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Arizona Public Safety Retirement Trust

Investment Summary

Quarter Ending June 30, 2014

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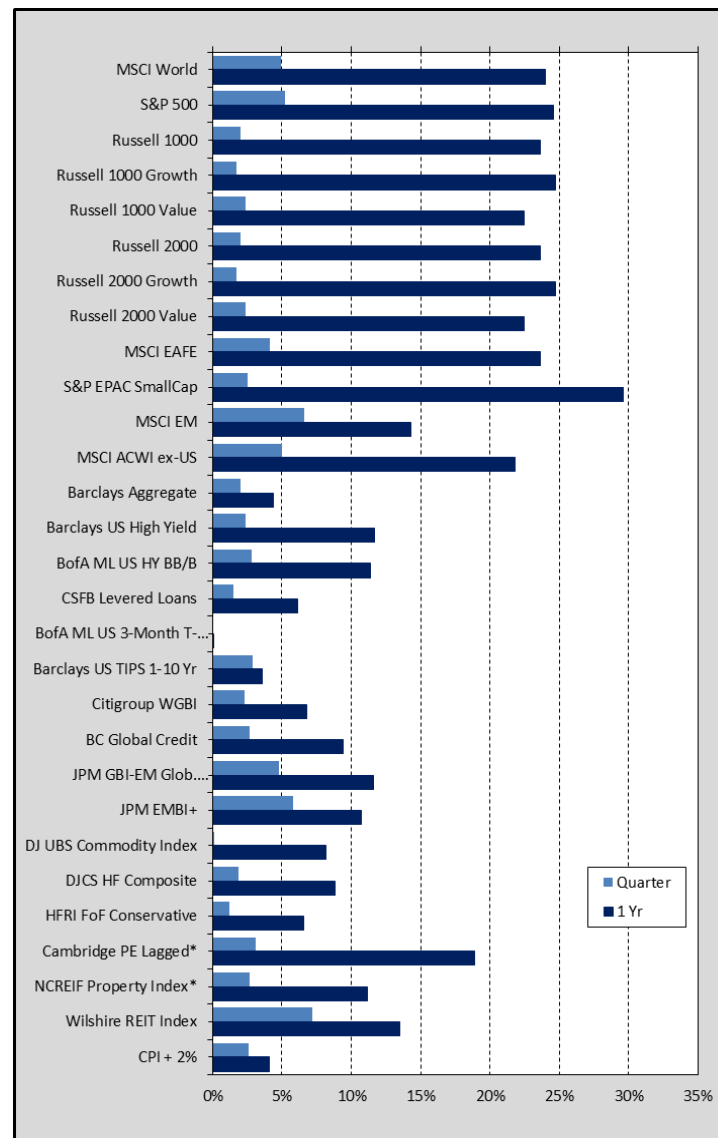
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Market Environment Update and Outlook

- **Second quarter GDP grew at a rate of 4% (according to the advance estimate) after decreasing by 2.1% in the first quarter.**
 - Retail sales (ended June) rose to 3.7% on a year-over-year growth rate basis.
 - The inventory-to-sales ratio has remained mostly flat since early 2010 and closed at 1.29 in May.
 - Corporate profits as a percent of GDP fell from secular highs to 11.6% at the end of Q1 2014 but remain elevated relative to historical levels.
 - The U.S. trade deficit decreased in May.
- **The unemployment rate fell to 6.1% in June; U-6, a broader measure of unemployment, fell to 12.1% during the second quarter.**
- **The Case-Schiller Home Price Index (as of 3/31) stayed nearly flat at 150.79 and is only slightly below the highest level (150.92) it has reached since prior to the financial crisis.**
- **Rolling 12-month CPI increased to 2.1% at the end of May; Capacity Utilization rose slightly to 79.1% in May.**
- **Fed Funds rate remains at 0.25%, while the 10-year Treasury Yield finished June at 2.53%.**
- **The Fed balance sheet continues to increase in 2014, while European Central Bank balance sheets have decreased.**
 - Large economies continue easing (Japan to the extreme), while the ECB cut its main lending rate imposing a negative excess deposit rate.
- **S&P valuations rose in June remaining above the 10-year and long-term averages, which are nearly equal at 16.4x, using current price/earnings ratios.**
 - Cyclically adjusted Shiller PE ratios, are well above the long-term average of 17.6x and above the 10-year average of 23.0x.
 - VIX continues to remain near historically low levels.

Market Environment – Q2 2014 Overview

		Qtr.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
World Equity Benchmarks						
MSCI World	World	4.9%	24.0%	11.8%	15.0%	7.2%
		Qtr.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
Domestic Equity Benchmarks						
S&P 500	Large Core	5.2%	24.6%	16.6%	18.8%	7.8%
Russell 1000	Large Core	2.0%	23.6%	14.6%	20.2%	8.7%
Russell 1000 Growth	Large Growth	1.7%	24.7%	14.5%	20.5%	9.0%
Russell 1000 Value	Large Value	2.4%	22.5%	14.6%	19.9%	8.2%
Russell 2000	Small Core	2.0%	23.6%	14.6%	20.2%	8.7%
Russell 2000 Growth	Small Growth	1.7%	24.7%	14.5%	20.5%	9.0%
Russell 2000 Value	Small Value	2.4%	22.5%	14.6%	19.9%	8.2%
		Qtr.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
International Equity Benchmarks						
MSCI EAFE	International Developed	4.1%	23.6%	8.1%	11.8%	6.9%
S&P EPAC SmallCap	Small Cap Int'l	2.5%	29.6%	9.8%	15.2%	9.6%
MSCI EM	Emerging Equity	6.6%	14.3%	-0.4%	9.2%	11.9%
MSCI ACWI ex-US	World ex-US	5.0%	21.8%	5.7%	11.1%	7.7%
		Qtr.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
Domestic Fixed Income Benchmarks						
Barclays Aggregate	Core Bonds	2.0%	4.4%	3.7%	4.9%	4.9%
Barclays US High Yield	High Yield	2.4%	11.7%	9.5%	14.0%	9.1%
BofA ML US HY BB/B	High Yield	2.8%	11.4%	8.8%	12.6%	8.6%
CSFB Levered Loans	Bank Loans	1.5%	6.1%	5.7%	8.8%	5.0%
BofA ML US 3-Month T-Bill	Cash	0.0%	0.1%	0.1%	0.1%	1.6%
Barclays US TIPS 1-10 Yr	Inflation	2.9%	3.6%	2.2%	4.5%	4.6%
		Qtr.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
Global Fixed Income Benchmarks						
Citigroup WGBI	World Gov. Bonds	2.3%	6.8%	1.6%	3.6%	4.8%
BC Global Credit	Global Bonds	2.7%	9.4%	5.1%	7.0%	5.6%
JPM GBI-EM Glob. Diversified	Em. Mkt. Bonds (Local)	4.8%	11.6%	7.4%	10.3%	9.3%
JPM EMBI+	Em. Mkt. Bonds	5.8%	10.7%	7.2%	10.1%	9.6%
		Qtr.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
Alternative Benchmarks						
DJ UBS Commodity Index	Commodity	0.1%	8.2%	-5.2%	2.0%	0.9%
DJCS HF Composite	Hedge Fund	1.9%	8.8%	5.2%	7.8%	6.4%
HFRI FoF Conservative	Fund of Funds	1.2%	6.6%	3.4%	4.1%	2.8%
Cambridge PE Lagged*	Private Equity	3.1%	18.9%	14.4%	17.3%	14.9%
NCREIF Property Index*	Real Estate	2.7%	11.2%	11.7%	7.9%	8.7%
Wilshire REIT Index	REIT	7.2%	13.5%	11.7%	24.0%	9.5%
CPI + 2%	Inflation/Real Assets	2.6%	4.1%	3.9%	4.1%	4.6%



* As of 3/31/2014

Positives

- **Early stages of Taper generally accepted by marketplace**
 - Though priced in, “normalization” of rates appears optimistic given dovish Fed comments
- **Q2 GDP growth estimated at 4%**
 - U.S. employment gains have resulted in a positive outlook for consumption
- **ECB’s move to cut main lending rate and impose a negative excess deposit rate for banks met with tepid investor reaction**
- **Developed world inflation is low**
 - Allows Fed continued flexibility to work through Taper
- **Emerging markets made further progress**
 - Positive flows, expectations for global growth and valuations may provide tailwind
- **Volatility remains subdued and markets relatively stable**

Negatives

- **Potential geopolitical instability**
 - Instability in Iraq, Israel and Ukraine could have spillover effects away from oil price shocks
- **Benign market environment in Europe obscures challenging underlying economic conditions**
- **Inflation experienced an uptick**
 - Supply disruptions contributed to food and energy price increases
- **Chinese economic stimulus aided Q2 results but China still lagged broader emerging markets**
- **Valuations beginning to stretch above long-term averages**
 - Developed Equity P/Es above median
 - Credit spreads near historically low levels

Global Equity

- **U.S. equities advanced in the second quarter amid improving economic data underscoring growth in the United States and Europe.**
- **Large cap stocks outperformed small cap stocks during the quarter, with the S&P 500 Index returning 5.2% versus 2.1% for the Russell 2000 Index.**
- **International equities slightly underperformed U.S. markets during the quarter, returning 5.0%, as measured by the MSCI ACWI ex-U.S. Index.**
 - Developed markets returned 4.1% as measured by the MSCI EAFE Index. Within developed markets, Japan was one of the better performing regions, returning roughly 6.6% during the quarter amid positive remarks on structural reform from Prime Minister Abe.
 - Emerging markets returned 6.6% as measured by the MSCI Emerging Markets Index. Returns during the quarter were bolstered by improving conditions in the Ukraine (conditions have since deteriorated), positive election results in India, and better economic conditions in China. Turkey and India were the best performing markets, returning 15% and 13%, respectively.

Private Equity

- **New private equity commitments totaled \$92.1 billion in Q2 2014, bringing total new commitments to \$173.1 billion in the first half of the year. 2014 is on track to be the fifth straight year of increasing commitments.**
 - While the overall trend was up, commitments to North American private equity funds fell 3% in the first half of the year. The relative value of European and Asian private equity may be outweighing the risks of investing overseas.
- **Buyout and growth equity funds have raised \$88.5 billion through the first half of the year, with mega buyout firms accounting for 31% of all buyout/growth equity funds.**
- **Venture capital commitments were \$27.2 billion in the first six months of the year, nearly matching the total raised in all of 2013.**
 - At 16% of total private equity raised, commitments are just below the 10-year historic relative average.
- **Mezzanine funds continue to face strong headwinds from a robust high yield market and an expanding supply of private debt.**
- **Asian private equity commitments accelerated in 2014 to \$21.7 billion.**
 - Represents 13% of 2014 total across all geographies and 72% of all Asian PE funds raised in 2013.
 - Approximately three-fourths of Asia PE raised in the 1st half of 2014 was by China funds.

Fixed Income

- **Bond markets continued their rally from the first quarter as strong performance in Treasuries spurred a rally across fixed income sectors.**
- **The 10-year Treasury yield fell almost 20 basis points during the quarter, finishing at 2.53%.**
- **The Treasury yield curve flattened as two-year yields rose slightly to 0.47% from 0.44%.**
- **Treasury Inflation-Protected Securities, or TIPS, outperformed nominal Treasuries due to increased inflation (expectations and actual), with the Barclays US TIPS Index posting gains of 3.8% during the quarter.**
- **Despite record new supply, investment grade credit posted strong performance, with spreads narrowing seven basis points to 96 basis points.**
 - The U.S. Credit Index gained 2.7% and the Long Duration Credit Index returned 5.0% in the second quarter.
- **High yield bonds returned 2.4%, aided by a decline in Treasury yields and a tightening of credit spreads.**
 - Spreads on high yield credit declined to 337 basis points, a post-crisis low, from 358 basis points at the end of the first quarter.
- **Additional monetary accommodation implemented by the ECB helped to extend a rally in emerging markets debt.**
 - Local currency (JP Morgan GBI-EM Global Diversified – Unhedged) and external currency (JP Morgan EMBI+) emerging markets debt had a stellar second quarter, returning 4.0% and 5.8%, respectively.

Commodities

- **Commodities posted modest gains in the second quarter with the DJ UBS essentially flat while the GSCI returned 2.7%.**
 - Commodity prices experienced high variability among sub-sectors.
- **Further tensions in the Middle East pushed energy prices higher while record low livestock inventories in the U.S. caused cattle prices to spike.**
- **Poor weather conditions in the growing regions, combined with severe cold weather, sparked supply related rallies earlier in the quarter in corn and natural gas before reversing course and trading downward during the second half of the quarter.**

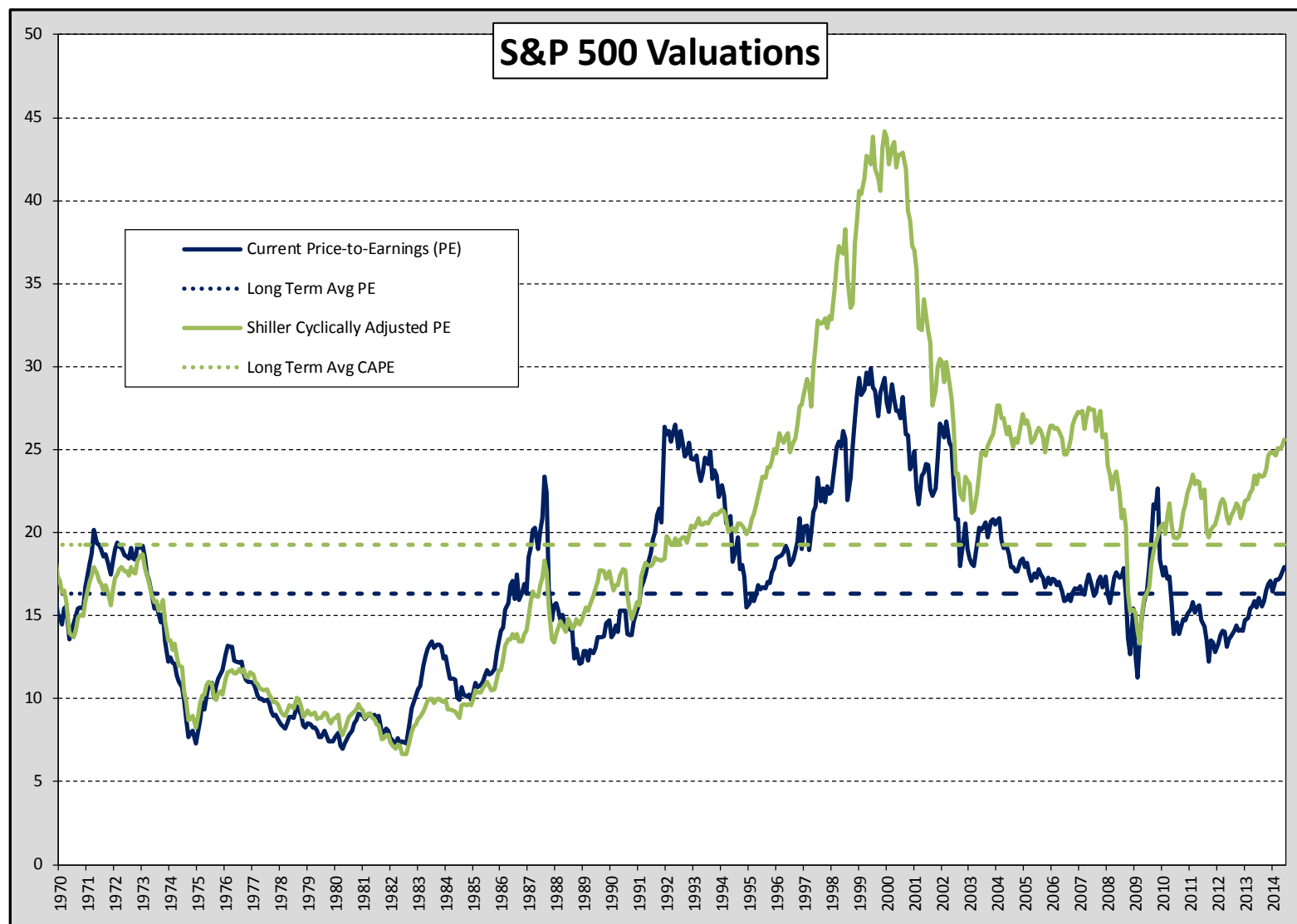
Real Estate

- **NEPC continues to be neutral on core real estate in the U.S. and remains positive on non-core real estate, that is, value-add and opportunistic strategies, particularly in Europe.**
- **Within U.S. core real estate, strong fundamentals continue to be the story along with attractive income spreads relative to interest rates.**
 - The concerns for U.S. core real estate (and U.S. real estate, broadly) continues to be plentiful capital that is driving up pricing; and the market's expectation for higher future interest rates and their impact on capitalization rates and capital values.
- **U.S. REITs have rebounded in 2014 following weak performance in 2013.**
 - 16.2% compounded return through Q2 versus 2.9% annual return in 2013 and 2.3% 20-year average annual return.
 - REITs are trading at slight premiums to NAV with high FFO multiples; indicative of higher public market growth expectations.
- **Overall, the non-core real estate investment environment in the U.S. is normalizing; however, select areas remain attractive.**
 - Non-major markets have been slower to rebound relative to major markets and select property types/geographies remain distressed.
- **Europe is viewed as the best place for a marginal dollar of non-core real estate investment.**
 - Europe is emerging from multi-year recession, but recovery is slow.
 - Banks in EU are still overleveraged and have significant real estate exposure (banks in Europe hold 90%+ of real estate debt or €2,300B; in the U.S. banks hold 49% of real estate debt).

Real Assets/Inflation-Linked Assets

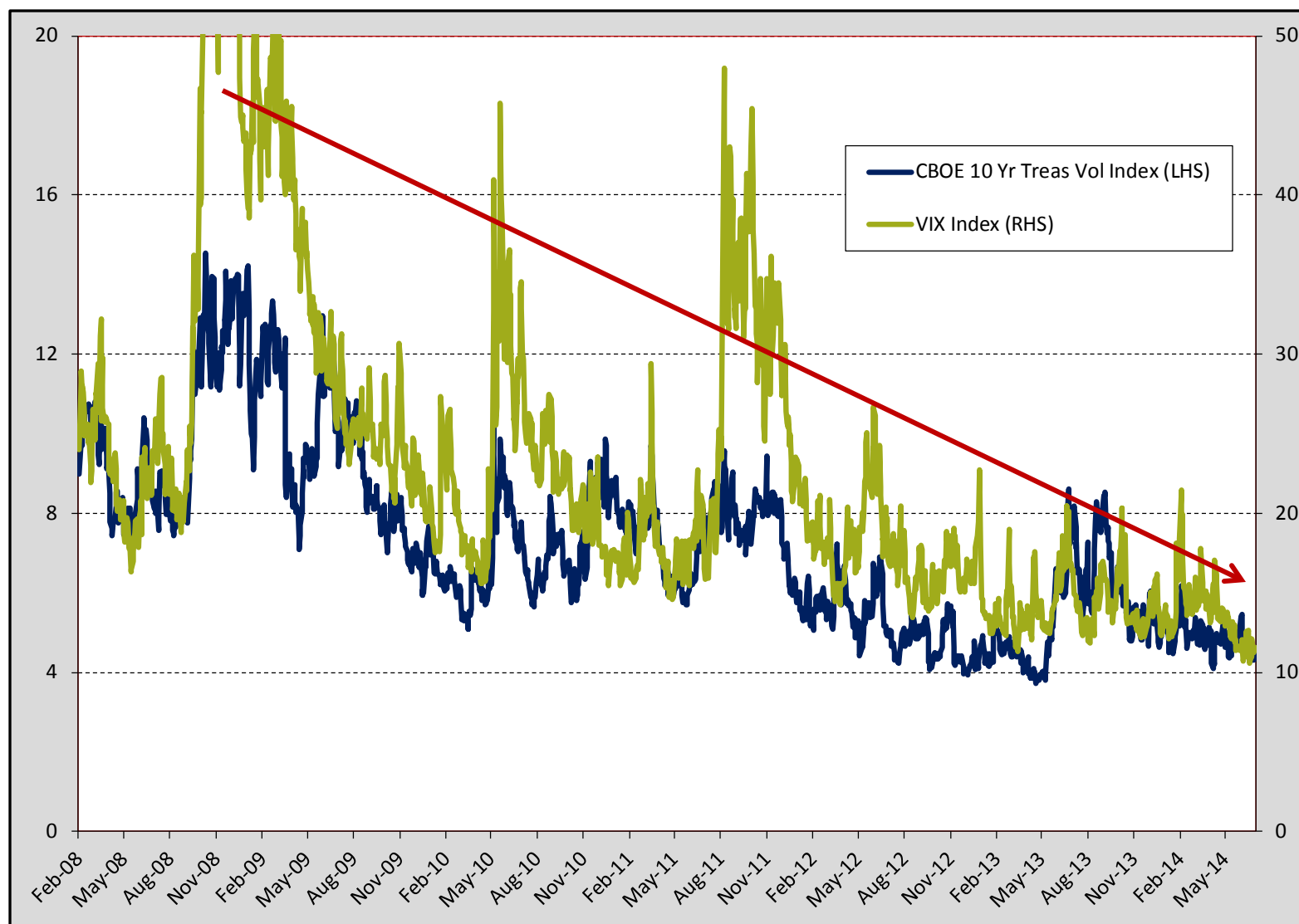
- **NEPC believes that energy, specifically in North America, represents an attractive opportunity in the upstream and mid-stream parts of the energy value chain.**
- **Agriculture and metals/mining opportunities seem appealing based on long-term demographic trends despite a less certain short-term outlook.**
 - NEPC believes in long-term demand drivers for agriculture, especially for row crops such as corn and soy.
- **Timber is an area of portfolios where we would recommend underweight positions as total return targets are low with a relatively small market opportunity and managers seeking deals outside the U.S.**

Equity Valuations are Trending above Long-Term Averages



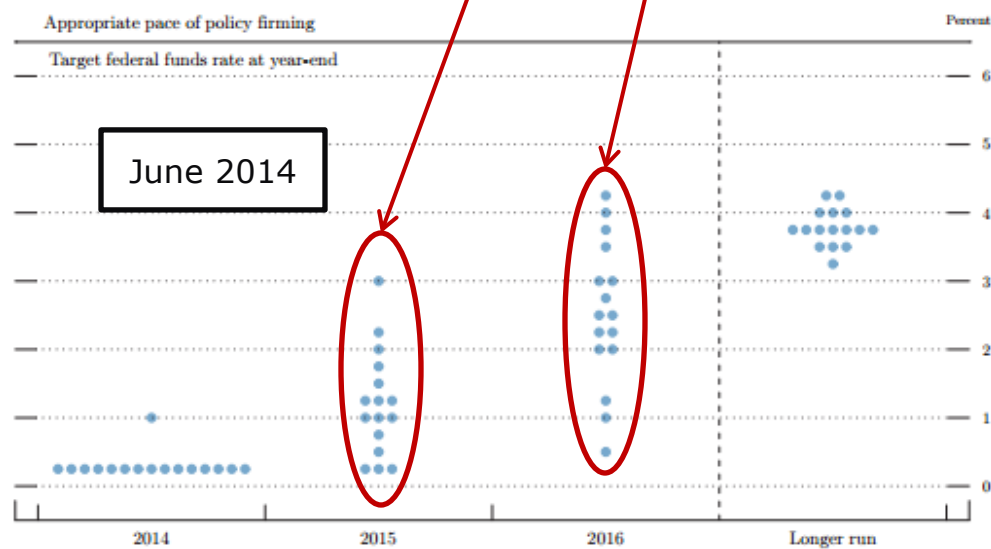
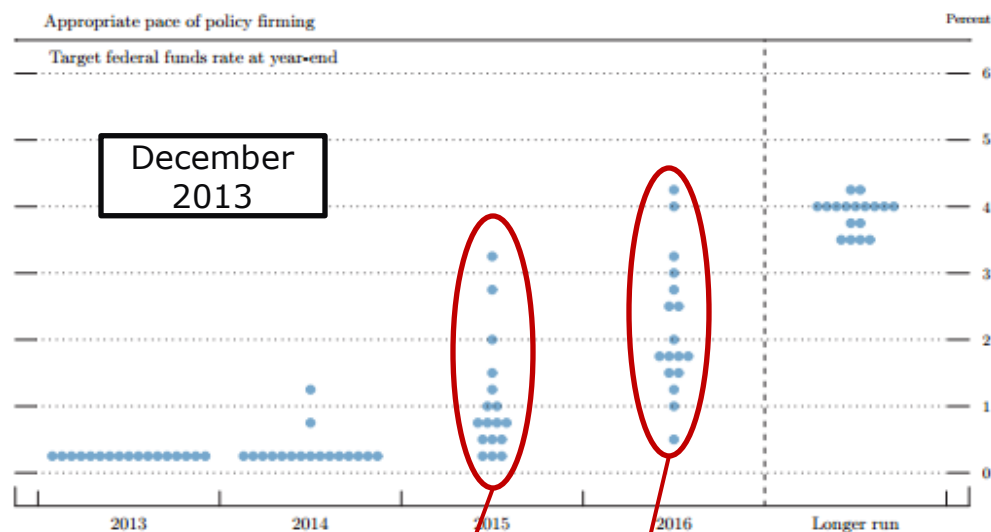
Source: Bloomberg as of 6/30, Long-term averages since 1954

Amid a Backdrop of Persistent Low Volatility



Source: Bloomberg as of 6/30

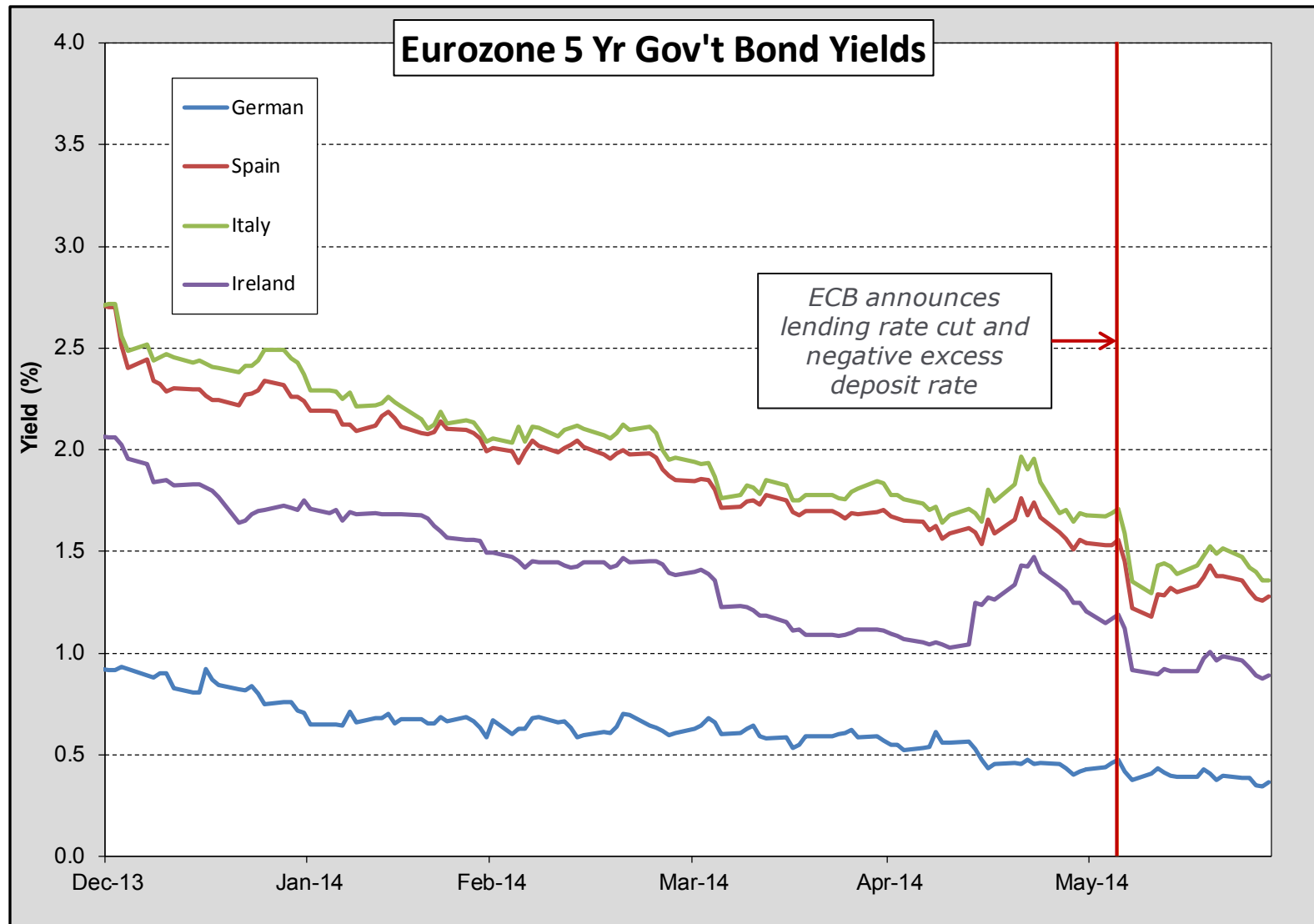
Uncertainty Regarding the Pace of Fed Policy Firming Remains



- **Fed has delivered relatively unified messages on the pace of taper and thoughts on U.S. economy**
- **However, significant uncertainty remains on pace of raising the target Fed funds rate**
- **Though markets expect rates to rise, pace and path are unclear**

Each shaded circle represents the value (rounded to the nearest ¼ percentage point) of an individual participant's judgment of the appropriate level of target federal funds rate at the end of the specified year or over the long run

Source: Federal Reserve



Source: Bloomberg as of 6/30

- **Interpreting and understanding the low volatility environment is a key challenge.**
 - Low volatility can persist for long periods as a tailwind to markets but can also lead to complacency as excesses build in capital markets.
 - Assess portfolio risk exposure and determine reasonable levels of portfolio liquidity and dry powder for future opportunities.
- **Persistent low volatility may obscure underlying economic risks.**
 - Global growth expectations remain subdued.
 - EM balance of payment concerns remain as some countries slow the pace of reforms.
 - China growth softens as credit growth continues to expand.
 - Geopolitical risks pushing oil prices higher.
- **As taper of QE concludes, there is the potential for increased volatility as markets seek visibility into the Fed's monetary policy for 2015.**
- **Valuations across many asset classes appear stretched.**
 - Excluding EM, equity P-E ratios are above long-term averages.
 - Credit spreads continue to tighten globally from insatiable demand.
- **NEPC themes remain consistent.**
 - Investors would be wise to rebalance to policy targets and maintain portfolio risk balance.
 - Allocate to emerging markets and private markets for higher returns in a low return world.
 - Look for opportunities to be dynamic – particularly in credit markets.

