



Pension Consulting Alliance, Inc.
Los Angeles - Portland - New York

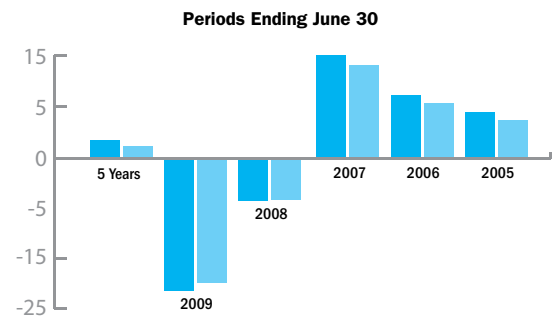
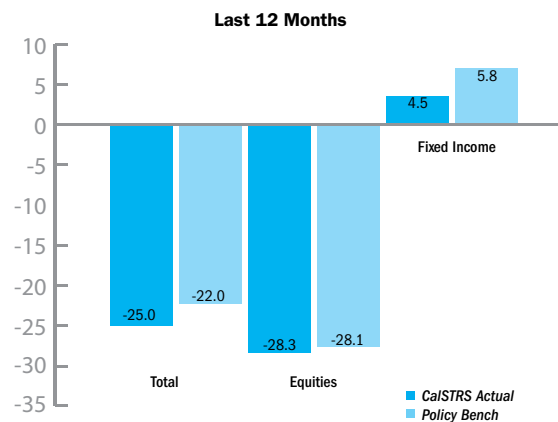
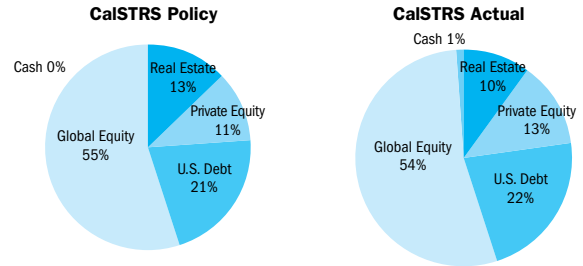
The CalSTRS investment portfolio decreased by \$42.6 billion over the past twelve months ending with a value of \$118.9 billion on June 30, 2009. More recent results have exhibited a significant rebound from this low level. As highlighted below, the CalSTRS portfolio is broadly diversified, holding investments ranging from publicly traded short-term bonds to privately held partnerships. Clearly, the scale and breadth of investments make the management and oversight of these assets highly complex. In light of these factors, CalSTRS has been effective in using its resources in a cost-efficient manner to ensure that benefits continue to flow to CalSTRS participants.

Investment Allocation

The dramatic market events of 2008 had a major impact on investment performance. The fiscal year-end report reflects strategic allocation guidelines for the 2008-09 fiscal year as adopted January 1, 2008 (see left pie chart). The portfolio's actual allocation is slightly different from policy. Private Equity and Debt are overweighted, while Real Estate is modestly underweighted (see right pie chart).

Investment Results

Over the last year, the CalSTRS investment portfolio produced an absolute return of -25.0 percent, ranking in the fourth quartile among its large public pension fund peers¹ (top bar chart). During this period, portfolio results lagged the policy benchmark return by 3.0 percent.² Relative underperformance by the Real Estate asset class contributed to this result. During the last three years, CalSTRS portfolio generated a -4.4 percent average annual return underperforming the policy benchmark by 30 basis points per year and ranked in the fourth quartile versus their peer funds. Over the last five years, the CalSTRS investment portfolio produced an average annual return of 1.9 percent, exceeding its policy benchmark by 40 basis points per



year (bottom chart). These results are below CalSTRS actuarial rate of return. Successive one-year periods are shown as well. CalSTRS portfolio has outperformed its policy benchmark in four of the last five single-year periods, ending June 30.³

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¹ Per TUCS Universe for Public Funds with assets in excess of \$1 billion.

² The policy benchmark consists of passively managed asset class portfolios weighted by CalSTRS' policy allocations. The difference between actual results and the benchmark are due to two factors: i) deviations from policy and ii) active decisions on the part of CalSTRS and its investment managers.

