

Lawrence Schloss Deputy Comptroller / Chief Investment Officer THE CITY OF NEW YORK OFFICE OF THE COMPTROLLER BUREAU OF ASSET MANAGEMENT 1 CENTRE STREET ROOM 736 NEW YORK, N.Y. 10007-2341

> JOHN C. LIU COMPTROLLER

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MEMORANDUM

- TO: Trustees New York City Employees' Retirement System
- FROM: Lawrence Schloss
- DATE: September 18, 2013
- RE: NYC Employees' Retirement System Investment Meeting September 24, 2013

Enclosed is a copy of the **public agenda** for the September 24, 2013 Investment Meeting. The meeting will be held at 335 Adams Street - Suite 2200, Brooklyn, N.Y., (beginning at 9:30am).

If you have questions about any agenda item please call me at (212) 669-8318.



THE CITY OF NEW YORK OFFICE OF THE COMPTROLLER 1 CENTRE STREET NEW YORK, N.Y. 10007-2341

John C. Liu

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

INVESTMENT MEETING

September 24, 2013

NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM

INVESTMENT MEETING

SEPTEMBER 24, 2013

PUBLIC AGENDA

		Page
I.	<u>Performance Reviews</u> : (30 Minutes)	
	 Quarterly Review/Annual Review – June 30, 2013 (To be distributed) 	
	• ETI Quarterly Report – June 30, 2013	6
	 Private Equity Quarterly Report – March 31, 2013 	15
	• Real Estate Quarterly Report – March 31, 2013	46
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II.	July Monthly Performance Review: (30 Minutes)	82
III.	IPS Conforming Update: (30 Minutes)	138

APPENDICES:

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PUBLIC AGENDA

I. <u>Performance Reviews</u>:

Quarterly Reports:

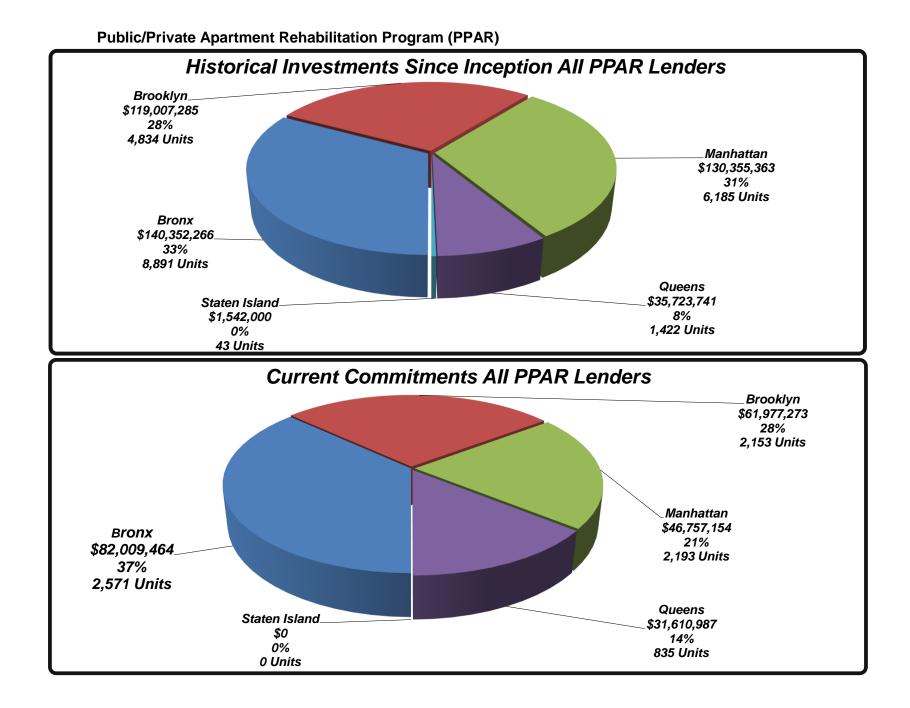
ETI Quarterly Report

Public/Private Apartment Rehabilitation Program (PPAR)

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.enders : The Community JP Morgan Neighborhood Bank of Citibank Community Carver Federal NCB Capital Impact Low Income		,	•	-,,		-		·	•		J	· ·	2	·	•	•	•	.,,,	
	Total	\$285,609,630	15,113			\$1,165,316	22	\$16,687,527	1,352	\$6,157,481	507	\$3,223,614	197	\$1,682,473	103	\$3,691,784	244	\$426,980,654	21,375
Preservation Corporation Chase Housing Services America Development Savings Bank Investment Fund	*Lenders :	The Community		JP Morgan	1			Bank of		Citibank Comr	nunity			NCB Capital In	npact	Low Incom	ie		
		Preservation Corpor	ation	Chase		Housing Services		America		Developme	ent	Savings Bar	ık			Investment F	und		

The City of New York - Office of the Comptroller

NYCERS Economically Targeted Investments Quarterly Report

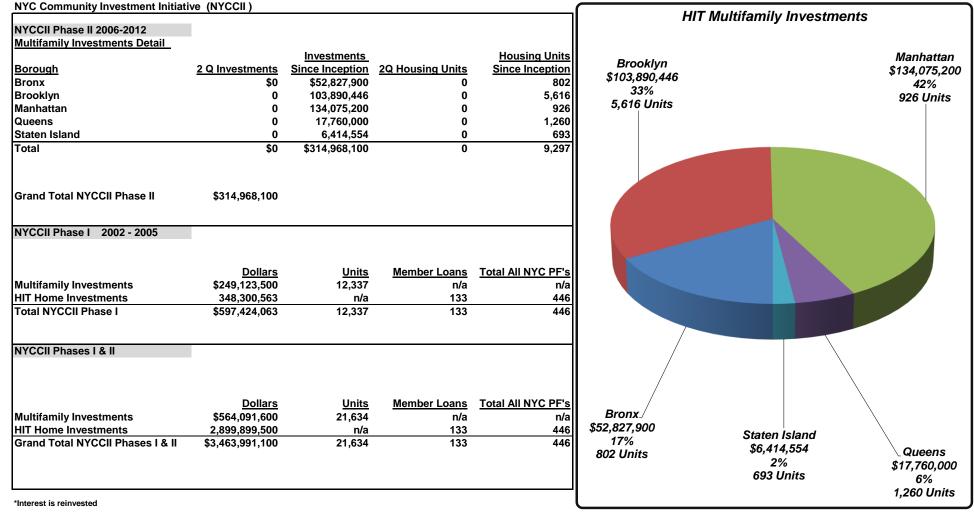


The City of New York - Office of the Comptroller

Collateral Benefits as of 06/30/2013

AFL-CIO Housing Investment Trust (HIT)

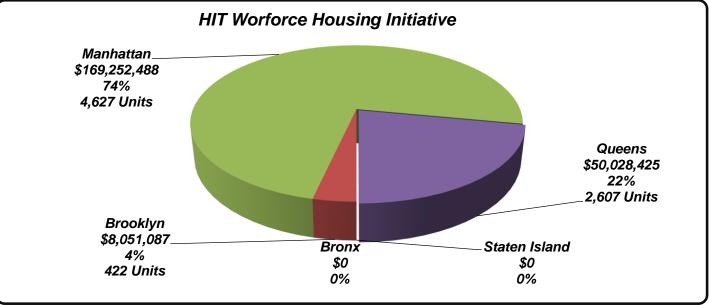
Market Value \$221.0 million*



Collateral Benefits as of 6/30/2013

The City of New York -Office of the Comptroller

NYC Workforce Housing Initiative 2009-2014											
Investments Through 06/30/2013											
Workforce Investments Detail											
		Investments		Housing Unit							
<u>Borough</u>	<u>2 Q Investments</u>	Since Inception	2Q Housing Units	Since Inception							
Bronx	\$0	\$0	0								
Brooklyn	0	8,051,087	0	42							
Manhattan	0	169,252,488	0	4,62							
Queens	0	50,028,425	0	2,60							
Staten Island	0	0	0								
Total	\$0	\$227,332,000	0	7,65							



The City of New York - Office of the Comptroller

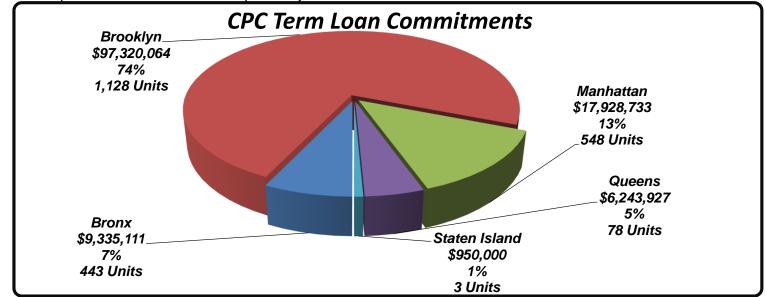
Collateral Benefits as of 06/30/2013

NYCERS Economically Targeted Investments Quarterly Report

CPC Term Loan	
Commitments All Lenders as of 1Q	\$175,483,667
2Q Paydown	-\$43,705,832
Commitments All Lenders as of 2Q	\$131,777,835
NYCERS Commitment Share/Market Value* as of 1Q 2013	\$16,135,922
2Q Paydown	-\$2,994,313
NYCERS Commitment Share/Market Value* as of 2Q 2013	\$13,141,609

	# Loa	ins	\$ Committed ((MM)	# Res. Uni	ts	# Comn	n. Units
	1Q	2Q	1Q	2Q	1Q	2Q	1Q	2Q
Bronx	17	12	\$19.1	\$9.3	823	443	23	21
Brooklyn	38	33	127.2	97.3	1,274	1,128	33	29
Manhattan	30	24	22.0	17.9	636	548	28	20
Queens	4	4	6.2	6.2	78	78	3	3
Staten Island	1	1	1.0	1.0	3	3	0	0
Grand Total NYC	90	74	\$175.5	\$131.8	2,814	2,200	87	73
Other NY State	32	27	\$89.7	\$58.7	980	909	19	16

*Equals the amount drawn down. Interest is paid monthly.

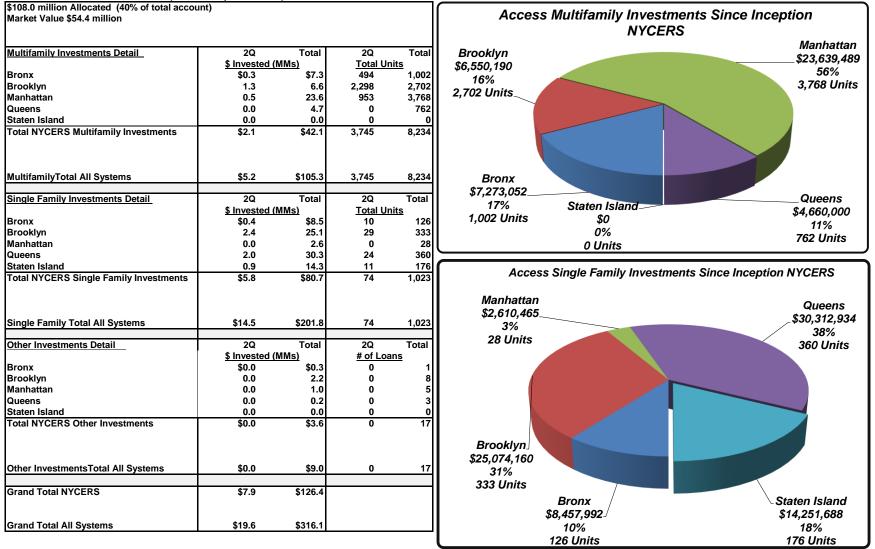


The City of New York -Office of the Comptroller

Collateral Benefits of 06/30/2013

NYCERS Economically Targeted Investments Quarterly Report

ACCESS CAPITAL STRATEGIES (Since Inception 2/1/07)



The City of New york - Office of the Comptroller

Collateral Benefits as of 06/30/2013

NYCERS

Economically Targeted Investments Quarterly Report

Emmes ETI Real Estate Fund 833-847 Flatbush Avenue, Brooklyn, NY

On June 26, 2013, the Emmes ETI Real Estate Fund made its inaugural acquisition, purchasing 833-847 Flatbush Avenue in Brooklyn for \$17.5 million (NYCERS portion \$5.6 million). The property is currently 91% leased to a diverse tenant roster which includes a bank, fitness gym and convenience store. The Fund will be investing additional capital to make roof and exterior façade repairs. This investment is expected to preserve jobs and to create jobs through construction and the leasing up of remaining vacant space and is expected to further catalyze investment and development along the Flatbush Avenue retail corridor.



Key Statistics:

- ▶32,703 square foot retail center
- ▶ Purchase Price: \$17.5 million
- ≻8 Commercial Units
- ▶91% Leased
- Anchor Tenants: Carver Bank,
- ≻7- Eleven, Blink Fitness
- Preserves 22 Jobs

The City of New York - Office of the Comptroller Collateral Benefits as of 6/30/2013

NYCERS Economically Targeted Investment Quarterly Report

	Assets (\$MM)	Trailing 3 Months	6/30/2012 6/30/2013	Trailing 1 Year	Trailing* 3 Years	Trailing* 5 Years	Trailing* 10 Years	Trailing* 15 Years	Since Inception	Data Start Date
EMPLOYEES	(<i>\$IVIIVI)</i>	3 MONUS	0/30/2013	i fear	3 Tedis	Jiedis	IU Tedis	15 fedis	псериоп	Dale
CPC -PPAR	149.04	2.34	9.13	9.13	7.41	8.63	7.92	8.06	10.02	11/30/84
JPM CHASE- PPAR	35.60	1.92	7.65	7.65	6.09	8.03	7.59	****	7.78	10/31/01
BOA-PPAR	16.87	1.64	6.49	6.49	****	****	****	****	6.46	01/31/11
CCD-PPAR	6.46	2.48	10.30	10.30	9.22	10.04	****	****	9.15	11/30/06
CFSB-PPAR	2.58	0.31	5.55	5.55	6.83	7.81	****	****	7.24	09/30/06
LIIF-PPAR	3.49	2.09	8.12	8.12	4.77	****	****	****	6.19	07/31/09
NCBCI-PPAR	1.68	2.48	10.42	10.42	7.36	****	****	****	7.59	07/31/09
NHS-PPAR	1.20	2.39	10.51	10.51	6.55	9.51	****	****	8.64	09/30/07
CITIGROUP GNMA +65 BPs per annum	1.20	-2.39	-1.53	-1.53	3.47	5.63	5.44	6.17	0.04	03/30/07
CPC -PPAR	+/-	4.73	10.66	10.66	3.94	3.00	2.48	1.89		
JPM CHASE- PPAR	+/-	4.30	9.18	9.18	2.62	2.40	2.15	****	****	
BOA-PPAR	+/-	4.03	8.02	8.02	****	****	****	****	****	
CCD-PPAR	+/-	4.87	11.83	11.83	5.75	4.41	****	****	****	
CFSB-PPAR	+/-	2.70	7.09	7.09	3.36	2.18	****	****	****	
LIIF-PPAR	+/-	4.48	9.65	9.65	1.30	****	****	****	****	
NCBCI-PPAR	+/-	4.87	11.95	11.95	3.89	****	****	****	****	
NHS-PPAR	+/-	4.78	12.04	12.04	3.08	3.88	****	****	****	
CPC - Term Loan	13.14	0.60	2.45	2.45	2.29	2.46	****	****	4.05	03/31/04
	+/-			2.45 0.21	0.24		2.20	2.00	4.05	03/31/04
30 Day Libor + 200 bps with a Floor 250 bps per annum	+/-	0.05 0.55	0.21 2.24	0.21 2.24	0.24 2.06	0.47 1.99	2.30	3.00	****	
AFL-CIO HOUSING INV TRUST	221.02	-2.48	-1.06	-1.06	3.53	5.20	4.48	****	4.71	09/30/02
Barclay's Capital U.S. Aggregate Index		-2.32	-0.69	-0.69	3.51	5.19	4.52	5.52	****	
	+/-	(0.16)	(0.37)	(0.37)	0.03	0.02	(0.04)	****	****	
ACCESS RBC	54.42	-2.13	-0.51	-0.51	3.17	6.11	****	****	5.66	02/28/07
Access/RBC: 60% MI 30 yrs Mortgage Index (MF30)		-1.75	-0.90	-0.90	2.55	4.53	****	****	****	02/28/07
plus 40% U.S. Treasury 1-10 Yr index (G502)	+/-	(0.38)	0.39	0.39	0.62	1.58	****	****	****	
GNMA	0.17	2.57	10.10	10.10	4.90	6.14	6.23	6.83	8.54	11/30/84
Citigroup 15 YR, GNMA	0.11	-2.55	-2.17	-2.17	2.80	5.00	4.79	5.50	****	11/30/04
Chagroup 13 TN, ChanA	+/-	5.11	12.27	12.27	2.10	1.14	1.44	1.33	****	
FNMA	0.86	1.19	2.80	2.80	3.43	5.95	6.05	6.55	7.26	02/29/92
CITIGROUP 15 YR FNMA		-1.67	-0.47	-0.47	2.06	4.37	4.32	5.22	****	
		2.86	3.28	3.28	1.37	1.57	1.73	****	****	
TOTAL EMPLOYEES ETI (w/o cash)**	505.32	-0.42	3.07	3.07	4.89	6.51	6.05	6.81	8.52	11/30/84
1 2	JUJ.32	-0.42 -2.19	-0.95	-0.95	4.89 3.29	5.10	6.05 4.89	5.83	8.52 6.24	11/30/84
EMPLOYEES CUSTOM ETI BENCHMARK (no cash)	.,									
	+/-	1.77	4.02	4.02	1.61	1.41	1.16	0.98	2.28	

* Historical returns prior to April 2004 provided by Citigroup.

**Time periods greater than one year are annualized. Returns are net of fees and exclude Erasmus and Emmes.

The City of New York - Office of the Comptroller

Collateral Benefits as of 06/30/2013

Private Equity Quarterly Report



Private Equity Monitoring Report

For the period ended March 31, 2013

Report Prepared For:

New York City Employees' Retirement System





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I. Executive Summary

The New York City Employees' Retirement System ("NYCERS") established the Alternative Investment Program (the "Program") on January 1, 1997 on behalf of its beneficiaries to participate in attractive long-term investment opportunities and to provide diversification to its overall pension investment portfolio.

StepStone Group LP ("StepStone") was engaged by NYCERS on September 1, 2011 to provide private equity advisory services for prospective investment opportunities and monitoring and reporting services for existing and new investments.

Since inception through March 31, 2013, the Program has committed US\$6.8 billion to 145 partnership investments (the "Portfolio"). This quarterly monitoring report covers the performance of the Portfolio as of March 31, 2013 Pro-Forma for the Secondary Sale as well as significant activity that occurred during the first quarter of 2013.

Performance Summary

US\$ in millions	March 31, 2013	December 31, 2012	March 31, 2012	Quarterly Change	Yearly Change
Number of Managers	95	94	93	1	2
Number of Investments	145	142	139	3	6
Committed Capital	\$6,824.0	\$6,719.4	\$6,531.9	\$187.5	\$292.1
Net Contributed Capital ¹	\$4,655.4	\$4,552.2	\$4,342.5	\$209.7	\$312.9
Net Distributed Capital ²	\$2,432.5	\$2,307.8	\$2,037.7	\$270.1	\$394.7
Market Value ³	\$3,601.3	\$3,528.8	\$3,504.4	\$24.4	\$96.9
Total Value	\$6,033.8	\$5,836.6	\$5,542.1	\$294.5	\$491.7
Total Gain/(Loss)	\$1,378.3	\$1,284.4	\$1,199.6	\$84.8	\$178.7
Unfunded Commitment ⁴	\$2,048.9	\$2,047.4	\$2,081.6	(\$34.2)	(\$32.7)
Total Exposure ⁵	\$5,650.2	\$5,576.2	\$5,586.0	(\$9.8)	\$64.2
DPI ⁶	0.52x	0.51x	0.47x	0.04x	0.05x
TVM ⁷	1.30x	1.28x	1.28x	0.01x	0.02x
IRR ⁸	8.5%	8.5%	8.3%	- 4 bps	+ 17 bps
TVM Net of StepStone Fees ⁹	1.30x	1.28x	1.28x	0.00x	0.02x
IRR Net of StepStone Fees ⁹	8.5%	8.6%	8.3%	- 9 bps	+ 17 bps

¹ Net Contributed Capital represents total contributed capital net of distributions subject to recall.

² Net Distributed Capital represents total permanent (non-recallable) distributed capital. Please note that the Net Distributed Capital is presented Pro-Forma for the proceeds received and expected to be received from the sale of 11 partnership investments in secondary transactions that closed during the first half of 2012.

³ Please note that the Market Value is presented Pro-Forma for the sale of 11 partnership investments in secondary transactions that closed during the first half of 2012.

⁴ Unfunded Commitment represents the aggregate remaining commitments to partnership investments. Please note that the Unfunded Commitment is presented Pro-Forma for the sale of 11 partnership investments in secondary transactions that closed during the first half of 2012.

⁵ Total Exposure represents the sum of Market Value and Unfunded Commitment.

⁶ DPI, or Distributed to Paid-In Multiple, is a performance metric that measures distributions received relative to capital invested. DPI is calculated as Net Distributed Capital divided by Net Contributed Capital.

⁷ TVM, or Total Value Multiple, is a performance metric that measures total value created by the Portfolio relative to capital invested, without consideration for time. TVM is calculated as Total Value, which is comprised of Market Value plus Net Distributed Capital, divided by Net Contributed Capital.

⁸ IRR, or Internal Rate is Return, is a performance metric that is calculated based on the Portfolio's daily cash flows and market value as of quarter-end. IRR is net of fund manager's fees, expenses and carried interest.

