



## Investment Reports

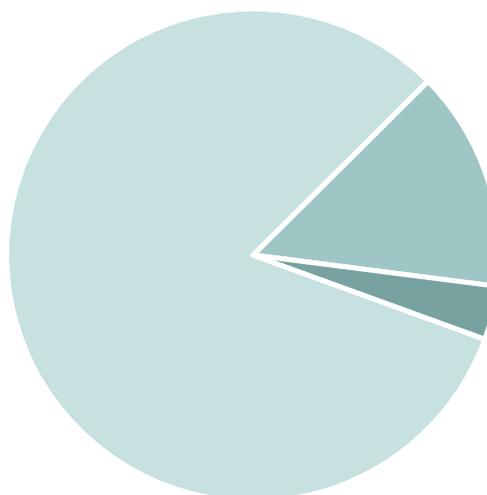
Quarterly Report – September 30, 2013

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**The WSIB invests for 33 funds:**

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

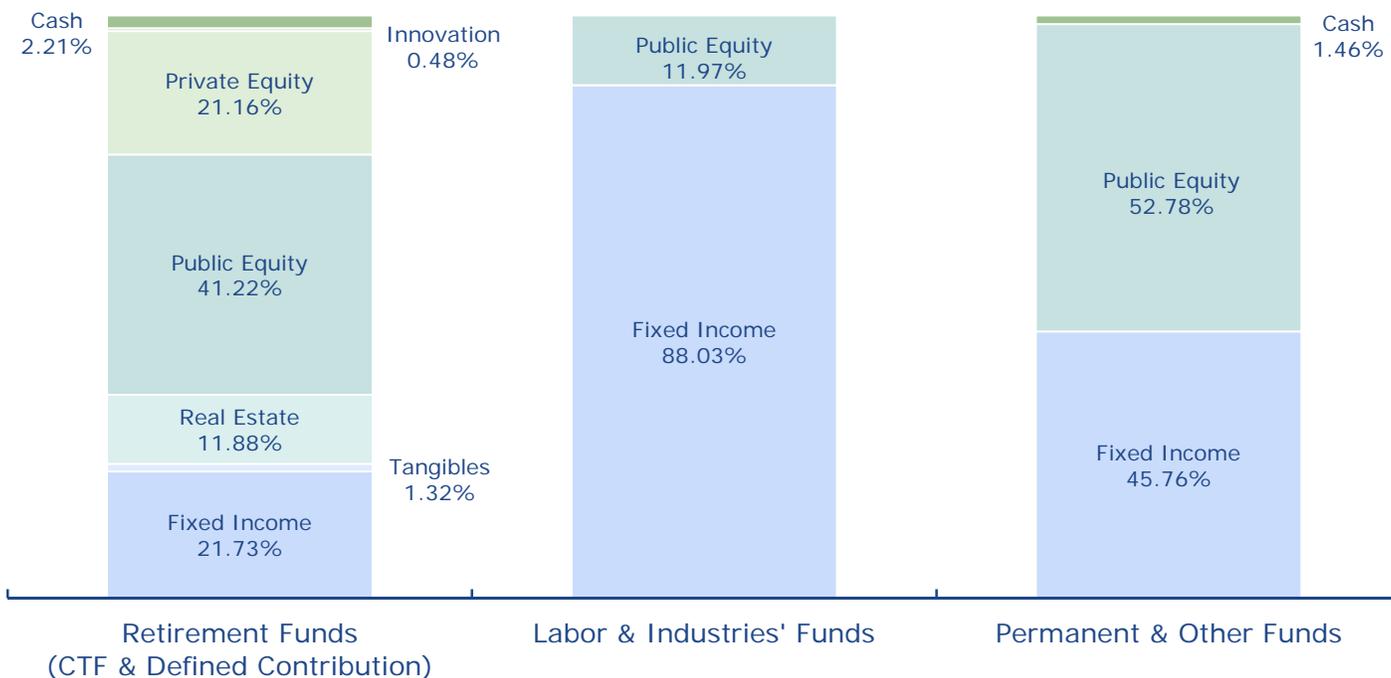
Retirement Funds  
(CTF & Defined Contribution)  
\$77,536,613,694  
81.98%



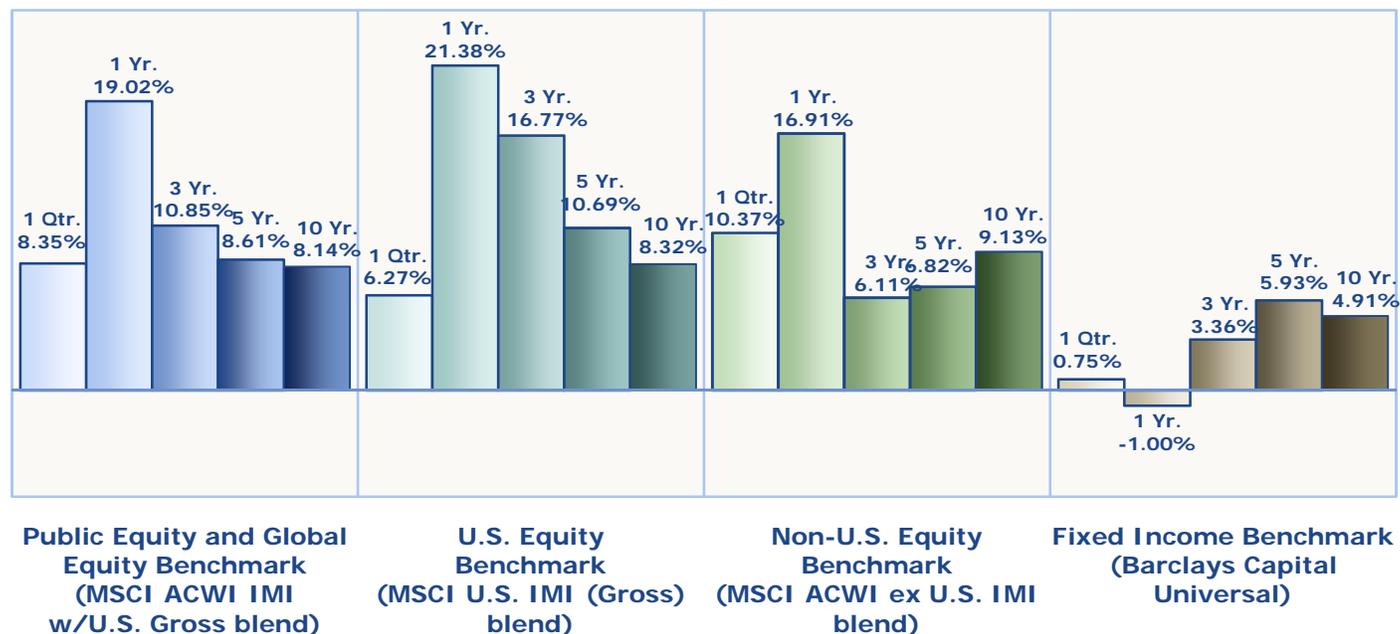
Labor & Industries' Funds  
\$13,705,995,101  
14.49%

Permanent & Other Funds  
\$3,337,409,948  
3.53%

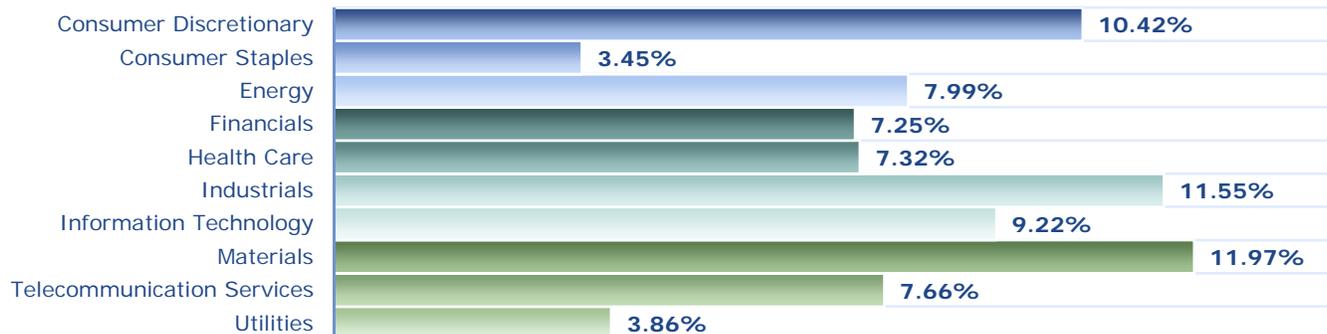
**Asset Class Overview for All Funds**



**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 8.4% outperforming fixed income as measured by the Barclays Capital Universal which returned 0.8% for the quarter.
- ❖ The best industry return for the quarter as shown with the MSCI ACWI IMI was Materials at 12.0%. The lowest return was Consumer Staples at 3.5%.
- ❖ In the Barclays Capital indices U.S. Corporate High Yield has the highest return for the quarter earning 2.3% while U.S. Treasury had the lowest return at 0.1%. For the yield curve, the middle of the curve (5 year Treasuries) outperformed the long end (30 year Treasuries), returning 0.7% compared to -3.2% respectively for the quarter.
- ❖ GDP was 2.8% (annualized) for the quarter. Inflation, as measured by the CPI was 0.4%.
- ❖ 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 tangibles for \$17 million, real estate for \$110 million, private equity for \$430 million, and innovation for \$60 million to public equity with \$10 million. The remaining funds were held to pay participant withdrawals.