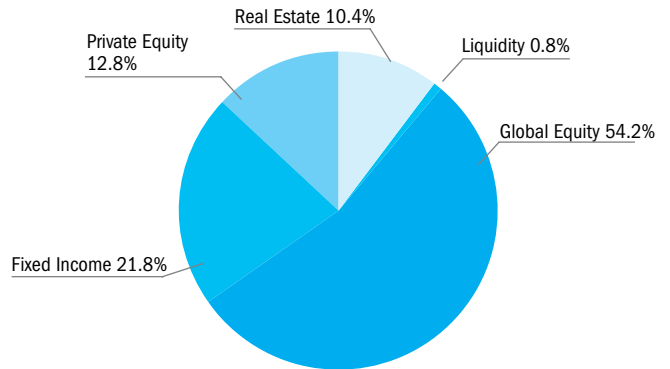
³ CalSTRS investment performance is calculated using a daily time-weighted return geometrically linked to calculate a monthly return. Periods longer than one month are geometrically linked to calculate annualized 'time-weighted' rates of return.

The CalSTRS investment portfolio is designed to perform best in a period of positive economic growth. It is also designed, through diversification, to hold value during economic slowdowns. In fall 2008, the global economy and financial markets suffered a severe downturn. The investment portfolio was not immune from the severe downturn, which has happened just once in an 80-year period. As a result, the portfolio experienced its worst investment performance in CalSTRS history.

The following pages outline the impact to the portfolio and within each asset class. Over the 12 months ending June 30, 2009, the investment portfolio declined \$42.6 billion in value, which resulted in a negative 25.03 percent annual return. While this annual report provides a great amount of detail into the CalSTRS investment portfolio, it only represents a point in time. Given the tremendous volatility in the financial markets, current information is available at CalSTRS.com/investments.

