

**June 2014 - ACERA Asset Allocation**

| <b>ACERA PORTFOLIO ASSET ALLOCATION &amp; PERFORMANCE</b> |                |                     |                       |                              |
|---|----------------|---------------------|-----------------------|------------------------------|
| <b>ASSET CLASS</b>  | <b>QUARTER</b> | <b>MARKET VALUE</b> | <b>% OF PORTFOLIO</b> | <b>QUARTERLY PERFORMANCE</b> |
| <b>DOMESTIC EQUITY</b>                                    | Sep-13         | \$ 2,298,302,679    | 36.5%                 | 7.8%                         |
|   | Dec-13         | \$ 2,424,608,620    | 36.5%                 | 10.0%                        |
|   | Mar-14         | \$ 2,351,158,599    | 34.9%                 | 1.3%                         |
|   | Jun-14         | \$ 2,425,419,134    | 35.0%                 | 3.2%                         |
| <b>INTERNATIONAL EQUITY</b>                               | Sep-13         | \$ 1,953,396,521    | 31.0%                 | 9.5%                         |
|   | Dec-13         | \$ 2,062,593,184    | 31.1%                 | 5.7%                         |
|   | Mar-14         | \$ 2,054,146,063    | 30.5%                 | 0.9%                         |
|   | Jun-14         | \$ 2,081,776,927    | 30.1%                 | 4.2%                         |
| <b>FIXED INCOME</b>                                       | Sep-13         | \$ 996,792,689      | 15.8%                 | 0.8%                         |
|   | Dec-13         | \$ 1,017,608,129    | 15.3%                 | 0.8%                         |
|   | Mar-14         | \$ 1,096,624,537    | 16.3%                 | 3.0%                         |
|   | Jun-14         | \$ 1,112,821,120    | 16.1%                 | 3.4%                         |
| <b>REAL ESTATE</b>  | Sep-13         | \$ 357,991,400      | 5.7%                  | 2.9%                         |
|   | Dec-13         | \$ 427,749,208      | 6.4%                  | 3.4%                         |
|   | Mar-14         | \$ 414,264,095      | 6.2%                  | 1.5%                         |
|   | Jun-14         | \$ 391,892,265      | 5.7%                  | 2.4%                         |
| <b>CASH</b>   | Sep-13         | \$ 14,014,645       | 0.2%                  | 0.0%                         |
|   | Dec-13         | \$ 7,011,467        | 0.1%                  | 0.0%                         |
|   | Mar-14         | \$ 19,579,884       | 0.3%                  | 0.0%                         |
|   | Jun-14         | \$ 42,173,857       | 0.6%                  | 0.0%                         |
| <b>PRIVATE EQUITY &amp; ALTERNATIVES</b>                  | Sep-13         | \$ 423,619,955      | 6.7%                  | 1.8%                         |
|   | Dec-13         | \$ 441,106,880      | 6.6%                  | 4.5%                         |
|   | Mar-14         | \$ 457,972,267      | 6.8%                  | 3.8%                         |
|   | Jun-14         | \$ 514,549,015      | 7.4%                  | 3.6%                         |
| <b>REAL RETURN POOL COMPOSITE</b>                         | Sep-13         | \$ 258,217,411      | 4.1%                  | 1.6%                         |
|   | Dec-13         | \$ 256,045,989      | 3.9%                  | -0.7%                        |
|   | Mar-14         | \$ 336,964,750      | 5.0%                  | 1.5%                         |
|   | Jun-14         | \$ 353,104,082      | 5.1%                  | 4.9%                         |
| <b>TOTAL ASSETS</b>                                       |                |                     |                       |                              |
|   | Sep-13         | \$ 6,302,335,300    | 100.0%                | 6.2%                         |
|   | Dec-13         | \$ 6,636,723,477    | 100.0%                | 6.0%                         |
|   | Mar-14         | \$ 6,730,710,195    | 100.0%                | 1.8%                         |
|   | Jun-14         | \$ 6,921,736,400    | 100.0%                | 3.6%                         |

\* Data Source: Strategic Investment Solutions, Inc.

Prepared by Investment Staff