

New York City Employees' Retirement System

Performance Overview as of September 30, 2012

Total Fund Overview

New York City Employees' Retirement System

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Through September 30, 2012

General Economic and Market Conditions: Aim low and then exceed expectations. Then all anyone remembers is that you beat your target. U.S. GDP growth surpassed projections in the third quarter by reaching 2%, which was up from 1.3% in the second quarter. This performance seemed highly unlikely early in the period. First, second quarter GDP figures were revised downward. It became apparent soon after that Business Equipment and Software, which had been star sectors the last several years, would not make significant contributions in the third quarter. Many observers said they expected the economy to deteriorate. The third-quarter surprise came courtesy of government spending. While 2% growth represents modest (if not subpar) expansion, it can at least be said that for the first time since 2010, government austerity did not drag down the economy. Federal government spending had decreased for eight straight quarters leading up to June 2012—the longest period of decline since the mid-1950s. Federal spending finally jumped (+9.6%) in the third quarter of 2012, fueled by a 13% increase in defense spending and a 3% escalation in nondefense outlays.

Defense spending is notoriously capricious from one quarter to the next. The third quarter bounce may signify a “catching up” after multiple quarters of decline. As the U.S. approaches a year-end “fiscal cliff,” we may in fact see more front-loading of defense spending before automatic sequestration kicks in. The rise in non-defense outlays may also represent the pulling forward of expenditures in anticipation of mandatory spending reductions in 2013.

Consumer sentiment also shifted in a positive direction. Fueled largely by purchases of durable goods, consumer spending climbed 2% in the third quarter. A significant ongoing survey of American buyers also suggested there is substance behind this upturn. The Consumer Sentiment Index is a gauge of consumer confidence published monthly by the University of Michigan and Thomson Reuters. Since the economic collapse of 2008, the Index has consistently sat in the low 70s, suggesting consumers felt America was in a recession. According to the survey, consumer confidence reached a 30-year low in the summer of 2011. This trend finally began to reverse in early 2012, and by September, the Index was headed toward 80.

The job market continues to improve in fits and starts, generating solid gains in the third quarter after greatly disappointing in the second. The unemployment rate finally dropped below 8% in September, though concerns remain that the rate is suppressed by a large number of discouraged workers who have simply given up looking for

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work. Investments in residential structures were positive once again, rising 14.4% on the heels of an 8.5% gain in the second quarter, providing evidence that we may finally be seeing a floor in the housing market. New home sales in September 2012 grew 27% year-over-year, and stand 42% above the record low set in February 2011. The Housing sector is poised to contribute to overall economic growth for the first year since 2005.

The third-quarter GDP report was not entirely positive, as exports actually fell for the first time since the first quarter of 2009. Exports of Goods fell by 3.5%, which was a sharp reversal of the 7% gain the sector produced in the second quarter. Equipment Spending and Software, which led growth for the past several years, generated no growth over the previous quarter. The improving measures of consumer sentiment stand in contrast to mounting anxiety in the business sector, where weak global economic growth and confusion over U.S. financial policy amid a tight presidential heat weigh heavily. Sentiment measures and factory orders suggest companies are battening down the hatches in anticipation of a year-end ride over the “fiscal cliff.” “Fiscal cliff” is the popular shorthand term used to describe the challenge the U.S. government will face at the end of 2012, when terms of the Budget Control Act of 2011 are scheduled to go into effect. Among the laws set to change at midnight on December 31, 2012, are the end of last year’s temporary payroll tax cuts (resulting in a 2% tax increase for workers), the end of certain tax breaks for businesses, the end of the Bush Era tax cuts from 2001-2003, and the beginning of taxes related to President Obama’s health care law. It also refers to the imposition of automatic spending cuts, which were put into effect in the wake of the failure of the Congressional budget “super committee” to develop a spending plan back in 2011. Unless lawmakers find a solution, it is estimated the impact of going over the fiscal cliff could be a 4-5% drop in GDP over several quarters in 2013. This would certainly derail the current economic expansion and spur substantial reversals in consumer and business sentiment. Observers expect some sort of compromise to be attempted after completion of the presidential and Congressional elections.

Total Fund Performance: For the quarter ending September 30, 2012, the Fund returned +4.49%, slightly below the Policy Target’s return of +5.01%. For the last year, the Fund has returned +17.05% versus +19.24% for the benchmark. Trailing three-year performance is a strong +9.87% annualized versus +10.49% annualized for the benchmark. The Fund is behind by 49 basis points for annualized five-year performance (+2.43% versus +2.92%).

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Total Fund Allocation: The Fund's assets totaled \$43.3 billion as of the end of the third quarter of 2012. As compared to the Adjusted New Policy Target, the Fund's largest overweights are to domestic equity (+2.7%) and enhanced yield (+2.1%). The Fund is most notably underweight core + 5 (-4.6%) and opportunistic fixed income (-3.9%).

U.S. Equity: The total domestic equity portion of the NYCERS Fund rose 6.14% for the quarter, slightly behind the +6.23% return of the Russell 3000. For the trailing year, NYCERS lagged the index, returning +29.73% versus +30.20% for the index. The Fund is slightly behind the benchmark over three years and over five years.

In Large Cap, the Fund underperformed the Russell 1000 Index slightly, returning +6.21% versus the Russell 1000's return of +6.31%. Over the past year, the Fund is behind the benchmark, gaining 29.05%, short of the +30.05% return for the index.

In Mid Cap, the Fund's performance closely mirrored that of the index, consistent with its strictly passive exposure. The Fund returned +5.42%, two basis points below the return of the S&P Mid Cap Index. Over the past year, the fund's 28.45% return is 9 basis points below that of the index.

In Small Cap, the Fund gained 5.91%, besting the Russell 2000 return of +5.25%. The Fund's one year return of +31.21% was behind the +31.91% return of the Index. The fund has beaten the index over three years but lags over five years.

Developed International: For the quarter, the Fund's Non-U.S. Developed Equity composite rose 6.94% (excluding NYCERS' non-U.S. Environmental and Activist managers), outperforming the MSCI EAFE Index, which climbed 6.92%. The active portfolio (+6.87%) mildly underperformed the passive one (+7.19%). The Fund returned +15.17% for the year, ahead of the return of the benchmark (+13.75%). The fund is ahead of the benchmark over the longer term three- and five-year periods in developed markets.

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Through September 30, 2012

Emerging Markets Equity: The Fund's emerging markets equity composite returned +8.76% in the quarter, six basis points behind the return of the FTSE NYCERS custom benchmark. Over the past year, three years and five years, the Fund is ahead of the custom benchmark.

Fixed Income: The composite of the Fund's structured investment grade bond managers gained 2.60% during the quarter, while the NYCERS Core Plus Five Index advanced 2.04%. For the past year, the structured composite has gained 7.81%, while the benchmark's return is +6.50%. Over longer time periods, the composite is also ahead of the benchmark, having beaten it over the trailing three-year and five-year periods.

TIPS: The Fund's TIPS composite delivered a +2.26% return in the quarter, ahead of the +2.12% return for the Barclays Capital US TIPS Index. Over the past year, the Fund's TIPS managers have returned +9.42%, ahead of the benchmark's return of +9.10%. The Fund has bested the Index over three years and five years.

Enhanced Yield: In enhanced yield, the Fund's managers achieved a +4.22% return for the quarter, while the Citigroup BB&B Index posted a return of +4.12%. For the past year, the Fund lagged the benchmark, but has beaten the benchmark over three and five years.

Convertibles: The convertible portfolio gained 4.52% in the quarter, slightly behind the NYCERS Custom Convertible Bond Index's return of +4.67%. For the past year and trailing three years, the Fund is ahead of its convertibles benchmark.

Opportunistic Fixed Income: The opportunistic fixed income composite advanced 3.19% for the quarter, behind the 5.32% gain of the JPMorgan Global High Yield Plus 3% benchmark. For the past year the fund is below benchmark, but is above it over three years in opportunistic.

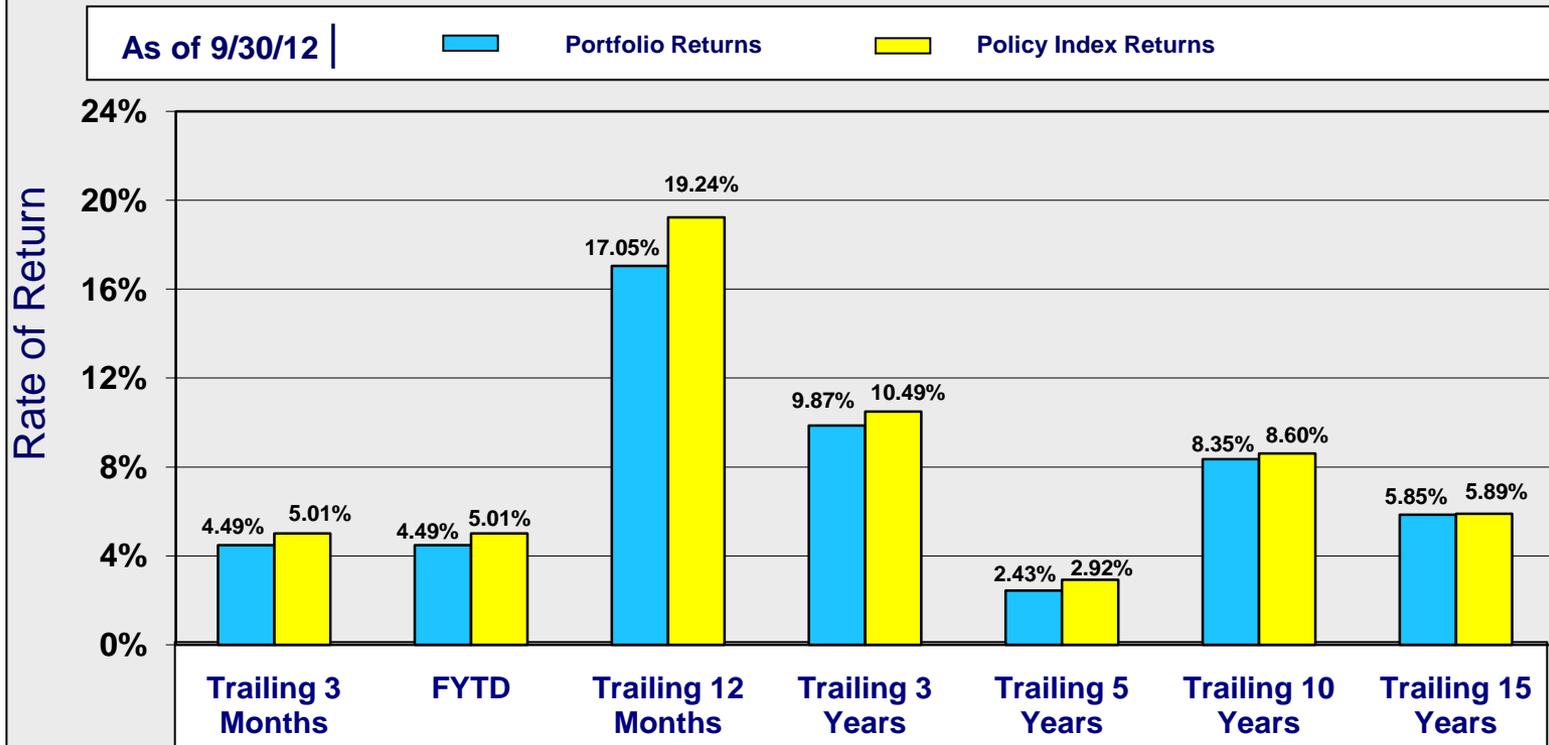
Consultant's Commentary

Through September 30, 2012

Alternatives: For the quarter, the Private Equity portfolio had approximately \$3.6 billion in invested capital, representing roughly 8.3% of the Total Fund. The Real Estate portfolio had approximately \$1.8 billion invested, accounting for roughly 4.1% of the Total Fund. Hedge Fund investments represented \$1.0 billion, or 2.2%. Performance is reported separately by NYCERS' Private Equity, Real Estate and Hedge Fund consultants.

Total Portfolio Returns: September 30, 2012

\$43.3B Under Management



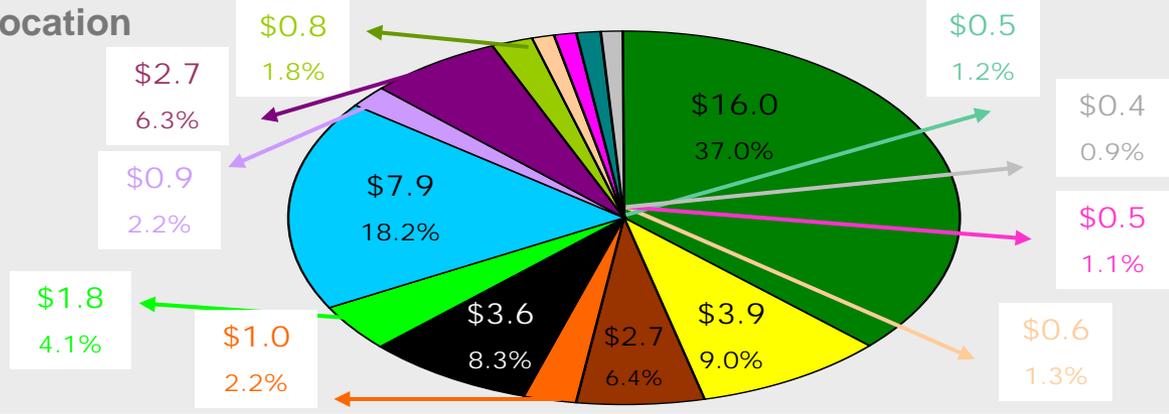
	3 Years	5 Years	10 Years	15 Years
Plan Std Dev	9.9	12.8	10.3	11.1
Benchmark Std Dev	10.8	14.2	11.2	11.7

Note: All returns are Gross. Estimates of fees for major investment programs are provided in the Appendix.

Portfolio Asset Allocation: September 30, 2012

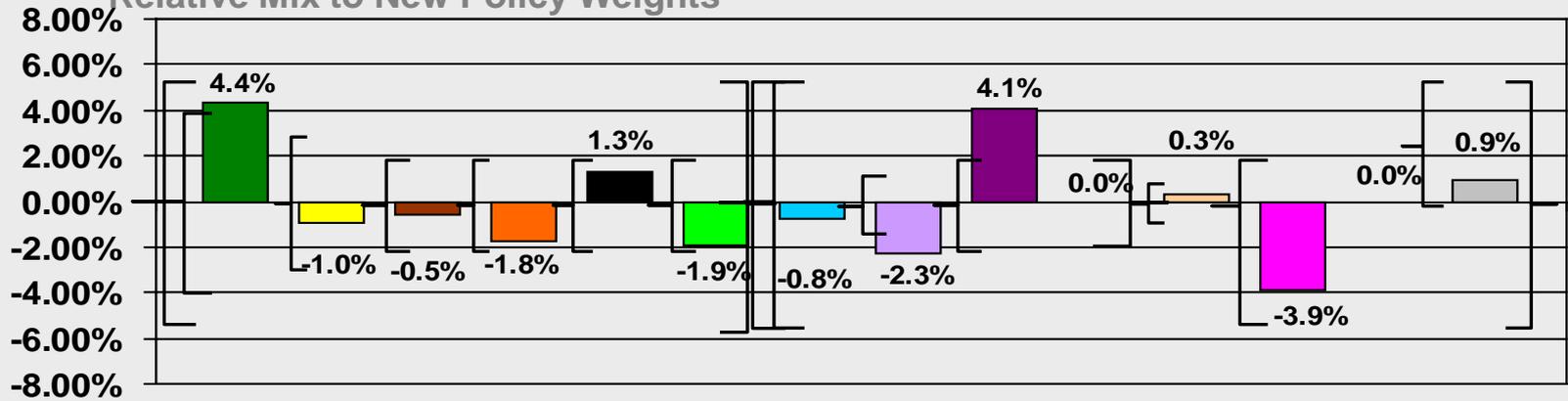
\$43.3B Under Management

Asset Allocation



- Domestic Equity
- EAFE Markets
- Emerging Markets
- Hedge Funds
- Private Equity
- Private RE
- Core + 5
- TIPS
- Enhanced Yield
- Bank Loans
- Convertible Bonds
- Opportunistic FI
- ETI
- Cash

Relative Mix to New Policy Weights

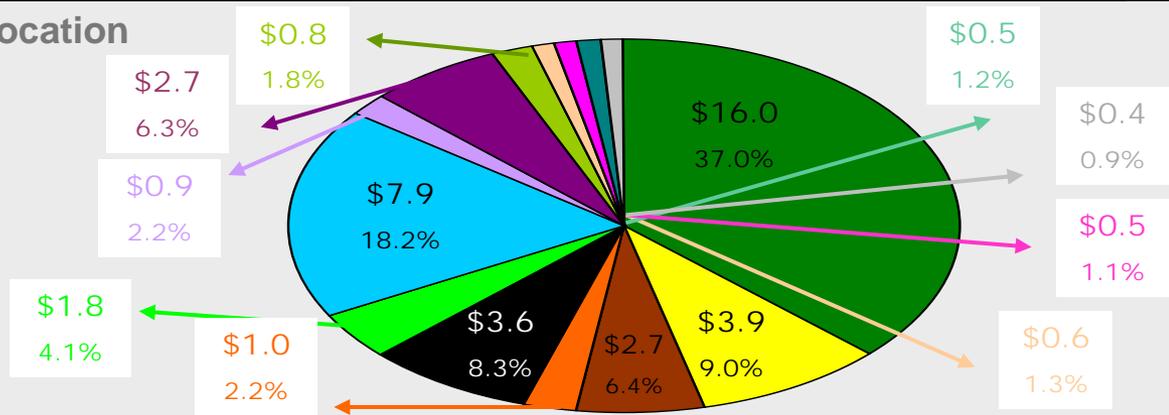


Note: Brackets represent rebalancing ranges versus policy.

Portfolio Asset Allocation: September 30, 2012

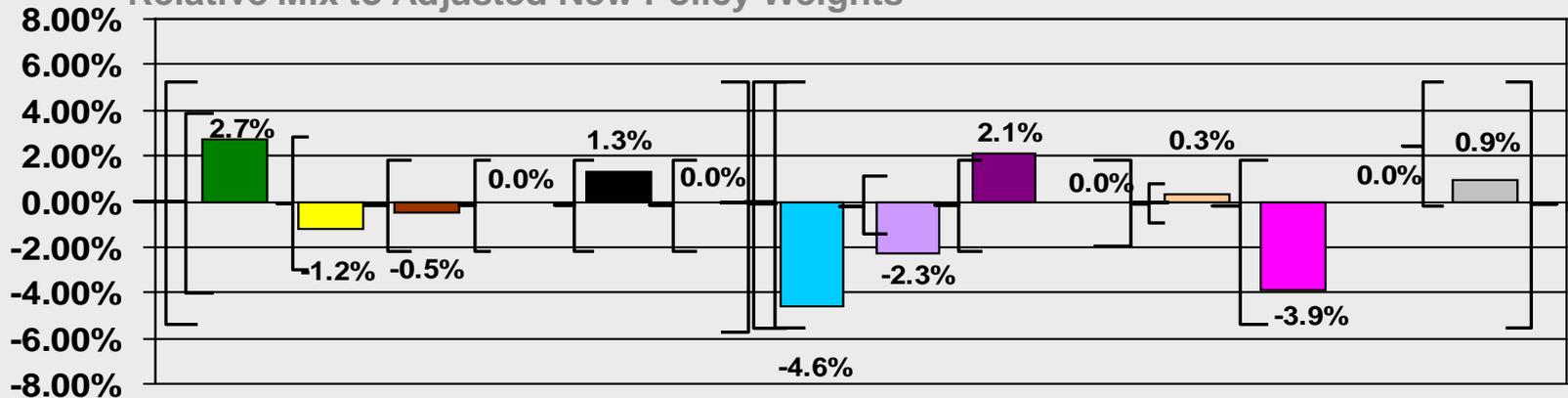
\$43.3B Under Management

Asset Allocation



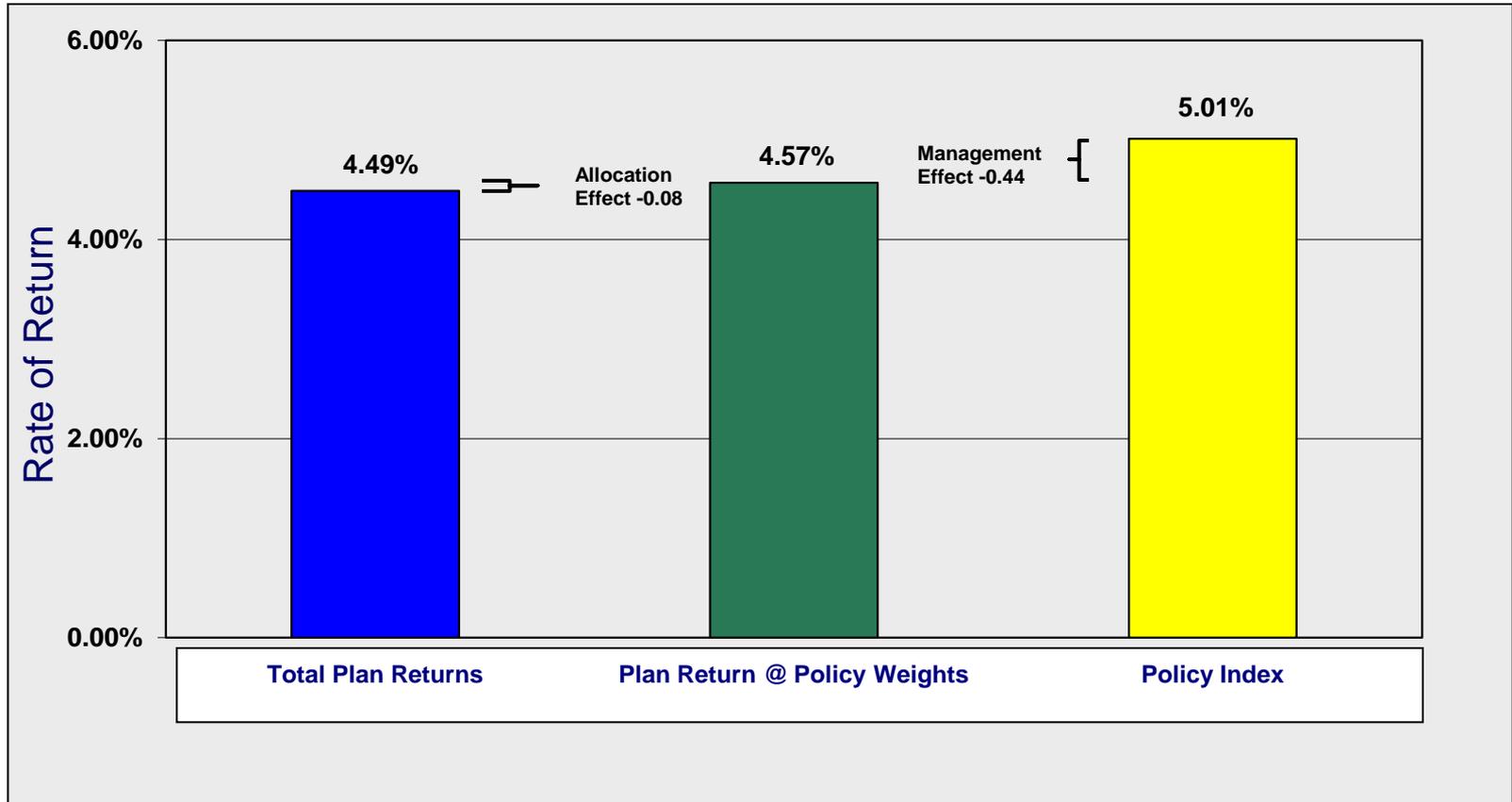
- Domestic Equity
- EAFE Markets
- Emerging Markets
- Hedge Funds
- Private Equity
- Private RE
- Core + 5
- TIPS
- Enhanced Yield
- Bank Loans
- Convertible Bonds
- Opportunistic FI
- ETI
- Cash

Relative Mix to Adjusted New Policy Weights

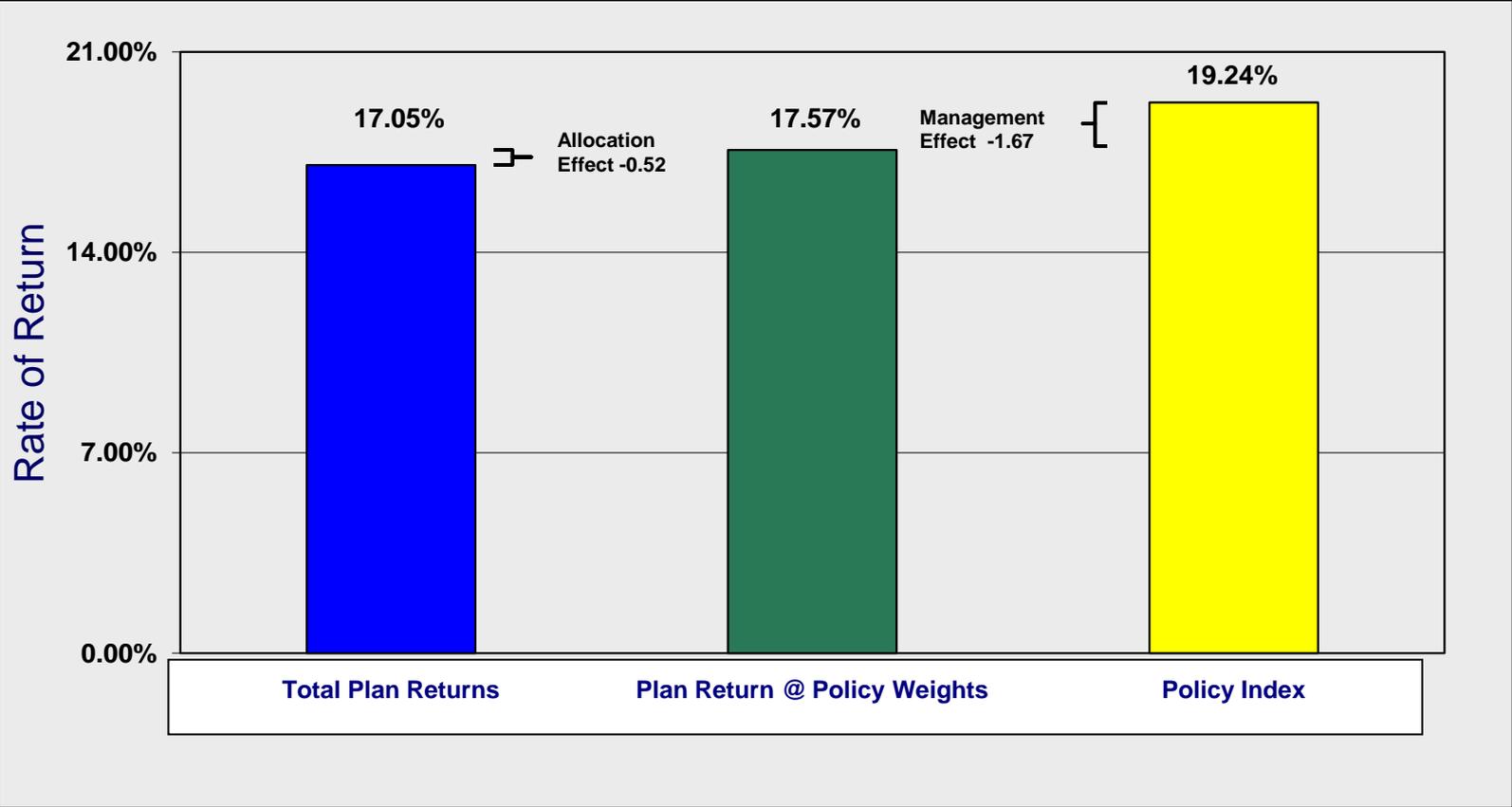


Note: Brackets represent rebalancing ranges versus policy.