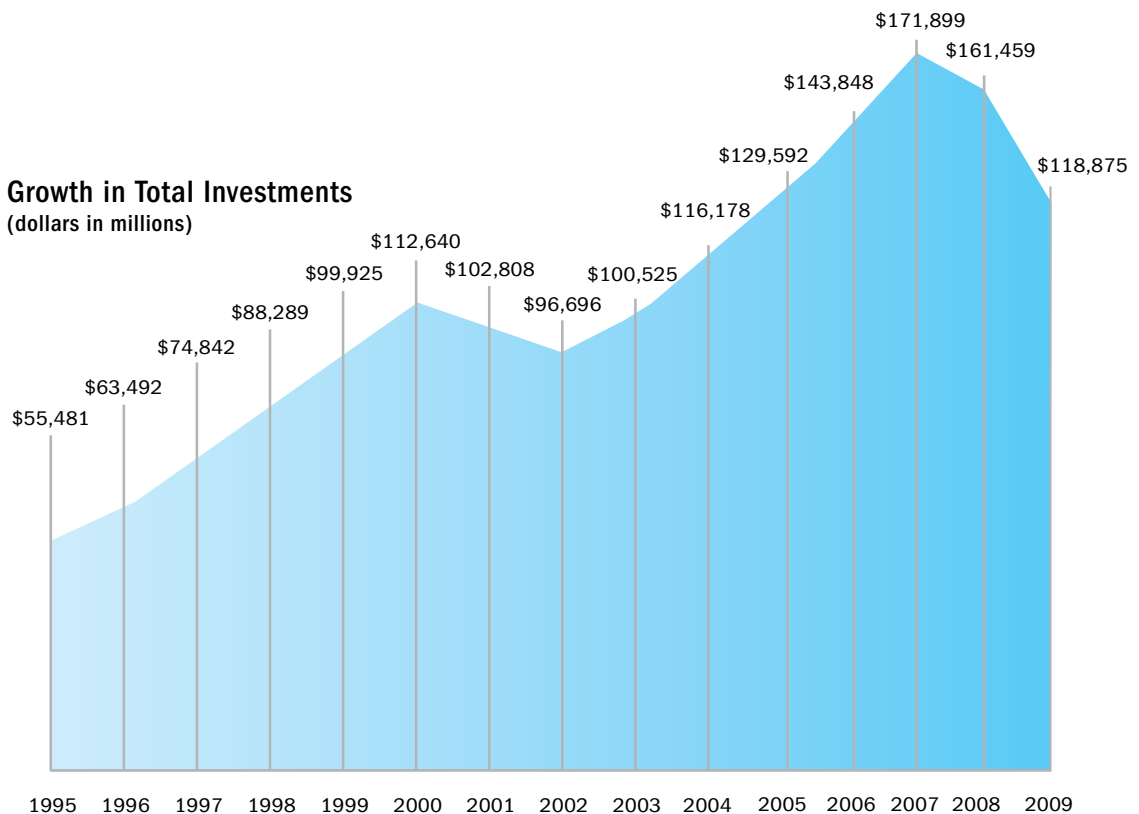
Asset Allocation as of June 30, 2009

Total investment portfolio of \$118.9 billion



In the prior six years, the CalSTRS investment portfolio placed in the top quartile of public pensions in the U.S., an unprecedented streak for CalSTRS and any fund. During the financial crisis, the performance fell relative to peers. Over the past five

Table 1 | Growth in Total Investments
(dollars in millions)



years, CalSTRS now ranks just below median for public funds. During fiscal year 2008–09, CalSTRS broke an even longer streak of adding value to the returns above the policy benchmark. For the year, the portfolio underperformed by 300 basis points.

The major factor was the underperformance of the real estate portfolio.

Within each of the asset classes, the fiscal year 2008–09 performance was far below expectations and prior experience. Only one of the asset classes

Table 2 | Growth in CalSTRS Returns (percent)

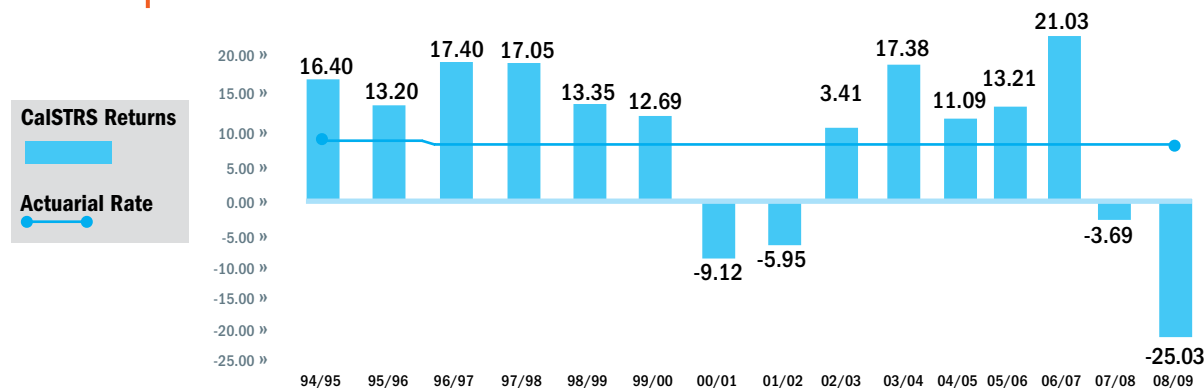


Table 3 | Time-Weighted Performance Returns for Major Asset Categories

PORTFOLIO TYPE / ASSOCIATED INDICIES	1 YR	3 YR	5 YR	10 YR
Total Fund	(25.03%)	(4.39%)	1.93%	2.55%
Global Equity	(28.25)	(7.40)	0.35	0.04
Global Equity Custom ¹	(28.08)	(7.53)	0.21	(0.22)
U.S. Equity	(27.06)	(8.58)	(1.96)	(1.39)
U.S. Equity Custom ²	(26.82)	(8.55)	(2.04)	(1.71)
Russell 3000	(26.82)	(8.55)	(2.04)	(1.63)
Non-U.S. Equity	(30.43)	(5.13)	4.85	2.84
MSCI All Country World Index ex-U.S.	(31.01)	(5.76)	4.65	2.70
MSCI Europe, Australia, Far East & Canada	(31.69)	(7.56)	2.57	1.29
MSCI Emerging Market	(28.32)	2.95	14.87	8.85
Fixed Income	4.49	5.70	4.77	6.12
U.S. Debt Custom ³	5.78	6.21	4.94	6.32
Barclays Capital U.S. Aggregate	6.05	6.43	5.01	5.98
Barclays Capital High Yield Cash Pay	(1.89)	2.38	4.49	4.88
Real Estate	(43.01)	(5.39)	6.83	8.69
Real Estate NCREIF (lagged 1 quarter)	(14.68)	4.18	9.47	9.32
Private Equity	(27.66)	1.00	11.18	11.54
Private Equity Custom ⁴	(35.50)	(10.32)	(3.51)	1.80
Liquidity⁵	(25.19)	(5.20)	(1.35)	3.08
Barclays Capital 3-Month Treasury Bill ⁶	1.04	3.34	3.20	3.17

CalSTRS investment performance is calculated using a daily time-weighted return geometrically linked to calculate a monthly return. Periods longer than one month are geometrically linked to calculate annualized 'time-weighted' rates of return.