⁹ TVM and IRR Net of StepStone fees represent TVM and IRR net of fees paid by NYCERS to StepStone.

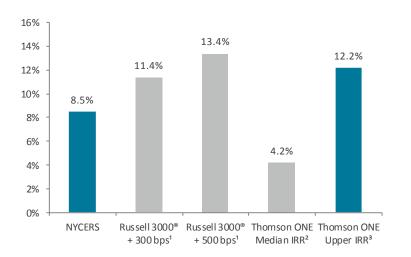


Portfolio Performance vs. Benchmarks

The Portfolio's performance is measured against two benchmarks:

- 1. A dollar-weighted public benchmark, which produced the return that would have been earned if NYCERS's private equity cash flows were invested in the Russell 3000[®] Index¹ plus a 300 and a 500 basis point liquidity premium (*the Opportunity Cost Benchmark*).
- 2. The Thomson ONE (formerly Venture Economics) Median Return (the Relative Benchmark).

The following graph illustrates Portfolio IRR performance versus benchmarks as of March 31, 2013.



¹Benchmark is a dollar-weighted Long-Nickels calculation of quarterly changes in the Russell 3000[®] Index. Russell Investment Group is the source and owner of the trademark, service marks and copyrights related to the Russell Indexes. Russell[®] is a trademark of Russell Investment Group.

²Benchmark is provided by Thomson ONE and reflects U.S. All Private Equity Funds Median Quartile IRR as of March 31, 2013 for funds with vintage years 1998 to 2012. Note: Thomson ONE data is continuously updated and is therefore subject to change.

³Benchmark is for informational purposes only and is NOT part of the Program's Policy Benchmarks. Benchmark is provided by Thomson ONE and reflects U.S. All Private Equity Funds Upper Quartile IRR as of March 31, 2013 for funds with vintage years 1998 to 2012. Note: Thomson ONE data is continuously updated and is therefore subject to change.

Portfolio Diversification

By Strategy

	Market	Value	Unfunded Co	mmitment	Total Exposure		
As of March 31, 2013 (US\$ in millions)	\$	% of Total		% of Total		% of Total	
Buyout	2,218.3	61.6%	1,200.9	58.6%	3,419.2	60.5%	
Growth Equity	212.5	5.9%	189.8	9.3%	402.3	7.1%	
Special Situations	187.1	5.2%	253.2	12.4%	440.2	7.8%	
Energy	264.7	7.4%	48.6	2.4%	313.3	5.5%	
Secondaries	196.9	5.5%	206.7	10.1%	403.6	7.1%	
Co-Investment	63.2	1.8%	35.5	1.7%	98.7	1.7%	
Other	458.7	12.7%	114.3	5.6%	572.9	10.1%	
Total	3,601.3	100.0%	2,048.9	100.0%	5,650.2	100.0%	

By Fund Geographic Focus

	Market	Value	Unfunded Co	ommitment	Total Exposure		
As of March 31, 2013 (US\$ in millions)	\$	% of Total		% of Total		% of Total	
North America	2,471.9	68.6%	1,324.3	64.6%	3,796.3	67.2%	
Global	870.3	24.2%	521.6	25.5%	1,391.9	24.6%	
Western Europe	228.9	6.4%	192.2	9.4%	421.1	7.5%	
Rest of World	30.2	0.8%	10.8	0.5%	41.0	0.7%	
Total	3,601.3	100.0%	2,048.9	100.0%	5,650.2	100.0%	



II. Market Overview

Executive Summary

U.S. public equity markets posted strong gains during the first quarter of 2013, reflecting higher corporate profits, continued steady recovery of the U.S. economy, signs of improving labor and housing markets, and continued commitment of the U.S. Federal Reserve to fiscal stimulus. European and Asian public markets posted only modest positive returns during the quarter and remained approximately 50% below peak levels. Debt markets were robust in the first quarter, as U.S. LBO new loan issuance rose for the fourth consecutive quarter to \$25.8 billion, representing an increase of 47.6% from the prior quarter, and the highest quarterly total since the fourth quarter of 2007. Purchase price multiples for U.S. LBOs declined from 9.1x EBITDA in the fourth quarter of 2012 to 8.4x EBITDA in the first quarter of 2013. Fundraising and private equity investment activity in the first quarter were in line with prior quarter totals, yet there were fewer exits as transaction volumes were down for both IPOs and M&A activity.

Capital Markets Overview

Public Equity Markets

The U.S. public equity market rose in the first quarter of 2013, lifting several major indices to all-time highs, while non-U.S. equities lagged behind. Developed Asian markets fared well, and despite an inconclusive election in Italy and a bank bailout in Cyprus, the MSCI Europe Index posted positive returns during the first quarter. Emerging market performance decreased due to slowing growth and currency weakness in some of the larger markets. For the one-year period ending March 31, 2013, each of the global indices below, with the exception of the MSCI Emerging Markets Index, posted positive returns, with the S&P 500 posting the largest increase at 11.4% (as seen on the chart below).

1-Year Global Public Indices





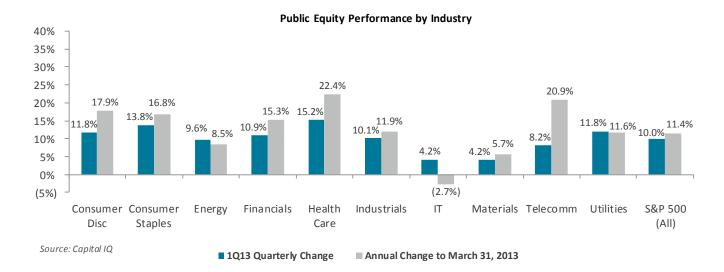
The following table shows the holding period returns of three MSCI indices and the S&P 500 over various time horizons from three months to ten years through March 31, 2013. Only the MSCI Emerging Market Index declined in value during the first quarter of 2013 while the other three indices posted moderate to strong gains, led by the S&P 500's quarterly return of 10.0%. On both a three-year and five-year horizon, the S&P 500 has significantly outperformed the other three indices. On the longer 10-year horizon, the MSCI Emerging Market Index grew by more than 280%, which was more than three times the growth of MSCI Europe or S&P 500 and more than twice the growth of MSCI Asia.

	Current Qtr	1 Yr	3 Yr	5 Yr	10 Yr
MSCI Asia	4.2%	5.3%	7.2%	(4.9%)	119.3%
MSCI Europe	2.1%	6.9%	4.8%	(23.4%)	88.7%
MSCI EM	(1.9%)	(0.6%)	2.4%	(6.3%)	280.1%
S&P 500	10.0%	11.4%	34.2%	18.6%	85.0%

For the period ended March 31, 2013

Source: Capital IQ

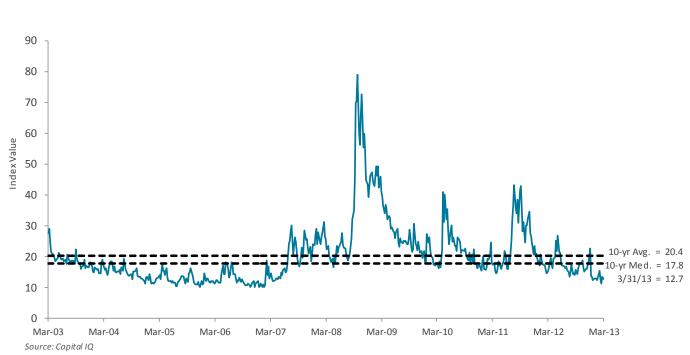
During the first quarter of 2013, weighted average stock prices increased in all ten industry sectors in the S&P 500, with the index as a whole increasing 10.0%. The best performing sector was Health Care, which increased by 15.2% over the quarter, helping to drive a strong 1-year return of 22.4%. Over the past 12 months, nine out of ten sectors exhibited positive performance, with Information Technology posting the only decline of 2.7%. The chart below details the capitalization-weighted average change in stock prices for the S&P 500 by industry during the first quarter of 2013 and last 12 months ended March 31, 2013.



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The CBOE Volatility Index ("VIX"), maintained by the Chicago Board Options Exchange, is a popular indicator of investor sentiment and public market volatility. VIX measures the market's expectation of 30-day volatility based on S&P 500 index option prices. At the end of the first quarter of 2013 the VIX was trading at 12.7, significantly below the 10-year historical average of 20.4 and the 10-year median of 17.8, returning to the low levels not seen since 2007. The graph below depicts the historical level of the VIX over the last ten years through March 31, 2013.

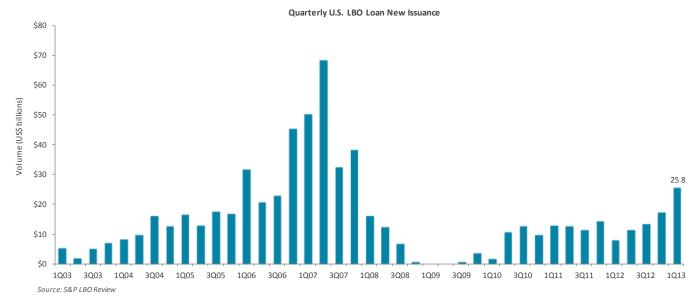


VIX Volatility Index (^VIX)

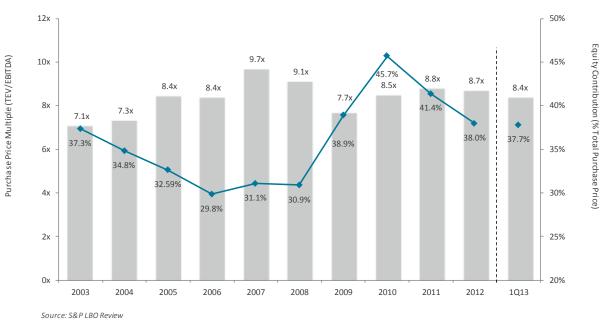


Debt Markets

During the first quarter of 2013, U.S. LBO new loan issuance rose for the fourth consecutive quarter, totaling \$25.8 billion, representing an increase of 47.6% from the prior quarter, and the highest quarterly total since the fourth quarter of 2007. Debt markets, benefiting from historically low interest rates, are providing an ample source of low-cost capital for buyout deals. The following chart shows the quarterly volume of U.S. LBO new loan issuance for the past ten years.



The average purchase price multiple for LBO deals in the first quarter of 2013 was 8.4x total enterprise value ("TEV") to earnings before interest, tax, depreciation, and amortization ("EBITDA"), notably lower than the fourth quarter of 2012 multiple of 9.1x. The average equity contribution for LBOs increased slightly to 37.7% in the first quarter of 2013, up from 37.4% in the fourth quarter of 2012.





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Private Equity Market Overview

All Private Equity

During the first quarter of 2013, private equity fund performance increased 4.9% compared to the S&P 500 which saw an increase of 10.0% during the same period. Of note, the Large/Mega Buyouts sector increased 6.5% during the quarter, the largest single-sector increase during the first quarter. The table below shows the pooled Internal Rate of Return ("IRR") performance of global private equity investments by sector over various investment horizons from 3 months to 20 years through March 31, 2013.

Sector	3 Mo	6 Mo	1 Yr	3 Yr	5 Yr	10 Yr	20 Yr
Venture Capital	2.7%	2.4%	5.0%	4.3%	0.6%	4.7%	16.0%
All Buyouts	5.6%	9.4%	14.5%	10.8%	3.8%	11.0%	10.5%
Small/Middle Buyouts (<\$3bn)	3.0%	6.8%	9.6%	8.5%	3.2%	11.1%	10.8%
Large/Mega Buyouts (>\$3bn)	6.5%	10.2%	16.2%	12.3%	4.3%	11.0%	10.0%
Mezzanine	(2.5%)	(2.4%)	(3.6%)	5.9%	2.5%	6.7%	7.5%
All Private Equity	4.9%	8.4%	12.7%	9.6%	3.7%	9.7%	11.3%

Source: Thomson ONE

Fundraising

Private equity fundraising totaled \$53.0 billion in the first quarter of 2013, representing a decrease of 1.9% from the prior quarter's total of \$54.0 billion and a decrease of 5.7% from the same period in the prior year. Buyout funds accounted for 71.3% of the amount raised during the first quarter of 2013, higher than the 10-year average of 66.2%. Venture Capital fundraising was up for the quarter, raising \$6.3 billion, an increase from \$5.4 billion last quarter. The chart below shows private equity fundraising activity by calendar year over the last ten years through the first quarter of 2013.



Fundraising by Year - All Private Equity



Investment Activity

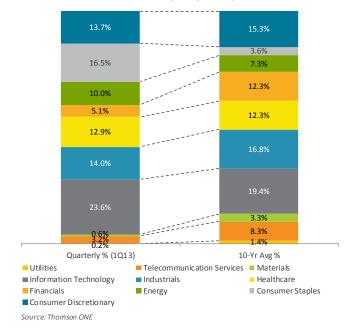
During the first quarter of 2013, private equity funds invested \$32.7 billion in 2,844 investments, compared to \$50.8 billion invested in the fourth quarter of 2012 and \$36.3 billion invested in the first quarter of 2012, representing a decrease of 9.9% and 35.6%, respectively. Additionally, the average investment size during the quarter decreased to \$11.5 million, representing a decline of 23.9%, quarter-over-quarter.



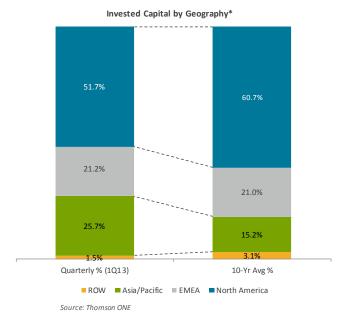
Investment Activity - All Private Equity



The Information Technology sector was the most active industry in terms of investment activity during the first quarter of 2013. Private equity funds invested \$7.7 billion, or 23.6% of total capital invested during the quarter, in 1,109 information technology companies. On a pro-rata basis, investments in the Consumer Staples sector were up considerable during the quarter compared to its 10-year average of 3.6%. The chart on the right details the percentage of invested capital by industry for the first quarter of 2013 and over the last ten years.



Invested Capital by Industry*



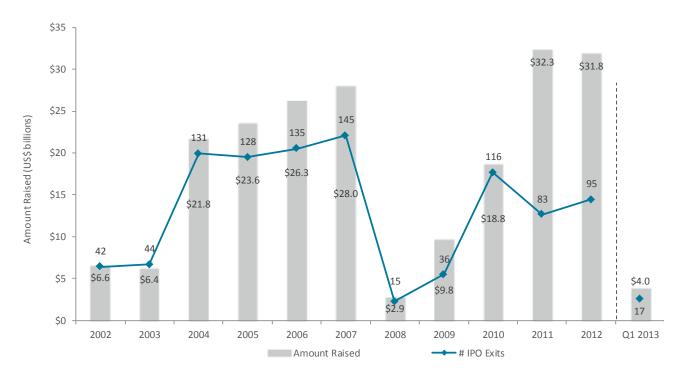
The graph to the left shows invested capital by geography based on the geographic region in which portfolio companies are located. In the first quarter of 2013, investment activity in the Asia/Pacific region was well above the historical average, representing 25.7% of total invested capital during the quarter compared to 15.2% over the last ten years.

*Note: Invested Capital is for all private equity from 1Q03 – 1Q13.



Deal Environment

During the first quarter of 2013, there were 17 private equity-backed initial public offerings ("IPOs") which raised a total of \$4.0 billion, compared to 16 IPOs which raised \$4.6 billion in the fourth quarter of 2012. On a year-over-year basis, first quarter 2013 activity was down 0.4% in terms of total dollars raised. The largest IPO of the quarter was Pinnacle Foods Group (NYSE: PF), a packaged foods distributor in North America, which raised \$580.0 million, and is backed by The Blackstone Group. Since the IPO on March 28, 2013 at \$22.26 per share, Pinnacle Foods Group's share price has increased 8.5% to \$24.15 per share as of June 28, 2013. The second largest IPO was West Corp. (NASDAQ: WSTC), a communication services provider, which raised \$425.5 million, and is backed by Thomas H. Lee Partners and Quadrangle Group. Since the IPO on March 22, 2013, at \$19.00 per share, West Corp.'s share price has risen 16.5% to \$22.14 per share as of June 28, 2013.





Private equity-backed Mergers and Acquisitions ("M&A") deal activity decreased relative to the fourth quarter of 2012 in terms of deal volume and total dollars raised. Specifically, 519 deals closed during the first quarter of 2013, totaling \$59.7 billion in deal value, representing a 57.3% quarter-over-quarter decrease in deal value. On a year-over-year basis, deal value declined 39.9%.







III. Portfolio Review

Quarterly Highlights

- **Cash Flow Activity** During the first quarter of 2013, the Portfolio made US\$103.2 million of net contributions and received US\$124.7 million of net distributions, for a net cash inflow of US\$21.4 million, compared to a net cash inflow of US\$60.4 million during the prior quarter and a net cash outflow of US\$71.3 million during the first quarter of 2012. Net contributions decreased 50.8% from the prior quarter and decreased 50.2% from the first quarter of 2012. The most recent four quarter average of the Program's net contributions is US\$149.6 million. Net distributions decreased 53.8% from the prior quarter and decreased 8.3% from the first quarter of 2012. The most recent four quarter and decreased 8.3% from the first quarter of 2012. The most recent four quarter and decreased 8.3% from the first quarter of 2012. The most recent four quarter and decreased 8.3% from the first quarter of 2012. The most recent four quarter and decreased 8.3% from the first quarter of 2012. The most recent four quarter and decreased 8.3% from the first quarter of 2012. The most recent four quarter and decreased 8.3% from the first quarter of 2012. The most recent four quarter average of the Program's net distributions is US\$194.8 million.
- **Recent Portfolio Activity** During the first quarter of 2013, net of cash flow activity and Pro-Forma for the Secondary Sale, the valuation of the Portfolio increased by US\$94.0 million, or 2.5%, from the prior quarter. The increase in Portfolio value is primarily attributable to strong performance of mega buyout funds during the quarter, which generated a \$35.8 million increase in valuation from the prior quarter-end. During the last twelve months, net of cash flow activity and Pro-Forma for the Secondary Sale, the valuation of the Portfolio increased by US\$335.0 million, or 10.3%, from the quarter ended March 31, 2012.
- **New Investment Commitments** During the first quarter of 2013, the Program closed on three new investment commitments, totaling US\$110.0 million.

As of March 31, 2013 (US\$ in millions)	Month Closed	Sub-Strategy	Geographic Focus	Committed C	apital
Landmark Equity Partners XV, L.P.	January 2013	Secondaries	North America	\$	75.0
Landmark - NYC Fund I, L.P.	January 2013	Co-Investment	North America		25.0
ACON Equity Partners III, L.P.	March 2013	Small Buyout	North America		11.0
Total				\$	111.0

• **Subsequent Investment Commitments** – Subsequent to quarter-end through September 6, 2013, the Program closed on seven new investment commitments, totaling US\$389.6 million.

As of September 6, 2013 (US\$ in millions)	Month Closed	Sub-Strategy	Geographic Focus	Committed Capital
Incline Equity Partners III, L.P.	May 2013	Small Buyout	North America	\$ 12.0
Grey Mountain Partners Fund III, L.P.	June 2013	Small Buyout	North America	5.6
Olympus Growth Fund VI, L.P.	June 2013	Middle-Market Buyout	North America	75.0
Altaris Health Partners III, L.P.	June 2013	Small Buyout	North America	9.5
Apollo Investment Fund VIII, L.P.	June 2013	Mega Buyout	Global	140.0
CVC Capital Partners VI, L.P.	June 2013	Mega Buyout	Global	140.0
Capital Partners Private Equity Income Fund II, L.P.	June 2013	Small Buyout	North America	7.5
Total				\$ 389.6



Investment Performance

Since Inception Performance

	March 31, 2013	December 31, 2012	March 31, 2012	Quarterly	Yearly	
US\$ in millions	- March 51, 2015	Determoer 51, 2012	March 51, 2012	Change	Change	
Active Investments						
Number of Managers	84	83	82	1	2	
Number of Investments	132	129	126	3	6	
Committed Capital	\$6,295.9	\$6,190.9	\$6,003.8	\$187.1	\$292.1	
Net Contributed Capital ¹	\$4,265.1	\$4,161.8	\$3,952.1	\$209.7	\$312.9	
Net Distributed Capital ²	\$2,011.2	\$1,886.6	\$1,616.5	\$270.1	\$394.7	
Market Value ³	\$3,601.3	\$3,528.8	\$3,504.4	\$24.4	\$96.9	
Total Value	\$5,612.5	\$5,415.4	\$5,120.9	\$294.5	\$491.6	
Total Gain/(Loss)	\$1,347.4	\$1,253.6	\$1,168.8	\$84.8	\$178.7	
Unfunded Commitment ⁴	\$2,048.9	\$2,047.4	\$2,081.6	(\$34.2)	(\$32.7	
Total Exposure ⁵	\$5,650.2	\$5,576.2	\$5,586.0	(\$9.8)	\$64.2	
DPI ⁶	0.47x	0.45x	0.41x	0.04x	0.06	
TVM ⁷	1.32x	1.30x	1.30x	0.01x	0.02	
IRR ⁸	9.1%	9.2%	9.0%	- 7 bps	+ 14 bp	
xited Investments						
Number of Managers	11	11	11	-	-	
Number of Investments	13	13	13	-	-	
Committed Capital	\$528.0	\$528.5	\$528.1	\$0.4	(\$0.0	
Net Contributed Capital ¹	\$390.4	\$390.4	\$390.4	\$0.0	\$0.0	
Net Distributed Capital ²	\$421.3	\$421.2	\$421.2	\$0.0	\$0.1	
Total Value	\$421.3	\$421.2	\$421.2	\$0.0	\$0.1	
Total Gain/(Loss)	\$30.9	\$30.8	\$30.8	\$0.0	\$0.1	
Unfunded Commitment ⁴	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	
DPI ⁶	1.08x	1.08x	1.08x	0.00x	0.00	
TVM ⁷	1.08x	1.08x	1.08x	0.00x	0.00	
IRR ⁸	2.1%	2.2%	2.2%	- 2 bps	- 5 bp	
otal Portfolio						
Number of Managers	95	94	93	1	2	
Number of Investments	145	142	139	3	6	
Committed Capital	\$6,824.0	\$6,719.4	\$6,531.9	\$187.5	\$292.1	
Net Contributed Capital ¹	\$4,655.4	\$4,552.2	\$4,342.5	\$209.7	\$312.9	
Net Distributed Capital ²	\$2,432.5	\$2,307.8	\$2,037.7	\$270.1	\$394.7	
Market Value ³	\$3,601.3	\$3,528.8	\$3,504.4	\$24.4	\$96.9	
Total Value	\$6,033.8	\$5,836.6	\$5,542.1	\$294.5	\$491.7	
Total Gain/(Loss)	\$1,378.3	\$1,284.4	\$1,199.6	\$84.8	\$178.7	
Unfunded Commitment ⁴	\$2,048.9	\$2,047.4	\$2,081.6	(\$34.2)	(\$32.7	
Total Exposure ⁵	\$5,650.2	\$5,576.2	\$5,586.0	(\$9.8)	\$64.2	
DPI ⁶	0.52x	0.51x	0.47x	0.04x	0.05	
TVM ⁷	1.30x	1.28x	1.28x	0.01x	0.02	
IRR ⁸	8.5%	8.5%	8.3%	- 4 bps	+ 17 bp	

¹Net Contributed Capital represents total contributed capital net of distributions subject to recall.

