



NEPC, LLC

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City of San Jose Police and Fire Department Retirement Fund

**Investment Performance Analysis
For the period ending September 30, 2011**

December 1, 2011

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25
Years
1986-2011

Market Environment Overview

Global Equity Benchmarks		Qtr.	YTD	1 Yr.	3 Yr.	5 Yr.	10 Yr.
MSCI World (Net)	World	-16.6%	-12.2%	-4.4%	-0.1%	-2.2%	3.7%

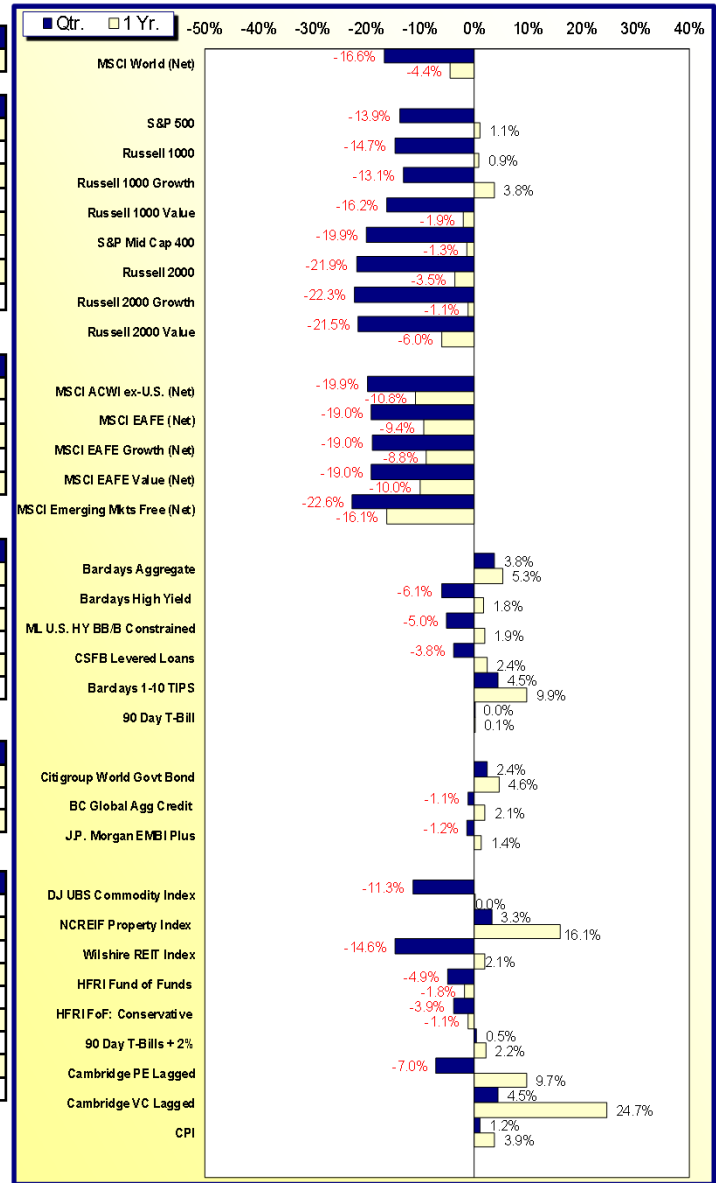
Domestic Equity Benchmarks		Qtr.	YTD	1 Yr.	3 Yr.	5 Yr.	10 Yr.
S&P 500	Large Core	-13.9%	-8.7%	1.1%	1.2%	-1.2%	2.8%
Russell 1000	Large Core	-14.7%	-9.2%	0.9%	1.6%	-0.9%	3.3%
Russell 1000 Growth	Large Growth	-13.1%	-7.2%	3.8%	4.7%	1.6%	3.0%
Russell 1000 Value	Large Value	-16.2%	-11.2%	-1.9%	-1.5%	-3.5%	3.4%
S&P Mid Cap 400	Mid Core	-19.9%	-13.0%	-1.3%	4.1%	2.2%	7.5%
Russell 2000	Small Core	-21.9%	-17.0%	-3.5%	-0.4%	-1.0%	6.1%
Russell 2000 Growth	Small Growth	-22.3%	-15.6%	-1.1%	2.1%	1.0%	5.5%
Russell 2000 Value	Small Value	-21.5%	-18.5%	-6.0%	-2.8%	-3.1%	6.5%

International Equity Benchmarks		Qtr.	YTD	1 Yr.	3 Yr.	5 Yr.	10 Yr.
MSCI ACWI ex-U.S. (Net)	International	-19.9%	-16.8%	-10.8%	0.5%	-1.6%	6.8%
MSCI EAFE (Net)	Int'l Developed	-19.0%	-15.0%	-9.4%	-1.1%	-3.5%	5.0%
MSCI EAFE Growth (Net)	Int'l Developed	-19.0%	-15.4%	-8.8%	-0.6%	-2.2%	4.9%
MSCI EAFE Value (Net)	Int'l Developed	-19.0%	-14.5%	-10.0%	-1.7%	-4.8%	5.1%
MSCI Emerging Mkts Free (Net)	Int'l Emerging	-22.6%	-21.9%	-16.1%	6.3%	4.9%	16.1%

Domestic Fixed Income Benchmarks		Qtr.	YTD	1 Yr.	3 Yr.	5 Yr.	10 Yr.
Barclays Aggregate	Core Bonds	3.8%	6.6%	5.3%	8.0%	6.5%	5.7%
Barclays High Yield	High Yield	-6.1%	-1.4%	1.8%	13.8%	7.1%	8.8%
ML U.S. HY BB/B Constrained	High Yield	-5.0%	-0.5%	1.9%	11.8%	6.4%	7.9%
CSFB Levered Loans	Bank Loans	-3.8%	-0.9%	2.4%	6.8%	3.2%	4.5%
Barclays 1-10 TIPS	Inflation-Linked	4.5%	10.6%	9.9%	8.1%	7.1%	7.2%
90 Day T-Bill	Cash	0.0%	0.1%	0.1%	0.2%	1.7%	2.0%

Global Fixed Income Benchmarks		Qtr.	YTD	1 Yr.	3 Yr.	5 Yr.	10 Yr.
Citigroup World Govt Bond	Global Bonds	2.4%	6.5%	4.6%	7.7%	7.5%	7.4%
BC Global Agg Credit	Global Bonds	-1.1%	0.0%	2.1%	8.6%	5.6%	6.8%
J.P. Morgan EMBI Plus	Em. Mkt. Bonds	-1.2%	3.8%	1.4%	11.6%	7.9%	11.0%

Alternative Benchmarks		Qtr.	YTD	1 Yr.	3 Yr.	5 Yr.	10 Yr.
DJ UBS Commodity Index	Commodities	-11.3%	-13.6%	0.0%	-5.7%	-1.1%	6.0%
NCREIF Property Index	Real Estate	3.3%	11.0%	16.1%	-1.5%	3.4%	7.6%
Wilshire REIT Index	REIT	-14.6%	-5.4%	2.1%	-2.0%	-3.1%	9.1%
HFRI Fund of Funds	Hedge Funds	-4.9%	-5.2%	-1.8%	0.2%	0.4%	3.6%
HFRI FoF: Conservative	Hedge Funds	-3.9%	-3.6%	-1.1%	-0.6%	-0.1%	2.9%
90 Day T-Bills + 2%	Hedge Funds	0.5%	1.6%	2.2%	2.2%	3.8%	4.1%
Cambridge PE Lagged	Private Equity	-7.0%	5.8%	9.7%	-1.2%	4.3%	-2.3%
Cambridge VC Lagged	Venture Capital	4.5%	18.5%	24.7%	5.4%	10.5%	11.5%
CPI	Inflation	1.2%	3.1%	3.9%	1.2%	2.3%	2.4%



Note: Cambridge Private Equity and Cambridge Venture Capital Indexes are lagged by one quarter. Performance shown as of June 30, 2011.



Third Quarter 2011 NEPC Observations and Opportunities

- **Key risks remain:**
 - Slowing growth in the U.S. amidst political uncertainty;
 - The evolving Euro-zone crisis;
 - Threats to growth in the developing world.
- **Global challenges will likely lead to continued short-term market volatility.**
- **Equity market declines and low bond yields are putting investors in a difficult position.**
 - Nevertheless, the expected return premium for risky assets appears to be improving.
- **In this highly uncertain environment, we recommend maintaining a disciplined approach to investing.**
 - Review the risks in your portfolio.
 - Re-balance toward targets, essentially buying on the dip.
- **Pursue opportunities in the current environment:**
 - By increasing exposure to emerging markets debt and equity.
 - By seeking active returns from strategies that can take advantage of macro-driven events.
 - By considering less directional approaches to portfolio structuring, i.e. equity long/short as equity substitute.
 - By considering distressed and event-driven strategies to take advantage of restructurings, particularly in Europe.

Evolving Crises: 2008 vs. Current Landscape

2008

- **Securitized/sub-prime credit crisis**
- **Major bank failure (Lehman) served as catalyst**
- **Major liquidity squeeze**
 - Over-leveraged financials/hedge funds
 - Short-term lending frozen (TED spread peaked at 467 bps)
 - Flight to quality = Treasuries
- **S&P 500 P/E (Trailing) = 17.2%**
 - VIX peaked at 80
- **Optimism priced in across markets leading into crisis**
- **Response to crisis – QE1 followed by QE2**

2011

- **Developed sovereign credit crisis**
- **Sovereign debt concerns and declining economic growth serve as catalysts**
- **Less leverage across system today**
 - Flight to quality = Treasuries and gold (?)
 - Reasonable liquidity and tighter money market standards
 - TED spread still low at 36 bps
- **S&P 500 P/E (Trailing) = 12.4%**
 - VIX at 40
- **Optimism priced into corporate earnings**
 - But growth and inflation expectations are tepid
- **Response to crisis – fewer fiscal and monetary tools available**

Summary of Investment Results

- Over the last 12 months, the Fund experienced a net investment gain of \$23.5 M, which includes a net investment loss of \$221.3 M during the third calendar quarter. Total assets increased from \$2.53 B one year ago to \$2.56 B on September 30, 2011, with \$3.1 M in net contributions during the period.
- Over the past five years, the Fund returned 2.2% per annum, outperforming the policy benchmark by 0.2% and ranking in the 47th percentile of the Independent Consultant Cooperative's Public Funds > \$1 B Universe.
 - For the five-year period, active management detracted 40 basis points of value while increasing volatility for the period by 10 basis points.
 - The Fund's five-year risk-adjusted performance, as measured by the Sharpe Ratio, ranks in the 47th percentile of its peers.
- For the two-year period ending September 30, 2011, the Fund returned 5.6% per annum, trailing the policy benchmark by 1.4% and ranking in the 75th percentile of its peers.
 - For the two-year period, active management detracted 40 basis points of value while lowering volatility for the period by 20 basis points.
 - Over the past two years, in what has been a highly volatile market environment, the Fund has reduced its volatility, producing a Sharpe Ratio of 0.6 for the period, which ranks in the 43rd percentile of its peers.
- For the one-year period ending September 30, 2011, the Fund returned 1.1%, trailing the policy benchmark by 2.7% and ranking in the 74th percentile of its peers.
 - For the one-year period, active management detracted 80 basis points of value while lowering volatility for the period by 20 basis points.
 - The Fund's volatility ranks in the 30th percentile of its peers for the period.
- For the quarter, the Fund posted a -7.8% return, trailing the policy benchmark by 1.2% and ranking in the 22nd percentile of its peers.
 - For the quarter, active management detracted 10 basis points of value.
- All asset classes were within policy ranges as of September 30, 2011.

Note: All performance, ranks, asset allocation and asset growth detailed above and throughout this report are as of September 30, 2011, unless otherwise noted, and take into account an unrealized loss of \$3,345,404 in the Fund's securities lending cash collateral reinvestment pool. The unrealized loss was accounted for in June 2009 performance calculations, which negatively impacted performance by 51 basis points at the Total Fund level for the month. This impact will be negated over time as market conditions improve and pricing of fixed income assets becomes more normalized, assuming there are no impairments or defaults in the pool. To date, State Street (who manages the Fund's securities lending program), has not experienced any impairments or defaults in the Fund's securities lending cash collateral reinvestment pool. Performance results are reported gross of fees.

Fund Update

- In aggregate, Seix and Mackay Shields have distributed \$69.5 M of the \$100 M invested in April 2009 - \$50 M was allocated to each strategy.
 - Seix has distributed \$34.5 M as of September 30, 2011.
 - Mackay Shields has distributed \$35.0 M as of September 30, 2011.
- The Board approved a \$100 M investment in the PIMCO DiSCO II Fund in August 2011.
- On September 30, 2011, the Fund transferred three properties to the American Core Realty Fund in exchange for units in the Fund.
 - The transfer amount was ~\$59.9 M for the three properties.
 - SJ Deerwood, SJ Crescent Parkway and SJ 1900 Spring Road
- Global Equity Re-Structure started in late October and continued into November.
 - Five active equity managers have been terminated - Robeco/Boston Partners, Brandes, William Blair, AllianceBernstein and The Boston Company.
 - Passive mandates overseen by Rhumblin (R1000, R1000 Growth and R2000) were terminated and a new passive R3000 portfolio was added to the Fund.
 - Passive exposure to non-U.S. equity markets currently achieved through overlays that are being overseen by Russell Implementation Services.

Fund Allocation

	Market Value	Percent of Total Assets	Policy Benchmark ¹	Difference	Range
TOTAL FUND	\$2,559,848,675	100.0%			
TOTAL EQUITY	\$1,116,889,055	43.6%	40.0%	3.6%	30-50%
TOTAL U.S. EQUITY	\$624,907,525	24.4%	23.0%	1.4%	
<i>U.S. Large Cap Equity</i>	<i>\$475,445,086</i>	<i>18.6%</i>	<i>18.0%</i>	<i>0.6%</i>	
<i>U.S. Small Cap Equity</i>	<i>\$149,462,439</i>	<i>5.8%</i>	<i>5.0%</i>	<i>0.8%</i>	
TOTAL NON-U.S. EQUITY	\$412,390,157	16.1%	17.0%	(0.9%)	
<i>Non-U.S. Developed Markets</i>	<i>\$294,191,923</i>	<i>11.5%</i>	<i>12.0%</i>	<i>(0.5%)</i>	
<i>Non-U.S. Emerging Markets</i>	<i>\$118,198,234</i>	<i>4.6%</i>	<i>5.0%</i>	<i>(0.4%)</i>	
CONVERTIBLE BONDS²	\$79,591,373	3.1%	0.0%	3.1%	
TOTAL FIXED INCOME	\$829,566,541	32.4%	25.0%	7.4%	15-35%
<i>Core Bonds</i>	<i>\$229,742,394</i>	<i>9.0%</i>	<i>5.0%</i>	<i>4.0%</i>	
<i>TIPS</i>	<i>\$314,811,626</i>	<i>12.3%</i>	<i>10.0%</i>	<i>2.3%</i>	
<i>Long Bonds</i>	<i>\$143,078,289</i>	<i>5.6%</i>	<i>5.0%</i>	<i>0.6%</i>	
<i>Opportunistic Credit</i>	<i>\$141,934,233</i>	<i>5.5%</i>	<i>5.0%</i>	<i>0.5%</i>	
PRIVATE EQUITY	\$124,139,265	4.8%	5.0%	(0.2%)	0-10%
REAL ESTATE	\$129,283,378	5.1%	10.0%	(4.9%)	5-15%
INFLATION-LINKED ASSETS³	\$306,694,832	12.0%	10.0%	2.0%	5-15%
OPPORTUNISTIC INVESTMENTS	\$42,231,956	1.6%	5.0%	(3.4%)	0-10%
CASH	\$4,592,821	0.2%	0.0%	0.2%	
SECURITIES LENDING⁴	(\$3,345,404)	-0.1%	--	--	
OVERLAY⁵	\$9,796,231	0.4%	--	--	

¹New asset allocation targets adopted by the Board of Administration at the October 1, 2009 meeting.

²The Fund's allocation to convertible bonds is a global mandate and included within the Fund's equity allocation for asset allocation purposes. However, the performance of the convertible bonds mandate is not reflected in any of the asset class composites reported herein, with the exception of the Total Fund.

³Inflation-Linked Assets Composite currently consists of two risk balanced commodities portfolios managed by First Quadrant and Credit Suisse.

⁴Unrealized losses in the Fund's securities lending cash collateral reinvestment pool.

⁵Overlay funded on 9/30/2011.

Note: Market values shown above include cash held in separately managed portfolios.

Totals may not add to 100% due to rounding.

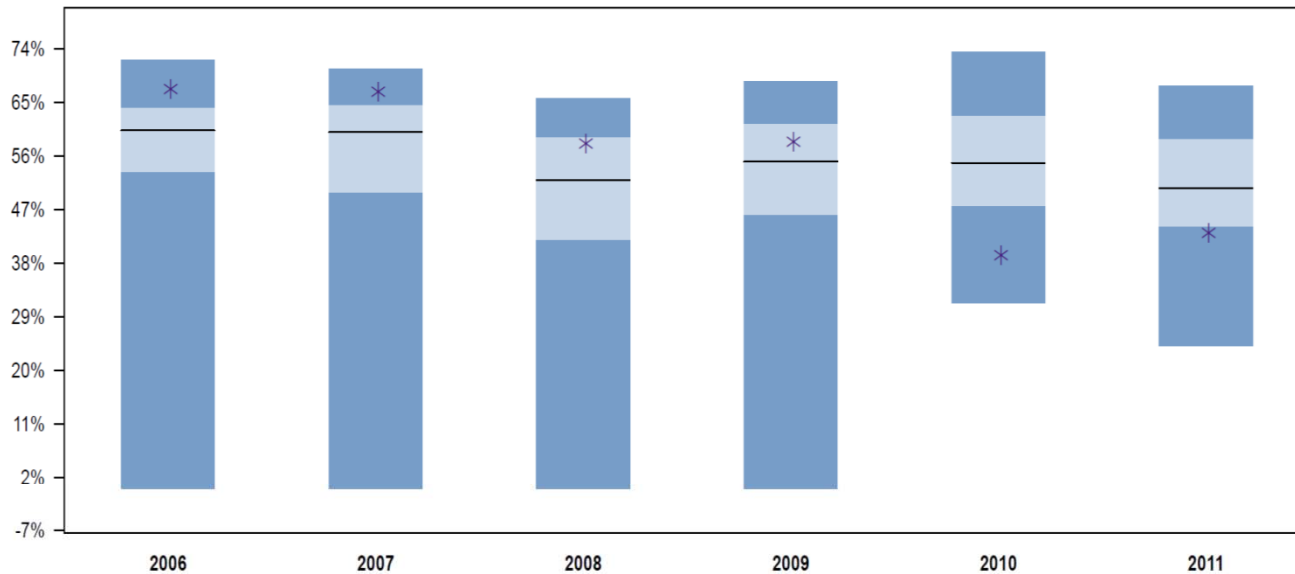
Public Funds > \$1 Billion – Public Equity Commitment

San Jose Police & Fire

Total Fund Allocation - Universe: Public Funds (DB) > \$1 Billion

Period Ending September 30, 2011

Commitment to Equity (%)



	2006	14	2007	17	2008	29	2009	34	2010	90	2011	79
* TOTAL FUND	67.6		67.2		58.5		58.8		39.8		43.5	
5th Percentile	72.2		70.7		65.7		68.5		73.5		67.8	
25th Percentile	64.2		64.6		59.2		61.5		62.8		58.9	
50th Percentile	60.3		60.0		52.0		55.1		54.9		50.6	
75th Percentile	53.2		49.8		41.8		46.1		47.6		44.1	
95th Percentile	0.0		0.0		0.0		0.0		31.4		24.1	

Note: Includes allocation to convertible bonds.

Excludes cash held in separately managed portfolios.



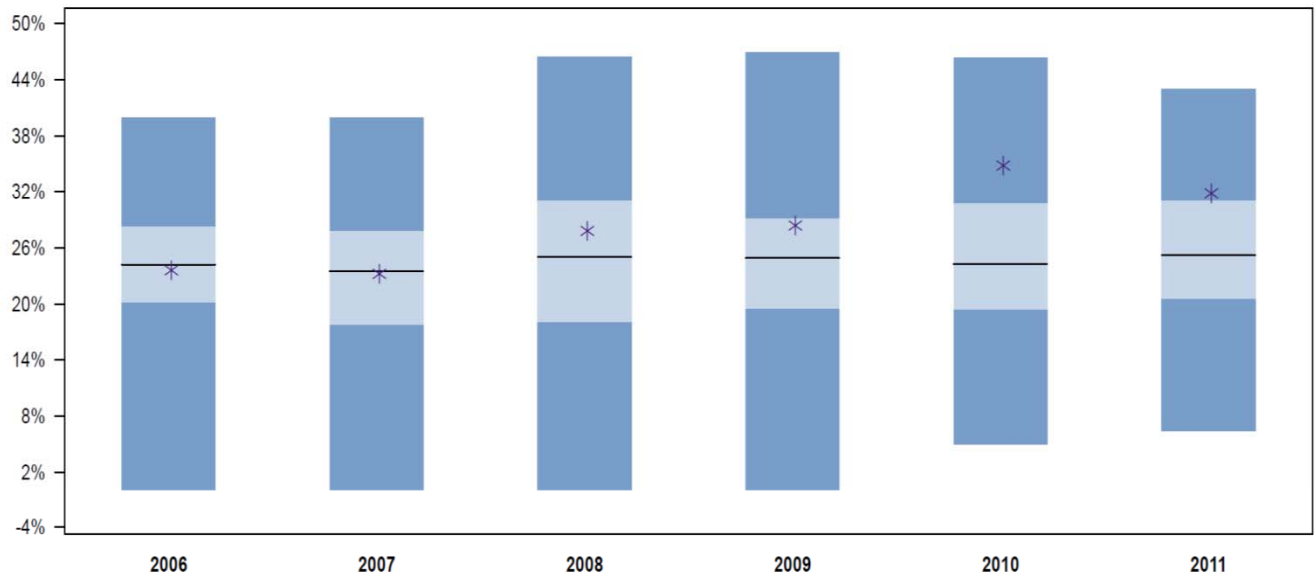
Public Funds > \$1 Billion – Public Fixed Income Commitment

San Jose Police & Fire

Total Fund Allocation - Universe: Public Funds (DB) > \$1 Billion

Period Ending September 30, 2011

Commitment to Fixed Income (%)



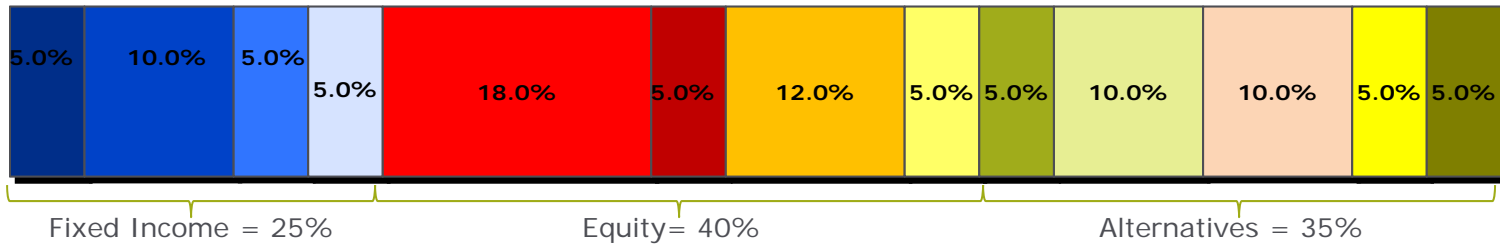
	2006	2007	2008	2009	2010	2011
* TOTAL FUND	23.8 60	23.5 50	28.0 38	28.6 28	35.0 15	32.1 24
5th Percentile	39.9	39.9	46.4	46.9	46.3	43.0
25th Percentile	28.3	27.8	31.1	29.2	30.8	31.1
50th Percentile	24.2	23.5	25.0	24.9	24.3	25.2
75th Percentile	20.1	17.7	18.0	19.4	19.3	20.5
95th Percentile	0.0	0.0	0.0	0.0	5.0	6.4

Note: Excludes cash held in separately managed portfolios.

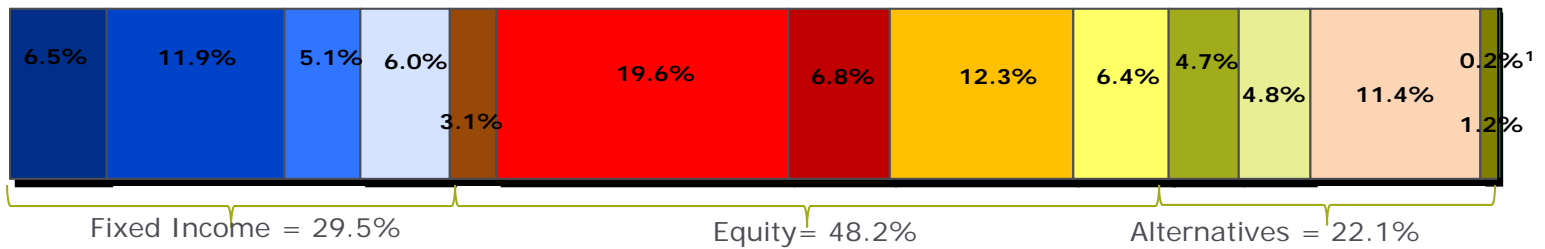


Asset Allocation – Beginning of the Quarter

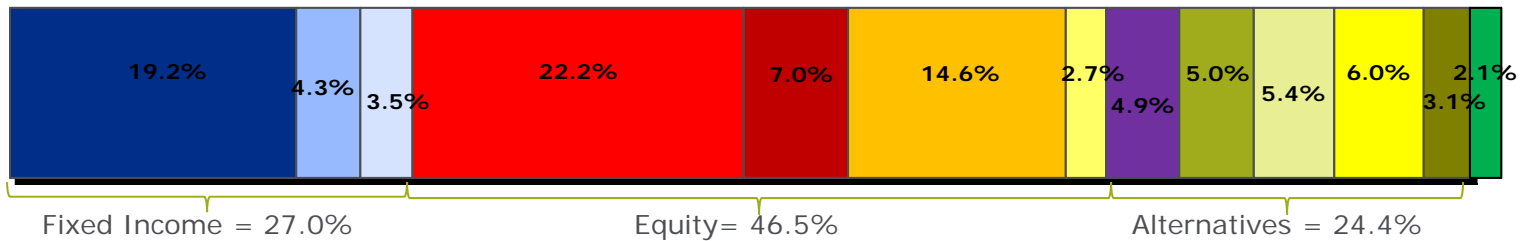
Policy Benchmark



Actual Asset Allocation



Average Asset Allocation of Public Funds > \$1 Billion



- | | | | | |
|----------------|-------------|--------------|--------------------|------------------------|
| ■ Core | ■ TIPS | ■ Long Bonds | ■ Global Fixed/EMD | ■ Opportunistic Credit |
| ■ Convertibles | ■ Large Cap | ■ Small Cap | ■ Non-U.S. Dev | ■ Non-U.S. Emg |
| ■ GAA | ■ Priv Eq. | ■ Real Est. | ■ Inflation-Linked | ■ Abs. Return |
| ■ Misc. | ■ Cash | | | |

¹Unrealized loss in the Fund's securities lending cash collateral reinvestment pool is netted with cash allocation to reach 100% allocation

Note: Market values shown above include cash held in separately managed portfolios.

Totals may not add to 100% due to rounding.

Total Fund Performance

	Ending Market Value	Last 3 Months Rank	Calendar YTD Rank	Last Year Rank	Annualized Returns													
					Two Years Rank	Three Years Rank	Five Years Rank	Seven Years Rank	Ten Years Rank	Since Inception (Feb-1971) Rank								
San Jose Police & Fire	\$2,559,848,675	-7.8%	22	-4.4%	72	1.1%	74	5.6%	75	4.2%	44	2.2%	47	5.1%	35	6.2%	17	8.8%
San Jose Police & Fire (Net) ¹		-7.9%		-4.6%		0.8%		5.2%		3.8%		1.9%		4.8%		5.9%		8.5%
Allocation Index		-7.7%	22	-3.7%	50	1.9%	58	6.0%	54	4.2%	42	2.6%	21	5.6%	15	6.3%	17	--
Policy Benchmark ²		-6.6%	11	-2.2%	19	3.8%	21	7.0%	30	3.8%	53	2.0%	54	5.1%	35	5.9%	37	--
60% S&P 500 / 40% BC Aggregate		-7.0%		-2.7%		3.0%		6.4%		4.4%		2.3%		3.9%		4.3%		
CPI		1.2%		3.1%		3.9%		2.5%		1.2%		2.3%		2.6%		2.4%		
ICC Public Funds > \$ 1 Billion Median		-8.6%		-3.8%		2.1%		6.3%		4.0%		2.1%		4.9%		5.7%		
	<u>Estimated PBO³</u>																	
	\$3,559,094,964	19.6%		20.5%		14.3%		13.9%		22.9%		10.4%		8.8%		10.5%		
	(\$999,246,289)																	
	71.9%																	

¹Net of fee returns longer than three years are estimates based on an estimated annual investment management expense ratio of 30 basis points.

