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Deputy Comptroller /
Chief Investment Officer

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MEMORANDUM

TO: Trustees
Teachers' Retirement System of the City of New York

FROM: Larry Schloss

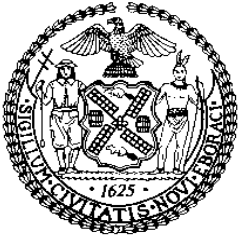
DATE: November 22, 2011

RE: Teachers' Retirement System of the City of New York Investment Meeting –
December 1, 2011

Enclosed is a copy of the **public agenda** for the December 1, 2011 Investment Meeting. The meeting will be held at 55 Water Street, 16th Floor Conference Room; beginning at **9:30am**.

Please remember to bring your **Quarterly Performance Overview book** with you to the meeting; it has been mailed to you.

If you have questions about any agenda item, please give me a call 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
COMPTROLLER

TEACHERS' RETIREMENT SYSTEM OF THE CITY OF NEW YORK

INVESTMENT MEETING

DECEMBER 1, 2011

INVESTMENT MEETING

DECEMBER 1, 2011

PUBLIC AGENDA

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I. Performance Reviews: (45 Minutes)	
• Quarterly Reports:	
➤ Overall Performance – September 30, 2011 (Previously Distributed)	---
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➤ Private Equity Quarterly Report – June 30, 2011	22
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PUBLIC AGENDA

I. Performance Reviews:

QUARTERLY REPORTS

ETI QUARTERLY REPORT

The City of New York - Office of the Comptroller
Bureau of Asset Management
TRS Economically Targeted Investments Quarterly Report
Collateral Benefits as of 9/30/2011

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Public/Private Apartment Rehabilitation Program (PPAR)

Lenders*	CPC		NHS		CCD		CFBS		NCBCI		LIIF		All Lender Totals	
	Dollars	Units	Dollars	Units	Dollars	Units	Dollars	Units	Dollars	Units	Dollars	Units	Dollars	Units
Contractual Commitments	\$235,000,000	n/a	\$5,000,000	n/a	\$13,200,000	n/a	\$49,500,000	n/a	\$8,250,000	n/a	\$8,250,000	n/a	\$319,200,000	n/a
Current Market Value	\$89,060,319	n/a	\$582,358	n/a	\$2,181,337	n/a	\$1,677,630	n/a	\$384,291	n/a	\$1,666,919	n/a	\$95,552,854	n/a
Commitments 3Q 11 (Included in total)														
Bronx	\$1,419,600	121	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$1,419,600	121
Brooklyn	577,500	44	0	0	0	0	0	0	0	0	0	0	577,500	44
Manhattan	1,013,696	96	0	0	0	0	0	0	0	0	0	0	1,013,696	96
Queens	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Staten Island	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	\$3,010,796	261	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$3,010,796	261
Delivered 3Q 11 (Included in total)														
Bronx	\$1,759,505	137	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$1,759,505	137
Brooklyn	856,845	31	0	0	0	0	0	0	0	0	0	0	856,845	31
Manhattan	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Queens	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Staten Island	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	\$2,616,350	168	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$2,616,350	168
Total Commitments														
Bronx	\$22,027,922	1,837	\$0	0	\$2,829,750	366	\$0	0	\$0	0	\$0	0	\$24,857,672	2,203
Brooklyn	69,356,392	1,806	0	0	7,329,300	182	0	0	302,395	33	597,320	71	\$77,585,408	2,092
Manhattan	17,122,119	876	0	0	2,096,640	178	919,741	61	3,037,637	238	2,431,855	122	\$25,607,993	1,475
Queens	7,324,040	123	0	0	0	0	0	0	0	0	0	0	\$7,324,040	123
Staten Island	1,260,000	39	0	0	0	0	0	0	0	0	0	0	\$1,260,000	39
Total	\$117,090,473	4,681	\$0	0	\$12,255,690	726	\$919,741	61	\$3,340,032	271	\$3,029,176	193	\$136,635,113	5,932
Historical Investments														
Bronx	\$32,067,148	2,050	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$32,067,148	2,050
Brooklyn	43,180,655	2,139	330,213	7	1,338,417	124	0	0	0	0	1,785,452	174	\$46,634,736	2,444
Manhattan	30,642,603	2,042	252,445	15	752,628	75	1,667,990	136	396,207	34	0	0	\$33,711,872	2,302
Queens	21,494,299	877	0	0	0	0	0	0	0	0	0	0	\$21,494,299	877
Staten Island	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	\$127,384,705	7,108	\$582,658	22	\$2,091,044	199	\$1,667,990	136	\$396,207	34	\$1,785,452	174	\$133,908,056	7,673

*Lenders :

The Community Preservation Corporation

Neighborhood Housing Services

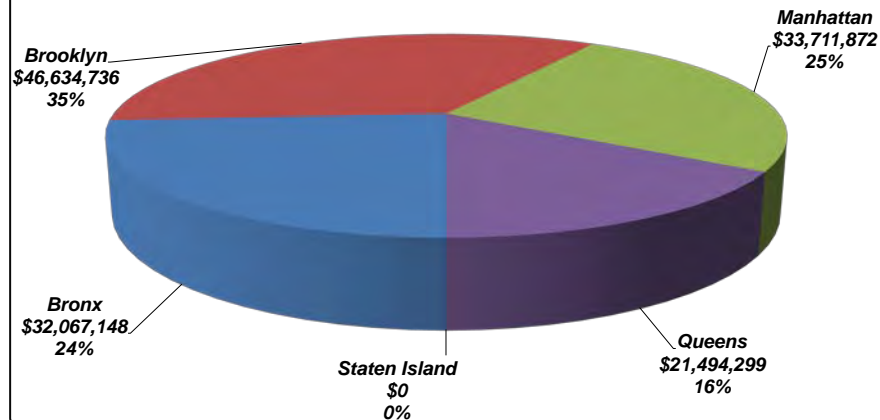
Citibank Community Development

Carver Federal Savings Bank

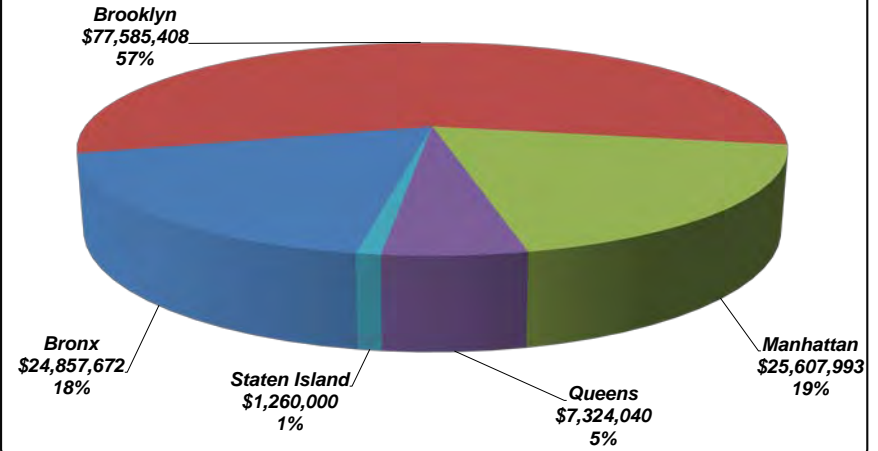
NCB Capital Impact

Low Income Investment Fund

Historical Investments Since Inception All PPAR Lenders



Current Commitments All PPAR Lenders



AFL-CIO Housing Investment Trust (HIT)
Market Value \$197.4 million*
NYC Community Investment Initiative (NYCCII)

NYCCII PHASE II 2006-2012

Multifamily Investments Detail

Borough	Dollars	Units
Bronx	\$52,827,900	802
Brooklyn	14,890,446	3,033
Manhattan	134,075,200	926
Queens	17,760,000	1,260
Staten Island	6,414,554	693
Total	\$225,968,100	6,714

Single Family Investments Detail

	Home Loans	Transactions	Member Loans	Total All NYC PF's
Bronx	\$132,675,122	587	127	201
Brooklyn	605,321,387	2,209	458	777
Manhattan	112,083,051	400	117	134
Queens	578,407,942	2,277	406	682
Staten Island	217,322,992	783	128	245
Total	\$1,645,810,494	6,256	1,236	2,039

Grand Total NYCCII Phase II \$1,871,778,594

Other-NYC Metro Area** \$100,000,000 137

NYCCII Phase I 2002 - 2005

		Units	Member Loans	Total All NYC PF's
Multifamily Investments	\$249,123,500	12,337	n/a	n/a
Single Family Investments	348,300,563	n/a	133	446
Total NYCCII Phase I	\$597,424,063	12,337	133	446

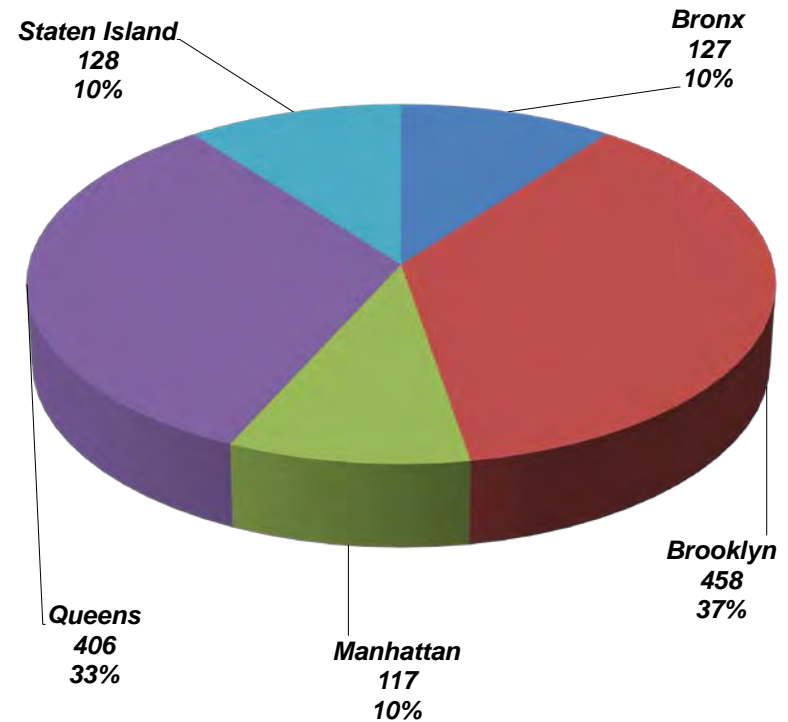
NYCCII Phases I & II

		Units	Member Loans	Total All NYC PF's
Multifamily Investments	\$475,091,600	19,051	n/a	n/a
Single Family Investments	1,994,111,057	n/a	1,369	2,485
Grand Total NYCCII Phases I & II	\$2,469,202,657	19,051	1,369	2,485

*Interest is reinvested

**This investment is for a pediatric nursing facility in Yonkers, approximately 4 miles from the NYC border. It will finance a replacement facility for the Elizabeth Seton Pediatric Center, currently located in Chelsea, which is "one of only two pediatric nursing facilities in downstate New York, and the only one dedicated to long-term care." The new facility will have 137 beds and serve children from NYC, Westchester and Putnam Counties.

HIT Home Loans TRS Members Phase II



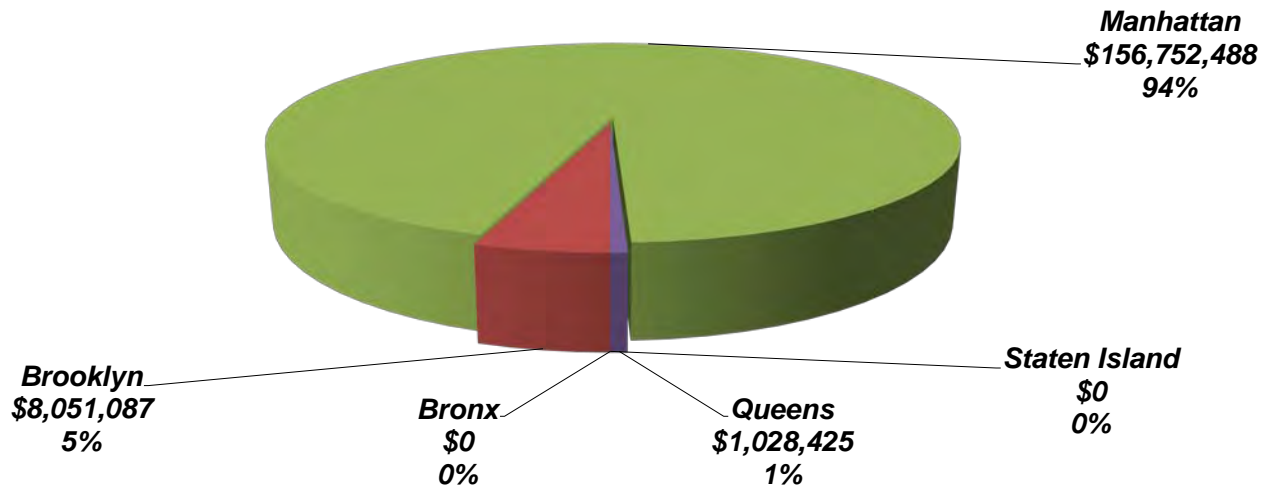
**AFL- CIO Housing Investment Trust (HIT)
 NYC Workforce Housing Initiative 2009-2014**

Investments Through 9/31/2011

Workforce Investment Detail

Borough	<u>Dollars</u>	<u>Workforce Housing Units</u>
Bronx	\$0	0
Brooklyn	8,051,087	422
Manhattan	156,752,488	4,447
Queens	1,028,425	208
Staten Island	0	0
Total	\$165,832,000	5,077

HIT Workforce Housing Initiative



AFL-CIO HOUSING INVESTMENT TRUST

NEW YORK CITY COMMUNITY INVESTMENT INITIATIVE

INVESTMENTS SINCE 2002



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212.554.2750

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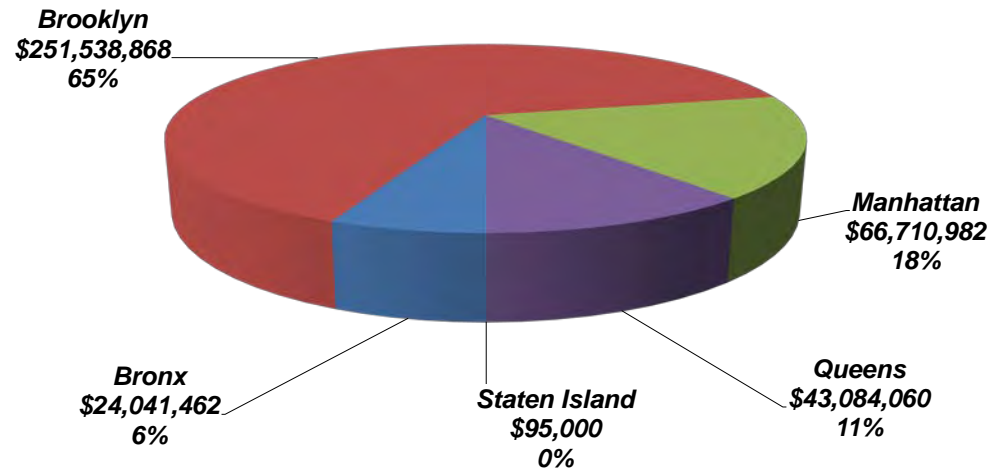
CPC Revolver

Revolver Current Commitments	\$385,470,372
TRS Commitments Shares	\$25,000,000
TRS Market Value*	\$20,190,888

	# Loans	\$ Committed	# Units Residential	# Units Commercial
Bronx	26	\$24,041,462	869	29
Brooklyn	73	251,538,868	2,127	41
Manhattan	45	66,710,982	1,084	28
Queens	12	43,084,060	336	11
Staten Island	1	95,000	3	0
Grand Total NYC	157	\$385,470,372	4,419	109
 Other NY State	 61	 \$184,945,914	 1,778	 44

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

CPC Revolver NYC Ccommitments



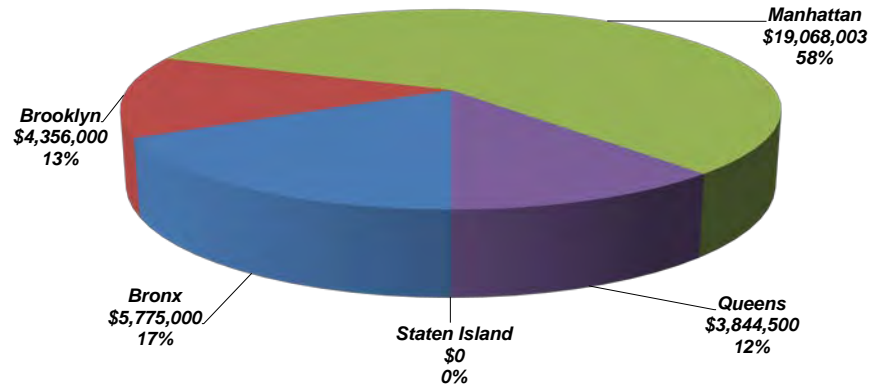
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TRS Economically Targeted Investment Quarterly Report
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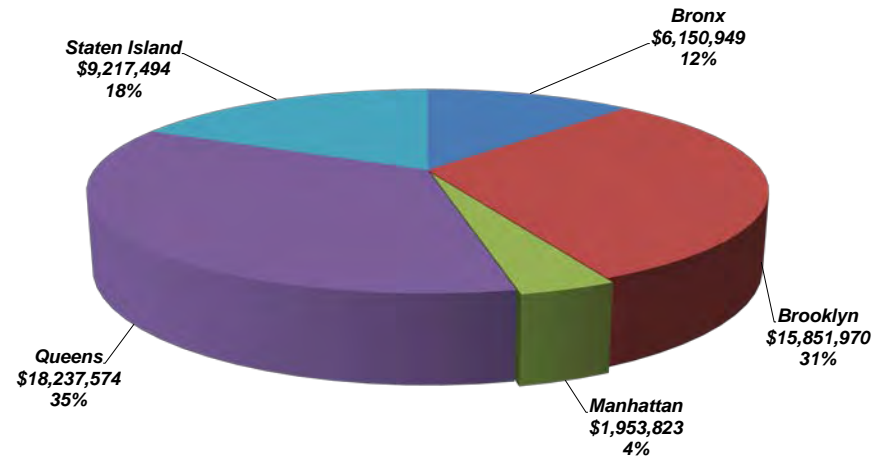
ACCESS CAPITAL STRATEGIES (Since Inception 2/1/07)

Allocated Amount \$33 million (33% of total account)				
Market Value \$43.5 million				
<u>Multifamily Investments Detail</u>				
Borough	TRS Investment	Total # of LMI* Units	Units	
Bronx	\$5,775,000	508	508	
Brooklyn	4,356,000	404	404	
Manhattan	19,068,003	2,815	1,677	
Queens	3,844,500	762	762	
Staten Island	0	0	0	
Total TRS Multifamily Investments	\$33,043,503	4,489	3,351	
Multifamily Total All Systems				
	\$100,131,826	4,489	3,351	
<u>Single Family Investments Detail</u>				
Borough	TRS Investment	Total # of LMI* Units	Units	
Bronx	\$6,150,949	108	108	
Brooklyn	15,851,970	264	264	
Manhattan	1,953,823	26	26	
Queens	18,237,574	271	271	
Staten Island	9,217,494	142	142	
Total TRS Single Family Investments	\$51,411,811	811	811	
Single Family Total All Systems				
	\$155,793,366	811	811	
<u>Other Investments Detail</u>				
Borough	TRS Investment	# of Loans		
Bronx	\$222,750	1		
Brooklyn	1,778,833	8		
Manhattan	802,859	5		
Queens	179,333	3		
Staten Island	0	0		
Total TRS Other Investments	\$2,983,774	17		
Other Investments Total All Systems				
	\$9,041,740	17		
Grand Total TRS				
	\$87,439,088			
Grand Total All Systems				
	\$264,966,932			
* LMI = Low or Moderate Income				

Access Multifamily Investments Since Inception TRS



Access Single Family Investments Since Inception TRS



The City of New York Office of the Comptroller
Bureau of Asset Management
TRS Economically Targeted Investment Quarterly Report
Collateral Benefits as of 9/30/2011

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	Assets (\$MM)	Trailing 1 Month	Trailing 3 Months	6/30/2007 9/30/2011	Year To Date	Trailing 1 Year	Trailing* 3 Years	Trailing* 5 Years	Trailing* 7 Years	Trailing* 9 Years	Trailing* 10 Years	Trailing* 11 Years	Trailing* 15 Years	Since Inception	Data Start Date
TEACHERS															
AFL-CIO HOUSING INV TRUST	197.42	0.83	3.28	3.28	6.26	4.77	7.50	6.40	5.52	5.29	****	****	****	5.29	09/30/02
CPC -PPAR	89.06	0.47	1.51	1.51	4.29	7.07	8.96	8.55	8.04	8.05	****	****	****	8.10	10/31/01
ACCESS VOYAGEUR	43.52	0.44	2.79	2.79	5.51	5.04	8.72	****	****	****	****	****	****	7.17	02/28/07
CPC - REVOLVER	20.19	0.18	0.51	0.51	1.53	2.06	2.31	3.95	4.47	****	****	****	****	4.43	03/31/04
ERASMUS	16.31	****	****	****	****	****	****	****	****	****	****	****	****	****	10/31/05
SHORT TERM INVESTMENTS	7.67	0.01	0.01	0.01	0.06	0.10	0.37	1.82	2.42	2.21	****	****	****	2.84	10/31/01
CCD-PPAR	2.18	0.35	1.18	1.18	4.12	9.21	10.23	****	****	****	****	****	****	8.75	11/30/06
CFSB-PPAR	1.68	-0.81	0.09	0.09	2.08	3.93	8.78	7.54	****	****	****	****	****	7.54	09/30/06
LIIF	1.67	0.36	1.49	1.49	3.79	4.50	****	****	****	****	****	****	****	5.52	07/31/09
NHS-PPAR	0.58	-1.09	-0.54	-0.54	2.45	5.17	9.70	****	****	****	****	****	****	8.76	09/30/07
GNMA	0.12	0.74	-1.06	-1.06	1.36	3.50	3.93	6.10	6.16	5.91	****	****	****	6.26	10/31/01
NCBCI	0.38	0.56	1.50	1.50	5.09	6.10	****	****	****	****	****	****	****	5.56	07/31/09
TOTAL TEACHERS TARGETED (w/cash)**	356.81	0.64	2.56	2.56	5.32	5.27	7.69	6.70	6.01	5.89	6.13	6.68	7.36	10.18	09/30/81
TOTAL TEACHERS TARGETED (w/o cash)**	356.81	0.64	2.59	2.59	5.37	5.33	7.76	6.74	6.05	5.94	6.12	6.70	7.39	8.97	11/30/84
TEACHERS CUSTOM BENCHMARK (no cash)		0.49	3.33	3.33	6.31	5.66	7.41	6.54	5.71	5.46	5.73	6.34	6.73		
BARCLAYS CAPITAL US AGGREGATE BOND INDEX		0.73	3.82	3.82	6.65	5.26	7.98	6.53	5.58	5.34	5.67	6.31	6.46		

*Time periods greater than one year are annualized. Historical returns prior to April 2004 provided by Citigroup.

** Returns are net of fees and exclude Erasmus.

REAL ESTATE QUARTERLY REPORT

Teachers' Retirement System of the City of New York

Performance Measurement Report Second Quarter 2011

The Townsend Group

Cleveland, OH San Francisco, CA London, UK Hong Kong

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The Townsend Group Performance Measurement Report

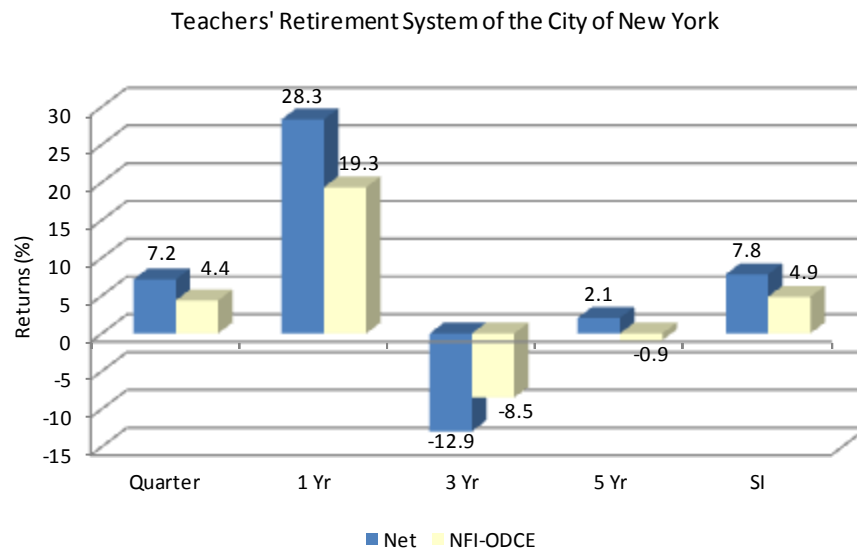
TEACHERS' RETIREMENT SYSTEM OF THE CITY OF NEW YORK

SECOND QUARTER 2011

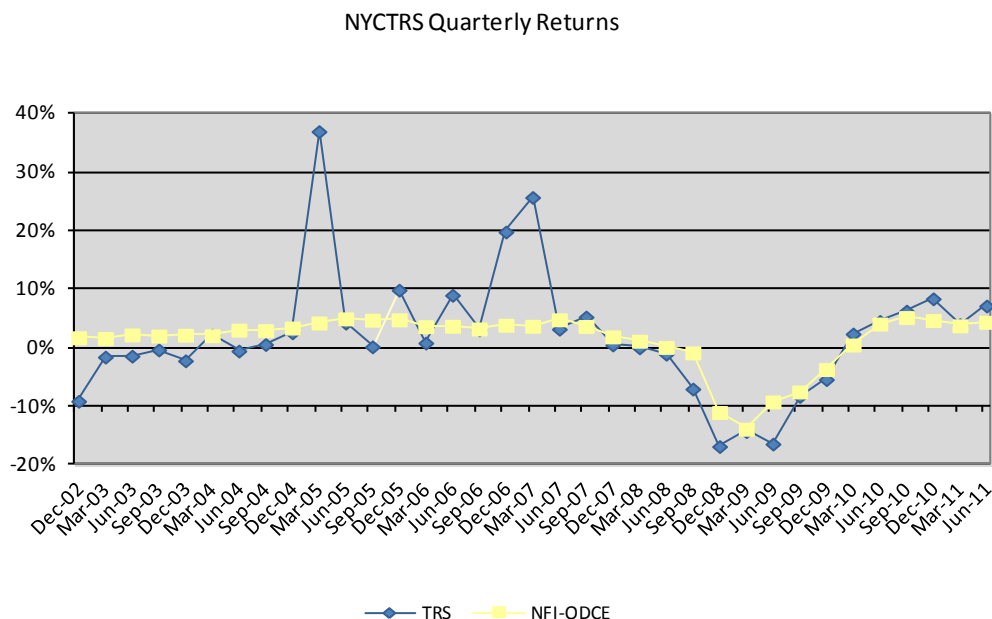
I. Performance Summary

At the end of the Second Quarter 2011, ("Quarter") The Teachers' Retirement System of the City of New York ("NYCTRS") Real Estate Portfolio ("Portfolio") had a cumulative market value of \$661 million. Total market value plus unfunded commitments was \$1.040 billion, or 48.6% of the real estate allocation. During the Quarter, the Portfolio achieved a total gross return of 8.6% which was comprised of 1.0% income and 7.6% appreciation. The NCREIF Open-end Diversified Core Equity Index ("NFI-ODCE") reported a total net return of 4.4%. In addition, the Portfolio achieved a total net return of 7.2%.

The following chart reflects the total net returns for the NYCTRS' Portfolio compared to the NFI-ODCE. Economic recovery in the US continued during the Quarter with 1.3% real GDP growth even with a 0.2% rise in unemployment and mounting worries over the ongoing debt crisis in Europe. Despite added uncertainty around the condition of the global economy and the timing of a US recovery, commercial real estate continues to produce relatively strong returns – the NCREIF Property Index posted a 3.9% total return for the Quarter. As US Treasury yields continue their descent to historical lows, real estate capital flows remain centered around the highest quality core assets, furthering the bifurcation between stabilized and sub-stabilized properties and enhancing the risk/reward profile for Non Core investment strategies. The benchmark established for the Portfolio is the NFI-ODCE net over rolling five-year periods.



The graph below shows the total net returns for the Portfolio by quarter since inception. NFI-ODCE total net return performance is also included. It is important to note the effects of the "J-curve" whereby fees on committed capital exceed distributions to the Portfolio due to minimal invested capital and the early stages of the value-added/opportunistic process in the underlying investments.



The table below reflects the returns for the Portfolio and the NFI-ODCE during pertinent time periods and segments these returns by their components: income, appreciation, and total return. The Portfolio's objective is to generate a total net return that exceeds the NFI-ODCE total net return measured over rolling five-year periods.

Returns (%)	Quarter				1 Year				3 Year				5 Year				Inception	
	INC	APP	TGRS	TNET	INC	APP	TGRS	TNET	INC	APP	TGRS	TNET	INC	APP	TGRS	TNET	TGRS	TNET
Teachers' Retirement System of the City of New York	1.0	7.6	8.6	7.2	3.5	28.9	33.1	28.3	3.2	-14.5	-11.8	-12.9	2.9	2.7	5.6	2.1	13.3	7.8
NFI-ODCE Value Weighted Index	1.4	3.2	4.6	4.4	5.9	13.9	20.5	19.3	6.0	-13.1	-7.7	-8.5	5.7	-5.4	0.0	-0.9	5.8	4.9

II. Portfolio Composition

Teachers' Retirement System of the City of New York		
Total Plan Assets	6/30/2011	\$42,813
Real Estate Allocation (%)		5.0%
Real Estate Allocation (\$)		\$2,141
Style Sector Allocation		
Core / Core Plus Portfolio	40.0%	\$856
Non-Core Portfolio	55.0%	\$1,177
Emerging Managers Portfolio	5.0%	\$107
Uncommitted Core / Core Plus Portfolio		\$415
Uncommitted Non-Core Portfolio		\$612
Uncommitted Emerging Managers Portfolio		\$73
Funded (Market Value) and Committed Statistics		
Core / Core Plus Portfolio		42.4%
Non-Core Portfolio		54.3%
Emerging Managers Portfolio		3.3%
\$ Committed		\$1,040
% Committed on Real Estate Allocation		48.6%
% Committed on Total Plan Assets		2.4%
Funded (Market Value) Statistics		
% Funded (Market Value) of Total Plan Assets		1.5%
% Funded (Market Value) of Total Real Estate Allocation		30.9%

Teachers		
Investment Cash Flow Summary		
	Quarter	To Date
Contributions	\$39.3	\$904.4
Distributions	-\$16.9	-\$285.4
Withdrawals	-\$1.3	-\$59.6

Contributions: Includes actual cash funded to the investment for acquisition and capital items during the quarter.