² Net Distributed Capital represents total permanent (non-recallable) distributed capital. Please note that the Net Distributed Capital is presented Pro-Forma for the proceeds received and expected to be received from the sale of 11 partnership investments in secondary transactions that closed during the first half of 2012.

³ Please note that the Market Value is presented Pro-Forma for the sale of 11 partnership investments in secondary transactions that closed during the first half of 2012.
 ⁴ Unfunded Commitment represents the aggregate remaining commitments to partnership investments. Please note that the Unfunded Commitment is presented Pro-Forma for the sale of 11 partnership investments in secondary transactions that closed during the first half of 2012.

⁵ Total Exposure represents the sum of Market Value and Unfunded Commitment.

⁶DPI, or Distributed to Paid-In Multiple, is a performance metric that measures distributions received relative to capital invested. DPI is calculated as Net Distributed Capital divided by Net Contributed Capital. TVM, or Total Value Multiple, is a performance measures total value created by the Portfolio relative to capital invested, without consideration for time. TVM is calculated as Total Value, which is comprised of Market Value plus Net Distributed Capital, divided by Net Contributed Capital.

⁸ IRR, or Internal Rate is Return, is a performance metric that is calculated based on the Portfolio's daily cash flows and market value as of quarter-end. IRR is net of fund manager's fees, expenses and carried interest. 13 of 27



Performance by Vintage Year

The following table and chart illustrate the Portfolio's since inception investment performance by vintage year as of March 31, 2013 Pro-Forma for the Secondary Sale relative to the median quartile U.S. All Private Equity TVM and IRR benchmarks as provided by Thomson ONE. Performance of funds that are less than two years old is not meaningful. Note that Thomson ONE data is continuously updated and is therefore subject to change.

As of March 31, 2013 (US\$ in millions)

Vintage Year	Committed Capital	Net Contributed Capital	Net Distributed Capital	Market Value	Unfunded Commitment	Total Exposure	тум	IRR	Thomson ONE U.S. All PE Median Quartile TVM	Thomson ONE U.S. All PE Median Quartile IRR
1998	\$50.0	\$50.1	\$64.1	\$4.4	\$0.0	\$4.4	1.37x	6.3%	1.26x	3.1%
1999	95.0	92.9	110.9	13.6	0.7	14.3	1.34x	7.3%	0.89x	(2.2%)
2000	127.0	110.3	137.6	25.0	11.4	36.3	1.47x	6.4%	1.01x	0.1%
2001	100.0	101.8	150.9	42.2	4.4	46.6	1.90x	21.0%	1.37x	5.7%
2002	190.0	184.5	184.3	93.7	6.0	99.8	1.51x	12.8%	1.14x	1.8%
2003	110.0	93.1	171.3	26.3	12.0	38.3	2.12x	22.7%	1.34x	7.4%
2004	354.9	322.2	274.4	153.3	31.6	184.9	1.33x	7.5%	1.25x	4.9%
2005	549.5	487.4	309.0	296.9	46.1	343.0	1.24x	5.2%	1.28x	6.4%
2006	1,027.4	937.6	373.0	812.5	81.3	893.8	1.26x	6.1%	1.20x	4.5%
2007	987.0	820.3	365.1	624.4	126.7	751.1	1.21x	6.9%	1.31x	8.4%
2008	1,287.5	905.8	232.4	972.8	349.9	1,322.7	1.33x	13.0%	1.25x	10.4%
2009	200.0	121.6	46.1	98.2	57.7	155.9	1.19x	9.8%	1.25x	11.9%
2010	175.0	82.2	1.3	83.2	93.2	176.4	1.03x	2.0%	1.13x	10.5%
2011	796.5	267.9	7.0	285.5	530.6	816.1	1.09x	NM	1.02x	NM
2012	591.0	77.6	5.2	69.3	514.2	583.4	0.96x	NM	0.96x	NM
2013	183.3	-	-	-	183.3	183.3	0.00x	N/A	N/A	N/A
Total	\$6,824.0	\$4,655.4	\$2,432.5	\$3,601.3	\$2,048.9	\$5,650.2	1.30x	8.5%	1.16x	4.2%



As of March 31, 2012

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Portfolio Periodic Returns vs. Russell 3000® Index

As of March 31, 2013	1 Year	3 Year	5 Year	10 Year	Since Inception
NYCERS IRR	9.8%	10.6%	6.7%	9.2%	8.5%
Russell 3000®1	14.2%	13.6%	10.0%	9.1%	8.4%
Russell 3000® + 300 bps ¹	17.2%	16.6%	13.0%	12.1%	11.4%
Russell 3000 [®] + 500 bps ¹	19.2%	18.6%	15.0%	14.1%	13.4%
NYCERS Outperformance/(Underperformance)					
vs. Russell 3000® + 300 bps¹	(7.4%)	(6.0%)	(6.3%)	(2.9%)	(2.9%)
vs. Russell 3000® + 500 bps1	(9.4%)	(8.0%)	(8.3%)	(4.9%)	(4.9%)

¹Benchmark is a dollar-weighted Long-Nickels calculation of quarterly changes in the Russell 3000[®] Index. Russell Investment Group is the source and owner of the trademark, service marks and copyrights related to the Russell Indexes. Russell[®] is a trademark of Russell Investment Group.

Performance by Strategy / Sub-Strategy

The following table and charts illustrate the Portfolio's since inception investment performance by strategy and sub-strategy as of March 31, 2013 Pro-Forma for the Secondary Sale.

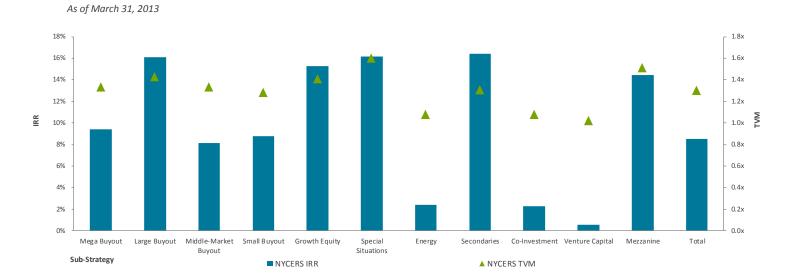
As of March 31, 2013 (US\$ in millions)

Strategy / Sub-Strategy	Committed Capital	Net Contributed Capital	Net Distributed Capital	Market Value	Unfunded Commitment	Total Exposure	тум	IRR
Buyout	\$4,201.7	\$2,910.6	\$1,671.3	\$2,218.3	\$1,200.9	\$3,419.2	1.34x	9.5%
Mega Buyout	1,130.4	672.3	302.8	593.3	421.7	1,015.0	1.33x	9.4%
Large Buyout	682.9	438.8	373.9	254.9	213.4	468.3	1.43x	16.1%
Middle-Market Buyout	1,508.6	1,187.8	653.2	927.6	309.4	1,237.0	1.33x	8.2%
Small Buyout	879.8	611.6	341.4	442.6	256.3	698.9	1.28x	8.8%
Growth Equity	390.8	201.2	70.9	212.5	189.8	402.3	1.41x	15.3%
Special Situations	540.0	265.8	237.6	187.1	253.2	440.2	1.60x	16.2%
Energy	355.0	306.9	68.0	264.7	48.6	313.3	1.08x	2.4%
Secondaries	459.1	252.5	134.6	196.9	206.7	403.6	1.31x	16.4%
Co-Investment	139.3	87.7	32.0	63.2	35.5	98.7	1.08x	2.3%
Other	738.0	630.8	218.0	458.7	114.3	572.9	1.07x	1.8%
Venture Capital	668.0	564.5	160.0	416.3	106.5	522.8	1.02x	0.5%
Mezzanine	70.0	66.3	58.0	42.3	7.7	50.1	1.51x	14.4%
Total	\$6,824.0	\$4,655.4	\$2,432.5	\$3,601.3	\$2,048.9	\$5,650.2	1.30x	8.5%



Performance by Strategy





Performance by Sub-Strategy



Portfolio Diversification

By Strategy/Sub-Strategy

	Market Value		Unfunded Co	mmitment	Total Exposure		
As of March 31, 2013 (US\$ in millions)		% of Total		% of Total		% of Total	
Buyout	2,218.3	61.6%	1,200.9	58.6%	3,419.2	60.5%	
Mega Buyout	593.3	16.5%	421.7	20.6%	1,015.0	18.0%	
Large Buyout	254.9	7.1%	213.4	10.4%	468.3	8.3%	
Middle-Market Buyout	927.6	25.8%	309.4	15.1%	1,237.0	21.9%	
Small Buyout	442.6	12.3%	256.3	12.5%	698.9	12.4%	
Growth Equity	212.5	5.9%	189.8	9.3%	402.3	7.1%	
Special Situations	187.1	5.2%	253.2	12.4%	440.2	7.8%	
Energy	264.7	7.4%	48.6	2.4%	313.3	5.5%	
Secondaries	196.9	5.5%	206.7	10.1%	403.6	7.1%	
Co-Investment	63.2	1.8%	35.5	1.7%	98.7	1.7%	
Other	458.7	12.7%	114.3	5.6%	572.9	10.1%	
Venture Capital	416.3	11.6%	106.5	5.2%	522.8	9.3%	
Mezzanine	42.3	1.2%	7.7	0.4%	50.1	0.9%	
Total	3,601.3	100.0%	2,048.9	100.0%	5,650.2	100.0%	

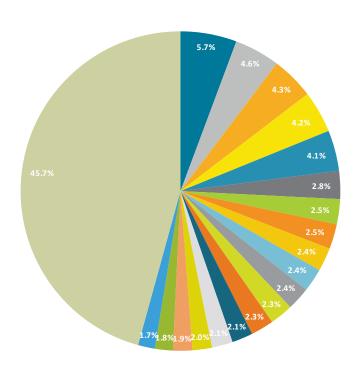
By Fund Geographic Focus

	Market Value		Unfunded Co	mmitment	Total Exposure		
As of March 31, 2013 (US\$ in millions)	\$	% of Total		% of Total		% of Total	
North America	2,471.9	68.6%	1,324.3	64.6%	3,796.3	67.2%	
Global	870.3	24.2%	521.6	25.5%	1,391.9	24.6%	
Western Europe	228.9	6.4%	192.2	9.4%	421.1	7.5%	
Rest of World	30.2	0.8%	10.8	0.5%	41.0	0.7%	
Total	3,601.3	100.0%	2,048.9	100.0%	5,650.2	100.0%	



By Investment Manager

As of March 31, 2013 and Pro-Forma for the Secondary Sale, the Portfolio was highly diversified by investment manager, with 19 managers comprising US\$3.1 billion, or 54.3% of total exposure. The remaining 65 managers comprised 45.7% of total exposure as of quarter-end.



Portfolio Total Exposure by Investment Manager As of March 31, 2013



The Blackstone Group

- Warburg Pincus
- Stone Point Capital
- EQT Partners
- Fairview Capital Partners
- Remaining 65 managers

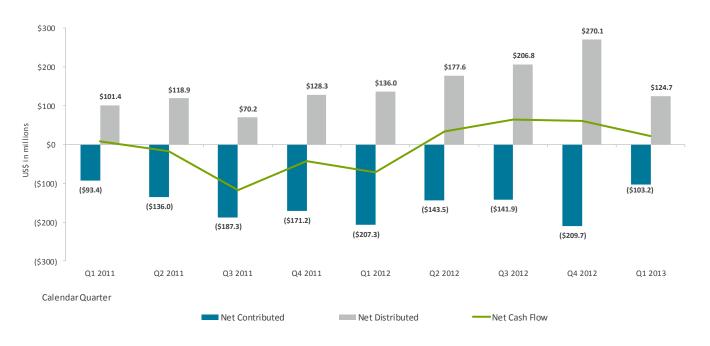


Portfolio Cash Flow Analysis

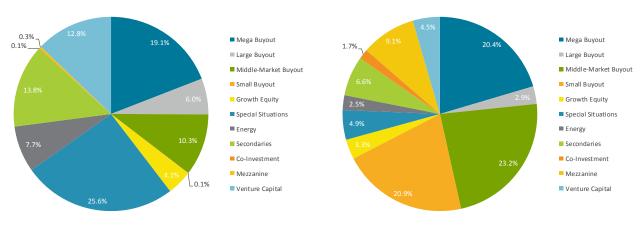
The following quarterly and yearly cash flow analysis is based on actual Portfolio cash flows during those time periods, excluding the proceeds expected to be received from the Secondary Sale that closed in the first half of 2012.

Quarterly Cash Flow Activity

During the first quarter of 2013, the Portfolio made US\$103.2 million of net contributions and received US\$124.7 million of net distributions, for a net cash inflow of US\$21.4 million. The graph below illustrates recent cash flow activity by quarter.



Buyout funds were the most active in terms of cash flow activity during the first quarter of 2013. Buyout funds drew down US\$36.6 million, or 35.5% of total net contributions during the quarter, and distributed US\$84.0 million, or 67.4% of total net distributions during the quarter.



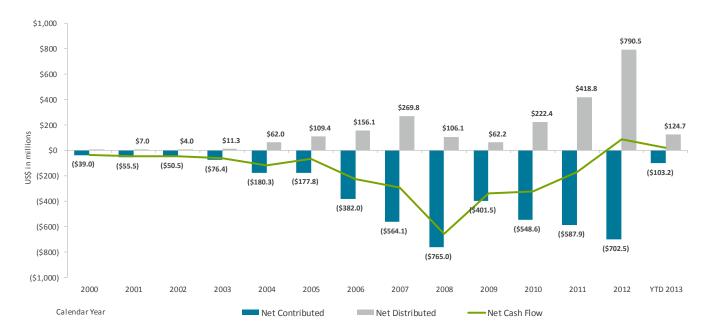
Q1 2013 Net Contributed by Sub-Strategy

Q1 2013 Net Distributed by Sub-Strategy



Yearly Cash Flow Activity

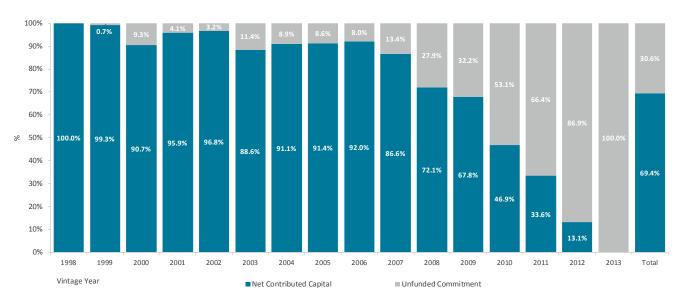
The graph below illustrates cash flow activity since inception by calendar year.





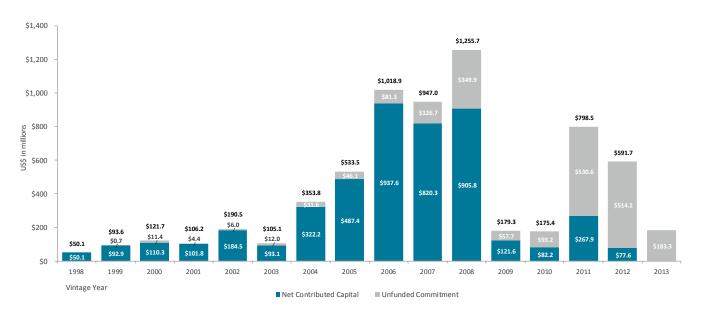
Invested Capital by Vintage Year

The following chart illustrates cumulative net capital contributions as a percentage of total capital commitments, by fund vintage year, as of March 31, 2013 Pro-Forma for the Secondary Sale.



Capital Contributions to Unfunded by Vintage Year (%)

The following chart illustrates cumulative net capital contributions relative to unfunded commitment, by fund vintage year, as of March 31, 2013 Pro-Forma for the Secondary Sale.



Capital Contributions to Unfunded by Vintage Year (US\$)

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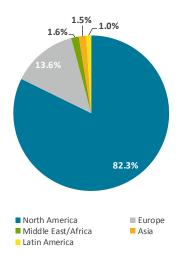


Portfolio Company-Level Analysis

Geographic Exposure

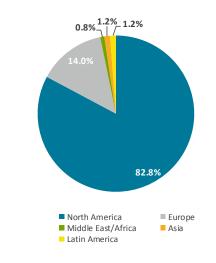
The following charts illustrate the Portfolio's current exposure by geography at the portfolio company level as of March 31, 2013.

Geographic Exposure by Current Cost



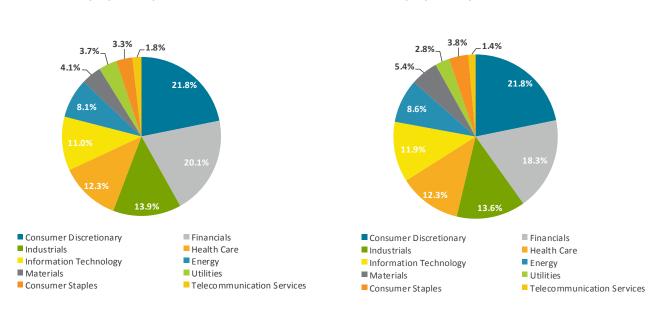
Industry Exposure by Current Cost

Geographic Exposure by Current Market Value



Industry Exposure

The following charts illustrate the Portfolio's current exposure by industry at the portfolio company level as of March 31, 2013. Please note that the Financials category includes investments in various debt securities as well as certain undisclosed fund of funds investments.

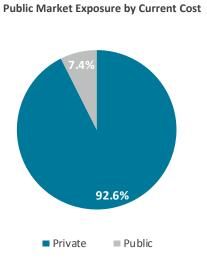


Industry Exposure by Current Market Value

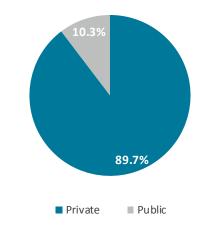


Public Market Exposure

As of quarter-end, publicly traded investments comprised 7.4% of the Portfolio's exposed cost and 10.3% of the Portfolio's exposed market value. The following charts illustrate the current public market exposure at the portfolio company level.