¹ Weighted blend of Russell 3000 tobacco free and MSCI All Country World Index ex-U.S. tobacco free

² Blend S&P500 and Russell Small Cap Completeness after 7/1/01; Russell 3000 from 7/1/96; Russell 3000 tobacco free after 9/1/00

³ 95% Barclays Capital US Aggregate tobacco free + 5% US High Yield Cash Pay 2% Issuer Constrained Index tobacco free from 10/31/2008. Salomon LFP through 7/1/02; LB US Aggregate tobacco free through 4/1/07; a blend of LB US Aggregate and LB High Yield Cash Pay tobacco free through 10/31/08

⁴ Blend of the Russell 3000 + 3% & State Street Private Equity Index cumulative pooled internal rate of return data weighted by sub-asset type; lagged 1 quarter. Previously Russell 3000 + 5% + 90 day T-Bill from 4/1/99 to 6/30/08; CPI + 12% prior to 4/1/99; lagged 1 quarter

⁵ Includes the Securities Lending Program loss incurred in FY 08-09

⁶ Barclays Capital 3-Mo T-Bill from 10/31/2008; LB 3-Mo T-Bill from 7/1/06; Citigroup 3-Mo T-Bill prior to 7/1/06

outperformed its benchmark, while four fell short. The lowest performance was from the Real Estate portfolio. Real estate debt investments, leverage on real estate holdings and development risk resulted in substantial write downs at June 30, 2009. In the cash portfolio, CalSTRS was negatively affected by the bankruptcy filings of two financial firms that the day before were considered investment grade credit risks. Short-term investment in the debt of Lehman Brothers and Washington Mutual resulted in write downs of approximately \$600 million during the fiscal year. In each case, CalSTRS is still pursuing some recovery.

The following pages go into greater detail regarding each asset class and its respective performance. The CalSTRS investment committee, investment staff and external consultants have undergone a very detailed review of the fiscal year 2008–09 results and developed a list of key issues to improve. Over the course of fiscal year 2009–10, the investment committee and staff will be making several changes to the portfolio, investment policies, the internal investment decision process, and internal procedures, to help the fund generate as much return as possible within acceptable risk parameters.

Innovation and Risk

The Innovation and Risk (IR) Unit's policy was approved in March 2009 and the group has not yet deployed any capital. The IR portfolio's allocation is not to exceed the lesser of either 1.5 percent of the Total Plan assets or \$2 billion. IR's goal is to identify, research and incubate investment opportunities that currently are not utilized by the fund. Each new strategy that is pursued is expected to improve the risk/return efficiency of the Total Plan or an asset class by increasing its return, decreasing its risk or achieving both. Examples of new opportunities include market neutral funds, commodities and intellectual property. In addition, IR is focused on measuring and monitoring enterprise financial risks at the Total Plan level.

Because IR is a new unit, the latter half of the fiscal year was spent establishing a framework and criteria for identifying, evaluating and monitoring Innovation strategies as well as implementing the BarraOne Risk Management System. IR has also begun to build the first generation of quantitative tools to evaluate new strategies and to develop risk reports at the enterprise level.

Fixed Income

The fixed income assets within the CalSTRS investment portfolio amounted to \$25.95 billion at the end of fiscal year 2008–09. Fixed income assets are structured to capitalize on the benefits of both internal and external asset management. More than three-quarters of the fixed income assets follow a Core Strategy, which is designed to generate market level returns with a low to moderate level of risk. The remaining quarter of the fixed income assets follow an Opportunistic Strategy, with higher risk levels and higher expected returns.

