

Portfolio Performance Review

Quarter Ending December 31, 2015

Table of Contents

Section Tabs

Executive Summary	Tab 1
Fund Overview	Tab 2
Fund Performance	Tab 3
U.S. Equity Managers	Tab 4
Non-U.S. Equity Managers	Tab 5
Core Fixed Income Managers	Tab 6
Credit Opportunities Managers	Tab 7
Real Assets Managers	Tab 8
Definitions	Tab 9
Appendix	Appendix



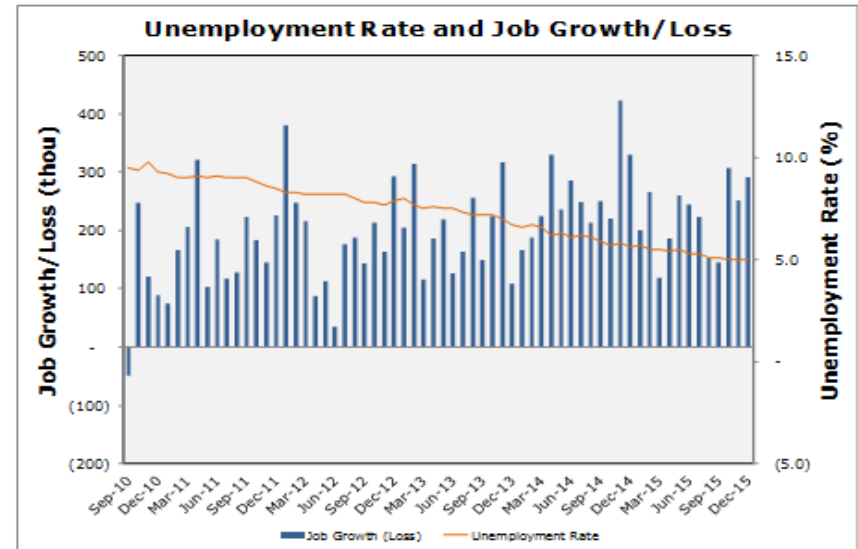
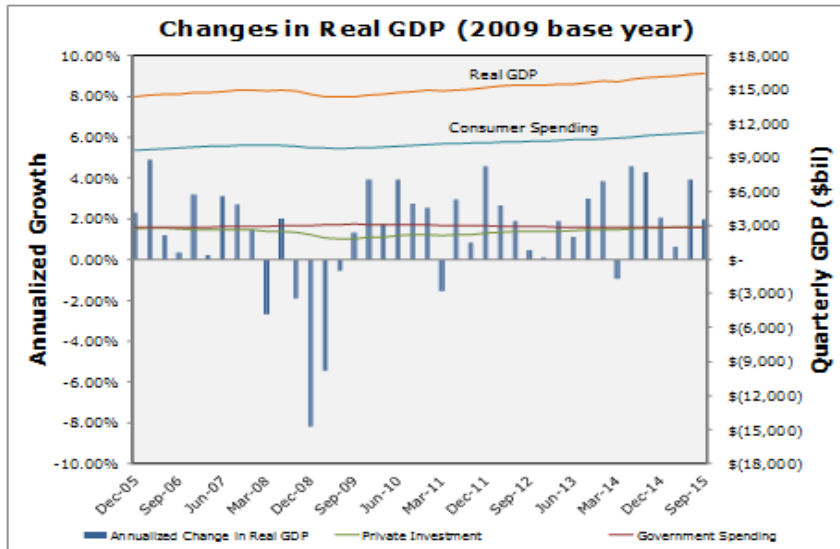
LACERS
LOS ANGELES CITY EMPLOYEES'
RETIREMENT SYSTEM

Executive Summary

Economic Review

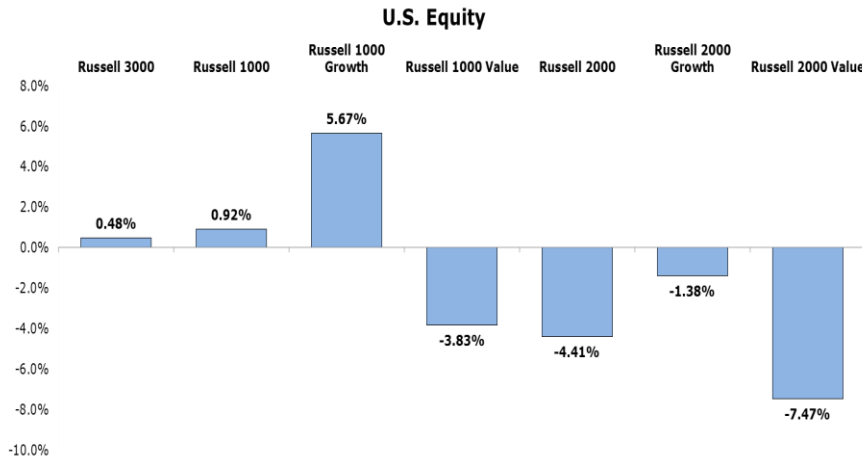
December 31, 2015		Key Economic Indicators			
CPI (all items) Seasonally adjusted	Monthly Change		Cumulative Change		
	Dec-15	-0.1	3-Month	0.1	
	Nov-15	0.0	12-Month	0.7	
	Oct-15	0.2	10-Yr Annual	1.8	
Breakeven Inflation	10-Year	1.6			
Consumer Sentiment Unv. of Michigan Survey	Dec-15	92.6			
	Nov-15	91.3			
	1-Yr Ago	93.6	10-Yr Avg	77.5	
Manufacturing Inst. for Supply Mgmt Purchasing Mngrs' Idx	Dec-15	48.2	Change in Manufacturing Sector		
	Nov-15	48.6	>50	Expansion	
	1-Yr Avg	51.4	<50	Contraction	

Note: Seasonally adjusted CPI data is utilized to better reflect short-term pricing activity.

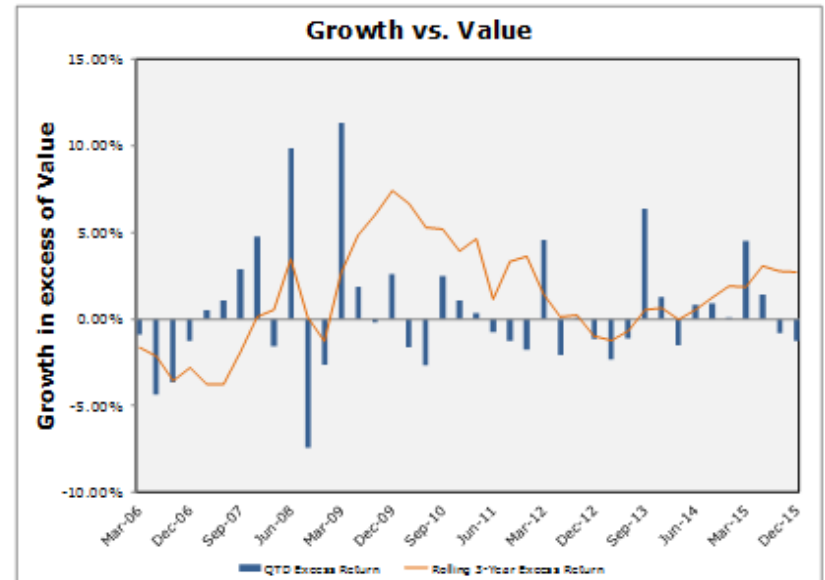
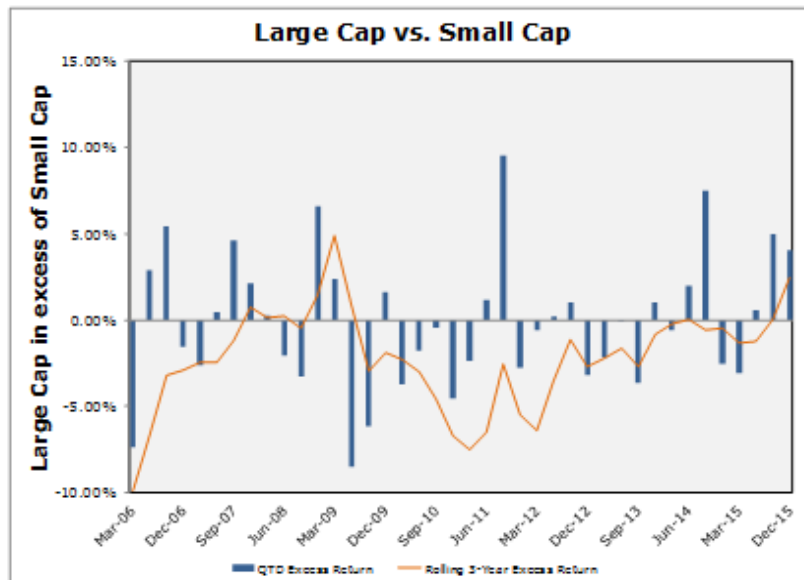


Data sources: Bureau of Economic Analysis, Bureau of Labor Statistics, Federal Reserve Bank of St. Louis, Barclays Capital

U.S. Capital Markets: Equity



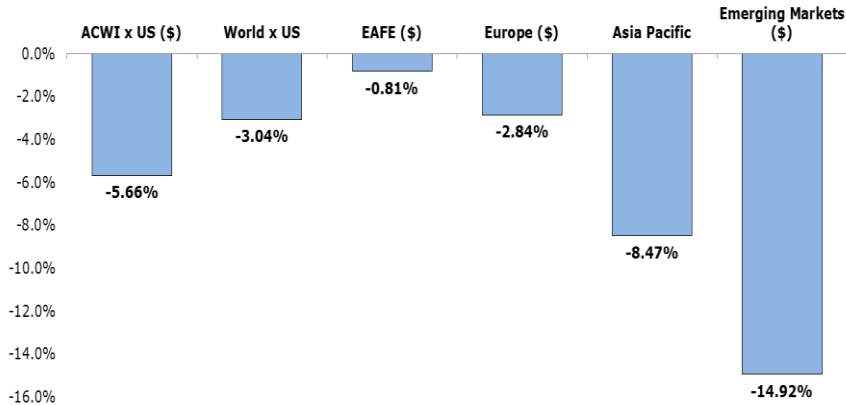
- The U.S. stock market, as represented by the Russell 3000 Index, posted a return of 0.48% for the one-year period ending December 31, 2015. The U.S. stock market was up for 4Q15, rising 6.27%.
- The market rebounded during the last quarter of the year as leading economic indicators in the U.S. rose in October and November, which suggested continued economic growth.
- Large-cap growth stocks, as represented by the Russell 1000 Growth Index, were the strongest performing stocks for the year, primarily driven by consumer discretionary, consumer staples, and IT stocks.



Data sources: Wilshire Compass, Wilshire Atlas

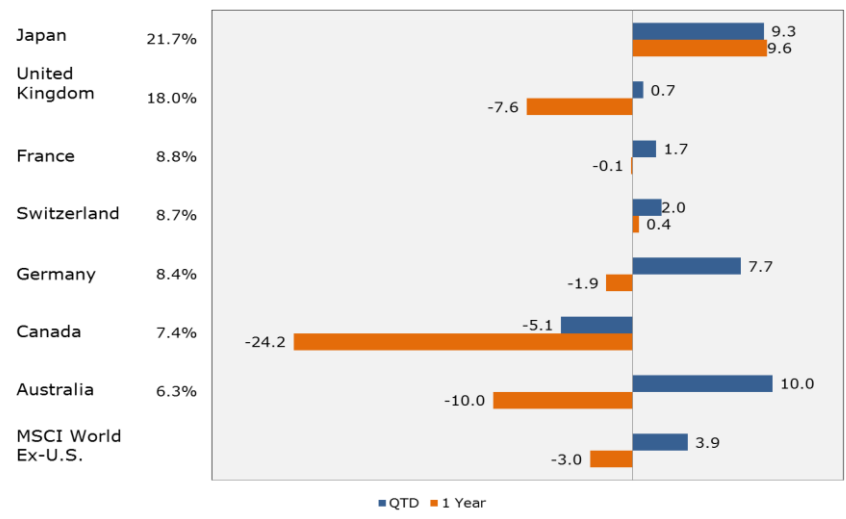
Non-U.S. Capital Markets

Non-U.S. Equity

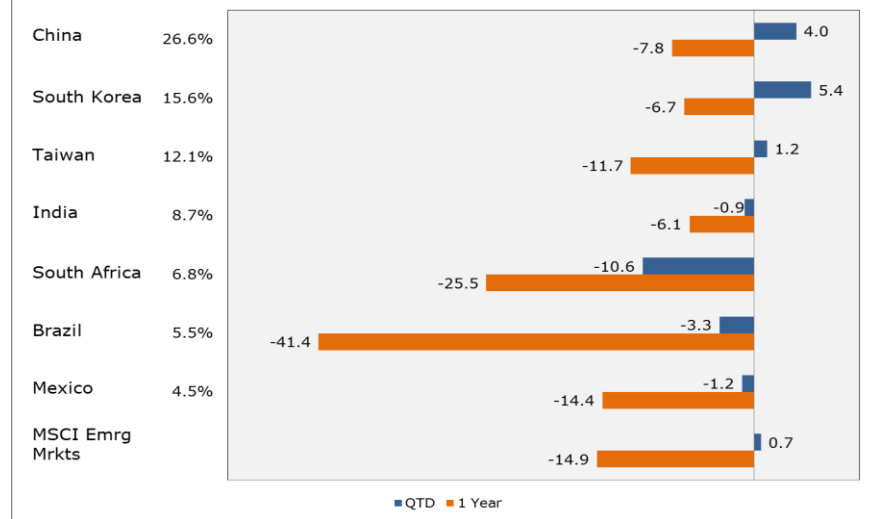


- Global equity markets, as represented by the MSCI ACWI ex-U.S. Index, returned -5.66% for the year.
- Global developed economy stock markets ended 2015 with moderate gains for the year. Investors were cheered by Europe's nascent economic recovery, the European Central Bank's accommodative monetary policy and overall resilience in the Asia-Pacific region outside of China.
- Emerging markets equities returned -14.92% during the year, underperforming developed markets. Emerging markets continued to suffer from China's weakness and the worldwide collapse in commodities.

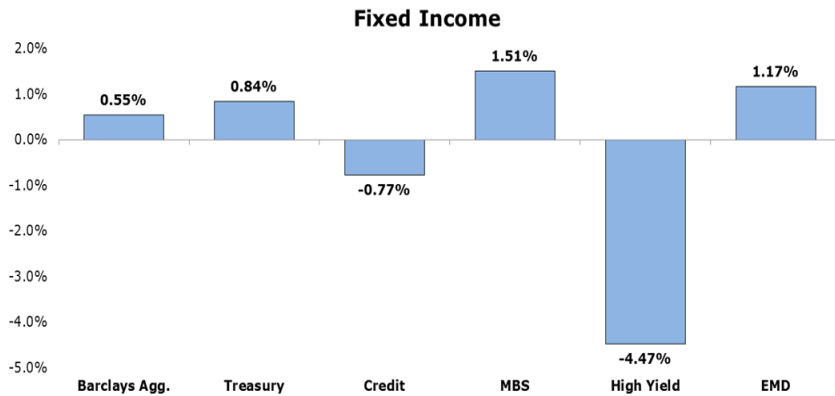
MSCI World Ex-U.S.: Largest Countries and Return



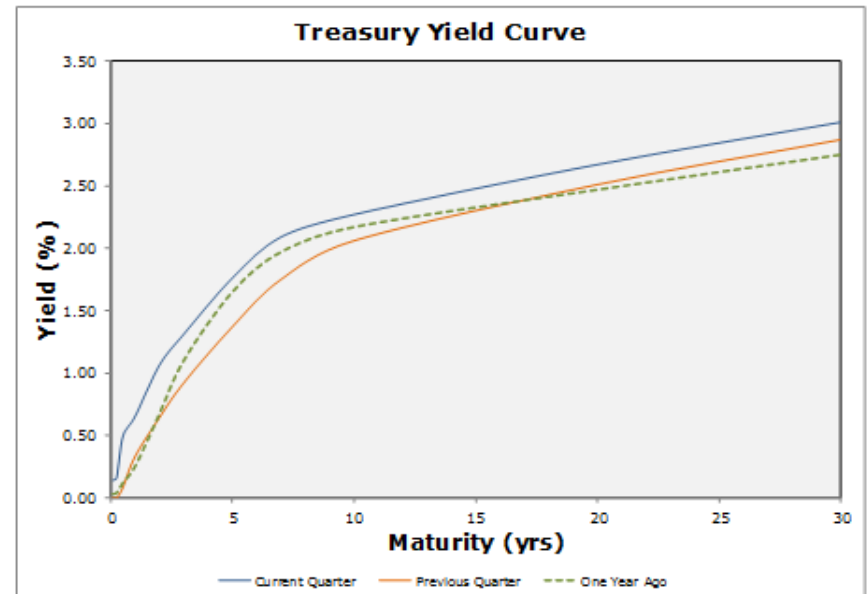
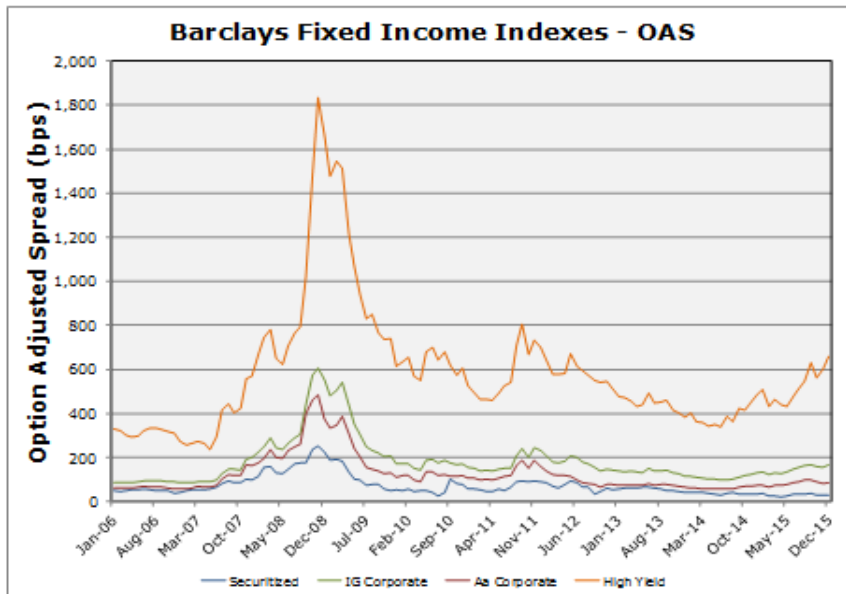
MSCI EM: Largest Countries and Return



U.S. Capital Markets: Fixed Income

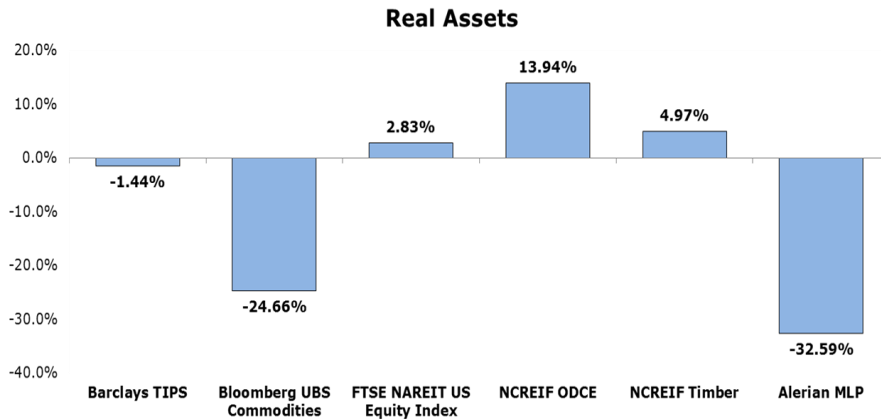


- U.S. Fixed Income markets, as represented by the Barclays U.S. Aggregate Index, returned 0.55% for the year.
- Ten-Year Treasury yields settled at 2.27% for 4Q15, 10 basis points higher than 4Q14.
- The Federal Reserve's decision on December 16th to raise the key federal-funds rate to a 0.25-0.50% target range had little real impact on Treasury markets. The pressure of rising yields on bond prices was tempered by the special status Treasuries enjoy as a global safe-haven asset, resulting in relatively little movement in this market sector.

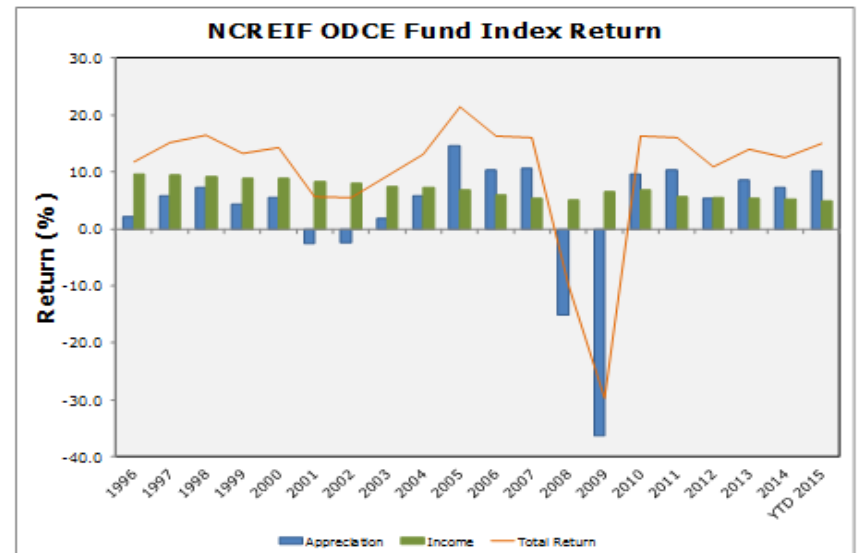
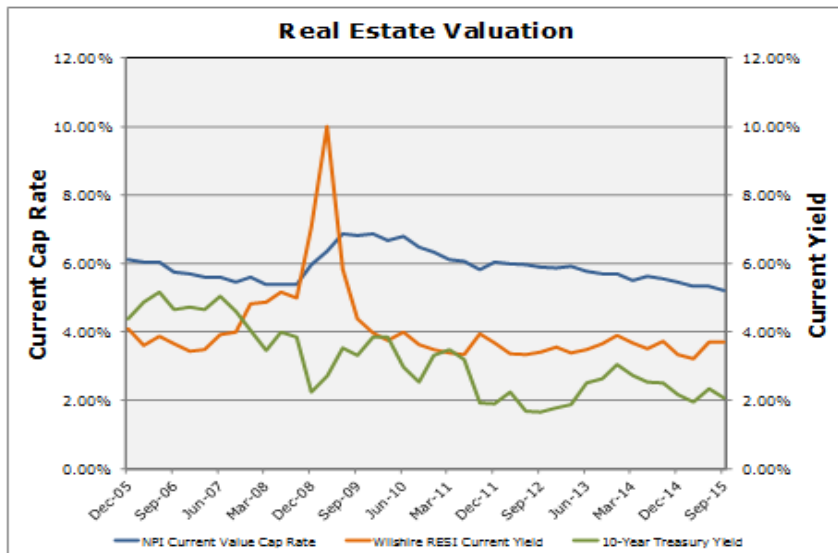


Data sources: Wilshire Compass, Barclays Capital, U.S. Treasury

Real Assets



- TIPS, as represented by the Barclays U.S. TIPS Index, returned -1.44% for the year as inflation remains below target and long yields rose modestly.
- The best returning real asset was private real estate, which rose 13.94% for the year as measured by the NCREIF ODCE universe.
- MLPs, as represented by the Alerian MLP Index, experienced the lowest return of all capital markets with -32.59% for the year, as the sell-off in MLPs coincided with falling oil prices.



Data sources: Wilshire Compass, National Council of Real Estate Investment Fiduciaries

Performance Overview

- *LACERS' investment portfolio ("Fund") ended the quarter with a market value of \$14.0 billion, which was \$111 million less than at the previous year-end. The Fund's net of fee return was 0.31% for the year and 8.00% for the three-year period ending December 31, 2015.*
- *The Fund outperformed its policy benchmark by 70 basis points (0.70%) for the year and outperformed its policy benchmark by 82 basis points (0.82%) for the three-year period.*
- *In comparison to other public funds with market values greater than \$10 billion in the TUCS (Trust Universe Comparison Service) peer universe, the Fund ranked in the 72nd percentile for the year and in the 41st percentile for the three-year period.*
- *In the public markets, U.S. Equity and Non-U.S. Equity outperformed their respective benchmarks for the one-year period while Core Fixed Income and Credit Opportunities both underperformed their respective benchmarks.*
- *Private Equity¹ outperformed its benchmark for the one-year period.*
- *Real Assets, which is comprised of publicly traded and private markets assets, underperformed its benchmark for the one-year period.*

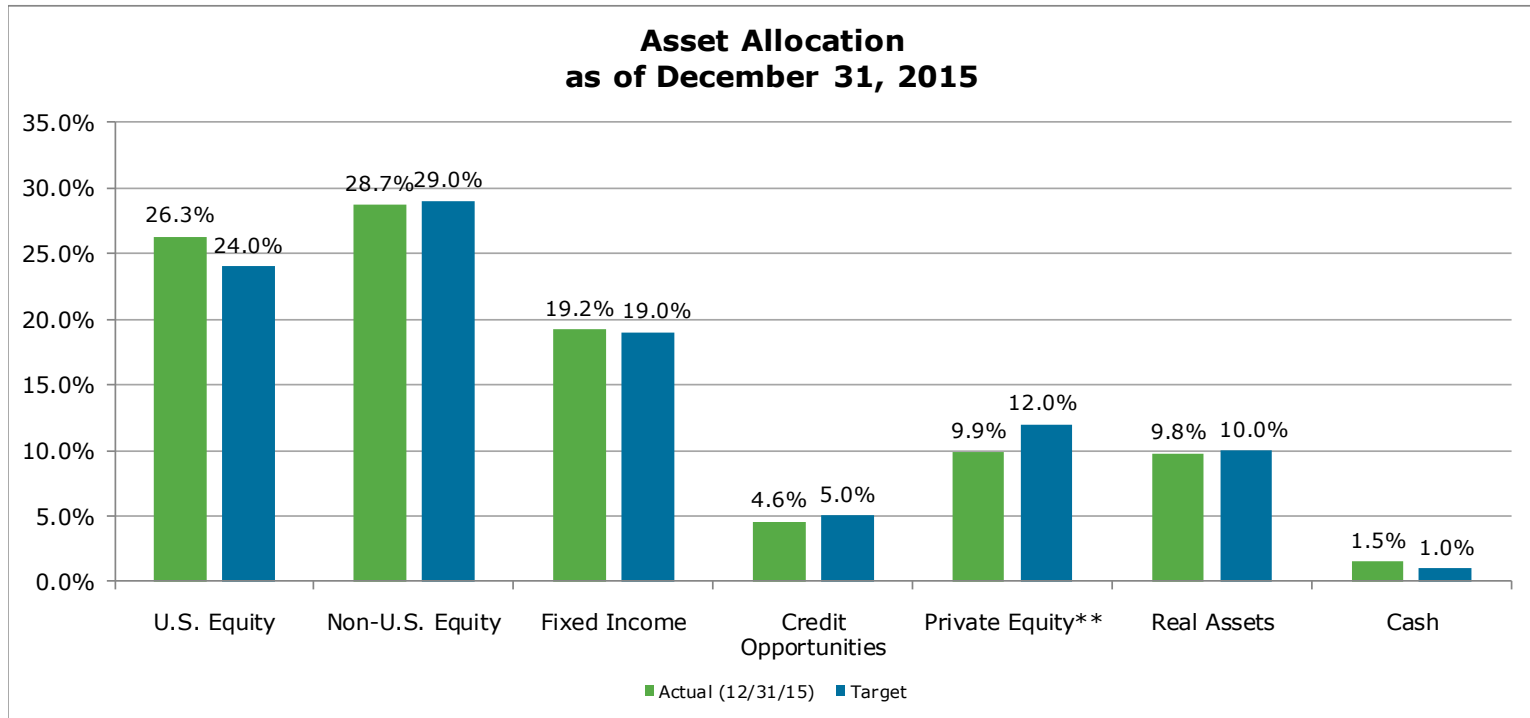
Note: Due to the J-curve effect in early stages of a private equity fund's life, returns may lag prior to realization of proceeds in later years.

