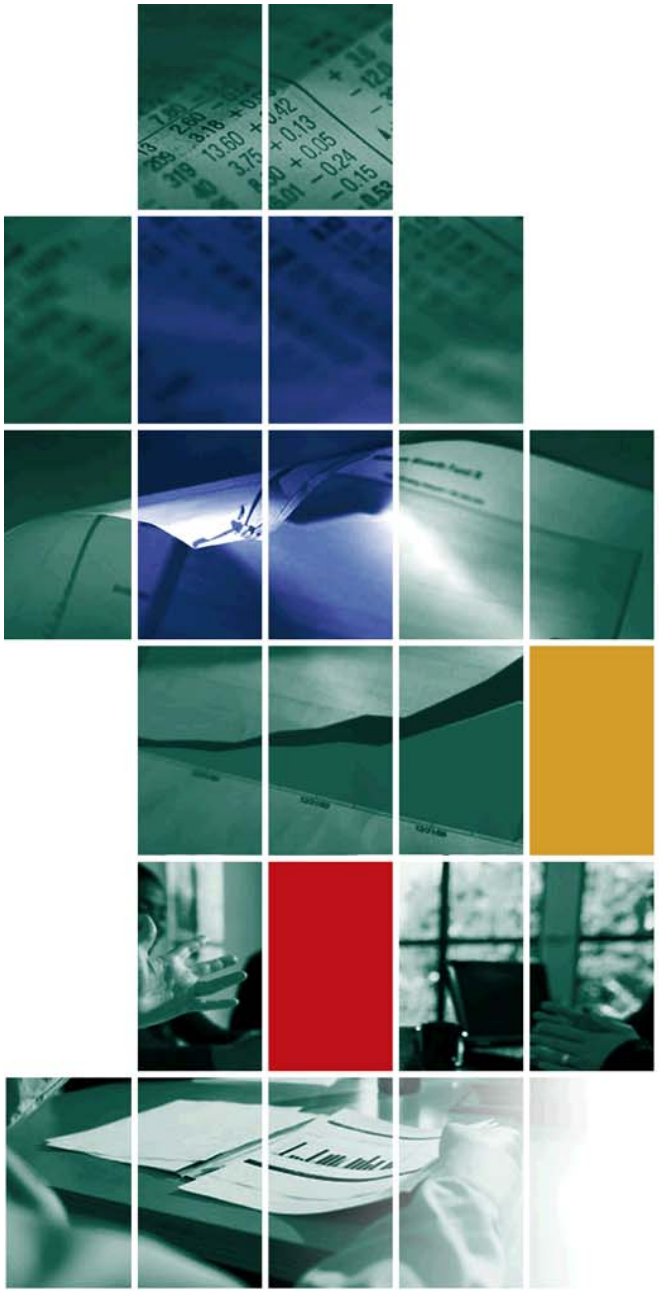

Wyoming State Treasurer's Office

Investment Performance Analysis

Quarter Ended
December 31, 2011

Prepared By
Janelle Stone

RVKuhns
& ASSOCIATES, INC.

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WYOMING STATE TREASURER'S OFFICE

FOURTH QUARTER 2011

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QUARTERLY COMMENTARY

- This one-page memo provides a written summary of significant observations regarding performance of the State's Funds, and provides an overview of performance during the quarter for each of the asset classes the State is invested in.

MARKET ENVIRONMENT ..... PAGE 1-18

- This section is intended to review capital markets in general (i.e. not specific to Wyoming), and includes a written summary of events during the quarter, including economic influences and review of equity and bond markets as a whole. This section also includes various charts and exhibits displaying key characteristics of major market indices representing the broad range of available asset classes, including alternative investments such as absolute return and real estate. Lastly, this section includes a review of the benchmarks referenced within the quarterly report.

PERFORMANCE SUMMARY ..... PAGE 19-25

- These 7 pages provide all the market value, asset allocation, and performance information for the State's investments, in summary form.

INVESTMENT POLICY OBJECTIVE REVIEW ..... PAGE 26-47

- This section provides a compliance check for the Total Fund, and for each individual manager portfolio, versus the guidelines and expectations outlined in the State's Master Investment Policy and Sub-Policies.

APPENDIX..... PAGE 48-56

- The appendix includes a glossary, giving definitions and other information on data included throughout the report, including financial terms and ratios, indices, peers groups. The addendum page in the appendix includes important comments specific to Wyoming regarding market value, performance, and allocation information provided throughout the report.

RVKuhns
& ASSOCIATES, INC.

MEMORANDUM

To: Wyoming State Loan and Investment Board

From: R.V. Kuhns & Associates, Inc.

Subject: December 31, 2011 Investment Performance Analysis Commentary

Outlined below please find a summary of significant observations regarding performance of the State's Funds for the period ended December 31, 2011. We hope this summary will facilitate your review of our Investment Performance Analysis Report.

- The Total Fund outperformed the actual allocation index by 0.5% during the fourth quarter driven by manager relative performance (3.2% vs. 2.7%). Due to conservative asset allocation, the Total Fund compares favorably to the All Master Trust universe and the actual allocation index over the trailing five-year time period, outperforming by 2.4% and 0.7% per annum, respectively, and ranking in the 8th percentile against the universe over the same time period.

- All investment pools produced positive returns during the fourth quarter of 2011. Fourth quarter performance for the nine pools is detailed below: Permanent Mineral Trust: 4.3%, Permanent Land Fund: 4.2%, University Permanent Land Fund: 4.1%, Common School Permanent Land Fund: 4.3%, Hathaway Scholarship Endowment Fund: 4.0%, High Education Endowment Fund: 4.0%, Workers Compensation Fund: 3.1%, Tobacco Settlement Trust: 1.6%, and State Agency Pool: 1.4%.

- As the Fed reiterated its commitment to "Operation Twist" during the quarter, yields for US Treasurys remained low with the 10-year Treasury continuing to hold under 2.0%. Fixed income investments remained a safe haven for global investors during the fourth quarter, with the BC US Agg Bond Index returning 1.1% for the quarter and 7.8% for the trailing one-year period. The State's Total Fixed Income Portfolio (including Convertibles) returned 1.7% during the quarter and 6.2% for the trailing one-year period, outperforming by 0.6% for the quarter but underperforming by 1.6% for the year. With the exception of PIMCO Core Plus, JP Morgan Mortgages, PIMCO Global/EM, and Internal Fixed Income Portfolio, all of the State's fixed income strategies outperformed during the fourth quarter. Over the trailing three-year period, the Total Fixed Income Portfolio outperformed the BC US Agg Bond Index by 2.0% per annum with all external managers (excluding Convertibles) outperforming their respective benchmarks.

- Improved numbers in manufacturing, retail sales, and consumer confidence helped U.S. equities erase summer losses. Equity volatility dropped significantly during the fourth quarter with small-cap stocks underperforming their large-cap counterparts. The S&P 500 Index returned 11.8% during the fourth quarter increasing its trailing one-year return to 2.1%. The State's large cap domestic equity investments, managed by State Street, performed in line with the market, returning 11.8% for the quarter and 2.3% for the trailing one-year period. Gabelli, the State's small/mid-cap value manager, underperformed the R 2500 Value Index for the quarter, returning 13.8% versus 15.5% for the index. However, Gabelli outperformed for the one-year period by more than 200 basis points.

- In an effort to improve the liquidity of European banks, the European Central Bank, along with the Federal Reserve and four other major central banks, agreed to cut the cost of dollar loans to banks by 0.5%. Eurozone leaders also pushed through a historic agreement for increased economic integration and tougher fiscal controls. Although uncertainty over the future of the Eurozone remains, the MSCI ACW ex-US Index returned 3.7%, the MSCI EAFE Index returned 3.3%, and the MSCI Emerging Markets Index returned 4.4% during the fourth quarter. Northern Trust continued to perform in line the with MSCI ACW ex-US Index and Fisher returned 8.2% for the quarter, outperforming its benchmark by 4.5%. The Boston Company underperformed the MSCI ACW ex-US Value Index by 0.8% and Manning & Napier underperformed the MSCI ACW ex-US Index by 0.5%.

- Core Real Estate posted the eighth consecutive quarter of positive performance with valuation and income both contributing to fourth quarter returns. Clarion finished the quarter with a return of 2.8%, underperforming the NCREIF ODCE Index which returned 3.0%. UBS returned 2.3%, underperforming the index by 0.7% in the fourth quarter but outperforming by 2.8% per annum over the trailing three-year period.

- Absolute return strategies, including PAAMCO, both Aurora funds, and Grosvenor, finished the quarter with positive absolute performance and all outperformed the HFN FoF Multi-Strat benchmark, which returned -0.4%. PAAMCO returned 1.2% for the quarter while Aurora L.P. and Aurora L.P. II returned 0.3% and 0.1%, respectively. The Grosvenor Global Recovery Fund finished the quarter with a return of 1.3% versus 2.9% for its custom benchmark.

Capital Markets Review
As of December 31, 2011

Fourth Quarter Economic Environment

Steadying domestic trends and fluctuating economic headwinds abroad were the overall themes in the fourth quarter. Domestically, the economy experienced improved numbers in manufacturing, retail sales, and consumer confidence. In December, the unemployment rate decreased to 8.5%, a 35 month low, thanks in part to a steady rate of private hiring and a decreasing labor force participation rate. The BEA's final third quarter data was revised downward from 2.0% to an annual growth rate of 1.8%. In an attempt to maintain historically low interest rates, the Federal Reserve reiterated its commitment to "Operation Twist," while also announcing a plan to publish a conditional future federal funds rate in an effort to boost transparency.

The European Central Bank, along with the Federal Reserve and four other major central banks, agreed to cut the cost of dollar loans to banks by 0.50% in an effort to improve the liquidity of European banks. Mario Draghi replaced Jean-Claude Trichet as president of the ECB in early November. Mr. Draghi spearheaded several key policy changes across the Eurozone in an attempt to restore stability to the monetary union. Eurozone leaders also pushed through an historic agreement for increased economic integration and tougher fiscal controls. Italian 10-year bond yield remained at elevated levels while Spanish yields retreated slightly from November highs, ending the year at 7.11% and 5.09% respectively. Commodities, represented by the DJ-UBS Commodity Index, finished slightly up for the quarter at 0.35% after a turbulent year. Gold's spot price decreased in the fourth quarter to $1,564 but increased 10.06% for the year.

Domestic Equities

- An improved U.S. economic outlook helped U.S. equities erase summer losses.
- Small-cap stocks outperformed their large-cap counterparts with small-cap value stocks, represented by the R 2000 Value, as the highest performer at 15.97% for the quarter.
- With the energy and industrials sectors leading the way, the S&P 500 (Cap Wtd) posted an 11.82% return for the quarter and a 2.11% return for the year.
- Market volatility, as measured by the CBOE Volatility Index, decreased to 23, and is down sharply from the third quarter reading of 43.
- Despite the positives, investors continued their retreat from U.S. equity mutual funds as $49B flowed out during the quarter, while taxable bond funds saw inflows of $34B.

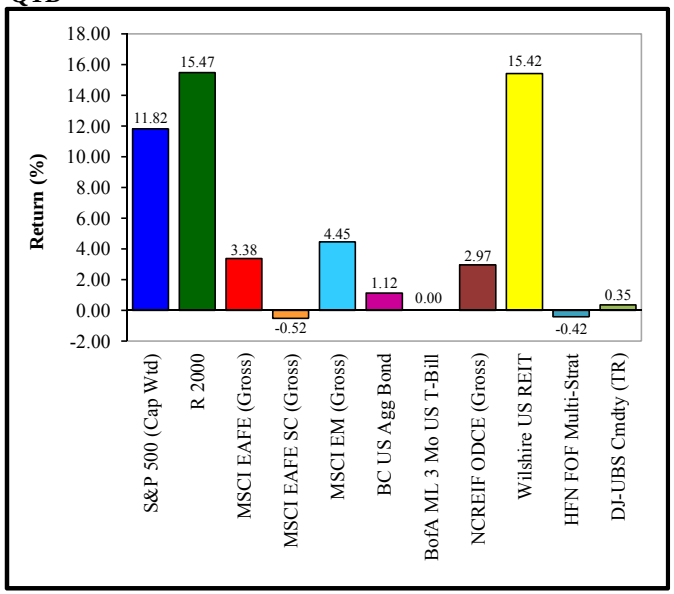
International Equities

- Although uncertainty over the future of the Eurozone remains, the MSCI EAFE gained 3.38% for the quarter.
- Continuing a trend seen throughout the year, small-cap stocks underperformed large-cap stocks as the MSCI EAFE Small Cap finished the quarter down -0.52%.
- The MSCI Emerging Markets index returned 4.45% for the quarter but still finished the year substantially down at -18.17%.

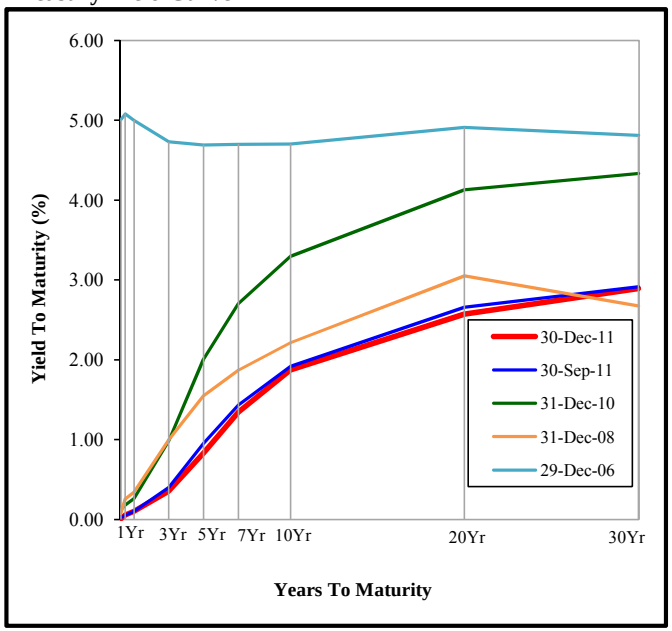
Fixed Income

- U.S. fixed income continued to be a safe haven for global investors, with the BC US Agg Bond Index returning 1.12% for the quarter and 7.84% for the year.
- U.S. Municipal Debt and U.S. TIPS were also strong performers for the year, with the BC US Muni Bond Index and the BC US Trsy: US TIPS Index returning 10.70% and 13.56%.

QTD



Treasury Yield Curve



Trailing-Period Performance

	Mth End Oct-2011	Mth End Nov-2011	MTD	QTD	CYTD	1 Year	2 Years	3 Years	5 Years	10 Years
S&P 500 (Cap Wtd)	10.93	-0.22	1.02	11.82	2.11	2.11	8.39	14.11	-0.25	2.92
R 2000	15.14	-0.36	0.66	15.47	-4.18	-4.18	10.25	15.63	0.15	5.62
MSCI EAFE (Gross)	9.65	-4.83	-0.94	3.38	-11.73	-11.73	-2.27	8.16	-4.26	5.12
MSCI EAFE SC (Gross)	7.20	-5.40	-1.90	-0.52	-15.66	-15.66	1.60	15.00	-3.80	9.42
MSCI EM (Gross)	13.26	-6.66	-1.20	4.45	-18.17	-18.17	-1.24	20.42	2.70	14.20
BC US Agg Bond	0.11	-0.09	1.10	1.12	7.84	7.84	7.19	6.77	6.50	5.78
BofA ML 3 Mo US T-Bill	0.00	0.00	0.00	0.00	0.10	0.10	0.11	0.14	1.48	1.95
NCREIF ODCE (Gross)	N/A	N/A	N/A	2.97	15.99	15.99	16.18	-1.76	-0.21	6.18
Wilshire US REIT	14.71	-3.93	4.74	15.42	9.24	9.24	18.53	21.79	-1.96	10.16
HFN FOF Multi-Strat	0.86	-0.73	-0.54	-0.42	-5.55	-5.55	-0.52	2.78	-1.04	3.21
DJ-UBS Cmdty (TR)	6.62	-2.22	-3.75	0.35	-13.32	-13.32	0.64	6.39	-2.07	6.63

Performance is annualized for periods greater than one year.
Treasury data courtesy of the U.S. Department of the Treasury.

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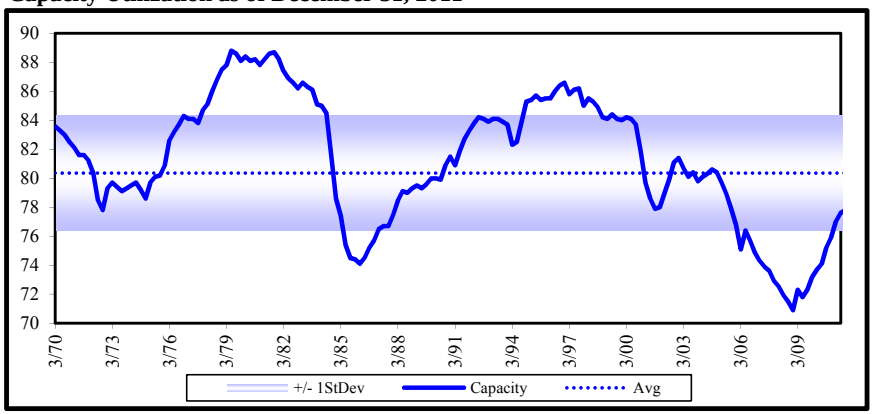
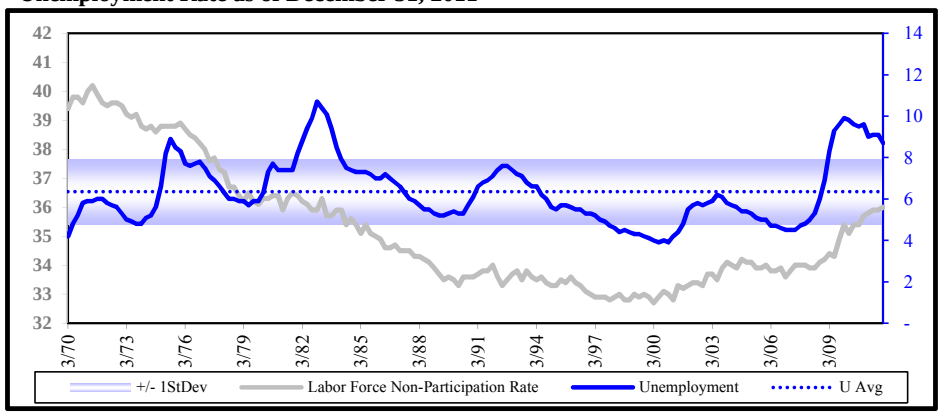
Economic Measures [1]
As of December 31, 2011

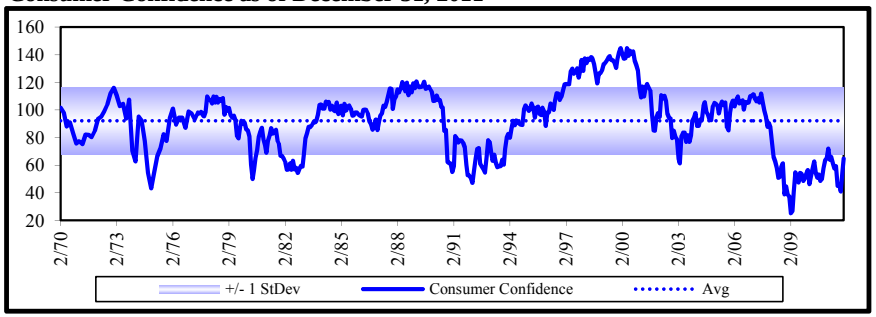
Capacity Utilization as of December 31, 2011



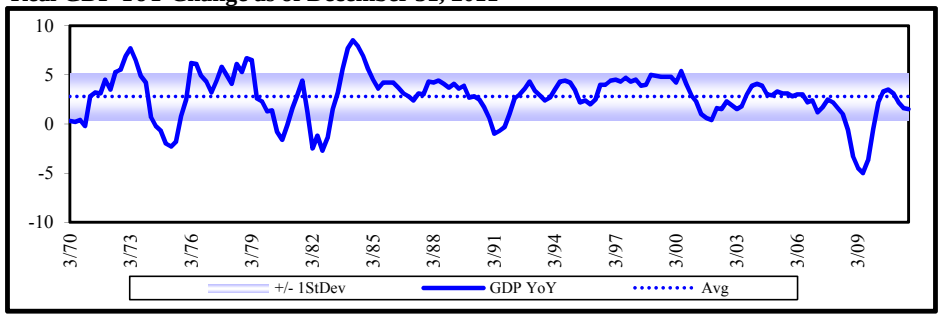
Unemployment Rate as of December 31, 2011



Consumer Confidence as of December 31, 2011

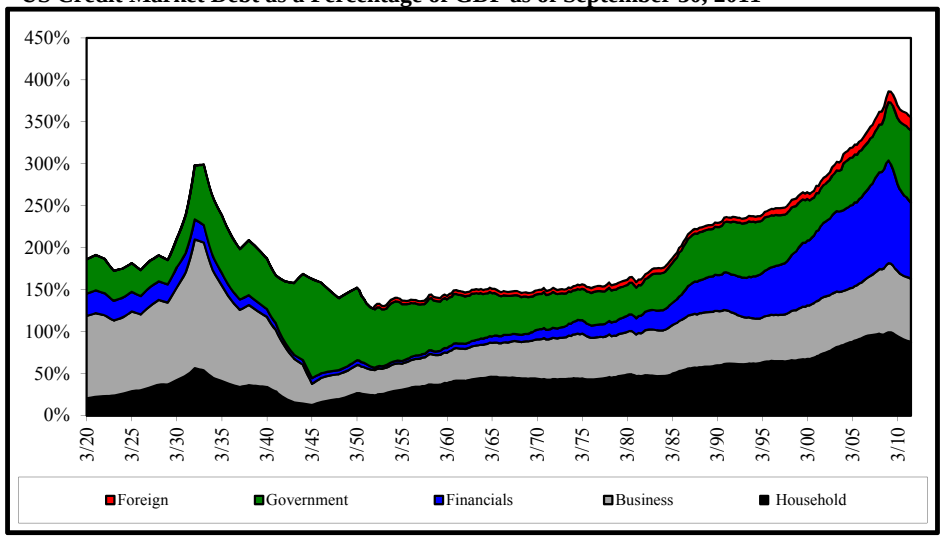


Real GDP YoY Change as of December 31, 2011



	12/31/2011		9/30/2011	20 Year	40 Year
Capacity Utilization	78.10	▲	77.70	79.40	80.30
Unemployment Rate	8.50%	▼	9.00%	6.00%	6.40%
Shiller 20 City YoY - Housing	N/A		-3.54%	3.19%	N/A
PMI - Manufacturing	53.10	▲	52.50	52.10	52.30
Baltic Dry Index - Shipping	1,738	▼	1,899	2,438	2,120
Real GDP YoY	1.60%	▲	1.50%	2.60%	2.80%
Consumer Confidence (Conf. Bd.)	64.80	▲	46.40	92.75	92.28
Breakeven Inflation - 10 Year	1.95	▲	1.76	N/A	N/A
CPI YoY (Headline)[4]	3.00%	▼	3.90%	2.50%	4.40%
CPI YoY (Core)[4]	2.20%	▲	2.00%	2.30%	4.30%
PPI YoY	4.80%	▼	6.90%	2.30%	4.00%
M2 YoY	9.60%	—	9.60%	5.60%	6.80%
Personal Savings	4.00%	▲	3.50%	4.20%	6.50%
Disposable Personal Income	0.40%	▲	0.10%	0.40%	0.60%
Prsnl Consumption Expenditures	2.40%	▼	2.90%	2.10%	3.90%
US Dollar Total Weighted Index	73.33	▲	72.81	88.12	95.89
WTI Crude Oil per Barrel	$99	▲	$79	$40	$36
Gold Spot per Oz[5]	$1,576	▼	$1,629	$286	$321

US Credit Market Debt as a Percentage of GDP as of September 30, 2011[2]



[1] All data courtesy of Bloomberg Professional Service, except as noted below.

[2] Data prior to 1952 is from "The Statistical History of the United States, From Colonial Times to the Present", by Ben Wattenberg, Morgan Stanley Research.

[3] "N/A" is shown for data that is not yet available. [4] CPI figures are cyclically adjusted. [5] 20- and 40-year average Gold spot prices are adjusted for inflation.

