StanCERA

Monthly Investment Performance Summary

Provided by
Strategic Investment Solutions Inc.

January 2009

Investment Results Compiled by StanCERA Staff
Market Commentary by Strategic Investment Solutions, Inc.

U.S. EQUITY

The economy declined at its fastest pace in nearly 27 years in the fourth quarter. Gross Domestic Product, which measures total goods and services output within the U.S. dropped at a 3.8% annual rate, the lowest pace since the fourth quarter of 1982. Analysts polled by Reuters had forecast GDP contracting 5.4%. GDP fell 0.5% in the third quarter marking the first consecutive quarterly declines in GDP since the fourth quarter of 1990 and the first quarter of 1991. The advance fourth quarter report from the Commerce Dept. showed consumer spending fell 3.5% after declining 3.8% in the third quarter.

The U.S. lost more jobs in 2008 than in any year since 1945 resulting in 2.6 million lost jobs for the year, with over 1 million jobs lost in November and December alone. The nation's unemployment rate rose to 7.2% in December, the highest level in 16 years. Job layoffs in January appeared to have accelerated from December. The Labor Dept. reported on January 29th that the number of Americans receiving unemployment benefits (4.78 million) has reached an all-time record. The figures don't include those that have exhausted their benefits or are now working part-time or aren't actively seeking work. The recent Blue Chip Economic forecasts unemployment rising to 8.0% in 2009 and Real GDP growth of -1.6%.

U.S. stocks suffered their worst January ever as measured by the Dow Jones Industrial Average and S&P 500 Index. January performance traditionally serves as a harbinger for stocks for the rest of the year. In the month of January, growth clearly outperformed value and large caps outperformed small caps. The Russell 1000 Growth Index was down -4.8% for the month of January, while the Russell 1000 Value Index was down -11.5%. In the small cap class, the Russell 2000 Growth Index was down -7.6% and the Russell 2000 Value Index was down -14.3%. The S&P 500 Index ended the month down -8.4% with a trailing 12-month P/E ratio of 15.7 (estimated P/E ratio of 11.9 on forward looking twelve-month operating earnings) and a dividend yield of 3.4%.

Volatile markets have saddled U.S. companies with a $409 billion deficit on pension plans as of December 31st, reversing a $60 billion surplus a year earlier.

Corporate merger activity highlights for the month included: Swiss drug maker Roche is reportedly preparing a $44 billion offer for biotech company Genentech; Abbott Labs will acquire Advanced Medical Optics for about $2.8 billion; German utility RWE will buy Essent, a Dutch power generator, for about $12.4 billion; Citigroup may book a gain of as much as $10 billion by selling control of Smith Barney to Morgan Stanley; Pfizer will buy rival Wyeth for $68 billion; and, Astellas, the 2nd largest Japanese drug maker by sales, made an unsolicited $1 billion cash bid for CV Therapeutics.

Private equity deals soared from 2005 to 2007 when financing was cheap but has now fallen to lows not seen since the 1990's. Nearly one year after private equity funds bought U.S. chemical company Lyondell for $19 billion, the company is filing for bankruptcy. The deal was financed with $13 billion of new debt. The major piece was a $8 billion bridge loan with a coupon of 9.5%. This might be a good example of how much excess fueled the LBO and Private Equity markets in the 2005 to 2007 period and might be a precursor for additional LBO deals to go bust in 2009.

FIXED INCOME

Democratic leaders in the U.S. House of Representatives unveiled an $825 billon economic stimulus package with about $150 billion of it for infrastructure, $275 billion for tax cuts, and the rest of it essentially pork barrel. Every Republican and 11 Democrats voted against it. George Soros mentioned in an interview with CNBC that half the TARP's $800 billion bailout was wasted. 61% of those questioned in a CNN/Opinion Research survey oppose providing more government money in the financial bailout.