The Fixed Income portfolio trailed its benchmark by 129 basis points (1.29 percent) for the twelve months ending June 30, 2009. These disappointing results can be attributed to the extreme volatility caused by the financial turmoil described earlier. However, over the five- and ten-year time periods, the Fixed Income portfolio is still tracking the benchmark within a narrow band. Looking forward we have seen evidence that coordinated global monetary and fiscal policy actions are taking hold and therefore we are positioning the Fixed Income portfolio to take advantage of the opportunities that come with a slow economic recovery.

Currency Management and Securities Lending are two other investment programs managed by the fixed income team.

CURRENCY MANAGEMENT PROGRAM

CalSTRS has recognized the need to implement strategies designed to address the management of currency risk because of the global nature of the fund and the impact that currency fluctuations can have on the return of dollar-based investors.

Table 4 | Largest Fixed Income Holdings as of June 30, 2009
(CalSTRS maintains a complete list of portfolio holdings)

ISSUE	MATURITY DATE	INTEREST RATE	PAR	MARKET VALUE	AVERAGE COST	UNREALIZED GAIN (LOSS)
United States Treas NTS	2/29/12	4.625%	240,000,000	\$260,100,000	\$246,476,313	\$13,623,687
United States Treas NTS	6/30/12	4.875	230,000,000	252,077,679	236,980,569	15,097,110
Fannie Mae Pool 888344	10/1/35	5.000	237,562,272	242,784,349	225,480,003	17,304,346
United States Treas N/B	3/31/14	1.750	235,000,000	227,310,793	233,642,149	(6,331,356)
United States Treas NTS	5/31/11	4.875	210,000,000	225,109,483	215,463,189	9,646,295
United States Treas BDS	8/15/28	5.500	175,000,000	202,135,495	190,199,684	11,935,810
United States Treas BD STRP PRN	11/15/16	–	260,000,000	201,736,608	183,920,916	17,815,692
United States Treas NTS	9/30/10	2.000	195,000,000	198,387,150	195,726,576	2,660,574
Federal National Mortgage Assc	2/12/13	3.625	180,000,000	189,184,770	179,692,947	9,491,823
Federal Home Loan PC Pool G12050	1/1/19	4.500	164,015,835	170,160,362	155,148,729	15,011,633

The Currency Management Program is designed to add value to the investment portfolio by protecting the translation value of the fund's non-dollar assets when there is the risk that the U.S. dollar will strengthen and preserving the diversification benefits of holding non-U.S. dollar assets when there is widespread U.S. dollar weakness.

The currency markets were not immune to the extreme volatility brought on by last year's financial crisis. Given the environment, market conditions proved to be very difficult. For the past one- and three-year periods, the Currency Management Program has not been able to add significant value to the fund. However, over the five-year and "since inception" periods, the program has added 29 basis points and 83 basis points, respectively, to the fund.

SECURITIES LENDING PROGRAM

Securities lending is structured as a low-risk strategy, intended to enable the fund to use its existing asset base and investment expertise to generate incremental income. While some form of risk is inherent in any investment strategy, steps can be taken to mitigate them. The CalSTRS Securities Lending Program has been designed to manage the counterparty and operational risks associated with the unprecedented volatility and illiquidity within the

markets last year, but the unexpected bankruptcy of a major investment grade broker/dealer (i.e., Lehman Brothers) resulted in a loss to the program for the first time since its inception in 1988. While the program continues to be profitable over the long term and has generated almost \$870 million over the past twenty years, (or \$1.3 billion when compounded at the growth rate of the investment portfolio), it is anticipated that the recovery of these losses will take several years.

Home Loan Program

The CalSTRS Home Loan Program, established by legislation in 1984, provides the opportunity for home ownership to qualified CalSTRS members while meeting CalSTRS investment goals by generating a mortgage asset. The Home Loan Program offers members a variety of mortgage programs that best meet their individual needs, while also providing "best in class" customer service throughout the mortgage loan process.

The program also includes a down-payment assistance program and a reverse mortgage program designed to provide a financial alternative to members age 62 and older and/or their parents. The assets created by the Home Loan Program are

purchased and managed as part of the mortgage allocation within the Fixed Income portfolio or sold in the financial markets.

Bank of America Home Loans is a strategic partner to the program. With their assistance, the number of correspondent lenders throughout California has increased to 55. The Home Loan Program also has a dedicated 1-800 number available for inquiries from prospective borrowers as well as a Web site at CalSTRS.com/homeloanprogram for providing information to prospective borrowers.

