



New York City Employees' Retirement System

Performance Overview as of June 30, 2012

Total Fund Overview

New York City Employees' Retirement System

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Through June 30, 2012

General Economic and Market Conditions: The economic recovery in the U.S. has clearly lost momentum in 2012. Turmoil in the European financial system, combined with a deepening euro zone recession, a sharp deceleration of growth in China and the overall global slowdown finally caught up with the U.S. economy. GDP growth in the first quarter was revised down to 2.0% from 2.2%, and the second quarter came in at a very subdued 1.5%. Key economic data on jobs, consumer spending and manufacturing surprised on the downside as the second quarter progressed.

The U.S. economy still managed to register growth, and not all the news was bad. The housing market appears to finally be showing signs of recovery, with sales and construction activity improving across numerous markets. The U.S. is still a long way from recessionary readings in many indicators, and consumer confidence has not collapsed as it did in the middle of 2011. The prospect for GDP growth in the U.S. is now lower, with consensus estimates in the 2% range for the next two years. This performance actually looks stellar when compared to the troubling prospects facing most other economies around the globe. Note that the annual revisions to GDP were released with the initial estimates for the second quarter. GDP growth for 2009 was revised to a smaller loss, from -3.5% to -3.1%, while growth for 2010 was revised downward, from 3.0% to 2.4%. The mild recovery turns out to have been even milder than previously reported.

Retail sales disappointed in June, falling 0.5%. Part of the decline may be explained by a sharp drop in gasoline prices, since gasoline sales are reported in the retail figures. However, the magnitude of the decline—60 cents per gallon from April to June—should have raised consumer purchasing power. Consumer restraint showed up in the consumption measure within GDP, which slowed from a growth rate of 2.4% in the first quarter to 1.5% in the second, even with an overall positive rate of GDP growth.

The return of consumer caution can be explained in part as a reaction to a weakening job market during the second quarter. The U.S. economy generated almost 1.8 million payroll jobs during the 12 months ending June 2012—a rate of about 148,000 per month. Just to keep up with population and labor force growth, the U.S. needs at least 100,000 new jobs per month. To make a serious dent in the unemployment rate, the number needs to be more like 120,000 to 150,000. The job gains from the last 12 months measure up favorably until we examine the second quarter numbers:

Consultant's Commentary

Through June 30, 2012

68,000 jobs in April, 77,000 in May and 80,000 in June. The unemployment rate fell from 9.1% in June 2011 to 8.2% by March 2012, where it stalled through June as job growth weakened. The labor force participation rate remains stuck at 64%, which is close to a 30-year low. The unemployment rate is likely to drift upward through 2012 with softer job growth, and this drift could be accelerated by any recovery in labor force participation.

Manufacturing had become the darling of the U.S. recovery, and some bright spots still shone through in the second quarter: capital goods orders remained solid and construction spending rose, particularly when compared to one year earlier. The overall mood around manufacturing began to sour, however, as the slowdown in global demand and the uncertainty raised by the euro zone debt crisis finally hit the sector, stalling factory orders in April and driving up inventories. The ISM Manufacturing Index, a leading indicator of business sentiment, fell to 49.7 in June, below the 50 line that separates expansion from contraction. (A reading below 43 typically indicates recession.) The ISM Index for non-manufacturing also declined during the second quarter to 52.1; it remains above 50, suggesting continued expansion.

The euro zone is suffering through recession, and the turmoil of the financial crisis is keeping companies on the sidelines, exacerbating the lack of economic growth. Europe is a major market for Chinese goods, and its recession may heavily impact China. Growth in China has been clocking in at around 8-9%. The risk of a “hard landing” in China, with growth dropping into the 5-6% range, is rising. The impact of slower growth in China has been substantial, but decidedly mixed. Commodity exporting countries have been hit hard, enduring both lower export volumes and a sharp drop in commodity prices. Commodity importers like the U.S. have reaped the benefit of lower commodity prices, notably gasoline. Events in Europe and their impact on China constitute the greatest potential risks for the U.S. economy, not to mention the global economy at large. A Greek exit from the euro may prolong the European recession, but it will not necessarily drag the U.S. and the rest of the world into recession, assuming an aggressive response from euro members and the ECB. However, policy mistakes that fail to contain the sovereign debt and banking crises could result in serious damage to the global economy, including the banking sectors of the U.S. and Asia. Tighter credit conditions, a loss in confidence in the economy and a sharp drop in the stock market would cause greater harm to the U.S. and the rest of the global economy than the damage from lower exports to Europe.

Consultant's Commentary

Through June 30, 2012

Total Fund Performance: For the quarter ending June 30, 2012, the Fund returned -1.69%, just below the Policy Target's return of -1.64%. For the last fiscal year, the Fund's performance has underperformed the benchmark, returning +1.32% versus +3.01% for the benchmark. Trailing three-year performance lags as well (+12.48% annualized versus +13.29% annualized), and the Fund is behind by 36 basis points for annualized five-year performance (+2.05% versus +2.41%).

Total Fund Allocation: The Fund's assets totaled \$41.6 billion as of the end of the second quarter of 2012. As compared to the New Policy Target, the Fund's largest overweights are to domestic equity (+3.7%), cash (+3.3%), enhanced yield (+2.3%) and private equity (+1.8%). The Fund is most notably underweight opportunistic fixed income (-3.9%), TIPS (-2.3%), private real estate (-2.0%), hedge funds (-1.8%), and core + 5 (-1.6%).

U.S. Equity: The total domestic equity portion of the NYCERS Fund fell 3.53% for the quarter, slightly behind the -3.15% return of the Russell 3000. For the trailing year, NYCERS lagged the index, returning +2.23% versus +3.84% for the index. The Fund is behind the benchmark over three years and over five years.

In Large Cap, the Fund underperformed the Russell 1000 Index slightly, returning -3.18% versus the Russell 1000's return of -3.12%. Over the past year, the Fund is behind the benchmark, gaining 3.04%, short of the +4.37% return for the index.

In Mid Cap, the Fund's performance mirrored that of the index, consistent with its strictly passive exposure. The Fund returned -4.93%, same as the S&P Mid Cap Index.

In Small Cap, the Fund declined 4.35%, lagging the Russell 2000 return of -3.47%. The Fund's one year return of -4.34% was behind the -2.08% return of the Index. The fund has beaten the index over three years but lags over five years.

Consultant's Commentary

Through June 30, 2012

Developed International: For the quarter, the Fund's Non-U.S. Developed Equity composite fell 6.95% (excluding NYCERS' non-U.S. Environmental and Activist managers), outperforming the MSCI EAFE Index, which declined 7.13%. The active portfolio (-7.05%) mildly underperformed the passive one (-6.84%). The Fund returned -13.36% for the year, ahead of the return of the benchmark (-13.83%). The fund is ahead of the benchmark over the longer term three- and five-year periods in developed markets.

Emerging Markets Equity: The Fund's emerging markets equity composite dropped 7.48% in the quarter, a smaller decline than the FTSE NYCERS custom benchmark's return of -9.38%. Over the past year, three year and five years, the Fund is ahead of the custom benchmark.

Fixed Income: The composite of the Fund's structured investment grade bond managers gained 2.58% during the quarter, while the NYCERS Core Plus Five Index advanced 2.61%. For the past year, the structured composite has gained 9.24%, while the benchmark's return is +9.35%. Over longer time periods, the composite is ahead of the benchmark, having beaten it over the trailing three-year and five-year periods.

TIPS: The Fund's TIPS composite delivered a +3.26% return in the first quarter, ahead of the +3.15% return for the Barclays Capital US TIPS Index. Over the past year, the Fund's TIPS managers have returned +12.13%, ahead of the benchmark's return of 11.66%. The Fund has bested the Index over three years and five years.

Enhanced Yield: In enhanced yield, the Fund's managers achieved a +1.54% return for the quarter, while the Citigroup BB&B Index posted a return of +2.08%. For the past year, the Fund lagged the benchmark, but has beaten the benchmark over three and five years.

Convertibles: The convertible portfolio declined 2.30% in the quarter, ahead of the NYCERS Custom Convertible Bond Index's return of -2.54%. For the past year and trailing three years, the Fund slightly lags the convertibles benchmark.

Consultant's Commentary

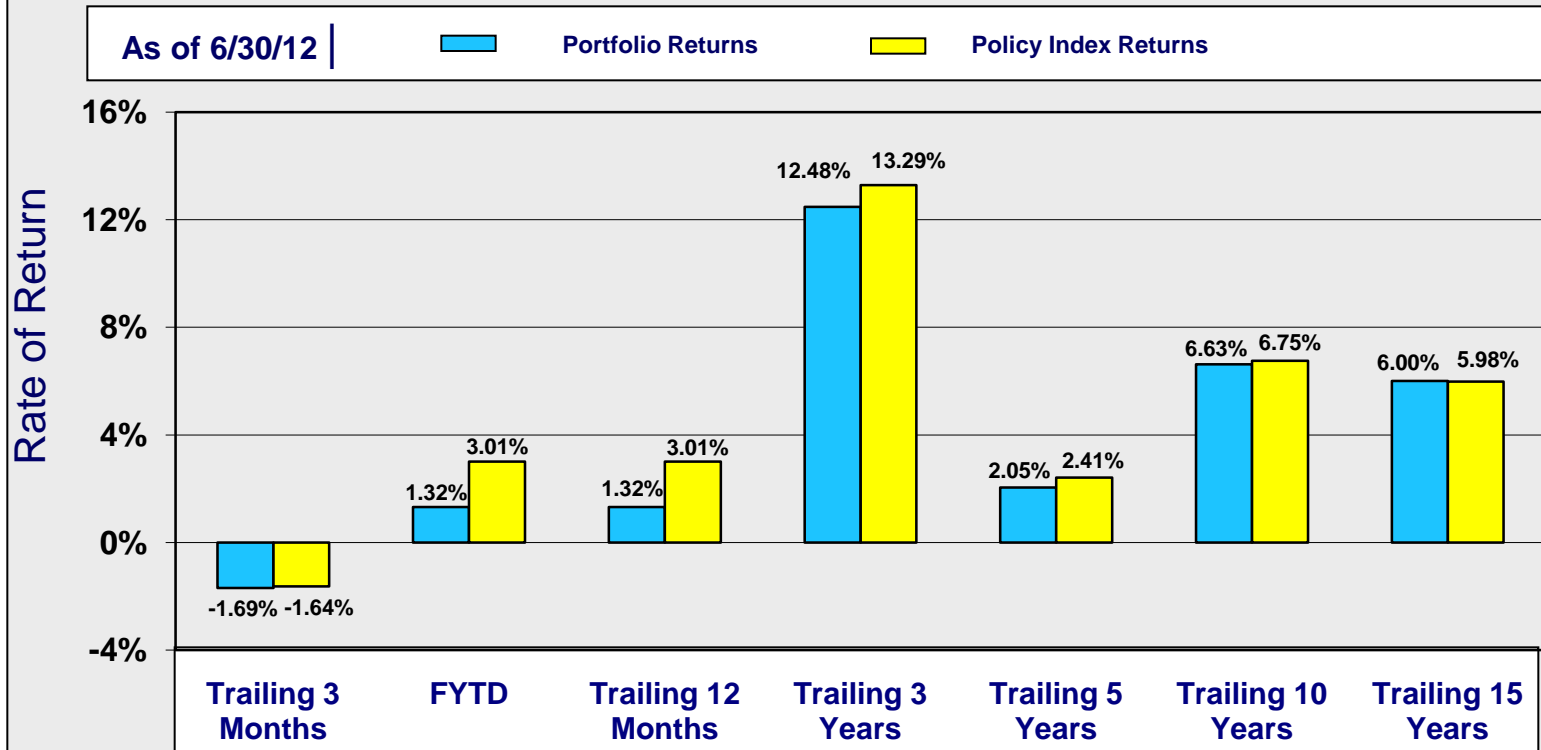
Through June 30, 2012

Opportunistic Fixed Income: The opportunistic fixed income composite advanced 4.89% for the quarter, besting the 1.91% gain of the JPMorgan Global High Yield Plus 3% benchmark. For the past year the fund is below benchmark, but is above it over three years in opportunistic.

Alternatives: For the quarter, the Private Equity portfolio had approximately \$3.7 billion in invested capital, representing roughly 8.8% of the Total Fund. The Real Estate portfolio had approximately \$1.7 billion invested, accounting for roughly 4.0% of the Total Fund. Hedge Fund investments represented \$0.9 billion, or 2.2%. Performance is reported separately by NYCERS' Private Equity, Real Estate and Hedge Fund consultants.

Total Portfolio Returns: June 30, 2012

\$41.6B Under Management



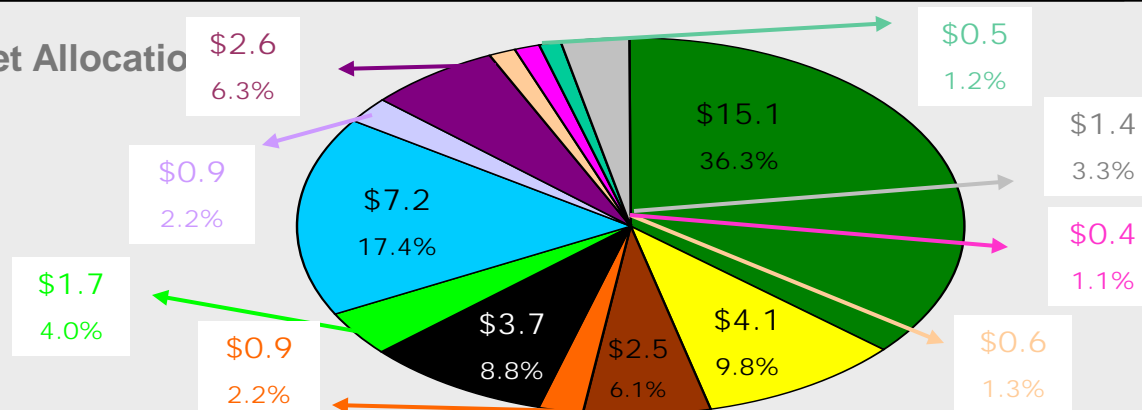
	3 Years	5 Years	10 Years	15 Years
Plan Std Dev	10.4	12.8	10.8	11.3
Benchmark Std Dev	11.3	14.2	11.7	11.8

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

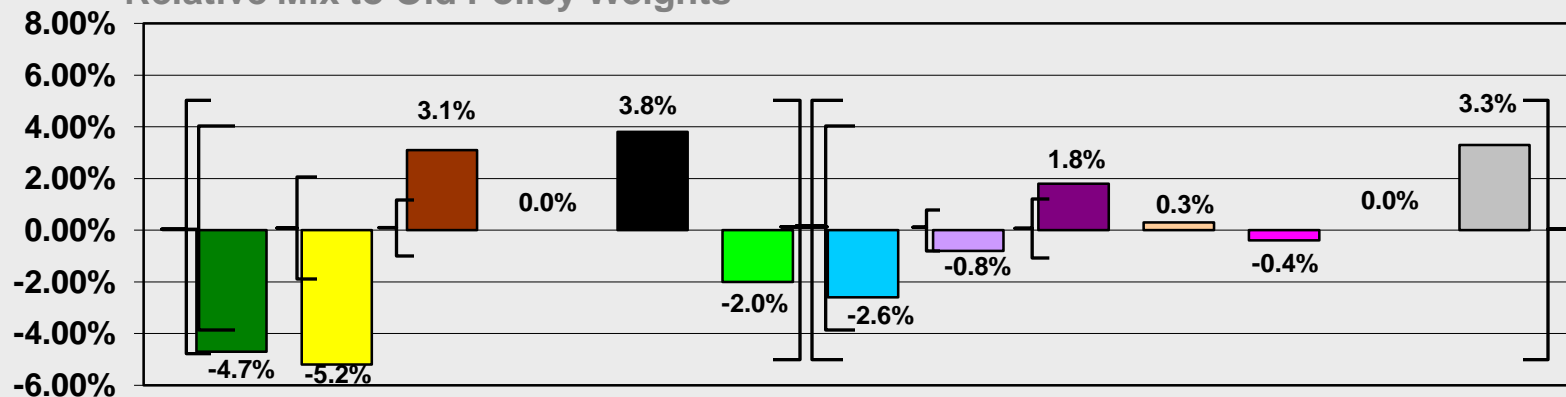
Portfolio Asset Allocation: June 30, 2012

\$41.6B Under Management

Asset Allocation



Relative Mix to Old Policy Weights

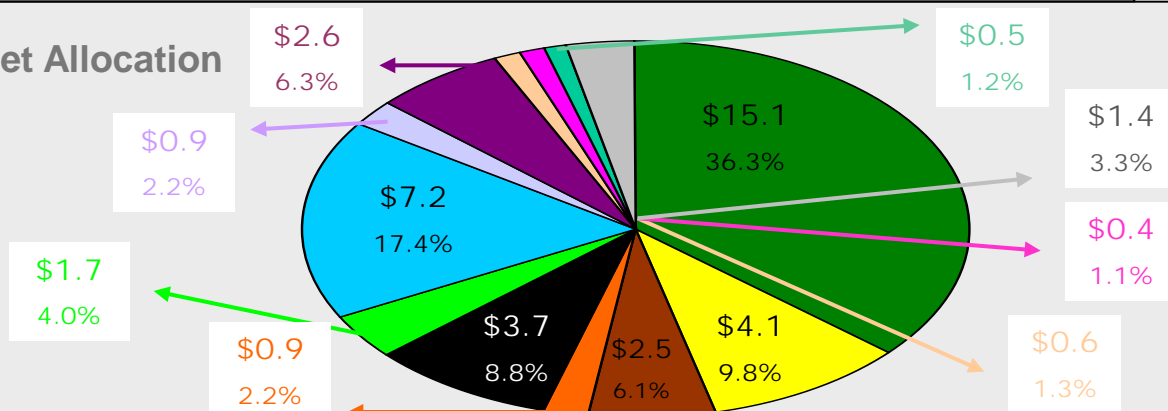


Note: Brackets represent rebalancing ranges versus policy.

Portfolio Asset Allocation: June 30, 2012

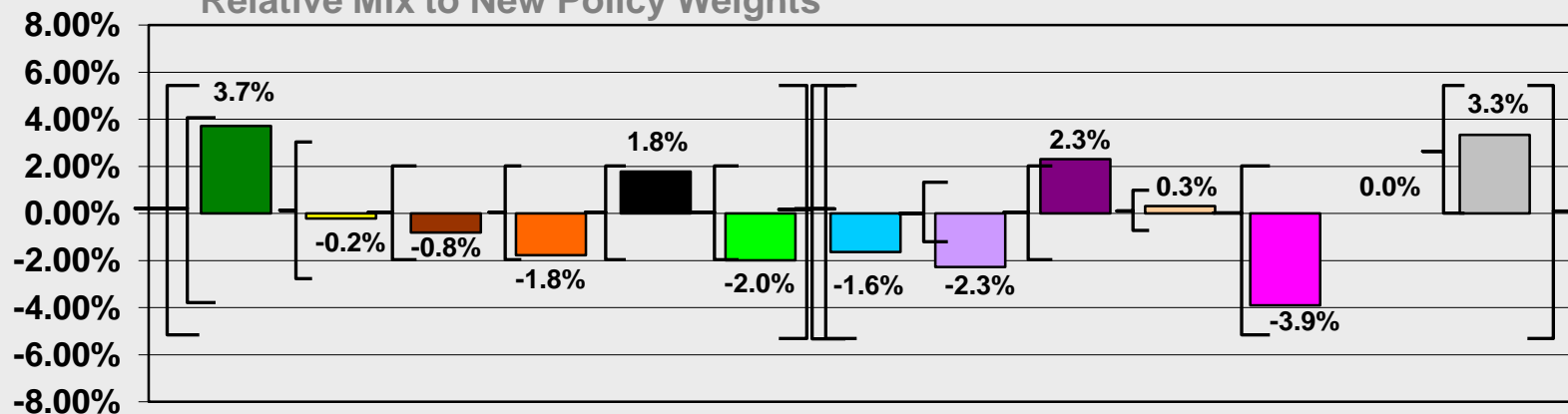
\$41.6B Under Management

Asset Allocation



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

Relative Mix to New Policy Weights

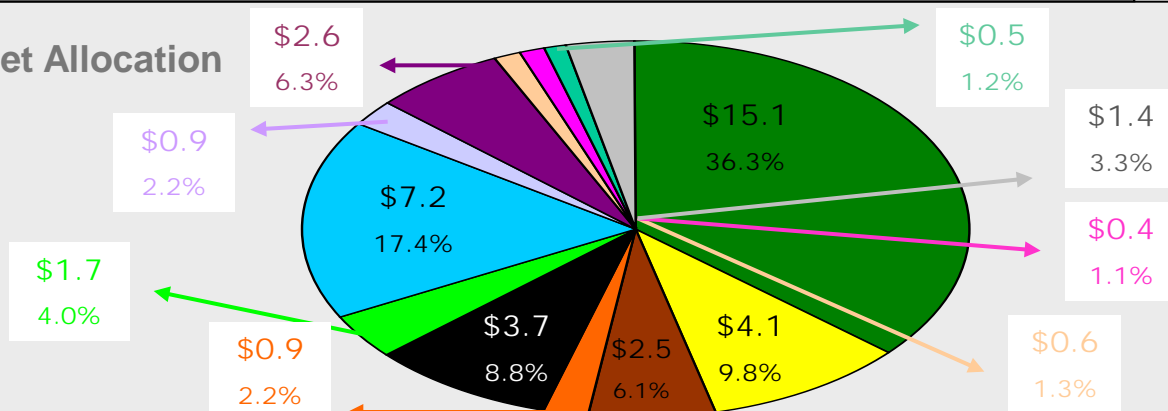


Note: Brackets represent rebalancing ranges versus policy.

