	1,020	5	34.11	1,020						
PHOCAS SMALL VALUE	37	8.0	0.67	111	2.81	(38)	24.48	(453)	(2)	24.48	(453)	16.72	(211)	10.46	105		
PIERMONT CAPITAL MANAGEMENT, LLC	64	13.9	(0.63)	(19)	2.68	(50)	27.12	(189)	(1)	27.12	(189)						
WESTWOOD EMERGING MARKETS	100	21.6	(5.42)	78	(7.26)	28	4.27	61	1	4.27	61	6.84	373				
TOTAL LEADING EDGE EMERGING MANAGER FUND OF FUNDS**	**460**	**100.0**	**(0.88)**	**111**	**2.21**	**132**	**19.96**	**82**	**3**	**19.96**	**82**	**16.05**	**102**	**6.37**	**(53)**		

	June 30, 2013		1-Month		3-Months		FYTD			1-Yr		3-Yr		5-Yr		10-YR	
PROGRESS EMERGING MANAGER FUND OF FUNDS	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	28	15.2	0.25	68	1.69	(150)	34.15	513	1	34.15	513						
GW CAPITAL	31	17.2	(2.38)	(195)	(0.74)	(393)	29.19	18	0	29.19	18						
HUBER	43	24.1	(3.23)	(279)	3.62	43	39.01	999	4	39.01	999						
NICHOLS	23	12.8	1.95	220	4.45	(45)	24.39	48	0	24.39	48						
OMT	30	16.7	1.76	200	7.24	233	27.16	325	1	27.16	325						
RIVERBRIDGE	25	14.0	0.89	114	4.77	(14)	22.69	(122)	(0)	22.69	(122)						
TOTAL PROGRESS EMERGING MANAGER FUND OF FUNDS**	**181**	**100.0**	**(0.53)**	**(17)**	**3.34**	**(57)**	**29.99**	**325**	**5**	**29.99**	**325**						

* 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

QUARTER ENDING JUNE 30, 2013

Private Equity Summary & Performance by Strategy

TOTAL PRIVATE EQUITY SUMMARY *	June 30, 2013 Ending Market Value (MM)	June 30, 2013 % of Total Assets	1-Month Net Rate of Return	1-Month Excess Bps	3-Months Net Rate of Return	3-Months Excess Bps	FYTD Net Rate of Return	FYTD Excess Bps	FYTD $ Value Added (MM) **	1-Yr Net Rate of Return	1-Yr Excess Bps	3-Yr Net Rate of Return	3-Yr Excess Bps	5-Yr Net Rate of Return	5-Yr Excess Bps	10-YR Net Rate of Return	10-YR Excess Bps
PE PARTNERSHIP INVESTMENTS	31,373	99.9	1.06	(186)	4.83	(443)	13.68	(235)	(759)	13.68	(235)	14.58	90	6.21	(654)	12.67	(139)
PRIVATE EQUITY DISTRIBUTION STOCK ***	36	0.1	2.57	(35)	3.56	(570)	(26.29)	(4,232)	(19)	(26.29)	(4,232)	(15.13)	(2,882)	2.16	(1,059)	3.46	(1,061)
TOTAL PRIVATE EQUITY	**31,410**	**100.0**	**1.07**	**(186)**	**4.83**	**(443)**	**13.59**	**(244)**	**(789)**	**13.59**	**(244)**	**14.47**	**79**	**6.15**	**(660)**	**12.51**	**(156)**

PRIVATE EQUITY STRATEGY *	June 30, 2013 Ending Market Value (MM)	June 30, 2013 % of Total Assets	3-Months Net Rate of Return	FYTD Net Rate of Return	1-Yr Net Rate of Return	3-Yr Net Rate of Return	5-Yr Net Rate of Return	10-Yr Net Rate of Return
BUYOUT	18,923	60.3	4.59	13.17	13.17	14.53	6.22	17.49
CREDIT RELATED	4,981	15.9	7.59	20.78	20.78	20.09	13.53	16.65
GROWTH EXPANSION	4,867	15.5	4.38	11.12	11.12	12.98	(0.13)	6.82
OPPORTUNISTIC	675	2.2	3.27	9.62	9.62	12.96	2.11	5.74
VENTURE CAPITAL	1,756	5.6	1.03	6.98	6.98	6.03	1.85	3.99
TOTAL PRIVATE EQUITY STRATEGY	**31,373**	**100.0**	**4.81**	**13.66**	**13.66**	**14.57**	**6.16**	**12.70**

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

Private Equity Top 20 General Partner by Exposure

TOP 20 PRIVATE EQUITY PARTNERS EXPOSURE *	June 30, 2013 Ending Market Value (MM)	June 30, 2013 % of Total Private Equity
Apollo Management	3,634	11.6
Carlyle Group	3,012	9.6
TPGCapital	2,115	6.7
Blackstone Group	1,397	4.5
KKRand Co.	1,097	3.5
California Emerging Ventures	990	3.2
Advent International	903	2.9
Yucaipa	836	2.7
CVCCapital Partners	818	2.6
First Reserve	719	2.3
Silver Lake	714	2.3
CFIG	691	2.2
OakHill Capital Partners	659	2.1
AresManagement LLC	554	1.8
Hellman and Friedman Capital Partners	524	1.7
Health Evolution Partners	506	1.6
Green Equity Investors	475	1.5
57 STARS	467	1.5
Bridgepoint Capital	440	1.4
NewMountain Capital LLC	414	1.3
TOP 20 PRIVATE EQUITY PARTNERS EXPOSURE	**20,964**	**66.8**
OTHER PRIVATE EQUITY PARTNERS EXPOSURE	**10,409**	**33.2**
TOTAL PRIVATE EQUITY PARTNERS EXPOSURE	**31,373**	**100.0**

* 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 Performance by General Partner

PRIVATE EQUITY GENERAL PARTNERS *	June 30, 2013 Ending Market Value (MM)	June 30, 2013 % of Total Assets	3-Months Net Rate of Return	FYTD Net Rate of Return	1-Yr Net Rate of Return	3-Yr Net Rate of Return	5-Yr Net Rate of Return	10-Yr Net Rate of Return
57 STARS	467	1.5	2.83	4.44	4.44	9.45	7.18	
Aberdare	26	0.1	4.95	22.47	22.47	(4.44)	(4.98)	
Advent International	903	2.9	4.85	18.42	18.42	15.72	13.25	35.48
Affinity Equity Partners	155	0.5	0.00	30.64	30.64	39.16	3.66	
Aisling Capital	99	0.3	6.94	9.19	9.19	0.11	(3.65)	10.25
AltaCalifornia Partners	6	0.0	7.64	34.21	34.21	0.62		
AltaPartners	0	0.0	(0.47)	(1.75)	(1.75)	(1.89)	(3.53)	
American River Ventures	0	0.0						
ApaxEurope	1	0.0	(36.00)	58.11	58.11	10.83	12.58	37.41
Apollo Management	3,634	11.6	12.34	42.11	42.11	28.56	13.85	21.59
ArcLight	184	0.6	7.32	1.74	1.74	11.24	8.44	
AresManagement LLC	554	1.8	9.41	22.14	22.14	22.42	15.49	14.74
AsiaAlternative Assets	303	1.0	4.49	15.76	15.76	13.24	7.50	
Audax Group	155	0.5	3.62	8.58	8.58	15.12	10.25	
Aurora Capital Group	329	1.0	0.18	(1.30)	(1.30)	13.77	9.33	9.98
Avenue Capital Partners	349	1.1	10.78	11.53	11.53	9.07	5.85	9.32
Bankof America	56	0.2	2.81	10.20	10.20	5.38	(0.46)	(32.03)
Baring	80	0.3	(0.67)	7.91	7.91	(4.84)	(12.14)	
Bastion Capital	61	0.2	(4.19)	19.10	19.10	12.43	10.36	
Birch Hill Equity Partners	163	0.5	(5.23)	(7.76)	(7.76)	2.55	4.90	
Blackstone Group	1,397	4.5	8.31	17.16	17.16	14.34	6.86	18.47
Bridgepoint Capital	440	1.4	(2.02)	9.33	9.33	9.64	(1.48)	13.88
California Emerging Ventures	990	3.2	1.11	9.19	9.19	10.10	2.74	7.42
Capital Dynamics	238	0.8	(14.22)	(10.90)	(10.90)	(0.76)	(1.70)	
Carlyle Group	3,012	9.6	4.31	5.99	5.99	14.99	3.75	17.47
CERBERUS	268	0.9						
CFIG	691	2.2						
Clarus Ventures	65	0.2	15.39	24.40	24.40	7.94	3.78	
CLEARLAKE CAPITAL	9	0.0						
Clearwater Capital	160	0.5	(2.44)	(1.56)	(1.56)	5.23	1.32	

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

Private Equity Performance by General Partner

	June 30, 2013		3-Months	FYTD	1-Yr	3-Yr	5-Yr	10-Yr
PRIVATE EQUITY GENERAL PARTNERS *	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
Clessidra Capital	90	0.3	47.22	34.18	34.18	2.13	(5.07)	
Coller Capital	259	0.8	3.64	2.78	2.78	9.39	3.44	8.91
Conversus	11	0.0	10.20	29.42	29.42	28.40	5.76	
Craton Equity Partners	30	0.1	(6.15)	(9.75)	(9.75)	(6.34)	(11.54)	
Crimson Capital China	0	0.0						
Currency	118	0.4	(4.87)	(12.10)	(12.10)			
CVCCapital Partners	818	2.6	0.31	8.04	8.04	13.38	3.57	18.31
Darby Overseas Investments	22	0.1	7.51	1.30	1.30	11.35	3.36	
DFJ	12	0.0	(1.47)	(42.23)	(42.23)	(24.32)	(19.91)	(13.81)
Distributed Stock	0	0.0	0.00	0.00	0.00			
EM Alternatives	74	0.2	4.33	19.91	19.91	9.79	(0.56)	
Essex Woodlands Health Ventures	88	0.3	8.65	24.25	24.25	7.95		
Ethos Private Equity	0	0.0	49.72	42.86	42.86	22.43		
Exxel Group	0	0.0	0.00	0.00	0.00	0.00	(0.35)	5.67
Fenway Partners	1	0.0	0.00	0.00	0.00	0.00	(2.89)	13.00
First Reserve	719	2.3	5.15	2.24	2.24	6.96	3.66	31.84
Francisco Partners	191	0.6	3.79	12.63	12.63	11.21	9.14	13.84
GaelPartners, LLC	18	0.1	0.00	(0.77)	(0.77)	37.43	19.72	
Garage Ventures	4	0.0	11.76	(27.78)	(27.78)	(16.19)	(7.83)	
Generation Partners	0	0.0	(12.74)	(14.48)	(14.48)	(12.98)	(15.89)	(2.10)
Gleacher	0	0.0	(90.06)	(90.23)	(90.23)	(53.03)	(34.56)	(9.85)
Granite Global Ventures	82	0.3	3.32	(2.60)	(2.60)	13.87	8.09	
Green Equity Investors	475	1.5	1.78	22.24	22.24	43.59	31.34	33.26
GTCR	0	0.0	24.99	24.99	24.99	25.47		
Hamilton Lane	354	1.1	(1.14)	18.49	18.49	17.41	4.10	
Health Evolution Partners	506	1.6	(0.47)	7.85	7.85	7.47	(4.73)	
Hellman and Friedman Capital Partners	524	1.7	7.94	20.28	20.28	13.24	10.47	24.64
Huntsman Gay Capital	140	0.4	13.96	14.77	14.77	15.17	(7.57)	
Inner City Venture	25	0.1	8.62	15.96	15.96	19.01	19.49	15.39
Insight Capital	140	0.4	6.54	8.86	8.86	20.49	20.32	