Distributions: Includes actual cash returned during the quarter from the investments which represents distributions of income from operations and profit.

Withdrawals: Includes cash returned from the investment as a result of return of capital.

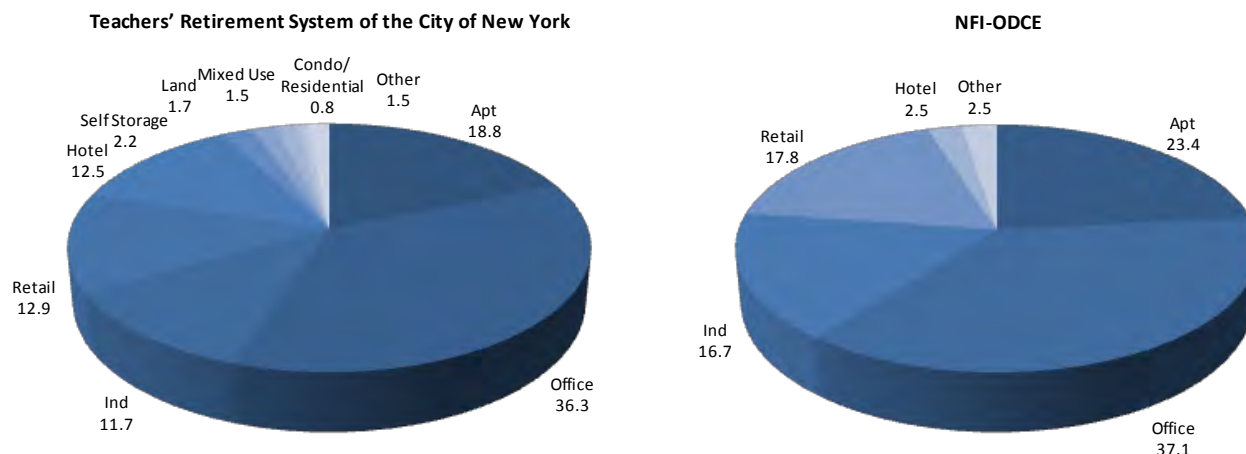
III. Portfolio Compliance

Category	Requirement	Portfolio Status
Benchmark	NFI-ODCE (net) over rolling five-year periods	<i>Portfolio returns in excess of benchmark.</i>
Portfolio Composition	Core/Core Plus (minimum of 40%) Non Core (minimum of 40%) Non Core Emerging (greater of \$85 million or 5% of the total real estate allocation)	<i>The portfolio is funded (market value) and committed at 48.6% of real estate allocation with a portfolio composition of 42.4% core, 54.3% non-core, and 3.3% emerging.</i>
Real Estate Allocation	Target of 5.0%	<i>Funded (market value) and committed dollars place the portfolio at 2.4% of total plan assets.</i>
	Currently Funded at 1.5%	
Diversification	$\pm 30\%$ of NFI-ODCE Other property type (0%-15%)	<i>All property types and geographic locations are in compliance.</i>
LTV	50%	<i>Portfolio is in early stages of funding, but is out of compliance (50.8%).</i>
Manager Exposure	0%-25% of real estate allocation	<i>Manager exposure is within compliance ranges.</i>

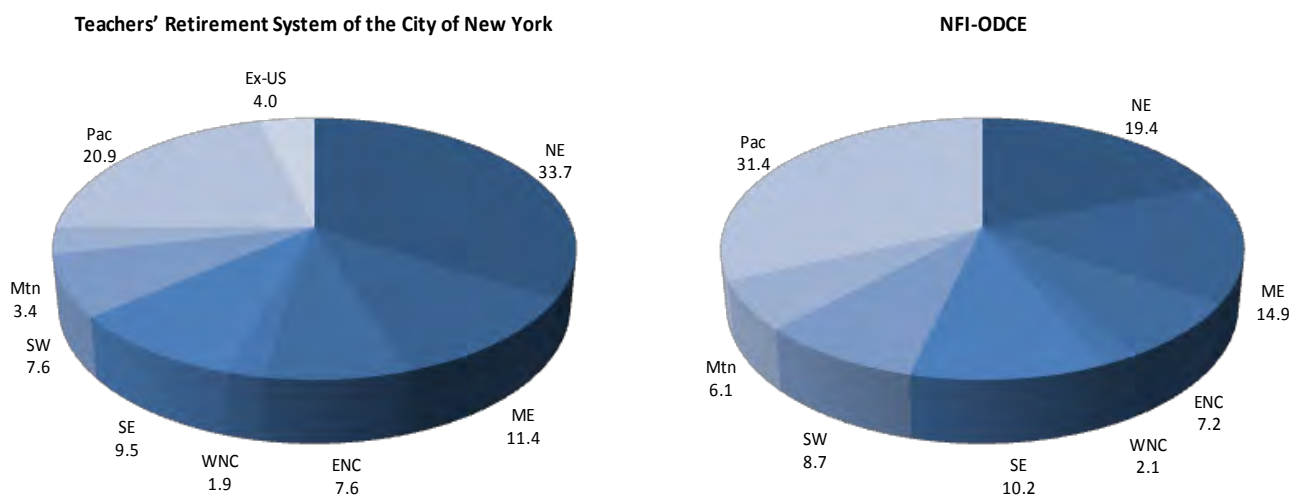
IV. Portfolio Diversification

The Investment Policy Statement (IPS) establishes ranges for diversification by property type and geographic region. These ranges are broad based and allow for investment in all major property types and all geographic regions. The diversification of the current portfolio by property type and geographic region is shown below and compared to diversification of the NFI-ODCE at the end of the Quarter.

Property Type Diversification (%)



Geographic Diversification (%)



PRIVATE EQUITY QUARTERLY REPORT



JUNE 30, 2011

ALTERNATIVE INVESTMENT REPORT

Teachers' Retirement System of the City of New York

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Teachers' Retirement System of the City of New York

Second Quarter 2011 Report

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Section 1:

Market Update

Teachers' Retirement System of the City of New York

Second Quarter 2011 Report

August 2011

The global economic recovery has slowed in recent months as economic instabilities continue to make headlines, and fear of a “double-dip” recession has reemerged. Momentum from economic growth and recovery of the first quarter reached a plateau by the end of the second quarter as evidenced by public equity indices posting relatively flat returns. The S&P 500 returned 0.10% during the second quarter, and the MSCI All Country World index ended at 0.44% over the same period. These were disappointing returns compared to the 5-7% returns investors enjoyed during the first quarter of the year. Softened consumer spending, uncertainties around the ongoing credit crisis in Europe and the United States, and the continued unrest in the Middle East are all primary factors in the global economic slowdown. The second quarter slowdown has fueled heavy volatility in public markets in July and August leaving investors with some of the biggest stock losses in two and a half years. The U.S. credit rating downgrade on August 5, 2011 by Standard & Poor's has shaken investor confidence, which in turn has contributed significantly to the market fluctuations. The S&P 500 Volatility Index “VIX”¹ reached a two-year high of 48 in August indicating increased uncertainty regarding the economic outlook.

Fixed income and precious metals proved to be safe havens for investors as indicated by the Barclays Capital Bond Index posting 2.3% returns for the second quarter and the average price of gold rising 8.6% from the first quarter. More recently, gold reached an all-time high of \$1,918 per ounce on August 22, 2011 with many considering it to be a safe investment during market instability. Investors also have been turning to safe havens such as the Swiss Franc and Japanese Yen, which have historically generated gains in times of volatility.

The overall economic outlook, however, remains uncertain as high unemployment rates (U.S. at 9.1% in July²), declining housing markets, and the recent spike in oil prices (U.S. crude oil surpassing \$95 per barrel in August) are all problems that are not easily repaired. This suggests a much slower, long-term global economic recovery than many were expecting. While the Federal Reserve continues to keep interest rates at all-time lows (0% – 0.25% range) hoping to stimulate economic growth and revive a depressed housing market, the impact has been minimal as fears of another recession are preventing consumers from spending. Uncertainties around emerging markets are reflected in recent changes to GDP forecasts. China's GDP expected growth rate increased (9.3%³) due to strong corporate investments and a robust labor market, while India's GDP expectations have recently been reduced (8.0%³) amid high inflation and weak global capital markets. Latin America's GDP growth expectations increased slightly during the second quarter of 2011 (4.5%³) although more recent reports suggest this upward trend may reverse due to slow economic growth in Europe and the U.S., which is taking a toll on the demand for the region's commodities.

¹ VIX is the ticker symbol for the Chicago Board Options Exchange Market Volatility Index, a popular measure of the implied volatility of S&P 500 index options. It represents one measure of the market's expectation of stock market volatility over the next 30 day period.

² Source: U.S. Labor Department; as of August 2011

³ Forecasts by The World Bank

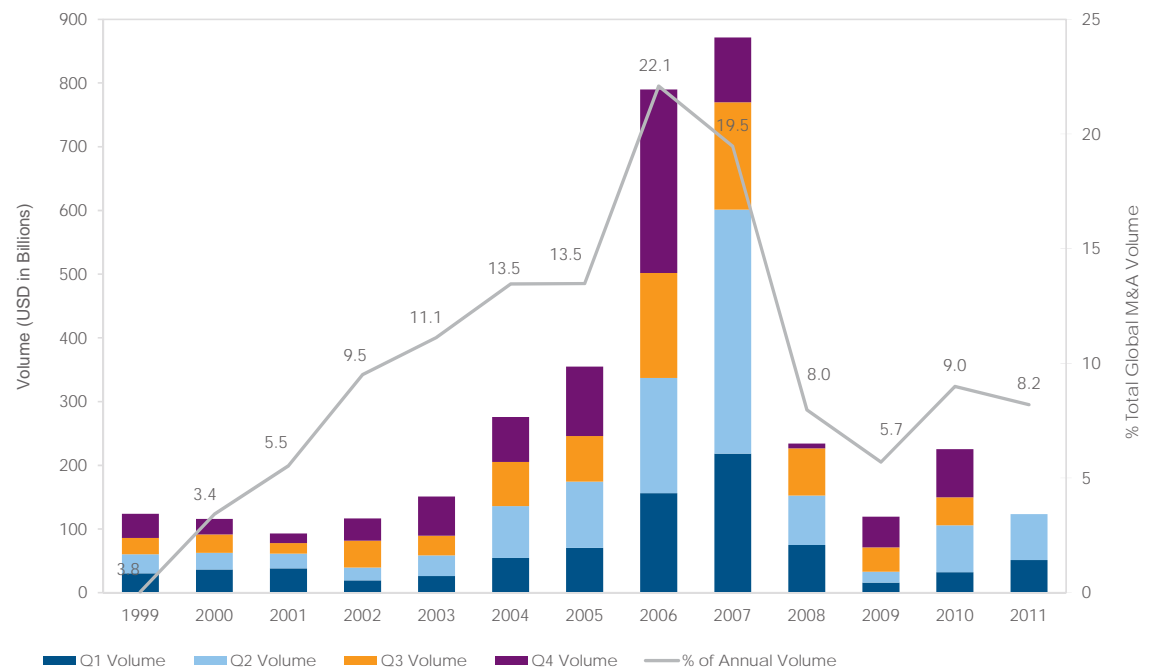
Teachers’ Retirement System of the City of New York

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Transaction Volume

Despite market uncertainties, global private equity deal activity remains strong. A total of 674 deals were completed during the second quarter, representing an aggregate value of \$75.6 billion,¹ which is the highest level of deals since Q2 2008 when 713 deals were announced for an aggregate value of about \$80.0 billion. This equates to more than a 50% increase in value compared to the first quarter of 2011. Deals valued at more than \$1 billion increased significantly, with 21 deals completed during the second quarter compared to 13 deals in the prior quarter. The largest transactions executed during the second quarter included the \$3.5 billion acquisition of Frac Tec by a group of investors including RRJ Management and Temasek Holdings, as well as the \$3.3 billion purchase of Securitas Direct from EQT Partners by Hellman & Friedman and Bain Capital.

Global LBO Volume



(Source: Thomson Financial)

¹ Source: Preqin

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With approximately \$390 billion of dry powder still available to buyout managers, deal levels for the rest of 2011 are expected to remain high and drive volume to its highest level since 2008¹. Activity for the second quarter has remained on pace with that of the prior quarter with leveraged buyouts representing 60% of all private equity-backed deals¹. Add-on investments represented 33% of all deals announced during the quarter and 14% of total deal flow value¹. The market for quality assets remains competitive with average purchase price multiples for all global LBOs increasing from 7.8x in the first quarter to 8.3x in the second quarter.

Average Purchase Price Multiples of all LBOs



(Source: S&P LCD)

¹ Source: Preqin

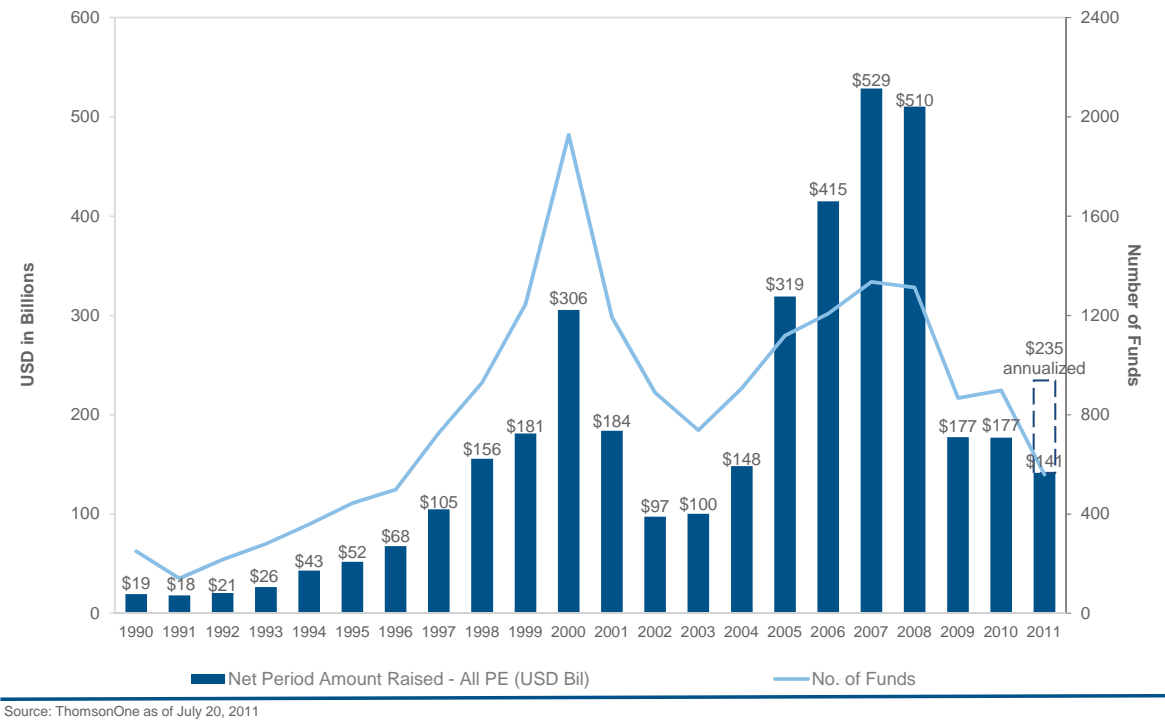
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Fundraising

Fundraising during the first half of 2011 has remained strong, the aggregate amount of capital committed representing about 73% of the total amount raised in all of 2010. By region, 54 North American-focused funds closed for a total of \$40.7 billion in commitments; a 15% increase from the prior quarter¹. For the second consecutive quarter, funds focused on emerging markets raised more capital than European funds totaling \$15.5 billion versus \$9.8 billion, respectively¹. Funds that held their final closing during the second quarter did so after an average of 15.5 months of fundraising compared to an average of 20.4 months in 2010¹. This also marks the first time since 2005 that this figure has decreased from the prior year suggesting increased confidence by investors in allocations to the asset class.

Global Private Equity Fundraising



¹ Source: Preqin

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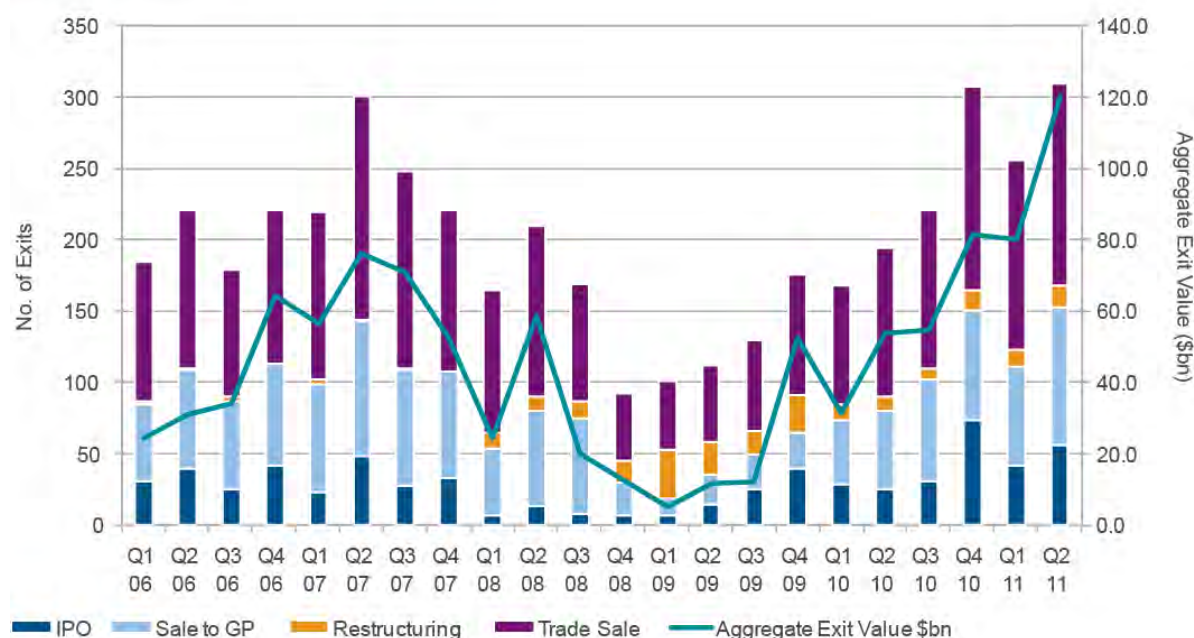
Exit Activity

The second quarter of 2011 set a new record for most private equity-backed exits at 309 compared to the first quarter figure of 254. The 309 exits (worth \$120.1 billion), created a deal value increase of 55% over the Q1 total of \$77.1 billion. This record level of activity is likely the result of large cash reserves stockpiled by corporations during the recession and the boom year private equity vintages of 2005-2007 reaching their exit stage.

IPO activity was at its highest level since the second quarter of 2007 as 45 private equity-backed companies raised \$17.2 billion. This year, there have been 68 separate IPOs worth \$31.1 billion, on track to surpass the annual total of \$58.3 billion that was raised during the 2007 market peak. Extensive IPO registrations indicate that this high level of activity may continue. As of June 30, 2011, 88 separate private equity-backed companies were registered to go public, which could potentially represent \$20 billion of capital raised. Recent activity of note includes Google's agreement to purchase mobile phone manufacturer Motorola Mobility for \$12.5 billion dollars and the \$10 billion IPO of commodities trader Glencore International, whose investors include First Reserve Corporation and BlackRock Inc. Although this level of activity is promising, investors have worries about the ongoing debt crisis in Greece and the U.S. as well as concerns about the stability of the global economic recovery. Such concerns could weigh on exit activity in the coming months.

Number and Aggregate Value of PE-Backed Exits:

Q1 2006 - Q2 2011



Source: Preqin Private Equity Spotlight June, 2011

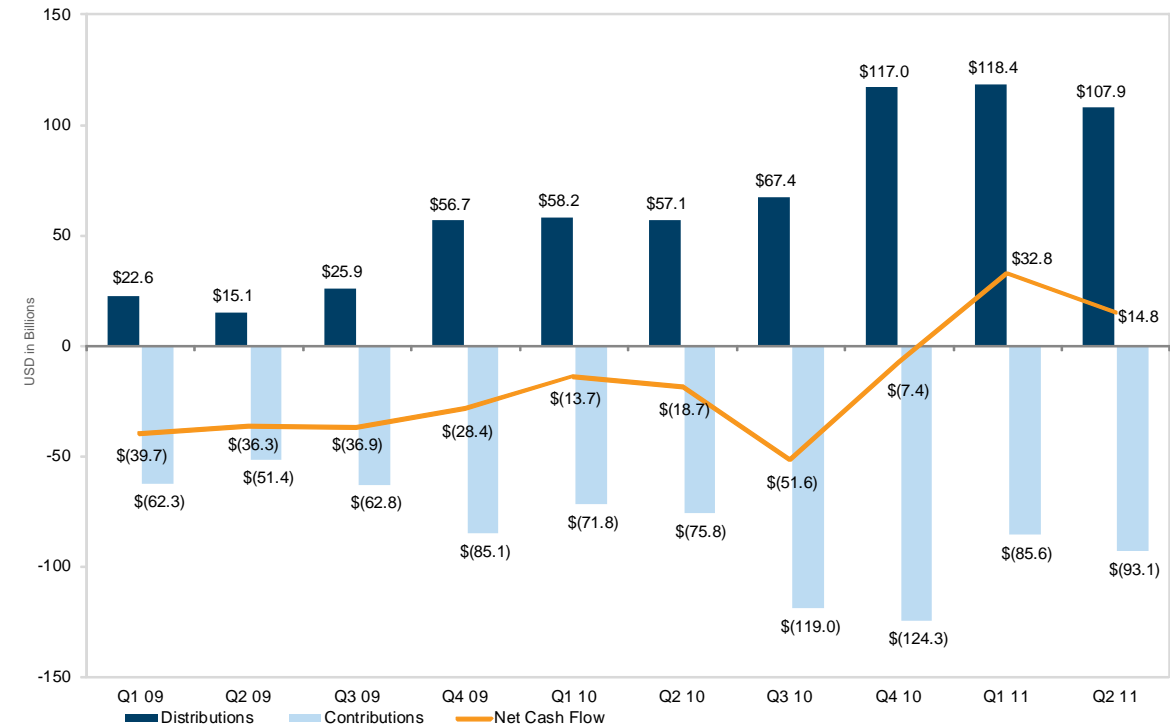
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Cash Flow Trends

Hamilton Lane's Fund Investment Database suggests that distributions exceeded contributions for the second consecutive quarter. This trend appears to be driven by the increasing quantity of exit prospects for general partners from investments made during the prior cycle.

HL Fund Investment Database Cash Flows



Source: Hamilton Lane Fund Investment Database as of 8/4/2011
*Fund level cash flow data of all funds in Hamilton Lane database (as of 8/4/2011) grouped by vintage year, then multiplied by the ratio of total PE commitments by vintage year (from ThomsonOne) over Hamilton Lane's commitments to generate a proxy for the PE universe

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Outlook

Despite heavy market volatility related to heightened concerns of a “double-dip” recession, active credit markets and significant amounts of dry powder in the private equity industry continue to support increased deal activity. Interest rates remain at record low levels, which allow general partners to leverage deals and refinance existing debt under favorable conditions. Fundraising for 2011 has been strong which indicates investor’s commitment to the private equity asset class. A surge in exit activity resulting in distributions outweighing contributions in the second quarter of the year also points to a more favorable outlook for the industry. Historically, general partners have been able to capitalize on troubled global economic conditions by restructuring heavily leveraged balance sheets, improving operational structure, and proactively negotiating with creditors to address imminent financial problems. Global economic uncertainties surrounding European and U.S. sovereign debt and the continued unrest in the MENA regions will, however, continue to persist. Such uncertainty should bring rise to a more cautious outlook for the industry for the remainder of the year and into 2012.

Section 2:

Portfolio Update

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Portfolio Snapshot

Hamilton Lane was engaged by the Teachers' Retirement System of the City of New York ("TRS") in October 2010 to provide alternative investment consulting services in accordance with the investment objectives of the TRS Private Equity portfolio (the "Portfolio"). This report represents the review by Hamilton Lane of TRS's Portfolio and is based upon information made available to Hamilton Lane by the general partners sponsoring each of the partnership investments in the Portfolio as of June 30, 2011, with highlights through September 30, 2011.

Private Equity Target: As per the 2011 NYCTRS Strategic Plan, TRS has a target of 4% to Private Equity. In the second quarter 2011, NYCTRS increased this target to 6%. As of June 30, 2011, Private Equity constituted 4.9% of NYCTRS plan.

Performance: As of June 30, 2011, the Portfolio consists of 125 partnerships and 86 underlying fund managers. The Portfolio has generated a since inception internal rate of return ("IRR") of 9.38% and a total value multiple of 1.3x.

Portfolio Summary			
\$ millions	3/31/2011 ⁽¹⁾	6/30/2011	Change
Active Partnerships	125	126	1
Active GP Relationships ⁽²⁾	85	86	1
Capital Committed ⁽³⁾	\$3,368.5	\$3,425.3	\$56.8
Unfunded Commitment	\$1,216.2	\$1,196.7	(\$19.5)
Capital Contributed	\$2,460.0	\$2,556.9	\$96.9
Capital Distributed	\$1,038.2	\$1,141.3	\$103.1
Market Value	\$1,984.0	\$2,070.4	\$86.4
Total Value Multiple	1.2x	1.3x	0.1x
Since Inception IRR	8.79%	9.38%	59 bps
Avg. Age of Active Commitments	4.4 years	4.6 years	0.2 years

⁽¹⁾Hamilton Lane has reconciled TRS historical data with the General Partner since the release of the March 31, 2011 report. The data as of March 31, 2011 will vary from what was originally reported on the TRS First Quarter 2011 report.

⁽²⁾The Active GP relationships include the General Partner Aldus, the manager of Erasmus New York City Growth Fund, L.P. According to the information provided to Hamilton Lane, the General Partner status for this fund is to be determined.

⁽³⁾The "change" in capital committed from the prior quarter reflects the new commitments made during the quarter plus currency adjustments from existing foreign denominated funds.

Portfolio Exposures: The Corporate Finance/Buyout strategy represents 74% of the Portfolio's total exposure, Venture Capital accounts for 11%, Special Situation represents 7%, Secondaries represent 3%, Distressed represents 2%, Co-Investment represents 2%, Mezzanine represents <1%, and Growth Equity represents the remaining <1%. The Portfolio has significant exposure to North America; 81% of the underlying company market value based in the region.

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Portfolio Overview

Commitments

The table below highlights the funds that closed during the first half of 2011.

YTD Commitments - 2011			
Closing Date	Partnership	Investment Strategy	Commitment Amount
6/30/2011	EQT VI, L.P.	Corporate Finance/Buyout - Mega	\$55.0
Total			\$55.0

During the first half of 2011, the Portfolio completed one additional investment totaling \$55.0 million, detailed below:

EQT VI, L.P. (\$55.0 million) the fund will seek to make control oriented investments in mid-sized to large companies predominantly in Sweden, Norway, Denmark, Germany, and Poland. The fund will target companies that have strong platforms and management teams, but have the potential for revenue and EBITDA growth.

The table below details performance of the Portfolio in comparison with two comparable Hamilton Lane clients; the data below represents the most recently available data for Plan A and Plan B.

Competitive Pension Plan Statistics			
	NYC Teachers	Plan A	Plan B
Allocation to Private Equity	4%	10%	10%
Since-Inception Return as of 6/30/2011	9.38%	13.17%	7.78%

Subsequent Events

Subsequent to June 30, 2011, the Portfolio completed additional investments totaling \$225.0 million, detailed below:

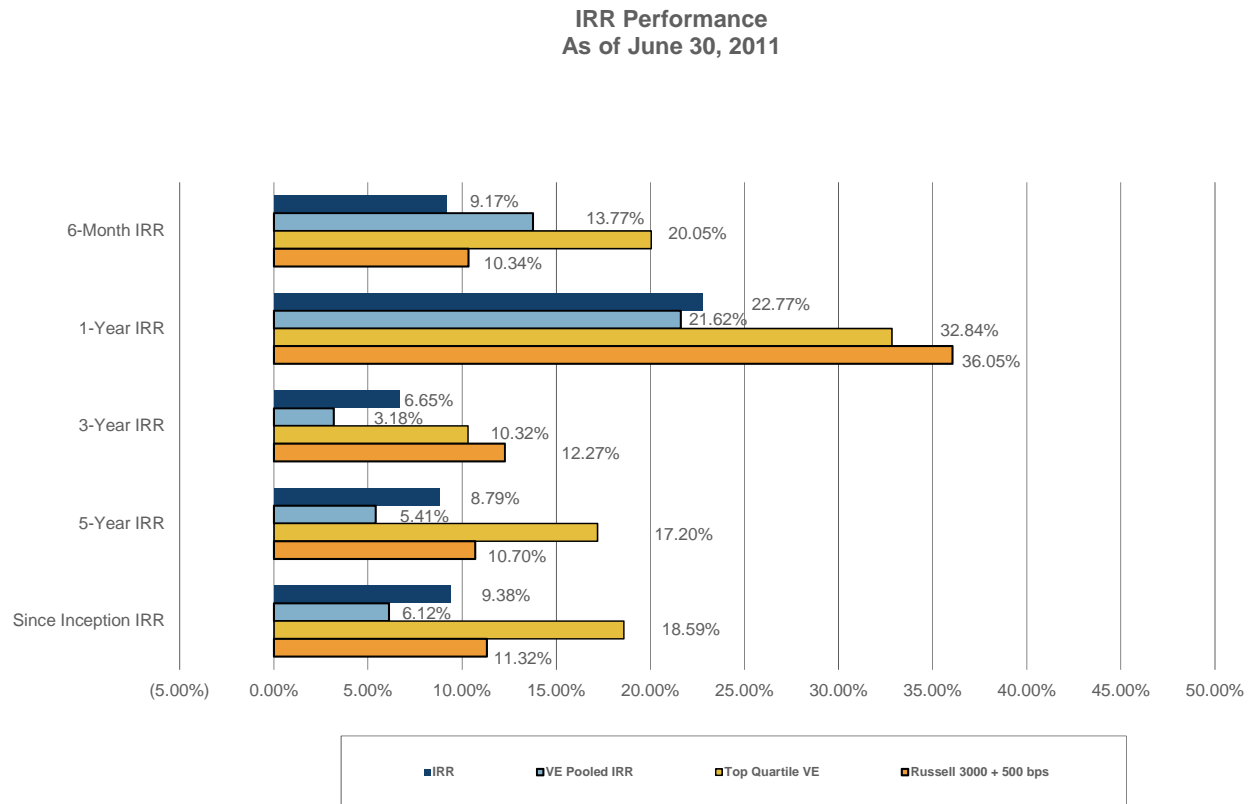
Subsequent Closings			
Investment	Investment Strategy	Commitment (\$ in Millions)	Closing Date
BC European Capital IX, L.P.	Corporate Finance/Buyout - Mega	75.0	7/19/2011
AXA Secondary Fund V, L.P.	Secondaries - Fund-of-Funds	100.0	7/29/2011
Pegasus Partners V, L.P.	Corporate Finance/Buyout - Mid	50.0	8/4/2011
		\$225.0	

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Portfolio Performance Summary

The chart below is a graphical depiction of the IRR performance of the Portfolio with respect to 6-, 1-, 3-, 5-, and since-inception time periods. The Portfolio is benchmarked against the VE Pooled IRR, Top Quartile VE and the Russell 3000 plus 500 basis points.