The Federal Reserve, acknowledging the economy has continued to deteriorate, signaled on January 28, 2009 that it will keep using unconventional tools to cushion the fallout, including keeping a key interest rate at a record low for quite "some time." Specifically, the Fed said it is "prepared" to buy longer-term Treasury securities, presumably new issues to fund the huge budget deficits part and parcel with stimulus, if the circumstances warrant such action. At its December meeting, the Fed agreed to keep the targeted rate for the federal funds rate between zero and 0.25%. Economists predict the Fed will leave rates at that range through the rest of this year.

Long-term interest rates rose sharply in the month of January. The bellwether 10-year Treasury note ended the month at 2.84% up from 2.25% at the close of December. At month-end, the 30-year long bond yield was 3.60% and the 3-month T-bill was at 0.22%. The Barclays Capital US Aggregate Index was down by
-0.88% in January. The Merrill Lynch High Yield Master II index was the strongest sector for the second month in a row, up by +5.3% in the month of January. High-yield bonds provided their worst returns on record in 2008.

On the economic front, the following key data was released in January:

*The Commerce Dept. reported that construction spending dropped by 0.6% in November.

*GM's U.S. vehicle sales plunged 31% to a 49-year low in December while Ford's declined 32%. Industry analysts forecast U.S. auto sales to drop about 13% in 2009.

*The Commerce Dept. reported that factory orders fell 4.6% in November, nearly double the 2.5% drop economists expected and the 4th consecutive decline.

*Congressional forecasters said the budget deficit will swell to a record $1.19 trillion in fiscal 2009 and likely fall to $700 billion in fiscal year 2010.

*Consumer borrowing dropped at an annual rate of $7.9 billion in November, the biggest decline in 65 years of record keeping.

*The Commerce Dept. reported that wholesale inventories dropped 0.6%.

*The U.S. trade deficit shrank 28.7% in November, the biggest contraction in 12 years, as weak consumer demand and plummeting oil prices caused a record drop in imports.

*The Commerce Dept. reported that total retail sales fell 2.8% in December following a revised 2.1% drop in November.

*The Labor Dept. reported that the U.S. producer price index declined 1.9% in December, driven by a massive 9.3% drop in energy prices and by a 1.5% decline in food prices.

*The Bureau of Labor Statistics reported that the consumer price index fell 0.7% in December and for the year it was up a moderate 1.8%, its lowest annual gain since 1954.

*U.S. Industrial production fell 2% in December and compared with December 2007 was down 7.8%, the biggest 12-month drop since September 1975.

*The Commerce Dept. reported that housing permits fell 10.7% from November to an annual rate of 549,000 in December and housing starts fell 15.5% from November to an annual rate of 550,000.

*Existing home sales increased 6.5% to a 4.7 million unit annual rate in December. For the whole of 2008, sales fell 13.1% to 4.9 million units, the lowest since 1997. However, Commerce Dept. reported that new home sales plunged 14.7% in December to a seasonally

adjusted annual rate of 331,000 its worst annual sales results in over two decades.
*Home prices fell 1.8% in November, the biggest monthly decline on record. The median national price of existing homes fell 15.3% in December versus a year ago to $175,400.
*Standard and Poor's reported home values in 20 major U.S. cities fell a record 18.2% in the year ending November. Homes in the index have lost a quarter of their value since their peak in July 2006.
*The Commerce Dept. reported that new orders for durable goods dropped by 2.6% in December.

The Conference Board's consumer confidence index fell to a historic low of 37.7 in January. Meanwhile, The Reuters/Univ. of Michigan Surveys of Consumers said its final index of confidence for January rose to a four-month high in January to 61.2 from December's 60.1. "Nearly all consumers now anticipate the deepest and longest recession in the post-World War Two era, but consumers do not expect the economy to sink into a 1930's style depression," the Surveys of Consumers said. One-year inflation expectations rose to 2.2% from 1.7% in December. The record low of the Univ. of Michigan confidence index was a reading of 51.7 set in May 1980.