¹Name change from "Alternative Investments."



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Fund Overview



	Actual	Target*	Min.	Max
U.S. Equity**	26.3%	24.0%	19.0%	29.0%
Non-U.S. Equity	28.7%	29.0%	24.0%	34.0%
Fixed Income	19.2%	19.0%	15.0%	22.0%
Credit Opportunities	4.6%	5.0%	0.0%	10.0%
Private Equity***	9.9%	12.0%	n/a	n/a
Real Assets	9.8%	10.0%	7.0%	13.0%
Cash	1.5%	1.0%	0.0%	2.0%

* Adopted 1st Qtr 2012 and affirmed 2nd Qtr 2015

**The underweight to Private Equity is allocated to U.S. Equity

***Name change from "Alternative Investments."

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Fund Performance

LACERS Total Fund

(Returns are Net of Fees)

	Market Value (\$million)	% to Total Fund	Current Quarter	One Year	Three Years	Five Years	Ten Years	Fifteen Years ¹	Since Inception ¹	5 Year Tracking Error
LACERS Master Trust	\$ 13,962	100.0%	2.57	0.31	8.00	7.53	5.86	6.23	8.09	1.2
<i>Policy Benchmark*</i>			3.23	-0.39	7.18	7.31	5.84	5.73	7.98	
Excess Return			-0.66	0.70	0.82	0.22	0.02	0.50	0.11	
U.S. Equity	\$ 3,679	26.3%	6.10	0.88	14.90	11.74	7.08	6.16	10.09	1.2
<i>Russell 3000</i>			6.27	0.48	14.74	12.18	7.35	5.39	8.83	
Excess Return			-0.17	0.40	0.16	-0.44	-0.27	0.77	1.26	
Non-U.S. Equity	\$ 4,008	28.7%	3.91	-2.73	3.66	2.23	3.64	4.90	4.72	1.3
<i>MSCI ACWI ex U.S.</i>			3.24	-5.66	1.50	1.06	2.92	3.92	4.85	
Excess Return			0.67	2.93	2.16	1.17	0.72	0.98	-0.13	
Core Fixed Income	\$ 2,675	19.2%	-0.56	0.39	1.68	--	--	--	2.80	--
<i>BC U.S. Aggregate</i>			-0.57	0.55	1.50	--	--	--	2.02	
Excess Return			0.01	-0.16	0.18	--	--	--	0.78	
Credit Opportunities	\$ 639	4.6%	-1.14	-3.70	--	--	--	--	2.32	--
<i>Credit Opportunities Blend***</i>			-0.90	-2.49	--	--	--	--	2.55	
Excess Return			-0.24	-1.21	--	--	--	--	-0.23	
Real Assets **	\$ 1,368	9.8%	1.43	5.26	9.37	9.72	1.55	5.01	6.31	2.6
<i>CPI+5%</i>			0.65	5.73	6.00	6.54	6.86	7.08	7.20	
Excess Return			0.78	-0.47	3.37	3.18	-5.31	-2.07	-0.89	
Private Equity^{2**}	\$ 1,384	9.9%	-1.18	6.91	12.51	13.08	11.76	8.84	10.23	13.3
<i>Russell 3000 + 300 bps</i>			7.08	3.51	18.19	15.78	11.20	9.34	12.46	
Excess Return			-8.26	3.40	-5.68	-2.70	0.56	-0.50	-2.23	
Cash	\$ 210	1.5%								

¹ Indicates gross returns. LACERS Master Trust, U.S. Equity & Real Assets Since Inception date: 10/31/94. Private Equity Since Inception date: 11/30/95. Non-U.S. & Core Fixed Since Inception date: 6/30/12. Credit Opportunities Since Inception date: 6/30/13.

² Name change from "Alternative Investments" for performance book only.

* More detailed information available under Definitions section at the back of this presentation.

** Due to the J-Curve effect in early stages of a fund's life, returns may lag prior to realization of proceeds in later years.

*** 65% BC U.S. Corp HY 2% Cap / 35% JPM EMBI - Global Diversified

Private Investments

Performance by IRR and Multiples¹ as of September 30, 2015

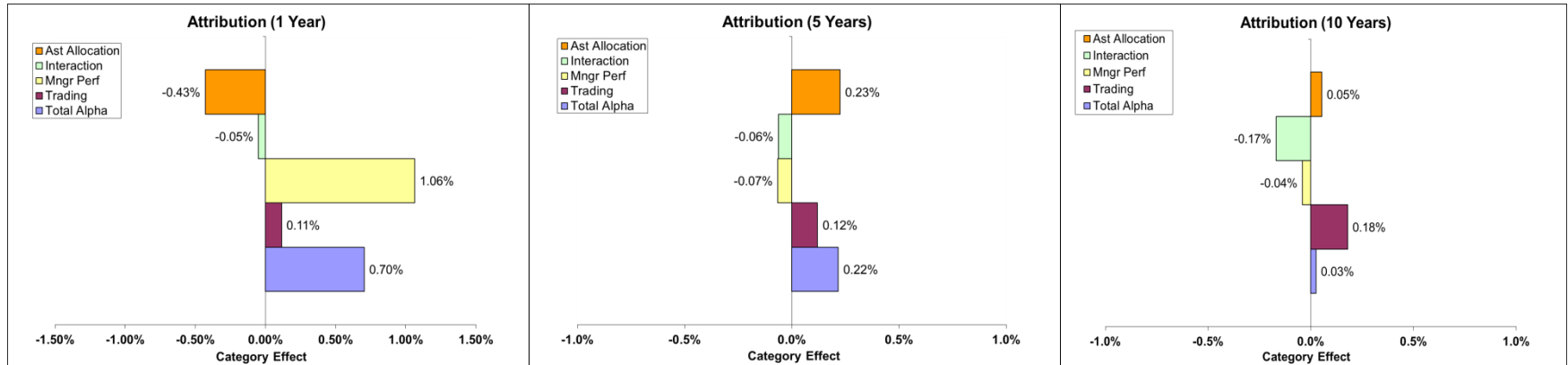
Private Equity	10-Year IRR	Since Inception IRR	Since Inception Equity Multiple
Aggregate Portfolio	11.73%	11.10%	1.49x
Core Portfolio	12.57%	11.63%	1.52x
Specialized Portfolio	3.24%	2.88%	1.15x
<i>Russell 3000 + 300 bps</i>	<i>10.39%</i>	<i>9.66%</i>	<i>N/A</i>

Real Estate²	10-Year Return	Since Inception Return	Since Inception Equity Multiple
Total Portfolio (TWR)	2.24%	5.77%	N/A
<i>NFI ODCE + 80 bps (TWR)</i>	<i>6.52%</i>	<i>6.99%</i>	<i>N/A</i>

¹Since inception IRRs and multiples represent performance of active private equity and real estate funds in LACERS portfolio as of the date listed in the table heading. These numbers do not include performance of liquidated funds.

²Cash flow weighted benchmark return (IRR) is not available for the Real Estate Portfolio, so only time weighted return (TWR) is reported.

Total Fund Attribution*



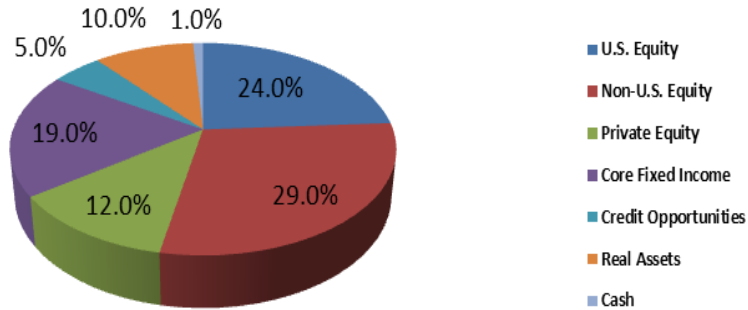
	Portfolio Return	Policy Return	Asset Allocation	Interaction	Manager Performance	Trading	Total Alpha
1 Year	0.31%	-0.39%	-0.43%	-0.05%	1.06%	0.11%	0.70%
5 Years	7.53%	7.31%	0.23%	-0.06%	-0.07%	0.12%	0.22%
10 Years	5.86%	5.84%	0.05%	-0.17%	-0.04%	0.18%	0.03%

*Slight discrepancies may result due to rounding. For details on Interaction and Trading effects above, see the Definitions Section VI: Performance Attribution.

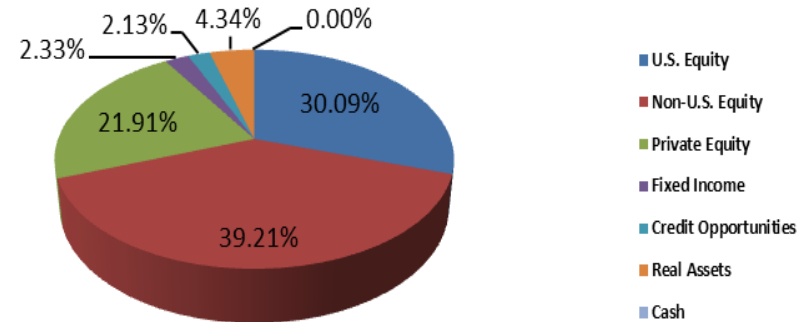
- Overweight to U.S. Equities and underweight to both Private Equity and Real Assets, relative to their respective policy target weights, detracted from the portfolio's performance over the 1-year period. Overweight to U.S. Equities relative to the policy target weight has been a source of value added over the 5- and 10-year periods.
- Manager performance was the most significant contributor of value added over the 1-year period, due in large part to outperformance of Non-U.S. Equity managers and Private Equity investments.
- Negative returns from interaction in the 1-year period are primarily due to underweighting in Private Equity, which considerably outperformed its benchmark.
- Negative returns from interaction in the 5-year period are primarily due to the underweighting of Non-U.S. Equity and Real Assets, which outperformed their respective benchmarks. Negative returns from interaction in the 10-year period is primarily due to the underweighting in Private Equity and Non-U.S. Equity, which outperformed their respective benchmarks.

Total Fund – Risk Allocation

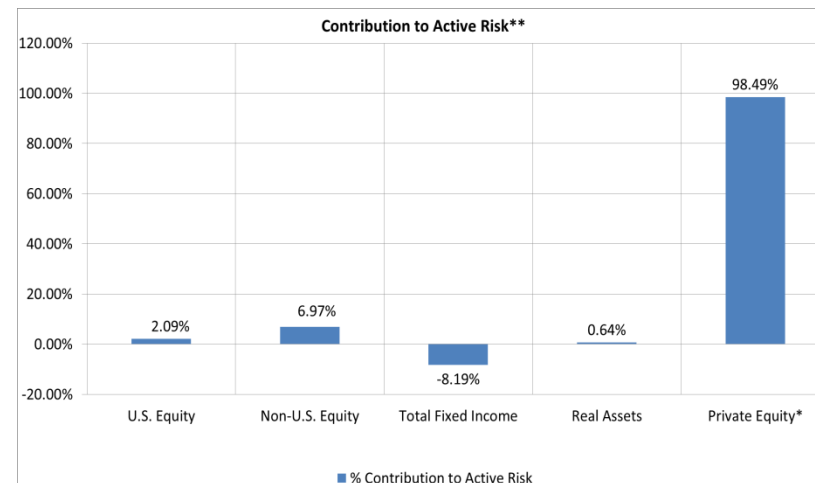
Target Asset Allocation



Contribution to Total Risk - Target Allocation*



- Public equities (U.S. Equity and Non-U.S. Equity) comprises 69% of total risk despite target weighting of 53%.
- Private markets (Real Assets and Private Equity) comprises 26% of total risk despite target weighting of 22%.
- Total fixed income (Core Fixed Income and Credit Opportunities) comprises only 4% of total risk despite target weighting of 24%
- Active risk is the standard deviation of the differences between a portfolio's returns and its benchmark's returns
- Private markets (Real Assets and Private Equities) comprises 99% of active risk as it is difficult to separate active from 'beta' exposures in those asset classes.
- Fixed Income has provided modest active risk reduction.

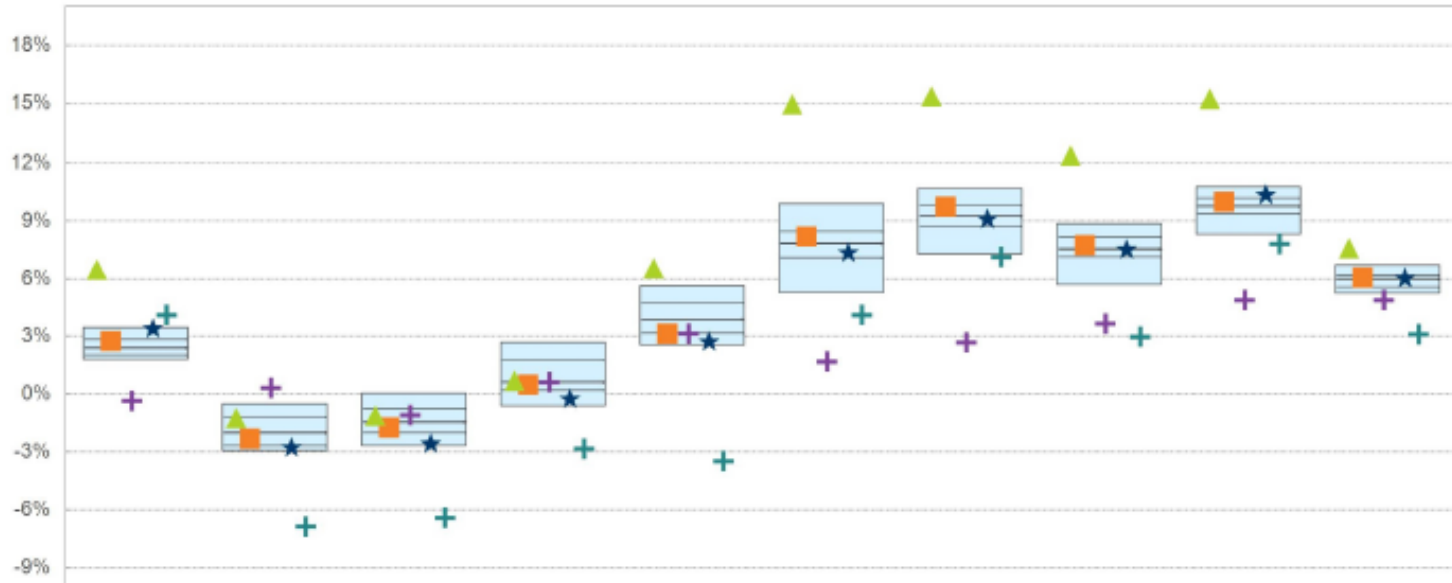


*Contribution to Total Risk reflects the target allocation ex-ante contribution to total risk.

**Contribution to Active Risk reflects the target allocation ex-post contribution to active risk. The look-back period is 5 years.

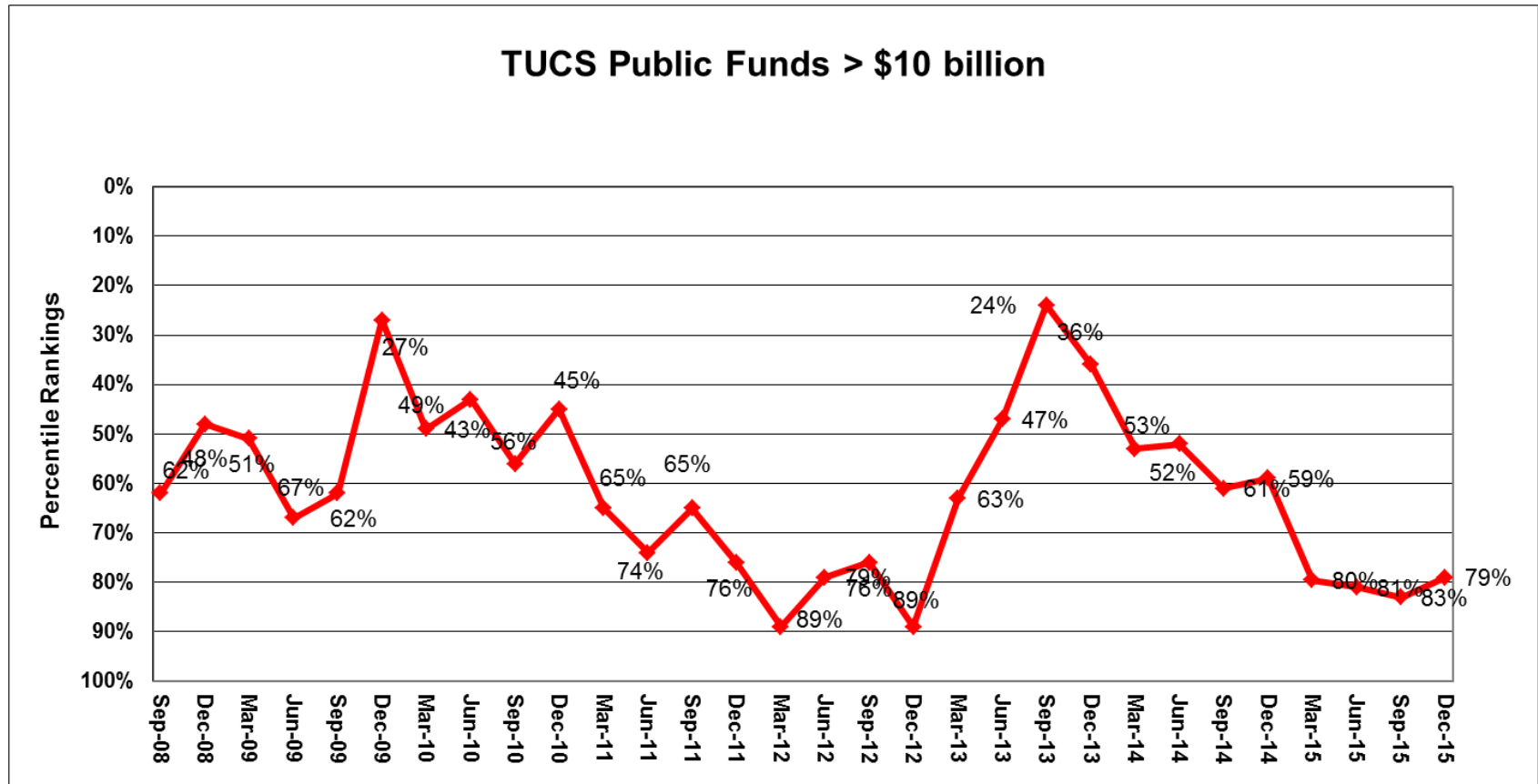
Trust Universe Comparison Service Performance Comparison

Total Returns of Public Defined Benefit Plans >\$10 billion
Cumulative Periods Ending : December 31, 2015



Percentile Rankings	1 Qtr	2 Qtrs	3 Qtrs	1 Year	2 Years	3 Years	4 Years	5 Years	7 Years	10 Years
5th	3.46	-0.50	0.03	2.89	5.63	9.90	10.87	8.85	10.75	6.70
25th	2.85	-1.19	-0.76	1.76	4.71	8.44	9.78	8.14	10.19	6.19
50th	2.41	-1.99	-1.43	0.64	3.90	7.84	9.24	7.52	9.77	5.99
75th	2.06	-2.68	-1.99	0.20	3.19	7.07	8.74	7.12	9.36	5.58
95th	1.83	-2.93	-2.67	-0.61	2.56	5.29	7.28	5.71	8.30	5.25
No. Of Obs	37	37	37	37	37	37	37	37	33	33
■ Total Fund NOF	2.57 (36)	-2.52 (72)	-1.92 (72)	0.31 (72)	2.96 (90)	8.00 (41)	9.54 (38)	7.53 (44)	9.79 (46)	5.86 (56)
★ Total Fund Policy	3.23 (10)	-2.94 (99)	-2.73 (96)	-0.40 (90)	2.56 (96)	7.18 (72)	8.91 (58)	7.33 (58)	10.19 (25)	5.85 (56)
▲ Russell 3000	6.27 (1)	-1.43 (27)	-1.30 (44)	0.48 (52)	6.34 (1)	14.74 (1)	15.16 (1)	12.18 (1)	15.04 (1)	7.36 (1)
⊕ MSCI Wild Ex US (Net)	3.92 (1)	-7.07 (100)	-6.62 (100)	-3.04 (100)	-3.68 (100)	3.93 (100)	6.92 (99)	2.79 (100)	7.61 (99)	2.92 (100)
⊕ Barclays US Univ Indx	-0.55 (100)	0.13 (1)	-1.28 (44)	0.43 (58)	2.96 (90)	1.51 (100)	2.50 (100)	3.46 (100)	4.70 (100)	4.68 (100)

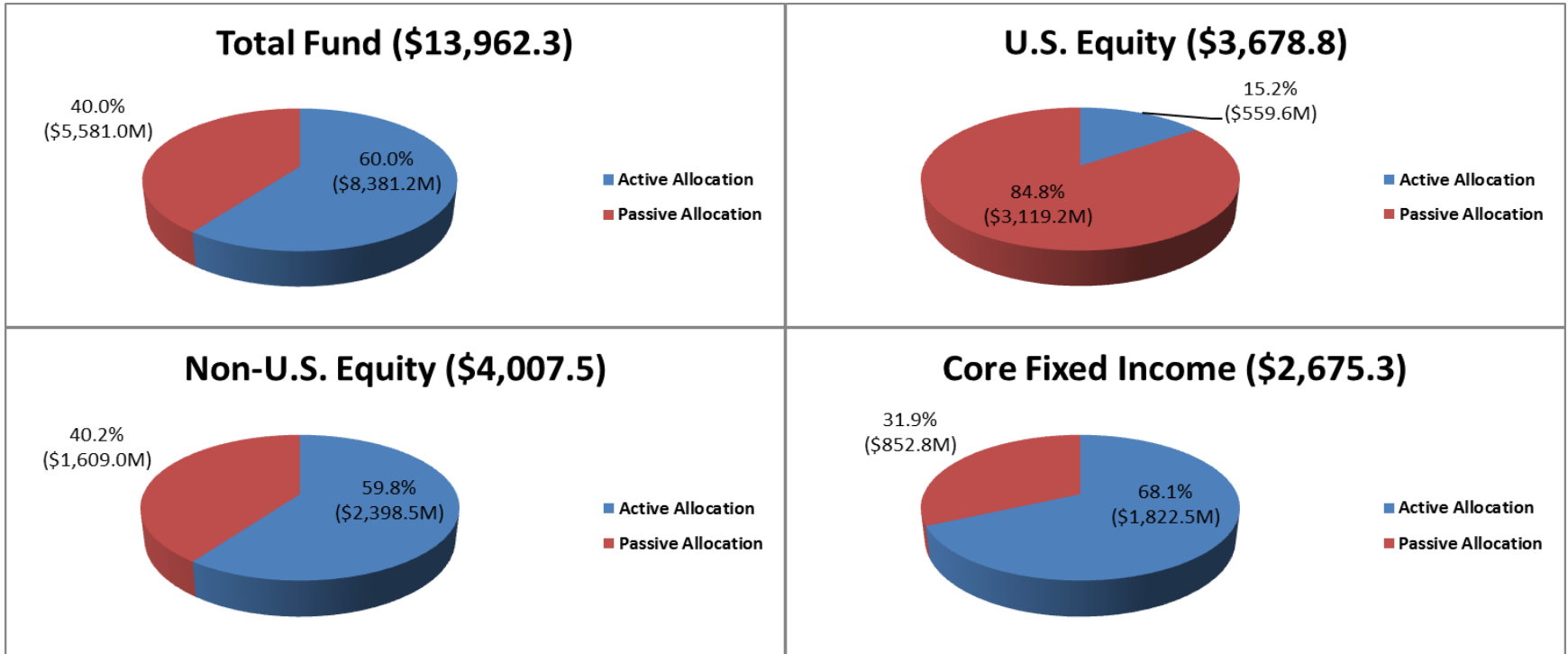
Return to Risk Ratio Comparison*



*Rolling 5-year Risk/Return

- Return to risk ratio comparison puts funds with different asset allocation objectives on even footing.
- LACERS 5-year return ranks in the 44th percentile, while its 5 year risk value ranks in the 87th percentile.
- As of December 31, 2015, LACERS 5 year return to risk ratio (5 year return/5 year risk) ranks in the 79th percentile.

Active vs. Passive Allocation Breakdown



- Of the Total Fund, LACERS allocated 60.0% to active managers and 40.0% to passive managers.
- No exposure in passive management for Credit Opportunities, Private Equity, and Real Assets. As a result, allocation charts for these asset classes were omitted.