NEPC Updates

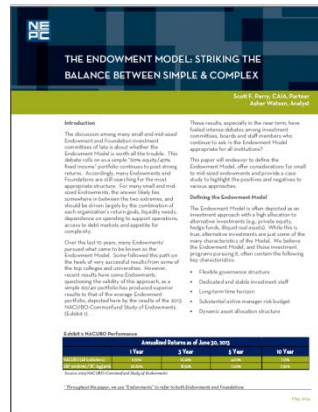
Second Quarter 2014

Highlights of Second Quarter Happenings at NEPC

NEPC Research

Recent White Papers Posted

- *2Q Market Thoughts — "Is It the Beginning of the End or the End of the Beginning? The Next Chapter for Growth Assets.." (April 2014)*
- *The Endowment Model: Striking the Balance Between Simple & Complex (May 2014) – Scott F. Perry, CAIA, Partner*
- *Hangover Redux: The Impact of Capital Overhang on Private Equity Investing (May 2014) –Melissa Mendenhall, Consultant, Private Markets Research*



News from NEPC

- NEPC is pleased to announce the selection of MSCI's BarraOne and HedgePlatform for risk management and reporting. "This broader relationship with MSCI will provide NEPC with leading risk tools for both total plan risk and hedge fund risk. We are particularly excited about the plans to integrate the InvestorForce Reporting platform with BarraOne," noted Dan Kelly, Chief Operating Officer of NEPC.

Professional Staff Updates

New Client Strategy Team

- Provides high level Research and Consulting Services to all practice areas and develops sophisticated client Research. The team offers a centralized senior level resource pool for all clients that require expertise in asset allocation, defined contribution and alternative assets.
- Led by **Chris Levell, ASA, CFA, CAIA, Partner** focusing on asset allocation
- Supported by **Ross Bremen, CFA, Partner** (Defined Contribution) and **Sean Gill, CFA, CAIA, Partner** (Alternative Assets)

NEPC Supports Principles for Responsible Investment



NEPC is proud to announce that we have become a signatory and partner with Principles for Responsible Investment initiative (PRI). The United Nations-supported Principles for Responsible Investment (PRI) Initiative is an international network of investors working together to put the six Principles for Responsible Investment into practice. Its goal is to understand the implications of sustainability for investors and support signatories to incorporate these issues into their investment decision making and ownership practices. The PRI Initiative has quickly become the leading global network for investors to publicly demonstrate their commitment to responsible investment, to collaborate and learn with their peers about the financial and investment implications of ESG issues, and to incorporate these factors into their investment decision making and ownership practices. For more information on PRI, please visit <http://www.unpri.org/>.

Arizona Public Safety Retirement Trust

Total Fund Performance Summary

	Market Value	3 Mo	Rank	YTD	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	10 Yrs	Rank
Arizona PSPRS Trust	\$8,127,506,488	3.1%	80	5.7%	51	13.8%	97	8.1%	88	11.2%	83	6.0%	91
Allocation Index		3.0%	81	4.7%	83	13.6%	97	9.0%	72	11.8%	77	5.9%	92
Policy Index		3.1%	80	4.9%	80	13.8%	97	8.8%	78	11.1%	83	6.1%	91
PSPRS W/T NCREIF		3.8%	53	6.1%	32	15.3%	71	9.3%	65	12.6%	53	6.8%	76
60% MSCI World (Gross) / 40% CITI WGBI		3.9%	39	6.0%	35	17.4%	30	8.2%	85	10.9%	85	6.9%	63
InvestorForce Public DB > \$1B Gross Median		3.8%		5.7%		16.4%		9.6%		12.7%		7.2%	

* Performance returns are reported gross of manager fees.

* Fiscal year ends June 30.

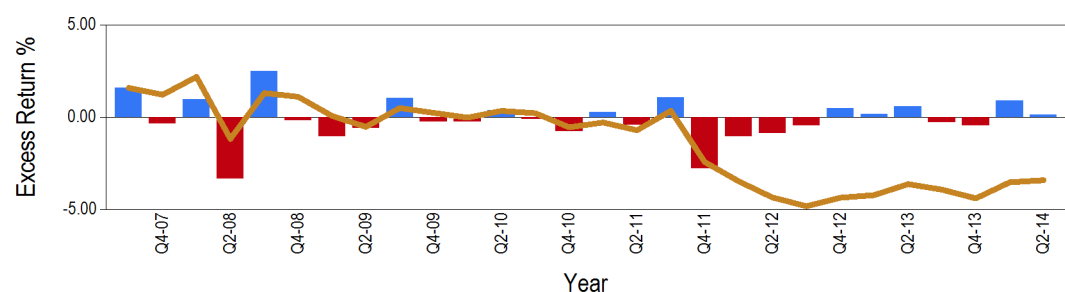
- Over the last 12 months, the Fund achieved its primary objective of surpassing the 7.85% assumed rate with a return of 13.8%. As of the end of the period, the Fund's assets totaled \$8.1 billion, an increase of approximately \$880 million from a year ago. The Fund experienced a net investment gain of \$989 million, which includes a net investment gain of \$246 million during the quarter.

- Over the past three years, the Fund returned 8.1% per annum. The Fund's risk-adjusted returns rank very favorably against its peers over this period. The 2.0 Sortino Ratio ranks in the 14th percentile and the 1.6 Sharpe Ratio ranks in the 6th percentile. The Sortino Ratio is a risk adjusted statistic that is a modified version of the Sharpe Ratio in that it only penalizes for downside volatility.

- The Fund's performance over the five-year period is 11.2%, ranking in the fourth quartile of a peer group universe. However, the Fund's risk-adjusted returns rank highly for this period as well. The Sharpe Ratio ranks in the 11th percentile while the Sortino Ratio ranks in the 6th percentile.

*Policy Index: 18% Russell 3000/ 9% Russel 3000 + 1%/ 2% 91 Day T-Bills/ 12% (50% BofAML US HY BB-B Constrained Ind/ 50% CSFB Fixed Income Arbitrage)/ 12% Barclays Global Aggregate/ 4% (60% BC Global Agg/ 30% MSCI AC World (Net)/ 10% DJ UBS Commodity Index TR)/ 14% MSCI ACWI ex USA/ 10% NCREIF Property Index/ 7% CPI + 2%/ 8% LIBOR + 3%/ 4% 91TBILL + 2%. Historical returns should be considered preliminary until verified by custodian.

Quarterly and Cumulative Excess Performance



Quarterly Out Performance Quarterly Under Performance Cumulative Excess Performance

3 Years Ending June 30, 2014

	Sharpe Ratio	Rank	Sortino Ratio	Rank
Arizona PSPRS Trust	1.6	6	2.0	14
Allocation Index	1.4	12	2.0	15
Policy Index	1.4	15	1.9	18
PSPRS W/T NCREIF	1.8	1	2.4	1
InvestorForce Public DB > \$1B Gross Median	1.2	--	1.6	--

5 Years Ending June 30, 2014

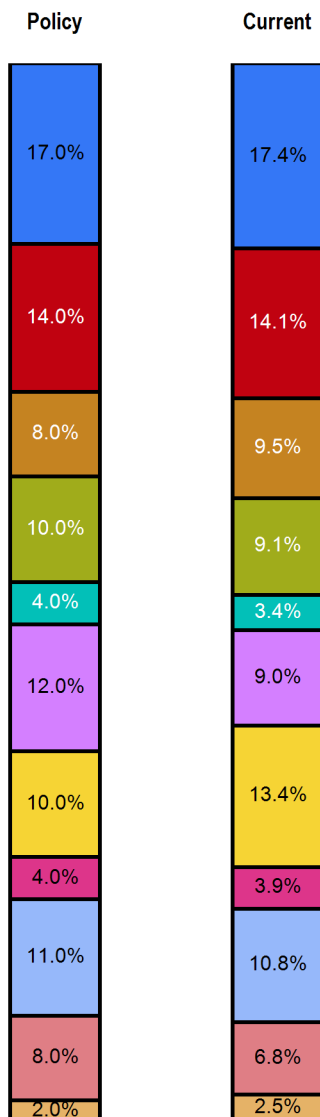
	Sharpe Ratio	Rank	Sortino Ratio	Rank
Arizona PSPRS Trust	1.7	11	2.9	6
Allocation Index	1.6	21	2.5	19
Policy Index	1.5	46	2.3	47
PSPRS W/T NCREIF	1.9	4	3.4	1
InvestorForce Public DB > \$1B Gross Median	1.5	--	2.3	--



NEPC, LLC

June 30, 2014

Total Fund Asset Allocation vs. Policy Targets



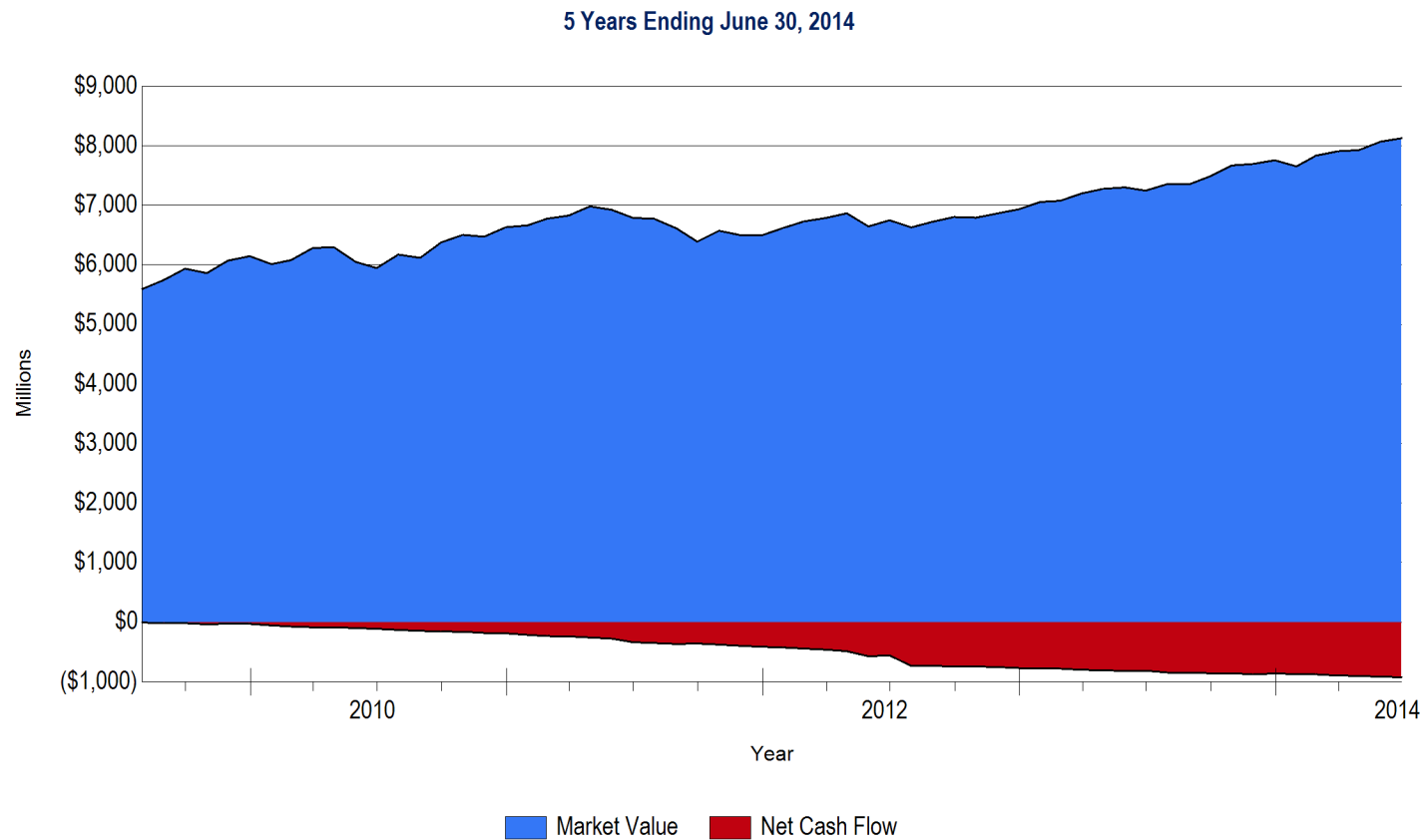
Asset Allocation vs. Target

	Current	Policy	Current	Difference*	Policy Range	Within Range
U.S. Equity	\$1,417,804,895	17.0%	17.4%	0.4%	12.0% - 22.0%	Yes
Non-US Equity	\$1,149,781,072	14.0%	14.1%	0.1%	10.0% - 18.0%	Yes
Fixed Income	\$768,988,271	8.0%	9.5%	1.5%	4.0% - 12.0%	Yes
Global Asset Allocation	\$741,514,435	10.0%	9.1%	-0.9%	6.0% - 14.0%	Yes
Risk Parity	\$273,033,752	4.0%	3.4%	-0.6%	0.0% - 8.0%	Yes
Opportunistic Credit	\$731,562,169	12.0%	9.0%	-3.0%	6.0% - 15.0%	Yes
Private Equity	\$1,089,473,849	10.0%	13.4%	3.4%	6.0% - 14.0%	Yes
Absolute Return	\$318,148,554	4.0%	3.9%	-0.1%	0.0% - 8.0%	Yes
Real Estate	\$873,820,740	11.0%	10.8%	-0.2%	6.0% - 16.0%	Yes
Real Assets	\$556,387,119	8.0%	6.8%	-1.2%	5.0% - 11.0%	Yes
Cash	\$206,991,632	2.0%	2.5%	0.5%	0.0% - 6.0%	Yes
Total	\$8,127,506,488	100.0%	100.0%			

*Difference between Policy and Current Allocation

Arizona Public Safety Retirement Trust

Total Fund Asset Growth Summary



Sources of Portfolio Growth	Last Three Months	Year-To-Date	One Year	Three Years	Five Years
Beginning Market Value	\$7,908,030,571	\$7,757,228,484	\$7,246,805,889	\$6,790,855,056	\$5,301,961,044
Net Additions/Withdrawals	-\$26,579,273	-\$60,659,558	-\$107,929,587	-\$586,578,636	-\$924,722,039
Investment Earnings	\$246,055,190	\$430,937,562	\$988,630,185	\$1,923,230,068	\$3,750,267,482
Ending Market Value	\$8,127,506,488	\$8,127,506,488	\$8,127,506,488	\$8,127,506,488	\$8,127,506,488

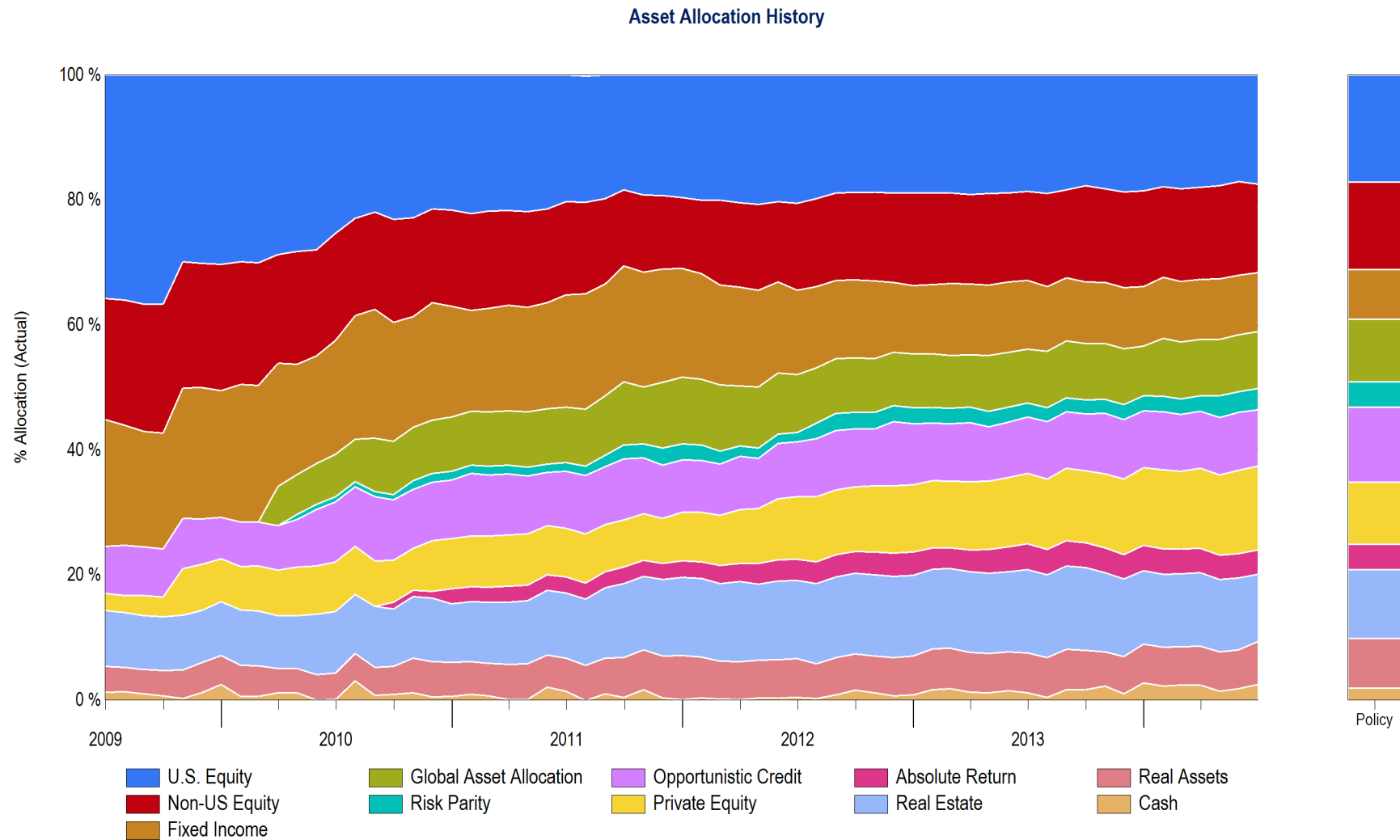


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June 30, 2014

Arizona Public Safety Retirement Trust

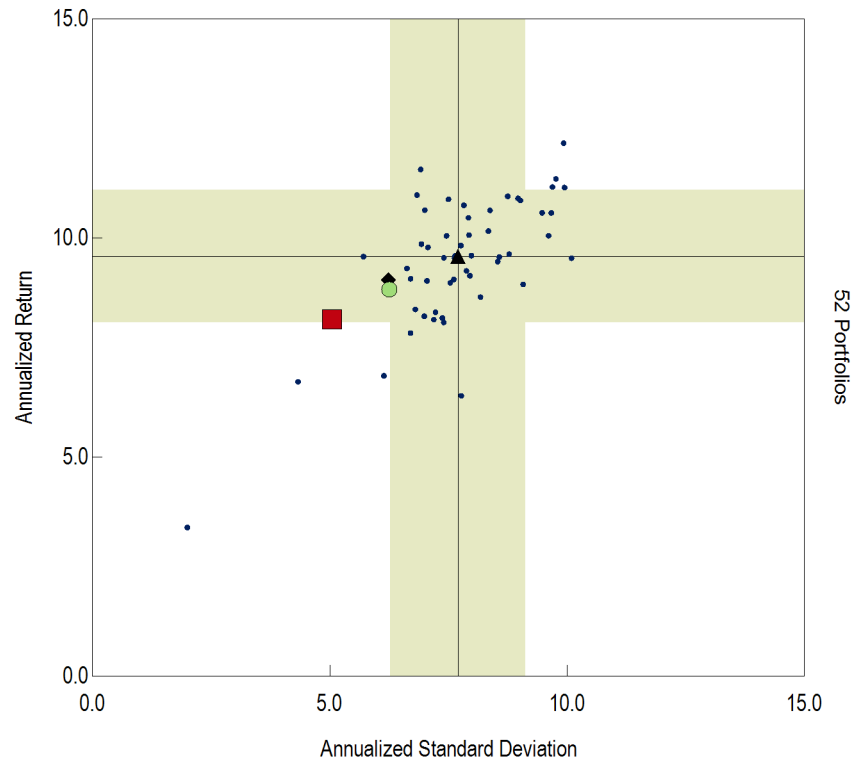
Total Fund Asset Allocation History



Arizona Public Safety Retirement Trust

Total Fund Risk/Return

3 Years Ending June 30, 2014



- Arizona PSPRS Trust
- ◆ Allocation Index
- Policy Index
- ▲ Universe Median
- 68% Confidence Interval
- InvestorForce Public DB > \$1B Gross

3 Years Ending June 30, 2014

	Anlzd Ret	Rank	Anlzd Std Dev	Rank
Arizona PSPRS Trust	8.1%	88	5.0%	3
Allocation Index	9.0%	72	6.2%	7
Policy Index	8.8%	78	6.3%	7
PSPRS W/T NCREIF	9.3%	65	5.0%	3
60% MSCI World (Gross) / 40% CITI WGBI	8.2%	85	8.8%	77
InvestorForce Public DB > \$1B Gross Median	9.6%	--	7.7%	--

3 Years Ending June 30, 2014

	Sharpe Ratio	Rank	Sortino Ratio	Rank
Arizona PSPRS Trust	1.6	6	2.0	14
Allocation Index	1.4	12	2.0	15
Policy Index	1.4	15	1.9	18
PSPRS W/T NCREIF	1.8	1	2.4	1
60% MSCI World (Gross) / 40% CITI WGBI	0.9	99	1.2	98
InvestorForce Public DB > \$1B Gross Median	1.2	--	1.6	--

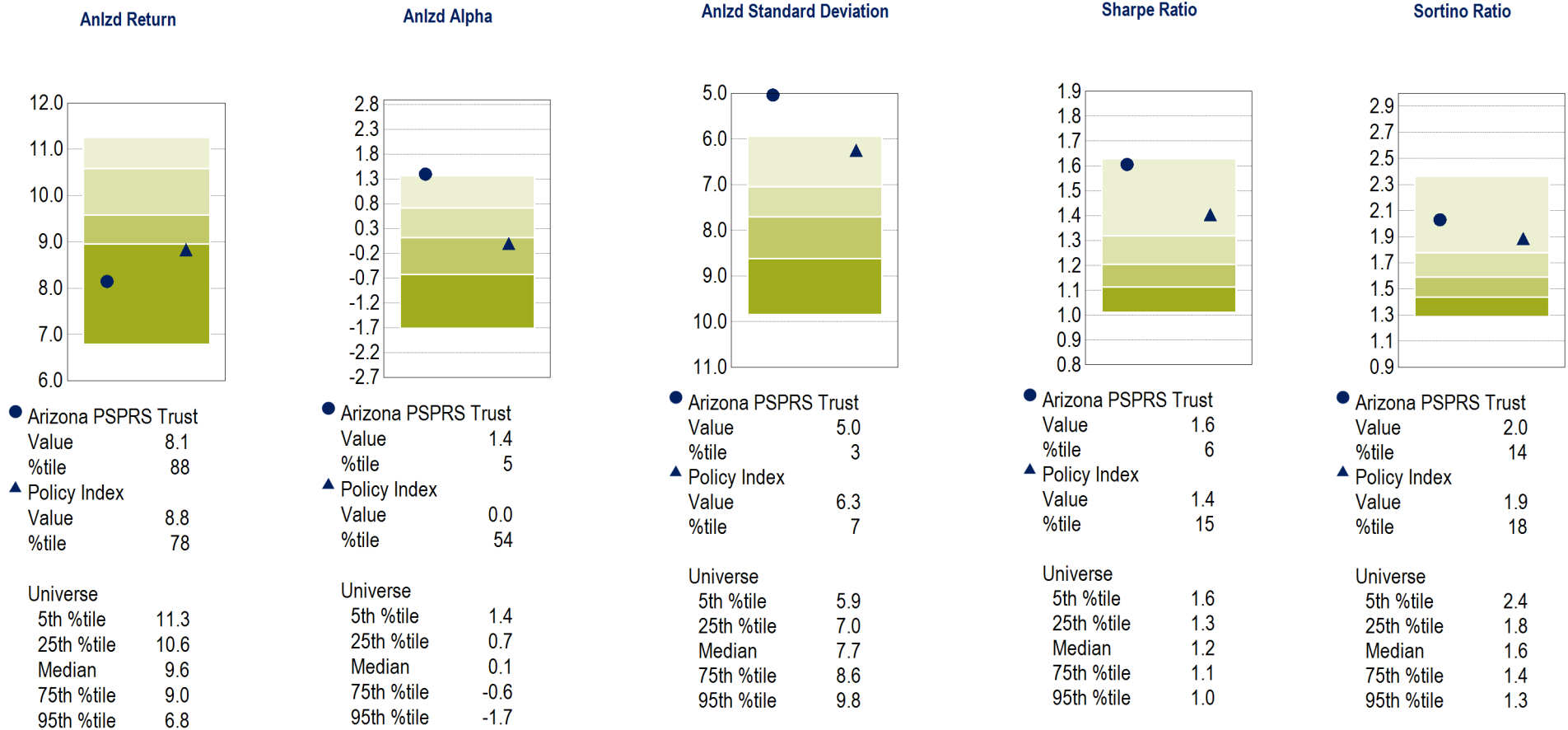
*52 observations for this specific universe.



