



Annuity & Benefit Fund

Municipal Employees' of Chicago

Annuity & Benefit Fund

Monthly Update

January 31, 2013

Total Fund Composite

Market Value: \$5,116.0 Million and 100.0% of Fund

Ending January 31, 2013

	Asset Class	Market Value (\$)	1 Mo Net Cash Flows (\$)	% of Portfolio	Policy %	Policy Difference (\$)
Total Fund Composite		5,116,023,491	-52,622,639	100.0	100.0	0
Fixed Income Composite		1,314,081,983	-199,723	25.7	25.0	35,076,110
Neuberger Berman	Core Plus Fixed Income	275,029,186	-12,394	5.4		
LM Capital	Core Fixed Income	319,585,886	-38,354	6.2		
UBS	Core Fixed Income	113,894,195	-10,944	2.2		
Segall Bryant & Hamill	Int. Fixed Income	290,166,528	-20,824	5.7		
MacKay Shields	High Yield Fixed Income	185,778,169	-70,106	3.6		
Symphony	Senior Secured Loans	129,628,019	-46,780	2.5		
U.S. Equity Composite		1,394,383,385	-30,381,721	27.3	25.0	115,377,512
FIS Group U.S. Equity		118,482,571	-291	2.3	--	118,482,571
Great Lakes	Large-Cap Value	109,754,479	-10,027,858	2.1		
Herndon	Large-Cap Value	117,011,047	-34,447	2.3		
RhumbLine S&P 500 Index	Large-Cap Core	255,590,665	-20,003,831	5.0		
CastleArk	Large-Cap Growth	101,317,327	-33,195	2.0		
Holland Capital	Large-Cap Growth	123,691,405	-37,547	2.4		
Earnest Partners	Mid-Cap Core	105,949,006	-48,912	2.1		
William Blair	Mid-Cap Growth	89,476,574	-57,073	1.7		
Geneva Capital	Mid-Cap Growth	98,808,081	-41,306	1.9		
Ariel Investments	Smid-Cap Value	118,617,067	-38,910	2.3		
Keeley	Small-Cap Value	155,685,163	-58,350	3.0		
International Equity Composite		1,105,821,460	-60,328,763	21.6	20.0	82,616,762
FIS Group Non-U.S. Equity		50,012,073	-90	1.0	--	50,012,073
NTGI MSCI ACWI ex. U.S. Index Fund	Non-U.S. All-Cap Core	303,651,145	-25,467	5.9		
LSV	Non-U.S. Large-Cap Value	111,370,143	-35,057,440	2.2		
Cornerstone (fka Madison Square)	Non-U.S. Large-Cap Core	111,060,804	-46,483	2.2		
Walter Scott & Partners	Non-U.S. Large-Cap Growth	110,250,908	-10,076,212	2.2		
NTGI Small Cap International Index	Non-U.S. Small-Cap Core	260,462,114	-15,021,912	5.1		
William Blair	Emerging Markets	159,014,273	-101,157	3.1		
Hedge Fund Composite		542,779,328	0	10.6	10.0	31,176,979
Rock Creek Georgetown Fund	Hedged Equity Hedge FoF	277,280,968	0	5.4		
K2 Long Short Fund	Hedged Equity Hedge FoF	265,498,360	0	5.2		

Total Fund Composite

Market Value: \$5,116.0 Million and 100.0% of Fund

Ending January 31, 2013

	Asset Class	Market Value (\$)	1 Mo Net Cash Flows (\$)	% of Portfolio	Policy %	Policy Difference (\$)
Real Estate Composite		453,449,456	-912,808	8.9	10.0	-58,152,894
Open-End Real Estate Comp		301,115,492	-912,808	5.9	--	301,115,492
American Core Realty Fund, LLC	Core Real Estate	57,892,546	-721,082	1.1		
AFL-CIO Building Investment Trust	Core Real Estate	69,163,661	0	1.4		
JPMorgan Strategic Property Fund	Core Real Estate	80,493,942	-191,726	1.6		
PRISA	Core Real Estate	53,687,726	0	1.0		
PRISA II	Core Plus Real Estate	39,877,616	0	0.8		
Closed-End Real Estate Composite		152,333,963	0	3.0	--	152,333,963
Private Equity Composite		237,731,786	-3,207,897	4.6	10.0	-273,870,563
Fund of Funds Private Equity Composite		104,366,293	-2,842,046	2.0	--	104,366,293
Direct Investment Private Equity Composite		133,365,493	-365,851	2.6	--	133,365,493
Cash Accounts		67,775,986	42,408,273	1.3	0.0	67,775,986

