



Teachers' Retirement System of the City of New York

Performance Overview as of September 30, 2013

Total Fund Overview

Teachers' Retirement System of the City of New York

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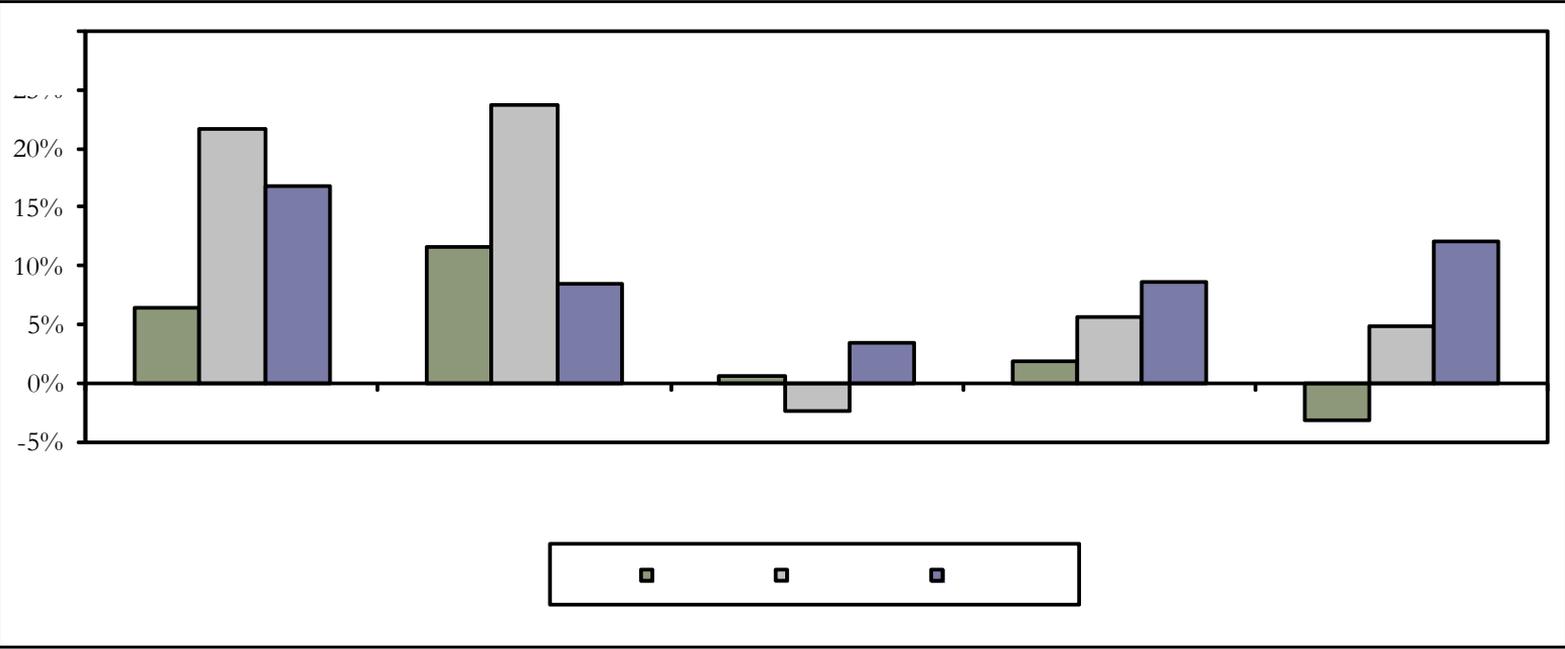


Appendix



Consultant's Commentary

Through September 30, 2013



Consultant's Commentary

Through September 30, 2013

Market Backdrop: The Federal Reserve continued to drive markets during the third quarter as the FOMC surprised many market participants by voting not to slow down the pace of asset purchases under its quantitative easing program. U.S. Treasury rates increased for much of the third quarter before the Fed's surprise announcement on September 18th. 10-year U.S. Treasury rates climbed as high as 2.99% before finishing the quarter at 2.61%. Global equity markets, both developed and emerging, rallied meaningfully during the quarter as investors bought risk assets. Fixed income markets were flat to slightly positive for the quarter as many markets were able to recoup losses from earlier in the quarter. Global equity markets were higher for the third quarter with non-U.S. developed markets rising the most. For the three month period ending September 30th, non-U.S. developed equities (proxied by the MSCI EAFE) gained 11.6%. Emerging market equities (+5.9%) and U.S. equities (+5.2%) also rose meaningfully for the quarter. Year-to-date, U.S. equity markets (as proxied by the S&P 500) gained 19.8%. Broad market fixed income bounced back from a dismal second quarter as the Barclays Aggregate gained 0.6% in the third quarter. A falling interest rate environment along with modest spread tightening in both investment grade and high yield markets contributed to the positive results. For the quarter, high yield fixed income returned 2.3% while emerging market debt gained 1.2%. The Federal Reserve continued its quantitative easing program throughout the third quarter, despite a market consensus that the Fed would begin slowing the pace of asset purchases following its September FOMC meeting. Citing the need to wait for more evidence that the economy was improving, the FOMC announced that it would continue buying \$85 billion a month in Treasuries and mortgage backed securities. As part of its highly accommodative stance on monetary policy, the FOMC agreed to keep the Fed Funds Rate at a near-zero level.

Total Fund Performance: The Teachers' Total Fund had a return of 4.86% for the quarter ending September 30, 2013 versus the policy benchmark's return of 4.43%. During the quarter, the Fund benefitted from deviations from target allocations, specifically, an overweight to US equities and an underweight to investment grade fixed income. The Fund also benefitted from active management in domestic equities, but active management in private equity detracted from this positive contribution. The Total Fund experienced strong absolute returns for the trailing one-year, gaining 12.34%, and outperforming the benchmark by 65 basis points. However, for the

Consultant's Commentary

Through September 30, 2013

three year period ending September 30, 2013, the Fund lagged its benchmark by 35 basis points with a return of 10.61%. Please note that all composite and manager performance data is reported gross of fees. Total Fund fees of the public markets managers for the third quarter of 2013 have been estimated at approximately 14 basis points.

Total Fund Asset Allocation - \$51.8 Billion: As of September 30, 2013, the Fund had total assets of \$51.8 billion, up from \$49.2 billion at the end of the second quarter of 2013. Although all composites, with the exception of the US equity composite and the investment grade fixed income composite, are within rebalancing ranges, the overweight to US equities of approximately 7.3% and 4.8% underweight to investment grade bonds had a meaningfully positive impact on the Fund, given the 5.8% difference in return between these two asset classes over the third quarter. The Fund is in the process of shifting its asset allocation to its new strategic targets. As of September 30, 2013, the private equity and private real estate invested allocation was 6.8% versus their new aggregate long-term target allocation of 12.0%.

U.S. Equity - \$21.9 Billion, 42% of Fund: The U.S. equity composite returned 6.71% during the third quarter of 2013, outperforming the broad U.S. equity market, as measured by the Russell 3000 Index, by 36 basis points. Approximately 96% of the U.S. equity composite is allocated to passively managed mandates with the remainder invested in actively managed U.S. equity portfolios. Despite its overwhelmingly indexed orientation, for the one year period ending September 30, 2013, the U.S. equity composite has returned 22.76% versus the Russell 3000 Index's return of 21.60%. This 116 basis point outperformance for the one year is due to outperformance by many of the Fund's emerging and developing managers as well as the fact that the emerging managers are focused on smaller cap strategies, a sector which tended to do particularly well over the past year. Over the three year period ending September 30, 2013, the U.S. equity composite virtually matched the 16.76% return of the Russell 3000 Index.

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Developed International Equity - \$4.8 Billion, 9% of Fund: Non-U.S. developed equity markets, as measured by the MSCI EAFE Net Dividends Index, returned 11.56% in U.S. dollar terms during the third quarter of 2013. For the same time period, the Fund's total developed international equity composite (including the environmental and activist strategies) returned 12.19% as some of the larger mandates such as Causeway, Sprucegrove and Walter Scott lagged their benchmarks modestly. In contrast with the US equity composite, the developed international equity composite is more than 90% actively managed. For the 12 month period ending September 30, 2013, this composite returned 24.41%, outperforming the MSCI EAFE Index, which returned 23.77% over the same period. In addition, over the three year period ending September 30, 2013, the total developed international composite has outperformed the index by 156 basis points with an annualized return of 10.03%.

Emerging Markets Equity - \$4.3 Billion, 8% of Fund: Emerging market equities, as measured by the MSCI EM Index, returned 5.9% during the third quarter (5.8% in local currency terms). Over the trailing one-year, the MSCI EM Index remained in positive territory with a return of 1.3%. For the third quarter of 2013, the emerging markets equity composite, consisting of two strategies actively managed by DFA and Eaton Vance and one passive mandate, returned 3.72% versus its Custom FTSE Benchmark's return of 3.97% over the same period, primarily due to Eaton Vance and BlackRock lagging the benchmark by 113 and 69 basis points, respectively. For the one year period ended September 30, 2013, the emerging markets equity composite returned -2.62% versus the benchmark return of -1.89%, as each manager lagged the benchmark during this time period.

REITs - \$1.7 Billion, 3% of Fund: Concerns about the Fed tapering its bond purchasing program and the possibility of rising rates continued to impact REITs and this sector continued to underperform the broad US equity market in the third quarter, returning -1.73% while the Russell 3000 gained 6.35%. Slightly mitigating the general underperformance of this sector was the fact that the REIT composite outperformed its benchmark, the Dow Jones U.S. Select Real Estate Securities Index, by 136 basis points. Security Capital was the weakest performing manager within the REIT composite during the quarter with a loss of 3.22%. Over past year, this composite has had added about 109 basis points to the benchmark return, although the longer term record of three years shows the composite tracking within +/- 30 basis points of the benchmark return gross of fees.

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Through September 30, 2013

Structured Fixed Income – \$7.7 Billion, 15% of Fund: As rates rose by 27 basis points during the third quarter and credit spreads narrowed, broad investment grade fixed income, as measured by the Core + 5 Benchmark, gained 0.63%. In aggregate, active management slightly contributed to the returns of this composite during the quarter. In addition, due to this composite's underweighting of the worst performing sector, government securities, and overweighting of the highest performing sector, mortgages, the composite outperformed its benchmark by 19 basis points. For the 12 month period ending September 30, 2013, the structured fixed income composite outperformed its benchmark by 90 basis points with a return of -1.42%. Over the longer five year period ending September 30, 2013, the structured fixed income composite outperformed its benchmark by 69 basis points with an annualized return of 6.95%.

Enhanced Yield - \$2.5 Billion, 5% of Fund: During the third quarter of 2013, the broad high yield market posted positive returns as spreads over Treasuries tightened. This asset class, as measured by the BofA Merrill Lynch High Yield Master II Index, returned 2.25%. Over the same period, the higher quality enhanced yield composite benchmark, the Citigroup BB & B Capped Index, returned 1.94% and the Fund's composite returned 2.25%. Over longer periods, this composite has generated strong absolute returns and the active managers in this composite have, in aggregate, added value. For the one year period ending September 30, 2013, this composite returned 6.74% while the Citigroup BB & B Capped Index returned 5.70%. Over the five year period ending September 30, 2013, the enhanced yield composite returned 11.08% and outperformed the higher quality capped benchmark by an annualized 0.68%.

Bank Loans - \$1.2 Billion, 2% of Fund: The bank loans composite was funded during the fourth quarter of 2012 with five new mandates. This composite is intended to complement the Enhanced Yield program by investing in floating rate loans issued by below investment grade companies. These loans are more defensive than Enhanced Yield debt as the floating rate nature of the securities provides protection when rates rise and these securities tend to be more senior in the capital structure than the companies' publicly traded bonds. Bank loans were modestly positive during the third quarter, adding to modest gains achieved in the second quarter.

Consultant's Commentary

Through September 30, 2013

The benchmark gained 1.40% for the third quarter and the five active managers' performance generally tracked the index return for the third quarter as the composite gained 1.39%.

TIPS - \$1.4 Billion, 3% of Fund: With inflation continuing to remain at modest levels and government bonds generally performing poorly, the broad U.S. TIPS market had modest gains, with a return of 0.70% for the third quarter of 2013. The composite of TIPS managers (75% active/25% passive) outperformed the benchmark by 14 basis points with an aggregate return of 0.84% for the quarter. For the one year period ending September 30, 2013, the TIPS composite returned -5.82%, leading its benchmark by 28 basis points. For the three year period ending September 30, 2013, the composite virtually matched the benchmark with a return of 4.00%.

Convertibles - \$0.8 Billion, 2% of Fund: The BofA ML All Convertibles Index, a measure of the broad convertibles market, returned 7.4% during the third quarter of 2013, outperforming most fixed income and domestic equity markets. The Fund's entirely actively managed convertibles composite gained 4.81% over the quarter, while the Custom Convertibles benchmark returned 4.28% over the same period. For the one year period ending September 30, 2013, the Fund's convertibles composite returned 14.17%, leading the custom benchmark by 131 basis points. This record of strong performance is also true for longer periods and for the three years and five years ending September 30, 2013, this composite has generated relatively high absolute returns of over 8.4% and 10.6%, respectively, and the composite's managers have added about 52 basis points of value to the custom benchmark return.

Opportunistic Fixed Income - \$0.9 Billion, 2.0% of Fund: The opportunistic fixed income composite is comprised of investments in seven funds (two of which are in liquidation), representing about 20% of this composite's assets, and six strategic separate account mandates, representing 80% of composite assets. These strategic mandates call down capital as opportunities are identified and are still in the process of being funded.

Consultant's Commentary

Through September 30, 2013

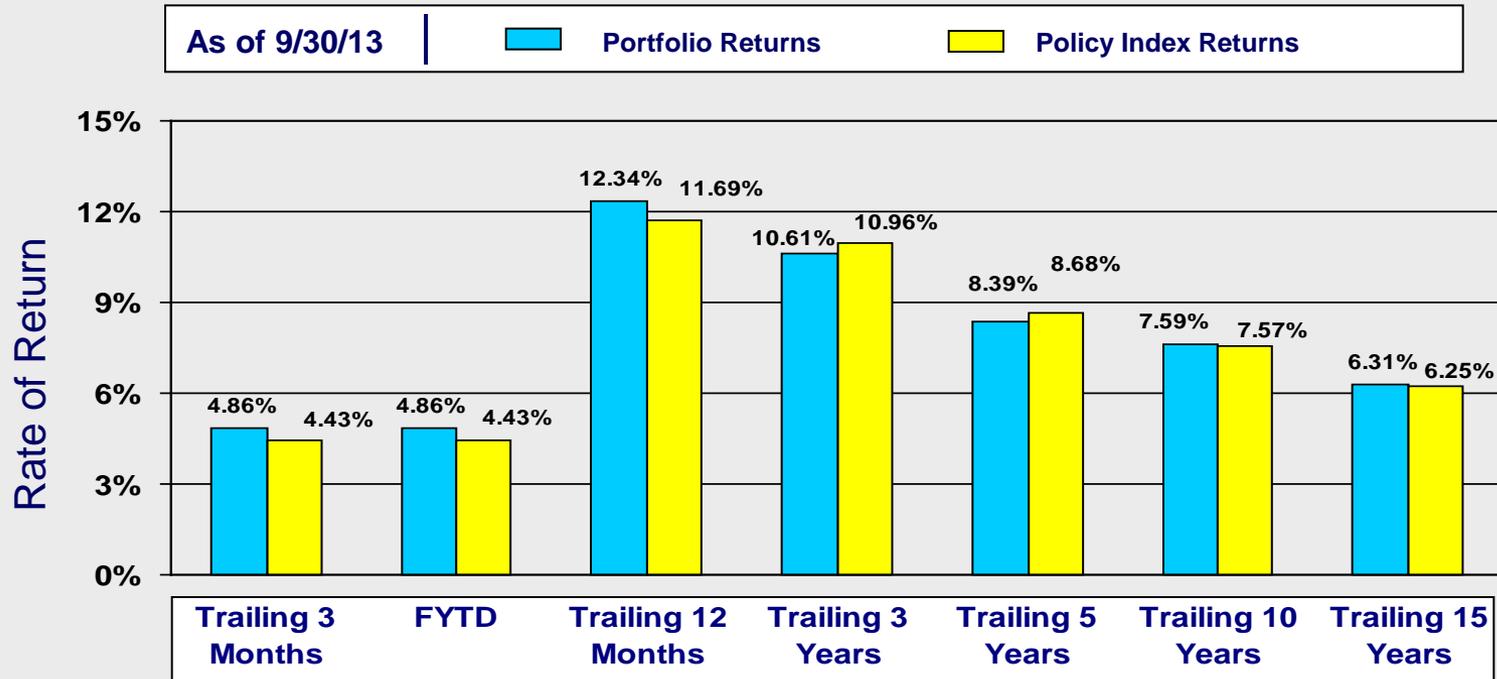
As a result, their performance thus far is not yet particularly meaningful. However, the returns have been striking, particularly during a period of time in which fixed income returns have been challenged. For the year ending September 30, 2013, this composite gained 13.79%, outperforming the J.P Morgan Global High Yield Index +3% by about 371 basis points. During the third quarter of 2013, the overall composite returned 1.78% versus the J.P Morgan Global High Yield Index +3% which returned 3.08% over the same period.

Private Equity - \$2.4 Billion, 5% of Fund: At the end of the third quarter of 2013, the private equity portfolio had \$2.4 billion in invested capital, in line with the \$2.4 billion at the end of the second quarter of 2013 and the first quarter of 2013. The Fund currently has investments in 129 partnerships. Performance is reported separately by Teachers' Private Equity consultant.

Private Real Estate - \$1.1 Billion, 2% of Fund: At the end of the third quarter of 2013, the private real estate portfolio had \$1.1 billion in invested capital, in line with its allocation at the end of the first quarter of 2013 and the second quarter of 2013. The composite has investments in 38 partnerships. Performance is reported separately by Teachers' Private Real Estate consultant.

Total Portfolio Returns: September 30, 2013

\$51.8B Under Management



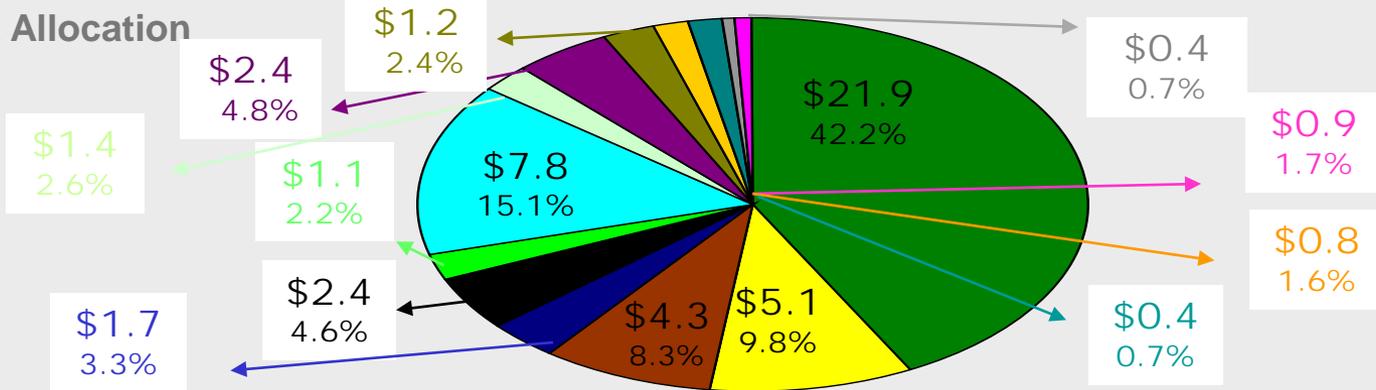
	3 Years	5 Years	10 Years	15 Years
Plan Std Dev	8.6	12.3	10.2	10.6
Benchmark Std Dev	8.9	13.9	11.3	11.5

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

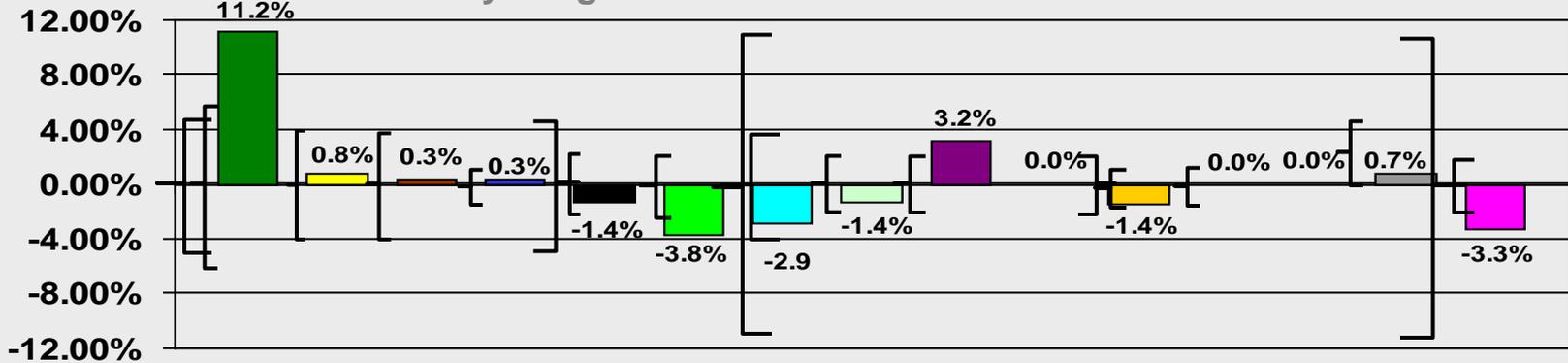
Portfolio Asset Allocation: September 30, 2013

\$51.8B Under Management

Asset Allocation



Relative Mix to New Policy Weights

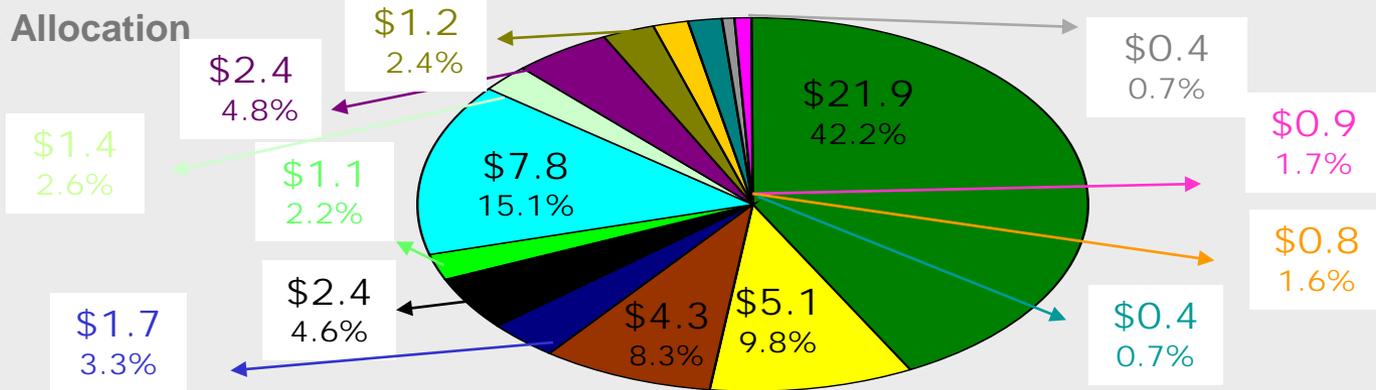


Note: Brackets represent rebalancing ranges versus Policy.