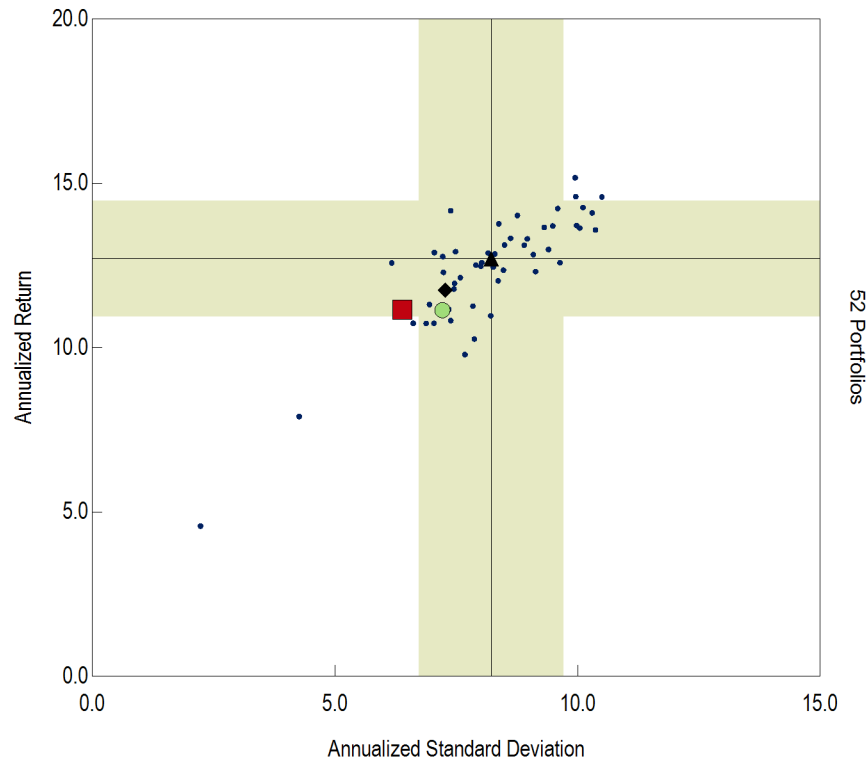
NEPC, LLC

June 30, 2014

Arizona PSPRS Trust vs. InvestorForce Public DB > \$1B Gross (USD) (peer)
3 Years



5 Years Ending June 30, 2014



- Arizona PSPRS Trust
- ◆ Allocation Index
- Policy Index
- ▲ Universe Median
- 68% Confidence Interval
- InvestorForce Public DB > \$1B Gross

5 Years Ending June 30, 2014

	Anlzd Ret	Rank	Anlzd Std Dev	Rank
Arizona PSPRS Trust	11.2%	83	6.4%	5
Allocation Index	11.8%	77	7.3%	19
Policy Index	11.1%	83	7.2%	16
PSPRS W/T NCREIF	12.6%	53	6.4%	6
60% MSCI World (Gross) / 40% CITI WGBI	10.9%	85	9.8%	86
InvestorForce Public DB > \$1B Gross Median	12.7%	--	8.2%	--

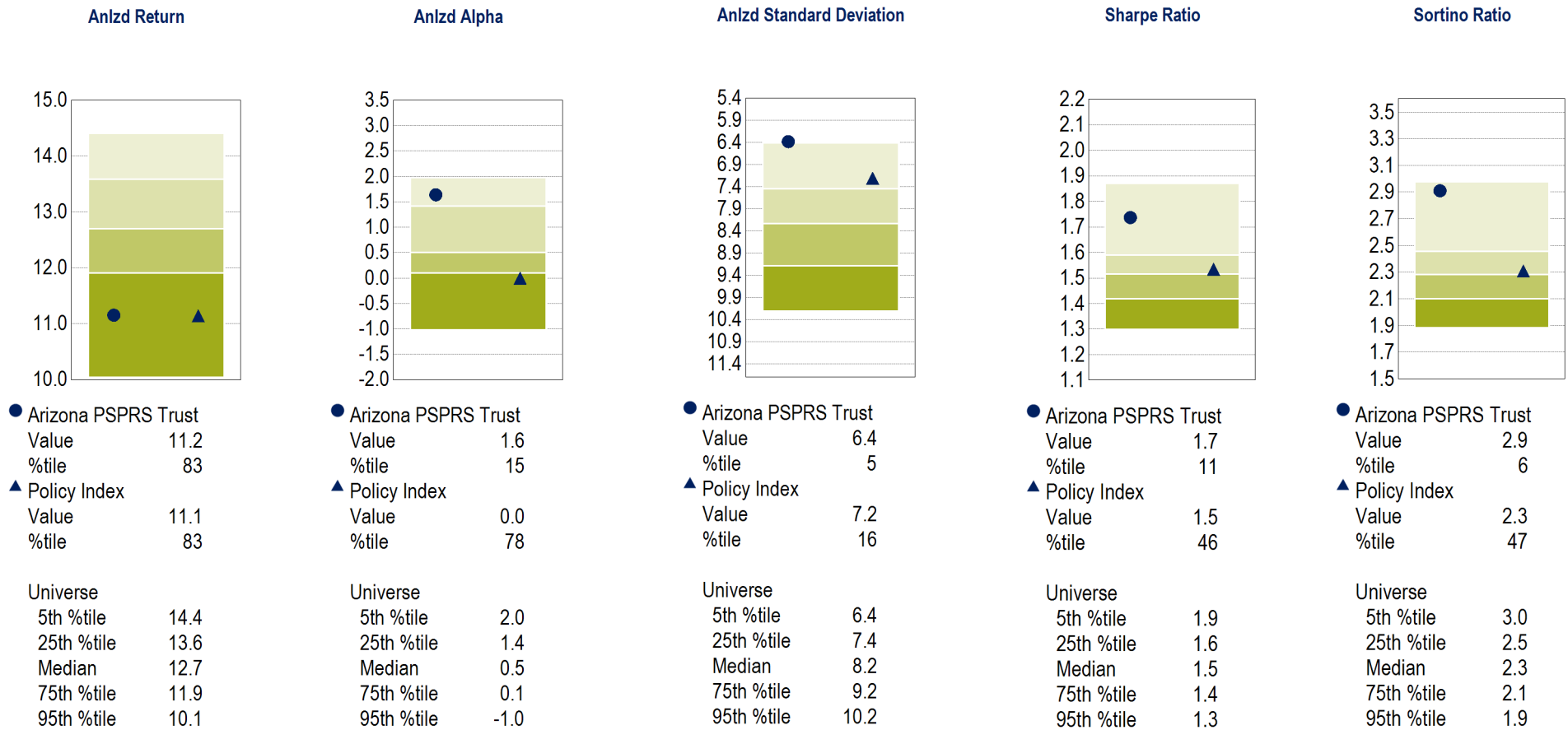
5 Years Ending June 30, 2014

	Sharpe Ratio	Rank	Sortino Ratio	Rank
Arizona PSPRS Trust	1.7	11	2.9	6
Allocation Index	1.6	21	2.5	19
Policy Index	1.5	46	2.3	47
PSPRS W/T NCREIF	1.9	4	3.4	1
60% MSCI World (Gross) / 40% CITI WGBI	1.1	99	1.8	98
InvestorForce Public DB > \$1B Gross Median	1.5	--	2.3	--

*56 observations for this specific universe.

Total Fund Risk Statistics vs. Peer Universe

Arizona PSPRS Trust vs. InvestorForce Public DB > \$1B Gross (USD) (peer)
5 Years



Arizona Public Safety Retirement Trust

Total Fund Risk Statistics

1 Year Ending June 30, 2014

	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Ann Excess BM Return	Rank	Tracking Error	Rank	Info Ratio	Rank
U.S. Equity	17.4%	22.3%	79	9.6%	28	-2.9%	79	1.8%	7	-1.6	96
Russell 3000	--	25.2%	53	9.6%	29	0.0%	53	0.0%	1	--	--
Non-U.S. Equity	14.1%	20.6%	83	9.9%	19	-1.2%	84	1.1%	1	-1.0	93
MSCI ACWI ex USA	--	21.8%	73	10.6%	51	0.0%	74	0.0%	1	--	--
Global Asset Allocation	9.1%	7.6%	85	3.1%	10	4.3%	85	3.1%	9	1.4	65
3-Month LIBOR + 3%	--	3.3%	96	0.0%	1	0.0%	96	0.0%	1	--	--
Fixed Ex Credit Opps	9.5%	6.3%	34	2.1%	48	-1.1%	34	2.0%	19	-0.5	36
Barclays Global Aggregate	--	7.4%	28	3.1%	82	0.0%	28	0.0%	1	--	--
Credit Opportunities	9.1%	11.8%	25	2.2%	4	3.3%	25	2.8%	71	1.1	43
50% BofAML US HY BB-B Constrained Ind/50% CSFB Fixed Income Arbitrage	--	8.6%	78	1.7%	1	0.0%	78	0.0%	1	--	--
Real Assets	6.8%	9.9%	--	2.4%	--	5.8%	--	2.2%	--	2.6	--
CPI + 2 %	--	4.1%	--	0.4%	--	0.0%	--	0.0%	--	--	--
Absolute Return	3.9%	9.9%	--	2.3%	--	7.8%	--	2.3%	--	3.4	--
91TBill + 2%	--	2.0%	--	0.0%	--	0.0%	--	0.0%	--	--	--
Real Estate	10.8%	-0.6%	--	7.8%	--	-11.8%	--	10.5%	--	-1.1	--
NCREIF Property Index	--	11.2%	--	4.6%	--	0.0%	--	0.0%	--	--	--

*Asset classes shown sum to 80.7% due to the exclusion of illiquid assets from this analysis. Statistics in the table above are not used in the analysis of such asset classes.



NEPC, LLC

June 30, 2014

Arizona Public Safety Retirement Trust

Total Fund Risk Statistics

3 Year Ending June 30, 2014

	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Ann Excess BM Return	Rank	Tracking Error	Rank	Info Ratio	Rank
U.S. Equity	17.4%	14.1%	77	11.7%	11	-2.4%	77	2.0%	7	-1.2	98
Russell 3000	--	16.5%	44	12.9%	27	0.0%	44	0.0%	1	--	--
Non-U.S. Equity	14.1%	5.7%	95	16.0%	48	0.0%	95	1.4%	1	0.0	96
MSCI ACWI ex USA	--	5.7%	95	16.6%	68	0.0%	95	0.0%	1	--	--
Global Asset Allocation	9.1%	4.8%	63	4.7%	7	1.5%	63	4.7%	7	0.3	56
3-Month LIBOR + 3%	--	3.4%	75	0.0%	1	0.0%	75	0.0%	1	--	--
Fixed Ex Credit Opps	9.5%	4.8%	43	2.9%	57	2.2%	43	2.6%	2	0.9	34
Barclays Global Aggregate	--	2.6%	81	4.2%	73	0.0%	81	0.0%	1	--	--
Credit Opportunities	9.1%	10.1%	1	4.2%	12	2.4%	1	4.6%	77	0.5	1
50% BofAML US HY BB-B Constrained Ind/50% CSFB Fixed Income Arbitrage	--	7.7%	18	3.4%	2	0.0%	18	0.0%	1	--	--
Real Assets	6.8%	5.4%	--	3.9%	--	1.5%	--	3.8%	--	0.4	--
CPI + 2 %	--	3.8%	--	0.8%	--	0.0%	--	0.0%	--	--	--
Absolute Return	3.9%	10.8%	--	3.4%	--	8.8%	--	3.4%	--	2.6	--
91TBill + 2%	--	2.1%	--	0.0%	--	0.0%	--	0.0%	--	--	--
Real Estate	10.8%	2.1%	--	5.9%	--	-9.2%	--	7.6%	--	-1.2	--
NCREIF Property Index	--	11.3%	--	4.5%	--	0.0%	--	0.0%	--	--	--

*Asset classes shown sum to 80.7% due to the exclusion of illiquid assets from this analysis. Statistics in the table above are not used in the analysis of such asset classes.



NEPC, LLC

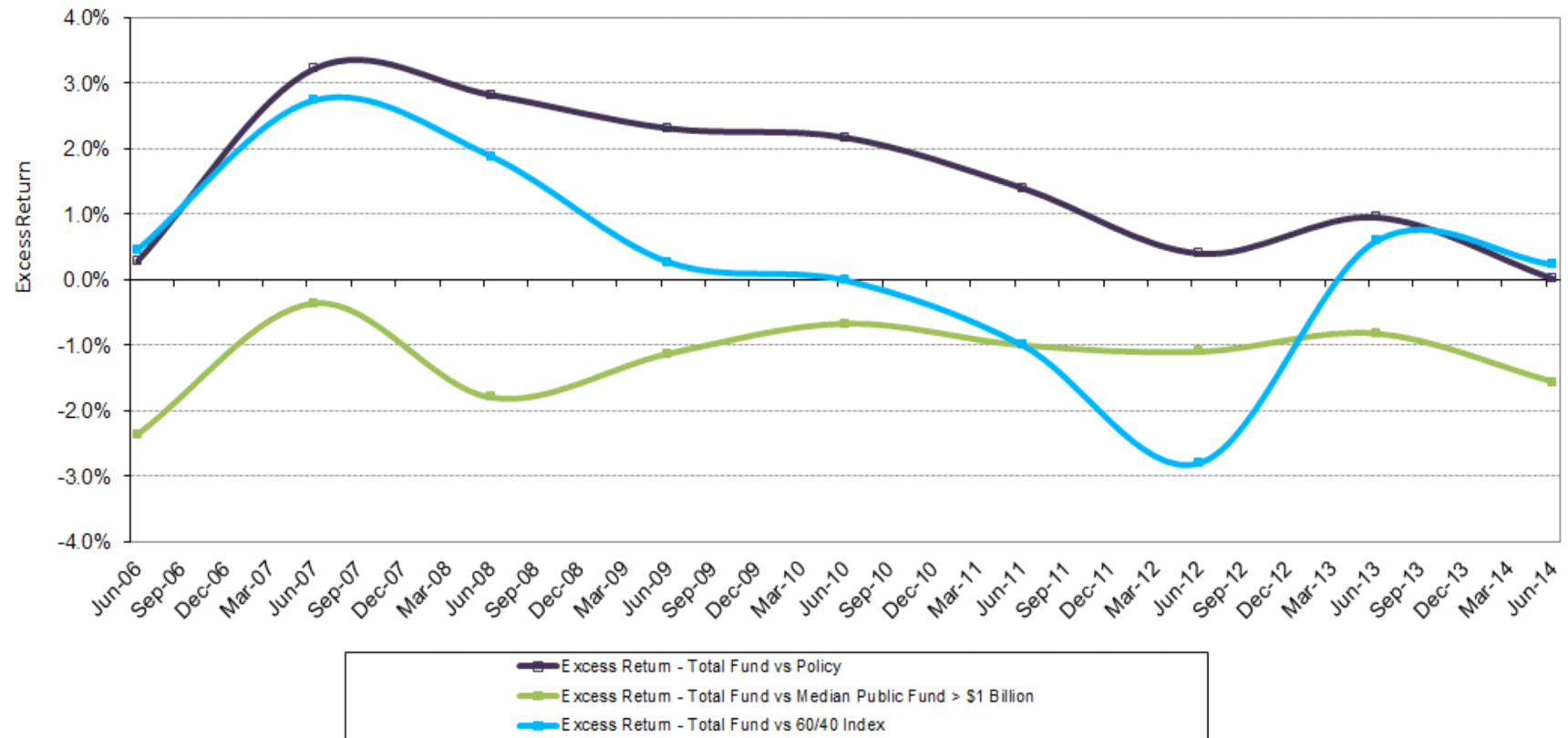
June 30, 2014

Arizona Public Safety Retirement Trust

Total Fund Risk Statistics

5 Years Ending June 30, 2014											
	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Ann Excess BM Return	Rank	Tracking Error	Rank	Info Ratio	Rank
U.S. Equity	17.4%	17.7%	84	12.9%	12	-1.6%	84	1.8%	4	-0.9	97
Russell 3000	--	19.3%	62	13.9%	30	0.0%	62	0.0%	1	--	--
Non-U.S. Equity	14.1%	10.9%	92	16.6%	41	-0.3%	92	1.3%	1	-0.2	96
MSCI ACWI ex USA	--	11.1%	91	16.9%	51	0.0%	91	0.0%	1	--	--
Fixed Ex Credit Opps	9.5%	6.5%	42	3.1%	56	1.9%	42	3.8%	9	0.5	39
Barclays Global Aggregate	--	4.6%	69	5.2%	81	0.0%	69	0.0%	1	--	--
Credit Opportunities	9.1%	16.4%	1	5.3%	36	5.2%	1	5.2%	73	1.0	1
50% BofAML US HY BB-B Constrained Ind/50% CSFB Fixed Income Arbitrage	--	11.2%	12	4.0%	1	0.0%	12	0.0%	1	--	--
Real Assets	6.8%	6.0%	--	4.2%	--	1.9%	--	4.0%	--	0.5	--
CPI + 2 %	--	4.1%	--	0.7%	--	0.0%	--	0.0%	--	--	--
Real Estate	10.8%	-2.0%	--	7.4%	--	-11.7%	--	9.9%	--	-1.2	--
NCREIF Property Index	--	9.7%	--	5.4%	--	0.0%	--	0.0%	--	--	--
Private Equity	13.3%	21.1%	--	11.0%	--	0.6%	--	14.5%	--	0.0	--
Russell 3000 + 1%	--	20.4%	--	13.9%	--	0.0%	--	0.0%	--	--	--
Cash	2.6%	--	--	--	--	--	--	--	--	--	--
91 Day T-Bills	--	0.1%	--	0.0%	--	0.0%	--	0.0%	--	--	--

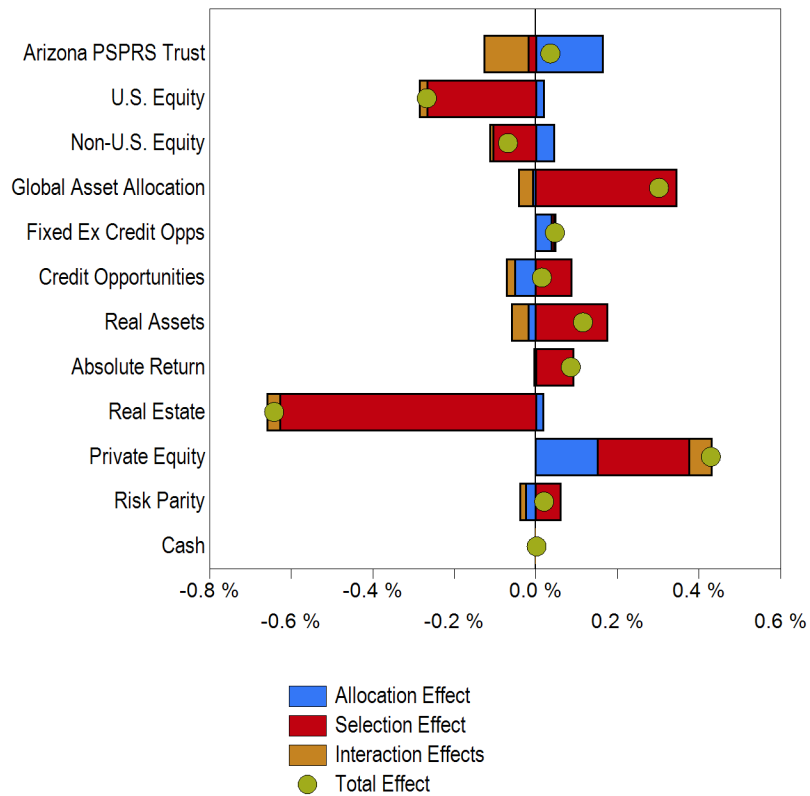
*Asset classes shown sum to 80.7% due to the exclusion of illiquid assets from this analysis. Statistics in the table above are not used in the analysis of such asset classes.



Arizona Public Safety Retirement Trust

Total Fund Attribution Analysis

Attribution Effects Relative to Policy Index
3 Months Ending June 30, 2014



Attribution Summary
3 Months Ending June 30, 2014

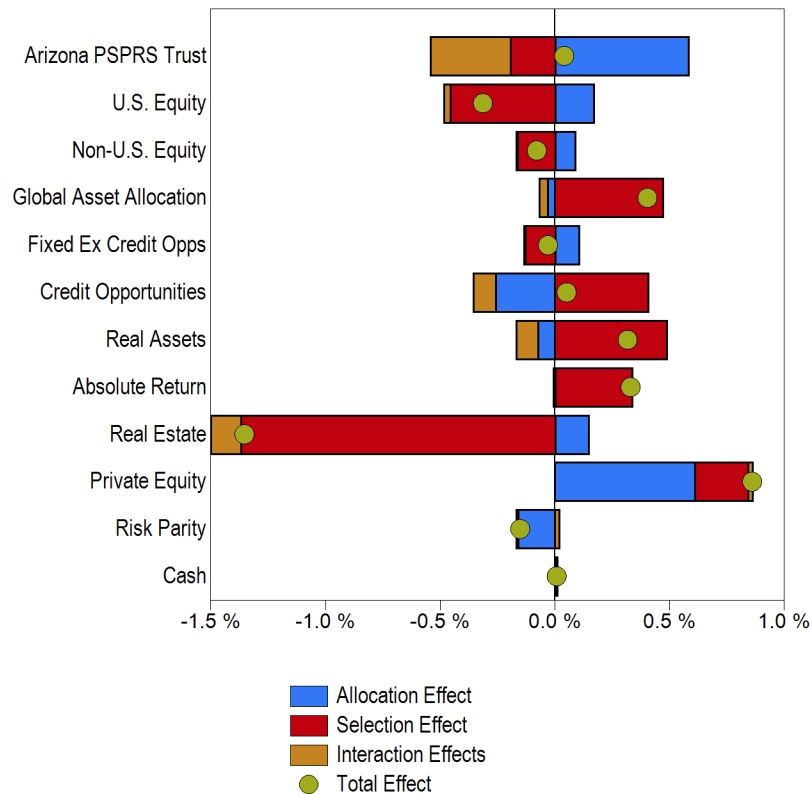
	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
U.S. Equity	3.3%	4.9%	-1.6%	-0.3%	0.0%	0.0%	-0.3%
Non-U.S. Equity	4.3%	5.0%	-0.8%	-0.1%	0.0%	0.0%	-0.1%
Global Asset Allocation	4.2%	0.8%	3.4%	0.3%	0.0%	0.0%	0.3%
Fixed Ex Credit Opps	2.5%	2.5%	0.1%	0.0%	0.0%	0.0%	0.0%
Credit Opportunities	2.6%	1.9%	0.7%	0.1%	-0.1%	0.0%	0.0%
Real Assets	3.3%	1.1%	2.2%	0.2%	0.0%	0.0%	0.1%
Absolute Return	2.7%	0.5%	2.2%	0.1%	0.0%	0.0%	0.1%
Real Estate	-2.7%	2.9%	-5.6%	-0.6%	0.0%	0.0%	-0.6%
Private Equity	7.2%	5.0%	2.2%	0.2%	0.2%	0.1%	0.4%
Risk Parity	4.2%	2.7%	1.5%	0.1%	0.0%	0.0%	0.0%
Cash	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total	3.1%	3.1%	0.0%	0.0%	0.2%	-0.1%	0.0%

*Plan attribution calculations are returns based and the results shown reflect the composites shown. As a result, the total results shown may vary from the calculated return shown on the performance summary.

Arizona Public Safety Retirement Trust

Total Fund Attribution Analysis

Attribution Effects Relative to Policy Index
1 Year Ending June 30, 2014

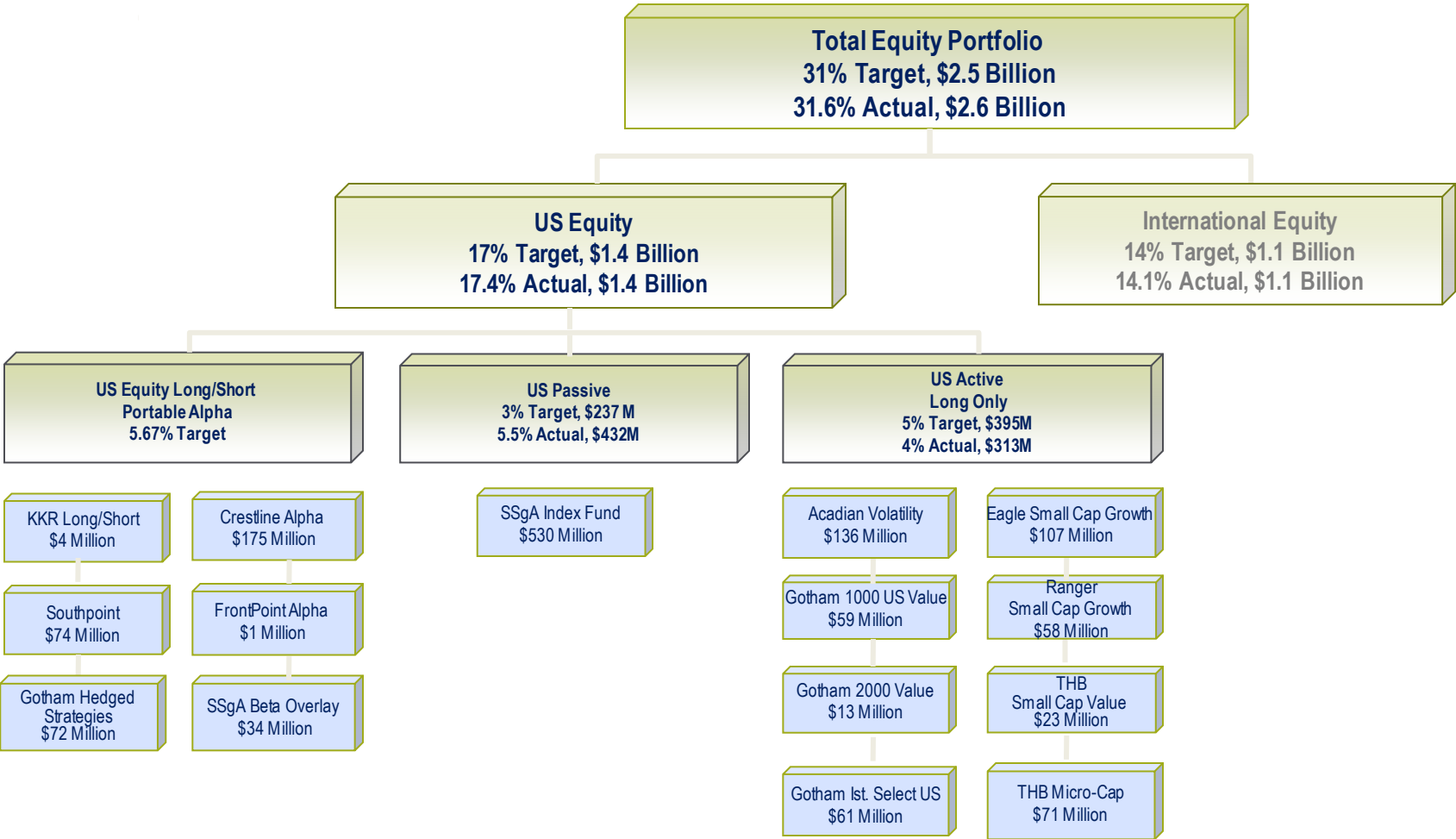


Attribution Summary
1 Year Ending June 30, 2014

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
U.S. Equity	22.3%	25.2%	-2.9%	-0.5%	0.2%	0.0%	-0.3%
Non-U.S. Equity	20.6%	21.8%	-1.2%	-0.2%	0.1%	0.0%	-0.1%
Global Asset Allocation	7.6%	3.3%	4.3%	0.5%	0.0%	0.0%	0.4%
Fixed Ex Credit Opps	6.3%	7.4%	-1.1%	-0.1%	0.1%	0.0%	0.0%
Credit Opportunities	11.8%	8.6%	3.3%	0.4%	-0.3%	-0.1%	0.1%
Real Assets	9.9%	4.1%	5.8%	0.5%	-0.1%	-0.1%	0.3%
Absolute Return	9.9%	2.0%	7.8%	0.3%	0.0%	0.0%	0.3%
Real Estate	-0.6%	11.2%	-11.8%	-1.4%	0.1%	-0.1%	-1.4%
Private Equity	28.2%	26.2%	2.0%	0.2%	0.6%	0.0%	0.9%
Risk Parity	10.0%	10.2%	-0.2%	0.0%	-0.2%	0.0%	-0.2%
Cash	0.3%	0.0%	0.3%	0.0%	0.0%	0.0%	0.0%
Total	13.8%	13.8%	0.0%	-0.2%	0.6%	-0.3%	0.0%

*Plan attribution calculations are returns based and the results shown reflect the composites shown. As a result, the total results shown may vary from the calculated return shown on the performance summary.

