

INSURANCE REGULATORY TRUST FUND
INVESTMENT PERFORMANCE REPORT AS OF JANUARY 31, 2014

	January-14					December-13					September-13					Current FYTD		Prior Year FY13		3 Years Ended 6/30/2013		5 Years Ended 6/30/2013	
	Market Value	Allocation		Month		Market Value	Allocation		Quarter		Market Value	Allocation		Quarter		Gross	Net	Gross	Net	Gross	Net	Gross	Net
		Actual	Policy	Gross	Net		Actual	Policy	Gross	Net		Actual	Policy	Gross	Net								
TOTAL INSURANCE REGULATORY TRUST	1,099,237	100.0%	100.0%	-0.62%	-0.64%	1,107,837	100.0%	100.0%	3.30%	3.26%	1,073,149	100.0%	100.0%	2.91%	2.87%	5.64%	5.55%	8.65%	8.49%	7.76%	7.57%	5.04%	
<i>POLICY TARGET BENCHMARK</i>				<i>-0.50%</i>	<i>-0.50%</i>				<i>2.45%</i>	<i>2.45%</i>				<i>2.76%</i>	<i>2.76%</i>	<i>4.75%</i>	<i>4.75%</i>	<i>5.75%</i>	<i>5.75%</i>	<i>5.91%</i>	<i>5.91%</i>	<i>3.85%</i>	
ATTRIBUTION ANALYSIS																							
Asset Allocation				-0.13%	-0.13%				0.13%	0.13%				-0.05%	-0.05%	-0.05%	-0.05%	0.09%	0.09%	0.05%	0.05%		
Manager Selection				0.01%	-0.01%				0.72%	0.68%				0.19%	0.16%	0.94%	0.85%	2.81%	2.65%	1.79%	1.61%		
TOTAL RELATIVE RETURN				-0.12%	-0.14%				0.85%	0.81%				0.14%	0.11%	0.89%	0.80%	2.90%	2.74%	1.84%	1.66%		
LARGE CAP DOMESTIC EQUITY																							
Los Angeles Capital	50,866	4.6%	4.5%	-2.56%	-2.57%	55,564	5.0%	4.5%	11.50%	11.46%	49,411	4.6%	4.5%	6.91%	6.86%	16.16%	16.04%	18.87%	18.66%	19.01%	18.80%	7.51%	
<i>Russell 1000 Growth</i>				<i>-2.85%</i>	<i>-2.85%</i>				<i>10.44%</i>	<i>10.44%</i>				<i>8.11%</i>	<i>8.11%</i>	<i>15.99%</i>	<i>15.99%</i>	<i>17.07%</i>	<i>17.07%</i>	<i>18.68%</i>	<i>18.68%</i>	<i>7.47%</i>	
LSV	49,096	4.5%	4.5%	-4.12%	-4.14%	54,240	4.9%	4.5%	12.57%	12.51%	48,790	4.5%	4.5%	5.64%	5.58%	14.02%	13.87%	32.50%	32.20%	20.05%	19.73%	7.86%	
<i>Russell 1000 Value</i>				<i>-3.55%</i>	<i>-3.55%</i>				<i>10.01%</i>	<i>10.01%</i>				<i>3.94%</i>	<i>3.94%</i>	<i>10.28%</i>	<i>10.28%</i>	<i>25.32%</i>	<i>25.32%</i>	<i>18.51%</i>	<i>18.51%</i>	<i>6.67%</i>	
LA Capital	32,857	3.0%	3.0%	-3.70%	-3.71%	36,155	3.3%	3.0%	11.30%	11.26%	32,623	3.0%	3.0%	5.61%	5.57%	13.20%	13.10%	21.58%	21.39%	19.18%	18.90%	7.81%	
<i>Russell 1000</i>				<i>-3.19%</i>	<i>-3.19%</i>				<i>10.23%</i>	<i>10.23%</i>				<i>6.02%</i>	<i>6.02%</i>	<i>13.13%</i>	<i>13.13%</i>	<i>21.24%</i>	<i>21.24%</i>	<i>18.63%</i>	<i>18.63%</i>	<i>7.12%</i>	
Clifton Group (moved from fixed 11/1/08)	32,687	3.0%	3.0%	-3.17%	-3.18%	35,690	3.2%	3.0%	10.10%	10.08%	32,204	3.0%	3.0%	5.05%	5.03%	11.99%	11.94%	20.94%	20.84%	19.20%	19.00%	N/A	
<i>S&P 500</i>				<i>-3.46%</i>	<i>-3.46%</i>				<i>10.51%</i>	<i>10.51%</i>				<i>5.24%</i>	<i>5.24%</i>	<i>12.29%</i>	<i>12.29%</i>	<i>20.60%</i>	<i>20.60%</i>	<i>18.45%</i>	<i>18.45%</i>		
