

**STATE OF RHODE ISLAND
INVESTMENT COMMISSION MEETING**

**DATA AT
January 31, 2014
February 26, 2014
MEETING**

MEMBERS OF THE STATE INVESTMENT COMMISSION

Honorable Gina M. Raimondo, Chair

**Mr. J. Michael Costello
Mr. Robert Giudici
Mr. Thomas Mullaney
Mr. Andrew K. Reilly**

**Mr. Thomas P. Fay
Ms. Paula M. McNamara
Ms. Marcia Reback**

Section I.

Agenda



State of Rhode Island and Providence Plantations
Office of the General Treasurer

Gina M. Raimondo
General Treasurer

**RHODE ISLAND STATE INVESTMENT COMMISSION
MEETING NOTICE**

The next meeting of the Rhode Island State Investment Commission has been scheduled for Wednesday, February 26, 2014 at 9:00 a.m. in Room 205 of the State House.

AGENDA

- Chairperson Call to Order
- Membership Roll Call
- Approval of Minutes
 - State Investment Commission Meeting held on January 27, 2014*
- Defined Contribution Plan – Quarterly Update
- Private Equity Recommendation**
 - Riverside Micro Cap III*
- Hedge Fund Review – Calendar Year 2013
- Asset Allocation Review
- Investment Policy Statement Review
 - Part 1 & 2 Discussion/Adoption*
- Legal Counsel Report
- Chief Investment Officer Report
 - Portfolio Update
- Treasurer's Report
 - Portfolio Risk/Return
 - Recent News: Mediation

* Commission members may be asked to vote on this item.

** Commission members may elect to go into executive session pursuant to Rhode Island General Laws §42-46-5 (a) (7).

POSTED ON FRIDAY, FEBRUARY 21, 2014

Section II.

Approval of Minutes



State Investment Commission
Monthly Meeting Minutes
Monday, January 27, 2014
9:00 a.m.
University of Rhode Island,
W. Alton Jones Campus—Sycamore Lodge

The Monthly Meeting of the State Investment Commission (SIC) was called to order at 9:06 a.m., Monday, January 27, 2014 in the Sycamore Lodge of the University of Rhode Island's W. Alton Jones Campus.

I. Roll Call of Members

The following members were present: Mr. J. Michael Costello, Mr. Thomas Fay, Mr. Robert Giudici, Ms. Paula McNamara, Mr. Thomas Mullaney, Ms. Marcia Reback, Mr. Frank Karpinski, and General Treasurer Gina Raimondo. Mr. Andrew Riley arrived at 9:24 a.m. Also in attendance: Mr. Gregory Balewicz and Mr. Daniel Farley of State Street Global Advisors (SSGA); Mr. John Burns, Ms. Judy Chambers, Mr. Alan Emkin, and Mr. David Glickman of Pension Consulting Alliance (PCA), general and real estate consultant; Mr. Thomas Lynch and Mr. Steve Nesbitt of Cliffwater, alternative investment consultant to the Commission; Ms. Susan Leach DeBlasio, of Adler Pollock & Sheehan P.C., legal counsel; Ms. Anne-Marie Fink, chief investment officer, members of the Treasurer's staff and Pete Spalding. Treasurer Raimondo called the meeting to order at 9:06 a.m. Mr. Karpinski left at 2:41 p.m.; Mr. Costello left at 3:06 p.m.

II. Approval of Minutes

On a motion by Ms. Reback and seconded by Mr. Giudici, it was unanimously **VOTED: to approve the draft of the minutes of the December 18, 2013 meeting of the State Investment Commission.** Mr. Riley was not present for this vote.

III. Review of ERSRI Actuarial Valuation

Mr. Karpinski reviewed the yearly ERSRI actuarial valuation for 2013. The valuation measures the liabilities, explains changes in the actuarial conditions and tracks changes over time. He reviewed the funded ratios. He noted that due to actuarial smoothing and amortization of shortfalls, the actuarial value of assets dipped in fiscal year 2013. He discussed a graph showing the actuary projections from the 2012 valuation compared to the actual 2013 valuation. The positive sources of impact were that the investments outperformed the 7.5% assumption and the liabilities grew at a slower pace than expected. The negative impacts were lower contributions. He explained how contributions are collected. The actuary predicts contributions that are based on growth rates and payrolls. When lower than expected contributions are received, the following year's contribution rate must be increased to compensate for the prior year. The projected sources of funds are employee contributions, taxpayer

or employer contributions and the portfolio. If there are losses in any given year, the employer must make up the difference.

He noted some actuarial changes. Investments had a 6.7% return using a five-year smoothing. That generated cost of living adjustments (COLAs) for 56 municipal units. These municipal units have reached the 80% funding level. State employees, teachers, state police, and judges have yet to reach the 80% funding levels so no COLAs have been reinstated. He reviewed the actuarial asset values. He said they show the difference between compounded returns of 7.24% for the last 10 years and the simple average return of 8%.

He noted that the number of current state employees are almost a one-to-one match to the number of retirees. The actuaries foresee a reasonable projected increase in benefit payments.

He added that funding ratios are improving.

IV. Overview of Markets and Recent Performance

Mr. Farley reviewed the broad capital markets and economic outlook. SSGA believes global recovery is happening, although occurring differently around the world. The US is improving. The Eurozone is going from bad to weak. In Asia, there are a lot of good things in Japan that are creating recovery, but he also sees China causing some negative ripple effects in the markets.

He reviewed SSGA's perspective on global growth. Their view for next year is 3.6% global GDP growth, which is in line with long-term historical averages. SSGA forecasts that US GDP will come in at about 1.7% this past year and next year jump up to 2.8%. In the Eurozone, they project GDP growth to come in modestly negative for 2013, jumping up to a modestly positive number in 2014. Japan is projected to be relatively flat on a year-over-year perspective, but they see a little bit of a pick-up from an emerging markets perspective.

In Europe they foresee the banking system continuing to be a big issue, but expect improvement. In Japan they see that Abenomics is keeping the yen lower, allowing Japan to stay competitive in exporting, seeing improvements in hiring and ultimately wage increases. In emerging markets SSGA foresees a more controlled slow-down but not a significant one.

He reviewed SSGA's Market Regime Indicator and how it measures investor sentiment. This indicator forecasts what kind of market environment we will be in in the next 6-12 months. They haven't seen a major spark in risk with their measures. They see a reasonably good economic backdrop and accommodative monetary policy.

He reviewed the outlook for fixed income rates. Their perspective is that rates will continue to move up across the developed markets and particularly in the US. Their concern is a big spike in rates because people want to get out of rising rates in the future. This has the potential for rates to spike much faster and would have a very big ripple effect across multiple markets.

He reviewed the outlook for the equity markets. Their view is that US equities are not cheap anymore but are not overvalued either. Looking at other parts of the world, valuations in Europe are much cheaper. Accommodative policy in Japan continues to be a very positive thing there. He described emerging markets as a wildcard. SSGA doesn't think now is the time to get back in to emerging markets from an overweight perspective.

He reviewed SSGA's active positions in their portfolios right now. They continue to be very positive in equities, about 8% overweight stocks across the portfolios, with a modest overweight to US. Their biggest positions are in European and Asia Pacific equities. They are underweight in emerging markets and fixed income. They have a bit of an overweight to long credit as they are taking advantage of the spreads.

He discussed their forecast looking across multiple time horizons. Looking forward, they see a market where the focus on diversification and returns will be harder to come by. The board asked questions.

V. Chief Investment Officer Report

Ms. Fink said December was a good month and the portfolio was up 0.99%. Fiscal year to date, the portfolio was up 9.7% and 14.1% for the calendar year. Risk was at 7.2%. The 60/40 plan generated 0.8% in December, 9.5% FYTD and 12.3% for the calendar year, with a risk of 8.3%. The portfolio's performance did lag that of the bottom-up benchmark, mostly because the absolute return hedge funds in the portfolio tend to have less market sensitivity than the benchmark. The other place where there seems to be a bit of a mismatch is in real estate and that is just a timing issue for how the returns come in.

She said the strong performance was driven by developed equity markets. The portfolio's underweight in bonds mitigated the impact of rising rates due to Fed tapering.

The equity hedge funds performed well in December despite having less market sensitivity.

In January, the equity markets have come down and bonds have stabilized. Dispersion between stocks has continued so the hedge funds have done very well.

VI. Asset Allocation Review

Mr. Emkin noted that since the last time this review was done in 2012, the capital markets have changed. The biggest single change is that the equity markets have had an extraordinary rally. They assume the return on stocks will be plus or minus 8%. US stocks last year were up 32%; simplistically that's 4 years' worth of returns in one year.

He noted this would be a mid-course review, not a full asset/liability study. This review just looks at the investment component and not liabilities. He noted it's important to keep in mind that the plans are still underfunded, on average. The plans are mature, meaning that the number of retirees is growing much more rapidly than active members. This demographic means less contributions, putting increased burden on employer contributions and the investment portfolio to generate rates of return. This must be managed on both the liability and the asset sides as the plan's planning horizon changes. The ultimate goal of the plan is to pay benefits. Having major losses has a disproportionate negative impact on the portfolio because there is not enough money coming in to overcome the losses over time.

He noted that capital markets tend to overreact on the extremes. The cost of losing lots of money on the downside is disproportionate to making money on the upside.

He explained how actual geometric return is always less than the arithmetic return because of the volatility penalty. The more volatility the greater that penalty. He reviewed an example of the impact of volatility and the impact when assets go up and down together. This example demonstrated the need to be diversified and to manage the asset allocation.

He explained the optimization model used by PCA to generate potential allocations for the asset allocation review. He briefly reviewed the role of each asset class and its risk. He noted that the goal of the study is to identify how each asset reacts in different economic conditions and the correlation between them. He discussed the impact of the recent economic instability on various portfolio combinations. He explained how they input correlation into the model. The goal is to combine assets that are not highly correlated. He noted asset correlations can change and provide a

challenge as they are not stable over time. PCA revisits these correlations and makes changes based on the way the market is being perceived over time.

The model generated portfolios that provide the best return per unit of risk at different risk levels, which is called the “efficient frontier”. Performance of portfolios and asset classes is measured by using the Sharpe ratio to see if the risk taken is paying off in returns.

He reviewed the resulting portfolios that the optimizer generated when the assumptions and constraints were entered. He compared these outputs to the current portfolio and the 60/40 plan. He said the current portfolio has slightly more risk. The current portfolio is pretty close to the efficient frontier. The fact that the portfolio is slightly off the efficient frontier is normal.

Mr. Nesbitt noted that more alternative investments would get the portfolio even closer to the “efficient frontier”.

Mr. Emkin presented a graph with a 60/40 allocation. He noted the volatility is 93% from stock and only 7% from bonds. The goal of diversification is to reduce that concentration of risk. The difficulty is that with the exception of private equity, every other asset class has a lower expected rate of return than public equity. Diversification will improve the relationship between return and risk.

He presented another graph showing the current portfolio using the same methodology. He estimates that between 80% and 85% of the current portfolio’s volatility is driven by the equity market because equity market risk exists across different asset classes. He compared this to a portfolio generated by the optimizer with a higher Sharpe ratio. He noted that effectively, the allocation to alternative assets gets maxed out because they have the highest Sharpe ratios. Adding alternatives to the portfolio makes for more diversified sources of risk. If the portfolio gets less volatility with similar rates of return, over the long term, it will compound to a greater level.

Mr. Emkin discussed how the portfolio needs to have assets available to pay benefits. The key is to align cash flows out of the pension funds with the contributions and income of the investment portfolio to meet liabilities without having to sell assets at the wrong point in time. Because of the demographics and financial conditions of the plan, much more thought has to be given to liquidity and loss aversion.

He reviewed a mathematical example of the impact of volatility comparing two portfolios with the same rate of return. One having more volatility than the other. He noted that with a mature plan, at the end of the sample period the more volatile portfolio has less money than the other. Managing and reducing volatility increases the likelihood of having the assets to pay benefits when they come due. The cost of taking too much risk is the potential for not having the ability to meet the obligations.

Ms. Fink noted that the example illustrates how the impact of volatility is more painful with a more mature portfolio.

Mr. Emkin said the challenge is how to generate the best risk-adjusted return. Given the current assumptions, the only way to improve the risk-return relationship is to expand away from the 60/40 portfolio by moving to assets with better Sharpe ratios and better risk-adjusted rates of return. He said the board may consider expanding or changing some of the hedge fund portfolios at the margins. He said he foresees a more challenging environment to generate the 7.5% rate of return.

Ms. Fink added that the work of PCA is comforting to her given how close the current portfolio is to the efficient frontier. She said that no vote would be taken regarding asset allocation as there was no vote scheduled on the agenda. However, the board could discuss this further at a future meeting. The board asked questions.

VII. Investment Policy Statement Review

Ms. Fink reviewed the second part of the Investment Policy draft. This part of the Investment Policy is designed to address the roles and responsibilities of the various parties that work on the portfolio.

Mr. Costello expressed concern over the 7.5% expected rate of return stated in the Investment Policy draft. He referred to the previous presentations by both State Street and PCA regarding future market environment and how it would be difficult to achieve that return.

Mr. Riley suggested that the policy should include language clarifying that the 7.5% is the targeted return which is given to the SIC by another governing body.

The board further discussed the Investment Policy.

Ms. Fink asked the board for a vote on part one of the Investment Policy.

Ms. Reback expressed concern that she believed the policy emphasized risk over return. She said that she would abstain from a vote pertaining to the first part of the Investment Policy.

Treasurer Raimondo suggested to further discuss the Policy and to postpone a vote for both parts until the next meeting. She asked Ms. Fink to incorporate the feedback given by the board and to present the Policy at the next meeting.

VIII. Fiduciary Training

Mr. Mark Dingley, Treasury Legal Counsel, explained the fiduciary responsibility and liabilities. He said the SIC acts in a fiduciary role and is defined as a fiduciary. The number one rule for a fiduciary is to follow the plan documents. For the SIC those are the statutes and any adopted policy. He identified the legal sources of fiduciary requirements as ERISA, the Internal Revenue Code, State and Local Statutes and ordinances, common law, and plan documents such as Investment Policies. These should be the blueprint for decision-making.

He explained the division of responsibility between the employer and the fiduciary. The fiduciary responsibilities are to act in accordance with the Exclusive Benefit Rule and Prudent Person Standard, to follow the plan documents, to diversify investments, and to monitor service providers. He reviewed the rules that apply under RIGL 35-10-6, known as the Exclusive Benefit Rule. The rules requires members to act solely in the interest of plan participants and beneficiaries, to act with the exclusive purpose of providing benefits to participants, to pay reasonable administrative expenses, and to follow the no-self-dealing or conflict-of-interest rule.

The prudent person standard adopted by the State is an experienced prudent person standard. It is the highest fiduciary standard out there. He reviewed the doctrine of procedural prudence. The duties of the SIC are to investigate, make informed decisions, maintain accurate records, obtain expert assistance, monitor the investments, and follow the plan documents.

The purpose of diversification is to mitigate losses and protect participants from fraud. He reviewed the factors to consider in regards to diversification.

He reviewed the duty to secure expert assistance and monitor providers.

He discussed the liabilities of fiduciaries as read in section 9-1-31.1 of the Rhode Island General Law. He reviewed the limitation of liability. Generally, the board has protection from civil liability.

Mr. Giudici asked how the fiduciary liability applies to custodians and fund manager contracts.

Mr. Dingley said that it is a different type of fiduciary responsibility. When the board is successful in getting managers to acknowledge a fiduciary status, it's one that they will adhere to the investment directives given to them. Their responsibility is to advise the board. The ultimate fiduciary responsibility rests with the board members.

He went on to talk about the defined contribution plan and how it adheres to the ERISA guidelines.

IX. Survey of Portfolio by Asset Class

Ms. Fink compared three snapshots of the portfolio: the policy allocation, the tactical allocation and the actual allocation. The tactical allocation differs from the policy allocation due to the nature of some of the asset classes and the time required to deploy investments in these classes. The actual allocation differs from the tactical allocation due to impacts of market moves.

Mr. Burns briefly reviewed the role of each asset class and the type of risk associated with each asset class depending on how the portfolio is constructed. He went on to review the public equity portion of the portfolio. Global equities are the largest investment. It has a high expected return with an expected volatility of about 18%. Historically, that risk has paid off. He described the equity portfolio as a beta portfolio, as it will move in line with the overall equity markets. The portfolio is well-diversified by country, economic sector and industry. He reviewed price/earnings ratio statistics of the current public equity market compared to long-time averages, as an indication of valuations.

Mr. Lynch reviewed the fund's private equity portfolio. The primary risk exposure of private equity is growth. It has a high expected return with a volatility of about 20%. Liquidity is low in this asset class as the investments are in partnerships with an average 10-year life. He described the investment strategy for private equity. The key differentiation from public equity is that this is where the portfolio can get alpha return as managers are active and have tools to add value. He briefly summarized the portfolio since inception. He described the portfolio as well diversified by manager, fund and industry. He reviewed the performance of the portfolio. Since inception, the portfolio has outperformed the benchmark by 2.35%. Relative to public equities, the portfolio has also outperformed the Russell 3000 Index by 6.76% since inception. He described the typical measurements of performance.

Mr. Nesbitt reviewed the fund's hedged equity portfolio. This group of hedge fund strategies is designed to produce equity-like returns with approximately half the risk. He described the investment strategy of hedged equity. The role of this portion of the portfolio is to lower the risk of the equity portfolio. He reviewed what is in the portfolio. This allocation has lowered risk with a standard deviation of 3.68% since inception. He discussed the performance of the portfolio. Since inception and through December of 2013, the portfolio return is 10.9% with 3.68% risk.

Mr. Glickman reviewed the fund's real estate portfolio. The primary role of the real estate portfolio is to provide income and a secondary role is to provide growth opportunities over a long period of time. The growth in real estate values will be fairly well correlated to the overall growth of the economy. He said PCA feels positive about the real estate market as uncertainty in the economy has begun to melt away. He briefly reviewed the diversification of the real estate portfolio and said it generally lines up closely to what the reported benchmark should be. He went on to discuss the performance of the real estate portfolio.

Ms. Chambers reviewed the fund's infrastructure portfolio. She noted that the investment in IFM that was approved by the SIC in 2013 has yet to be drawn down. She said there is no guarantee when the fund will call Rhode Island's funds but she is hoping it will be sometime this year. She discussed the current marketplace. She will continue to work with staff and come back to the board with additional opportunities when appropriate.

Mr. Nesbitt reviewed the absolute return hedge fund portfolio. The design of these funds is to mitigate risk and do well when the market goes down. He reviewed the investment strategy for the portfolio. The portfolio is diversified across strategies. The beta for the absolute return hedge funds is 0.06% with volatility of 2.38%. He reviewed the performance of the portfolio. This is a very efficient asset class with a Sharpe ratio of 2.31%.

Mr. Burns reviewed the rate-insulated credit portfolio. The addition of this asset class was part of the strategy to reduce interest rate risk in the portfolio. He discussed the spread on bank loans, a valuation measure. He noted that there are allocations to two managers with two different strategies in the portfolio and they are well diversified across sectors.

Mr. Burns went on to review the GILBs portion of the portfolio. The primary risk in this portfolio is inflation. The benchmark was recently changed to intermediate benchmark so they take even less duration risk.

Ms. Fink noted that this is the part of the portfolio that did not work last year because inflation was lower than expected and interest rates backed up. Usually when rates back up it's because there is inflation and the GILBs are designed to protect in that environment.

X. Recommendation to Reduce Beta Exposure in Hedged Equity Allocation

Ms. Fink noted that last year was a great year for equities but returns can be expected to be lower going forward. She identified the possibility of reducing the beta exposure in the portfolio. She recommended redeeming the Third Point investment and putting the money back to work within the hedge fund allocation but with lower beta exposure. The Third Point investment is about \$70 million. She recommended putting \$20 million of that into Samlyn. Rhode Island already has an investment with Samlyn and they have performed very well. She added that Samlyn has two share classes. One is a traditional fee structure with a one-year commitment and the other has lower fees and a three-year commitment. She recommended putting the \$20 million in the share class with the three-year commitment and lower fees. Cliffwater would be enlisted to bring a recommendation to invest the rest of the money.

On a motion by Ms. Reback and seconded by Ms. McNamara, it was unanimously

VOTED: to redeem the investment in Third Point.

Additionally, a motion was made by Mr. Giudici and seconded by Ms. Reback, and it was unanimously

VOTED: to invest \$20 million into Samlyn's share class with the longer lockup and lower fee structure.

XI. Secondary Sale Update

A motion was made by Ms. Reback and seconded by Mr. Fay to convene into executive session pursuant to Rhode Island General Law §42-46-5 (a) (7) as the discussion may relate to the investment of public funds, the premature disclosure of which may adversely affect the public interest. A roll call vote was taken to enter into executive session and the following members were present and voted Yea: Mr. Thomas Fay, Mr. Robert Giudici, Ms. Paula McNamara, Mr. Thomas Mullaney, Ms. Marcia Reback, Mr. Andrew Riley, and General Treasurer Gina Raimondo. Mr. Costello was not present.

It was then unanimously

VOTED: To convene into executive session pursuant to Rhode Island General Law §42-46-5 (a) (7) as the discussion may relate to the investment of public funds, the premature disclosure of which may adversely affect the public interest.

A motion was then made by Mr. Mullaney and seconded by Mr. Riley, to exit executive session pursuant to Rhode Island General Law §42-46-5 (a) (7). A roll call vote was taken, and the following members were present and voted Yea: Mr. Thomas Fay, Mr. Robert Giudici, Ms. Paula McNamara, Mr. Thomas Mullaney, Ms. Marcia Reback, Mr. Andrew Riley, and General Treasurer Gina Raimondo. Mr. Costello was not present.

It was then unanimously

VOTED: To exit executive session and return to open session.

It was reported to the public that there were votes taken during the executive session.

It was unanimously voted to authorize staff to take action to sell the USC interest in Wellspring Capital Partners IV. Mr. Costello was not present for this vote. And it was unanimously voted to seal the minutes.

XII. Legal Counsel Report

There was no legal counsel report.

XIII. Treasurer Report

Treasurer Raimondo commended the efforts of the board and thanked them for their continued work.

There being no other business to come before the Board, on a motion by Ms. Reback and seconded by Ms. McNamara the meeting adjourned at 3:25 p.m.

Respectfully submitted,

Gina M. Raimondo
General Treasurer

Section III.

Staff Summary

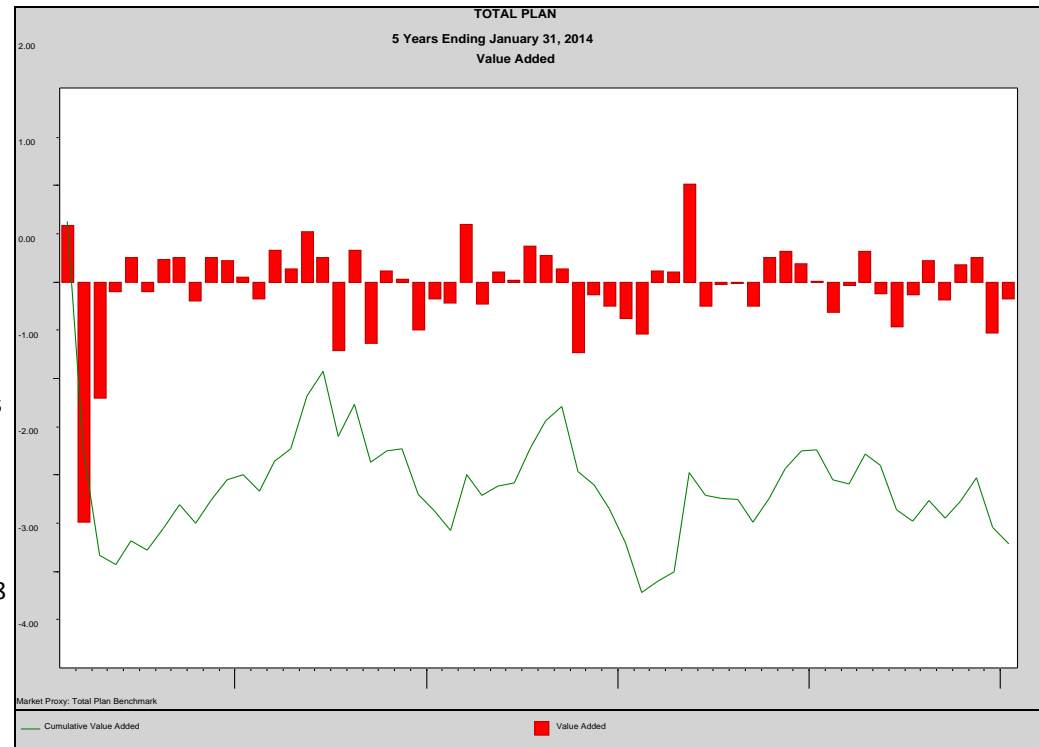
Portfolio Highlights

PORTFOLIO PERFORMANCE

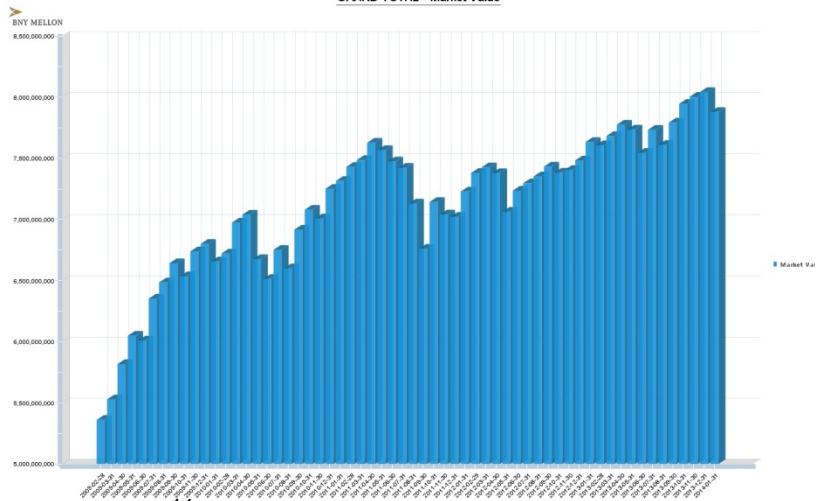
January: The ERSRI portfolio posted a -1.69% loss for January, against the policy index of -1.55% and the 60/40 Blend of -1.81%. Total Equity returned -3.03%, as US Public Equity lost -3.19% versus the benchmark of -3.16% and International Equity -4.57% versus the benchmark of -4.54%, while Equity Hedge Funds gained 0.05% against the -0.91% benchmark. US Traditional Fixed Income posted a 1.46% gain, with the benchmark at 1.48%. Real Return Hedge Funds gained 0.07% against the benchmark loss of -0.57%, while GILBs gained 1.10% against its benchmark of 1.13%. The Credit strategy returned 0.54%, versus its benchmark 0.50%.

