

**Texas Municipal Retirement System  
Comparative Performance  
As of September 30, 2013**

	1 Quarter	Year To Date	1 Year	3 Years	5 Years	7 Years	10 Years	2012	Since Incep.	Inception Date
<b>Total Fund Composite</b>	<b>4.21</b>	<b>6.13</b>	<b>7.67</b>	<b>6.77</b>	<b>8.17</b>	<b>6.35</b>	<b>6.60</b>	<b>10.02</b>	<b>8.94</b>	<b>01/01/1989</b>
Actual Allocation Benchmark	4.23	5.92	7.48	6.57	8.22	6.12	5.80	9.48	8.30	
Difference	-0.02	0.21	0.19	0.20	-0.05	0.23	0.80	0.54	0.64	
<b>Total Fixed Income Composite</b>	<b>0.81</b>	<b>-1.63</b>	<b>-1.39</b>	<b>3.14</b>	<b>5.87</b>	<b>4.91</b>	<b>5.59</b>	<b>4.94</b>	<b>8.52</b>	<b>01/01/1989</b>
Fixed Income Benchmark	0.57	-1.89	-1.68	2.86	5.90	4.66	4.78	4.21	7.87	
Difference	0.24	0.26	0.29	0.28	-0.03	0.25	0.81	0.73	0.65	
<b>Real Return Composite</b>	<b>2.79</b>	<b>-3.63</b>	<b>-1.05</b>	N/A	N/A	N/A	N/A	<b>10.83</b>	<b>5.17</b>	<b>02/01/2011</b>
Barclays Wrld Gov Infl-Lnkd Index (Unhedged)	3.38	-4.18	-2.22	3.92	4.65	4.97	5.86	6.95	4.59	
Difference	-0.59	0.55	1.17	N/A	N/A	N/A	N/A	3.88	0.58	
<b>Global Equity Composite</b>	<b>8.08</b>	<b>16.15</b>	<b>19.42</b>	<b>11.56</b>	<b>7.95</b>	N/A	N/A	<b>16.77</b>	<b>3.38</b>	<b>02/01/2008</b>
Global Equity Benchmark	8.36	15.90	19.28	11.48	7.84	N/A	N/A	16.76	3.27	
Difference	-0.28	0.25	0.14	0.08	0.11	N/A	N/A	0.01	0.11	
<b>Domestic Equity Composite</b>	<b>6.13</b>	<b>21.10</b>	<b>21.31</b>	<b>16.66</b>	<b>10.55</b>	N/A	N/A	<b>16.33</b>	<b>6.46</b>	<b>02/01/2008</b>
R 3000 Index	6.35	21.30	21.61	16.77	10.58	6.08	8.11	16.42	6.50	
Difference	-0.22	-0.20	-0.30	-0.11	-0.03	N/A	N/A	-0.09	-0.04	
<b>International Equity Composite</b>	<b>10.36</b>	<b>11.05</b>	<b>17.37</b>	<b>6.44</b>	<b>5.28</b>	N/A	N/A	<b>17.23</b>	<b>0.19</b>	<b>02/01/2008</b>
International Equity Benchmark	10.37	10.57	16.91	6.17	5.00	1.47	7.32	17.04	-0.10	
Difference	-0.01	0.48	0.46	0.27	0.28	N/A	N/A	0.19	0.29	
<b>Real Estate Composite</b>	<b>2.05</b>	<b>9.31</b>	<b>10.12</b>	N/A	N/A	N/A	N/A	<b>6.79</b>	<b>9.25</b>	<b>01/01/2012</b>
NCREIF ODCE Index (Gross) (AWA) - 1 Quarter Lag	3.86	9.15	12.17	14.96	-0.15	3.37	6.94	11.61	11.94	
Difference	-1.81	0.16	-2.05	N/A	N/A	N/A	N/A	-4.82	-2.69	
<b>TMRS Unallocated Cash (SA)</b>	<b>0.00</b>	<b>0.11</b>	<b>0.14</b>	<b>0.09</b>	<b>0.13</b>	N/A	N/A	<b>0.08</b>	<b>0.28</b>	<b>06/01/2008</b>
BofA ML 3 Mo US T-Bill Index	0.02	0.06	0.10	0.10	0.16	1.26	1.70	0.11	0.31	
Difference	-0.02	0.05	0.04	-0.01	-0.03	N/A	N/A	-0.03	-0.03	

- Historical performance shown for the Total Fixed Income, Global Equity, Domestic Equity, and International Equity composites is provided by State Street.
- RVK cautions that for private market investments like Commercial Real Estate, for which there are no market prices, as are available for public securities, and for which an appraised value is calculated only quarterly, daily time weighted return calculations (public market return methodology) are imperfect at best and usually misleading.

Performance shown is gross of fees and provided by State Street. Performance is annualized for periods greater than one year. Real Estate performance is available quarterly. Real Estate fund returns are calculated by Private Edge and are lagged 1 quarter. Inception date shown for the Real Estate Composite represents the first full quarter following initial funding. Inception dates for non-real estate composites represents the first full month following initial funding.