TOTAL LARGE CAP DOMESTIC EQUITY	165,506	15.1%	15.0%	-3.36%	-3.38%	181,649	16.4%	15.0%	11.51%	11.46%	163,028	15.2%	15.0%	5.91%	5.87%	14.13%	14.02%	23.83%	23.63%	19.34%	19.08%	4.96%	
<i>S&P 500</i>				<i>-3.19%</i>	<i>-3.19%</i>				<i>10.23%</i>	<i>10.23%</i>				<i>6.02%</i>	<i>6.02%</i>	<i>13.13%</i>	<i>13.13%</i>	<i>21.24%</i>	<i>21.24%</i>	<i>18.66%</i>	<i>18.66%</i>	<i>7.12%</i>	
SMALL CAP DOMESTIC EQUITY																							
Research Affiliates	27,186	2.5%	2.5%	-4.52%	-4.55%	30,960	2.8%	2.5%	10.81%	10.72%	28,124	2.6%	2.5%	10.11%	10.02%	16.50%	16.27%	30.62%	30.17%	20.28%	19.80%	10.56%	
Clifton	27,410	2.5%	2.5%	-2.53%	-2.56%	30,534	2.8%	2.5%	8.52%	8.43%	27,977	2.6%	2.5%	10.15%	10.05%	16.51%	16.27%	25.51%	25.08%	20.17%	19.70%	N/A	
TOTAL SMALL CAP DOMESTIC EQUITY	54,596	5.0%	5.0%	-3.55%	-3.58%	61,495	5.6%	5.0%	9.69%	9.60%	56,101	5.2%	5.0%	10.23%	10.14%	16.63%	16.40%	28.04%	27.60%	20.25%	19.77%	9.84%	
<i>Russell 2000</i>				<i>-2.77%</i>	<i>-2.77%</i>				<i>8.72%</i>	<i>8.72%</i>				<i>10.21%</i>	<i>10.21%</i>	<i>16.50%</i>	<i>16.50%</i>	<i>24.21%</i>	<i>24.21%</i>	<i>18.67%</i>	<i>18.67%</i>	<i>8.77%</i>	
INTERNATIONAL EQUITY																							
Capital Group	42,803	3.9%	4.0%	-4.02%	-4.06%	47,042	4.2%	4.0%	5.40%	5.28%	45,077	4.2%	4.0%	11.57%	11.44%	12.86%	12.57%	20.78%	20.25%	9.88%	9.29%	-0.15%	
LSV	44,655	4.1%	4.0%	-3.22%	-3.25%	48,940	4.4%	4.0%	6.68%	6.57%	45,710	4.3%	4.0%	13.05%	12.94%	16.72%	16.45%	20.71%	20.23%	8.65%	8.16%	-0.02%	
<i>MSCI EAFE - 50% Hedged</i>				<i>-4.03%</i>	<i>-4.03%</i>				<i>5.71%</i>	<i>5.71%</i>				<i>11.56%</i>	<i>11.56%</i>	<i>13.19%</i>	<i>13.19%</i>	<i>18.62%</i>	<i>18.62%</i>	<i>8.10%</i>	<i>8.10%</i>	<i>-0.01%</i>	
DFA	11,456	1.0%	1.0%	4.18%	-1.42%	12,353	1.1%	1.0%	7.94%	7.80%	11,400	1.1%	1.0%	16.61%	16.46%	24.14%	23.76%	24.89%	24.23%	12.35%	11.62%	2.25%	
Vanguard	11,189	1.0%	1.0%	-2.19%	-2.22%	12,105	1.1%	1.0%	7.80%	7.71%	11,120	1.0%	1.0%	12.57%	12.48%	18.70%	18.46%	21.16%	20.74%	10.65%	10.23%	2.09%	
<i>S&P/Citigroup Broad Market Index < \$2BN</i>				<i>-0.54%</i>	<i>-0.54%</i>				<i>3.42%</i>	<i>3.42%</i>				<i>14.42%</i>	<i>14.42%</i>	<i>17.69%</i>	<i>17.69%</i>	<i>18.05%</i>	<i>18.05%</i>	<i>9.78%</i>	<i>9.78%</i>	<i>1.26%</i>	
TOTAL INTERNATIONAL EQUITY	110,103	10.0%	10.0%	-3.23%	-3.27%	120,441	10.9%	10.0%	6.41%	6.30%	113,308	10.6%	10.0%	12.74%	12.62%	16.09%	15.80%	21.07%	20.56%	9.74%	9.20%	0.44%	
<i>MSCI EAFE - 50% Hedged</i>				<i>-4.03%</i>	<i>-4.03%</i>				<i>5.71%</i>	<i>5.71%</i>				<i>11.56%</i>	<i>11.56%</i>	<i>13.19%</i>	<i>13.19%</i>	<i>18.62%</i>	<i>18.62%</i>	<i>8.10%</i>	<i>8.10%</i>	<i>-0.01%</i>	