²Policy Benchmark history can be found in the appendix.

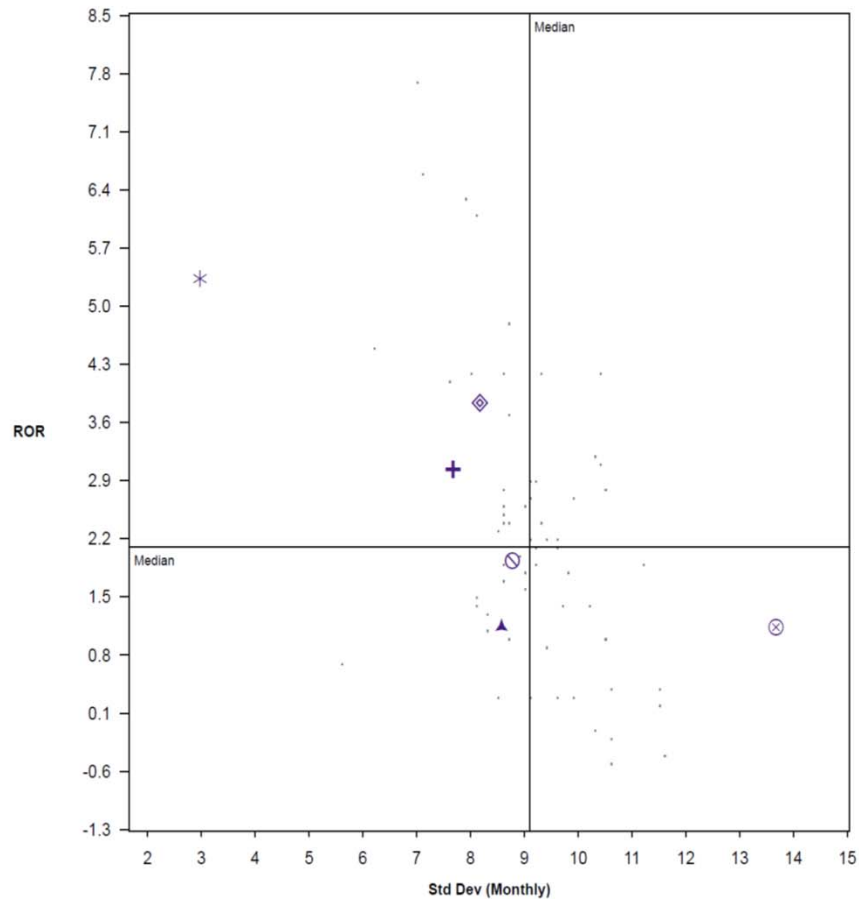
³Estimated Pension Benefit Obligation (PBO) calculated assuming a duration of liabilities of 13 years.

Public Funds > \$1 Billion – 1 Year Return/Volatility

San Jose Police & Fire

Total Fund - Universe: Public Funds (DB) > \$1 Billion
 Period Ending September 30, 2011

Risk vs. Return - 1 Year



NAME	Return	Standard Deviation	Sharpe Ratio
▲ TOTAL FUND	1.1 74	8.6 30	0.1 73
○ Allocation Index	1.9 58	8.8 40	0.2 50
◇ Policy Benchmark	3.8 21	8.2 17	0.4 16
⊗ S&P 500	1.1 74	13.7 99	0.1 80
* BC AGGREGATE	5.3 8	3.0 1	1.7 2
+ 60% S&P 500/40% BARCLAYS AGG	3.0 25	7.7 8	0.4 19
Median	2.1	9.1	0.2

Note: Returns are gross of fees.

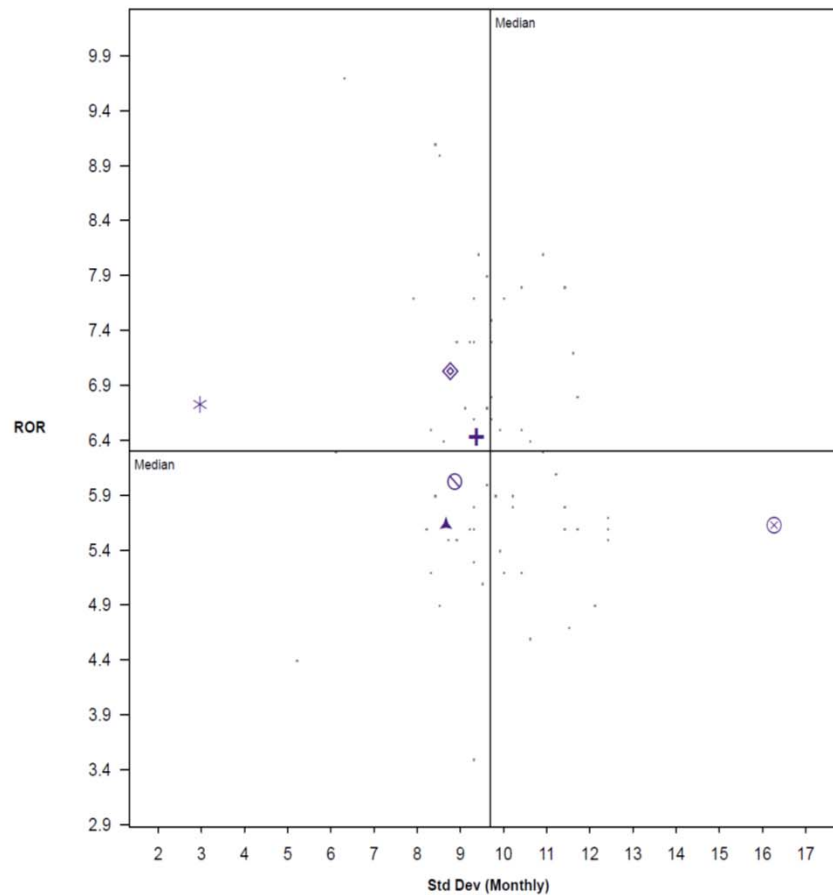


Public Funds > \$1 Billion – 2 Year Return/Volatility

San Jose Police & Fire

Total Fund - Universe: Public Funds (DB) > \$1 Billion
 Period Ending September 30, 2011

Risk vs. Return - 2 Year



NAME	Return	Standard Deviation	Sharpe Ratio
▲ TOTAL FUND	5.6 75	8.7 20	0.6 43
○ Allocation Index	6.0 54	8.9 24	0.7 42
◇ Policy Benchmark	7.0 30	8.8 22	0.8 18
⊗ S&P 500	5.6 75	16.3 99	0.3 96
* BC AGGREGATE	6.7 35	3.0 1	2.2 3
+ 60% S&P 500/40% BARCLAYS AGG	6.4 47	9.4 42	0.7 42
Median	6.3	9.7	0.6

Note: Returns are gross of fees.



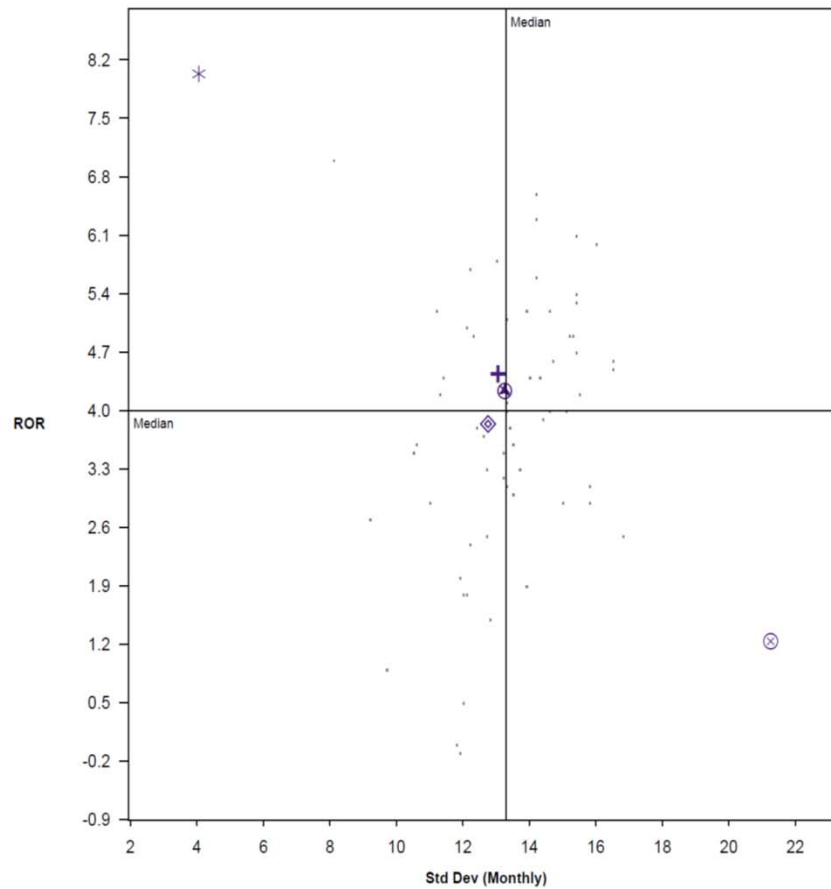
Public Funds > \$1 Billion – 3 Year Return/Volatility

San Jose Police & Fire

Total Fund - Universe: Public Funds (DB) > \$1 Billion

Period Ending September 30, 2011

Risk vs. Return - 3 Year



NAME	Return	Standard Deviation	Sharpe Ratio
▲ TOTAL FUND	4.2 44	13.3 47	0.3 48
○ Allocation Index	4.2 42	13.3 52	0.3 47
◇ Policy Benchmark	3.8 53	12.8 40	0.3 58
⊗ S&P 500	1.2 94	21.3 99	0.0 97
* BC AGGREGATE	8.0 2	4.1 1	1.9 3
+ 60% S&P 500/40% BARCLAYS AGG	4.4 37	13.1 43	0.3 40
Median	4.0	13.3	0.3

Note: Returns are gross of fees.



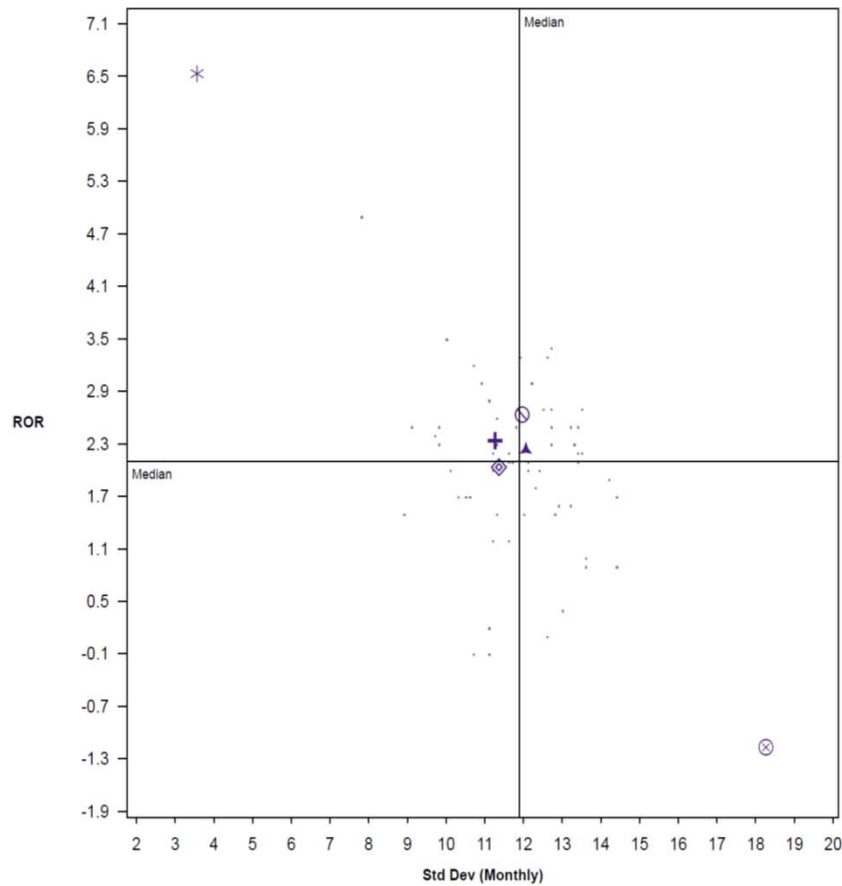
Public Funds > \$1 Billion – 5 Year Return/Volatility

San Jose Police & Fire

Total Fund - Universe: Public Funds (DB) > \$1 Billion

Period Ending September 30, 2011

Risk vs. Return - 5 Year

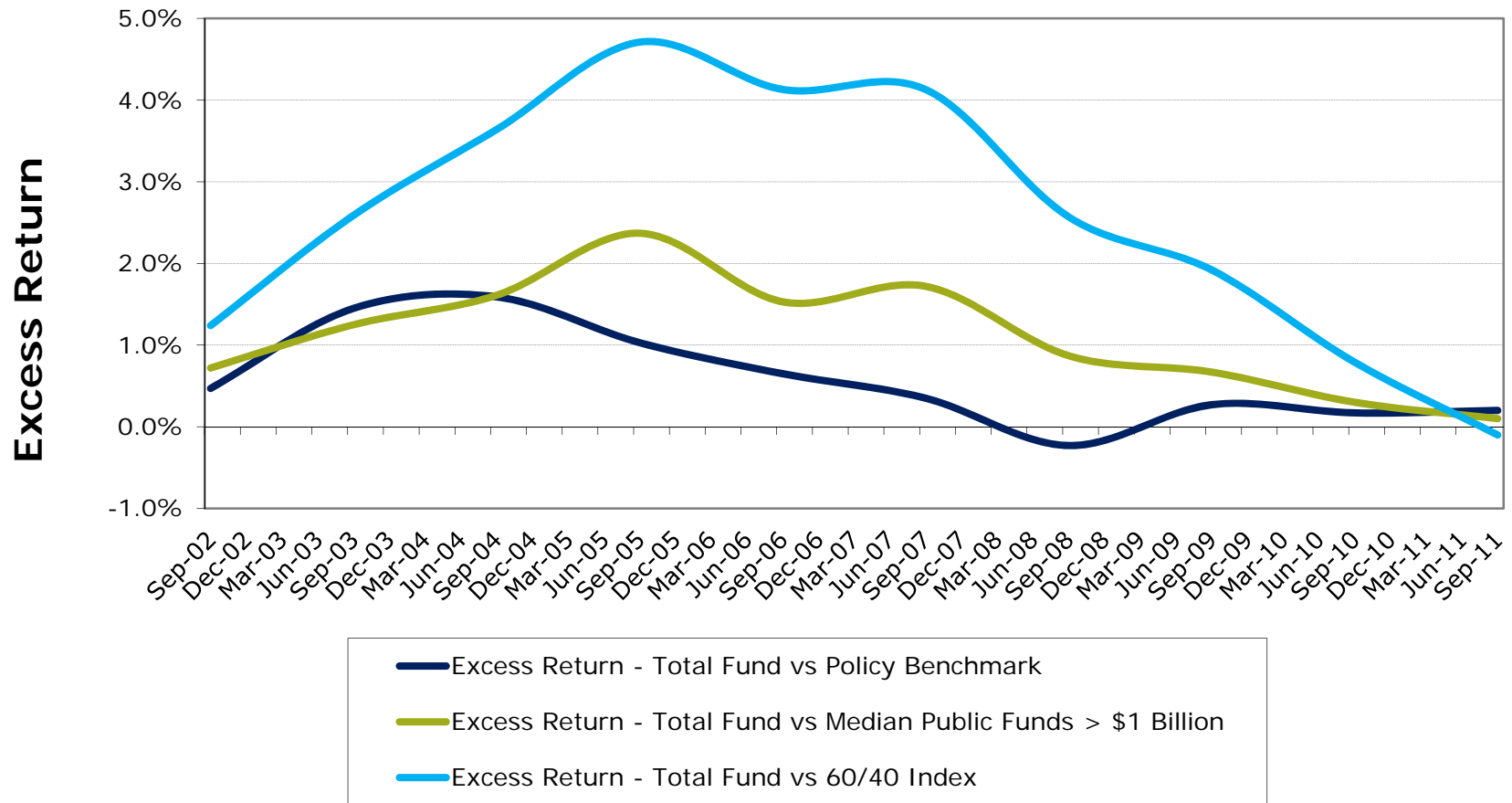


NAME	Return	Standard Deviation	Sharpe Ratio
▲ TOTAL FUND	2.2 47	12.1 54	0.0 47
⊙ Allocation Index	2.6 21	12.0 52	0.1 30
◆ Policy Benchmark	2.0 54	11.4 41	0.0 55
⊗ S&P 500	-1.2 100	18.3 99	-0.2 99
* BC AGGREGATE	6.5 2	3.6 1	1.3 3
+ 60% S&P 500/40% BARCLAYS AGG	2.3 41	11.3 35	0.0 42
Median	2.1	11.9	0.0

Note: Returns are gross of fees.



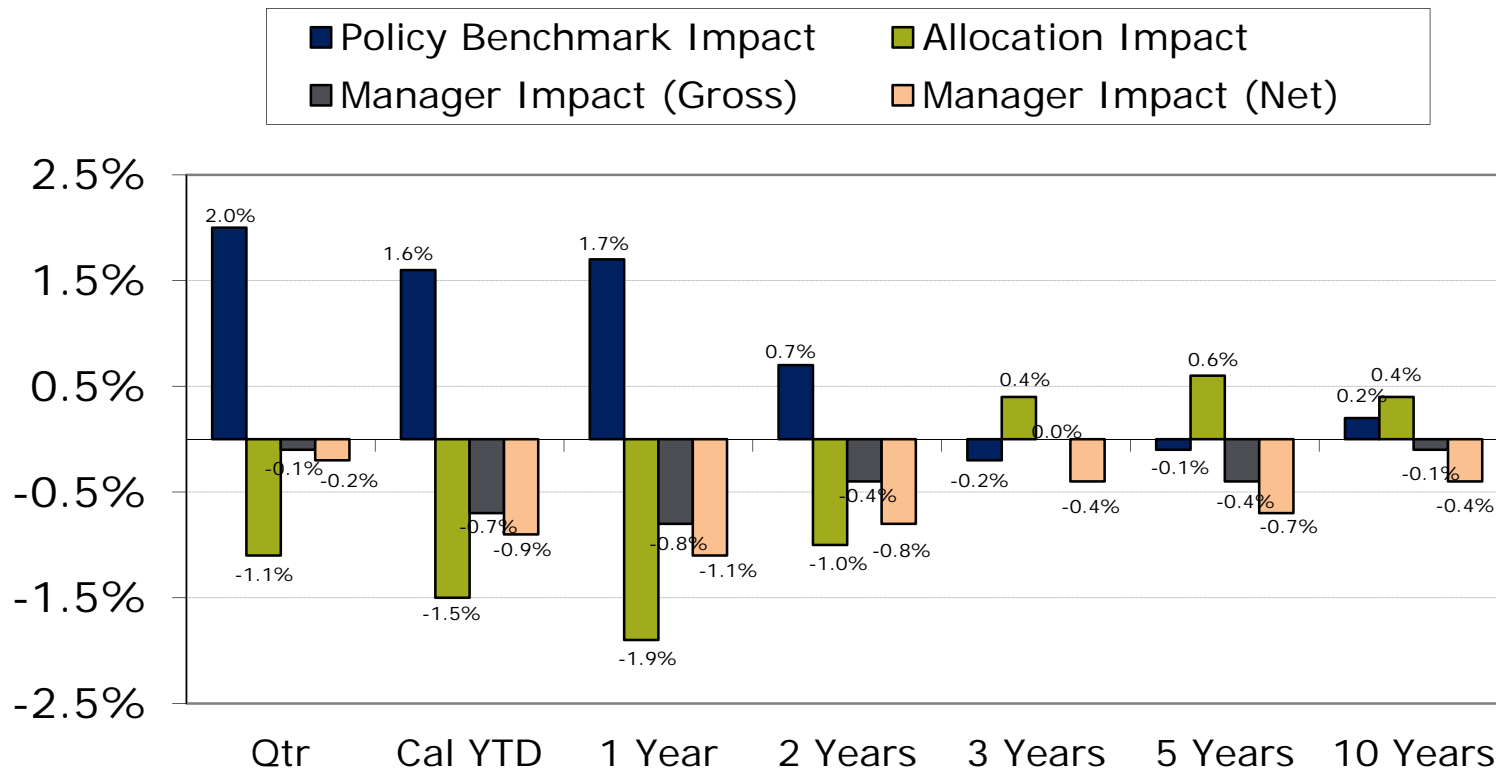
Rolling 5-Year Excess Returns



Note: Returns are gross of fees.



Performance Attribution



Policy Benchmark Impact: The policy index is calculated by multiplying the target asset class weights times the return of the respective passive benchmark (re-balanced monthly). The policy impact, which is the difference between the policy index and the median fund's performance, measures the effectiveness of Fund Structure.

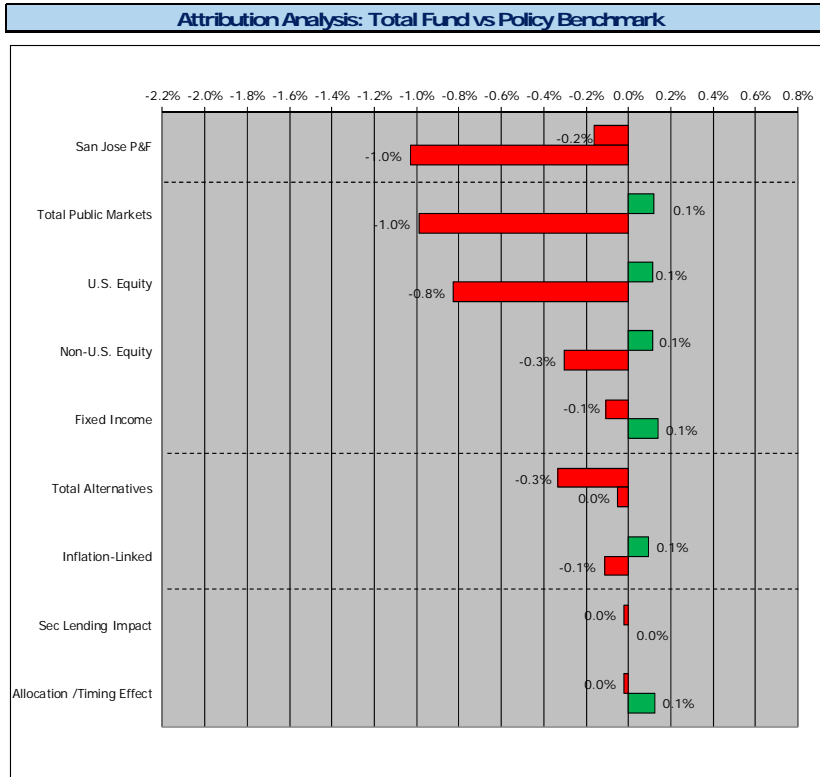
Allocation Impact: The allocation index is calculated by multiplying the actual asset class weights times the return of the respective passive benchmark. When the policy index is subtracted from the allocation index, the result measures the impact of deviating from the target weights.

Manager Impact: The Total Fund Composite is calculated by multiplying the actual asset class weights times the actual manager return. The allocation index is then subtracted from the Total Fund Composite. The result, manager impact, measures the contribution of active management.

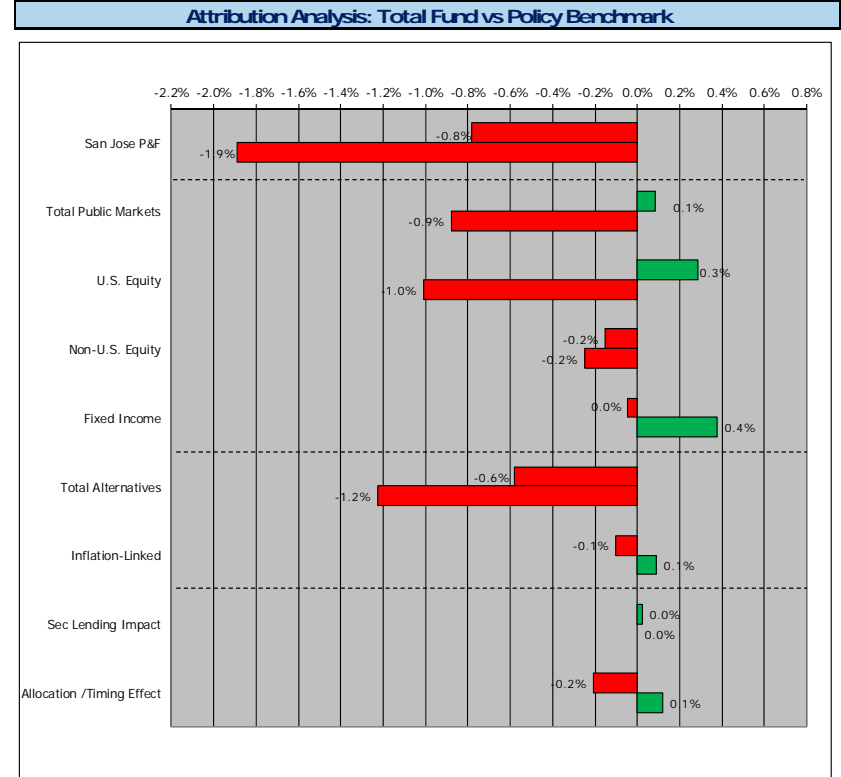


Performance Attribution

3Q 2011



One Year Ending September 30, 2011



The Top Bar represents Selection Effect (Manager Value Add)

The Bottom Bar represents Allocation Effect (Impact of Deviation from Policy Benchmark)

Note: Attribution based on gross of fee performance.

Attribution of U.S. Equity includes attribution of convertible bonds mandate.