Public Market Exposure Current Market Value





IV. Appendix



New York City Employees' Retirement System Private Equity Portfolio As of March 31, 2013 (in USD)

Vintage Year	Investment	First Drawdown	Committed Capital	Net Contributed Capital	Net Distributed Capital	Market Value	Multiple	IRR
	vestments							
1998	VS&A Communications Partners III, L.P.	12/15/1998 \$						6.3%
1999 1999	Cypress Merchant Banking Partners II, L.P. FdG Capital Partners LLC	3/29/1999 6/2/1999	50,000,000 25,000,000	49,863,018 24,302,765	37,124,068 38,113,544	6,244,125 5,169,592		(2.8% 15.0%
1999	Lincolnshire Equity Fund II, L.P.	10/20/1999	20,000,000	18,711,603	35,688,993	2,159,063		24.9%
2000	Carlyle Partners III, L.P.	3/1/2000	50,000,000	44,860,083	97,618,092	461,471	2.19x	20.5%
2000	Solera Partners, L.P.	5/26/2000	20,000,000	13,557,985	21,473,668	15,390,429		10.3%
2000	SCP Private Equity Partners II, L.P.	6/15/2000	30,000,000	27,931,907	5,949,854	9,111,228		(8.2%
2001	Ripplewood Partners II, L.P.	2/28/2001	20,000,000	21,724,315	16,126,720	11,925,170	1.29x	6.9%
2001	New Mountain Partners, L.P.	3/16/2001	20,000,000	17,107,647	22,908,592	1,892,865	1.45x	12.6%
2001	Apollo Investment Fund V, L.P.	4/13/2001	40,000,000	37,444,293	88,033,289	12,028,833	2.67x	38.8%
2001	RRE Ventures III, L.P.	7/6/2001	20,000,000	25,545,365	23,848,662	16,348,605		8.5%
2002	Yucaipa American Alliance Fund I, LP	7/1/2002	90,000,000	90,079,247	54,710,774	69,403,931	1.38x	8.2%
2002	Thomas, McNerney & Partners, L.P.	10/9/2002	20,000,000	19,300,000	7,003,139	8,167,113		(5.6%
2002 2002	BDCM Opportunity Fund, L.P.	10/14/2002 10/23/2002	25,000,000	23,036,657	53,550,182	6,005,849		22.8% 24.2%
2002	Landmark Equity Partners XI, L.P. FS Equity Partners V, L.P.	1/20/2003	55,000,000 25,000,000	52,103,148 20,063,891	69,071,827 34,979,297	10,147,679 7,485,948		16.7%
2003	Blackstone Capital Partners IV, L.P.	2/26/2003	40,000,000	29,535,460	72,367,812	9,842,305		39.5%
2003	Ares Corporate Opportunities Fund, L.P.	4/1/2003	45,000,000	43,544,210	63,920,874	8,983,730		14.3%
2004	Markstone Capital Partners, LP	1/30/2004	40,000,000	39,300,147	16,804,314	16,596,700		(4.2%)
2004	FdG Capital Partners II LP	8/30/2004	35,000,000	28,091,450	19,109,535	12,224,523		1.8%
2004	Paladin Homeland Security Fund (NY City), L.P.	9/27/2004	15,000,000	15,155,182	1,809,212	6,820,299	0.57x	(9.0%)
2004	Lincolnshire Equity Fund III, L.P.	10/1/2004	55,000,000	51,791,256	60,120,212	36,689,962	1.87x	35.8%
2004	New York/Fairview Emerging Managers Fund, L.PTranche 1	10/21/2004	32,000,000	28,400,000	7,432,758	21,471,611	1.02x	0.4%
2004	Aurora Equity Partners III L.P.	11/16/2004	50,000,000	50,587,790	45,872,066	31,958,508	1.54x	12.5%
2004	Trilantic Capital Partners III L.P.	11/18/2004	50,000,000	36,958,764	53,689,782	4,504,824		13.1%
2004	Celtic Pharmaceutical Holdings L.P.	12/23/2004	25,000,000	25,402,094	402,094	23,030,782		(1.4%)
2005	Palladium Equity Partners III, L.P.	11/12/2004	35,000,000	28,998,996	16,945,302	34,859,420		18.1%
2005	New Mountain Partners II, L.P.	1/12/2005	46,451,615	36,300,449	49,205,221	19,609,648		12.8%
2005	VSS Communications Partners IV, L.P.	3/14/2005	25,000,000	25,498,716	5,860,213	14,216,210		(5.0%)
2005	Prism Venture Partners V-A, L.P.	7/14/2005	30,000,000 40,000,000	30,000,000	7,035,880	13,141,761	0.67x	(10.9%)
2005 2005	Erasmus New York City Growth Fund Quadrangle Capital Partners II LP	8/16/2005 8/29/2005	65,000,000	34,819,694 52,621,127	19,378,130 29,386,729	10,737,228 33,361,640		(3.2%)
2005	Snow Phipps Group, L.P.	9/7/2005	20,000,000	17,771,315	10,606,940	13,807,069		10.2%
2005	GI Partners Fund II L.P.	9/26/2005	35,000,000	35,241,073	18,759,112	34,469,451	1.51x	8.1%
2005	Blackstone Mezzanine Partners II, L.P.	10/10/2005	25,000,000	21,794,595	17,753,101	11,854,968		8.2%
2005	Psilos Group Partners III, L.P.	10/24/2005	35,000,000	32,373,682	17,141,623	25,291,468		7.3%
2005	USPF II Institutional Fund, L.P.	11/23/2005	65,000,000	65,000,000	24,260,649	55,162,603		4.5%
2005	JP Morgan Fleming (Tranche A)	12/21/2005	43,000,000	35,177,772	11,645,537	30,434,134	1.20x	5.3%
2006	Aisling Capital II, LP	1/12/2006	7,000,000	6,405,058	2,002,289	4,557,485	1.02x	0.6%
2006	InterMedia Partners VII, L.P.	1/20/2006	25,000,000	24,108,515	331,937	32,355,559	1.36x	5.9%
2006	Terra Firma Capital Partners III, L.P.	3/8/2006	52,645,148	49,400,166	1,123,857	26,454,813		(15.5%)
2006	BDCM Opportunity Fund II, L.P.	3/29/2006	25,000,000	23,720,537	5,311,142	36,436,428		16.6%
2006	Blackstone Capital Partners V, L.P.	4/13/2006	123,900,000	117,745,908	23,890,882	119,955,809		4.3%
2006	Avista Capital Partners, L.P.	4/27/2006	45,000,000	45,026,821	27,884,583	35,996,098		7.9%
2006	GSC Recovery III, L.P.	5/4/2006	25,000,000	25,588,621	15,730,262	12,765,681	1.11x	3.1%
2006 2006	Apollo Investment Fund VI, L.P. Landmark Equity Partners XIII, L.P.	5/10/2006 5/11/2006	90,000,000 50,000,000	80,507,317	31,180,369 30,615,712	96,506,426		9.6% 4.9%
2006	Ares Corporate Opportunities Fund II, L.P.	5/23/2006	50,000,000	46,559,015 43,804,531	54,992,519	24,531,785 22,920,953		4.9%
2006	Fairview Ventures Fund III, L.P.	6/29/2006	25,000,000	20,311,840	4,415,791	21,362,391	1.27x	9.7%
2006	Ampersand 2006	8/14/2006	25,000,000	22,000,000	12,332,196	19,156,949		9.5%
2006	CCMP Capital Investors II, L.P.	8/17/2006	30,000,000	28,386,364	10,578,555	31,310,236		13.8%
2006	Perseus Partners VII, L.P.	8/31/2006	30,000,000	28,500,124	98,689	11,861,992		(21.6%)
2006	Thomas, McNerney & Partners II, L.P.	11/30/2006	25,000,000	21,437,500	3,120,413	18,804,761	1.02x	0.7%
2006	Catterton Partners VI, L.P.	12/14/2006	45,000,000	43,308,567	10,962,710	56,950,277	1.57x	11.4%
2006	First Reserve Fund XI, L.P.	12/14/2006	45,000,000	44,816,513	12,896,526	38,941,323	1.16x	4.0%
2006	Arsenal Capital Partners II, LP	12/19/2006	22,500,000	20,175,929	3,772,933	25,549,180	1.45x	10.4%
2006	RRE Ventures IV, L.P.	12/19/2006	35,000,000	38,544,022	4,802,704	39,859,054		4.7%
2006	MidOcean Partners III, L.P.	12/21/2006	60,000,000	48,958,605	3,790,032	52,206,507		3.7%
2006	GF Capital Private Equity Fund, L.P.	12/22/2006	20,000,000	19,995,254	10,898,810	18,726,370		16.4%
2006	The Fourth Cinven Fund	1/22/2007	71,342,181	62,812,391	18,235,046	65,322,588		7.0%
2007	Pegasus Partners IV, L.P.	1/29/2007	30,000,000	30,079,677	12,658,392	27,449,960		8.5%
2007	FTVentures III, LP	3/1/2007	25,000,000	16,950,264	10,870,681	26,529,683		19.6%
2007	Co-Investment Partners Europe, L.P.	3/19/2007	39,806,934	38,480,611	4,919,845	39,459,841	1.15x	5.1%
2007	Montreux Equity Partners IV, L.P.	3/27/2007	20,000,000	19,190,000	6,592,834	17,154,840		7.9%
2007 2007	Quaker BioVentures II, L.P. SCP Vitalife Partners II Fund	3/30/2007	20,000,000	14,403,426	2,197,588	9,426,643 13 604 314		(8.8%)
2007	SCP Vitalife Partners II Fund	4/13/2007	20,000,000	15,999,698	1,579	13,604,314		(5.7%) (7.7%)
	Craton Equity Investors LLP	4/30/2007						
2007 2007	Craton Equity Investors I, L.P. Nautic Partners VI, L.P.	4/30/2007 5/14/2007	20,000,000 30,000,000	19,604,386 27,748,439	12,194 6,191,795	15,445,213 27,476,109		6.9%

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New York City Employees' Retirement System Private Equity Portfolio As of March 31, 2013 (in USD)

Vintage	Investment	First Drawdown	Committed	Net Contributed		Market Value	Multiple	IRR
Year 2007	United States Power Fund III, L.P.	6/28/2007	Capital 65,000,000	Capital 50,654,993	Capital 4,940,003	49,864,076	1.08x	2.0%
2007	Halyard Capital Fund II, L.P.	7/2/2007	25,000,000	16,749,428	414,377	14,413,308	0.89x	(3.3%)
2007	Carlyle Partners V, L.P.	7/6/2007	70,000,000	57,573,643	19,666,274	58,701,309	1.36x	11.4%
2007	PCG Clean Energy & Technology Fund (East), LLC	7/6/2007	90,000,000	72,802,709	4,115,910	48,461,585	0.72x	(11.1%)
2007	GSO Capital Opportunities Fund LP	7/16/2007	45,000,000	44,459,832	40,244,031	30,490,829	1.59x	19.5%
2007	StarVest Partners II, L.P.	8/1/2007	25,000,000	18,111,500	6,556	14,714,454	0.81x	(9.0%)
2007	New Mountain Partners III, L.P.	8/9/2007	100,000,000	89,818,559	17,705,357	90,907,644	1.21x	8.6%
2007	Vista Equity Partners Fund III, L.P.	10/3/2007	30,000,000	27,148,639	39,019,827	29,881,556	2.54x	30.8%
2007	Trilantic Capital Partners IV L.P.	10/22/2007	69,028,637	58,703,098	44,848,673	50,293,927	1.62x	18.7%
2007	RLJ Equity Partners Fund I, L.P.	11/30/2007	20,000,000	13,461,483	2,068,855	14,422,871	1.23x	9.5%
2007	Pine Brook Capital Partners, L.P.	1/11/2008	30,000,000	22,071,331	8,347,940	23,344,223	1.44x	16.6%
2008	Paladin III (NY City), L.P.	1/8/2008	30,000,000	20,032,880	3,378,816	19,357,474	1.13x	4.2%
2008	Relativity Fund, L.P.	1/17/2008	20,000,000	10,244,007	422,941	2,902,390	0.32x	
2008	Apollo Investment Fund VII, L.P.	1/28/2008	100,000,000	75,747,792	45,047,130	86,970,492	1.74x	24.6%
2008	NGN BioMed Opportunity II, L.P.	2/11/2008	20,000,000	15,851,821	23,687	11,848,875	0.75x	(10.5%)
2008	Carpenter Community BancFund-A, L.P.	2/12/2008	20,000,000	18,012,119	87,244	22,844,492	1.27x	8.0%
2008	Riverstone/Carlyle Global Energy & Power Fund IV, L.P.	3/3/2008	45,000,000	37,624,796	19,246,639	34,769,813	1.44x	15.3%
2008 2008	Yucaipa American Alliance Fund II, LP Levine Leichtman Capital Partners IV, L.P.	3/28/2008	120,000,000	110,298,551	27,991,753	154,985,937	1.66x 1.72x	18.6% 27.4%
2008	Lee Equity Partners Fund, L.P.	4/8/2008 4/23/2008	35,000,000 42,500,000	26,137,428 31,484,995	5,467,996 2,882,269	39,403,162 30,780,907	1.72x 1.07x	3.0%
2008	New York/Fairview Emerging Managers Fund, L.PTranche 2	5/28/2008	45,000,000	24,318,000	3,847,561	24,616,815	1.07x	8.7%
2008	Yucaipa Corporate Initiatives Fund II, LP	6/23/2008	42,092,788	40,237,969	4,658,272	23,961,751	0.71x	(16.5%)
2008	Leeds Equity Partners V, L.P.	7/28/2008	60,000,000	30,889,330	-,030,272	37,039,534	1.20x	9.3%
2008	GI Partners Fund III L.P.	7/29/2008	45,000,000	42,480,327	12,946,137	44,732,433	1.36x	15.4%
2008	Ares Corporate Opportunities Fund III, L.P.	7/30/2008	75,000,000	59,000,450	37,918,064	60,107,738	1.66x	24.2%
2008	CS NYCERS Emerging Manager Co-Investment Fund, L.P.	8/22/2008	26,262,627	14,414,077	7,701,442	12,971,870	1.43x	12.6%
2008	CS NYCERS Emerging Manager Fund, L.P.	8/22/2008	116,737,374	54,305,570	4,445,432	51,542,007	1.03x	1.6%
2008	First Reserve Fund XII, L.P.	8/25/2008	45,000,000	35,982,030	2,493,845	37,495,182	1.11x	4.0%
2008	Landmark Equity Partners XIV, L.P.	9/19/2008	109,120,000	69,657,883	22,677,259	63,666,891	1.24x	17.9%
2008	Crestview Partners II, L.P.	10/1/2008	50,000,000	34,989,180	4,023,717	44,086,592	1.38x	15.3%
2008	Avista Capital Partners II, L.P.	11/5/2008	75,000,000	49,639,441	12,775,741	67,762,741	1.62x	15.8%
2008	Blue Wolf Capital Fund II, L.P.	11/14/2008	25,000,000	18,342,164	6,767,483	17,893,243	1.34x	16.8%
2008	Bridgepoint Europe IV	11/14/2008	26,777,265	20,022,121	-	22,457,713	1.12x	6.1%
2008	Aisling Capital III, LP	11/20/2008	14,000,000	7,211,688	235,738	6,095,879	0.88x	(8.2%)
2008	Onex Partners III LP	12/10/2008	75,000,000	57,895,262	7,331,464	54,489,926	1.07x	4.3%
2009	Welsh, Carson, Anderson & Stowe XI, L.P.	2/10/2009	40,000,000	26,503,860	1,724,334	31,223,621	1.24x	11.4%
2009	FS Equity Partners VI, L.P.	7/27/2009	32,500,000	21,492,324	1,962,100	23,493,018	1.18x	9.4%
2009	Lincolnshire Equity Fund IV, L.P.	8/5/2009	27,500,000	14,326,291	211,357	12,000,280	0.85x	(11.2%)
2009	Lexington Capital Partners VII, L.P.	12/3/2009	50,000,000	30,090,342	7,897,408	31,464,670	1.31x	19.2%
2010	Snow Phipps II, L.P.	1/8/2010	30,000,000	13,082,770	567,904	13,475,097	1.07x	5.4%
2010	JP Morgan Fleming (Tranche B)	2/26/2010	35,000,000	18,964,079	739,916	19,551,142	1.07x	4.8%
2010	Trident V, L.P.	4/29/2010	110,000,000	50,202,056	-	50,188,533	1.00x	(0.0%)
2011	Blackstone Capital Partners VI, L.P.	1/24/2011	120,000,000	29,625,223	140,885	31,858,240	1.08x	NM
2011	Ampersand 2011	3/11/2011	25,000,000	16,000,000	-	18,196,740	1.14x	NM
2011	BDCM Opportunity Fund III, L.P.	4/8/2011	45,000,000	13,166,363	1,334,766	13,638,379	1.14x	NM
2011	AXA Secondary Fund V B L.P.	6/16/2011	120,000,000	54,119,473	4,377,070	67,053,009	1.32x	NM
2011	Wellspring Capital Partners V, L.P.	7/1/2011	40,000,000	10,577,337	-	9,368,277	0.89x	NM
2011	EQT VI, L.P.	8/1/2011	107,587,701	31,727,225	-	27,256,437	0.86x	NM
2011 2011	Pegasus Partners V, L.P.	8/16/2011 9/19/2011	20,789,916 138,128,086	10,552,376	- 1,109,179	10,195,506 47,936,762	0.97x 1.17x	NM NM
2011	BC European Capital IX American Securities Partners VI, L.P.	11/18/2011	80,000,000	42,021,488 25,195,206	1,109,179	23,666,866	0.94x	NM
2011	Vista Equity Partners Fund IV, L.P.	11/30/2011	100,000,000	34,944,751		36,303,161	1.04x	NM
2011	Warburg Pincus Private Equity XI, L.P.	5/24/2012	110,000,000	23,826,872		25,147,244	1.04x 1.06x	NM
2012	Trilantic Capital Partners V L.P.	9/20/2012	70,000,000	1,000,828	-	(207,880)		N/A
2012	Palladium Equity Partners IV, L.P.	10/10/2012	55,000,000	8,271,964	-	7,310,793	0.88x	NM
2012	Ares Corporate Opportunities Fund IV, L.P.	11/5/2012	125,000,000	4,727,547	-	3,854,349	0.88x	NM
2012	Green Equity Investors VI, L.P.	11/30/2012	120,000,000	11,558,113	304,954	10,783,689	0.96x	NM
2012	Platinum Equity Capital Partners III, L.P.	1/14/2013	100,000,000	28,186,196	4,870,385	22,370,271	0.97x	NM
2012	NYCERS - 2012 Emerging Manager Program	6/21/2013	150,000,000	-	-	-,,	0.00x	NM
2013	Carlyle Partners VI, L.P.	7/3/2013	75,000,000	-	-	-	0.00x	N/A
2013	Carlyle Partners VI, L.P. (Side Car)	N/A	8,250,000	-	-	-	0.00x	N/A
2013	Landmark - NYC Fund I, L.P.	N/A	25,000,000	-	-	-	0.00x	N/A
	Landmark Equity Partners XV, L.P.	N/A	75,000,000				0.00x	N/A
2013	Lanumark Equity Partners AV, L.P.	IN/A	73,000,000			-	0.000	

¹Please note that the Total Portfolio includes liquidated investments and is presented Pro-Forma for the proceeds received and expected to be received from the sale of 11 partnership investments in secondary transactions that closed during the first half of 2012.



New York City Employees' Retirement System Subsequent Commitments As of March 31, 2013 (in USD)

Vintage Year	Investment	First Drawdown	Committed Capital	Ne	t Contributed Capital	N	et Distributed Capital	Market Value	Multiple	IRR
Commitme	ents Closed Subsequent to as of Date									
2013	Olympus Growth Fund VI, L.P.	ç	75,000,000	\$	-	\$	-	\$ -	N/A	N/A
2013	Apollo Investment Fund VIII, L.P.		140,000,000		-		-	-	N/A	N/A
2013	CVC Capital Partners VI, L.P.		140,000,000		-		-	-	N/A	N/A
Total Com	mitments Closed Subsequent to as of Date	\$	355,000,000	\$	-	\$	-	\$ -	N/A	N/A

¹Please note that the Total Portfolio includes liquidated investments and is presented Pro-Forma for the proceeds received and expected to be received from the sale of 11 partnership investments in secondary transactions that closed during the first half of 2012.

Note: IRRs presented are interim estimates and may not be indicative of the ultimate performance of fund investments due to a number of factors, such as the lack of industry valuation standards and the differences in the investment pace and strategy of various funds. Until a fund is liquidated, typically over 10 to 12 years, the IRR is only an interim estimated returm. The IRR calculated in early years of a fund is not meaningful given the J-curve effect. The actual IRR performance of any fund is not known until all capital contributed and earnings have been distributed to the investor. The IRRs contained in this report are calculated by StepStone Group LP ("StepStone"), a consultant to the New York City Employees' Retirement System, based on information provided by the general partners (e.g. cash flows and valuations). The IRR calculations and other information contained in this report have not been reviewed or confirmed by the general partners. The result of the IRR calculation may differ from that generated by the general partners. Differences in IRR calculations can be affected by cash-flow timing, the accounting treatment of carried interest, fund management fees, advisory fees, organizational fees, other fund expenses, sale of distributed stock, and valuations.

Real Estate Quarterly Report

Executive Summary: First Quarter 2013 Performance Measurement Report Real Estate

Portfolio Profile

The New York City Employees' Retirement System has allocated 6.0% (+/- 2%) of the total plan to Real Assets. Real Estate investments are categorized under Real Assets. The Real Estate Portfolio's objective is to generate a total net return that exceeds the NFI-ODCE +100 bps total net return measured over full market cycles.

Portfolio Statistics (March 31, 2013)

Total Plan Assets	\$46.6 billio
Target Real Assets Allocation (%)	69
Target Real Assets Allocation (\$)	\$2.8 billio
Total Real Estate Market Value	\$1.9 billio
Real Estate Unfunded Commitments	\$500 millio
Total Real Estate Exposure	\$2.4 billio
Number of Investments	3
Number of Managers	2

Net Returns (as of March 31, 2013)

1Q13 Time-Weighted Net Re	eturn:		2.7%	
1 Year Time Weighted Net Re	eturn:		10.8%	
3 Year Time Weighted Net Re	eturn:		17.8%	
Inception-to-Date (ITD) Time-Weighted: 5.99				
ITD Net IRR:			3.7%	
ITD Net Equity Multiple:			1.1x	
Investment Guidelines				
Style Sector:	Target	•40-60% Core/Co	re Plus	

Style Sector:	Target •40-60% Core/Core Plus
	•40-60% Non-Core
Benchmark	NFI-ODCE Index +100 bps net
	over full market cycles
Region Diversification	Maximum 25% Int' l
Investment Diversification	Limit 15% to a single investment
Manager Diversification	Limit 15% to a single manager
Leverage	65%

First Quarter Investment Activity

Leverage

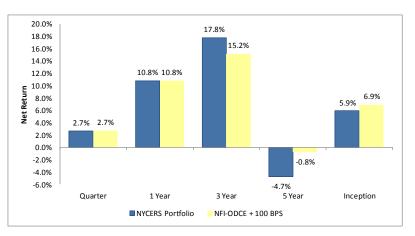
During the Quarter, the Board made commitments of \$125 million with two Managers for Superstorm Sandy related investments

OVERVIEW

During the First Quarter of 2013 the global real estate market experienced over \$100 billion in transaction volume for the first time in five years. Property markets continued to recover. Demand continued to grow and improve while supply remained constrained. Recovery is submarket specific, with primary cities and major markets prevailing.

