



New York City
Fire Department Pension Fund, Subchapter Two
Performance Overview as of March 31, 2013

Total Fund Overview

New York City

Fire Department Pension Fund, Subchapter Two

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Through March 31, 2013

Equity Markets

The US economy continues to recover with improvements in residential real estate and consumer sentiment, and an increase in employment opportunities. The stock market posted hefty gains in each month of the first quarter. Valuations rose as investors flocked to equity, snapping up attractively priced lower growth stocks while avoiding those with higher valuations. To this end, defensive sectors such as consumer staples and healthcare led the pack. The S&P 500 rose 10.6% while the Russell 2000 gained 12.4%. Value outperformed growth across the market cap spectrum except in small cap. That said, we believe the improvements in underlying economic fundamentals are at odds with the extent of these gains in US stocks.

International markets lagged behind with modest returns of 5.1% in the first quarter, according to the MSCI EAFE Index. During the quarter a strong US dollar provided a headwind to international markets. The Yen and Euro fell fueled by anticipated policy changes in Japan and continued financial concerns in Europe, respectively. Similar to the US, defensive sectors, consumer staples and healthcare, were the strongest performers.

Broadly speaking, emerging markets retreated during the quarter, recording losses of 1.6%, according to the MSCI Emerging Market Index. The commodity sectors, a major component of the benchmark, trailed behind with energy trading off nearly 5% and materials off almost 10% amid weakening global demand and slowing growth in China. That said, consumption-related investments and small cap stocks recorded gains in emerging markets. Emerging market small cap stocks returned 4.3% during the quarter and significantly outperformed the large cap index. Domestically-driven sectors, such as consumer staples and healthcare, returned around 1% in the first quarter. From a regional standpoint, Philippine and Thai markets led the ASEAN region higher. Overall, we view the performances of international and emerging market equities as an opportunity to divert profits from US stocks to global strategies.

Fixed Income Markets

Investors' quest for yield again drove performance for fixed income in the first quarter. Depressed yields in investment grade bonds pushed investors into riskier segments of the market. Government stimuli withstood the selling pressures at the short-end of the curve and kept rates suppressed, but a steepening of the curve left long-dated government issues at a loss. The yield on the 10-year Treasury stood at 1.87% in March, compared to 1.78% in December, and 1.65% in September 2012. As a result of

Consultant's Commentary

Through March 31, 2013

the yield increase, the Barclays Aggregate index returned -0.1%, its first quarterly loss since 2006. Investment-grade credit, at -0.2%, was also negative for the quarter. Financial issues (0.9%) outpaced industrial issues (-0.7%) as investors gravitated toward the debt of banks and financial institutions because of their relative immunity to leveraged buy-outs, a risk to fixed income investors in a low interest rate environment. As a result, spreads, that is, the additional yield over similar-dated treasuries required by investors to compensate for additional risks, on financial issues were tighter than those of industrial corporates, a first since 2007. Agency-mortgage backed securities (MBS) returned -0.05% in the quarter underscoring investors' concerns on the longevity of the Fed's mortgage purchase program.

The segment of the bond market below investment-grade continued to perform in the first quarter. The Barclays high yield index returned 2.9% with low quality issues outperforming higher quality paper. Gains in high-yield were driven by the continued demand for yield, low projected default rates, and positive fundamentals in the asset class. The S&P LSTA Leveraged Loan Index, a bellwether for US leveraged loans, was up 2.1%. Loan funds, offering interest rate protection through their floating rate structure, and seniority in the capital hierarchy, were popular with investors in the first quarter. In an about turn, emerging markets, last year's strongest performer in fixed income, posted negative returns for the quarter ended March 31. In this period, USD-denominated emerging sovereign debt posted losses of 2.3%, fueled by upward pressure on US rates and spread widening in the sector. Local currency debt, as measured by the JP Morgan GBI-EM GD (unhedged), returned -0.1% in the period.

Commodity Markets

Negative news headlines underscored the extremely mixed performance posted by commodity and commodity-related equity markets in the first quarter. Moderate growth in China and disappointing economic reports in Europe put downward pressure on many commodity subsectors. Late in the quarter, news out of Cyprus that large depositors would incur losses also proved to be a drag on the markets. The energy sector, the one bright spot within commodities, saw gasoline prices surging nearly 30%. The worst performing commodity subsector was metals, with copper, gold, and silver declining roughly 5% during the quarter. The energy sector maintained its lead within commodity-related equities, with the integrated oil stocks, oil services, and natural gas stocks posting gains between 7.2% and 13.7%. Gold experienced two consecutive negative quarters, a first since 2001. As a result, gold mining stocks continued to underperform, trailing overall commodity returns by around 20% during the quarter.

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Private Markets

The private equity industry exhibited a seasonal fundraising decline in the first quarter. Investments in new private equity funds totaled \$54 billion during this period, equal to 20% of the \$257 billion raised in 2012, and in line with amounts raised in the first quarter of last year. Bucking the trend of the seasonal slowdown, European fundraising posted \$17 billion of new commitments, representing 31% of amounts raised for European funds last year. Buyout and growth equity commitments were \$33 billion in the first quarter, comprising approximately 60% of all new commitments. These new commitments, combined with capital overhang from prior years, are helping to fuel high transaction valuation multiples, especially in the large end of the market where private equity competes with corporations for mergers and acquisitions. Commitments to new distressed funds were less than \$1 billion during the quarter as investors waited for prior commitments to be deployed before adding to their distressed positions. Lending activity in Europe and the US was robust fueled by high volumes of refinancing and M&A activity in the quarter. With high yield and leveraged loan spreads narrowing, NEPC has identified senior lending as an attractive alternative for investors willing to trade illiquidity for higher yielding fixed income portfolios. With the dust yet to settle on the near-term economic outlook, we believe a blend of growth- and value-oriented strategies is vital to balance the macroeconomic risk in a private equity program. We find secondary, turnaround/special situation, and direct lending strategies particularly attractive as they benefit from corporate restructurings and tighter regulation of the global banking industry. In private core real estate, quarterly results continue to trend downwards towards long-term average returns. NEPC has a neutral view for US core real estate. Positive signs for core real estate include improving fundamentals for occupancy and rental rates, limited new construction, and attractive relative spreads versus Treasuries. Concerns include lower absolute yields and significant capital inflows that have bid up asset prices. NEPC remains neutral on US Real Estate Investment Trusts (REITs). REITs are trading at historically high multiples of their funds from operations (FFO) and at premiums to underlying net asset values (NAV). NEPC continues to see opportunities in value-add and opportunistic real estate strategies, especially in Europe, where anemic lending activity is causing capital structure distress, particularly in non-core/secondary assets. Debt-related investment opportunities, also in Europe, appear to offer an attractive risk-return profile for investors.

Performance: For the quarter, the Fund returned 5.07% outperforming the policy index return of 4.9%. The fund ranked in the 2nd quartile of the BNY Mellon Public Master Trust Universe. Active managers detracted 0.22% from aggregate performance during the quarter versus the policy index, and allocation decisions contributed 0.39% to Total Fund return. For the year ended March 31, 2013, the Fund returned 9.96% ranking in the 3rd quartile of the BNY Mellon Public Master Trust Universe, with active

Consultant's Commentary

Through March 31, 2013

managers adding 5 basis points over the trailing year, and deviations from policy detracted 28 basis points from overall returns.

Domestic Equity Composite

The Fund had 36% invested in domestic equity at the end of the first quarter. Within domestic equity, the Fund was underweight the Russell 3000 Index by 1.99%, Overweight the Russell 1000 Active index by 1.49%, underweight Small Cap Active by approximately 0.07%, overweight Mid Cap Active by 1.76% and underweight S&P 400 Index by 0.95%.

For the quarter, the Total Domestic Equity Portfolio returned 11.6%, outperforming the Russell 3000 Index return of 0.25% by approximately 59 bps. Small to Mid-Cap Active, Mid cap active, and the Russell 1000 Active outperformed their respective benchmark, while the Small Cap Active, and Mid Cap S&P 400 Index, Russell 3000 Index Fund and Emerging managers underperformed their benchmarks.

International Equity Composite

At the end of the first quarter, the Fund had an allocation to international equity of 15%. Of this total, 40% was allocated to emerging markets equity and 60% was allocated to developed international markets. The Fund also allocates across style in the developed international space, with 12.6% of the allocation invested in active value mandates, 7.70% in core mandates, 0.01% in growth mandates (this allocation will increase once transition is completed), 1.47% Non-US Activist mandates. Over the first quarter a number of managers were terminated leaving 32.52% of the international portfolio in Transition. A total of 18.2% of the total international allocation was invested passively, including 12.84% invested in Emerging Markets Passive investments and 5.32%, invested in Passive developed investments; remainder includes the actively managed strategies which also includes the legacy/transition accounts.

The International Developed Markets Equity Composite (excludes the activist/environmental managers) returned 3.9% in the first quarter, underperforming the MSCI EAFE Index which returned 5.13%. Passive managers outperformed active managers within the Fund by 146 bps during the quarter. Sprucegrove outperformed returning 4.32% in the quarter while the MSCI EAFE Value index returned 3.63%

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Through March 31, 2013

The Emerging Markets Composite returned -0.12% in the first quarter, outperforming the MSCI EM Index by 145 basis points as the index fell by 1.57%.

Fixed Income Composite

At the end of the first quarter, the Fund had an allocation to fixed income of 32.4%. Of the allocation to fixed income, 54.2% was invested in structured fixed income, 16.6% was allocated to high yield, 8.4% was invested in TIPS, 6.3% was allocated to cash and short term investments, 4.5% allocated to bank loans, 2.0% was in convertible bonds, 1.8% was allocated to economically targeted investments (ETI), 4.9% was allocated to opportunistic fixed income, 0.9% to Progress Fixed and 0.4% was allocated to global bonds.

The Structured Fixed Income Composite returned 0.06% in the first quarter, outperforming the NYC Core plus 5 Index return of -0.31%. The Barclays Capital Aggregate Index returned -0.12% in the quarter. Treasury and agency returns were also slightly negative over the quarter.

The Enhanced Yield or high yield fixed income composite, posted a return of 2.8%, which slightly outperformed the Citigroup BB&B Capped Index return of 2.4%.

The TIPS Composite returned -0.3% slightly ahead of the Barclays Capital US TIPS Index (-0.4%).

Real Estate Equity Securities Composite & Private Equity

As of March 31, 2013, the Fund had \$329 million invested in REITs for a commitment of 3.6% of Total Fund assets. In the first quarter the REIT portfolio returned 4.7%, underperforming the DJ US Select Real Estate Securities Index by 236 basis points. As of March 31, the Fund had an allocation to Private Real Estate of 3.5% and 6.4% allocated to Private Equity.

Consultant's Commentary

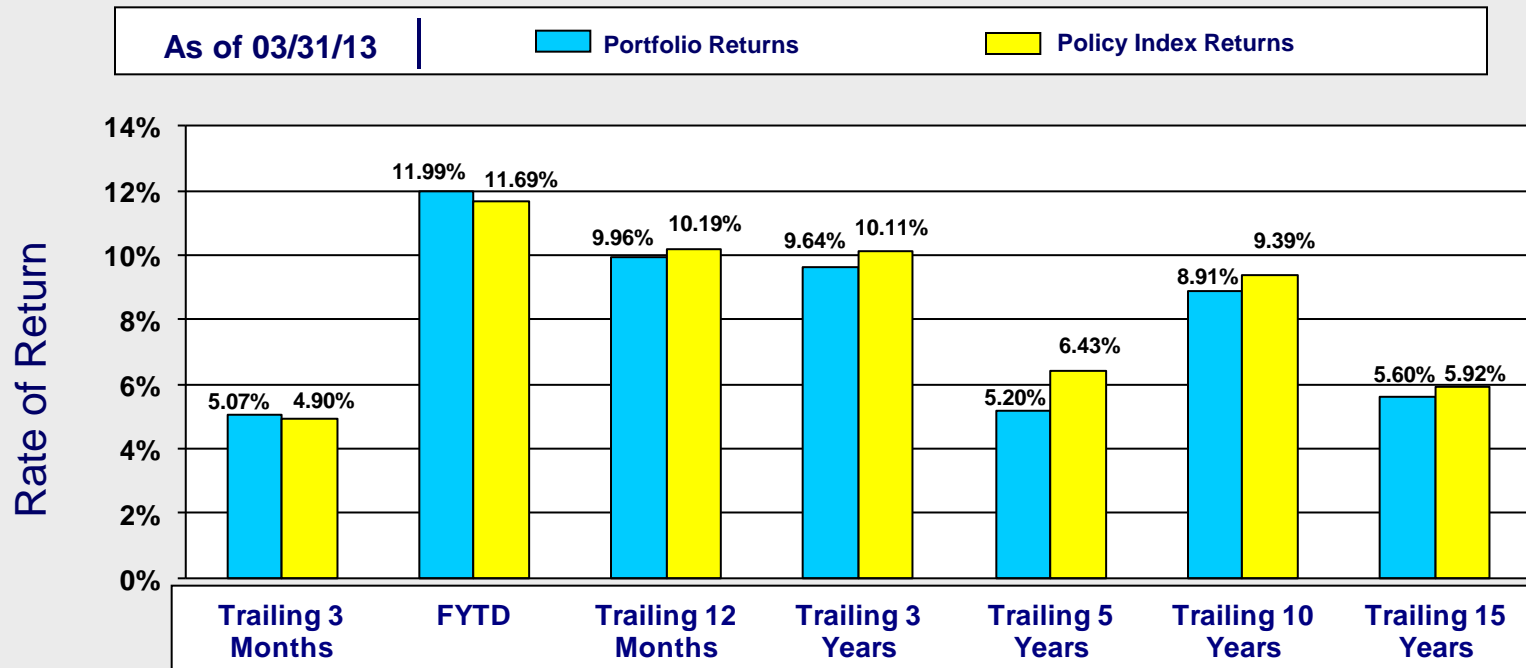
Through March 31, 2013

Hedge Funds

The allocation to hedge funds as of March 31, 2013 was \$236 million, 2.6% of the total fund. The first quarter return for the hedge fund portfolio was 3.5%, outperforming the HFRI FOF Composite Index +1% return of 3.6%, and outperforming the 1 Yr TBill yield +4% return of 1.1%.

Total Portfolio Returns: March 31, 2013

\$9.2B Under Management



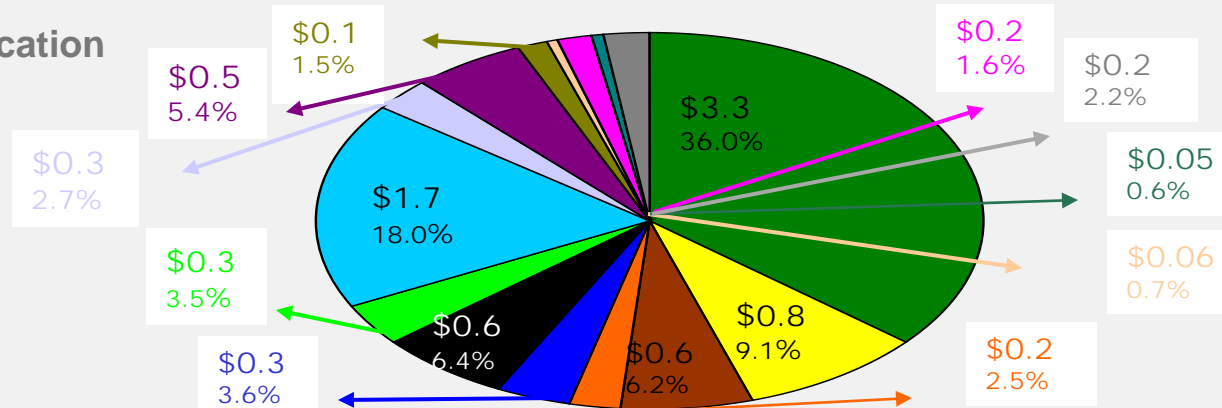
	3 Years	5 Years	10 Years	15 Years
Plan Std Dev	9.7	13.0	10.5	11.1
Benchmark Std Dev	10.08	15.0	11.7	12.1

All returns are Gross. An estimate of fees for major investment programs is provided in the Appendix.

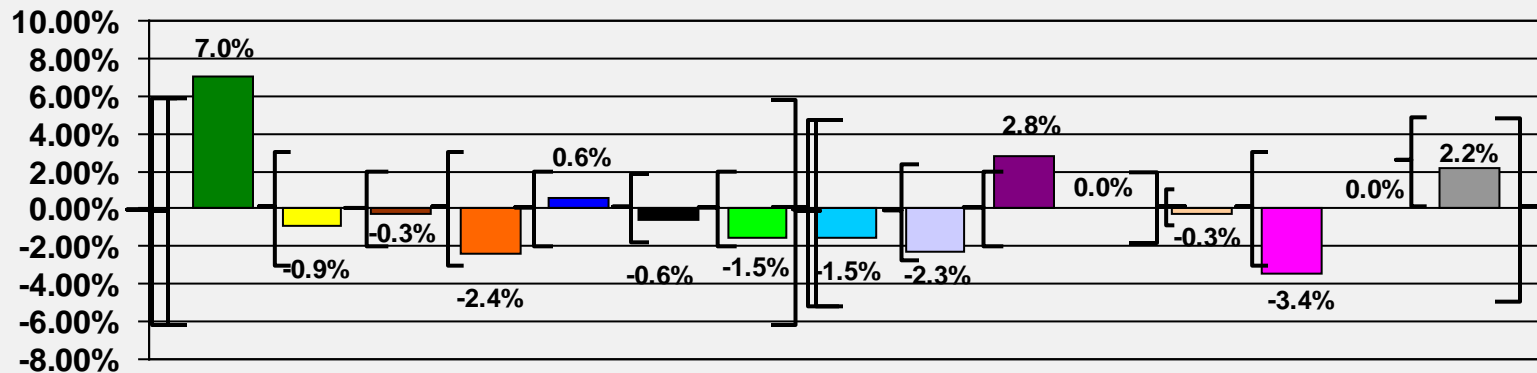
Portfolio Asset Allocation: March 31, 2013

\$9.2B Under Management

Asset Allocation



Relative Mix to New Policy Weights

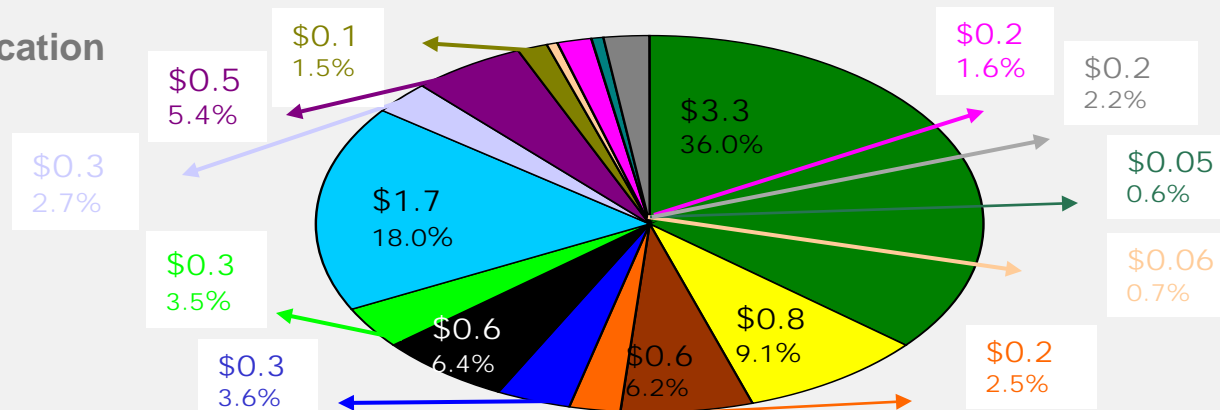


Note: Brackets represent rebalancing ranges versus Policy.

