



Investment Reports

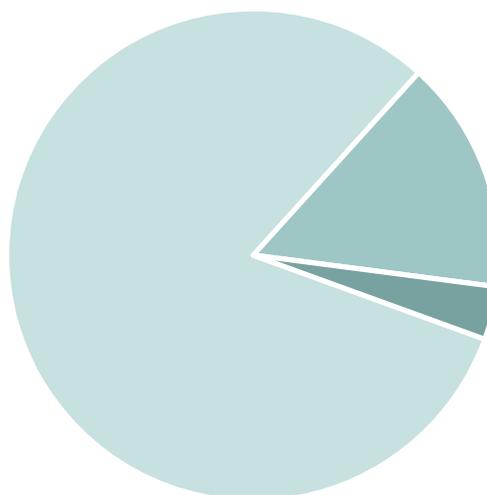
Quarterly Report – March 31, 2013

Total Assets Under Management	2
Commingled Trust Fund (CTF)	3-10
Defined Contribution Plans	11-15
Daily Priced Investment Options	16-17
Labor & Industries	18
Permanent and Other Funds	19-22

The WSIB invests for 33 funds:

- ❖ 17 Retirement Funds
- ❖ 5 State Insurance Funds for injured workers
- ❖ 11 Permanent and Other Trust Funds

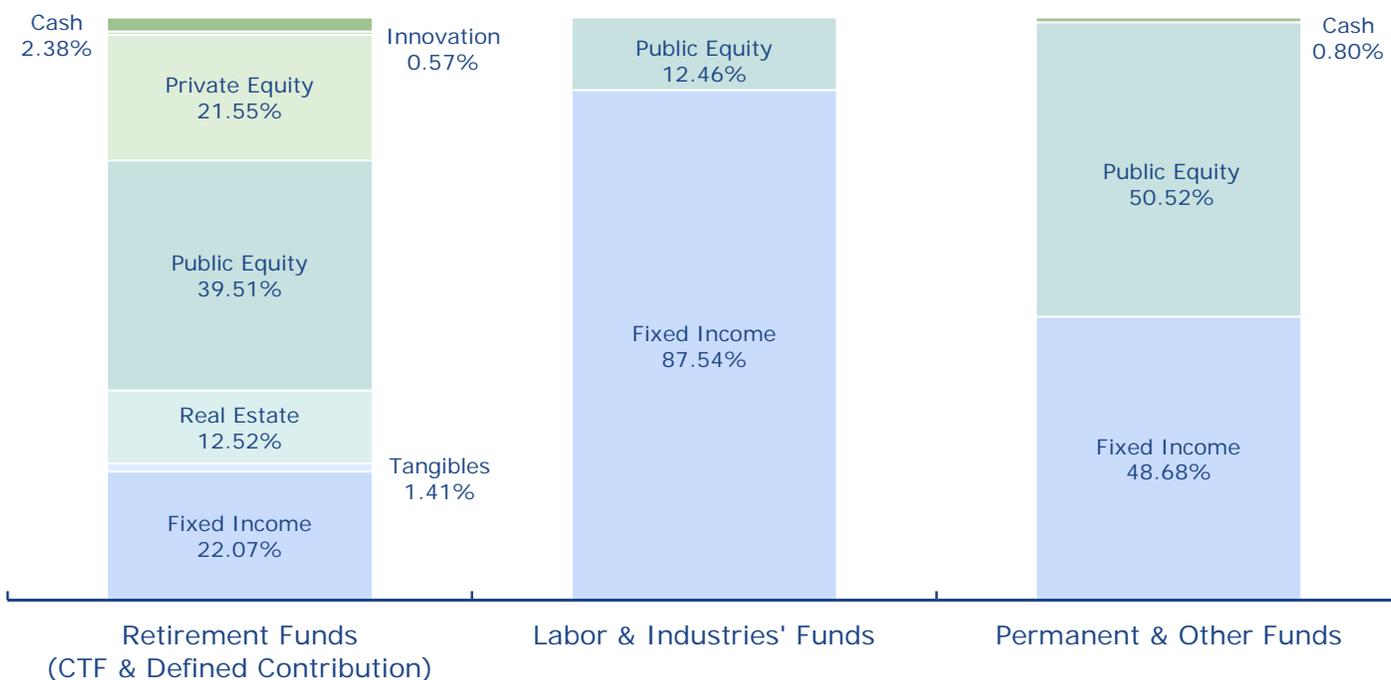
Retirement Funds
(CTF & Defined Contribution)
\$74,716,357,168
81.16%



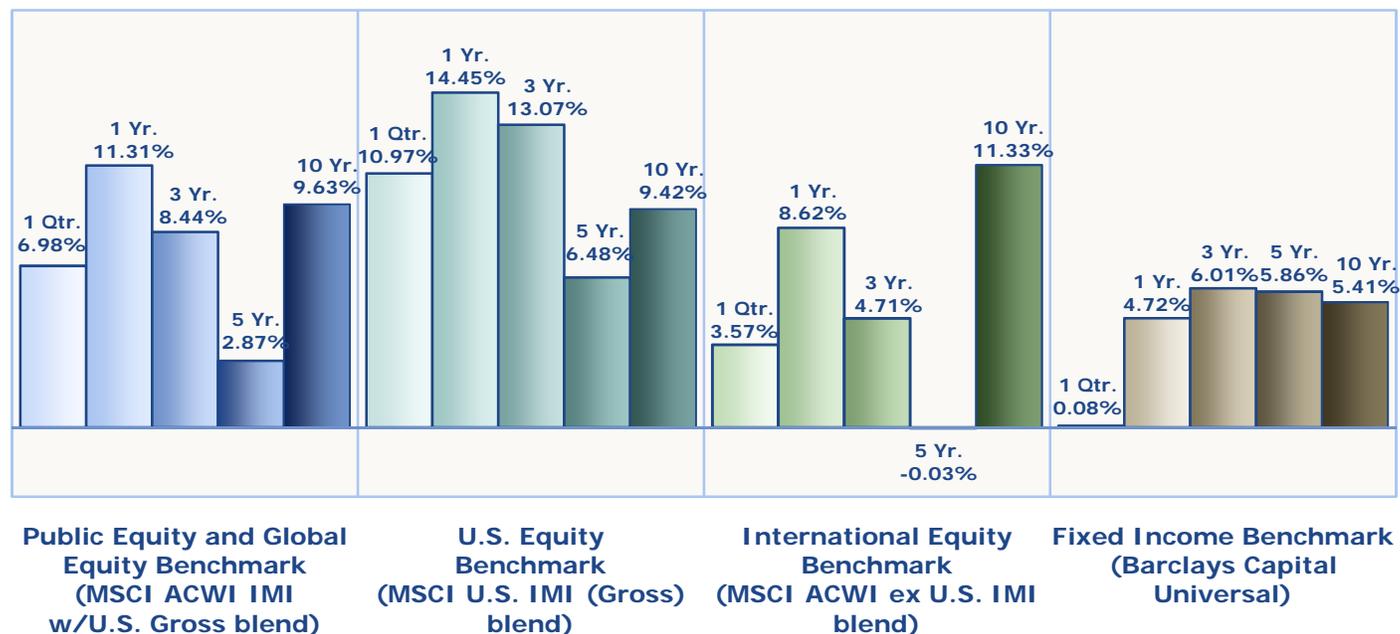
Labor & Industries' Funds
\$14,125,647,064
15.34%