**Fixed Income**

- ❖ Fixed Income returned 0.5% for the quarter. It outperformed its benchmark for the 5 year and 10 year time periods.

**Tangible Assets**

- ❖ The WSIB Tangible Assets quarter return was 1.1% and underperformed its benchmark, CPI lagged one quarter plus 400 basis points, which returned 1.3%.
- ❖ As of June 30, 2013, there were \$783 million in unfunded commitments.

**Real Estate**

- ❖ The WSIB Real Estate quarter return was 0.8%. It outperformed NCREIF (lagged one quarter) for the 1 year, 3 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 June 30, 2013, there were \$8.0 billion in unfunded commitments.

**Public Equity**

- ❖ Public Equity returned 8.2% for the quarter. It outperformed its benchmark for the 1 year and 3 year time periods.

**Private Equity**

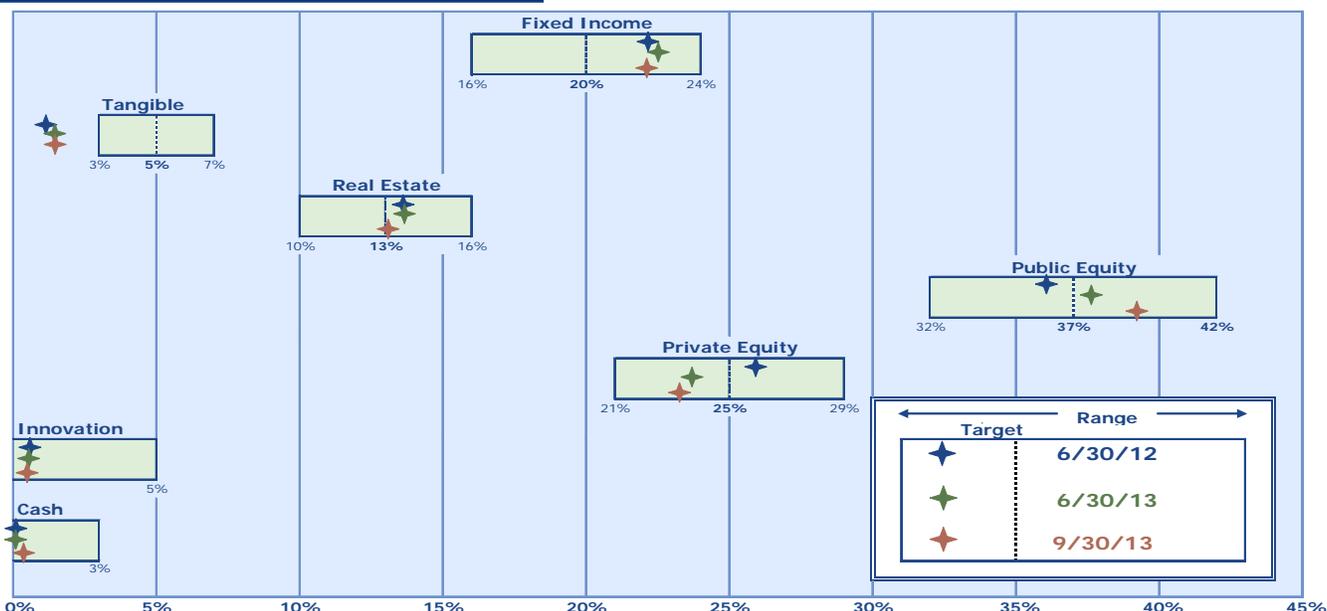
- ❖ The WSIB Private Equity quarter return was 4.2%. It outperformed its benchmark, the Russell 3000 (lagged one quarter) plus 300 basis points for the quarter and 10 year time period.
- ❖ As of June 30, 2013, there were \$10.2 billion in unfunded commitments.

**Innovation**

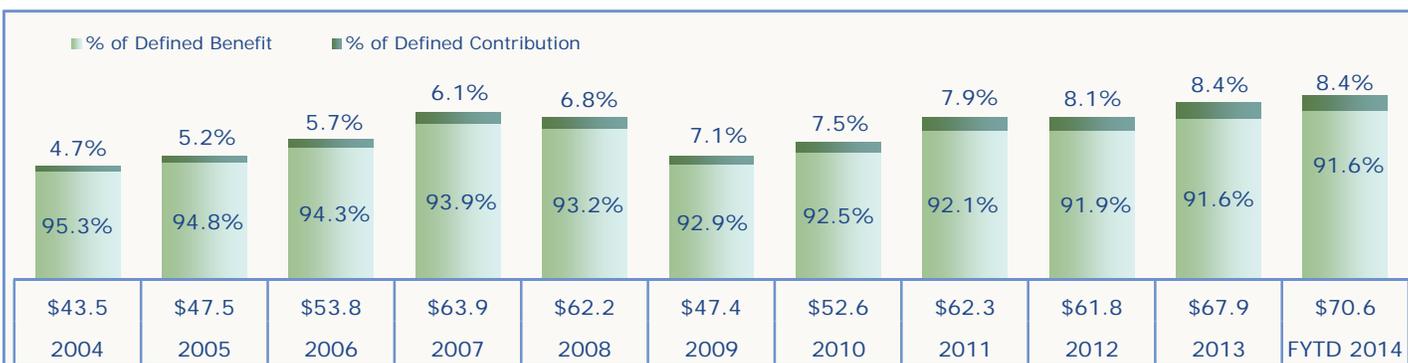
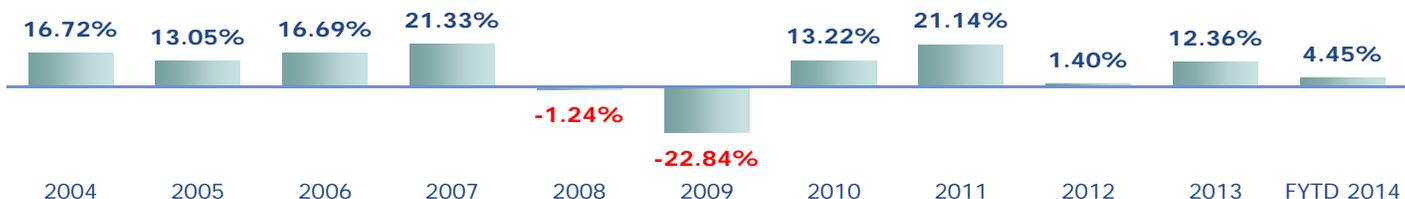
- ❖ Innovation outperformed its custom benchmark for the quarter, 1 year, and 3 year time periods.

**Market Values** **Actual Asset Allocation**

Asset Class	Market Value	by Asset Class	with Overlay	Market Value Changes
Fixed Income	\$ 14,499,964,971	20.55%	22.10%	Quarter:
Tangible Assets	\$ 1,025,442,613	1.45%	1.45%	\$ 2,650,891,253
Real Estate	\$ 9,209,226,634	13.05%	13.05%	Fiscal Year:
Public Equity	\$ 27,840,025,921	39.46%	39.23%	\$ 2,650,891,253
Private Equity	\$ 16,410,498,256	23.26%	23.26%	
Innovation	\$ 369,037,043	0.52%	0.51%	
Cash	\$ 1,199,190,983	1.70%	0.39%	
<b>Total Fund</b>	<b>\$ 70,553,386,422</b>			