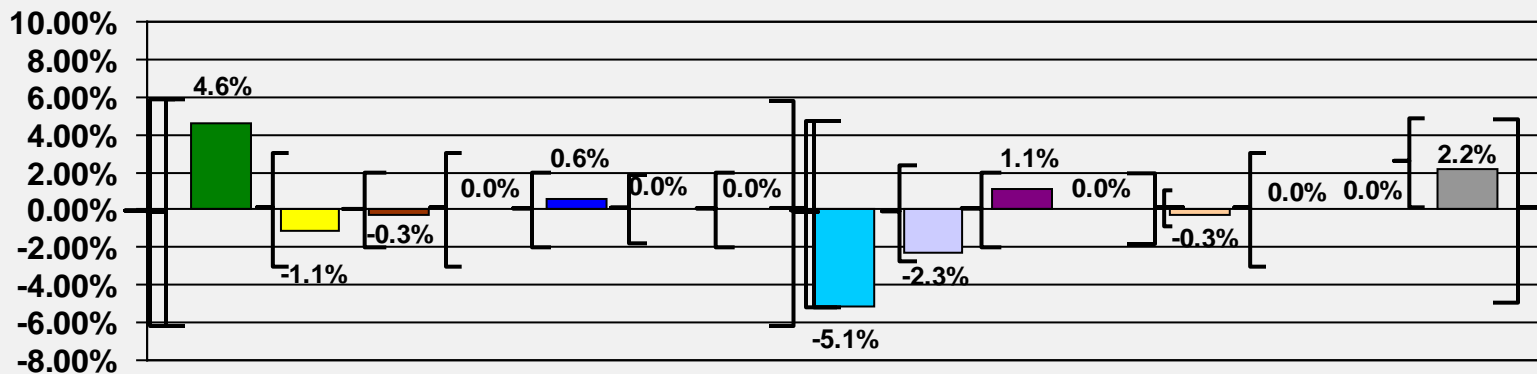
Portfolio Asset Allocation: March 31, 2013

\$9.2B Under Management

Asset Allocation

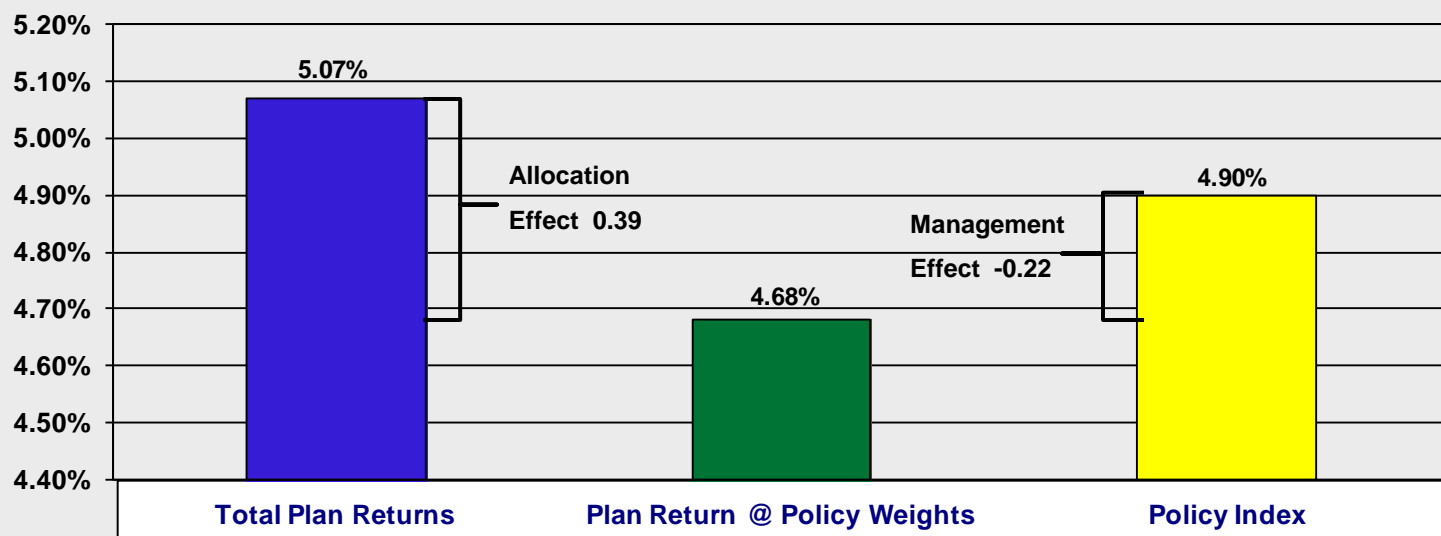


Relative Mix to Adjusted New Policy Weights

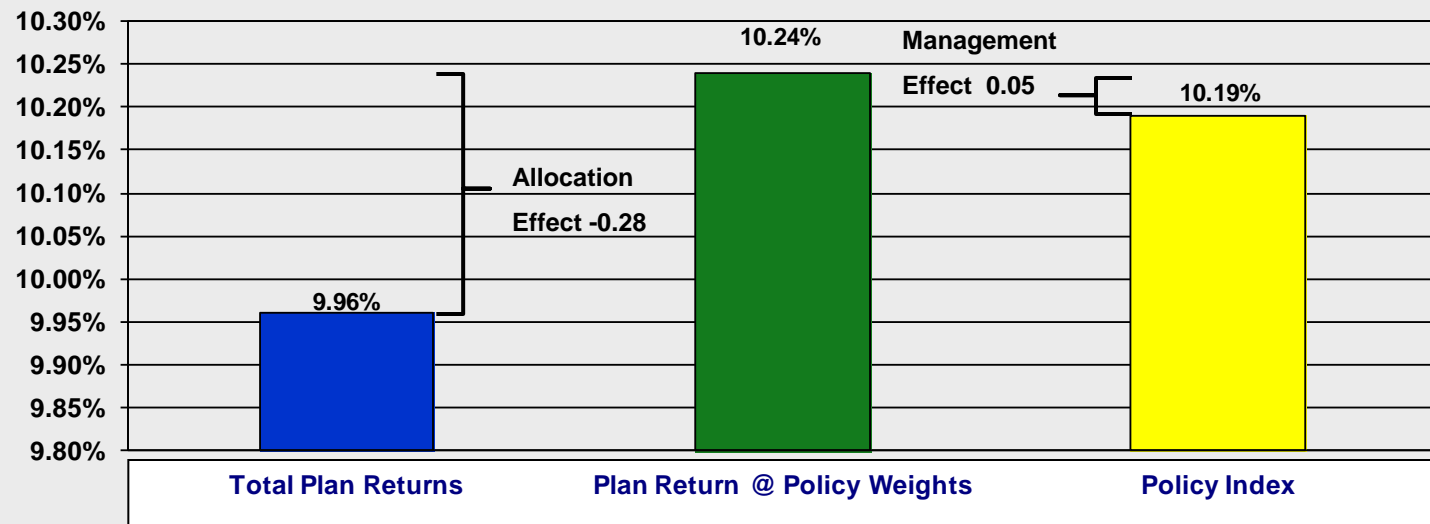


Note: Brackets represent rebalancing ranges versus Policy.

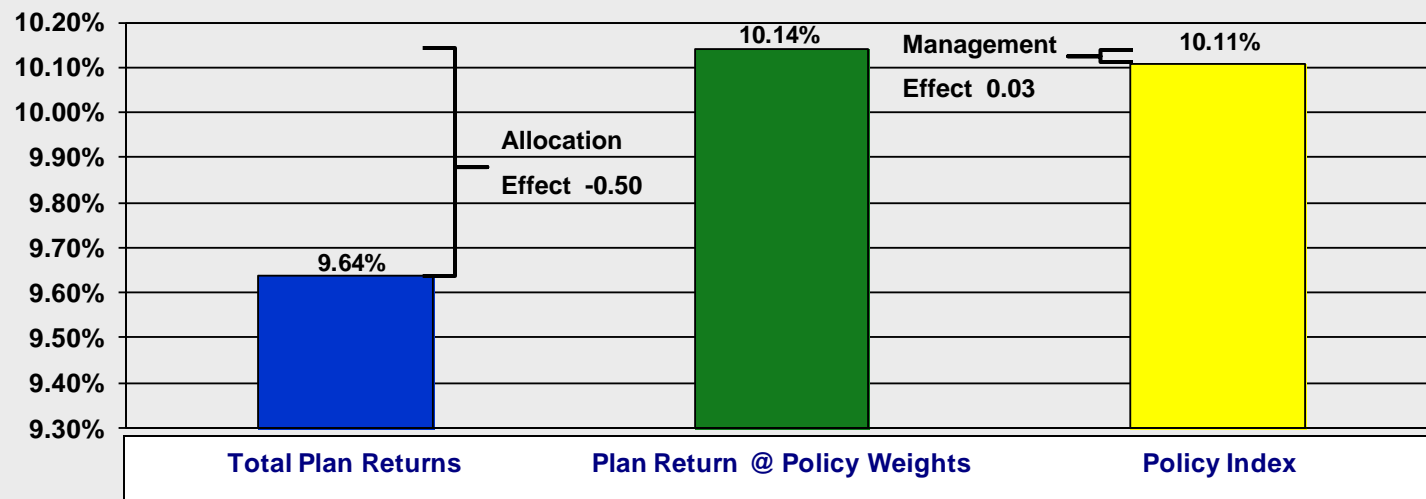
Performance Attribution: Total Plan – Quarter Ending March 31, 2013



Performance Attribution: Total Plan – 12 Month Ending March 31, 2013



Performance Attribution: Total Plan – 3 Years Ending March 31, 2013



Total Plan: March 31, 2013

Allocation Effect – Asset Class Breakdown

<u>Plan</u>	<u>Quarter</u>	<u>12 Months</u>	<u>3 Years</u>	<u>Benchmark</u>
Domestic Equity	0.20	0.11	0.03	Russell 3000 Index
EAFE Markets	0.00	-0.11	-0.11	MSCI EAFE Index
Emerging Markets	0.00	-0.03	-0.02	MSCI Emerging Markets Index
REITS	0.01	0.07	0.07	DJ US Select RE Securities Index
Private Equity	0.00	0.00	0.03	Russell 3000 Index + 300 b.p.
Private Real Estate	0.00	0.00	0.00	NCREIF ODCE net + 100 b.p.
Hedge Funds	0.00	0.00	N/A	HFRI Fund of Funds Composite Index + 1%
Domestic Fixed	0.25	0.05	-0.07	NYC Core +5 Index
Enhanced Yield	-0.04	-0.04	-0.04	Citigroup BB&B Index
TIPS	0.12	0.04	0.02	Barclays Capital US TIPS Index
Convertible Bonds	0.00	0.00	0.00	ML All US Convertibles ex Mandatory (V0A0)
Opportunistic Fixed	0.00	0.00	0.00	JPM Global High Yield +3%
State Street Short Term	-0.06	-0.17	-0.23	Total Plan

Note: Detailed effects may not add up to total due to reallocation and trading effects.

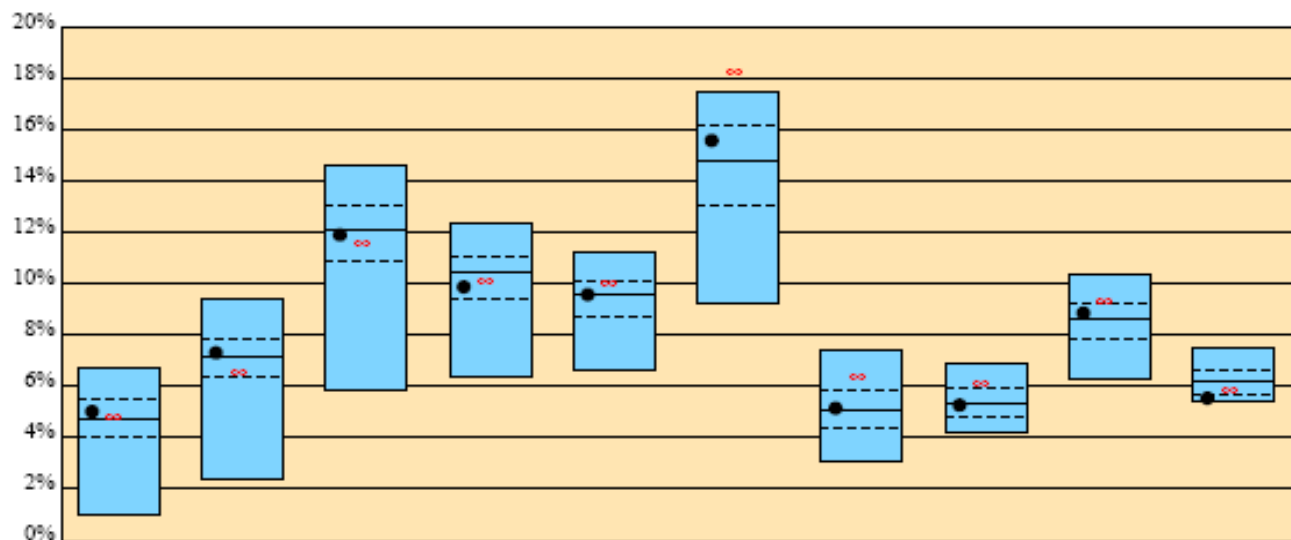
Total Plan: March 31, 2013

Management Effect – Asset Class Breakdown

<u>Plan</u>	<u>Quarter</u>	<u>12 Months</u>	<u>3 Years</u>	<u>Benchmark</u>
Domestic Equity	0.19	0.09	-0.02	Russell 3000 Index
EAFE Markets	-0.11	-0.12	0.12	MSCI EAFE Index
Emerging Markets	0.09	-0.06	0.00	MSCI Emerging Markets Index
REITS	-0.08	-0.01	0.02	DJ US Select RE Securities Index
Private Equity	-0.49	-0.30	-0.42	Russell 3000 Index + 300 b.p.
Private Real Estate	0.01	0.12	0.02	NCREIF ODCE net +100 b.p.
Hedge Funds	0.00	0.04	N/A	HFRI Fund of Funds Composite Index + 1%
Domestic Fixed	0.07	0.21	0.13	NYC Core +5 Index
Enhanced Yield	0.05	0.01	0.00	Citigroup BB&B Index
TIPS	0.00	0.01	0.00	Barclays Capital US TIPS Index
Convertible Bonds	-0.02	-0.02	-0.01	ML All US Convertibles ex Mandatory (V0A0)
Opportunistic Fixed	0.02	-0.02	-0.03	JPM Global High Yield +3%

Note: Detailed effects may not add up to total due to reallocation and trading effects.

City Of New York - Fire
Total Returns of Public Master Trusts > \$1 Billion
Rates of Return for Periods Ending March 31, 2013

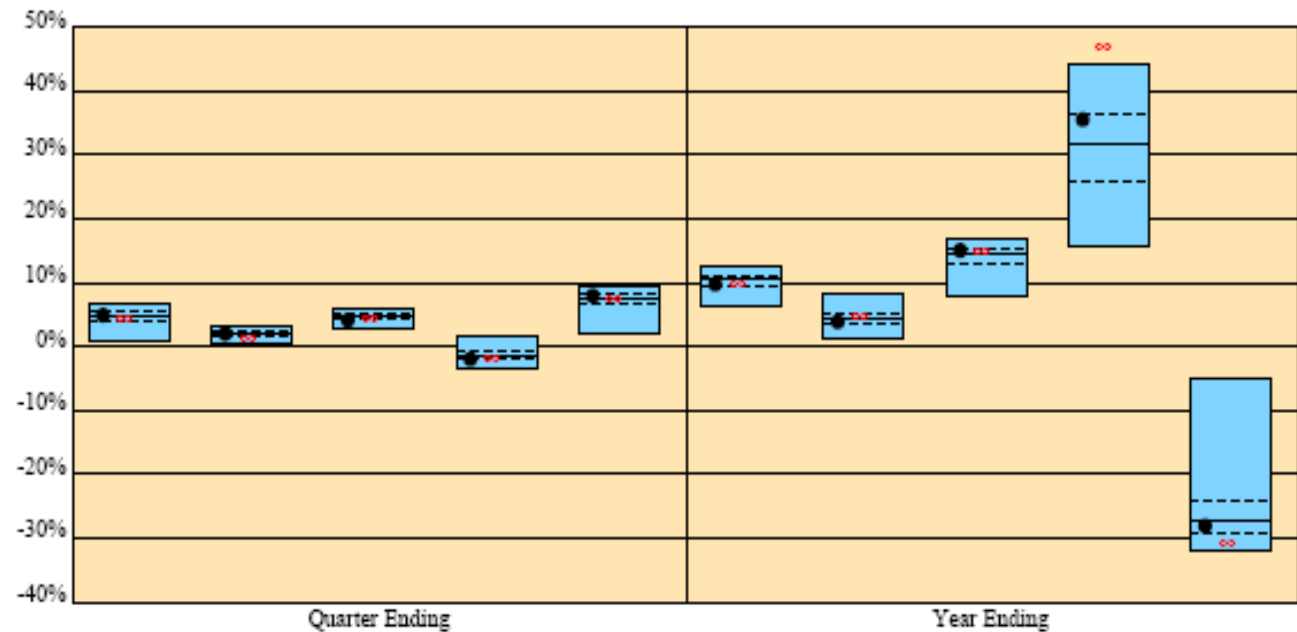


	1 Quarter	2 Quarters	3 Quarters	1 Year	3 Years	4 Years	5 Years	7 Years	10 Years	15 Years
5th Percentile	6.69	9.41	14.60	12.40	11.23	17.52	7.41	6.88	10.39	7.50
25th Percentile	5.53	7.87	13.08	11.03	10.12	16.18	5.88	5.92	9.25	6.60
Median	4.76	7.19	12.15	10.44	9.62	14.83	5.09	5.37	8.62	6.18
75th Percentile	4.03	6.38	10.92	9.44	8.76	13.05	4.40	4.79	7.88	5.67
95th Percentile	0.99	2.43	5.83	6.39	6.62	9.21	3.07	4.24	6.30	5.41
● Total System	5.07 (40)	7.36 (43)	11.96 (55)	9.93 (65)	9.63 (47)	15.64 (33)	5.20 (44)	5.32 (53)	8.91 (39)	5.59 (85)
∞ Fire Policy Benchmark	4.90 (43)	6.66 (64)	11.68 (60)	10.19 (58)	10.11 (26)	18.39 (3)	6.43 (14)	6.20 (20)	9.39 (18)	5.92 (59)

City Of New York - Fire

Total Returns of Public Master Trusts > \$1 Billion

Recent Periods



5th Percentile
25th Percentile
Median
75th Percentile
95th Percentile

Mar 13	Dec 12	Sep 12	Jun 12	Mar 12	Mar 13	Mar 12	Mar 11	Mar 10	Mar 09
6.69	3.04	5.75	1.46	9.44	12.40	8.37	17.00	44.03	-5.14
5.53	2.52	5.07	-0.92	8.24	11.03	5.06	15.37	36.56	-24.16
4.76	2.16	4.56	-1.55	7.53	10.44	4.34	14.37	31.87	-27.14
4.03	1.53	4.16	-2.06	6.72	9.44	3.65	12.76	25.88	-29.10
0.99	0.41	2.82	-3.44	1.97	6.39	1.22	7.95	15.79	-32.18

● Total System

∞ Fire Policy Benchmark

5.07 (40)	2.18 (47)	4.28 (68)	-1.81 (68)	8.11 (28)	9.93 (65)	4.04 (61)	15.22 (29)	35.70 (26)	-27.93 (58)
4.90 (43)	1.68 (72)	4.71 (39)	-1.34 (40)	8.01 (32)	10.19 (58)	5.03 (26)	15.37 (25)	47.14 (2)	-30.50 (89)

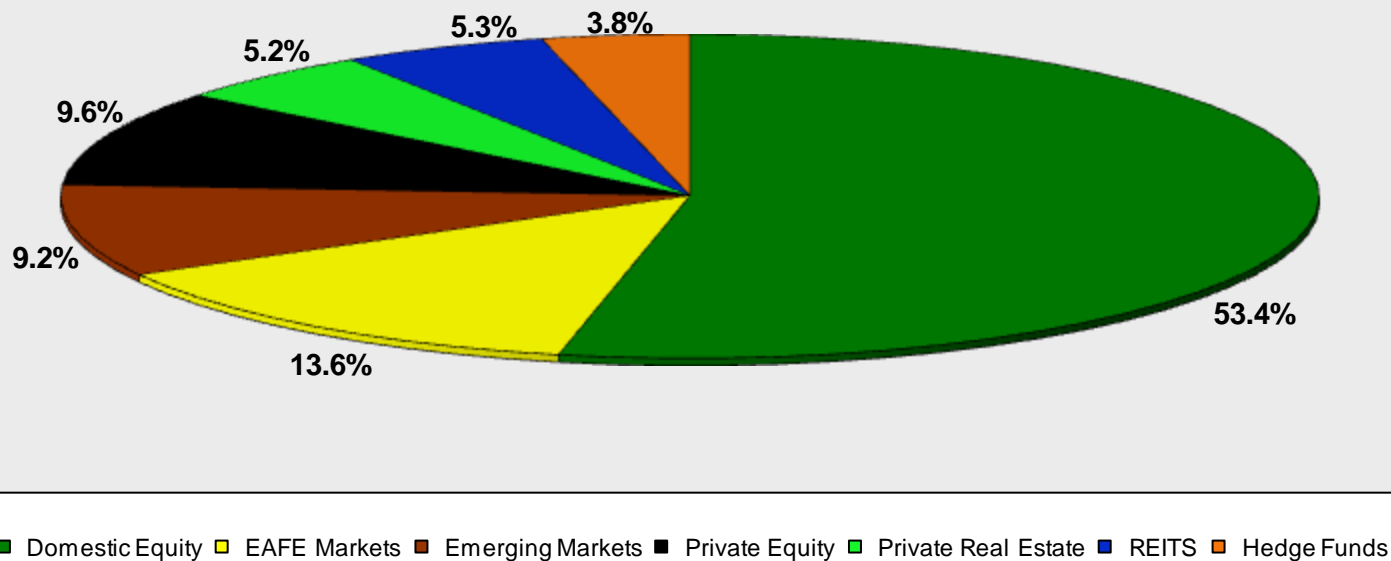
New York City
Fire Department Pension Fund, Subchapter Two

Equity Analysis

Total Equity Asset Allocation: March 31, 2013

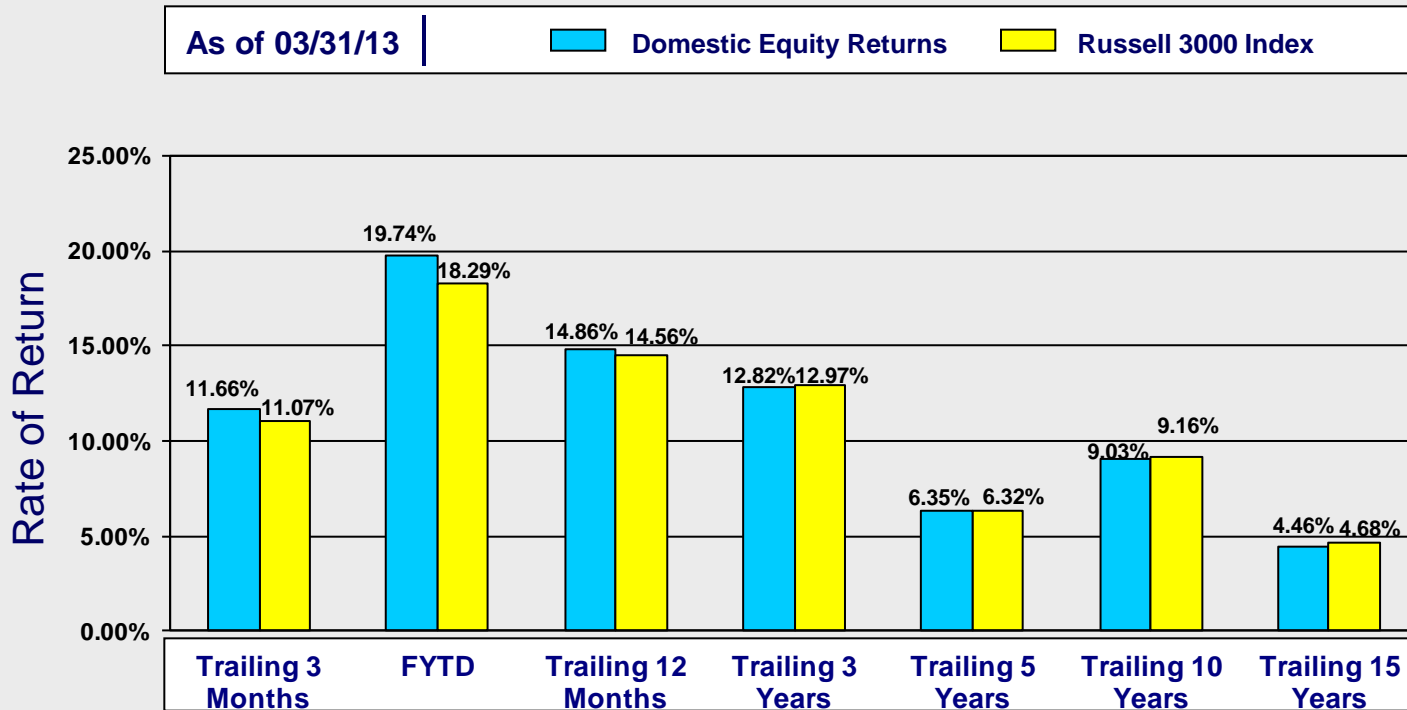
\$6.2B Under Management, **67%** of Total Funds

