



New York City
Police Pension Fund, Subchapter Two
Performance Overview as of December 31, 2015

Total Fund Overview

New York City Police Pension Fund, Subchapter Two

Table of Contents:

Consultant's Commentary & Performance Charts	p.3
Appendix A - Consolidated Performance Report	p.24
Appendix B - Public Markets Manager Performance Detail	p.33
Appendix C - Alternative Assets Manager Performance Detail	p.46
Appendix D - Footnotes	p.58

4Q15 Capital Markets Commentary

US Equity - The Russell 3000 was up for the fourth quarter of 2015 (4Q15) by +6.27%. Although the annual return of +0.48% marked the index's seventh consecutive annual gain, it was the lowest annual return since 2008. After a dismal third quarter, the market rebounded during 4Q15 as leading economic indicators in the U.S. rose in October and November, suggesting continued economic growth. Large capitalization stocks outperformed smaller shares during 4Q15 while growth stocks trailed value. Sector performance was mostly positive except for Energy. The three best performing sectors were Materials, Technology and Health Care.

International Equity – The MSCI ACWI ex-US also rebounded after a volatile third quarter, but not as strong as the US Market, up +3.2% for 4Q15. Investors were cheered by Europe's nascent economic recovery, the European Central Bank's accommodative monetary policy and overall resilience in the Asia-Pacific region outside of China. Emerging markets continue to suffer from China's weakness and the worldwide collapse in commodities. The strong U.S. dollar has also impacted emerging market companies, since much of their debt financing is transacted in dollars and therefore has become much more expensive.

Fixed Income - After seven years with a Fed funds rate set at zero, the Federal Reserve took the first step towards raising short-term interest rates with a 25 basis point increase. They maintained their expected trajectory for rates for 2016 but lowered them for 2017 and 2018. There have been large fluctuations in the rate and a general downward trend during the past 25 years, suggesting a challenging period ahead for the Federal Reserve. The Fed's liftoff had little real impact on Treasury markets. The pressure of rising yields on bond prices was tempered by the special status Treasuries enjoy as a global safe-haven asset, resulting in relatively little movement in this market sector.

4Q15 Capital Markets Commentary

Opportunistic Fixed Income – Credit spreads widened during 2015, especially at year-end. This is in response to the prospect of higher financing costs in the future. This caused challenges in 4Q15 for credit strategies including high yield, stressed and distressed situations. High yield bonds hit strong headwinds as oil and gas-related issuers dealt with the ongoing slump in commodities prices. Triple-C rated debt and below declined over 10% for the quarter. International bonds were down as well in 4Q15, but emerging market debt had a +1.0% positive return in 4Q15.

Real Assets – REITs rebounded in 4Q15, but commodity markets continued to slide as the FTSE EPRA/NAREIT index and the Bloomberg Commodity index returned +3.9% and -10.5% respectively. Closed-end real estate funding levels remained about the same from a year ago, and remained focused on North America versus Europe and other regions. The number of funds that closed declined from a year ago. Commercial property absorption rates moved lower in 3Q15 for Office and Industrial sectors, but vacancy rates continue to decline across all sectors. Infrastructure fund raising moved lower, as it did in 2014, off the highs of 2013. Master limited partnerships, primarily invest in oil and gas pipelines, experienced another volatile 4Q15 and finished 2015 down -32.6%.

Private Equity – With \$83 billion in global fundraising in 4Q15, total fundraising for 2015 reached \$287 billion, but that is more than \$50 billion lower than the \$339 billion raised in 2014. Aggregate deal values rose from a year ago, but the number of deals decreased. Smaller deals continue to dominate deal activity by count, while significantly more mega transaction (\$2.5B+) by volume. As debt has become more readily available, purchase price multiples have increased from the low point in 2009. Pricing in 2015 has eclipsed the 10X threshold, which is a recent high. Private equity overhang has generally increased since 2010, and is nearing pre-crisis levels at \$534 billion.

4Q15 Capital Markets Commentary

Hedge Funds – The HFRI Fund of Funds Composite Index +1% returned +0.91% in 4Q15. Equity Hedge managers had a robust 4Q15, returning +2.27%, with every sub-strategy except Short-Bias and Energy/Basic Materials generating positive returns. A favorable U.S. economic outlook based on leading economic indicators and the Fed interest rate hike in December drove robust returns across most Equity Hedge strategies. Equity Market Neutral generated a solid return of +1.32% for 4Q15 and 4.42% for 2015. The sub-strategy's beta-neutral focus protected it from the upside participation during the equity market rally. Event Driven performance was close to flat in 4Q15, returning -0.13%. The Distressed/Restructuring and Credit Arbitrage sub-strategies suffered the worst quarterly performance, returning -3.23% and -2.97%, respectively, and bringing year-end returns to -8.00% and -5.06%, respectively. Mixed performance in Global Macro strategies left the HFRI indexes flat for 4Q15, and down -1.15% for the year. Relative Value managers returned -0.26% for 4Q15. Shifting volatility levels and declining market correlations, particularly in equity markets, have proven to be a fertile market environment for managers trading volatility as an asset class.



4Q15 Performance Commentary

Total Plan – As of December 31, 2015 the Fund had a value of \$32.4 billion and allocated \$11.6 billion to US Equity (35.7%), \$5.1 billion to International Equity (15.8%), \$2.3 billion to Private Equity (7.1%), \$10.7 billion to Fixed Income (32.9%), \$1.0 billion to Hedge Funds (3.2%), and \$1.7 billion to Real Estate and Assets (5.2%).

For 4Q15, the Fund returned +2.44% which was ahead of the policy benchmark return of +2.35 by 9 bps. For the year, the Fund was up +0.47% versus a policy benchmark return of +0.41%. Over the trailing three-, five-, and ten-year periods, the Fund returned +8.04%, +7.52%, and +6.10%, respectively, performing relatively in line with the policy benchmark over each period.

Total Domestic Equity Composite – Of the 35.7% in domestic equity, 30% is invested in All-Cap, 47% in Large-Cap, 13% in Mid-Cap, 8% in Small- and SMID-Cap, and 2% in Emerging Managers. Approximately 80% of the composite is passively invested, primarily in Large- and All-Cap.

For 4Q15, the Total Domestic Equity Composite returned +5.63% versus the Russell 3000 return of +6.27%. The Small-Cap Active Composite outperformed the Russell 2000, but the Active SMID- and Large-Cap Composites underperformed the Russell 2500 and 1000, respectively. The Emerging Managers also underperformed relative to the Russell 2000 in 4Q15. All other composites performed in line with their respective policies.

Total International Equity Composite – Of the 15.8% in International Equity, 20% is invested in Developed Growth, 19% in Developed Value, 11% in Developed Small-Cap, 10% in Developed Large-Cap, 37% in Emerging Markets, and 2% in Non-U.S. Environmental. 72% of the Total International Equity Composite is actively managed and 28% is passively managed.

4Q15 Performance Commentary

International Equity Composite (Continued) – For 4Q15, the Total International Equity Composite returned +3.90%, outperforming the MSCI ACWI Ex-US (Net) return of +3.24%. The Non-U.S. Environmental composite performed well on both an absolute basis (+10.05%) and relative to the MSCI World Index return of +5.50%. The Active Emerging Markets and Active Developed Small-Cap composites also outperformed relative to their respective benchmarks.

Total Fixed Income Composite – Of the 32.9% in Fixed Income, 54% is invested in Structured Fixed Income, 12% in Enhanced Yield, 9% in TIPS, 8% in Opportunistic, 6% in Short-Term/Cash, 5% in Bank Loans, and the remaining 6% allocation is a mix of ETI (3%) Convertible Bonds (2%) , and Core Plus Fixed Income and Progress (1%).

The Total Fixed Income Composite returned -0.70% in 4Q15. The Total Structured Composite performed slightly better, returning -0.43%, which was 6 bps ahead of the Core Plus Five benchmark return of -0.49%. The Core Plus (-0.15%) and Progress Fixed Income (-0.38%) preserved capital relative to the Barclays Agg return of -0.57% for 4Q15. The TIPS composite was returned -0.67%, which was in line with its benchmark.

With spreads widening at the end of the year, Enhanced Yield, Bank Loans, and Opportunistic Fixed Income struggled on an absolute basis (-1.80, -1.31%, and -1.77% respectively), but Bank Loans performed well on a relative basis versus its benchmark (-1.96%).

Convertible bonds were the bright spot for the quarter, returning +2.24% which outperformed both its benchmarks significantly. The ETI composite returned -0.62% basis points, 43 bps below its benchmark for 4Q15.



Through December 31, 2015



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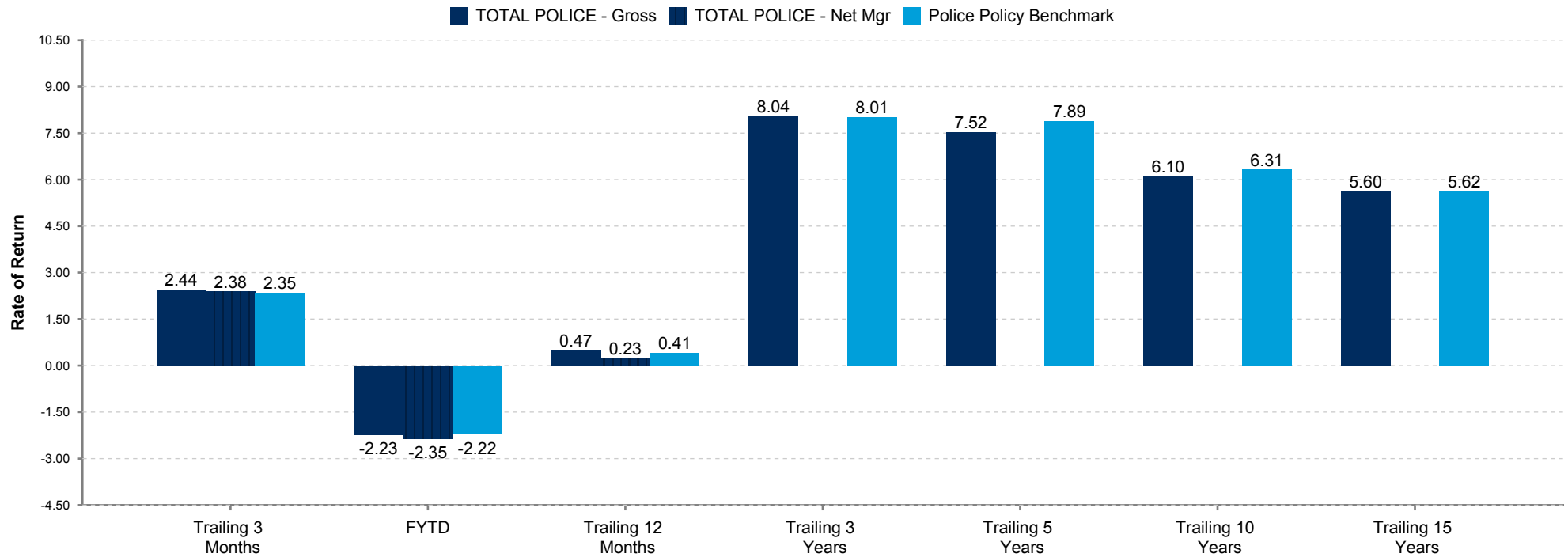
Total Portfolio Returns: December 31, 2015



TOTAL POLICE

Market Value (Billions)

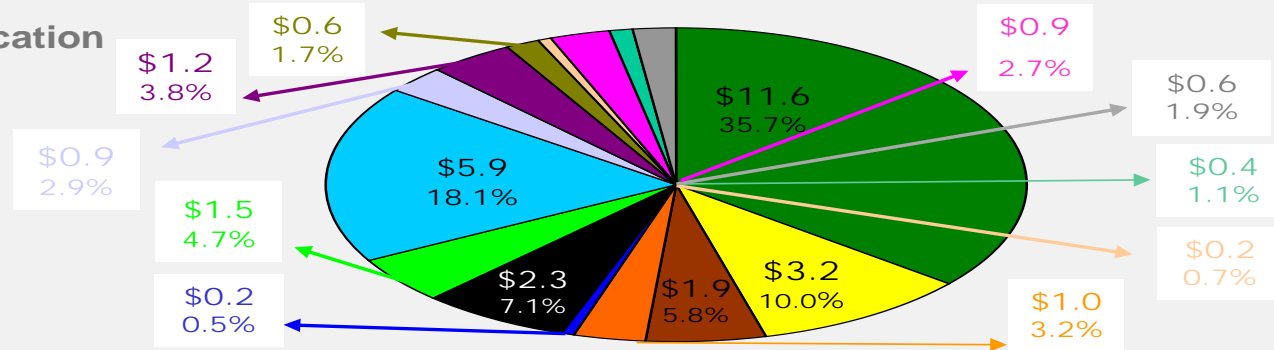
\$32.4



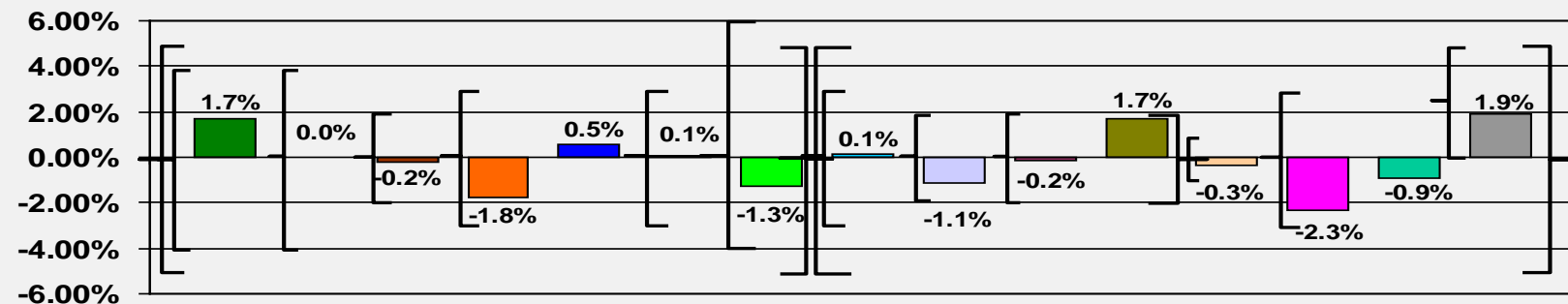
	Plan 3 Years	Benchmark 3 Years	Plan 5 Years	Benchmark 5 Years	Plan 10 Years	Benchmark 10 Years
Standard Deviation						
TOTAL POLICE	6.3	6.1	7.5	7.6	10.1	11.0

\$32.4 B Under Management

Asset Allocation



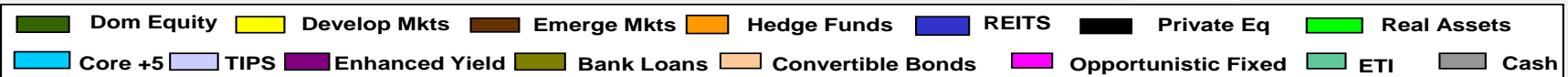
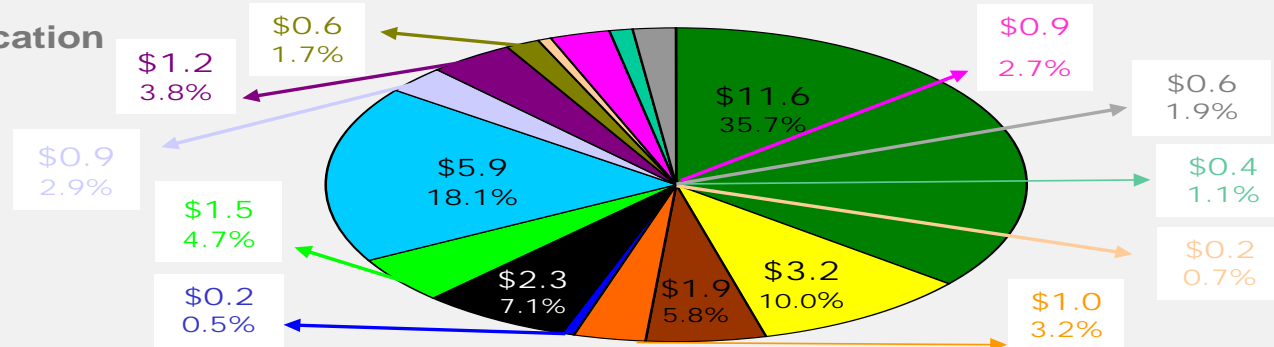
Relative Mix to New Policy Weights



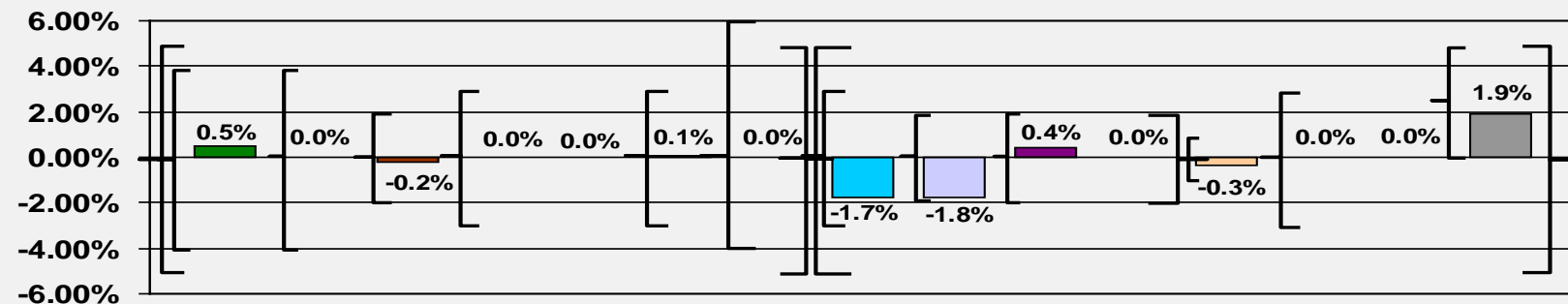
Note: Brackets represent rebalancing ranges versus Policy.