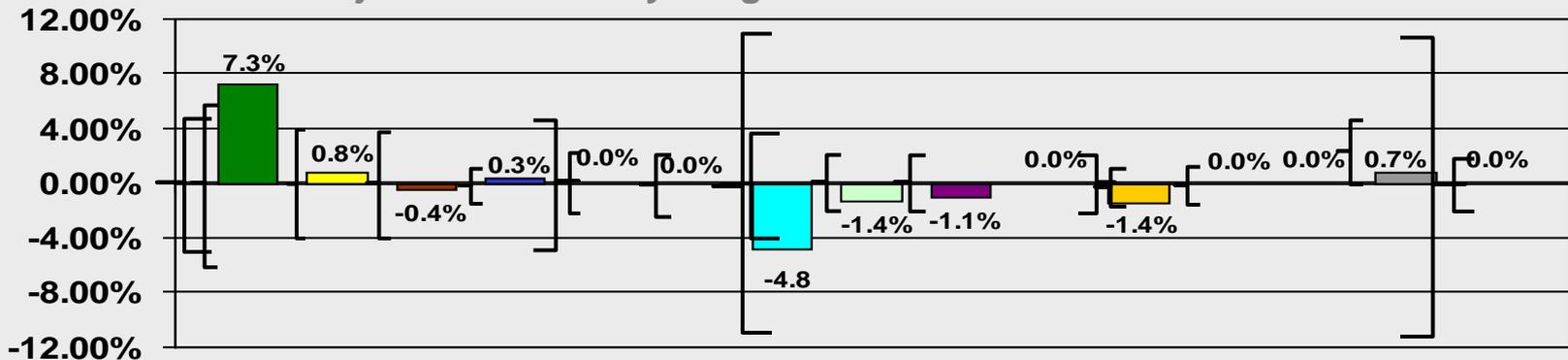
Portfolio Asset Allocation: September 30, 2013

\$51.8B Under Management

Asset Allocation

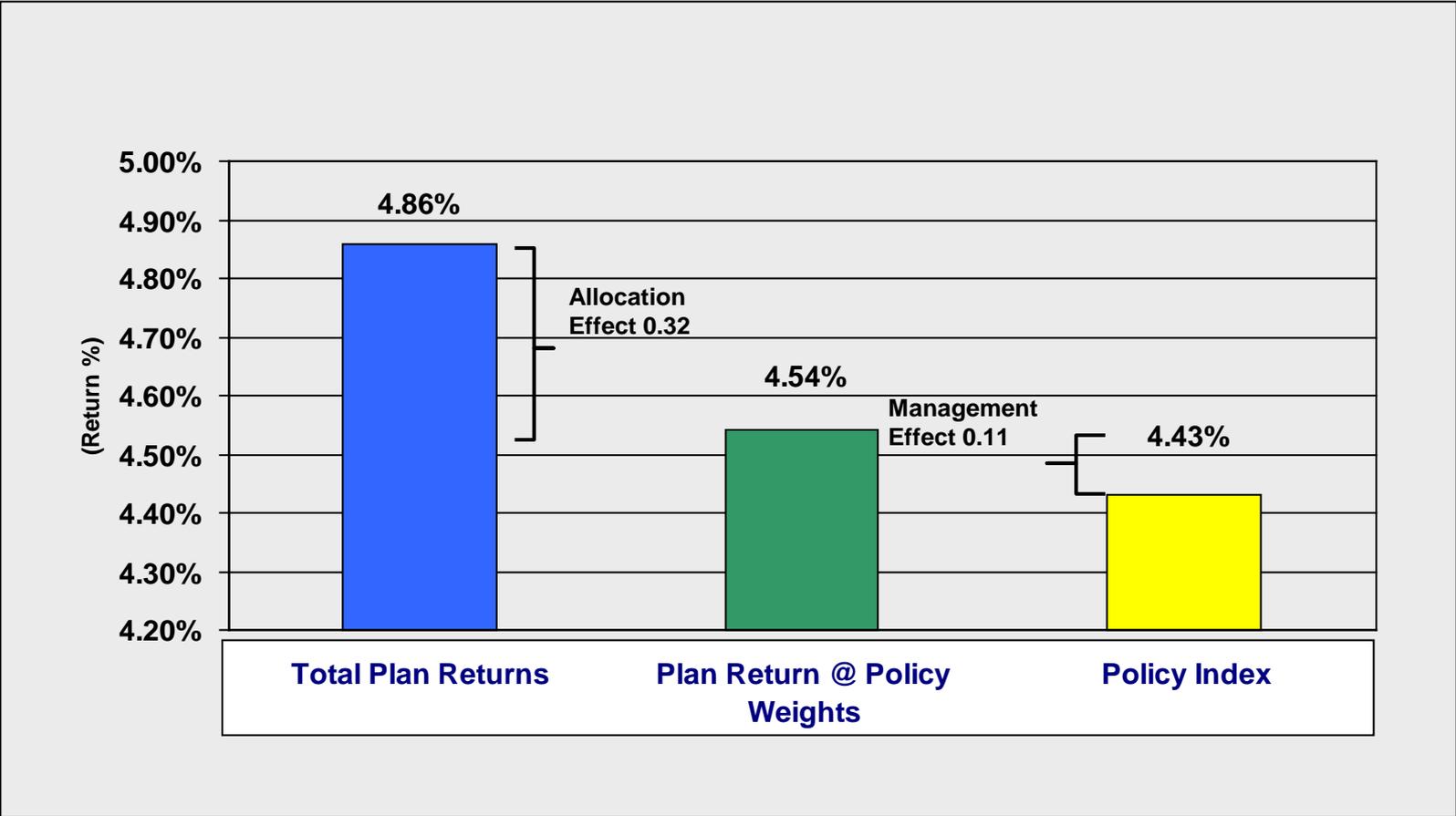


Relative Mix to Adjusted New Policy Weights

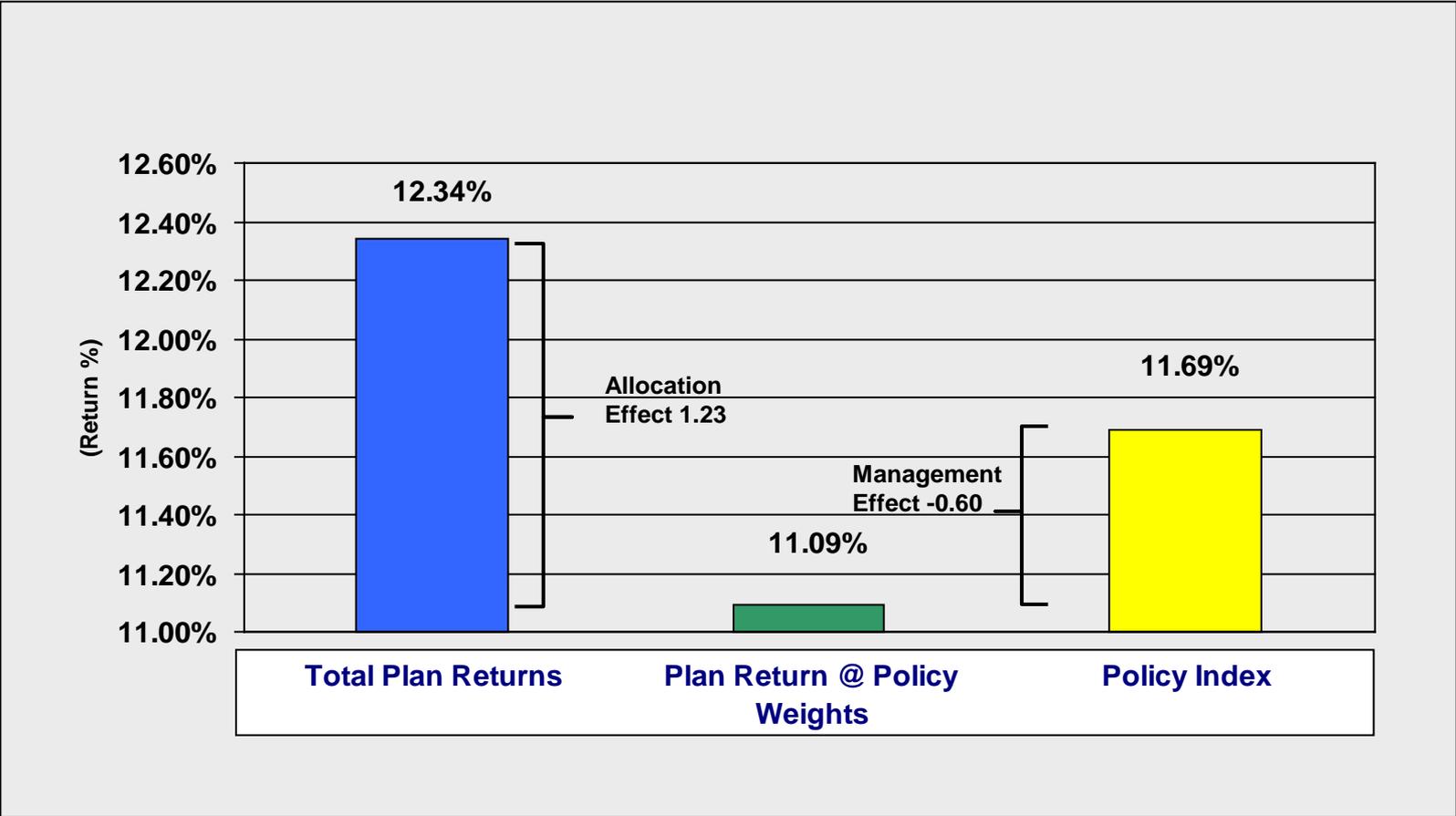


Note: Brackets represent rebalancing ranges versus Policy.

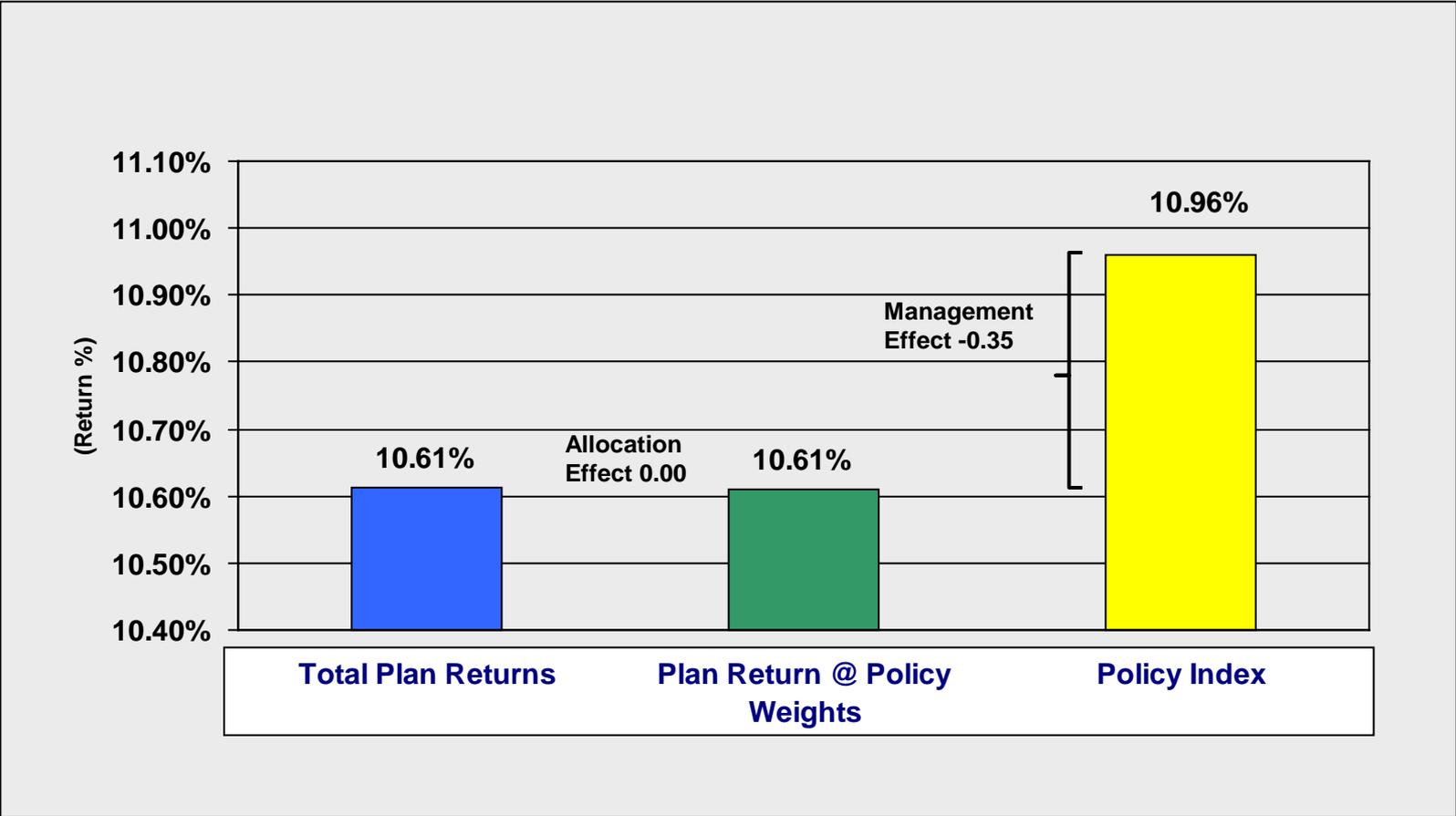
Performance Attribution: Total Plan – Quarter Ending September 30, 2013



Performance Attribution: Total Plan – 12 Months Ending September 30, 2013



Performance Attribution: Total Plan – 3 Years Ending September 30, 2013



Total Plan - Ending September 30, 2013

Allocation Effect – Asset Class Breakdown

<u>Plan</u>	<u>Qtr</u>	<u>12 Months</u>	<u>3 Years</u>	<u>Benchmark</u>
Domestic Equity	0.12	0.58	0.14	Russell 3000 Index
EAFE Markets	-0.01	-0.01	-0.03	MSCI EAFE Index
Emerging Markets	-0.01	0.04	N/A	FTSE Custom Index
REITS	-0.03	-0.03	0.01	Wilshire Real Estate Securities Index
Private Equity	0.00	0.01	0.01	Russell 3000 Index + 300 b.p.
Private Real Estate	0.00	0.00	0.00	NFI - ODCE NET + 100 b.p.
Domestic Fixed	0.17	0.74	0.06	NYC Core +5 Index
Enhanced Yield	-0.01	0.00	-0.05	Citigroup BB&B Index
TIPS	0.05	0.20	0.06	Barclays Capital US TIPS Index
Convertibles	0.00	-0.03	-0.01	ML All Convertibles ex Mandatory (VOAO)
Opportunistic Fixed	0.00	0.00	0.00	JPM Global High Yield + 3%
State Street Short Term	-0.05	-0.11	-0.27	Total Plan

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

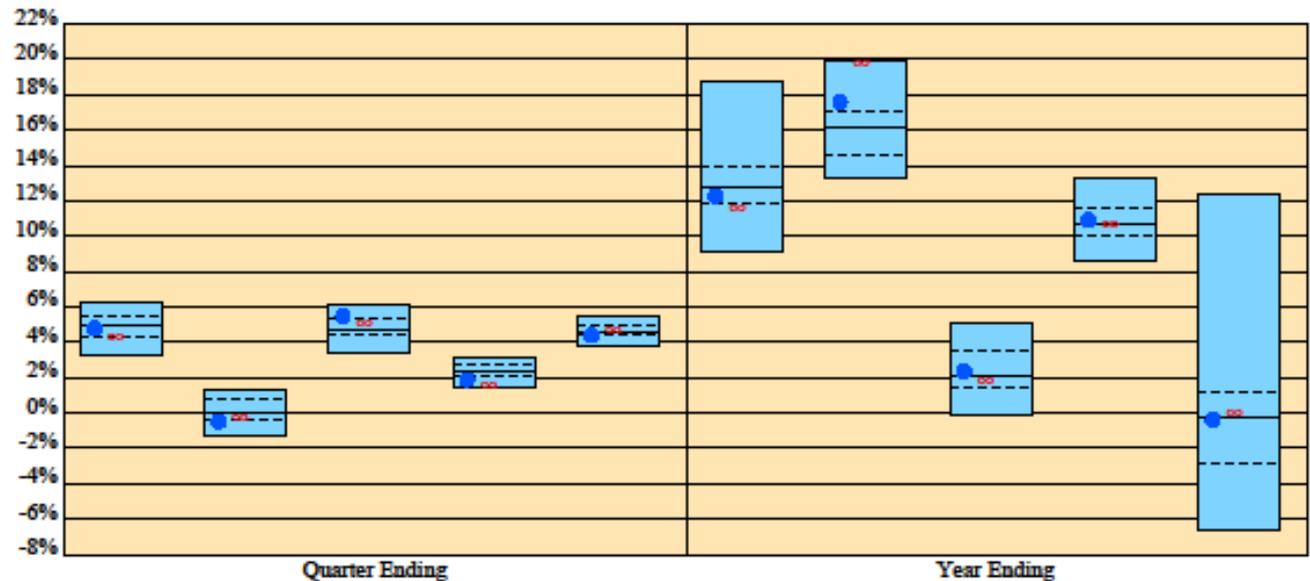
Total Plan - Ending September 30, 2013

Management Effect – Asset Class Breakdown

<u>Plan</u>	<u>Qtr</u>	<u>12 Months</u>	<u>3 Years</u>	<u>Benchmark</u>
Domestic Equity	0.15	0.39	0.02	Russell 3000 Index
EAFE Markets	0.05	0.04	0.18	MSCI EAFE Index
Emerging Markets	-0.02	-0.06	N/A	FTSE Custom Index
REITS	0.05	0.04	0.00	Dow Jones U.S. Select RE Securities Idx
Private Equity	-0.13	-0.48	-0.40	Russell 3000 Index + 300 b.p.
Private Real Estate	0.07	0.08	0.08	NFI - ODCE NET + 100 b.p.
Domestic Fixed	0.03	0.15	0.10	NYC Core +5 Index
Enhanced Yield	0.03	0.03	0.01	Citigroup BB&B Index
TIPS	0.00	0.01	-0.05	Barclays Capital US TIPS Index
Convertibles	-0.04	-0.11	-0.05	ML All Convertibles ex Mandatory (VOAO)
Opportunistic Fixed	-0.02	0.04	-0.02	JPM Global High Yield + 3%

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

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

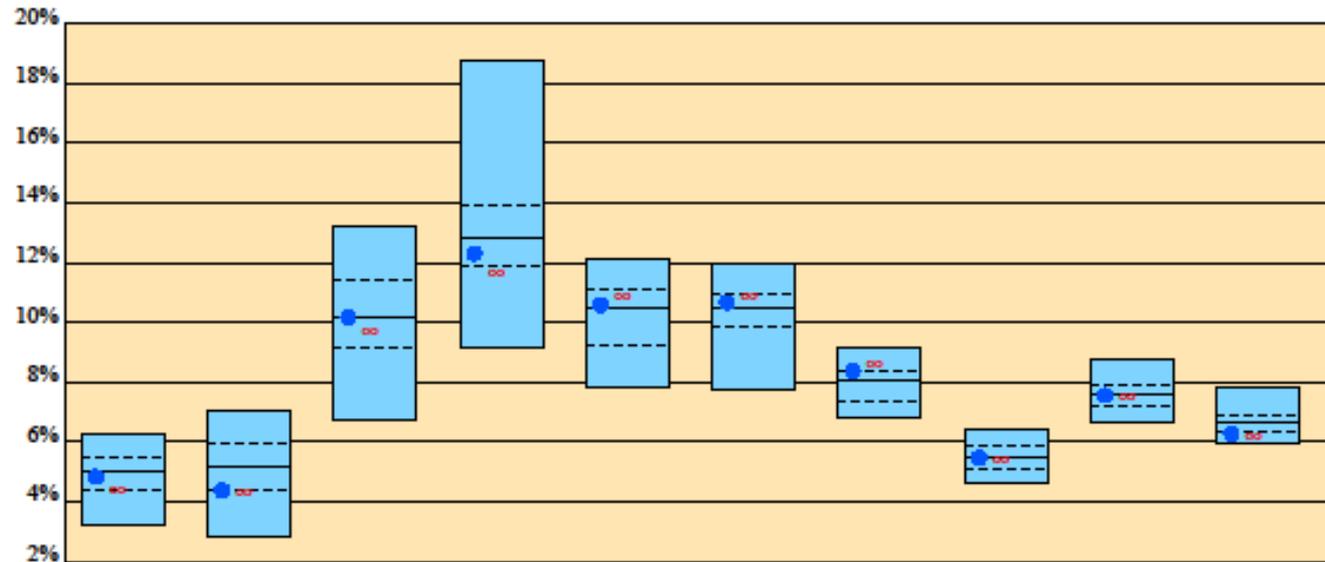


	Quarter Ending					Year Ending				
	Sep 13	Jun 13	Mar 13	Dec 12	Sep 12	Sep 13	Sep 12	Sep 11	Sep 10	Sep 09
5th Percentile	6.22	1.35	6.14	3.17	5.53	18.72	19.93	5.10	13.25	12.43
25th Percentile	5.44	0.76	5.36	2.72	4.92	13.94	17.06	3.57	11.59	1.18
Median	5.02	0.05	4.76	2.35	4.56	12.81	16.11	2.11	10.73	-0.24
75th Percentile	4.36	-0.41	4.45	2.04	4.40	11.88	14.60	1.42	10.02	-2.84
95th Percentile	3.22	-1.24	3.40	1.44	3.80	9.13	13.23	-0.06	8.65	-6.62
● Total System	4.86 (57)	-0.43 (77)	5.54 (14)	1.94 (79)	4.46 (62)	12.34 (65)	17.63 (20)	2.42 (45)	10.97 (40)	-0.34 (55)
○ Teachers Policy Benchmark	4.43 (67)	-0.06 (52)	5.20 (34)	1.72 (87)	4.86 (25)	11.69 (77)	19.97 (1)	1.92 (50)	10.84 (45)	0.11 (47)

City of New York - Teachers

Total Returns of Public Master Trusts > \$10 Billion

Rates of Return for Periods Ending September 30, 2013



	1 Quarter	2 Quarters	3 Quarters	1 Year	3 Years	4 Years	5 Years	7 Years	10 Years	15 Years
5th Percentile	6.22	7.06	13.24	18.72	12.09	11.96	9.15	6.45	8.79	7.81
25th Percentile	5.44	5.93	11.44	13.94	11.10	10.93	8.40	5.84	7.91	6.91
Median	5.02	5.19	10.20	12.81	10.45	10.45	8.02	5.49	7.59	6.64
75th Percentile	4.36	4.41	9.16	11.88	9.24	9.85	7.38	5.11	7.22	6.32
95th Percentile	3.22	2.85	6.69	9.13	7.85	7.72	6.80	4.59	6.66	5.92
● Total System	4.86 (57)	4.41 (75)	10.20 (50)	12.34 (65)	10.61 (35)	10.70 (35)	8.40 (25)	5.50 (47)	7.59 (50)	6.31 (78)
⊗ Teachers Policy Benchmark	4.43 (67)	4.37 (75)	9.80 (65)	11.69 (77)	10.95 (25)	10.92 (25)	8.67 (15)	5.49 (50)	7.56 (50)	6.25 (85)