Permanent & Other Funds
\$3,214,879,338
3.49%

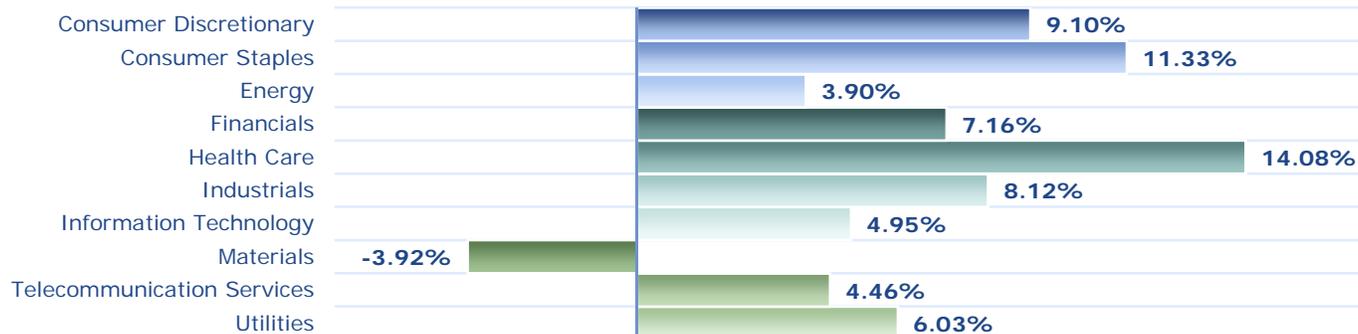
Asset Class Overview for All Funds



Indices Returns



MSCI ACWI IMI - Quarter Industry Returns



Capital Market Highlights

- ❖ Public equity as measured by the MSCI ACWI IMI w/U.S. Gross returned 7.0% outperforming fixed income as measured by the Barclays Capital Universal which returned 0.1% for the quarter.
- ❖ The best industry return for the quarter as shown with the MSCI ACWI IMI was Healthcare at 14.1%. The lowest return was Materials at -3.9%.
- ❖ In the Barclays Capital indices U.S. Corporate High Yield has the highest return for the quarter earning 2.9% while Emerging Markets (Excluding U.S. Aggregate) had the lowest return at -0.5%. For the yield curve, the 5 year treasuries outperformed the long end (30 year treasuries), returning 0.2% compared to -3.1% respectively for the quarter.
- ❖ GDP was 2.5% (annualized) for the quarter. Inflation, as measured by the CPI was 0.5%.
- ❖ The federal funds target rate remained the same during the quarter, ranging from 0-0.25%.

Commingled Trust Fund

- ❖ Performance for all annualized time periods are positive. The CTF outperformed the passive benchmark for the 1 year, 3 year, and 10 year time periods. The CTF is exceeding the actuarial return assumption of 8% for the 1 year, 3 year, 10 year, and since inception time periods.

Asset Allocation

- ❖ Asset transfers for the quarter consisted of transfers from public equity for \$91 million, private equity for \$644 million, and innovation for \$61 million to fixed income with \$850 million, tangibles with \$73 million, and real estate with \$43 million. The remaining funds were held to pay participant withdrawals.

Fixed Income

- ❖ Fixed income has positive returns for all time periods. It outperformed its benchmark for all time periods.

Tangible

- ❖ The WSIB Tangible quarter return was 2.7% and outperformed its benchmark, CPI lagged one quarter plus 400 basis points, which returned 0.8%.
- ❖ As of December 31, 2012, there were \$880 million in unfunded commitments.

Real Estate

- ❖ The WSIB Real Estate quarter return was 5.1%. It outperformed NCREIF (lagged one quarter) for the quarter, 1 year, and 10 year time periods. For the 10 year time period, it outperformed both its benchmark of 8% return over a rolling 10 year and the NCREIF property index.
- ❖ As of December 31, 2012, there were \$7.9 billion in unfunded commitments.

Public Equity

- ❖ Public equity returned 7.1% for the quarter. It outperformed its benchmark for the quarter, 1 year, and 3 year time periods.

Private Equity

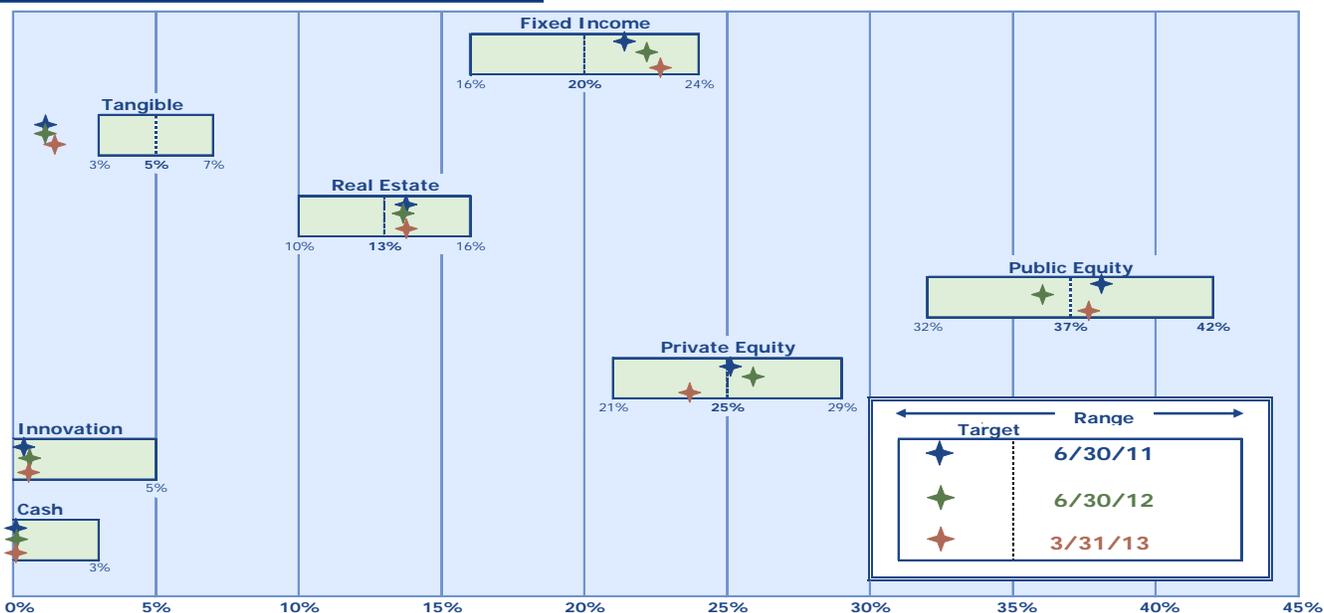
- ❖ The WSIB private equity quarter return was 4.4%. It outperformed its benchmark, the Russell 3000 (lagged one quarter) plus 300 basis points for the quarter and 10 year time periods.
- ❖ As of December 31, 2012, there were \$9.5 billion in unfunded commitments.

Innovation

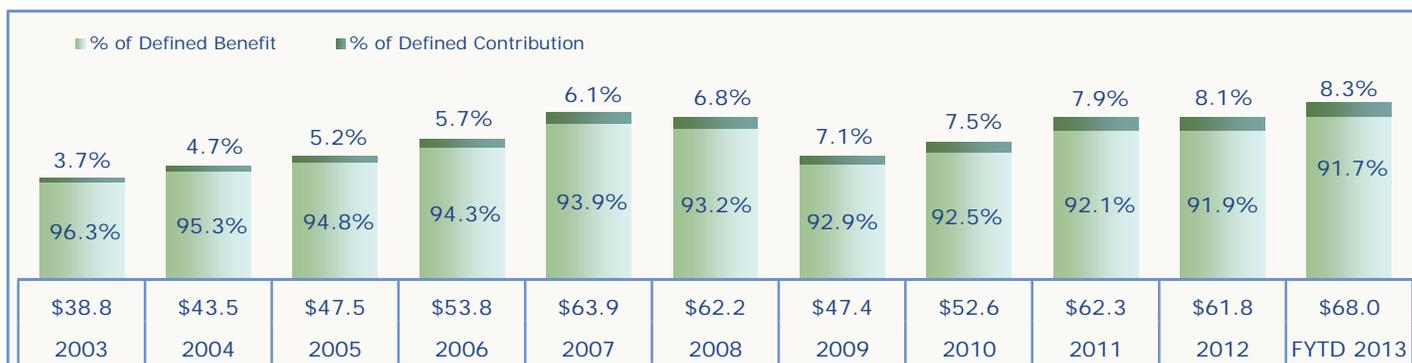
- ❖ Innovation outperformed its custom benchmark for the quarter and 1 year time periods.