Note: Since Inception IRR for VE benchmarks represent the returns for funds within latest 10 vintage years, the closest available benchmark to the inception date of NYC Teachers Portfolio. The Russell 3000 Total return index incorporates the Long Nickels methodology where the assumption is that the capital is being invested and withdrawn from the index on the days the capital was called and distributed from the underlying fund managers. This calculation includes a 5% premium.

- As private equity is a long-term asset class, the most significant time horizon is since-inception time period.
 - Performance on a since-inception basis for the second quarter of 2011 increased by 59 basis points, with the Portfolio generating an IRR of 9.38%.

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The table below details quarterly performance of the Portfolio for the year ending June 30, 2011.

Portfolio Summary					
in \$ millions	Quarter Ending				Year Ending
	9/30/2010	12/31/2010	3/31/2011	6/30/2011	6/30/2011
Beginning Market Value	\$1,600.8	\$1,745.7	\$1,918.5	\$1,984.0	\$1,600.8
Paid-in Capital	109.4	120.2	73.3	96.9	399.8
Distributions	(41.7)	(78.3)	(90.5)	(103.1)	(313.6)
Net Value Change	77.2	130.9	82.7	92.6	383.4
Ending Market Value	\$1,745.7	\$1,918.5	\$1,984.0	\$2,070.4	\$2,070.4
Unfunded Commitments	\$1,336.5	\$1,262.0	\$1,216.2	\$1,196.7	\$1,196.7
Total Exposure	\$3,082.2	\$3,180.5	\$3,200.2	\$3,267.1	\$3,267.1
Point to Point IRR	4.73%	7.35%	4.32%	4.65%	22.77%
Since Inception IRR	6.68%	8.20%	8.79%	9.38%	9.38%

- Over the past twelve months, the Portfolio has generated an IRR of 22.77% and has experienced a total of \$383.4 million in net value gain.
 - The one year IRR of 22.77% represents a 585 basis point increase from the prior quarter and can be attributed to the appreciation of the overall equity markets through the end of the second quarter.

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The table below details IRR performance of the Portfolio with respect to Vintage Year. The Portfolio is benchmarked against the VE Median IRR, Top Quartile VE, and the Russell 3000 plus 500 basis points.

Performance by Vintage Year ⁽¹⁾					
Vintage Year	Capital Committed	IRR	VE Median IRR	Top Quartile VE	Russell 3000 + 500bps
1999	\$ 95,000,000	7.30%	(2.78%)	5.00%	8.15%
2000	83,000,000	5.90%	0.09%	6.35%	6.73%
2001	80,000,000	21.75%	2.48%	13.85%	7.66%
2002	150,000,000	14.74%	1.87%	14.32%	9.27%
2003	85,000,000	22.94%	4.68%	14.22%	12.81%
2004	266,400,000	8.77%	4.69%	15.01%	10.04%
2005	346,118,500	5.21%	5.44%	7.99%	9.02%
2006	641,602,192	5.75%	2.72%	7.04%	8.64%
2007	602,260,101	8.45%	3.98%	15.87%	6.13%
2008	820,888,164	12.65%	7.25%	12.01%	5.02%
2009	77,500,000	12.52%	9.07%	26.15%	25.63%
2010	45,000,000	(22.80%)	(0.42%)	6.48%	20.72%
2011	132,500,000	(75.35%)	N/A	N/A	18.30%

⁽¹⁾ For details regarding Paid-In Capital, Distributions and Market Value by Vintage Year please see Section 3, Portfolio Assessment, of the report

- Vintage year 2003 has generated the highest since-inception IRR for the Portfolio at 22.94% and is outperforming the VE Median IRR, Top Quartile VE, and Russell 3000 plus 500 basis points benchmarks by an average of 1,237 basis points.
 - The top performing fund in the vintage year 2003 is Blackstone Capital Partners IV, L.P., a mega buyout partnership, which has generated a since-inception IRR of 41.03%

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The table below details IRR performance of the Portfolio with respect to Investment Strategy. The Portfolio is benchmarked against the VE Median IRR, and the Top Quartile VE.

Performance by Investment Strategy ⁽¹⁾				
Investment Strategy	Capital Committed	IRR	VE Median IRR	Top Quartile VE
Corporate Finance/Buyout	\$ 2,481,222,813	10.75%	6.08%	14.79%
Corporate Finance/Buyout - Mega	646,596,072	18.31%	7.10%	14.16%
Corporate Finance/Buyout - Large	410,412,784	8.58%	7.45%	13.42%
Corporate Finance/Buyout - Mid	1,030,713,957	9.22%	4.17%	12.03%
Corporate Finance/Buyout - Small	393,500,000	6.75%	0.67%	9.88%
Co-Investment	69,928,327	(1.92%)	N/A	N/A
Distressed	60,000,000	19.78%	5.31%	11.19%
Growth Equity	10,000,000	(9.52%)	N/A	N/A
Mezzanine - Sponsored/Unsponsored	50,000,000	12.01%	6.26%	7.85%
Secondaries Fund-of-Funds	130,000,000	14.98%	N/A	N/A
Special Situation - Multi Strategy	219,373,737	0.13%	N/A	N/A
Venture Capital	384,744,080	2.19%	(0.78%)	5.49%

⁽¹⁾ For details regarding Paid-In Capital, Distributions and Market Value by Investment Strategy please see Section 3, Portfolio Assessment, of the report.

Note: The above table does not include liquidated investments

- The Distressed Debt Strategy has generated the greatest since-inception return at 19.78% outperforming both the VE Median and Top Quartile IRR by an average of 1,153 basis points.
 - The top performing fund within the Distressed Debt Strategy is BDCM Opportunity Fund, L.P., a 2002 vintage year fund, which has generated a since-inception IRR of 24.43%.
- Generating a since-inception IRR of 18.31%, the Corporate Finance/Buyout – Mega Strategy has generated the second largest return and has outperformed the VE Median and Top Quartile IRRs by an average of 768 basis points.

The table below details IRR performance of the Portfolio with respect to Geographic Focus.

Performance Summary by Region						
Region	Capital Committed	Paid-In Capital	Capital Distributed	Reported Market Value	Net IRR	Total Value Multiple
North America	\$2,320,869,880	\$1,772,925,633	\$766,257,291	\$1,394,632,956	7.81%	1.2x
Western Europe	\$282,987,738	\$137,527,924	\$7,086,800	\$131,815,813	0.39%	1.0x
Rest of World	\$821,411,339	\$646,430,775	\$367,914,397	\$543,915,750	15.89%	1.4x
Total:	\$3,425,268,957	\$2,556,884,331	\$1,141,258,488	\$2,070,364,519	9.38%	1.3x

- Western Europe has generated the lowest since-inception IRR at 0.39% and it is projected that returns in this segment of the Portfolio will lag behind the others as its average age of commitments is 3.1yrs.

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Value Drivers

The table below displays the Portfolio's top five performance drivers by net value change for the quarter ending June 30, 2011.

Top Five Performing Investments for the Quarter Ending June 30, 2011				
Investment Name	Vintage Year	Net Value Change (\$ Millions)	Point-to-Point IRR	Since Inception IRR
RRE Ventures IV, L.P.	2006	\$6.6	30.23%	15.53%
Trilantic Capital Partners IV L.P.	2007	5.5	15.93%	15.57%
Blackstone Capital Partners V, L.P.	2006	4.4	6.83%	2.05%
CCMP Capital Investors II, L.P.	2006	4.1	31.55%	15.53%
Silver Lake Partners III, L.P.	2007	4.1	21.94%	19.87%

- The above five partnerships generated an aggregated net value increase of \$24.7 million in the second quarter 2011.
 - RRE Ventures IV, L.P., a 2006 early-stage Venture Capital partnership, was the top performing investment for the quarter, generating a net value change of \$6.6 million. The increase in net value can be attributed to the market value write up of Tippir, Inc., which had a fair value increase of 352% from first quarter 2011 and is being held at 4.5x cost.
 - Trilantic Capital Partners IV, L.P., a 2007 Mid-Market Buyout partnership, generated \$5.5 million in net value change. Trilantic IV benefitted from its agreement to sell SRAM Holdings LLC, resulting in a net distribution of which \$13.7 million was distributed to the TRS Portfolio.
 - The partnership recognized a 2.44x cost multiple and a gross IRR of approximately 39% over a 32 month holding period of SRAM Holdings, LLC.
 - SRAM Holdings, LLC is a global manufacturer and marketer of branded bicycle components including shifters, brakes, gear hubs, drivetrains, suspension systems and high-performance wheel sets.
 - Blackstone Capital Partners V, L.P., a 2006 Mega Buyout partnership, generated \$4.4 million in net value change for the second quarter 2011. The bulk of this value change can be attributable to the unrealized portfolio investment write up of \$4.1 million during the first quarter by the General Partner. PBF Energy Partners, a leading independent petroleum refiner and supplier of transportation fuels, had the most significant write-up and is currently being valued at 2.0x cost.
 - CCMP Capital Investors II, L.P., a 2006 Large Buyout partnership, generated a net value change of \$4.1 million. The main driver of increase was the write-up up of Francesca's Collections, Inc., a Texas based small-box retail store with locations spread across 38 states. Francesca's had a market value increase of \$241.1 million during the second quarter to reflect the July 21, 2011 Initial Public Offering pricing.

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- Silver Lake Partners III, L.P., a 2007 Mid-Market Buyout partnership, generated a net value increase of \$4.1 million. The value increase can mainly be attributed to the market value write-up of Skype during the quarter, which was due to the definitive agreement signed with Microsoft to acquire 100% of the company for \$8.5 billion.

The table below shows the Portfolio's bottom five performance drivers by net value change for the quarter ending June 30, 2011.

Bottom Five Performing Investments for the Quarter Ending June 30, 2011				
Investment Name	Vintage Year	Net Value Change (\$ Millions)	Point-to-Point IRR	Since Inception IRR
Pegasus Partners IV, L.P.	2007	(\$7.2)	(15.52%)	37.26%
Leeds Weld Equity Partners IV, L.P.	2003	(1.4)	(7.30%)	11.04%
Thomas McNerney & Partners, L.P.	2002	(1.1)	(13.93%)	(3.40%)
NGN BioMed Opportunity II, L.P.	2008	(0.9)	(14.19%)	(18.01%)
Ares Corporate Opportunities Fund, L.P.	2003	(0.6)	(6.82%)	14.82%

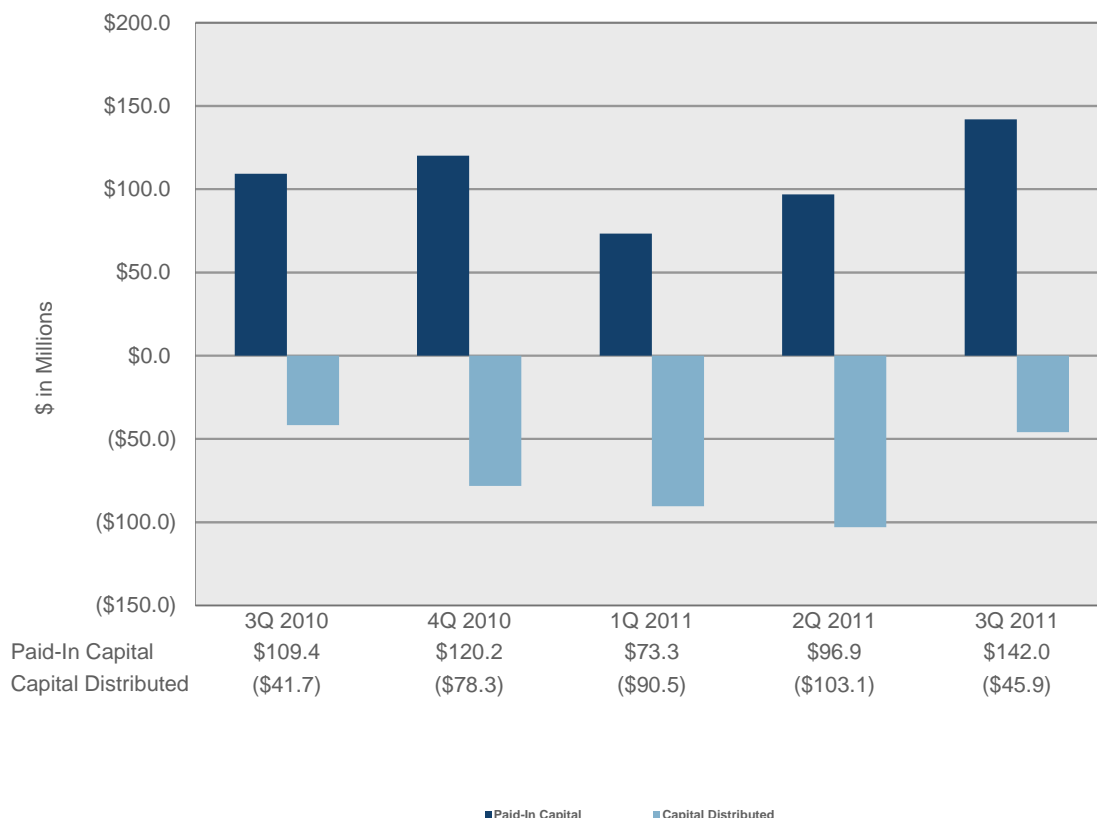
- The above five partnerships generated a net value loss of \$(11.2) million in the second quarter 2011.
 - Pegasus Partners IV, L.P., a 2007 Mid-Market Buyout partnership generated the largest net value loss in the second quarter, at (\$7.2) million. The partnership's investments were previously held at 3.4x cost as of March 31, 2011 and have since been written down to 2.9x cost as of June 30, 2011.
 - Leeds Weld Equity Partners IV, L.P., a 2003 Small Buyout partnership generated the second most substantial net value loss in the second quarter, at (\$1.4) million. Instituto de Banca y Comercio, Inc., a provider of post-secondary education, was a major contributor to this net value change as it was held at 2.9x cost as of March 31, 2011 and is being held at 0.9x at quarter end.
 - Thomas McNerney & Partners, a 2002 Multi-Staged Venture Capital partnership, generated a net value loss of (\$1.1) million during the quarter. The key driver for the decrease in net value was the write-down of Clarus Therapeutics, Inc, an Illinois-based pharmaceutical company, which was previously held at 3.7x cost as of March 31, 2011 but was written-down to 2.5x cost as of June 30, 2011.
 - NGN BioMed Opportunity II, L.P., a Late-Stage Venture Capital partnership, generated a net value loss of (\$0.9) million for the quarter. The bulk of this value change can be attributed to Resverlogix Corp., a clinical stage biotech company in Canada, which was held at 1.2x cost as of March 31, 2011 and is being held at 0.77x as of June 30, 2011.
 - Ares Corporate Opportunities Fund, L.P., a 2003 Small Buyout partnership, generated a net value loss of (\$0.6) million resulting from the write-down of EXCO Resources, Inc., an independent energy company engaged in oil and natural gas properties, which was previously held at 3.4x cost as of March 31, 2011 but was written-down to 2.8x cost as of June 30, 2011

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Cash Flow Drivers

The chart below highlights the cash flows of the Portfolio over the past five quarters ended September 30, 2011.



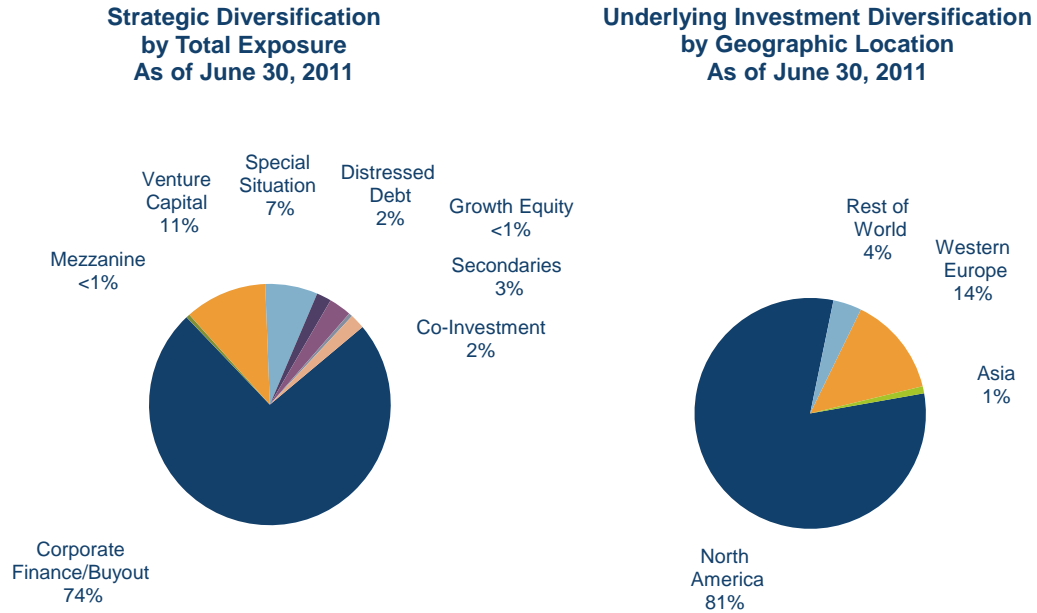
- For the year ended June 30, 2011, the Portfolio was cash flow negative with contributions outpacing distributions by \$86.2 million.
- Contribution activity steadily increased over the second quarter by 14%, totaling \$96.9 million. Distributions increased by 14% during the second quarter of 2011 totaling \$103.1 million. The second quarter 2011 had the most substantial distribution activity of the past five quarters.
 - Trilantic Capital Partners IV distributed \$13.9 million, which represented the largest amount received by the Portfolio during the second quarter 2011.
- During the third quarter 2011, AXA Secondary Fund V called the most capital, calling \$35.3 million for initial limited partner contributions and for an investment in Transaction Light.
- Cinven Fourth Fund distributed the most capital during the third quarter 2011, distributing \$9.1 million (€6.6 million) following the sale of Phadia AB, a Sweden based healthcare company specializing in Allergies.

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Portfolio Exposures

The pie charts below represent the strategic and geographic diversification of the Portfolio as of June 30, 2011. Strategy is measured by total exposure, which is the sum of the market value and the unfunded commitments and provides a snapshot of the Portfolio's future diversification. Geography is measured by the Portfolio's exposed market value of the underlying portfolio companies.



⁽¹⁾ Total Exposure to Growth Equity and Mezzanine Debt is <1% as of June 30, 2011

- The Portfolio is focused in the Corporate Finance/Buyout strategy, with 74% of the total exposure attributable to this strategy.
- With respect to geography, the Portfolio is concentrated in North America, with 81% of the Portfolio's underlying market value attributable to this region.
 - The remaining 19% of the Portfolio's exposure is diversified between Western Europe, 'Rest-of-World' and Asia.

Teachers' Retirement System of the City of New York

Second Quarter 2011 Report

Private Equity Company Exposure

The table below identifies the top ten underlying companies held by private equity partnerships as measured by exposed market value as of June 30, 2011. As noted in the second column, the values of companies held by several partnerships have been aggregated.

Top 10 Portfolio Holdings by Exposed Market Value June 30, 2011			
Company Name	Partnership	Exposed Valuation (\$ Millions)	% of Total Portfolio
AmeriCold Realty Trust	Yucaipa American Alliance Fund I, L.P. Yucaipa American Alliance Fund II, L.P.	\$41.4	2.0%
Nycomed Holdings A/S	Avista Capital Partners II, L.P. Avista Capital Partners, L.P. Coller International Partnership IV, L.P.	20.1	1.0%
Softlayer	GI Partners Fund II, L.P. GI Partners III, L.P.	18.1	0.9%
LeverageSources, L.P.	Apollo Investment Fund VII, L.P.	16.0	0.8%
Lighting Science Group Corporation (fka LED Holdings)	Pegasus Partners IV, L.P.	15.5	0.8%
Guitar Center, Inc.	Ares Corporate Opportunities Fund II, L.P. Ares Corporate Opportunities Fund III, L.P.	15.4	0.8%
Annie's, Inc.	Solera Partners, L.P.	14.9	0.7%
PTC Alliance	BDCM Opportunity Fund, L.P.	14.7	0.7%
Allied Holdings, Inc.	BDCM Opportunity Fund II, L.P. Clayton, Dubilier & Rice Fund VIII, L.P. Yucaipa American Alliance Fund I, L.P.	13.8	0.7%
Molycorp Minerals, LLC	Pegasus Partners IV, L.P.	12.8	0.6%
Total		\$182.6	9.0%

Note: Undisclosed debt securities are not included in this analysis.

- As of June 30, 2011, the top ten companies represent 9.0% of the total Portfolio's market value, or \$182.6 million of market value.
- AmeriCold Realty Trust, a real estate investment trust which operates 102 temperature controlled warehouses, is the Portfolio's largest exposure and is held in two partnerships.
- Five of the ten top holdings are held in multiple partnerships within the portfolio.

II. October Monthly Performance Review:

Monthly Performance Review

October 2011

*Prepared for the New York City
Teachers' Retirement System
12/1/2011*

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ECONOMIC INDICATORS

as of November 2011

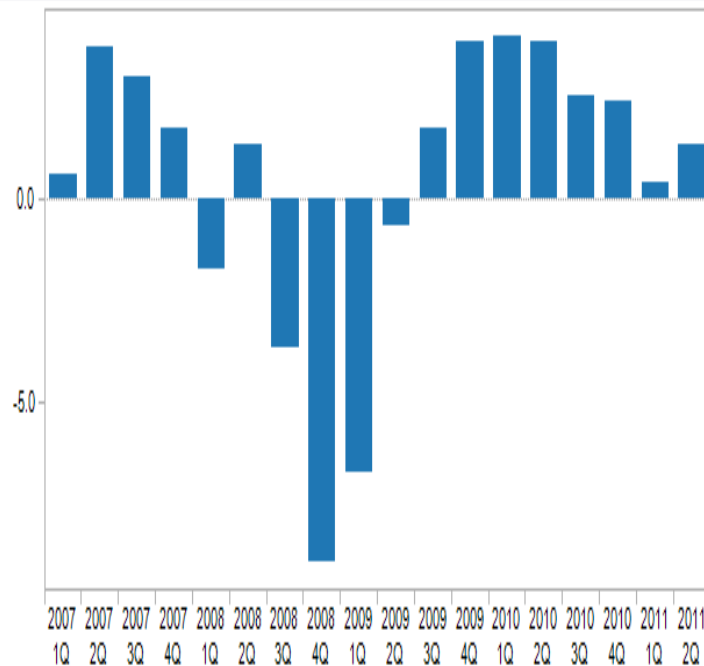


**NYC OFFICE OF THE COMPTROLLER
BUREAU OF ASSET MANAGEMENT**

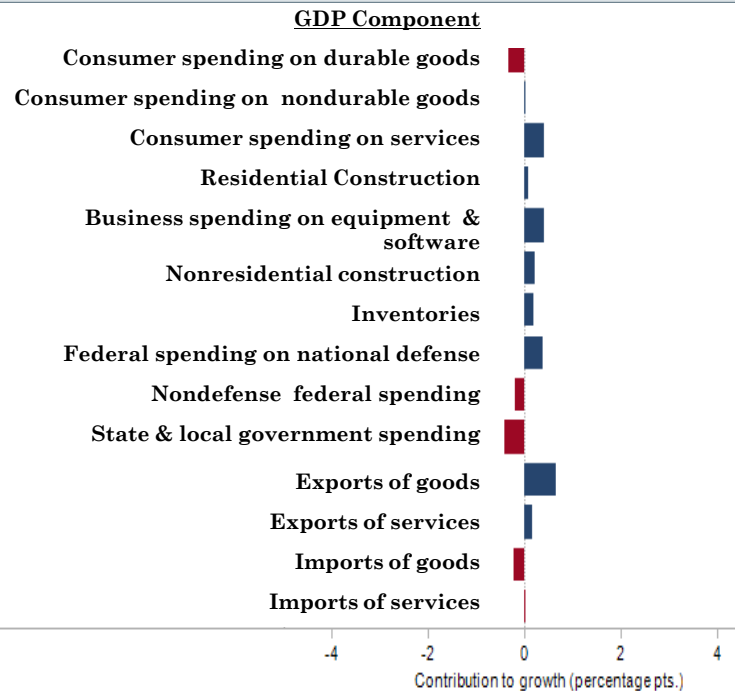
COMPONENTS OF GDP

2

**ALL SHOW OVERALL % CHANGE FROM
PRECEDING QUARTER AT SEASONAL ADJUSTED
ANNUAL RATE**



**COMPONENTS WHICH CONTRIBUTED
TO GDP GROWTH**



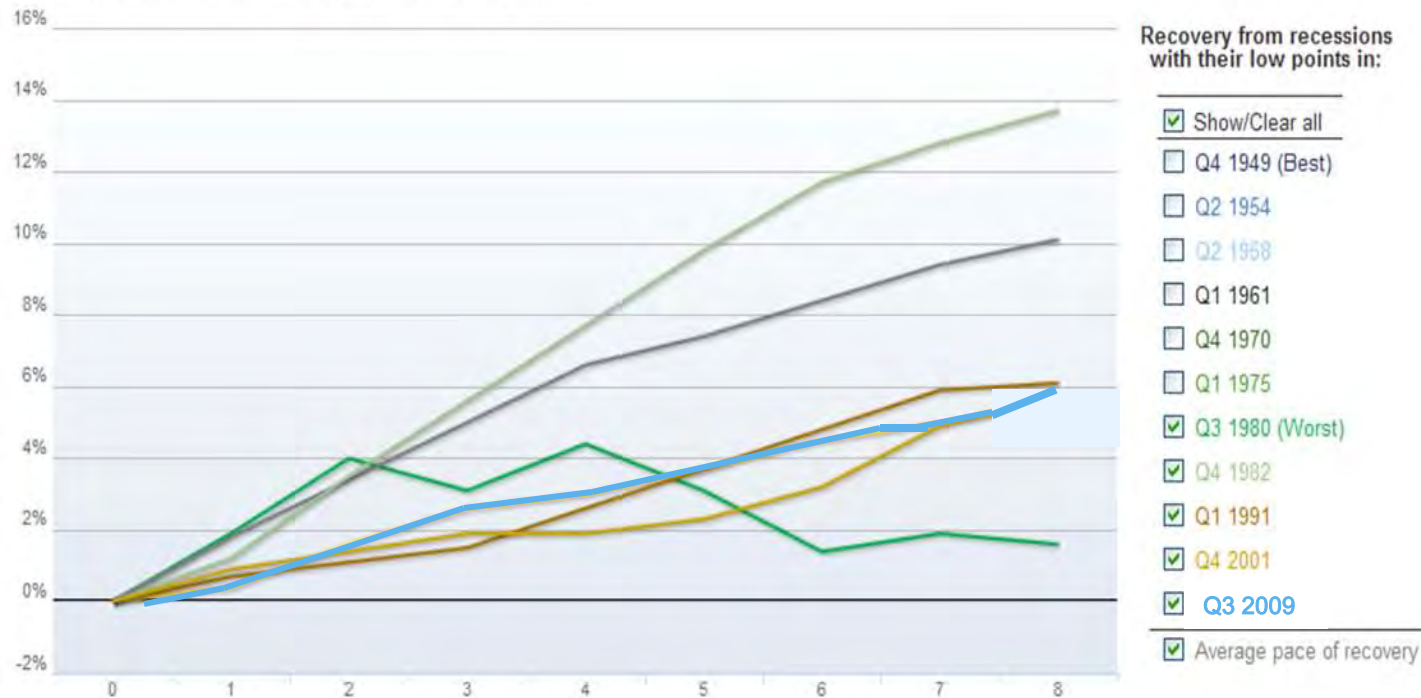
- NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.

US GROSS DOMESTIC PRODUCT (INFLATION ADJUSTED)

50

3

U.S. gross domestic product, inflation adjusted, quarterly



Sources: Commerce Department (corporate profits, income, GDP); Federal Reserve (bank lending); Robert J. Shiller (real home prices); Labor Department (jobs); Federal Reserve Bank of St. Louis (inflation-adjusted exports and consumer spending)

- **NOTES: 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.**
- **GDP GROWTH DURING THE CURRENT RECOVERY INCLUDES SECOND-QUARTER FORECAST CALCULATED USING CONSENSUS FORECAST OF 2 % ANNUAL GROWTH.**

CAPACITY UTILIZATION

4



- 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.

ISM MANUFACTURING INDEX

5



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WEEKLY UNEMPLOYMENT CLAIMS

6



- 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.