Portfolio Asset Allocation: June 30, 2012

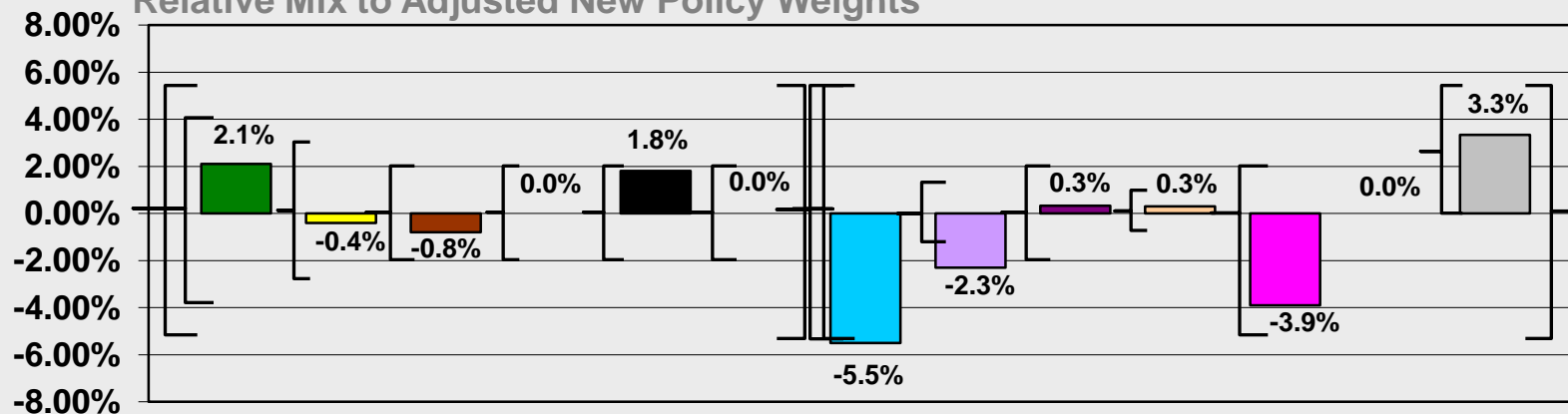
\$41.6B Under Management

Asset Allocation



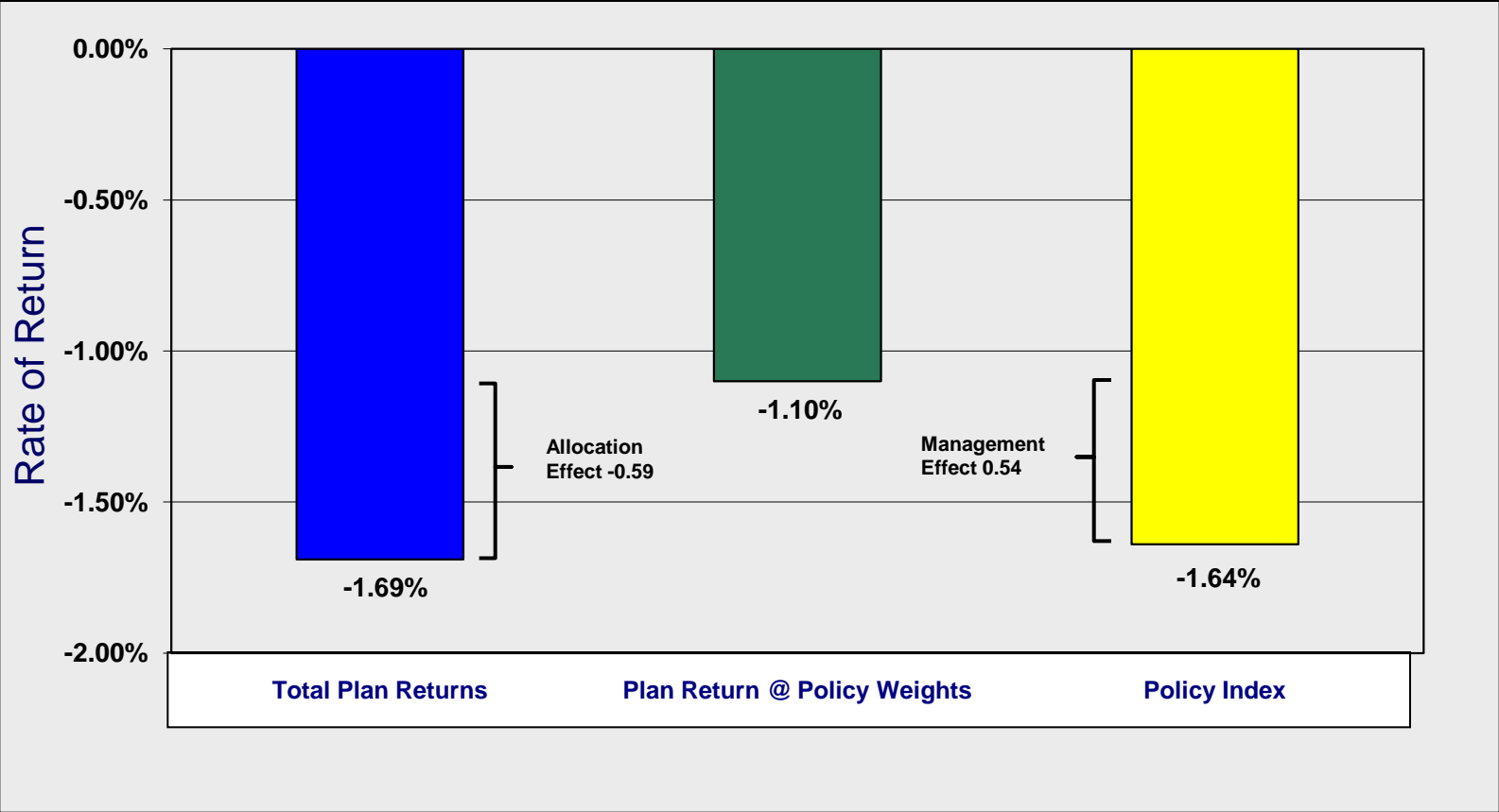
■ Domestic Equity
 ■ EAFE Markets
 ■ Emerging Markets
 ■ Hedge Funds
 ■ Private Equity
 ■ Private RE
 ■ Core + 5
 ■ TIPS
 ■ Enhanced Yield
 ■ Convertible Bonds
 ■ Opportunistic FI
 ■ ETI
 ■ Cash

Relative Mix to Adjusted New Policy Weights

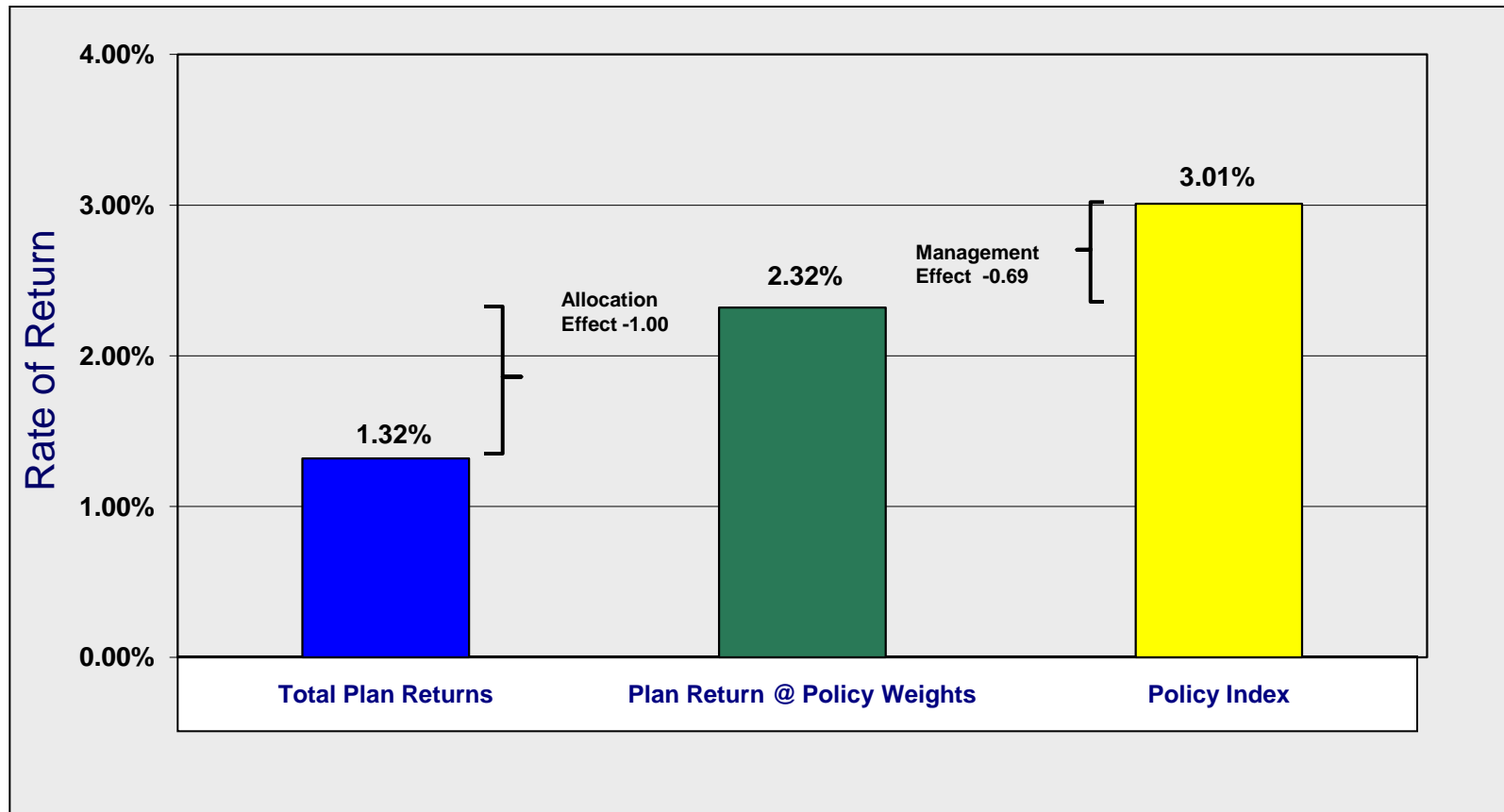


Note: Brackets represent rebalancing ranges versus policy.

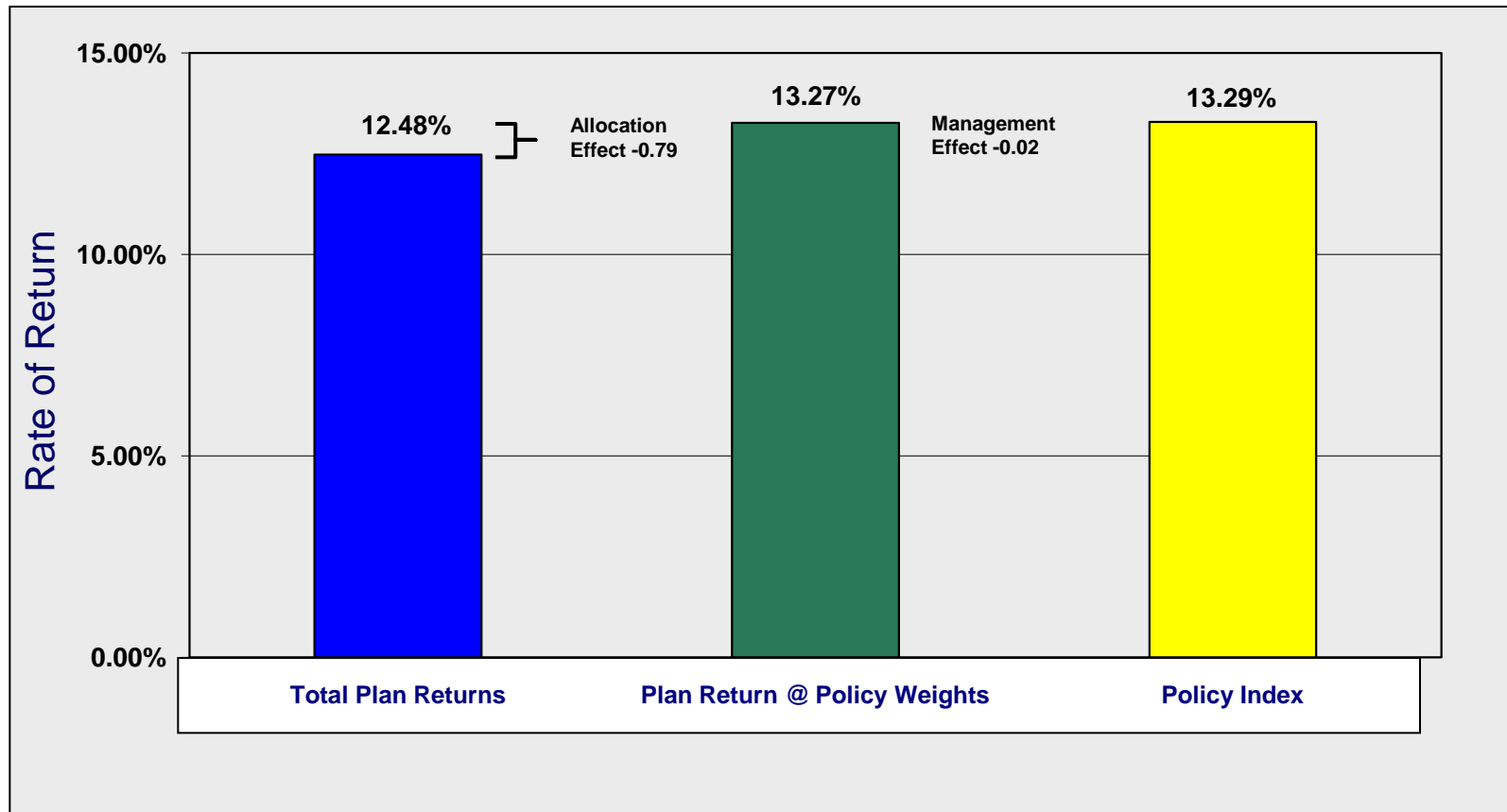
Performance Attribution: Total Plan - Quarter Ending June 30, 2012



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



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



Total Plan: June 30, 2012

Allocation Effect – Asset Class Breakdown

<u>Plan</u>	<u>Quarter</u>	<u>12 Months</u>	<u>3 Years</u>	<u>Benchmark</u>
Domestic Equity	-0.12	-0.04	-0.13	Russell 3000 Index
EAFE Markets	-0.02	0.06	-0.09	MSCI EAFE Index
Emerging Markets	0.02	-0.04	-0.03	FTSE NYCERS Custom Index
Private Equity	0.07	-0.03	-0.03	Russell 3000 Index + 500 b.p.
Private Real Estate	0.00	0.00	0.01	NCREIF ODCE net
Hedge Funds	0.01	N/A	N/A	HFRI Fund of Funds Composite Index + 1%
Domestic Fixed	-0.38	-0.71	-0.30	NYC Core +5 Index
Enhanced Yield	0.00	-0.03	0.07	Citigroup BB&B Index
TIPS	-0.12	-0.14	-0.03	Barclays Capital US TIPS
Convertible Bonds	0.00	-0.01	-0.01	Merrill All Converts ex Mandatory (VOAO)
Opportunistic Fixed	-0.02	0.01	N/A	JPM Global High Yield + 3%
State Street Short Term	0.00	-0.21	-0.30	Total Plan

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

Total Plan: June 30, 2012

Management Effect – Asset Class Breakdown

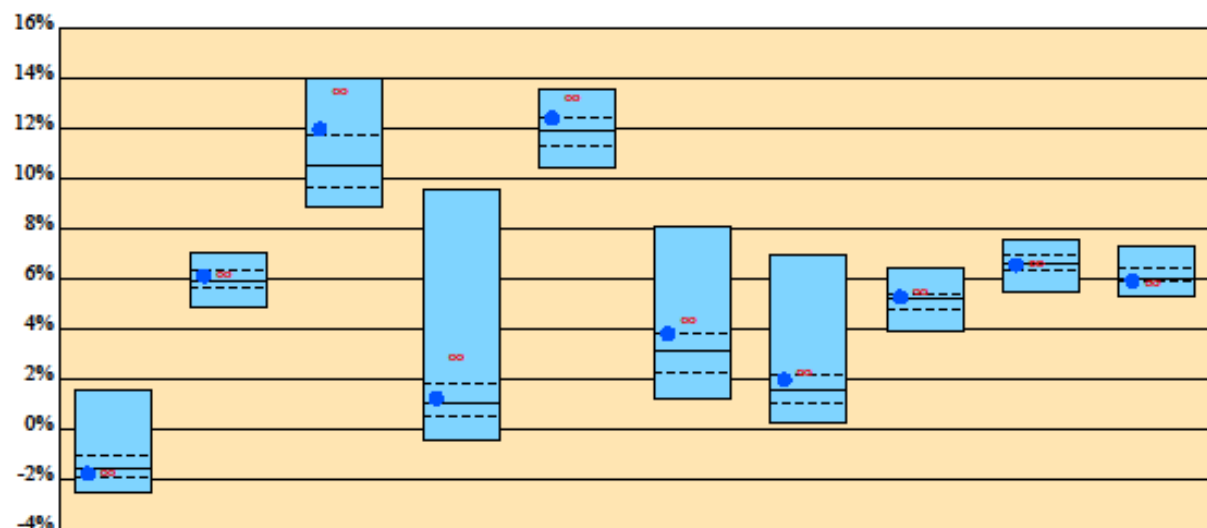
<u>Plan</u>	<u>Quarter</u>	<u>12 Months</u>	<u>3 Years</u>	<u>Benchmark</u>
Domestic Equity	-0.15	-0.58	-0.16	Russell 3000 Index
EAFE Markets	0.02	0.07	0.01	MSCI EAFE Index
Emerging Markets	0.12	0.12	0.06	FTSE NYCERS Custom Index
Private Equity	0.56	-0.39	-0.41	Russell 3000 Index + 500 b.p.
Private Real Estate	0.08	0.19	-0.01	NCREIF NFI ODCE net
Hedge Funds	0.01	NA	NA	HFRI Fund of Funds Composite Index + 1%
Domestic Fixed	0.00	-0.01	0.23	NYC Core + 5 Index
TIPS	0.00	0.01	0.00	Barclays Capital US TIPS Index
Enhanced Yield	-0.03	-0.08	0.07	Citigroup BB&B Index
Convertible Bonds	0.01	-0.01	0.07	Merrill All Convertibles EX Mandatory (VOAO)
Opportunistic Fixed	0.02	-0.14	NA	JPM High Yield + 3%

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

City of New York - Employees

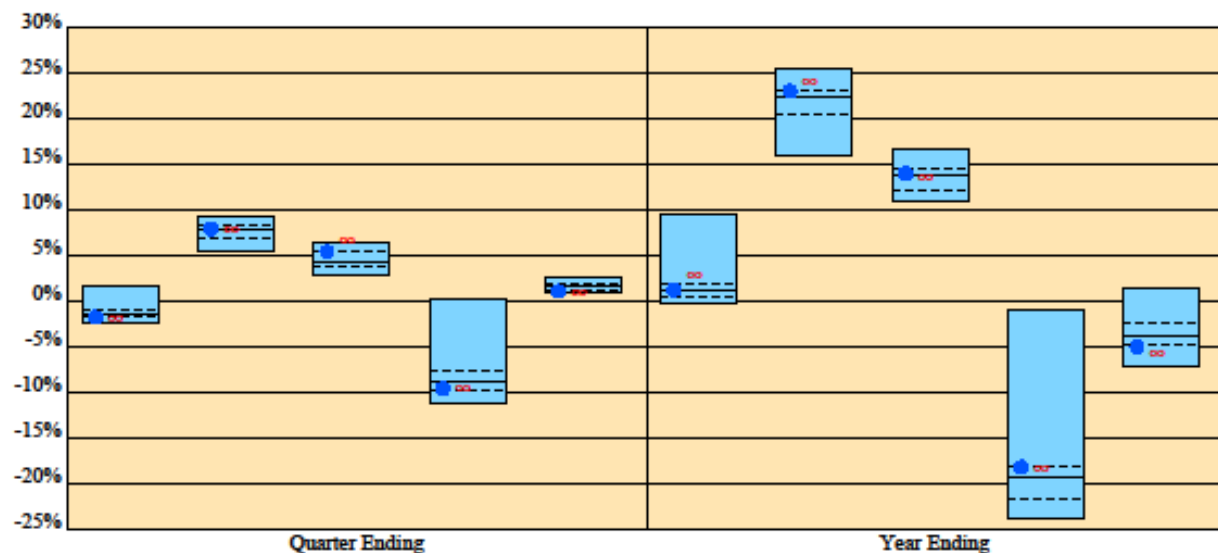
Total Returns of Public Master Trusts > \$10 Billion

Rates of Return for Periods Ending June 30, 2012



	1 Quarter	2 Quarters	3 Quarters	1 Year	3 Years	4 Years	5 Years	7 Years	10 Years	15 Years
5th Percentile	1.59	7.06	13.99	9.60	13.59	8.14	6.94	6.48	7.61	7.36
25th Percentile	-0.99	6.40	11.75	1.87	12.48	3.88	2.19	5.46	6.97	6.42
Median	-1.50	5.92	10.57	1.11	11.92	3.13	1.62	5.22	6.64	6.06
75th Percentile	-1.83	5.71	9.69	0.54	11.33	2.27	1.10	4.82	6.36	5.95
95th Percentile	-2.46	4.94	8.90	-0.38	10.44	1.22	0.28	3.93	5.51	5.31
● Total System	-1.69 (61)	6.19 (41)	12.02 (20)	1.32 (44)	12.48 (25)	3.88 (25)	2.05 (27)	5.34 (41)	6.63 (53)	6.00 (58)
⊗ Employees Policy Benchmark	-1.64 (52)	6.32 (33)	13.55 (5)	3.01 (8)	13.30 (8)	4.47 (8)	2.41 (19)	5.55 (22)	6.75 (37)	5.98 (66)

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



● Total System

∞ Employees Policy Benchmark

-1.69 (61)	8.01 (36)	5.49 (22)	-9.55 (61)	1.14 (83)	1.32 (44)	23.12 (22)	14.09 (38)	-18.17 (30)	-4.95 (77)
-1.64 (52)	8.09 (27)	6.80 (1)	-9.28 (50)	1.05 (88)	3.01 (8)	24.19 (5)	13.69 (50)	-18.09 (22)	-5.44 (83)

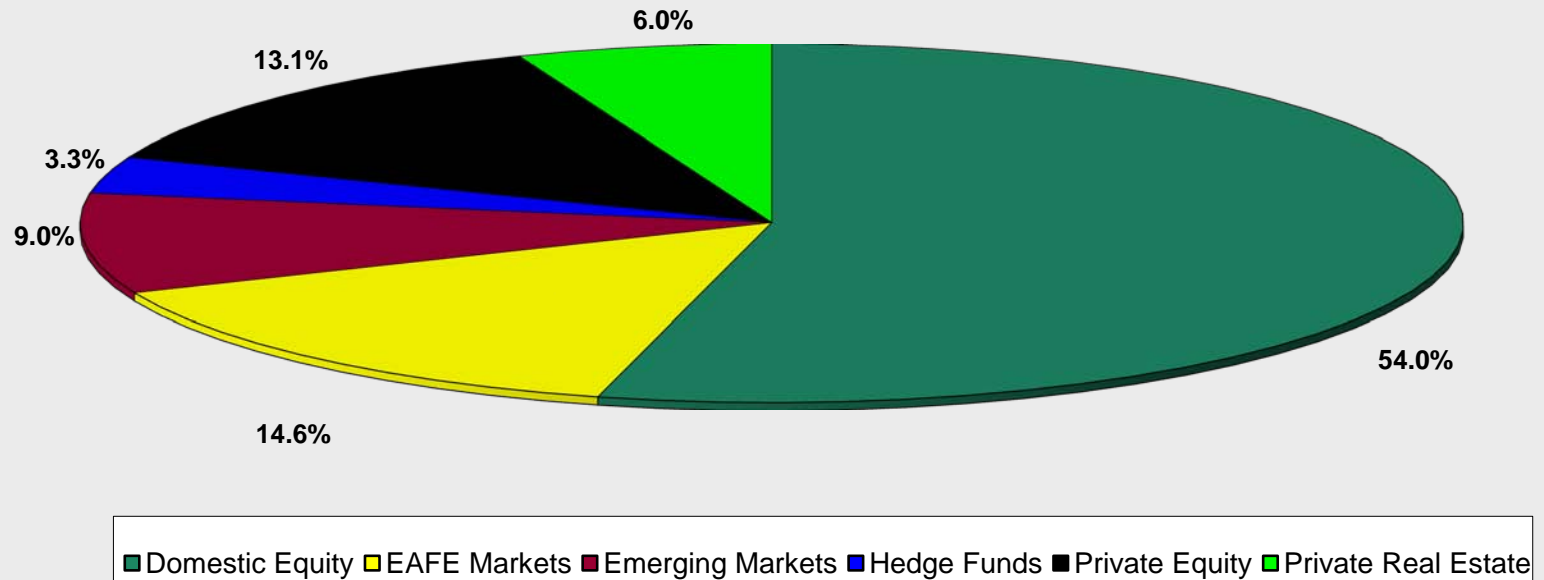
New York City Employees' Retirement System

Equity Analysis

Total Equity Asset Allocation: June 30, 2012

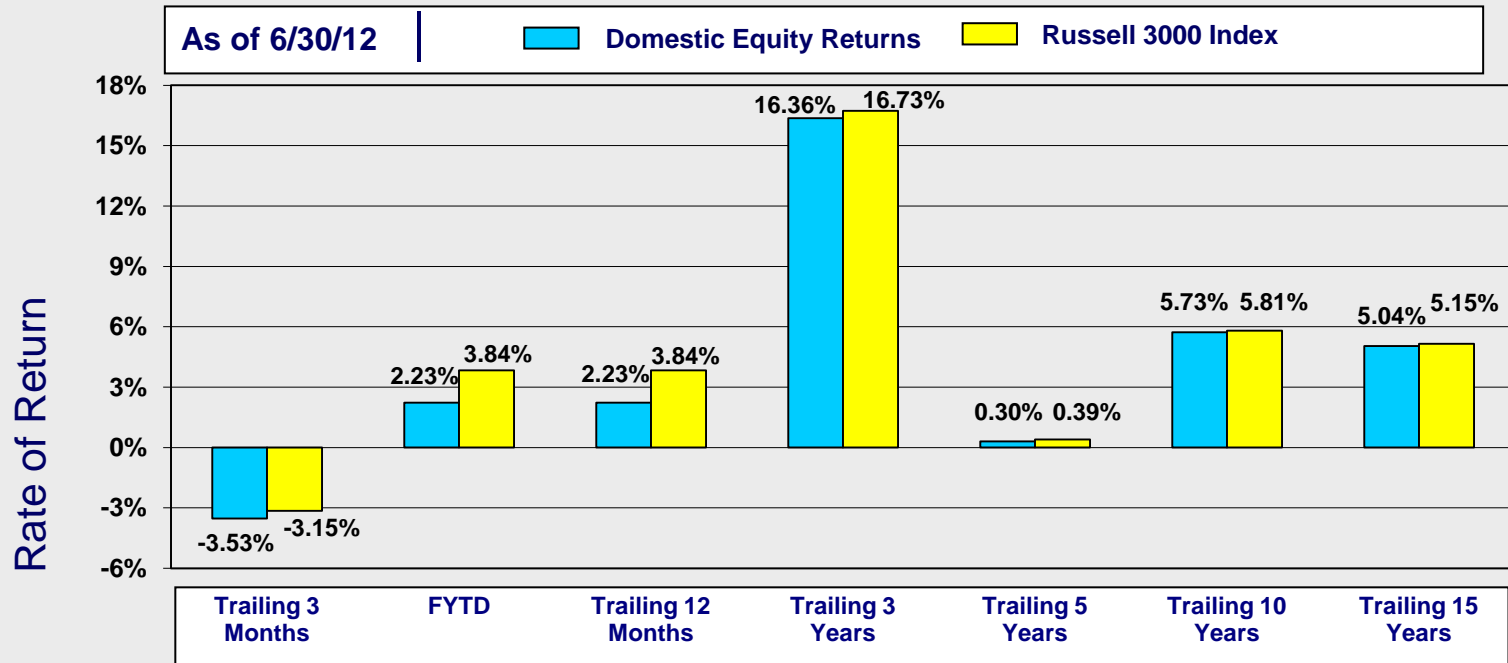
\$28B Under Management, 67% of Total Funds

