

**STATE OF RHODE ISLAND  
INVESTMENT COMMISSION MEETING**

**DATA AT  
August 31, 2013**

**September 25, 2013  
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, September 25, 2013 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 July 24, 2013\*
  - Executive Session held July 24, 2013\*\*
- Defined Contribution Plan – Quarterly Update
- CollegeBound Fund Update \*
  - Investment Lineup Changes\*
- Private Equity Review
- Investment Policy Update
- Legal Counsel Report
- Chief Investment Officer Report
  - Portfolio Update
  - OPEB Update
  - 529 Consultant RFP Update
- Treasurer’s Report

\* 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 (7).

**POSTED ON FRIDAY, SEPTEMBER 20, 2013**

## Section II.

---

### Approval of Minutes



**State Investment Commission**  
**Monthly Meeting Minutes**  
**Wednesday, July 24, 2013**  
**9:00 a.m.**  
**Room 135, State House**

The Monthly Meeting of the State Investment Commission (SIC) was called to order at 9:03 a.m., Wednesday, July 24, 2013 in Room 135, State House.

**I. Roll Call of Members**

The following members were present: Mr. J. Michael Costello, Mr. Robert Giudici, Ms. Paula McNamara, Ms. Marcia Reback, Mr. Andrew Reilly and General Treasurer Gina Raimondo. Also in attendance: Mr. Timothy Walsh of TIAA-CREF; Mr. Christopher Flick of Vanguard Institutional Investor Group; Mr. Thomas Lynch and Mr. Mark Johnson, of Cliffwater, alternative investment consultant to the Commission; Ms. Esther Rombault and Mr. Kamil Salame of CVC Capital Partners; Mr. John Burns, Mr. Alan Emkin, Mr. David Glickman, Mr. Jeremy Thiessen, of Pension Consulting Alliance (PCA), General Consultant, Real Estate Consultant and 529 Consultant to the Commission; Mr. Greg Balewicz and Mr. Andrew Letts of State Street Global Advisors (SSGA); Ms. Sally Dowling, of Adler Pollock, legal counsel; Mr. Norm Geller and Ms. Denise Olsen of GEM Realty Capital, Inc.; Mr. Mark Sullivan of Bank New York Mellon, custodian bank to the Commission; Mr. Charlie Kelley and Ms. Gail Mance-Rios of Rhode Island Higher Education Assistance Authority (RIHEAA); Ms. Anne-Marie Fink, chief investment officer and members of the Treasurer's staff; Members of the House and Senate fiscal staff and various local reporters. Mr. Thomas Fay, Mr. Thomas Mullaney and Mr. Frank Karpinski were absent.

Treasurer Raimondo called the meeting to order at 9:03 a.m.

**II. Approval of Minutes**

On a motion by Mr. Costello and seconded by Ms. McNamara, it was unanimously **VOTED: To approve the draft of the minutes of the June 26, 2013 meeting of the State Investment Commission.**

**II. Defined Contribution Plan –Vanguard Vehicle Change**

Ms. Fink said since the target date funds with TIAA-CREF have reached \$100,000,000, the plan is eligible to go into a different vehicle. Currently the plan is in mutual funds vehicle. The plan can be changed to a Collective Investment Trust (CIT). She said a main advantage is that the cost would be lowered from approximately .18% to .11%. She said the CIT has the same investment approach as the target date mutual funds, however is a different structure.

Mr. Walsh added that the CIT is basically a clone product of the current vehicle and the benefit is cost. He said that there is a communication program to help participants understand the changes.

Ms. Fink explained that due to CIT being a trust, there are no prospectuses and the reporting is slightly different than a mutual fund and explained the governing entities of each. She reminded the

board of the state administrative fee participants will see in their September statements which were previously paid by the state during the transition year.

On a motion by Ms. Reback and seconded by Ms. McNamara, it was unanimously **VOTED: to approve the change for the Defined Contribution target date funds from Mutual Funds into a Collective Investment Trust.**

### **III. Private Equity Recommendation**

Mr. Lynch introduced CVC Capital Partners.

Mr. Salame introduced CVC Capital Partner's Fund VI. He reviewed the firm's business model, management structure.

Ms. Fink asked where they see opportunities in Fund VI and Mr. Salame answered disproportionately in Europe. He explained there was paralysis for a couple years and there is a bit more stability now.

Ms. Rombault added they also see opportunity in partnering with governments to help them improve business.

Ms. Rombault discussed performance and expected marks for the investment in the fund.

Mr. Salame added that CVC has built a franchise for long-term value creation all around.

CVC left the room.

Mr. Lynch said that this is one of the most experienced and one of the largest private equity firms in Europe. He added that all their prior funds are top quartile performers.

Mr. Lynch said PCA recommends a commitment of up to \$25,000,000.

On a motion by Mr. Reilly and seconded by Mr. Costello, it was unanimously **VOTED: to invest in CVC Capital Partner's Fund VI for up to \$25,000,000.**

### **IV. CollegeBound Fund Review**

Mr. Thiessen said, at the request of the Treasurer's Office and RIHEAA, he reviewed the current structure of the program and what is offered. He said the plan currently offers a full suite of age-based options and a suite of individual funds. He noted that in the current structure there are no individual fund options geared toward a rising inflation environment. He recommended offering short-date Treasury Inflation-Protected Securities.

Mr. Thiessen also said he looked at target-date allocations and concluded it is well positioned going forward in relation to others in the industry. He said a key point is that the target-date funds, compared to others in the industry, have gradual step down of equities into more conservative asset classes, making them less subject to timing risk.

Mr. Thiessen said PCA's monitoring models found persistent underperformance issues in many underlying funds, with the exception of fixed income. He added that the whole international equity lineup has consistently underperformed. He recommended identifying the key funds in the portfolio which have performed below benchmark significantly and recommends that AllianceBernstein suggest alternatives.

Mr. Thiessen also recommended including conservative, moderate and aggressive glide paths built with passively managed index funds.

Ms. Fink gave an update on ongoing discussions with AllianceBernstein and said Treasury staff, RIHEAA and PCA will work with AllianceBernstein in the coming months to continue work on improving the CollegeBound Fund.

## **V. 2013 Proxy Season Review- Issues and Outcomes**

Ms. Fink introduced Mr. Balewicz from SSgA as part of an informational series to support the corporate governance policy. She reminded the board of Ann Yerger's presentation about the Council of Institutional Investors (CII).

Ms. Fink said SSgA manages the vast majority of ERSRI's equities, about \$3.5B. Therefore, she pointed out, that is where the vast majority of our vote assets are.

Mr. Balewicz, senior relationship manager, introduced Mr. Letts, head of corporate governance at SSgA and chair of the proxy advisory committee and co-chair of their ESG Committee. Mr. Letts also serves on the advisory council of CII. Mr. Letts leads a team which votes on over 14,000 meetings a year over 63 markets globally and leads the engagement efforts with senior management and boards of companies.

Mr. Letts provided an overview of ESG investments using section two of the presentation.

He then took the board through SSgA's governance structure outlined in section three and explained his staff's background in the field. He explained their relationship with Institutional Shareholder Services (ISS) and the services they provide for SSgA.

Treasurer Raimondo asked how we can influence SSgA's policy and Mr. Letts explained the process and ways ERSRI could leverage their influence.

Mr. Costello asked if they could split votes and Mr. Letts said no, not in a pooled product.

Mr. Letts then reviewed their voting record and said they vote against management about 8% of the time over the past three years. He explained most of their activity is in antitakeover related issues and protecting shareholder rights. He touched on other issues they monitor including, director elections, say-on-pay and emerging markets accounting standards. He then gave a case study regarding Hess.

Mr. Emkin asked what percentage of the market SSgA is and Mr. Letts said they hold about 3% of the Russell 3000, the 4<sup>th</sup> largest shareholder. He explained further that they are the 2<sup>nd</sup> largest shareholder in the S&P 500 and the largest or 2<sup>nd</sup> largest in the Dow. He said this usually provides them with a lot of influence.

Mr. Emkin pointed out years ago big funds used to vote more in line with management where the trend is moving away from that because of pressure from funds like ERSRI.

## **VI. Legal Counsel Report**

There was no legal counsel report.

## **VII. CIO Report**

Ms. Fink updated the board on the discussion with Brown Brothers Harriman on the recent challenges of Global Inflation-Linked Bonds (GILBs) as an asset class. She said an option was to add a hedge, but that it looked expensive. She said another option is to change the benchmark from the Barclays Global Inflation-Linked Bond Index to the Barclays Intermediate Inflation-Linked Bond Index. She said such change would encourage Brown Brothers Harriman to lower the duration and the interest rate sensitivity in the portfolio. She said she believes this is a good idea to lower overall inflation sensitivity while preserving inflation protection.

Ms. Fink reviewed the portfolio's performance for the last month and reviewed each asset class. She said the portfolio is up 11.1% fiscal year to date compared to 11.3% for the total plan benchmark and compared to the 9.6% return for a 60% equity/40% bonds portfolio. She said the outperformance vs. 60/40 means asset allocation has paid off and risk is also lower.

She noted that since the hedge funds were added 20 months ago, return is higher and risk is lower compared to the 60/40 plan. She said ERSRI's risk is 6% versus 7.2% of the 60/40 approach.

## VIII. Treasurer Report

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

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

**VOTED: to cancel the meeting scheduled for August 28, 2013.**

## IX. Real Estate Updates

Ms. Fink introduced GEM Realty Capital, Inc. She said GEM is the first value-add real estate asset allocation since before the global financial crisis.

Mr. Glickman said the fund is in line with the implementation of a change in real estate strategy. He said PCA recommends GEM's Fund V for the non-core portion of the real estate portfolio.

Ms. Olsen gave a brief introduction to the fund.

Mr. Geller further described the firm and the investment strategy. He said they focus on risk and trying to produce superior risk-adjusted returns. He believes GEM's platform to invest in private real estate and publicly traded real estate is what gives them an edge.

Mr. Geller gave an overview of Fund V. He said the fund's target is to produce an 18% net return for investors with moderate leverage and a focus on principal preservation.

Mr. Geller reviewed the primary strategies. He said he believes the greatest opportunities are in value-add investing. He said the fund will be opportunistic within real estate, even buying lower-risk debt instruments when they can generate equity-like returns.

Ms. Olsen went over their investment track record and portfolio construction over the prior four funds. She reviewed returns to date for the past four funds of realized and unrealized investments. She added that the fund has a very active pipeline for acquisition opportunities.

Ms. Olsen talked about the alignment of interests between GEM and its investors. She said GEM invests its own money alongside its LP's and went on to explain the fee structure. She pointed out the investor receives all the invested capital back plus an annualized 9% cumulative preferred return before GEM participates in any profit. She explained there is a management fee of 1.50% on 90% of committed capital during the investment period and 1.50% on invested capital throughout the life of the fund. She said for investors with a \$50M or greater investment there is 0.25% fee break during both periods.

Mr. Giudici asked questions regarding valuations, the fund structure and the duration of holdings.

Treasurer Raimondo asked about the 9% hurdle rate in previous funds.

Gem answered board members questions and left the room.

Mr. Glickman said the size of the firm and the size of the fund suggest that they are focused on incentive fees rather than management fees. He also said because GEM will make its profits from selling properties after adding value, it means they will not sit on the assets longer than necessary.

Mr. Glickman also reviewed the risks of the fund. He said because GEM relies on their network of relationships to find deals, many of the deals are joint ventures with others. He said this potentially adds a level of complexity and difficulty. He added that GEM has the ability to have high leverage,



although historically they have not maxed out on it. He said that non-core funds, like GEM, don't use third party appraisers; however, the important mark is the ultimate sales proceeds.

Mr. Glickman said PCA recommends a \$50,000,000 commitment. He pointed out this will provide ERSRI with the 0.25% fee break. He also mentioned that PCA is in discussion with GEM to give ERSRI the opportunity to observe or possibly gain a seat on the advisory board. He suggested the board not base their decision too much on this term, as the firm is very accessible.

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

**VOTED: to approve an investment of \$50,000,000 in GEM Realty Capital, Inc. Fund VI as advised by PCA at stated terms.**

For the next item, Ms. Fink stated since the next recommendation pertains to a former employer of hers, even though it was a separate division, she is recusing herself from the process to avoid even the appearance of any conflict of interest.

Ms. Renee Astphan, Treasury analyst introduced the next item saying the intent is to transition from an overweight in non-core real estate to core real estate. She said JP Morgan Strategic Property Fund is the largest of the core funds. She said that ERSRI currently has an investment which was committed to in 2006.

Mr. Glickman said PCA recommends considering committing up to an additional \$25,000,000 to the JP Morgan Strategic Property Fund. He said PCA considers this fund one of the two best performing, large, open-end core real estate funds. He noted they have withdrawal procedures in place and said they reinvest the income generated from the fund.

Mr. Glickman said the fund invests in large, fully leased properties with no development or speculative risk. He said the fund has a moderate amount of leverage at around 25%.

Mr. Glickman added this additional investment is consistent with the strategy implemented last year to try to, whenever possible, reduce the number of relationships and to gradually expand core holdings so that they are the significant driver of real estate returns.

On a motion by Mr. Reilly and seconded by Mr. Costello, it was unanimously

**VOTED: to approve the recommendation by PCA to make an additional investment of \$25,000,000 in JP Morgan Strategic Property Fund.**

A motion was then made by Mr. Costello and seconded by Mr. Guidici 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 executive session and the following members were present and voted Yea: Mr. J. Michael Costello, Mr. Robert Guidici, Ms. Paula McNamara, Ms. Marcia Reback, Mr. Andrew Riley, and General Treasurer Gina Raimondo.

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. Costello and seconded by Ms. Reback to seal the minutes of the executive session of July 24, 2013, pursuant to Rhode Island General Laws §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, and the following members were present and voted Yea: Mr. J. Michael Costello, Mr. Robert Guidici, Ms. Paula McNamara, Ms. Marcia Reback, Mr. Andrew Riley, and General Treasurer Gina Raimondo.

It was then unanimously

**VOTED: To seal the minutes of the executive session of July 24, 2013, 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.**

On a motion made by Mr. Costello and seconded by Ms. Reback, to exit executive session pursuant to Rhode Island General Law §42-46-5 (a) (7). A roll call vote was taken and it was unanimously

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

It was reported to the public the only vote taken during executive session was an unanimous roll call vote to seal the minutes pursuant to Rhode Island General Law §42-46-5 (a) (7).

There being no other business to come before the Board, on a motion by Ms. McNamara and seconded by Mr. Reilly, the meeting adjourned at 11:54 a.m.

Respectfully submitted,

**Gina M. Raimondo**  
General Treasurer

## Section III.

---

### Staff Summary

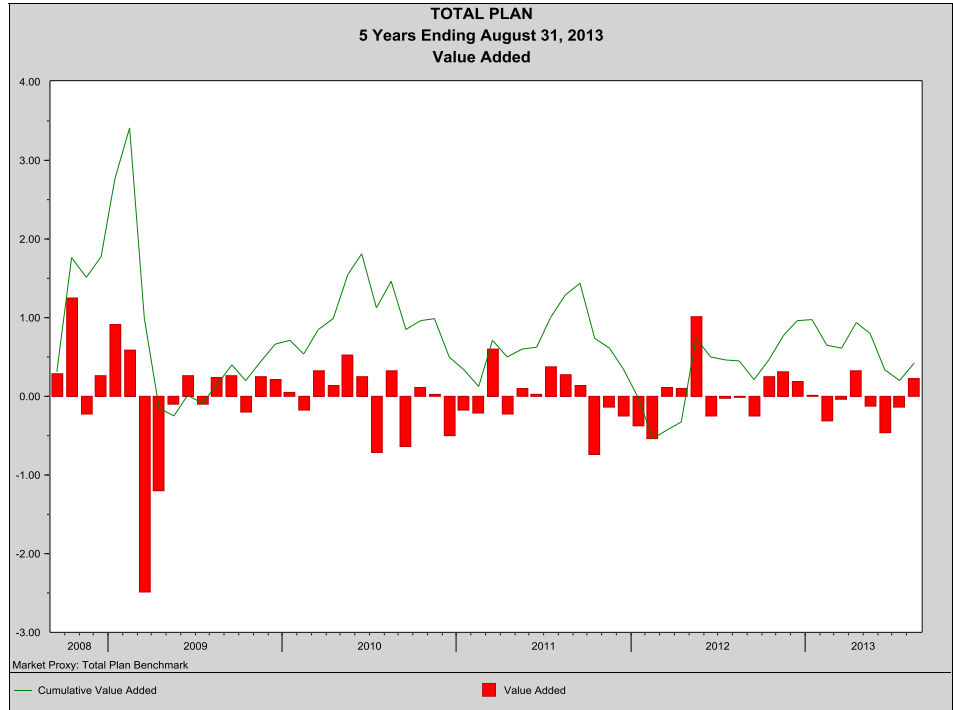
# Portfolio Highlights

## PORTFOLIO PERFORMANCE

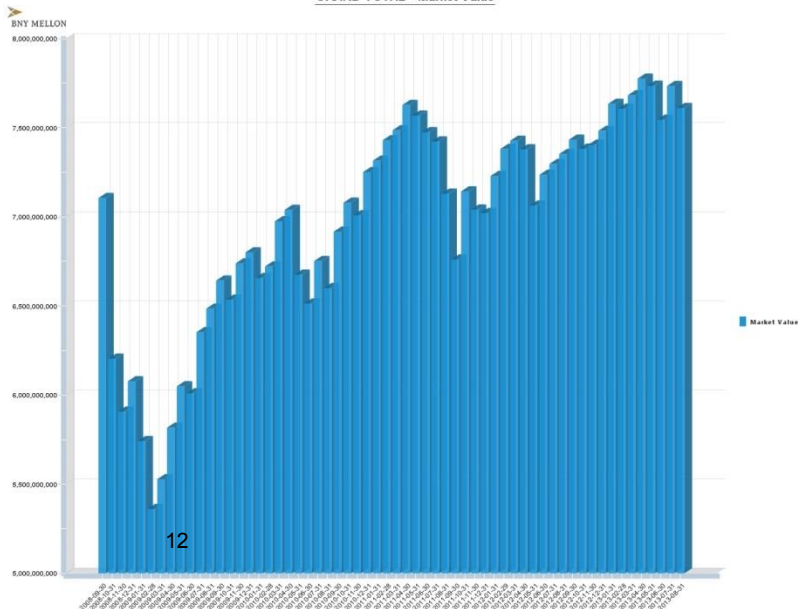
**August:** The ERSRI portfolio posted a 0.99% loss for August, against the policy index of -1.22% and the 60/40 Blend of -1.45%. Total Equity returned -1.29, as US Public Equity lost 2.79% and International Equity -1.37% while Equity Hedge Funds only lost 0.41%. US Traditional Fixed Income returned -0.51%, comparable to its benchmark. Real Return Hedge Funds lost 0.58% against its benchmark -0.79%, while GILBs lost 1.21%. The Credit strategy returned -0.09%, versus its benchmark 0.16%.

**Fiscal Year to Date:** For the Fiscal Year to Date, the fund has gained 1.70%, versus the policy index of 1.60% and the 60/40 Blend 1.43%.

**Market Values:** The total portfolio value decreased by \$123.5 million to \$7.61 billion. The August decrease represents \$76.2 million of negative market impact, and \$47.3 million of transfers out.

