

Investment Section



Report on Investment Activity

Prepared by the Washington State Investment Board

OVERVIEW

The Washington State Investment Board (WSIB) manages retirement fund assets to maximize return at a prudent level of risk (Chapter 43.33A.110 RCW). Investment decisions are made within the framework of a Strategic Asset Allocation Policy, and a series of written WSIB-adopted investment policies for the various asset classes in which WSIB invests.

The Retirement Funds, collectively called the Commingled Trust Fund (CTF), increased in value by \$9.6 billion during fiscal 2011 to \$62.3 billion. The CTF return was 21.1 % for the fiscal year.

Established on July 1, 1992, the CTF is a diversified pool of investments that invests in fixed income, public equity, private equity, real estate and tangible assets. Additional general information about the CTF includes:

- **Risk** – The various risks of the CTF portfolio include interest rate risk, credit risk, concentration risk, and foreign currency risk, as described in Note 1 of the Financial Section of this report. The WSIB has not created a total fund risk profile for the CTF.
 - **Leverage** – The WSIB does not leverage the CTF portfolio as a whole. Individual securities within the CTF do have leverage; however, the WSIB does not capture this information on a total basis.
 - **Earnings** – The CTF does not distribute earnings directly to the owner funds. The Retirement Fund plans are allowed to purchase or sell units in the pool, based on the fair value of the underlying assets, on the first business day of each month. The net asset value includes interest and dividend income which is recognized on a trade date basis, and purchases and sales of investments which are recorded on a trade date basis.
 - **Expense** – The CTF's expense ratio for the year ended March 31, 2011 was 0.5337%.
 - **Yield** – The CTF's fixed income portfolio has a yield of 3.64%.
 - **Weighted Average Maturity** – The CTF fixed income portfolio has a weighted average maturity of 6.34 years. Additional maturity information is available in Note 1 of the Financial Section of this report.
- **Participant Concentration** – The DRS Retirement Funds make up 99.8% of the CTF. Their respective concentrations are:
 - PERS 1 (13.1%)
 - PERS 2/3 DB and DC plans (33.8%)
 - SERS 2/3 DB and DC plans (5.9%)
 - PSERS 2 (0.2%)
 - TRS 1 (11.1%)
 - TRS 2/3 DB and DC plans (15.8%)
 - WSPRS 1/2 (1.4%)
 - LEOFF 1 (8.3%)
 - LEOFF 2 (10.2%)
 - Judicial (0.0%)
 - **External Managers** – The WSIB engages approximately 140 partnerships and external managers to assist in the management of the CTF's investments.

PERFORMANCE

The chart below shows the returns for the CTF on a total fund basis, as well as by asset class. Appropriate benchmark returns are provided for comparison purposes.

Periods Ending 6/30/2011

	1 Year	3 Year	5 Year
TOTAL FUND	21.14%	1.90%	4.86%
<i>Passive benchmark</i>	22.69%	4.18%	4.86%
Fixed Income	7.48%	8.65%	8.17%
<i>Barclays Capital Universal Index</i>	4.78%	6.74%	6.61%
Tangible	6.61%	2.13%	n/a
<i>CPI (Lagged One Quarter) + 400 bp</i>	6.70%	5.54%	n/a
Real Estate	14.39%	(6.52)%	2.42%
<i>8% Return Over Rolling 10 Years NCREIF Lagged One Quarter (for comparison purposes)</i>	16.03%	(3.63)%	3.45%
Public Equity	31.00%	1.36%	3.20%
<i>Dow Jones Wilshire Global Index</i>	31.27%	2.23%	4.01%
Private Equity	24.33%	2.10%	7.17%
<i>Russell 3000 (Lagged One Quarter) + 300 bp</i>	20.41%	6.42%	5.95%
Innovation	(15.02)%	n/a	n/a
<i>Custom Benchmark</i>	1.27%	n/a	n/a
Cash	0.18%	0.56%	2.21%
<i>90 Day T-bills</i>	0.16%	0.42%	2.00%

Performance information is compiled by the custodian, JP Morgan. Performance numbers are reported net of management fees, and are prepared using a time-weighted rate of return based on the current market value.

ASSET ALLOCATION

Investment performance is a result of two primary factors: individual asset selection and the allocation of the portfolio among asset classes (e.g. stocks, fixed income, real estate). Studies suggest that more than 90% of investment performance can be explained by asset allocation decision.

Accordingly, the WSIB sets a specific long-term target asset mix and adopts tight ranges around those targets to control the overall risk and return of the

CTF. On a daily basis, the WSIB reviews the asset allocation in relation to the established ranges. The staff shifts assets whenever the allocation range for an asset exceeds the approved range or when cash is needed elsewhere. The WSIB reviews changes to the overall asset mix every three to four years.

The chart below shows the CTF's asset allocation as of June 30, 2011, as well as the long-term target allocations.

Current Asset Allocation and Long-Term Target Allocations

Asset Type	Target Allocation	Actual Allocation
Fixed Income	20.00%	19.55%
Tangible Assets	5.00%	1.15%
Real Estate	13.00%	13.77%
Public Equity	37.00%	36.83%
Private Equity	25.00%	25.09%
Innovation	0.00%	2.04%
Cash	0.00%	1.57%

PUBLIC EQUITY

The public equity program uses a global benchmark, the Dow Jones Global Total Stock Market Index, reflecting the globalization of stock markets. At the beginning of the fiscal year, the public equity portfolio in the CTF was a combination of separate U.S. and non-U.S. components. However, in a world in which American companies like Coca-Cola get most of their revenue from overseas and many so-called foreign companies serve mainly the U.S., distinctions between "U.S. stocks" and "non-U.S. stocks" have become increasingly blurred. The WSIB believes that the future success of the program depends on investment managers finding the most attractive opportunities wherever they are in the world. Therefore, over the course of the past fiscal year, the WSIB restructured the public equity program within the CTF into four components: passive U.S. equity, passive non-U.S. equity, active global equity, and active emerging markets equity.