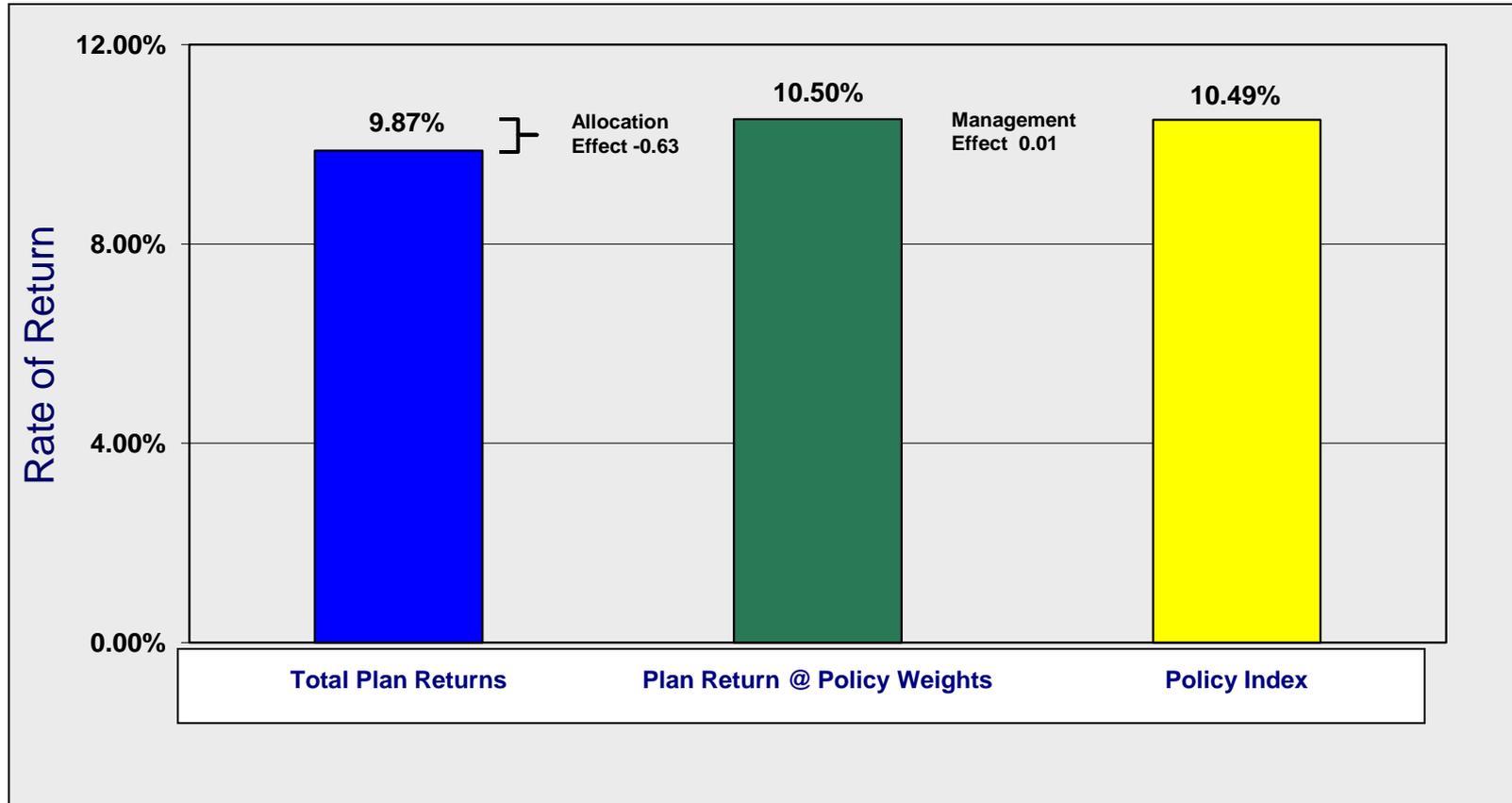
Performance Attribution: Total Plan - Quarter Ending September 30, 2012



Performance Attribution: Total Plan – 12 Month Ending September 30, 2012



Performance Attribution: Total Plan – 3 Years Ending September 30, 2012



Total Plan: September 30, 2012

Allocation Effect – Asset Class Breakdown

<u>Plan</u>	<u>Quarter</u>	<u>12 Months</u>	<u>3 Years</u>	<u>Benchmark</u>
Domestic Equity	0.04	0.23	-0.10	Russell 3000 Index
EAFE Markets	-0.05	-0.10	-0.06	MSCI EAFE Index
Emerging Markets	-0.03	-0.11	-0.03	FTSE NYCERS Custom Index
Private Equity	-0.05	-0.20	-0.02	Russell 3000 Index + 500 b.p.
Private Real Estate	0.00	0.00	0.00	NCREIF ODCE net
Hedge Funds	0.00	0.05	N/A	HFRI Fund of Funds Composite Index + 1%
Domestic Fixed	0.07	0.30	-0.30	NYC Core +5 Index
Enhanced Yield	-0.02	0.02	0.00	Citigroup BB&B Index
TIPS	0.05	0.13	-0.03	Barclays Capital US TIPS
Convertible Bonds	0.00	-0.01	-0.01	Merrill All Converts ex Mandatory (VOAO)
Opportunistic Fixed	0.01	0.03	N/A	JPM Global High Yield + 3%
State Street Short Term	-0.11	-0.57	-0.30	Total Plan

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

Total Plan: September 30, 2012

Management Effect – Asset Class Breakdown

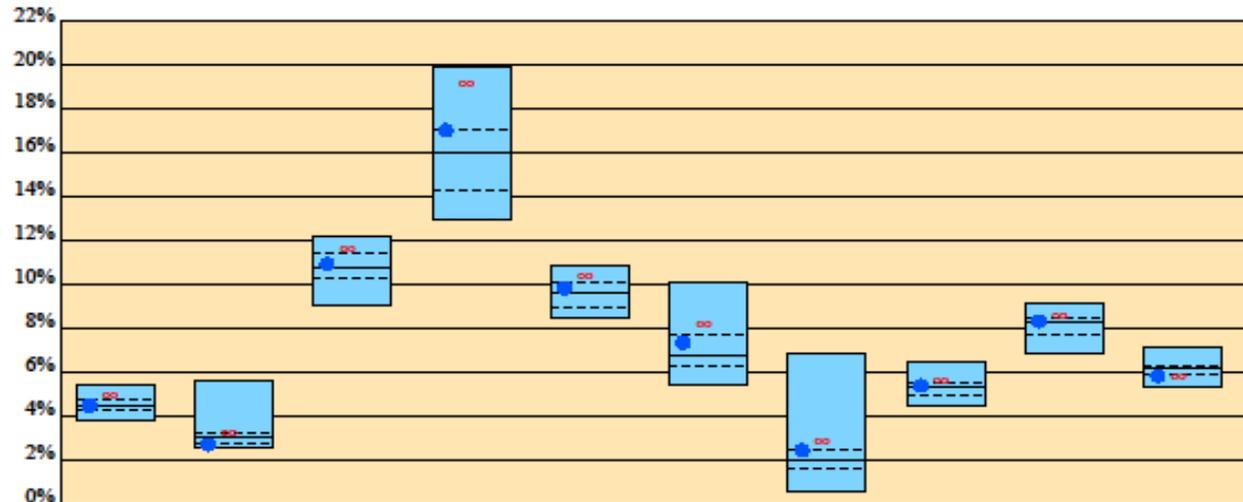
<u>Plan</u>	<u>Quarter</u>	<u>12 Months</u>	<u>3 Years</u>	<u>Benchmark</u>
Domestic Equity	-0.03	-0.13	-0.17	Russell 3000 Index
EAFE Markets	0.00	0.14	0.01	MSCI EAFE Index
Emerging Markets	0.00	0.11	0.05	FTSE NYCERS Custom Index
Private Equity	-0.54	-2.25	-0.31	Russell 3000 Index + 500 b.p.
Private Real Estate	-0.05	0.10	-0.01	NCREIF NFI ODCE net
Hedge Funds	0.00	-0.02	NA	HFRI Fund of Funds Composite Index + 1%
Domestic Fixed	0.10	0.21	0.20	NYC Core + 5 Index
TIPS	0.00	0.01	0.00	Barclays Capital US TIPS Index
Enhanced Yield	0.01	-0.04	0.05	Citigroup BB&B Index
Convertible Bonds	0.00	-0.03	-0.06	Merrill All Convertibles EX Mandatory (VOAO)
Opportunistic Fixed	-0.03	-0.15	NA	JPM High Yield + 3%

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

City of New York - Employees

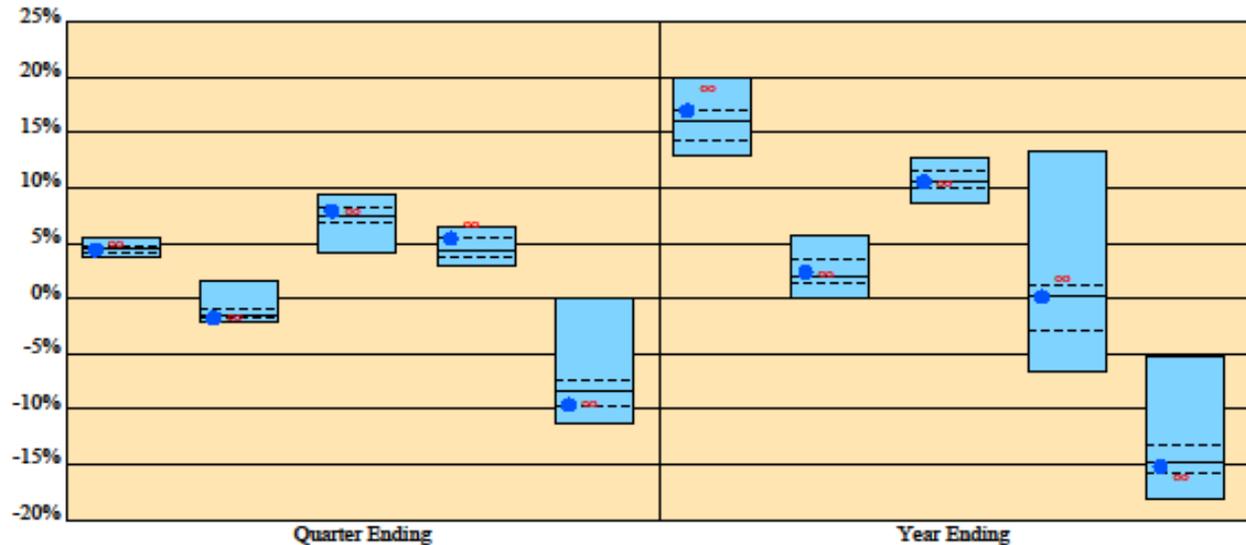
Total Returns of Public Master Trusts > \$10 Billion

Rates of Return for Periods Ending September 30, 2012



	1 Quarter	2 Quarters	3 Quarters	1 Year	3 Years	4 Years	5 Years	7 Years	10 Years	15 Years
5th Percentile	5.40	5.59	12.15	19.93	10.82	10.12	6.87	6.43	9.11	7.13
25th Percentile	4.70	3.23	11.45	17.05	10.03	7.65	2.46	5.52	8.44	6.28
Median	4.46	2.99	10.78	16.00	9.63	6.70	1.99	5.30	8.22	6.17
75th Percentile	4.21	2.72	10.26	14.30	8.95	6.22	1.61	4.88	7.73	5.85
95th Percentile	3.77	2.54	9.05	12.92	8.42	5.38	0.52	4.40	6.82	5.31
● Total System	4.49 (44)	2.72 (78)	10.95 (44)	17.05 (25)	9.86(36)	7.37 (30)	2.44 (27)	5.40 (33)	8.35 (34)	5.85 (75)
- - Employees Policy Benchmark	5.01 (17)	3.29 (20)	11.65 (17)	19.24 (5)	10.49 (8)	8.28 (11)	2.92 (14)	5.68 (19)	8.60 (11)	5.89 (66)

City of New York - Employees Total Returns of Public Master Trusts > \$10 Billion Recent Periods



	Sep 12	Jun 12	Mar 12	Dec 11	Sep 11	Sep 12	Sep 11	Sep 10	Sep 09	Sep 08
5th Percentile	5.40	1.59	9.38	6.47	0.10	19.93	5.61	12.67	13.23	-5.19
25th Percentile	4.70	-0.92	8.31	5.41	-7.48	17.05	3.57	11.51	1.22	-13.24
Median	4.46	-1.50	7.50	4.35	-8.39	16.00	1.88	10.62	0.16	-14.80
75th Percentile	4.21	-1.83	6.89	3.81	-9.83	14.30	1.30	10.07	-2.82	-15.79
95th Percentile	3.77	-2.16	4.06	2.94	-11.22	12.92	-0.06	8.66	-6.66	-18.06
● Total System	4.49 (44)	-1.69 (61)	8.01 (36)	5.49 (22)	-9.55 (61)	17.05 (25)	2.42 (38)	10.62 (50)	0.22 (44)	-15.12 (63)
∞ Employees Policy Benchmark	5.01 (17)	-1.64 (52)	8.09 (27)	6.80 (1)	-9.28 (52)	19.24 (5)	2.35 (41)	10.54 (50)	1.90 (19)	-15.99 (75)

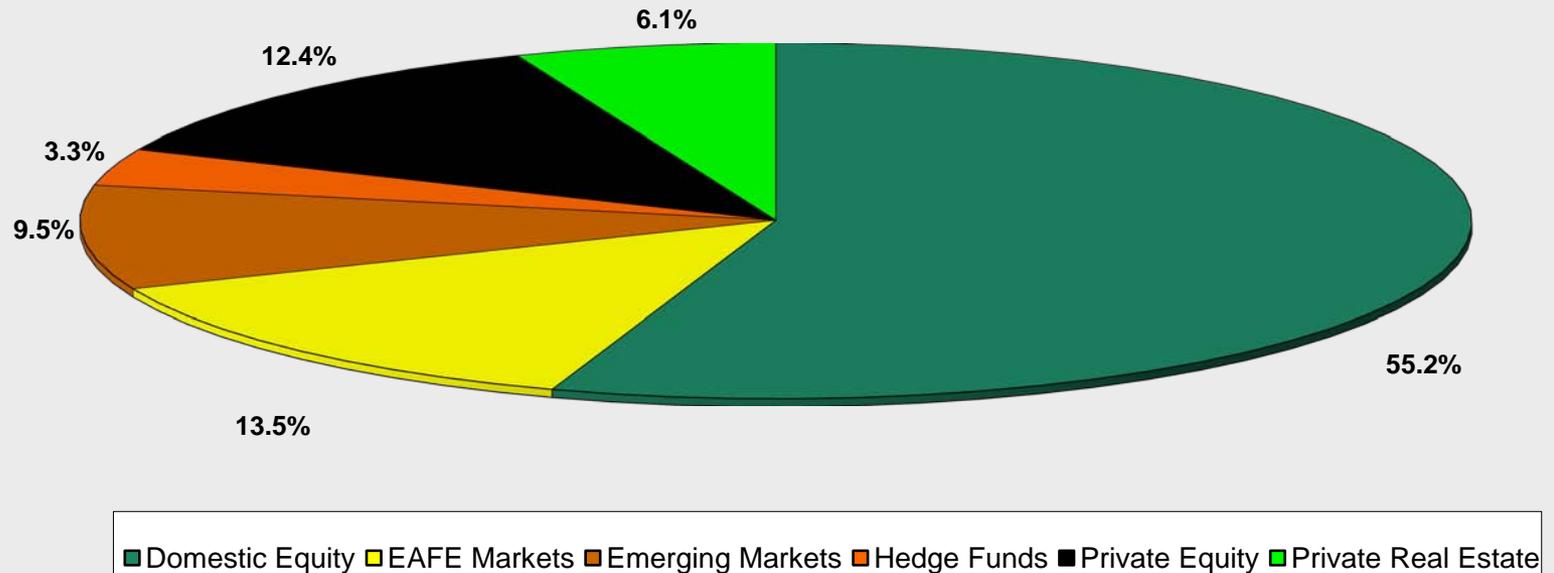
New York City Employees' Retirement System

Equity Analysis

Total Equity Asset Allocation: September 30, 2012

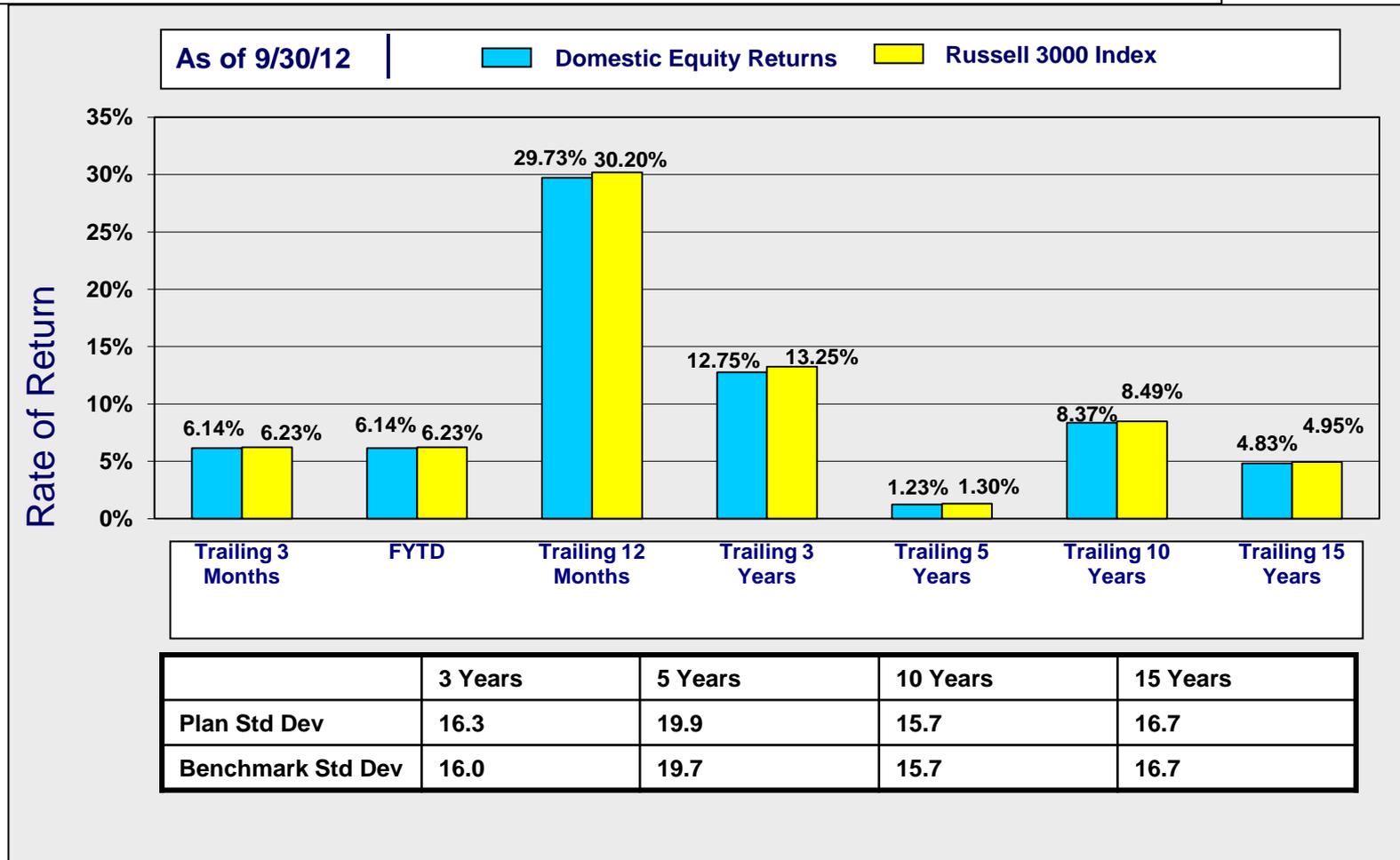
\$29B Under Management, 67% of Total Funds

Asset Allocation by Groups



Total Domestic Equity Returns vs Russell 3000 Index

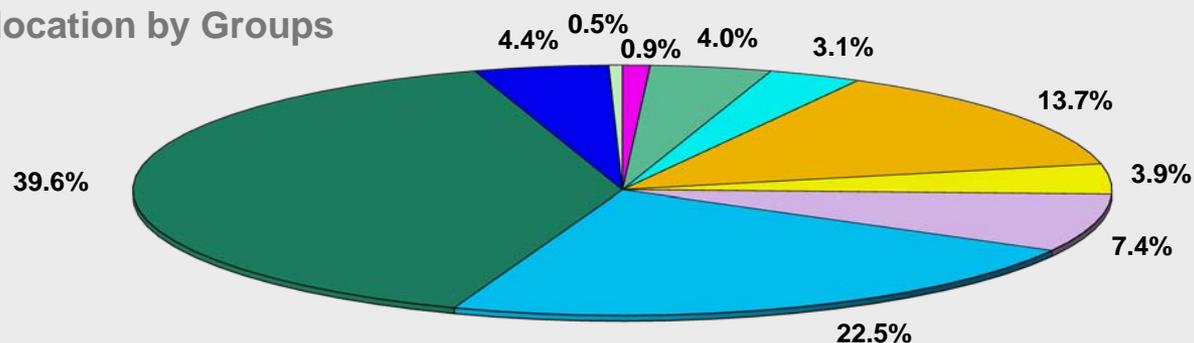
\$16.0B Under Management, **37%** of Total Funds