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

Private Equity Performance by General Partner

PRIVATE EQUITY GENERAL PARTNERS *	March 31, 2013 Ending Market Value (MM)	% of Total Assets	3-Months Net Rate of Return	FYTD Net Rate of Return	1-Yr Net Rate of Return	3-Yr Net Rate of Return	5-Yr Net Rate of Return	10-Yr Net Rate of Return
Levine Leichtman Capital Partners	174	0.5	0.13	7.62	10.44	12.45	2.50	4.23
Lexington Partners	56	0.2	0.00	4.91	6.18	15.15	6.73	13.01
Lime Rock	147	0.5	(3.65)	(5.79)	0.11	8.13	0.75	
Lion Capital	148	0.5	0.00	(2.40)	(13.29)	(1.80)	(2.77)	
Lombard Investments	34	0.1	(0.75)	12.51	29.87	31.72	18.23	23.70
Madison Dearborn Partners	315	1.0	2.79	9.78	22.55	17.30	2.35	14.44
Magnum Capital	68	0.2	(6.82)	(14.78)	(14.03)	(9.28)	(10.45)	
MHR	291	0.9	2.44	9.52	26.94	21.04	4.04	
New Mountain Capital LLC	428	1.3	5.41	20.75	20.53	15.03	9.74	
NGEN	3	0.0	0.00	(39.42)	(34.24)	(38.58)	(29.46)	
Nogales	5	0.0	22.13	27.74	(39.48)	(9.52)	(28.13)	(21.74)
Oak Hill Capital Partners	636	2.0	1.39	4.46	10.92	10.31	0.83	
Oaktree Capital Management	168	0.5	1.27	5.53	9.47			
Pacific Community Ventures	3	0.0	0.00	43.39	37.68	16.39	(16.18)	(9.50)
PAGAsi	29	0.1	10.51	16.57	2.16			
Palladium	184	0.6	2.87	20.36	47.78	39.32	17.33	
Permira	261	0.8	3.54	0.32	17.92	20.80	(4.59)	20.64
Pinnacle Ventures	11	0.0	14.36	14.36	(0.59)	6.61	6.33	
Polish Enterprise	110	0.3	2.64	0.04	1.49	9.85	(1.80)	6.07
Providence Equity Partners	331	1.0	1.63	(2.96)	2.15	8.28	3.38	
Rhone Partners	78	0.2	0.00	(3.52)	(0.11)	8.50	4.48	
Richardson Financial Group	18	0.1	(1.44)	46.26	52.23	22.40	3.82	
Riverwood Capital LLC	120	0.4	22.75	23.00	67.55			
Sageview Capital LLC	73	0.2	0.00	0.00	0.00			
SAIF Partners	223	0.7	0.00	(5.89)	(1.73)	4.90	10.31	
Silver Lake	842	2.6	(1.35)	(8.07)	(5.39)	16.64	5.20	24.73
Standard Life	285	0.9	2.41	1.66	2.48	2.40	(6.27)	
Tailwind	50	0.2	0.00	7.57	11.25	11.41	4.56	
Technology Partners	2	0.0	7.94	(17.39)	(8.89)	(26.11)		
The Resolute Fund	146	0.5	0.00	4.09	12.39	9.87	0.12	

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

Private Equity Performance by General Partner

PRIVATE EQUITY GENERAL PARTNERS *	June 30, 2013 Ending Market Value (MM)	% of Total Assets	3-Months Net Rate of Return	FYTD Net Rate of Return	1-Yr Net Rate of Return	3-Yr Net Rate of Return	5-Yr Net Rate of Return	10-Yr Net Rate of Return
Khosla Ventures	303	1.0	(0.22)	20.17	20.17	17.75		
KKRand Co.	1,097	3.5	4.15	17.33	17.33	13.07	3.40	10.55
Kline Hawkes California	56	0.2	(0.09)	(12.61)	(12.61)	(12.40)	(6.79)	0.73
KMCP	278	0.9	12.63	17.75	17.75	20.92	9.83	10.63
KPS	95	0.3	7.19	31.54	31.54	20.11	29.94	
Levine Leichtman Capital Partners	166	0.5	2.41	10.21	10.21	11.25	3.45	4.11
Lexington Partners	53	0.2	3.70	8.80	8.80	13.34	7.34	13.74
LimeRock	141	0.5	(0.79)	(6.54)	(6.54)	6.15	(2.52)	
LionCapital	143	0.5	0.63	(1.79)	(1.79)	(6.85)	(3.59)	
Lombard Investments	31	0.1	8.11	21.63	21.63	33.05	16.78	25.21
Madison Dearborn Partners	329	1.0	7.76	18.29	18.29	19.07	4.95	14.92
Magnum Capital	81	0.3	(2.45)	(16.86)	(16.86)	(6.31)	8.96	
MHR	319	1.0	15.67	26.68	26.68	26.87	8.61	
NewMountain Capital LLC	414	1.3	(0.25)	20.45	20.45	14.84	8.26	
NGEN	1	0.0	(83.75)	(90.15)	(90.15)	(64.00)	(51.93)	
Nogales	5	0.0	(0.15)	27.55	27.55	(9.63)	(23.17)	(19.19)
OakHill Capital Partners	659	2.1	6.03	10.76	10.76	11.66	1.80	
Oaktree Capital Management	196	0.6	3.81	9.54	9.54			
Pacific Community Ventures	2	0.0	(9.82)	29.32	29.32	13.38	(17.90)	(10.43)
PAGAsi	33	0.1	15.12	34.20	34.20			
Palladium	181	0.6	5.40	26.86	26.86	29.79	20.71	
Permira	270	0.9	2.67	3.00	3.00	24.12	(4.71)	20.36
Pinnacle Ventures	11	0.0	0.89	15.37	15.37	6.49	6.52	
Polish Enterprise	114	0.4	(5.01)	(4.97)	(4.97)	8.23	(2.11)	5.91
Providence Equity Partners	330	1.1	0.89	(2.09)	(2.09)	10.20	1.77	
Rhone Partners	37	0.1	10.58	6.69	6.69	15.08	6.24	
Richardson Financial Group	17	0.1	(8.95)	33.17	33.17	14.11	0.96	
RIVERSTONE GLOBAL ENERGY	131	0.4						
Riverstone LLC	27	0.1						
Riverwood Capital LLC	136	0.4	2.85	26.50	26.50	8.26		

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

Private Equity Performance by General Partner

PRIVATE EQUITY GENERAL PARTNERS *	June 30, 2013 Ending Market Value (MM)	June 30, 2013 % of Total Assets	3-Months Net Rate of Return	FYTD Net Rate of Return	1-Yr Net Rate of Return	3-Yr Net Rate of Return	5-Yr Net Rate of Return	10-Yr Net Rate of Return
Sageview Capital LLC	73	0.2	0.00	0.00	0.00			
SAIFPartners	225	0.7	0.79	(5.15)	(5.15)	2.97	8.73	
Silver Lake	714	2.3	(0.81)	(8.81)	(8.81)	13.12	4.93	17.33
Standard Life	305	1.0	2.92	4.63	4.63	4.62	(5.30)	
Tailwind	59	0.2	19.77	28.84	28.84	18.32	15.43	
Technology Partners	2	0.0	1.34	(16.28)	(16.28)	(25.78)		
TheResolute Fund	169	0.5	15.33	20.04	20.04	12.77	3.02	
THLEquity Advisors	235	0.7	4.90	9.29	9.29	13.00	1.91	9.06
TowerBrook Capital Partners	308	1.0	(0.51)	1.17	1.17	20.81	11.74	30.50
TPGCapital	2,115	6.7	4.36	14.98	14.98	13.15	4.77	11.96
Unclassified	51	0.2	(0.03)	16.03	16.03			
VantagePoint Venture Partners	74	0.2	(17.48)	(23.62)	(23.62)	(5.55)	(4.22)	
W Capital Partners	87	0.3	0.16	6.65	6.65	12.86	10.31	
Wayzata Opportunities Fund	266	0.8	7.94	14.98	14.98	14.51	15.24	
Wellspring Capital Management	26	0.1	3.77	(6.08)	(6.08)			
Welsh and Carson and Anderson and Stowe	283	0.9	5.41	16.55	16.55	13.20	3.71	14.58
WLRRecovery	341	1.1	7.55	2.64	2.64	1.49	0.29	21.37
Yucaipa	836	2.7	12.03	18.91	18.91	6.55	0.61	4.96
PRIVATE EQUITY PARTNERSHIP INVESTMENTS **	**31,373**	**100.0**	**4.81**	**13.66**	**13.66**	**14.57**	**6.16**	**12.70**

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

** Private Equity Partnership Invesments totals include Currency and unclassified investments.

Section IV

Income

QUARTER ENDING JUNE 30, 2013

Section IV: Income

Global Income Summary & Domestic Income

TOTAL GLOBAL FIXED INCOME SUMMARY	June 30, 2013		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 DOMESTIC FIXED INCOME	37,164	92.5	(2.92)	5	(4.12)	44	(1.22)	157	609	(1.22)	157	6.13	66	8.09	96	6.48	82
FI TOTAL INTERNATIONAL	3,013	7.5	(1.04)	(63)	(4.38)	(80)	(6.09)	11	4	(6.09)	11	3.66	113	4.01	138	5.49	71
TOTAL GLOBAL FIXED INCOME	**40,177**	**100.0**	**(2.78)**	**(7)**	**(4.14)**	**32**	**(1.62)**	**150**	**633**	**(1.62)**	**150**	**5.87**	**73**	**7.69**	**97**	**6.44**	**83**