LACERS
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RETIREMENT SYSTEM

U.S. Equity Managers

U.S. Equity Managers

(Returns are Net of Fees)

	Inception Date	Market Value (\$million)	% to Total U.S. Equity	Current Quarter	One Year	Three Years	Five Years	Ten Years	Fifteen Years ¹	Since Inception ¹	5 Year Tracking Error
U.S. Equity	Oct-94	\$ 3,679	100.0%	6.10	0.88	14.90	11.74	7.08	6.17	10.09	1.2
<i>Russell 3000</i>				6.27	0.48	14.74	12.18	7.35	5.40	8.83	
Excess Return				-0.17	0.40	0.16	-0.44	-0.27	0.77	1.26	
Rhumblin Advisors S&P 500 (Passive)	Feb-93	\$ 1,574	42.8%	7.02	1.38	15.10	12.58	7.46	5.15	9.25	0.1
<i>S&P 500</i>				7.04	1.38	15.13	12.57	7.31	5.00	9.06	
Excess Return				-0.02	0.00	-0.03	0.01	0.15	0.15	0.19	
Blackrock S&P 500 (Passive)	Jun-13	\$ 1,083	29.4%	7.03	1.36	--	--	--	--	12.44	--
<i>S&P 500</i>				7.04	1.38	--	--	--	--	12.44	
Excess Return				-0.01	-0.02	--	--	--	--	0.00	
Rhumblin Advisors Russell 1000 Growth (Passive)	Jun-13	\$ 137	3.7%	7.15	5.50	--	--	--	--	15.11	--
<i>Russell 1000 Growth</i>				7.32	5.67	--	--	--	--	15.00	
Excess Return				-0.17	-0.17	--	--	--	--	0.11	
AJO	Oct-01	\$ 154	4.2%	5.40	0.00	14.67	12.72	6.70	--	8.54	2.4
<i>Russell 1000 Value</i>				5.64	-3.83	13.08	11.27	6.16	--	7.25	
Excess Return				-0.24	3.83	1.59	1.45	0.54	--	1.29	
Principal Global Investors	Jul-14	\$ 128	3.5%	4.67	2.35	--	--	--	--	6.59	--
<i>Russell Midcap</i>				3.62	-2.44	--	--	--	--	1.29	
Excess Return				1.05	4.79	--	--	--	--	5.30	
Rhumblin Russell 2000 (Passive)	Mar-15	\$ 228	6.2%	3.56	--	--	--	--	--	-5.24	--
<i>Russell 2000</i>				3.59	--	--	--	--	--	-4.89	
Excess Return				-0.03	--	--	--	--	--	-0.35	
Rhumblin Russell 2000 Growth (Passive)	Jan-15	\$ 98	2.7%	4.27	--	--	--	--	--	-1.58	--
<i>Russell 2000 Growth</i>				4.32	--	--	--	--	--	-1.43	
Excess Return				-0.05	--	--	--	--	--	-0.15	

¹ Indicates gross returns

* Changed from the S&P 500 Index on July 1, 2011.

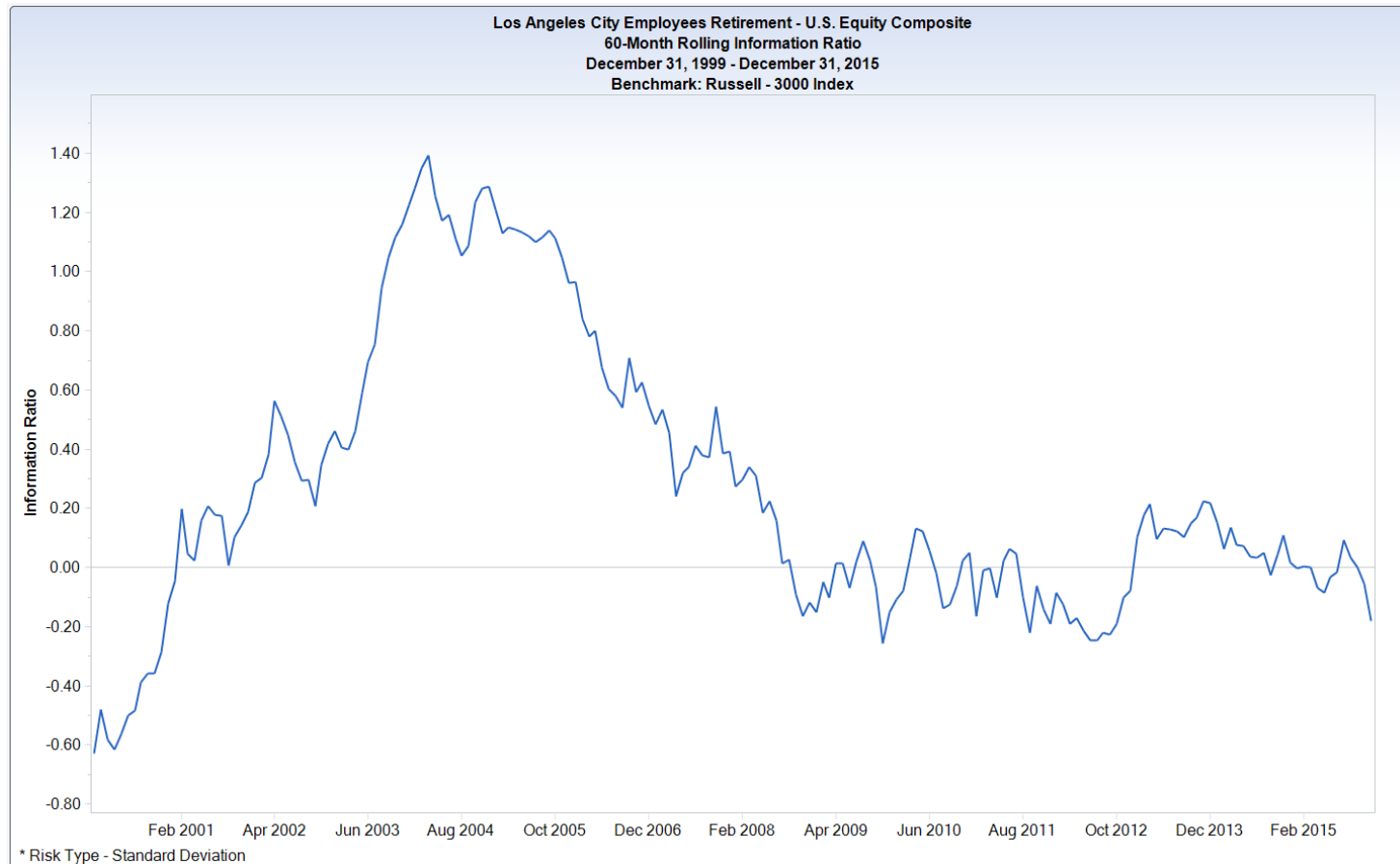
U.S. Equity Managers

(Returns are Net of Fees)

	Inception Date	Market Value (\$million)	% to Total U.S. Equity	Current Quarter	One Year	Three Years	Five Years	Ten Years	Fifteen Years ¹	Since Inception ¹	5 Year Tracking Error
EAM Investors LLC <i>Russell 2000 Growth</i>	Sep-15	\$ 87	2.4%	1.63	--	--	--	--	--	1.63	--
Excess Return				4.32	--	--	--	--	--	4.32	
				-2.69	--	--	--	--	--	-2.69	
PanAgora Asset Management <i>Russell 2000 Value</i>	Feb-06	\$ 95	2.6%	3.11	-4.15	13.59	11.84	--	--	6.07	2.3
Excess Return				2.88	-7.47	9.06	7.67	--	--	4.82	
				0.23	3.32	4.53	4.17	--	--	1.25	
Donald Smith & Co. <i>Russell 2000 Value</i>	Feb-06	\$ 95	2.6%	0.42	-8.31	7.87	4.79	--	--	6.23	6.5
Excess Return				2.88	-7.47	9.06	7.67	--	--	4.82	
				-2.46	-0.84	-1.19	-2.88	--	--	1.41	

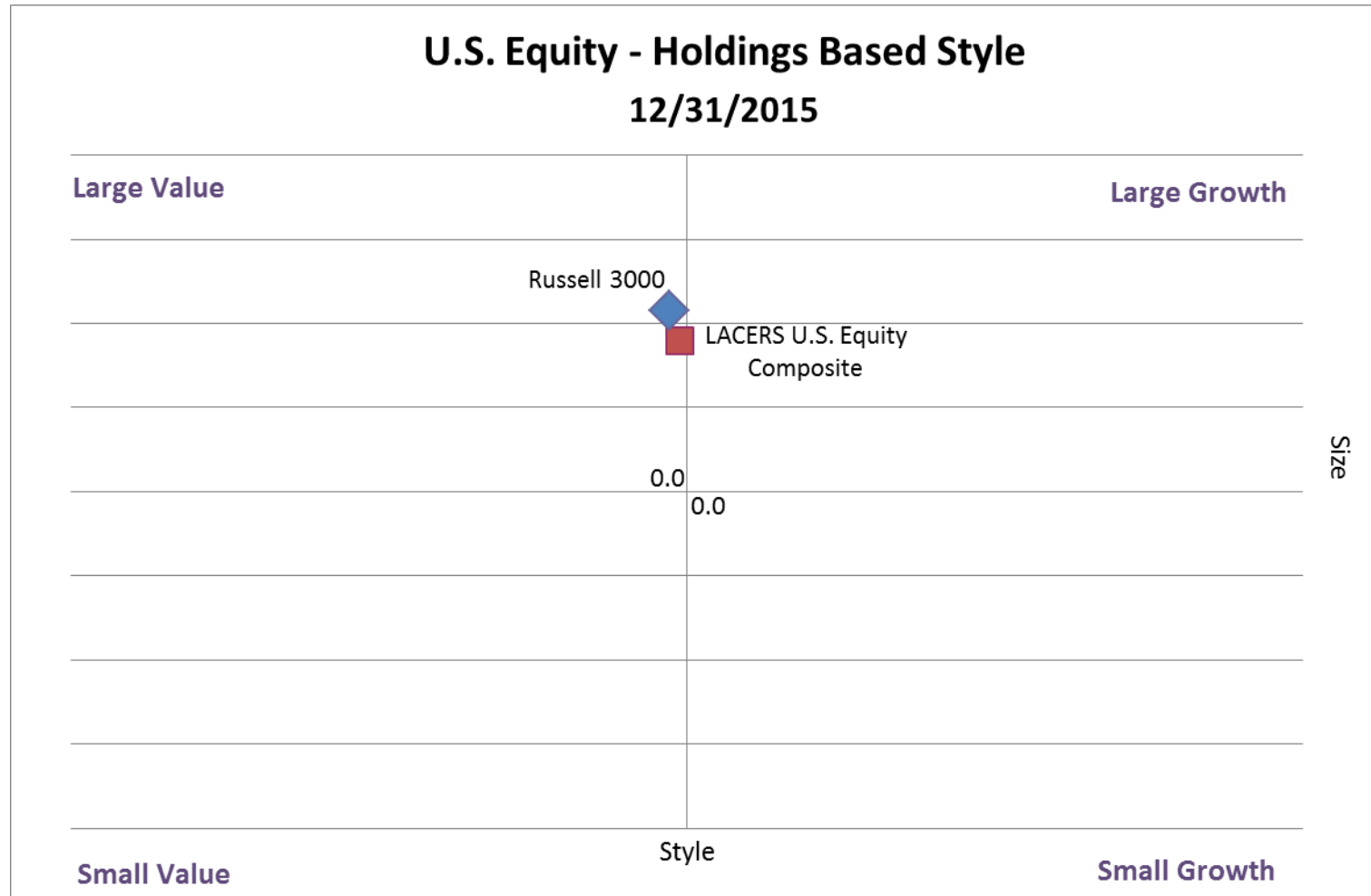
¹ Indicates gross returns

5-Year Rolling Risk-Adjusted Active Returns



- Active returns are returns earned over/under benchmark return.
- Lower information ratio the past few years due to (1) relative underperformance of watch list and terminated managers and (2) much higher utilization of passive strategies.

Risk-adjusted active returns are referred to as "Information Ratio". Information Ratio = Excess return (alpha) / Excess risk (tracking error).
Composite returns are gross of fee.



- LACERS U.S. Equity Portfolio is essentially style and size neutral versus its benchmark, which is desirable.

MANAGER REPORT CARD¹

U.S. Managers	Inception Date	Mandate	Current Quarter		One Year		Three Years		Five Years		Since Inception	Annual Management Fee paid* (\$ in millions)	Comments ²
			I	U	I	U	I	U	I	U	I		
➤ AJO	Oct-01	Large Cap Value	✗	✓	✓	✓	✓	✓	✓	✓	✓	\$0.59	Performance satisfactory pursuant to LACERS Manager Monitoring Policy
➤ Principal Global Investors	Jul-14	Mid Cap	✓	✓	✓	✓	n/a	n/a	n/a	n/a	✓	\$0.60	Limited track record; less than 3 years for active
➤ EAM Investors	Sep-15	Small Cap Growth	✗	✗	n/a	n/a	n/a	n/a	n/a	n/a	✗	n/a	Limited track record; less than 3 years for active
➤ Donald Smith & Co.	Feb-06	Small Cap Value	✗	✗	✗	✗	✗	✗	✗	✗	✓	\$0.89	"On Watch" since Nov. 2014 - performance
➤ PanAgora Asset Management	Feb-06	Small Cap Value	✓	✓	✓	✗	✓	✓	✓	✓	✓	\$0.74	Performance satisfactory pursuant to LACERS Manager Monitoring Policy
➤ Rhumblin Advisors (Passive)	Feb-93	S&P 500	✗	✓	✗	✓	✗	✓	✓	✓	✓	\$0.10	Performance satisfactory pursuant to LACERS Manager Monitoring Policy
➤ BlackRock S&P 500 (Passive)	Jun-13	S&P 500	✗	✓	✗	✓	n/a	n/a	n/a	n/a	✗	\$0.31	Performance satisfactory pursuant to LACERS Manager Monitoring Policy
➤ Rhumblin Advisors (Passive)	Jun-13	R1000 Growth	✗	✓	✗	✓	n/a	n/a	n/a	n/a	✓	\$0.01	Performance satisfactory pursuant to LACERS Manager Monitoring Policy
➤ Rhumblin Advisors (Passive)	Jan-15	R2000 Growth	✗	✓	n/a	n/a	n/a	n/a	n/a	n/a	✗	\$0.002	Limited track record; less than 1 year for passive
➤ Rhumblin Adviors (Passive)	Mar-15	R2000	✗	✓	n/a	n/a	n/a	n/a	n/a	n/a	✗	\$0.002	Limited track record; less than 1 year for passive

¹Current Quarter, 1-Yr, 3-Yrs, and 5-Yrs returns are net of fees. Since Inception returns are gross of fee.

²Managers are placed on the Watch List for concerns with organization, process, and performance. Managers are normally on the Watch List for 12 months though it can be longer if manager issues still remain but not severe enough to warrant contract termination recommendation.

* As of Fiscal Year ending 6/30/15

LEGEND	
✓	outperformed I index
✗	underperformed U universe median
=	equal

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LACERS
LOS ANGELES CITY EMPLOYEES'
RETIREMENT SYSTEM

Non-U.S. Equity Managers

Non-U.S. Equity Managers

(Returns are Net of Fees)

	Inception Date	Market Value (\$million)	% to Total Non-U.S. Equity	Current Quarter	One Year	Three Years	Five Years	Ten Years	Since Inception ¹	5 Year Tracking Error
Non-U.S. Equity	Oct-94	\$ 4,007	100.0%	3.91	-2.73	3.66	2.23	3.64	4.72	1.3
<i>MSCI ACWI ex U.S.</i>				3.24	-5.66	1.50	1.06	2.92	4.85	
Excess Return				0.67	2.93	2.16	1.17	0.72	-0.13	
Developed ex-U.S.	Jun-12	\$ 3,262	81.4%	4.48	-0.19	5.54	--	--	9.11	--
<i>MSCI EAFE ND</i>				4.71	-0.81	5.01	--	--	8.25	
Excess Return				-0.23	0.62	0.53	--	--	0.86	
SSgA (Passive)	Aug-93	\$ 1,609	40.2%	4.20	-1.57	4.83	3.40	3.60	5.47	0.2
<i>MSCI World ex U.S. IMI Index</i>				4.17	-1.95	4.43	3.00	3.22	4.82	
Excess Return				0.03	0.38	0.40	0.40	0.38	0.65	
Lazard Asset Management	Dec-13	\$ 444	11.1%	4.81	0.48	--	--	--	2.56	--
<i>MSCI EAFE ND</i>				4.71	-0.81	--	--	--	-1.23	
Excess Return				0.10	1.29	--	--	--	3.79	
MFS Institutional Advisors	Dec-13	\$ 431	10.8%	4.59	1.90	--	--	--	0.10	--
<i>MSCI World ex U.S. Growth</i>				5.61	1.65	--	--	--	0.32	
Excess Return				-1.02	0.25	--	--	--	-0.22	
Barrow Hanley Mewhinney & Strauss	Dec-13	\$ 407	10.2%	2.96	-6.56	--	--	--	-1.53	--
<i>MSCI EAFE Value</i>				2.72	-5.22	--	--	--	-3.75	
Excess Return				0.24	-1.34	--	--	--	2.22	
Oberweis Asset Management	Jan-14	\$ 66	1.5%	7.71	15.73	--	--	--	4.78	--
<i>MSCI EAFE Sm Cp</i>				6.83	9.94	--	--	--	1.69	
Excess Return				0.88	5.79	--	--	--	3.09	
AQR	Feb-14	\$ 305	7.6%	6.89	13.18	--	--	--	3.25	--
<i>MSCI EAFE Sm Cp</i>				6.83	9.94	--	--	--	1.02	
Excess Return				0.06	3.24	--	--	--	2.23	

¹ Indicates gross returns

Non-U.S. Equity Managers

(Returns are Net of Fees)

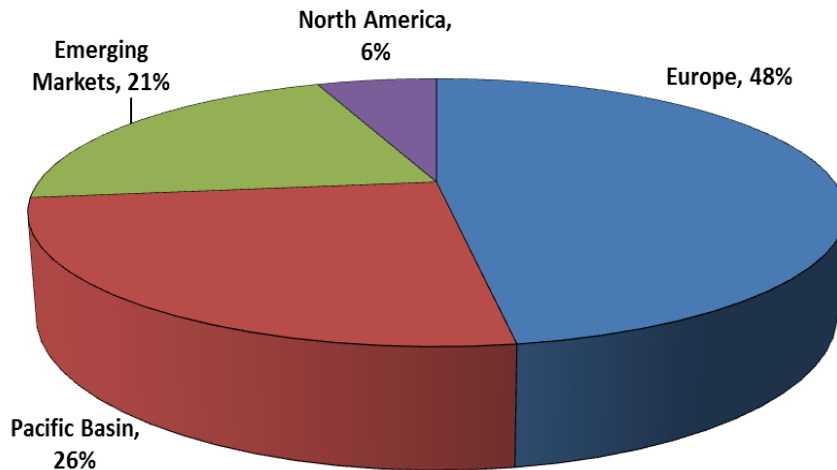
	Inception Date	Market Value (\$million)	% to Total Non-U.S. Equity	Current Quarter	One Year	Three Years	Five Years	Ten Years	Since Inception ¹	5 Year Tracking Error
Emerging Markets²	Jun-12	\$ 745	18.6%	0.50	-15.96	-8.02	--	--	-2.76	--
<i>MSCI Emerging Markets ND</i>				<i>0.66</i>	<i>-14.92</i>	<i>-6.76</i>	--	--	<i>-2.29</i>	
Excess Return				-0.16	-1.04	-1.26	--	--	-0.47	
Axiom International	Mar-14	\$ 242	6.0%	2.59	-12.44	--	--	--	-7.87	--
<i>MSCI Emerging Market Growth</i>				<i>2.66</i>	<i>-11.34</i>	--	--	--	<i>-6.81</i>	
Excess Return				-0.07	-1.10	--	--	--	-1.06	
Quantitative Management Associates	Apr-14	\$ 258	6.4%	-1.49	-16.30	--	--	--	-9.74	--
<i>MSCI Emerging Markets ND</i>				<i>0.66</i>	<i>-14.92</i>	--	--	--	<i>-10.71</i>	
Excess Return				-2.15	-1.38	--	--	--	0.97	
Dimensional Fund Advisors	Jul-14	\$ 245	6.2%	0.34	-19.26	--	--	--	-21.85	--
<i>MSCI Emerging Markets Value ND</i>				<i>-1.45</i>	<i>-18.57</i>	--	--	--	<i>-21.38</i>	
Excess Return				1.79	-0.69	--	--	--	-0.47	

¹ Indicates gross returns

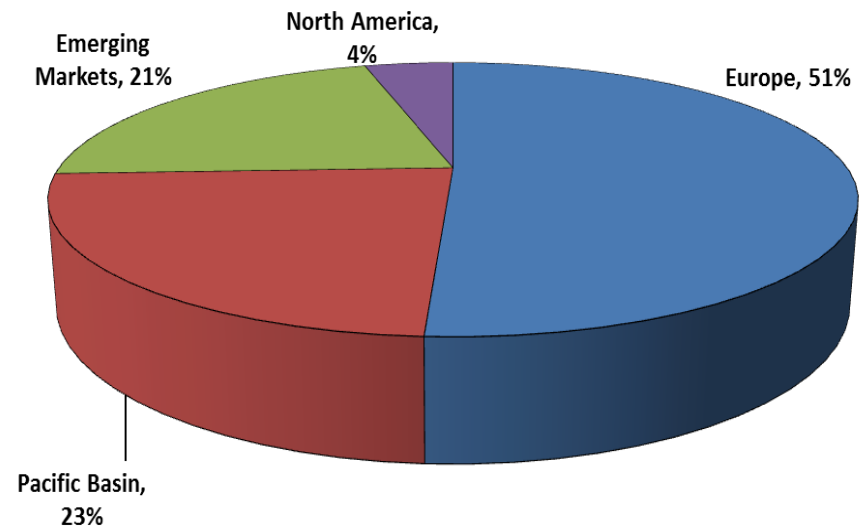
² Includes terminated managers

Country Allocation

Benchmark – MSCI ACWI x U.S. Index

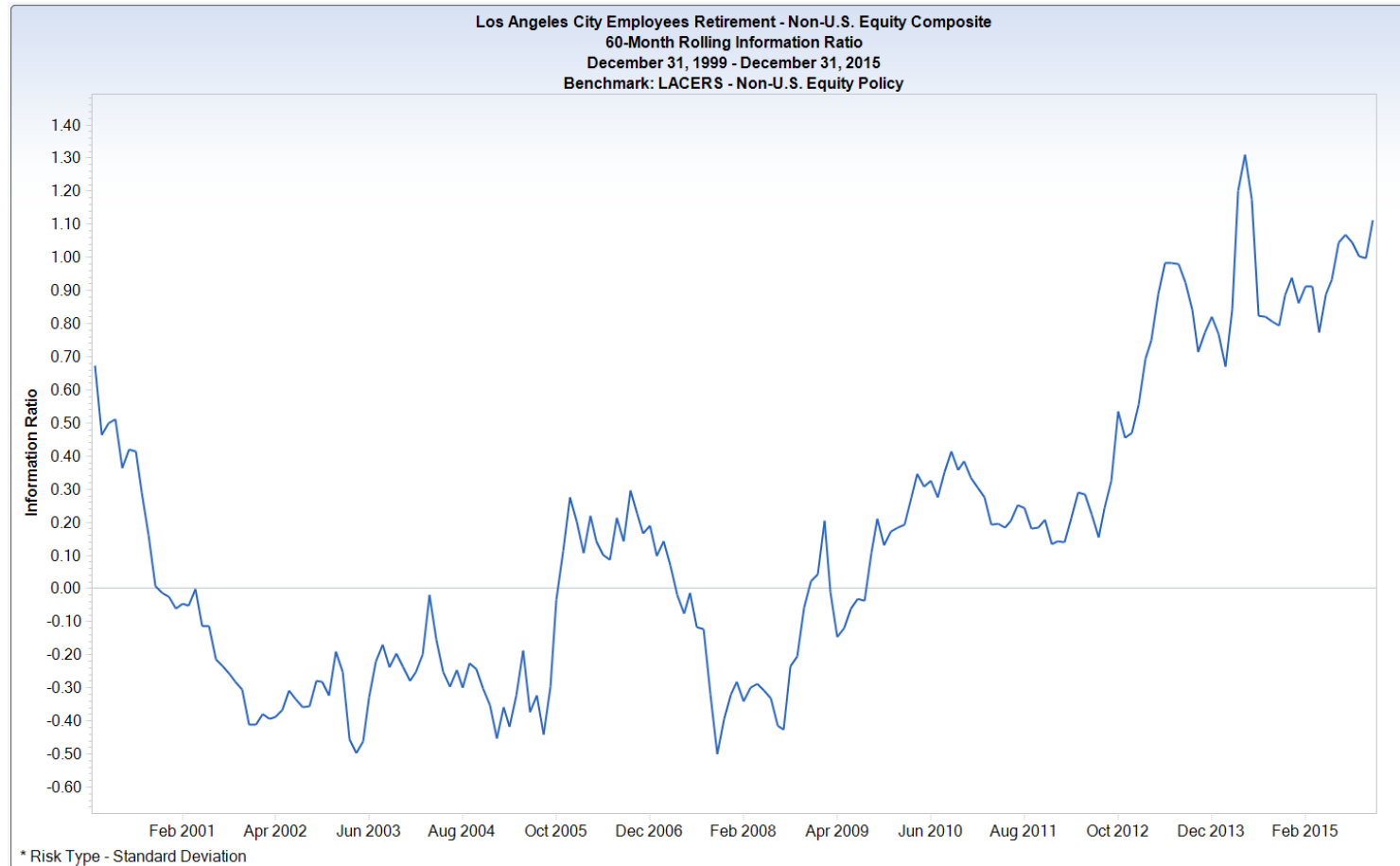


LACERS Non-U.S. Equity Composite



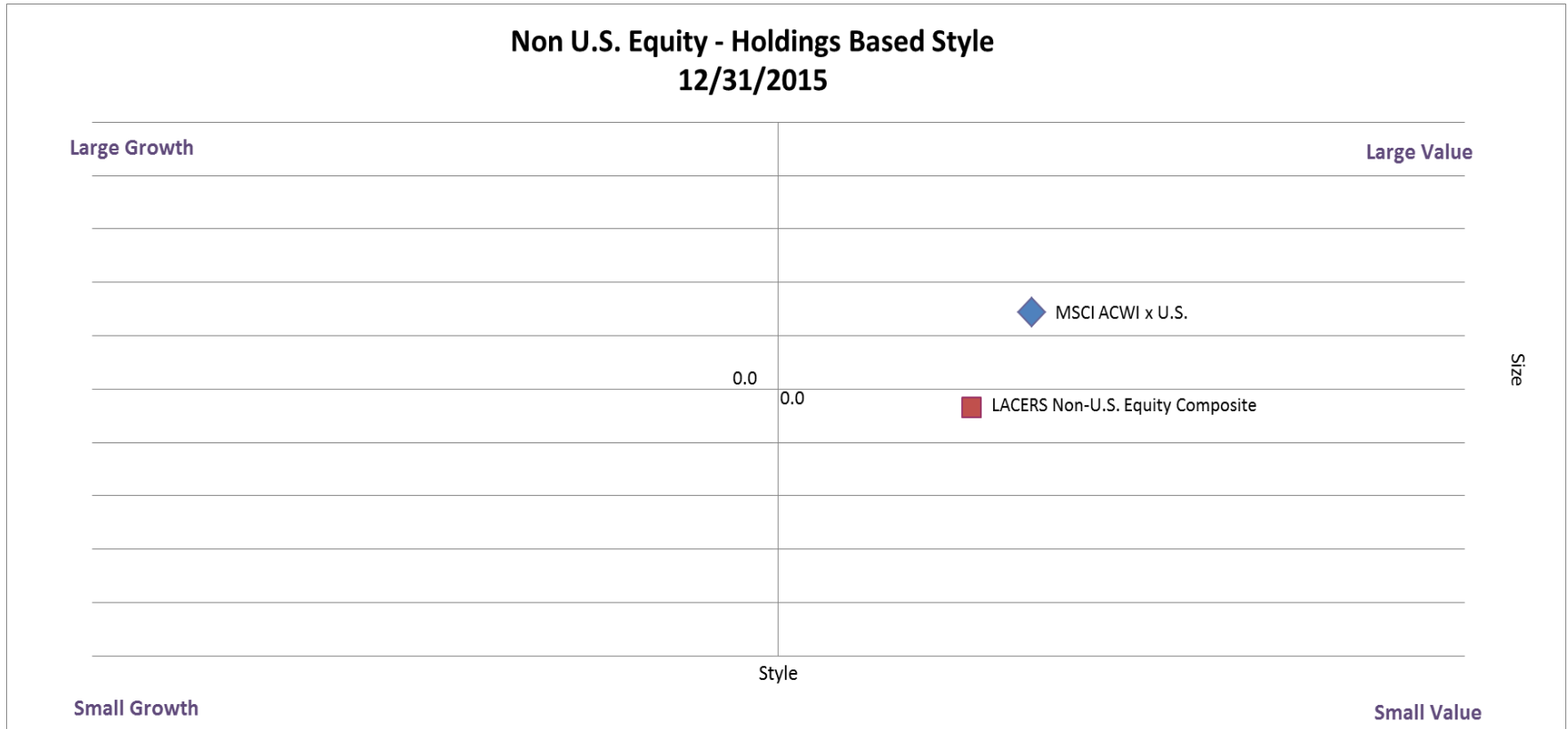
- LACERS Non-U.S. Equity Composite is modestly overweight Europe, and underweight the Pacific Basin.