Total Domestic Equity Asset Allocation: Quarter Ending September 30, 2012

\$16.0B Under Management, **37%** of Total Funds

Asset Allocation by Groups



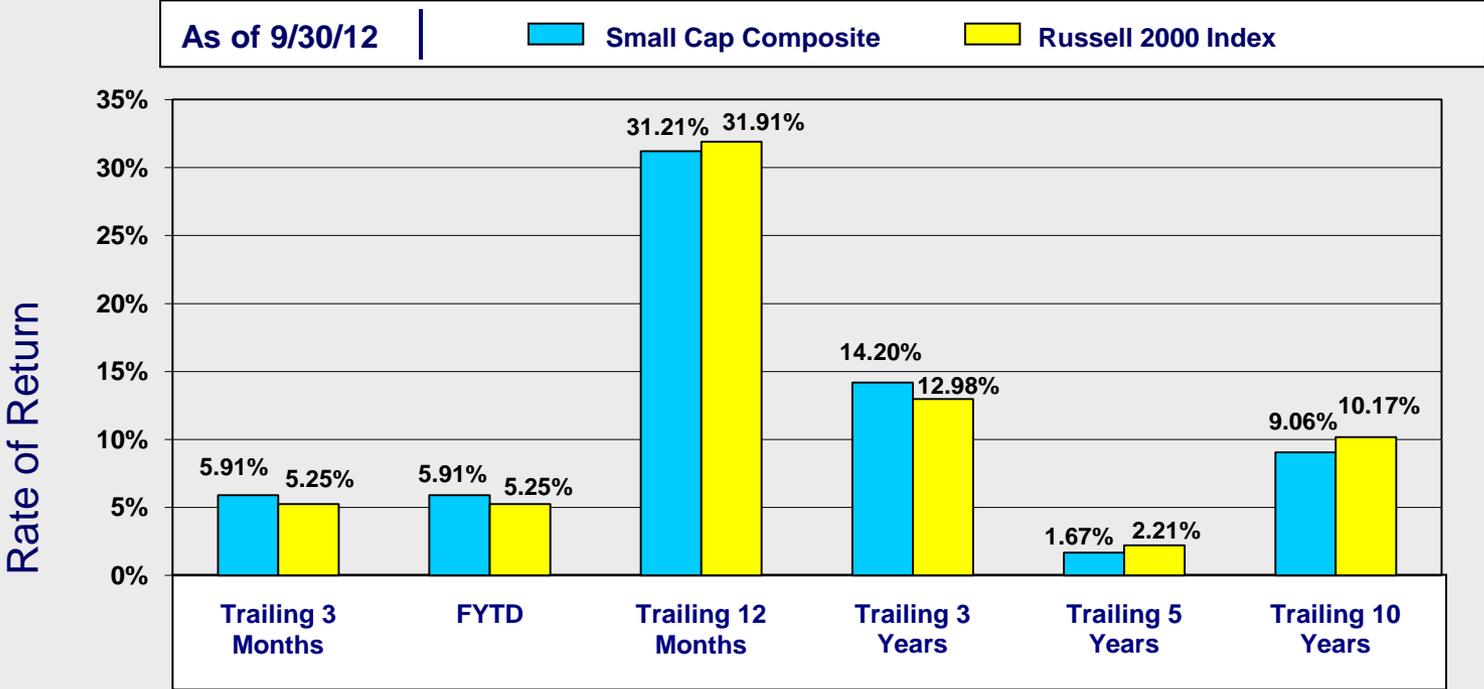
Value Added by Sectors

Sub Sector	Policy Weight	Actual Weight	Under/Over Weight	Index Return	Actual Return	Difference	Contribution to Out/Under Performance	
							Allocation	Management
Small Cap Active	3.99	0.91	-3.08	5.25	6.33	1.08	-0.01	0.05
Small Cap Fundamental Index	3.00	4.01	1.01	5.25	6.39	1.14	-0.01	0.04
Small Cap Russell 2000 Index**	1.54	3.09	1.55	5.25	5.25	0.00	-0.01	0.00
Mid Cap S&P 400 Index**	12.51	13.69	1.18	5.44	5.42	-0.03	-0.01	0.00
Russell 1000 Active	3.13	3.87	0.74	6.31	6.21	-0.10	0.02	-0.01
Large Cap Fundamental Index	5.44	7.45	2.01	6.31	6.25	-0.06	0.00	0.00
S & P 500 Index Fund	22.00	22.54	0.54	6.35	6.42	0.07	0.00	0.02
Russell 3000 Index Fund**	44.59	39.55	-5.04	6.23	6.22	-0.01	-0.01	0.00
Emerging Managers	3.50	4.44	0.94	6.23	6.54	0.31	0.00	0.01
US Activist & Environmental	0.30	0.45	0.15	5.25	4.70	-0.55	0.00	0.00

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

Small Cap Returns vs Russell 2000 Index

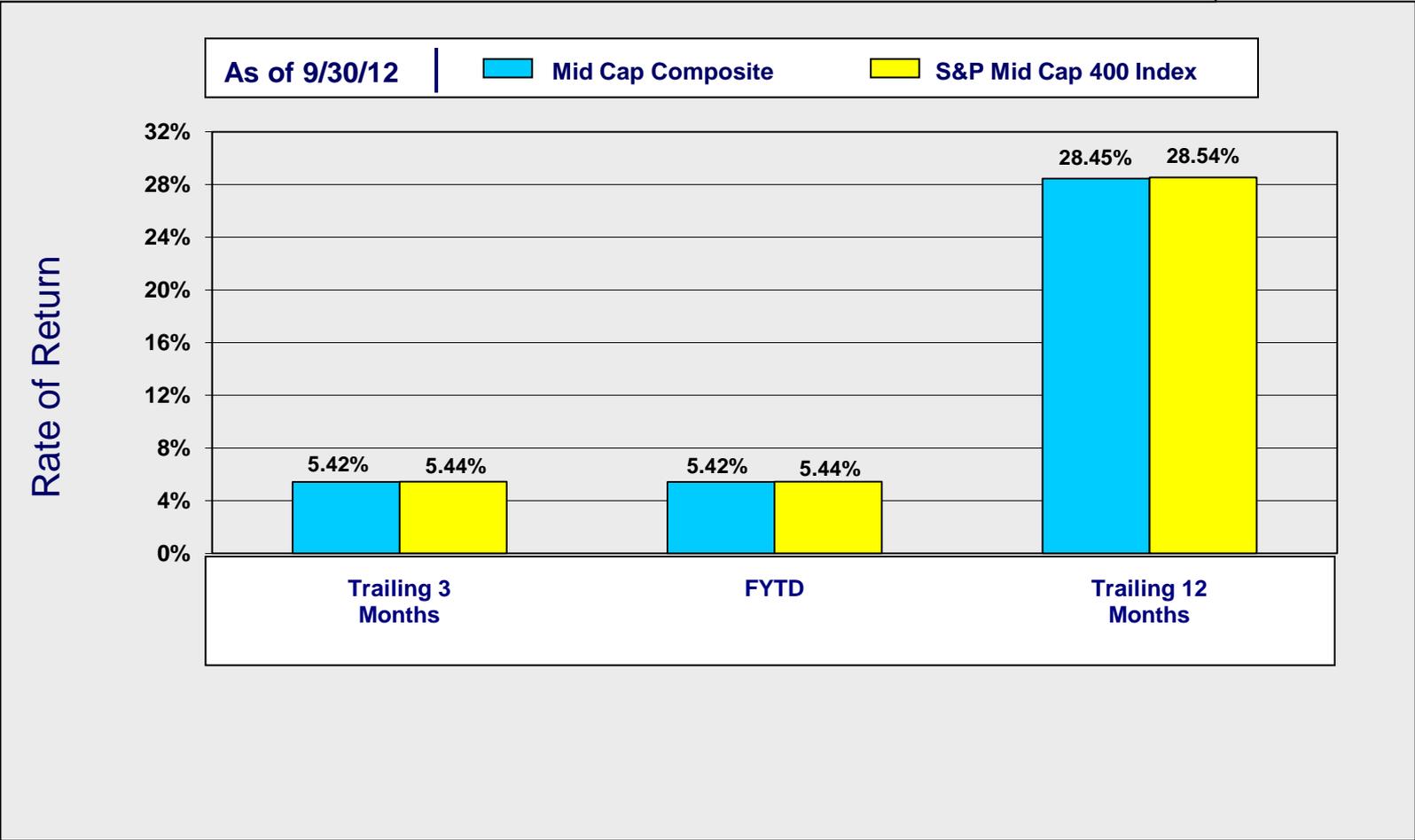
\$1.3B Under Management, **3%** of Total Funds



	3 Years	5 Years	10 Years
Plan Std Dev	21.0	25.5	20.1
Benchmark Std Dev	21.0	24.5	20.3

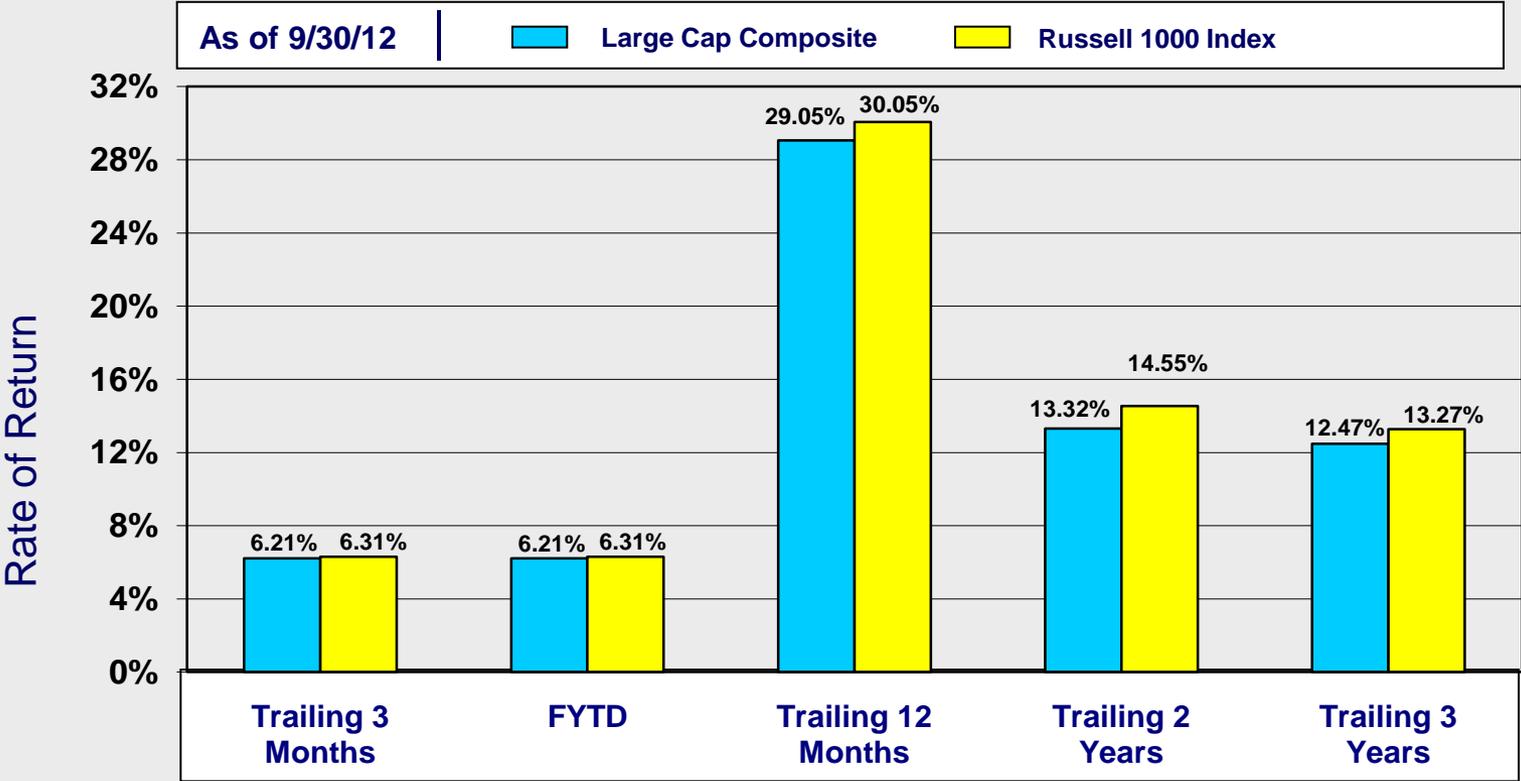
Mid Cap Returns vs S&P Mid Cap 400 Index

\$2.2B Under Management, **5%** of Total Funds



Large Cap Returns vs Russell 1000 Index

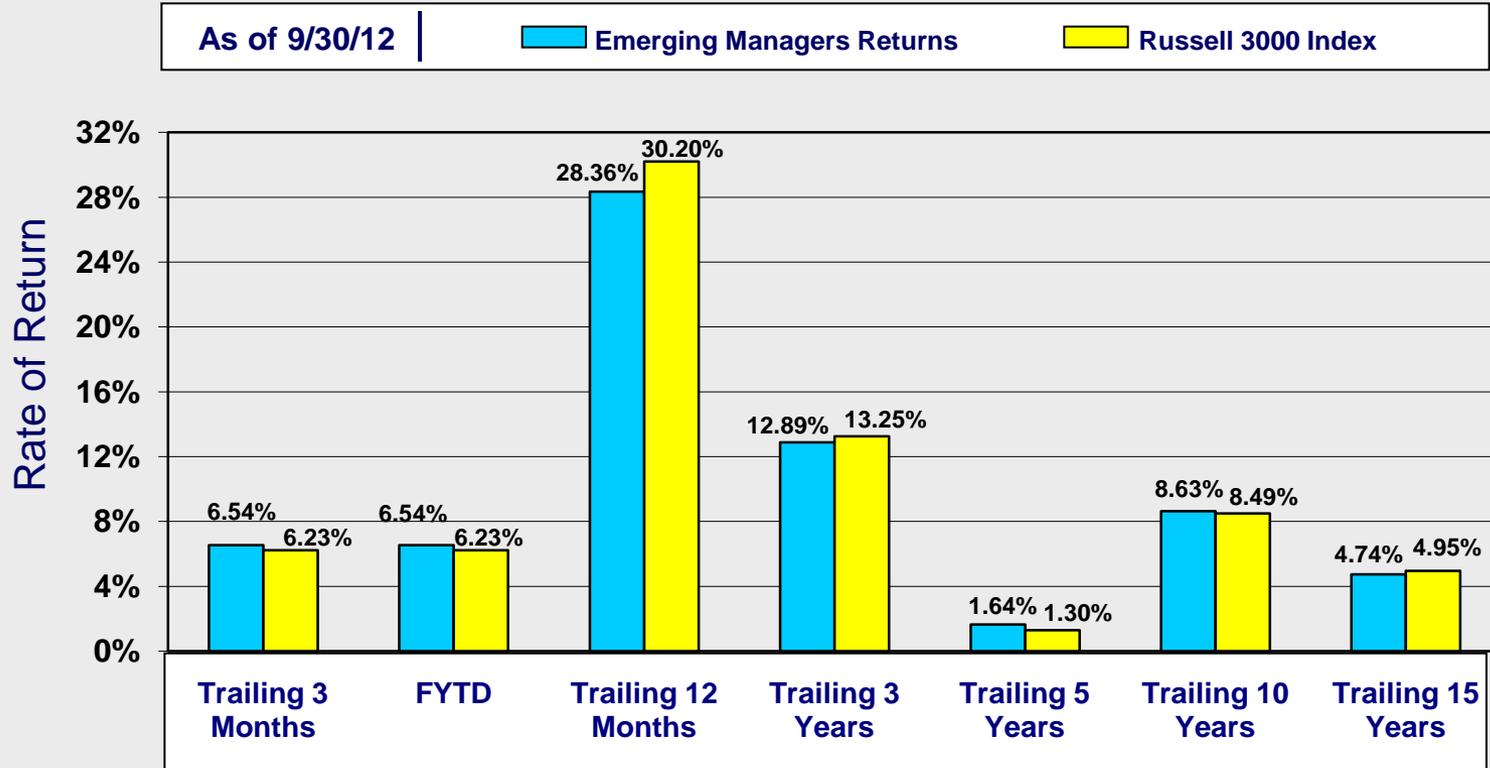
\$1.8B Under Management, **4%** of Total Funds



	3 Years
Int'l Plan Std Dev	15.7
Benchmark Std Dev	15.7

US Equity Emerging Managers Returns vs Russell 3000 Index

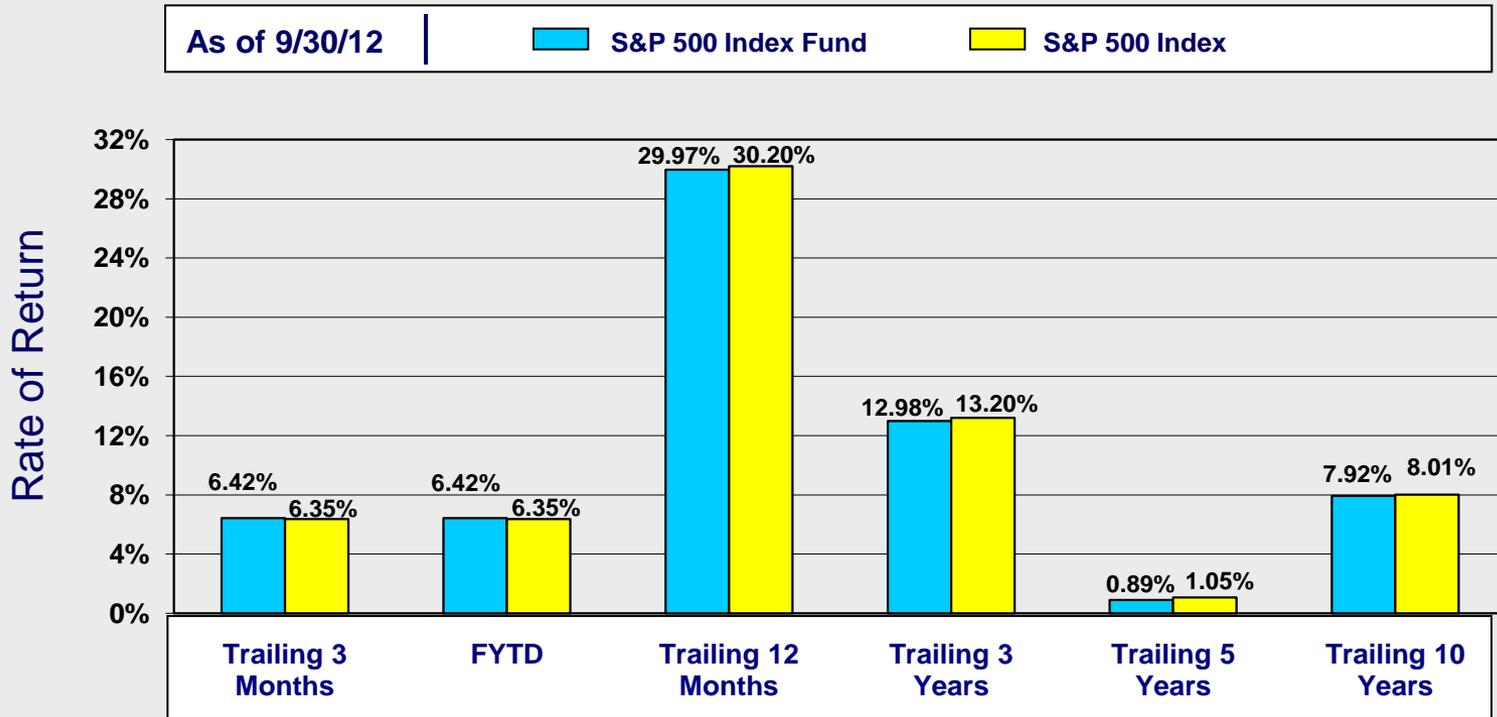
\$0.7B Under Management, **2%** of Total Funds



	3 Years	5 Years	10 Years	15 Years
Plan Std Dev	16.7	19.9	15.7	17.5
Benchmark Std Dev	16.0	19.7	15.7	16.7

S&P 500 Index Fund Returns vs S&P 500 Index

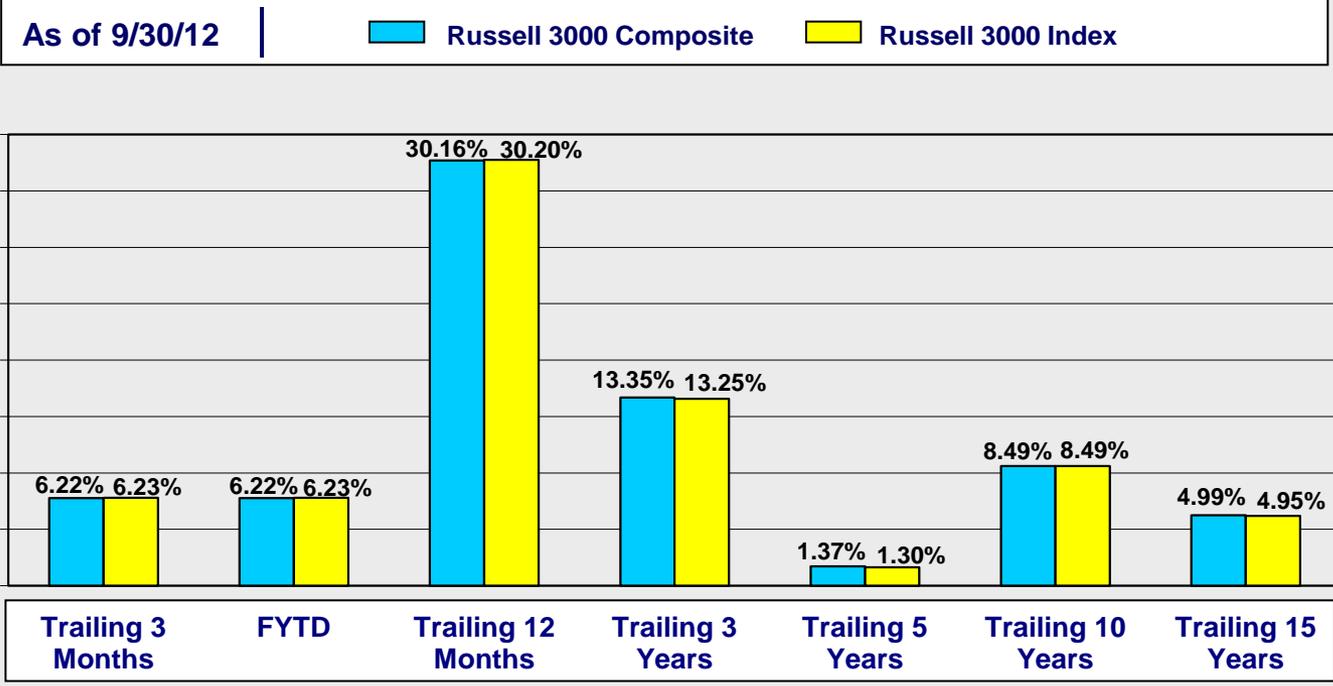
\$3.6B Under Management, **8%** of Total Funds



	3 Years	5 Years	10 Years
Plan Std Dev	15.4	19.0	15.2
Benchmark Std Dev	15.4	19.0	15.1

Russell 3000 Index Fund Returns vs Russell 3000 Index

\$6.3B Under Management, **15%** of Total Funds

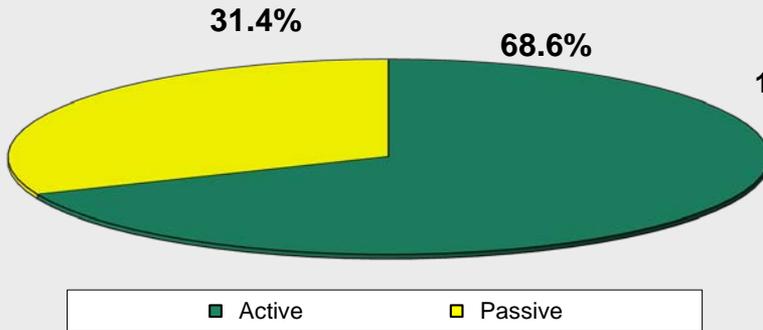


	3 Years	5 Years	10 Years	15 Years
Plan Std Dev	16.0	19.7	15.6	16.6
Benchmark Std Dev	16.0	19.7	15.7	16.7

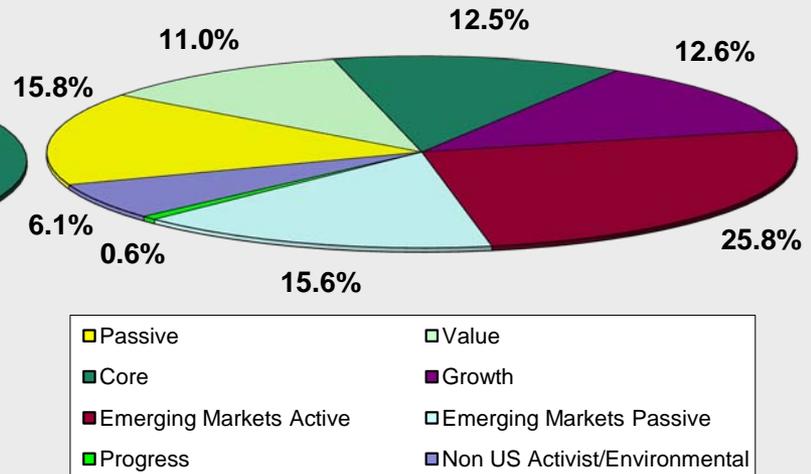
International Equity Asset Allocation: September 30, 2012