\$32.4 B Under Management

Asset Allocation

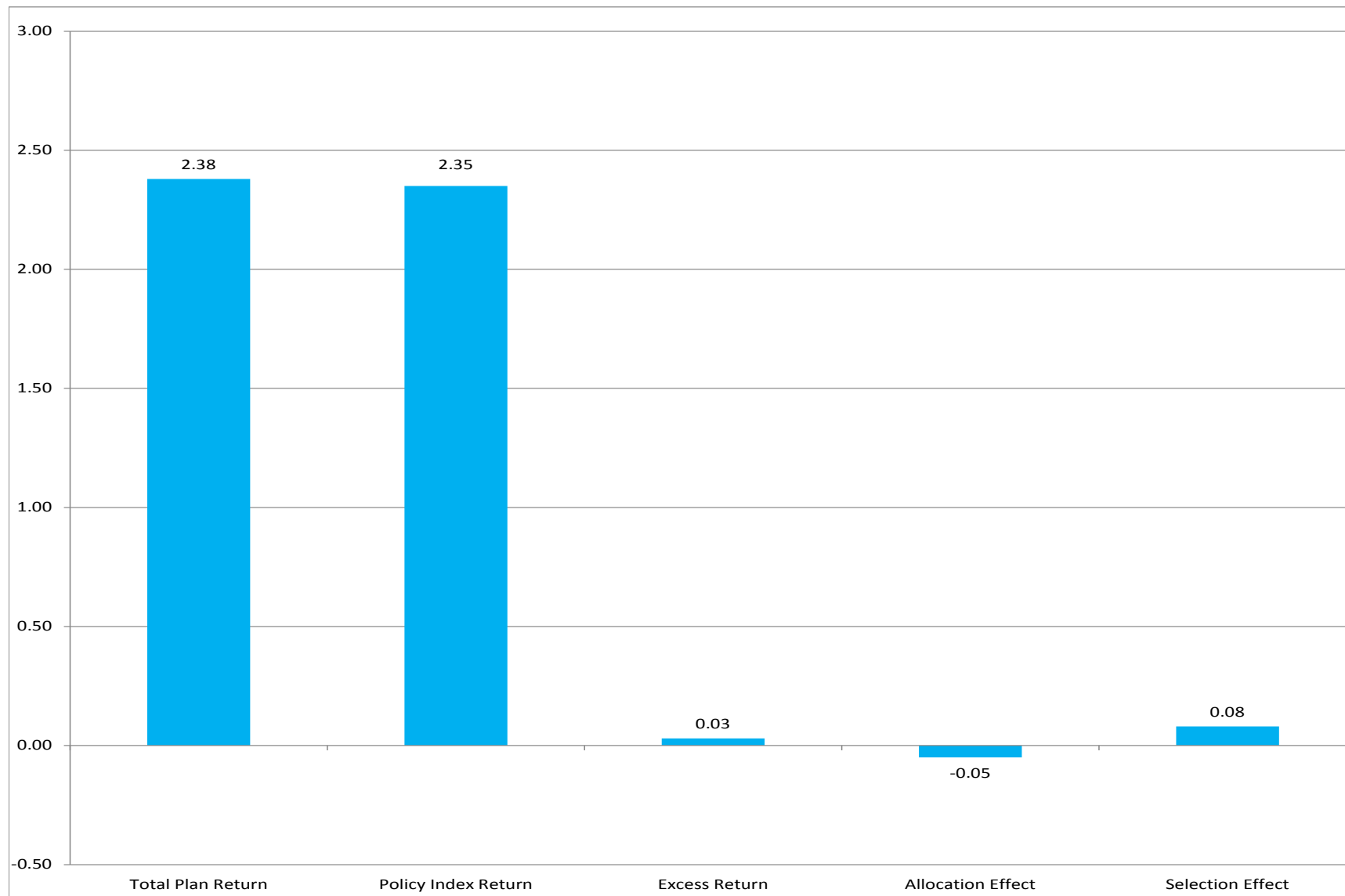


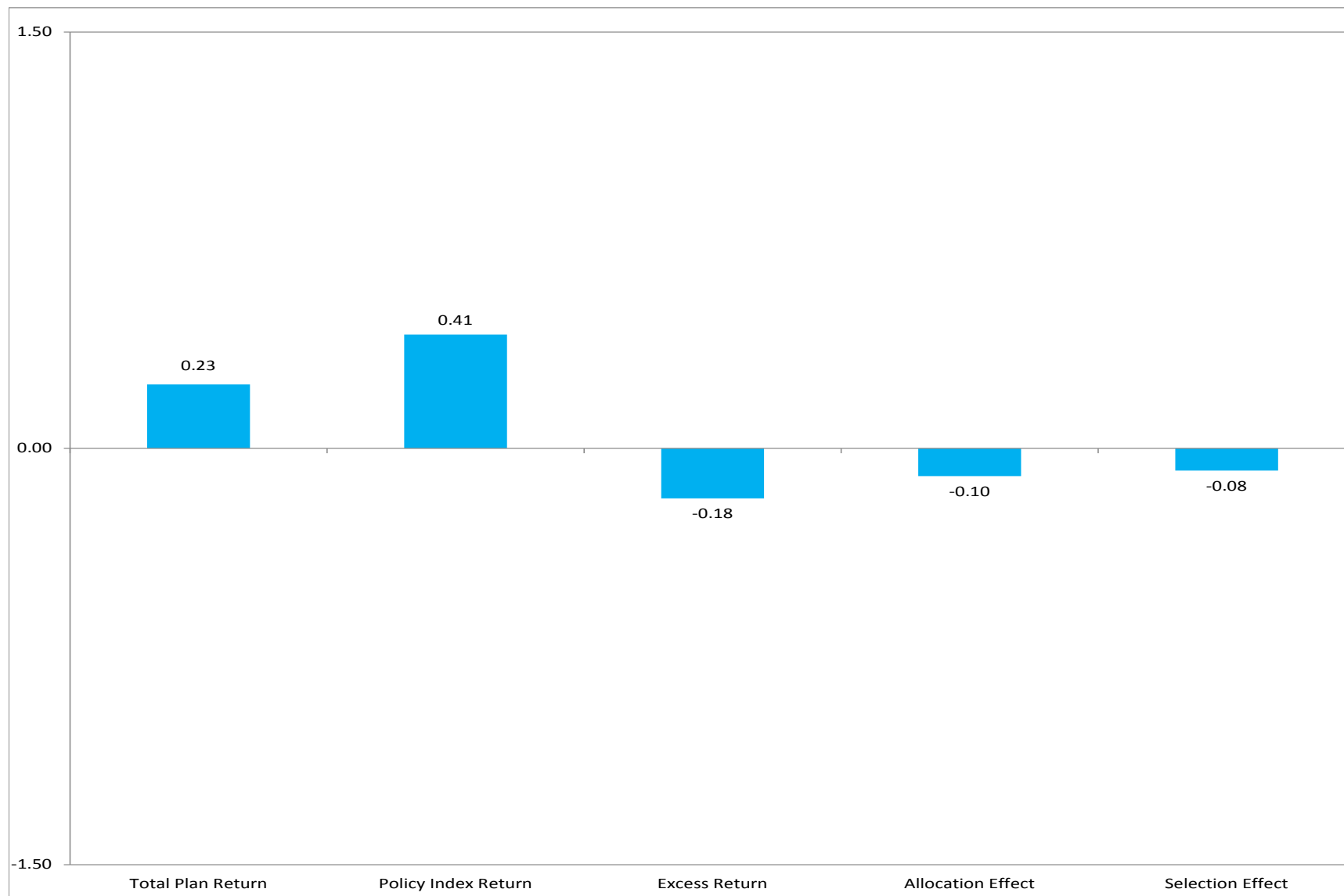
Relative Mix to Adjusted New Policy Weights

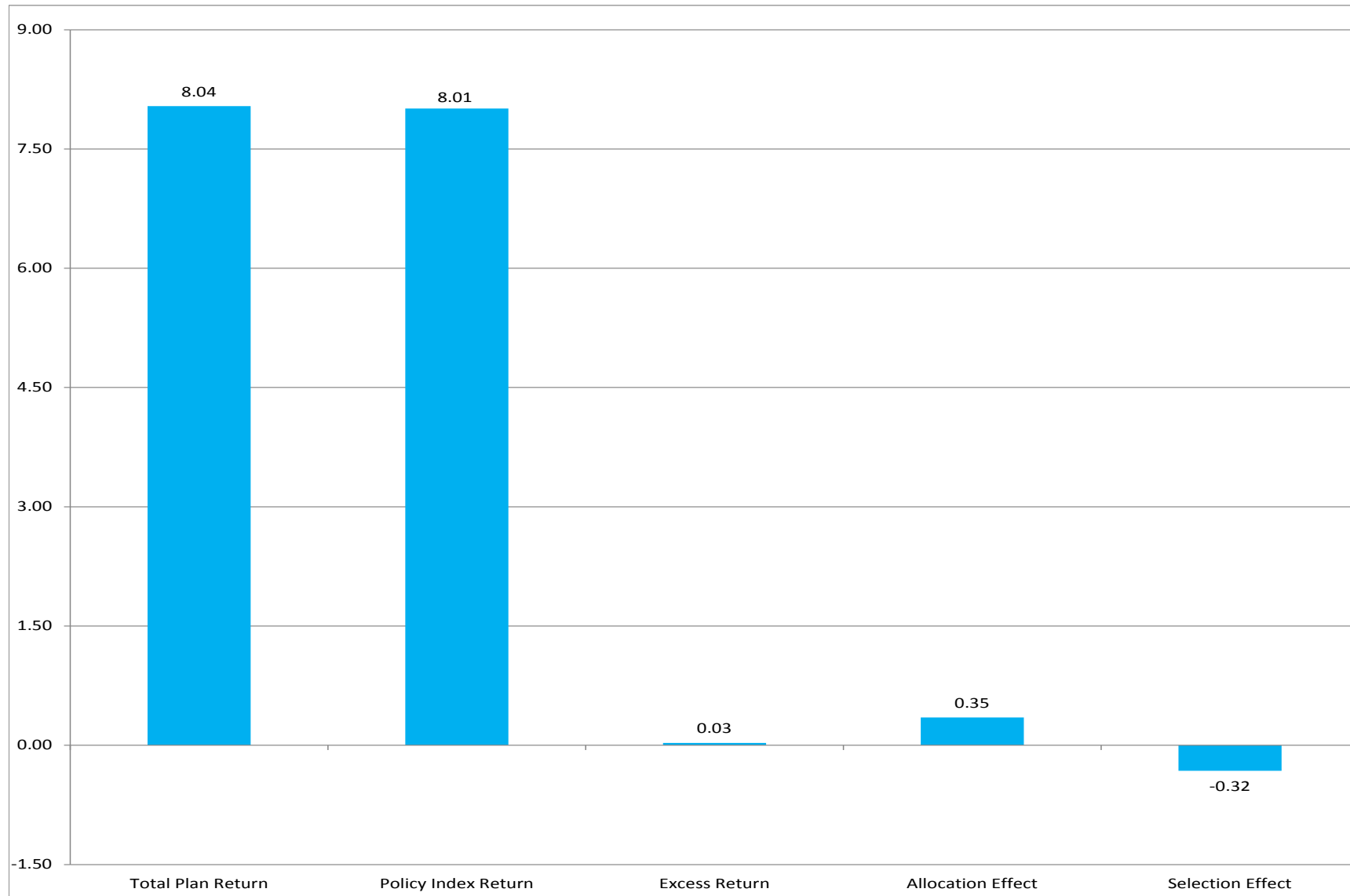


Note: Brackets represent rebalancing ranges versus Policy.

Note: On December 31, 2015 Police's combined Fixed Income and Cash portfolios have a duration of 5.5 years. The duration of the Barclays US Aggregate Index was 5.7 years on that date.







Allocation Effect - Asset Class Breakdown				
	<u>Quarter</u>	<u>12 Months</u>	<u>3 Years *</u>	<u>Benchmark</u>
TOTAL POLICE	-0.05	-0.10	0.35	Police Policy Benchmark
TOTAL DOMESTIC EQUITY	0.00	-0.05	0.15	RUSSELL 3000
TOTAL DEVELOPED EQUITY	-0.01	-0.03	-0.02	MSCI EAFE NET
TOTAL EMERGING MARKETS	0.00	0.02	-0.01	MSCI EMERGING MARKETS
TOTAL PRIVATE EQUITY	-0.01	0.00	0.01	NYC R3000 +3% Lagged
TOTAL PRIVATE REAL ESTATE	0.00	0.01	0.00	NCREIF NFI-ODCE NET + 1%
TOTAL INFRASTRUCTURE	0.00	0.00	0.00	CPI + 4%
TOTAL HEDGE FUNDS	0.00	0.00	0.00	1 Year Treasury Bill Yield + 4%
TOTAL REAL ESTATE SECURITIES	0.00	0.00	0.00	FTSE EPRA/NAREIT Developed
TOTAL STRUCTURED	0.02	-0.06	0.16	NYC - CORE PLUS FIVE
TOTAL ENHANCED YIELD	-0.02	-0.03	-0.05	CITIGROUP BB & B
TOTAL BANK LOANS	0.00	0.00	0.00	CSFB LEVERAGED LOAN INDEX
TOTAL TIPS MANAGERS	0.04	0.02	0.21	BARCLAYS U.S TIPS INDEX
TOTAL CONVERTIBLE BONDS	0.00	0.01	-0.01	BofAML ALL CONVERTIBLE - ex Mandatory
TOTAL OPPORTUNISTIC FIXED	0.00	0.00	0.00	10% Annual Return
TOTAL CASH	-0.06	0.01	-0.10	

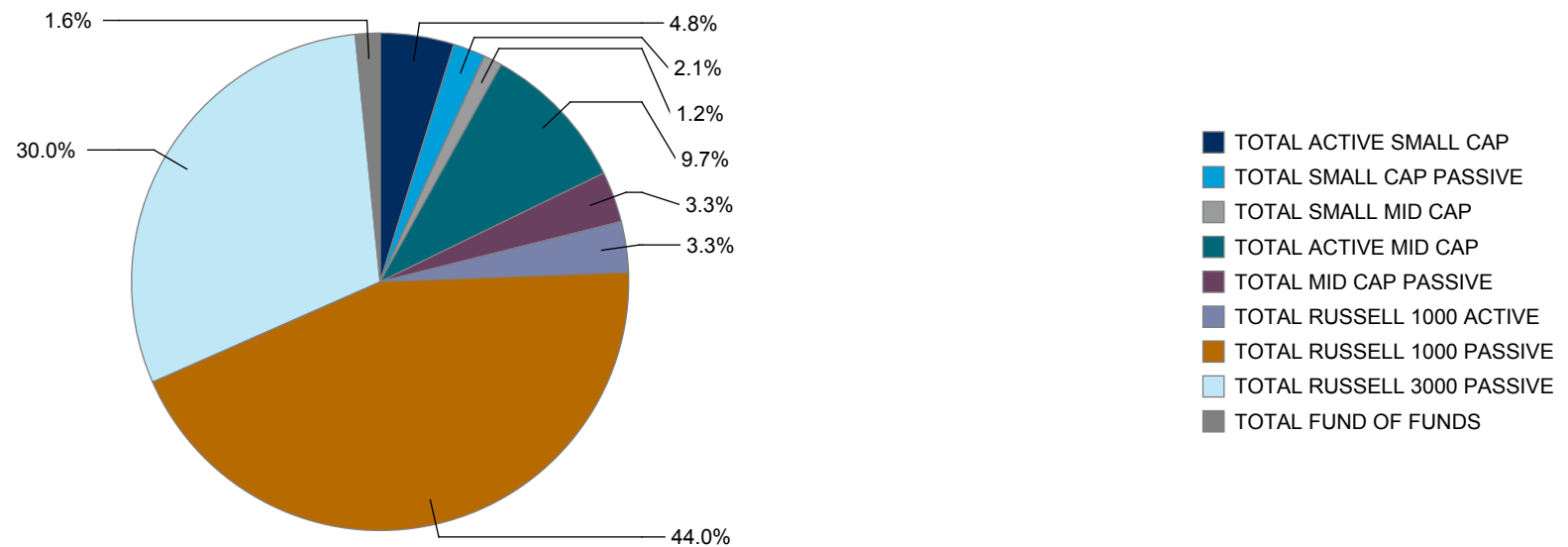
Selection Effect - Asset Class Breakdown				
	<u>Quarter</u>	<u>12 Months</u>	<u>3 Years *</u>	<u>Benchmark</u>
TOTAL POLICE	0.08	-0.08	-0.32	Police Policy Benchmark
TOTAL DOMESTIC EQUITY	-0.23	-0.20	-0.05	RUSSELL 3000
TOTAL DEVELOPED EQUITY	0.06	0.01	0.04	MSCI EAFE NET
TOTAL EMERGING MARKETS	0.03	0.00	0.08	MSCI EMERGING MARKETS
TOTAL PRIVATE EQUITY	0.42	0.54	-0.26	NYC R3000 +3% Lagged
TOTAL PRIVATE REAL ESTATE	-0.02	0.01	0.03	NCREIF NFI-ODCE NET + 1%
TOTAL INFRASTRUCTURE	0.01	0.01	0.01	CPI + 4%
TOTAL HEDGE FUNDS	-0.07	-0.20	-0.06	1 Year Treasury Bill Yield + 4%
TOTAL REAL ESTATE SECURITIES	-0.02	-0.02	-0.03	FTSE EPRA/NAREIT Developed
TOTAL STRUCTURED	0.01	0.01	0.05	NYC - CORE PLUS FIVE
TOTAL ENHANCED YIELD	-0.01	0.00	0.04	CITIGROUP BB & B
TOTAL BANK LOANS	0.01	0.03	0.02	CSFB LEVERAGED LOAN INDEX
TOTAL TIPS MANAGERS	0.00	0.00	0.00	BARCLAYS U.S TIPS INDEX
TOTAL CONVERTIBLE BONDS	0.01	0.01	-0.01	BofAML ALL CONVERTIBLE - ex Mandatory
TOTAL OPPORTUNISTIC FIXED	-0.12	-0.30	-0.10	10% Annual Return
TOTAL CASH	0.00	0.02	0.01	

*Returns are Gross of Investment Advisory Fees

Total Domestic Equity Asset Allocations: December 31, 2015



	Market Value (Billions)	% of plan
TOTAL DOMESTIC EQUITY	\$11.6	35.7

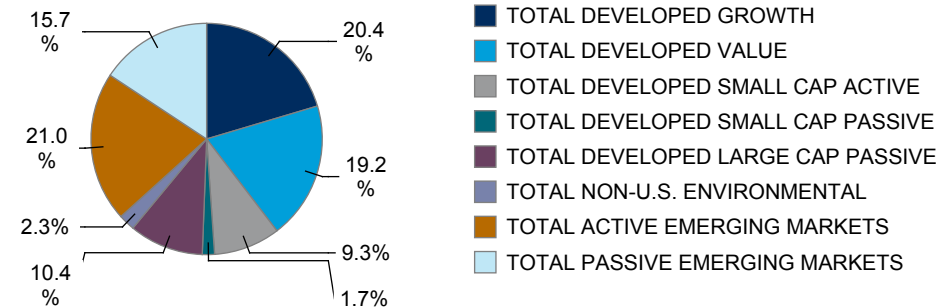


Sub Sector	Policy Weight	Actual Weight	Under/Over Weight	Index Return	Actual Return	Difference
TOTAL SMALL CAP ACTIVE	5.16	4.83	-0.33	3.59	3.71	0.12
TOTAL SMALL CAP PASSIVE	3.29	2.15	-1.14	3.59	3.90	0.30
TOTAL SMALL/MID CAP ACTIVE	1.60	1.15	-0.45	3.28	1.55	-1.73
TOTAL MID CAP ACTIVE	6.58	9.71	3.13	3.62	3.52	-0.09
TOTAL MID CAP PASSIVE	8.60	3.29	-5.31	2.60	2.59	-0.01
TOTAL RUSSELL 1000 ACTIVE	8.72	3.32	-5.40	6.50	5.19	-1.30
TOTAL RUSSELL 1000 PASSIVE	37.80	43.96	6.16	6.50	6.52	0.03
TOTAL RUSSELL 3000 PASSIVE	26.25	29.96	3.71	6.27	6.27	0.00
TOTAL EMERGING MANAGERS	2.00	1.63	-0.37	3.59	2.41	-1.18