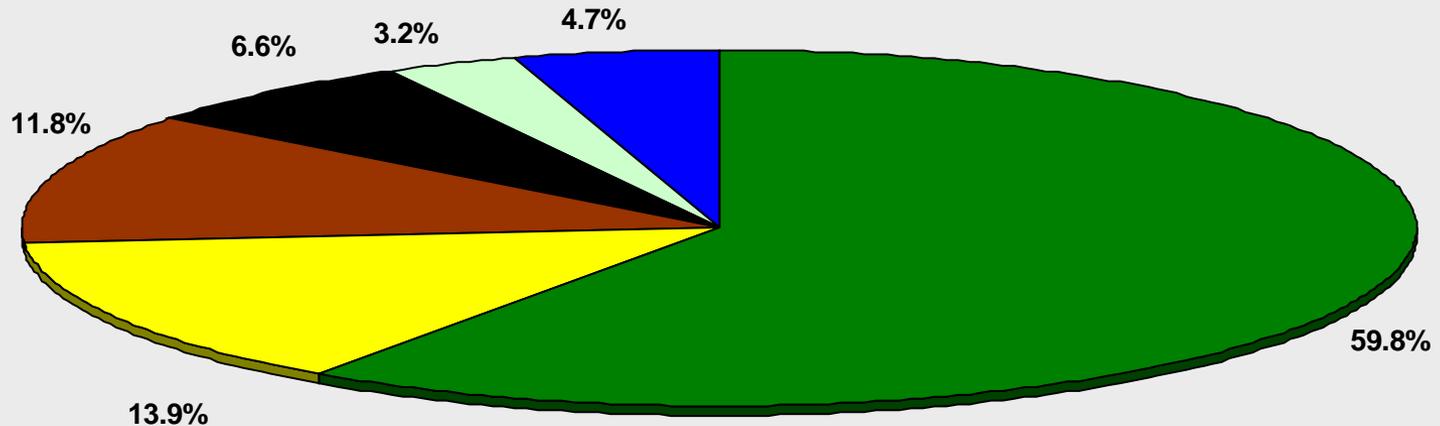
**Teachers' Retirement System
of the City of New York**

Equity Analysis

Total Equity Asset Allocation: September 30, 2013

\$36.5B Under Management, **70%** of Total Funds

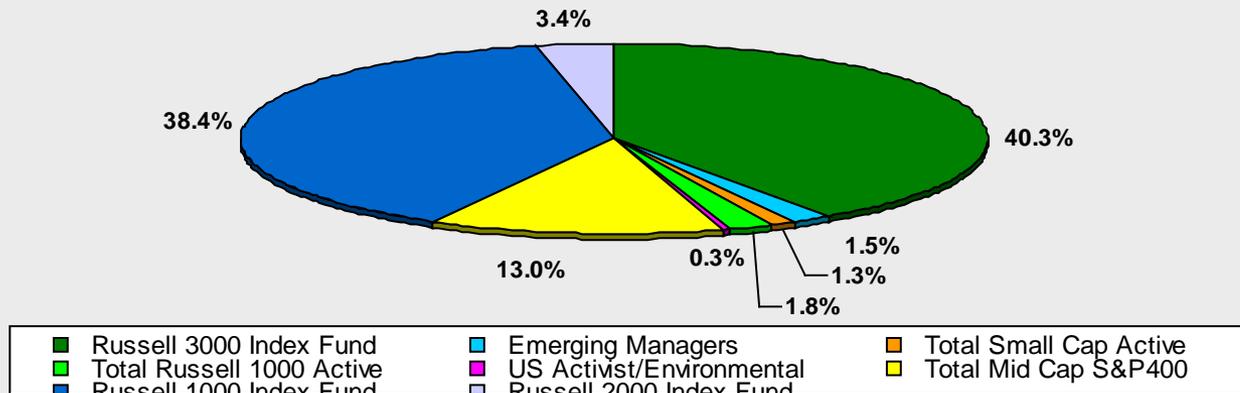
Asset Allocation by Groups



Total Domestic Equity Asset Allocation: September 30, 2013

\$21.9B Under Management, **42%** of Total Funds

Asset Allocation by Groups

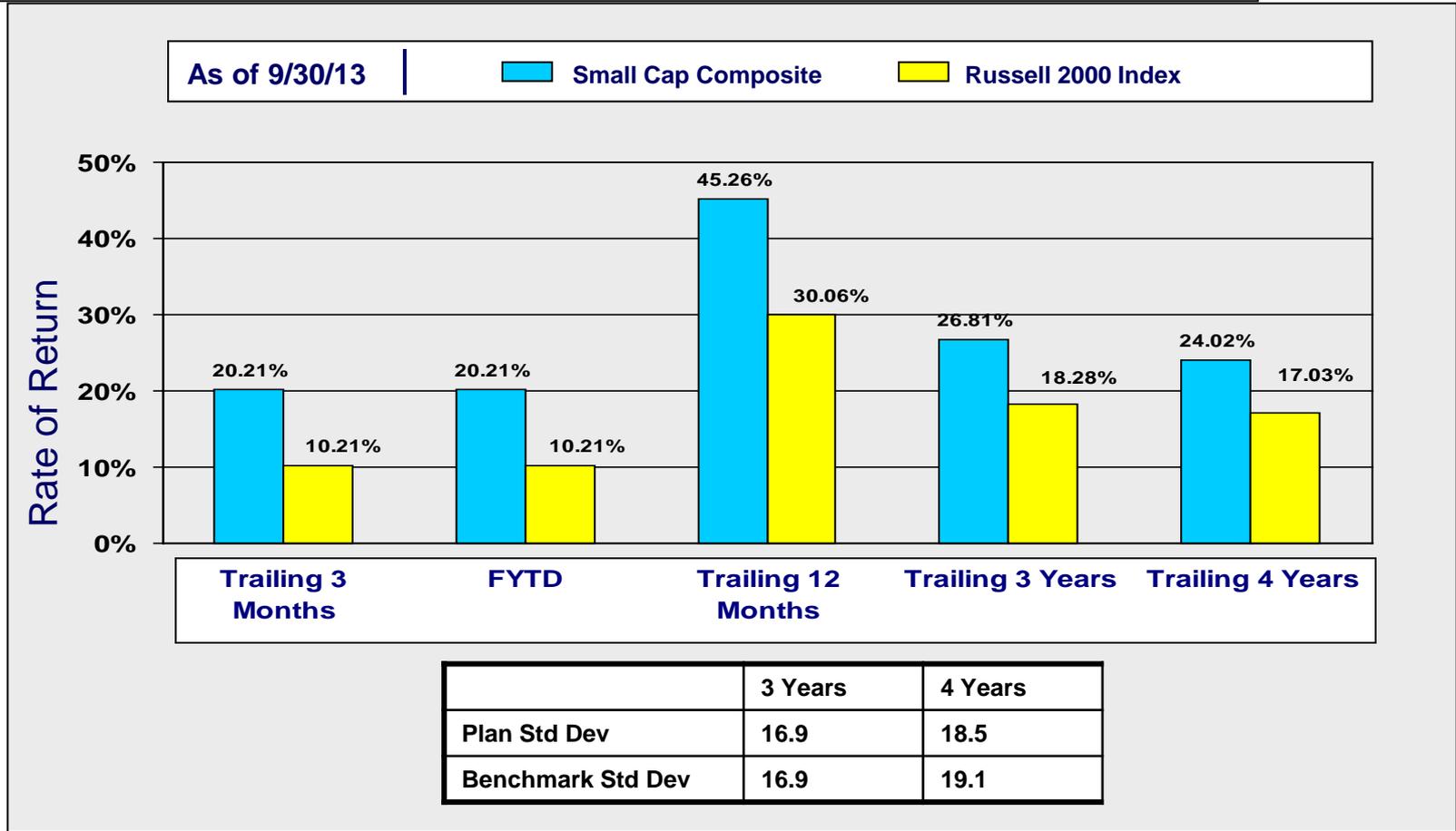


Value Added by Sectors

Sub Sector	Policy Weight	Actual Weight	Under/Over Weight	Index Return	Actual Return	Difference	Contribution to Out/Under Performance	
							Allocation	Management
Russell 3000 Index Fund	40.00	40.33	0.33	6.35	6.42	0.08	0.00	0.06
Russell 1000 Index Fund	39.39	38.39	-1.00	6.02	7.16	1.14	N/A	N/A
Russell 2000 Index Fund	3.42	3.42	0.00	10.21	6.42	-3.79	N/A	N/A
Emerging Managers	1.30	1.53	0.23	10.21	10.75	0.54	0.01	0.01
Small Cap Active	0.84	1.26	0.42	10.21	20.21	10.00	0.01	0.09
Mid Cap S&P 400 Index Fund	12.90	12.99	0.09	7.70	7.49	-0.21	0.00	-0.03
Russell 1000 Active	1.62	1.78	0.16	6.02	7.16	1.14	0.00	0.02
US Activist/Environmental	0.53	0.32	-0.21	10.21	7.92	-2.29	-0.01	0.00

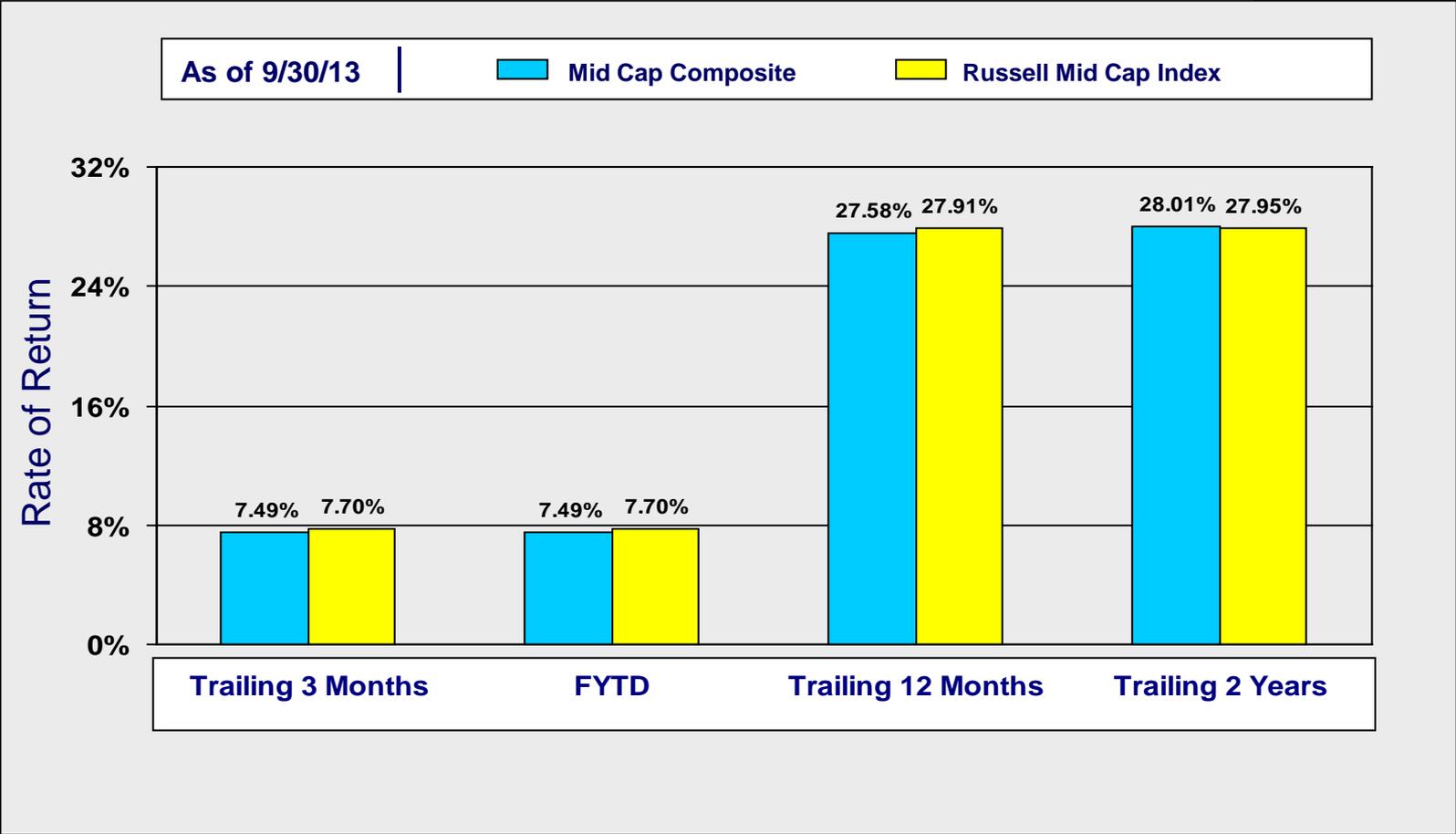
Small Cap Returns vs Russell 2000 Index

\$274.6M Under Management, **1%** of Total Funds



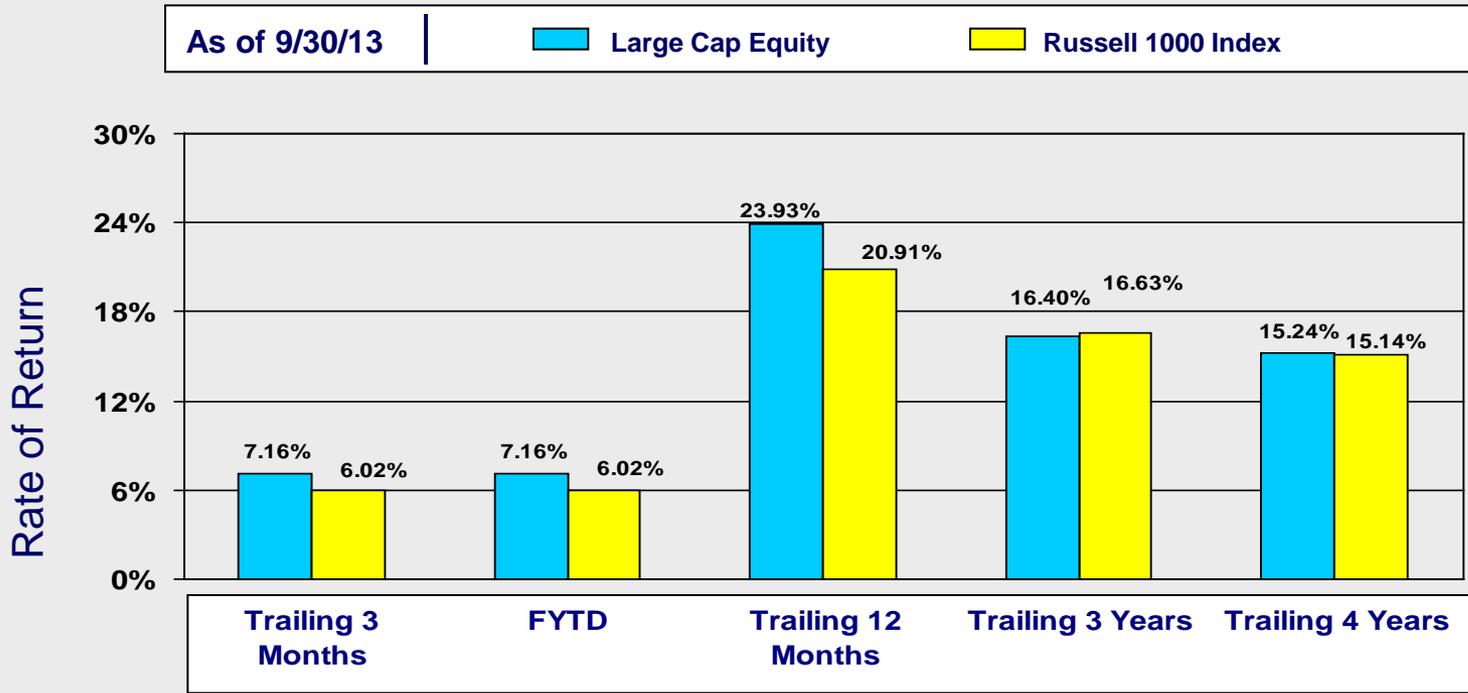
Mid Cap Returns vs Russell Mid Cap Index

\$2.8B Under Management, **5%** of Total Funds



Large Cap Returns vs Russell 1000 Index

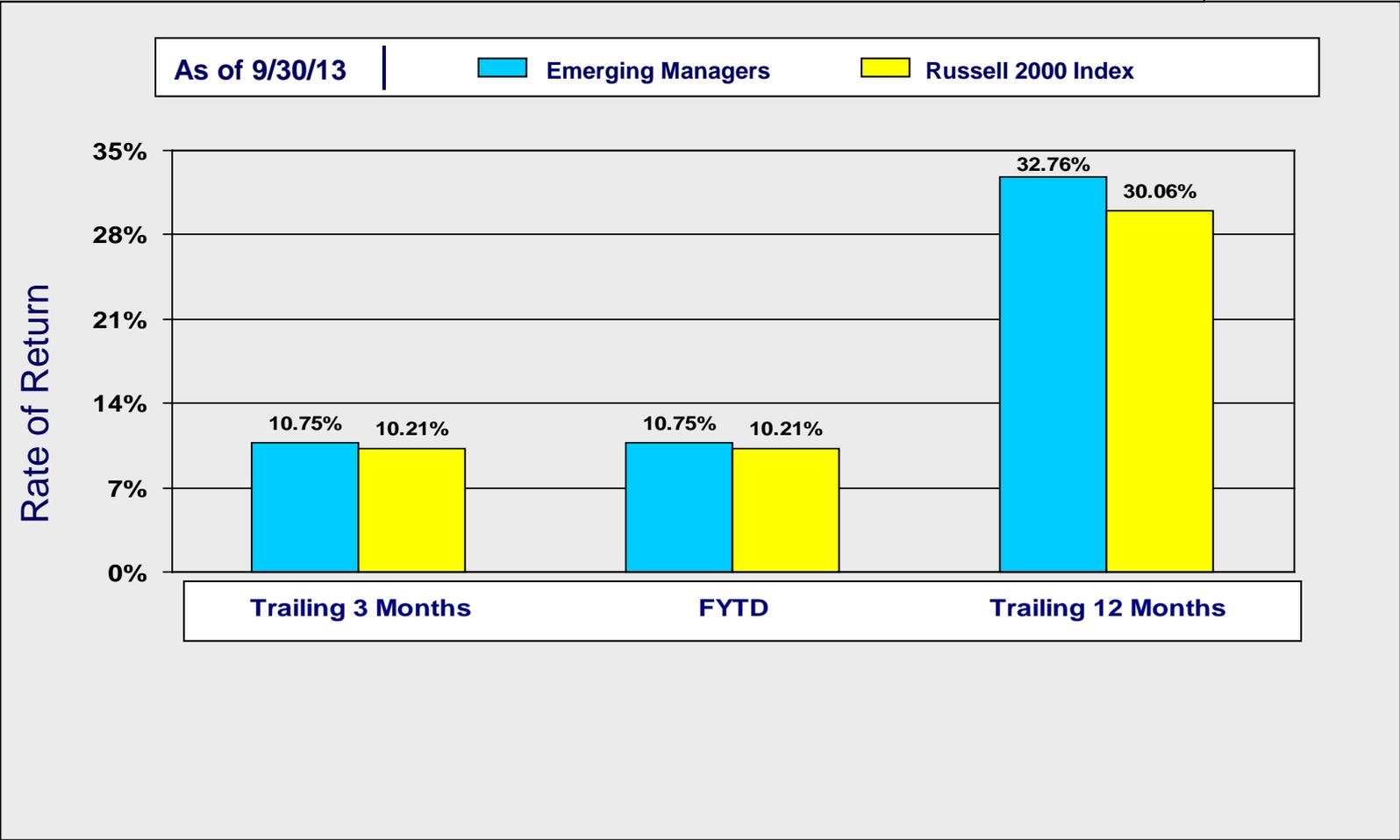
\$388.4M Under Management, **1%** of Total Funds



	3 Years	4 Years
Plan Std Dev	13.0	14.4
Benchmark Std Dev	12.6	14.3

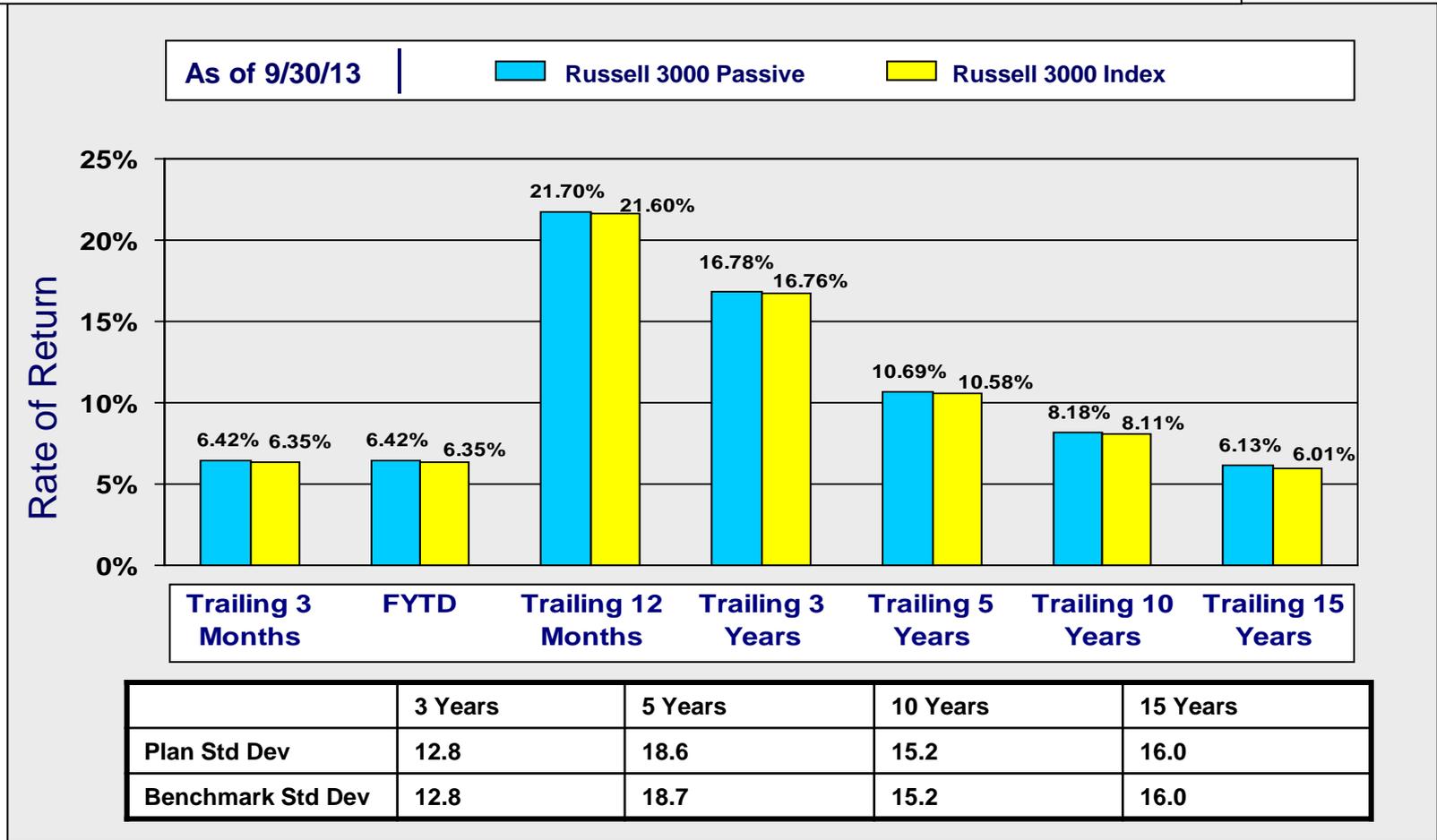
Emerging Managers Returns vs Russell 2000 Index