Market Values **Actual Asset Allocation**

Asset Class	Market Value	by Asset Class	with Overlay	Market Value Changes
Fixed Income	\$ 14,060,042,590	20.68%	22.67%	Quarter:
Tangible	\$ 1,050,870,844	1.55%	1.55%	\$ 2,593,108,923
Real Estate	\$ 9,350,948,796	13.75%	13.75%	Fiscal Year:
Public Equity	\$ 25,730,821,679	37.84%	37.67%	\$ 6,244,310,191
Private Equity	\$ 16,103,217,286	23.68%	23.68%	
Innovation	\$ 423,477,179	0.62%	0.62%	
Cash	\$ 1,277,295,182	1.88%	0.06%	
Total Fund	\$ 67,996,673,555			



Annual Performance and Growth of the CTF (Fiscal Years Ended June 30)



Note: Page 4-9, Totals may not add up due to rounding.



			Qtr.	1 Year	3 Year	5 Year	10 Year	Since Inception ⁹
Total Fund	\$67,996,673,555	100.0%	4.53%	11.32%	9.82%	3.49%	9.24%	8.70%
Passive Benchmark ²			4.82%	9.43%	8.07%	4.31%	8.50%	
Implementation Value Added Benchmark ³			3.22%	11.56%	10.35%	5.06%	9.57%	
TUCS Public Fund >\$1B Median ⁴			4.79%	10.36%	9.51%	4.90%	8.49%	
TUCS Public/Corporate Fund >\$1B Median ⁴			4.47%	10.15%	9.47%	4.97%	8.67%	
Fixed Income	\$14,060,042,590	20.7%	0.46%	5.98%	6.61%	7.18%	6.37%	
Barclays Capital Universal			0.08%	4.72%	6.01%	5.86%	5.41%	
Tangible	\$1,050,870,844	1.5%	2.74%	2.76%	4.55%	2.91%		
CPI (Lagged One Quarter) + 400 bp			0.80%	5.73%	6.05%	5.78%		
Real Estate⁵	\$9,350,948,796	13.8%	5.05%	16.29%	12.60%	-0.12%	9.51%	
8% Return Over Rolling 10 Years							8.00%	
NCREIF (Lagged One Quarter)			2.54%	10.64%	12.66%	2.15%	8.45%	
Public Equity⁶	\$25,730,821,679	37.8%	7.05%	11.58%	8.97%	2.68%	9.49%	
Custom Benchmark			6.98%	11.31%	8.44%	2.87%	9.63%	
Private Equity⁵	\$16,103,217,286	23.7%	4.35%	13.77%	12.68%	3.82%	13.54%	
Russell 3000 (Lagged One Quarter) + 300 bp			0.99%	19.42%	14.20%	5.04%	10.68%	
Innovation⁷	\$423,477,179	0.6%	6.15%	14.32%	-5.92%			
Custom Benchmark			-0.51%	1.40%	0.40%			
Overlay⁸	\$144,493,079		-0.02%	0.03%	0.11%	0.11%	0.06%	
Cash	\$1,132,802,102	1.9%	0.04%	0.18%	0.17%	0.52%	1.81%	
90 Day T-Bills			0.02%	0.13%	0.13%	0.38%	1.79%	

 Outperformed its benchmark  Underperformed its benchmark

¹ Performance figures are net of all non-appropriated fees.

² Currently 69% MSCI ACWI IMI w/ U.S. Gross, 31% Barclays Capital Universal. Over time the benchmark has been adjusted by changing both benchmarks and percentages.

³ The implementation value added benchmark consists of market indices, as defined in each asset class's policy, weighted according to the asset allocation targets. This custom benchmark differs from the passive benchmark as it is not an investable benchmark due to the uninvestable premium added to the private equity passive benchmark.

⁴ TUCS returns have been adjusted to reflect fees equivalent to those incurred by the WSIB (6.5 bp over one, three, and five years and 10 bp for ten years).

⁵ Private equity and real estate use the latest market value plus cash flows since then. For compositing purposes the private equity and real estate return are calculated using monthly time-weighted returns.

⁶ Public equity benchmark is a custom historical blend. It is currently the MSCI ACWI IMI w/U.S. Gross

⁷ The overall benchmark is the weighted average of the underlying benchmarks for each asset/idea within the portfolio.

⁸ To show the performance, cash and the cash held in the overlay are separated out on this page.

⁹ Since Inception of the CTF is July 1, 1992.

Global Markets

\$5,804,137,990

	Qtr.	1 Year	3 Year	5 Year	10 Year
Total Global	7.48%	12.30%	9.15%	2.51%	
MSCI ACWI IMI w/ U.S. Gross	6.98%	11.31%	8.44%	2.87%	
Aberdeen Asset Management	5.44%	11.66%	10.37%	4.57%	
Arrowstreet Capital	8.92%	13.04%			
D.E. Shaw	8.53%	12.74%			
Longview	9.65%	17.51%			
WHV	5.14%	10.36%			
William Blair & Company	5.57%	8.07%			

Non-U.S. Markets

\$10,457,202,235

	Qtr.	1 Year	3 Year	5 Year	10 Year
Total Non-U.S. Equity	3.55%	8.72%	5.36%	-0.07%	11.06%
Custom Benchmark	3.57%	8.62%	4.71%	-0.03%	11.33%
Total Developed	4.98%	10.38%	5.81%	-0.04%	10.59%
Custom Developed Markets Benchmark	5.00%	10.48%	5.13%	-0.41%	10.14%
SSgA	5.09%	10.94%	5.58%		
Mondrian Investment Partners	4.32%	7.26%	5.28%	-0.45%	10.82%

Total Emerging	-0.20%	4.32%	5.09%	1.52%	17.11%
Custom Benchmark	-0.95%	2.78%	3.37%	0.32%	16.47%
Aberdeen Asset Management	1.09%	11.29%	11.50%		
Capital International	-0.74%	0.13%	0.53%	0.03%	16.88%
Grantham, Mayo, Otterloo	-2.81%	-0.16%	3.14%	-0.42%	17.03%
JPMorgan	-0.60%	3.21%	3.34%	1.93%	
Lazard Asset Management	-0.21%	3.94%	5.34%	3.34%	
Mondrian Investment Partners	2.25%	8.83%	8.42%		

U.S. Markets

\$9,469,481,454

	Qtr.	1 Year	3 Year	5 Year	10 Year
Total U.S. Equity	10.96%	14.53%	13.22%	6.01%	9.04%
MSCI U.S. IMI (Gross)	10.97%	14.45%	13.07%	6.48%	9.42%
BlackRock Trust Company	10.96%				



Outperformed its benchmark



Underperformed its benchmark

Developed Markets Benchmark: MSCI World ex U.S. IMI (Custom) - Switched October 1, 2007.

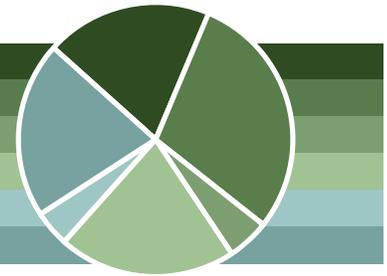
Emerging Markets Benchmark: Custom Emerging Markets IMI (Custom) - Switched October 1, 2007.

Non-U.S. Equity Benchmark: MSCI ACWI IMI ex U.S. (Custom) - Switched October 1, 2007.