Asset Allocation by Groups



Total Domestic Equity Returns vs Russell 3000 Index

\$3.3B Under Management, **36%** of Total Funds

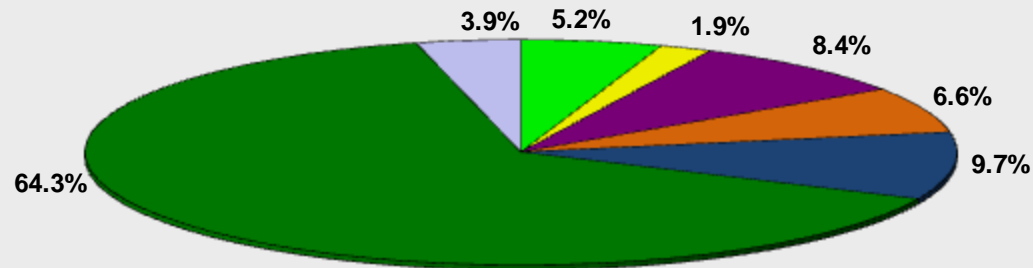


	3 Years	5 Years	10 Years	15 Years
Plan Std Dev	16.0	19.7	15.6	16.5
Benchmark Std Dev	15.4	19.5	15.4	16.6

Total Domestic Equity Asset Allocation: Quarter Ending March 31, 2013

\$3.3B Under Management, **36%** of Total Funds

Asset Allocation by Groups



■ Small Cap Active ■ Small to Mid Cap Active ■ Mid Cap Active ■ Mid Cap S&P 400 Index ■ Russell 1000 Active ■ Russell 3000 Index Fund ■ Emerging Managers

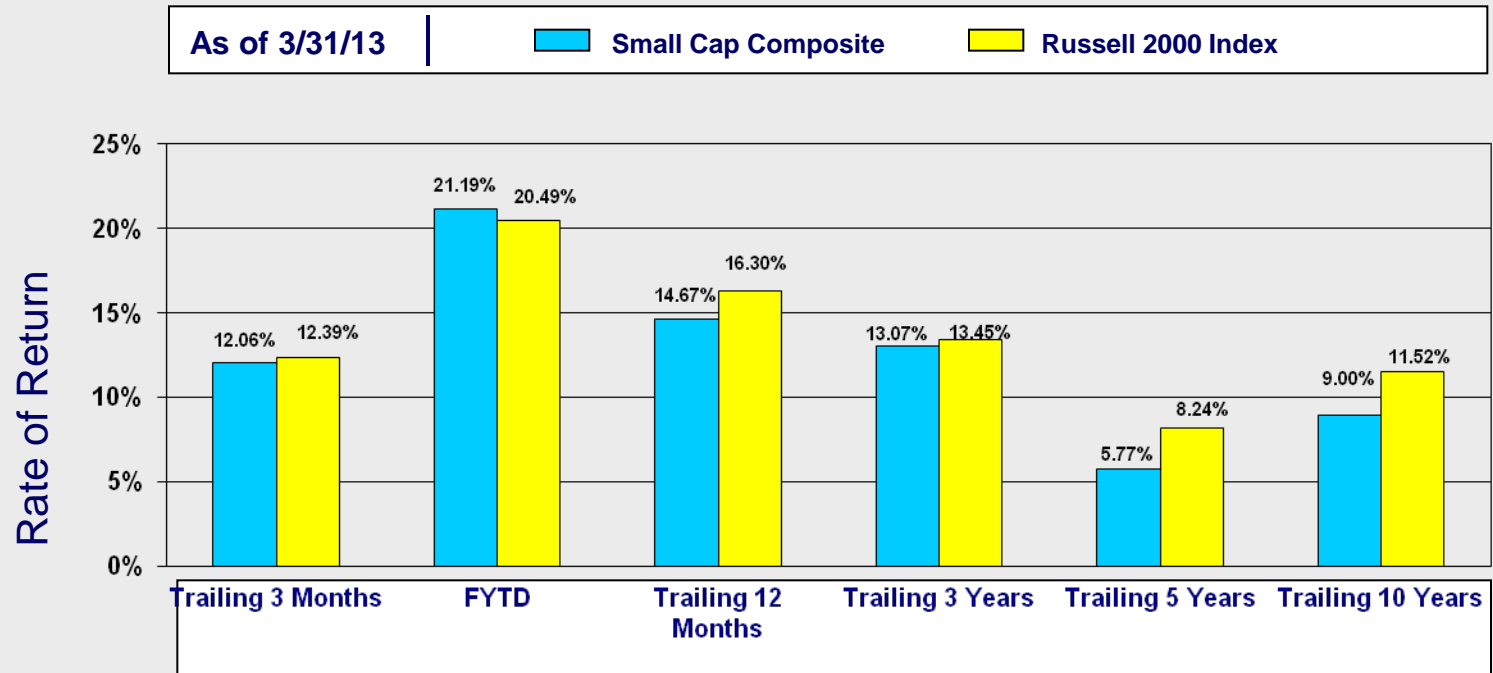
Value Added by Sectors

Sub Sector	Policy Weight	Actual Weight	Under/Over Weight	Index Return	Actual Return	Difference	Contribution to Out/Under Performance	
							Allocation	Management
Small Cap Active	5.30	5.23	-0.07	12.39	12.06	-0.33	0.00	-0.02
Small to Mid Cap Active	1.60	1.93	0.33	13.35	15.12	1.77	0.01	0.00
Mid Cap Active	6.65	8.41	1.76	12.96	13.62	0.66	0.03	0.05
Mid Cap S&P 400 Index**	7.53	6.58	-0.95	13.45	13.42	-0.03	-0.03	0.00
Russell 1000 Active	8.17	9.66	1.49	10.96	11.28	0.32	-0.01	0.02
Russell 3000 Index Fund**	66.30	64.31	-1.99	11.07	11.06	-0.02	0.01	0.02
Emerging Managers	4.45	3.88	-0.57	12.39	12.30	-0.09	-0.01	0.01

**Index Fund Managers also used to meet capitalization size policy not met through Active managers.

Small Cap Returns vs Russell 2000 Index

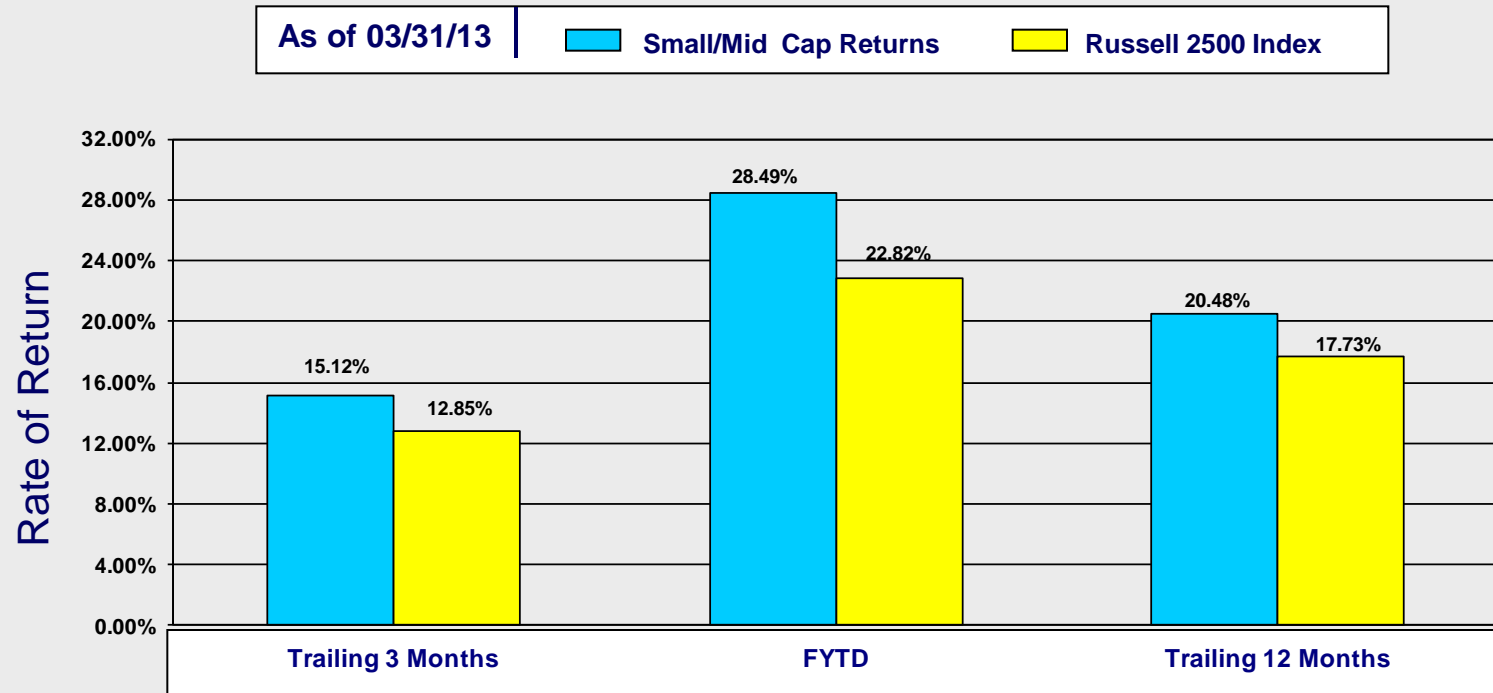
\$130M Under Management, **1%** of Total Funds



	3 Years	5 Years	10 Years
Plan Std Dev	18.5	22.7	18.3
Benchmark Std Dev	19.8	24.2	20.0

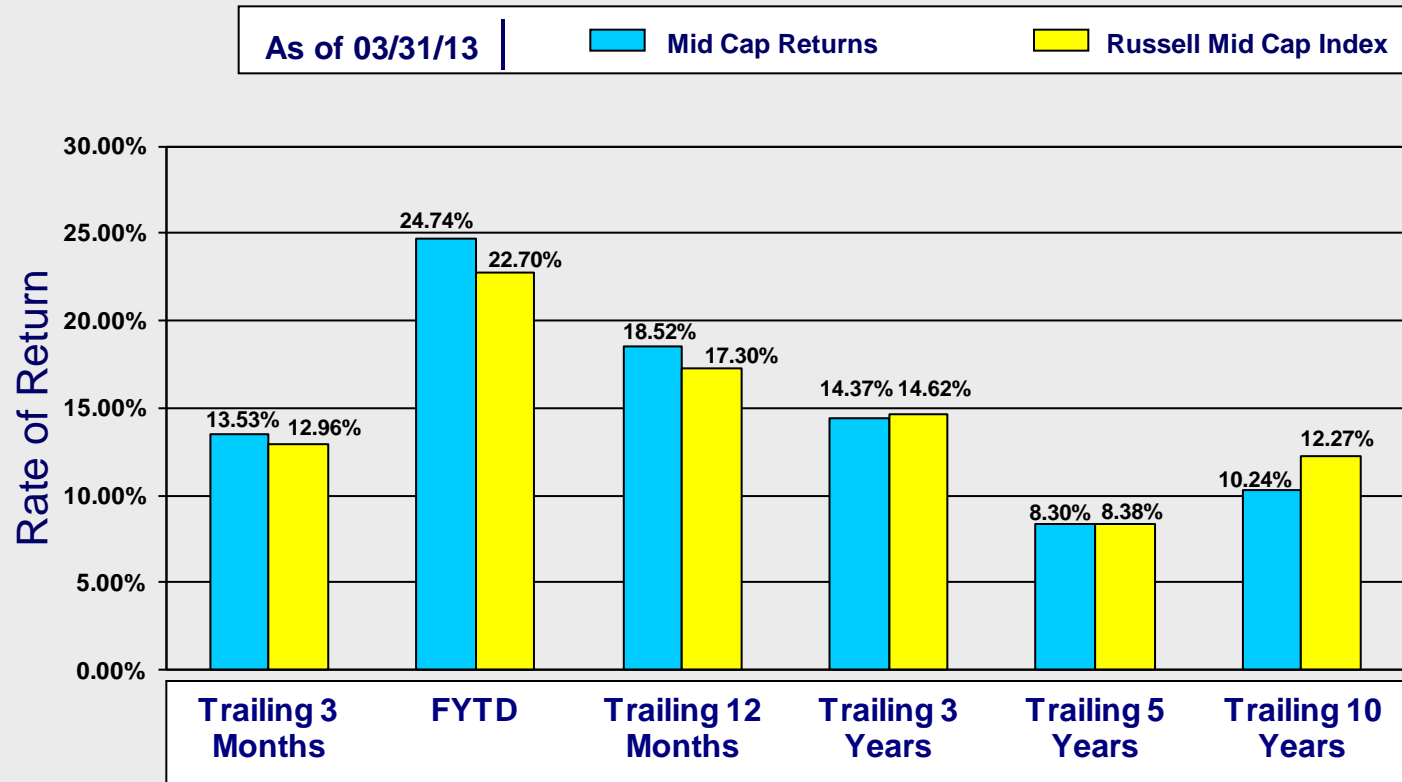
Small/Mid Cap Returns vs Russell 2500 Index

\$66M Under Management, **1%** of Total Funds



Mid Cap Returns vs Russell Mid Cap Index

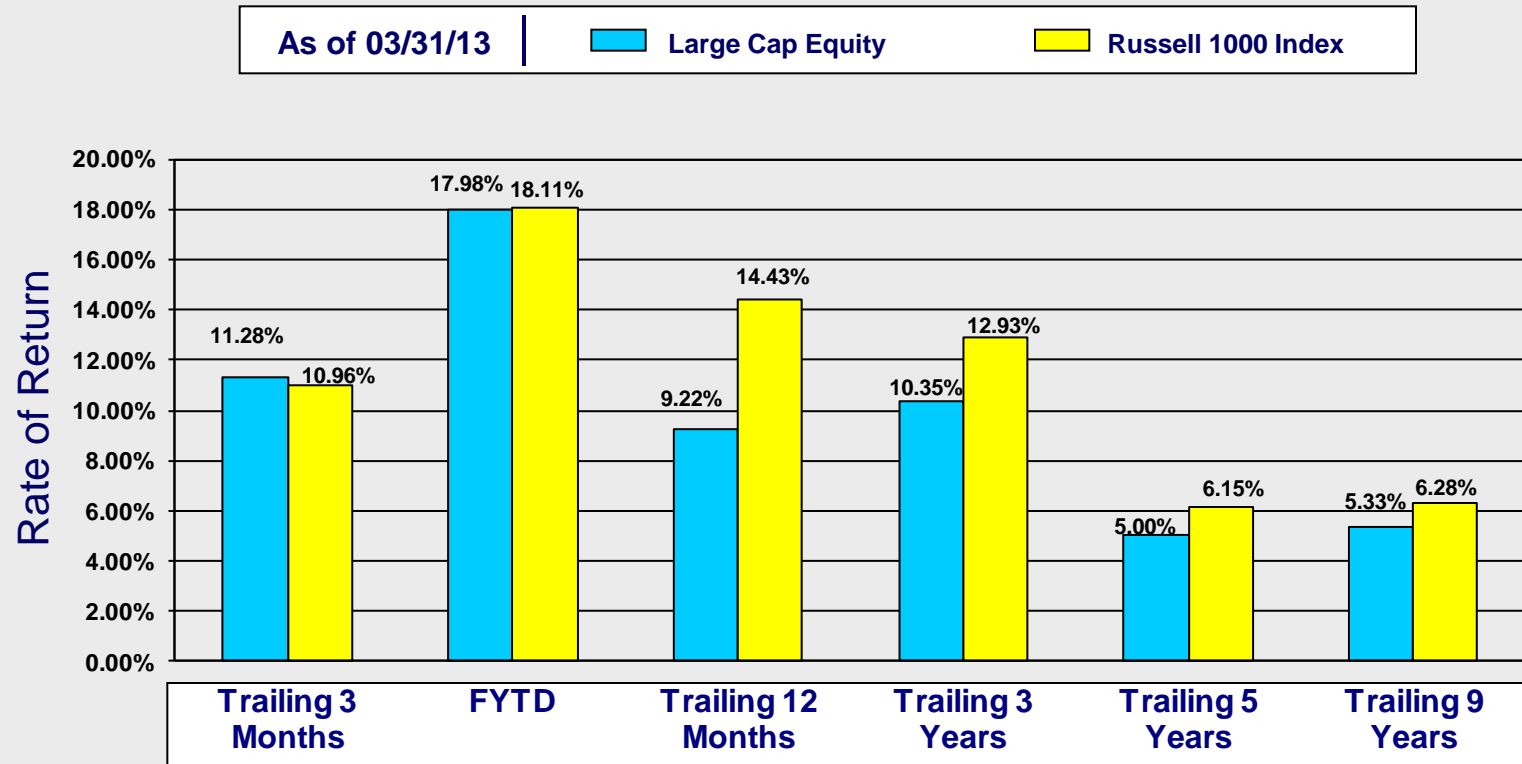
\$503M Under Management, **5%** of Total Funds



	3 Years	5 Years	10 Years
Plan Std Dev	17.6	21.9	17.6
Benchmark Std Dev	16.9	22.7	17.9

Large Cap Returns vs Russell 1000 Index

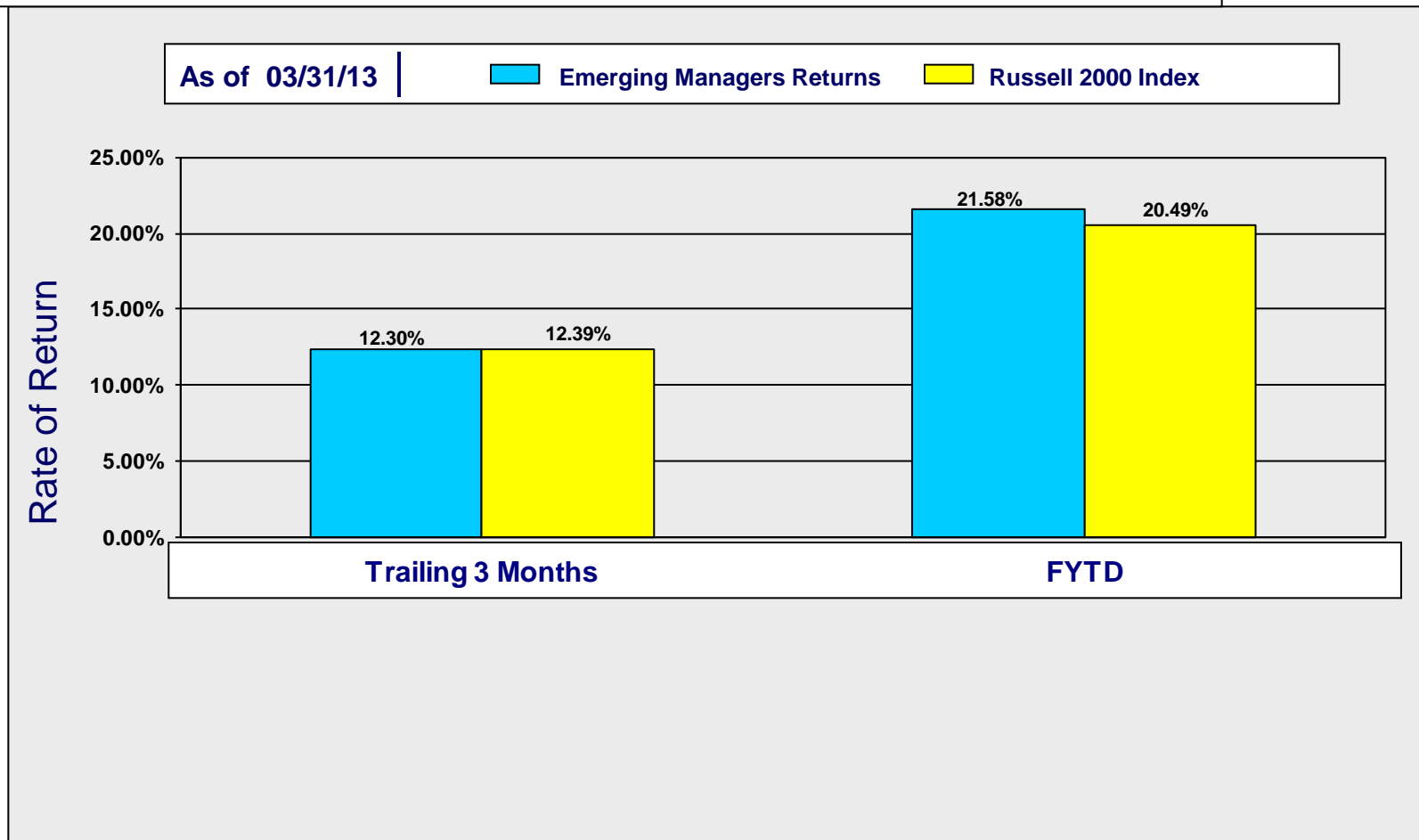
\$224M Under Management, **2%** of Total Funds