DOMESTIC FIXED INCOME	June 30, 2013		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
BB INTERNAL HIGH YIELD*	276	0.7	(3.21)	(47)	(2.07)	(27)	6.79	43	1	6.79	43	9.76	48				
CALPERS MORTGAGE - LINE ITEM IN PERF*	8,906	24.0	(1.04)	(5)	(1.96)	(4)	(0.47)	34	32	(0.47)	34	3.23	39	5.46	53		
DURATION MANAGEMENT*	4,112	11.1	(3.34)	15	(6.02)	17	(5.54)	89	35	(5.54)	89	5.55	(12)	6.20	(63)	4.78	(84)
EQUITABLE CCMF	7	0.0	0.64	163	1.89	381	11.40	1,221	2	11.40	1,221	8.87	603	8.04	311	8.28	365
GOVERNMENTS*	8,156	22.0	(3.44)	5	(6.17)	2	(6.46)	(4)	(4)	(6.46)	(4)	5.54	(14)				
HIGH YIELD BOND MANAGERS ACCOUNTING*	627	1.7	(2.29)	33	(0.89)	43	12.81	373	24	12.81	373	12.35	194	10.96	72		
HIGH YIELD MORTGAGE*	242	0.7	2.46	508	7.27	858	31.03	2,195	54	31.03	2,195	14.45	404	9.12	(113)		
HIGH YIELD SOVEREIGN*	27	0.1	(6.41)	(32)	(4.91)	225	11.96	1,679	2	11.96	1,679						
HIGH YIELD*	197	0.5	(3.12)	(50)	(2.15)	(84)	15.99	692	12	15.99	692	9.75	(67)	13.79	354	15.30	684
HIGHLAND CLN - LONGHORN A*	321	0.9	(0.69)	193	0.13	145	9.52	44	1	9.52	44	9.94	(48)	6.35	(390)		
HIGHLAND CLN - LONGHORN B*	134	0.4	2.54	515	6.17	749	19.47	1,039	14	19.47	1,039	17.69	727	6.15	(410)		
INTERNAL INV-GRADE CORP*	8,820	23.7	(4.36)	(16)	(4.55)	72	3.43	383	344	3.43	383	8.68	122	9.74	37	7.06	77
LONG DURATION CORPORATES*	1,027	2.8	(2.58)	38	(0.29)	427	10.70	1,349	122	10.70	1,349	14.47	825	13.49	495		
LONG DURATION MTG*	2,665	7.2	(2.29)	67	(3.65)	91	(1.02)	177	54	(1.02)	177	6.51	93	8.73	185		
MHLP-BRS*	171	0.5	6.35	734	7.85	976	15.45	1,626	33	15.45	1,626	4.66	182	6.38	144	5.42	79
NON-TRADITIONAL HIGH YIELD*	138	0.4	(0.30)	232	(6.80)	(548)	(1.34)	(1,041)	(18)	(1.34)	(1,041)	(2.93)	(1,334)				
OPPORTUNISTIC*	98	0.3	0.00		0.00		(42.27)			(42.27)		(26.42)		(20.65)			
PERS INTERNAL BONDS SOVEREIGN*	1,221	3.3	(6.42)	(33)	(7.24)	(7)	(4.68)	15	2	(4.68)	15	6.25	48	6.43	(89)	6.09	(41)
TOTAL DOMESTIC FIXED INCOME	**37,145**	**100.0**	**(2.92)**	**5**	**(4.12)**	**44**	**(1.22)**	**157**	**609**	**(1.22)**	**157**	**6.13**	**66**	**8.09**	**96**	**6.48**	**82**

* 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.

International Fixed Income & External High Yield

FI TOTAL INTERNATIONAL***	June 30, 2013 Ending Market Value (MM)	% of Total Assets	1-Month Net Rate of Return	1-Month Excess Bps	3-Months Net Rate of Return	3-Months Excess Bps	FYTD Net Rate of Return	FYTD Excess Bps	FYTD $ Value Added (MM) **	1-Yr Net Rate of Return	1-Yr Excess Bps	3-Yr Net Rate of Return	3-Yr Excess Bps	5-Yr Net Rate of Return	5-Yr Excess Bps	10-Yr Net Rate of Return	10-Yr Excess Bps
ALLIANCE BERNSTEIN INSTITUTIONAL INVESTM	525	17.4	(0.78)	(37)	(3.79)	(22)	(5.72)	48	3	(5.72)	48	3.26	73	3.28	66		
BARING ASSET MANAGEMENT	518	17.2	(0.81)	(40)	(3.55)	2	(6.92)	(72)	(4)	(6.92)	(72)	2.85	32	3.12	50	4.94	16
INT INTL FIXED INCOME	480	15.9	(0.84)	(43)	(3.28)	30	(4.86)	134	7	(4.86)	134						
PIMCO	982	32.6	(1.09)	(67)	(5.39)	(181)	(6.23)	(3)	(0)	(6.23)	(3)	4.84	232	5.37	275		
ROGGE GLOBAL PARTNERS	508	16.9	(1.64)	(123)	(4.86)	(128)	(6.33)	(13)	(1)	(6.33)	(13)	2.81	28	2.71	8	5.16	38
FI TOTAL INTERNATIONAL	**3,013**	**100.0**	**(1.04)**	**(63)**	**(4.38)**	**(80)**	**(6.09)**	**11**	**4**	**(6.09)**	**11**	**3.66**	**113**	**4.01**	**138**	**5.49**	**71**

EXTERNAL HIGH YIELD FIXED INCOME	June 30, 2013 Ending Market Value (MM)	1-Month Net Rate of Return	1-Month Excess Bps	3-Months Net Rate of Return	3-Months Excess Bps	FYTD Net Rate of Return	FYTD Excess Bps	FYTD $ Value Added (MM) **	1-Yr Net Rate of Return	1-Yr Excess Bps	3-Yr Net Rate of Return	3-Yr Excess Bps	5-Yr Net Rate of Return	5-Yr Excess Bps	10-Yr Net Rate of Return	10-Yr Excess Bps
COLUMBIA HIGH YIELD*	369	-2.52	(1)	-1.42	(52)	11.04	(36)	(1)	11.04	(36)	12.43	109				
HIGH YIELD NOMURA*	392	-2.26	36	-0.55	77	14.67	559	17	14.67	559	13.66	324	13.21	297	10.06	160
LOGAN CIRCLE HY*	106	-1.88	64	-0.60	30	12.01	61	1	12.01	61	11.18	(16)				

* 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.

Section V

Real Assets

QUARTER ENDING JUNE 30, 2013

Real Assets Performance Summary & Real Estate Performance Summary

	June 30, 2013		1-Month****		3-Months		FYTD			1-Yr		3-Yr		5-Yr		10-Yr	
REAL ASSETS*	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
FORESTLAND**	2,242	8.7	(0.39)	(192)	(0.39)	(192)	6.50	(250)	(54)	6.50	(250)	(2.50)	(611)	(1.14)	(321)		
INFRASTRUCTURE**	1,135	4.4	1.04	45	1.04	(134)	5.71	18	2	5.71	18	17.65	1,065	13.89	755		
REAL ESTATE**	22,444	86.9	7.95	551	7.95	551	11.91	163	344	11.91	163	12.64	(158)	(10.61)	(1,456)	3.02	(635)
TOTAL REAL ASSETS	**25,820**	**100.0**	**6.86**	**467**	**6.86**	**450**	**11.15**	**141**	**343**	**11.15**	**141**	**11.05**	**(138)**	**(9.54)**	**(1,270)**	**3.70**	**(515)**

	June 30, 2013		1-Month****		3-Months		FYTD			1-Yr		3-Yr		5-Yr		10-Yr	
REAL ESTATE*	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
PRIVATE REAL ESTATE**	22,444	100.0	7.95	551	7.95	551	11.23	95	194	11.23	95	12.45	(176)	(10.77)	(1,472)	3.10	(627)
TOTAL REAL ESTATE*	**22,444**	**100.0**	**7.95**	**551**	**7.95**	**551**	**11.91**	**163**	**344**	**11.91**	**163**	**12.64**	**(158)**	**(10.61)**	**(1,456)**	**3.02**	**(635)**

	June 30, 2013		1-Month****		3-Months		FYTD			1-Yr		3-Yr		5-Yr		10-Yr	
PRIVATE REAL ESTATE[1]*	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
LEGACY REAL ESTATE EX PUBLIC**	6,622	29.5	1.52	(92)	1.52	(92)	5.84	(444)	(304)	5.84	(444)	6.36	(785)	(17.26)	(2,121)	(1.63)	(1,100)
STRATEGIC REAL ESTATE**	15,822	70.5	10.91	847	10.91	847	13.57	329	445	13.57	329	17.37	316	2.76	(119)	15.27	590
PRIVATE REAL ESTATE**	**22,444**	**100.0**	**7.95**	**551**	**7.95**	**551**	**11.23**	**95**	**194**	**11.23**	**95**	**12.45**	**(176)**	**(10.77)**	**(1,472)**	**3.10**	**(627)**

* The Total Real Assets reflects the ending market value and rate of returns reported for March 31, 2013 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, 2013 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.

Real Estate Top 20 Partnership Exposure

TOP 20 REAL ESTATE PARTNERS EXPOSURE	March 31, 2013 Ending Market Value (MM)	March 31, 2013 % of Total Private Real Estate
GI Partners	4,174	18.6
Miller Capital Advisory	2,987	13.3
GID Investment Advisors, LLC	2,247	10.0
CIM	1,846	8.2
CommonWealth Partners	1,754	7.8
Hines	1,284	5.7
First Washington	1,116	5.0
Starwood Capital	584	2.6
RREEF	509	2.3
Institutional Housing Partners	509	2.3
ARA Management	475	2.1
Resmark Equity Partners	366	1.6
Fortress Investment Group	311	1.4
IL & FS Investment Advisors	303	1.3
Centerline Urban Capital Advisor	260	1.2
Secured Capital Japan	260	1.2
Klein Financial Corporation	246	1.1
Shea Homes	199	0.9
Canyon Capital Realty Advisors	193	0.9
Newland	187	0.8
TOP 20 REAL ESTATE PARTNERS EXPOSURE	**19,809**	**88.3**
OTHER REAL ESTATE PARTNERS EXPOSURE	**2,635**	**11.7**
TOTAL REAL ESTATE PARTNERS EXPOSURE	**22,444**	**100.0**

*Partnership Market Values and Returns are based on the General Partners' March 31, 2013 financial statements and reported by CalPERS Portfolio Analytics.