Asset Allocation by Groups



Total Domestic Equity Returns vs Russell 3000 Index

\$15.1B Under Management, **36%** of Total Funds

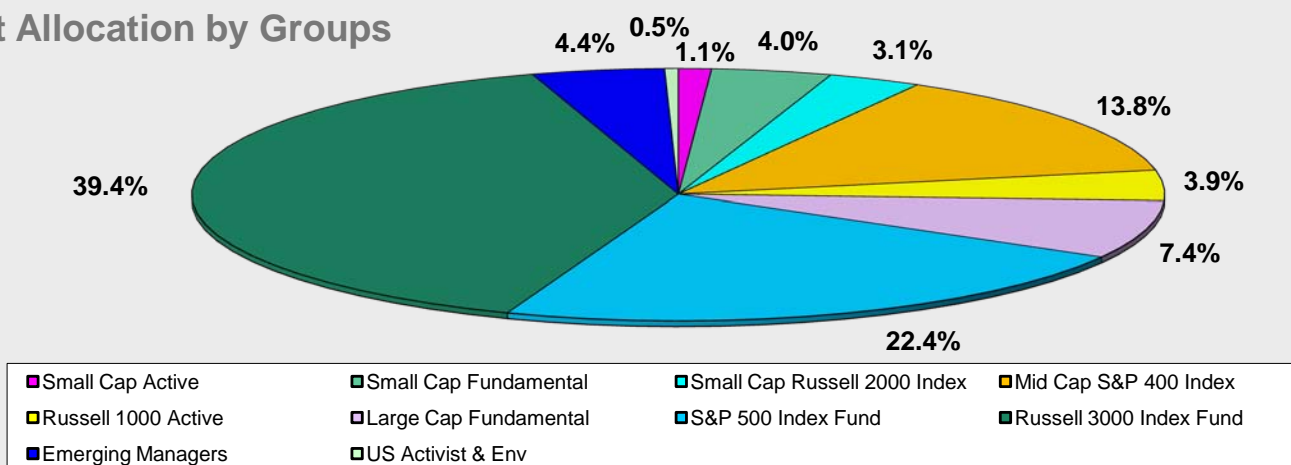


	3 Years	5 Years	10 Years	15 Years
Plan Std Dev	16.9	19.9	16.3	16.9
Benchmark Std Dev	16.6	19.8	16.3	16.8

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

\$15.1B Under Management, **36%** of Total Funds

Asset Allocation by Groups



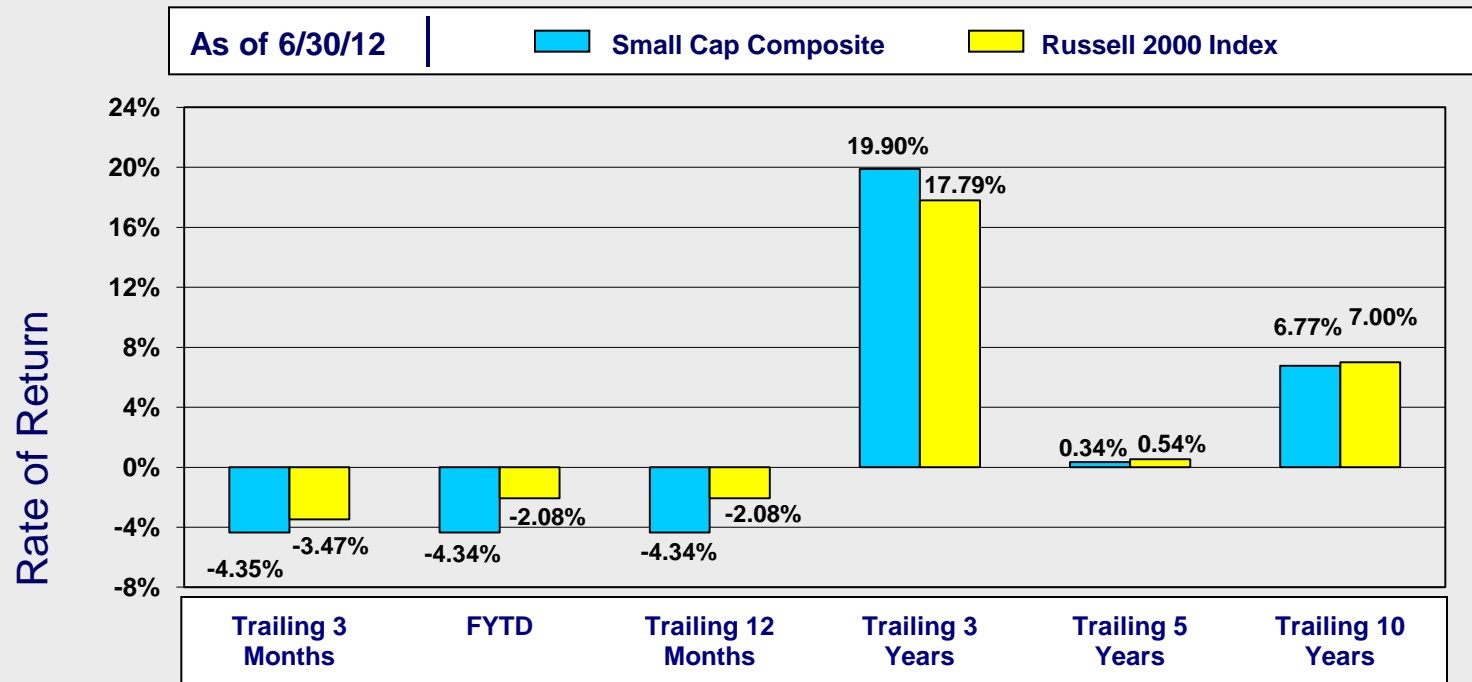
Value Added by Sectors

Sub Sector	Policy Weight	Actual Weight	Under/Over Weight	Index Return	Actual Return	Difference	Contribution to Out/Under Performance	
							Allocation	Management
Small Cap Active	3.99	1.10	-2.89	-3.47	-4.91	-1.44	0.00	-0.07
Small Cap Fundamental Index	3.00	4.00	1.00	-3.47	-4.84	-1.37	0.00	-0.05
Small Cap Russell 2000 Index**	1.54	3.11	1.57	-3.47	-3.43	0.05	-0.01	0.00
Mid Cap S&P 400 Index**	12.51	13.76	1.25	-4.93	-4.93	0.00	-0.02	0.00
Russell 1000 Active	3.13	3.87	0.74	-3.12	-3.18	-0.06	0.01	0.00
Large Cap Fundamental Index	5.44	7.43	1.99	-3.12	-2.34	0.78	0.01	0.06
S & P 500 Index Fund	22.00	22.44	0.44	-2.75	-2.89	-0.14	0.01	-0.03
Russell 3000 Index Fund**	44.59	39.44	-5.15	-3.15	-3.13	0.02	-0.01	0.01
Emerging Managers	3.50	4.41	0.91	-3.15	-5.36	-2.21	0.00	-0.09
US Activist & Environmental	0.30	0.45	0.15	-3.47	-5.74	-2.27	0.00	-0.01

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

Small Cap Returns vs Russell 2000 Index

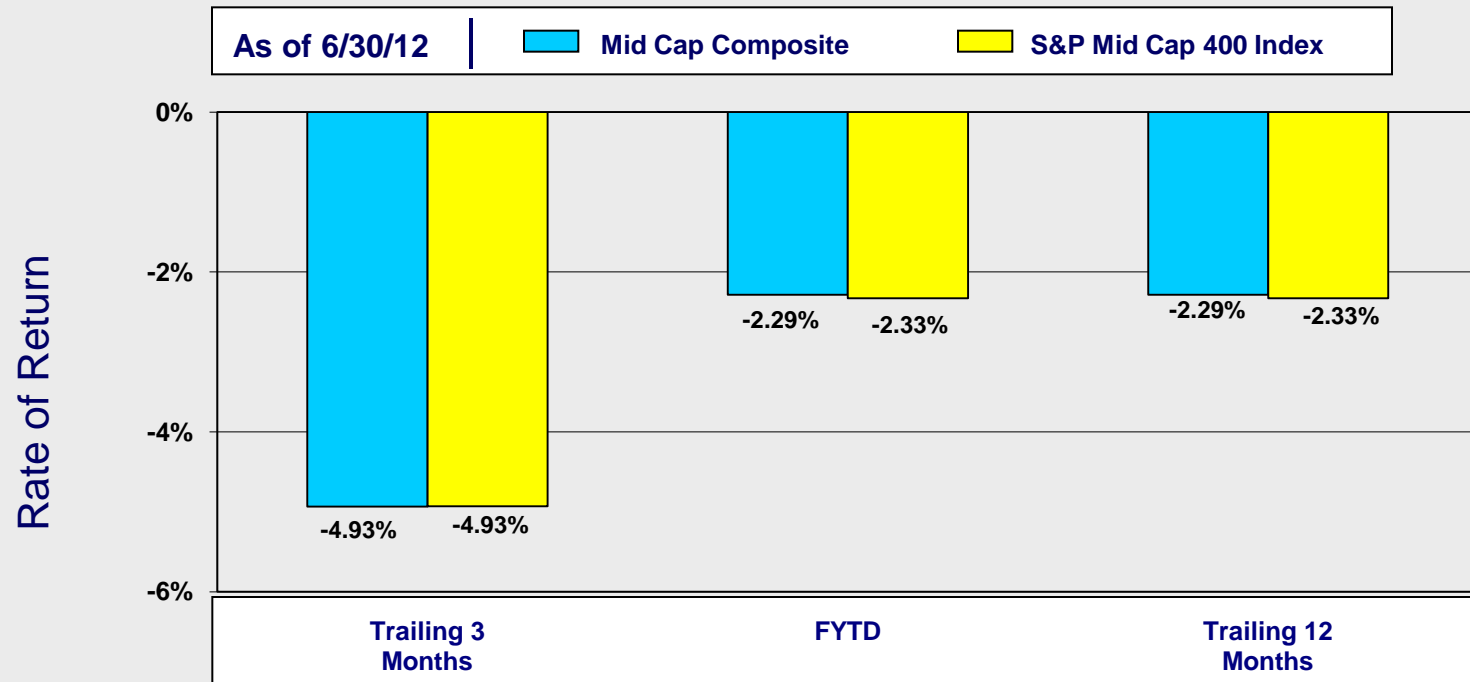
\$1.2B Under Management, **3%** of Total Funds



	3 Years	5 Years	10 Years
Plan Std Dev	21.8	25.5	20.4
Benchmark Std Dev	21.6	24.7	21.0

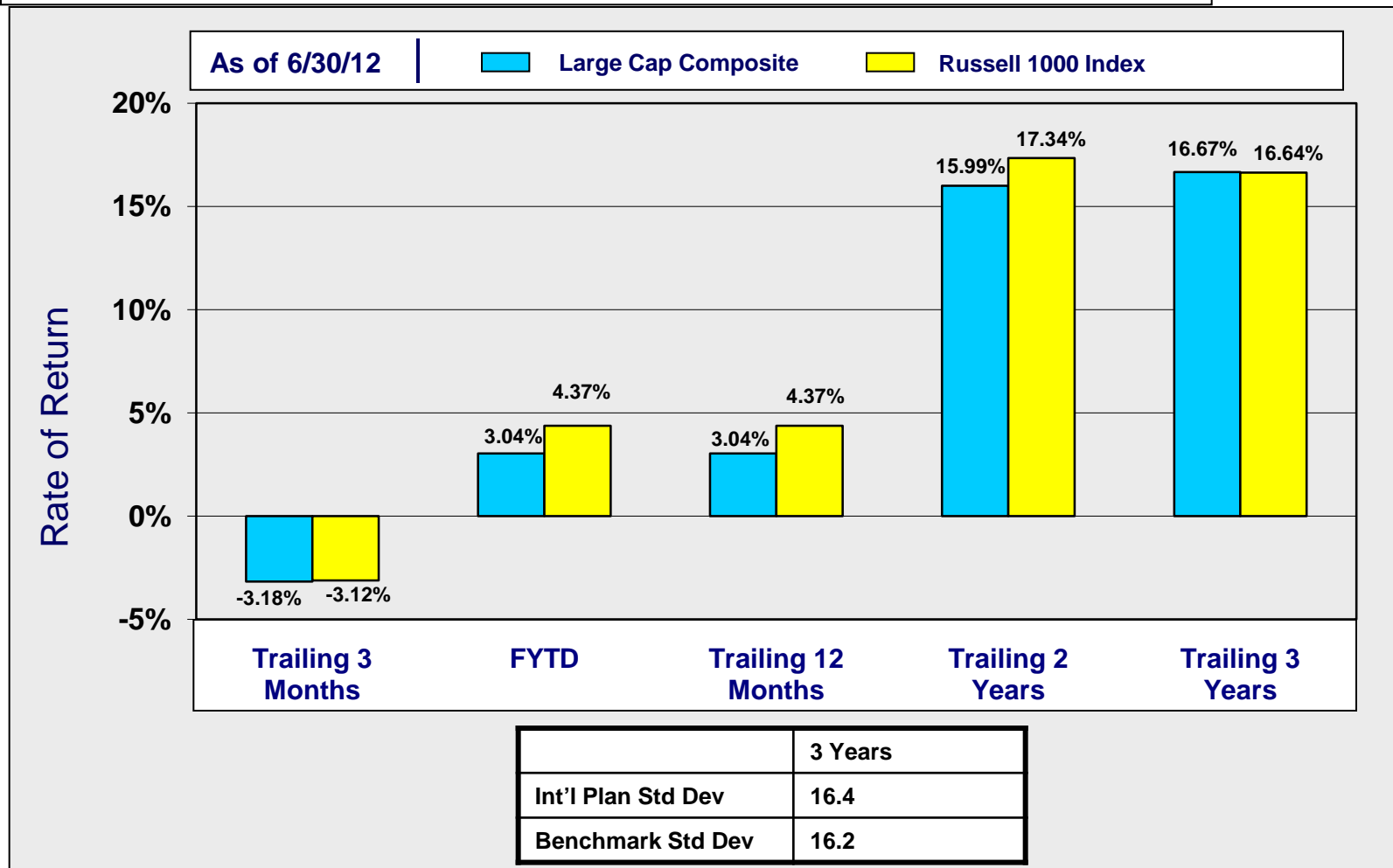
Mid Cap Returns vs S&P Mid Cap 400 Index

\$2.1B Under Management, **5%** of Total Funds



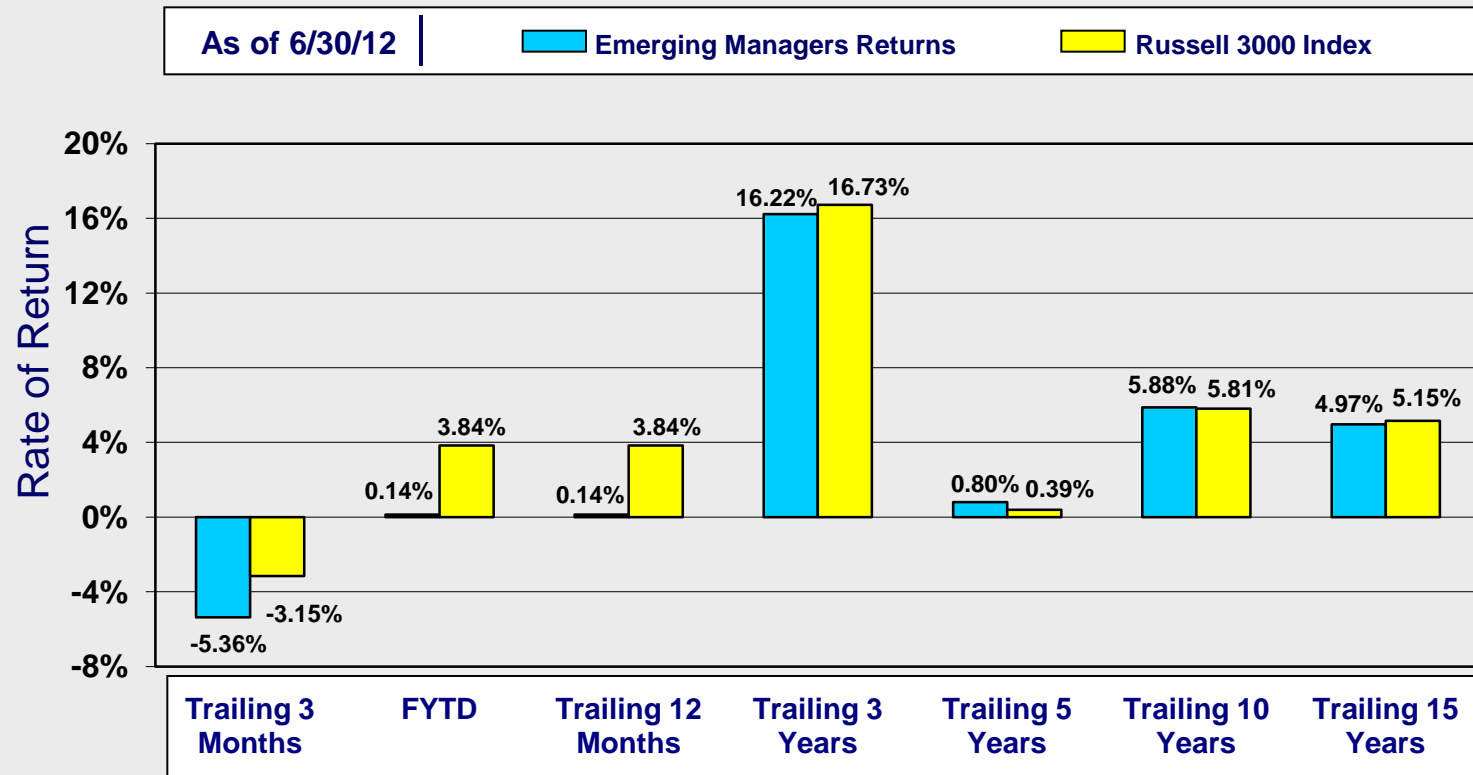
Large Cap Returns vs Russell 1000 Index

\$1.7B Under Management, **4%** of Total Funds



US Equity Emerging Managers Returns vs Russell 3000 Index

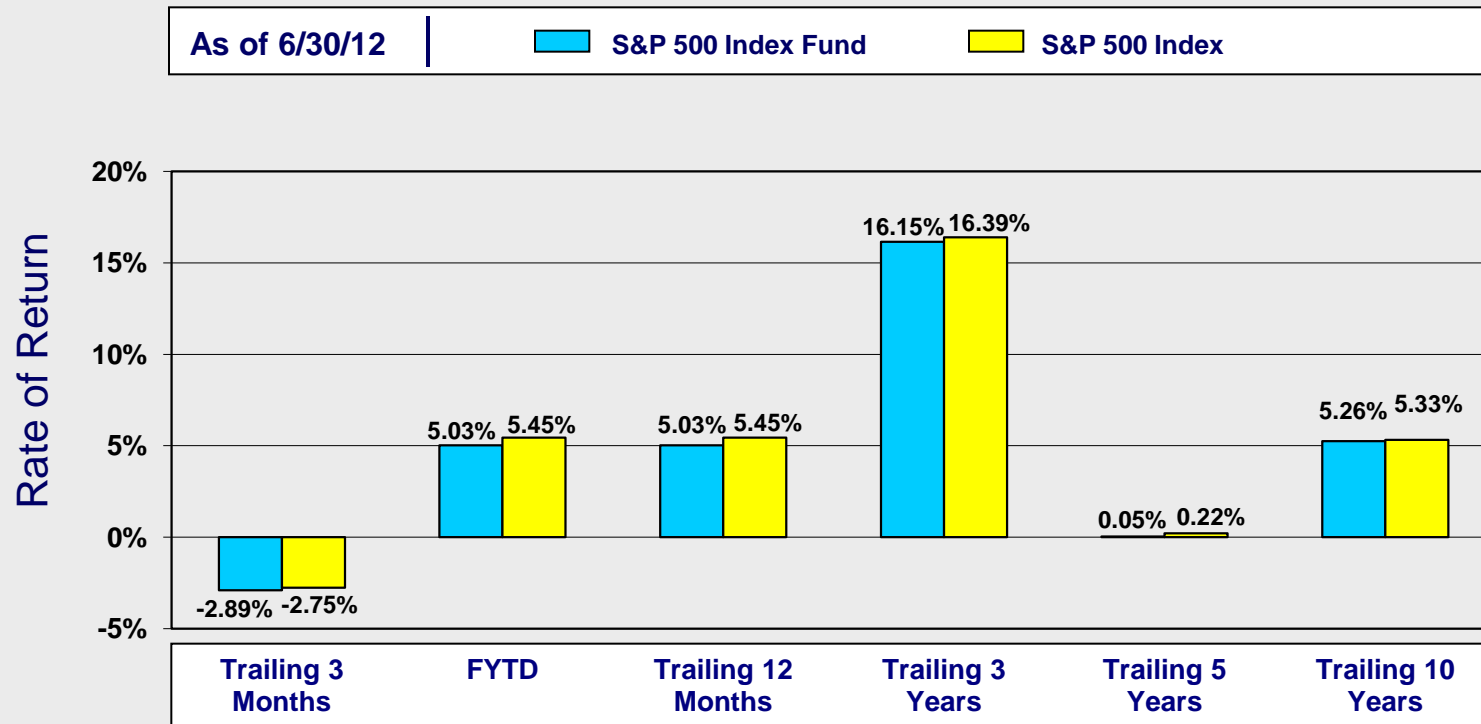
\$0.7B Under Management, **2%** of Total Funds



	3 Years	5 Years	10 Years	15 Years
Plan Std Dev	17.2	20.0	16.3	17.6
Benchmark Std Dev	16.6	19.8	16.3	16.8

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

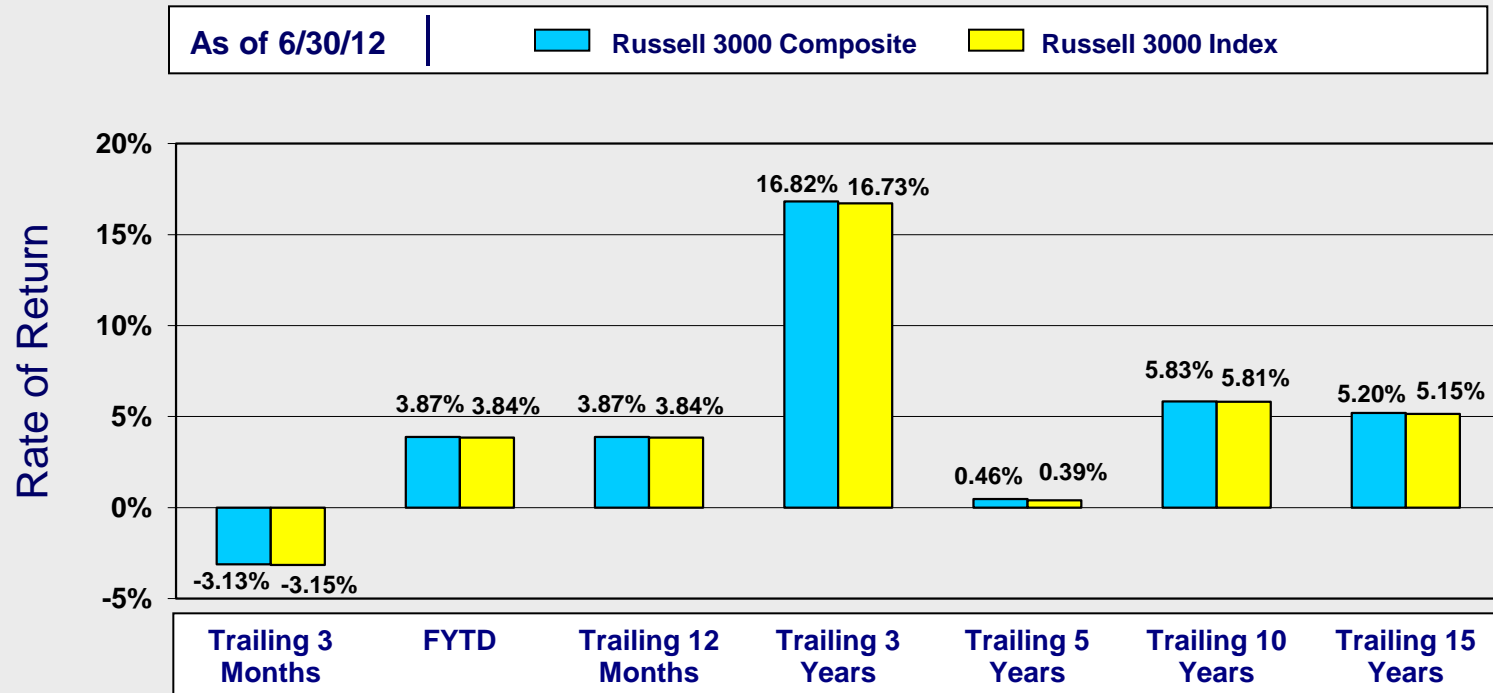
\$3.4B Under Management, **8%** of Total Funds