	3 Years	5 Years	9 Years
Plan Std Dev	17.4	20.0	16.2
Benchmark Std Dev	15.1	19.2	15.4

Emerging Managers Returns vs Russell 2000 Index

\$129M Under Management, **1%** of Total Funds



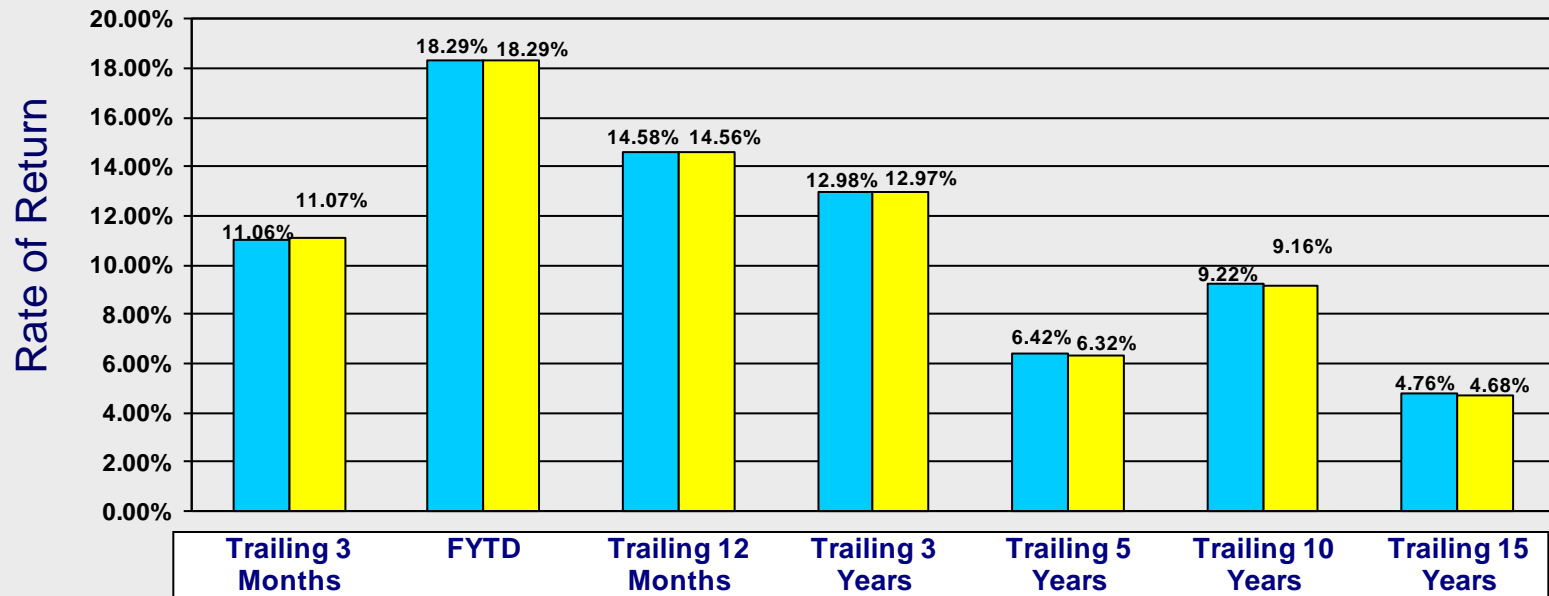
Russell 3000 Index Fund Returns vs Russell 3000 Index

\$2.3B Under Management, **25%** of Total Funds

As of 03/31/13

Russell 3000 Composite

Russell 3000 Index

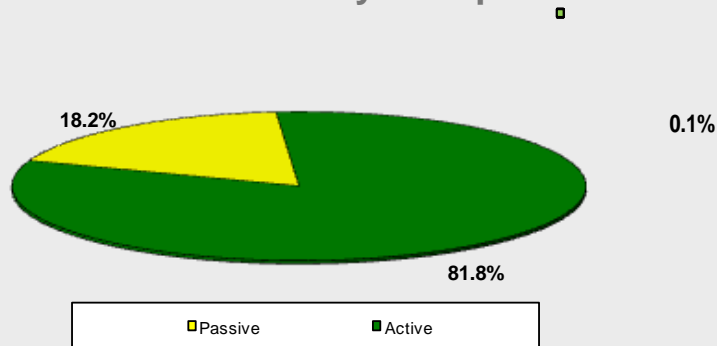


	3 Years	5 Years	10 Years	15 Years
Plan Std Dev	15.4	19.4	15.3	16.5
Benchmark Std Dev	15.4	19.5	15.4	16.6

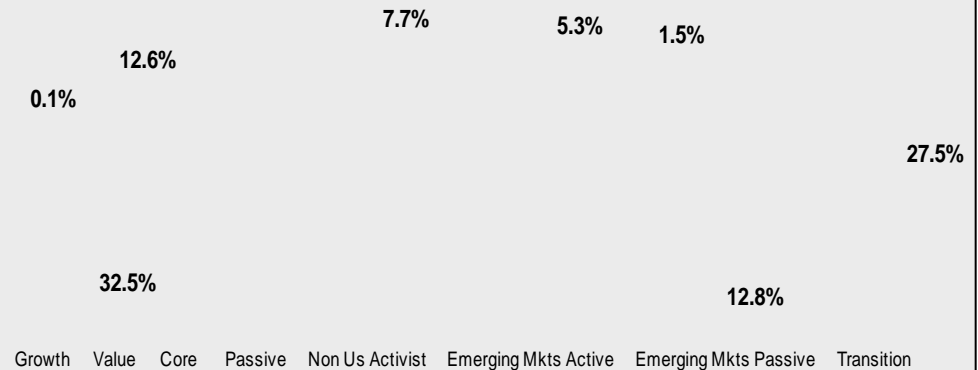
International Equity Asset Allocation: March 31, 2013

\$1.4B Under Management, **15%** of Total Funds

Asset Allocation by Groups



Asset Allocation by Style



Value Added by Sectors

Sub Sector	Policy Weight	Actual Weight	Under/Over Weight	Index Return	Actual Return	Difference	Contribution to Out/Under Performance	
							Allocation	Management
EAFE Growth		0.01		6.81	N/A	N/A		N/A
EAFE Value		12.64		3.63	4.32	0.68		-0.08
EAFE Core		7.70		5.13	2.42	-2.71		-0.58
EAFE Passive		5.32		5.13	5.23	0.10		0.00
Non-US Activist		1.47		4.34	4.10	-0.24		0.00
Active EM		27.48		-1.57	0.59	2.16		0.71
Passive EM		12.84		-1.57	-1.60	-0.03		0.00
Transition		32.52		N/A	N/A	N/A		N/A

EAFE Markets Returns vs MSCI EAFE Index

\$821M Under Management, **9%** of Total Funds

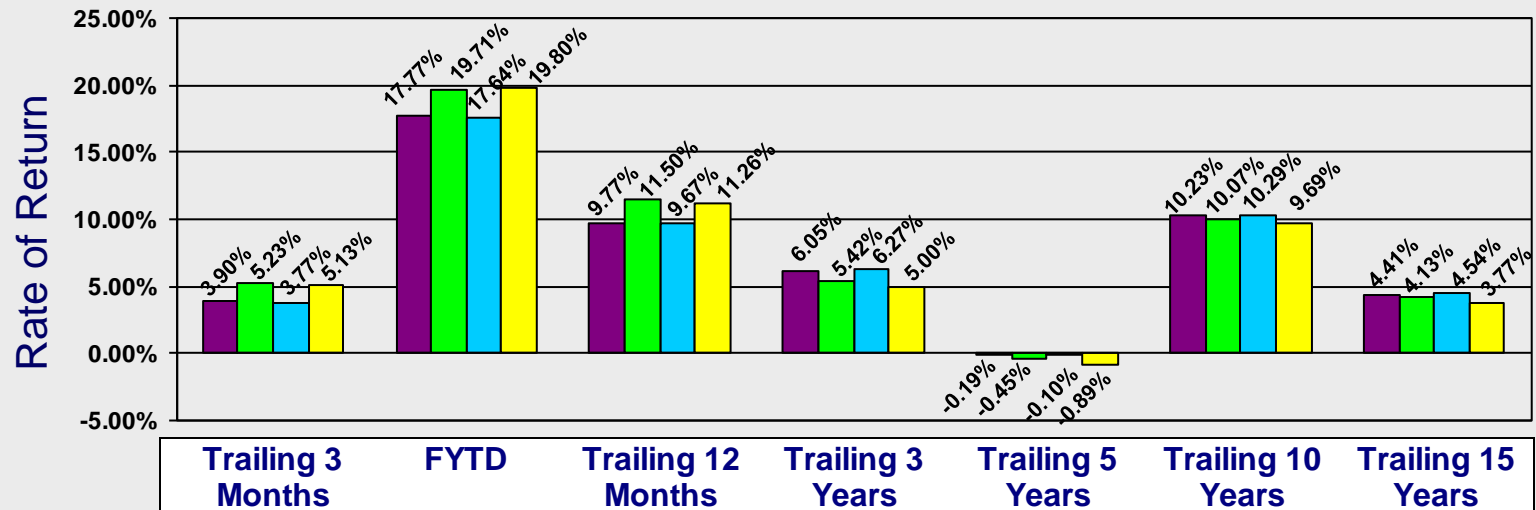
As of 03/31/13 |

EAFE Mkts

Passive Equity

Active Equity

MSCI EAFE Index



	3 Years	5 Years	10 Years	15 Years
EAFE Plan Std Dev	18.6	22.6	18.1	18.0
Passive Plan Std Dev	19.0	23.0	18.3	17.9
Active Plan Std Dev	18.6	22.5	18.0	18.2
Benchmark Std Dev	19.1	23.0	18.3	17.9

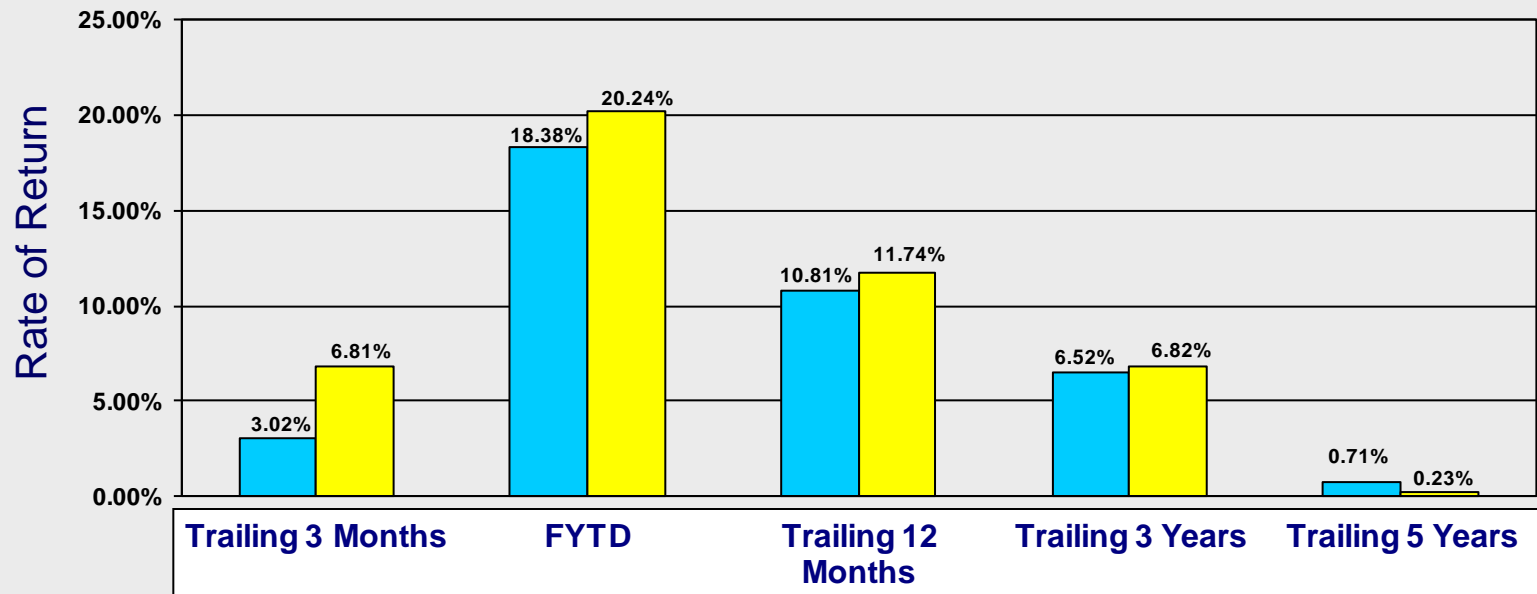
International Growth Returns vs MSCI EAFE Growth Index

\$0M Under Management, **0%** of Total Funds

As of 03/31/13

International Growth Returns

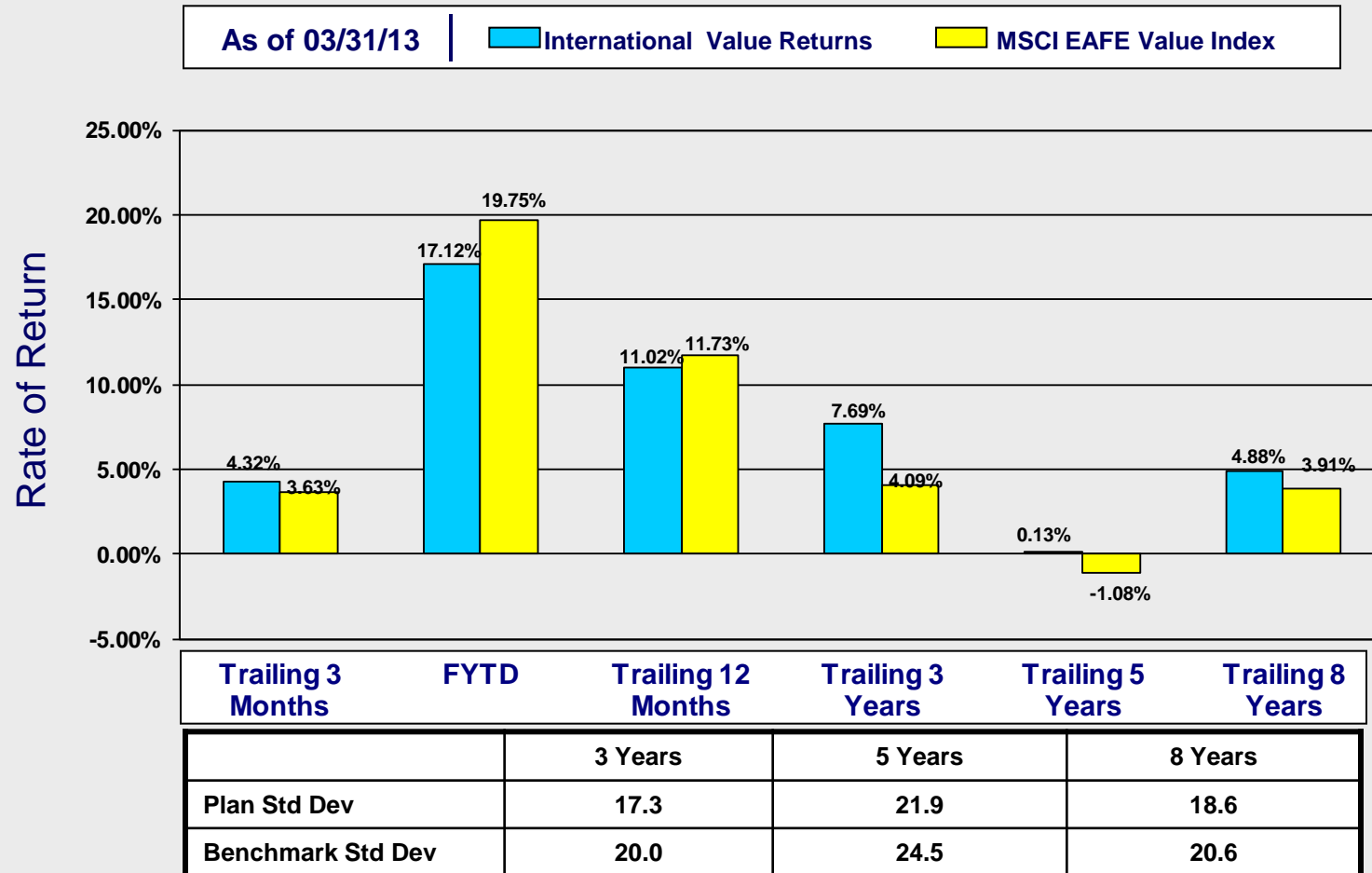
MSCI EAFE Growth Index



	3 Years	5 Years
Plan Std Dev	18.9	22.5
Benchmark Std Dev	18.5	22.1

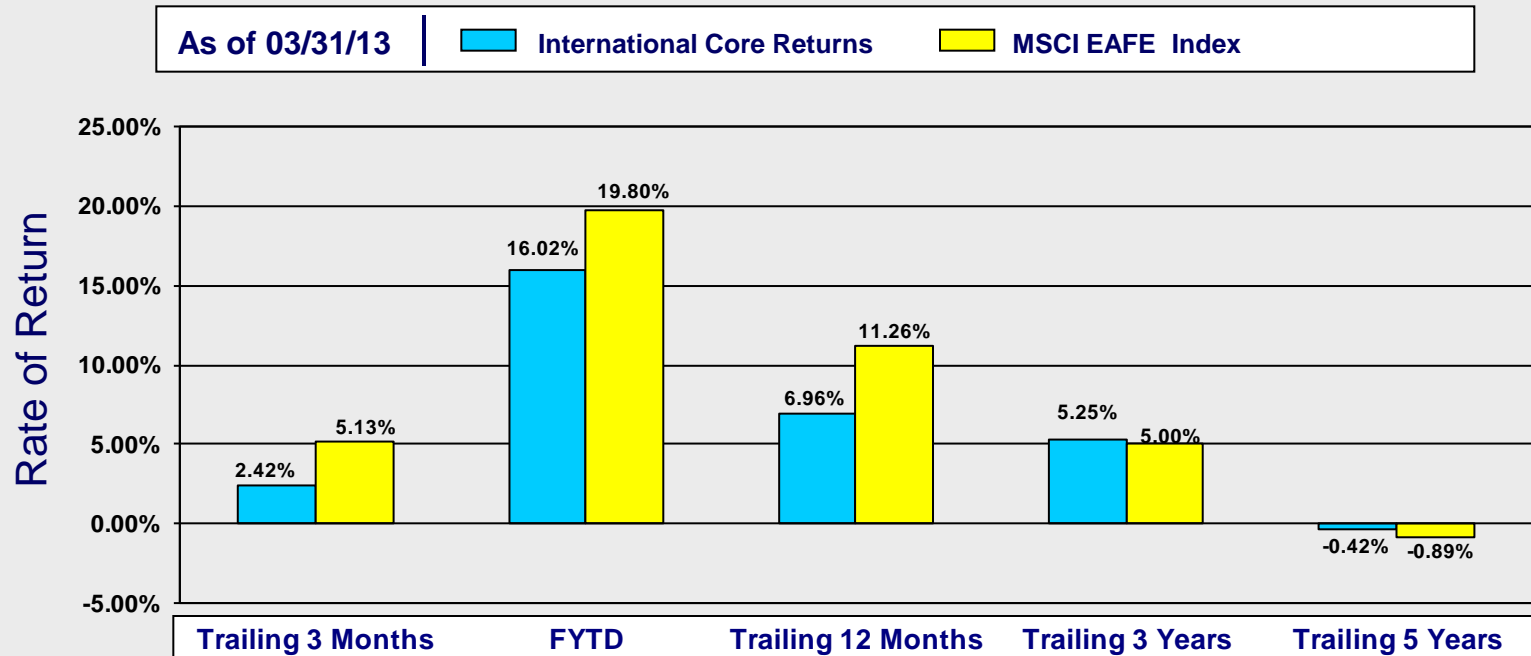
International Value Returns vs MSCI EAFE Value Index

\$178M Under Management, **2%** of Total Funds



International Core Returns vs MSCI EAFE Index

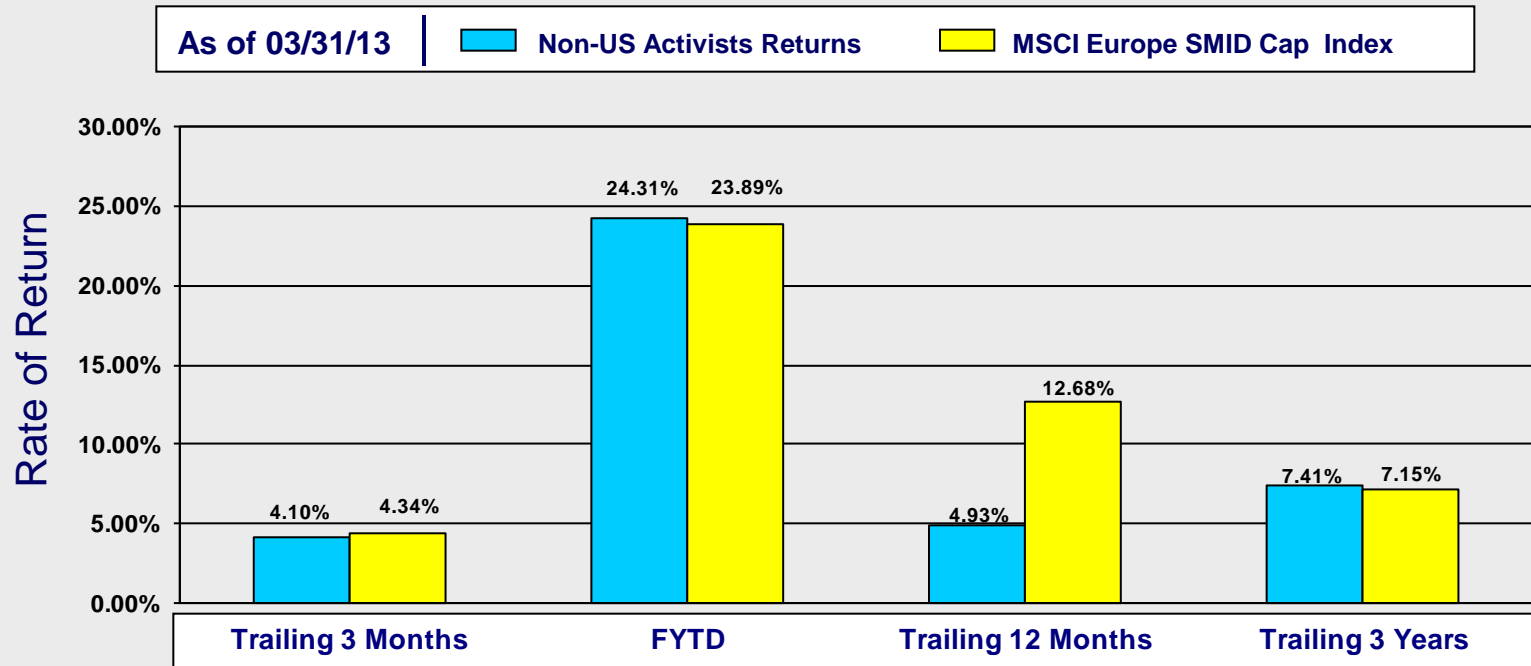
\$109M Under Management, **1%** of Total Funds