5-Year Rolling Risk-Adjusted Active Returns



- Active returns are returns earned over/under benchmark return.
- Non-U.S. Equity's rolling information ratio has been trending increasingly positive for past 5-years.

Risk-adjusted active returns are referred to as "Information Ratio". Information Ratio = Excess return (alpha) / Excess risk (tracking error).
Composite returns are gross of fee.



- LACERS Non-U.S. Equity Portfolio has a small cap bias compared to MSCI ACWI ex U.S. index, which provided significant value-added over the past year, as well as a modest growth bias.

MANAGER REPORT CARD¹

Non-U.S. Managers	Inception Date	Mandate	Current Quarter		One Year		Three Years		Five Years		Since Inception	Annual Management Fee paid* (\$ in millions)	Comments ²
			I	U	I	U	I	U	I	U	I		
➤ Axiom International	Mar-14	Emerging Markets	✗	✓	✗	✓	n/a	n/a	n/a	n/a	✗	\$1.37	Limited track record; less than 3 years for active
➤ Quantitative Mgmt Associates	Apr-14	Emerging Markets	✗	✗	✗	✗	n/a	n/a	n/a	n/a	✓	\$1.16	Limited track record; less than 3 years for active
➤ Dimensional Fund Advisors	Jul-14	Emerging Markets	✓	✗	✗	✗	n/a	n/a	n/a	n/a	✗	\$1.01	Limited track record; less than 3 years for active
➤ AQR	Feb-14	Non US Developed	✓	✓	✓	✓	n/a	n/a	n/a	n/a	✓	\$1.57	Limited track record; less than 3 years for active
➤ Oberweis Asset Management	Jan-14	Non US Developed	✓	✓	✓	✓	n/a	n/a	n/a	n/a	✓	\$0.32	Limited track record; less than 3 years for active
➤ Barrow Hanley Mewhinney & Strauss	Dec-13	Non US Developed	✓	✗	✗	✗	n/a	n/a	n/a	n/a	✓	\$2.30	Limited track record; less than 3 years for active
➤ Lazard Asset Management	Dec-13	Non US Developed	✓	✓	✓	✓	n/a	n/a	n/a	n/a	✓	\$2.57	Limited track record; less than 3 years for active
➤ MFS Institutional Advisors	Dec-13	Non US Developed	✗	✓	✓	✓	n/a	n/a	n/a	n/a	✗	\$2.35	Limited track record; less than 3 years for active
➤ SSgA (Passive)	Aug-93	Non US Developed	✓	✓	✓	✗	✓	✗	✓	✗	✓	\$0.42	Performance satisfactory pursuant to LACERS Manager Monitoring Policy
➤ Knight Vinke	Apr-06	Corp Gov - Europe	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	In redemption process.

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* As of Fiscal Year ending 6/30/15

LEGEND	
✓ outperformed	I index
✗ underperformed	U universe median
= equal	



Core Fixed Income Managers



Core Fixed Income Managers

(Returns are Net of Fees)

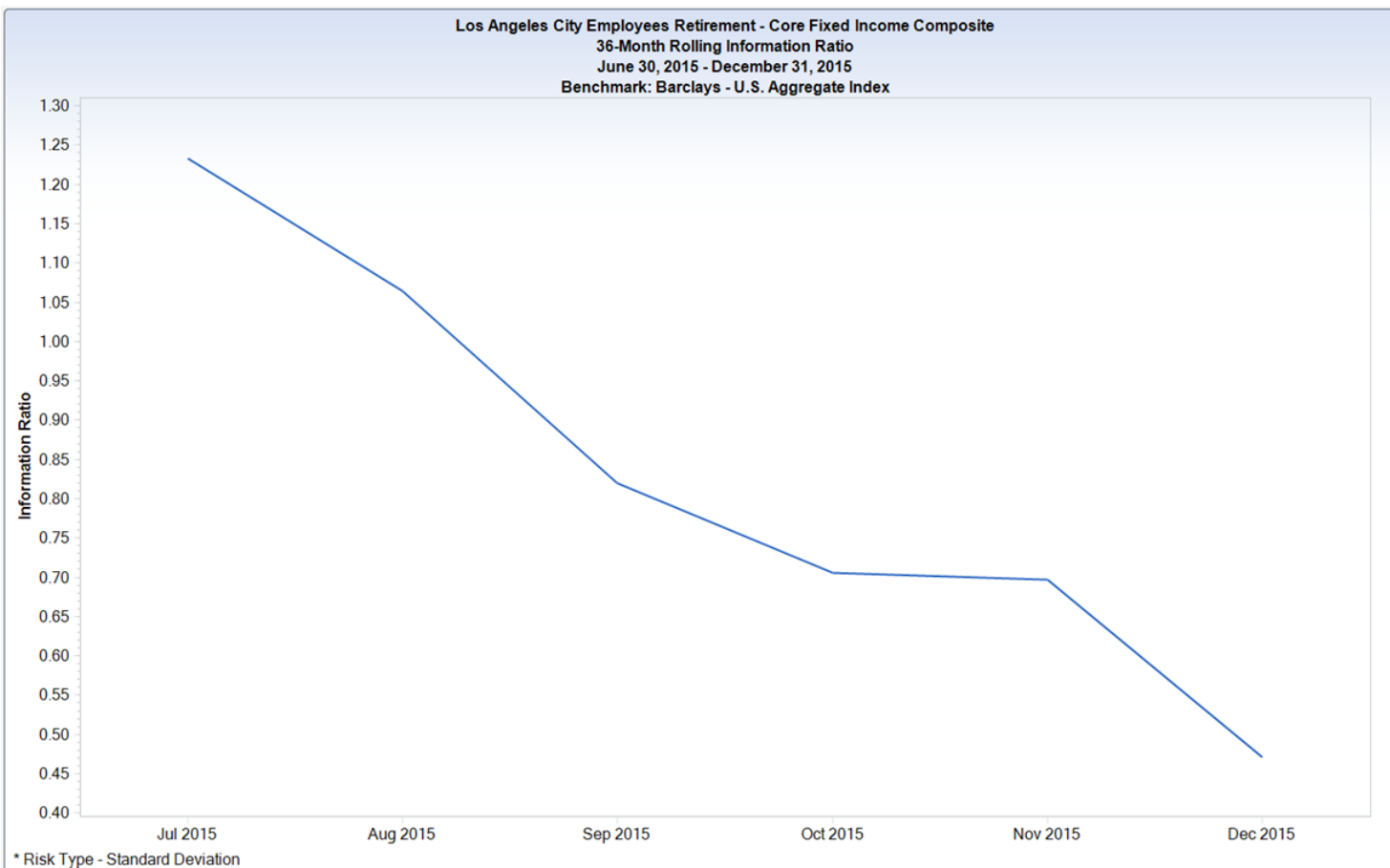
	Inception Date	Market Value (\$million)	% to Total Fixed Income	Current Quarter	One Year	Three Years	Five Years	Ten Years	Since Inception ¹	5 Year Tracking Error
Core Fixed Income*	Jun-12	\$ 2,675	100.0%	-0.56	0.39	1.68	--	--	2.80	--
<i>BC U.S. Aggregate**</i>				<i>-0.57</i>	<i>0.55</i>	<i>3.22</i>	<i>--</i>	<i>--</i>	<i>2.02</i>	
Excess Return				0.01	-0.16	-1.54	--	--	0.78	
Loomis Sayles	Jun-80	\$ 660	24.7%	-0.82	-0.53	1.70	3.96	5.22	9.41	1.4
<i>BC U.S. Aggregate**</i>				<i>-0.57</i>	<i>0.55</i>	<i>1.50</i>	<i>3.45</i>	<i>4.67</i>	<i>7.96</i>	
Excess Return				-0.25	-1.08	0.20	0.51	0.55	1.45	
Neuberger Berman	Nov-90	\$ 659	24.6%	-0.38	0.54	1.55	3.89	5.86	7.12	1.6
<i>BC U.S. Aggregate**</i>				<i>-0.57</i>	<i>0.55</i>	<i>1.50</i>	<i>3.45</i>	<i>4.67</i>	<i>6.31</i>	
Excess Return				0.19	-0.01	0.05	0.44	1.19	0.81	
Baird Advisors	Mar-05	\$ 236	8.8%	-0.84	1.05	1.53	3.41	4.59	4.63	0.7
<i>BC U.S. Govt/Credit Intermed</i>				<i>-0.69</i>	<i>1.07</i>	<i>1.10</i>	<i>2.58</i>	<i>4.04</i>	<i>3.99</i>	
Excess Return				-0.15	-0.02	0.43	0.83	0.55	0.64	
LM Capital Group	Mar-05	\$ 267	10.0%	-0.10	1.00	1.62	3.50	4.84	4.94	1.0
<i>BC U.S. Aggregate**</i>				<i>-0.57</i>	<i>0.55</i>	<i>1.50</i>	<i>3.27</i>	<i>4.39</i>	<i>4.32</i>	
Excess Return				0.47	0.45	0.12	0.23	0.45	0.62	
SSgA (Passive)	Jul-14	\$ 853	31.9%	-0.57	0.54	--	--	--	1.68	--
<i>BC U.S. Aggregate</i>				<i>-0.57</i>	<i>0.55</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>1.65</i>	
Excess Return				0.00	-0.01	--	--	--	0.03	

¹ Indicates gross returns

* Fixed income mandate changed from core-plus to core on July 1, 2012. Returns reflect core mandate only.

** Changed from the BC Universal Index on July 1, 2013.

3-Year* Rolling Risk-Adjusted Active Returns

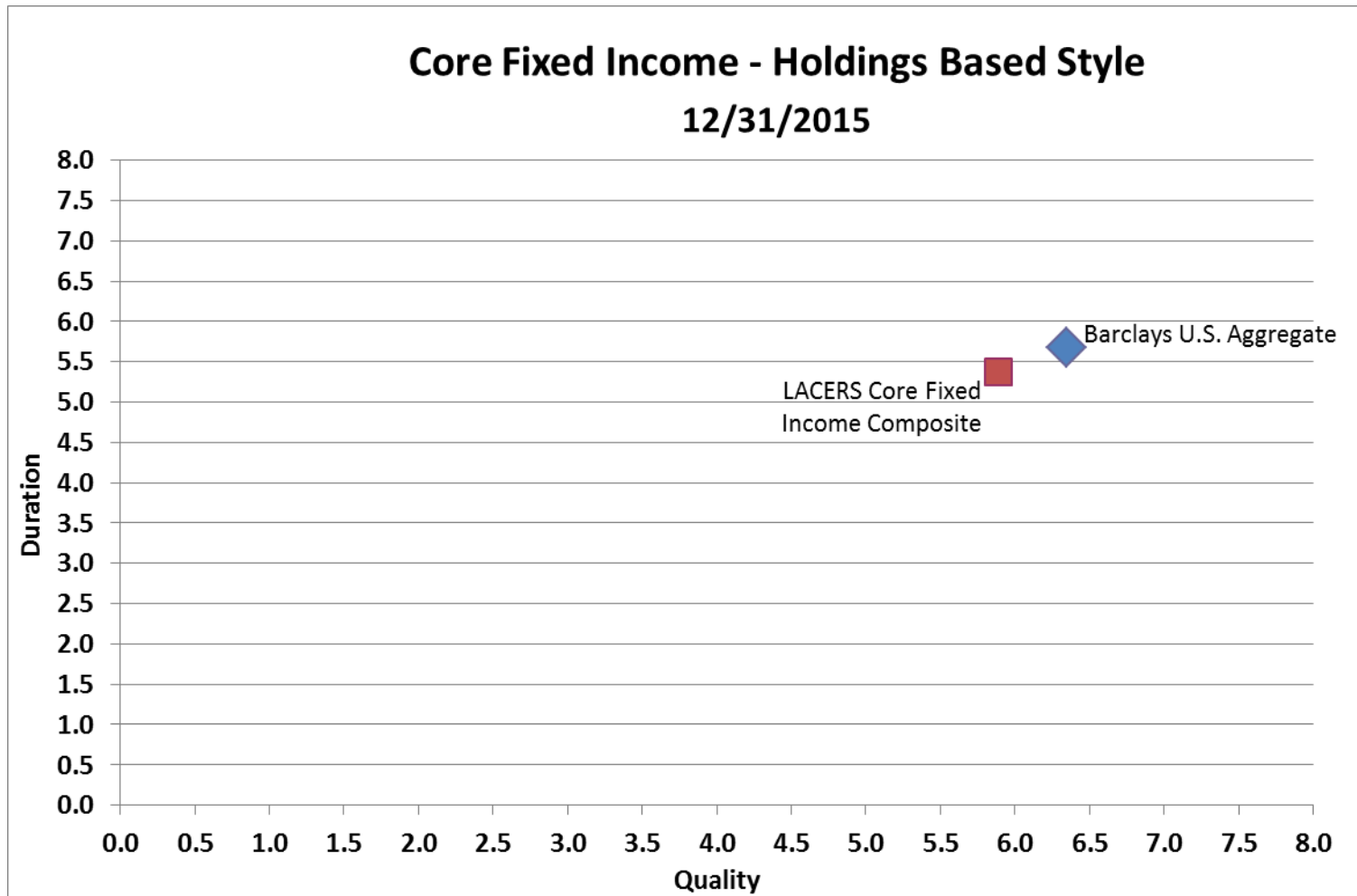


- Core Fixed Income Composite has provided positive risk-adjusted active returns since inception.
- The declining trend in risk adjusted returns is largely a function of the introduction of a significant passive allocation.

*Fixed Income mandate changed from core-plus to core on July 1, 2012. Returns reflect core mandate only.

Risk-adjusted active returns are referred to as "Information Ratio". Information Ratio = Excess return (alpha) / Excess risk (tracking error).

Composite returns are gross of fee.



- LACERS Core Fixed Income portfolio has slightly lower duration than the benchmark.
- The portfolio is also modestly lower quality versus benchmark.
- Unlike in public equities, biases in fixed income are expected to be rewarded over time.

MANAGER REPORT CARD¹

Core Fixed Income	Inception Date	Mandate	Current Quarter		One Year		Three Years		Five Years		Since Inception	Annual Management Fee paid* (\$ in millions)	Comments ²
			I	U	I	U	I	U	I	U	I		
➤ Neuberger Berman	Nov-90	Core	✓	✓	✗	✗	✓	✗	✓	✗	✓	\$1.04	Performance satisfactory pursuant to LACERS Manager Monitoring Policy
➤ Loomis Sayles	Jun-80	Core	✗	✗	✗	✗	✓	✗	✓	✗	✓	\$0.89	Performance satisfactory pursuant to LACERS Manager Monitoring Policy
➤ Baird Advisors	Mar-05	Intermediate	✗	✗	✗	✗	✓	✗	✓	✗	✓	\$0.29	Performance satisfactory pursuant to LACERS Manager Monitoring Policy
➤ LM Capital Group	Feb-05	Core	✓	✗	✓	✗	✓	✗	✓	✗	✓	\$0.41	Performance satisfactory pursuant to LACERS Manager Monitoring Policy
➤ SSgA (Passive)	Jul-14	Core	=	✗	✗	✗	n/a	n/a	n/a	n/a	✓	\$0.35	Performance satisfactory pursuant to LACERS Manager Monitoring Policy

¹Current Quarter, 1-Yr, 3-Yrs, and 5-Yrs returns are net of fees. Since Inception returns are gross of fee.

²Managers are placed on the Watch List for concerns with organization, process, and performance. Managers are normally on the Watch List for 12 months though can be longer if manager issues still remain but not severe enough to warrant contract termination recommendation.

*As of Fiscal Year ending 6/30/15

LEGEND	
✓	outperformed I index
✗	underperformed U universe median
=	equal



LACERS
LOS ANGELES CITY EMPLOYEES'
RETIREMENT SYSTEM

Credit Opportunities Managers

Credit Opportunities Managers

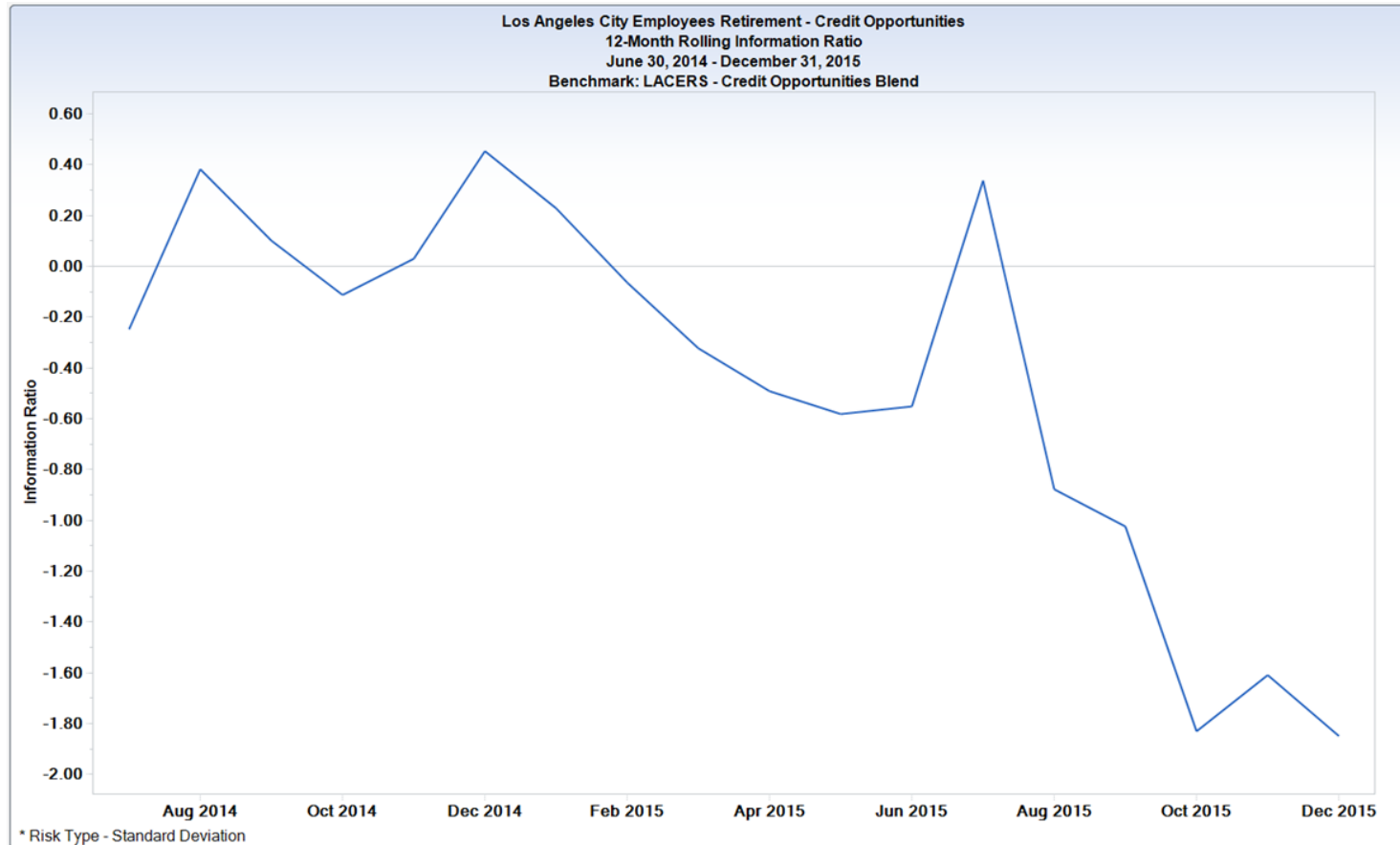
(Returns are Net of Fees)

	Inception Date	Market Value (\$million)	% to Total Credit Opp	Current Quarter	One Year	Three Years	Five Years	Ten Years	Since Inception ¹	5 Year Tracking Error
Credit Opportunities										
<i>Credit Opportunities Blend*</i>	Jun-13	\$ 639	100.0%	-1.14	-3.70	--	--	--	2.32	--
				-0.90	-2.49	--	--	--	2.55	
Excess Return				-0.24	-1.21	--	--	--	-0.23	
Aegon USA	Jun-13	\$ 154	24.1%	-1.96	-3.94	--	--	--	2.37	--
<i>BC U.S. Corp High Yield 2% Cap</i>				-2.06	-4.43	--	--	--	1.48	
				0.10	0.49	--	--	--	0.89	
Franklin Advisers	Jun-13	\$ 184	28.8%	-2.28	-8.68	--	--	--	-0.27	--
<i>BC U.S. Corp High Yield 2% Cap</i>				-2.06	-4.43	--	--	--	1.48	
				-0.22	-4.25	--	--	--	-1.75	
Prudential	May-14	\$ 253	39.5%	0.50	0.39	--	--	--	0.42	--
<i>JPM Emerging Market Bond Index GD</i>				1.25	1.18	--	--	--	0.83	
				-0.75	-0.79	--	--	--	-0.41	
Sankaty Senior Loan Fund	Jun-15	\$ 48	7.6%	-2.58	--	--	--	--	-3.70	--
<i>Credit Suisse Leveraged Loan</i>				-1.96	--	--	--	--	-3.16	
				-0.62	--	--	--	--	-0.54	

¹ Indicates gross returns

* 65% BC U.S. Corp HY 2% Cap/ 35% JPM EMBI - Global Diversified

1-Year Rolling Risk-Adjusted Active Returns



- Credit Opportunities Composite has provided mostly negative risk-adjusted active returns since inception.

Risk-adjusted active returns are referred to as "Information Ratio". Information Ratio = Excess return (alpha) / Excess risk (tracking error).
Composite returns are gross of fee.

MANAGER REPORT CARD¹

Credit Opportunities	Inception Date	Mandate	Current Quarter		One Year		Three Years		Five Years		Since Inception	Annual Management Fee paid* (\$ in millions)	Comments ²
			I	U	I	U	I	U	I	U	I		
➤ Aegon USA	Jun-13	High Yield Bonds	✓	✓	✓	✗	n/a	n/a	n/a	n/a	✓	\$0.71	"On Watch" since Feb. 2015 - Organizational changes
➤ Franklin Advisers	Jun-13	High Yield Bonds	✗	✗	✗	✗	n/a	n/a	n/a	n/a	✗	\$0.70	Limited track record; less than 3 years for active
➤ Prudential	May-14	Emerging Market Debt	✗	✓	✗	✓	n/a	n/a	n/a	n/a	✗	\$0.84	Limited track record; less than 3 years for active
➤ Sankaty Senior Loan Fund	Jun-15	Bank Loans	✗	✗	n/a	n/a	n/a	n/a	n/a	n/a	✗	n/a	Limited track record; less than 3 years for active

¹Current Quarter, 1-Yr, 3-Yrs, and 5-Yrs returns are net of fees. Since Inception returns are gross of fee.

²Managers are placed on the Watch List for concerns with organization, process, and performance. Managers are normally on the Watch List for 12 months though it can be longer if manager issues still remain but not severe enough to warrant contract termination recommendation.