International Equity Asset Allocation: December 31, 2015



	<u>Market Value (Billions)</u>	<u>% of plan</u>
TOTAL INTERNATIONAL EQUITY	\$5.1	15.8

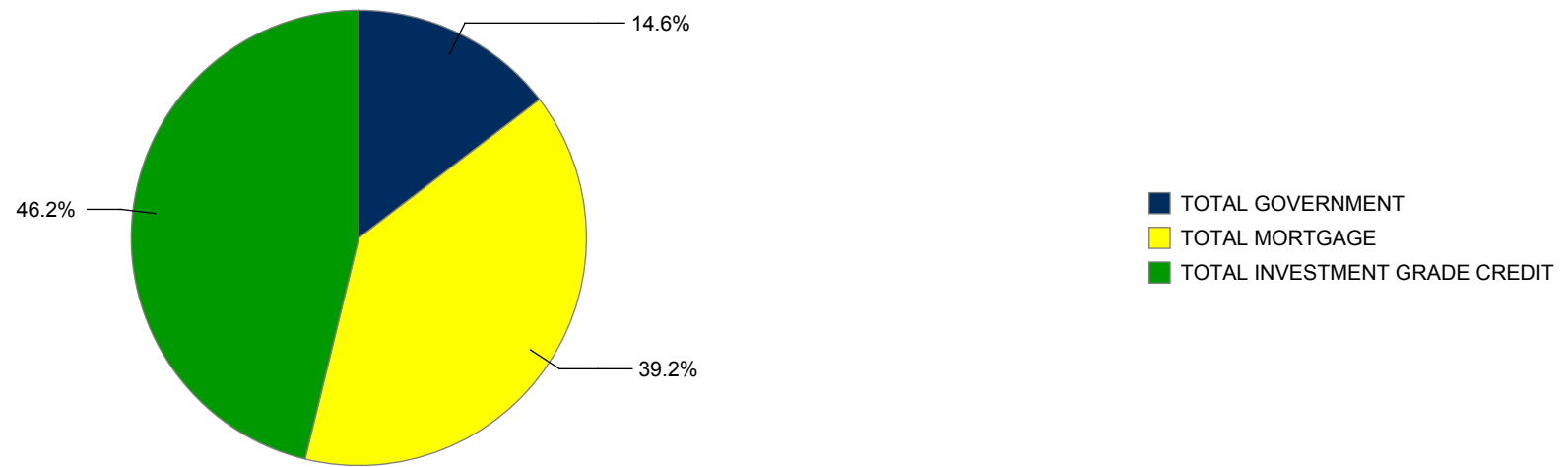


	<u>Asset Weight</u>	<u>Quarterly Returns - Funds and Benchmarks</u>		
		<u>Fund</u>	<u>Benchmark</u>	<u>Excess</u>
TOTAL DEVELOPED GROWTH	20.39	6.93	6.67	0.27
TOTAL DEVELOPED VALUE	19.16	2.94	2.68	0.26
TOTAL DEVELOPED SMALL CAP ACTIVE	9.30	6.81	5.86	0.95
TOTAL DEVELOPED SMALL CAP PASSIVE	1.74	6.93	6.79	0.14
TOTAL DEVELOPED LARGE CAP PASSIVE	10.36	4.83	4.71	0.12
TOTAL NON-U.S. ENVIRONMENTAL	2.33	10.05	5.50	4.55
TOTAL ACTIVE EMERGING MARKETS	21.04	1.91	0.66	1.26
TOTAL PASSIVE EMERGING MARKETS	15.65	0.51	0.66	(0.15)
TOTAL INTERNATIONAL EQUITY	100.00	3.90	3.24	0.66

Structured Fixed Income Asset Allocation: December 31, 2015



	<u>Market Value (Billions)</u>	<u>% of plan</u>
TOTAL STRUCTURED	\$5.7	17.7



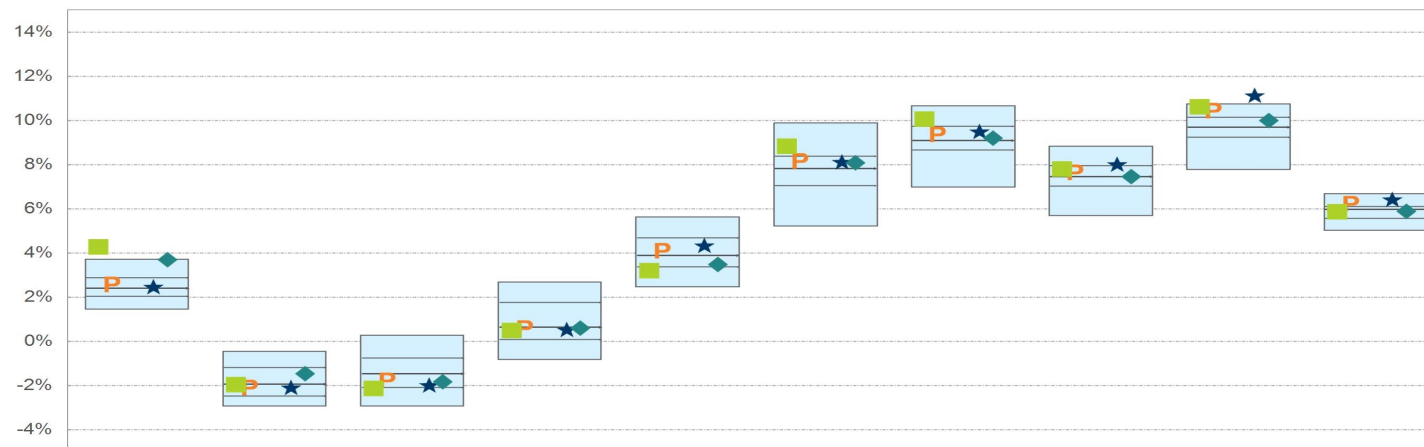
Sub Sector	Policy Weight	Actual Weight	Under/Over Weight	Index Return	Actual Return	Difference
TOTAL TREASURY/AGENCY	20.81	14.60	-6.21	-1.29	-1.30	0.00
TOTAL MORTGAGE	36.15	39.25	3.10	-0.07	-0.16	-0.09
TOTAL INV GRADE CREDIT	43.04	46.15	3.11	-0.44	-0.37	0.06

Through December 31, 2015



City of New York Performance Comparison

Total Returns of Master Trusts - Public : Plans > \$10 Billion
Cumulative Periods Ending : December 31, 2015



Percentile Rankings	1 Qtr	2 Qtrs	3 Qtrs	1 Year	2 Years	3 Years	4 Years	5 Years	7 Years	10 Years
5th	3.72	-0.45	0.28	2.69	5.63	9.90	10.67	8.85	10.75	6.70
25th	2.88	-1.19	-0.76	1.75	4.68	8.39	9.75	7.97	10.15	6.10
50th	2.41	-1.95	-1.48	0.64	3.90	7.84	9.11	7.47	9.70	5.99
75th	2.03	-2.48	-2.10	0.09	3.37	7.05	8.67	7.04	9.26	5.58
95th	1.45	-2.93	-2.93	-0.82	2.48	5.23	6.99	5.71	7.79	5.04
No. Of Obs	43	43	43	43	43	43	43	43	39	39
P Total System - Police	2.44 (43)	-2.23 (65)	-1.90 (70)	0.47 (55)	3.97 (47)	8.04 (38)	9.26 (43)	7.52 (47)	10.32 (17)	6.10 (27)
★ Police Policy Benchmark	2.35 (52)	-2.22 (62)	-2.12 (77)	0.41 (60)	4.21 (43)	8.01 (40)	9.39 (38)	7.89 (29)	11.02 (1)	6.31 (15)
■ Public Mkt Equiv 25	4.15 (1)	-2.10 (57)	-2.26 (82)	0.35 (67)	3.08 (82)	8.72 (14)	9.95 (14)	7.69 (38)	10.51 (13)	5.75 (61)
◆ Public Mkt Equiv 35	3.56 (5)	-1.59 (36)	-1.97 (70)	0.46 (55)	3.35 (75)	7.97 (40)	9.08 (52)	7.34 (55)	9.88 (40)	5.77 (58)

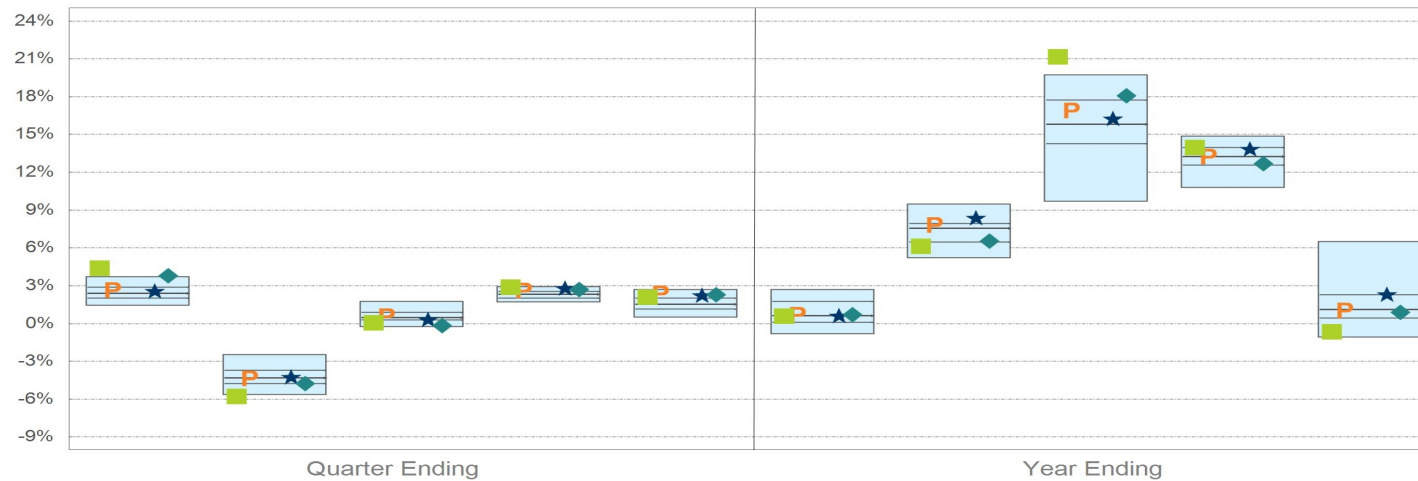
Wilshire Trust Universe Comparison Service® (TUCS®)

Through December 31, 2015



City of New York Performance Comparison

Total Returns of Master Trusts - Public : Plans > \$10 Billion
Consecutive Time Periods: December 31, 2015



Percentile Rankings	Dec 15	Sep 15	Jun 15	Mar 15	Dec 14	Dec 15	Dec 14	Dec 13	Dec 12	Dec 11
5th	3.72	-2.47	1.74	2.91	2.71	2.69	9.47	19.74	14.85	6.50
25th	2.88	-3.71	0.88	2.53	2.02	1.75	7.95	17.72	13.95	2.30
50th	2.41	-4.31	0.46	2.31	1.53	0.64	7.55	15.82	13.25	1.13
75th	2.03	-4.76	0.27	2.03	1.14	0.09	6.47	14.28	12.58	0.43
95th	1.45	-5.63	-0.25	1.70	0.50	-0.82	5.21	9.72	10.78	-1.07
No. Of Obs	43	43	43	43	43	43	43	43	43	43
P Total System - Police	2.44 (43)	-4.57 (65)	0.35 (65)	2.41 (34)	2.17 (18)	0.47 (55)	7.60 (45)	16.66 (29)	13.01 (67)	0.83 (62)
★ Police Policy Benchmark	2.35 (52)	-4.47 (57)	0.10 (75)	2.58 (22)	2.00 (25)	0.41 (60)	8.16 (16)	16.04 (40)	13.64 (34)	2.08 (27)
■ Public Mkt Equiv 25	4.15 (1)	-6.00 (100)	-0.17 (89)	2.67 (18)	1.87 (34)	0.35 (67)	5.88 (84)	20.94 (1)	13.75 (34)	-0.89 (91)
◆ Public Mkt Equiv 35	3.56 (5)	-4.98 (87)	-0.38 (96)	2.48 (27)	2.07 (22)	0.46 (55)	6.31 (75)	17.86 (22)	12.47 (82)	0.65 (70)

Wilshire Trust Universe Comparison Service® (TUCS®)

POLICE RETIREMENT SYSTEM				
ACTUAL FEES FOR FISCAL YEAR ENDING JUNE 30, 2015 AND ESTIMATED FEES FOR FY 2016 UPDATED THROUGH SEPTEMBER 2015				
	Actual 2015		Estimates 2016	
INVESTMENT STYLE (EQUITIES)	MV 06-30-15 (\$MM)	Mgmt Fees in Basis Points	MV 09-30-15 (\$MM)	Mgmt in Basis Points
US Equities	11,696	13.14	10,965	11.12
Small Cap Active	724	68.42	539	54.99
Small Cap Growth	120	70.43	112	100.00
Small Cap Value	232	55.40	213	58.30
Small Cap core	253	44.53	109	35.00
Small Cap Fundamental Index	119	19.49	105	21.06
Small/Mid Cap Active	262	62.42	131	91.40
Small/Mid Cap Growth	148	65.83	131	91.40
Small/Mid Cap Value	114	57.97	-	0.00
Mid Cap Active	1,194	50.83	1,087	50.73
Mid Cap Growth	478	50.92	438	47.60
Mid Cap Value	496	49.23	443	51.05
Mid Cap core	220	54.24	207	56.66
Russell 1000 Active	395	13.10	366	13.53
Russell 1000 Fundamental Index	395	13.10	366	13.53
Active Emerging Managers (U.S. Equities)	207	73.45	184	76.86
Total US Active Equities	2,782	52.83	2,308	50.22
Total US Passive Equities	8,914	0.75	8,658	0.69
Opportunistic/ Environmental US E. Strategies	-	-	-	-
International Equities	5,207	30.70	4,937	28.76
Active EAFE Equities	2,673	32.06	2,380	32.66
Growth	1,117	28.31	978	28.83
Value	1,080	28.08	955	28.26
Core	0	0.00		
Small Cap	476	47.29	447	50.44
Non-US Environmental Strategies	118	43.99	109	54.63
Active Emerging Markets	1,239	52.38	1,060	49.17
Total Int'l Active Equities	4,029	38.66	3,549	38.26
Total Int'l Passive Equities	1,178	3.49	1,388	4.48
REITS Passive Index	170	10.28	169	9.95

Information provided by the New York City Comptroller

POLICE RETIREMENT SYSTEM				
ACTUAL FEES FOR FISCAL YEAR ENDING JUNE 30, 2015 AND ESTIMATED FEES FOR FY 2016 UPDATED THROUGH SEPTEMBER 2015				
	Actual 2015		Estimates 2016	
INVESTMENT STYLE (FIXED INCOME)	MV 06-30-15 (\$MM)	Mgmt Fees in Basis Points	MV 09-30-15 (\$MM)	Mgmt in Basis Points
Fixed Income	10,417	12.14	9,914	12.54
Structured Program	5,706	7.54	5,764	7.33
Government Sector	823	6.71	849	6.44
Mortgage Sector	2,229	6.17	2,256	5.82
Investment Grade Credit Sector	2,654	8.94	2,659	8.89
Global Fixed Income	69	9.45	69	21.07
Progress Fixed Emerging Managers	74	34.41	74	34.25
TIPS	954	2.26	942	1.87
Active TIPS	239	7.23	236	5.97
Passive TIPS	715	0.61	706	0.50
Enhanced Yield	1,336	33.99	1,268	34.38
Bank Loans	568	30.28	565	30.88
Convertible Bonds	221	40.37	210	41.46
ETI - Access - RBC	64	23.16	62	22.65
ETI - AFL-CIO HIT	121	42.51	123	42.64
Total Public Markets (Externally managed)	26,185	16.87	25,149	15.50
Other ETI Programs	133	-	145	-
In-House Short Term	1,172	-	691	0.00
Total Public Markets	27,490	16.07	25,985	15.00
INVESTMENT STYLE (PRIVATE)				
Hedge Funds	1,219	167.79	962	148.98
Private Equities	2,118	123.78	2,301	129.17 ¹
Real Assets	1,343	119.70	1,364	105.40 ¹
Private Real Estate	1,252	120.56	1,273	101.97
Infrastructure	90	70.77	91	88.74 ²
Opportunistic Fixed Income	851	57.38	869	61.16
Total Private Markets	5,531	122.27	5,498	115.98 ³
Total Overall	33,020	33.86	31,483	32.64 ⁴
Footnotes				
1 - Private Equity & Real Assets Investments exclude GP CARRY & Incentive Fees .				
2- Infrastructure Fees are based on committed Amounts for each investment which are higher than the actual Market Values.				
3- Private Equity and Private Real Estate fees are based on Invested values and committed amounts depending on the age of the investment.				
4- The Incentive Fees paid for the Police Fund in 2015 are 16.84 BPS.				