Fiscal Year to Date: For the Fiscal Year to Date, the fund has gained 7.87%, versus the policy index of 8.24% and the 60/40 Blend 7.48%.

Market Values: The total portfolio value decreased by \$162.7 million to \$7.88 billion. The January decrease represents \$135.4 million of negative market impact, and \$27.3 million of transfers out.

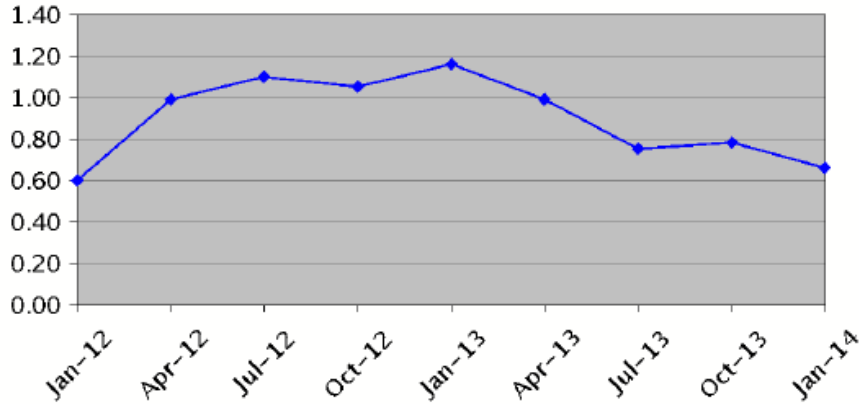


GRAND TOTAL - Market Value

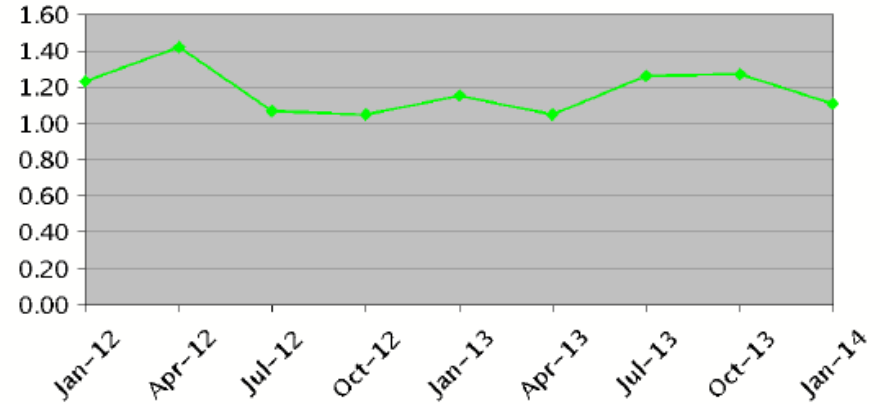


Account Name	Market Value (M)	Month	Fiscal YTD
US Public Equity	1,945.94	-3.19	13.31
Non-US Public Equity	1,901.31	-4.57	10.02
Equity Hedge Funds	634.69	0.05	9.20
Private Equity	536.63	-0.39	9.72
Traditional Fixed Income	1,094.79	1.46	2.17
Real Estate	245.36	0.83	4.94
Real Return Hedge Funds	511.42	0.07	2.97
Credit Aggregate	413.63	0.54	3.89
Inflation-Linked Bonds	280.03	1.10	0.25
Total Cash	301.62	0.01	0.09
TOTAL PLAN	7,879.62	-1.69	7.87

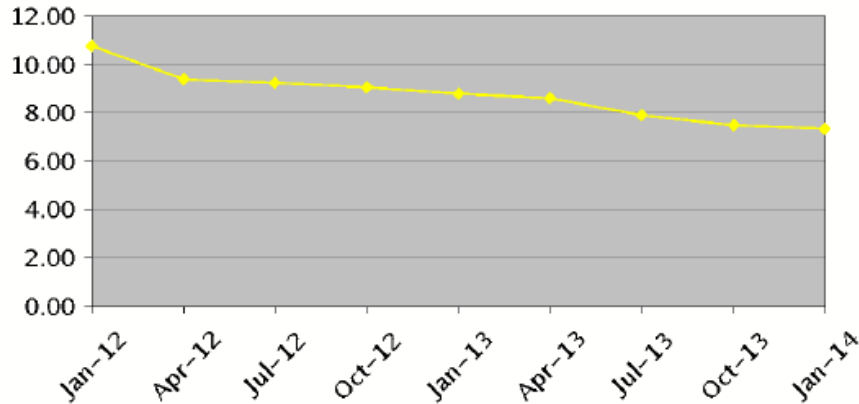
Annualized Alpha



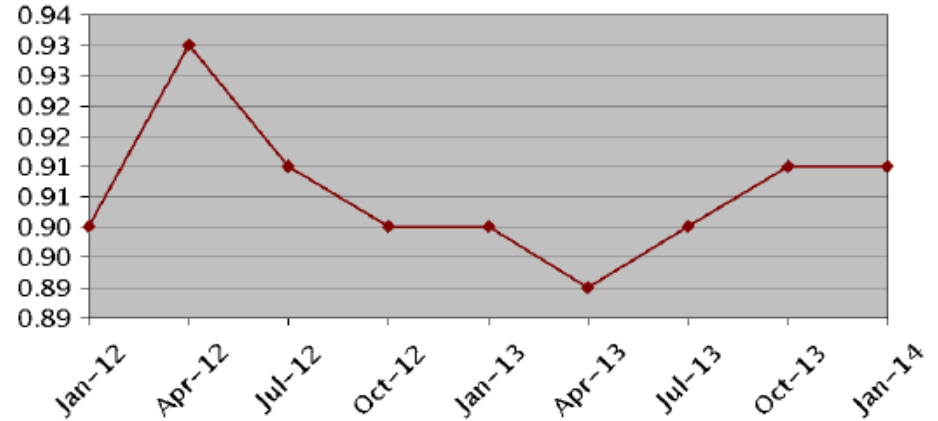
Annualized Sharpe Ratio



Annualized Standard Deviation



Beta



Policy Benchmark is Total Plan Benchmark. Risk-free Proxy is BofA Merrill Lynch 3 Month US Treasury Bill G001



State of Rhode Island and Providence Plantations
Office of the General Treasurer

Gina M. Raimondo
General Treasurer

February 14, 2014

State Investment Commission
State of Rhode Island, State House
Providence, Rhode Island

This is to certify that the amounts so listed below belong to the credit of the Employees' Retirement, Municipal Employees', State Police and Judicial Retirement Systems of the State of Rhode Island at the close of business on January 31, 2014.

**Employees' Retirement System of Rhode Island
Composite Reporting Investment Valuation
January 31, 2014**

Asset Class	Base Market Value
Grand Total	7,879,621,134
CASH EQUIVALENT*	360,048,776
EQUITY HEDGE FUNDS**	634,692,056
GLOBAL PUBLIC EQUITY	3,847,250,905
CREDIT	397,549,451
INFLATION-LINKED BDS	259,573,845
PRIVATE EQUITY**	535,146,512
REAL ESTATE**	245,356,094
REAL RET HEDGE FUNDS**	511,416,345
US TRADITIONAL FIXED	1,088,587,150

Plan Allocations	%	Base Market Value
Grand Total	100.00%	7,879,621,134
STATE EMP RET PLAN	81.29%	6,405,029,438
MUNI EMP RET PLAN	16.77%	1,321,655,326
STATE POLICE RET PL	1.28%	101,058,795
JUDICIAL RET PLAN	0.66%	51,640,166
NON-CONTRIB JUD RET	0.00%	237,409

* Cash & Short-Term Investments, as shown, also includes amounts available within specific active-manager mandates, and thus as aggregated will not tie directly to separate cash allocations as reported elsewhere.

** Alternative Investments – comprising the four components as indicated – have varying degrees of liquidity and may not have readily determinable market values. As such, they may be based on appraisals only.

Respectfully submitted,

Vincent T. Izzo
Cash Manager

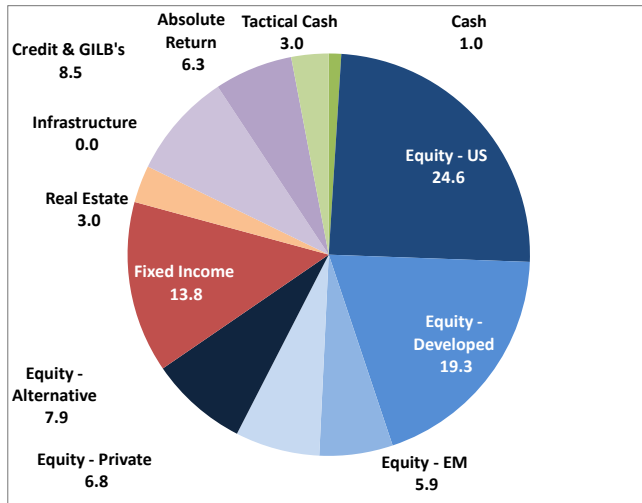
Section IV.

Asset Allocation

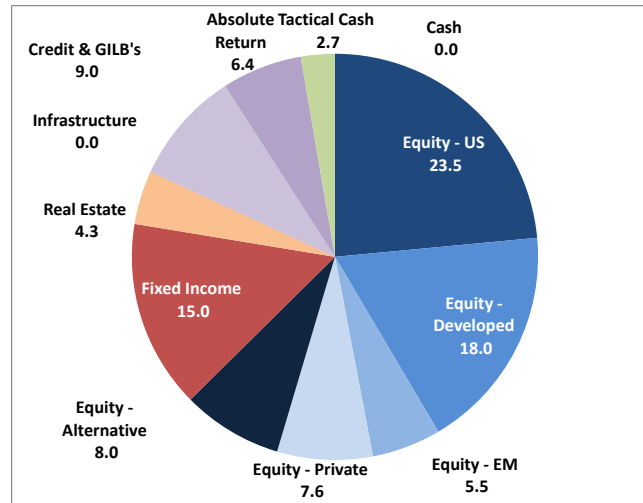
ERSRI Portfolio

%% - as of January 31, 2014

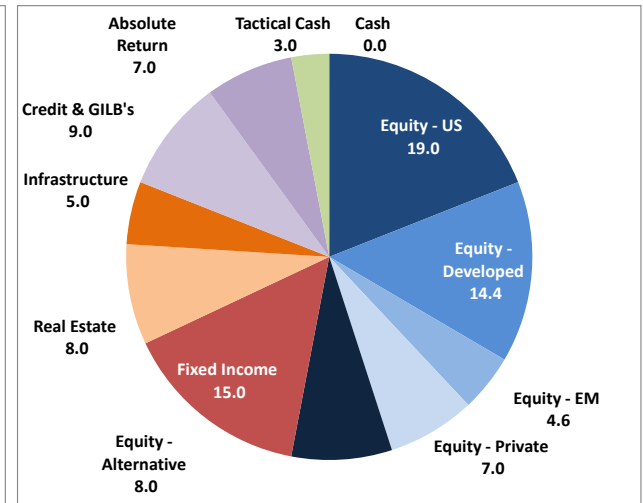
Actual Allocation



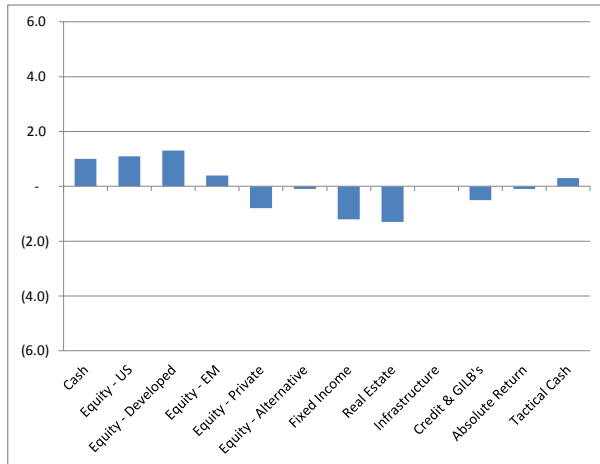
Tactical Allocation



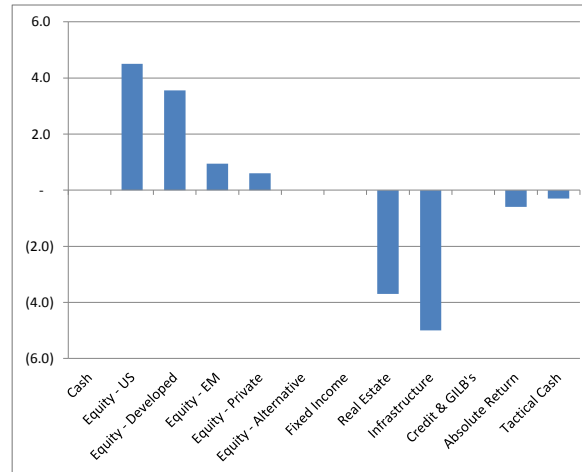
Policy Allocation



Actual vs. Tactical



Tactical vs. Policy



Notes:

Actual vs. Tactical: SIC policy allows for fluctuations of $\pm 2\%$ from Tactical to accommodate market movements while minimizing trading costs for rebalancing, and lags in rebalancing to less liquid asset classes.

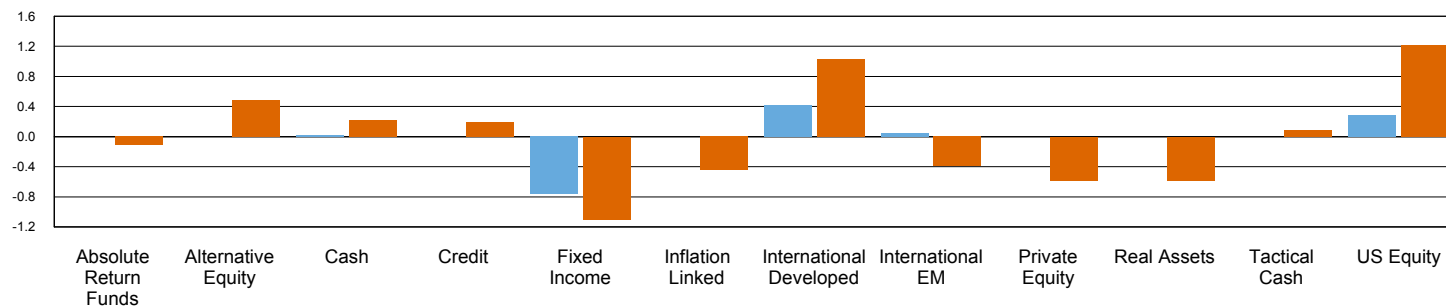
Tactical vs. Policy: Tactical allocations diverge from policy to allow time to vet third-party managers allowing prudent implementation of SIC policy decisions, and to diversify vintage-year exposure for drawdown funds (e.g., private equity, real estate, infrastructure).

Currently tactical allocations are (4) percentage points (pps) below policy on real estate and (5) pps on infrastructure & MLP's, due to timing required to deploy funds. An additional +9 pps in equity offers interim exposure to economic growth and protection from interest rate volatility, capturing similar macroeconomic exposures to underallocated asset classes.

Asset Summary

<u>Asset Class</u>	<u>Physical Exposure</u>		<u>Synthetic Exposure</u>		<u>Net Position</u>		<u>Overlay Target</u>		<u>Policy Target</u>	
Total Market Value	7,875.9	100.0%	0.0	0.0%	7,875.9	100.0%	7,876.0	100.0%	7,876.0	100.00%
Cash	17.0	0.2%	-13.9	-0.2%	3.1	0.0%	1.7	0.0%	0.0	0.00%
Cash	17.0	0.2%	-13.9	-0.2%	3.1	0.0%	1.7	0.0%	0.0	0.00%
Equity	5,038.7	64.0%	-26.1	-0.3%	5,012.6	63.6%	4,954.4	62.9%	4,900.4	62.22%
International Developed	1,498.9	19.0%	-24.6	-0.3%	1,474.2	18.7%	1,441.3	18.3%	1,417.7	18.00%
International EM	402.5	5.1%	41.3	0.5%	443.7	5.6%	440.4	5.6%	433.2	5.50%
US Equity	1,946.4	24.7%	-42.8	-0.5%	1,903.6	24.2%	1,881.7	23.9%	1,850.9	23.50%
Private Equity	536.6	6.8%	0.0	0.0%	536.6	6.8%	536.6	6.8%	582.8	7.40%
Alternative Equity	654.3	8.3%	0.0	0.0%	654.3	8.3%	654.3	8.3%	615.9	7.82%
Fixed	1,094.7	13.9%	40.1	0.5%	1,134.8	14.4%	1,194.4	15.2%	1,181.4	15.00%
Fixed Income	1,094.7	13.9%	40.1	0.5%	1,134.8	14.4%	1,194.4	15.2%	1,181.4	15.00%
Other	1,725.4	21.9%	0.0	0.0%	1,725.4	21.9%	1,725.4	21.9%	1,794.1	22.78%
Real Assets	245.4	3.1%	0.0	0.0%	245.4	3.1%	245.4	3.1%	291.4	3.70%
Absolute Return Funds	511.1	6.5%	0.0	0.0%	511.1	6.5%	511.1	6.5%	519.8	6.60%
Credit	412.4	5.2%	0.0	0.0%	412.4	5.2%	412.4	5.2%	397.8	5.05%
Inflation Linked	280.4	3.6%	0.0	0.0%	280.4	3.6%	280.4	3.6%	315.0	4.00%
Tactical Cash	276.3	3.5%	0.0	0.0%	276.3	3.5%	276.3	3.5%	270.1	3.43%

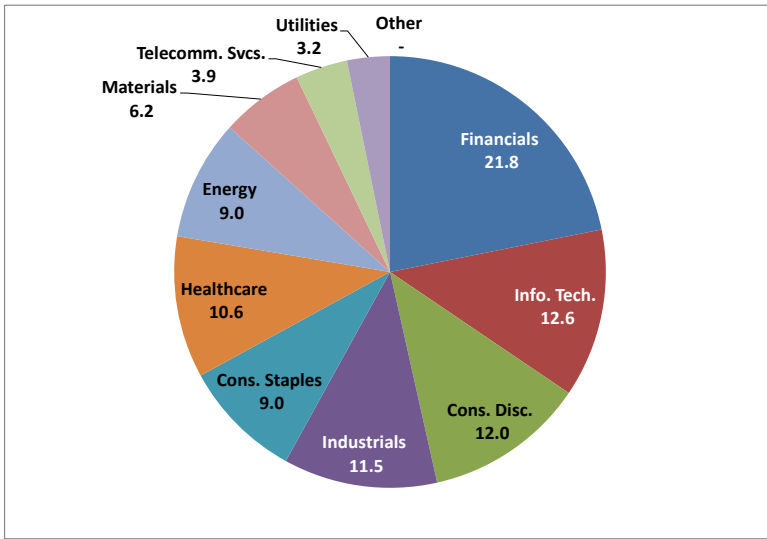
Deviations from Target Allocation



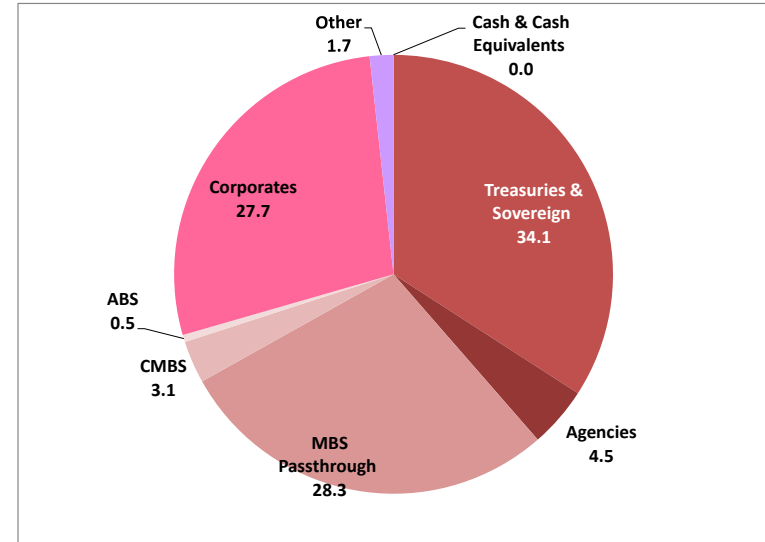
**ERSRI Asset Allocation
Public-Asset Portfolios**

%% - as of January 31, 2014

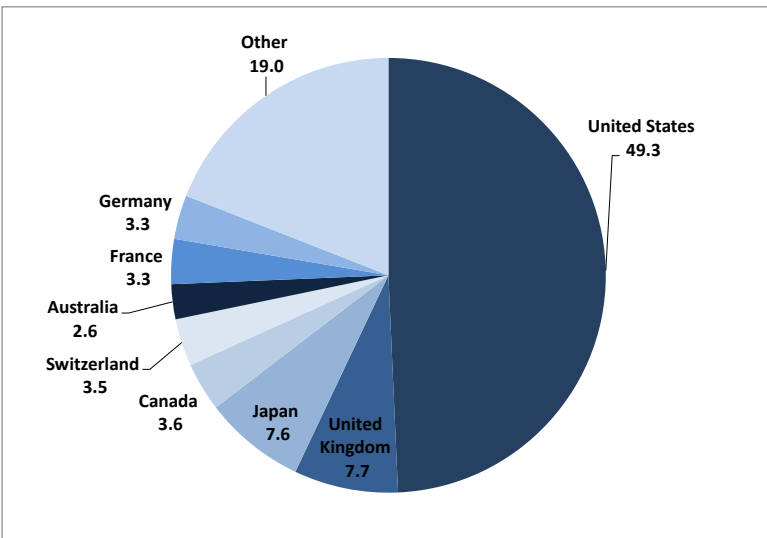
Global Public Equity - by Industry Sector