**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 <sup>9</sup>
<b>Total Fund</b>	<b>\$70,553,386,422</b>	<b>100.0%</b>	4.45%	12.57%	10.20%	6.49%	8.41%	8.72%
Passive Benchmark <sup>2</sup>			5.98%	12.52%	8.65%	8.31%	7.28%	
Implementation Value Added Benchmark <sup>3</sup>			4.56%	14.62%	12.54%	8.71%	8.83%	
TUCS Public Fund >\$1B Median <sup>4</sup>			4.86%	12.72%	10.25%	8.04%	7.41%	
TUCS Public/Corporate Fund >\$1B Median <sup>4</sup>			4.47%	11.58%	9.89%	7.96%	7.53%	
<b>Fixed Income</b>	<b>\$14,499,964,971</b>	<b>20.6%</b>	0.54%	-1.71%	3.24%	7.07%	5.58%	
Barclays Capital Universal			0.75%	-1.00%	3.36%	5.93%	4.91%	
<b>Tangible Assets</b>	<b>\$1,025,442,613</b>	<b>1.5%</b>	1.05%	0.32%	3.05%	1.37%		
CPI (Lagged One Quarter) + 400 bp			1.25%	5.76%	6.34%	5.38%		
<b>Real Estate<sup>5</sup></b>	<b>\$9,209,226,634</b>	<b>13.1%</b>	0.82%	13.03%	13.45%	0.81%	9.35%	
8% Return Over Rolling 10 Years							8.00%	
NCREIF (Lagged One Quarter)			2.87%	10.73%	13.14%	2.79%	8.59%	
<b>Public Equity<sup>6</sup></b>	<b>\$27,840,025,921</b>	<b>39.5%</b>	8.19%	19.39%	11.19%	8.44%	8.05%	
Custom Benchmark			8.35%	19.02%	10.85%	8.61%	8.14%	
<b>Private Equity<sup>5</sup></b>	<b>\$16,410,498,256</b>	<b>23.3%</b>	4.21%	16.54%	13.79%	6.81%	13.79%	
Russell 3000 (Lagged One Quarter) + 300 bp			3.45%	24.46%	21.63%	10.25%	10.81%	
<b>Innovation<sup>7</sup></b>	<b>\$369,037,043</b>	<b>0.5%</b>	20.00%	50.03%	6.21%			
Custom Benchmark			3.74%	0.29%	-1.37%			
<b>Overlay<sup>8</sup></b>	<b>\$113,257,363</b>		0.00%	-0.08%	0.02%	0.11%	0.06%	
<b>Cash</b>	<b>\$1,085,933,620</b>	<b>1.7%</b>	0.03%	0.14%	0.15%	0.28%	1.77%	
90 Day T-Bills			0.02%	0.11%	0.12%	0.19%	1.74%	

 Outperformed its benchmark       Underperformed its benchmark

<sup>1</sup> Performance figures are net of all non-appropriated fees.

<sup>2</sup> 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.

<sup>3</sup> 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.

<sup>4</sup> 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).

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

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

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

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

<sup>9</sup> Since Inception of the CTF is July 1, 1992.

**Global Markets**

\$6,393,002,186

	Qtr.	1 Year	3 Year	5 Year	10 Year
<b>Total Global</b>	<b>8.93%</b>	<b>22.08%</b>	<b>12.73%</b>	<b>8.88%</b>	
MSCI ACWI IMI w/ U.S. Gross	8.35%	19.02%	10.85%	8.61%	
Aberdeen Asset Management	7.12%	13.91%	<b>11.25%</b>	<b>9.08%</b>	
Arrowstreet Capital	<b>10.12%</b>	<b>26.93%</b>			
D.E. Shaw	<b>8.62%</b>	<b>23.10%</b>			
Longview	<b>9.74%</b>	<b>30.51%</b>			
WHV	8.23%	13.29%			
William Blair & Company	8.25%	16.67%			

**Non-U.S. Markets**

\$11,182,520,746

	Qtr.	1 Year	3 Year	5 Year	10 Year
<b>Total Non-U.S. Equity</b>	9.57%	16.12%	<b>6.23%</b>	6.50%	8.90%
Custom Benchmark	10.37%	16.91%	6.11%	6.82%	9.13%
<b>Total Developed</b>	<b>11.46%</b>	<b>22.02%</b>	<b>8.47%</b>	<b>7.19%</b>	<b>8.97%</b>
Custom Developed Markets Benchmark	11.75%	21.85%	8.13%	6.66%	8.38%
SSgA	<b>11.81%</b>	<b>22.40%</b>	<b>8.58%</b>		
Mondrian Investment Partners	9.52%	19.86%	<b>8.45%</b>	6.23%	<b>9.23%</b>

<b>Total Emerging</b>	4.03%	0.74%	<b>0.09%</b>	<b>6.83%</b>	<b>12.54%</b>
Custom Benchmark	5.49%	1.41%	-0.45%	6.54%	12.30%
Aberdeen Asset Management	1.93%	0.52%	<b>4.17%</b>		
BlackRock Trust Company EM IMI					
Grantham, Mayo, Otterloo	<b>8.14%</b>	-0.57%	-0.70%	5.34%	<b>12.60%</b>
JPMorgan	2.16%	0.34%	-1.23%	6.50%	
Lazard Asset Management	<b>6.53%</b>	<b>2.94%</b>	<b>1.36%</b>	<b>7.86%</b>	
Mondrian Investment Partners	-0.69%	-1.02%	<b>1.25%</b>		

**U.S. Markets**

\$10,264,502,990

	Qtr.	1 Year	3 Year	5 Year	10 Year
<b>Total U.S. Equity</b>	<b>6.27%</b>	<b>21.44%</b>	<b>16.81%</b>	10.35%	7.93%
MSCI U.S. IMI (Gross)	6.27%	21.38%	16.77%	10.69%	8.32%
BlackRock Trust Company	<b>6.27%</b>	<b>21.43%</b>			

Outperformed its benchmark

Underperformed its benchmark

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

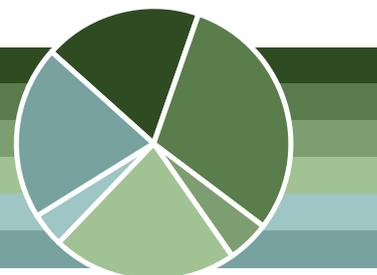
Emerging Markets Benchmark: Custom Emerging Markets IMI (Custom) - Switched October 1, 2007.

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

**Global Markets**

\$6,393,002,186

Aberdeen Asset Management	\$1,191,914,041	18.64%
Arrowstreet Capital	\$1,916,707,727	29.98%
D.E. Shaw	\$320,125,458	5.01%
Longview	\$1,397,223,620	21.86%
WHV	\$256,114,297	4.01%
William Blair & Company	\$1,310,891,749	20.51%

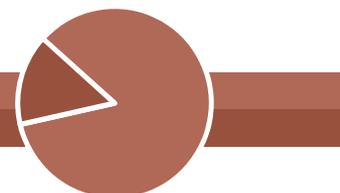


**Non-U.S. Markets**

\$11,182,520,746

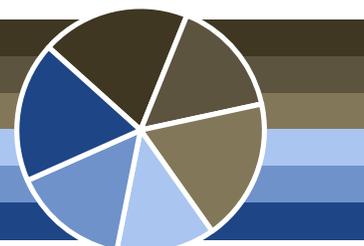
**Developed**

SSgA	\$7,069,096,948	84.80%
Mondrian Investment Partners	\$1,266,704,646	15.20%



**Emerging**

Aberdeen Asset Management	\$551,420,141	19.37%
BlackRock Trust Company EM IMI	\$440,431,143	15.47%
Grantham, Mayo, Otterloo	\$527,973,443	18.55%
JPMorgan	\$366,671,832	12.88%
Lazard Asset Management	\$431,711,954	15.17%
Mondrian Investment Partners	\$520,526,503	18.29%



**U.S. Markets**

\$10,264,502,990

BlackRock Trust Company	\$10,264,312,560	100.00%
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Transition Accounts for Public Equity \$8,199,860

Top Ten Countries by Weight	Top Ten Holdings
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	CTF Weight		CTF Weight
United States	46.94%	Apple Computer Inc.	0.87%
United Kingdom	9.54%	Exxon Mobil Corp.	0.75%
Japan	7.22%	Pfizer Inc.	0.63%
France	3.42%	Johnson & Johnson	0.60%
Switzerland	3.35%	Roche Holdings AG	0.59%
Canada	3.34%	Novartis AG	0.58%
Germany	3.09%	Samsung Electronic	0.58%
Australia	1.99%	Wells Fargo & Co.	0.55%
Hong Kong	1.99%	Google Inc.	0.54%
China	1.87%	Nestle SA	0.52%

WSIB	<div style="background-color: #2c4e64; color: white; padding: 5px; text-align: center;"> <b>U.S.</b> 46.94%                 </div>	<div style="background-color: #6b8e23; color: white; padding: 5px; text-align: center;"> <b>Other Developed Countries</b> 41.37%                 </div>	<div style="background-color: #8e6b23; color: white; padding: 5px; text-align: center;"> <b>Emerging</b> 11.69%                 </div>
MSCI ACWI IMI w/U.S. Gross	<div style="background-color: #2c4e64; color: white; padding: 5px; text-align: center;"> <b>U.S.</b> 47.95%                 </div>	<div style="background-color: #6b8e23; color: white; padding: 5px; text-align: center;"> <b>Other Developed Countries</b> 41.21%                 </div>	<div style="background-color: #8e6b23; color: white; padding: 5px; text-align: center;"> <b>Emerging</b> 10.84%                 </div>

**Fixed Income** \$14,499,964,971

**Duration**

	Jun 60	Sep 13
<b>WSIB Portfolio</b>	<b>4.37</b>	<b>4.47</b>
Barclays Capital Universal	5.38	5.38
<b>Difference</b>	<b>-18.61%</b>	<b>-16.98%</b>