Non-U.S. Markets

The Bank of England dropped its benchmark interest rate to 1.5%, the lowest level since its founding in 1694.
The European Central Bank cut its benchmark interest rate by half a percentage point to 2.0%, matching its lowest-ever rate.

U.K. home prices fell by a record 16.2% in 2008 and are likely to plunge further in 2009. The British Retail Consortium reported sales for December were down 3.3% on a year ago despite a recent cut in the value added tax.

The Bank of Canada cut its overnight target another 50 basis points to a record low of 1.0% in January.

Germany's economy, the largest in Europe, could shrink as much as 2.5% this year, according to the country's economic minister. The European Commission released new forecasts of a 1.9% decline in GDP in 2009 followed by a modest 0.4% increase in 2010.

The Bank of Japan left its key policy rate unchanged at 0.10%. The BoJ also downgraded its economic forecasts, projecting a 2.0% decline in GDP and a 1.1% drop in core consumer prices in 2009.

China's real GDP growth fell to 6.8% year-over-year in Q4, the slowest pace of expansion in seven years. CPI inflation in China slowed to 1.2% in December, a nearly three-year low. The big manufacturing centers, like China, Japan and Germany are obviously being affected by the pullback of the consumer in countries like the U.S. and Britain. Japan's export volumes were down 16% in November and Germany's dropped by 11% in the same month. We would thus expect a sharp slowdown in China and deeper than expected recessions in Japan and Germany.

Non-U.S. markets were lower in the month of January led by developed markets. The MSCI ACWI Ex-U.S. was down by -8.8% (US dollars) in January. Developed stocks (EAFE) were down -9.8% while Emerging Markets were down by -6.4%.

Conclusions

Recent statistics continue to indicate no improvement in economic conditions over the last couple of months. Here are some of the key indicators that we are watching for signs of stabilization:

1. Velocity of money need to stabilize. The government through its fiscal and monetary policy has dropped interest rates to virtually zero and reliquified many of our financial institutions. Yet, loan activity is down as the financial institutions use that money to deleverage their balance sheets. The story for credit will be whether these liquidity injections that financial institutions have received will flow through to new credit creation which will then help turn around the declining velocity of money creation. The effects of unemployment and falling incomes will also be significant as those have a direct relationship on the demand for credit.
2. Leading economic indicators need to stabilize.
3. Housing prices need to stabilize. If an additional 3% of U.S. homes are foreclosed in 2009, then about 2.1 million additional homes will hit the market. It will most likely be 2011 before we work through the excess supply of homes. Today, 10% of all mortgages are either delinquent or in foreclosure.
4. Stocks need to stop negatively reacting to bad news.

The main question going forward is how long the contraction will last and how deep it will be.

Nearly all debt and equity markets declined during the September to early November period in 2008 as investors around the world awfulized over the possibility of a collapse in the financial system. The markets have survived that scare and are now trading relative to current news and the unknown duration of the recession that is now global in scale. This has been and remains a deflationary environment. The current U.S. population has little experience with deflation. U.S. consumers are following the behavior of Japanese consumers of the last decade. Why buy now if prices are likely to be more attractive in the next month or quarter? Why spend anything other than essentials when the economic outlook is so grim? The various Japanese leaders of the 1990's enacted numerous rate cuts, economic reforms and tax reforms to stimulate the economy but the deflationary recession dragged on for years. We believe the current U.S. leadership should spend some effort to understand why Japans downturn lasted so long. Our thought here is that if in fact the reports are accurate and 70% of U.S. GDP is directly tied to consumer spending than more attention needs to be paid to consumer psychology. The massive "support dollars" allocated thus far are not reaching "main street". The American Recovery and Reinvestment Act of 2009 will certainly take time to reach Main Street. Until consumer psychology changes, spending will remain cautious and the hoped for recovery will be delayed. Our 2 cents worth.

