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City of San Jose Police and Fire Department Retirement Plan – Health Care Trust

**Investment Performance Analysis
For the period ending March 31, 2013**

June 6, 2013

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City of San Jose Police and Fire Department Retirement Plan – Health Care Trust
Total Fund Asset Allocation vs Policy Targets



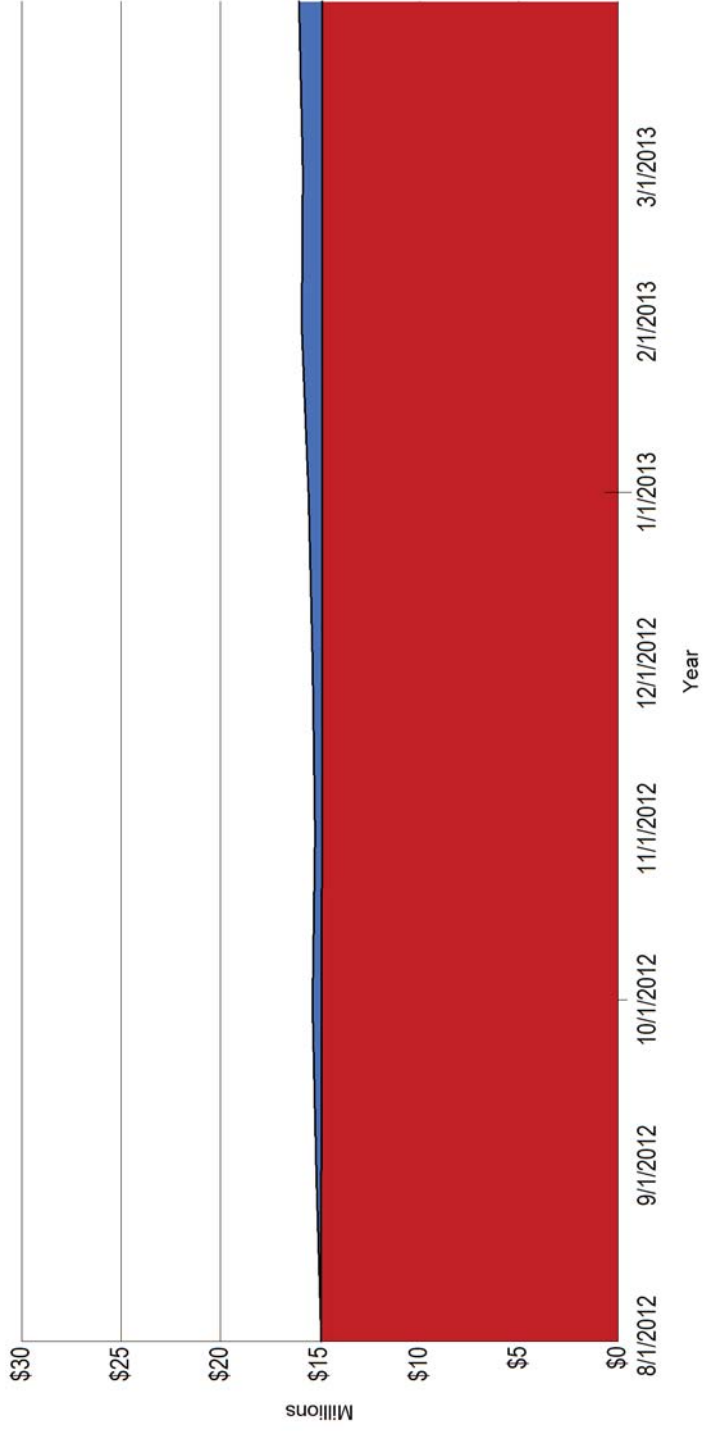
Asset Allocation vs. Target

	Current Balance	Current Allocation	Policy	Difference *	Target Within IPS Ranges
Equities	\$7,557,191	47.1%	43.0%	4.1%	25.0% - 50.0% Yes
Fixed Income	\$5,226,441	32.6%	35.0%	-2.4%	20.0% - 40.0% Yes
Inflation-Linked	\$3,257,786	20.3%	22.0%	-1.7%	12.0% - 25.0% Yes
Cash	\$13,722	0.1%	0.0%	0.1%	0.0% - 5.0% Yes
Total	\$16,055,140	100.0%	100.0%		

*Difference between Policy and Current Allocation

City of San Jose Police and Fire Department Retirement Plan – Health Care Trust
Total Fund Asset Growth Summary

9 Months Ending March 31, 2013



Sources of Portfolio Growth	Last Three Months	Fiscal Year-To-Date
Beginning Market Value	\$15,569,862	\$0
Net Additions/Withdrawals	-\$6,442	\$14,879,660
Investment Earnings	\$491,720	\$1,175,480
Ending Market Value	\$16,055,140	\$16,055,140