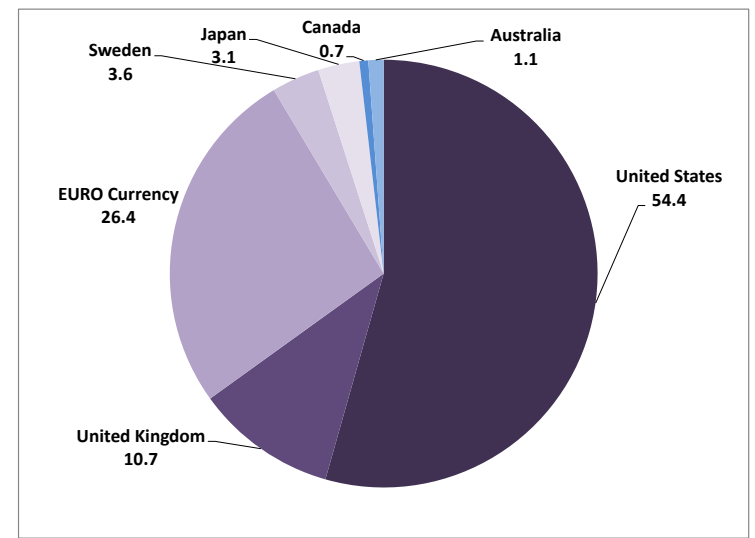
Core Fixed Income - by Type



Global Public Equity - by Geography

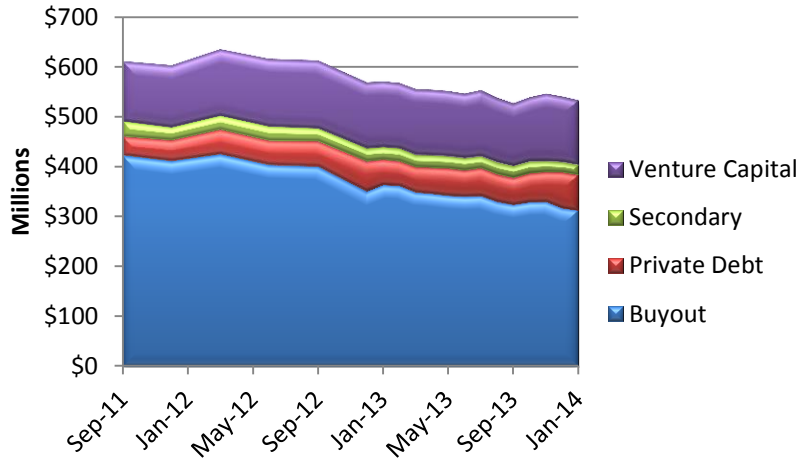


Global Inflation-Linked Bonds - by Geography

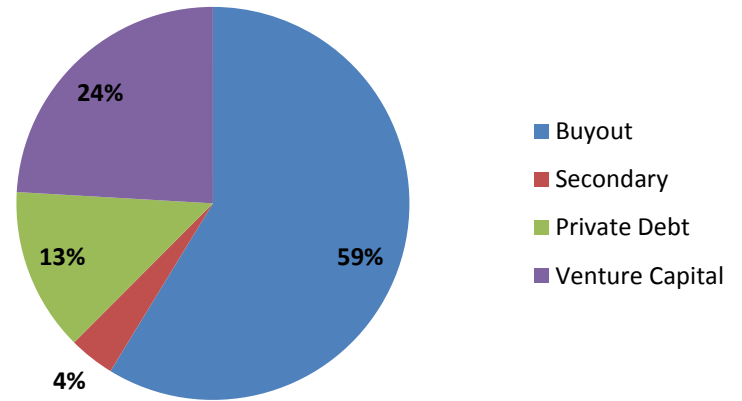


Strategy Exposure & Committed Capital – Private Equity

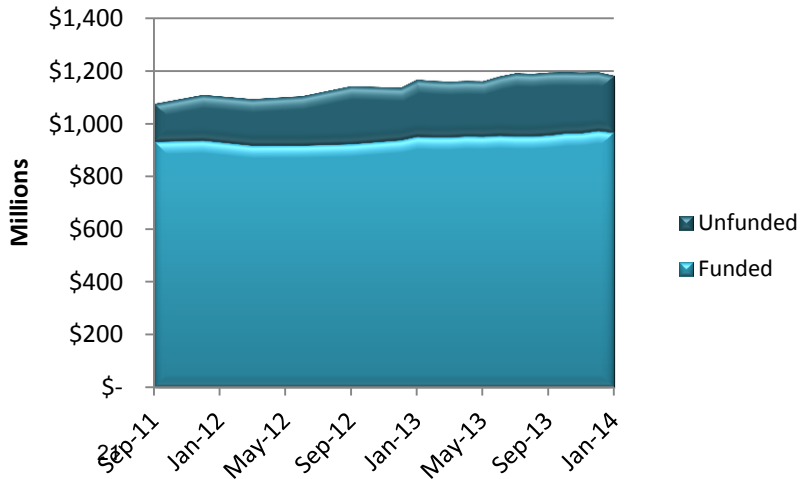
Strategy Exposure - Private Equity



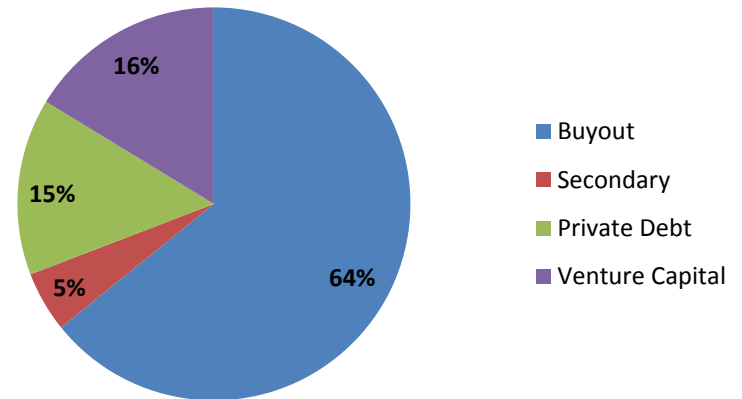
Diversification by Valuation - 1/31/2014



Committed Capital - Private Equity



Diversification by Commitment - 1/31/2014

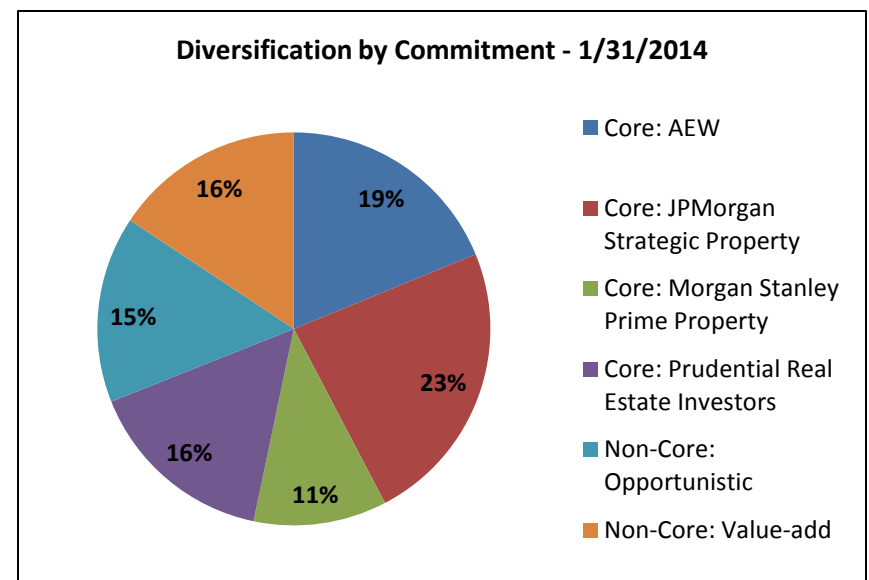
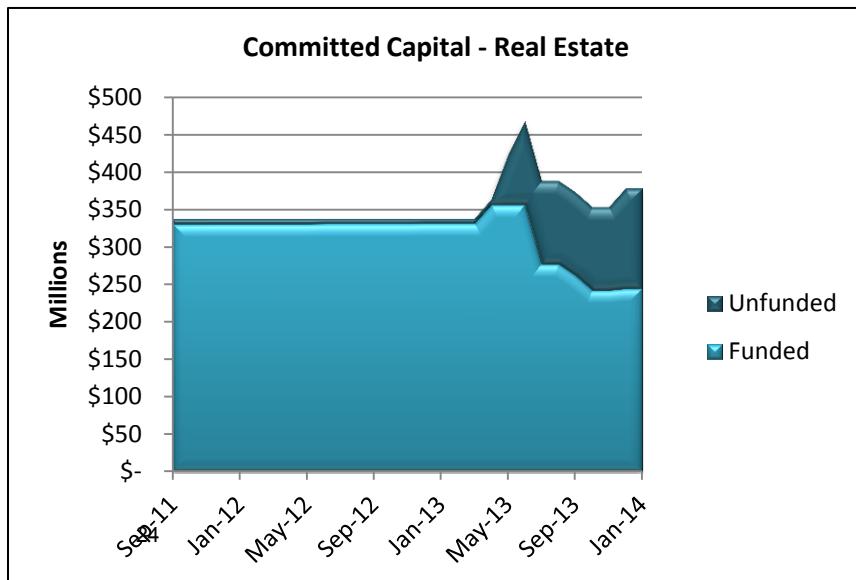
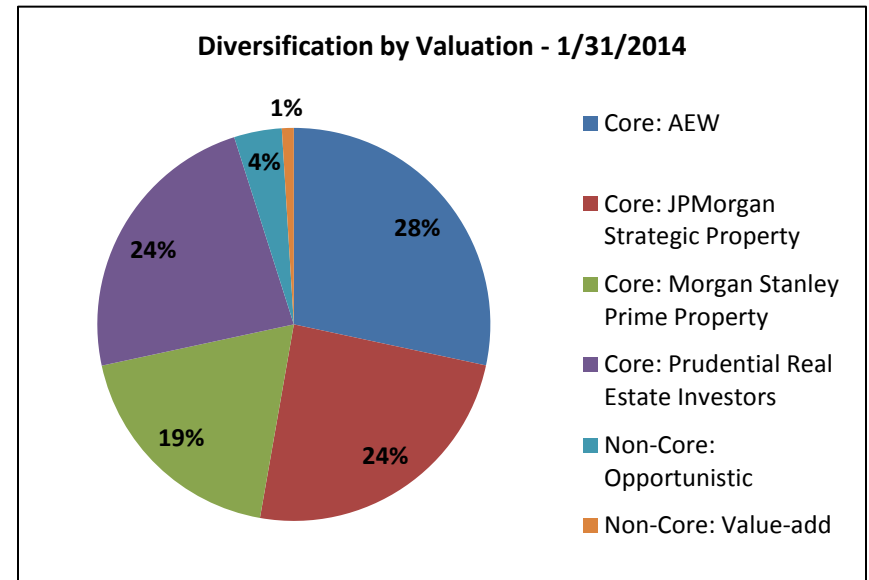
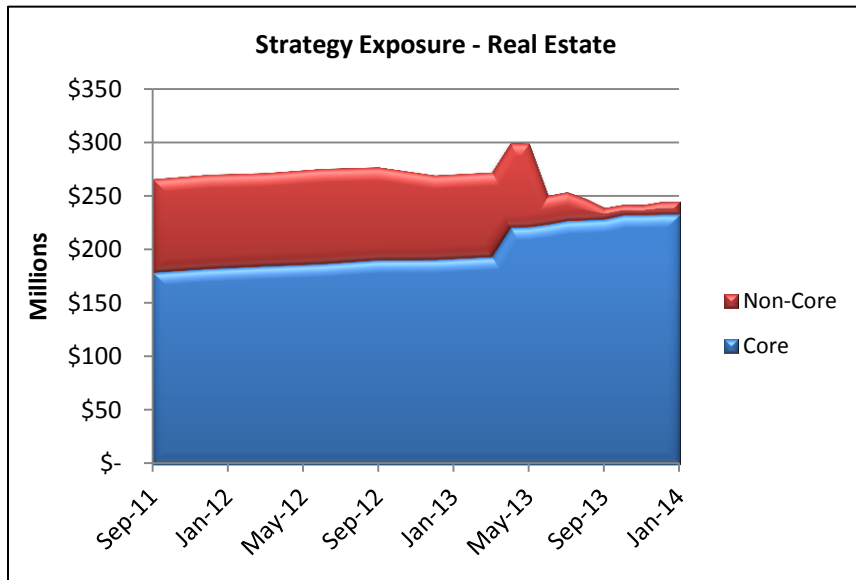


State of Rhode Island Private Equity Unfunded Commitment January 2014

Partnership Investment	Total Commitment	Unfunded
Advent Global Private Equity Fund VII	\$ 20,000,000.00	\$ 14,220,000.00
Alta BioPharma Partners III	\$ 15,000,000.00	\$ 750,000.00
Alta Partners VIII	\$ 15,000,000.00	\$ 1,500,000.00
Aurora Equity Partners II**	\$ 15,000,000.00	\$ -
Aurora Equity Partners III**	\$ 15,000,000.00	\$ 835,850.00
Avenue Special Situations Fund IV	\$ 20,000,000.00	\$ -
Avenue V	\$ 20,000,000.00	\$ -
Bain X	\$ 25,000,000.00	\$ 1,187,500.00
Birch Hill Equity Partners III*	\$ 16,101,612.00	\$ 590,546.72
Braemar Energy Ventures III	\$ 10,000,000.00	\$ 6,821,579.00
Castile III	\$ 5,000,000.00	\$ 250,000.00
Centerbridge	\$ 15,000,000.00	\$ 1,090,623.00
Centerbridge Special Credit Partners II	\$ 25,000,000.00	\$ 8,125,000.00
Charterhouse Capital Partners VIII*	\$ 20,416,500.00	\$ 2,561,691.21
Coller International Capital IV**	\$ 14,250,000.00	\$ 1,350,000.00
Coller International Capital V	\$ 15,000,000.00	\$ 3,270,000.00
Constellation III	\$ 15,000,000.00	\$ 456,888.82
CVC European Equity Partners III	\$ 20,000,000.00	\$ 899,966.00
CVC European Equity Partners IV*	\$ 22,458,150.00	\$ 2,633,351.76
CVC V	\$ 27,222,000.00	\$ 5,398,333.61
EnCap Energy Fund IX	\$ 18,000,000.00	\$ 15,569,470.81
Fenway Partners Capital Fund II	\$ 15,000,000.00	\$ 232,336.00
Fenway III	\$ 15,000,000.00	\$ 1,517,699.00
First Reserve Fund X	\$ 20,000,000.00	\$ 1.00
First Reserve Fund XI	\$ 20,000,000.00	\$ (1.00)
Focus Ventures III	\$ 15,000,000.00	\$ -
Granite Global Ventures II	\$ 15,000,000.00	\$ 675,000.00
Granite Global Ventures III	\$ 15,000,000.00	\$ 375,000.00
Green Equity Investors V	\$ 20,000,000.00	\$ 1,243,286.40
Kayne Anderson Energy Fund III	\$ 15,000,000.00	\$ 366,426.00
Kayne Anderson Energy Fund IV	\$ 15,000,000.00	\$ 1,182,507.00
Leapfrog Ventures II	\$ 10,000,000.00	\$ 510,000.00
Leeds Weld Equity Partners IV	\$ 10,000,000.00	\$ 1,099,639.00
Lighthouse Capital Partners V	\$ 11,250,000.00	\$ 787,500.00
Lighthouse Capital Partners VI	\$ 15,000,000.00	\$ 750,000.00
LNK Partners	\$ 12,500,000.00	\$ 653,392.52
Matlin Patterson Glb. Opp. Fund (CSFB)	\$ 15,000,000.00	\$ -
MHR Institutional Partners III	\$ 20,000,000.00	\$ 7,774,396.00
Nautic Partners V	\$ 20,000,000.00	\$ 647,276.49
Nautic Partners VI	\$ 20,000,000.00	\$ 1,292,251.81
Nautic Partners VII	\$ 20,000,000.00	\$ 20,000,000.00
Nordic Capital Fund V*	\$ 19,893,225.11	\$ -
Nordic Capital Fund VI*	\$ 20,416,500.00	\$ -
Nordic VII	\$ 19,846,210.55	\$ 3,864,178.82
Nordic VIII	\$ 20,416,500.00	\$ 18,781,521.06

Oaktree Capital Management Fund III	\$	20,000,000.00	\$	12,000,000.00
Palladin III	\$	10,000,000.00	\$	3,031,302.00
Parthenon Investors II	\$	23,960,000.00	\$	1,821,022.00
Perseus VII	\$	15,000,000.00	\$	659,913.17
Point 406	\$	10,000,000.00	\$	1,400,000.00
Point Judith II	\$	5,000,000.00	\$	463,939.06
Providence Equity Partners III	\$	15,000,000.00	\$	1,938,956.00
Providence Equity Partners IV	\$	25,000,000.00	\$	1,998,616.00
Providence Equity Partners V	\$	25,000,000.00	\$	2,157,993.00
Providence Equity Partners VI	\$	25,000,000.00	\$	2,655,244.00
Providence Equity Partners VII	\$	25,000,000.00	\$	20,695,345.00
Riverside VI	\$	20,000,000.00	\$	18,345,576.00
Summit Partners	\$	20,000,000.00	\$	5,500,000.00
Thomas McNerney & Partners	\$	15,000,000.00	\$	300,000.00
Thomas McNerney & Partners II	\$	15,000,000.00	\$	1,987,500.00
TPG Partners IV	\$	13,953,742.00	\$	64,421.00
TPG Partners V	\$	20,000,000.00	\$	2,342,952.00
TPG VI	\$	10,000,000.00	\$	2,371,261.00
Trilantic IV	\$	11,098,351.00	\$	1,315,090.18
VS&A Communication Partners III	\$	15,000,000.00	\$	-
W Capital Partners	\$	15,000,000.00	\$	802,500.00
W Capital Partners II	\$	15,000,000.00	\$	1,639,525.00
Wellspring Capital Partners III	\$	20,000,000.00	\$	283,861.00
Wellspring Capital Partners IV	\$	20,000,000.00	\$	2,245,842.00
WLR	\$	8,000,000.00	\$	765,256.00
Total Alternative Investments	\$	1,184,782,790.65	\$	216,049,325.45

Strategy Exposure & Committed Capital – Real Estate



State of Rhode Island Real Estate Unfunded Commitment January 2014

Real Estate Partnership Investment	Total Commitment	Unfunded
AEW	\$ 60,000,000.00	\$ -
Fillmore East Fund I	\$ 10,000,000.00	\$ -
GEM Realty V	\$ 50,000,000.00	\$ 47,594,375.00
Heitman	\$ 60,000,000.00	\$ 60,000,000.00
JPMorgan Strategic Property Fund	\$ 75,000,000.00	\$ 25,000,000.00
JPMorgan Alternative Property Fund	\$ 20,000,000.00	\$ -
Magna Hotel	\$ 4,000,000.00	\$ 764,799.69
Morgan Stanley Prime Property Fund	\$ 35,000,000.00	\$ -
Prudential Real Estate Investors (PRISA)	\$ 50,000,000.00	\$ -
Tri Continental Fund VII	\$ 15,000,000.00	\$ 428,467.00
Total Alternative Investments	\$ 379,000,000.00	\$ 133,787,641.69

Section V.

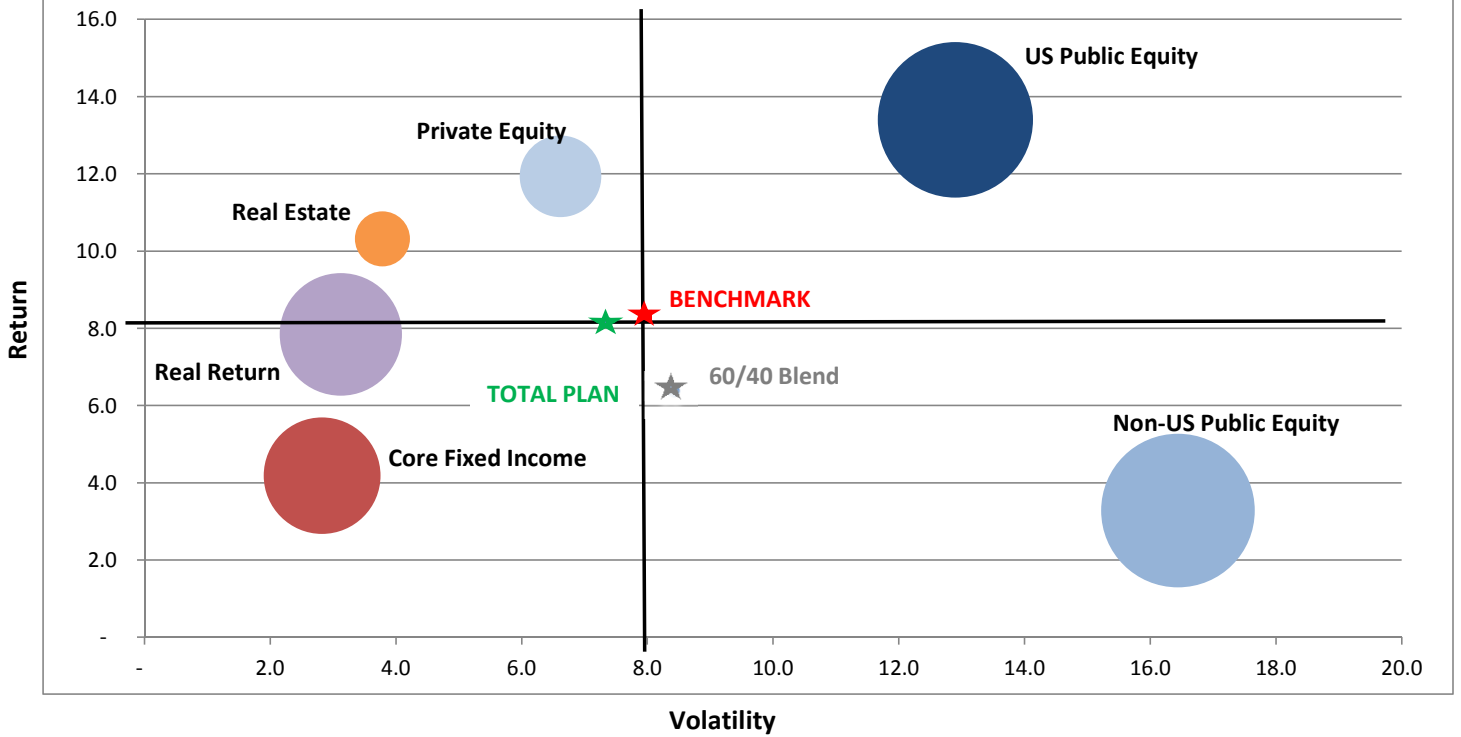
Risk Overview

ERSRI Portfolio

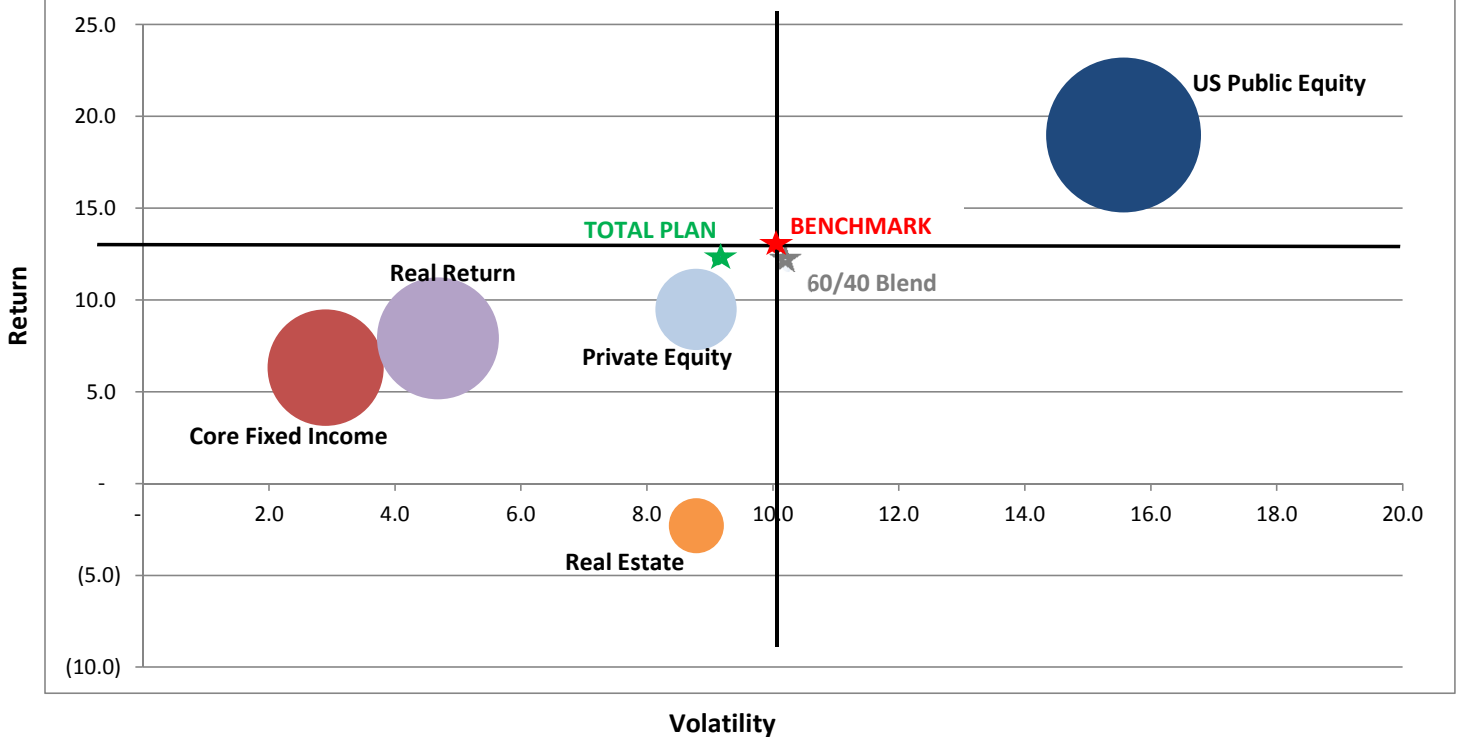
% - as of January 31, 2013

Bubble-Size Scaled based on Current Allocations

3-Year Risk-Return



5-Year Risk-Return



5 Years Ending January 31, 2014 Comparison

	TOTAL PLAN	Total Plan Benchmark
Ann Return	12.19	12.81
Ann Ex Ret vs Mkt	-0.55	0.00
Ann Tracking Error	1.68	0.00
Ann Std Dev	9.12	10.06
Beta	0.90	1.00
R-Squared	0.98	1.00
Ann Alpha	0.64	0.00
Ann Sharpe Ratio	1.30	1.24

Risk Exposures

3 Years Ending January 31, 2014

	Annualized Return	Ann Std Dev	Beta (ACWI)	Beta (BC AGG)	Beta (GSCI)	Beta (CPI)
US Public Equity	13.40	12.90	0.87	-1.28	0.50	0.14
Non-US Public Equity	3.28	16.44	1.14	-0.46	0.64	-0.72
Equity Hedge Funds	---	---	---	---	---	---
Private Equity	11.94	6.62	0.03	-0.49	0.07	0.85
Traditional Fixed Income	4.18	2.83	0.05	0.88	0.01	0.02
Real Estate	10.32	3.78	0.03	0.25	-0.01	-0.29
Real Return Hedge Funds	---	---	---	---	---	---
Inflation-Linked Bonds	5.98	5.03	0.03	1.44	0.02	-0.24
Cash	0.15	0.08	0.00	0.00	0.00	0.00
Russell Overlay Fd	0.25	0.18	0.01	0.00	0.00	0.00

**3 Years Ending January 31, 2014
Correlation**

Ann Return

	US Pub EQ	Non-US Pub EQ	Eq HF	PE	FI	RE	RR HF	GILBS	Cash	Overlay	Total
US Pub	1.00										
Non-US P	0.89	1.00									
Eq HF	---	---	---								
PE	0.06	0.07	---	1.00							
FI	0.10	0.32	---	-0.22	1.00						
RE	0.06	0.14	---	0.26	0.21	1.00					
RR HF	---	---	---	---	---	---	---				
GILBS	-0.04	0.14	---	-0.09	0.76	0.20	---	1.00			
Cash	0.01	0.01	---	-0.03	0.03	0.32	---	-0.10	1.00		
Overlay	0.38	0.41	---	0.21	0.07	0.15	---	0.15	-0.09	1.00	
Total	0.96	0.97	---	0.12	0.28	0.15	---	0.14	0.01	0.42	1.00
Tot BM	0.96	0.97	---	0.05	0.26	0.12	---	0.09	0.02	0.43	0.99

**5 Years Ending January 31, 2014
Correlation**

Ann Return

	US Pub Eq	Non-US Pub Eq	Eq HF	PE	FI	RE	RR HF	GILBS	Cash	Overlay	Total
US Pub	1.00										
Non-US P	---	---									
Eq HF	---	---	---								
PE	0.06	---	---	1.00							
FI	0.22	---	---	-0.26	1.00						
RE	-0.13	---	---	0.25	-0.29	1.00					
RR HF	---	---	---	---	---	---	---				
GILBS	---	---	---	---	---	---	---	---			
Cash	-0.04	---	---	-0.25	0.12	-0.19	---	---	1.00		
Overlay	0.24	---	---	-0.14	0.29	-0.34	---	---	0.03	1.00	
Total	0.96	---	---	0.12	0.36	-0.12	---	---	-0.02	0.28	1.00
Tot BM	0.97	---	---	0.02	0.37	-0.16	---	---	0.01	0.31	0.99

Section VI.