Private Equity

During fiscal year 2008–09, CalSTRS made additional commitments of approximately \$2.0 billion in this segment of the portfolio. The market value plus unfunded commitments now amount to approximately \$27.7 billion. The Private Equity group invests in the private equity market. The majority of its investments are made through limited partnerships, which consist of pools of capital raised from, among others, pension funds, endowments and high net worth individuals. These funds invest primarily in private companies, providing financial and operational expertise in order to achieve a significant return on investment upon exit.

The Private Equity group also manages a co-investment portfolio of companies in which CalSTRS has invested alongside the partnership that made the direct investment. It also invests in secondary interests. There are 245 partnerships, 41 co-investments and five secondaries in the Private Equity portfolio. At the end of the fiscal year, the total market value was \$15.2 billion, representing approximately 12.8 percent of the total CalSTRS portfolio.

CalSTRS continues to increase its commitments in this area. The Private Equity asset class has resulted in annualized returns of -27.7, 1.0, and 11.2 percent, lagged one quarter, for the one-, three-, and five-year periods respectively.

Credit Enhancement

CalSTRS enters into agreements with a number of issuers of tax-exempt debt to provide the payment of principal and interest in the event of a nonpayment and/or market support in the capital markets. In return, CalSTRS earns fee income for these commitments. As of June 30, 2009, the Credit Enhancement Program had commitments of approximately \$2.6 billion and fee income earned during the fiscal year was approximately \$5.9 million.

Real Estate

CalSTRS portfolio of real estate assets is valued at \$12.3 billion. Real estate assets are 10.4 percent of the total fund with a 13 percent target allocation. The real estate portfolio is divided into two segments: 1) core, domestic investments either held directly or with a joint venture partner and are diversified by property type and region; and 2) tactical, domestic and international investments held in a joint venture or as a limited partner in a commingled fund. The core portfolio comprises 39 percent of the total Real Estate portfolio and the tactical portfolio comprises the other 61 percent.

The CalSTRS Real Estate portfolio has achieved gross annualized returns of -43.0, -5.4, and 6.8 percent for the one-, three-, and five-year periods, respectively. CalSTRS returns underperformed the NCREIF benchmark by 9.6 and 2.6 percent for the three- and five-year periods, primarily due to the unleveraged nature of the NCREIF benchmark.

Global Equities

The Global Equity portfolio, comprising both internally and externally managed portfolios, continues to be an important investment vehicle to the fund. At the end of fiscal year 2008–09, this segment of the portfolio accounted for 54.2 percent, or \$64.4 billion, of the total fund. U.S. Equity accounted for 67 percent of the total equity allocation, while non-U.S. Equity accounted for the remaining 33 percent.

The Global Equity portfolio is managed by two internal and 29 external U.S. managers and 20 external non-U.S. managers. Global equity markets continued to experience significant declines in performance during fiscal year 2008–09 with a -31.09 percent rate of return for the MSCI All Country World Index (“ACWI”). The relative returns of the U.S. and non-U.S. composites were mixed during the fiscal year, with U.S. managers lagging the Russell 3000 ex-Tobacco Index by 24 basis points (-27.06 percent vs. -26.82 percent) and non-U.S. managers surpassing the MSCI ACWI ex-U.S. ex-Tobacco Index by 58 basis points (-30.43 percent vs. -31.01 percent).

U.S. AND NON-U.S. EQUITY PROGRAMS

During fiscal year 2008–09, the Global Equities group implemented the following key initiatives:

- Staff conducted a three-part study to evaluate the merits of establishing a global equity allocation to replace the existing structure that split the Global Equity portfolio into two separate allocations of U.S. and Non-U.S. assets. Historically, the board made separate asset allocations to both of these components of the portfolio. The study concluded in February 2009 with the board’s approval of a single asset allocation structure known as Global Equities for CalSTRS public equity assets. Going forward, a single asset allocation will be made to this asset class.
- The formerly separate Internal and External Equity units were merged into one group, now known as Global Equities. These two units share a great deal in common and in most funds they operate as one unit. By combining the two units into one, we are able to create more value by leveraging off the strengths of both teams.