City of San Jose Police and Fire Department Retirement Plan – Health Care Trust

Total Fund Performance Detail

	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	Fiscal YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	Return (%)	Since
Health Care Trust	16,055,140	100.0	3.2	31	7.3	35	--	--	--	--	--	--	7.3	Jul-12
Policy Benchmark			3.2	31	7.5	35	--	--	--	--	--	--	7.5	Jul-12
Over/Under			0.0		-0.2								-0.2	
Allocation Index			3.4	29	7.4	35	--	--	--	--	--	--	7.4	Jul-12
IFx Health & Welfare Gross Median			2.4		5.9		6.4		6.6		4.9		5.9	Jul-12
Equity Composite	7,557,191	47.1	6.4	65	--	--	--	--	--	--	--	--	16.9	Aug-12
Vanguard Total Stock Market Index Institutional	7,557,191	47.1	6.4	65	--	--	--	--	--	--	--	--	16.9	Aug-12
MSCI ACWI IMI (Net)			6.9	57	17.6	61	11.0	61	8.1	69	2.6	69	16.3	Aug-12
Over/Under			-0.5										0.6	
eA All Global Equity Gross Median			7.4		18.4		12.4		9.5		3.8		16.5	Aug-12
Fixed Income Composite	5,226,441	32.6	0.0	83	--	--	--	--	--	--	--	--	0.3	Aug-12
Vanguard Total Bond Market Index Institutional	5,226,441	32.6	0.0	83	--	--	--	--	--	--	--	--	0.3	Aug-12
Barclays Aggregate			-0.1	87	1.7	77	3.8	68	5.5	62	5.5	65	0.3	Aug-12
Over/Under			0.1										0.0	
eA All US Fixed Inc Gross Median			0.3		2.8		5.0		6.3		6.1		1.4	Aug-12
Inflation-Linked Composite	3,257,786	20.3	1.2	--	--	--	--	--	--	--	--	--	-1.4	Aug-12
Real Estate Composite	1,621,029	10.1	8.1	14	--	--	--	--	--	--	--	--	8.7	Aug-12
Vanguard REIT Index Fund Signal	1,621,029	10.1	8.1	14	--	--	--	--	--	--	--	--	8.7	Aug-12
MSCI US REIT Gross			8.1	14	10.8	22	14.9	23	17.3	64	6.8	78	8.6	Aug-12
Over/Under			0.0										0.1	
eA US REIT Gross Median			6.6		9.6		13.6		17.7		7.9		7.4	Aug-12
Commodities Composite	1,636,757	10.2	-4.8	--	--	--	--	--	--	--	--	--	-7.9	Oct-12
Custom Commodity Risk Parity Index			-4.2	--	-0.3	--	-4.5	--	--	--	--	--	-7.1	Oct-12
Over/Under			-0.6										-0.8	
First Quadrant	800,658	5.0	-5.4	--	--	--	--	--	--	--	--	--	-9.9	Oct-12
Custom Commodity Risk Parity Index			-4.2	--	-0.3	--	-4.5	--	--	--	--	--	-7.1	Oct-12
Over/Under			-1.2										-2.8	
Credit Suisse	836,099	5.2	-4.2	--	--	--	--	--	--	--	--	--	-4.0	Nov-12
Custom Commodity Risk Parity Index			-4.2	--	-0.3	--	-4.5	--	--	--	--	--	-4.2	Nov-12
Over/Under			0.0										0.2	
Cash	13,722	0.1	0.0	--	0.0	--	--	--	--	--	--	--	0.0	Jul-12
Cash	13,722	0.1	0.0	--	0.0	--	--	--	--	--	--	--	0.0	Jul-12
91 Day T-Bills			0.0	--	0.1	--	0.1	--	0.1	--	0.2	--	0.1	Jul-12
Over/Under			0.0		-0.1								-0.1	

Note: Performance shown is gross of fees.



City of San Jose Police and Fire Department Retirement Plan – Health Care Trust
Total Fund Performance Detail