* As of Fiscal Year ending 6/30/15

LEGEND	
✓	outperformed
✗	underperformed
=	equal
I	index
U	universe median



LACERS
LOS ANGELES CITY EMPLOYEES'
RETIREMENT SYSTEM

Real Assets Managers

Real Assets

(Returns are Net of Fees)

	Inception Date	Market Value (\$million)	% to Total Non-U.S. Equity	Current Quarter	One Year	Three Years	Five Years	Ten Years	Since Inception ¹	5 Year Tracking Error
Real Assets	Oct-94	\$ 1,368	100.0%	1.43	5.26	9.37	9.72	1.55	6.31	2.6
<i>CPI+5%</i>				0.65	5.73	6.00	6.54	6.86	7.20	
Excess Return				0.78	-0.47	3.37	3.18	-5.31	-0.89	
TIPS	Jul-14	\$ 427	31.2%	-0.84	-1.21	--	--	--	-2.68	--
<i>BC U.S. TIPS</i>				-0.64	-1.44	--	--	--	-2.56	
Excess Return				-0.20	0.23	--	--	--	-0.12	
Dimensional Fund Advisors	Jul-14	\$ 213	15.6%	-0.94	-0.94	--	--	--	-2.56	--
<i>BC U.S. TIPS</i>				-0.64	-1.44	--	--	--	-2.56	
Excess Return				-0.30	0.50	--	--	--	0.00	
Hartford Investment Management Co.	Jul-14	\$ 214	15.6%	-0.73	-1.48	--	--	--	-2.81	--
<i>BC U.S. TIPS</i>				-0.64	-1.44	--	--	--	-2.56	
Excess Return				-0.09	-0.04	--	--	--	-0.25	
REITS	Apr-15	\$ 82	6.0%	7.93	--	--	--	--	3.00	--
CenterSquare	Apr-15	\$ 82	6.0%	7.93	--	--	--	--	3.00	--
<i>FTSE NAREIT All Equity</i>				7.68	--	--	--	--	0.58	
Excess Return				0.25	--	--	--	--	2.42	
Commodities	Jun-15	\$ 106	7.7%	-10.89	--	--	--	--	-23.42	--
CoreCommodity Management	Jun-15	\$ 106	7.7%	-10.89	--	--	--	--	-23.42	--
<i>Bloomberg Commodity Index</i>				-10.52	--	--	--	--	-23.00	
Excess Return				-0.37	--	--	--	--	-0.42	
Timber	Aug-99	\$ 15	1.1%	-0.13	3.76	10.40	7.50	7.70	10.72	--
Private Real Estate	Oct-94	\$ 738	54.0%	3.78	12.19	12.18	11.40	2.33	6.69	6.9
<i>Real Estate Blended BM</i>				3.75	15.22	13.31	13.51	8.48	9.95	
Excess Return				0.03	-3.03	-1.13	-2.11	-6.15	-3.26	

¹ Indicates gross returns

MANAGER REPORT CARD¹

Real Assets	Inception Date	Mandate	Current Quarter		One Year		Three Years		Five Years		Since Inception	Annual Management Fee paid* (\$ in millions)	Comments ²
			I	U	I	U	I	U	I	U	I		
TIPS													
➤ Dimensional Fund Advisors	Jul-14	TIPS	✘	n/a	✓	n/a	n/a	n/a	n/a	n/a	✓	\$0.09	Limited track record; less than 3 years for active
➤ Hartford Investment Management Co.	Jul-14	TIPS	✘	n/a	✘	n/a	n/a	n/a	n/a	n/a	✘	\$0.10	Limited track record; less than 3 years for active
REITS													
➤ CenterSquare	Apr-15	REITS	✓	n/a	n/a	n/a	n/a	n/a	n/a	n/a	✓	\$0.07	Limited track record; less than 3 years for active
Commodities													
➤ CoreCommodity Management	Jun-15	Commodities	✘	n/a	n/a	n/a	n/a	n/a	n/a	n/a	✘	\$0.03	Limited track record; less than 3 years for active

¹Current Quarter, 1-Yr, 3-Yrs, and 5-Yrs returns are net of fees. Since Inception returns are gross of fee.

²Managers are placed on the Watch List for concerns with organization, process, and performance. Managers are normally on the Watch List for 12 months though it can be longer if manager issues still remain but not severe enough to warrant contract termination recommendation.

* As of Fiscal Year ending 6/30/15

LEGEND	
✓	outperformed I index
✘	underperformed U universe median
=	equal

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LACERS
LOS ANGELES CITY EMPLOYEES'
RETIREMENT SYSTEM

Definitions

I. Asset Allocation

- Market %: market value as a percent of the total fund's market value.
- Target %: investment policy on target allocation for each asset classes.
- Minimum and Maximum %: range of allocation for each asset classes.

II. Policy Benchmarks

• Current (initially adopted January 10, 2012 and affirmed on May 12, 2015)

- ◆ U.S Equity: 24% Russell 3000
- ◆ Non-U.S Equity: 29% MS ACWI ex U.S. Net Div
- ◆ Fixed Income: 19% Barclays Capital (BC) Aggregate
- ◆ Credit Opportunities: 5% 65% Barclays U.S. Corp. High Yield 2% Cap / 35% JPM EMBI - Global Diversified
- ◆ Real Assets: 5% CPI + 500 bps
- ◆ Private Equity: 12% Russell 3000 plus 300 bps annually. Calculated on a dollar-weighted basis, and holding cash flows at 0% return for the first 36 months
- ◆ Cash: 1% 90-day Treasury Bill
- ◆ **Total:** 24% U.S. Equity; 29% Non-U.S. Equity; 19% Fixed Income; 5% Credit Opportunities; 10% Real Assets; 12% Private Equity; 1% Cash

• Prior (adopted October 13, 2009)

- ◆ U.S Equity: 27% Russell 3000
- ◆ Non-U.S Equity: 20% MS ACWI ex U.S. Net Div
- ◆ Core Fixed Income: 26% Barclays Capital (BC) Universal
- ◆ Private Real Estate: 7% NCREIF
- ◆ Private Equity: 9% Russell 3000 plus 400 bps annually. Calculated on a dollar-weighted basis, and holding cash flows at 0% return for the first 36 months.
- ◆ Cash: 1% 90-day Treasury Bill
- ◆ **Total:** 37% U.S. Equity; 20% Non-U.S. Equity; 26% Core Fixed Income; 7% Private Real Estate; 9% Private Equity; 1% Cash

III. Indices

- **Cash**

Citi 3-Month Treasury Bills: an average of the last three 3-month treasury bill issues' monthly return equivalents of yield averages, which are not marked to market. Month-end discount yields are converted to bond-equivalent yields, then a simple average is taken, and that number is decomposed to a monthly return using the actual number of days in the month and a 365-day year.

- **Equity**

- ◆ **Dow Jones Industrial Average:** This index is the price-weighted average of 30 actively traded blue chip stocks.
- ◆ **NASDAQ:** A market value weighted index that measures all domestic and non-US based securities, more than 4700 companies listed on the NASDAQ stock market.
- ◆ **Russell Midcap Value:** contains Russell Midcap stocks having less-than-average growth orientation and are included in the Russell 1000 Value Index.
- ◆ **Russell 1000:** consists of the 1000 largest securities in the Russell 3000 Index. The Russell 1000 is capitalization-weighted.
- ◆ **Russell 1000 Growth:** contains Russell 1000 stocks having greater-than-average growth orientation. Stocks tend to exhibit lower dividend yields and higher price-to-book ratios, price-earnings ratios and forecast growth values than the Value universe. The index is capitalization-weighted (as opposed to equal-weighted).
- ◆ **Russell 1000 Value:** contains those Russell 1000 securities with a less-than-average growth orientation. Securities in this index tend to exhibit lower price-to-book and price-earnings ratios, higher dividend yields and lower forecasted growth values than the Growth universe. Russell 1000 Value is capitalization-weighted.
- ◆ **Russell 2000:** contains the smallest 2,000 stocks in the Russell 3000 Index, representing approximately 11% of the Russell 3000 total market capitalization. The index is capitalization-weighted (as opposed to equal-weighted).
- ◆ **Russell 2000 Growth:** contains those Russell 2000 securities with a greater-than-average growth orientation. Securities in this index tend to exhibit higher price-to-book and price-earnings ratios, lower dividend yields and higher forecasted growth values than the Value universe.
- ◆ **Russell 2000 Value:** contains those Russell 2000 securities with a less-than-average growth orientation. Securities in this index tend to exhibit lower price-to-book and price-earnings ratios, higher dividend yields and lower forecasted growth values than the Growth universe.
- ◆ **Russell 3000:** measures performance of the 3000 largest US companies based on total market capitalization. This index represents approximately 98% of the investable US equity market. The Russell 3000 is capitalization-weighted.
- ◆ **Standard and Poor 500:** the S&P, which represents approximately 75% of NYSE market capitalization and 30% of NYSE issues, contains 500 industrial, utility, transportation and financial companies in the U.S. markets (mostly

NYSE issues). The S&P is capitalization-weighted (as opposed to equal-weighted), calculated on a total return basis with dividends reinvested.

- ◆ **Morgan Stanley All Country World ex USA:** an arithmetic, market value-weighted average of approx. 1800 securities from outside the United States. The index is calculated on a total return basis, including reinvestment of gross dividends before deduction of withholding taxes.
- ◆ **Morgan Stanley World ex USA:** contains securities of all of the following developed counties, excluding U.S.: Austria, Belgium, Canada, Denmark, Finland, France, Germany, Ireland, Italy, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, United Kingdom, Israel, Australia, New Zealand, Singapore, Hong Kong, and Japan.
- ◆ **Morgan Stanley Capital International Emerging Markets Free:** contains securities of the following counties which are available to all investors regardless of local status: Argentina, Brazil, Chile, Colombia, Greece, India, Indonesia, Israel, Jordan, Malaysia, Mexico, Pakistan, Peru, Philippines, Poland, Portugal, South Africa, Sri Lanka, Thailand, Turkey and Venezuela.
- ◆ **Morgan Stanley Capital International Emerging Markets ND:** contains securities of the following counties which are available to all investors regardless of local status: Argentina, Brazil, Chile, Colombia, Greece, India, Indonesia, Israel, Jordan, Malaysia, Mexico, Pakistan, Peru, Philippines, Poland, Portugal, South Africa, Sri Lanka, Thailand, Turkey and Venezuela. The index is computed using the net return, which withholds applicable taxes for non-resident investors.
- ◆ **Morgan Stanley Capital International EAFE Value Gross:** contains securities of large and mid-cap in the following developed counties, excluding U.S. and Canada: Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, United Kingdom, Israel, Australia, New Zealand, Singapore, Hong Kong, and Japan.
- ◆ **Morgan Stanley Capital International EAFE Small Cap:** contains securities of small-capitalization in the following developed counties, excluding U.S. and Canada: Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, United Kingdom, Israel, Australia, New Zealand, Singapore, Hong Kong, and Japan.
- **Fixed Income**
 - ◆ **Barclays Capital Aggregate:** an aggregate of the Government/Corporate Bond Index, the Mortgage-Backed Securities Index, and the Asset-Backed Securities Index. The index contains fixed rate debt issues with at least one-year maturity, \$100 million par value outstanding, and investment grade ratings by Moody's, S&P or Fitch (in that order). Returns are market-value weighted inclusive of accrued interest.

- ◆ **Barclays Capital Universal:** This index contains the Barclays Capital Aggregate index bonds plus approximately 10% of the remaining index includes US High Yield, Eurodollar, Emerging Markets, 144A Private Placements, and CMBS bonds.
- ◆ **Barclays Capital US Govt/Credit Intermediate:** This index is a sub-component of the Barclays Capital Aggregate index. Bonds consist of the US Treasury, US Agency (non-MBS), and US Investment-grade credit holdings with a maturity range of 1 to 10 years.
- ◆ **Bond Rating Methodology:** Bond ratings are intended to characterize the risk associated with holding a particular bond or categories of bonds. These ratings are the risk assessed by the market and that the bond issuer must pay to attract purchasers to the bond. These ratings are expressed as a series of letters and sequences.

Rating Categories in descending order:

- ◇ **AAA:** The best quality rating, stable cash flows, very protective bond covenants, very low probability of default.
- ◇ **Aa:** The second best rating. Stable cash flows, less protective bond covenants, very low probability of default.
- ◇ **A:** Stable cash flows, less protective bond covenants, long-term probability of default is higher than AAA or Aa.
- ◇ **Baa:** Medium quality rating, reliable cash flows short term, less-reliable cash flows long term, bond covenants offer limited protection. Moderate probability of default. Downgrade to a lower rating is also possible. Baa bonds are the lowest rating still considered 'investment grade.
- ◇ **Ba thru B:** Highly speculative. Long-term assurance of cash flows and protective elements are low. Purchasers of these bonds generally specialize in assessing credit risk of specific bond issues. Much higher spreads versus investment grade bonds provide the incentive for purchasers. High default or downgrade risk.
- ◇ **Caa thru C:** Poor standing. Either close to default or in default. Highly probable loss of principal.
- ◇ **D:** Coupon payments were not paid on the due date which puts the bond In default. Unless both Protective covenants and issuer assets are adequate (not likely), holder loses all likelihood of recovering principal.

- **Credit Opportunities**

- ◆ **Barclays U.S. High Yield 2% Capped:** This index is an unmanaged index that covers U.S. corporate, fixed-rate, non-investment grade debt with at least one year to maturity and at least \$150 million in par outstanding. Index weights for each issuer are capped at 2%.
- ◆ **JPM EMBI Global Diversified:** This index includes U.S. dollar denominated Brady bonds, Eurobonds, traded loans and local market debt instruments issued by sovereign and quasi-sovereign entities. The index limits the weights of countries with larger debt stocks by only including a specified portion of these countries' eligible current face amounts of debt outstanding.
- ◆ **Credit Suisse Leveraged Loan:** This index tracks the investable market of the U.S. dollar denominated leveraged loan market. It consists of issues rated "5B" or lower, meaning that the highest rated issues included in this index are Moody's/S&P ratings of Baa1/BB+ or Ba1/BBB+. All loans are funded term loans with a tenor of at least one year and are made by issuers domiciled in developed countries.

- **Private Real Estate**

NCREIF Property Index: the NPI contains investment-grade, non-agricultural, income-producing properties which may be financed in excess of 5% gross market value; were acquired on behalf of tax exempt institutions; and are held in a fiduciary environment. Data is collected quarterly from a membership of investment managers and plan sponsors. Returns are gross of fees; include income, realized gains/losses, and appreciation/depreciation; and are market-value weighted. Property values are determined by consistent appraisal methodology and sold properties are removed in the quarter of the sale (the historical data remains). Current quarter performance is preliminary.

NFI-ODCE Index: It is an index of open-end diversified Core strategy funds with at least 95% of their investments in the U.S. markets. The ODCE is the first of the NCREIF Fund Database products, created in May 2005, and is an index of investment returns reporting on both as historical and current basis. The ODCE Index is capitalization-weighted and is reported on an gross and net of fee basis. Measurement is time-weighted and includes leverage.

- **Public Real Assets**

Barclays U.S. TIPS: The index includes all publicly issued, investment grade U.S. Treasury inflation-protected securities that have at least one year remaining to maturity.

FTSE NAREIT All Equity REITS Index: the index series provides investors with exposure to all investment and property sectors. In addition, the more narrowly focused property sector and sub-sector indexes provide the facility to concentrate commercial real estate exposure in more selected markets. The index is a free-floating adjusted, market capitalization-weighted index of U.S. Equity REITs. Constituents of the Index include all tax-qualified REITs with more than 50 percent of total assets in qualifying real estate assets other than mortgages secured by real property.

Bloomberg Commodity Index: the index is made up of 22 exchange-traded futures on physical commodities. Commodities are weighted to account for economic significance and market liquidity, with restriction on individual commodities and commodity groups to promote diversification. The restrictions are applied annually that no related group of commodities constitutes more than 33% of the index and no single commodity constitutes more than 15%. To avoid the physical delivery of commodities from underlying futures, the indexes' roll from current to subsequent contracts during the roll period which typically falls within the 6th-10th business day of each month.

IV. Universe Comparison

All Northern Trust Universes are gross of fees. Universe breaks are at 10, 25, 50, 75 and 90 percentiles.

- **TUCS Plan Universes**

Published on a quarterly basis using monthly observations. Over time, the plan population members will change due to new plans being introduced and other plans closing or leaving the universe.

Public Funds

Includes the range of performance of all Public Funds greater than 10 billion dollars. Monitored by the Wilshire's Trust Universe Comparison Services Group. Plans include state and municipal plans and systems.

- **Manager Universes**

Created using the performance of managers used by sponsor subscribers to the Risk & Performance Services Group (RPS). Each occurrence of a manager is considered as an observation. The manager universes are used to describe the actual experience of plan sponsors use of the managers; no manager supplied representative portfolios or composites are used in the creation of the universes. All occurrences of a manager are included in the magnitudes they are used by the sponsors; no stratification or judgments are introduced by RPS to alter a manager's representation. Manager portfolios are used from all market segments (ERISA, Public, Foundation & Endowments, and Wealth) since managers are hired to fulfill a specific policy objective that is not unique by plan type. Inclusion in a universe is based upon quantitative screening using the criteria described; an RPS analyst determines the comparison of a manager to this style background for reporting purposes. The portfolio criteria are applied as the average of the values over the time period being observed and not simply the current point in time value.

◆ **U.S. Equity - Large Cap**

Includes portfolios with a portfolio average market capitalization greater than \$10 billion. LACERS' style-oriented managers are being compared against appropriate peer style universes, such as U.S. Equity - Large Cap Core, U.S. Equity - Large Cap Growth, and U.S. Equity - Large Cap Value.

◆ **U.S. Equity - Small Cap**

Includes portfolios with a portfolio average market capitalization of less than \$2 billion. LACERS' style-oriented managers are being compared against appropriate peer style universes, such as U.S. Equity - Small Cap Core, U.S. Equity - Small Cap Growth, and U.S. Equity - Small Cap Value.

◆ **Non-U.S. Equity - Developed Markets**

Includes all managers investing in developed markets outside of North America. The majority of the portfolios in this universe are EAFE-oriented but may contain an opportunistic allocation to emerging markets equity (extended EAFE). There are a few regional non-US equity managers (Europe & Pacific Basin) also represented.

◆ **Non-U.S. Equity - Emerging Markets**

Includes all managers investing in emerging markets. The universe includes emerging markets managers that are diversified across all emerging markets as well as specialists in regional emerging markets.

◆ **U.S. Core Fixed Income**

Includes all managers, active and passive, investing in US Fixed Income.

◆ **Credit Opportunities**

Includes all managers, active and passive, investing in US high yield and emerging market debt managers.

◆ **Public Real Assets**

Includes all managers investing in Public REITS, TIPS, Commodities, and Multi Asset Real Asset/Return managers.

V. Investment Performance

- Time: the internal rate of return (accounting for daily cash flows) monthly based on trade-date, full accrual accounting, and using market values. For periods of greater than one month, a time series of linked monthly returns is maintained, introducing a time weighted effect.

- The Private Real Estate and the Private Equity returns are lagged one quarter.
- The LACERS Total Fund return is dollar-weighted to include Private Equity.

VI. Performance Attribution

- **Holdings-Based Attribution.**

U.S. Equity, Non-U.S. Equity, and Fixed Income tables are Holdings-based. The table details various attribution subcategories which impacted each manager's performance such as: selection, weighting, duration, yield, quality, etc.

- **Interaction**

Captures the interaction of managers' performance and the difference in asset class weighting. The formula for interaction is $(\text{Actual Allocation} - \text{Policy Allocation}) * (\text{Composite Return} - \text{Policy Return})$. Positive and negative interaction effects are determined as follows:

1. Positive interaction effect

- a. Actual asset class composite weight > Benchmark weight AND Actual asset class composite return > Benchmark return
- b. Actual asset class composite weight < Benchmark weight AND Actual asset class composite return < Benchmark return

2. Negative interaction effect

- a. Actual asset class composite weight > Benchmark weight AND Actual asset class composite return < Benchmark return
- b. Actual asset class composite weight < Benchmark weight AND Actual asset class composite return > Benchmark return

- **Trading**

Captures the contribution to excess return from trading activity during the period. The trading effect is the difference between the buy and hold return of each asset class composition and the calculated portfolio return.

VII. Terminology

- **Duration:** A measure of the sensitivity of the price (the value of principal) of a fixed-income portfolio given a 1% change in the US Treasury yield curve (interest rates). A portfolio with a duration of 4 would be expected to lose 4% of its value when interest rates rise 1%. Duration is expressed as a number of years. Rising interest rates mean falling bond prices, while declining interest rates mean rising bond prices.
- **Information ratio:** A ratio of portfolio returns above the returns of a benchmark (usually an index) to the volatility of those returns. The information ratio (IR) measures a portfolio manager's ability to generate excess returns relative to a benchmark, but also attempts to identify the consistency of the investor. This ratio will identify if a manager has beaten the benchmark by a lot in a few months or a little every month. The higher the IR the more consistent a manager is and consistency is an ideal trait.
- **Standard deviation:** A statistical measure of volatility or the degree to which an individual value in a probability distribution tends to vary from the mean of the distribution. A manager with a one-year return of 5% and a standard deviation of 5, indicates the range of returns for this manager will likely fall between 0% and 10% during most annual time periods.
- **Tracking error:** A measure of the difference between returns of the portfolio and that of the benchmark it was attempting to imitate; reported as a "standard deviation percentage" difference.
- **Ex-post:** A term that refers to past events, such as actual performance returns.
- **Ex-ante:** A term that refers to future events, such as future performance returns. Using ex-ante analysis helps to give an idea of the future impact of a newly implemented policy.
- **Real Estate Investment Trust (REIT):** A REIT is a company that owns, and in most cases, operates income-producing real estate such as apartments, shopping centers, offices, hotels and warehouses. Some REITs also engage in financing real estate. The shares of many REITs are freely traded, usually on a major stock exchange. To qualify as a REIT, a company must distribute at least 90% of its taxable income to its shareholders annually. A company that qualifies as a REIT is permitted to deduct dividends paid to its shareholders from its corporate taxable income. As a result, most REITs remit at least 100% of their taxable income to their shareholders and therefore owe no corporate tax. Taxes are paid by shareholders on the dividends received and any capital gains. Most states honor this federal treatment

and also do not require REITs to pay state income tax. Like other businesses, but unlike partnerships, a REIT cannot pass any tax losses through to its investors.

- **Commodity:** a raw material or primary agricultural product that can be bought and sold, such as gold or coffee.



LACERS
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Appendix



LACERS
LOS ANGELES CITY EMPLOYEES'
RETIREMENT SYSTEM

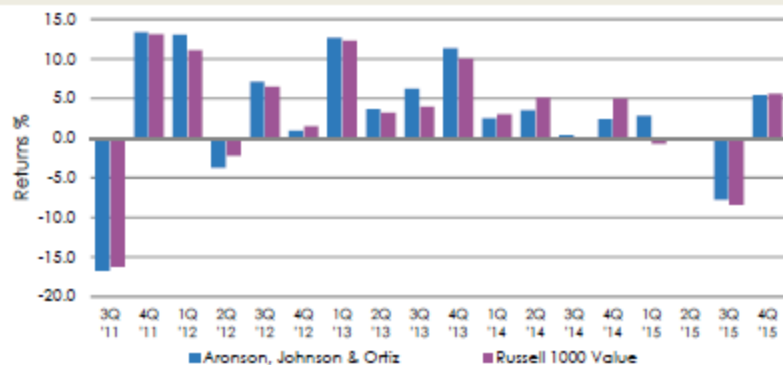
U.S. Equity Manager Performance

AJO
Objective

Outperform the benchmark by 300 bps, annualized over a full market cycle (normally 3-5 years).

Strategy

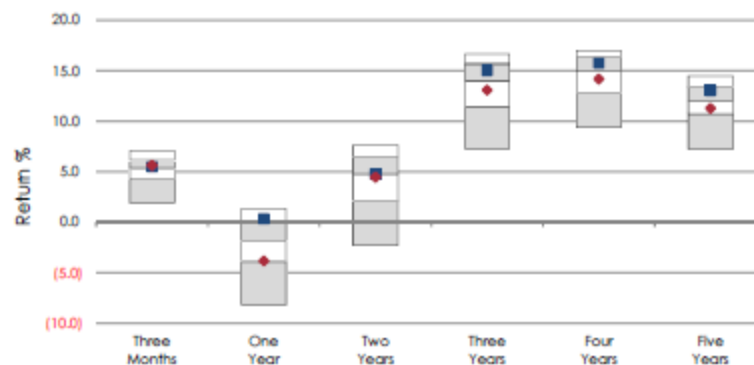
Aronson invests in US stocks with large market caps, low P/E ratios and lower historical earnings per share that are expected to increase.

Performance - Quarterly Rate of Return vs Benchmark

Performance - Net Returns%

	LCQ	1 Yr.	2 Yrs.	3 Yrs.	5 Yrs.	Gross ITD Return	Inception Date
Aronson, Johnson & Ortiz	5.4	0.0	4.4	14.7	12.7	8.5	Oct-2001
Russell 1000 Value	5.6	-3.8	4.5	13.1	11.3	7.3	
Excess Returns	-0.2	3.8	0.0	1.6	1.4	1.3	

Quartile Rankings

Mandate: Large Cap Value
 Benchmark: Russell 1000 Value



	LCQ	1 Yr.	2 Yrs.	3 Yrs.	4 Yrs.	5 Yrs.
■ Aronson, Johnson & Ortiz ¹	5.5	0.3	4.8	15.0	15.8	13.0
Rank	44	33	51	35	35	34
◆ Russell 1000 Value	5.6	-3.8	4.5	13.1	14.2	11.3
Rank	39	72	54	64	64	70
10 th Percentile	7.1	2.6	7.6	16.6	17.0	14.5
25 th Percentile	6.2	1.3	6.4	15.7	16.3	13.4
Median	5.4	-1.9	4.8	14.0	14.9	12.0
75 th Percentile	4.2	-3.9	2.2	11.4	12.9	10.7
90 th Percentile	2.0	-8.1	-2.3	7.3	9.4	7.2
Observation	200	198	191	154	136	125

¹ Performance shown above is based on gross of fees.

Principal Global Inv

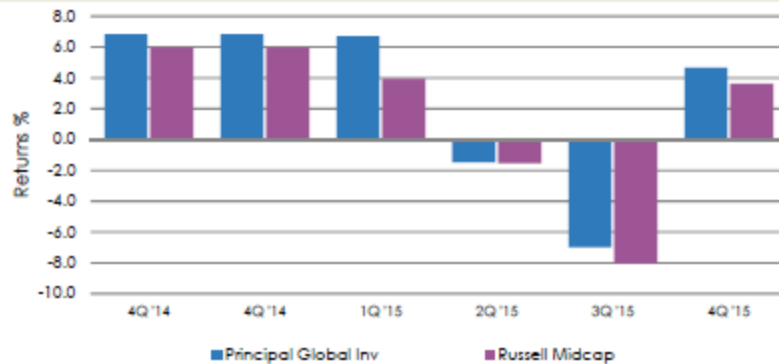
Objective

Outperform the benchmark by 200 bps, annualized over a full market cycle (normally 3-5 years).

Strategy

Principal Global invests in US stocks with mid-market caps, through stock selection based on in-depth original fundamental research that emphasizes quality.