Total Fund Composite

Annualized Performance (Net of Fees)

Market Value: \$5,116.0 Million and 100.0% of Fund

Ending January 31, 2013

	1 Mo	3 Mo	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs
Total Fund Composite	2.8	5.1	2.8	11.5	7.1	10.4	13.4	3.4	4.2	6.9
<i>Actuarial Rate</i>	0.6	1.9	0.6	8.0	8.0	8.0	8.0	8.0	8.0	8.0
Fixed Income Composite	-0.1	0.3	-0.1	5.5	6.5	6.7	8.1	5.1	5.2	--
<i>Barclays Aggregate</i>	-0.7	-0.7	-0.7	2.6	5.6	5.4	6.2	5.4	5.8	5.1
U.S. Equity Composite	5.9	9.0	5.9	16.4	10.1	15.6	21.2	5.6	5.0	--
<i>Dow Jones U.S. Total Stock Market</i>	5.5	7.6	5.5	16.9	10.2	14.7	19.5	4.6	4.8	8.8
International Equity Composite	3.9	8.7	3.9	14.7	2.8	8.2	16.9	3.9	6.3	--
<i>MSCI ACWI ex USA</i>	4.1	9.7	4.1	13.9	1.9	7.0	16.0	-0.1	3.1	10.6
<i>MSCI EAFE</i>	5.3	11.3	5.3	17.3	3.0	6.9	14.3	-0.8	2.1	9.2
Hedge Fund Composite	3.0	5.2	3.0	9.2	3.5	4.6	4.8	--	--	--
<i>HFRX Equity Hedge Index</i>	2.6	3.6	2.6	5.4	-6.6	-1.5	1.8	-3.7	-1.9	0.9
Real Estate Composite	0.1	1.7	0.1	9.4	12.2	13.8	0.1	-3.4	1.5	4.8
<i>NPI</i>	0.0	1.7	0.0	9.6	11.8	12.5	5.1	2.0	5.8	8.4
Open-End Real Estate Comp	0.2	2.3	0.2	10.8	12.7	13.6	0.1	-2.3	2.4	5.9
<i>NFI</i>	0.0	1.4	0.0	8.9	11.7	13.2	1.6	-2.1	2.4	5.7

Total Fund Composite

Calendar Performance (Net of Fees)

Market Value: \$5,116.0 Million and 100.0% of Fund

Calendar Year

	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Total Fund Composite	12.6	0.1	14.2	19.6	-28.6	7.3	12.7	6.7	10.4	19.6	-9.5
<i>Actuarial Rate</i>	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0
Fixed Income Composite	7.0	6.7	8.0	10.6	-4.6	5.2	4.6	2.3	4.4	--	--
<i>Barclays Aggregate</i>	4.2	7.8	6.5	5.9	5.2	7.0	4.3	2.4	4.3	4.1	10.3
U.S. Equity Composite	16.2	0.4	20.5	34.2	-38.7	5.2	12.6	5.5	12.6	--	--
<i>Dow Jones U.S. Total Stock Market</i>	16.4	1.1	17.5	28.6	-37.2	5.6	15.8	6.4	12.5	31.7	-20.9
International Equity Composite	18.3	-13.8	15.3	41.6	-36.6	14.3	29.8	17.2	16.4	--	--
<i>MSCI ACWI ex USA</i>	16.8	-13.7	11.2	41.4	-45.5	16.7	26.7	16.6	20.9	40.8	-14.9
<i>MSCI EAFE</i>	17.3	-12.1	7.8	31.8	-43.4	11.2	26.3	13.5	20.2	38.6	-15.9
Hedge Fund Composite	9.4	-4.7	5.3	--	--	--	--	--	--	--	--
<i>HFRX Equity Hedge Index</i>	4.8	-19.1	8.9	13.1	-25.5	3.2	9.2	4.2	2.2	14.5	2.1
Real Estate Composite	9.3	15.3	16.9	-31.8	-16.2	14.4	16.7	24.3	9.9	4.5	6.6
<i>NPI</i>	10.5	14.3	13.1	-16.9	-6.5	15.8	16.6	20.1	14.5	9.0	6.7
Open-End Real Estate Comp	10.7	15.0	14.8	-31.6	-11.1	15.8	15.3	22.6	12.7	8.3	5.2
<i>NFI</i>	9.8	15.0	15.3	-30.4	-10.7	14.8	15.3	20.2	12.0	8.3	4.6