Real Estate Partnerships Performance by Strategy

STRATEGIC REAL ESTATE PARTNERS*	March 31, 2013 Ending Market Value (MM)	% of Total Strategic Assets	QTR Net Rate of Return	FYTD Net Rate of Return	1-Yr Net Rate of Return	3-Yr Net Rate of Return	5-Yr Net Rate of Return
AGI-TMG Housing Partners I, LLC	70	0.4	62.8	97.2	97.2		
ARA Asia Dragon Fund	466	2.9	(0.1)	1.9	1.9	10.2	13.8
ARA Asia Dragon Fund II	9	0.1					
ARA China Long Term Hold	(0)	0.0					
Bentall Kennedy OpCo	101	0.6	(5.8)				
CalEast Canada LP	147	0.9	1.6	7.8	7.8		
CalEast Industrial Investors, LLC	332	2.1	(1.6)	3.2	3.2		
CalEast Solstice, LLC	2,429	15.4	1.0	3.1	3.1		
CalWest Industrial Properties, LLC	408	2.6	(1.7)	0.0	0.0	4.1	(1.4)
Canyon Catalyst Fund, LLC	(0)	0.0					
Canyon Johnson Urban Fund III	174	1.1	2.7	13.4	13.4		
CIM Fund III, L.P.	818	5.2	18.0	19.9	19.9	18.1	
CIM Urban Real Estate Fund, L.P.	521	3.3	(4.9)	(2.8)	(2.8)	11.2	(1.8)
CIM Urban REIT, LLC	493	3.1	5.3	8.5	8.5	11.7	5.8
Fifth Street Properties	7	0.0	7.0	10.5	10.5	3.0	(15.3)
FSP - Base	203	1.3	2.2				
FSP - DT 2011	500	3.2	13.6	16.1	16.1		
Global Retail Investors, LLC	952	6.0	12.2	17.9	17.9	38.6	12.5
GRI - Base	81	0.5	1.1				
GRI - DT 2011	82	0.5	3.5	7.3	7.3		
HC Green Development Fund, L.P.	157	1.0	(0.6)	(3.2)	(3.2)	(6.3)	
HCB Interests II, L.P.	488	3.1	13.9	32.4	32.4	23.0	
HCB LTH	486	3.1	14.9				
HCC Interests, L.P.	54	0.3	(0.4)	4.3	4.3		
IL & FS India Realty Fund II, LLC	206	1.3	6.3	6.0	6.0	5.2	
IL & FS India Realty Fund, LLC	97	0.6	(4.2)	(1.5)	(1.5)	(13.5)	(3.1)
IMI - Base	2,712	17.1	15.9				
IMI - DT 2011	275	1.7	5.0	9.4	9.4		
IMP - Base	14	0.1	(0.2)				
IMP - DT 2011	436	2.8	14.5	18.6	18.6		
Institutional Logistics Partners, LLC	69	0.4					
Institutional Multifamily Partners	1,777	11.2	23.0	26.2	26.2		
National Office Partners LLC (CWP)	1,043	6.6	37.9	44.4	44.4		
Sun Apollo India Real Estate Fund, LLC	26	0.2	2.3	1.4	1.4	4.8	(3.5)
TechCore, LLC	108	0.7	2.4				
Xander Co-Investment	61	0.4	(0.2)	(41.6)	(41.6)	(19.1)	(21.0)
Xander JV Fund I (India Realty)	19	0.1	3.2	(2.2)	(2.2)	2.6	
TOTAL STRATEGIC PARTNERS	**15,821**	**100**	**10.9**	**13.6**	**13.6**	**17.4**	**2.8**

*Partnership Market Values and Returns are based on the General Partners' March 31, 2013 financial statements and as reported by CalPERS Portfolio Analytics.

Real Estate Partnerships Performance by Strategy

LEGACY PARTNERS*	March 31, 2013 Ending Market Value (MM)	% of Total Legacy Assets	QTR Net Rate of Return	FYTD Net Rate of Return	1-Yr Net Rate of Return	3-Yr Net Rate of Return	5-Yr Net Rate of Return
301 Capitol Mall, L.P.	14	0.2	(19.5)	(21.2)	(21.2)		
Aetos Asia Real Estate Securities	3	0.0	(0.1)	(0.4)	(0.4)	3.5	2.1
Aetos Capital Asia TE II, Ltd.	146	2.2	(5.2)	(7.4)	(7.4)	(7.1)	(15.6)
Aetos Capital Asia TE, L.P.	6	0.1	(14.8)	(4.2)	(4.2)	(22.8)	(18.2)
AEW Senior Housing Company, LLC	98	1.5	(13.5)	(13.4)	(13.4)	10.9	2.4
AEW-SHP Managed Portfolio	36	0.5	49.8	(405.2)			
American Value Partners Fund I, L.P.	48	0.7	0.8	10.7	10.7	12.9	
Apollo Real Estate Finance Corporation	48	0.7	0.3	11.2	11.2	0.5	(2.8)
AREA Real Estate Investment Fund V, L.P.	39	0.6	1.5	8.7	8.7	8.6	(10.6)
BRIDGE Urban Infill Land Development, LLC (BUILD)	26	0.4	19.1	21.7	21.7	16.0	(4.1)
Buchanan Urban Investors II, LLC	42	0.6	0.8	64.8	64.8	19.5	(9.1)
California Smart Growth Fund IV, L.P.	67	1.0	3.2	20.5	20.5	18.7	(9.9)
CalSmart, LLC (Canyon)	19	0.3	42.5	20.1	20.1		
CBRE Strategic Partners Europe Fund III	40	0.6	(2.3)	(9.6)	(9.6)	(13.1)	
CBRE Strategic Partners UK Fund II	-23	-0.3					
CBRE Strategic Partners UK Fund III	19	0.3	(0.6)	(17.2)	(17.2)	(8.6)	(46.8)
Centerline Urban Capital I, LLC	186	2.8	32.7	39.7	39.7	67.8	11.2
CityView LA Urban Fund I, L.P.	26	0.4	1.3	12.5	12.5	(3.9)	
CMR Commercial Mortgage Fund, LLC	7	0.1					
CUIP Properties, LLC	-26	-0.4					
DB Real Estate Global Opportunities IB, L.P.	6	0.1	(3.3)	(14.0)	(14.0)	(7.9)	(12.0)
European Property Investors, L.P.	27	0.4	(5.5)	(11.1)	(11.1)	2.3	6.0
Fillmore East Fund, L.P.	13	0.2	(10.3)	(2.6)	(2.6)		
Fortress Holiday Investment Fund, L.P.	112	1.7	0.3	3.0	3.0	24.5	8.6
Fortress Investment Fund IV (Fund A), L.P.	109	1.6	7.7	39.2	39.2	18.3	4.9
Fortress Residential Investment Deutschland (Fund A)	72	1.1	4.5	40.7	40.7	11.3	(4.2)
Fortress RIC CoInvestment Fund, L.P.	18	0.3	9.9	48.1	48.1	8.7	3.4
GI Partners Fund II, L.P.	494	7.5	(0.7)	25.5	25.5	13.4	6.8
GI Partners Fund III, L.P.	505	7.6	0.3	14.6	14.6	19.1	
Global Innovation Partners, LLC	10	0.2					
Guggenheim Structured Real Estate III, L.P.	34	0.5	1.3	5.1	5.1	3.6	(5.8)
Hampshire Partners Fund VI, L.P.	18	0.3	(0.1)	(7.9)	(7.9)	(1.2)	(11.3)
Harbert European Real Estate Fund II, L.P.	54	0.8	(4.1)	(1.4)	(1.4)	8.8	3.8
HCM Holdings II, L.P.	49	0.7	(0.8)	(4.8)	(4.8)		
HCM Holdings, L.P.	53	0.8	2.7	6.3	6.3	2.6	(5.4)
Hearthstone Housing Partners II, LLC	81	1.2	7.7	10.3	10.3	5.4	(14.7)
Hearthstone Housing Partners III, LLC	22	0.3	9.5	9.9	9.9	(7.5)	
Hearthstone Multi-State Residential Value-Added III	-8	-0.1					
Hearthstone Path-of-Growth Fund, LLC	63	1.0	6.0	(5.7)	(5.7)	(28.5)	
Hines European Development Fund II, L.P.	-3	0.0					
Hines European Development Fund, L.P.	-2	0.0					

*Partnership Market Values and Returns are based on the General Partners' March 31, 2013 financial statements and as reported by CalPERS Portfolio Analytics.