Performance Overview

TOTAL NET OF FEES

1/31/14

Account Name Benchmark Name	Market Value	% of Total	Month	Fiscal YTD	1 Year	Annualized				Inception Date
						3 Years	5 Years	10 Years	ITD	
SSGA R3000 INDEX <i>Russell 3000 Index</i>	1,945,936,641	25	-3.19 -3.16	13.31 13.39	22.50 22.60				21.43 21.50	10/1/2012 10/1/2012
US Public Equity <i>Russell 3000 Index</i>	1,945,936,715	25	-3.19 -3.16	13.31 13.39	22.50 22.60	13.40 14.18	18.98 20.03		5.89 5.93	8/1/2007 8/1/2007
SSGA MSCI EAFE <i>MSCI EAFE Net Dividend Index</i>	1,362,902,505	17	-4.01 -4.03	13.20 13.19	12.20 11.93				20.12 19.88	9/1/2012 9/1/2012
SSGA MSCI CANADA <i>MSCI Canada Net Dividend Index</i>	135,950,426	2	-4.07 -4.14	8.91 8.49	0.16 -0.55				4.70 3.97	9/1/2012 9/1/2012
SSGA MSCI EM <i>MSCI Emerging Markets Net Dividend Index</i>	402,461,333	5	-6.58 -6.49	0.76 0.71	-10.33 -10.17				1.23 1.38	9/1/2012 9/1/2012
Non-US Public Equity <i>Total International Equity BM</i>	1,901,314,359	24	-4.57 -4.54	10.02 10.10	5.70 5.75	3.28 3.25			12.31 11.09	5/1/2009 5/1/2009
Global Public Equity <i>MSCI All Country World Net Index</i>	3,847,251,074	49	-3.88 -4.00	11.60 11.16	13.73 12.70	9.49 7.69	16.88 16.04	6.95 6.55	3.70	7/1/2000 7/1/2000
Private Equity <i>Venture Economics Custom BM</i>	536,634,518	7	-0.39 0.00	9.72 8.51	13.95 18.63	11.94 15.24	9.48 21.41	11.55 9.42	4.29	1/1/1993 1/1/1993
<i>S&P + 300 BP</i>			-3.07	13.90	24.52	17.12	22.60	9.95		1/1/1993
Equity Hedge Funds <i>HFRI Equity Hedge (Total) Index</i>	634,692,056	8	0.05 -0.91	9.20 8.05	13.85 9.64				10.62 7.69	11/1/2011 11/1/2011
Total Equity	5,018,577,649	64	-3.03	11.08	13.77	9.43	15.53	7.25	2.98	6/1/1996
MACKAY SHIELDS <i>Barclays U.S. Aggregate Bond Index</i>	546,378,637	7	1.53 1.48	2.24 1.91	0.35 0.12				-0.13 -0.45	11/1/2012 11/1/2012
PYRAMIS GLOBAL ADV <i>Barclays U.S. Aggregate Bond Index</i>	548,084,641	7	1.40 1.48	2.11 1.91	0.16 0.12				-0.30 -0.45	11/1/2012 11/1/2012
Traditional Fixed Income <i>Barclays U.S. Aggregate Bond Index</i>	1,094,785,002	14	1.46 1.48	2.17 1.91	0.26 0.12	4.18 3.73	6.31 4.93	4.95 4.62	5.82 5.67	7/1/2000 7/1/2000

TOTAL NET OF FEES

1/31/14

Account Name Benchmark Name	Market Value	% of Total	Month	Fiscal YTD	Annualized					Inception Date
					1 Year	3 Years	5 Years	10 Years	ITD	
Real Return Hedge Funds	511,416,345	6	0.07	2.97	5.69				5.61	11/1/2011
<i>HFRI Fund of Funds Composite Index</i>			<i>-0.57</i>	<i>4.58</i>	<i>5.85</i>				<i>4.98</i>	<i>11/1/2011</i>
PIMCO	205,539,241	3	0.46	3.38					2.59	5/1/2013
<i>30% BoA1-3BB-B HY/70%CSInstLLI</i>			<i>0.50</i>	<i>4.27</i>					<i>3.66</i>	<i>5/1/2013</i>
WAMCO	208,091,026	3	0.63	4.39					4.29	4/1/2013
<i>30% BoA 1-3 BB-B HY/70% CS LLI</i>			<i>0.56</i>	<i>4.27</i>					<i>4.45</i>	<i>4/1/2013</i>
Credit Aggregate	413,630,267	5	0.54	3.89					3.10	5/1/2013
30% BoA1-3BB-B HY/70%CSInstLLI			0.50	4.27					5.14	3/1/2013
BROWN BROTHERS HARR	280,033,161	4	1.10	0.25	-4.20				-1.83	11/1/2012
<i>BBH Inflation-Linked Custom BM</i>			<i>1.13</i>	<i>0.62</i>	<i>-4.41</i>				<i>-2.24</i>	<i>11/1/2012</i>
Inflation-Linked Bonds	280,033,161	4	1.10	0.25	-4.20	5.98			5.82	11/1/2009
<i>BBH Inflation-Linked Custom BM</i>			<i>1.13</i>	<i>0.62</i>	<i>-4.41</i>	<i>4.21</i>			<i>4.25</i>	<i>11/1/2009</i>
Total Real Return	1,205,079,773	15	0.47	2.66	3.03	7.84	7.91		6.34	6/1/2004
Real Estate	245,356,094	3	0.83	4.94	5.82	10.32	-2.29		0.38	1/1/2005
<i>NCREIF Property Lagged + 100bp</i>			<i>0.08</i>	<i>6.08</i>	<i>12.00</i>	<i>13.67</i>	<i>4.37</i>		<i>9.18</i>	<i>1/1/2005</i>
ERSRI CASH	299,816,341	4	0.01	0.09	0.14	0.13	0.20	4.75	15.67	7/1/2000
<i>BofA Merrill Lynch 3 Month US Treasury Bill GOO1</i>			<i>0.01</i>	<i>0.04</i>	<i>0.08</i>	<i>0.10</i>	<i>0.13</i>	<i>1.67</i>	<i>2.00</i>	<i>7/1/2000</i>
Total Cash	301,616,869	4	0.01	0.09	0.14	0.15	0.20		2.82	4/1/2004
Russell Overlay Fd	13,568,384	0	-0.02	-0.08	0.02	0.25	0.18		-0.10	9/1/2008
TOTAL PLAN	7,879,621,134	100	-1.69	7.87	9.35	8.15	12.19	6.47	4.65	7/1/2000
<i>Total Plan Benchmark</i>			<i>-1.55</i>	<i>8.24</i>	<i>10.42</i>	<i>8.27</i>	<i>12.81</i>	<i>6.41</i>		<i>7/1/2000</i>
Total Plan ex PE & RE	7,097,630,522	90	-1.88	7.85	9.13	7.27	13.12	6.22	6.51	4/1/1996
<i>Total Plan BM ex PE RE</i>			<i>-1.89</i>	<i>8.29</i>	<i>10.00</i>	<i>7.93</i>	<i>12.91</i>	<i>6.16</i>		<i>4/1/1996</i>
Additional Benchmarks										
<i>60/40 Blend</i>			<i>-1.81</i>	<i>7.48</i>	<i>7.62</i>	<i>6.37</i>	<i>11.88</i>	<i>6.14</i>	<i>5.11</i>	<i>1/1/2001</i>

TOTAL NET OF FEES

1/31/14

Account Name Benchmark Name	Market Value	% of Total	Month	Cumulative			2013	2012	2011	Inception Date
				12/1/13 - 12/31/13	11/1/13 - 11/30/13					
SSGA R3000 INDEX <i>Russell 3000 Index</i>	1,945,936,641	25	-3.19 -3.16	2.62 2.64	2.88 2.90	33.49 33.55				10/1/2012 10/1/2012
US Public Equity <i>Russell 3000 Index</i>	1,945,936,715	25	-3.19 -3.16	2.62 2.64	2.88 2.90	33.48 33.55	15.66 16.42	-0.86 1.03		8/1/2007 8/1/2007
SSGA MSCI EAFE <i>MSCI EAFE Net Dividend Index</i>	1,362,902,505	17	-4.01 -4.03	1.49 1.50	0.75 0.77	23.08 22.78				9/1/2012 9/1/2012
SSGA MSCI CANADA <i>MSCI Canada Net Dividend Index</i>	135,950,426	2	-4.07 -4.14	1.66 1.61	-0.86 -0.91	6.35 5.63				9/1/2012 9/1/2012
SSGA MSCI EM <i>MSCI Emerging Markets Net Dividend Index</i>	402,461,333	5	-6.58 -6.49	-1.25 -1.45	-1.49 -1.46	-2.81 -2.60				9/1/2012 9/1/2012
Non-US Public Equity <i>Total International Equity BM</i>	1,901,314,359	24	-4.57 -4.54	0.90 0.88	0.13 0.17	15.18 15.29	17.02 16.52	-13.47 -12.14		5/1/2009 5/1/2009
Global Public Equity <i>MSCI All Country World Net Index</i>	3,847,251,074	49	-3.88 -4.00	1.71 1.73	1.52 1.42	23.90 22.80	17.82 16.13	-5.16 -7.35		7/1/2000 7/1/2000
Private Equity <i>Venture Economics Custom BM</i> <i>S&P + 300 BP</i>	536,634,518	7	-0.39 0.00 -3.07	0.32 4.92 2.74	3.71 0.00 3.24	14.86 25.03 35.39	11.77 19.44 19.44	12.37 5.17 5.17		1/1/1993 1/1/1993 1/1/1993
Equity Hedge Funds <i>HFRI Equity Hedge (Total) Index</i>	634,692,056	8	0.05 -0.91	1.65 1.43	2.09 1.22	17.11 14.34	7.98 7.41			11/1/2011 11/1/2011
Total Equity	5,018,577,649	64	-3.03	1.56	1.82	21.95	15.88	-2.89		6/1/1996
MACKAY SHIELDS <i>Barclays U.S. Aggregate Bond Index</i>	546,378,637	7	1.53 1.48	-0.50 -0.57	-0.26 -0.37	-1.79 -2.02				11/1/2012 11/1/2012
PYRAMIS GLOBAL ADV <i>Barclays U.S. Aggregate Bond Index</i>	548,084,641	7	1.40 1.48	-0.43 -0.57	-0.38 -0.37	-1.93 -2.02				11/1/2012 11/1/2012
Traditional Fixed Income <i>Barclays U.S. Aggregate Bond Index</i>	1,094,785,002	14	1.46 1.48	-0.47 -0.57	-0.32 -0.37	-1.86 -2.02	7.95 4.21	5.50 7.84		7/1/2000 7/1/2000
Real Return Hedge Funds <i>HFRI Fund of Funds Composite Index</i>	511,416,345	6	0.07 -0.57	0.64 1.11	1.15 1.05	6.96 8.72	5.33 4.79			11/1/2011 11/1/2011
PIMCO <i>30% BoA1-3BB-B HY/70%CSInstLLI</i>	205,539,241	3	0.46 0.50	0.54 0.48	0.39 0.45					5/1/2013 5/1/2013

TOTAL NET OF FEES

1/31/14

Account Name Benchmark Name	Market Value	% of Total	Month	Cumulative			2013	2012	2011	Inception Date
				12/1/13 - 12/31/13	11/1/13 - 11/30/13					
WAMCO <i>30% BoA 1-3 BB-B HY/70% CS LLI</i>	208,091,026	3	0.63 <i>0.56</i>	0.50 <i>0.46</i>	0.38 <i>0.50</i>				4/1/2013 <i>4/1/2013</i>	
Credit Aggregate	413,630,267	5	0.54	0.52	0.38				5/1/2013	
30% BoA 1-3 BB-B HY/70% CS LLI			0.56	0.46	0.50				3/1/2013	
BROWN BROTHERS HARR <i>BBH Inflation-Linked Custom BM</i>	280,033,161	4	1.10 <i>1.13</i>	-1.04 <i>-1.04</i>	-0.59 <i>-0.51</i>	-5.03 <i>-5.13</i>			11/1/2012 <i>11/1/2012</i>	
Inflation-Linked Bonds <i>BBH Inflation-Linked Custom BM</i>	280,033,161	4	1.10 <i>1.13</i>	-1.04 <i>-1.04</i>	-0.59 <i>-0.51</i>	-5.03 <i>-5.13</i>	9.20 <i>5.60</i>	13.80 <i>11.08</i>	11/1/2009 <i>11/1/2009</i>	
Total Real Return	1,205,079,773	15	0.47	0.21	0.48	3.39	6.55	13.58	6/1/2004	
Real Estate <i>NCREIF Property Lagged + 100bp</i>	245,356,094	3	0.83 <i>0.08</i>	0.42 <i>2.65</i>	0.51 <i>0.07</i>	5.65 <i>12.00</i>	9.62 <i>12.00</i>	17.14 <i>17.10</i>	1/1/2005 <i>1/1/2005</i>	
ERSRI CASH <i>BofA Merrill Lynch 3 Month US Treasury Bill G001</i>	299,816,341	4	0.01 <i>0.01</i>	0.01 <i>0.01</i>	0.04 <i>0.01</i>	0.14 <i>0.07</i>	0.11 <i>0.11</i>	0.16 <i>0.10</i>	7/1/2000 <i>7/1/2000</i>	
Total Cash	301,616,869	4	0.01	0.01	0.04	0.13	0.18	0.14	4/1/2004	
Russell Overlay Fd	13,568,384	0	-0.02	0.00	-0.03	0.17	0.18	-0.78	9/1/2008	
TOTAL PLAN ¹ <i>Total Plan Benchmark</i>	7,879,621,134	100	-1.69 <i>-1.55</i>	0.99 <i>1.53</i>	1.20 <i>0.97</i>	14.06 <i>15.00</i>	12.49 <i>11.80</i>	1.39 <i>1.55</i>	7/1/2000 <i>7/1/2000</i>	
Total Plan ex Overlay <i>Total Plan Benchmark</i>	7,866,052,750	100	-1.67 <i>-1.55</i>	0.99 <i>1.53</i>	1.23 <i>0.97</i>	13.87 <i>15.00</i>	12.39 <i>11.80</i>	0.98 <i>1.55</i>	8/1/2008 <i>8/1/2008</i>	
Total Plan ex PE & RE <i>Total Plan BM ex PE RE</i>	7,097,630,522	90	-1.88 <i>-1.89</i>	1.06 <i>1.31</i>	1.04 <i>1.16</i>	14.33 <i>14.96</i>	11.25 <i>12.08</i>	-0.19 <i>0.66</i>	4/1/1996 <i>4/1/1996</i>	
Additional Benchmarks <i>60/40 Blend</i>			<i>-1.81</i>	<i>0.81</i>	<i>0.70</i>	<i>12.32</i>	<i>11.48</i>	<i>-1.13</i>	<i>1/1/2001</i>	

END NOTES

1/31/14

1 RI6G23000000 TOTAL PLAN

Month - Current Month

Cumulative Months - Prior Month and Second Prior Month

Monthly Reporting for Private Equity and Real Estate skew performance on an actual and benchmark basis due to nature of valuations

2012, 2011, 2010 - Calendar Years

Employees' Retirement System of the State of Rhode Island

Hedge Fund Portfolio
 Portfolio Performance Summary
 Estimated as of January 31, 2014

Fund	Market Value	Actual %	Returns								Std Dev	Sharpe Ratio	Incep Date
			Jan	QTD	YTD	FYTD	1 Year	3 Year	5 Year	Incep			
Global Equities													
Ascend Partners Fund II LP	68,326,164	6.0%	0.08%	0.08%	0.08%	8.15%	10.11%	-	-	5.95%	2.53%	2.16	Nov-11
Davidson Kempner Institutional Partners, L.P.	71,390,296	6.2%	0.36%	0.36%	0.36%	4.21%	8.43%	-	-	8.03%	1.67%	4.44	Nov-11
Elliott Associates, L.P.	76,957,746	6.7%	1.80%	1.80%	1.80%	8.87%	13.48%	-	-	11.70%	3.37%	3.21	Nov-11
Indus Asia Pacific Fund, LP	43,151,711	3.8%	-3.40%	-3.40%	-3.40%	-0.84%	-2.16%	-	-	3.71%	6.14%	0.57	Jan-12
Mason Capital Ltd.	68,514,730	6.0%	-2.09%	-2.09%	-2.09%	5.76%	14.84%	-	-	6.58%	6.62%	0.95	Jan-12
PFM Diversified Fund, L.P.	38,366,618	3.3%	2.49%	2.49%	2.49%	18.59%	21.67%	-	-	13.69%	8.33%	1.55	Mar-12
PFM Diversified Offshore Fund A.I., Ltd.	38,161,562	3.3%	2.59%	2.59%	2.59%	18.55%	21.50%	-	-	13.38%	8.36%	1.51	Mar-12
Samlyn Onshore Fund, L.P.	78,300,375	6.8%	-0.16%	-0.16%	-0.16%	9.65%	14.62%	-	-	13.63%	5.19%	2.44	Jan-12
Third Point Partners Qualified L.P.	67,674,238	5.9%	-1.80%	-1.80%	-1.80%	9.16%	17.19%	-	-	19.94%	6.19%	2.94	Jan-12
Viking Global Equities, LP	83,860,499	7.3%	0.90%	0.90%	0.90%	15.49%	20.95%	-	-	16.71%	4.18%	3.66	Dec-11
Total Global Equities	634,703,941	55.4%	-0.01%	-0.01%	-0.01%	9.22%	13.83%	-	-	10.50%	3.66%	2.66	Nov-11
MSCI AC World Index Free - Net			-4.00%	-4.00%	-4.00%	11.16%	12.70%	-	-	13.34%	11.73%	1.10	Nov-11
Russell 3000 Index (DRI)			-3.16%	-3.16%	-3.16%	13.40%	22.62%	-	-	20.24%	9.87%	1.89	Nov-11
HFRI Equity Hedge (Total) Index			-0.73%	-0.73%	-0.73%	8.24%	9.84%	-	-	7.78%	6.35%	1.16	Nov-11
Real Return													
BlueCrest Capital LP	20,979,079	1.8%	0.71%	0.71%	0.71%	1.58%	-0.08%	-	-	2.32%	2.56%	0.78	Jan-12
Brevan Howard LP	79,469,607	6.9%	-1.38%	-1.38%	-1.38%	-2.43%	0.12%	-	-	2.61%	5.05%	0.46	Nov-11
Brigade Leveraged Capital Structures Fund LP	55,442,052	4.8%	-0.15%	-0.15%	-0.15%	4.11%	4.90%	-	-	5.54%	2.60%	1.96	Mar-12
Capula Global Relative Value Fund Ltd.	54,509,791	4.8%	1.10%	1.10%	1.10%	5.47%	8.29%	-	-	4.07%	2.19%	1.67	Dec-11
Claren Road Credit Fund, Ltd.	51,797,622	4.5%	2.39%	2.39%	2.39%	1.50%	-	-	-	3.60%	5.12%	-	Apr-13
DE Shaw Composite Fund LLC	67,922,486	5.9%	1.40%	1.40%	1.40%	5.17%	13.29%	-	-	14.59%	3.97%	3.38	Nov-11
Graham Global Investment Fund I SPC Ltd. - Discretionary Segregated Port	53,438,644	4.7%	-0.68%	-0.68%	-0.68%	0.77%	1.35%	-	-	3.24%	2.85%	1.02	Jan-12
OZ Domestic Partners II, L.P.	96,556,092	8.4%	-0.31%	-0.31%	-0.31%	6.87%	11.74%	-	-	11.88%	2.93%	3.75	Nov-11
Winton Futures Fund Limited	31,310,635	2.7%	-2.37%	-2.37%	-2.37%	2.22%	4.20%	-	-	1.99%	7.87%	0.24	Dec-11
Total Real Return	511,426,007	44.6%	0.05%	0.05%	0.05%	2.97%	5.89%	-	-	5.75%	2.33%	2.26	Nov-11
ML 3-month T-Bills			0.01%	0.01%	0.01%	0.04%	0.08%	-	-	0.08%	0.02%	-	Nov-11
HFRI Fund of Funds Composite Index			-0.62%	-0.62%	-0.62%	4.50%	5.77%	-	-	4.94%	3.40%	1.33	Nov-11
Total Hedge Fund Portfolio	1,146,129,948	100.0%	0.02%	0.02%	0.02%	6.35%	10.18%	-	-	8.33%	2.80%	2.75	Nov-11
HFRI Fund of Funds Composite Index			-0.62%	-0.62%	-0.62%	4.50%	5.77%	-	-	4.94%	3.40%	1.33	Nov-11
Market Indices													
Libor3Month			0.02%	0.02%	0.02%	0.15%	0.26%	-	-	0.35%	0.03%	-	Nov-11
Barclays Aggregate Bond Index			1.48%	1.48%	1.48%	1.93%	0.13%	-	-	2.06%	2.83%	0.61	Nov-11
Barclays High Yield Credit Bond Index			0.70%	0.70%	0.70%	6.69%	6.78%	-	-	10.77%	4.82%	2.08	Nov-11
S&P 500 TR			-3.46%	-3.46%	-3.46%	12.29%	21.52%	-	-	19.55%	9.73%	1.86	Nov-11
MSCI EAFE - Net			-4.03%	-4.03%	-4.03%	13.19%	11.93%	-	-	12.47%	14.62%	0.86	Nov-11
MSCI EMF (Emerging Markets Free) - Net			-6.49%	-6.49%	-6.49%	0.71%	-10.16%	-	-	-0.32%	16.64%	0.04	Nov-11

Employees' Retirement System of the State of Rhode Island

Hedge Fund Portfolio
 Portfolio Performance Summary
 Estimated as of January 31, 2014

Fund	Market Value	Actual %	Jan	QTD	YTD	Returns				Std Dev	Sharpe Ratio	Incep Date
						FYTD	1 Year	3 Year	5 Year			

Most recent month returns are based on manager estimates; prior months use final market values.

Hedge Fund Research, Inc. ("HFR") is the source and owner of the HFR data contained or reflected in this report. The HFR indices included in this report are revised by HFR for up to three months following their initial release. The revisions are reflected in the trailing period returns.

This report reflects information only through the date hereof. Our due diligence and reporting rely upon the accuracy and completeness of financial information (which may or may not be audited by the fund manager) and other information publicly available or provided to us by the fund manager, its professional staff, and through other references we have contacted. We have not conducted an independent verification of the information provided other than as described in this report. Our conclusions do not reflect an audit of the investment nor should they be construed as providing legal advice. Past performance does not guarantee future performance. The information contained herein is confidential commercial or financial information, the disclosure of which would cause substantial competitive harm to you, Cliffwater LLC, or the person or entity from whom the information was obtained, and may not be disclosed except as required by applicable law.