	3 Years	5 Years	10 Years
Plan Std Dev	15.9	19.1	15.8
Benchmark Std Dev	15.9	19.1	15.8

Russell 3000 Index Fund Returns vs Russell 3000 Index

\$6.0B Under Management, **14%** of Total Funds

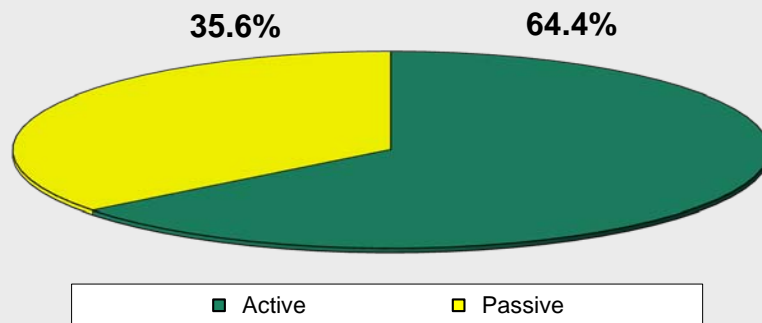


	3 Years	5 Years	10 Years	15 Years
Plan Std Dev	16.6	19.8	16.2	16.8
Benchmark Std Dev	16.6	19.8	16.3	16.8

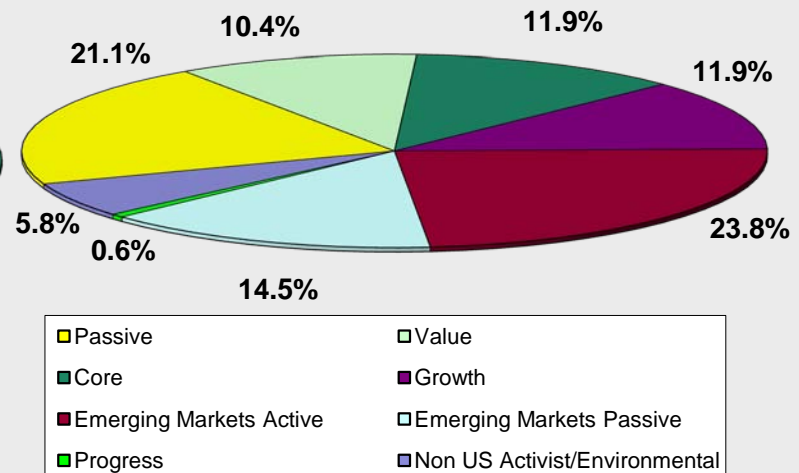
International Equity Asset Allocation: June 30, 2012

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

Asset Allocation by Groups



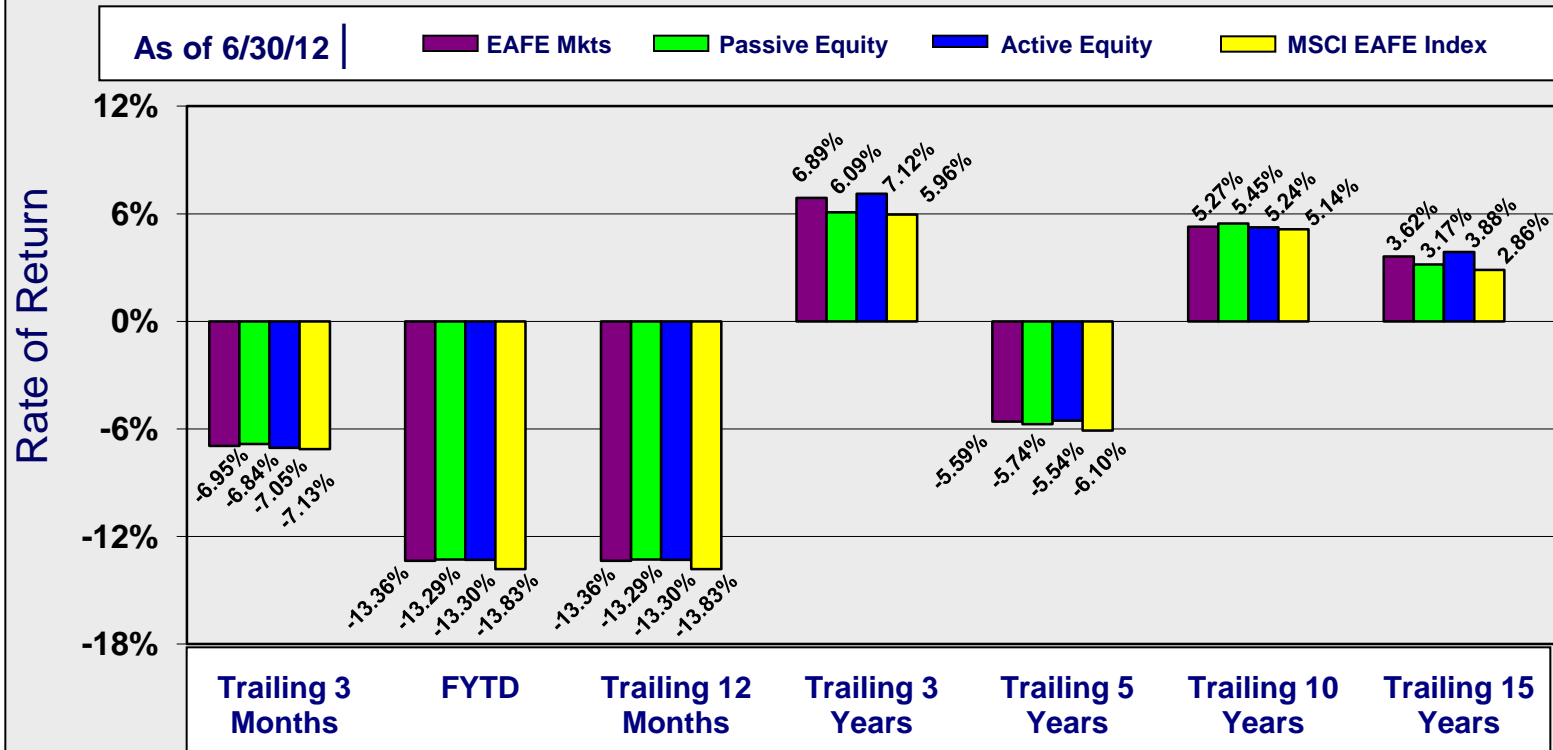
Asset Allocation by Style



Sub Sector	Policy Weight	Actual Weight	Under/Over Weight	Index Return	Actual Return	Difference	Contribution to	
							Allocation	Management
EAFE Growth		11.85		-7.06	-7.12	-0.05		-0.22
EAFE Value		10.46		-6.70	-6.06	0.64		0.17
EAFE Core		11.85		-7.13	-7.79	-0.66		-0.36
EAFE Passive		21.05		-7.13	-6.84	0.29		0.03
Progress		0.57		-7.13	-6.68	0.45		0.00
Non-US Activist		3.24		-9.05	-15.59	-6.54		-0.19
Non-US Environmental		2.61		-4.86	-3.84	1.01		-0.01
Active EM		23.83		-9.38	-7.29	2.09		-0.04
Passive EM		14.55		-9.38	-9.32	0.06		0.19

EAFE Markets Returns vs MSCI EAFE Index

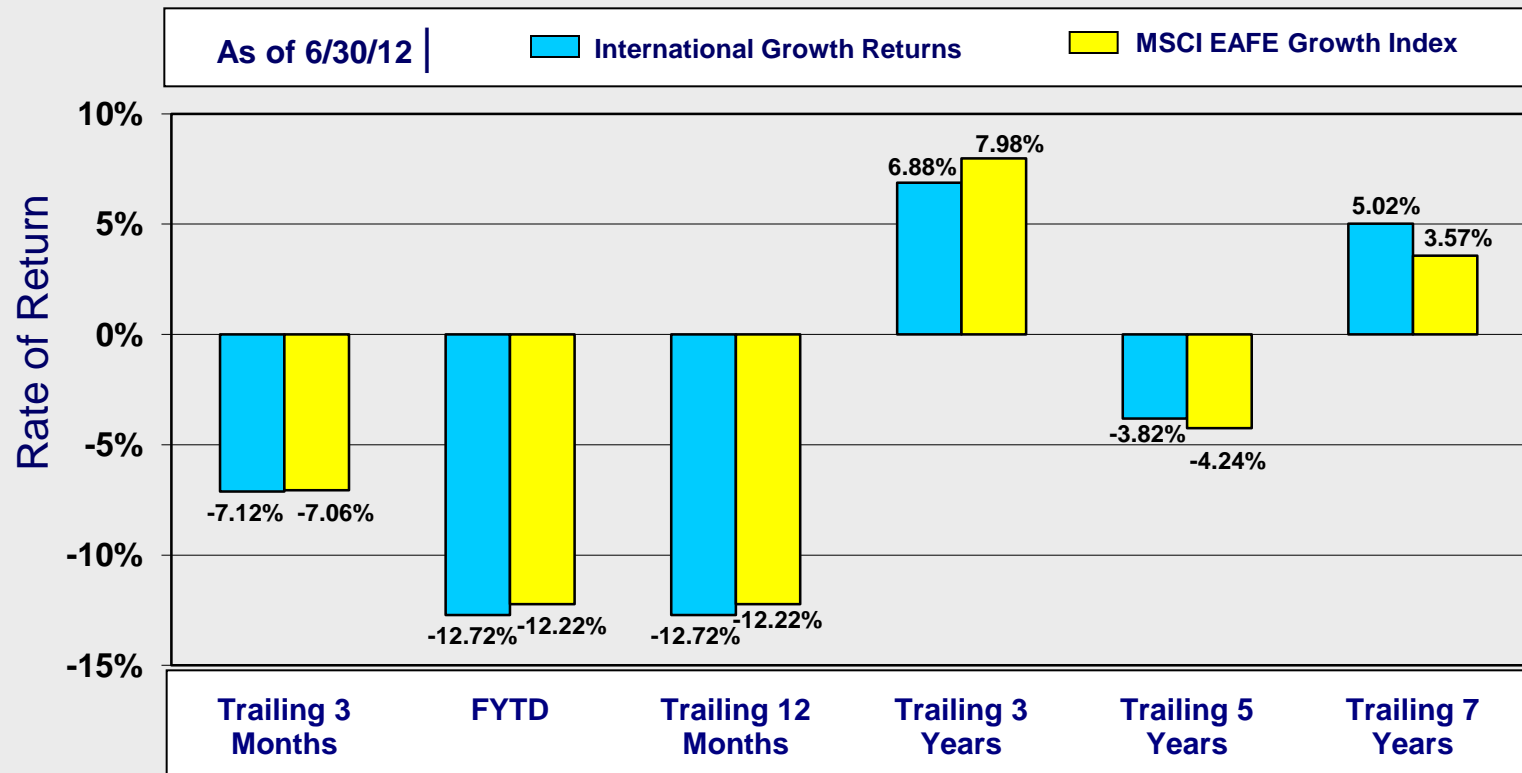
\$3.6B Under Management, **9%** of Total Funds



	3 Years	5 Years	10 Years	15 Years
EAFE Plan Std Dev	19.9	23.3	19.1	18.5
Passive Plan Std Dev	20.0	24.8	19.0	18.1
Active Plan Std Dev	19.9	23.3	18.7	18.7
Benchmark Std Dev	20.2	23.4	19.1	18.2

International Growth Returns vs MSCI EAFE Growth Index

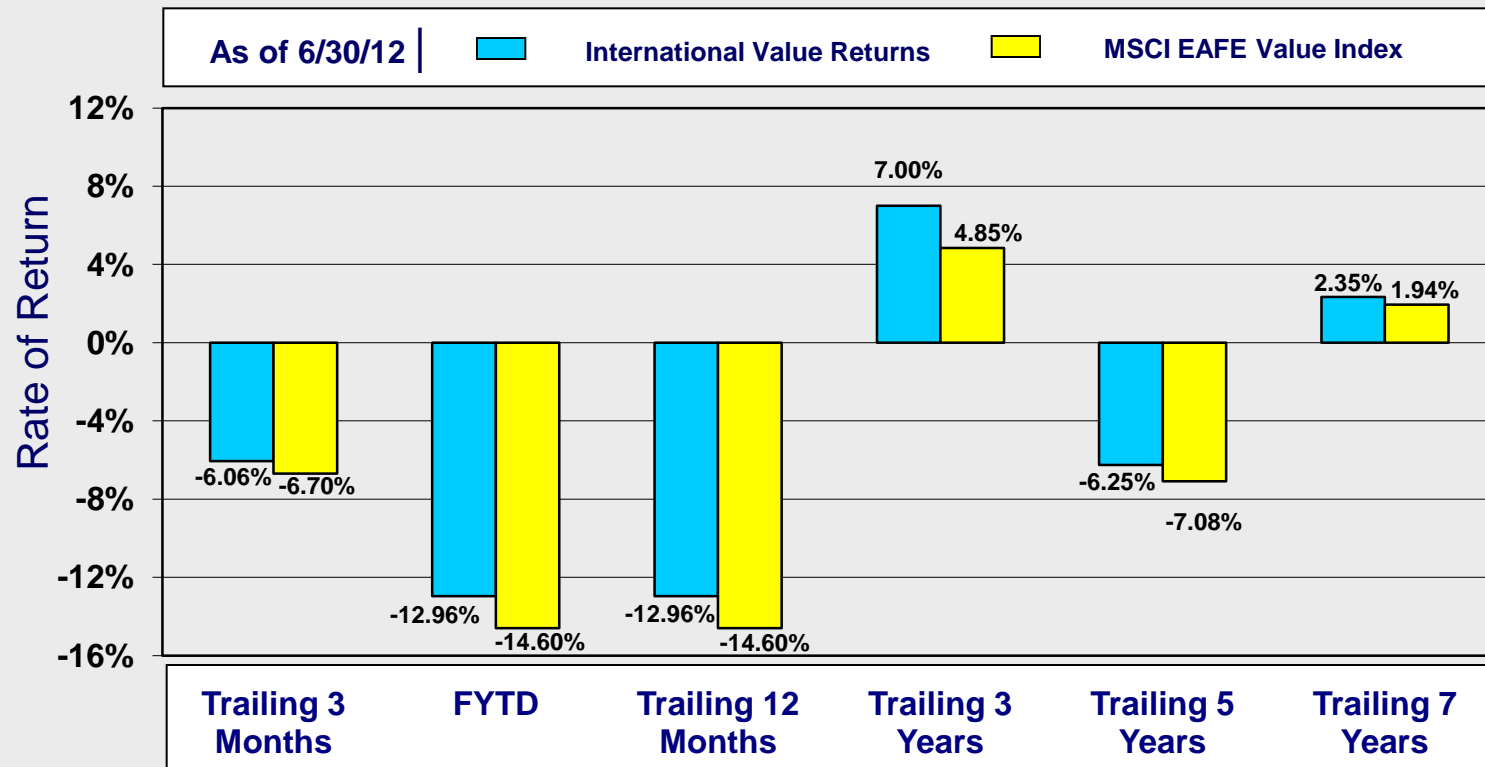
\$0.8B Under Management, **2%** of Total Funds



	3 Years	5 Years	7 Years
Int'l Plan Std Dev	20.4	24.1	21.3
Benchmark Std Dev	19.5	22.5	19.9

International Value Returns vs MSCI EAFE Value Index

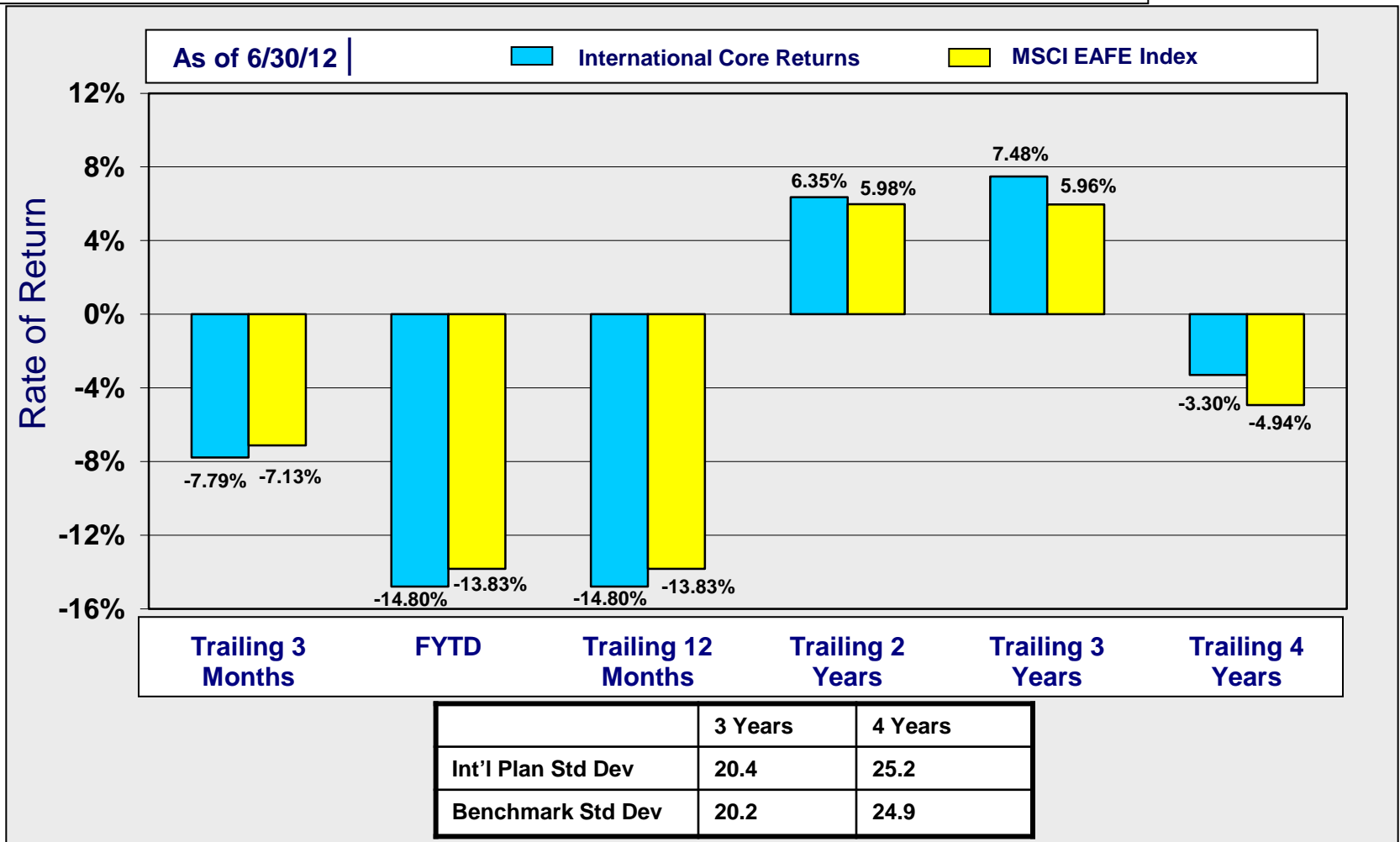
\$0.7B Under Management, **2%** of Total Funds



	3 Years	5 Years	7 Years
Int'l Plan Std Dev	19.0	22.6	19.9
Benchmark Std Dev	21.2	24.8	21.7

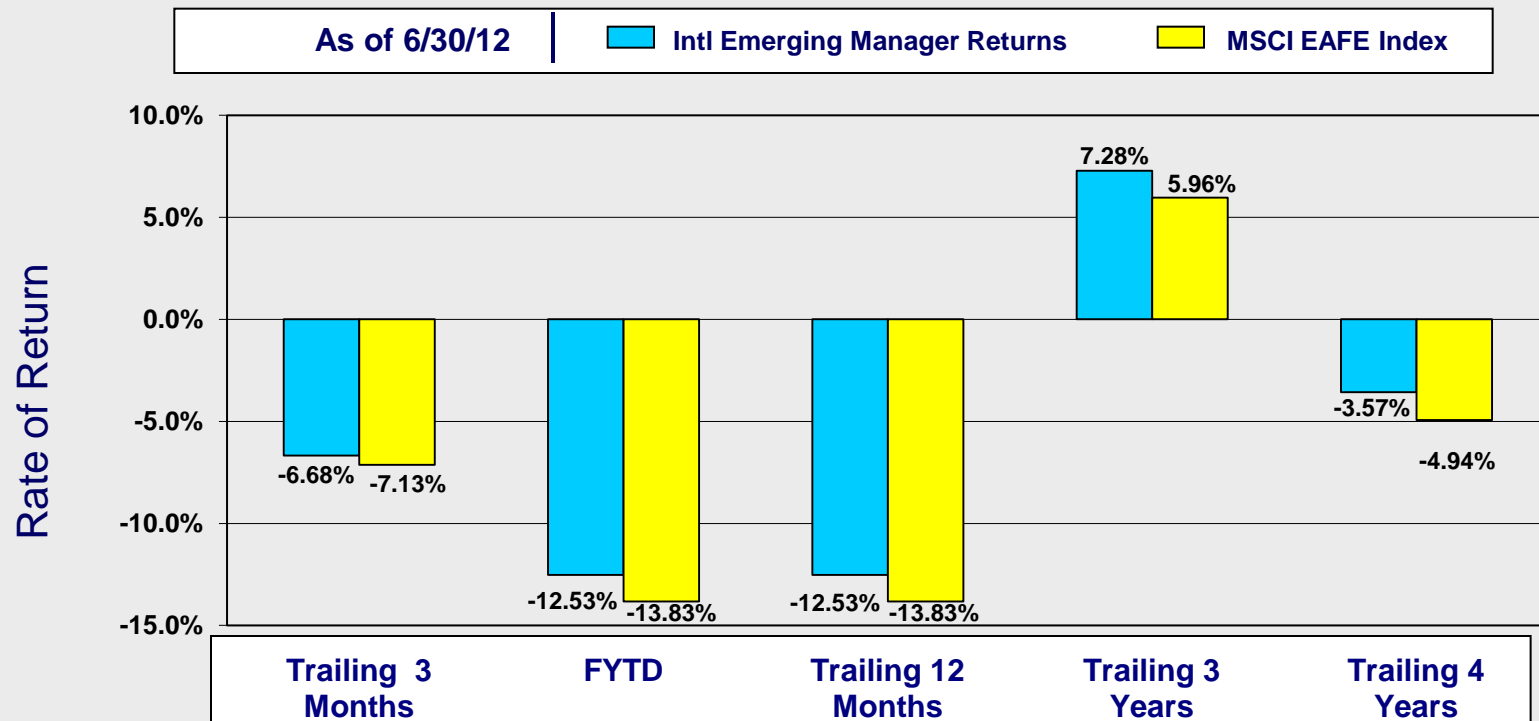
International Core Returns vs MSCI EAFE Index

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



International Emerging Manager Returns vs MSCI EAFE Index

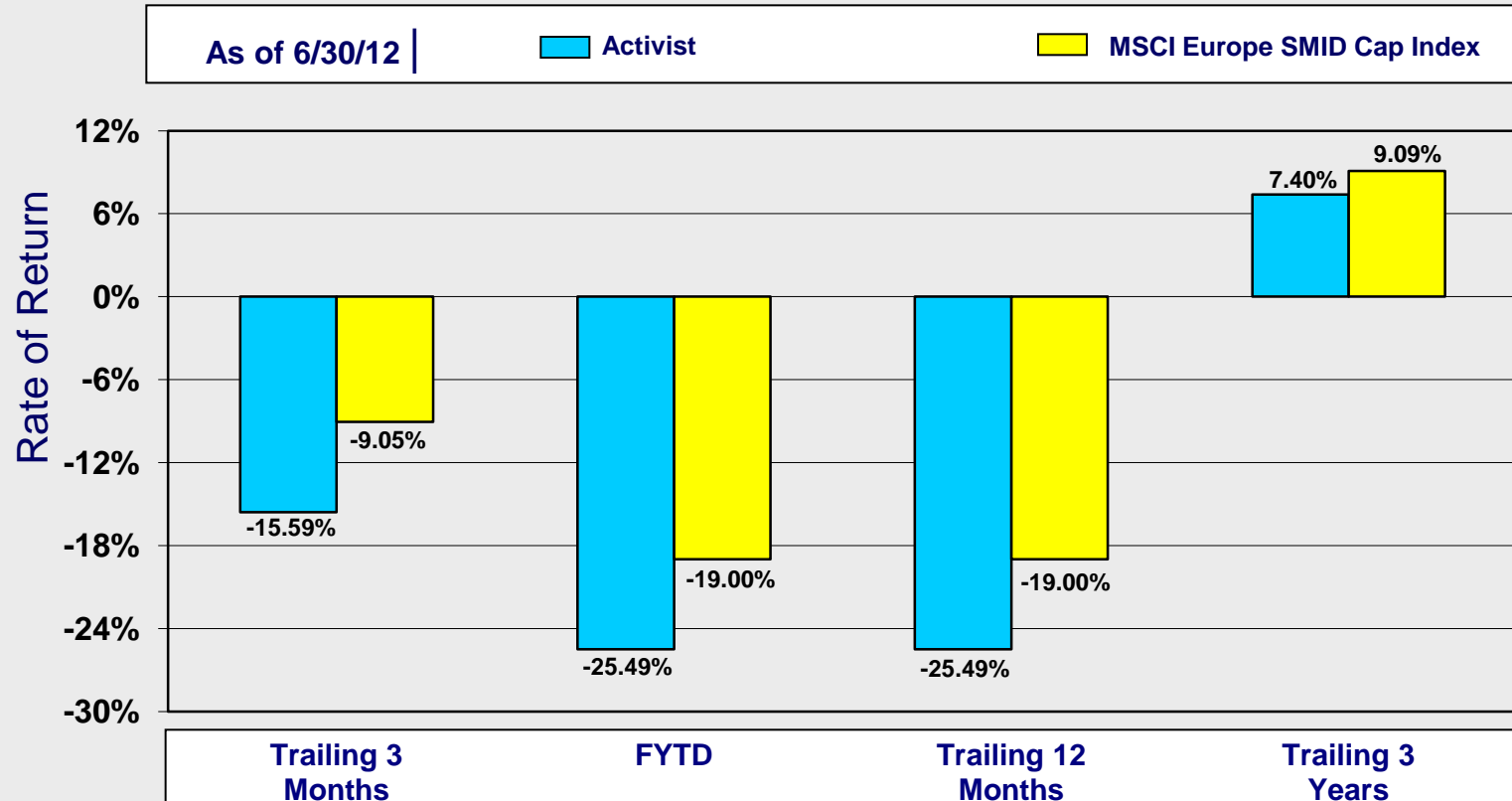
\$37M Under Management, **0%** of Total Funds