**Sector Weighting**

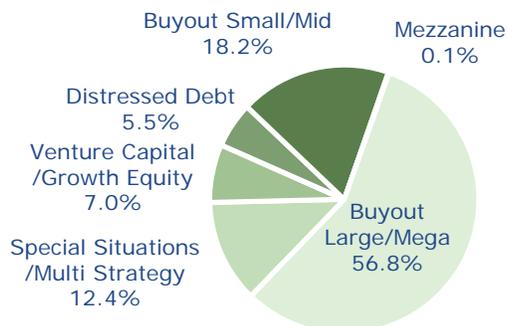


**Innovation** \$369,037,043

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

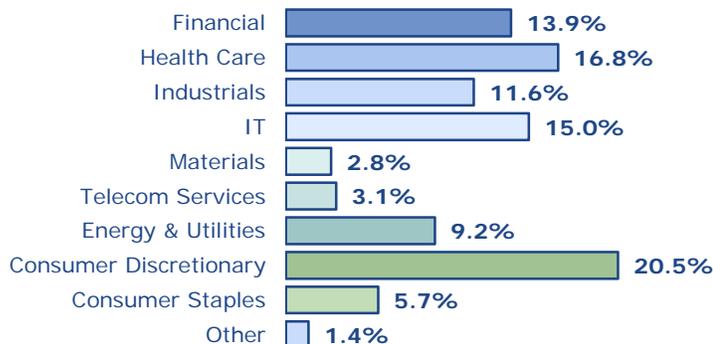


**Sector Distribution**



**Unfunded Commitments: \$10.2 billion**

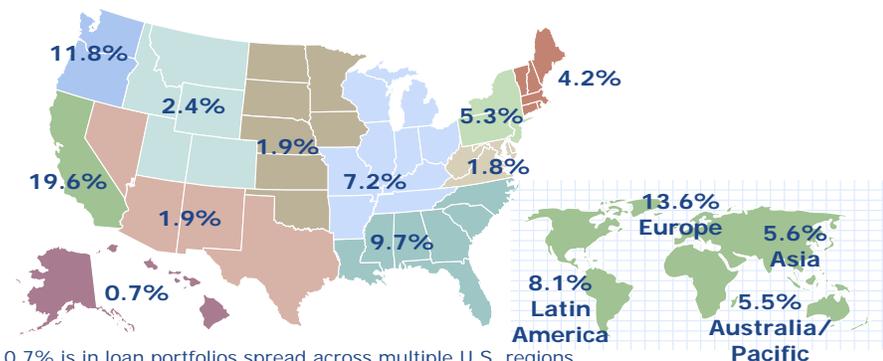
**Industry Distribution**



**Real Estate**

\$9,209,226,634

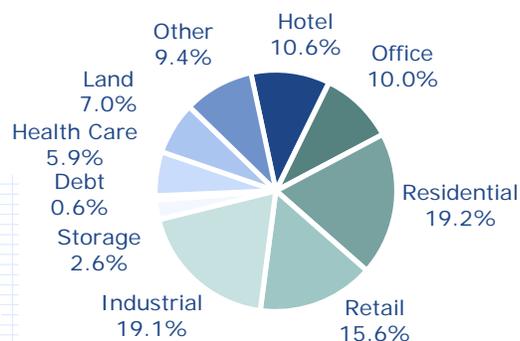
**Geographical Distribution**



0.7% is in loan portfolios spread across multiple U.S. regions

**Unfunded Commitments: \$8.0 billion**

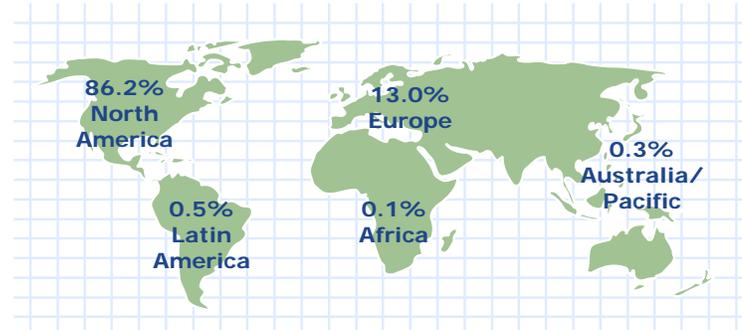
**Property Type Distribution**



**Tangible Assets**

\$1,025,442,613

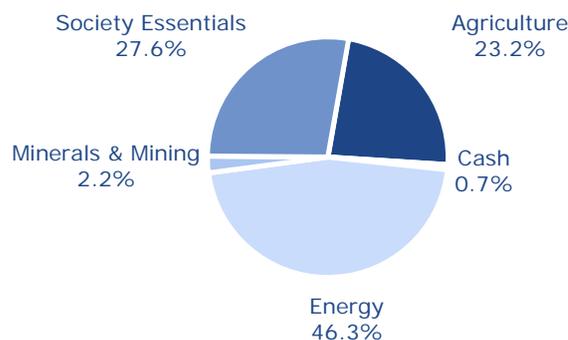
**Geographical Distribution**



**Unfunded Commitments: \$783 million**

Distribution charts and unfunded commitments are lagged one quarter.

**Sector Type Distribution**



**Teachers' Retirement System (TRS)**

	<b>% of Assets</b>	<b>Option</b>	<b>Market Value</b>	<b>Quarterly Change</b>
	60.39%	WSIB TAP Fund	\$3,678,172,012	\$171,604,038
	0.92%	Social Balanced Fund	55,733,060	2,637,854
17.66%	0.16%	Retirement Strategy Fund 2000	9,605,981	(1,617,519)
	0.22%	Retirement Strategy Fund 2005	13,265,953	(624,420)
	0.71%	Retirement Strategy Fund 2010	42,947,335	(1,066,199)
	2.90%	Retirement Strategy Fund 2015	176,816,277	(2,252,841)
	4.04%	Retirement Strategy Fund 2020	246,045,630	14,766,625
	3.69%	Retirement Strategy Fund 2025	224,984,377	15,417,288
	2.72%	Retirement Strategy Fund 2030	165,475,689	12,409,456
	1.82%	Retirement Strategy Fund 2035	111,116,280	9,129,416
	0.88%	Retirement Strategy Fund 2040	53,886,668	5,302,191
	0.33%	Retirement Strategy Fund 2045	20,110,014	2,080,558
	0.12%	Retirement Strategy Fund 2050	7,586,689	1,222,546
	0.06%	Retirement Strategy Fund 2055	3,795,201	1,133,732
	8.01%	U.S. Large Stock Fund	487,914,682	19,777,597
	1.86%	U.S. Small Value Stock Fund	113,520,231	10,190,914
	1.21%	Global Equity Fund	73,514,473	6,453,904
	0.61%	Emerging Markets Equity Fund	37,048,686	2,179,846
	5.08%	Bond Market Fund	309,423,985	(18,540,779)
	4.26%	Money Market Fund	259,528,127	(2,063,129)
		<b>Total Fund</b>	<b>\$6,090,491,350</b>	<b>\$248,141,078</b>

**School Employees' Retirement System (SERS)**

	<b>% of Assets</b>	<b>Option</b>	<b>Market Value</b>	<b>Quarterly Change</b>
	73.95%	WSIB TAP Fund	\$1,085,381,184	\$43,444,224
	0.58%	Social Balanced Fund	8,560,564	659,555
11.65%	0.15%	Retirement Strategy Fund 2000	2,260,582	(339,088)
	0.27%	Retirement Strategy Fund 2005	3,933,787	62,297
	0.98%	Retirement Strategy Fund 2010	14,399,707	328,595
	2.66%	Retirement Strategy Fund 2015	39,102,315	789,956
	3.04%	Retirement Strategy Fund 2020	44,574,930	2,912,147
	2.38%	Retirement Strategy Fund 2025	34,927,884	2,147,586
	1.05%	Retirement Strategy Fund 2030	15,406,713	1,642,194
	0.53%	Retirement Strategy Fund 2035	7,782,741	885,602
	0.23%	Retirement Strategy Fund 2040	3,434,676	508,878
	0.17%	Retirement Strategy Fund 2045	2,422,326	292,079
	0.10%	Retirement Strategy Fund 2050	1,426,622	321,808
	0.08%	Retirement Strategy Fund 2055	1,238,373	499,670
	3.57%	U.S. Large Stock Fund	52,446,965	2,698,496
	1.06%	U.S. Small Value Stock Fund	15,562,272	1,892,795
	0.50%	Global Equity Fund	7,373,399	666,306
	0.26%	Emerging Markets Equity Fund	3,859,133	177,103
	2.29%	Bond Market Fund	33,650,267	(3,747,553)
	6.12%	Money Market Fund	89,879,820	(287,040)
		<b>Total Fund</b>	<b>\$1,467,624,260</b>	<b>\$55,555,607</b>