Employees' Retirement System of the State of Rhode Island

Hedge Fund Portfolio
 Fund Level Performance Report
 Estimated as of January 31, 2014

Fund	Trailing Returns					Calendar Year Returns					5 Yr Std Dev	Sharpe Ratio			Start Date			
	QTD	YTD	Jan	Dec	Nov	1 Year	3 Year	5 Year	2013	2012		2011	2010	2009		3 yr	5 yr	Incep.
Global Equities																		
Ascend Partners Fund II LP	0.08%	0.08%	0.08%	1.75%	1.67%	10.09%	3.40%	5.05%	12.22%	2.50%	-3.02%	2.94%	13.61%	3.94%	0.83	1.17	1.09	Jan-04
Davidson Kempner Institutional Partners, LP	0.36%	0.36%	0.36%	0.29%	0.34%	8.11%	5.43%	8.63%	9.20%	6.87%	1.27%	9.17%	17.79%	3.32%	1.83	2.40	1.57	Mar-96
Elliott Associates, L.P. (HFR98)	1.80%	1.80%	1.80%	0.90%	1.30%	12.89%	9.95%	12.96%	12.22%	13.18%	3.94%	7.39%	30.85%	3.95%	3.18	3.02	1.95	Jan-90
Indus Asia Pacific Fund	-2.80%	-2.80%	-2.80%	-0.20%	2.00%	-1.52%	0.79%	6.79%	4.97%	8.21%	-7.18%	7.36%	25.45%	7.51%	0.10	0.86	0.71	Dec-00
Mason Capital, Ltd.	-2.11%	-2.11%	-2.11%	1.55%	2.35%	14.61%	5.23%	9.97%	22.83%	-5.73%	4.20%	9.62%	25.16%	7.44%	0.76	1.27	0.84	Feb-02
PFM Diversified Fund, LP	2.49%	2.49%	2.49%	2.34%	1.77%	21.31%	7.69%	10.01%	22.24%	5.59%	-3.35%	4.36%	21.35%	7.35%	0.98	1.29	1.09	Nov-04
Samlyn Capital - Composite	-0.16%	-0.16%	-0.16%	2.42%	3.67%	14.33%	6.76%	8.63%	18.93%	10.49%	-5.05%	1.98%	23.57%	7.59%	0.87	1.08	1.22	Mar-07
Third Point Partners L.P.	-1.80%	-1.80%	-1.80%	2.30%	2.60%	17.70%	12.56%	23.67%	25.61%	21.12%	-0.54%	41.52%	38.14%	10.53%	1.56	2.05	1.28	Jun-95
Viking Global Equities	0.90%	0.90%	0.90%	2.50%	2.70%	20.58%	14.00%	12.33%	22.49%	12.75%	7.71%	3.67%	19.20%	5.51%	2.68	2.08	1.55	Oct-99
Real Return																		
BlueCrest Capital International Limited	0.70%	0.70%	0.70%	-0.57%	0.03%	-0.08%	3.04%	11.49%	-1.56%	5.83%	6.11%	12.80%	45.41%	5.00%	1.18	2.13	1.69	Dec-00
Brevan Howard L.P. (Series B)	-1.38%	-1.38%	-1.38%	0.39%	1.26%	-0.59%	4.78%	5.47%	1.77%	3.60%	11.33%	0.92%	17.10%	5.05%	0.79	1.00	1.16	Sep-05
Brigade Leveraged Capital Structures Fund	-0.13%	-0.13%	-0.13%	0.70%	1.00%	4.93%	4.42%	11.03%	6.13%	6.91%	2.55%	7.66%	39.64%	5.12%	1.50	2.00	0.83	Jan-07
Capula Global Relative Value Fund Limited	1.10%	1.10%	1.10%	0.31%	0.24%	8.28%	5.05%	7.12%	7.60%	0.41%	6.19%	9.58%	12.24%	2.39%	2.01	2.74	1.68	Oct-05
Claren Road Credit Master Fund	2.35%	2.35%	2.35%	0.00%	1.01%	5.56%	4.72%	8.60%	5.43%	1.49%	6.88%	4.64%	24.75%	4.72%	1.08	1.70	1.76	Jan-06
DE Shaw Composite International Fund	1.40%	1.40%	1.40%	0.20%	1.40%	11.62%	10.39%	9.55%	11.62%	13.94%	3.69%	1.56%	21.31%	4.57%	2.51	1.94	1.44	Mar-01
Graham Discretionary - 6V Portfolio	-0.68%	-0.68%	-0.68%	1.17%	1.25%	1.33%	2.97%	6.49%	3.61%	3.82%	3.56%	7.12%	17.09%	3.07%	0.94	1.94	0.87	Jun-04
OZ Master Fund, Ltd	-0.31%	-0.31%	-0.31%	1.56%	1.06%	11.13%	7.89%	11.07%	14.21%	12.01%	0.17%	8.62%	26.15%	3.80%	2.14	2.69	1.23	Jan-04
Winton Futures Fund - USD Class B	-2.37%	-2.37%	-2.37%	0.37%	2.20%	4.22%	3.05%	3.43%	9.43%	-3.56%	6.29%	14.47%	-4.64%	8.31%	0.38	0.40	0.70	Oct-97
Benchmarks																		
HFRI Fund of Funds Composite Index	-0.62%	-0.62%	-0.62%	1.09%	1.05%	5.77%	2.14%	4.54%	8.70%	4.79%	-5.72%	5.70%	11.47%	4.20%	0.45	0.99	0.64	Jan-90
HFRI Fund Weighted Composite Index	-0.60%	-0.60%	-0.60%	1.05%	0.89%	5.83%	2.88%	7.68%	9.14%	6.36%	-5.25%	10.25%	19.98%	5.89%	0.49	1.22	1.02	Jan-90
Market Indices																		
3 Month Libor - BOM	0.02%	0.02%	0.02%	0.02%	0.02%	0.26%	0.34%	0.39%	0.26%	0.42%	0.35%	0.35%	0.65%	0.06%				Mar-86
Barclays Aggregate Bond Index	1.48%	1.48%	1.48%	-0.57%	-0.37%	0.13%	3.74%	4.95%	-2.02%	4.23%	7.86%	6.56%	5.93%	2.87%				Jan-76
Barclays High Yield Credit Bond Index	0.70%	0.70%	0.70%	0.54%	0.51%	6.78%	8.78%	17.72%	7.46%	15.81%	4.98%	15.11%	58.21%	9.01%				Jul-83
S&P 500 (TR)	-3.46%	-3.46%	-3.46%	2.53%	3.05%	21.52%	13.93%	19.19%	32.39%	16.00%	2.11%	15.06%	26.46%	15.33%				Jan-70
MSCI EAFE - Net - USD	-4.03%	-4.03%	-4.03%	1.50%	0.77%	11.93%	5.87%	13.84%	22.78%	17.32%	-12.14%	7.75%	31.78%	19.22%				Dec-69
MSCI EM (EMERGING MARKETS) - Net - USD	-6.49%	-6.49%	-6.49%	-1.45%	-1.46%	-10.17%	-3.35%	14.78%	-2.60%	18.22%	-18.42%	18.88%	78.51%	22.59%				Jan-99

Note: The above is manager composite history.

Portfolio Summary

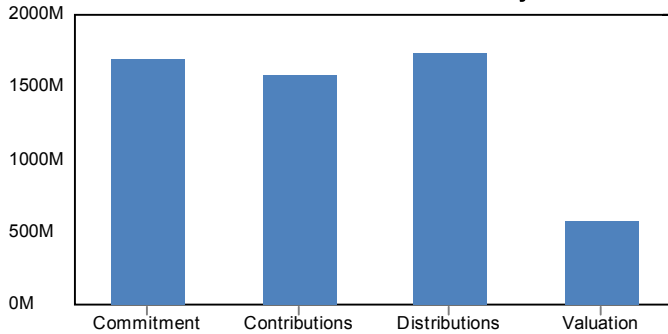
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All Portfolio Investments

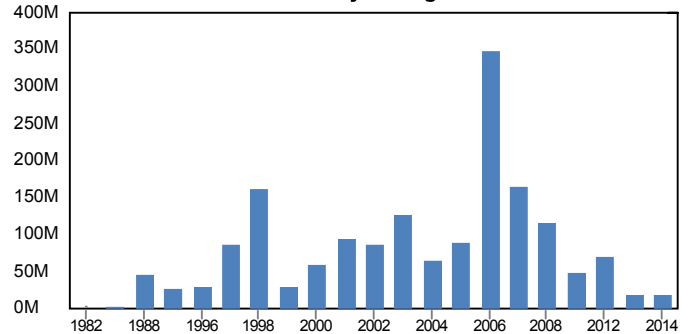
Performance Summary

Asset Class	Investment Type	Number of Investments	Commitment	Contributions	Distributions	Adjusted Valuation	Multiple of Cost	IRR	TWR
Private Equity Funds	Buyout	70	1,136,534,516	1,103,311,946	1,312,244,892	362,188,406	1.52	14.04	13.56
	Distressed Debt	12	183,000,000	169,220,435	182,437,997	52,963,791	1.39	10.76	10.55
	Energy	1	18,000,000	108,000	0	108,000	1.00	0.00	0.00
	Fund of Funds	1	45,000,000	45,000,000	106,748,821	0	2.37	19.94	-100.00
	Opportunistic Credit	1	20,000,000	9,935,452	363,832	10,092,350	1.05	7.35	5.20
	Secondary	4	60,000,000	54,488,731	42,372,020	25,033,697	1.24	7.78	6.65
	Venture Capital	19	231,250,000	210,755,796	94,848,827	134,167,368	1.09	2.22	-0.17
	Total: Private Equity Funds		108	1,693,784,516	1,592,820,360	1,739,016,389	584,553,611	1.46	13.72
Total:		108	1,693,784,516	1,592,820,360	1,739,016,389	584,553,611	1.46	13.72	10.99

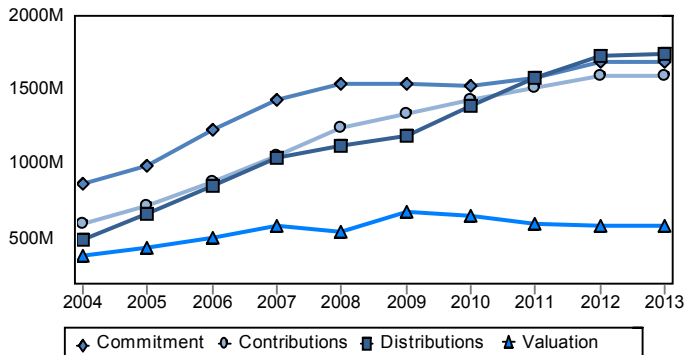
Cash Flow and Valuation Summary



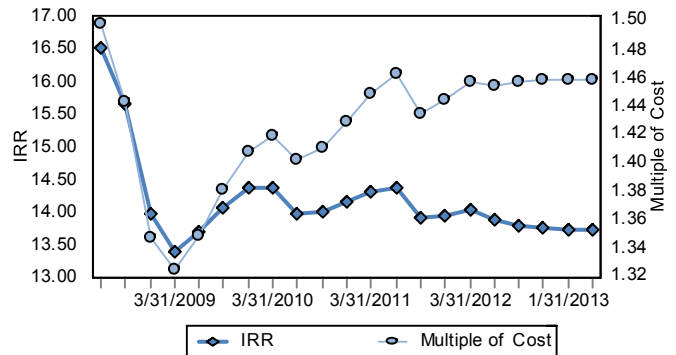
Commitment by Vintage Year



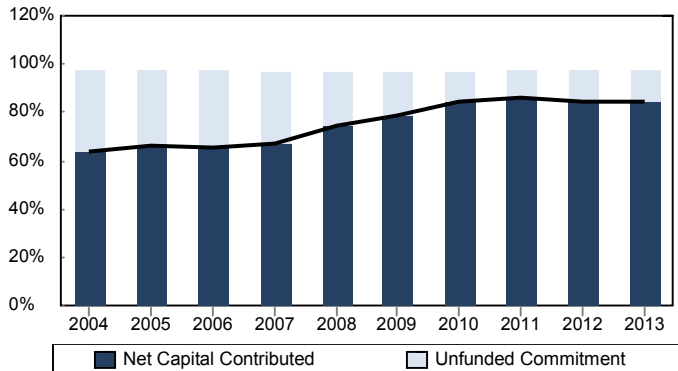
Historical Cash Flows and Valuation



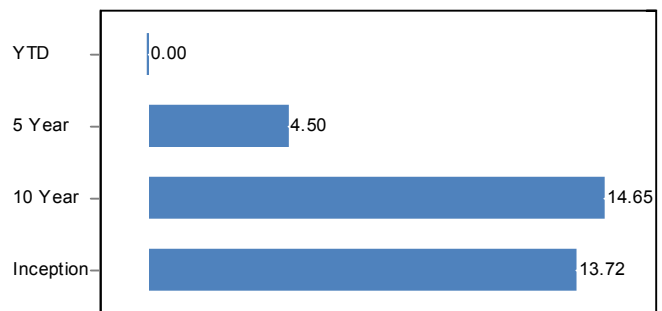
Historical Performance



Historical Percent Funded



Period IRRs



Employees' Retirement System of Rhode Island Private Equity Performance

9/30/2013

Current Partnerships	Vintage Year	Amount Committed (In \$ unless otherwise noted)	Cumulative Cash Flows (\$)			Cumulative Performance*	
			Amount Drawn	Amount Distributed	Valuation (\$)	Net IRR (%)	Net Multiple of Investment
Advent International GPE VII	2012	20,000,000	4,650,000	-	5,756,930	32.7	1.2
Alta BioPharma Partners III	2003	15,000,000	14,250,000	11,094,898	6,308,282	3.4	1.2
Alta Partners VIII	2006	15,000,000	12,750,000	7,127,179	9,920,913	8.6	1.3
Aurora Equity Partners II	1998	15,000,000	16,847,386	23,325,633	300,230	4.7	1.4
Aurora Equity Partners III	2004	15,000,000	16,233,631	15,535,043	11,807,857	15.5	1.7
Avenue Special Situations Fund IV	2006	20,000,000	25,179,595	32,577,753	425,038	8.4	1.3
Avenue Special Situations Fund V	2007	20,000,000	20,329,267	26,151,529	376,221	10.7	1.3
Bain Capital Fund X	2008	25,000,000	23,625,000	3,771,340	23,471,052	5.2	1.2
Birch Hill Equity Partners III	2005	CAD 18,000,000	18,506,558	13,606,117	12,942,161	9.7	1.4
Castile Ventures III	2006	5,000,000	4,534,730	994,171	2,203,984	-9.4	0.7
Centerbridge Capital Partners	2006	15,000,000	23,338,923	27,329,973	11,793,430	21.3	1.7
Centerbridge Special Credit Partners II	2012	25,000,000	13,125,000	-	14,069,978	8.5	1.1
Charterhouse Capital Partners VIII	2006	€ 15,000,000	18,005,296	9,048,372	8,181,460	-0.8	1.0
Coller International Partners IV	2002	15,000,000	13,294,667	15,566,771	3,433,057	13.3	1.4
Coller International Partners V	2006	15,000,000	12,520,679	6,120,426	9,860,981	7.5	1.3
CVC European Equity Partners III	2001	20,000,000	23,158,043	57,213,784	2,424,645	41.1	2.6
CVC European Equity Partners IV	2005	€ 16,500,000	21,247,237	30,341,931	8,159,289	17.4	1.8
CVC European Equity Partners V	2008	€ 20,000,000	22,650,380	10,629,981	17,713,846	9.7	1.3
EnCap Energy Capital Fund IX	2013	18,000,000	1,654,956	-	1,434,992	-31.5	0.9
Fenway Partners Capital Fund II	1998	15,000,000	18,513,234	19,771,006	2,654,137	5.4	1.2
Fenway Partners Capital Fund III	2006	15,000,000	16,799,766	8,111,069	6,870,738	-3.2	0.9
First Reserve Fund X	2004	20,000,000	19,999,999	32,598,661	4,563,792	31.6	1.9
First Reserve Fund XI	2006	20,000,000	22,036,123	11,131,004	15,532,643	5.4	1.2
Focus Ventures III	2006	15,000,000	15,000,000	2,923,233	13,346,932	2.1	1.1
Granite Global Ventures II	2004	15,000,000	14,333,425	6,479,489	14,175,376	6.3	1.4
Granite Global Ventures III	2006	15,000,000	14,625,118	9,480,857	17,234,372	16.2	1.8
Green Equity Investors V	2007	20,000,000	20,285,800	14,416,010	17,595,741	18.4	1.6
Kayne Anderson Energy Fund III	2005	15,000,000	15,965,344	13,227,181	5,621,412	7.9	1.2
Kayne Anderson Energy Fund IV	2007	15,000,000	15,272,079	8,739,759	10,132,952	8.1	1.2
Leapfrog Ventures II	2005	10,000,000	9,490,000	5,893,639	5,687,610	4.5	1.2
Leeds Weld Equity Partners IV	2003	10,000,000	10,179,856	6,867,688	6,505,385	5.0	1.3
Lighthouse Capital Partners V	2003	11,250,000	10,462,500	11,904,648	4,102,094	3.9	1.2
Lighthouse Capital Partners VI	2007	15,000,000	14,250,000	6,555,883	12,530,255	6.7	1.3
LNK Partners	2006	12,500,000	11,802,299	11,950,430	6,486,381	11.8	1.6
MHR Institutional Partners III	2006	20,000,000	19,400,000	11,397,205	18,647,927	11.2	1.6
Nautic Partners V	2000	20,000,000	20,317,430	37,817,515	3,299,167	17.3	2.0
Nautic Partners VI	2007	20,000,000	21,792,828	7,761,579	20,146,618	7.9	1.3
Nordic Capital Fund V	2003	€ 14,615,550	21,403,642	52,086,153	6,991,831	21.4	2.8
Nordic Capital Fund VI	2006	€ 15,000,000	22,352,356	16,273,106	16,978,252	8.3	1.5
Nordic Capital Fund VII	2008	€ 15,000,000	17,608,090	2,552,965	18,997,368	6.5	1.2
Nordic Capital Fund VIII	2013	€ 15,000,000	2,193,217	15,362	2,062,546	-5.3	1.0
OCM Opportunities Fund II	1997	12,000,000	12,000,000	18,130,039	2,589	8.4	1.5
Oaktree European Principal Fund III	2011	20,000,000	8,000,000	10,523	9,110,571	9.5	1.1
Paladin III	2008	10,000,000	8,570,994	2,705,628	6,986,015	4.6	1.1
Parthenon Investors II	2001	23,960,000	23,356,581	33,207,895	6,872,883	13.6	1.7
Point 406 Ventures I	2006	10,000,000	9,046,682	2,703,935	8,583,289	6.2	1.3
Point Judith Venture Fund II	2006	5,000,000	5,285,557	999,496	5,424,297	5.6	1.2
Providence Equity Partners III	1999	15,000,000	16,497,650	24,982,741	249,987	15.9	1.9
Providence Equity Partners IV	2000	25,000,000	35,944,666	66,474,690	1,990,473	24.0	1.9
Providence Equity Partners V	2005	25,000,000	30,926,623	25,385,023	11,566,047	3.9	1.2
Providence Equity Partners VI	2007	25,000,000	26,830,018	9,414,655	21,457,998	4.0	1.2
Providence Equity Partners VII	2012	25,000,000	1,575,824	9,550	1,388,484	-11.2	0.9
TPG Partners IV	2003	15,000,000	16,672,684	21,667,968	9,529,000	16.1	1.9
TPG Partners V	2006	20,000,000	20,910,979	7,372,937	14,661,385	1.2	1.1
TPG Partners VI	2008	10,000,000	11,587,666	5,076,929	7,814,986	5.5	1.1
Trilantic Capital Partners IV	2007	11,098,351	10,931,490	8,580,226	9,833,695	20.2	1.7
VS&A Communications Partners III	1998	15,000,000	15,071,595	19,285,066	1,386,698	6.3	1.4
W Capital Partners	2004	15,000,000	14,119,500	10,062,238	2,209,161	-4.5	0.9
W Capital Partners II	2007	15,000,000	14,853,884	12,777,231	8,322,044	14.2	1.4
WLR Recovery Fund IV	2007	8,000,000	6,943,076	3,598,723	5,460,434	8.4	1.3
Other funds in aggregate**	various	140,000,000	126,829,152	81,297,256	67,089,516	n/a	n/a
Total		\$ 1,015,670,555	\$ 1,075,939,075	\$ 942,132,092	\$ 576,997,427		

*IRR refers to the fund's Internal Rate of Return, or the annualized compounded yield on an investment. This is typically applied to private equity where there are multiple points at which capital is invested (capital called) and at which it is distributed. A positive IRR means that the fund's current value plus any cash distributions are greater than the cash value contributed. A fund will have a negative IRR during the first few years of its life, a period referred to as the "J-Curve", because cash is invested upfront and it takes time to generate value. It is important to consider a fund's start date (vintage year) when assessing IRRs. Multiple of investment is another indicator of returns, and is calculated by dividing the fund's cumulative distributions and current value by the amount of capital paid in. All performance figures are shown net of fees.

**Other funds in aggregate are the total commitments to and amounts drawn and distributed by funds whose confidentiality provisions do not permit the disclosure of their performance data. These funds include Braemar Energy Ventures III, Constellation Ventures III, Perseus Partners VII, SKM Equity Fund II, Summit Partners Credit Fund, Thomas, McNerney & Partners, Thomas McNerney & Partners II, Wellspring Capital Partners III and Wellspring Capital Partners IV.

Section VII.

Cash Flow

Monthly Valuation Change

Period : 2014-01-01 - 2014-01-31

Category	Source Account Name	Closing Balance	Market Value Increase/(Decrease)	Transfer In/(Out)	Opening Balance
Grand Total		7,879,621,133.78	(135,436,635.21)	(27,249,724.32)	8,042,307,493.31
Total Global Equity		4,481,942,961.09	(154,970,964.36)	(5,449,241.40)	4,642,363,166.85
Global Equity		3,847,250,904.60	(155,313,384.15)	0.00	4,002,564,288.75
	SSGA R3000 INDEX	1,945,936,640.69	(64,221,269.85)	0.00	2,010,157,910.54
	SSGA MSCI EAFE	1,362,902,505.01	(56,997,868.12)	0.00	1,419,900,373.13
	SSGA MSCI CANADA	135,950,425.91	(5,764,383.84)	0.00	141,714,809.75
	SSGA MSCI EM	402,461,332.99	(28,329,862.34)	0.00	430,791,195.33
Global Equity Hedge Funds		634,692,056.49	342,419.79	(5,449,241.40)	639,798,878.10
	ASCEND PTRS II	68,326,164.50	90,039.19	0.00	68,236,125.31
	DAVIDSON KEMPNER	71,390,296.38	329,254.47	0.00	71,061,041.91
	ELLIOTT ASSOCIATES	76,957,746.00	1,425,248.79	0.00	75,532,497.21
	INDUS ASIA PACIFIC	43,151,710.90	(1,507,203.22)	0.00	44,658,914.12
	MASON CAPITAL	68,502,845.97	(1,471,667.44)	0.00	69,974,513.41
	PFM DIVERSIFIED	76,528,180.60	1,957,870.41	0.00	74,570,310.19
	SAMLYN ON/OFFSHORE	78,300,375.28	(16,114.21)	0.00	78,316,489.49
	THIRD POINT PTRS	67,674,238.35	(1,213,848.48)	(5,449,241.40)	74,337,328.23
	VIKING GLOBAL EQUITI	83,860,498.51	748,840.28	0.00	83,111,658.23
Private Equity		536,634,518.06	(2,147,481.69)	(10,772,835.12)	549,554,834.87
Private Equity		536,634,518.06	(2,147,481.69)	(10,772,835.12)	549,554,834.87
	PRIVATE EQUITY	536,634,518.06	(2,147,481.69)	(10,772,835.12)	549,554,834.87
Total Fixed Income		1,094,463,277.87	15,784,817.31	0.00	1,078,678,460.56
Fixed Income		1,094,463,277.87	15,784,817.31	0.00	1,078,678,460.56
	MACKAY SHIELDS	546,378,636.92	8,227,706.10	0.00	538,150,930.82
	PYRAMIS GLOBAL ADV	548,084,640.95	7,557,111.21	0.00	540,527,529.74
Total Real Return		1,205,079,773.10	5,626,830.78	0.00	1,199,452,942.32
Alternative Absolute Return		349,674,488.56	(1,407,674.56)	0.00	351,082,163.12
	BLUE CREST CAP	20,979,078.68	149,929.69	0.00	20,829,148.99
	BREVAN HOWARD	79,469,607.45	(1,047,952.65)	0.00	80,517,560.10
	DE SHAW	67,922,485.80	800,022.19	0.00	67,122,463.61
	GRAHAM GLOBAL	53,438,643.83	(359,479.29)	0.00	53,798,123.12
	OZ DOMESTIC PTRS	96,556,092.35	(184,376.63)	0.00	96,740,468.98
	WINTON FUTURE FD	31,308,580.45	(765,817.87)	0.00	32,074,398.32
Alternative Fixed Income		161,741,855.94	1,764,442.33	0.00	159,977,413.61
	BRIGADE LEV CAP	55,434,443.59	(69,460.42)	0.00	55,503,904.01
	CAPULA GLOBAL	54,509,790.79	616,487.67	0.00	53,893,303.12
	CLAREN ROAD CR. FUND	51,797,621.56	1,217,415.08	0.00	50,580,206.48
Credit		413,630,267.25	2,235,618.80	0.00	411,394,648.45
	PIMCO	205,539,241.30	938,385.52	0.00	204,600,855.78
	WAMCO	208,091,025.95	1,297,233.28	0.00	206,793,792.67
GILBs		280,033,161.35	3,034,444.21	0.00	276,998,717.14
	BROWN BROTHERS HARR	280,033,161.35	3,034,444.21	0.00	276,998,717.14
Real Estate 43		245,356,094.18	2,040,477.09	(1,893,758.51)	245,209,375.60
Real Estate		245,356,094.18	2,040,477.09	(1,893,758.51)	245,209,375.60