	3 Years	4 Years
Int'l Plan STD	18.9	24.3
Benchmark STD	20.2	24.9

Activist Sustainable Strategies vs MSCI Europe SMID Cap Index

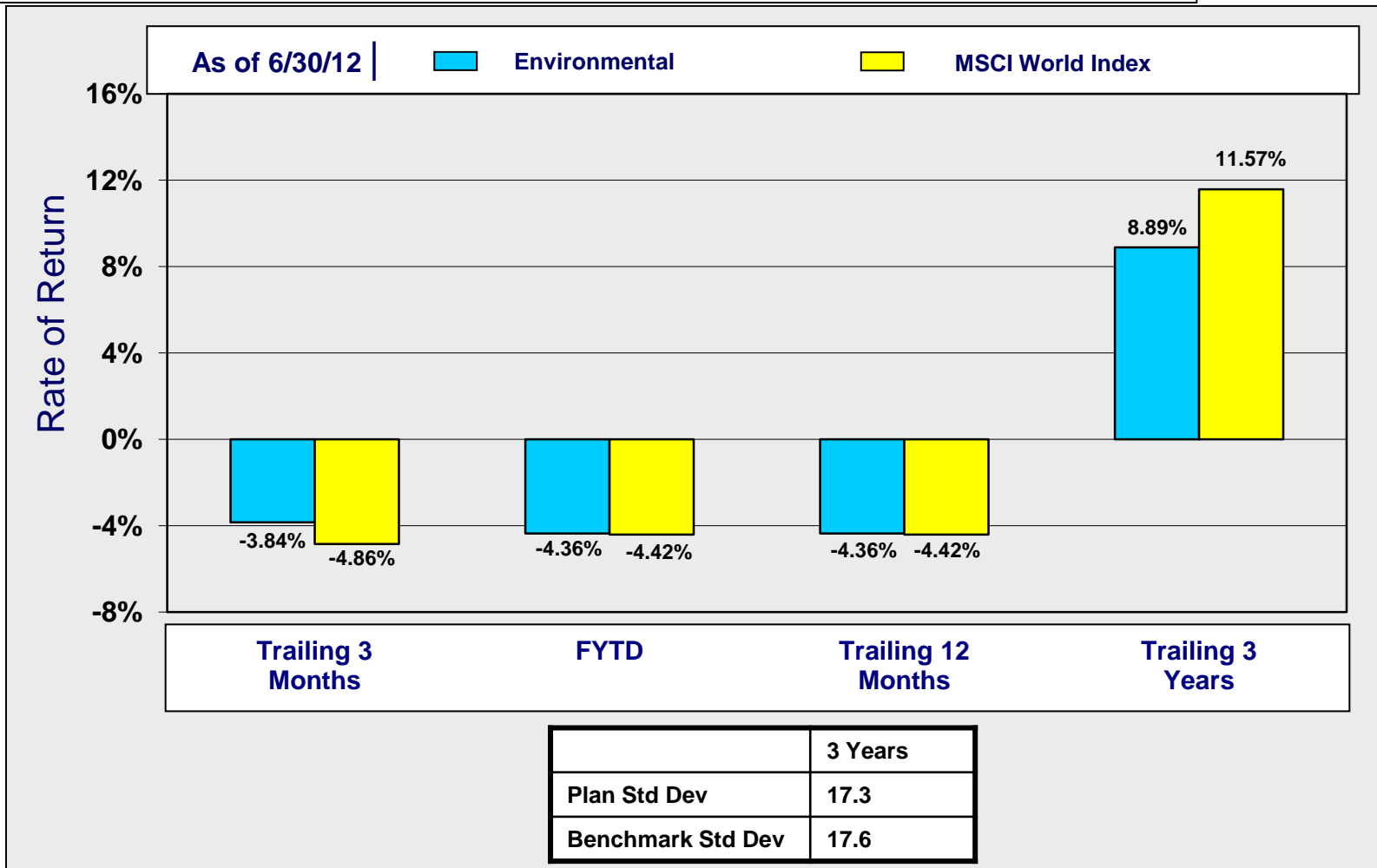
\$0.2B Under Management, **0.5%** of Total Funds



	3 Years
Plan Std Dev	25.6
Benchmark Std Dev	24.7

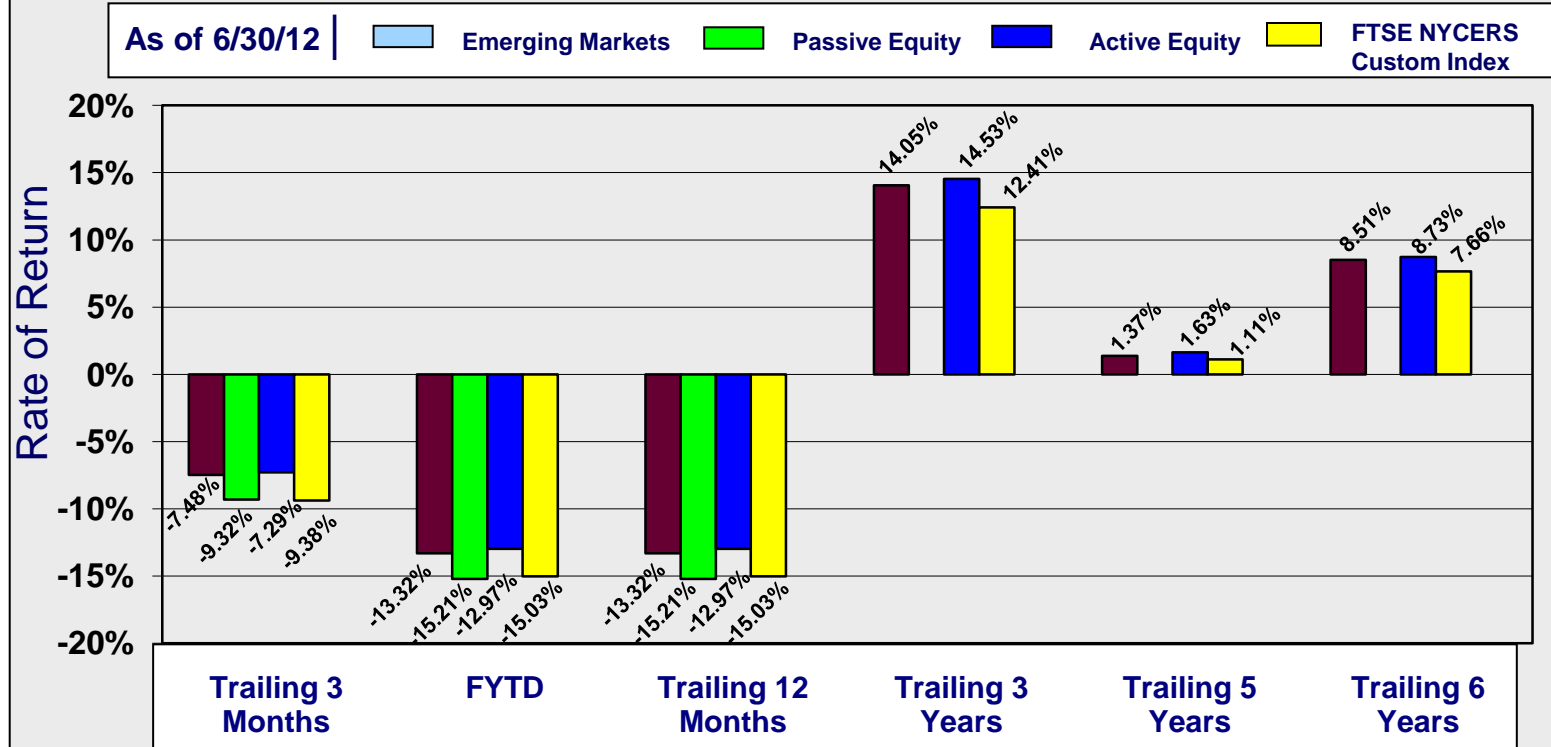
Environmental Sustainable Strategies vs MSCI World Index

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



Emerging Markets Returns vs FTSE NYCERS Custom Index

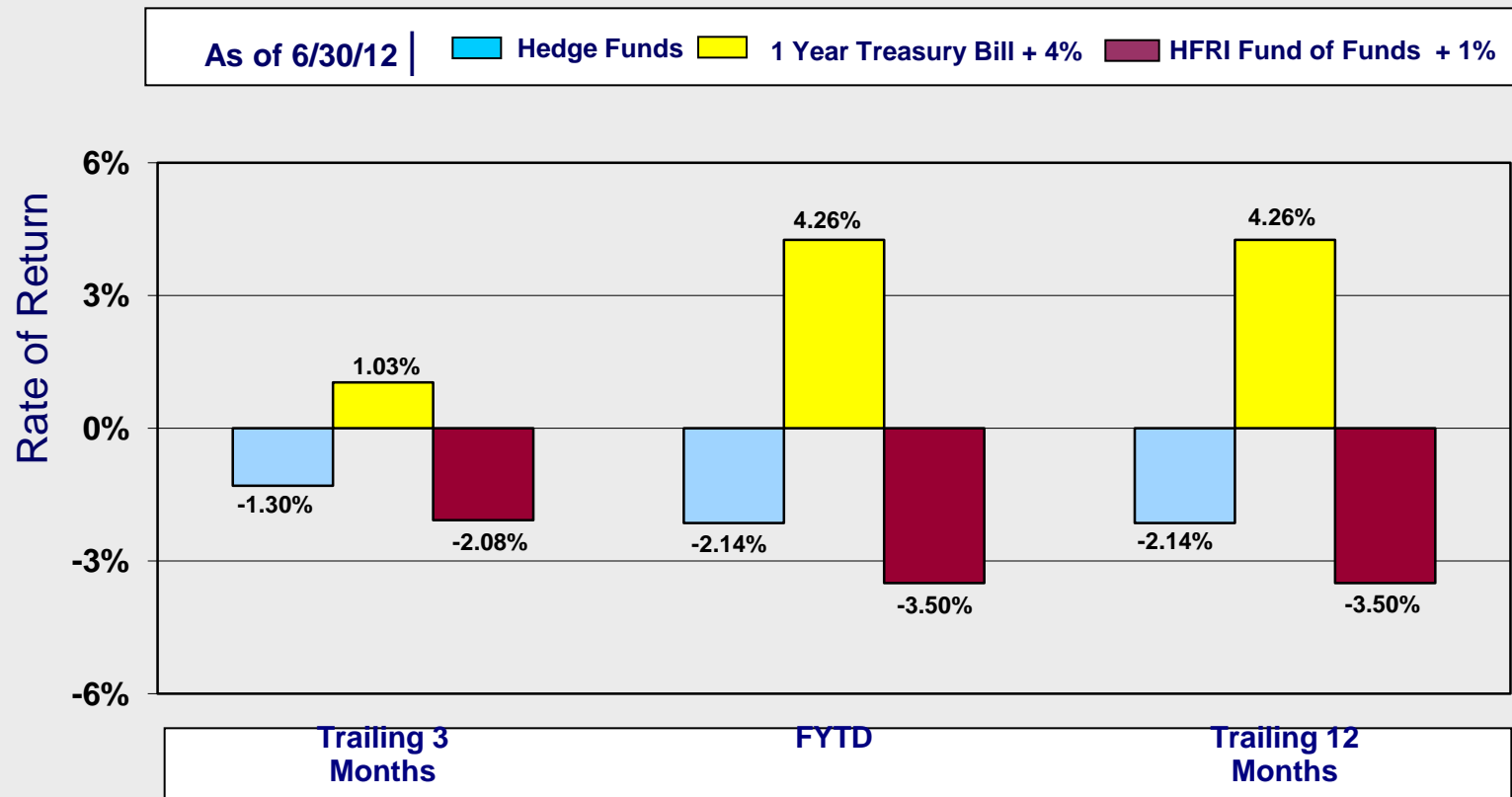
\$2.5B Under Management, **6%** of Total Funds



	3 Years	5 Years	6 Years
Emerging Market Plan Std Dev	22.9	34.0	28.3
Passive Plan Std Dev	****	****	****
Active Plan Std Dev	23.0	30.5	28.3
Benchmark Std Dev	22.7	29.7	27.5

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

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



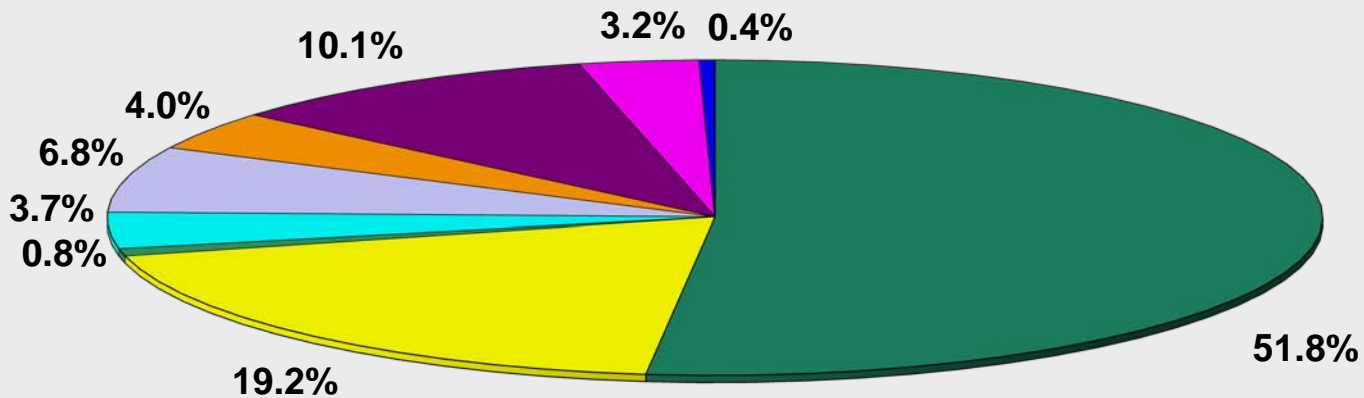
New York City Employees' Retirement System

Fixed Income Analysis

Total Fixed Income Asset Allocation: June 30, 2012

\$13.6B Under Management, **33%** of Total Funds

Asset Allocation by Groups

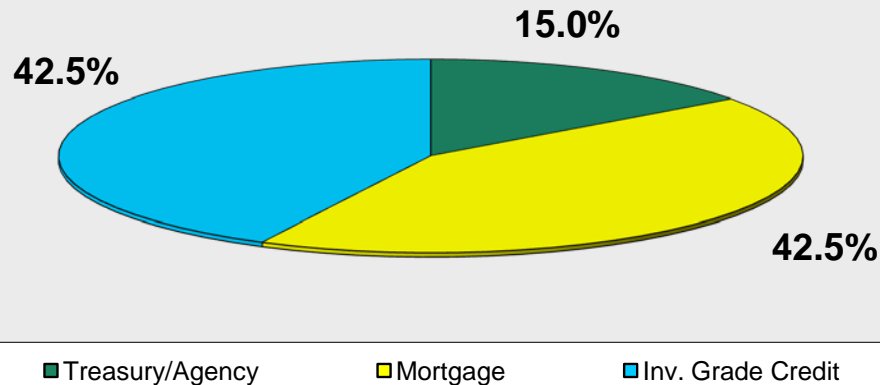


Structured Fixed Income	Enhanced Yield	Progress Fixed
ETI Investments	TIPS Managers	Convertible Bonds
Short Term Investments	Opportunistic Fixed Income	Global Fixed Income

Structured Fixed Income Asset Allocation: June 30, 2012

\$7.1B Under Management, **17%** of Total Funds

Asset Allocation by Groups



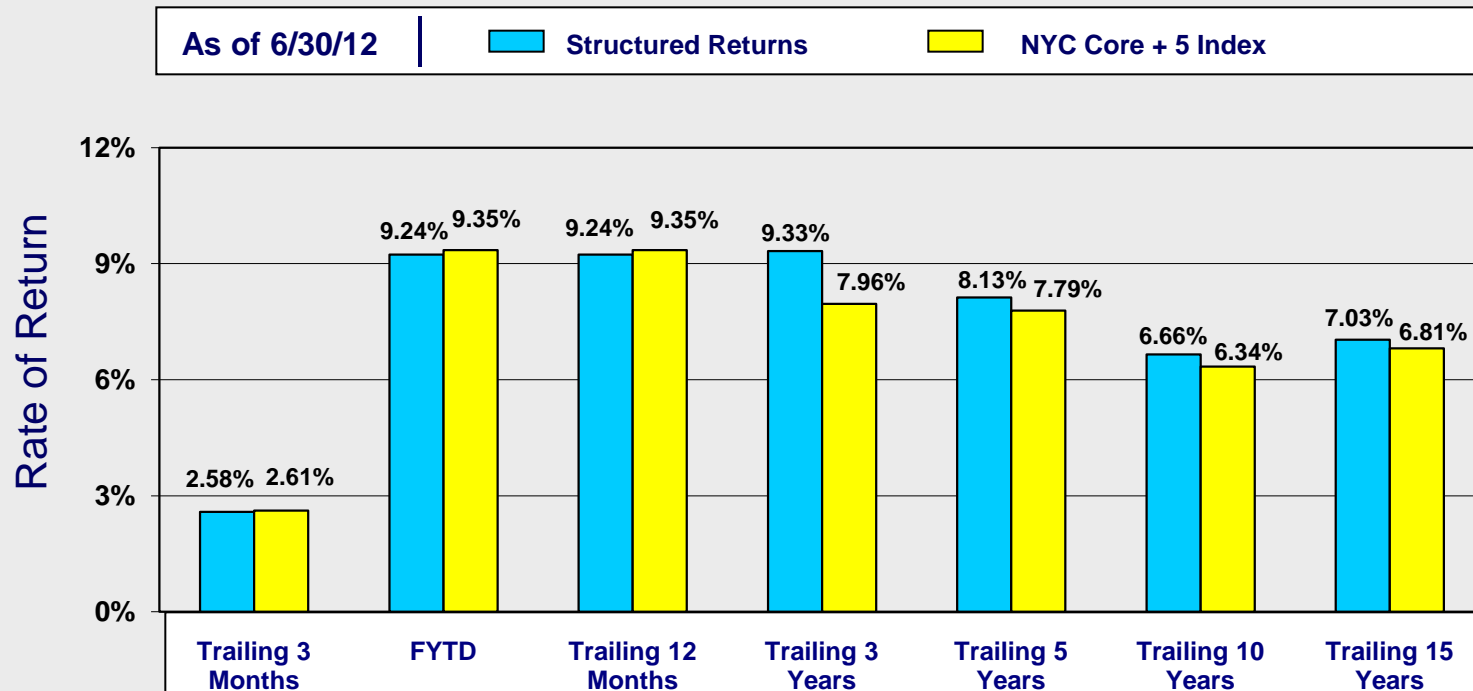
Value Added by Sectors

	Policy Weight	Actual Weight	Under/Over Weight	Index Return	Actual Return	Difference	Contribution to Out/Under Performance	
							Allocation	Management
Treasury/Agency	21.25	14.97	-6.28	6.17	6.26	0.09	-0.19	0.01
Mortgage	42.15	42.49	0.34	1.07	1.38	0.31	-0.06	0.14
Inv. Grade Credit	36.60	42.54	5.94	2.33	2.51	0.18	0.01	0.07

*NYC Core +5 Breakdown

Structured Returns vs NYC Core + 5 Index

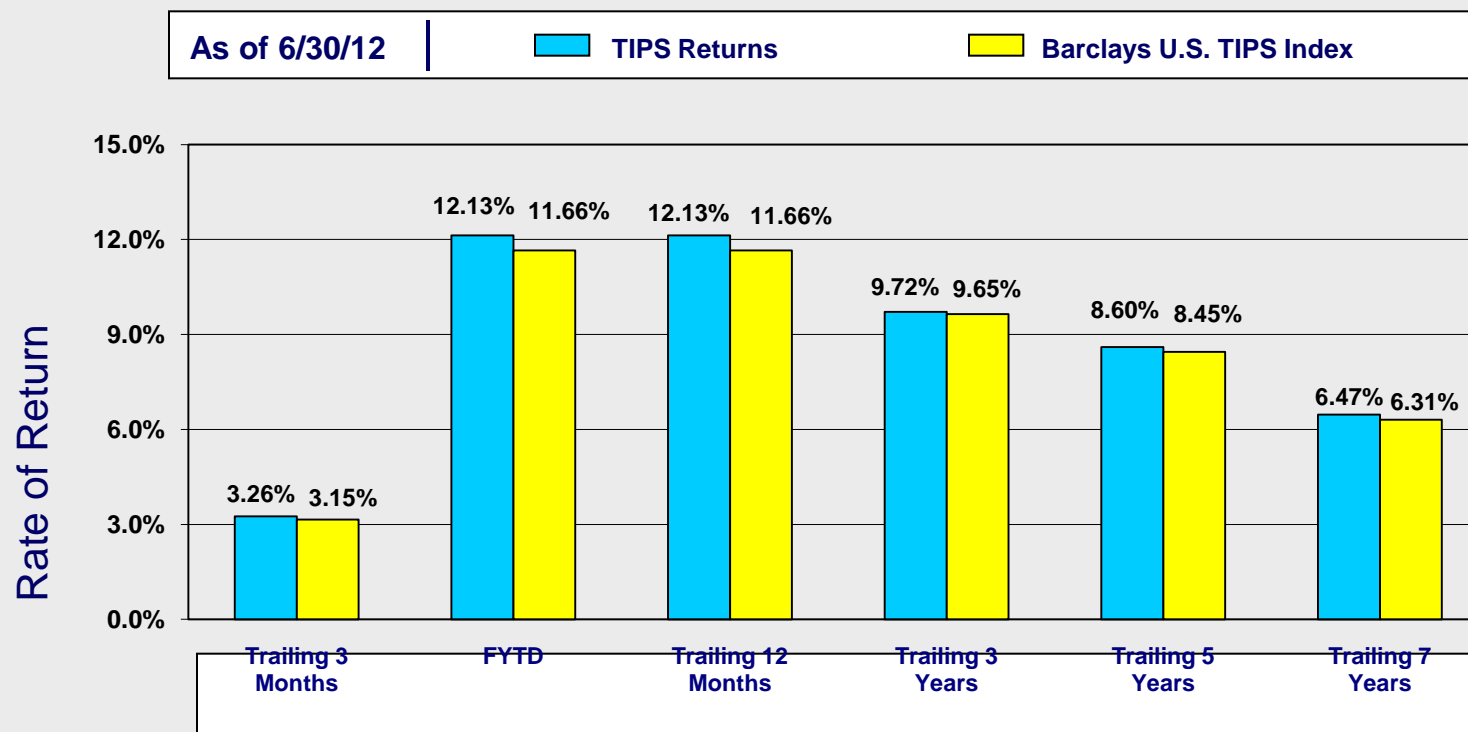
\$7.1B Under Management, **17%** of Total Funds



