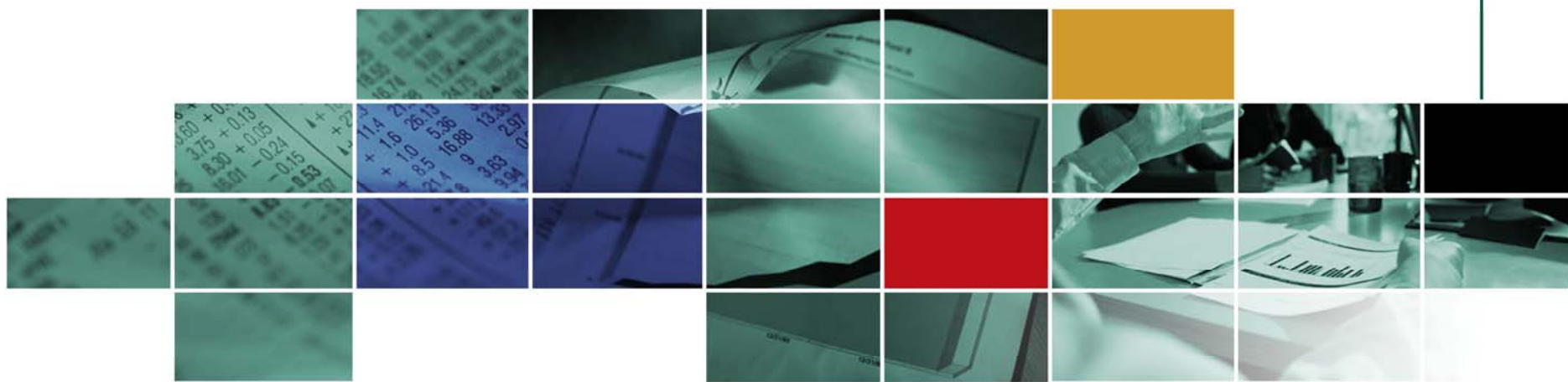


RVKuhns

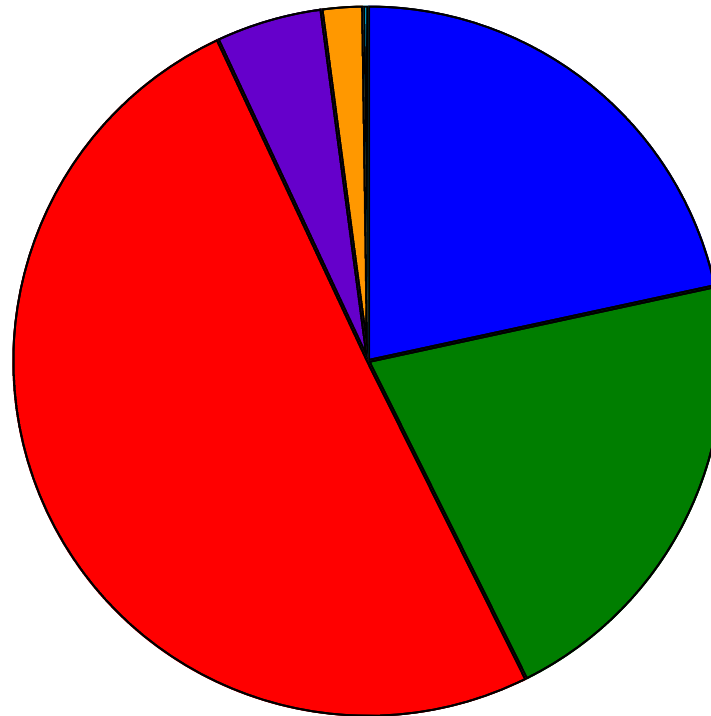
▶▶▶ & ASSOCIATES, INC.

TMRS Monthly Performance Summary



**Texas Municipal Retirement System
Asset Allocation by Asset Class
As of December 31, 2012**

December 31, 2012 : \$20,429,828,390



	Market Value (\$)	Allocation (%)
■ Domestic Equity	4,415,834,765	21.61
■ Non-U.S. Equity	4,298,601,999	21.04
■ Fixed Income	10,292,878,790	50.38
■ Real Return	992,925,527	4.86
■ Real Estate	383,442,603	1.88
■ Unallocated Cash	46,144,707	0.23

Allocations shown may not sum up to 100% exactly due to rounding.