Information provided by the New York City Comptroller

**NYC POLICE DEPARTMENT PENSION FUND
SECURITIES LENDING INCOME
December 31, 2015**

	<u>U.S. FIXED INCOME</u>	<u>U.S. EQUITY</u>	<u>INTERNATIONAL EQUITY</u>	
1989*	\$254,000	--	--	
1990	288,000	--	--	
1991	464,000	--	--	
1992	996,000	\$138,000	\$126,000	
1993	1,852,000	434,000	203,000	
1994	1,846,000	815,000	317,000	
1995	1,465,000	888,000	224,000	
1996	1,465,000	1,051,000	379,000	
1997	1,632,000	1,793,000	599,000	
1998	2,770,000	2,517,000	1,006,000	
1999	2,681,000	2,713,000	1,184,000	
2000	2,697,000	2,899,000	1,520,000	
2001	3,947,000	3,595,000	1,980,000	
2002	2,646,000	3,401,000	1,725,000	
2003	1,238,000	2,257,000	1,859,000	
2004	1,515,000	2,306,000	2,097,000	
2005	2,333,000	3,172,000	2,503,000	
2006	2,104,000	5,043,000	2,243,000	
2007	4,582,000	8,425,000	2,727,000	
2008	13,856,000	16,383,000	3,872,000	
2009	5,163,000	9,110,000	2,695,000	
2010	2,405,000	5,813,000	1,979,000	
2011	3,060,000	8,287,000	3,253,000	
2012	4,213,000	10,047,000	2,545,000	
2013	2,980,000	11,363,000	2,255,000	
2014	3,478,000	6,803,000	5,786,000	
2015	3,692,000	7,281,000	7,489,000	
Since Inception	<u>\$75,622,000</u>	<u>\$116,534,000</u>	<u>\$50,566,000</u>	*Inception 4/89

New York City
Police Pension Fund, Subchapter Two

Appendix A

Consolidated Performance Report

Consolidated Performance Report

Through December 31, 2015



	Market Value (\$MM)	% of Total	3 Month	FYTD	CYTD	2014	2013	2012	2011	2010	5 Year	10 Year	ITD	Inception Date
SYSTEM RETURN SUMMARY														
5 POLICE-TOTAL PORTFOLIO - GROSS	32,447	100.00	2.44	(2.23)	0.47	7.60	16.66	13.01	0.83	13.96	7.52	6.10	8.48	07/01/1987
POLICE - ESTIMATED INVESTMENT FEES			(0.06)	(0.12)	(0.23)	(0.26)								
EST MANAGEMENT FEES - PUBLIC MARKET (ACCRUAL)			(0.03)	(0.06)	(0.13)	(0.14)								
EST MANAGEMENT FEES - ALTERNATIVE MARKETS (CASH)			(0.03)	(0.06)	(0.10)	(0.12)								
EST INCENTIVE FEES														
EST OTHER FEES														
EST FEE OFFSETS														
POLICE-TOTAL PORTFOLIO - NET MGR			2.38	(2.35)	0.23	7.34								
POLICE POLICY BENCHMARK			2.35	(2.22)	0.41	8.16	16.04	13.64	2.08	13.86	7.89	6.31		
EXCESS RETURN			0.03	(0.13)	(0.18)	(0.81)	0.62	(0.63)	(1.25)	0.10	(0.37)	(0.21)		
EQUITY RETURN DETAIL														
18 POLICE-TOTAL EQUITY (INCLUDES PE & RA) - GROSS	21,754	67.05	4.06	(2.99)	0.67	8.27	24.57	15.84	(2.32)	16.05	8.97	6.18	7.12	04/01/2004
ESTIMATED INVESTMENT FEES			(0.08)	(0.14)	(0.29)	(0.30)								
EST MANAGEMENT FEES			(0.08)	(0.14)	(0.29)	(0.30)								
EST INCENTIVE FEES														
EST OTHER FEES														
EST FEE OFFSETS														
POLICE-TOTAL EQUITY (INCL PE & RA) - NET MGR			3.98	(3.13)	0.38	7.96								
26 POLICE-TOTAL DOMESTIC EQUITY - GROSS	11,582	35.70	5.63	(2.42)	0.03	11.42	34.93	16.78	(0.20)	18.02	11.88	7.26	10.92	12/01/1984
ESTIMATED INVESTMENT FEES			(0.03)	(0.06)	(0.12)	(0.13)								
POLICE-TOTAL DOMESTIC EQUITY - NET MGR			5.60	(2.48)	(0.10)	11.29								
RUSSELL 3000 (DAILY)			6.27	(1.43)	0.48	12.56	33.55	16.42	1.03	16.93	12.18	7.35	10.99	
EXCESS RETURN			(0.67)	(1.05)	(0.57)	(1.26)	1.38	0.37	(1.22)	1.09	(0.30)	(0.10)	(0.07)	
36 POLICE-TOTAL SMALL CAP ACTIVE - GROSS	559	1.72	3.71	(5.86)	(2.65)	3.34	43.40	16.99	(5.76)	29.55	9.73	7.56	7.68	04/01/2004
ESTIMATED INVESTMENT FEES			(0.16)	(0.30)	(0.60)	(0.63)								
POLICE-TOTAL SMALL CAP ACTIVE - NET MGR			3.55	(6.15)	(3.25)	2.71								
RUSSELL 2000 (DAILY)			3.59	(8.75)	(4.41)	4.89	38.82	16.35	(4.18)	26.85	9.19	6.80	7.14	
EXCESS RETURN			(0.04)	2.60	1.17	(2.18)	4.58	0.64	(1.58)	2.69	0.54	0.76	0.54	
46 POLICE-TOTAL SMALL CAP PASSIVE - GROSS	249	0.77	3.90	(8.87)	(3.56)	5.01							4.49	10/01/2013
ESTIMATED INVESTMENT FEES			(0.00)	(0.00)	(0.00)	(0.00)								
POLICE-TOTAL SMALL CAP PASSIVE - NET MGR			3.90	(8.87)	(3.57)	5.01								
RUSSELL 2000 (DAILY)			3.59	(8.75)	(4.41)	4.89							3.90	
EXCESS RETURN			0.30	(0.12)	0.85	0.11							0.58	

Consolidated Performance Report

Through December 31, 2015



	Market Value (\$MM)	% of Total	3 Month	FYTD	CYTD	2014	2013	2012	2011	2010	5 Year	10 Year	ITD	Inception Date
EQUITY RETURN DETAIL														
58 POLICE-TOTAL SMALL/MIDCAP - GROSS	133	0.41	1.55	(10.08)	(7.28)	2.78	37.07	20.40	(0.96)		9.27		11.37	10/01/2010
ESTIMATED INVESTMENT FEES			(0.23)	(0.42)	(0.78)	(0.78)								
POLICE-TOTAL SMALL/MIDCAP - NET MGR			1.32	(10.49)	(8.05)	2.00								
RUSSELL 2500 (DAILY)			3.28	(7.36)	(2.90)	7.07	36.80	17.88	(2.51)		10.32		12.74	
EXCESS RETURN			(1.96)	(3.14)	(5.15)	(5.07)	0.27	2.52	1.54		(1.06)		(1.37)	
68 POLICE-TOTAL MID CAP ACTIVE - GROSS	1,125	3.47	3.52	(5.44)	(0.20)	10.58	38.07	20.86	(3.50)	23.21	12.19	7.25	7.96	04/01/2004
ESTIMATED INVESTMENT FEES			(0.13)	(0.24)	(0.50)	(0.55)								
POLICE-TOTAL MID CAP ACTIVE - NET MGR			3.39	(5.68)	(0.70)	10.03								
RUSSELL MIDCAP (DAILY)			3.62	(4.68)	(2.44)	13.22	34.76	17.28	(1.55)	25.48	11.44	8.00	9.09	
EXCESS RETURN			(0.22)	(0.99)	1.74	(3.19)	3.31	3.58	(1.95)	(2.27)	0.75	(0.75)	(1.13)	
78 POLICE-TOTAL MID CAP PASSIVE - GROSS	382	1.18	2.59	(6.08)	(1.64)	10.10	33.39	17.74					10.57	02/01/2011
ESTIMATED INVESTMENT FEES			(0.00)	(0.00)	(0.01)	(0.01)								
POLICE-TOTAL MID CAP PASSIVE - NET MGR			2.59	(6.08)	(1.65)	10.09								
S&P 400 MIDCAP INDEX (DAILY)			2.60	(6.11)	(2.18)	9.77	33.50	17.88					10.43	
EXCESS RETURN			(0.01)	0.03	0.52	0.32	(0.11)	(0.14)					0.15	
88 POLICE-TOTAL RUSSELL 1000 ACTIVE - GROSS	385	1.19	5.19	(2.41)	(1.87)	10.98	41.42	15.50	0.19	15.93	12.25	7.26	7.71	04/01/2004
ESTIMATED INVESTMENT FEES			(0.03)	(0.06)	(0.15)	(0.25)								
POLICE-TOTAL RUSSELL 1000 ACTIVE - NET MGR			5.16	(2.48)	(2.01)	10.73								
RUSSELL 1000 (DAILY)			6.50	(0.78)	0.92	13.24	33.11	16.42	1.50	16.10	12.44	7.40	7.63	
EXCESS RETURN			(1.34)	(1.70)	(2.93)	(2.51)	8.31	(0.93)	(1.31)	(0.17)	(0.19)	(0.14)	0.08	
98 POLICE-TOTAL RUSSELL 1000 PASSIVE - GROSS	5,091	15.69	6.52	(0.90)	0.73	13.13							10.62	10/01/2013
ESTIMATED INVESTMENT FEES			(0.00)	(0.00)	(0.00)	(0.00)								
POLICE-TOTAL RUSSELL 1000 PASSIVE - NET MGR			6.52	(0.90)	0.73	13.13								
RUSSELL 1000 (DAILY)			6.50	(0.78)	0.92	13.24							10.79	
EXCESS RETURN			0.03	(0.13)	(0.19)	(0.11)							(0.17)	
108 POLICE-TOTAL RUSSELL 3000 - GROSS	3,469	10.69	6.27	(1.38)	0.51	12.61	33.67	16.35	1.08	17.15	12.21	7.42	11.12	12/01/1984
ESTIMATED INVESTMENT FEES			(0.00)	(0.01)	(0.01)	(0.01)								
POLICE-TOTAL RUSSELL 3000 - NET MGR			6.27	(1.38)	0.50	12.60								
RUSSELL 3000 (DAILY)			6.27	(1.43)	0.48	12.56	33.55	16.42	1.03	16.93	12.18	7.35	10.99	
EXCESS RETURN			0.00	0.05	0.02	0.04	0.12	(0.06)	0.05	0.23	0.04	0.06	0.13	
118 POLICE-TOTAL FUND OF FUNDS - GROSS	188	0.58	2.41	(9.03)	(5.52)	2.39	40.31						12.80	06/01/2012
ESTIMATED INVESTMENT FEES			(0.19)	(0.35)	(0.72)	(0.78)								
POLICE-TOTAL FUND OF FUNDS - NET MGR			2.22	(9.38)	(6.24)	1.62								
RUSSELL 2000 (DAILY)			3.59	(8.75)	(4.41)	4.89	38.82						13.34	
EXCESS RETURN			(1.38)	(0.63)	(1.83)	(3.28)	1.49						(0.53)	

Consolidated Performance Report

Through December 31, 2015



	Market Value (\$MM)	% of Total	3 Month	FYTD	CYTD	2014	2013	2012	2011	2010	5 Year	10 Year	ITD	Inception Date
EQUITY RETURN DETAIL														
130 POLICE-TOTAL INTERNATIONAL - GROSS	5,128	15.81	3.90	(9.75)	(5.91)	(3.05)	14.06	16.48	(14.17)	11.77	0.79	2.79	6.05	11/01/1990
ESTIMATED INVESTMENT FEES			(0.07)	(0.13)	(0.28)	(0.31)								
EST MANAGEMENT FEES			(0.07)	(0.13)	(0.28)	(0.31)								
EST INCENTIVE FEES														
EST OTHER FEES														
EST FEE OFFSETS														
POLICE-TOTAL INTERNATIONAL - NET MGR			3.83	(9.89)	(6.19)	(3.36)								
MSCI AC WORLD EX US (NET)			3.24	(9.32)	(5.66)	(3.87)	15.29	16.83	(13.71)	11.15	1.06	2.92		
EXCESS RETURN			0.59	(0.57)	(0.53)	0.51	(1.23)	(0.35)	(0.47)	0.62	(0.27)	(0.13)		
140 POLICE-TOTAL DEVELOPED GROWTH ACTIVE - GROSS	1,046	3.22	6.93	(6.22)	(1.35)	(5.21)	25.26	19.52	(11.67)	11.46	4.34	4.93	7.09	04/01/2004
ESTIMATED INVESTMENT FEES			(0.08)	(0.14)	(0.28)	(0.27)								
POLICE-TOTAL DEVELOPED GROWTH ACTIVE - NET MGR			6.86	(6.35)	(1.63)	(5.48)								
MSCI EAFE GROWTH			6.67	(2.64)	4.09	(4.43)	22.55	16.86	(12.11)	12.25	4.60	4.03	5.51	
EXCESS RETURN			0.19	(3.71)	(5.72)	(1.05)	2.71	2.66	0.44	(0.79)	(0.26)	0.90	1.58	
150 POLICE-TOTAL DEVELOPED VALUE ACTIVE - GROSS	983	3.03	2.94	(8.85)	(6.01)	(3.82)	28.90	9.46	(11.07)	5.79	2.55	2.37	4.75	04/01/2004
ESTIMATED INVESTMENT FEES			(0.07)	(0.13)	(0.26)	(0.26)								
POLICE-TOTAL DEVELOPED VALUE ACTIVE - NET MGR			2.87	(8.98)	(6.28)	(4.08)								
MSCI EAFE VALUE NET (DAILY)			2.68	(9.41)	(5.68)	(5.39)	22.95	17.69	(12.17)	3.25	2.55	1.96	4.30	
EXCESS RETURN			0.19	0.43	(0.59)	1.31	5.95	(8.23)	1.11	2.54	0.01	0.41	0.45	
160 POLICE-TOTAL DEVELOPED SMALL CAP ACTIVE - GROSS	477	1.47	6.81	0.42	10.89	(4.79)							7.81	05/01/2013
ESTIMATED INVESTMENT FEES			(0.13)	(0.25)	(0.55)	(0.48)								
POLICE-TOTAL DEVELOPED SMALL CAP ACTIVE - NET MGR			6.68	0.17	10.34	(5.26)								
S&P EPAC SMALL CAP INDEX			5.86	(1.46)	8.95	(3.10)							7.57	
EXCESS RETURN			0.82	1.63	1.39	(2.16)							0.24	
170 POLICE-TOTAL DEVELOPED SMALL CAP PASSIVE - GROSS	89	0.28	6.93	(0.37)	9.88								3.37	02/01/2014
ESTIMATED INVESTMENT FEES			(0.00)	(0.01)	(0.02)								(0.02)	
POLICE-TOTAL DEVELOPED SMALL CAP PASSIVE - NET MGR			6.92	(0.38)	9.86								3.35	
MSCI EAFE SMALL CAP NET (DAILY)			6.79	(0.51)	9.59								2.98	
EXCESS RETURN			0.13	0.13	0.27								0.37	
180 POLICE-TOTAL DEVELOPED LARGE CAP PASSIVE - GROSS	531	1.64	4.83	(6.02)	(0.53)	(4.73)	23.10	17.54					3.47	02/01/2011
ESTIMATED INVESTMENT FEES			(0.00)	(0.01)	(0.02)	(0.02)								
POLICE-TOTAL DEVELOPED LARGE CAP PASSIVE - NET MGR			4.83	(6.02)	(0.54)	(4.75)								
MSCI EAFE			4.71	(6.01)	(0.81)	(4.90)	22.78	17.32					3.18	
EXCESS RETURN			0.12	(0.02)	0.27	0.15	0.32	0.22					0.29	

Consolidated Performance Report

Through December 31, 2015



		Market Value (\$MM)	% of Total	3 Month	FYTD	CYTD	2014	2013	2012	2011	2010	5 Year	10 Year	ITD	Inception Date
EQUITY RETURN DETAIL															
192	POLICE-TOTAL NON-U.S. ENVIRONMENTAL - GROSS	120	0.37	10.05	1.66	7.63	11.99	28.87	19.40	(7.77)	9.13	11.33		6.43	09/01/2008
	ESTIMATED INVESTMENT FEES			(0.15)	(0.28)	(0.58)	(0.61)								
	POLICE-TOTAL NON-U.S. ENVIRONMENTAL - NET MGR			9.91	1.38	7.04	11.39								
	MSCI WORLD INDEX			5.50	(3.41)	(0.87)	4.94	26.68	15.83	(5.54)	11.76	7.59		5.13	
	EXCESS RETURN			4.41	4.79	7.91	6.45	2.19	3.58	(2.23)	(2.63)	3.74		1.30	
202	POLICE-EMERGING MARKETS ACTIVE - GROSS	1,079	3.33	1.91	(15.97)	(14.20)	(0.62)	1.04	15.90	(20.17)	19.76	(4.43)	3.76	7.58	04/01/2004
	ESTIMATED INVESTMENT FEES			(0.12)	(0.21)	(0.42)	(0.49)								
	POLICE-EMERGING MARKETS ACTIVE - NET MGR			1.79	(16.18)	(14.62)	(1.11)								
	MSCI EMERGING MARKETS			0.66	(17.35)	(14.92)	(2.19)	(2.60)	18.22	(18.42)	18.88	(4.81)	3.61	6.89	
	EXCESS RETURN			1.13	1.17	0.30	1.08	3.64	(2.32)	(1.75)	0.88	0.37	0.14	0.68	
212	POLICE-EMERGING MARKETS PASSIVE - GROSS	803	2.47	0.51	(17.50)	(14.86)	(2.23)	(1.97)	18.27					(5.43)	04/01/2011
	ESTIMATED INVESTMENT FEES			(0.01)	(0.02)	(0.05)	(0.06)								
	POLICE-EMERGING MARKETS PASSIVE - NET MGR			0.50	(17.53)	(14.91)	(2.29)								
	MSCI EMERGING MARKETS			0.66	(17.35)	(14.92)	(2.19)	(2.60)	18.22					(5.45)	
	EXCESS RETURN			(0.16)	(0.17)	0.00	(0.10)	0.63	0.04					0.02	

Consolidated Performance Report

Through December 31, 2015



	Market Value (\$MM)	% of Total	3 Month	FYTD	CYTD	2014	2013	2012	2011	2010	5 Year	10 Year	ITD	Inception Date
EQUITY RETURN DETAIL														
224 *POLICE-TOTAL HEDGE FUNDS	1,044	3.22	(1.10)	(2.94)	(1.08)	5.94	5.55	8.49					3.33	07/01/2011
HFRI FUND OF FUNDS COMPOSITE INDEX + 1%			0.98	(2.40)	0.74	4.40	10.04	5.82					3.43	
EXCESS RETURN			(2.09)	(0.54)	(1.82)	1.54	(4.49)	2.67					(0.10)	
234 *POLICE-TOTAL DIRECT HEDGE FUNDS	896	2.76	(1.23)	(3.05)	(1.38)	5.71	4.20	8.95					4.30	01/01/2012
HFRI FUND OF FUNDS COMPOSITE INDEX + 1%			0.98	(2.40)	0.74	4.40	10.04	5.82					5.20	
EXCESS RETURN			(2.22)	(0.64)	(2.11)	1.31	(5.84)	3.12					(0.90)	
244 *POLICE-TOTAL FUND OF FUNDS HEDGE FUNDS	148	0.45	(1.24)	(4.10)	(2.93)	3.74	8.39	5.68					2.43	07/01/2011
HFRI FUND OF FUNDS COMPOSITE INDEX + 1%			0.98	(2.40)	0.74	4.40	10.04	5.82					3.43	
EXCESS RETURN			(2.23)	(1.69)	(3.67)	(0.66)	(1.65)	(0.14)					(1.00)	