UNEMPLOYMENT RATE

7

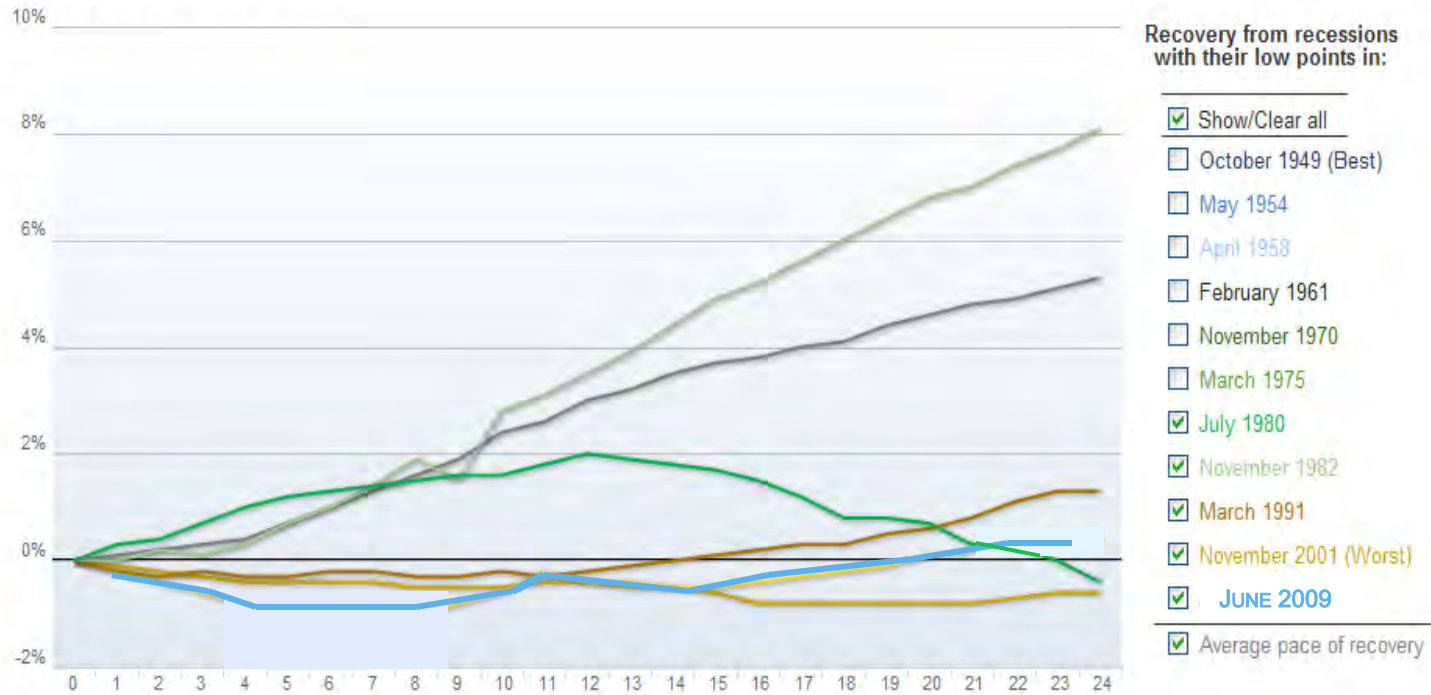


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US JOBS (NON-AGRICULTURAL PAYROLLS)

8

U.S. non-agricultural payrolls, monthly

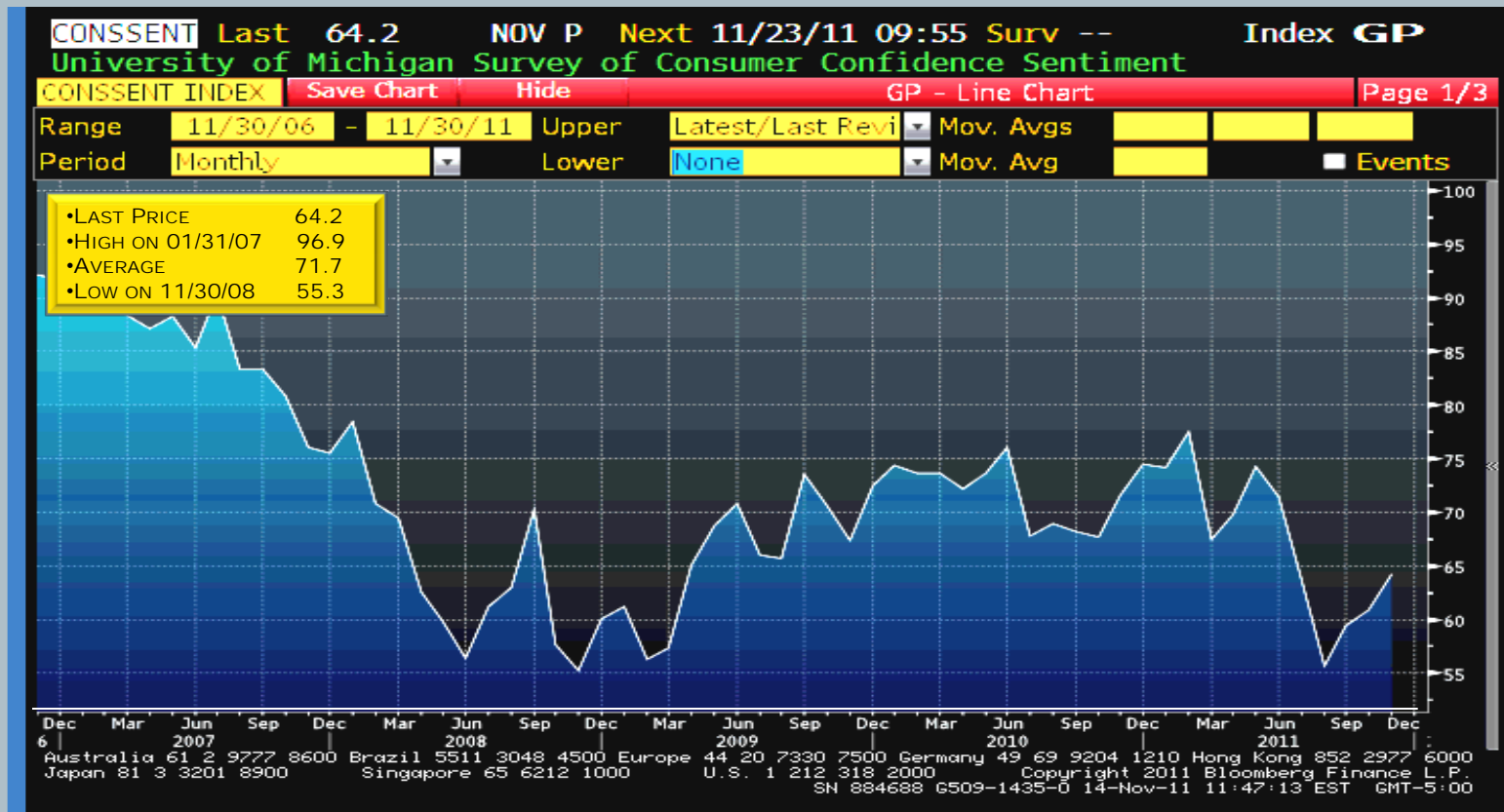


Sources: Commerce Department (corporate profits, income, GDP); Federal Reserve (bank lending); Robert J. Shiller (real home prices); Labor Department (jobs); Federal Reserve Bank of St. Louis (inflation-adjusted exports and consumer spending)

- NOTES: 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.

CONSUMER SENTIMENT

9



- 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.

ARCHITECTURAL BILLINGS INDEX

10

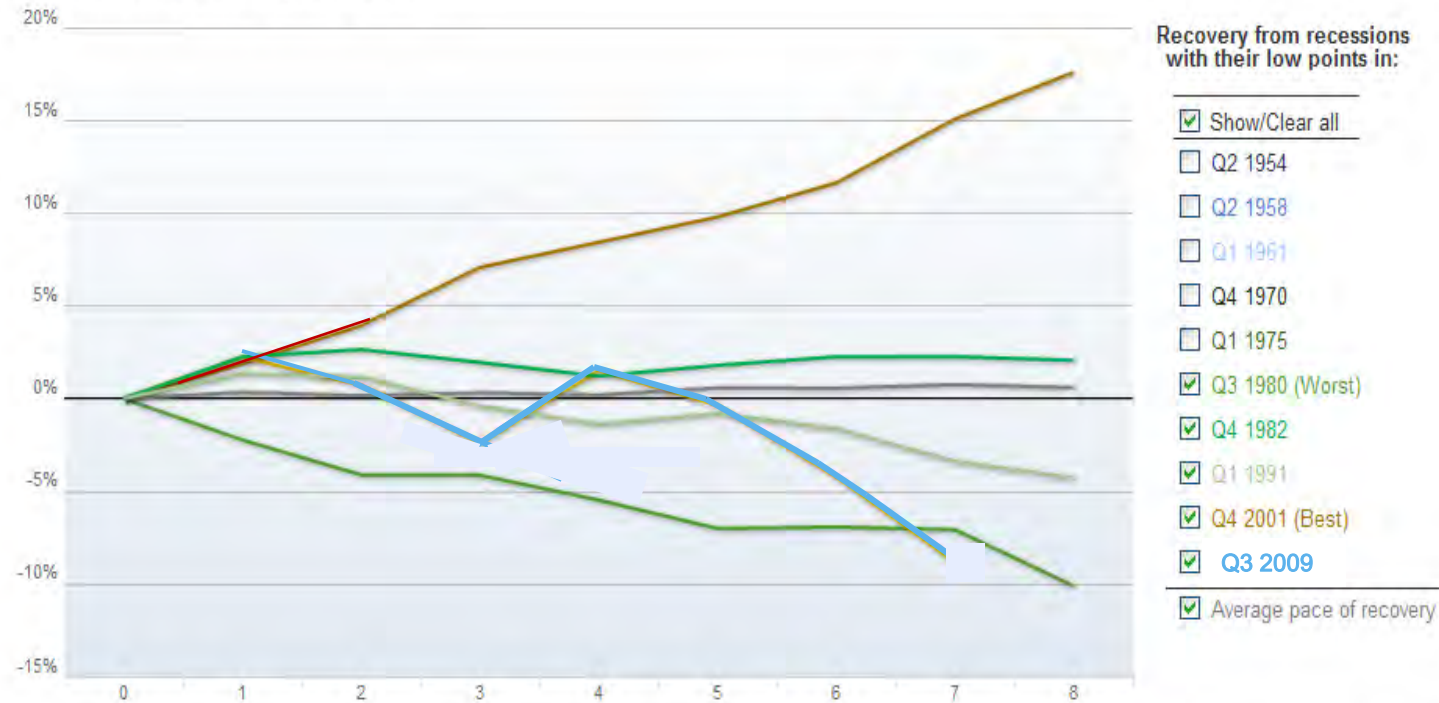


- A SCORE ABOVE 50 INDICATES AN INCREASE IN BILLINGS WHILE A READING BELOW 50 INDICATES A NEGATIVE OUTLOOK
- THIS INDEX IS CONSIDERED A LEADING INDICATOR FOR COMMERCIAL BUILDING CONSTRUCTION WITH A 6-9 MONTH LAG
- NOTE: THE MARKET INDICATORS CONTAINED IN THE BOARD MATERIALS ARE A SUBSET OF INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.

US HOUSE PRICES (INFLATION ADJUSTED)

11

U.S. house prices, inflation adjusted, quarterly

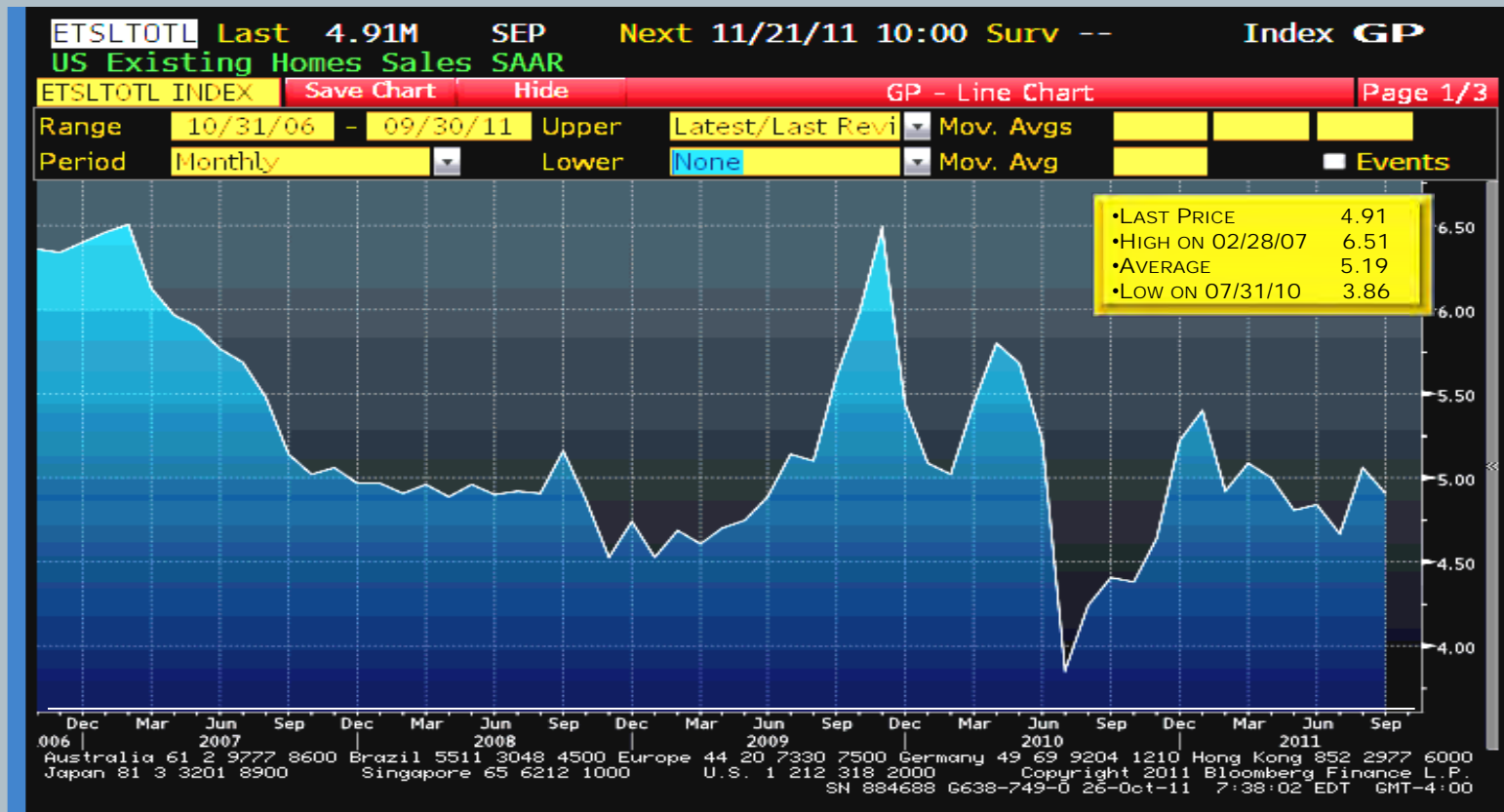


Sources: Commerce Department (corporate profits, income, GDP); Federal Reserve (bank lending); Robert J. Shiller (real home prices); Labor Department (jobs); Federal Reserve Bank of St. Louis (inflation-adjusted exports and consumer spending)

- **NOTES: 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.**
- **QUARTERLY REAL HOME PRICES DATA BEGAN IN 1953. RECOVERY DATA BEFORE 1953 ARE NOT INCLUDED IN RANKINGS OR AVERAGES**

EXISTING HOME SALES

12



- 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.

NEW HOUSING STARTS

13



- 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.

RETAIL SALES

14



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US AUTO SALES

15



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INDEX OF LEADING ECONOMIC 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 INDICATORS RELEVANT TO FUND PERFORMANCE AND STRATEGIC PLANNING AND ARE NOT INTENDED AS THE EXCLUSIVE INDICATORS.

INFLATION- CPI

17



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MARKET INDICATORS

as of November 2011



NYC OFFICE OF THE COMPTROLLER
BUREAU OF ASSET MANAGEMENT

TRADE WEIGHTED US DOLLAR INDEX

19



- 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

20



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VOLATILITY INDEX (THE "VIX")

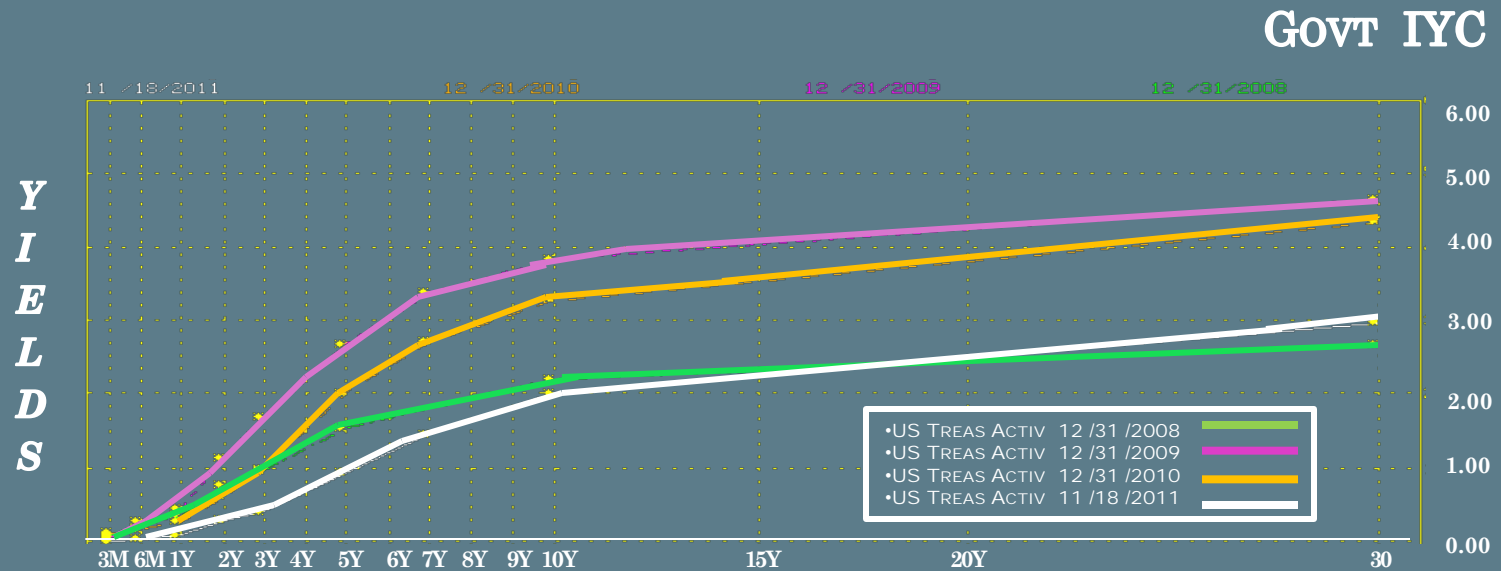
21



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US TREASURY YIELD CURVES

22



MULTIPLE HISTORICAL CURVES

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10 YEAR TREASURY RATES

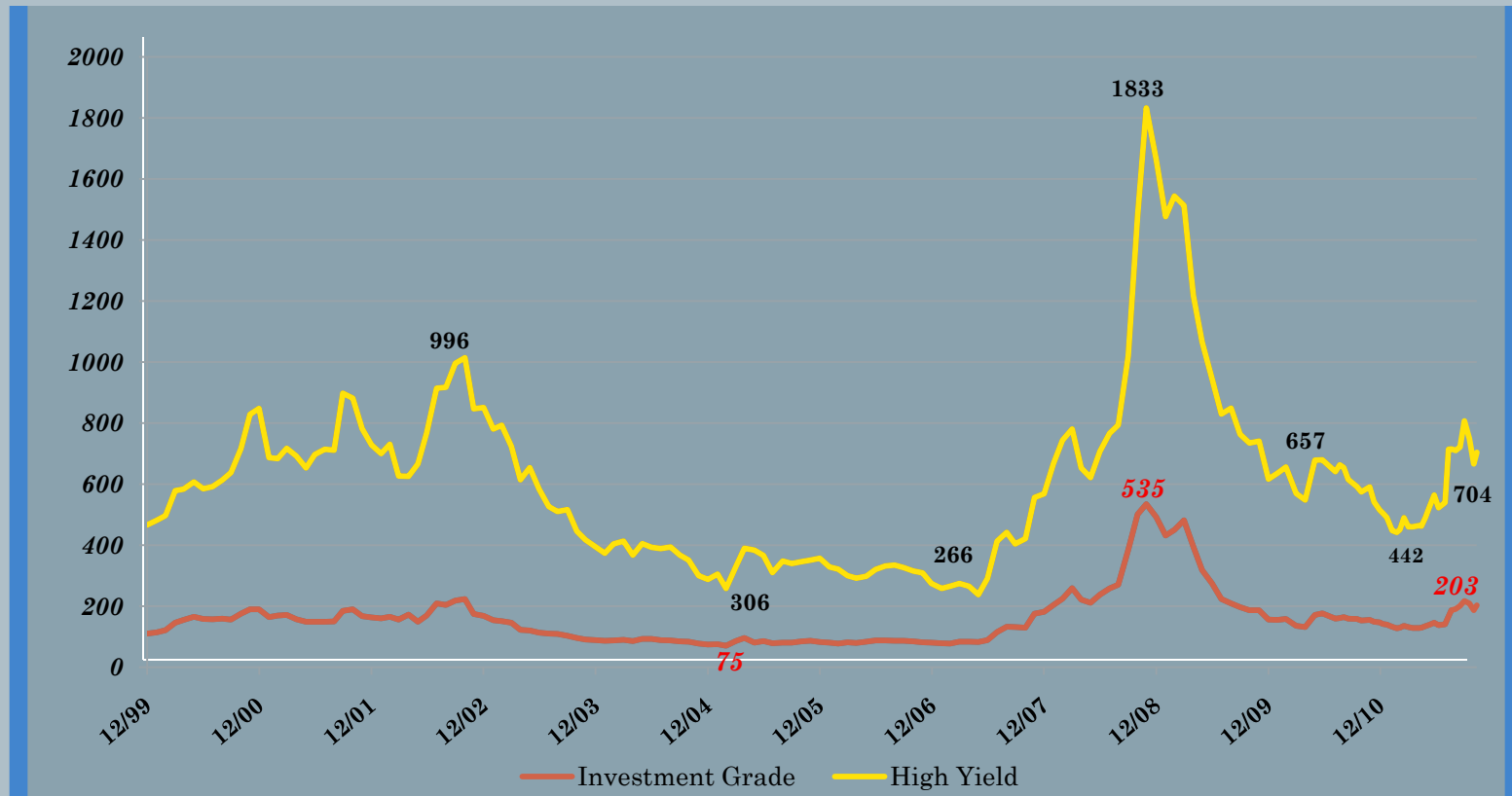
23



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INVESTMENT GRADE AND HY SPREADS

24



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CORPORATE EARNINGS

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

72

25

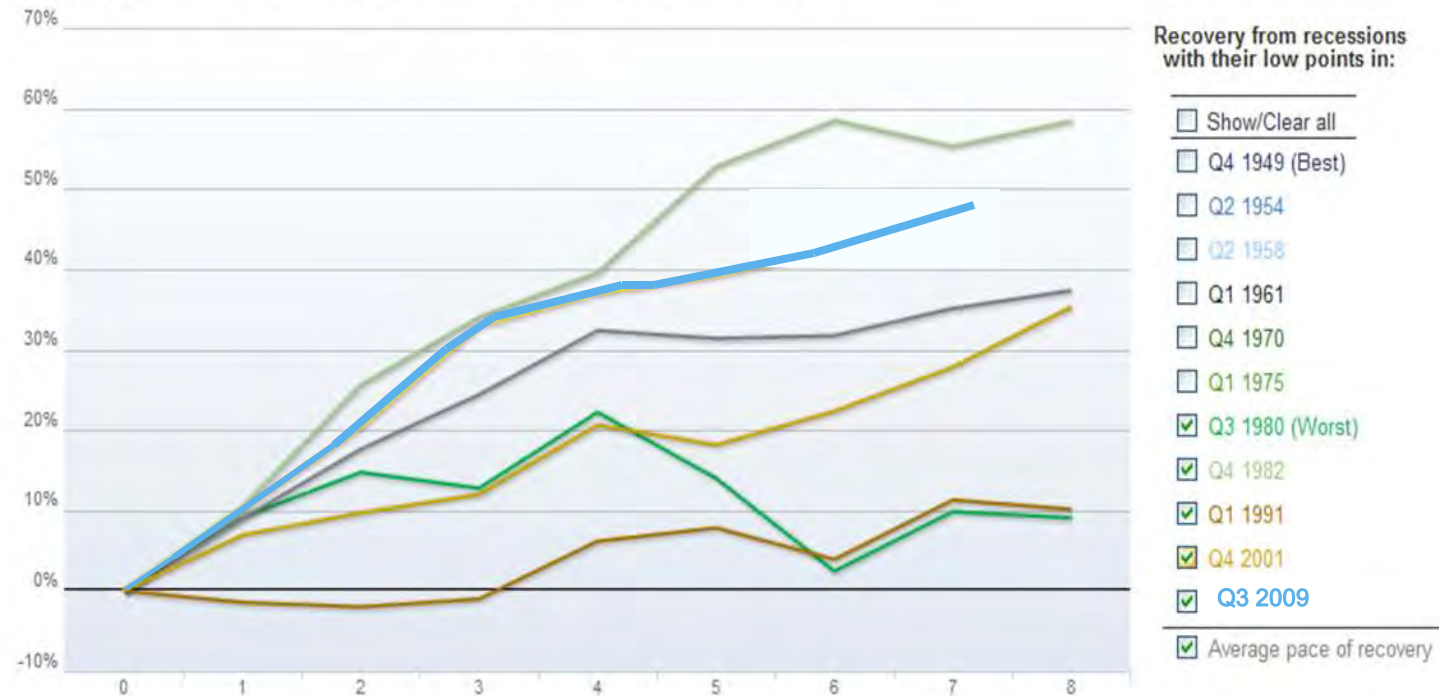


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CORPORATE PROFITS

26

Corporate profits with inventory valuation and capital consumption adjustments, quarterly



Sources: Commerce Department (corporate profits, income, GDP); Federal Reserve (bank lending); Robert J. Shiller (real home prices); Labor Department (jobs); Federal Reserve Bank of St. Louis (inflation-adjusted exports and consumer spending)

- **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

74

27

P/E RATIOS INCLUDING ESTIMATES

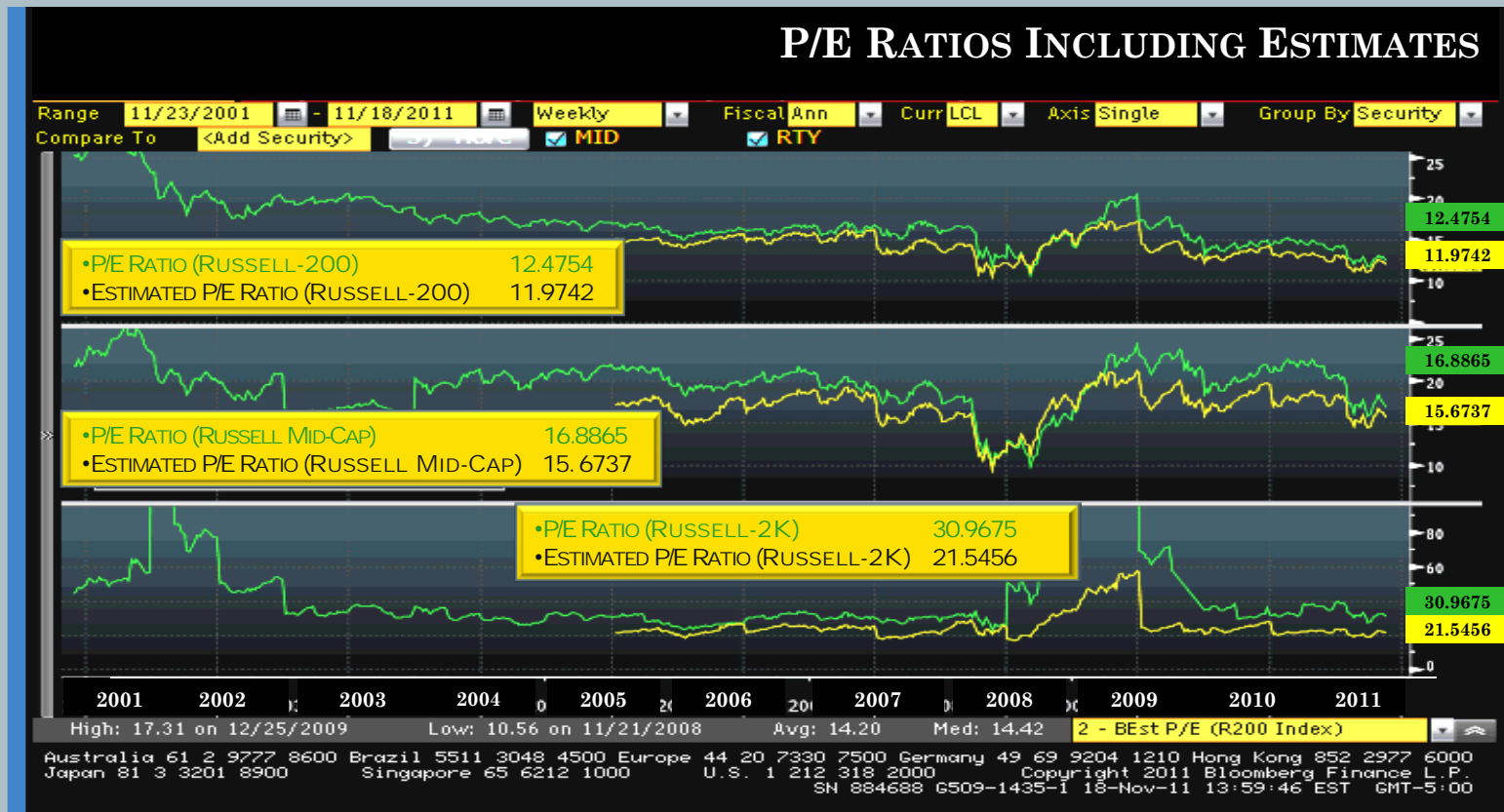


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PRICE TO EARNING RATIOS INCLUDING ESTIMATES

75

28



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RECENT GLOBAL EQUITY MARKET RETURNS