Investment Manager

Annualized Performance (Net of Fees)

Market Value: \$5,116.0 Million and 100.0% of Fund

	Ending January 31, 2013										Inception	
	1 Mo	3 Mo	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs	Return	Since
Total Fund Composite	2.8	5.1	2.8	11.5	7.1	10.4	13.4	3.4	4.2	6.9	--	
<i>Actuarial Rate</i>	0.6	1.9	0.6	8.0	8.0	8.0	8.0	8.0	8.0	8.0	--	
Fixed Income Composite	-0.1	0.3	-0.1	5.5	6.5	6.7	8.1	5.1	5.2	--	--	
<i>Barclays Aggregate</i>	-0.7	-0.7	-0.7	2.6	5.6	5.4	6.2	5.4	5.8	5.1	--	
Neuberger Berman	-0.7	-0.7	-0.7	3.5	6.0	6.3	8.5	6.0	6.1	5.4	5.9	May-01
<i>Barclays Aggregate</i>	-0.7	-0.7	-0.7	2.6	5.6	5.4	6.2	5.4	5.8	5.1	5.7	May-01
LM Capital	-0.7	-0.6	-0.7	3.4	5.7	5.5	--	--	--	--	6.7	Mar-09
<i>Barclays Aggregate</i>	-0.7	-0.7	-0.7	2.6	5.6	5.4	6.2	5.4	5.8	5.1	6.2	Mar-09
UBS	-0.6	-0.4	-0.6	3.6	5.9	--	--	--	--	--	5.1	Jul-10
<i>Barclays Aggregate</i>	-0.7	-0.7	-0.7	2.6	5.6	5.4	6.2	5.4	5.8	5.1	4.5	Jul-10
Segall Bryant & Hamill	-0.3	-0.2	-0.3	3.4	5.2	5.2	--	--	--	--	6.2	Apr-09
<i>Barclays Int Govt/Credit</i>	-0.4	-0.2	-0.4	2.5	4.4	4.6	5.2	4.7	5.3	4.6	5.3	Apr-09
Mackay Shields	1.4	3.3	1.4	12.8	10.0	11.2	--	--	--	--	15.6	Apr-09
<i>BarCap Ba High Yield</i>	0.9	2.6	0.9	12.7	10.1	11.8	17.7	11.2	9.4	9.7	16.2	Apr-09
<i>Barclays High Yield</i>	1.3	3.8	1.3	13.9	9.8	11.9	20.6	10.9	9.3	10.4	18.5	Apr-09
Symphony	1.4	2.1	1.4	8.5	6.5	8.0	--	--	--	--	9.8	Aug-09
<i>CSFB Leveraged Loan</i>	1.1	2.3	1.1	8.5	5.1	6.8	14.1	5.7	4.8	5.5	8.6	Aug-09
U.S. Equity Composite	5.9	9.0	5.9	16.4	10.1	15.6	21.2	5.6	5.0	--	--	
<i>Dow Jones U.S. Total Stock Market</i>	5.5	7.6	5.5	16.9	10.2	14.7	19.5	4.6	4.8	8.8	--	
FIS Group U.S. Equity	5.7	9.0	5.7	14.3	8.2	--	--	--	--	--	14.7	Jul-10
<i>FIS Group Custom Benchmark</i>	5.8	9.0	5.8	16.3	9.7	15.3	20.3	5.4	4.6	9.6	15.8	Jul-10
Great Lakes	5.8	8.2	5.8	16.0	10.5	15.2	18.5	3.7	4.6	9.8	9.8	Mar-91
<i>Russell 1000 Value</i>	6.5	8.7	6.5	20.6	10.8	14.3	18.4	2.7	3.7	8.3	9.7	Mar-91
Herdon	6.0	7.8	6.0	16.1	--	--	--	--	--	--	20.5	Nov-11
<i>Russell 1000 Value</i>	6.5	8.7	6.5	20.6	10.8	14.3	18.4	2.7	3.7	8.3	23.3	Nov-11
RhumbLine S&P 500 Index	5.1	6.7	5.1	17.0	10.6	14.2	18.7	--	--	--	6.2	Aug-08
<i>S&P 500</i>	5.2	6.8	5.2	16.8	10.3	14.1	18.6	4.0	4.5	7.9	5.9	Aug-08
CastleArk	5.2	6.6	5.2	12.0	7.7	15.5	20.3	3.6	4.6	--	7.7	Jul-04
<i>Russell 1000 Growth</i>	4.3	6.0	4.3	13.4	9.7	14.6	20.0	5.7	5.5	8.2	6.5	Jul-04
Holland Capital	5.2	8.9	5.2	12.6	9.9	14.1	20.4	7.7	6.2	8.5	7.9	Oct-02
<i>Russell 1000 Growth</i>	4.3	6.0	4.3	13.4	9.7	14.6	20.0	5.7	5.5	8.2	7.6	Oct-02
Earnest Partners	6.4	10.8	6.4	15.5	9.4	17.0	23.9	6.5	--	--	5.4	Nov-06
<i>Russell MidCap</i>	6.8	11.0	6.8	18.1	9.9	17.0	23.8	6.4	5.7	11.6	4.9	Nov-06
William Blair	5.4	9.2	5.4	10.2	8.8	15.9	21.0	6.3	--	--	5.7	Dec-06
<i>William Blair MCG Custom Benchmark</i>	6.8	11.0	6.8	18.1	9.9	17.0	23.1	7.1	5.5	11.5	4.9	Dec-06