\$6.7B Under Management, **15%** of Total Funds

Asset Allocation by Groups



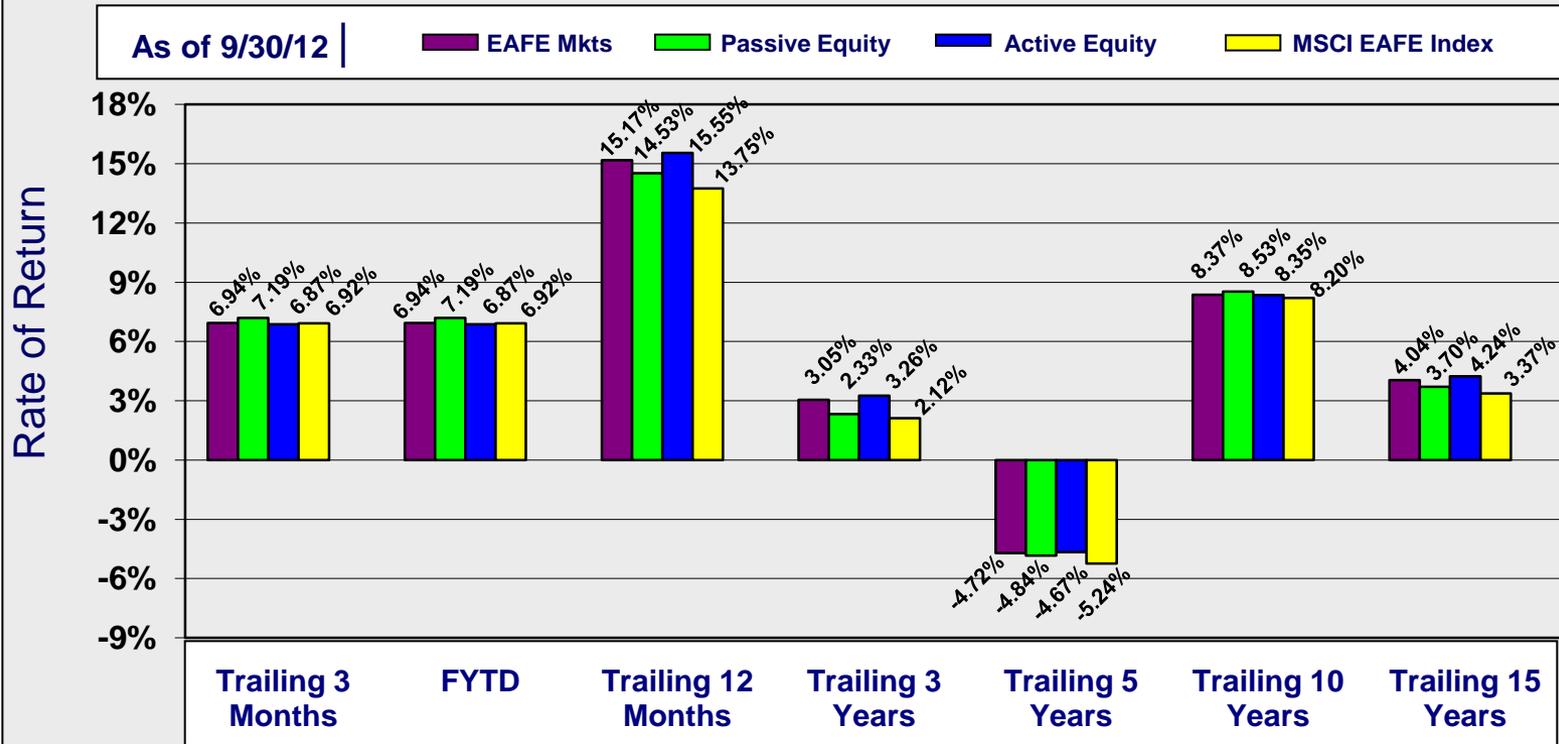
Asset Allocation by Style



Sub Sector	Policy Weight	Actual Weight	Under/Over Weight	Index Return	Actual Return	Difference	Contribution to	
							Allocation	Management
EAFE Growth		12.66		6.40	7.65	1.25		0.16
EAFE Value		11.05		7.55	6.05	-1.50		-0.15
EAFE Core		12.55		6.92	6.79	-0.13		-0.04
EAFE Passive		15.85		6.92	7.19	0.26		0.03
Progress		0.66		6.92	7.45	0.53		0.00
Non-US Activist		3.46		10.17	6.16	-4.01		-0.12
Non-US Environmental		2.76		6.83	6.00	-0.84		-0.02
Active EM		25.85		8.82	9.24	0.43		0.09
Passive EM		15.66		8.82	7.97	-0.84		0.01

EAFE Markets Returns vs MSCI EAFE Index

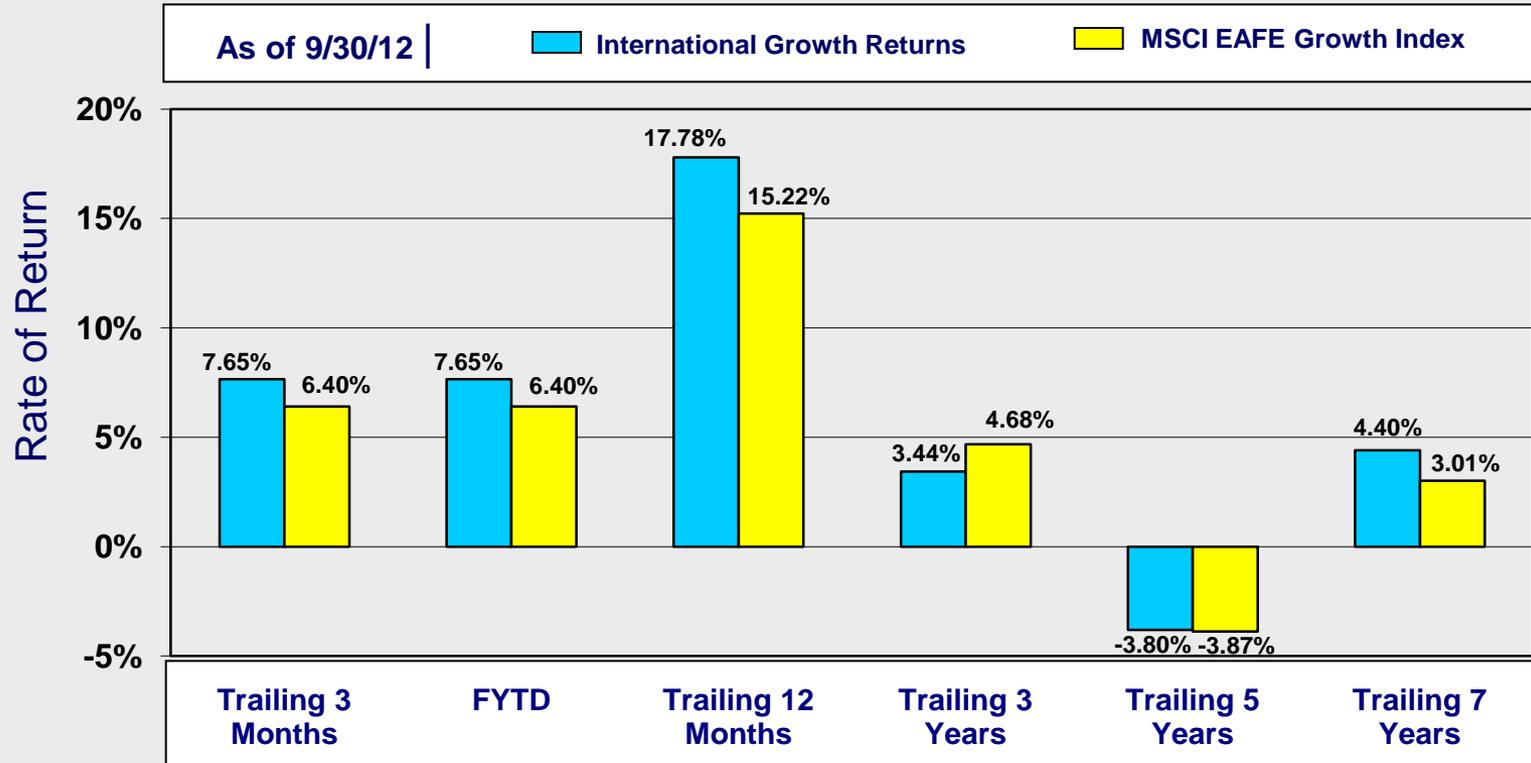
\$3.5B Under Management, **8%** of Total Funds



	3 Years	5 Years	10 Years	15 Years
EAFE Plan Std Dev	19.1	23.2	18.4	18.3
Passive Plan Std Dev	19.2	23.6	18.4	18.0
Active Plan Std Dev	19.1	23.3	18.7	18.5
Benchmark Std Dev	19.3	23.3	18.5	18.1

International Growth Returns vs MSCI EAFE Growth Index

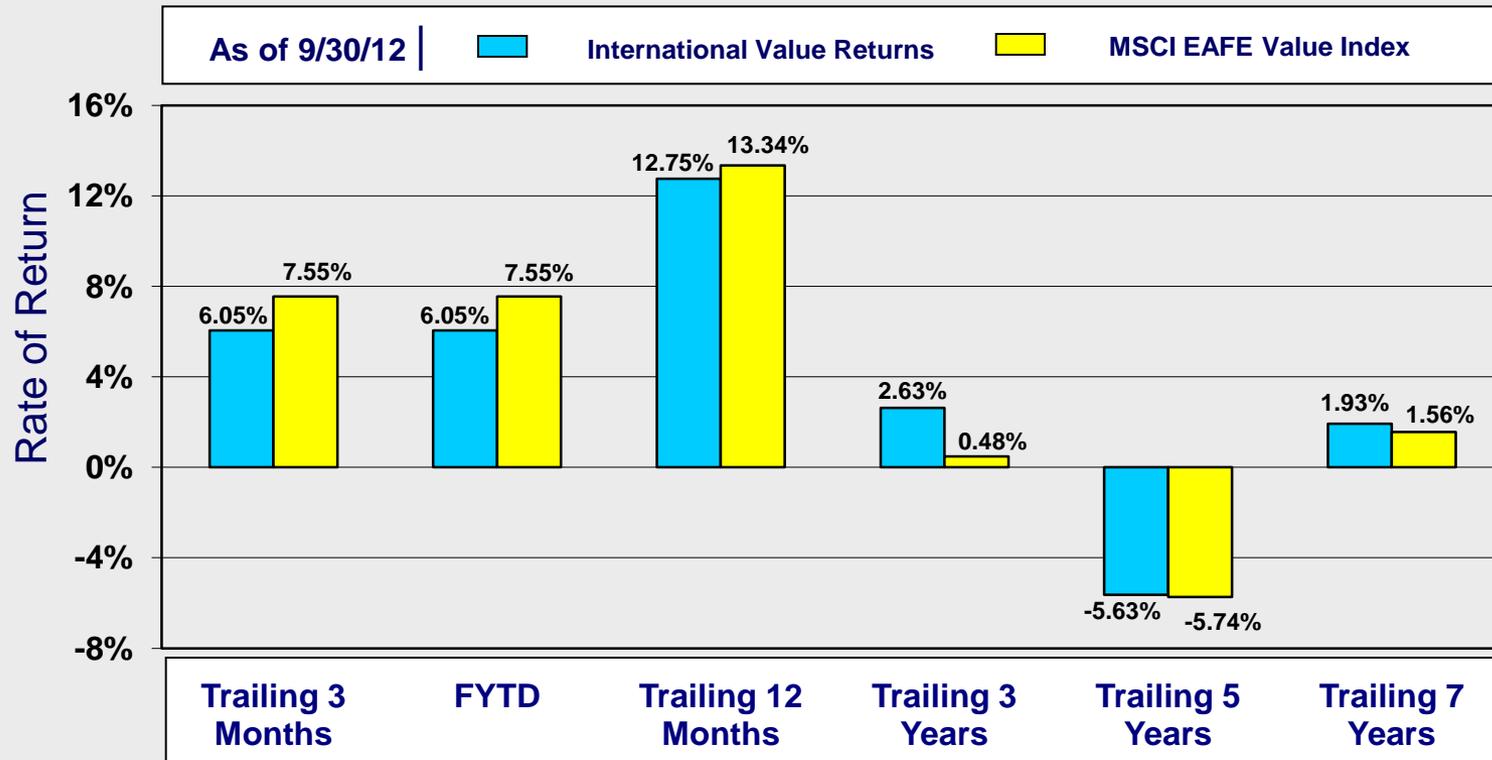
\$0.8B Under Management, **2%** of Total Funds



	3 Years	5 Years	7 Years
Plan Std Dev	19.7	23.9	21.2
Benchmark Std Dev	18.8	22.4	19.8

International Value Returns vs MSCI EAFE Value Index

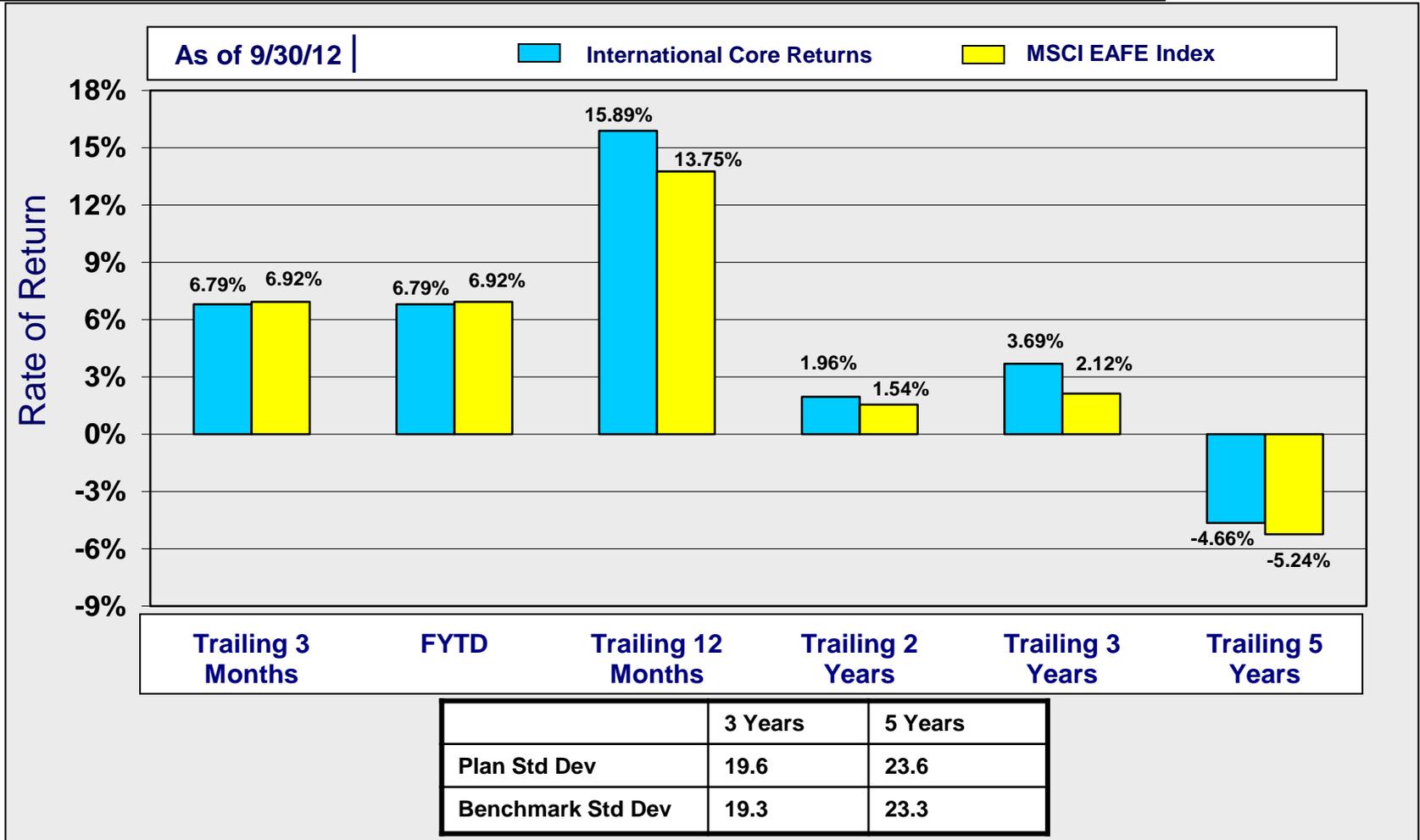
\$0.7B Under Management, **2%** of Total Funds



	3 Years	5 Years	7 Years
Plan Std Dev	18.1	22.6	19.9
Benchmark Std Dev	20.1	24.8	21.7

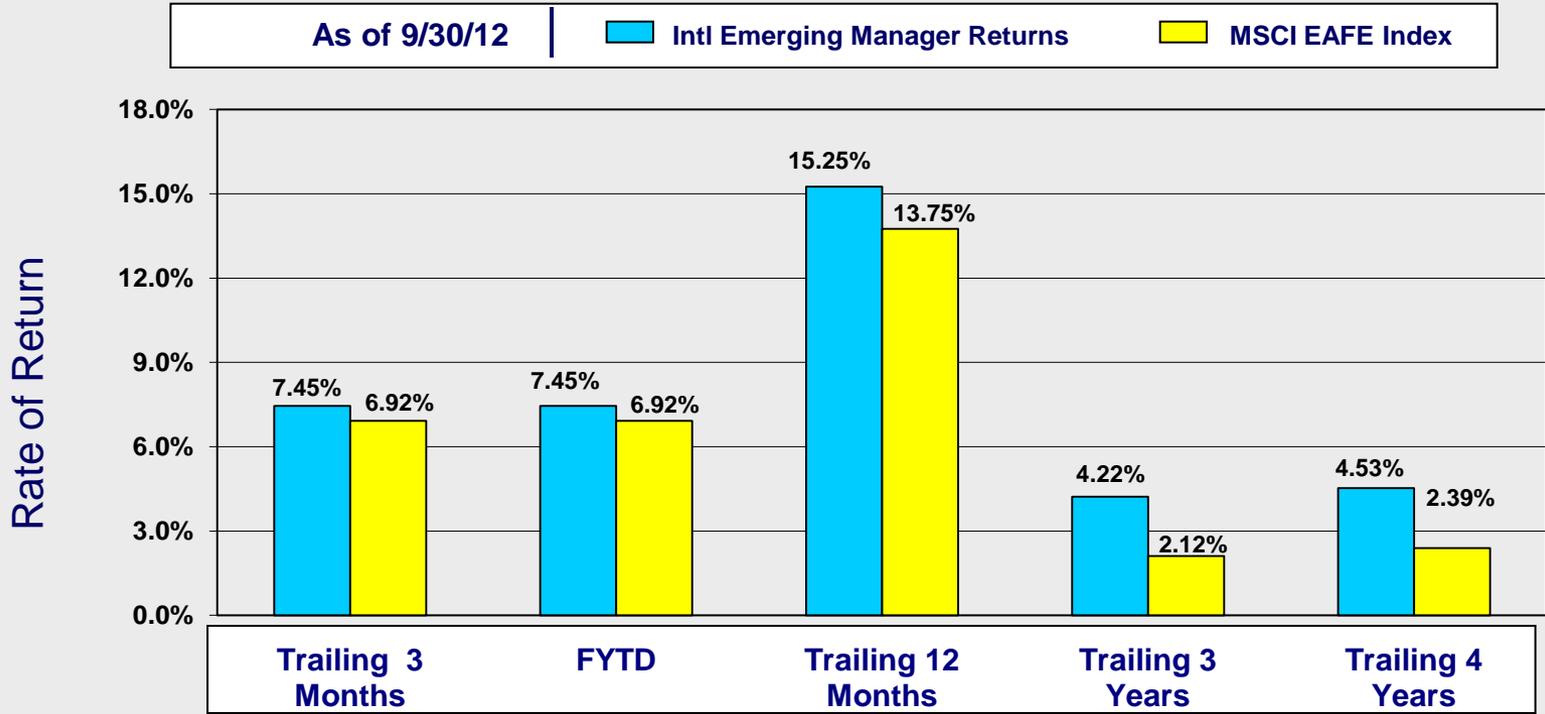
International Core Returns vs MSCI EAFE Index

\$0.8B Under Management, **2%** of Total Funds



International Emerging Manager Returns vs MSCI EAFE Index

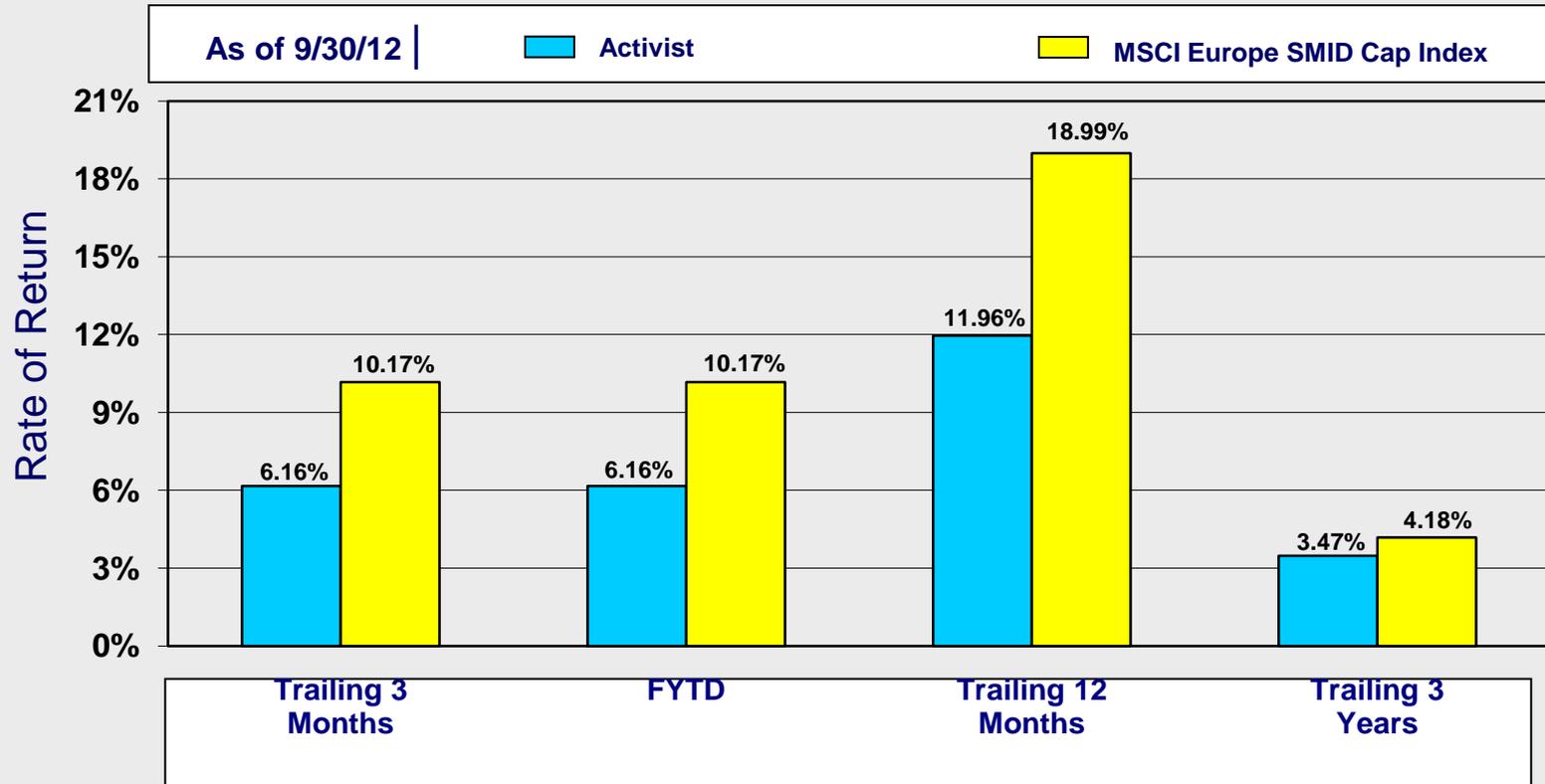
\$40M Under Management, **0%** of Total Funds