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

TIPS Returns vs Barclays Capital U.S. TIPS Index

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



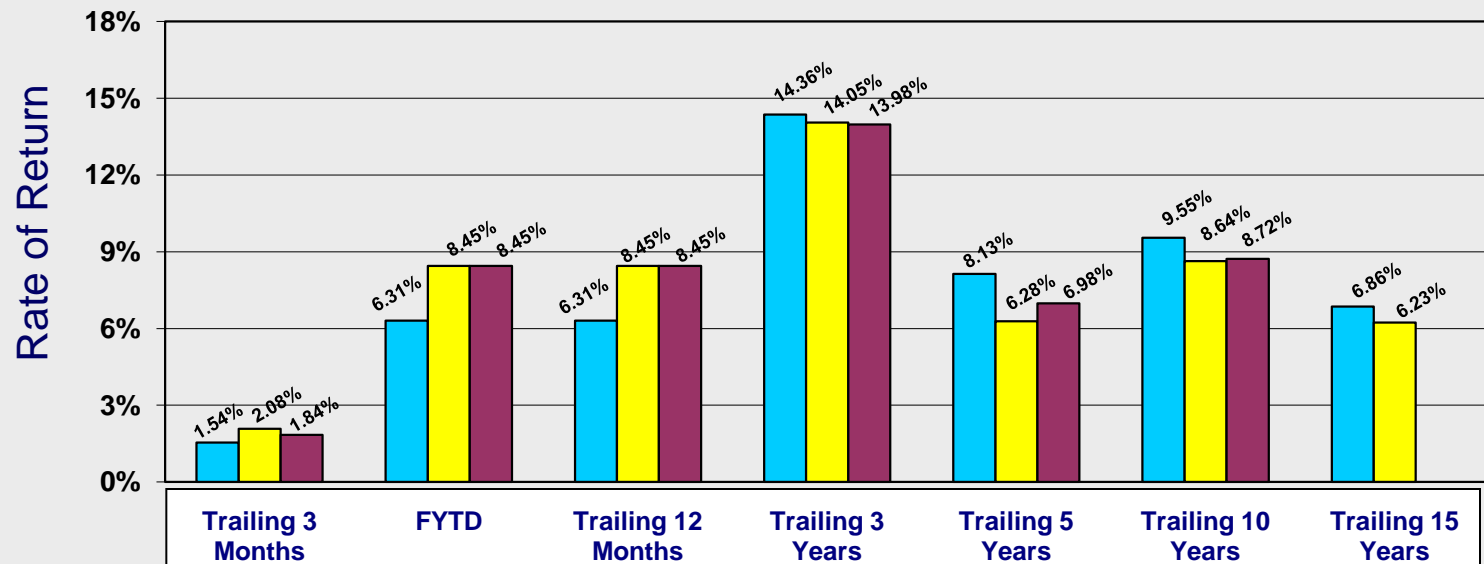
	3 Years	5 Years	7 Years
Plan Std Dev	4.6	7.5	6.8
Benchmark Std Dev	4.7	7.4	6.7

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

\$2.6B Under Management, **6%** of Total Funds

As of 6/30/12

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



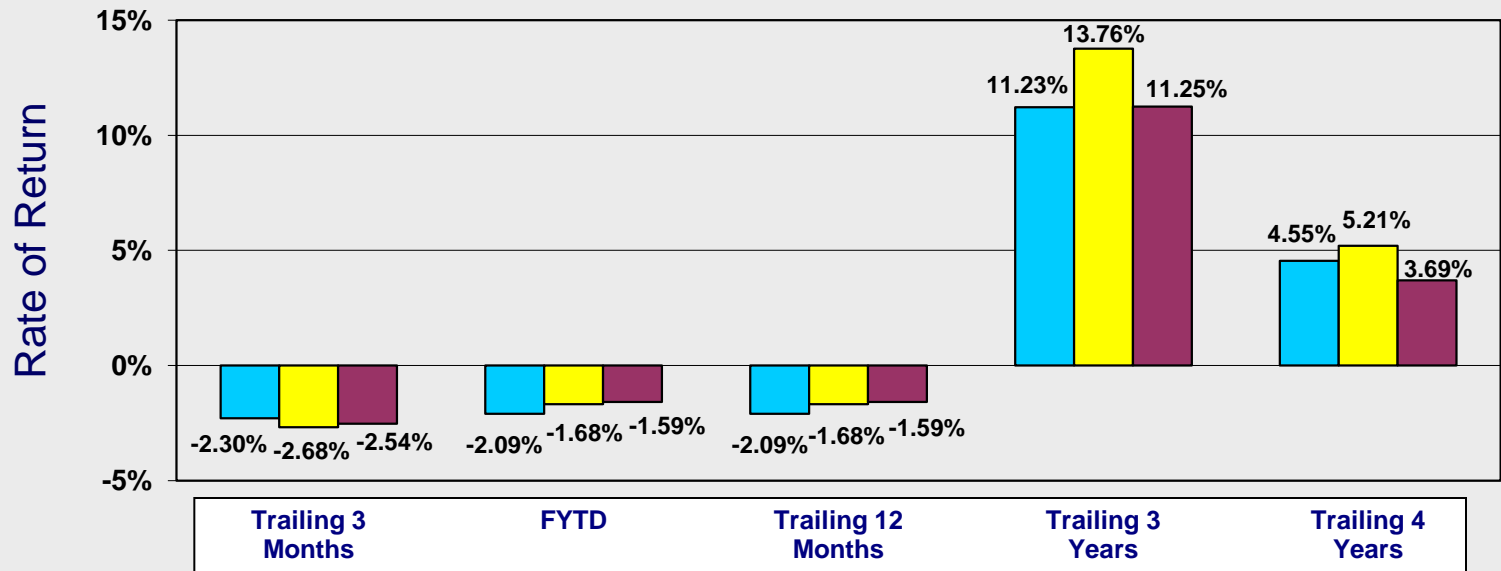
	3 Years	5 Years	10 Years	15 Years
Plan Std Dev	7.2	10.8	8.5	8.4
Citigroup BB & B Std Dev	6.8	11.9	9.5	9.2
Citigroup BB & B Capped Std Dev	6.7	11.6	9.2	****

Convertible Bond Returns vs Benchmarks

\$546M Under Management, **1%** of Total Funds

As of 6/30/12

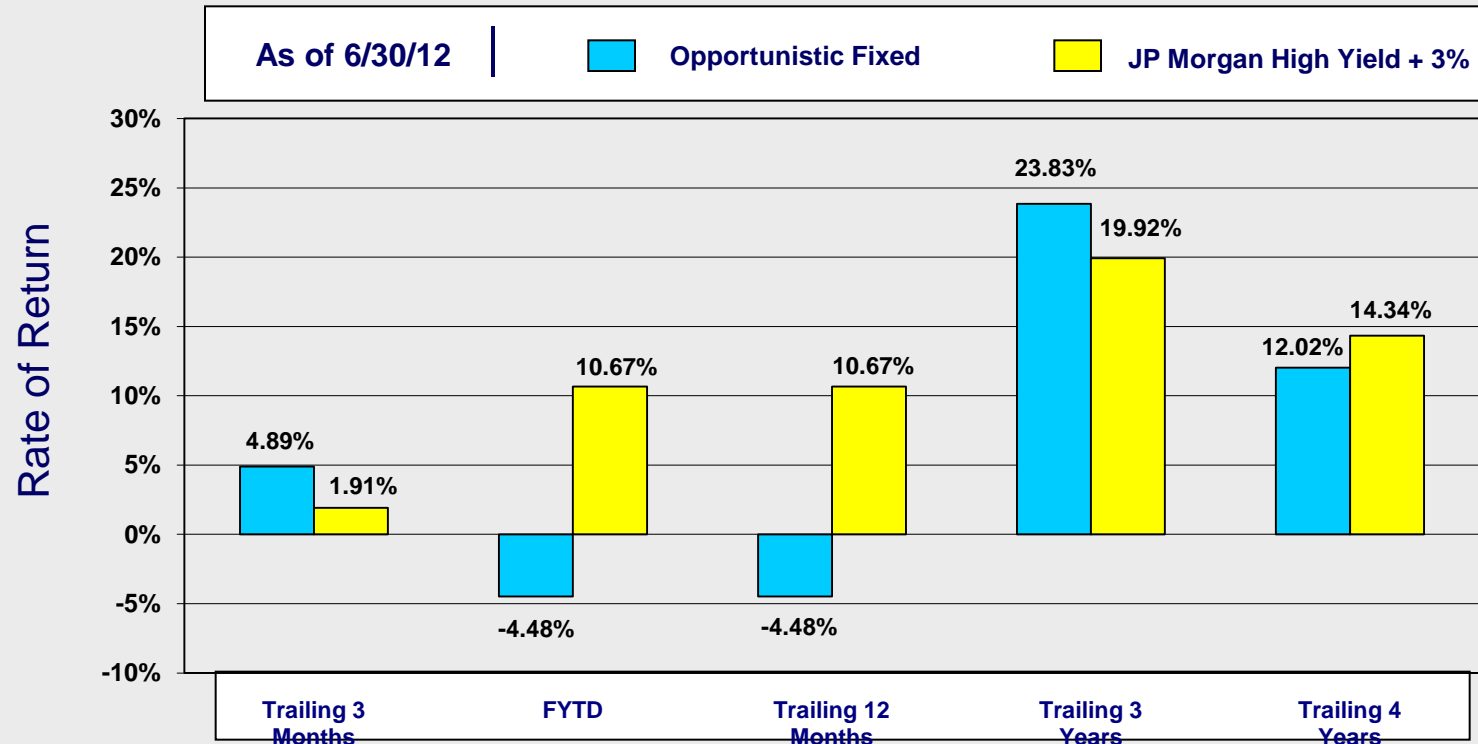
Convertible Bond Returns ML All Convertibles Ex Mandatory NYCERS Custom Convertible Bond Index



	3 Years	4 Years
Plan Std Dev	9.5	13.6
ML All Convertibles Ex Mandatory	11.2	16.6
NYCERS Custom Convertible Bond Index	9.2	14.8

Opportunistic Fixed Income Returns vs JP Morgan High Yield +3%

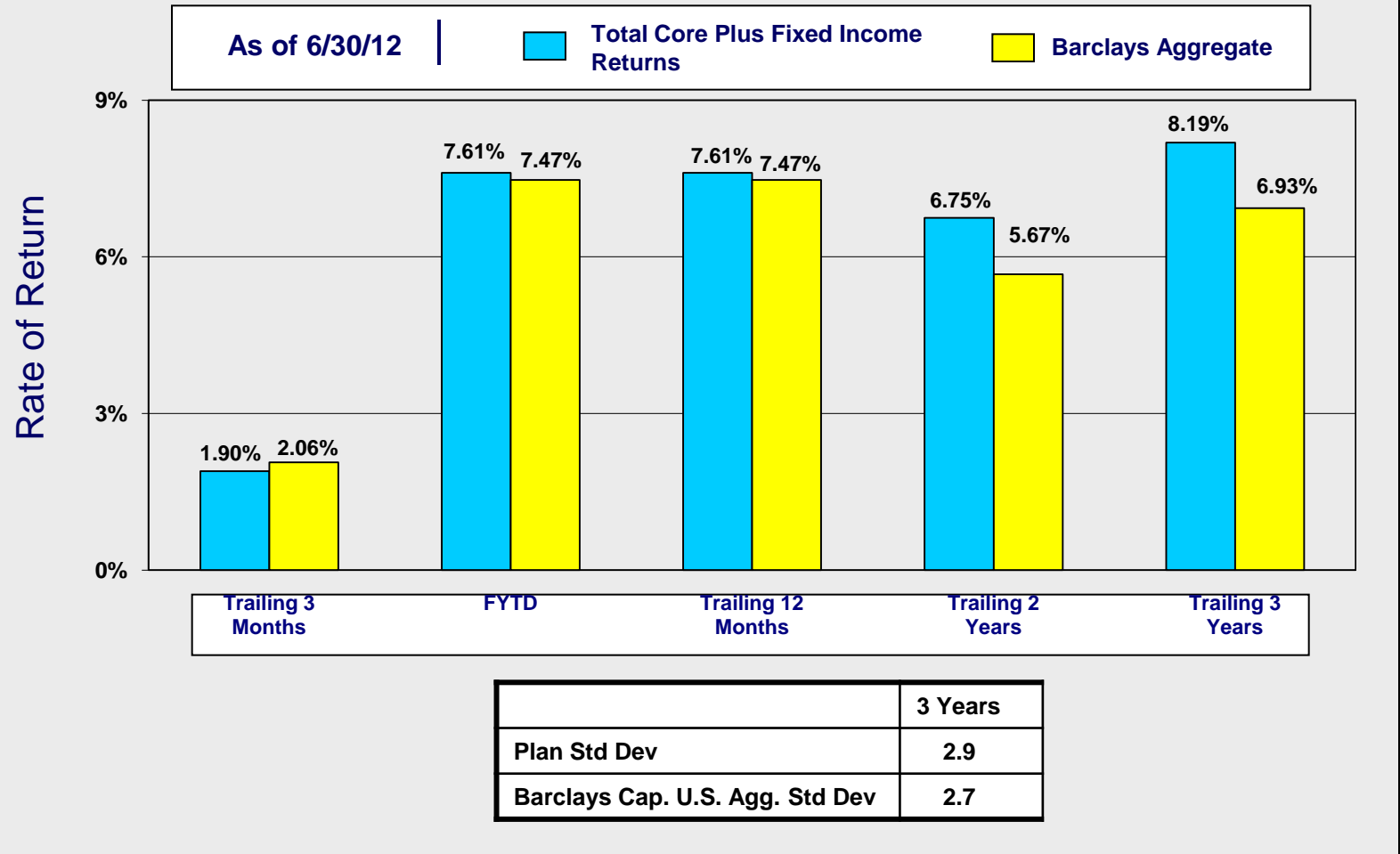
\$435M Under Management, **1%** of Total Funds



	3 Years	4 Years
Plan Std Dev	12.1	12.6
JP Morgan High Yield + 3%	7.9	14.2

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

\$57M Under Management, **0.1%** of Total Funds



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

\$104M Under Management, **0.2%** of Total Funds

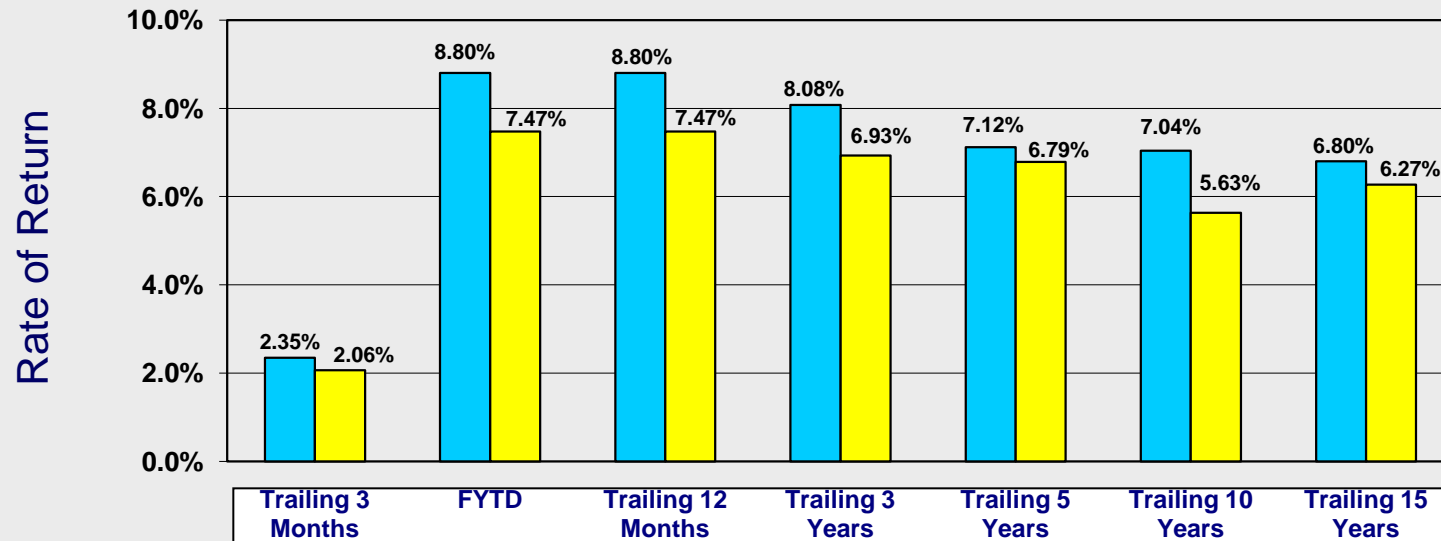
As of 6/30/12



Fixed Income Emerging Manager Returns



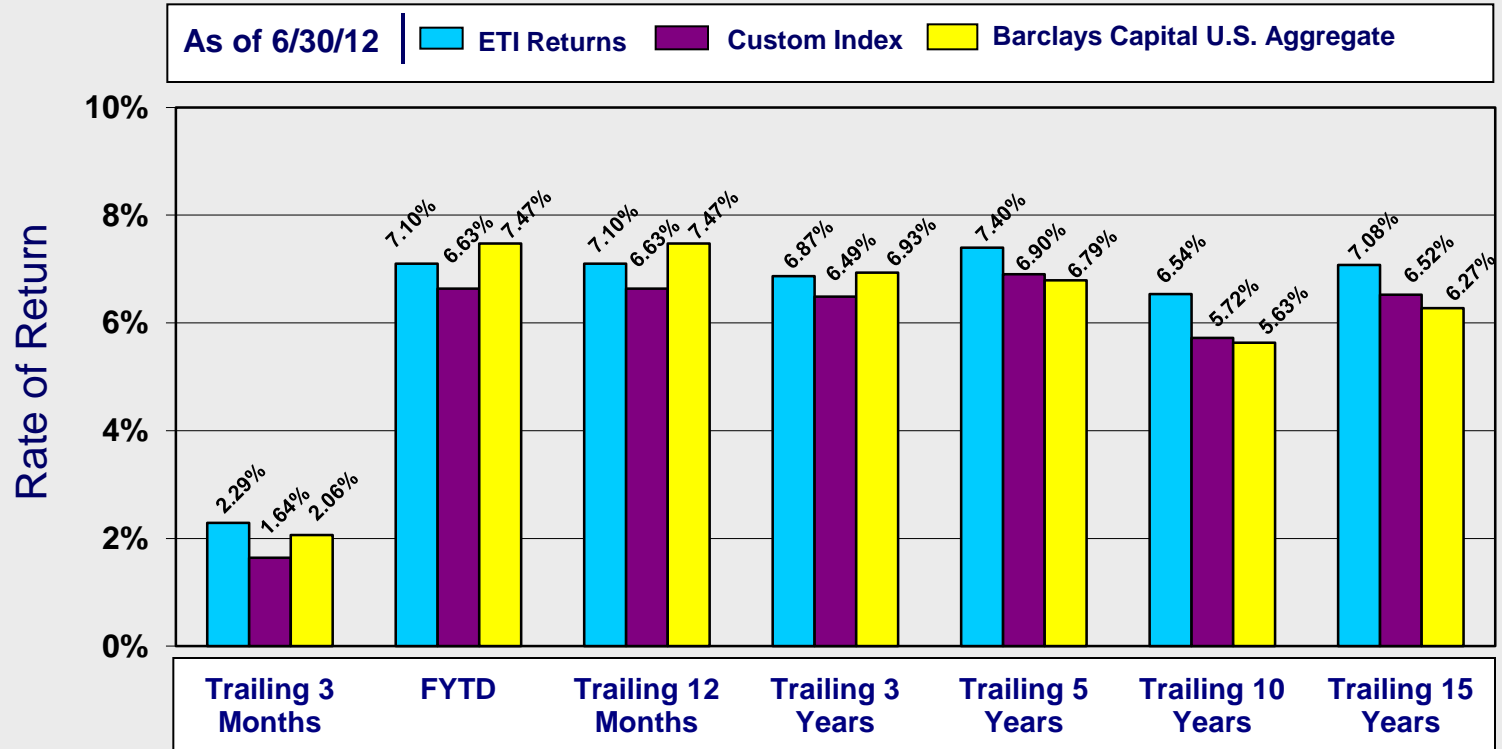
Barclays Cap U.S. Agg



	3 Years	5 Years	10 Years	15 Years
Plan Std Dev	2.7	3.7	4.5	4.6
Barclays Cap. U.S. Agg. Std Dev	2.7	3.5	3.6	3.5

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

\$500M Under Management, **1%** of Total Funds



	3 Years	5 Years	10 Years	15 Years
Plan Std Dev	1.5	2.1	2.6	2.6
Custom Index Std Dev	2.3	2.8	2.8	2.7
Barclays Cap. U.S. Agg. Std Dev	2.7	3.5	3.6	3.5

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

New York City Employees' Retirement System

Appendix

Consolidated Performance Report

Through June 30, 2012

Assets (\$MM)	% Total		3 Mos Apr-12 Jun-12	YTD Jan-12 Jun-12	1 Yr Jul-11 Jun-12	3 Yrs Jul-09 Jun-12	5 Yrs Jul-07 Jun-12	10 Yrs Jul-02 Jun-12	15 Yrs Jul-97 Jun-12
EQUITY MANAGEMENT									
SMALL CAP									
165.90	0.40	DARUMA ASSET MGMT SCC	-5.17	6.99	-13.23	18.27	****	****	****
165.90	0.40	TOTAL SMALL CAP CORE	-5.17	6.99	-13.23	18.27	****	****	****
		RUSSELL 2000	-3.47	8.53	-2.08	17.79	****	****	****
		SMALL CAP CORE MEDIAN	-4.29	7.81	-1.87	18.82	****	****	****
603.99	1.45	RAFI ENHANCED SMALL CO.	-4.84	8.13	-3.39	19.84	****	****	****
		RUSSELL 2000	-3.47	8.53	-2.08	17.79	****	****	****
		RUSSELL 2000 VALUE	-3.01	8.23	-1.44	17.42	****	****	****
769.89	1.85	TOTAL SMALL CAP ACTIVE	-4.91	7.79	-5.73	18.89	-0.17	****	****
469.81	1.13	BLACKROCK R2000	-3.43	8.67	-2.01	****	****	****	****
		RUSSELL 2000	-3.47	8.53	-2.08	****	****	****	****
469.81	1.13	TOTAL SMALL CAP PASSIVE	-3.43	8.67	-2.01	****	****	****	****
1,239.70	2.98	TOTAL SMALL CAP	-4.35	8.09	-4.34	19.90	0.34	6.77	****
		RUSSELL 2000	-3.47	8.53	-2.08	17.79	0.54	7.00	****
2,080.30	5.00	STATE STREET GA S&P 400	-4.93	7.92	-2.29	****	****	****	****
		S&P MIDCAP INDEX 400	-4.93	7.90	-2.33	****	****	****	****
2,080.30	5.00	TOTAL MID CAP PASSIVE	-4.93	7.92	-2.29	****	****	****	****
2,080.30	5.00	TOTAL MID CAP	-4.93	7.92	-2.29	****	****	****	****
LARGE CAP									
85.04	0.20	CASTLEARK MGMT-LCG	-5.17	9.53	1.93	17.43	****	****	****
155.76	0.37	PROFIT INV MGMT-LCG-	-5.96	8.50	6.05	14.95	****	****	****
240.80	0.58	TOTAL LARGE CAP GROWTH	-5.68	8.86	4.56	15.80	****	****	****
		RUSSELL 1000 GROWTH	-4.02	10.08	5.76	17.50	****	****	****
		LARGE CAP GROWTH MEDIAN	-5.33	9.57	3.10	16.24	****	****	****

Consolidated Performance Report

Through June 30, 2012

Assets (\$MM)	% Total		3 Mos Apr-12 Jun-12	YTD Jan-12 Jun-12	1 Yr Jul-11 Jun-12	3 Yrs Jul-09 Jun-12	5 Yrs Jul-07 Jun-12	10 Yrs Jul-02 Jun-12	15 Yrs Jul-97 Jun-12
114.22	0.27	DENALI ADVISORS-LCV	-3.35	6.83	-0.43	13.90	****	****	****
114.22	0.27	TOTAL LARGE CAP VALUE	-3.35	6.83	-0.43	12.53	****	****	****
		RUSSELL 1000 VALUE	-2.20	8.68	3.01	15.80	****	****	****
		LARGE CAP VALUE MEDIAN	-4.03	7.86	0.99	15.23	****	****	****
110.74	0.27	PIEDMONT INV AD-LCC	-3.33	10.63	2.76	14.41	****	****	****
119.26	0.29	SEIZERT CAPITAL PARTNERS-LCC	-5.39	6.19	-0.77	15.63	****	****	****
230.00	0.55	TOTAL LARGE CAP CORE	-4.41	8.28	0.90	15.03	****	****	****
		RUSSELL 1000	-3.12	9.38	4.37	16.64	****	****	****
		LARGE CAP CORE MEDIAN	-3.64	9.18	3.62	15.99	****	****	****
846.24	2.03	FUNDAMENTAL INDEX LARGE CAP							
		RAFI ENHANCED LARGE CO.	-2.09	8.37	3.73	18.63	****	****	****
		RUSSELL 1000	-3.12	9.38	4.37	16.64	****	****	****
		RUSSELL 1000 VALUE	-2.20	8.68	3.01	15.80	****	****	****
276.41	0.66	VTL S&P 500	-3.10	8.97	2.93	17.09	****	****	****
		STANDARD & POORS 500	-2.75	9.49	5.45	16.39	****	****	****
1,122.65	2.70	TOTAL FUNDAMENTAL INDEX LARGE CAP	-2.34	8.52	3.53	17.56	****	****	****
		RUSSELL 1000	-3.12	9.38	4.37	16.64	****	****	****
1,707.68	4.10	TOTAL LARGE CAP EQUITY	-3.18	8.42	3.04	16.67	****	****	****
		RUSSELL 1000	-3.12	9.38	4.37	16.64	****	****	****
		S & P 500							
3,391.78	8.15	AMALGAMATED S & P 500 INDEX	-2.89	9.34	5.03	16.15	0.05	5.23	****
3,391.78	8.15	TOTAL S & P 500 INDEX FUND	-2.89	9.34	5.03	16.15	0.05	5.26	****
		STANDARD & POORS 500	-2.75	9.49	5.45	16.39	0.22	5.33	****
		RUSSELL 3000							
4,108.07	9.87	BLACKROCK R3000	-3.12	9.31	3.84	16.70	0.35	5.76	****
1,854.21	4.46	STATE STREET R3000	-3.14	9.29	3.92	****	****	****	****
5,962.28	14.33	TOTAL RUSSELL 3000 INDEX FUND	-3.13	9.30	3.87	16.82	0.46	5.83	****
		RUSSELL 3000	-3.15	9.32	3.84	16.73	0.39	5.81	****