*Information provided by Alpha Frontier

Consolidated Performance Report

Through December 31, 2015



	Market Value (\$MM)	% of Total	3 Month	FYTD	CYTD	2014	2013	2012	2011	2010	5 Year	10 Year	ITD	Inception Date
EQUITY RETURN DETAIL														
256 POLICE-TOTAL REAL ESTATE SECURITIES - GROSS	176	0.54	4.05	3.29	0.28	15.89	3.29						9.93	06/01/2012
ESTIMATED INVESTMENT FEES			(0.03)	(0.05)	(0.10)	(0.11)								
POLICE-TOTAL REAL ESTATE SECURITIES - NET MGR			4.02	3.24	0.18	15.77								
FTSE EPRA/NAREIT DEVEL. LIQUID			3.90	2.90	(0.51)	14.98	2.53						9.57	
EXCESS RETURN			0.12	0.33	0.68	0.79	0.75						0.36	
266 POLICE-TOTAL PRIVATE EQUITY (TIME WEIGHTED)	2,291	7.06	(0.25)	3.05	11.70	14.94	9.65	11.60	14.23	18.45	12.41	10.81	12.96	04/01/2004
NYC R3000 +3% LAGGED			(6.54)	(5.72)	2.49	21.24	24.53	35.20	5.55	15.96	17.17	11.43	11.84	
EXCESS RETURN			6.29	8.77	9.21	(6.31)	(14.88)	(23.61)	8.68	2.48	(4.76)	(0.62)	1.12	
276 POLICE-TOTAL PRIVATE REAL ESTATE (TIME WEIGHTED)	1,431	4.41	3.37	7.27	16.65	18.00	14.02	14.67	20.18	7.84	16.68	5.89	7.76	04/01/2004
NCREIF NFI-ODCE NET + 100 BP			3.36	7.17	15.08	12.56	14.02	10.88	16.09		13.71			
EXCESS RETURN			0.01	0.10	1.57	5.44	(0.01)	3.78	4.09		2.97			
286 POLICE-TOTAL INFRASTRUCTURE (TIME WEIGHTED)	100	0.31	3.21	5.15	15.14	20.26							16.89	12/01/2013
CPI + 4%			1.10	2.01	4.69	4.70							4.81	
EXCESS RETURN			2.10	3.15	10.46	15.55							12.09	

Consolidated Performance Report

Through December 31, 2015



	Market Value (\$MM)	% of Total	3 Month	FYTD	CYTD	2014	2013	2012	2011	2010	5 Year	10 Year	ITD	Inception Date
FIXED INCOME RETURN DETAIL														
298 POLICE-TOTAL FIXED INCOME - GROSS	10,685	32.93	(0.70)	(0.96)	(0.17)	6.20	0.85	7.97	7.05	9.26	4.33	5.47	8.37	02/01/1980
ESTIMATED INVESTMENT FEES			(0.03)	(0.06)	(0.12)	(0.14)								
EST MANAGEMENT FEES			(0.03)	(0.06)	(0.12)	(0.14)								
EST INCENTIVE FEES														
EST OTHER FEES														
EST FEE OFFSETS														
POLICE-TOTAL FIXED INCOME - NET MGR			(0.73)	(1.02)	(0.29)	6.06								
306 POLICE-TOTAL STRUCTURED FIXED INCOME - GROSS	5,738	17.69	(0.43)	0.61	0.56	7.69	(1.99)	6.57	8.88	8.50	4.25	5.37	7.86	01/01/1985
ESTIMATED INVESTMENT FEES			(0.02)	(0.04)	(0.07)	(0.09)								
POLICE-TOTAL STRUCTURED FIXED INCOME - NET MGR			(0.44)	0.57	0.48	7.60								
NYC - CORE PLUS FIVE			(0.49)	0.78	0.41	7.66	(2.79)	5.41	9.40	7.13	3.92	5.10		
EXCESS RETURN			0.04	(0.21)	0.07	(0.06)	0.80	1.16	(0.53)	1.37	0.33	0.28		
316 POLICE-TOTAL CORE FIXED INCOME - GROSS	69	0.21	(0.15)	0.54	1.28	5.74	(1.20)	6.22	8.18	7.57	3.99		5.39	05/01/2009
ESTIMATED INVESTMENT FEES			(0.05)	(0.11)	(0.20)	(0.17)								
POLICE-TOTAL CORE FIXED INCOME - NET MGR			(0.20)	0.44	1.08	5.57								
BARCLAYS AGGREGATE (DAILY)			(0.57)	0.65	0.55	5.97	(2.02)	4.21	7.84	6.54	3.25		4.21	
EXCESS RETURN			0.37	(0.21)	0.53	(0.39)	0.82	2.01	0.34	1.03	0.74		1.19	
326 POLICE-TOTAL FIXED INCOME FUND OF FUND - GROSS	74	0.23	(0.38)	0.97	1.00	6.21	(1.58)						2.20	06/01/2012
ESTIMATED INVESTMENT FEES			(0.09)	(0.17)	(0.35)	(0.36)								
POLICE-TOTAL FIXED INCOME FUND OF FUND - NET MGR			(0.46)	0.79	0.65	5.85								
BARCLAYS AGGREGATE (DAILY)			(0.57)	0.65	0.55	5.97	(2.02)						1.72	
EXCESS RETURN			0.11	0.14	0.10	(0.12)	0.45						0.48	
336 POLICE-TOTAL TIPS - GROSS	936	2.88	(0.67)	(1.82)	(1.29)	3.52	(8.47)	7.17	13.52	6.45	2.62	4.05	3.91	06/01/2005
ESTIMATED INVESTMENT FEES			(0.00)	(0.01)	(0.03)	(0.07)								
POLICE-TOTAL TIPS - NET MGR			(0.67)	(1.83)	(1.32)	3.45								
BARCLAYS GLOBAL INFLATION LINKED: US TIPS (DAILY)			(0.64)	(1.78)	(1.44)	3.64	(8.61)	6.98	13.56	6.31	2.55	3.93	3.76	
EXCESS RETURN			(0.03)	(0.05)	0.12	(0.19)	0.14	0.19	(0.04)	0.14	0.07	0.12	0.15	
346 POLICE-TOTAL ENHANCED YIELD - GROSS	1,244	3.83	(1.80)	(6.68)	(3.94)	2.80	8.14	14.53	6.05	14.13	5.34	6.84	7.57	10/01/1994
ESTIMATED INVESTMENT FEES			(0.08)	(0.16)	(0.33)	(0.35)								
POLICE-TOTAL ENHANCED YIELD - NET MGR			(1.88)	(6.84)	(4.26)	2.45								
CITIGROUP BB & B			(1.70)	(6.77)	(4.21)	2.78	6.17	14.45	6.58	13.35	4.98	5.60	6.66	
EXCESS RETURN			(0.18)	(0.07)	(0.05)	(0.34)	1.97	0.07	(0.53)	0.78	0.36	1.24	0.91	

Consolidated Performance Report

Through December 31, 2015



	Market Value (\$MM)	% of Total	3 Month	FYTD	CYTD	2014	2013	2012	2011	2010	5 Year	10 Year	ITD	Inception Date
FIXED INCOME RETURN DETAIL														
358 POLICE- TOTAL BANK LOANS - GROSS	558	1.72	(1.31)	(1.68)	1.80	2.76	6.54						3.78	12/01/2012
ESTIMATED INVESTMENT FEES			(0.08)	(0.15)	(0.32)	(0.32)								
POLICE-TOTAL BANK LOANS - NET MGR			(1.38)	(1.83)	1.49	2.44								
CSFB LEVERAGED LOAN INDEX			(1.96)	(3.16)	(0.38)	2.06	6.15						2.74	
EXCESS RETURN			0.58	1.33	1.87	0.38	0.39						1.04	
368 POLICE-TOTAL CONVERTIBLE BONDS - GROSS	215	0.66	2.24	(2.79)	(0.41)	9.44	16.96	11.69	(3.62)	14.57	6.54		6.51	07/01/2008
ESTIMATED INVESTMENT FEES			(0.10)	(0.20)	(0.41)	(0.45)								
POLICE-TOTAL CONVERTIBLE BONDS - NET MGR			2.14	(2.99)	(0.81)	8.99								
BOFAML ALL CONVERTIBLE EX M AI (DAILY)			0.89	(6.37)	(2.89)	9.33	25.00	14.41	(3.42)	16.52	7.96		7.66	
EXCESS RETURN			1.24	3.39	2.08	(0.34)	(8.04)	(2.72)	(0.20)	(1.95)	(1.42)		(1.15)	
378 POLICE-TOTAL OPPORTUNISTIC FIXED INCOME	876	2.70	(1.77)	(3.60)	(1.34)	8.86	17.15	22.48	(4.67)	26.77	8.00		8.19	10/01/2007
10% ANNUAL RETURN			2.41	4.88	10.00	10.00	10.00	10.00	10.00	10.00	10.00		10.00	
EXCESS RETURN			(4.18)	(8.48)	(11.34)	(1.14)	7.15	12.48	(14.67)	16.77	(2.00)		(1.81)	
388 POLICE-TOTAL TARGETED INVESTMENTS (NO CASH)	357	1.10	(0.62)	4.60	4.04	8.06	2.22	6.32	6.47	7.25	5.40	6.21	8.45	12/01/1984
POLICE CUSTOM BENCHMARK (NO CASH)			(0.19)	1.10	1.40	6.11	(1.66)	3.41	7.74	6.54	3.35	4.76		
EXCESS RETURN			(0.43)	3.50	2.65	1.95	3.87	2.92	(1.27)	0.71	2.06	1.45		
CASH SUMMARY														
400 POLICE SHORT TERM - GROSS	618	1.90	(0.12)	0.07	0.47	0.23	0.21	0.40	0.43	0.61	0.35	1.81		04/01/1982
ESTIMATED INVESTMENT FEES			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
POLICE SHORT TERM - NET MGR			(0.12)	0.07	0.47	0.23	0.21	0.40	0.43	0.61	0.35	1.81		
404 C/D - FAIL FLOAT EARNINGS	1	0.00												
406 SECURITY LENDING	6	0.02												

**New York City
Police Pension Fund, Subchapter Two**

Appendix B

Public Markets Manager Performance Detail

Public Markets Manager Performance Detail

Net Returns Through December 31, 2015



	Market Value (\$MM)	% of Total	3 Month	FYTD	CYTD	2014
EQUITY SUMMARY						
US EQUITY						
State Street Global Adv R3000	3,469	10.69	6.25	(1.41)	0.47	12.59
RUSSELL 3000 (DAILY)			6.27	(1.43)	0.48	12.56
Excess			(0.02)	0.03	(0.01)	0.04
NYC POLICE BLACKROCK R2000 GROWTH						
NYC POLICE BLACKROCK R2000 GROWTH	160	0.49	4.41	(9.21)	(1.30)	5.50
RUSSELL 2000 GROWTH DAILY			4.32	(9.31)	(1.38)	5.60
Excess			0.09	0.09	0.08	(0.11)
NYC POLICE BLACKROCK R2000 VALUE						
NYC POLICE BLACKROCK R2000 VALUE	89	0.27	2.99	(8.24)	(7.38)	4.11
RUSSELL 2000 VALUE DAILY			2.88	(8.17)	(7.47)	4.22
Excess			0.11	(0.07)	0.09	(0.11)
Brown AM - SCG						
Brown AM - SCG	123	0.38	9.62	2.06	8.62	2.93
RUSSELL 2000 GROWTH DAILY			4.32	(9.31)	(1.38)	5.60
Excess			5.30	11.37	10.00	(2.68)
Ceredex SCV						
Ceredex SCV	102	0.31	(0.52)	(8.19)	(4.74)	2.55
RUSSELL 2000 VALUE DAILY			2.88	(8.17)	(7.47)	4.22
Excess			(3.40)	(0.02)	2.73	(1.66)
Dalton Greiner (Value) - Small Cap						
Dalton Greiner (Value) - Small Cap	114	0.35	2.28	(5.97)	(3.32)	4.47
RUSSELL 2000 VALUE DAILY			2.88	(8.17)	(7.47)	4.22
Excess			(0.59)	2.20	4.15	0.25
DFA Small Cap						
DFA Small Cap	113	0.35	3.04	(7.33)	(3.86)	4.48
RUSSELL 2000 (DAILY)			3.59	(8.75)	(4.41)	4.89
Excess			(0.55)	1.42	0.56	(0.42)

Public Markets Manager Performance Detail



Net Returns Through December 31, 2015

	Market Value (\$MM)	% of Total	3 Month	FYTD	CYTD	2014
RAFI - SC Fundamental	108	0.33	2.92	(8.81)	(6.65)	4.72
RUSSELL 2000 (DAILY)			3.59	(8.75)	(4.41)	4.89
Excess			(0.67)	(0.05)	(2.23)	(0.17)
Time Square Capital SMIDG	133	0.41	1.32	(9.91)	(5.16)	2.40
RUSSELL 2500 GROWTH (DAILY)			3.81	(7.66)	(0.19)	7.05
Excess			(2.48)	(2.25)	(4.98)	(4.66)
State St GA S&P 400	382	1.18	2.59	(6.08)	(1.65)	10.09
S&P 400 MIDCAP INDEX (DAILY)			2.60	(6.11)	(2.18)	9.77
Excess			(0.01)	0.03	0.52	0.32
Frontier Capital MCG	290	0.89	2.05	(6.45)	3.10	11.58
RUSSELL MIDCAP GROWTH (DAILY)			4.12	(4.20)	(0.20)	11.90
Excess			(2.06)	(2.25)	3.30	(0.32)
Time Square Capital MCG	158	0.49	2.68	(4.87)	0.68	5.21
RUSSELL MIDCAP GROWTH (DAILY)			4.12	(4.20)	(0.20)	11.90
Excess			(1.44)	(0.67)	0.88	(6.69)
Iridian Asset Mgmt. MCV	273	0.84	4.41	(6.30)	(3.71)	14.04
RUSSELL MIDCAP VALUE (DAILY)			3.12	(5.17)	(4.78)	14.75
Excess			1.29	(1.13)	1.07	(0.71)
Systematic Financial Mgmt MCV	192	0.59	5.68	(6.36)	(5.40)	5.64
RUSSELL MIDCAP VALUE (DAILY)			3.12	(5.17)	(4.78)	14.75
Excess			2.56	(1.19)	(0.62)	(9.11)
Wellington Mgmt. MCC	212	0.65	2.48	(3.73)	1.76	10.93
S&P 400 MIDCAP INDEX (DAILY)			2.60	(6.11)	(2.18)	9.77
Excess			(0.12)	2.39	3.93	1.16

Public Markets Manager Performance Detail



Net Returns Through December 31, 2015

	Market Value (\$MM)	% of Total	3 Month	FYTD	CYTD	2014
NYC POLICE BLACKROCK R1000 GROWTH	2,569	7.92	7.37	1.58	5.60	12.91
RUSSELL 1000 GROWTH - DAILY			7.32	1.64	5.67	13.05
Excess			0.06	(0.06)	(0.07)	(0.14)
NYC POLICE BLACKROCK R1000 VALUE	2,522	7.77	5.67	(3.42)	(4.02)	13.39
RUSSELL 1000 VALUE (DAILY)			5.64	(3.23)	(3.83)	13.45
Excess			0.03	(0.18)	(0.19)	(0.06)
RAFI - LC Fundamental	256	0.79	4.96	(2.63)	(3.09)	12.04
RUSSELL 1000 (DAILY)			6.50	(0.78)	0.92	13.24
Excess			(1.54)	(1.85)	(4.01)	(1.20)
VTL S&P 500 Fundamental	129	0.40	5.56	(2.19)	(1.26)	13.81
S&P 500 INDEX (DAILY)			7.04	0.15	1.38	13.69
Excess			(1.48)	(2.34)	(2.64)	0.12
FUND OF FUNDS						
POLICE-FUND OF FUNDS	188	0.58	2.22	(9.38)	(6.24)	1.62
RUSSELL 2000 (DAILY)			3.59	(8.75)	(4.41)	4.89
Excess			(1.38)	(0.63)	(1.83)	(3.28)
POLICE-TOTAL ATTUCKS	39	0.12	1.91	(9.18)	(6.62)	2.12
RUSSELL 2000 (DAILY)			3.59	(8.75)	(4.41)	4.89
Excess			(1.69)	(0.42)	(2.21)	(2.77)
POLICE-TOTAL CAPITAL PROSPECTS	45	0.14	1.36	(10.12)	(6.51)	1.54
RUSSELL 2000 (DAILY)			3.59	(8.75)	(4.41)	4.89
Excess			(2.24)	(1.37)	(2.09)	(3.35)
POLICE-TOTAL PROGRESS EQUITY	55	0.17	2.46	(9.48)	(7.48)	1.43
RUSSELL 2000 (DAILY)			3.59	(8.75)	(4.41)	4.89
Excess			(1.13)	(0.73)	(3.07)	(3.46)

Public Markets Manager Performance Detail



Net Returns Through December 31, 2015

	Market Value (\$MM)	% of Total	3 Month	FYTD	CYTD	2014
POLICE-TOTAL FIS	49	0.15	2.99	(8.75)	(4.25)	1.49
RUSSELL 2000 (DAILY)			3.59	(8.75)	(4.41)	4.89
Excess			(0.60)	0.01	0.16	(3.40)
NON - US EQUITY						
Baillie Gifford	478	1.47	6.88	(9.60)	(3.81)	(6.77)
MSCI EAFE GROWTH			6.67	(2.64)	4.09	(4.43)
Excess			0.22	(6.96)	(7.90)	(2.34)
Walter Scott	568	1.75	6.84	(3.44)	0.28	(3.56)
MSCI EAFE GROWTH			6.67	(2.64)	4.09	(4.43)
Excess			0.18	(0.80)	(3.81)	0.87
Causeway	462	1.43	3.74	(7.10)	(2.39)	(5.18)
MSCI EAFE VALUE NET (DAILY)			2.68	(9.41)	(5.68)	(5.39)
Excess			1.06	2.30	3.29	0.21
Sprucegrove	520	1.60	2.17	(10.55)	(9.44)	(3.32)
MSCI EAFE VALUE NET (DAILY)			2.68	(9.41)	(5.68)	(5.39)
Excess			(0.51)	(1.14)	(3.75)	2.07
Acadian	232	0.71	6.82	(0.46)	8.68	(4.92)
S&P EPAC Small Cap Index			5.86	(1.46)	8.95	(3.10)
Excess			0.96	1.00	(0.28)	(1.81)
Pyramis	245	0.75	6.55	0.76	11.97	(5.60)
S&P EPAC Small Cap Index			5.86	(1.46)	8.95	(3.10)
Excess			0.69	2.23	3.01	(2.50)
SSGA	531	1.64	4.83	(6.02)	(0.54)	(4.75)
MSCI EAFE			4.71	(6.01)	(0.81)	(4.90)
Excess			0.12	(0.02)	0.27	0.15