Domestic investors continued to target core properties in prime gateway markets, however, pricing and limited supply has resulted in the focus shifting to high quality assets just outside of the prime gateway markets. Similarly in Europe, competition for high quality core assets in the primary markets continued. Higher pricing has % caused some investors to target secondary markets to obtain higher yields. Crossborder investment flows remained slow throughout Europe as investors remained n cautious. Importantly, we have observed greater optimism in the European banking on community which should, over time, lead to improved lending conditions and greater liquidity. At \$27 billion in First Quarter, transaction volume in Asia rose n some 26% when compared to the same period a year earlier. Investors in the major on Asian markets of China, Japan and South Korea have continued to seek out investments in logistics. The region, and specifically these market driving nations, continue to suffer from inadequate and aging logistics stock. The Market Update 27 section of this report provides additional information on global real estate conditions.

The New York City Employees' Retirement System ("NYCERS") Real Estate Portfolio is, and has been, well positioned to take advantage of conditions in the real estate marketplace. For example, the Board elected to increase its exposures to several Core/Core Plus Open-End Commingled funds after the recession began in an effort to fully capture the recovery that came domestically in the gateway markets. NYCERS has also been active on the international front through investment in global allocator funds whose opportunistic strategies are designed to exploit the recovery in the European and Asian markets. Post economic downturn, in the period reflected in the rolling three-year returns, NYCERS performance exceeds benchmark by 260 basis points. At the end of the First Quarter 2013, the Portfolio achieved a total gross return of 3.2% which was comprised of 1.0% income and 2.2% appreciation. The net return for the Quarter was 2.7%. A detailed analysis of the Portfolio's real estate performance is found later in this Executive Summary.



Executive Summary: First Quarter 2013 Performance Measurement Report Real Estate

FUNDING AND COMPOSITION

At the end of the First Quarter, the Portfolio was funded at \$1.9 billion, or 4.2% of total plan assets. A total of \$499 million in unfunded commitments are still outstanding. Unfunded commitments are down from just over \$507 million as of Fourth Quarter 2012. However, new commitment activity has accelerated over the past several months and the trend will continue into the second half of 2013.

New contributions for the Quarter totaled \$22.5 million, offset by just over \$39.2 million in distributions and withdrawals. Distributions were weighted to the non-core sector.

Shown in the pie chart to the right is the current risk sector exposure calculated by Market Value + Unfunded Commitments. The Core/ Core Plus component accounts for 40.9% of the Portfolio exposure during the Quarter. The Non-Core component accounts for 56.2% of the Portfolio exposure. The Emerging Manager component accounts for 2.9% of the Portfolio exposure.

A more detailed break-down of the Portfolio Composition is shown in the table below. Attached as Exhibit A is a matrix which demonstrates compliance with various Investment Policy Statement guidelines.

Emerging Managers Portfolio 571 2.9% Portfolio 5996 40.9% 40.9% Mon-Core Portfolio 51,369 56.2%

New York City Employees' Retirement System						
Total Plan Assets	3/31/2013	\$46,595				
Real Estate Allocation (%)		6.0%				
Real Estate Allocation (\$)		\$2,796				
St	yle Sector Allocation					
Core / Core Plus Portfolio	40.0%	\$1,118				
Non-Core Portfolio	55.0%	\$1,538				
Emerging Managers Portfolio	5.0%	\$140				
Uncommitted Core / Core Plus Portfolio		\$122				
Uncommitted Non-Core Portfolio		\$169				
Uncommitted Emerging Managers Portfolio		\$69				
Funded (Marke	et Value) and Committed Statistics					
Core / Core Plus Portfolio		40.9%				
Non-Core Portfolio		56.2%				
Emerging Managers Portfolio		2.9%				
\$ Committed		\$2,436				
% Committed on Real Estate Allocation		87.1%				
% Committed on Total Plan Assets		5.2%				
Funded	d (Market Value) Statistics					
% Funded (Market Value) of Total Plan Assets		4.2%				
% Funded (Market Value) of Total Real Estate Alloc	ation	69.3%				

Real Estate Exposure

Executive Summary: First Quarter 2013 Performance Measurement Report Real Estate

PERFORMANCE

During the Quarter under review, the NYCERS Real Estate Portfolio produced a 3.2% total gross return. The total net return for the Quarter was 2.7%. On a rolling one-year basis the total gross return of 12.9% was recorded. On a net basis the total return was 10.8%. On a gross basis the NYCERS Portfolio exceeds the NFI-ODCE in all but one time period (five-year). The benchmark return contemplates a 100 bps premium over the ODCE net return over full market cycles. This benchmark is exceeded over the one-year and three-year time periods. The various components of the Portfolio returns are depicted in the chart below.

Core/Core Plus

As of March 31, 2013 the market value of the Core/ Core Plus Portfolio was \$980.8 million, or 50.6% on an invested basis. On a funded and committed basis, the Core/ Core Plus Portfolio totaled \$1.0 billion, or 40.9% of the total Portfolio. The Core/ Core plus Portfolio generated a 2.6% total gross return for the Quarter comprised of 1.2% in income and 1.4% in appreciation. The total net return for the Quarter was 2.5%.

The most significant contribution to the Quarterly return in the Core/Core Plus sector was JP Morgan Strategic Property Fund, contributing 0.2%. Additionally, JP Morgan Special Situation Fund contributed 0.1%. The largest detractor from the Core/Core Plus Portfolio was UBS Trumbull Property Fund, which detracted (0.2%) from the total net return. It is important to note that while UBS may have underperformed it still maintained positive performance with a 1.4% net return for the Quarter.

Post economic downturn, the Core/Core Plus Portfolio achieved a 15.8% net return over the three-year period ending March 31, 2013. Of the 11 Core/Core Plus Funds, PRISA II was the largest contributor, adding 0.6% to the overall performance of the Portfolio. UBS Trumbull Property Fund was the largest detractor, taking away (0.7%) from the overall performance of the Core/Core Plus Portfolio.

Non-Core

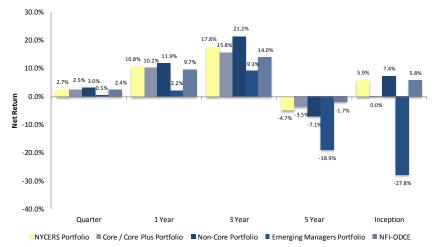
As of March 31, 2013 the market value of the Non- Core Portfolio was \$905.5 million, or 46.7% on an invested basis. On a funded and committed basis, the Non-Core Portfolio totaled \$1.4 billion, or 56.2% of the total Portfolio. The Non-Core Portfolio generated a 3.9% total gross return for the Quarter comprised of 0.6% in income and 3.2% in appreciation. The total net return for the Quarter was 3.0%.

Of the 25 Non-Core Funds, Blackstone Real Estate Partners VII was the largest contributor to the Quarterly return, adding 0.6%. Thor Urban Property Fund II was the largest detractor for the Quarter, taking away (0.2%) from the overall performance of the Non-Core Portfolio.

The Non-Core Portfolio generated a three-year net return of 21.2%. Of the 25 non-core Funds, Blackstone VI was the largest contributor, adding 2.7% to the three-year performance of the Portfolio. The largest detractor among these Funds was Canyon Johnson Urban Fund II, which took away (1.6%) from overall Non-Core performance.

Emerging Managers

As of March 31, 2013 the market value of the Emerging Managers Portfolio was \$51 million, or 2.6% on an invested basis. On a funded and committed basis, the Emerging Managers Portfolio totaled \$71 million, or 2.9% of the total Portfolio. The Emerging Managers Portfolio generated a 0.9% total gross return for the Quarter comprised of 1.7% in income and (0.8%) in depreciation. The total net return for the Quarter was 0.5%. The Emerging Managers Portfolio has underperformed for a number of reasons including the fact that performance has been adversely impacted by virtue of the vintage years of these funds.



Executive Summary: First Quarter 2013 Performance Measurement Report Real Estate

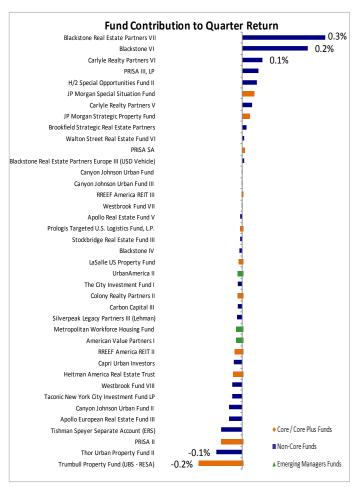
PERFORMANCE

Portfolio Performance

At the end of the First Quarter 2013, the Portfolio had a cumulative market value of \$1.94 billion. Total market value plus unfunded commitments was \$2.4 billion, or 87.1% of the real estate allocation. During the Quarter, the Portfolio achieved a total gross return of 3.2% which was comprised of 1.0% income and 2.2% appreciation. The Portfolio achieved a total net return of 2.7%. Since inception, the Portfolio has a net IRR of 3.7% and an equity multiple of 1.1x as of March 31, 2013. Note, attached as Exhibit B are performance metrics relating to each investment within the Portfolio.

The Quarterly return was driven by Blackstone Real Estate Partners VII which contributed 0.3% to the overall performance. In addition, Blackstone VI had a substantial impact on the Portfolio, contributing 0.2%. The primary laggards in the Portfolio were Thor Urban Property Fund II and UBS Trumbull Property Fund, detracting (0.1%) and (0.2%), respectively. Brief reviews of Funds making positive contributions to performance during the Quarter are found below. Note, that attached as Exhibit C are charts relating to fund contributions to returns during different relevant periods.

Blackstone Real Estate Partners VII (BREP VII). BREP VII had a total First Quarter return of 9.9% comprised of 0.6% in income and 9.3% in appreciation. The net return after fees was 7.4%. Since the Fund's inception, BREP VII has completed or committed to 64 transactions and invested \$6.7 billion in equity. As of the end of the Quarter, the valuation of BREP VII's portfolio was increased by \$609 million, or approximately 10.0% (including currency adjustments). BREP VII remained active in the market in the First Quarter, committing or investing a total of \$1.3 billion of equity in 20 transactions over the period. The Fund distributed \$318 million to investors during the Quarter, which included current income from existing investments, as well as proceeds relating to property sales.



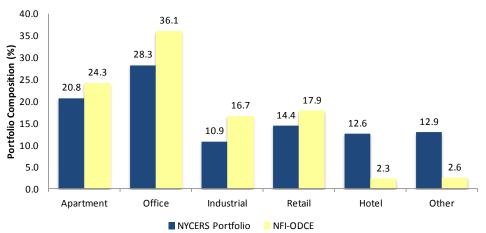
Blackstone Real Estate Partners VI (BREP VI). BREP VI produced a total gross return during the Quarter of 6.4%, comprised of 0.2% in income and 6.2% in appreciation. The net return after fees was 4.9%. The increase in valuation was due to the continued improvement in demand in the office, hotel, retail and industrial sectors, which continue to be underpinned by limited new supply. These factors contribute to increases to several of the Fund's major investments, including Hilton, Equity Office Properties, and Brixmor. The Fund also sold shares of the Fund's common stock holdings in General Growth Properties. The debt markets have improved for high quality, well located assets in the US, enabling BREP VI to obtain refinancing at favorable terms.

Carlyle Realty Partners VI (Carlyle VI). Carlyle VI had a total quarter return of 9.0% comprised of 0.9% in income and 8.1% in appreciation. The net return after fees was 6.9%. As of March 31, 2013, Carlyle VI closed on 69 investments requiring approximately \$1.1 billion of Fund equity. In addition, subsequent to Quarter-end, Carlyle has placed under contract or closed on an additional 20 investments that would bring the total equity commitment amount to approximately \$1.5 billion. Carlyle has exited three investments in Fund VI. The Fund is seeing strongest demand trends in the multifamily rental market; as a result, this sector has represented the largest share of Fund VI investing to date.

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PROPERTY TYPE DIVERSIFICATION

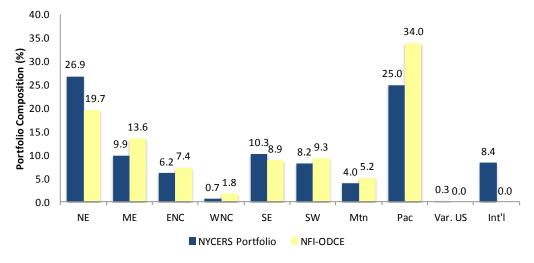
The diversification of the current Portfolio by property type is shown below and compared to the diversification of the NCREIF-ODCE at the end of the Quarter. Relative to the ODCE, the Portfolio is still underweight to all property sectors (excluding hotels) due to its allocation to other property types such as For Sale Residential, Self Storage, Land and 'Other', consisting of Health Care, Medical Office, Data Centers, Senior Living and Student Housing.



Property Type Diversification

GEOGRAPHIC DIVERSIFICATION

The diversification of the current funded Portfolio by geographic region is shown below and compared to the diversification of the NFI-ODCE at the end of the Quarter. The ODCE is a US-only index. The domestic portion of the Portfolio is well diversified relative to the ODCE with a slight overweight to the Northeast and Southeast and a slight underweight to the Mideast and Pacific. The 8.4% international exposure is appropriate for the risk and return profile of NYCERS and consistent with our long-term target. Non-US exposures are diversified across Developed Europe (4.4%), Developed Asia (1.2%) and other international markets.



Geographic Diversification

Executive Summary: First Quarter 2013 Performance Measurement Report Real Estate

MARKET UPDATE

General Market Overview

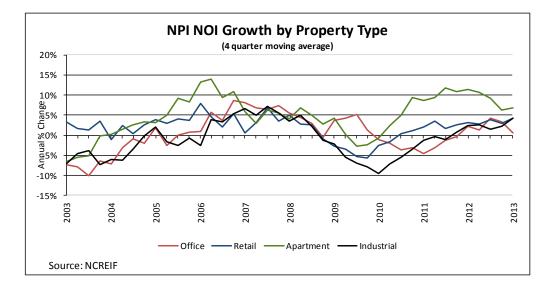
The commercial real estate market continues to show positive signs with the First Quarter 2013 experiencing over \$100 billion in transaction volume for the first time in five years, up 20% from First Quarter 2012. Declining unemployment rates will translate directly into income growth and improved occupancy across all sectors. Property markets are recovering as demand continues to improve and overall supply remains constrained, however, recovery is submarket specific with gateway and primary cities prevailing.

Direct Commercial Real Estate Volumes, 1Q12 - 1Q13											
			%		%			%			
			Change		Change			Change			
\$ US			4Q12 -		1Q12 -			2011 -			
Billions	4Q12	1Q13	1Q13	1Q12	1Q13	2011	2012	2012			
Americas	64	38	-40%	35	9%	171	190	11%			
EMEA	61	40	-34%	31	28%	166	160	-3%			
Asia Pacific	27	27	0%	21	26%	99	99	0%			
Total	152	105	-31%	87	20%	436	449	3%			

Source: Jones Lang LaSalle

While yields have compressed for core real estate in prime markets, spreads to local government bonds remain at historic highs, providing strong relative performance. Lenders are beginning to return to the market and are providing attractive financing which will result in greater transaction volume and stronger investor demand. Leasing fundamentals have generally been strengthening as shown by increasing/stabilizing NOI growth in the chart below. Recovery in gateway markets and primary cities have been particularly strong as major CRE sectors have reported occupancy gains for two consecutive years.

Moving through 2013 and into 2014 the market will see tighter conditions of Grade A space. With new supply of high-quality space limited, the market will become more intense and tenants will find it difficult to gain leverage. Furthermore, demand for industrial and apartment properties is up, exceeding pre-recession levels.



Executive Summary: First Quarter 2013 Performance Measurement Report
Real Estate

MARKET UPDATE cont.

The United States

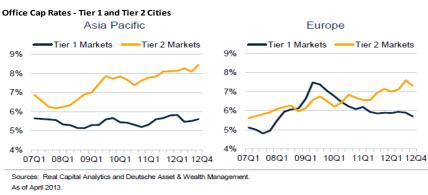
The U.S. real estate market experienced \$38 billion in transaction volume during the Quarter, up 9% from First Quarter 2012. During the Global Financial Crisis ("GFC"), real estate values declined 31% and 44% for the de-levered NCREIF Property Index ("NPI") and the levered NCREIF Open-End Diversified Core Equity Index ("NFI-ODCE"), respectively. Since the market trough in 2010, both indices have recovered 22% and 30%, respectively. Increasing economic activity and improving employment conditions are stimulating tenant demand. Although demand for space is increasing, it is modest enough to keep a cap on new construction, thus driving down vacancy rates in existing properties. Vacancy rates continue to strengthen for the second straight year, translating into strong NOI growth. Additionally, real estate cap rate spreads are well above their long-term average relative to 10-year Treasuries. This healthy spread offers investors a cushion against bond yield increases in the near term. Furthermore, strong capital flows into real estate and improving NOI growth are expected to help offset the impact of higher Treasury rates.

Investors continue to target core properties in prime gateway markets, however, pricing and limited supply have resulted in the focus shifting to high quality assets just outside of the prime gateway markets. Still, core real estate remains attractively priced relative to fixed-income alternatives. The spread to Treasuries and corporate bonds remains above their long-term averages, currently at 400 bps and 130 bps, respectively. Given the magnitude of the spreads we can gather that the Fed is not likely to act on interest rates soon and that real estate should maintain broad momentum moving through the coming periods. Even though primary markets remain the focal point, property values are starting to increase in secondary markets as financing availability improves and investors attempt to capture yield.

<u>Europe</u>

The European commercial real estate market has shown hopeful signs thus far in 2013. Optimism among Europe's banks is improving, leading to liquidity in the financial markets and increasing the number of active lenders. However, international investors continue to be cautious and cross-border investment flow remains low.

The European core asset environment remains extremely competitive. Still, an increasing number of non-core opportunities exist, especially in secondary locations. Given the low returns on prime assets, investors are assessing the need to move into secondary assets and regional markets. These markets generally offer higher income returns and elevated yields imply scope for capital growth via yield compression. As economic growth stabilizes, investor demand will continue to move beyond CBD and core markets in search of more attractive yields. As investor interest in these markets grows, downward pressure will be put on yields outside of major CBD markets. Furthermore, vacancy rates are expected to continue rising in many markets, however, investor demand remains strong in the United Kingdom, Germany and Sweden, as these markets are likely to recover before others in Europe. Property values in the periphery remain depressed and could decline further as debt capital remains difficult to attain for risky assets.



Asia

The Asian real estate market experienced \$27 billion in transaction volume during the Quarter, up 26% from First Quarter 2012. Transaction volume during the second half of 2013 is likely to curtail as investors become more concerned that rising interest rates will lead to higher property yields, resulting in reduced property values.

Logistics remains a focus with a shortage of quality supply in China, Japan, and South Korea. Although new stock began to be built in the 2000's, it only represents a small share of the overall stock. Additionally, the Chinese government continues to stress domestic consumption which favors retail and logistics sectors. Among other factors, the recovery in the region is less rapid than it has been in previous market cycles and the two major economies of the region, China and Japan, are undergoing structural changes that may affect the market. Given the current market environment we should expect to see a reduction in corporate investment and hiring, as well as slower leasing volumes.

Executive Summary: First Quarter 2013 Performance Measurement Report Real Estate

EXHIBIT A: COMPLIANCE MATRIX

Category	Requirement	Portfolio Status
Benchmark	NFI-ODCE (net) +100 bps over full market cycles	Portfolio returns underperform the benchmark.
Portfolio Composition	Core/Core Plus (minimum of 40%) Non Core (minimum of 40%) Non Core Emerging (greater of \$88 million or 5% of the total real estate allocation)	The portfolio is funded (market value) and committed at 87.1% of real asset allocation with a portfolio composition of 40.9% core, 56.2% non-core, and 2.9% emerging.
Real Asset Allocation	Target of 6.0% Currently Funded at 4.2%	Funded (market value) and committed dollars place the portfolio at 5.2% of total plan assets.
Property Type Diversification	Up to 40% Mutlifamily Up to 35% Industrial Up to 45% Office Up to 35% Retail Up to 25% Hotel Up to 20% Other	All property type locations are in compliance.
Geographic Diversification	Diversified geographically Max 25% Ex-US	All geographic type locations are in compliance
LTV	65%	Portfolio is in early stages of funding, but is in compliance (43.3%).
Manager Exposure	15% of real estate allocation	Manager exposure is within compliance ranges.