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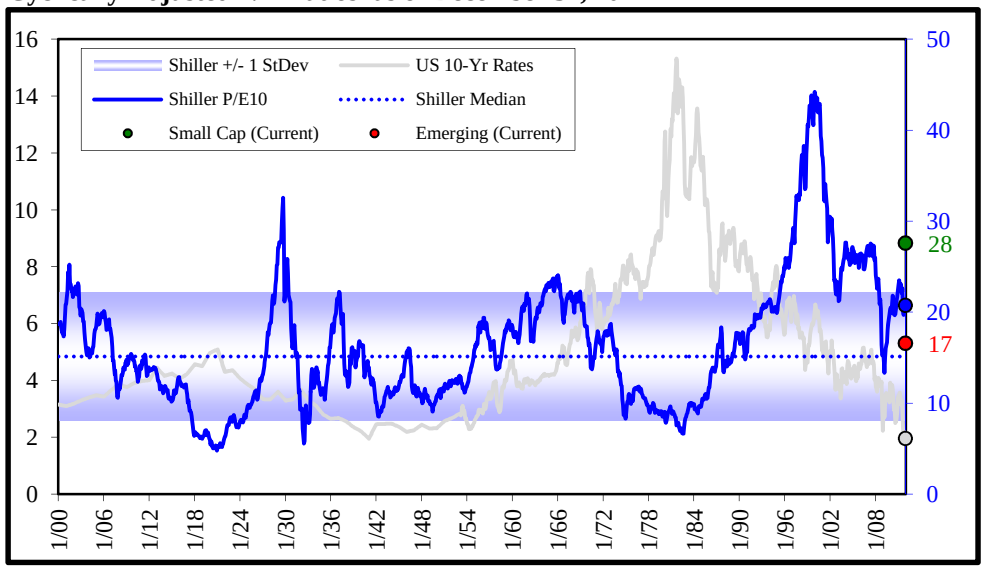
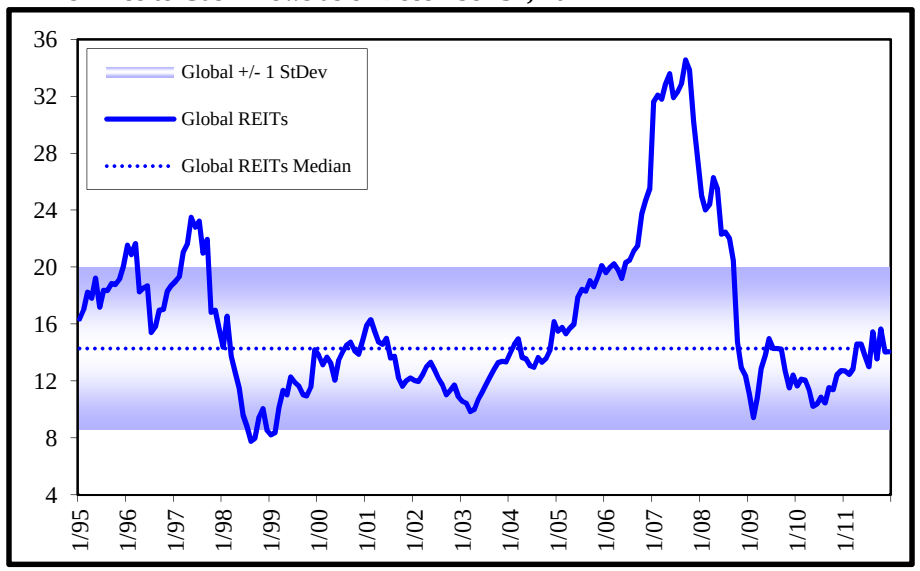
Valuation Metrics [1]
As of December 31, 2011

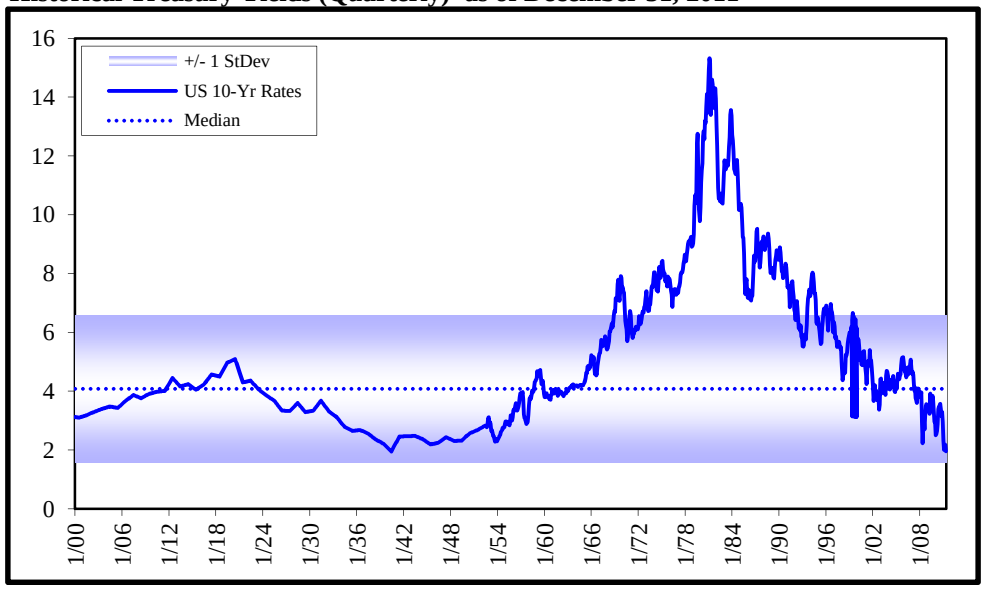
Cyclically Adjusted P/E Ratios[2] as of December 31, 2011



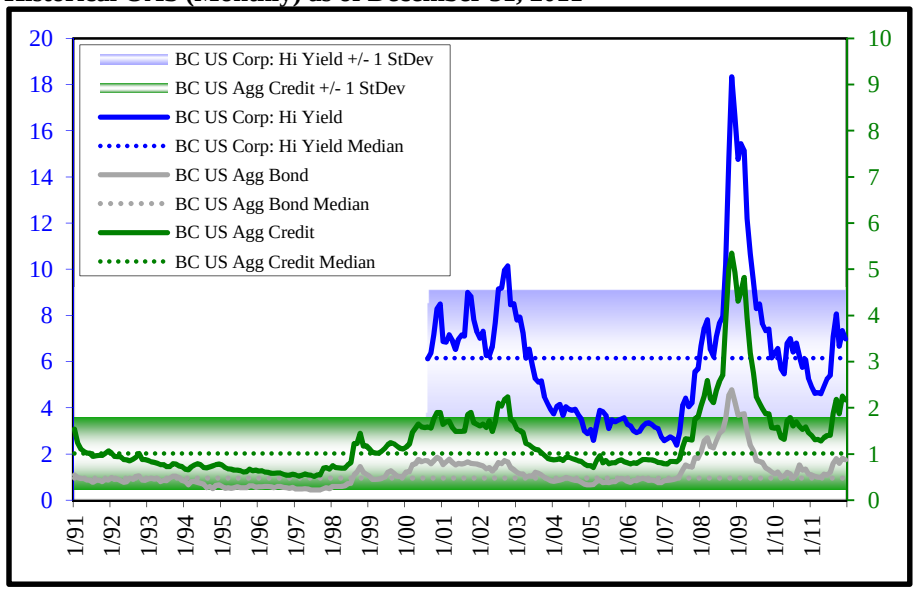
REITs Price to Cash Flows as of December 31, 2011



Historical Treasury Yields (Quarterly)[2] as of December 31, 2011



Historical OAS (Monthly) as of December 31, 2011



[1] All data courtesy of Bloomberg Professional Service.

[2] Source: Bloomberg and Robert J. Shiller, Irrational Exuberance, Second Edition. P/E for the S&P 500 Index is based on 10-year trailing real earnings. Small Cap is represented by the S&P 600 Small Cap Index, and Emerging is represented by the MSCI Emerging Markets Index. Due to limited history, only the current 10-year P/E is shown for Small Cap and Emerging.

[3] US REITs is represented by the MSCI US REITs Index and Global REITs is represented by the MSCI World Real Estate Index.

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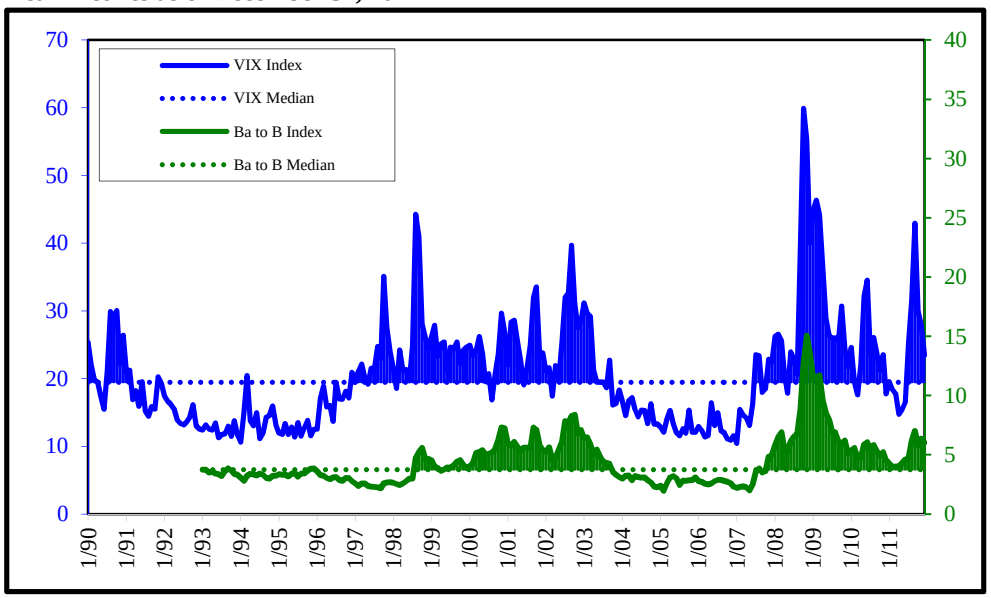
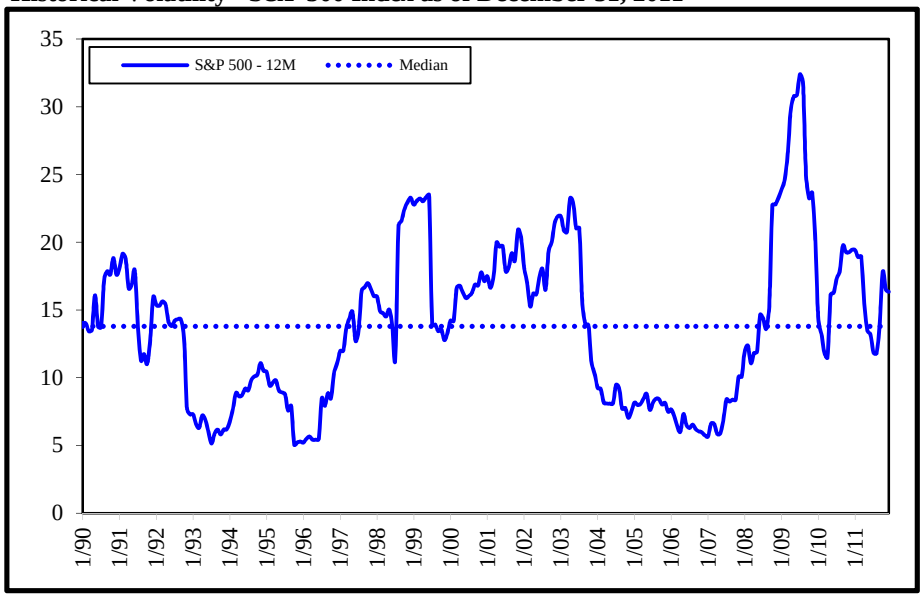
Risk Metrics [1]
As of December 31, 2011

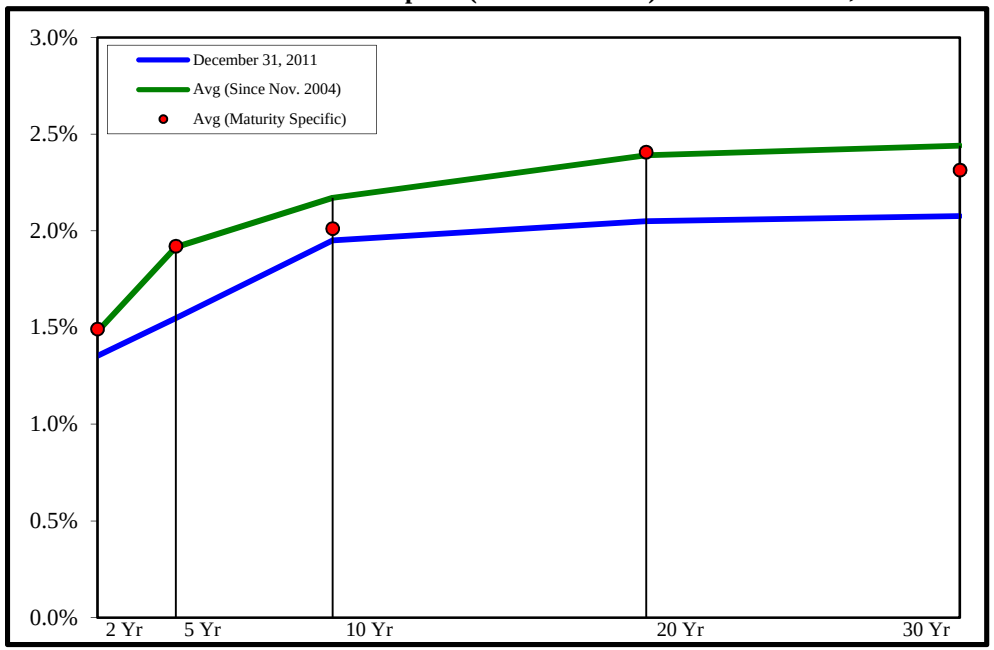
Fear Metrics as of December 31, 2011



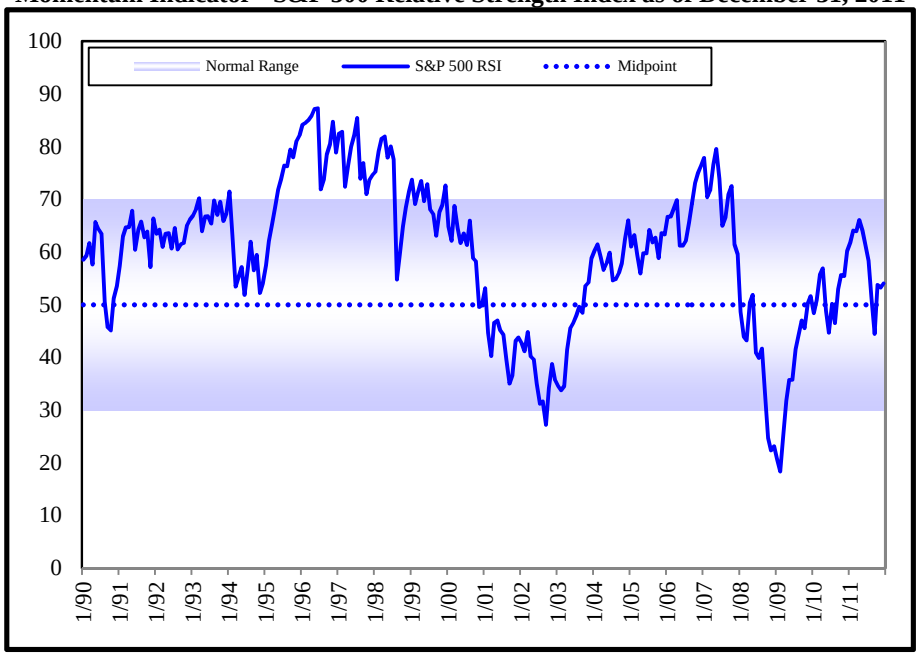
Historical Volatility - S&P 500 Index as of December 31, 2011



Breakeven Inflation - Common Inception (November 2004)[2] vs. December 31, 2011



Momentum Indicator - S&P 500 Relative Strength Index as of December 31, 2011



[1] All data courtesy of Bloomberg Professional Service.

[2] Common inception of November 2004 is based on historical data availability. Specific inception dates are as follows: 2- and 20-year (2004), 5-year (2002), 10- and 30-year (1998).

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Annual Asset Class Performance
As of December 31, 2011

	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Best	33.36%	28.58%	66.42%	31.84%	12.35%	25.91%	62.14%	33.16%	34.54%	35.97%	39.78%	8.44%	79.02%	28.60%	22.49%
	22.36%	20.34%	27.31%	31.04%	8.44%	16.56%	56.28%	31.27%	26.65%	32.59%	16.23%	5.24%	58.21%	26.86%	15.99%
	19.66%	16.42%	24.69%	16.16%	7.89%	14.81%	47.25%	25.95%	21.39%	26.86%	15.97%	2.06%	47.32%	22.40%	13.56%
	17.65%	11.77%	24.35%	14.28%	7.28%	10.25%	39.17%	20.70%	21.36%	19.67%	11.63%	-2.35%	32.46%	19.20%	9.24%
	15.11%	8.69%	21.26%	13.15%	6.61%	5.54%	36.18%	18.33%	14.02%	18.37%	11.63%	-10.01%	28.60%	16.84%	7.84%
	14.52%	5.23%	21.04%	12.40%	5.64%	3.58%	28.97%	13.06%	13.82%	16.32%	9.91%	-20.47%	27.18%	16.36%	4.98%
	12.76%	3.94%	20.19%	11.63%	5.28%	3.12%	28.68%	11.13%	6.75%	15.79%	6.97%	-26.16%	26.46%	15.12%	2.11%
	9.65%	3.75%	13.17%	6.18%	4.42%	1.78%	23.93%	10.88%	5.33%	11.85%	6.60%	-33.79%	18.91%	15.06%	0.10%
	5.33%	1.87%	4.85%	-3.02%	2.49%	-1.41%	11.93%	9.15%	4.91%	9.85%	5.49%	-35.65%	11.41%	10.16%	-4.18%
	2.05%	-2.55%	2.40%	-5.86%	-2.37%	-6.00%	9.28%	8.56%	4.55%	4.85%	5.00%	-37.00%	9.72%	8.21%	-5.55%
	-3.39%	-17.01%	2.39%	-7.22%	-11.89%	-7.44%	8.39%	8.46%	3.07%	4.33%	1.87%	-39.20%	5.93%	6.54%	-11.73%
	-11.60%	-25.33%	-0.82%	-9.10%	-12.11%	-15.66%	5.87%	6.79%	2.84%	2.71%	1.79%	-43.06%	1.92%	6.31%	-13.32%
	N/A	-27.03%	-2.58%	-13.96%	-19.51%	-20.48%	4.10%	4.34%	2.74%	2.07%	-1.57%	-46.78%	0.21%	4.77%	-15.66%
Worst	N/A	N/A	-7.65%	-30.61%	-21.21%	-22.10%	1.15%	1.33%	2.43%	0.41%	-17.55%	-53.18%	-29.76%	0.13%	-18.17%

S&P 500 - US Large Cap	R 2000 - US Small Cap	MSCI EAFE (Gross) - Int'l Dev.	MSCI EAFE SC (Gross) - Int'l SC	MSCI EM (Gross) - Int'l Emg Mkts	BC US Agg Bond - FI	BC US Corp: Hi Yield - FI	BC US Trsy: US TIPS - FI	BC US Gov't/Credit: Lng - FI	NCREIF ODCE (Gross) - Real Estate	Wilshire US REIT - REITs	HFN FOF Multi-Strat (Net) - ARS	DJ-UBS Cmdty (TR) - Commodities	BofA ML 3 Mo T-Bill - Cash Equiv

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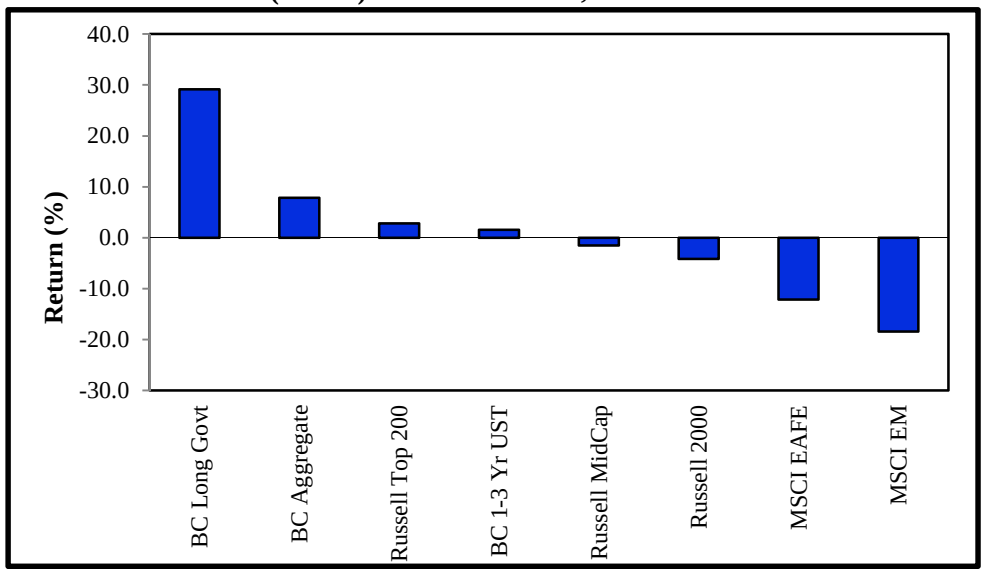
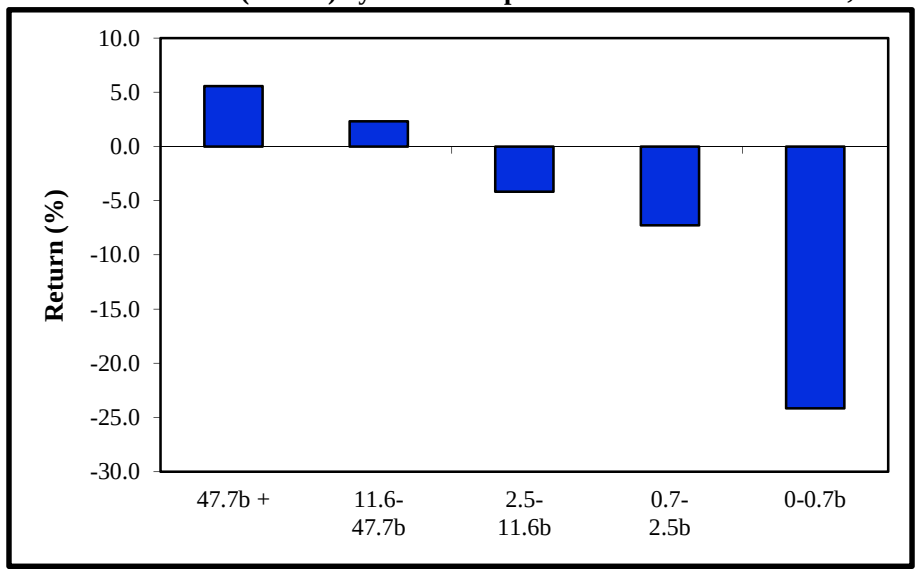
Headwinds to 2011 Active Manager Performance[1]
As of December 31, 2011

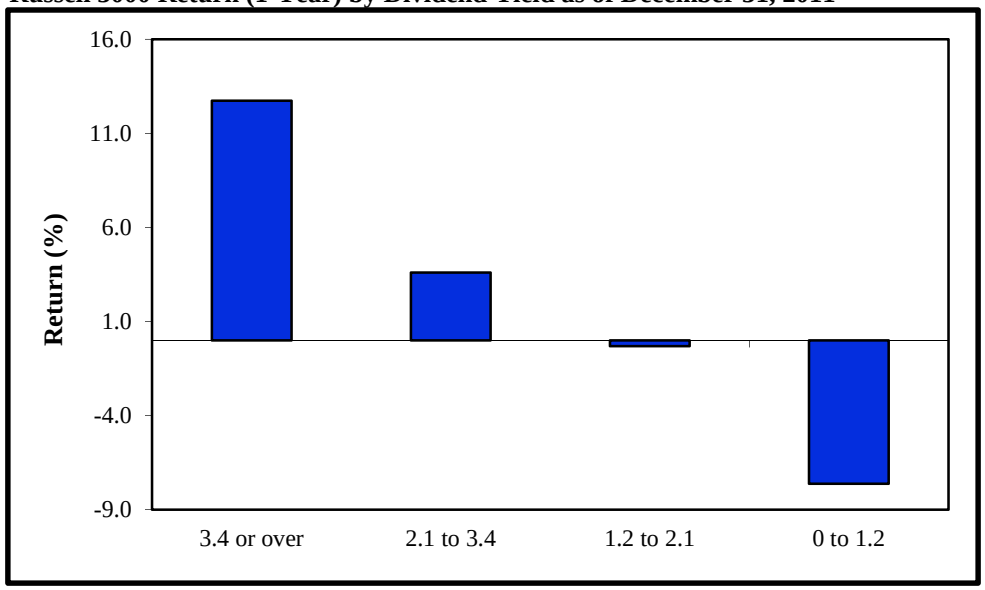
Market Index Returns (1-Year) as of December 31, 2011



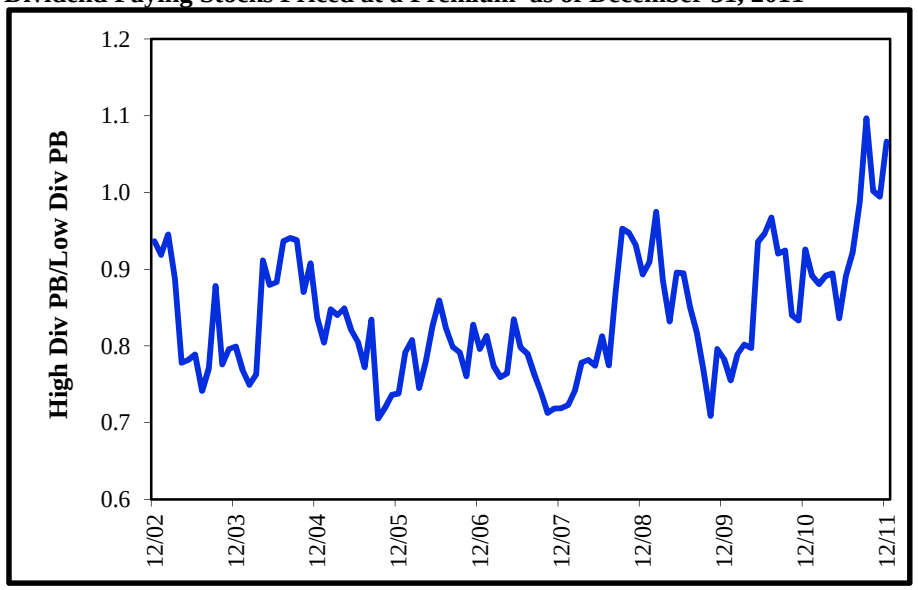
Russell 3000 Return (1-Year) by Market Capitalization as of December 31, 2011



Russell 3000 Return (1-Year) by Dividend Yield as of December 31, 2011



Dividend Paying Stocks Priced at a Premium[2] as of December 31, 2011



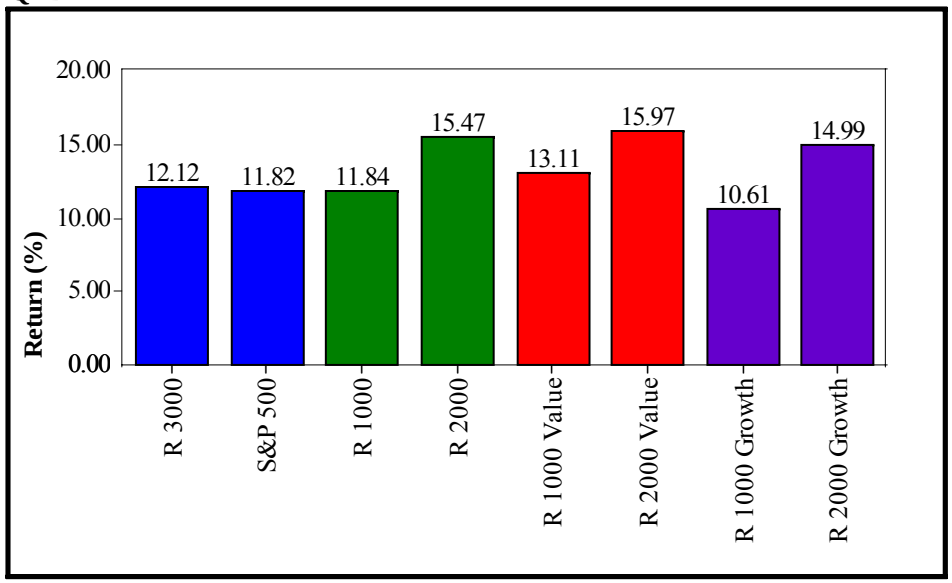
[1] Data courtesy of eVestment Alliance and Morningstar.