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	Market Value	Allocation		Month		Market Value	Allocation		Quarter		Market Value	Allocation		Quarter		Gross	Net	Gross	Net	Gross	Net	Gross	Net	
		Actual	Policy	Gross	Net		Actual	Policy	Gross	Net		Actual	Policy	Gross	Net									
FIXED INCOME																								
Western Asset	127,401	11.6%	11.2%	1.69%	1.68%	117,910	10.6%	11.2%	0.29%	0.25%	96,065	9.0%	12.8%	0.51%	0.47%	2.51%	2.40%	2.17%	1.99%	6.29%	6.10%	6.95%		
Prudential	30,219	2.7%	2.8%	1.45%	1.42%	30,889	2.8%	2.8%	0.57%	0.49%	30,174	2.8%	2.8%	1.09%	1.01%	3.13%	2.96%	2.03%	1.74%	6.55%	6.25%	7.83%		
PIMCO (DISCO) (2)	21,514	2.0%	2.0%	1.17%	1.17%	22,477	2.0%	2.0%	3.84%	3.84%	41,215	3.8%	3.8%	2.01%	2.01%	7.18%	7.18%	33.07%	33.07%	N/A	N/A	N/A		
PIMCO (BRAVO II) (2)	1,686	0.2%	0.2%	13.84%	13.84%	1,570	0.1%	0.1%	N/A	N/A														
BC Aggregate				1.48%	1.48%				-0.14%	-0.14%					0.57%	0.57%	1.92%	1.92%	-0.69%	-0.69%	3.51%	3.51%	5.19%	
Declaration (Mortgage)	3,636	0.3%	1.0%	0.57%	0.55%	8,532	0.8%	2.0%	0.45%	0.37%	24,997	2.3%	2.8%	0.72%	0.64%	1.75%	1.57%	2.49%	2.00%	6.76%	6.27%	N/A		
BC Global Aggregate (US Securitized Portion)				1.01%	1.01%				0.25%	0.25%					1.53%	1.53%	2.82%	2.82%	1.34%	1.34%	4.73%	4.73%		
Declaration (Total Return)	20,036	1.8%	1.8%	1.09%	1.09%	8,788	0.8%	0.8%	N/A	N/A	0	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A		
3m LIBOR																								
State Street	56,795	5.2%	4.9%	1.47%	1.47%	54,281	4.9%	4.9%	-0.05%	-0.06%	53,758	5.0%	4.9%	0.36%	0.35%	1.77%	1.76%	N/A	N/A	N/A	N/A	N/A		
BC Gov/Credit				1.46%	1.46%				-0.03%	-0.03%					0.36%	0.36%	1.80%	1.80%	-0.62%	-0.62%				
Wells Capital (formerly Strong)	122,261	11.1%	11.2%	1.79%	1.77%	118,321	10.7%	11.2%	1.49%	1.44%	125,365	11.7%	12.8%	0.95%	0.89%	4.29%	4.16%	3.19%	2.97%	7.43%	7.21%	9.34%		
BC US Credit BAA				1.68%	1.68%				1.35%	1.35%					0.77%	0.77%	3.85%	3.85%	1.77%	1.77%	6.00%	6.00%	8.19%	
TOTAL FIXED INCOME	383,546	34.9%	35.0%	1.69%	1.67%	362,767	32.7%	35.0%	0.93%	0.88%	371,574	34.6%	35.0%	0.86%	0.82%	3.51%	3.41%	4.90%	4.71%	7.50%	7.31%	7.89%		
BC Aggregate (1)				1.48%	1.48%				-0.14%	-0.14%					0.57%	0.57%	1.92%	1.92%	-0.69%	-0.69%	3.51%	3.51%	5.19%	
CASH EQUIVALENTS																								
Northern Trust	385,486			0.00%	0.00%	381,485			0.00%	0.00%	369,139					N/A	N/A	N/A	N/A	N/A	N/A	N/A		
TOTAL CASH EQUIVALENTS	385,486	35.1%	35.0%	0.00%	0.00%	381,485	34.4%	35.0%	0.00%	0.00%	369,139	34.4%	35.0%	0.00%	0.00%	0.01%	0.01%	0.27%	0.27%	0.27%	0.27%	0.27%	0.27%	0.45%
90 Day T-Bill				0.01%	0.01%				0.02%	0.02%					0.02%	0.02%	0.04%	0.04%	0.11%	0.11%	0.11%	0.11%	0.30%	

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.

(2) All limited partnership-type investments' returns will only be reported net of fees, which is standard practice by the investment consultant.