Existing US Equity Structure



Arizona Public Safety Retirement Trust

Equity Performance Detail

	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
Total Equity	2,567,585,967	31.6	3.7	77	4.7	77	21.5	69	10.5	70	14.9	71
<i>eA All Global Equity Gross Median</i>			4.7		6.3		24.1		12.0		16.2	
U.S. Equity	1,417,804,895	17.4	3.3	68	4.7	67	22.3	79	14.1	77	17.7	84
<i>Russell 3000</i>			4.9	36	6.9	39	25.2	53	16.5	44	19.3	62
Over/Under			-1.6		-2.2		-2.9		-2.4		-1.6	
<i>eA All US Equity Gross Median</i>			4.2		6.2		25.5		16.0		20.0	
Gotham 2000 Value	13,340,097	0.2	2.6	63	2.8	85	28.9	21	--	--	--	--
<i>Russell 2000 Value</i>			2.4	68	4.2	65	22.5	79	14.6	75	19.9	79
Over/Under			0.2		-1.4		6.4					
<i>eA US Small Cap Value Equity Gross Median</i>			3.1		5.1		25.4		16.4		21.7	
Gotham Institutional Select U.S.	60,949,286	0.7	5.3	23	8.1	23	33.5	5	--	--	--	--
<i>S&P 500</i>			5.2	25	7.1	36	24.6	60	16.6	41	18.8	70
Over/Under			0.1		1.0		8.9					
<i>eA All US Equity Gross Median</i>			4.2		6.2		25.5		16.0		20.0	
Gotham 1000 U.S. Value	59,183,057	0.7	4.3	68	6.7	53	29.2	18	--	--	--	--
<i>Russell 1000 Value</i>			5.1	38	8.3	24	23.8	68	16.9	37	19.2	39
Over/Under			-0.8		-1.6		5.4					
<i>eA US Large Cap Equity Gross Median</i>			4.7		6.8		25.6		16.2		18.7	
Gotham Diversified Hedged 140/40	18,385,159	0.2	5.2	27	4.0	75	--	--	--	--	--	--
<i>Russell 3000</i>			4.9	36	6.9	39	25.2	53	16.5	44	19.3	62
Over/Under			0.3		-2.9							
<i>eA All US Equity Gross Median</i>			4.2		6.2		25.5		16.0		20.0	
Gotham Hedged Value 115/65	17,335,621	0.2	3.9	57	6.4	48	--	--	--	--	--	--
<i>Russell 3000</i>			4.9	36	6.9	39	25.2	53	16.5	44	19.3	62
Over/Under			-1.0		-0.5							
<i>eA All US Equity Gross Median</i>			4.2		6.2		25.5		16.0		20.0	
Gotham Diversified Hedged 115/65	16,629,577	0.2	4.0	55	1.1	91	--	--	--	--	--	--
<i>Russell 3000</i>			4.9	36	6.9	39	25.2	53	16.5	44	19.3	62
Over/Under			-0.9		-5.8							
<i>eA All US Equity Gross Median</i>			4.2		6.2		25.5		16.0		20.0	

*US Equity 5 year return is different from the custodian bank due to rounding.

Arizona Public Safety Retirement Trust

Equity Performance Detail

	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
Gotham Hedged Value 140/40	19,257,260	0.2	5.6	18	9.5	11	--	--	--	--	--	--
Russell 3000			4.9	36	6.9	39	25.2	53	16.5	44	19.3	62
Over/Under			0.7		2.6							
eA All US Equity Gross Median			4.2		6.2		25.5		16.0		20.0	
SSGA US Equity	529,602,344	6.5	5.0	32	7.1	36	25.2	53	16.3	46	--	--
Russell 3000			4.9	36	6.9	39	25.2	53	16.5	44	19.3	62
Over/Under			0.1		0.2		0.0		-0.2			
eA All US Equity Gross Median			4.2		6.2		25.5		16.0		20.0	
KKR Equity Strategies	3,570,205	0.0	-2.5	98	-2.1	97	7.6	99	--	--	--	--
Russell 1000			5.1	28	7.3	34	25.4	52	16.6	40	19.3	63
Over/Under			-7.6		-9.4		-17.8					
eA All US Equity Gross Median			4.2		6.2		25.5		16.0		20.0	
Acadian US Managed	136,037,336	1.7	4.0	55	6.4	48	17.4	95	--	--	--	--
Russell 1000			5.1	28	7.3	34	25.4	52	16.6	40	19.3	63
Over/Under			-1.1		-0.9		-8.0					
eA All US Equity Gross Median			4.2		6.2		25.5		16.0		20.0	
Southpoint	74,882,748	0.9	1.5	86	4.0	75	13.1	99	--	--	--	--
Russell 1000			5.1	28	7.3	34	25.4	52	16.6	40	19.3	63
Over/Under			-3.6		-3.3		-12.3					
eA All US Equity Gross Median			4.2		6.2		25.5		16.0		20.0	
Ranger Small Cap	58,427,233	0.7	1.5	86	1.1	91	20.4	88	--	--	--	--
Russell 2000 Growth			1.7	85	2.2	86	24.7	58	14.5	72	20.5	43
Over/Under			-0.2		-1.1		-4.3					
eA All US Equity Gross Median			4.2		6.2		25.5		16.0		20.0	
THB Micro Cap	70,821,435	0.9	-2.4	79	-4.6	99	19.5	82	--	--	--	--
Russell Microcap			-1.4	71	1.6	42	25.0	56	15.9	65	20.0	79
Over/Under			-1.0		-6.2		-5.5					
eA US Micro Cap Core Equity Gross Median			0.0		1.3		26.4		17.1		23.1	



Arizona Public Safety Retirement Trust

Equity Performance Detail

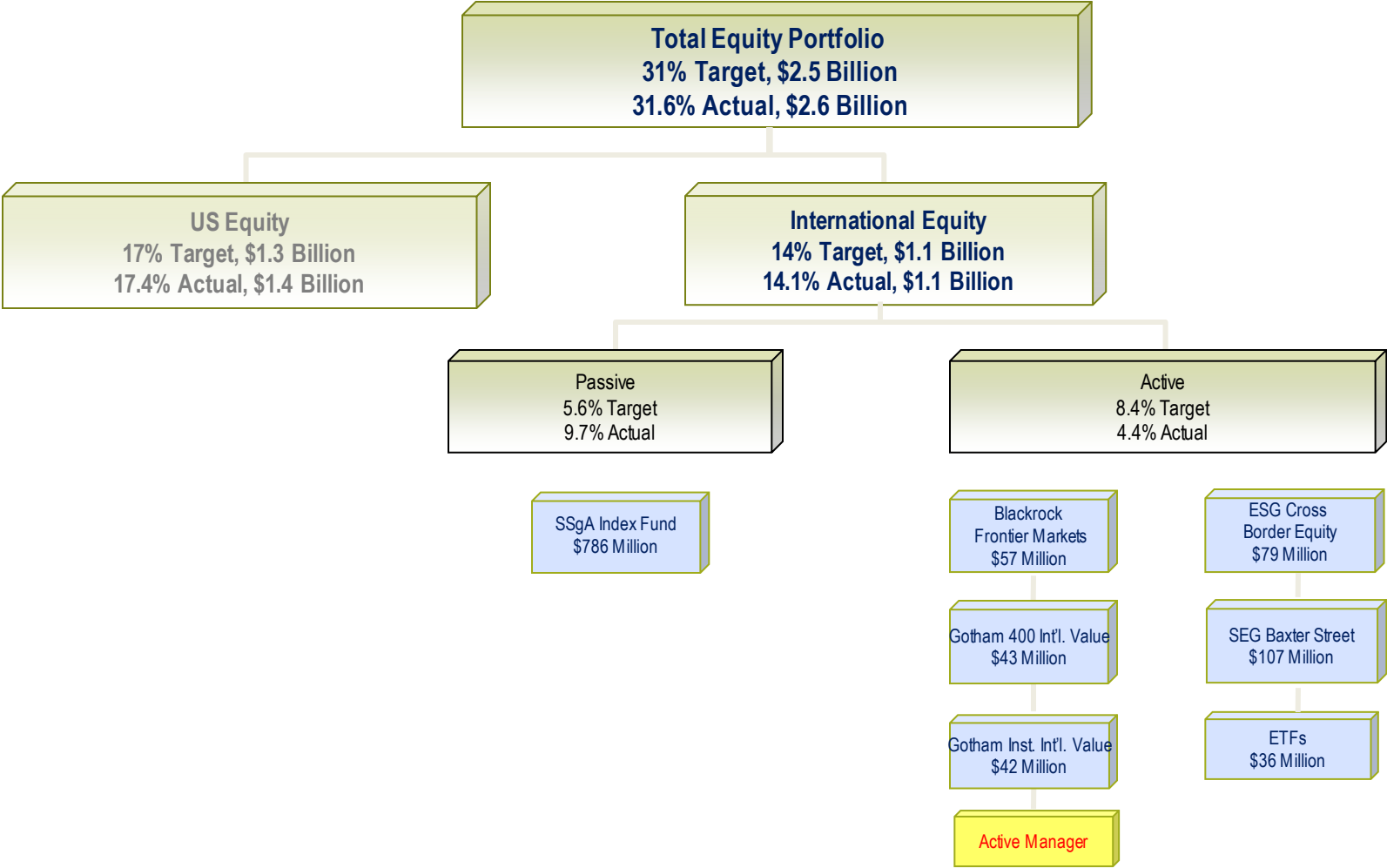
	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
THB Small Cap Val	23,241,323	0.3	2.3	70	1.6	93	17.0	97	--	--	--	--
Russell 2000 Value			<u>2.4</u>	68	<u>4.2</u>	65	<u>22.5</u>	79	<u>14.6</u>	75	<u>19.9</u>	79
Over/Under			-0.1		-2.6		-5.5					
eA US Small Cap Value Equity Gross Median			3.1		5.1		25.4		16.4		21.7	
Eagle Small Cap Growth	106,536,724	1.3	1.6	29	1.5	46	18.5	88	--	--	--	--
Russell 2000 Growth			<u>1.7</u>	27	<u>2.2</u>	37	<u>24.7</u>	46	<u>14.5</u>	55	<u>20.5</u>	73
Over/Under			-0.1		-0.7		-6.2					
eA US Small Cap Growth Equity Gross Median			0.2		1.0		24.2		14.9		21.9	
US EQUITY FUNDS	516	0.0	0.0	94	-2.1	98	--	--	--	--	--	--
Russell 3000			<u>4.9</u>	36	<u>6.9</u>	39	<u>25.2</u>	53	<u>16.5</u>	44	<u>19.3</u>	62
Over/Under			-4.9		-9.0							
eA All US Equity Gross Median			4.2		6.2		25.5		16.0		20.0	

Arizona Public Safety Retirement Trust

Equity Performance Detail

	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
Portable Alpha	209,604,973	2.6	5.6	--	8.9	--	28.6	--	12.1	--	--	--
<i>Russell 3000</i>			<u>4.9</u>	--	<u>6.9</u>	--	<u>25.2</u>	--	<u>16.5</u>	--	<u>19.3</u>	--
Over/Under			0.7		2.0		3.4		-4.4			
Crestline Alpha	174,568,275	2.1	1.5	--	3.3	--	7.2	--	3.3	--	--	--
<i>91 Day T-Bill + 2%</i>			<u>0.5</u>	--	<u>1.0</u>	--	<u>2.0</u>	--	<u>2.1</u>	--	<u>2.1</u>	--
Over/Under			1.0		2.3		5.2		1.2			
Frontpoint Alpha	738,557	0.0	2.0	--	-0.4	--	7.2	--	3.0	--	--	--
<i>91 Day T-Bill + 2%</i>			<u>0.5</u>	--	<u>1.0</u>	--	<u>2.0</u>	--	<u>2.1</u>	--	<u>2.1</u>	--
Over/Under			1.5		-1.4		5.2		0.9			
SSGA Beta	34,298,141	0.4	30.4	--	45.1	--	258.5	--	--	--	--	--

Existing International Equity Structure

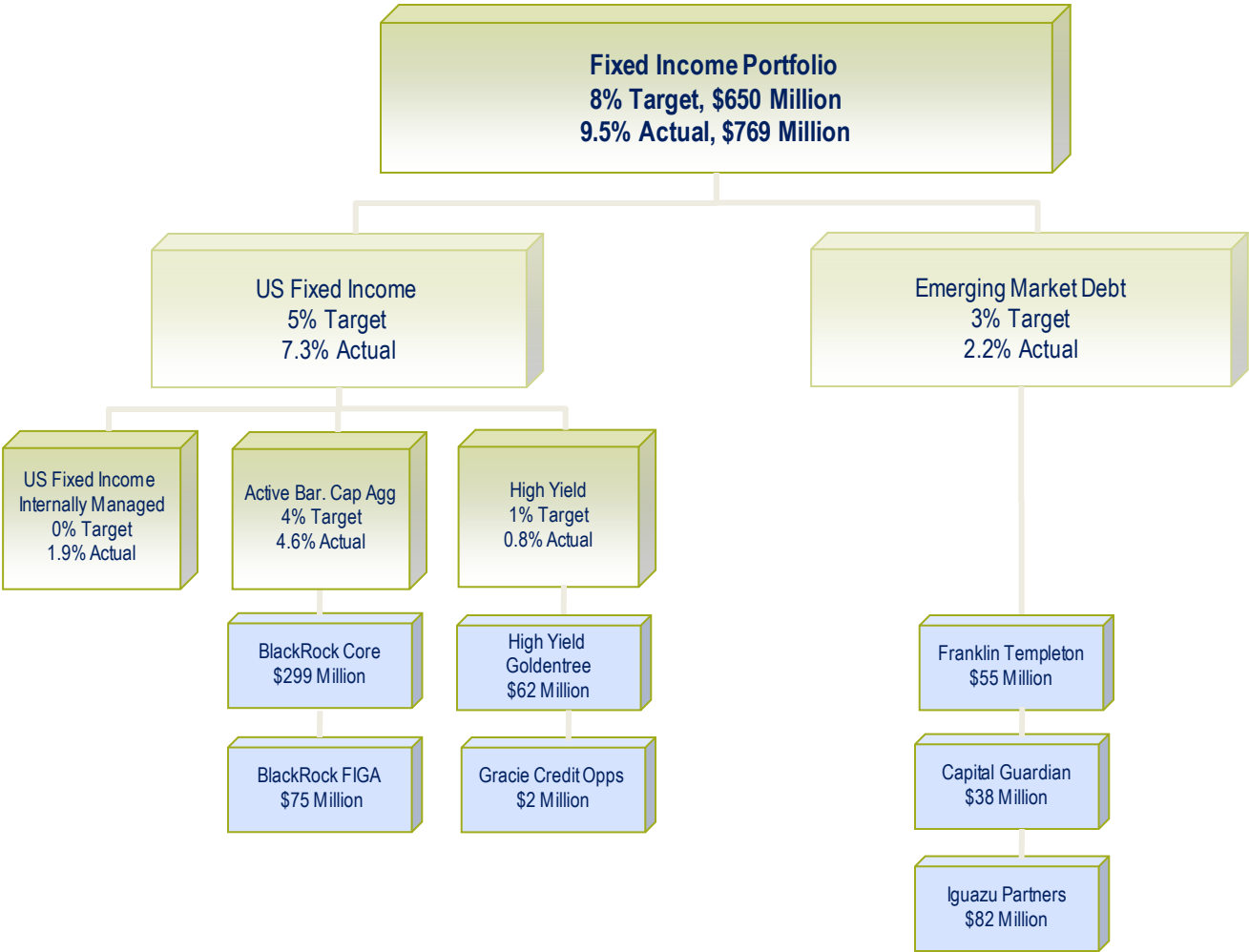


Arizona Public Safety Retirement Trust

Equity Performance Detail

	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
Non-U.S. Equity	1,149,781,072	14.1	4.3	38	4.7	54	20.6	83	5.7	95	10.9	92
MSCI ACWI ex USA			<u>5.0</u>	19	<u>5.6</u>	41	<u>21.8</u>	73	<u>5.7</u>	95	<u>11.1</u>	91
Over/Under			-0.7		-0.9		-1.2		0.0		-0.2	
eA All EAFE Equity Gross Median			3.8		5.0		24.4		9.5		13.7	
SSGA Int'l Equity	785,640,369	9.7	4.8	25	5.7	39	24.0	54	7.9	78	--	--
MSCI ACWI ex USA			<u>5.0</u>	19	<u>5.6</u>	41	<u>21.8</u>	73	<u>5.7</u>	95	<u>11.1</u>	91
Over/Under			-0.2		0.1		2.2		2.2			
eA All EAFE Equity Gross Median			3.8		5.0		24.4		9.5		13.7	
Int'l Equity Funds	36,458,937	0.4	5.7	9	1.8	94	14.2	98	0.6	99	8.4	99
MSCI ACWI ex USA			<u>5.0</u>	19	<u>5.6</u>	41	<u>21.8</u>	73	<u>5.7</u>	95	<u>11.1</u>	91
Over/Under			0.7		-3.8		-7.6		-5.1		-2.7	
eA All EAFE Equity Gross Median			3.8		5.0		24.4		9.5		13.7	
Blackrock Frontier	56,978,817	0.7	5.9	82	12.9	4	28.3	2	10.2	1	9.8	70
MSCI Emerging Markets			<u>6.6</u>	67	<u>6.1</u>	61	<u>14.3</u>	64	<u>-0.4</u>	81	<u>9.2</u>	78
Over/Under			-0.7		6.8		14.0		10.6		0.6	
eA Emg Mkts Equity Gross Median			7.2		6.7		15.5		2.2		11.6	
Gotham 400 International Value	42,889,207	0.5	4.2	40	7.5	17	25.3	43	--	--	--	--
MSCI World ex USA			<u>4.6</u>	30	<u>5.4</u>	43	<u>23.8</u>	56	<u>7.6</u>	82	<u>11.7</u>	87
Over/Under			-0.4		2.1		1.5					
eA All EAFE Equity Gross Median			3.8		5.0		24.4		9.5		13.7	
Gotham Institutional International Value	41,688,081	0.5	2.9	75	3.8	70	21.1	78	--	--	--	--
MSCI World ex USA			<u>4.6</u>	30	<u>5.4</u>	43	<u>23.8</u>	56	<u>7.6</u>	82	<u>11.7</u>	87
Over/Under			-1.7		-1.6		-2.7					
eA All EAFE Equity Gross Median			3.8		5.0		24.4		9.5		13.7	
ESG Cross Border Equity Fund	79,365,396	1.0	0.8	97	0.5	98	5.4	99	--	--	--	--
MSCI Emerging Markets			<u>6.6</u>	5	<u>6.1</u>	33	<u>14.3</u>	98	<u>-0.4</u>	99	<u>9.2</u>	99
Over/Under			-5.8		-5.6		-8.9					
eA All EAFE Equity Gross Median			3.8		5.0		24.4		9.5		13.7	
SEG Baxter Street	106,757,001	1.3	1.4	95	3.2	83	--	--	--	--	--	--
MSCI ACWI ex USA			<u>5.0</u>	19	<u>5.6</u>	41	<u>21.8</u>	73	<u>5.7</u>	95	<u>11.1</u>	91
Over/Under			-3.6		-2.4							
eA All EAFE Equity Gross Median			3.8		5.0		24.4		9.5		13.7	

Fixed Income Structure



Arizona Public Safety Retirement Trust

Fixed Income Performance Detail

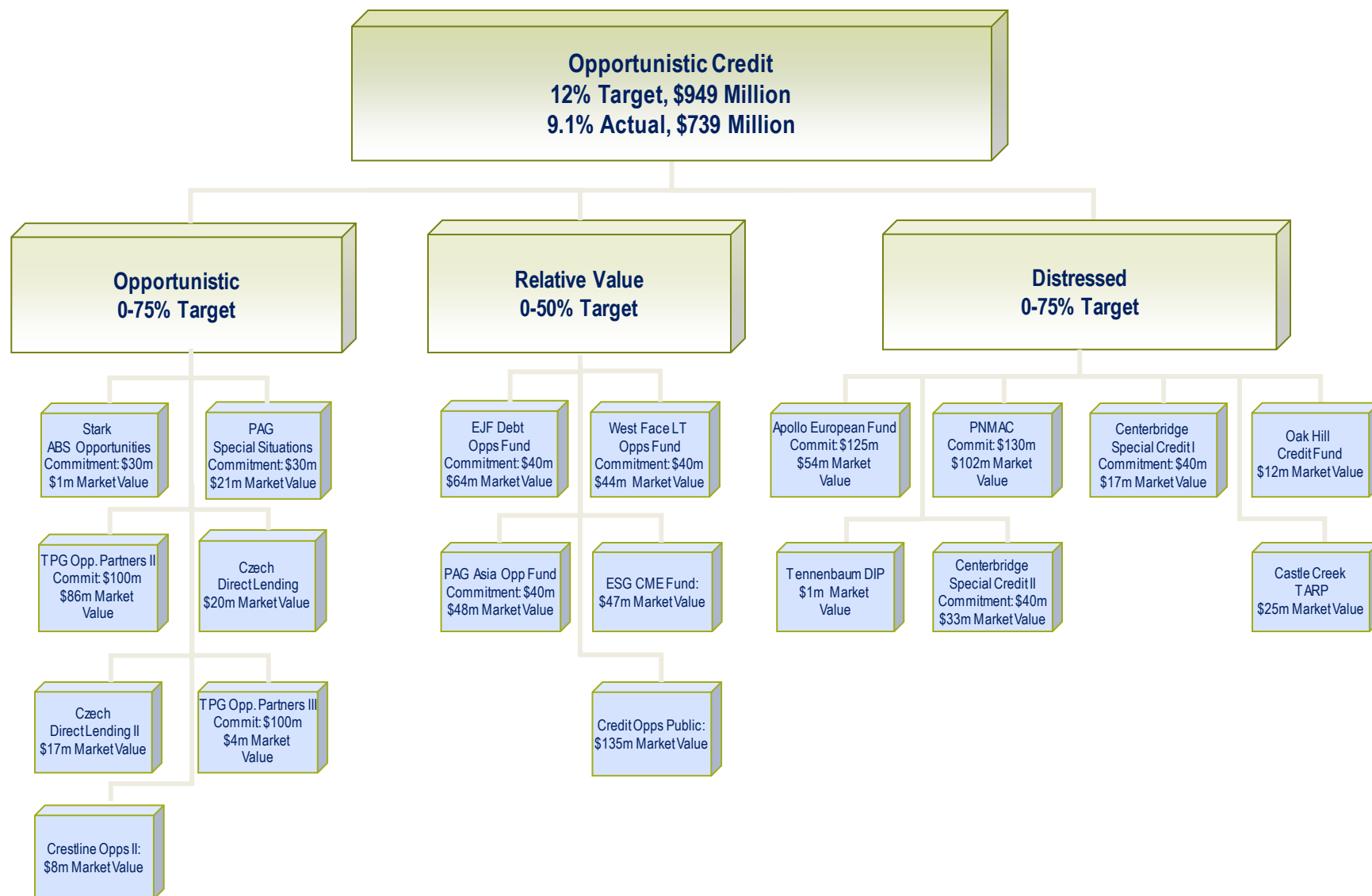
	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
Total Fixed Income	1,508,211,350	18.6	2.6	50	5.1	59	9.1	46	7.3	22	9.9	28
Barclays Global Aggregate			2.5	56	4.9	62	7.4	67	2.6	80	4.6	93
Over/Under			0.1		0.2		1.7		4.7		5.3	
eA All Global Fixed Inc Gross Median			2.6		5.4		8.6		5.0		7.0	
Fixed Ex Credit Opps	768,988,271	9.5	2.5	26	4.8	33	6.3	34	4.8	43	6.5	42
Barclays Global Aggregate			2.5	29	4.9	31	7.4	28	2.6	81	4.6	69
Over/Under			0.0		-0.1		-1.1		2.2		1.9	
eA All US Fixed Inc Gross Median			2.0		3.9		4.9		4.4		5.7	
Blackrock Core Active	298,722,709	3.7	2.4	15	4.6	19	5.0	46	4.5	44	5.7	52
Barclays Global Aggregate			2.5	10	4.9	10	7.4	5	2.6	98	4.6	88
Over/Under			-0.1		-0.3		-2.4		1.9		1.1	
eA US Core Fixed Inc Gross Median			2.1		4.2		4.9		4.4		5.7	
Fixed Income	155,287,848	1.9	2.4	14	5.4	6	8.1	3	4.9	24	7.2	11
Barclays Global Aggregate			2.5	10	4.9	10	7.4	5	2.6	98	4.6	88
Over/Under			-0.1		0.5		0.7		2.3		2.6	
eA US Core Fixed Inc Gross Median			2.1		4.2		4.9		4.4		5.7	
Blackrock FIGA Fund	75,037,177	0.9	-1.3	99	0.5	98	--	--	--	--	--	--
3-Month LIBOR + 3%			0.8	94	1.6	94	3.3	96	3.4	69	3.4	99
Over/Under			-2.1		-1.1							
eA All Global Fixed Inc Gross Median			2.6		5.4		8.6		5.0		7.0	
High Yield Fixed Income	64,639,359	0.8	2.4	51	4.8	75	10.1	80	4.2	99	--	--
Barclays High Yield			2.4	46	5.5	55	11.7	47	9.5	52	14.0	41
Over/Under			0.0		-0.7		-1.6		-5.3			
eA US High Yield Fixed Inc Gross Median			2.4		5.5		11.7		9.5		13.7	
Goldentree HY	62,216,996	0.8	2.3	58	4.8	76	10.3	79	7.6	88	--	--
Barclays High Yield			2.4	46	5.5	55	11.7	47	9.5	52	14.0	41
Over/Under			-0.1		-0.7		-1.4		-1.9			
eA US High Yield Fixed Inc Gross Median			2.4		5.5		11.7		9.5		13.7	
Gracie Credit Opps	2,422,362	0.0	4.8	2	5.1	67	5.4	99	-1.1	99	--	--
Barclays High Yield			2.4	46	5.5	55	11.7	47	9.5	52	14.0	41
Over/Under			2.4		-0.4		-6.3		-10.6			
eA US High Yield Fixed Inc Gross Median			2.4		5.5		11.7		9.5		13.7	

Arizona Public Safety Retirement Trust

Fixed Income Performance Detail

	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
Emerging Market Debt	175,301,177	2.2	4.8	51	6.5	74	9.8	48	6.2	54	--	--
JP Morgan GBI - EM Diversified			<u>4.0</u>	83	<u>6.0</u>	83	<u>3.9</u>	91	<u>1.2</u>	90	<u>7.4</u>	91
Over/Under			0.8		0.5		5.9		5.0			
eA All Emg Mkts Fixed Inc Gross Median			4.8		7.5		9.6		6.6		11.0	
Capital Guardian EMD	38,242,931	0.5	4.9	47	8.0	37	12.9	4	6.0	55	--	--
JP Morgan GBI - EM Diversified			<u>4.0</u>	83	<u>6.0</u>	83	<u>3.9</u>	91	<u>1.2</u>	90	<u>7.4</u>	91
Over/Under			0.9		2.0		9.0		4.8			
eA All Emg Mkts Fixed Inc Gross Median			4.8		7.5		9.6		6.6		11.0	
F Templeton EMD	55,437,304	0.7	5.3	24	6.3	78	9.7	48	6.7	50	--	--
JP Morgan GBI - EM Diversified			<u>4.0</u>	83	<u>6.0</u>	83	<u>3.9</u>	91	<u>1.2</u>	90	<u>7.4</u>	91
Over/Under			1.3		0.3		5.8		5.5			
eA All Emg Mkts Fixed Inc Gross Median			4.8		7.5		9.6		6.6		11.0	
Iguazu Partners	81,620,942	1.0	4.4	69	5.9	85	8.0	67	6.5	52	--	--
JP Morgan GBI - EM Diversified			<u>4.0</u>	83	<u>6.0</u>	83	<u>3.9</u>	91	<u>1.2</u>	90	<u>7.4</u>	91
Over/Under			0.4		-0.1		4.1		5.3			
eA All Emg Mkts Fixed Inc Gross Median			4.8		7.5		9.6		6.6		11.0	

Existing Opportunistic Credit Structure



Arizona Public Safety Retirement Trust

Opportunistic Credit Performance Detail

	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
Credit Opportunities	739,223,078	9.1	2.6	63	5.4	64	11.8	25	10.1	1	16.4	1
50% BofAML US HY BB-B Constrained Ind/50% CSFB Fixed Income Arbitrage			<u>1.9</u>	88	<u>4.5</u>	91	<u>8.6</u>	78	<u>7.7</u>	18	<u>11.2</u>	12
Over/Under			0.7		0.9		3.2		2.4		5.2	
eA Global Credit Fixed Income Gross Median			2.8		5.6		10.7		6.5		9.0	
Apollo Eur Prin Fin	54,403,076	0.7	19.6	1	19.5	1	51.7	1	21.3	1	20.4	1
50% BofAML US HY BB-B Constrained Ind/50% CSFB Fixed Income Arbitrage			<u>1.9</u>	88	<u>4.5</u>	91	<u>8.6</u>	78	<u>7.7</u>	18	<u>11.2</u>	12
Over/Under			17.7		15.0		43.1		13.6		9.2	
eA Global Credit Fixed Income Gross Median			2.8		5.6		10.7		6.5		9.0	
Blackrock Mtg Inv	1	0.0	42.3	1	43.4	1	48.9	1	29.4	1	30.0	1
50% BofAML US HY BB-B Constrained Ind/50% CSFB Fixed Income Arbitrage			<u>1.9</u>	88	<u>4.5</u>	91	<u>8.6</u>	78	<u>7.7</u>	18	<u>11.2</u>	12
Over/Under			40.4		38.9		40.3		21.7		18.8	
eA Global Credit Fixed Income Gross Median			2.8		5.6		10.7		6.5		9.0	
Castle Creek TARP	25,356,764	0.3	4.4	11	11.4	2	20.0	7	--	--	--	--
50% BofAML US HY BB-B Constrained Ind/50% CSFB Fixed Income Arbitrage			<u>1.9</u>	88	<u>4.5</u>	91	<u>8.6</u>	78	<u>7.7</u>	18	<u>11.2</u>	12
Over/Under			2.5		6.9		11.4					
eA Global Credit Fixed Income Gross Median			2.8		5.6		10.7		6.5		9.0	
Centerbridge	17,341,610	0.2	3.9	14	9.4	4	18.6	8	12.4	1	17.8	1
50% BofAML US HY BB-B Constrained Ind/50% CSFB Fixed Income Arbitrage			<u>1.9</u>	88	<u>4.5</u>	91	<u>8.6</u>	78	<u>7.7</u>	18	<u>11.2</u>	12
Over/Under			2.0		4.9		10.0		4.7		6.6	
eA Global Credit Fixed Income Gross Median			2.8		5.6		10.7		6.5		9.0	
Centerbridge SC II	33,167,846	0.4	4.4	11	9.7	3	14.2	15	--	--	--	--
50% BofAML US HY BB-B Constrained Ind/50% CSFB Fixed Income Arbitrage			<u>1.9</u>	88	<u>4.5</u>	91	<u>8.6</u>	78	<u>7.7</u>	18	<u>11.2</u>	12
Over/Under			2.5		5.2		5.6					
eA Global Credit Fixed Income Gross Median			2.8		5.6		10.7		6.5		9.0	
Credit Opps Public	135,473,254	1.7	2.1	81	4.9	81	11.1	35	--	--	--	--
50% BofAML US HY BB-B Constrained Ind/50% CSFB Fixed Income Arbitrage			<u>1.9</u>	88	<u>4.5</u>	91	<u>8.6</u>	78	<u>7.7</u>	18	<u>11.2</u>	12
Over/Under			0.2		0.4		2.5					
eA Global Credit Fixed Income Gross Median			2.8		5.6		10.7		6.5		9.0	

*Credit Opportunities 1 year return is different from the custodian bank due to rounding.