Texas Municipal Retirement System
Comparative Performance
As of December 31, 2012

	1 Month	1 Quarter	Year To Date	1 Year	3 Years	5 Years	7 Years	10 Years	2011	Since Inception	Inception Date
Total Fund Composite	0.94	1.45	9.99	9.99	7.09	5.97	5.47	6.31	2.41	8.96	01/01/1989
Actual Allocation Benchmark	0.98	1.46	9.47	9.47	6.90	5.84	5.50	5.82	2.39	8.31	
Difference	-0.04	-0.01	0.52	0.52	0.19	0.13	-0.03	0.49	0.02	0.65	
Total Fixed Income Composite	-0.14	0.24	4.94	4.94	6.47	5.56	5.18	6.10	7.99	8.87	01/01/1989
Fixed Income Benchmark	-0.14	0.21	4.21	4.21	6.19	5.42	5.20	5.61	7.84	8.22	
Difference	0.00	0.03	0.73	0.73	0.28	0.14	-0.02	0.49	0.15	0.65	
Real Return Composite	1.10	2.68	10.83	10.83	N/A	N/A	N/A	N/A	N/A	9.00	02/01/2011
Barclays Wrld Gov Infl-Lnkd Index (Unhedged)	0.50	2.05	6.95	6.95	7.15	5.24	6.42	7.35	10.65	8.84	
Difference	0.60	0.63	3.88	3.88	N/A	N/A	N/A	N/A	N/A	0.16	
Global Equity Composite	2.28	2.82	16.77	16.77	7.22	N/A	N/A	N/A	-6.28	0.79	02/01/2008
Global Equity Benchmark	2.35	2.89	16.73	16.73	7.17	N/A	N/A	N/A	-6.27	0.70	
Difference	-0.07	-0.07	0.04	0.04	0.05	N/A	N/A	N/A	-0.01	0.09	
Domestic Equity Composite	1.16	0.18	16.33	16.33	11.17	N/A	N/A	N/A	1.03	3.38	02/01/2008
R 3000 Index	1.23	0.25	16.42	16.42	11.21	2.05	4.34	7.68	1.03	3.39	
Difference	-0.07	-0.07	-0.09	-0.09	-0.04	N/A	N/A	N/A	0.00	-0.01	
Non-U.S. Equity Composite	3.45	5.69	17.23	17.23	3.25	N/A	N/A	N/A	-13.35	-1.90	02/01/2008
Non-U.S. Equity Benchmark	3.53	5.74	17.04	17.04	3.05	-3.97	1.98	8.05	-13.44	-2.13	
Difference	-0.08	-0.05	0.19	0.19	0.20	N/A	N/A	N/A	0.09	0.23	
Real Estate Composite	0.27	0.27	4.41	4.41	N/A	N/A	N/A	N/A	N/A	4.41	01/01/2012
NCREIF ODCE Index (Gross) (AWA)	2.32	2.32	10.91	10.91	14.39	-1.10	3.55	6.71	15.99	10.91	
Difference	-2.05	-2.05	-6.50	-6.50	N/A	N/A	N/A	N/A	N/A	-6.50	
TMRS Unallocated Cash (SA)	0.01	0.02	0.08	0.08	0.08	N/A	N/A	N/A	0.04	0.30	06/01/2008
BofA ML 3 Mo US T-Bill Index	0.02	0.04	0.11	0.11	0.11	0.52	1.76	1.78	0.10	0.34	
Difference	-0.01	-0.02	-0.03	-0.03	-0.03	N/A	N/A	N/A	-0.06	-0.04	

- Historical performance shown for the Total Fixed Income, Global Equity, Domestic Equity, and Non-U.S. Equity composites is provided by State Street.
- The Actual Allocation Benchmark is calculated monthly using beginning of month asset class weights applied to each corresponding benchmark return. Performance for the NCREIF ODCE Index (Gross) (AWA) is available quarterly; interim months assume a 0.00% return.
- The Fixed Income Benchmark is calculated monthly and consists of the Barclays Gov't/Credit Long Term Bond Index through June 30, 2009; Barclays US Aggregate Bond Index thereafter.
- As the Real Return asset class structure becomes diversified, the performance objective will be the Consumer Price Index + 4%.
- The Global Equity Benchmark and Non-U.S. Equity Benchmark are calculated monthly using beginning of month investment weights applied to each corresponding benchmark return.

Performance shown is gross of fees. Performance is annualized for periods greater than one year.

Real Estate performance is available quarterly. Inception date shown for the Real Estate Composite represents the first full quarter following initial funding.