Performance Summary – Domestic Equity

Actual Weight	Target Weight		Ending Market Value	Annualized Returns													Inception Date	Annual Fee				
				Last 3 Months	Calendar YTD	Last Year	Two Years	Three Years	Five Years	Seven Years	Ten Years	Since Inception										
24.4%	23.0%	Total U.S. Equity Composite	\$624,907,525	-16.6%	42	-11.2%	45	0.2%	43	5.0%	60	0.8%	71	-1.3%	76	2.4%	80	3.8%	78			
		Total U.S. Equity Composite (Net)		-16.7%		-11.3%		0.1%		4.8%		0.6%		-1.5%		2.2%		3.7%				
		Policy Benchmark ¹		-16.3%	40	-11.0%	43	0.0%	46	5.7%	51	1.5%	62	-0.9%	70	2.7%	76	3.5%	83			
		Russell 3000		-15.3%	30	-9.9%	35	0.5%	40	5.6%	52	1.4%	62	-0.9%	69	2.7%	75	3.5%	82			
		Performance Variance (Net vs. Policy Benchmark)		-0.4%		-0.3%		0.1%		-0.9%		-0.9%		-0.6%		-0.5%		0.2%				
		IOC U.S. Equity Funds Median		-17.7%		-12.0%		-0.6%		5.7%		2.3%		0.4%		4.1%		5.4%				
18.6%	18.0%	U.S. Large Cap Equity Composite	\$475,445,086	-14.9%	43	-9.1%	42	1.0%	41	4.9%	54	1.3%	54	n/a	n/a	n/a	n/a	n/a				
		U.S. Large Cap Equity Composite (Net)		-14.9%		-9.2%		0.9%		4.8%		1.1%		n/a	n/a	n/a	n/a	n/a				
		Russell 1000		-14.7%	39	-9.2%	44	0.9%	43	5.7%	39	1.6%	48	-0.9%	56	2.7%	62	3.3%	79			
		Performance Variance (Net)		-0.2%		0.0%		0.0%		-0.9%		-0.5%		n/a	n/a	n/a	n/a	n/a				
		IOC Large Cap Equity Funds Median		-15.4%		-9.8%		0.2%		5.1%		1.4%		-0.5%		3.1%		4.3%				
		Large Cap Core Equity																				
7.8%	8.0%	Rhumbline Russell 1000	\$199,221,095	-14.7%	38	-9.3%	44	0.8%	37	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	3.0%	Dec-09	0.035%		
		Rhumbline Russell 1000 (Net)		-14.7%		-9.3%		0.8%		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	2.9%				
		Russell 1000		-14.7%	38	-9.2%	44	0.9%	36	5.7%	27	1.6%	37	-0.9%	46	2.7%	52	3.3%	81	3.0%		
		Performance Variance (Net)		0.0%		-0.1%		-0.1%		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	-0.1%				
		IOC Large Cap Core Median		-15.6%		-10.0%		-0.5%		4.7%		1.1%		-1.0%		2.7%		4.3%		--		
		Large Cap Growth Equity																				
5.7%	5.0%	Rhumbline Russell 1000 Growth	\$144,814,993	-13.1%	31	-7.1%	33	3.8%	29	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	4.8%	Dec-09	0.035%		
		Rhumbline Russell 1000 Growth (Net)		-13.1%		-7.1%		3.8%		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	4.8%				
		Russell 1000 Growth		-13.1%	31	-7.2%	35	3.8%	30	8.1%	37	4.7%	26	1.6%	50	3.6%	62	3.0%	80	4.7%		
		Performance Variance (Net)		0.0%		0.1%		0.0%		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0.1%				
		IOC Large Cap Growth Median		-14.7%		-8.7%		2.3%		7.1%		3.3%		1.6%		3.9%		3.7%		--		
		Large Cap Value Equity																				
5.1%	5.0%	ROBECO/Boston Partners	\$131,408,997	-17.0%	48	-11.0%	44	-1.7%	45	2.7%	56	0.5%	33	-0.4%	9	4.1%	7	4.9%	30	7.3%	Jul-96	0.30%
		ROBECO/Boston Partners (Net)		-17.1%		-11.2%		-1.9%		2.4%		0.3%		-0.6%		3.8%		4.6%		7.0%		
		Russell 1000 Value		-16.2%	35	-11.2%	48	-1.9%	45	3.4%	46	-1.5%	74	-3.5%	64	1.6%	74	3.4%	82	6.2%		
		Russell 1000 Value + 1.0%		-16.0%		-10.5%		-0.9%		4.4%		-0.5%		-2.5%		2.6%		4.4%		7.2%		
		Performance Variance (Net vs. Russell 1000 Value + 1.0%)		-1.2%		-0.8%		-1.0%		-2.0%		0.8%		1.9%		1.2%		0.2%		-0.2%		
		IOC Large Cap Value Median		-17.1%		-11.5%		-2.4%		3.0%		0.2%		-2.8%		2.5%		4.5%		--		
5.8%	5.0%	U.S. Small Cap Equity Composite	\$149,462,439	-21.7%	60	-17.1%	67	-2.7%	60	5.4%	61	-0.7%	89	n/a	n/a	n/a	n/a	n/a				
		U.S. Small Cap Equity Composite (Net)		-21.7%		-17.4%		-3.0%		5.2%		-0.8%		n/a	n/a	n/a	n/a	n/a				
		Russell 2000		-21.9%	63	-17.0%	66	-3.5%	67	4.6%	68	-0.4%	88	-1.0%	84	3.0%	88	6.1%	89			
		Performance Variance (Net)		0.2%		-0.4%		0.5%		0.6%		-0.4%		n/a	n/a	n/a	n/a	n/a				
		IOC Small Cap Equity Funds Median		-21.0%		-15.0%		-1.5%		6.2%		2.9%		1.3%		5.1%		8.2%				
		Small Cap Core Equity																				
3.2%	2.5%	Rhumbline Russell 2000	\$81,530,770	-21.5%	59	-16.5%	62	-3.1%	57	4.7%	54	-0.2%	80	-0.9%	84	n/a	n/a	1.7%	Dec-04	0.035%		
		Rhumbline Russell 2000 (Net)		-21.5%		-16.6%		-3.1%		4.7%		-0.2%		-0.9%		n/a	n/a	1.7%				
		Russell 2000		-21.9%	66	-17.0%	64	-3.5%	61	4.6%	56	-0.4%	86	-1.0%	86	3.0%	90	6.1%	90	1.6%		
		Performance Variance (Net)		0.4%		0.4%		0.4%		0.1%		0.2%		0.1%		n/a	n/a	0.1%				
		IOC Small Cap Core Median		-21.1%		-15.5%		-2.6%		5.1%		1.5%		0.8%		5.1%		8.6%		--		
		Small Cap Value Equity																				
2.7%	2.5%	RS Investments	\$67,931,669	-21.8%	57	-17.9%	47	-2.1%	18	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0.8%	Aug-10	0.73% ²		
		RS Investments (Net)		-22.0%		-18.5%		-2.8%		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0.2%				
		Russell 2000 Value		-21.5%	54	-18.5%	52	-6.0%	70	2.5%	83	-2.8%	98	-3.1%	100	2.0%	91	6.5%	89	-3.2%		
		Russell 2000 Value + 2.0%		-21.0%		-17.0%		-4.0%		4.5%		-0.8%		-1.1%		4.0%		8.5%		-1.2%		
		Performance Variance (Net vs. Russell 2000 Value + 2.0%)		-1.0%		-1.5%		1.2%		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	1.4%				
		IOC Small Cap Value Median		-21.4%		-18.3%		-4.6%		4.8%		2.0%		-0.1%		4.3%		8.7%		--		

¹Policy Benchmark comprised of 78% Russell 1000/22% Russell 2000. Prior to January 2010, the index was the Russell 3000 Index.

²Fee shown for RS Investments is based on an estimate of the total assets RS manages for the City of San Jose (Police & Fire and Federated Fund) in aggregate ~ \$125 M.



Performance Summary – International Equity

Actual Weight	Target Weight		Ending Market Value	Annualized Returns														Inception Date	Annual Fee			
				Last 3 Months Rank	Calendar YTD Rank	Last Year Rank	Two Years Rank	Three Years Rank	Five Years Rank	Seven Years Rank	Ten Years Rank	Since Inception										
16.1%	17.0%	Total International Equity Composite	\$412,390,157	-19.8%	46	-18.3%	66	-12.7%	71	-1.3%	53	1.7%	43	-0.9%	45	5.9%	43	9.1%	29			
		Total International Equity Composite (Net)		-19.9%		-18.7%		-13.3%		-1.9%		1.1%		-1.5%		5.2%		8.6%				
		Policy Benchmark (Net) ¹		-20.1%	50	-17.0%	57	-11.3%	60	-3.0%	72	-0.9%	76	-3.3%	84	3.4%	90	5.1%	91			
		MSCI ACWI ex-U.S. (Net)		-19.9%	48	-16.8%	55	-10.8%	55	-2.1%	61	0.5%	58	-1.6%	59	5.1%	56	6.8%	71			
		Performance Variance (Net vs. Policy Benchmark)		0.2%		-1.7%		-2.0%		1.1%		2.0%		1.8%		1.8%		3.5%				
		ICC Int'l Equity Funds Median		-20.1%		-16.4%		-10.2%		-1.0%		1.0%		-1.2%		5.5%		7.8%				
11.5%	12.0%	Developed International Equity Composite	\$294,191,923	-17.6%	28	-14.8%	39	-9.2%	48	-0.4%	40	1.2%	40	-1.9%	57	4.7%	53	6.7%	71			
		Developed International Equity Composite (Net)		-17.7%		-15.1%		-9.6%		-0.9%		0.6%		-2.5%		4.1%		6.1%				
		MSCI EAFE (Net)		-19.0%	37	-15.0%	42	-9.4%	51	-3.2%	71	-1.1%	73	-3.5%	82	3.3%	89	5.0%	91			
		Performance Variance (Net)		1.3%		-0.1%		-0.2%		2.3%		1.7%		1.0%		0.8%		1.1%				
5.6%	6.0%	Brands	\$143,513,254	-16.5%	22	-12.6%	23	-8.2%	36	-2.7%	66	-1.0%	71	-2.5%	68	4.4%	57	7.4%	53	8.9%	Jan-97	0.50%
		Brands (Net)		-16.6%		-12.9%		-8.6%		-3.2%		-1.5%		-3.0%		3.9%		6.9%		8.3%		
		MSCI EAFE (Net)		-19.0%	37	-15.0%	42	-9.4%	51	-1.1%	71	-1.1%	73	-3.5%	82	3.3%	89	5.0%	91	3.2%		
		MSCI EAFE (Net) + 1.5%		-18.6%		-13.9%		-7.9%		-1.7%		0.4%		-2.0%		4.8%		6.5%		4.7%		
		Performance Variance (Net vs. MSCI EAFE (Net) + 1.5%)		2.0%		1.0%		-0.7%		-1.5%		-1.9%		-1.0%		0.4%		3.6%				
5.9%	6.0%	William Blair	\$150,678,669	-18.8%	34	-16.7%	64	-10.2%	60	3.1%	14	3.5%	23	-0.7%	33	6.2%	28	n/a	7.5%	Feb-02	0.54%	
		William Blair (Net)		-18.9%		-17.1%		-10.6%		2.5%		2.9%		-1.2%		5.6%		n/a		6.8%		
		MSCI ACWI ex-U.S. (Net)		-19.9%	53	-16.8%	65	-10.8%	65	-2.1%	57	0.5%	50	-1.6%	52	5.1%	48	6.8%	67	6.6%		
		MSCI ACWI ex-U.S. (Net) + 1.5%		-19.5%		-15.7%		-9.3%		-0.6%		2.0%		-0.1%		6.6%		8.3%		8.1%		
		Performance Variance (Net vs. MSCI ACWI ex-U.S. (Net) + 1.5%)		0.6%		-1.4%		-1.3%		3.1%		0.9%		-1.1%		n/a		n/a		-1.3%		
		ICC Int'l Developed Mkts Equity Median		-19.8%		-15.8%		-9.3%		-1.5%		0.5%		-1.5%		4.9%		7.5%		--		
4.6%	5.0%	Emerging Markets Equity Composite	\$118,198,234	-24.3%	80	-25.1%	84	-19.7%	77	-2.2%	78	5.0%	67	3.9%	72	11.1%	89	16.5%	71			
		Emerging Markets Equity Composite (Net)		-24.5%		-25.7%		-20.6%		-3.1%		4.0%		2.9%		10.1%		15.4%				
		MSCI Emg Mkts Free (Net)		-22.6%	56	-21.9%	52	-16.1%	48	0.4%	56	6.3%	46	4.9%	54	12.2%	62	16.1%	86			
		Performance Variance (Net)		-1.9%		-3.8%		-4.5%		-3.5%		-2.3%		-2.1%		-2.2%		-0.7%				
2.5%	2.5%	AllianceBernstein	\$63,298,124	-25.1%	89	-25.0%	82	-19.7%	76	-1.1%	69	3.3%	85	2.5%	90	10.4%	97	16.3%	76	14.0%	Sep-01	0.95%
		AllianceBernstein (Net)		-25.3%		-25.5%		-20.6%		-2.1%		2.3%		1.5%		9.4%		15.1%		12.9%		
		MSCI Emg Mkts Free (Net)		-22.6%	56	-21.9%	52	-16.1%	48	0.4%	56	6.3%	46	4.9%	54	12.2%	62	16.1%	86	14.0%		
		MSCI Emg Mkts Free (Net) + 2.0%		-22.1%		-20.4%		-14.1%		2.4%		8.3%		6.9%		14.2%		18.1%		16.0%		
		Performance Variance (Net vs. MSCI Emg Mkts Free (Net) + 2.0%)		-3.2%		-5.1%		-6.5%		-4.5%		-6.0%		-5.4%		-4.8%		-3.0%		-3.1%		
2.1%	2.5%	The Boston Co.	\$54,900,110	-23.6%	73	-25.2%	87	-19.8%	79	-3.0%	92	6.6%	42	5.2%	51	11.8%	70	16.7%	67	14.9%	Sep-01	0.87%
		The Boston Co. (Net)		-23.8%		-25.9%		-20.5%		-3.9%		5.6%		4.1%		10.7%		15.5%		13.8%		
		MSCI Emg Mkts Free (Net)		-22.6%	56	-21.9%	52	-16.1%	48	0.4%	56	6.3%	46	4.9%	54	12.2%	62	16.1%	86	14.0%		
		MSCI Emg Mkts Free (Net) + 2.0%		-22.1%		-20.4%		-14.1%		2.4%		8.3%		6.9%		14.2%		18.1%		16.0%		
		Performance Variance (Net vs. MSCI Emg Mkts Free (Net) + 2.0%)		-1.7%		-5.5%		-6.4%		-6.3%		-2.7%		-2.8%		-3.6%		-2.6%		-2.2%		
		ICC Int'l Emerging Mkts Equity Median		-21.6%		-21.5%		-16.6%		1.0%		6.0%		5.2%		12.8%		17.3%		--		

¹Policy Benchmark comprised of 70% MSCI EAFE (Net)/30% MSCI Emerging Markets (Net). Prior to January 2010, the index was the MSCI EAFE Index (Net).

Note: "(Net)" next to investment manager or composite refers to net of investment management fees.

"(Net)" next to index refers to net of dividend withholding tax that U.S. investors are subject to when investing outside of the U.S. Investment manager and composite performance is net of dividend withholding tax as well.



Performance Summary – Fixed Income

Actual Weight	Target Weight		Ending Market Value	Last 3 Months	Annualized Returns										Inception Date	Annual Fee					
					Calendar YTD	Last Year	Two Years	Three Years	Five Years	Seven Years	Ten Years	Since Inception									
3.1%	--	Convertible Bonds Composite ¹	\$79,591,373	-5.2%	-3.3%	1.8%	6.2%	n/a	n/a	n/a	n/a	n/a	n/a	n/a							
		Convertible Bonds Composite (Net)		-5.3%	-3.7%	1.4%	5.8%	n/a	n/a	n/a	n/a	n/a	n/a	n/a							
		ML Global 300 Convertible Index		-10.6%	-8.0%	-3.0%	3.5%	7.6%	2.1%	4.0%	4.2%										
		Performance Variance (Net)		5.3%	4.3%	4.4%	2.3%	n/a	n/a	n/a	n/a										
3.1%	--	Calamos ¹	\$79,591,373	-5.2%	-3.3%	1.8%	6.2%	n/a	n/a	n/a	n/a	n/a	7.4%	Sep-09	0.50%						
		Calamos (Net)		-5.3%	-3.7%	1.4%	5.8%	n/a	n/a	n/a	n/a	n/a	7.0%								
		ML Global 300 Convertible Index		-10.6%	-8.0%	-3.0%	3.5%	7.6%	2.1%	4.0%	4.2%	4.9%									
		ML Global 300 Convertible Index + 1.0%		-10.4%	-7.3%	-2.0%	4.5%	8.6%	3.1%	5.0%	5.2%	5.9%									
		Performance Variance (Net vs. ML Global 300 Convert Index + 1.0%)		5.1%	3.6%	3.4%	1.3%	n/a	n/a	n/a	n/a	1.1%									
32.4%	25.0%	Total Fixed Income Composite ²	\$829,566,541	3.3%	7.6%	15	7.0%	15	9.0%	34	11.3%	24	n/a	n/a	n/a						
		Total Fixed Income Composite (Net)		3.3%	7.4%		6.8%		8.7%		11.1%		n/a	n/a	n/a						
		Policy Benchmark ³		3.9%	8.6%	12	7.3%	15	8.9%	34	9.5%	54	7.4%	34	46	6.1%	55				
		BC Aggregate		3.8%	6.6%	22	5.3%	32	6.7%	63	8.0%	70	6.5%	63	5.6%	70	5.7%	71			
		Performance Variance (Net vs. Policy Benchmark)		-0.6%	-1.2%		-0.5%		-0.2%		1.6%		n/a	n/a	n/a						
		ICC U.S. Fixed Income Median		0.8%	4.1%		4.0%		7.5%		9.7%		6.9%		6.1%		6.3%				
9.0%	5.0%	Domestic Core Fixed Income Composite ²	\$229,742,394	4.5%	7.7%	9	6.7%	5	7.6%	36	9.1%	53	6.3%	80	5.8%	64	5.9%	59			
		Domestic Core Fixed Income Composite (Net)		4.4%	7.6%		6.6%		7.5%		8.9%		6.1%		5.6%		5.8%				
		BC Aggregate		3.8%	6.6%	27	5.3%	40	6.7%	68	8.0%	81	6.5%	71	5.6%	77	5.7%	75			
		Performance Variance (Net)		0.6%	1.0%		1.3%		0.8%		0.9%		-0.4%		0.0%		0.1%				
8.9%	5.0%	SEIX	\$228,942,390	4.5%	7.7%	9	6.8%	5	7.9%	30	10.0%	34	7.8%	13	6.5%	20	6.3%	31	7.0%	Sep-99	0.17%
		SEIX (Net)		4.4%	7.6%		6.6%		7.7%		9.9%		7.7%		6.4%		6.2%		6.8%		
		BC Aggregate		3.8%	6.6%	27	5.3%	40	6.7%	68	8.0%	81	6.5%	71	5.6%	77	5.7%	75	6.4%		
		BC Aggregate + 0.5%		3.9%	7.0%		5.8%		7.2%		8.5%		7.0%		6.1%		6.2%		6.9%		
		Performance Variance (Net vs. BC Aggregate + 0.5%)		0.5%	0.6%		0.8%		0.5%		1.4%		0.7%		0.3%		0.0%		-0.1%		
		ICC Core Fixed Income Median		2.8%	5.9%		4.9%		7.2%		9.3%		6.9%		6.0%		6.1%		--		
12.3%	10.0%	Treasury Inflation Protected Securities (TIPS)	\$314,811,626	2.8%	8.9%		8.0%		n/a		n/a		n/a		n/a		n/a		9.2%	Dec-09	

¹The Fund's allocation to convertible bonds is a global mandate and included within the Fund's equity allocation for asset allocation purposes. However, the performance of the convertible bonds mandate is not reflected in any of the asset class composites reported herein, with the exception of the Total Fund.

²The Total Fixed Income and Domestic Core Fixed Income Composites include \$800,004 of illiquid securities remaining as a result of the termination of Western Asset Management Company (WAMCO) during the asset allocation transition that occurred in December 2009.

³Policy Benchmark comprised of 20% BC Aggregate/40% TIPS/20% BC U.S. Gov't/Credit Long/20% ML U.S. HY BB-B. Prior to January 2010, the index was the BC Aggregate.

Performance Summary – Fixed Income (continued)

Actual Weight	Target Weight		Ending Market Value	Last 3 Months	Calendar YTD	Annualized Returns										Inception Date	Annual Fee				
						Rank	Last Year	Two Years	Three Years	Five Years	Seven Years	Ten Years	Since Inception								
5.6%	5.0%	Domestic Long Duration Fixed Income Composite	\$143,078,289	13.0%	17.3%	16	13	12.2%	14	13.5%	13	17.8%	12	10.6%	9	n/a	n/a				
		Domestic Long Duration Fixed Income Composite (Net)		12.9%	17.2%			12.0%		13.2%		17.5%		10.4%		n/a	n/a				
		BC US Gov't/Credit Long		15.6%	19.4%	6	5	12.7%	9	13.2%	15	14.9%	29	9.4%	24	8.0%	19	8.3%	20		
		Performance Variance (Net)		-2.7%	-2.2%			-0.7%		0.0%		2.6%		1.0%		n/a	n/a				
5.6%	5.0%	Income Research	\$143,078,289	13.0%	17.3%	16	13	12.2%	14	13.5%	13	17.8%	12	10.6%	9	n/a	n/a	8.7%	Jan-05	0.25%	
		Income Research (Net)		12.9%	17.2%			12.0%		13.2%		17.5%		10.4%		n/a	n/a	8.4%			
		BC US Gov't/Credit Long		15.6%	19.4%	6	5	12.7%	9	13.2%	15	14.9%	29	9.4%	24	8.0%	19	8.3%	20		
		BC US Gov't/Credit Long + 0.5%		15.7%	19.8%			13.2%		13.7%		15.4%		9.9%		8.5%		8.8%		8.5%	
		Performance Variance (Net vs. BC US Gov't/Credit Long + 0.5%)		-2.8%	-2.6%			-1.2%		-0.5%		2.1%		0.5%		n/a	n/a	-0.1%			
		IOC Long Duration Fixed Income Median		3.3%	6.7%			5.7%		9.7%		11.9%		7.4%		6.5%		7.0%		--	
5.5%	5.0%	Total Credit Composite	\$141,934,233	-5.3%	-3.2%			-0.2%		7.4%		6.7%		n/a		n/a		n/a			
		Total Credit Composite (Net)		-5.5%	-3.8%			-0.9%		6.8%		6.0%		n/a		n/a		n/a			
		ML US HY BB/B Constrained		-5.0%	-0.5%			1.9%		9.1%		11.8%		6.4%		6.4%		7.9%			
		Performance Variance (Net)		-0.5%	-3.3%			-2.8%		-2.3%		-5.8%		n/a		n/a		n/a			
2.3%	2.5%	Domestic Credit Composite	\$57,853,203	-3.1%	-0.3%			2.4%		7.2%		n/a		n/a		n/a		n/a			
		Domestic Credit Composite (Net)		-3.2%	-0.7%			2.0%		6.9%		n/a		n/a		n/a		n/a			
		ML US HY BB/B Constrained		-5.0%	-0.5%			1.9%		9.1%		11.8%		6.4%		6.4%		7.9%			
		Performance Variance (Net)		1.8%	-0.2%			0.1%		-2.2%		n/a		n/a		n/a		n/a			
1.0%	--	Seix	\$24,371,391	-2.1%	-0.6%			2.1%		4.5%		n/a		n/a		n/a		n/a	7.1%	Apr-09	0.30%
		Seix (Net)		-2.2%	-0.9%			1.8%		4.2%		n/a		n/a		n/a		n/a	6.9%		
		CSFB Leveraged Loan Index		-3.8%	-0.9%			2.4%		6.3%		6.8%		3.2%		4.1%		4.5%	13.7%		
		CSFB Leveraged Loan Index + 1.0%		-3.6%	-0.2%			3.4%		7.3%		7.8%		4.2%		5.1%		n/a	14.7%		
		Performance Variance (Net vs. CSFB Leveraged Loan Index + 1.0%)		1.4%	-0.8%			-1.6%		-3.1%		n/a		n/a		n/a		n/a	-7.8%		
1.3%	--	Mackay Shields	\$33,481,812	-3.9%	-0.1%			2.7%		9.5%		n/a		n/a		n/a		n/a	14.2%	Apr-09	0.425%
		Mackay Shields (Net)		-4.0%	-0.5%			2.2%		9.1%		n/a		n/a		n/a		n/a	13.9%		
		ML US HY BB/B Constrained		-5.0%	-0.5%			1.9%		9.1%		11.8%		6.4%		6.4%		7.9%	16.0%		
		ML US HY BB/B Constrained + 1.0%		-4.8%	0.3%			2.9%		10.1%		12.8%		7.4%		7.4%		8.9%	17.0%		
		Performance Variance (Net vs. ML US HY BB/B Constrained + 1.0%)		0.8%	-0.8%			-0.7%		-1.0%		n/a		n/a		n/a		n/a	-3.1%		
3.3%	2.5%	Opportunistic Credit Composite	\$84,081,030	-6.8%	-5.2%			-1.9%		8.6%		12.0%		n/a		n/a		n/a			
		Opportunistic Credit Composite (Net)		-7.0%	-5.9%			-2.8%		7.6%		11.0%		n/a		n/a		n/a			
		ML US HY BB/B Constrained		-5.0%	-0.5%			1.9%		9.1%		11.8%		6.4%		6.4%		7.9%			
		Performance Variance (Net)		-2.0%	-5.4%			-4.7%		-1.5%		-0.8%		n/a		n/a		n/a			
3.3%	--	PIMCO DISCO	\$84,081,030	-6.8%	-5.2%			-1.9%		8.6%		12.0%		n/a		n/a		n/a	12.0%	Jul-08	1.00%
		PIMCO DISCO (Net)		-7.0%	-5.9%			-2.8%		7.6%		11.0%		n/a		n/a		n/a	11.0%		
		ML US HY BB/B Constrained		-5.0%	-0.5%			1.9%		9.1%		11.8%		6.4%		6.4%		7.9%	7.9%		
		Performance Variance (Net)		-2.0%	-5.4%			-4.7%		-1.5%		-0.8%		n/a		n/a		n/a	3.1%		

Performance Summary - Alternatives

Actual Weight	Target Weight		Ending Market Value	Last 3 Months	Calendar YTD	Last Year	Annualized Returns					Since Inception	Inception Date
							Two Years	Three Years	Five Years	Seven Years	Ten Years		
4.8%	5.0%	Total Private Equity Composite (Net)	\$124,139,265	-0.7%	16.4%	14.1%	15.5%	4.6%	n/a	n/a	n/a		
		<i>Cambridge Associates Priv Equity Index (1 Qtr Lag)</i>		4.5%	18.5%	24.7%	21.4%	5.4%	10.5%	15.2%	11.5%		
		<i>Venture Economics Index (1 Qtr Lag)</i>		4.2%	17.4%	23.0%	20.1%	5.6%	9.4%	12.8%	8.2%		
		<i>Russell 2000</i>		-21.9%	-17.0%	-3.5%	4.6%	-0.4%	-1.0%	3.0%	6.1%		
		Performance Variance (Net vs. Cambridge Associates FE)		-5.2%	-2.1%	-10.6%	-5.9%	-0.8%	n/a	n/a	n/a		
5.1%	10.0%	Total Real Estate Composite	\$129,283,378	1.0%	2.7%	11.5%	8.2%	-0.1%	4.2%	6.6%	5.9%		
		<i>Total Real Estate Composite (Net)</i>		0.8%	2.1%	10.7%	7.7%	-0.4%	3.9%	6.3%	5.6%		
		<i>NCREIF Property Index</i>		3.3%	11.0%	16.1%	10.8%	-1.5%	3.4%	7.5%	7.6%		
		Performance Variance (Net)		-2.5%	-8.9%	-5.4%	-3.1%	1.1%	0.5%	-1.2%	-2.0%		
2.9%	--	American Realty/Kennedy Combined¹	\$75,352,578	1.2%	2.9%	11.7%	8.1%	3.3%	7.3%	8.8%	n/a	8.9%	Oct-03
		<i>American Realty/Kennedy Combined (Net)</i>		1.0%	2.3%	10.9%	7.7%	3.0%	6.8%	8.2%	n/a	8.4%	
		<i>NCREIF Property Index</i>		3.3%	11.0%	16.1%	10.8%	-1.5%	3.4%	7.5%	7.6%	3.3%	
		<i>NCREIF Property Index + 1.5%</i>		3.7%	12.1%	17.6%	12.3%	0.0%	4.9%	9.0%	9.1%	4.8%	
		Performance Variance (Net vs. NCREIF Property Index + 1.5%)		-2.7%	-9.8%	-6.7%	-4.6%	3.0%	1.9%	-0.8%	n/a	3.6%	
2.1%	--	American Realty Core Realty Fund²	\$53,930,800	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	Sep-11
		<i>American Realty Core Realty Fund (Net)</i>		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
12.0%	10.0%	Inflation-Linked Assets Composite³	\$306,694,832	-5.3%	-7.9%	6.7%	n/a	n/a	n/a	n/a	n/a		
		<i>Inflation-Linked Assets Composite (Net)³</i>		-5.4%	-8.0%	6.6%	n/a	n/a	n/a	n/a	n/a		
		<i>Custom Commodity Index</i>		-6.1%	n/a	n/a	n/a	n/a	n/a	n/a	n/a		
		<i>Dow Jones/UBS Commodities Index</i>		-11.3%	-13.6%	0.0%	4.9%	-5.7%	-1.1%	0.9%	6.0%		
		Performance Variance (Net vs. Custom Index)		0.7%	n/a	n/a	n/a	n/a	n/a	n/a	n/a		
6.5%	--	Credit Suisse	\$166,194,979	-6.2%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	-10.9%	Mar-11
		<i>Credit Suisse (Net)</i>		-6.3%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	-11.0%	
		<i>Custom Commodity Index</i>		-6.1%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	-11.1%	
		<i>Dow Jones/UBS Commodities Index</i>		-11.3%	-13.6%	0.0%	4.9%	-5.7%	-1.1%	0.9%	6.0%	-17.3%	
		Performance Variance (Net vs. Custom Index)		-0.2%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0.1%	
5.5%	--	First Quadrant	\$140,499,852	-4.2%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	-9.1%	Mar-11
		<i>First Quadrant (Net)</i>		-4.3%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	-9.1%	
		<i>Custom Commodity Index</i>		-6.1%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	-11.1%	
		<i>Dow Jones/UBS Commodities Index</i>		-11.3%	-13.6%	0.0%	4.9%	-5.7%	-1.1%	0.9%	6.0%	-17.3%	
		Performance Variance (Net vs. Custom Index)		1.8%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	2.0%	
1.6%	5.0%	Opportunistic Composite⁴	\$42,231,956	0.9%	4.9%	n/a	n/a	n/a	n/a	n/a	n/a		
		<i>3-Month LIBOR + 5%</i>		1.3%	4.0%	5.3%	5.3%	5.6%	7.2%	n/a	n/a		
		Performance Variance (Net)		-0.4%	0.9%	n/a	n/a	n/a	n/a	n/a	n/a		
0.7%	--	White Oak	\$17,323,199	3.8%	5.4%	n/a	n/a	n/a	n/a	n/a	n/a	3.1%	Nov-10
0.3%	--	GSO	\$7,632,762	1.2%	11.4%	n/a	n/a	n/a	n/a	n/a	n/a	10.0%	Dec-10
0.7%	--	Medley Capital	\$17,275,995	-1.0%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	-0.8%	Mar-11
		<i>3-Month LIBOR + 5%</i>		1.3%	4.0%	5.3%	5.3%	5.6%	7.2%	8.0%	8.0%		
0.2%	--	Cash⁵	\$4,592,821	0.0%	0.2%	0.3%	1.5%	1.2%	n/a	n/a	n/a		
		<i>90 day t-bills</i>		0.0%	0.1%	0.1%	0.1%	0.2%	1.7%	2.3%	n/a		

¹Performance shown is a blend of the performance of the Fund's separately managed real estate portfolio under the advisement of Kennedy Associates prior to September 2010, and American Realty Advisors from September 2010 forward.