Arizona Public Safety Retirement Trust

Opportunistic Credit Performance Detail

	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
EJF Debt Opps Fund	63,969,307	0.8	3.0	27	9.9	3	17.9	9	16.6	1	--	--
50% BofAML US HY BB-B Constrained Ind/50% CSFB Fixed Income Arbitrage			<u>1.9</u>	88	<u>4.5</u>	91	<u>8.6</u>	78	<u>7.7</u>	18	<u>11.2</u>	12
Over/Under			1.1		5.4		9.3		8.9			
eA Global Credit Fixed Income Gross Median			2.8		5.6		10.7		6.5		9.0	
ESG CME Fund	46,878,966	0.6	-13.9	99	-16.9	99	-28.8	99	--	--	--	--
50% BofAML US HY BB-B Constrained Ind/50% CSFB Fixed Income Arbitrage			<u>1.9</u>	88	<u>4.5</u>	91	<u>8.6</u>	78	<u>7.7</u>	18	<u>11.2</u>	12
Over/Under			-15.8		-21.4		-37.4					
eA Global Credit Fixed Income Gross Median			2.8		5.6		10.7		6.5		9.0	
Goldman Sachs Cr Opps 2008	1	0.0	-8.0	99	-8.3	99	-9.0	99	-17.2	99	0.8	99
50% BofAML US HY BB-B Constrained Ind/50% CSFB Fixed Income Arbitrage			<u>1.9</u>	88	<u>4.5</u>	91	<u>8.6</u>	78	<u>7.7</u>	18	<u>11.2</u>	12
Over/Under			-9.9		-12.8		-17.6		-24.9		-10.4	
eA Global Credit Fixed Income Gross Median			2.8		5.6		10.7		6.5		9.0	
OHA Strategic Credit	11,872,378	0.1	3.6	19	15.4	1	27.8	1	11.0	1	17.2	1
50% BofAML US HY BB-B Constrained Ind/50% CSFB Fixed Income Arbitrage			<u>1.9</u>	88	<u>4.5</u>	91	<u>8.6</u>	78	<u>7.7</u>	18	<u>11.2</u>	12
Over/Under			1.7		10.9		19.2		3.3		6.0	
eA Global Credit Fixed Income Gross Median			2.8		5.6		10.7		6.5		9.0	
PNMAC Mortg Opp	101,573,421	1.2	1.5	95	3.3	95	6.0	96	7.5	24	10.4	19
50% BofAML US HY BB-B Constrained Ind/50% CSFB Fixed Income Arbitrage			<u>1.9</u>	88	<u>4.5</u>	91	<u>8.6</u>	78	<u>7.7</u>	18	<u>11.2</u>	12
Over/Under			-0.4		-1.2		-2.6		-0.2		-0.8	
eA Global Credit Fixed Income Gross Median			2.8		5.6		10.7		6.5		9.0	
PAG Asia Opp Fund	48,803,950	0.6	0.8	96	5.0	79	8.8	74	--	--	--	--
50% BofAML US HY BB-B Constrained Ind/50% CSFB Fixed Income Arbitrage			<u>1.9</u>	88	<u>4.5</u>	91	<u>8.6</u>	78	<u>7.7</u>	18	<u>11.2</u>	12
Over/Under			-1.1		0.5		0.2					
eA Global Credit Fixed Income Gross Median			2.8		5.6		10.7		6.5		9.0	
PAG Special Situations	20,631,063	0.3	10.9	1	4.9	82	27.1	1	--	--	--	--
50% BofAML US HY BB-B Constrained Ind/50% CSFB Fixed Income Arbitrage			<u>1.9</u>	88	<u>4.5</u>	91	<u>8.6</u>	78	<u>7.7</u>	18	<u>11.2</u>	12
Over/Under			9.0		0.4		18.5					
eA Global Credit Fixed Income Gross Median			2.8		5.6		10.7		6.5		9.0	



Arizona Public Safety Retirement Trust

Opportunistic Credit Performance Detail

	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
SJC Direct Lending	20,116,233	0.2	-3.0	99	0.0	99	2.8	99	9.1	2	--	--
50% BofAML US HY BB-B Constrained Ind/50% CSFB Fixed Income Arbitrage			<u>1.9</u>	88	<u>4.5</u>	91	<u>8.6</u>	78	<u>7.7</u>	18	<u>11.2</u>	12
Over/Under			-4.9		-4.5		-5.8		1.4			
eA Global Credit Fixed Income Gross Median			2.8		5.6		10.7		6.5		9.0	
SJC Direct Lending II	17,313,322	0.2	2.0	86	2.0	96	4.8	97	--	--	--	--
50% BofAML US HY BB-B Constrained Ind/50% CSFB Fixed Income Arbitrage			<u>1.9</u>	88	<u>4.5</u>	91	<u>8.6</u>	78	<u>7.7</u>	18	<u>11.2</u>	12
Over/Under			0.1		-2.5		-3.8					
eA Global Credit Fixed Income Gross Median			2.8		5.6		10.7		6.5		9.0	
Stark Abs Opps	685,423	0.0	-1.7	99	-3.2	99	-24.5	99	1.8	99	--	--
50% BofAML US HY BB-B Constrained Ind/50% CSFB Fixed Income Arbitrage			<u>1.9</u>	88	<u>4.5</u>	91	<u>8.6</u>	78	<u>7.7</u>	18	<u>11.2</u>	12
Over/Under			-3.6		-7.7		-33.1		-5.9			
eA Global Credit Fixed Income Gross Median			2.8		5.6		10.7		6.5		9.0	
TPG OP II	85,868,605	1.1	4.8	8	10.0	3	22.4	1	--	--	--	--
50% BofAML US HY BB-B Constrained Ind/50% CSFB Fixed Income Arbitrage			<u>1.9</u>	88	<u>4.5</u>	91	<u>8.6</u>	78	<u>7.7</u>	18	<u>11.2</u>	12
Over/Under			2.9		5.5		13.8					
eA Global Credit Fixed Income Gross Median			2.8		5.6		10.7		6.5		9.0	
West Face LT Opps	44,206,336	0.5	3.7	17	7.2	13	12.0	24	2.9	97	--	--
50% BofAML US HY BB-B Constrained Ind/50% CSFB Fixed Income Arbitrage			<u>1.9</u>	88	<u>4.5</u>	91	<u>8.6</u>	78	<u>7.7</u>	18	<u>11.2</u>	12
Over/Under			1.8		2.7		3.4		-4.8			
eA Global Credit Fixed Income Gross Median			2.8		5.6		10.7		6.5		9.0	
Crestline Opp FD II	7,660,909	0.1	-4.0	--	-9.7	--	--	--	--	--	--	--
50% BofAML US HY BB-B Constrained Ind/50% CSFB Fixed Income Arbitrage			<u>1.9</u>	--	<u>4.5</u>	--	<u>8.6</u>	--	<u>7.7</u>	--	<u>11.2</u>	--
Over/Under			-5.9		-14.2							
TPG OPPS III	3,900,613	0.0	-6.4	99	--	--	--	--	--	--	--	--
50% BofAML US HY BB-B Constrained Ind/50% CSFB Fixed Income Arbitrage			<u>1.9</u>	88	<u>4.5</u>	91	<u>8.6</u>	78	<u>7.7</u>	18	<u>11.2</u>	12
Over/Under			-8.3									
eA Global Credit Fixed Income Gross Median			2.8		5.6		10.7		6.5		9.0	

Arizona Public Safety Retirement Trust

GAA Performance Detail

	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
Global Asset Allocation	741,514,435	9.1	4.2	38	4.1	72	7.6	85	4.8	63	--	--
3-Month LIBOR + 3%			<u>0.8</u>	93	<u>1.6</u>	93	<u>3.3</u>	96	<u>3.4</u>	75	<u>3.4</u>	96
Over/Under			3.4		2.5		4.3		1.4			
eA Global TAA Gross Median			3.7		5.4		13.3		6.3		9.4	
Blackrock Global Ascent	51,648,832	0.6	1.1	90	-8.7	99	-6.6	99	-4.4	99	--	--
3-Month LIBOR + 3%			<u>0.8</u>	93	<u>1.6</u>	93	<u>3.3</u>	96	<u>3.4</u>	75	<u>3.4</u>	96
Over/Under			0.3		-10.3		-9.9		-7.8			
eA Global TAA Gross Median			3.7		5.4		13.3		6.3		9.4	
Bluetrend Fund	96,113,371	1.2	10.3	1	6.2	31	4.9	95	-2.4	98	--	--
3-Month LIBOR + 3%			<u>0.8</u>	93	<u>1.6</u>	93	<u>3.3</u>	96	<u>3.4</u>	75	<u>3.4</u>	96
Over/Under			9.5		4.6		1.6		-5.8			
eA Global TAA Gross Median			3.7		5.4		13.3		6.3		9.4	
Bridgewater GTAA	285,538,960	3.5	5.4	15	8.0	13	15.3	38	9.6	22	--	--
3-Month LIBOR + 3%			<u>0.8</u>	93	<u>1.6</u>	93	<u>3.3</u>	96	<u>3.4</u>	75	<u>3.4</u>	96
Over/Under			4.6		6.4		12.0		6.2			
eA Global TAA Gross Median			3.7		5.4		13.3		6.3		9.4	
De Shaw Multi Asset	177,542,146	2.2	2.6	76	5.4	48	7.4	86	--	--	--	--
3-Month LIBOR + 3%			<u>0.8</u>	93	<u>1.6</u>	93	<u>3.3</u>	96	<u>3.4</u>	75	<u>3.4</u>	96
Over/Under			1.8		3.8		4.1					
eA Global TAA Gross Median			3.7		5.4		13.3		6.3		9.4	
Bridgewater PAMM	35,937,216	0.4	8.5	1	13.4	3	21.8	1	--	--	--	--
3-Month LIBOR + 3%			<u>0.8</u>	93	<u>1.6</u>	93	<u>3.3</u>	96	<u>3.4</u>	75	<u>3.4</u>	96
Over/Under			7.7		11.8		18.5					
eA Global TAA Gross Median			3.7		5.4		13.3		6.3		9.4	
ALPHADYNE	46,956,834	0.6	-1.5	98	-6.1	99	--	--	--	--	--	--
3-Month LIBOR + 3%			<u>0.8</u>	93	<u>1.6</u>	93	<u>3.3</u>	96	<u>3.4</u>	75	<u>3.4</u>	96
Over/Under			-2.3		-7.7							
eA Global TAA Gross Median			3.7		5.4		13.3		6.3		9.4	
BREVN HOWARD	47,777,077	0.6	-1.5	98	-4.4	99	--	--	--	--	--	--
3-Month LIBOR + 3%			<u>0.8</u>	93	<u>1.6</u>	93	<u>3.3</u>	96	<u>3.4</u>	75	<u>3.4</u>	96
Over/Under			-2.3		-6.0							
eA Global TAA Gross Median			3.7		5.4		13.3		6.3		9.4	



Arizona Public Safety Retirement Trust

Real Assets Performance Detail

	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
Real Assets	556,387,119	6.8	3.3	--	5.8	--	9.9	--	5.4	--	6.0	--
CPI + 2 %			<u>1.1</u>	--	<u>2.3</u>	--	<u>4.1</u>	--	<u>3.8</u>	--	<u>4.1</u>	--
Over/Under			2.2		3.5		5.8		1.6		1.9	
Tips And Real Assets	101,331,554	1.2	8.2	--	12.8	--	25.6	--	3.7	--	3.9	--
CPI + 2 %			<u>1.1</u>	--	<u>2.3</u>	--	<u>4.1</u>	--	<u>3.8</u>	--	<u>4.1</u>	--
Over/Under			7.1		10.5		21.5		-0.1		-0.2	
Conservation Forest	14,476,240	0.2	0.0	--	2.9	--	1.9	--	-1.0	--	0.0	--
CPI + 2 %			<u>1.1</u>	--	<u>2.3</u>	--	<u>4.1</u>	--	<u>3.8</u>	--	<u>4.1</u>	--
Over/Under			-1.1		0.6		-2.2		-4.8		-4.1	
Mcqurie Infr II	19,174,534	0.2	2.0	--	2.3	--	8.3	--	12.0	--	11.5	--
CPI + 2 %			<u>1.1</u>	--	<u>2.3</u>	--	<u>4.1</u>	--	<u>3.8</u>	--	<u>4.1</u>	--
Over/Under			0.9		0.0		4.2		8.2		7.4	
Mcqurie Eur Infr III	30,770,704	0.4	1.3	--	3.2	--	14.0	--	8.4	--	8.8	--
CPI + 2 %			<u>1.1</u>	--	<u>2.3</u>	--	<u>4.1</u>	--	<u>3.8</u>	--	<u>4.1</u>	--
Over/Under			0.2		0.9		9.9		4.6		4.7	
Conservation Forest II	28,755,801	0.4	0.1	--	6.8	--	11.8	--	6.8	--	4.9	--
CPI + 2 %			<u>1.1</u>	--	<u>2.3</u>	--	<u>4.1</u>	--	<u>3.8</u>	--	<u>4.1</u>	--
Over/Under			-1.0		4.5		7.7		3.0		0.8	
Alterna I	35,139,254	0.4	2.3	--	5.9	--	12.0	--	9.8	--	11.8	--
CPI + 2 %			<u>1.1</u>	--	<u>2.3</u>	--	<u>4.1</u>	--	<u>3.8</u>	--	<u>4.1</u>	--
Over/Under			1.2		3.6		7.9		6.0		7.7	
JP Morgan Airro Fund	27,626,009	0.3	3.1	--	6.9	--	-0.2	--	9.7	--	--	--
CPI + 2 %			<u>1.1</u>	--	<u>2.3</u>	--	<u>4.1</u>	--	<u>3.8</u>	--	<u>4.1</u>	--
Over/Under			2.0		4.6		-4.3		5.9		--	--
Geosphere	1,640,523	0.0	35.0	--	45.7	--	58.3	--	13.9	--	--	--
CPI + 2 %			<u>1.1</u>	--	<u>2.3</u>	--	<u>4.1</u>	--	<u>3.8</u>	--	<u>4.1</u>	--
Over/Under			33.9		43.4		54.2		10.1		--	--
Helios Sunbeam	250,000	0.0	0.0	--	0.0	--	23.0	--	3.0	--	--	--
CPI + 2 %			<u>1.1</u>	--	<u>2.3</u>	--	<u>4.1</u>	--	<u>3.8</u>	--	<u>4.1</u>	--
Over/Under			-1.1		-2.3		18.9		-0.8		--	--



Arizona Public Safety Retirement Trust

Real Assets Performance Detail

	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
Org Secondary	27,134,070	0.3	-5.0	--	-4.8	--	-6.3	--	-4.2	--	--	--
CPI + 2 %			<u>1.1</u>	--	<u>2.3</u>	--	<u>4.1</u>	--	<u>3.8</u>	--	<u>4.1</u>	--
Over/Under			-6.1		-7.1		-10.4		-8.0			
Fundamental Partners II	42,036,239	0.5	1.8	--	5.6	--	13.3	--	--	--	--	--
CPI + 2 %			<u>1.1</u>	--	<u>2.3</u>	--	<u>4.1</u>	--	<u>3.8</u>	--	<u>4.1</u>	--
Over/Under			0.7		3.3		9.2					
Louis Dreyfus Alpha	26,278,170	0.3	1.0	--	0.6	--	5.0	--	--	--	--	--
CPI + 2 %			<u>1.1</u>	--	<u>2.3</u>	--	<u>4.1</u>	--	<u>3.8</u>	--	<u>4.1</u>	--
Over/Under			-0.1		-1.7		0.9					
TVEST Crossover III	9,674,465	0.1	-0.2	--	-6.6	--	-6.9	--	--	--	--	--
CPI + 2 %			<u>1.1</u>	--	<u>2.3</u>	--	<u>4.1</u>	--	<u>3.8</u>	--	<u>4.1</u>	--
Over/Under			-1.3		-8.9		-11.0					
EIF US Power Fund IV	12,374,202	0.2	0.8	--	5.2	--	1.4	--	--	--	--	--
CPI + 2 %			<u>1.1</u>	--	<u>2.3</u>	--	<u>4.1</u>	--	<u>3.8</u>	--	<u>4.1</u>	--
Over/Under			-0.3		2.9		-2.7					
JPM Airro Sidecar	26,894,918	0.3	3.9	--	5.7	--	-1.8	--	--	--	--	--
CPI + 2 %			<u>1.1</u>	--	<u>2.3</u>	--	<u>4.1</u>	--	<u>3.8</u>	--	<u>4.1</u>	--
Over/Under			2.8		3.4		-5.9					
Taylor Woods	26,970,565	0.3	-1.7	--	-3.0	--	-2.5	--	--	--	--	--
CPI + 2 %			<u>1.1</u>	--	<u>2.3</u>	--	<u>4.1</u>	--	<u>3.8</u>	--	<u>4.1</u>	--
Over/Under			-2.8		-5.3		-6.6					
Energy Recap Fund	11,864,393	0.1	3.1	--	3.1	--	17.7	--	--	--	--	--
CPI + 2 %			<u>1.1</u>	--	<u>2.3</u>	--	<u>4.1</u>	--	<u>3.8</u>	--	<u>4.1</u>	--
Over/Under			2.0		0.8		13.6					
Denham Commodity FD VI	18,080,099	0.2	19.2	--	27.6	--	33.4	--	--	--	--	--
CPI + 2 %			<u>1.1</u>	--	<u>2.3</u>	--	<u>4.1</u>	--	<u>3.8</u>	--	<u>4.1</u>	--
Over/Under			18.1		25.3		29.3					
ENCAP Fund IX	5,406,611	0.1	0.0	--	11.4	--	11.3	--	--	--	--	--
CPI + 2 %			<u>1.1</u>	--	<u>2.3</u>	--	<u>4.1</u>	--	<u>3.8</u>	--	<u>4.1</u>	--
Over/Under			-1.1		9.1		7.2					

Arizona Public Safety Retirement Trust

Real Assets Performance Detail

	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
Actis Energy 3	3,505,131	0.0	-3.7	--	-10.2	--	-46.3	--	--	--	--	--
CPI + 2 %			<u>1.1</u>	--	<u>2.3</u>	--	<u>4.1</u>	--	<u>3.8</u>	--	<u>4.1</u>	--
Over/Under			-4.8		-12.5		-50.4					
Alterna Core Capital Assets Fund II	2,969,634	0.0	46.0	--	12.6	--	10.9	--	--	--	--	--
CPI + 2 %			<u>1.1</u>	--	<u>2.3</u>	--	<u>4.1</u>	--	<u>3.8</u>	--	<u>4.1</u>	--
Over/Under			44.9		10.3		6.8					
Magnetar LLC - COINV	2,850,000	0.0										
Magnetar MTP ERGY FD	81,184,000	1.0										

*Magnetar LLC - COINV funded in June, 2014 therefore 3 month performance is N/A.

*Magnetar MTP ERGY FD funded in June, 2014 therefore 3 month performance is N/A.



NEPC, LLC

June 30, 2014

Arizona Public Safety Retirement Trust

Absolute Return Performance Detail

	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
Absolute Return	318,148,554	3.9	2.7	--	3.9	--	9.9	--	10.8	--	--	--
91TBill + 2%			<u>0.5</u>	--	<u>1.0</u>	--	<u>2.0</u>	--	<u>2.1</u>	--	<u>2.1</u>	--
Over/Under			2.2		2.9		7.9		8.7			
Oz Master Fund	96,392,365	1.2	1.8	--	2.0	--	9.4	--	8.3	--	--	--
91TBill + 2%			<u>0.5</u>	--	<u>1.0</u>	--	<u>2.0</u>	--	<u>2.1</u>	--	<u>2.1</u>	--
Over/Under			1.3		1.0		7.4		6.2			
LSV Special Opps III	26,640,597	0.3	2.3	--	5.3	--	10.7	--	40.5	--	--	--
91TBill + 2%			<u>0.5</u>	--	<u>1.0</u>	--	<u>2.0</u>	--	<u>2.1</u>	--	<u>2.1</u>	--
Over/Under			1.8		4.3		8.7		38.4			
Luxor Capital	25,544,946	0.3	-0.6	--	0.1	--	8.1	--	5.6	--	--	--
91TBill + 2%			<u>0.5</u>	--	<u>1.0</u>	--	<u>2.0</u>	--	<u>2.1</u>	--	<u>2.1</u>	--
Over/Under			-1.1		-0.9		6.1		3.5			
Davidson Kempner	85,831,196	1.1	3.6	--	5.9	--	9.9	--	6.7	--	--	--
91TBill + 2%			<u>0.5</u>	--	<u>1.0</u>	--	<u>2.0</u>	--	<u>2.1</u>	--	<u>2.1</u>	--
Over/Under			3.1		4.9		7.9		4.6			
GSAM HF Seed 2011	53,475,724	0.7	1.8	--	4.4	--	8.2	--	--	--	--	--
91TBill + 2%			<u>0.5</u>	--	<u>1.0</u>	--	<u>2.0</u>	--	<u>2.1</u>	--	<u>2.1</u>	--
Over/Under			1.3		3.4		6.2					
LSV Special Opps Fund IV	30,263,726	0.4	8.7	--	5.9	--	15.4	--	--	--	--	--
91TBill + 2%			<u>0.5</u>	--	<u>1.0</u>	--	<u>2.0</u>	--	<u>2.1</u>	--	<u>2.1</u>	--
Over/Under			8.2		4.9		13.4					

Arizona Public Safety Retirement Trust

Risk Parity & Performance Detail Performance Detail

	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
Risk Parity	273,033,752	3.4	4.2	--	7.1	--	10.0	--	--	--	--	--
60% BC Global Agg /30% MSCI AC World (Net) /10% DJ UBS Commodity Index TR			2.7	--	5.0	--	10.2	--	3.9	--	7.2	--
Over/Under			1.5		2.1		-0.2					
Bridgewater All Weather	140,484,322	1.7	5.6	--	9.5	--	14.4	--	--	--	--	--
60% BC Global Agg /30% MSCI AC World (Net) /10% DJ UBS Commodity Index TR			2.7	--	5.0	--	10.2	--	3.9	--	7.2	--
Over/Under			2.9		4.5		4.2					
FFTW Tips/Currency	40,582,894	0.5	1.3	--	1.4	--	-0.9	--	3.9	--	--	--
60% BC Global Agg /30% MSCI AC World (Net) /10% DJ UBS Commodity Index TR			2.7	--	5.0	--	10.2	--	3.9	--	7.2	--
Over/Under			-1.4		-3.6		-11.1		0.0			
PSPRS - Risk Parity Funds	10,299,280	0.1	3.4	--	5.9	--	--	--	--	--	--	--
60% BC Global Agg /30% MSCI AC World (Net) /10% DJ UBS Commodity Index TR			2.7	--	5.0	--	10.2	--	3.9	--	7.2	--
Over/Under			0.7		0.9							
BRIDGEWATER RA FUND	81,667,257	1.0	2.1	--	--	--	--	--	--	--	--	--
60% BC Global Agg /30% MSCI AC World (Net) /10% DJ UBS Commodity Index TR			2.7	--	5.0	--	10.2	--	3.9	--	7.2	--
Over/Under			-0.6									
Cash	212,596,853	2.6	0.0	--	0.1	--	0.3	--	0.0	--	--	--
91 Day T-Bills			0.0	--	0.0	--	0.0	--	0.0	--	0.1	--
Over/Under			0.0		0.1		0.3		0.0			
Short Term Investments	212,596,853	2.6	0.0	--	0.1	--	0.3	--	0.0	--	--	--
91 Day T-Bills			0.0	--	0.0	--	0.0	--	0.0	--	0.1	--
Over/Under			0.0		0.1		0.3		0.0			
Cash/Short Term Investments	207,575,793	2.6	0.0	95	0.1	77	0.3	38	0.0	99	0.1	99
BofA Merrill Lynch 91-Day T-Bill			0.0	99	0.0	99	0.1	99	0.1	99	0.1	99
Over/Under			0.0		0.1		0.2		-0.1		0.0	
Wells Fargo Exception Rate	5,021,061	0.1	0.1	75	0.1	68	0.2	64	--	--	--	--
91 Day T-Bills			0.0	99	0.0	99	0.0	99	0.0	99	0.1	99
Over/Under			0.1		0.1		0.2					
eA US Cash Management Gross Median			0.1		0.1		0.3		0.3		0.3	