Investment Manager

Annualized Performance (Net of Fees)

Market Value: \$5,116.0 Million and 100.0% of Fund

	Ending January 31, 2013										Inception	
	1 Mo	3 Mo	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs	Return	Since
Geneva Capital	6.1	8.1	6.1	11.7	10.1	18.5	--	--	--	--	17.7	Nov-09
<i>Russell MidCap Growth</i>	6.2	10.5	6.2	14.6	8.9	16.8	23.7	6.2	5.4	11.1	16.5	Nov-09
Ariel Investments	8.4	13.4	8.4	20.2	8.0	15.3	30.0	6.7	4.8	9.3	12.6	Jun-84
<i>Russell 2500 Value</i>	6.8	11.7	6.8	20.5	10.1	16.4	22.1	6.7	4.9	11.3	--	Jun-84
Keeley	6.6	12.5	6.6	28.3	14.6	19.7	25.9	6.4	5.7	11.6	12.1	Dec-92
<i>Keeley SCV Custom Benchmark</i>	6.0	10.8	6.0	17.3	8.7	14.9	20.7	4.2	4.1	10.6	10.6	Dec-92
International Equity Composite	3.9	8.7	3.9	14.7	2.8	8.2	16.9	3.9	6.3	--	--	--
<i>MSCI ACWI ex USA</i>	4.1	9.7	4.1	13.9	1.9	7.0	16.0	-0.1	3.1	10.6	--	--
<i>MSCI EAFE</i>	5.3	11.3	5.3	17.3	3.0	6.9	14.3	-0.8	2.1	9.2	--	--
FIS Group Non-U.S. Equity	4.2	8.6	4.2	--	--	--	--	--	--	--	--	Aug-12
<i>MSCI ACWI ex USA</i>	4.1	9.7	4.1	13.9	1.9	7.0	16.0	-0.1	3.1	10.6	16.7	Aug-12
NTGI MSCI ACWI ex. U.S. Index Fund	4.1	9.7	4.1	14.2	2.2	7.3	16.2	--	--	--	12.6	Oct-08
<i>MSCI ACWI ex USA</i>	4.1	9.7	4.1	13.9	1.9	7.0	16.0	-0.1	3.1	10.6	12.4	Oct-08
LSV	5.8	10.8	5.8	17.3	3.0	8.1	16.3	0.2	2.3	--	4.8	Apr-05
<i>MSCI EAFE Value</i>	5.9	12.3	5.9	18.4	2.3	5.8	14.3	-1.3	1.4	9.6	4.1	Apr-05
Cornerstone (fka Madison Square)	2.8	5.1	2.8	14.2	2.4	4.9	9.9	1.8	4.8	--	6.2	Nov-04
<i>MSCI EAFE</i>	5.3	11.3	5.3	17.3	3.0	6.9	14.3	-0.8	2.1	9.2	4.7	Nov-04
Walter Scott & Partners	3.3	8.1	3.3	19.0	5.6	8.3	14.3	3.3	4.4	--	7.2	Nov-04
<i>MSCI EAFE Growth</i>	4.7	10.3	4.7	16.0	3.5	8.0	14.3	-0.3	2.6	8.8	5.1	Nov-04
NTGI Small Cap International Index	4.7	9.4	4.7	13.9	1.9	9.6	20.2	--	--	--	17.6	Oct-08
<i>MSCI World ex USA Small Cap</i>	4.8	9.4	4.8	13.7	1.6	9.4	19.9	2.3	2.2	12.7	17.4	Oct-08