²On September 30, 2011, the Fund successfully contributed the title-holding entities SJ Deerwood, LLC, SJ Crescent Parkway, LLC and SJ 1900 Spring Road, LLC to the American Core Realty Fund, LLC, which is also managed by American Realty Advisors, in exchange for equivalent units. The transfer amount, before final prorations was \$59,930,800.

³Inflation-Linked Assets Composite consists of passive exposure to the Dow Jones/UBS Commodities Index through March 30, 2011. Russell provided oversight of these assets. On March 30, 2011, \$145 M was allocated to each of the two commodities managers, First Quadrant and Credit Suisse.

⁴Opportunistic composite contains White Oak (funded 11/2010), Blackstone/GSO (funded 12/2010), and Medley Capital (funded 3/2011)

⁵NEPC began calculating cash returns as of April 1, 2008 due to inconsistent historical data received from the prior consultant.



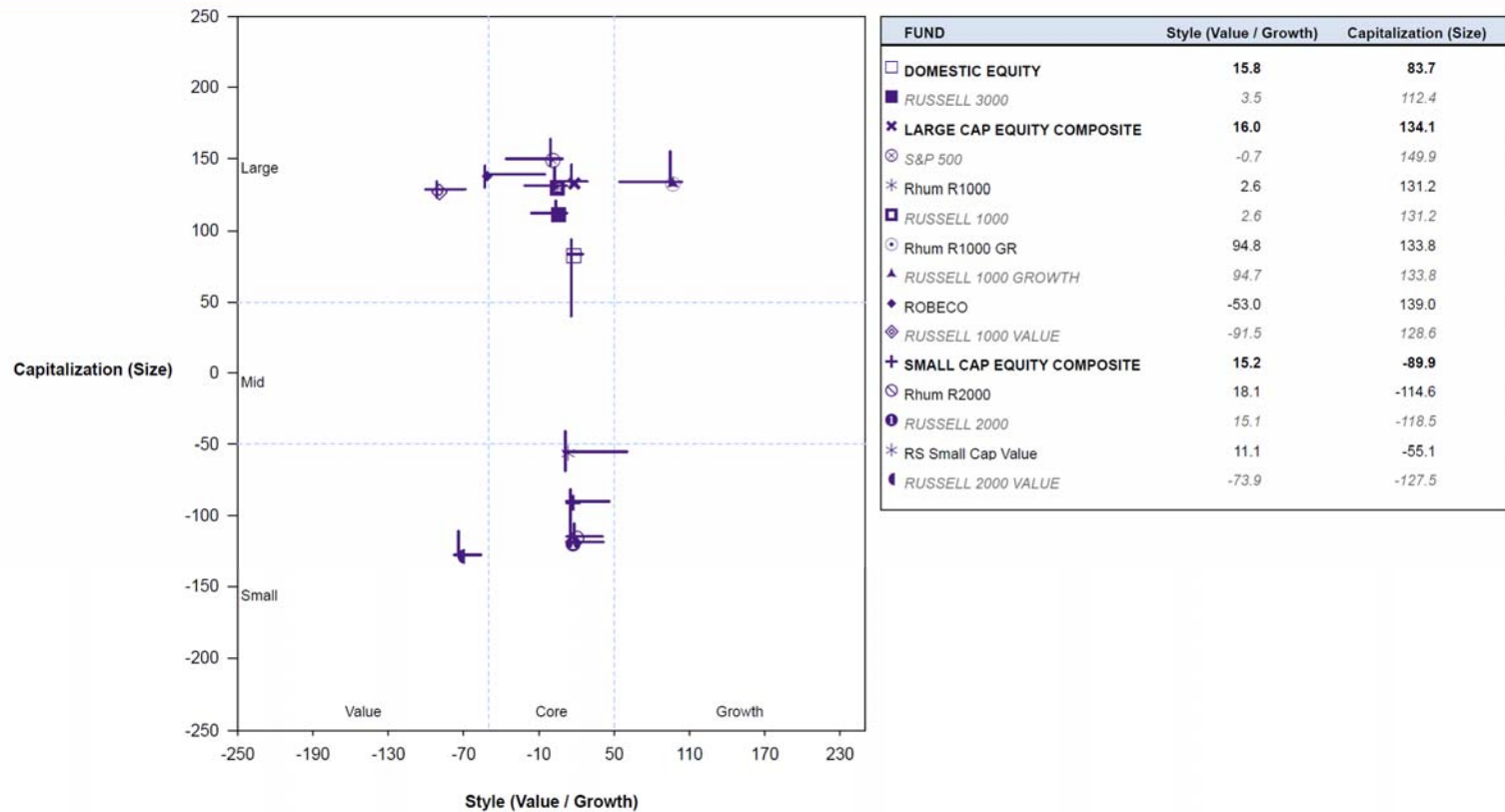
Equity Style Analysis

San Jose Police & Fire

Equity Funds

Period Ending September 30, 2011

Equity Style Analysis - Drift Over Time



Note: Equity Style Analysis is based on Morningstar's Size and Value/Core/Growth scores and Morningstar Style Box Methodology. Morningstar computes Size and Value/Growth scores for each individual security in NMERB's portfolios. State Street then weights these scores to determine the portfolio averages, and uses the same breakpoints to make the size and value/growth style assignment at the portfolio level. Morningstar Size and Value/Growth scores range from -100 to +400. For presentation purposes, State Street rescales their scores so that they center on zero (i.e. -250 to +250).



Manager Summary

NEPC Due Diligence Committee Recommendation Key	
No Action	Informational items have surfaced; no action is recommended.
Watch	Issues have surfaced to be concerned over; manager can participate in future searches, but current and prospective clients must be made aware of the issues.
Hold	Serious issues have surfaced to be concerned over; manager cannot be in future searches unless a client specifically requests, but current and prospective clients must be made aware of the issues.
Client Review	Very serious issues have surfaced with an Investment Manager; manager cannot be in future searches unless a client specifically requests. Current clients must be advised to review the manager.
Terminate	We have lost all confidence in the product; manager would not be recommended for searches and clients would be discouraged from using. The manager cannot be in future searches unless a client specifically requests. Current clients must be advised to replace the manager.

NEPC Focused Placement List (FPL) Strategies are those strategies that have been vetted by the respective research analyst/consultant and NEPC’s Due Diligence Committee, and subsequently approved for broad application across NEPC’s client base. FPL strategies represent the highest conviction managers with whom we have thoroughly reviewed and believe have investment theses that present a competitive advantage in their respective areas of opportunity. Note that NEPC does not receive any compensation from investment managers as a result of their inclusion on our FPL, nor does inclusion on the FPL guarantee that the investment manager will ultimately be awarded a mandate with an NEPC client. FPLs are continuously monitored throughout the year, and officially updated once per year.



Manager Summary

Investment Manager	Asset Class	Changes/ Announcements	Performance Concerns	NEPC DD Recommendation	Comments
ROBECO/ Boston Partners	U.S. Large Cap Value	--	--	--	Manager Terminated
RS Investments	U.S. Small Cap Value	--	--	--	
Brandes	Non-U.S. Developed Equity	--	--	--	Manager Terminated
William Blair	Non-U.S. Developed Equity	--	--	--	NEPC FPL Strategy; Manager Terminated
AllianceBernstein	Non-U.S. Emerging Equity	Y	Y	Client Review	Manager Terminated
The Boston Co.	Non-U.S. Emerging Equity	Y	--	--	NEPC FPL Strategy; Manager Terminated
Calamos	Convertible Bonds	--	--	--	
Seix	Core Plus Fixed Income; Bank Debt/High Yield	--	--	Hold	Continue HOLD status as firm continues to work through recent departures.
IR&M	Long Duration Fixed Income	--	--	--	
Mackay Shields	High Yield/Bank Debt	--	--	--	NEPC FPL Strategy
PIMCO	Distressed Senior Credit	--	--	--	Recently approved investment in PIMCO DiSCO II
First Quadrant	Commodities	--	--	--	
Credit Suisse	Commodities	--	--	--	
White Oak	Opportunistic Credit (Direct Lending)	--	--	--	
GSO	Opportunistic Credit (Direct Lending)	--	--	--	
Medley	Opportunistic Credit (Direct Lending)	--	--	--	

Note: Rhumblin and Russell have been excluded from the list above as they currently manage passive mandates for the Fund.



Manager Summary

Changes/Announcements

Below is a summary of manager changes and announcements that have occurred over recent months.

The Boston Company Asset Management, LLC

- On September 21, 2011, The Boston Company Asset Management, LLC (TBCAM) issued a letter from current CEO Bart Grenier detailing a CIO change at TBCAM. On a go forward basis, Mr. Grenier will assume the role CIO, and current CIO John Truschel will assume a new role as Head of Investment Strategy.
- Mr. Grenier joined TBCAM as CEO during the first half of 2011 after leaving Deutsche Asset Management, where he was CIO. In his dual role, we expect Mr. Grenier to become more involved with investment strategies to ensure that the teams are employing the investment process in a continuous manner and in line with the investment philosophy of TBCAM. We do not anticipate any changes to the platform or any specific product changes, but instead feel that Mr. Grenier provides a more senior and experienced sounding board for the investment teams.
- Mr. Truschel was promoted to CIO following the departure of the International Core team and the removal of Corey Griffin as then CEO in 2007; however, we feel this new role is a better fit with his experience. As Head of Investment Strategy, Mr. Truschel will be responsible for product management, product development and product engineering – each of which have been areas of focus for TBCAM over the past year as they continue to evaluate what types of products investors are demanding.
- ***No Action is Recommended.***

Manager Summary

Changes/Announcements

Below is a summary of manager changes and announcements that have occurred over recent months.

AllianceBernstein, LP

- On September 19, 2011, AllianceBernstein announced the departure of Steve Beinhacker, CIO of Emerging Markets Growth Equities. AllianceBernstein is actively seeking a replacement for Mr. Beinhacker. In the meantime, Jean-Francois Van de Walle, Portfolio Manager and regional specialist in Latin America, is the acting team leader for emerging markets growth equities.
- The strategy is constructed using three regional sub-portfolios that focus on Latin America, Asia and EMEA (Europe, Middle East and Africa), respectively.
- Mr. Van de Walle has been with AllianceBernstein for 20 years, and has one of the best performing track records over this time period. As the most tenured professional on the team, Mr. Van de Walle was appointed the team leader while a replacement is sought.
- There have been several significant changes in senior management at AllianceBernstein over the past several months, initiating what could be a significant change in the firm's research focused culture.
- NEPC is working with staff on a search to potentially replace AllianceBernstein.
- ***NEPC has placed "Client Review" status on all impacted strategies, including the Emerging Markets Growth strategy.***

Performance Concerns

Below we identify funds that we have flagged as having performance concerns. It is typical for funds to be flagged over multiple quarters.

AllianceBernstein, LP

- AllianceBernstein's Emerging Markets Growth portfolio trails the MSCI Emerging Markets Index, net of fees, over all time periods reported. The portfolio ranks in the bottom third of ICC Emerging Markets Equity managers for all time periods reported.
- The Fund placed AllianceBernstein on probation in 3Q 2007.
- NEPC is working with staff on a search to potentially replace AllianceBernstein.
- ***NEPC has placed "Hold" status on all AllianceBernstein products, and "Client Review" status on the Emerging Markets Growth strategy.***



Appendix

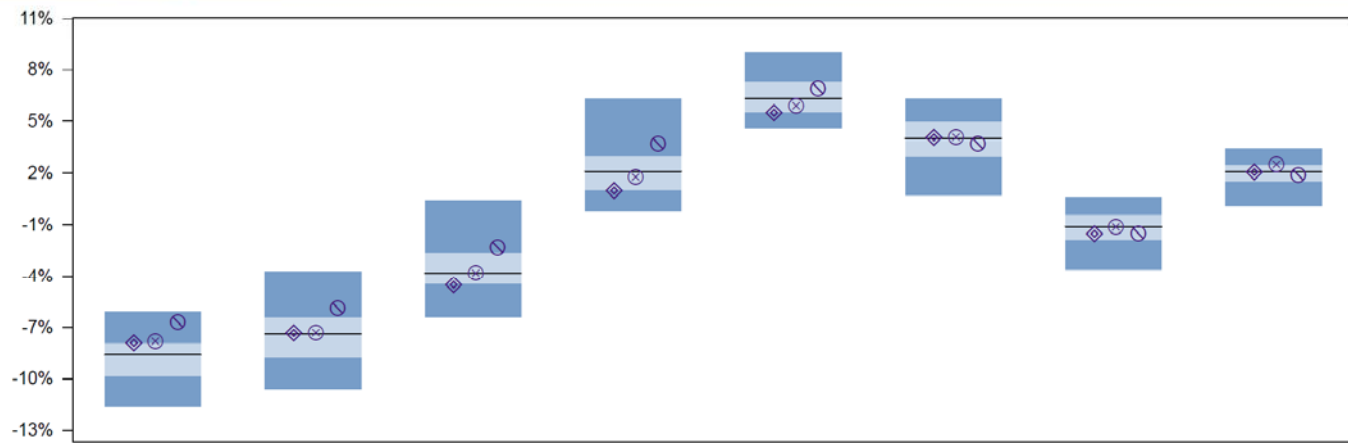
Total Fund vs. Public Funds > \$1 Billion

San Jose Police & Fire

Total Fund - Universe: Public Funds (DB) > \$1 Billion

Periods Ending September 30, 2011

Total Fund Performance - Trailing Periods



	One Quarter		Two Quarters		Three Quarters		One Year		Two Years		Three Years		Four Years		Five Years	
◆ TOTAL FUND	-7.8	22	-7.2	47	-4.4	72	1.1	74	5.6	75	4.2	44	-1.4	59	2.2	47
⊗ Allocation Index	-7.7	22	-7.2	46	-3.7	50	1.9	58	6.0	54	4.2	42	-1.0	47	2.6	21
⊙ Policy Benchmark	-6.6	11	-5.8	17	-2.2	19	3.8	21	7.0	30	3.8	53	-1.4	59	2.0	54
5th Percentile	-6.1		-3.7		0.4		6.3		9.0		6.3		0.6		3.4	
25th Percentile	-7.9		-6.4		-2.6		3.0		7.3		5.0		-0.4		2.5	
50th Percentile	-8.6		-7.4		-3.8		2.1		6.3		4.0		-1.1		2.1	
75th Percentile	-9.9		-8.8		-4.5		1.0		5.5		2.9		-1.9		1.5	
95th Percentile	-11.6		-10.6		-6.4		-0.2		4.6		0.7		-3.6		0.1	

Note: Returns are gross of fees.



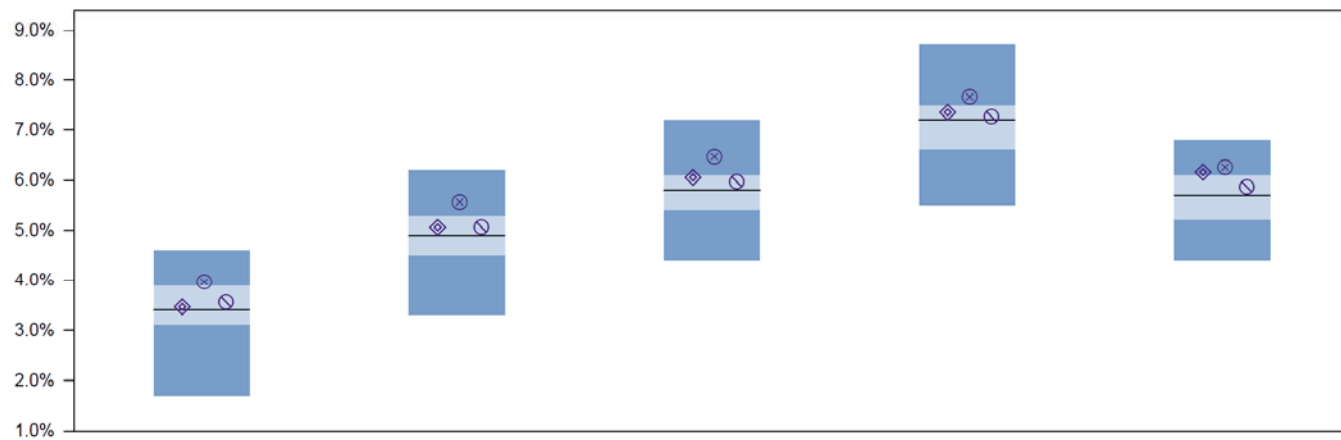
Total Fund vs. Public Funds > \$1 Billion

San Jose Police & Fire

Total Fund - Universe: Public Funds (DB) > \$1 Billion

Periods Ending September 30, 2011

Total Fund Performance - Trailing Periods



	Six Years	Seven Years	Eight Years	Nine Years	Ten Years
◆ TOTAL FUND	3.5 42	5.1 35	6.1 27	7.4 32	6.2 17
⊗ Allocation Index	4.0 18	5.6 15	6.5 13	7.7 18	6.3 17
⊙ Policy Benchmark	3.6 33	5.1 35	6.0 37	7.3 48	5.9 37
5th Percentile	4.6	6.2	7.2	8.7	6.8
25th Percentile	3.9	5.3	6.1	7.5	6.1
50th Percentile	3.4	4.9	5.8	7.2	5.7
75th Percentile	3.1	4.5	5.4	6.6	5.2
95th Percentile	1.7	3.3	4.4	5.5	4.4

Note: Returns are gross of fees.



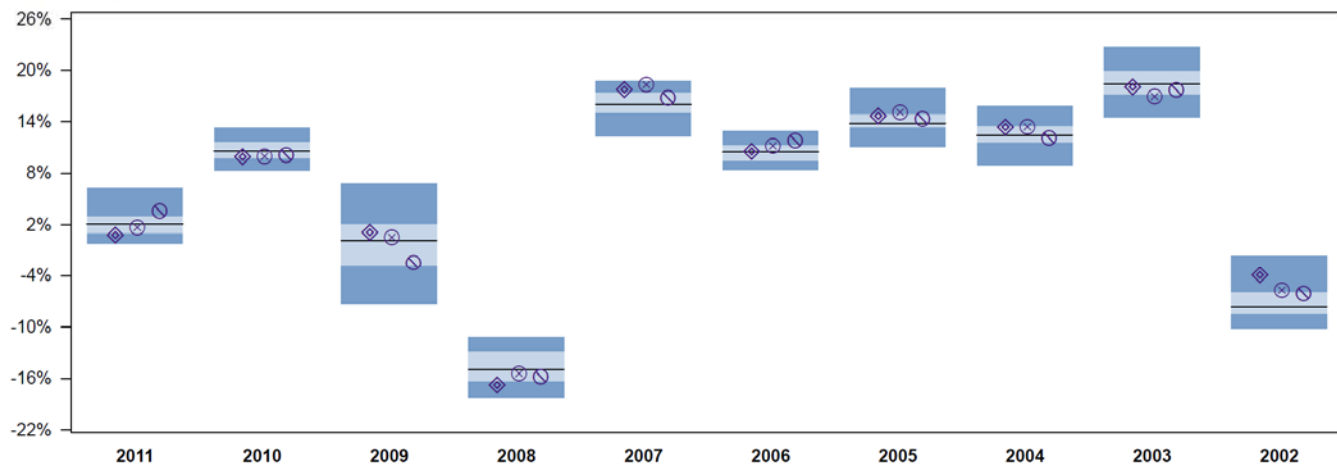
Total Fund vs. Public Funds > \$1 Billion (One Year)

San Jose Police & Fire

Total Fund - Universe: Public Funds (DB) > \$1 Billion

Period Ending September 30, 2011

Total Fund Performance - One Year Time Periods



	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
◆ TOTAL FUND	1.1 74	10.2 62	1.4 31	-16.5 79	18.0 11	10.8 43	14.9 25	13.6 25	18.3 51	-3.7 10
⊗ Allocation Index	1.9 58	10.2 62	0.8 36	-15.2 55	18.5 9	11.4 21	15.3 16	13.6 25	17.1 75	-5.5 22
⊙ Policy Benchmark	3.8 21	10.3 57	-2.2 66	-15.6 60	17.0 32	12.0 12	14.5 34	12.3 51	17.9 55	-5.9 24
5th Percentile	6.3	13.3	6.8	-11.2	18.7	12.9	17.9	15.8	22.7	-1.6
25th Percentile	3.0	11.7	2.1	-12.8	17.4	11.3	14.9	13.5	19.9	-5.9
50th Percentile	2.1	10.6	0.2	-15.0	16.0	10.5	13.8	12.4	18.4	-7.6
75th Percentile	1.0	9.7	-2.8	-16.4	15.0	9.4	13.3	11.5	17.1	-8.5
95th Percentile	-0.2	8.3	-7.3	-18.2	12.3	8.4	11.1	8.9	14.5	-10.2

Note: Returns are gross of fees.



Policy Benchmark History

- **6/1/95 – 9/30/01** – 35% S&P 500/10% MSCI EAFE/35% BC Aggregate/10% Citigroup WGBI/10% NCREIF Property
- **10/1/01 – 12/31/04** – 35% S&P 500/15% MSCI EAFE/5% MSCI Emg Mkts/28% BC Aggregate/5% Citigroup WGBI/12% NCREIF Property
- **1/1/05 – 3/31/08** – 34% S&P 500/20% MSCI EAFE/5% MSCI Emg Mkts/20% BC Aggregate/4% BC Long Gov't/Credit/12% NCREIF Property/5% Russell 2000
- **4/1/08 – 6/30/08** – 29% S&P 500/5% Russell 2000/20% MSCI EAFE/5% MSCI Emg Mkts/20% BC Aggregate/4% BC Long Gov't/Credit/12% NCREIF Property/5% Cambridge Private Equity (lagged 1 quarter)
- **7/1/08 – 12/31/09** – 22% S&P 500/5% Russell 2000/17% MSCI EAFE/5% MSCI Emg Mkts/18% BC Aggregate/5% ML US HY BB-B Constrained/10% NCREIF Property/8% Cambridge Private Equity (lagged 1 quarter)/5% DJ/UBS Commodities Index/5% HFRI FoF: Conservative
- **1/1/10 – 3/31/11** – 18% Russell 1000/5% Russell 2000/12% MSCI EAFE/5% MSCI Emg Mkts/5% BC Aggregate/10% TIPS/5% BC Long Gov't/Credit/5% ML US HY BB-B Constrained 2%/10% NCREIF Property/5% Cambridge Private Equity (lagged 1 quarter)/10% DJ/UBS Commodities Index/5% HFRI FoF: Conservative/5% 3-Month LIBOR +5%
- **4/1/11 – Present** – 18% Russell 1000/5% Russell 2000/12% MSCI EAFE/5% MSCI Emg Mkts/5% BC Aggregate/10% TIPS/5% BC Long Gov't/Credit/5% ML US HY BB-B Constrained 2%/10% NCREIF Property/5% Cambridge Private Equity (lagged 1 quarter)/10% San Jose P&F Custom Commodity Risk Parity Index/5% HFRI FoF: Conservative/5% 3-Month LIBOR +5%

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Appendix: Manager Analysis

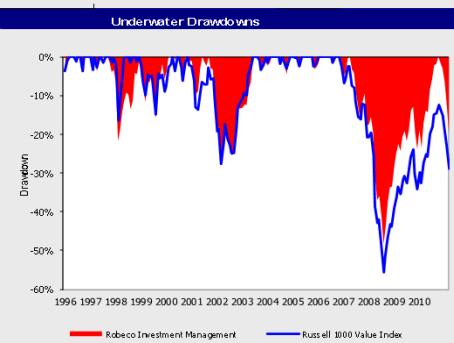
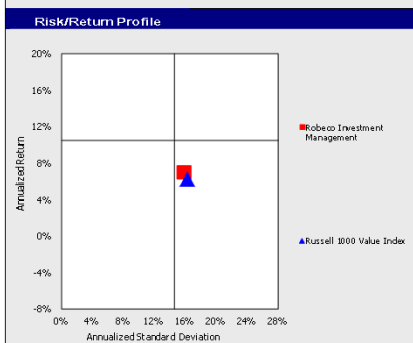
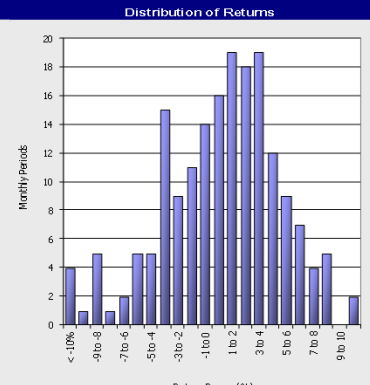
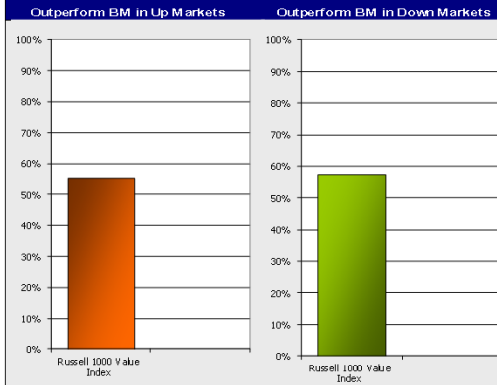
ROBECO Boston Partners Large Cap Value Equity

ROBECO Boston Partners Large Cap Value Equity
Robeco Investment Management



Benchmark 1 (BMI): Russell 1000 Value Index
Benchmark 2 (BM2): N/A

Monthly Performance (% of Net of Fees)														Statistical Analysis		Fund	BMI
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	Returns			
2011	2.8%	3.9%	0.2%	3.2%	-1.6%	-1.5%	-3.6%	-6.4%	-8.1%					-11.2%	Annualized Compound ROR	7.0%	6.2%
2010	-3.1%	3.7%	6.3%	1.0%	-7.8%	-5.2%	6.6%	-5.6%	8.4%	3.8%	-0.5%	6.9%	13.3%	3 Yr Return	0.3%	-1.5%	
2009	-8.3%	-12.0%	8.7%	11.4%	5.9%	0.4%	7.2%	5.2%	3.3%	-2.4%	5.0%	1.8%	26.2%	5 Yr Return	-0.6%	-3.5%	
2008	-5.5%	-4.1%	-3.3%	5.2%	2.5%	-9.0%	0.2%	2.4%	-4.5%	-14.9%	-8.2%	1.5%	-33.1%	Best Month	11.5%	12.2%	
2007	1.3%	-1.9%	1.3%	4.8%	3.6%	-1.3%	-3.9%	1.2%	3.7%	0.8%	-3.3%	-1.0%	4.9%	Worst Month	-16.3%	-17.3%	
2006	4.0%	-0.3%	1.6%	2.0%	-3.1%	0.3%	1.1%	2.5%	1.8%	3.3%	2.7%	2.5%	19.6%	%Positive Months	60.7%	60.1%	
2005	-1.4%	2.7%	-1.7%	-2.9%	3.3%	2.2%	4.3%	0.7%	1.9%	-2.6%	3.4%	1.6%	11.7%	Risk			
2004	2.0%	3.1%	-0.9%	-1.8%	0.0%	2.9%	-2.3%	0.8%	3.0%	0.4%	4.9%	3.6%	16.4%	Standard Deviation	15.9%	16.3%	
2003	-2.7%	-2.9%	1.0%	7.5%	7.0%	0.1%	0.2%	0.9%	0.0%	4.7%	1.8%	6.8%	26.5%	3 Yr Standard Deviation	21.8%	23.0%	
2002	-1.4%	-1.0%	5.0%	-3.1%	-0.1%	-8.1%	-9.2%	1.3%	-11.0%	5.3%	6.6%	-3.5%	-19.2%	5 Yr Standard Deviation	18.6%	19.5%	
2001	2.0%	-1.5%	-3.3%	4.5%	2.6%	-1.1%	0.0%	-3.3%	-5.6%	0.9%	6.5%	3.1%	4.2%	Sharpe Ratio (2.5%)	0.35	0.30	
														Sortino Ratio (0.0%)	0.62	0.53	
														Downside Deviation (0.0%)	11.0%	11.4%	
														Max Drawdown	-48.3%	-55.6%	
														Months In Maximum Drawdown	16	21	
														Months To Recover	26	--	
														Comparison To Benchmark(s)			
														Monthly Alpha		0.1%	
														Annualized Alpha		1.1%	
														Tracking Error		3.8%	
														Information Ratio		0.22	
														Beta		0.95	
														Correlation		0.97	
														R-Squared		94.5%	
														Annual Returns			
														2011-(YTD)	-11.2%	-11.2%	
														2010	13.3%	15.5%	
														2009	26.2%	19.7%	
														2008	-33.1%	-36.8%	
														2007	4.9%	-0.2%	
														2006	19.6%	22.2%	
														Latest Returns			
														Last Month	-8.1%	-7.6%	
														Last 3 Months	-17.1%	-16.2%	
														Last Year	-1.9%	-1.9%	
														2-Year	2.4%	3.4%	
														3-Year	0.3%	-1.5%	
														4-Year	-4.8%	-7.6%	
														5-Year	-0.6%	-3.5%	
														Drawdown Analysis			
														1	-48.3%	-55.6%	
														2	-27.2%	-27.7%	
														3	-21.8%	-16.6%	
														4	-19.7%	-14.8%	
														5	-9.7%	-6.2%	



Note: Based on monthly, net of fee performance data, since inception.



