



New York City
Police Pension Fund, Subchapter Two
Performance Overview as of September 30, 2014

Total Fund Overview



New York City Police Pension Fund, Subchapter Two

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Through September 30, 2014



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Equity Markets

Global equity markets witnessed increased volatility during the third quarter of 2014, particularly in the month of September. US Equity markets were relatively flat although there was a large divergence between large caps and small caps. Non-US Equity markets were weak for the third quarter with Emerging Markets leading the way down.

The S&P 500 Index returned +1.13% for the quarter. Small caps, as measured by the Russell 2000 Index (-7.36%), underperformed large caps, as measured by the Russell 1000 Index (+0.65%) in the third quarter. The growth style slightly outperformed the value style in large caps (+1.49% vs. -0.19%) and also in small caps (-6.13% vs. -8.58%). Fears of a global slowdown outside of the US, particularly in Europe and Emerging Markets contributed to the increase in volatility during the month of September.

Foreign stocks in developed markets posted a third quarter loss as measured by the MSCI EAFE Index (net) generating a return of -5.88% for the quarter. The MSCI Emerging Market Index (net) didn't fare much better returning -3.50%. Economic activity continues to be anemic in the Euro region and fears of deflation continue to rattle their markets.

Fixed Income Markets

Yields of US Treasury securities were relatively flat in the third quarter of 2014. Many investors were caught on the wrong side of that trade. The major central bankers appear to be in no rush to tighten policy. The yield of the Bellwether 10-year Treasury-Note was at 2.52% at the end of the third quarter. The Barclays US Aggregate Bond Index recorded a gain of +0.17% in the third quarter. Spreads narrowed in the quarter as evidenced by US High Yield returning -1.91% and Emerging Market Debt -1.65% as measured by the JPM EMBI+ Index. Global weakness and US dollar strength were the major factors affecting global interest rates.

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Commodity Markets

Commodities were negative during the third quarter of 2014. The DJ-UBS Commodity Index was down -10.54%. Prices were weak throughout the quarter in almost all markets. Agricultural markets led the way down (Wheat, Corn, and Soybeans). The reality of prior higher prices led to higher production. The recent slowdown in global economic activity has led to lower demand and with it lower commodity prices.

Private Markets

The third quarter of 2014 saw 199 private equity funds reach a final close, raising \$80 billion in aggregate capital, representing 21% fewer vehicles and a 44% decrease in capital commitments compared to the prior quarter. The average fund size of \$402 million was however quite high. As of September 30, 2014, a record high of \$1.2 trillion was available for private equity manager for investments globally, an increase of 11% from December 2013.

The third quarter 2014 saw a total of 803 private equity-backed buyout deals, with an aggregate value of \$84 billion. There was a significant decline in Europe, with the aggregate value of deals a third lower compared to the prior quarter.

US core real estate continued its recent positive performance in the third quarter with the NCREIF Property Index posting a +2.63% return for the third quarter 2014. REITs were negative in the third quarter returning -2.99% as measured by the Dow Jones US REIT Index.

Through September 30, 2014



Asset Allocation

As of September 30, 2014 the Fund allocated 54.4% to equity (including domestic and international) and 31.5% to fixed income (Structure, Core Plus Fixed, Progress Fixed, TIPS, High Yield, Bank Loan, Convertibles, Opportunistic Fixed, ETI, and Cash).

Performance

During the third quarter of 2014, the Fund returned -0.86%, trailing the return of the policy benchmark -0.38% by 48 bps. For the trailing year, the Fund returned +10.86% and underperformed the policy return +11.42% by 56 bps. Over the longer term 10-year period, the Plan returned +7.58% annually.

Domestic Equity Composite

The Fund had 38.5% invested in domestic equity at the end of the third quarter. Within domestic equity, 5.0% was invested in Small Cap Active; 2.5% was invested in Small Cap Passive; 1.9% was invested in SMID; 8.4% was invested in Mid Cap Active; 4.5% was invested in Mid Cap Passive; 41.5% was invested in Russell 1000 Passive; 4.8% was invested in Russell 1000 Active; 29.8% was invested in Russell 3000 Passive; and 1.4% was invested in Emerging Manager Program.

The Total Domestic Equity Portfolio returned -0.91% in the third quarter, lagging the Russell 3000 Index (+0.01%) by 92 bps. Small Cap Active, Mid Cap Active, Russell 1000 Passive, and Russell 1000 Active underperformed their respective benchmarks during the third quarter.

International Equity Composite

At the end of the third quarter, the Fund had an allocation to international equity of 15.9%. Of this total, 37.7% was allocated to emerging markets equity and 62.3% was allocated to developed markets. The Fund also allocated across style in the EAFE Environmental space, with 32.6% in growth mandates; 33.9% in value mandates; 13.3% in EAFE small cap active mandates; and 3.1% invested in non-US Environmental

Through September 30, 2014



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mandates. A total of 17.5% of the total international allocation was invested passively, including 9.9% invested in Emerging Markets Passive investments and 7.6% invested in Passive developed investments.

The Total Active EAFE excluding Environmental and Activist managers returned -5.43% in the third quarter, outperforming the benchmark (-5.88%) by 45 bps. The Emerging Markets Equity Composite returned -3.07% in the third quarter, outperforming the MSCI EM Index (-3.50%) by 43 bps.

Fixed Income Composite

At the end of the third quarter, the Fund had an allocation to fixed income of 31.5%. Of the allocation to fixed income, 53.0% was invested in Structured Fixed Income; 0.3% was allocated to Core Plus Fixed Income; 0.7% was allocated to Progress Fixed Income; 9.0% was invested in TIPS; 12.4% was allocated to High Yield; 5.2% was allocated to Bank Loan; 2.0% was in Convertible Bonds; 7.2% was allocated to Opportunistic Fixed Income; 3.0% was allocated to Targeted; and 7.2% was allocated to cash and short-term investments.

The Structured Fixed Income Composite returned +0.25% in the third quarter, outperforming the NYC Core plus 5 Index return (+0.22%) by 3 bps. The Barclays Capital Aggregate Index returned +0.17% in the quarter. Besides Government component, two other components beat their benchmarks, respectively.

During the third quarter, the Core Plus Fixed Income Composite returned -0.17% and underperformed the Barclays Capital Aggregate Index (+0.17%) by 34 bps. The Progress Fixed Income Composite returned +0.10%, underperforming the Barclays Capital Aggregate Index by 7 bps. The TIPS Composite lost 2.04% and matched the Barclays Capital US TIPS Index. The Enhanced Yield composite returned -1.98%, which underperformed the Citigroup BB & B Index return of -1.6%.

The Bank Loan Composite returned +0.04%, leading the Credit Suisse Leveraged Loan Index (-0.33%) by 37 bps. The Convertible Bonds Composite returned -0.55%, underperforming Police Custom Convertible Bond Index (-0.19%) but outperforming the BofA Merrill Lynch Convertible Index (-1.61%). The Opportunistic Fixed Composite returned +3.32% in the third quarter, outperforming both the 10%

Through September 30, 2014



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Annual (+2.41%) and the JP Morgan Global High Yield + 3% (-1.14%). The Total ETI Composite returned +0.39%, outperforming benchmark Police Custom Benchmark by 16 bps.

Hedge Funds

As of September 30, 2014, the Fund allocated 3.5% (\$1,161.1 million) to Hedge Funds. In the third quarter, the Hedge Funds portfolio returned +0.80%, surpassing the HFRI Fund of Funds Composite Index + 1% (+0.51%), but lagging the 1 Year Treasury Bill Yield + 4% (+1.07%).

Real Estate Equity Securities, Real Asset & Private Equity

As of September 30, 2014, the Fund had \$162.3 million invested in REITs for a commitment of 0.5% of Total Fund assets. The REIT portfolio returned -4.31% in the third quarter, outperforming the FTSE EPRA/NAREIT Developed Liquid. Index (-4.56%) by 25 bps. As of September 30th, the Fund had an allocation to Real Asset of 3.7% and 6.5% allocated to Private Equity.

Total Portfolio Returns: September 30, 2014

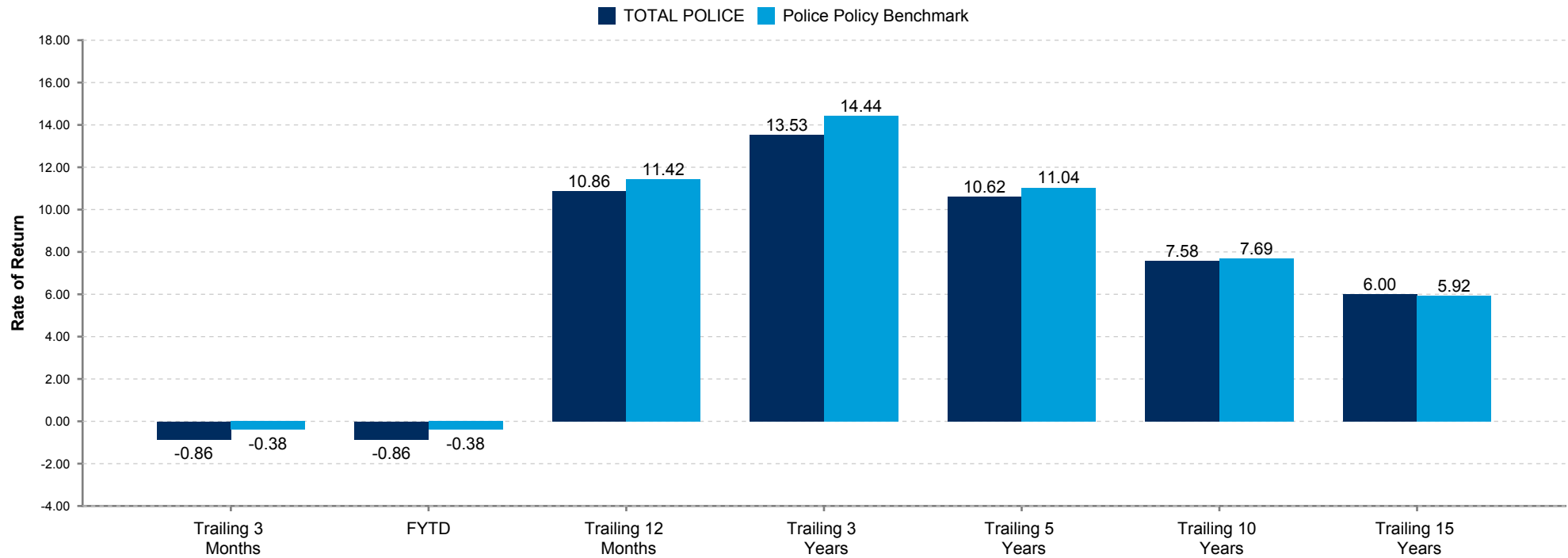


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TOTAL POLICE

Market Value (Billions)

\$33.6

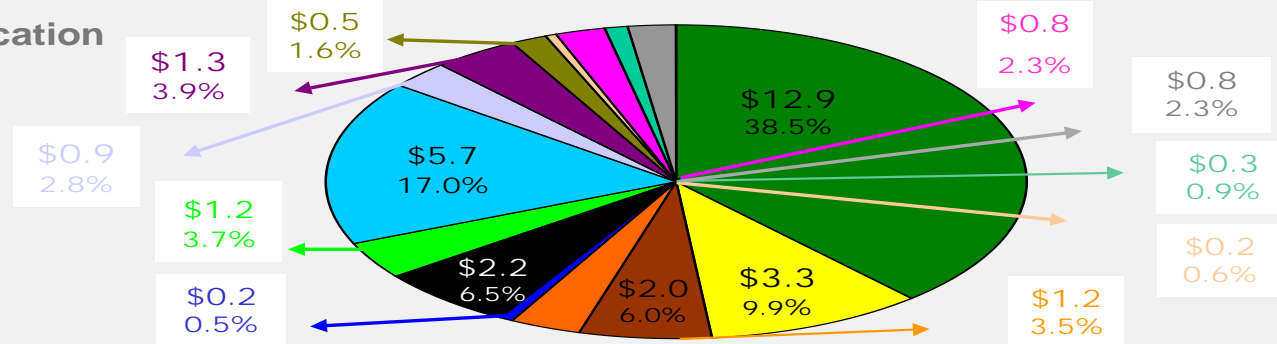


	Plan 3 Years	Benchmark 3 Years	Plan 5 Years	Benchmark 5 Years	Plan 10 Years	Benchmark 10 Years
Standard Deviation						
TOTAL POLICE	6.9	7.1	10.6	9.1	10.2	11.0

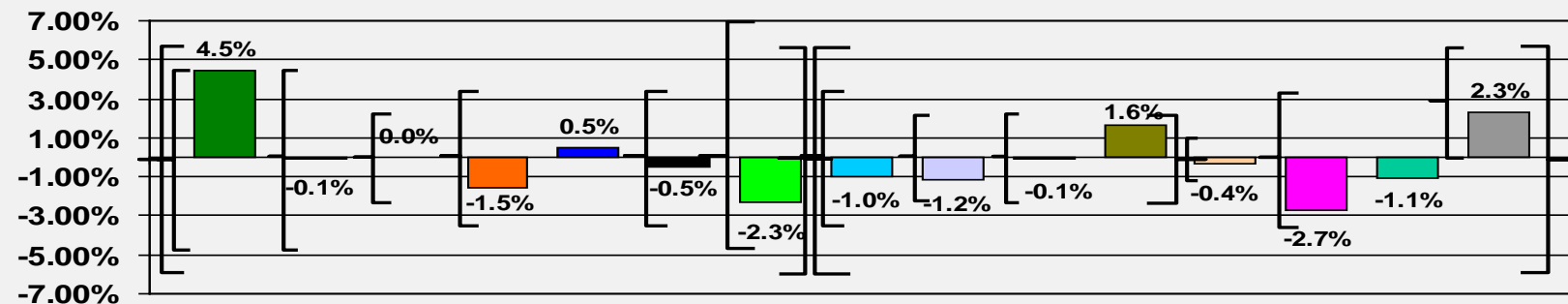


\$33.6B Under Management

Asset Allocation



Relative Mix to New Policy Weights



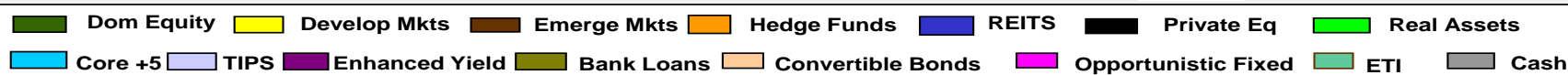
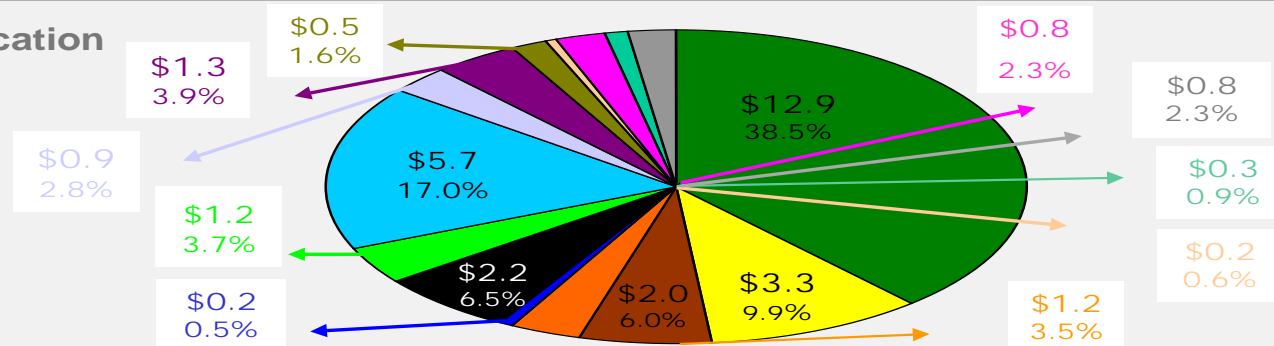
Note: Brackets represent rebalancing ranges versus Policy.

Prepared by State Street Investment Analytics

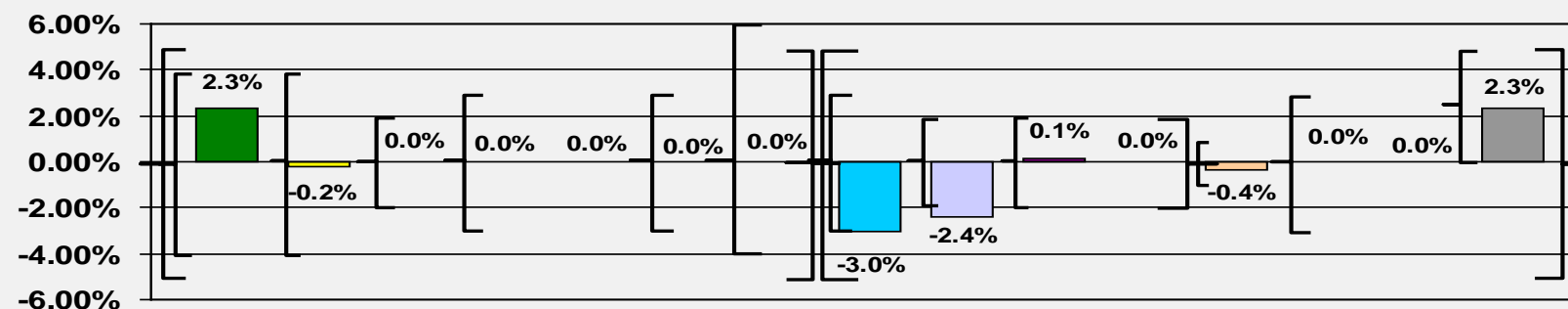


\$33.6B Under Management

Asset Allocation

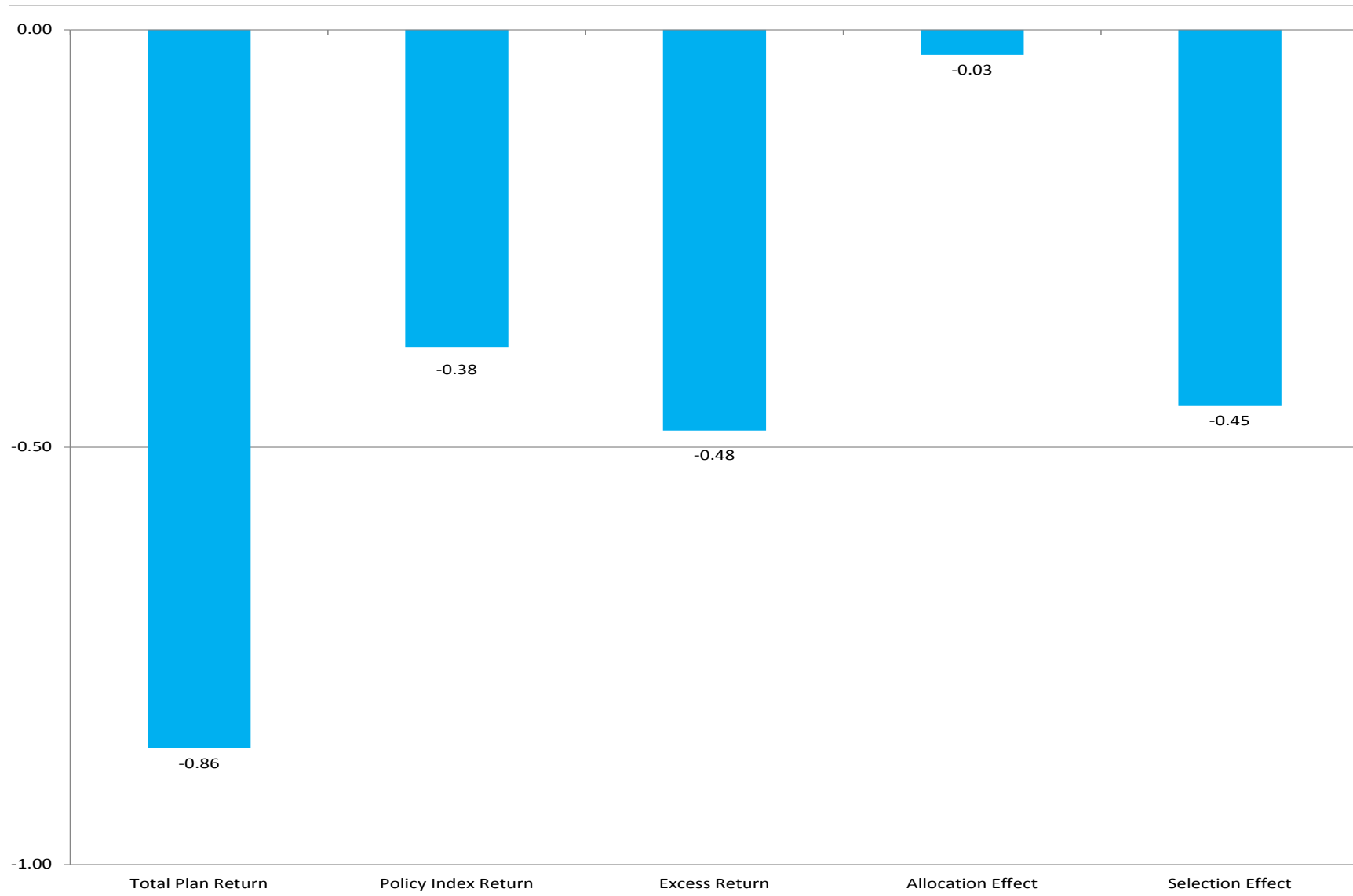


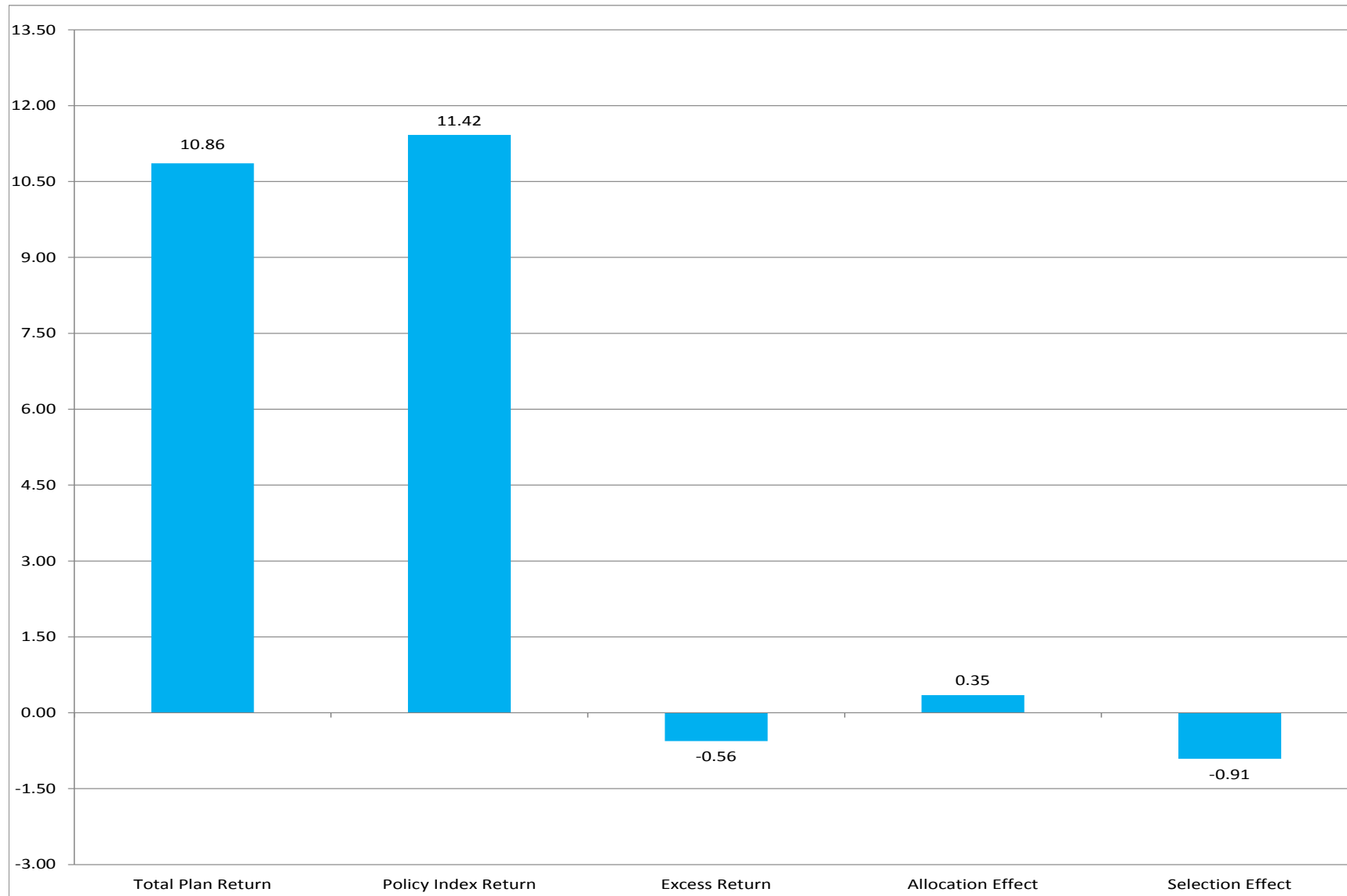
Relative Mix to Adjusted New Policy Weights