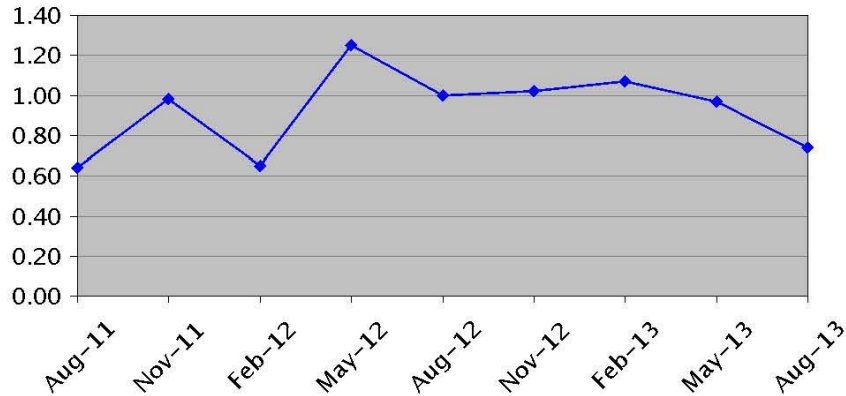


GRAND TOTAL - Market Value

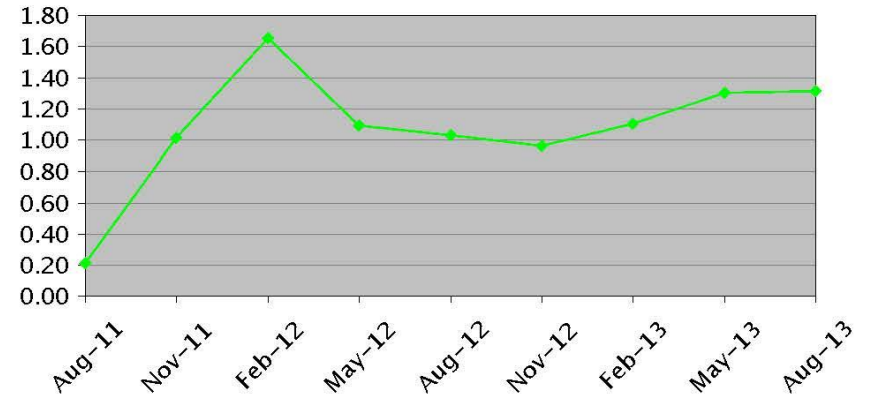


Account Name Benchmark Name	Market Value (M)	Month	Fiscal YTD
<b>US Public Equity</b>	<b>1,889.76</b>	<b>-2.79</b>	<b>2.52</b>
<b>Non-US Public Equity</b>	<b>1,787.41</b>	<b>-1.37</b>	<b>2.91</b>
<b>Equity Hedge Funds</b>	<b>594.21</b>	<b>-0.41</b>	<b>1.37</b>
Private Equity	576.33	3.23	3.85
<b>Traditional Fixed Income</b>	<b>1,067.90</b>	<b>-0.51</b>	<b>-0.35</b>
Real Estate	264.44	-0.41	1.08
<b>Real Return Hedge Funds</b>	<b>493.87</b>	<b>-0.58</b>	<b>-0.56</b>
<b>Credit Aggregate</b>	<b>402.73</b>	<b>-0.09</b>	<b>1.15</b>
<b>Inflation-Linked Bonds</b>	<b>260.59</b>	<b>-1.21</b>	<b>-0.58</b>
<b>Total Cash</b>	<b>229.27</b>	<b>0.01</b>	<b>0.02</b>
<b>TOTAL PLAN</b>	<b>7,610.36</b>	<b>-0.99</b>	<b>1.70</b>

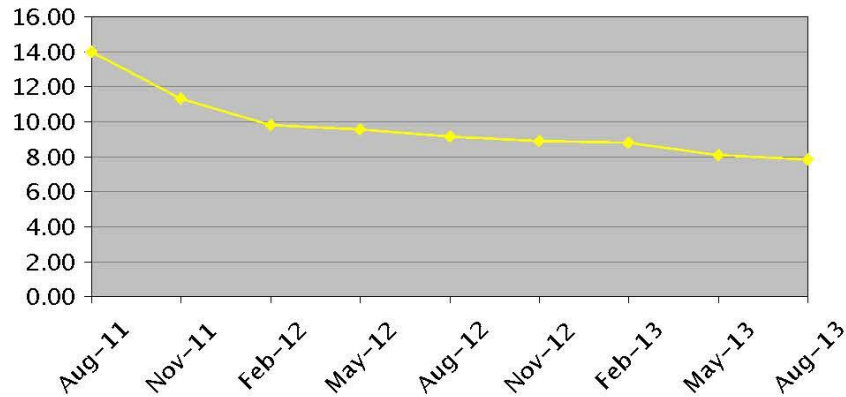
**Annualized Alpha**



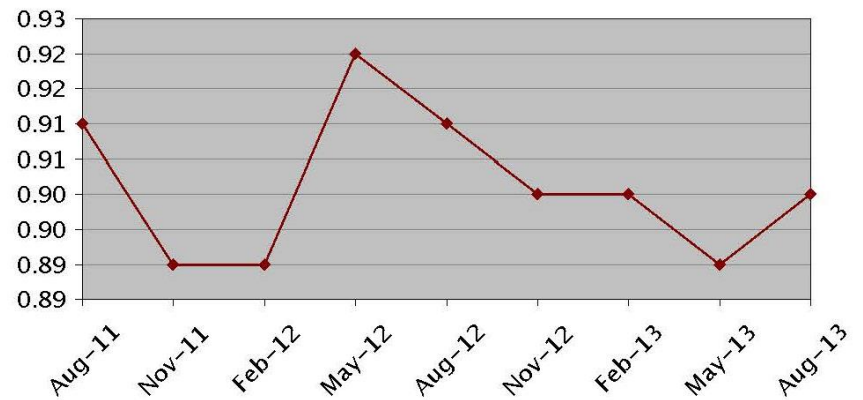
**Annualized Sharpe Ratio**



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

September 20, 2013

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 August 31, 2013.

**Employees' Retirement System of Rhode Island  
Composite Reporting Investment Valuation  
August 31, 2013**

Asset Class		Base Market Value
<b>Grand Total</b>		<b>7,610,364,897</b>
CASH EQUIVALENT*		348,650,436
EQUITY HEDGE FUNDS**		594,205,783
GLOBAL PUBLIC EQUITY		3,677,166,243
CREDIT		402,092,388
INFLATION-LINKED BDS		237,217,366
PRIVATE EQUITY**		559,349,496
REAL ESTATE**		247,936,469
REAL RET HEDGE FUNDS**		493,870,795
US TRADITIONAL FIXED		1,049,875,921
Plan Allocations	%	Base Market Value
<b>Grand Total</b>	<b>100%</b>	<b>7,610,364,897</b>
STATE EMP RET PLAN	81.56%	6,207,369,100
MUNI EMP RET PLAN	16.57%	1,261,300,770
STATE POLICE RET PL	1.23%	93,820,138
JUDICIAL RET PLAN	0.63%	47,874,889

\* 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.

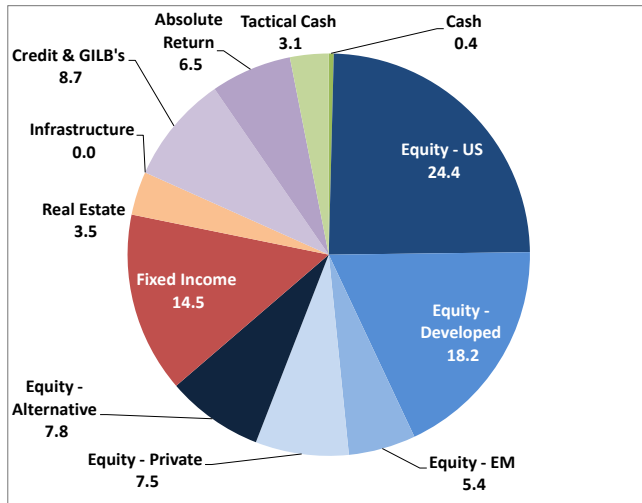
---

### Asset Allocation

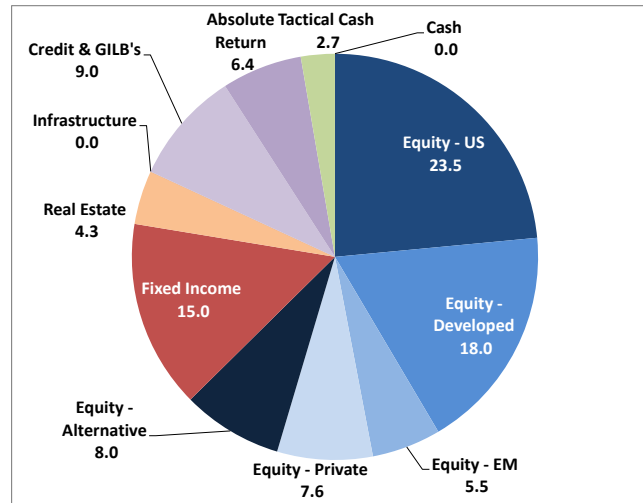
**ERSRI Portfolio**

%%% - as of August 31, 2013

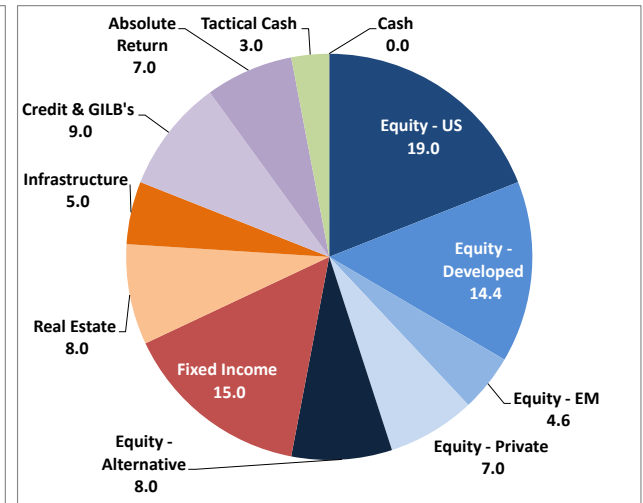
**Actual Allocation**



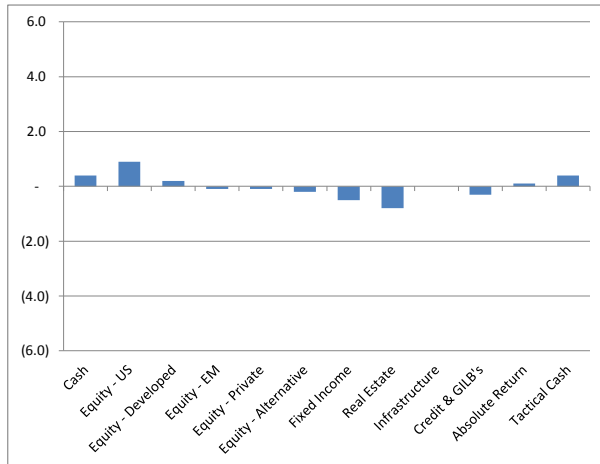
**Tactical Allocation**



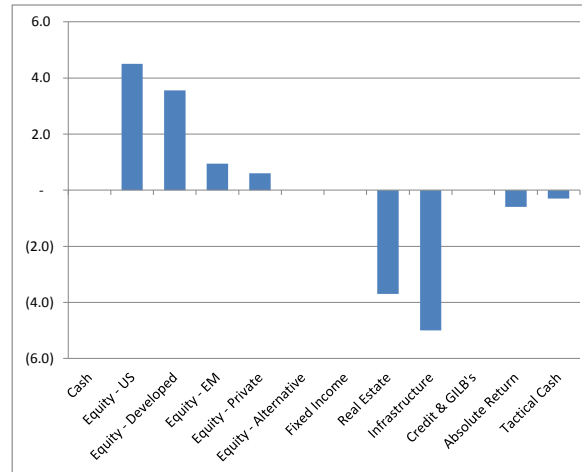
**Policy Allocation**



**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).

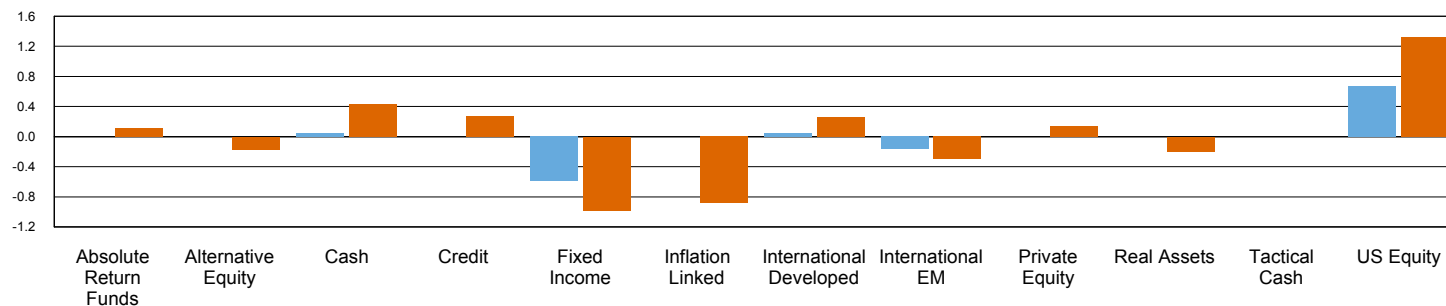
Currently tactical allocations are (4) percentage points (pps) below policy on real estate and (5) pps on infrastructure & MLP's, due to timing required to deploy funds. An additional +9 pps in equity offers interim exposure to economic growth and protection from interest rate volatility, capturing similar 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>	
<b>Total Market Value</b>	<b>7,619.3</b>	<b>100.0%</b>	<b>0.0</b>	<b>0.0%</b>	<b>7,619.3</b>	<b>100.0%</b>	<b>7,619.4</b>	<b>100.0%</b>	<b>7,619.4</b>	<b>100.0%</b>
<b>Cash</b>	<b>33.1</b>	<b>0.4%</b>	<b>-26.7</b>	<b>-0.4%</b>	<b>6.4</b>	<b>0.1%</b>	<b>3.3</b>	<b>0.0%</b>	<b>0.0</b>	<b>0.00%</b>
Cash	33.1	0.4%	-26.7	-0.4%	6.4	0.1%	3.3	0.0%	0.0	0.00%
<b>Equity</b>	<b>4,849.2</b>	<b>63.6%</b>	<b>-13.0</b>	<b>-0.2%</b>	<b>4,836.2</b>	<b>63.5%</b>	<b>4,794.4</b>	<b>62.9%</b>	<b>4,754.5</b>	<b>62.40%</b>
International Developed	1,390.9	18.3%	0.0	0.0%	1,390.9	18.3%	1,387.8	18.2%	1,371.5	18.00%
International EM	396.5	5.2%	15.3	0.2%	411.8	5.4%	424.0	5.6%	419.1	5.50%
US Equity	1,890.9	24.8%	-28.3	-0.4%	1,862.6	24.4%	1,811.8	23.8%	1,790.5	23.50%
Private Equity	574.2	7.5%	0.0	0.0%	574.2	7.5%	574.2	7.5%	563.8	7.40%
Alternative Equity	596.6	7.8%	0.0	0.0%	596.6	7.8%	596.6	7.8%	609.5	8.00%
<b>Fixed</b>	<b>1,067.9</b>	<b>14.0%</b>	<b>39.8</b>	<b>0.5%</b>	<b>1,107.6</b>	<b>14.5%</b>	<b>1,152.5</b>	<b>15.1%</b>	<b>1,142.9</b>	<b>15.00%</b>
Fixed Income	1,067.9	14.0%	39.8	0.5%	1,107.6	14.5%	1,152.5	15.1%	1,142.9	15.00%
<b>Other</b>	<b>1,669.1</b>	<b>21.9%</b>	<b>0.0</b>	<b>0.0%</b>	<b>1,669.1</b>	<b>21.9%</b>	<b>1,669.1</b>	<b>21.9%</b>	<b>1,722.0</b>	<b>22.60%</b>
Real Assets	274.4	3.6%	0.0	0.0%	274.4	3.6%	274.4	3.6%	289.5	3.80%
Absolute Return Funds	496.8	6.5%	0.0	0.0%	496.8	6.5%	496.8	6.5%	487.6	6.40%
Credit	401.2	5.3%	0.0	0.0%	401.2	5.3%	401.2	5.3%	381.0	5.00%
Inflation Linked	260.6	3.4%	0.0	0.0%	260.6	3.4%	260.6	3.4%	327.6	4.30%
Tactical Cash	236.2	3.1%	0.0	0.0%	236.2	3.1%	236.2	3.1%	236.2	3.10%

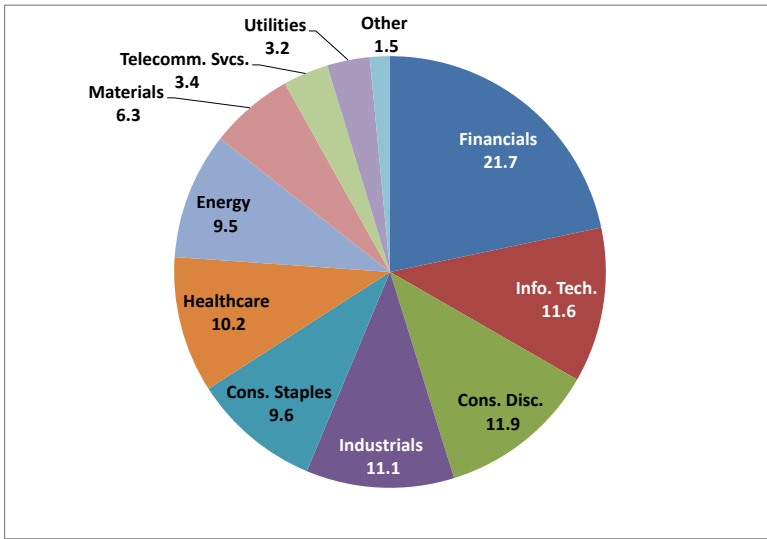
## Deviations from Target Allocation



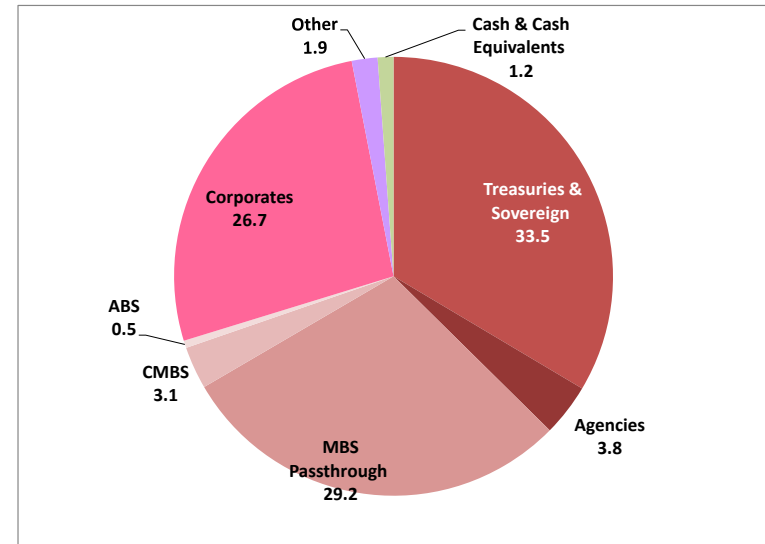
# ERSRI Asset Allocation Public-Asset Portfolios

%% - as of August 31, 2013

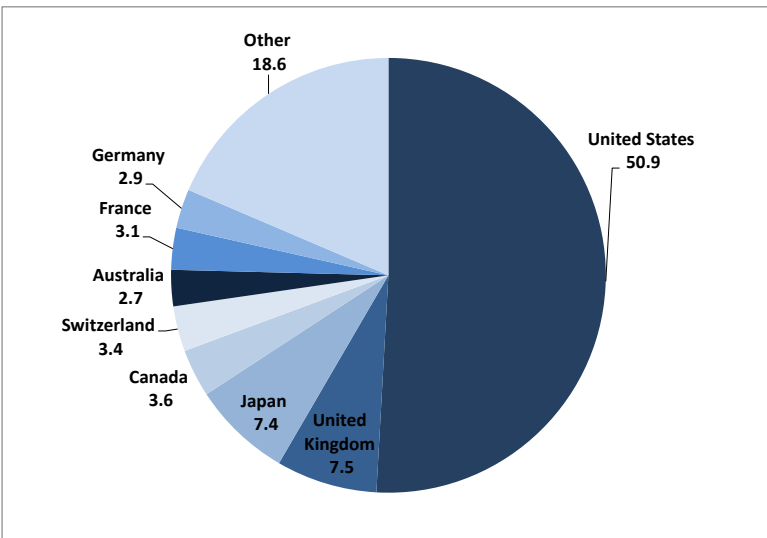
### Global Public Equity - by Industry Sector