[2] Shows the rolling 1-month ratio of the P/B Ratio of the highest dividend paying stocks to the lowest dividend paying stocks, with dividend payout measures on a 1, 3 & 10-year basis.

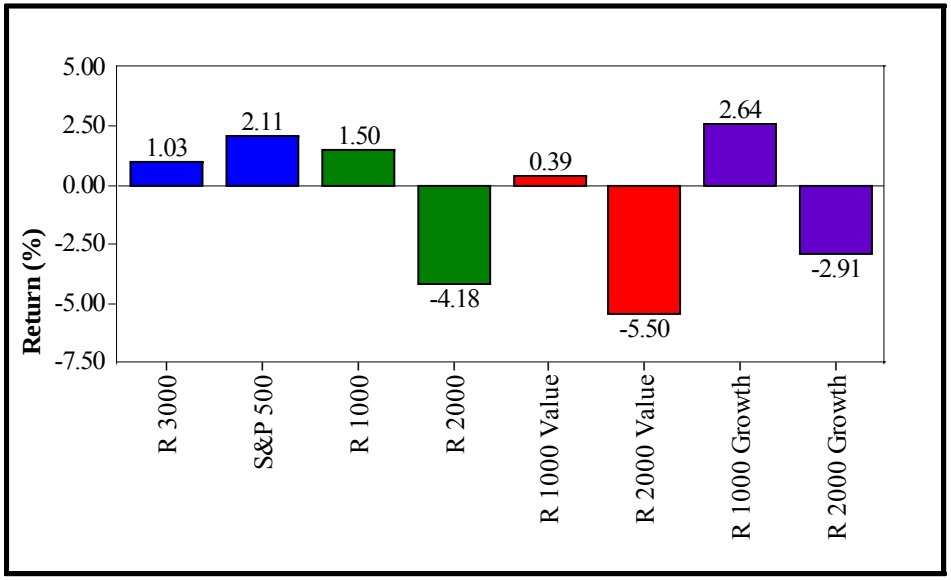
RVKuhns & ASSOCIATES, INC.

Domestic Equity Market Performance and Risk
As of December 31, 2011

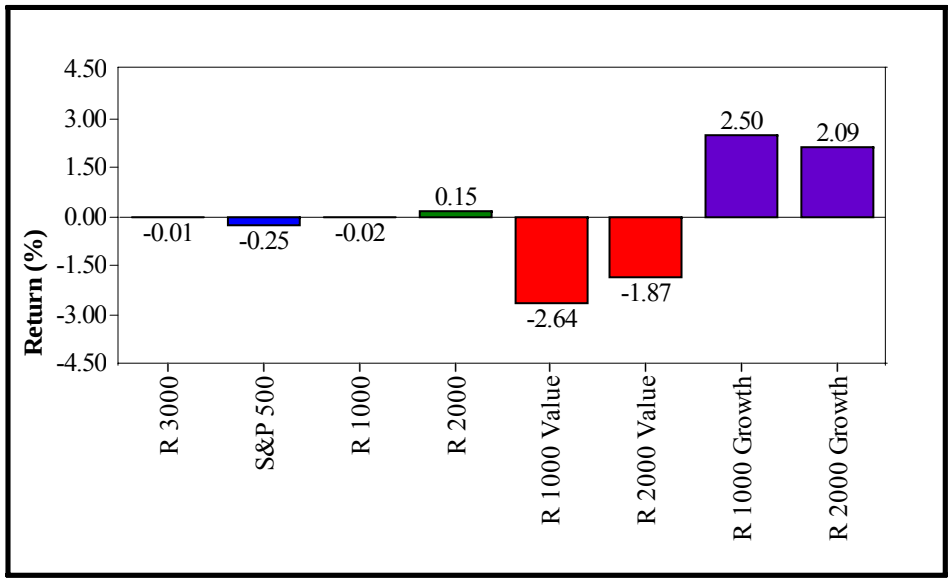
QTD



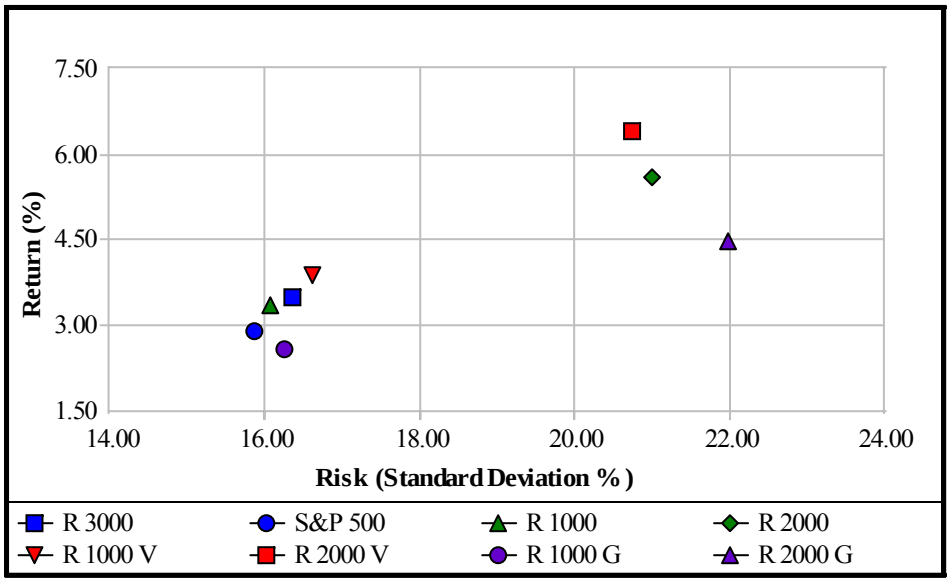
1 Year



5 Years



Risk and Return - 10 Years

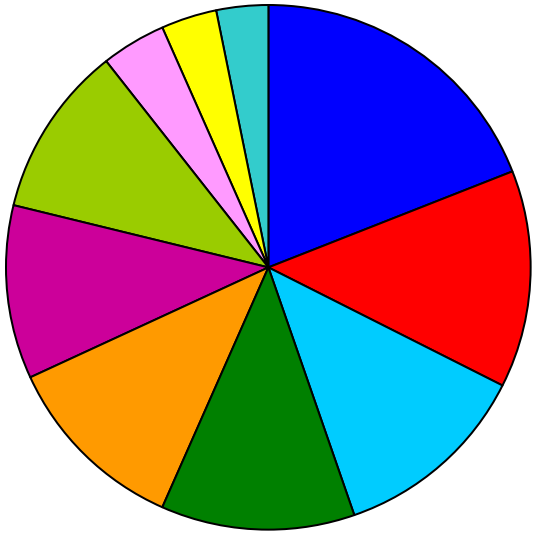


Performance is annualized for periods greater than one year. Calculation is based on monthly periodicity.

RVKuhns & ASSOCIATES, INC.

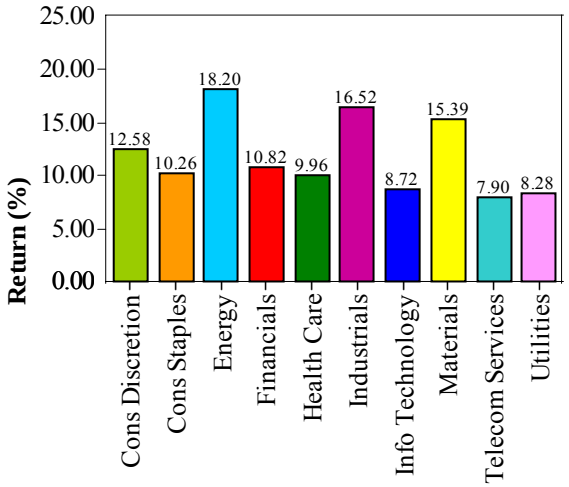
Domestic Equity Sector Weights and Returns
As of December 31, 2011

S&P 500 Sector Weights

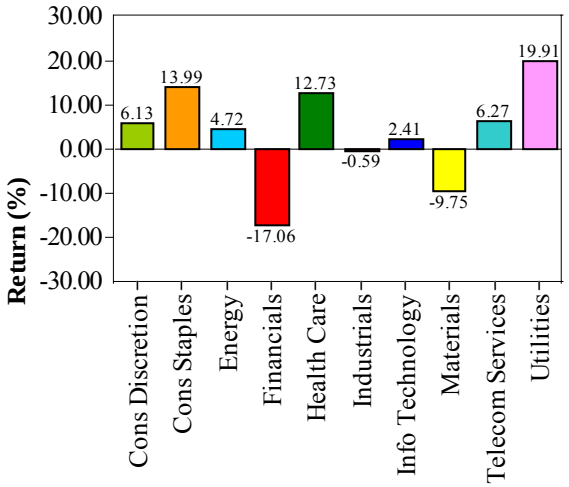


	Allocation (%)
Information Technology	19.02
Financials	13.43
Energy	12.27
Health Care	11.85
Consumer Staples	11.54
Industrials	10.69
Consumer Discretionary	10.67
Utilities	3.87
Materials	3.50
Telecommunication Services	3.17

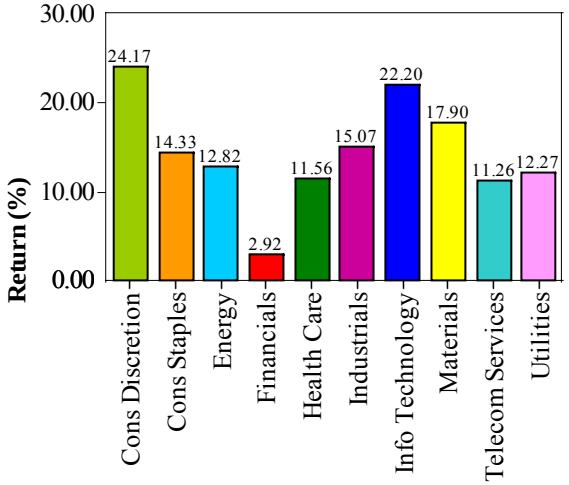
S&P 500 Sector Returns - QTD



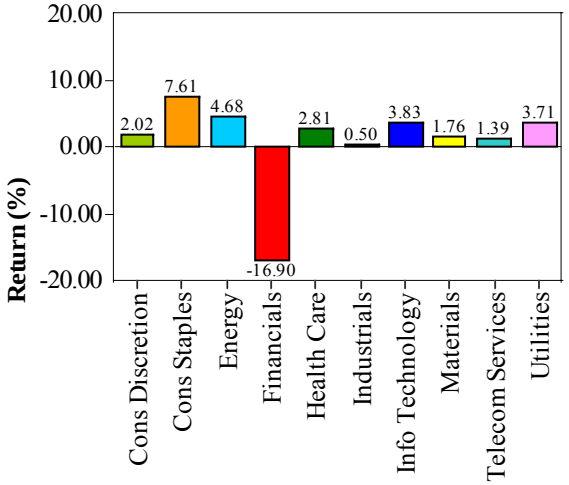
S&P 500 Sector Returns - 1 Year



S&P 500 Sector Returns - 3 Years



S&P 500 Sector Returns - 5 Years

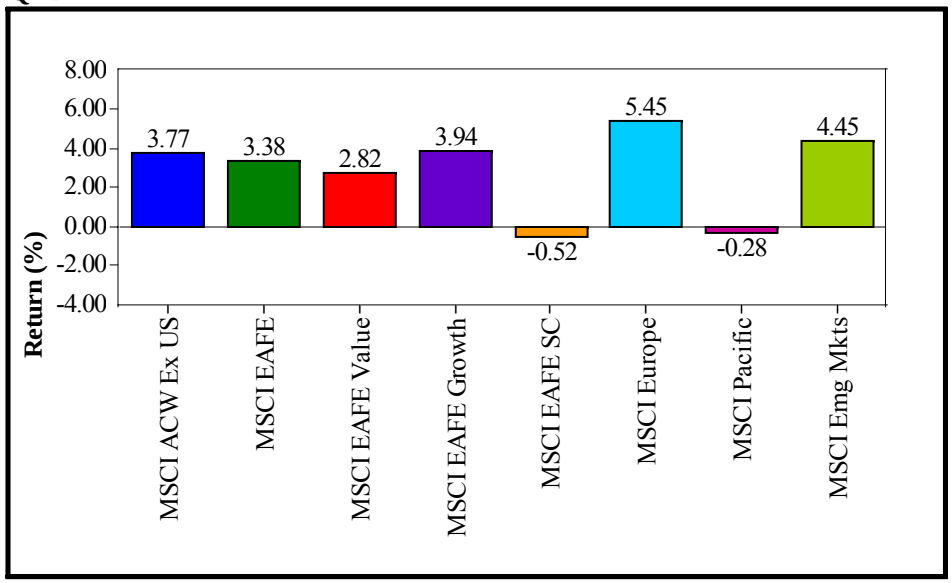


Allocations shown may not sum up to 100% exactly due to rounding. Performance is annualized for periods greater than one year.
Returns provided by MPI Stylus, allocations provided by Standard & Poor's.

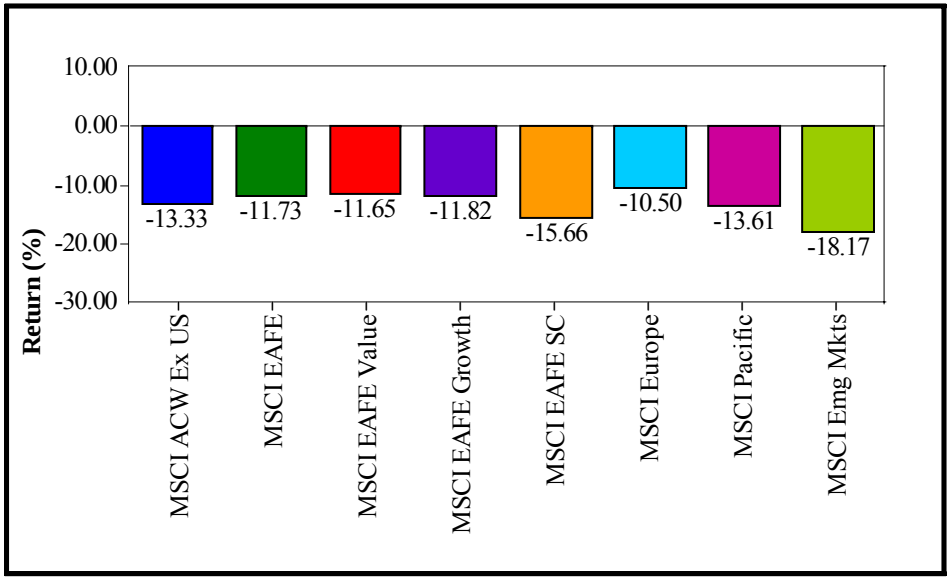
RVKuhns & ASSOCIATES, INC.

International Equity Market Performance and Risk
As of December 31, 2011

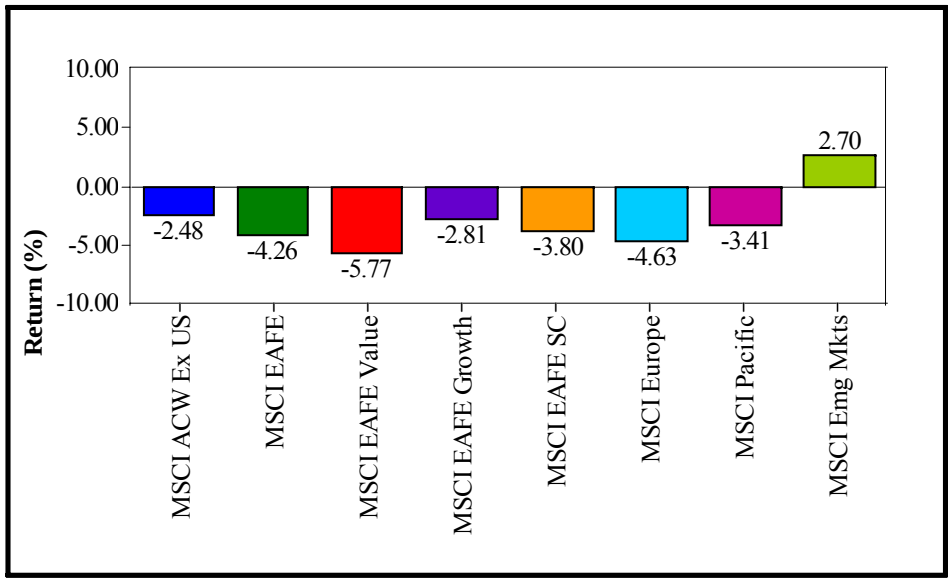
QTD



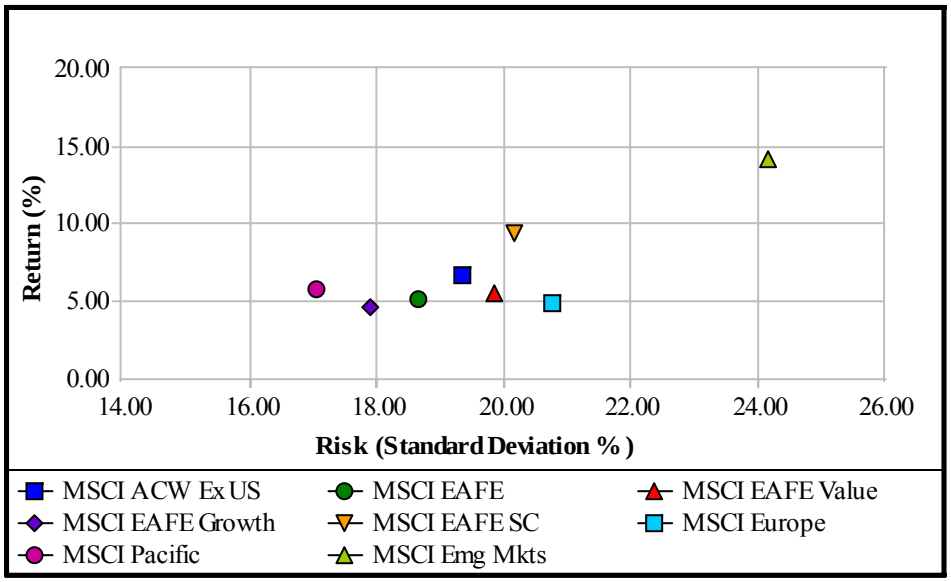
1 Year



5 Years



Risk and Return - 10 Years

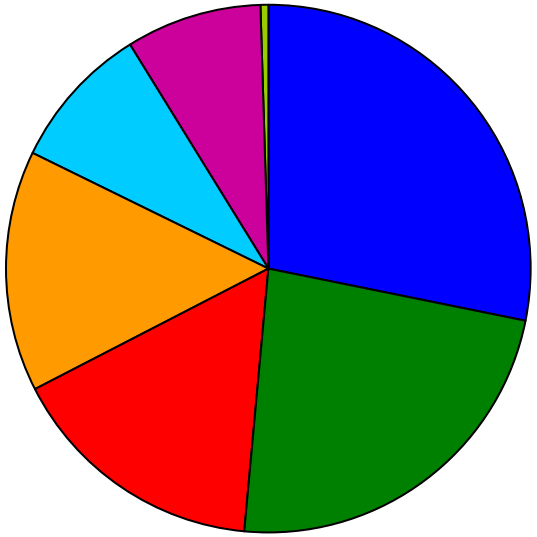


Performance is annualized for periods greater than one year. Calculation is based on monthly periodicity. All returns are shown gross of foreign taxes on dividends.

RVKuhns & ASSOCIATES, INC.

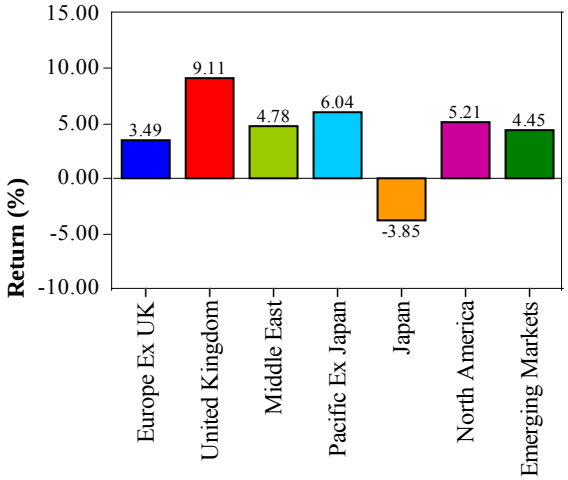
International Equity Region Weights and Returns
As of December 31, 2011

MSCI ACW Ex US Region Weights

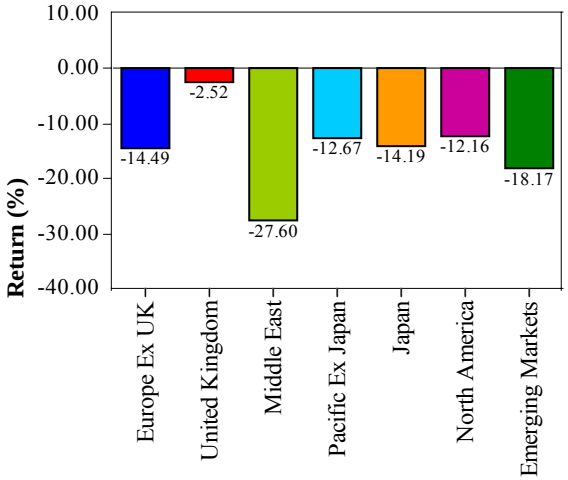


	Allocation (%)
Europe Ex UK	28.19
Emerging Markets	23.32
United Kingdom	15.91
Japan	14.75
Pacific ex Japan	9.00
North America	8.38
Middle East	0.44

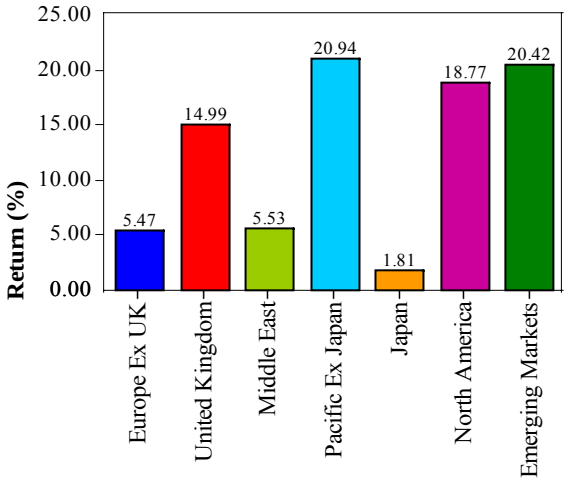
MSCI ACW Ex US Region Returns - QTD



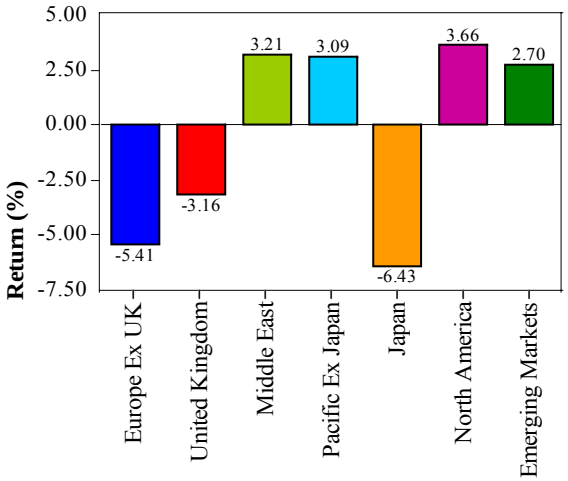
MSCI ACW Ex US Region Returns - 1 Year



MSCI ACW Ex US Region Returns - 3 Years



MSCI ACW Ex US Region Returns - 5 Years

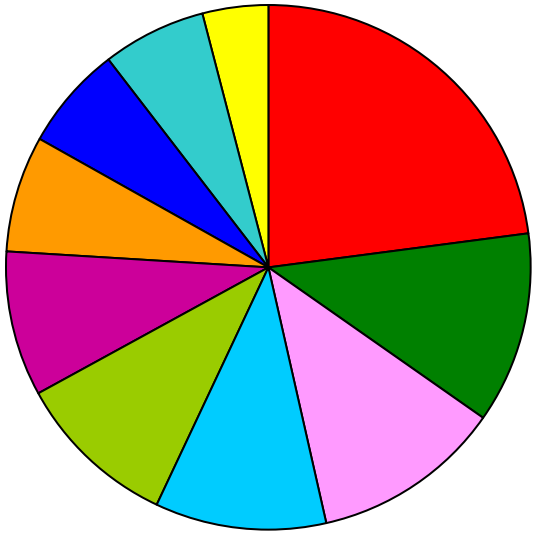


Allocations shown may not sum up to 100% exactly due to rounding. Performance is annualized for periods greater than one year.
Returns and allocations provided by MSCI Barra. All returns are shown gross of foreign taxes on dividends.

RVKuhns & ASSOCIATES, INC.