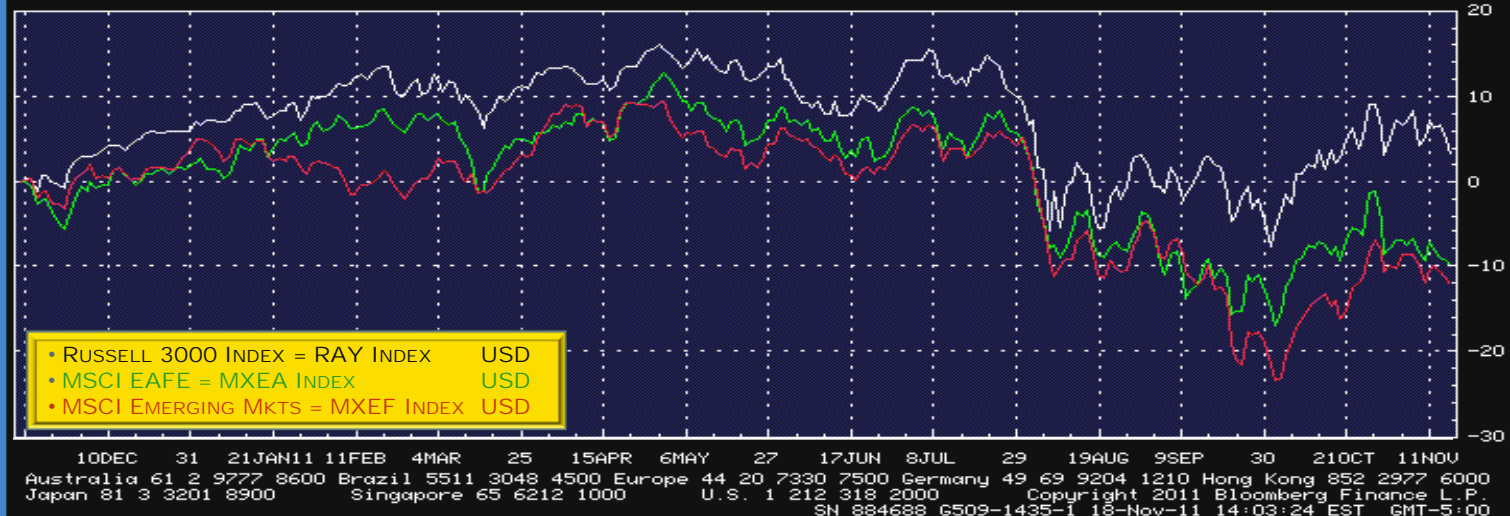
76

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COMPARATIVE RETURNS

Range 11/18/10 - 11/17/11		Period D		Daily	364 Day	Period
Securities	Cnrcy	Prc	Appr	Total Ret	Difference	Annual Eq
1 RAY Index	USD	1.34 %		3.28 %	13.30 %	3.29 %
2 MXEA Index	USD	-13.18 %		-10.02 %		-10.04 %
3 MXEF Index	USD	-14.31 %		-12.11 %	-2.10 %	-12.14 %

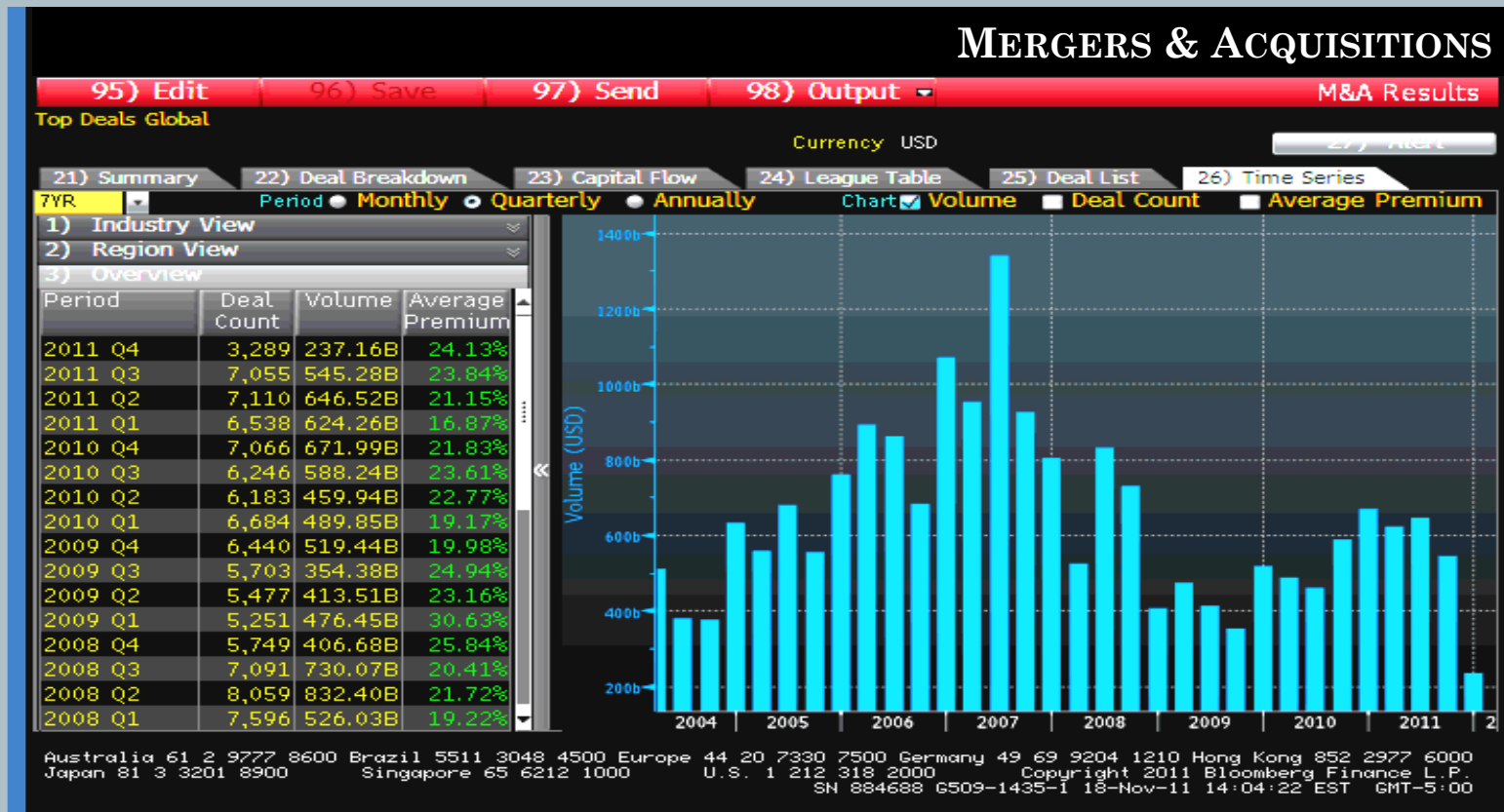
(* = No dividends or coupons)



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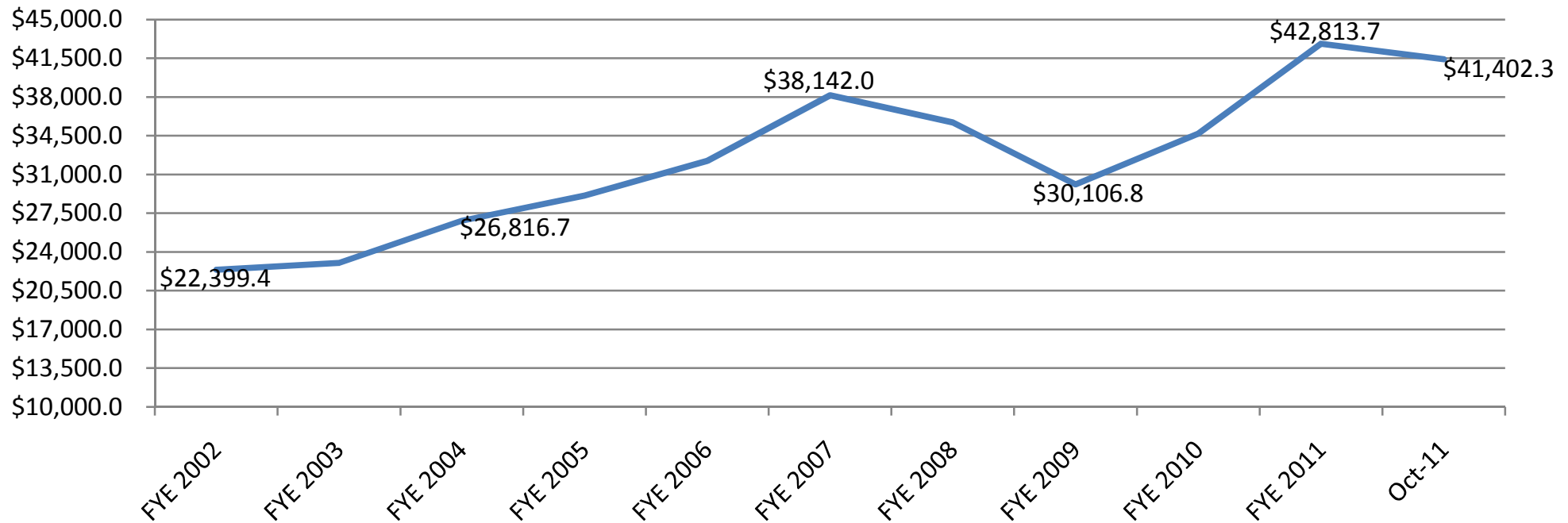
MERGERS & ACQUISITIONS ACTIVITY

30



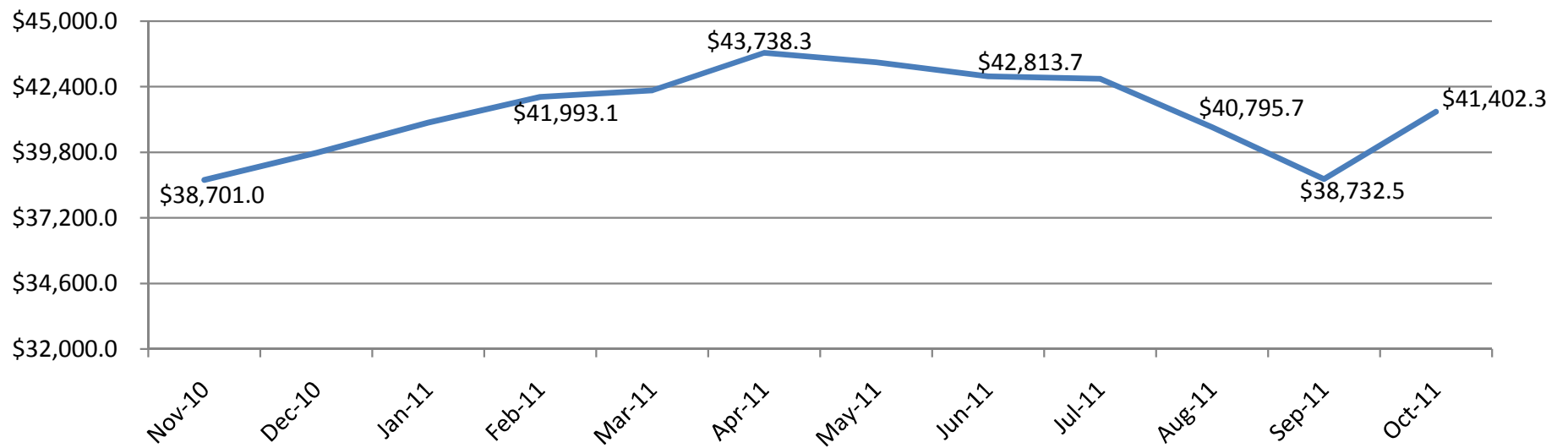
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TRS Market Value 2002 - 2011



The October 2011 market value of \$41.402 billion is down 3.37% from the June 2011 market value of 42.814.

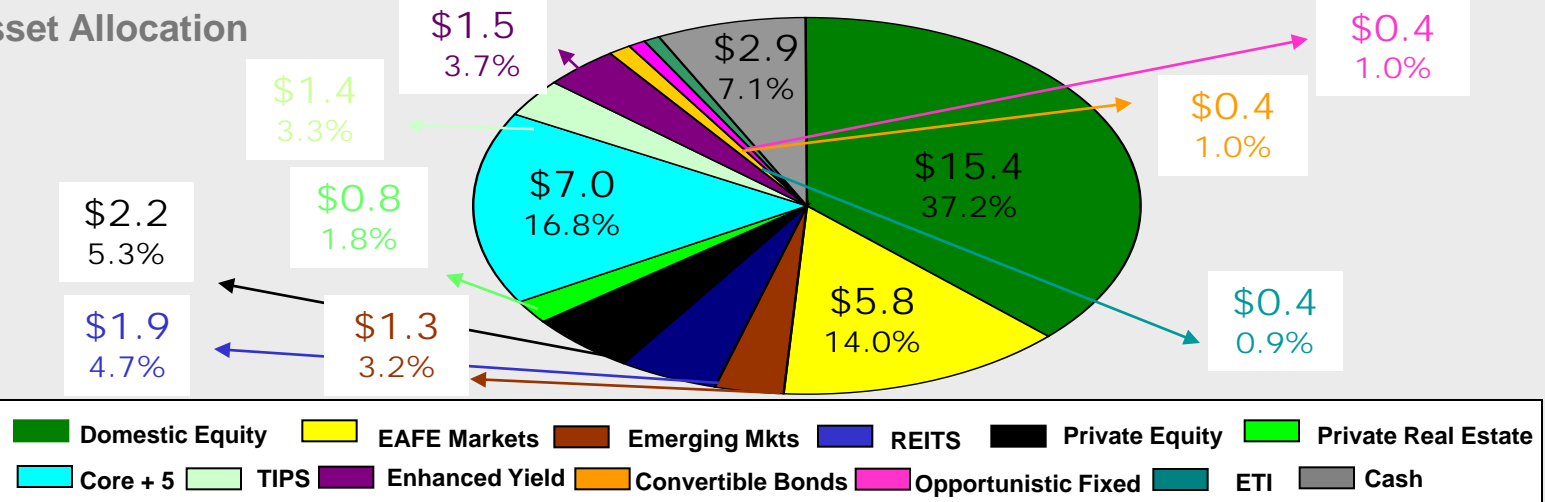
TRS - Market Values November 2010 - October 2011



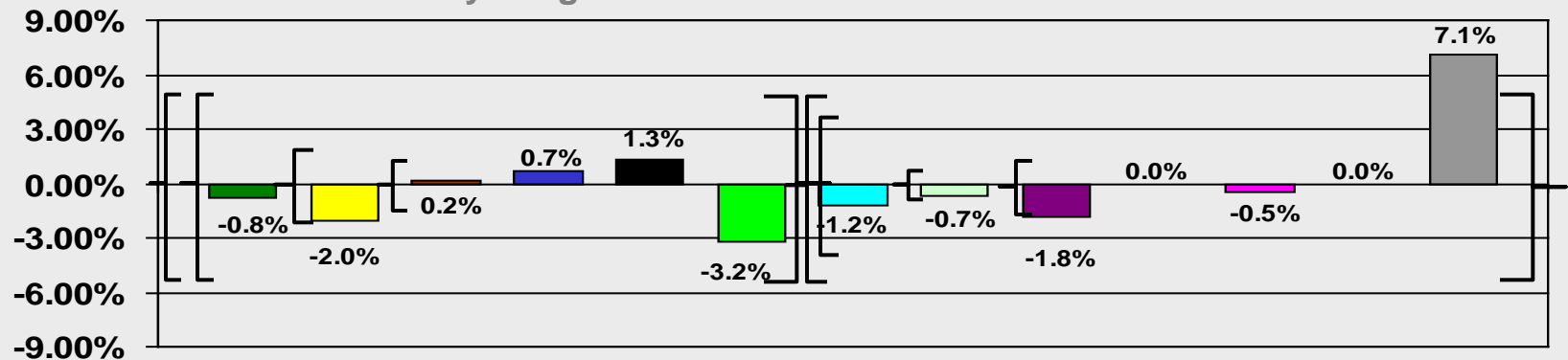
Portfolio Asset Allocation: October 31, 2011

\$41.4B Under Management

Asset Allocation



Relative Mix to Old Policy Weights

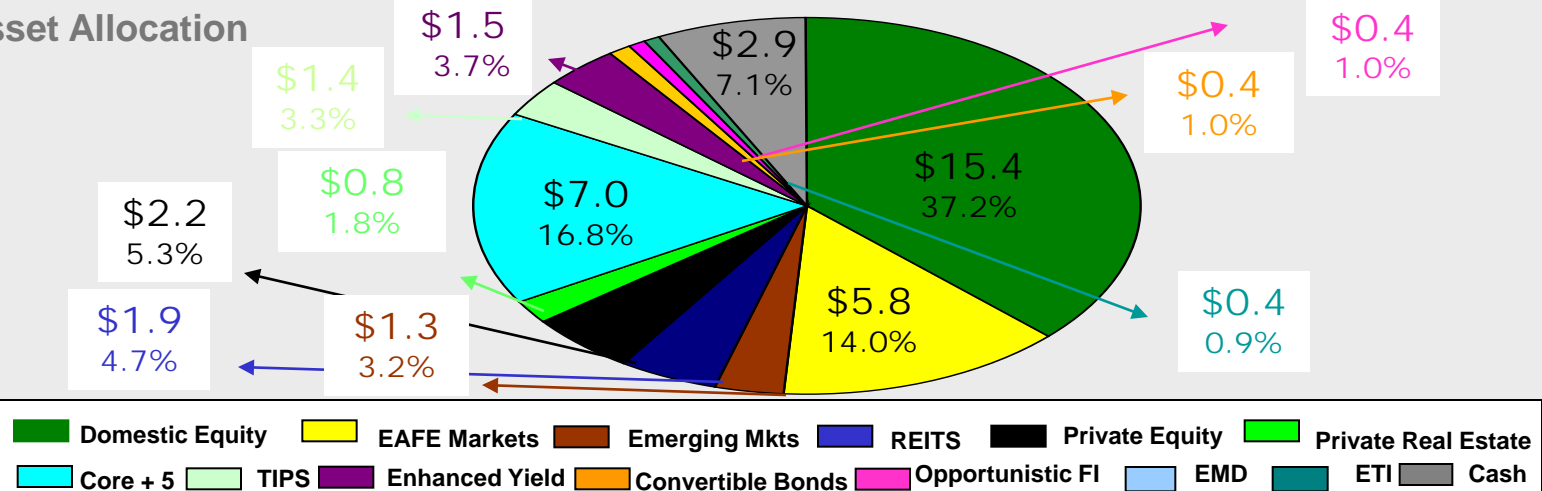


Note: Brackets represent rebalancing ranges versus Policy.

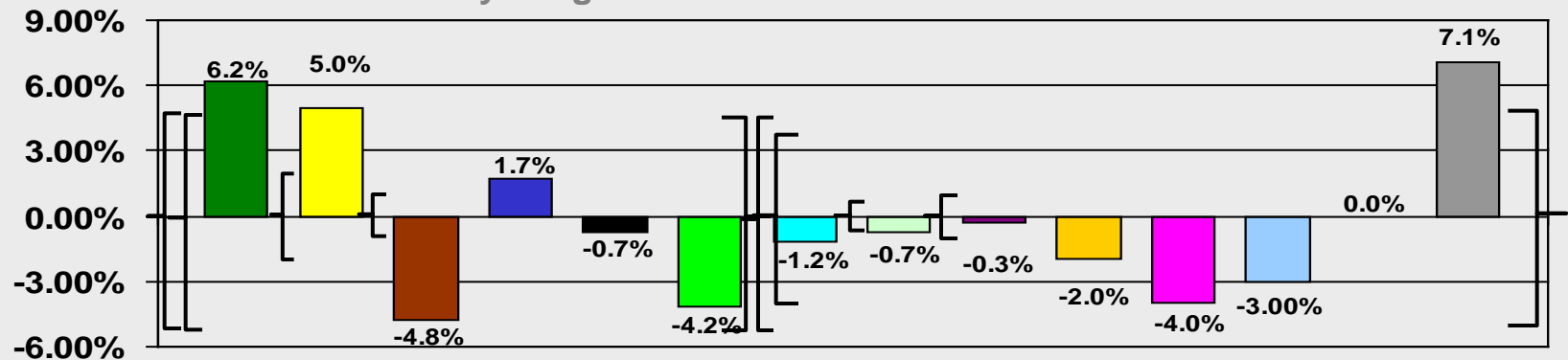
Portfolio Asset Allocation: October 31, 2011

\$41.4B Under Management

Asset Allocation



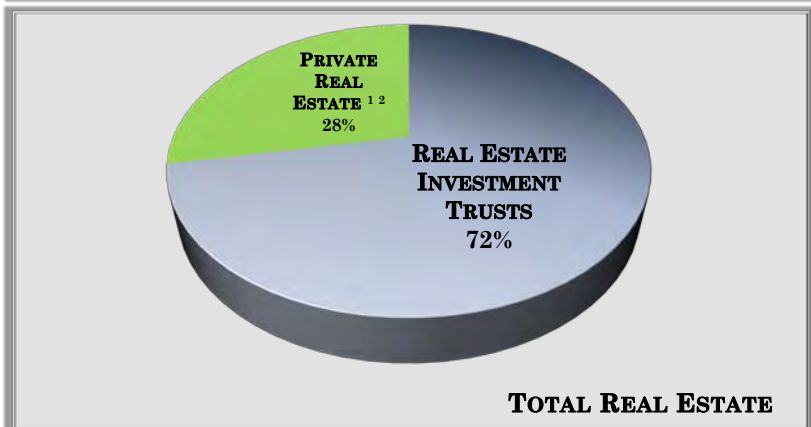
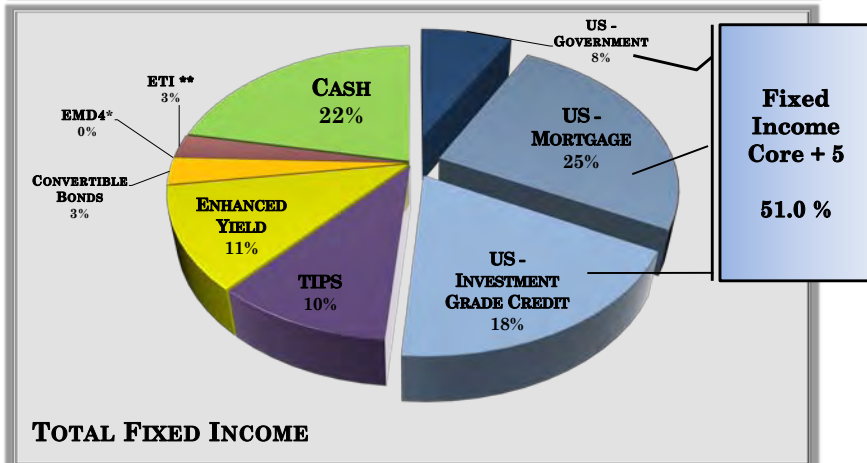
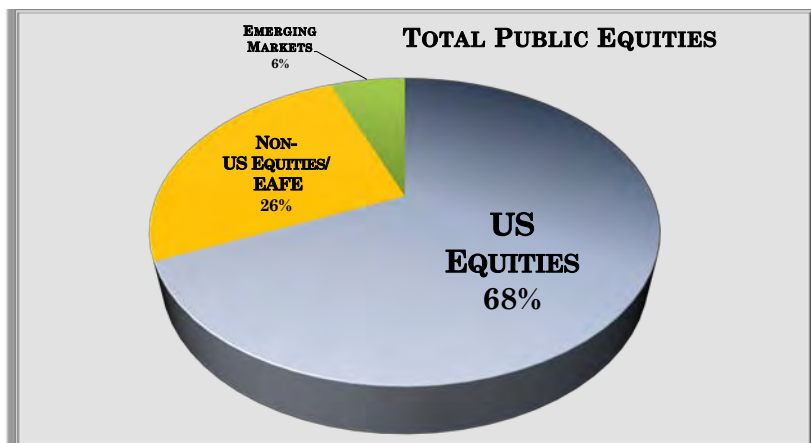
Relative Mix to New Policy Weights



Note: Brackets represent rebalancing ranges versus Policy.

**NYC TEACHERS' RETIREMENT SYSTEM
CLASSIFICATION OF INVESTMENTS
(as of October 31st 2011)**

82



	In \$MM	Actual %	Old Policy %	New Policy %	Preliminary Rebalancing Range %
US Equities	\$15,408.9	37.2%	38.0%	31.0%	25.0%-37.0%
Non-US Equities/EAFE	\$5,799.0	14.0%	16.0%	9.0%	5.0%-13.0%
Emerging Markets	\$1,343.4	3.2%	3.0%	8.0%	4.0%-12.0%
Total Public Equities	\$22,551.3	54.5%	57.0%	48.0%	

		In \$MM	Actual %	Old Policy %		New Policy %		Preliminary Rebalancing Range %	
Core + 5	US - Government	\$1,039.0	2.5%	Sum of Gov't + Mort.+ Credit Old Policy	22.0%	Sum of Gov't + Mort.+ Credit New Policy	18.0%	Neutral to the Core + 5 Index Weights	14.0% - 22.0%
	US - Mortgage	\$3,426.8	8.3%						
	US - Investment Grade Credit	\$2,503.6	6.0%						
	TIPS	\$1,349.1	3.3%	4.0%		4.0%		2.0%-6.0%	
	Enhanced Yield	\$1,539.2	3.7%	5.5%		4.0%		2.0%-6.0%	
	Convertible Bonds	\$409.7	1.0%	1.0%		3.0%		1.5%-4.5%	
	EMD4*	\$0.0	0.0%	N/A		3.0%		1.5%-4.5%	
	ETI **	\$358.3	0.9%	**2.0%		**2.0%		0.9%	
	Cash	\$2,949.0	7.1%	0.0%		0.0%		0.0%	
Sub-total Fixed Income		\$6,605.2	32.8%	32.5%		32.0%			

	In \$MM	Actual %	Old Policy %	New Policy %	Preliminary Rebalancing Range %
Real Estate Investment Trusts	\$1,932.0	4.7%	4.0%	3.0%	1.5%-4.5%
Private Real Estate1 2	\$751.0	1.8%	5.0%	6.0%	N/A
Total Real Estate	\$2,683.0	6.5%	9.0%	9.0%	

	In \$MM	Actual %	Old Policy %	New Policy %	Preliminary Rebalancing Range %
Private Equity ¹	\$2,203.4	5.3%	4.0%	6.0%	N/A

	In \$MM	Actual %	Old Policy %	New Policy %	Preliminary Rebalancing Range %
Opportunistic Fixed Income ³	\$389.9	0.9%	1.5%	5.0%	N/A
Absolute Return	\$389.9	0.9%	1.5%	5.0%	

	In \$MM	Actual %	Old Policy %	New Policy %	Preliminary Rebalancing Range %
Total Equities	\$27,437.8	66.3%	66.0%	63.0%	58.0%-68.0%
Total Fixed Income	\$13,964.5	33.7%	34.0%	37.0%	32.0%-42.0%
TOTAL	\$41,402.3	100.0%	100.0%	100.0%	

N/A DESIGNATES THAT ALLOCATIONS ARE GENERALLY ILLIQUID AND CANNOT BE EASILY REBALANCED.

¹ UNINVESTED COMMITMENTS TO BE INVESTED IN US EQUITIES.

² UNINVESTED COMMITMENTS TO BE INVESTED IN CORE + 5.

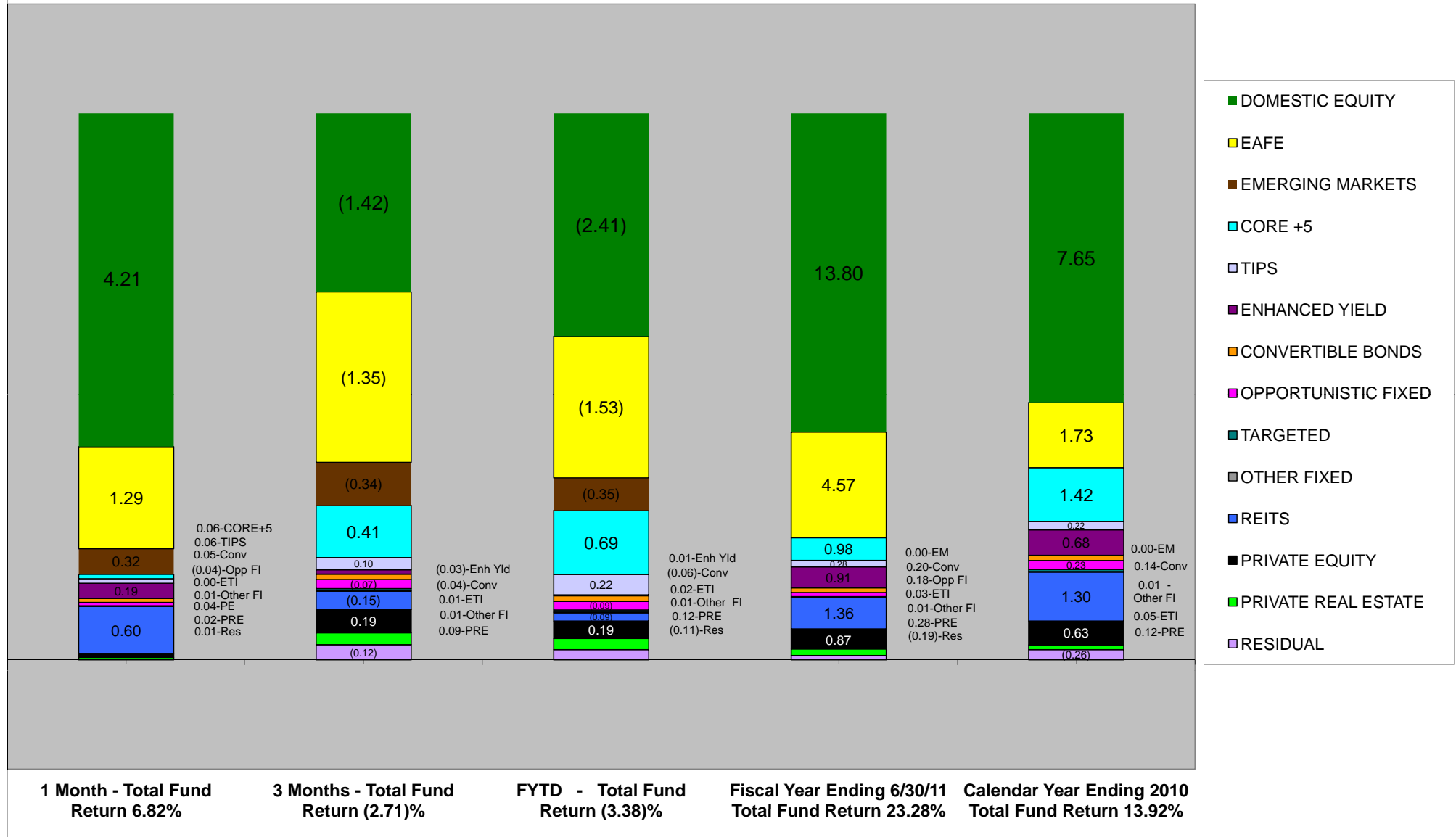
³ UNINVESTED COMMITMENTS TO BE INVESTED IN 50% US EQUITY & 50% ENHANCED YIELD.