Performance - Quarterly Rate of Return vs Benchmark

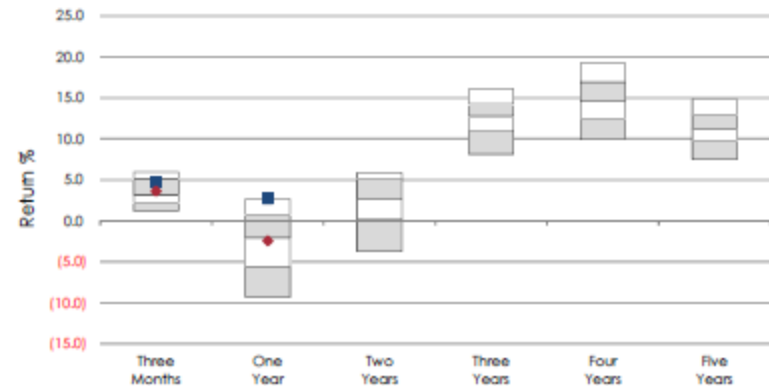


Performance - Net Returns%

	LCG	1 Yr.	2 Yrs.	3 Yrs.	5 Yrs.	Gross ITD Return	Inception Date
Principal Global Inv	4.7	2.3	--	--	--	6.6	Jul-2014
Russell Midcap	3.6	-2.4	--	--	--	1.3	
Excess Returns	1.1	4.8	--	--	--	5.3	

Quartile Rankings

Mandate: Mid Cap
Benchmark: Russell Midcap



	LCG	1 Yr.	2 Yrs.	3 Yrs.	4 Yrs.	5 Yrs.
■ Principal Global Inv ¹	4.8	2.7	--	--	--	--
Rank	33	10	--	--	--	--
◆ Russell Midcap	3.6	-2.4	--	--	--	--
Rank	40	54	--	--	--	--
10 th Percentile	6.0	2.7	5.9	16.1	19.2	14.9
25 th Percentile	5.1	0.8	5.1	14.2	16.9	13.0
Median	3.2	-2.1	2.6	12.8	14.6	11.3
75 th Percentile	2.2	-5.6	0.1	10.9	12.5	9.8
90 th Percentile	1.3	-9.3	-3.8	8.2	9.9	7.5
Observation	99	113	101	82	75	73

¹ Performance shown above is based on gross of fees.

EAM Investors LLC

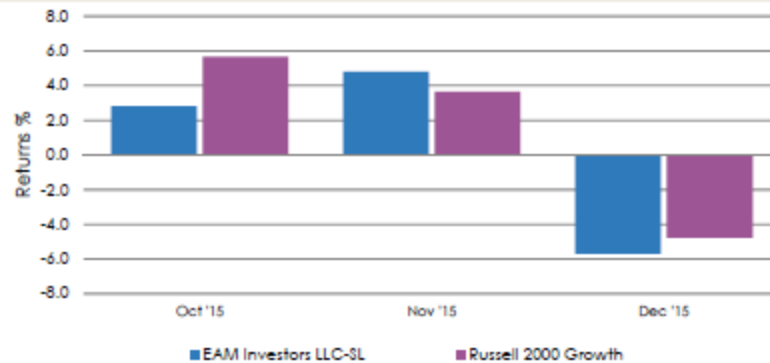
Objective

Outperform the benchmark by 200 bps, annualized over a full market cycle (normally 3-5 years).

Strategy

EAM Investors invests in US stocks with small market caps. EAM uses a fundamental, bottom up portfolio construction process and seeks to exploit investor behavior by understanding investor biases to changing information.

Performance - Quarterly Rate of Return vs Benchmark

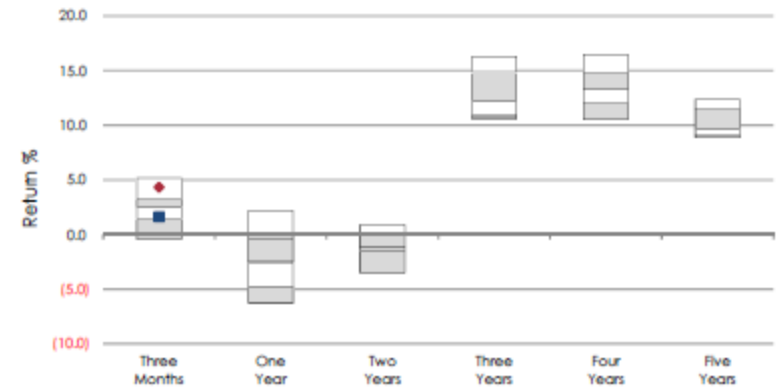


Performance - Net Returns%

	LCQ	1 Yr.	2 Yrs.	3 Yrs.	5 Yrs.	Gross ITD Return	Inception Date
EAM Investors LLC-SL	1.6	--	--	--	--	1.6	Sep-2015
Russell 2000 Growth	4.3	--	--	--	--	4.3	
Excess Returns	-2.7	--	--	--	--	-2.7	

Quartile Rankings

Mandate: Small Cap Growth
Benchmark: Russell 2000 Growth



	LCQ	1 Yr.	2 Yrs.	3 Yrs.	4 Yrs.	5 Yrs.
■ EAM Investors LLC-SL ¹	1.6	--	--	--	--	--
Rank	71	--	--	--	--	--
◆ Russell 2000 Growth	4.3	--	--	--	--	--
Rank	16	--	--	--	--	--
10 th Percentile	5.2	2.2	3.5	16.3	16.5	12.4
25 th Percentile	3.2	-0.3	2.6	14.9	14.7	11.5
Median	2.6	-2.5	-1.2	12.3	13.3	9.7
75 th Percentile	1.4	-4.8	-1.5	10.9	12.0	9.1
90 th Percentile	-0.4	-6.2	-3.5	10.5	10.5	8.9
Observation	59	45	43	33	30	32

¹ Performance shown above is based on gross of fees.

Donald Smith & Co.

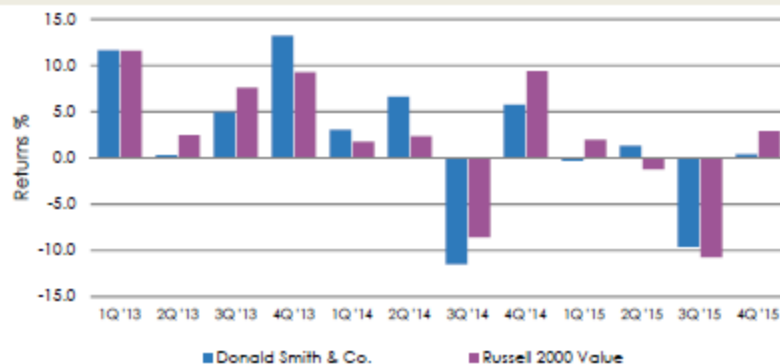
Objective

Outperform the benchmark by 300 bps, annualized over a full market cycle (normally 3-5 years).

Strategy

Donald Smith invests in US stocks with small market caps, low P/E ratios and lower historical earnings per share that are expected to increase.

Performance - Quarterly Rate of Return vs Benchmark



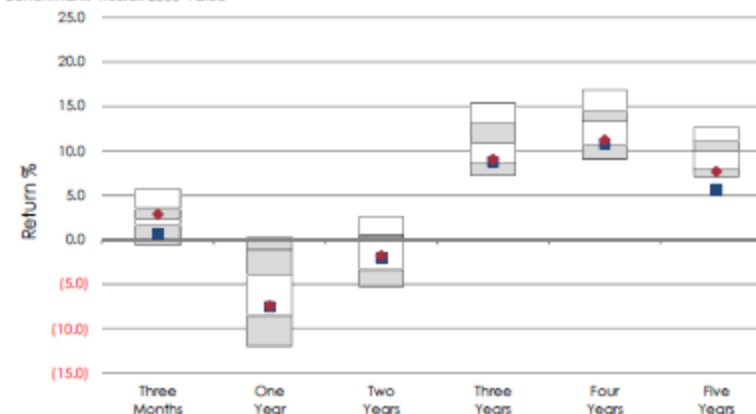
Performance - Net Returns%

	LCG	1 Yr.	2 Yrs.	3 Yrs.	5 Yrs.	Gross ITD Return	Inception Date
Donald Smith & Co.	0.4	-8.3	-2.9	7.9	4.8	6.2	Feb-2006
Russell 2000 Value	2.9	-7.5	-1.8	9.1	7.7	4.8	
Excess Returns	-2.5	-0.8	-1.1	-1.2	-2.9	1.4	

Quartile Rankings

Mandate: Small Cap Value

Benchmark: Russell 2000 Value



	LCG	1 Yr.	2 Yrs.	3 Yrs.	4 Yrs.	5 Yrs.
■ Donald Smith & Co. ¹	0.6	-7.5	-2.0	8.8	10.8	5.7
Rank	82	73	68	74	71	95
◆ Russell 2000 Value	2.9	-7.5	-1.8	9.1	11.2	7.7
Rank	36	73	67	71	63	84
10 th Percentile	5.7	0.3	4.4	15.4	16.9	12.6
25 th Percentile	3.5	-1.2	2.3	13.1	14.5	11.2
Median	2.4	-4.0	0.3	10.9	13.3	10.0
75 th Percentile	1.7	-8.6	-3.4	8.6	10.7	7.9
90 th Percentile	-0.6	-12.0	-5.2	7.3	9.1	7.1
Observation	72	63	51	44	46	40

¹ Performance shown above is based on gross of fees.

PanAgora Asset Management

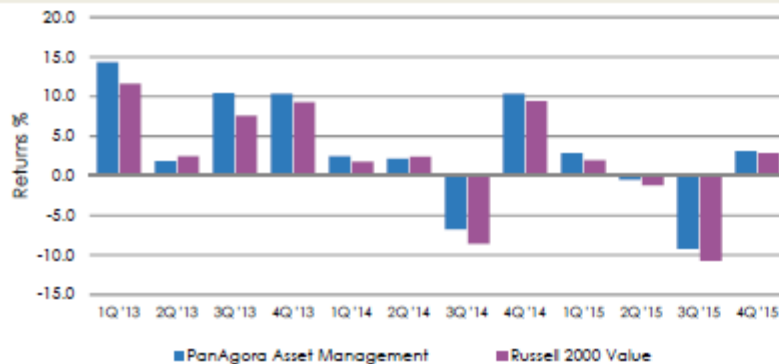
Objective

Outperform the benchmark by 200 bps, annualized over a full market cycle (normally 3-5 years).

Strategy

PanAgora invests in US stocks with small market caps, low P/E ratios and lower historical earnings per share that are expected to increase.

Performance - Quarterly Rate of Return vs Benchmark

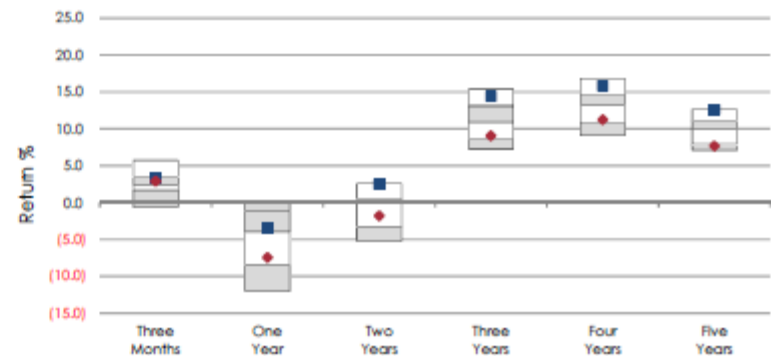


Performance - Net Returns%

	LCG	1 Yr.	2 Yrs.	3 Yrs.	5 Yrs.	Gross ITD Return	Inception Date
PanAgora Asset Management	3.1	-4.1	1.6	13.6	11.8	6.1	Feb-2006
Russell 2000 Value	2.9	-7.5	-1.8	9.1	7.7	4.8	
Excess Returns	0.2	3.3	3.4	4.5	4.2	1.2	

Quartile Rankings

Mandate: Small Cap Value
Benchmark: Russell 2000 Value



	LCG	1 Yr.	2 Yrs.	3 Yrs.	4 Yrs.	5 Yrs.
■ PanAgora Asset Management	3.3	-3.5	2.5	14.4	15.8	12.6
Rank	30	39	25	14	14	11
◆ Russell 2000 Value	2.9	-7.5	-1.8	9.1	11.2	7.7
Rank	36	73	67	71	63	84
10 th Percentile	5.7	0.3	4.4	15.4	16.9	12.6
25 th Percentile	3.5	-1.2	2.3	13.1	14.5	11.2
Median	2.4	-4.0	0.3	10.9	13.3	10.0
75 th Percentile	1.7	-8.6	-3.4	8.6	10.7	7.9
90 th Percentile	-0.6	-12.0	-5.2	7.3	9.1	7.1
Observation	72	63	51	44	46	40

1 Performance shown above is based on gross of fees.

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LACERS
LOS ANGELES CITY EMPLOYEES'
RETIREMENT SYSTEM

Non-U.S. Equity Manager Performance

Barrow Hanley

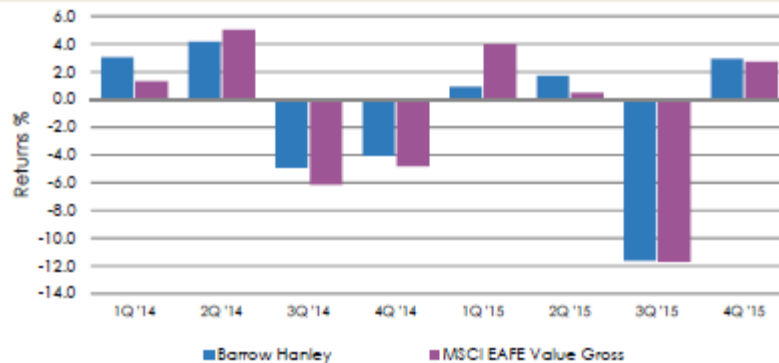
Objective

Outperform the benchmark by 200 bps, annualized over a full market cycle (normally 3-5 years).

Strategy

Barrow Hanley invests in Non-US value stocks across all developed countries.

Performance - Quarterly Rate of Return vs Benchmark



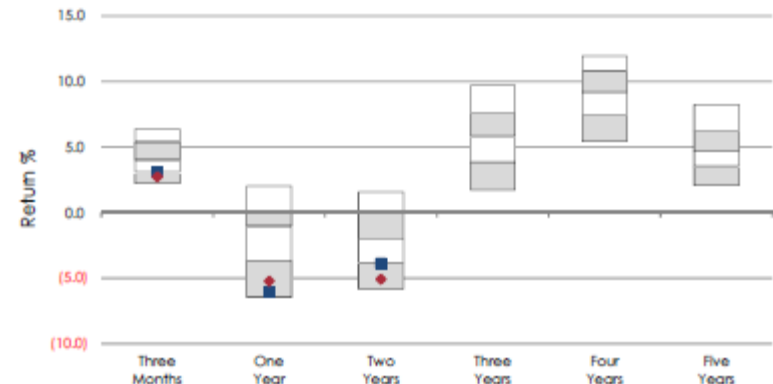
Performance - Net Returns%

	LCQ	1 Yr.	2 Yrs.	3 Yrs.	5 Yrs.	Gross ITD Return	Inception Date
Barrow Hanley	3.0	-6.6	-4.3	--	--	-1.5	Nov-2013
MSCI EAFE Value Gross	2.7	-5.2	-5.1	--	--	-3.8	
Excess Returns	0.2	-1.3	0.7	--	--	2.2	

Quartile Rankings

Mandate: Non-US Developed Equity Mgrs.

Benchmark: MSCI EAFE Value Gross



	LCQ	1 Yr.	2 Yrs.	3 Yrs.	4 Yrs.	5 Yrs.
■ Barrow Hanley ¹	3.1	-6.1	-3.9	--	--	--
Rank	76	90	75	--	--	--
◆ MSCI EAFE Value Gross	2.7	-5.2	-5.1	--	--	--
Rank	84	87	86	--	--	--
10 th Percentile	6.4	4.1	1.7	9.7	11.9	8.2
25 th Percentile	5.4	2.0	0.1	7.6	10.8	6.2
Median	4.0	-1.0	-2.0	5.8	9.2	4.7
75 th Percentile	3.1	-3.6	-3.9	3.9	7.5	3.5
90 th Percentile	2.2	-6.4	-5.8	1.7	5.4	2.1
Observation	183	183	175	157	149	139

¹ Performance shown above is based on gross of fees.

Lazard Asset Management

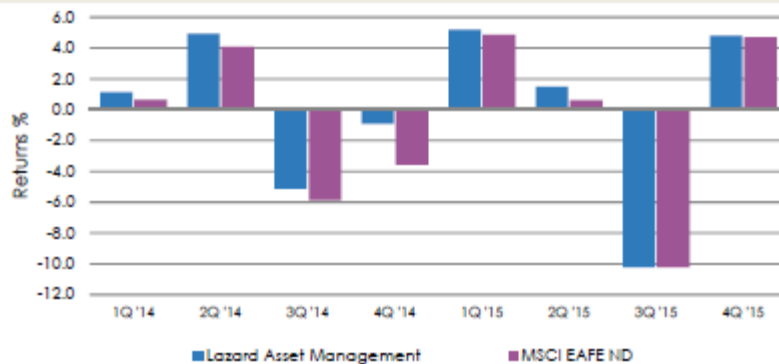
Objective

Outperform the benchmark by 200 bps, annualized over a full market cycle (normally 3-5 years).

Strategy

Lazard invests in Non-US core stocks across all developed countries.

Performance - Quarterly Rate of Return vs Benchmark



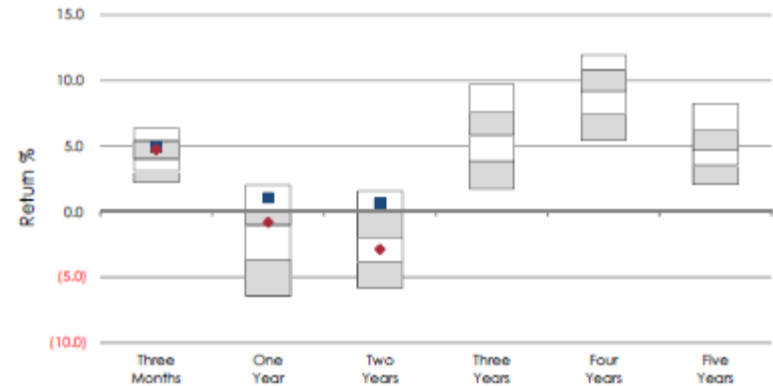
Performance - Net Returns%

	LCQ	1 Yr.	2 Yrs.	3 Yrs.	5 Yrs.	Gross ITD Return	Inception Date
Lazard Asset Management	4.8	0.5	0.1	--	--	2.6	Nov-2013
MSCI EAFE ND	4.7	-0.8	-2.9	--	--	-1.2	
Excess Returns	0.1	1.3	3.0	--	--	3.8	

Quartile Rankings

Mandate: Non-US Developed Equity Mgrs.

Benchmark: MSCI EAFE ND



	LCQ	1 Yr.	2 Yrs.	3 Yrs.	4 Yrs.	5 Yrs.
■ Lazard Asset Management ¹	4.9	1.0	0.6	--	--	--
Rank	34	32	18	--	--	--
◆ MSCI EAFE ND	4.7	-0.8	-2.9	--	--	--
Rank	40	46	61	--	--	--
10 th Percentile	6.4	4.1	1.7	9.7	11.9	8.2
25 th Percentile	5.4	2.0	0.1	7.6	10.8	6.2
Median	4.0	-1.0	-2.0	5.8	9.2	4.7
75 th Percentile	3.1	-3.6	-3.9	3.9	7.5	3.5
90 th Percentile	2.2	-6.4	-5.8	1.7	5.4	2.1
Observation	183	183	175	157	149	139

¹ Performance shown above is based on gross of fees.

MFS Inst. Adv.

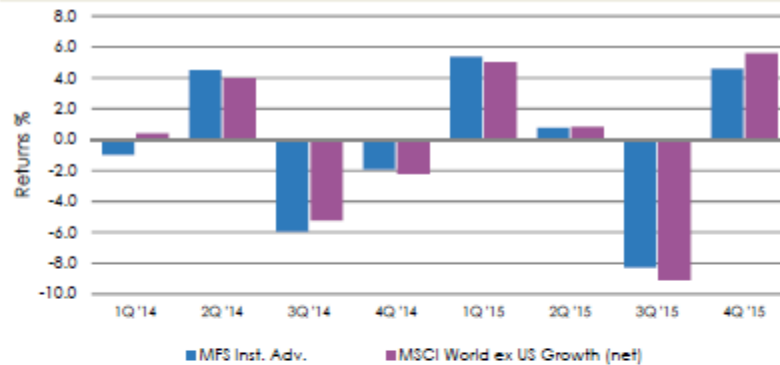
Objective

Outperform the benchmark by 200 bps, annualized over a full market cycle (normally 3-5 years).

Strategy

MFS invests in Non-US growth stocks across all developed countries.

Performance - Quarterly Rate of Return vs Benchmark

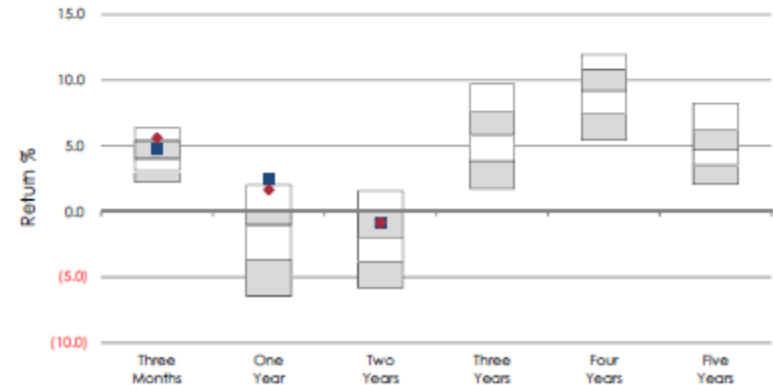


Performance - Net Returns%

	LCQ	1 Yr.	2 Yrs.	3 Yrs.	5 Yrs.	Gross ITD Return	Inception Date
MFS Inst. Adv.	4.6	1.9	-1.4	--	--	0.1	Oct-2013
MSCI World ex US Growth (ne	5.6	1.6	-0.8	--	--	0.3	
Excess Returns	-1.0	0.3	-0.5	--	--	-0.2	

Quartile Rankings

Mandate: Non-US Developed Equity Mgrs.
 Benchmark: MSCI World ex US Growth (net)



	LCQ	1 Yr.	2 Yrs.	3 Yrs.	4 Yrs.	5 Yrs.
■ MFS Inst. Adv. ¹	4.7	2.4	-0.9	--	--	--
Rank	39	16	36	--	--	--
◆ MSCI World ex US Growth (ne	5.6	1.6	-0.8	--	--	--
Rank	22	29	35	--	--	--
10 th Percentile	6.4	4.1	1.7	9.7	11.9	8.2
25 th Percentile	5.4	2.0	0.1	7.6	10.8	6.2
Median	4.0	-1.0	-2.0	5.8	9.2	4.7
75 th Percentile	3.1	-3.6	-3.9	3.9	7.5	3.5
90 th Percentile	2.2	-6.4	-5.8	1.7	5.4	2.1
Observation	183	183	175	157	149	139

¹ Performance shown above is based on gross of fees.

AQR CAPITAL

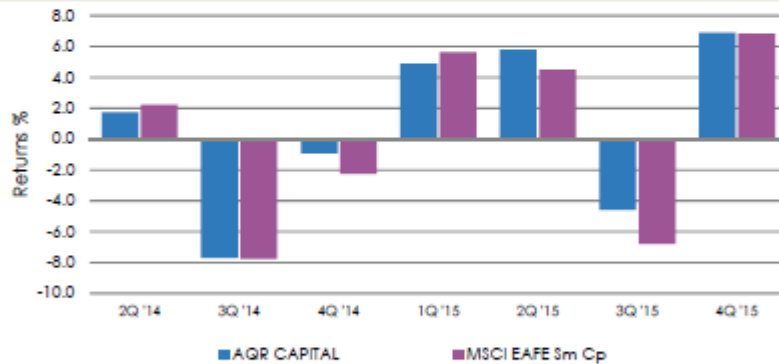
Objective

Outperform the benchmark by 200 bps, annualized over a full market cycle (normally 3-5 years).

Strategy

AQR Capital invests in small cap Non-US stocks across all developed countries.

Performance - Quarterly Rate of Return vs Benchmark



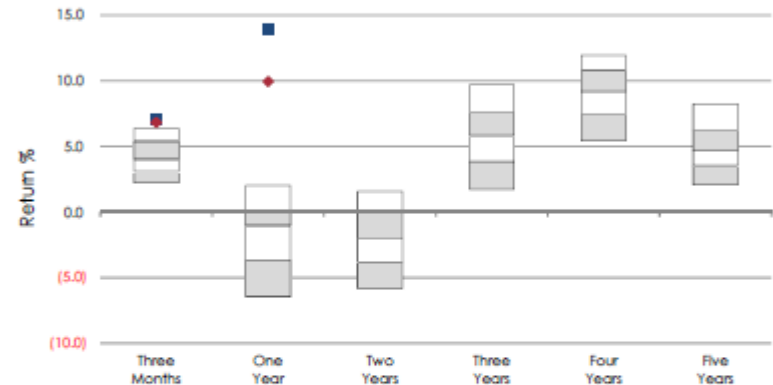
Performance - Net Returns%

	LCQ	1 Yr.	2 Yrs.	3 Yrs.	5 Yrs.	Gross ITD Return	Inception Date
AQR CAPITAL	6.9	13.2	--	--	--	3.2	Feb-2014
MSCI EAFE 5m Cp	6.8	9.9	--	--	--	1.0	
Excess Returns	0.1	3.2	--	--	--	2.2	

Quartile Rankings

Mandate: Non-US Developed Equity Mgrs.

Benchmark: MSCI EAFE 5m Cp



	LCQ	1 Yr.	2 Yrs.	3 Yrs.	4 Yrs.	5 Yrs.
■ AQR CAPITAL ¹	7.1	13.9	--	--	--	--
Rank	5	1	--	--	--	--
◆ MSCI EAFE 5m Cp	6.8	9.9	--	--	--	--
Rank	8	2	--	--	--	--
10 th Percentile	6.4	4.1	1.7	9.7	11.9	8.2
25 th Percentile	5.4	2.0	0.1	7.6	10.8	6.2
Median	4.0	-1.0	-2.0	5.8	9.2	4.7
75 th Percentile	3.1	-3.6	-3.9	3.9	7.5	3.5
90 th Percentile	2.2	-6.4	-5.8	1.7	5.4	2.1
Observation	183	183	175	157	149	139

¹ Performance shown above is based on gross of fees.