\$333.6M Under Management, **1%** of Total Funds



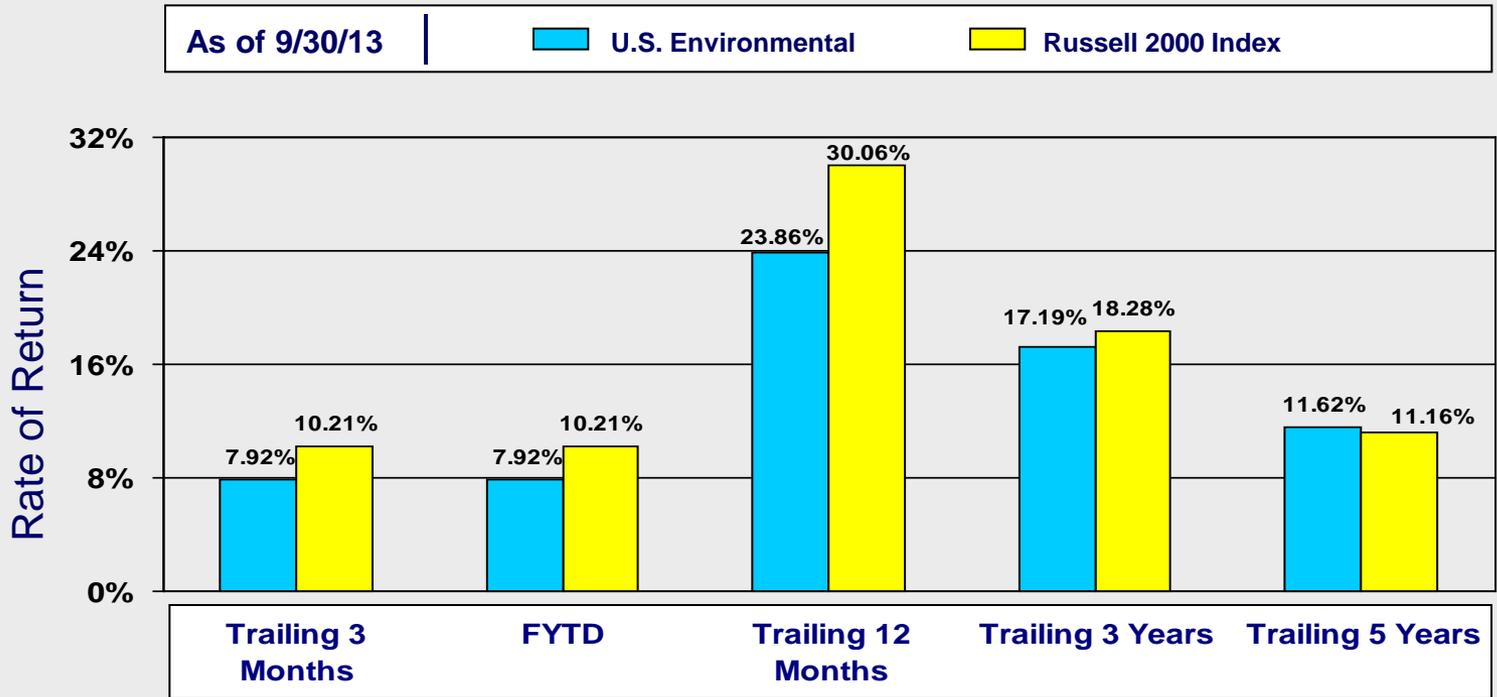
Russell 3000 Passive Returns vs Russell 3000 Index

\$8.8B Under Management, **17%** of Total Funds



U.S. Environmental Returns vs Russell 2000 Index

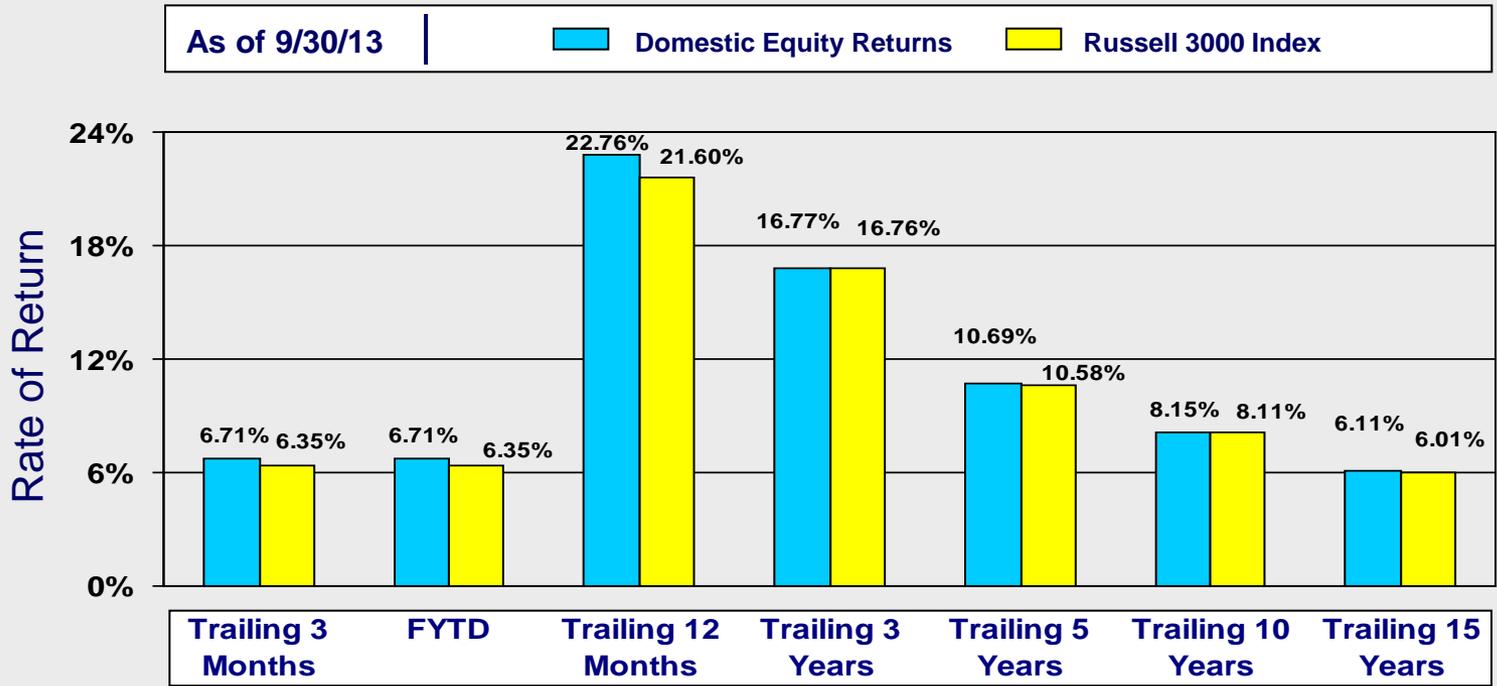
\$69.6M Under Management, **0%** of Total Funds



	3 Years	5 Years
Plan Std Dev	15.1	21.8
Benchmark Std Dev	16.9	23.8

Total Domestic Equity Returns vs Russell 3000 Index

\$21.9B Under Management, **42%** of Total Funds

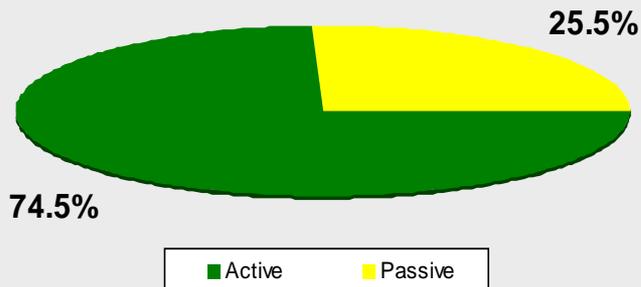


	3 Years	5 Years	10 Years	15 Years
Plan Std Dev	13.1	18.8	15.3	16.0
Benchmark Std Dev	12.8	18.7	15.2	16.0

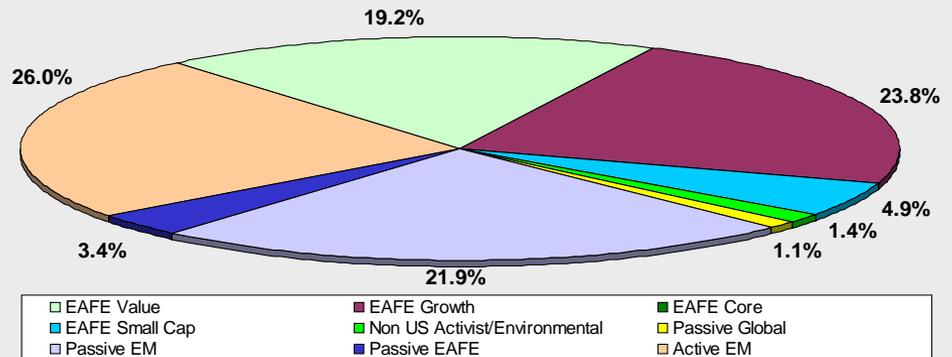
International Equity Asset Allocation: September 30, 2013

\$9.4B Under Management, **18%** of Total Funds

Asset Allocation by Groups



Asset Allocation by Style

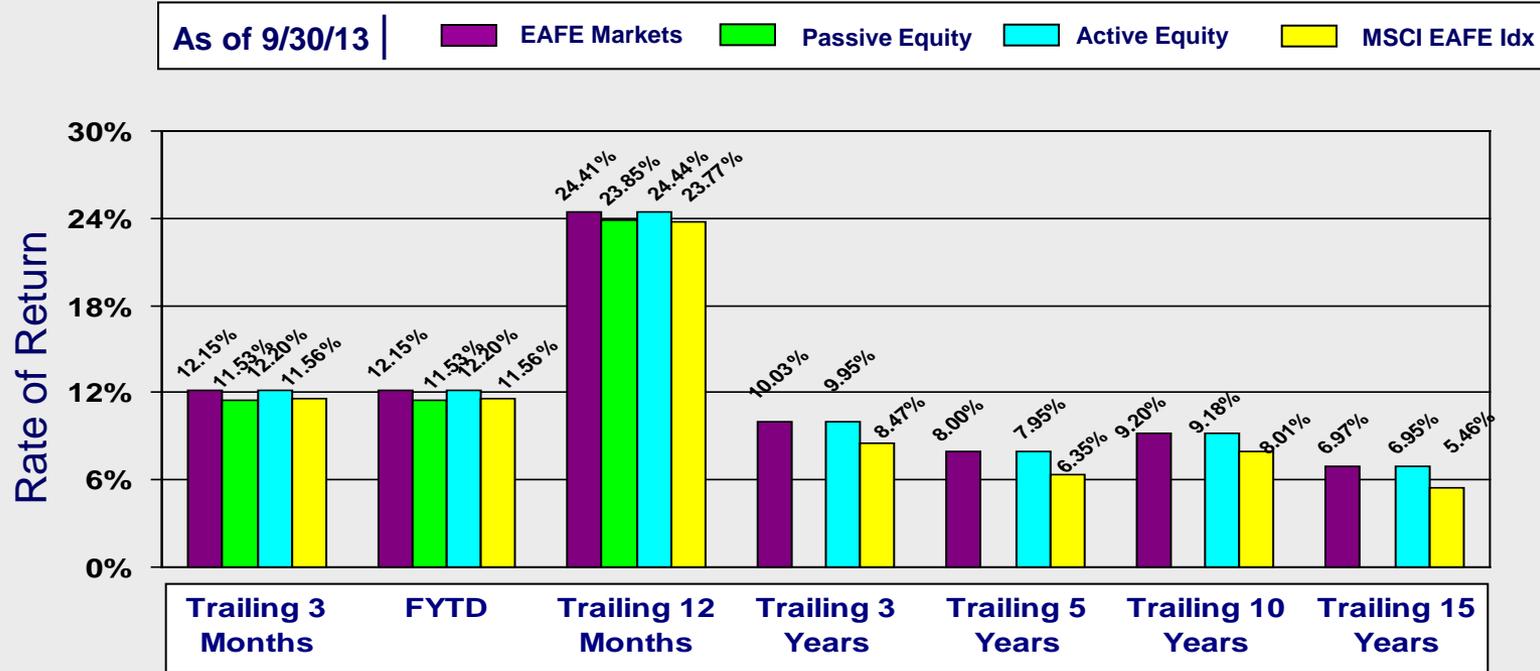


Value Added by Sectors

Sub Sector	Policy Weight	Actual Weight	Under/Over Weight	Index Return	Actual Return	Difference	Contribution to Out/Under Performance	
							Allocation	Management
EAFE Value		0.19		12.69	11.01	-1.68		-0.54
EAFE Growth		0.24		10.53	12.78	2.25		1.23
EAFE Core		0.00		11.56	2.81	-8.75		0.00
EAFE Small Cap		0.05		14.96	14.15	-0.80		-0.07
Non-US Activist		0.01		16.56	17.10	0.54		0.01
Non-US Environmental		0.00		8.29	3.02	-5.28		0.00
Passive Global		0.01		8.29	8.20	-0.09		0.00
Passive EAFE		0.04		11.56	11.53	-0.03		0.00
Passive EM		0.21		3.97	3.28	-0.68		-0.30
Active EM		0.25		3.97	4.10	0.13		0.06

EAFE Markets Returns vs MSCI EAFE Index

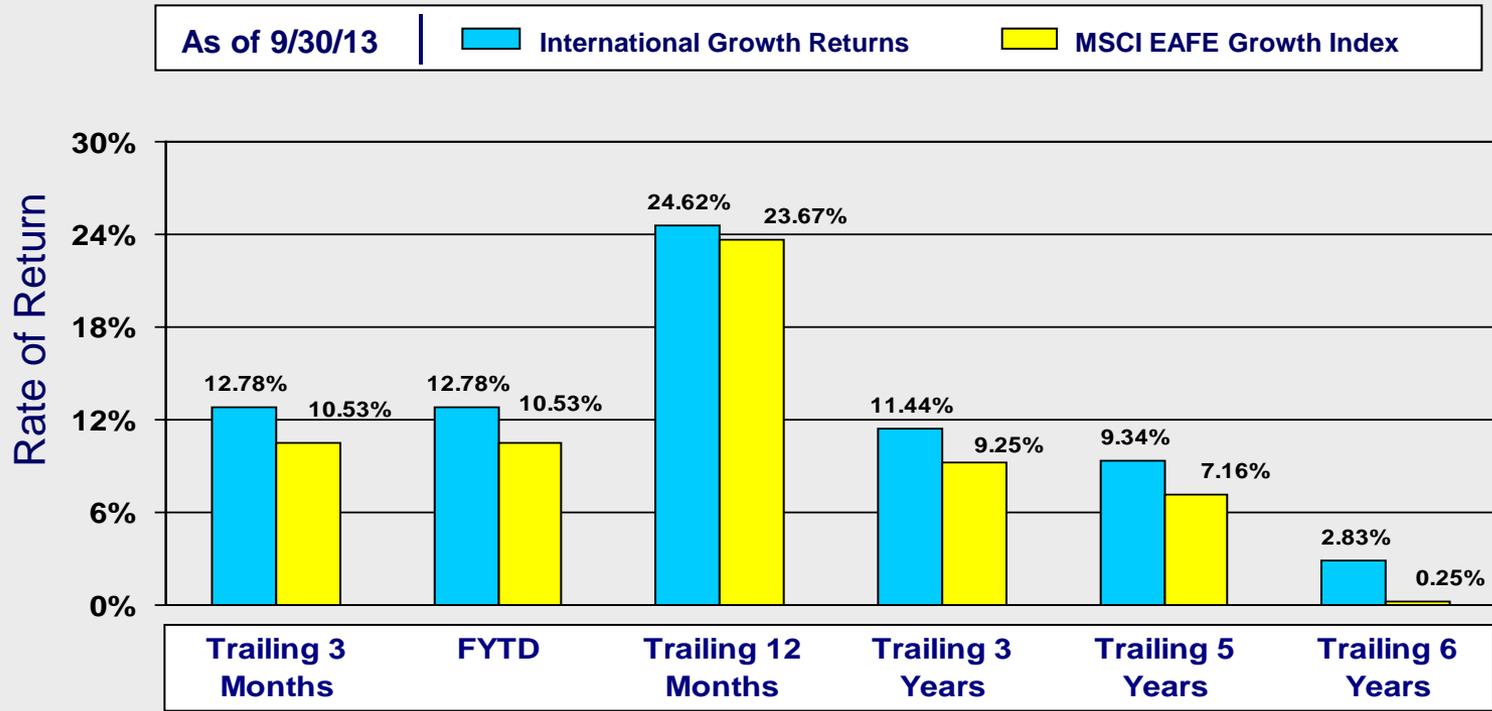
\$4.8B Under Management, **9%** of Total Funds



	3 Years	5 Years	10 Years	15 Years
EAFE Plan Std Dev	15.8	20.4	17.2	17.2
Active Plan Std Dev	15.7	20.3	17.2	17.1
Benchmark Std Dev	17.1	22.0	18.3	17.8

International Growth Returns vs MSCI EAFE Growth Index

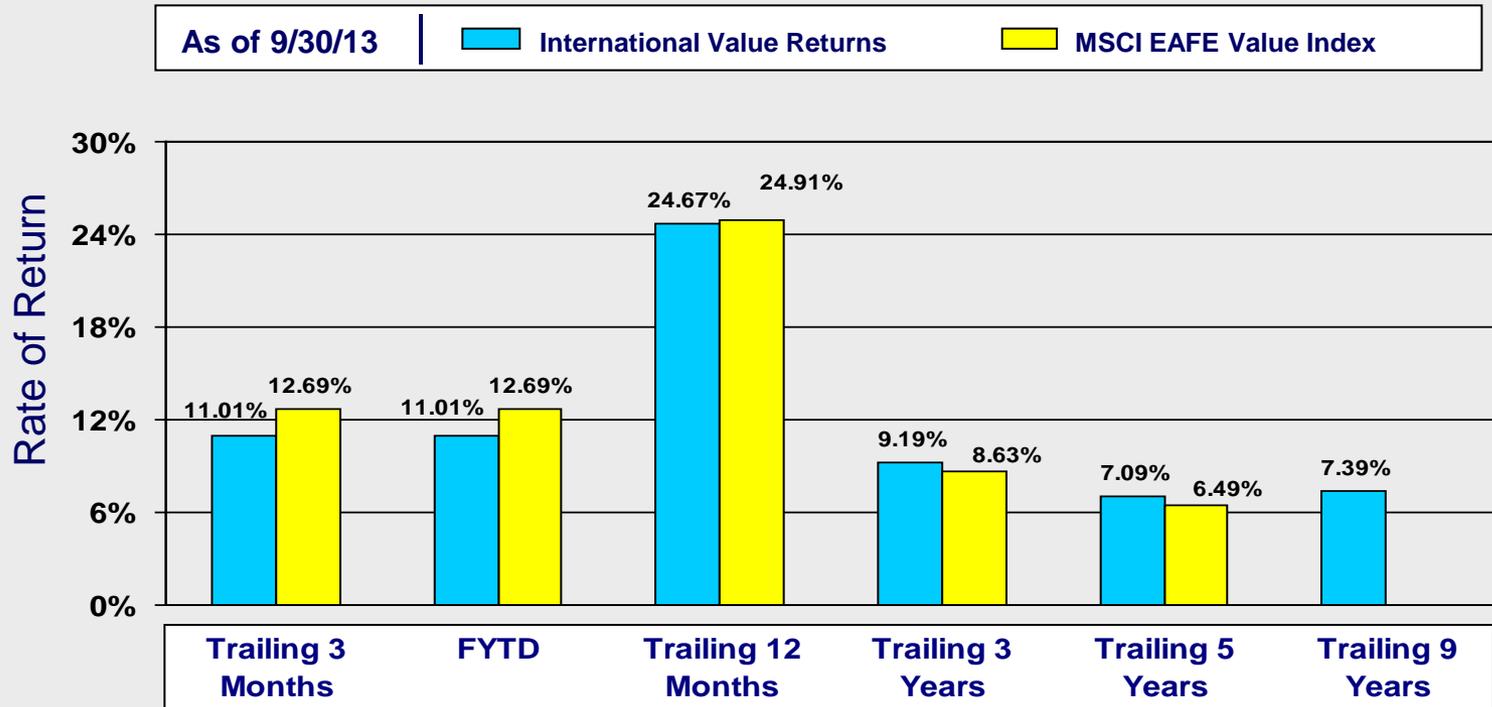
\$2.2B Under Management, **4%** of Total Funds



	3 Years	5 Years	6 Years
Plan Std Dev	15.8	20.2	20.4
Benchmark Std Dev	16.4	20.8	21.0

International Value Returns vs MSCI EAFE Value Index

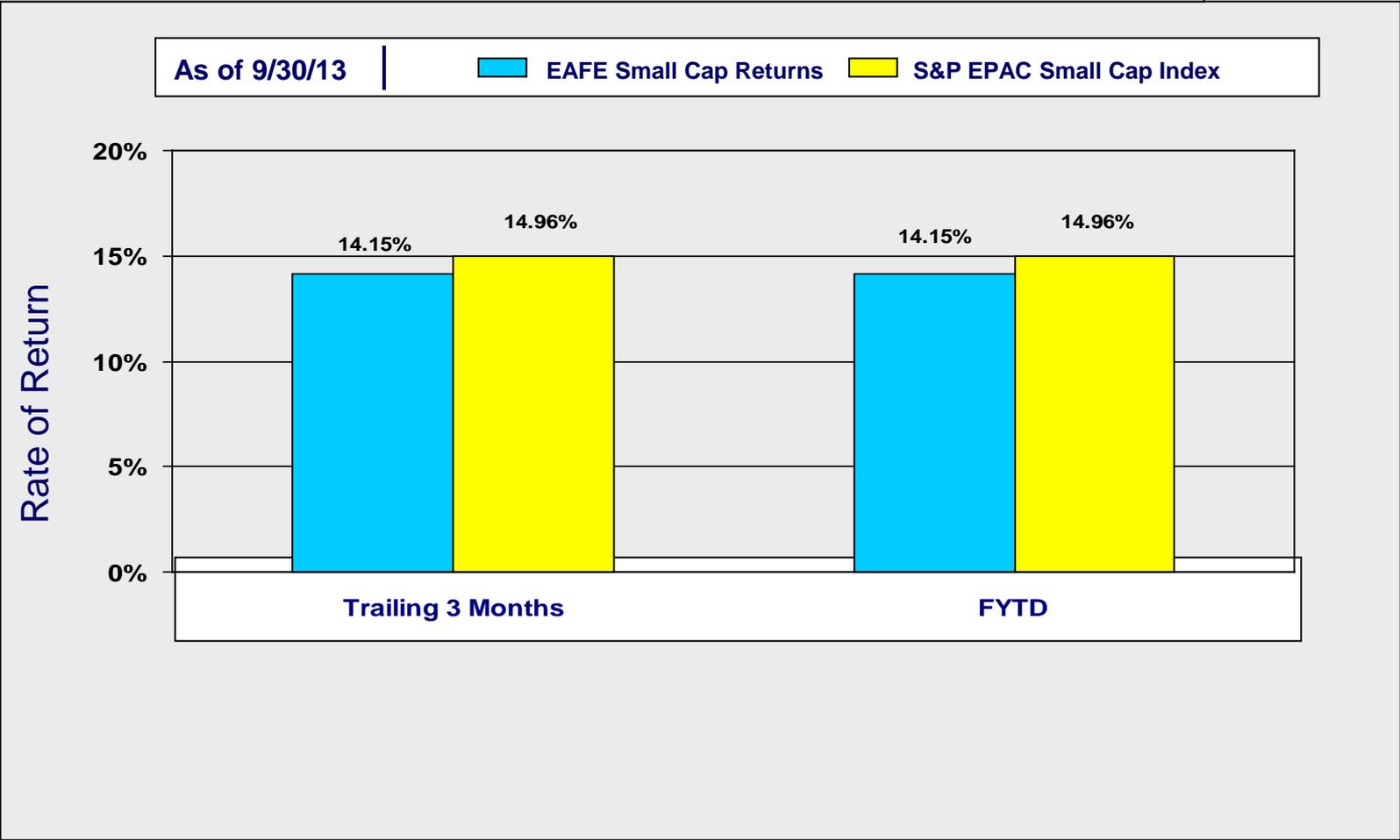
\$1.8B Under Management, **3%** of Total Funds