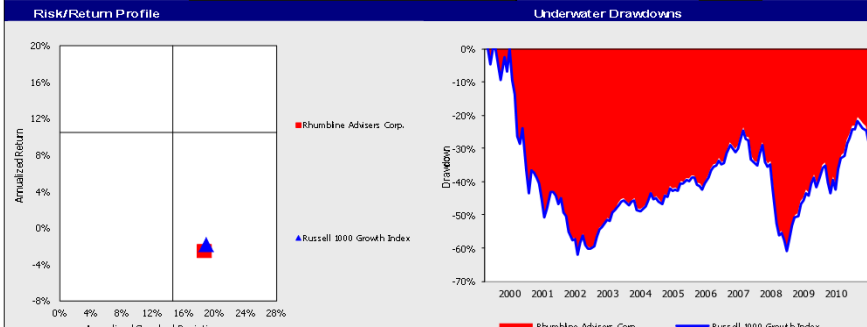
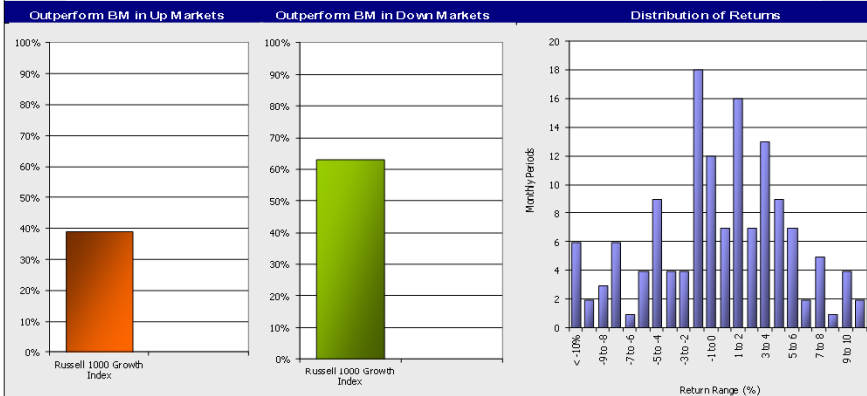
Rhumbline Russell 1000 Index Fund

Rhumbline Russell 1000 Growth Index Fund
Rhumbline Advisers Corp.



Benchmark 1 (BML): Russell 1000 Growth Index
Benchmark 2 (BM2): N/A

Year	Monthly Performance (%) Net of Fees												Year	Statistical Analysis		Fund	BML
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		Returns	Risk		
2011	2.5%	3.3%	0.1%	3.3%	-1.1%	-1.3%	-1.0%	-5.3%	-7.4%					-7.1%	Annualized Compound ROR	-2.6%	-1.9%
2010	-4.4%	3.4%	5.8%	1.2%	-7.6%	-5.5%	7.1%	-4.7%	10.6%	4.8%	1.2%	5.5%	16.7%	37.4%	3 Yr Return	4.8%	4.7%
2009	-4.7%	-7.5%	9.0%	9.6%	5.0%	1.1%	7.1%	2.1%	4.3%	-1.4%	6.1%	3.1%	37.4%	5 Yr Return	1.7%	1.6%	
2008	-7.8%	-2.0%	-0.6%	5.3%	3.7%	-7.2%	-2.0%	1.1%	-11.6%	-17.5%	-8.0%	1.8%	-38.4%	Best Month	12.7%	12.6%	
2007	2.6%	-1.9%	0.6%	4.7%	3.6%	-1.3%	-1.6%	1.6%	4.2%	3.4%	-3.7%	-0.3%	12.0%	Worst Month	-17.5%	-17.6%	
2006	1.8%	-0.2%	1.5%	-0.1%	-3.4%	-0.4%	-1.9%	3.1%	2.7%	3.5%	2.0%	0.4%	9.2%	% Positive Months	51.4%	52.1%	
2005	-3.3%	1.1%	-1.8%	-1.9%	4.8%	-0.4%	4.9%	-1.3%	0.5%	-1.0%	4.3%	-0.3%	5.2%	Risk			
2004	2.1%	0.6%	-1.9%	-1.2%	1.9%	1.3%	-5.6%	-0.5%	1.0%	1.6%	3.4%	3.9%	6.3%	Standard Deviation	18.6%	18.9%	
2003	-2.4%	-0.5%	1.8%	7.4%	5.0%	1.4%	2.4%	2.5%	-1.1%	5.6%	1.0%	3.5%	29.7%	3 Yr Standard Deviation	20.9%	20.9%	
2002	-1.7%	-4.1%	3.4%	-8.2%	-2.4%	-8.8%	-5.4%	0.3%	-10.4%	9.2%	5.5%	-6.9%	-27.4%	5 Yr Standard Deviation	18.5%	18.5%	
2001	6.9%	-16.6%	-10.8%	12.7%	-1.5%	-2.3%	-2.6%	-8.2%	-10.0%	5.2%	9.6%	-0.2%	-20.0%	Sharpe Ratio (2.5%)	-0.18	-0.14	
														Sortino Ratio (0.0%)	-0.18	-0.14	
														Downside Deviation (0.0%)	14.2%	14.3%	
														Max Drawdown	-61.5%	-61.9%	
														Months In Maximum Drawdown	25	25	
														Months To Recover	--	--	
														Comparison To Benchmark(s)			
														Monthly Alpha		-0.1%	
														Annualized Alpha		-0.7%	
														Tracking Error		3.1%	
														Information Ratio		(0.22)	
														Beta		0.97	
														Correlation		0.99	
														R-Squared		97.4%	
														Annual Returns			
														2011-(YTD)	-7.1%	-7.2%	
														2010	16.7%	16.7%	
														2009	37.4%	37.2%	
														2008	-38.4%	-38.4%	
														2007	12.0%	11.8%	
														2006	9.2%	9.1%	
														Latest Returns			
														Last Month	-7.4%	-7.4%	
														Last 3 Months	-13.1%	-13.1%	
														Last Year	3.8%	3.8%	
														2-Year	8.2%	8.1%	
														3-Year	4.8%	4.7%	
														4-Year	-2.3%	-2.4%	
														5-Year	1.7%	1.6%	
														Drawdown Analysis			
														1	-61.5%	-61.9%	
														2	-9.3%	-9.6%	
														3	-4.9%	-4.7%	



Note: Net of fee performance of the Rhumbline Russell 1000 Index Fund Composite is linked with SJP&F portfolio performance. Inception date of the Rhumbline Russell 1000 Index Fund Composite is January 1995. Inception date of the SJP&F portfolio is December 2009. Composite data provided by eVestment Alliance. Based on monthly, net of fee performance data, since inception.



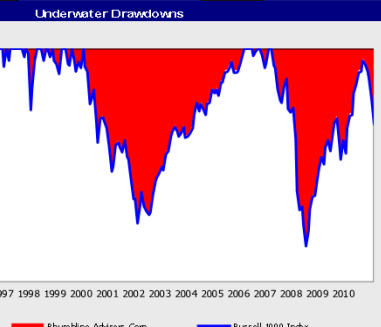
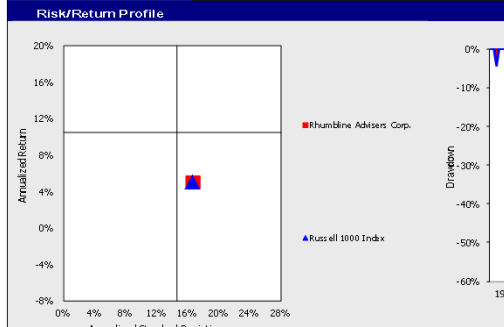
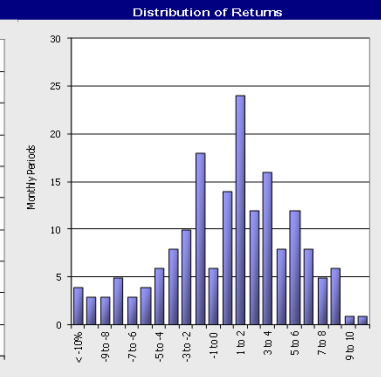
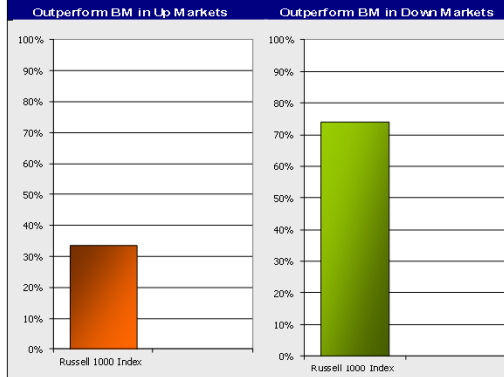
Rhumblin Russell 1000 Growth Index Fund

Rhumblin Russell 1000 Index Fund
Rhumblin Advisers Corp.



Benchmark 1 (BM1): Russell 1000 Index
Benchmark 2 (BM2): N/A

Monthly Performance (% of Net of Fees)														Statistical Analysis		
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	Returns	Fund	BM1
2011	2.4%	3.5%	0.2%	3.0%	-1.1%	-1.7%	-2.2%	-5.8%	-7.4%				-9.3%	Annualized Compound ROR	5.0%	5.0%
2010	-3.6%	3.3%	6.1%	1.8%	-7.9%	-5.5%	6.9%	-4.5%	9.2%	3.9%	0.3%	6.7%	16.0%	3 Yr Return	1.7%	1.6%
2009	-8.1%	-10.3%	8.7%	10.2%	5.6%	0.3%	7.6%	3.6%	4.0%	-2.2%	5.9%	2.4%	28.8%	5 Yr Return	-0.8%	-0.9%
2008	-6.1%	-3.0%	-0.7%	5.1%	1.9%	-8.2%	-1.2%	1.4%	-9.4%	-17.4%	-7.5%	1.6%	-37.3%	Best Month	10.2%	10.1%
2007	1.9%	-1.7%	1.1%	4.2%	3.5%	-1.9%	-3.1%	1.4%	3.8%	1.7%	-4.2%	-0.6%	5.8%	Worst Month	-17.4%	-17.5%
2006	2.8%	0.2%	1.4%	1.2%	-2.9%	0.2%	0.2%	2.4%	2.4%	3.4%	2.1%	1.3%	15.4%	% Positive Months	60.5%	60.5%
2005	-2.5%	2.3%	-1.6%	-1.8%	3.5%	0.4%	3.9%	-0.9%	0.9%	-1.7%	3.8%	0.2%	6.2%	Risk		
2004	1.9%	1.4%	-1.4%	-1.8%	1.4%	1.8%	-3.5%	0.5%	1.3%	1.6%	4.3%	3.6%	11.3%	Standard Deviation	16.7%	16.7%
2003	-2.4%	-1.6%	1.0%	8.1%	5.8%	1.3%	2.0%	2.0%	-1.0%	5.9%	1.2%	4.8%	30.1%	3 Yr Standard Deviation	21.6%	21.7%
2002	-1.3%	-2.0%	4.1%	-5.7%	-0.9%	-7.4%	-7.4%	0.6%	-10.7%	8.3%	5.9%	-5.7%	-21.6%	5 Yr Standard Deviation	18.7%	18.7%
2001	3.2%	-9.2%	-6.6%	8.1%	0.7%	-2.2%	-1.3%	-6.1%	-8.4%	2.0%	7.7%	1.1%	-12.3%	Sharpe Ratio (2.5%)	0.23	0.23
														Sortino Ratio (0.0%)	0.42	0.41
														Downside Deviation (0.0%)	11.8%	11.8%
														Max Drawdown	-50.8%	-51.1%
														Months In Maximum Drawdown	16	16
														Months To Recover	--	--
														Comparison To Benchmark(s)		
														Monthly Alpha		0.0%
														Annualized Alpha		0.1%
														Tracking Error		0.2%
														Information Ratio		0.30
														Beta		1.00
														Correlation		1.00
														R-Squared		100.0%
														Annual Returns		
														2011-(YTD)	-9.3%	-9.2%
														2010	16.0%	16.1%
														2009	28.8%	28.4%
														2008	-37.3%	-37.6%
														2007	5.8%	5.8%
														2006	15.4%	15.5%
														Latest Returns		
														Last Month	-7.4%	-7.5%
														Last 3 Months	-14.7%	-14.7%
														Last Year	0.8%	0.9%
														2-Year	5.6%	5.7%
														3-Year	1.7%	1.6%
														4-Year	-4.8%	-4.9%
														5-Year	-0.8%	-0.9%
														Drawdown Analysis		
														1	-50.8%	-51.1%
														2	-44.7%	-45.1%
														3	-15.7%	-16.0%
														4	-6.6%	-6.6%
														5	-5.6%	-5.8%



Note: Net of fee performance of the Rhumblin Russell 1000 Growth Index Fund Composite is linked with SJP&F portfolio performance. Inception date of the Rhumblin Russell 1000 Growth Index Fund Composite is December 1999. Inception date of the SJP&F portfolio is December 2009. Composite data provided by eVestment Alliance. Based on monthly, net of fee performance data, since inception.



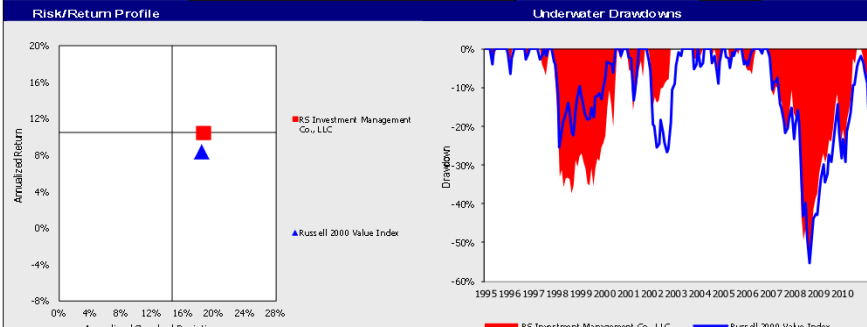
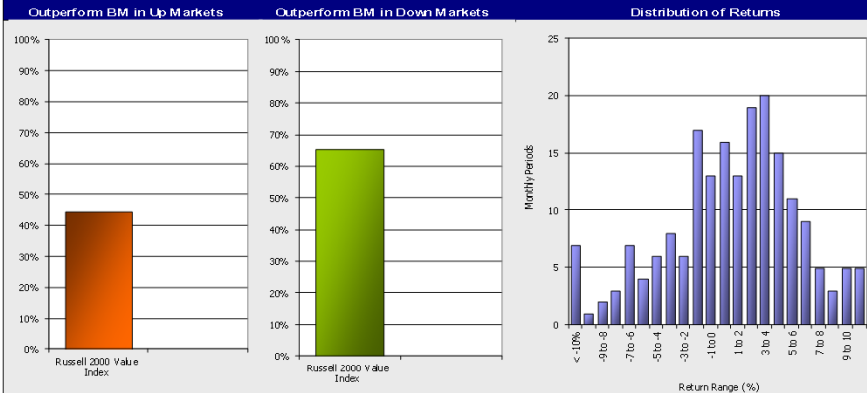
RS Small Cap Value

RS Small Cap Value
RS Investment Management Co., LLC



Benchmark 1 (B1): Russell 2000 Value Index
Benchmark 2 (B2): N/A

Year	Monthly Performance (% Net of Fees)												Year	Statistical Analysis		Fund	B1	B2
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		Returns				
2011	-1.3%	6.0%	2.9%	2.5%	-2.0%	-3.5%	-3.9%	-8.6%	-11.2%					-18.5%	Annualized Compound ROR	10.4%	8.4%	
2010	-0.7%	4.9%	6.9%	3.9%	-7.1%	-7.5%	4.3%	-6.2%	9.8%	3.1%	3.9%	11.4%	27.3%	3 Yr Return	1.8%	-2.8%		
2009	-6.4%	-5.8%	7.6%	15.1%	4.6%	2.6%	8.5%	3.9%	3.2%	-3.3%	3.0%	5.3%	43.0%	5 Yr Return	-0.7%	-3.1%		
2008	-6.7%	-0.7%	-1.2%	6.5%	6.3%	-6.4%	-1.6%	2.7%	-11.0%	-24.5%	-10.8%	5.8%	-37.9%	Best Month	15.1%	15.9%		
2007	1.9%	0.9%	1.5%	3.5%	4.1%	-1.7%	-9.5%	-1.3%	2.6%	-0.2%	-3.7%	-0.5%	-3.0%	Worst Month	-24.5%	-20.0%		
2006	6.7%	-1.4%	3.2%	1.8%	-2.5%	-2.4%	-0.9%	0.2%	-1.1%	4.2%	3.3%	0.2%	11.4%	% Positive Months	62.1%	63.1%		
2005	-1.8%	2.8%	-2.1%	-5.4%	4.9%	6.1%	5.0%	1.6%	1.9%	-4.4%	2.6%	1.0%	12.0%	Risk				
2004	1.2%	5.6%	2.0%	-2.4%	-0.4%	2.6%	-1.7%	1.7%	7.1%	0.1%	9.7%	3.2%	31.8%	Standard Deviation	18.7%	18.4%		
2003	1.3%	0.8%	0.4%	8.5%	9.2%	5.4%	5.0%	5.0%	0.2%	5.9%	3.3%	6.9%	65.6%	3 Yr Standard Deviation	26.6%	29.0%		
2002	2.0%	-4.3%	11.1%	3.9%	3.9%	-0.8%	-4.2%	-10.6%	3.0%	-1.8%	0.7%	3.6%	0.2%	5 Yr Standard Deviation	22.8%	24.1%		
2001	9.7%	-1.1%	-1.6%	8.1%	6.5%	-1.3%	-4.2%	-0.6%	-10.7%	5.0%	3.1%	4.4%	16.7%	Sharpe Ratio (2.5%)	0.50	0.40		
														Sortino Ratio (0.0%)	0.78	0.62		
														Downside Deviation (0.0%)	12.8%	13.0%		
														Max Drawdown	-52.8%	-55.5%		
														Months In Maximum Drawdown	21	21		
														Months To Recover	24	--		
														Comparison To Benchmark(s)				
														Monthly Alpha		0.3%		
														Annualized Alpha		3.2%		
														Tracking Error		9.9%		
														Information Ratio		0.21		
														Beta		0.87		
														Correlation		0.86		
														R-Squared		73.8%		
														Annual Returns				
														2011-(YTD)	-18.5%	-18.5%		
														2010	27.3%	24.5%		
														2009	43.0%	20.6%		
														2008	-37.9%	-28.9%		
														2007	-3.0%	-9.8%		
														2006	11.4%	23.5%		
														Latest Returns				
														Last Month	-11.2%	-10.9%		
														Last 3 Months	-22.0%	-21.5%		
														Last Year	-2.8%	-6.0%		
														2-Year	4.3%	2.5%		
														3-Year	1.8%	-2.8%		
														4-Year	-3.1%	-5.2%		
														5-Year	-0.7%	-3.1%		
														Drawdown Analysis				
														1	-52.8%	-55.5%		
														2	-37.3%	-26.7%		
														3	-26.2%	-25.4%		
														4	-16.0%	-13.3%		
														5	-14.9%	-8.9%		



Note: Net of fee performance of the RS Small Cap Value Composite is linked with SJP&F portfolio performance. Inception date of the RS Small Cap Value Composite is July 1995. Inception date of the SJP&F portfolio is August 2010. Composite data provided by eVestment Alliance. Based on monthly, net of fee performance data, since inception.



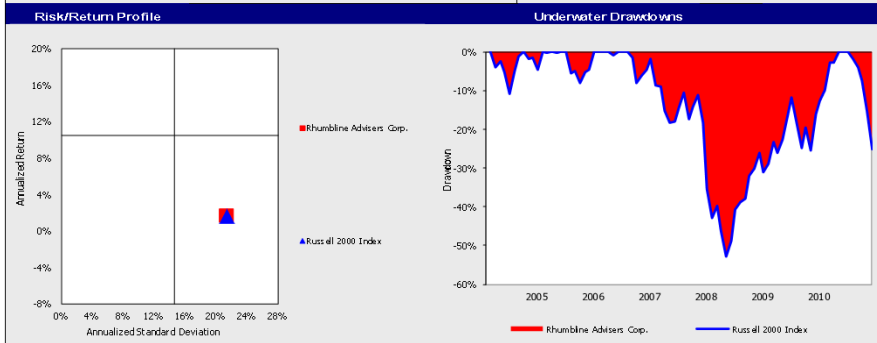
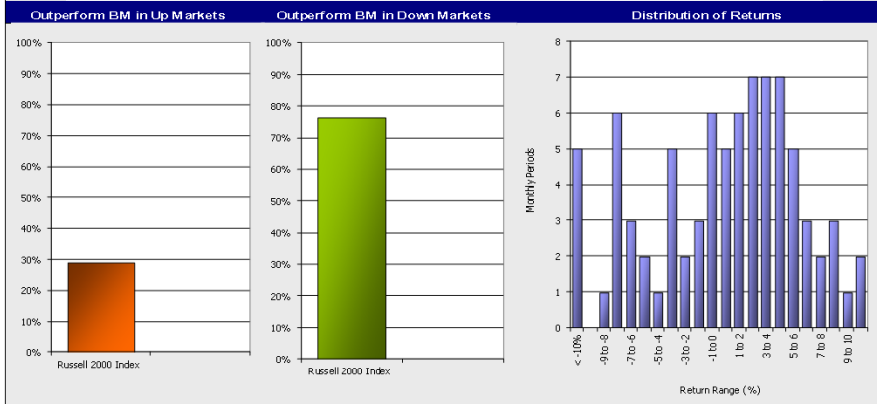
Rhumblin Russell Small Cap Index Fund

Rhumblin Russell Small Cap Index Fund
Rhumblin Advisers Corp.



Benchmark 1 (BMI): Russell 2000 Index
Benchmark 2 (BM2): N/A

Monthly Performance (% of Net of Fees)														Statistical Analysis		Fund	BMI
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	Returns			
2011	-0.2%	5.5%	2.6%	2.7%	-1.9%	-2.3%	-3.6%	-8.4%	-11.1%					-16.6%	Annualized Compound ROR	1.7%	1.6%
2010	-3.7%	4.5%	8.1%	5.6%	-7.5%	-7.7%	6.8%	-7.4%	12.4%	4.1%	3.4%	7.9%	26.5%	3 Yr Return	-0.2%	-0.4%	
2009	-11.0%	-12.1%	8.9%	15.4%	3.0%	1.5%	9.6%	2.8%	5.7%	-6.7%	3.1%	8.0%	27.1%	5 Yr Return	-0.9%	-1.0%	
2008	-6.8%	-3.7%	0.4%	4.2%	4.6%	-7.8%	3.7%	3.6%	-7.9%	-20.8%	-11.6%	5.8%	-33.7%	Best Month	15.4%	15.5%	
2007	1.7%	-0.8%	1.1%	1.9%	4.1%	-1.5%	-6.8%	2.3%	1.7%	2.8%	-7.1%	-0.1%	-1.5%	Worst Month	-20.8%	-20.8%	
2006	8.9%	-0.3%	4.9%	0.0%	-5.6%	0.6%	-3.2%	2.9%	0.9%	5.8%	2.6%	0.4%	18.3%	% Positive Months	58.5%	58.5%	
2005	-4.1%	1.9%	-2.9%	-5.7%	6.5%	3.8%	6.3%	-1.8%	0.3%	-3.1%	4.9%	-0.4%	4.8%	Risk			
2004												3.3%	3.3%	Standard Deviation	21.3%	21.5%	
														3 Yr Standard Deviation	28.1%	28.2%	
														5 Yr Standard Deviation	23.5%	23.7%	
														Sharpe Ratio (2.5%)	0.07	0.07	
														Sortino Ratio (0.0%)	0.11	0.10	
														Downside Deviation (0.0%)	15.7%	15.8%	
														Max Drawdown	-52.8%	-52.9%	
														Months In Maximum Drawdown	21	21	
														Months To Recover	24	--	
														Comparison To Benchmark(s)			
														Monthly Alpha		0.0%	
														Annualized Alpha		0.1%	
														Tracking Error		0.3%	
														Information Ratio		0.56	
														Beta		0.99	
														Correlation		1.00	
														R-Squared		100.0%	
														Annual Returns			
														2011-(YTD)	-16.6%	-17.0%	
														2010	26.5%	26.9%	
														2009	27.1%	27.2%	
														2008	-33.7%	-33.8%	
														2007	-1.5%	-1.6%	
														2006	18.3%	18.4%	
														Latest Returns			
														Last Month	-11.1%	-11.2%	
														Last 3 Months	-21.5%	-21.9%	
														Last Year	-3.1%	-3.5%	
														2-Year	4.7%	4.6%	
														3-Year	-0.2%	-0.4%	
														4-Year	-4.0%	-4.1%	
														5-Year	-0.9%	-1.0%	
														Drawdown Analysis			
														1	-52.8%	-52.9%	
														2	-24.7%	-25.1%	
														3	-10.5%	-10.8%	
														4	-8.1%	-8.1%	
														5	-4.5%	-4.6%	



Note: Based on monthly, net of fee performance data, since inception.