Global Markets

\$5,804,137,990

Aberdeen Asset Management	\$1,140,764,830	19.65%
Arrowstreet Capital	\$1,702,451,446	29.33%
D.E. Shaw	\$290,055,078	5.00%
Longview	\$1,215,598,477	20.94%
WHV	\$246,594,408	4.25%
William Blair & Company	\$1,208,652,766	20.82%

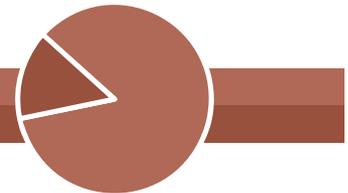


Non-U.S. Markets

\$10,457,202,235

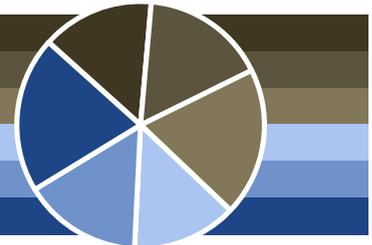
Developed

SSgA	\$6,496,242,054	85.09%
Mondrian Investment Partners	\$1,137,997,758	14.91%



Emerging

Aberdeen Asset Management	\$415,363,574	14.72%
Capital International	\$460,853,476	16.33%
Grantham, Mayo, Otterloo	\$546,658,529	19.37%
JPMorgan	\$386,686,798	13.70%
Lazard Asset Management	\$438,010,284	15.52%
Mondrian Investment Partners	\$574,985,362	20.37%



U.S. Markets

\$9,469,481,454

BlackRock Trust Company	\$9,469,481,454	100.00%
-------------------------	-----------------	---------

Transition Accounts for Public Equity	\$425,385	
---------------------------------------	-----------	--

Top Ten Countries by Weight	Top Ten Holdings
-----------------------------	------------------

	CTF Weight		CTF Weight
United States	47.83%	Exxon Mobil Corp.	0.97%
United Kingdom	8.77%	Apple Computer Inc.	0.91%
Japan	7.40%	Pfizer Inc.	0.69%
Canada	3.63%	Philip Morris Intl. Inc.	0.67%
Switzerland	3.55%	Johnson & Johnson	0.67%
France	3.49%	Nestle SA	0.62%
Germany	2.99%	Novartis AG	0.60%
Australia	2.31%	Roche Holdings AG	0.58%
Hong Kong	1.87%	Royal Dutch Shell	0.58%
Brazil	1.82%	Samsung Electronics Co. Ltd	0.56%

WSIB	U.S. 47.83%	Other Developed Countries 40.56%	Emerging 11.61%
MSCI ACWI IMI w/U.S. Gross	U.S. 47.60%	Other Developed Countries 40.40%	Emerging 12.00%

Fixed Income \$14,060,042,590

Duration

	Dec 12	Mar 13
WSIB Portfolio	4.80	4.70
Barclays Capital Universal	5.03	5.18
Difference	-4.51%	-9.38%

Sector Weighting

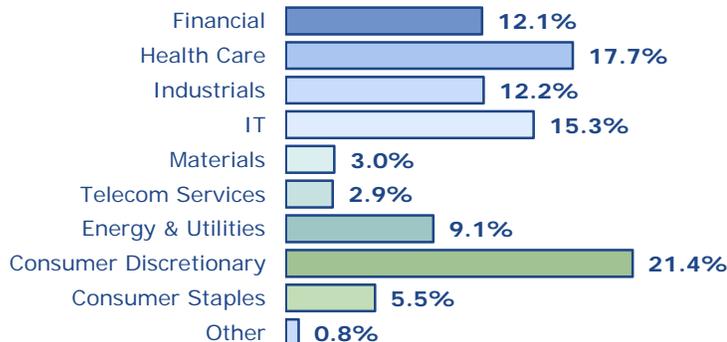
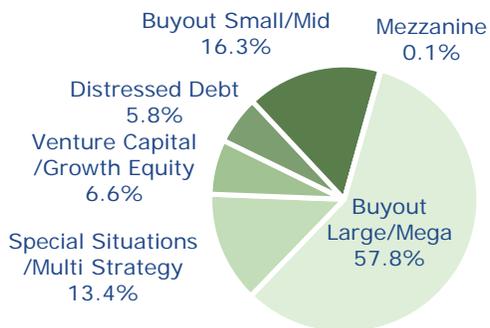


Innovation \$423,477,179

There are currently 3 funds in the Innovation Portfolio. A mezzanine fund, a distressed whole loan debt strategy, and a resource equity strategy.



Sector Distribution **Industry Distribution**

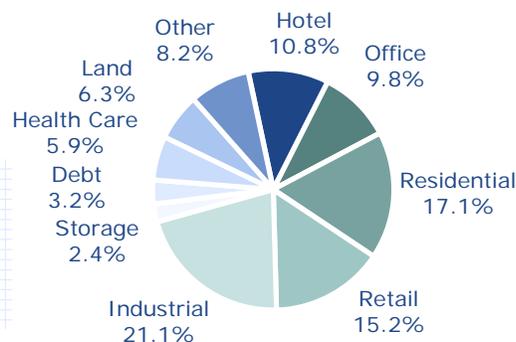
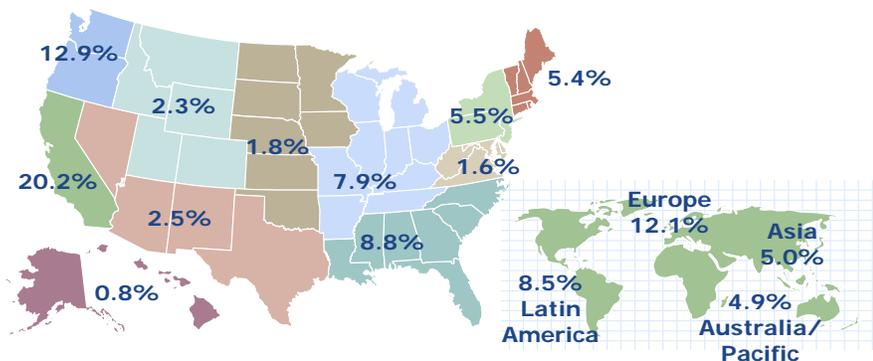


Unfunded Commitments: \$9.5 billion

Real Estate

\$9,350,948,796

Geographical Distribution **Property Type Distribution**

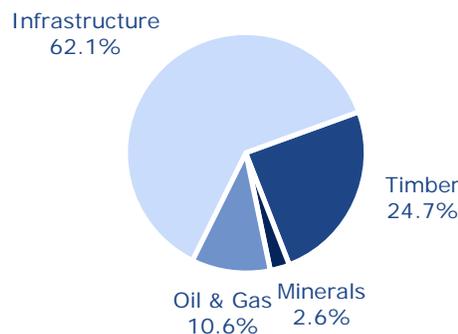
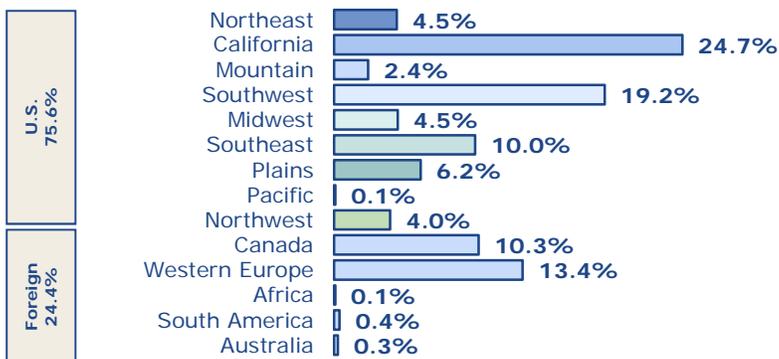


Unfunded Commitments: \$7.9 billion

Tangible

\$1,050,870,844

Geographical Distribution **Sector Type Distribution**



Unfunded Commitments: \$880 million

Distribution charts and unfunded commitments are lagged one quarter.