MARKET UPDATE

For January 2009

US Equity Indices	Style	Month	3 Months	1 Year	3 Years	5 Years	10 Years
Russell 3000	Broad US Equity	(8.39%)	(14.01%)	(38.86%)	(12.23%)	(4.05%)	(1.99%)
Russell 200	Large Cap Equity	(8.44%)	(13.93%)	(37.87%)	(11.08%)	(4.54%)	(3.76%)
Russell 200 Growth	Large Cap Growth	(4.92%)	(10.68%)	(34.12%)	(9.58%)	(4.93%)	(6.22%)
Russell 200 Value	Large Cap Value	(11.92%)	(17.15%)	(41.47%)	(12.52%)	(4.09%)	(1.44%)
S&P 500	Large Cap Equity	(8.43%)	(14.09%)	(38.63%)	(11.78%)	(4.24%)	(2.65%)
Russell 1000	Large Cap Equity	(8.16%)	(13.75%)	(39.03%)	(12.03%)	(4.05%)	(2.27%)
Russell 1000 Growth	Large Cap Growth	(4.81%)	(10.80%)	(36.44%)	(11.11%)	(4.76%)	(5.29%)
Russell 1000 Value	Large Cap Value	(11.50%)	(16.70%)	(41.78%)	(13.09%)	(3.52%)	0.05%
Russell Mid Cap	Mid Cap Equity	(7.40%)	(13.27%)	(42.01%)	(14.38%)	(2.78%)	2.41%
Russell Mid Cap Growth	Mid Cap Growth	(4.50%)	(11.13%)	(42.24%)	(14.80%)	(3.86%)	(0.94%)
Russell Mid Cap Value	Mid Cap Value	(10.33%)	(15.47%)	(42.17%)	(14.41%)	(2.35%)	3.56%
Russell 2000	Small Cap Equity	(11.12%)	(17.09%)	(36.84%)	(14.31%)	(4.06%)	1.68%
Russell 2000 Growth	Small Cap Growth	(7.61%)	(14.38%)	(37.48%)	(14.35%)	(4.86%)	(1.97%)
Russell 2000 Value	Small Cap Value	(14.28%)	(19.55%)	(36.47%)	(14.42%)	(3.43%)	4.72%
DJW US REIT Index	REITS	(18.08%)	(27.25%)	(49.95%)	(19.70%)	(4.04%)	5.81%
Non-US Indices							
MSCI ACWI Ex-US	Broad Non-US Equity	(8.84%)	(9.22%)	(45.01%)	(11.81%)	0.36%	0.98%
MSCI AC World Index	Global Equity	(8.54%)	(11.46%)	(42.42%)	(12.04%)	(2.16%)	(1.28%)
MSCI EAFE	Developed Non-US Equity	(9.80%)	(9.49%)	(43.42%)	(11.84%)	(0.26%)	0.18%
MSCI Emerging Mkts.	Emerging Non-US Equity	(6.42%)	(6.68%)	(49.95%)	(9.96%)	5.85%	8.76%
ML Global Ex-US Bond	Global Bonds	(4.52%)	6.33%	1.06%	7.14%	4.98%	5.34%
Euro	Currency	(7.81%)	1.06%	(13.45%)	1.81%	0.62%	1.22%
Japanese Yen	Currency	0.94%	9.51%	18.39%	9.24%	3.34%	2.62%
British Pound	Currency	0.27%	(10.77%)	(27.48%)	(6.74%)	(4.56%)	(1.30%)
US Fixed Income Indices							
ML 3-month T-Bill	Cash	0.01%	0.04%	1.28%	3.63%	3.19%	3.33%
Barclays US Aggregate	Core Bonds	(0.88%)	6.16%	2.59%	5.19%	4.30%	5.46%
Barclays US Universal	Core Bonds Plus	(0.57%)	5.94%	0.34%	4.36%	4.00%	5.45%
ML US Gov't/Credit	Core Bonds	(1.66%)	7.12%	1.25%	4.82%	4.00%	5.33%
ML US Corporate Master	Corporate Bonds	0.33%	10.01%	(7.60%)	0.77%	1.66%	4.39%
Barclays Mortgage Backed Securitie	Mortgages	0.19%	5.86%	6.58%	6.77%	5.45%	5.99%
Merrill Lynch High Yield Master II	High Yield Bonds	5.31%	3.64%	(21.41%)	(4.48%)	(0.15%)	2.43%