William Blair	1.9	6.9	1.9	13.7	4.8	11.3	25.1	-0.1	5.7	--	10.4	Jul-05
<i>MSCI Emerging Markets</i>	1.4	7.7	1.4	7.7	0.3	7.2	22.0	2.0	7.0	16.7	10.5	Jul-05
Hedge Fund Composite	3.0	5.2	3.0	9.2	3.5	4.6	4.8	--	--	--	--	--
<i>HFRX Equity Hedge Index</i>	2.6	3.6	2.6	5.4	-6.6	-1.5	1.8	-3.7	-1.9	0.9	--	--
Rock Creek Georgetown Fund	3.4	5.4	3.4	10.4	4.6	5.4	5.4	--	--	--	5.4	Jan-09
<i>HFRX Equity Hedge Index</i>	2.6	3.6	2.6	5.4	-6.6	-1.5	1.8	-3.7	-1.9	0.9	1.8	Jan-09
K2 Long Short Fund	2.6	5.0	2.6	8.0	2.5	3.7	4.2	--	--	--	4.2	Jan-09
<i>HFRX Equity Hedge Index</i>	2.6	3.6	2.6	5.4	-6.6	-1.5	1.8	-3.7	-1.9	0.9	1.8	Jan-09

Investment Manager

Annualized Performance (Net of Fees)

Market Value: \$5,116.0 Million and 100.0% of Fund

	Ending January 31, 2013										Inception	
	1 Mo	3 Mo	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs	Return	Since
Real Estate Composite	0.1	1.7	0.1	9.4	12.2	13.8	0.1	-3.4	1.5	4.8	--	
<i>NFI</i>	0.0	1.7	0.0	9.6	11.8	12.5	5.1	2.0	5.8	8.4	--	
Open-End Real Estate Comp	0.2	2.3	0.2	10.8	12.7	13.6	0.1	-2.3	2.4	5.9	--	
<i>NFI</i>	0.0	1.4	0.0	8.9	11.7	13.2	1.6	-2.1	2.4	5.7	--	
American Core Realty Fund, LLC	0.0	2.3	0.0	10.2	12.1	11.4	-1.1	-2.2	1.9	--	4.4	Nov-03
<i>NFI</i>	0.0	1.4	0.0	8.9	11.7	13.2	1.6	-2.1	2.4	5.7	5.4	Nov-03
AFL-CIO Building Investment Trust	0.0	2.1	0.0	10.8	11.6	12.1	1.2	-1.2	3.0	4.9	4.9	Jun-02
<i>NFI</i>	0.0	1.4	0.0	8.9	11.7	13.2	1.6	-2.1	2.4	5.7	5.7	Jun-02
JPMorgan Strategic Property Fund	0.6	2.8	0.6	11.5	12.8	13.3	1.5	-0.8	3.5	6.8	6.9	Jun-02
<i>NFI</i>	0.0	1.4	0.0	8.9	11.7	13.2	1.6	-2.1	2.4	5.7	5.7	Jun-02
PRISA	0.0	1.7	0.0	8.7	13.3	14.6	-0.5	-3.3	1.8	5.5	6.1	Nov-81
<i>NFI</i>	0.0	1.4	0.0	8.9	11.7	13.2	1.6	-2.1	2.4	5.7	--	Nov-81
PRISA II	0.0	2.3	0.0	13.2	16.4	18.8	-2.2	-5.4	0.6	5.5	6.8	Nov-89
<i>NFI</i>	0.0	1.4	0.0	8.9	11.7	13.2	1.6	-2.1	2.4	5.7	--	Nov-89