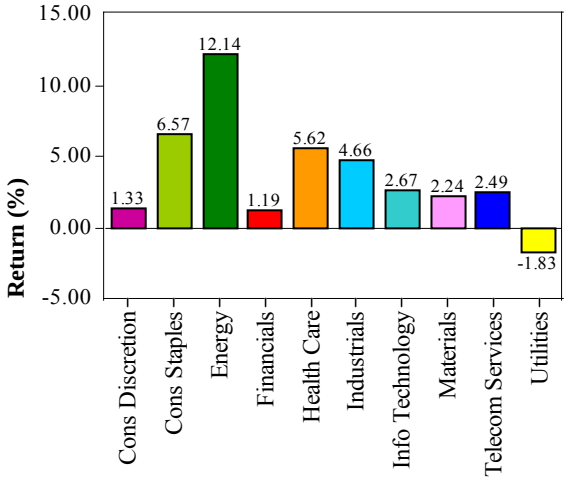
International Equity Sector Weights and Returns
As of December 31, 2011

MSCI ACW Ex US Sector Weights

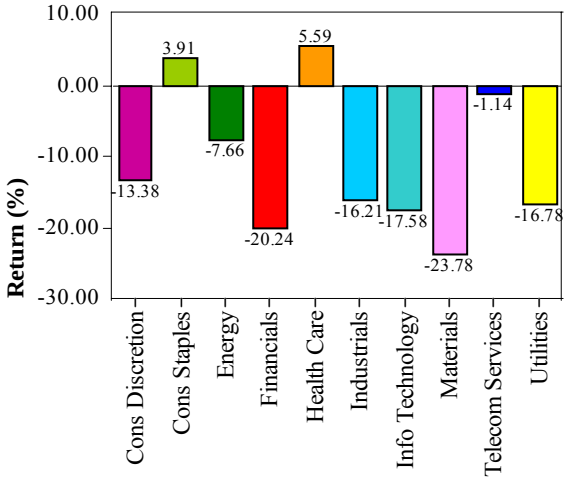


	Allocation (%)
Financials	22.90
Energy	11.85
Materials	11.70
Industrials	10.52
Consumer Staples	10.04
Consumer Discretionary	8.99
Health Care	7.15
Telecommunication Services	6.41
Information Technology	6.37
Utilities	4.08

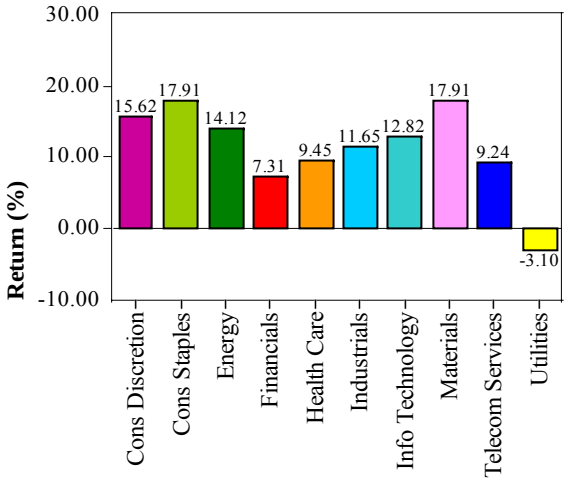
MSCI ACW Ex US Sector Returns - QTD



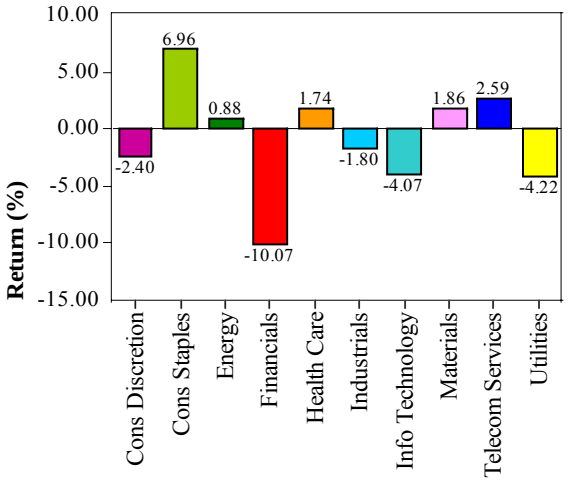
MSCI ACW Ex US Sector Returns - 1 Year



MSCI ACW Ex US Sector Returns - 3 Years



MSCI ACW Ex US Sector Returns - 5 Years

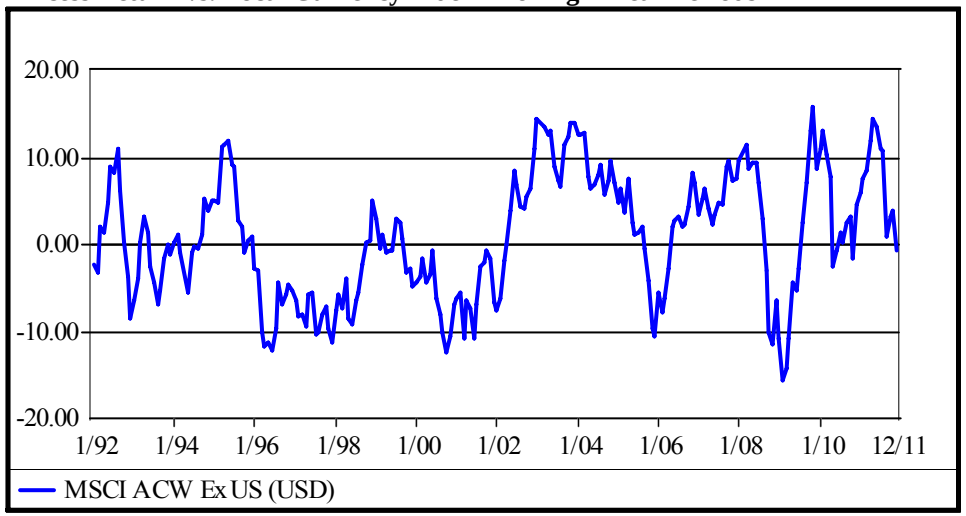


Allocations shown may not sum up to 100% exactly due to rounding. Performance is annualized for periods greater than one year.
Returns and allocations provided by MSCI Barra. All returns are shown gross of foreign taxes on dividends.

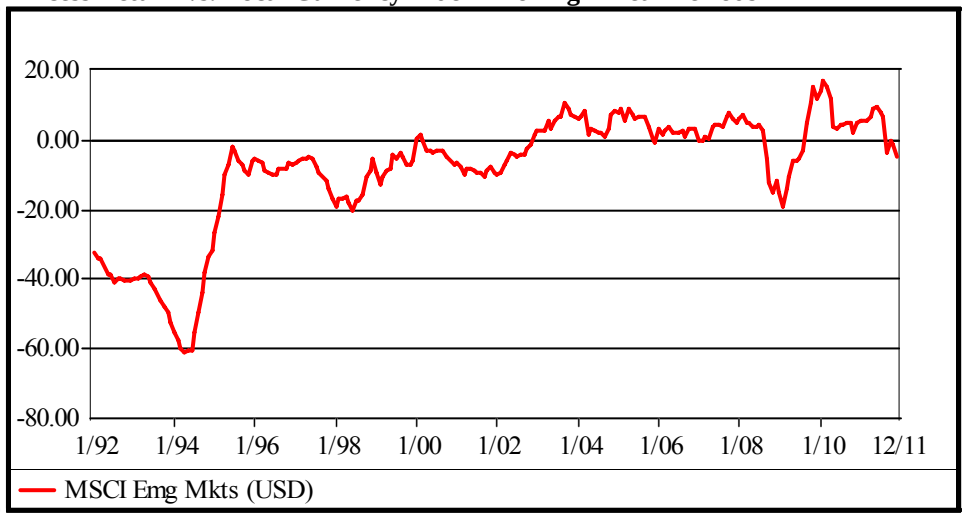
RVKuhns & ASSOCIATES, INC.

Effect of Currency on International Equity Performance
As of December 31, 2011

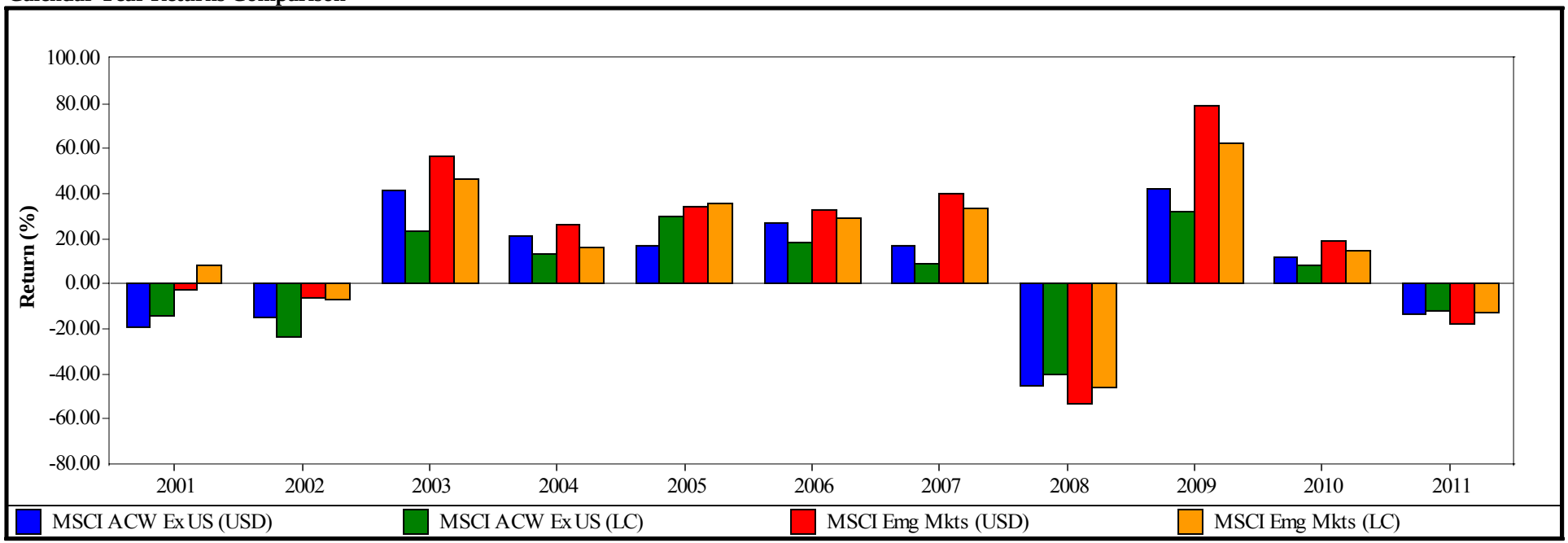
Excess Return vs. Local Currency Index - Rolling 1-Year Periods



Excess Return vs. Local Currency Index - Rolling 1-Year Periods



Calendar Year Returns Comparison

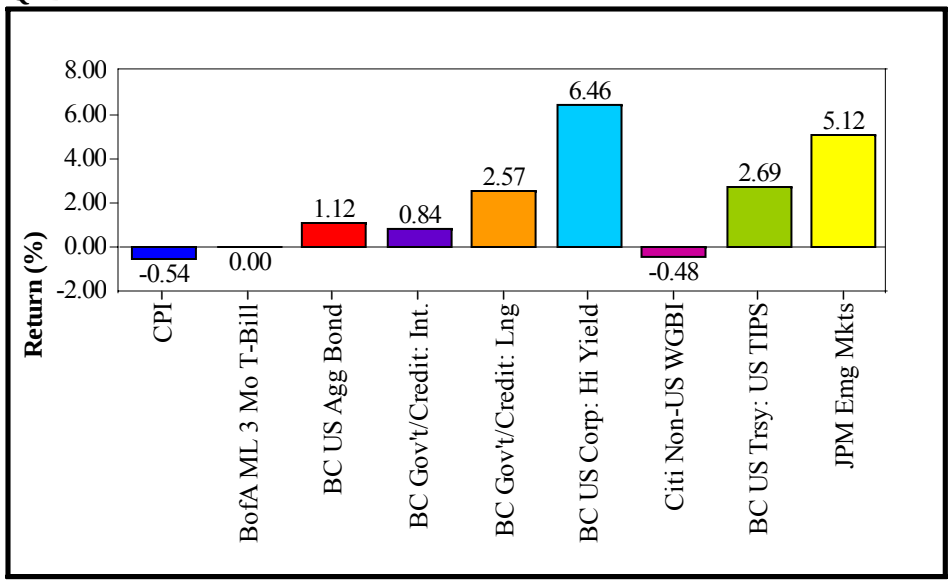


Performance is annualized for periods greater than one year. Calculation is based on monthly periodicity.
All returns are shown gross of foreign taxes on dividends.

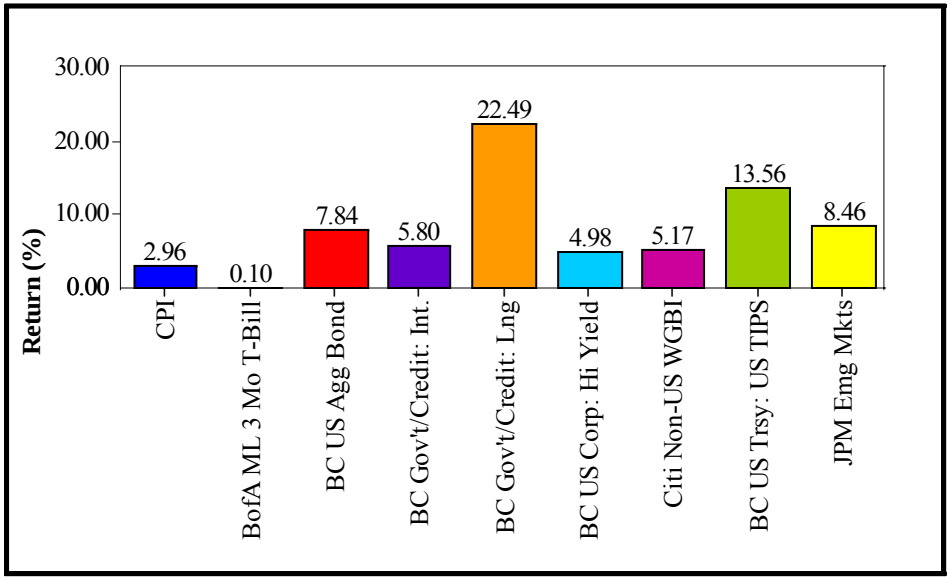
RVKuhns & ASSOCIATES, INC.

Fixed Income Market Performance and Risk
As of December 31, 2011

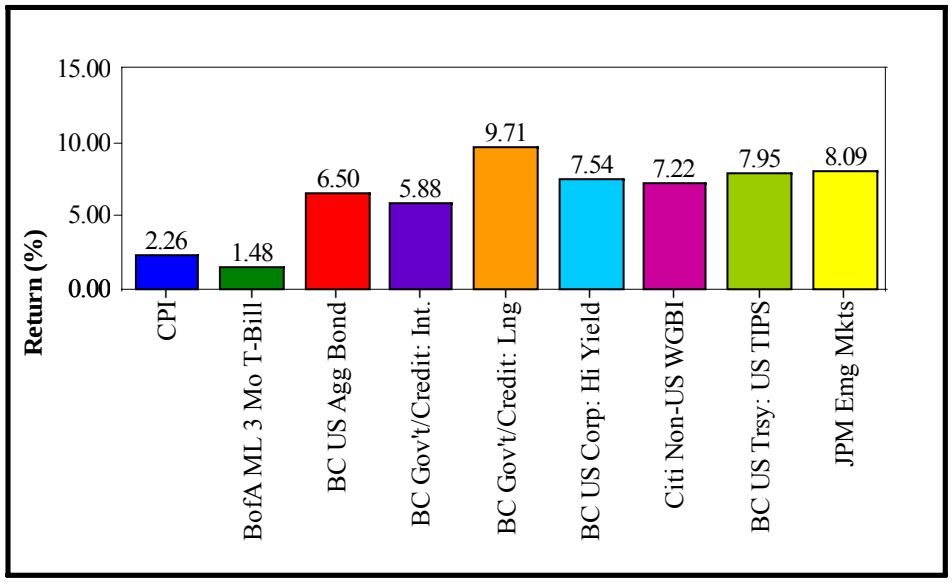
QTD



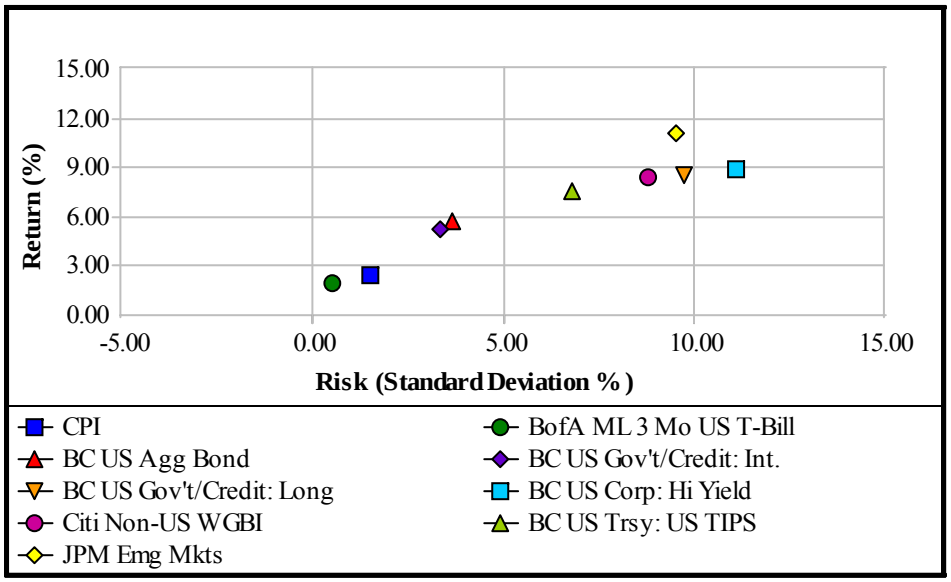
1 Year



5 Years



Risk and Return - 10 Years

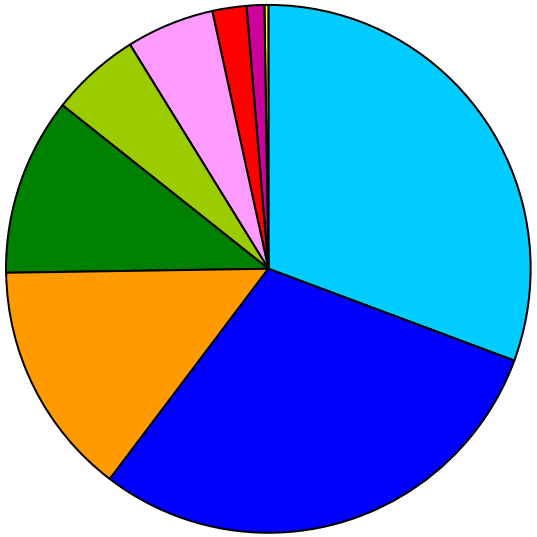


Performance is annualized for periods greater than one year. Calculation is based on monthly periodicity.

RVKuhns & ASSOCIATES, INC.

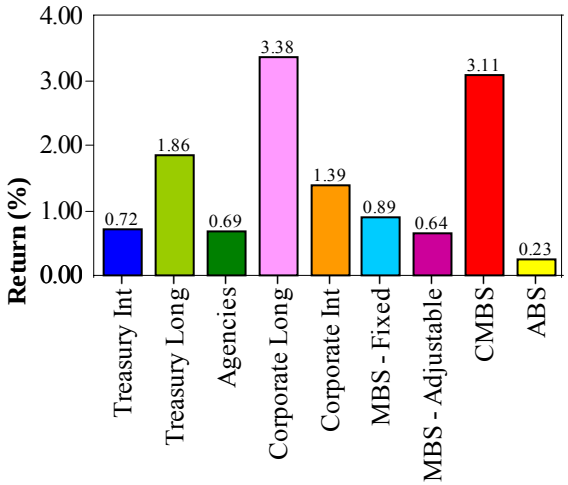
Domestic Fixed Income Sector Weights and Returns
As of December 31, 2011

BC US Agg Bond Sector Weights

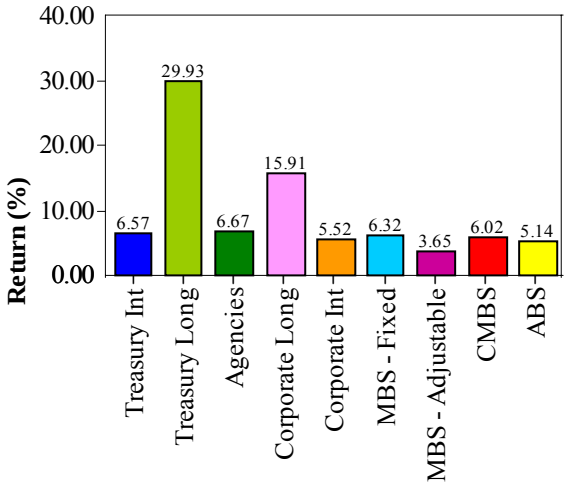


	Allocation (%)
MBS - Fixed Rate	30.69
Treasury Intermediate	29.63
Corporate Intermediate	14.49
Agencies	10.84
Treasury Long	5.52
Corporate Long	5.45
CMBS	2.04
MBS - Adjustable Rate	1.11
ABS	0.23

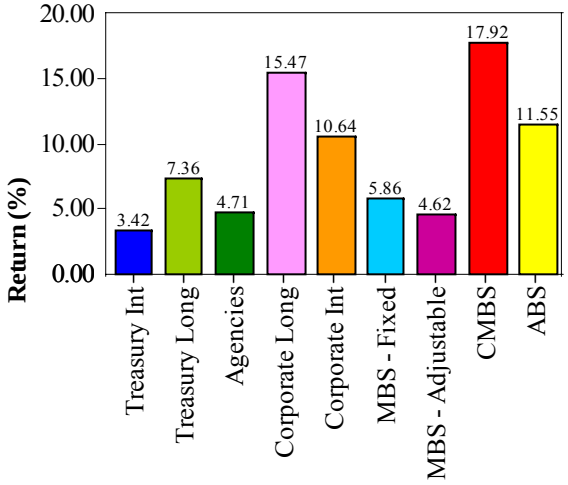
BC US Agg Bond Sector Returns - QTD



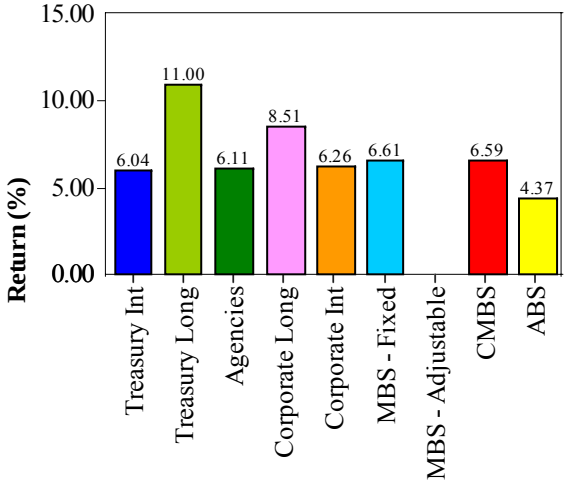
BC US Agg Bond Sector Returns - 1 Year



BC US Agg Bond Sector Returns - 3 Years



BC US Agg Bond Sector Returns - 5 Years

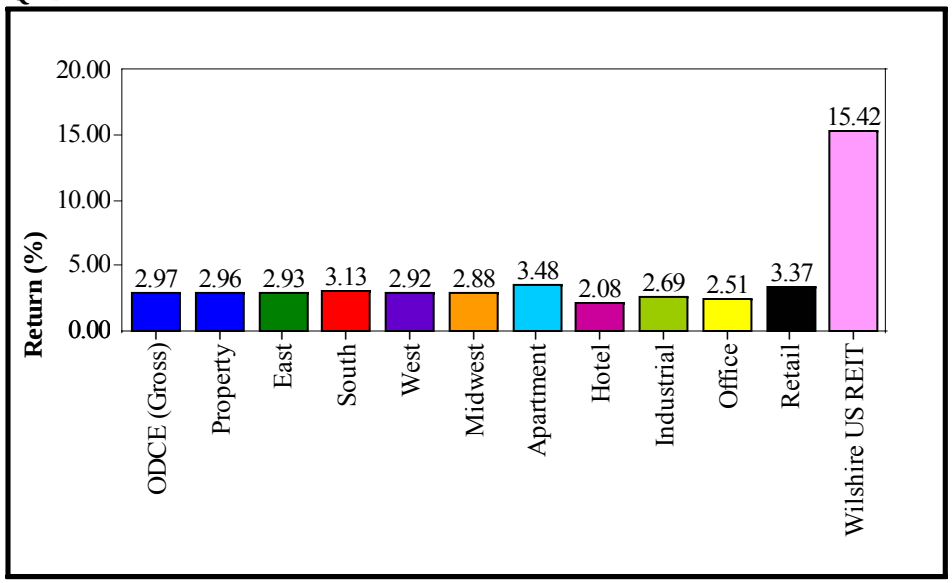


Allocations shown may not sum up to 100% exactly due to rounding. Performance is annualized for periods greater than one year.
Returns and allocations provided by Barclays Capital Indices.

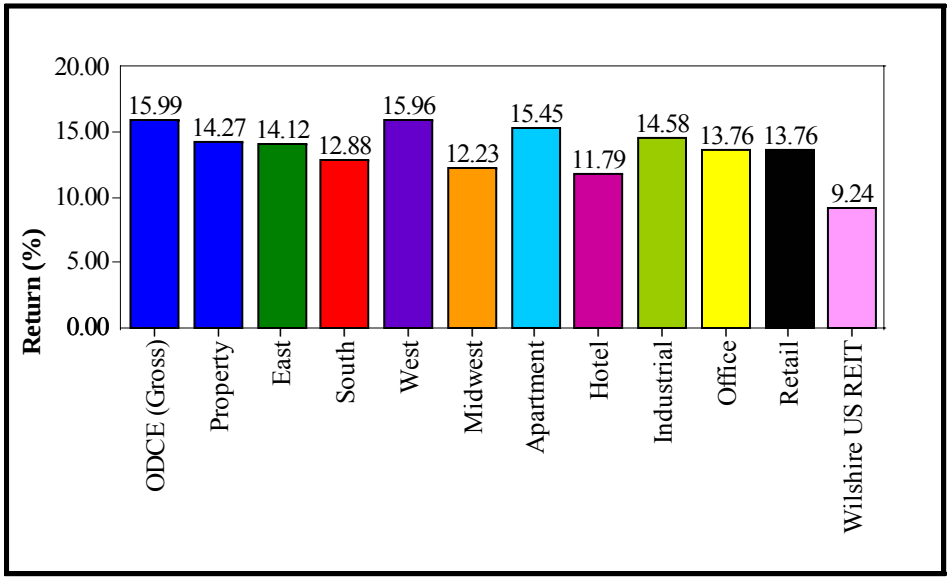
RVKuhns & ASSOCIATES, INC.