Executive Summary: First Quarter 2013 Performance Measurement Report Real Estate

The Townsend Group

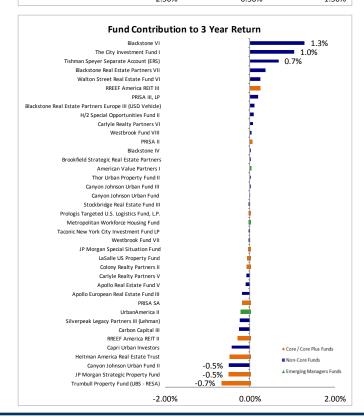
		N	ew York City Employees'	Retirement System				
Vintage Year	Fund Name	First Draw Down	Capital Committed	Contributions	Distributions	Market Value	Equity Multiple	Net IRR
2006	Prologis Targeted U.S. Logistics Fund	10/1/2006	\$25,000,000	\$29,236,366	(\$4,440,389)	\$19,436,898	0.8	-3.7%
2006	PRISA SA	9/29/2006	\$86,000,000	\$90,236,147	(\$9,894,604)	\$84,080,080	1.0	0.7%
2006	RREEF America REIT II	10/1/2006	\$86,000,000	\$113,537,802	(\$36,168,305)	\$84,855,048	1.1	1.3%
2006	UBS Trumbull Property Fund ("UBS-TPF")	9/28/2006	\$156,000,000	\$181,283,182	(\$19,860,616)	\$187,309,176	1.1	3.6%
2007	Colony Realty Partners II	12/20/2006	\$20,000,000	\$21,420,211	(\$666,108)	\$8,383,498	0.4	-14.8%
2007	JP Morgan Special Situation Property Fund	1/2/2007	\$90,000,000	\$97,945,373	(\$14,046,421)	\$75,634,853	0.9	-1.6%
2007	RREEF America REIT III - 1410	10/1/2007	\$90,000,000	\$90,000,000	(\$2,559,220)	\$36,569,422	0.4	-14.2%
2007	Heitman HART	3/29/2007	\$115,000,000	\$136,334,652	(\$21,334,652)	\$142,243,323	1.2	4.8%
2007	JP Morgan Strategic Property Fund	12/4/2006	\$136,000,000	\$142,431,343	\$0	\$170,951,741	1.2	3.9%
2007	PRISA II	6/30/2007	\$141,518,761	\$146,410,091	(\$11,620,773)	\$132,572,266	1.0	-0.3%
2010	LaSalle Property Fund	7/1/2010	\$50,000,000	\$34,449,596	(\$2,189,449)	\$38,764,021	1.2	12.1%
	Core / Core Plus Portfolio		\$995,518,761	\$1,083,284,763	(\$122,780,538)	\$980,800,327	1.0	0.4%
2003	Canyon Johnson Urban Fund	12/6/2002	\$15,000,000	\$13,590,364	(\$15,874,432)	\$0	1.2	10.2%
2004	Blackstone Fund IV	5/10/2004	\$30,000,000	\$38,440,704	(\$33,574,584)	\$16,345,729	1.3	10.9%
2004	Tishman Speyer Separate Account (ERS)	12/16/2003	\$100,000,000	\$71,066,452	(\$225,424,104)	\$37,713,961	3.7	63.5%
2004	The City Investment Fund I	3/16/2004	\$225,000,000	\$221,883,300	(\$132,595,834)	\$105,731,148	1.1	2.0%
2005	Canyon Johnson Urban Fund II	5/11/2005	\$40,000,000	\$35,954,818	(\$24,000)	\$19,430,128	0.5	-10.9%
2006	AREA Real Estate Investment Fund V, LP	6/15/2006	\$25,000,000	\$25,000,001	(\$6,411,173)	\$12,187,308	0.7	-7.6%
2007	Metropolitan Workforce Housing Fund	7/13/2007	\$14,000,000	\$14,013,027	(\$713,805)	\$13,248,694	1.0	-0.2%
2007	Carlyle Realty Partners V	8/27/2007	\$20,000,000	\$23,873,291	(\$15,889,569)	\$13,304,388	1.2	6.7%
2007	UrbanAmerica II	1/30/2007	\$25,000,000	\$23,222,735	\$0	\$11,487,567	0.5	-13.3%
2007	Blackstone Real Estate Partners VI	9/27/2007	\$110,000,000	\$116,678,342	(\$26,068,634)	\$135,956,369	1.4	10.1%
2008	Stockbridge Real Estate Fund III	9/9/2008	\$27,000,000	\$26,285,345	\$0	\$26,208,961	1.0	-0.1%
2008	AREA European Real Estate Fund III, LP	5/6/2008	\$30,000,000	\$28,315,000	(\$6,505,000)	\$21,462,821	1.0	-0.5%
2008	Westbrook Real Estate Fund VII	12/3/2007	\$40,000,000	\$42,706,220	(\$7,078,790)	\$32,311,156	0.9	-2.2%
2008	PRISA III	9/30/2008	\$50,000,000	\$52,882,892	\$0	\$68,978,794	1.3	8.5%
2008	Silverpeak Legacy Partners III (Lehman)	5/28/2008	\$50,000,000	\$22,168,479	(\$688,400)	\$8,712,098	0.4	-18.3%
2008	American Value Partners Fund I	10/18/2007	\$55,000,000	\$37,055,096	(\$7,960,786)	\$26,345,173	0.9	-3.0%
2008	Capri Urban Investors	6/3/2008	\$60,000,000	\$59,980,707	\$0	\$41,293,245	0.7	-12.2%
2009	Carbon Capital III	7/2/2009	\$40,000,000	\$43,757,162	(\$32,452,775)	\$19,261,714	1.2	8.4%
2009	Thor Urban Property Fund II	10/30/2008	\$40,000,000	\$49,974,002	(\$17,767,214)	\$31,860,097	1.0	-0.6%
2009	Walton Street Real Estate Fund VI	4/27/2009	\$50,000,000	\$42,323,933	(\$9,041,824)	\$41,357,123	1.2	8.3%
2010	Canyon Johnson Urban Fund III	3/29/2010	\$30,000,000	\$25,507,444	(\$4,535,296)	\$23,140,101	1.1	6.1%
2010	Blackstone Real Estate Partners Europe III (USD Vehicle)	10/24/2008	\$50,000,000	\$34,079,725	(\$908,659)	\$39,066,392	1.2	13.7%
2010	Westbrook Real Estate Fund VIII	12/28/2009	\$50,000,000	\$57,976,200	(\$19,326,165)	\$46,418,801	1.1	13.1%
2011	H/2 Special Opportunities Fund II	1/31/2011	\$40,000,000	\$12,192,523	\$0	\$17,174,215	1.4	30.3%
2011	Carlyle Realty Partners VI	9/14/2011	\$70,000,000	\$22,638,816	(\$1,581,015)	\$25,785,638	1.2	22.2%
2012	Taconic New York City Investment Fund LP	7/5/2012	\$70,000,000	\$21,159,091	\$0	\$20,616,367	1.0	-4.8%
2012	Brookfield Strategic Real Estate Partners	9/20/2012	\$110,000,000	\$13,357,292	\$0	\$14,498,300	1.1	17.0%
2012	Blackstone Real Estate Partners VII	3/31/2012	\$170,000,000	\$79,350,411	(\$9,915,662)	\$86,671,300	1.2	37.3%
	Non Core and Emerging Manager Portfolio		\$1,652,360,625	\$1,259,639,897	(\$578,544,245)	\$956,567,588	1.2	9.4%
	New York City Employees' Retirement System		\$2,647,879,386	\$2,342,924,660	(\$701,324,783)	\$1,937,367,915	1.1	3.7%

Source: PCG historical cash flow data. TTG cash flow data from Fund Managers, effective 2005. Note: The equity multiples and IRRs contained in this report are interim calculations based upon information provided by the investment managers of the New York City Retirement Systems, including cash flows and quarterly unaudited, or audited, valuations. The IRR calculated in early years of a fund life is not meaningful given the J-curve effect and can be significantly impacted by the timing of cash flows, investment strategy, investment pacing, and fund life. The calculations are not necessarily indicative of total fund performance, which can only be determined after the fund is liquidated and all capital contributed and earnings have been distributed to the investor. All data supplied is as of March 31, 2013. Note: The General Partner of the JPMorgan Urban Renaissance Fund terminated the Fund on February 23, 2010 and all capital contributed, including management fees, was returned to investors.

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EXHIBIT	C :	ATTRIBUTION
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	Fund Contr	ibution to	o 1 Year Return	
	Blackstone Real Estate Partners VII		1	0.8%
	Blackstone VI			0.4%
	The City Investment Fund I			0.3%
	Carlyle Realty Partners VI			
	H/2 Special Opportunities Fund II			
	RREEF America REIT III			
	Thor Urban Property Fund II			
В	lackstone Real Estate Partners Europe III (USD Vehicle)			
	PRISA III, LP			
	Stockbridge Real Estate Fund III			•
	Carlyle Realty Partners V			•
	Brookfield Strategic Real Estate Partners			
	American Value Partners I			
	Canyon Johnson Urban Fund III			l i i i i i i i i i i i i i i i i i i i
	Walton Street Real Estate Fund VI			l i i i i i i i i i i i i i i i i i i i
	Canyon Johnson Urban Fund			I
	JP Morgan Special Situation Fund			
	JP Morgan Strategic Property Fund			l
	Apollo Real Estate Fund V			
	Prologis Targeted U.S. Logistics Fund, L.P.			
	Metropolitan Workforce Housing Fund			l
	Westbrook Fund VII			
	LaSalle US Property Fund			
	RREEF America REIT II			
	Carbon Capital III			
	Capri Urban Investors			
	Blackstone IV			
	Westbrook Fund VIII			
	PRISA II			l
	Taconic New York City Investment Fund LP			
	Heitman America Real Estate Trust			l
	Silverpeak Legacy Partners III (Lehman)			
	PRISA SA			
	Colony Realty Partners II		=	l
	Apollo European Real Estate Fund III		_	 Core / Core Plus Funds
	Canyon Johnson Urban Fund II		_	
	UrbanAmerica II		_	Non-Core Funds
	Tishman Speyer Separate Account (ERS)		-0.4%	▲ Emerging Managers Funds
	Trumbull Property Fund (UBS - RESA)		-0.5%	
	n	.50%	-0.50%	1.50%
	-2.	30%	-0.50%	1.50%



The New York City Employees' Retirement System

Callan Performance Summary



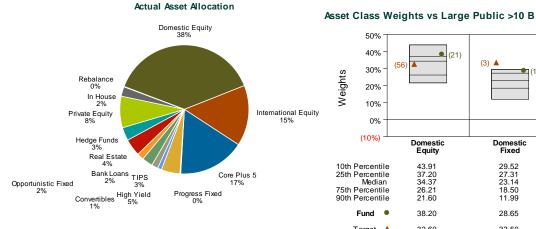
September 24, 2013

New York City Employees' Retirement System

Performance Measurement Summary 6/30/13

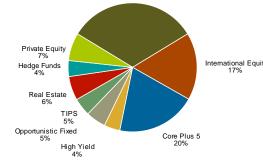
Bud Pellecchia Senior Vice President

Total Fund Actual Asset Allocation Versus New Long Term Target



Target Asset Allocation

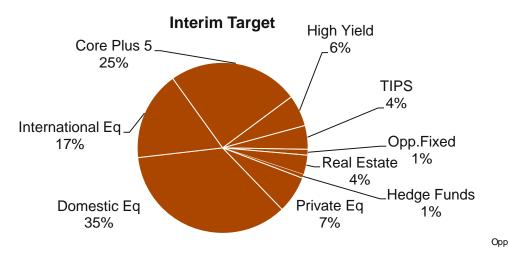
Domestic Equity 33%

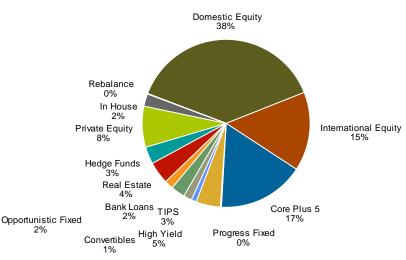


Weights	30% - 20% - 10% - 0% -	(56)	(3)	(100)	(46)	(90) (97)	(34)
	(10%) —	Domestic Equity	Domestic Fixed	Cash Equiv	Real Estate	International Equity	Alternative
		- 4	. ince	= qui i	Lotate	Equity	
25th P 75th P	Percentile Percentile Median Percentile Percentile	43.91 37.20 34.37 26.21 21.60	29.52 27.31 23.14 18.50 11.99	3.13 1.74 0.31 0.00 0.00	12.17 8.38 5.66 3.21 0.00	27.57 24.98 23.11 19.89 16.93	19.53 11.83 9.56 3.27 0.00
25th P 75th P 90th P	Percentile Median Percentile	43.91 37.20 34.37 26.21	29.52 27.31 23.14 18.50	3.13 1.74 0.31 0.00	12.17 8.38 5.66 3.21	27.57 24.98 23.11 19.89	11.83 9.56 3.27

	Asset Class	\$000s Actual	Percent Actual	Percent Target	Percent Difference	\$000s Difference
	Domestic Equity	17,779,337	38.2%	32.6%	5.6%	2,608,083
	International Equity	7,095,998	15.2%	16.9%	(1.7%)	(768,854)
	Core Plus 5	7,781,651	16.7%	20.0%	(3.3%)	(1,525,867)
uity	Progress Fixed	103,707	0.2%	0.0%	0.2%	103,707
	High Yield	2,210,446	4.7%	4.0%	0.7%	348,943
	Convertibles	452,173	1.0%	0.0%	1.0%	452,173
	Opportunistic Fixed	739,203	1.6%	5.0%	(3.4%)	(1,587,676)
	TİPS	1,275,907	2.7%	4.5%	(1.8%)	(818,285)
	Bank Loans	768,489	1.7%	0.0%	1.7%	768,489
	Real Estate	2,016,743	4.3%	6.0%	(1.7%)	(775,512)
	Hedge Funds	1,525,010	3.3%	4.0%	(0.7%)	(336,494)
	Private Equity	3,687,956	7.9%	7.0%	0.9%	430,325
	In House	1,100,964	2.4%	0.0%	2.4%	1,100,964
	Rebalance	5	0.0%	0.0%	0.0%	5
	Total	46,537,590	100.0%	100.0%		

Total Fund Actual Asset Allocation Versus Interim Target





Actual Asset Allocation

Interim Target

- 32.6% Russell 3000 for Broad Domestic Equity, 16.9% ACWI ex-US for Global Ex-US Equity, 20% Core Plus 5% for Fixed Income
- 4.5% BC US TIPS Index for TIPS
- 4% Citigroup High Yield Index BB & B for High Yield Fixed Income
- 7% Russell 3000 Index + 5% for Private Equity
- 3.7% NFI-ODCE Equal Weight Net +1%, 1.15% Russell 3000 Index, 1.15% Core Plus 5% Index for Real Estate
- 0.7% HFRI FOF Composite + 1%, 1.65% Russell 3000 Index, 1.65% Core Plus 5% Index for Hedge Funds
- 1.1% JP Morgan High Yield Index + 3%, 1.95% Core Plus 5%, 1.95% Citigroup HY Index BB & B for Opportunistic Fixed Income

Or

- 35.4% Russell 3000 Index
- 16.9% ACWI ex-US Index
- 24.75% Core Plus 5% Index
- 4.5% BC US TIPS Index
- 5.95% Citigroup High Yield Index BB & B
- 7% Russell 3000 + 5%
- 3.7% NFI-ODCE Equal Weight Net +1%
- 0.7% HFRI FOF Composite + 1%
- 1.1 % JP Morgan High Yield Index + 3%

60

Total Fund Quarterly Attribution Analysis Versus New Long Term Target

With Private Equity Target Return Equal to Actual Return

Relative Attribution Effects for Quarter ended June 30, 2013

Style Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Style Allocation	Total Relative Retum
-	•	•					
Domestic Equity	37%	33%	2.70%	2.69%	0.00%	0.13%	0.13%
Core Plus 5	17%	20%	(2.84%)	(2.94%)	0.02%	0.09%	0.10%
High Yield	5%	4%	(1.30%)	(1.52%)	0.01%	(0.02%)	(0.01%)
TIPS	3%	5%	(7.17%)	(7.05%)	(0.00%)	0.11%	0.10%
Leveraged-Bank Loans	2%	0%	0.41%	0.41%	0.00%	0.01%	0.01%
Opportunistic Fixed	1%	5%	3.67%	3.10%	0.01%	(0.11%)	(0.11%)
Short Term	1%	0%	0.07%	0.07%	0.00%	0.00%	0.00%
Total Targeted	1%	0%	(0.45%)	(0.45%)	0.00%	(0.00%)	(0.00%)
Convertibles	1%	0%	1.38%	1.38%	0.00%	0.01%	0.01%
Progress Fixed	0%	0%	(2.31%)	(2.31%)	0.00%	(0.01%)	(0.01%)
Real Estate	4%	6%	3.74%	3.64%	0.00%	(0.07%)	(0.06%)
International Equity	16%	17%	(4.17%)	(2.90%)	(0.20%)	0.03%	(0.17%)
Private Equity	8%	7%	1.41%	1.41%	0.00%	0.01%	0.01%
Hedge Funds	3%	4%	(1.67%)	0.30%	(0.06%)	(0.01%)	(0.07%)
Cash Equiv	0%	0%	0.00%	0.00%	0.00%	0.00%	0.00%
Total			(0.13%) =	(0.09%) +	(0.22%) +	0.18%	(0.04%)

- What Helped?
 - Overweight Domestic Equity
 - Underweight Core Plus 5

- What Hurt?
 - Underweight Opportunistic Fixed
 - Weak performance in International Equity and Hedge Funds

– Underweight TIPs

Current Quarter Target = 32.6% Russell 3000 Index, 20.0% Citi Core Plus 5 Index, 16.9% MSCI ACWI ex-US Index, 7.0% NYC – Private Equity, 6.0% NFI-ODCE Equal Weight Net +1%, 5.0% JP Morgan Global HY Bd Idx+3.0%, 4.5% Barclays US TIPS Index, 4.0% HFRI Fund of Funds Compos+1.0% and 4.0% High Yield Idx BB & B.

Total Fund Quarterly Attribution Analysis Versus Interim Target

With Private Equity Target Return Equal to Actual Return

Relative Attribution Effects for Quarter ended June 30, 2013

Style Class	Effective Actual Weight	Effective Target Weight	Actual Return	Target Return	Manager Effect	Style Allocation	Total Relative Return
Domestic Equity	37%	35%	2.70%	2.69%	0.00%	0.06%	0.06%
Core Plus 5	17%	25%	(2.84%)	(2.94%)	0.02%	0.20%	0.21%
High Yield	5%	6%	(1.30%)	(1.52%)	0.01%	0.01%	0.02%
TIPS	3%	5%	(7.17%)	(7.05%)	(0.00%)	0.10%	0.10%
Leveraged-Bank Loans	2%	0%	0.41%	0.41%	0.00%	0.01%	0.01%
Opportunistic Fixed	1%	1%	3.67%	3.10%	0.01%	0.01%	0.02%
Short Term	1%	0%	0.07%	0.07%	0.00%	0.01%	0.01%
Total Targeted	1%	0%	(0.45%)	(0.45%)	0.00%	(0.00%)	(0.00%)
Convertibles	1%	0%	1.38%	1.38%	0.00%	0.02%	0.02%
Progress Fixed	0%	0%	(2.31%)	(2.31%)	0.00%	(0.00%)	(0.00%)
Real Estate	4%	4%	3.74%	3.64%	0.00%	0.02%	0.02%
International Equity	16%	17%	(4.17%)	(2.90%)	(0.20%)	0.03%	(0.17%)
Private Equity	8%	7%	1.41%	1.41%	0.00%	0.02%	0.02%
Hedge Funds	3%	1%	(1.67%)	0.30%	(0.06%)	0.02%	(0.04%)
Cash Equiv	0%	0%	0.00%	0.00%	0.00%	0.00%	0.00%
Total			(0.13%) =	(0.41%) +	(0.21%) +	0.49%	0.27%

- What Helped?
 - Overweight Domestic Equity
 - Underweight Core Plus 5

- What Hurt?
 - Underweight Opportunistic Fixed
 - Weak performance in International Equity and Hedge Funds

- Underweight TIPs
- Current Quarter Target = 35.4% Russell 3000 Index, 24.8% Citi Core Plus 5 Index, 16.9% MSCI ACWI ex-US Index, 7.0% NYC Private Equity, 6.0% Barclays US TIPS, 3.7% High Yield BB & B, 4.5% NFI-ODCE Equal Weight Net +1.0%, JP Morgan Global HY Bd Idx+3.0% and 0.7% HFRI Fund of Funds Compos+1.0%.

Total Fund 1 and ³/₄ Year Attribution Analysis Versus New Long Term Target

With Private Equity Target Return Equal to Actual Return

One and Three-Quarter Year Annualized Relative Attribution Effects

Style Class	Effective Actual Weight	Effective Target Weight	Actual Retum	Target Return	Manager Effect	Style Allocation	Total Relative Retum
	•						
Domestic Equity	37%	33%	26.10%	25.53%	0.18%	0.41%	0.59%
Core Plus 5	17%	20%	3.07%	1.92%	0.21%	0.30%	0.51%
High Yield	6%	4%	12.64%	12.19%	0.03%	(0.03%)	0.00%
TIPS	2%	5%	1.24%	0.99%	0.01%	0.21%	0.22%
Short Term	2%	0%	0.43%	0.43%	0.00%	(0.43%)	(0.43%)
Convertibles	1%	0%	13.20%	13.20%	0.00%	(0.01%)	(0.01%)
Total Targeted	1%	0%	4.31%	4.31%	0.00%	(0.13%)	(0.13%)
Opportunistic Fixed	1%	5%	10.85%	19.42%	(0.07%)	(0.24%)	(0.31%)
Leveraged-Bank Loans	1%	0%	1.42%	1.42%	0.00%	(0.05%)	(0.05%)
Progress Fixed	0%	0%	2.41%	2.41%	0.00%	(0.03%)	(0.03%)
Real Estate	4%	6%	14.51%	11.03%	0.14%	0.04%	0.17%
International Equity	16%	17%	11.64%	12.11%	(0.06%)	(0.06%)	(0.12%)
Private Equity	9%	7%	7.41%	7.41%	0.00%	(0.16%)	(0.16%)
Hedge Funds	2%	4%	3.24%	5.39%	(0.04%)	0.20%	0.16%
Cash Equiv	0%	0%	0.00%	0.00%	0.00%	(0.04%)	(0.04%)
Total			13.97% =	13.59% +	• 0.40% +	(0.03%)	0.37%

- What Helped?
 - Overweight Domestic Equity
 - Underweight Core Plus 5, TIPS and Hedge Funds
 - Strong Manager Performance in Domestic Equity, Core Plus 5, and Real Estate

- What Hurt?
 - Overweight Short Term Cash and Private Equity
 - Underweight Opportunistic Fixed
 - Weak performance in Opportunistic Fixed Income, International Equity and Hedge Funds

Current Quarter Target = 32.6% Russell 3000 Index, 20.0% Citi Core Plus 5 Index, 16.9% MSCI ACWI ex-US Index, 7.0% NYC – Private Equity, 6.0% NFI-ODCE Equal Weight Net +1%, 5.0% JP Morgan Global HY Bd Idx+3.0%, 4.5% Barclays US TIPS Index, 4.0% HFRI Fund of Funds Compos+1.0% and 4.0% High Yield Idx BB & B.