Annuity & Benefit Fund

Inception Performance (Net of Fees)

Ending January 31, 2013

Asset Class	Benchmark	Manager	From	Performance		Difference
				Manager	Benchmark	
SMID-Cap Value Equity	Custom Benchmark ¹	Ariel	July-84	12.6%	11.7%	0.9%
Large-Cap Value Equity	Russell 1000 Value	Great Lakes	April-91	9.8%	9.7%	0.1%
Small-Cap Value Equity	Custom Benchmark	Keeley	January-93	12.1%	10.6%	1.5%
Enhanced Index Fixed Income	BarCap Aggregate	Neuberger Berman	June-01	5.9%	5.7%	0.2%
Large-Cap Growth Equity	Russell 1000 Growth	Holland	November-02	7.9%	7.6%	0.3%
Large-Cap Growth Equity	Russell 1000 Growth	CastleArk	August-04	7.7%	6.5%	1.2%
International Growth Equity	MSCI EAFE Growth	Cornerstone (fka Madison Square)	December-04	6.2%	4.7%	1.5%
International Growth Equity	MSCI EAFE Growth	Walter Scott	December-04	7.2%	5.1%	2.1%
International Value Equity	MSCI EAFE Value	LSV	May-05	4.8%	4.1%	0.7%
Int'l Emerging Core Equity	MSCI EM	William Blair	August-05	10.4%	10.5%	-0.1%
Mid-Cap Core Equity	Russell MidCap	Earnest	December-06	5.4%	4.9%	0.5%
Mid-Cap Growth Equity	Custom Benchmark	William Blair	January-07	5.7%	4.9%	0.8%
Large-Cap Core Equity	S&P 500	Rhumblin	September-08	6.2%	5.9%	0.3%
International Core Equity	MSCI ACWI ex. U.S.	NTGI ACWI ex. U.S.	November-08	12.6%	12.4%	0.2%
Int'l Small-Cap Equity	MSCI Small-Cap International	MSCI World Ex USA Small Cap	November-08	17.6%	17.4%	0.2%
Hedged Equity Fund of Funds	HFRX Hedged Equity	K2 Advisors	February-09	4.2%	1.8%	2.4%
Hedged Equity Fund of Funds	HFRX Hedged Equity	Rock Creek	February-09	5.4%	1.8%	3.6%
Core Fixed Income	BarCap Aggregate	LM Capital	April-09	6.7%	6.2%	0.5%
Fixed Income - Intermediate	BarCap Int. Gov/Credit	Segall, Bryant, & Hamill	May-09	6.2%	5.3%	0.9%
Fixed Income - High Yield	BarCap Ba High Yield	Mackay Shields	May-09	15.6%	16.2%	-0.6%
Fixed Income - Senior Loan	CSFB Leveraged Loan	Symphony	September-09	9.8%	8.6%	1.2%
Mid-Cap Growth Equity	Russell MidCap Growth	Geneva Capital	December-09	17.7%	16.5%	1.2%
Core Fixed Income	BarCap Aggregate	UBS	August-10	5.1%	4.5%	0.6%
Large-Cap Value Equity	Russell 1000 Value	Herndon	December-11	20.5%	23.3%	-2.8%

¹ Ariel Custom Benchmark is Russell 2500 Value, and prior to March 2002, the Russell 2000 Value.