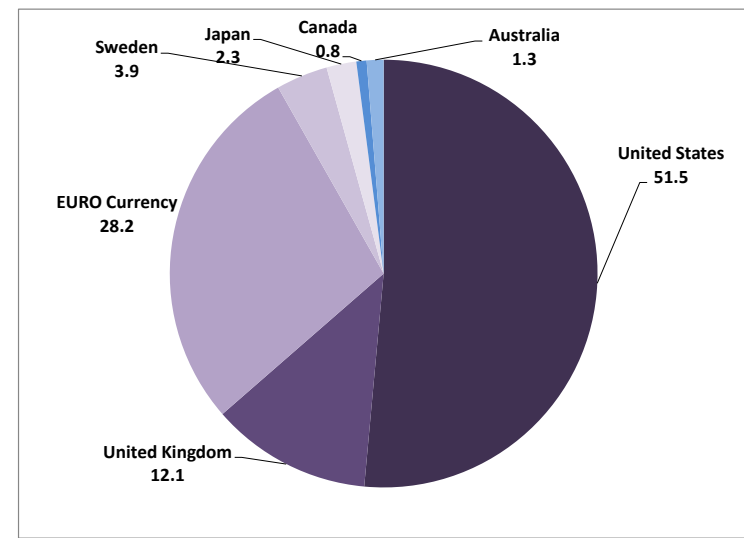
### Core Fixed Income - by Type



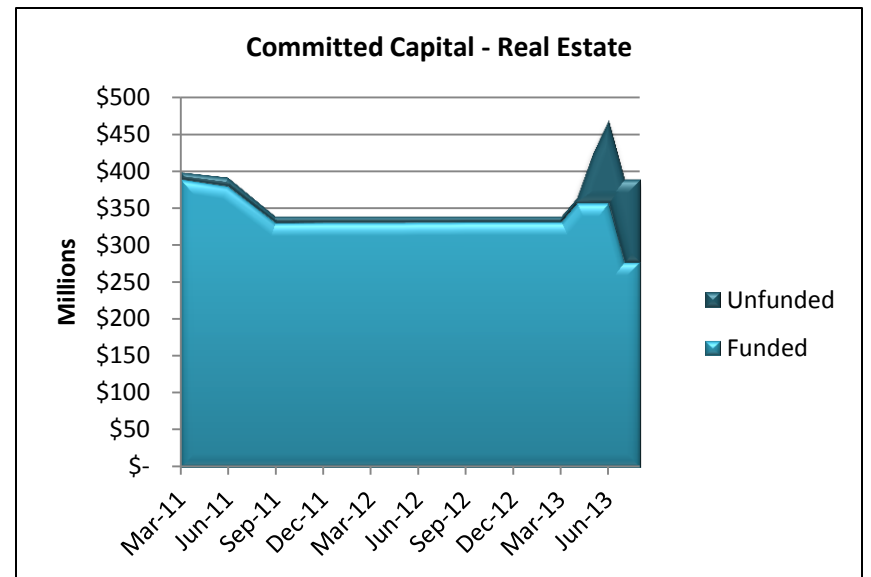
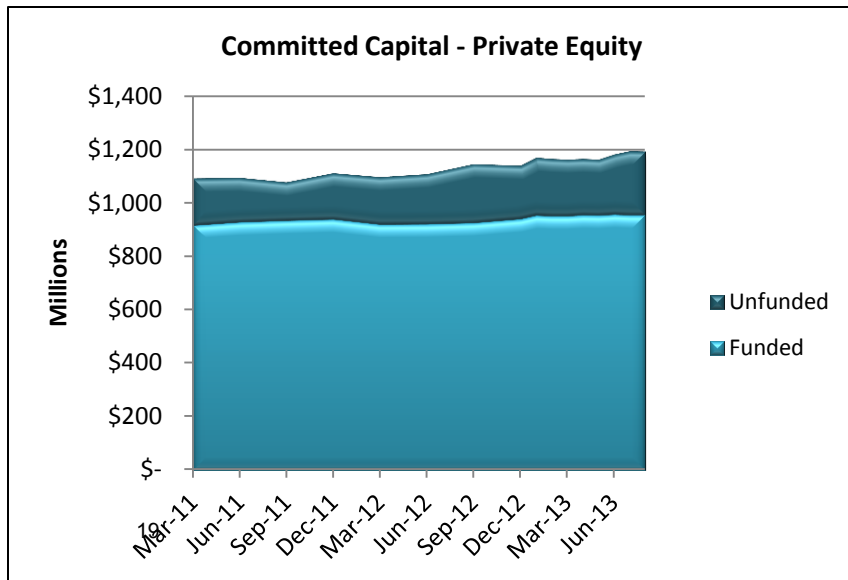
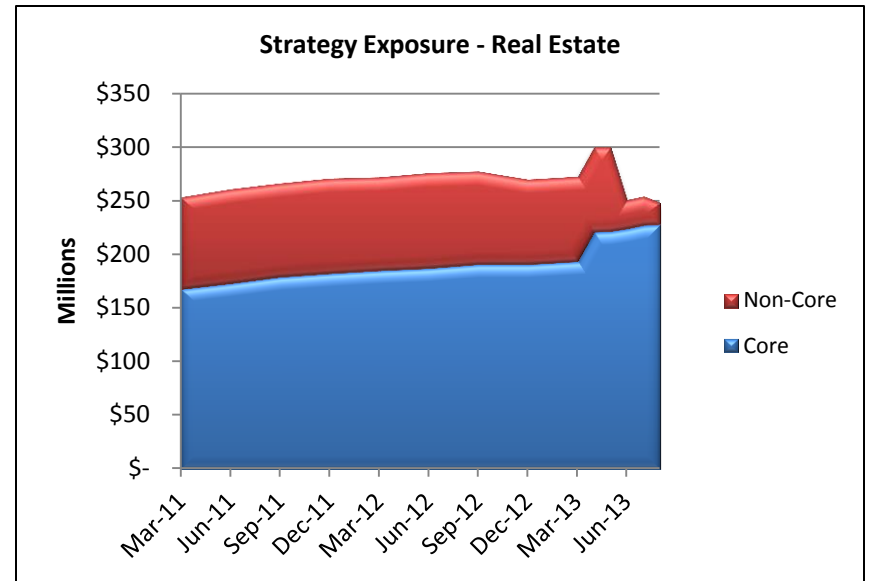
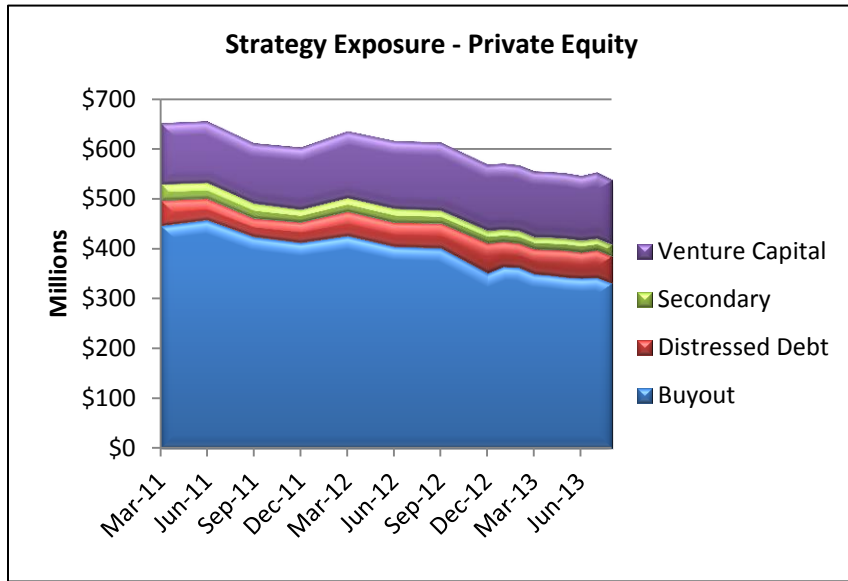
### Global Public Equity - by Geography



### Global Inflation-Linked Bonds - by Geography



# Strategy Exposure & Committed Capital – Private Equity & Real Estate



**State of Rhode Island Private Equity Unfunded Commitment August 2013**

<b>Partnership Investment</b>	<b>Total Commitment</b>	<b>Unfunded</b>
Advent Global Private Equity Fund VII	\$ 20,000,000.00	\$ 15,700,000.00
Alta BioPharma Partners III	\$ 15,000,000.00	\$ 750,000.00
Alta Partners VIII	\$ 15,000,000.00	\$ 2,250,000.00
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	\$ 1,375,000.00
Birch Hill Equity Partners III*	\$ 17,087,526.00	\$ 742,138.06
Braemar Energy Ventures III	\$ 10,000,000.00	\$ 7,139,025.00
Castile III	\$ 5,000,000.00	\$ 475,000.00
Centerbridge	\$ 15,000,000.00	\$ 1,090,623.00
Centerbridge Special Credit Partners II	\$ 25,000,000.00	\$ 11,875,000.00
Charterhouse Capital Partners VIII*	\$ 19,843,890.00	\$ 2,542,360.21
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	\$ 420,866.26
CVC European Equity Partners III	\$ 20,000,000.00	\$ 899,966.00
CVC European Equity Partners IV*	\$ 21,828,279.00	\$ 2,574,368.37
CVC V	\$ 26,458,520.00	\$ 6,531,089.56
EnCap Energy Fund IX	\$ 18,000,000.00	\$ 16,612,880.39
Fenway Partners Capital Fund II	\$ 15,000,000.00	\$ 232,336.00
Fenway III	\$ 15,000,000.00	\$ 1,367,435.00
First Reserve Fund X	\$ 20,000,000.00	\$ 1.00
First Reserve Fund XI	\$ 20,000,000.00	\$ 89,456.00
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	\$ 1,731,092.72
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	\$ 699,953.52
Matlin Patterson Glb. Opp. Fund (CSFB)	\$ 15,000,000.00	\$ -
MHR Institutional Partners III	\$ 20,000,000.00	\$ 8,374,396.00
Nautic Partners V	\$ 20,000,000.00	\$ 650,047.33
Nautic Partners VI	\$ 20,000,000.00	\$ 1,700,147.06
Nautic Partners VII	\$ 20,000,000.00	\$ 20,000,000.00
Nordic Capital Fund V*	\$ 19,335,291.10	\$ -
Nordic Capital Fund VI*	\$ 19,843,890.00	\$ -
Nordic VII	\$ 19,843,890.00	\$ 5,281,465.08
Nordic VIII	\$ 19,843,890.00	\$ 17,662,972.33

Oaktree Capital Management Fund III	\$	20,000,000.00	\$	12,000,000.00
Palladin III	\$	10,000,000.00	\$	3,606,438.00
Parthenon Investors II	\$	23,960,000.00	\$	1,873,822.00
Perseus VII	\$	15,000,000.00	\$	730,312.17
Point 406	\$	10,000,000.00	\$	1,520,000.00
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	\$	1,998,142.00
Providence Equity Partners V	\$	25,000,000.00	\$	2,155,122.00
Providence Equity Partners VI	\$	25,000,000.00	\$	2,578,053.00
Providence Equity Partners VII	\$	25,000,000.00	\$	23,605,828.00
Riverside VI	\$	20,000,000.00	\$	20,000,000.00
SKM Equity Fund II**	\$	10,000,000.00	\$	1,735,947.00
Summit Partners	\$	20,000,000.00	\$	7,100,000.00
Thomas McNerney & Partners	\$	15,000,000.00	\$	525,000.00
Thomas McNerney & Partners II	\$	15,000,000.00	\$	2,137,500.00
TPG Partners IV	\$	13,953,742.00	\$	60,439.00
TPG Partners V	\$	20,000,000.00	\$	2,365,717.00
TPG VI	\$	10,000,000.00	\$	2,512,847.00
Trilantic IV	\$	11,098,351.00	\$	1,353,710.59
VS&A Communication Partners III	\$	15,000,000.00	\$	-
W Capital Partners	\$	15,000,000.00	\$	880,500.00
W Capital Partners II	\$	15,000,000.00	\$	1,639,525.00
Wellspring Capital Partners III	\$	20,000,000.00	\$	299,485.00
Wellspring Capital Partners IV	\$	20,000,000.00	\$	2,282,921.00
WLR	\$	8,000,000.00	\$	1,099,498.00
<b>Total Alternative Investments</b>	\$	1,192,097,269.10	\$	236,433,242.72

**State of Rhode Island Real Estate Unfunded Commitment August 2013**

<b>Real Estate Partnership Investment</b>	<b>Total Commitment</b>	<b>Unfunded</b>
AEW	\$ 60,000,000.00	\$ -
Fillmore East Fund I	\$ 10,000,000.00	\$ -
GEM Realty V	\$ 50,000,000.00	\$ 50,000,000.00
Heitman	\$ 60,000,000.00	\$ 60,000,000.00
JPMorgan Strategic Property Fund	\$ 50,000,000.00	\$ -
JPMorgan Alternative Property Fund	\$ 20,000,000.00	\$ -
LaSalle Income & Growth Fund IV	\$ 15,000,000.00	\$ 397,937.57
Magna Hotel	\$ 4,000,000.00	\$ 801,401.00
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
Walton Street Real Estate Fund V	\$ 20,000,000.00	\$ -
<b>Total Alternative Investments</b>	<b>\$ 389,000,000.00</b>	<b>\$ 111,627,805.57</b>

## Section V.

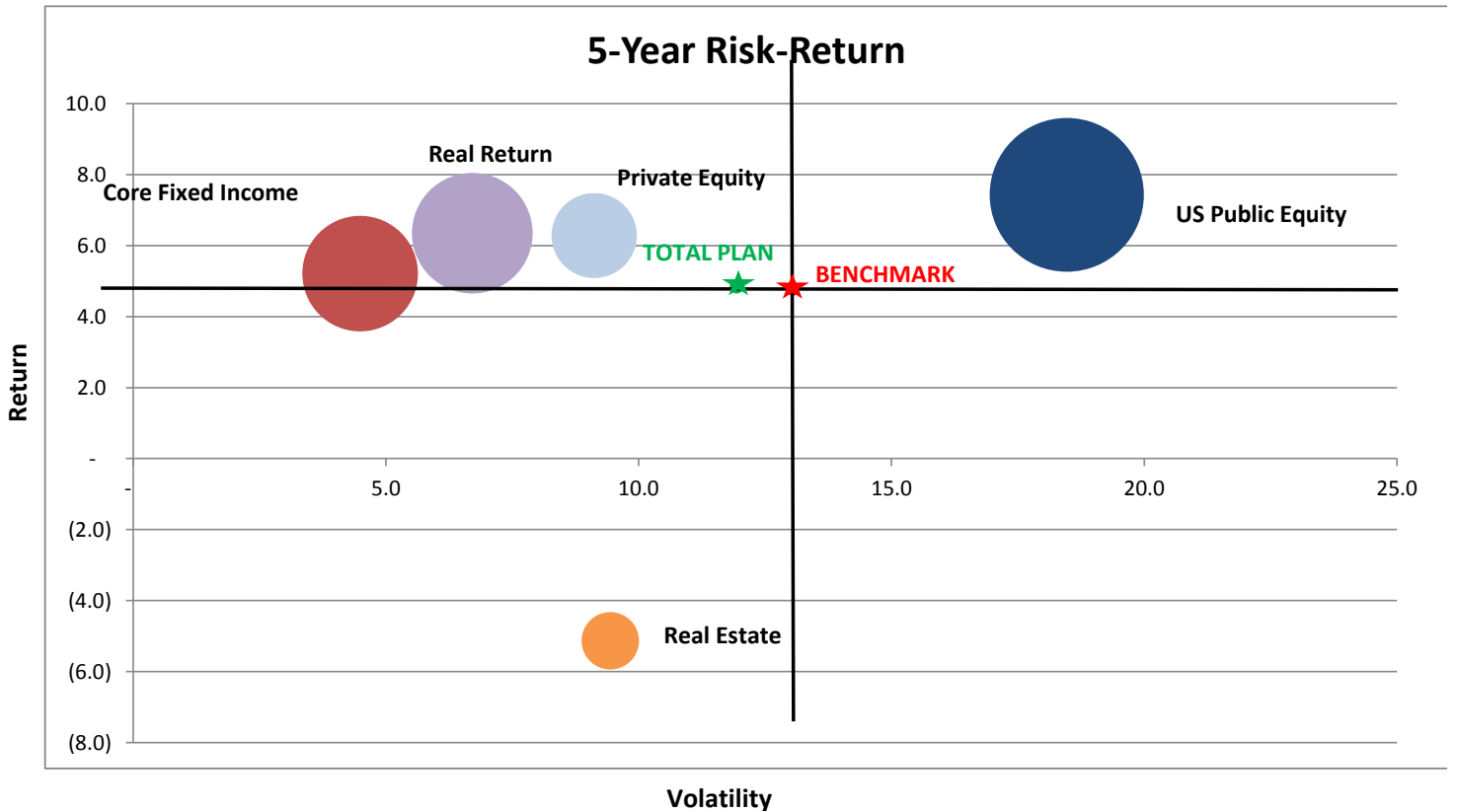
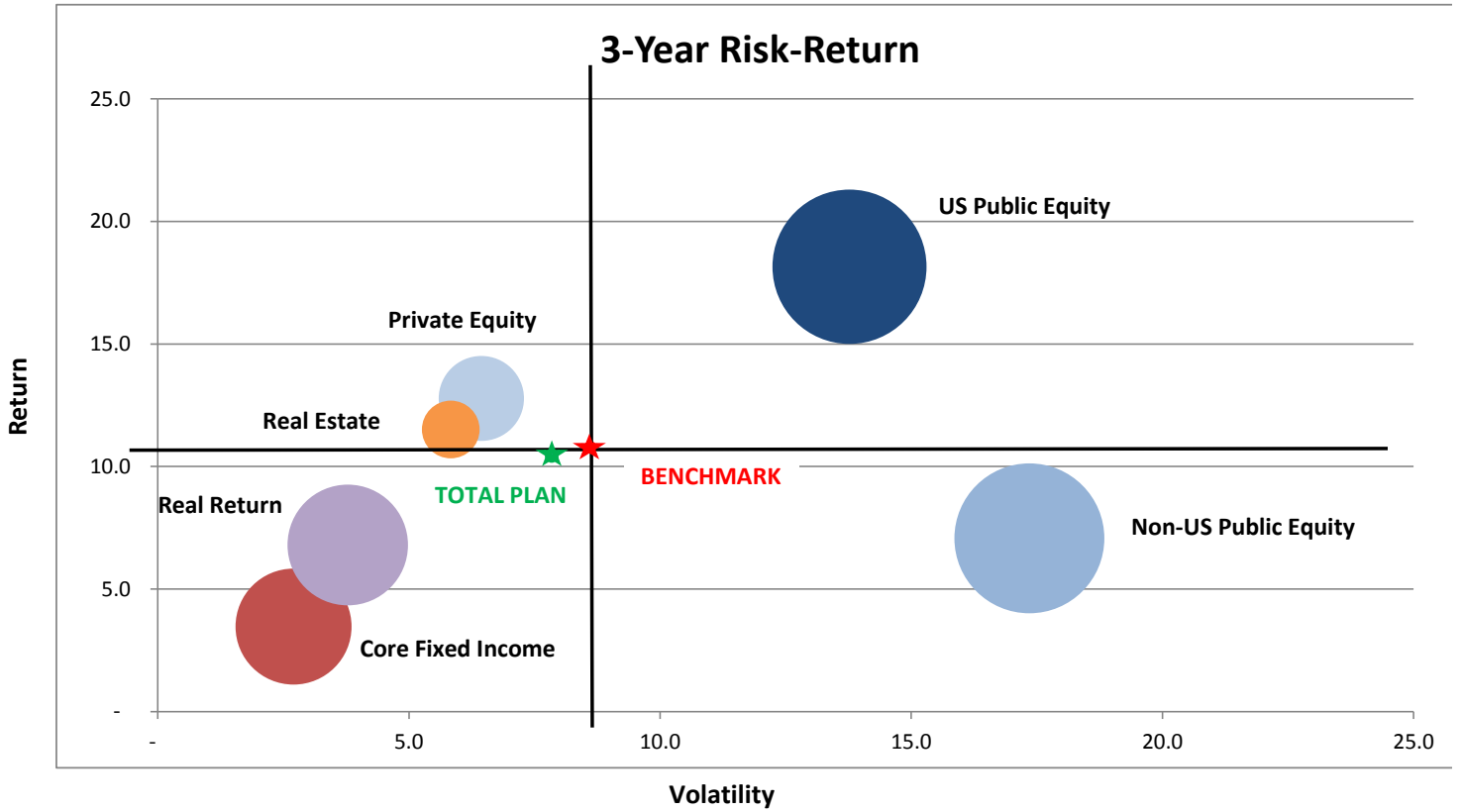
---

### Risk Overview

# ERSRI Portfolio

% - as of August 31, 2013

Bubble-Size Scaled based on Current Allocations





## 5 Years Ending August 31, 2013 Comparison

	<b>TOTAL PLAN</b>	<b>Total Plan Benchmark</b>
<b>Ann Return</b>	4.84	4.75
<b>Ann Ex Ret vs Mkt</b>	0.09	0.00
<b>Ann Tracking Error</b>	1.81	0.00
<b>Ann Std Dev</b>	11.94	13.05
<b>Beta</b>	0.91	1.00
<b>R-Squared</b>	0.99	1.00
<b>Ann Alpha</b>	0.42	0.00
<b>Ann Sharpe Ratio</b>	0.44	0.41

## Risk Exposures

### 3 Years Ending August 31, 2013

	Annualized Return	Ann Std Dev	Beta (ACWI)	Beta (BC AGG)	Beta (GSCI)	Beta (CPI)
US Public Equity	18.15	13.77	0.87	-1.51	0.57	0.69
Non-US Public Equity	7.07	17.35	1.13	-0.80	0.72	-0.25
Equity Hedge Funds						
Private Equity	12.78	6.44	0.02	-0.43	0.08	1.37
Traditional Fixed Income	3.47	2.70	0.04	0.83	0.01	-0.07
Real Estate	11.51	5.83	0.08	0.34	0.01	-0.15
Real Return Hedge Funds						
Inflation-Linked Bonds	5.58	5.32	0.03	1.58	0.00	-0.48
Cash	0.15	0.08	0.00	0.00	0.00	0.01
Russell Overlay Fd	-0.21	0.73	0.00	0.02	0.00	-0.10

**3 Years Ending August 31, 2013  
Correlation**

Ann Return

	US Pub EQ	Non-US Pub EQ	Eq HF	PE	FI	RE	RR HF	GILBS	Cash	Overlay	Total
<b>US Pub</b>	1.00										
<b>Non-US P</b>	0.90	1.00									
<b>Eq HF</b>	---	---	---								
<b>PE</b>	0.05	0.07	---	1.00							
<b>FI</b>	0.11	0.31	---	-0.20	1.00						
<b>RE</b>	0.14	0.25	---	0.14	0.21	1.00					
<b>RR HF</b>	---	---	---	---	---	---	---				
<b>GILBS</b>	-0.03	0.13	---	-0.08	0.76	0.31	---	1.00			
<b>Cash</b>	0.03	0.05	---	-0.08	0.07	0.23	---	-0.08	1.00		
<b>Overlay</b>	0.02	0.03	---	-0.07	0.05	-0.13	---	0.09	-0.04	1.00	
<b>Total</b>	0.96	0.97	---	0.10	0.28	0.24	---	0.14	0.04	0.02	1.00
<b>Tot BM</b>	0.97	0.97	---	0.06	0.26	0.21	---	0.08	0.05	0.02	0.99