	3 Years	5 Years	9 Years
Plan Std Dev	15.0	20.2	17.5
Benchmark Std Dev	18.2	23.6	****

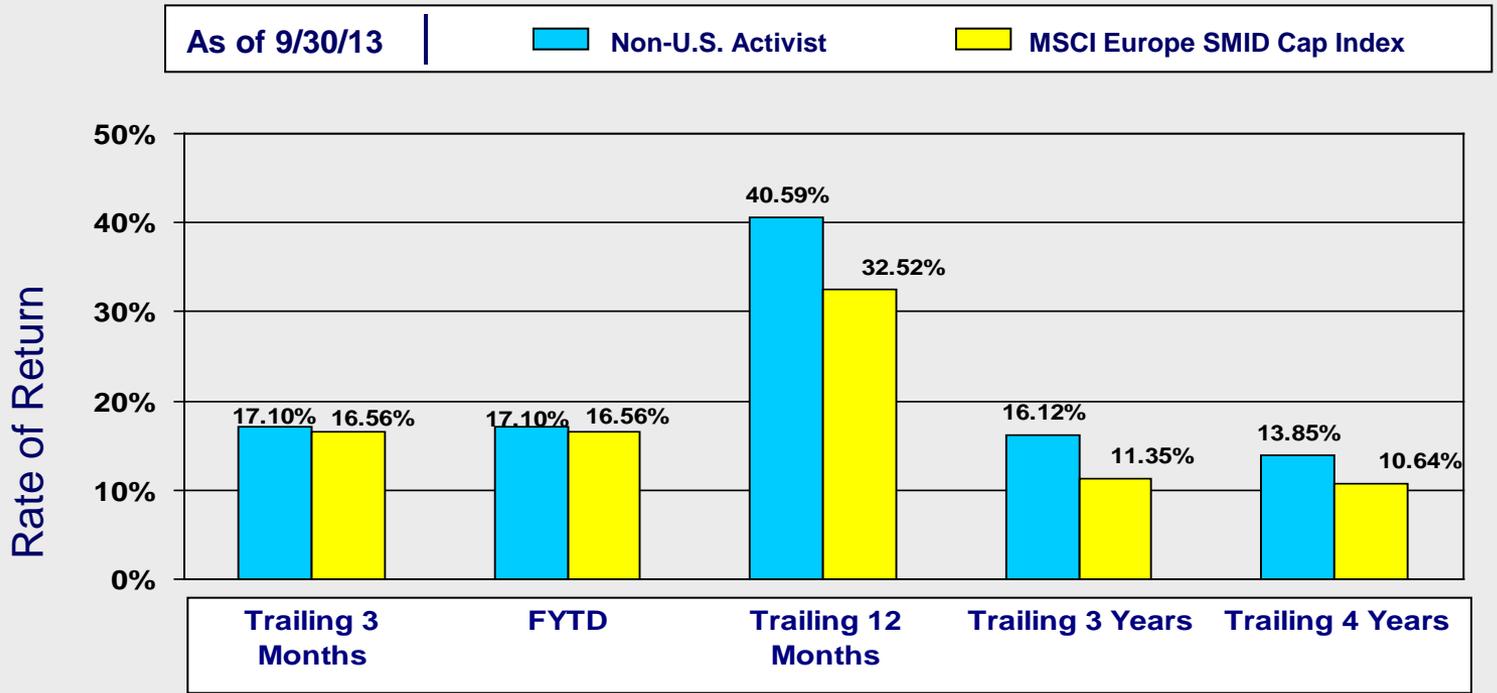
EAFE Small Cap versus S&P EPAC Small Cap

\$483M Under Management, **1%** of Total Funds



Non-U.S. Activist Returns vs MSCI Europe SMID Cap Index

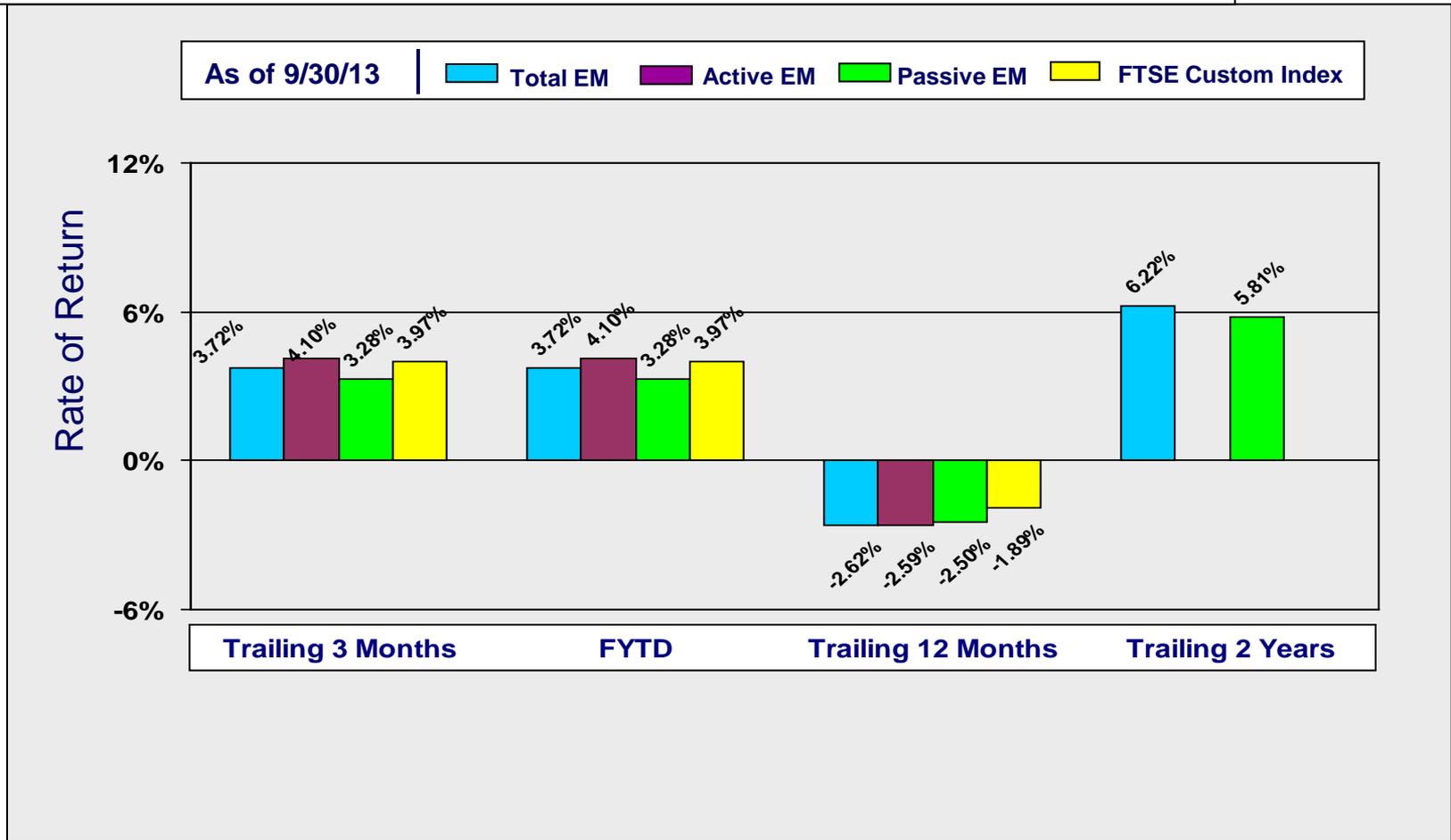
\$126.7M Under Management, **0%** of Total Funds



	3 Years	4 Years
Plan Std Dev	26.7	25.5
Benchmark Std Dev	20.5	21.6

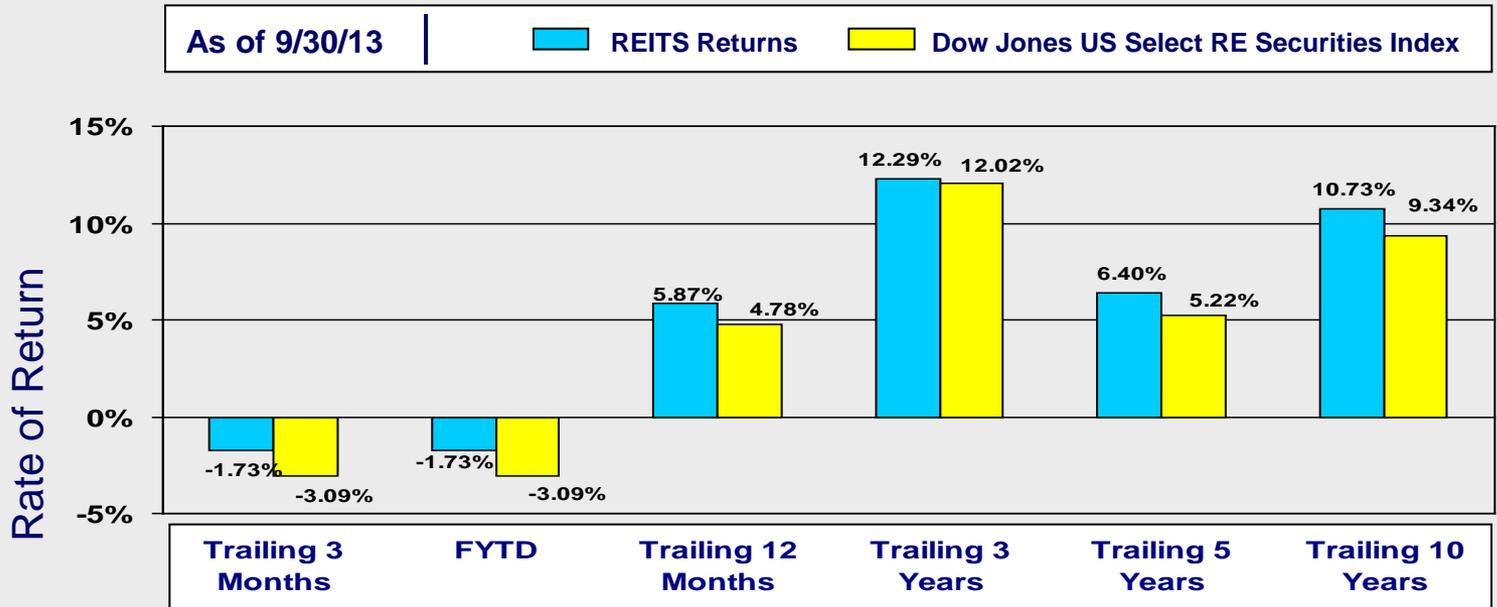
Emerging Markets Returns vs FTSE Custom Index

\$4.3B Under Management, **8%** of Total Funds



REITS Returns vs Dow Jones US Select Real Estate Securities Index

\$1.7B Under Management, **3%** of Total Funds



	3 Years	5 Years	10 Years
Plan Std Dev	16.2	32.3	25.9
Benchmark Std Dev	16.7	33.6	26.8

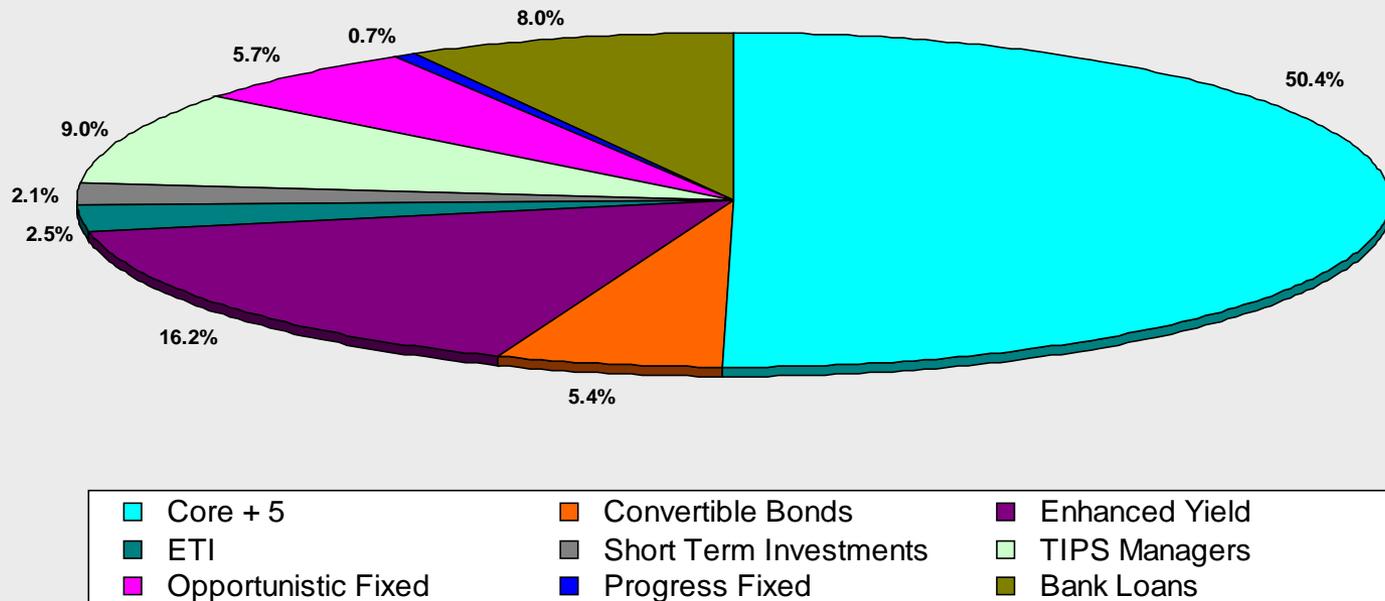
Teachers' Retirement System of the City of New York

Fixed Income Analysis

Total Fixed Income Asset Allocation: September 30, 2013

\$15.3B Under Management, **29%** of Total Funds

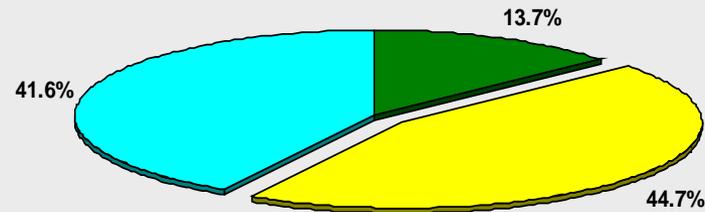
Asset Allocation by Groups



Structured Fixed Income Asset Allocation: Quarter Ending September 30, 2013

\$7.7B Under Management, **15%** of Total Funds

Asset Allocation by Groups



■ Treasury/Agency ■ Mortgage ■ Inv. Grade Credit

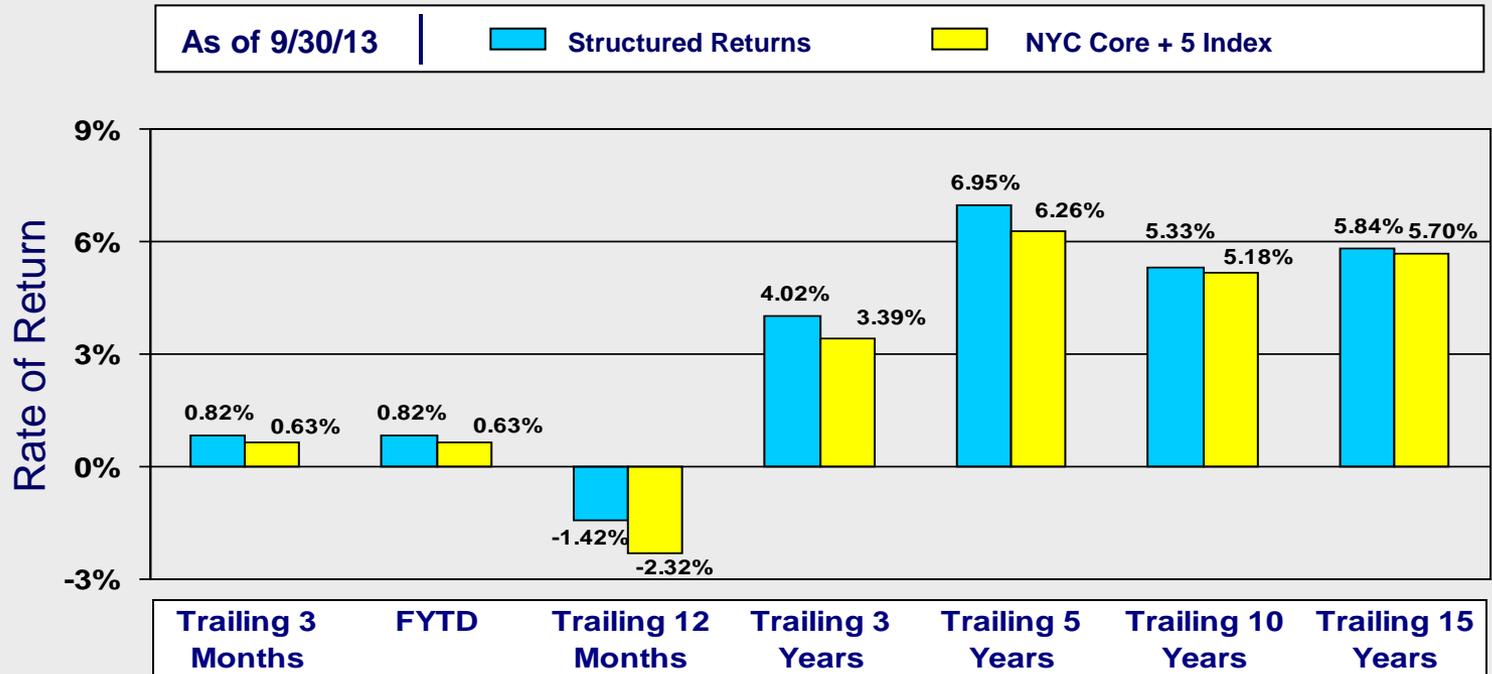
Value Added by Sectors

Sub Sector	Policy Weight	Actual Weight	Under/Over Weight	Index Return	Actual Return	Difference	Contribution to Out/Under Performance	
							Allocation	Management
Treasury/Agency	18.31	13.72	-4.59	-0.58	-0.47	0.11	0.06	0.02
Mortgage	39.68	44.70	5.02	1.06	1.11	0.05	0.02	0.02
Inv. Grade Credit	42.01	41.59	-0.42	0.76	0.93	0.17	0.00	0.07

*NYC Core +5 Breakdown

Structured Returns vs NYC Core + 5 Index

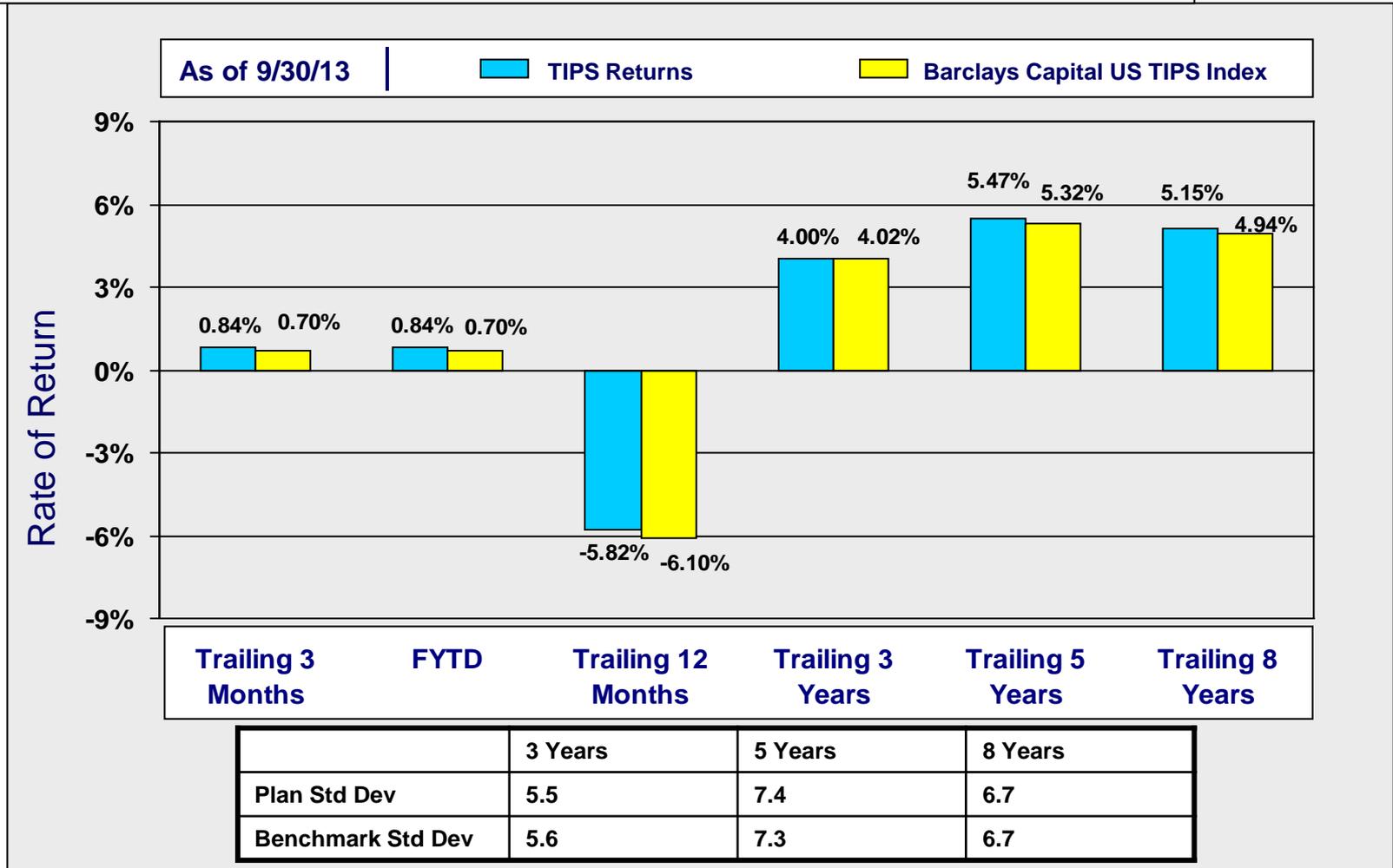
\$7.7B Under Management, **15%** of Total Funds