Public Markets Manager Performance Detail



Net Returns Through December 31, 2015

	Market Value (\$MM)	% of Total	3 Month	FYTD	CYTD	2014
SSGA MSCI EAFE Small Cap Index	89	0.28	6.92	(0.38)	9.86	
MSCI EAFE SMALL CAP NET (DAILY)			6.79	(0.51)	9.59	
Excess			0.13	0.13	0.27	
Generation GE	120	0.37	9.91	1.38	7.04	11.39
MSCI World Index			5.50	(3.41)	(0.87)	4.94
Excess			4.41	4.79	7.91	6.45
EMERGING MARKETS						
DFA	251	0.77	(0.33)	(19.88)	(19.39)	(4.50)
MSCI EMERGING MARKETS			0.66	(17.35)	(14.92)	(2.19)
Excess			(0.99)	(2.52)	(4.48)	(2.31)
Ballie Gifford	279	0.86	7.84	(10.48)	(8.00)	0.10
MSCI EMERGING MARKETS			0.66	(17.35)	(14.92)	(2.19)
Excess			7.18	6.88	6.92	2.29
PARAMETRIC EM	276	0.85	(0.64)	(16.25)	(15.72)	(3.92)
MSCI EMERGING MARKETS			0.66	(17.35)	(14.92)	(2.19)
Excess			(1.29)	1.10	(0.80)	(1.73)
ACADIAN	274	0.84	0.51	(17.75)	(15.05)	3.79
MSCI EMERGING MARKETS			0.66	(17.35)	(14.92)	(2.19)
Excess			(0.15)	(0.40)	(0.13)	5.98
Blackrock EM	803	2.47	0.50	(17.53)	(14.91)	(2.29)
MSCI EMERGING MARKETS			0.66	(17.35)	(14.92)	(2.19)
Excess			(0.16)	(0.17)	0.01	(0.10)
REAL ESTATE SECURITIES						
CONY GT SSGA REIT	176	0.54	4.02	3.24	0.18	15.77
FTSE EPRA/NAREIT Devel. Liquid			3.90	2.90	(0.51)	14.98
Excess			0.12	0.33	0.68	0.79

Public Markets Manager Performance Detail

Net Returns Through December 31, 2015



	Market Value (\$MM)	% of Total	3 Month	FYTD	CYTD	2014
FIXED INCOME SUMMARY						
STRUCTURED FIXED INCOME						
Blackrock - Mortgage	771	2.38	(0.17)	1.04	1.81	6.48
CITIGROUP MORTGAGE INDEX			(0.07)	1.20	1.56	6.12
Excess			(0.10)	(0.16)	0.25	0.35
Neuberger Berman - Mortgage	674	2.08	(0.22)	1.07	1.42	6.68
CITIGROUP MORTGAGE INDEX			(0.07)	1.20	1.56	6.12
Excess			(0.14)	(0.13)	(0.15)	0.55
Wellington - Mortgage	383	1.18	(0.20)	1.07	1.40	6.67
CITIGROUP MORTGAGE INDEX			(0.07)	1.20	1.56	6.12
Excess			(0.12)	(0.13)	(0.16)	0.54
Goldman Sachs - Mortgage	424	1.31	(0.11)	1.08	1.52	6.23
CITIGROUP MORTGAGE INDEX			(0.07)	1.20	1.56	6.12
Excess			(0.04)	(0.11)	(0.04)	0.11
T. Rowe Price - Credit	855	2.64	(0.10)	(0.09)	0.02	7.91
NYC - Investment Grade Credit			(0.44)	(0.13)	(0.65)	7.04
Excess			0.34	0.04	0.67	0.86
Blackrock - Credit	676	2.08	(0.64)	(0.30)	(0.57)	7.55
NYC - Investment Grade Credit			(0.44)	(0.13)	(0.65)	7.04
Excess			(0.21)	(0.16)	0.07	0.51
Prudential - Credit	624	1.92	(0.37)	0.23	(0.32)	7.19
NYC - Investment Grade Credit			(0.44)	(0.13)	(0.65)	7.04
Excess			0.07	0.36	0.33	0.14

Public Markets Manager Performance Detail



Net Returns Through December 31, 2015

	Market Value (\$MM)	% of Total	3 Month	FYTD	CYTD	2014
Taplin Canida Habacht Credit	184	0.57	(1.00)	(3.02)	(3.98)	7.92
NYC - Investment Grade Credit			(0.44)	(0.13)	(0.65)	7.04
Excess			(0.56)	(2.89)	(3.34)	0.88
Pyramis - Credit	188	0.58	(0.36)	0.20	(0.09)	7.38
NYC - Investment Grade Credit			(0.44)	(0.13)	(0.65)	7.04
Excess			0.08	0.33	0.56	0.34
Prudential-Privest - Credit	121	0.37	(0.34)	0.84	1.63	7.20
NYC - Investment Grade Credit			(0.44)	(0.13)	(0.65)	7.04
Excess			0.09	0.98	2.28	0.16
State Street - Gov't	386	1.19	(1.27)	1.83	0.49	12.13
NYC - Treasury Agency Plus Five			(1.29)	2.06	0.72	12.38
Excess			0.02	(0.23)	(0.24)	(0.25)
Blackrock - Gov't	226	0.70	(1.37)	1.78	0.66	11.93
NYC - Treasury Agency Plus Five			(1.29)	2.06	0.72	12.38
Excess			(0.07)	(0.28)	(0.06)	(0.44)
Fischer Francis - Govt	226	0.70	(1.34)	1.78	0.51	11.36
NYC - Treasury Agency Plus Five			(1.29)	2.06	0.72	12.38
Excess			(0.04)	(0.28)	(0.21)	(1.02)
FIXED INCOME FUND OF FUNDS						
Hillswick	7	0.02	(0.86)	0.87	0.61	7.09
Barclays Aggregate (Daily)			(0.57)	0.65	0.55	5.97
Excess			(0.29)	0.22	0.06	1.13
Ramirez Asset	18	0.06	0.14	1.26	1.12	
Barclays Aggregate (Daily)			(0.57)	0.65	0.55	
Excess			0.71	0.60	0.57	

Public Markets Manager Performance Detail



Net Returns Through December 31, 2015

	Market Value (\$MM)	% of Total	3 Month	FYTD	CYTD	2014
NEW CENTURY	26	0.08	(0.83)	0.24	(0.30)	6.53
Barclays Aggregate (Daily)			(0.57)	0.65	0.55	5.97
Excess			(0.26)	(0.41)	(0.85)	0.56
PUGH CAP	22	0.07	(0.40)	1.03	0.79	5.88
Barclays Aggregate (Daily)			(0.57)	0.65	0.55	5.97
Excess			0.17	0.38	0.24	(0.09)
ENHANCED YIELD						
Loomis Sayles - High Yield	205	0.63	(5.61)	(11.65)	(8.58)	4.73
NYC-Loomis (BoA MLMSTII 7-03/BB&B PRIOR)			(2.17)	(6.96)	(4.64)	2.50
Excess			(3.44)	(4.69)	(3.94)	2.22
Oaktree - High Yield	170	0.52	(2.19)	(7.07)	(4.75)	1.41
BofAML HYM CONSTRAINED (DAILY)			(2.16)	(6.93)	(4.61)	2.51
Excess			(0.03)	(0.14)	(0.14)	(1.10)
Neuberger Berman - High Yield	233	0.72	(1.37)	(5.96)	(4.00)	2.05
BofAML HIGH YIELD MASTER II (DAILY)			(2.17)	(6.96)	(4.64)	2.50
Excess			0.80	1.00	0.65	(0.45)
Stone Harbor - High Yield	156	0.48	(0.63)	(6.19)	(4.47)	0.31
BofAML HIGH YIELD MASTER II (DAILY)			(2.17)	(6.96)	(4.64)	2.50
Excess			1.54	0.77	0.17	(2.19)
T. Rowe Price - High Yield	268	0.83	(0.23)	(4.22)	(1.13)	2.92
CITIGROUP BB & B			(1.70)	(6.77)	(4.21)	2.78
Excess			1.48	2.55	3.08	0.13
Fort Washington - High Yield	119	0.37	(1.24)	(6.89)	(4.13)	2.41
CITIGROUP BB & B			(1.70)	(6.77)	(4.21)	2.78
Excess			0.46	(0.12)	0.08	(0.37)

Public Markets Manager Performance Detail



Net Returns Through December 31, 2015

	Market Value (\$MM)	% of Total	3 Month	FYTD	CYTD	2014
Shenkman - High Yield	92	0.29	(1.60)	(5.79)	(2.65)	2.64
CITIGROUP BB & B			(1.70)	(6.77)	(4.21)	2.78
Excess			0.10	0.98	1.56	(0.15)
BANK LOANS						
Babson BL	219	0.67	(2.13)	(3.02)	0.12	1.99
CSFB LEVERAGED LOAN INDEX			(1.96)	(3.16)	(0.38)	2.06
Excess			(0.17)	0.14	0.50	(0.07)
Credit Suisse BL	225	0.69	(0.82)	(1.02)	2.57	2.67
CSFB LEVERAGED LOAN INDEX			(1.96)	(3.16)	(0.38)	2.06
Excess			1.14	2.15	2.96	0.61
Guggenheim BL	114	0.35	(1.03)	(1.11)	2.07	2.88
CSFB LEVERAGED LOAN INDEX			(1.96)	(3.16)	(0.38)	2.06
Excess			0.94	2.06	2.45	0.83
TIPS						
State Street TIPS Passive	702	2.16	(0.67)	(1.84)	(1.35)	3.57
Barclays Global Inflation Linked: US TIPS (Daily)			(0.64)	(1.78)	(1.44)	3.64
Excess			(0.03)	(0.07)	0.09	(0.07)
Blackrock TIPS	234	0.72	(0.68)	(1.80)	(1.24)	3.74
Barclays Global Inflation Linked: US TIPS (Daily)			(0.64)	(1.78)	(1.44)	3.64
Excess			(0.05)	(0.02)	0.20	0.10
CONVERTIBLE BONDS						
Advent Conv Bonds	107	0.33	0.53	(3.65)	(1.38)	4.65
BofA ML U.S. Convertible Yield Alternative			(3.79)	(9.44)	(9.05)	2.75
Excess			4.32	5.79	7.67	1.91

Public Markets Manager Performance Detail



Net Returns Through December 31, 2015

	Market Value (\$MM)	% of Total	3 Month	FYTD	CYTD	2014
Victory Conv Bonds	108	0.33	3.79	(2.32)	(0.24)	13.76
BofA Merrill Lynch US Investment Grade Convertible Bond Index			4.17	(0.77)	1.68	15.69
Excess			(0.38)	(1.55)	(1.92)	(1.94)
CORE FIXED INCOME						
LM Capital	34	0.10	0.08	0.75	1.02	5.57
Barclays Aggregate (Daily)			(0.57)	0.65	0.55	5.97
Excess			0.65	0.09	0.47	(0.39)
GIA	35	0.11	(0.48)	0.14		
Barclays Aggregate (Daily)			(0.57)	0.65		
Excess			0.09	(0.51)		
ECONOMICALLY TARGETED INVESTMENTS						
AFL-CIO HOUSING INV TRUST	151	0.46	(0.69)	0.74	1.13	6.10
Barclays Aggregate (Daily)			(0.57)	0.65	0.55	5.97
Excess			(0.12)	0.09	0.58	0.14
ACCESS RBC	59	0.18	(0.41)	0.99	1.82	6.66
Access RBC Benchmark			(0.34)	0.98	1.40	5.08
Excess			(0.07)	0.01	0.42	1.58
CPC CONST FACILITY	6	0.02	2.89	11.45	12.90	
CPC CONST BENCHMARK			0.73	1.45	2.90	
Excess			2.16	10.00	10.01	
BOA-PPAR (FNMA)	6	0.02	(1.33)	10.68	42.03	13.31
FNMA Plus 85bps			0.01	1.63	2.50	7.13
Excess			(1.34)	9.05	39.53	6.19
BOA-PPAR (GNMA)	6	0.02	(1.35)	12.09	8.04	15.61
GNMA Plus 65bps			0.37	1.60	2.02	6.65
Excess			(1.73)	10.50	6.03	8.96

Public Markets Manager Performance Detail



Net Returns Through December 31, 2015

	Market Value (\$MM)	% of Total	3 Month	FYTD	CYTD	2014
CFSB-PPAR (GNMA)	1	0.00	(1.45)	9.58	5.90	15.34
GNMA Plus 65bps			0.37	1.60	2.02	6.65
Excess			(1.82)	7.98	3.88	8.69
CCD-PPAR (FNMA)	2	0.01	(1.33)	11.41	6.69	25.71
FNMA Plus 85bps			0.01	1.63	2.50	7.13
Excess			(1.34)	9.78	4.20	18.58
CCD-PPAR (GNMA)	3	0.01	(1.18)	8.39	5.08	15.37
GNMA Plus 65bps			0.37	1.60	2.02	6.65
Excess			(1.56)	6.80	3.06	8.72
CPC-PPAR (FNMA)	34	0.11	(0.12)	12.66	8.96	13.91
FNMA Plus 85bps			0.01	1.63	2.50	7.13
Excess			(0.12)	11.03	6.46	6.78
CPC - PPAR (GNMA)	74	0.23	(1.09)	7.70	5.24	9.23
GNMA Plus 65bps			0.37	1.60	2.02	6.65
Excess			(1.47)	6.10	3.23	2.58
JPMC - PPAR (FNMA)	9	0.03	(1.11)	13.08	6.18	12.08
FNMA Plus 85bps			0.01	1.63	2.50	7.13
Excess			(1.12)	11.45	3.68	4.96
LIIF-PPAR (FNMA)	2	0.00	(1.36)	10.62	6.29	38.12
FNMA Plus 85bps			0.01	1.63	2.50	7.13
Excess			(1.37)	9.00	3.79	30.99
LIIF-PPAR (GNMA)	2	0.00	(1.08)	4.02	3.92	9.74
GNMA Plus 65bps			0.37	1.60	2.02	6.65
Excess			(1.46)	2.42	1.91	3.09

Public Markets Manager Performance Detail



Net Returns Through December 31, 2015

	Market Value (\$MM)	% of Total	3 Month	FYTD	CYTD	2014
NCBCI-PPAR (FNMA)	0	0.00	(1.09)	8.14	4.97	14.93
FNMA Plus 85bps			0.01	1.63	2.50	7.13
Excess			(1.10)	6.51	2.47	7.81
NCBCI-PPAR (GNMA)	1	0.00	(1.23)	8.66	5.53	16.66
GNMA Plus 65bps			0.37	1.60	2.02	6.65
Excess			(1.61)	7.06	3.52	10.01
NHS-PPAR (GNMA)	1	0.00	(1.12)	6.91	4.90	13.73
GNMA Plus 65bps			0.37	1.60	2.02	6.65
Excess			(1.49)	5.32	2.89	7.08
CASH						
POLICE SHORT TERM	618	1.90	(0.12)	0.07	0.47	0.23
91 DAY T-BILL			0.03	0.05	0.05	0.02
Excess			(0.15)	0.02	0.42	0.21
C/D - Fail Float Earnings	1	0.00				
SECURITY LENDING	6	0.02				

**New York City
Police Pension Fund, Subchapter Two**

Appendix C

Alternative Assets Manager Performance Detail

Alternative Assets Manager Performance Detail

Through September 30, 2015



	Vintage Year (Cash Flow)	Commitments	Contributions	Distributions	Market Value	Investment Multiple	ITD IRR%
TOTAL PRIVATE EQUITY		4,542,664,203	3,787,453,496	2,960,988,019	2,280,207,725	1.38	10.3%
TOTAL ACTIVE		4,341,688,991	3,566,442,049	2,688,696,848	2,280,207,725	1.39	10.6%
Cypress Merchant Banking Partners II, L.P.	1999	45,172,972	53,861,600	43,440,706	7,242,488	0.94	-1.1%
FdG Capital Partners LLC	1999	50,000,000	57,513,671	85,895,768	8,928,129	1.65	14.5%
Lincolnshire Equity Fund II, L.P.	1999	11,038,409	11,556,880	21,877,852	718,344	1.96	24.6%
Solera Partners, L.P.	2000	9,999,888	13,206,455	20,817,577	2,405,563	1.76	8.8%
SCP Private Equity Partners II, L.P.	2000	25,000,000	28,057,160	8,542,740	7,010,161	0.55	-7.4%
New Mountain Partners, L.P.	2001	13,606,449	12,837,351	18,323,621	331,114	1.45	12.4%
Apollo Investment Fund V, L.P.	2001	35,000,000	54,534,624	107,157,378	1,311,144	1.99	38.8%
CVC European Equity Partners III, L.P.	2001	25,000,000	28,947,553	74,439,614	667,224	2.59	41.1%
Yucaipa American Alliance Fund I, LP	2002	20,000,000	29,967,488	25,901,853	9,166,103	1.17	4.7%
Coller International Partners IV, L.P.	2002	26,100,000	26,761,761	34,796,416	1,642,896	1.36	11.7%
Landmark Equity Partners XI, L.P.	2002	30,000,000	28,518,970	41,682,038	2,691,449	1.56	23.7%
FS Equity Partners V, L.P.	2003	15,000,000	13,748,904	23,945,808	3,362,558	1.99	15.8%
Blackstone Capital Partners IV, L.P.	2003	46,253,267	57,092,364	123,672,859	13,566,611	2.40	36.5%
Ares Corporate Opportunities Fund, L.P.	2003	35,000,000	42,006,955	60,147,334	4,493,330	1.54	13.6%
Markstone Capital Partners, LP	2004	10,000,000	11,724,772	4,892,031	552,602	0.46	-44.8%
Euro Choice II (Delaware) L.P.	2004	20,254,055	20,142,503	23,633,457	6,114,326	1.48	7.5%
FdG Capital Partners II LP	2004	25,000,000	26,713,430	30,356,466	1,492,876	1.19	3.5%
Paladin Homeland Security Fund (NY City), L.P.	2004	30,000,000	32,473,843	9,839,320	6,007,109	0.49	-10.1%
Lincolnshire Equity Fund III, L.P.	2004	15,000,000	14,528,744	18,920,113	7,726,645	1.83	31.1%
Aurora Equity Partners III L.P.	2004	15,000,000	16,235,965	25,871,159	1,581,702	1.69	14.4%
Trilantic Capital Partners III L.P.	2004	20,000,000	18,037,300	29,016,729	641,207	1.64	14.7%
Medica III Investments (International) L.P.	2004	10,000,000	9,816,293	4,237,089	3,821,000	0.82	-5.0%
Celtic Pharmaceutical Holdings L.P.	2004	10,000,000	10,160,838	160,838	1,590,407	0.17	-20.3%
Palladium Equity Partners III, L.P.	2005	25,000,000	26,560,833	34,973,408	16,482,275	1.94	16.8%
New Mountain Partners II, L.P.	2005	7,741,935	6,962,713	12,948,097	717,046	1.96	13.8%
VSS Communications Partners IV, L.P.	2005	12,500,000	14,103,331	7,616,160	3,273,656	0.77	-4.6%
Carlyle Partners IV, L.P.	2005	50,000,000	51,531,593	95,828,507	6,404,851	1.98	13.2%
Levine Leichtman Capital Partners Deep Value Fund, L.P.	2005	20,000,000	24,978,381	21,530,211	4,667,516	1.05	1.3%
Prism Venture Partners V-A, L.P.	2005	20,000,000	20,508,481	9,790,565	6,265,375	0.78	-4.9%
Arlington Capital Partners II, L.P.	2005	20,000,000	20,212,097	22,237,310	12,580,090	1.72	11.5%
Quadrangle Capital Partners II LP	2005	23,276,501	22,951,991	21,315,728	6,317,182	1.20	3.9%