Teachers' Retirement System (TRS)

	% of Assets	Option	Market Value	Quarterly Change
	60.07%	WSIB TAP Fund	\$3,479,808,550	\$159,947,689
	0.87%	Social Balanced Fund	50,665,879	4,096,556
17.37%	0.17%	Retirement Strategy Fund 2000	10,086,330	1,083,786
	0.23%	Retirement Strategy Fund 2005	13,362,404	1,636,688
	0.77%	Retirement Strategy Fund 2010	44,830,537	1,395,281
	3.04%	Retirement Strategy Fund 2015	175,885,434	13,551,828
	3.99%	Retirement Strategy Fund 2020	231,364,181	15,664,867
	3.59%	Retirement Strategy Fund 2025	207,976,638	14,485,973
	2.61%	Retirement Strategy Fund 2030	151,070,511	12,175,280
	1.71%	Retirement Strategy Fund 2035	99,148,258	7,901,489
	0.81%	Retirement Strategy Fund 2040	46,849,513	3,857,121
	0.29%	Retirement Strategy Fund 2045	17,012,910	1,886,898
	0.10%	Retirement Strategy Fund 2050	5,776,253	1,235,801
	0.04%	Retirement Strategy Fund 2055	2,578,288	436,414
	7.83%	U.S. Large Stock Fund	453,833,142	43,925,518
	1.69%	U.S. Small Value Stock Fund	97,734,387	13,461,859
	1.14%	Global Equity Fund	65,998,098	6,569,710
	0.67%	Emerging Markets Equity Fund	38,637,825	524,575
	6.01%	Bond Market Fund	348,240,950	(725,732)
	4.35%	Money Market Fund	252,056,247	(4,393,618)
		Total Fund	\$5,792,916,336	\$298,717,981

School Employees' Retirement System (SERS)

	% of Assets	Option	Market Value	Quarterly Change
	73.75%	WSIB TAP Fund	\$1,038,297,380	\$41,364,530
	0.54%	Social Balanced Fund	7,583,319	418,937
11.29%	0.17%	Retirement Strategy Fund 2000	2,346,310	240,773
	0.28%	Retirement Strategy Fund 2005	4,005,432	146,256
	1.01%	Retirement Strategy Fund 2010	14,175,726	85,133
	2.71%	Retirement Strategy Fund 2015	38,143,357	2,117,287
	2.93%	Retirement Strategy Fund 2020	41,277,094	3,198,823
	2.33%	Retirement Strategy Fund 2025	32,853,383	2,100,139
	0.94%	Retirement Strategy Fund 2030	13,241,709	1,133,619
	0.47%	Retirement Strategy Fund 2035	6,669,177	593,650
	0.19%	Retirement Strategy Fund 2040	2,722,492	200,981
	0.13%	Retirement Strategy Fund 2045	1,844,541	227,950
	0.07%	Retirement Strategy Fund 2050	986,682	349,100
	0.05%	Retirement Strategy Fund 2055	679,166	115,369
	3.43%	U.S. Large Stock Fund	48,322,359	4,133,410
	0.92%	U.S. Small Value Stock Fund	12,951,254	2,197,172
	0.45%	Global Equity Fund	6,378,295	689,226
	0.30%	Emerging Markets Equity Fund	4,195,942	(176,714)
	2.93%	Bond Market Fund	41,249,757	(1,120,484)
	6.39%	Money Market Fund	89,943,563	(413,912)
		Total Fund	\$1,407,866,939	\$57,601,243

Public Employees' Retirement System (PERS)

	% of Assets	Option	Market Value	Quarterly Change
	57.68%	WSIB TAP Fund	\$1,118,935,215	\$50,867,358
	1.04%	Social Balanced Fund	20,261,771	1,382,517
18.97%	0.23%	Retirement Strategy Fund 2000	4,482,375	1,085,964
	0.26%	Retirement Strategy Fund 2005	4,965,157	137,421
	0.97%	Retirement Strategy Fund 2010	18,887,203	300,789
	2.78%	Retirement Strategy Fund 2015	53,924,113	1,032,113
	4.09%	Retirement Strategy Fund 2020	79,427,967	5,485,062
	4.30%	Retirement Strategy Fund 2025	83,480,384	7,987,593
	2.66%	Retirement Strategy Fund 2030	51,575,496	4,773,053
	1.79%	Retirement Strategy Fund 2035	34,814,441	2,858,056
	0.89%	Retirement Strategy Fund 2040	17,176,610	1,891,232
	0.52%	Retirement Strategy Fund 2045	10,174,788	1,414,792
	0.25%	Retirement Strategy Fund 2050	4,883,064	722,484
	0.22%	Retirement Strategy Fund 2055	4,257,306	1,200,977
	5.25%	U.S. Large Stock Fund	101,764,309	11,148,671
	2.42%	U.S. Small Value Stock Fund	46,943,390	9,284,497
	1.25%	Global Equity Fund	24,241,270	2,485,734
	0.91%	Emerging Markets Equity Fund	17,699,611	293,327
	4.44%	Bond Market Fund	86,049,957	(9,184,688)
	8.04%	Money Market Fund	156,060,908	(2,935,495)
		Total Fund	\$1,940,005,338	\$92,231,458

Deferred Compensation (DCP)

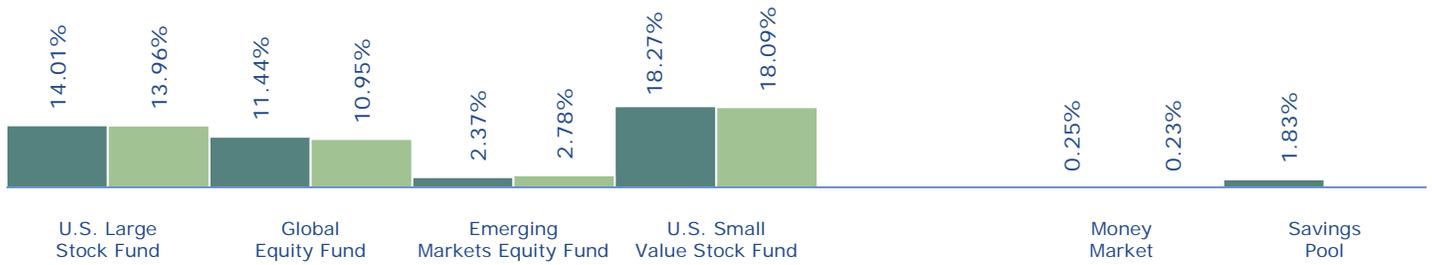
	% of Assets	Option	Market Value	Quarterly Change
40.67%	0.83%	Retirement Strategy Fund 2000	\$26,534,863	\$1,622,999
	1.22%	Retirement Strategy Fund 2005	39,098,874	1,571,729
	3.79%	Retirement Strategy Fund 2010	121,250,148	2,836,875
	9.05%	Retirement Strategy Fund 2015	290,011,794	17,561,665
	9.49%	Retirement Strategy Fund 2020	303,980,659	22,978,248
	6.80%	Retirement Strategy Fund 2025	217,848,624	17,729,747
	4.42%	Retirement Strategy Fund 2030	141,678,413	14,146,103
	2.78%	Retirement Strategy Fund 2035	88,957,380	6,962,933
	1.35%	Retirement Strategy Fund 2040	43,156,643	3,529,901
	0.59%	Retirement Strategy Fund 2045	18,980,342	1,369,654
	0.17%	Retirement Strategy Fund 2050	5,489,977	995,305
0.18%	Retirement Strategy Fund 2055	5,811,393	1,483,619	
	3.34%	Social Balanced Fund	107,068,403	4,911,833
	6.58%	U.S. Large Stock Fund	210,900,096	22,859,544
	4.37%	U.S. Small Value Stock Fund	140,064,463	22,239,407
	2.58%	Global Equity Fund	82,806,554	8,764,659
	1.93%	Emerging Markets Equity Fund	61,820,946	1,743,777
	8.87%	Bond Market Fund	284,299,286	(11,246,737)
	31.64%	Savings Pool	1,013,639,128	(22,029,709)
		Total Fund	\$3,203,397,984	\$120,031,551

Judicial Retirement Account (JRA)