Real Estate Market Performance and Risk
As of December 31, 2011

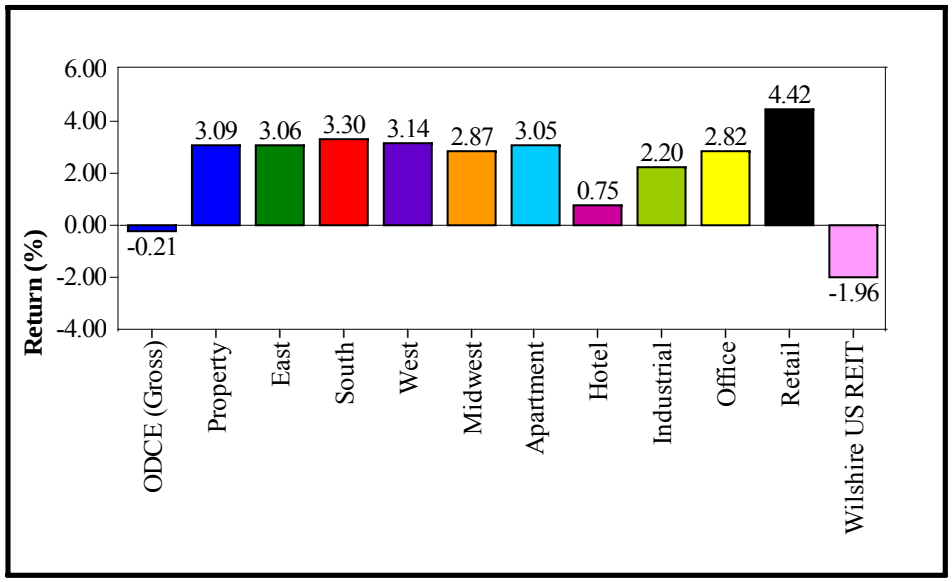
QTD



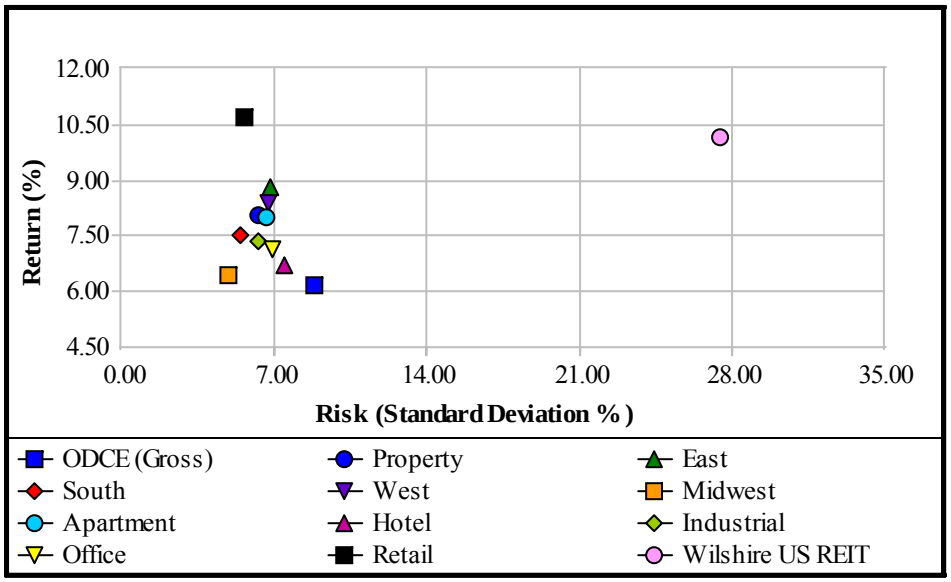
1 Year



5 Years



Risk and Return - 10 Years

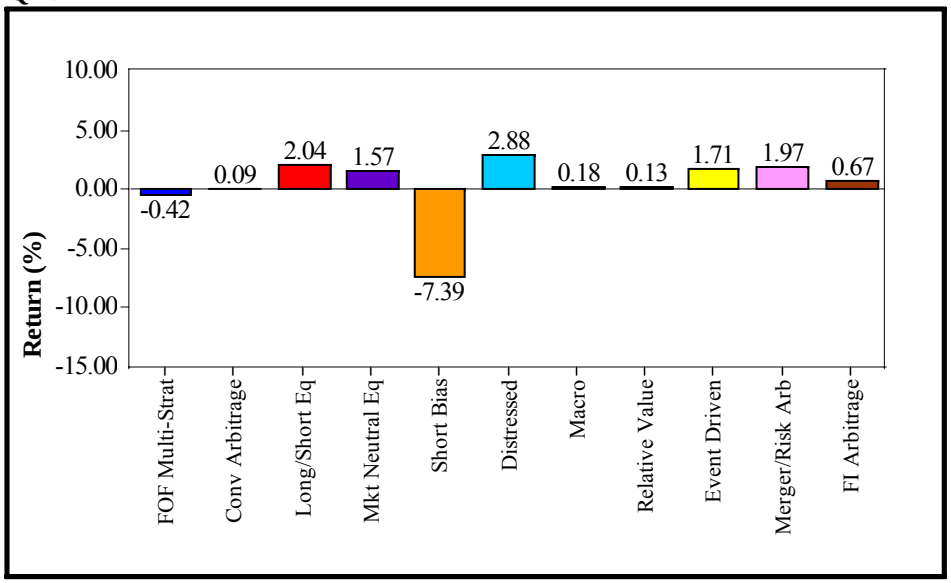


Performance is annualized for periods greater than one year. Calculation is based on quarterly periodicity.
All data shown represent NCREIF indices unless otherwise noted. Region and sector data represent the Property Index.

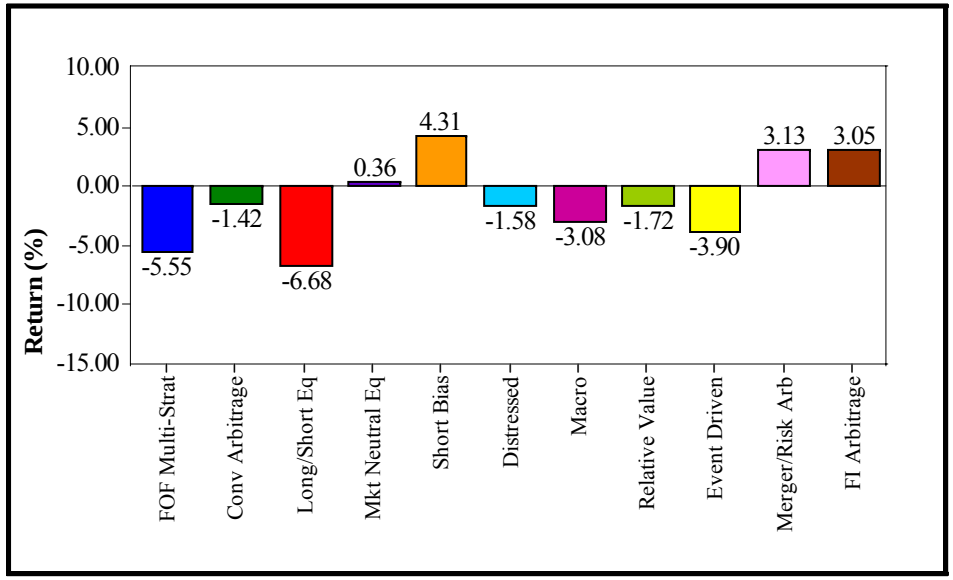
RVKuhns & ASSOCIATES, INC.

Hedge Fund Market Performance and Risk
As of December 31, 2011

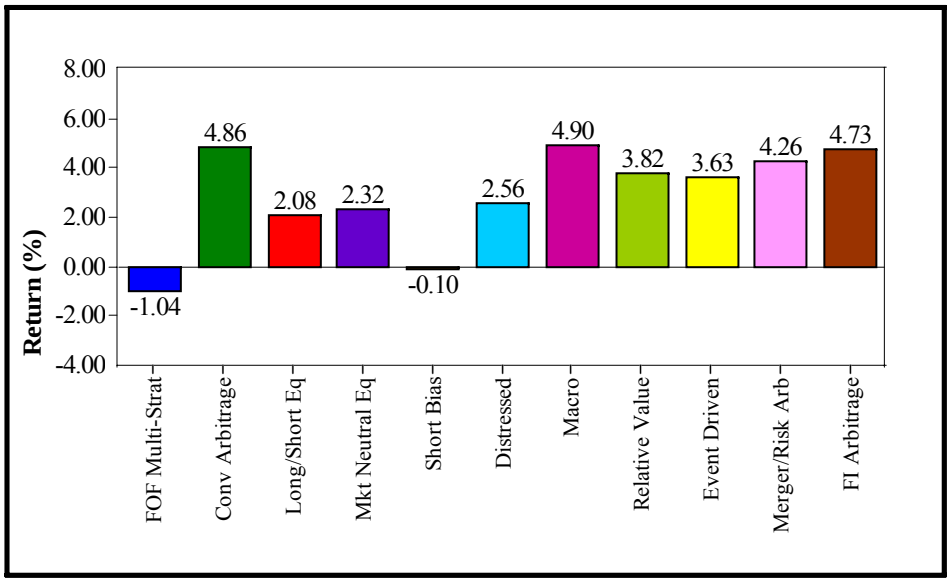
QTD



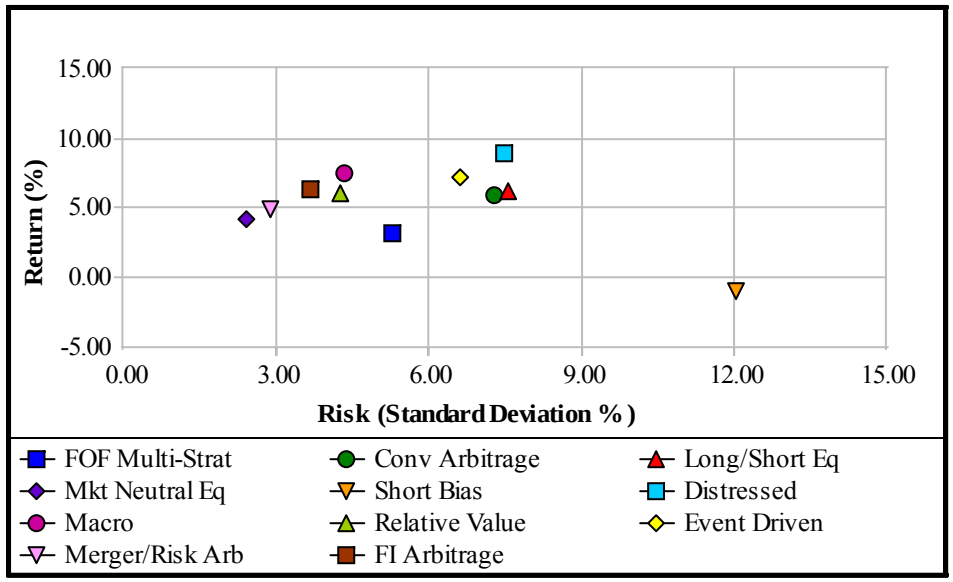
1 Year



5 Years



Risk and Return - 10 Years



Performance is annualized for periods greater than one year. Calculation is based on monthly periodicity.
All data shown represent HFN indices, net of fees. Values are preliminary and subject to change.

RVKuhns & ASSOCIATES, INC.

INDEX GLOSSARY

MSCI World: The **MSCI World Index** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. The index consists of the following developed market countries: *Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom, and the United States.*

S&P 500: The **S&P 500 Index (Cap Wtd)** is a commonly recognized, market-capitalization weighted index of 500 widely held equity securities designed to measure broad US equity performance.

R 2500: The **Russell 2500 Index** measures the performance of the small to mid-cap segment of the US equity market. It includes approximately 2500 of the smallest securities by market cap from the Russell 3000 Index.

R 2500 Value: The **Russell 2500 Value Index** measures the performance of the small to mid-cap value segment of the US equity market. Value stocks are securities of companies that have lower price-to-book and price earnings, higher dividend yields, and lower forecasted growth rates than growth companies. These stocks often trade at prices lower than average relative to earnings and/or book value. Because of this apparent discount and occasionally higher than average yield, these stocks tend to be defensive in nature and therefore less volatile than growth stocks.

International Equity Custom Index: The **International Equity Custom Index** consists of the MSCI EAFE Index through July 2010 and the MSCI ACWI ex-US thereafter.

MSCI ACWI ex US: The **MSCI ACWI (All Country World Index) ex US** is designed to measure equity market performance in global developed and emerging markets, excluding the US. The 23 underlying developed countries are: *Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, and the United Kingdom.* The emerging market countries are: *Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Morocco, Peru, Philippines, Poland, Russia, South Africa, Taiwan, Thailand, and Turkey.*

MSCI ACWI ex US Value: The **MSCI ACWI (All Country World Index) ex US Value** is identical to the MSCI ACWI ex US with the exception that it focuses specifically on the value segment of global developed and emerging markets.

MSCI EAFE: The **MSCI EAFE (Europe, Australasia, Far East) Index** is designed to measure equity market performance of 22 developed countries, excluding the US & Canada: *Australia, Austria, Belgium, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, and the United Kingdom.*

Fisher Custom Benchmark: The **Fisher Custom Benchmark** consists of the MSCI EAFE Index through July 2010 and the MSCI ACWI ex-US thereafter.

BC US Agg Bond: The **Barclays Capital US Aggregate Bond Index** covers the US dollar-denominated, investment-grade, fixed-rate, taxable bond market of SEC-registered securities: US Treasury and agency bonds, domestic corporate debt, and mortgage-backed securities.

BC US MBS: The **Barclays Capital US MBS (Mortgage Backed Securities) Index** measures the performance of investment grade fixed-rate mortgage-backed pass-through securities of government-sponsored agencies (GNMA, FNMA, and FHLMC).

BC US Credit: The **Barclays Capital US Credit Index** measures the performance of the dollar-denominated US investment bond market including investment grade corporate debt and sovereign, supranational, local authority and non-US agency bonds.

Global/EM Fixed Income Custom Index: The **Global/EM Fixed Income Custom Index** consists of 32.5% Barclays Capital Aggregate ex-US Hedged, 5% Barclays Capital Aggregate ex-US Unhedged, 47.5% JP Morgan EMBI, and 15% JP Morgan GBI-EM Global Diversified Unhedged.

BC US Gov't/Credit Bond: The **Barclays Capital US Gov't/Credit Bond Index** is a market capitalization-weighted performance benchmark for government and corporate fixed-rate debt issues.

BofA ML All Convertibles: The **BofA Merrill Lynch All Convertibles Index (All Qualities)** is a market capitalization-weighted index of domestic corporate convertible securities that are convertible to common stock.

BofA ML 3 Mo US T-Bill: The **BofA Merrill Lynch 3-Month US T-Bill Index** consists of newly issued 90-day Treasury bills.

JP Morgan Blended Index: The **JP Morgan Blended Index** consists of an equal-weighted allocation to the BofA ML 1-3 Year US Treasury Index, BofA ML 1-3 Year Agencies Index, and BofA ML 0-3 Year Weighted Average Life Mortgage Index.

NCREIF ODCE: **The NCREIF ODCE (Open End Diversified Core) Index** is an index of investment returns reporting on both a historical and current basis the results of 16 open-end commingled funds pursuing a core investment strategy, some of which have performance histories dating back to the 1970s. The NCREIF ODCE Index is capitalization-weighted and performance is time-weighted.

NCREIF Property: **The NCREIF Property Index** prepared by the National Council of Real Estate Investment Fiduciaries is a quarterly time series composite return measure for over 6,000 individual commercial real estate properties acquired in the private market for investment purposes. Total performance represents returns from appreciation and income, and includes multi-family, office, retail, and industrial properties.

HFN FOF Multi Strat: The **HFN FOF (Fund of Funds) Multi-Strategy Index** average is created by HedgeFund.net and contains over 1,600 funds of hedge funds that are each invested in multiple investment strategies.

Global Recovery Custom Index: The **Global Recovery Custom Index** consists of 50% Credit Suisse Distressed Index, 20% Credit Suisse High Yield Index, and 30% ABX Index.

Wyoming State Treasurer's Office

Investment Performance

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Investment Policy:

It is the investment policy for the State Loan and Investment Board to invest public funds of the State of Wyoming in a manner that strives for maximum safety, provides adequate liquidity to meet all operating requirements, and achieves the highest possible investment return consistent with the primary objectives of safety and liquidity.

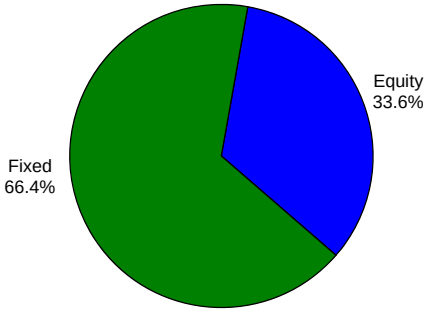
Investment Objectives and Priorities:

All available funds shall be invested with the following objectives and priorities:

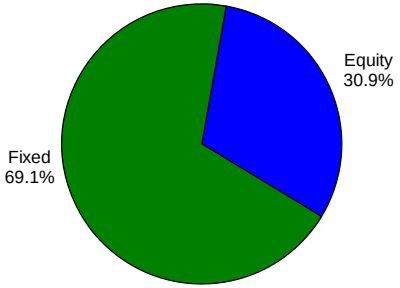
a) Safety of principal. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.
b) Liquidity requirements of anticipated and unanticipated expenditures.
c) Yield.
d) Recognition of differing objectives and needs of various fund portfolios.
e) Conformance with State law and other pertinent legal restrictions.
f) Maximization of the total rate of return on investment consistent with the foregoing objectives.
g) Diversification by asset type, security, and investment manager in order to smooth the volatility of quarterly returns.

Asset Allocation:

06/30/2011 Allocation



12/31/2011 Allocation



Historical Performance:

	Total Investment Value	Fiscal Year Ending 06/30/11 Market Value	Current Market Value	Qtr Ending 12/31/11 Return	Fiscal YTD Return	1 Year Return	3 Year Return	5 Year Return
Wyoming State Total Fund	**$14,425.99**	**$14,430.99**	**$14,630.08**	**3.22%**	**-0.85%**	**2.81%**	**8.49%**	**4.62%**
Wyoming State Actual Allocation Index				*2.73%*	*0.19%*	*3.25%*	*6.82%*	*3.93%*

Note[1]: Performance shown is gross of fees with the exception of convertible bonds and absolute return, which are shown net of fees.
Note[2]: The Wyoming State Actual Allocation Index is calculated using beginning-month asset class weights applied to the appropriate asset class benchmark return.
Note[3]: Market Value and Total Investment Value are shown in ($) Millions.

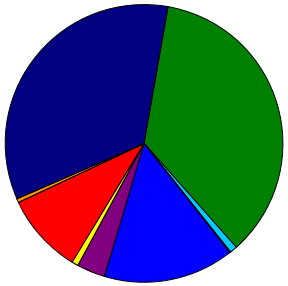
RVKuhns & ASSOCIATES, INC.

Wyoming State Treasurer's Office

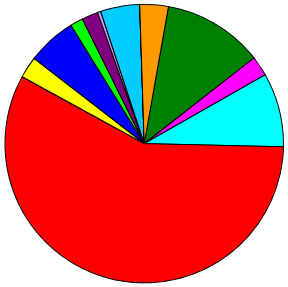
Investment Performance - Total Performance

December 31, 2011

Allocation by Fund



Allocation by Asset Class



	Total Investment Value	Fiscal Year Ending 06/30/11 Market Value	Current Market Value	% of MV	Qtr Ending 12/31/11 Return	Fiscal YTD Return	1 Year Return	3 Year Return	5 Year Return
Wyoming State Total Fund	**$14,425,990,606**	**$14,430,988,796**	**$14,630,083,366**	**100.0%**	**3.22%**	**-0.85%**	**2.81%**	**8.49%**	**4.62%**
Wyoming State Actual Allocation Index					2.73%	0.19%	3.25%	6.82%	3.93%
Investment Funds									
Permanent Mineral Trust	**$5,198,630,335**	**$5,325,828,961**	**$5,218,084,697**	**35.7%**	**4.28%**	**-2.90%**	**1.10%**	**8.65%**	**3.45%**
Permanent Land Fund	**$123,443,165**	**$122,787,460**	**$123,334,150**	**0.8%**	**4.18%**	**-2.66%**	**1.23%**	**8.33%**	**3.31%**
University Permanent Land Fund	**$17,448,951**	**$18,033,230**	**$17,312,825**	**0.1%**	**4.13%**	**-2.96%**	**0.88%**	**8.25%**	**3.00%**
Common School Perm Land Fund	**$2,236,198,682**	**$2,236,530,927**	**$2,226,537,637**	**15.2%**	**4.27%**	**-3.03%**	**1.35%**	**9.08%**	**3.79%**
Hathaway Scholarship Endowment Fund	**$474,250,345**	**$502,843,583**	**$484,243,858**	**3.3%**	**3.99%**	**-2.09%**	**1.68%**	**9.53%**	**N/A**
Higher Education Endowment Fund	**$105,267,298**	**$111,455,707**	**$107,305,135**	**0.7%**	**3.99%**	**-2.09%**	**1.63%**	**9.45%**	**N/A**
Workers Compensation Fund	**$1,353,273,436**	**$1,362,501,674**	**$1,365,714,136**	**9.3%**	**3.06%**	**-0.38%**	**3.03%**	**10.02%**	**5.99%**
Tobacco Settlement Trust	**$66,053,659**	**$67,522,645**	**$67,179,024**	**0.5%**	**1.64%**	**3.08%**	**6.14%**	**8.76%**	**6.67%**
State Agency Pool	**$4,851,424,735**	**$4,683,484,610**	**$5,020,371,905**	**34.3%**	**1.43%**	**2.61%**	**4.99%**	**7.40%**	**5.83%**
Asset Class Performance									
US Equity					**12.13%**	**-4.15%**	**2.40%**	**15.80%**	**1.24%**
US Large Cap Equity	**$1,645,884,454**	**$1,749,361,969**	**$1,707,814,913**	**11.7%**	**11.82%**	**-3.58%**	**3.06%**	**14.47%**	**0.11%**
S&P 500					11.82%	-3.69%	2.11%	14.11%	-0.25%
US SMID Cap Equity	**$314,696,203**	**$357,886,192**	**$337,299,716**	**2.3%**	**13.77%**	**-6.94%**	**-0.78%**	**20.46%**	**4.73%**
Russell 2500					14.52%	-9.78%	-2.51%	18.41%	1.25%
International Equity	**$1,403,637,683**	**$1,513,954,663**	**$1,260,835,043**	**8.6%**	**4.80%**	**-17.78%**	**-13.06%**	**10.12%**	**-2.60%**
International Equity Custom Index					3.72%	-16.87%	-13.71%	7.69%	-4.51%
Fixed Income	**$8,130,037,233**	**$8,049,533,823**	**$8,427,983,477**	**57.6%**	**1.42%**	**3.48%**	**6.55%**	**8.78%**	**6.87%**
Barclays Capital Aggregate					1.12%	4.98%	7.84%	6.77%	6.50%
Convertible Bonds	**$349,776,835**	**$380,413,743**	**$365,880,243**	**2.5%**	**8.79%**	**-6.50%**	**-1.96%**	**17.96%**	**6.43%**
BofA ML All Quality Convertible					4.29%	-9.20%	-5.18%	18.19%	2.10%
Cash Equivalents	**$831,766,245**	**$863,393,071**	**$833,759,670**	**5.7%**	**0.07%**	**0.21%**	**0.53%**	**0.84%**	**2.20%**
JP Morgan Cash Custom Index					0.25%	0.37%	0.66%	0.85%	2.18%
Private Equity	**$218,145,669**	**$209,554,761**	**$217,210,069**	**1.5%**			**SEE NOTE[4]**		
S&P 500 + 5%					13.19%	-1.31%	7.22%	19.82%	4.74%
Core Real Estate	**$332,607,260**	**$214,638,766**	**$274,097,988**	**1.9%**	**2.60%**	**6.31%**	**15.71%**	**-1.79%**	**-0.26%**
NCREIF ODCE					2.97%	6.59%	15.99%	-1.76%	-0.21%
Value-Added Real Estate	**$67,697,864**	**$45,223,540**	**$58,902,369**	**0.4%**			**SEE NOTE[4]**		
NCREIF Property					2.96%	6.36%	14.27%	2.43%	3.09%
Absolute Return	**$648,590,861**	**$755,096,019**	**$663,149,579**	**4.5%**	**0.80%**	**-5.34%**	**-3.62%**	**7.13%**	**N/A**
HFN FOF Multi-Strat					-0.42%	-4.90%	-5.55%	2.78%	-1.04%
Wyoming Investments	**$483,150,299**	**$291,932,249**	**$483,150,299**	**3.3%**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**

Note[1]: Performance shown is gross of fees with the exception of convertible bonds and absolute return, which are shown net of fees. Investment performance is calculated on invested assets only.
Note[2]: Pooled investment performance and market values shown reflect State Agency participation and is calculated on a capital-weighted basis using beginning-period allocations.
Note[3]: Cash Equivalents performance includes Extended Cash performance.
Note[4]: Performance for Private Equity and Value-Added Real Estate investments is calculated on an IRR basis. For further analysis, please refer to the supplementary alternatives performance report.
Note[5]: Valuations for non-core real estate and private equity are on a one-quarter lag due to available data. However, Investment (Cost) Values are not lagged.
Note[6]: Market values shown for Wyoming Investments reflect cost value of the investments, except at fiscal year end.
Note[7]: International Equity Custom Index consists of MSCI EAFE (Gross) through July 2010 and the MSCI ACW ex-US (Net) thereafter.