	3 Years	5 Years
Plan Std Dev	19.4	23.1
Benchmark Std Dev	19.1	23.0

Non-US Activist Returns vs MSCI Europe SMID Cap Index

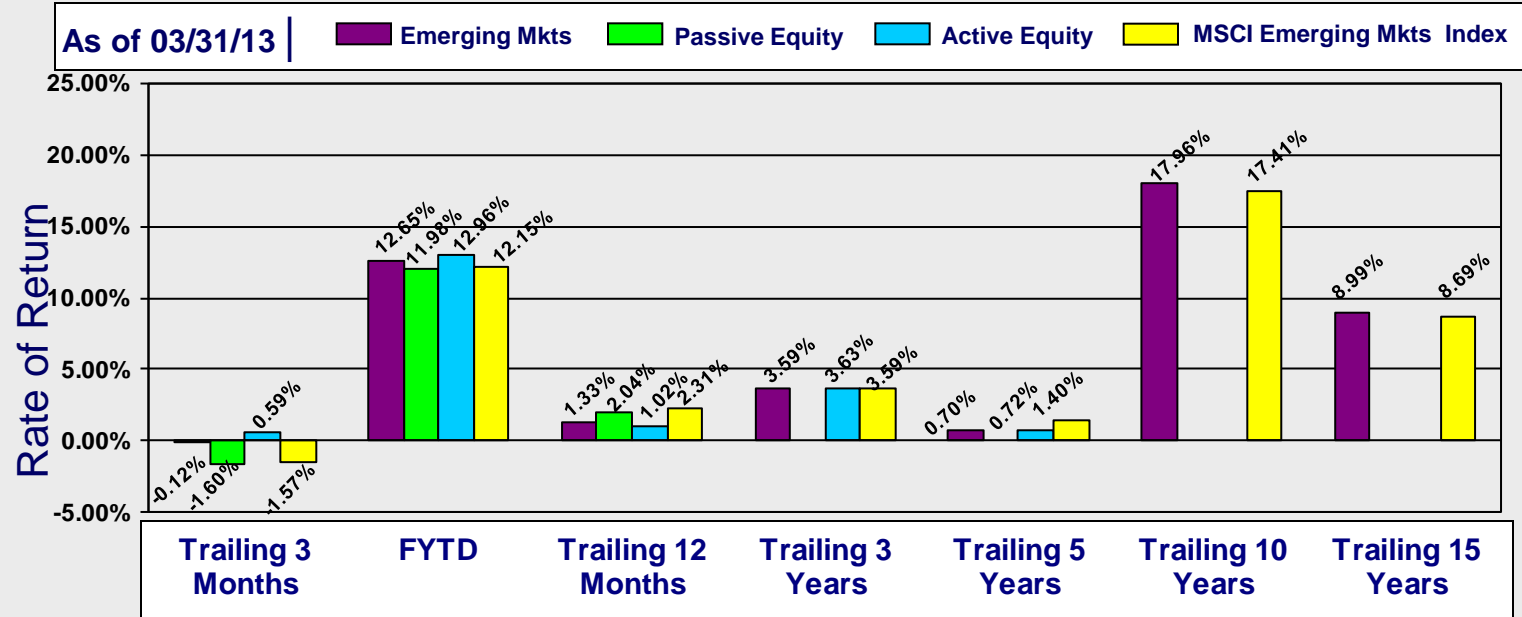
\$21M Under Management, **0%** of Total Funds



	3 Years
Plan Std Dev	25.5
Benchmark Std Dev	23.4

Emerging Markets Returns vs MSCI Emerging Markets Index

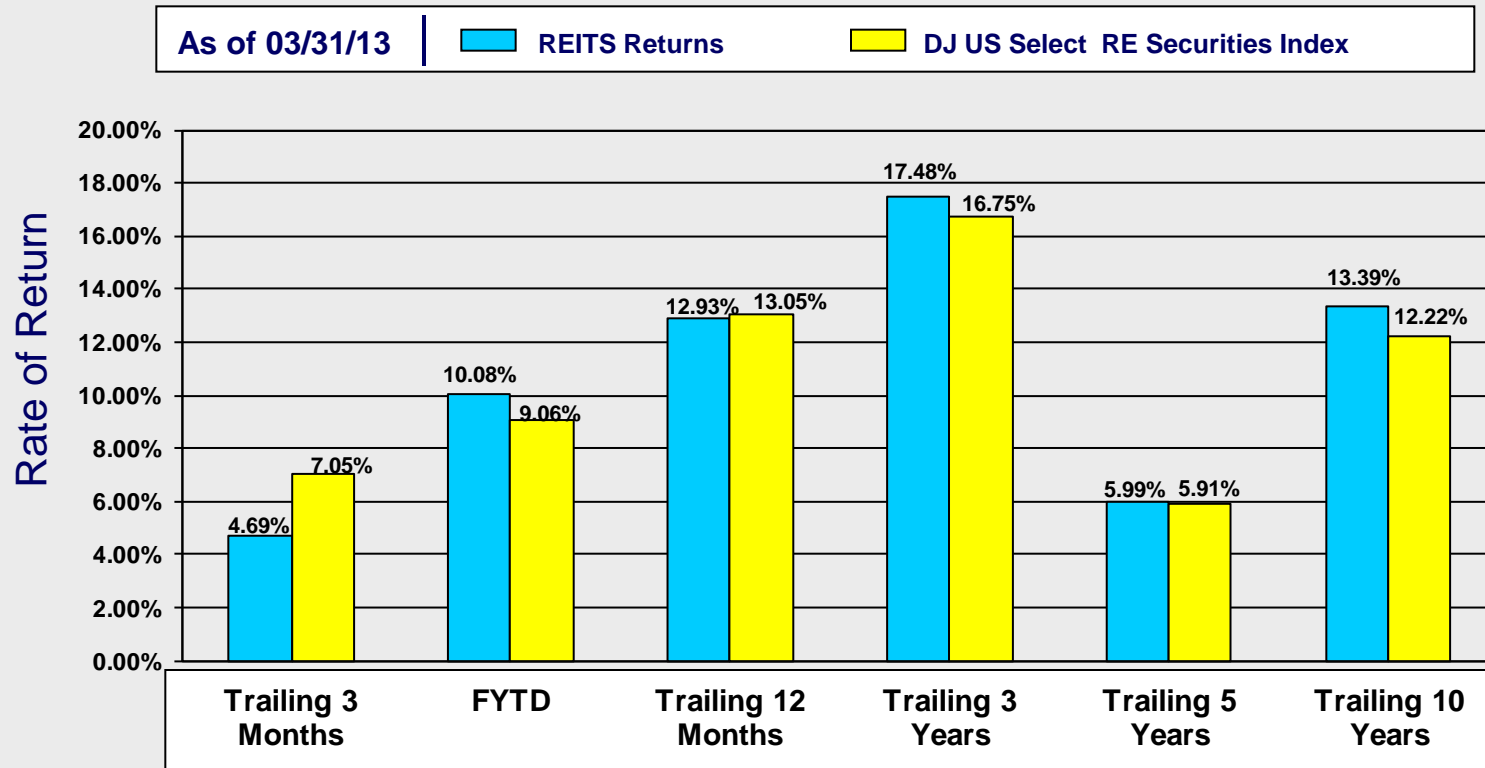
\$569M Under Management, **6%** of Total Funds



	3 Years	5 Years	10 Years	15 Years
Emerging Plan Std Dev	21.3	28.5	24.2	25.2
Passive Plan Std Dev	N/A	N/A	N/A	N/A
Active Plan Std Dev	21.4	28.6	N/A	N/A
Benchmark Std Dev	20.8	28.0	24.0	25.3

REITS Returns vs DJ US Select Real Estate Securities Index

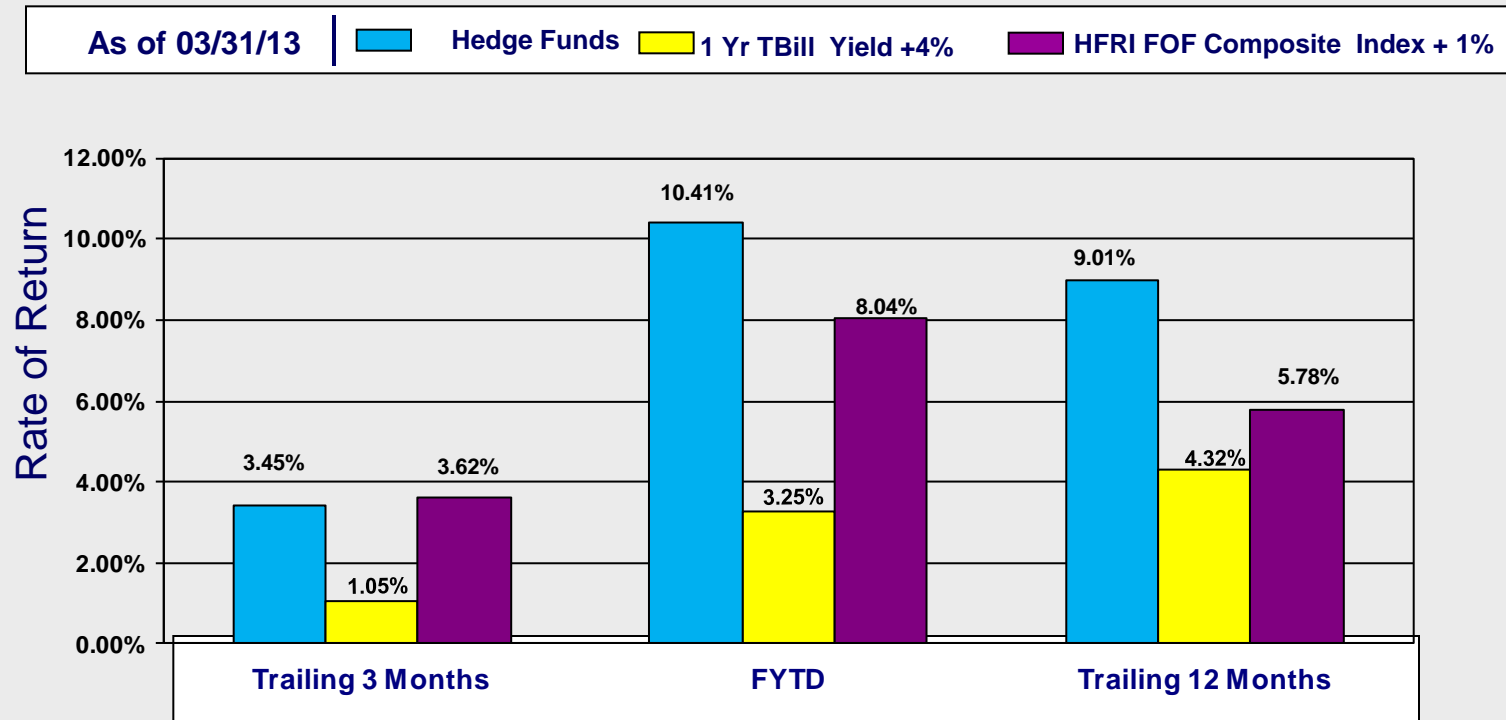
\$329M Under Management, **4%** of Total Funds



	3 Years	5 Years	10 Years
Plan Std Dev	17.0	32.0	25.5
Benchmark Std Dev	17.2	33.6	26.6

Hedge Fund Returns vs 1 Yr TBill Yield + 4% & HFRI Fund of Funds Composite Index + 1%

\$236M Under Management, **3%** of Total Funds



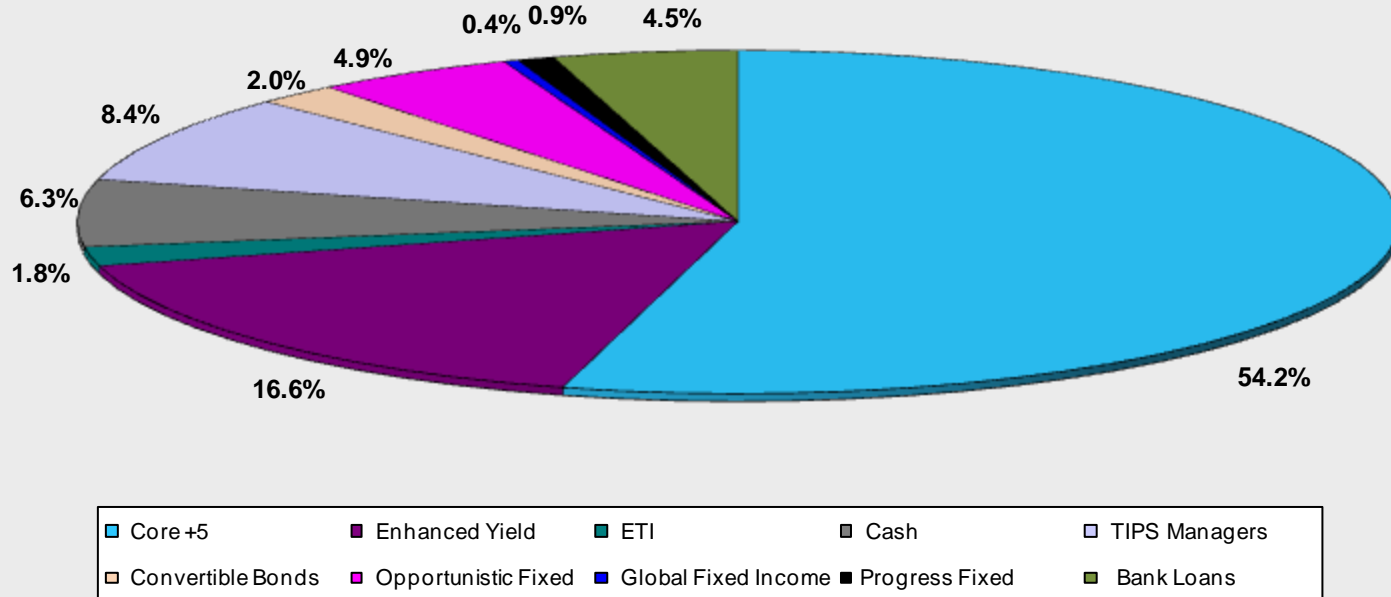
New York City
Fire Department Pension Fund, Subchapter Two

Fixed Income Analysis

Total Fixed Income Asset Allocation: March 31, 2013

\$3.0B Under Management, **32%** of Total Funds

Asset Allocation by Groups



Structured Fixed Income Asset Allocation: Quarter Ending March 31, 2013

\$1.6B Under Management, **18%** of Total Funds

Asset Allocation by Groups



■ Treasury /Agency ■ Mortgage ■ Invest. Grade Credit

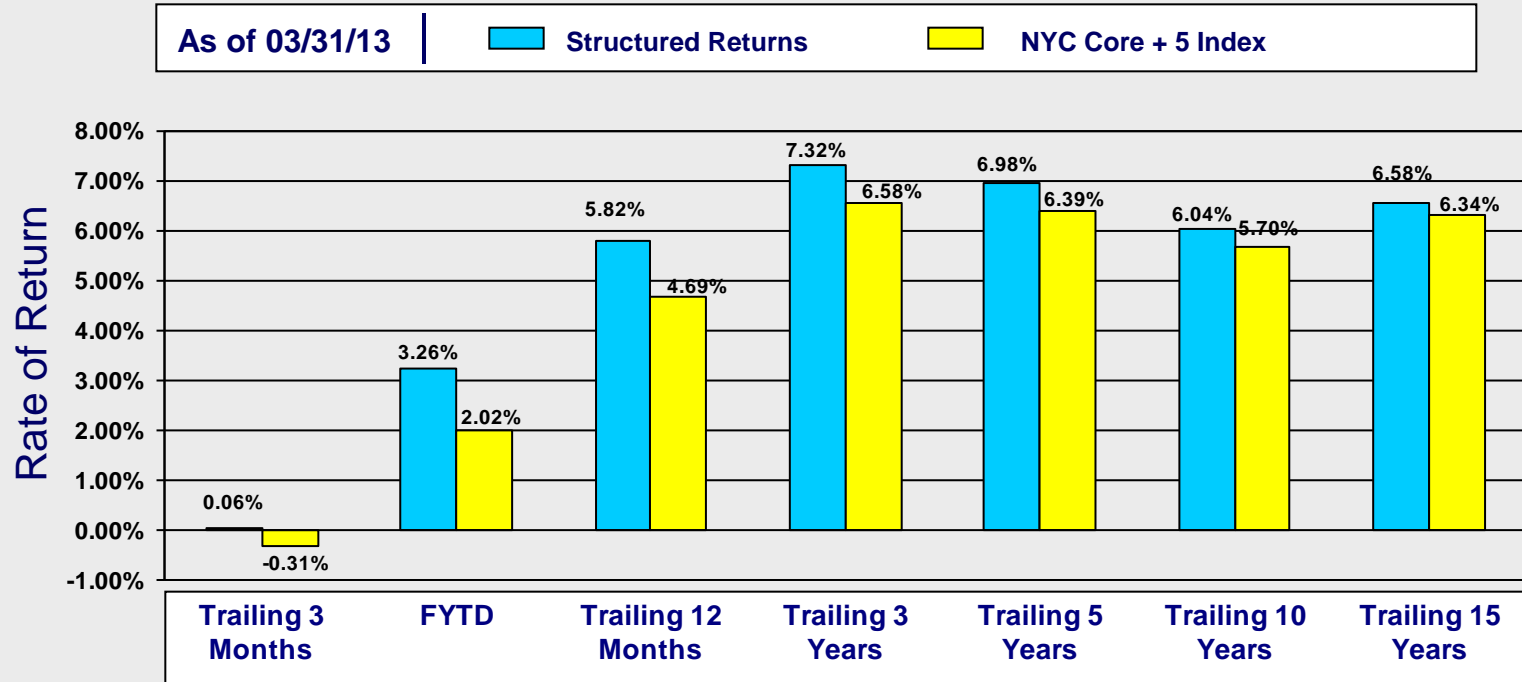
Value Added by Sectors

Sub Sector	Policy Weight	Actual Weight	Under/Over Weight	Index Return	Actual Return	Difference	Contribution to Out/Under Performance	
							Allocation	Management
Treas/Agency	19.14	13.64	-5.50	-0.75	-0.71	0.04	0.03	0.01
Mortgage	40.07	40.58	0.51	-0.04	0.18	0.22	0.00	0.09
Invest. Grade Credit	40.79	45.78	4.99	-0.36	0.18	0.54	0.00	0.26

*NYC Core +5 Breakdown

Structured Returns vs NYC Core + 5 Index

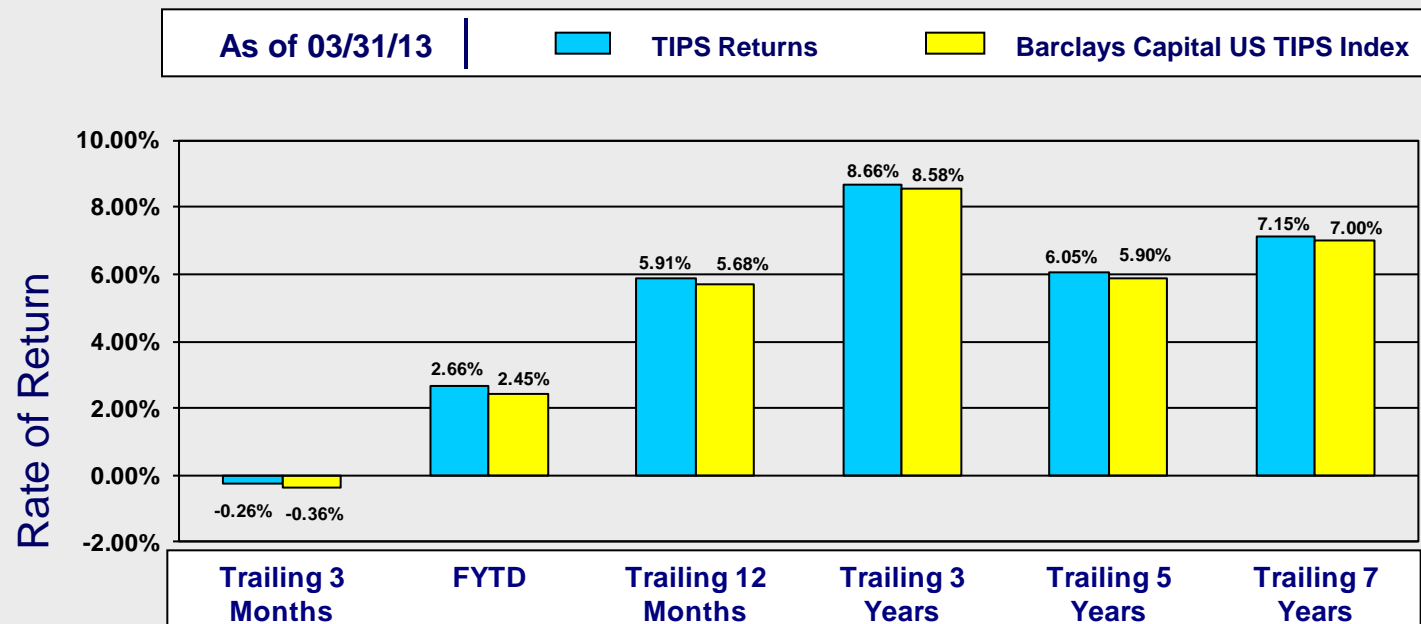
\$1.6B Under Management, **18%** of Total Funds