Real Estate Partnerships Performance by Strategy

LEGACY PARTNERS*	March 31, 2013 Ending Market Value (MM)	March 31, 2013 % of Total Legacy Assets	QTR Net Rate of Return	FYTD Net Rate of Return	1-Yr Net Rate of Return	3-Yr Net Rate of Return	5-Yr Net Rate of Return
IHP Investment Fund I, L.P.	193	2.9	1.5	0.1	0.1	0.9	(15.2)
IHP Investment Fund II, L.P.	51	0.8	44.1	37.0	37.0	10.6	(32.1)
IHP Investment Fund III, L.P.	262	4.0	(11.3)	(6.9)	(6.9)	(6.2)	(25.3)
JER Europe Fund III, L.P.	11	0.2	(8.9)	1.1	1.1	1.1	(29.7)
JER US Debt Co-Investment Vehicle, L.P.	75	1.1	4.1	20.5	20.5	44.0	
KAREC California Development Program, LLC	205	3.1	0.0	(60.2)	(60.2)	(28.8)	(27.1)
KC 2011, LLC	172	2.6	(6.0)	19.6	19.6		
KSC Affordable Housing Investment Fund, LLC	74	1.1	5.1	(3.4)	(3.4)	2.5	0.9
LaSalle Asia Opportunity Fund III, L.P.	86	1.3	5.8	10.3	10.3	13.6	
LaSalle French Fund II, L.P.	28	0.4	3.0	(22.1)	(22.1)	(0.4)	(12.0)
LaSalle Japan Logistics Fund II, L.P.	27	0.4	8.6	13.0	13.0	49.6	
Market Street Capital Partners/Divco West	100	1.5	5.0	21.8	21.8	15.0	(3.3)
Meriwether Farms, LLC	70	1.1	(9.9)	13.2	13.2	(69.2)	(52.2)
MGPA Asia Fund II	76	1.1	(2.2)	3.9	3.9	11.7	(5.2)
MGPA Europe Parallel Fund II, L.P.	52	0.8	(2.6)	(8.6)	(8.6)	2.5	(11.5)
Newland National Partners III, LLC	140	2.1	(0.4)	(5.2)	(5.2)		
Newland National Partners IV, LLC	47	0.7	(10.4)	(17.3)	(17.3)	(35.5)	(69.7)
Niam Nordic Investment Fund III	35	0.5	7.0	3.2	3.2	7.7	6.7
Niam Nordic Investment Fund IV	95	1.4	2.3	21.5	21.5	21.4	(7.2)
NNP Whitney Ranch	-27	-0.4					
ORA Multifamily Investments I, LLC	172	2.6	5.1	4.1	4.1		
ORA Residential Investments I, L.P.	193	2.9	45.3	36.8	36.8	11.4	(17.8)
Pacific Vineyard Partners, LLC	79	1.2	(3.6)	(18.4)	(18.4)	(32.8)	(25.2)
PERS-400 R Street	16	0.2	5.1	15.6	15.6	21.9	22.7
PLA Retail Fund I, L.P.	85	1.3	4.7	16.6	16.6	10.4	3.2
PRECO Account Partnership III, L.P.	53	0.8	0.3	(13.3)	(13.3)	3.8	(16.7)
Principal Mortgage Value Investors, L.P.	6	0.1	69.1	95.8	95.8	33.6	(22.5)
Rockpoint Real Estate Fund II, L.P.	18	0.3	4.6	22.6	22.6	4.8	(13.4)
Rockpoint Real Estate Fund III, L.P.	136	2.1	3.1	14.8	14.8	25.0	
RREEF Global Opportunities Fund II, LLC	95	1.4	1.7	(19.3)	(19.3)	2.3	(12.9)
Savanna Real Estate Fund I, L.P.	48	0.7	1.6	23.3	23.3	11.4	3.6
SDL Hospitality Co-Invest Fund, L.P.	164	2.5	(2.9)	(6.7)	(6.7)	2.6	(0.4)
Secured Capital Japan Real Estate Partners Asia, L.P.	209	3.2	(0.2)	(3.7)	(3.7)	(7.7)	(7.8)
Secured Capital Japan Real Estate Partners II, L.P.	51	0.8	0.5	(3.4)	(3.4)	(14.7)	(10.5)
Shea Capital I, LLC	87	1.3	(30.3)	(31.5)	(31.5)	(17.1)	(56.2)
Shea Mountain House, LLC	112	1.7	(31.0)	(22.2)	(22.2)	(27.4)	
Starwood Capital Hospitality Fund I-2, L.P.	187	2.8	2.2	(1.9)	(1.9)	1.0	(7.0)
Starwood Capital Hospitality Fund II Global, L.P.	233	3.5	1.6	14.7	14.7		
Stockbridge Hollywood Park Co-Investors, L.P.	101	1.5	(0.2)	(0.3)	(0.3)	(0.6)	1.9
Stockbridge Real Estate Fund II-B, L.P.	19	0.3	(2.0)	(1.4)	(1.4)	6.8	(47.9)
Strategic Partners Value Enhancement Fund, L.P.	41	0.6	(6.5)	4.1	4.1	19.1	(1.4)
TPG Hospitality Investments IV, LLC	124	1.9	19.5	41.1	41.1		
Urban America L.P. II	46	0.7	(0.1)	(20.5)	(20.5)	(3.2)	(7.6)
Windsor Realty Fund VII, L.P.	21	0.3	1.7	11.2	11.2	(7.5)	(26.7)
TOTAL LEGACY PARTNERS	**6,622**	**100.0**	**1.4**	**6.9**	**6.9**	**6.8**	**(15.9)**

*Partnership Market Values and Returns are based on the General Partners' March 31, 2013 financial statements and as reported by CalPERS Portfolio Analytics.

Forestland & Infrastructure Partnerships Performance by Strategy

	March 31, 2013		QTR	FYTD	1-Yr	3-Yr	5-Yr
FORESTLAND PARTNERS*	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
Lincoln Timber Company (Campbell)	1,746	77.9	(0.6)	5.7	5.7	(5.9)	(3.7)
Sylvanus LLC (Global Forest Partners)	496	22.1	0.5	9.2	9.2	13.6	11.5
TOTAL FORESTLAND	**2,242**	**100.0**	**(0.4)**	**6.5**	**6.5**	**(2.5)**	**(1.1)**

	March 31, 2013		QTR	FYTD	1-Yr	3-Yr	5-Yr
INFRASTRUCTURE PARTNERS*	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
Alinda Infrastructure Fund I, L.P.	93	8.2	(4.7)	2.7	2.7	3.0	1.9
Alinda Infrastructure Fund II, L.P.	191	16.9	0.7	1.1	1.1	5.5	
CIM Infrastructure Fund	305	26.9	0.1	2.0	2.0	27.5	
Carlyle Infrastructure Partner LP	74	6.5	2.8	(9.3)	(9.3)	5.1	(5.8)
Global Infrastructure Partners II, L.P. (GIP II)	66	5.8	11.4				
Infrastructure Direct Investments	405	35.7	1.7	11.7	11.7	32.8	
TOTAL INFRASTRUCTURE	**1,135**	**100.0**	**1.0**	**5.7**	**5.7**	**17.6**	13.9

*Partnership Market Values and Returns are based on the General Partners' March 31, 2013 financial statements and as reported by CalPERS Portfolio Analytics.

Section VI

Inflation

QUARTER ENDING JUNE 30, 2013

Inflation Summary

INFLATION	June 30, 2013 Ending Market Value (MM)	June 30, 2013 % of Total Assets	1-Month Net Rate of Return	1-Month Excess Bps	3-Months Net Rate of Return	3-Months Excess Bps	FYTD Net Rate of Return	FYTD Excess Bps	FYTD $ Value Added (MM) *	1-Yr Net Rate of Return	1-Yr Excess Bps	3-Yr Net Rate of Return	3-Yr Excess Bps	5-Yr Net Rate of Return	5-Yr Excess Bps	10-Yr Net Rate of Return	10-Yr Excess Bps
CORE INFLATION LINKED BONDS	5,775	62.7	(3.81)	1	(5.59)	41	(1.85)	31	17	(1.85)	31	5.89	32	3.82	23		
INTERNAL COMMODITIES PERF ACCTG	1,207	13.1	0.96	72	(6.00)	(7)	1.60	(44)	(8)	1.60	(44)	4.73	(0)	(15.11)	15		
TACTICAL INFLATION ASSETS***	2,224	24.2	(1.04)	64	(5.62)	81											
TOTAL INFLATION **	**9,206**	**100.0**	**(2.55)**	**23**	**(5.65)**	**40**	**0.20**	**114**	**95**	**0.20**	**114**	**6.80**	**153**	**(3.16)**	**(201)**		

* 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.

TACTICAL INFLATION ASSETS	June 30, 2013 Ending Market Value (MM)	June 30, 2013 % of Total Assets	1-Month Net Rate of Return	1-Month Excess Bps	3-Months Net Rate of Return	3-Months Excess Bps	FYTD Net Rate of Return	FYTD Excess Bps	FYTD $ Value Added (MM) *	1-Yr Net Rate of Return	1-Yr Excess Bps	3-Yr Net Rate of Return	3-Yr Excess Bps	5-Yr Net Rate of Return	5-Yr Excess Bps	10-Yr Net Rate of Return	10-Yr Excess Bps
TACTICAL COMMODITIES***	1,581	71.1	0.19	(4)	(5.90)	3											
TACTICAL TIPS***	644	28.9	(2.75)	84	(5.89)	116											
TACTICAL INFLATION ASSETS***	**2,224**	**100.0**	**(1.04)**	**64**	**(5.62)**	**81**											

*** Funded January 2013.

Section VII

Liquidity

QUARTER ENDING JUNE 30, 2013

Liquidity Summary

	June 30, 2013		1-Month		3-Months		FYTD			1-Yr		3-Yr		5-Yr		10-Yr	
LIQUIDITY	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
PERS ACTIVE RESERVE ADJUSTMENT***	(150)	(1.4)	(0.00)		(0.01)		(0.02)			(0.02)		(0.10)		(0.39)		(1.82)	
PERS INTERNAL SHORT TERM PORTFOLIO	2,307	22.1	0.00	1	0.02	3	0.11	12	5	0.11	12	0.17	10	0.43	7	1.93	8
STO - SMIF CALPERS	1,850	17.7	0.02	3	0.07	8	0.32	34	1	0.32	34	0.41	34	0.85	49	2.13	29
UST 2-10-Yr**	6,398	61.4	(1.08)	5	(1.76)	20	(1.03)	4	2	(1.03)	4						
TOTAL LIQUIDITY	**10,424**	**100.0**	**(0.71)**	**14**	**(1.20)**	**26**	**(0.79)**	**(1)**	**(1)**	**(0.79)**	**(1)**	**1.35**	**(20)**	**1.15**	**(10)**	**2.32**	**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.

** 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

QUARTER ENDING JUNE 30, 2013

ARS Equitization & Total ARS Summary

ABSOLUTE RETURN EQUITIZATION STRATEGIES	June 30, 2013		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****	5,210	79.5	(1.82)	(221)	0.58	(69)	7.35	202	104	7.35	202	3.79	(165)	1.41	(470)	4.99	(302)
ARS OVERLAY PORTFOLIO**	1,343	20.5															
TOTAL ARS WITH EQUITIZATION	**6,553**	**100.0**	**(3.47)**	**(67)**	**1.04**	**108**	**22.32**	**402**	**245**	**22.32**	**402**	**9.31**	**(30)**	**4.61**	**(399)**	**6.63**	**(264)**

ABSOLUTE RETURN STRATEGIES SUMMARY*** (3rd Week Estimates included in Total PERF)	June 30, 2013		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	3,624	69.6	(2.28)	(268)	0.01	(126)	6.40	107	38	6.40	107	4.32	(111)	1.93	(417)	5.40	(179)
FUND OF HEDGE FUNDS	1,586	30.4	(0.75)	(114)	1.90	64	9.54	421	66	9.54	421	2.48	(295)	0.42	(569)		
TOTAL ARS	**5,210**	**100.0**	**(1.82)**	**(221)**	**0.58**	**(69)**	**7.35**	**202**	**104**	**7.35**	**202**	**3.79**	**(165)**	**1.41**	**(470)**	**4.99**	**(302)**

ABSOLUTE RETURN STRATEGIES SUMMARY*** (Preliminary month-end returns provided by International Fund Services (IFS))	June 30, 2013		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
DIRECT INVESTMENTS	3,651	69.9	(0.91)	(131)	0.12	(115)	7.00	167	7.00	167	4.48	(95)	2.09	(401)	5.68	(233)
FUND OF HEDGE FUNDS	1,571	30.1	(1.02)	(142)	1.24	(3)	8.96	363	8.96	363	3.27	(216)	0.65	(545)		
TOTAL ARS	**5,222**	**100.0**	**(0.95)**	**(135)**	**0.46**	**(81)**	**7.60**	**227**	**7.60**	**227**	**4.14**	**(129)**	**1.63**	**(447)**	**5.33**	**(268)**

* 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.