**5 Years Ending August 31, 2013  
Correlation**

Ann Return

	US Pub Eq	Non-US Pub Eq	Eq HF	PE	FI	RE	RR HF	GILBS	Cash	Overlay	Total
<b>US Pub</b>	1.00										
<b>Non-US P</b>	---	---									
<b>Eq HF</b>	---	---	---								
<b>PE</b>	0.20	---	---	1.00							
<b>FI</b>	0.43	---	---	-0.03	1.00						
<b>RE</b>	-0.03	---	---	0.26	-0.23	1.00					
<b>RR HF</b>	---	---	---	---	---	---	---				
<b>GILBS</b>	---	---	---	---	---	---	---	---			
<b>Cash</b>	-0.45	---	---	-0.37	-0.32	-0.17	---	---	1.00		
<b>Overlay</b>	0.42	---	---	0.02	0.38	-0.18	---	---	-0.27	1.00	
<b>Total</b>	0.96	---	---	0.27	0.59	-0.01	---	---	-0.49	0.48	1.00
<b>Tot BM</b>	0.97	---	---	0.20	0.58	-0.03	---	---	-0.47	0.49	0.99

## Section VI.

---

# Performance Overview

TOTAL NET OF FEES

8/31/2013

Account Name Benchmark Name	Market Value	% of Total	Month	Fiscal YTD	Annualized				ITD	Inception Date
					1 Year	3 Years	5 Years	10 Years		
SSGA R3000 INDEX <i>Russell 3000 Index</i>	1,889,756,084	25	-2.79 -2.79	2.52 2.54					17.21 17.24	10/1/2012 10/1/2012
<b>US Public Equity</b> <i>Russell 3000 Index</i>	<b>1,889,756,159</b>	<b>25</b>	<b>-2.79</b> -2.79	<b>2.52</b> 2.54	<b>19.89</b> 20.32	<b>18.15</b> 18.87	<b>7.43</b> 7.63		<b>4.57</b> 4.60	<b>8/1/2007</b> 8/1/2007
SSGA MSCI EAFE <i>MSCI EAFE Net Dividend Index</i>	1,260,032,000	17	-1.31 -1.32	3.90 3.88	19.00 18.66				19.00 18.66	9/1/2012 9/1/2012
SSGA MSCI CANADA <i>MSCI Canada Net Dividend Index</i>	130,850,538	2	-0.90 -0.95	4.84 4.73	2.73 2.02				2.73 2.02	9/1/2012 9/1/2012
SSGA MSCI EM <i>MSCI Emerging Markets Net Dividend Index</i>	396,527,620	5	-1.73 -1.72	-0.68 -0.69	0.29 0.54				0.29 0.54	9/1/2012 9/1/2012
<b>Non-US Public Equity</b> <i>Total International Equity BM</i>	<b>1,787,413,535</b>	<b>23</b>	<b>-1.37</b> -1.38	<b>2.91</b> 2.94	<b>12.89</b> 12.13	<b>7.07</b> 7.23			<b>11.84</b> 10.49	<b>5/1/2009</b> 5/1/2009
<b>Global Public Equity</b> <i>MSCI All Country World Net Index</i>	<b>3,677,169,694</b>	<b>48</b>	<b>-2.10</b> -2.08	<b>2.71</b> 2.60	<b>16.69</b> 15.48	<b>14.11</b> 11.73	<b>5.48</b> 3.82	<b>7.73</b> 7.38	<b>3.17</b>	<b>7/1/2000</b> 7/1/2000
Private Equity <i>Venture Economics Custom BM</i>	576,328,731	8	3.23 0.00	3.85 0.00	11.04 18.91	12.78 20.80	6.28 9.92	11.91 9.99	4.10	1/1/1993 1/1/1993
<i>S&amp;P + 300 BP</i>			-2.64	2.44	21.81	21.77	10.45	10.26		1/1/1993
<b>Equity Hedge Funds</b> <i>HFRI Equity Hedge (Total) Index</i>	<b>594,205,783</b>	<b>8</b>	<b>-0.41</b> -0.89	<b>1.37</b> 1.51	<b>12.73</b> 10.60				<b>8.68</b> 5.89	<b>11/1/2011</b> 11/1/2011
<b>Total Equity</b>	<b>4,847,704,208</b>	<b>64</b>	<b>-1.29</b>	<b>2.67</b>	<b>15.40</b>	<b>13.53</b>	<b>5.38</b>	<b>8.02</b>	<b>2.58</b>	<b>6/1/1996</b>
MACKAY SHIELDS <i>Barclays U.S. Aggregate Bond Index</i>	532,736,217	7	-0.44 -0.51	-0.31 -0.38					-2.65 -2.80	11/1/2012 11/1/2012
PYRAMIS GLOBAL ADV <i>Barclays U.S. Aggregate Bond Index</i>	534,701,200	7	-0.59 -0.51	-0.39 -0.38					-2.81 -2.80	11/1/2012 11/1/2012
<b>Traditional Fixed Income</b> <i>Barclays U.S. Aggregate Bond Index</i>	<b>1,067,899,107</b>	<b>14</b>	<b>-0.51</b> -0.51	<b>-0.35</b> -0.38	<b>-1.53</b> -2.47	<b>3.47</b> 2.58	<b>5.21</b> 4.93	<b>5.16</b> 4.77	<b>5.81</b> 5.67	<b>7/1/2000</b> 7/1/2000

TOTAL NET OF FEES

8/31/2013

Account Name Benchmark Name	Market Value	% of Total	Month	Fiscal YTD	Annualized					Inception Date
					1 Year	3 Years	5 Years	10 Years	ITD	
<b>Real Return Hedge Funds</b>	<b>493,870,795</b>	<b>6</b>	<b>-0.58</b>	<b>-0.56</b>	<b>6.47</b>				<b>4.91</b>	<b>11/1/2011</b>
<i>HFRI Fund of Funds Composite Index</i>			<i>-0.79</i>	<i>0.19</i>	<i>5.86</i>				<i>3.70</i>	<i>11/1/2011</i>
PIMCO	200,773,252	3	-0.18	0.98					0.21	5/1/2013
<i>30% BoA1-3BB-B HY/70%CSInstLLI</i>			<i>0.16</i>	<i>1.43</i>					<i>0.84</i>	<i>5/1/2013</i>
WAMCO	201,958,324	3	0.01	1.31					1.22	4/1/2013
<i>30% BoA 1-3 BB-B HY/70% CS LLI</i>			<i>0.15</i>	<i>1.35</i>					<i>1.53</i>	<i>4/1/2013</i>
<b>Credit Aggregate</b>	<b>402,731,576</b>	<b>5</b>	<b>-0.09</b>	<b>1.15</b>					<b>0.39</b>	<b>5/1/2013</b>
<b>30% BoA1-3BB-B HY/70%CSInstLLI</b>			<b>0.16</b>	<b>1.43</b>					<b>2.28</b>	<b>3/1/2013</b>
BROWN BROTHERS HARR	260,594,138	3	-1.21	-0.58					-3.09	11/1/2012
<i>Barclays World Govt Inflation-Linked All Maturities USD Hedg</i>			<i>-1.13</i>	<i>-0.43</i>					<i>-3.81</i>	<i>11/1/2012</i>
<b>Inflation-Linked Bonds</b>	<b>260,594,138</b>	<b>3</b>	<b>-1.21</b>	<b>-0.58</b>	<b>-1.95</b>	<b>5.58</b>			<b>6.24</b>	<b>11/1/2009</b>
<i>Barclays World Govt Inflation-Linked All Maturities USD Hedg</i>			<i>-1.13</i>	<i>-0.43</i>	<i>-3.99</i>	<i>3.43</i>			<i>4.44</i>	<i>11/1/2009</i>
<b>Total Real Return</b>	<b>1,157,196,509</b>	<b>15</b>	<b>-0.55</b>	<b>0.02</b>	<b>3.82</b>	<b>6.80</b>	<b>6.35</b>		<b>6.33</b>	<b>6/1/2004</b>
Real Estate	264,441,028	3	-0.41	1.08	6.18	11.51	-5.13		-0.03	1/1/2005
<i>NCREIF Property Lagged + 100bp</i>			<i>0.08</i>	<i>0.15</i>	<i>11.52</i>	<i>14.30</i>	<i>3.33</i>		<i>8.92</i>	<i>1/1/2005</i>
ERSRI CASH	228,544,926	3	0.01	0.02	0.05	0.14	0.35	5.46	16.20	7/1/2000
<i>BofA Merrill Lynch 3 Month US Treasury Bill GOO1</i>			<i>0.00</i>	<i>0.01</i>	<i>0.11</i>	<i>0.10</i>	<i>0.22</i>	<i>1.71</i>	<i>2.07</i>	<i>7/1/2000</i>
<b>Total Cash</b>	<b>229,274,022</b>	<b>3</b>	<b>0.01</b>	<b>0.02</b>	<b>0.12</b>	<b>0.15</b>	<b>0.31</b>		<b>2.94</b>	<b>4/1/2004</b>
<b>Russell Overlay Fd</b>	<b>40,736,606</b>	<b>1</b>	<b>0.01</b>	<b>0.01</b>	<b>0.36</b>	<b>-0.21</b>	<b>-0.09</b>		<b>-0.09</b>	<b>9/1/2008</b>
<b>TOTAL PLAN</b>	<b>7,610,364,897</b>	<b>100</b>	<b>-0.99</b>	<b>1.70</b>	<b>10.17</b>	<b>10.43</b>	<b>4.84</b>	<b>7.18</b>	<b>4.33</b>	<b>7/1/2000</b>
<i>Total Plan Benchmark</i>			<i>-1.22</i>	<i>1.60</i>	<i>10.19</i>	<i>10.80</i>	<i>4.75</i>	<i>7.04</i>		<i>7/1/2000</i>
<b>Total Plan ex PE &amp; RE</b>	<b>6,769,595,138</b>	<b>89</b>	<b>-1.36</b>	<b>1.54</b>	<b>8.89</b>	<b>9.71</b>	<b>5.01</b>	<b>6.94</b>	<b>6.31</b>	<b>4/1/1996</b>
<i>Total Plan BM ex PE RE</i>			<i>-1.01</i>	<i>1.49</i>	<i>9.25</i>	<i>10.23</i>	<i>4.61</i>	<i>6.75</i>		<i>4/1/1996</i>
<b>Additional Benchmarks</b>										
<i>60/40 Blend</i>			<i>-1.45</i>	<i>1.43</i>	<i>8.03</i>	<i>8.31</i>	<i>4.81</i>	<i>6.69</i>	<i>4.80</i>	<i>1/1/2001</i>

TOTAL NET OF FEES

8/31/2013

Account Name Benchmark Name	Market Value	% of Total	Month	Cumulative			2012	2011	2010	Inception Date
				7/1/2013 - 7/31/2013	6/1/2013 - 6/30/2013					
SSGA R3000 INDEX <i>Russell 3000 Index</i>	1,889,756,084	25	-2.79 -2.79	5.46 5.48	-1.30 -1.30				10/1/2012 10/1/2012	
<b>US Public Equity</b> <i>Russell 3000 Index</i>	<b>1,889,756,159</b>	<b>25</b>	<b>-2.79</b> -2.79	<b>5.46</b> 5.48	<b>-1.30</b> -1.30	<b>15.66</b> 16.42	<b>-0.86</b> 1.03	<b>17.33</b> 16.93	<b>8/1/2007</b> 8/1/2007	
SSGA MSCI EAFE <i>MSCI EAFE Net Dividend Index</i>	1,260,032,000	17	-1.31 -1.32	5.27 5.28	-3.56 -3.55				9/1/2012 9/1/2012	
SSGA MSCI CANADA <i>MSCI Canada Net Dividend Index</i>	130,850,538	2	-0.90 -0.95	5.80 5.74	-5.52 -5.59				9/1/2012 9/1/2012	
SSGA MSCI EM <i>MSCI Emerging Markets Net Dividend Index</i>	396,527,620	5	-1.73 -1.72	1.06 1.04	-6.38 -6.37				9/1/2012 9/1/2012	
<b>Non-US Public Equity</b> <i>Total International Equity BM</i>	<b>1,787,413,535</b>	<b>23</b>	<b>-1.37</b> -1.38	<b>4.34</b> 4.38	<b>-4.36</b> -4.34	<b>17.02</b> 16.52	<b>-13.47</b> -12.14	<b>11.26</b> 7.75	<b>5/1/2009</b> 5/1/2009	
<b>Global Public Equity</b> <i>MSCI All Country World Net Index</i>	<b>3,677,169,694</b>	<b>48</b>	<b>-2.10</b> -2.08	<b>4.92</b> 4.79	<b>-2.81</b> -2.92	<b>17.82</b> 16.13	<b>-5.16</b> -7.35	<b>15.37</b> 12.67	<b>7/1/2000</b> 7/1/2000	
Private Equity <i>Venture Economics Custom BM</i> <i>S&amp;P + 300 BP</i>	576,328,731	8	3.23 0.00 -2.64	0.60 0.00 5.22	-0.08 -1.11 -1.11	11.77 19.44 19.44	12.37 5.17 5.17	14.00 18.48 18.48	1/1/1993 1/1/1993 1/1/1993	
<b>Equity Hedge Funds</b> <i>HFRI Equity Hedge (Total) Index</i>	<b>594,205,783</b>	<b>8</b>	<b>-0.41</b> -0.89	<b>1.78</b> 2.43	<b>-0.66</b> -1.62	<b>7.98</b> 7.41			<b>11/1/2011</b> 11/1/2011	
<b>Total Equity</b>	<b>4,847,704,208</b>	<b>64</b>	<b>-1.29</b>	<b>4.01</b>	<b>-2.23</b>	<b>15.88</b>	<b>-2.89</b>	<b>15.42</b>	<b>6/1/1996</b>	
MACKAY SHIELDS <i>Barclays U.S. Aggregate Bond Index</i>	532,736,217	7	-0.44 -0.51	0.13 0.14	-1.68 -1.55				11/1/2012 11/1/2012	
PYRAMIS GLOBAL ADV <i>Barclays U.S. Aggregate Bond Index</i>	534,701,200	7	-0.59 -0.51	0.20 0.14	-1.73 -1.55				11/1/2012 11/1/2012	
<b>Traditional Fixed Income</b> <i>Barclays U.S. Aggregate Bond Index</i>	<b>1,067,899,107</b>	<b>14</b>	<b>-0.51</b> -0.51	<b>0.16</b> 0.14	<b>-1.71</b> -1.55	<b>7.95</b> 4.21	<b>5.50</b> 7.84	<b>6.05</b> 6.54	<b>7/1/2000</b> 7/1/2000	
<b>Real Return Hedge Funds</b> <i>HFRI Fund of Funds Composite Index</i>	<b>493,870,795</b>	<b>6</b>	<b>-0.58</b> -0.79	<b>0.02</b> 0.99	<b>-1.13</b> -1.39	<b>5.33</b> 4.79			<b>11/1/2011</b> 11/1/2011	
PIMCO <i>30% BoA1-3BB-B HY/70%CSInstLLI</i>	200,773,252	3	-0.18 0.16	1.17 1.26	-0.69 -0.71				5/1/2013 5/1/2013	

TOTAL NET OF FEES

8/31/2013

Account Name Benchmark Name	Market Value	% of Total	Month	Cumulative			2012	2011	2010	Inception Date
				7/1/2013 - 7/31/2013	6/1/2013 - 6/30/2013					
WAMCO <i>30% BoA 1-3 BB-B HY/70% CS LLI</i>	201,958,324	3	0.01 0.15	1.31 1.20	-0.77 -0.75				4/1/2013 4/1/2013	
<b>Credit Aggregate</b>	<b>402,731,576</b>	<b>5</b>	<b>-0.09</b>	<b>1.24</b>	<b>-0.73</b>				<b>5/1/2013</b>	
<b>30% BoA 1-3 BB-B HY/70% CS LLI</b>			<b>0.15</b>	<b>1.20</b>	<b>-0.75</b>				<b>3/1/2013</b>	
BROWN BROTHERS HARR <i>Barclays World Govt Inflation-Linked All Maturities USD Hedg</i>	260,594,138	3	-1.21 -1.13	0.64 0.71	-3.81 -3.93				11/1/2012 11/1/2012	
<b>Inflation-Linked Bonds</b> <i>Barclays World Govt Inflation-Linked All Maturities USD Hedg</i>	<b>260,594,138</b>	<b>3</b>	<b>-1.21</b> -1.13	<b>0.64</b> 0.71	<b>-3.81</b> -3.93	<b>9.20</b> 5.60	<b>13.80</b> 11.08	<b>6.00</b> 5.43	<b>11/1/2009</b> 11/1/2009	
<b>Total Real Return</b>	<b>1,157,196,509</b>	<b>15</b>	<b>-0.55</b>	<b>0.58</b>	<b>-1.61</b>	<b>6.55</b>	<b>13.58</b>	<b>6.00</b>	<b>6/1/2004</b>	
Real Estate <i>NCREIF Property Lagged + 100bp</i>	264,441,028	3	-0.41 0.08	1.49 0.08	-2.18 2.64	9.62 12.00	17.14 17.10	3.74 6.84	1/1/2005 1/1/2005	
ERSRI CASH <i>BofA Merrill Lynch 3 Month US Treasury Bill G001</i>	228,544,926	3	0.01 0.00	0.01 0.01	0.01 0.01	0.11 0.11	0.16 0.10	0.19 0.13	7/1/2000 7/1/2000	
<b>Total Cash</b>	<b>229,274,022</b>	<b>3</b>	<b>0.01</b>	<b>0.01</b>	<b>0.01</b>	<b>0.18</b>	<b>0.14</b>	<b>0.18</b>	<b>4/1/2004</b>	
<b>Russell Overlay Fd</b>	<b>40,736,606</b>	<b>1</b>	<b>0.01</b>	<b>0.00</b>	<b>-0.02</b>	<b>0.18</b>	<b>-0.78</b>	<b>0.21</b>	<b>9/1/2008</b>	
<b>TOTAL PLAN</b> <sup>1</sup> <i>Total Plan Benchmark</i>	<b>7,610,364,897</b>	<b>100</b>	<b>-0.99</b> -1.22	<b>2.71</b> 2.85	<b>-2.00</b> -1.54	<b>12.49</b> 11.80	<b>1.39</b> 1.55	<b>12.07</b> 12.24	<b>7/1/2000</b> 7/1/2000	
<b>Total Plan ex Overlay</b> <i>Total Plan Benchmark</i>	<b>7,569,628,291</b>	<b>99</b>	<b>-1.00</b> -1.22	<b>2.71</b> 2.85	<b>-1.98</b> -1.54	<b>12.39</b> 11.80	<b>0.98</b> 1.55	<b>12.07</b> 12.24	<b>8/1/2008</b> 8/1/2008	
<b>Total Plan ex PE &amp; RE</b> <i>Total Plan BM ex PE RE</i>	<b>6,769,595,138</b>	<b>89</b>	<b>-1.36</b> -1.01	<b>2.94</b> 2.52	<b>-2.16</b> -1.52	<b>11.25</b> 12.08	<b>-0.19</b> 0.66	<b>12.12</b> 12.03	<b>4/1/1996</b> 4/1/1996	
<b>Additional Benchmarks</b> <i>60/40 Blend</i>			-1.45	2.93	-2.37	11.48	-1.13	10.77	1/1/2001	



## END NOTES

8/31/2013

1 RI6G23000000 TOTAL PLAN

Month - Current Month

Cumulative Months - Prior Month and Second Prior Month

2012, 2011, 2010 - Calendar Years

**Employees' Retirement System of the State of Rhode Island**

Hedge Fund Portfolio  
 Portfolio Performance Summary  
 Estimated as of August 31, 2013