	% of Assets	Option	Market Value	Quarterly Change
33.98%	1.45%	Retirement Strategy Fund 2000	\$181,645	\$5,162
	0.18%	Retirement Strategy Fund 2005	22,736	(2,123)
	6.00%	Retirement Strategy Fund 2010	752,657	(49,026)
	16.03%	Retirement Strategy Fund 2015	2,009,695	77,696
	6.42%	Retirement Strategy Fund 2020	805,114	45,410
	2.20%	Retirement Strategy Fund 2025	275,820	16,142
	1.18%	Retirement Strategy Fund 2030	148,353	38,692
	0.51%	Retirement Strategy Fund 2035	64,102	4,041
	0.00%	Retirement Strategy Fund 2040	0	0
	0.00%	Retirement Strategy Fund 2045	0	0
	0.00%	Retirement Strategy Fund 2050	0	0
	0.00%	Retirement Strategy Fund 2055	0	0
		2.51%	Social Balanced Fund	315,138
	6.53%	U.S. Large Stock Fund	818,963	55,766
	6.67%	U.S. Small Value Stock Fund	835,865	119,928
	4.49%	Global Equity Fund	562,923	15,535
	4.13%	Emerging Markets Equity Fund	518,261	(66,766)
	5.09%	Bond Market Fund	638,655	(53,109)
	36.59%	Savings Pool	4,588,239	(273,336)
		Total Fund	\$12,538,161	(\$53,944)

One Year Returns

Fund Index



Equity Funds

	Qtr.	1 Year	3 Year	5 Year	10 Year
U.S. Large Stock Fund	10.63%	14.01%	12.76%	5.99%	8.65%
S&P 500	10.61%	13.96%	12.67%	5.81%	8.53%
Global Equity Fund	6.58%	11.44%	N/A	N/A	N/A
MSCI ACWI IMI	6.90%	10.95%	8.13%	2.58%	9.87%
Emerging Markets Equity Fund	-1.96%	2.37%	N/A	N/A	N/A
MSCI EM IMI	-0.95%	2.78%	3.38%	1.53%	17.17%
U.S. Small Value Stock Fund	11.69%	18.27%	N/A	N/A	N/A
Russell 2000 Value	11.63%	18.09%	12.12%	7.29%	11.29%

Cash Funds

	Qtr.	1 Year	3 Year	5 Year	10 Year
Money Market Fund (Plan 3)	0.06%	0.25%	0.24%	0.51%	1.93%
One Month LIBOR	0.05%	0.23%	0.25%	0.61%	2.04%
Savings Pool (DCP)	0.38%	1.83%	2.65%	3.35%	4.09%

Returns shown are after manager and portfolio expenses but before the WSIB and record keeping fees.

One Year Returns

Fund Index



Balanced Funds

	Qtr.	1 Year	3 Year	5 Year	10 Year
WSIB TAP Fund (Plan 3)	4.53%	11.33%	9.82%	3.49%	9.24%
Custom Benchmark	4.82%	9.43%	8.07%	4.31%	8.50%
Social Balanced Fund	6.21%	6.64%	9.17%	6.24%	N/A
Custom Benchmark	5.70%	9.44%	9.75%	6.13%	7.25%
Retirement Strategy Fund 2000	2.96%	7.78%	7.00%	N/A	N/A
2000 Composite Index	3.03%	8.33%	7.52%	N/A	N/A
Retirement Strategy Fund 2005	3.75%	8.91%	7.56%	N/A	N/A
2005 Composite Index	3.88%	9.75%	8.39%	N/A	N/A
Retirement Strategy Fund 2010	4.48%	9.94%	8.07%	N/A	N/A
2010 Composite Index	4.74%	11.13%	9.21%	N/A	N/A
Retirement Strategy Fund 2015	5.19%	10.62%	8.17%	N/A	N/A
2015 Composite Index	5.49%	12.12%	9.54%	N/A	N/A
Retirement Strategy Fund 2020	5.75%	10.95%	8.06%	N/A	N/A
2020 Composite Index	6.08%	12.63%	9.57%	N/A	N/A
Retirement Strategy Fund 2025	6.25%	11.29%	7.91%	N/A	N/A
2025 Composite Index	6.66%	13.12%	9.59%	N/A	N/A
Retirement Strategy Fund 2030	6.59%	11.15%	7.66%	N/A	N/A
2030 Composite Index	7.13%	13.34%	9.54%	N/A	N/A
Retirement Strategy Fund 2035	6.76%	10.67%	7.25%	N/A	N/A
2035 Composite Index	7.44%	13.20%	9.33%	N/A	N/A
Retirement Strategy Fund 2040	6.85%	10.51%	7.16%	N/A	N/A
2040 Composite Index	7.63%	13.18%	9.31%	N/A	N/A
Retirement Strategy Fund 2045	6.84%	10.41%	7.15%	N/A	N/A
2045 Composite Index	7.63%	13.18%	9.31%	N/A	N/A
Retirement Strategy Fund 2050	6.83%	10.48%	7.17%	N/A	N/A
2050 Composite Index	7.63%	13.18%	9.31%	N/A	N/A
Retirement Strategy Fund 2055	6.84%	10.53%	7.19%	N/A	N/A
2055 Composite Index	7.63%	13.18%	9.31%	N/A	N/A

Bond Fund

	Qtr.	1 Year	3 Year	5 Year	10 Year
Bond Market Fund	0.43%	6.02%	6.47%	7.12%	5.99%
Barclays Capital Intermediate Credit	0.47%	5.96%	6.41%	6.54%	5.41%

Characteristics

Composition Distribution

Average Maturity

0.3 Years

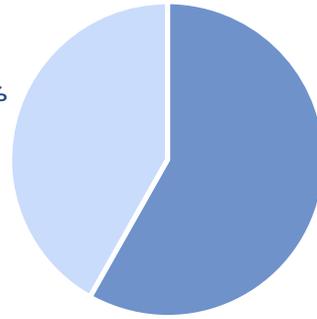
Average Yield

1.30%

Number of Holdings

13

GICs
41.80%



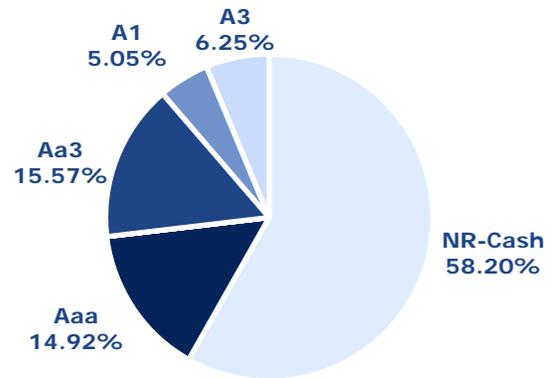
Market Value

\$ 1,018,857,227

GIC Issuers by Percentage

Metropolitan Life Insurance Co.	15.57%
New York Life Insurance Corp.	14.92%
Security Life of Denver Insurance Co.	6.25%
Pacific Life Insurance Co.	5.05%

Rating Distribution



Return

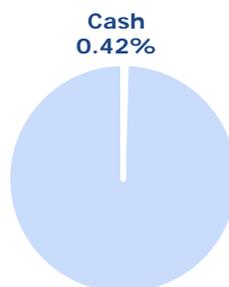


Note: Totals may not add up due to rounding

Characteristics

Asset Class Distribution

	Fund	Index
Average Maturity	5.2 years	5.0 years
Yield to Maturity	2.17%	1.91%
Effective Duration	4.62	4.44
Average Coupon	3.82%	4.17%
Number of Holdings	251	3,636