	3 Years	4 Years
Plan STD	18.3	22.9
Benchmark Std Dev	19.3	23.8

Activist Sustainable Strategies vs MSCI Europe SMID Cap Index

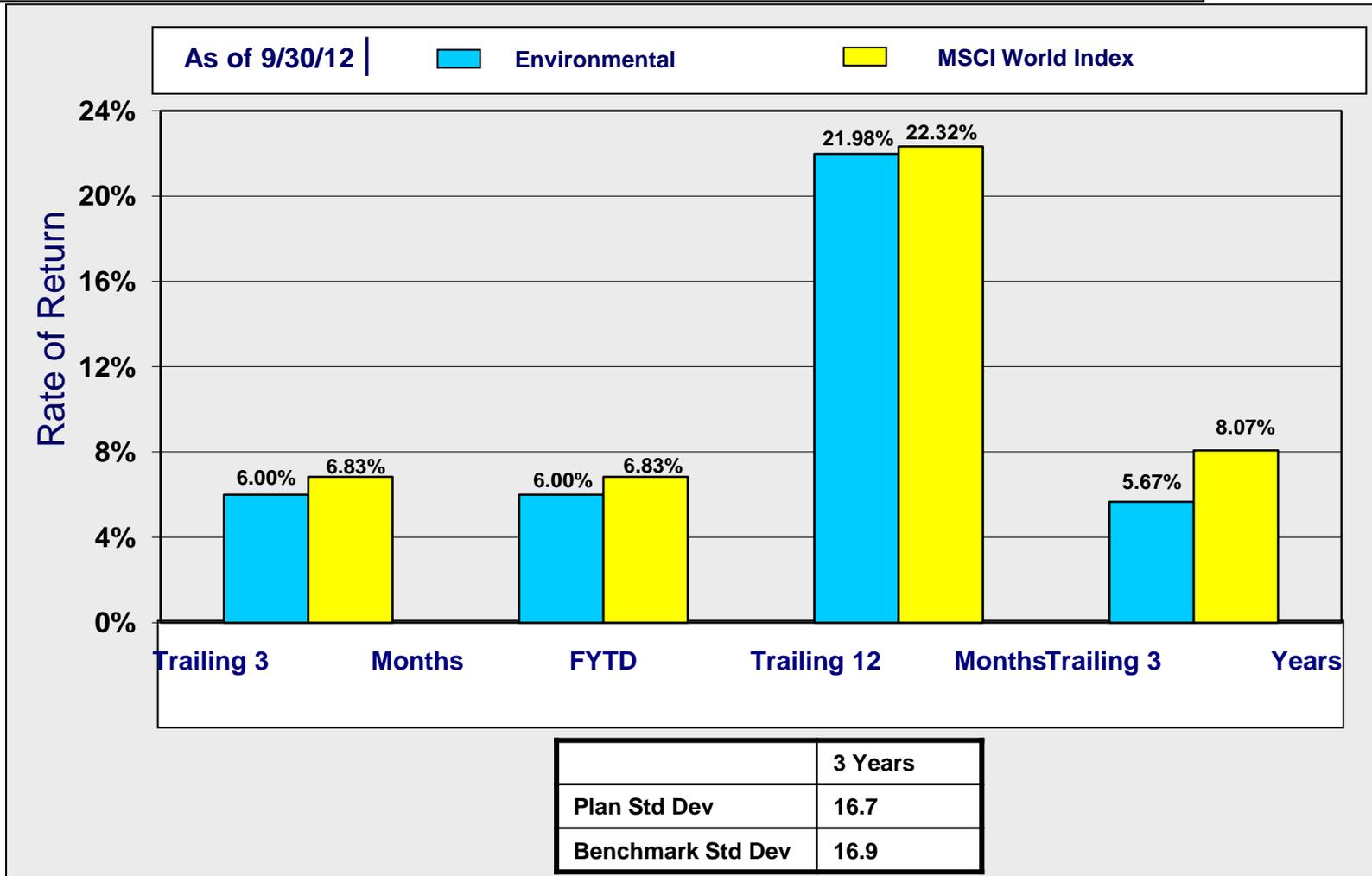
\$0.2B Under Management, **0.5%** of Total Funds



	3 Years
Plan Std Dev	25.3
Benchmark Std Dev	23.7

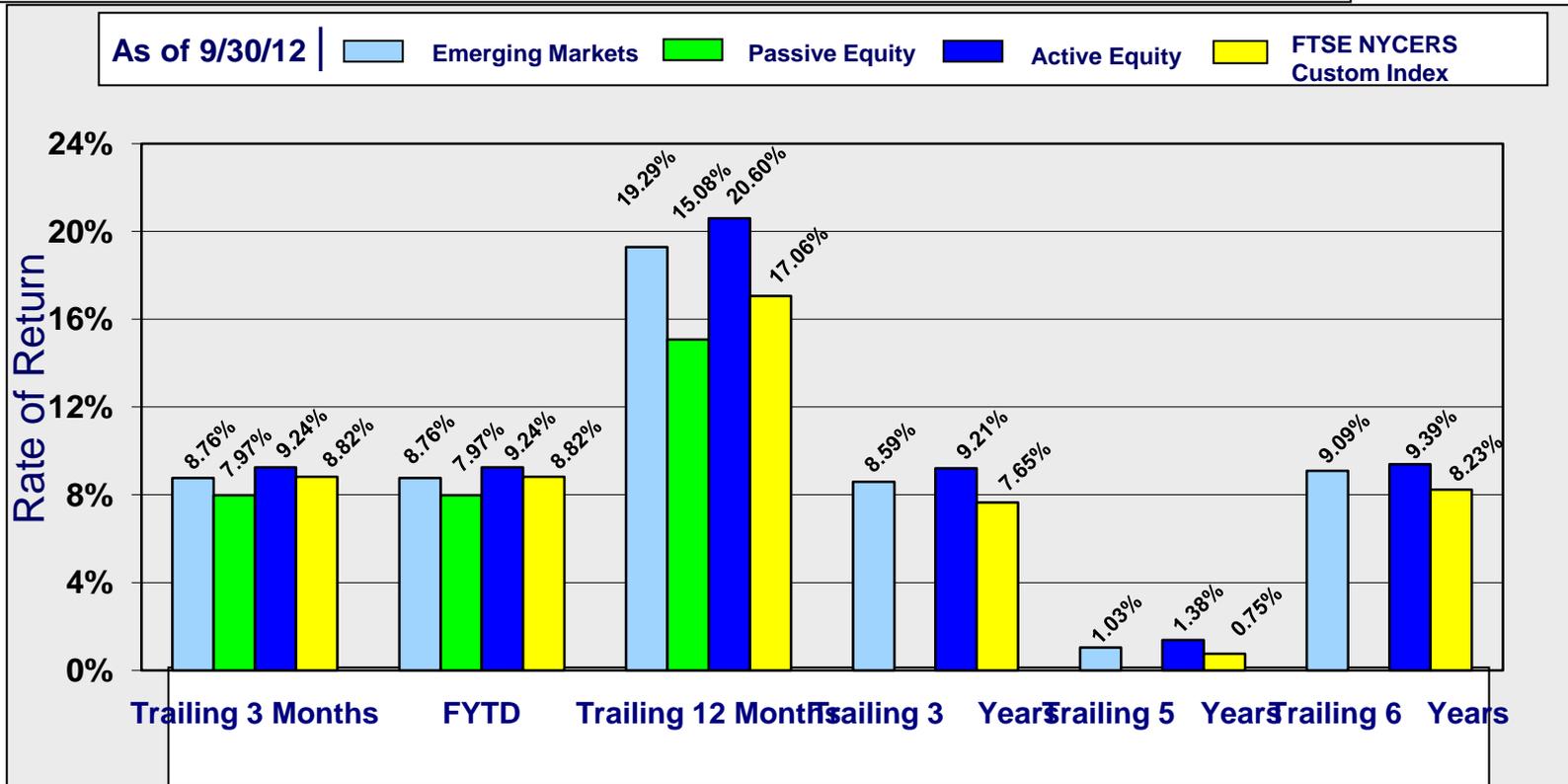
Environmental Sustainable Strategies vs MSCI World Index

\$0.2B Under Management, **0.4%** of Total Funds



Emerging Markets Returns vs FTSE NYCERS Custom Index

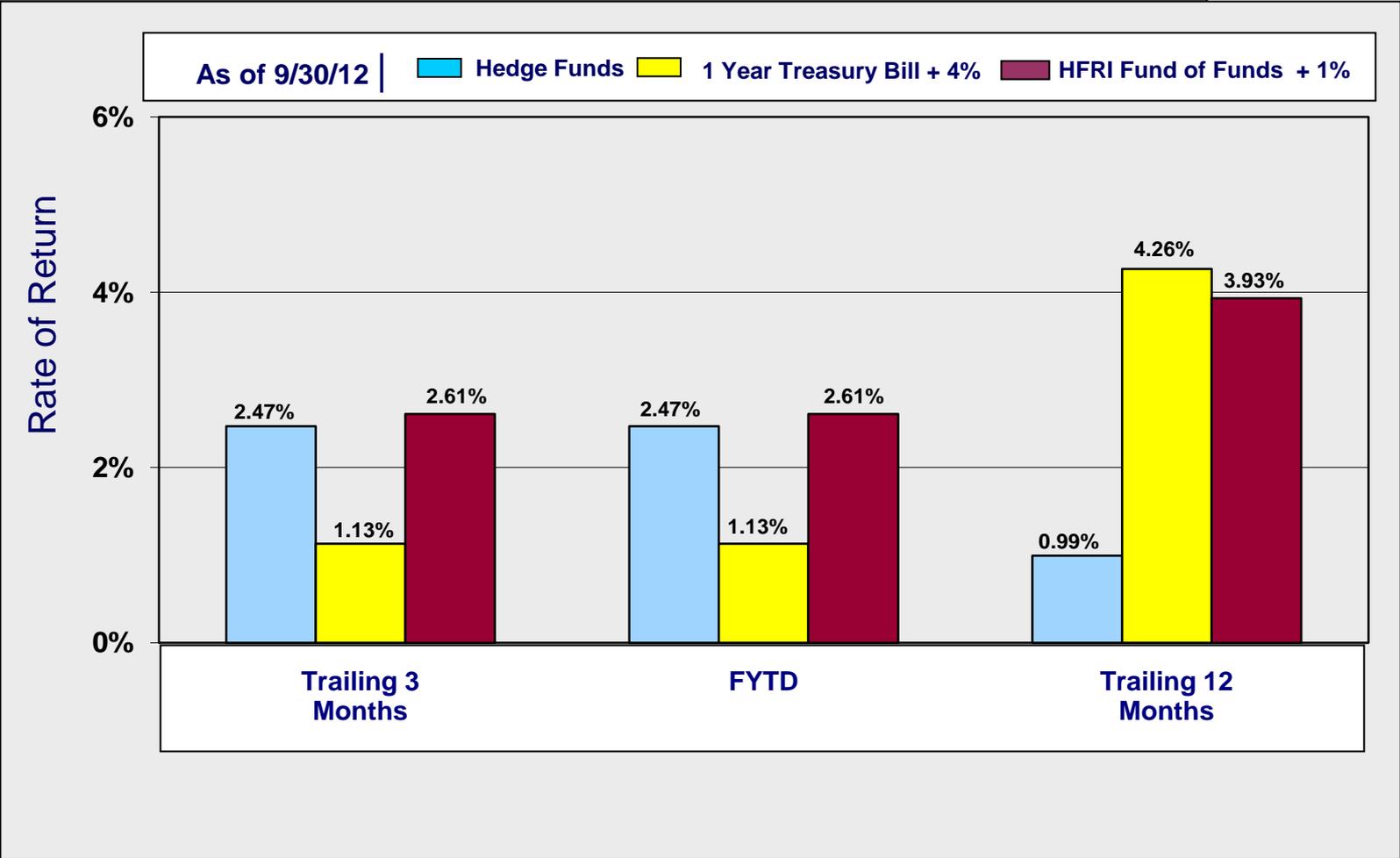
\$2.8B Under Management, **6%** of Total Funds



	3 Years	5 Years	6 Years
Emerging Market Plan Std Dev	21.5	30.2	28.4
Passive Plan Std Dev	****	****	****
Active Plan Std Dev	21.7	30.3	28.4
Benchmark Std Dev	21.5	29.4	27.6

Hedge Funds vs 1 Year Treasury Bill + 4%, HFRI Fund Of Funds + 1%

\$1.0B Under Management, **2%** of Total Funds



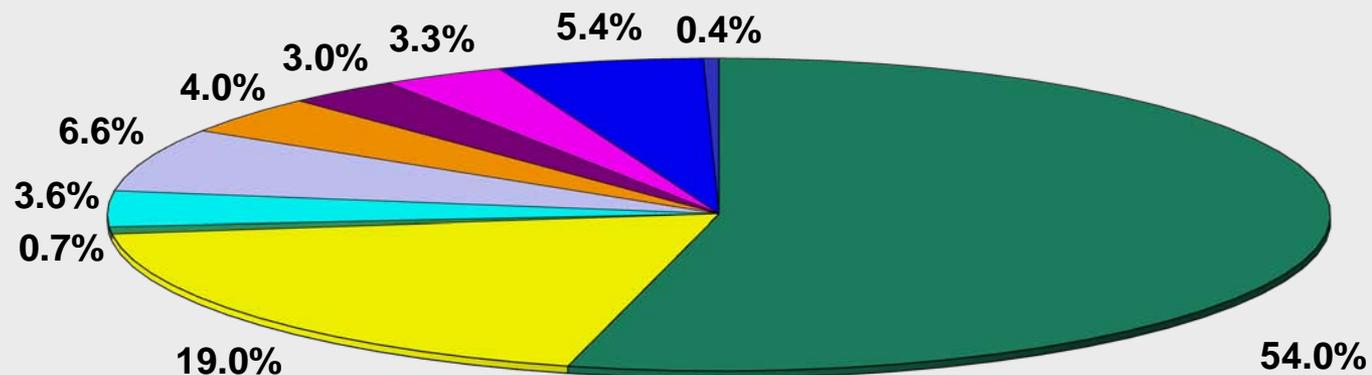
**New York City
Employees' Retirement System**

Fixed Income Analysis

Total Fixed Income Asset Allocation: September 30, 2012

\$14.3B Under Management, **33%** of Total Funds

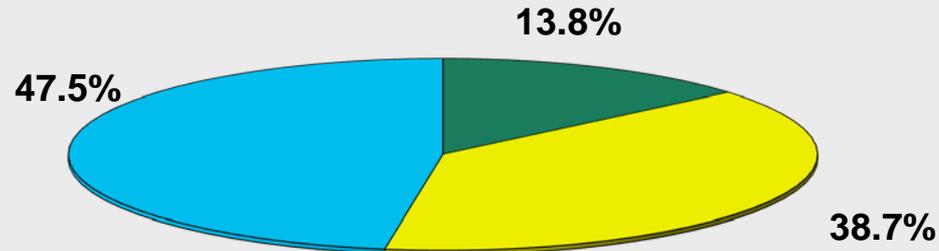
Asset Allocation by Groups



Structured Fixed Income Asset Allocation: September 30, 2012

\$7.7B Under Management, **18%** of Total Funds

Asset Allocation by Groups



■ Treasury/Agency ■ Mortgage ■ Inv. Grade Credit

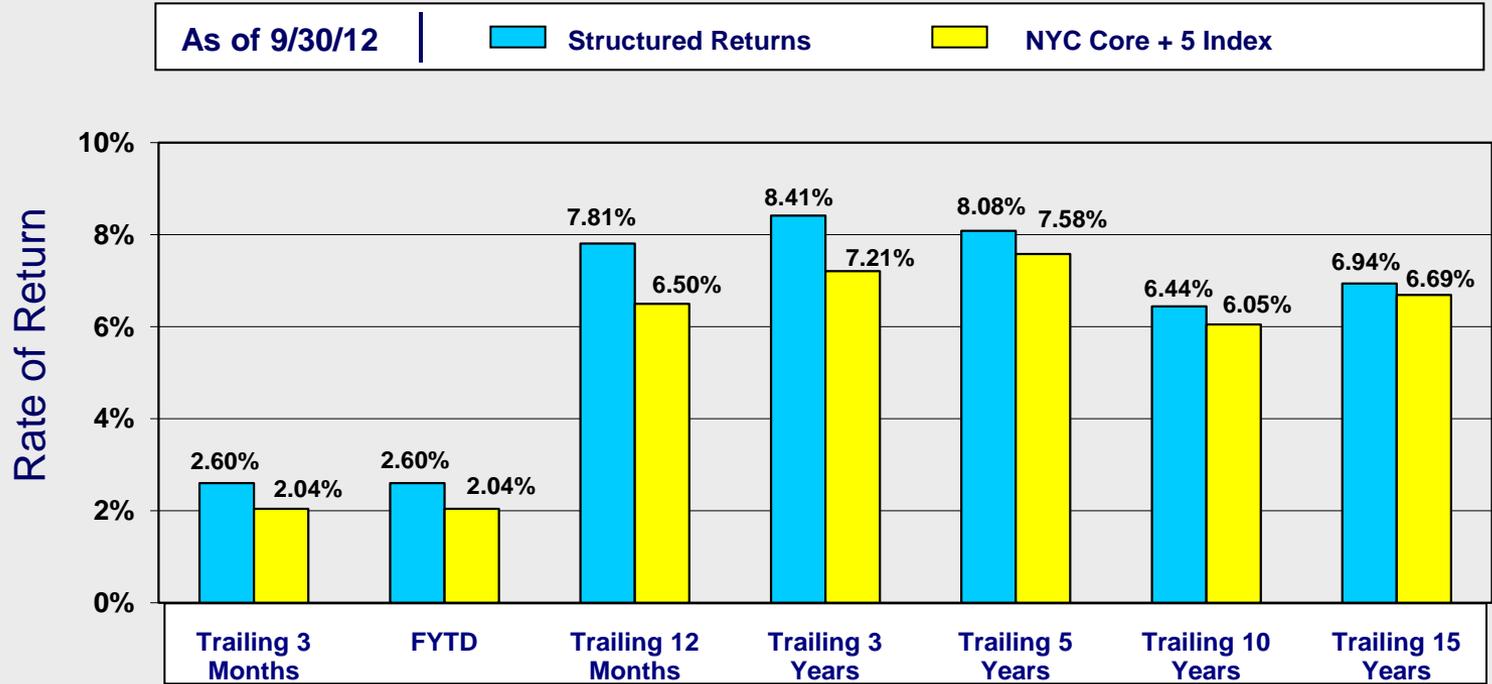
Value Added by Sectors

	Policy Weight	Actual Weight	Under/Over Weight	Index Return	Actual Return	Difference	Contribution to Out/Under Performance	
							Allocation	Management
Treasury/Agency	20.15	13.81	-6.34	0.82	0.89	0.07	0.08	0.01
Mortgage	40.68	38.67	-2.01	1.11	1.81	0.69	-0.02	0.30
Inv. Grade Credit	39.17	47.52	8.35	3.71	3.92	0.21	0.10	0.10

*NYC Core +5 Breakdown

Structured Returns vs NYC Core + 5 Index

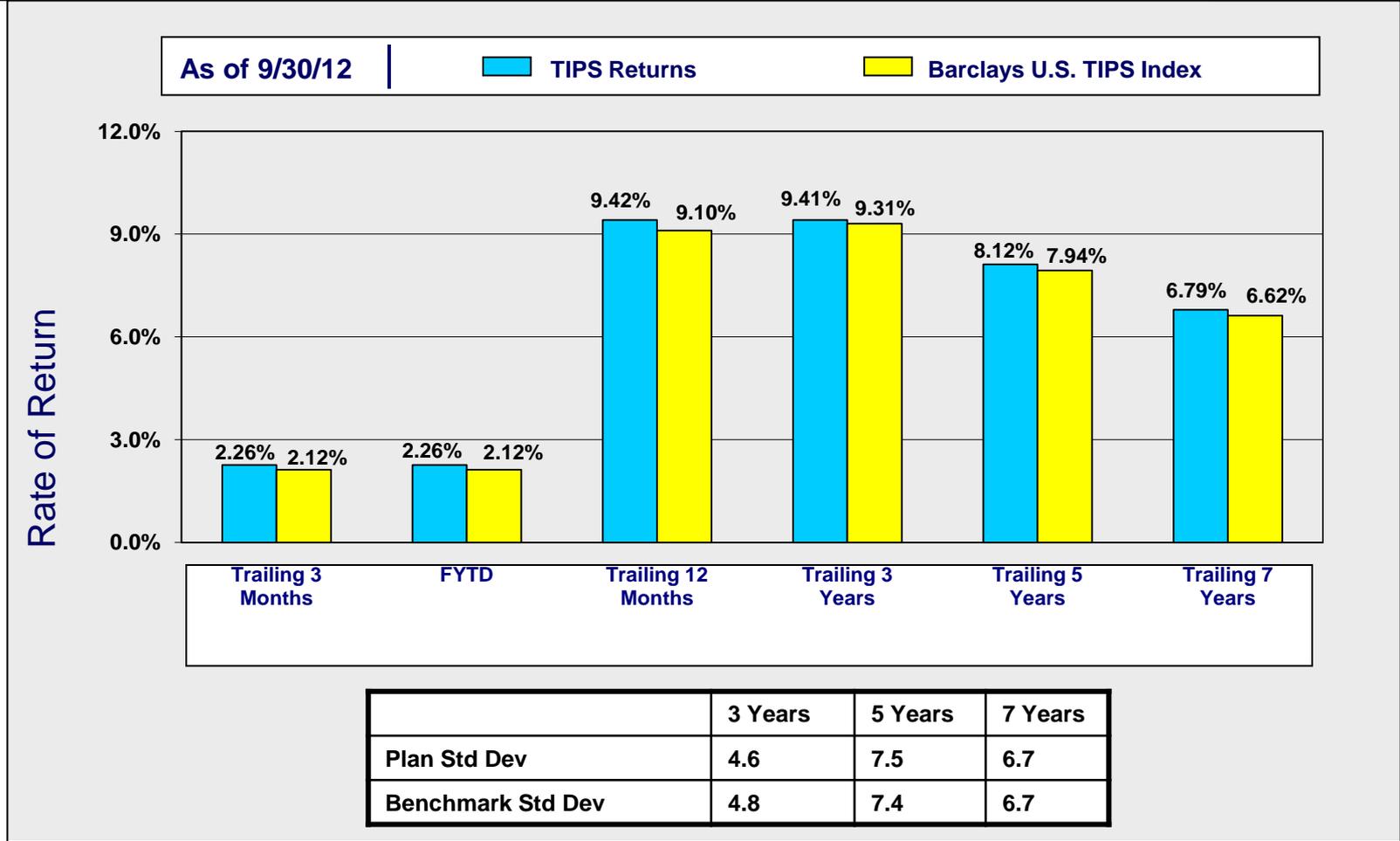
\$7.7B Under Management, **18%** of Total Funds