Fund	Market Value	Actual %	Returns							Std Dev	Sharpe Ratio	Incep Date	
			Aug	QTD	YTD	FYTD	1 Year	3 Year	5 Year				
<b>Global Equities</b>													
Ascend Partners Fund II LP	63,882,939	5.9%	0.09%	1.12%	4.90%	1.12%	4.34%	-	-	3.48%	2.00%	1.53	Nov-11
Davidson Kempner Institutional Partners, L.P.	69,332,945	6.4%	0.47%	1.21%	6.75%	1.21%	9.97%	-	-	8.21%	1.79%	4.21	Nov-11
Elliott Associates, L.P.	72,036,824	6.6%	0.90%	1.91%	7.50%	1.91%	13.62%	-	-	10.49%	3.52%	2.75	Nov-11
Indus Asia Pacific Fund, LP	42,981,632	4.0%	-1.10%	-1.23%	0.58%	-1.23%	4.54%	-	-	4.41%	6.06%	0.68	Jan-12
Mason Capital Ltd.	65,143,847	6.0%	0.73%	0.56%	14.60%	0.56%	10.28%	-	-	5.06%	6.75%	0.71	Jan-12
PFM Diversified Fund, L.P.	33,476,792	3.1%	-2.51%	3.48%	9.75%	3.48%	17.16%	-	-	7.58%	8.66%	0.85	Mar-12
PFM Diversified Offshore Fund A.I., Ltd.	33,267,100	3.1%	-2.62%	3.35%	9.45%	3.35%	16.66%	-	-	7.13%	8.69%	0.80	Mar-12
Samlyn Onshore Fund, L.P.	71,243,852	6.5%	-1.44%	-0.23%	8.34%	-0.23%	13.47%	-	-	10.86%	5.11%	1.98	Jan-12
Third Point Partners Qualified L.P.	68,303,368	6.3%	-0.70%	2.11%	14.58%	2.11%	28.27%	-	-	20.58%	6.27%	2.98	Jan-12
Viking Global Equities, LP	74,447,566	6.8%	-0.60%	2.53%	9.98%	2.53%	12.83%	-	-	13.12%	3.95%	3.06	Dec-11
<b>Total Global Equities</b>	<b>594,116,865</b>	<b>54.6%</b>	<b>-0.45%</b>	<b>1.36%</b>	<b>8.73%</b>	<b>1.36%</b>	<b>12.74%</b>	<b>-</b>	<b>-</b>	<b>8.53%</b>	<b>3.65%</b>	<b>2.16</b>	<b>Nov-11</b>
MSCI AC World Index Free - Net			-2.08%	2.60%	8.82%	2.60%	15.48%	-	-	11.62%	11.86%	0.96	Nov-11
Russell 3000 Index (DRI)			-2.79%	2.54%	16.96%	2.54%	20.33%	-	-	18.69%	9.96%	1.74	Nov-11
HFRI Equity Hedge (Total) Index			-0.69%	1.72%	6.72%	1.72%	10.81%	-	-	6.00%	6.68%	0.85	Nov-11
<b>Real Return</b>													
BlueCrest Capital LP	20,725,875	1.9%	0.35%	0.36%	-2.06%	0.36%	-0.59%	-	-	2.16%	2.74%	0.66	Jan-12
Brevan Howard LP	79,617,804	7.3%	-1.48%	-2.24%	1.26%	-2.24%	5.35%	-	-	3.31%	5.40%	0.56	Nov-11
Brigade Leveraged Capital Structures Fund LP	53,661,664	4.9%	-0.67%	0.77%	2.56%	0.77%	4.45%	-	-	4.82%	2.82%	1.56	Mar-12
Capula Global Relative Value Fund Ltd.	52,931,160	4.9%	1.23%	2.41%	5.64%	2.41%	5.99%	-	-	3.31%	2.29%	1.27	Dec-11
Claren Road Credit Fund, Ltd.	50,177,150	4.6%	-0.18%	-1.68%	-	-1.68%	-	-	-	0.35%	6.51%	-	Apr-13
DE Shaw Composite Fund LLC	63,982,374	5.9%	-0.40%	-0.93%	8.57%	-0.93%	19.33%	-	-	14.40%	4.36%	3.03	Nov-11
Graham Global Investment Fund I SPC Ltd. - Discretionary Segregated Port	52,059,873	4.8%	-1.18%	-1.83%	0.28%	-1.83%	2.60%	-	-	2.45%	2.72%	0.77	Jan-12
OZ Domestic Partners II, L.P.	91,426,518	8.4%	0.12%	1.19%	8.64%	1.19%	13.72%	-	-	11.41%	2.99%	3.51	Nov-11
Winton Futures Fund Limited	29,279,425	2.7%	-3.80%	-4.41%	-0.12%	-4.41%	-2.52%	-	-	-1.38%	7.63%	-0.19	Dec-11
<b>Total Real Return</b>	<b>493,861,843</b>	<b>45.4%</b>	<b>-0.58%</b>	<b>-0.56%</b>	<b>3.61%</b>	<b>-0.56%</b>	<b>6.77%</b>	<b>-</b>	<b>-</b>	<b>5.09%</b>	<b>2.49%</b>	<b>1.85</b>	<b>Nov-11</b>
ML 3-month T-Bills			0.01%	0.01%	0.05%	0.01%	0.11%	-	-	0.08%	0.02%	-	Nov-11
HFRI Fund of Funds Composite Index			-0.98%	0.00%	3.37%	0.00%	5.65%	-	-	3.58%	3.53%	0.91	Nov-11
<b>Total Hedge Fund Portfolio</b>	<b>1,087,978,707</b>	<b>100.0%</b>	<b>-0.51%</b>	<b>0.48%</b>	<b>6.33%</b>	<b>0.48%</b>	<b>9.92%</b>	<b>-</b>	<b>-</b>	<b>6.95%</b>	<b>2.83%</b>	<b>2.26</b>	<b>Nov-11</b>
HFRI Fund of Funds Composite Index			-0.98%	0.00%	3.37%	0.00%	5.65%	-	-	3.58%	3.53%	0.91	Nov-11
<b>Market Indices</b>													
Libor3Month			0.02%	0.04%	0.18%	0.04%	0.29%	-	-	0.38%	0.03%	-	Nov-11
Barclays Aggregate Bond Index			-0.51%	-0.37%	-2.81%	-0.37%	-2.46%	-	-	1.26%	2.80%	0.33	Nov-11
Barclays High Yield Credit Bond Index			-0.61%	1.28%	2.72%	1.28%	7.58%	-	-	10.20%	5.20%	1.83	Nov-11
S&P 500 TR			-2.90%	2.04%	16.15%	2.04%	18.70%	-	-	18.17%	9.71%	1.74	Nov-11
MSCI EAFE - Net			-1.32%	3.88%	8.15%	3.88%	18.66%	-	-	10.24%	14.95%	0.70	Nov-11
MSCI EMF (Emerging Markets Free) - Net			-1.72%	-0.69%	-10.19%	-0.69%	0.53%	-	-	-1.15%	16.69%	-0.01	Nov-11

**Employees' Retirement System of the State of Rhode Island**

Hedge Fund Portfolio  
 Portfolio Performance Summary  
 Estimated as of August 31, 2013

Fund	Market Value	Actual %	Aug	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 August 31, 2013

Fund	Trailing Returns					Calendar Year Returns					5 Yr Std Dev	Sharpe Ratio			Start Date			
	QTD	YTD	Aug	Jul	Jun	1 Year	3 Year	5 Year	2012	2011		2010	2009	2008		3 yr	5 yr	Incep.
<b>Global Equities</b>																		
Ascend Partners Fund II LP	1.12%	5.02%	0.09%	1.03%	-0.04%	4.32%	2.45%	3.09%	2.50%	-3.02%	2.94%	13.61%	-3.58%	4.38%	0.62	0.59	0.97	Jan-04
Davidson Kempner Institutional Partners, LP	1.14%	6.69%	0.47%	0.67%	-0.51%	8.85%	6.03%	6.26%	6.87%	1.27%	9.17%	17.79%	-9.03%	4.67%	1.94	1.21	1.55	Mar-96
Elliott Associates, L.P. (HFR98)	1.91%	7.18%	0.90%	1.00%	0.37%	12.86%	8.65%	9.69%	13.18%	3.94%	7.39%	30.85%	-3.08%	5.48%	2.93	1.62	1.91	Jan-90
Indus Asia Pacific Fund	-1.23%	0.86%	-1.10%	-0.13%	-2.50%	5.57%	2.93%	2.55%	8.21%	-7.18%	7.36%	25.45%	-28.99%	8.71%	0.38	0.27	0.72	Dec-00
Mason Capital, Ltd.	0.56%	14.49%	0.73%	-0.17%	-1.00%	8.23%	6.55%	6.13%	-7.23%	4.20%	9.62%	25.16%	-15.42%	8.46%	0.94	0.68	0.79	Feb-02
PFM Diversified Fund, LP	3.32%	9.42%	-2.51%	5.98%	-1.74%	16.48%	5.46%	6.05%	5.59%	-3.35%	4.36%	21.35%	-6.10%	7.44%	0.71	0.75	0.94	Nov-04
Samlyn Capital - Composite	-0.26%	8.23%	-1.44%	1.20%	0.05%	13.18%	7.69%	6.71%	10.49%	-5.05%	1.98%	23.57%	6.62%	8.88%	0.97	0.71	1.10	Mar-07
Third Point Partners L.P.	2.11%	15.53%	-0.70%	2.83%	-1.78%	29.78%	18.97%	14.35%	21.12%	-0.54%	41.52%	38.14%	-32.84%	13.73%	1.95	1.01	1.27	Jun-95
Viking Global Equities	2.48%	9.93%	-0.60%	3.10%	0.30%	12.81%	12.90%	8.75%	12.86%	7.71%	3.67%	19.20%	-0.73%	6.69%	2.56	1.21	1.49	Oct-99
<b>Real Return</b>																		
Brevan Howard L.P. (Series B)	-2.49%	0.95%	-1.48%	-1.02%	-2.91%	4.99%	5.32%	7.10%	3.60%	11.33%	0.92%	17.10%	19.14%	5.77%	0.90	1.12	1.21	Sep-05
BlueCrest Capital International Limited	0.36%	-2.06%	0.35%	0.01%	-2.34%	-0.58%	4.02%	12.19%	5.82%	6.10%	12.80%	45.41%	6.26%	5.66%	1.43	1.97	1.71	Dec-00
Brigade Leveraged Capital Structures Fund	0.77%	2.57%	-0.67%	1.45%	-1.72%	4.48%	4.80%	6.69%	6.91%	2.55%	7.66%	39.64%	-17.14%	7.67%	1.57	0.81	0.78	Jan-07
Capula Global Relative Value Fund Limited	2.41%	5.64%	1.23%	1.17%	-0.70%	5.96%	4.44%	7.20%	0.41%	6.19%	9.58%	12.24%	9.45%	2.92%	1.77	2.21	1.66	Oct-05
Claren Road Credit Master Fund	-1.75%	4.67%	-0.20%	-1.55%	-1.89%	7.27%	4.91%	8.56%	1.49%	6.88%	4.64%	24.75%	8.51%	4.72%	1.15	1.65	1.75	Jan-06
DE Shaw Composite International Fund	-1.10%	7.17%	-0.40%	-0.70%	0.70%	16.20%	9.69%	5.67%	13.94%	3.69%	1.56%	21.31%	-9.81%	6.54%	2.24	0.79	1.39	Mar-01
Graham Discretionary - 6V Portfolio	-1.83%	0.27%	-1.18%	-0.66%	-0.55%	2.59%	3.05%	8.32%	3.83%	3.56%	7.10%	17.13%	8.66%	3.68%	1.03	2.05	0.79	Jun-04
OZ Master Fund, Ltd	1.18%	7.73%	0.12%	1.06%	-0.69%	12.28%	8.05%	6.17%	11.56%	-0.48%	8.52%	23.11%	-15.92%	6.02%	2.16	0.93	1.72	Apr-94
Winton Futures Fund - USD Class B	-4.41%	-0.10%	-3.80%	-0.63%	-1.77%	-2.49%	2.51%	4.36%	-3.56%	6.29%	14.47%	-4.64%	21.01%	8.41%	0.31	0.48	0.69	Oct-97
<b>Benchmarks</b>																		
HFRI Fund of Funds Composite Index	0.00%	3.37%	-0.98%	0.99%	-1.40%	5.65%	2.69%	0.23%	4.79%	-5.72%	5.70%	11.47%	-21.37%	6.06%	0.55	-0.02	0.61	Jan-90
HFRI Fund Weighted Composite Index	0.62%	3.87%	-0.73%	1.36%	-1.50%	6.77%	4.50%	3.37%	6.36%	-5.25%	10.25%	19.98%	-19.03%	7.47%	0.73	0.41	1.00	Jan-90
<b>Market Indices</b>																		
3 Month Libor - BOM	0.04%	0.18%	0.02%	0.02%	0.02%	0.29%	0.35%	0.56%	0.42%	0.35%	0.35%	0.65%	2.79%	0.19%				Mar-86
Barclays Aggregate Bond Index	-0.37%	-2.81%	-0.51%	0.14%	-1.55%	-2.46%	2.59%	4.94%	4.23%	7.86%	6.56%	5.93%	5.24%	3.74%				Jan-76
Barclays High Yield Credit Bond Index	1.28%	2.72%	-0.61%	1.90%	-2.62%	7.58%	9.91%	11.44%	15.81%	4.98%	15.11%	58.21%	-26.15%	13.89%				Jul-83
S&P 500 (TR)	2.04%	16.15%	-2.90%	5.09%	-1.34%	18.70%	18.40%	7.32%	16.00%	2.11%	15.06%	26.46%	-37.00%	18.58%				Jan-70
MSCI EAFE - Net - USD	3.88%	8.15%	-1.32%	5.28%	-3.55%	18.66%	9.28%	1.62%	17.32%	-12.14%	7.75%	31.78%	-43.38%	22.96%				Dec-69
MSCI EM (EMERGING MARKETS) - Net - USD	-0.69%	-10.19%	-1.72%	1.04%	-6.37%	0.54%	1.09%	1.88%	18.22%	-18.42%	18.88%	78.51%	-53.33%	27.47%				Jan-99

Note: The above is manager composite history.

## Section VII.

---

### Cash Flow

# Monthly Valuation Change

Period : 08/01/2013 - 08/31/2013

Category	Source Account Name	Closing Balance	Market Value Increase/(Decrease)	Transfer In/(Out)	Opening Balance
<b>Grand Total</b>		<b>7,610,364,897.15</b>	<b>(76,246,167.69)</b>	<b>(47,284,674.72)</b>	<b>7,733,895,739.56</b>
<b>Total Global Equity</b>		<b>4,271,372,026.06</b>	<b>(81,475,878.60)</b>	<b>0.00</b>	<b>4,352,847,904.66</b>
<b>Global Equity</b>		<b>3,677,166,242.98</b>	<b>(79,047,929.26)</b>	<b>0.00</b>	<b>3,756,214,172.24</b>
	SSGA R3000 INDEX	1,889,756,084.28	(54,210,068.56)	0.00	1,943,966,152.84
	SSGA MSCI EAFE	1,260,032,000.49	(16,682,089.54)	0.00	1,276,714,090.03
	SSGA MSCI CANADA	130,850,538.40	(1,190,894.40)	0.00	132,041,432.80
	SSGA MSCI EM	396,527,619.81	(6,964,876.76)	0.00	403,492,496.57
<b>Global Equity Hedge Funds</b>		<b>594,205,783.08</b>	<b>(2,427,949.34)</b>	<b>0.00</b>	<b>596,633,732.42</b>
	ASCEND PTRS II	63,882,938.08	69,855.19	0.00	63,813,082.89
	DAVIDSON KEMPNER	69,332,945.10	369,631.99	0.00	68,963,313.11
	ELLIOTT ASSOCIATES	72,036,824.37	691,685.52	0.00	71,345,138.85
	INDUS ASIA PACIFIC	43,068,551.14	(404,660.22)	0.00	43,473,211.36
	MASON CAPITAL	65,145,846.53	467,839.09	0.00	64,678,007.44
	PFM DIVERSIFIED	66,743,891.97	(1,723,277.12)	0.00	68,467,169.09
	SAMLYN ON/OFFSHORE	71,243,852.29	(1,020,334.11)	0.00	72,264,186.40
	THIRD POINT PTRS	68,303,367.97	(464,395.97)	0.00	68,767,763.94
	VIKING GLOBAL EQUITI	74,447,565.63	(414,293.71)	0.00	74,861,859.34
<b>Private Equity</b>		<b>576,328,731.36</b>	<b>18,216,209.90</b>	<b>(12,920,380.10)</b>	<b>571,032,901.56</b>
<b>Private Equity</b>		<b>576,328,731.36</b>	<b>18,216,209.90</b>	<b>(12,920,380.10)</b>	<b>571,032,901.56</b>
	PRIVATE EQUITY	576,328,731.36	18,216,209.90	(12,920,380.10)	571,032,901.56
<b>Total Fixed Income</b>		<b>1,067,437,417.08</b>	<b>(5,466,315.14)</b>	<b>0.00</b>	<b>1,072,903,732.22</b>
<b>Fixed Income</b>		<b>1,067,437,417.08</b>	<b>(5,466,315.14)</b>	<b>0.00</b>	<b>1,072,903,732.22</b>
	MACKAY SHIELDS	532,736,216.72	(2,335,258.01)	0.00	535,071,474.73
	PYRAMIS GLOBAL ADV	534,701,200.36	(3,131,057.13)	0.00	537,832,257.49
<b>Total Real Return</b>		<b>1,157,196,508.83</b>	<b>(6,439,073.18)</b>	<b>0.00</b>	<b>1,163,635,582.01</b>
<b>Alternative Absolute Return</b>		<b>337,090,016.17</b>	<b>(3,111,270.98)</b>	<b>0.00</b>	<b>340,201,287.15</b>
	BLUE CREST CAP	20,725,874.97	69,569.58	0.00	20,656,305.39
	BREVAN HOWARD	79,617,803.92	(1,176,285.23)	0.00	80,794,089.15
	DE SHAW	63,982,373.68	(339,841.17)	0.00	64,322,214.85
	GRAHAM GLOBAL	52,059,872.60	(615,751.45)	0.00	52,675,624.05
	OZ DOMESTIC PTRS	91,426,518.23	111,162.61	0.00	91,315,355.62
	WINTON FUTURE FD	29,277,572.77	(1,160,125.32)	0.00	30,437,698.09
<b>Alternative Fixed Income</b>		<b>156,780,778.77</b>	<b>220,871.48</b>	<b>0.00</b>	<b>156,559,907.29</b>
	BRIGADE LEV CAP	53,672,468.49	(346,021.64)	0.00	54,018,490.13
	CAPULA GLOBAL	52,931,160.25	632,493.60	0.00	52,298,666.65
	CLAREN ROAD CR. FUND	50,177,150.03	(65,600.48)	0.00	50,242,750.51
<b>Credit</b>		<b>402,731,575.53</b>	<b>(352,488.74)</b>	<b>0.00</b>	<b>403,084,064.27</b>
	PIMCO	200,773,251.59	(369,130.76)	0.00	201,142,382.35
	WAMCO	201,958,323.94	16,642.02	0.00	201,941,681.92
<b>GILBs</b>		<b>260,594,138.36</b>	<b>(3,196,184.94)</b>	<b>0.00</b>	<b>263,790,323.30</b>
	BROWN BROTHERS HARR	260,594,138.36	(3,196,184.94)	0.00	263,790,323.30
<b>Real Estate</b>		<b>264,441,028.27</b>	<b>(1,063,200.35)</b>	<b>(1,930,025.84)</b>	<b>267,434,254.46</b>
<b>Real Estate</b>		<b>264,441,028.27</b>	<b>(1,063,200.35)</b>	<b>(1,930,025.84)</b>	<b>267,434,254.46</b>

# Monthly Valuation Change

Period : 08/01/2013 - 08/31/2013

Category	Source Account Name	Closing Balance	Market Value Increase/(Decrease)	Transfer In/(Out)	Opening Balance
	REAL ESTATE	264,441,028.27	(1,063,200.35)	(1,930,025.84)	267,434,254.46
<b>Total Cash</b>		<b>229,274,021.92</b>	<b>(148,659.57)</b>	<b>(32,606,256.34)</b>	<b>262,028,937.83</b>
<b>Cash Accounts</b>		<b>229,274,021.92</b>	<b>(148,659.57)</b>	<b>(32,606,256.34)</b>	<b>262,028,937.83</b>
	ERSRI CASH	228,544,925.92	(148,659.57)	(31,920,597.34)	260,614,182.83
	CITIZENS CASH	729,096.00	0.00	(685,659.00)	1,414,755.00
<b>Total Other</b>		<b>40,736,605.77</b>	<b>121,360.18</b>	<b>0.00</b>	<b>40,615,245.59</b>
<b>Other</b>		<b>40,736,605.77</b>	<b>121,360.18</b>	<b>0.00</b>	<b>40,615,245.59</b>
	RUSSELL OVERLAY FD	40,736,605.77	121,360.18	0.00	40,615,245.59
<b>Total Miscellaneous</b>		<b>3,578,557.86</b>	<b>9,389.07</b>	<b>171,987.56</b>	<b>3,397,181.23</b>
<b>Miscellaneous Accounts</b>		<b>3,578,557.86</b>	<b>9,389.07</b>	<b>171,987.56</b>	<b>3,397,181.23</b>
	RI TRANS ACCT	196,143.25	(5,115.69)	0.00	201,258.94
	SHOTT CAPITAL	991,386.39	13,597.57	171,987.56	805,801.26
	DOM EQUITY TRANS	74.25	0.00	0.00	74.25
	NON-US EQUITY TRANS	3,376.65	12.13	0.00	3,364.52
	FIXED INC TRANS	461,690.08	(2,588.79)	0.00	464,278.87
	MACKAY SHIELDS LLC	1,925,886.74	3,483.85	0.00	1,922,402.89
	TAPLIN CANIDA HAB	0.50	0.00	0.00	0.50