(not annualized if less than 1 year)
Source: mpi Stylus
Preliminary data

STANCERA

MONTHLY PERFORMANCE REVIEW
PERIOD ENDING JANUARY 31, 2009

PRELIMINARY BASIS

SUMMARY OF INVESTMENTS

ASSET CLASS	MARKET VALUE	PERCENT	NEW TARGET	POLICY RANGE
DOMESTIC EQUITIES	351,693,011	37.6%	46.4%	36.5% - 56.3%
INTERNATIONAL EQUITIES	163,642,219	17.5%	20.0%	16.0% - 24.0%
FIXED INCOME	387,986,803	41.5%	30.6%	27.6% - 33.6%
REAL ESTATE	10,236,170	1.1%	3.0%	1.5% - 4.5%
CASH (equity managers only)	21,700,729	2.3%	0.0%	0.0% - 3.0%
TOTAL PORTFOLIO	935,258,931	100.0%	100.0%	

	CURRENT	TARGET
DODGE & COX - LARGE CAP VALUE	14.2%	17.5%
DELAWARE - LARGE CAP GROWTH	8.2%	8.9%
LOOMIS SAYLES - LARGE CAP GROWTH	5.1%	5.9%
CAPITAL PROSPECTS	4.7%	5.0%
LEGATO CAPITAL	2.8%	4.3%
BNY - S&P 500 INDEX	4.6%	4.8%
LSV ASSET MGMT - INTL EQ	8.8%	10.0%
PYRAMIS - INTL EQ	9.0%	10.0%
DODGE & COX FIXED INCOME	41.5%	30.6%
INVESCO - GLOBAL REIT	1.1%	3.0%
TOTALS	100%	100%

STANCERA

MONTHLY PERFORMANCE REVIEW

PERIOD ENDING JANUARY 31, 2009

PRELIMINARY BASIS

GROWTH OF ASSETS AND CHANGES IN ALLOCATION

ASSET CLASS	CURRENT MONTH	PRIOR MONTH	% CHANGE *	PRIOR YEAR	% CHANGE *
MARKET VALUE					
DOMESTIC EQUITIES	351,693,011	367,690,194	-4.35%	596,397,812	-41.03%
INTERNATIONAL EQUITIES	163,642,219	152,303,876	7.44%	272,684,001	-39.99%
FIXED INCOME	387,986,803	432,803,581	-10.35%	452,953,136	-14.34%
REAL ESTATE	10,236,170	11,635,791	-12.03%	0	N/A
CASH (equity managers only)	21,700,729	20,123,325	7.84%	25,394,864	-14.55%
TOTAL PORTFOLIO	935,258,931	984,556,767	-5.01%	1,347,429,813	-30.59%
ASSET ALLOCATION (ACTUAL)					
DOMESTIC EQUITIES	37.60%	37.35%	0.3%	44.26%	-6.7%
INTERNATIONAL EQUITIES	17.50%	15.47%	2.0%	20.24%	-2.7%
FIXED INCOME	41.48%	43.96%	-2.5%	33.62%	7.9%
REAL ESTATE	1.09%	1.18%	-0.1%	0.00%	1.1%
CASH (equity managers only)	2.32%	2.04%	0.3%	1.88%	0.4%
TOTAL PORTFOLIO	100.0%	100.0%	0.0%	100.0%	0.0%

* % Change represents changes in cash balances, including cash transfers, and does not represent investment returns