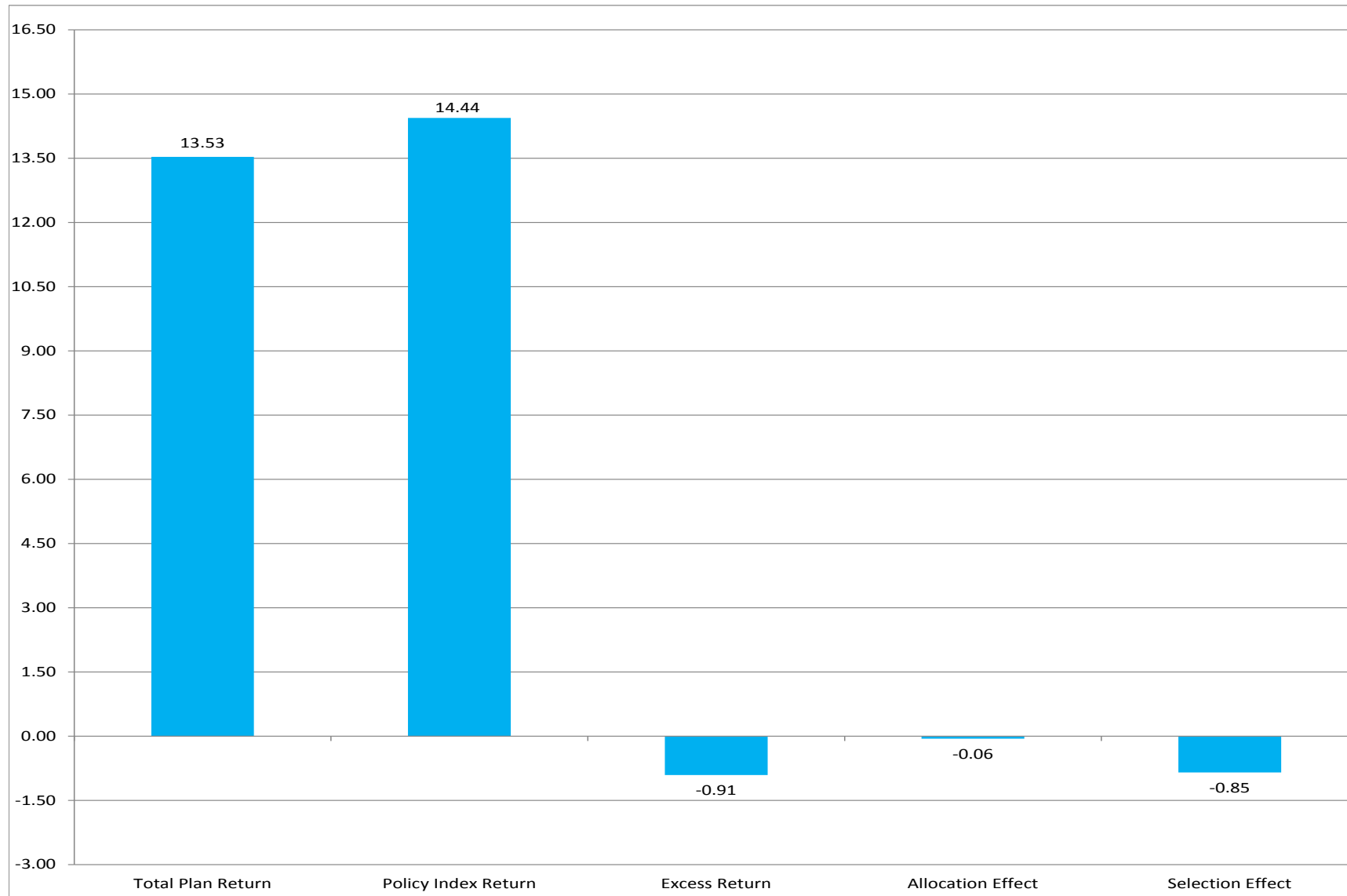


Note: Brackets represent rebalancing ranges versus Policy.

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Allocation Effect - Asset Class Breakdown

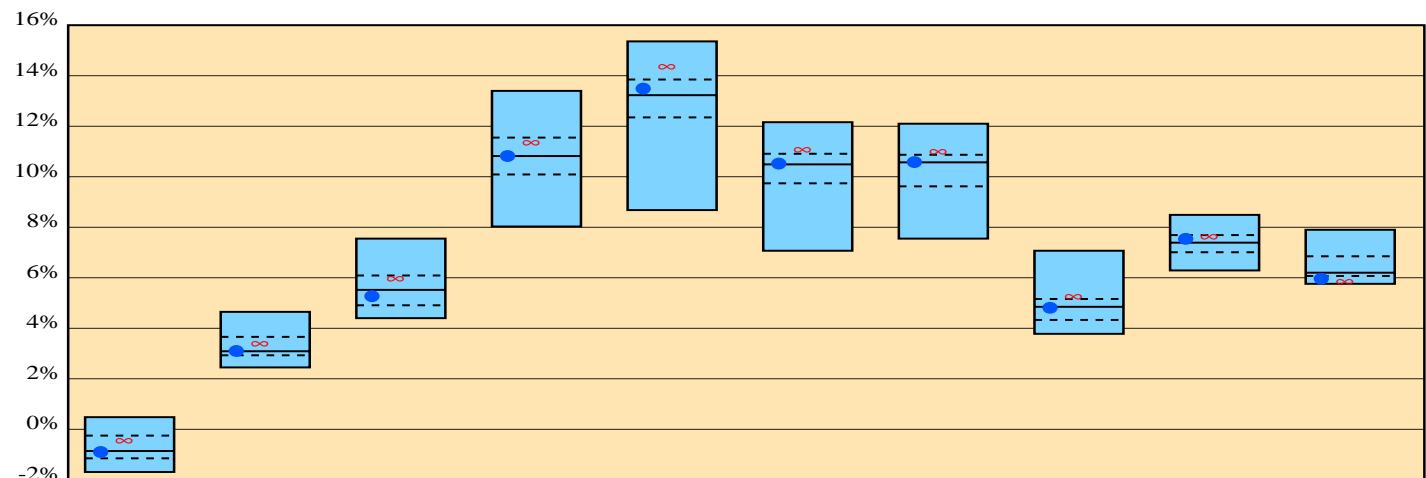
	<u>Quarter</u>	<u>12 Months</u>	<u>3 Years</u>	<u>Benchmark</u>
TOTAL POLICE	-0.03	0.35	-0.06	Police Policy Benchmark
TOTAL DOMESTIC EQUITY	-0.02	0.20	0.08	RUSSELL 3000
TOTAL DEVELOPED EQUITY	-0.01	-0.02	-0.07	MSCI EAFE NET
TOTAL EMERGING MARKETS	-0.01	-0.04	-0.03	MSCI EMERGING MARKETS
TOTAL PRIVATE EQUITY	0.00	0.02	0.01	NYC R3000 +3% Lagged
TOTAL PRIVATE REAL ESTATE	0.00	0.00	0.00	NCREIF NFI-ODCE NET + 1%
TOTAL INFRASTRUCTURE	0.00	0.00	0.00	CPI + 4%
TOTAL HEDGE FUNDS	0.00	0.00	0.01	1 Year Treasury Bill Yield + 4%
TOTAL REAL ESTATE SECURITIES	0.00	0.00	0.00	FTSE EPRA/NAREIT Developed
TOTAL STRUCTURED	-0.02	0.19	0.20	NYC - CORE PLUS FIVE
TOTAL ENHANCED YIELD	0.00	-0.01	-0.01	CITIGROUP BB & B
TOTAL BANK LOANS	0.00	0.00	0.00	CSFB LEVERAGED LOAN INDEX
TOTAL TIPS MANAGERS	0.04	0.20	0.28	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	-0.01	-0.11	-0.43	

Selection Effect - Asset Class Breakdown

	<u>Quarter</u>	<u>12 Months</u>	<u>3 Years</u>	<u>Benchmark</u>
TOTAL POLICE	-0.45	-0.91	-0.85	Police Policy Benchmark
TOTAL DOMESTIC EQUITY	-0.35	-0.56	0.03	RUSSELL 3000
TOTAL DEVELOPED EQUITY	0.05	-0.05	0.02	MSCI EAFE NET
TOTAL EMERGING MARKETS	0.03	0.17	0.07	MSCI EMERGING MARKETS
TOTAL PRIVATE EQUITY	-0.22	-0.81	-0.50	NYC R3000 +3% Lagged
TOTAL PRIVATE REAL ESTATE	0.04	0.04	0.01	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	-0.01	-0.03	0.01	FTSE EPRA/NAREIT Developed
TOTAL STRUCTURED	-0.01	0.11	0.03	NYC - CORE PLUS FIVE
TOTAL ENHANCED YIELD	0.00	0.10	0.14	CITIGROUP BB & B
TOTAL BANK LOANS	-0.02	0.02	0.03	CSFB LEVERAGED LOAN INDEX
TOTAL TIPS MANAGERS	0.01	0.01	0.00	BARCLAYS U.S TIPS INDEX
TOTAL CONVERTIBLE BONDS	0.00	0.00	0.00	BofAML ALL CONVERTIBLE - ex Mandatory
TOTAL OPPORTUNISTIC FIXED	0.01	-0.02	-0.03	10% Annual Return
TOTAL CASH	0.00	0.00	0.01	



City of New York - Police
Total Returns of Public Master Trusts > \$10 Billion
 Rates of Return for Periods Ending September 30, 2014

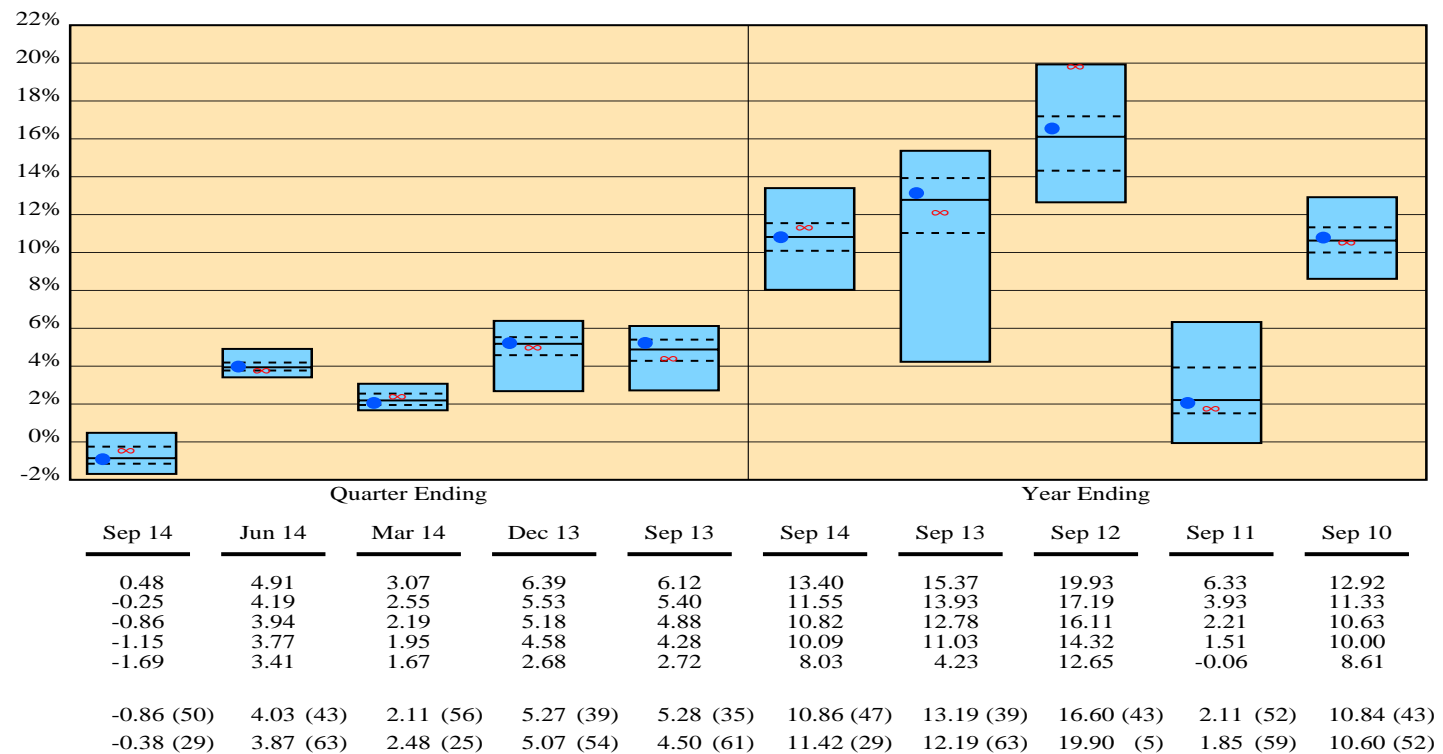


	1 Quarter	2 Quarters	3 Quarters	1 Year	3 Years	4 Years	5 Years	7 Years	10 Years	15 Years
5th Percentile	0.48	4.65	7.55	13.40	15.36	12.16	12.10	7.07	8.49	7.90
25th Percentile	-0.25	3.66	6.09	11.55	13.85	10.91	10.87	5.16	7.69	6.85
Median	-0.86	3.09	5.52	10.82	13.23	10.49	10.57	4.85	7.39	6.20
75th Percentile	-1.15	2.93	4.91	10.09	12.35	9.74	9.62	4.33	7.01	6.07
95th Percentile	-1.69	2.45	4.40	8.03	8.68	7.07	7.55	3.78	6.29	5.76
● Total System	-0.86 (50)	3.14 (47)	5.31 (56)	10.86 (47)	13.53 (37)	10.56 (43)	10.62 (47)	4.85 (50)	7.58 (37)	6.00 (78)
∞ Police Policy Benchmark	-0.38 (29)	3.47 (31)	6.04 (27)	11.42 (29)	14.44 (17)	11.15 (21)	11.04 (17)	5.32 (22)	7.69 (25)	5.92 (84)

Returns for periods greater than one year are annualized.



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



Returns for periods greater than one year are annualized.



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

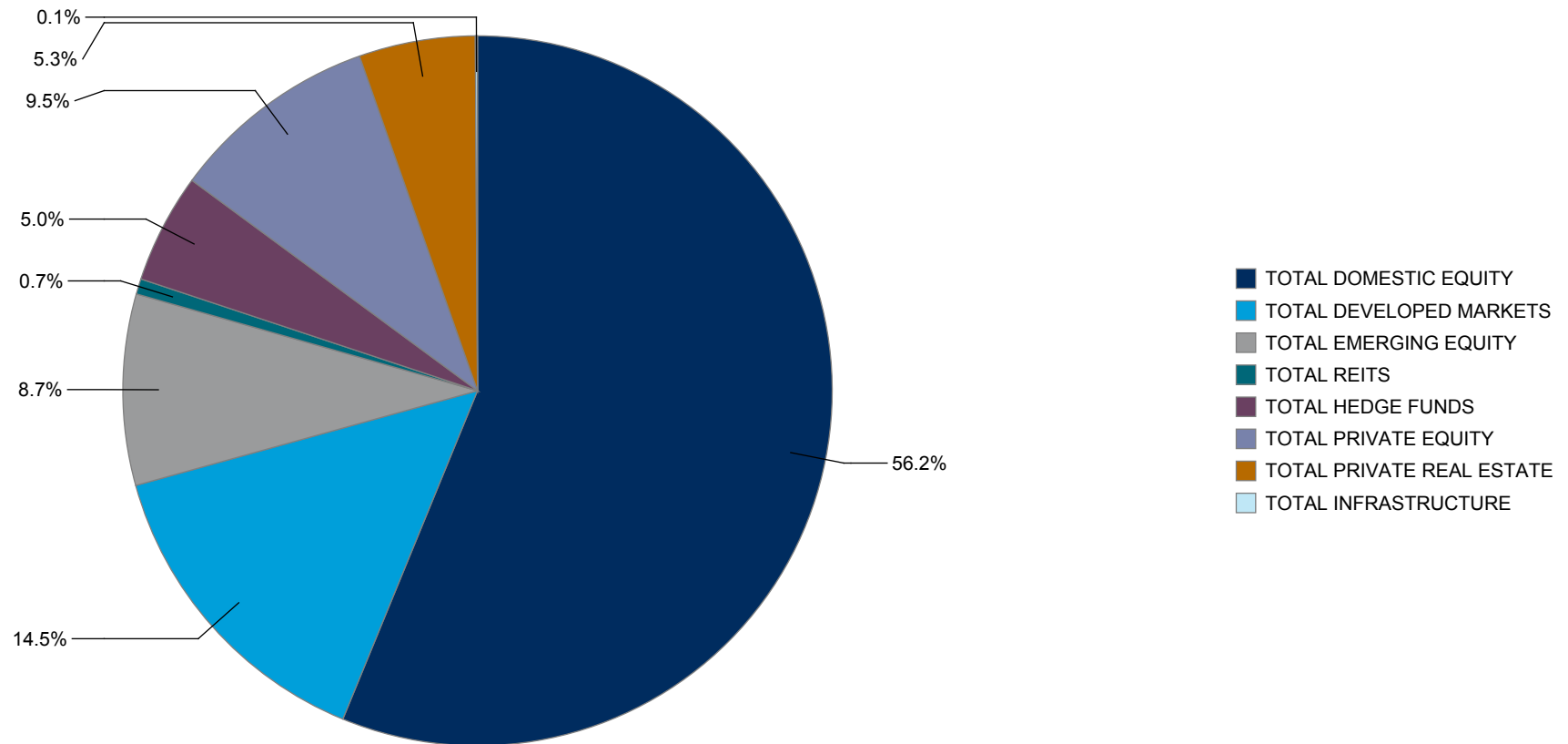
Equity Analysis

Total Equity Asset Allocation: September 30, 2014



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	<u>Market Value (Billions)</u>	<u>% of plan</u>
TOTAL EQUITY	\$23.0	68.5

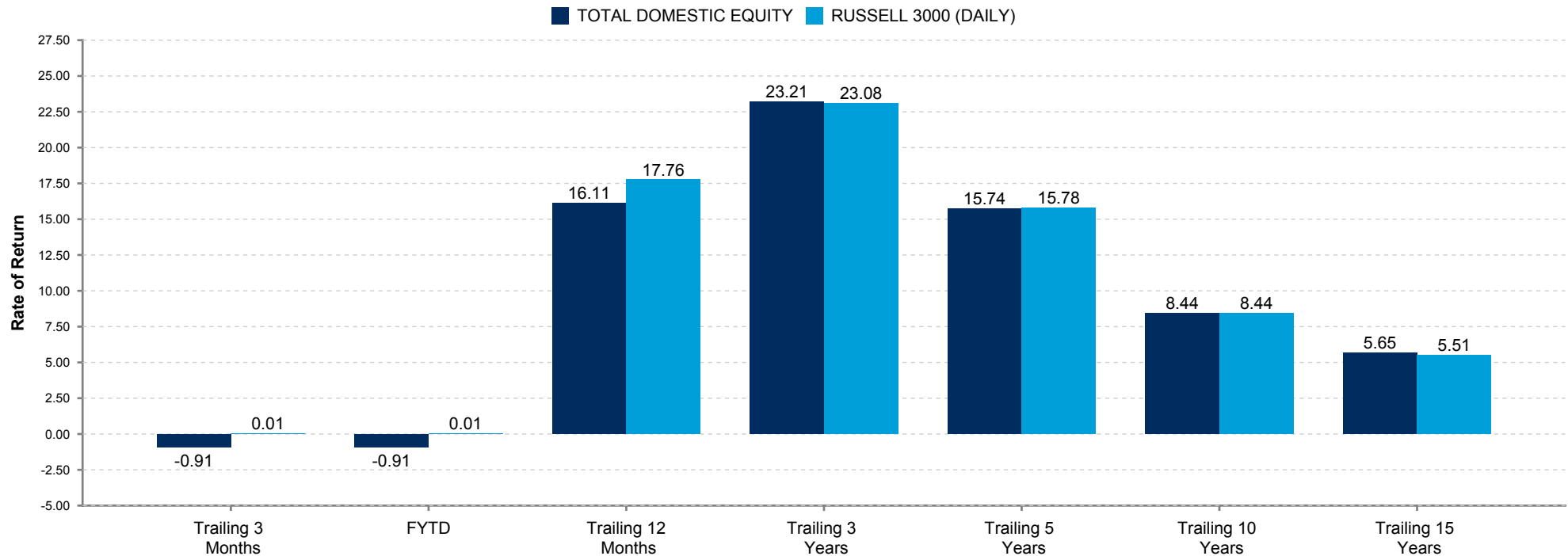


Total Domestic Equity Returns vs Russell 3000 Index: September 30, 2014



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	Market Value (Billions)	% of plan
TOTAL DOMESTIC EQUITY	\$12.9	38.5



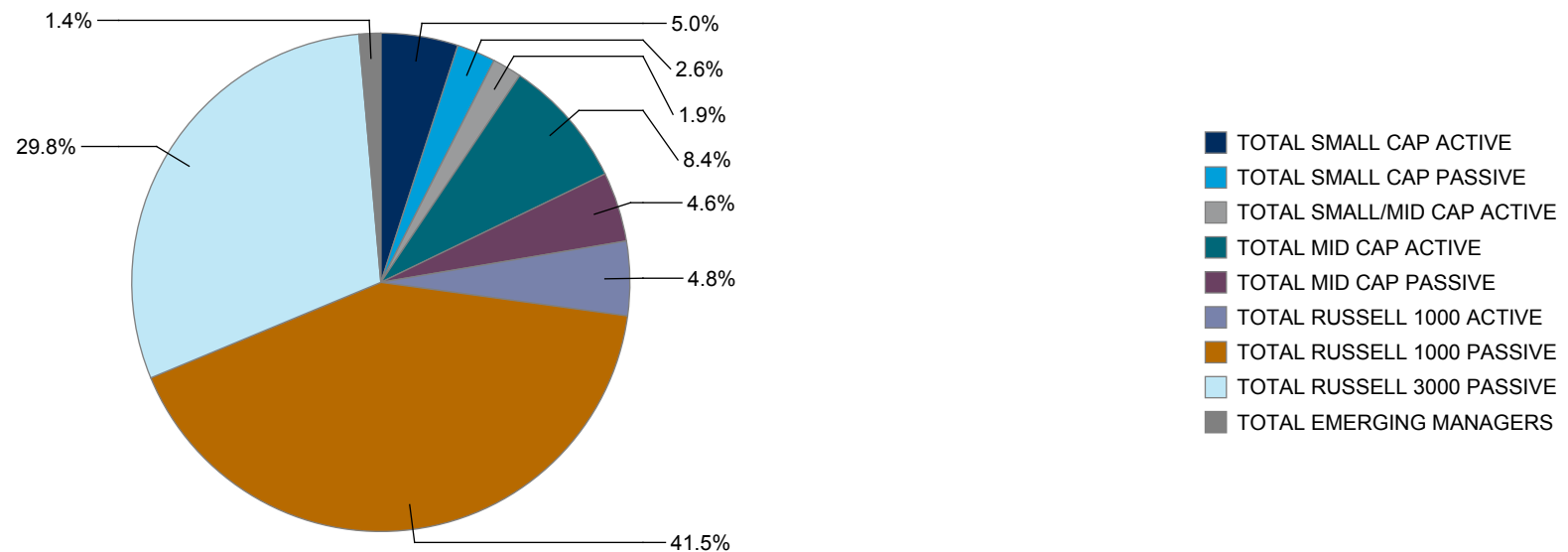
	Plan 3 Years	Benchmark 3 Years	Plan 5 Years	Benchmark 5 Years	Plan 10 Years	Benchmark 10 Years
Standard Deviation						
TOTAL DOMESTIC EQUITY	11.5	11.0	14.2	13.8	15.5	15.3

Total Domestic Equity Asset Allocations: September 30, 2014



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	Market Value (Billions)	% of plan
TOTAL DOMESTIC EQUITY	\$12.9	38.5