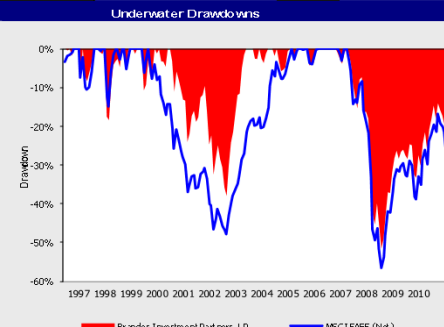
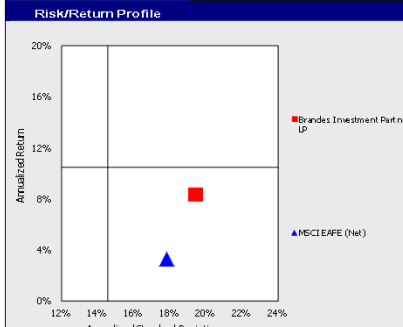
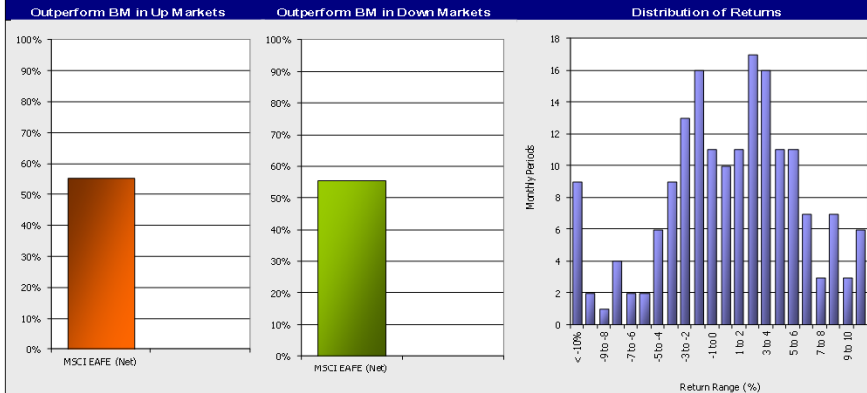
Brandes International Equity

Brandes International Equity
Brandes Investment Partners, LP



Benchmark 1 (BMI): MSCI EAFE (Net)
Benchmark 2 (BM2): N/A

Year	Monthly Performance (% of Net of Fees)												Year	Statistical Analysis		Fund	BMI
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		Returns	BMI		
2011	3.4%	4.2%	-4.0%	4.9%	-2.1%	-1.7%	-2.9%	-7.9%	-6.7%					-12.9%	Annualized Compound ROR	8.3%	3.2%
2010	-2.0%	-1.3%	5.3%	-0.4%	-10.0%	-1.3%	8.8%	-3.8%	8.3%	3.9%	-5.8%	7.3%	7.2%	23.0%	3 Yr Return	-1.5%	-1.1%
2009	-9.7%	-10.9%	5.3%	12.8%	9.7%	-0.4%	8.8%	5.2%	2.7%	-2.9%	2.5%	0.8%	23.0%	5 Yr Return	-3.0%	-3.5%	
2008	-5.8%	-3.5%	-3.4%	8.8%	0.7%	-9.6%	-0.1%	-2.1%	-12.0%	-20.4%	-4.8%	10.0%	-37.6%	Best Month	15.2%	12.8%	
2007	-0.1%	2.2%	2.8%	4.1%	1.9%	-1.2%	-1.6%	-1.2%	2.9%	2.9%	-1.2%	-2.6%	9.1%	Worst Month	-20.4%	-20.2%	
2006	4.1%	1.6%	3.5%	5.1%	-4.3%	0.2%	0.5%	3.2%	1.6%	3.0%	3.7%	2.8%	27.5%	% Positive Months	57.6%	59.3%	
2005	-1.9%	3.8%	-3.1%	-2.8%	0.4%	0.7%	4.3%	1.5%	4.9%	-2.5%	3.0%	3.9%	12.3%	Risk			
2004	3.8%	2.4%	1.5%	-2.6%	-0.1%	3.9%	-2.5%	-1.2%	2.4%	4.8%	6.9%	4.0%	25.5%	Standard Deviation	19.4%	17.9%	
2003	-3.0%	-7.5%	-3.4%	12.8%	8.4%	3.7%	6.1%	5.7%	0.5%	7.5%	3.6%	6.8%	46.9%	3 Yr Standard Deviation	24.5%	25.4%	
2002	-3.4%	1.5%	6.2%	0.7%	2.7%	-7.4%	-10.1%	3.2%	-13.1%	6.2%	4.8%	-4.7%	-14.8%	5 Yr Standard Deviation	21.2%	22.3%	
2001	2.4%	-3.2%	-8.1%	5.8%	-2.2%	-2.7%	-3.0%	-0.3%	-12.3%	2.8%	5.8%	1.6%	-14.0%	Sharpe Ratio (2.5%)	0.38	0.13	
														Sortino Ratio (0.0%)	0.60	0.24	
														Downside Deviation (0.0%)	13.3%	13.0%	
														Max Drawdown	-51.6%	-56.7%	
														Months In Maximum Drawdown	16	16	
														Months To Recover	--	--	
														Comparison To Benchmark(s)			
														Monthly Alpha		0.4%	
														Annualized Alpha		5.2%	
														Tracking Error		7.5%	
														Information Ratio		0.68	
														Beta		1.01	
														Correlation		0.93	
														R-Squared		85.8%	
														Annual Returns			
														2011-(YTD)	-12.9%	-15.0%	
														2010	7.2%	7.8%	
														2009	23.0%	31.8%	
														2008	-37.6%	-43.4%	
														2007	9.1%	11.2%	
														2006	27.5%	26.3%	
														Latest Returns			
														Last Month	-6.7%	-9.5%	
														Last 3 Months	-16.6%	-19.0%	
														Last Year	-8.6%	-9.4%	
														2-Year	-3.2%	-3.2%	
														3-Year	-1.5%	-1.1%	
														4-Year	-8.2%	-9.5%	
														5-Year	-3.0%	-3.5%	
														Drawdown Analysis			
														1	-51.6%	-56.7%	
														2	-38.0%	-48.0%	
														3	-18.4%	-15.1%	
														4	-10.8%	-10.7%	
														5	-8.4%	-5.1%	



Note: Based on monthly, net of fee performance data, since inception.



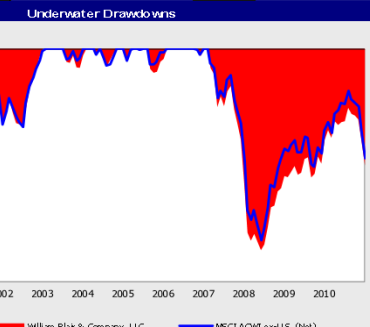
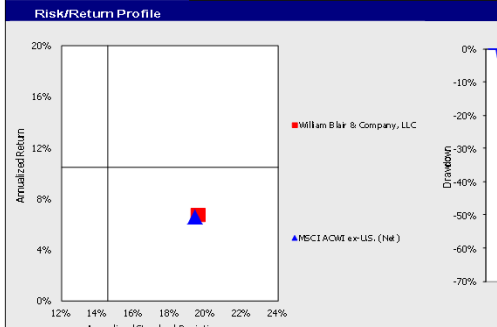
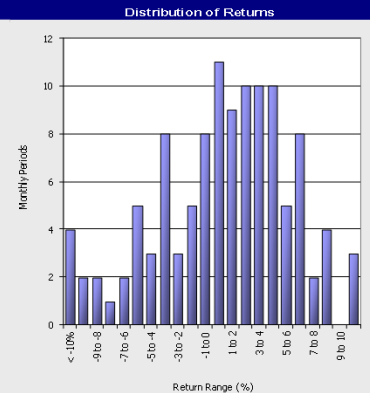
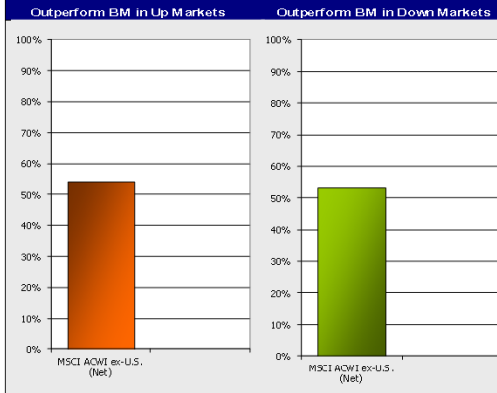
William Blair International Growth

William Blair International Growth
William Blair & Company, LLC



Benchmark 1 (BMI): MSCI ACWI ex-U.S. (Net)
Benchmark 2 (BM2): N/A

Monthly Performance (% Net of Fees)														Statistical Analysis		Fund	BMI
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	Returns			
2011	-1.4%	1.1%	0.4%	5.1%	-2.2%	-0.6%	-1.4%	-8.4%	-10.1%				-17.1%	Annualized Compound ROR	6.8%	6.6%	
2010	-4.0%	1.0%	6.6%	0.8%	-9.0%	1.8%	8.3%	-3.1%	10.8%	4.1%	-3.0%	6.8%	20.8%	3 Yr Return	2.9%	0.5%	
2009	-5.6%	-5.9%	4.4%	12.2%	13.5%	1.0%	8.1%	1.7%	6.3%	-0.5%	2.6%	2.8%	46.1%	5 Yr Return	-1.2%	-1.6%	
2008	-10.8%	3.9%	-3.4%	5.4%	1.8%	-7.8%	-5.4%	-6.1%	-18.1%	-25.1%	-5.4%	4.9%	-52.1%	Best Month	13.5%	13.6%	
2007	0.5%	0.4%	2.9%	5.2%	2.5%	0.5%	0.9%	-2.3%	8.0%	8.1%	-5.9%	-1.8%	19.5%	Worst Month	-25.1%	-22.0%	
2006	7.4%	-0.5%	3.0%	4.2%	-6.1%	-1.2%	0.3%	3.2%	0.9%	3.7%	3.7%	4.3%	24.5%	% Positive Months	62.6%	60.9%	
2005	-2.0%	5.0%	-3.2%	-2.2%	1.9%	2.1%	4.0%	2.2%	5.2%	-3.6%	4.9%	6.2%	21.7%	Risk			
2004	1.5%	2.0%	2.1%	-3.9%	-0.4%	2.2%	-3.6%	-0.2%	4.1%	3.4%	6.8%	4.4%	19.3%	Standard Deviation	19.6%	19.4%	
2003	-3.9%	-0.5%	-0.4%	6.8%	6.7%	3.2%	3.8%	3.8%	3.0%	8.3%	0.9%	6.0%	44.1%	3 Yr Standard Deviation	25.1%	26.2%	
2002			2.9%	1.9%	1.3%	-4.1%	-9.1%	-0.9%	-9.8%	4.0%	4.4%	-4.5%	-14.2%	5 Yr Standard Deviation	23.6%	23.2%	
2001														Sharpe Ratio (2.5%)	0.31	0.30	
														Sortino Ratio (0.0%)	0.46	0.46	
														Downside Deviation (0.0%)	14.4%	13.8%	
														Max Drawdown	-60.7%	-57.6%	
														Months In Maximum Drawdown	16	16	
														Months To Recover	--	--	
														Comparison To Benchmark(s)			
														Monthly Alpha		0.0%	
														Annualized Alpha		0.4%	
														Tracking Error		4.3%	
														Information Ratio		0.04	
														Beta		0.98	
														Correlation		0.98	
														R-Squared		95.1%	
														Annual Returns			
														2011-(YTD)	-17.1%	-16.8%	
														2010	20.8%	11.2%	
														2009	46.1%	41.4%	
														2008	-52.1%	-45.5%	
														2007	19.5%	16.7%	
														2006	24.5%	26.7%	
														Latest Returns			
														Last Month	-10.1%	-11.1%	
														Last 3 Months	-18.9%	-19.9%	
														Last Year	-10.6%	-10.8%	
														2-Year	2.5%	-2.1%	
														3-Year	2.9%	0.5%	
														4-Year	-8.5%	-8.3%	
														5-Year	-1.2%	-1.6%	
														Drawdown Analysis			
														1	-60.7%	-57.6%	
														2	-23.1%	-23.7%	
														3	-7.3%	-5.2%	
														4	-5.8%	-4.8%	
														5	-5.4%	-3.8%	



Note: Based on monthly, net of fee performance data, since inception.



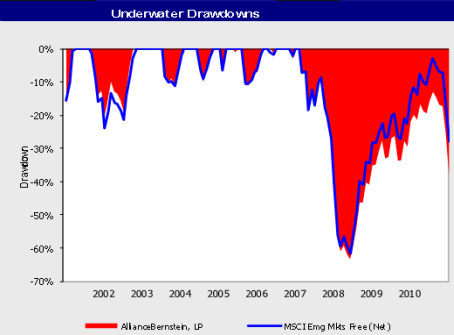
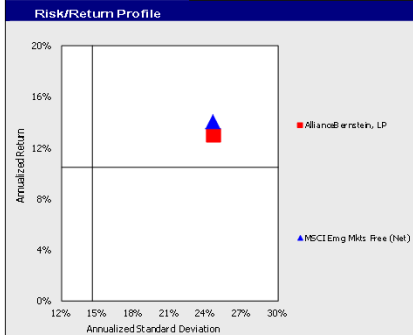
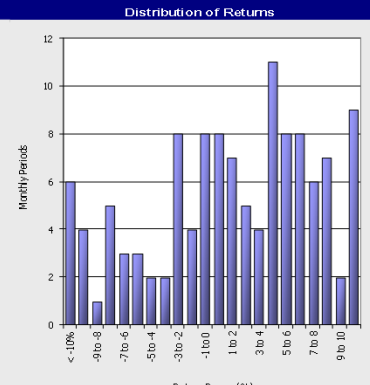
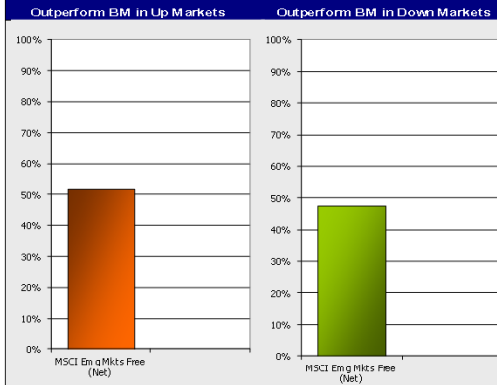
AllianceBernstein Global Emerging Markets Growth Equity

Alliance Global Emerging Markets Growth Equity
AllianceBernstein, LP



Benchmark 1 (BMI): MSCI Emg Mkts Free (Net)
Benchmark 2 (BM2): N/A

Year	Monthly Performance (% Net of Fees)												Year	Statistical Analysis		Fund	BMI
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		Returns	BMI		
2011	-2.6%	-0.7%	4.8%	3.1%	-1.9%	-2.7%	-0.4%	-9.9%	-16.7%					-25.5%	Annualized Compound ROR	12.9%	14.0%
2010	-7.4%	0.5%	8.5%	0.8%	-10.0%	0.1%	8.8%	-2.4%	10.9%	2.5%	-1.9%	6.1%	15.2%	3 Yr Return	2.3%	6.3%	
2009	-6.3%	-4.1%	11.9%	12.8%	16.3%	-0.1%	11.2%	-1.0%	9.7%	0.4%	6.0%	4.9%	77.5%	5 Yr Return	1.5%	4.9%	
2008	-11.9%	7.0%	-5.7%	8.2%	2.3%	-9.3%	-5.9%	-7.5%	-19.6%	-25.7%	-9.4%	4.4%	-56.1%	Best Month	16.3%	17.1%	
2007	0.2%	-1.3%	4.1%	5.1%	4.9%	3.5%	4.1%	-3.1%	12.0%	11.7%	-7.0%	-0.1%	37.7%	Worst Month	-25.7%	-27.4%	
2006	11.9%	-1.1%	1.9%	5.5%	-10.8%	-0.3%	1.1%	3.0%	0.6%	5.0%	6.6%	4.8%	29.7%	% Positive Months	62.0%	62.0%	
2005	1.1%	8.9%	-7.4%	-2.7%	3.7%	3.1%	7.5%	0.6%	8.7%	-6.4%	7.9%	5.5%	32.8%	Risk			
2004	5.2%	4.4%	1.7%	-7.6%	-2.4%	0.9%	-2.0%	4.5%	5.7%	2.5%	8.9%	5.8%	29.8%	Standard Deviation	24.6%	24.6%	
2003	-0.8%	-2.3%	-4.1%	9.9%	7.5%	6.0%	5.7%	7.8%	1.2%	7.9%	-0.3%	6.8%	54.0%	3 Yr Standard Deviation	29.7%	30.6%	
2002	4.1%	2.1%	6.2%	1.2%	-2.2%	-5.5%	-6.8%	1.4%	-8.7%	6.0%	6.5%	-3.3%	-0.5%	5 Yr Standard Deviation	28.3%	28.6%	
2001									-16.8%	8.6%	11.5%	7.2%	8.0%	Sharpe Ratio (2.5%)	0.52	0.56	
														Sortino Ratio (0.0%)	0.72	0.79	
														Downside Deviation (0.0%)	17.0%	16.7%	
														Max Drawdown	-63.4%	-61.6%	
														Months In Maximum Drawdown	16	16	
														Months To Recover	--	--	
														Comparison To Benchmark(s)			
														Monthly Alpha		-0.1%	
														Annualized Alpha		-0.8%	
														Tracking Error		3.5%	
														Information Ratio		(0.30)	
														Beta		0.99	
														Correlation		0.99	
														R-Squared		98.0%	
														Annual Returns			
														2011-(YTD)	-25.5%	-21.9%	
														2010	15.2%	18.9%	
														2009	77.5%	78.5%	
														2008	-56.1%	-53.3%	
														2007	37.7%	39.4%	
														2006	29.7%	32.2%	
														Latest Returns			
														Last Month	-16.7%	-14.6%	
														Last 3 Mbnths	-25.3%	-22.6%	
														Last Year	-20.6%	-16.1%	
														2-Year	-2.1%	0.4%	
														3-Year	2.3%	6.3%	
														4-Year	-8.7%	-5.4%	
														5-Year	1.5%	4.9%	
														Drawdown Analysis			
														1	-63.4%	-61.6%	
														2	-20.3%	-23.9%	
														3	-16.8%	-15.5%	
														4	-11.1%	-11.3%	
														5	-10.9%	-10.7%	



Note: Based on monthly, net of fee performance data, since inception.



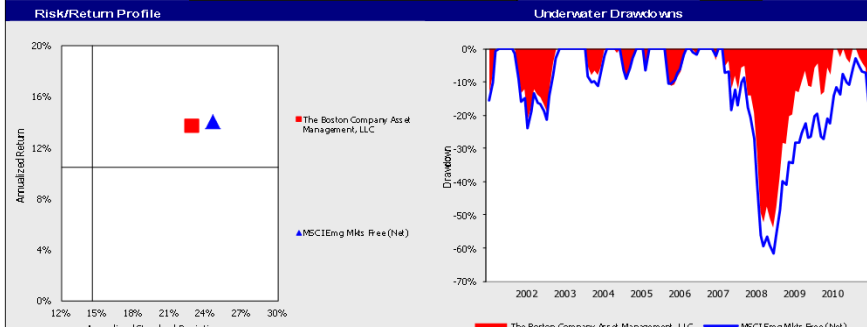
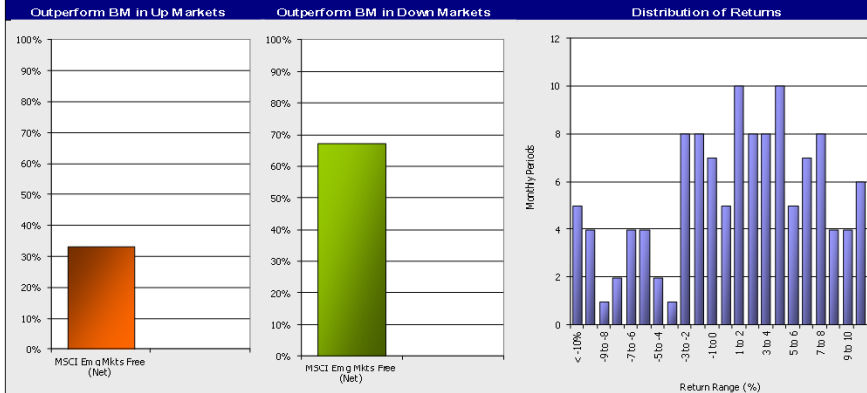
The Boston Company Emerging Markets Value

The Boston Company Emerging Markets Value
The Boston Company Asset Management, LLC



Benchmark 1 (BMI): MSCI Emg Mkts Free (Net)
Benchmark 2 (BM2): N/A

Year	Monthly Performance (% Net of Fees)												Year	Statistical Analysis		Fund	BMI
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		Returns	BMI		
2011	-2.9%	-1.3%	4.6%	1.5%	-2.6%	-1.8%	-1.5%	-9.5%	-14.6%					-25.9%	Annualized Compound ROR	13.8%	14.0%
2010	-4.8%	-0.4%	6.6%	1.4%	-9.9%	1.0%	8.4%	-2.3%	10.2%	1.8%	-2.5%	8.0%	16.6%	3 Yr Return	5.6%	6.3%	
2009	-7.0%	-5.5%	13.3%	16.5%	17.7%	-0.4%	11.7%	0.7%	8.9%	-0.5%	3.7%	3.6%	77.8%	5 Yr Return	4.1%	4.9%	
2008	-8.6%	4.3%	-4.4%	7.3%	0.6%	-9.4%	0.0%	-5.9%	-15.2%	-25.9%	-6.0%	10.0%	-45.5%	Best Month	17.7%	17.1%	
2007	-0.5%	-1.1%	2.4%	4.7%	5.0%	4.1%	3.5%	-3.5%	7.2%	6.7%	-5.1%	1.5%	26.9%	Worst Month	-25.9%	-27.4%	
2006	9.0%	-0.1%	2.3%	6.7%	-10.0%	-1.3%	0.4%	2.5%	1.8%	4.6%	6.1%	3.7%	27.3%	% Positive Months	62.0%	62.0%	
2005	-1.3%	7.1%	-6.8%	-2.0%	2.9%	3.9%	5.9%	0.1%	8.8%	-7.0%	7.5%	6.2%	26.4%	Risk			
2004	2.9%	3.9%	1.2%	-5.6%	-2.5%	1.4%	-1.4%	2.8%	5.2%	2.3%	9.9%	5.7%	27.9%	Standard Deviation	22.8%	24.6%	
2003	-0.9%	-2.3%	-2.8%	9.9%	7.6%	4.8%	5.3%	5.3%	2.5%	7.5%	1.8%	7.1%	55.1%	3 Yr Standard Deviation	30.0%	30.6%	
2002	4.4%	3.1%	6.2%	3.3%	0.2%	-7.1%	-6.7%	1.3%	-10.4%	4.1%	7.2%	-1.9%	1.9%	5 Yr Standard Deviation	26.5%	28.6%	
2001									-13.4%	6.1%	11.0%	4.1%	6.1%	Sharpe Ratio (2.5%)	0.58	0.56	
														Sortino Ratio (0.0%)	0.84	0.79	
														Downside Deviation (0.0%)	15.3%	16.7%	
														Max Drawdown	-53.9%	-61.6%	
														Months In Maximum Drawdown	16	16	
														Months To Recover	19	--	
														Comparison To Benchmark(s)			
														Monthly Alpha		0.1%	
														Annualized Alpha		0.8%	
														Tracking Error		4.6%	
														Information Ratio		(0.05)	
														Beta		0.91	
														Correlation		0.98	
														R-Squared		96.8%	
														Annual Returns			
														2011-(YTD)	-25.9%	-21.9%	
														2010	16.6%	18.9%	
														2009	77.8%	78.5%	
														2008	-45.5%	-53.3%	
														2007	26.9%	39.4%	
														2006	27.3%	32.2%	
														Latest Returns			
														Last Month	-14.6%	-14.6%	
														Last 3 Months	-23.8%	-22.6%	
														Last Year	-20.5%	-16.1%	
														2-Year	-3.9%	0.4%	
														3-Year	5.6%	6.3%	
														4-Year	-3.7%	-5.4%	
														5-Year	4.1%	4.9%	
														Drawdown Analysis			
														1	-53.9%	-61.6%	
														2	-27.1%	-23.9%	
														3	-21.3%	-15.5%	
														4	-13.4%	-11.3%	
														5	-11.2%	-10.7%	



Note: Based on monthly, net of fee performance data, since inception.



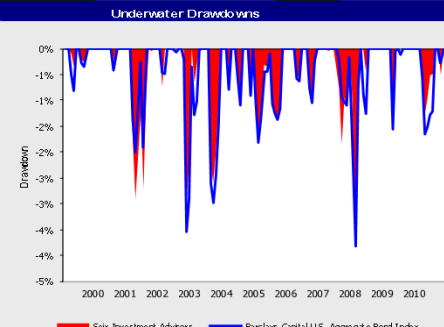
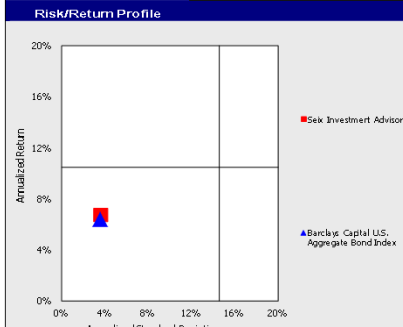
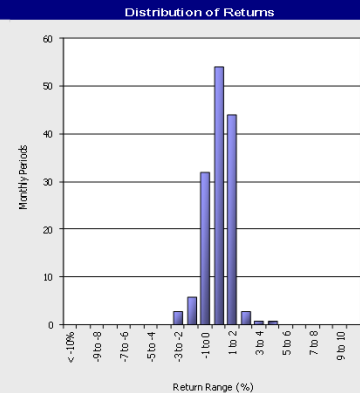
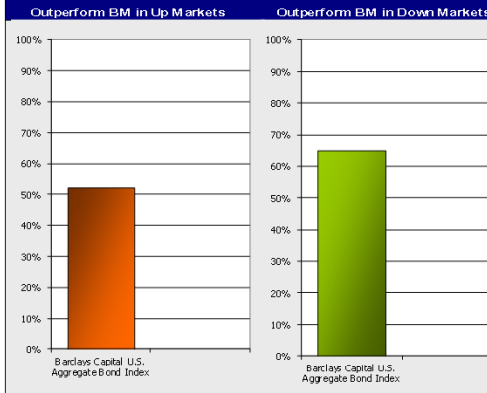
Seix Core Plus Bond Management

Seix Core Plus Bond Management
Seix Investment Advisors



Benchmark 1 (BMI): Barclays Capital U.S. Aggregate Bond Index
Benchmark 2 (BM2): N/A

Year	Monthly Performance (% Net of Fees)												Year	Statistical Analysis		Fund	BMI
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		Returns	BMI		
2011	0.3%	0.5%	0.0%	1.5%	1.2%	-0.5%	1.7%	1.8%	0.9%					7.6%	Annualized Compound ROR	6.8%	6.4%
2010	1.6%	0.3%	0.1%	1.4%	0.5%	1.6%	1.2%	1.5%	0.3%	0.4%	-0.4%	-0.9%	7.7%	3 Yr Return	9.9%	8.0%	
2009	0.6%	-0.4%	1.4%	1.1%	1.1%	1.0%	2.3%	1.1%	0.9%	0.5%	1.3%	-1.6%	9.7%	5 Yr Return	7.7%	6.5%	
2008	1.8%	0.0%	-0.4%	-0.4%	-1.1%	0.9%	-0.2%	1.1%	-0.9%	-2.9%	3.3%	4.1%	5.2%	Best Month	4.1%	3.7%	
2007	-0.1%	1.5%	0.1%	0.6%	-0.8%	-0.3%	0.9%	1.3%	0.8%	0.9%	1.8%	-0.1%	6.8%	Worst Month	-3.0%	-3.4%	
2006	0.0%	0.2%	-0.9%	-0.2%	-0.1%	0.3%	1.3%	1.4%	0.9%	0.7%	1.2%	-0.5%	4.1%	% Positive Months	71.5%	70.1%	
2005	0.5%	-0.4%	-0.4%	1.2%	0.8%	0.6%	-0.8%	1.2%	-1.0%	-0.7%	0.5%	0.9%	2.3%	Risk			
2004	1.0%	1.0%	0.7%	-2.2%	-0.4%	0.6%	1.0%	1.8%	0.4%	0.8%	-0.5%	1.0%	5.2%	Standard Deviation	3.6%	3.7%	
2003	0.6%	1.3%	0.1%	1.6%	1.6%	0.0%	-3.0%	0.7%	2.5%	-0.7%	0.4%	1.1%	6.4%	3 Yr Standard Deviation	4.3%	4.0%	
2002	0.9%	0.9%	-1.5%	2.0%	0.8%	-0.1%	0.1%	1.5%	0.9%	-0.7%	1.4%	1.8%	8.2%	5 Yr Standard Deviation	3.9%	3.6%	
2001	1.5%	0.8%	0.6%	-0.2%	0.8%	0.3%	2.3%	1.2%	0.7%	1.7%	-1.8%	-1.1%	6.8%	Sharpe Ratio (2.5%)	1.15	1.04	
														Sortino Ratio (0.0%)	3.56	3.24	
														Downside Deviation (0.0%)	1.8%	1.9%	
														Max Drawdown	-3.9%	-3.8%	
														Months In Maximum Drawdown	9	7	
														Months To Recover	2	--	
														Comparison To Benchmark(s)			
														Monthly Alpha		0.1%	
														Annualized Alpha		0.7%	
														Tracking Error		1.1%	
														Information Ratio		0.36	
														Beta		0.94	
														Correlation		0.95	
														R-Squared		90.9%	
														Annual Returns			
														2011-(YTD)	7.6%	6.6%	
														2010	7.7%	6.6%	
														2009	9.7%	5.9%	
														2008	5.2%	5.2%	
														2007	6.8%	7.0%	
														2006	4.1%	4.3%	
														Latest Returns			
														Last Month	0.9%	0.7%	
														Last 3 Months	4.4%	3.8%	
														Last Year	6.6%	5.3%	
														2-Year	7.7%	6.7%	
														3-Year	9.9%	8.0%	
														4-Year	8.2%	6.9%	
														5-Year	7.7%	6.5%	
														Drawdown Analysis			
														1	-3.9%	-3.8%	
														2	-3.0%	-3.6%	
														3	-2.9%	-3.0%	
														4	-2.6%	-2.0%	
														5	-1.7%	-1.8%	



Note: Based on monthly, net of fee performance data, since inception.