Monthly Valuation Change

Period : 2014-01-01 - 2014-01-31

Category	Source Account Name	Closing Balance	Market Value Increase/(Decrease)	Transfer In/(Out)	Opening Balance
	REAL ESTATE	245,356,094.18	2,040,477.09	(1,893,758.51)	245,209,375.60
Total Cash		301,616,869.18	(42,977.31)	(9,120,251.96)	310,780,098.45
Cash Accounts		301,616,869.18	(42,977.31)	(9,120,251.96)	310,780,098.45
	ERSRI CASH	299,816,341.18	(42,977.31)	(7,915,281.96)	307,774,600.45
	CITIZENS CASH	1,800,528.00	0.00	(1,204,970.00)	3,005,498.00
Total Other		13,568,383.67	(1,769,373.94)	0.00	15,337,757.61
Other		13,568,383.67	(1,769,373.94)	0.00	15,337,757.61
	RUSSELL OVERLAY FD	13,568,383.67	(1,769,373.94)	0.00	15,337,757.61
Total Miscellaneous		959,256.63	42,036.91	(13,637.33)	930,857.05
Miscellaneous Accounts		959,256.63	42,036.91	(13,637.33)	930,857.05
	RI TRANS ACCT	199,133.01	3,251.28	(3,751.46)	199,633.19
	SHOTT CAPITAL	312,240.49	37,012.59	784.91	274,442.99
	DOM EQUITY TRANS	74.25	0.00	0.00	74.25
	NON-US EQUITY TRANS	95.41	(2.08)	0.00	97.49
	FIXED INC TRANS	321,724.61	1,304.08	(10,670.78)	331,091.31
	MACKAY SHIELDS LLC	125,988.36	471.04	0.00	125,517.32
	TAPLIN CANIDA HAB	0.50	0.00	0.00	0.50

Custodian Inception To Date Valuation Change

Period : 2012-11-01 - 2014-01-31

Category	Source Account Name	Closing Balance	Market Value Increase/(Decrease)	Transfer In/(Out)	Opening Balance
Grand Total		7,879,621,133.78	1,058,840,254.77	(560,475,032.15)	7,381,255,911.16
Total Global Equity		4,481,942,961.09	869,322,108.82	(154,334,058.41)	3,766,954,910.68
Global Equity		3,847,250,904.60	764,496,400.93	(148,884,817.01)	3,231,639,320.68
	SSGA MSCI CANADA	135,950,425.91	4,214,030.39	42,645.39	131,693,750.13
	SSGA MSCI EAFE	1,362,902,505.01	273,165,105.10	(9,608,853.85)	1,099,346,253.76
	SSGA MSCI EM	402,461,332.99	(14,183,514.01)	452,756.97	416,192,090.03
	SSGA R3000 INDEX	1,945,936,640.69	501,300,779.45	(139,771,365.52)	1,584,407,226.76
Global Equity Hedge Funds		634,692,056.49	104,825,707.89	(5,449,241.40)	535,315,590.00
	ASCEND PTRS II	68,326,164.50	7,339,884.50	0.00	60,986,280.00
	DAVIDSON KEMPNER	71,390,296.38	7,344,016.38	0.00	64,046,280.00
	ELLIOTT ASSOCIATES	76,957,746.00	11,770,986.00	0.00	65,186,760.00
	INDUS ASIA PACIFIC	43,151,710.90	1,479,350.90	0.00	41,672,360.00
	MASON CAPITAL	68,502,845.97	11,789,645.97	0.00	56,713,200.00
	PFM DIVERSIFIED	76,528,180.60	18,460,660.60	0.00	58,067,520.00
	SAMLYN ON/OFFSHORE	78,300,375.28	13,425,315.28	0.00	64,875,060.00
	THIRD POINT PTRS	67,674,238.35	16,910,129.75	(5,449,241.40)	56,213,350.00
	VIKING GLOBAL EQUITI	83,860,498.51	16,305,718.51	0.00	67,554,780.00
Private Equity		536,634,518.06	92,373,913.22	(162,470,843.08)	606,731,447.92
Private Equity		536,634,518.06	92,373,913.22	(162,470,843.08)	606,731,447.92
	PRIVATE EQUITY	536,634,518.06	92,373,913.22	(162,470,843.08)	606,731,447.92
Total Fixed Income		1,094,463,277.87	(2,943,643.20)	1,482,609.33	1,095,924,311.74
Fixed Income		1,094,463,277.87	(2,943,643.20)	1,482,609.33	1,095,924,311.74
	MACKAY SHIELDS	546,378,636.92	(856,130.09)	0.00	547,234,767.01
	PYRAMIS GLOBAL ADV	548,084,640.95	(2,087,513.11)	1,482,609.33	548,689,544.73
Total Real Return		1,205,079,773.10	59,082,726.68	252,456,172.37	893,540,874.05
Alternative Absolute Return		349,674,488.56	39,110,700.32	(54,619,461.76)	365,183,250.00
	BLUE CREST CAP	20,979,078.68	11,578.68	0.00	20,967,500.00
	BREVAN HOWARD	79,469,607.45	2,747,232.45	0.00	76,722,375.00
	DE SHAW	67,922,485.80	13,061,785.80	0.00	54,860,700.00
	GRAHAM GLOBAL	53,438,643.83	2,712,943.83	0.00	50,725,700.00
	OZ DOMESTIC PTRS	96,556,092.35	14,280,867.35	0.00	82,275,225.00
	WEXFORD SPECTRUM	0.00	3,621,811.76	(54,619,461.76)	50,997,650.00
	WINTON FUTURE FD	31,308,580.45	2,674,480.45	0.00	28,634,100.00
Alternative Fixed Income		161,741,855.94	7,243,881.81	15,075,634.13	139,422,340.00
	BRIGADE LEV CAP	55,434,443.59	3,901,343.59	0.00	51,533,100.00
	CAPULA GLOBAL	54,509,790.79	4,686,190.79	0.00	49,823,600.00
	CLAREN ROAD CR. FUND	51,797,621.56	1,797,621.56	50,000,000.00	0.00
	GRACIE CREDIT FUND	0.00	(3,141,274.13)	(34,924,365.87)	38,065,640.00
Credit		413,630,267.25	13,630,267.25	400,000,000.00	0.00
	PIMCO	205,539,241.30	5,539,241.30	200,000,000.00	0.00
	WAMCO	208,091,025.95	8,091,025.95	200,000,000.00	0.00
GILBs		280,033,161.35	(902,122.70)	(108,000,000.00)	388,935,284.05
45	BROWN BROTHERS HARR	280,033,161.35	(902,122.70)	(108,000,000.00)	388,935,284.05

Custodian Inception To Date Valuation Change

Period : 2012-11-01 - 2014-01-31

Category	Source Account Name	Closing Balance	Market Value Increase/(Decrease)	Transfer In/(Out)	Opening Balance
Real Estate		245,356,094.18	21,356,742.31	(51,168,368.33)	275,167,720.20
Real Estate		245,356,094.18	21,356,742.31	(51,168,368.33)	275,167,720.20
	REAL ESTATE	245,356,094.18	21,356,742.31	(51,168,368.33)	275,167,720.20
Total Cash		301,616,869.18	(1,630,911.98)	(345,378,688.66)	648,626,469.82
Cash Accounts		301,616,869.18	(1,630,911.98)	(345,378,688.66)	648,626,469.82
	CITIZENS CASH	1,800,528.00	0.00	1,800,528.00	0.00
	ERSRI CASH	299,816,341.18	(1,630,911.98)	(347,179,216.66)	648,626,469.82
Total Other		13,568,383.67	20,822,708.41	(77,000,000.00)	69,745,675.26
Other		13,568,383.67	20,822,708.41	(77,000,000.00)	69,745,675.26
	RUSSELL OVERLAY FD	13,568,383.67	20,822,708.41	(77,000,000.00)	69,745,675.26
Total Miscellaneous		959,256.63	456,610.51	(24,061,855.37)	24,564,501.49
Miscellaneous Accounts		959,256.63	456,610.51	(24,061,855.37)	24,564,501.49
	BROWN BROS BOND	0.00	(1,271,132.15)	(629,969.37)	1,901,101.52
	BROWN BROS HARR	0.00	(330,705.68)	330,092.71	612.97
	DOM EQUITY TRANS	74.25	(66,717.51)	66,634.41	157.35
	FIDELITY MGMT	0.00	(64,776.86)	(351,063.60)	415,840.46
	FIXED INC TRANS	321,724.61	646,724.99	(16,170,761.63)	15,845,761.25
	MACKAY SHIELDS LLC	125,988.36	334,820.16	(5,100,105.88)	4,891,274.08
	NON-US EQUITY TRANS	95.41	(89,320.32)	71,484.13	17,931.60
	RI TRANS ACCT	199,133.01	(76,847.15)	(156,504.24)	432,484.40
	SHOTT CAPITAL	312,240.49	1,368,003.54	(2,042,402.65)	986,639.60
	TAPLIN CANIDA HAB	0.50	6,561.49	(79,259.25)	72,698.26

CASH FLOW ANALYSIS - INCOME & EXPENSES

Employees Retirement System

FISCAL YEAR 2014	FY 2013-14												
	TOTAL	Projected June	Projected May	Projected April	Projected March	Projected February	Actual January 2014	Actual December	Actual November	Actual October	Actual September	Actual August	Actual July 2013
MEMBER BENEFITS	837,715,685	70,100,000	70,100,000	70,100,000	70,100,000	70,100,000	69,461,627	69,437,646	69,523,293	69,702,496	69,797,473	69,805,492	69,487,658
ADMINISTRATIVE EXPENSES	7,749,427	757,076	453,061	517,020	662,098	550,670	1,111,034	1,074,316	553,524	565,615	532,331	736,515	236,168
INVESTMENT EXPENSES	6,622,072	417,092	172,318	301,668	450,999	220,096	1,555,456	1,017,944	69,216	1,070,145	593,340	26,112	727,684
TOTAL OUTFLOW	852,087,184	71,274,168	70,725,379	70,918,688	71,213,097	70,870,767	72,128,117	71,529,906	70,146,032	71,338,256	70,923,145	70,568,119	70,451,510
CONTRIBUTIONS	445,123,325	38,133,817	31,828,584	35,569,085	39,422,719	33,108,869	45,580,776	34,754,689	36,130,761	36,350,442	27,777,778	28,296,782	58,169,023
OTHER INCOME*	76,634,628	4,836,170	6,903,236	4,371,211	8,611,826	3,375,926	5,275,655	8,139,354	9,826,932	10,483,882	6,256,390	2,556,842	5,997,205
TOTAL INCOME	521,757,953	42,969,987	38,731,820	39,940,296	48,034,545	36,484,795	50,856,431	42,894,043	45,957,693	46,834,324	34,034,168	30,853,624	64,166,228
DIFFERENCE	(330,329,231)	(28,304,181)	(31,993,559)	(30,978,392)	(23,178,552)	(34,385,971)	(21,271,686)	(28,635,864)	(24,188,340)	(24,503,932)	(36,888,977)	(39,714,496)	(6,285,282)

Municipal Employees Retirement System

FISCAL YEAR 2014	FY 2013-14												
	TOTAL	Projected June	Projected May	Projected April	Projected March	Projected February	Actual January 2014	Actual December	Actual November	Actual October	Actual September	Actual August	Actual July 2013
MEMBER BENEFITS	85,626,966	7,100,000	7,100,000	7,100,000	7,100,000	7,100,000	7,243,689	7,220,144	7,210,875	7,218,924	7,158,292	7,186,464	6,888,578
ADMINISTRATIVE EXPENSES	1,578,245	153,323	91,479	104,125	132,873	110,253	229,258	221,317	113,669	115,797	108,666	149,656	47,830
INVESTMENT EXPENSES	1,352,361	84,469	34,793	60,754	90,509	44,067	320,963	209,704	14,214	219,088	121,120	5,306	147,374
TOTAL OUTFLOW	88,557,572	7,337,792	7,226,272	7,264,879	7,323,381	7,254,319	7,793,910	7,651,166	7,338,757	7,553,809	7,388,079	7,341,425	7,083,781
CONTRIBUTIONS	50,021,285	4,499,901	3,503,059	4,320,753	4,111,725	3,834,860	4,312,820	4,516,034	4,524,554	4,066,559	4,317,534	3,012,033	5,001,453
OTHER INCOME*	15,598,759	979,420	1,393,850	880,339	1,728,258	675,913	1,088,613	1,676,769	2,018,006	2,146,339	1,277,136	519,535	1,214,581
TOTAL INCOME	65,620,044	5,479,321	4,896,909	5,201,092	5,839,983	4,510,773	5,401,433	6,192,803	6,542,560	6,212,898	5,594,670	3,531,568	6,216,034
DIFFERENCE	(22,937,528)	(1,858,471)	(2,329,363)	(2,063,787)	(1,483,398)	(2,743,546)	(2,392,477)	(1,458,363)	(796,198)	(1,340,911)	(1,793,409)	(3,809,857)	(867,748)

CASH FLOW ANALYSIS - INCOME & EXPENSES

**State Police
Retirement System**

	TOTAL	Projected June	Projected May	Projected April	Projected March	Projected February	Actual January 2014	Actual December	Actual November	Actual October	Actual September	Actual August	Actual July 2013
<i>MEMBER BENEFITS</i>	1,600,193	133,000	133,000	133,000	133,000	133,000	145,422	135,474	137,759	129,570	131,038	123,069	132,861
<i>ADMINISTRATIVE EXPENSES</i>	117,643	11,299	6,700	7,591	9,628	7,949	17,530	16,820	8,592	8,725	8,139	11,132	3,538
<i>INVESTMENT EXPENSES</i>	101,368	6,225	2,548	4,429	6,558	3,177	24,542	15,937	1,074	16,509	9,072	395	10,902
<i>TOTAL OUTFLOW</i>	1,819,204	150,523	142,248	145,020	149,186	144,127	187,493	168,231	147,426	154,804	148,248	134,596	147,301
<i>CONTRIBUTIONS</i>	4,985,193	293,000	498,000	303,000	423,000	323,000	645,422	535,474	432,759	319,570	351,038	538,069	322,861
<i>OTHER INCOME*</i>	1,161,493	72,175	102,087	64,180	125,231	48,734	83,239	127,430	152,542	161,729	95,653	38,645	89,846
<i>TOTAL INCOME</i>	6,146,686	365,175	600,087	367,180	548,231	371,734	728,661	662,904	585,302	481,299	446,691	576,714	412,707
<i>DIFFERENCE</i>	4,327,482	214,652	457,839	222,160	399,045	227,607	541,168	494,674	437,876	326,495	298,443	442,118	265,406

**Judicial
Retirement System**

	TOTAL	Projected June	Projected May	Projected April	Projected March	Projected February	Actual January 2014	Actual December	Actual November	Actual October	Actual September	Actual August	Actual July 2013
<i>MEMBER BENEFITS</i>	1,605,308	130,000	130,000	130,000	130,000	130,000	139,534	139,552	139,534	139,534	139,534	128,810	128,810
<i>ADMINISTRATIVE EXPENSES</i>	60,094	5,764	3,425	3,859	4,919	4,062	8,958	8,606	4,398	4,457	4,160	5,680	1,805
<i>INVESTMENT EXPENSES</i>	51,782	3,176	1,303	2,252	3,351	1,624	12,541	8,154	550	8,433	4,637	201	5,562
<i>TOTAL OUTFLOW</i>	1,717,184	138,940	134,728	136,110	138,270	135,686	161,032	156,312	144,482	152,424	148,331	134,692	136,176
<i>CONTRIBUTIONS</i>	3,425,308	210,000	215,000	210,000	315,000	215,000	409,534	359,552	269,534	279,534	279,534	423,810	238,810
<i>OTHER INCOME*</i>	593,404	36,821	52,188	32,625	63,982	24,905	42,535	65,202	78,081	82,617	48,892	19,720	45,836
<i>TOTAL INCOME</i>	4,018,712	246,821	267,188	242,625	378,982	239,905	452,069	424,753	347,615	362,151	328,426	443,530	284,646
<i>DIFFERENCE</i>	2,301,527	107,881	132,461	106,515	240,712	104,219	291,036	268,441	203,133	209,726	180,095	308,838	148,469

*includes income from Real Estate Investments, Private Equity, and Cash Accounts

FISCAL YEAR 2014

DIRECT BILLED INVESTMENT MANAGER FEES, PROFESSIONAL FEES & OPERATING EXPENSES

ERSRI & MERSRI

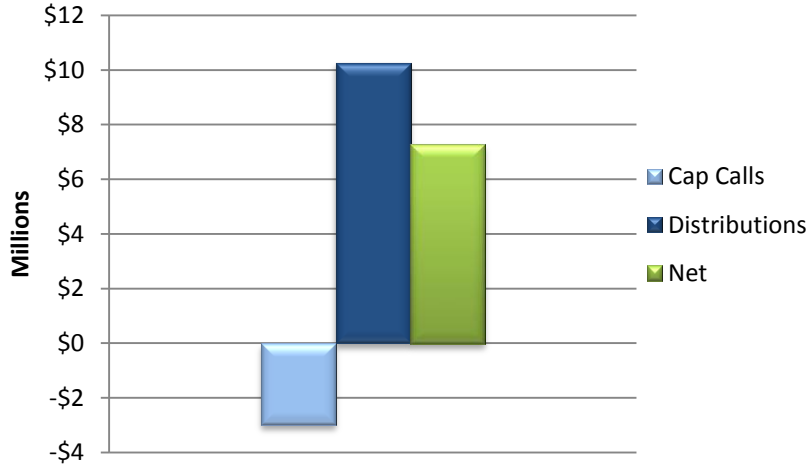
ACCURAL BASIS

	Actual Jul 13	Actual Aug	Actual Sept	Actual Oct	Actual Nov	Projected Dec	Projected Jan 14	Projected Feb	Projected Mar	Projected Apr	Projected May	Projected June	Projected TOTAL
EQUITIES US													
SSGA Russell 2000/3000			59,934			55,000			55,000			55,000	224,934
Shott Capital/Hamilton Lane			26,442			785			<u>5,000</u>			<u>5,000</u>	<u>37,227</u>
			86,376			55,785			60,000			60,000	262,161
FIXED INCOME													
Pyramis			172,121			172,589			175,000			175,000	694,710
Mackay Shields			180,883			185,000			185,000			185,000	735,883
Brown Bros.TIPS/GILB			80,272			<u>115,000</u>			<u>115,000</u>			<u>115,000</u>	<u>425,272</u>
			433,276			472,589			475,000			475,000	1,855,865
INT'L EQUITIES													
SSgA MSCI ACWI			0			0			0			0	0
SSGA MSCI EAFE			97,005			95,000			95,000			95,000	382,005
SSGA MSCI CAD			9,974			10,000			10,000			10,000	39,974
SSGA MSCI Emerg Mkts			101,705			<u>110,000</u>			<u>110,000</u>			<u>110,000</u>	<u>431,705</u>
			208,684			215,000			215,000			215,000	853,684
CREDIT													
WAMCO			150,562			150,000			150,000			150,000	600,562
PIMCO			237,417			<u>225,000</u>			<u>225,000</u>			<u>225,000</u>	<u>912,417</u>
			387,978			375,000			375,000			375,000	1,512,978
REAL ESTATE													
Direct Billed Real Estate	139,113	(470)	85,776	142,518	0	218,158	291,327	0	161,136	134,488	0	84,537	1,256,583
ALTERNATIVE INVESTMENTS													
Direct Billed Private Equity	752,409	32,484	642,393	687,733	85,054	1,033,582	1,622,232	177,158	551,417	234,616	420,078	436,103	6,675,258
SUB TOTAL-INV MGMT FEES													
	891,522	32,014	1,456,505	830,252	85,054	1,995,114	1,913,559	177,158	1,837,553	369,103	420,078	1,645,640	12,416,529
PROFESSIONAL FEES													
Legal	8,490	39,510	26,807	27,576	10,438	11,810	10,000	10,000	10,000	10,000	10,000	10,000	184,630
BNY Mellon - Custodial	29,511	29,219	28,904	28,946	29,131	30,000	30,000	30,000	30,000	30,000	30,000	30,000	355,711
Cliffwater	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	37,500	450,000
PCA/Russell	13,125	13,125	64,468	13,125	13,125	70,163	13,125	13,125	13,125	13,125	13,125	13,125	265,884
PCA Real Estate	10,417	12,314	10,417	10,417	10,417	10,417	<u>10,417</u>	<u>10,417</u>	<u>10,417</u>	<u>10,417</u>	<u>10,417</u>	<u>10,417</u>	<u>126,901</u>
	99,044	131,667	168,096	117,565	100,611	159,890	101,042	101,042	101,042	101,042	101,042	101,042	1,383,126
OPERATING EXPENSE													
Retirement Transfers	188,298	765,281	527,948	573,526	642,997	1,214,092	1,265,779	537,772	607,063	510,434	562,143	1,078,917	8,474,249
Other Expense	13,762	0	7,500	2,450	7,500	5,925	0	<u>7,500</u>	<u>12,525</u>	<u>5,400</u>	<u>6,250</u>	<u>17,192</u>	<u>86,004</u>
	202,060	765,281	535,448	575,976	650,497	1,220,017	1,265,779	545,272	619,588	515,834	568,393	1,096,109	8,560,253
TOTAL:	1,192,625	928,962	2,160,048	1,523,792	836,162	3,375,021	3,280,380	823,472	2,558,183	985,980	1,089,513	2,842,791	22,359,908

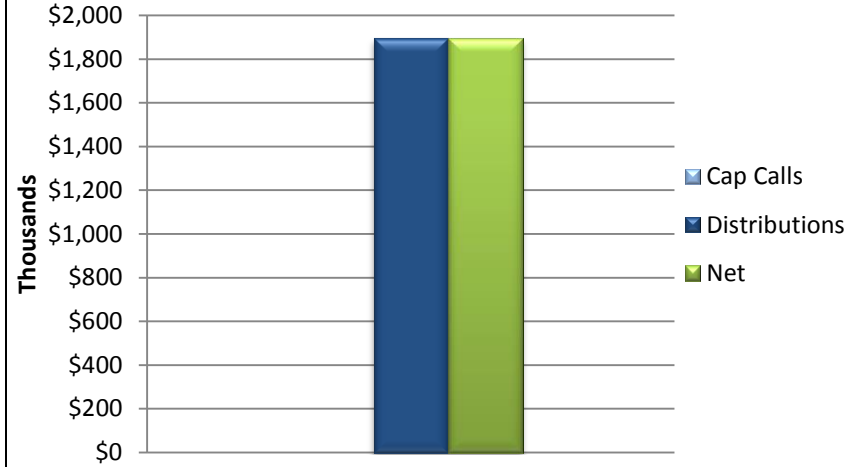
Note: Numbers in bold are actual.