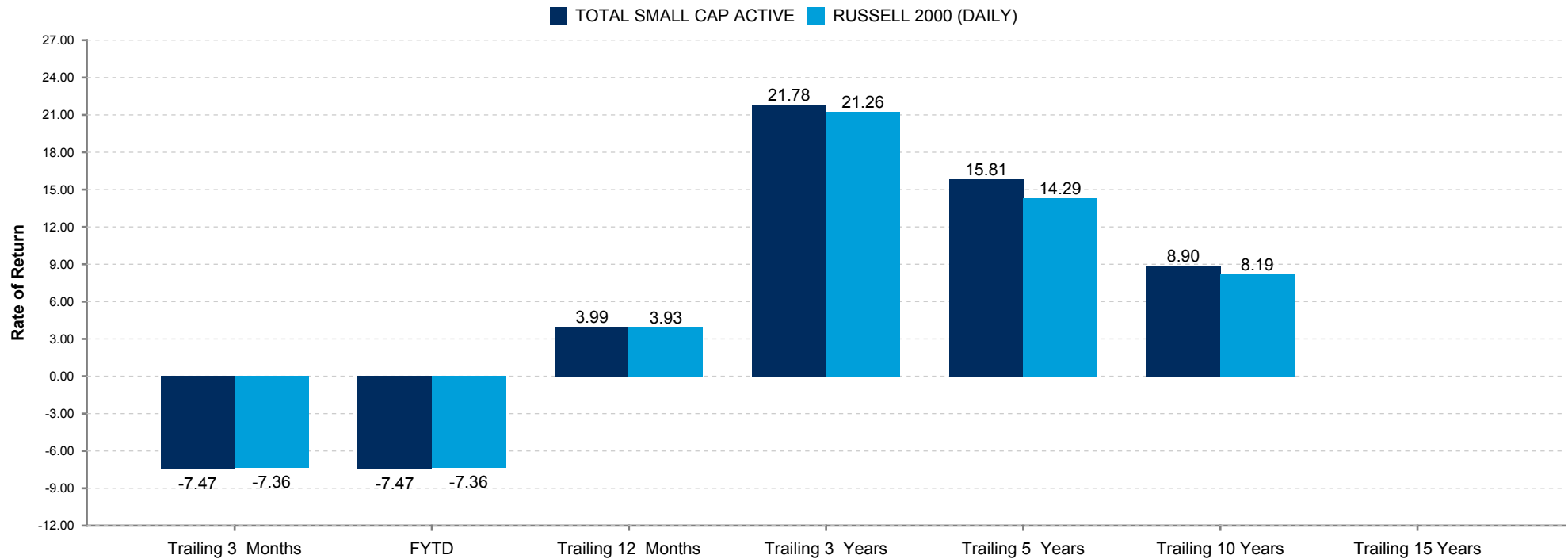
Sub Sector	Policy Weight	Actual Weight	Under/Over Weight	Index Return	Actual Return	Difference
TOTAL SMALL CAP ACTIVE	5.16	5.00	-0.16	-7.36	-7.47	-0.11
TOTAL SMALL CAP PASSIVE	3.29	2.55	-0.74	-7.36	-7.14	0.22
TOTAL SMALL/MID CAP ACTIVE	1.60	1.88	0.28	-5.35	-5.30	0.05
TOTAL MID CAP ACTIVE	6.58	8.39	1.81	-1.66	-3.09	-1.43
TOTAL MID CAP PASSIVE	8.60	4.55	-4.05	-3.98	-3.51	0.47
TOTAL RUSSELL 1000 ACTIVE	8.72	4.84	-3.88	0.65	0.35	-0.30
TOTAL RUSSELL 1000 PASSIVE	37.80	41.51	3.71	0.65	0.64	-0.01
TOTAL RUSSELL 3000 PASSIVE	26.25	29.83	3.58	0.01	0.11	0.10
TOTAL EMERGING MANAGERS	2.00	1.45	-0.55	-7.36	-6.57	0.79

Small Cap Active Returns vs Russell 2000 Index: September 30, 2014



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	Market Value (Millions)	% of plan
TOTAL SMALL CAP ACTIVE	\$645.8	1.9



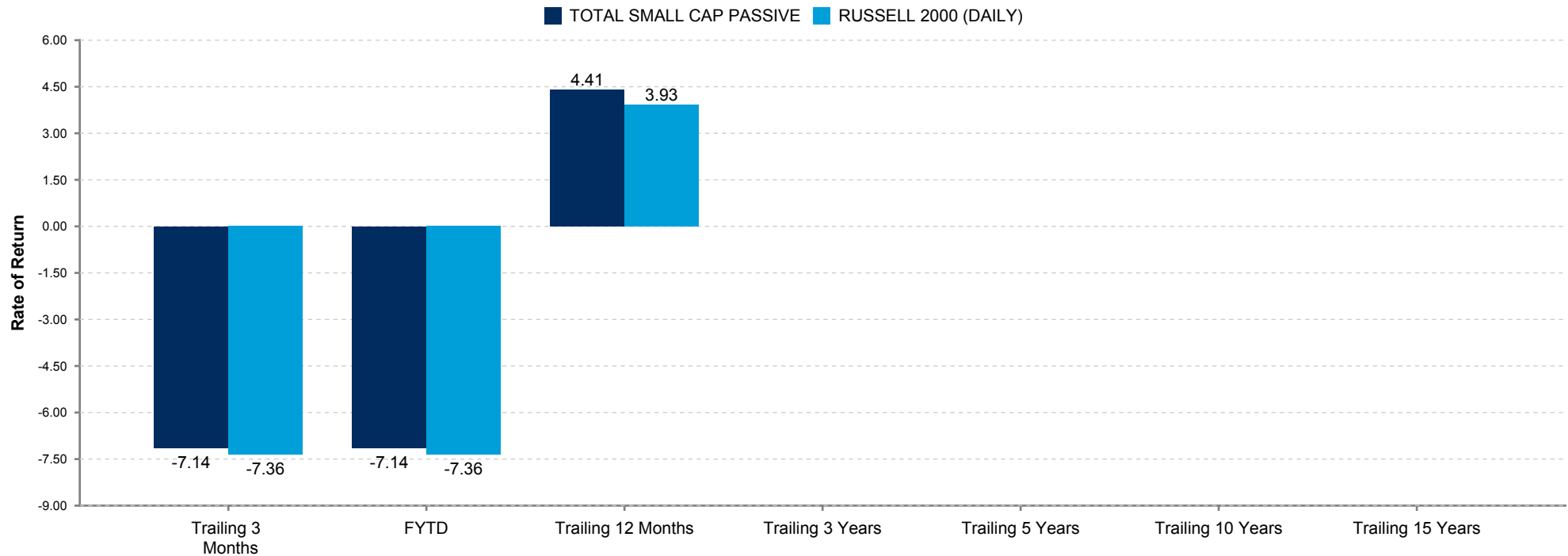
	Plan 3 Years	Benchmark 3 Years	Plan 5 Years	Benchmark 5 Years	Plan 10 Years	Benchmark 10 Years
Standard Deviation						
TOTAL SMALL CAP ACTIVE	14.7	15.2	17.6	18.4	18.6	19.8

Small Cap Passive Returns vs Russell 2000 Index: September 30, 2014



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	Market Value (Millions)	% of plan
TOTAL SMALL CAP PASSIVE	\$329.2	1.0



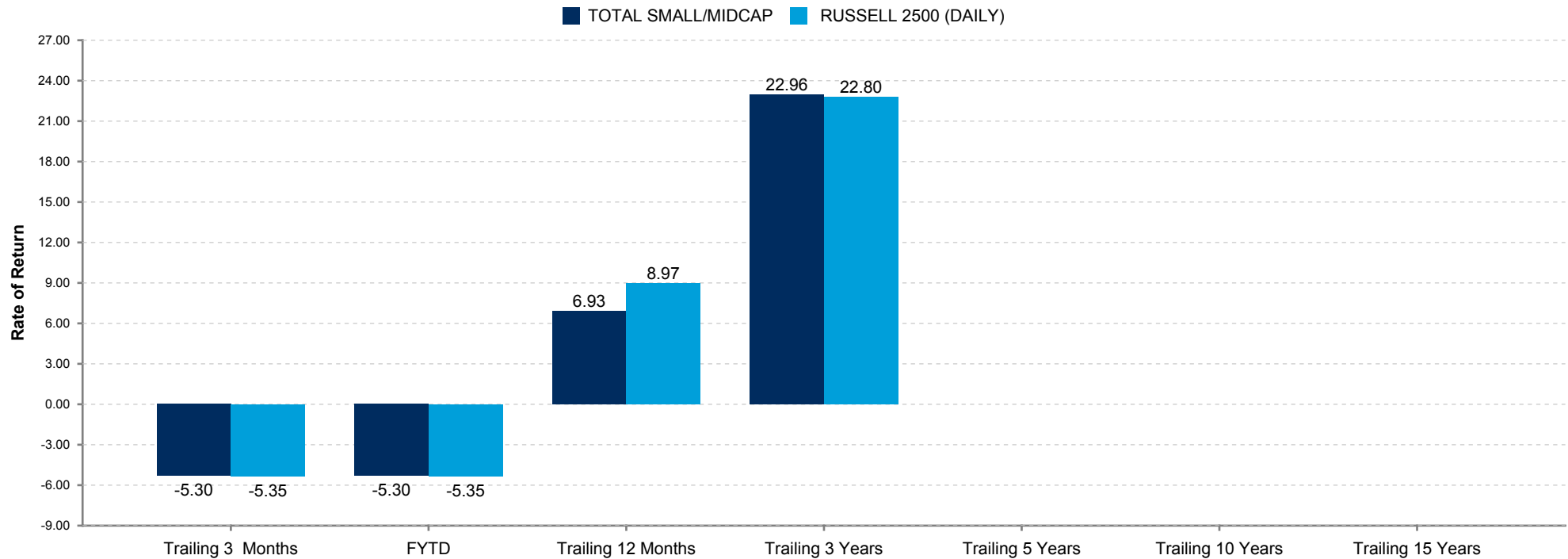
	Plan 3 Years	Benchmark 3 Years	Plan 5 Years	Benchmark 5 Years	Plan 10 Years	Benchmark 10 Years
Standard Deviation						
TOTAL SMALL CAP PASSIVE						

Small/MidCap Returns vs Russell 2500 Index: September 30, 2014



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	Market Value (Millions)	% of plan
TOTAL SMALL/MIDCAP	\$243.4	0.7



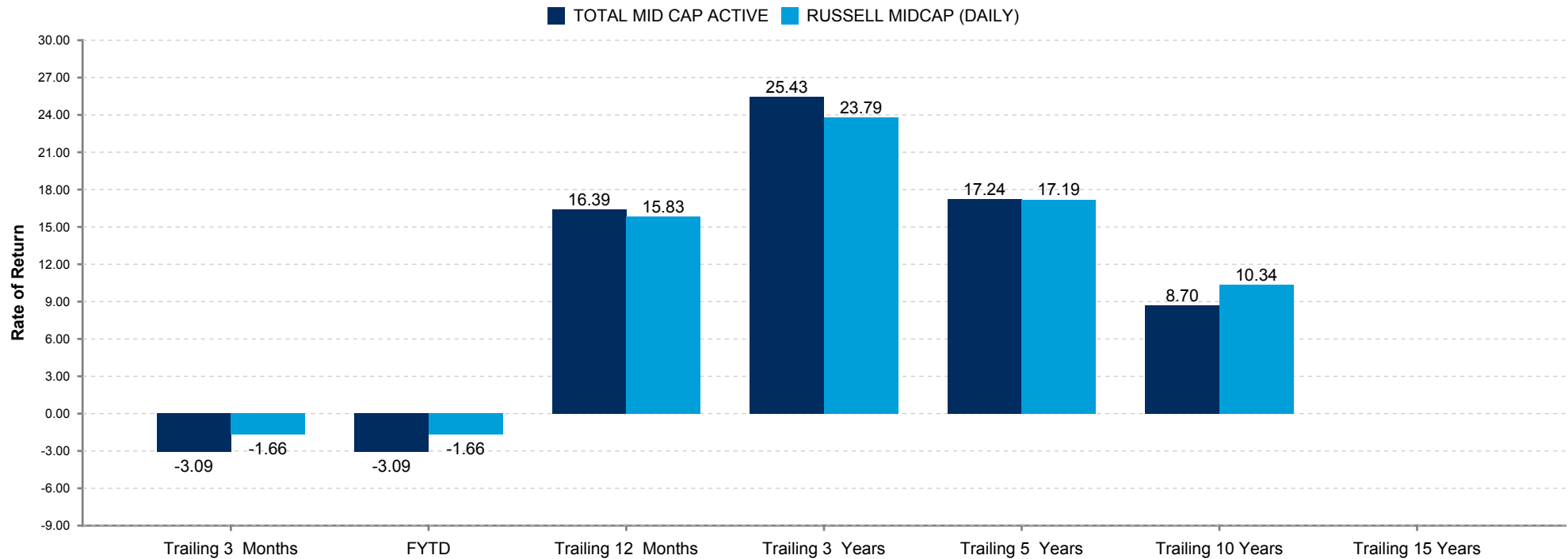
	Plan 3 Years	Benchmark 3 Years	Plan 5 Years	Benchmark 5 Years	Plan 10 Years	Benchmark 10 Years
Standard Deviation						
TOTAL SMALL/MIDCAP	14.0	14.0				

Mid Cap Active Returns vs Russell MidCap Index: September 30, 2014



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	Market Value (Billions)	% of plan
TOTAL MID CAP ACTIVE	\$1.1	3.2



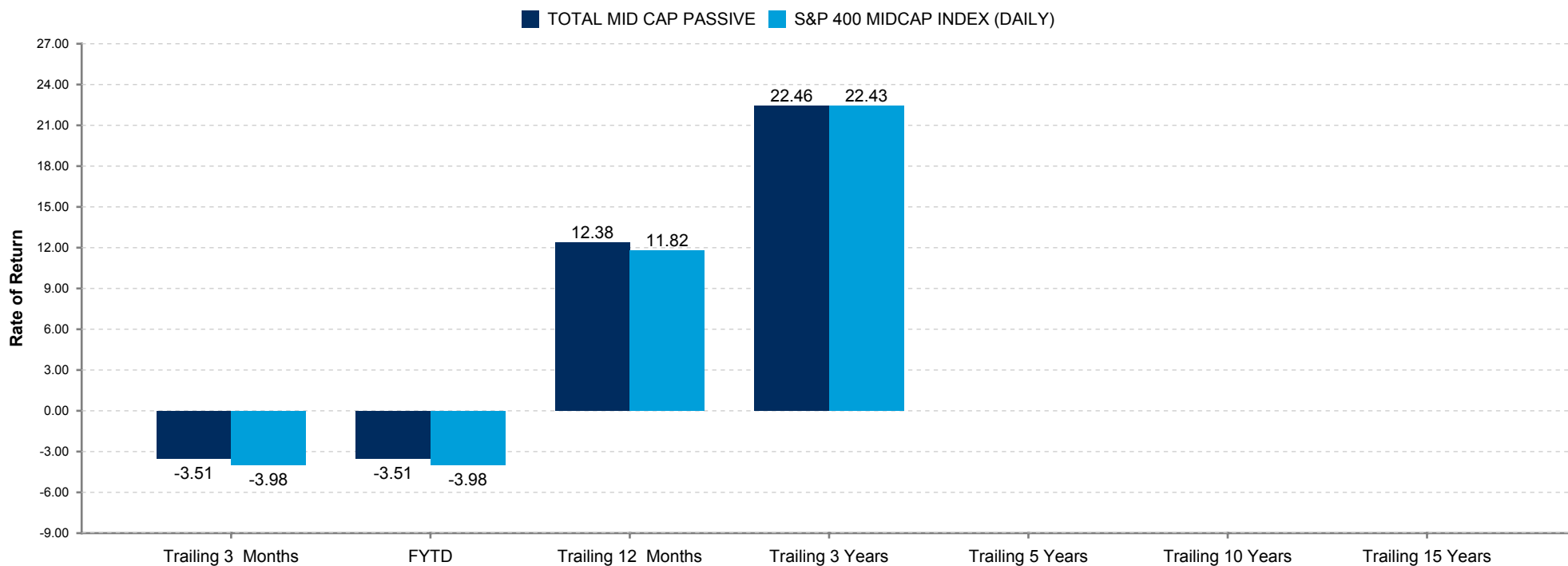
	Plan 3 Years	Benchmark 3 Years	Plan 5 Years	Benchmark 5 Years	Plan 10 Years	Benchmark 10 Years
Standard Deviation						
TOTAL MID CAP ACTIVE	13.0	12.3	15.4	15.3	16.6	17.7

Mid Cap Passive Returns vs S&P 400 MidCap Index: September 30, 2014



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	Market Value (Millions)	% of plan
TOTAL MID CAP PASSIVE	\$587.9	1.7



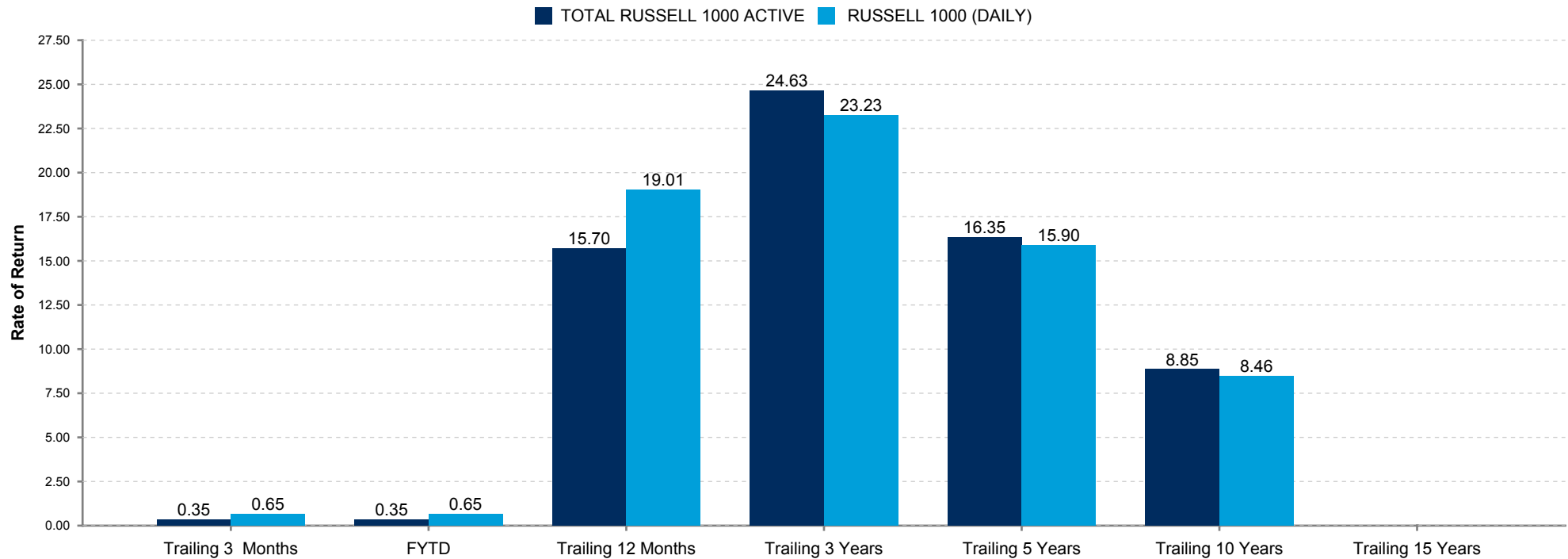
	Plan 3 Years	Benchmark 3 Years	Plan 5 Years	Benchmark 5 Years	Plan 10 Years	Benchmark 10 Years
Standard Deviation						
TOTAL MID CAP PASSIVE	13.2	13.4				

Russell 1000 Active Returns vs Russell 1000 Index: September 30, 2014



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	Market Value (Millions)	% of plan
TOTAL RUSSELL 1000 ACTIVE	\$625.5	1.9



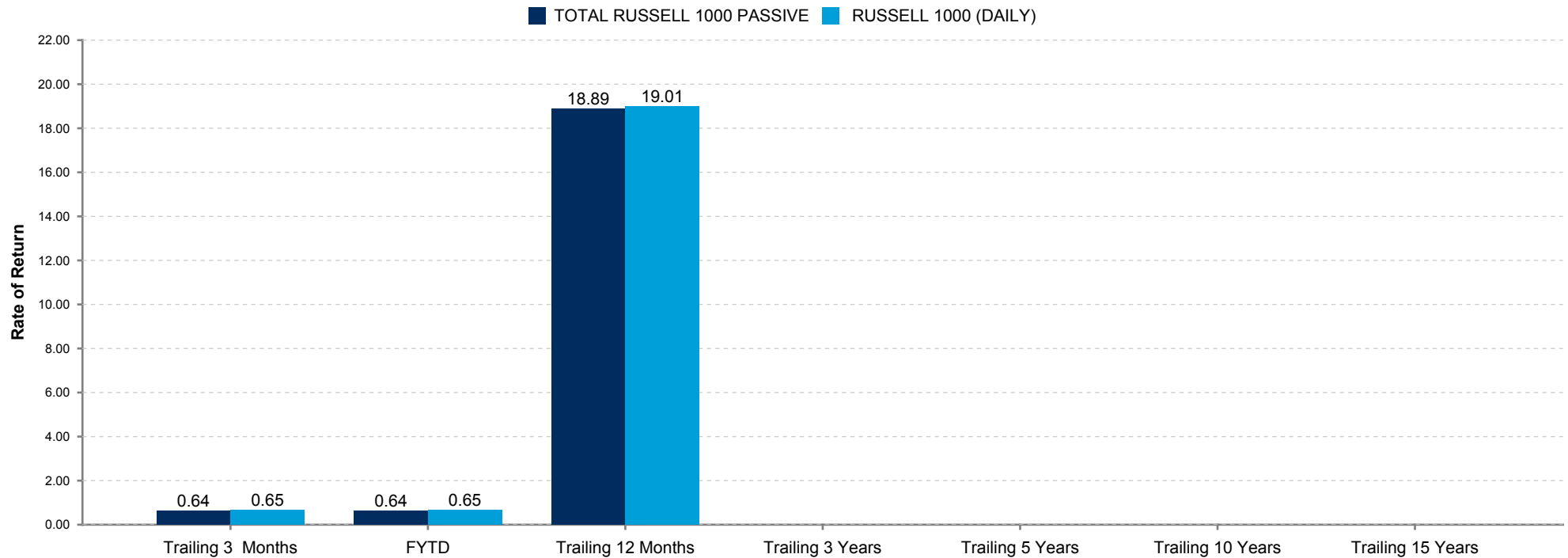
	Plan 3 Years	Benchmark 3 Years	Plan 5 Years	Benchmark 5 Years	Plan 10 Years	Benchmark 10 Years
Standard Deviation						
TOTAL RUSSELL 1000 ACTIVE	12.0	10.8	14.5	13.5	15.5	15.0

Russell 1000 Passive Returns vs Russell 1000 Index: September 30, 2014



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	Market Value (Billions)	% of plan
TOTAL RUSSELL 1000 PASSIVE	\$5.4	16.0



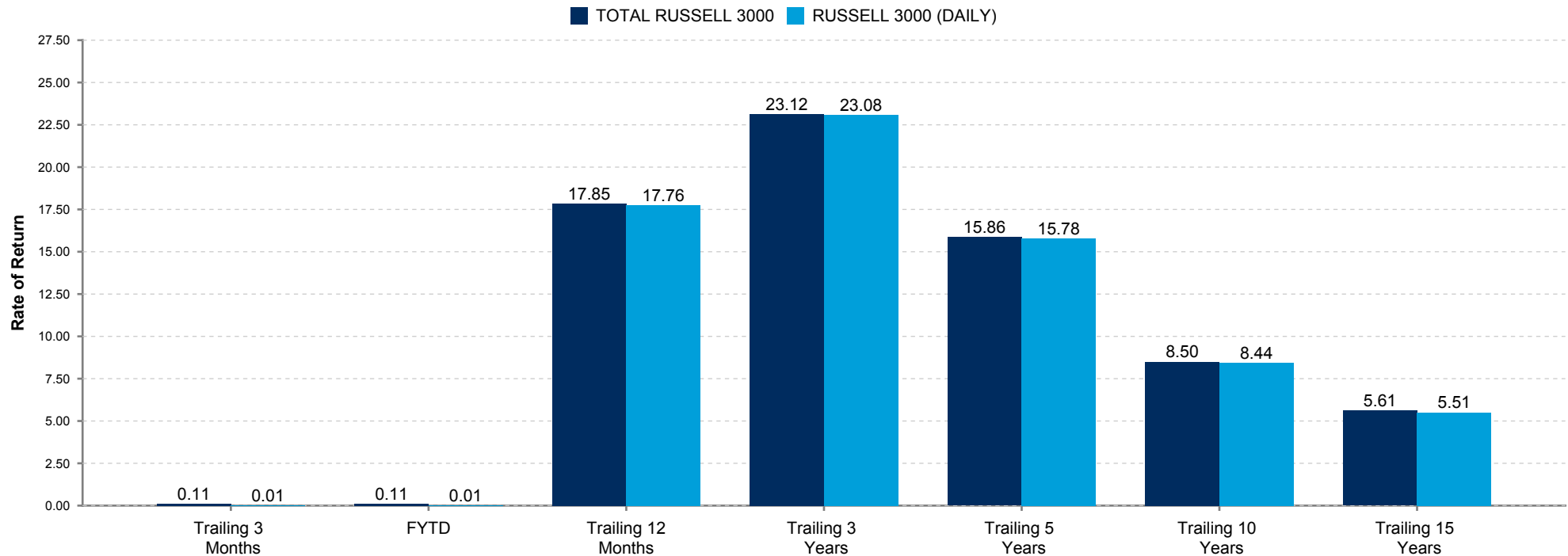
	Plan 3 Years	Benchmark 3 Years	Plan 5 Years	Benchmark 5 Years	Plan 10 Years	Benchmark 10 Years
Standard Deviation						
TOTAL RUSSELL 1000 PASSIVE						