Information provided by the New York City Police Retirement System Consultants

Alternative Assets Manager Performance Detail

Through September 30, 2015



	Vintage Year (Cash Flow)	Commitments	Contributions	Distributions	Market Value	Investment Multiple	ITD IRR%
Snow Phipps Group, L.P.	2005	10,000,000	11,495,520	8,912,998	6,258,124	1.32	7.8%
GI Partners Fund II L.P.	2005	12,500,000	12,637,607	14,669,843	4,729,420	1.54	7.3%
Blackstone Mezzanine Partners II, L.P.	2005	14,000,000	13,352,442	15,932,646	1,479,396	1.30	7.3%
Psilos Group Partners III, L.P.	2005	12,500,000	13,287,792	6,410,270	10,347,991	1.26	4.9%
FirstMark Capital I, L.P. (fka FirstMark IV)	2005	10,000,000	10,815,838	14,937,203	53,315,189	6.31	44.1%
USPF II Institutional Fund, L.P.	2005	20,000,000	26,379,750	17,762,157	16,751,585	1.31	5.6%
Bridgepoint Europe III	2005	15,654,250	14,480,947	8,494,493	8,179,456	1.15	2.2%
JP Morgan Fleming (Tranche A)	2005	40,000,000	38,293,220	27,127,878	25,253,734	1.37	7.2%
Aisling Capital II, LP	2006	2,500,000	2,930,445	1,813,862	1,204,392	1.03	0.6%
InterMedia Partners VII, L.P.	2006	12,500,000	14,335,899	8,073,653	14,064,209	1.54	6.8%
Falconhead Capital Partners II, L.P.	2006	15,000,000	16,709,927	13,929,427	5,766,159	1.18	3.8%
Terra Firma Capital Partners III, L.P.	2006	15,528,725	15,601,083	774,865	7,877,082	0.55	-10.0%
Fenway Partners Capital Fund III, L.P.	2006	15,000,000	16,909,969	12,822,077	5,703,276	1.10	2.0%
Blackstone Capital Partners V, L.P.	2006	42,235,747	44,618,915	47,758,349	23,333,878	1.59	8.1%
Avista Capital Partners, L.P.	2006	20,000,000	25,960,156	21,476,525	11,942,756	1.29	5.8%
GSC Recovery III, L.P.	2006	5,000,000	5,623,140	5,912,590	563,566	1.15	3.7%
Apollo Investment Fund VI, L.P.	2006	45,000,000	57,919,123	71,357,441	17,314,763	1.53	9.7%
Landmark Equity Partners XIII, L.P.	2006	10,000,000	9,566,089	8,500,700	4,030,126	1.31	6.2%
Ares Corporate Opportunities Fund II, L.P.	2006	15,000,000	16,427,904	24,822,637	3,136,826	1.70	13.8%
Atlantic Equity Partners IV, L.P.	2006	25,124,928	21,871,603	-	15,051,227	0.69	-6.3%
CCMP Capital Investors II, L.P.	2006	20,000,000	21,957,057	24,169,341	11,995,334	1.65	13.9%
Capital Partners Private Equity Income Fund, L.P.	2006	15,000,000	14,382,706	20,431,144	9,600,882	2.09	20.8%
CLP 2014 (fka Perseus Partners VII)	2006	15,000,000	17,487,017	5,008,488	196,616	0.30	-36.6%
NB Co-Investment Partners LP	2006	60,000,000	60,370,704	64,102,834	23,994,144	1.46	9.1%
Euro Choice III L.P.	2006	26,746,412	25,811,364	13,794,990	15,231,762	1.12	2.6%
Thomas, McNerney & Partners II, L.P.	2006	10,000,000	9,507,667	16,146,663	4,520,440	2.17	16.8%
Catterton Partners VI, L.P.	2006	20,000,000	21,920,060	26,469,122	14,830,889	1.88	13.5%
First Reserve Fund XI, L.P.	2006	20,000,000	21,253,053	12,260,947	3,219,530	0.73	-7.8%
Permira IV, L.P.	2006	16,133,734	17,018,484	16,529,726	7,472,824	1.41	7.4%
Arsenal Capital Partners II, LP	2006	10,000,000	11,951,344	10,860,574	7,739,849	1.56	10.1%
RRE Ventures IV, L.P.	2006	15,000,000	18,378,972	4,484,531	23,840,559	1.54	8.9%
Collier International Partners V, L.P.	2006	10,000,000	8,607,475	8,933,594	3,793,380	1.48	9.9%
MidOcean Partners III, L.P.	2006	40,000,000	44,502,913	30,284,237	33,008,346	1.42	8.2%
GF Capital Private Equity Fund, L.P.	2006	10,000,000	10,437,343	8,793,694	9,382,036	1.74	14.9%

Information provided by the New York City Police Retirement System Consultants

Alternative Assets Manager Performance Detail

Through September 30, 2015



	Vintage Year (Cash Flow)	Commitments	Contributions	Distributions	Market Value	Investment Multiple	ITD IRR%
The Fourth Cinven Fund	2006	13,937,640	13,886,333	14,718,528	4,676,359	1.40	6.9%
Pegasus Partners IV, L.P.	2007	15,000,000	17,402,515	7,938,472	10,098,695	1.04	0.9%
Olympus Capital Asia III, L.P.	2007	20,000,000	22,720,567	8,142,661	19,730,007	1.23	6.3%
FTVentures III, LP	2007	7,500,000	7,635,000	7,501,554	8,289,360	2.07	16.7%
Highland Consumer Fund I LP	2007	10,000,000	9,516,060	1,999,220	5,534,271	0.79	-4.2%
Montreux Equity Partners IV, L.P.	2007	10,000,000	10,000,000	3,421,889	10,540,720	1.40	7.6%
Gleacher Mezzanine Fund II, L.P.	2007	10,000,000	9,178,264	10,860,467	911,810	1.28	9.7%
Quaker BioVentures II, L.P.	2007	15,000,000	13,244,055	7,828,105	9,749,105	1.33	7.8%
SCP Vitalife Partners II Fund	2007	15,000,000	15,007,274	1,184	12,873,064	0.86	-3.3%
Comvest Investment Partners III, L.P.	2007	15,000,000	19,009,285	11,293,544	9,551,210	1.10	3.0%
Constellation Venture Capital III, L.P.	2007	15,000,000	16,116,750	3,405,627	8,553,913	0.74	-6.6%
United States Power Fund III, L.P.	2007	15,000,000	14,992,160	7,298,105	12,639,308	1.33	5.9%
Carlyle Partners V, L.P.	2007	50,000,000	50,673,217	50,827,956	32,578,268	1.65	13.9%
PCG Clean Energy & Technology Fund (East), LLC	2007	40,000,000	35,280,037	4,153,638	18,810,294	0.65	-8.8%
GSO Capital Opportunities Fund LP	2007	17,500,000	26,108,521	35,324,603	2,528,817	1.45	18.1%
New Mountain Partners III, L.P.	2007	35,000,000	34,090,379	20,177,604	31,721,376	1.52	11.0%
Vista Equity Partners Fund III, L.P.	2007	20,000,000	21,240,126	45,207,593	9,093,995	2.56	28.8%
Trilantic Capital Partners IV L.P.	2007	45,856,523	45,812,852	53,072,885	19,596,961	1.59	14.7%
Pine Brook Capital Partners, L.P.	2007	15,000,000	15,145,365	8,917,908	10,067,413	1.25	8.0%
Paladin III (NY City), L.P.	2008	30,000,000	32,832,220	16,523,491	24,401,009	1.25	6.5%
Relativity Fund, L.P.	2008	8,158,371	8,080,212	1,726,554	2,757,296	0.55	-11.3%
Apollo Investment Fund VII, L.P.	2008	50,000,000	57,823,362	85,278,706	17,112,741	1.77	25.1%
NGN BioMed Opportunity II, L.P.	2008	10,000,000	9,325,911	1,973,105	5,015,925	0.75	-7.1%
Carpenter Community BancFund-A, L.P.	2008	15,000,000	14,639,741	8,494,912	13,707,026	1.52	8.3%
Riverstone/Carlyle Global Energy & Power Fund IV, L.P.	2008	15,000,000	15,668,154	11,250,080	7,918,648	1.22	6.9%
Yucaipa American Alliance Fund II, LP	2008	50,000,000	67,278,813	39,799,576	56,240,163	1.43	10.5%
Milestone Partners III, L.P.	2008	15,000,000	15,864,283	7,261,451	8,482,416	0.99	-0.2%
Levine Leichtman Capital Partners IV, L.P.	2008	10,000,000	10,009,096	11,523,792	5,252,708	1.68	20.2%
Lee Equity Partners Fund, L.P.	2008	20,000,000	23,701,136	11,143,910	19,850,361	1.31	9.0%
Coral's 2007 Institutional Momentum Fund, L.P.	2008	10,000,000	9,492,863	1,887,334	3,293,675	0.55	-10.3%
Yucaipa Corporate Initiatives Fund II, LP	2008	14,030,930	13,614,240	3,899,519	7,953,362	0.87	-3.4%
CVC European Equity Partners V, L.P.	2008	34,238,807	35,447,383	29,430,296	19,215,915	1.37	10.9%
GI Partners Fund III L.P.	2008	17,500,000	18,613,061	17,701,761	10,225,642	1.50	14.2%
Ares Corporate Opportunities Fund III, L.P.	2008	25,000,000	29,094,955	26,205,082	23,519,905	1.71	21.1%

Information provided by the New York City Police Retirement System Consultants

Alternative Assets Manager Performance Detail

Through September 30, 2015



	Vintage Year (Cash Flow)	Commitments	Contributions	Distributions	Market Value	Investment Multiple	ITD IRR%
GCM Grosvenor NYCPPE Emerging Manager Co-Investment F	2008	4,457,094	5,165,187	6,838,002	1,948,488	1.70	13.4%
GCM Grosvenor NYCPPE Emerging Manager Fund, L.P.	2008	59,909,091	60,303,020	32,618,913	44,904,181	1.29	10.7%
First Reserve Fund XII, L.P.	2008	20,000,000	20,765,240	9,221,075	8,467,330	0.85	-4.5%
Landmark Equity Partners XIV, L.P.	2008	27,250,000	24,876,251	18,802,645	15,724,324	1.39	15.4%
Crestview Partners II, L.P.	2008	22,500,000	23,610,192	15,873,786	19,158,755	1.48	13.7%
Erasmus New York City Growth Fund IA	2008	4,835,960	4,835,960	1,670,495	1,549,781	0.67	-7.1%
Euro Choice IV L.P.	2008	19,401,833	16,355,763	2,551,947	16,182,190	1.15	4.6%
Avista Capital Partners II, L.P.	2008	35,000,000	41,412,749	41,798,750	34,498,656	1.84	18.9%
Blue Wolf Capital Fund II, L.P.	2008	15,000,000	16,046,828	5,988,120	11,972,345	1.12	4.3%
Bridgepoint Europe IV	2008	13,377,004	12,227,092	8,071,109	8,858,829	1.38	10.0%
Aisling Capital III, LP	2008	7,000,000	7,071,103	6,352,655	5,220,781	1.64	23.5%
Onex Partners III LP	2008	15,000,000	16,179,174	9,195,828	13,934,560	1.43	12.8%
NorthBound Emerging Manager Custom Fund LP	2009	20,000,000	16,212,592	9,731,374	16,704,492	1.63	17.1%
Welsh, Carson, Anderson & Stowe XI, L.P.	2009	22,500,000	21,474,194	16,302,290	16,389,329	1.52	14.4%
Scale Venture Partners III, LP	2009	10,000,000	9,787,455	9,145,183	12,268,843	2.19	24.7%
FS Equity Partners VI, L.P.	2009	20,000,000	20,461,492	11,663,075	25,504,034	1.82	21.2%
Lincolnshire Equity Fund IV, L.P.	2009	7,500,000	7,250,344	2,628,781	6,128,588	1.21	8.0%
Lexington Capital Partners VII, L.P.	2009	20,000,000	16,339,206	12,848,009	11,825,908	1.51	17.2%
Snow Phipps II, L.P.	2010	17,500,000	13,819,202	7,877,125	12,161,119	1.45	16.4%
Trident V, L.P.	2010	40,000,000	41,619,327	8,112,394	42,799,263	1.22	8.6%
Comvest Investment Partners IV, L.P.	2010	45,000,000	40,656,402	35,959,008	36,086,278	1.77	39.8%
Blackstone Capital Partners VI, L.P.	2011	35,000,000	26,341,741	5,042,853	26,906,083	1.21	11.5%
Ampersand 2011	2011	12,500,000	12,062,500	705,463	19,117,504	1.64	17.8%
BDCM Opportunity Fund III, L.P.	2011	20,000,000	25,010,713	9,212,561	19,834,731	1.16	9.8%
AXA Secondary Fund V B L.P.	2011	80,000,000	60,382,045	33,729,194	58,598,467	1.53	20.2%
Wellspring Capital Partners V, L.P.	2011	22,500,000	17,122,447	1,726,621	19,252,185	1.23	11.7%
EQT VI, L.P.	2011	48,589,788	40,658,187	1,006,146	42,434,791	1.07	3.4%
Pegasus Partners V, L.P.	2011	14,552,940	10,243,498	2,590,619	10,859,873	1.31	10.7%
BC European Capital IX	2011	66,068,427	51,342,513	9,669,672	45,657,833	1.08	3.9%
American Securities Partners VI, L.P.	2011	50,000,000	46,187,309	14,697,905	49,536,650	1.39	22.3%
Vista Equity Partners Fund IV, L.P.	2011	70,000,000	64,818,576	28,081,421	76,761,921	1.62	22.4%
Warburg Pincus Private Equity XI, L.P.	2012	80,000,000	62,128,634	12,309,840	66,392,032	1.27	16.9%
Summit Partners Growth Equity Fund VIII-A, L.P.	2012	75,000,000	50,180,639	8,337,230	53,627,263	1.23	15.1%
Trilantic Capital Partners V L.P.	2012	50,000,000	16,253,643	198,669	14,506,589	0.90	-5.8%

Information provided by the New York City Police Retirement System Consultants

Alternative Assets Manager Performance Detail

Through September 30, 2015



	Vintage Year (Cash Flow)	Commitments	Contributions	Distributions	Market Value	Investment Multiple	ITD IRR%
Palladium Equity Partners IV, L.P.	2012	35,000,000	15,674,093	990,938	15,821,528	1.07	5.2%
Ares Corporate Opportunities Fund IV, L.P.	2012	50,000,000	35,635,911	3,483,118	36,498,523	1.12	9.9%
Green Equity Investors VI, L.P.	2012	55,000,000	36,166,352	1,383,645	41,306,115	1.18	13.3%
Platinum Equity Capital Partners III, L.P.	2012	50,000,000	24,286,969	16,853,097	19,380,003	1.49	45.4%
<u>NYCPPF - 2012 Emerging Manager Program*</u>	<u>2012</u>	<u>50,000,000</u>	<u>21,736,712</u>	<u>1,483,266</u>	<u>22,003,389</u>	<u>1.08</u>	<u>N/A</u>
Neuberger Berman Strategic Co-Investment II LP	2012	60,000,000	46,911,844	17,522,542	47,970,309	1.40	28.7%
Carlyle Partners VI, L.P.	2013	60,000,000	21,735,148	789,435	20,376,557	0.97	-2.34%
Carlyle Partners VI, L.P. (Side Car)	2013	6,600,000	1,457,129	-	1,347,065	0.92	N/M
Landmark Equity Partners XV, L.P.	2013	67,000,000	21,211,710	5,013,954	20,417,125	1.20	N/M
Landmark - NYC Fund I, L.P.	2013	23,000,000	9,643,998	895,312	10,458,349	1.18	N/M
Apollo Investment Fund VIII, L.P.	2013	100,000,000	22,539,357	616,441	21,495,970	0.98	N/M
CVC Capital Partners VI, L.P.	2013	87,298,305	13,379,803	592,149	9,297,607	0.74	N/M
Crestview Partners III, L.P.	2013	45,000,000	6,105,483	123,877	5,683,249	0.95	N/M
Crestview Partners III (Co-Investment B), L.P.	2013	15,000,000	-	-	-	-	N/M
Olympus Growth Fund VI, L.P.	2014	35,000,000	7,261,778	2,526,151	6,305,303	1.22	N/M
ASF VI B L.P.	2014	60,000,000	22,137,781	584,210	26,936,417	1.24	N/M
ASF VI B NYC Co-Invest L.P.	2014	20,000,000	11,680,652	1,500,000	13,207,349	1.26	N/M
Vista Equity Partners Fund V, L.P.	2014	85,000,000	54,322,151	6,627	57,605,511	1.06	N/M
Lexington Capital Partners VIII, L.P.	2014	80,000,000	8,070,792	13,965	12,159,244	1.51	N/M
Centerbridge Capital Partners III, L.P.	2014	11,100,000	1,766,392	-	1,783,062	1.01	N/M
Siris Partners III, L.P.	2015	15,000,000	150,491	-	(36,000)	(0.24)	N/M
Welsh, Carson, Anderson & Stowe XII, L.P.	2015	37,000,000	7,763,726	-	7,181,980	0.93	N/M
EQT VII, L.P.	2015	75,330,675	-	-	-	-	N/M
American Securities Partners VII, L.P.	2015	37,000,000	-	-	-	-	N/M
Bridgepoint Europe V L.P.	2015	29,016,260	-	-	(159,392)	-	N/M
Bridgepoint Europe V Co-Invest	2015	7,812,070	-	-	-	-	N/A
TOTAL LIQUIDATED		200,975,212	221,011,447	272,291,171	-	1.23	7.1%
AEA Investors 2006 Fund L.P.	2006	11,446,883	13,008,112	15,421,443	-	1.19	7.8%
Carlyle Partners III, L.P.	2000	22,989,887	28,296,807	60,015,870	-	2.12	23.3%
Clayton, Dubilier & Rice Fund VII, L.P.	2005	18,252,189	20,710,263	23,297,634	-	1.12	2.5%
Clayton, Dubilier & Rice Fund VIII, L.P.	2009	13,159,676	15,837,782	18,107,624	-	1.14	6.2%
DMR Mortgage Opportunity Companion Fund	2008	12,000,000	12,000,000	16,148,533	-	1.35	45.3%
Emerald Infrastructure Development Fund	2008	797,444	797,444	4,486	-	0.01	-99.4%