Arizona Public Safety Retirement Trust

Real Estate Performance Detail

	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
Real Estate	873,820,740	10.8	-2.7	--	1.9	--	-0.6	--	2.1	--	-2.0	--
<i>NCREIF Property Index</i>			<u>2.9</u>	--	<u>5.7</u>	--	<u>11.2</u>	--	<u>11.3</u>	--	<u>9.7</u>	--
Over/Under			-5.6		-3.8		-11.8		-9.2		-11.7	
Alcion II	12,742,346	0.2	1.4	--	7.9	--	13.9	--	8.6	--	--	--
Blackstone Rep IV	90,006,272	1.1	1.7	--	20.3	--	32.6	--	19.1	--	24.1	--
Catalyst EU Property	30,371,952	0.4	0.0	--	13.1	--	25.2	--	7.8	--	-42.2	--
Pivotal Equity	8,250,000	0.1	-11.3	--	-11.3	--	199.7	--	44.2	--	18.4	--
Desert Troon	297,862,000	3.7	-11.0	--	-11.0	--	-16.4	--	-3.1	--	-4.7	--
OWH Berkana Hld	13,152,187	0.2	-24.2	--	-24.2	--	-24.8	--	5.8	--	-2.3	--
Pebblecreek	11,500,000	0.1	10.3	--	35.2	--	35.2	--	-22.4	--	-14.1	--
Harrison St RE Coinv	10,337,929	0.1	2.0	--	11.2	--	19.9	--	11.5	--	3.8	--
Harrison St RE	26,337,122	0.3	1.5	--	42.4	--	49.7	--	25.4	--	11.6	--
Iron Point RE	67,599,372	0.8	3.2	--	5.8	--	15.7	--	11.6	--	13.1	--
Mountgrange Re Opp	35,510,666	0.4	3.8	--	5.4	--	38.0	--	23.3	--	2.5	--
Walton Mexico Fd I	25,835,442	0.3	0.8	--	8.1	--	9.8	--	7.0	--	-10.5	--
Org Secondary Fund	46,241,095	0.6	0.5	--	5.9	--	9.7	--	10.7	--	-3.2	--
CLSA Fudo Cap II	22,684,077	0.3	2.7	--	8.9	--	19.3	--	13.7	--	--	--
Apollo Vef VII Dir R	42,660,855	0.5	4.5	--	10.3	--	21.9	--	17.1	--	--	--
H2 Credit Partners	52,925,038	0.7	2.3	--	3.3	--	8.0	--	7.0	--	--	--
Lubert Adler VI B	24,270,320	0.3	0.9	--	6.0	--	27.7	--	17.1	--	--	--
GAP VI	29,714,870	0.4	18.8	--	8.6	--	13.6	--	--	--	--	--
IRON POINT RE II	4,915,669	0.1	1.4	--	0.8	--	16.0	--	--	--	--	--
Patron IV	4,368,506	0.1	4.8	--	9.8	--	26.8	--	--	--	--	--
Clearbell II	5,220,287	0.1	7.8	--	30.8	--	58.4	--	--	--	--	--
Walton St Fd VII	11,314,736	0.1										



Arizona Public Safety Retirement Trust

Private Equity Performance Detail

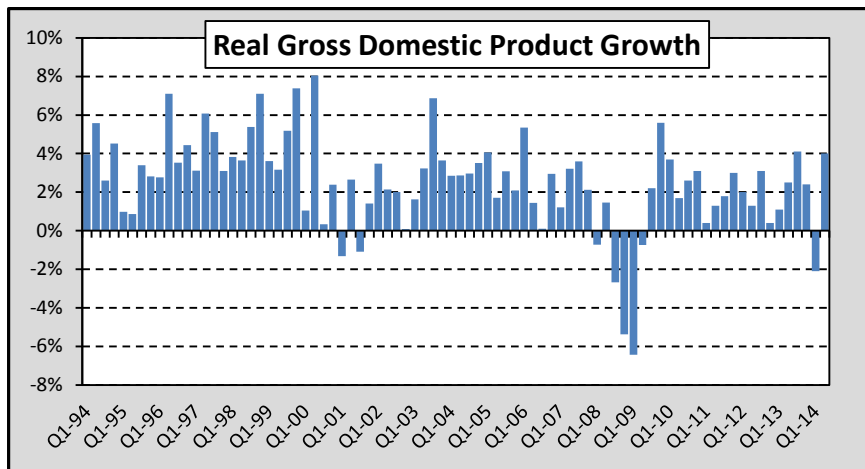
	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
Private Equity	1,081,812,939	13.3	7.2	--	15.1	--	28.2	--	16.4	--	21.1	--
Russell 3000 + 1%			5.0	--	7.4	--	26.2	--	17.5	--	20.4	--
Over/Under			2.2		7.7		2.0		-1.1		0.7	
Cambridge PE 1 Qtr Lag			3.1	--	9.9	--	18.9	--	14.4	--	17.4	--
Valley Ventures III	2,896,071	0.0	-0.4	--	-14.1	--	-14.5	--	-6.8	--	-19.1	--
Valley Vent III Annx	1,156,941	0.0	-0.6	--	-14.8	--	-15.7	--	-8.0	--	-15.1	--
Prospector Equity Cap	633,073	0.0	0.0	--	36.1	--	-9.8	--	44.1	--	30.8	--
Peninsula Equity Ptns	3,958,577	0.0	-1.7	--	-2.0	--	3.8	--	21.3	--	6.1	--
DAG Ventures II	4,172,462	0.1	4.5	--	10.9	--	10.8	--	-1.0	--	2.7	--
DAG Ventures II Co-Inv	7,756,313	0.1	13.6	--	53.7	--	53.8	--	37.0	--	13.4	--
DAG Ventures III	20,534,880	0.3	28.5	--	28.3	--	143.8	--	43.3	--	27.2	--
DAG Ventures III Co-Inv	43,160,933	0.5	41.5	--	45.2	--	390.6	--	94.0	--	60.6	--
Mesirow Financial	10,647,660	0.1	1.7	--	8.0	--	3.3	--	-7.4	--	-2.8	--
Midocean Ptns	37,232,867	0.5	2.5	--	16.0	--	31.5	--	25.8	--	22.4	--
Midocean Co-Inv	8,487,096	0.1	56.2	--	56.2	--	64.5	--	44.7	--	42.8	--
Blackstone Cp V	19,939,165	0.2	5.4	--	25.5	--	34.1	--	19.8	--	19.9	--
Apollo VII	49,270,306	0.6	12.5	--	28.6	--	60.1	--	35.5	--	50.9	--
PSPRS - DAG IV Co-Inv	37,499,629	0.5	13.4	--	30.6	--	27.1	--	12.1	--	12.8	--
PSPRS - DAG IV Direct	30,219,308	0.4	8.2	--	23.9	--	21.0	--	3.9	--	8.1	--
PSPRS - Towerbrook	36,884,794	0.5	2.1	--	10.4	--	14.6	--	10.6	--	20.2	--
PSPRS - Ladder Capital	30,264,441	0.4	2.9	--	3.0	--	8.2	--	11.9	--	12.5	--
Longworth VP III	14,251,077	0.2	5.3	--	7.7	--	3.8	--	17.8	--	3.5	--
Abry Partners	6,070,272	0.1	-13.8	--	-12.5	--	-12.5	--	-0.3	--	24.8	--
PSPRS - Castle Creek	84,735,190	1.0	9.4	--	22.3	--	40.1	--	23.9	--	--	--
Drug Royalty II Direct	16,366,981	0.2	1.4	--	5.1	--	11.6	--	20.1	--	10.5	--
Drug Royalty II Co-Inv	7,508,780	0.1	1.3	--	5.6	--	17.0	--	6.1	--	--	--
Charlesbank VII	29,921,623	0.4	15.7	--	28.0	--	45.9	--	21.6	--	--	--
Stepstone Secondary	68,241,350	0.8	11.6	--	11.6	--	11.0	--	15.8	--	--	--
Insight Mezzanine I	1,530,580	0.0	-1.8	--	4.3	--	9.3	--	18.4	--	--	--
Insight Equity II	42,587,503	0.5	10.1	--	25.9	--	19.5	--	12.6	--	--	--
DFJ Mercury II	17,649,974	0.2	-0.6	--	-2.4	--	1.3	--	11.1	--	--	--

Arizona Public Safety Retirement Trust

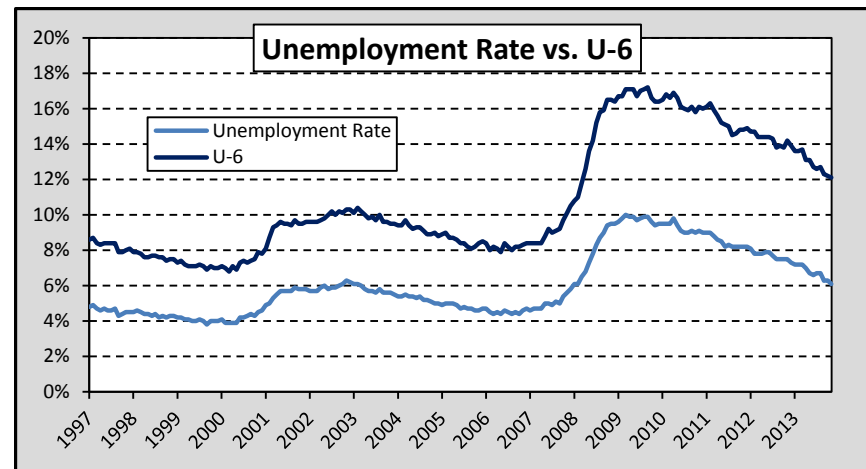
Private Equity Performance Detail

	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank
Millennium TV II	11,766,103	0.1	-0.8	--	-1.0	--	-2.0	--	4.5	--	--	--
Little John Fund IV	43,314,831	0.5	7.9	--	14.2	--	36.7	--	18.7	--	--	--
SP Trident Fund V	35,216,045	0.4	2.2	--	6.1	--	18.1	--	9.6	--	--	--
Sterling Group III	17,438,813	0.2	2.7	--	8.4	--	18.7	--	27.1	--	--	--
Avalon Ventures IX	17,566,640	0.2	0.4	--	10.9	--	19.5	--	10.3	--	--	--
JMI Equity Fund VII	16,301,285	0.2	0.7	--	3.6	--	12.1	--	2.9	--	--	--
Baring Asia PE V	22,092,382	0.3	6.0	--	5.9	--	14.7	--	16.1	--	--	--
Cortec V	20,021,871	0.2	0.1	--	3.0	--	6.5	--	56.7	--	--	--
Centerbridge CP II	43,282,691	0.5	2.4	--	5.8	--	6.4	--	8.1	--	--	--
EQT VI	18,665,645	0.2	0.5	--	0.6	--	26.3	--	-1.9	--	--	--
Berkshire Partners VIII	7,215,471	0.1	1.6	--	14.7	--	14.2	--	--	--	--	--
Patria Brazil IV	4,331,049	0.1	7.9	--	20.6	--	52.1	--	--	--	--	--
DAG V Direct	13,941,265	0.2	13.3	--	48.8	--	66.1	--	--	--	--	--
Oaktree EPF III	34,142,470	0.4	1.9	--	7.4	--	20.4	--	--	--	--	--
Vista Equity Fund IV	48,467,966	0.6	2.1	--	6.7	--	13.6	--	--	--	--	--
Vivo Ventures VII	17,338,298	0.2	5.2	--	21.8	--	35.9	--	--	--	--	--
Trident V Coinv	6,773,965	0.1	1.6	--	16.4	--	35.8	--	--	--	--	--
Little John IV Coinv	8,274,746	0.1	3.0	--	6.6	--	23.9	--	--	--	--	--
Trustbridge Partners IV	28,314,221	0.3	-0.1	--	32.2	--	36.1	--	--	--	--	--
DAG V Coinv	3,995,382	0.0	0.0	--	0.0	--	0.0	--	--	--	--	--
Avalon X	6,969,979	0.1	11.1	--	12.1	--	6.0	--	--	--	--	--
Madrona Ventures V	1,304,127	0.0	0.4	--	-0.5	--	3.9	--	--	--	--	--
Castle Creek V	14,018,400	0.2	1.8	--	3.2	--	--	--	--	--	--	--
KKR Asia Fund II	6,237,503	0.1	0.9	--	-3.3	--	--	--	--	--	--	--
Towerbrook IV	220,599	0.0	0.0	--	0.0	--	--	--	--	--	--	--
DFJ Mercury III	1,023,349	0.0	-12.0	--	-22.5	--	--	--	--	--	--	--

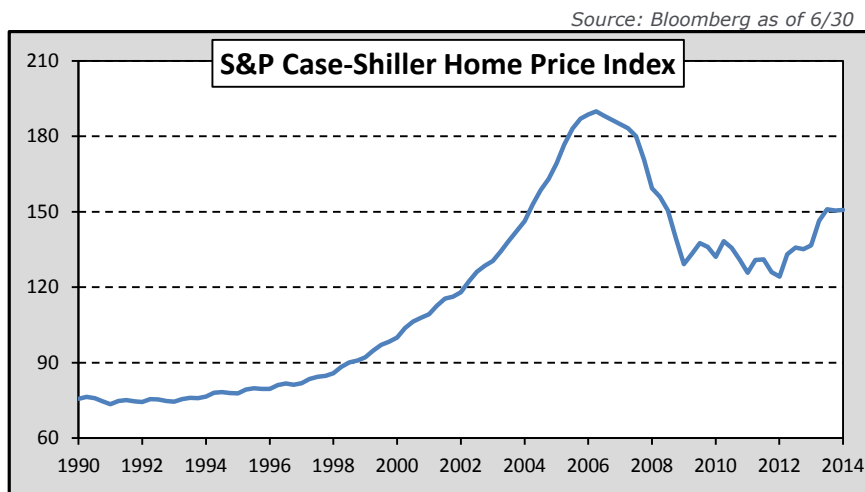
Appendix: Market Environment



US GDP growth estimated at 4.0% in the second quarter

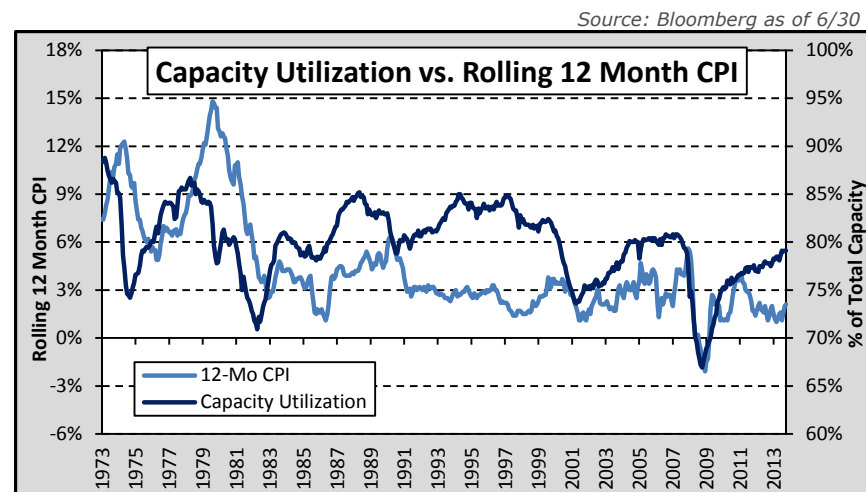


Unemployment fell to 6.1% in June; U-6 fell to 12.1%



The Case-Shiller home price index (as of 3/31) stayed nearly flat at 150.76

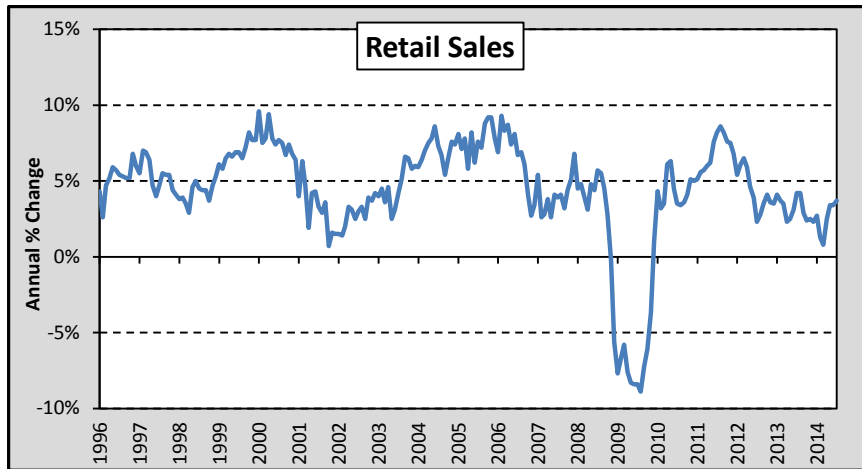
Source: Bloomberg as of 3/31



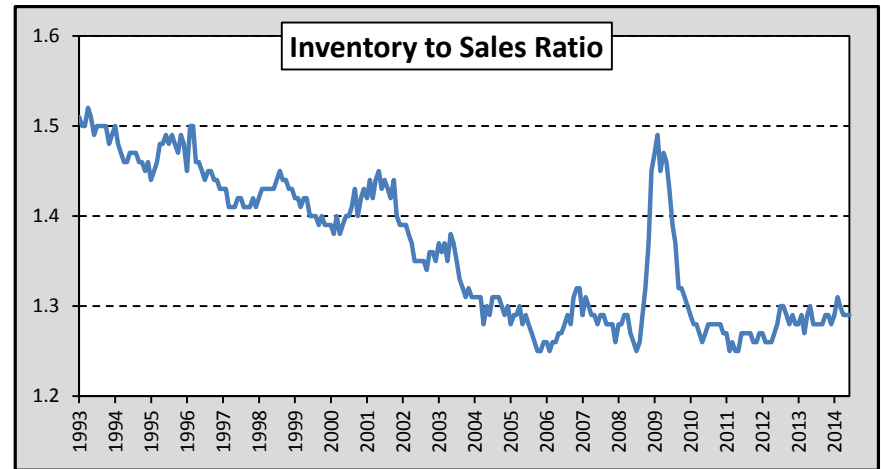
Rolling 12 month CPI rose to 2.1% at May end; capacity utilization rose slightly to 79.1% in the month

Source: Bloomberg as of 5/31

Components of GDP

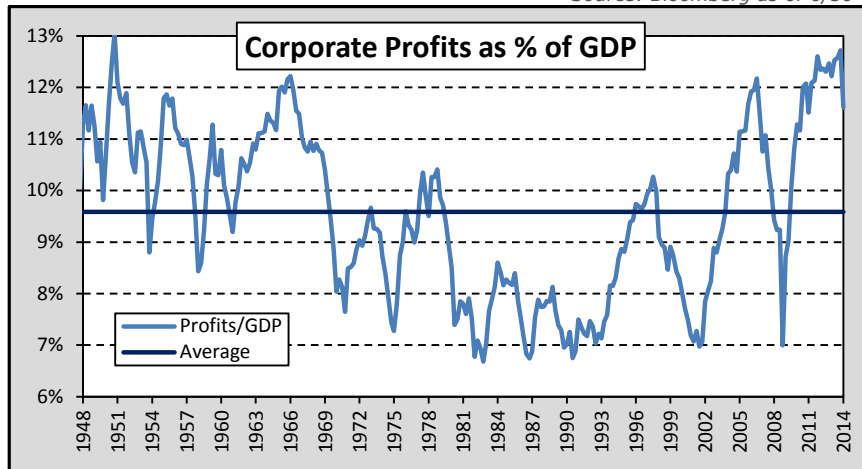


Retail sales rose to a 3.7% year-over-year growth rate in June



The inventory-to-sales ratio has remained mostly flat since early 2010 and closed at 1.29 in May

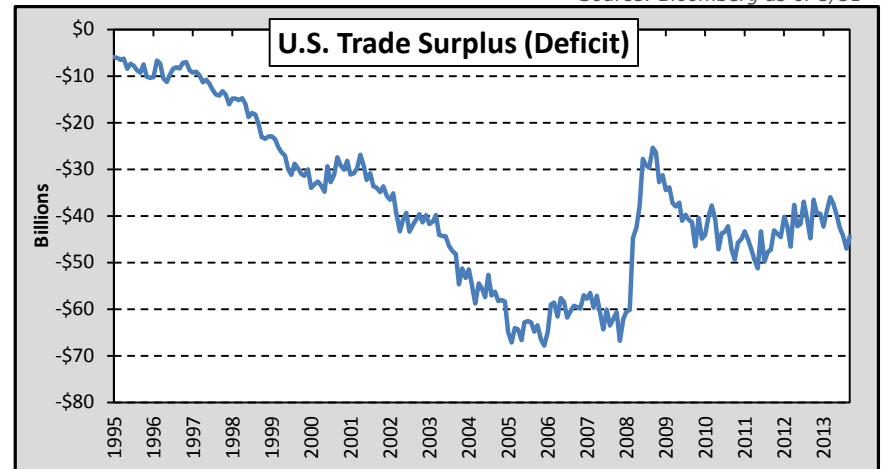
Source: Bloomberg as of 6/30



Corporate Profits as a percent of GDP fell from secular highs to 11.6% at the end of the first quarter but remain elevated relative to history

Source: Bloomberg as of 3/31

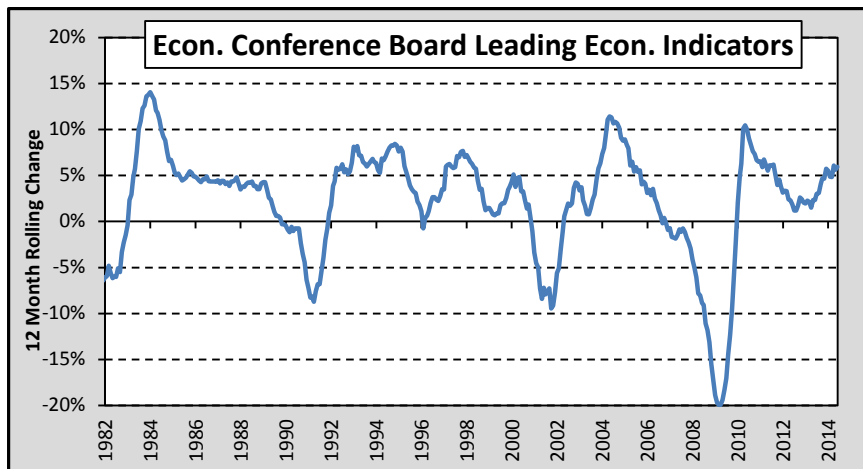
Source: Bloomberg as of 5/31



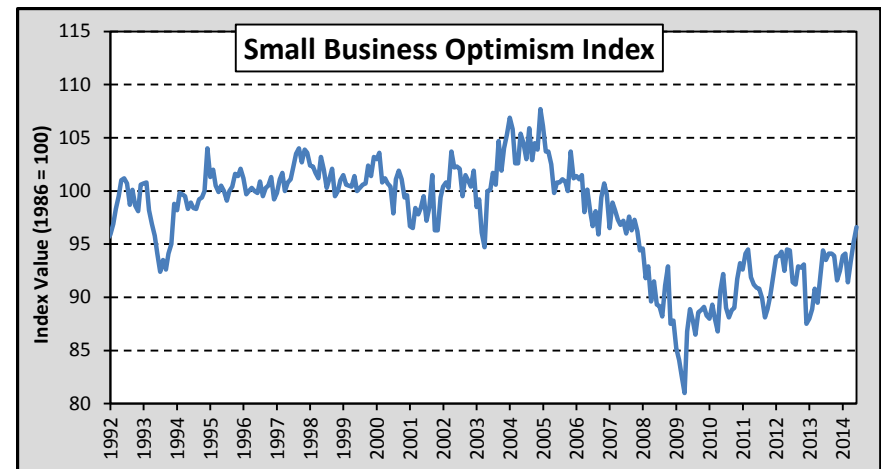
The trade deficit decreased in May

Source: Bloomberg as of 5/31

Key Economic Indicators

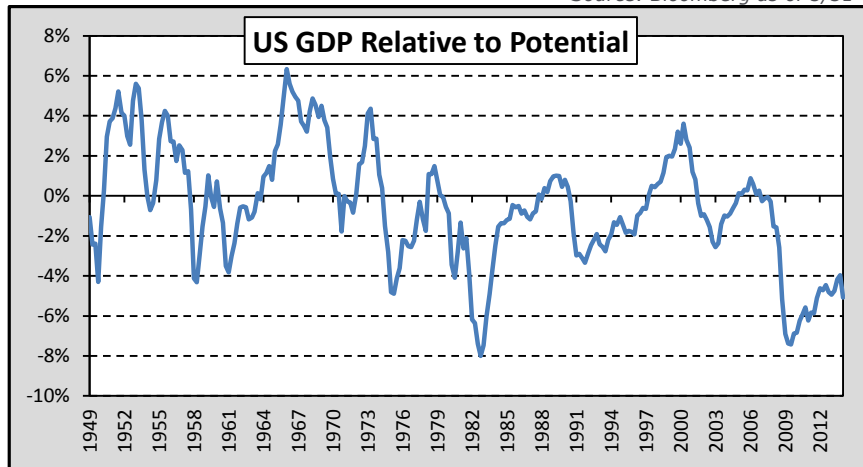


The rolling percentage change in the Leading Economic Indicators index increased to 5.94% through May



The small business optimism index increased to 96.6 through May

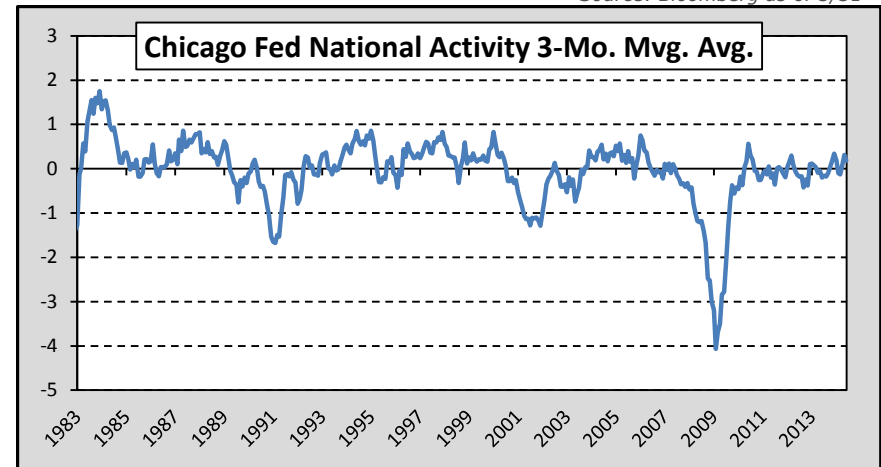
Source: Bloomberg as of 5/31



US GDP relative to potential GDP decreased through the first quarter and remained near historic lows

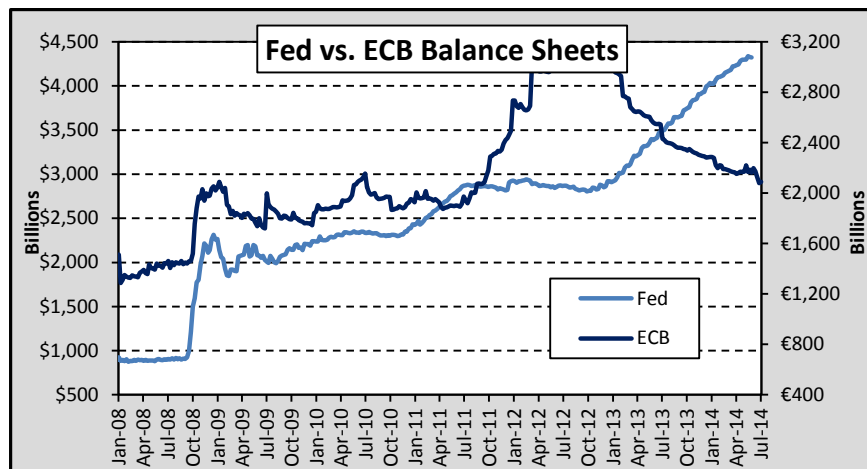
Source: Bureau of Economic Analysis, Congressional Budget Office as of 3/31

Source: Bloomberg as of 5/31



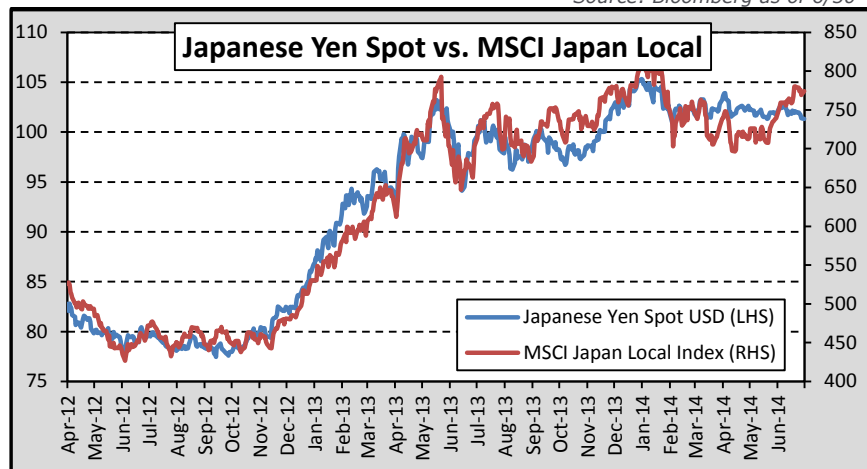
Chicago Fed National Activity 3 Month moving average remained positive through May; indicating above average growth