	3 Years	5 Years	10 Years	15 Years
Plan Std Dev	2.7	4.1	4.0	3.9
Benchmark Std Dev	2.9	4.4	4.2	4.0

TIPS Returns vs Barclays Capital US TIPS Index

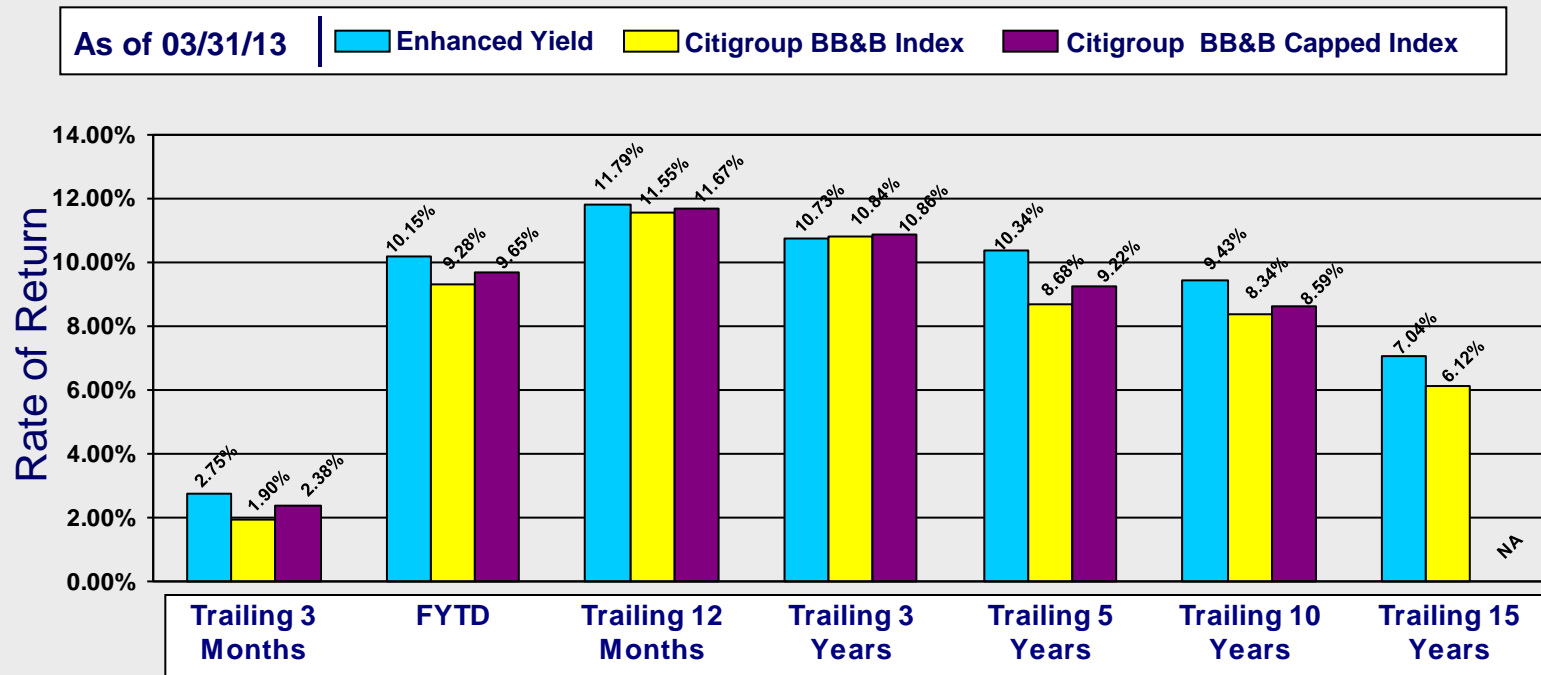
\$250M Under Management, **3%** of Total Funds



	3 Years	5 Years	7 Years
Plan Std Dev	4.1	7.1	6.5
Benchmark Std Dev	4.3	7.1	6.6

Enhanced Yield Returns vs Citigroup BB&B Index & Citigroup BB&B Capped Index

\$494M Under Management, **5%** of Total Funds



	3 Years	5 Years	10 Years	15 Years
Plan Std Dev	5.9	10.5	8.1	8.9
Citigroup BB&B Std Dev	6.0	11.7	9.0	9.2
Citigroup BB&B Capped Std Dev	5.9	11.4	5.7	N/A

Convertible Bond Returns vs Benchmarks

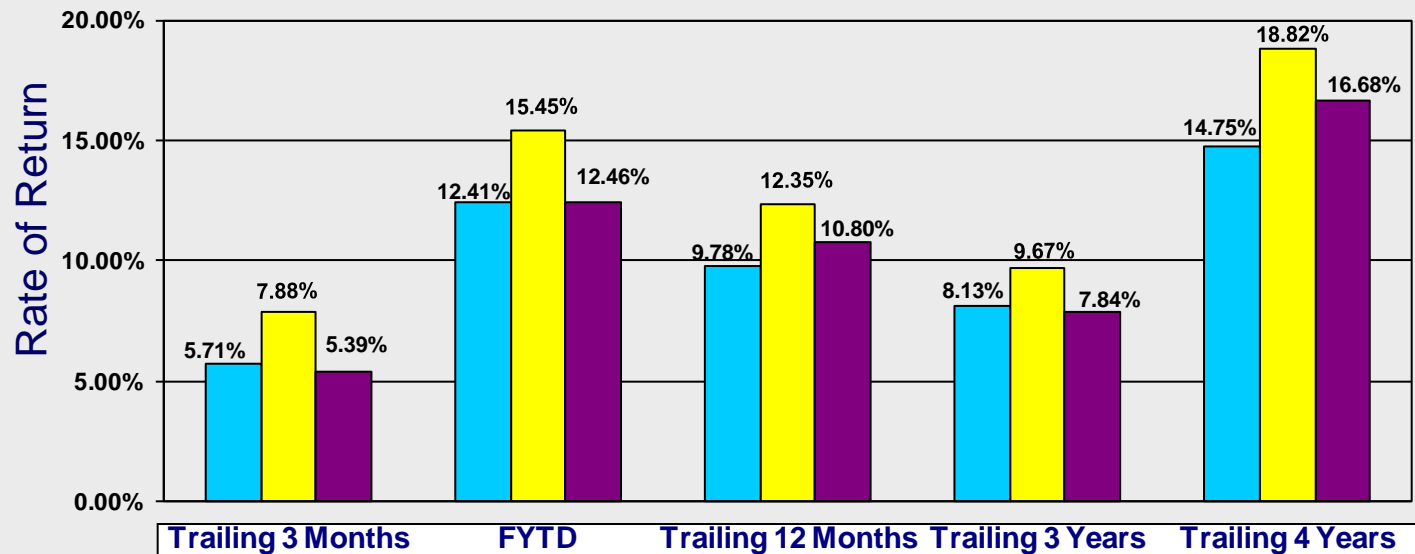
\$60M Under Management, **1%** of Total Funds

As of 03/31/13

Conv. Bond Returns

Bofa ML All Conv. Ex Mandatory Index

Custom Index



	3 Years	4 Years
Plan Std Dev	8.9	9.1
Bofa ML All Conv. Ex Mandatory Index	9.9	10.9
Custom Index	8.3	9.5

Opportunistic Fixed Income Returns vs Benchmarks

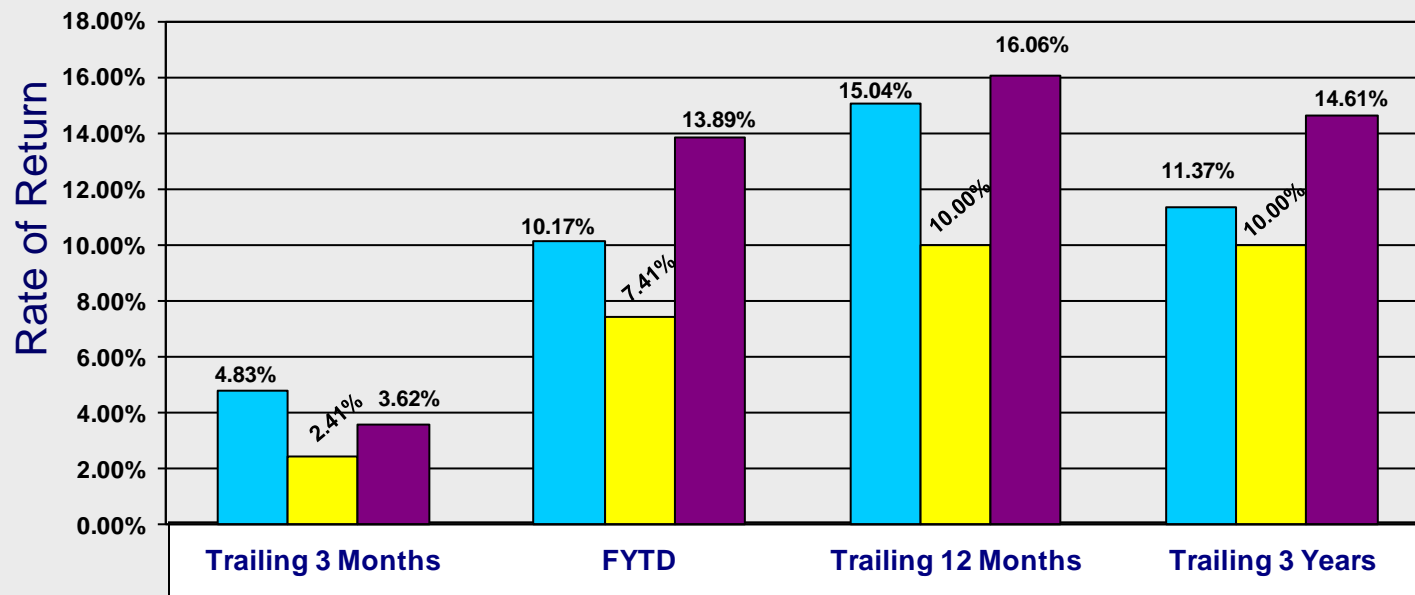
\$146M Under Management, **1%** of Total Funds

As of 03/31/13

Opportunistic Fixed

10% Annual Return

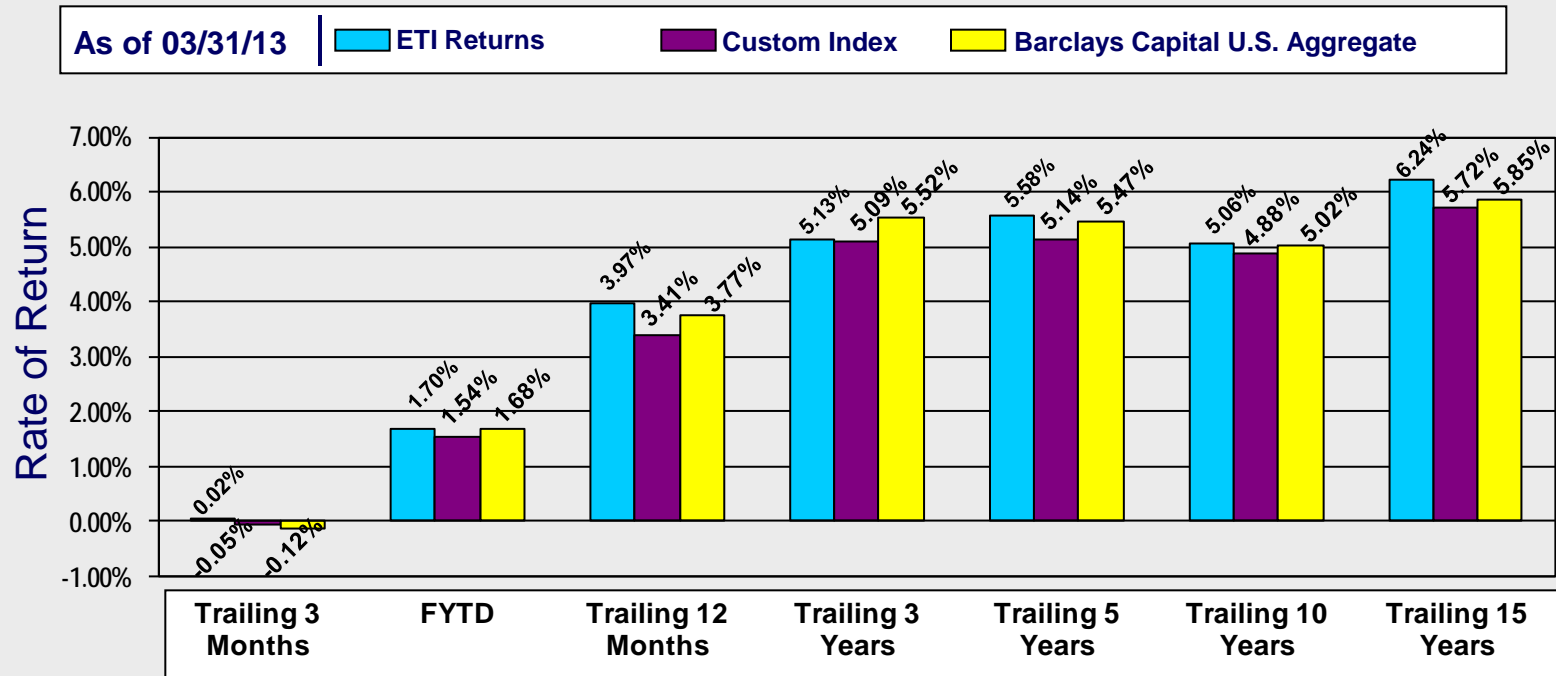
JPM Global HY +3%



	3 Years
Plan Std Dev	7.3
JPM Global HY +3% Std Dev	6.6

ETI Returns vs Custom Index & Barclays Capital U.S. Aggregate

\$53M Under Management, **1%** of Total Funds



	3 Years	5 Years	10 Years	15 Years
Plan Std Dev	1.8	2.7	3.2	2.9
Custom Index Std Dev	2.1	3.0	3.3	3.1
BC US Aggreg Std Dev	2.4	3.5	3.5	3.5

Note: Returns (shown net of fees) and Market Value do not include cash

New York City
Fire Department Pension Fund, Subchapter Two

Appendix

Consolidated Performance Report

Through March 31, 2013

Assets (\$MM)	% Total		3 Mos Jan-13 Mar-13	YTD Jan-13 Mar-13	1 Yr Apr-12 Mar-13	3 Yrs Apr-10 Mar-13	5 Yrs Apr-08 Mar-13	10 Yrs Apr-03 Mar-13	15 Yrs Apr-98 Mar-13
EQUITY MANAGEMENT									
SMALL CAP									
27.36	0.30	BROWN AM	15.72	15.72	23.73	20.80	****	****	****
27.36	0.30	TOTAL SMALL CAP GROWTH	14.78	14.78	15.56	14.61	9.30	10.98	****
		RUSSELL 2000 GROWTH	13.21	13.21	14.52	14.74	9.04	11.61	****
		SMALL CAP GROWTH MEDIAN	12.44	12.44	13.92	15.42	10.10	13.14	****
62.29	0.68	CEREDEX	11.78	11.78	****	****	****	****	****
40.13	0.44	DALTON GREINER	10.69	10.69	19.15	13.55	****	****	****
102.43	1.11	TOTAL SMALL CAP VALUE	11.35	11.35	18.32	13.29	****	****	****
		RUSSELL 2000 VALUE	11.63	11.63	18.09	12.11	****	****	****
129.79	1.41	TOTAL SMALL CAP ACTIVE	12.06	12.06	15.84	13.62	6.08	****	****
		RUSSELL 2000	12.39	12.39	16.30	13.45	8.24	****	****
129.79	1.41	TOTAL SMALL CAP	12.06	12.06	14.67	13.07	5.77	9.00	****
		RUSSELL 2000	12.39	12.39	16.30	13.45	8.24	11.52	****
65.60	0.71	SECURITY GLOBAL INV	15.12	15.12	20.48	****	****	****	****
		RUSSELL 2500 VALUE	13.35	13.35	21.17	****	****	****	****
132.99	1.44	TIMESQUARE CAPITAL	14.00	14.00	18.31	****	****	****	****
		RUSSELL MIDCAP GROWTH	11.51	11.51	12.76	****	****	****	****
MIDCAP									
72.41	0.79	IRIDIAN ASSET	12.87	12.87	22.64	****	****	****	****
72.41	0.79	TOTAL MID CAP VALUE	12.87	12.87	22.64	19.09	10.71	12.34	****
		RUSSELL MIDCAP VALUE	14.21	14.21	21.49	14.95	8.53	12.57	****

Consolidated Performance Report

Through March 31, 2013

Assets (\$MM)	% Total		3 Mos Jan-13 Mar-13	YTD Jan-13 Mar-13	1 Yr Apr-12 Mar-13	3 Yrs Apr-10 Mar-13	5 Yrs Apr-08 Mar-13	10 Yrs Apr-03 Mar-13	15 Yrs Apr-98 Mar-13
76.82	0.83	WELLINGTON MGMT	13.66	13.66	17.25	****	****	****	****
76.82	0.83	TOTAL MID CAP CORE	13.66	13.66	17.25	13.10	7.68	10.54	****
		S&P MIDCAP INDEX 400	13.45	13.45	17.83	15.11	9.85	12.45	****
282.22	3.07	TOTAL MID CAP ACTIVE	13.62	13.62	19.10	15.36	8.86	****	****
220.84	2.40	STATE STREET GA S&P 400	13.42	13.42	17.79	****	****	****	****
220.84	2.40	TOTAL MID CAP PASSIVE	13.42	13.42	17.79	****	****	****	****
		S&P MIDCAP INDEX 400	13.45	13.45	17.83	****	****	****	****
503.07	5.46	TOTAL MID CAP	13.53	13.53	18.52	14.37	8.30	10.24	****
		RUSSELL MIDCAP	12.96	12.96	17.30	14.62	8.38	12.27	****
		LARGE CAP							
41.51	0.45	PROFIT INV MGMT	9.73	9.73	12.10	11.53	****	****	****
139.72	1.52	ZEVENBERGEN	12.01	12.01	3.25	8.98	****	****	****
181.23	1.97	TOTAL LARGE CAP GROWTH	11.48	11.48	5.15	9.27	4.90	6.72	3.62
		RUSSELL 1000 GROWTH	9.54	9.54	10.09	13.06	7.31	8.63	3.25
		RUSSELL 3000 GROWTH	9.82	9.82	10.42	13.19	7.44	8.83	3.29
		LARGE CAP GROWTH MEDIAN	9.55	9.55	9.67	12.46	7.27	9.64	5.54
42.73	0.46	SEIZERT CAPITAL PTNRS	10.65	10.65	13.61	11.61	****	****	****
42.73	0.46	TOTAL LARGE CAP CORE	10.65	10.65	13.61	11.61	****	****	****
		RUSSELL 1000	10.96	10.96	14.43	12.93	****	****	****
223.95	2.43	TOTAL LARGE CAP	11.28	11.28	9.22	10.35	5.00	****	****
		RUSSELL 1000	10.96	10.96	14.43	12.93	6.15	****	****

Consolidated Performance Report

Through March 31, 2013

Assets (\$MM)	% Total		3 Mos Jan-13 Mar-13	YTD Jan-13 Mar-13	1 Yr Apr-12 Mar-13	3 Yrs Apr-10 Mar-13	5 Yrs Apr-08 Mar-13	10 Yrs Apr-03 Mar-13	15 Yrs Apr-98 Mar-13
RUSSELL 3000									
1,323.96	14.38	BLACKROCK R3000	11.06	11.06	14.56	12.93	6.36	9.17	****
937.35	10.18	STATE STREET R3000	11.06	11.06	14.60	****	****	****	****
2,261.31	24.56	TOTAL RUSSELL 3000	11.06	11.06	14.58	12.98	6.42	9.22	4.76
		RUSSELL 3000	11.07	11.07	14.56	12.97	6.32	9.16	4.68
ATTUCKS									
4.10	0.04	APEX	15.34	15.34	****	****	****	****	****
1.88	0.02	BIRD ROCK	10.53	10.53	****	****	****	****	****
4.15	0.05	EAM	15.95	15.95	****	****	****	****	****
5.11	0.06	OPUS	11.46	11.46	****	****	****	****	****
5.27	0.06	PARADIGM ASSET MGMT	12.91	12.91	****	****	****	****	****
20.51	0.22	TOTAL ATTUCKS	13.40	13.40	****	****	****	****	****
		RUSSELL 2000	12.39	12.39	****	****	****	****	****
CAPITAL PROSPECTS									
2.86	0.03	AH LISANTI	16.13	16.13	****	****	****	****	****
3.13	0.03	BERNZOTT CAP AD	12.47	12.47	****	****	****	****	****
3.25	0.04	CHANNING	12.14	12.14	****	****	****	****	****
2.74	0.03	CWC	9.22	9.22	****	****	****	****	****
1.21	0.01	HIGH POINTE	9.18	9.18	****	****	****	****	****
3.27	0.04	HUBER	13.89	13.89	****	****	****	****	****
2.65	0.03	LOMBARDIA	12.92	12.92	****	****	****	****	****
2.77	0.03	PROFIT	7.50	7.50	****	****	****	****	****
2.89	0.03	QUOTIENT	13.51	13.51	****	****	****	****	****
2.88	0.03	STEPHENS	14.28	14.28	****	****	****	****	****
2.81	0.03	SUMMIT CREEK	10.93	10.93	****	****	****	****	****
30.49	0.33	TOTAL CAPITAL PROSPECTS	12.17	12.17	****	****	****	****	****
		RUSSELL 2000	12.39	12.39	****	****	****	****	****

Consolidated Performance Report

Through March 31, 2013

Assets (\$MM)	% Total		3 Mos Jan-13 Mar-13	YTD Jan-13 Mar-13	1 Yr Apr-12 Mar-13	3 Yrs Apr-10 Mar-13	5 Yrs Apr-08 Mar-13	10 Yrs Apr-03 Mar-13	15 Yrs Apr-98 Mar-13
		PROGRESS EQUITY							
13.66	0.15	APEX	10.57	10.57	****	****	****	****	****
8.62	0.09	CARDINAL	12.83	12.83	****	****	****	****	****
6.85	0.07	HUBER	13.87	13.87	****	****	****	****	****
10.12	0.11	IRONWOOD	11.43	11.43	****	****	****	****	****
4.55	0.05	LOMBARDIA CAPITAL	11.57	11.57	****	****	****	****	****
6.07	0.07	MONARCH PARTNERS	13.88	13.88	****	****	****	****	****
4.10	0.04	NICHOLS ASSET MGMT	12.64	12.64	****	****	****	****	****
8.02	0.09	OMT	15.75	15.75	****	****	****	****	****
7.05	0.08	PHOCAS	14.23	14.23	****	****	****	****	****
8.77	0.10	SIGNIA	7.06	7.06	****	****	****	****	****
77.82	0.85	TOTAL PROGRESS EQUITY	12.07	12.07	****	****	****	****	****
		RUSSELL 2000	12.39	12.39	****	****	****	****	****
128.82	1.40	TOTAL EMERGING MANAGERS	12.30	12.30	15.24	12.80	6.53	9.41	****
		RUSSELL 2000	12.39	12.39	16.30	13.45	8.24	11.52	6.04
		RUSSELL 3000	11.07	11.07	14.56	12.97	6.32	9.16	4.68
830.38	9.02	TOTAL ACTIVE DOMESTIC EQUITY	12.64	12.64	15.01	12.68	6.25	8.84	3.48
2,482.15	26.96	TOTAL PASSIVE DOMESTIC EQUITY	11.27	11.27	14.75	12.79	6.32	9.16	5.02
3,312.54	35.98	TOTAL DOMESTIC EQUITY	11.66	11.66	14.86	12.82	6.35	9.03	4.46
		INTERNATIONAL EQUITY							
		DEVELOPED MARKETS							
		GROWTH							
0.15	0.00	PYRAMIS GLOBAL ADVISORS (terminated)	****	****	****	****	****	****	****
0.15	0.00	TOTAL INTL GROWTH	3.02	18.34	10.81	6.52	0.71	****	****
		MSCI EAFE GROWTH	6.81	20.24	11.74	6.82	0.23	****	****