## Custodian Inception To Date Valuation Change

Period : 11/01/2012 - 08/31/2013

Category	Source Account Name	Closing Balance	Market Value Increase/(Decrease)	Transfer In/(Out)	Opening Balance
<b>Grand Total</b>		<b>7,610,364,897.15</b>	<b>600,537,929.59</b>	<b>(371,428,943.60)</b>	<b>7,381,255,911.16</b>
<b>Total Global Equity</b>		<b>4,271,372,026.06</b>	<b>503,836,965.61</b>	<b>580,149.77</b>	<b>3,766,954,910.68</b>
<b>Global Equity</b>		<b>3,677,166,242.98</b>	<b>444,946,772.53</b>	<b>580,149.77</b>	<b>3,231,639,320.68</b>
	SSGA MSCI CANADA	130,850,538.40	(866,142.90)	22,931.17	131,693,750.13
	SSGA MSCI EAFE	1,260,032,000.49	160,485,548.29	200,198.44	1,099,346,253.76
	SSGA MSCI EM	396,527,619.81	(19,910,453.08)	245,982.86	416,192,090.03
	SSGA R3000 INDEX	1,889,756,084.28	305,237,820.22	111,037.30	1,584,407,226.76
<b>Global Equity Hedge Funds</b>		<b>594,205,783.08</b>	<b>58,890,193.08</b>	<b>0.00</b>	<b>535,315,590.00</b>
	ASCEND PTRS II	63,882,938.08	2,896,658.08	0.00	60,986,280.00
	DAVIDSON KEMPNER	69,332,945.10	5,286,665.10	0.00	64,046,280.00
	ELLIOTT ASSOCIATES	72,036,824.37	6,850,064.37	0.00	65,186,760.00
	INDUS ASIA PACIFIC	43,068,551.14	1,396,191.14	0.00	41,672,360.00
	MASON CAPITAL	65,145,846.53	8,432,646.53	0.00	56,713,200.00
	PFM DIVERSIFIED	66,743,891.97	8,676,371.97	0.00	58,067,520.00
	SAMLYN ON/OFFSHORE	71,243,852.29	6,368,792.29	0.00	64,875,060.00
	THIRD POINT PTRS	68,303,367.97	12,090,017.97	0.00	56,213,350.00
	VIKING GLOBAL EQUITI	74,447,565.63	6,892,785.63	0.00	67,554,780.00
<b>Private Equity</b>		<b>576,328,731.36</b>	<b>61,778,335.38</b>	<b>(92,181,051.94)</b>	<b>606,731,447.92</b>
<b>Private Equity</b>		<b>576,328,731.36</b>	<b>61,778,335.38</b>	<b>(92,181,051.94)</b>	<b>606,731,447.92</b>
	PRIVATE EQUITY	576,328,731.36	61,778,335.38	(92,181,051.94)	606,731,447.92
<b>Total Fixed Income</b>		<b>1,067,437,417.08</b>	<b>(29,969,503.99)</b>	<b>1,482,609.33</b>	<b>1,095,924,311.74</b>
<b>Fixed Income</b>		<b>1,067,437,417.08</b>	<b>(29,969,503.99)</b>	<b>1,482,609.33</b>	<b>1,095,924,311.74</b>
	MACKAY SHIELDS	532,736,216.72	(14,498,550.29)	0.00	547,234,767.01
	PYRAMIS GLOBAL ADV	534,701,200.36	(15,470,953.70)	1,482,609.33	548,689,544.73
<b>Total Real Return</b>		<b>1,157,196,508.83</b>	<b>28,199,462.41</b>	<b>235,456,172.37</b>	<b>893,540,874.05</b>
<b>Alternative Absolute Return</b>		<b>337,090,016.17</b>	<b>26,526,227.93</b>	<b>(54,619,461.76)</b>	<b>365,183,250.00</b>
	BLUE CREST CAP	20,725,874.97	(241,625.03)	0.00	20,967,500.00
	BREVAN HOWARD	79,617,803.92	2,895,428.92	0.00	76,722,375.00
	DE SHAW	63,982,373.68	9,121,673.68	0.00	54,860,700.00
	GRAHAM GLOBAL	52,059,872.60	1,334,172.60	0.00	50,725,700.00
	OZ DOMESTIC PTRS	91,426,518.23	9,151,293.23	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	29,277,572.77	643,472.77	0.00	28,634,100.00
<b>Alternative Fixed Income</b>		<b>156,780,778.77</b>	<b>2,282,804.64</b>	<b>15,075,634.13</b>	<b>139,422,340.00</b>
	BRIGADE LEV CAP	53,672,468.49	2,139,368.49	0.00	51,533,100.00
	CAPULA GLOBAL	52,931,160.25	3,107,560.25	0.00	49,823,600.00
	CLAREN ROAD CR. FUND	50,177,150.03	177,150.03	50,000,000.00	0.00
	GRACIE CREDIT FUND	0.00	(3,141,274.13)	(34,924,365.87)	38,065,640.00
<b>Credit</b>		<b>402,731,575.53</b>	<b>2,731,575.53</b>	<b>400,000,000.00</b>	<b>0.00</b>
	PIMCO	200,773,251.59	773,251.59	200,000,000.00	0.00
	WAMCO	201,958,323.94	1,958,323.94	200,000,000.00	0.00
<b>GILBs</b>		<b>260,594,138.36</b>	<b>(3,341,145.69)</b>	<b>(125,000,000.00)</b>	<b>388,935,284.05</b>
40	BROWN BROTHERS HARR	260,594,138.36	(3,341,145.69)	(125,000,000.00)	388,935,284.05



## Custodian Inception To Date Valuation Change

Period : 11/01/2012 - 08/31/2013

Category	Source Account Name	Closing Balance	Market Value Increase/(Decrease)	Transfer In/(Out)	Opening Balance
<b>Real Estate</b>		<b>264,441,028.27</b>	<b>11,786,041.45</b>	<b>(22,512,733.38)</b>	<b>275,167,720.20</b>
Real Estate		264,441,028.27	11,786,041.45	(22,512,733.38)	275,167,720.20
	REAL ESTATE	264,441,028.27	11,786,041.45	(22,512,733.38)	275,167,720.20
<b>Total Cash</b>		<b>229,274,021.92</b>	<b>(1,315,319.97)</b>	<b>(418,037,127.93)</b>	<b>648,626,469.82</b>
Cash Accounts		229,274,021.92	(1,315,319.97)	(418,037,127.93)	648,626,469.82
	CITIZENS CASH	729,096.00	0.00	729,096.00	0.00
	ERSRI CASH	228,544,925.92	(1,315,319.97)	(418,766,223.93)	648,626,469.82
<b>Total Other</b>		<b>40,736,605.77</b>	<b>25,990,930.51</b>	<b>(55,000,000.00)</b>	<b>69,745,675.26</b>
Other		40,736,605.77	25,990,930.51	(55,000,000.00)	69,745,675.26
	RUSSELL OVERLAY FD	40,736,605.77	25,990,930.51	(55,000,000.00)	69,745,675.26
<b>Total Miscellaneous</b>		<b>3,578,557.86</b>	<b>231,018.19</b>	<b>(21,216,961.82)</b>	<b>24,564,501.49</b>
Miscellaneous Accounts		3,578,557.86	231,018.19	(21,216,961.82)	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	461,690.08	645,019.26	(16,029,090.43)	15,845,761.25
	MACKAY SHIELDS LLC	1,925,886.74	322,127.28	(3,287,514.62)	4,891,274.08
	NON-US EQUITY TRANS	3,376.65	(89,401.81)	74,846.86	17,931.60
	RI TRANS ACCT	196,143.25	(87,499.68)	(148,841.47)	432,484.40
	SHOTT CAPITAL	991,386.39	1,167,543.85	(1,162,797.06)	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	Projected January 2014	Projected December	Projected November	Projected October	Projected September	Actual August	Actual July 2013
MEMBER BENEFITS	840,293,150	70,100,000	70,100,000	70,100,000	70,100,000	70,100,000	70,100,000	70,100,000	70,100,000	70,100,000	70,100,000	69,805,492	69,487,658
ADMINISTRATIVE EXPENSES	6,678,529	757,076	453,061	517,020	662,098	550,670	552,758	617,477	611,739	442,410	541,540	736,515	236,168
INVESTMENT EXPENSES	4,318,769	417,092	172,318	301,668	450,999	220,096	59,358	445,386	85,286	1,078,332	334,436	26,112	727,684
TOTAL OUTFLOW	851,290,448	71,274,168	70,725,379	70,918,688	71,213,097	70,870,767	70,712,116	71,162,863	70,797,025	71,620,741	70,975,976	70,568,119	70,451,510
CONTRIBUTIONS	427,062,678	38,133,817	31,828,584	35,569,085	39,422,719	33,108,869	35,845,503	41,301,246	27,947,918	35,941,474	21,497,658	28,296,782	58,169,023
OTHER INCOME*	72,396,724	4,836,170	6,903,236	4,371,211	8,611,826	3,375,926	2,341,228	9,530,600	8,735,970	7,613,442	7,523,067	2,556,842	5,997,205
TOTAL INCOME	499,459,402	42,969,987	38,731,820	39,940,296	48,034,545	36,484,795	38,186,731	50,831,846	36,683,888	43,554,916	29,020,725	30,853,624	64,166,228
DIFFERENCE	(351,831,047)	(28,304,181)	(31,993,559)	(30,978,392)	(23,178,552)	(34,385,971)	(32,525,385)	(20,331,016)	(34,113,137)	(28,065,825)	(41,955,251)	(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	Projected January 2014	Projected December	Projected November	Actual October	Projected September	Actual August	Actual July 2013
MEMBER BENEFITS	85,075,042	7,100,000	7,100,000	7,100,000	7,100,000	7,100,000	7,100,000	7,100,000	7,100,000	7,100,000	7,100,000	7,186,464	6,888,578
ADMINISTRATIVE EXPENSES	1,337,405	153,323	91,479	104,125	132,873	110,253	109,675	122,747	121,378	87,420	106,647	149,656	47,830
INVESTMENT EXPENSES	863,450	84,469	34,793	60,754	90,509	44,067	11,778	88,538	16,922	213,079	65,861	5,306	147,374
TOTAL OUTFLOW	87,275,897	7,337,792	7,226,272	7,264,879	7,323,381	7,254,319	7,221,453	7,311,285	7,238,300	7,400,500	7,272,508	7,341,425	7,083,781
CONTRIBUTIONS	48,495,271	4,499,901	3,503,059	4,320,753	4,111,725	3,834,860	4,570,476	4,191,495	3,603,314	4,354,978	3,491,224	3,012,033	5,001,453
OTHER INCOME*	14,470,309	979,420	1,393,850	880,339	1,728,258	675,913	464,535	1,894,570	1,733,348	1,504,423	1,481,536	519,535	1,214,581
TOTAL INCOME	62,965,580	5,479,321	4,896,909	5,201,092	5,839,983	4,510,773	5,035,011	6,086,065	5,336,662	5,859,401	4,972,760	3,531,568	6,216,034
DIFFERENCE	(24,310,317)	(1,858,471)	(2,329,363)	(2,063,787)	(1,483,398)	(2,743,546)	(2,186,442)	(1,225,219)	(1,901,638)	(1,541,099)	(2,299,748)	(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	Projected January 2014	Projected December	Projected November	Actual October	Projected September	Actual August	Actual July 2013
<i>MEMBER BENEFITS</i>	<b>1,585,930</b>	133,000	133,000	133,000	133,000	133,000	133,000	133,000	133,000	133,000	133,000	<b>123,069</b>	<b>132,861</b>
<i>ADMINISTRATIVE EXPENSES</i>	<b>96,707</b>	11,299	6,700	7,591	9,628	7,949	7,794	8,771	8,626	6,178	7,500	<b>11,132</b>	<b>3,538</b>
<i>INVESTMENT EXPENSES</i>	<b>62,291</b>	6,225	2,548	4,429	6,558	3,177	837	6,327	1,203	15,059	4,632	<b>395</b>	<b>10,902</b>
<i>TOTAL OUTFLOW</i>	<b>1,744,929</b>	150,523	142,248	145,020	149,186	144,127	141,631	148,098	142,829	154,237	145,132	<b>134,596</b>	<b>147,301</b>
<i>CONTRIBUTIONS</i>	<b>4,316,044</b>	293,000	498,000	303,000	423,000	323,000	318,000	273,113	353,000	343,000	328,000	<b>538,069</b>	<b>322,861</b>
<i>OTHER INCOME*</i>	<b>1,042,995</b>	72,175	102,087	64,180	125,231	48,734	33,014	135,383	123,185	106,322	104,193	<b>38,645</b>	<b>89,846</b>
<i>TOTAL INCOME</i>	<b>5,359,039</b>	365,175	600,087	367,180	548,231	371,734	351,014	408,496	476,185	449,322	432,193	<b>576,714</b>	<b>412,707</b>
<i>DIFFERENCE</i>	<b>3,614,110</b>	214,652	457,839	222,160	399,045	227,607	209,382	260,398	333,357	295,085	287,061	<b>442,118</b>	<b>265,406</b>

**Judicial  
Retirement System**

	TOTAL	Projected June	Projected May	Projected April	Projected March	Projected February	Projected January 2014	Projected December	Projected November	Actual October	Projected September	Actual August	Actual July 2013
<i>MEMBER BENEFITS</i>	<b>1,557,620</b>	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000	<b>128,810</b>	<b>128,810</b>
<i>ADMINISTRATIVE EXPENSES</i>	<b>49,399</b>	5,764	3,425	3,859	4,919	4,062	3,987	4,484	4,412	3,161	3,839	<b>5,680</b>	<b>1,805</b>
<i>INVESTMENT EXPENSES</i>	<b>31,820</b>	3,176	1,303	2,252	3,351	1,624	428	3,235	615	7,705	2,370	<b>201</b>	<b>5,562</b>
<i>TOTAL OUTFLOW</i>	<b>1,638,839</b>	138,940	134,728	136,110	138,270	135,686	134,415	137,719	135,028	140,866	136,209	<b>134,692</b>	<b>136,176</b>
<i>CONTRIBUTIONS</i>	<b>2,913,507</b>	210,000	215,000	210,000	315,000	215,000	205,000	215,887	220,000	225,000	220,000	<b>423,810</b>	<b>238,810</b>
<i>OTHER INCOME*</i>	<b>532,916</b>	36,821	52,188	32,625	63,982	24,905	16,887	69,215	63,011	54,401	53,324	<b>19,720</b>	<b>45,836</b>
<i>TOTAL INCOME</i>	<b>3,446,423</b>	246,821	267,188	242,625	378,982	239,905	221,887	285,102	283,011	279,401	273,324	<b>443,530</b>	<b>284,646</b>
<i>DIFFERENCE</i>	<b>1,807,584</b>	107,881	132,461	106,515	240,712	104,219	87,472	147,383	147,984	138,535	137,115	<b>308,838</b>	<b>148,469</b>

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

FISCAL YEAR 2013

DIRECT BILLED INVESTMENT MANAGER FEES, PROFESSIONAL FEES & OPERATING EXPENSES

ERSRI & MERSRI

ACCRUAL BASIS

	Actual Jul 12	Actual Aug	Actual Sept	Actual Oct	Actual Nov	Actual Dec	Actual Jan 13	Actual Feb	Actual Mar	Actual Apr	Actual May	Projected June	Projected TOTAL
<b>EQUITIES</b>													
SSgA Russell 1000/S&P 500			27,895			0			0			0	27,895
SSGA Russell 2000/3000			25,130			49,972			54,458			50,000	179,560
Shott Capital			1,164			4,665			6,243			2,489	14,561
			54,189			54,636			60,701			52,489	222,015
<b>FIXED INCOME</b>													
Brown Bros.			183,058			0			0			0	183,058
Pyramis			143,469			123,066			175,246			173,446	615,226
Taplin			205,941			4,567			0			0	210,509
Mackay Shields			215,552			129,982			184,882			185,000	715,416
Brown Bros.TIPS/GILB			108,086			110,349			112,265			95,546	426,246
			856,105			367,964			472,393			453,992	2,150,454
<b>INT'L EQUITIES</b>													
SSgA MSCI ACWI			97,138			0			0			0	97,138
SSGA MSCI EAFE			24,067			84,679			91,452			85,000	285,198
SSGA MSCI CAD			2,928			9,901			10,102			10,000	32,931
SSGA MSCI Emerg Mkts			29,321			106,470			110,192			110,000	355,983
	0		153,454	0		201,050			211,746			205,000	771,251
<b>CREDIT</b>													
WAMCO									28,288			149,714	178,002
PIMCO									0			168,719	168,719
									28,288			318,433	346,721
<b>REAL ESTATE</b>													
Direct Billed Real Estate	129,888	122,709	79,437	802,275	0	75,778	255,104	0	161,136	134,488	0	84,537	1,845,351
<b>ALTERNATIVE INVESTMENTS</b>													
Direct Billed Private Equity	1,030,612	132,331	327,863	511,900	102,004	144,225	748,402	177,158	551,417	234,616	420,078	436,103	4,816,709
<b>SUB TOTAL-INV MGMT FEES</b>													
	1,160,500	255,040	1,471,048	1,314,175	102,004	843,654	1,003,507	177,158	1,485,681	369,103	420,078	1,550,554	10,152,502
<b>PROFESSIONAL FEES</b>													
Legal	5,829	4,894	7,054	0	4,144	8,794	0	3,144	11,594	24,719	33,407	45,770	149,347
St St BankBNY Mellon - Cust	60,268	62,284	60,084	59,995	30,012	31,262	30,643	30,569	30,522	29,602	29,717	29,449	484,406
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	96,607	13,125	13,125	112,514	13,125	13,125	81,036	13,125	13,125	13,125	466,066
PCA Real Estate	10,417	10,417	10,417	10,417	10,417	10,417	10,417	10,417	10,417	35,417	11,157	10,417	150,743
	127,139	128,220	211,662	121,037	95,198	200,486	91,685	94,756	171,068	140,363	124,906	194,043	1,700,563
<b>OPERATING EXPENSE</b>													
Retirement Transfers	202,402	724,514	466,139	517,108	571,641	545,622	545,053	537,772	607,063	510,434	562,143	1,078,917	6,868,808
Other Expense	0	7,150	5,925	0	6,250	5,925	0	7,500	12,525	5,400	0	17,192	67,867
	202,402	731,664	472,064	517,108	577,891	551,547	545,053	545,272	619,588	515,834	562,143	1,096,109	6,936,675
<b>TOTAL:</b>	1,490,042	1,114,924	2,154,773	1,952,321	775,093	1,595,687	1,640,245	817,185	2,276,337	1,025,300	1,107,127	2,840,706	18,789,740

Note: Numbers in bold are actual.

FISCAL YEAR 2014

DIRECT BILLED INVESTMENT MANAGER FEES, PROFESSIONAL FEES & OPERATING EXPENSES

ERSRI & MERSRI

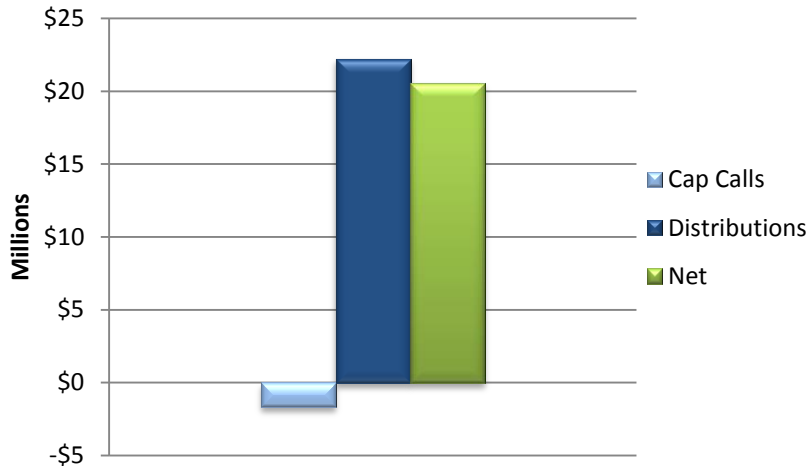
ACCRUAL BASIS

	Projected Jul 13	Projected Aug	Projected Sept	Projected Oct	Projected Nov	Projected Dec	Projected Jan 14	Projected Feb	Projected Mar	Projected Apr	Projected May	Projected June	Projected TOTAL
<b>EQUITIES US</b>													
SSGA Russell 2000/3000			55,000			55,000			55,000			55,000	220,000
Shott Capital			<u>5,000</u>			<u>5,000</u>			<u>5,000</u>			<u>5,000</u>	<u>20,000</u>
			60,000			60,000			60,000			60,000	240,000
<b>FIXED INCOME</b>													
Pyramis			175,000			175,000			175,000			175,000	700,000
Mackay Shields			185,000			185,000			185,000			185,000	740,000
Brown Bros.TIPS/GILB			<u>115,000</u>			<u>115,000</u>			<u>115,000</u>			<u>115,000</u>	<u>460,000</u>
			475,000			475,000			475,000			475,000	1,900,000
<b>INT'L EQUITIES</b>													
SSgA MSCI ACWI			0			0			0			0	0
SSGA MSCI EAFE			95,000			95,000			95,000			95,000	380,000
SSGA MSCI CAD			10,000			10,000			10,000			10,000	40,000
SSGA MSCI Emerg Mkts			<u>110,000</u>			<u>110,000</u>			<u>110,000</u>			<u>110,000</u>	<u>440,000</u>
			215,000			215,000			215,000			215,000	860,000
<b>CREDIT</b>													
WAMCO			75,000			75,000			75,000			75,000	300,000
PIMCO			<u>75,000</u>			<u>75,000</u>			<u>75,000</u>			<u>75,000</u>	<u>300,000</u>
			150,000			150,000			150,000			150,000	600,000
<b>REAL ESTATE</b>													
Direct Billed Real Estate	<b>139,113</b>	<b>(470)</b>	79,437	802,275	0	75,778	255,104	0	161,136	134,488	0	84,537	1,731,397
<b>ALTERNATIVE INVESTMENTS</b>													
Direct Billed Private Equity	<b>752,409</b>	<b>32,484</b>	327,863	511,900	102,004	144,225	748,402	177,158	551,417	234,616	420,078	436,103	4,438,659
<b>SUB TOTAL-INV MGMT FEES</b>													
	<b>891,522</b>	<b>32,014</b>	<b>1,157,300</b>	<b>1,314,175</b>	<b>102,004</b>	<b>970,003</b>	<b>1,003,507</b>	<b>177,158</b>	<b>1,612,553</b>	<b>369,103</b>	<b>420,078</b>	<b>1,420,640</b>	<b>9,770,056</b>
<b>PROFESSIONAL FEES</b>													
Legal	<b>8,490</b>	<b>39,510</b>	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	148,000
BNY Mellon - Custodial	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	360,000
Cliffwater	<b>37,500</b>	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	<b>13,125</b>	13,125	13,125	13,125	13,125	13,125	13,125	13,125	13,125	13,125	13,125	13,125	157,504
PCA Real Estate	<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>10,417</u>	<u>10,417</u>	<u>10,417</u>	<u>10,417</u>	<u>10,417</u>	<u>10,417</u>	<u>125,004</u>
	99,532	130,552	101,042	101,042	101,042	101,042	101,042	101,042	101,042	101,042	101,042	101,042	1,240,508
<b>OPERATING EXPENSE</b>													
Retirement Transfers	<b>188,298</b>	<b>765,281</b>	466,139	517,108	571,641	545,622	545,053	537,772	607,063	510,434	562,143	1,078,917	<u>6,895,471</u>
Other Expense	<b>13,762</b>	<u>7,150</u>	<u>5,925</u>	0	<u>6,250</u>	<u>5,925</u>	0	<u>7,500</u>	<u>12,525</u>	<u>5,400</u>	<u>6,250</u>	<u>17,192</u>	<u>87,879</u>
	202,060	772,431	472,064	517,108	577,891	551,547	545,053	545,272	619,588	515,834	568,393	1,096,109	6,983,349
<b>TOTAL:</b>	<b>1,193,114</b>	<b>934,997</b>	<b>1,730,406</b>	<b>1,932,326</b>	<b>780,937</b>	<b>1,622,593</b>	<b>1,649,602</b>	<b>823,472</b>	<b>2,333,183</b>	<b>985,980</b>	<b>1,089,513</b>	<b>2,617,791</b>	<b>17,993,913</b>

