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Louisiana Municipal Police Employees' Retirement System

Investment Market Update (As of December 31, 2013)

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Investment Market Update: As of December 31, 2013

PERFORMANCE THROUGH 12/31/2013

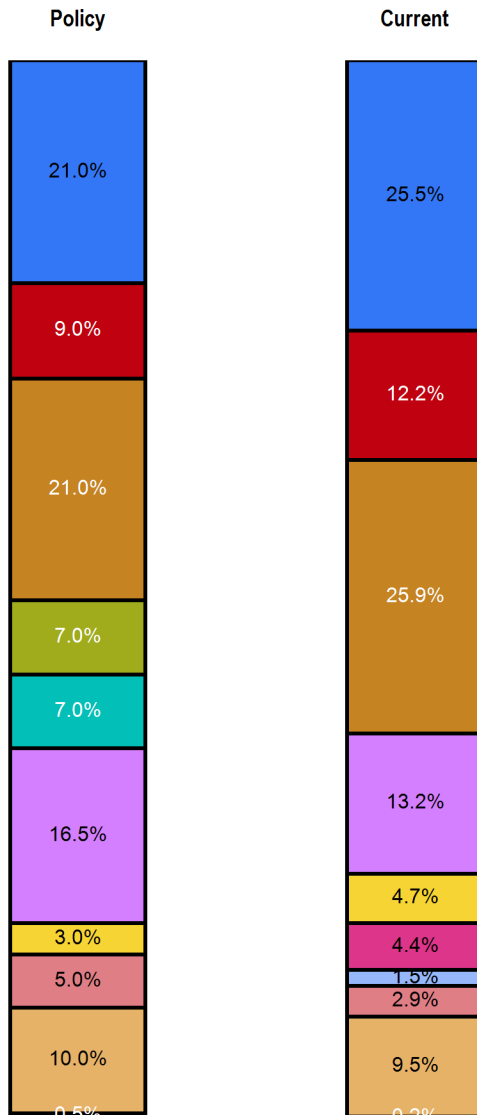
Sector	Index	2008	2009	2010	2011	2012	OCT	NOV	DEC	Q4	2013
Small Cap Growth	Russell 2000 Growth	-38.5%	34.5%	29.1%	-2.9%	14.6%	1.8%	4.1%	2.0%	8.2%	43.3%
Small Cap	Russell 2000	-33.8%	27.2%	26.9%	-4.2%	16.3%	2.5%	4.0%	2.0%	8.7%	38.8%
SMID Cap	Russell 2500	-36.8%	34.4%	26.7%	-2.5%	17.9%	3.2%	2.7%	2.5%	8.7%	36.8%
Small Cap Value	Russell 2000 Value	-28.9%	20.6%	24.5%	-5.5%	18.1%	3.3%	3.9%	1.9%	9.3%	34.5%
Large Cap Growth	Russell 1000 Growth	-38.4%	37.2%	16.7%	2.6%	15.3%	4.4%	2.8%	2.9%	10.4%	33.5%
Large Cap	Russell 1000	-37.6%	28.4%	16.1%	1.5%	16.4%	4.4%	2.8%	2.7%	10.2%	33.1%
Large Cap Value	Russell 1000 Value	-36.8%	19.7%	15.5%	0.4%	17.5%	4.4%	2.8%	2.5%	10.0%	32.5%
Large Cap	S&P 500	-37.0%	26.5%	15.1%	2.1%	16.0%	4.6%	3.0%	2.5%	10.5%	32.4%
Int'l Developed	MSCI EAFE	-43.4%	31.8%	7.8%	-12.1%	17.3%	3.4%	0.8%	1.5%	5.7%	22.8%
Diversified	Diversified*	-24.5%	24.1%	13.5%	1.3%	12.7%	3.0%	1.1%	1.1%	5.2%	17.6%
High Yield	Barclays US Corporate High Yield	-26.2%	58.2%	15.1%	5.0%	15.8%	2.5%	0.5%	0.5%	3.6%	7.4%
REITS	Wilshire US REIT	-39.2%	28.6%	28.6%	9.2%	17.6%	4.1%	-5.3%	0.6%	-3.0%	1.9%
Govt/Credit	Barclays US Govt/Credit 1-3 Yr	5.0%	3.8%	2.8%	1.6%	1.3%	0.2%	0.1%	-0.1%	0.2%	0.6%
Govt/Credit	Barclays Govt/Credit 1-5 Yr	5.1%	4.6%	4.1%	3.1%	2.2%	0.4%	0.2%	-0.4%	0.1%	0.3%
Interm Govt/Credit	Barclays US Govt/Credit Interm	5.1%	5.2%	5.9%	5.8%	3.9%	0.6%	-0.0%	-0.6%	-0.0%	-0.9%
Interm Core Bonds	Barclays US Agg Interm	4.9%	6.5%	6.1%	6.0%	3.6%	0.6%	-0.2%	-0.6%	-0.1%	-1.0%
Core Bonds	Barclays US Agg Bond	5.2%	5.9%	6.5%	7.8%	4.2%	0.8%	-0.4%	-0.6%	-0.1%	-2.0%
Muni Bonds	Barclays Municipal	-2.5%	12.9%	2.4%	10.7%	6.8%	0.8%	-0.2%	-0.3%	0.3%	-2.6%
Emerging Equities	MSCI EM	-53.3%	78.5%	18.9%	-18.4%	18.2%	4.9%	-1.5%	-1.4%	1.8%	-2.6%
Global Bonds	Citi WGBI	10.9%	2.6%	5.2%	6.4%	1.6%	1.0%	-1.1%	-0.9%	-1.1%	-4.0%
EMD USD	Barclays EM USD Aggregate	-14.7%	34.2%	12.8%	7.0%	17.9%	2.1%	-1.2%	0.3%	1.2%	-4.1%
Long Credit	Barclays US Long Credit	-3.9%	16.8%	10.7%	17.1%	12.7%	2.5%	-1.1%	0.2%	1.5%	-6.6%
Long Govt/Credit	Barclays US Govt/Credit Long	8.4%	1.9%	10.2%	22.5%	8.8%	2.1%	-1.6%	-0.5%	-0.1%	-8.8%
EMD Local	JPM GBI EM Global Diversified	-5.2%	22.0%	15.7%	-1.8%	16.8%	2.7%	-3.6%	-0.5%	-1.5%	-9.0%
Commodities	DJ UBS Commodity	-35.6%	18.9%	16.8%	-13.3%	-1.1%	-1.5%	-0.8%	1.2%	-1.1%	-9.5%
Treasury STRIPS	Barclays US Strips 20+ Yr	59.5%	-36.0%	10.9%	58.5%	3.0%	2.1%	-4.2%	-2.3%	-4.5%	-21.0%