Market Value
\$ 1,475,489,306

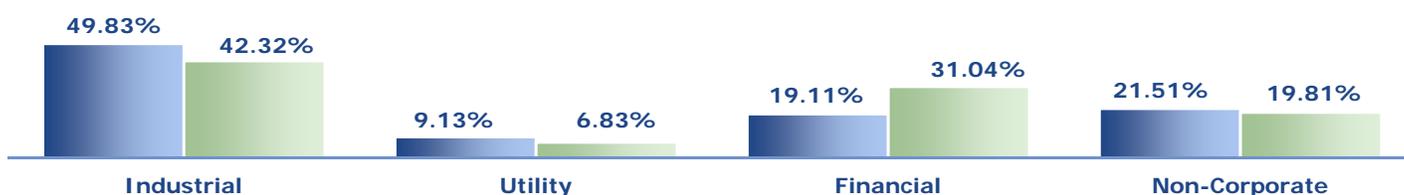
Top Ten Credit Issuers

Asian Development Bank	1.56%	Hutchison Whamp International Ltd.	1.10%
International Finance Corp.	1.55%	Rio Tinto Finance USA Ltd.	1.09%
The Coca-Cola Co.	1.16%	Cencosud S.A.	1.08%
Ontario, Province of	1.14%	EQT Corp.	1.07%
Macquarie Bank Ltd.	1.13%	Inter-American Development Bank	1.07%

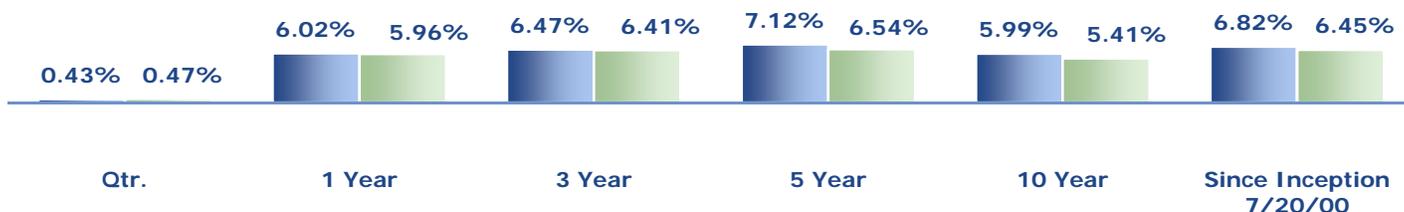
Rating Distribution



Industry Distribution



Return



Note: Totals may not add up due to rounding

One Year Performance



Total Fund **\$14,125,647,064**

	Market Value	Qtr.	1 Year	3 Year	5 Year	10 Year
Accident Fund	\$5,097,984,707	0.66%	7.04%	8.09%	7.32%	7.03%
CMI		0.45%	6.72%	8.04%	6.88%	6.64%
Medical Aid	\$4,821,497,386	1.09%	6.94%	7.98%	6.90%	6.98%
CMI		0.98%	6.58%	7.76%	6.32%	6.69%
Pension Reserve	\$4,092,622,973	0.54%	6.91%	8.02%	7.32%	6.56%
CMI		0.45%	6.72%	8.04%	6.88%	6.17%
Supplemental Pension	\$113,541,998	0.13%	0.95%	0.70%	1.49%	2.57%
CMI		N/A	N/A	N/A	N/A	N/A

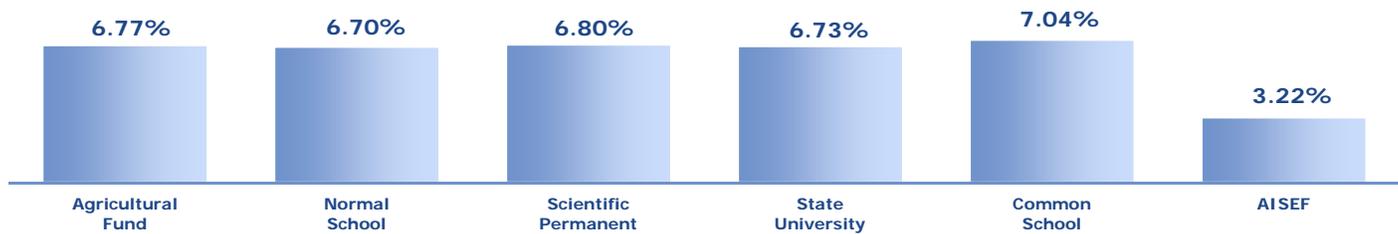
Labor and Industries' Statutory Accounting Return *

	Qtr.	1 Year	3 Year	5 Year
Accident Fund	1.86%	5.98%	6.00%	5.84%
Medical Aid	2.12%	6.15%	5.99%	5.10%
Pension Reserve	1.83%	6.64%	6.16%	5.73%
Supplemental Pension	0.13%	0.56%	0.55%	2.41%

Duration

	CMI	Target	Actual	% Difference
Accident Fund	7.15	7.00	6.74	-3.68%
Medical Aid	6.11	6.00	6.04	0.61%
Pension Reserve	7.15	7.00	6.59	-5.80%

* Uses net income, realized and unrealized gains and losses on equity securities, and realized gains and losses on fixed income in the numerator. The denominator uses book value for fixed income securities and market value for equities. Below investment grade fixed income securities are carried at the lower of book or market value.

One Year Performance

Market Value

Agricultural Fund	\$ 205,208,039
Normal School	\$ 258,672,444
Scientific Permanent	\$ 229,975,935
State University	\$ 33,560,877
Common School	\$ 202,695,042
American Indian Scholarship Endowment Fund (AISEF)	\$ 366,013

Total Returns

	Qtr.	1 Year	3 Year	5 Year	10 Year
Agricultural Fund	2.16%	6.77%	6.18%	6.19%	5.42%
Custom Benchmark ¹ (78.7% / 21.3%)	1.87%	6.69%	6.50%	6.05%	5.32%
Normal School	2.10%	6.70%	6.11%	6.04%	5.34%
Custom Benchmark ¹ (79.5% / 20.5%)	1.81%	6.62%	6.48%	6.04%	5.31%
Scientific Permanent	2.18%	6.80%	6.14%	6.05%	5.35%
Custom Benchmark ¹ (78.5% / 21.5%)	1.89%	6.72%	6.51%	6.06%	5.32%
State University	2.14%	6.73%	6.12%	6.04%	5.33%
Custom Benchmark ¹ (79.0% / 21.0%)	1.84%	6.64%	6.49%	6.04%	5.31%
Common School	2.52%	7.04%	6.49%	6.07%	5.49%
Custom Benchmark ¹ (75.4% / 24.6%)	2.25%	7.15%	6.89%	6.08%	5.51%
AISEF	0.23%	3.22%	3.18%	3.30%	N/A
Custom Benchmark ² (95.7% / 4.3%)	-0.12%	2.82%	3.28%	3.31%	3.27%

All of the custom benchmarks use previous month-end weights adjusted for new purchases during the current month.

¹ The custom benchmark is a combination of the Barclays Capital Aggregate and Russell 3000. The numbers in parentheses is the breakdown respectively for the current quarter.

² The custom benchmark is a combination of the Barclays Capital Aggregate and the 90 Day Tbill. The numbers in parentheses is the breakdown respectively for the current quarter.