Russell 3000 Returns vs Russell 3000 Index: September 30, 2014



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	Market Value (Billions)	% of plan
TOTAL RUSSELL 3000	\$3.9	11.5



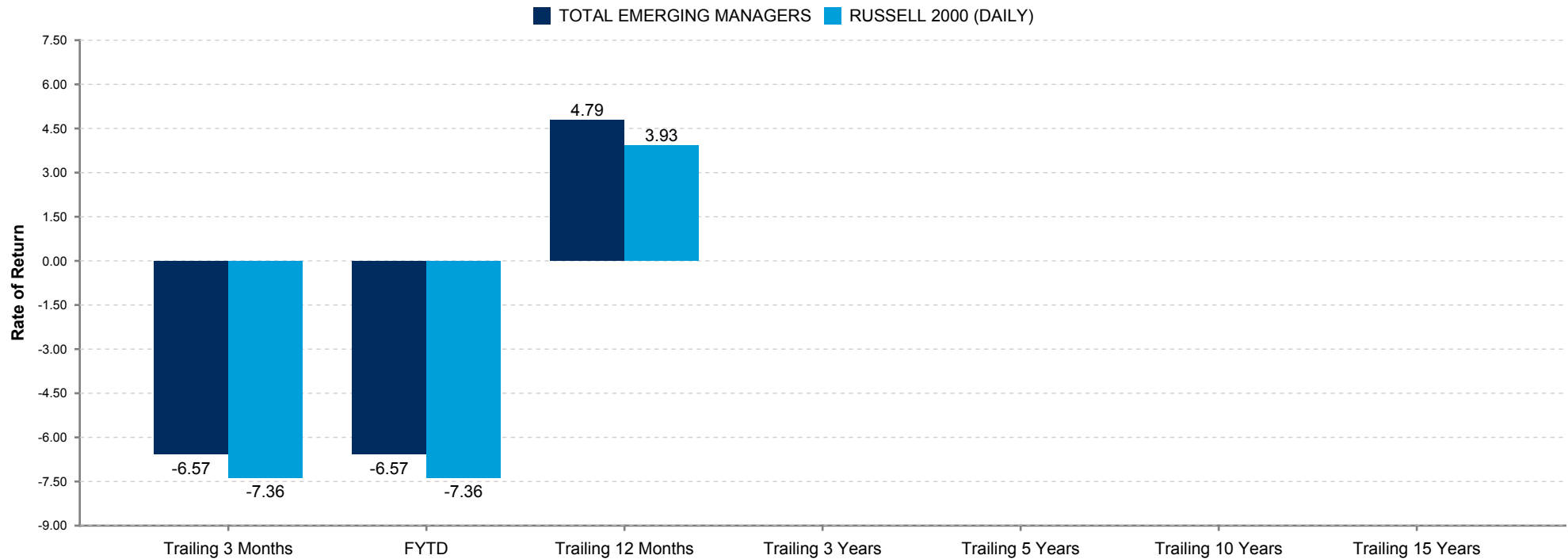
	Plan 3 Years	Benchmark 3 Years	Plan 5 Years	Benchmark 5 Years	Plan 10 Years	Benchmark 10 Years
Standard Deviation						
TOTAL RUSSELL 3000	11.0	11.0	13.8	13.8	15.2	15.3

Emerging Managers Returns vs Russell 2000 Index: September 30, 2014



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	Market Value (Millions)	% of plan
TOTAL EMERGING MANAGERS	\$187.2	0.6



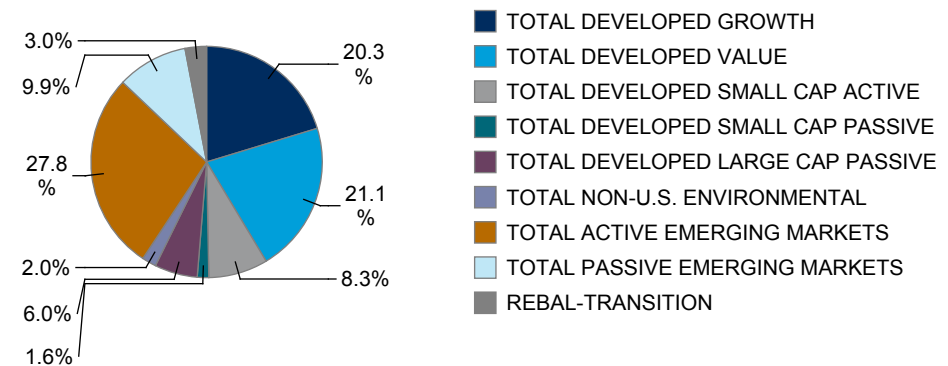
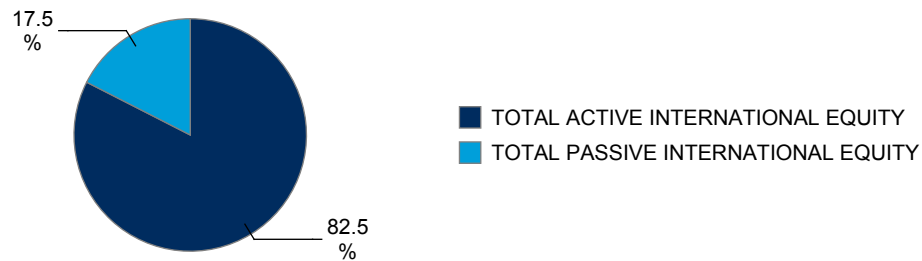
	Plan 3 Years	Benchmark 3 Years	Plan 5 Years	Benchmark 5 Years	Plan 10 Years	Benchmark 10 Years
Standard Deviation						
TOTAL EMERGING MANAGERS						

International Equity Asset Allocation: September 30, 2014



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	<u>Market Value (Billions)</u>	<u>% of plan</u>
TOTAL INTERNATIONAL EQUITY	\$5.3	15.9



	<u>Asset Weight</u>	<u>Quarterly Returns - Funds and Benchmarks</u>		
		<u>Fund</u>	<u>Benchmark</u>	<u>Excess</u>
TOTAL DEVELOPED GROWTH	20.32	(5.19)	(5.55)	0.35
TOTAL DEVELOPED VALUE	21.11	(4.81)	(6.20)	1.40
TOTAL DEVELOPED SMALL CAP ACTIVE	8.29	(8.16)	(7.20)	(0.97)
TOTAL DEVELOPED SMALL CAP PASSIVE	1.55	(7.92)	(7.82)	(0.10)
TOTAL DEVELOPED LARGE CAP PASSIVE	6.02	(5.84)	(5.88)	0.04
TOTAL NON-U.S. ENVIRONMENTAL	1.96	(1.28)	(2.16)	0.87
TOTAL ACTIVE EMERGING MARKETS	27.81	(2.87)	(3.50)	0.62
TOTAL PASSIVE EMERGING MARKETS	9.88	(3.60)	(3.50)	(0.11)
REBAL-TRANSITION	3.02			
TOTAL INTERNATIONAL EQUITY	100.00	(4.54)	(5.27)	0.73

Developed Markets Returns vs MSCI EAFE Index: September 30, 2014



STATE STREET

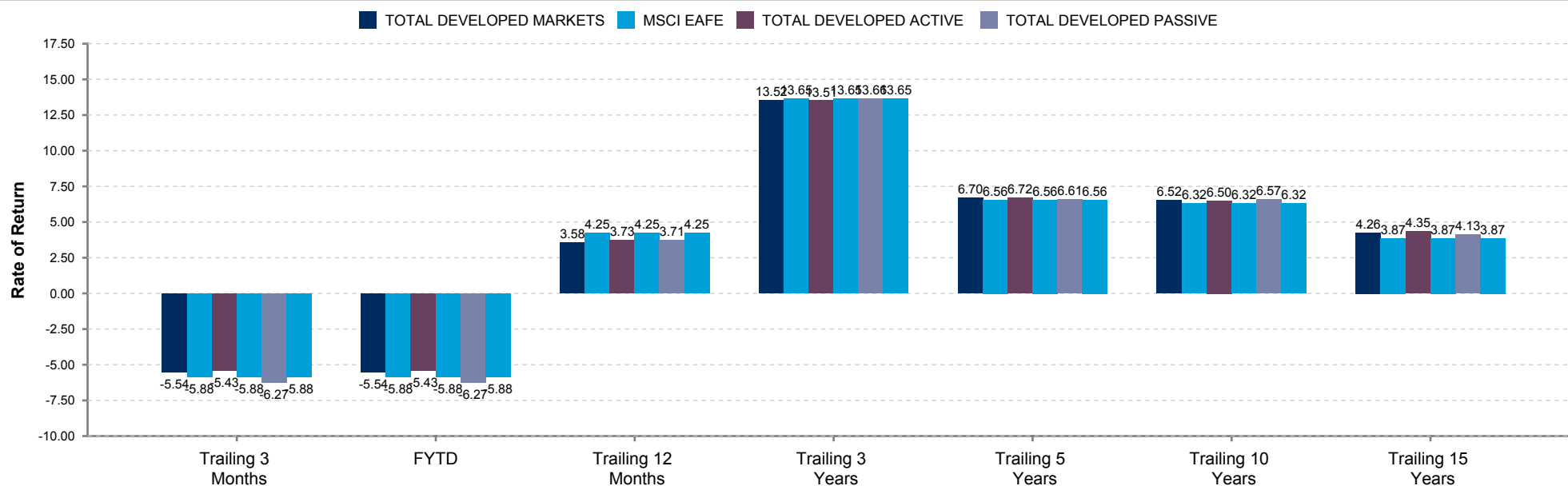
TOTAL DEVELOPED MARKETS

Market Value (Billions)

\$3.2

% of plan

9.6



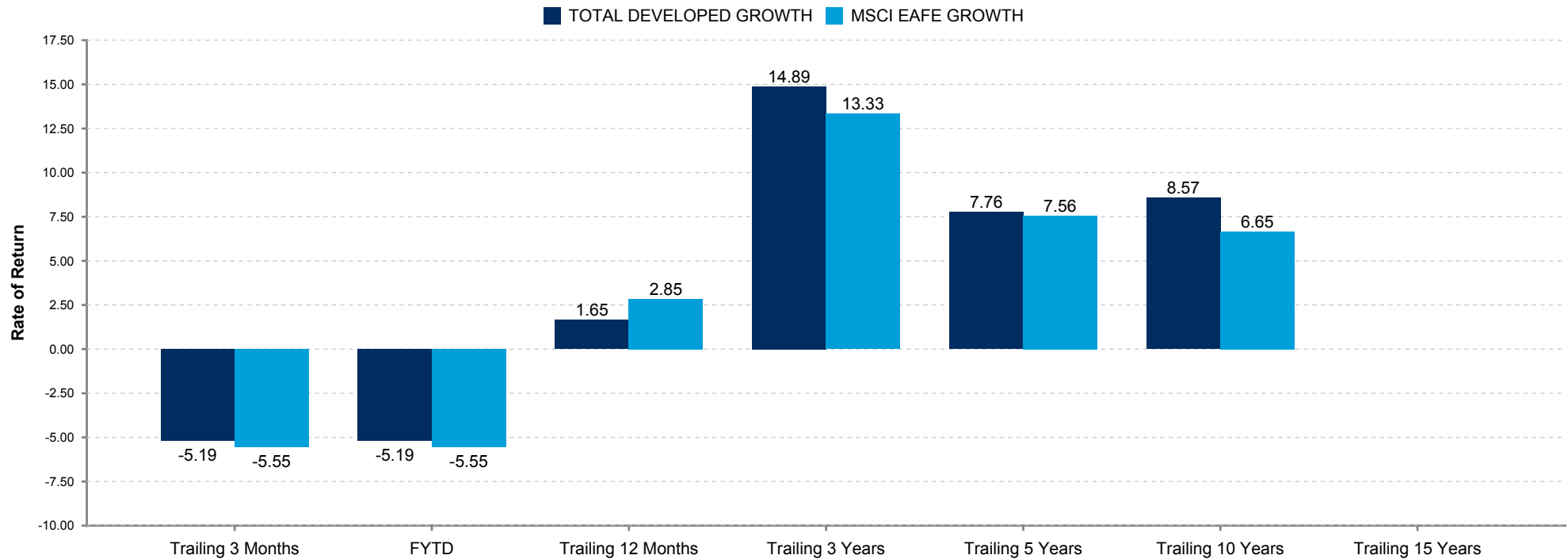
	Plan 3 Years	Benchmark 3 Years	Plan 5 Years	Benchmark 5 Years	Plan 10 Years	Benchmark 10 Years
Standard Deviation						
TOTAL DEVELOPED MARKETS	14.0	14.3	16.3	16.6	18.2	18.3
TOTAL DEVELOPED ACTIVE	13.9	14.3	16.3	16.6	18.2	18.3
TOTAL DEVELOPED PASSIVE	14.3	14.3	16.5	16.6	18.2	18.3

Developed Growth Returns vs MSCI EAFE Growth Index: September 30, 2014



STATE STREET

	Market Value (Billions)	% of plan
TOTAL DEVELOPED GROWTH	\$1.1	3.2



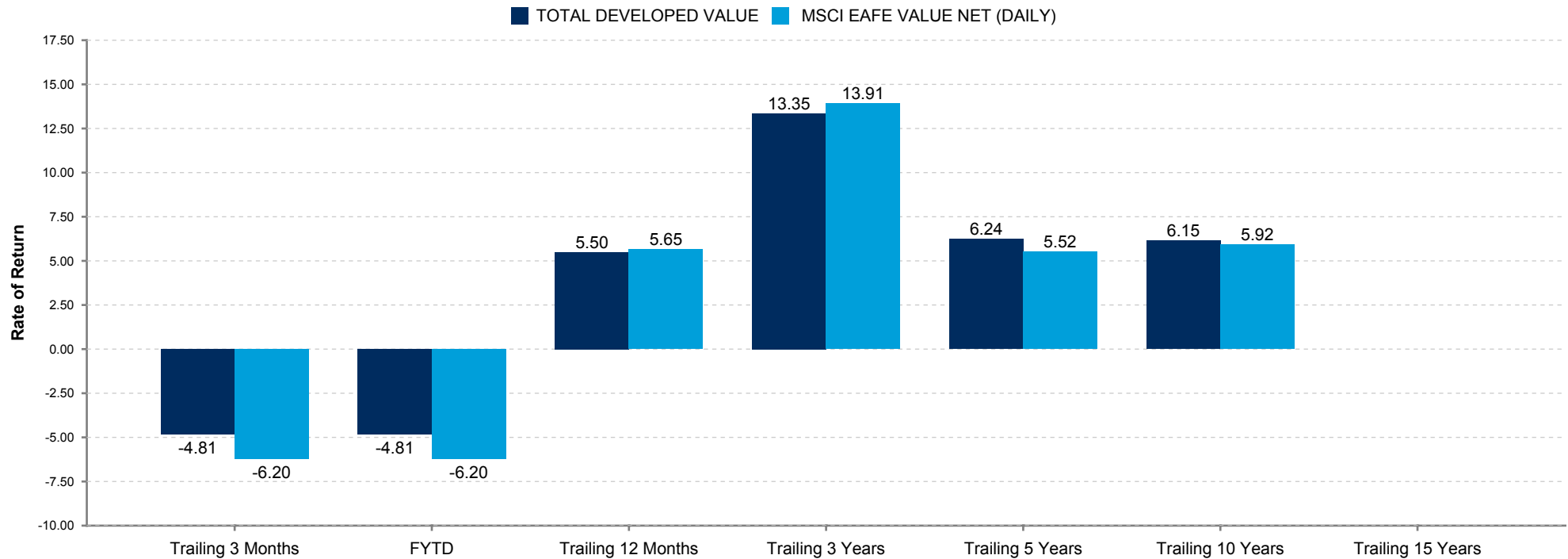
	Plan 3 Years	Benchmark 3 Years	Plan 5 Years	Benchmark 5 Years	Plan 10 Years	Benchmark 10 Years
Standard Deviation						
TOTAL DEVELOPED GROWTH	15.2	13.6	17.3	16.1	19.1	17.6

Developed Value Returns vs MSCI EAFE Value Net Index: September 30, 2014



STATE STREET

	Market Value (Billions)	% of plan
TOTAL DEVELOPED VALUE	\$1.1	3.4



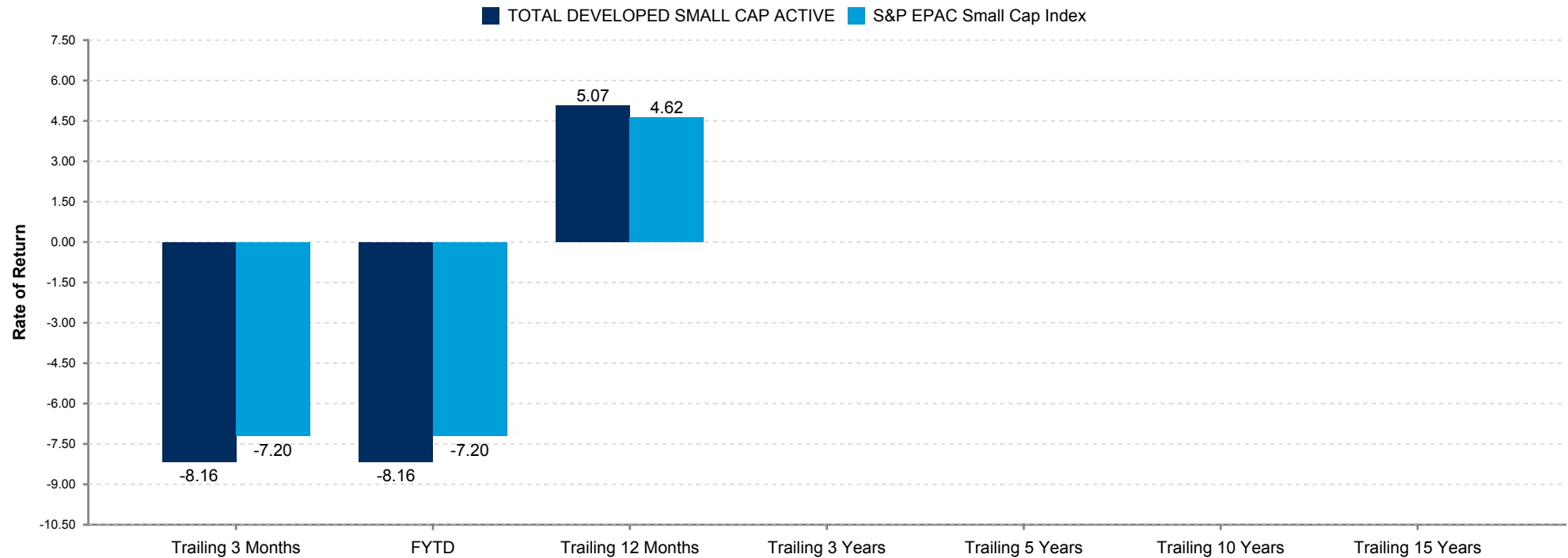
	Plan 3 Years	Benchmark 3 Years	Plan 5 Years	Benchmark 5 Years	Plan 10 Years	Benchmark 10 Years
Standard Deviation						
TOTAL DEVELOPED VALUE	13.3	15.2	16.0	17.6	18.0	19.4

Developed Small Cap Active vs S&P EPAC Small Cap Index: September 30, 2014



STATE STREET.

	Market Value (Millions)	% of plan
TOTAL DEVELOPED SMALL CAP ACTIVE	\$442.4	1.3



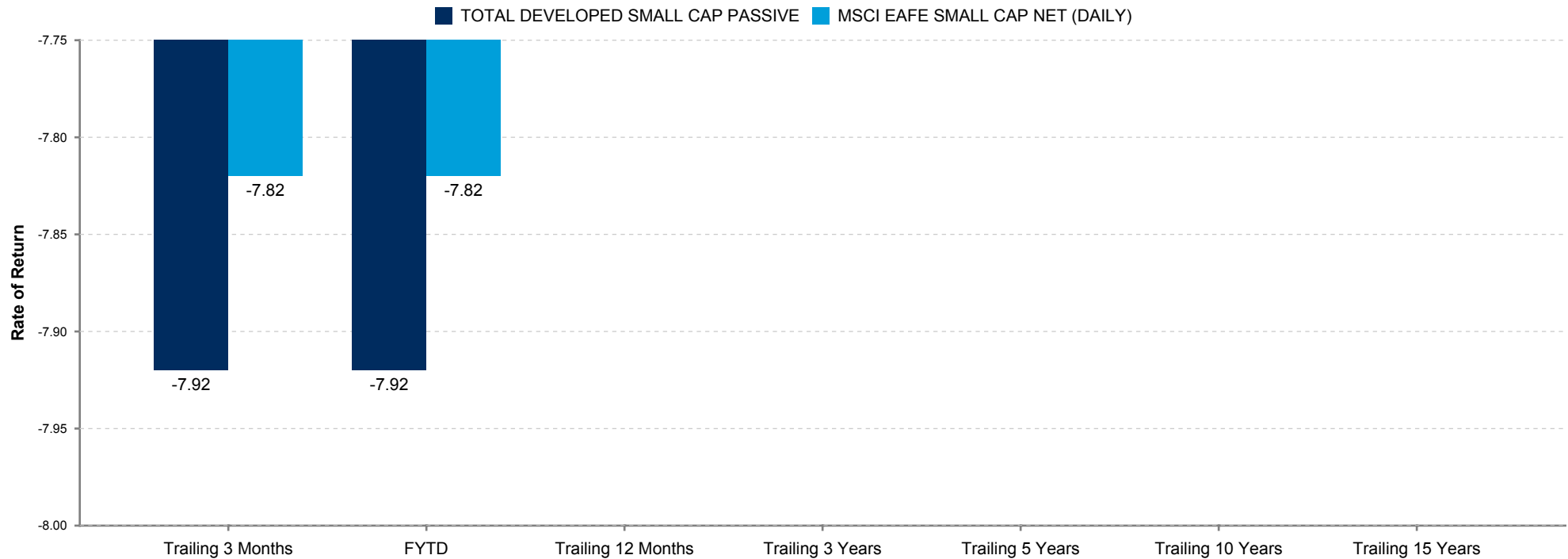
	Plan 3 Years	Benchmark 3 Years	Plan 5 Years	Benchmark 5 Years	Plan 10 Years	Benchmark 10 Years
Standard Deviation						
TOTAL DEVELOPED SMALL CAP ACTIVE						

Developed Small Cap Passive vs MSCI EAFE Small Cap Net Index: September 30, 2014



STATE STREET

	Market Value (Millions)	% of plan
TOTAL DEVELOPED SMALL CAP PASSIVE	\$82.8	0.2



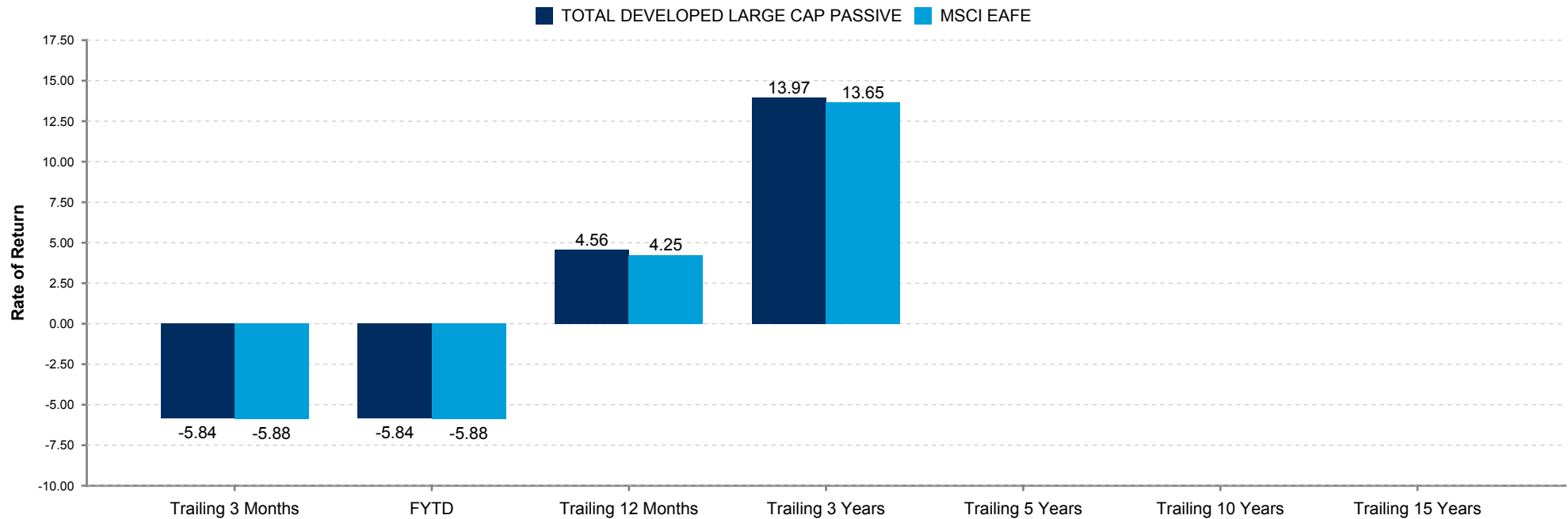
	Plan 3 Years	Benchmark 3 Years	Plan 5 Years	Benchmark 5 Years	Plan 10 Years	Benchmark 10 Years
Standard Deviation						
TOTAL DEVELOPED SMALL CAP PASSIVE						