Oberweis Asset Mgmt

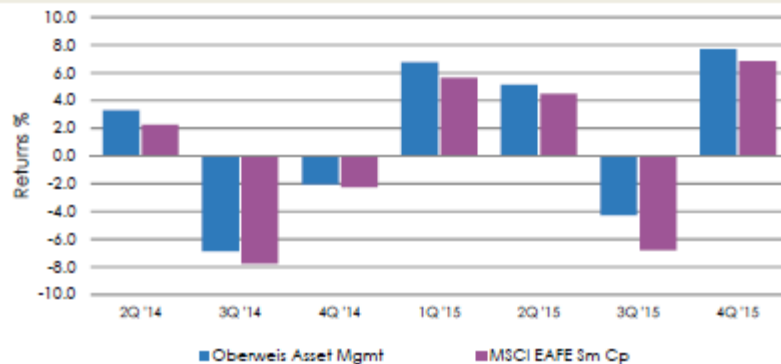
Objective

Outperform the benchmark by 200 bps, annualized over a full market cycle (normally 3-5 years).

Strategy

Oberweis Asset Mgmt invests in small cap Non-US stocks across all developed countries.

Performance - Quarterly Rate of Return vs Benchmark



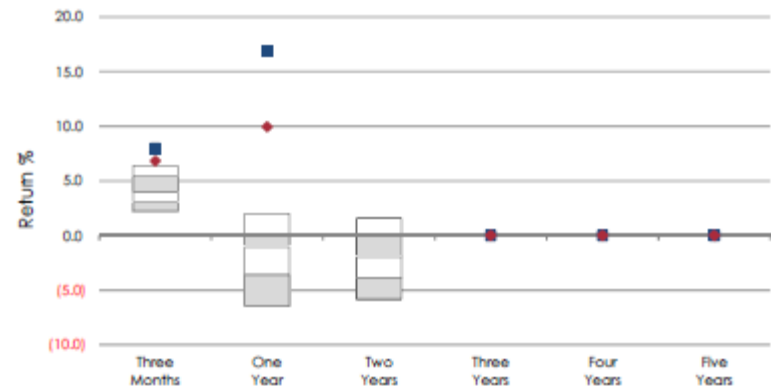
Performance - Net Returns%

	LCQ	1 Yr.	2 Yrs.	3 Yrs.	5 Yrs.	Gross ITD Return	Inception Date
Oberweis Asset Mgmt	7.7	15.7	--	--	--	4.8	Jan-2014
MSCI EAFE 5m Cp	6.8	9.9	--	--	--	1.7	
Excess Returns	0.9	5.8	--	--	--	3.1	

Quartile Rankings

Mandate: Non-US Developed Equity Mgrs.

Benchmark: MSCI EAFE 5m Cp



	LCQ	1 Yr.	2 Yrs.	3 Yrs.	4 Yrs.	5 Yrs.
■ Oberweis Asset Mgmt ¹	8.0	16.9	--	0.0	0.0	0.0
Rank	1	1	--	0	0	0
◆ MSCI EAFE 5m Cp	6.8	9.9	--	0.0	0.0	0.0
Rank	8	2	--	0	0	0
10 th Percentile	6.4	4.1	1.7	0.0	0.0	0.0
25 th Percentile	5.4	2.0	0.1	0.0	0.0	0.0
Median	4.0	-1.0	-2.0	0.0	0.0	0.0
75 th Percentile	3.1	-3.6	-3.9	0.0	0.0	0.0
90 th Percentile	2.2	-6.4	-5.8	0.0	0.0	0.0
Observation	183	183	175	157	149	139

¹ Performance shown above is based on gross of fees.

Axiom International

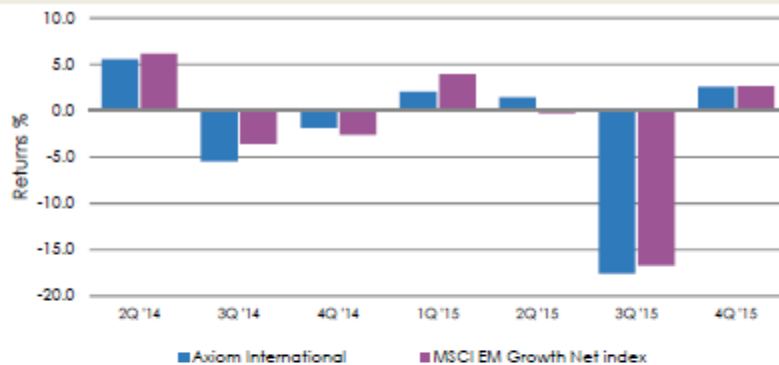
Objective

Outperform the benchmark by 300 bps, annualized over a full market cycle (normally 3-5 years).

Strategy

Axiom International invests in Non-US growth stocks in emerging countries and seeks to add value through a fundamental, bottom up, research-driven process.

Performance - Quarterly Rate of Return vs Benchmark



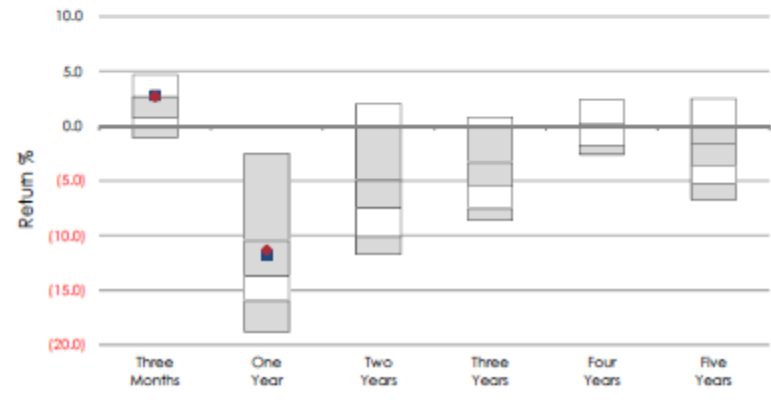
Performance - Net Returns%

	LCG	1 Yr.	2 Yrs.	3 Yrs.	5 Yrs.	Gross ITD Return	Inception Date
Axiom International	2.6	-12.4	--	--	--	-7.9	Mar-2014
MSCI EM Growth Net Index	2.7	-11.3	--	--	--	-6.8	
Excess Returns	-0.1	-1.1	--	--	--	-1.1	

Quartile Rankings

Mandate: Emerging Markets Growth Equity

Benchmark: MSCI EM Growth Net Index



	LCG	1 Yr.	2 Yrs.	3 Yrs.	4 Yrs.	5 Yrs.
■ Axiom International ¹	2.8	-11.8	--	--	--	--
Rank	23	37	--	--	--	--
◆ MSCI EM Growth Net Index	2.7	-11.3	--	--	--	--
Rank	26	31	--	--	--	--
10 th Percentile	4.7	-2.6	2.0	0.8	4.5	2.5
25 th Percentile	2.7	-10.5	-5.0	-3.4	2.2	-1.6
Median	0.7	-13.7	-7.5	-5.4	0.1	-3.7
75 th Percentile	0.0	-16.0	-10.1	-7.6	-1.8	-5.3
90 th Percentile	-1.1	-18.8	-11.7	-8.6	-2.6	-6.7
Observation	78	77	71	64	55	52

¹ Performance shown above is based on gross of fees.

DFA Emerging Markets

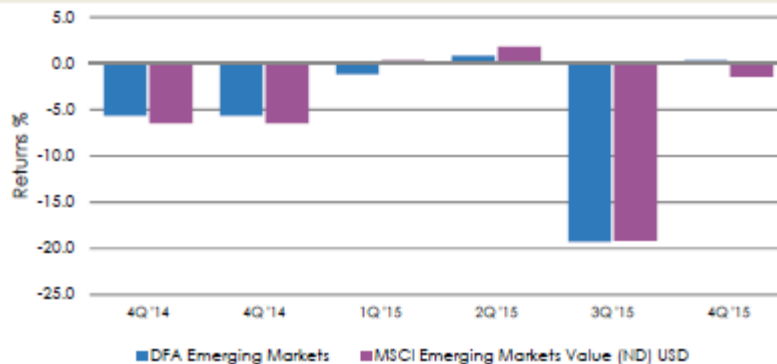
Objective

Outperform the benchmark by 200 bps, annualized over a full market cycle (normally 3-5 years).

Strategy

DFA Emerging invests in Non-US value stocks in emerging countries. DFA seeks to add value through its disciplined quantitative investment approach.

Performance - Quarterly Rate of Return vs Benchmark



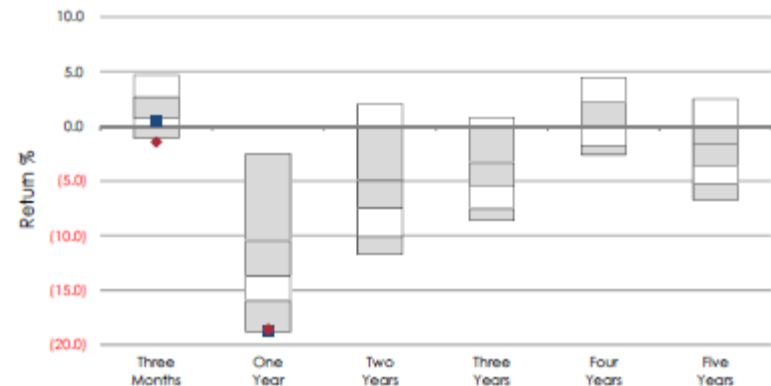
Performance - Net Returns%

	LCG	1 Yr.	2 Yrs.	3 Yrs.	5 Yrs.	Gross ITD Return	Inception Date
DFA Emerging Markets	0.3	-19.3	--	--	--	-21.9	Jul-2014
MSCI Emerging Markets Value	-1.4	-18.6	--	--	--	-21.4	
Excess Returns	1.8	-0.7	--	--	--	-0.5	

Quartile Rankings

Mandate: Emerging Markets Value Equity

Benchmark: MSCI Emerging Markets Value (ND) USD



	LCG	1 Yr.	2 Yrs.	3 Yrs.	4 Yrs.	5 Yrs.
■ DFA Emerging Markets ¹	0.5	-18.7	--	--	--	--
Rank	59	89	--	--	--	--
◆ MSCI Emerging Markets Value	-1.4	-18.6	--	--	--	--
Rank	95	87	--	--	--	--
10 th Percentile	4.7	-2.6	2.0	0.8	4.5	2.5
25 th Percentile	2.7	-10.5	-5.0	-3.4	2.2	-1.6
Median	0.7	-13.7	-7.5	-5.4	0.1	-3.7
75 th Percentile	0.0	-16.0	-10.1	-7.6	-1.8	-5.3
90 th Percentile	-1.1	-18.8	-11.7	-8.6	-2.6	-6.7
Observation	78	77	71	64	55	52

¹ Performance shown above is based on gross of fees.



LACERS
LOS ANGELES CITY EMPLOYEES'
RETIREMENT SYSTEM

Fixed Income Manager Performance

Neuberger Berman

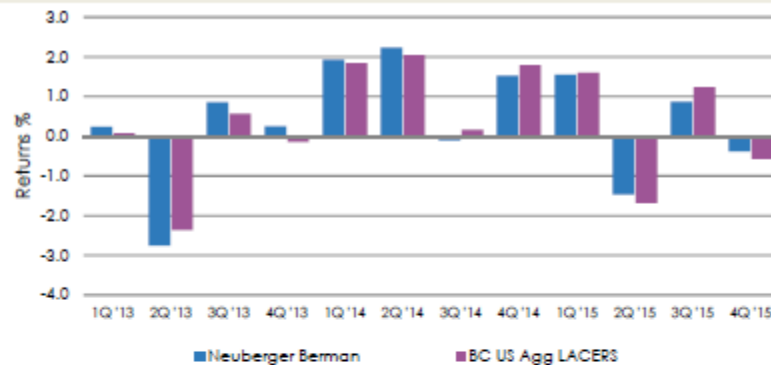
Objective

Outperform the benchmark by 100 bps, annualized over a full market cycle (normally 3-5 years).

Strategy

Neuberger invests in investment-grade bonds rated BBB- or higher by S&P or Baa3 or higher by Moodys.

Performance - Quarterly Rate of Return vs Benchmark



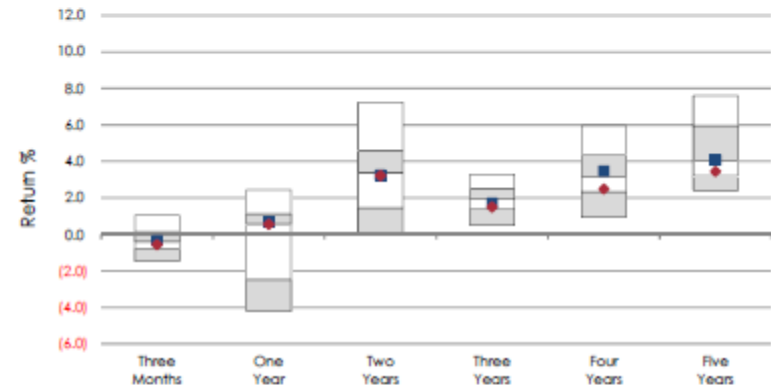
Performance - Net Returns%

	LCG	1 Yr.	2 Yrs.	3 Yrs.	5 Yrs.	Gross ITD Return	Inception Date
Neuberger Berman	-0.4	0.5	3.1	1.5	3.9	7.1	Nov-1990
BC US Agg LACERS	-0.6	0.5	3.2	1.5	3.5	6.3	
Excess Returns	0.2	0.0	-0.1	0.1	0.4	0.8	

Quartile Rankings

Mandate: US Core Fixed Income Manager

Benchmark: BC US Agg LACERS



	LCG	1 Yr.	2 Yrs.	3 Yrs.	4 Yrs.	5 Yrs.
■ Neuberger Berman ¹	-0.3	0.7	3.2	1.7	3.5	4.1
Rank	48	46	53	59	45	51
◆ BC US Agg LACERS	-0.6	0.5	3.2	1.5	2.5	3.5
Rank	60	51	53	70	70	70
10 th Percentile	1.1	2.7	7.2	3.3	5.9	7.6
25 th Percentile	0.1	1.4	4.6	2.5	4.4	6.0
Median	-0.4	0.6	3.4	1.9	3.2	4.1
75 th Percentile	-0.8	-2.5	1.5	1.4	2.3	3.2
90 th Percentile	-1.5	-4.2	0.0	0.5	0.9	2.4
Observation	340	335	319	301	263	243

¹ Performance shown above is based on gross of fees.

Loomis Sayles

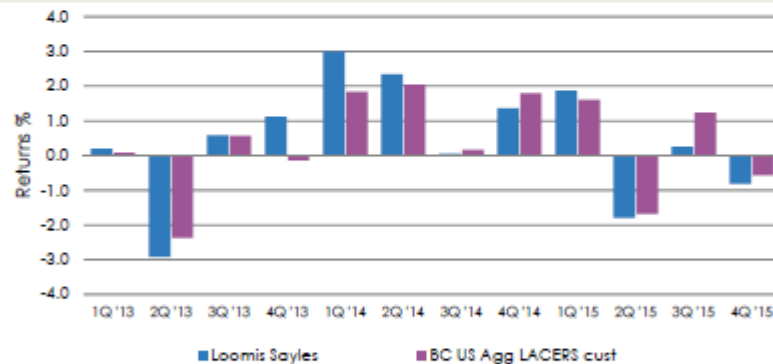
Objective

Outperform the benchmark by 50 bps, annualized over a full market cycle (normally 3-5 years).

Strategy

Loomis invests primarily in US investment-grade bonds rated BBB- or higher by Moody's.

Performance - Quarterly Rate of Return vs Benchmark



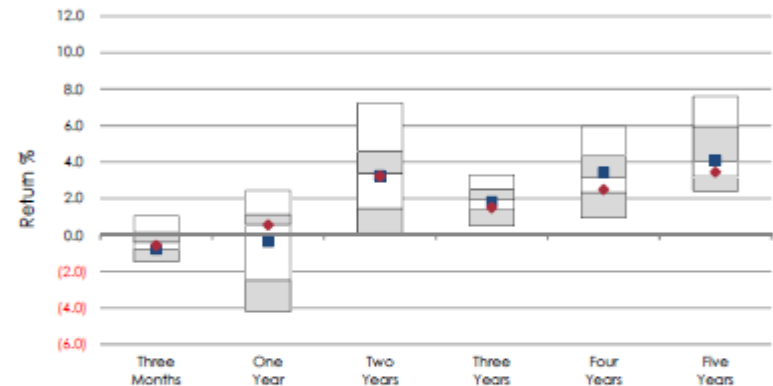
Performance - Net Returns%

	LCQ	1 Yr.	2 Yrs.	3 Yrs.	5 Yrs.	Gross ITD Return	Inception Date
Loomis Sayles	-0.8	-0.5	3.1	1.7	4.0	9.4	Jun-1980
BC US Agg LACERS cust	-0.6	0.5	3.2	1.5	3.5	8.0	
Excess Returns	-0.2	-1.1	-0.1	0.2	0.5	1.5	

Quartile Rankings

Mandate: US Core Fixed Income Manager

Benchmark: BC US Agg LACERS cust



	LCQ	1 Yr.	2 Yrs.	3 Yrs.	4 Yrs.	5 Yrs.
■ Loomis Sayles ¹	-0.8	-0.4	3.3	1.8	3.4	4.1
Rank	75	65	53	55	46	49
◆ BC US Agg LACERS cust	-0.6	0.5	3.2	1.5	2.5	3.5
Rank	60	51	53	70	70	70
10 th Percentile	1.1	2.7	7.2	3.3	5.9	7.6
25 th Percentile	0.1	1.4	4.6	2.5	4.4	6.0
Median	-0.4	0.6	3.4	1.9	3.2	4.1
75 th Percentile	-0.8	-2.5	1.5	1.4	2.3	3.2
90 th Percentile	-1.5	-4.2	0.0	0.5	0.9	2.4
Observation	340	335	319	301	263	243

¹ Performance shown above is based on gross of fees.

Baird Advisors

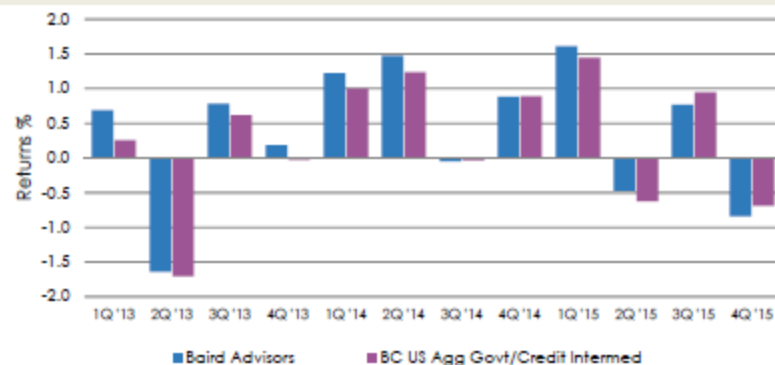
Objective

Outperform the benchmark by 15-40 bps, annualized over a full market cycle (normally 3-5 years).

Strategy

Baird invests primarily in US investment-grade bonds in the government and credit sectors with 3-5 year maturities.

Performance - Quarterly Rate of Return vs Benchmark



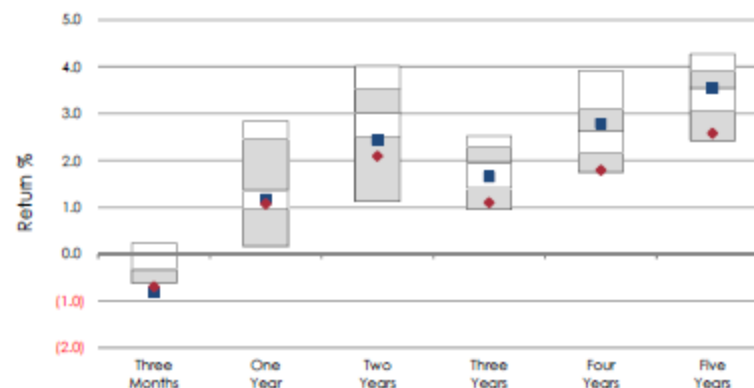
Performance - Net Returns%

	LCQ	1 Yr.	2 Yrs.	3 Yrs.	5 Yrs.	Gross ITD Return	Inception Date
Baird Advisors	-0.8	1.1	2.3	1.5	3.4	4.6	Mar-2005
BC US Agg Govt/Credit Interm	-0.7	1.1	2.1	1.1	2.6	4.0	
Excess Returns	-0.1	0.0	0.2	0.4	0.8	0.6	

Quartile Rankings

Mandate: US Core Fixed Income Manager

Benchmark: BC US Agg Govt/Credit Interm



	LCQ	1 Yr.	2 Yrs.	3 Yrs.	4 Yrs.	5 Yrs.
■ Baird Advisors ¹	-0.8	1.2	2.4	1.7	2.8	3.5
Rank	98	65	77	64	40	52
◆ BC US Agg Govt/Credit Interm	-0.7	1.1	2.1	1.1	1.8	2.6
Rank	95	70	84	89	86	89
10 th Percentile	1.2	2.8	4.0	2.5	3.9	4.3
25 th Percentile	0.9	2.5	3.5	2.3	3.1	3.9
Median	0.0	1.4	3.0	2.0	2.6	3.5
75 th Percentile	-0.3	1.0	2.5	1.4	2.2	3.1
90 th Percentile	-0.6	0.2	1.1	1.0	1.7	2.4
Observation	102	99	96	88	80	83

¹ Performance shown above is based on gross of fees.

LM Capital Group

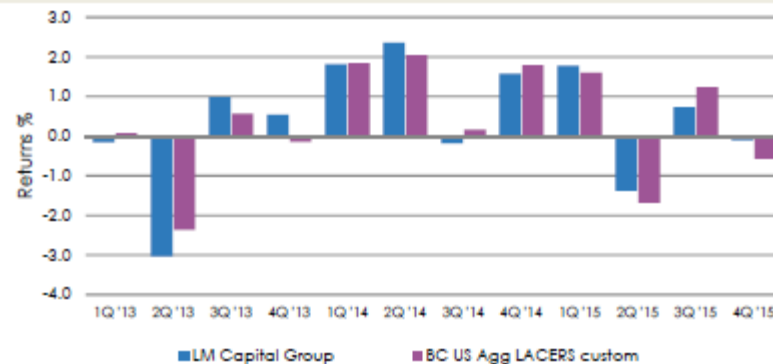
Objective

Outperform the benchmark by 30-80 bps, annualized over a full market cycle (normally 3-5 years).

Strategy

LM Capital invests primarily in US investment-grade bonds in the government and credit sectors.

Performance - Quarterly Rate of Return vs Benchmark



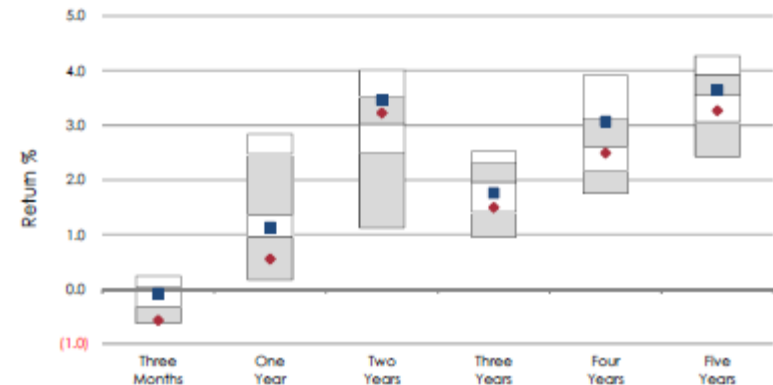
Performance - Net Returns%

	LCQ	1 Yr.	2 Yrs.	3 Yrs.	5 Yrs.	Gross ITD Return	Inception Date
LM Capital Group	-0.1	1.0	3.3	1.6	3.5	4.9	Mar-2005
BC US Agg LACERS custom	-0.6	0.5	3.2	1.5	3.3	4.3	
Excess Returns	0.5	0.5	0.1	0.1	0.2	0.6	

Quartile Rankings

Mandate: US Core Fixed Income Manager

Benchmark: BC US Agg LACERS custom



	LCQ	1 Yr.	2 Yrs.	3 Yrs.	4 Yrs.	5 Yrs.
■ LM Capital Group ¹	-0.1	1.1	3.5	1.8	3.1	3.6
Rank	54	67	30	61	28	43
◆ BC US Agg LACERS custom	-0.6	0.5	3.2	1.5	2.5	3.3
Rank	88	87	39	73	59	63
10 th Percentile	1.2	2.8	4.0	2.5	3.9	4.3
25 th Percentile	0.9	2.5	3.5	2.3	3.1	3.9
Median	0.0	1.4	3.0	2.0	2.6	3.5
75 th Percentile	-0.3	1.0	2.5	1.4	2.2	3.1
90 th Percentile	-0.6	0.2	1.1	1.0	1.7	2.4
Observation	102	99	96	88	80	83

¹ Performance shown above is based on gross of fees.

Aegon USA

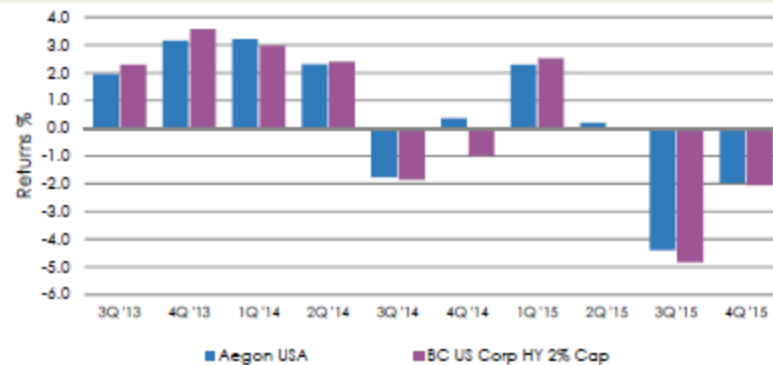
Objective

Outperform the benchmark by 200 bps, annualized over a full market cycle (normally 3-5 years).

Strategy

Aegon USA Investment Management, LLC. primarily invests in fixed income securities that are issued by corporations with high yield ratings (below investment grade) with a heavy focus on controlling credit risk via in-depth research of all issuers in the portfolio.