	3 Years	5 Years	10 Years	15 Years
Plan Std Dev	3.2	4.2	3.9	4.0
Benchmark Std Dev	3.4	4.6	4.1	4.1

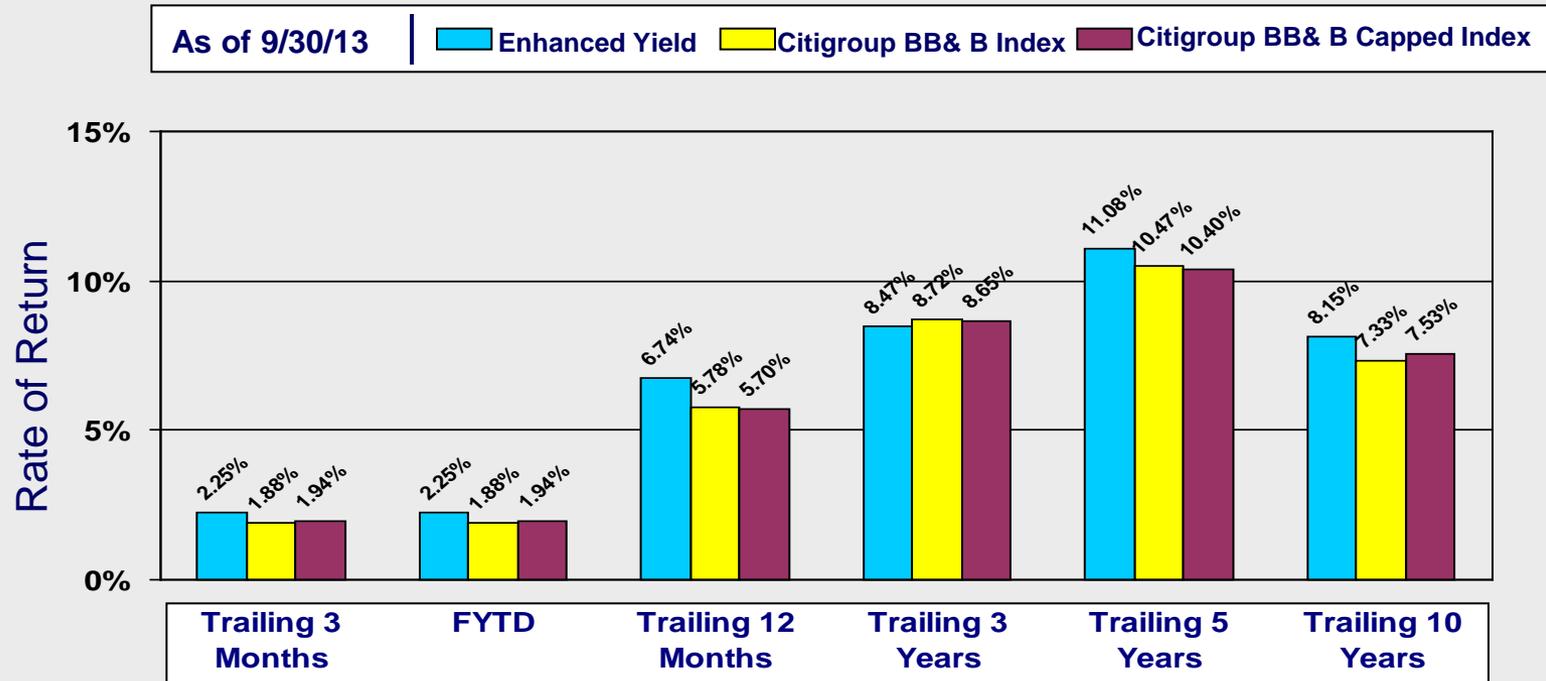
TIPS Returns vs Barclays Capital US TIPS Index

\$1.4B Under Management, **3%** of Total Funds



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

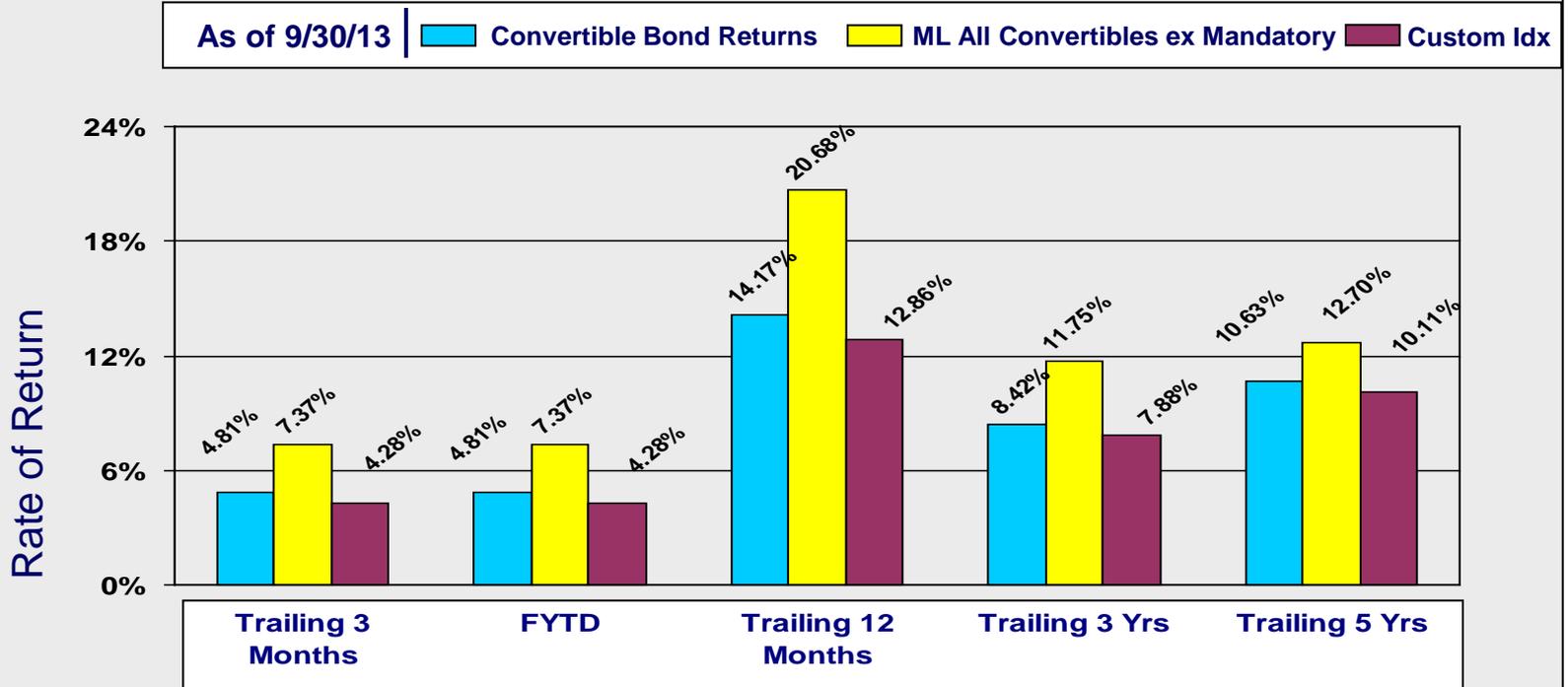
\$2.5B Under Management, **5%** of Total Funds



	3 Years	5 Years	10 Years
Plan Std Dev	9.1	11.2	9.1
Citigroup BB&B	5.8	11.0	9.2
Citigroup BB&B Capped	5.7	10.9	9.0

Convertible Bond Returns vs Benchmarks

\$823.5M Under Management, **2%** of Total Funds



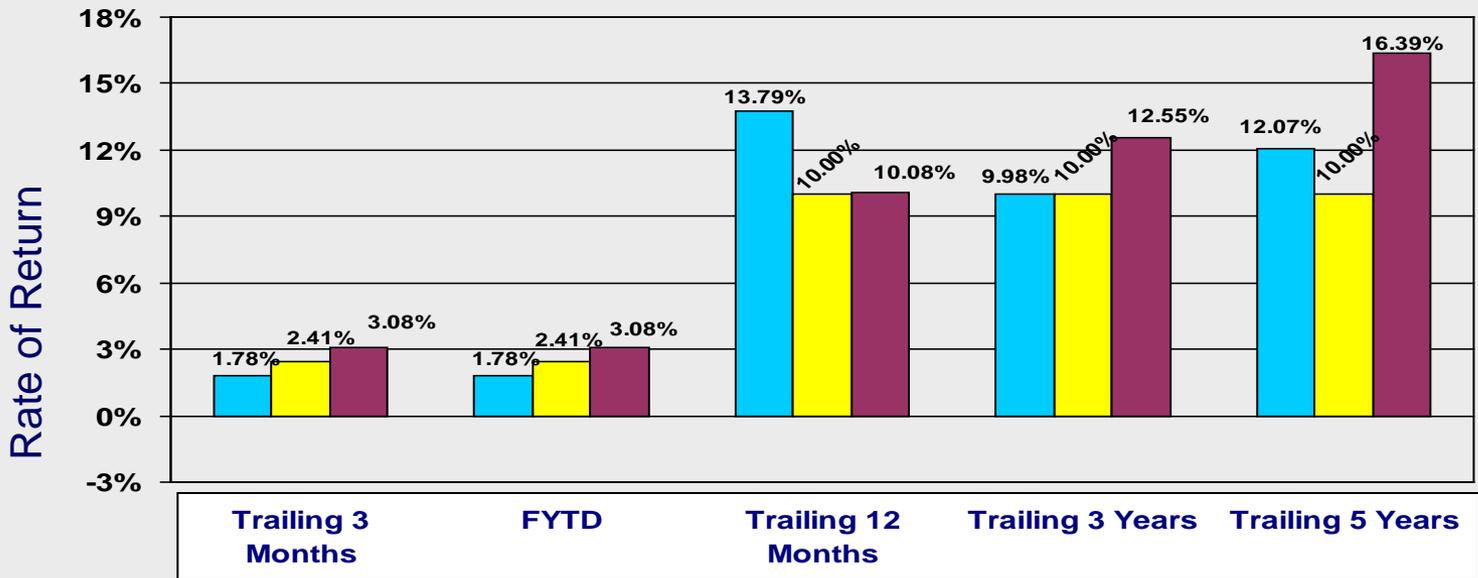
	3 Years	5 Years
Plan Std Dev	7.9	10.6
BofA All Convertibles	9.1	13.8
Custom Index	6.5	10.1

Opportunistic Fixed Income Returns vs Benchmarks

\$874.1M Under Management, **2%** of Total Funds

As of 9/30/13

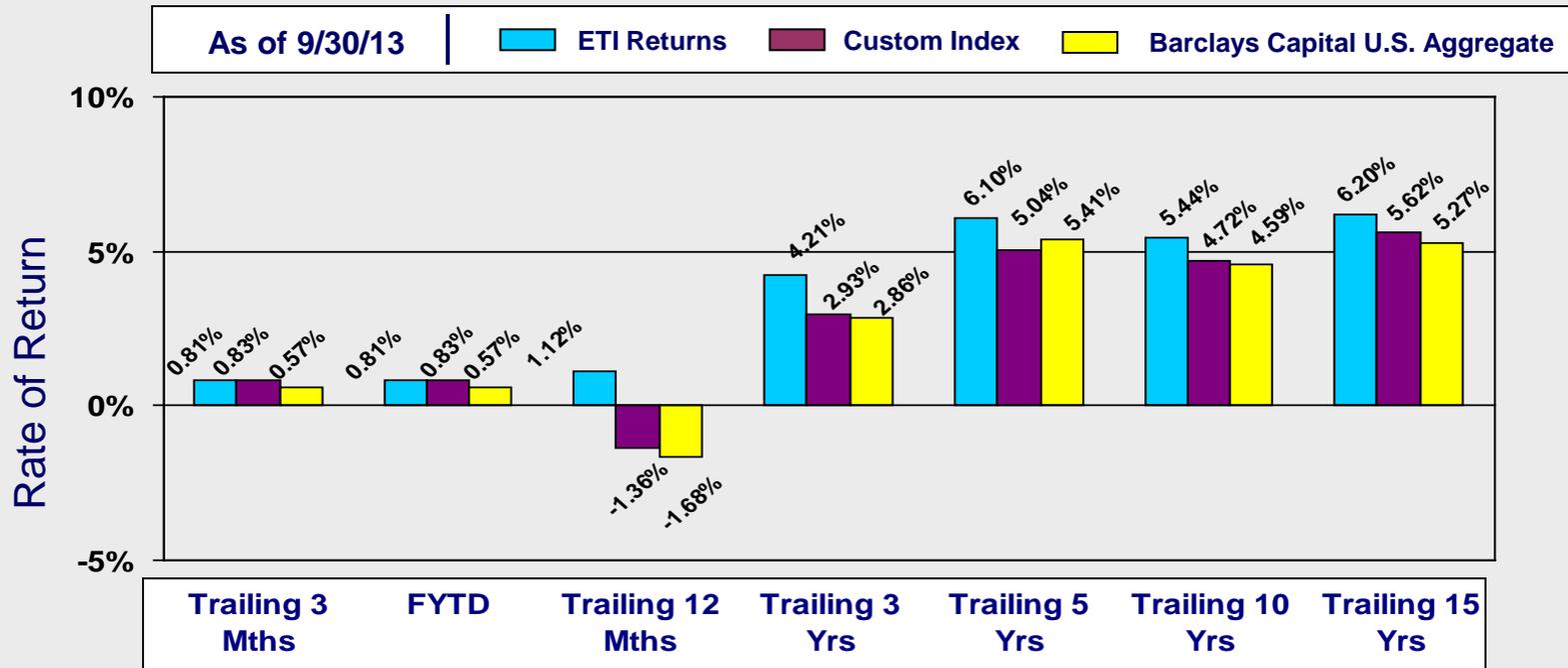
Opportunistic Fixed 10% Annual Return JPM High Yield + 3%



	3 Years	5 Years
Plan Std Dev	6.6	12.2
JPM High Yield + 3% Std Dev	6.5	12.4

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

\$391M Under Management, **0.75%** of Total Funds



	3 Years	5 Years	10 Years	15 Years
Plan Std Dev	1.7	2.4	2.6	3.7
Custom Index Std Dev	2.4	3.0	3.0	2.9
Barclays Capital US Agg. Std Dev	2.8	3.6	3.4	3.5

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

Teachers' Retirement System of the City of New York

Appendix

Consolidated Performance Report

Through September 30, 2013

Assets (\$MM)	% Total		3 Mos Jul-13 Sep-13	YTD Jan-13 Sep-13	1 Yr Oct-12 Sep-13	3 Yrs Oct-10 Sep-13	5 Yrs Oct-08 Sep-13	10 Yrs Oct-03 Sep-13	15 Yrs Oct-98 Sep-13
		EQUITY MANAGEMENT							
274.60	0.53	BROWN AM	20.21	41.44	45.26	26.81	****	****	****
274.60	0.53	TOTAL SMALL CAP GROWTH ACTIVE	20.21	41.44	45.26	26.81	****	****	****
		RUSSELL 2000 GROWTH	12.80	32.47	33.07	19.95	****	****	****
274.60	0.53	TOTAL SMALL CAP ACTIVE	20.21	41.44	45.26	26.81	****	****	****
		RUSSELL 2000	10.21	27.69	30.06	18.28	****	****	****
383.88	0.74	BLACKROCK R2000 GROWTH MTA	****	****	****	****	****	****	****
		TOTAL SMALL CAP GROWTH PASSIVE	****	****	****	****	****	****	****
		RUSSELL 2000 GROWTH	****	****	****	****	****	****	****
363.70	0.70	BLACKROCK R2000 VALUE MTA	****	****	****	****	****	****	****
		TOTAL SMALL CAP VALUE PASSIVE	****	****	****	****	****	****	****
		RUSSELL 2000 VALUE	****	****	****	****	****	****	****
747.57	1.44	TOTAL SMALL CAP PASSIVE	****	****	****	****	****	****	****
1,022.17	1.97	TOTAL SMALL CAP	18.22	39.09	42.85	26.10	****	****	****
		RUSSELL 2000	10.21	27.69	30.06	18.28	****	****	****
2,840.44	5.48	STATE STREET GA S&P 400	7.49	23.15	27.58	****	****	****	****
2,840.44	5.48	TOTAL MID CAP PASSIVE	7.49	23.15	27.58	****	****	****	****
		S&P MIDCAP 400	7.54	23.23	27.68	****	****	****	****
2,840.44	5.48	TOTAL MID CAP	7.49	23.15	27.58	****	****	****	****
		RUSSELL MID CAP	7.70	24.34	27.91	****	****	****	****
4,266.06	8.23	BLACKROCK R1000 GROWTH MTA	****	****	****	****	****	****	****

Consolidated Performance Report

Through September 30, 2013

Assets (\$MM)	% Total		3 Mos Jul-13 Sep-13	YTD Jan-13 Sep-13	1 Yr Oct-12 Sep-13	3 Yrs Oct-10 Sep-13	5 Yrs Oct-08 Sep-13	10 Yrs Oct-03 Sep-13	15 Yrs Oct-98 Sep-13
4,266.06	8.23	LARGE CAP GROWTH PASSIVE	****	****	****	****	****	****	****
4,131.02	7.97	BLACKROCK R1000 VALUE MTA	****	****	****	****	****	****	****
		LARGE CAP VALUE PASSIVE	****	****	****	****	****	****	****
		RUSSELL 1000 VALUE	****	****	****	****	****	****	****
192.47	0.37	PROFIT INV MGMT	8.17	22.41	23.04	17.20	****	****	****
192.47	0.37	TOTAL LARGE CAP GROWTH	8.17	22.41	23.04	17.20	****	****	****
		RUSSELL 1000 GROWTH	8.11	20.87	19.27	16.93	****	****	****
195.92	0.38	SEIZERT CAPITAL PTNRS	6.18	22.94	24.81	15.64	****	****	****
195.92	0.38	TOTAL LARGE CAP CORE	6.18	21.70	21.79	14.84	****	****	****
		RUSSELL 1000	6.02	20.76	20.91	16.63	****	****	****
8,785.48	16.95	TOTAL LARGE CAP	7.04	22.05	22.32	15.51	****	****	****
		RUSSELL 1000	6.02	20.76	20.91	16.63	****	****	****
16.92	0.03	BLACKROCK RUSSELL 3000	****	****	****	****	****	****	****
8,802.50	16.98	STATE STREET RUSSELL 3000	6.32	21.32	21.64	16.83	****	****	****
8,819.41	17.01	TOTAL RUSSELL 3000	6.42	21.39	21.70	16.78	10.69	8.18	6.13
		RUSSELL 3000	6.35	21.30	21.60	16.76	10.58	8.11	6.01
		ATTUCKS							
11.16	0.02	APEX CAPITAL - SCG	7.97	28.19	29.51	23.45	17.85	****	****
10.62	0.02	GW CAPITAL -SCC	6.85	22.50	29.77	18.56	****	****	****
10.09	0.02	LOMBARDIA - SCV	8.52	28.90	31.60	19.23	12.30	****	****
11.32	0.02	PARADIGM - SCC	8.36	26.67	28.70	18.47	11.51	****	****
9.46	0.02	PHOCAS - SCV	11.82	31.97	34.36	17.65	12.57	****	****
52.65	0.10	TOTAL ATTUCKS	8.60	27.46	30.63	19.47	12.21	****	****
		RUSSELL 2000	10.21	27.69	30.06	18.28	11.16	****	****

Consolidated Performance Report

Through September 30, 2013

Assets (\$MM)	% Total		3 Mos Jul-13 Sep-13	YTD Jan-13 Sep-13	1 Yr Oct-12 Sep-13	3 Yrs Oct-10 Sep-13	5 Yrs Oct-08 Sep-13	10 Yrs Oct-03 Sep-13	15 Yrs Oct-98 Sep-13
CAPITAL PROSPECTS									
5.02	0.01	AH LISANTI SCG	18.18	46.63	41.65	****	****	****	****
4.64	0.01	BERNZOTT CAP AD -SCV	7.64	20.99	30.79	****	****	****	****
5.16	0.01	CHANNING -SCV	12.45	28.37	39.69	****	****	****	****
4.39	0.01	CWC ADVISORS -SCC	10.57	26.11	27.75	****	****	****	****
1.89	0.00	HIGH POINTE -SC	11.39	25.62	29.25	****	****	****	****
5.11	0.01	HUBER -SCV	8.49	28.13	36.60	****	****	****	****
4.19	0.01	LOMBARDIA -SCV	8.52	28.91	31.62	****	****	****	****
4.47	0.01	PROFIT SCC	10.65	24.65	28.26	****	****	****	****
4.64	0.01	QUOTIENT SCC	9.70	30.62	30.68	****	****	****	****
4.76	0.01	STEPHENS SCG	15.38	37.13	33.65	****	****	****	****
4.70	0.01	SUMMIT CREEK SCG	13.84	33.88	29.56	****	****	****	****
48.96	0.09	TOTAL CAPITAL PROSPECTS	11.53	30.16	32.95	****	****	****	****
		RUSSELL 2000	10.21	27.69	30.06	****	****	****	****
PROGRESS									
18.60	0.04	APEX CAPITAL MGMT -SMID CG	11.09	26.88	30.30	****	****	****	****
12.30	0.02	CARDINAL SCV	9.86	25.35	30.65	****	****	****	****
18.20	0.04	HUBER SCV	8.47	28.41	36.87	****	****	****	****
17.31	0.03	MONARCH PARTNERS SCV	9.43	27.43	29.80	****	****	****	****
18.15	0.04	NICHOLS SC	11.57	31.27	30.11	****	****	****	****
14.08	0.03	OMT CAP MGMT -SMIDCG	11.00	37.84	36.64	****	****	****	****
13.06	0.03	PHOCAS SCV	11.76	32.05	34.47	****	****	****	****
111.70	0.22	TOTAL PROGRESS EQUITY	10.40	27.85	30.69	12.98	7.60	****	****
		RUSSELL 2000	10.21	27.69	30.06	18.28	11.16	****	****