⁴ UNINVESTED COMMITMENTS TO BE INVESTED IN 50% CORE + 5 & 50% ENHANCED YIELD.

* PROGRAM HAS NOT COMMENCED YET.

** ETI'S HAVE A POLICY OF 2% OF THE TOTAL FUND. THE ETI ADJUSTED POLICY % IS SHOWN FOR ILLUSTRATIVE PURPOSES ONLY AND IS NOT INCLUDED IN THE SUB-TOTALS. THE ETI POLICY % IS INCLUDED WITHIN THE POLICY % OF THE OTHER ASSET CLASSES.

NYC Teachers' Retirement System Contribution to Return - October 2011



THE BANK OF NEW YORK MELLON
CITY OF NEW YORK
Market Indicator Page *NYC Teachers' Retirement System
October 31, 2011

	Trailing 1 Month	Trailing 3 Months	06/30/11 10/31/11	Trailing 1 Year	Trailing* 2 Years	Trailing* 3 Years	Trailing* 5 Years	Trailing* 10 Years
<u>MARKET INDICATORS</u>								
STANDARD & POORS 500	10.93	-2.47	-4.45	8.09	12.23	11.42	0.25	3.69
S&P MIDCAP INDEX 400	13.75	-5.53	-8.87	8.55	17.72	17.88	4.01	8.43
RUSSELL 1000	11.21	-3.01	-5.12	8.01	12.74	12.23	0.54	4.16
RUSSELL 2000	15.14	-6.67	-10.04	6.71	16.23	12.88	0.68	7.02
RUSSELL 3000	11.51	-3.31	-5.53	7.90	13.01	12.28	0.55	4.37
RUSSELL 3000 GROWTH	11.35	-2.92	-4.14	9.92	15.00	15.68	3.00	3.73
RUSSELL 3000 VALUE	11.68	-3.70	-6.90	5.94	11.06	8.85	-2.01	4.80
MSCI EAFE (NET DIVIDEND)	9.64	-9.76	-11.20	-4.08	1.95	9.90	-2.42	5.73
MSCI EMERGING MARKETS FREE	13.26	-11.85	-12.18	-7.44	7.09	23.61	6.83	17.17
FTSE CUSTOM BENCHMARK	12.21	-11.07	-11.37	-5.95	9.57	25.58	8.01	****
MSCI WORLD INDEX	10.37	-6.18	-7.86	2.30	7.68	11.40	-0.44	5.08
MSCI EUROPE SMID CAP INDEX	11.04	-13.05	-16.73	-7.04	3.89	15.89	****	****
NYC - TREASURY AGENCY PLUS FIVE	-1.88	7.67	11.14	9.77	10.46	10.49	8.63	6.84
CITIGROUP MORTGAGE	-0.01	1.44	2.37	4.62	5.38	7.63	6.60	5.52
NYC - INVESTMENT GRADE CREDIT INDEX	1.47	1.95	4.21	5.53	8.07	14.74	6.49	5.99
NYC - CORE PLUS FIVE	0.08	2.95	4.86	6.01	7.37	10.40	7.15	6.04
CITIGROUP BROAD INVESTMENT GRADE	0.08	2.40	4.01	5.00	6.33	8.86	6.59	5.58
BARCLAYS CAPITAL AGGREGATE	0.11	2.31	3.93	5.00	6.50	8.88	6.41	5.46
CITIGROUP BB & B	5.33	-0.49	0.93	6.19	11.32	17.38	5.78	7.56
BofA MERRILL LYNCH HY MASTER II	5.96	-1.95	-0.73	4.81	11.81	23.00	7.87	8.86
BARCLAYS CAPITAL GLOBAL US TIPS (INFLATION NOTES)	1.86	2.45	6.46	9.03	9.76	12.17	7.55	7.12
BofA ML ALL CONVERTIBLES EX MANDATORY	5.89	-4.55	-6.57	2.01	10.95	18.39	****	****
DJ WILSHIRE REAL ESTATE SECURITIES INDEX	14.82	-3.97	-2.31	11.38	26.33	16.74	-1.85	11.07
NCREIF NFI-ODCE NET	0.00	3.31	3.31	17.19	11.47	-7.22	-0.88	****
91 DAY TREASURY BILL	0.00	0.03	0.02	0.13	0.12	0.18	1.66	1.99

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ASSET CLASS SUMMARY																
DOMESTIC EQUITY	\$ 15,408.9	37.22%	11.82%	-3.59%	-5.97%	0.09%	32.73%	17.33%	28.33%	-37.09%	4.86%	7.49%	12.28%	0.55%	****	9.23%
INTERNATIONAL EAFE	5,799.0	14.01%	9.43	-9.06	-10.18	-4.76	31.73	11.42	32.77	-42.36	11.49	-1.22	11.88	-0.79	****	5.77
EMERGING MARKETS	1,343.4	3.24%	12.26	-11.28	-11.62	****	****	****	****	****	****	****	****	****	****	-11.99
REAL ESTATE EQUITY SECURITIES	1,932.0	4.67%	15.38	-3.41	-2.13	8.07	35.33	32.10	30.86	-41.06	-16.75	12.26	17.38	-1.00	****	12.64
CORE + 5	6,969.4	16.83%	0.31	2.53	4.31	7.61	5.19	8.58	8.54	2.98	6.64	5.97	11.01	6.97	6.00	8.45
CONVERTIBLE BONDS	409.7	0.99%	4.84	-4.25	-6.06	-2.47	18.90	13.18	34.16	****	****	0.85	15.63	****	****	4.62
TIPS MANAGERS	1,349.1	3.26%	1.64	2.72	6.52	12.23	7.17	6.47	10.14	-0.74	11.71	8.22	12.07	7.60	****	6.34
ENHANCED YIELD	1,539.2	3.72%	5.31	-0.98	0.28	5.04	14.49	13.43	38.75	-18.14	3.95	5.66	18.26	7.59	7.91	5.96
OPPORTUNISTIC FIXED INCOME	389.9	0.94%	-3.91	-6.97	-8.78	-0.23	17.89	23.88	18.09	-9.68	****	0.88	14.07	****	****	4.44
ECONOMICALLY TARGETED INVESTMENTS	358.3	0.87%	0.13	1.76	2.71	5.48	4.32	6.61	7.62	6.43	6.20	4.72	8.39	6.62	6.16	9.77
PRIVATE EQUITY	2,203.4	5.32%	0.70	3.86	3.97	17.99	18.65	14.04	-4.44	-1.50	15.33	22.78	6.76	8.06	****	12.57
PRIVATE REAL ESTATE	751.0	1.81%	1.22	6.27	8.38	22.32	24.82	9.99	-44.20	-7.61	68.62	26.37	-11.08	4.69	****	7.74
CASH	2,949.0	7.12%	0.04	0.10	0.15	0.43	0.44	0.45	1.23	3.70	5.66	0.42	0.90	2.45	****	2.85
TOTAL TEACHERS	\$ 41,402.3		6.82%	-2.71%	-3.38%	2.60%	23.28%	13.92%	21.15%	-26.35%	6.24%	6.47%	11.84%	2.70%	5.91%	8.39%
TOTAL EQUITY	24,483.3	59.14%	11.51	-5.31	-7.03	-0.85	32.71	16.64	29.37	-38.60	4.94	5.37	12.32	0.07	****	4.57
TOTAL FIXED INCOME	11,015.6	26.61%	1.12	1.44	3.07	7.18	8.04	9.77	14.75	-2.25	6.80	5.97	12.78	7.25	****	6.21
TOTAL PRIVATE EQUITY	2,203.4	5.32%	0.70	3.86	3.97	17.99	18.65	14.04	-4.44	-1.50	15.33	22.78	6.76	8.06	****	12.57
TOTAL PRIVATE REAL ESTATE	751.0	1.81%	1.22	6.27	8.38	22.32	24.82	9.99	-44.20	-7.61	68.62	26.37	-11.08	4.69	****	7.74
TOTAL CASH	2,949.0	7.12%	0.04	0.10	0.15	0.43	0.44	0.45	1.23	3.70	5.66	0.42	0.90	2.45	****	2.85

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EQUITY ASSET CLASS SUMMARY																
DOMESTIC EQUITY	\$ 15,408.9	37.22%	11.82%	-3.59%	-5.97%	0.09%	32.73%	17.33%	28.33%	-37.09%	4.86%	7.49%	12.28%	0.55%	4.39%	9.23%
PASSIVE DOMESTIC EQUITY	14,571.9	35.20%	11.78	-3.58	-5.94	-0.04	32.54	17.23	28.40	-37.16	5.16	7.34	12.22	0.55	4.40	8.27
RUSSELL 3000			11.51	-3.31	-5.53	0.47	32.37	16.93	28.34	-37.31	5.13	7.90	12.28	0.55	4.37	
+/-			0.27	(0.27)	(0.41)	(0.51)	0.17	0.30	0.06	0.15	0.03	(0.57)	(0.07)	0.01	0.03	
TOTAL RUSSELL 3000	12,601.9	30.44%	11.49	-3.27	-5.47	0.49	32.58	17.23	28.40	-37.16	5.16	7.90	12.42	0.66	4.46	9.26
RUSSELL 3000			11.51	-3.31	-5.53	0.47	32.37	16.93	28.34	-37.31	5.13	7.90	12.28	0.55	4.37	
+/-			(0.02)	0.04	0.06	0.02	0.21	0.30	0.06	0.15	0.03	0.00	0.13	0.11	0.08	
TOTAL MID CAP PASSIVE	1,970.0	4.76%	13.68	-5.55	-8.87	****	****	****	****	****	****	****	****	****	****	-2.99
S&P 400 MIDCAP			13.75	-5.53	-8.87	-1.06	39.38	16.71	37.22	-38.43	11.82	8.55	17.88	4.01	8.43	
+/-			(0.06)	(0.02)	(0.00)	****	****	****	****	****	****	****	****	****	****	
ACTIVE DOMESTIC EQUITY	786.2	1.90%	12.43	-3.64	-6.55	0.08	33.90	18.47	31.54	-39.33	6.32	7.79	13.24	0.26	4.16	0.99
RUSSELL 3000			11.51	-3.31	-5.53	0.47	32.37	16.93	28.34	-37.31	5.13	7.90	12.28	0.55	4.37	
+/-			0.92	(0.33)	(1.02)	(0.39)	1.53	1.54	3.20	(2.02)	1.19	(0.12)	0.96	(0.29)	(0.21)	
TOTAL LARGE CAP	398.0	0.96%	11.13	-3.00	-5.35	-0.80	27.48	12.82	****	****	****	4.82	****	****	****	19.60
RUSSELL 1000			11.21	-3.01	-5.12	0.92	31.93	16.10	28.43	-37.60	5.77	8.01	12.23	0.54	4.16	
+/-			(0.07)	0.01	(0.23)	(1.73)	(4.45)	(3.28)	****	****	****	(3.19)	****	****	****	
TOTAL EMERGING MGRS	219.3	0.53%	13.63	-5.09	-7.72	-0.30	36.66	21.13	29.70	-37.28	****	8.20	13.64	****	****	-0.33
RUSSELL 3000			11.51	-3.31	-5.53	0.47	32.37	16.93	28.34	-37.31	5.13	7.90	12.28	0.55	4.37	
+/-			2.12	(1.77)	(2.19)	(0.78)	4.29	4.20	1.36	0.03	****	0.30	1.36	****	****	
TOTAL SMALL CAP ACTIVE	168.9	0.41%	13.98	-3.24	-7.77	4.33	52.71	29.21	****	****	****	18.51	****	****	****	28.46
RUSSELL 2000			15.14	-6.67	-10.04	-4.46	37.41	26.85	27.18	-33.80	-1.55	6.71	12.88	0.68	7.02	
+/-			(1.16)	3.42	2.27	8.78	15.30	2.36	****	****	****	11.80	****	****	****	
INTERNATIONAL EQUITY	7,142.4	17.25%	9.89	-9.43	-10.41	-4.95	31.81	11.43	32.77	-42.36	11.49	-1.42	11.80	-0.83	6.82	6.19
ACTIVE DEVELOPED MARKETS	4,443.0	10.73%	9.25	-8.92	-9.94	-4.99	30.77	11.12	32.51	-42.05	11.49	-1.56	11.60	-0.83	6.82	6.19
MSCI EAFE (NET DIVIDEND)			9.64	-9.76	-11.20	-6.78	30.36	7.75	31.78	-43.39	11.17	-4.08	9.90	-2.42	5.73	
+/-			(0.39)	0.84	1.25	1.79	0.41	3.37	0.73	1.34	0.32	2.52	1.69	1.59	1.09	
NON-U.S. ENVIRONMENTAL	75.4	0.18%	9.35	-5.54	-7.87	-3.84	30.14	8.67	33.34	****	****	0.50	10.99	****	****	-5.84
MSCI DEV STD WORLD INDEX GROSS			10.37	-6.18	-7.86	-2.68	31.19	12.34	30.80	-40.33	9.57	2.30	11.40	-0.44	5.08	
+/-			(1.02)	0.64	(0.01)	(1.16)	(1.05)	(3.67)	2.54	****	****	(1.80)	(0.41)	****	****	
NON-U.S. ACTIVIST	90.2	0.22%	10.50	-18.91	-21.93	-17.93	47.39	36.48	42.60	****	****	-10.96	20.22	****	****	20.22
MSCI EUROPE SMID CAP INDEX			11.04	-13.05	-16.73	-10.20	42.09	16.03	53.23	-52.13	****	-7.04	15.89	****	****	
+/-			(0.54)	(5.87)	(5.20)	(7.73)	5.30	20.45	(10.63)	****	****	(3.92)	4.33	****	****	
PASSIVE DEVELOPED MARKETS	1,188.0	2.87%	10.03	-9.39	-10.77	****	****	****	****	****	****	****	****	****	****	-10.77
MSCI EAFE (NET DIVIDEND)			9.64	-9.76	-11.20	-6.78	-4.08	7.75	31.78	-43.39	11.17	-4.08	9.90	-2.42	5.73	
+/-			0.39	0.37	0.43	****	****	****	****	****	****	****	****	****	****	
PASSIVE EMERGING MARKETS	1,343.4	3.24%	12.26	-11.28	-11.62	****	****	****	****	****	****	****	****	****	****	-11.99
MSCI EMERGING MARKETS FREE			13.26	-11.85	-12.18	-11.27	-7.44	19.20	79.02	-53.17	39.78	-7.44	23.61	6.83	17.17	
+/-			(1.00)	0.57	0.56	****	****	****	****	****	****	****	****	****	****	

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US EQUITY																
TOTAL RUSSELL 3000	12,601.9	30.44%	11.49	-3.27	-5.47	0.49	32.58	17.23	28.40	-37.16	5.16	7.90	12.42	0.66	4.46	9.26
RUSSELL 3000			11.51	-3.31	-5.53	0.47	32.37	16.93	28.34	-37.31	5.13	7.90	12.28	0.55	4.37	
+/-			(0.02)	0.04	0.06	0.02	0.21	0.30	0.06	0.15	0.03	0.00	0.13	0.11	0.08	
STATE STREET R3000	6,198.5	14.97%	11.50	-3.23	-5.42	0.63	****	****	****	****	****	8.06	****	****	****	11.28
BLACKROCK R3000	6,403.3	15.47%	11.47	-3.32	-5.52	0.35	32.14	16.92	****	****	****	7.75	****	****	****	18.44
RUSSELL 3000			11.51	-3.31	-5.53	0.47	32.37	16.93	28.34	-37.31	5.13	7.90	12.28	0.55	4.37	
STATE STREET R3000 +/-			(0.01)	0.09	0.11	0.15	****	****	****	****	****	0.15	****	****	****	
BLACKROCK R3000 +/-			(0.04)	(0.01)	0.00	(0.12)	(0.23)	(0.01)	****	****	****	(0.15)	****	****	****	
TOTAL SMALL CAP	168.9	0.41%	13.98	-3.24	-7.77	4.33	52.71	29.21	****	****	****	18.51	****	****	****	28.46
RUSSELL 2000			15.14	-6.67	-10.04	-4.46	37.41	26.85	27.18	-33.80	-1.55	6.71	12.88	0.68	7.02	
+/-			(1.16)	3.42	2.27	8.78	15.30	2.36	****	****	****	11.80	****	****	****	
TOTAL SMALL CAP ACTIVE	168.9	0.41%	13.98	-3.24	-7.77	4.33	52.71	29.21	****	****	****	18.51	****	****	****	28.46
RUSSELL 2000			15.14	-6.67	-10.04	-4.46	37.41	26.85	27.18	-33.80	-1.55	6.71	12.88	0.68	7.02	
+/-			(1.16)	3.42	2.27	8.78	15.30	2.36	****	****	****	11.80	****	****	****	
TOTAL SMALL CAP GROWTH ACTIVE	168.9	0.41%	13.98	-3.24	-7.77	4.33	52.71	29.21	****	****	****	18.51	****	****	****	28.46
BROWN AM (D)	168.9	0.41%	13.98	-3.24	-7.77	4.33	52.71	29.21	****	****	****	18.51	****	****	****	28.46
RUSSELL 2000 GROWTH			15.86	-6.24	-9.92	-2.17	43.50	29.09	34.47	-38.53	7.03	9.84	16.33	2.68	6.04	
TOTAL SMALL CAP GROWTH +/-			(1.88)	3.00	2.14	6.50	9.21	0.12	****	****	****	8.67	****	****	****	
BROWN AM +/-			(1.88)	3.00	2.14	6.50	9.21	0.12	****	****	****	8.67	****	****	****	
TOTAL MID CAP	1,970.0	4.76%	13.68	-5.55	-8.87	****	****	****	****	****	****	****	****	****	****	-2.99
RUSSELL MIDCAP			13.01	-4.89	-8.34	-0.93	38.47	26.85	27.18	-33.80	-1.55	7.85	17.83	2.26	8.35	
+/-			0.67	(0.65)	(0.53)	****	****	****	****	****	****	****	****	****	****	
TOTAL MID CAP PASSIVE	1,970.0	4.76%	13.68	-5.55	-8.87	****	****	****	****	****	****	****	****	****	****	-2.99
SSGA S&P 400	1,970.0	4.76%	13.68	-5.55	-8.87	****	****	****	****	****	****	****	****	****	****	-2.99
S&P 400 MIDCAP			13.75	-5.53	-8.87	-1.06	39.38	16.71	37.22	-38.43	11.82	8.55	17.88	4.01	8.43	
TOTAL MID CAP PASSIVE +/-			(0.06)	(0.02)	(0.00)	****	****	****	****	****	****	****	****	****	****	
SSGA S&P 400 +/-			(0.06)	(0.02)	(0.00)	****	****	****	****	****	****	****	****	****	****	
TOTAL LARGE CAP GROWTH	132.9	0.32%	11.66	-1.20	-3.29	1.87	27.52	9.54	****	****	****	6.23	****	****	****	16.41
PROFIT INV MGMT (D)	132.9	0.32%	11.66	-1.20	-3.29	1.87	27.52	9.54	****	****	****	6.23	****	****	****	16.41
RUSSELL 1000 GROWTH			10.97	-2.63	-3.60	2.98	35.01	16.71	37.22	-38.43	11.82	9.92	15.63	3.05	3.56	
TOTAL LARGE CAP GROWTH +/-			0.69	1.43	0.31	(1.11)	(7.49)	(7.17)	****	****	****	(3.68)	****	****	****	
PROFIT INV MGMT +/-			0.69	1.43	0.31	(1.11)	(7.49)	(7.17)	****	****	****	(3.68)	****	****	****	
TOTAL LARGE CAP CORE	265.1	0.64%	10.87	-3.88	-6.34	-1.44	29.23	15.87	****	****	****	4.23	****	****	****	22.17
SEIZERT CAPITAL PTNRS (D)	141.1	0.34%	11.47	-2.70	-5.30	1.33	30.63	15.84	****	****	****	6.76	****	****	****	19.11
PIEDMONT INV ADV (D)	124.0	0.30%	10.20	-5.19	-7.51	-4.41	27.72	15.91	****	****	****	1.49	****	****	****	14.55
RUSSELL 1000			11.21	-3.01	-5.12	0.92	31.93	16.10	28.43	-37.60	5.77	8.01	12.23	0.54	4.16	
TOTAL LARGE CAP CORE +/-			(0.34)	(0.87)	(1.22)	(2.36)	(2.70)	(0.23)	****	****	****	(3.78)	****	****	****	
SEIZERT CAPITAL PTNRS +/-			0.26	0.31	(0.18)	0.40	(1.30)	(0.26)	****	****	****	(1.25)	****	****	****	
PIEDMONT INV ADV +/-			(1.01)	(2.17)	(2.39)	(5.34)	(4.21)	(0.19)	****	****	****	(6.52)	****	****	****	
TOTAL LARGE CAP	398.0	0.96%	11.13	-3.00	-5.35	-0.80	27.48	12.82	****	****	****	4.82	****	****	****	19.60
RUSSELL 1000			11.21	-3.01	-5.12	0.92	31.93	16.10	28.43	-37.60	5.77	8.01	12.23	0.54	4.16	
+/-			(0.07)	0.01	(0.23)	(1.73)	(4.45)	(3.28)	****	****	****	(3.19)	****	****	****	

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EMERGING MANAGERS																
F.I.S FUND MGMT	76.7	0.19%	11.95	-3.68	-5.76	1.13	33.61	16.51	27.00	-35.46	****	8.02	12.02	****	****	-0.90
CAPITAL PROSPECTS	32.1	0.08%	12.39	-5.01	-7.65	-0.91	33.83	18.58	27.10	-37.68	****	7.19	11.44	****	****	-1.96
RUSSELL 3000			11.51	-3.31	-5.53	0.47	32.37	16.93	28.34	-37.31	5.13	7.90	12.28	0.55	4.37	
F.I.S FUND MGMT +/-			0.44	(0.37)	(0.23)	0.65	1.24	(0.42)	(1.34)	1.85	****	0.11	(0.26)	****	****	
CAPITAL PROSPECTS +/-			0.88	(1.70)	(2.12)	(1.38)	1.46	1.65	(1.24)	(0.37)	****	(0.72)	(0.85)	****	****	
ATTUCKS	35.4	0.09%	15.82	-7.22	-9.97	-2.13	41.37	28.59	26.84	-36.42	****	9.64	14.45	****	****	0.39
RUSSELL 2000			15.14	-6.67	-10.04	-4.46	37.41	26.85	27.18	-33.80	-1.55	6.71	12.88	0.68	7.02	
+/-			0.68	(0.55)	0.07	2.32	3.96	1.74	(0.34)	(2.62)	****	2.94	1.57	****	****	
PROGRESS EQUITY	75.2	0.18%	14.92	-5.51	-8.63	-0.60	38.41	22.53	34.20	-40.56	****	8.17	15.18	****	****	-0.75
RUSSELL MIDCAP			13.01	-4.89	-8.34	-0.93	38.47	25.47	40.46	-41.46	5.59	7.85	17.83	2.26	8.35	
+/-			1.90	(0.61)	(0.28)	0.33	(0.06)	(2.94)	(6.26)	0.90	****	0.32	(2.64)	****	****	
TOTAL EMERGING MGRS	219.3	0.53%	13.63	-5.09	-7.72	-0.30	36.66	21.13	29.70	-37.28	****	8.20	13.64	****	****	-0.33
RUSSELL 3000			11.51	-3.31	-5.53	0.47	32.37	16.93	28.34	-37.31	5.13	7.90	12.28	0.55	4.37	
+/-			2.12	(1.77)	(2.19)	(0.78)	4.29	4.20	1.36	0.03	****	0.30	1.36	****	****	
U.S. ENVIRONMENTAL																
WALDEN ASSET MGMT	50.8	0.12%	14.64	-4.23	-7.61	0.33	35.39	25.69	29.88	****	****	11.96	15.74	****	****	5.21
RUSSELL 2000			15.14	-6.67	-10.04	-4.46	37.41	26.85	27.18	-33.80	-1.55	6.71	12.88	0.68	7.02	
+/-			(0.50)	2.44	2.43	4.78	(2.02)	(1.16)	2.70	****	****	5.25	2.86	****	****	
TOTAL U.S. ENVIRONMENTAL	50.8	0.12%	14.64	-4.23	-7.61	0.33	35.39	27.39	31.28	****	****	11.96	17.07	****	****	3.59
RUSSELL 2000			15.14	-6.67	-10.04	-4.46	37.41	26.85	27.18	-33.80	-1.55	6.71	12.88	0.68	7.02	
+/-			(0.50)	2.44	2.43	4.78	(2.02)	0.54	4.10	****	****	5.25	4.20	****	****	
NON - US EQUITY																
TOTAL INTL GROWTH	1,668.1	4.03%	9.24	-8.25	-8.48	-3.81	30.49	12.52	34.40	-40.92	****	0.50	13.11	****	****	-2.93
BAILLIE	873.4	2.11%	11.18	-8.25	-9.38	-4.15	35.22	18.23	41.76	-44.08	****	1.23	17.17	****	****	-2.76
WALTER -SCOTT	793.1	1.92%	7.20	-8.27	-7.49	-1.32	28.62	14.30	34.26	-32.07	****	2.98	14.53	****	****	1.51
MSCI EAFE GROWTH			10.11	-10.15	-10.74	-6.58	31.65	12.60	29.91	-42.46	16.85	-2.46	10.84	-0.56	****	
TOTAL INTL GROWTH +/-			(0.88)	1.89	2.26	2.77	(1.16)	(0.08)	4.49	1.54	****	2.97	2.27	****	****	
BAILLIE +/-			1.06	1.90	1.36	2.43	3.57	5.63	11.85	(1.62)	****	3.69	6.33	****	****	
WALTER -SCOTT +/-			(2.92)	1.88	3.25	5.27	(3.03)	1.70	4.35	10.39	****	5.44	3.69	****	****	
TOTAL INTL VALUE	1,646.8	3.98%	8.12	-9.07	-10.44	-5.42	30.22	9.44	31.02	-42.34	9.93	-2.71	10.31	-1.85	****	5.90
SPRUCEGROVE (NEW)	858.1	2.07%	8.70	-8.39	-9.56	-5.02	31.97	19.93	35.62	-41.62	****	0.54	14.57	****	****	-3.14
MONDRIAN INVESTMENT PARTNERS LTD II	786.3	1.90%	7.99	-5.50	-6.71	1.07	29.90	3.16	24.13	****	****	1.03	9.19	****	****	-4.30
ALLIANCE	2.4	0.01%	****	****	****	****	****	****	****	****	****	****	****	****	****	****
MSCI EAFE VALUE			9.18	-9.27	-11.53	-6.18	30.10	3.81	35.06	-43.68	6.47	-4.89	9.96	-3.39	****	
TOTAL INTL VALUE +/-			(1.06)	0.20	1.09	0.76	0.12	5.63	(4.04)	1.34	3.46	2.18	0.35	1.54	****	
SPRUCEGROVE (NEW) +/-			(0.48)	0.88	1.97	1.16	1.87	16.12	0.56	2.06	****	5.44	4.61	****	****	
MONDRIAN INVESTMENT PARTNERS LTD II +/-			(1.19)	3.77	4.82	7.25	(0.20)	(0.65)	(10.93)	****	****	5.92	(0.77)	****	****	
ALLIANCE +/-			****	****	****	****	****	****	****	****	****	****	****	****	****	