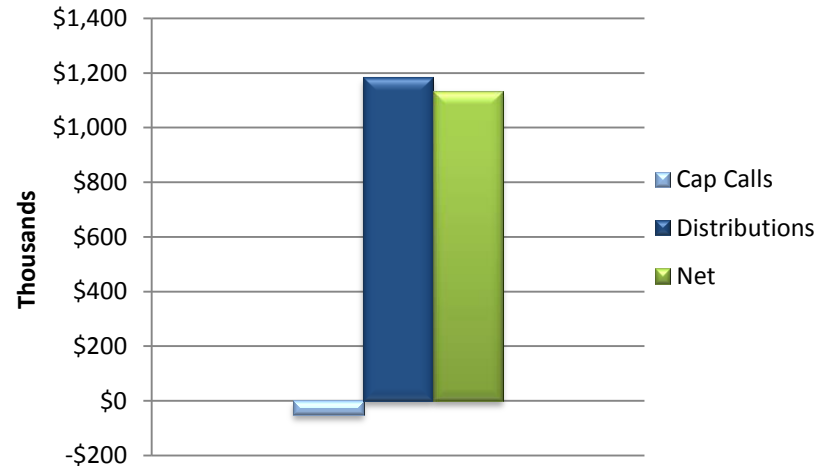
Note: Numbers in bold are actual.

# Private Equity & Real Estate Cash Flow

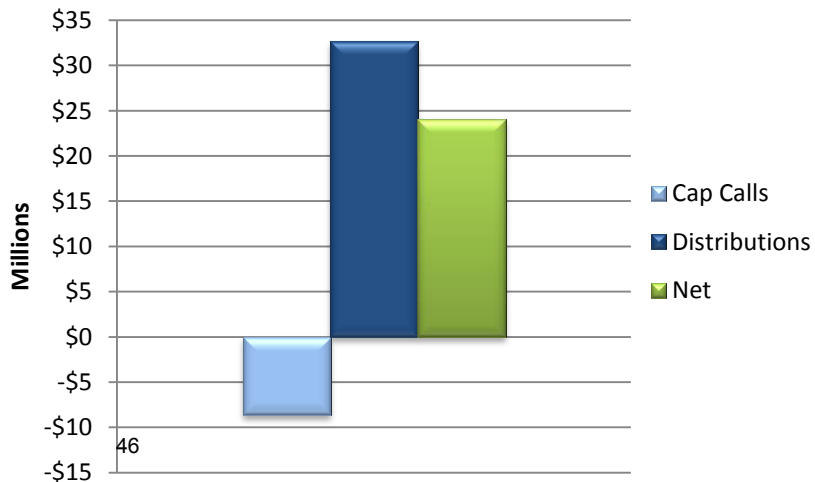
## Private Equity - August 2013



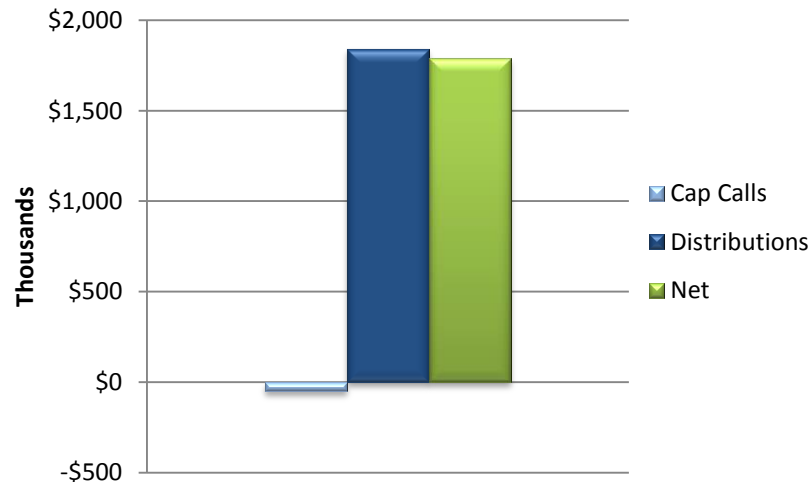
## Real Estate - August 2013



## Private Equity Fiscal YTD



## Real Estate Fiscal YTD

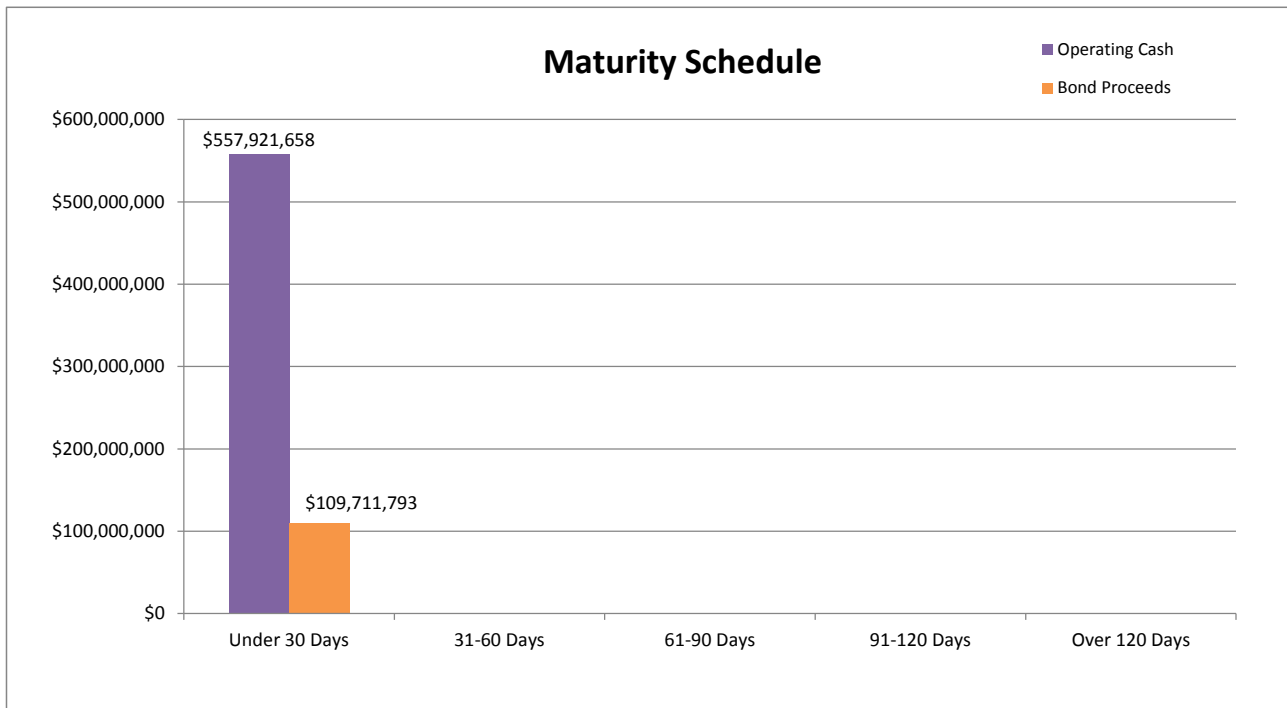


## Section VIII.

---

### Short-Term Investments

**Short-Term Investment Maturity Schedule & SIC Compliance Report at August 31, 2013**



Vendor	CP	CD	Agency	Money Mkt	PIP	Repo	GiD	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	187,004,916	187,004,916
	0%	0%	0%	0%	0%	0%	0%	34%	33.52%
Bank RI	0	15,087,603	0	0	0	0	0	0	15,087,603
	0%	3%	0%	0%	0%	0%	0%	0%	2.70%
Sovereign Bank	0	0	0	0	151,913,881	0	0	0	151,913,881
	0%	0%	0%	0%	27%	0%	0%	0%	27.23%
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	1,948,811	0	0	0	1,948,811
	0%	0%	0%	0%	0%	0%	0%	0%	0.35%
Webster Bank	0	0	0	0	136,722,793	0	0	0	136,722,793
	0%	0%	0%	0%	25%	0%	0%	0%	24.51%
Oppenheimer Inc	0	0	0	0	0	0	0	0	0
	0%	0%	0%	0%	0%	0%	0%	0%	0.00%
Washington Trust	0	25,188,435	0	40,055,220	0	0	0	0	65,243,655
	0%	5%	0%	7%	0%	0%	0%	0%	11.69%
<b>TOTALS</b>	-	<b>40,276,038</b>	-	<b>40,055,220</b>	<b>290,585,484</b>	-	-	<b>187,004,916</b>	<b>557,921,658</b>
<b>(%) PORTFOLIO</b>	<b>0.00%</b>	<b>7.22%</b>	<b>0.00%</b>	<b>7.18%</b>	<b>52.08%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>33.52%</b>	<b>100.00%</b>

Note: PIP + CD must be under 75%.

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



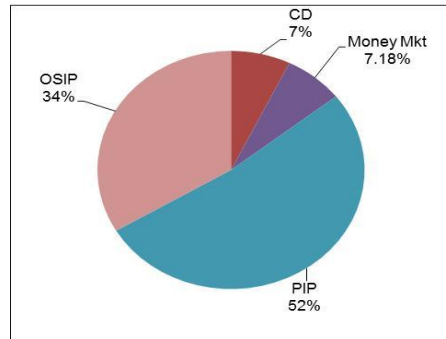
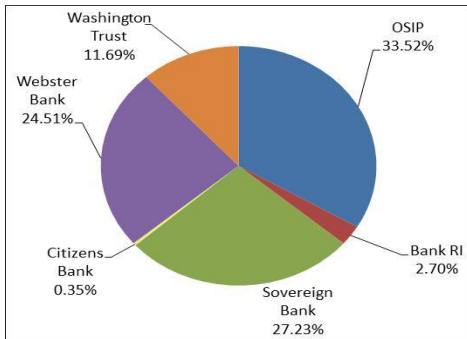
**State of Rhode Island**  
**Short Term Cash Monthly Performance**  
**Performance for**  
**August 01, 2013 to August 31, 2013**

<b>Fund Name</b>	<b>Beginning Balance</b>	<b>Ending Balance</b>	<b>Average Daily Balance</b>	<b>Earnings</b>	<b>Yield(Annual)</b>
GENERAL FUND	\$ 326,680,406.63	\$ 195,445,052.26	\$ 271,770,729.21	\$ 64,645.63	0.2801%
H.A.V.A	\$ 294.62	\$ 294.64	\$ 294.62	\$ 0.02	0.0799%
GENERAL FUND (HIST PRES)	\$ 537,298.51	\$ 537,335.34	\$ 537,298.51	\$ 36.83	0.0807%
HISTORIC TAX CREDITS	\$ 102,327.18	\$ 102,334.19	\$ 102,327.18	\$ 7.01	0.0807%
HIGHWAY FUND	\$ 10,261,267.18	\$ 12,763,387.21	\$ 12,122,557.51	\$ 2,120.03	0.2059%
T.D.I. RESERVE (DET)	\$ 77,839,607.75	\$ 123,362,666.63	\$ 117,823,478.72	\$ 23,058.88	0.2304%
EMPLOYER PENSION CONTRIBUTION	\$ -	\$ -	\$ -	\$ -	-
RICAP GL FUND 21	\$ 134,223,471.68	\$ 115,443,184.52	\$ 120,807,342.65	\$ 19,712.84	0.1921%
BOND CAPITAL FUND	\$ 570,561.00	\$ 2,970,825.41	\$ 1,247,980.35	\$ 264.41	0.2495%
R.I. CLEAN WATER ACT	\$ 3,178,288.11	\$ 3,178,490.59	\$ 3,178,288.11	\$ 202.48	0.0750%
STATE LOTTERY FUND	\$ 53,347,232.62	\$ 53,456,787.32	\$ 47,953,684.23	\$ 9,554.70	0.2346%
ASSESSED FRINGE BEN ADM	\$ 7,757.13	\$ 7,757.53	\$ 7,757.13	\$ 0.40	0.0607%
AUTO EQUIPMENT SERVICE	\$ 301,221.55	\$ 301,236.90	\$ 301,221.55	\$ 15.35	0.0600%
HEALTH INSURANCE FUND	\$ 25,275,474.18	\$ 29,662,250.07	\$ 27,480,096.76	\$ 1,875.89	0.0804%
FLEET REVOLVING LOAN FUND	\$ 7,615,758.66	\$ 7,617,294.84	\$ 7,615,758.66	\$ 1,536.18	0.2375%
EMPLOYEES RETIREMENT	\$ 477,293.29	\$ 58,204.06	\$ 12,561,764.26	\$ 3,210.77	0.3009%
MUNICIPAL EMPLOYEES RET.	\$ 414,143.31	\$ 314,456.37	\$ 1,475,433.63	\$ 313.06	0.2498%
RETIREE HEALTH FUND	\$ 954,956.73	\$ 1,955,071.92	\$ 1,696,892.21	\$ 115.19	0.0799%
BOG RETIREE FUND	\$ 137,206.76	\$ 137,216.16	\$ 137,206.76	\$ 9.40	0.0807%
RIPTA HEALTH FUND	\$ 588,560.49	\$ 588,600.83	\$ 588,560.49	\$ 40.34	0.0807%
PERMANENT SCHOOL FUND	\$ 1,933,513.35	\$ 1,933,645.87	\$ 1,933,513.35	\$ 132.52	0.0807%
TEACHER RETIREE HEALTH FUND	\$ 906,263.35	\$ 906,325.47	\$ 906,263.35	\$ 62.12	0.0807%
RI ST POL RETIREE HEALTH	\$ 317,755.70	\$ 317,777.48	\$ 317,755.70	\$ 21.78	0.0807%
RI LEG RETIREE HEALTH	\$ 196.14	\$ 196.15	\$ 196.14	\$ 0.01	0.0600%
RI JUDICIAL RETIREE HEALTH	\$ 192,147.15	\$ 142,154.89	\$ 151,824.57	\$ 7.74	0.0600%
UNIVERSITY COLLEGE	\$ 2,508,675.10	\$ 58,727.27	\$ 747,384.78	\$ 52.17	0.0822%
HIGHER EDUCATION	\$ 3,806,179.29	\$ 3,506,432.75	\$ 3,690,050.26	\$ 253.46	0.0809%
INDUS. BLDG. & MTG. INS.	\$ 3,153,735.38	\$ 3,153,951.55	\$ 3,153,735.38	\$ 216.17	0.0807%
<b>Operating Funds Totals</b>	<b>\$ 655,331,592.84</b>	<b>\$ 557,921,658.22</b>	<b>\$ 638,309,396.07</b>	<b>\$ 127,465.38</b>	<b>0.235%</b>
G.O. NOTE 1991 SER. B	\$ -	\$ -	\$ -	\$ -	-
CCDL1993A	\$ 7,385.90	\$ 7,385.76	\$ 7,385.50	\$ 0.51	0.0813%
BOND CCDL 1994 SERIES A	\$ 15,001.32	\$ 15,001.03	\$ 15,000.51	\$ 1.03	0.0808%
BOND CCBL96A	\$ -	\$ -	\$ -	\$ -	-
CAP DEV OF 1997 SERIES A	\$ 41,015.94	\$ 41,015.15	\$ 41,013.73	\$ 2.81	0.0807%
CCDL1998A	\$ 1,695,982.50	\$ 1,695,949.71	\$ 1,695,891.15	\$ 116.25	0.0807%
CCDL 1998B	\$ -	\$ -	\$ -	\$ -	-
MMG099 1999	\$ -	\$ -	\$ -	\$ -	-
BOND CAPITOL CCDL2000A	\$ 102,393.16	\$ 102,391.18	\$ 102,387.64	\$ 7.02	0.0807%
MULTI-MODAL GEN OBL 2000	\$ -	\$ -	\$ -	\$ -	-
CCDL2001C	\$ 201,344.56	\$ 201,340.67	\$ 201,333.72	\$ 13.80	0.0807%
CCDL2002B	\$ -	\$ -	\$ -	\$ -	-
CCDL 2004 SERIES A	\$ 3,003,490.84	\$ 2,983,038.28	\$ 2,996,750.34	\$ 205.44	0.0807%
BOND CCDL 2005 SERIES C	\$ 7,207,514.02	\$ 7,173,911.44	\$ 7,196,331.46	\$ 493.32	0.0807%
BOND CCDL 2005 SERIES E	\$ 717,081.63	\$ 717,067.76	\$ 717,043.00	\$ 49.15	0.0807%
BOND CCDL 2006 SERIES B	\$ -	\$ -	\$ -	\$ -	-
BOND CCDL 2006 SERIES C	\$ 2,438,601.64	\$ 2,406,822.76	\$ 2,428,234.47	\$ 166.49	0.0807%
GO BND-NTAX 2007 SERIES A	\$ 5,938,859.90	\$ 5,938,745.05	\$ 5,938,540.02	\$ 407.06	0.0807%
GO BND-TAX 2007 SERIES B	\$ -	\$ -	\$ -	\$ -	-
GO BND-NTAX 2008 SERIES B	\$ 349,816.07	\$ 349,809.31	\$ 349,797.23	\$ 23.98	0.0807%
GO BND-TAX 2008 SERIES C	\$ -	\$ -	\$ -	\$ -	-
CCDL10B BOND CAPITAL COMPONENT	\$ 1,833,384.72	\$ 1,730,123.52	\$ 1,799,988.03	\$ 123.52	0.0808%
CCDL10C	\$ 161,631.53	\$ 161,642.61	\$ 161,631.53	\$ 11.08	0.0807%
CCDL10D	\$ 103,925.07	\$ 103,923.06	\$ 103,919.47	\$ 7.12	0.0807%
CCDL2011A	\$ 29,082,443.89	\$ 27,872,643.25	\$ 28,690,808.69	\$ 1,968.31	0.0808%
CCDL2012B	\$ 58,346,459.74	\$ 56,288,786.83	\$ 57,679,929.36	\$ 3,956.56	0.0808%
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	\$ 222,540.77	\$ 197,535.95	\$ 214,464.27	\$ 14.74	0.0809%
CLN WATER CCDL 2005 SER E	\$ -	\$ -	\$ -	\$ -	-
CAP DEV. OF 1997 SERIES A	\$ -	\$ -	\$ -	\$ -	-
RI POLLUT. CONT 94 SER. A	\$ -	\$ -	\$ -	\$ -	-
CCDL99A 1999A	\$ 205,307.39	\$ 205,303.42	\$ 205,296.33	\$ 14.07	0.0807%
POL. CTRL CCDL 2006 SER C	\$ -	\$ -	\$ -	\$ -	-
CLEAN WATER 2007 SERIES A	\$ 283,276.95	\$ 283,271.48	\$ 283,261.69	\$ 19.42	0.0807%
RI POLLUTION CONTROL 2008 B	\$ -	\$ -	\$ -	\$ -	-
CCDL10B CLEAN WATER COMPONENT	\$ -	\$ -	\$ -	\$ -	-
CCDL2011A CLEAN WATER COMPONENT	\$ 1,236,108.63	\$ 1,236,084.72	\$ 1,236,042.05	\$ 84.72	0.0807%
CCDL2011A POLL CTRL CMPNT	\$ -	\$ -	\$ -	\$ -	-
<b>Bond Proceeds Fund Totals</b>	<b>\$ 113,193,566.17</b>	<b>\$ 109,711,792.94</b>	<b>\$ 112,065,050.19</b>	<b>\$ 7,686.40</b>	<b>0.081%</b>
TANS PROCEEDS	\$ -	\$ -	\$ -	\$ -	-
<b>Grand Totals</b>	<b>\$ 768,525,159.01</b>	<b>\$ 667,633,451.16</b>	<b>\$ 750,374,446.26</b>	<b>\$ 135,151.78</b>	<b>0.212%</b>