Private Equity & Real Estate Cash Flow

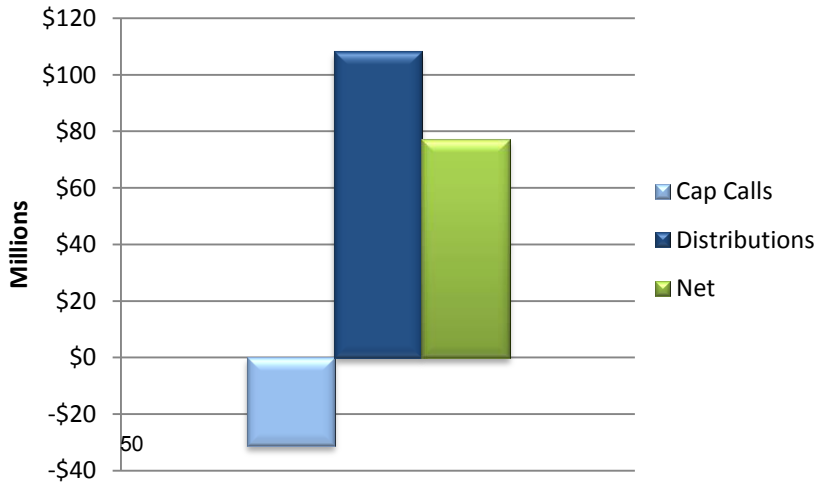
Private Equity - MTD January 2014



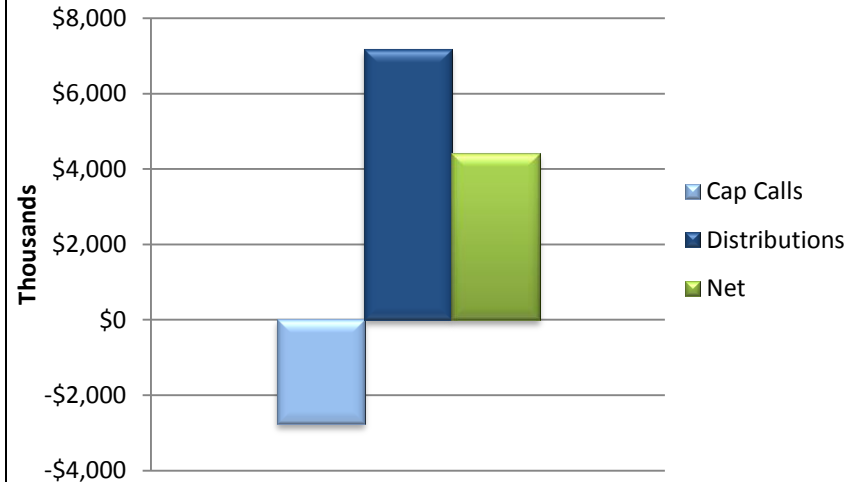
Real Estate - MTD January 2014



Private Equity - Fiscal YTD January 2014



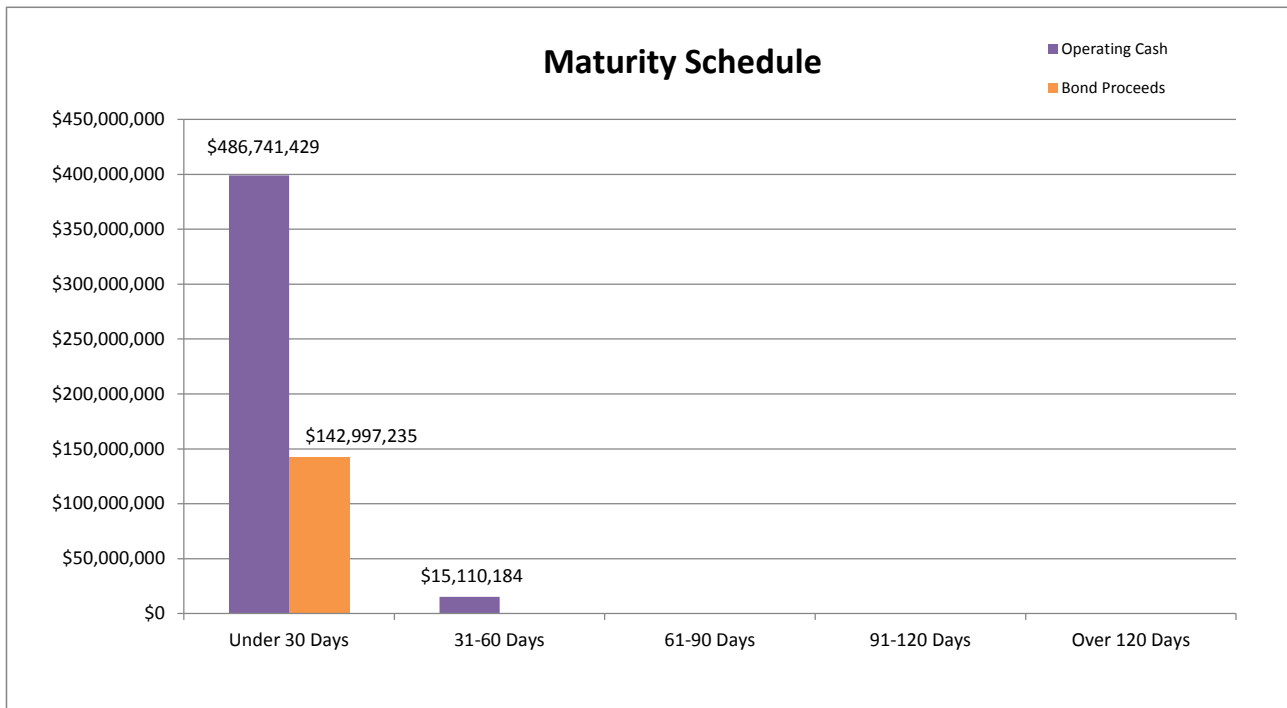
Real Estate - Fiscal YTD January 2014



Section VIII.

Short-Term Investments

Short-Term Investment Maturity Schedule & SIC Compliance Report at January 31, 2014



Vendor	CP	CD	Agency	Money Mkt	PIP	Repo	GI	OSIP	Total (\$)
Guidelines-Total/Vendor	25%/10%	50%/20%	75%/35%	75%/35%	75%/35%	100%/20%	75%/35%	50%/50%	
OSIP	0	0	0	0	0	0	0	183,275,043	183,275,043
	0%	0%	0%	0%	0%	0%	0%	44%	44.25%
Bank RI	0	15,110,184	0	0	0	0	0	0	15,110,184
	0%	4%	0%	0%	0%	0%	0%	0%	3.65%
Sovereign Bank	0	0	0	0	78,496,316	0	0	0	78,496,316
	0%	0%	0%	0%	19%	0%	0%	0%	18.95%
JP Morgan Chase	0	0	0	0	0	0	0	0	0
	0%	0%	0%	0%	0%	0%	0%	0%	0.00%
Federated Investors	0	0	0	0	0	0	0	0	0
	0%	0%	0%	0%	0%	0%	0%	0%	0.00%
Fidelity	0	0	0	0	0	0	0	0	0
	0%	0%	0%	0%	0%	0%	0%	0%	0.00%
BlackRock	0	0	0	0	0	0	0	0	0
	0%	0%	0%	0%	0%	0%	0%	0%	0.00%
Wells Fargo	0	0	0	0	0	0	0	0	0
	0%	0%	0%	0%	0%	0%	0%	0%	0.00%
Citizens Bank	0	0	0	0	1,507,209	0	0	0	1,507,209
	0%	0%	0%	0%	0%	0%	0%	0%	0.36%
Webster Bank	0	0	0	0	70,521,681	0	0	0	70,521,681
	0%	0%	0%	0%	17%	0%	0%	0%	17.03%
Oppenheimer Inc	0	0	0	0	0	0	0	0	0
	0%	0%	0%	0%	0%	0%	0%	0%	0.00%
Washington Trust	0	0	0	65,312,715	0	0	0	0	65,312,715
	0%	0%	0%	16%	0%	0%	0%	0%	15.77%
TOTALS	-	15,110,184	-	65,312,715	150,525,206	-	-	183,275,043	414,223,148
(%) PORTFOLIO	0.00%	3.65%	0.00%	15.77%	36.34%	0.00%	0.00%	44.25%	100.00%

Note: PIP + CD must be under 75%.

Note: Maximum participation by any one vendor limited to 35% of total portfolio.

State of Rhode Island
Short Term Cash Monthly Performance
Performance for

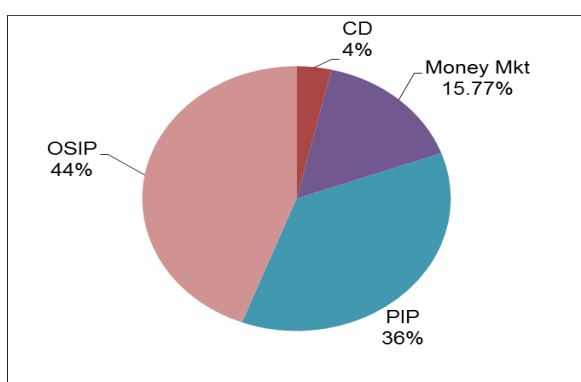
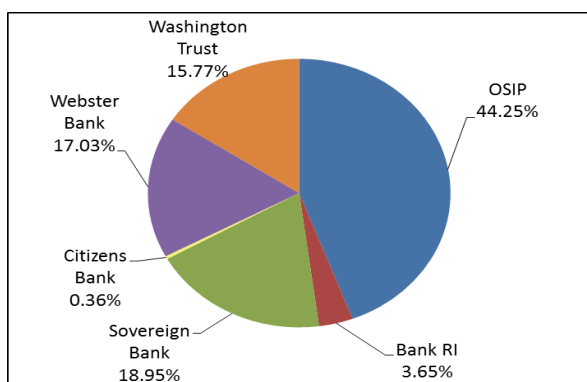
January 01, 2014 to January 31, 2014

Fund Name	Beginning Balance	Ending Balance	Average Daily Balance	Earnings	Yield(Annual)
GENERAL FUND	\$ 101,209,873.39	\$ 107,453,369.60	\$ 177,706,647.58	\$ 43,496.21	0.2882%
H.A.V.A	\$ 294.72	\$ 294.74	\$ 294.72	\$ 0.02	0.0799%
GENERAL FUND (HIST PRES)	\$ 537,468.87	\$ 537,507.71	\$ 537,468.87	\$ 38.84	0.0851%
HISTORIC TAX CREDITS	\$ 102,359.62	\$ 102,367.02	\$ 102,359.62	\$ 7.40	0.0851%
HIGHWAY FUND	\$ 20,174,988.92	\$ 18,178,314.43	\$ 18,078,214.72	\$ 3,325.51	0.2166%
T.D.I. RESERVE (DET)	\$ 106,442,422.48	\$ 96,466,582.13	\$ 100,184,357.96	\$ 24,159.65	0.2839%
EMPLOYER PENSION CONTRIBUTION	\$ -	\$ -	\$ -	\$ -	-
RICAP GL FUND 21	\$ 79,294,030.48	\$ 74,803,740.61	\$ 77,068,224.03	\$ 9,710.13	0.1483%
BOND CAPITAL FUND	\$ 872,662.54	\$ 6,573,528.08	\$ 4,079,114.15	\$ 865.54	0.2498%
R.I. CLEAN WATER ACT	\$ 3,179,238.59	\$ 3,179,449.72	\$ 3,179,238.59	\$ 211.13	0.0782%
STATE LOTTERY FUND	\$ 45,093,319.94	\$ 44,701,696.60	\$ 39,606,223.17	\$ 8,376.66	0.2490%
ASSESSED FRINGE BEN ADM	\$ 7,759.10	\$ 7,759.50	\$ 7,759.10	\$ 0.40	0.0607%
AUTO EQUIPMENT SERVICE	\$ 1,243.06	\$ 1,243.12	\$ 1,243.06	\$ 0.06	0.0568%
HEALTH INSURANCE FUND	\$ 35,270,318.66	\$ 41,273,034.38	\$ 37,599,350.92	\$ 2,715.72	0.0850%
FLEET REVOLVING LOAN FUND	\$ 7,623,343.61	\$ 7,624,881.38	\$ 7,623,343.61	\$ 1,537.77	0.2375%
EMPLOYEES RETIREMENT	\$ 924,201.09	\$ 629,433.17	\$ 18,462,910.77	\$ 5,232.08	0.3337%
MUNICIPAL EMPLOYEES RET.	\$ 566,185.95	\$ 116,659.38	\$ 2,230,702.08	\$ 473.43	0.2499%
RETIREE HEALTH FUND	\$ 655,308.64	\$ 3,755,407.03	\$ 1,374,663.48	\$ 98.39	0.0843%
BOG RETIREE FUND	\$ 137,250.27	\$ 137,260.19	\$ 137,250.27	\$ 9.92	0.0851%
RIPTA HEALTH FUND	\$ 664.56	\$ 664.61	\$ 664.56	\$ 0.05	0.0886%
PERMANENT SCHOOL FUND	\$ 1,934,126.35	\$ 1,934,266.11	\$ 1,934,126.35	\$ 139.76	0.0851%
TEACHER RETIREE HEALTH FUND	\$ 306,455.25	\$ 306,477.39	\$ 306,455.25	\$ 22.14	0.0851%
RI ST POL RETIREE HEALTH	\$ 167,841.61	\$ 167,853.74	\$ 167,841.61	\$ 12.13	0.0851%
RI LEG RETIREE HEALTH	\$ 196.19	\$ 196.20	\$ 196.19	\$ 0.01	0.0600%
RI JUDICIAL RETIREE HEALTH	\$ 168.38	\$ 168.39	\$ 168.38	\$ 0.01	0.0699%
UNIVERSITY COLLEGE	\$ 8,952.09	\$ 8,952.73	\$ 8,952.09	\$ 0.64	0.0842%
HIGHER EDUCATION	\$ 1,406,957.01	\$ 3,407,131.63	\$ 2,432,763.46	\$ 174.62	0.0845%
INDUS. BLDG. & MTG. INS.	\$ 2,854,702.17	\$ 2,854,908.46	\$ 2,854,702.17	\$ 206.29	0.0851%
Operating Funds Totals	\$ 408,772,333.54	\$ 414,223,148.05	\$ 495,685,236.76	\$ 100,814.51	0.239%
G.O. NOTE 1991 SER. B	\$ -	\$ -	\$ -	\$ -	-
CCDL1993A	\$ 7,385.83	\$ 7,385.78	\$ 7,385.27	\$ 0.53	0.0845%
BOND CCDL 1994 SERIES A	\$ 15,001.17	\$ 15,001.08	\$ 15,000.04	\$ 1.08	0.0848%
BOND CCB196A	\$ -	\$ -	\$ -	\$ -	-
CAP DEV OF 1997 SERIES A	\$ 41,015.54	\$ 41,015.30	\$ 41,012.44	\$ 2.96	0.0850%
CCDL1998A	\$ 1,695,965.89	\$ 1,695,956.01	\$ 1,695,837.73	\$ 122.55	0.0851%
CCDL 1998B	\$ -	\$ -	\$ -	\$ -	-
MMG099 1999	\$ -	\$ -	\$ -	\$ -	-
BOND CAPITOL CCDL2000A	\$ 102,392.16	\$ 102,391.56	\$ 102,384.42	\$ 7.40	0.0851%
MULTI-MODAL GEN OBL 2000	\$ -	\$ -	\$ -	\$ -	-
CCDL2001C	\$ 201,342.59	\$ 201,341.42	\$ 201,327.38	\$ 14.55	0.0851%
CCDL2002B	\$ -	\$ -	\$ -	\$ -	-
CCDL 2004 SERIES A	\$ 2,804,561.52	\$ 2,453,470.97	\$ 2,600,508.50	\$ 188.11	0.0852%
BOND CCDL 2005 SERIES C	\$ 7,171,756.86	\$ 7,043,117.03	\$ 7,096,548.18	\$ 512.89	0.0851%
BOND CCDL 2005 SERIES E	\$ 717,074.60	\$ 717,070.42	\$ 717,020.42	\$ 51.81	0.0851%
BOND CCDL 2006 SERIES B	\$ -	\$ -	\$ -	\$ -	-
BOND CCDL 2006 SERIES C	\$ 2,406,844.21	\$ 2,406,830.18	\$ 2,406,662.33	\$ 173.91	0.0851%
GO BND-NTAX 2007 SERIES A	\$ 5,938,801.72	\$ 5,938,767.12	\$ 5,938,352.95	\$ 429.13	0.0851%
GO BND-TAX 2007 SERIES B	\$ -	\$ -	\$ -	\$ -	-
GO BND-NTAX 2008 SERIES B	\$ 349,812.64	\$ 349,810.61	\$ 349,786.21	\$ 25.28	0.0851%
GO BND-TAX 2008 SERIES C	\$ -	\$ -	\$ -	\$ -	-
CCDL10B BOND CAPITAL COMPONENT	\$ 1,730,135.10	\$ 1,730,125.02	\$ 1,730,004.36	\$ 125.02	0.0851%
CCDL10C	\$ 161,682.78	\$ 159,248.92	\$ 160,262.85	\$ 11.58	0.0851%
CCDL10D	\$ 103,924.06	\$ 103,923.45	\$ 103,916.20	\$ 7.51	0.0851%
CCDL2011A	\$ 25,927,324.31	\$ 24,844,865.62	\$ 25,296,954.13	\$ 1,828.62	0.0851%
CCDL2012B	\$ 55,762,232.53	\$ 55,446,305.09	\$ 55,574,768.06	\$ 4,016.21	0.0851%
GO CCDL 2013A	\$ 30,543,682.44	\$ 25,328,005.33	\$ -	\$ 1,990.94	0.0852%
GO CCDL 2013B	\$ 12,500,976.13	\$ 12,500,903.30	\$ -	\$ 903.30	0.0851%
CLEAN WATER CCDL 1998B	\$ -	\$ -	\$ -	\$ -	-
CLEAN WATER CCDL 1994 (A)	\$ -	\$ -	\$ -	\$ -	-
CAP DEV. OF 1997 SERIES A	\$ -	\$ -	\$ -	\$ -	-
CLEAN WATER CCDL 2002 B	\$ -	\$ -	\$ -	\$ -	-
CLEAN WATER 2004 SERIES A	\$ 197,536.64	\$ 187,035.05	\$ 191,424.93	\$ 13.84	0.0851%
CLN WATER CCDL 2005 SER E	\$ -	\$ -	\$ -	\$ -	-
CAP DEV. OF 1997 SERIES A	\$ -	\$ -	\$ -	\$ -	-
RI POLLUT. CONT 94 SER. A	\$ -	\$ -	\$ -	\$ -	-
CCDL99A 1999A	\$ 205,305.38	\$ 205,304.19	\$ 205,289.87	\$ 14.84	0.0851%
POL. CTRL CCDL 2006 SER C	\$ -	\$ -	\$ -	\$ -	-
CLEAN WATER 2007 SERIES A	\$ 283,274.18	\$ 283,272.53	\$ 283,252.77	\$ 20.47	0.0851%
RI POLLUTION CONTROL 2008 B	\$ -	\$ -	\$ -	\$ -	-
CCDL10B CLEAN WATER COMPONENT	\$ -	\$ -	\$ -	\$ -	-
CCDL2011A CLEAN WATER COMPONENT	\$ 1,236,096.52	\$ 1,236,089.32	\$ 1,236,003.11	\$ 89.32	0.0851%
CCDL2011A POLL CTRL CMPNT	\$ -	\$ -	\$ -	\$ -	-
Bond Proceeds Fund Totals	\$ 150,104,124.80	\$ 142,997,235.30	\$ 105,953,702.15	\$ 10,551.85	0.085%
TANS PROCEEDS	\$ -	\$ -	\$ -	\$ -	-
Grand Totals	\$ 558,876,458.34	\$ 557,220,383.35	\$ 601,638,938.91	\$ 111,366.36	0.204%

**State of Rhode Island
Office of the General Treasurer
Short Term Investments**

**Issuer Credit Rating
January 31, 2014**

Issuer	Type of Instrument*	Month End % Portfolio	Issuer Ratings			S-T Debt Rating			L-T Debt Rating		Credit Outlook
			Moody's	Moody's	S&P	Moody's	S&P	S&P			
Bank RI	3,4	3.51%	N/R	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Sovereign Bank	3,4	22.36%	Baa1	P-2	A-2	Baa1	BBB			Negative	
Bank of America		0.00%	Baa2	P-2	A-2	Baa2	A-			Negative	
JP Morgan Chase		0.00%	A3	P-2	A-1	A3	A			Negative	
Fidelity		0.00%	N/R	N/A	N/A	N/A	N/A			N/A	
State Street Bank & Trust Company		0.00%	Aa3	P-1	A-1+	Aa3	AA-			Stable	
RBS Citizens	3,4	0.35%	A3	P-2	A-2	A3	A-			Negative	
Webster Bank	3,4	18.44%	A3	P-2	A-2	A3	BBB			Positive	
Ocean State Investment Pool	6	40.17%	N/R	N/A	N/A	N/A	N/A			N/A	
Washington Trust	3,7	15.17%	N/R	N/A	N/A	N/A	N/A			N/A	



REPO = Repurchase Agreement	1*
CP = Commercial Paper	2*
CD = Certificate of Deposit	3*
CoD = Collateralized Deposit	4*
AG = US Government Agency Note	5*
MM = Government Money Market	6*
GID = Government Insured Deposit	7*

Ratings Definitions

Moody's Short-Term Debt Ratings:

P-1 - Prime-1 have a superior ability for repayment of sr. S-T debt obligations
P-2 - Prime-1 have a strong ability for repayment of sr. S-T debt obligations
P-3 - Prime-1 have an acceptable ability for repayment of sr. S-T debt obligations
NP - Not Prime

Moody's Issuer Rating Symbols:

Aaa - Offer exceptional financial security (high-grade)
Aa - Offer excellent financial security (high-grade)
A - Offer good financial security
Baa - Offer adequate financial security
Ba - Offer questionable financial security
B - Offer poor financial security
Caa - Offer very poor financial security
Ca - Offer extremely poor financial security
C - Lowest rated class, usually in default

Moody's Long-Term Debt Ratings:

Aaa - Best Quality
Aa - High Quality
A - Possess many favorable investment attributes
Baa - Medium-grade obligations
Ba - Possess speculative elements
B - Generally lack characteristics of desirable investments
Caa - Poor standing
Ca - Speculative in a high degree
C - Lowest rated class of bonds

Modifiers:

1 - Higher end of letter rating category
2 - Mid-range of letter rating category
3 - Lower end of letter rating category

S&P Short -Term Credit Ratings:

A-1 - Highest rated, strong capacity to meet obligations
A-2 - Somewhat more susceptible to adverse effects of changes in financial conditions; satisfactory
A-3 - Exhibits adequate protection parameters
B - Significant speculative characteristics, faces major ongoing uncertainties
C - Vulnerable to non-payment
D - Payment default

Modifiers:

+ or - show relative standing within the category.

S&P Outlook Definitions:

Positive - A rating may be raised
Negative - A rating may be lowered
Stable - A rating is not likely to change
Developing - May be raised or lowered
NM - Not meaningful

S&P Long-Term Debt Ratings:

AAA - Highest rating, extremely strong
AA - Differs slightly from highest rating, very strong
A - More susceptible to adverse effects of change in economic condition, strong
BBB - Exhibits adequate protection parameters
BB, B, - Have significant speculative characteristics. BB least speculative
CCC, CC, C - C highest degree
D - Payment default

Modifiers:

+ or - show relative standing within the category.

Section IX.

Defined Contribution Plan

2014 YTD Performance Summary

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)	(W)	(X)	(Y)		
TIAA-CREF	Manager	AUM	Gross	Net	Net	Rev	Recent Returns					Annualized Total Returns as of 12/31/13					Since	Incep.	Sharpe Ratio	Std. Deviation		Tracking Error				
As of 1/31/2014	Ticker	Tenure	\$ Millions	ER	ER	%-ile	Share	1 Month	3-month	YTD	1 Year	%-ile	3 Year	%-ile	5 Year	%-ile	10 Year	%-ile	Incep.	Date	3 Year	%-ile	3 Year	%-ile	3 Year	
Stable Value/Guaranteed & Money Market																										
Stable Value/Guaranteed																										
TIAA Stable Value****	Current crediting rate = 2.00							0.17	0.46	0.17	1.75															
Money Market																										
Vanguard Prime Money Market Inv	VMMXX	10.50	131,831.74	0.17	0.17		-	-	-	-	0.02		0.03		0.14		1.74		5.52	06/04/75	(2.96)		0.01		0.04	
Current 7-day Yield: 0.01																										
Citi 3-Month Treasury Bill																										
								-	0.01	-	0.05		0.07		0.10		1.59									
FIXED INCOME																										
Intermediate-Term Bond																										
Vanguard Total Bond Market Index Sig	VBTSX	21.08	17,653.96	0.10	0.10	1	-	1.55	0.57	1.55	(2.15)	67	3.15	67	4.39	83		4.95	09/01/06	1.09	61	2.82	42	0.24		
Barclays U.S. Aggregate Float Adjusted Index																										
								1.44	0.56	1.44	(1.97)		3.34													
Intermediate-Term Bond Median																										
				0.94	0.84			1.42	0.63	1.42	(1.65)		3.62		6.24		4.38			1.18		2.89			1.32	
Intermediate-Term Bond Number of Funds																										
			1,120	1,120						1,080	1,080	947	947	806	806	581	578	1,120		947	947	947	947		947	
Inflation-Linked Bond																										
PIMCO Real Return Instl	PRRIX	6.08	15,879.93	0.48	0.45	17	-	2.20	(0.47)	2.20	(9.05)	62	3.50	5	7.29	1	5.25	2	6.76	01/29/97	0.60	34	5.91	91	1.20	
Barclays US Treasury US TIPS TR USD																										
								1.98	(0.61)	1.98	(8.61)		3.55		5.63		4.85			0.66		5.43				
Inflation-Protected Bond Median																										
				0.87	0.75			1.86	(0.65)	1.86	(8.79)		2.82		4.81		4.24			0.56		5.29			0.72	
Inflation-Protected Bond Number of Funds																										
			221	221						213	213	186	186	149	149	53	52	221		186	186	186	186		186	
Equity																										
Large Cap Blend																										
Vanguard 500 Index Signal	VIFSX	22.08	14,960.20	0.05	0.05	1	-	(3.46)	1.99	(3.46)	32.33	43	16.14	22	17.94	28		6.86	09/29/06	1.30	13	12.10	24	0.69		
S&P 500 TR USD																										
								(3.46)	2.00	(3.46)	32.39		16.18		17.94				6.86		1.30		12.11			
Large Blend Median																										
				1.25	1.14			(3.48)	1.78	(3.48)	31.84		14.83		17.07					1.16		12.76			2.36	
Large Blend Number of Funds																										
			1,695	1,695						1,562	1,561	1,358	1,357	1,218	1,217	801	796	1,689		1,358	1,358	1,358	1,358		1,358	
Mid Cap Blend																										
Vanguard Mid Cap Index Signal	VMISX	15.67	6,727.28	0.10	0.10	1	-	(2.33)	2.63	(2.33)	35.15	41	15.40	40	22.07	23		7.22	03/30/07	1.06	27	14.53	29	0.81		
Spliced Mid Cap Index *																										
								(2.30)	2.65	(2.30)	35.21		15.46		22.13											
CRSP US Mid Cap TR USD																										
								(2.30)	2.65	(2.30)	35.27		15.73		21.77				7.17							
Mid-Cap Blend Median																										
				1.30	1.22			(2.68)	2.15	(2.68)	34.04		14.89		20.02		8.94			0.97		15.39			3.45	
Mid-Cap Blend Number of Funds																										
			426	426						399	399	349	345	299	298	194	193	425		349	349	349	349		349	
Small Cap Blend																										
Vanguard Small Cap Index Signal	VSISX	22.08	8,206.53	0.10	0.10	-	-	(2.04)	3.21	(2.04)	37.79	47	16.61	29	22.55	19		8.50	12/15/06	1.02	34	16.30	37	1.75		
Spliced Small Cap Index **																										
								(2.04)	3.23	(2.04)	37.77		16.56		22.48											
CRSP US Small Cap TR USD																										
								(2.04)	3.23	(2.04)	38.48		17.25		23.65				9.25							
Small Blend Median																										
				1.40	1.26					37.45		15.34		20.03		8.92				0.95		16.63			3.66	
Small Blend Number of Funds																										
			740	740						680	680	608	608	551	550	335	333	735		608	608	608	608		608	