Consolidated Performance Report

Through March 31, 2013

Assets (\$MM)	% Total		3 Mos Jan-13 Mar-13	YTD Jan-13 Mar-13	1 Yr Apr-12 Mar-13	3 Yrs Apr-10 Mar-13	5 Yrs Apr-08 Mar-13	10 Yrs Apr-03 Mar-13	15 Yrs Apr-98 Mar-13
		VALUE							
178.37	1.94	SPRUCEGROVE	4.32	4.32	11.02	7.82	1.97	****	****
178.37	1.94	TOTAL INTL VALUE	4.32	4.32	11.02	7.69	0.13	****	****
		MSCI EAFE VALUE	3.63	3.63	11.73	4.09	-1.08	****	****
		CORE							
2.04	0.02	PHILADELPHIA (terminated)	****	****	****	****	****	****	****
106.65	1.16	THORNBURG	2.60	2.60	8.03	6.28	0.72	****	****
108.70	1.18	TOTAL INTL CORE	2.42	2.42	6.96	5.25	-0.42	****	****
		MSCI EAFE (NET DIVIDEND)	5.13	5.13	11.26	5.00	-0.89	****	****
0.04	0.00	BANK OF IRELAND (terminated)	****	****	****	****	****	****	****
458.90	4.98	TRANSITION- EAFE REBALANCE	****	****	****	****	****	****	****
746.19	8.10	TOTAL ACTIVE DEVELOPED MARKETS	3.77	3.77	9.67	6.27	-0.10	10.29	4.54
75.09	0.82	SSGA	5.23	5.23	11.50	****	****	****	****
75.09	0.82	TOTAL PASSIVE DEVELOPED MARKETS	5.23	5.23	11.50	5.42	-0.45	10.07	4.13
821.29	8.92	TOTAL DEVELOPED MARKETS	3.90	3.90	9.77	6.05	-0.19	10.23	4.41
		MSCI EAFE (NET DIVIDEND)	5.13	5.13	11.26	5.00	-0.89	9.69	3.77
		INTERNATIONAL EQUITY MEDIAN	4.33	4.33	10.84	5.96	0.82	10.92	5.95
20.81	0.23	GOVERNANCE FOR OWNERS	4.10	4.10	4.93	7.41	****	****	****
		MSCI EUROPE SMID CAP	4.34	4.34	12.68	7.15	****	****	****
20.81	0.23	TOTAL NON-U.S. ACTIVIST	4.10	4.10	4.93	7.41	****	****	****

Consolidated Performance Report

Through March 31, 2013

Assets (\$MM)	% Total		3 Mos Jan-13 Mar-13	YTD Jan-13 Mar-13	1 Yr Apr-12 Mar-13	3 Yrs Apr-10 Mar-13	5 Yrs Apr-08 Mar-13	10 Yrs Apr-03 Mar-13	15 Yrs Apr-98 Mar-13
767.00	8.33	TOTAL ACTIVE DEV -ENVIRON-ACTVIST	3.78	3.78	9.54	6.26	-0.39	****	****
842.10	9.15	TOTAL DEV ENVIRONMENTAL ACTIVIST	3.91	3.91	9.69	6.07	-0.42	****	****
		EMERGING MARKETS							
112.62	1.22	ACADIAN	3.30	3.30	7.58	7.47	2.73	****	****
157.78	1.71	BAILLIE GIFFORD	-0.50	-0.50	-3.10	2.38	1.10	****	****
54.25	0.59	DFA	-0.34	-0.34	****	****	****	****	****
63.12	0.69	EATON VANCE	-0.52	-0.52	****	****	****	****	****
387.77	4.21	TOTAL ACTIVE EMERGING MARKETS	0.59	0.59	1.02	3.63	0.72	****	****
		MSCI EMERGING MARKETS FREE	-1.57	-1.57	2.31	3.59	1.40	****	****
181.25	1.97	BLACKROCK	-1.60	-1.60	2.04	****	****	****	****
181.25	1.97	TOTAL PASSIVE EMERGING MARKETS	-1.60	-1.60	2.04	****	****	****	****
		MSCI EMERGING MARKETS FREE	-1.57	-1.57	2.31	****	****	****	****
569.02	6.18	TOTAL EMERGING MARKETS	-0.12	-0.12	1.33	3.59	0.70	17.96	8.99
		EMERGING MARKETS MEDIAN	0.00	0.00	5.38	5.03	2.70	18.17	10.43
1,411.11	15.33	TOTAL INTERNATIONAL EQUITY	2.25	2.25	6.23	4.95	-0.48	11.46	5.16

Consolidated Performance Report

Through March 31, 2013

Assets (\$MM)	% Total		3 Mos Jan-13 Mar-13	YTD Jan-13 Mar-13	1 Yr Apr-12 Mar-13	3 Yrs Apr-10 Mar-13	5 Yrs Apr-08 Mar-13	10 Yrs Apr-03 Mar-13	15 Yrs Apr-98 Mar-13
HEDGE FUNDS									
52.71	0.57	TOTAL PERMAL HEDGE FUND OF FUNDS	3.38	3.38	7.25	****	****	****	****
		HFRI FOF COMPOSITE INDEX + 1%	3.62	3.62	5.78	****	****	****	****
DIRECT HEDGE FUNDS									
23.94	0.26	BLUE TREND FD	5.41	5.41	****	****	****	****	****
41.71	0.45	BREXAN HOWARD	3.15	3.15	6.19	****	****	****	****
23.52	0.26	BRIGADE LEV CAP STR	2.18	2.18	6.34	****	****	****	****
17.69	0.19	CASPIAN SELECT CF	5.18	5.18	****	****	****	****	****
21.23	0.23	CCP QUANT FD	****	****	****	****	****	****	****
48.30	0.52	D.E. SHAW	5.41	5.41	18.01	****	****	****	****
6.95	0.08	FIR TREE VAL FD	****	****	****	****	****	****	****
183.35	1.99	TOTAL DIRECT HEDGE FUNDS	3.41	3.41	9.60	****	****	****	****
		HFRI FOF COMPOSITE INDEX + 1%	3.62	3.62	5.78	****	****	****	****
		MSCI AC WORLD INDEX STD NET	6.50	6.50	10.55	****	****	****	****
		BARCLAYS CAPITAL AGGREGATE	-0.12	-0.12	3.77	****	****	****	****
236.06	2.56	TOTAL HEDGE FUNDS	3.45	3.45	9.01	****	****	****	****
		1 YEAR TREASURY BILL YIELD + 4%	1.05	1.05	4.32	****	****	****	****
		HFRI FOF COMPOSITE INDEX + 1%	3.62	3.62	5.78	****	****	****	****
REAL ESTATE EQUITY SECURITIES									
58.59	0.64	ADELANTE CAPITAL MANAGEMENT	5.38	5.38	11.36	17.24	4.39	11.92	****
107.78	1.17	EUROPEAN REIT	2.93	2.93	16.45	****	****	****	****
		FTSE EPRA/NAREIT DEVELOPED INDEX	6.26	6.26	21.09	****	****	****	****
162.60	1.77	MORGAN STANLEY	5.64	5.64	11.75	16.77	6.99	****	****
328.97	3.57	TOTAL REAL ESTATE EQUITY SECURITIES	4.69	4.69	12.93	17.48	5.99	13.39	****
		DJ US SELECT RE SECURITIES INDEX	7.05	7.05	13.05	16.75	5.91	12.22	****

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PRIVATE EQUITY INVESTMENTS									
0.67	0.01	AISLING CAPITAL II	****	****	****	****	****	****	****
1.47	0.02	AISLING CAPITAL III	****	****	****	****	****	****	****
29.87	0.32	ALDUS NEW YORK FIRE FD	****	****	****	****	****	****	****
5.87	0.06	AMERICAN SEC PTNRS VI	****	****	****	****	****	****	****
3.65	0.04	AMPERSAND 2009	****	****	****	****	****	****	****
4.27	0.05	APOLLO INVESTMENT FD V	****	****	****	****	****	****	****
19.84	0.22	APOLLO INVESTMENT FD VI	****	****	****	****	****	****	****
22.20	0.24	APOLLO INVESTMENT FD VII	****	****	****	****	****	****	****
1.05	0.01	ARES CORP OPP	****	****	****	****	****	****	****
2.24	0.02	ARES CORP OPP FD II	****	****	****	****	****	****	****
7.73	0.08	ARES CORP OPP FD III	****	****	****	****	****	****	****
0.62	0.01	ARES CORP OPP FD IV	****	****	****	****	****	****	****
4.34	0.05	AURORA EQUITY CAPITAL PTNRS III	****	****	****	****	****	****	****
3.96	0.04	AVISTA CAPITAL PTNRS	****	****	****	****	****	****	****
8.69	0.09	AVISTA CAPITAL PTNRS II	****	****	****	****	****	****	****
22.33	0.24	AXA SECONDARY FD V	****	****	****	****	****	****	****
7.07	0.08	BC EUR CAP IX	****	****	****	****	****	****	****
2.99	0.03	BDCM OPPORTUNITY FD III	****	****	****	****	****	****	****
9.78	0.11	BLACKSTONE CAPITAL PTNRS IV	****	****	****	****	****	****	****
8.73	0.09	BLACKSTONE CAPITAL PTNRS V	****	****	****	****	****	****	****
2.59	0.03	BLACKSTONE CAPITAL PTNRS VI	****	****	****	****	****	****	****
1.36	0.01	BLACKSTONE MEZZ PTNRS II	****	****	****	****	****	****	****
3.97	0.04	BRIDGEPOINT EUROPE III	****	****	****	****	****	****	****
5.66	0.06	BRIDGEPOINT EUROPE IV	****	****	****	****	****	****	****
0.06	0.00	CARLYLE PTNRS III	****	****	****	****	****	****	****
3.33	0.04	CARLYLE PTNRS IV	****	****	****	****	****	****	****
8.01	0.09	CARLYLE PTNRS V	****	****	****	****	****	****	****

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6.40	0.07	CATTERTON PTNRS VI	****	****	****	****	****	****	****
5.10	0.06	CCMP CAPITAL INVESTORS II	****	****	****	****	****	****	****
2.33	0.03	CLAYTON, DUBILIER AND RICE FUND VII	****	****	****	****	****	****	****
2.81	0.03	CLAYTON, DUBILIER AND RICE FUND VIII	****	****	****	****	****	****	****
3.84	0.04	CELTIC PHARM HLDGS, LP	****	****	****	****	****	****	****
2.99	0.03	COLLER INTERNATIONAL PTNRS V	****	****	****	****	****	****	****
11.92	0.13	COMVEST INVEST PTNRS IV	****	****	****	****	****	****	****
4.60	0.05	CONSTELLATION VENTURES III	****	****	****	****	****	****	****
0.98	0.01	CREDIT SUISSE EM FD	****	****	****	****	****	****	****
3.82	0.04	CREDIT SUISSE EM CO/INV FD	****	****	****	****	****	****	****
6.31	0.07	CRESTVIEW PARTNERS II	****	****	****	****	****	****	****
2.29	0.02	CVC EURO EQ PTNRS III	****	****	****	****	****	****	****
9.09	0.10	CVC EURO EQ PTNRS V	****	****	****	****	****	****	****
3.21	0.03	CYPRESS MERCH BK PTNRS II	****	****	****	****	****	****	****
4.50	0.05	EQT VI LP	****	****	****	****	****	****	****
0.99	0.01	ERASMUS NYC GROWTH FD A	****	****	****	****	****	****	****
4.06	0.04	FAIRVIEW EMERGING MGRS FD	****	****	****	****	****	****	****
5.25	0.06	FDG CAPL PTNRS	****	****	****	****	****	****	****
2.73	0.03	FDG CAPL PTNRS II	****	****	****	****	****	****	****
2.35	0.03	FENWAY PTNRS CAPITAL III	****	****	****	****	****	****	****
2.97	0.03	FIRST MARK FUND IV	****	****	****	****	****	****	****
4.14	0.04	FIRST RESERVE FD XI	****	****	****	****	****	****	****
4.04	0.04	FIRST RESERVE FD XII	****	****	****	****	****	****	****
2.57	0.03	FOURTH CINVEN FD	****	****	****	****	****	****	****
2.82	0.03	FS EQUITY PTNRS V	****	****	****	****	****	****	****
8.74	0.09	FS EQUITY PTNRS VI	****	****	****	****	****	****	****
3.20	0.03	FT VENTURES FD III	****	****	****	****	****	****	****
2.48	0.03	GI PTNRS FD II	****	****	****	****	****	****	****

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7.43	0.08	GI PTNRS FD III	****	****	****	****	****	****	****
2.31	0.03	GREEN EQ INV VI	****	****	****	****	****	****	****
5.93	0.06	GSO CAPITAL OPPORTUNITES FD	****	****	****	****	****	****	****
1.19	0.01	HIGHLAND CONSUMER FD I	****	****	****	****	****	****	****
0.56	0.01	ICV PTNRS III	****	****	****	****	****	****	****
3.17	0.03	INTERMEDIA PARTNERS VII	****	****	****	****	****	****	****
2.37	0.03	JP MORGAN INVST MGMT	****	****	****	****	****	****	****
0.97	0.01	LANDMARK EQUITY PTNRS XI	****	****	****	****	****	****	****
7.81	0.08	LANDMARK EQUITY PTNRS XIV	****	****	****	****	****	****	****
5.38	0.06	LEE EQUITY PARTNERS	****	****	****	****	****	****	****
5.30	0.06	LEVINE LEICHTMAN CAP PTNS IV	****	****	****	****	****	****	****
6.37	0.07	LEXINGTON CAPITAL PTNRS VII	****	****	****	****	****	****	****
0.81	0.01	LINCOLNSHIRE EQ FD II	****	****	****	****	****	****	****
3.36	0.04	LINCOLNSHIRE EQ FD III	****	****	****	****	****	****	****
1.08	0.01	LINCOLNSHIRE EQ FD IV	****	****	****	****	****	****	****
4.27	0.05	LODH EURO CHOICE II	****	****	****	****	****	****	****
3.63	0.04	LODH EURO CHOICE III	****	****	****	****	****	****	****
3.08	0.03	LODH EURO CHOICE IV	****	****	****	****	****	****	****
2.34	0.03	MARKSTONE CAPITAL PTNRS	****	****	****	****	****	****	****
8.44	0.09	MIDOCEAN PTNRS III	****	****	****	****	****	****	****
3.87	0.04	MONTREUX EQ PTNRS IV	****	****	****	****	****	****	****
2.89	0.03	NEUBERGER BERMAN EMG MGR	****	****	****	****	****	****	****
0.95	0.01	NEW MOUNTAIN PTNRS	****	****	****	****	****	****	****
1.10	0.01	NEW MOUNTAIN PTNRS II	****	****	****	****	****	****	****
9.05	0.10	NEW MOUNTAIN PTNRS III	****	****	****	****	****	****	****
2.39	0.03	NEWSPRING VENTURE II	****	****	****	****	****	****	****
3.06	0.03	NGN BIOMED OPPORTUNITY II	****	****	****	****	****	****	****

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2.76	0.03	OLYMPUS CAPITAL ASIA III	****	****	****	****	****	****	****
3.60	0.04	ONEX PTNRS III	****	****	****	****	****	****	****
2.89	0.03	PALADIN HOMELAND SECURITY FD	****	****	****	****	****	****	****
4.81	0.05	PALADIN FUND III	****	****	****	****	****	****	****
9.39	0.10	PALLADIUM EQ PTNRS III	****	****	****	****	****	****	****
2.30	0.02	PALLADIUM EQ PTNRS IV	****	****	****	****	****	****	****
6.56	0.07	PCGAM CLEAN ENERGY & TECH FD	****	****	****	****	****	****	****
6.89	0.07	PEGASUS PTNRS IV	****	****	****	****	****	****	****
3.14	0.03	PEGASUS PTNRS V	****	****	****	****	****	****	****
4.27	0.05	PERMIRA FUND IV	****	****	****	****	****	****	****
2.87	0.03	PERSEUS PTNRS VII	****	****	****	****	****	****	****
5.52	0.06	PINE BROOK CAPITAL PTNRS	****	****	****	****	****	****	****
5.69	0.06	PLATINUM EQ PTNRS III	****	****	****	****	****	****	****
0.02	0.00	PRISM VENTURE PTNRS IV	****	****	****	****	****	****	****
3.36	0.04	PRISM VENTURE PTNRS V-A	****	****	****	****	****	****	****
1.84	0.02	PSILOS GROUP PTNRS III	****	****	****	****	****	****	****
6.00	0.07	RIVERSTONE/CARLYLE GLB EP IV	****	****	****	****	****	****	****
2.97	0.03	RRE VENTURES IV	****	****	****	****	****	****	****
6.30	0.07	SCALE VENTURE PTNRS III	****	****	****	****	****	****	****
6.23	0.07	SCP PRIV EQ PTNRS II	****	****	****	****	****	****	****
3.43	0.04	SCP VITALIFE PTNRS II	****	****	****	****	****	****	****
3.32	0.04	SNOW PHIPPS GROUP	****	****	****	****	****	****	****
3.33	0.04	SNOW PHIPPS II	****	****	****	****	****	****	****
1.98	0.02	SUMMIT GR EQ VIII	****	****	****	****	****	****	****
0.31	0.00	TAILWIND CAPITAL PTNRS	****	****	****	****	****	****	****
2.64	0.03	TERRA FIRMA CAP III	****	****	****	****	****	****	****
6.78	0.07	TRIDENT V	****	****	****	****	****	****	****
-0.03	0.00	TRILANTIC CAPITAL PTNRS	****	****	****	****	****	****	****

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0.43	0.00	TRILANTIC CAPITAL PTNRS III	****	****	****	****	****	****	****
4.96	0.05	TRILANTIC CAPITAL PTNRS IV	****	****	****	****	****	****	****
4.69	0.05	US POWER FUND II	****	****	****	****	****	****	****
3.61	0.04	US POWER FUND III	****	****	****	****	****	****	****
6.84	0.07	VISTA EQUITY PTNRS III	****	****	****	****	****	****	****
11.00	0.12	VISTA EQUITY PTNRS IV	****	****	****	****	****	****	****
2.13	0.02	VITRUVIAN PTNRS	****	****	****	****	****	****	****
0.87	0.01	VS&A COMM PTNRS III	****	****	****	****	****	****	****
1.44	0.02	VSS COMM PTNRS IV	****	****	****	****	****	****	****
7.29	0.08	WARBURG PINCUS XI	****	****	****	****	****	****	****
1.67	0.02	WELLSPRING CAP PTNRS V	****	****	****	****	****	****	****
5.61	0.06	WELSH CARSON ANDERSON & STOWE XI	****	****	****	****	****	****	****
3.61	0.04	YUCAIPA AMERICAN ALLIANCE FD	****	****	****	****	****	****	****
18.68	0.20	YUCAIPA AMERICAN ALLIANCE FD II	****	****	****	****	****	****	****
2.49	0.03	YUCAIPA CORP INITIATIVE II	****	****	****	****	****	****	****
592.48	6.44	TOTAL PRIVATE EQUITY	****	****	****	****	****	****	****
		PRIVATE REAL ESTATE							
12.00	0.13	AG REALTY FUND VIII	****	****	****	****	****	****	****
2.50	0.03	AMER VALUE PTNRS I	****	****	****	****	****	****	****
12.66	0.14	APOLLO EUROPE III	****	****	****	****	****	****	****
13.00	0.14	ARA ASIA DRAGON FD	****	****	****	****	****	****	****
7.90	0.09	BLACKROCK CARBON III	****	****	****	****	****	****	****
3.83	0.04	BLACKSTONE REAL ESTATE PTNRS EU III	****	****	****	****	****	****	****
2.59	0.03	BLACKSTONE REAL ESTATE PTNRS IV	****	****	****	****	****	****	****
11.90	0.13	BLACKSTONE REAL ESTATE PTNRS VI	****	****	****	****	****	****	****
14.33	0.16	BLACKSTONE REAL ESTATE PTNRS VII	****	****	****	****	****	****	****

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1.84	0.02	BROOKFIELD STRATEGIC RE PTNRS	****	****	****	****	****	****	****
4.96	0.05	CANYON-JOHNSON URBAN FD II	****	****	****	****	****	****	****
3.77	0.04	CANYON JOHNSON URBAN FD III	****	****	****	****	****	****	****
3.37	0.04	CARLYLE R. P. FD V	****	****	****	****	****	****	****
6.99	0.08	CARLYLE REALTY VI	****	****	****	****	****	****	****
6.60	0.07	COLONY INVESTORS VIII	****	****	****	****	****	****	****
2.12	0.02	COLONY REALTY PTNRS II	****	****	****	****	****	****	****
25.02	0.27	DIVCO WEST FD III	****	****	****	****	****	****	****
4.01	0.04	H/2 SP OPPORTUNITY FD II	****	****	****	****	****	****	****
10.85	0.12	HEITMAN AMERICA	****	****	****	****	****	****	****
28.18	0.31	JPM STRATEGIC PROF FD	****	****	****	****	****	****	****
4.20	0.05	JPM SPECIAL SIT FD	****	****	****	****	****	****	****
22.75	0.25	LASALLE US PROPERTY FD	****	****	****	****	****	****	****
1.97	0.02	METRO WORKFORCE HOUSING FD	****	****	****	****	****	****	****
6.91	0.08	PRISA	****	****	****	****	****	****	****
19.09	0.21	PRISA II	****	****	****	****	****	****	****
3.84	0.04	PROLOGIS TARGETED US LOGISTICS FD	****	****	****	****	****	****	****
6.93	0.08	RREEF AMER. II	****	****	****	****	****	****	****
2.03	0.02	RREEF AMER. III	****	****	****	****	****	****	****
0.90	0.01	SILVERPEAK RE PTNRS III	****	****	****	****	****	****	****
12.81	0.14	STOCKBRIDGE RE FD III	****	****	****	****	****	****	****
5.92	0.06	TACONIC NY INV FD	****	****	****	****	****	****	****
16.05	0.17	THE CITY INVESTMENT FD	****	****	****	****	****	****	****
3.32	0.04	THOR URBAN PRPTY FD II	****	****	****	****	****	****	****
31.00	0.34	UBS TRUMBULL PROPERTY FD	****	****	****	****	****	****	****
4.92	0.05	WALTON ST RE FD VI	****	****	****	****	****	****	****