Information provided by the New York City Police Retirement System Consultants

Alternative Assets Manager Performance Detail

Through September 30, 2015



	Vintage Year (Cash Flow)	Commitments	Contributions	Distributions	Market Value	Investment Multiple	ITD IRR%
HM 2006 Sector Performance Fund	2007	13,911,005	15,884,647	11,180,373	-	0.70	-12.0%
NewSpring Growth Capital II, L.P.	2006	10,800,000	10,875,288	16,146,638	-	1.48	11.7%
Prism Venture Partners IV, L.P.	2001	25,000,000	25,037,757	18,392,887	-	0.73	-6.5%
Silver Lake Partners II, L.P.	2004	10,365,500	11,864,813	16,916,905	-	1.43	9.1%
Silver Lake Partners III, L.P.	2007	12,729,683	15,250,560	20,716,538	-	1.36	16.6%
Tailwind Capital Partners, L.P.	2007	13,028,645	14,826,999	15,061,359	-	1.02	0.7%
VS&A Communications Partners III, L.P.	1998	20,000,000	20,099,362	27,624,880	-	1.37	6.3%
Vitruvian Investment Partnership I	2007	16,494,300	16,521,613	13,256,001	-	0.80	-7.7%

Information provided by the New York City Police Retirement System Consultants

Alternative Assets Manager Performance Detail

Through September 30, 2015



	Vintage Year	Original Commitment	Total Contributions	Total Distributions	Market Value	Total Value Multiple	Net IRR%
TOTAL REAL ASSETS		2,368,678,867	1,758,993,158	822,388,036	1,467,483,821	1.30	7.9%
TOTAL PRIVATE REAL ESTATE		2,208,678,867	1,668,890,171	819,030,890	1,373,775,242	1.31	7.9%
TOTAL LIQUIDATED PRIVATE REAL ESTATE		25,000,000	25,469,178	30,508,425	-	1.20	9.8%
TOTAL INFRASTRUCTURE		160,000,000	90,102,987	3,357,146	93,708,579	1.08	13.1%
TOTAL PRIVATE REAL ESTATE							
OCM Real Estate Opportunities Fund III A, L.P.	2003	15,000,000	15,000,000	24,887,239	922,095	1.72	11.6%
Blackstone Real Estate Partners IV, L.P.	2004	15,000,000	19,220,353	21,045,486	6,558,692	1.44	11.5%
The City Investment Fund, L.P.	2004	70,000,000	69,030,360	68,991,937	947,986	1.01	0.3%
Canyon Johnson Urban Fund II	2005	20,000,000	17,977,405	3,863,964	5,094,081	0.50	-9.2%
AREA Real Estate Investment Fund V, LP	2006	5,000,000	5,000,004	1,853,705	2,572,457	0.89	-2.0%
PRISA SA	2006	21,000,000	22,458,129	4,691,896	26,227,913	1.38	3.9%
Prologis Targeted U.S. Logistic Fund L.P.	2006	10,000,000	12,604,750	2,714,785	11,375,362	1.12	1.6%
RREEF America REIT II	2006	21,000,000	27,724,347	11,262,085	26,111,564	1.35	4.5%
UBS Trumbull Property Fund	2006	61,000,000	78,213,610	13,734,586	94,855,036	1.39	7.1%
Blackstone Real Estate Partners VI, L.P.	2007	40,000,000	44,189,669	54,380,522	27,931,611	1.86	13.3%
Carlyle Realty Partners V, L.P.	2007	20,000,000	24,901,346	26,049,950	7,564,665	1.35	8.3%
Colony Investors VIII, L.P.	2007	20,000,000	21,249,679	5,553,393	4,377,130	0.47	-12.5%
Colony Realty Partners II	2007	20,000,000	21,420,211	666,108	8,124,600	0.41	-10.9%
Heitman HART	2007	28,000,000	37,365,861	9,365,861	47,676,823	1.53	7.9%
JP Morgan Special Situation Property	2007	15,000,000	16,921,866	3,840,910	17,617,658	1.27	3.2%
JP Morgan Strategic Property Fund	2007	56,000,000	60,223,534	-	99,437,084	1.65	8.5%
Metropolitan Workforce Housing Fund, LLC	2007	7,000,000	7,006,513	3,092,365	4,682,426	1.11	2.4%
PRISA II	2007	60,278,867	63,577,511	10,160,382	75,772,701	1.35	4.6%
RREEF America III, Inc.	2007	15,000,000	15,000,000	7,315,627	1,358,615	0.58	-7.5%
AG Realty Fund VII L.P.	2008	25,000,000	23,500,000	29,063,685	7,128,526	1.54	13.8%
American Value Partners Fund I	2008	15,000,000	11,321,943	6,651,742	4,896,824	1.02	0.4%
ARA Asia Dragon Limited	2008	10,000,000	9,284,000	11,427,344	528,924	1.29	7.2%
AREA European Real Estate Fund III, LP	2008	30,000,000	30,487,500	28,155,000	8,026,066	1.19	4.6%
Fidelity Real Estate Growth Fund III, LP	2008	15,000,000	13,388,046	15,236,597	2,577,346	1.33	7.8%
PRISA III	2008	30,000,000	34,096,086	-	65,421,728	1.92	12.5%
Silverpeak Legacy Partners III	2008	30,000,000	13,301,089	1,202,295	4,369,005	0.42	-12.6%
Stockbridge Real Estate Fund III A LP	2008	27,000,000	26,285,345	-	36,276,835	1.38	6.7%
Westbrook Real Estate Fund VII	2008	10,000,000	11,063,810	7,193,939	5,613,856	1.16	2.9%

Information provided by the New York City Police Retirement System Consultants

Alternative Assets Manager Performance Detail

Through September 30, 2015



	Vintage Year	Original Commitment	Total Contributions	Total Distributions	Market Value	Total Value Multiple	Net IRR%
Thor Urban Operating Fund II, L.P.	2009	20,000,000	25,878,333	16,400,525	18,461,868	1.35	10.5%
Walton Street Real Estate Fund VI	2009	30,000,000	26,594,360	18,895,055	20,927,779	1.50	10.6%
Blackstone Real Estate Partners Europe III (USD Vehicle)	2010	35,000,000	35,601,695	21,990,094	29,347,612	1.44	14.7%
Canyon Johnson Urban Fund III	2010	15,000,000	14,793,490	18,993,921	1,312,091	1.37	12.7%
LaSalle Property Fund	2010	50,000,000	50,000,000	8,167,744	64,799,410	1.46	12.8%
Westbrook Real Estate Fund VIII	2010	35,000,000	41,409,226	43,617,915	10,466,469	1.31	12.9%
Carlyle Realty Partners VI, L.P.	2011	40,000,000	36,163,822	29,839,544	27,688,851	1.59	29.8%
H/2 Special Opportunities II L.P.	2011	25,000,000	25,000,000	13,700,609	19,957,468	1.35	16.2%
Almanac Realty Securities VI, L.P.	2012	50,000,000	28,767,435	18,802,015	16,174,576	1.22	13.8%
Almanac Realty Securities VI (Sidecar II), L.P.	2012	15,000,000	4,205,312	2,495,754	2,652,636	1.22	18.7%
Blackstone Real Estate Partners VII, LP	2012	100,000,000	111,776,152	60,447,032	105,434,097	1.48	25.6%
Brookfield Strategic Real Estate	2012	60,000,000	60,398,386	14,924,534	61,487,854	1.27	17.7%
Divco West Fund III	2012	70,000,000	68,667,971	91,546,720	23,719,079	1.68	26.3%
Taconic New York City Investment Fund, L.P.	2012	40,000,000	16,545,454	363,636	22,529,466	1.38	12.8%
KTR Industrial Fund III, L.P.	2013	30,000,000	13,109,606	20,563,302	166,287	1.58	40.6%
NYC Asset Investor #1 LLC - Emmes	2013	30,000,000	23,783,828	3,223,159	27,428,683	1.29	26.5%
NYC Asset Investors #2 LLC - Related	2013	60,000,000	41,411,051	7,115,720	39,798,876	1.13	12.2%
NYC Asset Investors #3 LLC - Hudson	2013	40,000,000	9,120,239	156,538	9,291,062	1.04	3.4%
Blackstone Real Estate Partners Europe IV (USD Vehicle)	2014	97,500,000	57,242,311	5,898,905	56,975,634	1.10	N/A
Carlyle Realty Partners VII	2014	60,000,000	14,798,008	-	14,151,856	0.96	N/A
DivcoWest Fund IV	2014	70,000,000	63,656,537	8,605,668	71,737,689	1.26	N/A
Lone Star Real Estate Fund III	2014	75,000,000	53,849,135	8,967,037	52,633,937	1.14	N/A
MetLife Core Property Fund	2014	40,000,000	40,000,000	1,405,635	43,344,241	1.12	N/A
Almanac Realty Securities VII, L.P.	2015	50,000,000	10,265,706	-	10,223,399	1.00	N/A
Avanath Affordable Housing II, LLC	2015	5,000,000	4,076,494	-	3,833,461	0.94	N/A
Blackstone Real Estate Partners VIII, L.P.	2015	101,000,000	4,365,708	-	4,777,666	109.4%	N/A
H/2 Special Opportunities III L.P.	2015	40,000,000	10,127,767	-	10,405,586	102.7%	N/A
Jamestown Premier Property Fund	2015	26,000,000	-	-	-	N/A	N/A
NYC/Artemis Co-investment Program	2015	35,000,000	-	-	-	N/A	N/A
PW Real Estate Fund III	2015	32,000,000	-	-	-	N/A	N/A
Tristan EPIISO 4	2015	31,900,000	-	-	-	N/A	N/A
USAA Eagle Fund	2015	40,000,000	-	-	-	N/A	N/A
Westbrook Real Estate Fund X LP	2015	24,000,000	-	-	-	N/A	N/A

Information provided by the New York City Police Retirement System Consultants

Alternative Assets Manager Performance Detail

Through September 30, 2015



	Vintage Year	Original Commitment	Total Contributions	Total Distributions	Market Value	Total Value Multiple	Net IRR%
TOTAL LIQUIDATED PRIVATE REAL ESTATE							
Canyon Johnson Urban Fund LP	2003	10,000,000	9,060,242	10,582,954	-	1.17	10.2%
BlackRock Carbon Capital III Co-Investments, LLC	2009	15,000,000	16,408,936	19,925,471	-	1.21	8.5%
TOTAL INFRASTRUCTURE INVESTMENTS							
Brookfield Infrastructure Fund II	2013	60,000,000	27,604,364	3,228,164	29,925,326	1.20	18.4%
IFM Global Infrastructure	2014	60,000,000	60,128,982	128,982	61,947,782	N/A	N/A
First Reserve Energy Infrastructure Fund II	2014	40,000,000	2,369,641	-	1,835,471	N/A	N/A

Information provided by the New York City Police Retirement System Consultants

Alternative Assets Manager Performance Detail

Through December 31, 2015



	Vintage Year	Commitment - Closing (Base)	Contributions Cumulative (Local)	Distributions Cumulative	Final Market Value	3 Month Base%	Inception IRR%
TOTAL OPPORTUNISTIC FIXED INCOME		1,163,133,768	1,025,092,932	313,540,645	854,631,988	-2.36%	6.39%
Avenue Special Situations Fund V, L.P.	2007	20,209,326	20,520,314	26,593,239	216,910	0.00%	N/M
Avenue Europe Special Sit. Fund, L.P.	2008	14,799,442	13,775,563	26,654,579	477,204	-2.69%	N/M
Torchlight Debt Oppy Fund III, LLC	2009	35,000,000	37,314,271	49,611,743	4,732,715	2.08%	13.42%
AG GECC PPIP Fund, L.P.	2010	30,000,000	27,052,129	41,724,862	50,500		20.19%
Avenue Special Situations Fund VI L.P.	2011	45,000,000	46,135,636	26,267,424	27,714,825	0.00%	4.44%
Golden Tree	2011	88,000,000	82,502,006	-	106,102,098	-0.85%	7.67%
Marathon Centre Street Partnership, L.P.	2011	140,625,000	135,000,000	11,250,000	145,714,397	-3.56%	5.34%
AG Centre Street Partnership, L.P.	2012	105,000,000	82,950,000	14,131,909	79,073,491	-3.79%	4.50%
Apollo Centre Street Partnership, L.P.	2012	162,500,000	132,880,080	28,668,698	100,832,137	-6.36%	-1.43%
FCO MA Centre Street L.P.	2012	90,000,000	97,603,904	30,558,865	74,432,102	0.00%	8.38%
OHA Centre Street Partnership, L.P.	2012	90,000,000	106,457,578	16,457,578	96,444,877	-3.27%	2.74%
Contrarian Partnership, L.P.	2013	55,000,000	33,000,000	-	29,857,618	-3.07%	-5.44%
Lone Star Fund VIII(U.S.), L.P.	2013	70,000,000	58,761,043	40,550,903	42,913,470	0.00%	35.56%
Oaktree Opportunities Fund IX, L.P.	2013	70,000,000	70,000,000	-	65,516,100	-1.80%	-3.98%
Ares Centre Street LP	2014	90,000,000	59,136,586	-	62,403,046	1.25%	9.36%
Brightwood Capital Fund III, L.P.	2015	22,000,000	16,753,821	1,070,845	16,494,792	0.00%	4.80%
Torchlight Debt Opportunity Fund V, LP	2015	35,000,000	5,250,000	-	1,655,707	-0.10%	-5.61%

Information provided by Alpha Frontier

Alternative Assets Manager Performance Detail

Through December 31, 2015



	Market Value	MTD Return%	3 Month Return%	FYTD Return%	YTD Return%	1 Year Return%	3 Year Return%	ITD Return%	ITD Cumulative Return%
TOTAL HEDGE FUNDS	1,043,727,465	-1.52%	-1.25%	-3.23%	-1.65%	-1.65%	2.81%	2.87%	13.57%
TOTAL DIRECT HEDGE FUNDS	896,154,103	-1.59%	-1.23%	-3.03%	-1.34%	-1.34%	2.81%	4.22%	18.40%
TOTAL FUND OF FUNDS HEDGE FUNDS	147,573,363	-1.06%	-1.39%	-4.38%	-3.51%	-3.51%	2.35%	1.89%	8.77%
TOTAL DIRECT HEDGE FUNDS									
BlueTrend Fund L.P.	71,874,715	-2.94%	-1.92%	5.58%	3.91%	3.91%	1.30%	2.06%	7.41%
SRS Partners US, LP - Class B - 1	44,747,035	4.21%	7.57%	7.84%	14.74%	14.74%		14.74%	14.74%
Standard General Fund L.P.	19,164,064	-0.71%	-1.55%	-3.46%	-2.61%	-2.61%		0.54%	0.86%
Brevan Howard L.P. - Series B	59,336,001	-3.88%	-2.19%	-3.52%	-1.96%	-1.96%	-0.10%	0.81%	3.36%
Brevan Howard L.P. - Series L	63,712,401	-3.41%	-1.82%	-2.55%	-0.48%	-0.48%		-0.18%	-0.45%
Caspian Select Credit Fund, L.P.	64,627,234	-2.77%	-5.66%	-8.94%	-10.39%	-10.39%	0.45%	2.20%	8.30%
CCP Quantitative Fund LP	65,166,787	-3.20%	0.86%	-2.03%	-4.71%	-4.71%		-1.45%	-4.17%
D.E. Shaw Composite Fund, L.L.C.	144,290,817	2.52%	4.13%	5.75%	14.61%	14.61%	14.91%	15.55%	78.28%
Fir Tree Value Fund, L.P.	64,065,300	-3.32%	-2.77%	-11.01%	-8.58%	-8.58%		1.04%	3.07%
Gotham Targeted Neutral, LP	36,101,308	-1.18%	-0.64%	0.94%	-7.43%			-7.43%	-7.43%
Luxor Capital Partners, LP	62,904,822	-6.83%	-11.12%	-22.26%	-18.70%	-18.70%		-18.52%	-27.70%
Perry Partners L.P.	60,165,203	-3.45%	-5.30%	-11.35%	-13.32%	-13.32%		-4.63%	-11.52%
Pharo Gaia Fund, LTD.	38,492,269	1.30%		1.30%	1.30%			1.30%	1.30%
Pharo Macro Fund, Ltd.	62,820,004	-0.18%	-1.74%	4.71%	3.57%	3.57%		8.70%	23.18%
Turiya Fund LP - Class I Interests	38,686,143	0.23%	0.85%	2.76%	2.76%			2.76%	2.76%
TOTAL FUND OF FUNDS HEDGE FUNDS									
Fund of Funds Hedge Funds	147,573,363	-1.06%	-1.39%	-4.38%	-3.51%	-3.51%	2.35%	1.89%	8.77%

Information provided by Alpha Frontier

**New York City
Police Pension Fund, Subchapter Two**

Appendix D

Footnotes

Through December 31, 2015



- 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.

General Notes

- Estimated management fees for public market investments are calculated on an accrual basis without adjustment for management fee caps. Alternative investment fees are recorded on a cash basis. Since not all alternative managers currently provide detailed fee disclosure, the alternative investment fees noted here are not comprehensive.
- Public Market returns are Net of Manager Fees for periods after January 2014 and Gross of investment advisory fees for other periods unless otherwise indicated.
- Public market excess returns for periods prior to 2014 are based on Gross performance.

Page Specific

Pages 10 & 11 - Portfolio Asset Allocation

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

Pages 12 - 14 - 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. Allocation is 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 results in a positive Allocation Effect and vice versa.
- **Selection Effect** = Equal to the Custom Benchmark (Adjusted Policy Index) Return minus Plan Return at Adjusted Policy Weights. This illustrates how the Managers have added or removed value based on their Security Selection decisions, e.g., *If the manager's Actual Returns are higher than the Implied Return there will be a positive Selection Effect.*
- **Policy Index = Custom Benchmark**
The "policy index" is a custom benchmark representing the weighted average return of the weighted benchmark indexes for each major investment program. Weights may reflect an adjustment of actual policy for outstanding commitments for new or revised programs, such as for private market programs, which are invested gradually, 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.

Through December 31, 2015



The indexes and most recent policy weights are as follows:

*U.S. Equity: Russell 3000 * 35.33%*

*International Developed (EAFE) Markets: MSCI EAFE * 10.03%*

*Emerging Markets: MSCI Emerging Markets * 6.00%*

*REITs: Dow Jones Real Estate Securities * 0.53%*

*Private Equity: Russell 3000 + 300 b.p. per annum * 6.87%*

*Private Real Estate: NFI - ODCE Net+100BPS * 4.26%*

*Infrastructure: CPI + 4% * 0.29%*

*Hedge Funds: 1yr T- Bill yield + 4% * 3.29%*

*Domestic Fixed Income: NYC Core +5 * 19.85%*

*TIPS: Lehman U.S. TIPS * 4.73%*

*Enhanced Yield: Citigroup BB&B * 3.46%*

*Bank Loans: Credit Suisse Leveraged Loan * 1.71%*

*Convertible Bonds: BofA ML All Convertibles Ex Mandatory * 1.00%*

*Opportunistic Fixed: 10% Annualized Return * 2.67%*

Page 15 – Allocation and Selection Effects - Asset Class Breakdown

- This chart aims to break down the Allocation and Selection Effects 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.