IR&M Long Government/Credit

IR&M Long G/C
Income Research & Management



Benchmark 1 (BMI): Barclays Capital U.S. Long Govt/Credit Index
Benchmark 2 (BM2): N/A

Monthly Performance (% Net of Fees)													Statistical Analysis				
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	Returns		Fund	BMI
2011	-1.3%	1.6%	-0.1%	2.6%	2.8%	-1.9%	4.1%	3.1%	5.3%				17.2%	Annualized Compound ROR	8.4%	8.0%	
2010	2.4%	0.5%	-0.9%	3.3%	1.5%	4.1%	1.0%	5.1%	-0.8%	-2.3%	-0.8%	-1.4%	12.1%	3 Yr Return	17.5%	14.9%	
2009	-4.4%	-2.8%	0.3%	0.5%	2.7%	5.7%	5.0%	3.0%	2.7%	-0.6%	1.3%	-3.1%	10.3%	5 Yr Return	10.4%	9.4%	
2008	1.9%	-1.1%	0.4%	0.1%	-2.0%	0.4%	-0.5%	1.0%	-6.9%	-7.4%	6.5%	13.6%	4.7%	Best Month	13.6%	11.2%	
2007	-0.5%	3.3%	-1.6%	0.9%	-1.9%	-0.9%	1.3%	1.5%	0.4%	1.4%	2.9%	-0.2%	6.7%	Worst Month	-7.4%	-7.2%	
2006	-0.8%	0.9%	-3.4%	-1.8%	-0.1%	0.6%	1.7%	2.7%	1.6%	1.2%	2.2%	-2.1%	2.8%	% Positive Months	60.5%	56.8%	
2005	2.0%	-1.0%	-0.9%	2.6%	2.1%	1.5%	-2.4%	2.6%	-3.0%	-1.9%	0.6%	1.8%	3.9%				
2001																	

Outperform BM in Up Markets		Outperform BM in Down Markets		Distribution of Returns	
	Barclays Capital U.S. Long Govt/Credit Index		Barclays Capital U.S. Long Govt/Credit Index		Return Range (%)

Risk/Return Profile		Underwater Drawdowns	
	Income Research & Management		Income Research & Management

Statistical Analysis		
Standard Deviation	10.2%	9.9%
3 Yr Standard Deviation	12.8%	12.8%
5 Yr Standard Deviation	11.1%	10.7%
Sharpe Ratio (2.5%)	0.60	0.58
Sortino Ratio (0.0%)	1.47	1.43
Downside Deviation (0.0%)	5.5%	5.4%
Max Drawdown	-15.2%	-11.9%
Months In Maximum Drawdown	9	9
Months To Recover	2	2

Comparison To Benchmark(s)		
Monthly Alpha		0.0%
Annualized Alpha		0.5%
Tracking Error		2.8%
Information Ratio		0.16
Beta		0.99
Correlation		0.96
R-Squared		92.5%

Annual Returns		
2011-(YTD)	17.2%	19.4%
2010	12.1%	10.2%
2009	10.3%	1.9%
2008	4.7%	8.4%
2007	6.7%	6.6%
2006	2.8%	2.7%

Latest Returns		
Last Month	5.3%	6.0%
Last 3 Months	12.9%	15.6%
Last Year	12.0%	12.7%
2-Year	13.2%	13.2%
3-Year	17.5%	14.9%
4-Year	12.1%	10.9%
5-Year	10.4%	9.4%

Drawdown Analysis		
1	-15.2%	-11.9%
2	-7.4%	-7.8%
3	-7.1%	-7.6%
4	-6.4%	-7.4%
5	-3.4%	-3.3%

Note: Based on monthly, net of fee performance data, since inception.



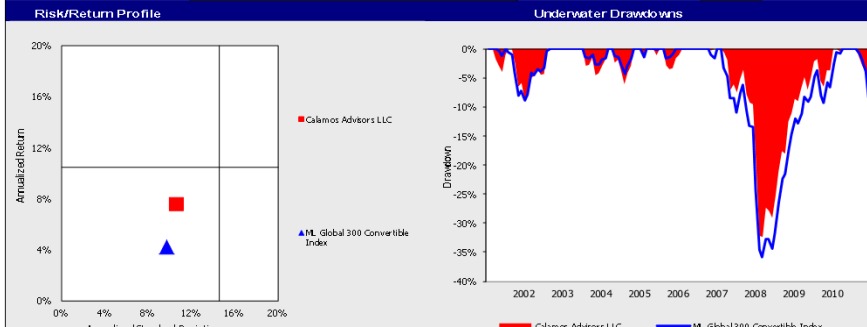
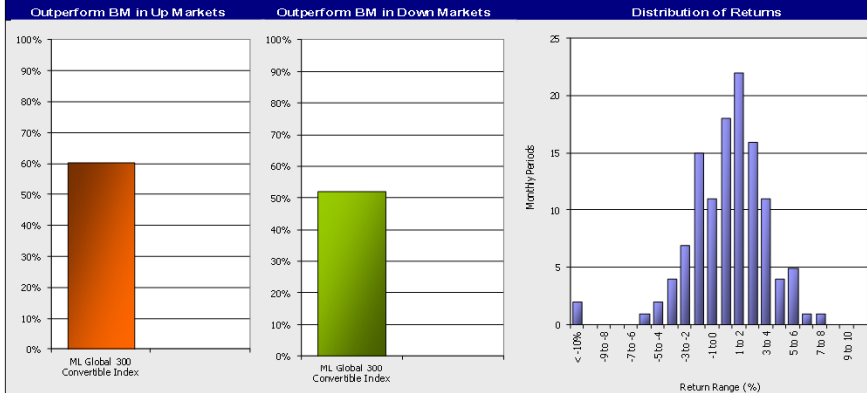
Calamos Global Convertible Strategy

Calamos Global Convertible Strategy
Calamos Advisors LLC



Benchmark 1 (BMI): ML Global 300 Convertible Index
Benchmark 2 (BM2): N/A

Year	Monthly Performance (% Net of Fees)												Year	Statistical Analysis		Fund	BMI
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		Returns	BMI		
2011	0.5%	2.6%	0.2%	1.4%	-1.4%	-1.5%	-1.0%	-1.1%	-3.3%					-3.7%	Annualized Compound ROR	7.6%	4.2%
2010	-2.3%	2.2%	3.0%	0.4%	-3.8%	-1.1%	3.1%	-0.1%	4.8%	2.2%	-0.5%	3.5%	11.6%	3 Yr Return	8.6%	7.6%	
2009	-0.8%	-1.6%	5.2%	6.0%	4.3%	-0.5%	6.7%	1.6%	2.8%	-0.4%	2.4%	2.1%	30.9%	5 Yr Return	5.0%	2.1%	
2008	-5.3%	1.0%	-1.5%	2.5%	1.7%	-4.4%	-1.5%	-0.3%	-11.7%	-15.1%	-0.2%	7.5%	-25.9%	Best Month	7.5%	7.5%	
2007	1.0%	-0.1%	1.0%	3.5%	1.6%	0.5%	-0.3%	1.1%	5.2%	3.3%	-0.6%	-1.3%	15.7%	Worst Month	-15.1%	-13.7%	
2006	5.5%	-1.1%	1.4%	3.2%	-2.9%	-0.7%	0.2%	1.8%	0.6%	1.9%	1.6%	2.2%	14.2%	% Positive Months	65.0%	63.3%	
2005	-2.4%	0.5%	-2.0%	-2.4%	2.1%	1.2%	3.0%	1.2%	3.1%	-1.7%	3.7%	2.3%	8.6%	Risk			
2004	2.5%	0.5%	0.4%	-3.0%	0.2%	1.2%	-3.0%	0.4%	1.3%	1.1%	4.7%	2.3%	8.6%	Standard Deviation	10.6%	9.8%	
2003	1.3%	-1.1%	0.1%	5.0%	5.6%	0.1%	0.4%	1.7%	1.9%	2.8%	2.0%	3.1%	25.1%	3 Yr Standard Deviation	13.4%	13.3%	
2002	-1.2%	-1.1%	3.1%	2.7%	1.5%	-2.5%	-4.1%	0.7%	-3.2%	0.8%	3.5%	0.4%	0.2%	5 Yr Standard Deviation	12.8%	12.8%	
2001									1.8%	2.6%	-1.8%	2.5%		Sharpe Ratio (2.5%)	0.52	0.22	
														Sortino Ratio (0.0%)	1.00	0.56	
														Downside Deviation (0.0%)	7.4%	7.4%	
														Max Drawdown	-32.4%	-35.8%	
														Months In Maximum Drawdown	13	13	
														Months To Recover	22	25	
														Comparison To Benchmark(s)			
														Monthly Alpha		0.3%	
														Annualized Alpha		3.4%	
														Tracking Error		4.0%	
														Information Ratio		0.86	
														Beta		1.00	
														Correlation		0.93	
														R-Squared		86.5%	
														Annual Returns			
														2011-(YTD)	-3.7%	-8.0%	
														2010	11.6%	11.7%	
														2009	30.9%	36.3%	
														2008	-25.9%	-29.3%	
														2007	15.7%	6.5%	
														2006	14.2%	12.8%	
														Latest Returns			
														Last Month	-3.3%	-4.4%	
														Last 3 Months	-5.3%	-10.6%	
														Last Year	1.4%	-3.0%	
														2-Year	5.8%	3.5%	
														3-Year	8.6%	7.6%	
														4-Year	1.4%	-1.0%	
														5-Year	5.0%	2.1%	
														Drawdown Analysis			
														1	-32.4%	-35.8%	
														2	-8.9%	-12.4%	
														3	-8.1%	-8.9%	
														4	-6.1%	-4.3%	
														5	-4.6%	-2.7%	



Note: Net of fee performance of the Calamos Global Convertible Composite is linked with SJP&F portfolio performance. Inception date of the Calamos Global Convertible Composite is October 2001. Inception date of the SJP&F portfolio is September 2009. Composite data provided by eVestment Alliance. Based on monthly, net of fee performance data, since inception.



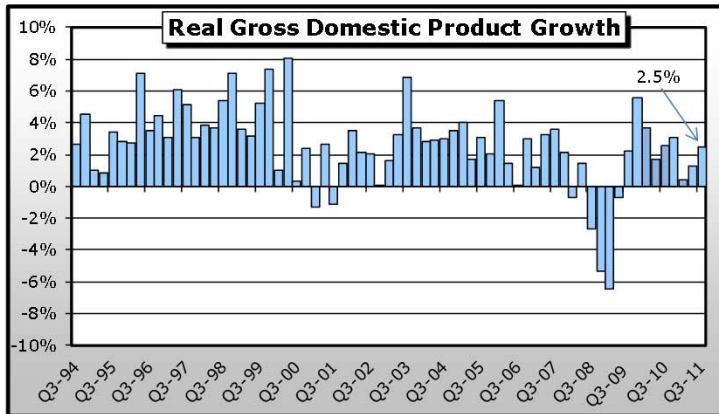


Appendix: Market Environment

Information Disclosure

- NEPC uses, as its data source, the plan's custodian bank or fund service company, and NEPC relies on those sources for security pricing, calculation of accruals, and all transactions, including income payments, splits, and distributions. While NEPC has exercised reasonable professional care in preparing this report, we cannot guarantee the accuracy of all source information contained within.
- The Investment Performance Analysis (IPA) is provided as a management aid for the client's internal use only. Portfolio performance reported in the IPA does not constitute a recommendation by NEPC.
- Information in this report on market indices and security characteristics is received from sources external to NEPC. While efforts are made to ensure that this external data is accurate, NEPC cannot accept responsibility for errors that may occur.
- S&P Index data is provided courtesy of Standard & Poor's Financial Services LLC.

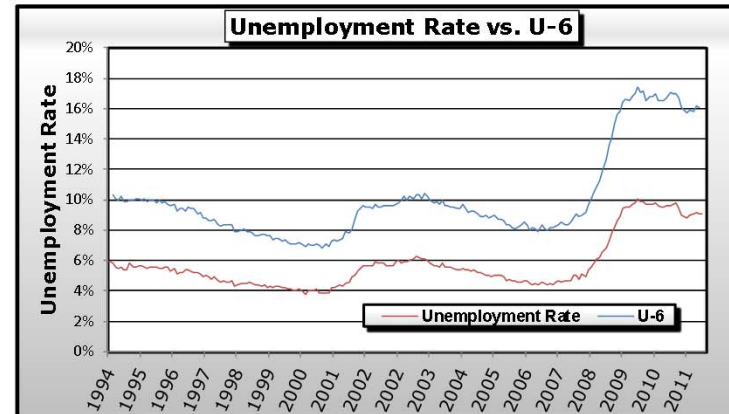
Economic Environment



GDP increased at an annual rate of 2.5% in Q3.

Source: Bloomberg

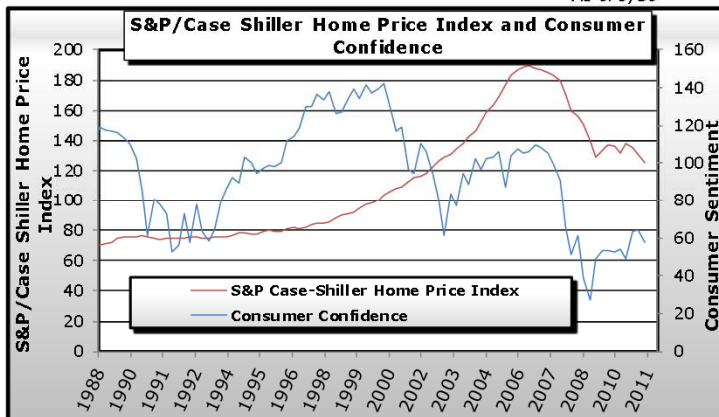
As of 9/30



Unemployment stayed flat at 9.1% while U-6, a measure of broader unemployment, ended September at 16.5%.

Source: Bloomberg

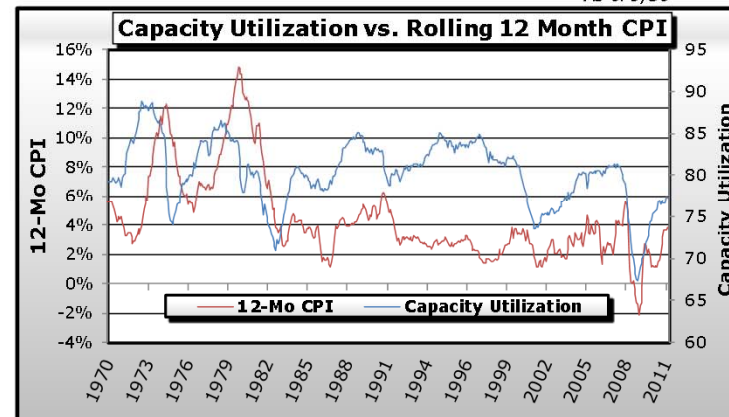
As of 9/30



Consumer confidence dropped in Q3; the Case-Shiller Home price index remains low.

Source: Bloomberg

As of 9/30



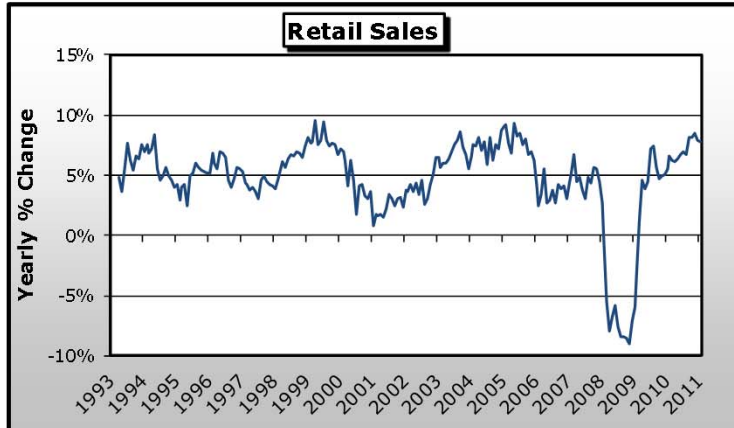
Capacity utilization rose modestly in September but still remains at depressed levels while CPI rose to 3.9%.

Source: Bloomberg

As of 9/30



Components of U.S. GDP



This year has seen modest growth in Retail Sales, only recently seeing a small dip to 7.8% in September.

Source: Bloomberg

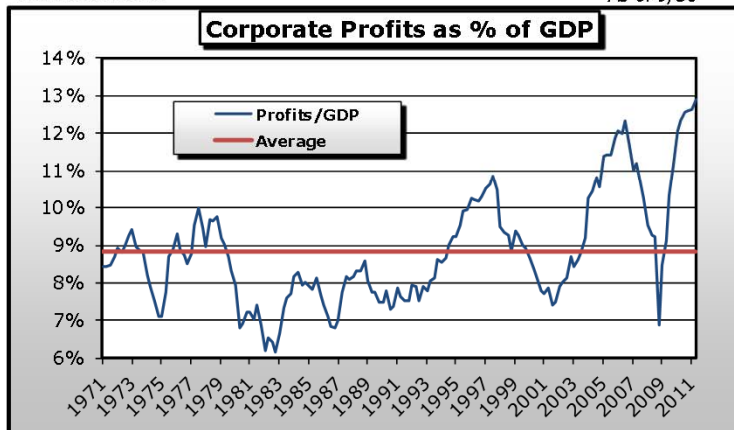
As of 9/30



The inventory liquidation process that was a boost to 2009 growth results has worn off, meaning demand must contribute to further growth.

Source: Bloomberg

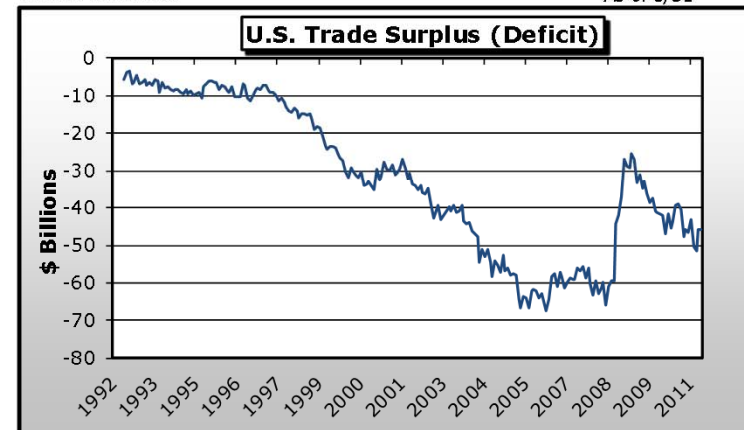
As of 8/31



Corporate Profits as a % of GDP increased in Q2 to 12.9%.

Source: Bloomberg

As of 6/30



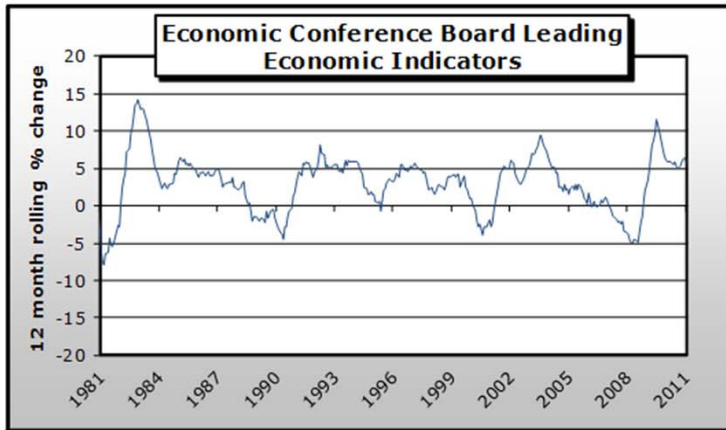
The U.S. trade deficit stayed flat in August.

Source: Bloomberg

As of 8/31



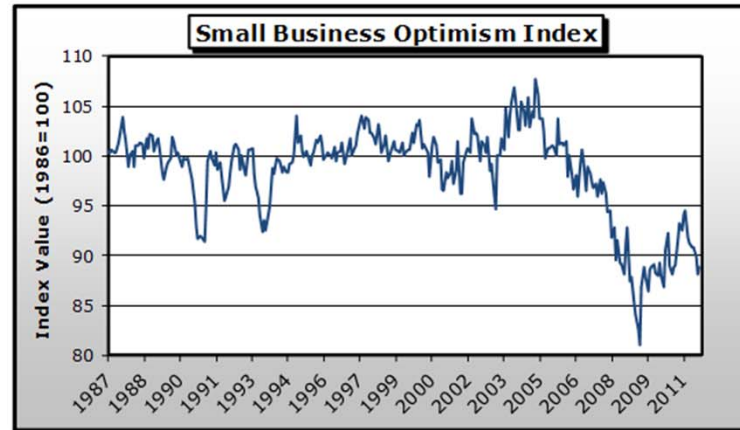
Key Economic Indicators



Rolling percentage change in the Leading Economic Indicators index decreased slightly in September.

Source: Bloomberg

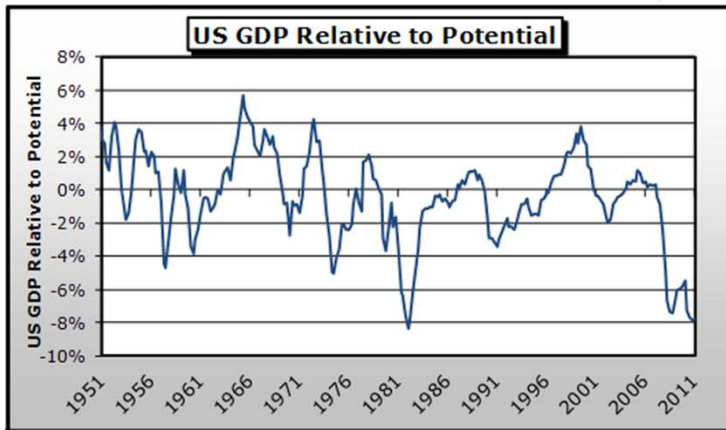
As of 9/30



The small business optimism index rose slightly in September while remaining at depressed levels.

Source: Bloomberg

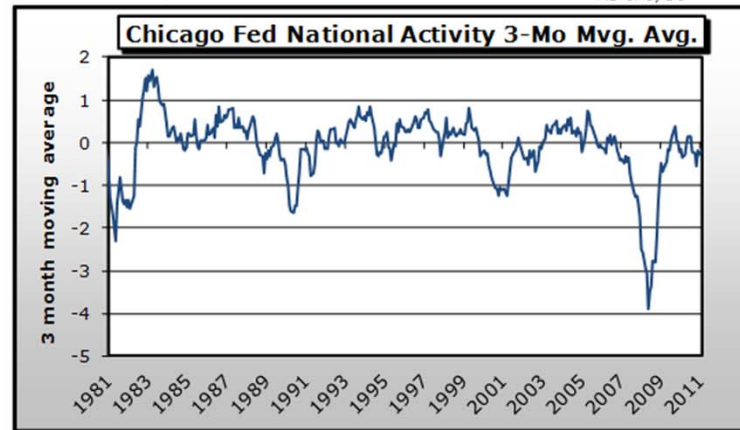
As of 9/30



US GDP relative to Potential GDP has remained low in recent months.

Source: St. Louis Fed

As of 9/30



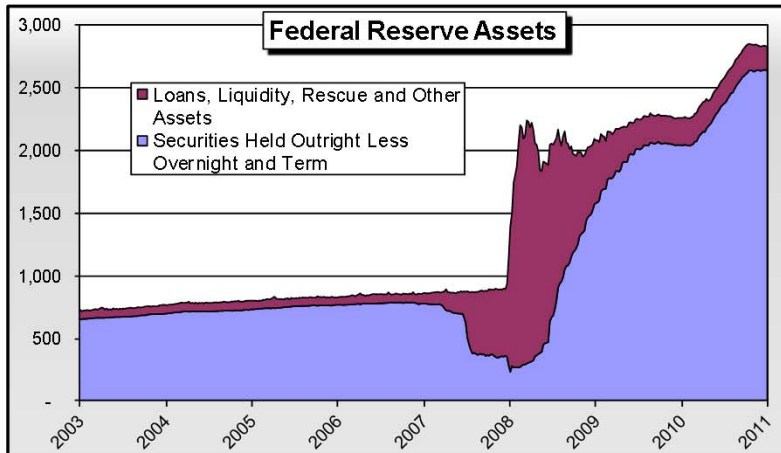
Chicago Fed National Activity 3 Month moving average increased modestly in September.

Source: Bloomberg

As of 9/30



Economic Environment



The Fed Balance Sheet has leveled off (for now) as QE2 came to a close on June 30, 2011.

Source: United States Federal Reserve

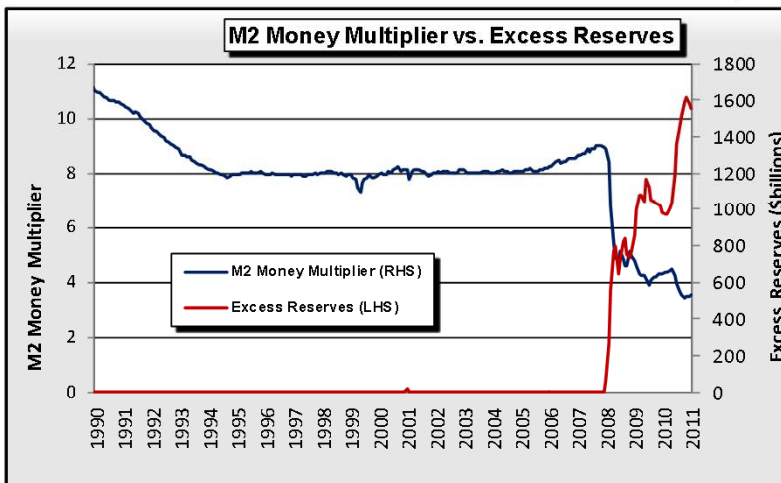
As of 9/30



Many developed nations are at or approaching unsustainable debt levels.

Source: IMF, CBOE

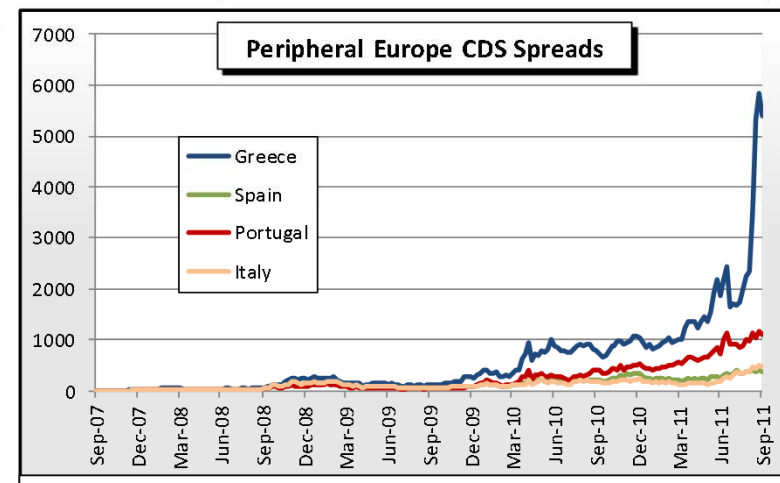
As of 12/31



The Money Multiplier remains low as a result of QE2, and banks have increased reserves in recent months.