**Public Employees' Retirement System (PERS)**

	<b>% of Assets</b>	<b>Option</b>	<b>Market Value</b>	<b>Quarterly Change</b>
	57.67%	WSIB TAP Fund	\$1,178,069,098	\$53,042,084
	1.10%	Social Balanced Fund	22,450,501	1,009,046
19.41%	0.18%	Retirement Strategy Fund 2000	3,764,080	(13,036)
	0.24%	Retirement Strategy Fund 2005	4,876,412	2,365
	0.90%	Retirement Strategy Fund 2010	18,349,800	75,868
	2.72%	Retirement Strategy Fund 2015	55,536,218	3,132,137
	4.14%	Retirement Strategy Fund 2020	84,593,495	5,025,252
	4.41%	Retirement Strategy Fund 2025	90,067,100	5,951,468
	2.73%	Retirement Strategy Fund 2030	55,683,708	2,706,637
	1.88%	Retirement Strategy Fund 2035	38,493,038	3,099,787
	1.00%	Retirement Strategy Fund 2040	20,413,060	2,077,925
	0.62%	Retirement Strategy Fund 2045	12,693,872	1,625,023
	0.34%	Retirement Strategy Fund 2050	6,861,925	1,178,496
	0.26%	Retirement Strategy Fund 2055	5,292,854	454,338
	5.52%	U.S. Large Stock Fund	112,836,249	5,576,932
	2.69%	U.S. Small Value Stock Fund	54,958,677	5,815,424
	1.29%	Global Equity Fund	26,396,865	2,268,736
	0.79%	Emerging Markets Equity Fund	16,180,987	514,240
	3.61%	Bond Market Fund	73,673,952	(5,741,488)
	7.92%	Money Market Fund	161,718,914	5,182,366
		<b>Total Fund</b>	<b>\$2,042,910,805</b>	<b>\$92,983,601</b>

**Deferred Compensation (DCP)**

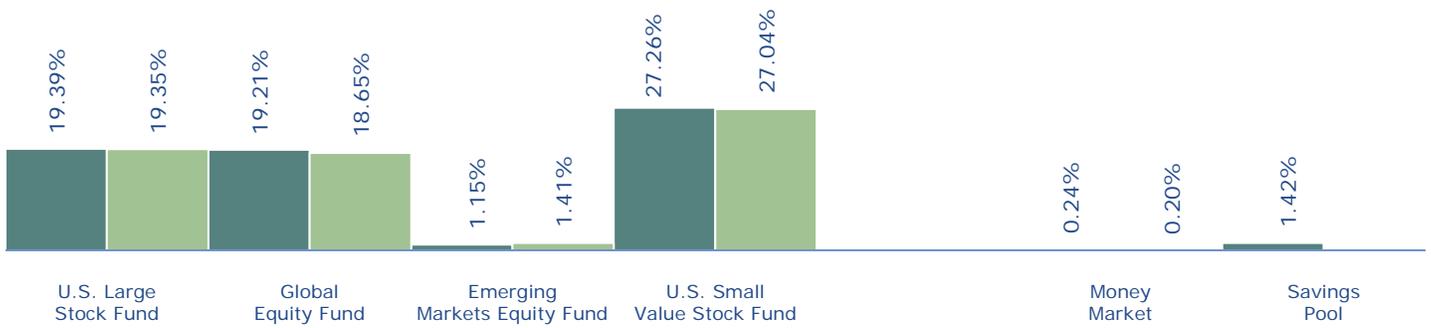
	<b>% of Assets</b>	<b>Option</b>	<b>Market Value</b>	<b>Quarterly Change</b>
42.19%	0.77%	Retirement Strategy Fund 2000	\$25,650,467	\$182,101
	1.16%	Retirement Strategy Fund 2005	38,431,738	(10,709)
	3.51%	Retirement Strategy Fund 2010	116,068,918	(1,497,491)
	9.15%	Retirement Strategy Fund 2015	302,904,863	12,589,665
	9.88%	Retirement Strategy Fund 2020	327,303,158	18,885,821
	7.40%	Retirement Strategy Fund 2025	244,990,860	21,441,634
	4.71%	Retirement Strategy Fund 2030	155,948,509	12,188,628
	3.03%	Retirement Strategy Fund 2035	100,279,706	9,099,860
	1.49%	Retirement Strategy Fund 2040	49,479,119	4,734,496
	0.67%	Retirement Strategy Fund 2045	22,273,646	2,381,417
	0.20%	Retirement Strategy Fund 2050	6,755,424	1,048,965
0.21%	Retirement Strategy Fund 2055	6,965,095	606,986	
	3.47%	Social Balanced Fund	114,841,043	5,699,880
	7.40%	U.S. Large Stock Fund	245,041,208	17,129,731
	5.02%	U.S. Small Value Stock Fund	166,326,687	16,091,283
	2.78%	Global Equity Fund	91,903,964	7,411,250
	1.73%	Emerging Markets Equity Fund	57,222,052	2,531,328
	6.92%	Bond Market Fund	229,294,754	(27,827,282)
	30.49%	Savings Pool	1,009,489,776	9,100,650
		<b>Total Fund</b>	<b>\$3,311,170,988</b>	<b>\$111,788,212</b>

**Judicial Retirement Account (JRA)**

	<b>% of Assets</b>	<b>Option</b>	<b>Market Value</b>	<b>Quarterly Change</b>
35.68%	1.45%	Retirement Strategy Fund 2000	\$183,436	\$5,413
	0.00%	Retirement Strategy Fund 2005	0	(21,858)
	5.78%	Retirement Strategy Fund 2010	730,926	(13,168)
	17.39%	Retirement Strategy Fund 2015	2,200,072	243,713
	6.75%	Retirement Strategy Fund 2020	853,440	50,995
	2.32%	Retirement Strategy Fund 2025	294,092	18,548
	1.29%	Retirement Strategy Fund 2030	163,829	13,001
	0.70%	Retirement Strategy Fund 2035	88,058	23,526
	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	
	2.54%	Social Balanced Fund	321,067	(9,104)
	6.89%	U.S. Large Stock Fund	871,359	41,021
	6.55%	U.S. Small Value Stock Fund	829,338	74,292
	4.80%	Global Equity Fund	607,794	46,848
	4.10%	Emerging Markets Equity Fund	519,265	41,936
	4.79%	Bond Market Fund	606,360	(12,107)
	34.64%	Savings Pool	4,383,127	(119,856)
		<b>Total Fund</b>	<b>\$12,652,163</b>	<b>\$383,201</b>

One Year Returns

Fund Index



**Equity Funds**

	Qtr.	1 Year	3 Year	5 Year	10 Year
<b>U.S. Large Stock Fund</b>	<b>5.26%</b>	<b>19.39%</b>	<b>16.33%</b>	<b>10.19%</b>	<b>7.68%</b>
S&P 500	5.24%	19.35%	16.27%	10.02%	7.57%
<b>Global Equity Fund</b>	<b>8.38%</b>	<b>19.21%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
MSCI ACWI IMI	8.28%	18.65%	10.53%	8.29%	8.28%
<b>Emerging Markets Equity Fund</b>	<b>5.40%</b>	<b>1.15%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
MSCI EM IMI	5.49%	1.41%	-0.45%	7.83%	12.97%
<b>U.S. Small Value Stock Fund</b>	<b>7.73%</b>	<b>27.26%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
Russell 2000 Value	7.59%	27.04%	16.57%	9.13%	9.29%

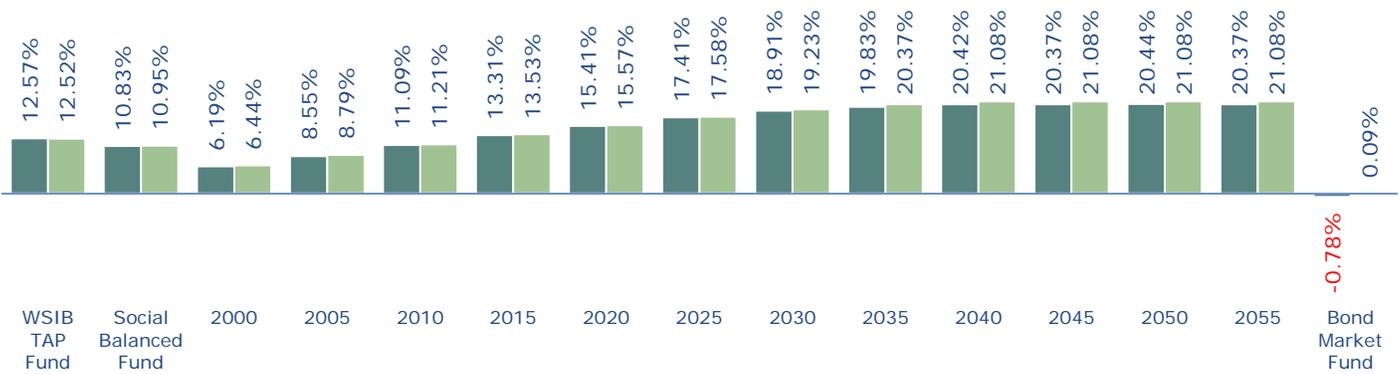
**Cash Funds**

	Qtr.	1 Year	3 Year	5 Year	10 Year
<b>Money Market Fund (Plan 3)</b>	<b>0.05%</b>	<b>0.24%</b>	<b>0.24%</b>	<b>0.30%</b>	<b>1.88%</b>
One Month LIBOR	0.05%	0.20%	0.23%	0.36%	1.99%
<b>Savings Pool (DCP)</b>	<b>0.25%</b>	<b>1.42%</b>	<b>2.21%</b>	<b>3.00%</b>	<b>3.87%</b>