Direct Investments

DIRECT INVESTMENTS (Preliminary month-end returns provided by IFS)	June 30, 2013 Ending Market Value (MM)	% of Total Assets	1-Month Net Rate of Return	3-Months Net Rate of Return	FYTD Net Rate of Return	1-Yr Net Rate of Return	3-Yr Net Rate of Return	5-Yr Net Rate of Return	10-Yr Net Rate of Return
Aspect Alternative Fund LLLP	263	7.2	0.62	(2.26)	(6.90)	(6.90)	2.66	1.83	
Black River Commodity Multi - Strategy Fund LLC*	11	0.3	0.00	0.00	(20.84)	(20.84)	(13.42)	(9.98)	
Black River Commodity Trading Fund (Onshore) Ltd	216	5.9	2.65	2.18	7.36	7.36	5.75	(0.59)	
Black River Fixed Income Relative Value Opportunity Fund Ltd	426	11.7	0.65	2.35	5.77	5.77	7.29	9.92	
BlueTrend Fund LP	256	7.0	(9.46)	(13.84)	(6.56)	(6.56)	0.63	5.65	
Breton Hill Eureka Fund, LP	221	6.1	(0.87)	1.33	15.09	15.09			
Brookside Capital Partners Fund, L.P. *	17	0.5	(2.20)	2.52	6.37	6.37	22.57	10.86	11.83
Canyon Value Realization Fund L.P. *	7	0.2	(1.72)	(1.99)	22.83	22.83	9.59	5.92	
Chatham Eureka Fund LP	541	14.8	0.64	3.27	10.60	10.60	5.53	8.72	
Deephaven Global Multi-Strategy Fund LLC *	2	0.1	2.79	0.71	(1.39)	(1.39)	(1.49)	(7.61)	
Lansdowne Eureka Fund, LP	247	6.8	(1.59)	(2.66)	10.56	10.56	1.52	1.01	6.97
O'Connor Global Fundamental Market Neutral Long Short LLC - A1	50	1.4	0.13	0.05	2.70	2.70	2.50		
OZ Domestic Partners II, L.P. *	23	0.6	(0.68)	(1.51)	1.23	1.23	6.35	5.35	
OZ Eureka Fund, LP	640	17.5	(0.82)	3.05	17.63	17.63	9.51	7.22	
PFM Diversified Eureka Fund, L.P	301	8.3	(1.81)	(1.17)	13.66	13.66	4.87	4.76	
Standard Pacific Eureka Fund, L.P	94	2.6	(0.50)	5.31	6.94	6.94			
SuttonBrook Eureka Fund LP	13	0.3	0.00	0.00	(12.45)	(12.45)	(6.24)	(3.22)	
Symphony Eureka Fund LP	316	8.7	(0.80)	1.25	7.62	7.62	7.63	12.15	8.65
Tennenbaum Multi-Strategy SPV (Cayman) LTD *	0	0.0	0.00	0.00	(66.60)	(66.60)	(30.56)	(16.39)	
Wayzata (AIS Highbury Liquidating Fund)	7	0.2	0.00	0.60	11.37	11.37	(16.01)	(8.57)	
TOTAL DIRECT INVESTMENTS	**3,651**	**100.0**	**(0.91)**	**0.12**	**7.00**	**7.00**	**4.48**	**2.09**	**5.68**

* Manager is no longer actively managed and has "stub" positions in illiquid or quasi-illiquid assets held in hedge funds that have been redeemed or transferred out of by CalPERS.

Fund of Funds

FUND OF FUNDS (Preliminary month-end returns provided by IFS)	June 30, 2013 Ending Market Value	June 30, 2013 % of Total Assets	1-Month Net Rate of Return	3-Months Net Rate of Return	FYTD Net Rate of Return	1-Yr Net Rate of Return	3-Yr Net Rate of Return	5-Yr Net Rate of Return	10-Yr Net Rate of Return
ASIAN FUND OF FUNDS	495	31.5	(1.43)	2.82	11.03	11.03	2.66	(0.44)	
EUROPEAN FUND OF FUNDS	478	30.4	(0.91)	0.02	6.08	6.08	3.13	1.01	
FUND OF EMERGING HEDGE FUNDS	598	38.1	(0.77)	1.04	9.91	9.91	3.92	1.25	
TOTAL FUND OF FUNDS	**1,571**	**100.0**	**(1.02)**	**1.24**	**8.96**	**8.96**	**3.27**	**0.65**	

ASIAN FUND OF FUNDS (Preliminary month-end returns provided by IFS)	June 30, 2013 Ending Market Value	June 30, 2013 % of Total Assets	1-Month Net Rate of Return	3-Months Net Rate of Return	FYTD Net Rate of Return	1-Yr Net Rate of Return	3-Yr Net Rate of Return	5-Yr Net Rate of Return	10-Yr Net Rate of Return
PAAMCO 1848 Fund LP - Blue Diamond Separate Investment	213	43.0	(0.66)	2.97	8.80	8.80	2.34	(1.70)	
Vision Blue Diamond Fund, LP	282	57.0	(2.00)	2.71	12.78	12.78	2.91	(0.15)	
TOTAL ASIAN FUND OF FUNDS	**495**	**100.0**	**(1.43)**	**2.82**	**11.03**	**11.03**	**2.66**	**(0.44)**	

EUROPEAN FUND OF FUNDS (Preliminary month-end returns provided by IFS)	June 30, 2013 Ending Market Value	June 30, 2013 % of Total Assets	1-Month Net Rate of Return	3-Months Net Rate of Return	FYTD Net Rate of Return	1-Yr Net Rate of Return	3-Yr Net Rate of Return	5-Yr Net Rate of Return	10-Yr Net Rate of Return
AIS Highbury Fund, LP	107	22.5	(0.67)	(0.26)	3.77	3.77	1.96	(0.95)	
ERAAM Highbury Fund, LP	287	60.0	(1.09)	0.09	8.08	8.08	4.36	2.96	
Ermitage Highbury Fund, LP	83	17.5	(0.56)	0.27	4.06	4.06	1.66	(0.09)	
TOTAL EUROPEAN FUND OF FUNDS	**478**	**100.0**	**(0.91)**	**0.02**	**6.08**	**6.08**	**3.13**	**1.01**	

FUND OF EMERGING HEDGE FUNDS (Preliminary month-end returns provided by IFS)	June 30, 2013 Ending Market Value	June 30, 2013 % of Total Assets	1-Month Net Rate of Return	3-Months Net Rate of Return	FYTD Net Rate of Return	1-Yr Net Rate of Return	3-Yr Net Rate of Return	5-Yr Net Rate of Return	10-Yr Net Rate of Return
47 Degrees North 1848 Fund, LP	197	32.9	(2.09)	(1.23)	3.26	3.26	1.29	(0.86)	
PAAMCO 1848 Fund, LP - 1848 Separate Investment	170	28.4	(0.07)	3.62	17.09	17.09	6.59	2.38	
Rock Creek 1848 Fund, LP	231	38.7	(0.14)	1.16	11.00	11.00	4.41	2.61	
TOTAL FUND OF EMERGING HEDGE FUNDS	**598**	**100.0**	**(0.77)**	**1.04**	**9.91**	**9.91**	**3.92**	**1.25**	

Section IX

Total Fund Portfolios

QUARTER ENDING JUNE 30, 2013

Multi-Asset Class, Currency Overlay Summary & Plan Level Portfolios Performance

MULTI-ASSET CLASS	June 30, 2013 Ending Market Value (MM)	June 30, 2013 % of Total Assets	1-Month Net Rate of Return	1-Month Excess Bps	3-Months Net Rate of Return	3-Months Excess Bps	FYTD Net Rate of Return	FYTD Excess Bps	1-Yr Net Rate of Return	1-Yr Excess Bps	3-Yr Net Rate of Return	3-Yr Excess Bps	5-Yr Net Rate of Return	5-Yr Excess Bps	10-Yr Net Rate of Return	10-Yr Excess Bps
STANDARD LIFE INVESTMENTS MAC LP**	516	100.0	(2.08)	(268)	(0.28)	(211)										
TOTAL MULTI-ASSET CLASS	**516**	**100.0**	**(2.08)**	**(268)**	**(0.28)**	**(211)**										

CURRENCY OVERLAY	June 30, 2013 Ending Market Value (MM)	1-Month Net Rate of Return	1-Month Excess Bps	3-Months Net Rate of Return	3-Months Excess Bps	FYTD Net Rate of Return	FYTD Excess Bps	1-Yr Net Rate of Return	1-Yr Excess Bps	3-Yr Net Rate of Return	3-Yr Excess Bps	5-Yr Net Rate of Return	5-Yr Excess Bps	10-Yr Net Rate of Return	10-Yr Excess Bps
ACTIVE CURRENCY OVERLAY - INTERNALLY MAN	1	(0.04)	(2)	0.36	41	0.23	41	0.23	41	(0.03)	35	0.02	31		
INTERNAL TRADE - FX	147	(0.01)	1	(0.05)	1	(0.18)	0	(0.18)	0	(0.36)	2	(0.30)	(0)	0.20	3
SSGA CURRENCY FORWARDS	0		2	(1.66)	(161)	(1.77)	(159)	(1.77)	(159)	(0.05)	32	(0.77)	(47)	0.17	0
TOTAL CURRENCY OVERLAY	**148**	**(0.02)**	**0**	**(0.02)**	**4**	**(0.10)**	**9**	**(0.10)**	**9**	**(0.18)**	**20**	**(0.63)**	**(34)**	**0.27**	**10**

PLAN LEVEL PORTFOLIOS	June 30, 2013 Ending Market Value (MM)	1-Month Net Rate of Return	1-Month Excess Bps	3-Months Net Rate of Return	3-Months Excess Bps	FYTD Net Rate of Return	FYTD Excess Bps	1-Yr Net Rate of Return	1-Yr Excess Bps	3-Yr Net Rate of Return	3-Yr Excess Bps	5-Yr Net Rate of Return	5-Yr Excess Bps	10-Yr Net Rate of Return	10-Yr Excess Bps
CALPERS PLAN LEVEL GLOBAL FIXED INCOME	7	(1.88)	74	5.76	707	13.16	409	13.16	409	3.22	(720)	3	(725.40)		
GLOBAL EQUITY PLAN LEVEL TRANSITION	0														
MHLP PERSONAL LOANS	21	1.28	227	3.39	530										