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TOTAL INTL CORE	1,127.6	2.72%	11.03	-9.98	-11.48	-6.06	32.41	11.45	32.36	-42.17	****	-3.01	11.42	****	****	-5.61
THORNBURG	541.6	1.31%	11.62	-8.77	-10.25	-4.81	32.98	15.10	30.12	-42.86	****	-0.97	11.78	****	****	-5.21
BLACKROCK	353.4	0.85%	9.22	-11.00	-12.26	-7.20	31.95	9.01	30.70	****	****	-4.60	10.00	****	****	-4.92
PHILADELPHIA	232.6	0.56%	12.48	-11.15	-13.07	-7.15	31.81	7.36	40.88	-48.33	****	-5.15	13.08	****	****	-8.03
MSCI EAFE (NET DIVIDEND)			9.64	-9.76	-11.20	-6.78	30.36	7.75	31.78	-43.39	11.17	-4.08	9.90	-2.42	5.73	
TOTAL INTL CORE +/-			1.39	(0.21)	(0.28)	0.72	2.05	3.70	0.58	1.22	****	1.07	1.51	****	****	
THORNBURG +/-			1.98	0.99	0.95	1.97	2.62	7.35	(1.66)	0.53	****	3.11	1.88	****	****	
BLACKROCK +/-			(0.42)	(1.24)	(1.07)	(0.42)	1.59	1.26	(1.08)	****	****	(0.52)	0.10	****	****	
PHILADELPHIA +/-			2.84	(1.39)	(1.87)	(0.37)	1.45	(0.39)	9.10	(4.94)	****	(1.07)	3.18	****	****	
TOTAL ACTIVE DEVELOPED MARKETS	4,443.0	10.73%	9.25	-8.92	-9.94	-4.99	30.77	11.14	32.60	-42.05	11.49	-1.56	11.60	-0.83	6.82	6.19
MSCI EAFE (NET DIVIDEND)			9.64	-9.76	-11.20	-6.78	30.36	7.75	31.78	-43.39	11.17	-4.08	9.90	-2.42	5.73	
+/-			(0.39)	0.84	1.25	1.79	0.41	3.39	0.82	1.34	0.32	2.52	1.69	1.59	1.09	
TOTAL NON-U.S. ENVIRONMENTAL	75.4	0.18%	9.35	-5.54	-7.87	-3.84	30.14	8.67	33.34	****	****	0.50	10.99	****	****	-5.84
F&C SGE	75.4	0.18%	9.35	-5.54	-7.88	-3.85	27.70	12.37	38.14	****	****	0.49	12.12	****	****	-0.40
MSCI DEV STD WORLD INDEX GROSS			10.37	-6.18	-7.86	-2.68	31.19	12.34	30.80	-40.33	9.57	2.30	11.40	-0.44	5.08	
TOTAL NON-U.S. ENVIRONMENTAL +/-			(1.02)	0.64	(0.01)	(1.16)	(1.05)	(3.67)	2.54	****	****	(1.80)	(0.41)	****	****	
F&C SGE +/-			(1.02)	0.64	(0.02)	(1.17)	(3.49)	0.03	7.34	****	****	(1.81)	0.72	****	****	
TOTAL NON-U.S. ACTIVIST	90.2	0.22%	10.50	-18.91	-21.93	-17.93	47.39	36.48	42.60	****	****	-10.96	20.22	****	****	20.22
GOVERNANCE FOR OWNERS	90.2	0.22%	10.50	-18.91	-21.93	-17.93	47.39	36.48	42.60	****	****	-10.96	20.22	****	****	20.22
MSCI EUROPE SMID CAP INDEX			11.04	-13.05	-16.73	-10.20	42.09	16.03	53.23	-52.13	****	-7.04	15.89	****	****	
TOTAL NON-U.S. ACTIVIST +/-			(0.54)	(5.87)	(5.20)	(7.73)	5.30	20.45	(10.63)	****	****	(3.92)	4.33	****	****	
GOVERNANCE FOR OWNERS +/-			(0.54)	(5.87)	(5.20)	(7.73)	5.30	20.45	(10.63)	****	****	(3.92)	4.33	****	****	
TOTAL ACTIVE DEVELOPED-ENV-ACTIVIST	4,611.0	11.14%	9.28	-9.07	-10.15	-5.23	31.04	11.43	32.77	-42.36	11.49	-1.71	11.70	-0.89	****	5.70
MSCI EAFE (NET DIVIDEND)			9.64	-9.76	-11.20	-6.78	30.36	7.75	31.78	-43.39	11.17	-4.08	9.90	-2.42	5.73	
+/-			(0.36)	0.70	1.05	1.55	0.68	3.68	0.99	1.03	0.32	2.37	1.79	1.53	****	
TOTAL PASSIVE DEVELOPED MARKETS	1,188.0	2.87%	10.03	-9.39	-10.77	****	****	****	****	****	****	****	****	****	****	-10.77
SSGA	1,188.0	2.87%	10.03	-9.39	-10.77	****	****	****	****	****	****	****	****	****	****	-10.77
MSCI EAFE (NET DIVIDEND)			9.64	-9.76	-11.20	-6.78	30.36	7.75	31.78	-43.39	11.17	-4.08	9.90	-2.42	5.73	
TOTAL PASSIVE DEVELOPED MARKETS +/-			0.39	0.37	0.43	****	****	****	****	****	****	****	****	****	****	
SSGA +/-			0.39	0.37	0.43	****	****	****	****	****	****	****	****	****	****	
TOTAL DEVELOPED MARKETS	5,799.0	14.01%	9.43	-9.06	-10.18	-4.76	31.73	11.12	32.51	-42.05	11.49	-1.22	11.88	-0.79	****	5.77
MSCI EAFE (NET DIVIDEND)			9.64	-9.76	-11.20	-6.78	30.36	7.75	31.78	-43.39	11.17	-4.08	9.90	-2.42	5.73	
+/-			(0.22)	0.70	1.02	2.01	1.37	3.37	0.73	1.34	0.32	2.86	1.97	1.62	****	
PASSIVE EMERGING MARKETS	1,343.4	3.24%	12.26	-11.28	-11.62	****	****	****	****	****	****	****	****	****	****	-11.99
BLACKROCK - EM	1,343.4	3.24%	12.26	-11.28	-11.62	****	****	****	****	****	****	****	****	****	****	-11.99
MSCI EMERGING MARKETS FREE			13.26	-11.85	-12.18	-11.27	28.17	16.03	53.23	-52.13	****	-7.44	23.61	6.83	17.17	
EMERGING MARKETS +/-			(1.00)	0.57	0.56	****	****	****	****	****	****	****	****	****	****	
BLACKROCK EM +/-			(1.00)	0.57	0.56	****	****	****	****	****	****	****	****	****	****	
TOTAL INTERNATIONAL EQUITY	7,142.4	17.25%	9.89	-9.43	-10.41	-4.95	31.81	11.43	32.77	-42.36	11.49	-1.42	11.80	-0.83	6.82	6.19
MSCI WORLD INDEX			10.37	-6.18	-7.86	-2.68	31.19	12.34	30.80	-40.33	9.57	2.30	11.40	-0.44	5.08	
+/-			(0.48)	(3.24)	(2.55)	(2.27)	0.62	(0.91)	1.97	(2.03)	1.92	(3.72)	0.41	(0.39)	1.74	

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REITS																
TOTAL REAL ESTATE EQUITY SECURITIES	1,932.0	4.67%	15.38	-3.41	-2.13	8.07	35.33	32.10	30.86	-41.06	-16.75	12.26	17.38	-1.00	****	12.64
MORGAN STANLEY	872.8	2.11%	16.20	-3.58	-2.69	7.42	36.41	33.27	34.42	-39.07	-16.95	11.74	18.81	0.44	****	13.93
SECURITY CAPITAL	527.5	1.27%	14.97	-3.55	-2.17	7.66	34.70	31.77	27.56	-39.62	-16.63	12.06	15.94	-1.31	****	8.33
ADELANTE CAPITAL MANAGEMENT	531.7	1.28%	14.74	-3.04	-1.35	9.34	34.55	30.87	29.00	-44.91	-16.67	13.16	16.77	-2.69	****	11.06
DJ WILSHIRE REAL ESTATE SECURITIES INDEX			14.82	-3.97	-2.31	8.39	35.23	28.47	29.01	-39.83	-17.87	11.38	16.74	-1.85	11.07	
TOTAL REAL ESTATE EQUITY SECURITIES +/-			0.56	0.57	0.18	(0.33)	0.10	3.63	1.85	(1.23)	1.12	0.89	0.65	0.86	****	
MORGAN STANLEY +/-			1.38	0.39	(0.38)	(0.98)	1.18	4.80	5.41	0.76	0.92	0.36	2.07	2.29	****	
SECURITY CAPITAL +/-			0.15	0.42	0.14	(0.73)	(0.53)	3.30	(1.45)	0.21	1.24	0.69	(0.80)	0.54	****	
ADELANTE CAPITAL MANAGEMENT +/-			(0.09)	0.94	0.96	0.95	(0.68)	2.40	(0.01)	(5.08)	1.20	1.79	0.03	(0.83)	****	
FIXED INCOME																
TOTAL STRUCTURED FIXED INCOME	6,969.4	16.83%	0.31	2.53	4.31	7.61	5.19	8.58	8.54	2.98	6.64	5.97	11.01	6.97	6.00	8.45
NYC - CORE PLUS FIVE			0.08	2.95	4.86	8.06	4.15	7.13	6.28	6.64	7.02	6.01	10.40	7.15	6.04	
+/-			0.23	(0.42)	(0.55)	(0.45)	1.04	1.45	2.26	(3.66)	(0.38)	(0.05)	0.60	(0.18)	(0.04)	
ALL MORTGAGE	3,426.8	8.28%	0.02	1.45	2.37	5.38	4.90	7.70	8.30	3.09	6.58	4.87	8.66	6.35	5.51	7.41
PIMCO	1,115.9	2.70%	0.03	1.58	2.44	5.50	4.61	7.26	8.47	5.26	6.74	4.84	8.62	6.79	5.93	7.71
BLACKROCK	1,120.4	2.71%	-0.01	1.38	2.31	5.14	5.18	8.24	9.46	3.22	6.65	4.75	9.18	6.66	5.61	6.42
NEUBERGER BERMAN -MORT	388.6	0.94%	-0.08	1.28	2.15	5.44	4.54	****	****	****	****	4.59	****	****	****	6.02
GOLDMAN SACHS -MORT	309.1	0.75%	0.11	1.97	2.93	5.68	3.86	5.82	****	****	****	4.80	****	****	****	6.07
WELLINGTON -MORT	311.3	0.75%	0.13	1.63	2.67	5.96	4.24	5.90	****	****	****	5.18	****	****	****	6.15
SMITH BREEDEN -MORT	154.4	0.37%	-0.07	1.22	2.04	5.03	4.52	6.31	****	****	****	4.65	****	****	****	6.10
CITIGROUP MORTGAGE INDEX			-0.01	1.44	2.37	5.41	3.74	5.50	5.76	8.49	6.99	4.62	7.63	6.60	5.52	
ALL MORTGAGE +/-			0.03	0.01	0.00	(0.03)	1.16	2.20	2.54	(5.40)	(0.41)	0.25	1.04	(0.25)	(0.01)	
PIMCO +/-			0.04	0.13	0.07	0.08	0.87	1.76	2.71	(3.23)	(0.25)	0.22	1.00	0.19	0.40	
BLACKROCK +/-			(0.00)	(0.06)	(0.06)	(0.27)	1.44	2.74	3.70	(5.27)	(0.34)	0.13	1.55	0.06	0.09	
NEUBERGER BERMAN -MORT +/-			(0.07)	(0.16)	(0.22)	0.03	0.80	****	****	****	****	(0.03)	****	****	****	
GOLDMAN SACHS -MORT +/-			0.11	0.53	0.56	0.26	0.12	0.32	****	****	****	0.18	****	****	****	
WELLINGTON -MORT +/-			0.14	0.19	0.30	0.55	0.50	0.40	****	****	****	0.56	****	****	****	
SMITH BREEDEN -MORT +/-			(0.06)	(0.22)	(0.33)	(0.38)	0.78	0.81	****	****	****	0.03	****	****	****	
ALL INVESTMENT GRADE CREDIT	2,503.6	6.05%	1.67	1.64	3.92	7.55	6.92	9.47	19.96	-6.90	4.21	5.78	15.64	6.64	5.98	7.63
BLACKROCK -CREDIT	648.3	1.57%	1.68	1.83	4.06	7.48	6.73	9.44	17.16	-4.82	5.60	5.53	15.00	6.86	6.37	7.23
TAPLIN,CANADA -CREDIT	629.2	1.52%	1.46	1.53	3.87	7.83	6.94	9.26	21.33	-12.66	2.14	6.62	16.13	5.14	5.78	7.05
T.ROWE PRICE -CREDIT	625.9	1.51%	1.89	1.36	3.74	7.69	7.58	10.00	18.91	-3.22	4.93	5.65	15.20	7.53	6.31	7.89
PRUDENTIAL - CREDIT	356.3	0.86%	1.54	2.23	4.51	7.62	5.71	8.63	****	****	****	5.71	****	****	****	9.37
BARROW HANLEY - CREDIT	243.9	0.59%	1.82	1.29	3.30	6.61	7.47	10.00	****	****	****	4.69	****	****	****	9.19
NYC - INVESTMENT GRADE CREDIT			1.47	1.95	4.21	7.53	5.94	8.36	16.36	-4.06	4.73	5.53	14.74	6.49	5.99	
ALL INVESTMENT GRADE CREDIT +/-			0.20	(0.31)	(0.29)	0.02	0.98	1.11	3.60	(2.84)	(0.52)	0.25	0.90	0.15	(0.01)	
BLACKROCK -CREDIT +/-			0.21	(0.12)	(0.15)	(0.05)	0.79	1.08	0.80	(0.76)	0.87	0.00	0.26	0.37	0.39	
TAPLIN,CANADA -CREDIT +/-			(0.02)	(0.42)	(0.34)	0.30	1.00	0.90	4.97	(8.60)	(2.59)	1.10	1.39	(1.35)	(0.21)	
T.ROWE PRICE -CREDIT +/-			0.42	(0.60)	(0.47)	0.16	1.64	1.64	2.55	0.84	0.20	0.13	0.46	1.04	0.33	
PRUDENTIAL - CREDIT +/-			0.06	0.27	0.30	0.09	(0.23)	0.27	****	****	****	0.18	****	****	****	
BARROW HANLEY - CREDIT +/-			0.34	(0.67)	(0.91)	(0.92)	1.53	1.64	****	****	****	(0.83)	****	****	****	

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ALL TREASURY / AGENCY	1,039.0	2.51%	-1.93	7.38	10.73	14.20	2.45	9.39	-5.89	17.50	10.00	9.29	11.04	8.73	6.96	8.36
PIMCO	403.8	0.98%	-2.07	6.93	10.30	13.69	2.47	9.90	-4.47	16.19	10.20	8.72	11.45	8.85	7.09	8.20
STATE STREET -GOVT	337.7	0.82%	-1.86	7.74	11.12	14.64	2.43	8.96	****	****	****	9.76	****	****	****	10.50
BLACKROCK -GOVT	297.5	0.72%	-1.81	7.60	10.88	14.41	2.45	9.20	****	****	****	9.52	****	****	****	10.31
NYC - TREASURY AGENCY PLUS FIVE			-1.88	7.67	11.14	14.50	2.44	9.24	-7.44	18.91	9.85	9.77	10.49	8.63	6.84	
ALL TREASURY / AGENCY +/-			(0.05)	(0.29)	(0.41)	(0.30)	0.01	0.15	1.55	(1.41)	0.15	(0.48)	0.55	0.10	0.11	
PIMCO +/-			(0.19)	(0.75)	(0.84)	(0.81)	0.03	0.66	2.97	(2.72)	0.35	(1.05)	0.96	0.21	0.24	
STATE STREET -GOVT +/-			0.02	0.06	(0.03)	0.14	(0.01)	(0.28)	****	****	****	(0.00)	****	****	****	
BLACKROCK -GOVT +/-			0.07	(0.08)	(0.26)	(0.09)	0.01	(0.04)	****	****	****	(0.25)	****	****	****	
HIGH YIELD																
TOTAL ENHANCED YIELD	1,539.2	3.72%	5.31	-0.98	0.28	5.04	14.49	13.43	38.75	-18.14	3.95	5.66	18.26	7.59	7.91	5.96
CITIGROUP BB & B			5.33	-0.49	0.93	5.86	14.60	13.35	40.37	-25.10	2.25	6.19	17.38	5.78	7.56	
+/-			(0.02)	(0.49)	(0.65)	(0.81)	(0.11)	0.08	(1.62)	6.96	1.70	(0.53)	0.88	1.81	0.35	
MACKAY SHIELDS	350.8	0.85%	4.66	0.39	1.81	6.61	13.46	13.48	44.70	-20.41	4.35	7.47	19.71	8.33	****	7.98
BofA MERRILL LYNCH HY MASTER II			5.96	-1.95	-0.73	4.16	15.40	15.19	57.51	-26.39	2.19	4.81	23.00	7.87	8.86	
+/-			(1.29)	2.34	2.54	2.45	(1.94)	(1.71)	(12.81)	5.98	2.16	2.65	(3.29)	0.46	****	
SEIX	377.7	0.91%	5.42	-1.67	-0.44	4.88	16.27	14.44	36.16	-18.19	3.44	5.55	18.08	7.18	****	6.67
SHENKMAN	292.2	0.71%	5.07	-0.48	0.65	4.57	12.78	11.77	29.79	-12.75	4.11	4.95	15.97	7.12	****	7.39
T.ROWE PRICE ENHANCED	359.7	0.87%	5.63	-1.60	-0.25	4.55	15.05	14.00	43.45	-19.90	4.34	5.03	19.04	7.92	****	8.12
STONE HARBOR INVESTMENT PARTNERS	158.9	0.38%	6.32	-2.00	-1.00	3.91	14.70	12.84	40.64	-19.83	3.10	4.56	18.24	6.99	****	7.76
CITIGROUP BB & B			5.33	-0.49	0.93	5.86	14.60	13.35	40.37	-25.10	2.25	6.19	17.38	5.78	7.56	
SEIX +/-			0.09	(1.18)	(1.37)	(0.98)	1.67	1.09	(4.21)	6.91	1.19	(0.64)	0.70	1.40	****	
SHENKMAN +/-			(0.26)	0.00	(0.28)	(1.29)	(1.82)	(1.58)	(10.58)	12.35	1.86	(1.23)	(1.41)	1.34	****	
T.ROWE PRICE ENHANCED +/-			0.30	(1.11)	(1.18)	(1.30)	0.45	0.65	3.08	5.20	2.09	(1.16)	1.66	2.14	****	
STONE HARBOR INVESTMENT PARTNERS +/-			0.98	(1.51)	(1.93)	(1.95)	0.10	(0.51)	0.27	5.27	0.85	(1.63)	0.86	1.21	****	
TIPS																
TOTAL TIPS MANAGERS	1,349.1	3.26%	1.64	2.72	6.52	12.23	7.17	6.47	10.14	-0.74	11.71	8.22	12.07	7.60	****	6.34
PIMCO-TIPS-MTA	757.9	1.83%	1.55	2.60	6.30	11.83	6.98	6.57	10.24	-0.88	11.77	7.58	12.04	7.53	****	6.20
STATE STREET-TIPS-MTA	340.8	0.82%	1.74	2.53	6.53	12.64	7.64	6.34	10.00	-0.96	11.51	8.95	11.98	7.55	****	6.64
BLACKROCK-TIPS-MTA	250.3	0.60%	1.79	3.38	7.17	12.91	7.13	6.34	10.02	-0.03	11.79	9.18	12.31	7.88	****	7.11
BARCLAYS CAPITAL US TIPS INDEX			1.86	2.45	6.46	12.65	7.74	6.37	11.41	-2.35	11.64	9.03	12.17	7.55	7.12	
TOTAL TIPS MANAGERS +/-			(0.22)	0.27	0.06	(0.42)	(0.57)	0.10	(1.27)	1.61	0.07	(0.81)	(0.10)	0.05	****	
PIMCO-TIPS-MTA +/-			(0.31)	0.14	(0.16)	(0.82)	(0.76)	0.20	(1.17)	1.47	0.13	(1.45)	(0.14)	(0.02)	****	
STATE STREET-TIPS-MTA +/-			(0.12)	0.08	0.07	(0.01)	(0.10)	(0.03)	(1.41)	1.39	(0.13)	(0.08)	(0.20)	0.00	****	
BLACKROCK-TIPS-MTA +/-			(0.08)	0.93	0.71	0.26	(0.61)	(0.03)	(1.39)	2.32	0.15	0.15	0.14	0.33	****	

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	Assets (\$MM)	% of Total	Trailing 1 Month	Trailing 3 Months	Fiscal YTD	Calendar YTD	FY Ending 06/30/11	Calendar Yr Ending 2010	Calendar Yr Ending 2009	Calendar Yr Ending 2008	Calendar Yr Ending 2007	Trailing 1 Year	Trailing* 3 Years	Trailing* 5 Years	Trailing* 10 Years	Since Inception
CONVERTIBLE BONDS																
TOTAL CONVERTIBLE BONDS	409.7	0.99%	4.84	-4.25	-6.06	-2.47	18.90	13.18	34.16	****	****	0.85	15.63	****	****	4.62
BofA ML ALL CONVERTIBLES EX MANDATORY			5.89	-4.55	-6.57	-1.88	22.79	16.52	47.19	-33.02	****	2.01	18.39	****	****	
TRS CUSTOM CONVERTIBLE BOND INDEX			4.84	-3.39	-5.00	-1.48	16.72	11.56	36.65	****	****	1.03	15.33	****	****	
+/-			(1.04)	0.29	0.51	(0.59)	(3.89)	(3.34)	(13.03)	****	****	(1.16)	(2.76)	****	****	
+/-			0.01	(0.87)	(1.07)	(0.99)	2.18	1.62	(2.49)	****	****	(0.18)	0.30	****	****	
F&C CONVERTIBLE BONDS	112.0	0.27%	5.03	-4.35	-6.13	-3.30	16.19	9.81	37.07	****	****	-0.62	16.00	****	****	7.46
UBS Global Focus Customised			4.87	-2.95	-4.66	-1.89	14.62	8.66	27.02	****	****	-0.17	12.95	****	****	
+/-			0.16	(1.40)	(1.47)	(1.41)	1.57	1.15	10.05	****	****	(0.45)	3.05	****	****	
ADVENT CONVERTIBLE BONDS	108.9	0.26%	4.22	-3.60	-4.86	-0.76	18.53	14.97	36.37	****	****	2.16	17.12	****	****	7.37
BofA ML CONVERTIBLES YIELD ALT. INDEX			2.95	-3.00	-3.75	-0.13	14.93	12.98	46.25	****	****	1.80	17.77	****	****	
+/-			1.27	(0.60)	(1.11)	(0.63)	3.60	1.99	(9.88)	****	****	0.36	(0.65)	****	****	
VICTORY CONVERTIBLE BONDS	93.8	0.23%	4.70	-2.98	-4.74	-1.29	17.23	11.63	27.36	****	****	1.99	13.64	****	****	2.34
BofA ML CONVERTIBLE BONDS INVST GRADE			4.89	-2.70	-4.45	-0.92	14.90	7.89	25.49	****	****	1.38	11.67	****	****	
+/-			(0.18)	(0.28)	(0.29)	(0.37)	2.33	3.74	1.87	****	****	0.61	1.97	****	****	
LORD ABBETT CONVERTIBLE BONDS	94.9	0.23%	5.48	-6.11	-8.57	-4.50	24.33	16.90	35.38	****	****	0.02	15.58	****	****	2.26
BofA ML ALL CONVERTIBLES INDEX			6.63	-4.96	-7.17	-3.06	22.54	16.77	49.13	-35.73	4.53	1.03	18.77	3.03	5.61	
+/-			(1.15)	(1.14)	(1.40)	(1.45)	1.79	0.13	(13.75)	****	****	(1.01)	(3.19)	****	****	
OPPORTUNISTIC FIXED INCOME																
TOTAL OPPORTUNISTIC FIXED	389.9	0.94%	-3.91	-6.97	-8.78	-0.23	17.89	23.88	18.09	-9.68	****	0.88	14.07	****	****	4.44
NYC - 10% ANNUAL			0.80	2.41	3.23	8.27	10.00	10.00	10.00	10.00	****	10.00	10.01	****	****	
NYC - JP MORGAN HY PLUS 3%			6.21	-0.66	0.89	7.50	18.79	27.19	6.88	2.98	****	9.01	26.10	****	****	
+/-			(4.71)	(9.38)	(12.01)	(8.49)	7.89	13.88	8.09	(19.68)	****	(9.12)	4.07	****	****	
+/-			(10.12)	(6.31)	(9.67)	(7.73)	(0.90)	(3.31)	11.21	(12.66)	****	(8.13)	(12.03)	****	****	
TOTAL DISTRESSED FIXED	331.0	0.80%	****	****	****	****	****	****	****	****	****	****	****	****	****	****
PIMCO-DISCO	209.8	0.51%	****	****	****	****	****	****	****	****	****	****	****	****	****	****
AVE EURO SP SITS FD	19.0	0.05%	****	****	****	****	****	****	****	****	****	****	****	****	****	****
AVE SPECIAL SITUATIONS FD V	3.4	0.01%	****	****	****	****	****	****	****	****	****	****	****	****	****	****
AVE SPECIAL SITUATIONS FD VI	53.5	0.13%	****	****	****	****	****	****	****	****	****	****	****	****	****	****
TORCHLIGHT INVESTORS	45.3	0.11%	****	****	****	****	****	****	****	****	****	****	****	****	****	****
3 MONTH LIBOR PLUS 750BPS			0.64	1.92	2.55	6.47	7.81	7.85	8.16	10.11	****	7.81	8.03	****	****	
ADVENT GLOBAL	58.9	0.14%	****	****	****	****	****	****	****	****	****	****	****	****	****	****
BofA ML GLOBAL CONVERTIBLES INDEX (VG00)			4.60	-4.61	-6.53	-3.76	-0.77	11.73	36.34	-29.35	6.53	-0.77	14.71	2.66	4.48	

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	Assets (\$MM)	% of Total	Trailing 1 Month	Trailing 3 Months	Fiscal YTD	Calendar YTD	FY Ending 06/30/11	Calendar Yr Ending 2010	Calendar Yr Ending 2009	Calendar Yr Ending 2008	Calendar Yr Ending 2007	Trailing 1 Year	Trailing* 3 Years	Trailing* 5 Years	Trailing* 10 Years	Since Inception
OTHER FIXED INCOME																
TOTAL ETI	358.3	0.87%	0.13	1.76	2.71	5.48	4.32	6.61	7.62	6.43	6.20	4.72	8.39	6.62	6.16	9.77
TEACHERS CUSTOM BENCHMARK (NO CASH)			0.14	2.11	3.47	6.46	4.13	6.31	5.12	6.62	6.89	5.17	8.03	6.42	5.60	
+/-			(0.01)	(0.35)	(0.76)	(0.98)	0.19	0.30	2.50	(0.19)	(0.69)	(0.45)	0.36	0.20	0.56	
AFL-CIO HOUSING INV TRUST	197.7	0.48%	0.13	2.15	3.41	6.40	4.25	6.16	6.28	5.26	6.69	4.74	8.35	6.29	****	5.25
BARCLAYS CAPITAL AGGREGATE			0.11	2.31	3.93	6.76	3.90	6.54	5.93	5.24	6.97	5.00	8.88	6.41	5.46	
+/-			0.02	(0.16)	(0.52)	(0.36)	0.35	(0.38)	0.35	0.02	(0.28)	(0.27)	(0.53)	(0.12)	****	
ACCESS RBC	43.6	0.11%	0.16	2.10	3.08	5.89	3.56	5.36	10.99	6.67	****	4.32	9.67	****	****	7.37
ACCESS CUSTOM BENCHMARK			-0.14	1.59	2.71	5.35	3.39	5.52	****	****	****	4.05	6.57	6.34	****	
+/-			0.30	0.50	0.38	0.54	0.17	(0.16)	****	****	****	0.27	3.09	****	****	
STATE STREET SHORT TERM	2,204.7	5.33%	0.05	0.11	0.16	0.41	0.40	0.48	1.25	3.80	5.67	0.39	0.93	2.48	2.55	5.59
ML 91 DAY TREASURY BILL INDEX			0.00	0.03	0.02	0.10	0.16	0.13	0.21	2.06	5.00	0.13	0.18	1.66	1.99	
+/-			0.05	0.08	0.14	0.31	0.24	0.35	1.04	1.74	0.67	0.26	0.75	0.82	0.56	
PRIVATE EQUITY																
TOTAL PRIVATE EQUITY	2,203.4	5.32%	0.70	3.86	3.97	17.99	18.65	14.04	-4.44	-1.50	15.33	22.78	6.76	8.06	****	12.57
RUSSELL 3000 PLUS 5%			11.70	-1.48	-3.24	4.54	37.37	21.93	33.34	-32.30	10.13	12.90	17.29	5.69	9.47	
+/-			(11.00)	5.34	7.21	13.44	(18.72)	(7.89)	(37.78)	30.80	5.20	9.88	(10.53)	2.37	****	
PRIVATE REAL ESTATE																
TOTAL PRIVATE REAL ESTATE	751.0	1.81%	1.22	6.27	8.38	22.32	24.82	9.99	-44.20	-7.61	68.62	26.37	-11.08	4.69	****	7.74
NCREIF NFI-ODCE NET			0.00	3.31	3.31	11.93	19.58	15.26	-30.40	-10.70	14.84	17.19	-7.22	-0.88	****	
+/-			1.22	2.96	5.07	10.39	5.24	(5.27)	(13.80)	3.09	53.78	9.18	(3.86)	5.57	****	
TOTAL TEACHERS	41,402.3		6.82	-2.71	-3.38	2.60	23.28	13.92	21.15	-26.35	6.24	6.47	11.84	2.70	5.91	8.39
TEACHERS POLICY BENCHMARK			8.21	-2.72	-3.36	2.17	24.53	14.01	25.01	-28.50	5.86	6.13	12.69	2.55	5.88	
+/-			(1.39)	0.01	(0.02)	0.43	(1.25)	(0.09)	(3.86)	2.15	0.38	0.34	(0.85)	0.15	0.03	