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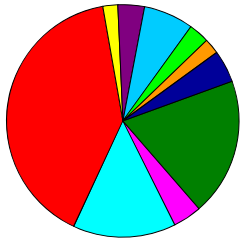
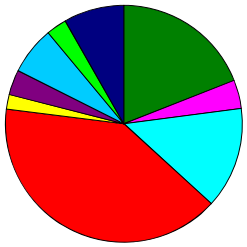
	Total Investment Value	Fiscal Year Ending 06/30/11 Market Value	Current Market Value	% of MV	Qtr Ending 12/31/11 Return	Fiscal YTD Return	1 Year Return	3 Year Return	5 Year Return
Wyoming State Total Fund	**$14,425,990,606**	**$14,430,988,796**	**$14,630,083,366**		**3.22%**	**-0.85%**	**2.81%**	**8.49%**	**4.62%**
Investment Funds:									
Permanent Mineral									
Permanent Mineral Trust	**$5,198,630,335**	**$5,325,828,961**	**$5,218,084,697**	**100.0%**	**4.28%**	**-2.90%**	**1.10%**	**8.65%**	**3.45%**
US Large Cap Equity	$965,030,608	$1,013,527,444	$1,002,106,967	19.2%					
US SMID Cap Equity	$192,955,338	$217,115,237	$206,977,899	4.0%					
International Equity	$831,300,349	$887,486,083	$747,803,000	14.3%					
Fixed Income	$2,023,604,446	$1,983,505,804	$2,102,417,872	40.3%					
Convertibles	$103,818,831	$112,016,631	$108,555,570	2.1%					
Real Estate	$236,515,014	$147,124,606	$192,065,521	3.7%					
Absolute Return	$357,785,127	$413,879,437	$363,357,282	7.0%					
Private Equity	$150,623,354	$142,795,726	$149,961,832	2.9%					
Wyoming Investments	$111,824,073	$121,488,300	$111,824,073	2.1%					
Cash (invested in State Agency Pool)	$225,173,196	$286,889,693	$233,014,681	4.5%					
Actual Allocation Index					3.84%	-2.21%	1.33%	7.05%	2.42%
Permanent Land Fund									
Permanent Land Fund	**$123,443,165**	**$122,787,460**	**$123,334,150**	**100.0%**	**4.18%**	**-2.66%**	**1.23%**	**8.33%**	**3.31%**
US Large Cap Equity	$22,771,143	$23,919,548	$23,464,061	19.0%					
US SMID Cap Equity	$4,550,757	$5,084,489	$4,813,604	3.9%					
International Equity	$19,157,470	$19,873,545	$17,087,678	13.9%					
Fixed Income	$48,026,816	$46,555,319	$49,577,309	40.2%					
Convertibles	$2,377,503	$2,504,264	$2,466,765	2.0%					
Real Estate	$5,260,215	$3,012,850	$4,222,264	3.4%					
Absolute Return	$8,000,513	$9,175,684	$8,072,634	6.5%					
Private Equity	$3,485,999	$3,341,214	$3,475,361	2.8%					
Cash (invested in State Agency Pool)	$9,812,751	$9,320,547	$10,154,473	8.2%					
Actual Allocation Index					3.73%	-1.93%	1.48%	6.65%	2.25%
University PLF									
University Permanent Land Fund	**$17,448,951**	**$18,033,230**	**$17,312,825**	**100.0%**	**4.13%**	**-2.96%**	**0.88%**	**8.25%**	**3.00%**
US Large Cap Equity	$3,180,137	$3,205,252	$3,145,056	18.2%					
US SMID Cap Equity	$641,654	$734,740	$686,405	4.0%					
International Equity	$2,763,930	$3,011,749	$2,479,526	14.3%					
Fixed Income	$6,522,040	$6,347,223	$6,777,271	39.1%					
Convertibles	$347,151	$381,555	$362,221	2.1%					
Real Estate	$804,771	$480,982	$604,704	3.5%					
Absolute Return	$1,241,035	$1,424,565	$1,250,860	7.2%					
Private Equity	$491,756	$481,976	$499,583	2.9%					
Wyoming Investments	$0	$1,242,040	$0	0.0%					
Cash (invested in State Agency Pool)	$1,456,478	$723,149	$1,507,198	8.7%					
Actual Allocation Index					3.93%	-2.35%	1.20%	6.87%	2.24%

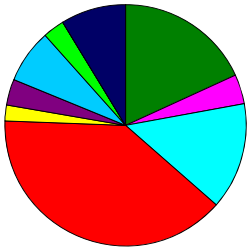
Permanent Mineral



Permanent Land Fund



University PLF



Note[1]: Performance shown is gross of fees with the exception of convertible bonds and absolute return, which are shown net of fees.
Note[2]: Pooled investment performance and market values shown reflect State Agency participation.
Note[3]: Pooled investment and Actual Allocation Index performance is calculated on a capital-weighted basis using beginning-period allocations.
Note[4]: Market values shown for Wyoming Investments reflect cost value of the investments, except at fiscal year end.

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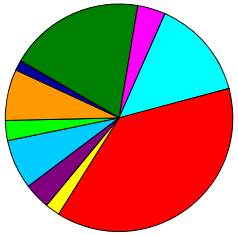
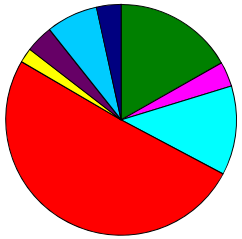
Common School PLF



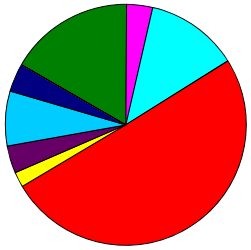
	Total Investment Value	Fiscal Year Ending 06/30/11 Market Value	Current Market Value	% of MV	Qtr Ending 12/31/11 Return	Fiscal YTD Return	1 Year Return	3 Year Return	5 Year Return
Investment Funds:									
Common School Perm Land Fund	**$2,236,198,682**	**$2,236,530,927**	**$2,226,537,637**	**100.0%**	**4.27%**	**-3.03%**	**1.35%**	**9.08%**	**3.79%**
US Large Cap Equity	$414,020,204	$446,846,811	$429,313,448	19.3%					
US SMID Cap Equity	$82,872,431	$95,798,976	$88,781,333	4.0%					
International Equity	$353,528,224	$386,598,830	$317,077,552	14.2%					
Fixed Income	$828,068,257	$804,205,189	$848,133,282	38.1%					
Convertibles	$44,168,600	$48,803,659	$46,188,722	2.1%					
Real Estate	$101,272,888	$64,352,863	$82,482,455	3.7%					
Absolute Return	$155,860,070	$179,368,535	$157,336,293	7.1%					
Private Equity	$63,544,561	$62,935,844	$63,273,293	2.8%					
Wyoming Investments	$161,626,226	$7,101,910	$161,626,226	7.3%					
Cash (invested in State Agency Pool)	$31,237,221	$140,518,310	$32,325,034	1.5%					
Actual Allocation Index					3.81%	-2.53%	1.25%	7.11%	2.44%

Hathaway Scholarship



Hathaway Scholarship	**$474,250,345**	**$502,843,583**	**$484,243,858**	**100.0%**	**3.99%**	**-2.09%**	**1.68%**	**9.53%**	**N/A**
US Large Cap Equity	$78,331,363	$85,304,543	$81,265,482	16.8%					
US SMID Cap Equity	$15,681,560	$18,262,932	$16,796,177	3.5%					
International Equity	$67,353,961	$74,956,239	$60,570,823	12.5%					
Fixed Income	$236,194,145	$242,753,114	$245,317,258	50.7%					
Convertibles	$9,452,944	$10,697,615	$9,893,768	2.0%					
Real Estate	$20,155,379	$16,219,607	$18,725,717	3.9%					
Absolute Return	$30,936,955	$39,683,690	$34,968,390	7.2%					
Cash (invested in State Agency Pool)	$16,144,039	$14,965,843	$16,706,243	3.4%					
Actual Allocation Index					3.54%	-1.29%	2.01%	7.63%	N/A

Higher Education



Higher Education	**$105,267,298**	**$111,455,707**	**$107,305,135**	**100.0%**	**3.99%**	**-2.09%**	**1.63%**	**9.45%**	**N/A**
US Large Cap Equity	$17,396,118	$18,904,102	$18,007,779	16.8%					
US SMID Cap Equity	$3,482,604	$4,055,566	$3,729,860	3.5%					
International Equity	$14,958,284	$16,621,922	$13,432,401	12.5%					
Fixed Income	$52,026,881	$53,310,189	$54,019,969	50.3%					
Convertibles	$2,099,174	$2,375,303	$2,196,745	2.0%					
Real Estate	$4,468,037	$3,403,844	$3,957,607	3.7%					
Absolute Return	$6,871,523	$8,919,556	$7,858,030	7.3%					
Cash (invested in State Agency Pool)	$3,964,676	$3,865,224	$4,102,743	3.8%					
Actual Allocation Index					3.53%	-1.31%	1.94%	7.64%	N/A

Note[1]: Performance shown is gross of fees with the exception of convertible bonds and absolute return, which are shown net of fees.
Note[2]: Pooled investment performance and market values shown reflect State Agency participation.
Note[3]: Pooled investment and Actual Allocation Index performance is calculated on a capital-weighted basis using beginning-period allocations.
Note[4]: Market values shown for Wyoming Investments reflect cost value of the investments, except at fiscal year end.

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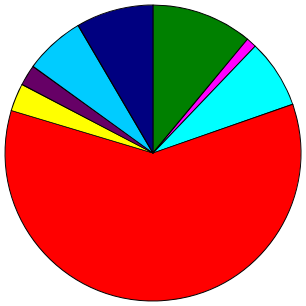
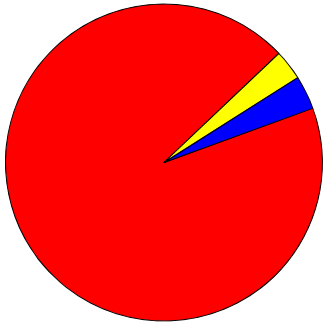
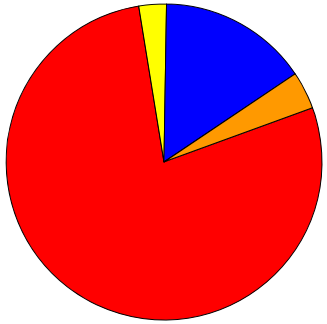
Workers Compensation Fund



Tobacco Settlement



State Agency Pool



	Total Investment Value	Fiscal Year Ending 06/30/11 Market Value	Current Market Value	% of MV	Qtr Ending 12/31/11 Return	Fiscal YTD Return	1 Year Return	3 Year Return	5 Year Return
Investment Funds:									
Workers Compensation Fund	**$1,353,273,436**	**$1,362,501,674**	**$1,365,714,136**	**100.0%**	**3.06%**	**-0.38%**	**3.03%**	**10.02%**	**5.99%**
US Large Cap Equity	$145,154,881	$157,654,268	$150,512,120	11.0%					
US SMID Cap Equity	$14,511,861	$16,834,251	$15,514,438	1.1%					
International Equity	$114,575,465	$125,406,296	$102,384,062	7.5%					
Fixed Income	$808,228,801	$805,553,323	$819,310,188	60.0%					
Convertibles	$39,738,635	$44,153,101	$41,528,505	3.0%					
Real Estate	$31,828,820	$25,267,556	$30,942,089	2.3%					
Absolute Return	$87,895,639	$102,644,551	$90,306,091	6.6%					
Cash (invested in State Agency Pool)	$111,339,336	$84,988,329	$115,216,643	8.4%					
Actual Allocation Index					2.57%	0.63%	3.60%	8.07%	5.51%
Tobacco Settlement Trust	**$66,053,659**	**$67,522,645**	**$67,179,024**	**100.0%**	**1.64%**	**3.08%**	**6.14%**	**8.76%**	**6.67%**
Fixed Income	$61,840,273	$61,752,050	$62,793,307	93.5%					
Convertibles	$1,982,107	$2,237,213	$2,076,736	3.1%					
Cash (invested in State Agency Pool)	$2,231,279	$3,533,381	$2,308,981	3.4%					
Actual Allocation Index					1.12%	4.95%	7.77%	6.69%	6.46%
State Agency Pool	**$4,851,424,735**	**$4,683,484,610**	**$5,020,371,905**	**100.0%**	**1.43%**	**2.61%**	**4.99%**	**7.40%**	**5.83%**
Fixed Income	$3,754,883,586	$3,623,992,172	$3,915,691,383	78.0%					
Convertibles	$134,652,105	$140,859,031	$140,950,369	2.8%					
Cash Equiv.	$768,211,972	$773,424,747	$770,053,082	15.3%					
Wyoming Investments	$193,677,072	$145,208,661	$193,677,072	3.9%					
Actual Allocation Index					1.00%	4.23%	6.49%	5.66%	5.70%

Note[1]: Performance shown is gross of fees with the exception of convertible bonds and absolute return, which are shown net of fees.
Note[2]: Pooled investment performance and market values shown reflect State Agency participation.
Note[3]: Pooled investment and Actual Allocation Index performance is calculated on a capital-weighted basis using beginning-period allocations.
Note[4]: Market values shown for Wyoming Investments reflect cost value of the investments, except at fiscal year end.

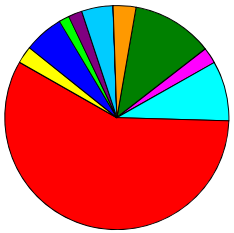
RVKuhns & ASSOCIATES, INC.

Wyoming State Treasurer's Office

Investment Performance - Total Performance

December 31, 2011

Current Asset Allocation



	Total Investment Value	Fiscal Year Ending 06/30/11 Market Value	Current Market Value	% of MV	Qtr Ending 12/31/11 Return	Fiscal YTD Return	1 Year Return	3 Year Return	5 Year Return
Wyoming State Total Fund	**$14,425,990,606**	**$14,430,988,796**	**$14,630,083,366**	**100.0%**	**3.22%**	**-0.85%**	**2.81%**	**8.49%**	**4.62%**
Wyoming State Actual Allocation Index					2.73%	0.19%	3.25%	6.82%	3.93%
US Equity									
State Street LCC (Index)	**$1,645,095,063**	**$1,748,760,621**	**$1,707,222,154**		**11.82%**	**-3.58%**	**2.26%**	**14.18%**	**-0.04%**
UW Portfolio Mgmt Program	**$789,391**	**$601,348**	**$592,759**		**5.08%**	**-0.69%**	**-0.08%**	**9.57%**	**-3.17%**
S&P 500					11.82%	-3.69%	2.11%	14.11%	-0.25%
US Large Cap Equity	$1,645,884,454	$1,749,361,969	$1,707,814,913	11.7%					
Gabelli (Sm-Mid Cap Value)	**$314,696,203**	**$357,886,192**	**$337,299,716**		**13.77%**	**-6.94%**	**-1.43%**	**22.03%**	**5.84%**
Russell 2500 Value					15.45%	-8.91%	-3.36%	15.48%	-0.58%
US SMID Cap Equity	$314,696,203	$357,886,192	$337,299,716	2.3%					
Total US Equity	**$1,960,580,658**	**$2,107,248,161**	**$2,045,114,629**	**14.0%**					
International Equity									
The Boston Company Int'l Value Eq	**$141,013,431**	**$141,116,342**	**$114,574,802**		**2.54%**	**-19.13%**	**-17.27%**	**N/A**	**N/A**
MSCI ACW ex-US Value					3.32%	-16.87%	-13.20%	10.54%	-3.73%
Northern Trust Int'l Eq	**$703,958,972**	**$758,663,717**	**$639,633,251**		**3.97%**	**-16.75%**	**-13.37%**	**N/A**	**N/A**
Manning & Napier Int'l Eq	**$208,120,829**	**$223,093,407**	**$179,284,878**		**3.27%**	**-20.75%**	**-15.70%**	**N/A**	**N/A**
MSCI ACW ex-US					3.72%	-16.87%	-13.71%	10.70%	-2.92%
Fisher Int'l Eq	**$350,544,450**	**$391,081,197**	**$327,342,112**		**8.17%**	**-17.61%**	**-11.50%**	**14.20%**	**-0.58%**
Fisher Custom Benchmark					3.72%	-16.87%	-13.71%	7.69%	-4.51%
Total International Equity	**$1,403,637,683**	**$1,513,954,663**	**$1,260,835,043**	**8.6%**					
Fixed Income									
WAMCO Core Plus	**$1,351,765,641**	**$1,331,511,560**	**$1,406,273,124**		**1.20%**	**4.63%**	**7.47%**	**8.83%**	**6.67%**
Neuberger Berman Core Plus	**$1,351,693,723**	**$1,382,932,083**	**$1,425,418,179**		**2.26%**	**3.00%**	**6.37%**	**11.28%**	**7.65%**
PIMCO Core Plus	**$1,351,424,768**	**$1,345,163,330**	**$1,423,014,547**		**1.02%**	**4.18%**	**6.88%**	**8.56%**	**7.96%**
BC Aggregate					1.12%	4.98%	7.84%	6.77%	6.50%
PIMCO Mortgages	**$677,451,321**	**$655,016,980**	**$691,153,477**		**1.02%**	**3.55%**	**6.18%**	**7.83%**	**7.13%**
JP Morgan Mortgages	**$677,668,487**	**$647,694,083**	**$681,499,627**		**0.71%**	**2.99%**	**5.77%**	**8.28%**	**4.48%**
BC Mortgages					0.88%	3.26%	6.23%	5.83%	6.54%
WAMCO Corporates	**$368,951,544**	**$364,064,668**	**$382,278,125**		**2.48%**	**3.94%**	**7.51%**	**12.52%**	**5.65%**
Logan Circle Corporates	**$368,892,360**	**$363,778,640**	**$386,643,501**		**2.27%**	**5.03%**	**9.13%**	**14.72%**	**6.62%**
BC Credit					1.70%	4.78%	8.35%	10.90%	6.80%
PIMCO Global/Emerging Markets	**$649,880,831**	**$664,842,928**	**$678,372,359**		**2.57%**	**0.89%**	**5.09%**	**12.06%**	**N/A**
Global/EM Custom Index					2.73%	1.34%	5.33%	10.84%	N/A
Wyoming State Treasurer's Office	**$1,332,308,558**	**$1,294,529,551**	**$1,353,330,538**		**0.67%**	**3.06%**	**5.74%**	**3.80%**	**5.01%**
BC Gov't/Credit					1.18%	5.98%	8.74%	6.60%	6.55%
Total Fixed Income	**$8,130,037,233**	**$8,049,533,823**	**$8,427,983,477**	**57.6%**					

Note[1]: Performance shown is gross of fees with the exception of convertible bonds and absolute return, which are shown net of fees.
Note[2]: Returns are stated in traditional total return terms and do not specify realized income.
Note[3]: The Global/EM Custom Index consists of 32.5% Barclays Capital Aggregate ex-US Hedged, 5% Barclays Capital Aggregate ex-US Unhedged, 47.5% JP Morgan EMBI, and 15% JP Morgan GBI-EM Global Diversified Unhedged.
Note[4]: Performance for Private Equity and Value-Added Real Estate investments is calculated on an IRR basis. For further analysis, please refer to the supplementary alternatives report.
Note[5]: Fisher Custom Benchmark consists of MSCI EAFE (Gross) through July 2010 and the MSCI ACW ex-US (Net) thereafter.
Note[6]: Int'l ETF was fully liquidated in October 2010.

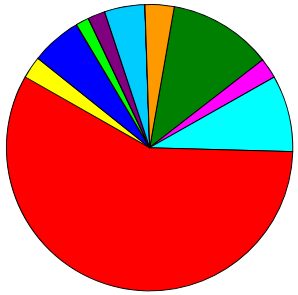
RVKuhns & ASSOCIATES, INC.

Wyoming State Treasurer's Office

Investment Performance - Total Performance

December 31, 2011

Current Asset Allocation



	Total Investment Value	Fiscal Year Ending 06/30/11 Market Value	Current Market Value	% of MV	Qtr Ending 12/31/11 Return	Fiscal YTD Return	1 Year Return	3 Year Return	5 Year Return
Convertible Bonds									
Allianz Global Investors Convertibles	**$349,776,835**	**$380,413,743**	**$365,880,243**	**2.5%**	**8.79%**	**-6.50%**	**-1.96%**	**17.96%**	**6.43%**
BofA ML All Quality Convertible					4.29%	-9.20%	-5.18%	18.19%	2.10%
Cash & Cash Equivalents									
JP Morgan Cash Composite	**$831,766,245**	**$863,393,071**	**$833,759,670**		**0.07%**	**0.21%**	**0.53%**	**0.84%**	**2.20%**
JP Morgan Cash Custom Index					0.25%	0.37%	0.66%	0.85%	2.18%
Total Cash & Cash Equivalents	**$831,766,245**	**$863,393,071**	**$833,759,670**	**5.7%**					
Private Equity									
Cheyenne Capital Fund, L.P.	**$210,145,669**	**$202,694,838**	**$209,595,770**				**SEE NOTE[4]**		
Access Venture Partners II	**$8,000,000**	**$6,859,923**	**$7,614,299**				**SEE NOTE[4]**		
S&P 500 + 5%					13.19%	-1.31%	7.22%	19.82%	4.74%
Total Private Equity	**$218,145,669**	**$209,554,761**	**$217,210,069**	**1.5%**					
Real Estate									
Clarion Lion Properties	**$191,303,630**	**$95,891,075**	**$151,385,729**		**2.84%**	**7.19%**	**18.70%**	**-4.62%**	**-2.26%**
UBS Trumbull Property	**$141,303,630**	**$118,747,691**	**$122,712,259**		**2.30%**	**5.48%**	**13.23%**	**0.92%**	**1.62%**
NCREIF ODCE					2.97%	6.59%	15.99%	-1.76%	-0.21%
TA Realty Value-Added	**$15,000,000**	**$9,930,680**	**$10,123,530**				**SEE NOTE[4]**		
Heitman Value-Added	**$8,238,296**	**$2,218,304**	**$4,213,294**				**SEE NOTE[4]**		
WestRiver Value-Added	**$19,955,026**	**$16,173,003**	**$20,076,666**				**SEE NOTE[4]**		
Cornerstone Value-Added	**$24,504,543**	**$16,901,553**	**$24,488,879**				**SEE NOTE[4]**		
NCREIF Property					2.96%	6.36%	14.27%	2.43%	3.09%
Total Real Estate	**$400,305,124**	**$259,862,306**	**$333,000,357**	**2.3%**					
Absolute Return									
PAAMCO - Jackalope Fund	**$263,120,570**	**$293,435,009**	**$264,859,946**		**1.20%**	**-5.75%**	**-4.16%**	**6.52%**	**N/A**
Aurora L.P.	**$162,461,240**	**$178,228,847**	**$168,004,406**		**0.25%**	**-5.74%**	**-5.60%**	**5.79%**	**N/A**
Aurora L.P. II	**$102,112,330**	**$111,574,252**	**$105,060,453**		**0.13%**	**-5.84%**	**-5.77%**	**N/A**	**N/A**
HFN FOF Multi-Strat					-0.42%	-4.90%	-5.55%	2.78%	-1.04%
Grosvenor Global Recovery Fund	**$120,896,721**	**$171,857,910**	**$125,224,775**		**1.29%**	**-3.67%**	**0.93%**	**N/A**	**N/A**
Global Recovery Custom Index					2.85%	-7.23%	-8.84%	13.24%	-1.87%
Total Absolute Return	**$648,590,861**	**$755,096,019**	**$663,149,579**	**4.5%**					
Wyoming Investments	**$483,150,299**	**$291,932,249**	**$483,150,299**	**3.3%**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**

Note[1]: Performance shown is gross of fees with the exception of convertible bonds and absolute return, which are shown net of fees.
Note[2]: Returns are stated in traditional total return terms and do not specify realized income.
Note[3]: Market values for non-core real estate and private equity are on a one-quarter lag due to available valuations. However, Investment (Cost) Values are not lagged.
Note[4]: Performance for Private Equity and Value-Added Real Estate investments is calculated on an IRR basis. For further analysis, please refer to the supplementary alternatives report.
Note[5]: The Global Recovery Custom Index consists of 50% Credit Suisse Distressed Index, 20% Credit Suisse High Yield Index, and 30% ABX Index.
Note[6]: Market values shown for Wyoming Investments reflect cost value of the investments, except at fiscal year end.

RVKuhns & ASSOCIATES, INC.