* 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 in December 2012

Section X

Affiliate Investment Programs

QUARTER ENDING JUNE 30, 2013

Affiliate Investment Programs Summary

AFFILIATE INVESTMENT PROGRAMS	June 30, 2013		1-Month		3-Months		FYTD			1-Yr		3-Yr		5-Yr		10-Yr	
	Ending Market Value (MM)	% of Total Assets	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	$ Value Added (MM) *	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps
CERBT STRATEGY 1 FUND	2,196	24.8	(2.79)	5	(1.79)	11	11.78	22	5	11.78	(22)	11.84	(4)	4.52	(12)		
CERBT STRATEGY 2	413	4.7	(2.82)	8	(2.63)	18	8.87	39	2	8.87	(39)						
CERBT STRATEGY 3	58	0.7	(2.83)	8	(3.34)	21	5.21	47	0	5.21	(47)						
JUDGES' RETIREMENT SYSTEM II FUND	782	8.8	(2.72)	6	(1.71)	10	12.09	47	3	12.09	(47)	11.63	(5)	5.44	(15)	6.90	(3)
LEGISLATORS' RETIREMENT SYSTEM FUND	121	1.4	(2.81)	8	(3.22)	22	5.65	80	1	5.65	(80)	9.27	19	6.35	32	6.47	8
LONG-TERM CARE FUND	3,713	42.0	(2.78)	(3)	(3.98)	1	3.49	45	17	3.49	(45)	8.78	13	4.70	8	6.51	15
SUPPLEMENTAL INCOME PLANS																	
BALANCED GROWTH - POFF	485	5.5	(1.80)	3	(0.24)	17	11.84	10	0	11.84	(10)	11.01	(41)	5.01	(27)	6.22	(17)
TOTAL AFFILIATE INVESTMENT PROGRAMS **	**8,844**	**100.0**	**(2.56)**	2	**(2.45)**	7	**8.02**	26	14	**8.02**	(26)	**10.17**	7	**4.82**	2	**6.39**	11

* 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.

Judges II Retirement System, Legislators' Retirement System Fund & Long-Term Care Fund

	June 30, 2013		1-Month		3-Months		FYTD			1-Yr		3-Yr		5-Yr		10-Yr	
JUDGES' RETIREMENT SYSTEM II FUND	Ending Market Value (MM)	% of Total Assets	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	$ Value Added (MM) *	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps
JRS II CASH	0	0.0	0.00	(0)	0.00	(2)	0.03	(8)	(0)	0.03	8	0.11	(0)	0.40	11	1.83	9
JRS II COMMODITIES	23	3.0	0.96	72	(6.00)	(7)	1.60	(44)	(0)	1.60	44						
JRS II DOMESTIC FIXED INCOME	157	20.1	(2.92)	5	(4.12)	44	(1.23)	156	2	(1.23)	(156)	6.18	71	7.80	68	5.63	31
JRS II GLOBAL EQUITY	491	62.9	(2.76)	4	0.00	4	18.51	21	1	18.51	(21)	13.30	3	3.20	2	7.02	6
JRS II REITs	63	8.1	(2.70)	(2)	(3.65)	(2)	14.22	(5)	(0)	14.22	5	15.90	(8)	2.21	8		
JRS II TIPS	47	6.0	(3.38)	20	(6.78)	28	(4.60)	18	0	(4.60)	(18)						
TOTAL JUDGES' RETIREMENT SYSTEM II FUND	**782**	**100.0**	**(2.72)**	**6**	**(1.71)**	**10**	**12.09**	**47**	**3**	**12.09**	**(47)**	**11.63**	**(5)**	**5.44**	**(15)**	**6.90**	**(3)**

	June 30, 2013		1-Month		3-Months		FYTD			1-Yr		3-Yr		5-Yr		10-Yr	
LEGISLATORS' RETIREMENT SYSTEM FUND	Ending Market Value (MM)	% of Total Assets	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	$ Value Added (MM) *	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps
LRS CASH	0	0.0	0.00	(1)	0.01	(2)	0.03	(8)	(0)	0.03	8	0.11	(0)	0.40	11	1.92	17
LRS COMMODITIES	4	3.0	0.96	72	(5.99)	(6)	1.60	(44)	(0)	1.60	44						
LRS DOMESTIC FIXED INCOME	51	42.1	(2.92)	5	(4.11)	45	(1.23)	156	1	(1.23)	(156)	6.18	71	7.81	68	5.71	3
LRS GLOBAL EQUITY	39	31.9	(2.76)	4	0.01	5	18.51	21	0	18.51	(21)	13.51	3	3.63	3	6.75	6
LRS REITs	10	8.1	(2.70)	(2)	(3.78)	(15)	14.22	(5)	(0)	14.22	5						
LRS TIPS	18	15.0	(3.38)	20	(6.76)	29	(4.60)	18	0	(4.60)	(18)	4.66	2	4.64	24		
TOTAL LEGISLATORS' RETIREMENT SYSTEM FUND	**121**	**100.0**	**(2.81)**	**8**	**(3.22)**	**22**	**5.65**	**80**	**1**	**5.65**	**(80)**	**9.27**	**19**	**6.35**	**32**	**6.47**	**8**

	June 30, 2013		1-Month		3-Months		FYTD			1-Yr		3-Yr		5-Yr		10-Yr	
LONG-TERM CARE FUND	Ending Market Value (MM)	% of Total Assets	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	$ Value Added (MM) *	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps
LTC CASH	0	0.0	0.00	(1)	0.01	(2)	0.03	(8)	(0)	0.03	8	0.11	(0)	0.40	11	1.75	1
LTC COMMODITIES	218	5.9	0.21	(2)	(6.00)	(7)	2.62	58	1	2.62	(58)						
LTC DOMESTIC FIXED INCOME	2,260	60.9	(3.01)	(5)	(4.60)	(4)	(1.94)	85	19	(1.94)	(85)	5.93	46	7.65	52	5.70	39
LTC GLOBAL EQUITY	595	16.0	(2.89)	3	(0.39)	8	17.07	(20)	(1)	17.07	20	13.94	(2)	3.47	(1)	7.23	1
LTC REITs	428	11.5	(2.49)	6	(3.33)	(3)	13.63	20	1	13.63	(20)	15.70	1	2.03	5		
LTC TIPS	211	5.7	(3.57)	1	(7.04)	1	(4.88)	(10)	(0)	(4.88)	10	4.56	(8)	4.58	18		
TOTAL LONG-TERM CARE FUND	**3,713**	**100.0**	**(2.78)**	**(3)**	**(3.98)**	**1**	**3.49**	**45**	**17**	**3.49**	**(45)**	**8.78**	**13**	**4.70**	**8**	**6.51**	**15**

* 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.

CERBT Strategies 1, 2 & 3

CERBT STRATEGY 1	June 30, 2013		1-Month		3-Months		FYTD			1-Yr		3-Yr		5-Yr		10-Yr	
	Ending Market Value (MM)	% of Total Assets	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	$ Value Added (MM) *	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps
CERBT S1 CASH	24	1.1	0.00	(0)	0.01	(2)	0.03	(8)	(0)	0.03	8	0.11	0	0.38	9		
CERBT S1 COMMODITIES	64	2.9	0.96	72	(6.00)	(7)	1.60	(44)	(0)	1.60	44						
CERBT S1 DOMESTIC FIXED INCOME	387	17.6	(2.92)	5	(4.12)	44	(1.23)	156	6	(1.23)	(156)	6.19	71	7.81	68		
CERBT S1 GLOBAL EQUITY	1,417	64.5	(2.89)	3	(0.38)	9	17.25	(6)	(1)	17.25	6	13.68	4	3.20	2		
CERBT S1 REITs	174	7.9	(2.47)	8	(3.32)	(2)	13.58	16	0	13.58	(16)	15.68	(1)	2.33	35		
CERBT S1 TIPS	107	4.9	(3.38)	20	(6.78)	28	(4.60)	18	0	(4.60)	(18)						
CERBT STRATEGY 1	**2,196**	**100.0**	**(2.79)**	**5**	**(1.79)**	**11**	**11.78**	**22**	**5**	**11.78**	**(22)**	**11.84**	**(4)**	**4.52**	**(12)**		

CERBT STRATEGY 2	June 30, 2013		1-Month		3-Months		FYTD			1-Yr		3-Yr		5-Yr		10-Yr	
	Ending Market Value (MM)	% of Total Assets	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	$ Value Added (MM) *	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps
CERBT S2 CASH	9	2.2	0.00	(0)	0.01	(2)	0.03	(9)	(0)	0.03	9						
CERBT S2 COMMODITIES	12	2.8	0.96	72	(6.00)	(7)	1.60	(44)	(0)	1.60	44						
CERBT S2 DOMESTIC FIXED INCOME	96	23.1	(2.92)	5	(4.12)	44	(1.23)	156	1	(1.23)	(156)						
CERBT S2 GLOBAL EQUITY	208	50.3	(2.87)	5	(0.34)	13	18.21	(2)	(0)	18.21	2						
CERBT S2 REITs	32	7.8	(2.45)	10	(3.29)	0	13.61	18	0	13.61	(18)						
CERBT S2 TIPS	58	14.1	(3.38)	20	(6.78)	28	(4.60)	18	0	(4.60)	(18)						
CERBT STRATEGY 2	**413**	**100.0**	**(2.82)**	**8**	**(2.63)**	**18**	**8.87**	**39**	**2**	**8.87**	**(39)**						

CERBT STRATEGY 3	June 30, 2013		1-Month		3-Months		FYTD			1-Yr		3-Yr		5-Yr		10-Yr	
	Ending Market Value (MM)	% of Total Assets	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	$ Value Added (MM) *	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps
CERBT S3 CASH	2	3.1	0.00	(0)	0.01	(2)	0.03	(9)	(0)	0.03	9						
CERBT S3 COMMODITIES	2	3.0	0.96	72	(6.00)	(7)	1.60	(44)	(0)	1.60	44						
CERBT S3 DOMESTIC FIXED INCOME	24	41.5	(2.92)	5	(4.12)	44	(1.23)	156	0	(1.23)	(156)						
CERBT S3 GLOBAL EQUITY	18	31.1	(2.89)	3	(0.44)	4	17.99	(23)	(0)	17.99	23						
CERBT S3 REITSs	4	7.5	(2.47)	8	(3.26)	4	13.42	(0)	(0)	13.42	0						
CERBT S3 TIPS	8	14.5	(3.38)	20	(6.78)	28	(4.60)	18	0	(4.60)	(18)						
TOTAL CERBT STRATEGY 3	**58**	**100.0**	**(2.83)**	**8**	**(3.34)**	**21**	**5.21**	**47**	**0**	**5.21**	**(47)**						

* 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.