	3 Years	5 Years	10 Years	15 Years
Plan Std Dev	3.1	4.2	4.1	4.0
Benchmark Std Dev	3.2	4.4	4.3	4.1

TIPS Returns vs Barclays Capital U.S. TIPS Index

\$0.9B Under Management, **2%** of Total Funds

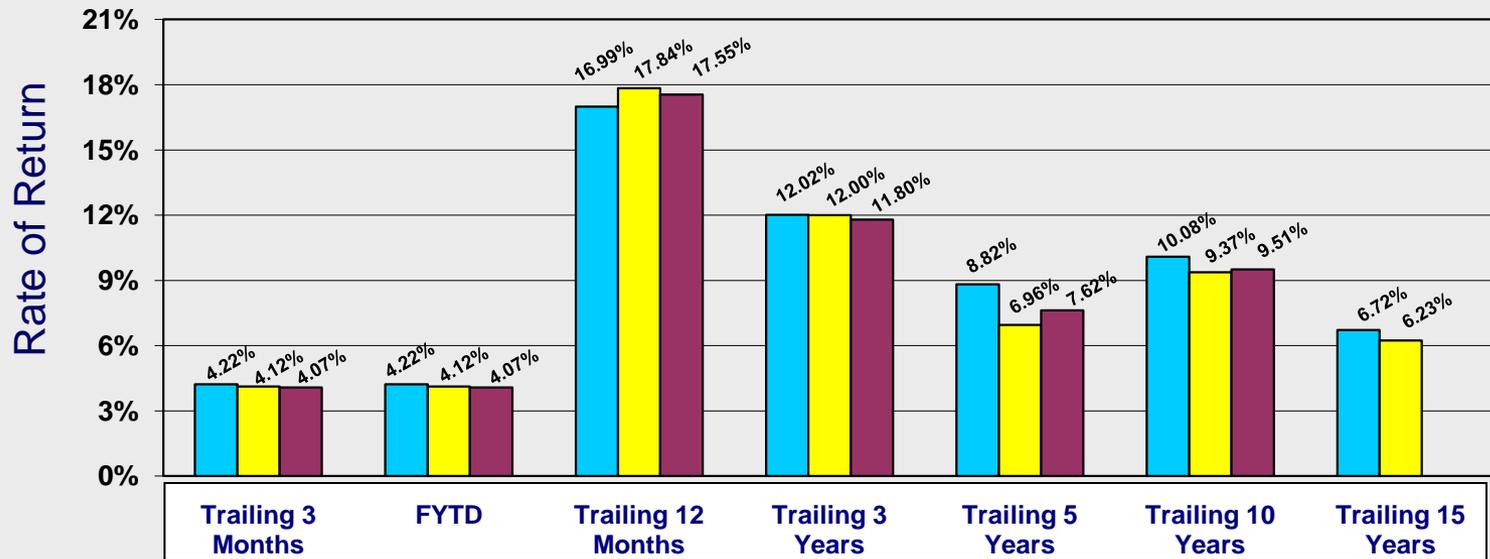


Enhanced Yield Returns vs Citigroup BB & B Index & Citigroup BB & B Capped Index

\$2.7B Under Management, **6%** of Total Funds

As of 9/30/12

■ Enhanced Yield
 ■ Citigroup BB& B Index
 ■ Citigroup BB& B Capped Index

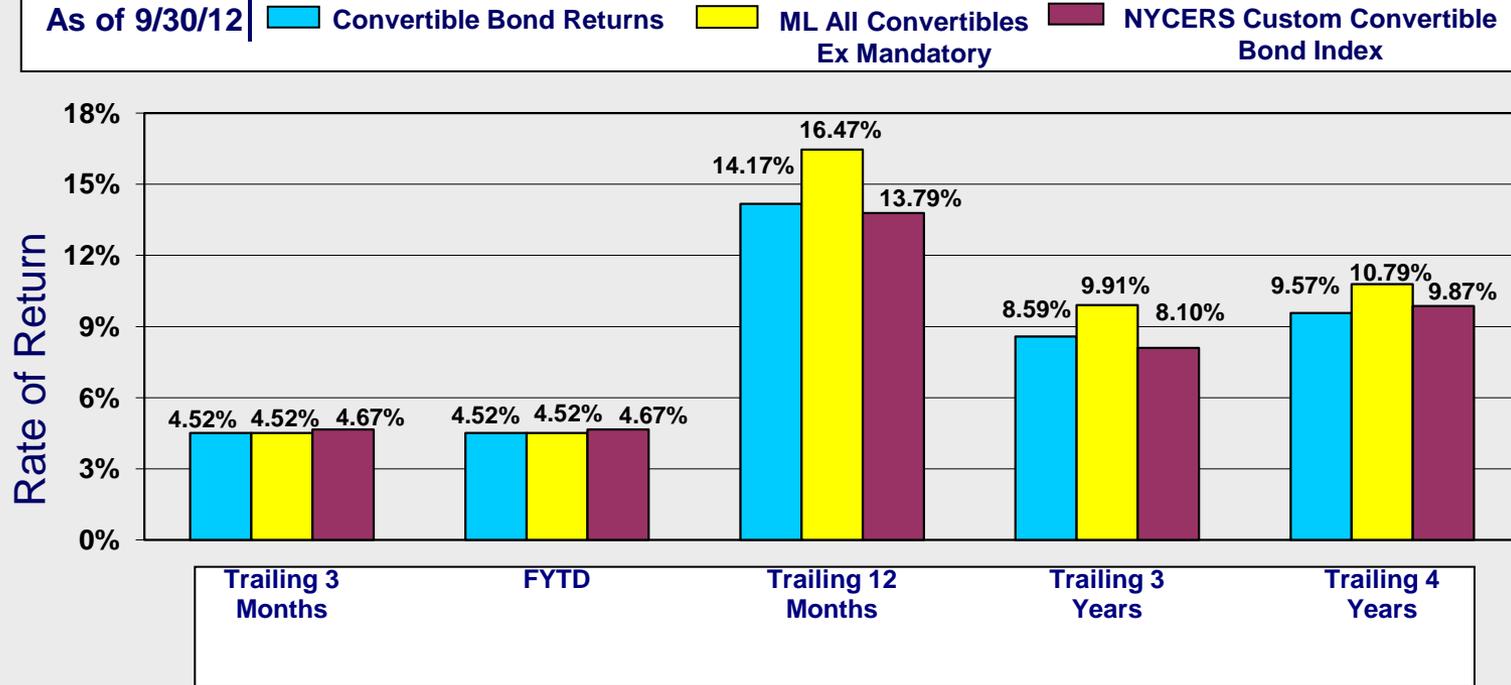


	3 Years	5 Years	10 Years	15 Years
Plan Std Dev	6.5	10.7	8.4	8.3
Citigroup BB & B Std Dev	6.2	11.8	9.3	9.2
Citigroup BB & B Capped Std Dev	6.0	11.5	9.0	****

Convertible Bond Returns vs Benchmarks

\$570M Under Management, **1%** of Total Funds

As of 9/30/12



	3 Years	4 Years
Plan Std Dev	8.9	12.2
ML All Convertibles Ex Mandatory	10.4	15.0
NYCERS Custom Convertible Bond Index	8.4	12.6

Opportunistic Fixed Income Returns vs Benchmarks

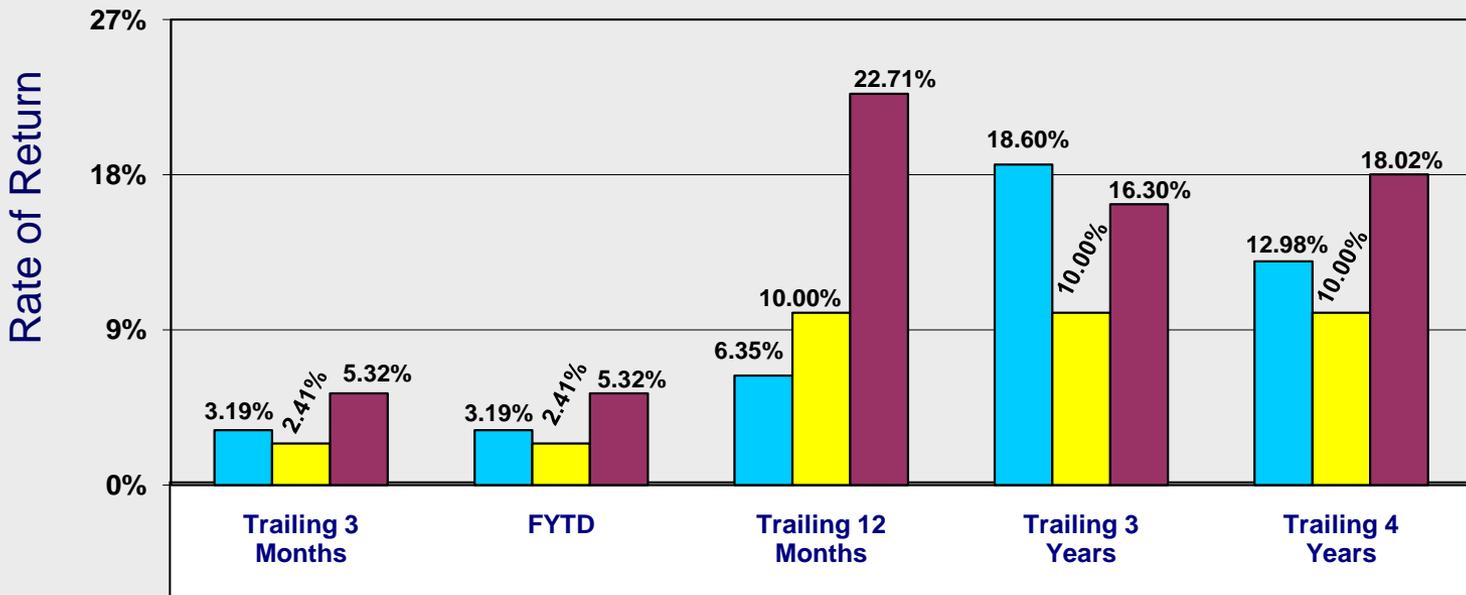
\$467M Under Management, **1%** of Total Funds

As of 9/30/12

Opportunistic Fixed

10% Annual Return

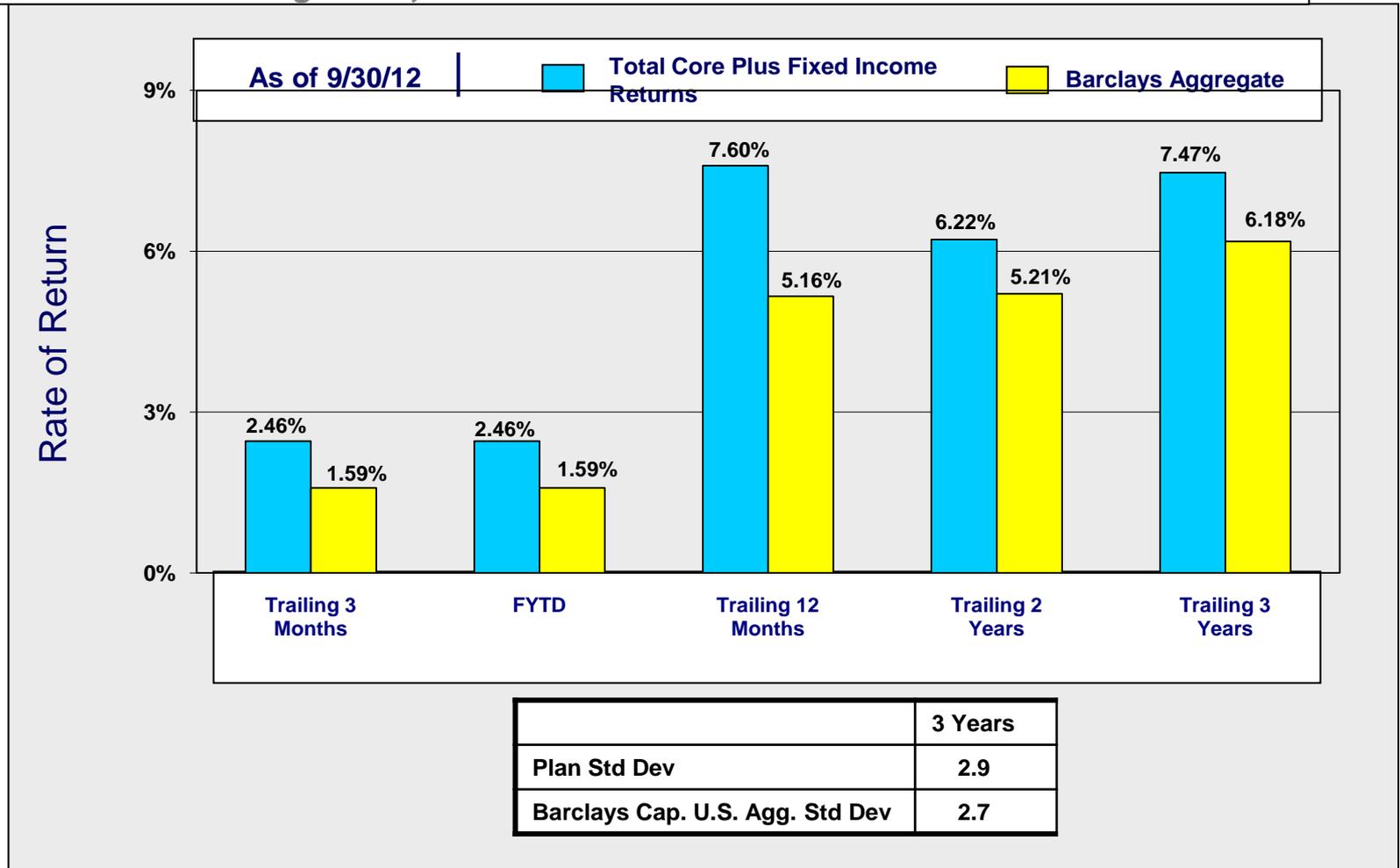
JP Morgan High Yield + 3%



	3 Years	4 years
Plan Std Dev	10.8	12.6
JP Morgan High Yield + 3%	6.8	13.6

Total Core Plus Fixed Income vs Barclays Capital U.S. Aggregate

\$59M Under Management, **0.1%** of Total Funds



Fixed Income Emerging Manager Returns vs Barclays Capital U.S. Aggregate

\$106M Under Management, **0.2%** of Total Funds

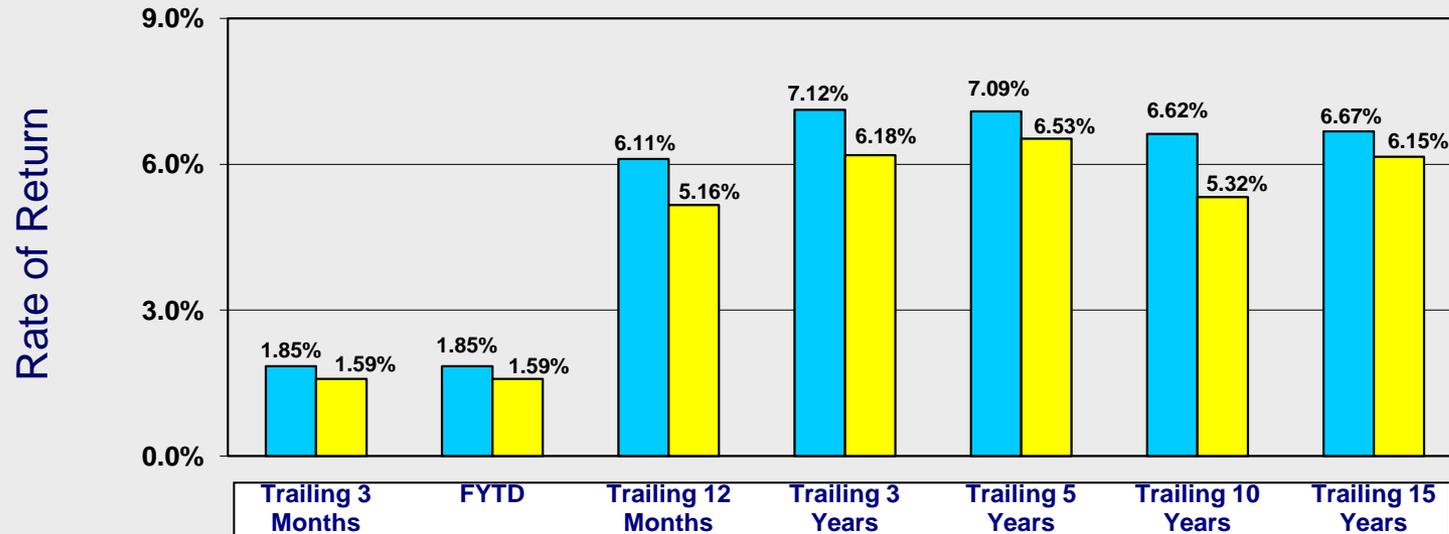
As of 9/30/12



Fixed Income Emerging Manager Returns



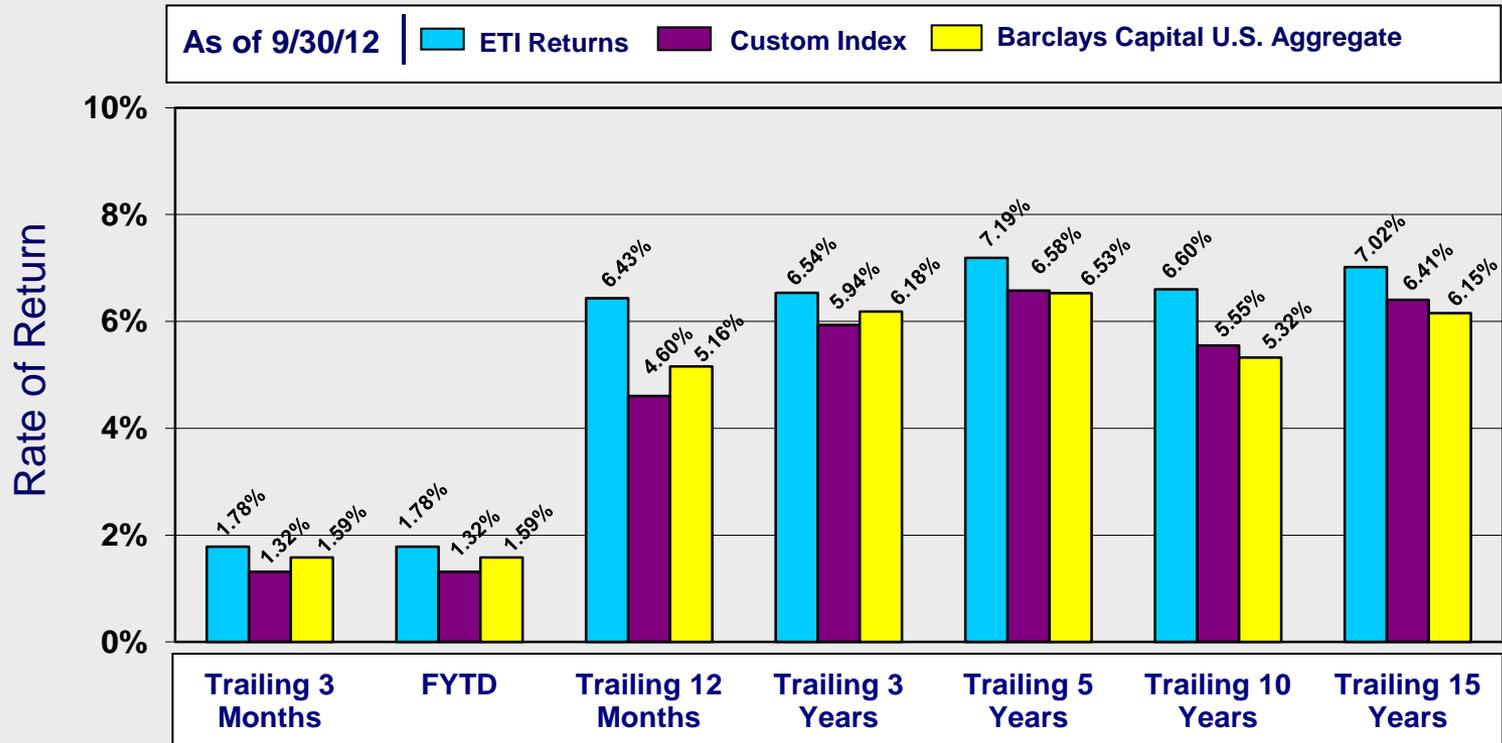
Barclays Cap U.S. Agg



	3 Years	5 Years	10 Years	15 Years
Plan Std Dev	2.6	3.6	4.4	4.5
Barclays Cap. U.S. Agg. Std Dev	2.7	3.5	3.6	3.5

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

\$520M Under Management, **1%** of Total Funds



	3 Years	5 Years	10 Years	15 Years
Plan Std Dev	1.5	2.1	2.6	2.6
Custom Index Std Dev	2.2	2.8	2.8	2.6
Barclays Cap. U.S. Agg. Std Dev	2.7	3.5	3.6	3.5

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

New York City Employees' Retirement System

Appendix

Consolidated Performance Report

Through September 30, 2012

Assets (\$MM)	% Total		3 Mos Jul-12 Sep-12	YTD Jan-12 Sep-12	1 Yr Oct-11 Sep-12	3 Yrs Oct-09 Sep-12	5 Yrs Oct-07 Sep-12	10 Yrs Oct-02 Sep-12	15 Yrs Oct-97 Sep-12
EQUITY MANAGEMENT									
SMALL CAP									
145.51	0.34	DARUMA ASSET MGMT SCC	6.01	13.42	25.78	12.86	****	****	****
145.51	0.34	TOTAL SMALL CAP CORE	6.01	13.42	25.78	12.86	****	****	****
		RUSSELL 2000	5.25	14.23	31.91	12.98	2.21	10.17	5.52
		SMALL CAP CORE MEDIAN	5.37	13.25	29.61	13.25	2.88	11.08	8.44
642.26	1.48	RAFI ENHANCED SMALL CO.	6.39	15.04	32.51	14.02	****	****	****
		RUSSELL 2000	5.25	14.23	31.91	12.98	****	****	****
		RUSSELL 2000 VALUE	5.67	14.37	32.63	11.72	****	****	****
787.77	1.82	TOTAL SMALL CAP ACTIVE	6.33	14.62	30.85	13.39	1.23	****	****
494.49	1.14	BLACKROCK R2000	5.25	14.37	31.98	****	****	****	****
		RUSSELL 2000	5.25	14.23	31.91	****	****	****	****
494.49	1.14	TOTAL SMALL CAP PASSIVE	5.25	14.37	31.98	****	****	****	****
1,282.26	2.96	TOTAL SMALL CAP	5.91	14.48	31.21	14.20	1.67	9.06	****
		RUSSELL 2000	5.25	14.23	31.91	12.98	2.21	10.17	****
2,192.95	5.06	STATE STREET GA S&P 400	5.42	13.76	28.45	****	****	****	****
		S&P MIDCAP INDEX 400	5.44	13.77	28.54	****	****	****	****
2,192.95	5.06	TOTAL MID CAP PASSIVE	5.42	13.76	28.45	****	****	****	****
2,192.95	5.06	TOTAL MID CAP	5.42	13.76	28.45	****	****	****	****
LARGE CAP									
89.03	0.21	CASTLEARK MGMT-LCG	4.79	14.77	27.99	14.09	****	****	****
168.21	0.39	PROFIT INV MGMT-LCG-	8.10	17.28	32.38	12.35	****	****	****
257.24	0.59	TOTAL LARGE CAP GROWTH	6.93	16.40	30.82	12.94	****	****	****
		RUSSELL 1000 GROWTH	6.11	16.80	29.19	14.73	****	****	****
		LARGE CAP GROWTH MEDIAN	6.28	15.98	27.34	13.28	****	****	****

Consolidated Performance Report

Through September 30, 2012

Assets (\$MM)	% Total		3 Mos Jul-12 Sep-12	YTD Jan-12 Sep-12	1 Yr Oct-11 Sep-12	3 Yrs Oct-09 Sep-12	5 Yrs Oct-07 Sep-12	10 Yrs Oct-02 Sep-12	15 Yrs Oct-97 Sep-12
117.96	0.27	DENALI ADVISORS-LCV	3.38	10.43	22.70	8.87	****	****	****
117.96	0.27	TOTAL LARGE CAP VALUE	3.38	10.43	22.70	8.19	****	****	****
		RUSSELL 1000 VALUE	6.51	15.75	30.92	11.83	****	****	****
		LARGE CAP VALUE MEDIAN	6.08	12.71	27.70	11.58	****	****	****
117.79	0.27	PIEDMONT INV AD-LCC	6.47	17.79	30.36	11.62	****	****	****
127.38	0.29	SEIZERT CAPITAL PARTNERS-LCC	6.89	13.51	24.84	12.61	****	****	****
245.17	0.57	TOTAL LARGE CAP CORE	6.69	15.53	27.43	12.13	****	****	****
		RUSSELL 1000	6.31	16.28	30.05	13.27	****	****	****
		LARGE CAP CORE MEDIAN	6.30	15.89	29.32	13.09	****	****	****
		FUNDAMENTAL INDEX LARGE CAP							
897.59	2.07	RAFI ENHANCED LARGE CO.	6.11	14.99	29.41	13.44	****	****	****
		RUSSELL 1000	6.31	16.28	30.05	13.27	****	****	****
		RUSSELL 1000 VALUE	6.51	15.75	30.92	11.83	****	****	****
294.68	0.68	VTL S&P 500	6.68	16.24	30.48	13.26	****	****	****
		STANDARD & POORS 500	6.35	16.44	30.20	13.20	****	****	****
1,192.27	2.75	TOTAL FUNDAMENTAL INDEX LARGE CAP	6.25	15.30	29.67	12.97	****	****	****
		RUSSELL 1000	6.31	16.28	30.05	13.27	****	****	****
1,812.63	4.18	TOTAL LARGE CAP EQUITY	6.21	15.15	29.05	12.47	****	****	****
		RUSSELL 1000	6.31	16.28	30.05	13.27	****	****	****
		S & P 500							
3,609.58	8.33	AMALGAMATED S & P 500 INDEX	6.42	16.36	29.97	12.98	0.89	7.91	****
3,609.58	8.33	TOTAL S & P 500 INDEX FUND	6.42	16.36	29.97	12.98	0.89	7.92	****
		STANDARD & POORS 500	6.35	16.44	30.20	13.20	1.05	8.01	****
		RUSSELL 3000							
4,363.82	10.07	BLACKROCK R3000	6.23	16.11	30.15	13.26	1.26	8.42	****
1,969.46	4.54	STATE STREET R3000	6.22	16.08	30.18	****	****	****	****
6,333.28	14.61	TOTAL RUSSELL 3000 INDEX FUND	6.22	16.10	30.16	13.35	1.37	8.49	4.99
		RUSSELL 3000	6.23	16.13	30.20	13.25	1.30	8.49	4.95