Consolidated Performance Report

Through September 30, 2013

Assets (\$MM)	% Total		3 Mos Jul-13 Sep-13	YTD Jan-13 Sep-13	1 Yr Oct-12 Sep-13	3 Yrs Oct-10 Sep-13	5 Yrs Oct-08 Sep-13	10 Yrs Oct-03 Sep-13	15 Yrs Oct-98 Sep-13
		FIS FUND MGMT							
11.02	0.02	APEX SCG	11.09	26.87	30.29	****	****	****	****
27.26	0.05	CHANNING SCV	12.45	28.37	39.23	****	****	****	****
8.71	0.02	CUPPS SCG	14.54	46.59	39.68	****	****	****	****
5.44	0.01	EAM MICRO CAP GROWTH	15.63	44.60	45.05	****	****	****	****
12.65	0.02	HUBER SCV	8.38	28.03	36.39	****	****	****	****
15.28	0.03	NICHOLAS INV PTNRS -SCG	15.72	48.07	43.29	****	****	****	****
22.16	0.04	OPUS CAPITAL MGMT -SCV	7.61	21.69	26.91	****	****	****	****
17.78	0.03	PUNCH SCC	12.96	29.71	33.93	****	****	****	****
120.31	0.23	TOTAL F.I.S FUND MGMT	11.72	31.13	35.62	****	****	****	****
		RUSSELL 2000	10.21	27.69	30.06	****	****	****	****
333.61	0.64	TOTAL EMERGING MANAGERS	10.75	29.29	32.76	19.62	12.55	****	****
		RUSSELL 2000	10.21	27.69	30.06	18.28	11.16	****	****
		RUSSELL 3000	6.35	21.30	21.60	16.76	10.58	****	****
		OPPORTUNISTIC EQUITY STRATEGIES							
69.65	0.13	WALDEN ASSET MGMT	7.92	21.03	23.86	17.19	12.04	****	****
69.65	0.13	TOTAL U.S. ENVIRONMENTAL	7.92	21.03	23.86	17.19	11.62	****	****
		RUSSELL 2000	10.21	27.69	30.06	18.28	11.16	****	****
996.61	1.92	TOTAL ACTIVE	11.72	29.39	31.24	19.12	12.29	8.58	****
20,804.51	40.14	TOTAL PASSIVE	6.47	21.52	22.37	16.62	10.59	8.13	6.10
21,870.77	42.19	TOTAL DOMESTIC EQUITY	6.71	21.86	22.76	16.77	10.69	8.15	6.11

Consolidated Performance Report

Through September 30, 2013

Assets (\$MM)	% Total		3 Mos Jul-13 Sep-13	YTD Jan-13 Sep-13	1 Yr Oct-12 Sep-13	3 Yrs Oct-10 Sep-13	5 Yrs Oct-08 Sep-13	10 Yrs Oct-03 Sep-13	15 Yrs Oct-98 Sep-13
		INTERNATIONAL EQUITY							
		DEVELOPED MARKETS							
		GROWTH							
1,196.71	2.31	BAILLIE	16.26	21.63	30.14	12.67	11.29	****	****
1,034.21	2.00	WALTER SCOTT	9.01	12.22	18.79	10.99	10.65	****	****
0.06	0.00	CLOSED ACCOUNT	****	****	****	****	****	****	****
2,230.98	4.30	TOTAL INTL GROWTH	12.78	17.08	24.62	11.44	9.34	****	****
		MSCI EAFE GROWTH	10.53	16.90	23.67	9.25	7.16	****	****
		VALUE							
680.61	1.31	CAUSEWAY EAFE LARGE CAP MTA	12.66	****	****	****	****	****	****
1,116.28	2.15	SPRUCEGROVE (NEW)	10.03	14.48	21.68	10.48	9.66	****	****
0.13	0.00	CLOSED ACCOUNT	****	****	****	****	****	****	****
1,797.01	3.47	TOTAL INTL VALUE	11.01	17.81	24.67	9.19	7.09	****	****
		MSCI EAFE VALUE	12.69	16.26	24.91	8.63	6.49	****	****
		CORE							
1.30	0.00	CLOSED ACCOUNT	****	****	****	****	****	****	****
1.30	0.00	TOTAL INTL CORE	****	****	****	****	****	****	****
		MSCI EAFE (NET DIVIDEND)	****	****	****	****	****	****	****
240.62	0.46	ACADIAN EAFE SMALL CAP MTA	15.06	****	****	****	****	****	****
242.34	0.47	PYRAMIS EAFE SMALL CAP MTA	13.27	****	****	****	****	****	****
482.96	0.93	TOTAL EAFE SMALL CAP	14.15	****	****	****	****	****	****
		S&P EPAC SMALL CAP	14.96	****	****	****	****	****	****

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, 2013

Assets (\$MM)	% Total		3 Mos Jul-13 Sep-13	YTD Jan-13 Sep-13	1 Yr Oct-12 Sep-13	3 Yrs Oct-10 Sep-13	5 Yrs Oct-08 Sep-13	10 Yrs Oct-03 Sep-13	15 Yrs Oct-98 Sep-13
0.38	0.00	TRANSITION - EAFE REBALANCE	****	****	****	****	****	****	****
4,512.64	8.71	TOTAL ACTIVE DEVELOPED MARKETS	12.20	17.23	24.45	9.96	7.95	9.18	6.95
		MSCI EAFE (NET DIVIDEND)	11.56	16.14	23.77	8.47	6.35	8.01	5.46
332.17	0.64	SSGA	11.53	16.28	23.85	****	****	****	****
332.17	0.64	TOTAL PASSIVE-INTL EQUITY	11.53	16.28	23.85	****	****	****	****
0.05	0.00	CLOSED ACCOUNT	****	****	****	****	****	****	****
0.05	0.00	TOTAL NON-U.S. ENVIRONMENTAL	****	****	****	****	****	****	****
		MSCI WORLD INDEX	****	****	****	****	****	****	****
102.78	0.20	STATE STREET GLOBAL	8.20	****	****	****	****	****	****
102.78	0.20	TOTAL PASSIVE GLOBAL	8.20	****	****	****	****	****	****
		MSCI WORLD INDEX	8.29	****	****	****	****	****	****
126.68	0.24	GOVERNANCE FOR OWNERS	17.10	24.99	40.59	16.12	****	****	****
126.68	0.24	TOTAL NON-U.S. ACTIVIST	17.10	24.99	40.59	16.12	****	****	****
		MSCI EUROPE SMID CAP	16.56	22.95	32.52	11.35	****	****	****
126.73	0.24	TOTAL ENVIRONMENTAL-ACTIVIST	17.08	28.18	38.13	16.23	9.19	****	****
5,074.32	9.79	TOTAL DEVELOPED-ENV-ACTIVIST	12.19	17.41	24.78	10.20	8.03	****	****

Consolidated Performance Report

Through September 30, 2013

Assets (\$MM)	% Total		3 Mos Jul-13 Sep-13	YTD Jan-13 Sep-13	1 Yr Oct-12 Sep-13	3 Yrs Oct-10 Sep-13	5 Yrs Oct-08 Sep-13	10 Yrs Oct-03 Sep-13	15 Yrs Oct-98 Sep-13
		EMERGING MARKETS							
1,167.26	2.25	DFA EM	5.40	-6.70	-3.12	****	****	****	****
1,180.90	2.28	EATON VANCE	2.84	-5.94	-2.14	****	****	****	****
2,348.16	4.53	TOTAL ACTIVE EMERGING MARKETS	4.10	-6.31	-2.59	****	****	****	****
		FTSE CUSTOM BENCHMARK	3.97	-5.92	-1.89	****	****	****	****
1,962.30	3.79	BLACKROCK EM	3.28	-6.25	-2.50	****	****	****	****
1,962.30	3.79	TOTAL PASSIVE EMERGING MARKETS	3.28	-6.25	-2.50	****	****	****	****
		FTSE CUSTOM BENCHMARK	3.97	-5.92	-1.89	****	****	****	****
4,310.46	8.32	TOTAL EMERGING MARKETS	3.72	-6.36	-2.62	****	****	****	****
9,384.77	18.11	TOTAL INTERNATIONAL EQUITY	8.14	5.90	11.58	5.92	5.50	7.91	6.12
		REITS							
242.33	0.47	ADELANTE CAPITAL MANAGEMENT	-2.05	3.32	5.68	12.64	5.89	9.62	****
201.16	0.39	COHEN & STEERS - REITS	-2.25	4.11	6.36	****	****	****	****
285.86	0.55	EUROPEAN REIT MTA	2.27	2.23	8.97	****	****	****	****
		FTSE EPRA/NAREIT DEVELOPED INDEX USD	2.44	4.90	10.95	****	****	****	****
581.27	1.12	MS REIT MTA	-2.63	2.19	4.94	11.84	7.15	****	****
204.70	0.39	SECURITY CAPITAL	-3.22	2.68	4.63	11.51	5.25	****	****
200.87	0.39	URDANG -REITS	-2.13	3.70	5.86	****	****	****	****
1,716.18	3.31	TOTAL REITS	-1.73	2.81	5.87	12.29	6.40	10.73	****
		DJ US SELECT REAL ESTATE SEC. INDEX	-3.09	2.41	4.78	12.02	5.22	9.34	****

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PRIVATE EQUITY INVESTMENTS									
2.08	0.00	ACON EQUITY PRTNRS III	****	****	****	****	****	****	****
2.97	0.01	AISLING CAPITAL II	****	****	****	****	****	****	****
5.12	0.01	AISLING CAPITAL III	****	****	****	****	****	****	****
0.04	0.00	ALLEGRA CAPITAL PTNRS IV	****	****	****	****	****	****	****
27.08	0.05	AMERICAN SEC PTNRS VI	****	****	****	****	****	****	****
13.74	0.03	AMPERSAND 2006	****	****	****	****	****	****	****
15.52	0.03	AMPERSAND 2008	****	****	****	****	****	****	****
4.59	0.01	APOLLO INVESTMENT FD V	****	****	****	****	****	****	****
29.87	0.06	APOLLO INVESTMENT FD VI	****	****	****	****	****	****	****
40.54	0.08	APOLLO INVESTMENT FD VII	****	****	****	****	****	****	****
2.98	0.01	ARES CORP OPP	****	****	****	****	****	****	****
11.15	0.02	ARES CORP OPP FD II	****	****	****	****	****	****	****
41.78	0.08	ARES CORP OPP FD III	****	****	****	****	****	****	****
11.53	0.02	ARES CORP OPP FD IV	****	****	****	****	****	****	****
14.61	0.03	ARSENAL CAP PTNRS II	****	****	****	****	****	****	****
12.78	0.02	AURORA EQUITY CAPITAL PTNRS III	****	****	****	****	****	****	****
23.32	0.04	AVISTA CAPITAL PTNRS	****	****	****	****	****	****	****
47.77	0.09	AVISTA CAPITAL PTNRS II	****	****	****	****	****	****	****
87.99	0.17	AXA SECONDARY FD V	****	****	****	****	****	****	****
31.52	0.06	BC EUR CAP IX	****	****	****	****	****	****	****
2.54	0.00	BDCM OPPORTUNITY FD	****	****	****	****	****	****	****
35.54	0.07	BDCM OPPORTUNITY FD II	****	****	****	****	****	****	****
12.49	0.02	BLACKSTONE CAPITAL PTNRS IV	****	****	****	****	****	****	****
70.00	0.14	BLACKSTONE CAPITAL PTNRS V	****	****	****	****	****	****	****
15.99	0.03	BLACKSTONE CAPITAL PTNRS VI	****	****	****	****	****	****	****
4.84	0.01	BLACKSTONE MEZZ PTNRS II	****	****	****	****	****	****	****
16.65	0.03	BLUE WOLF CAPITAL FUND II	****	****	****	****	****	****	****
15.32	0.03	BRIDGEPOINT EUROPE III	****	****	****	****	****	****	****
24.78	0.05	BRIDGEPOINT EUROPE IV	****	****	****	****	****	****	****
2.14	0.00	CAPITAL PTNRS PE INC II	****	****	****	****	****	****	****

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0.05	0.00	CARLYLE PTNRS III	****	****	****	****	****	****	****
42.02	0.08	CARLYLE PTNRS V	****	****	****	****	****	****	****
17.95	0.03	CARPENTER COMMUNITY BANCFUND	****	****	****	****	****	****	****
41.61	0.08	CATTERTON PTNRS VI	****	****	****	****	****	****	****
19.39	0.04	CCMP CAPITAL INVESTORS II	****	****	****	****	****	****	****
13.96	0.03	CLAYTON, DUBLIER & RICE FUND VII	****	****	****	****	****	****	****
13.12	0.03	CLAYTON, DUBLIER & RICE FUND VIII	****	****	****	****	****	****	****
23.03	0.04	CELTIC PHARM HLDGS, LP	****	****	****	****	****	****	****
27.75	0.05	CO INVEST PTNRS EURO	****	****	****	****	****	****	****
7.88	0.02	COLLER INTERNATIONAL PTNRS IV	****	****	****	****	****	****	****
13.18	0.03	CONSTELLATION VENTURES III	****	****	****	****	****	****	****
6.59	0.01	CRATON EQUITY INVESTORS	****	****	****	****	****	****	****
6.25	0.01	CREDIT SUISSE CUST FD INV GR	****	****	****	****	****	****	****
31.33	0.06	CREDIT SUISSE EM DOM MGRS FD	****	****	****	****	****	****	****
3.88	0.01	CYPRESS MERCH BK PTNRS II	****	****	****	****	****	****	****
15.68	0.03	EQT VI	****	****	****	****	****	****	****
4.58	0.01	ERASMUS NYC GROWTH FD	****	****	****	****	****	****	****
36.64	0.07	FAIRVIEW EMERGING MGRS FD	****	****	****	****	****	****	****
18.40	0.04	FAIRVIEW VENTURES FD III	****	****	****	****	****	****	****
6.20	0.01	FDG CAPL PTNRS	****	****	****	****	****	****	****
12.42	0.02	FDG CAPL PTNRS II	****	****	****	****	****	****	****
24.49	0.05	FIRST RESERVE FD XI	****	****	****	****	****	****	****
21.00	0.04	FIRST RESERVE FD XII	****	****	****	****	****	****	****
39.01	0.08	FOURTH CINVEN FD	****	****	****	****	****	****	****
9.05	0.02	FS EQUITY PTNRS V	****	****	****	****	****	****	****
16.50	0.03	FT VENTURES FD III	****	****	****	****	****	****	****
12.28	0.02	GF CAPITAL	****	****	****	****	****	****	****
22.61	0.04	GI PTNRS FD II	****	****	****	****	****	****	****
26.29	0.05	GI PTNRS FD III	****	****	****	****	****	****	****
14.73	0.03	GREEN EQ INV VI	****	****	****	****	****	****	****
4.35	0.01	GSC RECOVERY III	****	****	****	****	****	****	****

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14.07	0.03	GSO CAPITAL OPPORTUNITIES FD	****	****	****	****	****	****	****
9.32	0.02	HALYARD CAPITAL II	****	****	****	****	****	****	****
1.99	0.00	ICV PTNRS III	****	****	****	****	****	****	****
1.63	0.00	INCLINE EQUITY PTNRS III	****	****	****	****	****	****	****
32.77	0.06	INTERMEDIA PARTNERS VII	****	****	****	****	****	****	****
28.39	0.05	JP MORGAN INVST MGMT	****	****	****	****	****	****	****
3.52	0.01	LANDMARK EQUITY PTNRS XI	****	****	****	****	****	****	****
28.74	0.06	LANDMARK EQUITY PTNRS XIV	****	****	****	****	****	****	****
11.87	0.02	LANDMARK FUND XIII	****	****	****	****	****	****	****
23.94	0.05	LEE EQUITY PARTNERS	****	****	****	****	****	****	****
7.38	0.01	LEEDS WELD EQUITY PTNRS IV	****	****	****	****	****	****	****
24.95	0.05	LEEDS WELD EQUITY PTNRS V	****	****	****	****	****	****	****
24.49	0.05	LEVINE LEICHTMAN CAP PTNRS IV	****	****	****	****	****	****	****
1.62	0.00	LINCOLNSHIRE EQ FD II	****	****	****	****	****	****	****
15.53	0.03	LINCOLNSHIRE EQ FD III	****	****	****	****	****	****	****
5.43	0.01	LINCOLNSHIRE EQ FD IV	****	****	****	****	****	****	****
14.15	0.03	MARKSTONE CAPITAL PTNRS	****	****	****	****	****	****	****
37.02	0.07	MIDOCEAN PTNRS III	****	****	****	****	****	****	****
13.05	0.03	MONTREUX EQ PTNRS IV	****	****	****	****	****	****	****
19.65	0.04	NAUTIC PARTNERS VI	****	****	****	****	****	****	****
1.42	0.00	NEW MOUNTAIN PTNRS	****	****	****	****	****	****	****
11.04	0.02	NEW MOUNTAIN PTNRS II	****	****	****	****	****	****	****
31.16	0.06	NEW MOUNTAIN PTNRS III	****	****	****	****	****	****	****
7.16	0.01	NEWSRING VENTURE II	****	****	****	****	****	****	****
7.93	0.02	NGN BIOMED OPPORTUNITY II	****	****	****	****	****	****	****
33.48	0.06	ONEX PTNRS III	****	****	****	****	****	****	****
7.10	0.01	PALADIN HOMELAND SECURITY	****	****	****	****	****	****	****
12.86	0.02	PALADIN HOMELAND SECURITY III	****	****	****	****	****	****	****
35.18	0.07	PALLADIUM EQ PTNRS III	****	****	****	****	****	****	****
30.47	0.06	PCGAM CLEAN ENERGY & TECH FD	****	****	****	****	****	****	****

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17.96	0.03	PEGASUS PTNRS IV	****	****	****	****	****	****	****
8.25	0.02	PEGASUS PTNRS V	****	****	****	****	****	****	****
5.55	0.01	PERSEUS PTNRS VII	****	****	****	****	****	****	****
17.55	0.03	PINE BROOK CAPITAL PTNRS	****	****	****	****	****	****	****
16.83	0.03	PLATINUM EQ CAP PTRNS III	****	****	****	****	****	****	****
8.20	0.02	PRISM VENTURE PTNRS V	****	****	****	****	****	****	****
20.98	0.04	PSILOS GROUP PTNRS III	****	****	****	****	****	****	****
15.07	0.03	QUADRANGLE CAP PTNRS II	****	****	****	****	****	****	****
7.17	0.01	QUAKER BIOVENTURES II	****	****	****	****	****	****	****
2.40	0.00	RELATIVITY FD	****	****	****	****	****	****	****
8.94	0.02	RIPPLEWOOD PTNRS II	****	****	****	****	****	****	****
23.82	0.05	RIVERSTONE/CARLYLE GLB EP IV	****	****	****	****	****	****	****
8.79	0.02	RLJ EQUITY PARTNERS I	****	****	****	****	****	****	****
9.16	0.02	RRE VENTURES III	****	****	****	****	****	****	****
29.93	0.06	RRE VENTURES IV	****	****	****	****	****	****	****
7.85	0.02	SCP PRIV EQ PTNRS II	****	****	****	****	****	****	****
11.59	0.02	SCP VITALIFE PTNRS II	****	****	****	****	****	****	****
10.42	0.02	SNOW PHIPPS & GUGGENHEIM	****	****	****	****	****	****	****
12.10	0.02	SOLERA PTNRS	****	****	****	****	****	****	****
12.54	0.02	STARVEST PTNRS II	****	****	****	****	****	****	****
1.25	0.00	TAILWIND CAPITAL PTNRS	****	****	****	****	****	****	****
17.99	0.03	TERRA FIRMA CAP III	****	****	****	****	****	****	****
7.88	0.02	THOMAS H LEE EQUITY FD VI	****	****	****	****	****	****	****
6.06	0.01	THOMAS MCNERNEY PTNRS	****	****	****	****	****	****	****
10.13	0.02	THOMAS MCNERNEY PTNRS II	****	****	****	****	****	****	****
21.61	0.04	TRIDENT V	****	****	****	****	****	****	****
6.22	0.01	TRILANTIC CAPITAL PTNRS	****	****	****	****	****	****	****
1.59	0.00	TRILANTIC CAPITAL PTNRS III	****	****	****	****	****	****	****
41.37	0.08	TRILANTIC CAPITAL PTNRS IV	****	****	****	****	****	****	****
30.76	0.06	US POWER FUND II	****	****	****	****	****	****	****
26.41	0.05	US POWER FUND III	****	****	****	****	****	****	****
24.24	0.05	VISTA EQUITY PTNRS III	****	****	****	****	****	****	****

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49.02	0.09	VISTA EQUITY PTNRS IV	****	****	****	****	****	****	****
12.80	0.02	VITRUVIAN PTNRS	****	****	****	****	****	****	****
5.71	0.01	VSS COMM PTNRS IV	****	****	****	****	****	****	****
24.69	0.05	WARBURG PINCUS XI	****	****	****	****	****	****	****
24.92	0.05	WELSH CARSON ANDERSON & STOWE XI	****	****	****	****	****	****	****
42.09	0.08	YUCAIPA AMERICAN ALLIANCE FD	****	****	****	****	****	****	****
99.26	0.19	YUCAIPA AMERICAN ALLIANCE FD II	****	****	****	****	****	****	****
20.52	0.04	YUCAIPA CORP INITIATIVE II	****	****	****	****	****	****	****
2,406.43	4.64	TOTAL PRIVATE EQUITY	****	****	****	****	****	****	****
		PRIVATE REAL ESTATE							
29.62	0.06	ALMANAC REALTY SEC VI LP	****	****	****	****	****	****	****
12.85	0.02	AMER VALUE PTNRS	****	****	****	****	****	****	****
4.59	0.01	APOLLO REAL ESTATE FD V	****	****	****	****	****	****	****
15.03	0.03	BLACKROCK CARBON III	****	****	****	****	****	****	****
44.53	0.09	BLACKSTONE REAL ESTATE PTNRS EU III	****	****	****	****	****	****	****
14.60	0.03	BLACKSTONE REAL ESTATE PTNRS IV	****	****	****	****	****	****	****
60.97	0.12	BLACKSTONE REAL ESTATE PTNRS VI	****	****	****	****	****	****	****
47.07	0.09	BROOKFIELD STRATEGIC RE PTNRS	****	****	****	****	****	****	****
0.01	0.00	CANYON-JOHNSON URBAN FD	****	****	****	****	****	****	****
14.34	0.03	CANYON-JOHNSON URBAN FD II	****	****	****	****	****	****	****
17.23	0.03	CANYON-JOHNSON URBAN FD III	****	****	****	****	****	****	****
28.41	0.05	CAPRI URBAN INVESTORS	****	****	****	****	****	****	****
9.32	0.02	CARLYLE R.P. FD V	****	****	****	****	****	****	****
33.44	0.06	CARLYLE REALTY FD VI	****	****	****	****	****	****	****
6.19	0.01	COLONY REALTY PTNRS II	****	****	****	****	****	****	****
4.51	0.01	EMMES ASSET MGMT CO	****	****	****	****	****	****	****
28.01	0.05	H/2 SPEC OPPORTUNITY FD II	****	****	****	****	****	****	****