Total Fund 1 and ³/₄ Year Attribution Analysis Versus Interim Target

With Private Equity Target Return Equal to Actual Return

One and Three-Quarter Year Annualized Relative Attribution Effects

Cash Equiv	0%	0%	0.00%	0.00% 13.43% +	0.00% +	<u>(0.04%)</u> 0.14%	<u>(0.04%)</u> 0.54%
Hedge Funds	2%	1%	3.24%	5.39%	(0.04%)	(0.06%)	(0.10%)
Private Equity	9%	7%	7.41%	7.41%	0.00%	(0.16%)	(0.16%)
International Equity	16%	17%	11.64%	12.11%	(0.06%)	(0.06%)	(0.12%)
Real Estate	4%	4%	14.51%	11.03%	0.14%	(0.00%)	0.13%
Progress Fixed	0%	0%	2.41%	2.41%	0.00%	(0.03%)	(0.03%)
Leveraged-Bank Loans	1%	0%	1.42%	1.42%	0.00%	(0.04%)	(0.04%)
Opportunistic Fixed	1%	1%	10.85%	19.42%	(0.07%)	0.00%	(0.06%)
Total Targeted	1%	0%	4.31%	4.31%	0.00%	(0.12%)	(0.12%)
Convertibles	1%	0%	13.20%	13.20%	0.00%	(0.01%)	(0.01%)
Short Term	2%	0%	0.43%	0.43%	0.00%	(0.44%)	(0.44%)
TIŘS	2%	5%	1.24%	0.99%	0.01%	0.20%	0.21%
High Yield	6%	6%	12.64%	12.19%	0.03%	0.01%	0.04%
Core Plus 5	17%	25%	3.07%	1.92%	0.21%	0.80%	1.01%
Domestic Equity	37%	35%	26.10%	25.53%	0.18%	0.10%	0.28%
Style Class	Actual Weight	Target Weight	Actual Return	Target Return	Manager Effect	Style Allocation	Relative Return
	Effective	Effective				_	Total

- What Helped?
 - Overweight Domestic Equity

- 04
- Underweight Core Plus 5 and TIPS
- Strong Manager Performance in Domestic Equity, Core Plus 5, and Real Estate

- What Hurt?
 - Overweight Short Term Cash and Private Equity
 - Weak performance in Opportunistic Fixed Income, International Equity and Hedge Funds

Current Quarter Target = 35.4% Russell 3000 Index, 24.8% Citi Core Plus 5 Index, 16.9% MSCI ACWI ex-US Index, 7.0% NYC – Private Equity, 6.0% High Yield Idx BB & B, 4.5% Barclays US TIPS Index, 3.7% NFI-ODCE Equal Weight Net +1%, 1.1% JP Morgan Global HY Bd Idx+3.0% and 0.7% HFRI Fund of Funds Compos+1.0%.

Total Fund Peer Comparisons

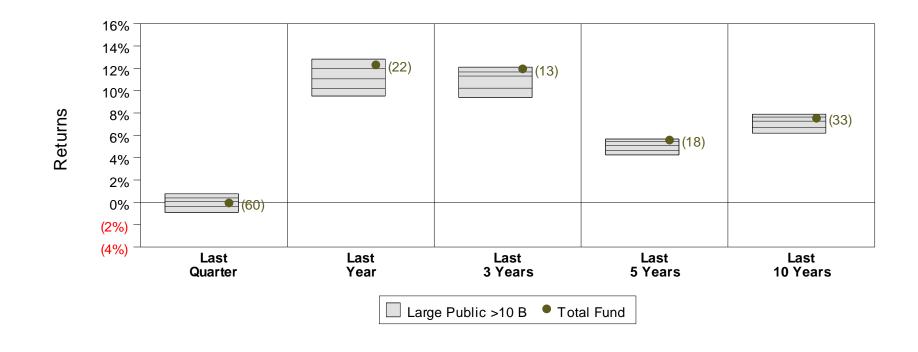
20% 15% • (65) (43) (43) (73) Returns 10% **(**66) (84) (18)• (25) 5% 0% • (71) 70) (5%) Last Last Last Last Last Quarter Year 3 Years 5 Years 10 Years Large Public >10 B Total Fund A Policy Target

Large Public >10 B

Total Fund Peer Comparisons

Asset Allocation Adjusted Rankings

• For this comparison each fund in the Database is adjusted to have the same asset allocation as the client. This removes large asset allocation variances among plans and allows for a greater focus on manager performance.

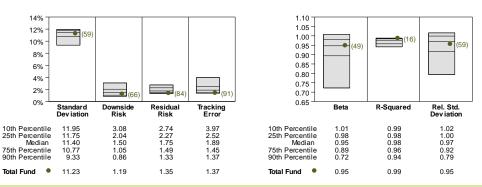


Total Fund Peer Comparisons

Performance vs Large Public >10 B (Gross)

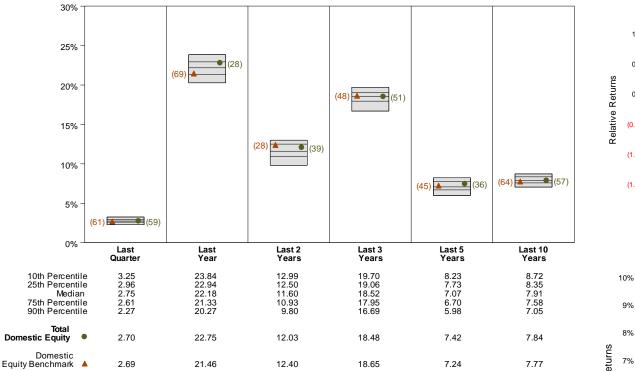
0% (10%)	<u>69</u>	58 - 49	- <u>38 - 1</u> 36	48 20	2 36		76 57	80 73	83 - 1 69	85 74
(20%) (30%)						85 42				
(40%)	12/12- 6/13	2012	2011	2010	2009	2008	2007	2006	2005	2004
10th Percentile 25th Percentile Median 75th Percentile 90th Percentile	e 5.96 5.17 e 4.04	14.68 13.98 13.38 12.55 11.04	2.93 1.30 0.75 0.04 (0.78)	14.71 13.76 12.94 12.26 11.45	23.35 22.59 18.21 15.15 11.39	(22.08) (24.91) (26.64) (27.61) (28.37)	10.71 9.64 8.70 7.46 6.89	16.66 15.83 14.78 14.17 13.43	10.10 9.34 8.20 6.74 5.80	13.73 13.07 12.19 11.32 8.49
Total Fund	5.09	13.39	1.14	13.79	20.98	(26.33)	8.64	14.29	7.40	11.42
Total Fund Target	4.62	13.12	1.05	13.07	25.28	(28.00)	7.41	13.83	6.39	10.69

Risk Adjusted Return Measures vs Total Fund Target Rankings Against Large Public >10 B (Gross) Ten Years Ended June 30, 2013

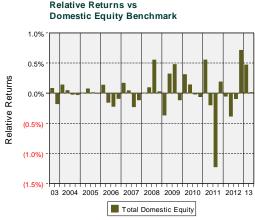


Total Domestic Equity

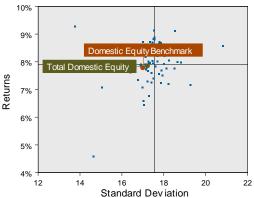
Performance vs Large Public >10 B Domestic Equity



 The Domestic Equity Benchmark is comprised of 90% Russell 3000, 10% S&P 500 until September 30, 2011 and 100% Russell 3000 thereafter.



Large Public >10 B Domestic Equity Annualized Ten Year Risk vs Return



Total Domestic Equity

Continued

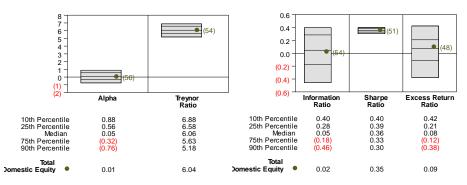
Performance vs Large Public >10 B Domestic Equity (Gross)

60% _										
40% -					72 69					
20% -	67 35	43		77	/ 2 - 09			15	77 - 72	75 73
0%			24 46				50 53		11	
(20%) –										
(40%) -						40 35				
(60%) [⊥]	12/12-6/13	2012	2011	2010	2009	2008	2007	2006	2005	2004
10th Percentile 25th Percentile Median 75th Percentile 90th Percentile	14.73 14.33 13.79	17.68 16.96 16.22 15.17 14.46	1.85 1.16 0.07 (0.97) (1.81)	21.17 19.47 17.91 16.93 15.90	35.75 32.75 29.25 27.80 26.31	(35.04) (36.60) (37.61) (39.94) (41.43)	8.02 6.44 5.12 4.23 3.04	15.89 15.25 14.48 13.55 12.61	8.85 7.37 6.60 6.05 5.29	14.58 13.58 12.67 11.78 10.91
Total Domestic Equity ● Domestic	14.55	16.63	0.20	17.19	28.37	(36.81)	5.04	15.35	6.08	12.00
Equity Benchmark	14.06	16.42	1.16	16.74	28.15	(37.28)	5.18	15.72	6.00	11.84

Risk Adjusted Return Measures vs Domestic Equity Benchmark

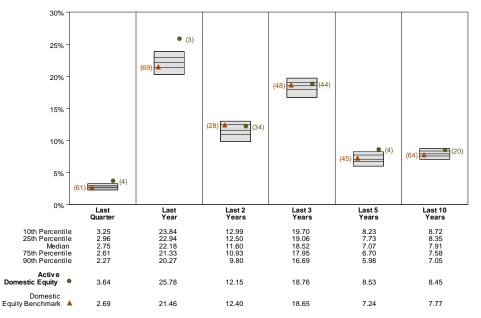
Rankings Against Large Public >10 B Domestic Equity (Gross)

Ten Years Ended June 30, 2013



Total Active Domestic Equity

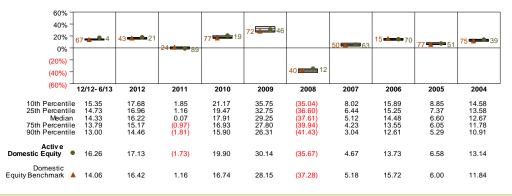
Performance vs Large Public >10 B Domestic Equity



What Helped?

- Strong Performance from Fundamental Index Managers
- Slight overweight to small cap

Performance vs Large Public >10 B Domestic Equity (Gross)

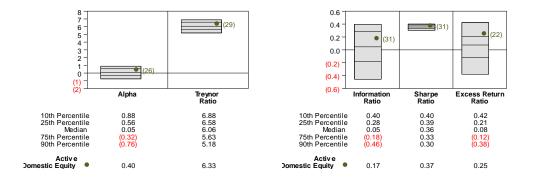


70

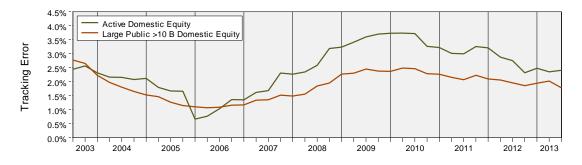
Total Active Domestic Equity

Continued

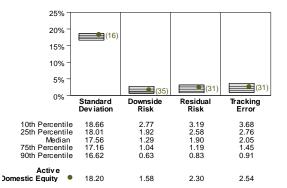
Risk Adjusted Return Measures vs Domestic Equity Benchmark Rankings Against Large Public >10 B Domestic Equity (Gross) Ten Years Ended June 30, 2013

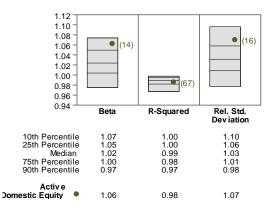


Rolling 12 Quarter Tracking Error vs Domestic Equity Benchmark



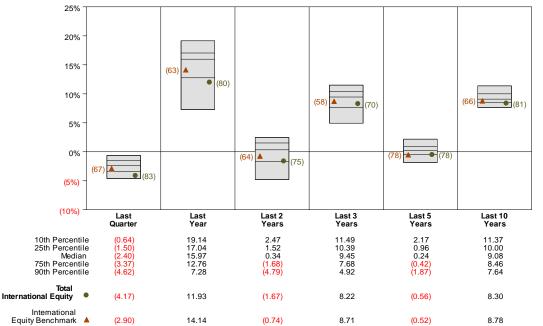
Risk Statistics Rankings vs Domestic Equity Benchmark Rankings Against Large Public >10 B Domestic Equity (Gross) Ten Years Ended June 30, 2013





Total International Equity

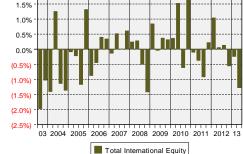
Performance vs Large Public >10 B International Equity



 The International Equity Benchmark is comprised of MSCI EAFE Index through June 30, 2003, 83% MSCI EAFE Index and 17% MSCI Emerging Markets Index through June 30, 2006, 83% MSCI EAFE Index and 17% FTSE Custom Benchmark through September 30, 2011, and MSCI AC World ex US Index thereafter.

Relative Returns 0.5%

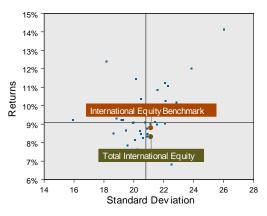
2.5% 2.0%



Relative Returns vs

International Equity Benchmark

Large Public >10 B International Equity Annualized Ten Year Risk vs Return



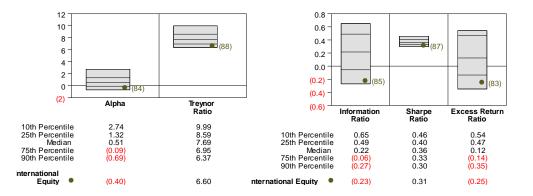
Total International Equity

Continued

Performance vs Large Public >10 B International Equity (Gross)

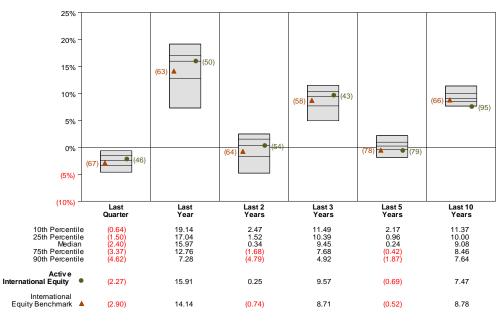
80% ⊤										
60% -										
40% -					42 30			47 47 6 5		
20% -		74 🗫 66		77 331			49 35	4/ 65	42 48	27 74
0%	69 69 682									
(20%) -			45 65							
(40%) -						60 76				
(60%) -										
(80%)	12/12-6/13	2012	2011	2010	2009	2008	2007	2006	2005	2004
	12/12-0/13	2012	2011	2010	2009	2008	2007	2000	2005	2004
10th Percentile	4.71	21.11	(9.81)	16.00	55.07	(39.41)	22.82	30.92	25.72	24.15
25th Percentile		19.78	(11.84)	14.15	42.10	(41.91)	17.65	28.36	19.62	21.43
Median	1.96	18.65	(13.41)	12.52	38.35	(44.65)	15.48	27.08	16.53	19.61
75th Percentile		17.31	(14.46)	10.65	33.21	(46.03)	13.42	26.25	15.77	18.46
90th Percentile	(4.07)	16.13	(17.26)	9.35	30.34	(47.85)	10.74	24.33	13.54	16.88
International										
Equity	(1.27)	18.09	(14.05)	13.91	41.83	(46.06)	16.70	26.47	16.74	18.47
International Equity Benchmark	0.27	17.39	(12.84)	10.44	39.67	(45.02)	15.58	27.17	16.86	21.35
	0.27	17.59	(12.04)	10.44	39.07	(40.02)	10.00	21.11	10.00	21.55

Risk Adjusted Return Measures vs International Equity Benchmark Rankings Against Large Public >10 B International Equity (Gross) Ten Years Ended June 30, 2013



Total Active International Equity*

Performance vs Large Public >10 B International Equity



What Helped?

- Strong performance from Generation GE and Governance For Owners over last year
- Current composite does not include active emerging market managers

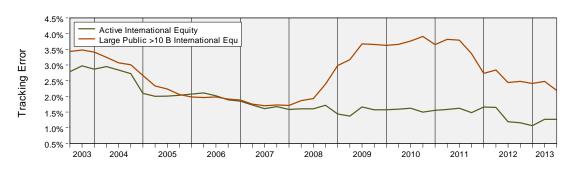
Performance vs Large Public >10 B International Equity (Gross)

80% - 60% - 40% - 20% - 0% -	69 - 139	74 82		77 - 7 6	42 71		49 8 8	47 84	42 41	27 - 82
(20%) = (40%) = (60%) =			45 - 1 26			60 5 3				
(80%) -	12/12-6/13	2012	2011	2010	2009	2008	2007	2006	2005	2004
10th Percentile 25th Percentile Median 75th Percentile 90th Percentile	a 3.07 1.96 a (0.41)	21.11 19.78 18.65 17.31 16.13	(9.81) (11.84) (13.41) (14.46) (17.26)	16.00 14.15 12.52 10.65 9.35	55.07 42.10 38.35 33.21 30.34	(39.41) (41.91) (44.65) (46.03) (47.85)	22.82 17.65 15.48 13.42 10.74	30.92 28.36 27.08 26.25 24.33	25.72 19.62 16.53 15.77 13.54	24.15 21.43 19.61 18.46 16.88
Active nternational Equity	2.27	16.97	(11.88)	10.57	34.00	(44.72)	11.06	25.29	16.94	17.92
International Equity Benchmark	0.27	17.39	(12.84)	10.44	39.67	(45.02)	15.58	27.17	16.86	21.35

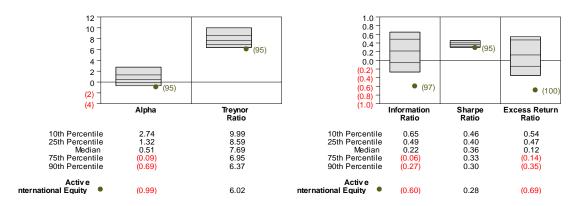
Total Active International Equity

Continued

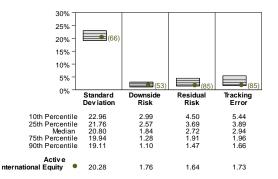
Rolling 12 Quarter Tracking Error vs International Equity Benc

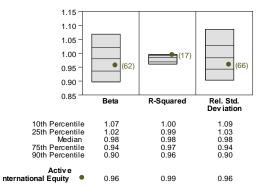


Risk Adjusted Return Measures vs International Equity Benchmark Rankings Against Large Public >10 B International Equity (Gross) Ten Years Ended June 30, 2013



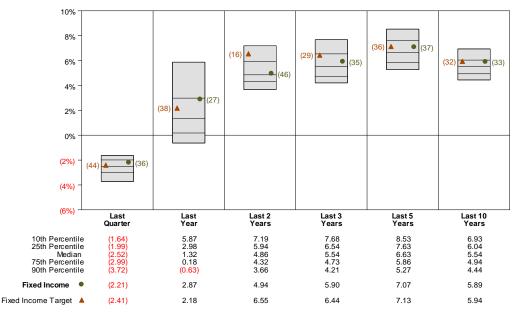
Risk Statistics Rankings vs International Equity Benc Rankings Against Large Public >10 B International Equity (Gross) Ten Years Ended June 30, 2013





Total Fixed Income Against New Long Term Fixed Income Target

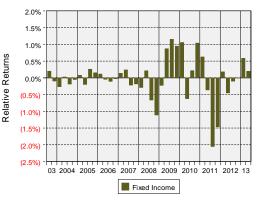
Performance vs Large Public >10 B Domestic Fixed



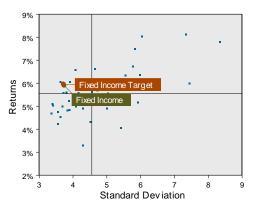
- What Helped?
 - Overweight high yield
 - Underweight TIPs

- What Hurt?
 - Underweight Opportunistic Fixed

Relative Return vs Fixed Income Target



Large Public >10 B Domestic Fixed Annualized Ten Year Risk vs Return

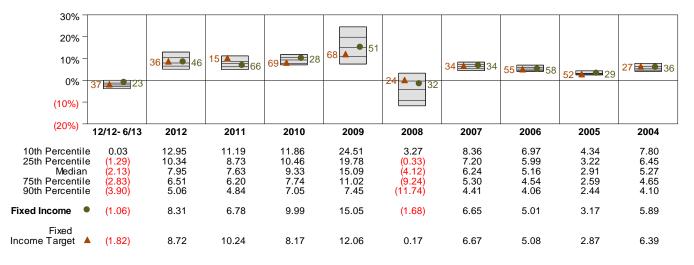


▲ The Fixed Income Target is comprised of 13% BC Credit High Yield Index and 87% BC Core Plus 5 NYCERS Index until June 30, 2003, 10% BC US Tips Index, 73% Citigroup Core Plus 5 Index, and 17% Citigroup High Yield BB & B Rated Index until September 30, 2011, and 60% Citigroup Core Plus 5 Index, 12% Citigroup High Yield BB & B Rated Index, 15% JP Morgan High Yield Index+3%, and 13% BC US TIPS Index thereafter.