Source: St. Louis Fed

As of 9/1



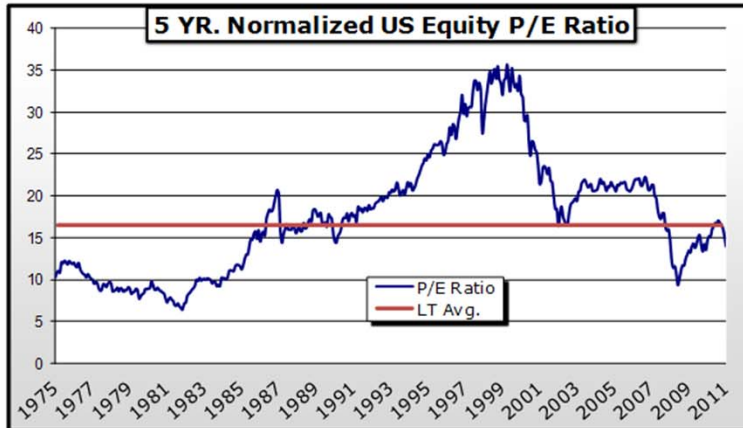
Peripheral Europe Credit Default Swap spreads have widened dramatically over the last 18 months, indicating increased investor concern about default possibility.

Source: Bloomberg

As of 9/30



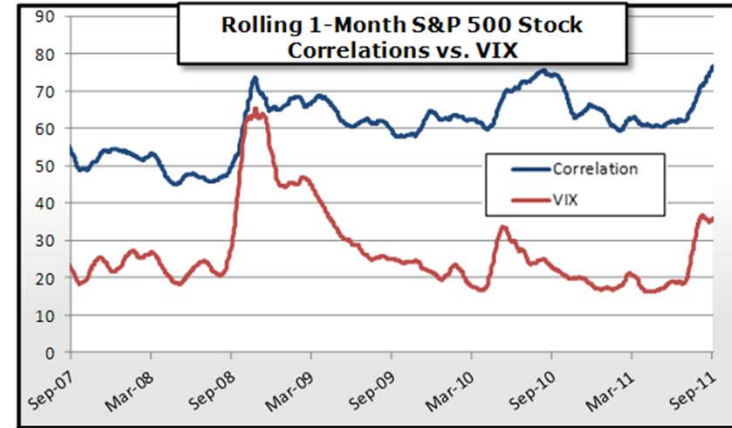
Market Environment – U.S. Equity



S&P valuations have dropped due to the recent sell-off.

Source: Bloomberg

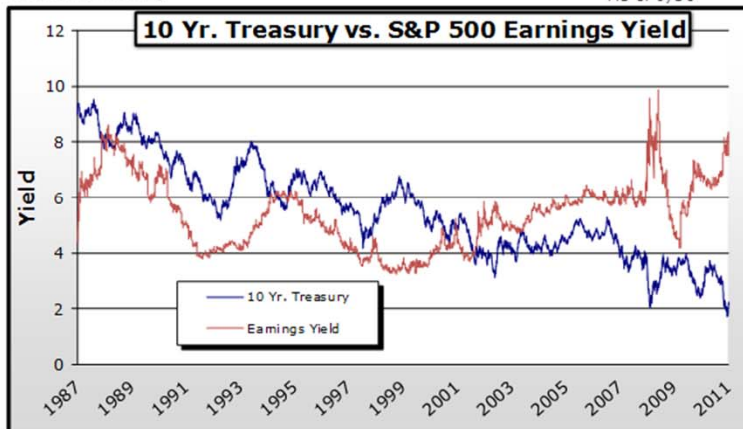
As of 9/30



Inter-stock correlations have remained elevated since 2008. Both correlations and the VIX spiked in Q3.

Source: CBOE, Bloomberg

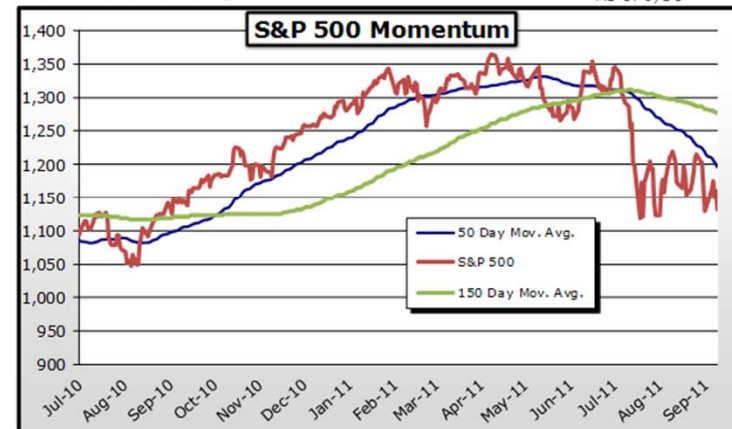
As of 9/30



The earnings on stocks remain attractive relative to low Treasury yields, which dropped significantly in September.

Source: Bloomberg

As of 9/30



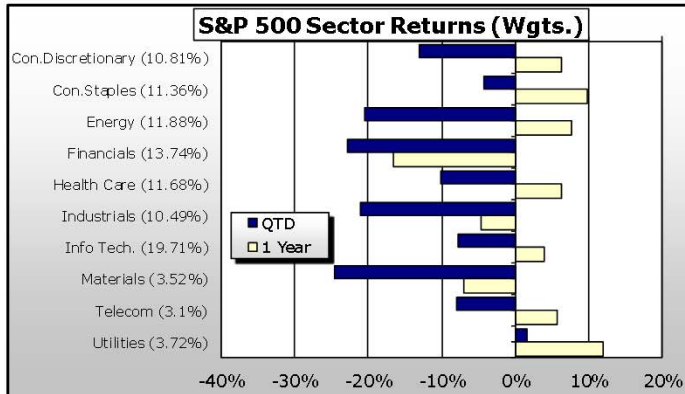
S&P 500 fifty day moving average remains well below the 150 day moving average as of 9/30.

Source: Bloomberg

As of 9/30



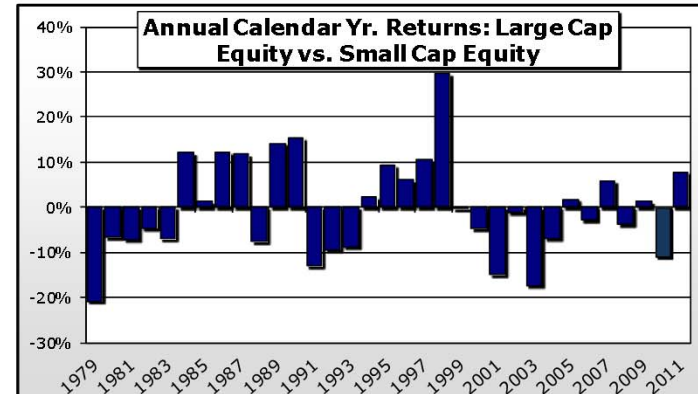
U.S. Stock Market Performance



S&P Utilities was the only sector with positive returns for Q3 while Energy, Financials, Industrials, and Materials all fell by more than 20%.

Source: Standard & Poors, Bloomberg

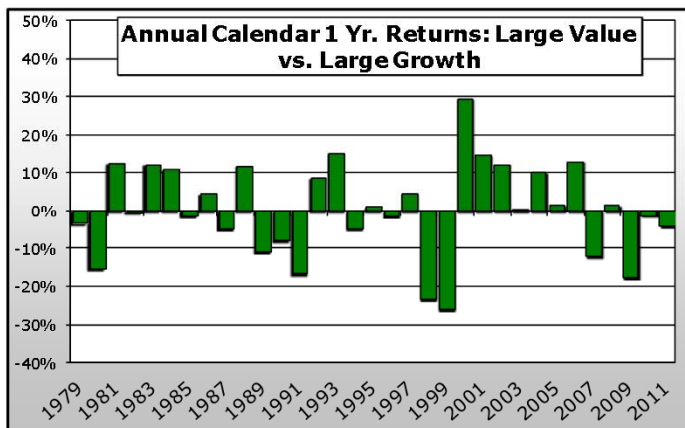
As of 9/30



Large Cap has outperformed Small Cap by 7.8% so far in 2011.

Source: Bloomberg

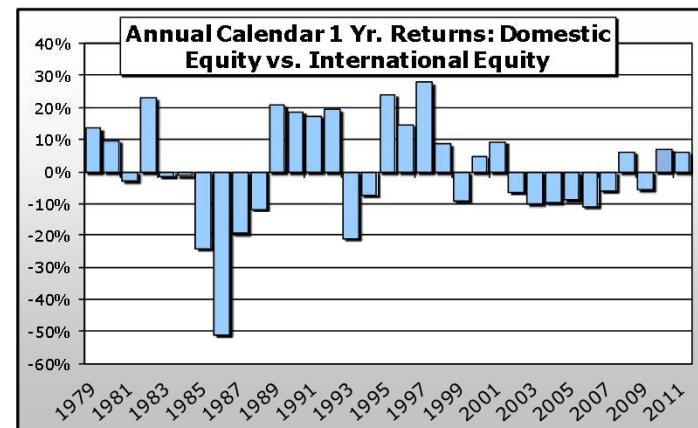
As of 9/30



Growth stocks have outperformed value stocks by 4.0% so far in 2011.

Source: Bloomberg

As of 9/30



Domestic equity has outperformed International equity by 6.3% so far in 2011.

Source: Bloomberg

As of 9/30



Non – U.S. Stock Market Performance

Developed Market Equity Returns (U.S. Dollars)

Source: MSCI Inc.

	Qtr. (%)	1 Yr. (%)	3 Yr. (%)
Europe ex UK	-26.0%	-15.0%	-4.5%
United Kingdom	-15.4%	-5.3%	0.8%
Japan	-6.4%	-0.1%	-0.2%
Pacific Ex Japan	-19.7%	-10.9%	7.6%
Canada	-19.0%	-6.8%	1.5%
USA	-14.2%	0.7%	0.7%

US Dollar Return vs. Major Foreign Currencies

(Negative = Dollar Depreciates, Positive = Dollar Appreciates)

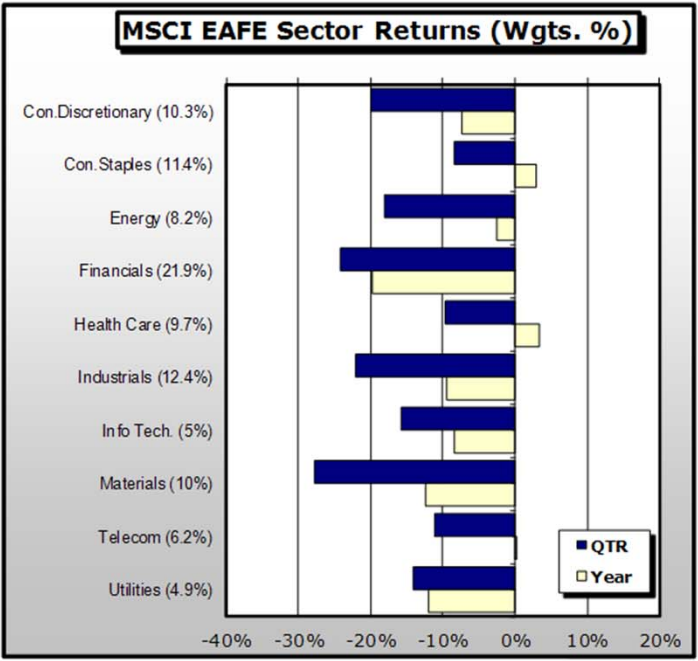
	Qtr.	1 Yr.	5 Yr.
Euro	8.0%	1.2%	-5.6%
Japanese Yen	-4.5%	-7.8%	-34.8%
British Pound	2.8%	0.7%	19.8%
Canada	7.8%	0.9%	-7.0%
Australia	10.1%	-1.1%	-23.5%

Currency Impact on Developed Mkt. Returns

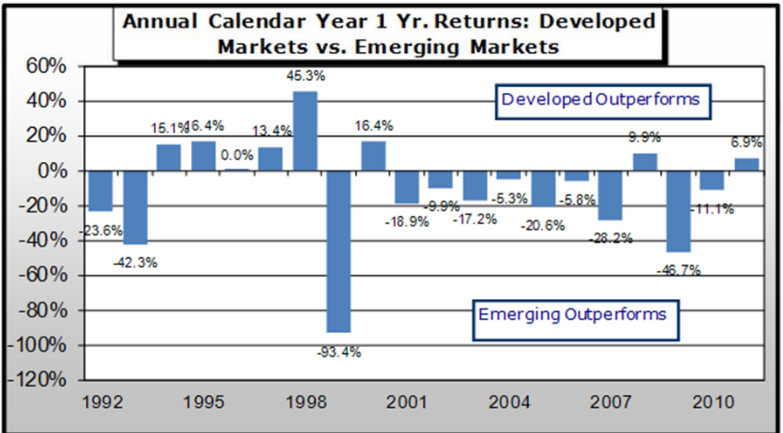
(Negative = Currency Hurt, Positive = Currency Helped)

	Qtr.	1 Yr.	5 Yr.
MSCI EAFE (Local)	-15.7%	-10.9%	-6.1%
MSCI EAFE (USD)	-19.0%	-9.4%	-3.5%
Currency Impact	-3.3%	1.5%	2.6%

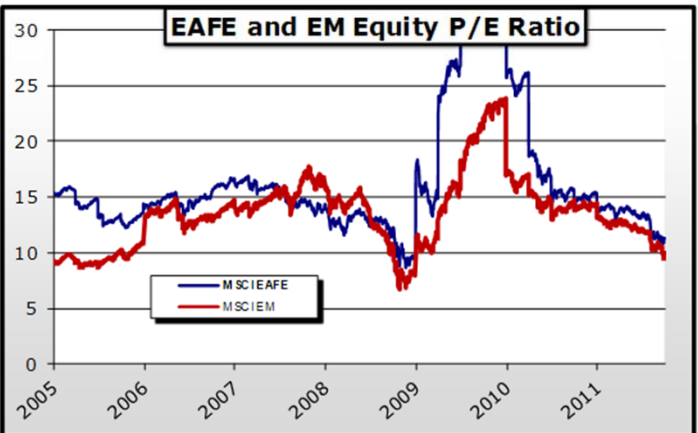
Source: Bloomberg, MSCI Inc. As of 9/30/11



Source: Bloomberg, MSCI Inc. As of 9/30/11



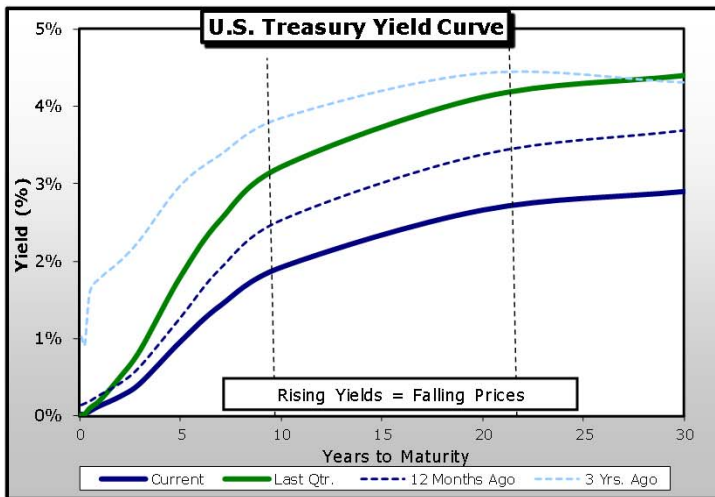
Source: MSCI Inc. As of 9/30/11



Source: Bloomberg, NFPC As of 9/30/11

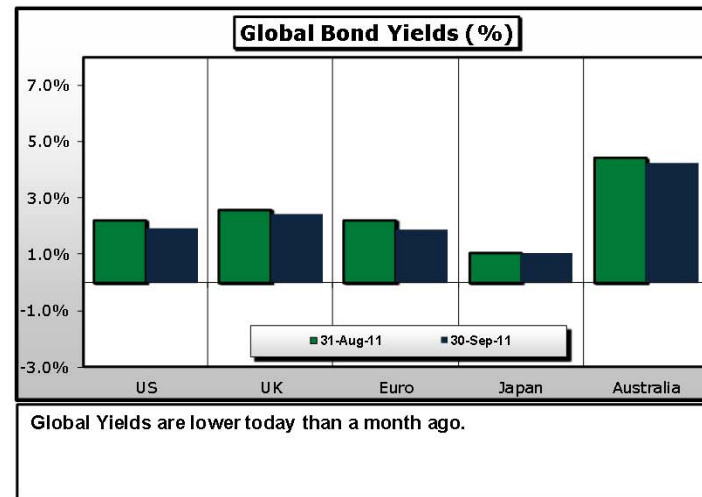


Market Environment – Interest Rates



Source: U.S. Treasury

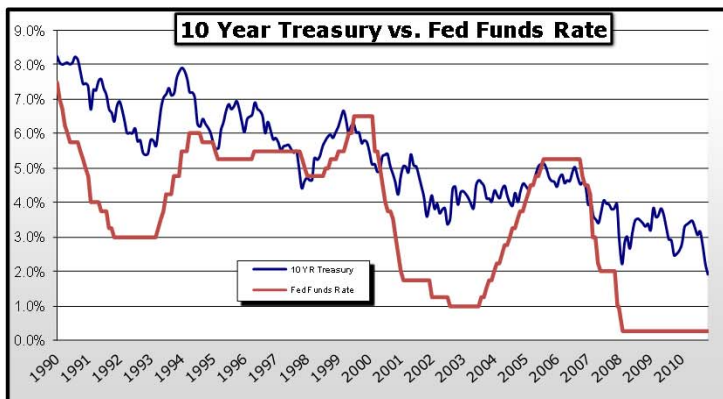
As of 9/30



Global Yields are lower today than a month ago.

Source: Bloomberg

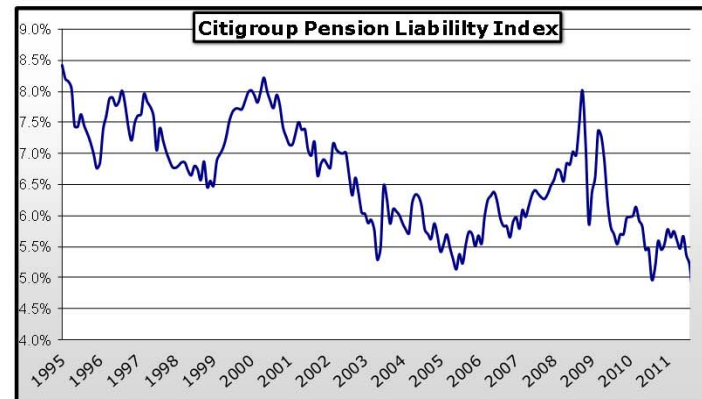
As of 9/30



Fed Funds rate is still 0.25% while 10 Yr. Treasury Yield decreased to 1.92% in September.

Source: Bloomberg

As of 9/30



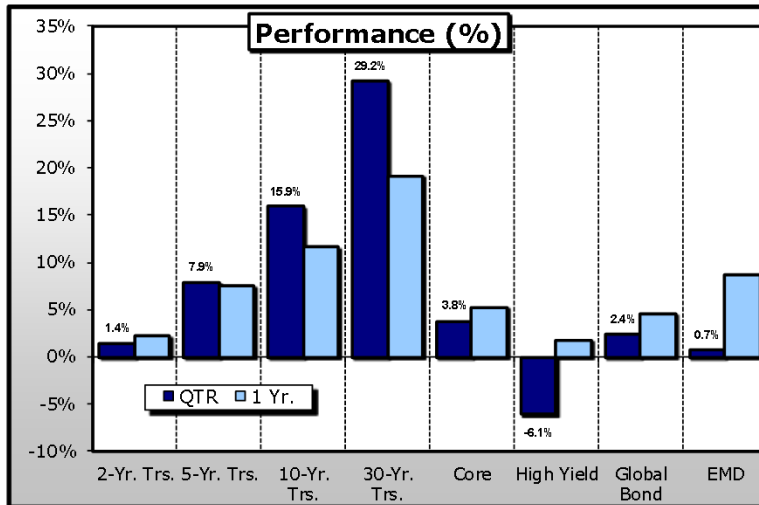
Citi Pension rate decreased to 4.7% in September.

Source: Citigroup

As of 9/30

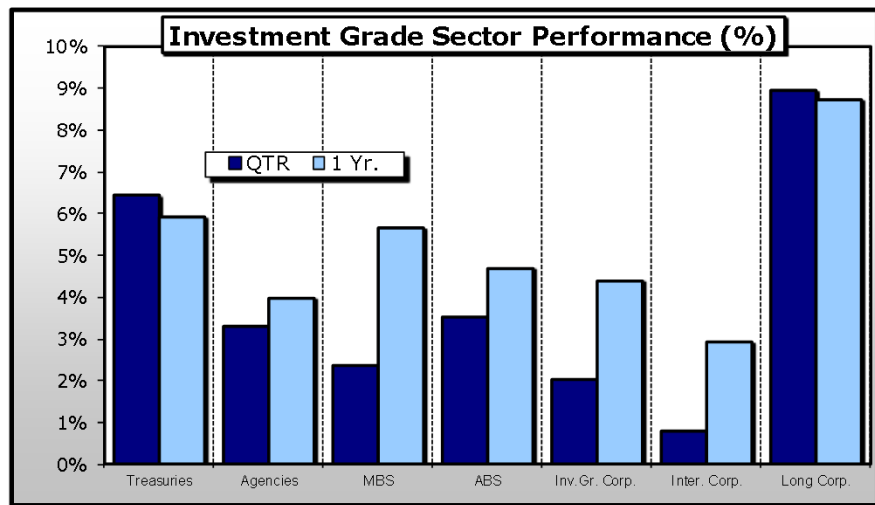


Fixed Income Performance



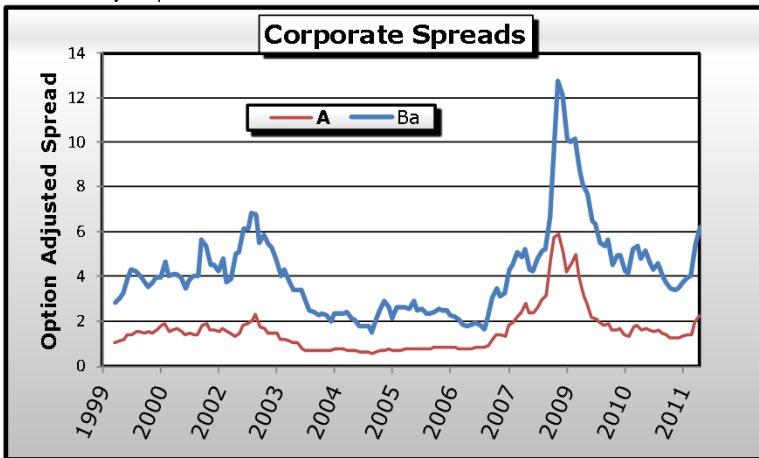
Source: Barclays Capital Live

As of 9/30



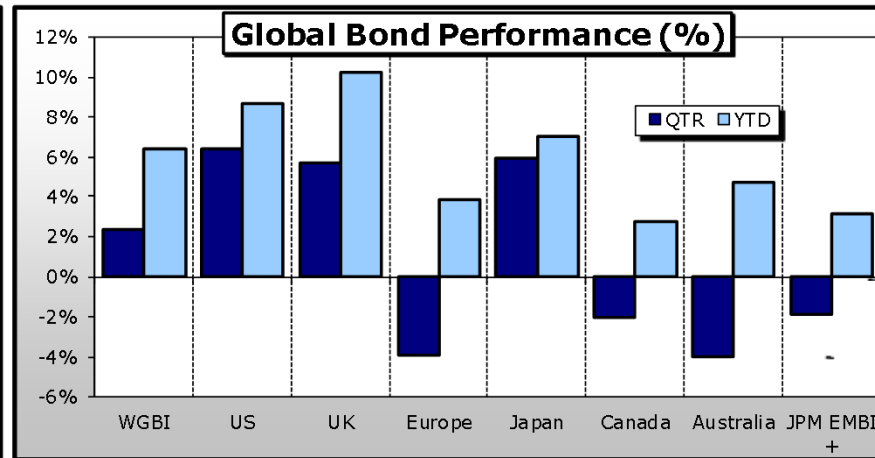
Source: Yield Book

As of 9/30



Source: Lehman Live

As of 9/30

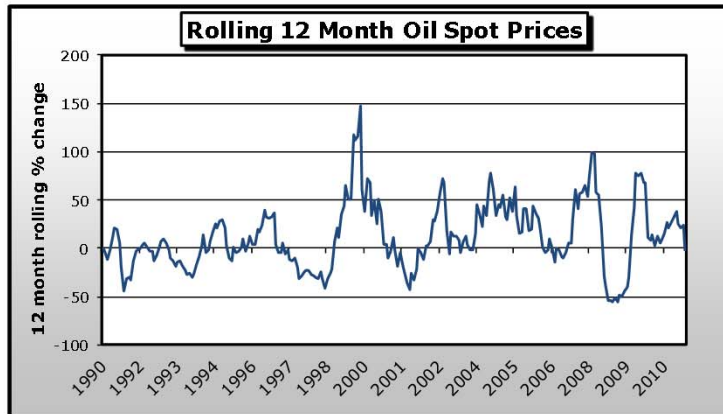


Source: Yield Book

As of 9/30



Market Environment – Commodities



Oil prices fell to \$79.2 per barrel at the end of September.

Source: Bloomberg

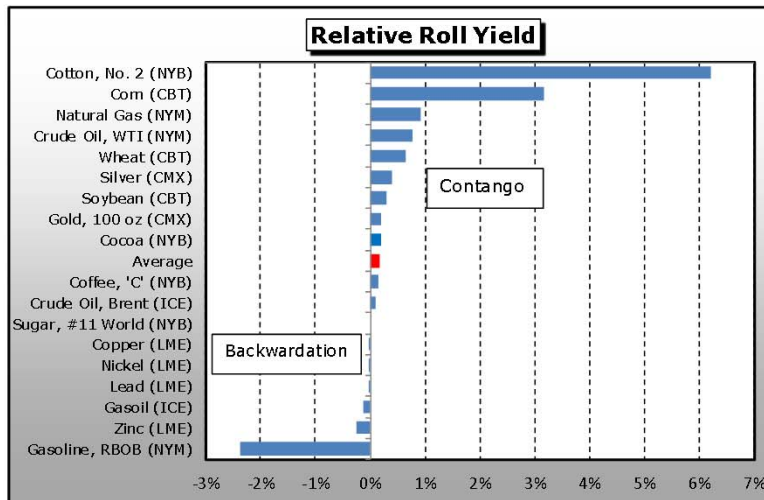
As of 9/30



Gold prices finished at \$1,624 per ounce at the end of September.

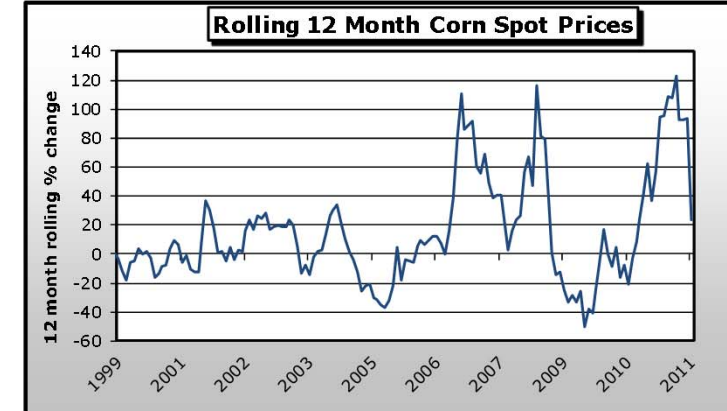
Source: Bloomberg

As of 9/30



Source: Bloomberg

As of 6/30



Corn prices finished at \$5.71/bushel at the end of September.

Source: Bloomberg

As of 9/30