Equity Returns

	Qtr.	1 Year	3 Year	5 Year	10 Year
Agricultural Fund	10.76%	N/A	N/A	N/A	N/A
Normal School	10.76%	N/A	N/A	N/A	N/A
Scientific Permanent	10.76%	N/A	N/A	N/A	N/A
State University	10.76%	N/A	N/A	N/A	N/A
Common School	10.76%	N/A	N/A	N/A	N/A
Russell 3000	11.07%	14.56%	12.97%	6.32%	9.15%

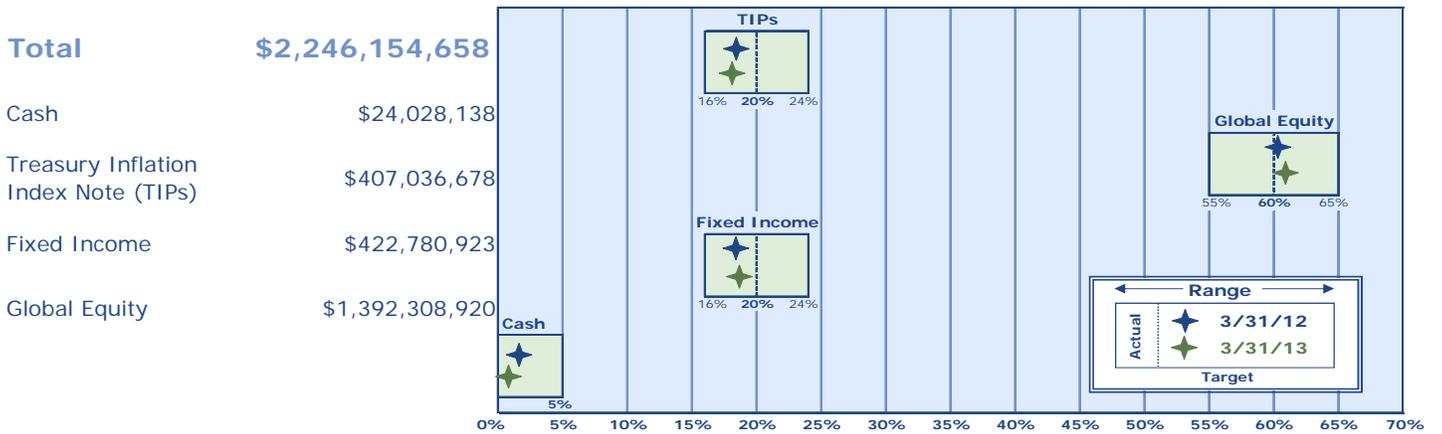
Fixed Income Returns

	Qtr.	1 Year	3 Year	5 Year	10 Year
Agricultural Fund	0.24%	3.78%	5.13%	5.47%	5.06%
Normal School	0.24%	3.78%	5.13%	5.45%	5.04%
Scientific Permanent	0.24%	3.78%	5.13%	5.45%	5.05%
State University	0.24%	3.78%	5.13%	5.45%	5.03%
Common School	0.24%	3.78%	5.13%	5.45%	5.03%
AISEF	0.24%	3.78%	5.13%	5.55%	N/A
Barclays Capital Aggregate	-0.12%	3.77%	5.52%	5.47%	5.02%

Cash Returns

	Qtr.	1 Year	3 Year	5 Year	10 Year
AISEF	0.03%	0.13%	0.07%	0.50%	N/A
90 Day Tbill	0.02%	0.13%	0.13%	0.38%	1.79%

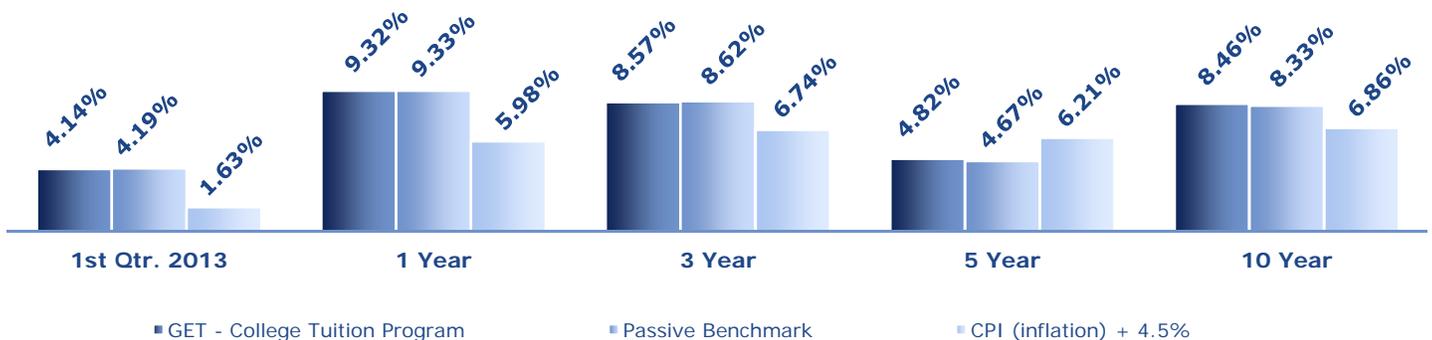
Portfolio Size and Allocation



Assets Under Management

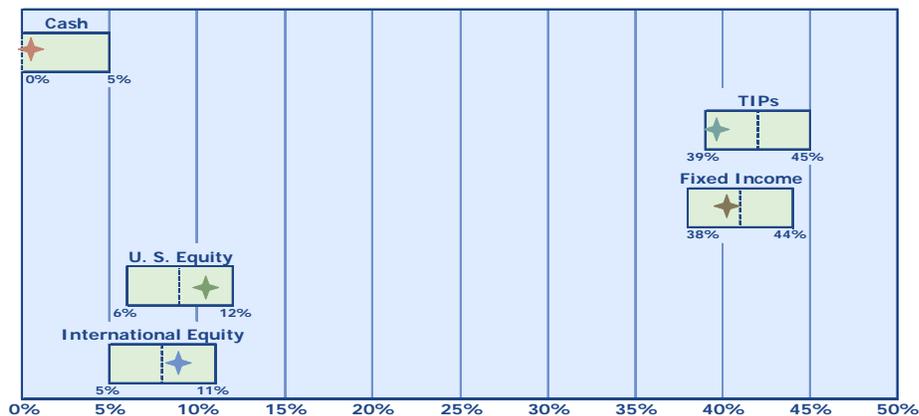


Total Return

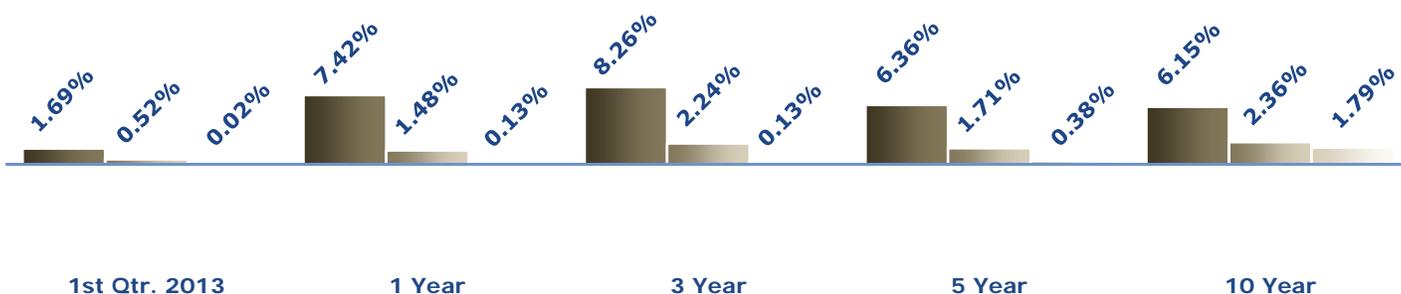


State Funds

Total	\$11,096,170
Cash	\$58,131
Treasury Inflation Index Note (TIPs)	\$4,420,720
Fixed Income	\$4,455,587
U.S. Equity	\$1,164,594
Non U.S. Equity	\$997,138

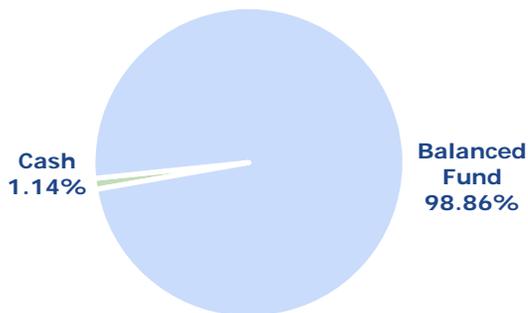


■ DDEF State Funds ■ Inflation (CPI) ■ 90 Day Tbill



Private Funds

Total	\$27,150,155
Cash	\$309,938
Balanced Fund	\$26,840,217



■ DDEF Private Funds ■ Inflation (CPI) ■ 90 Day Tbill