STANCERA

MONTHLY PERFORMANCE REVIEW

PERIOD ENDING JANUARY 31, 2009

PRELIMINARY BASIS

MANAGER ALLOCATION

ASSET CLASS	MARKET VALUE	PERCENT	POLICY TARGET	POLICY RANGE
DOMESTIC EQUITIES				
DODGE & COX - LARGE CAP VALUE	132,637,806	14.2%	17.5%	14.5% - 20.5%
DELAWARE - LARGE CAP GROWTH	76,272,265	8.2%	8.9%	6.9% - 10.9%
LOOMIS SAYLES - LARGE CAP GROWTH	47,878,075	5.1%	5.9%	4.5% - 7.3%
CAPITAL PROSPECTS - SMALL CAP VALUE	44,272,153	4.7%	5.0%	3.9% - 6.1%
LEGATO CAPITAL - SMALL CAP GROWTH	26,062,464	2.8%	4.3%	2.9% - 5.7%
BNY - S&P 500 INDEX	43,167,162	4.6%	4.8%	3.8% - 5.8%
TOTAL DOMESTIC EQUITIES	370,289,925	39.6%	46.4%	
FIXED INCOME				
DODGE & COX	387,986,803	41.5%	30.6%	27.6% - 33.6%
TOTAL FIXED INCOME	387,986,803	41.5%	30.6%	
INTERNATIONAL INVESTMENTS				
LSV ASSET MGMT.	82,473,977	8.8%	10.0%	8.0% - 12.0%
PYRAMIS	84,272,057	9.0%	10.0%	8.0% - 12.0%
TOTAL INTERNATIONAL EQUITIES	166,746,034	17.8%	20.0%	
REAL ESTATE				
INVESCO	10,236,170	1.1%	3.0%	1.5% - 4.5%
TOTAL REAL ESTATE	10,236,170	1.1%	3.0%	
TOTAL StanCERA PORTFOLIO	935,258,931	100.0%	100.0%	

STANCERA
MONTHLY PERFORMANCE REVIEW
PERIOD ENDING 1/31/09
PRELIMINARY

TOTAL FUND

	CASH	BONDS	EQUITIES	TOTAL
DOMESTIC EQUITIES				
DODGE & COX - LARGE CAP VALUE	10,009,531		122,628,274	132,637,806
DELAWARE - LARGE CAP GROWTH	1,547,911		74,724,354	76,272,265
LOOMIS SAYLES - LARGE CAP GROWTH	512,398		47,365,677	47,878,075
CAPITAL PROSPECTS - SMALL CAP VALUE	5,941,400		38,330,753	44,272,153
LEGATO CAPITAL - SMALL CAP GROWTH	585,674		25,476,790	26,062,464
BNY - S&P 500 INDEX	0		43,167,162	43,167,162
TOTAL DOMESTIC EQUITIES	18,596,914		351,693,011	370,289,925
FIXED INCOME				
DODGE & COX	9,450,098	378,536,705		387,986,803
TOTAL FIXED INCOME	9,450,098	378,536,705		387,986,803
INTERNATIONAL INVESTMENTS				
LSV ASSET MGMT.	1,200,722		81,273,255	82,473,977
PYRAMIS	1,903,093		82,368,964	84,272,057
TOTAL INTERNATIONAL EQUITIES	3,103,815		163,642,219	166,746,034
REAL ESTATE				
INVESCO	0		10,236,170	10,236,170
TOTAL REAL ESTATE	0		10,236,170	10,236,170
TOTAL STANCERA PORTFOLIO	31,150,827	378,536,705	525,571,400	935,258,931
	3.3%	40.5%	56.2%	100.0%