Consolidated Performance Report

Through June 30, 2012

Assets (\$MM)	% Total		3 Mos Apr-12 Jun-12	YTD Jan-12 Jun-12	1 Yr Jul-11 Jun-12	3 Yrs Jul-09 Jun-12	5 Yrs Jul-07 Jun-12	10 Yrs Jul-02 Jun-12	15 Yrs Jul-97 Jun-12
ATTUCKS MANAGERS									
34.14	0.08	APEX CAP MGMT INC -LCG	-5.45	10.68	3.66	****	****	****	****
17.12	0.04	EDGAR LOMAX -LCV	-1.22	5.60	7.46	19.44	****	****	****
18.85	0.05	CREDO -MCG	-10.86	6.27	-10.28	14.59	****	****	****
30.90	0.07	DECATUR -LCG	-5.87	7.14	4.55	15.31	****	****	****
33.05	0.08	HERNDON CAPITAL MGMT-LCV	-4.89	11.33	2.15	19.50	****	****	****
31.58	0.08	PARADIGM -LCV	-3.27	8.52	3.22	15.42	****	****	****
10.48	0.03	PHOCAS -SCV	-5.97	4.03	-3.99	18.15	****	****	****
25.59	0.06	SEIZERT -MCC	-8.64	3.15	-10.07	16.50	****	****	****
201.70	0.48	TOTAL ATTUCKS	-5.73	7.69	-0.02	16.43	****	****	****
		RUSSELL 3000	-3.15	9.32	3.84	16.73	****	****	****
CAPITAL PROSPECTS MANAGERS									
5.30	0.01	APEX CAPITAL -LCG	-5.45	10.68	3.59	17.48	****	****	****
4.40	0.01	HIGH POINTE -SC	-3.53	10.61	1.31	18.67	****	****	****
4.59	0.01	KEEL -MCV	-3.17	4.95	-4.29	16.35	****	****	****
4.19	0.01	LOMBARDIA -SCV	-4.68	3.70	-0.59	18.66	****	****	****
2.55	0.01	SEACREST-SCG	-3.15	10.04	-8.49	16.21	****	****	****
3.23	0.01	PARADIGM -AC	-2.77	9.93	2.97	17.27	****	****	****
4.20	0.01	REDWOOD -MCG	-3.90	9.22	-7.54	19.69	****	****	****
4.90	0.01	RUNNYMEDE -LCG	-1.11	11.96	2.98	14.23	****	****	****
4.95	0.01	SEIZERT -LCV	-4.95	6.97	-1.96	14.18	****	****	****
4.45	0.01	TEN -LCV	-2.39	9.76	2.84	13.92	****	****	****
5.75	0.01	TWIN -TOP 50	-1.51	10.96	11.64	15.04	****	****	****
48.50	0.12	TOTAL CAPITAL PROSPECTS	-3.34	8.96	0.60	16.35	****	****	****
		RUSSELL 3000	-3.15	9.32	3.84	16.73	****	****	****

Consolidated Performance Report

Through June 30, 2012

Assets (\$MM)	% Total		3 Mos Apr-12 Jun-12	YTD Jan-12 Jun-12	1 Yr Jul-11 Jun-12	3 Yrs Jul-09 Jun-12	5 Yrs Jul-07 Jun-12	10 Yrs Jul-02 Jun-12	15 Yrs Jul-97 Jun-12
PROGRESS MANAGERS									
14.01	0.03	FAN ASSET MGMT -LCG	-6.11	9.67	-0.44	15.70	1.96	5.30	****
38.90	0.09	JOHN HSU -LCC	-5.22	7.54	-1.93	15.39	2.25	8.41	****
71.40	0.17	HERNDON CAPITAL MGMT-LCV	-4.99	11.24	2.05	19.73	4.52	****	****
18.73	0.05	HIGH POINTE LLC -LCG	-4.61	9.90	8.47	****	****	****	****
16.49	0.04	LOMBARDIA CAP PTNRS -SCV	-4.68	3.70	-0.58	18.64	****	****	****
14.41	0.03	NICHOLS ASSET MGMT -SCG	-3.54	7.96	-0.14	****	****	****	****
38.95	0.09	REDWOOD INV -LCG	-6.74	10.99	1.91	****	****	****	****
47.49	0.11	SEIZERT CAPITAL PTNRS -MCC	-8.63	3.13	-10.15	****	****	****	****
260.40	0.63	TOTAL PROGRESS EQUITY	-5.91	8.24	-1.02	15.53	0.56	5.96	5.13
		RUSSELL 3000	-3.15	9.32	3.84	16.73	0.39	5.81	5.15
F.I.S. MANAGERS									
2.77	0.01	CREDO CAPITAL MGMT - MCC	-10.86	6.27	-10.25	14.59	-0.85	****	****
7.85	0.02	DSM CAPITAL MGMT -LCG	-4.13	13.56	7.71	17.68	3.16	****	****
25.42	0.06	HERNDON CAPITAL MGMT-LCV	-4.99	11.19	2.02	19.39	****	****	****
18.49	0.04	HUBER CAP MGMT -LCV	-1.74	9.62	5.81	****	****	****	****
9.50	0.02	MARTIN INV MGT -LCC	-2.85	7.38	4.56	****	****	****	****
6.75	0.02	NICHOLAS INV PTNRS -SCG	-7.68	8.61	-7.04	****	****	****	****
14.31	0.03	OAKBROOK -LCV	-2.54	8.30	2.79	15.67	-1.73	****	****
13.79	0.03	OAKBROOK -LCG	-4.30	10.75	5.66	18.23	****	****	****
9.61	0.02	OPUS CAPITAL MGMT - SCV	-6.22	2.82	-1.55	17.71	-0.07	****	****
26.86	0.06	STUX CAPITAL MGMT -LCC	-7.09	5.96	-1.82	****	****	****	****
21.41	0.05	VISION CAP MGMT -LCG	-2.90	11.81	6.20	****	****	****	****
156.75	0.38	TOTAL F.I.S FUND MGMT	-4.56	9.00	2.21	16.40	0.85	5.56	****
		RUSSELL 3000	-3.15	9.32	3.84	16.73	0.39	5.81	****
667.35	1.60	TOTAL EMERGING MGRS	-5.36	8.30	0.14	16.22	0.80	5.88	4.97
		RUSSELL 3000	-3.15	9.32	3.84	16.73	0.39	5.81	5.15

Consolidated Performance Report

Through June 30, 2012

Assets (\$MM)	% Total		3 Mos Apr-12 Jun-12	YTD Jan-12 Jun-12	1 Yr Jul-11 Jun-12	3 Yrs Jul-09 Jun-12	5 Yrs Jul-07 Jun-12	10 Yrs Jul-02 Jun-12	15 Yrs Jul-97 Jun-12
62.70	0.15	U.S. ENVIRONMENTAL WALDEN ASSET MGMT RUSSELL 2000	-4.13 -3.47	5.88 8.53	-1.35 -2.08	18.73 17.79	**** ****	**** ****	**** ****
5.82	0.01	BREEDEN CAPITAL MGMT RUSSELL 2500	-12.34 -4.14	-8.18 8.31	-17.57 -2.29	2.72 19.06	**** ****	**** ****	**** ****
		STANDARD & POORS 500	-2.75	9.49	5.45	16.39	****	****	****
5.82	0.01	TOTAL U.S. ACTIVIST EQUITY	-12.34	-8.18	-17.54	3.12	****	****	****
3,144.92	7.56	TOTAL ACTIVE DOM EQUITY	-4.07	8.25	-0.01	16.91	0.59	6.04	4.49
11,904.17	28.60	TOTAL PASSIVE DOM EQUITY	-3.39	9.03	2.88	16.26	0.17	5.65	5.08
15,117.60	36.32	TOTAL DOMESTIC EQUITY	-3.53	8.83	2.23	16.36	0.30	5.73	5.04
		DEVELOPED MARKETS GROWTH							
375.55	0.90	BAILLIE	-7.65	3.29	-12.01	10.92	****	****	****
309.99	0.74	PYRAMIS GLOBAL ADVISORS	-6.31	5.61	-10.89	8.44	****	****	****
96.02	0.23	G.E. (NEW)	-7.14	4.77	-15.50	4.29	****	****	****
782.32	1.88	TOTAL INTL GROWTH	-7.12	4.41	-12.72	6.88	-3.82	****	****
		MSCI EAFE GROWTH	-7.06	4.19	-12.22	7.98	-4.24	****	****
		VALUE							
218.06	0.52	MONDRIAN II	-6.55	-0.35	-10.72	7.10	****	****	****
471.77	1.13	SPRUCEGROVE (NEW)	-5.33	4.70	-9.40	11.31	****	****	****
690.53	1.66	TOTAL INTL VALUE	-6.06	2.30	-12.96	7.00	-6.25	****	****
		MSCI EAFE VALUE	-6.70	2.49	-14.60	4.85	-7.08	****	****

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

Consolidated Performance Report

Through June 30, 2012

Assets (\$MM)	% Total		3 Mos Apr-12 Jun-12	YTD Jan-12 Jun-12	1 Yr Jul-11 Jun-12	3 Yrs Jul-09 Jun-12	5 Yrs Jul-07 Jun-12	10 Yrs Jul-02 Jun-12	15 Yrs Jul-97 Jun-12
		CORE							
276.69	0.66	PHILADELPHIA	-9.67	0.07	-17.64	5.57	****	****	****
505.65	1.21	THORNBURG	-6.20	4.96	-12.39	9.09	****	****	****
782.34	1.88	TOTAL INTL CORE	-7.79	2.73	-14.80	7.48	****	****	****
		MSCI EAFE (NET DIVIDEND)	-7.13	2.96	-13.83	5.96	****	****	****
12.05	0.03	PIM JOHN HSU -LC	-8.75	3.00	-15.80	4.69	****	****	****
12.14	0.03	PIM HERNDON CAPITAL MGMT -LC	-5.89	4.32	-13.01	6.36	****	****	****
13.25	0.03	PIM STRATEGIC GLBL ADV -LC	-5.45	4.59	-8.84	10.85	****	****	****
37.44	0.09	TOTAL PROGRESS INTL	-6.68	3.98	-12.53	7.28	****	****	****
		MSCI EAFE (NET DIVIDEND)	-7.13	2.96	-13.83	5.96	****	****	****
2,292.75	5.51	TOTAL ACTIVE DEVELOPED	-7.05	3.20	-13.30	7.12	-5.54	5.24	3.88
1,389.52	3.34	SSGA	-6.84	3.34	-13.29	****	****	****	****
1,389.64	3.34	TOTAL PASSIVE DEVELOPED	-6.84	3.34	-13.29	6.09	-5.74	5.45	3.17
3,682.39	8.85	TOTAL DEVELOPED MARKETS	-6.95	3.28	-13.36	6.89	-5.59	5.27	3.62
		MSCI EAFE (NET DIVIDEND)	-7.13	2.96	-13.83	5.96	-6.10	5.14	2.86
		EAFE MEDIAN	-6.75	4.82	-12.70	8.22	-3.92	6.80	5.44
51.34	0.12	F&C SGE	-5.59	8.23	-4.05	11.36	****	****	****
121.18	0.29	GENERATION GE	-3.09	8.10	-4.49	12.77	****	****	****
172.51	0.41	TOTAL NON-U.S ENVIRONMENTAL	-3.84	8.14	-4.36	8.89	****	****	****
		MSCI WORLD INDEX	-4.86	6.29	-4.42	11.57	****	****	****

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Assets (\$MM)	% Total		3 Mos Apr-12 Jun-12	YTD Jan-12 Jun-12	1 Yr Jul-11 Jun-12	3 Yrs Jul-09 Jun-12	5 Yrs Jul-07 Jun-12	10 Yrs Jul-02 Jun-12	15 Yrs Jul-97 Jun-12
214.11	0.51	GOVERNANCE FOR OWNERS	-15.60	2.24	-25.50	13.13	****	****	****
		MSCI EUROPE SMID CAP INDEX	-9.05	5.95	-19.00	9.09	****	****	****
		LIBOR PLUS 4%	1.07	2.16	4.24	4.25	****	****	****
		FTSE WORLD INDEX	-3.49	5.15	-3.46	13.22	****	****	****
214.13	0.51	<i>TOTAL NON U.S. ACTIVIST</i>	-15.59	2.25	-25.49	7.40	****	****	****
4,069.03	9.78	<i>TOTAL DEVELOPED-ENVIRONMENTAL-ACTIVIST</i>	-7.31	3.36	-13.74	7.05	-5.50	****	****
		EMERGING MARKETS							
275.47	0.66	ACADIAN	-8.84	5.63	-12.32	15.14	2.46	****	****
299.35	0.72	BAILLIE GIFFORD	-11.59	-0.26	-15.51	11.72	-0.19	****	****
490.81	1.18	DFA	-9.65	5.55	-18.27	13.97	2.44	****	****
505.18	1.21	EATON VANCE	****	****	****	****	****	****	****
1.98	0.00	EMERGING MARKETS TRANSITION	****	****	****	****	****	****	****
1,571.57	3.78	<i>TOTAL ACTIVE EMERGING MARKETS</i>	-7.29	6.62	-12.97	14.53	1.63	****	****
		FTSE NYCERS CUSTOM BENCHMARK	-9.38	3.89	-15.03	12.41	1.11	****	****
960.48	2.31	BLACKROCK EM	-9.32	3.40	-15.21	****	****	****	****
960.48	2.31	<i>TOTAL PASSIVE EMERGING MARKETS</i>	-9.32	3.40	-15.21	****	****	****	****
		FTSE NYCERS CUSTOM BENCHMARK	-9.38	3.89	-15.03	****	****	****	****
2,534.02	6.09	<i>TOTAL EMERGING MARKETS</i>	-7.48	6.07	-13.32	14.05	1.37	****	****
		EMERGING MARKETS MEDIAN	-8.14	4.54	-15.43	10.67	0.88	****	****
6,603.05	15.86	<i>TOTAL INTERNATIONAL EQUITY</i>	-7.32	4.16	-13.62	8.33	-4.26	6.41	4.36

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HEDGE FUNDS									
242.90	0.58	TOTAL PERMAL HEDGE FUNDS OF FUNDS	-1.83	0.10	-2.89	****	****	****	****
		HFRI FUND OF FUNDS COMPOSITE INDEX + 1%	-2.03	1.52	-3.45	****	****	****	****
DIRECT HEDGE FUNDS									
99.50	0.24	BLUE TREND FD	****	****	****	****	****	****	****
184.88	0.44	BREXAN HOWARD	-4.52	-4.70	****	****	****	****	****
112.64	0.27	BRIGADE LEV CAP STR	0.92	****	****	****	****	****	****
84.60	0.20	CASPIAN SELECT CF	****	****	****	****	****	****	****
204.43	0.49	D.E. SHAW	0.40	4.90	****	****	****	****	****
686.05	1.65	TOTAL DIRECT HEDGE FUNDS	-1.09	0.95	****	****	****	****	****
		HFRI FUND OF FUNDS COMPOSITE INDEX + 1%	-2.03	1.52	****	****	****	****	****
		MSCI AC WORLD INDEX STD NET	-5.56	5.65	****	****	****	****	****
		BARCLAYS CAPITAL AGGREGATE BOND INDEX	2.06	2.37	****	****	****	****	****
928.94	2.23	TOTAL HEDGE FUNDS	-1.30	0.87	-2.14	****	****	****	****
		1 YEAR TREASURY BILL YIELD + 4%	1.03	2.02	4.26	****	****	****	****
		HFRI FUND OF FUNDS COMPOSITE INDEX + 1%	-2.08	1.47	-3.50	****	****	****	****

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PRIVATE EQUITY INVESTMENTS									
27.37	0.07	AEA INVESTORS 2006 FD	****	****	****	****	****	****	****
4.28	0.01	AISLING CAPITAL II, LP	****	****	****	****	****	****	****
3.93	0.01	AISLING CAPITAL III, LP	****	****	****	****	****	****	****
0.06	0.00	ALLEGRA CAPITAL PARTNERS IV	****	****	****	****	****	****	****
13.17	0.03	AMERICAN SEC PTNRS VI	****	****	****	****	****	****	****
21.30	0.05	AMPERSAND 2006	****	****	****	****	****	****	****
11.36	0.03	AMPERSAND 2009	****	****	****	****	****	****	****
15.70	0.04	APOLLO INVESTMENT FD V	****	****	****	****	****	****	****
94.17	0.23	APOLLO INVESTMENT FD VI	****	****	****	****	****	****	****
86.95	0.21	APOLLO INVESTMENT FD VII	****	****	****	****	****	****	****
18.51	0.04	ARES CORP OPP	****	****	****	****	****	****	****
33.24	0.08	ARES CORP OPP II	****	****	****	****	****	****	****
59.30	0.14	ARES CORP OPP III	****	****	****	****	****	****	****
30.44	0.07	ARSENAL CAP PTNRS II	****	****	****	****	****	****	****
52.48	0.13	AURORA EQUITY CAPITAL PTNRS III	****	****	****	****	****	****	****
34.68	0.08	AVISTA CAP PTNRS	****	****	****	****	****	****	****
73.14	0.18	AVISTA CAP PTNRS II	****	****	****	****	****	****	****
29.32	0.07	AXA SECONDARY FD V	****	****	****	****	****	****	****
13.16	0.03	BC EUR CAP IX	****	****	****	****	****	****	****
21.44	0.05	BDCM OPPORTUNITY FD	****	****	****	****	****	****	****
24.33	0.06	BDCM OPPORTUNITY FD II	****	****	****	****	****	****	****
16.22	0.04	BDCM OPPORTUNITY FD III	****	****	****	****	****	****	****
16.62	0.04	BLACKSTONE CAPITAL PTNRS IV	****	****	****	****	****	****	****
110.49	0.27	BLACKSTONE CAPITAL PTNRS V	****	****	****	****	****	****	****
13.47	0.03	BLACKSTONE CAPITAL PTNRS VI	****	****	****	****	****	****	****
12.83	0.03	BLACKSTONE MEZZ PTNRS II	****	****	****	****	****	****	****
15.29	0.04	BLUE WOLF CAPITAL FUND II	****	****	****	****	****	****	****
16.72	0.04	BRIDGEPOINT EUROPE IV	****	****	****	****	****	****	****
7.35	0.02	CARLYLE PTNRS III	****	****	****	****	****	****	****
46.12	0.11	CARLYLE PTNRS V	****	****	****	****	****	****	****
19.85	0.05	CARPENTER COMMUNITY BANC FUND	****	****	****	****	****	****	****

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63.35	0.15	CATTERTON PTNRS VI	****	****	****	****	****	****	****
26.66	0.06	CCMP CAPITAL INVESTORS II	****	****	****	****	****	****	****
20.93	0.05	CLAYTON, DUBILIER AND RICE FUND VII	****	****	****	****	****	****	****
18.74	0.05	CLAYTON, DUBILIER AND RICE FUND VIII	****	****	****	****	****	****	****
46.42	0.11	CELTIC PHARM HLDGS	****	****	****	****	****	****	****
30.80	0.07	CO INVEST PTNRS EURO	****	****	****	****	****	****	****
21.18	0.05	CONSTELLATION VENRTURES III	****	****	****	****	****	****	****
16.13	0.04	CRATON EQUITY INVESTORS	****	****	****	****	****	****	****
16.66	0.04	CREDIT SUISSE EM FD	****	****	****	****	****	****	****
38.01	0.09	CREDIT SUISSE EM CO/INV FD	****	****	****	****	****	****	****
36.92	0.09	CRESTVIEW PARTNERS II	****	****	****	****	****	****	****
5.04	0.01	CYPRESS MERCHANT BK PTNRS II	****	****	****	****	****	****	****
7.07	0.02	EQT VI LP	****	****	****	****	****	****	****
19.07	0.05	ERASMUS NYC GROWTH FD	****	****	****	****	****	****	****
31.09	0.07	ETHOS PRIVATE EQ FD V	****	****	****	****	****	****	****
41.98	0.10	FAIRVIEW EMERGING MGRS FD	****	****	****	****	****	****	****
20.92	0.05	FAIRVIEW VENTURES FD III	****	****	****	****	****	****	****
5.25	0.01	FDG CAPITAL PTNRS	****	****	****	****	****	****	****
23.16	0.06	FDG CAPITAL PTNRS II	****	****	****	****	****	****	****
33.99	0.08	FIRST RESERVE FUND XI	****	****	****	****	****	****	****
31.93	0.08	FIRST RESERVE FUND XII	****	****	****	****	****	****	****
64.69	0.16	FOURTH CINVEN FD	****	****	****	****	****	****	****
22.26	0.05	FS EQUITY PTNRS V	****	****	****	****	****	****	****
17.11	0.04	FS EQUITY PTNRS VI	****	****	****	****	****	****	****
28.86	0.07	FT VENTURES FUND III	****	****	****	****	****	****	****
15.18	0.04	GF CAPITAL	****	****	****	****	****	****	****
31.86	0.08	GI PTNRS FUND II, LP	****	****	****	****	****	****	****
44.43	0.11	GI PTNRS FUND III, LP	****	****	****	****	****	****	****
11.61	0.03	GSC RECOVERY III	****	****	****	****	****	****	****
41.34	0.10	GSO CAPITAL OPP FD	****	****	****	****	****	****	****
14.26	0.03	HALYARD CAPITAL II	****	****	****	****	****	****	****
18.00	0.04	HM 2006 SECTOR PERFORM FD LP	****	****	****	****	****	****	****

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30.69	0.07	INTERMEDIA PTNRS VII	****	****	****	****	****	****	****
43.99	0.11	JP MORGAN INVST MGT INC	****	****	****	****	****	****	****
12.08	0.03	LANDMARK EQUITY PTNRS XI	****	****	****	****	****	****	****
50.74	0.12	LANDMARK EQUITY PTNRS XIV	****	****	****	****	****	****	****
25.10	0.06	LANDMARK FUND XIII	****	****	****	****	****	****	****
14.33	0.03	LEE EQUITY PARTNERS	****	****	****	****	****	****	****
25.99	0.06	LEEDS EQUITY PARTNERS V	****	****	****	****	****	****	****
30.67	0.07	LEVINE LEICHTMAN CAP PTNS IV	****	****	****	****	****	****	****
24.57	0.06	LEXINGTON CAPITAL PTNRS VII	****	****	****	****	****	****	****
4.35	0.01	LINCOLNSHIRE EQ FD II	****	****	****	****	****	****	****
36.34	0.09	LINCONSHIRE EQ FD III	****	****	****	****	****	****	****
4.47	0.01	LINCONSHIRE EQ FD IV	****	****	****	****	****	****	****
20.30	0.05	MARKSTONE CAPITAL PTNRS	****	****	****	****	****	****	****
40.32	0.10	MIDOCEAN PTNRS III	****	****	****	****	****	****	****
14.16	0.03	MONTREUX EQ PTNRS IV	****	****	****	****	****	****	****
27.82	0.07	NAUTIC PARTNERS VI	****	****	****	****	****	****	****
2.27	0.01	NEW MOUNTAIN PTNRS	****	****	****	****	****	****	****
33.75	0.08	NEW MOUNTAIN PTNRS II	****	****	****	****	****	****	****
66.60	0.16	NEW MOUNTAIN PTNRS III	****	****	****	****	****	****	****
17.83	0.04	NEWSPRING VENTURES II	****	****	****	****	****	****	****
9.99	0.02	NGN BIOMED OPPORTUNITY II	****	****	****	****	****	****	****
32.44	0.08	ONEX PTNRS III	****	****	****	****	****	****	****
5.87	0.01	PALADIN HOMELAND SECURITY	****	****	****	****	****	****	****
15.44	0.04	PALADIN FUND III	****	****	****	****	****	****	****
25.26	0.06	PALLADIUM EQ PTNRS III	****	****	****	****	****	****	****
61.70	0.15	PCGAM CLEAN ENERGY & TECH FD	****	****	****	****	****	****	****
40.26	0.10	PEGASUS PTNRS IV	****	****	****	****	****	****	****
8.94	0.02	PEGASUS PTNRS V	****	****	****	****	****	****	****
24.89	0.06	PERSEUS PTNRS VII	****	****	****	****	****	****	****
19.55	0.05	PINE BROOK CAPITAL PTNRS	****	****	****	****	****	****	****
14.35	0.03	PRISM VENTURE PTNRS V-A	****	****	****	****	****	****	****
21.81	0.05	PSILOS GROUP PTNRS III	****	****	****	****	****	****	****