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64.35	0.12	HEITMAN AMERICA	****	****	****	****	****	****	****
0.75	0.00	HUDSON SEPARATE ACCOUNT	****	****	****	****	****	****	****
118.40	0.23	JPM STRATEGIC PROPERTY FD	****	****	****	****	****	****	****
13.68	0.03	JPM SPECIAL SITUATIONS FD	****	****	****	****	****	****	****
9.59	0.02	KTR IND FD III	****	****	****	****	****	****	****
47.65	0.09	LASALLE US PROPERTY FD	****	****	****	****	****	****	****
5.65	0.01	METRO WORKFORCE HOUSING FD	****	****	****	****	****	****	****
2.56	0.00	OCM REAL ESTATE OPPORTUNITIES FD III-A	****	****	****	****	****	****	****
37.35	0.07	PRISA	****	****	****	****	****	****	****
63.52	0.12	PRISA II	****	****	****	****	****	****	****
8.61	0.02	PROLOGIS TARGETED US LOGISTICS FD	****	****	****	****	****	****	****
2.39	0.00	RFM NYC RS SANDY LLC	****	****	****	****	****	****	****
38.38	0.07	RREEF AMER. II	****	****	****	****	****	****	****
5.09	0.01	RREEF AMER. III	****	****	****	****	****	****	****
3.03	0.01	SILVERPEAK RE PTNRS III	****	****	****	****	****	****	****
22.82	0.04	STOCKBRIDGE RE FD III	****	****	****	****	****	****	****
20.48	0.04	TACONIC NY INV FD	****	****	****	****	****	****	****
52.64	0.10	THE CITY INVESTMENT FD	****	****	****	****	****	****	****
10.49	0.02	THOR URBAN PROPERTY FD II	****	****	****	****	****	****	****
67.64	0.13	TISHMAN SPEYER/CITIGROUP	****	****	****	****	****	****	****
132.81	0.26	UBS TRUMBULL PROPERTY FD	****	****	****	****	****	****	****
4.89	0.01	URBAN AMERICA II	****	****	****	****	****	****	****
46.57	0.09	WESTBROOK RE FD VIII	****	****	****	****	****	****	****
1,150.04	2.22	TOTAL PRIVATE REAL ESTATE	****	****	****	****	****	****	****
36,528.20	70.45	TOTAL EQUITY - PUBLIC & PRIVATE	6.40	15.07	17.75	13.34	8.43	****	****
		TEACHERS EQUITY POLICY BENCHMARK	6.19	16.14	18.55	13.74	9.07	8.21	6.12

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		FIXED INCOME MANAGEMENT							
		TREASURY/AGENCY							
302.84	0.58	BLACKROCK - GOVT	-0.32	-5.28	-5.51	3.42	****	****	****
411.95	0.79	PIMCO - GOVT	-0.52	-5.51	-5.63	3.29	6.43	5.85	****
341.15	0.66	STATE STREET - GOVT	-0.55	-5.85	-6.04	3.27	****	****	****
1,055.95	2.04	ALL TREASURY/AGENCY	-0.47	-5.55	-5.73	3.32	6.22	5.77	6.15
		NYC - TREASURY AGENCY PLUS FIVE	-0.58	-5.60	-5.85	3.36	5.98	5.63	5.99
		MORTGAGE							
1,117.26	2.15	BLACKROCK - MORT	1.20	-0.42	-0.28	3.97	6.27	5.20	****
11.33	0.02	BLACKROCK - SP PURPOSE-MTG	****	****	****	****	****	****	****
318.49	0.61	GOLDMAN SACHS - MORT	0.85	-1.33	-1.39	3.03	****	****	****
399.65	0.77	NEUBERGER BERMAN -MORT	1.12	-0.90	-1.24	2.90	****	****	****
1,114.09	2.15	PIMCO - MORT	0.97	-1.16	-1.42	2.99	5.29	5.10	5.79
160.94	0.31	SMITH BREEDEN - MORT	1.02	-0.37	-0.42	3.40	****	****	****
319.38	0.62	WELLINGTON - MORT	1.51	-1.05	-1.24	2.99	****	****	****
3,441.13	6.64	ALL MORTGAGE	1.11	-0.75	-0.82	3.46	5.61	4.92	5.56
		CITIGROUP MORTGAGE INDEX	1.06	-0.98	-1.20	2.70	4.68	4.81	5.39
		INVESTMENT GRADE CREDIT							
302.60	0.58	BARROW HANLEY - CREDIT	1.05	-2.00	-0.52	4.87	****	****	****
782.13	1.51	BLACKROCK - CREDIT	0.99	-1.89	-0.73	4.83	9.51	5.53	****
423.88	0.82	PRUDENTIAL - CREDIT	0.90	-2.09	-1.02	4.43	****	****	****
175.81	0.34	PRUDENTIAL - PRIVEST	1.54	0.13	0.39	****	****	****	****
755.25	1.46	TAPLIN, CANIDA - CREDIT	0.50	-2.31	-0.65	4.78	9.58	4.64	5.85
761.85	1.47	T. ROWE PRICE - CREDIT	1.13	-1.85	-0.32	5.16	9.68	6.01	5.99
3,201.52	6.17	ALL INVESTMENT GRADE CREDIT	0.93	-1.91	-0.56	4.87	9.71	5.46	5.83
		NYC - INVESTMENT GRADE CREDIT	0.76	-2.75	-1.68	4.12	8.65	5.10	5.74

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7,698.60	14.85	TOTAL STRUCTURED	0.82	-1.91	-1.42	4.02	6.95	5.33	5.84
		NYC - CORE PLUS FIVE	0.63	-2.60	-2.32	3.39	6.26	5.18	5.70
26.63	0.05	PIM AMBASSADOR MTA	0.23	-1.76	-1.37	****	****	****	****
21.87	0.04	PIM GIA MTA	0.87	-1.33	-0.34	****	****	****	****
10.64	0.02	PIM HILLSWICK MTA	0.30	-2.88	-2.76	****	****	****	****
26.96	0.05	PIM NEW CENTURY MTA	0.54	-1.62	-1.26	****	****	****	****
21.42	0.04	PIM PUGH CAP MTA	0.63	-1.88	-1.40	****	****	****	****
107.51	0.21	TOTAL PROGRESS FIXED	0.52	-1.77	-1.28	****	****	****	****
		BARCLAYS CAPITAL AGGREGATE	0.57	-1.89	-1.68	****	****	****	****
		TIPS MANAGERS							
		ACTIVE TIPS MANAGERS							
251.23	0.48	BLACKROCK-TIPS-MTA	0.75	-6.44	-5.80	3.90	5.52	****	****
773.71	1.49	PIMCO-TIPS-MTA	0.92	-6.45	-5.67	4.08	5.55	****	****
1,024.94	1.98	TOTAL ACTIVE TIPS MANAGERS	0.88	-6.45	-5.70	4.03	5.55	****	****
		PASSIVE TIPS MANAGERS							
342.55	0.66	STATE STREET-TIPS-MTA	0.74	-6.76	-6.17	3.92	5.26	****	****
342.55	0.66	TOTAL PASSIVE TIPS MANAGERS	0.74	-6.76	-6.17	3.92	5.26	****	****
1,367.49	2.64	TOTAL TIPS MANAGERS	0.84	-6.53	-5.82	4.00	5.47	****	****
		BARCLAYS CAPITAL US TIPS INDEX	0.70	-6.74	-6.10	4.02	5.32	****	****
		ENHANCED YIELD							
297.78	0.57	LOOMIS	2.53	4.38	7.91	****	****	****	****
489.34	0.94	NEUBERGER BERMAN	2.69	3.94	7.52	****	****	****	****
		BofA MERRILL LYNCH HY MASTER II	2.25	3.79	7.09	****	****	****	****

Consolidated Performance Report

Through September 30, 2013

Assets (\$MM)	% Total		3 Mos Jul-13 Sep-13	YTD Jan-13 Sep-13	1 Yr Oct-12 Sep-13	3 Yrs Oct-10 Sep-13	5 Yrs Oct-08 Sep-13	10 Yrs Oct-03 Sep-13	15 Yrs Oct-98 Sep-13
282.92	0.55	OAKTREE BofA ML HY MASTER II CONSTRAINED	1.64 2.25	**** ****	**** ****	**** ****	**** ****	**** ****	**** ****
427.36	0.82	STONE HARBOR INVESTMENT PARTNERS BofA ML-MST II 7-12/BB&B PRIOR	2.23 2.25	4.12 3.79	7.83 7.09	8.80 9.33	11.57 10.85	8.23 7.51	**** ****
128.67	0.25	FORT WASHINGTON	1.67	1.97	5.31	****	****	****	****
129.98	0.25	PENN	2.32	2.69	5.78	****	****	****	****
210.88	0.41	SHENKMAN	1.88	1.96	4.67	7.10	9.51	7.39	****
498.75	0.96	T. ROWE PRICE ENHANCED	2.27	3.52	6.61	8.41	11.43	8.32	****
2,465.72	4.76	ALL ENHANCED YIELD CITIGROUP BB & B CITIGROUP BB & B CAPPED ENHANCED YIELD MEDIAN	2.25 1.88 1.94 2.20	3.41 2.70 2.70 3.60	6.74 5.78 5.70 7.05	8.47 8.72 8.65 8.93	11.08 10.47 10.40 11.71	8.15 7.33 7.53 8.27	**** **** **** ****
		BANK LOANS							
306.08	0.59	BABSON BL MTA	1.33	3.92	****	****	****	****	****
304.72	0.59	CREDIT SUISSE BL MTA	1.08	****	****	****	****	****	****
308.00	0.59	GUGGENHEIM BL MTA	2.02	****	****	****	****	****	****
153.38	0.30	ING BL MTA	1.54	4.32	****	****	****	****	****
149.90	0.29	WELLS BL MTA	0.70	2.06	****	****	****	****	****
1,222.08	2.36	TOTAL BANK LOANS CREDIT SUISSE LEVERAGED LOAN INDEX	1.39 1.40	3.97 4.25	**** 5.83	**** 6.26	**** 7.36	**** 5.11	**** 4.92
		CONVERTIBLE BONDS							
357.95	0.69	ADVENT CONVERTIBLE BONDS BofA ML CONVERTIBLES YIELD ALT. INDEX	3.64 2.42	10.40 7.78	11.87 10.66	8.39 7.23	10.72 11.15	**** ****	**** ****
75.69	0.15	ADVENT GLOBAL BofA ML GLOBAL CONVERTIBLES IDX (VG00)	5.93 5.59	15.38 13.15	16.28 16.64	9.20 8.46	**** ****	**** ****	**** ****
138.01	0.27	F&C CONVERTIBLE BONDS UBS GLOBAL FOCUS CUSTOMISED	5.84 6.10	10.95 9.69	14.68 13.44	7.83 7.29	11.90 8.16	**** ****	**** ****

Consolidated Performance Report

Through September 30, 2013

Assets (\$MM)	% Total		3 Mos Jul-13 Sep-13	YTD Jan-13 Sep-13	1 Yr Oct-12 Sep-13	3 Yrs Oct-10 Sep-13	5 Yrs Oct-08 Sep-13	10 Yrs Oct-03 Sep-13	15 Yrs Oct-98 Sep-13
251.85	0.49	VICTORY CONVERTIBLE BONDS	5.61	14.95	15.31	9.07	9.86	****	****
		BofA ML CONVERTIBLE BONDS INVST GRADE	6.55	15.71	16.44	9.29	9.23	****	****
823.50	1.59	TOTAL CONVERTIBLE BONDS	4.81	12.33	14.17	8.42	10.63	****	****
		ML ALL CONVERTIBLES EX MANDATORY	7.37	17.86	20.68	11.75	12.70	****	****
		TEACHERS CUSTOM CONVERTIBLE BOND IDX	4.28	10.45	12.86	7.88	10.11	****	****
		OPPORTUNISTIC FIXED							
0.39	0.00	AVE EURO SPECIAL SITUATIONS FD	****	****	****	****	****	****	****
0.66	0.00	AVE SPECIAL SITUATIONS FD V	****	****	****	****	****	****	****
79.10	0.15	AVE SPECIAL SITUATIONS FD VI	0.00	9.15	14.98	****	****	****	****
48.73	0.09	FORTRESS PTNRS LP	3.48	18.08	19.25	****	****	****	****
6.59	0.01	LONE STAR FD VIII	****	****	****	****	****	****	****
14.86	0.03	OAKTREE OPP FD IX LP	0.00	****	****	****	****	****	****
34.15	0.07	TORCHLIGHT INVESTORS	-6.57	1.43	-0.59	6.64	****	****	****
184.50	0.36	TOTAL FUND STRATEGIES	-0.21	8.64	11.83	9.30	4.72	****	****
		10% ANNUAL RETURN	2.41	7.41	10.00	10.00	10.00	****	****
		JP MORGAN GLOBAL HIGH YIELD PLUS 3%	3.08	5.48	10.08	12.55	16.39	****	****
140.32	0.27	ANGELO GORDON PTNRS LP	3.87	20.80	20.81	****	****	****	****
96.25	0.19	APOLLO PTNRSH LP	-6.33	2.80	2.80	****	****	****	****
18.00	0.03	CONTRARIAN C A LLC	****	****	****	****	****	****	****
125.94	0.24	GOLDENTREE OD MTA	3.08	7.33	12.08	****	****	****	****
191.39	0.37	MARATHON OD	4.22	17.28	17.82	****	****	****	****
117.70	0.23	OAK HILL PTNRS LP	4.38	12.42	11.10	****	****	****	****
689.60	1.33	TOTAL STRATEGIC MANDATES	2.32	12.75	14.31	****	****	****	****
		10% ANNUAL RETURN	2.41	7.41	10.00	****	****	****	****
		JP MORGAN GLOBAL HIGH YIELD PLUS 3%	3.08	5.48	10.08	****	****	****	****
874.10	1.69	TOTAL OPPORTUNISTIC FIXED	1.78	11.80	13.79	9.98	12.07	****	****
		10% ANNUAL RETURN	2.41	7.41	10.00	10.00	10.00	****	****
		JP MORGAN GLOBAL HIGH YIELD PLUS 3%	3.08	5.48	10.08	12.55	16.39	****	****

Consolidated Performance Report

Through September 30, 2013

Assets (\$MM)	% Total		3 Mos Jul-13 Sep-13	YTD Jan-13 Sep-13	1 Yr Oct-12 Sep-13	3 Yrs Oct-10 Sep-13	5 Yrs Oct-08 Sep-13	10 Yrs Oct-03 Sep-13	15 Yrs Oct-98 Sep-13
		ETI							
57.75	0.11	ACCESS/RBC	0.68	-1.46	-1.31	2.94	5.94	****	****
101.64	0.20	TARGETED INVESTMENT	2.08	5.99	8.77	7.98	8.68	8.04	7.97
9.70	0.02	CPC TERM LOAN	0.61	1.82	2.45	2.32	2.36	****	****
203.80	0.39	AFL - CIO HOUSING INV TRUST	0.15	-2.47	-2.36	2.65	5.10	4.55	****
2.13	0.00	CFSB-PPAR	1.86	3.71	6.37	5.66	7.88	****	****
5.37	0.01	CCD-PPAR	2.35	7.49	10.15	9.86	10.21	****	****
4.91	0.01	CPC-PPAR 2013	1.12	****	****	****	****	****	****
2.89	0.01	LIIF-PPAR	2.15	6.48	8.90	6.33	****	****	****
0.55	0.00	LIIF-PPAR 2013	****	****	****	****	****	****	****
1.39	0.00	NCBCI-PPAR	2.04	6.94	9.55	8.64	****	****	****
0.23	0.00	NCBCI PPAR 2013	****	****	****	****	****	****	****
0.60	0.00	NHS-PPAR	2.52	7.61	10.48	7.96	9.57	****	****
390.97	0.75	TOTAL ETI (WITH CASH)	0.84	0.25	1.12	4.17	6.04	5.41	6.15
		TEACHERS CUSTOM BENCHMARK (NO CASH)	0.83	-1.42	-1.36	2.93	5.04	4.72	5.62
		BARCLAYS CAPITAL AGGREGATE	0.57	-1.89	-1.68	2.86	5.41	4.59	5.27
15,274.52	29.46	TOTAL FIXED INCOME	1.35	0.42	1.61	5.10	7.53	5.78	5.93
		TEACHERS FIXED POLICY BENCHMARK	1.50	1.12	2.26	5.93	7.92	5.97	6.12
44.49	0.09	SECURITIES LENDING	****	****	****	****	****	****	****
324.56	0.63	SHORT TERM INVESTMENTS	0.07	0.18	0.32	0.35	0.76	2.22	3.05
1.91	0.00	BNY-CD	****	****	****	****	****	****	****
51,849.12	100.00	TOTAL TEACHERS	4.86	10.20	12.34	10.61	8.39	7.59	6.31
		TEACHERS POLICY BENCHMARK	4.43	9.80	11.69	10.96	8.68	7.57	6.25

Note: All Targeted Returns are shown Net of Fees

Actual and Estimated Fees

NEW YORK CITY TEACHERS 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		16,866	3.53		17,896	3.61
Small Cap Active		181	94.91		191	100.00
	Small Cap Growth	181	94.91		191	100.00
	Small Cap Value	-	-		-	-
	Small Cap core	-	-		-	-
	Small Cap Fundamental Index	-	-		-	-
Small/Mid Cap Active		-	-		-	-
	Small/Mid Cap Growth	-	-		-	-
	Small/Mid Cap Value	-	-		-	-
Mid Cap Active		-	-		-	-
	Mid Cap Growth	-	-		-	-
	Mid Cap Value	-	-		-	-
	Mid Cap core	-	-		-	-
Large Cap Active		431	37.42		461	39.59
	Large Cap Growth	147	38.39		157	42.61
	Large Cap Value	-	-		-	-
	Large Cap Core	285	36.91		304	38.03
	Large Cap Fundamental Index	-	-		-	-
Active Emerging Managers (U.S.)		236	65.24		251	61.39
Total US Active Equities		848	57.41		902	58.43
Total US Passive Equities		15,963	0.55		16,937	0.52
Opportunistic US Equity Strategies		54	40.01		57	53.99
International Equities		7,144	22.15		7,233	24.10
Active EAFE Equities		3,321	40.10		3,297	29.72
	Growth	1,676	30.44		1,791	30.59
	Value	1,098	39.45		1,094	25.31
	Core	547	70.98		413	37.62
Opportunistic-Non US Equity Strategies		165	75.31		175	75.27
Active Emerging Markets		632	3.44		942	53.36
Total Int'l Active Equities		4,118	35.88		4,414	36.57
Total Int'l Passive Equities		3,026	3.47		2,818	4.56
REITS Passive Index		1,972	36.95		1,984	38.98

Actual and Estimated Fees

NEW YORK CITY TEACHERS RETIREMENT SYSTEMS ACTUAL FEES FOR FISCAL YEAR ENDING JUNE 30, 2012 AND ESTIMATED FEES FOR FY 2013 UPDATED THROUGH SEPTEMBER 2012						
INVESTMENT STYLE (FIXED INCOME)	Actual 2012		Estimates 2013			
	MARKET VALUE 06-30-2012 (\$MM)	BASIS POINTS	MARKET VALUE 09-30-2012 (\$MM)	BASIS POINTS		
Fixed Income	13,279	14.44	15,709	18.87		
Structured Program	7,577	8.48	7,837	7.68		
Government Sector	1,111	6.88	1,121	7.19		
Mortgage Sector	3,536	9.00	3,528	6.55		
Investment Grade Credit Sector	2,929	8.44	3,188	9.10		
Global Fixed Income	-	-	-	-		
Progress Fixed Emerging Managers	107	5.73	109	40.00		
TIPS	1,420	7.05	1,452	7.03		
Active TIPS	1,063	9.26	1,087	9.22		
Passive TIPS	357	0.48	365	0.50		
Opportunistic Fixed Income	370	58.96	481	79.82		
Enhanced Yield	1,398	40.11	2,792	33.65		
Bank Loans	-	-	1,050	35.83		
Convertible Bonds	1,001	29.23	1,046	39.46		
Targeted - Access Voyageur	45	26.75	46	27.90		
Targeted - AFL-CIO	206	41.41	209	44.00		
Other ETI Programs	128	-	131	-		
In-House Short Term	1,027	0.00	557	0.00		
Total Public Markets	39,260	12.29	42,823	14.31		
INVESTMENT STYLE (PRIVATE)						
Hedge Funds	-	-	-	-		
Private Equity Investments *	2,188	162.47	2,315	183.43		
Private Real Estate Investments	835	116.89	929	122.77		
Total Private Markets	3,024	149.88	3,244	166.06		
Total Overall	42,284	22.13	46,066	24.99		
* Private Equity Investments exclude GP CARRY						

Securities Lending Income

Through September 30, 2013

Note: Inception 4/89	U.S. <u>FIXED INCOME</u>	U.S. <u>EQUITY</u>	INTERNATIONAL <u>EQUITY</u>
1989	\$1,185,000	--	--
1990	885,000	--	--
1991	898,000	--	--
1992	1,692,000	\$193,000	\$300,000
1993	3,701,000	694,000	508,000
1994	4,314,000	1,360,000	696,000
1995	3,395,000	1,621,000	520,000
1996	2,874,000	1,738,000	879,000
1997	2,943,000	3,430,000	1,158,000
1998	4,793,000	4,549,000	1,499,000
1999	4,329,000	4,830,000	1,772,000
2000	4,282,000	4,963,000	2,300,000
2001	7,435,000	6,744,000	3,489,000
2002	4,401,000	5,578,000	2,530,000
2003	2,156,000	3,467,000	2,662,000
2004	2,949,000	4,413,000	2,550,000
2005	4,427,000	6,136,000	3,201,000
2006	4,282,000	9,789,000	2,868,000
2007	9,618,000	15,962,000	3,088,000
2008	27,299,000	27,400,000	5,129,000
2009	10,039,000	17,682,000	3,834,000
2010	4,271,000	11,122,000	3,200,000
2011	5,880,000	15,051,000	6,082,000
2012	8,113,000	18,853,000	4,915,000
2013 (9 Months)	4,808,000	17,398,000	3,325,000
Since Inception (4/89)	<u>\$130,969,000</u>	<u>\$182,973,000</u>	<u>\$56,505,000</u>

Footnotes

Through September 30, 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.
- Effective 7/1/12, the benchmark for Stone Harbor (HY) reflects a change from the Citigroup BB&B Index to the Bank of America Merrill Lynch High Yield Master II Index.

Glossary of Terms

Through September 30, 2013

General Notes

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

Page Specific

Pages 11 & 12 - Portfolio asset Allocation

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

Glossary of Terms

Through September 30, 2013

Page 13 - 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** = Equal to the 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 weighted 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, of 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 policy weights are as follows:

*U.S. Equity: Russell 3000 * 34.83%*

*International Developed (EAFE) Markets: MSCI EAFE * 9.00%*

*Emerging Markets: MSCI Emerging Markets * 8.75%*

*REITs: Dow Jones Real Estate Securities * 3.00%*

*Private Equity: Russell 3000 + 300 b.p. per annum * 4.71%*

*Private Real Estate: NFI - ODCE Net * 2.21%*

*Domestic Fixed Income: NYC Core +5 * 19.90%*

*TIPS: Lehman U.S. TIPS * 4%*

*Enhanced Yield: Citigroup BB&B * 5.26%*

*Bank Loans: Credit Suisse Leveraged Loan * 2.82%*

*Convertible Bonds: Merrill All US Converts * 3.00%*

*Opportunistic Fixed: JPM Global High Yield + 3% * 1.78%*

*Cash: BofA ML 91 Day T-Bill * 0.75%*

Glossary of Terms

Through September 30, 2013

Page 17 - 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 39 – Structured Fixed Income Asset Allocation

- See Domestic Equity Asset Allocation for explanation

Page 45 – ETI Returns vs Custom Index and Barclays Capital U.S. Aggregate

- Targeted has implemented a Custom Benchmark to better track the performance of the individual Targeted 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 per annum (with a floor of 250 bps)
- GNMA: Citigroup 15 yr. GNMA
- PPAR: Citigroup GNMA + 65 bps per annum
- Access/RBC: 60% Merrill Lynch 30 yr Mortgage Index and 40% Merrill Lynch US Treasury 1-10 yr Index