	Market Value (\$)	% of Portfolio	3 Mo (%)	Fiscal YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	Return (%)	Since
Health Care Trust	16,055,140	100.0	3.1	7.2	--	--	--	7.2	Jul-12
Policy Benchmark			<u>3.2</u>	<u>7.5</u>	--	--	--	<u>7.5</u>	Jul-12
Over/Under			-0.1	-0.3	--	--	--	-0.3	
Allocation Index			<u>3.4</u>	<u>7.4</u>	--	--	--	<u>7.4</u>	Jul-12
Equity Composite	7,557,191	47.1	6.4	--	--	--	--	16.7	Aug-12
Vanguard Total Stock Market Index Institutional	7,557,191	47.1	6.4	--	--	--	--	16.7	Aug-12
MSCI ACWI IMI (Net)			<u>6.9</u>	<u>17.6</u>	<u>11.0</u>	<u>8.1</u>	<u>2.6</u>	<u>16.3</u>	Aug-12
Over/Under			-0.5					0.4	
Fixed Income Composite	5,226,441	32.6	-0.1	--	--	--	--	0.2	Aug-12
Vanguard Total Bond Market Index Institutional	5,226,441	32.6	-0.1	--	--	--	--	0.2	Aug-12
Barclays Aggregate			<u>-0.1</u>	<u>1.7</u>	<u>3.8</u>	<u>5.5</u>	<u>5.5</u>	<u>0.3</u>	Aug-12
Over/Under			0.0					-0.1	
Inflation-Linked Composite	3,257,786	20.3	1.2	--	--	--	--	-1.5	Aug-12
Real Estate Composite	1,621,029	10.1	8.1	--	--	--	--	8.6	Aug-12
Vanguard REIT Index Fund Signal	1,621,029	10.1	8.1	--	--	--	--	8.6	Aug-12
MSCI US REIT Gross			<u>8.1</u>	<u>10.8</u>	<u>14.9</u>	<u>17.3</u>	<u>6.8</u>	<u>8.6</u>	Aug-12
Over/Under			0.0					0.0	
Commodities Composite	1,636,757	10.2	-4.9	--	--	--	--	-8.1	Oct-12
Custom Commodity Risk Parity Index			<u>-4.2</u>	<u>-0.3</u>	<u>-4.5</u>	--	--	<u>-7.1</u>	Oct-12
Over/Under			-0.7					-1.0	
First Quadrant	800,658	5.0	-5.4	--	--	--	--	-10.0	Oct-12
Custom Commodity Risk Parity Index			<u>-4.2</u>	<u>-0.3</u>	<u>-4.5</u>	--	--	<u>-7.1</u>	Oct-12
Over/Under			-1.2					-2.9	
Credit Suisse	836,099	5.2	-4.3	--	--	--	--	-4.1	Nov-12
Custom Commodity Risk Parity Index			<u>-4.2</u>	<u>-0.3</u>	<u>-4.5</u>	--	--	<u>-4.2</u>	Nov-12
Over/Under			-0.1					0.1	
Cash	13,722	0.1	0.0	0.0	--	--	--	0.0	Jul-12
Cash	13,722	0.1	0.0	0.0	--	--	--	0.0	Jul-12
91 Day T-Bills			<u>0.0</u>	<u>0.1</u>	<u>0.1</u>	<u>0.1</u>	<u>0.2</u>	<u>0.1</u>	Jul-12
Over/Under			0.0					-0.1	

Note: Performance shown is net of fees.



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March 31, 2013

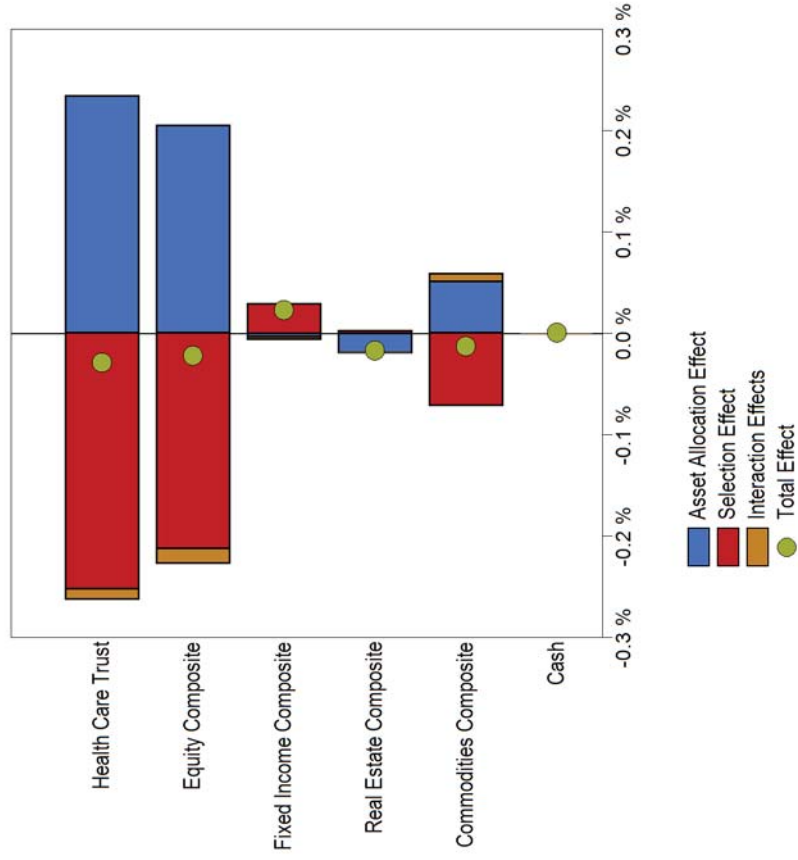
City of San Jose Police and Fire Department Retirement Plan – Health Care Trust