Consolidated Performance Report

Through September 30, 2012

Assets (\$MM)	% Total		3 Mos Jul-12 Sep-12	YTD Jan-12 Sep-12	1 Yr Oct-11 Sep-12	3 Yrs Oct-09 Sep-12	5 Yrs Oct-07 Sep-12	10 Yrs Oct-02 Sep-12	15 Yrs Oct-97 Sep-12
ATTUCKS MANAGERS									
35.91	0.08	APEX CAP MGMT INC -LCG	5.18	16.41	29.73	****	****	****	****
17.90	0.04	EDGAR LOMAX -LCV	4.52	10.38	23.32	14.79	****	****	****
19.50	0.05	CREDO -MCG	3.50	9.99	19.79	11.22	****	****	****
32.76	0.08	DECATUR -LCG	6.03	13.60	28.15	13.27	****	****	****
35.01	0.08	HERNDON CAPITAL MGMT-LCV	5.93	17.94	27.31	13.80	****	****	****
33.86	0.08	PARADIGM -LCV	7.20	16.33	31.69	13.43	****	****	****
10.95	0.03	PHOCAS -SCV	4.53	8.74	25.12	12.01	****	****	****
28.41	0.07	SEIZERT -MCC	11.04	14.54	28.31	12.86	****	****	****
214.30	0.49	TOTAL ATTUCKS	6.25	14.42	27.45	13.07	****	****	****
		RUSSELL 3000	6.23	16.13	30.20	13.25	****	****	****
CAPITAL PROSPECTS MANAGERS									
5.58	0.01	APEX CAPITAL -LCG	5.18	16.42	29.73	14.37	****	****	****
4.56	0.01	HIGH POINTE -SC	3.58	14.58	29.25	12.48	****	****	****
4.72	0.01	KEEL -MVC	2.86	7.96	20.48	9.29	****	****	****
4.42	0.01	LOMBARDIA -SCV	5.55	9.45	32.12	13.22	****	****	****
3.37	0.01	PARADIGM -AC	4.51	14.89	27.76	14.58	****	****	****
4.28	0.01	REDWOOD -MCG	2.01	11.42	26.12	14.85	****	****	****
5.16	0.01	RUNNYMEDE -LCG	5.15	17.73	29.58	12.56	****	****	****
5.33	0.01	SEIZERT -LCV	7.71	15.21	27.44	11.92	****	****	****
2.75	0.01	SUMMIT CREEK SCG	1.22	****	****	****	****	****	****
4.78	0.01	TEN -LCV	7.55	18.04	31.79	11.32	****	****	****
6.15	0.01	TWIN -TOP 50	6.97	18.70	32.83	13.02	****	****	****
51.10	0.12	TOTAL CAPITAL PROSPECTS	5.17	14.59	28.78	12.48	****	****	****
		RUSSELL 3000	6.23	16.13	30.20	13.25	****	****	****

Consolidated Performance Report

Through September 30, 2012

Assets (\$MM)	% Total		3 Mos Jul-12 Sep-12	YTD Jan-12 Sep-12	1 Yr Oct-11 Sep-12	3 Yrs Oct-09 Sep-12	5 Yrs Oct-07 Sep-12	10 Yrs Oct-02 Sep-12	15 Yrs Oct-97 Sep-12
PROGRESS MANAGERS									
14.84	0.03	FAN ASSET MGMT -LCG	5.88	16.12	26.99	12.73	1.89	7.79	****
40.70	0.09	JOHN HSU -LCC	4.63	12.52	24.32	11.34	1.52	11.37	****
75.69	0.17	HERNDON CAPITAL MGMT-LCV	6.01	17.93	27.32	14.06	5.71	****	****
19.94	0.05	HIGH POINTE LLC -LCG	6.42	16.96	32.58	****	****	****	****
17.41	0.04	LOMBARDIA CAP PTNRS -SCV	5.55	9.45	32.15	13.19	****	****	****
15.44	0.04	NICHOLS ASSET MGMT -SCG	7.13	15.66	35.97	****	****	****	****
42.10	0.10	REDWOOD INV -LCG	8.08	19.95	29.64	****	****	****	****
52.74	0.12	SEIZERT CAPITAL PTNRS -MCC	11.04	14.51	28.21	****	****	****	****
278.85	0.64	TOTAL PROGRESS EQUITY	7.09	15.91	28.48	12.44	1.51	8.77	4.93
		RUSSELL 3000	6.23	16.13	30.20	13.25	1.30	8.49	4.95
F.I.S. MANAGERS									
2.87	0.01	CREDO CAPITAL MGMT - MCC	3.50	9.99	19.79	11.22	-0.81	****	****
8.43	0.02	DSM CAPITAL MGMT -LCG	7.41	21.98	36.20	15.85	2.52	****	****
26.94	0.06	HERNDON CAPITAL MGMT-LCV	6.01	17.87	27.22	13.75	****	****	****
19.65	0.05	HUBER CAP MGMT -LCV	6.31	16.53	31.06	****	****	****	****
10.09	0.02	MARTIN INV MGT -LCC	6.21	14.05	26.11	****	****	****	****
7.31	0.02	NICHOLAS INV PTNRS -SCG	8.29	17.61	34.01	****	****	****	****
15.26	0.04	OAKBROOK -LCV	6.67	15.52	31.66	11.95	-0.55	****	****
14.73	0.03	OAKBROOK -LCG	6.76	18.24	31.86	15.84	****	****	****
10.07	0.02	OPUS CAPITAL MGMT - SCV	4.77	7.73	25.95	12.23	2.12	****	****
28.76	0.07	STUX CAPITAL MGMT -LCC	7.07	13.45	26.23	****	****	****	****
22.75	0.05	VISION CAP MGMT -LCG	6.24	18.78	30.81	****	****	****	****
166.85	0.39	TOTAL F.I.S FUND MGMT	6.44	16.02	29.21	13.09	1.66	8.34	****
		RUSSELL 3000	6.23	16.13	30.20	13.25	1.30	8.49	****
711.10	1.64	TOTAL EMERGING MGRS	6.54	15.39	28.36	12.89	1.64	8.63	4.74
		RUSSELL 3000	6.23	16.13	30.20	13.25	1.30	8.49	4.95

Consolidated Performance Report

Through September 30, 2012

Assets (\$MM)	% Total		3 Mos Jul-12 Sep-12	YTD Jan-12 Sep-12	1 Yr Oct-11 Sep-12	3 Yrs Oct-09 Sep-12	5 Yrs Oct-07 Sep-12	10 Yrs Oct-02 Sep-12	15 Yrs Oct-97 Sep-12
		U.S. ENVIRONMENTAL							
65.70	0.15	WALDEN ASSET MGMT	4.79	10.95	28.31	14.89	****	****	****
		RUSSELL 2000	5.25	14.23	31.91	12.98	****	****	****
3,311.51	7.64	TOTAL ACTIVE DOM EQUITY	6.31	15.08	29.41	12.58	1.95	8.69	4.31
12,630.29	29.15	TOTAL PASSIVE DOM EQUITY	6.10	15.68	29.83	12.82	1.04	8.28	4.86
16,013.51	36.95	TOTAL DOMESTIC EQUITY	6.14	15.51	29.73	12.75	1.23	8.37	4.83
		DEVELOPED MARKETS							
		GROWTH							
403.40	0.93	BAILLIE	7.42	10.95	18.03	6.16	****	****	****
334.55	0.77	PYRAMIS GLOBAL ADVISORS	7.92	13.98	18.59	4.88	****	****	****
103.49	0.24	G.E. (NEW)	7.78	12.92	17.02	1.69	****	****	****
842.18	1.94	TOTAL INTL GROWTH	7.65	12.40	17.78	3.44	-3.80	****	****
		MSCI EAFE GROWTH	6.40	10.86	15.22	4.68	-3.87	****	****
		VALUE							
230.95	0.53	MONDRIAN II	5.91	5.54	9.60	3.15	****	****	****
500.68	1.16	SPRUCEGROVE (NEW)	6.13	11.12	16.22	6.46	-1.93	****	****
732.34	1.69	TOTAL INTL VALUE	6.05	8.49	12.75	2.63	-5.63	****	****
		MSCI EAFE VALUE	7.55	10.23	13.34	0.48	-5.74	****	****

Note: Market values for terminated non-U.S. accounts represent balances to be transferred out or resolved; some of these accounts may also have outstanding tax reclaims. Market values for non-U.S. transition accounts represent cash balances to be cleared out or other outstanding issues.

Consolidated Performance Report

Through September 30, 2012

Assets (\$MM)	% Total		3 Mos Jul-12 Sep-12	YTD Jan-12 Sep-12	1 Yr Oct-11 Sep-12	3 Yrs Oct-09 Sep-12	5 Yrs Oct-07 Sep-12	10 Yrs Oct-02 Sep-12	15 Yrs Oct-97 Sep-12
		CORE							
296.54	0.68	PHILADELPHIA	7.17	7.25	14.20	1.04	-6.08	****	****
538.93	1.24	THORNBURG	6.58	11.87	17.42	6.00	****	****	****
835.47	1.93	<i>TOTAL INTL CORE</i>	6.79	9.70	15.89	3.69	-4.66	****	****
		MSCI EAFE (NET DIVIDEND)	6.92	10.08	13.75	2.12	-5.24	****	****
0.11	0.00	TRANSITION EAFE - REBAL	****	****	****	****	****	****	****
12.73	0.03	PIM JOHN HSU -LC	5.59	8.76	11.76	1.52	****	****	****
13.15	0.03	PIM HERNDON CAPITAL MGMT -LC	8.35	13.03	16.30	3.57	****	****	****
14.35	0.03	PIM STRATEGIC GLBL ADV -LC	8.32	13.29	17.52	7.54	****	****	****
40.23	0.09	<i>TOTAL PROGRESS INTL</i>	7.45	11.73	15.25	4.22	****	****	****
		MSCI EAFE (NET DIVIDEND)	6.92	10.08	13.75	2.12	****	****	****
2,450.34	5.65	<i>TOTAL ACTIVE DEVELOPED</i>	6.87	10.30	15.55	3.26	-4.67	8.35	4.24
1,054.17	2.43	SSGA	7.19	10.77	14.53	****	****	****	****
1,054.29	2.43	<i>TOTAL PASSIVE DEVELOPED</i>	7.19	10.77	14.53	2.33	-4.84	8.53	3.70
3,504.63	8.09	TOTAL DEVELOPED MARKETS	6.94	10.44	15.17	3.05	-4.72	8.37	4.04
		MSCI EAFE (NET DIVIDEND)	6.92	10.08	13.75	2.12	-5.24	8.20	3.37
		EAFE MEDIAN	7.21	11.87	16.98	4.50	-3.10	9.63	5.76
54.16	0.12	F&C SGE	5.50	14.18	21.10	7.56	****	****	****
128.71	0.30	GENERATION GE	6.21	14.82	22.36	8.76	****	****	****
182.86	0.42	<i>TOTAL NON-U.S ENVIRONMENTAL</i>	6.00	14.63	21.98	5.67	****	****	****
		MSCI WORLD INDEX	6.83	13.56	22.32	8.07	****	****	****

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226.88	0.52	GOVERNANCE FOR OWNERS	6.17	8.55	11.96	6.05	****	****	****
		MSCI EUROPE SMID CAP INDEX	10.17	16.73	18.99	4.18	****	****	****
		LIBOR PLUS 4%	0.75	2.93	4.25	4.25	****	****	****
		FTSE WORLD INDEX	3.94	9.30	17.68	7.40	****	****	****
226.89	0.52	TOTAL NON U.S. ACTIVIST	6.16	8.55	11.96	3.47	****	****	****
3,914.39	9.03	TOTAL DEVELOPED-ENVIRONMENTAL-ACTIVIST	6.88	10.47	15.22	3.25	-4.64	****	****
		EMERGING MARKETS							
302.26	0.70	ACADIAN	10.20	16.41	21.78	10.05	2.03	****	****
328.06	0.76	BAILLIE GIFFORD	9.60	9.32	14.02	6.57	-0.47	****	****
535.83	1.24	DFA	9.21	15.27	17.09	8.26	2.65	****	****
548.08	1.26	EATON VANCE	8.55	****	****	****	****	****	****
2.19	0.01	EMERGING MARKETS TRANSITION	****	****	****	****	****	****	****
1,715.10	3.96	TOTAL ACTIVE EMERGING MARKETS	9.24	16.48	20.60	9.21	1.38	****	****
		FTSE NYCERS CUSTOM BENCHMARK	8.82	13.05	17.06	7.65	0.75	****	****
1,036.86	2.39	BLACKROCK EM	7.97	11.64	15.08	****	****	****	****
1,036.86	2.39	TOTAL PASSIVE EMERGING MARKETS	7.97	11.64	15.08	****	****	****	****
		FTSE NYCERS CUSTOM BENCHMARK	8.82	13.05	17.06	7.65	0.75	****	****
2,754.14	6.36	TOTAL EMERGING MARKETS	8.76	15.36	19.29	8.59	1.03	****	****
		EMERGING MARKETS MEDIAN	7.22	12.61	17.69	6.64	0.52	****	****
6,668.54	15.39	TOTAL INTERNATIONAL EQUITY	7.63	12.10	16.58	4.39	-3.52	9.61	4.83
		HEDGE FUNDS							
248.27	0.57	TOTAL PERMAL HEDGE FUNDS OF FUNDS	-1.83	-1.74	-3.99	****	****	****	****
		HFRI FUND OF FUNDS COMPOSITE INDEX + 1%	2.61	4.11	3.93	****	****	****	****

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		DIRECT HEDGE FUNDS							
116.68	0.27	BLUE TREND FD	5.85	***	***	***	***	***	***
195.32	0.45	BREVA HOWARD	5.64	0.68	***	***	***	***	***
114.25	0.26	BRIGADE LEV CAP STR	1.44	***	***	***	***	***	***
87.31	0.20	CASPIAN SELECT CF	3.20	***	***	***	***	***	***
211.56	0.49	D.E. SHAW	3.49	8.57	***	***	***	***	***
725.12	1.67	TOTAL DIRECT HEDGE FUNDS	4.00	4.98	***	***	***	***	***
		HFRI FUND OF FUNDS COMPOSITE INDEX + 1%	2.61	4.11	***	***	***	***	***
		MSCI AC WORLD INDEX STD NET	6.84	12.88	***	***	***	***	***
		BARCLAYS CAPITAL AGGREGATE BOND INDEX	1.59	3.99	***	***	***	***	***
973.40	2.25	TOTAL HEDGE FUNDS	2.47	3.36	0.99	***	***	***	***
		1 YEAR TREASURY BILL YIELD + 4%	1.13	3.17	4.26	***	***	***	***
		HFRI FUND OF FUNDS COMPOSITE INDEX + 1%	2.61	4.11	3.93	***	***	***	***

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PRIVATE EQUITY INVESTMENTS									
4.43	0.01	AISLING CAPITAL II, LP	****	****	****	****	****	****	****
5.59	0.01	AISLING CAPITAL III, LP	****	****	****	****	****	****	****
0.06	0.00	ALLEGRA CAPITAL PARTNERS IV	****	****	****	****	****	****	****
11.64	0.03	AMERICAN SEC PTNRS VI	****	****	****	****	****	****	****
27.55	0.06	AMPERSAND 2006	****	****	****	****	****	****	****
14.74	0.03	AMPERSAND 2009	****	****	****	****	****	****	****
14.18	0.03	APOLLO INVESTMENT FD V	****	****	****	****	****	****	****
94.74	0.22	APOLLO INVESTMENT FD VI	****	****	****	****	****	****	****
83.79	0.19	APOLLO INVESTMENT FD VII	****	****	****	****	****	****	****
18.63	0.04	ARES CORP OPP	****	****	****	****	****	****	****
32.24	0.07	ARES CORP OPP II	****	****	****	****	****	****	****
54.93	0.13	ARES CORP OPP III	****	****	****	****	****	****	****
28.73	0.07	ARSENAL CAP PTNRS II	****	****	****	****	****	****	****
52.48	0.12	AURORA EQUITY CAPITAL PTNRS III	****	****	****	****	****	****	****
35.05	0.08	AVISTA CAP PTNRS	****	****	****	****	****	****	****
75.39	0.17	AVISTA CAP PTNRS II	****	****	****	****	****	****	****
50.20	0.12	AXA SECONDARY FD V	****	****	****	****	****	****	****
22.89	0.05	BC EUR CAP IX	****	****	****	****	****	****	****
20.24	0.05	BDCM OPPORTUNITY FD	****	****	****	****	****	****	****
25.75	0.06	BDCM OPPORTUNITY FD II	****	****	****	****	****	****	****
17.33	0.04	BDCM OPPORTUNITY FD III	****	****	****	****	****	****	****
15.03	0.03	BLACKSTONE CAPITAL PTNRS IV	****	****	****	****	****	****	****
106.88	0.25	BLACKSTONE CAPITAL PTNRS V	****	****	****	****	****	****	****
14.56	0.03	BLACKSTONE CAPITAL PTNRS VI	****	****	****	****	****	****	****
11.73	0.03	BLACKSTONE MEZZ PTNRS II	****	****	****	****	****	****	****
16.96	0.04	BLUE WOLF CAPITAL FUND II	****	****	****	****	****	****	****
18.69	0.04	BRIDGEPOINT EUROPE IV	****	****	****	****	****	****	****
1.13	0.00	CARLYLE PTNRS III	****	****	****	****	****	****	****
46.05	0.11	CARLYLE PTNRS V	****	****	****	****	****	****	****
20.73	0.05	CARPENTER COMMUNITY BANCFUND	****	****	****	****	****	****	****
50.05	0.12	CATTERTON PTNRS VI	****	****	****	****	****	****	****

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27.44	0.06	CCMP CAPITAL INVESTORS II	****	****	****	****	****	****	****
20.93	0.05	CLAYTON, DUBILIER AND RICE FUND VII	****	****	****	****	****	****	****
18.74	0.04	CLAYTON, DUBILIER AND RICE FUND VIII	****	****	****	****	****	****	****
39.98	0.09	CELTIC PHARM HLDGS	****	****	****	****	****	****	****
35.64	0.08	CO INVEST PTNRS EURO	****	****	****	****	****	****	****
21.08	0.05	CONSTELLATION VENRTURES III	****	****	****	****	****	****	****
16.10	0.04	CRATON EQUITY INVESTORS	****	****	****	****	****	****	****
14.45	0.03	CREDIT SUISSE EM FD	****	****	****	****	****	****	****
44.42	0.10	CREDIT SUISSE EM CO/INV FD	****	****	****	****	****	****	****
38.71	0.09	CRESTVIEW PARTNERS II	****	****	****	****	****	****	****
4.79	0.01	CYPRESS MERCHANT BK PTNRS II	****	****	****	****	****	****	****
24.57	0.06	EQT VI LP	****	****	****	****	****	****	****
19.07	0.04	ERASMUS NYC GROWTH FD	****	****	****	****	****	****	****
41.11	0.09	FAIRVIEW EMERGING MGRS FD	****	****	****	****	****	****	****
20.96	0.05	FAIRVIEW VENTURES FD III	****	****	****	****	****	****	****
5.25	0.01	FDG CAPITAL PTNRS	****	****	****	****	****	****	****
22.58	0.05	FDG CAPITAL PTNRS II	****	****	****	****	****	****	****
37.12	0.09	FIRST RESERVE FUND XI	****	****	****	****	****	****	****
31.30	0.07	FIRST RESERVE FUND XII	****	****	****	****	****	****	****
67.02	0.15	FOURTH CINVEN FD	****	****	****	****	****	****	****
15.67	0.04	FS EQUITY PTNRS V	****	****	****	****	****	****	****
19.32	0.04	FS EQUITY PTNRS VI	****	****	****	****	****	****	****
28.60	0.07	FT VENTURES FUND III	****	****	****	****	****	****	****
15.27	0.04	GF CAPITAL	****	****	****	****	****	****	****
34.05	0.08	GI PTNRS FUND II, LP	****	****	****	****	****	****	****
45.28	0.10	GI PTNRS FUND III, LP	****	****	****	****	****	****	****
12.88	0.03	GSC RECOVERY III	****	****	****	****	****	****	****
37.53	0.09	GSO CAPITAL OPP FD	****	****	****	****	****	****	****
14.38	0.03	HALYARD CAPITAL II	****	****	****	****	****	****	****
31.16	0.07	INTERMEDIA PTNRS VII	****	****	****	****	****	****	****
45.58	0.11	JP MORGAN INVST MGT INC	****	****	****	****	****	****	****
11.87	0.03	LANDMARK EQUITY PTNRS XI	****	****	****	****	****	****	****

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58.60	0.14	LANDMARK EQUITY PTNRS XIV	****	****	****	****	****	****	****
25.40	0.06	LANDMARK FUND XIII	****	****	****	****	****	****	****
17.98	0.04	LEE EQUITY PARTNERS	****	****	****	****	****	****	****
37.83	0.09	LEEDS EQUITY PARTNERS V	****	****	****	****	****	****	****
34.67	0.08	LEVINE LEICHTMAN CAP PTNS IV	****	****	****	****	****	****	****
24.24	0.06	LEXINGTON CAPITAL PTNRS VII	****	****	****	****	****	****	****
4.35	0.01	LINCOLNSHIRE EQ FD II	****	****	****	****	****	****	****
37.49	0.09	LINCONSHIRE EQ FD III	****	****	****	****	****	****	****
11.81	0.03	LINCONSHIRE EQ FD IV	****	****	****	****	****	****	****
18.96	0.04	MARKSTONE CAPITAL PTNRS	****	****	****	****	****	****	****
39.93	0.09	MIDOCEAN PTNRS III	****	****	****	****	****	****	****
13.29	0.03	MONTREUX EQ PTNRS IV	****	****	****	****	****	****	****
28.37	0.07	NAUTIC PARTNERS VI	****	****	****	****	****	****	****
1.89	0.00	NEW MOUNTAIN PTNRS	****	****	****	****	****	****	****
31.75	0.07	NEW MOUNTAIN PTNRS II	****	****	****	****	****	****	****
70.40	0.16	NEW MOUNTAIN PTNRS III	****	****	****	****	****	****	****
9.55	0.02	NEWSPRING VENTURES II	****	****	****	****	****	****	****
9.81	0.02	NGN BIOMED OPPORTUNITY II	****	****	****	****	****	****	****
33.95	0.08	ONEX PTNRS III	****	****	****	****	****	****	****
5.89	0.01	PALADIN HOMELAND SECURITY	****	****	****	****	****	****	****
15.71	0.04	PALADIN FUND III	****	****	****	****	****	****	****
33.60	0.08	PALLADIUM EQ PTNRS III	****	****	****	****	****	****	****
61.44	0.14	PCGAM CLEAN ENERGY & TECH FD	****	****	****	****	****	****	****
40.26	0.09	PEGASUS PTNRS IV	****	****	****	****	****	****	****
8.98	0.02	PEGASUS PTNRS V	****	****	****	****	****	****	****
19.02	0.04	PERSEUS PTNRS VII	****	****	****	****	****	****	****
19.18	0.04	PINE BROOK CAPITAL PTNRS	****	****	****	****	****	****	****
14.15	0.03	PRISM VENTURE PTNRS V-A	****	****	****	****	****	****	****
24.51	0.06	PSILOS GROUP PTNRS III	****	****	****	****	****	****	****
47.42	0.11	QUADRANGLE CAP PTNRS II	****	****	****	****	****	****	****
10.83	0.02	QUAKER BIOVENTURES II	****	****	****	****	****	****	****
4.02	0.01	RELATIVITY FD	****	****	****	****	****	****	****

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9.42	0.02	RIPPLEWOOD PTNRS II	****	****	****	****	****	****	****
34.07	0.08	RIVERSTONE/CARLYLE GLB EP IV	****	****	****	****	****	****	****
12.84	0.03	RLJ EQUITY PARTNERS I	****	****	****	****	****	****	****
28.35	0.07	RRE VENTURES III	****	****	****	****	****	****	****
49.24	0.11	RRE VENTURES IV	****	****	****	****	****	****	****
10.32	0.02	SCP PRIV EQ PTNRS II	****	****	****	****	****	****	****
12.04	0.03	SCP VITALIFE PTNRS II	****	****	****	****	****	****	****
18.36	0.04	SNOW PHIPPS GROUP	****	****	****	****	****	****	****
12.10	0.03	SNOW PHIPPS II	****	****	****	****	****	****	****
33.38	0.08	SOLERA PTNRS	****	****	****	****	****	****	****
13.17	0.03	STARVEST PTNRS II	****	****	****	****	****	****	****
1.88	0.00	TAILWIND CAPITAL PTNRS	****	****	****	****	****	****	****
25.17	0.06	TERRA FIRMA CAP III	****	****	****	****	****	****	****
15.76	0.04	THOMAS H. LEE EQUITY FD VI	****	****	****	****	****	****	****
9.47	0.02	THOMAS MCNERNEY PTNRS	****	****	****	****	****	****	****
18.17	0.04	THOMAS MCNERNEY PTNRS II	****	****	****	****	****	****	****
38.49	0.09	TRIDENT V	****	****	****	****	****	****	****
0.60	0.00	TRILANTIC CAPITAL PTNRS	****	****	****	****	****	****	****
15.64	0.04	TRILANTIC CAPITAL PTNRS III	****	****	****	****	****	****	****
65.31	0.15	TRILANTIC CAPITAL PTNRS IV	****	****	****	****	****	****	****
57.01	0.13	U. S. POWER FUND II	****	****	****	****	****	****	****
46.65	0.11	U. S. POWER FUND III	****	****	****	****	****	****	****
44.56	0.10	VISTA EQUITY PTNRS III	****	****	****	****	****	****	****
30.78	0.07	VISTA EQUITY PTNRS IV	****	****	****	****	****	****	****
21.33	0.05	VITRUVIAN PTNRS	****	****	****	****	****	****	****
4.57	0.01	VS&A COMM PTNRS III	****	****	****	****	****	****	****
15.72	0.04	VSS COMM PTNRS IV	****	****	****	****	****	****	****
17.73	0.04	WARBURG PINCUS XI	****	****	****	****	****	****	****
7.36	0.02	WELLSPRING CAP PTNRS V	****	****	****	****	****	****	****
26.23	0.06	WELSH CARSON ANDERSON & STOWE XI	****	****	****	****	****	****	****
64.34	0.15	YUCAIPA AMERICAN ALLIANCE FD	****	****	****	****	****	****	****
142.17	0.33	YUCAIPA AMERICAN ALLIANCE FD II	****	****	****	****	****	****	****
25.02	0.06	YUCAIPA CORP INITIATIVE II	****	****	****	****	****	****	****
3,597.77	8.30	TOTAL PRIVATE EQUITY	1.00	7.45	5.61	13.59	5.72	****	****