STANCERA
MONTHLY PERFORMANCE REVIEW
PERIOD ENDING JANUARY 31, 2009
PRELIMINARY BASIS

CURRENT PERFORMANCE

	MARKET VALUE	JAN.	ALPHA	DEC.	ALPHA	FISCAL YTD	ALPHA
DOMESTIC EQUITIES							
DODGE & COX - LARGE CAP VALUE	**122,628,274**	**-9.38%**	**2.12%**	**3.15%**	**1.76%**	**-36.92%**	**-1.59%**
RUSSELL 1000 VALUE		*-11.50%*		*1.39%*		*-35.33%*	
DELAWARE - LARGE CAP GROWTH	**74,724,354**	**-5.34%**	**-0.53%**	**2.27%**	**0.46%**	**-36.52%**	**-0.95%**
RUSSELL 1000 GROWTH		*-4.81%*		*1.81%*		*-35.57%*	
LOOMIS SAYLES - LARGE CAP GROWTH	**47,365,677**	**-4.09%**	**0.72%**	**0.00%**	**-1.81%**	**-43.80%**	**-8.23%**
RUSSELL 1000 GROWTH		*-4.81%*		*1.81%*		*-35.57%*	
CAPITAL PROSPECTS*	**38,330,753**	**-9.76%**	**4.53%**	**4.94%**	**-1.21%**	**-28.09%**	**4.34%**
RUSSELL 2000 VALUE		*-14.29%*		*6.15%*		*-32.43%*	
LEGATO CAPITAL**	**25,476,790**	**-7.80%**	**-0.19%**	**5.66%**	**0.59%**	**-48.44%**	**-7.10%**
*RUSSELL 2000 GROWTH****		*-7.61%*		*5.07%*		*-41.34%*	
BNY - S&P 500 INDEX	**43,167,162**	**-8.43%**	0.00%	**1.09%**	**0.03%**	**-34.50%**	**0.00%**
S&P 500		*-8.43%*		*1.06%*		*-34.50%*	
TOTAL DOMESTIC EQUITY	**351,693,011**	**-7.62%**	**0.77%**	**2.66%**	**0.75%**	**-37.53%**	**-2.10%**
Russell 3000 Index		*-8.39%*		*1.91%*		*-35.43%*	
FIXED INCOME							
DODGE & COX	**387,986,803**	**1.09%**	**1.97%**	**6.25%**	**2.52%**	**0.90%**	**-2.24%**
BARCLAYS US AGGREGATE BOND		*-0.88%*		*3.73%*		*3.14%*	
INTERNATIONAL INVESTMENTS							
LSV ASSET MGMT	**81,273,255**	**-9.98%**	**-1.14%**	**6.53%**	**0.83%**	**-46.01%**	**-1.29%**
MSCI ACWI Free ex-US		*-8.84%*		*5.70%*		*-44.72%*	
PYRAMIS	**82,368,964**	**-8.02%**	**0.82%**	**5.19%**	**-0.51%**	**-45.52%**	**-0.80%**
MSCI ACWI Free ex-US		*-8.84%*		*5.70%*		*-44.72%*	
TOTAL INTERNATIONAL EQUITY	**163,642,219**	**-9.00%**	**-0.16%**	**5.83%**	**0.13%**	**-45.77%**	**-1.05%**
MSCI ACWI Free ex-US		*-8.84%*		*5.70%*		*-44.72%*	
REAL ESTATE							
INVESCO	**10,236,170**	**-12.03%**	**0.83%**	**6.68%**	**-2.98%**	**-43.80%**	**3.41%**
FTSE EPRA/NAREIT Global REIT		*-12.86%*		*9.66%*		*-47.21%*	
CASH & SHORT-TERM INVESTMENTS							
CASH	**21,700,729**	**0.12%**	**0.03%**	**0.12%**	**0.03%**	**1.18%**	**0.48%**
90 DAY TREASURY BILL		*0.09%*		*0.09%*		*0.70%*	
TOTAL StanCERA Fund	**935,258,931**	**-4.72%**	**1.58%**	**4.76%**	**1.15%**	**-27.70%**	**-0.91%**
Policy Index		*-6.30%*		*3.61%*		*-26.79%*	
Actuary Rate of Assumption (8.16%)		*0.66%*	**-5.38%**	*0.66%*	**4.10%**	*4.75%*	**-32.45%**
Actuary Rate of Inflation (4.00%)		*0.33%*	**-5.05%**	*0.33%*	**4.43%**	*2.33%*	**-30.03%**