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Vintage Year	Deal Name	First Drawdown	Capital Committed	Cash In	Cash Out	Market Value	Multiple	IRR
1999	Cypress Merchant Banking Partners II, LP	7/8/1999	\$ 50,000,000	\$ 53,780,137	\$ 40,330,954	\$ 5,488,390	0.85x	(3.7%)
	FdG Capital Partners, L.P.	6/2/1999	30,000,000	34,397,448	50,812,519	7,733,358	1.70x	15.7%
	Lincolnshire Equity Fund II, L.P.	2/26/2001	15,000,000	14,446,100	25,257,218	4,148,447	2.04x	25.7%
2000	Allegria Capital Partners IV, L.P.	7/25/2000	18,000,000	16,000,000	7,650,035	(3,863,738)	0.24x	(22.0%)
	Carlyle Partners III, L.P.	12/22/2000	30,000,000	33,968,958	66,879,643	4,139,645	2.09x	23.3%
	SCP Private Equity Partners II, L.P.	1/19/2001	20,000,000	22,108,549	6,607,483	11,068,609	0.80x	(3.6%)
	Solera Partners, L.P.	7/8/2002	15,000,000	17,730,567	4,891,637	20,175,764	1.41x	6.4%
2001	Apollo Investment Fund V, L.P.	8/23/2001	30,000,000	46,658,872	81,088,574	12,319,553	2.00x	39.8%
	New Mountain Partners, L.P.	7/20/2001	15,000,000	12,974,698	16,637,622	2,101,842	1.44x	13.0%
	Ripplewood Partners II, L.P.	6/30/2002	15,000,000	17,211,948	12,487,111	7,750,621	1.18x	5.6%
	RRE Ventures III, L.P.	6/13/2002	20,000,000	25,238,403	14,678,858	28,961,823	1.73x	12.0%
2002	BDCM Opportunity Fund, L.P.	11/10/2003	25,000,000	54,181,232	70,265,246	19,367,917	1.65x	24.4%
	Collier International Partnership IV, L.P.	11/6/2002	35,000,000	30,903,548	27,665,056	18,299,183	1.49x	16.5%
	Landmark Equity Partners XI, L.P.	9/15/2004	20,000,000	20,967,163	24,966,615	5,435,756	1.45x	25.6%
	Thomas McNeerney & Partners, L.P.	11/26/2002	15,000,000	14,025,000	5,252,354	7,181,334	0.89x	(3.4%)
	Yucaipa American Alliance Fund I, L.P.	10/1/2004	55,000,000	80,392,130	59,003,465	36,742,787	1.19x	8.1%
2003	Ares Corporate Opportunities Fund, L.P.	5/4/2004	15,000,000	17,911,033	19,500,203	7,335,270	1.50x	14.8%
	Blackstone Capital Partners IV L.P.	1/10/2003	30,000,000	30,535,872	52,186,263	23,108,584	2.47x	41.0%
	FS Equity Partners V, L.P.	5/30/2003	25,000,000	21,264,172	16,210,189	17,961,066	1.61x	13.2%
	Leeds Weld Equity Partners IV, L.P.	12/13/2004	15,000,000	15,137,731	5,755,134	18,036,792	1.57x	11.0%
2004	Aurora Equity Partners III, L.P.	5/19/2005	20,000,000	21,648,122	10,175,705	19,686,446	1.38x	14.3%
	Celtic Pharmaceutical Holdings, L.P.	7/10/2006	15,000,000	15,241,256	241,256	27,357,698	1.81x	15.6%
	FdG Capital Partners II, L.P.	8/30/2004	35,000,000	36,199,681	13,543,914	26,584,873	1.11x	2.7%
	Lincolnshire Equity Fund III, L.P.	12/23/2004	25,000,000	20,527,305	27,280,724	15,002,418	2.06x	42.2%
	Markstone Capital Partners, L.P.	7/21/2004	35,000,000	32,746,485	11,728,225	22,725,750	1.05x	1.6%
	New York/Fairview Emerging Managers (Tranche A), L.P.	10/21/2004	24,000,000	18,420,000	2,121,326	14,672,057	0.91x	(2.9%)
	Paladin Homeland Security Fund (NY), L.P.	10/1/2004	15,000,000	15,814,186	1,969,761	6,327,173	0.52x	(14.4%)
	Palladium Equity Partners III, L.P.	8/10/2005	35,000,000	27,854,293	13,200,420	22,958,777	1.30x	11.1%
	Silver Lake Partners II, L.P.	7/28/2004	32,400,000	32,498,104	27,000,868	22,048,288	1.51x	11.3%
	Trilantic Capital Partners III (fka LBMB III), L.P.	9/22/2005	30,000,000	23,413,325	25,160,143	10,235,606	1.51x	14.0%
2005	Blackstone Mezzanine Partners II, L.P.	5/26/2006	20,000,000	18,901,631	11,101,183	12,893,872	1.27x	8.9%
	Bridgepoint Europe III, L.P.	12/6/2005	31,892,700	26,996,441	6,311,425	27,513,392	1.25x	6.1%
	Clayton, Dubilier & Rice Fund VII, L.P.	4/28/2006	30,000,000	31,065,395	6,820,594	34,094,240	1.32x	8.0%
	Erasmus New York City Growth Fund, L.P.	8/16/2005	30,000,000	26,117,536	6,448,809	16,405,603	0.88x	(3.7%)
	Ethos Private Equity Fund V, L.P.	6/28/2006	15,000,000	13,001,932	4,809,095	10,053,338	1.14x	5.4%
	GI Partners Fund II, L.P.	6/19/2006	25,000,000	24,470,253	711,075	32,259,109	1.35x	7.6%
	JP Morgan Fleming (Tranche A), L.P.	12/21/2005	31,000,000	21,416,514	3,601,413	22,282,111	1.21x	7.7%
	New Mountain Partners II, L.P.	1/12/2005	23,225,800	21,041,604	10,245,617	19,469,764	1.41x	9.4%
	Prism Venture Partners V-A, L.P.	7/14/2005	20,000,000	18,623,087	4,753,452	10,498,182	0.82x	(7.2%)
	Psilos Group Partners III, L.P.	10/17/2007	25,000,000	21,374,059	141,315	21,679,139	1.02x	0.8%
	Quadrangle Capital Partners II, L.P.	2/28/2006	35,000,000	27,832,468	10,168,760	22,539,062	1.18x	5.3%
	Snow Phipps Group, L.P.	8/2/2007	15,000,000	14,074,210	4,226,207	14,396,375	1.32x	15.5%
	USPF II Institutional Fund, L.P.	11/23/2005	35,000,000	42,777,922	19,783,887	32,234,106	1.22x	7.1%
	VSS Communications Partners IV, L.P.	6/2/2006	10,000,000	9,890,895	1,119,822	6,563,839	0.78x	(7.2%)
2006	AEA Investors 2006 Fund, L.P.	6/30/2008	20,000,000	13,055,389	2,317,461	14,551,985	1.29x	13.7%
	Aisling Capital II, L.P.	1/12/2006	4,500,000	3,663,571	619,714	2,409,099	0.83x	(6.2%)
	Ampersand 2006, L.P.	7/6/2007	15,000,000	11,850,000	3,540,241	10,178,485	1.16x	5.1%
	Apollo Investment Fund VI, L.P.	5/10/2006	35,000,000	42,129,776	15,277,494	39,672,013	1.30x	10.2%
	Ares Corporate Opportunities Fund II, L.P.	5/23/2006	30,000,000	31,481,360	18,538,691	27,228,746	1.45x	13.1%
	Arsenal Capital Partners II, L.P.	12/19/2006	13,500,000	11,877,756	1,047,942	13,971,936	1.26x	11.3%
	Avista Capital Partners, L.P.	8/11/2006	30,000,000	36,194,512	15,452,184	33,251,575	1.35x	10.3%
	BDCM Opportunity Fund II, L.P.	12/28/2006	25,000,000	26,526,813	7,977,133	24,492,248	1.22x	11.3%
	Blackstone Capital Partners V, L.P.	4/13/2006	75,600,000	73,217,528	9,539,681	68,375,956	1.06x	2.0%
	Catterton Partners VI, L.P.	12/14/2006	30,000,000	23,229,904	2,255,499	28,421,001	1.32x	8.8%
	CCMP Capital Investors II, L.P.	5/22/2007	20,000,000	14,020,423	2,335,221	17,254,895	1.40x	15.5%
	Cinven Fourth Fund	1/22/2007	46,096,072	34,495,975	-	45,660,068	1.32x	9.2%
	Fairview Ventures Fund III, L.P.	7/13/2007	20,000,000	10,649,472	529,162	11,048,641	1.09x	5.0%
	First Reserve Fund XI, L.P.	12/22/2006	30,000,000	26,317,196	8,837,501	19,098,000	1.06x	2.2%
	GF Capital Private Equity Fund, L.P.	3/20/2008	15,000,000	11,839,108	-	13,437,800	1.14x	8.0%
	GSC Recovery III, L.P.	5/4/2006	10,000,000	10,399,562	5,562,914	3,852,985	0.91x	(3.8%)
	InterMedia Partners VII, L.P.	6/8/2006	25,000,000	24,622,186	2,812,005	28,093,137	1.26x	6.6%
	Landmark Equity Partners Fund XIII, L.P.	5/15/2006	25,000,000	21,211,073	8,005,280	14,179,356	1.05x	1.6%
	MidOcean Partners III, L.P.	6/19/2007	40,000,000	28,631,503	1,022,572	22,805,623	0.83x	(7.9%)
	NewSpring Ventures II, L.P.	2/26/2008	15,000,000	9,871,315	775,844	12,564,593	1.35x	15.1%
	Perseus Partners VII, L.P.	8/6/2007	20,000,000	19,810,406	2,227,151	20,082,343	1.13x	5.8%
	RRE Ventures IV, L.P.	10/25/2006	25,000,000	21,106,925	2,138,822	27,820,170	1.42x	15.5%
	Terra Firma Capital Partners III, L.P.	2/26/2007	31,906,120	22,931,048	662,055	9,111,524	0.43x	(28.6%)
	Thomas H. Lee Equity Fund VI, L.P.	6/22/2007	25,000,000	18,703,551	2,109,266	18,883,935	1.12x	4.1%
	Thomas, McNeerney & Partners II, L.P.	11/30/2006	15,000,000	9,675,000	1,539,679	7,483,984	0.93x	(3.0%)

Teachers' Retirement System of the City of New York
(as of June 30, 2011)

Vintage Year	Deal Name	First Drawdown	Capital Committed	Cash In	Cash Out	Market Value	Multiple	IRR
2007	Carlyle Partners V, L.P.	9/28/2007	50,000,000	30,166,745	7,949,776	28,970,205	1.22x	10.0%
	Co-Investment Partners Europe, L.P.	12/5/2008	27,302,064	18,658,662	108,271	18,212,898	0.98x	(1.0%)
	Constellation Ventures III, L.P.	11/20/2008	15,000,000	10,876,137	-	8,944,270	0.82x	(12.6%)
	Craton Equity Investors I, L.P.	3/11/2008	10,000,000	6,890,512	6,094	5,815,750	0.84x	(9.5%)
	FTVentures III, L.P.	3/1/2007	14,244,080	11,252,823	266,404	13,849,104	1.25x	9.6%
	GSO Capital Opportunities Fund, L.P.	8/15/2008	30,000,000	28,437,090	16,332,053	19,342,891	1.25x	16.3%
	Halyard Capital Fund II, L.P.	11/2/2007	15,000,000	7,249,626	425,409	6,357,311	0.94x	(2.2%)
	HM 2006 Sector Performance Fund, L.P.	4/15/2008	20,000,000	17,044,753	2,035,509	9,107,049	0.65x	(16.0%)
	Montreux Equity Partners IV, L.P.	3/27/2007	15,000,000	10,035,000	3,058,073	10,282,505	1.33x	13.0%
	Nautic Partners VI, L.P.	6/30/2008	20,000,000	13,234,030	28,223	12,660,749	0.96x	(2.3%)
	New Mountain Partners III, L.P.	9/25/2007	35,000,000	22,489,229	3,260,522	19,515,814	1.01x	0.9%
	PCG Clean Energy & Technology Fund East, L.P.	4/25/2008	60,000,000	34,754,005	1,972,863	30,146,723	0.92x	(4.2%)
	Pegasus Partners IV, L.P.	10/9/2007	20,000,000	20,630,132	9,342,175	36,205,083	2.21x	37.3%
	Quaker BioVentures II, L.P.	4/18/2008	15,000,000	7,693,332	889,939	6,789,466	1.00x	(0.1%)
	RLJ Equity Partners Fund I, L.P.	4/14/2009	15,000,000	6,061,016	471,052	7,919,250	1.38x	25.5%
	SCP Vitalife Partners II, L.P.	1/10/2008	15,000,000	9,074,774	1,184	6,918,410	0.76x	(15.7%)
	Silver Lake Partners III, L.P.	8/13/2007	35,000,000	22,412,420	8,733,843	22,568,050	1.40x	19.9%
	StarVest Partners II, L.P.	12/8/2008	20,000,000	9,309,662	5,245	7,496,154	0.81x	(15.7%)
	Tailwind Capital Partners, L.P.	4/28/2008	20,000,000	17,032,817	3,687,987	15,761,004	1.14x	7.5%
	Trilantic Capital Partners IV L.P.	10/22/2007	53,311,339	33,098,400	16,018,836	28,350,227	1.34x	15.6%
2008	USPF III Institutional Fund, L.P.	7/10/2007	30,000,000	26,206,549	3,607,319	22,187,186	0.98x	(0.8%)
	Vista Equity Partners Fund III, L.P.	11/30/2007	25,000,000	19,658,515	11,918,908	26,047,259	1.93x	29.4%
	Vitruvian Investment Partnership I (Side Car), L.P.	1/31/2008	4,239,426	2,425,588	56	2,136,747	0.88x	(11.1%)
	Vitruvian Investment Partnership I, L.P.	1/31/2008	38,163,192	21,838,656	506	19,232,133	0.88x	(11.1%)
	Aisling Capital III, L.P.	11/20/2008	10,500,000	1,631,920	-	1,254,644	0.77x	(20.0%)
	Apollo Investment Fund VII, L.P.	4/16/2008	50,000,000	33,721,548	15,126,282	30,571,257	1.36x	24.3%
	Ares Corporate Opportunities Fund III, L.P.	7/30/2008	60,000,000	37,033,717	21,056,380	35,074,837	1.52x	29.6%
	Avista Capital Partners II, L.P.	12/31/2008	50,000,000	40,929,954	10,191,398	36,466,692	1.14x	10.8%
	Blue Wolf Capital Fund II, L.P.	11/14/2008	20,000,000	8,192,975	5,690,674	5,629,258	1.38x	23.0%
	Bridgepoint Europe IV, L.P.	9/30/2008	28,388,164	9,384,108	-	9,949,050	1.06x	5.8%
	Carpenter Community BancFund-A, L.P.	6/5/2008	15,000,000	11,610,720	174,916	11,200,240	0.98x	(1.2%)
	CS TRSCNY Emerging Manager Co-Investment Fund, L.P.	8/22/2008	12,626,263	6,776,808	53,198	7,737,204	1.15x	8.8%
	CS TRSCNY Emerging Manager Fund, L.P.	8/22/2008	59,373,737	16,564,926	5,080,566	10,768,347	0.96x	(3.7%)
	Emerald Infrastructure Development Fund, L.P.	12/2/2008	20,000,000	797,444	4,486	-	0.01x	(99.4%)
	First Reserve Fund XII, L.P.	11/14/2008	30,000,000	16,970,846	1,267,898	16,042,000	1.02x	1.2%
	GI Partners III, L.P.	7/29/2008	30,000,000	19,858,830	2,262,810	21,875,855	1.22x	20.0%
	Landmark Equity Partners XIV, L.P.	9/19/2008	50,000,000	8,444,005	1,367,450	10,539,413	1.41x	27.3%
	Lee Equity Partners, L.P.	4/23/2008	30,000,000	12,185,770	2,799,649	7,027,874	0.81x	(9.7%)
	Leeds Equity Partners V, L.P.	7/28/2008	40,000,000	11,956,617	2,238,138	11,319,443	1.13x	12.2%
	Levine Leichtman Capital Partners IV, L.P.	9/22/2008	25,000,000	12,882,757	3,843,992	13,130,077	1.32x	25.6%
2009	New York/Fairview Emerging Managers (Tranche B), L.P.	5/28/2008	35,000,000	9,989,000	255,372	10,712,181	1.10x	7.7%
	NGN BioMed Opportunity II, L.P.	10/31/2008	15,000,000	7,988,866	17,765	5,592,369	0.70x	(18.0%)
	Onex Partners III, L.P.	3/31/2009	40,000,000	15,209,890	3,493,024	10,526,645	0.92x	(9.1%)
	Paladin III (HR), L.P.	1/8/2008	20,000,000	10,681,636	1,303,415	9,832,501	1.04x	2.0%
	Pine Brook Capital Partners, L.P.	4/7/2008	22,500,000	10,167,177	3,038,526	9,790,569	1.26x	13.5%
	Relativity Fund, L.P.	1/17/2008	15,000,000	5,891,741	161,968	3,240,007	0.58x	(26.5%)
	Riverstone/Carlyle Global Energy & Power Fund IV	9/29/2008	32,500,000	23,496,845	4,474,660	28,936,880	1.42x	25.1%
	Yucaipa American Alliance Fund II, L.P.	3/28/2008	75,000,000	61,605,061	19,254,002	67,901,557	1.41x	22.5%
	Yucaipa Corporate Initiatives Fund II, L.P.	6/23/2008	35,000,000	12,120,802	106,309	6,878,691	0.58x	(26.5%)
	Clayton, Dubilier & Rice Fund VIII, L.P.	9/30/2008	35,000,000	19,820,229	1,777,990	22,331,095	1.22x	21.6%
	Lincolnshire Equity Fund IV, L.P.	8/7/2009	12,500,000	2,002,511	-	1,340,587	0.67x	(40.0%)
	Welsh, Carson, Anderson & Stowe XI, L.P.	2/10/2009	30,000,000	11,254,571	-	11,705,273	1.04x	4.0%
	JP Morgan Fleming (Tranche B), L.P.	3/31/2008	10,000,000	2,041,332	547	1,837,496	0.90x	(13.7%)
	Trident V, L.P.	12/30/2010	35,000,000	7,729,458	182,137	6,954,258	0.92x	(15.6%)
	Ampersand 2011, L.P.	3/31/2009	17,500,000	1,750,000	-	1,477,661	0.84x	(48.8%)
	Blackstone Capital Partners VI, L.P.	1/24/2011	60,000,000	370,177	-	-	0.00x	N/A
	EQT VI, L.P.	N/A	55,000,000	-	-	-	0.00x	N/A
	BC European Capital IX, L.P.	N/A	75,000,000	-	-	-	0.00x	N/A
	AXA Secondary Fund V, L.P.	N/A	100,000,000	-	-	-	0.00x	N/A
	Pegasus Partners V, L.P.	N/A	50,000,000	-	-	-	0.00x	N/A
2011	Green Equity Investors VI, L.P.**	N/A	100,000,000	-	-	-	0.00x	N/A
	Vista Equity Partners Fund IV, L.P.**	N/A	65,000,000	-	-	-	0.00x	N/A
Grand Total(s):			\$ 3,815,268,957	\$ 2,556,884,331	\$ 1,141,258,488	\$ 2,070,364,519	1.3x	9.38%

* Where available, June 30, 2011 reported valuations were used. In the absence of June 30, 2011 reported values, market values have been adjusted forward using interim cashflows through June 30, 2011. The IRR calculated in the early years of a fund is not meaningful given the j-curve effect. The aggregate portfolio performance figures for IRR and multiple are as of June 30, 2011.

**As of November 7, 2011 TRS has not yet closed into the investment.

Teachers' Retirement System of the City of New York

Vintage Year	Fund Name	First Draw Down	Capital Committed	Contributions	Distributions	Market Value	Equity Multiple	Net IRR
2003	Canyon Johnson Urban Fund	12/6/2002	\$15,000,000	\$13,456,450	(\$15,403,730)	\$458,356	1.2	10.7%
2003	OCM Real Estate Opportunities Fund IIIA	5/30/2003	\$15,000,000	\$15,000,000	(\$15,000,000)	\$8,141,391	1.5	10.4%
2004	Blackstone Fund IV	5/10/2004	\$25,000,000	\$31,582,187	(\$25,458,842)	\$15,945,982	1.3	13.6%
2004	The City Investment Fund I	3/16/2004	\$120,000,000	\$118,337,757	(\$67,151,873)	\$37,268,299	0.9	-4.7%
2004	Tishman Speyer Separate Account (TRS)	8/5/2004	\$100,000,000	\$72,402,952	(\$162,775,190)	\$76,963,949	3.3	59.9%
2005	Canyon Johnson Urban Fund II	5/11/2005	\$30,000,000	\$26,966,112	(\$18,000)	\$16,621,989	0.6	-12.6%
2006	PRISA	9/29/2006	\$36,000,000	\$37,354,942	(\$1,755,917)	\$31,007,488	0.9	-2.8%
2006	Prologis Targeted U.S. Logistics Fund, L.P.	10/1/2006	\$10,000,000	\$11,238,845	(\$1,297,766)	\$6,452,761	0.7	-8.8%
2006	RREEF America REIT II	10/1/2006	\$36,000,000	\$46,560,697	(\$11,076,328)	\$32,735,171	0.9	-1.7%
2006	UBS Trumbull Property Fund ("UBS-TPF")	9/28/2006	\$106,000,000	\$41,355,398	(\$4,141,344)	\$38,686,266	1.0	0.8%
2006	AREA Real Estate Fund V	6/15/2006	\$5,000,000	\$5,000,001	(\$1,210,801)	\$1,842,130	0.6	-16.4%
2007	Colony Realty Partners II	12/20/2006	\$15,000,000	\$16,065,058	(\$499,580)	\$8,422,301	0.6	-14.6%
2007	Heitman HART	3/29/2007	\$48,000,000	\$52,938,261	(\$4,938,261)	\$49,731,824	1.0	1.3%
2007	JP Morgan Special Situation Property Fund	1/2/2007	\$15,000,000	\$15,994,650	(\$1,863,555)	\$9,924,407	0.7	-7.4%
2007	JP Morgan Strategic Property Fund	12/4/2006	\$86,000,000	\$71,269,307	\$0	\$72,124,986	1.0	0.5%
2007	PRISA II	6/30/2007	\$63,374,139	\$64,787,254	(\$1,972,622)	\$49,683,862	0.8	-7.6%
2007	RREEF America REIT III	10/1/2007	\$15,000,000	\$15,000,000	(\$100,040)	\$4,770,785	0.3	-26.2%
2007	Blackstone Real Estate Partners VI	9/27/2007	\$50,000,000	\$44,859,269	(\$1,767,208)	\$52,835,706	1.2	9.5%
2007	Carlyle Realty Partners V	8/27/2007	\$15,000,000	\$15,781,172	(\$4,774,245)	\$11,223,177	1.0	0.6%
2007	Metropolitan Workforce Housing Fund	7/13/2007	\$10,500,000	\$5,287,626	(\$306,882)	\$2,366,703	0.5	-43.9%
2007	UrbanAmerica II	1/30/2007	\$11,000,000	\$10,218,031	\$0	\$6,188,424	0.6	-14.6%
2008	American Value Partners Fund I	10/18/2007	\$25,000,000	\$13,549,153	(\$1,917,272)	\$7,717,466	0.7	-21.3%
2008	Capri Urban Investors	6/3/2008	\$40,000,000	\$30,955,378	\$0	\$17,240,698	0.6	-29.4%
2008	Silverpeak Legacy Partners III (Lehman)	5/28/2008	\$30,000,000	\$11,748,148	(\$2,620,012)	\$3,939,433	0.6	-27.4%
2008	Stockbridge Real Estate Fund III	9/9/2008	\$22,500,000	\$10,673,850	\$0	\$6,962,449	0.7	-18.5%
2009	Carbon Capital III	7/2/2009	\$40,000,000	\$36,385,038	(\$6,125,867)	\$33,401,524	1.1	9.4%
2009	JP Morgan Urban Renaissance Property Fund	12/18/2008	\$16,360,625	\$4,206,523	(\$4,206,523)	\$0	1.0	0.0%
2009	Thor Urban Property Fund II	10/30/2008	\$12,500,000	\$6,684,988	(\$3,621,035)	\$1,169,258	0.7	-26.0%
2010	LaSalle Property Fund	7/1/2010	\$50,000,000	\$16,040,579	(\$228,343)	\$16,935,694	1.1	13.4%
2010	Blackstone Real Estate Partners Europe III (USD Vehicle)	10/24/2008	\$50,000,000	\$6,063,196	\$0	\$7,089,431	1.2	16.1%
2010	Canyon Johnson Urban Fund III	3/29/2010	\$25,000,000	\$7,840,144	(\$323,674)	\$6,520,478	0.9	-21.1%
2010	Westbrook Real Estate Fund VIII	12/28/2009	\$50,000,000	\$23,176,473	(\$4,462,260)	\$20,294,256	1.1	17.5%
2011	H/2 Special Opportunities Fund II	1/31/2011	\$40,000,000	\$5,619,661	\$0	\$6,521,277	1.2	79.4%
2011	Carlyle Realty Partners VI	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2011	Taconic New York City Investment Fund LP	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Teachers' Retirement System of the City of New York			\$1,228,234,764	\$904,399,099	(\$345,017,171)	\$661,187,922	1.1	4.8%

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 June 30, 2011. 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.

III. Asset Allocation (continued):

REBALANCING RANGES



Teachers' Retirement System of the City of New York

Proposed Rebalancing Ranges

December, 2011

Rebalancing Overview

- Rocaton and BAM recommend that the Trustees approve the following rebalancing ranges. These ranges include aggregate ranges to public equities and public fixed income as well as ranges for each underlying asset class.
 - Of course, illiquid strategies such as private equity, private real estate and opportunistic fixed income cannot be readily rebalanced. However, ranges are noted in the following slide for illiquid asset classes. These ranges will influence the pacing analyses for these strategies rather than triggering sales and purchases as would be done for the more liquid public market asset classes.
 - Public market target allocations and, therefore, the minimum and maximum range allocations are adjusted based on actual investments in private asset classes versus targets. “Adjusted” target allocations to public market asset classes are developed based on under or overweights in the private market asset classes at any point in time.
 - The use of adjusted targets, which are fairly easy to calculate, allows the Pension Fund’s rebalancing process to take into account the rise (decline) in equity risk associated with over (under) weights to private market asset classes which also contribute equity risk to the Fund.

Rebalancing Overview

- Though the Pension Plan does not have a strategic allocation to cash, it is appropriate for the IPS to include the flexibility to hold cash equivalents. Circumstances which could lead to an accumulation of cash include the following:
 - Frictional cash such as contributions awaiting investment or benefit distributions pending withdrawal from the Plan.
 - Cash proceeds from manager terminations pending reinvestment.
 - Extreme market conditions that justify holding cash for a limited period of time.
- In aggregate, both allocations to cash which exceed 5% of total plan assets and allocations outside of adjusted rebalancing ranges require prior notification and approval of the Board of Trustees.

Proposed Rebalancing Ranges using Long Term Targets

Teachers' Retirement System of the City of New York - Recommended Rebalancing Ranges				
<u>Asset Class</u>	<u>9/30/2011 Allocation*</u>	<u>Long-Term Target Allocation</u>	<u>Adjusted Target Allocation*</u>	<u>Trigger Point (+/-)**</u>
Equity Asset Classes				
U.S. Equities	35.6%	31.0%	35.4%	6.0%
Non-U.S. Equities	13.7%	9.0%	9.0%	4.0%
Emerging Equities	2.6%	8.0%	8.0%	4.0%
REITS	3.9%	3.0%	3.0%	1.5%
Total Public Equity	55.8%	51.0%	55.4%	5.0%
Private Equity (90% Buyout/10% Venture) ¹	5.6%	6.0%	5.6%	2.0%
Private Real Estate (Core) ²	0.9%	3.0%	0.9%	1.0%
Private Real Estate (Non-Core) ¹	0.9%	3.0%	0.9%	1.0%
Fixed Income Asset Classes				
Core + 5	18.9%	18.0%	21.6%	4.0%
Convertibles	1.0%	3.0%	3.0%	1.5%
TIPS	3.4%	4.0%	4.0%	2.0%
High Yield	3.7%	4.0%	7.5%	2.0%
EMD ³	0.0%	3.0%	0.0%	1.5%
Total Public Fixed Income	26.9%	32.0%	36.0%	11.0%
Opportunistic Fixed Income ⁴	1.1%	5.0%	1.1%	2.0%

N/A designates that allocations are generally illiquid and cannot be easily rebalanced.

*Assumes a 50/50 weighting to core and non-core real estate

**Ranges for illiquid asset classes represent minimums and maximums which will be monitored and will influence pacing analyses.

¹ Uninvested commitments to be invested in U.S. Equities.

² Uninvested commitments to be invested in Core + 5

³ Uninvested assets to be invested in 50% Core + 5 / 50% High Yield.

⁴ Uninvested commitments to be invested in 50% U.S. Equity / 50% High Yield.

The above example shows that, because private equity, non-core real estate and opportunistic fixed income are underweight relative to their targets, the adjusted target allocation to US Equity is higher as of 9/30/11 than the long term target.

Appendix: Variables used in Rebalancing Methodology

Asset Class	Estimated Transaction Costs	Expected Volatility	Correlation Assumptions											
Private Real Estate (Non-Core)	N/A	14.1%	1.0											
TIPS	0.10%	7.5%	-0.1	1.0										
Core + 5	0.25%	6.5%	0.1	0.2	1.0									
High Yield	0.67%	13.2%	0.3	0.2	0.3	1.0								
EMD	0.30%	11.1%	0.1	0.4	0.4	0.5	1.0							
Convertibles	0.75%	16.3%	0.1	0.0	0.2	0.4	0.3	1.0						
U.S. Equities	0.15%	22.0%	0.2	0.0	0.1	0.5	0.3	0.7	1.0					
Non-U.S. Equities	0.30%	22.0%	0.2	0.1	0.1	0.5	0.4	0.6	0.6	1.0				
Emerging Equities	0.70%	27.5%	0.1	0.1	0.1	0.4	0.4	0.6	0.5	0.7	1.0			
REITS	0.15%	22.0%	0.2	0.0	0.3	0.5	0.4	0.5	0.5	0.5	0.5	1.0		
Private Equity	N/A	27.7%	0.4	0.1	0.0	0.4	0.2	0.4	0.5	0.4	0.3	0.3	1.0	
Private Real Estate (Core)	N/A	10.0%	0.7	-0.1	0.1	0.3	0.1	0.1	0.2	0.2	0.1	0.2	0.4	1.0

Note: Opportunistic fixed income is modeled as 40% High Yield/40% EMD/20% U.S. Equities

These are long-term, forward looking expectations. There is no guarantee these will be realized.

Disclosures

- The analysis contained in this document may contain historical information which may not be indicative of future experience.
- The analysis contained in this document may contain long-term, forward-looking assumptions regarding risk and/or return. These assumptions are used for modeling purposes only and may not be realized.
- The potential impact of active management may not be included in the analysis.
- This analysis was prepared on a best-efforts basis and no warranties or guarantees are made with respect to any reliance made on this analysis.

APPENDICES:

BASKET CLAUSE

TRS - BASKET/NON BASKET SUMMARY

As of October 31, 2011	Fund Policy			Fund Actual (PE & RE on an invested basis)		
	Non Basket*	Basket*	Total	Non Basket*	Basket*	Total
Equity						
Domestic Equity	31.00%	0.00%	31.00%	37.22%	0.00%	37.22%
REITS	3.00%	0.00%	3.00%	4.67%	0.00%	4.67%
Non-U.S. Equity	9.00%	8.00%	17.00%	10.00%	7.25%	17.25%
Private Equity	0.00%	6.00%	6.00%	0.00%	5.32%	5.32%
Real Estate	2.40%	3.60%	6.00%	0.90%	0.91%	1.81%
Total Equity	45.40%	17.60%	63.00%	52.79%	13.48%	66.27%
Fixed Income						
Core+5	18.00%	0.00%	18.00%	16.83%	0.00%	16.83%
<i>U.S. Gov't Sector</i>	<i>4.02%</i>	<i>0.00%</i>	<i>4.02%</i>	<i>2.51%</i>	<i>0.00%</i>	<i>2.51%</i>
<i>Mortgage Sector</i>	<i>7.69%</i>	<i>0.00%</i>	<i>7.69%</i>	<i>8.28%</i>	<i>0.00%</i>	<i>8.28%</i>
<i>Credit Sector</i>	<i>6.29%</i>	<i>0.00%</i>	<i>6.29%</i>	<i>6.05%</i>	<i>0.00%</i>	<i>6.05%</i>
High Yield	3.75%	0.25%	4.00%	3.35%	0.37%	3.72%
TIPS	3.75%	0.25%	4.00%	2.65%	0.61%	3.26%
Convertibles	2.40%	0.60%	3.00%	0.75%	0.24%	0.99%
Opportunistic	3.00%	2.00%	5.00%	0.14%	0.80%	0.94%
Emerging Market Debt	0.00%	3.00%	3.00%	0.00%	0.00%	0.00%
Other Fixed Income	0.00%	0.00%	0.00%	7.99%	0.00%	7.99%
Total Fixed Income	30.90%	6.10%	37.00%	31.71%	2.02%	33.73%
Total Fund	76.30%	23.70%	100.00%	84.50%	15.50%	100.00%
Remaining Capacity		1.30%			9.50%	

* Note: Basket amounts are estimates