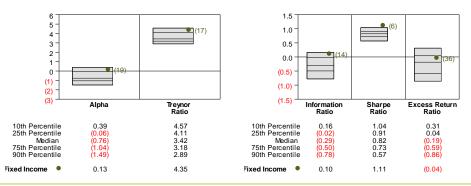
Total Fixed Income Against New Long Term Fixed Income Target

Continued

Performance vs Large Public >10 B Domestic Fixed (Gross)



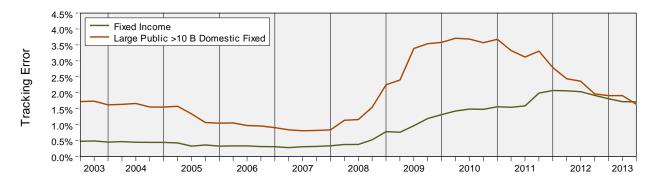
Risk Adjusted Return Measures vs Fixed Income Target Rankings Against Large Public >10 B Domestic Fixed (Gross) Ten Years Ended June 30, 2013



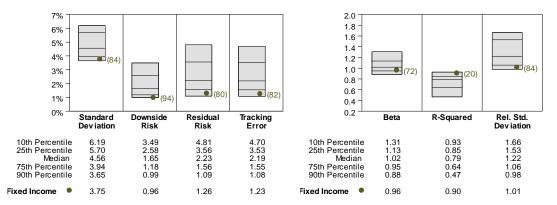
Total Fixed Income Against New Long Term Fixed Income Target

Continued

Rolling 12 Quarter Tracking Error vs Fixed Income Target

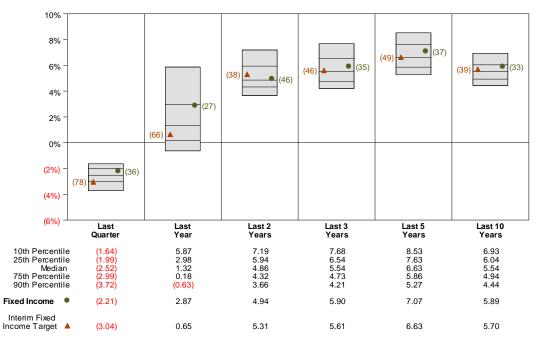


Risk Statistics Rankings vs Fixed Income Target Rankings Against Large Public >10 B Domestic Fixed (Gross) Ten Years Ended June 30, 2013



Total Fixed Income Against New Interim Fixed Income Target

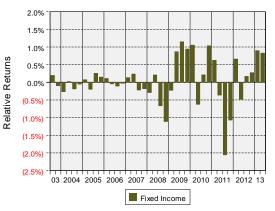
Performance vs Large Public >10 B Domestic Fixed



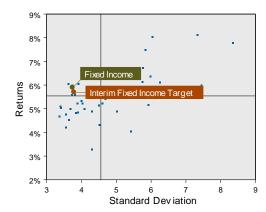
• What Helped?

▲ The Interim Fixed Income Target is comprised of 13% BC Credit High Yield Index and 87% BC Core Plus 5 NYCERS Index until June 30, 2003, 10% BC US TIPS Index, 73% Citigroup Core Plus 5 Index, and 17% Citigroup High Yield BB & B Rated Index until September 30, 2011, and 65.52% Citigroup Core Plus 5 Index, 17.76% Citigroup High Yield BB & B Rated Index, 3.28% JP Morgan High Yield Index+3%, and 13.43% BC US TIPS Index thereafter.

Relative Returns vs Interim Fixed Income Target



Large Public >10 B Domestic Fixed Annualized Ten Year Risk vs Return



Underweight TIPs

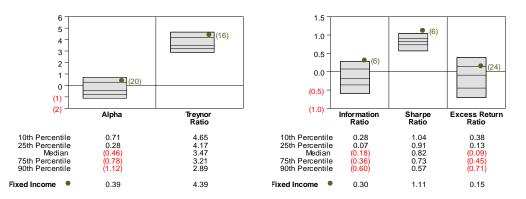
Total Fixed Income Against New Interim Fixed Income Target

Continued

Performance vs Large Public >10 B Domestic Fixed (Gross)

30% - 20% - 10% - (10%) -	73 23	54 46	16 4 66	69 2 8	68 51	<mark>24</mark> ▲ _ 32	34 34	55 5 8	52 29	27 36
(20%) -	12/12-6/13	2012	2011	2010	2009	2008	2007	2006	2005	2004
10th Percentile 25th Percentile Median 75th Percentile 90th Percentile	e (1.29) (2.13) e (2.83)	12.95 10.34 7.95 6.51 5.06	11.19 8.73 7.63 6.20 4.84	11.86 10.46 9.33 7.74 7.05	24.51 19.78 15.09 11.02 7.45	3.27 (0.33) (4.12) (9.24) (11.74)	8.36 7.20 6.24 5.30 4.41	6.97 5.99 5.16 4.54 4.06	4.34 3.22 2.91 2.59 2.44	7.80 6.45 5.27 4.65 4.10
Fixed Income	(1.06)	8.31	6.78	9.99	15.05	(1.68)	6.65	5.01	3.17	5.89
Interim Fixed Income Target	(2.76)	7.65	9.81	8.17	12.06	0.17	6.67	5.08	2.87	6.39

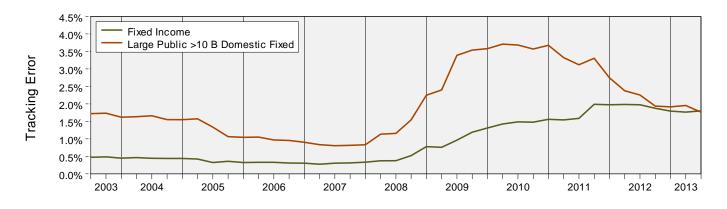
Risk Adjusted Return Measures vs Interim Fixed Income Target Rankings Against Large Public >10 B Domestic Fixed (Gross) Ten Years Ended June 30, 2013



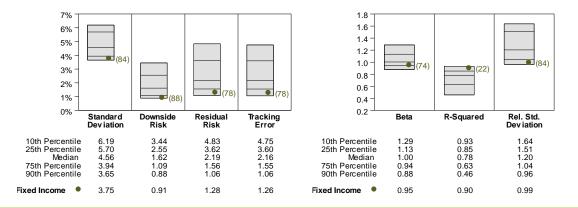
Total Fixed Income Against New Interim Fixed Income Target

Continued

Rolling 12 Quarter Tracking Error vs Interim Fixed Income Targ



Risk Statistics Rankings vs Interim Fixed Income Targ Rankings Against Large Public >10 B Domestic Fixed (Gross) Ten Years Ended June 30, 2013



II. July Monthly Performance Review:



Monthly Performance Review July 2013

Prepared for the New York City Employees' Retirement System 9/24/2013

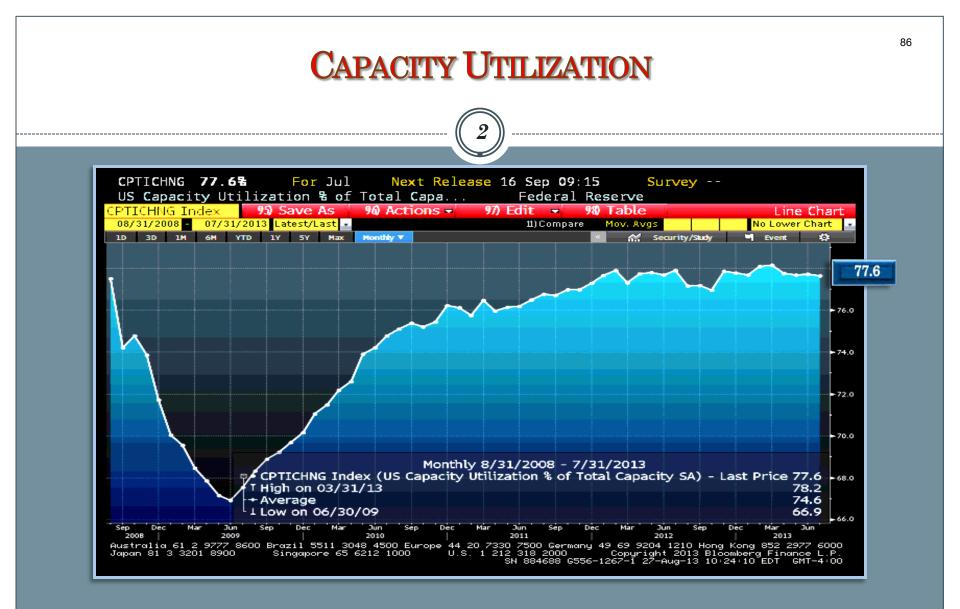
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Private Equity Cash Flow Tracker
Real Estate Fund Supplemental Details
Real Estate Cash Flow Tracker

ECONOMIC INDICATORS As of September 2013

NYC OFFICE OF THE COMPTROLLER BUREAU OF ASSET MANAGEMENT

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UNEMPLOYMENT RATE



• NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.

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• A SCORE ABOVE 50 INDICATES AN INCREASE IN BILLINGS WHILE A READING BELOW 50 INDICATES A NEGATIVE OUTLOOK

• This index is considered a leading indicator for commercial building construction with a 6-9 month lag

• Note: The market indicators contained in the board materials are a subset of indictors relevant to Fund performance and strategic planning and are not intended as the excusive indicators.

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- THE INDEX OF LEI IS COMPOSED OF: AVE. WEEKLY MANUFACTURING HRS, AVE. WEEKLY JOBLESS CLAIMS, MANUFACTURERS' NEW ORDERS-CONSUMER & CAPITAL, VENDOR PERFORMANCE, NEW BUILDING PERMITS, STOCK PRICES, MONEY SUPPLY-M2, INT. RATE SPREADS & CONSUMER EXPECTATIONS
- NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICTORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCUSIVE INDICATORS.

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MARKET INDICATORS

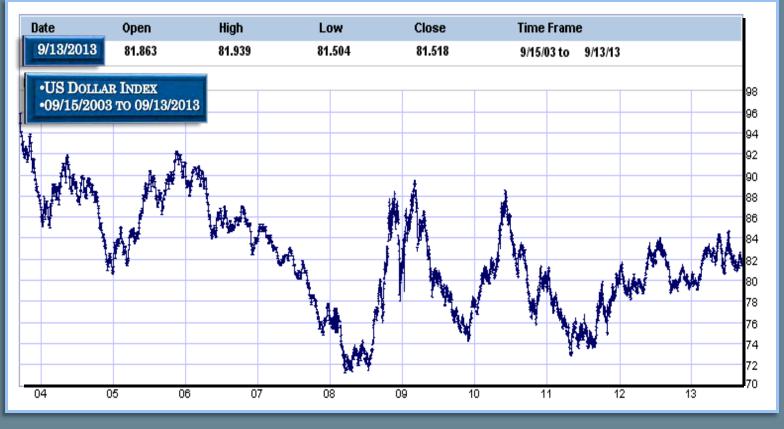
AS OF SEPTEMBER 2013



NYC OFFICE OF THE COMPTROLLER BUREAU OF ASSET MANAGEMENT

TRADE WEIGHTED US DOLLAR INDEX





• NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.

USD/EUR EXCHANGE RATE



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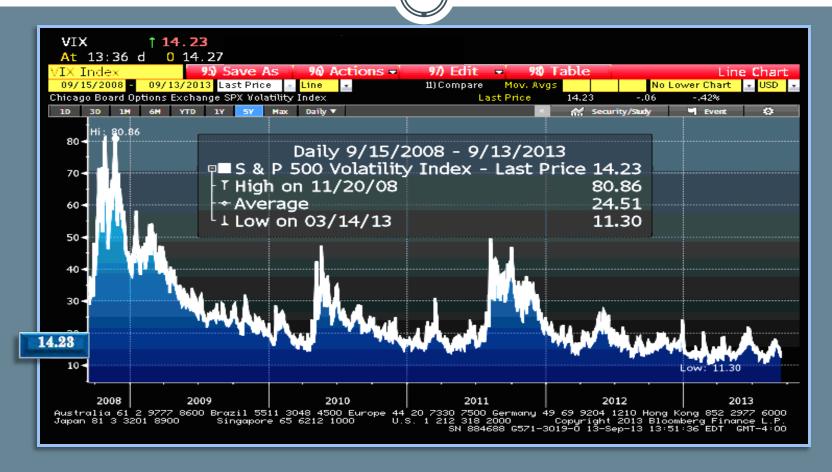
SOURCE: BLOOMBERG



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VOLATILITY INDEX (THE "VIX")

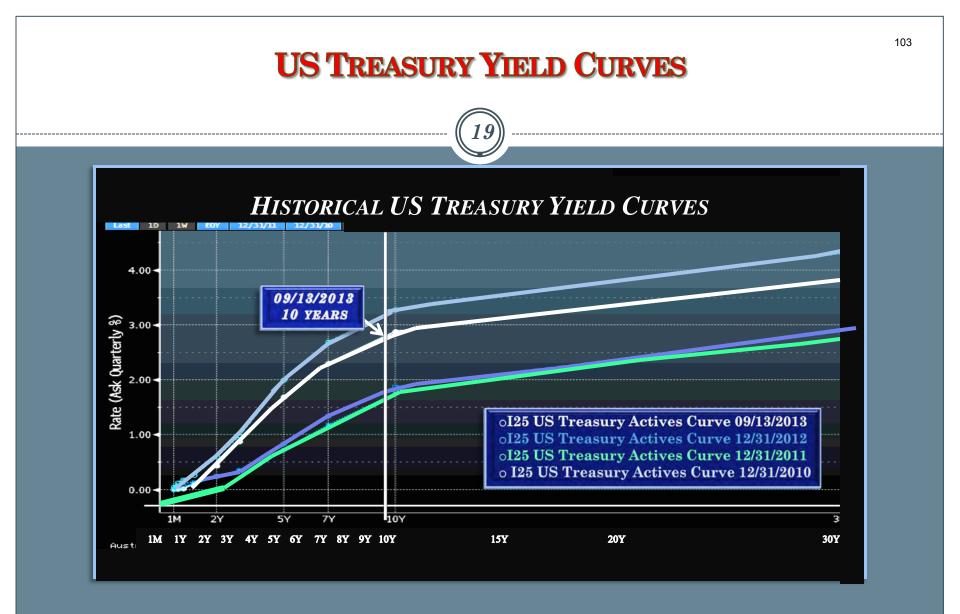
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• NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.

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SOURCE: BLOOMBERG

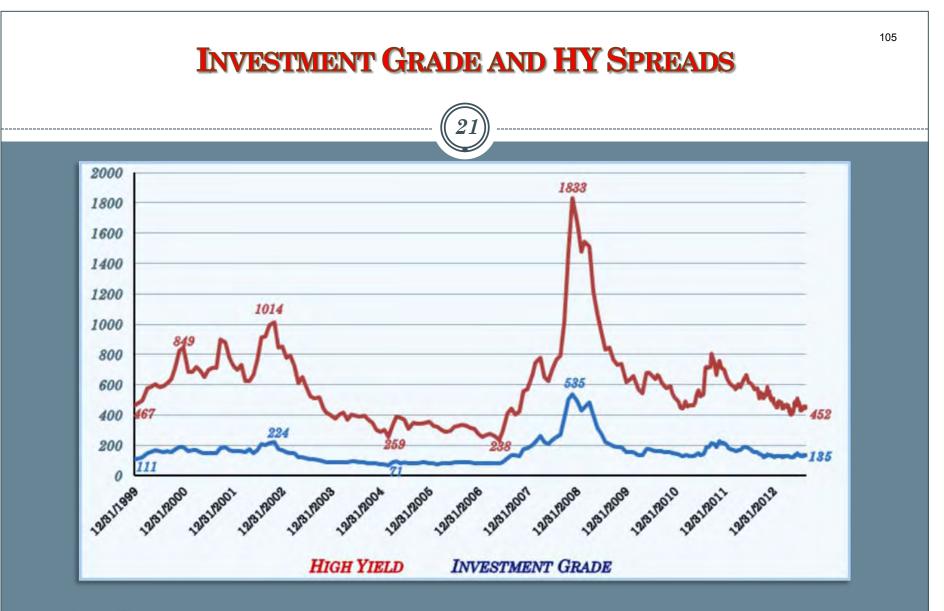


10 YEAR TREASURY RATES



• NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.

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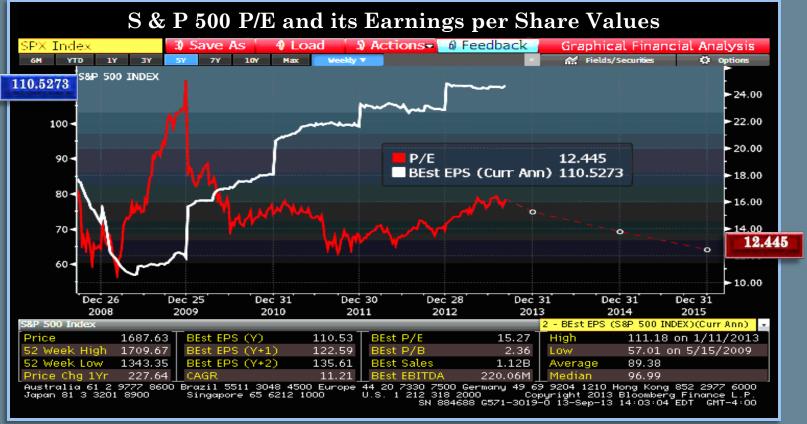


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SOURCE: BARCLAYS CAPITAL AND TAPLIN, CANIDA & HABACHT, INC.

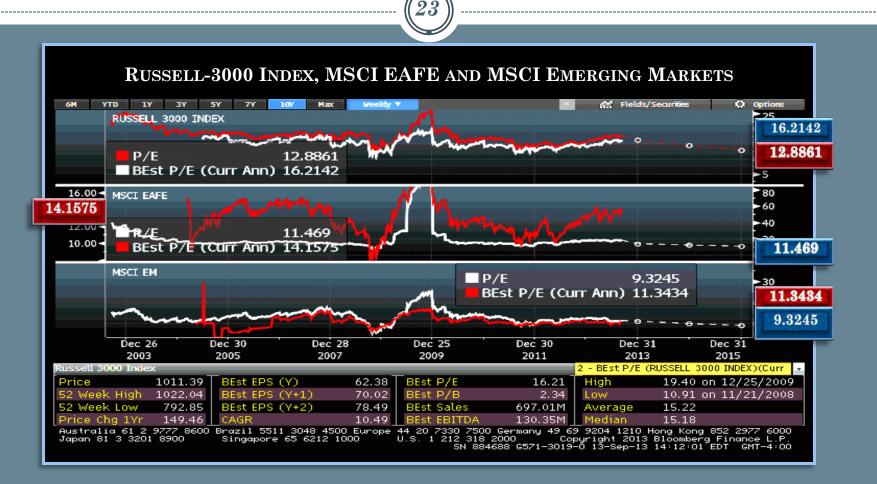
CORPORATE EARNINGS S & P 500 EARNINGS PER SHARE & P/E RATIO





• NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.

PRICE TO EARNING RATIOS INCLUDING ESTIMATES



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BUREAU OF ASSET MANAGEMENT

SOURCE: BLOOMBERG

PRICE TO EARNING RATIOS INCLUDING ESTIMATES

24



• NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.

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SOURCE: BLOOMBERG

RECENT GLOBAL EQUITY MARKET RETURNS

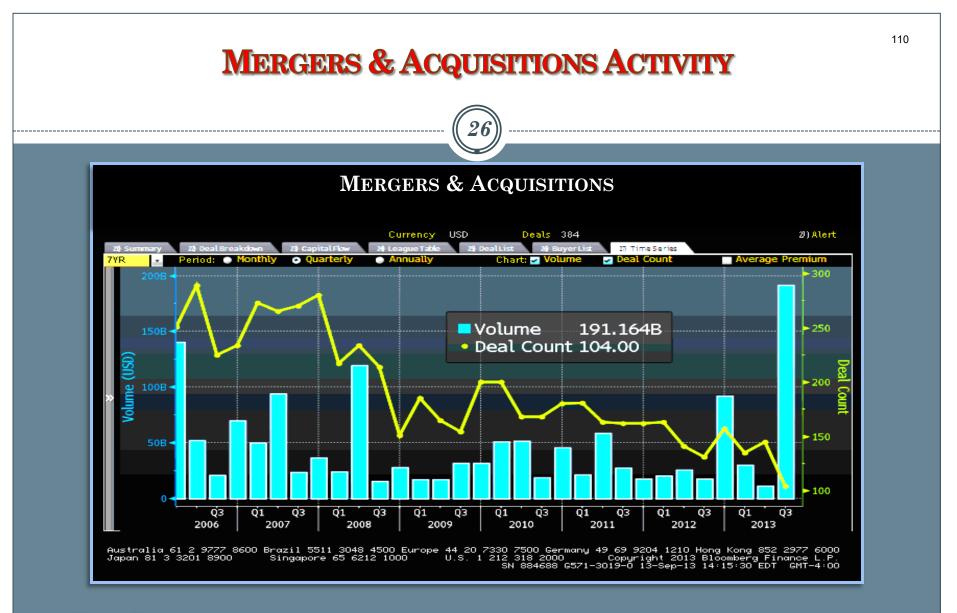




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BUREAU OF ASSET MANAGEMENT

SOURCE: BLOOMBERG



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