State of Wyoming
State Loan and Investment Board
Investment Policy Objective Review

December 31, 2011

Investment Policy Guidelines		Meeting Objective			Explanation
		Yes	No	N/A	
1. Total Fund					
	- Exceed the rate of inflation (C.P.I.) over a market cycle of 5-years.	✓			Wyoming returned 4.6% vs. 2.3% for the C.P.I. for the current 5-year period
	- Exceed a weighted index of the total fund's asset allocation and component benchmarks over rolling 5-year periods by an appropriate amount.	✓			Wyoming returned 4.6% vs. 3.9% for the Actual Allocation Index for the current 5-year period
	- Not more than 1% of the outstanding common shares of any corporation shall be owned by the State. An exception may be made for Alternative Investments.	✓			
	- Not more than 1 ½% of the total book value of permanent funds shall be invested in the common stock of any corporation. An exception may be made for Alternative Investments.	✓			

		Yes	No	N/A	Explanation
2. Investment Funds					
a)	**Permanent Mineral Trust Fund**				
	- Exceed a weighted index of the Fund's asset allocation and component benchmarks over a full market cycle, approximated by the most recent 5-year period.	✓			5-year: Permanent Mineral Trust Fund return was 3.5% vs. 2.4% for the Actual Allocation Index
b)	**Permanent Land Fund**				
	- Exceed a weighted index of the Fund's asset allocation and component benchmarks over a full market cycle, approximated by the most recent 5-year period.	✓			5-year: Permanent Land Fund return was 3.3% vs. 2.3% for the Actual Allocation Index
c)	**University Permanent Land Fund**				
	- Exceed a weighted index of the Fund's asset allocation and component benchmarks over a full market cycle, approximated by the most recent 5-year period.	✓			5-year: University Permanent Land Fund return was 3.0% vs. 2.2% for the Actual Allocation Index
d)	**Common School Permanent Land Fund**				
	- Exceed a weighted index of the Fund's asset allocation and component benchmarks over a full market cycle, approximated by the most recent 5-year period.	✓			5-year: Common School Permanent Land Fund return was 3.8% vs. 2.4% for the Actual Allocation Index
e)	**Hathaway Scholarship Endowment Fund**				
	- Exceed a weighted index of the Fund's asset allocation and component benchmarks over a full market cycle, approximated by the most recent 5-year period.			N/A	Inception date: 8/2007
f)	**Higher Education Endowment Fund**				
	- Exceed a weighted index of the Fund's asset allocation and component benchmarks over a full market cycle, approximated by the most recent 5-year period.			N/A	Inception date: 8/2007
g)	**Workers Compensation Fund**				
	- Exceed a weighted index of the Fund's asset allocation and component benchmarks over a full market cycle, approximated by the most recent 5-year period.	✓			5-year: Workers Compensation Fund return was 6.0% vs. 5.5% for the Actual Allocation Index
h)	**Tobacco Settlement Trust Fund**				
	- At least 5% to 10% of the fund balance should be invested in securities with maturities of less than one year.	✓			
	- No public and/or private equities are permitted.	✓			
	- Exceed a weighted index of the Fund's asset allocation and component benchmarks over a full market cycle, approximated by the most recent 5-year period.	✓			5-year: Tobacco Settlement Trust Fund return was 6.7% vs. 6.5% for the Actual Allocation Index

		Yes	No	N/A	Explanation
i)	**State Agency Pool**				
	- At least 10% to 15% of the fund balance should be invested in securities with maturities of less than one year.	✓			
	- No public and/or private equities are permitted.	✓			
	- Exceed a weighted index of the Fund's asset allocation and component benchmarks over a full market cycle, approximated by the most recent 5-year period.	✓			5-year: State Agency Pool return was 5.8% vs. 5.7% for the Actual Allocation Index

		Yes	No	N/A	Explanation
3. Domestic Equity Portfolios					
a)	**State Street – Large Cap Core**				
	- At the time of purchase, a maximum of five percent (5%) of the total stock portfolio of a manager may be invested in any one security.	✓			Determined by the company's weight in the S&P 500 Index
	- A stock position can be allowed to grow from five percent (5%) to a maximum of seven and one-half percent (7.5%) of market value providing there are at least 35 securities in the portfolio.	✓			Largest Holding: Exxon Mobil Corp. = 3.6%
	- A maximum of 5% of the outstanding float of shares of one company may be held.	✓			
	- The maximum allowable in any sector, as defined as Global Industry Classification System Level 1, is 2.5 times the respective benchmark weighting, unless the contract with the investment manager specifically provides otherwise.	✓			In line with Index
	- A minimum number of 35 securities shall be held.	✓			501 securities held in the portfolio
	- Meet performance of the S&P 500 Index, gross of fees, over a full market cycle, approximated by the most recent 5-year period.	✓			5-year: State Street gross of fees return was 0.0% vs. -0.3% for the S&P 500 Index

		Yes	No	N/A	Explanation
b)	**Gabelli – Small/Mid Cap Value**				
	- At the time of purchase, a maximum of five percent (5%) of the total stock portfolio of a manager may be invested in any one security.	✓			
	- A stock position can be allowed to grow from five percent (5%) to a maximum of seven and one-half percent (7.5%) of market value providing there are at least 35 securities in the portfolio.	✓			
	- A maximum of 5% of the outstanding float of shares of one company may be held.	✓			
	- The maximum allowable in any sector, as defined as Global Industry Classification System Level 1, is 2.5 times the respective benchmark weighting, unless the contract with the investment manager specifically provides otherwise.	✓			
	- A minimum number of 35 securities shall be held.	✓			
	- Outperform the Russell 2500 Value Index by 100 basis points, net of fees, over a full market cycle, approximated by the most recent 5-year period.	✓			5-year: Gabelli net of fees return was 5.3% vs. -0.6% for the Russell 2500 Value Index
	- Performance should rank on the top 40th percentile of the small/mid cap peer universe over 5-years, gross of fees.	✓			5-year: US Small/Mid Value rank was 13

		Yes	No	N/A	Explanation
4. International Equity Portfolios					
a)	**The Boston Company – Int'l Large Cap Value**				
	- At the time of purchase, a maximum of five percent (5%) of the total stock portfolio of a manager may be invested in any one security.	✓			
	- A stock position can be allowed to grow from five percent (5%) to a maximum of seven and one-half percent (7.5%) of market value providing there are at least 35 securities in the portfolio.	✓			
	- A maximum of 5% of the outstanding float of shares of one company may be held.	✓			
	- The maximum allowable in any sector, as defined as Global Industry Classification System Level 1, is 2.5 times the respective benchmark weighting, unless the contract with the investment manager specifically provides otherwise.	✓			
	- A minimum number of 35 securities shall be held.	✓			
	- Outperform the MSCI ACWI ex-US Value (Net) by 100 basis points, net of fees, over a full market cycle, approximated by the most recent 5-year period.			N/A	Inception date: 8/2010
	- Performance should rank on the top 40th percentile of the international equity peer universe over 5-years, gross of fees.			N/A	Inception date: 8/2010

		Yes	No	N/A	Explanation
b)	**Northern Trust – Int'l Passive**				
	- At the time of purchase, a maximum of five percent (5%) of the total stock portfolio of a manager may be invested in any one security.	✓			
	- A stock position can be allowed to grow from five percent (5%) to a maximum of seven and one-half percent (7.5%) of market value providing there are at least 35 securities in the portfolio.	✓			
	- A maximum of 5% of the outstanding float of shares of one company may be held.	✓			
	- The maximum allowable in any sector, as defined as Global Industry Classification System Level 1, is 2.5 times the respective benchmark weighting, unless the contract with the investment manager specifically provides otherwise.	✓			
	- A minimum number of 35 securities shall be held.	✓			
	- Meet performance of the MSCI ACWI ex-US (Net), gross of fees, over a full market cycle, approximated by the most recent 5-year period.			N/A	Inception date: 8/2010

		Yes	No	N/A	Explanation
c)	**Manning & Napier – Int'l Large Cap Core**				
	- At the time of purchase, a maximum of five percent (5%) of the total stock portfolio of a manager may be invested in any one security.	✓			
	- A stock position can be allowed to grow from five percent (5%) to a maximum of seven and one-half percent (7.5%) of market value providing there are at least 35 securities in the portfolio.	✓			
	- A maximum of 5% of the outstanding float of shares of one company may be held.	✓			
	- The maximum allowable in any sector, as defined as Global Industry Classification System Level 1, is 2.5 times the respective benchmark weighting, unless the contract with the investment manager specifically provides otherwise.	✓			
	- A minimum number of 35 securities shall be held.	✓			
	- Outperform the MSCI ACWI ex-US (Net) by 100 basis points, net of fees, over a full market cycle, approximated by the most recent 5-year period.			N/A	Inception date: 8/2010
	- Performance should rank on the top 40th percentile of the international equity peer universe over 5-years, gross of fees.			N/A	Inception date: 8/2010

		Yes	No	N/A	Explanation
d)	**Fisher – Int'l Large Cap Core**				
	- At the time of purchase, a maximum of five percent (5%) of the total stock portfolio of a manager may be invested in any one security.	✓			
	- A stock position can be allowed to grow from five percent (5%) to a maximum of seven and one-half percent (7.5%) of market value providing there are at least 35 securities in the portfolio.	✓			
	- A maximum of 5% of the outstanding float of shares of one company may be held.	✓			
	- The maximum allowable in any sector, as defined as Global Industry Classification System Level 1, is 2.5 times the respective benchmark weighting, unless the contract with the investment manager specifically provides otherwise.	✓			
	- A minimum number of 35 securities shall be held.	✓			
	- Outperform the Fisher Custom Benchmark* by 100 basis points, net of fees, over a full market cycle, approximated by the most recent 5-year period.	✓			5-year: Fisher net of fees return was -1.1% vs. -4.5% for the Fisher Custom Benchmark
	- Performance should rank on the top 40th percentile of the international equity peer universe over 5-years, gross of fees.	✓			5-year: International Core Equity rank was 10

*Fisher Custom Benchmark consists of MSCI EAFE Index (Gross) through July 2010 and the MSCI ACWI ex-US (Net) thereafter.

		Yes	No	N/A	Explanation
5. Fixed Income Portfolios					
a)	**Western Asset – Core Plus Mandate**				
	- Non-US dollar denominated securities are permitted, but shall comprise no more than twenty percent (20%) of the portfolio market value. Un-hedged non-dollar denominated securities shall comprise no more than ten percent (10%) of the portfolio market value.	✓			
	- Private mortgage-backed and asset-backed securities are limited to 10% per issuer, unless the collateral is credit-independent of the issuer and the security's credit enhancement is generated internally, in which case the limit is 25% per issuer.	✓			
	- Obligations of other issuers are subject to a 10% per issuer limit excluding investments in commingled vehicles.	✓			
	- Commercial mortgage-backed securities are permitted but shall comprise no more than five percent (5%) of the portfolio market value.	✓			
	- Commercial paper of all issuers shall not exceed $500 million.	✓			
	- Duration must fall in the range of plus or minus twenty percent (20%) of the Barclays Capital US Aggregate Bond Index.	✓			
	- Minimum Issue Credit Rating will be: A1/P1 or equivalent for commercial paper B for corporate bonds AA for Mortgage-Backed Securities AA for Asset-Backed Securities Standard and Poor's, Fitch, or Moody's ratings are acceptable. Where the issue is split-rated, the lower of the ratings will apply.		✗		The portfolio holds downgraded securities. The State Treasurer has reviewed these securities and approved retention in the portfolio pursuant to Section 12.2 of the Investment Policy.
	- Average portfolio credit quality must be A or better.	✓			
	- A maximum of twenty percent (20%) of portfolio market value may be invested in US securities rated below investment grade.	✓			
	- Emerging market securities are permitted, but shall comprise no more than ten percent (10%) of the portfolio market value.	✓			
	- A minimum number of 25 securities shall be held.	✓			
	- Investments in mortgage interest only and principal only securities or their derivations are prohibited.	✓			
	- Private placements are not allowed.	✓			
	- Outperform the Barclays Capital US Aggregate Bond Index by 50 basis points, net of fees, over a full market cycle, approximated by the most recent 5-year period.		✗		5-year: Western Asset Core Plus net of fees return was 6.5% vs. 6.5% for the Barclays Capital US Aggregate Bond Index
	- Performance should rank in the top 40th percentile of a peer universe over 5-years, gross of fees.		✗		5-year: US Broad Mkt Core Fixed Income rank was 63

		Yes	No	N/A	Explanation
b)	**Neuberger Berman – Core Plus Mandate**				
	- Non-US dollar denominated securities are permitted, but shall comprise no more than twenty percent (20%) of the portfolio market value. Un-hedged non-dollar denominated securities shall comprise no more than ten percent (10%) of the portfolio market value.	✓			
	- Private mortgage-backed and asset-backed securities are limited to 10% per issuer, unless the collateral is credit-independent of the issuer and the security's credit enhancement is generated internally, in which case the limit is 25% per issuer.	✓			
	- Obligations of other issuers are subject to a 10% per issuer limit excluding investments in commingled vehicles.	✓			
	- Commercial mortgage-backed securities are permitted but shall comprise no more than five percent (5%) of the portfolio market value.	✓			
	- Commercial paper of all issuers shall not exceed $500 million.	✓			
	- Duration must fall in the range of plus or minus twenty percent (20%) of the Barclays Capital US Aggregate Bond Index.	✓			
	- Minimum Issue Credit Rating will be: A1/P1 or equivalent for commercial paper B for corporate bonds AA for Mortgage-Backed Securities AA for Asset-Backed Securities Standard and Poor's, Fitch, or Moody's ratings are acceptable. Where the issue is split-rated, the lower of the ratings will apply.		✗		The portfolio holds downgraded securities. The State Treasurer has reviewed these securities and approved retention in the portfolio pursuant to Section 12.2 of the Investment Policy.
	- Average portfolio credit quality must be A or better.	✓			
	- A maximum of twenty percent (20%) of portfolio market value may be invested in US securities rated below investment grade.	✓			
	- Emerging market securities are permitted, but shall comprise no more than ten percent (10%) of the portfolio market value.	✓			
	- A minimum number of 25 securities shall be held.	✓			
	- Investments in mortgage interest only and principal only securities or their derivations are prohibited.	✓			
	- Private placements are not allowed.	✓			
	- Outperform the Barclays Capital US Aggregate Bond Index by 50 basis points, net of fees, over a full market cycle, approximated by the most recent 5-year period.	✓			5-year: Neuberger Berman net of fees return was 7.5% vs. 6.5% for the Barclays Capital US Aggregate Bond Index
	- Performance should rank in the top 40th percentile of a peer universe over 5-years, gross of fees.	✓			5-year: US Broad Mkt Core Fixed Income rank was 14

		Yes	No	N/A	Explanation
c)	**PIMCO – Core Plus Mandate**				
	- Non-US dollar denominated securities are permitted, but shall comprise no more than twenty percent (20%) of the portfolio market value. Un-hedged non-dollar denominated securities shall comprise no more than ten percent (10%) of the portfolio market value.	✓			
	- Private mortgage-backed and asset-backed securities are limited to 10% per issuer, unless the collateral is credit-independent of the issuer and the security's credit enhancement is generated internally, in which case the limit is 25% per issuer.	✓			
	- Obligations of other issuers are subject to a 10% per issuer limit excluding investments in commingled vehicles.	✓			
	- Commercial mortgage-backed securities are permitted but shall comprise no more than five percent (5%) of the portfolio market value.	✓			
	- Commercial paper of all issuers shall not exceed $500 million.	✓			
	- Duration must fall in the range of plus or minus twenty percent (20%) of the Barclays Capital US Aggregate Bond Index.	✓			
	- Minimum Issue Credit Rating will be: A1/P1 or equivalent for commercial paper B for corporate bonds AA for Mortgage-Backed Securities AA for Asset-Backed Securities Standard and Poor's, Fitch, or Moody's ratings are acceptable. Where the issue is split-rated, the lower of the ratings will apply.	✓			
	- Average portfolio credit quality must be A or better.	✓			
	- A maximum of twenty percent (20%) of portfolio market value may be invested in US securities rated below investment grade.	✓			
	- Emerging market securities are permitted, but shall comprise no more than ten percent (10%) of the portfolio market value.	✓			
	- A minimum number of 25 securities shall be held.	✓			
	- Investments in mortgage interest only and principal only securities or their derivations are prohibited.	✓			
	- Private placements are not allowed.	✓			
	- Outperform the Barclays Capital US Aggregate Bond Index by 50 basis points, net of fees, over a full market cycle, approximated by the most recent 5-year period.	✓			5-year: PIMCO Core Plus net of fees return was 7.7% vs. 6.5% for the Barclays Capital US Aggregate Bond Index
	- Performance should rank in the top 40th percentile of a peer universe over 5-years, gross of fees.	✓			5-year: US Broad Mkt Core Fixed Income rank was 6

		Yes	No	N/A	Explanation
d)	**PIMCO – Mortgage Mandate**				
	- Obligations of specific issuers are subject to a ten percent (10%) per issuer limit, excluding investments in commingled vehicles and US agencies.	✓			
	- Duration must fall in the range of plus or minus twenty percent (20%) of the Barclays Capital US MBS Index.	✓			
	- Minimum Issue Credit Rating will be: A1/P1 or equivalent for commercial paper BBB for individual securities Standard and Poor's, Fitch, or Moody's ratings are acceptable. Where the issue is split-rated, the lower of the ratings will apply.	✓			
	- Average portfolio credit quality must be AA or better.	✓			
	- Futures, options, and/or swaps are permitted for purposes of managing duration, yield curve, and sector risk, and as a substitute for cash securities, subject to Section 10 of this policy.	✓			
	- Outperform the Barclays Capital US MBS Index by 50 basis points, net of fees over a full market cycle, approximated by the most recent 5-year period.		✕		5-year: PIMCO Mortgage net of fees return was 6.9% vs. 6.5% for the Barclays Capital US MBS Index
	- Performance should rank in the top 40th percentile of a peer manager universe, as measured by the State's Consultant over 5-years, gross of fees.	✓			5-year: US Mortgage Backed Bonds rank was 23

		Yes	No	N/A	Explanation
e)	**JP Morgan – Mortgage Mandate**				
	- Obligations of specific issuers are subject to a ten percent (10%) per issuer limit, excluding investments in commingled vehicles and US agencies.	✓			
	- Duration must fall in the range of plus or minus twenty percent (20%) of the Barclays Capital Mortgage Index.	✓			
	- Minimum Issue Credit Rating will be: A1/P1 or equivalent for commercial paper BBB for individual securities Standard and Poor's, Fitch, or Moody's ratings are acceptable. Where the issue is split-rated, the lower of the ratings will apply.		✕		The portfolio holds downgraded securities. The State Treasurer has reviewed these securities and approved retention in the portfolio pursuant to Section 12.2 of the Investment Policy.
	- Average portfolio credit quality must be AA or better.	✓			
	- Futures, options, and/or swaps are permitted for purposes of managing duration, yield curve, and sector risk, and as a substitute for cash securities, subject to Section 10 of this policy.	✓			
	- Outperform the Barclays Capital US MBS Index by 50 basis points, net of fees, over a full market cycle, approximated by the most recent 5-year period.		✕		5-year: JP Morgan Mortgage net of fees return was 4.4% vs. 6.5% for the Barclays Capital US MBS Index
	- Performance should rank in the top 40th percentile of a peer manager universe, as measured by the State's Consultant over 5-years, gross of fees.		✕		5-year: US Mortgage Backed Bonds rank was 83

		Yes	No	N/A	Explanation
f)	**Western Asset – Corporates Mandate**				
	- Obligations of specific issuers are subject to a ten percent (10%) per issuer limit, excluding investments in commingled vehicles.	✓			
	- Duration must fall in the range of plus or minus twenty percent (20%) of the Barclays Capital Credit Index.	✓			
	- Minimum Issue Credit Rating will be: A1/P1 or equivalent for commercial paper B for individual securities Standard and Poor's, Fitch, or Moody's ratings are acceptable. Where the issue is split-rated, the lower of the ratings will apply.		✕		The portfolio holds downgraded securities. The State Treasurer has reviewed these securities and approved retention in the portfolio pursuant to Section 12.2 of the Investment Policy.
	- Average portfolio credit quality must be A or better.	✓			
	- A maximum of ten percent (10%) of portfolio market value may be invested in US securities rated below investment grade.	✓			
	- Future, options, and/or swaps are permitted for purposes of managing duration, yield curve, and sector risk, and as a substitute for cash securities, subject to Section 10 of this policy.	✓			
	- Outperform the Barclays Capital US Credit Index by 50 basis points, net of fees, over a full market cycle, approximated by the most recent 5-year period.		✕		5-year: Western Asset Corporates net of fees return was 5.5% vs. 6.8% for the Barclays Capital US Credit Index
	- Performance should rank in the top 40th percentile of a peer manager universe measured by the State's Consultant, over 5-years, gross of fees.		✕		5-year: US Corporate Bonds rank was 99

		Yes	No	N/A	Explanation
g)	**Logan Circle – Corporates Mandate**				
	- Obligations of specific issuers are subject to a ten percent (10%) per issuer limit, excluding investments in commingled vehicles.	✓			
	- Duration must fall in the range of plus or minus twenty percent (20%) of the Barclays Capital Credit Index.	✓			
	- Minimum Issue Credit Rating will be: A1/P1 or equivalent for commercial paper B for individual securities Standard and Poor's, Fitch, or Moody's ratings are acceptable. Where the issue is split-rated, the lower of the ratings will apply.		✕		The portfolio holds downgraded securities. The State Treasurer has reviewed these securities and approved retention in the portfolio pursuant to Section 12.2 of the Investment Policy.
	- Average portfolio credit quality must be A or better.	✓			
	- A maximum of ten percent (10%) of portfolio market value may be invested in US securities rated below investment grade.	✓			
	- Future, options, and/or swaps are permitted for purposes of managing duration, yield curve, and sector risk, and as a substitute for cash securities, subject to Section 10 of this policy.	✓			
	- Outperform the Barclays Capital US Credit Index by 50 basis points, net of fees, over a full market cycle, approximated by the most recent 5-year period.		✕		5-year: Logan Circle net of fees return was 6.4% vs. 6.8% for the Barclays Capital US Credit Index
	- Performance should rank in the top 40th percentile of a peer manager universe measured by the State's Consultant, over 5-years, gross of fees.		✕		5-year: US Corporate Bonds rank was 87

		Yes	No	N/A	Explanation
h)	**PIMCO – Global/Emerging Markets Mandate**				
	- Obligations of specific issuers are subject to a ten percent (10%) per issuer limit, excluding sovereign debt of Organization for Economic Co-operation and Development (OECD) governments, US agencies, and investments in commingled vehicles.	✓			
	- Duration must fall in the range of plus or minus twenty percent (20%) of the Global/EM Benchmark.	✓			
	- Minimum Issue Credit Rating will be: A2/P2 or equivalent for commercial paper B- for individual securities Standard and Poor's, Fitch, or Moody's ratings are acceptable. Where the issue is split-rated, the lower of the ratings will apply.	✓			
	- Average portfolio credit quality must be BBB or better.	✓			
	- A maximum of forty percent (40%) of portfolio market value may be invested in securities rated below investment grade.	✓			
	- Futures, options, and/or swaps are permitted for purposes of managing duration, yield curve, and sector risk, and as a substitute for cash securities, subject to Section 10 of this policy.	✓			
	- The investment manager, as part of managing the account, can take investment positions in currency and currency forwards, futures and options so long as seventy percent (70%) of the overall currency exposure is hedged to the US dollar.	✓			
	- Outperform the Global/EM Benchmark by 50 basis points, net of fees, over a full market cycle, approximated by the most recent 5-year period.			N/A	Inception date: 7/2008
	- Performance should rank in the top 40th percentile of a peer universe over 5 years, gross of fees.			N/A	Inception date: 7/2008

		Yes	No	N/A	Explanation
6. Convertible Bond Portfolios					
a)	**Allianz Global Investors**				
	- Performance must exceed BofA ML All Quality Convertible Bond Index by 100 basis points, net of fees, over a full market cycle, approximated by the most recent 5-year period.	✓			5-year: Allianz Global Investors net of fees return was 6.4% vs. 2.1% for the BofA ML All Quality Convertible Bond Index

		Yes	No	N/A	Explanation
7. Cash and Cash Equivalents Portfolios					
JP Morgan Cash Composite					
a)	**JP Morgan Treasury Cash**				
	- Portfolio's weighted average maturity is not to exceed 90 days.	✓			
	- Portfolio's maximum average cash flow weighted duration of the portfolio must not exceed 90 days.	✓			
	- The market value of the portfolio must remain within plus or minus ½ of 1% of amortized cost.	✓			
	- A maximum of 10% of total assets shall be placed in the securities of one issuer except for government securities.	✓			
	- Investment in any single issuer must not exceed 5% of the outstanding issues of that issuer.	✓			
	- Investment performance must exceed Monitored Repurchase Agreement Rate plus 15 basis points and the cash equivalents allocation by the 90-day T-Bill rate, net of fees, over a full market cycle, approximated by the most recent 5-year period.		✕		5-year: JP Morgan Treasury Cash net of fees return was 1.5% vs. 1.5% vs. for the BofA ML 3 Mo US T-Bill Index

b)	**JP Morgan Treasury Extended Cash**				
	- Portfolio's average cash flow weighted duration is not to exceed 3 years.	✓			
	- Average cash flow weighted duration is not to exceed 3 years.	✓			
	- Individual securities must not exceed cash flow weighted duration of greater than 5-years.	✓			
	- A maximum of 10% of total assets shall be placed in the securities of one issuer except for government securities.	✓			
	- Investment Performance must exceed an Equal Weighted Blend of the BofA Merrill Lynch 1-3 Year Agency, 1-3 Year Treasury, and a 0-3 Year Mortgage Index, net of fees, over a full market cycle, approximated by the most recent 5-year period.		✕		5-year: JP Morgan Treasury Extended Cash net of fees return was 3.9% vs. 4.3% for the Blended Index.
	- The extended portfolio must not exceed 35% of the total JP Morgan managed portfolio.	✓			

*During the fourth quarter of 2011, JP Morgan Treasury Cash and JP Morgan Treasury Extended Cash were combined.

		Yes	No	N/A	Explanation
JP Morgan Wyo-Star Cash Composite					
c)	**JP Morgan Wyo-Star Cash**				
	- Portfolio's weighted average maturity is not to exceed 90 days.	✓			
	- Portfolio's maximum average cash flow weighted duration of the portfolio must not exceed 90 days.	✓			
	- The market value of the portfolio must remain within plus or minus ½ of 1% of amortized cost.	✓			
	- A maximum of 10% of total assets shall be placed in the securities of one issuer except for government securities.	✓			
	- Investment in any single issuer must not exceed 5% of the outstanding issues of that issuer.	✓			
	- Investment performance must exceed Monitored Repurchase Agreement Rate plus 15 basis points and the cash equivalents allocation by the 90-day T-Bill rate, net of fees, over a full market cycle, approximated by the most recent 5-year period.		✗		5-year: JP Morgan Wyo-Star Cash net of fees return was 1.5% vs. 1.5% for the BofA Ml 3 Mo US T-Bill Index.

d)	**JP Morgan Wyo-Star Extended Cash**				
	- Portfolio's average cash flow weighted duration is not to exceed 3 years.	✓			
	- Average cash flow weighted duration is not to exceed 3 years.	✓			
	- Individual securities must not exceed cash flow weighted duration of greater than 5-years.	✓			
	- A maximum of 10% of total assets shall be placed in the securities of one issuer except for government securities.	✓			
	- Investment Performance must exceed an Equal Weighted Blend of the BofA Merrill Lynch 1-3 Year Agency, 1-3 Year Treasury, and a 0-3 Year Mortgage Index, net of fees, over a full market cycle, approximated by the most recent 5-year period.		✗		5-year: JP Morgan Wyo-Star Extended Cash net of fees return was 4.1% vs. 4.3% for the Blended Index
	- The extended portfolio must not exceed 35% of the total JP Morgan managed portfolio.	✓			

*During the fourth quarter of 2011, JP Morgan Wyo-Star Cash and JP Morgan Wyo-Star Extended Cash were combined.