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45.52	0.11	QUADRANGLE CAP PTNRS II	****	****	****	****	****	****	****
9.71	0.02	QUAKER BIOVENTURES II	****	****	****	****	****	****	****
4.41	0.01	RELATIVITY FD	****	****	****	****	****	****	****
9.43	0.02	RIPPLEWOOD PTNRS II	****	****	****	****	****	****	****
43.58	0.10	RIVERSTONE/CARLYLE GLB EP IV	****	****	****	****	****	****	****
12.57	0.03	RLJ EQUITY PARTNERS I	****	****	****	****	****	****	****
29.39	0.07	RRE VENTURES III	****	****	****	****	****	****	****
42.32	0.10	RRE VENTURES IV	****	****	****	****	****	****	****
10.46	0.03	SCP PRIV EQ PTNRS II	****	****	****	****	****	****	****
12.18	0.03	SCP VITALIFE PTNRS II	****	****	****	****	****	****	****
18.88	0.05	SNOW PHIPPS GROUP	****	****	****	****	****	****	****
9.85	0.02	SNOW PHIPPS II	****	****	****	****	****	****	****
32.78	0.08	SOLERA PTNRS	****	****	****	****	****	****	****
13.01	0.03	STARVEST PTNRS II	****	****	****	****	****	****	****
24.79	0.06	TAILWIND CAPITAL PTNRS	****	****	****	****	****	****	****
24.74	0.06	TERRA FIRMA CAP III	****	****	****	****	****	****	****
15.76	0.04	THOMAS H. LEE EQUITY FD VI	****	****	****	****	****	****	****
9.09	0.02	THOMAS MCNERNEY PTNRS	****	****	****	****	****	****	****
16.63	0.04	THOMAS MCNERNEY PTNRS II	****	****	****	****	****	****	****
36.80	0.09	TRIDENT V	****	****	****	****	****	****	****
16.66	0.04	TRILANTIC CAPITAL PTNRS III	****	****	****	****	****	****	****
59.60	0.14	TRILANTIC CAPITAL PTNRS IV	****	****	****	****	****	****	****
56.48	0.14	U. S. POWER FUND II	****	****	****	****	****	****	****
46.86	0.11	U. S. POWER FUND III	****	****	****	****	****	****	****
42.40	0.10	VISTA EQUITY PTNRS III	****	****	****	****	****	****	****
34.85	0.08	VISTA EQUITY PTNRS IV	****	****	****	****	****	****	****
48.69	0.12	VITRUVIAN PTNRS	****	****	****	****	****	****	****
4.52	0.01	VS&A COMM PTNRS III	****	****	****	****	****	****	****
17.12	0.04	VSS COMM PTNRS IV	****	****	****	****	****	****	****
6.95	0.02	WARBURG PINCUS XI	****	****	****	****	****	****	****
7.46	0.02	WELLSPRING CAP PTNRS V	****	****	****	****	****	****	****

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26.23	0.06	WELSH CARSON ANDERSON & STOWE XI	****	****	****	****	****	****	****
63.19	0.15	YUCAIPA AMERICAN ALLIANCE FD	****	****	****	****	****	****	****
163.04	0.39	YUCAIPA AMERICAN ALLIANCE FD II	****	****	****	****	****	****	****
24.46	0.06	YUCAIPA CORP INITIATIVE II	****	****	****	****	****	****	****
3,655.48	8.78	TOTAL PRIVATE EQUITY	4.27	6.39	7.50	13.88	6.24	****	****
PRIVATE REAL ESTATE									
22.47	0.05	AMER VALUE PTNRS I	****	****	****	****	****	****	****
24.25	0.06	APOLLO EUROPE III	****	****	****	****	****	****	****
11.04	0.03	APOLLO REAL ESTATE FD V	****	****	****	****	****	****	****
33.57	0.08	BLACKROCK CARBON III	****	****	****	****	****	****	****
20.70	0.05	BLACKSTONE REAL ESTATE PTNRS EU III	****	****	****	****	****	****	****
16.62	0.04	BLACKSTONE REAL ESTATE PTNRS IV	****	****	****	****	****	****	****
129.24	0.31	BLACKSTONE REAL ESTATE PTNRS VI	****	****	****	****	****	****	****
34.03	0.08	BLACKSTONE REAL ESTATE PTNRS VII	****	****	****	****	****	****	****
0.32	0.00	CANYON JOHNSON URBAN FD	****	****	****	****	****	****	****
21.36	0.05	CANYON JOHNSON URBAN FD II	****	****	****	****	****	****	****
16.87	0.04	CANYON JOHNSON URBAN FD III	****	****	****	****	****	****	****
29.98	0.07	CAPRI URBAN INVESTORS	****	****	****	****	****	****	****
13.95	0.03	CARLYLE R.P. FD V	****	****	****	****	****	****	****
12.78	0.03	CARLYLE REALTY VI	****	****	****	****	****	****	****
10.11	0.02	COLONY REALTY PTNRS II	****	****	****	****	****	****	****
9.30	0.02	H/2 SPECIAL OPPORTUNITY FD II	****	****	****	****	****	****	****
130.77	0.31	HEITMAN AMERICA	****	****	****	****	****	****	****
155.25	0.37	JPM STRATEGIC PROP FD	****	****	****	****	****	****	****
69.21	0.17	JPM SPECIAL SIT FD	****	****	****	****	****	****	****
28.87	0.07	LASALLE US PROPERTY FD	****	****	****	****	****	****	****
8.79	0.02	METRO WKFORCE HOUSING FD	****	****	****	****	****	****	****
81.82	0.20	PRISA	****	****	****	****	****	****	****
128.03	0.31	PRISA II	****	****	****	****	****	****	****
61.97	0.15	PRISA III	****	****	****	****	****	****	****

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18.15	0.04	PROLOGIS TARGETED US LOGISTICS FD	****	****	****	****	****	****	****
81.77	0.20	RREEF AMER II	****	****	****	****	****	****	****
34.26	0.08	RREEF AMER III	****	****	****	****	****	****	****
10.04	0.02	SILVERPEAK RE PTNRS III	****	****	****	****	****	****	****
16.81	0.04	STOCKBRIDGE RE FD III	****	****	****	****	****	****	****
90.08	0.22	THE CITY INVESTMENT FD	****	****	****	****	****	****	****
11.30	0.03	THOR URBAN PROPERTY FD II	****	****	****	****	****	****	****
39.52	0.09	TISHMAN SPEYER/CITIGROUP	****	****	****	****	****	****	****
178.05	0.43	UBS TRUMBULL PROPERTY FD	****	****	****	****	****	****	****
14.46	0.03	URBAN AMERICA II	****	****	****	****	****	****	****
41.15	0.10	WALTON ST RE FD VI	****	****	****	****	****	****	****
31.61	0.08	WESTBROOK RE FD VII	****	****	****	****	****	****	****
31.85	0.08	WESTBROOK RE FD VIII	****	****	****	****	****	****	****
1,670.35	4.01	TOTAL PRIVATE REAL ESTATE	4.54	9.01	17.51	6.28	-1.85	****	****
27,975.42	67.22	TOTAL EQUITY - PUBLIC & PRIVATE	-3.12	7.20	-0.99	13.74	-0.69	****	****
		FIXED INCOME MANAGEMENT							
		TREASURY AGENCY							
422.90	1.02	BLACKROCK-GOVT	6.12	3.31	18.61	****	****	****	****
457.07	1.10	PIMCO	6.44	3.69	18.60	11.09	10.36	7.87	****
177.56	0.43	STATE STREET	6.14	3.32	18.69	10.41	10.31	7.77	8.04
1,057.53	2.54	ALL TREASURY AGENCY	6.26	3.47	18.62	10.62	10.19	7.71	8.01
		NYC - TREASURY AGENCY PLUS FIVE	6.17	3.26	18.72	10.31	10.10	7.66	7.95

Consolidated Performance Report

Through June 30, 2012

Assets (\$MM)	% Total		3 Mos Apr-12 Jun-12	YTD Jan-12 Jun-12	1 Yr Jul-11 Jun-12	3 Yrs Jul-09 Jun-12	5 Yrs Jul-07 Jun-12	10 Yrs Jul-02 Jun-12	15 Yrs Jul-97 Jun-12
		MORTGAGE							
714.86	1.72	BLACKROCK	1.58	3.55	6.77	7.96	7.37	5.87	****
296.01	0.71	GOLDMAN SACHS -MORT	1.57	2.27	6.23	****	****	****	****
747.91	1.80	NEUBERGER BERMAN	1.21	2.18	4.77	****	****	****	****
771.47	1.85	PIMCO	1.38	2.38	5.36	7.53	7.39	5.99	6.80
175.45	0.42	SMITH BREEDEN -MORT	1.28	2.23	5.36	****	****	****	****
296.88	0.71	WELLINGTON -MORT	1.20	1.71	5.49	****	****	****	****
3,002.57	7.21	ALL MORTGAGE	1.38	2.52	5.64	7.61	7.20	5.81	6.49
		CITIGROUP MORTGAGE INDEX	1.07	1.69	5.05	5.53	6.79	5.46	6.18
		INVESTMENT GRADE CREDIT							
487.19	1.17	BARROW HANLEY - CREDIT	2.62	5.30	8.94	****	****	****	****
603.66	1.45	BLACKROCK - CREDIT	2.73	5.20	9.72	10.63	7.80	6.93	****
810.17	1.95	PRUDENTIAL - CREDIT	2.47	4.60	9.85	10.61	8.49	7.32	****
507.34	1.22	TAPLIN, CANIDA -CREDIT	2.22	4.64	8.32	11.21	6.03	6.59	6.73
597.25	1.43	T. ROWE PRICE -CREDIT	2.50	5.35	9.60	11.60	8.58	7.10	6.94
3,005.61	7.22	ALL INVESTMENT GRADE CREDIT	2.51	4.99	9.36	10.98	7.60	6.88	6.79
		NYC - INVESTMENT GRADE CREDIT	2.33	4.47	9.14	9.69	7.23	6.41	6.63
		GLOBAL FIXED INCOME							
57.11	0.14	LM CAPITAL - MTA	1.90	3.12	7.61	8.19	****	****	****
57.11	0.14	NYCERS-TOTAL GLOBAL FIXED INCOME	1.90	3.12	7.61	8.19	****	****	****
		BARCLAYS CAPITAL US AGGREGATE	2.06	2.37	7.47	6.93	****	****	****
7,065.71	16.98	TOTAL STRUCTURED	2.58	3.62	9.24	9.33	8.13	6.66	7.03
		NYC - CORE PLUS FIVE	2.61	3.00	9.35	7.96	7.79	6.34	6.81
7,122.82	17.11	TOTAL STRUCTURED PLUS LM CAPITAL	2.58	3.61	9.22	9.32	8.12	6.65	7.03

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Through June 30, 2012

Assets (\$MM)	% Total		3 Mos Apr-12 Jun-12	YTD Jan-12 Jun-12	1 Yr Jul-11 Jun-12	3 Yrs Jul-09 Jun-12	5 Yrs Jul-07 Jun-12	10 Yrs Jul-02 Jun-12	15 Yrs Jul-97 Jun-12
		PROGRESS FIXED							
38.46	0.09	AMBASSADOR CAP -CORE PLUS	2.53	3.09	9.60	8.29	****	****	****
38.73	0.09	NEW CENTURY ADVISORS-CORE PLUS	2.36	3.10	8.51	8.60	****	****	****
26.45	0.06	PUGH CAPITAL MGMT -CORE	2.08	3.14	8.09	8.13	****	****	****
103.64	0.25	TOTAL PROGRESS FIXED EMERGING MANAGERS	2.35	3.11	8.80	8.08	7.12	7.04	6.80
		BARCLAYS CAPITAL U.S. AGGREGATE	2.06	2.37	7.47	6.93	6.79	5.63	6.27
		ACTIVE TIPS MANAGERS							
160.05	0.38	BLACKROCK-TIPS	2.95	3.62	11.95	9.62	8.68	****	****
534.73	1.28	PIMCO-TIPS-MTA	3.41	4.29	12.36	9.78	8.62	****	****
694.78	1.67	TOTAL ACTIVE TIPS MANAGERS	3.31	4.13	12.27	9.74	8.65	****	****
		PASSIVE TIPS MANAGERS							
227.90	0.55	STATE STREET-TIPS-MTA	3.10	3.93	11.68	9.63	8.45	****	****
227.90	0.55	TOTAL PASSIVE TIPS MANAGERS	3.10	3.93	11.68	9.63	8.45	****	****
		TOTAL TIPS MANAGERS	3.26	4.08	12.13	9.72	8.60	****	****
922.68	2.22	BARCLAYS CAPITAL US TIPS INDEX	3.15	4.04	11.66	9.65	8.45	****	****
		ENHANCED YIELD							
550.57	1.32	LOOMIS SAYLES	1.52	7.68	6.22	18.00	9.61	11.58	7.77
		NYC-LOOMIS (ML-MST II 7-03/BB&B PRIOR)	1.83	7.08	6.51	16.16	8.16	9.92	7.07
6.13	0.01	SEIX	****	****	****	****	****	****	****
311.79	0.75	SHENKMAN	1.66	5.46	6.95	11.76	7.19	****	****
521.59	1.25	T. ROWE PRICE	1.96	6.03	6.27	14.05	8.01	9.26	8.21
1,234.13	2.97	HIGH YIELD TRANSITION -ACCOUNT	****	****	****	****	****	****	****
2,624.22	6.31	ALL ENHANCED YIELD	1.54	6.38	6.31	14.36	8.13	9.55	6.86
		CITIGROUP BB & B	2.08	6.72	8.45	14.05	6.28	8.64	6.23
		CITIGROUP BB & B CAPPED	1.84	6.43	8.45	13.98	6.98	8.72	****
		ENHANCED YIELD MEDIAN	1.72	6.38	7.41	14.74	8.04	10.74	8.15

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		CONVERTIBLE BONDS							
262.03	0.63	ADVENT CONVERTIBLE BONDS	-1.67	5.68	-0.61	12.15	****	****	****
		BofA ML CONVERTIBLE YIELD ALT. IDX	-1.48	5.16	-0.41	11.76	****	****	****
144.68	0.35	LORD ABBETT CONVERTIBLE BONDS	-2.99	5.32	-4.96	11.63	****	****	****
		BofA ML ALL CONVERTIBLES INDEX	-3.29	6.59	-3.22	13.30	****	****	****
139.22	0.33	VICTORY CONVERTIBLE BONDS	-2.74	4.98	-1.78	9.28	****	****	****
		BofA ML CONVERTIBLE BONDS INVST GRADE	-2.85	5.75	-1.23	8.65	****	****	****
545.93	1.31	TOTAL CONVERTIBLE BONDS	-2.30	5.41	-2.09	11.23	****	****	****
		ML ALL CONVERTIBLES EX MANDATORY	-2.68	6.91	-1.68	13.76	****	****	****
		NYCERS CUSTOM CONVERTIBLE BOND INDEX	-2.54	5.84	-1.59	11.25	****	****	****
		OPPORTUNISTIC FIXED							
13.81	0.03	AVE EURO SPECIAL SITUATIONS FD	****	****	****	****	****	****	****
5.13	0.01	AVE SPECIAL SITUATIONS FD V	****	****	****	****	****	****	****
63.16	0.15	AVE SPECIAL SITUATIONS FD VI	****	****	****	****	****	****	****
		3 MONTH LIBOR PLUS 750BPS	****	****	****	****	****	****	****
36.00	0.09	ANGELO GORDON PTNRS LP	****	****	****	****	****	****	****
62.71	0.15	APOLLO PTNRSH LP	****	****	****	****	****	****	****
9.80	0.02	FORTRESS PTNRS LP	****	****	****	****	****	****	****
86.56	0.21	GOLDENTREE OD MTA	1.08	6.54	****	****	****	****	****
85.04	0.20	MARATHON OD MTA	1.28	12.88	****	****	****	****	****
280.11	0.67	TOTAL STRATEGIC MARKETS	0.82	10.24	****	****	****	****	****
		JP MORGAN GLOBAL HIGH YIELD BOND IDX	1.46	7.42	****	****	****	****	****
		JP MORGAN GLOBAL HIGH YIELD PLUS 3%	1.91	8.45	****	****	****	****	****
362.21	0.87	TOTAL DISTRESSED FIXED	****	****	****	****	****	****	****
26.76	0.06	AG GECC LP	****	****	****	****	****	****	****
46.08	0.11	ALLIANCE BERNSTEIN LEGACY SECS LP	****	****	****	****	****	****	****
72.84	0.18	TOTAL PPIP	****	****	****	****	****	****	****
435.05	.05	TOTAL OPPORTUNISTIC FIXED	4.89	13.84	-4.48	23.83	****	****	****
		JP MORGAN GLOBAL HIGH YIELD PLUS 3%	1.91	8.45	10.67	19.92	****	****	****

Consolidated Performance Report

Through June 30, 2012

Assets (\$MM)	% Total		3 Mos Apr-12 Jun-12	YTD Jan-12 Jun-12	1 Yr Jul-11 Jun-12	3 Yrs Jul-09 Jun-12	5 Yrs Jul-07 Jun-12	10 Yrs Jul-02 Jun-12	15 Yrs Jul-97 Jun-12
		ETI							
54.70	0.13	ACCESS RBC	1.71	2.46	6.57	6.18	7.37	****	****
223.39	0.54	AFL-CIO HOUSING INV TRUST	2.42	2.64	7.60	6.48	6.87	****	****
1.92	0.00	BOA-PPAR	2.17	3.11	6.84	****	****	****	****
2.42	0.01	CFSB-PPAR	3.13	4.34	5.67	8.29	8.17	****	****
5.59	0.01	CCD-PPAR	4.52	6.07	8.83	9.36	9.54	****	****
1.97	0.00	LIIF-PPAR	1.58	3.01	5.72	****	****	****	****
1.01	0.00	NCBCI-PPAR	2.34	3.89	8.88	****	****	****	****
1.16	0.00	NHS-PPAR	2.64	4.18	5.04	9.61	****	****	****
185.17	0.44	TARGETED INVESTMENT	2.42	4.17	7.11	7.98	8.42	7.48	7.51
22.18	0.05	CPC TERM LOAN	0.63	1.26	2.34	2.16	3.21	****	****
499.51	1.20	TOTAL ETI WITH CASH	2.28	3.16	7.04	6.80	7.35	6.43	6.81
		EMPLOYEES CUSTOM BENCHMARK (NO CASH)	1.64	2.05	6.63	6.49	6.90	5.72	6.52
		BARCLAYS CAPITAL U.S. AGGREGATE	2.06	2.37	7.47	6.93	6.79	5.63	6.27
13,638.07	32.77	TOTAL FIXED INCOME	2.12	4.18	7.05	9.92	7.81	6.93	6.91
6.20	0.01	SECURITIES LENDING	****	****	****	****	****	****	****
1,384.22	3.33	STATE STREET SHORT TERM INVESTMENTS	0.12	0.36	0.67	0.70	1.84	2.40	3.57
0.85	0.00	BNY - CD	****	****	****	****	****	****	****
41,620.55	100.00	TOTAL EMPLOYEES	-1.69	6.19	1.32	12.48	2.05	6.63	6.00
		EMPLOYEES POLICY BENCHMARK	-1.64	6.32	3.01	13.29	2.41	6.75	5.98

Actual & Estimated Fees

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

Actual & Estimated Fees

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

Securities Lending Income

Through June 30, 2012

	U.S. FIXED INCOME	U.S. EQUITY	INTERNATIONAL EQUITY
1990*	\$256,000	--	--
1991	754,000	\$48,000	--
1992	1,467,000	654,000	\$367,000
1993	3,445,000	1,308,000	732,000
1994	4,261,000	2,744,000	1,082,000
1995	3,727,000	3,191,000	745,000
1996	3,608,000	3,592,000	1,258,000
1997	3,924,000	5,921,000	1,533,000
1998	6,374,000	7,337,000	1,952,000
1999	6,643,000	6,718,000	2,175,000
2000	6,552,000	7,669,000	3,049,000
2001	10,335,000	10,394,000	4,435,000
2002	5,906,000	7,780,000	3,510,000
2003	2,442,000	4,766,000	3,603,000
2004	3,502,000	5,844,000	3,825,000
2005	5,229,000	8,264,000	4,471,000
2006	4,626,000	10,012,000	4,163,000
2007	9,445,000	15,100,000	4,510,000
2008	25,936,000	26,696,000	6,878,000
2009	8,149,000	16,388,000	4,305,000
2010	3,714,000	10,256,000	3,125,000
2011	4,834,000	12,861,000	5,163,000
2012 (6 Months)	3,459,000	7,807,000	2,407,000
Since Inception	<u>\$128,588,000</u>	<u>\$175,350,000</u>	<u>\$63,288,000</u>

* Inception 7/90

Footnotes

Through June 30, 2012

- The Barclays Capital Aggregate (then known as the Lehman Brothers Aggregate) was used prior to 1/1/89. Effective 1/1/89, in the Government Sector, maturities of less than 5 years were dropped from the Salomon and Lehman indices. From that date until 7/1/99 the benchmark was the NYC Core + 5, from Lehman.
- Effective 7/1/94, the NYC Core + 5 Index includes BBB rated securities.
- Effective 7/1/99, the basis of the NYC Index was changed from Lehman Brothers to Salomon. Also effective 7/1/99, only Salomon indices have been used to compare all fixed income managers.
- Effective 4/1/03, the name of the benchmark provider was changed from Salomon to Citigroup.
- Effective 7/1/03 the “NYC-Loomis” benchmark index for the Loomis Sayles Enhanced Yield portfolio reflects a change from the Citigroup BB&B Index to the more appropriate Merrill Lynch High Yield Master II Index.
- Effective 7/1/09, the Core+5 program was restructured.
 - The U.S. Gov’t sector benchmark Index was changed from the Citigroup Core+5 Treasury/Gov’t Sponsored Index to the Citigroup Core+5 Treasury/Agency Index.
 - The Corporate and Yankee sectors were combined to form the new Investment Grade Credit sector. The benchmark for the new combined sector is the customized Citigroup Credit Index. For historical performance purposes, the old Corporate sector Index is linked to the new Credit sector Index.
 - There were no changes to the Mortgage sector Index.
 - The total Core+5 results and benchmark returns combine the three sectors. Historical total Core+5 returns continue to include the old Corporate and Yankee sector returns.
- Effective 11/1/10 The NCREIF NPI policy index was replaced with the NCREIF NFI ODEC net Index retroactively.
- Effective 6/1/11 The Opportunistic Fixed NYC-CORE PLUS 5 + 200BPS policy index was replaced with the NYC-10% ANNUAL RETURN primary and JP MORGAN GLOBAL HIGH YIELD PLUS 3% secondary indices retroactively.
- Effective 8/1/11 The Hedge Funds Primary benchmark is the 1 YEAR TREASURY BILL YIELD + 4% and the secondary benchmark is the HFRI FUND OF FUNDS COMPOSITE INDEX + 1%.

Glossary of Terms

Through June 30, 2012

General Notes

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

Page Specific

Page 9 - Portfolio asset Allocation

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

Page 12 - Performance Attribution: Total Plan

- **Plan Return At Policy Weights:** the return of the Total Plan assuming actual Asset Class results were maintained at target (Adjusted Policy) weights. *Figure = (Return of Asset Class 1 * Target Weight) plus (Return Of Asset Class 2 * Target Weight) plus (.....)*
- **Allocation Effect** = Total Plan Return minus Plan Return at Adjusted Policy Weights.
- **Management Effect** = Custom Benchmark (Adjusted Policy Index) Return minus Plan Return at Adjusted Policy Weights
This illustrates how the Managers have added or removed value based on their Security Selection decisions.
- **Policy Index = Custom Benchmark**
The "policy Index" is a custom benchmark representing the weighted average return of the benchmark indexes for each major investment program. Weights may reflect an adjustment of actual policy for outstanding commitments for new or revised programs, such as for private market programs, which are invested gradually, or for any new or updated program requiring the completion of RFPs and contracts. The policy index/custom benchmark is calculated monthly based on adjusted policy weights at the beginning of each month. The indexes and most recent adjusted policy weights are as follows:
U.S. Equity: Russell 3000 * 34.17%
International Developed (EAFE) Markets: MSCI EAFE * 10.21%
International Emerging Markets: FTSE NYCERS Custom Benchmark * 6.90%
Private Equity: Russell 3000 + 500 b.p. per annum * 7.00%
Private Real Estate: NFI ODCE net per annum * 4.08%
Hedge Funds 1yr T-Bill yield + 400 b.p. per annum * 2.36%
Domestic Fixed Income: NYC Core + 5 * 22.74%
TIPS: Barclays U.S. TIPS * 4.50%
Enhanced Yield: Citigroup BB&B * 5.96%
Convertible Bonds: BofA Merrill All US Convertibles Ex Mandatory * 1.00%
Opportunistic Fixed Income: JPM Hi Yield + 3% * 1.08%

Glossary of Terms

Through June 30, 2012

Page 16 - Management Effect - Asset Class Breakdown

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

Page 22 - Domestic Equity Asset Allocation

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

Page 41 – Structured Fixed Income Asset Allocation

- See Domestic Equity Asset Allocation for explanation

Page 49 – ETI Returns vs. Custom Index and Barclays Capital U.S. Aggregate

- ETI has implemented a Custom Benchmark to better track the performance of the individual ETI programs relative to their respective benchmarks. The Custom Benchmark represents the weighted average return of the individual benchmark indexes for each program, updated monthly. The indexes are as follows:
AFL-CIO Housing Inv Trust: Barclays Capital U.S. Aggregate Index
CPC Term Loan: 30 Day Libor + 200 bps with a floor of 250 bps per annum
FNMA: Citigroup 15 yr. FNMA
GNMA: Citigroup 15 yr. GNMA
PPAR: Citigroup GNMA + 65 bps per annum
Access/RBC: 60% Merrill Lynch 30 Year Mortgage Index (MF30) plus 40% U.S. Treasury 1-10 Yr Index (G502)