Supplemental Income Plan 457

	June 30, 2013		1-Month		3-Months		FYTD			1-Yr		3-Yr		5-Yr		10-Yr	
SUPPLEMENTAL INCOME PLAN 457	Ending Market Value (MM)	% of Total Assets	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	$ Value Added (MM) *	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps	Gross Rate of Return	Excess Bps
CALPERS AGGRESSIVE	58	5.4	(2.06)	9	0.35	21	16.59	(33)	(0)	16.59	33	13.63	(64)				
CALPERS CONSERVATIVE	40	3.7	(1.61)	(2)	(1.28)	12	5.55	57	0	5.55	(57)	7.27	(4)				
CALPERS MODERATE	120	11.1	(1.80)	3	(0.24)	17	11.84	10	0	11.84	(10)	11.01	(41)				
CALPERS TARGET 2005 FUND	2	0.2	(1.66)	(1)	(1.16)	15	6.46	44	0	6.46	(44)	8.12	(18)				
CALPERS TARGET 2010 FUND	17	1.6	(1.76)	1	(0.94)	17	8.18	29	0	8.18	(29)	9.14	(32)				
CALPERS TARGET 2015 FUND	30	2.8	(1.77)	2	(0.76)	16	9.40	20	0	9.40	(20)	9.90	(38)				
CALPERS TARGET 2020 FUND	39	3.7	(1.76)	2	(0.43)	16	10.92	15	0	10.92	(15)	10.72	(35)				
CALPERS TARGET 2025 FUND	18	1.7	(1.84)	4	(0.18)	17	12.80	1	0	12.80	(1)	11.73	(42)				
CALPERS TARGET 2030 FUND	24	2.2	(1.86)	6	0.18	18	14.65	(13)	(0)	14.65	13	12.77	(46)				
CALPERS TARGET 2035 FUND	7	0.7	(2.01)	8	0.28	20	15.99	(27)	(0)	15.99	27	13.45	(60)				
CALPERS TARGET 2040 FUND	13	1.2	(2.05)	10	0.36	22	16.61	(32)	(0)	16.61	32	13.64	(63)				
CALPERS TARGET 2045 FUND	2	0.2	(1.99)	16	0.42	28	16.68	(24)	(0)	16.68	24	13.63	(64)				
CALPERS TARGET 2050 FUND	1	0.1	(2.06)	9	0.35	21	16.59	(33)	(0)	16.59	33	13.59	(68)				
CALPERS TARGET INCOME FUND	13	1.2	(1.61)	(2)	(1.28)	12	5.55	56	0	5.55	(56)	7.20	(11)				
INTERNATIONAL INDEX	17	1.6	(3.80)	3	(1.63)	5	17.47	17	0	17.47	(17)	9.79	9	(0.36)	(12)		
PIMCO SHORT-TERM BOND FUND	22	2.0	(0.24)	(25)	(0.12)	(16)	1.31	110	0	1.31	(110)						
PYRAMIS SELECT INTERNATIONAL	35	3.2	(3.52)	32	(1.00)	67	17.92	81	0	17.92	(81)	11.32	150				
S&P 500 EQUITY INDEX FUND	232	21.6	(1.34)	0	2.92	1	20.66	6	0	20.66	(6)	18.50	5	7.17	16	7.41	12
SMALL/MID EQUITY INDEX FUND	143	13.3	(1.08)	1	2.29	1	25.70	9	0	25.70	(9)	19.87	30	9.41	20		
SSgA STIF	133	12.4	0.00	(1)	0.01	(2)	0.06	(6)	(0)	0.06	6						
THE BOSTON COMPANY SMID GROWTH	7	0.7	(0.81)	39	4.42	120	20.60	(343)	(0)	20.60	343	22.07	185				
THE BOSTON COMPANY SMID VALUE	4	0.3	(1.79)	(77)	1.01	(54)	23.36	(352)	(0)	23.36	352	15.51	(341)				
TIPS SECURITIES	36	3.3	(3.38)	20	(6.78)	28	(4.60)	18	0	(4.60)	(18)	4.72	8	4.69	28		
TOTAL RETURN BOND FUND	62	5.8	(1.65)	(10)	(2.28)	4	0.70	139	1	0.70	(139)	4.28	77	5.56	37		
TOTAL 457 AGGREGATE**	**1,077**	**100.0**	**(1.50)**	**2**	**0.37**	**10**	**12.04**	**(3)**	**(6)**	**12.04**	**3**	**10.24**	**1**	**5.04**	**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.

** 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.

Section XI

Other Programs

QUARTER ENDING JUNE 30, 2013

Securities Lending Program & Short Term Liquidity Performance Summary

SECURITIES LENDING PROGRAM	June 30, 2013		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
CALPERS ESEC CASH COLLATERAL	14,192	82.2	0.01	0	0.03	1	0.18	4	4	0.18	4	0.22	8				
CALPERS HIGH QUALITY LIBOR	594	3.4	(0.06)	(7)	(0.03)	(6)	0.69	55	4	0.69	55	0.67	53	0.36	10	1.76	(1)
EXTERNAL COLLATERAL PORTFOLIO**	397	2.3	1.23		3.03		31.03		191	31.03							
INTERNAL ACTIVE SHORT TERM	1,518	8.8	0.01	1	0.03	4	0.18	19	3	0.18	19						
SEC LENDING INTERNAL COLLATERAL REINVEST	145	0.8	(0.15)	(16)	(0.21)	(24)	0.43	29	0	0.43	29	0.96	83				
SHORT DURATION - MED	413	2.4	0.01	0	0.14	11	2.51	237	10	2.51	237	3.17	304	3.21	296		
SEC LENDING INT & EXT REINVEST	**17,258**	**100.0**	**0.02**	**1**	**0.10**	**7**	**0.89**	**77**	**108**	**0.89**	**77**	**1.30**	**118**	**0.83**	**58**	**1.95**	**19**

SHORT TERM LIQUIDITY	June 30, 2013		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	5,047	29	0.00	1	0.02	3	0.11	12	6	0.11	12						

* 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

Section XII

Asset Class Benchmarks & Definitions

QUARTER ENDING JUNE 30, 2013

Asset Class Benchmarks

BENCHMARK	TARGET WEIGHTS OF BENCHMARK COMPONENTS AS OF JULY 1, 2011	BENCHMARK COMPONENTS PRIOR TO JUNE 30, 2011
Total Fund*	**Growth 63%** **Income 16%** **Real Assets 13%** **Inflation 4%** **Liquidity 4%**	**Global Equity* 49%** **Fixed Income* 20%** **AIM* 14%** **Real Estate* 10%** **Inflation Linked 5%** **Cash 2%**
Growth Benchmark	**Public Equity 78%** FTSE All World **Private Equity 22%** (67% FTSE U.S. TMI + 33% FTSE AW ex US TMI) + 3% 1 Qtr Lag	**Global Equity* (Public Equity)** 95% FTSE All World + 5% 12 mo. T-Bill **AIM* (Private Equity)** Wilshire 2500 + 3% 1 Qtr Lag and Linked to Custom Young Fund on June 30, 2009
Income Benchmark	90% Barclays Long Liability + 10% Barclays International Fixed Income	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** Barclays Treasury 2 - 10 Yr **Cash** STIF

*Benchmark linked to prior policy benchmarks from inception

Asset Class Benchmarks

BENCHMARK	TARGET WEIGHTS OF BENCHMARK COMPONENTS AS OF JULY 1, 2011	BENCHMARK COMPONENTS PRIOR TO JUNE 30, 2011
Real Assets Benchmark	**Real Estate 77%** NCREIF ODCE (Net) + FTSE EPRA NAREIT Global **Infrastructure 15%** CPI + 4% 1 Month Lag **Forestland 8%** NCREIF Timberland (Gross) 1 Qtr lag	**Real Estate*** 90% NCREIF Property Index + 10% FTSE EPRA NAREIT Global **Infrastructure (Inflation Linked Asset Class)** CPI + 5% 1 Month Lag **Forestland (Inflation Linked Asset Class)** NCREIF Timberland (Gross) 1 Qtr lag (Performance Reporting purposes) CPI + 5% 1 Month Lag (Incentive Compensation purposes)
Inflation Benchmark	**Inflation Linked Bonds Portfolio 75%** 67% Barclays Capital Global Inflation US + 33% Barclays Capitla Global Inflation (U.K., France, Italy, Germany, Canada) **Commodities Portfolio 25%** S&P 500 Total Return Index	**Inflation Linked Bonds Portfolio** 67% Barclays Capital Global Inflation US + 33% Barclays Capitla Global Inflation (U.K., France, Italy, Germany, Canada) **Commodities Portfolio** S&P 500 Total Return Index

*Benchmark linked to prior policy benchmarks from inception

Total Fund Policy Benchmark Target Weights Transition Schedule

ASSET CLASS	Q1 2013	Q2 2013	Q3 2013	Q4 2013	POLICY TARGETS*
Global Equity	50%	50%	50%	50%	49%
Private Equity	14%	14%	14%	14%	14%
GROWTH	**64%**	**64%**	**64%**	**64%**	**63%**
INCOME	**17%**	**17%**	**17%**	**17%**	**16%**
Infrastructure/Forestland	2%	2%	2%	2%	3%
Real Estate	9%	9%	9%	9%	10%
REAL ASSETS	**11%**	**11%**	**11%**	**11%**	**13%**
INFLATION	**4%**	**4%**	**4%**	**4%**	**4%**
LIQUIDITY	**4%**	**4%**	**4%**	**4%**	**4%**
TOTAL FUND POLICY	**100%**	**100%**	**100%**	**100%**	**100%**

*Policy Targets Date has yet to be determined but has tentatively been targeted for the end of calendar year 2013 through the Strategic Asset Allocation Process

Definitions

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

$= CF0 + CF1 / (1+IRR) + CF2 / (1+IRR)2 + CF3 / (1+IRR)3 \ldots CFn / (1+IRR)n$

Definitions

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.

Definitions

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:

$$R_{Monthy} = ((1 + R_1) \times (1 + R_2) \times \ldots.(1 + R_n)) - 1$$

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

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