2014 YTD Performance Summary

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)	(W)	(X)	(Y)		
TIAA-CREF		Manager	AUM	Gross	Net	Net	Rev Recent Returns				Annualized Total Returns as of 12/31/13						Since	Incep.	Sharpe Ratio	Std. Deviation		Tracking Error				
As of 1/31/2014		Ticker	Tenure	\$ Millions	ER	ER	%-ile	Share	1 Month	3-month	YTD	1 Year	%-ile	3 Year	%-ile	5 Year	%-ile	10 Year	%-ile	Incep.	Date	3 Year	%-ile	3 Year	%-ile	3 Year
Foreign Large Blend																										
TIAA-CREF International Eq Idx Instl		TCIEX	9.42	5,628.79	0.08	0.08	1	-	(4.58)	(2.19)	(4.58)	21.96	25	8.49	20	12.24	48	7.00	43	9.85	10/01/02	0.57	21	16.47	55	3.67
MSCI EAFE NR USD									(4.03)	(1.84)	(4.03)	22.78		8.17		12.44		6.91		9.84		0.56		16.48		
Foreign Large Blend Median					1.46	1.28			(4.53)	(1.99)	(4.53)	19.91		7.03		12.17		6.75				0.49		16.39		3.66
Foreign Large Blend Number of Funds					834	834						788	788	700	697	630	626	322	320	834		700	700	700	700	700
Diversified Emerging Markets																										
Vanguard Emerging Mkts Stock Idx Sit		VERSX	5.42	46,555.10	0.18	0.18	1	-	(7.26)	(9.96)	(7.26)	(5.02)	77	(2.81)	64	14.00	51			3.60	01/19/07	(0.05)	61	19.64	63	3.15
Spliced Emerging Markets Index ***									(6.69)	(9.89)	(6.69)	(4.28)		(2.63)		14.39										
FTSE Emerging NR USD									(6.69)	(9.89)	(6.69)	(3.79)		(2.93)		14.78			4.13							
MSCI EM NR USD									(6.49)	(9.19)	(6.49)	(2.60)		(2.06)		14.79		11.17				(0.02)		19.31		
Diversified Emerging Mkts Median					1.89	1.58			(6.67)	(8.32)	(6.67)	(1.62)		(2.04)		14.06		10.30				(0.02)		19.31		5.06
Diversified Emerging Mkts Number of Funds					734	734						614	614	401	399	317	315	151	150	733		401	401	401	401	401
Miscellaneous Sector																										
TIAA Real Estate Account		Variable Annuity	9.08	16,907.56	0.90	0.90		0.24	0.93	1.92	0.93	9.65		10.89		2.25		4.80		6.11	10/02/95	6.25		1.65		12.14
Lifecycle																										
Vanguard Target Retirement Income Trust II					0.11	0.11			(0.18)	0.57	(0.18)	5.82		6.49		8.60				5.32	02/29/08					
Vanguard Target Retirement Income Compos. Lx									(0.21)	0.57	(0.21)	6.03		6.57		8.65										
Retirement Income Median					1.07	0.89			(0.42)	0.53	(0.42)	6.55		5.90		9.60		4.33			1.04			5.58		2.24
Retirement Income Number of Funds					298	298						293	293	271	271	238	238	41	41		271	271	271	271	271	271
Vanguard Target Retirement 2010 Trust II					0.11	0.11			(0.62)	0.62	(0.62)	9.13		7.51		10.63				5.52	02/29/08					
Vanguard Target Retirement 2010 Compos. Lx									(0.65)	0.64	(0.65)	9.55		7.63		10.70										
Target Date 2000-2010 Median					1.14	0.89			(0.96)	0.29	(0.96)	8.62		6.20		10.71		4.81			0.96			6.73		1.56
Target Date 2000-2010 Number of Funds					171	171						154	153	141	140	125	124	35	35		141	141	141	141	141	141
Vanguard Target Retirement 2015 Trust II					0.11	0.11			(1.20)	0.67	(1.20)	13.07		8.60		11.84				5.95	02/29/08					
Vanguard Target Retirement 2015 Compos. Lx									(1.21)	0.68	(1.21)	13.45		8.68		11.90										
Target Date 2011-2015 Median					1.21	0.92			(1.26)	0.43	(1.26)	10.44		6.89		11.29		4.62			0.93			7.58		1.72
Target Date 2011-2015 Number of Funds					194	195						178	178	141	141	114	114	13	13		141	141	141	141	141	141
Vanguard Target Retirement 2020 Trust II					0.11	0.11			(1.62)	0.65	(1.62)	15.86		9.41		12.80				6.11	02/29/08					
Vanguard Target Retirement 2020 Compos. Lx									(1.60)	0.72	(1.60)	16.33		9.73		13.06										
Target Date 2016-2020 Median					1.30	0.98			(1.43)	0.47	(1.43)	12.67		7.60		12.14		5.35			0.92			8.33		1.86
Target Date 2016-2020 Number of Funds					243	243						223	222	187	186	169	168	39	39		187	187	187	187	187	187
Vanguard Target Retirement 2025 Trust II					0.11	0.11			(2.02)	0.66	(2.02)	18.23		10.11		13.70				6.22	02/29/08					
Vanguard Target Retirement 2025 Composite Lx									(1.96)	0.72	(1.96)	18.64		10.42		13.95										
Target Date 2021-2025 Median					1.23	0.95			(2.01)	0.43	(2.01)	16.28		8.82		13.39		5.71			0.90			9.95		1.66
Target Date 2021-2025 Number of Funds					197	197						181	181	134	134	101	101	8	8		134	134	134	134	134	134



2014 YTD Performance Summary

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)	(W)	(X)	(Y)		
TIAA-CREF		Manager	AUM	Gross	Net	Net	Rev Recent Returns					Annualized Total Returns as of 12/31/13					Since	Incep.	Sharpe Ratio	Std. Deviation		Tracking Error				
As of 1/31/2014		Ticker	Tenure	\$ Millions	ER	ER	%-ile	Share	1 Month	3-month	YTD	1 Year	%-ile	3 Year	%-ile	5 Year	%-ile	10 Year	%-ile	Incep.	Date	3 Year	%-ile	3 Year	%-ile	3 Year
Vanguard Target Retirement 2030 Trust II					0.11	0.11			(2.39)	0.64	(2.39)	20.55		10.81		14.58				6.30	02/29/08					
<i>Vanguard Target Retirement 2030 Composite Lx</i>									<i>(2.33)</i>	<i>0.72</i>	<i>(2.33)</i>	<i>21.00</i>		<i>11.08</i>		<i>14.84</i>										
<i>Target Date 2026-2030 Median</i>					<i>1.35</i>	<i>1.05</i>			<i>(2.36)</i>	<i>0.41</i>	<i>(2.36)</i>	<i>17.87</i>		<i>9.23</i>		<i>13.85</i>		<i>5.80</i>				<i>0.87</i>		<i>10.87</i>		<i>1.80</i>
<i>Target Date 2026-2030 Number of Funds</i>					<i>243</i>	<i>243</i>						<i>223</i>	<i>222</i>	<i>187</i>	<i>186</i>	<i>169</i>	<i>168</i>	<i>34</i>	<i>34</i>			<i>187</i>	<i>187</i>	<i>187</i>	<i>187</i>	<i>187</i>
Vanguard Target Retirement 2035 Trust II					0.11	0.11			(2.77)	0.64	(2.77)	22.93		11.46		15.40				6.56	02/29/08					
<i>Vanguard Target Retirement 2035 Composite Lx</i>									<i>(2.69)</i>	<i>0.71</i>	<i>(2.69)</i>	<i>23.39</i>		<i>11.74</i>		<i>15.65</i>										
<i>Target Date 2031-2035 Median</i>					<i>1.34</i>	<i>1.01</i>			<i>(2.80)</i>	<i>0.38</i>	<i>(2.80)</i>	<i>20.79</i>		<i>10.26</i>		<i>14.74</i>		<i>5.82</i>				<i>0.88</i>		<i>11.95</i>		<i>1.62</i>
<i>Target Date 2031-2035 Number of Funds</i>					<i>197</i>	<i>197</i>						<i>181</i>	<i>181</i>	<i>134</i>	<i>134</i>	<i>101</i>	<i>101</i>	<i>8</i>	<i>8</i>			<i>134</i>	<i>134</i>	<i>134</i>	<i>134</i>	<i>134</i>
Vanguard Target Retirement 2040 Trust II					0.11	0.11			(3.04)	0.63	(3.04)	24.42		11.94		15.73				6.85	02/29/08					
<i>Vanguard Target Retirement 2040 Composite Lx</i>									<i>(2.94)</i>	<i>0.69</i>	<i>(2.94)</i>	<i>24.79</i>		<i>12.18</i>		<i>15.93</i>										
<i>Target Date 2036-2040 Median</i>					<i>1.43</i>	<i>1.06</i>			<i>(2.84)</i>	<i>0.38</i>	<i>(2.84)</i>	<i>21.84</i>		<i>10.31</i>		<i>14.98</i>		<i>6.06</i>				<i>0.86</i>		<i>12.30</i>		<i>1.60</i>
<i>Target Date 2036-2040 Number of Funds</i>					<i>240</i>	<i>240</i>						<i>219</i>	<i>218</i>	<i>183</i>	<i>182</i>	<i>165</i>	<i>164</i>	<i>34</i>	<i>34</i>			<i>183</i>	<i>183</i>	<i>183</i>	<i>183</i>	<i>183</i>
Vanguard Target Retirement 2045 Trust II					0.11	0.11			(3.08)	0.59	(3.08)	24.43		11.97		15.76				6.81	02/29/08					
<i>Vanguard Target Retirement 2045 Composite Lx</i>									<i>(2.94)</i>	<i>0.69</i>	<i>(2.94)</i>	<i>24.79</i>		<i>12.18</i>		<i>15.93</i>										
<i>Target Date 2041-2045 Median</i>					<i>1.38</i>	<i>1.03</i>			<i>(3.03)</i>	<i>0.37</i>	<i>(3.03)</i>	<i>23.08</i>		<i>10.82</i>		<i>15.30</i>		<i>7.37</i>				<i>0.87</i>		<i>12.78</i>		<i>1.54</i>
<i>Target Date 2041-2045 Number of Funds</i>					<i>197</i>	<i>197</i>						<i>180</i>	<i>180</i>	<i>133</i>	<i>133</i>	<i>99</i>	<i>99</i>	<i>1</i>	<i>1</i>			<i>133</i>	<i>133</i>	<i>133</i>	<i>133</i>	<i>133</i>
Vanguard Target Retirement 2050 Trust II					0.11	0.11			(3.07)	0.63	(3.07)	24.47		11.94		15.75				6.85	02/29/08					
<i>Vanguard Target Retirement 2050 Composite Lx</i>									<i>(2.94)</i>	<i>0.69</i>	<i>(2.94)</i>	<i>24.79</i>		<i>12.18</i>		<i>15.93</i>										
<i>Target Date 2046-2050 Median</i>					<i>1.67</i>	<i>1.06</i>			<i>(2.95)</i>	<i>0.37</i>	<i>(2.95)</i>	<i>23.26</i>		<i>10.89</i>		<i>15.24</i>		<i>6.53</i>				<i>0.87</i>		<i>12.76</i>		<i>1.67</i>
<i>Target Date 2046-2050 Number of Funds</i>					<i>225</i>	<i>225</i>						<i>203</i>	<i>202</i>	<i>155</i>	<i>154</i>	<i>129</i>	<i>128</i>	<i>6</i>	<i>6</i>			<i>155</i>	<i>155</i>	<i>155</i>	<i>155</i>	<i>155</i>
Vanguard Target Retirement 2055 Trust II					0.11	0.11			(3.04)	0.59	(3.04)	24.34		12.00						16.68	08/31/10					
<i>Vanguard Target Retirement 2055 Composite Lx</i>									<i>(2.94)</i>	<i>0.69</i>	<i>(2.94)</i>	<i>24.79</i>		<i>12.18</i>												
Vanguard Target Retirement 2060 Trust II					0.11	0.11			(3.06)	0.59	(3.06)	24.32								15.80	03/01/12					
<i>Vanguard Target Retirement 2060 Composite Lx</i>									<i>(2.94)</i>	<i>0.69</i>	<i>(2.94)</i>	<i>24.79</i>														
<i>Target Date 2051+ Median</i>					<i>1.44</i>	<i>1.03</i>			<i>(3.15)</i>	<i>0.32</i>	<i>(3.15)</i>	<i>23.40</i>		<i>10.86</i>		<i>14.85</i>					<i>12.13</i>		<i>0.85</i>		<i>13.04</i>	<i>1.54</i>
<i>Target Date 2051+ Number of Funds</i>					<i>159</i>	<i>159</i>						<i>130</i>	<i>130</i>	<i>67</i>	<i>67</i>	<i>17</i>	<i>17</i>	<i>-</i>	<i>-</i>			<i>67</i>	<i>67</i>	<i>67</i>	<i>67</i>	<i>67</i>

Source: Morningstar & TIAA-CREF

-Tracking error calculated using "Morningstar Analyst Assigned Benchmark"

Recent returns for 1-month, 3-month, and YTD as of 1/31/14. All other data as of 12/31/13.

Since Incep. = Since Inception Date

Incep. Date = Inception Date

Vanguard Index Information from available at <http://www.vanguard.com>

* = S&P MidCap 400 Index through May 16, 2003; the MSCI US Mid Cap 450 Index through January 30, 2013; and the CRSP US Mid Cap Index thereafter

** = Russell 2000 Index through May 16, 2003; the MSCI US Small Cap 1750 Index through January 30, 2013; and the CRSP US Small Cap Index thereafter

*** = Spliced Emerging Markets Index reflects performance of the Select Emerging Markets Index through August 23, 2006; the MSCI Emerging Markets Index through January 9, 2013; FTSE Emerging Transition Index through June 27, 2013; and FTSE Emerging Index thereafter.

**** = The TIAA Stable Value Inception Date represents the date that the plan's TIAA Stable Value record was initiated on TIAA-CREF's recordkeeping system which may be earlier than the date of first deposit to the contract.

"Since Inception" performance is calculated from this date.

***** = For definitions please visit www.tiaa-cref.org/public/assetmanagement

Note: Rankings shown for returns are calculated by Morningstar. Rankings for expense ratio, Sharpe ratio and standard deviation are calculated by TIAA-CREF and may differ based on calculation methods

Fee Disclosures: 1 The net expense ratio reflects total annual fund operating expenses excluding interest expense. If interest expense was included, returns would have been lower.

2 Accumulations in mutual funds not managed by TIAA-CREF may be subject to administrative charges. These charges are subject to change. Please review current documents related to your plan.



Disclosures



%ile --> Percentile Ranking in Morningstar Category.

The performance data quoted represents past performance and is no guarantee of future results. Your returns and the principal value of your investments will fluctuate so that your shares or accumulation units, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance quoted below. For performance current to the most recent month-end, visit the TIAA-CREF Website at www.tiaa-cref.org, or call 877 518-9161.

Annuity account options are available through annuity contracts issued by TIAA or CREF. These contracts are designed for retirement or other long-term goals, and offer a variety of income options, including lifetime income. Payments from the variable annuity accounts are not guaranteed and will rise or fall based on investment performance.

For the variable annuity accounts, we estimate expenses for the plan year based on projected expense and asset levels. Differences between estimated and actual expenses are adjusted quarterly and reflected in current investment results. Historically, the adjusting payments have resulted in both upward and downward adjustments.

Investing in non-investment grade securities presents special risks, including significantly higher interest-rate and credit risk.

Small-cap and mid-cap stocks may have limited marketability and may be subject to more abrupt or erratic market movements than large-cap stocks.

The risks associated with foreign investments are often magnified in emerging markets where there is greater potential for political, currency, and economic volatility.

Funds that invest in fixed-income securities are not guaranteed and are subject to interest-rate, inflation and credit risks.

Disclosures



Funds that invest in fixed-income securities are not guaranteed and are subject to interest-rate, inflation and credit risks.

Funds that invest in foreign securities are subject to special risks, including currency fluctuation and political and economic instability.

Real estate securities are subject to various risks, including fluctuations in property values, higher expenses or lower income than expected, and potential environmental problems and liability.

Any guarantees under annuities issued by TIAA are subject to TIAA's claims-paying ability. TIAA Stable Value is guaranteed insurance contract and not an investment for Federal Securities Law purposes.

Target Date Funds share the risks associated with the types of securities held by each of the underlying funds in which they invest. In addition to the fees and expenses associated with the Target Date Funds, there is exposure to the fees and expenses associated with the underlying mutual funds as well.

TIAA-CREF Individual & Institutional Services, LLC, and Teachers Personal Investors Services, Inc., members FINRA, distribute securities products. Annuity contracts and certificates are issued by Teachers Insurance and Annuity Association (TIAA) and College Retirement Equities Fund (CREF), New York, NY.

Investment, insurance and annuity products are not FDIC insured, are not bank guaranteed, are not deposits, are not insured by any federal government agency, are not a condition to any banking service or activity, and may lose value.

You should consider the investment objectives, risks, charges and expenses carefully before investing. Please call 877 518-9161 or log on to tiaacref.org for product and fund prospectuses that contains this and other information. Please read the prospectuses carefully before investing.

Disclosures



Morningstar is an independent service that rates mutual funds and variable annuities, based on risk-adjusted returns. Although Morningstar data is gathered from reliable sources, neither Morningstar nor TIAA-CREF can guarantee its completeness and accuracy. Morningstar does not rate money market accounts, and the other TIAA-CREF mutual fund accounts are too new to be rated. Past performance does not guarantee future results. Accumulation net asset values and returns will vary.

For each fund/account with at least a three-year history, Morningstar calculates a Morningstar Rating™ based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's/account's monthly performance (including the effects of sales charges, loads, and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. Where applicable, Morningstar's performance rankings are based on linked performance that considers the differences in expense ratios, while actual performance data shown does not reflect such differences. The top 10 percent of funds/accounts in a category receive five stars, the next 22.5 percent receive four stars, and the next 35 percent receive three stars, the next 22.5 percent receive two stars and the bottom 10 percent receive one star. (Each share class is counted as a fraction of one fund/account within this scale and rated separately, which may cause slight variations in the distribution percentages.) Morningstar proprietary ratings on U.S.-domiciled funds/accounts reflect historical risk-adjusted performance, are subject to change every month. They are derived from a weighted average of the performance figures associated with its three-, five- and ten-year (if applicable) Morningstar Rating metrics. Please note, Morningstar now rates group variable annuities within the open-end mutual fund universe.

Disclosures



Prospectus Gross Expense Ratio

The percentage of fund assets used to pay for operating expenses and management fees, including 12b-1 fees, administrative fees, and all other asset-based costs incurred by the fund, except brokerage costs. Fund expenses are reflected in the fund's NAV. Sales charges are not included in the expense ratio.

--The expense ratio for fund of funds is the aggregate expense ratio as defined as the sum of the wrap or sponsor fees plus the estimated weighted average of the underlying fund fees.

--Often referred to as the Annual Operating Expense, the Prospectus Gross Expense Ratio is collected annually from a fund's prospectus.

Prospectus Net Expense Ratio

The percentage of fund assets, net of reimbursements, used to pay for operating expenses and management fees, including 12b-1 fees, administrative fees, and all other asset-based costs incurred by the fund, except brokerage costs. Fund expenses are reflected in the fund's NAV. Sales charges are not included in the expense ratio.

--The expense ratio for fund of funds is the aggregate expense ratio as defined as the sum of the wrap or sponsor fees plus the estimated weighted average of the underlying fund fees.

--Net reimbursements, the Prospectus Net Expense Ratio is collected annually from a fund's prospectus.

--TIAA-CREF, unless noted, does not charge additional fees for record keeping a fund. 12b-1, revenue share and admin fees are all included in the Prospectus fees.

-- Prospectus Net Expense Ratio % - ile rank is the percentile rank for the fund. The better the expense ratio (lower) the lower the ranking out of 100.

Sharpe Ratio (Source: Morningstar Direct)

A risk-adjusted measure developed by Nobel Laureate William Sharpe. It is calculated by using standard deviation and excess return to determine reward per unit of risk. The higher the Sharpe Ratio, the better the portfolio's historical risk-adjusted performance. The Sharpe Ratio can be used to compare two portfolios directly with regard to how much excess return each portfolio achieved for a certain level of risk. Morningstar first calculates a monthly Sharpe Ratio and then annualizes it to put the number in a more useful one-year context.

Disclosures



Standard Deviation (Source: Morningstar Direct) The statistical measurement of dispersion about an average, which depicts how widely a stock or portfolio's returns varied over a certain period of time. Investors use the standard deviation of historical performance to try to predict the range of returns that is most likely for a given investment. When a stock or portfolio has a high standard deviation, the predicted range of performance is wide, implying greater volatility.

Information Ratio (Source: Morningstar Direct) **Benchmark Specific**

Information ratio is a risk-adjusted performance measure. The information ratio is a special version of the Sharpe Ratio in that the benchmark doesn't have to be the risk-free rate.

Beta (Source: Morningstar Direct) **Benchmark Specific**

Beta is a measure of a portfolio's sensitivity to market movements. The beta of the market is 1.00 by definition.

Alpha (Source: Morningstar Direct) **Benchmark Specific**

A measure of the difference between a portfolio's actual returns and its expected performance, given its level of risk as measured by beta. A positive Alpha figure indicates the portfolio has performed better than its beta would predict. In contrast, a negative Alpha indicates the portfolio has underperformed, given the expectations established by beta.

Tracking Error (Source: Morningstar Direct) **Benchmark Specific**

Tracking error is a measure of the volatility of excess returns relative to a benchmark.

Upside (Source: Morningstar Direct) **Benchmark Specific**

Upside Capture Ratio measures a manager's performance in up markets relative to the market (benchmark) itself. It is calculated by taking the security's upside capture return and dividing it by the benchmark's upside capture return.

Downside (Source: Morningstar Direct) **Benchmark Specific**

Downside Capture Ratio measures a manager's performance in down markets relative to the market (benchmark) itself. It is calculated by taking the security's downside capture return and dividing it by the benchmark's downside capture return.

R-Square (Source: Morningstar Direct) **Benchmark Specific**

Reflects the percentage of a portfolio's movements that can be explained by movements in its benchmark.

You cannot invest directly in index.

TIAA-CREF reported performance may differ from Morningstar source returns for the same option over the same time period. We would expect an occasional one to two basis point difference. Morningstar Direct calculates returns by one share owned by a hypothetical investor over the requested time period. So the return for one year is calculated using the same formula as one month. TIAA-CREF calculates returns by \$1,000 owned by hypothetical investor for one month then links returns for requested time period. Both set of returns include dividends and capital gains.

C12205

Section XI.

OPEB Trust

TOTAL NET OF FEES

1/31/14

Account Name Benchmark Name	Market Value	% of Total	Month	Fiscal YTD	1 Year	Annualized				Inception Date
						3 Years	5 Years	10 Years	ITD	
Mackay Shields OPEB	32,904,045.6	36.2	1.53	2.06					-1.36	5/1/2013
Barclays U.S. Aggregate Bond Index			1.48	1.91					-1.45	5/1/2013
SSGA S&P 500 INDX	58,112,053.7	63.9	-3.46	12.24	21.26				14.32	5/1/2011
S&P 500 - Total Return Index			-3.46	12.29	21.52				12.67	5/1/2011
Total OPEB	91,016,099.3	100.0	-1.71	8.67	12.08				9.42	5/1/2011
OPEB Custom Blend ¹			-1.73	8.66	12.21				7.49	5/1/2011

END NOTES

1/31/14

1 RI7GX0903OPE OPEB Custom Blend

65% Barclays Aggregate and 35% S&P 500

TOTAL NET OF FEES

1/31/14

Account Name Benchmark Name	Market Value	% of Total	YTD	Month	Cumulative			2013	2012	2011	Inception Date
					12/1/13 - 12/31/13	11/1/13 - 11/30/13					
Mackay Shields OPEB	32,904,045.6	36.2	1.53	1.53	-0.47	-0.32				5/1/2013	
Barclays U.S. Aggregate Bond Index			1.48	1.48	-0.57	-0.37				5/1/2013	
SSGA S&P 500 INDX	58,112,053.7	63.9	-3.46	-3.46	2.53	3.04	32.09	15.96		5/1/2011	
S&P 500 - Total Return Index			-3.46	-3.46	2.53	3.05	32.39	16.00		5/1/2011	
Total OPEB	91,016,099.3	100.0	-1.71	-1.71	1.49	1.87	15.77	9.74		5/1/2011	
OPEB Custom Blend			-1.73	-1.73	1.45	1.85	15.73	8.30		5/1/2011	

END NOTES

1/31/14

- | | | | |
|---|--------------|-------------------|---|
| 1 | RI7G10000000 | Total OPEB | YTD - Calendar Year to Dat
Month - Current Mont
Cumulative Months - Prior Month and Second Prior Mont |
| 2 | RI7GX0903OPE | OPEB Custom Blend | 2012, 2011, 2010 - Calendar Yea
65% S&P 500 and 35% Barclays Aggregate |