Table 5 | Largest Equity Holdings as of June 30, 2009
(CalSTRS maintains a complete list of portfolio holdings)

ISSUE	SHARES	MARKET VALUE	AVERAGE COST	UNREALIZED GAIN/(LOSS)
Exxon Mobil Corp	18,488,784	\$1,292,550,889	\$758,274,547	\$534,276,343
Microsoft Corp	30,246,140	718,950,748	581,197,955	137,752,793
Johnson + Johnson	10,607,243	602,491,402	446,881,539	155,609,864
AT+T Inc	23,399,944	581,254,609	641,659,233	(60,404,624)
International Business Machs	5,381,883	561,976,223	394,812,462	167,163,761
Procter and Gamble Co	10,626,241	543,000,915	420,581,940	122,418,976
Chevron Corp	8,089,378	535,921,293	406,622,460	129,298,832
JPMorgan Chase + Co	15,178,407	517,735,463	455,290,682	62,444,780
Apple Inc	3,490,683	497,177,980	200,531,879	296,646,101
General Elec Co	40,838,529	478,627,560	847,436,742	(368,809,183)

Corporate Governance

During fiscal year 2008–09, CalSTRS staff voted on 61,950 proxy proposals submitted by 4,087 corporations that were held in the portfolio. Some companies had multiple meetings and the fund ended up voting at 4,486 meetings for portfolio companies. The 61,950 proposals represented a 30.5 percent increase from the 47,481 proposals voted on in 2007–08. The primary reasons for the increase in the number of proposals were the addition of markets in which staff voted, changes in regulatory policy and the financial crisis that forced many companies to hold special meetings or include additional items on their proxies.

Importantly, the fund now accounts for each individual director as a separate proposal instead of as a slate as in previous years. This will allow CalSTRS to take full advantage of the majority voting standard that many companies have adopted.

The major proxy issues voted on are summarized below.

1. Election of Directors: CalSTRS generally votes in favor of a director unless the proxy statement shows circumstances contrary to policy. Examples of such circumstances include: potential conflict of interest due to other directorships or employment, providing legal or investment banking advice and poor board meeting attendance (less than 75 percent).

- » Number Voted: 17,004
- » Voted For: 8,330 (49%)
- » Voted Against: 8,674 (51%)

2. Selection of Auditors: CalSTRS will vote in favor of the independent auditors recommended by management unless the auditor provides services that run contrary to what CalSTRS policy allows for. Examples of such services are: consulting, information system design and implementation, investment banking support and excessive non-audit fees (greater than 30 percent of the total fees billed).

- » Number Voted: 2,729
- » Voted For: 2,429 (89%)
- » Voted Against: 300 (11%)

3. Compensation Plans (Stock Option Plans, Employee Stock Purchase Plans, etc.):

Companies provide a variety of compensation plans for executives, employees and non-employee directors. Many of these plans provide for the issuance of long-term incentives to attract, reward and retain key employees. Compensation plans are evaluated based on CalSTRS Financial Responsibility Criteria.

- » Number Voted: 1,645
- » Voted For: 640 (39%)
- » Voted Against: 1,005 (61%)

4. Approve Merger/Acquisition—Management:

CalSTRS evaluates mergers and acquisitions on a case-by-case basis utilizing a total portfolio view.

- » Number Voted: 107
- » Voted For: 89 (83%)
- » Voted Against: 18 (17%)

5. Corporate Actions/Corporate Governance Issues:

These are issues related to spin-offs, incorporation, stock issuance and stock splits. CalSTRS votes on these proposals on a case-by-case basis.

- » Number Voted: 991
- » Voted For: 703 (71%)
- » Voted Against: 288 (29%)

6. Miscellaneous Issues—Management:

CalSTRS will vote in favor of other miscellaneous business recommended by management unless the issue to be voted on is contrary to policy. These issues are voted on a case-by-case basis.

- » Number Voted: 425
- » Voted For: 155 (36%)
- » Voted Against: 270 (64%)

7. Shareholder Proposals: CalSTRS votes on a variety of shareholder proposals. Examples of the issues voted on include: removing classified boards of directors, requiring an independent board chairman, eliminating poison pills, tying compensation plans to company performance and requiring shareholder approval for large severance packages.