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4.65	0.05	WESTBROOK RE FUND VIII	****	****	****	****	****	****	****
325.73	3.54	TOTAL PRIVATE REAL ESTATE	****	****	****	****	****	****	****
6,206.89	67.42	TOTAL EQUITY - PUBLIC & PRIVATE	7.18	7.18	12.00	10.73	4.00	****	****
		FIXED INCOME MANAGEMENT							
		TREASURY / AGENCY							
60.16	0.65	FISCHER FRANCIS	-0.83	-0.83	5.69	9.48	7.18	6.54	7.34
102.04	1.11	PIMCO	-0.55	-0.55	6.58	9.84	7.33	6.74	****
58.77	0.64	STATE STREET	-0.88	-0.88	5.88	9.39	****	****	****
220.97	2.40	ALL TREASURY / AGENCY	-0.71	-0.71	6.15	9.62	7.13	6.50	7.21
		NYC - TREASURY AGENCY PLUS FIVE	-0.75	-0.75	5.96	9.55	6.95	6.37	7.12
		MORTGAGE							
224.94	2.44	BLACKROCK	0.39	0.39	4.05	6.00	6.39	5.56	****
89.12	0.97	GOLDMAN SACHS	-0.06	-0.06	3.01	4.76	****	****	****
112.45	1.22	NEUBERGER BERMAN	0.11	0.11	2.38	4.71	****	****	****
230.67	2.51	PIMCO	0.10	0.10	2.90	5.30	5.85	5.56	6.32
657.17	7.14	ALL MORTGAGE	0.18	0.18	3.22	5.37	5.79	5.33	6.07
		CITIGROUP MORTGAGE INDEX	-0.04	-0.04	1.93	4.26	5.20	5.03	5.76
		INVESTMENT GRADE CREDIT							
134.04	1.46	BLACKROCK	0.05	0.05	7.81	8.02	****	****	****
131.77	1.43	PRUDENTIAL	-0.11	-0.11	6.96	7.85	****	****	****
40.52	0.44	PRUDENTIAL-PRIVEST	0.99	0.99	****	****	****	****	****
225.97	2.45	TAPLIN, CANADA	0.14	0.14	9.06	8.72	8.33	6.34	****
209.20	2.27	T. ROWE PRICE	0.33	0.33	8.48	8.90	8.55	6.77	6.57
741.50	8.05	ALL INVESTMENT GRADE CREDIT	0.18	0.18	8.24	8.47	8.12	6.37	6.48
		NYC - INVESTMENT GRADE CREDIT	-0.36	-0.36	6.89	7.64	7.25	5.87	6.33

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		CORE PLUS FIXED INCOME							
10.76	0.12	LM CAPITAL	0.46	0.46	5.44	6.57	****	****	****
10.76	0.12	TOTAL CORE PLUS FIXED INCOME	0.46	0.46	5.44	6.57	****	****	****
		BARCLAYS CAPITAL AGGREGATE	-0.12	-0.12	3.77	5.52	****	****	****
1,619.64	17.59	TOTAL STRUCTURED	0.06	0.06	5.82	7.32	6.98	6.04	6.58
		NYC - CORE PLUS FIVE	-0.31	-0.31	4.69	6.58	6.39	5.70	6.34
1,630.40	17.71	TOTAL STRUCTURED PLUS LM CAPITAL	0.06	0.06	5.82	7.32	6.98	6.04	6.58
6.65	0.07	PIM AMBASSADOR	-0.05	-0.05	2.23	****	****	****	****
5.46	0.06	PIM GIA	0.50	0.50	5.07	****	****	****	****
2.68	0.03	PIM HILLSWICK	-0.45	-0.45	2.89	****	****	****	****
6.74	0.07	PIM NEW CENTURY	0.21	0.21	3.62	****	****	****	****
5.36	0.06	PIM PUGH CAP	0.19	0.19	3.16	****	****	****	****
26.88	0.29	TOTAL PROGRESS FIXED	0.13	0.13	6.86	****	****	****	****
		BARCLAYS CAPITAL AGGREGATE	-0.12	-0.12	3.77	****	****	****	****
		ACTIVE TIPS MANAGERS							
93.51	1.02	BLACKROCK	-0.48	-0.48	5.22	8.43	6.05	****	****
94.26	1.02	PIMCO	0.05	0.05	6.82	8.94	6.19	****	****
187.77	2.04	TOTAL ACTIVE TIPS MANAGERS	-0.21	-0.21	6.02	8.68	6.12	****	****
		PASSIVE TIPS MANAGERS							
62.28	0.68	STATE STREET	-0.41	-0.41	5.58	8.58	5.85	****	****
62.28	0.68	TOTAL PASSIVE TIPS MANAGERS	-0.41	-0.41	5.58	8.58	5.85	****	****
250.05	2.72	TOTAL TIPS MANAGERS	-0.26	-0.26	5.91	8.66	6.05	****	****
		BARCLAYS CAPITAL US TIPS INDEX	-0.36	-0.36	5.68	8.58	5.90	****	****

Consolidated Performance Report

Through March 31, 2013

Assets (\$MM)	% Total		3 Mos Jan-13 Mar-13	YTD Jan-13 Mar-13	1 Yr Apr-12 Mar-13	3 Yrs Apr-10 Mar-13	5 Yrs Apr-08 Mar-13	10 Yrs Apr-03 Mar-13	15 Yrs Apr-98 Mar-13
		ENHANCED YIELD							
137.41	1.49	LOOMIS	3.07	3.07	****	****	****	****	****
		BofA MERRILL LYNCH HY MASTER II	2.89	2.89	****	****	****	****	****
142.30	1.55	PENN	2.26	2.26	****	****	****	****	****
214.71	2.33	T. ROWE PRICE	2.88	2.88	12.45	10.59	10.61	****	****
494.42	5.37	ALL ENHANCED YIELD	2.75	2.75	11.79	10.73	10.34	9.43	7.04
		CITIGROUP BB & B	1.90	1.90	11.55	10.84	8.68	8.34	6.12
		CITIGROUP BB & B CAPPED	2.38	2.38	11.67	10.86	9.22	8.59	****
		ENHANCED YIELD MEDIAN	2.90	2.90	12.46	10.91	10.73	9.26	7.81
		BANK LOANS							
67.75	0.74	BABSON	2.31	2.31	****	****	****	****	****
67.18	0.73	GUGGENHEIM	****	****	****	****	****	****	****
134.93	1.47	TOTAL BANK LOANS	2.35	2.35	****	****	****	****	****
		CREDIT SUISSE LEVERAGED LOAN INDEX	2.37	2.37	****	****	****	****	****
		CONVERTIBLE BONDS							
46.90	0.51	ADVENT CONVERTIBLE BONDS	5.11	5.11	9.22	8.03	****	****	****
		BofA ML CONVERTIBLES YIELD ALT. INDEX	5.39	5.39	10.80	7.84	****	****	****
13.52	0.15	LORD ABBETT CONVERTIBLE BONDS	****	****	****	****	****	****	****
		BofA ML ALL CONVERTIBLES INDEX	7.59	7.59	12.21	9.04	****	****	****
60.42	0.66	TOTAL CONVERTIBLE BONDS	5.71	5.71	9.78	8.13	****	****	****
		BofA ML ALL CONVERT EX MANDATORY	7.88	7.88	12.35	9.67	****	****	****
		FIRE CUSTOM CONVERTIBLE BOND INDEX	5.39	5.39	10.80	7.84	****	****	****

Consolidated Performance Report

Through March 31, 2013

Assets (\$MM)	% Total		3 Mos Jan-13 Mar-13	YTD Jan-13 Mar-13	1 Yr Apr-12 Mar-13	3 Yrs Apr-10 Mar-13	5 Yrs Apr-08 Mar-13	10 Yrs Apr-03 Mar-13	15 Yrs Apr-98 Mar-13
		OPPORTUNISTIC							
0.79	0.01	AVE EURO SPECIAL SITUATIONS FD	****	****	****	****	****	****	****
0.29	0.00	AVE SPECIAL SITUATIONS FD V	****	****	****	****	****	****	****
13.92	0.15	AVE SPECIAL SITUATIONS FD VI	****	****	****	****	****	****	****
12.62	0.14	TORCHLIGHT INVESTORS	****	****	****	****	****	****	****
27.62	0.30	TOTAL FUND STRATEGIES	****	****	****	****	****	****	****
		3 MONTH LIBOR PLUS 750BPS	****	****	****	****	****	****	****
21.02	0.23	ANGELO GORDON PTNRS LP	14.64	14.64	****	****	****	****	****
15.15	0.16	APOLLO PTNRS LP	7.68	7.68	****	****	****	****	****
7.06	0.08	FORTRESS PTNRS LP	5.14	5.14	5.87	****	****	****	****
27.57	0.30	GOLDENTREE	2.91	2.91	12.93	****	****	****	****
33.77	0.37	MARATHON	2.90	2.90	15.82	****	****	****	****
12.04	0.13	OAK HILL PTNRS LP	4.96	4.96	****	****	****	****	****
1.50	0.02	OAKTREE OPP FD IX LP	****	****	****	****	****	****	****
118.12	1.28	TOTAL STRATEGIC MANDATES	5.76	5.76	13.14	****	****	****	****
		JP MORGAN GLOBAL HY BOND INDEX	3.01	3.01	13.06	****	****	****	****
		JP MORGAN GLOBAL HY PLUS 3%	3.62	3.62	16.06	****	****	****	****
145.74	1.58	TOTAL DISTRESSED FIXED	4.83	4.83	15.04	11.37	****	****	****
145.74	1.58	TOTAL OPPORTUNISTIC FIXED	4.83	4.83	15.04	11.37	****	****	****
		JP MORGAN GLOBAL HIGH YIELD PLUS 3%	3.62	3.62	16.06	14.61	****	****	****
		ETI							
8.34	0.09	ACCESS RBC	0.01	0.01	3.40	4.73	6.23	****	****
40.79	0.44	AFL - CIO HOUSING INV TRUST	-0.13	-0.13	3.92	5.31	5.56	5.01	****

Note: All ETI Returns are shown Net of Fees

Consolidated Performance Report

Through March 31, 2013

Assets (\$MM)	% Total		3 Mos Jan-13 Mar-13	YTD Jan-13 Mar-13	1 Yr Apr-12 Mar-13	3 Yrs Apr-10 Mar-13	5 Yrs Apr-08 Mar-13	10 Yrs Apr-03 Mar-13	15 Yrs Apr-98 Mar-13
0.36	0.00	CFSB-PPAR	1.50	1.50	8.52	7.84	7.72	****	****
0.86	0.01	CCD PPAR	2.48	2.48	12.50	9.50	9.75	****	****
0.52	0.01	LIIF-PPAR	2.10	2.10	7.57	5.36	****	****	****
0.21	0.00	NCBCI-PPAR	2.26	2.26	10.26	7.59	****	****	****
2.42	0.03	CPC - TERM LOAN	0.59	0.59	2.47	2.26	2.57	****	****
0.01	0.00	TARGETED INVESTMENT	2.88	2.88	8.36	3.79	4.57	6.46	7.02
53.51	0.58	TOTAL ETI (with cash)	0.01	0.01	3.94	5.08	5.52	5.03	6.07
		FIRE CUSTOM ETI BENCHMARK (NO CASH)	-0.05	-0.05	3.41	5.09	5.14	4.88	5.72
		BARCLAYS CAPITAL AGGREGATE	-0.12	-0.12	3.77	5.52	5.47	5.02	5.85
2,985.08	32.42	TOTAL FIXED INCOME	0.94	0.94	6.87	7.42	7.05	6.40	6.49
14.26	0.15	SECURITIES LENDING	****	****	****	****	****	****	****
188.73	2.05	STATE STREET SHORT TERM	0.06	0.06	0.34	0.39	1.01	2.25	3.15
0.68	0.01	BNY-MELLON - CD	****	****	****	****	****	****	****
9,206.91	100.00	TOTAL FIRE DEPARTMENT PENSION FUND	5.07	5.07	9.96	9.64	5.20	8.91	5.60
		FIRE POLICY BENCHMARK	4.90	4.90	10.19	10.11	6.43	9.39	5.92

Note: All ETI Returns are shown Net of Fees

Actual and Estimated Fees

NEW YORK CITY FIRE RETIREMENT SYSTEMS ACTUAL FEES FOR FISCAL YEAR ENDING JUNE 30, 2012 AND ESTIMATED FEES FOR FY 2013 UPDATED THROUGH SEPTEMBER 2012						
Actual 2012			Estimates 2013			
INVESTMENT STYLE (EQUITIES)	MARKET VALUE 06-30-2012 (\$MM)	BASIS POINTS	MARKET VALUE 09-30-2012 (\$MM)	BASIS POINTS		
US Equities	2,804	14.32	2,975	15.10		
Small Cap Active	147	64.65	156	66.25		
Small Cap Growth	75	73.44	80	75.10		
Small Cap Value	72	55.45	76	56.99		
Small Cap core	-	-	-	-		
Small Cap Fundamental Index	-	-	-	-		
Small/Mid Cap Active	51	61.06	55	61.01		
Small/Mid Cap Growth	-	-	-	-		
Small/Mid Cap Value	51	61.06	55	61.01		
Mid Cap Active	226	59.37	241	62.52		
Mid Cap Growth	107	61.97	114	66.82		
Mid Cap Value	55	59.29	61	59.77		
Mid Cap core	63	55.02	67	57.64		
Large Cap Active	270	24.81	285	27.95		
Large Cap Growth	156	24.28	163	27.77		
Large Cap Value	78	21.23	83	24.70		
Large Cap Core	36	34.97	38	35.85		
Large Cap Fundamental Index	-	-	-	-		
Active Emerging Managers (U.S. Equities)	106	59.53	112	63.54		
Total US Active Equities	800	48.82	849	51.66		
Total US Passive Equities	2,003	0.54	2,126	0.51		
Opportunistic US Equity Strategies	-	-	-	-		
International Equities	1,251	29.64	1,310	34.42		
Active EAFE Equities	632	31.57	675	34.23		
Growth	144	27.39	155	28.83		
Value	176	22.15	187	29.00		
Core	312	38.79	334	39.66		
Opportunistic-Non US Equity Strategies	17	69.05	18	68.34		
Active Emerging Markets	296	50.10	372	52.68		
Total Int'l Active Equities	945	38.04	1,066	41.25		
Total Int'l Passive Equities	306	3.71	244	4.57		
REITS Passive Index	333	34.38	337	38.96		

Actual and Estimated Fees

NEW YORK CITY FIRE RETIREMENT SYSTEMS ACTUAL FEES FOR FISCAL YEAR ENDING JUNE 30, 2012 AND ESTIMATED FEES FOR FY 2013 UPDATED THROUGH SEPTEMBER 2012						
		Actual 2012		Estimates 2013		
INVESTMENT STYLE (FIXED INCOME)		MARKET VALUE 06-30-2012 (\$MM)	BASIS POINTS		MARKET VALUE 09-30-2012 (\$MM)	BASIS POINTS
Fixed Income		2,548	13.51		2,909	17.37
Structured Program		1,514	8.21		1,648	7.82
	Government Sector	221	8.28		223	8.75
	Mortgage Sector	669	9.00		663	6.20
	Investment Grade Credit Sector	623	7.34		762	8.95
Global Fixed Income		10	21.15		11	22.39
Progress Fixed Emerging Managers		26	5.73		27	40.00
TIPS		166	6.38		169	6.44
	Active TIPS	124	8.34		127	8.41
	Passive TIPS	41	0.48		42	0.50
Opportunistic Fixed Income		91	72.16		106	87.58
Enhanced Yield		345	26.46		477	32.76
Bank Loans		-	-		130	39.10
Convertible Bonds		80	37.50		84	38.47
ETI - RBC Access		8	26.75		8	27.90
ETI - AFL-CIO HIT		40	41.41		41	44.00
Other ETI Programs		5	-		5	-
In-House Short Term		263	0.00		203	0.00
Total Public Markets		6,936	17.75		7,531	20.40
INVESTMENT STYLE (PRIVATE)						
Hedge Funds		166	81.46		194	160.05
Private Equity Investments *		466	163.84		476	172.52
Private Real Estate Investments		244	125.72		269	126.68
Total Private Markets		875	137.63		939	156.81
Total Overall		7,811	31.18		8,470	35.53
* Private Equity Investments exclude GP CARRY						

Securities Lending Income

Through March 31, 2013

	U.S. <u>FIXED INCOME</u>	U.S INTERNATIONAL <u>EQUITY</u>	<u>EQUITY</u>
1989*	\$109,000	--	--
1990	104,000	--	--
1991	157,000	--	--
1992	429,000	\$47,000	\$48,000
1993	762,000	146,000	102,000
1994	693,000	267,000	102,000
1995	495,000	306,000	96,000
1996	455,000	228,000	179,000
1997	473,000	512,000	257,000
1998	789,000	552,000	356,000
1999	716,000	690,000	408,000
2000	734,000	897,000	408,000
2001	1,176,000	1,286,000	561,000
2002	671,000	1,162,000	506,000
2003	349,000	644,000	452,000
2004	505,000	670,000	462,000
2005	740,000	1,070,000	574,000
2006	599,000	1,753,000	713,000
2007	1,437,000	3,180,000	786,000
2008	4,172,000	6,798,000	1,236,000
2009	1,606,000	3,588,000	817,000
2010	760,000	2,047,000	563,000
2011	977,000	2,674,000	927,000
2012	1,229,000	3,324,000	832,000
2013 (3 Months)	256,000	936,000	126,000
Since Inception	<u>\$20,393,000</u>	<u>\$32,777,000</u>	<u>\$10,511,000</u>
*Inception 4/89			

Footnotes

Through March 31, 2013

- The Barclays Capital Aggregate (then known as the Lehman Brothers Aggregate) was used prior to 1/1/89. Effective 1/1/89, in the Government Sector, maturities of less than 5 years were dropped from the Salomon and Lehman indices. From that date until 7/1/99 the benchmark was the NYC Core + 5, from Lehman.
- Effective 7/1/94, the NYC Core + 5 Index includes BBB rated securities.
- Effective 7/1/99, the basis of the NYC Index was changed from Lehman Brothers to Salomon. Also effective 7/1/99, only Salomon indices have been used to compare all fixed income managers.
- Effective 4/1/03, the name of the benchmark provider was changed from Salomon to Citigroup.
- Effective 7/1/09, the Core+5 program was restructured.
 - The U.S. Gov't sector benchmark Index was changed from the Citigroup Core+5 Treasury/Gov't Sponsored Index to the Citigroup Core+5 Treasury/Agency Index.
 - The Corporate and Yankee sectors were combined to form the new Investment Grade Credit sector. The benchmark for the new combined sector is the customized Citigroup Credit Index. For historical performance purposes, the old Corporate sector Index is linked to the new Credit sector Index.
 - There were no changes to the Mortgage sector Index.
 - The total Core+5 results and benchmark returns combine the three sectors. Historical total Core+5 returns continue to include the old Corporate and Yankee sector returns.

Glossary of Terms

Through March 31, 2013

General Notes

- All Returns are Gross of investment advisory fees unless otherwise indicated.

Page Specific

Page 10 - Portfolio Asset Allocation

- Rebalancing Ranges: the minimum and maximum weights that actual Asset Allocation may reach before rebalancing between Asset Classes is necessary.

Page 12 - Performance Attribution: Total Plan

- Plan Return at Policy Weights: the return of the Total Plan assuming actual Asset Class results were maintained at target (Adjusted Policy) weights. *Figure = (Return of Asset Class 1 * Target Weight) plus (Return Of Asset Class 2 * Target Weight) plus (.....)*
- **Allocation Effect** = Total Plan Return minus Plan Return at Adjusted Policy Weights.
- **Management Effect** = Custom Benchmark (Adjusted Policy Index) Return minus Plan Return at Adjusted Policy Weights
This illustrates how the Managers have added or removed value based on their Security Selection decisions.
- **Policy Index = Custom Benchmark**
The "policy index" is a custom benchmark representing the weighted average return of the benchmark indexes for each major investment program. Weights may reflect an adjustment of actual policy for outstanding commitments for new or revised programs, such as for private market programs, which are invested gradually, or for any new or updated program requiring the completion of RFPs and contracts. The policy index/custom benchmark is calculated monthly based on adjusted policy weights at the beginning of each month. The indexes and most recent adjusted policy weights are as follows:
U.S. Equity: Russell 3000 * 31.23%
International Developed (EAFE) Markets: MSCI EAFE * 10.11%
International Emerging Markets: MSCI Emerging Markets * 6.50%
REITs: DJ US Select Real Estate Securities * 3.00%
Private Equity: Russell 3000 + 300 b.p. per annum * 6.58%
Private Real Estate: NCREIF NFI-ODCE Net + 100 b.p.*3.62%
Hedge Funds: 1yr T- Bill yield + 4% * 2.55%
Domestic Fixed Income: NYC Core +5 * 23.13%
TIPS: Barclays Capital U.S. TIPS * 5.00%
Enhanced Yield: Citigroup BB&B * 4.23%
Bank Loans: Credit Suisse Leveraged Loan Index * 1.48%
Convertible Bonds: Bofa ML All Convertibles ex Mandatory Index *1.00%
Opportunistic Fixed: JPM Global High Yield +3% * .1.57%

Glossary of Terms

Through March 31, 2013

Page 16 - Management Effect - Asset Class Breakdown

- This chart aims to break down the Management Effect shown on the Performance Attribution pages. The aim of the Page is to show the asset classes where Managers are either out performing or under performing their benchmark and to show the basis point effect that this is having on Plan performance.

Page 22 - Domestic Equity Asset Allocation

- **Value Added By Sectors:** This disaggregates out-performance or under-performance by Asset Allocation and Management Effect.
- **Implied Policy** = Retirement's System Asset Allocation.
- **Implied Return** = Benchmark Return
- **Allocation** = the Contribution to Performance resulting from an overweight or underweight to an asset class. *E.g. an underweight to an Asset Class that under-performs rests in a positive Allocation Effect and vice versa.*
- **Management** = Contribution to Performance from security selection versus the Benchmark, e.g., *If the managers Actual Returns are higher than the Implied Return there will be a positive Management Effect.*

Page 40– Structured Fixed Income Asset Allocation

- See Domestic Equity Asset Allocation for explanation

Page 46– ETI Returns vs Custom Index and Barclays Capital U.S. Aggregate Bond Index

ETI has implemented a Custom Benchmark to better track the performance of the individual ETI programs relative to their respective benchmarks. The Custom Benchmark represents the weighted average return of the individual benchmark indexes for each program, updated monthly. The indexes are as follows:

AFL-CIO Housing Inv Trust: Barclays Capital U.S. Aggregate Bond Index

CPC Term Loan: 30 Day Libor + 200 bps, with a floor of 250 bps

GNMA: Citigroup 15 yr. GNMA

PPAR: Citigroup GNMA +65bp per annum

Access/RBC: 60% Bofa Merrill Lynch 30 yr Mortgage Index plus 40% Bofa Merrill Lynch US Treasury 1-10yr Index