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
<b>WSIB TAP Fund (Plan 3)</b>	<b>4.45%</b>	<b>12.57%</b>	<b>10.20%</b>	<b>6.49%</b>	<b>8.41%</b>
Custom Benchmark	5.98%	12.52%	8.65%	8.31%	7.28%
<b>Social Balanced Fund</b>	<b>3.76%</b>	<b>10.83%</b>	<b>10.06%</b>	<b>8.32%</b>	<b>6.89%</b>
Custom Benchmark	4.50%	10.95%	10.76%	8.65%	6.66%
<b>Retirement Strategy Fund 2000</b>	<b>3.07%</b>	<b>6.19%</b>	<b>6.05%</b>	<b>N/A</b>	<b>N/A</b>
2000 Composite Index	3.09%	6.44%	6.69%	N/A	N/A
<b>Retirement Strategy Fund 2005</b>	<b>3.88%</b>	<b>8.55%</b>	<b>7.14%</b>	<b>N/A</b>	<b>N/A</b>
2005 Composite Index	3.96%	8.79%	8.00%	N/A	N/A
<b>Retirement Strategy Fund 2010</b>	<b>4.75%</b>	<b>11.09%</b>	<b>8.20%</b>	<b>N/A</b>	<b>N/A</b>
2010 Composite Index	4.83%	11.21%	9.28%	N/A	N/A
<b>Retirement Strategy Fund 2015</b>	<b>5.52%</b>	<b>13.31%</b>	<b>8.85%</b>	<b>N/A</b>	<b>N/A</b>
2015 Composite Index	5.63%	13.53%	10.15%	N/A	N/A
<b>Retirement Strategy Fund 2020</b>	<b>6.14%</b>	<b>15.41%</b>	<b>9.32%</b>	<b>N/A</b>	<b>N/A</b>
2020 Composite Index	6.21%	15.57%	10.74%	N/A	N/A
<b>Retirement Strategy Fund 2025</b>	<b>6.77%</b>	<b>17.41%</b>	<b>9.74%</b>	<b>N/A</b>	<b>N/A</b>
2025 Composite Index	6.79%	17.58%	11.33%	N/A	N/A
<b>Retirement Strategy Fund 2030</b>	<b>7.26%</b>	<b>18.91%</b>	<b>10.05%</b>	<b>N/A</b>	<b>N/A</b>
2030 Composite Index	7.33%	19.23%	11.79%	N/A	N/A
<b>Retirement Strategy Fund 2035</b>	<b>7.69%</b>	<b>19.83%</b>	<b>10.12%</b>	<b>N/A</b>	<b>N/A</b>
2035 Composite Index	7.81%	20.37%	12.03%	N/A	N/A
<b>Retirement Strategy Fund 2040</b>	<b>8.04%</b>	<b>20.42%</b>	<b>10.18%</b>	<b>N/A</b>	<b>N/A</b>
2040 Composite Index	8.14%	21.08%	12.17%	N/A	N/A
<b>Retirement Strategy Fund 2045</b>	<b>8.03%</b>	<b>20.37%</b>	<b>10.19%</b>	<b>N/A</b>	<b>N/A</b>
2045 Composite Index	8.14%	21.08%	12.17%	N/A	N/A
<b>Retirement Strategy Fund 2050</b>	<b>8.01%</b>	<b>20.44%</b>	<b>10.21%</b>	<b>N/A</b>	<b>N/A</b>
2050 Composite Index	8.14%	21.08%	12.17%	N/A	N/A
<b>Retirement Strategy Fund 2055</b>	<b>7.94%</b>	<b>20.37%</b>	<b>10.18%</b>	<b>N/A</b>	<b>N/A</b>
2055 Composite Index	8.14%	21.08%	12.17%	N/A	N/A

Bond Fund

	Qtr.	1 Year	3 Year	5 Year	10 Year
<b>Bond Market Fund</b>	<b>0.92%</b>	<b>-0.78%</b>	<b>3.38%</b>	<b>7.45%</b>	<b>5.38%</b>
Barclays Capital Intermediate Credit	1.01%	0.09%	3.71%	7.70%	4.84%

Characteristics

Composition Distribution

**Average Maturity**

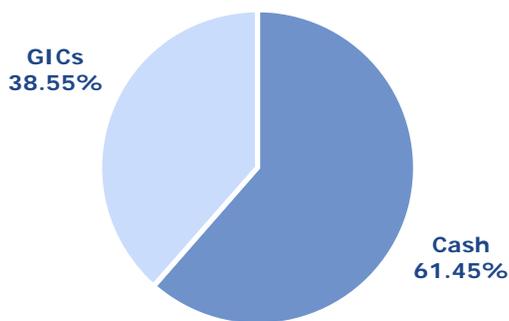
0.3 Years

**Average Yield**

0.81%

**Number of Holdings**

11



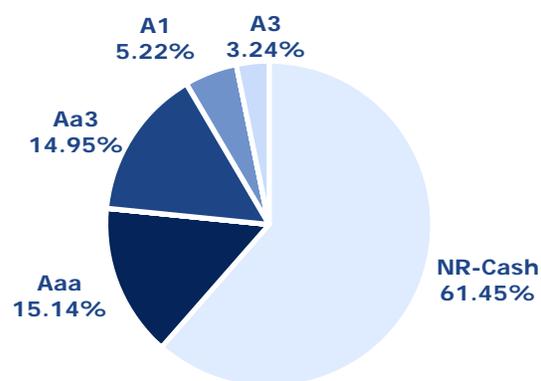
**Market Value**

\$ 1,011,342,702

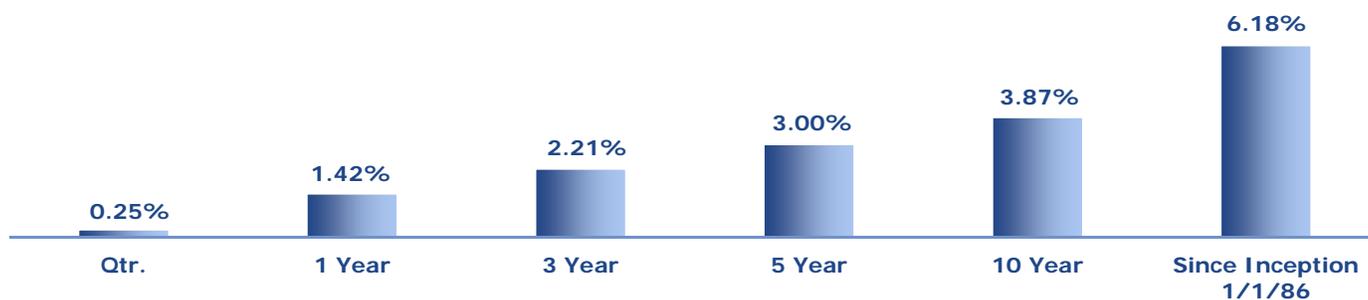
GIC Issuers by Percentage

New York Life Insurance Corp.	15.14%
Metropolitan Life Insurance Co.	14.95%
Pacific Life Insurance Co.	5.22%
Security Life of Denver Insurance Co.	3.24%

Rating Distribution



Return

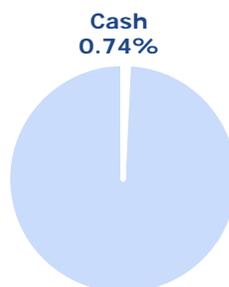


Note: Totals may not add up due to rounding

**Characteristics**

**Asset Class Distribution**

	<b>Fund</b>	<b>Index</b>
Average Maturity	5.0 years	4.9 years
Yield to Maturity	2.82%	2.42%
Effective Duration	4.37	4.35
Average Coupon	3.83%	4.01%
Number of Holdings	245	3,777