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PRIVATE REAL ESTATE									
25.38	0.06	AMER VALUE PTNRS I	****	****	****	****	****	****	****
24.35	0.06	APOLLO EUROPE III	****	****	****	****	****	****	****
10.97	0.03	APOLLO REAL ESTATE FD V	****	****	****	****	****	****	****
31.25	0.07	BLACKROCK CARBON III	****	****	****	****	****	****	****
26.87	0.06	BLACKSTONE REAL ESTATE PTNRS EU III	****	****	****	****	****	****	****
16.99	0.04	BLACKSTONE REAL ESTATE PTNRS IV	****	****	****	****	****	****	****
131.19	0.30	BLACKSTONE REAL ESTATE PTNRS VI	****	****	****	****	****	****	****
57.66	0.13	BLACKSTONE REAL ESTATE PTNRS VII	****	****	****	****	****	****	****
7.29	0.02	BROOKFIELD STRATEGIC RE PTNRS	****	****	****	****	****	****	****
0.32	0.00	CANYON JOHNSON URBAN FD	****	****	****	****	****	****	****
20.30	0.05	CANYON JOHNSON URBAN FD II	****	****	****	****	****	****	****
19.73	0.05	CANYON JOHNSON URBAN FD III	****	****	****	****	****	****	****
36.07	0.08	CAPRI URBAN INVESTORS	****	****	****	****	****	****	****
14.15	0.03	CARLYLE R.P. FD V	****	****	****	****	****	****	****
15.90	0.04	CARLYLE REALTY VI	****	****	****	****	****	****	****
9.45	0.02	COLONY REALTY PTNRS II	****	****	****	****	****	****	****
9.76	0.02	H/2 SPECIAL OPPORUNITY FD II	****	****	****	****	****	****	****
130.77	0.30	HEITMAN AMERICA	****	****	****	****	****	****	****
160.87	0.37	JPM STRATEGIC PROP FD	****	****	****	****	****	****	****
71.46	0.16	JPM SPECIAL SIT FD	****	****	****	****	****	****	****
32.29	0.07	LASALLE US PROPERTY FD	****	****	****	****	****	****	****
8.50	0.02	METRO WKFORCE HOUSING FD	****	****	****	****	****	****	****
80.93	0.19	PRISA	****	****	****	****	****	****	****
125.99	0.29	PRISA II	****	****	****	****	****	****	****
61.97	0.14	PRISA III	****	****	****	****	****	****	****
18.15	0.04	PROLOGIS TARGETED US LOGISTICS FD	****	****	****	****	****	****	****
81.77	0.19	RREEF AMER II	****	****	****	****	****	****	****
34.26	0.08	RREEF AMER III	****	****	****	****	****	****	****
9.29	0.02	SILVERPEAK RE PTNRS III	****	****	****	****	****	****	****
21.40	0.05	STOCKBRIDGE RE FD III	****	****	****	****	****	****	****
7.25	0.02	TACONIC NY INV FD	****	****	****	****	****	****	****

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92.24	0.21	THE CITY INVESTMENT FD	****	****	****	****	****	****	****
11.59	0.03	THOR URBAN PROPERTY FD II	****	****	****	****	****	****	****
39.01	0.09	TISHMAN SPEYER/CITIGROUP	****	****	****	****	****	****	****
178.05	0.41	UBS TRUMBULL PROPERTY FD	****	****	****	****	****	****	****
14.31	0.03	URBAN AMERICA II	****	****	****	****	****	****	****
46.56	0.11	WALTON ST RE FD VI	****	****	****	****	****	****	****
30.93	0.07	WESTBROOK RE FD VII	****	****	****	****	****	****	****
47.69	0.11	WESTBROOK RE FD VIII	****	****	****	****	****	****	****
1,762.92	4.07	TOTAL PRIVATE REAL ESTATE	1.21	10.32	13.64	10.05	-4.81	****	****
29,016.13	66.96	TOTAL EQUITY - PUBLIC & PRIVATE	5.39	12.98	21.59	10.46	-0.14	****	****
		FIXED INCOME MANAGEMENT							
		TREASURY AGENCY							
426.82	0.98	BLACKROCK-GOVT	0.93	4.27	6.07	9.48	****	****	****
461.09	1.06	PIMCO	0.88	4.60	6.24	9.83	9.52	6.94	****
179.01	0.41	STATE STREET	0.82	4.17	5.68	9.40	9.46	6.84	7.75
1,066.92	2.46	ALL TREASURY AGENCY	0.89	4.39	6.08	9.62	9.37	6.77	7.73
		NYC - TREASURY AGENCY PLUS FIVE	0.82	4.11	5.67	9.37	9.28	6.68	7.67
		MORTGAGE							
709.40	1.64	BLACKROCK	2.04	5.66	6.54	7.26	7.24	5.79	****
300.85	0.69	GOLDMAN SACHS -MORT	1.64	3.95	5.02	5.58	****	****	****
736.01	1.70	NEUBERGER BERMAN	1.75	3.97	4.76	****	****	****	****
761.36	1.76	PIMCO	1.93	4.35	5.17	6.73	7.21	5.87	6.71
178.10	0.41	SMITH BREENEN -MORT	1.51	3.78	4.83	5.64	****	****	****
301.04	0.69	WELLINGTON -MORT	1.40	3.14	4.34	5.59	****	****	****
2,986.76	6.89	ALL MORTGAGE	1.81	4.37	5.27	6.96	7.02	5.69	6.40
		CITIGROUP MORTGAGE INDEX	1.11	2.82	3.76	5.07	6.42	5.29	6.06

Consolidated Performance Report

Through September 30, 2012

Assets (\$MM)	% Total		3 Mos Jul-12 Sep-12	YTD Jan-12 Sep-12	1 Yr Oct-11 Sep-12	3 Yrs Oct-09 Sep-12	5 Yrs Oct-07 Sep-12	10 Yrs Oct-02 Sep-12	15 Yrs Oct-97 Sep-12
		INVESTMENT GRADE CREDIT							
584.44	1.35	BARROW HANLEY - CREDIT	4.30	9.82	11.97	9.36	****	****	****
703.07	1.62	BLACKROCK - CREDIT	3.86	9.27	11.49	9.26	8.13	6.84	****
939.90	2.17	PRUDENTIAL - CREDIT	3.52	8.29	10.54	8.95	8.78	7.18	****
140.05	0.32	PRUDENTIAL-PRIVEST	****	****	****	****	****	****	****
604.42	1.39	TAPLIN, CANIDA -CREDIT	4.07	8.90	10.59	9.40	6.67	6.69	6.73
698.25	1.61	T. ROWE PRICE -CREDIT	4.14	9.71	12.21	10.07	9.09	7.35	6.93
3,670.14	8.47	ALL INVESTMENT GRADE CREDIT	3.92	9.10	11.28	9.37	8.06	6.97	6.78
		NYC - INVESTMENT GRADE CREDIT	3.71	8.34	10.21	8.47	7.57	6.40	6.62
		GLOBAL FIXED INCOME							
58.51	0.14	LM CAPITAL - MTA	2.46	5.66	7.60	7.47	****	****	****
58.51	0.14	NYCERS-TOTAL GLOBAL FIXED INCOME	2.46	5.66	7.60	7.47	****	****	****
		BARCLAYS CAPITAL US AGGREGATE	1.59	3.99	5.16	6.18	****	****	****
7,723.82	17.82	TOTAL STRUCTURED	2.60	6.31	7.81	8.41	8.08	6.44	6.94
		NYC - CORE PLUS FIVE	2.04	5.10	6.50	7.21	7.58	6.05	6.69
7,782.33	17.96	TOTAL STRUCTURED PLUS LM CAPITAL	2.60	6.30	7.81	8.40	8.08	6.44	6.94
		PROGRESS FIXED							
39.13	0.09	AMBASSADOR CAP -CORE PLUS	1.76	4.91	6.17	7.11	****	****	****
39.47	0.09	NEW CENTURY ADVISORS-CORE PLUS	1.92	5.08	6.10	7.73	****	****	****
26.94	0.06	PUGH CAPITAL MGMT -CORE	1.86	5.06	6.04	7.15	****	****	****
105.55	0.24	TOTAL PROGRESS FIXED EMERGING MANAGERS	1.85	5.01	6.11	7.12	7.09	6.62	6.67
		BARCLAYS CAPITAL U.S. AGGREGATE	1.59	3.99	5.16	6.18	6.53	5.32	6.15
		ACTIVE TIPS MANAGERS							
163.24	0.38	BLACKROCK-TIPS	2.00	5.69	8.45	9.27	8.17	****	****
547.44	1.26	PIMCO-TIPS-MTA	2.38	6.77	9.89	9.47	8.15	****	****
710.69	1.64	TOTAL ACTIVE TIPS MANAGER	2.29	6.52	9.56	9.43	8.16	****	****

Consolidated Performance Report

Through September 30, 2012

Assets (\$MM)	% Total		3 Mos Jul-12 Sep-12	YTD Jan-12 Sep-12	1 Yr Oct-11 Sep-12	3 Yrs Oct-09 Sep-12	5 Yrs Oct-07 Sep-12	10 Yrs Oct-02 Sep-12	15 Yrs Oct-97 Sep-12
		PASSIVE TIPS MANAGERS							
232.88	0.54	STATE STREET-TIPS-MTA	2.18	6.20	8.99	9.36	7.97	****	****
232.88	0.54	TOTAL PASSIVE TIPS MANAGERS	2.18	6.20	8.99	9.36	7.97	****	****
		TOTAL TIPS MANAGERS	2.26	6.44	9.42	9.41	8.12	****	****
943.57	2.18	BARCLAYS CAPITAL US TIPS INDEX	2.12	6.25	9.10	9.31	7.94	****	****
		ENHANCED YIELD							
584.71	1.35	LOOMIS SAYLES	6.20	14.36	19.66	14.87	10.89	12.53	7.55
		NYC-LOOMIS (ML-MST II 7-03/BB&B PRIOR)	4.61	12.02	18.94	12.61	9.06	10.72	7.10
208.86	0.48	FORT WASHINGTON	****	****	****	****	****	****	****
546.78	1.26	NEUBERGER BERMAN	****	****	****	****	****	****	****
208.53	0.48	PENN	****	****	****	****	****	****	****
321.69	0.74	SHENKMAN	3.17	8.80	15.21	10.03	7.59	****	****
307.74	0.71	STONE HARBOR	****	****	****	****	****	****	****
543.61	1.25	T. ROWE PRICE	4.33	10.62	17.43	11.76	8.71	9.76	8.24
0.19	0.00	HIGH YIELD TRANSITION -ACCOUNT	****	****	****	****	****	****	****
2,722.16	6.28	ALL ENHANCED YIELD	4.22	10.87	16.99	12.02	8.82	10.08	6.72
		CITIGROUP BB & B	4.12	11.12	17.84	12.00	6.96	9.37	6.23
		CITIGROUP BB & B CAPPED	4.07	10.77	17.55	11.80	7.62	9.51	****
		ENHANCED YIELD MEDIAN	4.39	11.05	17.42	12.14	8.88	9.91	7.91
		BANK LOANS							
214.71	0.50	BABSON BL MTA	****	****	****	****	****	****	****
214.63	0.50	CREDIT SUISSE BL MTA	****	****	****	****	****	****	****
136.51	0.32	GUGGENHEIM BL MTA	****	****	****	****	****	****	****
214.51	0.50	INVESCO BL MTA	****	****	****	****	****	****	****
780.36	1.80	TOTAL BANK LOANS	****	****	****	****	****	****	****
		CREDIT SUISSE LEVERAGED LOAN INDEX	****	****	****	****	****	****	****

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Through September 30, 2012

Assets (\$MM)	% Total		3 Mos Jul-12 Sep-12	YTD Jan-12 Sep-12	1 Yr Oct-11 Sep-12	3 Yrs Oct-09 Sep-12	5 Yrs Oct-07 Sep-12	10 Yrs Oct-02 Sep-12	15 Yrs Oct-97 Sep-12
		CONVERTIBLE BONDS							
272.92	0.63	ADVENT CONVERTIBLE BONDS	4.29	10.22	14.42	9.07	****	****	****
		BofA ML CONVERTIBLE YIELD ALT. IDX	3.93	9.29	10.71	8.22	****	****	****
151.33	0.35	LORD ABBETT CONVERTIBLE BONDS	4.60	10.16	14.67	8.78	****	****	****
		BofA ML ALL CONVERTIBLES INDEX	4.92	11.83	16.63	9.48	****	****	****
145.98	0.34	VICTORY CONVERTIBLE BONDS	4.86	10.08	13.21	7.40	****	****	****
		BofA ML CONVERTIBLE BONDS INVST GRADE	5.15	11.20	14.02	6.52	****	****	****
570.23	1.32	TOTAL CONVERTIBLE BONDS	4.52	10.17	14.17	8.59	****	****	****
		ML ALL CONVERTIBLES EX MANDATORY	4.52	11.75	16.47	9.91	3.74	****	****
		NYCERS CUSTOM CONVERTIBLE BOND INDEX	4.67	10.78	13.79	8.10	****	****	****
		OPPORTUNISTIC FIXED							
6.26	0.01	AVE EURO SPECIAL SITUATIONS FD	****	****	****	****	****	****	****
6.49	0.01	AVE SPECIAL SITUATIONS FD V	****	****	****	****	****	****	****
63.00	0.15	AVE SPECIAL SITUATIONS FD VI	****	****	****	****	****	****	****
23.49	0.05	AG GECC LP	****	****	****	****	****	****	****
0.78	0.00	ALLIANCE BERNSTEIN LEGACY SECS LP	****	****	****	****	****	****	****
100.02	0.23	TOTAL FUND STRATEGIES	****	****	****	****	****	****	****
		3 MONTH LIBOR PLUS 750BPS	****	****	****	****	****	****	****
53.91	0.12	ANGELO GORDON PTNRS LP	****	****	****	****	****	****	****
66.47	0.15	APOLLO PTNRSH LP	0.00	****	****	****	****	****	****
19.09	0.04	FORTRESS PTNRS LP	-0.29	****	****	****	****	****	****
107.88	0.25	GOLDENTREE OD MTA	3.97	10.77	****	****	****	****	****
112.54	0.26	MARATHON OD MTA	10.62	24.87	****	****	****	****	****
6.83	0.02	OAK HILL PTNRS LP	****	****	****	****	****	****	****
366.73	0.85	TOTAL STRATEGIC MARKETS	4.38	15.07	****	****	****	****	****
		JP MORGAN GLOBAL HIGH YIELD BOND INDEX	4.71	12.47	****	****	****	****	****
		JP MORGAN GLOBAL HIGH YIELD PLUS 3%	5.32	14.23	****	****	****	****	****
442.48	1.02	TOTAL DISTRESSED FIXED	****	****	****	****	****	****	****
466.75	1.08	TOTAL OPPORTUNISTIC FIXED	3.19	17.47	6.35	18.60	****	****	****
		10% ANNUAL RETURN	2.41	4.88	10.00	10.00	****	****	****
		JP MORGAN GLOBAL HIGH YIELD PLUS 3%	5.32	14.23	22.71	16.30	****	****	****

Consolidated Performance Report

Through September 30, 2012

Assets (\$MM)	% Total		3 Mos Jul-12 Sep-12	YTD Jan-12 Sep-12	1 Yr Oct-11 Sep-12	3 Yrs Oct-09 Sep-12	5 Yrs Oct-07 Sep-12	10 Yrs Oct-02 Sep-12	15 Yrs Oct-97 Sep-12
		ETI							
55.51	0.13	ACCESS RBC	1.49	3.99	5.23	5.27	7.29	****	****
226.70	0.52	AFL-CIO HOUSING INV TRUST	1.48	4.16	5.73	6.07	6.55	5.33	****
15.54	0.04	BOA-PPAR	1.87	5.04	7.28	****	****	****	****
2.42	0.01	CFSB-PPAR	1.07	5.46	6.71	7.90	7.87	****	****
5.64	0.01	CCD-PPAR	2.49	8.71	10.24	9.25	9.54	****	****
1.95	0.00	LIIF-PPAR	1.41	4.46	5.64	5.38	****	****	****
1.39	0.00	NCBCI-PPAR	2.85	6.85	10.32	7.27	****	****	****
1.17	0.00	NHS-PPAR	2.54	6.83	8.30	8.45	8.66	****	****
189.26	0.44	TARGETED INVESTMENT	2.33	6.59	7.91	7.89	8.35	7.61	7.44
20.53	0.05	CPC TERM LOAN	0.62	1.89	2.45	2.19	2.96	****	****
520.12	1.20	TOTAL ETI WITH CASH	1.77	4.99	6.38	6.48	7.14	6.49	6.69
		EMPLOYEES CUSTOM BENCHMARK (NO CASH)	1.32	3.40	4.60	5.94	6.58	5.55	6.41
		BARCLAYS CAPITAL U.S. AGGREGATE	1.59	3.99	5.16	6.18	6.53	5.32	6.15
14,315.02	33.03	TOTAL FIXED INCOME	2.71	7.00	8.60	8.67	7.83	6.81	6.81
2.71	0.01	SECURITIES LENDING	****	****	****	****	****	****	****
423.96	0.98	STATE STREET SHORT TERM INVESTMENTS	0.07	0.43	0.50	0.61	1.56	2.35	3.47
1.43	0.00	BNY - CD	****	****	****	****	****	****	****
43,335.29	100.00	TOTAL EMPLOYEES	4.49	10.95	17.05	9.87	2.43	8.35	5.85
		EMPLOYEES POLICY BENCHMARK	5.01	11.65	19.24	10.49	2.92	8.60	5.89

Actual & Estimated Fees

NEW YORK CITY NYCERS RETIREMENT SYSTEM				
ACTUAL FEES FOR FISCAL YEAR ENDING JUNE 30, 2011 AND ESTIMATED FEES FOR FY 2012 UPDATED THROUGH DECEMBER 2011				
		Actual 2011		Estimated 2012
INVESTMENT STYLE (EQUITIES)		BASIS POINTS		BASIS POINTS
Small Cap		22.29		22.25
	Small Cap Value	35.41		82.44
	Small Cap Core	49.92		59.93
	Small Cap Fundamental Index	19.97		21.90
Mid Cap Passive		0.19		1.00
Large Cap		22.73		24.36
	Large Cap Growth	27.84		41.41
	Large Cap Value	27.78		42.56
	Large Cap Core	30.32		38.69
	Large Cap Fundamental Index	19.51		15.87
Emerging Managers (U.S. Equities)		47.84		57.53
Emerging Managers (Fixed)		39.06		40.00
Passive U.S Equities		0.37		0.51
Int'l Active Equities (EAFE)		34.43		33.38
	Growth	34.63		31.17
	Value	31.47		30.68
	Core	34.67		38.11
Int'l Passive Equities (EAFE)		1.86		1.52
Emerging Markets		32.44		35.15

Actual & Estimated Fees

NEW YORK CITY NYCERS RETIREMENT SYSTEM				
ACTUAL FEES FOR FISCAL YEAR ENDING JUNE 30, 2011 AND ESTIMATED FEES FOR FY 2012 UPDATED THROUGH DECEMBER 2011				
	Actual 2011			Estimated 2012
INVESTMENT STYLE (Fixed Income)	BASIS POINTS			BASIS POINTS
Structured Program	7.41			8.85
Government Sector	5.28			7.65
Mortgage Sector	8.69			7.96
Investment Grade Credit Sector	6.82			10.44
TIPS	5.54			7.11
Active TIPS	7.33			9.29
Passive TIPS	0.12			0.50
Enhanced Yield	39.94			30.02
Convertible Bonds	30.80			40.21
Global Fixed Income	23.37			14.20
Targeted - Access Voyageur	26.30			28.75
Targeted - AFL-CIO	39.60			44.00
In-House Short Term	0.00			0.00
Total Overall*	12.04			12.90
*Only Public Markets fees calculated in the overall total				

Securities Lending Income

Through September 30, 2012

	U.S. FIXED INCOME	U.S. EQUITY	INTERNATIONAL EQUITY
1990*	\$256,000	--	--
1991	754,000	\$48,000	--
1992	1,467,000	654,000	\$367,000
1993	3,445,000	1,308,000	732,000
1994	4,261,000	2,744,000	1,082,000
1995	3,727,000	3,191,000	745,000
1996	3,608,000	3,592,000	1,258,000
1997	3,924,000	5,921,000	1,533,000
1998	6,374,000	7,337,000	1,952,000
1999	6,643,000	6,718,000	2,175,000
2000	6,552,000	7,669,000	3,049,000
2001	10,335,000	10,394,000	4,435,000
2002	5,906,000	7,780,000	3,510,000
2003	2,442,000	4,766,000	3,603,000
2004	3,502,000	5,844,000	3,825,000
2005	5,229,000	8,264,000	4,471,000
2006	4,626,000	10,012,000	4,163,000
2007	9,445,000	15,100,000	4,510,000
2008	25,936,000	26,696,000	6,878,000
2009	8,149,000	16,388,000	4,305,000
2010	3,714,000	10,256,000	3,125,000
2011	4,834,000	12,861,000	5,163,000
2012 (9 Months)	5,191,000	11,744,000	3,274,000
Since Inception	<u>\$130,320,000</u>	<u>\$179,287,000</u>	<u>\$64,155,000</u>

* Inception 7/90

Footnotes

Through September 30, 2012

- 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 7/1/03 the “NYC-Loomis” benchmark index for the Loomis Sayles Enhanced Yield portfolio reflects a change from the Citigroup BB&B Index to the more appropriate Merrill Lynch High Yield Master II Index.
- 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.
- Effective 11/1/10 The NCREIF NPI policy index was replaced with the NCREIF NFI ODEC net Index retroactively.
- Effective 6/1/11 The Opportunistic Fixed NYC-CORE PLUS 5 + 200BPS policy index was replaced with the NYC-10% ANNUAL RETURN primary and JP MORGAN GLOBAL HIGH YIELD PLUS 3% secondary indices retroactively.
- Effective 8/1/11 The Hedge Funds Primary benchmark is the 1 YEAR TREASURY BILL YIELD + 4% and the secondary benchmark is the HFRI FUND OF FUNDS COMPOSITE INDEX + 1%.

Glossary of Terms

Through September 30, 2012

General Notes

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

Page Specific

Page 9 - Portfolio asset Allocation

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

Page 11 - 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 * 34.24%
International Developed (EAFE) Markets: MSCI EAFE * 10.22%
International Emerging Markets: FTSE NYCERS Custom Benchmark * 6.90%
Private Equity: Russell 3000 + 500 b.p. per annum * 7.00%
Private Real Estate: NFI ODCE net per annum * 4.03%
Hedge Funds 1yr T-Bill yield + 400 b.p. per annum * 2.26%
Domestic Fixed Income: NYC Core + 5 * 22.80%
TIPS: Barclays U.S. TIPS * 4.50%
Enhanced Yield: Citigroup BB&B * 4.10%
Bank Loans: Credit Suisse Leveraged Loan Index * 1.84%
Convertible Bonds: BofA Merrill All US Convertibles Ex Mandatory * 1.00%
Opportunistic Fixed Income: JPM Hi Yield + 3% * 1.11%

Glossary of Terms

Through September 30, 2012

Page 15 - 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 21 - 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 48 – ETI Returns vs. Custom Index and Barclays Capital U.S. Aggregate

- 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 Index
 - CPC Term Loan:** 30 Day Libor + 200 bps with a floor of 250 bps per annum
 - FNMA:** Citigroup 15 yr. FNMA
 - GNMA:** Citigroup 15 yr. GNMA
 - PPAR:** Citigroup GNMA + 65 bps per annum
 - Access/RBC:** 60% Merrill Lynch 30 Year Mortgage Index (MF30) plus 40% U.S. Treasury 1-10 Yr Index (G502)