Source: Bloomberg as of 5/31



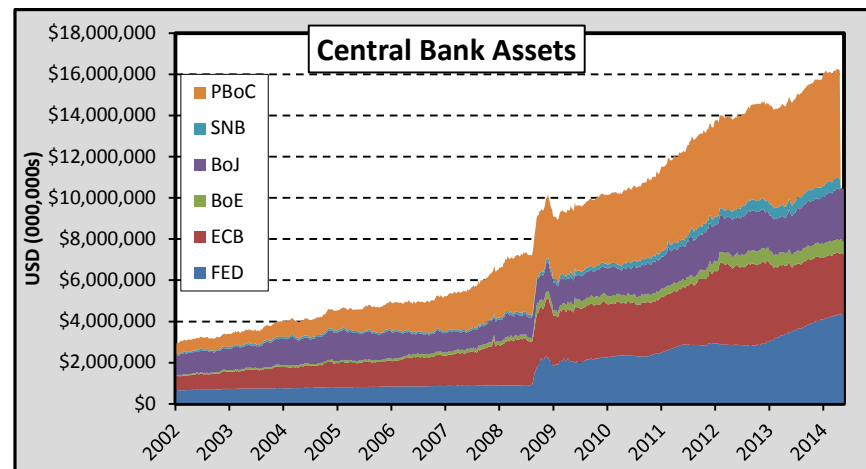
The Federal Reserve Bank balance sheet has increased in 2014 while the European Central Bank balance sheet decreased

Source: Bloomberg as of 6/30



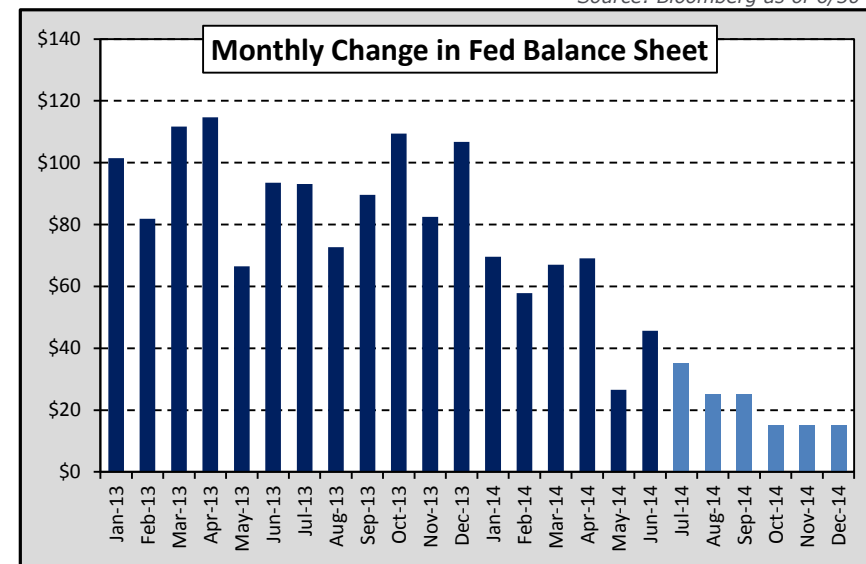
The Japanese Yen has weakened 3.8% relative to the US dollar in 2014; while the MSCI Japan TR Net Local Index returned (3.0)%

Source: Bloomberg as of 6/30



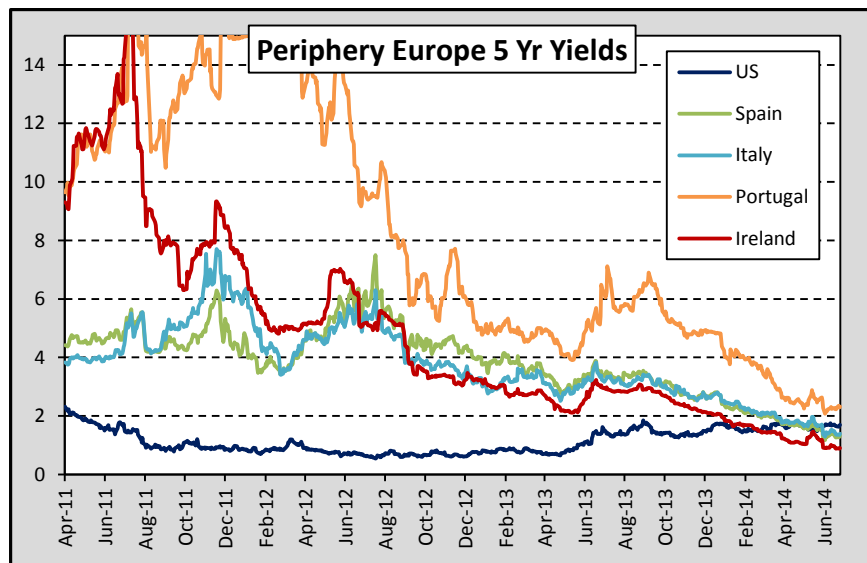
Central bank assets worldwide have risen significantly since 2008

Source: Bloomberg as of 6/30

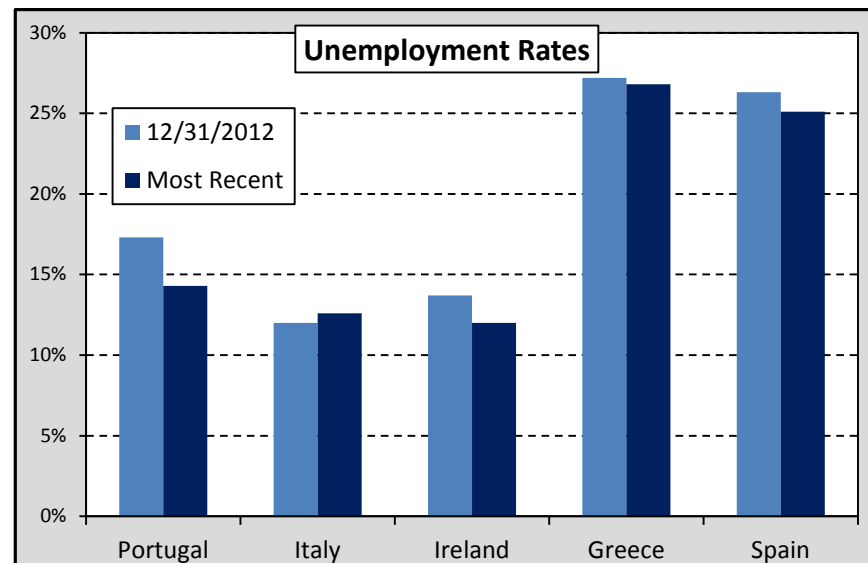


Source: Bloomberg as of 6/25, Values after 6/25 based on market projections

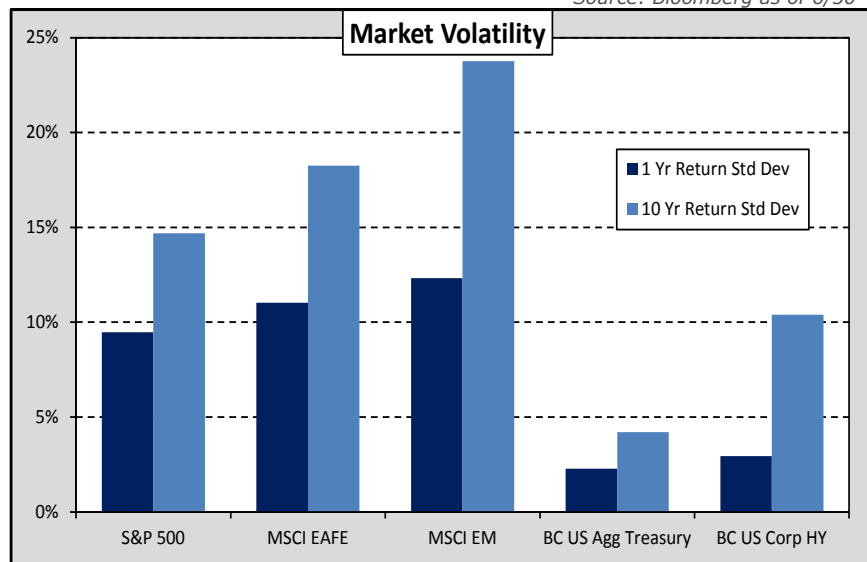
Looming Macro Uncertainties



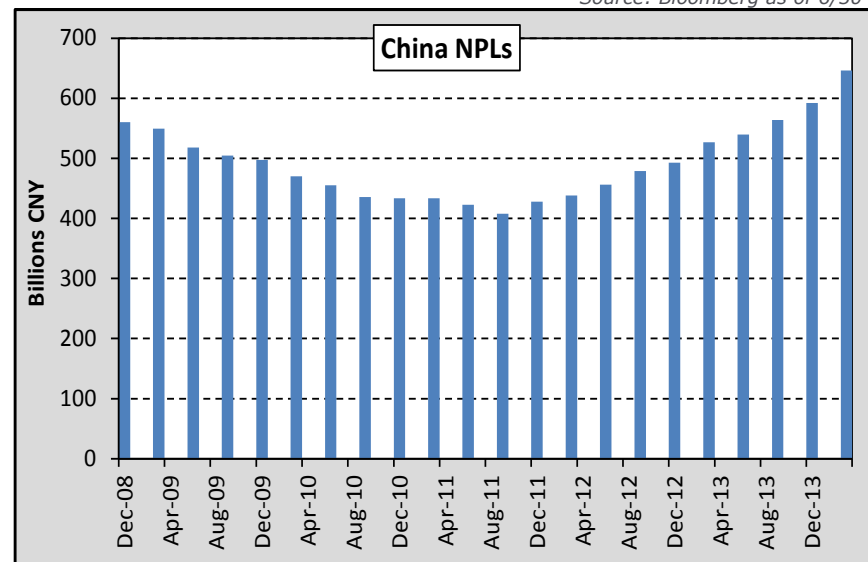
Source: Bloomberg as of 6/30



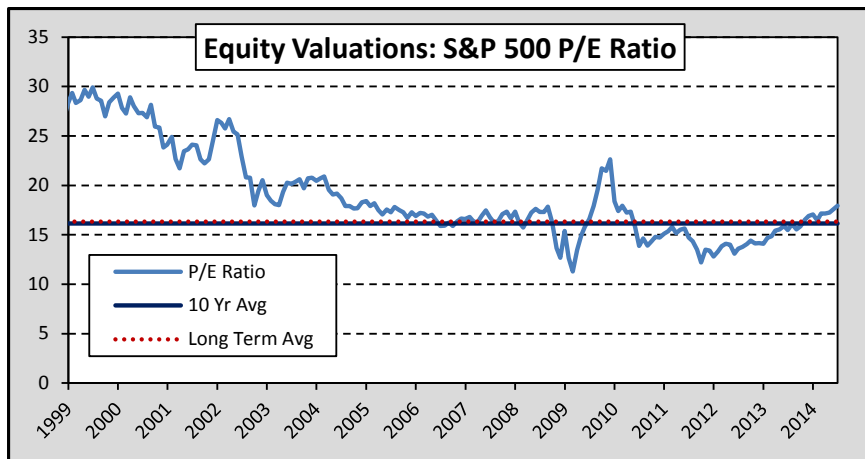
Source: Bloomberg as of 6/30



Source: Morningstar as of 6/30

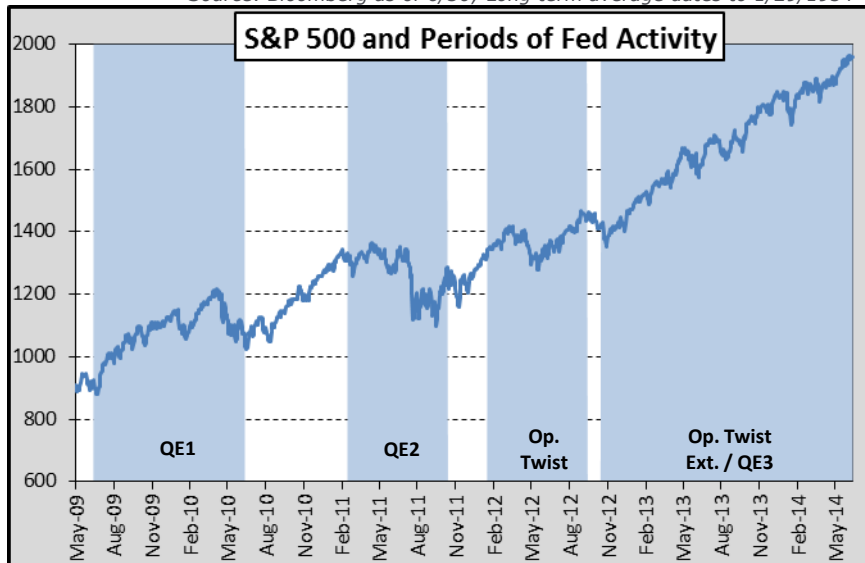


Source: Bloomberg as of 6/30

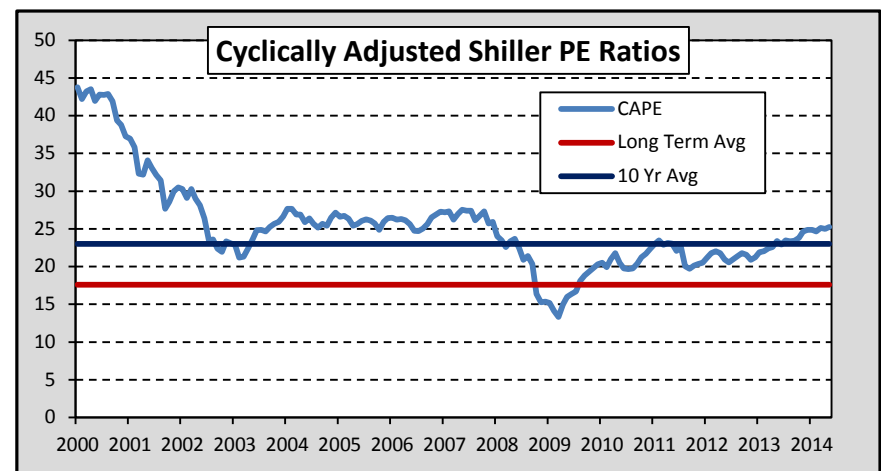


S&P valuations rose in June and remained above the 10 year and long term averages

Source: Bloomberg as of 6/30; Long term average dates to 1/29/1954

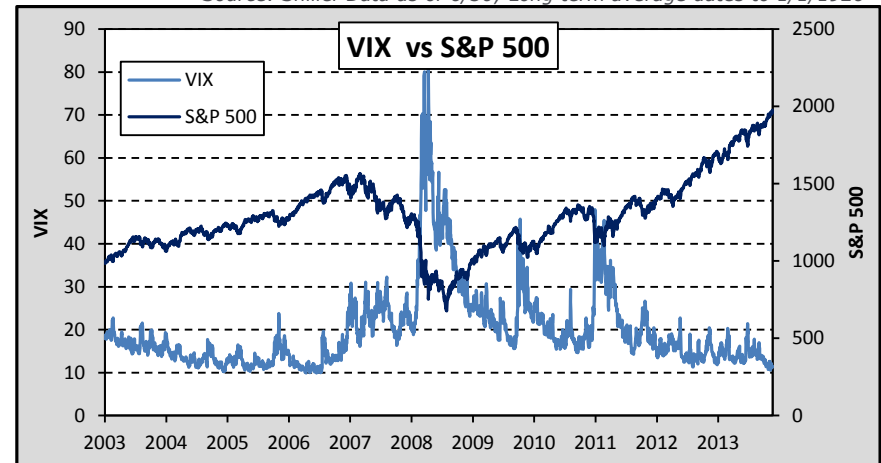


Source: Bloomberg as of 6/30



...The cyclically adjusted Shiller PE Ratio, is above the long term average of 17.59 and slightly above the 10 year average of 23.02

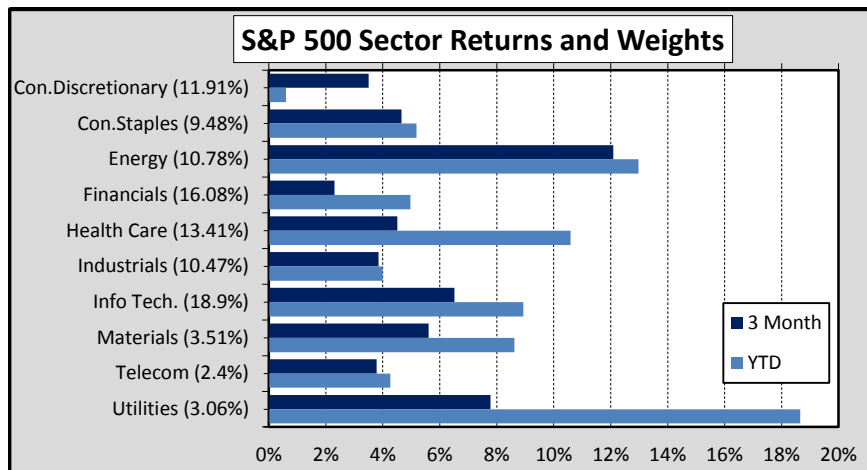
Source: Shiller Data as of 6/30; Long term average dates to 1/1/1926



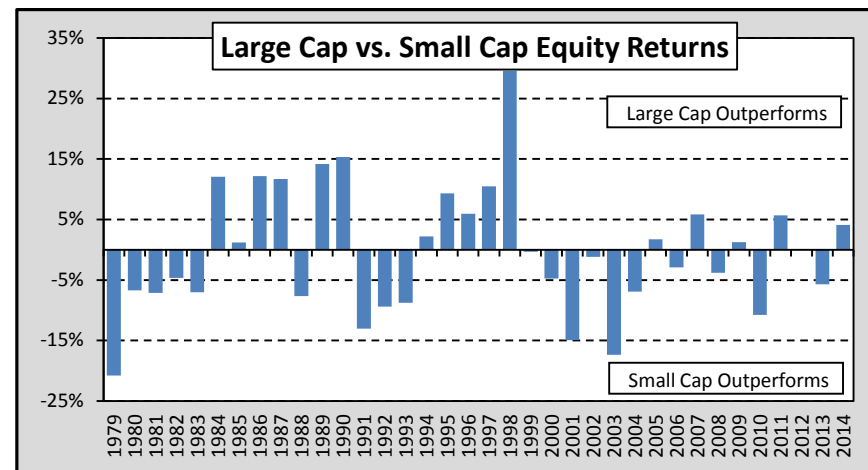
The VIX remained near historically low levels in June; the S&P 500 rose 2.1% on the month

Source: Bloomberg as of 6/30

US Stock Market Performance

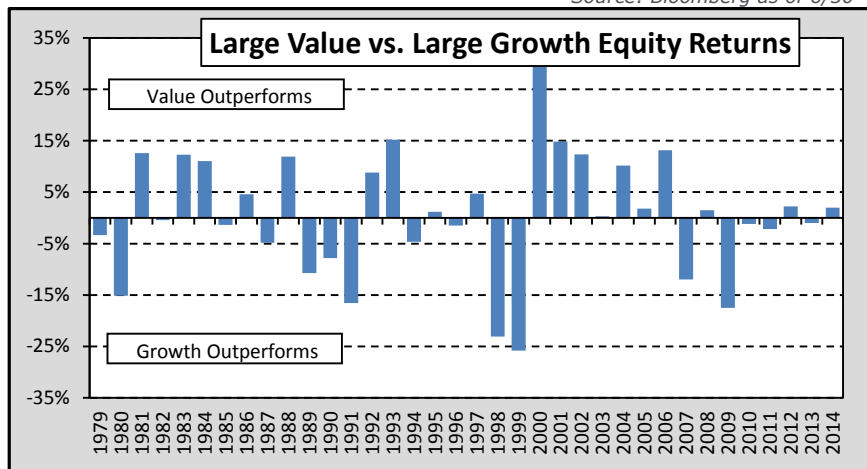


All sectors are positive to start 2014 with utilities and energy providing the highest returns



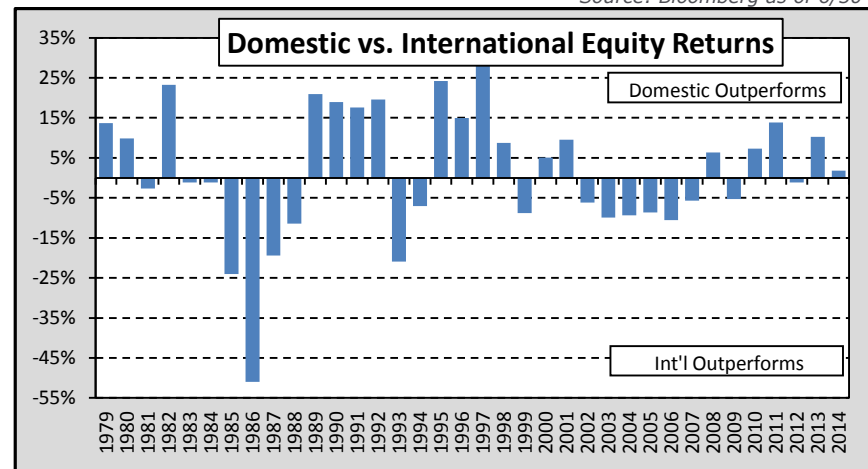
Large cap has outperformed small cap in 2014

Source: Bloomberg as of 6/30



Large value stocks have outperformed large growth in 2014

Source: Bloomberg as of 6/30



Domestic equity has marginally outperformed international equity in 2014

Source: Bloomberg as of 6/30

Source: Bloomberg as of 6/30

Non-US Stock Performance

Developed Market Equity Returns (U.S. Dollars)

	YTD	3-Mo	1 Yr.	3 Yr. Ann.
Europe ex UK	3.6%	0.5%	27.8%	4.9%
United Kingdom	3.1%	5.0%	22.1%	6.4%
Japan	-0.3%	6.5%	7.9%	5.4%
Pacific Ex Japan	5.2%	3.2%	14.2%	2.0%
Canada	10.4%	9.3%	23.6%	0.8%
USA	6.1%	4.7%	22.4%	14.1%

US Dollar Return vs. Major Foreign Currencies

(Negative = Dollar Depreciates, Positive = Dollar Appreciates)

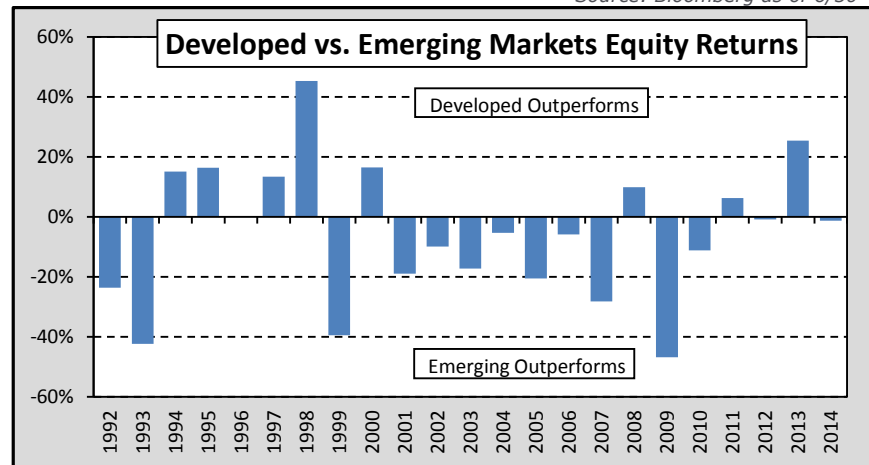
	YTD	3-Mo	1 Yr.	3 Yr. Ann.
Euro	0.4%	0.6%	-5.2%	1.9%
Japanese Yen	-3.9%	-1.9%	2.2%	7.4%
British Pound	-3.3%	-2.7%	-12.5%	-2.1%
Canada	0.4%	-3.5%	1.4%	3.3%
Australia	-5.8%	-1.8%	-3.2%	4.2%

Currency Impact on Developed Mkt. Returns

(Negative = Currency Hurt, Positive = Currency Helped)

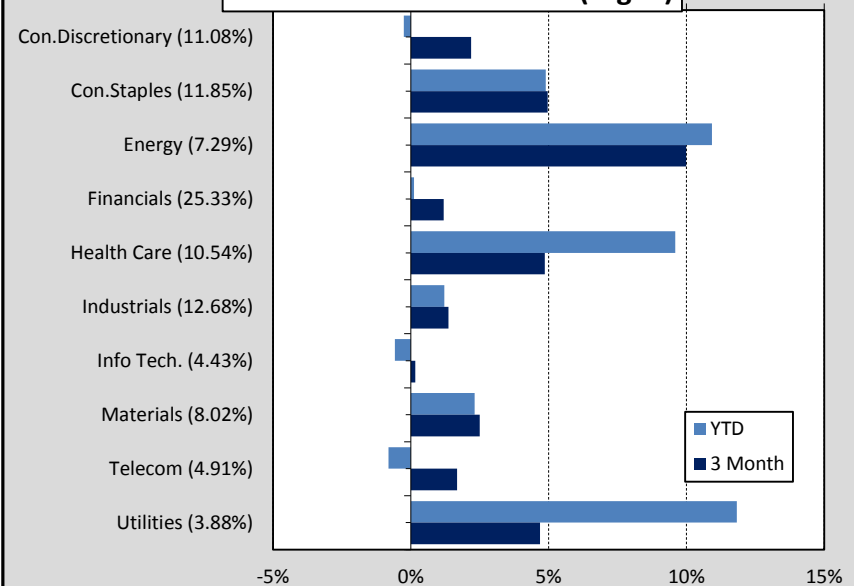
	YTD	3-Mo	1 Yr.	3 Yr. Ann.
MSCI EAFE (Local)	3.1%	3.4%	17.9%	10.4%
MSCI EAFE (USD)	4.8%	4.1%	23.6%	8.1%
Currency Impact	1.7%	0.7%	5.7%	-2.3%

Source: Bloomberg as of 6/30



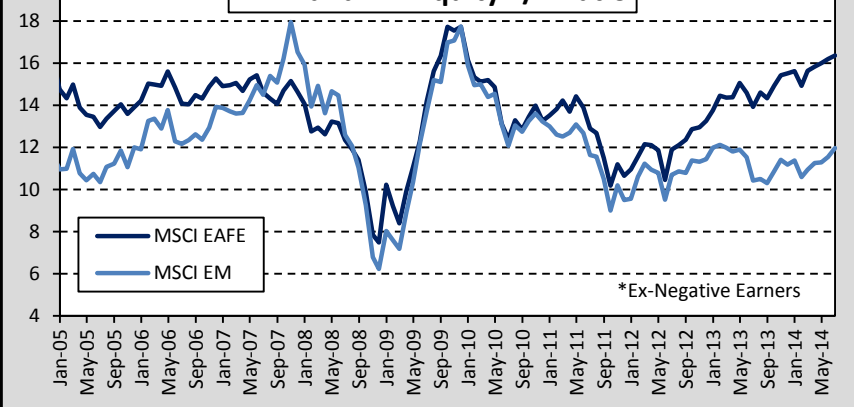
Source: Bloomberg as of 6/30

MSCI EAFE Sector Returns (Wgts.)