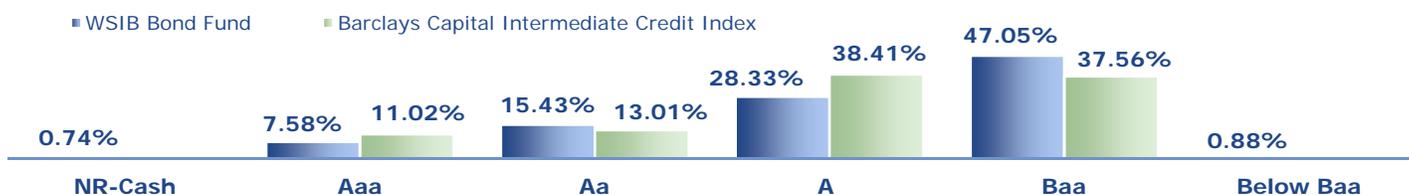


<b>Market Value</b>
<b>\$ 1,386,180,295</b>

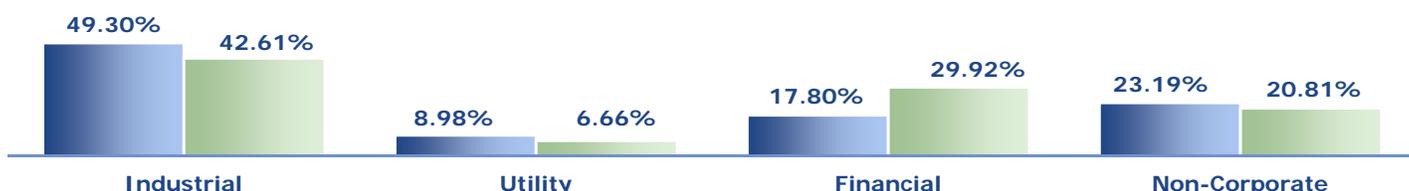
**Top Ten Credit Issuers**

International Finance Corp.	1.63%	Inter-American Development Bank	1.12%
Asian Development Bank	1.63%	EQT Corp.	1.12%
Ontario, Province of	1.20%	Hutchison Whamp International Ltd.	1.11%
Macquarie Bank Ltd.	1.19%	Cencosud SA	1.08%
The Coca-Cola Co.	1.19%	Westpac Banking Corp.	1.07%

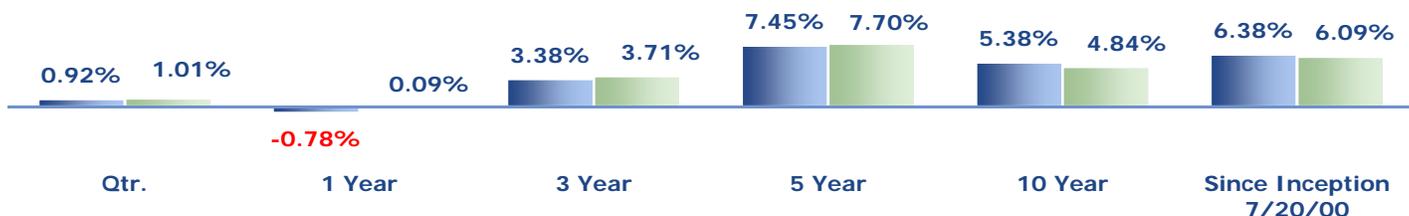
**Rating Distribution**



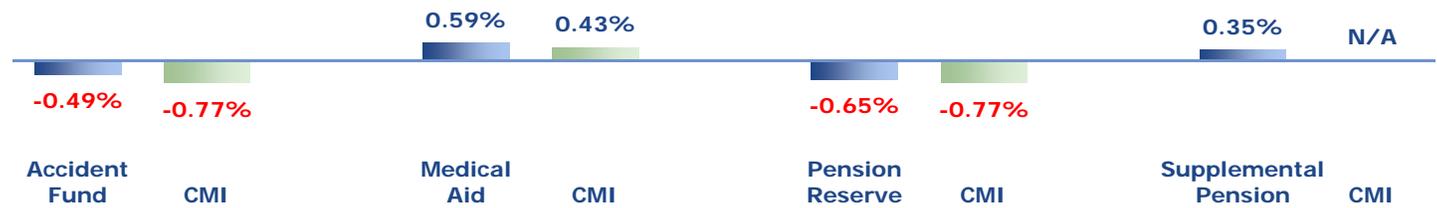
**Industry Distribution**



**Return**



Note: Totals may not add up due to rounding

**One Year Performance**

**Total Fund** **\$13,705,995,101**

	Market Value	Qtr.	1 Year	3 Year	5 Year	10 Year
<b>Accident Fund</b>	<b>\$4,915,528,111</b>	<b>1.34%</b>	<b>-0.49%</b>	<b>4.73%</b>	<b>7.86%</b>	<b>6.21%</b>
CMI		1.24%	-0.77%	4.72%	7.91%	5.70%
<b>Medical Aid</b>	<b>\$4,691,710,675</b>	<b>1.73%</b>	<b>0.59%</b>	<b>5.17%</b>	<b>7.72%</b>	<b>6.08%</b>
CMI		1.71%	0.43%	5.06%	7.49%	5.75%
<b>Pension Reserve</b>	<b>\$3,983,856,740</b>	<b>1.25%</b>	<b>-0.65%</b>	<b>4.64%</b>	<b>8.03%</b>	<b>5.93%</b>
CMI		1.24%	-0.77%	4.72%	7.91%	5.42%
<b>Supplemental Pension</b>	<b>\$114,899,576</b>	<b>0.31%</b>	<b>0.35%</b>	<b>0.60%</b>	<b>1.60%</b>	<b>2.46%</b>
CMI		N/A	N/A	N/A	N/A	N/A

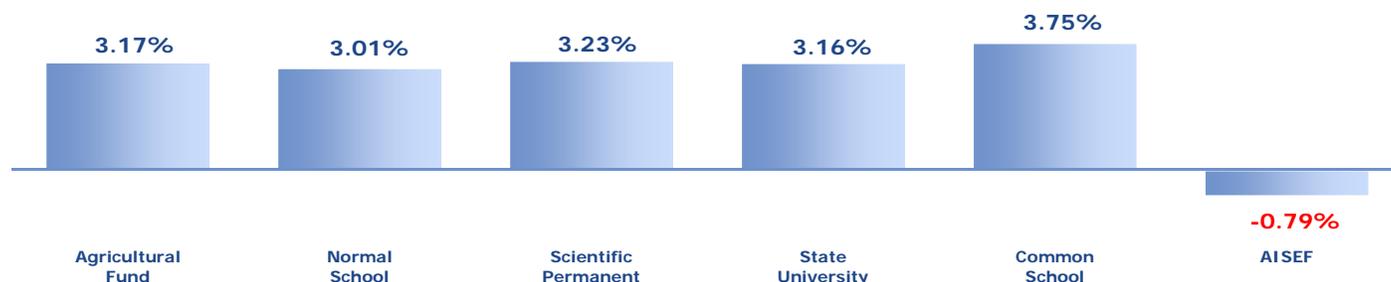
**Labor and Industries' Statutory Accounting Return \***

	Qtr.	1 Year	3 Year	5 Year
Accident Fund	1.88%	6.51%	6.18%	6.00%
Medical Aid	2.21%	7.07%	6.40%	5.73%
Pension Reserve	1.95%	6.96%	6.34%	6.08%
Supplemental Pension	0.13%	0.55%	0.51%	2.27%

**Duration**

	CMI	Target	Actual	% Difference
Accident Fund	6.95	7.00	6.39	-8.68%
Medical Aid	5.95	6.00	5.66	-5.70%
Pension Reserve	6.95	7.00	6.52	-6.83%

\* 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 College	\$ 204,214,236
Normal School	\$ 255,618,586
Scientific	\$ 231,448,208
State University	\$ 33,526,436
Common School	\$ 200,938,503
American Indian Scholarship Endowment Fund (AISEF)	\$ 356,753

**Total Returns**

	Qtr.	1 Year	3 Year	5 Year	10 Year
<b>Agricultural College</b>	1.92%	3.17%	4.49%	6.85%	5.27%
Custom Benchmark <sup>1</sup> ( 72.1% / 27.9% )	2.09%	2.96%	4.73%	6.55%	5.16%
<b>Normal School</b>	1.87%	3.01%	4.39%	6.67%	5.17%
Custom Benchmark <sup>1</sup> ( 73.0% / 27.0% )	2.03%	2.79%	4.67%	6.52%	5.14%
<b>Scientific</b>	1.94%	3.23%	4.47%	6.71%	5.19%
Custom Benchmark <sup>1</sup> ( 71.9% / 28.1% )	2.11%	3.02%	4.75%	6.56%	5.17%
<b>State University</b>	1.92%	3.16%	4.43%	6.69%	5.18%
Custom Benchmark <sup>1</sup> ( 72.2% / 27.8% )	2.09%	2.93%	4.71%	6.54%	5.15%
<b>Common School</b>	2.08%	3.75%	5.00%	6.88%	5.30%
Custom Benchmark <sup>1</sup> ( 70.1% / 29.9% )	2.23%	3.65%	5.33%	6.76%	5.31%
<b>AISEF</b>	0.52%	-0.79%	1.68%	3.16%	N/A
Custom Benchmark <sup>2</sup> ( 94.7% / 5.3% )	0.54%	-1.59%	1.60%	2.94%	3.03%

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

<sup>1</sup> 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.