Developed Large Cap Passive vs MSCI EAFE Index: September 30, 2014



STATE STREET

	Market Value (Millions)	% of plan
TOTAL DEVELOPED LARGE CAP PASSIVE	\$321.4	1.0



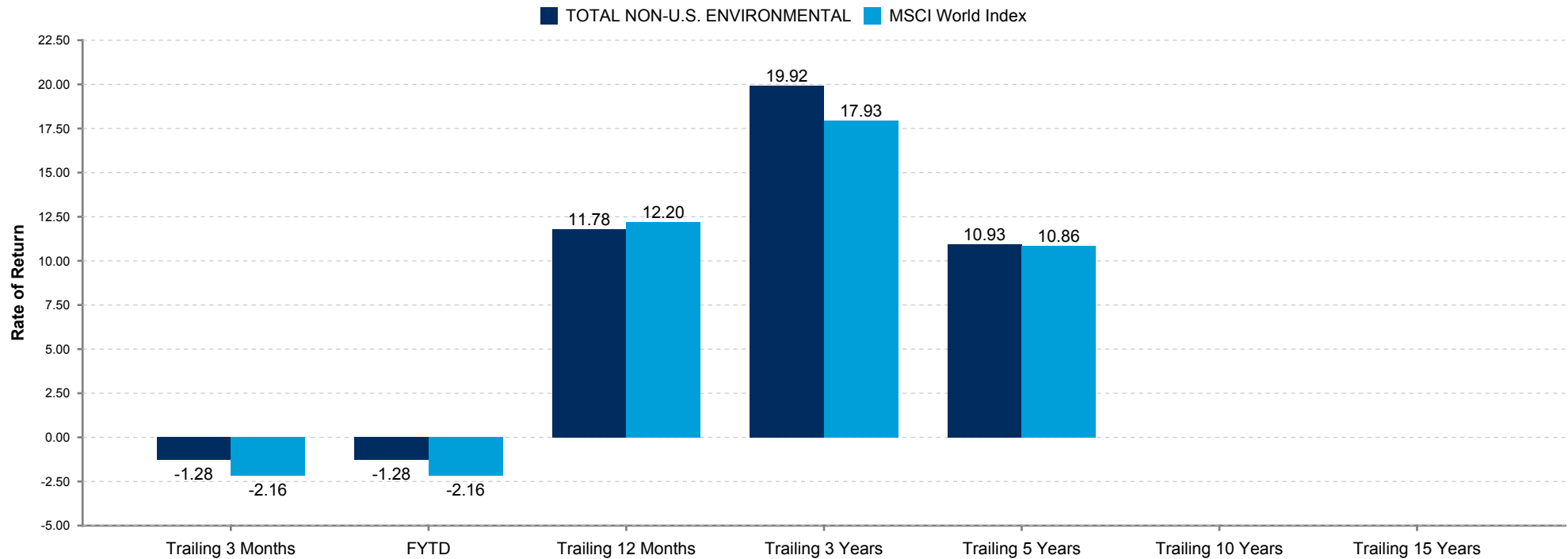
	Plan 3 Years	Benchmark 3 Years	Plan 5 Years	Benchmark 5 Years	Plan 10 Years	Benchmark 10 Years
Standard Deviation						
TOTAL DEVELOPED LARGE CAP PASSIVE	14.2	14.3				

Non-U.S. Environmental vs MSCI World Index: September 30, 2014



STATE STREET

	Market Value (Millions)	% of plan
TOTAL NON-U.S. ENVIRONMENTAL	\$104.4	0.3



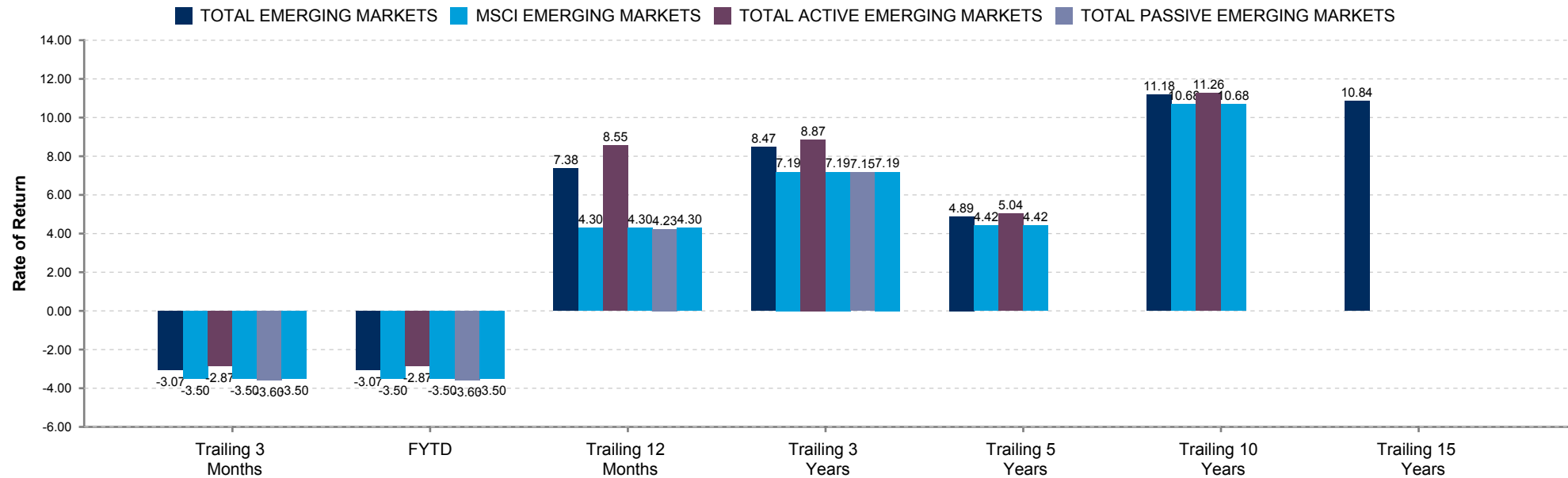
	Plan 3 Years	Benchmark 3 Years	Plan 5 Years	Benchmark 5 Years	Plan 10 Years	Benchmark 10 Years
Standard Deviation						
TOTAL NON-U.S. ENVIRONMENTAL	10.5	11.7	14.0	14.4		

Emerging Markets Returns vs MSCI Emerging Markets Index: September 30, 2014



STATE STREET

	Market Value (Billions)	% of plan
TOTAL EMERGING MARKETS	\$2.0	6.0



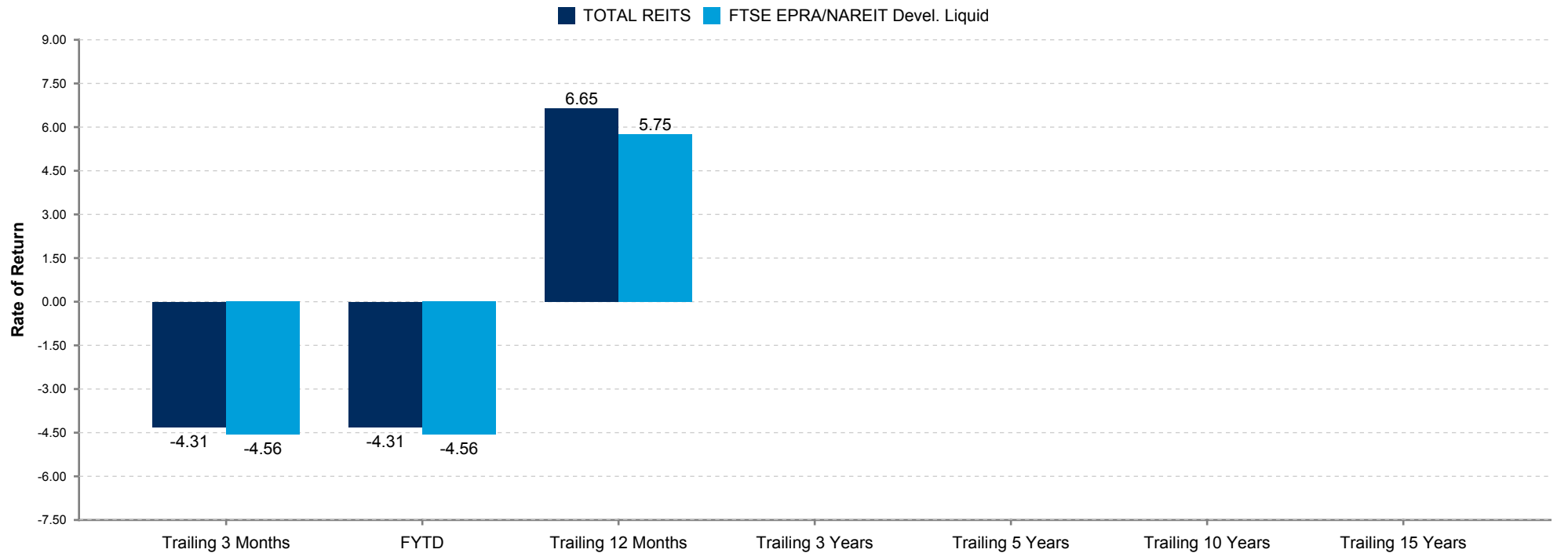
	Plan 3 Years	Benchmark 3 Years	Plan 5 Years	Benchmark 5 Years	Plan 10 Years	Benchmark 10 Years
Standard Deviation						
TOTAL EMERGING MARKETS	17.0	17.2	19.0	18.5	24.4	23.8
TOTAL ACTIVE EMERGING MARKETS	17.0	17.2	19.0	18.5	24.4	23.8
TOTAL PASSIVE EMERGING MARKETS	17.1	17.2				

REITS Returns vs FTSE EPRA/NAREIT Developed Index: September 30, 2014



STATE STREET.

	Market Value (Millions)	% of plan
TOTAL REITS	\$162.3	0.5



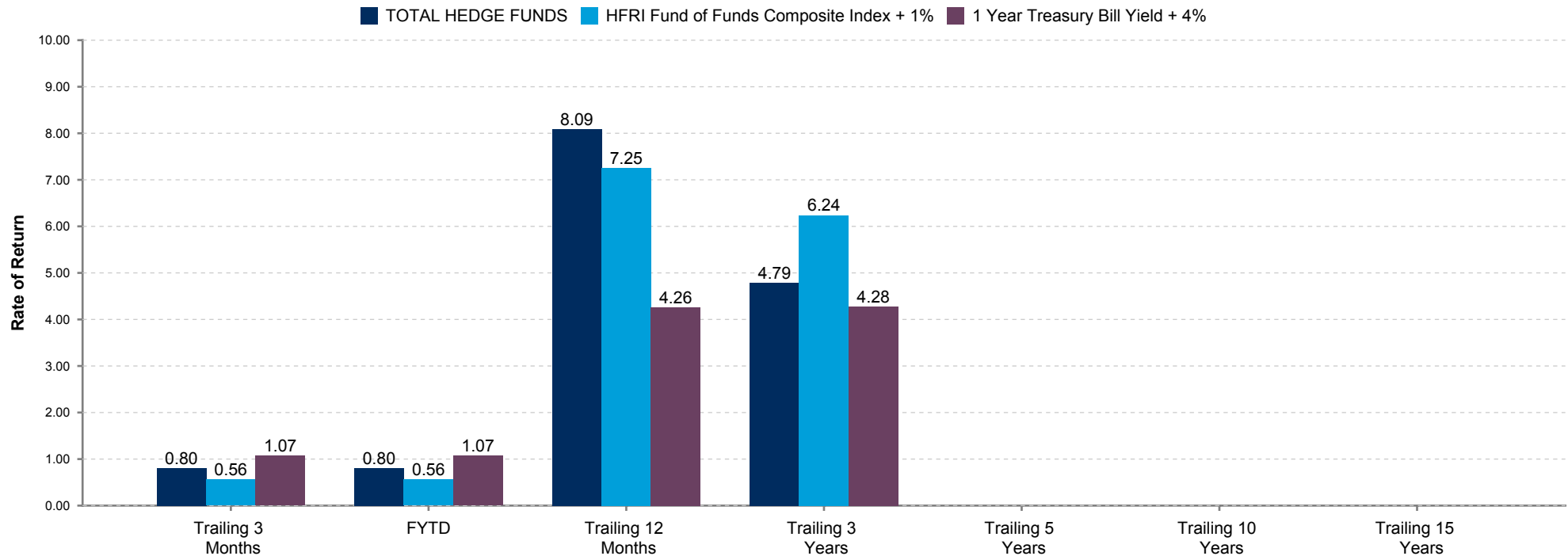
	Plan 3 Years	Benchmark 3 Years	Plan 5 Years	Benchmark 5 Years	Plan 10 Years	Benchmark 10 Years
Standard Deviation						
TOTAL REITS						

Hedge Fund Returns vs Benchmarks: September 30, 2014



STATE STREET

	Market Value (Billions)	% of plan
TOTAL HEDGE FUNDS	\$1.2	3.5



	Plan 3 Years	Benchmark 3 Years	Plan 5 Years	Benchmark 5 Years	Plan 10 Years	Benchmark 10 Years
Standard Deviation						
TOTAL HEDGE FUNDS	3.7	3.3				



New York City
Police Pension Fund, Subchapter Two

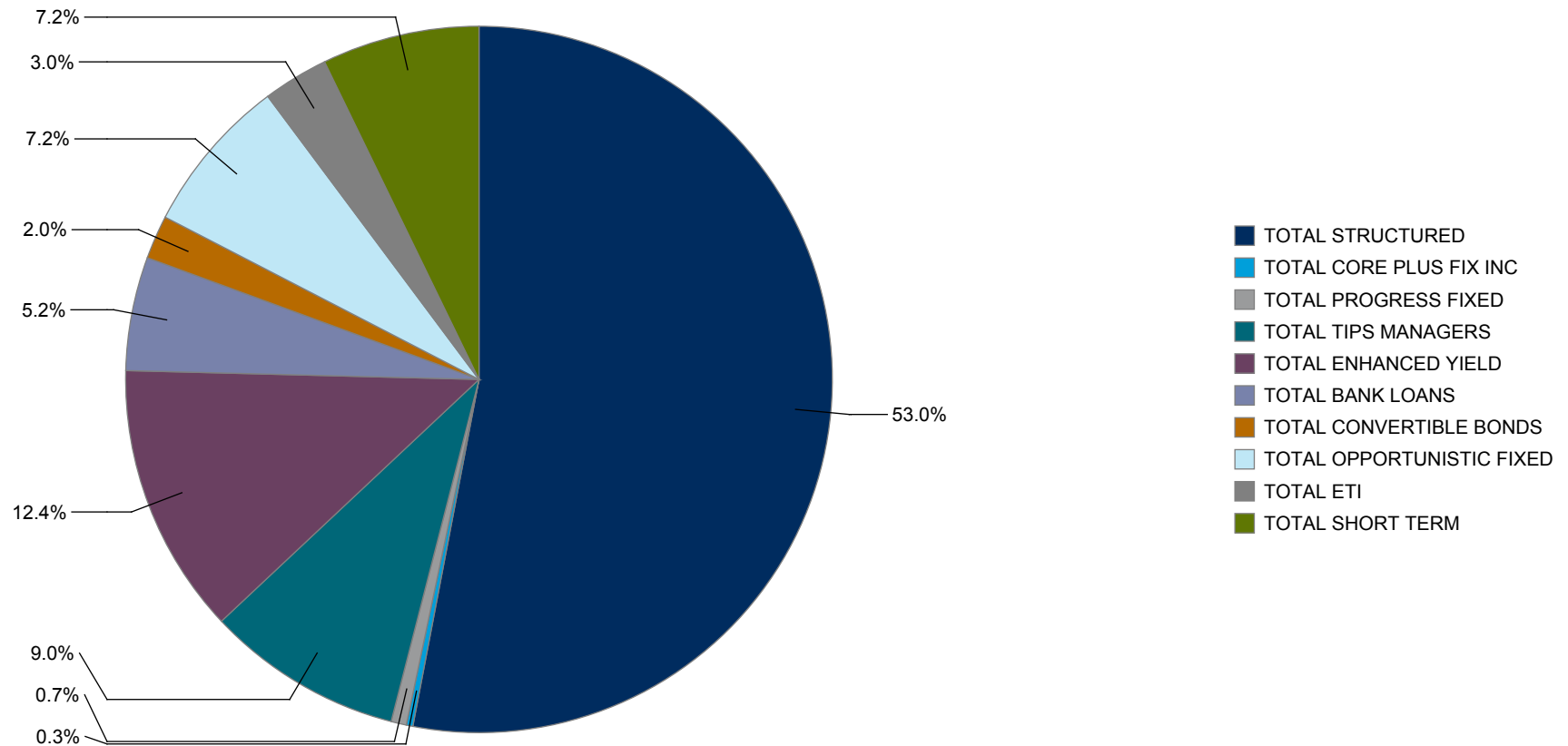
Fixed Income Analysis

Total Fixed Income Asset Allocation: September 30, 2014



STATE STREET.

	<u>Market Value (Billions)</u>	<u>% of plan</u>
TOTAL FIXED INCOME	\$10.6	31.5

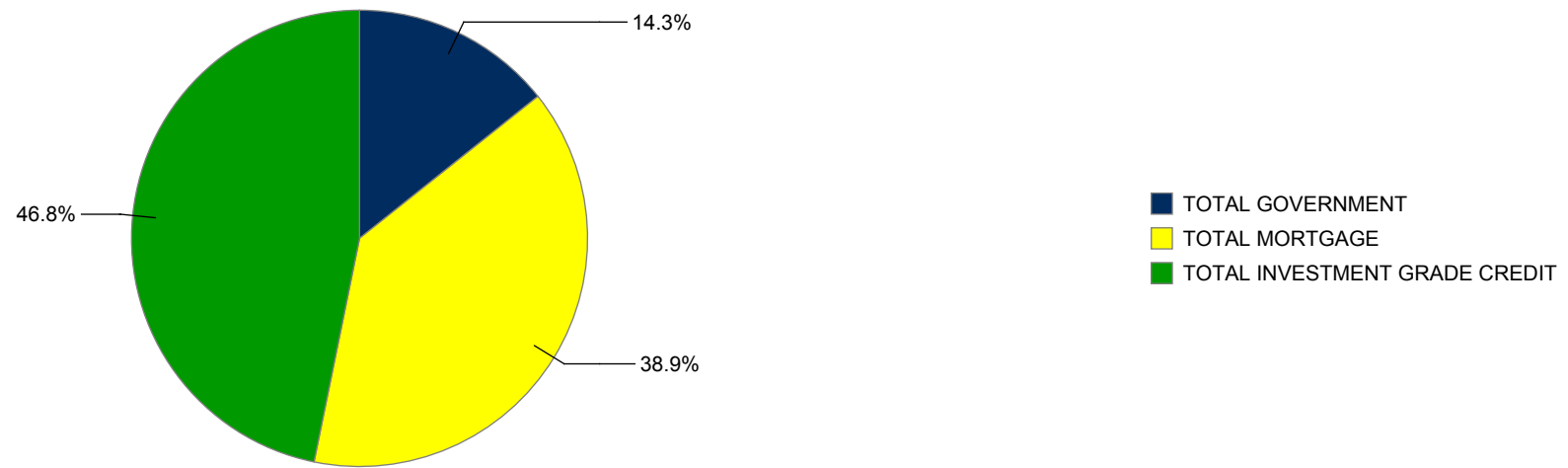


Structured Fixed Income Asset Allocation: September 30, 2014



STATE STREET.

	<u>Market Value (Billions)</u>	<u>% of plan</u>
TOTAL STRUCTURED	\$5.6	16.7



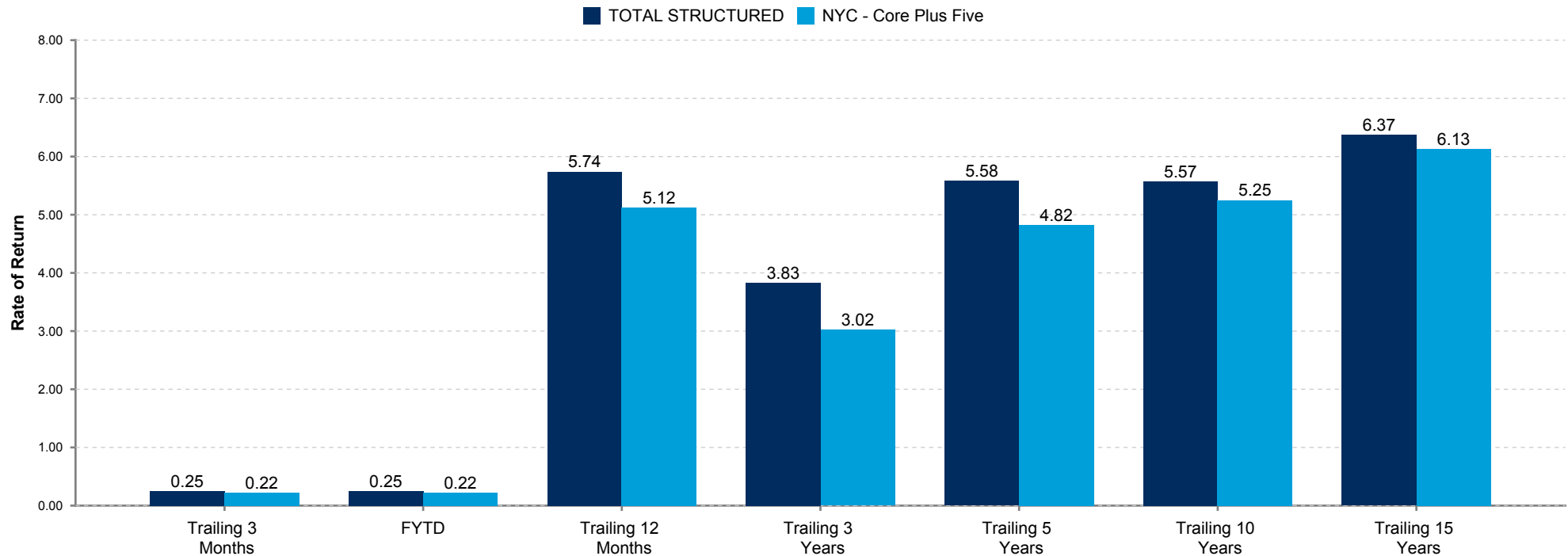
Sub Sector	Policy Weight	Actual Weight	Under/Over Weight	Index Return	Actual Return	Difference
TOTAL TREASURY/AGENCY	19.08	14.28	-4.80	1.02	0.81	-0.21
TOTAL MORTGAGE	37.78	38.95	1.17	0.18	0.32	0.14
TOTAL INV GRADE CREDIT	43.15	46.78	3.63	-0.07	0.02	0.09

Structured Returns vs NYC Core Plus 5 Index: September 30, 2014



STATE STREET

	Market Value (Billions)	% of plan
TOTAL STRUCTURED	\$5.6	16.7



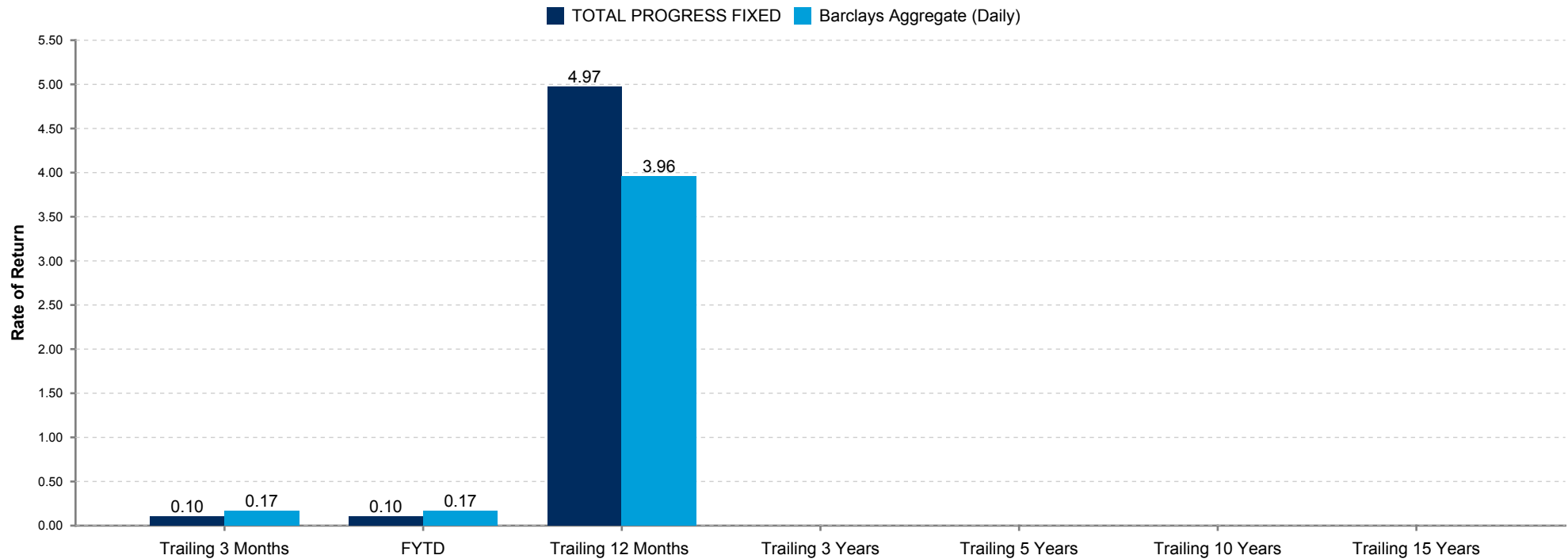
	Plan 3 Years	Benchmark 3 Years	Plan 5 Years	Benchmark 5 Years	Plan 10 Years	Benchmark 10 Years
Standard Deviation						
TOTAL STRUCTURED	3.3	3.4	3.3	3.5	3.8	4.0