- » Number Voted: 671
- » Voted For: 553 (82%)
- » Voted Against: 118 (18%)

The Corporate Governance unit continues to manage six governance funds, accounting for a combined \$2.2 billion in assets under management. All funds invest in governance-poor companies and engage management in securing governance and shareholder value improvement. For the year ending June 30, 2009, the Corporate Governance funds returned a negative 26.7 percent.

CASH BALANCE BENEFIT PROGRAM

The Cash Balance Benefit Program contributions were invested into pooled funds from inception on February 1, 1997 through June 30, 2001. Sixty percent of the contributions were allocated to the S&P 500 Portfolio and forty percent to the Government Index Portfolio. Beginning July 1, 2002, Cash Balance Benefit Program contributions are invested in the Teachers' Retirement Fund, excluding Private Equity (Alternative) and Real Estate investments. The market value, as of June 30, 2009, is \$91 million. The rate of return for the Cash Balance Benefit Program for the fiscal year was a negative 20.4 percent.

Table 6 | Investment Summary for the Current and Previous Fiscal Year
(dollars in millions)

PORTFOLIO TYPE	June 30, 2008		June 30, 2009			
	BOOK VALUE	MARKET VALUE	BOOK VALUE	MARKET VALUE	% OF MARKET VALUE	NET MARKET CHANGE
Global Equity	\$76,721	\$94,038	\$66,605	\$64,449	54.22%	(\$29,589)
Fixed Income	31,898	31,199	26,415	25,953	21.83	(5,246)
Private Equity	15,292	16,590	18,162	15,183	12.77	(1,407)
Real Estate	18,687	20,380	21,199	12,320	10.36	(8,060)
Liquidity	502	503	969	970	0.82	467
ASSET ALLOCATION	\$143,100	\$162,710	\$133,350	\$118,875	100.00%	(\$43,835)
Cash Financing	(1,500)	(1,251)	0	0	0.00%	1,251
TOTAL PORTFOLIO	\$141,600	\$161,459	\$133,350	\$118,875	100.00%	(\$42,584)
Adjustments:						
Securities Lending Collateral		\$27,077		\$22,990		
SSB Accruals		127		144		
Obligation under Reverse Repurchase		1,500		0		
Cash & Cash Equiv		(250)		(173)		
PLAN NET ASSETS-INVESTMENTS		\$189,913		\$141,836		

DEFINED BENEFIT SUPPLEMENT PROGRAM

The Defined Benefit Supplement Program contributions are invested in the Teachers' Retirement Fund excluding Private Equity (Alternative) and Real Estate investments. Contributions were first received in the Defined Benefit Supplement Program in January 2001.

The market value as of June 30, 2009, is \$4.9 billion. Since the inception of the Defined Benefit Supplement Program, the annualized rate of return is 1.8 percent. The rate of return for the Defined Benefit Supplement Program for fiscal year 2008–09 is a negative 20.4 percent.

Table 7 | **Schedule of Investment Fees from Continuous Appropriation**
July 1, 2008, Through June 30, 2009 (dollars in thousands)

	ASSETS UNDER MANAGEMENT	FEES	BASIS POINTS
Investment Managers' Fees			
Global Equity	\$44,965,922	\$86,748	19.3
Fixed Income	4,929,957	12,258	24.9
Private Equity	14,370,689	3,600	2.5
Real Estate	13,038,471	21,808	16.7
TOTAL INVESTMENT MANAGERS' FEES	\$77,305,039	\$124,414	16.1

Table 8 | **Global Equity Broker Commissions July 1, 2008, Through June 30, 2009**

BROKER NAME	COMMISSION	SHARES	COMMISSION PER SHARE
Credit Suisse Bank	\$3,469,468	581,493,627	\$0.006
J.P. Morgan	3,306,694	336,146,929	0.010
Merrill Lynch	3,144,137	398,693,967	0.008
Goldman Sach	2,561,355	381,628,420	0.007
Citigroup	2,165,566	223,010,264	0.010
UBS AG	1,762,706	285,343,125	0.006
Instinet	1,726,268	142,617,971	0.012
BNY Brokerage Inc	1,589,180	59,353,324	0.027
Deutsche Bank Securities Corp	1,336,091	240,187,050	0.006
State Street Bank and Trust Company	1,111,796	204,562,353	0.005
Other Brokers	22,425,061	2,198,297,269	0.010
TOTAL COMMISSIONS	\$44,598,322	5,051,334,299	\$0.009