* 35% LC, 10% SC, 12% Intl Equity, 3% Emerging Equity, 25% Core Bonds, 5% HY, 5% Global Bonds, 5% REITS

Source: Morningstar Direct

Louisiana Municipal Police Employees' Retirement System

Total Fund Asset Allocation vs. Policy Targets



Asset Allocation vs. Target

	Current	Policy	Current	Difference*
Large Cap Equity	\$442,805,450	21.0%	25.5%	4.5%
Small Cap Equity	\$212,730,010	9.0%	12.2%	3.2%
Developed International Equity	\$449,627,978	21.0%	25.9%	4.9%
International Small Cap	--	7.0%	--	-7.0%
Emerging Markets Equity	--	7.0%	--	-7.0%
Core Bonds	\$230,118,444	16.5%	13.2%	-3.3%
High Yield	\$81,472,896	3.0%	4.7%	1.7%
Global Asset Allocation	\$77,157,315	--	4.4%	4.4%
Private Equity	\$26,175,955	--	1.5%	1.5%
Hedge Funds	\$50,716,525	5.0%	2.9%	-2.1%
Real Estate	\$164,549,966	10.0%	9.5%	-0.5%
Cash	\$2,676,541	0.5%	0.2%	-0.3%
Total	\$1,738,031,081	100.0%	100.0%	