Progress Fixed Income Returns vs Barclays Aggregate Index: September 30, 2014



STATE STREET

	Market Value (Millions)	% of plan
TOTAL PROGRESS FIXED	\$72.5	0.2



	Plan 3 Years	Benchmark 3 Years	Plan 5 Years	Benchmark 5 Years	Plan 10 Years	Benchmark 10 Years
Standard Deviation						
TOTAL PROGRESS FIXED						

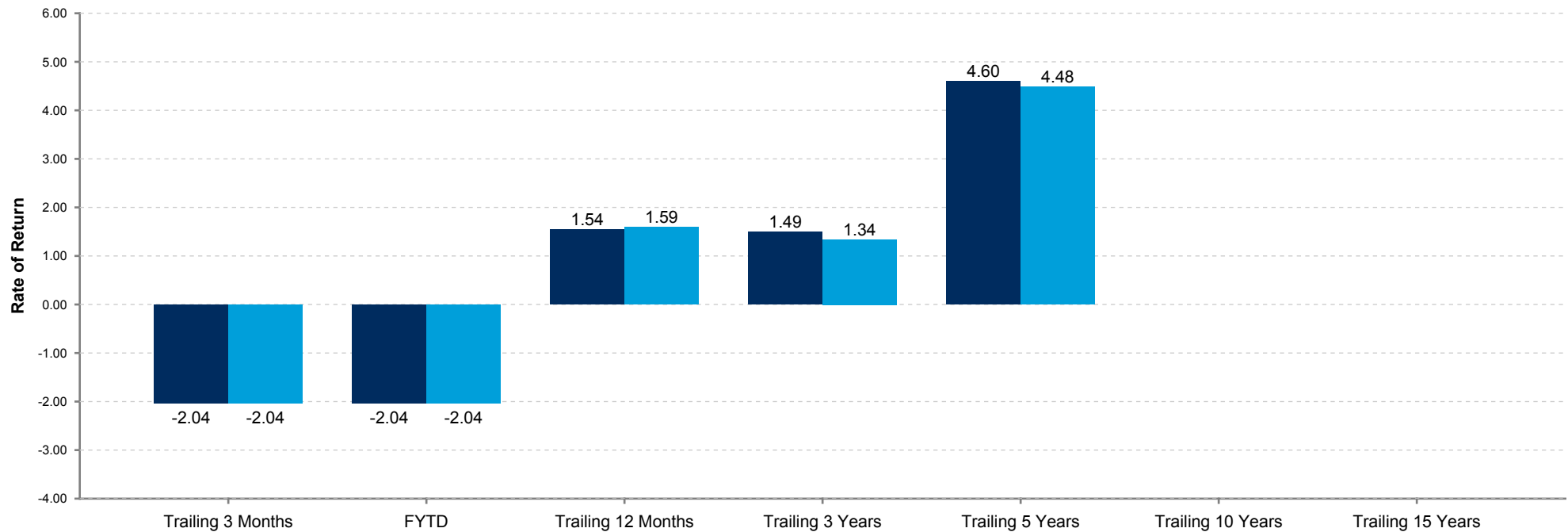
TIPS Returns vs Barclays Global Inflation Linked US TIPS Index: September 30, 2014



STATE STREET

	Market Value (Millions)	% of plan
TOTAL TIPS MANAGERS	\$949.8	2.8

■ TOTAL TIPS MANAGERS ■ Barclays Global Inflation Linked: US TIPS (Daily)



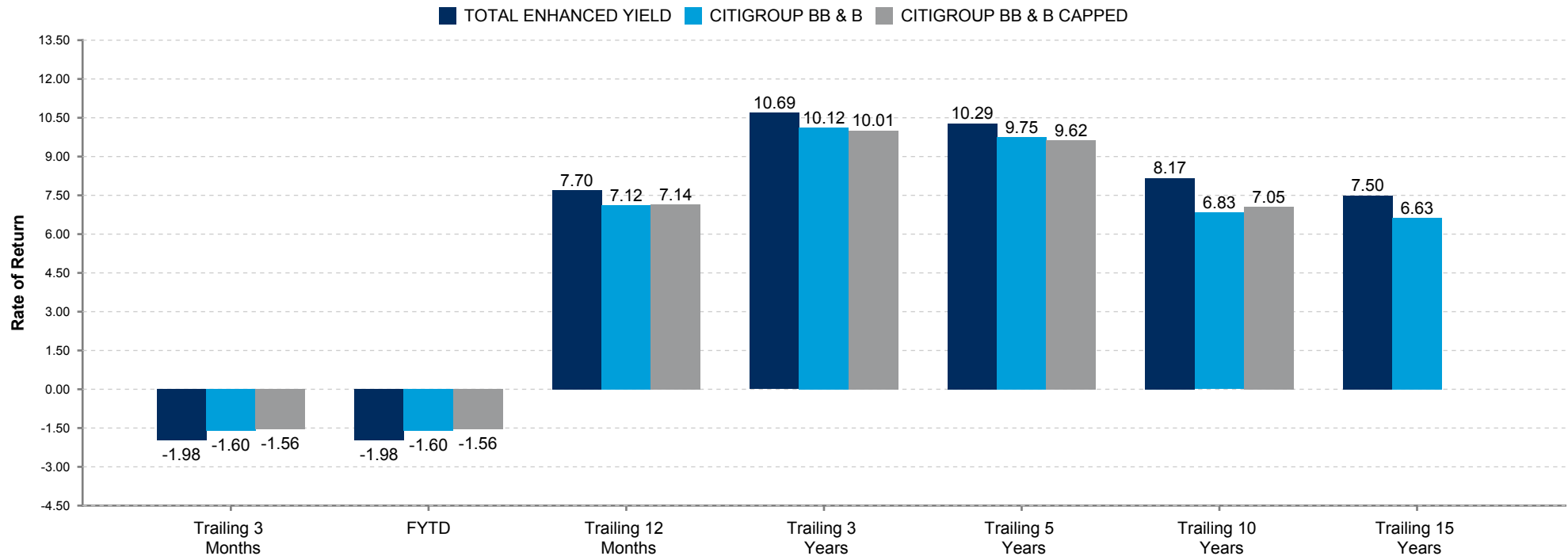
	Plan 3 Years	Benchmark 3 Years	Plan 5 Years	Benchmark 5 Years	Plan 10 Years	Benchmark 10 Years
Standard Deviation						
TOTAL TIPS MANAGERS	5.2	5.3	5.2	5.3		

Enhanced Yield Returns vs Benchmarks: September 30, 2014



STATE STREET

	Market Value (Billions)	% of plan
TOTAL ENHANCED YIELD	\$1.3	3.9



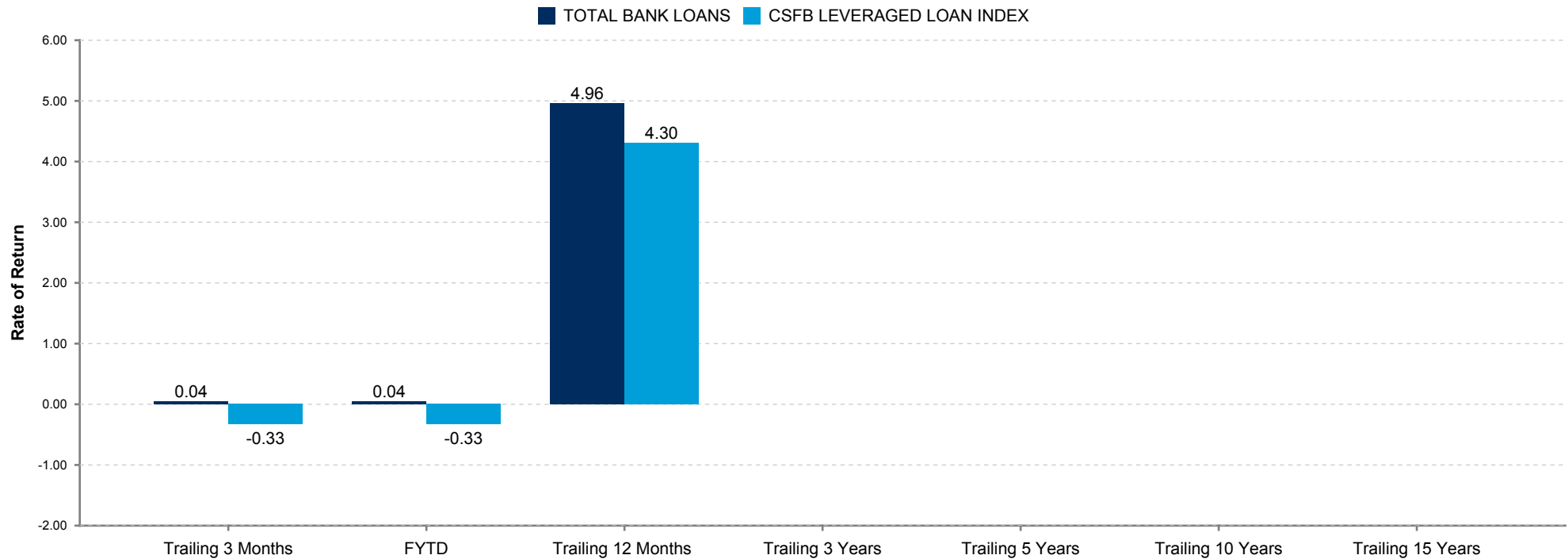
	Plan 3 Years	Benchmark 3 Years	Plan 5 Years	Benchmark 5 Years	Plan 10 Years	Benchmark 10 Years
Standard Deviation						
TOTAL ENHANCED YIELD	10.7	5.2	5.6	5.6	8.1	8.9

Bank Loan Returns vs CSFB Leveraged Loan Index: September 30, 2014



STATE STREET.

	Market Value (Millions)	% of plan
TOTAL BANK LOANS	\$547.7	1.6



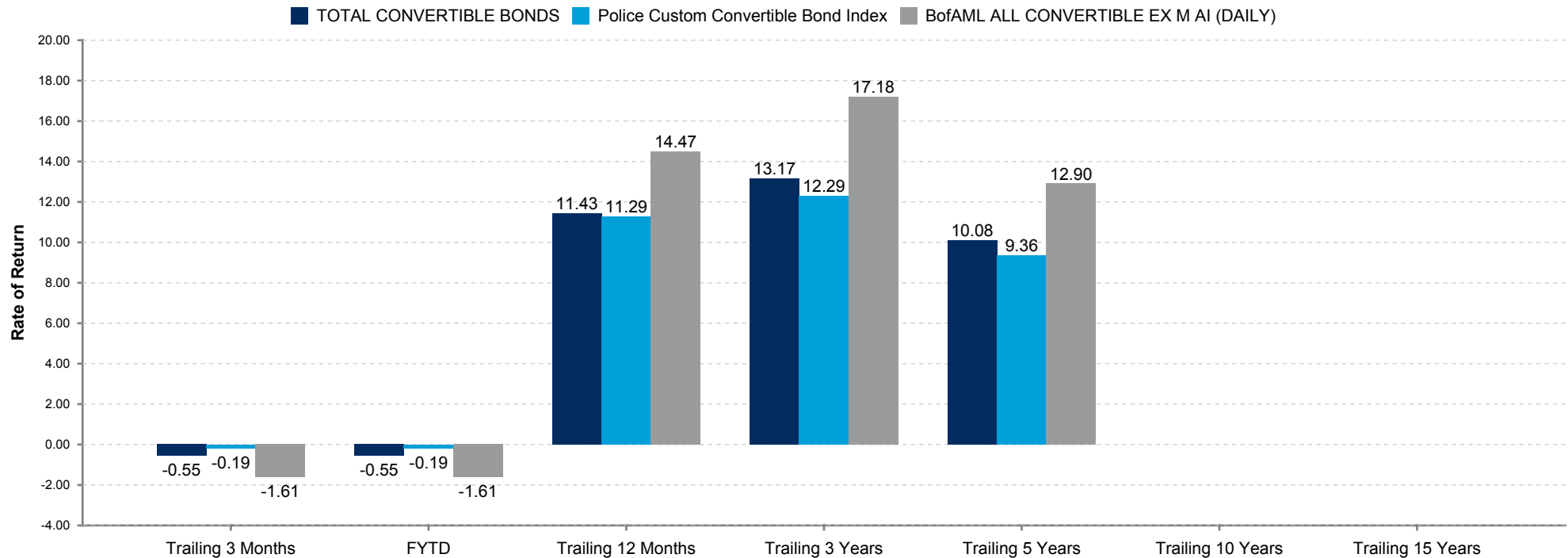
	Plan 3 Years	Benchmark 3 Years	Plan 5 Years	Benchmark 5 Years	Plan 10 Years	Benchmark 10 Years
Standard Deviation						
TOTAL BANK LOANS						

Convertible Bond Returns vs Benchmarks: September 30, 2014



STATE STREET

	Market Value (Millions)	% of plan
TOTAL CONVERTIBLE BONDS	\$212.2	0.6



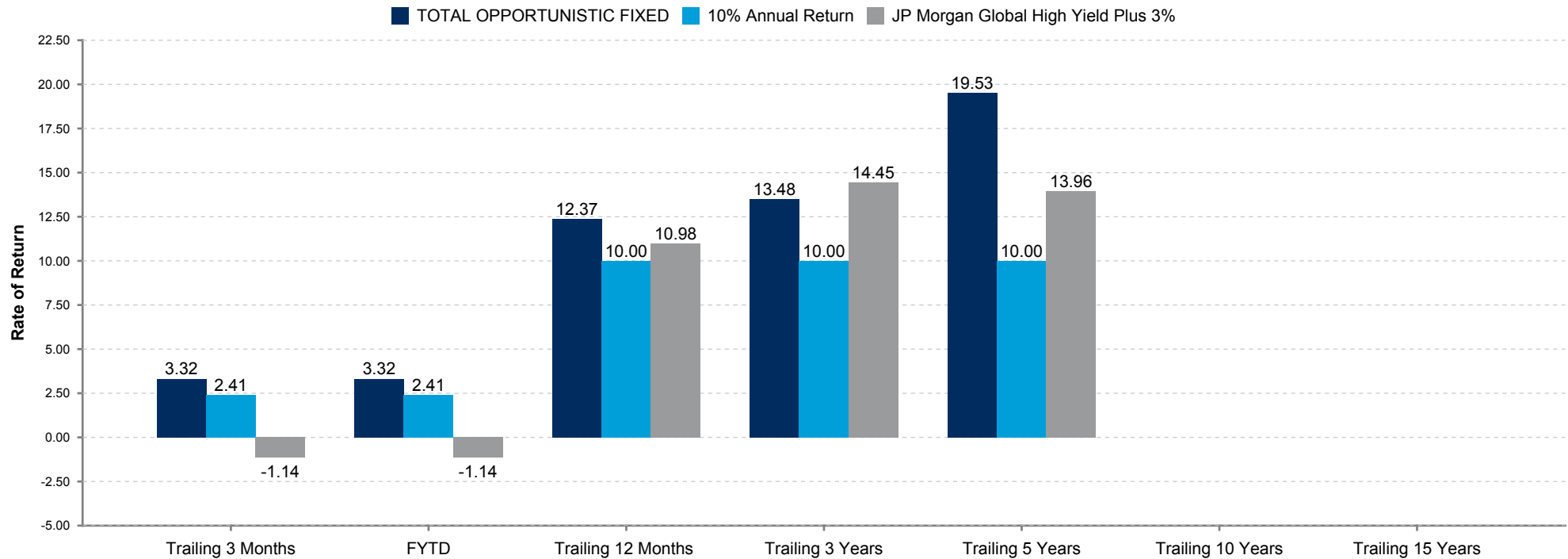
	Plan 3 Years	Benchmark 3 Years	Plan 5 Years	Benchmark 5 Years	Plan 10 Years	Benchmark 10 Years
Standard Deviation						
TOTAL CONVERTIBLE BONDS	6.6	5.9	7.9	6.4		

Opportunistic Fixed Income Returns vs Benchmarks: September 30, 2014



STATE STREET

	Market Value (Millions)	% of plan
TOTAL OPPORTUNISTIC FIXED	\$766.2	2.3



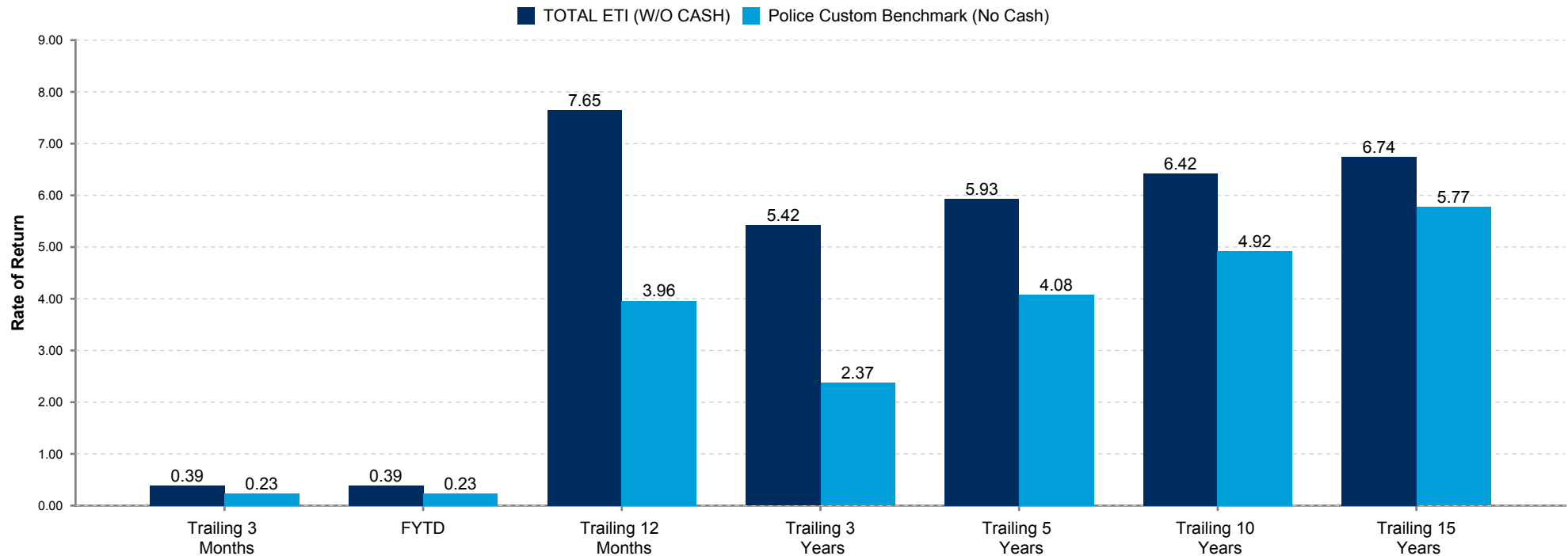
	Plan 3 Years	Benchmark 3 Years	Plan 5 Years	Benchmark 5 Years	Plan 10 Years	Benchmark 10 Years
Standard Deviation						
TOTAL OPPORTUNISTIC FIXED	5.4	0.0	11.0	0.0		

ETI Returns vs Custom Index: September 30, 2014



STATE STREET

	Market Value (Millions)	% of plan
TOTAL ETI (W/O CASH)	\$313.6	0.9



	Plan 3 Years	Benchmark 3 Years	Plan 5 Years	Benchmark 5 Years	Plan 10 Years	Benchmark 10 Years
Standard Deviation						
TOTAL ETI (W/O CASH)	2.2	2.4	2.0	2.6	2.1	2.8



New York City
Police Pension Fund, Subchapter Two

Appendix

Consolidated Performance Report

Through September 30, 2014



STATE STREET

	Assets (\$MM)	% of Total	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	15 Year
EQUITY MANAGEMENT									
SMALL CAP									
Brown AM - SCG	103.7	0.31	(3.65)	(4.61)	3.58	25.04	19.63		
TOTAL SMALL CAP GROWTH	103.7	0.31	(3.65)	(4.61)	3.49	24.07	16.20		
RUSSELL 2000 GROWTH			(6.13)	(4.05)	3.79	21.91	15.51	9.03	5.69
Ceredex SCV	97.0	0.29	(10.03)	(6.27)	2.63				
Dalton Greiner (Value) - Small Cap	109.5	0.33	(8.80)	(2.35)	6.41	22.03	16.37	9.71	
TOTAL SMALL CAP VALUE	206.5	0.61	(9.38)	(4.23)	4.60	20.86	15.35	9.23	
RUSSELL 2000 VALUE			(8.58)	(4.74)	4.13	20.61	13.02	7.25	9.68
Daruma Asset Mgmt (Core) - Small Cap	124.1	0.37	(8.23)	(7.51)	0.31	21.15	15.24	10.54	
DFA Small Cap	106.7	0.32	(6.86)	(3.67)	6.53				
TOTAL SMALL CAP CORE	230.8	0.69	(7.61)	(5.77)	3.09	21.89	15.66	10.75	
RUSSELL 2000			(7.36)	(4.41)	3.93	21.26	14.29	8.19	7.93
RAFI - SC Fundamental	104.9	0.31	(6.99)	(5.08)	5.33	23.42	16.07		
RUSSELL 2000			(7.36)	(4.41)	3.93	21.26	14.29	8.19	7.93
RUSSELL 2000 VALUE			(8.58)	(4.74)	4.13	20.61	13.02	7.25	9.68
TOTAL ACTIVE SMALL CAP	645.8	1.92	(7.47)	(4.99)	3.99	21.78	15.81	8.90	
RUSSELL 2000			(7.36)	(4.41)	3.93	21.26	14.29	8.19	7.93
Blackrock R2000 Growth	194.1	0.58	(6.12)	(4.03)	4.21				
TOTAL SMALL CAP GROWTH PASSIVE	194.1	0.58	(6.12)	(4.03)	3.55				
RUSSELL 2000 GROWTH			(6.13)	(4.05)	3.79	21.91	15.51	9.03	5.69

Consolidated Performance Report

Through September 30, 2014



STATE STREET.

	Assets (\$MM)	% of Total	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	15 Year
Blackrock R2000 Value	135.1	0.40	(8.56)	(4.70)	4.32				
TOTAL SMALL CAP VALUE PASSIVE	135.1	0.40	(8.56)	(4.96)	3.44				
RUSSELL 2000 VALUE			(8.58)	(4.74)	4.13	20.61	13.02	7.25	9.68
TOTAL SMALL CAP PASSIVE	329.2	0.98	(7.14)	(4.22)	4.41				
TOTAL SMALLCAP	975.0	2.90	(7.36)	(4.76)	3.82	21.56	15.67	8.83	
RUSSELL 2000			(7.36)	(4.41)	3.93	21.26	14.29	8.19	7.93
SMALL/MID CAP									
Time Square Capital SMIDG	132.7	0.39	(3.51)	(2.38)	7.66	25.56			
RUSSELL 2500 GROWTH			(4.21)	(0.41)	8.05	22.68	16.85	10.10	7.16
Security Global Investors SMIDV	110.7	0.33	(7.35)	(0.93)	6.07	20.10			
RUSSELL 2500 VALUE			(6.40)	0.96	9.88	22.82	15.16	8.65	10.42
TOTAL SMALL/MID CAP	243.4	0.72	(5.30)	(1.72)	6.93	22.96			
RUSSELL 2500			(5.35)	0.28	8.97	22.80	15.99	9.45	9.42
MID CAP									
Frontier Capital MCG	265.7	0.79	(3.67)	4.81	13.65	22.00			
Time Square Capital MCG	151.8	0.45	(1.83)	2.32	14.81	23.88			
TOTAL MID CAP GROWTH	417.5	1.24	(3.01)	3.89	14.07	22.67			
RUSSELL MIDCAP GROWTH			(0.73)	5.73	14.43	22.74	17.12	10.24	6.94
Iridian Asset Mgmt. MCV	271.4	0.81	(1.44)	9.70	23.93	31.85			
Systematic Financial Mgmt MCV	197.2	0.59	(4.18)	3.24	12.04	23.24			
TOTAL MID CAP VALUE	468.6	1.39	(2.61)	6.89	18.64	27.95	18.75	9.37	
RUSSELL MIDCAP VALUE			(2.65)	8.20	17.46	24.72	17.24	10.17	10.60

Consolidated Performance Report

Through September 30, 2014



STATE STREET.