Total Fund Attribution Analysis

Attribution Summary 3 Months Ending March 31, 2013

	Actual Return	Target Return	Relative Return	Selection Effect	Asset Allocation Effect	Interaction Effects	Total Effects
Equity Composite	6.4%	6.9%	-0.5%	-0.2%	0.2%	0.0%	0.0%
Fixed Income Composite	0.0%	-0.1%	0.1%	0.0%	0.0%	0.0%	0.0%
Real Estate Composite	8.1%	8.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Commodities Composite	-4.8%	-4.2%	-0.6%	-0.1%	0.1%	0.0%	0.0%
Cash	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total	3.2%	3.2%	0.0%	-0.3%	0.2%	0.0%	0.0%

Attribution Effects Relative to Policy Benchmark 3 Months Ending March 31, 2013

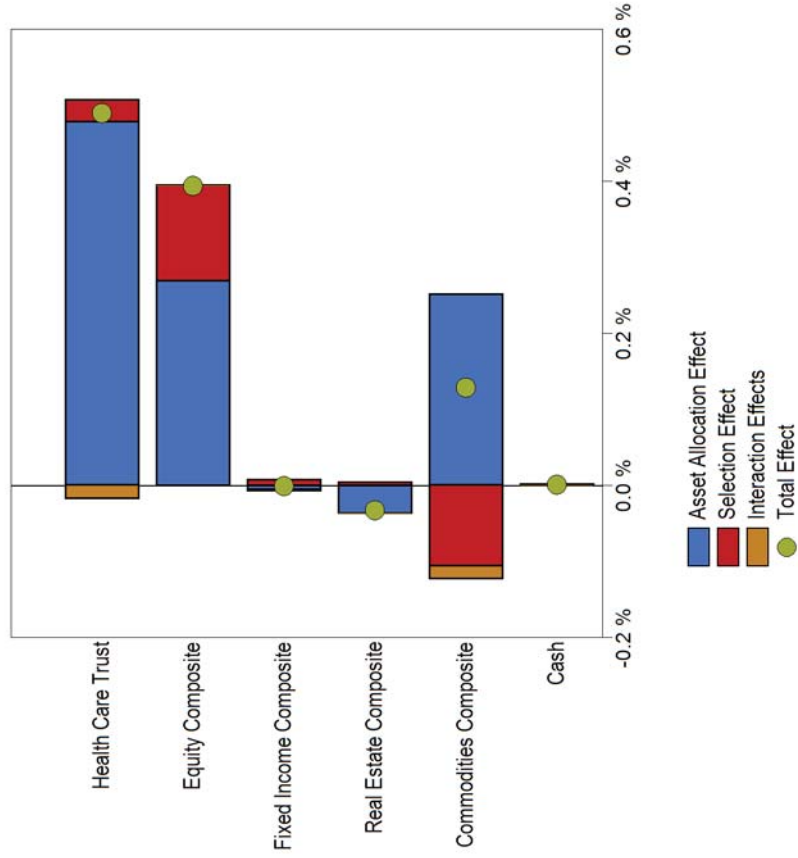


Note: Attribution is based on gross of fee performance data.

City of San Jose Police and Fire Department Retirement Plan – Health Care Trust

Total Fund Attribution Analysis

Attribution Effects Relative to Policy Benchmark
6 Months Ending March 31, 2013



Attribution Summary
6 Months Ending March 31, 2013

	Actual Return	Target Return	Relative Return	Selection Effect	Asset Allocation Effect	Interaction Effects	Total Effects
Equity Composite	10.4%	10.1%	0.3%	0.1%	0.3%	0.0%	0.4%
Fixed Income Composite	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Real Estate Composite	10.8%	10.8%	0.0%	0.0%	0.0%	0.0%	0.0%
Commodities Composite	-7.9%	-7.1%	-0.8%	-0.1%	0.3%	0.0%	0.1%
Cash	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total	5.0%	4.5%	0.5%	0.0%	0.5%	0.0%	0.5%

Note: Attribution is based on gross of fee performance data.



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March 31, 2013

Policy Benchmark History

- **7/1/12 – Present:** 43% MSCI ACWI IMI (Net)/35% Barclays Capital U.S. Aggregate/10% MSCI U.S. REIT/12% Custom Risk Parity Commodity Index

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