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

**Issuer Credit Ratings  
August 31, 2013**

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	2.70%	N/R	N/A	N/A	N/A	N/A	N/A	N/A	
Sovereign Bank	3,4	27.23%	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%	A2*	P-1 *	A-1	A2	A	Negative		
Federated		0.00%	N/R	N/A	N/A	N/A	N/A	N/A		
Fidelity		0.00%	N/R	N/A	N/A	N/A	N/A	N/A		
BlackRock Inc.		0.00%	A1	P-1	A-1	A1	A+	Positive		
State Street Bank & Trust Company		0.00%	Aa2*	P-1	A-1+	Aa2*	AA-	Stable		
RBS Citizens	3,4	0.35%	A3*	P-2	A-1	A3*	A	Negative		
Webster Bank	3,4	24.51%	A3	P-2	A-2	A3	BBB	Positive		
Oppenheimer		0.00%	N/A	N/A	N/A	B2	B	Stable		
Ocean State Investment Pool	6	33.52%	N/R	N/A	N/A	N/A	N/A	N/A		
Washington Trust	3,7	11.69%	N/R	N/A	N/A	N/A	N/A	N/A		
First Tennessee Bank		0.00%	Baa1	P-2	A-2	Baa1	BBB	Negative		
Merrill Lynch	2,5,6	0.00%	Baa2	(P)P-2*	A-2	Baa2	A-	Negative		
Morgan Stanley	1,2,5	0.00%	Baa1*	P-2 *	A-2	Baa1	A-	Negative		
UBS		0.00%	A2	P-1	A-1	A2	A	Stable		



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

# 2013 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 6/30/13					Since	Incep.	Sharpe Ratio	Std. Deviation	Tracking Error						
As of 08/31/2013	Ticker	Tenure	\$ Millions	ER	ER	%-ile	Share	1 Month	YTD	1 Year	%-ile	3 Year	%-ile	5 Year	%-ile	10 Year	%-ile	Incep.	Date	3 Year	%-ile	3 Year	%-ile	3 Year	
<b>Stable Value/Guaranteed &amp; Money Market</b>																									
<b>Stable Value/Guaranteed</b>																									
TIAA Stable Value****			Current crediting rate = 1.75					0.15	1.16	1.75															
<b>Money Market</b>																									
Vanguard Prime Money Market Inv	VMMXX	10.00		0.16	0.16			0.00	-	0.01	0.02		0.04		0.38		1.78		06/04/75	(3.92)		0.01			
<b>Yields: 7-Day Yield: 0.01%</b>																									
<i>Citi 3-Month Treasury Bill</i>																									
								-	0.04	0.08		0.09		0.23		1.63									
<b>FIXED INCOME</b>																									
<b>Intermediate-Term Bond</b>																									
Vanguard Total Bond Market Index Signal	VBTSX	20.58	16,819.00	0.10	0.10	1	0.00	(0.63)	(2.90)	(0.85)	82	3.40	73	5.14	65			5.28	09/01/06	1.13	67	2.93	40	1.85	
<i>Barclays U.S. Aggregate Float Adjusted Index</i>																									
								(0.52)	(2.77)	(0.62)		3.59		5.24						1.20		2.89			
<i>Intermediate-Term Bond Median</i>																									
				0.94	0.84			(0.63)	(2.88)	0.48		4.13		5.58						1.28		3.02			
<i>Intermediate-Term Bond Number of Funds</i>																									
						1,266					1,190		1,006		874					1,006		1,006			
<b>Inflation-Linked Bond</b>																									
PIMCO Real Return Instl <sup>1,2</sup>	PRRIX	5.58	20,389.00	0.47	0.45	16	0.00	(1.93)	(9.00)	(4.89)	43	4.68	5	5.11	1	5.59	3		01/29/97	0.77	29	6.04	96	1.18	
<i>Barclays US Treasury US TIPS TR USD</i>																									
								(1.45)	(8.07)	(4.78)		4.63		4.41		5.19				0.82		5.59			
<i>Inflation-Protected Bond Median</i>																									
				0.91	0.76			(1.33)	(8.15)	(5.01)		3.82		3.79		4.59				0.73		5.51		0.68	
<i>Inflation-Protected Bond Number of Funds</i>																									
						219					207		183		149		43				183		183		
<b>Equity</b>																									
<b>Large Cap Blend - Index</b>																									
Vanguard 500 Index Signal	VISX	21.58	9,604.00	0.05	0.05	1	0.00	(2.89)	16.12	20.55	49	18.42	18	7.03	23			5.02	09/29/06	1.31	12	13.57	27	0.64	
<i>S&amp;P 500 TR</i>																									
								(2.90)	16.15	20.60		18.45		7.01						1.32		13.57			
<i>Large Blend Median</i>																									
				1.26	1.15			(2.84)	15.91	20.49		16.86		5.91						1.17		14.23		2.46	
<i>Large Blend Number of Funds</i>																									
						1,718					1,566		1,382		1,255					1,382		1,382			
<b>Mid Cap Blend</b>																									
Vanguard Mid Cap Index Signal	VMISX	15.17	5,141.00	0.10	0.10	3	0.00	(2.50)	19.01	25.00	50	19.00	32	7.93	33			5.16	03/30/07	1.16	19	16.07	25	0.82	
<i>Spliced Mid Cap Index *</i>																									
								(2.49)	19.06	25.06		19.07		7.96											
<i>Mid-Cap Blend Median</i>																									
				1.33	1.24			(2.92)	17.76	24.96		18.19		7.17						1.05		16.97		3.78	
<i>Mid-Cap Blend Number of Funds</i>																									
						432					405		341		310					345		345			
<b>Small Cap Blend</b>																									
Vanguard Small Cap Index Signal	VSISX	21.58	6,383.00	0.10	0.10	1	0.00	(3.17)	19.78	25.74	33	20.04	20	10.15	20			6.34	12/15/06	1.10	20	18.12	42	1.53	
<i>Spliced Small Cap Index **</i>																									
								(3.18)	19.75	25.65		19.97		10.03											
<i>Small Blend Median</i>																									
				1.41	1.28			(3.15)	18.84	24.26		18.22		8.04						1.01		18.49		3.91	
<i>Small Blend Number of Funds</i>																									
						727					678		621		548					621		621			
<b>Foreign Large Blend</b>																									
TIAA-CREF International Eq Idx Instl	TCIEX	8.92	4,544.00	0.08	0.08	1	0.00	(1.64)	7.27	18.48	23	10.62	28	(0.37)	38	7.73	37	8.65	10/01/02	0.63	29	18.55	57	3.82	
<i>MSCI EAFE NR USD</i>																									
								(1.32)	8.15	18.62		10.04		(0.63)		7.67				0.61		18.34			
<i>Foreign Large Blend Median</i>																									
				1.50	1.32			(1.94)	5.63	16.23		9.49		(0.86)		7.26				0.58		18.35		3.75	
<i>Foreign Large Blend Number of Funds</i>																									
						861					793		710		622		324				710		710		



# 2013 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 6/30/13					Since	Incep.	Sharpe Ratio	Std. Deviation		Tracking Error					
As of 08/31/2013		Ticker	Tenure	\$ Millions	ER	ER	%-ile	Share	1 Month	YTD	1 Year	%-ile	3 Year	%-ile	5 Year	%-ile	10 Year	%-ile	Incep.	Date	3 Year	%-ile	3 Year	%-ile	3 Year	
<b>Diversified Emerging Markets</b>																										
<b>Vanguard Emerging Mkts Stock Idx Signal</b>		VERSX	4.92	49,355.00	0.18	0.18	1	0.00	(3.15)	(12.77)	1.51	68	3.26	61	(0.68)	47			2.88	01/19/07	0.25	60	21.23	59		3.05
<i>Spliced Emerging Markets Index ***</i>									(2.83)	(11.66)	2.83		3.37		(0.44)											
<i>MSCI EM NR USD</i>									(1.72)	(10.19)	2.87		3.38		(0.43)						0.26		20.86			
<i>Diversified Emerging Mkts Median</i>					1.90	1.60			(2.71)	(9.87)	3.20		4.02		(0.81)						0.29		20.79			4.98
<i>Diversified Emerging Mkts Number of Funds</i>							668					578		366								368		368		
<b>Miscellaneous Sector</b>																										
<b>TIAA Real Estate Account</b>		Variable Annuity	8.58	15,734.00	0.92	0.92		0.24	0.77	6.30	8.61		12.85		(1.96)			4.73		6.00	10/02/95	6.25		1.94		13.52
<b>Allocation (Target Date Only)</b>																										
<b>Lifecycle</b>																										
<b>Vanguard Target Retirement Income Inv</b>		VTINX	0.42		0.16	0.16	1	0.00	(1.13)	1.35	4.52	65	7.43	42	5.36	14			5.40	10/27/03	1.55	1	4.65	22		1.65
<i>Vanguard Target Retirement Income Compos. Lx</i>									(1.02)	1.49	4.73		7.52		5.35											
<i>Retirement Income Median</i>					1.11	0.92			(1.32)	1.92	5.74		7.09		4.64						1.14		6.02			2.22
<i>Retirement Income Number of Funds</i>							298					288		273		217						273		273		273
<b>Vanguard Target Retirement 2010 Inv</b>		VTENX	0.42		0.16	0.16	1	0.00	(1.35)	3.19	7.14	48	9.39	25	5.32	14			5.46	06/07/06	1.33	11	6.88	35		1.05
<i>Vanguard Target Retirement 2010 Compos. Lx</i>									(1.24)	3.47	7.42		9.50		5.28											
<i>Target Date 2000-2010 Median</i>					1.19	0.92			(1.37)	2.76	7.01		8.28		4.12						1.10		7.62			1.57
<i>Target Date 2000-2010 Number of Funds</i>							155					147		140		123						140	140		140	140
<b>Vanguard Target Retirement 2015 Inv</b>		VTVX	0.42		0.16	0.16	1	0.00	(1.61)	5.23	9.63	28	10.55	20	5.45	7			5.98	10/27/03	1.22	12	8.45	43		1.17
<i>Vanguard Target Retirement 2015 Compos. Lx</i>									(1.48)	5.51	9.94		10.63		5.38											
<i>Target Date 2011-2015 Median</i>					1.19	0.95			(1.60)	3.27	8.39		9.06		4.22						1.07		8.52			1.80
<i>Target Date 2011-2015 Number of Funds</i>							181					158		141		96						141		141		141
<b>Vanguard Target Retirement 2020 Inv</b>		VTWNX	0.42		0.16	0.16	1	0.00	(1.78)	6.63	11.52	23	11.49	16	5.43	10			5.43	06/07/06	1.16	18	9.70	59		1.20
<i>Vanguard Target Retirement 2020 Compos. Lx</i>									(1.66)	7.00	11.91		11.76		5.52											
<i>Target Date 2016-2020 Median</i>					1.29	1.01			(1.65)	4.57	9.66		10.03		4.18						1.04		9.50			1.93
<i>Target Date 2016-2020 Number of Funds</i>							224					210		186		149						186		186		186
<b>Vanguard Target Retirement 2025 Inv</b>		VTTVX	0.42		0.17	0.17	1	0.00	(1.94)	7.80	12.96	34	12.34	26	5.33	13			6.13	10/27/03	1.12	13	10.89	35		1.15
<i>Vanguard Target Retirement 2025 Composite Lx</i>									(1.80)	8.17	13.42		12.63		5.44											
<i>Target Date 2021-2025 Median</i>					1.23	0.99			(1.88)	6.47	12.07		11.32		4.19	91					1.00		11.32			1.67
<i>Target Date 2021-2025 Number of Funds</i>							184					160		134								134		134		134
<b>Vanguard Target Retirement 2030 Inv</b>		VTHRX	0.42		0.17	0.17	1	0.00	(2.04)	8.98	14.55	33	13.23	19	5.24	13			5.23	06/07/06	1.09	15	12.06	46		1.18
<i>Vanguard Target Retirement 2030 Composite Lx</i>									(1.94)	9.35	14.95		13.48		5.34											
<i>Target Date 2026-2030 Median</i>					1.36	1.08			(1.93)	7.15	13.20		11.81		4.04						0.98		12.20			
<i>Target Date 2026-2030 Number of Funds</i>							224					210		186		149						186		186		186

# 2013 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 6/30/13						Since	Incep.	Sharpe Ratio	Std. Deviation	Tracking Error						
As of 08/31/2013	Ticker	Tenure	\$ Millions	ER	ER	%-ile	Share	1 Month	YTD	1 Year	%-ile	3 Year	%-ile	5 Year	%-ile	10 Year	%-ile	Incep.	Date	3 Year	%-ile	3 Year	%-ile	3 Year
<b>Vanguard Target Retirement 2035 Inv</b>	<b>VTTHX</b>	<b>0.42</b>		<b>0.18</b>	<b>0.18</b>	<b>1</b>	<b>0.00</b>	<b>(2.21)</b>	<b>10.08</b>	<b>16.00</b>	<b>35</b>	<b>14.05</b>	<b>15</b>	<b>5.30</b>	<b>16</b>			<b>6.53</b>	<b>10/27/03</b>	<b>1.06</b>	<b>15</b>	<b>13.24</b>	<b>40</b>	<b>1.13</b>
<i>Vanguard Target Retirement 2035 Composite Lx</i>								<i>(2.09)</i>	<i>10.53</i>	<i>16.49</i>		<i>14.32</i>		<i>5.41</i>										<i>1.71</i>
<i>Target Date 2031-2035 Median</i>				<i>1.34</i>	<i>1.04</i>			<i>(2.09)</i>	<i>8.84</i>	<i>15.30</i>		<i>12.95</i>		<i>4.21</i>						<i>0.97</i>		<i>13.38</i>		<i>1.71</i>
<i>Target Date 2031-2035 Number of Funds</i>						184					160		134		91						134		134	134
<b>Vanguard Target Retirement 2040 Inv</b>	<b>VFORX</b>	<b>0.42</b>		<b>0.18</b>	<b>0.18</b>	<b>-</b>	<b>0.00</b>	<b>(2.28)</b>	<b>10.79</b>	<b>16.86</b>	<b>30</b>	<b>14.29</b>	<b>14</b>	<b>5.48</b>	<b>14</b>			<b>5.25</b>	<b>06/07/06</b>	<b>1.05</b>	<b>16</b>	<b>13.52</b>	<b>41</b>	<b>1.20</b>
<i>Vanguard Target Retirement 2040 Composite Lx</i>								<i>(2.17)</i>	<i>11.16</i>	<i>17.22</i>		<i>14.52</i>		<i>5.53</i>										<i>1.66</i>
<i>Target Date 2036-2040 Median</i>				<i>1.45</i>	<i>1.10</i>			<i>(2.13)</i>	<i>9.12</i>	<i>15.50</i>		<i>12.91</i>		<i>3.92</i>						<i>0.95</i>		<i>13.84</i>		<i>1.66</i>
<i>Target Date 2036-2040 Number of Funds</i>						221					206		182		142						182		182	182
<b>Vanguard Target Retirement 2045 Inv</b>	<b>VTIVX</b>	<b>0.42</b>		<b>0.18</b>	<b>0.18</b>	<b>1</b>	<b>0.00</b>	<b>(2.30)</b>	<b>10.79</b>	<b>16.84</b>	<b>42</b>	<b>14.32</b>	<b>16</b>	<b>5.46</b>	<b>16</b>			<b>6.93</b>	<b>10/27/03</b>	<b>1.05</b>	<b>14</b>	<b>13.53</b>	<b>20</b>	<b>1.36</b>
<i>Vanguard Target Retirement 2045 Composite Lx</i>								<i>(2.17)</i>	<i>11.16</i>	<i>17.22</i>		<i>14.52</i>		<i>5.53</i>										<i>1.63</i>
<i>Target Date 2041-2045 Median</i>				<i>1.38</i>	<i>1.04</i>			<i>(2.30)</i>	<i>9.99</i>	<i>16.32</i>		<i>13.53</i>		<i>4.02</i>						<i>0.96</i>		<i>14.36</i>		<i>1.63</i>
<i>Target Date 2041-2045 Number of Funds</i>						184					159		133		89						133		133	133
<b>Vanguard Target Retirement 2050 Inv</b>	<b>VFIFX</b>	<b>0.42</b>		<b>0.18</b>	<b>0.18</b>	<b>1</b>	<b>0.00</b>	<b>(2.29)</b>	<b>10.78</b>	<b>16.84</b>	<b>43</b>	<b>14.30</b>	<b>14</b>	<b>5.46</b>	<b>18</b>			<b>5.32</b>	<b>06/07/06</b>	<b>1.05</b>	<b>13</b>	<b>13.53</b>	<b>24</b>	<b>1.51</b>
<i>Vanguard Target Retirement 2050 Composite Lx</i>								<i>(2.17)</i>	<i>11.16</i>	<i>17.22</i>		<i>14.52</i>		<i>5.53</i>										<i>1.73</i>
<i>Target Date 2046-2050 Median</i>				<i>1.65</i>	<i>1.10</i>			<i>(2.22)</i>	<i>9.85</i>	<i>16.44</i>		<i>13.44</i>		<i>4.11</i>						<i>0.95</i>		<i>14.48</i>		<i>1.73</i>
<i>Target Date 2046-2050 Number of Funds</i>						206					186		145		102						145		145	145
<b>Vanguard Target Retirement 2055 Inv</b>	<b>VFFVX</b>	<b>0.42</b>		<b>0.18</b>	<b>0.18</b>	<b>1</b>	<b>0.00</b>	<b>(2.28)</b>	<b>10.81</b>	<b>16.85</b>	<b>53</b>							<b>12.64</b>	<b>08/18/10</b>					
<i>Vanguard Target Retirement 2055 Composite Lx</i>				<i>1.43</i>	<i>1.04</i>			<i>(2.17)</i>	<i>11.16</i>	<i>17.22</i>														
<i>Target Date 2051+ Median</i>				<i>1.43</i>	<i>1.04</i>			<i>(2.33)</i>	<i>10.05</i>	<i>16.89</i>														
<i>Target Date 2051+ Number of Funds</i>						144					113													

**Key**

Source: Morningstar & TIAA-CREF

-Tracking error calculated using "Morningstar Analyst Assigned Benchmark"

Recent returns for 1-month and YTD as of 8/31/13. All other data as of 6/30/13.

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](http://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](http://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](http://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

8/31/2013

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	26,154,368.2	35.8	-0.45	-0.39					-3.73	5/1/2013
<i>Barclays U.S. Aggregate Bond Index</i>			<i>-0.51</i>	<i>-0.38</i>					<i>-3.67</i>	<i>5/1/2013</i>
SSGA S&P 500 INDX	46,993,397.4	64.2	-2.90	2.03	18.45				12.40	5/1/2011
<i>S&amp;P 500 - Total Return Index</i>			<i>-2.90</i>	<i>2.04</i>	<i>18.70</i>				<i>10.47</i>	<i>5/1/2011</i>
<b>Total OPEB</b>	<b>73,147,765.6</b>	<b>100.0</b>	<b>-2.04</b>	<b>1.16</b>	<b>7.41</b>				<b>7.83</b>	<b>5/1/2011</b>
<i>OPEB Custom Blend</i>			<i>-2.06</i>	<i>1.22</i>	<i>7.01</i>				<i>5.63</i>	<i>5/1/2011</i>

END NOTES

8/31/2013

1 RI7GX0903OPE OPEB Custom Blend

65% Barclays Aggregate and 35% S&P 500

TOTAL NET OF FEES

8/31/2013

Account Name Benchmark Name	Market Value	% of Total	YTD	Month	Cumulative			2011	2010	Inception Date
					7/1/2013 - 7/31/2013	6/1/2013 - 6/30/2013	2012			
Mackay Shields OPEB	26,154,368.2	35.8		-0.45	0.06	-1.81			5/1/2013	
Barclays U.S. Aggregate Bond Index				-0.51	0.14	-1.55			5/1/2013	
SSGA S&P 500 INDX	46,993,397.4	64.2	15.92	-2.90	5.08	-1.35	15.96		5/1/2011	
S&P 500 - Total Return Index			16.15	-2.90	5.09	-1.34	16.00		5/1/2011	
<b>Total OPEB</b>	<b>73,147,765.6</b>	<b>100.0</b>	<b>5.93</b>	<b>-2.04</b>	<b>3.27</b>	<b>-1.52</b>	<b>9.74</b>		<b>5/1/2011</b>	
OPEB Custom Blend			5.95	-2.06	3.36	-1.41	8.30		5/1/2011	

## END NOTES

8/31/2013

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