	Assets (\$MM)	% of Total	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	15 Year
Wellington Mgmt. MCC	198.2	0.59	(4.38)	6.19	16.15	25.80			
TOTAL MID CAP CORE	198.2	0.59	(4.38)	6.19	16.15	25.80	17.99	9.24	
S&P 400 MIDCAP INDEX			(3.98)	3.22	11.82	22.43	16.37	10.29	10.36
TOTAL ACTIVE MID CAP	1,084.4	3.23	(3.09)	5.59	16.39	25.43	17.24	8.70	
RUSSELL MIDCAP			(1.66)	6.87	15.83	23.79	17.19	10.34	9.64
State St GA S&P 400	587.9	1.75	(3.51)	3.54	12.38	22.46			
TOTAL MID CAP PASSIVE	587.9	1.75	(3.51)	3.54	12.38	22.46			
S&P 400 MIDCAP INDEX			(3.98)	3.22	11.82	22.43	16.37	10.29	10.36
TOTAL MID CAP	1,672.3	4.98	(3.24)	4.73	14.63	23.99	16.84	8.44	
RUSSELL MIDCAP			(1.66)	6.87	15.83	23.79	17.19	10.34	9.64
RUSSELL 1000									
Castle Ark Mgmt - LCG	104.9	0.31	(0.48)	1.11	9.19	18.74	14.20		
Profit Inv Mgmt - LCG	57.5	0.17	3.38	10.65	21.36	25.50	16.16		
TOTAL RUSSELL 1000 GROWTH	162.4	0.48	0.85	4.76	11.96	23.66	15.94	8.43	4.23
RUSSELL 1000 GROWTH			1.49	7.89	19.15	22.45	16.50	8.94	3.42
RUSSELL 3000 GROWTH			0.88	6.91	17.87	22.41	16.43	8.95	3.59
Seizert Capital Ptnrs - LCC	87.7	0.26	2.20	10.83	22.18	23.95	16.84		
TOTAL RUSSELL 1000 CORE	87.7	0.26	2.20	10.83	22.18	23.78	15.97		
RUSSELL 1000			0.65	7.97	19.01	23.23	15.90	8.46	5.33
RAFI - LC Fundamental	252.3	0.75	(0.79)	7.35	18.70	24.56	16.85		
RUSSELL 1000			0.65	7.97	19.01	23.23	15.90	8.46	5.33
RUSSELL 1000 VALUE			(0.19)	8.07	18.89	23.93	15.26	7.84	6.65

Consolidated Performance Report

Through September 30, 2014



STATE STREET

	Assets (\$MM)	% of Total	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	15 Year
VTL S&P 500 Fundamental	123.0	0.37	0.79	7.16	20.14	25.43	17.09		
S&P 500 INDEX			1.13	8.34	19.73	22.99	15.70	8.11	4.87
TOTAL FUNDAMENTAL RUSSELL 1000	375.4	1.12	(0.28)	7.29	19.17	24.84	16.84		
RUSSELL 1000			0.65	7.97	19.01	23.23	15.90	8.46	5.33
TOTAL RUSSELL 1000 ACTIVE	625.5	1.86	0.35	6.23	15.70	24.63	16.35	8.85	
RUSSELL 1000			0.65	7.97	19.01	23.23	15.90	8.46	5.33
Blackrock R1000 Value	2,679.1	7.97	(0.20)	8.04	18.70				
RUSSELL 1000 VALUE			(0.19)	8.07	18.89	23.93	15.26	7.84	6.65
Blackrock R1000 Growth	2,685.7	7.99	1.49	7.83	19.08				
RUSSELL 1000 GROWTH			1.49	7.89	19.15	22.45	16.50	8.94	3.42
TOTAL RUSSELL 1000 PASSIVE	5,364.8	15.97	0.64	7.93	18.89				
TOTAL RUSSELL 1000	5,990.2	17.83	0.61	7.70	18.44	25.28	16.71	9.02	
RUSSELL 1000			0.65	7.97	19.01	23.23	15.90	8.46	5.33
RUSSELL 3000									
State Street Global Adv R3000	3,855.7	11.48	0.11	7.04	17.86	23.07			
TOTAL RUSSELL 3000 PASSIVE	3,855.7	11.48	0.11	7.04	17.85	23.12	15.86	8.50	5.61
RUSSELL 3000			0.01	6.95	17.76	23.08	15.78	8.44	5.51
ATTUCKS MANAGERS									
Apex Capital - SCG	8.6	0.03	(3.56)	0.43	10.88	25.32	21.34		
GW Capital - SCC	7.5	0.02	(10.58)	(5.70)	2.32	21.03			
Lombardia Capital - SCV	7.2	0.02	(8.60)	(5.12)	3.17	21.51	14.36		
Paradigm Asset Mgt - SCC	7.9	0.02	(7.57)	(6.30)	0.80	19.48	13.80		

Consolidated Performance Report

Through September 30, 2014



STATE STREET

	Assets (\$MM)	% of Total	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	15 Year
Phocas Financial - SCV	7.4	0.02	(6.41)	0.50	12.14	23.55	16.29		
TOTAL ATTUCKS MANAGERS	38.7	0.12	(7.29)	(3.26)	5.75	22.17	15.60		
RUSSELL 2000			(7.36)	(4.41)	3.93	21.26	14.29	8.19	7.93
CAPITAL PROSPECTS MANAGERS									
AH Lisanti Capital Growth - SCG	4.4	0.01	(4.40)	(6.77)	(0.08)				
Bernzott Capital Advisors - SCV	4.6	0.01	(2.90)	(0.59)	10.90				
Channing Cap Mgmt - SCV	4.8	0.01	(7.04)	(2.35)	6.18				
CWC Advisors - SCC	4.2	0.01	(3.45)	1.80	7.44				
High Pointe - R-2000	1.7	0.01	(8.82)	(6.06)	0.47				
Huber Cap Mgmt - SCV	4.6	0.01	(10.46)	(8.06)	1.26				
Lombardia - R-2000 Value	3.8	0.01	(8.62)	(5.13)	3.16				
Profit Inv Mgmt - SCC	4.3	0.01	(6.42)	(2.64)	7.70				
Quotient Investors - SCC	4.6	0.01	(6.69)	3.13	13.08				
Stephens Inv Mgmt - SCG	4.2	0.01	(4.54)	(6.81)	(1.30)				
Summit Creek Advisors - SCG	4.2	0.01	(4.81)	(5.44)	1.67				
TOTAL CAPITAL PROSPECTS MANAGERS	45.5	0.14	(6.10)	(3.47)	4.73				
RUSSELL 2000			(7.36)	(4.41)	3.93	21.26	14.29	8.19	7.93
PROGRESS MANAGERS									
Nichols Asset Mgmt - SCG	8.1	0.02	(5.60)	(7.28)	3.44	22.31			
Lombardia Cap Ptnrs LLC - Small Value	10.1	0.03	(6.85)	(0.50)	8.30	22.88	15.30		
GW Capital Inc - SMID Value	9.8	0.03	(10.52)	(5.63)	2.37	21.80	16.30		
OMT Cap Mgmt - SMDG	4.2	0.01	(3.17)	(6.08)	1.93				
Huber Cap Mgmt - SCV	8.9	0.03	(10.45)	(7.93)	1.44				
Cardinal Cap Mgmt - SCV	4.5	0.01	(8.21)	(0.42)	7.60				
Apex Cap Mgmt - SMDG	10.4	0.03	(0.38)	6.55	17.48				
TOTAL PROGRESS MANAGERS	55.9	0.17	(6.65)	(2.93)	6.34	21.74	14.92		
RUSSELL 2000			(7.36)	(4.41)	3.93	21.26	14.29	8.19	7.93

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F.I.S. MANAGERS									
Channing Cap Mgmt - SCV	11.8	0.04	(7.04)	(2.30)	6.23				
EAM Investors - MCG	1.9	0.01	(6.05)	(11.57)	(3.68)				
Huber Cap Mgmt - SCV	4.8	0.01	(10.48)	(8.05)	1.27				
Nicholas Investment Partners - SCG	8.0	0.02	(6.19)	(5.77)	1.29				
Piermont Capital	8.5	0.03	(6.07)						
Punch & Associates Inv Mgmt - SCC	5.1	0.02	(7.47)	(6.84)	2.65				
Rice Hall James	7.0	0.02	(1.60)						
TOTAL F.I.S. MANAGERS	47.2	0.14	(6.32)	(5.29)	2.30				
RUSSELL 2000			(7.36)	(4.41)	3.93	21.26	14.29	8.19	7.93
TOTAL EMERGING MANAGERS									
RUSSELL 2000	187.2	0.56	(6.57)	(3.73)	4.79				
RUSSELL 3000			(7.36)	(4.41)	3.93	21.26	14.29	8.19	7.93
RUSSELL 3000			0.01	6.95	17.76	23.08	15.78	8.44	5.51
TOTAL ACTIVE DOMESTIC EQUITY									
TOTAL ACTIVE DOMESTIC EQUITY	2,786.4	8.29	(3.84)	1.78	11.42	23.60	15.79	8.53	4.20
TOTAL PASSIVE DOMESTIC EQUITY	10,137.6	30.17	(0.12)	6.85	17.43	23.06	15.65	8.40	5.88
TOTAL DOMESTIC EQUITY	12,923.9	38.46	(0.91)	5.74	16.11	23.21	15.74	8.44	5.65
RUSSELL 3000			0.01	6.95	17.76	23.08	15.78	8.44	5.51
INTERNATIONAL EQUITY									
DEVELOPED MARKETS									
GROWTH									
Baillie Gifford	603.9	1.80	(6.20)	(5.59)	1.45	15.52	9.50		
Walter Scott	480.9	1.43	(3.91)	(1.17)	0.87				

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	Assets (\$MM)	% of Total	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	15 Year
TOTAL DEVELOPED GROWTH	1,084.9	3.23	(5.19)	(3.68)	1.65	14.89	7.76	8.57	
MSCI EAFE GROWTH			(5.55)	(2.19)	2.85	13.33	7.56	6.65	2.84
VALUE									
Causeway	430.0	1.28	(3.31)	(0.52)	6.25				
Sprucegrove	696.6	2.07	(5.71)	0.31	5.04				
TOTAL DEVELOPED VALUE	1,126.7	3.35	(4.81)	(0.01)	5.50	13.35	6.24	6.15	
MSCI EAFE VALUE NET			(6.20)	(0.57)	5.65	13.91	5.52	5.92	4.76
SMALLCAP									
Acadian	223.0	0.66	(8.35)	(0.16)	8.35				
Pyramis	219.4	0.65	(7.98)	(4.28)	1.92				
TOTAL DEVELOPED SMALL CAP ACTIVE	442.4	1.32	(8.16)	(2.25)	5.07				
S&P EPAC SMALL CAP INDEX			(7.20)	(1.23)	4.62	15.27	9.12	8.80	7.45
REBAL-Transition-Closed	161.1	0.48							
TOTAL ACTIVE DEVELOPED EQUITY	2,817.0	8.38	(5.43)	(2.07)	3.73	13.51	6.72	6.50	4.35
MSCI EAFE			(5.88)	(1.38)	4.25	13.65	6.56	6.32	3.87
SSGA MSCI EAFE SMALL CAP INDEX	82.8	0.25	(7.92)						
TOTAL DEVELOPED SMALL CAP PASSIVE	82.8	0.25	(7.92)						
MSCI EAFE SMALL CAP NET (DAILY)			(7.82)	(2.74)	3.00	14.49	8.91	8.02	7.36
SSGA	321.4	0.96	(5.84)	(1.06)	4.56	13.97			
TOTAL DEVELOPED LARGE CAP PASSIVE	321.4	0.96	(5.84)	(1.06)	4.56	13.97			
MSCI EAFE			(5.88)	(1.38)	4.25	13.65	6.56	6.32	3.87

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	Assets (\$MM)	% of Total	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	15 Year
TOTAL PASSIVE DEVELOPED EQUITY	404.2	1.20	(6.27)	(1.86)	3.71	13.66	6.61	6.57	4.13
MSCI EAFE			(5.88)	(1.38)	4.25	13.65	6.56	6.32	3.87
TOTAL DEVELOPED EQUITY	3,221.2	9.59	(5.54)	(2.05)	3.58	13.52	6.70	6.52	4.26
MSCI EAFE			(5.88)	(1.38)	4.25	13.65	6.56	6.32	3.87
NON-U.S. ENVIRONMENTAL									
Generation GE	104.4	0.31	(1.28)	5.17	11.78	19.92	12.64		
TOTAL NON-U.S. ENVIRONMENTAL	104.4	0.31	(1.28)	5.17	11.78	19.92	10.93		
MSCI WORLD INDEX			(2.16)	3.89	12.20	17.93	10.86	7.12	4.13
TOTAL DEVELOPED ENVIRONMENTAL ACTIVIST	3,325.8	9.90	(5.41)	(1.84)	3.85	13.80	6.93	6.61	
MSCI EAFE			(5.88)	(1.38)	4.25	13.65	6.56	6.32	3.87
EMERGING MARKETS									
Acadian	370.0	1.10	(1.62)	6.94	8.28	10.27	7.55		
Ballie Gifford	445.5	1.33	(3.00)	5.96	13.86	11.22	6.00		
DFA	348.5	1.04	(4.38)	2.74	3.68	6.65	4.40		
EATON VANCE EM	320.8	0.95	(2.46)	4.24	7.39				
TOTAL ACTIVE EMERGING MARKETS	1,484.8	4.42	(2.87)	5.05	8.55	8.87	5.04	11.26	
MSCI EMERGING MARKETS			(3.50)	2.43	4.30	7.19	4.42	10.68	
Blackrock EM	527.7	1.57	(3.60)	2.16	4.23	7.15			
TOTAL PASSIVE EMERGING MARKETS	527.7	1.57	(3.60)	2.16	4.23	7.15			
MSCI EMERGING MARKETS			(3.50)	2.43	4.30	7.19	4.42	10.68	
TOTAL EMERGING MARKETS	2,012.5	5.99	(3.07)	4.28	7.38	8.47	4.89	11.18	10.84
MSCI EMERGING MARKETS			(3.50)	2.43	4.30	7.19	4.42	10.68	

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TOTAL ACTIVE INTERNATIONAL EQUITY	4,406.5	13.11	(4.49)	0.39					
TOTAL PASSIVE INTERNATIONAL EQUITY	931.9	2.77	(4.78)	0.32					
TOTAL INTERNATIONAL EQUITY	5,338.3	15.89	(4.54)	0.38	5.14	11.60	5.81	6.99	4.74
MSCI AC WORLD ex US			(5.27)	0.00	4.77	11.79	6.03	7.06	
REITS									
CONY GT SSGA REIT	162.3	0.48	(4.31)	7.48	6.65				
TOTAL REAL ESTATE SECURITIES	162.3	0.48	(4.31)	7.48	6.65				
FTSE EPRA/NAREIT Devel. Liquid			(4.56)	6.77	5.75	14.32	10.17		
HEDGE FUNDS									
BLUE TREND FD	65.1	0.19	(0.13)	6.02	6.94				
BREXAN HOWARD LP	61.2	0.18	5.05	0.48	1.55				
BREXAN HOWARD OPP	64.5	0.19	5.40	1.60	3.40				
BRIGADE LEV CAP STR FD	76.7	0.23	(1.96)	3.19	5.59				
CARLSON DOUBLE BLK DIA FD	94.8	0.28	1.43	6.31	11.57				
CASPIAN SELECT CF	73.0	0.22	(0.51)	4.38	7.56				
CCP QUANT FD	50.7	0.15	6.16	4.07	(6.94)				
D.E. SHAW COMPOSITE FD	177.4	0.53	3.57	13.28	16.69				
FIR TREE VAL FD	91.4	0.27	(1.89)	(1.64)	3.20				
LUXOR CAPITAL	84.2	0.25	(1.54)						
PERRY CAPITAL LP	71.2	0.21	(4.48)	(1.76)	4.39				
PHARO MACRO FD	61.3	0.18	0.16	9.43	20.27				
STANDARD GENERAL	19.4	0.06	(0.44)						
TOTAL DIRECT HEDGE FUNDS	991.0	2.95	0.84	4.38	8.65				
HFRI FUND OF FUNDS COMP			0.56	3.19	7.25	6.24	4.44	4.46	5.61

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	Assets (\$MM)	% of Total	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	15 Year
PERMAL ASSET MANAGEMENT	170.2	0.51	0.59	2.41	4.68	4.40			
TOTAL PERMAL HEDGE FUNDS OF FUNDS	170.2	0.51	0.59	2.41	4.67	4.34			
HFRI FUND OF FUNDS COMP			0.56	3.19	7.25	6.24	4.44	4.46	5.61
TOTAL HEDGE FUNDS	1,161.1	3.46	0.80	4.08	8.09	4.79			
HFRI FUND OF FUNDS COMP			0.56	3.19	7.25	6.24	4.44	4.46	5.61
1 YEAR TREASURY BILL YIELD			1.07	3.20	4.26	4.28	4.46	6.03	6.71

PRIVATE EQUITY INVESTMENTS

ACON Equity Partners III LP	1.1	0.00							
Aisling Capital II, LP	1.7	0.01							
Aisling Capital III, L.P.	4.8	0.01							
Altaris Health Partners III, L.P.	0.3	0.00							
American Securities Partners VI, L.P.	37.9	0.11							
Ampersand 2011 L.P.	14.2	0.04							
Apollo Investment Fund V, L.P.	2.7	0.01							
Apollo Investment Fund VI, L.P.	28.9	0.09							
Apollo Investment Fund VII, L.P.	31.6	0.09							
Apollo Investment Fund VIII	7.5	0.02							
Ardian Secondary VI	13.9	0.04							
Ares Corp. Opportunities Fund I, L.P.	5.4	0.02							
Ares Corp. Opportunities Fund II, L.P.	4.3	0.01							
Ares Corp. Opportunities Fund III, L.P.	22.2	0.07							
Ares Corp. Opportunities Fund IV, L.P.	19.4	0.06							
Arlington Capital Partners II, L.P.	8.8	0.03							
Arsenal Capital Partners II	13.1	0.04							
Atlantic Equity Partners IV, L.P.	13.6	0.04							
Aurora Equity Partners III, L.P.	1.1	0.00							
Avista Capital Partners II, L.P.	44.3	0.13							

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Avista Capital Partners, L.P.	14.9	0.04							
AXA Secondary Fund V B L.P.	60.4	0.18							
BC European Capital IX	39.0	0.12							
BDCM Opportunity Fund III, L.P.	15.0	0.04							
Blackstone Capital Partners IV, L.P.	22.8	0.07							
Blackstone Capital Partners V, L.P.	36.0	0.11							
Blackstone Capital Partners VI, L.P.	21.7	0.06							
Blackstone Mezzanine Partners II L.P.	1.4	0.00							
Blue Wolf Capital Fund II, L.P.	12.7	0.04							
Bridgepoint Europe III	8.9	0.03							
Bridgepoint Europe IV	10.4	0.03							
Capital Partners PE Income Fund II, L.P.	0.5	0.00							
Capital Partners PE Income Fund, L.P.	9.2	0.03							
Carlyle Partners IV, L.P.	14.5	0.04							
Carlyle Partners V, L.P.	41.1	0.12							
Carlyle Partners VI, L.P.	17.6	0.05							
Carpenter Community BancFund-A, L.P.	19.3	0.06							
Catterton Partners VI, L.P.	15.4	0.05							
CCMP Capital Investors II, L.P.	15.0	0.04							
Celtic Pharmaceutical Holdings, L.P.	6.1	0.02							
Coller International Partners IV, L.P.	2.6	0.01							
Coller International Partners V, L.P.	4.8	0.01							
ComVest Investment Partners III, L.P.	6.5	0.02							
ComVest Investment Partners IV, L.P.	32.7	0.10							
Constellation Venture Capital III, L.P.	8.3	0.02							
Corals 2007 Intl Momentum Fund, L.P.	6.5	0.02							
Crestview Partners II, L.P.	21.7	0.06							
CS Emerging Manager Fund, L.P.	40.1	0.12							
CS Emerging Manager Co-Inv, L.P.	1.6	0.00							

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CVC Capital Partners VI	6.9	0.02							
CVC European Equity Partners III, L.P.	1.1	0.00							
CVC European Equity Partners V, L.P.	24.0	0.07							
Cypress Merchant Banking Ptnrs II, L.P.	6.1	0.02							
EQT VI, L.P.	32.9	0.10							
Erasmus New York City Growth Fund IA	1.5	0.00							
Euro Choice II (Delaware) L.P.	8.4	0.02							
Euro Choice III L.P.	17.6	0.05							
Euro Choice IV L.P.	13.9	0.04							
Falconhead Capital Partners II, L.P.	5.6	0.02							
FdG Capital Partners II LP	3.6	0.01							
FdG Capital Partners, L.P.	11.3	0.03							
Fenway Partners Capital Fund III, L.P.	8.1	0.02							
First Reserve Fund XI, L.P.	12.1	0.04							
First Reserve Fund XII, L.P.	16.4	0.05							
FirstMark IV, L.P.	31.0	0.09							
The Fourth Cinven Fund	10.7	0.03							
FS Equity Partners V, L.P.	5.0	0.01							
FS Equity Partners VI, L.P.	19.4	0.06							
FTV IV, LP	1.9	0.01							
FTVentures III, L.P.	8.8	0.03							
GF Capital Private Equity Fund, L.P.	9.1	0.03							
GI Partners Fund II	4.9	0.01							
GI Partners Fund III	10.7	0.03							
Gleacher Mezzanine Fund II, LP	3.0	0.01							
Green Equity Investors VI	25.6	0.08							
Grey Mountain Partners Fund III, LP	0.2	0.00							
GSC Recovery III, L.P.	0.9	0.00							
GSO Capital Opportunities Fund, L.P.	6.4	0.02							

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Highland Consumer Fund I	7.5	0.02							
ICV Partners III, L.P.	1.3	0.00							
Incline Equity Partners III, L.P.	0.5	0.00							
Intermedia Partners VII, L.P.	19.3	0.06							
JP Morgan Fleming (Tranche A), L.P.	27.4	0.08							
Landmark Equity Partners XI, L.P.	4.2	0.01							
Landmark Equity Partners XIII	4.4	0.01							
Landmark Equity Partners XIV, L.P.	18.7	0.06							
Landmark Equity Partners XV	18.5	0.06							
Lee Equity Partners, L.P.	15.0	0.04							
Levine Leichtman Capital Deep Value	3.9	0.01							
Levine Leichtman Capital Partners IV LP	7.8	0.02							
Lexington Capital Partners VII, L.P.	13.7	0.04							
LEXINGTON CAP VIII	1.2	0.00							
Lincolnshire Equity Fund II, L.P.	0.8	0.00							
Lincolnshire Equity Fund III, L.P.	9.0	0.03							
Lincolnshire Equity Fund IV, L.P.	5.0	0.01							
Markstone Capital Partners, L.P.	2.5	0.01							
Medica III Investments (Intl) L.P.	4.2	0.01							
MidOcean Partners III, L.P.	37.1	0.11							
Milestone Partners III, LP	11.9	0.04							
Montreux Equity Partners IV L.P.	9.8	0.03							
NB Co-Investment Partners LP	28.8	0.09							
NB Strategic Co - Invest II, LP	33.9	0.10							
New Mountain Partners I, L.P.	1.4	0.00							
New Mountain Partners II, L.P.	1.1	0.00							
New Mountain Partners III, L.P.	33.5	0.10							
NGN BioMed Opportunity II, L.P.	5.3	0.02							
NorthBound Emerging Manager Custom Fd LP	14.3	0.04							

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Olympus Capital Asia III	19.8	0.06							
Olympus Growth Fund VI, L.P.	3.6	0.01							
Onex Partners III LP	12.2	0.04							
Paladin Homeland Security Fund L.P.	10.8	0.03							
Paladin III, L.P.	25.6	0.08							
Palladium Equity Partners III, L.P.	17.2	0.05							
Palladium Equity Partners IV	5.9	0.02							
PCG Clean Energy Tech Fund East, L.P.	20.4	0.06							
Pegasus Partners IV, L.P.	11.3	0.03							
Pegasus Partners V, L.P.	11.8	0.04							
Permira IV	10.8	0.03							
Perseus Partners VII, L.P.	3.5	0.01							
Pine Brook Capital Partners	13.3	0.04							
Platinum Equity Capital Partners III, LP	12.5	0.04							
Prism Venture Partners V, L.P.	7.5	0.02							
Psilos Group Partners III, L.P.	9.8	0.03							
Quadrangle Capital Partners II, L.P.	12.5	0.04							
Quaker BioVentures II, L.P.	8.7	0.03							
Relativity Fund, L.P.	2.8	0.01							
RiverstoneCarlyle Gbl Engy-Pwr Fd IV LP	11.0	0.03							
RRE Ventures IV, L.P.	23.6	0.07							
Scale Venture Partners III, LP	15.4	0.05							
SCP Private Equity Partners II, L.P.	9.1	0.03							
SCP Vitalife Partners II, L.P.	12.4	0.04							
Snow Phipps Group, L.P.	6.6	0.02							
Snow Phipps II, L.P.	11.0	0.03							
Solera Partners, L.P.	6.1	0.02							
Summit Partners Growth Equity VIII-A	42.2	0.13							
Terra Firma Capital Partners III, L.P.	8.9	0.03							

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Thomas, McNerney & Partners II, L.P.	10.0	0.03							
Trident V, L.P.	38.5	0.11							
Trilantic Capital Partners III, L.P.	0.8	0.00							
Trilantic Capital Partners IV L.P.	37.6	0.11							
Trilantic Capital Partners V L.P.	13.5	0.04							
United States Power Fund III, L.P.	11.5	0.03							
US Power Fund II	17.1	0.05							
Vista Equity Partners Fund III, L.P.	11.9	0.04							
Vista Equity Partners Fund IV, L.P.	64.5	0.19							
VISTA EQUITY V	2.2	0.01							
Vista Foundation Fund II, L.P.	1.6	0.00							
VS&A Communications Partners III, L.P.	0.6	0.00							
VSS Communications Partners IV, L.P.	6.6	0.02							
Warburg Pincus Private Equity XI, LP	43.3	0.13							
Wellspring Capital Partners V, L.P.	7.1	0.02							
Welsh, Carson, Anderson & Stowe XI, L.P.	20.6	0.06							
Yucaipa American Alliance Fund I, L.P.	16.4	0.05							
Yucaipa American Alliance Fund II, LP	71.7	0.21							
Yucaipa Corporate Initiatives Fund II LP	8.8	0.03							
TOTAL PRIVATE EQUITY	2,183.7	6.50							
NYC R3000 +3% LAGGED									

REAL ASSETS

PRIVATE REAL ESTATE

AG Realty Fund VII (Global)	10.2	0.03
Almanac Realty Securities VI, L.P.	29.0	0.09
American Value Partners Fund I, L P.	6.8	0.02
Ares European Real Estate Fund III, LP	19.4	0.06

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	Assets (\$MM)	% of Total	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	15 Year
Ares Real Estate Fund V	2.1	0.01							
ARA Asia Dragon Fund	4.7	0.01							
Blackrock Carbon III	1.7	0.00							
Blackstone Europe IV	29.2	0.09							
Blackstone Real Estate Partners Europe III, L.P.	35.7	0.11							
Blackstone Real Estate Partners Europe IV, L.P.	8.6	0.03							
Blackstone Real Estate Partners Europe VI, L.P.	50.4	0.15							
Blackstone Real Estate Partners Europe VII, L.P.	93.7	0.28							
Brookfield Strategic Real Estate Partners L.P.	36.1	0.11							
Canyon-Johnson Urban Fund II, L.P.	6.2	0.02							
Canyon-Johnson Urban Fund III, L.P.	9.1	0.03							
Carlyle Realty Partners V, L.P.	6.9	0.02							
Carlyle Realty Partners VI, L.P.	27.3	0.08							
CARLYLE REALTY FUND VII	0.1	0.00							
City Investment Fund	28.9	0.09							
Colony Investors VIII, L.P.	6.9	0.02							
Colony Realty Partners II, L.P.	7.9	0.02							
DivcoWest Fund III REIT, LLC	70.4	0.21							
DivcoWest Fund IV	23.4	0.07							
Emmes Interborough Fund LLC	11.3	0.03							
Fidelity Real Estate Growth Fund III, L.P.	6.6	0.02							
H/2 Special Opportunities II Ltd.	26.0	0.08							
Heitman America Real Estate Trust LP	40.9	0.12							
Hudson Sandy Manager, LLC	5.8	0.02							
JPMC Special Situations Fund	15.2	0.05							
JPMC Strategic Property Fund	86.8	0.26							
KTR Industrial Fund III LP	11.8	0.04							
LaSalle US Property Fund	51.4	0.15							
Lone Star Real Estate Fund III, L.P.	18.2	0.05							

Consolidated Performance Report

Through September 30, 2014



STATE STREET.