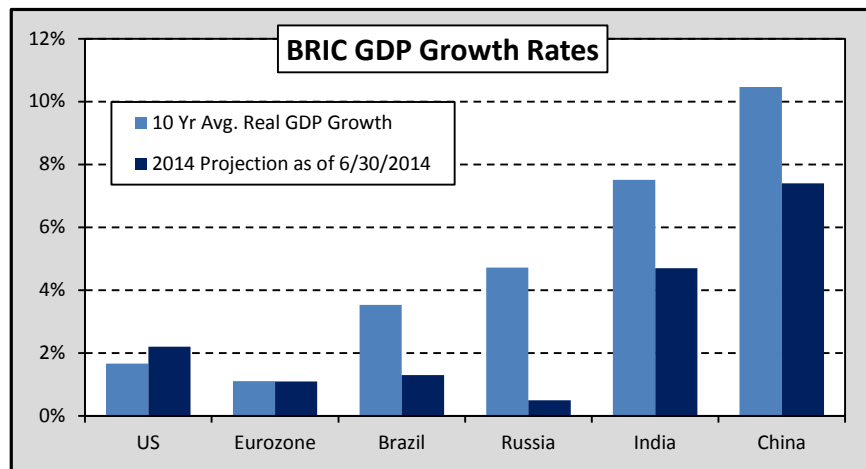
Source: Bloomberg as of 6/30

EAFE and EM Equity P/E Ratio

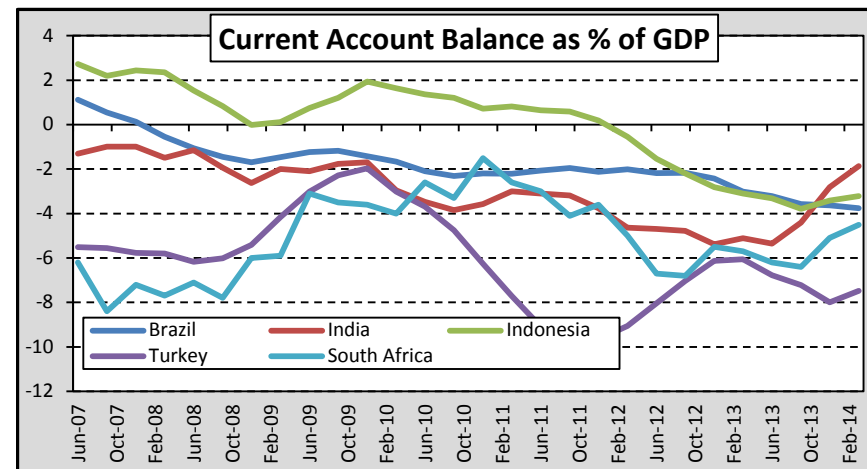


Source: Bloomberg as of 6/30

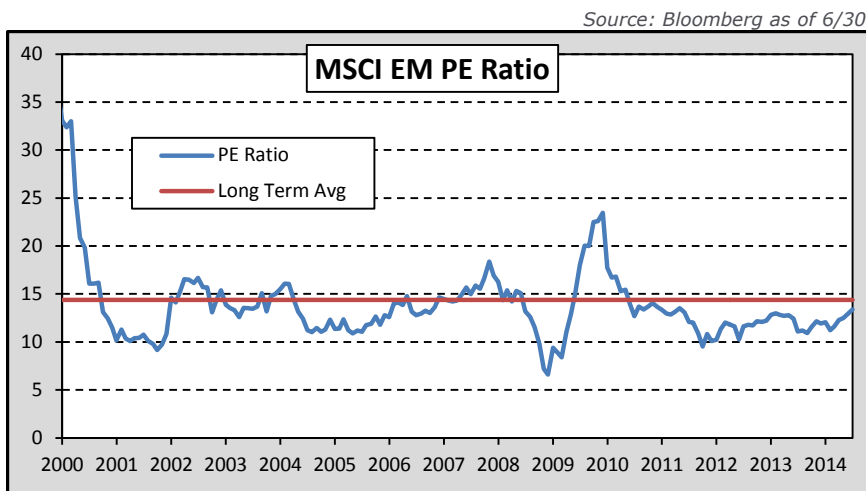
Market Environment – Emerging Markets



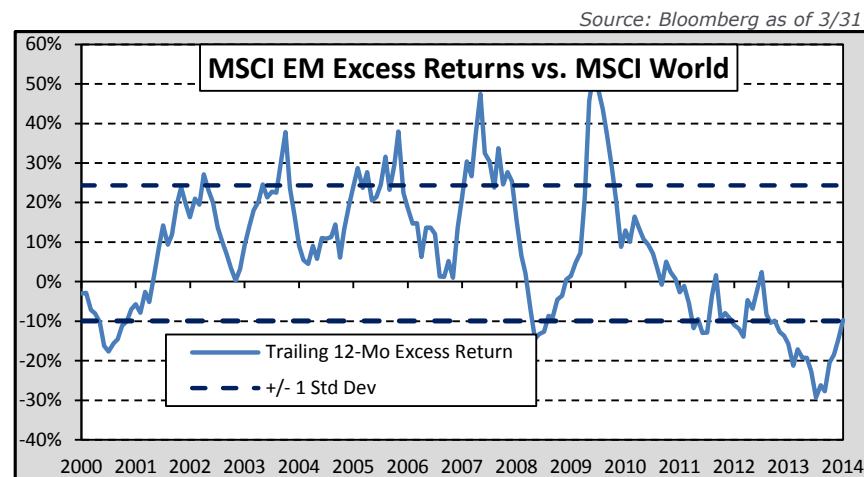
Projected GDP growth rates have continued to decline in emerging market countries



Balance of payment challenged countries have shown signs of improvement



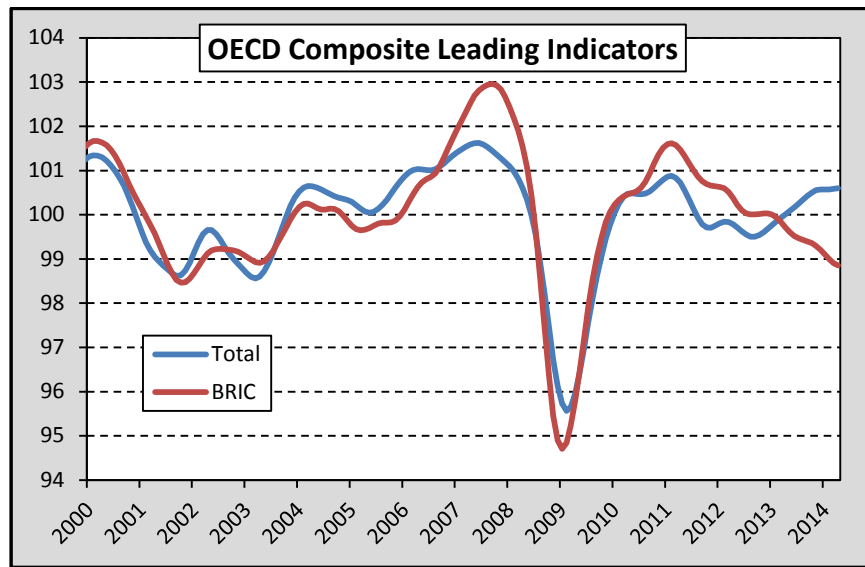
The MSCI EM PE Ratio remains below its long term average



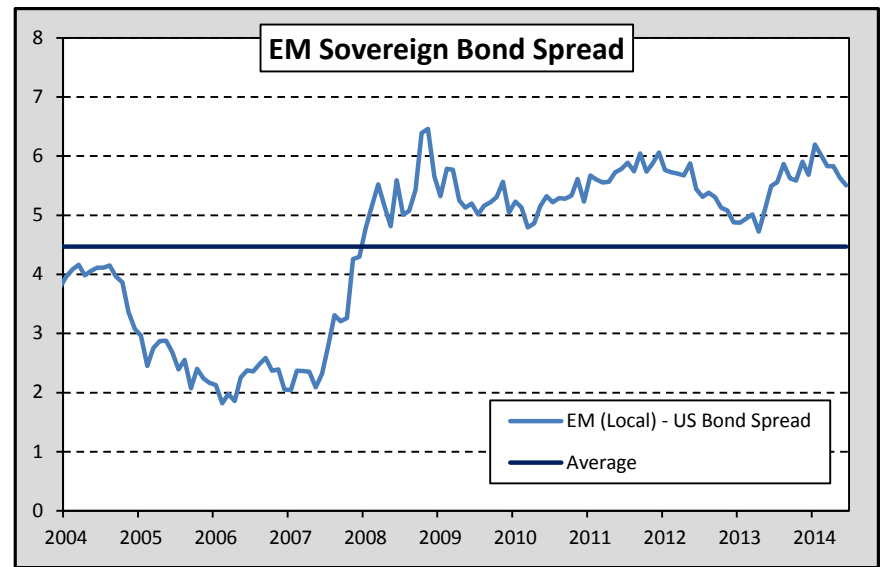
MSCI EM Rolling 12-Month excess returns relative to MSCI World are at below the lower bound of the historical range

Source: Bloomberg as of 6/30

Source: Bloomberg as of 6/30



Source: Bloomberg as of 5/31



Source: Bloomberg as of 6/30

Emerging Markets Valuation

	MSCI EM	MSCI EM Small Cap
PE Ratio	13.33	12.86
PE Historical Avg	14.39	14.33
PB Ratio	1.55	1.37
Historical Avg	1.53	1.28
PS Ratio	1.07	0.80
Historical Avg	1.11	0.71

- MSCI EM PE and PS and MSCI EM Small Cap PE Ratios are below historical averages
- MSCI EM Small Cap PB and PS ratios are above historical averages

Source: Bloomberg as of 6/30

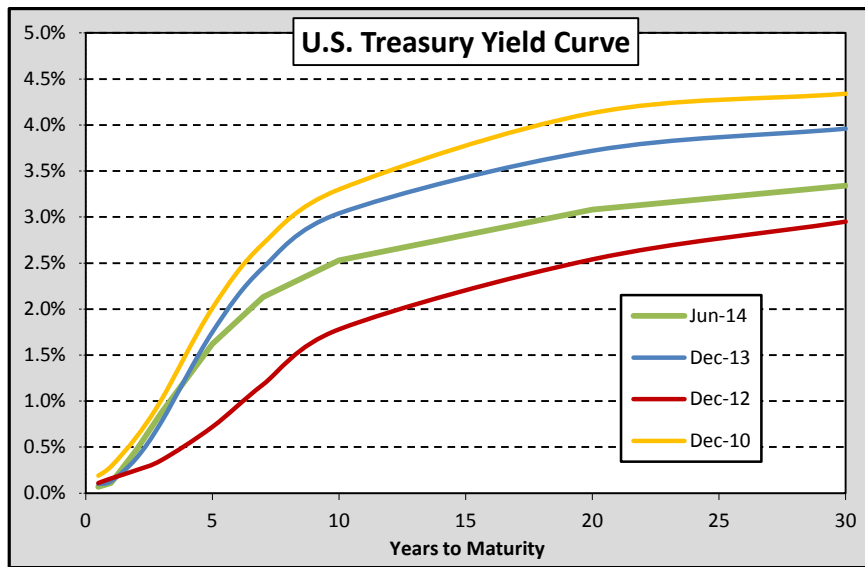
US Dollar Return vs. Major EM Currencies

(Negative = Dollar Depreciates, Positive = Dollar Appreciates)

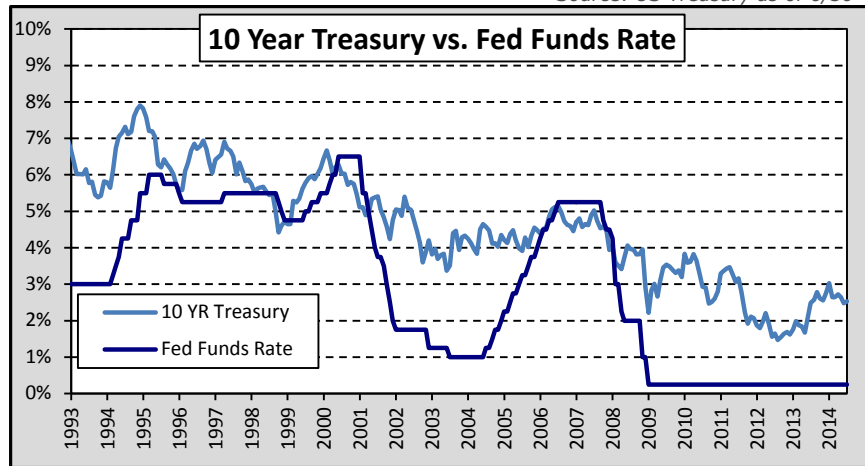
	YTD	3-Mo	1 Yr.	3 Yr. Ann.
Brazilian Real	-6.8%	-2.6%	-0.8%	10.9%
Russian Ruble	3.2%	-3.2%	3.4%	6.4%
Indian Rupee	-3.0%	0.3%	0.6%	9.4%
Chinese Renminbi	2.4%	-0.2%	1.1%	-1.4%
Singapore Dollar	-0.4%	-0.2%	-0.9%	-0.9%
Hungarian Forint	4.3%	1.3%	-0.2%	6.7%
Turkish Lira	-1.4%	-1.1%	9.0%	8.5%
Mexican Peso	-0.5%	-0.7%	0.2%	3.3%
So. African Rand	1.2%	1.0%	7.1%	14.0%
So. Korean Won	-4.0%	-5.2%	-12.9%	-1.8%

Source: Bloomberg as of 6/30

Market Environment – Interest Rates

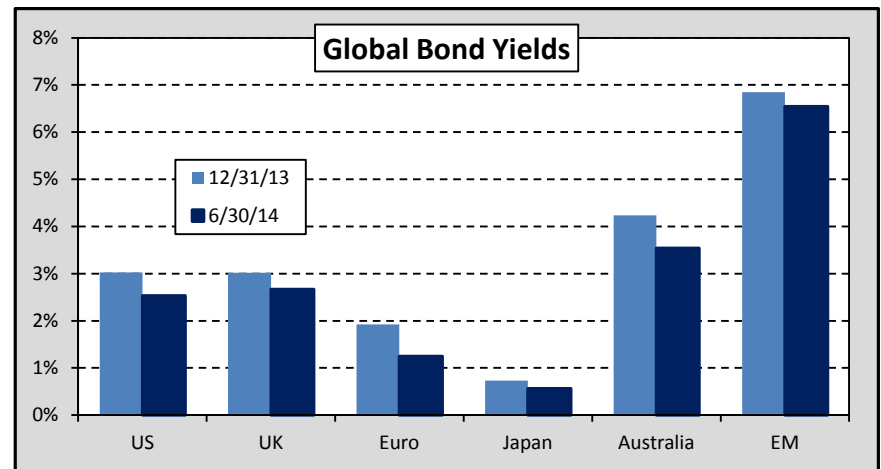


Source: US Treasury as of 6/30



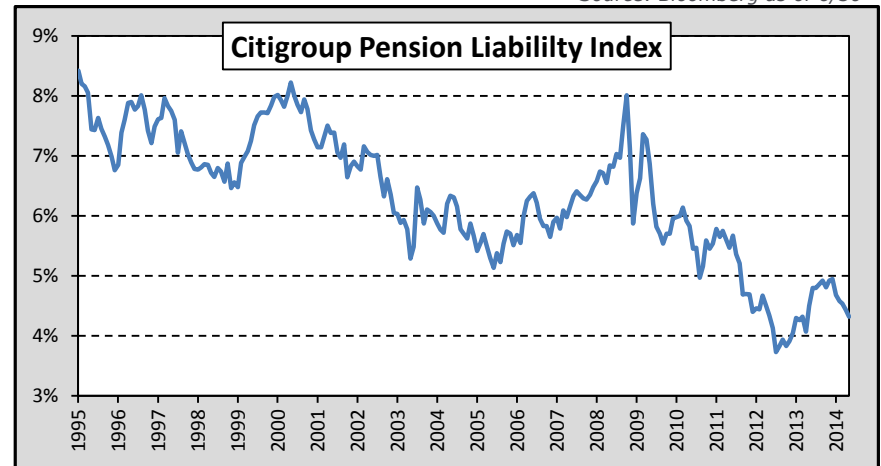
Fed Funds rate remained at 0.25% while the 10 Yr. Treasury Yield finished June at 2.53%

Source: Bloomberg as of 6/30



Bond yields across the globe have mostly declined in 2014

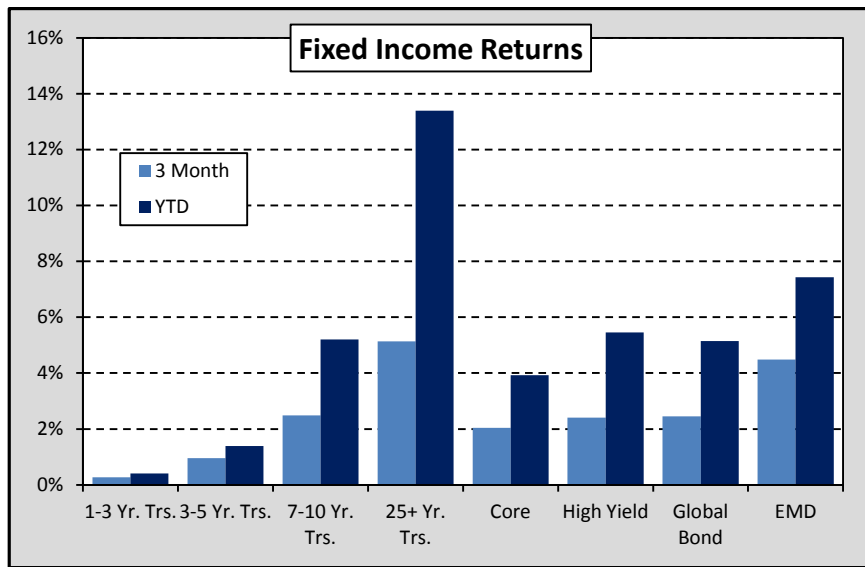
Source: Bloomberg as of 6/30



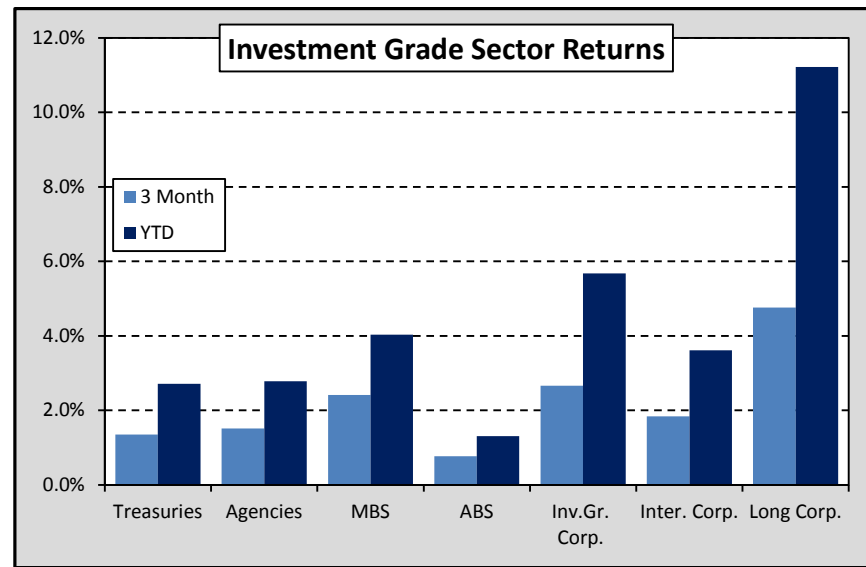
The Citi Pension discount rate fell to 4.32% through May

Source: Citigroup as of 5/31

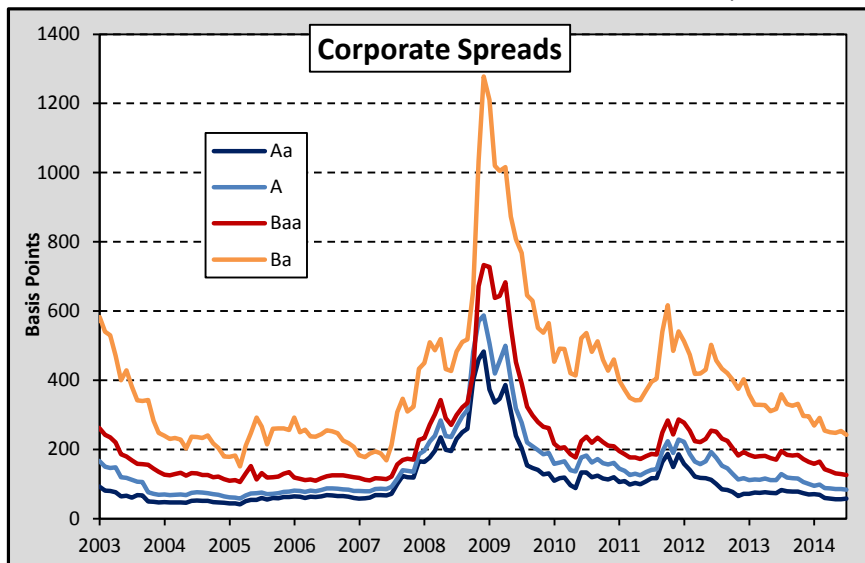
Fixed Income Performance



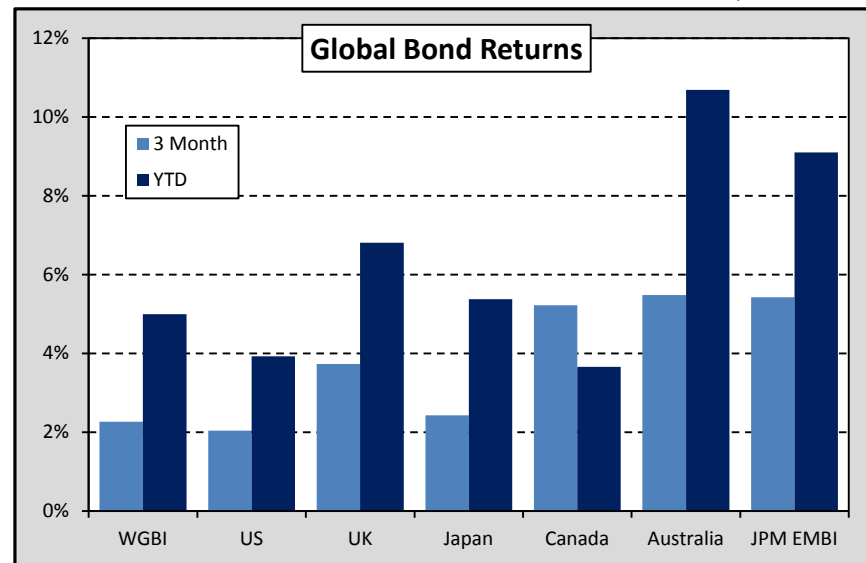
Source: Barclays as of 6/30



Source: Barclays as of 6/30

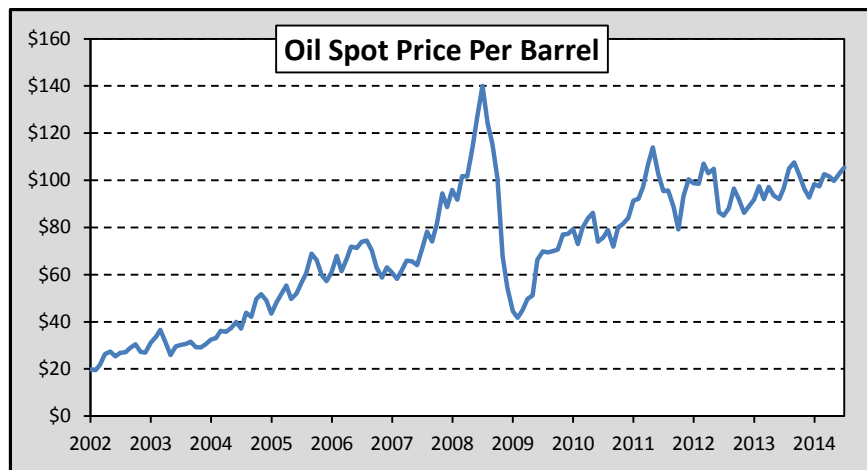


Source: Barclays as of 6/30

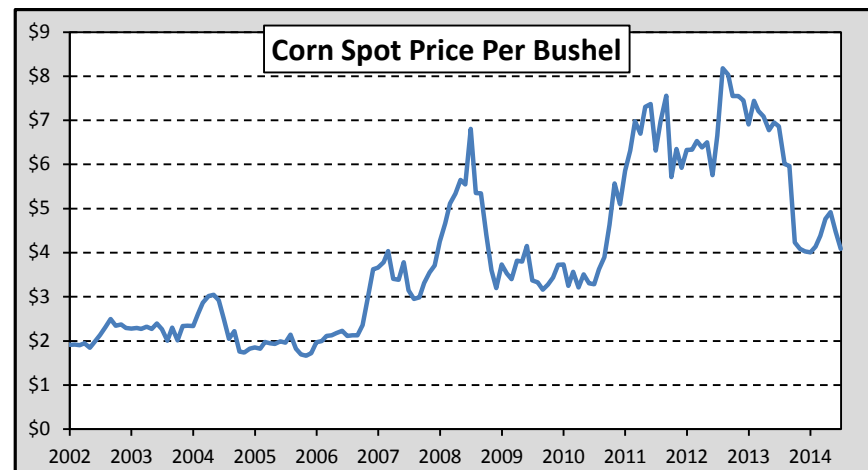


Source: Barclays, Bloomberg as of 6/30

Market Environment – Commodities

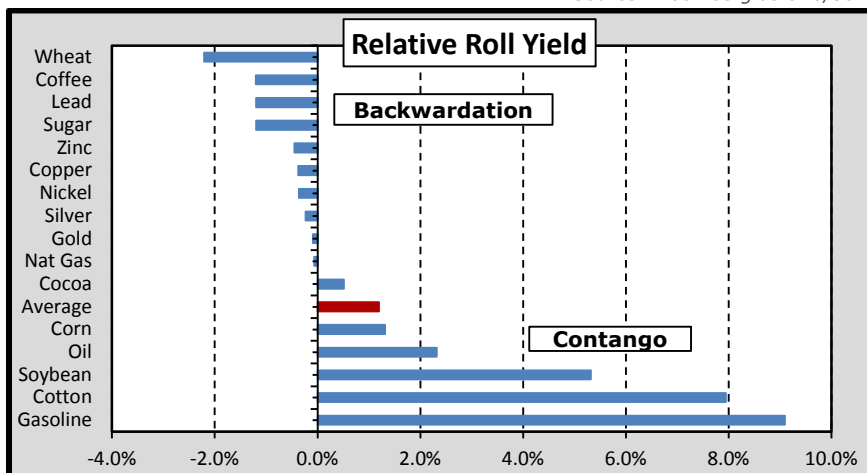


Oil prices finished June up at \$105.37 per barrel



Corn prices finished June down at \$4.09 per bushel

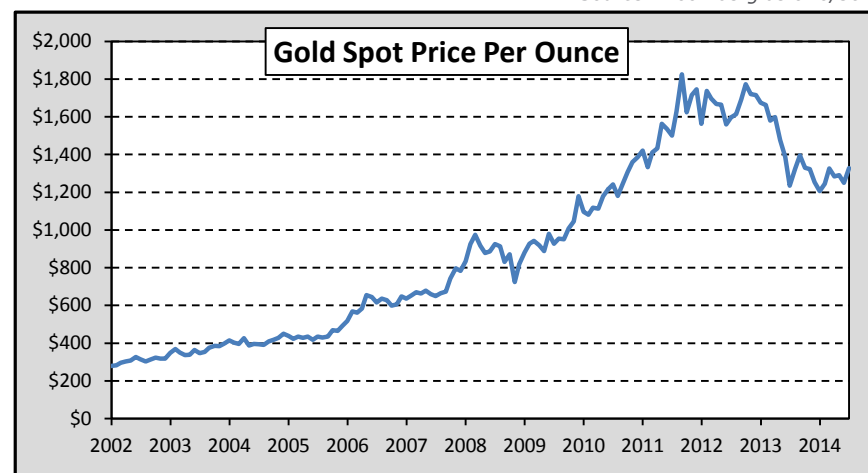
Source: Bloomberg as of 6/30



Many commodity futures' prices are contangoed, meaning a lower forward price is expected relative to the current spot

Source: Bloomberg as of 6/30

Source: Bloomberg as of 6/30



Gold prices finished June up at \$1327.32 per ounce

Source: Bloomberg as of 6/30

Reporting Methodology

- The client's custodian bank is NEPC's preferred data source unless otherwise directed. NEPC reconciles custodian data to manager data. If the custodian cannot provide accurate data, manager data may be used.
- Trailing time period returns are determined by geometrically linking the holding period returns, from the first full month after inception to the report date. Rates of Return are annualized when the time period is longer than a year. Performance is presented gross and/or net of fees as indicated on each page.
- For managers funded in the middle of a month, the "since inception" return will start with the first full month, although actual inception dates and cash flows are taken into account in all Composite calculations.
- This report may contain forward-looking statements that are based on NEPC's estimates, opinions and beliefs, but NEPC cannot guarantee that any plan will achieve its targeted return or meet other goals.

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