*Difference between Policy and Current Allocation



Louisiana Municipal Police Employees' Retirement System

Total Fund Performance Detail - Net of Fees

	Market Value (\$)	% of Portfolio	Policy %	1 Mo (%)	Fiscal YTD (%)	YTD (%)	1 Yr (%)	3 Yrs (%)	5 Yrs (%)	10 Yrs (%)	Return (%)	Since
Total Fund Composite	1,738,031,081	100.0	100.0	1.6	11.9	19.2	19.2	9.8	12.9	6.0	5.1	Mar-98
<i>Total Fund Policy Index</i>				1.0	11.1	16.1	16.1	9.2	12.1	6.6	--	Mar-98
<i>Total Fund Allocation Index</i>				1.3	11.6	18.2	18.2	--	--	--	--	Mar-98
Total Equity Composite	1,105,163,439	63.6	65.0	2.2	17.5	29.1	29.1	11.4	17.1	7.0	4.8	Mar-98
<i>MSCI ACWI</i>				1.7	15.8	22.8	22.8	9.7	14.9	7.2	5.1	Mar-98
Total Domestic Equity Composite	655,535,460	37.7	30.0	2.5	17.6	34.6	34.6	15.0	19.2	7.9	5.5	Mar-98
<i>Russell 3000</i>				2.6	17.1	33.6	33.6	16.2	18.7	7.9	6.0	Mar-98
Total Large Cap Equity Composite	442,805,450	25.5	21.0	2.6	16.6	32.4	32.4	15.1	17.7	7.4	5.2	Apr-98
<i>Russell 1000</i>				2.7	16.9	33.1	33.1	16.3	18.6	7.8	5.6	Apr-98
Total Small-Mid Cap Equity Composite	212,730,010	12.2	9.0	2.4	19.8	39.6	39.6	14.7	23.0	9.5	0.7	Apr-98
<i>Russell 2500</i>				2.5	18.5	36.8	36.8	16.3	21.8	9.8	8.5	Apr-98
Total International Equity Composite	449,627,978	25.9	35.0	1.7	17.4	21.8	21.8	7.2	14.6	6.9	4.2	Mar-98
<i>MSCI ACWI ex USA</i>				0.9	15.3	15.3	15.3	5.1	12.8	7.6	--	Mar-98
Total Fixed Income Composite	311,591,340	17.9	19.5	0.1	2.9	1.8	1.8	6.4	10.9	6.4	6.3	Mar-98
<i>Total Fixed Income Policy Index</i>				-0.4	1.2	-0.6	-0.6	4.2	6.6	5.2	5.7	Mar-98
GTAA Composite	77,157,315	4.4	--	0.7	3.5	6.6	6.6	--	--	--	6.7	Jul-12
Total Hedge Funds Composite	50,729,164	2.9	5.0	0.7	6.2	11.5	11.5	5.0	8.2	--	3.5	Jun-07
<i>HFRI Fund of Funds Composite Index</i>				1.2	5.2	8.7	8.7	2.4	4.8	3.4	0.4	Jun-07
Total Real Estate Composite	164,549,966	9.5	10.0	1.1	2.7	9.2	9.2	10.7	3.0	5.7	7.3	Aug-00
<i>NCREIF ODCE</i>				0.0	3.6	10.4	10.4	12.4	3.0	6.8	7.2	Aug-00
Total Private Equity Composite	26,175,955	1.5	--	0.0	3.5	8.7	8.7	--	--	--	9.1	Oct-12
<i>Cambridge Private Equity Index</i>				0.0	4.8	12.8	12.8	12.4	14.3	14.2	13.2	Oct-12
Cash Account	2,663,902	0.2	0.5	0.0	3.8	6.6	6.6	4.7	4.9	4.5	4.4	Mar-98