	Assets (\$MM)	% of Total	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	15 Year
Metro Wkforce Housing FD	5.5	0.02							
METLIFE CORE PROPERTY	7.8	0.02							
OCM Realty Opportunity Fund, LP	1.7	0.00							
PRISA	23.2	0.07							
PRISA II	66.1	0.20							
PRISA III	49.0	0.15							
ProLogis, Inc.	9.5	0.03							
RREEF America REIT II Corp.	23.0	0.07							
RREEF America REIT III Corp.	2.9	0.01							
Related Sep Acct	26.7	0.08							
Silverpeak Legacy Partners III, L.P.	4.8	0.01							
Stockbridge Real Estate Fund III, LP	35.9	0.11							
Taconic New York City Investment Fund LP	17.8	0.05							
Thor Urban Property Fund II, Inc.	18.5	0.06							
UBS Trumbull Property Fund LP	81.4	0.24							
Walton Street Real Estate Fund VI	27.6	0.08							
Westbrook Real Estate Fund VII, L.P.	5.8	0.02							
Westbrook Real Estate Fund VIII, L.P.	24.6	0.07							
TOTAL PRIVATE REAL ESTATE	1,220.4	3.63							
NCREIF NFI-ODCE NET + 100 BP									
INFASTRUCTURE									
Brookfield Infrastructure Fund II	20.5	0.06							
TOTAL INFRASTRUCTURE	20.5	0.06							
CPI + 4%									
TOTAL REAL ASSETS	1,240.9	3.69							
TOTAL EQUITY (INCLUDES PRIVATE EQUITY & REAL ASSETS)	23,010.4	68.48	(1.19)	5.35	12.93	17.90	12.54	8.07	

Consolidated Performance Report

Through September 30, 2014



STATE STREET

	Assets (\$MM)	% of Total	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	15 Year
FIXED INCOME MANAGEMENT									
GOVERNMENT									
Blackrock - Gov't	158.5	0.47	0.90	7.57	5.40	1.78	5.44		
Fischer Francis - Gov't	156.7	0.47	0.76	7.06	5.01	1.44	5.20	5.87	6.96
PIMCO - Gov't	324.8	0.97	0.68	8.08	5.97	2.01	5.76	6.08	
State Street - Gov't	159.7	0.48	1.05	7.46	5.64	1.59	5.35		
TOTAL GOVERNMENT	799.7	2.38	0.81	7.65	5.60	1.77	5.50	5.95	6.99
NYC - TREASURY AGENCY			1.02	7.59	5.45	1.61	5.37	5.76	6.80
MORTGAGE									
Blackrock - Mortgage	734.7	2.19	0.38	4.65	4.43	3.51	5.04	5.29	
Goldman Sachs - Mortgage	163.1	0.49	0.29	4.60	4.43	2.55	3.87		
Neuberger Berman - Mortgage	395.8	1.18	0.22	4.70	4.04	2.26			
PIMCO - Mortgage	709.9	2.11	0.33	4.41	4.05	2.55	4.42	5.13	6.06
Wellington - Mortgage	177.8	0.53	0.30	4.75	3.78	2.25	3.80		
TOTAL MORTGAGE	2,181.3	6.49	0.32	4.58	4.18	2.80	4.50	4.97	5.79
CITIGROUP MORTGAGE INDEX			0.18	4.25	3.68	2.05	3.51	4.73	5.48
INVESTMENT GRADE CREDIT									
Blackrock - Credit	668.9	1.99	(0.11)	5.84	7.28	5.86	6.72	5.70	
Prudential - Credit	616.0	1.83	0.02	5.51	6.67	5.27	6.36		
Prudential-Privest - Credit	116.2	0.35	0.79	5.28	5.14				
Pyramis - Credit	184.9	0.55	0.11	5.55	6.61	5.68	6.62		
Taplin Canida Habacht Credit	190.3	0.57	(0.01)	7.07	8.81	6.05	7.16	5.33	
T. Rowe Price - Credit	843.5	2.51	0.01	6.53	7.91	6.47	7.37	6.27	6.74
TOTAL INVESTMENT GRADE CREDIT	2,619.8	7.80	0.02	6.03	7.27	5.90	6.86	5.88	6.40
NYC - INVESTMENT GRADE			(0.07)	5.32	6.29	4.82	5.93	5.25	6.26

Consolidated Performance Report

Through September 30, 2014



STATE STREET

	Assets (\$MM)	% of Total	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	15 Year
TOTAL STRUCTURED	5,600.8	16.67	0.25	5.67	5.74	3.83	5.58	5.57	6.37
NYC - CORE PLUS FIVE			0.22	5.32	5.12	3.02	4.82	5.25	6.13
LM Capital	33.0	0.10	(0.17)	3.95	4.13	3.61	5.12		
TOTAL CORE PLUS FIX INC	33.0	0.10	(0.17)	3.95	4.13	3.61	5.12		
BARCLAYS AGGREGATE			0.17	4.10	3.96	2.43	4.12	4.62	5.57
TOTAL STRUCTURED PLUS TOTAL CORE PLUS FIX INC	5,633.8	16.77	0.25	5.66	5.73	3.83	5.58	5.57	6.37
NYC - CORE PLUS FIVE			0.22	5.32	5.12	3.02	4.82	5.25	
PROGRESS FIXED									
GIA	14.9	0.04	(0.24)	4.77	5.95				
Hillswick	7.1	0.02	0.62	5.05	4.27				
NEW CENTURY	18.3	0.05	0.65	5.51	5.80				
PUGH CAP	14.4	0.04	0.01	4.46	4.69				
Ramirez Asset	17.8	0.05							
TOTAL PROGRESS FIXED	72.5	0.22	0.10	4.77	4.97				
BARCLAYS AGGREGATE			0.17	4.10	3.96	2.43	4.12	4.62	5.57
TIPS MANAGERS									
ACTIVE TIPS MANAGERS									
Blackrock TIPS	189.1	0.56	(1.86)	3.84	1.77	1.31	4.58		
PIMCO TIPS	475.1	1.41	(2.11)	3.60	1.38	1.67	4.64		
TOTAL ACTIVE TIPS MANAGERS	664.2	1.98	(2.04)	3.67	1.49	1.56	4.62		

Consolidated Performance Report

Through September 30, 2014



STATE STREET

	Assets (\$MM)	% of Total	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	15 Year
PASSIVE TIPS MANAGERS									
State Street TIPS Passive	285.6	0.85	(2.06)	3.70	1.66	1.30	4.52		
TOTAL PASSIVE TIPS MANAGERS	285.6	0.85	(2.06)	3.70	1.66	1.30	4.52		
TOTAL TIPS MANAGERS	949.8	2.83	(2.04)	3.68	1.54	1.49	4.60		
BARCLAYS GLOBAL INFLATION			(2.04)	3.67	1.59	1.34	4.48	4.64	6.49
ENHANCED YIELD									
Fort Washington - High Yield	124.9	0.37	(1.90)	3.65	7.30				
Loomis Sayles - High Yield	230.5	0.69	(1.43)	7.93	11.43	14.35	13.59	10.40	9.48
Neuberger Berman - High Yield	244.6	0.73	(2.14)	2.93	6.84				
Oaktree - High Yield	179.8	0.54	(2.15)	2.56	6.97				
Shenkman - High Yield	95.0	0.28	(1.78)	2.88	6.54	8.90	8.27	7.02	
Stone Harbor - High Yield	166.3	0.49	(2.68)	2.43	6.91				
T. Rowe Price - High Yield	272.0	0.81	(1.87)	3.39	6.99	10.22	9.68	7.90	
TOTAL ENHANCED YIELD	1,313.1	3.91	(1.98)	3.82	7.70	10.69	10.29	8.17	7.50
CITIGROUP BB & B			(1.60)	3.62	7.12	10.12	9.75	6.83	6.63
CITIGROUP BB & B CAPPED			(1.56)	3.64	7.14	10.01	9.62	7.05	
BANK LOANS									
Babson BL	218.6	0.65	(0.03)	2.49	4.88				
Credit Suisse BL	218.6	0.65	0.05	2.47	4.86				
Guggenheim BL	110.5	0.33	0.17	2.70	5.30				
TOTAL BANK LOANS	547.7	1.63	0.04	2.53	4.96				
CSFB LEVERAGED LOAN INDEX			(0.33)	2.43	4.30	6.92	6.67	4.90	
CONVERTIBLE BONDS									
Advent Convertible Bonds	107.2	0.32	(2.65)	3.48	6.84	11.01	9.06		
BofA ML U.S. Covertible - Yield Alternat			(1.52)	4.36	6.84	9.39	8.42	5.29	5.07

Consolidated Performance Report

Through September 30, 2014



STATE STREET.

	Assets (\$MM)	% of Total	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	15 Year
Victory Convertible Bonds	105.0	0.31	1.69	11.06	16.55	15.02	10.74		
BofA ML US Invst Grade Conv Bond Index			1.37	11.17	16.64	15.69	10.42	5.19	4.48
TOTAL CONVERTIBLE BONDS	212.2	0.63	(0.55)	7.09	11.43	13.17	10.08		
POLICE CUSTOM CONVERTIBLE			(0.19)	7.48	11.29	12.29	9.36		
BOFAML ALL CONVERTIBLE			(1.61)	7.94	14.47	17.18	12.90	7.86	7.16
OPPORTUNISTIC FIXED									
Avenue Europe Special Sit. Fund L.P.	0.5	0.00							
Avenue Special Situations Fund V L.P.	0.2	0.00							
Avenue Special Situations Fund VI L.P.	43.0	0.13							
Fortress Ctr St Ptnrs	53.3	0.16							
Lone Star Fd VIII	45.7	0.14							
Oaktree Opp Fd IX	56.1	0.17							
Torchlight Debt Oppy Fund III, LLC	6.4	0.02							
TOTAL FUND STRATEGIES	205.3	0.61							
10% ANNUAL RETURN									
JP MORGAN GLOBAL HIGH YIELD									
Angelo Gordon Ct St Ptnrs	84.4	0.25	1.59	9.52	7.55				
Apollo Centre Street Partnership LP	100.5	0.30	2.43	10.23	14.87				
Contrarian Partnership LP	29.5	0.09	0.14	7.05	10.24				
Golden Tree OD	100.7	0.30	0.47	6.49	9.05				
Marathon Centre Street Partnership LP	152.3	0.45	2.95	9.60	13.90				
Oak Hill Ctr St Ptnrs	93.5	0.28	2.43	7.47	6.23				
TOTAL STRATEGIC MANDATES	560.8	1.67	1.98	8.57	10.28				
10% ANNUAL RETURN			2.41	7.41	10.00	10.00	10.00	10.00	10.00
JP MORGAN GLOBAL HIGH YIELD			(1.14)	6.12	10.98	14.45	13.96		

Consolidated Performance Report

Through September 30, 2014



STATE STREET

	Assets (\$MM)	% of Total	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	15 Year
TOTAL OPPORTUNISTIC FIXED	766.2	2.28	3.32	10.51	12.37	13.48	19.53		
10% ANNUAL RETURN			2.41	7.41	10.00	10.00	10.00	10.00	10.00
JP MORGAN GLOBAL HIGH YIELD			(1.14)	6.12	10.98	14.45	13.96		
ETI									
BOA - PPAR (GNMA)	6.1	0.02	1.44	10.47	3.89	5.81			
BOA - PPAR ETI MTA (FNMA)	0.5	0.00	1.59	11.53					
CCD - PPAR (GNMA)	3.3	0.01	1.33	11.30	12.49	10.95	10.08		
CCD - PPAR ETI MTA (FNMA)	0.9	0.00	1.55	11.02					
CFSB - PPAR (GNMA)	1.3	0.00	1.43	11.11	11.71	8.24	8.34		
CPC - PPAR (FNMA)	19.8	0.06	(0.08)	11.04	19.23				
CPC - PPAR (GNMA)	91.4	0.27	0.82	9.23	12.04	9.35	8.81	8.43	7.97
JPMC - PPAR (FNMA)	1.6	0.00	1.58	10.83	13.94				
LIIF - PPAR (GNMA)	1.7	0.00	0.62	7.55	8.52	7.68	6.70		
LIIF - PPAR (FNMA)	1.2	0.00	8.05	36.38					
NCBCI - PPAR (GNMA)	0.9	0.00	1.58	11.72	15.69	12.01	9.47		
NCB - CI PPAR (FNMA)	0.1	0.02	1.28	10.83					
NHS - PPAR (GNMA)	0.6	0.00	0.96	10.24	11.49	10.08	9.46		
TOTAL POLICE PPAR	129.3	0.38	0.71	9.47	11.94	9.30	8.76	8.41	7.96
GNMA PLUS 65BPS			0.30	4.79	4.39	2.49	4.47	5.44	6.16
FNMA PLUS 85bps			0.37	4.86	4.42	2.97	4.33	5.61	6.38
Access RBC	63.2	0.19	0.39	4.84	3.96	2.77	3.90		
Access RBC Benchmark			0.13	3.46	2.89	1.69	3.22		
AFL-CIO Housing Investment Trust	118.4	0.35	0.11	4.31	4.41	2.53	4.00	4.62	
Barclays Aggregate			0.17	4.10	3.96	2.43	4.12	4.62	5.57

Consolidated Performance Report

Through September 30, 2014



STATE STREET.

	Assets (\$MM)	% of Total	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	15 Year
CPC CONST FACILITY	2.6	0.01							
CPC CONST BENCHMARK									
Targeted Investment	91.4	0.27	0.81	8.90	12.45	9.43	8.81	8.40	7.74
TOTAL ETI (W/O CASH)	313.6	0.93	0.39	6.44	7.65	5.42	5.93	6.42	6.74
POLICE CUSTOM BENCHMARK			0.23	4.25	3.96	2.37	4.08	4.92	5.77
Police Short Term	762.5	2.27	0.06	0.13	0.17	0.29	0.40	2.13	2.69
TOTAL FIXED INCOME (DOMESTIC & GLOBAL)	10,571.2	31.46	(0.08)	5.24	5.99	5.14	6.42	5.91	6.45
C/D - Fail Float Earnings	1.5	0.00							
Security Lendings	16.9	0.05							
TOTAL POLICE	33,599.9	100.00	(0.86)	5.31	10.86	13.53	10.62	7.58	6.00
POLICE POLICY BENCHMARK			(0.38)	6.04	11.42	14.44	11.04	7.69	5.92



NEW YORK CITY POLICE RETIREMENT SYSTEMS					
ACTUAL FEES FOR FISCAL YEAR ENDING JUNE 30, 2013 AND ESTIMATED FEES FOR FY 2014 UPDATED THROUGH SEPTEMBER 2013					
		Actual		Estimates	
		2013		2014	
INVESTMENT STYLE (EQUITIES)		MARKET VALUE 06-30-2013 (\$MM)	BASIS POINTS	MARKET VALUE 09-30-2013 (\$MM)	BASIS POINTS
US Equities		11,982	10.07	12,381	11.16
Small Cap Active		559	56.86	624	58.85
Small Cap Growth		160	73.54	101	99.54
Small Cap Value		241	55.51	198	59.35
Small Cap core		111	53.13	225	56.77
Small Cap Fundamental Index		48	16.41	100	21.16
Small/Mid Cap Active		210	66.47	229	73.20
Small/Mid Cap Growth		113	80.38	124	85.63
Small/Mid Cap Value		98	50.45	105	58.52
Mid Cap Active		860	44.58	936	50.32
Mid Cap Growth		339	44.51	368	49.30
Mid Cap Value		365	44.43	397	51.40
Mid Cap core		157	45.11	171	50.00
Large Cap Active		1,130	18.97	770	23.25
Large Cap Growth		326	25.66	383	28.51
Large Cap Value		382	14.61	-	-
Large Cap Core		122	32.19	72	35.69
Large Cap Fundamental Index		300	11.87	315	14.03
Active Emerging Managers (U.S. Equities)		162	68.56	179	81.12
Total US Active Equities		2,922	39.94	2,738	48.58
Total US Passive Equities		9,059	0.44	9,642	0.53
Opportunistic US Equity Strategies		-	-	-	-
International Equities		4,824	23.66	4,921	33.08
Active EAFE Equities		2,393	17.20	2,719	32.42
Growth		637	20.06	1,068	28.45
Value		1,122	8.54	1,068	26.98
Core		454	38.76	163	45.91
Small Cap		180	6.72	421	51.06
Opportunistic-Non US Equity Strategies		156	56.15	93	54.76
Active Emerging Markets		1,222	49.06	1,295	50.57
Total Int'l Active Equities		3,772	29.14	4,107	38.65
Total Int'l Passive Equities		1,052	4.00	813	4.98
REITS Passive Index		149	9.80	152	10.00

Actual and Estimated Fees



STATE STREET

NEW YORK CITY POLICE RETIREMENT SYSTEMS ACTUAL FEES FOR FISCAL YEAR ENDING JUNE 30, 2013 AND ESTIMATED FEES FOR FY 2014 UPDATED THROUGH SEPTEMBER 2013					
		Actual 2013		Estimates 2014	
INVESTMENT STYLE (FIXED INCOME)		MARKET VALUE 06-30-2013 (\$MM)	BASIS POINTS	MARKET VALUE 09-30-2013 (\$MM)	BASIS POINTS
Fixed Income		9,000	18.02	9,117	19.13
Structured Program		4,844	8.86	4,883	8.52
Government Sector		762	7.28	758	8.46
Mortgage Sector		2,072	9.26	2,095	7.20
Investment Grade Credit Sector		2,009	9.05	2,030	9.92
Global Fixed Income		31	22.64	32	16.15
Progress Fixed Emerging Managers		69	35.28	69	37.50
TIPS		854	7.32	861	6.48
Active TIPS		599	10.23	605	9.01
Passive TIPS		254	0.47	256	0.50
Opportunistic Fixed Income		523	61.96	543	89.64
Enhanced Yield		1,387	36.56	1,299	34.68
Bank Loans		496	25.65	523	31.61
Convertible Bonds		258	32.76	192	41.49
ETI - Access - RBC		26	27.49	33	26.79
ETI - AFL-CIO HIT		113.23	42.67	113	44.00
Other ETI Programs		119	-	217	-
In-House Short Term		280	0.00	352	0.00
Total Public Markets		25,955	15.35	26,571	17.95
INVESTMENT STYLE (PRIVATE)					
Hedge Funds		728	134.33 *	748	173.18
Private Equities **		1,741	168.36	1,870	187.80
Real Assets		950	118.46	1,019	125.91
Private Real Estate		950	118.46	1,015	119.31
Infrastructure***		-	-	4	92.37
Total Private Markets		3,419	147.24	3,637	167.45
Total Overall		29,374	30.70	30,207	35.94
* Included investment held for less than a full year					
* * Private Equity Investments exclude GP CARRY					
*** Included investment held for less than a full year; Basis Points shown represent average for the period.					



**NYC POLICE DEPARTMENT PENSION FUND
SECURITIES LENDING INCOME
September 30, 2014**

	<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 (9 Months)	2,615,000	4,925,000	3,953,000	
Since Inception	<u>\$71,067,000</u>	<u>\$107,375,000</u>	<u>\$41,244,000</u>	*Inception 4/89



Through September 30, 2014

- 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

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

Page Specific

Pages 9 & 10 - Portfolio Asset Allocation

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

Pages 11 - 13 - Performance Attribution: Total Plan

- Plan Return at Policy Weights: the return of the Total Plan assuming actual Asset Class results were maintained at target (Adjusted Policy) weights. *Figure = (Return of Asset Class 1 * Target Weight) plus (Return Of Asset Class 2 * Target Weight) plus (.....)*
- **Allocation Effect** = Total Plan Return minus Plan Return At Adjusted Policy Weights. 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.

The indexes and most recent policy weights are as follows:

*U.S. Equity: Russell 3000 * 36.15%*

*International Developed (EAFE) Markets: MSCI EAFE * 10.13%*



*Emerging Markets: MSCI Emerging Markets * 6.00%*

*REITs: Dow Jones Real Estate Securities * 0.51%*

*Private Equity: Russell 3000 + 300 b.p. per annum * 6.37%*

*Private Real Estate: NFI - ODCE Net+100BPS * 3.56%*

*Infrastructure: CPI + 4% * 0.05%*

*Hedge Funds: 1yr T- Bill yield + 4% * 3.40%*

*Domestic Fixed Income: NYC Core +5 * 20.02%*

*TIPS: Lehman U.S. TIPS * 5.20%*

*Enhanced Yield: Citigroup BB&B * 3.77%*

*Bank Loans: Credit Suisse Leveraged Loan * 1.61%*

*Convertible Bonds: BofAML All Convertibles Ex Mandatory * 1.00%*

*Opportunistic Fixed: 10% Annualized Return * 2.25%*

Page 14 – 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.

Page 51 – ETI Returns vs Custom Index and Barclays Capital U.S. Aggregate

- Targeted has implemented a Custom Benchmark to better track the performance of the individual Targeted programs relative to their respective benchmarks. The Custom Benchmark represents the weighted average return of the individual benchmark indexes for each program, updated monthly. The indexes are as follows:
- AFL-CIO Housing Inv Trust: Barclays Capital U.S. Aggregate Bond Index
- CPC Term Loan: 30 Day Libor + 200 bps per annum (with a floor of 250 bps)
- GNMA: Citigroup 15 yr. GNMA

Glossary of Terms

Through September 30, 2014



STATE STREET.

- PPAR: Citigroup GNMA + 65 bps per annum
- Access/RBC: 60% Merrill Lynch 30 yr Mortgage Index and 40% Merrill Lynch US Treasury 1-10 yr Index