<sup>2</sup> 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**

	<b>Qtr.</b>	<b>1 Year</b>	<b>3 Year</b>	<b>5 Year</b>	<b>10 Year</b>
<b>Agricultural College</b>	5.89%	18.34%	N/A	N/A	N/A
<b>Normal School</b>	5.89%	18.34%	N/A	N/A	N/A
<b>Scientific</b>	5.90%	18.34%	N/A	N/A	N/A
<b>State University</b>	5.89%	18.34%	N/A	N/A	N/A
<b>Common School</b>	5.89%	18.34%	N/A	N/A	N/A
Russell 3000	6.35%	21.60%	16.76%	10.58%	8.11%

**Fixed Income Returns**

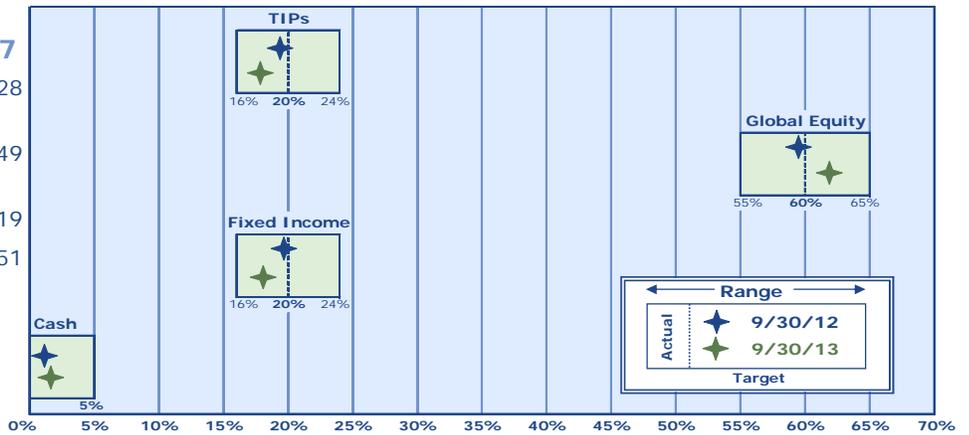
	<b>Qtr.</b>	<b>1 Year</b>	<b>3 Year</b>	<b>5 Year</b>	<b>10 Year</b>
<b>Agricultural College</b>	0.54%	-0.84%	2.70%	5.64%	4.67%
<b>Normal School</b>	0.54%	-0.84%	2.70%	5.63%	4.65%
<b>Scientific</b>	0.54%	-0.84%	2.70%	5.63%	4.66%
<b>State University</b>	0.54%	-0.84%	2.70%	5.63%	4.65%
<b>Common School</b>	0.54%	-0.84%	2.70%	5.63%	4.64%
<b>AISEF</b>	0.54%	-0.84%	2.70%	5.63%	N/A
Barclays Capital Aggregate	0.57%	-1.68%	2.86%	5.41%	4.59%

**Cash Returns**

	<b>Qtr.</b>	<b>1 Year</b>	<b>3 Year</b>	<b>5 Year</b>	<b>10 Year</b>
<b>AISEF</b>	0.02%	0.12%	0.07%	0.25%	N/A
90 Day Tbill	0.02%	0.11%	0.12%	0.19%	1.74%

**Portfolio Size and Allocation**

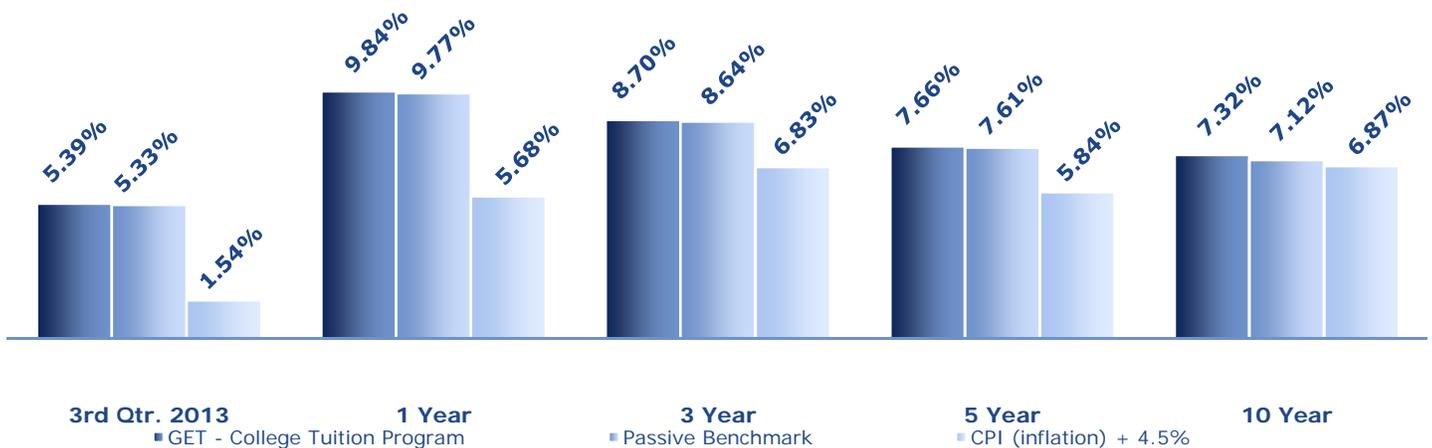
<b>Total</b>	<b>\$2,371,059,347</b>
Cash	\$46,226,028
Treasury Inflation Protected Securities (TIPS)	\$425,412,249
Fixed Income	\$429,394,319
Global Equity	\$1,470,026,751



**Assets Under Management**

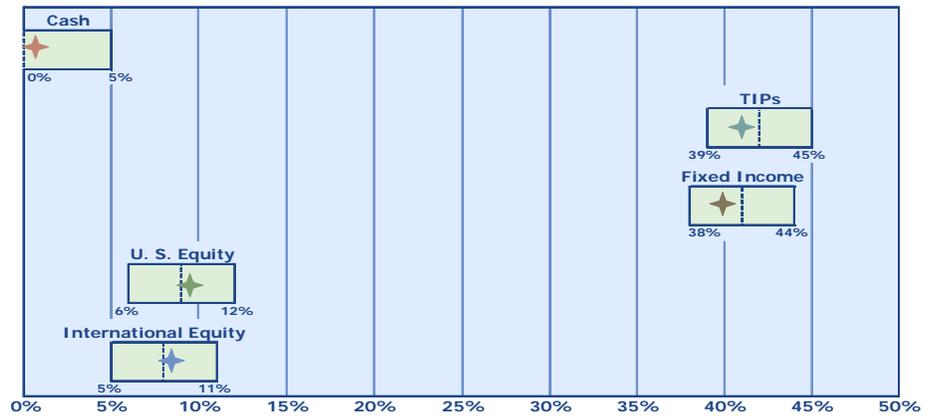


**Total Return**

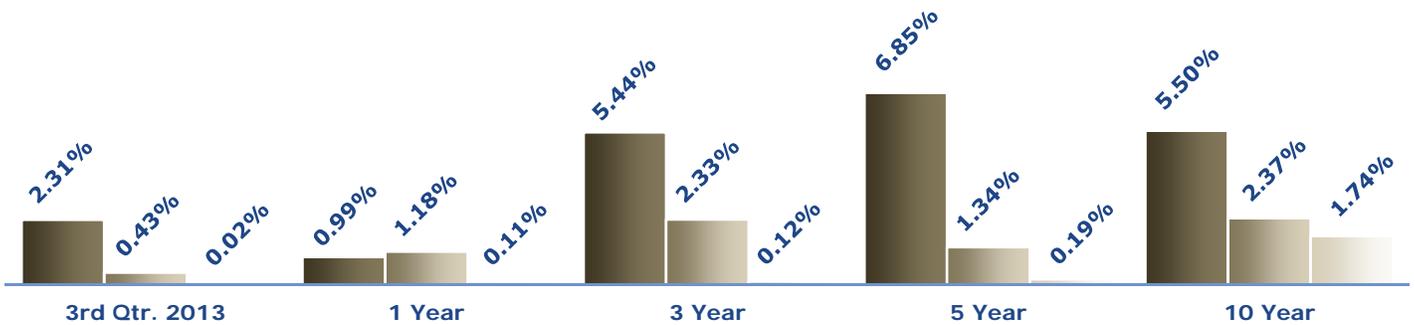


**State Funds**

<b>Total</b>	<b>\$10,899,868</b>
Cash	\$83,618
Treasury Inflation Protected Securities (TIPS)	\$4,463,859
Fixed Income	\$4,358,986
U.S. Equity	\$1,054,562
Non U.S. Equity	\$938,842

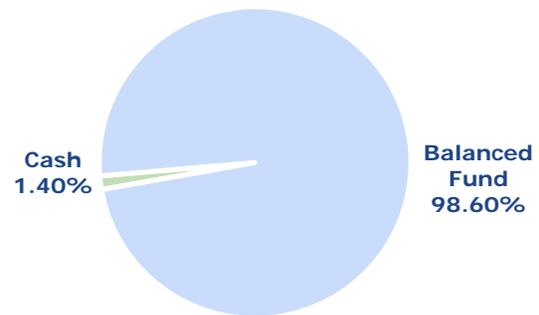


■ DDEF State Funds ■ Inflation (CPI) ■ 90 Day Tbill



**Private Funds**

<b>Total</b>	<b>\$29,348,011</b>
Cash	\$409,789
Balanced Fund	\$28,938,222



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