		Yes	No	N/A	Explanation
8. Alternative Strategies					
Core Real Estate					
a)	**Clarion Lion Properties**				
	- Outperform the NCREIF Fund Index – Open-End Diversified Core Equity (NFI-ODCE) by 75 basis points, net of fees, over a full market cycle, approximated by the most recent 5-year period.		✕		5-year: Clarion Lion net of fees return was -3.0% vs. -1.1% for the NCREIF ODCE Index (Net) (AWA)

b)	**UBS Trumbull Property**				
	- Outperform the NCREIF Fund Index – Open-End Diversified Core Equity (NFI-ODCE) by 75 basis points, net of fees, over a full market cycle, approximated by the most recent 5-year period.	✓			5-year: UBS Trumbull net of fees return was 0.7% vs. -1.1% for the NCREIF ODCE Index (Net) (AWA)

Absolute Return					
c)	**PAAMCO**				
	- Outperform the 90-Day T-Bills by 500 basis points, net of all fees (including underlying fund manager fees), over a full market cycle, approximated by the most recent 5-year period.			N/A	Inception date: 12/2007
	- Outperform the HFN Fund of Funds Multi-Strategy Index, net of all fees (including underlying fund manager fees), over a full market cycle, approximated by the most recent 5-year period.			N/A	Inception date: 12/2007

d)	**Aurora L.P.**				
	- Outperform the 90-Day T-Bills by 500 basis points, net of all fees (including underlying fund manager fees), over a full market cycle, approximated by the most recent 5-year period.			N/A	Inception date: 1/2008
	- Outperform the HFN Fund of Funds Multi-Strategy Index, net of all fees (including underlying fund manager fees), over a full market cycle, approximated by the most recent 5-year period.			N/A	Inception date: 1/2008

		Yes	No	N/A	Explanation
e)	**Aurora L.P. II**				
	- Outperform the 90-Day T-Bills by 500 basis points, net of all fees (including underlying fund manager fees), over a full market cycle, approximated by the most recent 5-year period.			N/A	Inception date: 7/2009
	- Outperform the HFN Fund of Funds Multi-Strategy Index, net of all fees (including underlying fund manager fees), over a full market cycle, approximated by the most recent 5-year period.			N/A	Inception date: 7/2009

f)	**Grosvenor Global Recovery Fund**				
	- Outperform the Global Recovery Custom Index, net of all fees (including underlying fund manager fees), over a full market cycle, approximated by the most recent 5-year period.			N/A	Inception date: 1/2010

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Custom Benchmark Comments

The Wyoming State Actual Allocation Index is calculated using beginning month asset class weights applied to the appropriate asset class benchmark return, using the S&P 500 Index (Cap Wtd) to represent domestic large cap equities, Russell 2500 Index for domestic small/mid cap equities, MSCI ACW ex-U.S. Index (Net) for international equities, Barclays Capital US Aggregate Bond Index for fixed income, BofA Merrill Lynch All Convertibles Index (All Qualities) for convertible bonds, NCREIF Open-End Diversified Core Equity Index (Gross) (AWA) for core real estate, NCREIF Property Index for value-added real estate, the State's actual private equity investment returns for private equity, HFN Fund of Funds Multi-Strat Index for absolute return, and BofA Merrill Lynch 90 day US T-Bill rate for cash equivalents.

Pooled Fund actual allocation indices are calculated using beginning month asset class weights applied to the appropriate asset class benchmark return, using the S&P 500 Index (Cap Wtd) to represent domestic large cap equities, Russell 2500 Index for domestic small/mid cap equities, MSCI ACW ex-U.S. Index (Net) for international equities, Barclays Capital US Aggregate Bond Index for fixed income, BofA Merrill Lynch All Convertibles Index (All Qualities) for convertible bonds, NCREIF Open-End Diversified Core Equity Index for core real estate, NCREIF Property Index for value-added real estate, the State's actual private equity investment returns for private equity, HFN Fund of Funds Multi-Strat Index for absolute return, and the State Agency Pool Custom Index for the State Agency Pool allocation.

The International Equity Custom Index and the Fisher Custom Benchmark both consist of MSCI EAFE Index (Gross) through July 2010 and the MSCI ACWI ex-US (Net) thereafter.

The Global/EM Custom Index consists of 32.5% Barclays Capital Aggregate ex-US Hedged, 5% Barclays Capital Aggregate ex-US Unhedged, 47.5% JP Morgan EMBI, and 15% JP Morgan GBI-EM Global Diversified Unhedged.

The JP Morgan Blended Index consists of an equal-weighted allocation to the BofA Merrill Lynch 1-3 Year US Treasury Index, BofA Merrill Lynch 1-3 Year US Agencies Index, and BofA Merrill Lynch 0-3 Year Weighted Average Life Mortgage Index.

The JP Morgan Cash Custom Index is calculated monthly using beginning of the month investment weights applied to each corresponding primary benchmark return. Currently, the primary benchmark for JP Morgan Cash is the BofA ML 3 ML US T-Bill Index and for JP Morgan Extd is the JP Morgan Blended Index.

The Wyo-Star Cash Custom Index is calculated monthly using beginning of the month investment weights applied to each corresponding primary benchmark return. Currently, the primary benchmark for Wyo-Star Cash is the BofA ML 3 ML US T-Bill Index and for Wyo-Star Extd is the JP Morgan Blended Index.

The Global Recovery Custom Index consists of 50% Credit Suisse Distressed Loan Index, 20% Credit Suisse High Yield Index, and 30% ABX Index.

Performance & Holding Comments

Performance shown for Pooled Funds is calculated on a capital-weighted basis using beginning-period allocations and does not reflect net cash flows.

Performance shown for the UW Portfolio Management Program prior to 07/01/2009 includes their participation in the State Agency Pool.

Where stated, allocations to fixed income include convertibles and Wyoming Investments.

Performance shown for the JP Morgan Cash Composite and the Wyo-Star Cash Composite consists of the respective operating and extended cash accounts.

RVK endorses GIPS and calculates performance for investment managers and composites using different methodologies. For additional information, please see the Glossary.

Due to portfolio turnover, buy and hold attribution may not accurately represent quarterly performance relative to the benchmark.

PIMCO refers to the World Bank's definition in classifying countries as either Developed or Emerging based on their level of GDP per capita. Currently, over 150 countries and nations are classified as Emerging by the World Bank.

Alternative Investment Comments

Reporting for Private Equity performance was changed from cost basis to the latest portfolio valuation adjusted for cash flows, consistent with the supplementary alternatives report. This methodology change involved reflecting the difference between cost value and the most recent valuation, resulting in a significant positive performance impact on the total fund during 2nd quarter 2008.

Valuations for value-added real estate and private equity are on a one-quarter lag due to available valuations. However, Investment (Cost) Values are not lagged.

Performance for value-added real estate and private equity investments is calculated on an IRR basis. For further analysis, please refer to the supplementary alternatives performance report.

Cheyenne Capital Fund valuations set forth herein could be materially different once underlying investments are realized. Market conditions at the time of exit could be substantially different than at the reporting period, resulting in valuations different than those represented above.

Miscellaneous Comments

Wyoming State Treasurer's Office fiscal year ends on June 30th.

Fixed Income style peer groups have low populations, and may cause ranks to change significantly from quarter to quarter.

First Quadrant overlay strategy has been deactivated and the collateral amount has been disbursed.

Allianz Global Investors ("AGI") acquired Nicholas-Applegate Capital Management ("NACM"). The naming convention of the fund has been updated to reflect this change.

Cap Guardian Int'l Eq was terminated during Q3 2010.

The Boston Company Int'l Value Eq, Northern Trust Int'l Eq, and Manning & Napier Int'l Eq were funded during July 2010. R.V. Kuhns & Associates, Inc. shows performance beginning with the first full month following inception.

Int'l ETF was fully liquidated during October 2010. The proceeds were used to further fund The Boston Company Int'l Value Eq, Northern Trust Int'l Eq, and Manning & Napier Int'l Eq throughout Q4 2010.

Per the request of the Treasurer's Office, LDIs and Other Wyoming Investments have been re-named to Wyoming Investments.

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In June 2011, the sale of ING Group's domestic real estate investment management business to Clarion Partners was finalized. As a result, the ING Clarion Lion (CF) fund is now referred to as Clarion Lion (CF).

Effective June 30, 2011, manager peer groups will include the abbreviation "IM" at the beginning of each name. "IM" is the acronym for Investment Metrics, the provider of peer group data used in ranking investment manager and asset class performance.

Glossary

Alpha - A measure of the difference between a portfolio's actual returns and its expected performance, given its level of risk as measured by beta. It is a measure of the portfolio's historical performance not explained by movements of the market or a portfolio's non-systematic return.

Alpha Ratio - A measure of a portfolio's non-systematic return per unit of downside risk. It is measured by dividing the alpha of a portfolio by the downside risk. The non-systematic return is a measure of a portfolio's historical performance not explained by movements of the market.

Average Quality - Bond quality ratings are reported using the investment managers' and the index providers' preferred rating agency. There are two primary rating agencies in the U.S. *Moody's* assigns ratings on a system that employs up to four symbols (consisting of letters and numbers) such as, Aaa, Aa2, etc., with Aaa being the highest or safest rating. S*tandard & Poor's (S&P)* employs a system that uses + and - along with letters such as AAA, AA+, etc. The two rating agencies' systems are summarized below:

S&P	Moody's	Explanation
Higher Credit Quality - Investment Grade		
AAA	Aaa	Prime/Highest credit quality
AA+	Aa1	High credit quality
AA	Aa2	
AA-	Aa3	
A+	A1	Upper-medium credit quality
A	A2	
A-	A3	
BBB+	Baa1	Lower-medium credit quality
BBB	Baa2	
BBB-	Baa3	
Lower Credit Quality - Below Investment Grade		
BB+	Ba1	Speculative/Low credit quality
BB	Ba2	
BB-	Ba3	
B+	B1	Highly speculative
B	B2	
B-	B3	
CCC+	Caa1	Substantial credit/default risk
CCC	Caa2	Extremely speculative
CCC-	Caa3	
CC	Ca	Vulnerable to default
C	Ca	
D	C	In default

Beta - A measure of the sensitivity of a portfolio to the movements in the market. It is a measure of a portfolio's non-diversifiable or systematic risk.

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Buy and Hold Attribution - At the beginning of the time period under analysis, the manager and benchmark portfolios are broken down into segments (i.e., styles, sectors, countries, and regions) based on the desired type of attribution. The formula assumes zero turn-over to the manager and benchmark portfolios throughout the period and calculates the segment returns ("buy and hold returns") to arrive at performance attribution. Due to portfolio turnover, buy and hold attribution may not accurately represent quarterly performance relative to the benchmark. Buy and hold attribution may also understate emerging markets and small cap exposure due to limited pricing availability from Worldscope. Country, region, sector, and style allocations are as of the date one quarter prior to the reporting date, and the returns shown are for those segments throughout the quarter reported. Due to disclosure guidelines set by each investment manager, equity characteristics shown are as of the most recent date available. The following is the methodology for segment classification:

Sector - Attribution is calculated using the Industry Classification Benchmark (ICB), which is a detailed and comprehensive structure for sector and industry analysis. Stocks are classified by their primary sector, as defined by Worldscope data.
Country/Region - Attribution is calculated using the Morgan Stanley Capital International (MSCI) region standards. Stocks are classified by their domicile country/region, as defined by Worldscope data.
Style - Stocks are classified into the following style boxes: large/mid/small vs. growth/neutral/value. Stocks are classified along large/mid/small categories at the time of the Russell index rebalancing, using the index market cap boundaries as cutoff points. Stocks are classified along growth/neutral/value categories at the time of the Russell index rebalancing, using the price/book ratio as supplied by Worldscope. Stocks in the Russell 3000 Index portfolio are sorted by price/book ratio; names with the highest price/book ratio that make up 1/3 of the total market capitalization are assigned to the growth category, names that make up the subsequent 1/3 of the total market capitalization are assigned to the neutral category, while the balance of the names are assigned to the value category.

Portfolio Characteristics and Buy and Hold Attribution reports utilize product-specific data for all mutual funds and commingled funds.

Capital Markets Review -
Baltic Dry Index - Measures the demand for shipping capacity versus the supply of dry bulk carriers. As the supply of cargo ships is inelastic, the Baltic Dry Index provides an assessment of the price of moving major raw materials by sea.
Breakeven Inflation - Measures the expected inflation rate at each stated maturity by taking the difference between the real yield of the inflation-linked maturity curve and the yield of the closest nominal Treasury maturity.
Capacity Utilization - Measures the extent to which a country efficiently utilizes installed productive capacity. It measures the difference between the output that is produced using the installed equipment versus the output that *could* be produced using the installed equipment.
Consumer Confidence - Measures domestic consumer confidence as defined by the degree of optimism on the state of the economy that consumers express through saving and spending.
Consumer Price Index (CPI) - Measures the change in the price level of consumer goods and services.
Disposable Producer Price Index (PPI) - Measures the average change in selling prices received by US producers for their output.
M2 - Measures the amount of money in circulation and is often used as an indicator for forecasting inflation.
Option-Adjusted Spread - Measures the flat spread of an index or bond to the Treasury yield curve after removing the effect of any embedded options.
Personal Consumption Expenditures - Measures the average increase in prices for all domestic personal consumption.
Personal Income - The difference between total personal income and personal income tax payments.
Personal Savings - Percentage of personal saving within the US as a percentage of disposable personal income.
Purchasing Managers Index - Measures economic activity by surveying purchasing managers on a monthly basis as to whether business conditions have improved, worsened, or stayed the same.
Relative Strength Index (RSI) - Measures the current and historical strength or weakness of a stock market based on the closing prices of the most recent 14-day period. RSI is classified as a momentum oscillator and measures the velocity and magnitude of directional price movements. RSI levels at or above 70 may indicate that a market is "overbought" while RSI levels below 30 may indicate that a market is "oversold."
Shiller 20 City YoY - Measures the monthly change in housing prices for 20 major metropolitan areas within the United States.

US Credit Market Debt as a Percentage of GDP -

Business - Non-financial corporate business and non-corporate business.

Financials - Commercial banks, savings institutions and credit unions, government-sponsored enterprises, agency- and GSE-backed mortgage pools, ABS issuers, life insurance companies, REITs, and financial companies.

Foreign - US credit market instruments owed by non-US entities and debt issued by foreign companies in the US.

Government - Savings bonds, Treasury securities, budget agency securities, insurance reserves, and non-marketable securities held by retirement plans.

Household - Home mortgages, consumer credit, municipal securities, bank loans, and commercial mortgages.

US Dollar Total Weighted Index - Measures the value of the US Dollar relative to a basket of other world currencies. It is calculated as the weighted geometric mean of the dollar's value versus the EUR, GBP, CAD, SEK, CHF, and JPY.

VIX - Measures the implied volatility of S&P 500 Index options by looking at the market's expectation of the S&P 500 Index volatility over the next 30 day period. Commonly referred to as the "fear index" or the "fear gauge."

Consistency - The percentage of quarters that a product achieved a rate of return higher than that of its benchmark. The higher the consistency figure, the more value a manager has contributed to the product's performance.

Convexity - A measure of the shape of the curve that describes the relationship between bond prices and bond yields.

Coupon Rate - The percentage rate of interest paid on a bond or fixed income security; it is typically paid twice per year.

Current Yield - The annual income of a security divided by the security's current price.

Down Market Capture - Down market by definition is negative benchmark return and down market capture represents the ratio in % terms of the average portfolios return over the benchmark during the down market period. The lower the value of the down market capture the better the product's performance.

Downside Risk - A measure similar to standard deviation, but focuses only on the negative movements of the return series. It is calculated by taking the standard deviation of the negative quarterly set of returns. The higher the factor, the riskier the product.

Earnings Per Share - It is backward looking, calculated using the one year current EPS divided by the one year EPS five years ago.

Effective Duration - The weighted average duration of all the bonds in a given portfolio, weighted by their dollar values.

Excess Return vs. Market - Average of the monthly arithmetic difference between the manager's return and the benchmark return over a specified time period, shown on an annualized basis.

Excess Return vs. Risk Free - Average of the monthly arithmetic difference between the manager's return and the risk-free return (i.e., BofA ML 3 Mo US T-Bill Index unless specified otherwise) over a specified time period, shown on an annualized basis.

Excess Risk - A measure of the standard deviation of a portfolio's performance relative to the risk free return.

Expense Ratios - Morningstar is the source for mutual fund expense ratios.

Gain/Loss - The net increase or decrease in the market value of a portfolio excluding its Net Cash Flow for a given period.

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Indices - All indices and related information are considered intellectual property and are licensed by each index provider. The indices may not be copied , used or distributed without the index provider's prior written approval. Index providers make no warranties and bear no liability with respect to the indices, any related data, their quality, accuracy, suitability and/or completeness.

Information Ratio - Measured by dividing the active rate of return by the tracking error. The higher the information ratio, the more value-added contribution by the manager.

Liability Driven Investing (LDI) - A method to optimally structure asset investments relative to liabilities. The change in liabilities is estimated by the Ryan Labs Generic PPA Index of appropriate duration for that Plan. This benchmark is based on generic data and is therefore an approximation. RVK is not an actuarial firm, and does not have actuarial expertise.

Estimated Funded Status - The estimated ratio of a Plan's assets relative to its future liabilities. This is calculated by dividing the Plan's asset market value by the estimated present value of its liabilities. The higher the estimated funded status, the better the Plan's ability to cover its projected benefit obligations. An estimated funded status of 100% indicates a Plan that is fully funded.
Estimated PV of Liabilities - An estimate of a Plan's future liabilities in present value terms. The beginning of the period liability is provided by the Plan's actuary. The period-end present value liability estimate provided in this report is derived by applying the estimated percentage change generated using the Ryan Labs Generic PPA Index with duration similar to that reported on the most recent actuarial valuation report.
Duration of Liabilities - The sensitivity of the value of a Plan's liabilities to changes in interest rates, as calculated by the Plan's actuary.
Duration of Assets - The dollar-weighted average duration of all the individual Plan assets.
Estimated Plan Hedge Ratio - The estimate of how well a Plan's investment portfolio is hedged against changes in interest rates - a primary driver of funded status movements. This is calculated by dividing the dollar-weighted values of both the Plan asset duration by the liability duration and multiplying by the estimated funded status. An estimated plan hedge ratio of zero indicates that the Plan's liabilities have not been hedged, whereas a value of one indicates fully hedged.

Modified Duration - The approximate percentage change in a bond's price for a 100 basis point change in yield.

Net Cash Flow - The sum, in dollars, of a portfolio's contributions and withdrawals. This includes all management fees and expenses only when performance shown is gross of fees.

Peer Groups -
Plan Sponsor Peer Groups - RVK utilizes the Mellon Analytical Solutions Trust Universe along with the Investment Metrics Plan Sponsor Universe. The combined Mellon Analytical Solutions Trust Universe and Investment Metrics Plan Sponsor Universe is used for comparison of total fund composite results and utilizes actual client returns compiled from consultant and custodial data. The Plan Sponsor Peer Group database includes performance and other quantitative data for over 1,273 plans which include corporate, endowment, foundation, public, and Taft Hartley plans, across 6 standard peer groups. Plan Sponsor Peer Groups are gross of fees.
Separate Account (SA) and Commingled Fund (CF) Peer Groups - RVK utilizes the Investment Metrics Separate Account and Commingled Fund Manager Peer Groups for peer comparison and rankings. The Separate Account and Commingled Fund Peer Group database includes performance and other quantitative data for over 1,009 investment management firms, 4,999 investment products, across 148 standard peer groups. Separate Account and Commingled Fund Peer Groups are gross of fees.
Mutual Fund (MF) Peer Groups - RVK utilizes the Lipper Mutual Fund Manager Peer Groups for peer comparison and rankings. The Lipper Manager Peer Group database includes performance and other quantitative data for over 636 investment management firms, 23,637 investment products, across 127 standard peer groups. Mutual Fund Peer Groups are net of fees.

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Percentile Rankings - Percentile rank compares an individual fund's performance with those of other funds within a defined peer group of managers possessing a similar investment style. Percentile rank identifies the percentage of a fund's peer group that has a higher return (or other comparative measurement) than the fund being ranked. Conversely, 100 minus the individual fund's ranking will identify the percentage of funds within the peer group that have a lower return than the fund being ranked.

1 - Highest Statistical Value
100 - Lowest Statistical Value

Example: American Funds AMCP;R-4 (RAFEX) is ranked in the 4th percentile within the US Equity Large-Cap Growth Funds (MF) Peer Group for the Sharpe Ratio. Within the US Equity Large-Cap Growth Funds peer group, 4% of the other funds performed better than American Funds AMCP;R-4 (RAFEX), while 96% of the funds performed worse.

Performance Methodology - RVK endorses the Global Investment Performance Standards (GIPS) and calculates performance for investment managers and composites using different methodologies. Investment manager performance is calculated by revaluing the portfolio on the date of all large external cash flows while composite performance is calculated using the Modified Dietz calculation methodology. According to the CFA Institute, "Only investment management firms that actually manage assets can claim compliance with the Standards. Plan Sponsors and consultants cannot make a claim of compliance unless they actually manage assets for which they are making a claim of compliance. They can claim to endorse the Standards and/or require that their investment managers comply with the Standards."

Investment Managers - Performance is calculated for interim periods between all large external cash flows for a given month and geometrically linked to calculate period returns. An external cash flow is defined as cash, securities, or assets that enter or exit a portfolio. RVK defines a "large cash flow" as a net aggregate cash flow of ≥10% of the beginning-period portfolio market value or any cash flow that causes RVK calculated performance to deviate from manager/custodian reported performance in excess of 5 basis points for a given month.
Composites - The Modified Dietz methodology is utilized to calculate asset class, sub-asset class, and total fund composite performance. The Modified Dietz method calculates a time-weighted total rate of return that considers the timing of external cash flows; however, it does not utilize interim period performance to mitigate the impact of significant cash in- and outflows to the composite.

RVK calculates performance beginning with the first full month following inception. Since inception performance may vary from manager reported performance due to RVK using the first full month of returns as the inception date. Performance for both managers and composites is annualized for periods greater than one year.

Portfolio Characteristics - Due to disclosure guidelines set by each investment manager, portfolio characteristics shown are as of the most recent date available.

Region Attribution - Calculated using the Morgan Stanley Capital International (MSCI) region standards.

Return - Compounded rate of return for the period.

%Return - The time-weighted rate of return of a portfolio for a given period.

R-Squared - The percentage of a portfolio's performance explained by the behavior of the appropriate benchmark. High R-Squared means a higher correlation of the portfolio's performance to the appropriate benchmark.

Risk Free Benchmark - BofA ML 3 Mo US T-Bill Index unless specified otherwise.

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RVK Liquidity Rating - A qualitative method for determining the relative amount of liquidity in a portfolio. The characteristics considered when determining relative liquidity include trading volume, gates for redemption, leverage, nature of transactions, and pricing mechanisms. The RVK Liquidity Rating is calculated using beginning of month investment weights applied to each corresponding asset class liquidity rating.

Asset Class	RVK Liquidity Rating
Liquid Investments	
T-Bills and Treasurys	100
Cash Equivalents	98
TIPS	95
US Large Cap Equity	95
Stable Value	91
Non-US Large Cap Equity	90
US Small Cap Equity	85
REITS	85
Non-US Small Cap Equity	85
Non-US Emerging Markets Equity	85
Core Fixed Income	85
Core Plus Fixed Income	80
Less Liquid Investments	
Fixed Income Plus Sector	50
Diversified Real Return	50
Absolute Return Strategies	35
Not Liquid Investments	
Core Real Estate	25
Core Plus Real Estate	15
Plus Only Real Estate	5
Private Equity Funds of Funds	5

Sector Attribution - Calculated using the Industry Classification Benchmark (ICB).

Sharpe Ratio - Represents the excess rate of return over the risk-free return (i.e., BofA ML 3 Mo US T-Bill Index unless specified otherwise), divided by the standard deviation of the excess return. The result is the absolute rate of return per unit of risk. The higher the value, the better the product's historical risk-adjusted performance.

Simple Alpha - The difference between the manager's return and the benchmark's return.

Spread Duration - A measure of the price sensitivity of a bond to a 100 basis-point movement of the bond's spread relative to Treasurys.

Standard Deviation - A statistical measure of the range of a portfolio's performance. The variability of a return around its average return over a specified time period.

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Time Period Abbreviations - QTD - Quarter-to-Date. **CYTD** - Calendar Year-to-Date. **FYTD** - Fiscal Year-to-Date. **YOY** - Year Over Year.

Thematic Classification - Represents dedicated manager allocations; as such, thematic allocations are approximations. RVK categorizes the following asset classes as Alpha, Capital Appreciation, Capital Preservation, and Inflation:

Alpha	Capital Appreciation	Capital Preservation	Inflation
Absolute Return Strategies	Public Equity	Core Fixed Income	TIPS
Currency Overlay	Private Equity	CMBS Fixed Income	Core Real Estate
	Preferred Securities	Asset Backed Fixed Income	Real Return
	High Yield	Domestic Core Plus Fixed Income	Inflation Hedges
	Convertible Fixed Income	Mortgage Backed Fixed Income	REITS
	TALF Funds	International Developed Fixed Income	Commodities
	Distressed Debt	Cash Equivalents	
	Emerging Market Fixed Income	Stable Value	
	Value Added Real Estate		
	Opportunistic Real Estate		

Total Fund Attribution - A method for identifying the sources of a total fund's over- or underperformance relative to its benchmark. The calculation identifies the contributions of positive or negative total fund excess return caused by allocation differences relative to the total fund's custom benchmark, and performance differences of the investment managers relative to the benchmark components that represent them.

Total Fund Performance -

Total Fund - The percentage return of the total fund for the specified time period.

Total Fund Benchmark - The percentage return of the total fund benchmark for the specified time period; calculated using the target asset allocation and the corresponding benchmark returns.

Total Value Added - The percentage of over- or underperformance of the total fund as compared to the total fund benchmark.

Total Value Added -

Asset Allocation - Shows how the variance of the total fund's actual allocation from its target allocation added to or subtracted from fund performance.

Manager Value Added - The portion of the total value added attributable to the outperformance or underperformance of the fund's investment managers, relative to the individual benchmarks that represent them in the total fund benchmark.

Market Timing/Other - The contribution of other residual factors, including estimation error and transaction timing.

Total Fund Beta - Total Fund Beta is calculated using the S&P 500 as the benchmark. It represents a measure of the sensitivity of the total fund to movements in the S&P 500 and is a measure of the Total Fund's non-diversifiable or systematic risk.

Tracking Error - A measure of the standard deviation of a portfolio's performance relative to the performance of an appropriate market benchmark.

Treynor Ratio - Similar to Sharpe ratio, but focuses on beta rather than excess risk (standard deviation). Treynor ratio represents the excess rate of return over the risk-free rate (i.e., BofA ML 3 Mo US T-Bill Index unless specified otherwise) divided by the beta. The result is the absolute rate of return per unit of risk. The higher the value, the better the product's historical risk-adjusted performance.

Unit Value - The dollar value of a portfolio, assuming an initial nominal investment of $100, growing at the compounded rate of %Return for a given period.

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Up Market Capture - Up market by definition is positive benchmark return and up market capture represents the ratio in % terms of the average portfolios return over the benchmark during the up market period. The higher the value of the up market capture the better the product's performance.

Yield to Maturity - The rate of return achieved on a bond or other fixed income security assuming the security is bought and held to maturity and that the coupon interest paid over the life of the bond will be reinvested at the same rate of return.

Yield to Worst - The bond yield calculated by using the worst possible yield taking into consideration all call, put, and optional sink dates.