Performance - Quarterly Rate of Return vs Benchmark



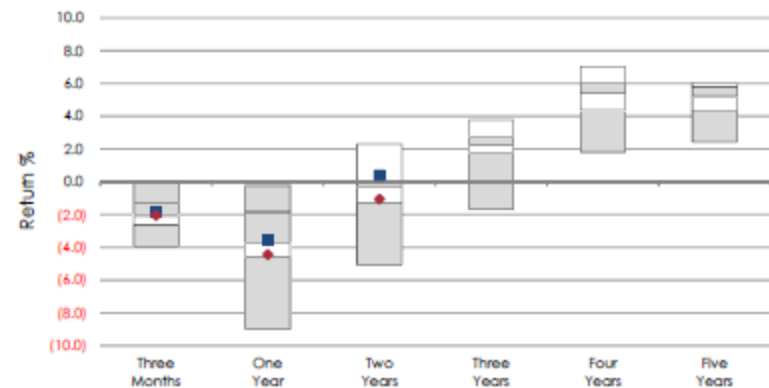
Performance - Net Returns%

	LCQ	1 Yr.	2 Yrs.	3 Yrs.	5 Yrs.	Gross ITD Return	Inception Date
Aegon USA	-2.0	-3.9	0.0	--	--	2.4	Jun-2013
BC US Corp HY 2% Cap	-2.1	-4.4	-1.0	--	--	1.5	
Excess Returns	0.1	0.5	1.0	--	--	0.9	

Quartile Rankings

Mandate: High Yield Fixed Income

Benchmark: BC US Corp HY 2% Cap



	LCQ	1 Yr.	2 Yrs.	3 Yrs.	4 Yrs.	5 Yrs.
■ Aegon USA ¹	-1.9	-3.5	0.4	--	--	--
Rank	44	48	32	--	--	--
◆ BC US Corp HY 2% Cap	-2.1	-4.4	-1.0	--	--	--
Rank	50	62	70	--	--	--
10 th Percentile	0.0	-0.2	2.8	3.8	7.0	6.0
25 th Percentile	-1.3	-1.9	0.5	2.8	6.0	5.8
Median	-2.1	-3.7	-0.3	2.3	5.4	5.2
75 th Percentile	-2.6	-4.6	-1.3	1.8	4.4	4.3
90 th Percentile	-4.0	-9.0	-5.1	-1.6	1.8	2.4
Observation	23	24	24	23	22	19

¹ Performance shown above is based on gross of fees.

Franklin Advisers

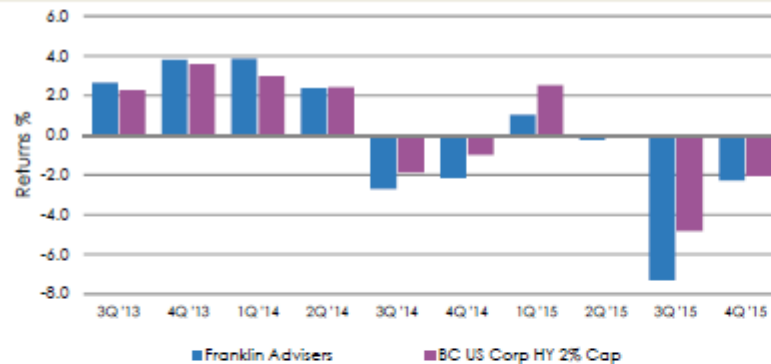
Objective

Outperform the benchmark by 200 bps, annualized over a full market cycle (normally 3-5 years).

Strategy

Franklin Advisers, Inc. invests in U.S. high yield corporate bonds and focuses on fundamental credit analysis of issuers with a goal of identifying securities offering the potential for strong risk-adjusted total returns. Franklin seeks to add value over a full market cycle, over a 3 to 5 year horizon.

Performance - Quarterly Rate of Return vs Benchmark

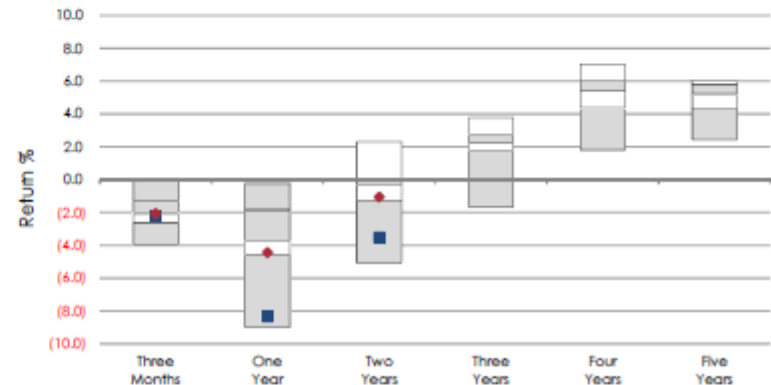


Performance - Net Returns%

	LCQ	1 Yr.	2 Yrs.	3 Yrs.	5 Yrs.	Gross ITD Return	Inception Date
Franklin Advisers	-2.3	-8.7	-3.8	--	--	-0.3	Jun-2013
BC US Corp HY 2% Cap	-2.1	-4.4	-1.0	--	--	1.5	
Excess Returns	-0.2	-4.3	-2.8	--	--	-1.7	

Quartile Rankings

Mandate: High Yield Fixed Income
Benchmark: BC US Corp HY 2% Cap



	LCQ	1 Yr.	2 Yrs.	3 Yrs.	4 Yrs.	5 Yrs.
■ Franklin Advisers ¹	-2.2	-8.3	-3.5	--	--	--
Rank	62	90	89	--	--	--
◆ BC US Corp HY 2% Cap	-2.1	-4.4	-1.0	--	--	--
Rank	50	62	70	--	--	--
10 th Percentile	0.0	-0.2	2.8	3.8	7.0	6.0
25 th Percentile	-1.3	-1.9	0.5	2.8	6.0	5.8
Median	-2.1	-3.7	-0.3	2.3	5.4	5.2
75 th Percentile	-2.6	-4.6	-1.3	1.8	4.4	4.3
90 th Percentile	-4.0	-9.0	-5.1	-1.6	1.8	2.4
Observation	23	24	24	23	22	19

¹ Performance shown above is based on gross of fees.

Prudential Emerging

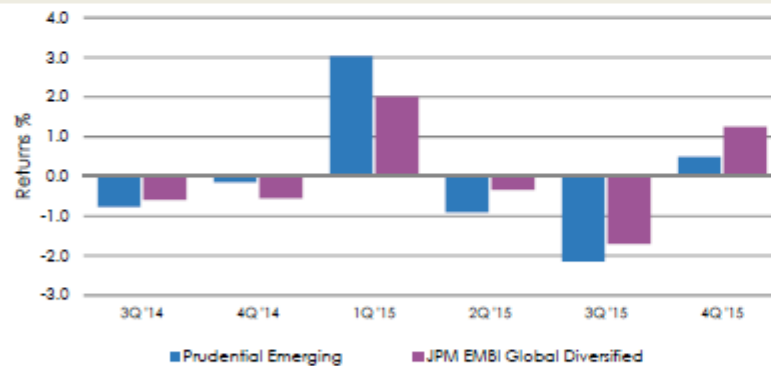
Objective

Outperform the benchmark by 200 bps, annualized over a full market cycle (normally 3-5 years).

Strategy

Prudential Emerging invests in the emerging market debt market. It focuses on country selection and security selection as drivers of value-add and incorporates tactical or opportunistic exposure.

Performance - Quarterly Rate of Return vs Benchmark



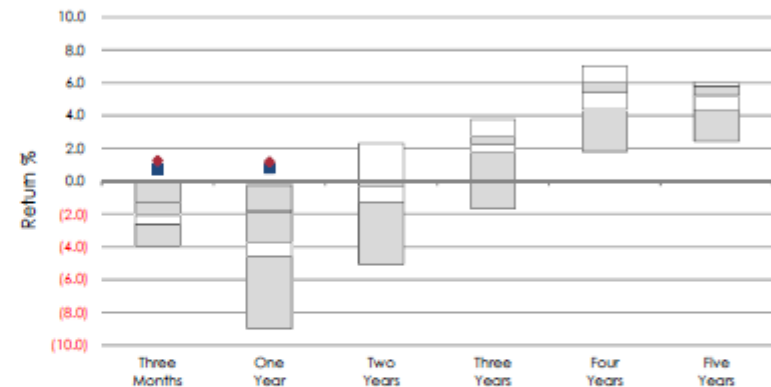
Performance - Net Returns%

	LCQ	1 Yr.	2 Yrs.	3 Yrs.	5 Yrs.	Gross ITD Return	Inception Date
Prudential Emerging	0.5	0.4	--	--	--	0.4	May-2014
JPM EMBI Global Diversified	1.3	1.2	--	--	--	0.8	
Excess Returns	-0.8	-0.8	--	--	--	-0.4	

Quartile Rankings

Mandate: Emerging Market Debt

Benchmark: JPM EMBI Global Diversified



	LCQ	1 Yr.	2 Yrs.	3 Yrs.	4 Yrs.	5 Yrs.
■ Prudential Emerging ¹	0.7	0.8	--	--	--	--
Rank	1	5	--	--	--	--
◆ JPM EMBI Global Diversified	1.3	1.2	--	--	--	--
Rank	1	4	--	--	--	--
10 th Percentile	0.0	-0.2	2.8	3.8	7.0	6.0
25 th Percentile	-1.3	-1.9	0.5	2.8	6.0	5.8
Median	-2.1	-3.7	-0.3	2.3	5.4	5.2
75 th Percentile	-2.6	-4.6	-1.3	1.8	4.4	4.3
90 th Percentile	-4.0	-9.0	-5.1	-1.6	1.8	2.4
Observation	23	24	24	23	22	19

¹ Performance shown above is based on gross of fees.

Sankaty Sr Loan Fd L-SL

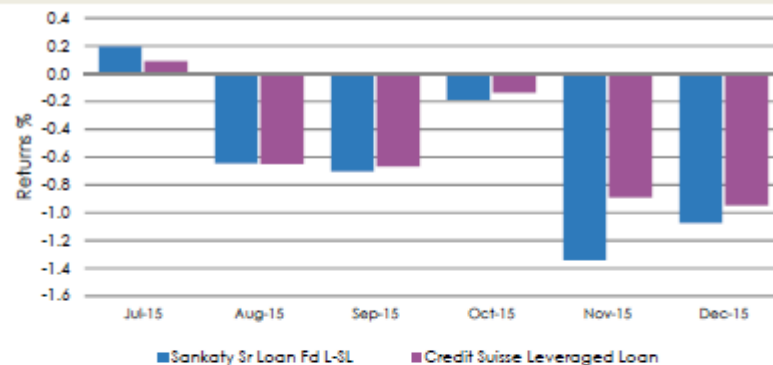
Objective

Outperform the benchmark by 200 bps, annualized over a full market cycle (normally 3-5 years).

Strategy

Sankaty Sr Loan Fd invests in senior securities, floating rate bank loans, and takes a fundamental, active and global approach to investing. Sankaty's team looks at controlling credit risk via in-depth research of all issuers in the portfolio.

Performance - Quarterly Rate of Return vs Benchmark



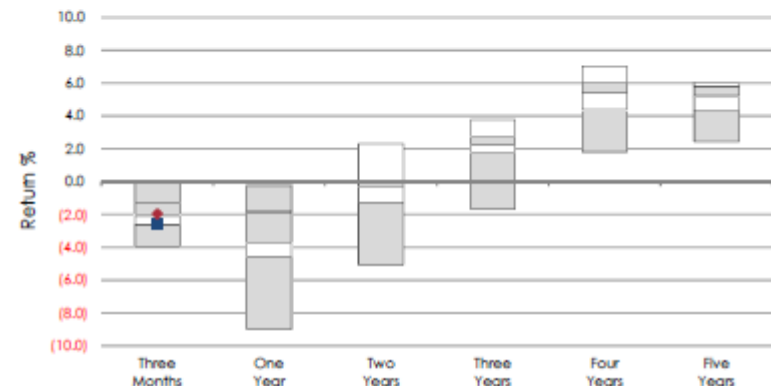
Performance - Net Returns%

	LCQ	1 Yr.	2 Yrs.	3 Yrs.	5 Yrs.	Gross ITD Return	Inception Date
Sankaty Sr Loan Fd L-SL	-2.6	--	--	--	--	-3.7	Jun-2015
Credit Suisse Leveraged Loan	-2.0	--	--	--	--	-3.2	
Excess Returns	-0.6	--	--	--	--	-0.5	

Quartile Rankings

Mandate: Bank Loan

Benchmark: Credit Suisse Leveraged Loan



	LCQ	1 Yr.	2 Yrs.	3 Yrs.	4 Yrs.	5 Yrs.
■ Sankaty Sr Loan Fd L-SL ¹	-2.6	--	--	--	--	--
Rank	73	--	--	--	--	--
◆ Credit Suisse Leveraged Loan	-2.0	--	--	--	--	--
Rank	45	--	--	--	--	--
10 th Percentile	0.0	-0.2	2.8	3.8	7.0	6.0
25 th Percentile	-1.3	-1.9	0.5	2.8	6.0	5.8
Median	-2.1	-3.7	-0.3	2.3	5.4	5.2
75 th Percentile	-2.6	-4.6	-1.3	1.8	4.4	4.3
90 th Percentile	-4.0	-9.0	-5.1	-1.6	1.8	2.4
Observation	23	24	24	23	22	19

¹ Performance shown above is based on gross of fees.

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LACERS
LOS ANGELES CITY EMPLOYEES'
RETIREMENT SYSTEM

Real Assets Manager Performance

DFA TIPS

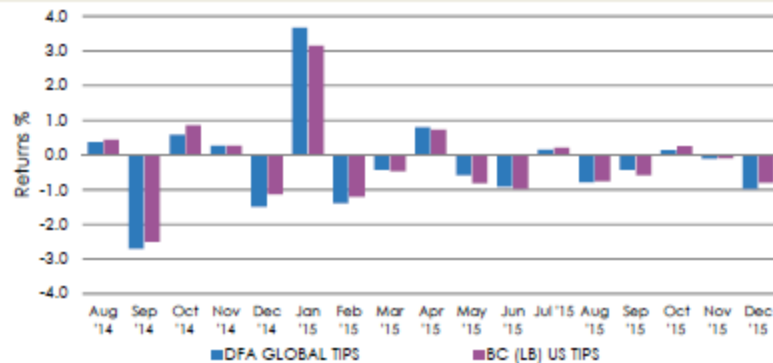
Objective

Outperform the U.S. TIPS Index by 30 bps, net of fees, annualized over a full market cycle (normally 3-5 years).

Strategy

DFA's approach to investing in the US TIPS market is to focus on diversifying exposure to TIPS, with more attention to the middle range of the TIPS universe's available maturities.

Performance - Monthly Rate of Return vs Benchmark



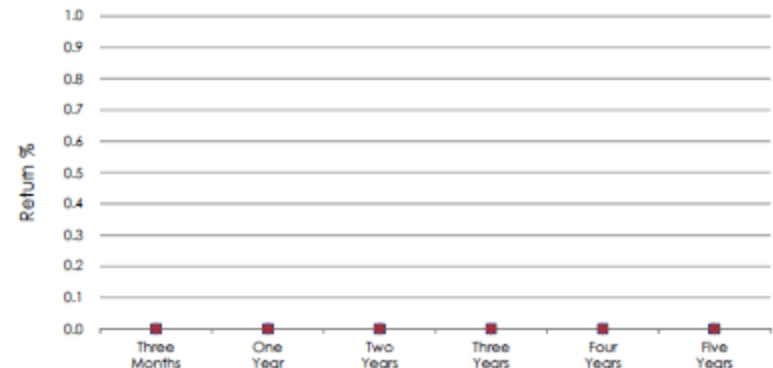
Performance - Net Returns%

	LCQ	1 Yr.	2 Yrs.	3 Yrs.	5 Yrs.	Gross ITD Return	Inception Date
DFA GLOBAL TIPS	-0.9	-0.9	--	--	--	-2.6	Jul-2014
BC (LB) US TIPS	-0.6	-1.4	--	--	--	-2.6	
Excess Returns	-0.3	0.5	--	--	--	0.0	

Quartile Rankings

Mandate: US TIPS

Benchmark: BC US TIPS



	LCQ	1 Yr.	2 Yrs.	3 Yrs.	4 Yrs.	5 Yrs.
■ 1 Rank	0.0	0.0	0.0	0.0	0.0	0.0
◆ 0 Rank	0.0	0.0	0.0	0.0	0.0	0.0
10 th Percentile	0.0	0.0	0.0	0.0	0.0	0.0
25 th Percentile	0.0	0.0	0.0	0.0	0.0	0.0
Median	0.0	0.0	0.0	0.0	0.0	0.0
75 th Percentile	0.0	0.0	0.0	0.0	0.0	0.0
90 th Percentile	0.0	0.0	0.0	0.0	0.0	0.0

Observation

1 Performance shown above is based on gross of fees.

HIMCO

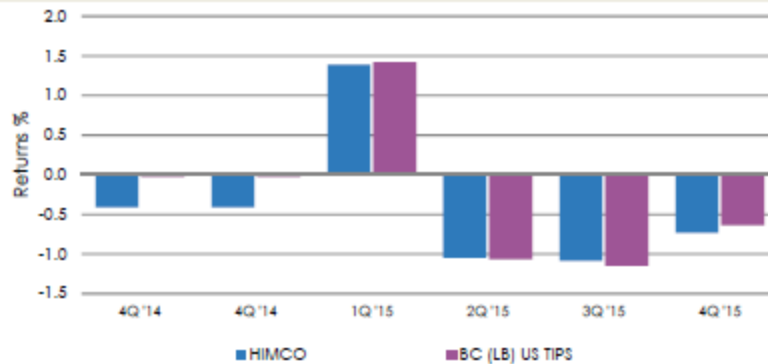
Objective

Outperform the Barclay U.S. TIPS Index by 30 bps, annualized over a full market cycle (normally 3-5 years).

Strategy

HIMCO's approach to investing in the TIPS markets is through prudent selection of issues with varying maturities and effective sector rotation between TIPS and nominal treasuries.

Performance - Quarterly Rate of Return vs Benchmark



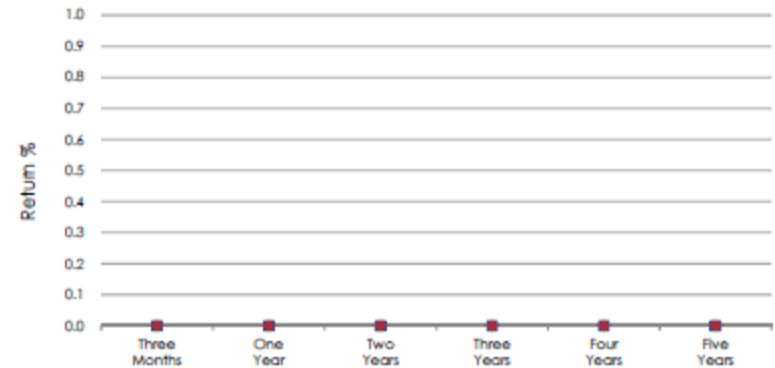
Performance - Net Returns%

	LCQ	1 Yr.	2 Yrs.	3 Yrs.	5 Yrs.	Gross ITD Return	Inception Date
HIMCO	-0.7	-1.5	--	--	--	-2.8	Jul-2014
BC (LB) US TIPS	-0.6	-1.4	--	--	--	-2.6	
Excess Returns	-0.1	0.0	--	--	--	-0.2	

Quartile Rankings

Mandate: US TIPS

Benchmark: BC US TIPS



	LCQ	1 Yr.	2 Yrs.	3 Yrs.	4 Yrs.	5 Yrs.
■ 1 Rank	0.0	0.0	0.0	0.0	0.0	0.0
◆ 0 Rank	0.0	0.0	0.0	0.0	0.0	0.0
10 th Percentile	0.0	0.0	0.0	0.0	0.0	0.0
25 th Percentile	0.0	0.0	0.0	0.0	0.0	0.0
Median	0.0	0.0	0.0	0.0	0.0	0.0
75 th Percentile	0.0	0.0	0.0	0.0	0.0	0.0
90 th Percentile	0.0	0.0	0.0	0.0	0.0	0.0

Observation

1 Performance shown above is based on gross of fees.

CNTRSQ INV MGMT US RE SE

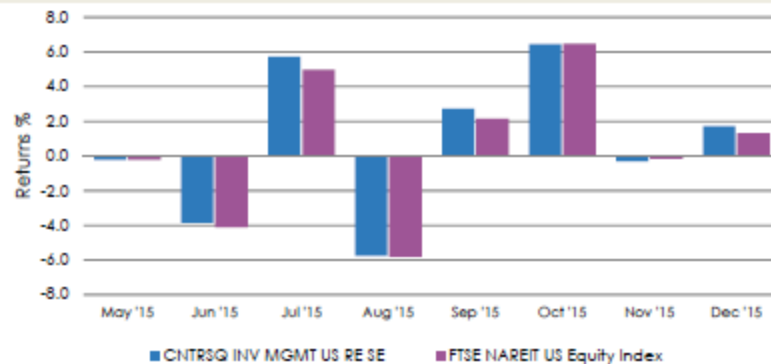
Objective

Outperform the FTSE NAREIT All Equity REITS Index by 100 basis points, net of fees, annualized over a full market cycle (normally 3-5 years).

Strategy

Centersquare focuses on diversified and systematic exposure to U.S. REITS.

Performance - Monthly Rate of Return vs Benchmark



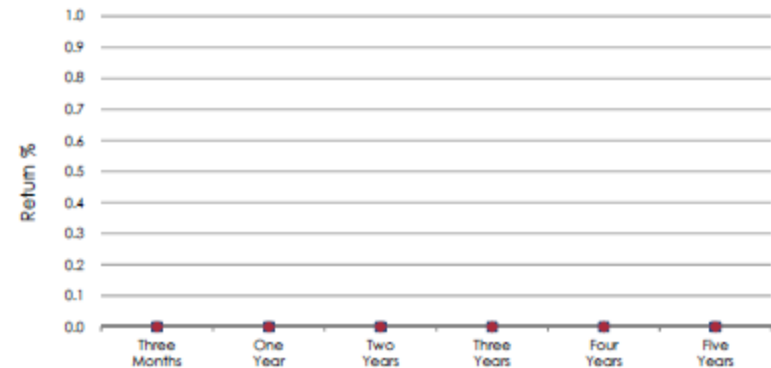
Performance - Net Returns%

	LCQ	1 Yr.	2 Yrs.	3 Yrs.	5 Yrs.	Gross ITD Return	Inception Date
CNTRSQ INV MGMT US RE SE	7.9	--	--	--	--	3.0	Apr-2015
FTSE NAREIT US Equity Index	7.7	--	--	--	--	0.6	
Excess Returns	0.2	--	--	--	--	2.4	

Quartile Rankings

Mandate: REIT

Benchmark: FTSE NAREIT US Equity



	LCQ	1 Yr.	2 Yrs.	3 Yrs.	4 Yrs.	5 Yrs.
■ 1	0.0	0.0	0.0	0.0	0.0	0.0
Rank	0	0	0	0	0	0
◆ 0	0.0	0.0	0.0	0.0	0.0	0.0
Rank	0	0	0	0	0	0
10 th Percentile	0.0	0.0	0.0	0.0	0.0	0.0
25 th Percentile	0.0	0.0	0.0	0.0	0.0	0.0
Median	0.0	0.0	0.0	0.0	0.0	0.0
75 th Percentile	0.0	0.0	0.0	0.0	0.0	0.0
90 th Percentile	0.0	0.0	0.0	0.0	0.0	0.0

Observation

1 Performance shown above is based on gross of fees.

CoreCommodity Mgmt LLC

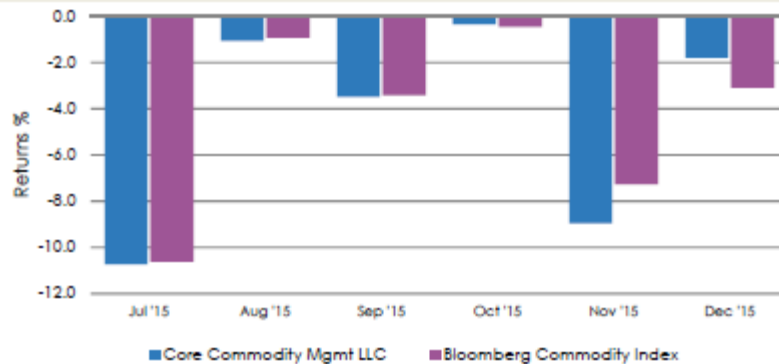
Objective

Outperform the Bloomberg Commodity Index by 75 basis points, net of fees, annualized over a full market cycle (normally 3-5 years).

Strategy

CoreCommodity's approach focuses on diversified exposure to commodities futures.

Performance - Monthly Rate of Return vs Benchmark



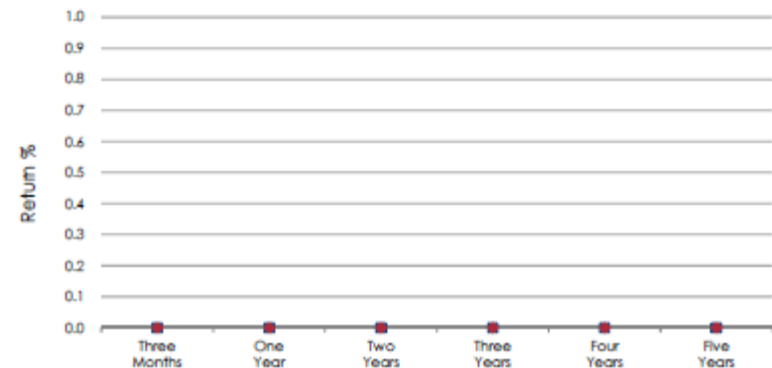
Performance - Net Returns%

	LCQ	1 Yr.	2 Yrs.	3 Yrs.	5 Yrs.	Gross ITD Return	Inception Date
Core Commodity Mgmt LLC	-10.9	--	--	--	--	-23.4	Jun-2015
Bloomberg Commodity Index	-10.5	--	--	--	--	-23.0	
Excess Returns	-0.4	--	--	--	--	-0.4	

Quartile Rankings

Mandate: Commodities

Benchmark: Bloomberg Commodity Index



	LCQ	1 Yr.	2 Yrs.	3 Yrs.	4 Yrs.	5 Yrs.
■ 1	0.0	0.0	0.0	0.0	0.0	0.0
Rank	0	0	0	0	0	0
◆ 0	0.0	0.0	0.0	0.0	0.0	0.0
Rank	0	0	0	0	0	0
10 th Percentile	0.0	0.0	0.0	0.0	0.0	0.0
25 th Percentile	0.0	0.0	0.0	0.0	0.0	0.0
Median	0.0	0.0	0.0	0.0	0.0	0.0
75 th Percentile	0.0	0.0	0.0	0.0	0.0	0.0
90 th Percentile	0.0	0.0	0.0	0.0	0.0	0.0

Observation

1 Performance shown above is based on gross of fees.