**Retirement Funds' Ten Largest Public Equity Holdings
As of 6/30/2011**

Exxon Mobil Corp.	1.02%	Pfizer Inc.	0.56%
Apple Inc.	0.81%	IBM Corp.	0.55%
BHP Billiton Ltd.	0.61%	Vodafone Group PLC	0.52%
Microsoft Corp.	0.59%	GlaxoSmithKline PLC	0.52%
Royal Dutch Shell PLC	0.58%	Russian Federation	0.50%

**Retirement Funds' Ten Largest Public Equity Exposures by Country
As of 6/30/2011**

United States	44.12%	Germany	3.04%
United Kingdom	8.47%	Switzerland	2.76%
Japan	8.28%	Australia	2.65%
France	4.56%	Brazil	2.09%
Canada	4.20%	South Korea	1.75%

U.S. EQUITY

The U.S. Equity portfolio is structured to capture the returns of the broad U.S. equity market as measured by the Dow Jones Total Stock Market Index (TSMI). The index is comprised of all U.S. domiciled common equities for which pricing information is readily available, and currently represents approximately 5,000 companies. The portfolio is managed externally using a passive management strategy that tracks the index.

NON-U.S. EQUITY

The non-U.S. equity portfolio is benchmarked to a broad non-U.S. equity benchmark, currently the MSCI All Country World ex U.S. Investable Market Index. Approximately 43% of the Public equity portfolio is invested in non-U.S. markets, 74% of which is invested in developed markets with the remaining portion invested in the emerging markets. Portfolios are managed by external managers employing primarily a passive approach in developed markets and solely active strategies in emerging markets.

GLOBAL EQUITY

The global equity portfolio is benchmarked to a broad global equity benchmark, currently the Dow Jones Global Total Stock Market Index. Approximately 25% of the Public equity portfolio is invested in global equity strategies, which includes U.S. and non-U.S. markets. These strategies are managed by external managers employing active strategies.

FIXED INCOME

The Fixed Income portfolio is internally managed by WSIB staff with Barclays Capital Universal Index as the performance benchmark. The management strategy is primarily one of the sector selection. The portfolio is structured to be over- or under- weighted relative to the benchmark's sectors: primarily treasuries, agencies, credit, mortgage backed securities and asset backed securities. The duration of the portfolio is slightly shorter than that of the Barclays Capital Universal Index.

**Retirement Funds' Fixed Income Sector Distribution
As of 6/30/2011**

<u>Investment Type</u>	<u>Barclays Capital Universal Index</u>	<u>WSIB Fixed Income</u>
Treasury Inflation Protected Securities (TIPS)	0.00%	0.00%
U.S. Treasury	28.46%	17.12%
U.S. Credit	34.99%	57.36%
U.S. Agency	5.41%	0.00%
Pass Through Mortgages	28.79%	9.63%
Commercial Mtge. Backed Securities (CMBS)	2.12%	2.71%
Collateralized Mortgage Obligations (CMO)	0.00%	7.22%
Asset Backed Securities (ABS)	0.23%	1.00%
Cash	0.00%	4.96%

PRIVATE EQUITY

The private equity portfolio, originated in 1981, is primarily invested in partnerships that acquire or create ongoing businesses or operating companies. The WSIB has investments in all stages of the business life cycle, from private start-up technology companies to large multinational public concerns. These are long-term investments, typically 10 to 12 years in life. They are expected to generate investment returns well in excess of public equity securities. At

the portfolio company level, approximately 34% is invested in private equity outside the United States.

REAL ESTATE

The Real Estate portfolio is invested in a diversified group of properties including office buildings, retail facilities, apartments, warehouses and specialty properties. The majority of these investments have been made in partnerships with operating management groups. The WSIB invests in real estate both in the United States and internationally.

TANGIBLE ASSETS

The Board added Tangible Assets to its asset allocation in November 2007, and adopted an investment policy for the new assets class in January 2008. The long-term allocation target is 5%, plus or minus 2%, and the benchmark is the Consumer Price Index (CPI) lagged one quarter plus 400 basis points. The categories of investments in this asset class are agriculture, commodities, infrastructure, natural resource rights and timber. As this is a new asset class, the WSIB is still working towards building to its allocated target.

PORTFOLIO HOLDINGS

A complete list of portfolio holdings is available by contacting:

Washington State Investment Board
2100 Evergreen Park Drive SW
PO Box 40916
Olympia WA 98504-0916
(360) 956-4600

Summary of Investment Policies

The Washington State Investment Board (WSIB) has been authorized by statute as having the investment management responsibility for the pension funds. The WSIB manages retirement fund assets to maximize return at a prudent level of risk (RCW 43.33A.110).

RETIREMENT FUND ASSET ALLOCATION

WSIB establishes asset allocation targets that must be considered at all times when making investment decisions. The asset mix may deviate from the target. Deviations greater than predetermined acceptable levels require rebalancing back to the target. When an asset class exceeds its range, the goal of rebalancing will be to meet the target allocation within consideration of the other remaining asset classes.

Retirement funds are invested in the Commingled Trust Funds (CTF). The CTF's performance benchmark objective is to exceed the return of a policy benchmark consisting of public market indices weighted according to asset allocation targets. The asset allocation for the CTF is formally reviewed every three or four years. WSIB reviews the asset allocation in relation to the established ranges periodically.

PUBLIC MARKETS EQUITY

The Public Markets equity program seeks to:

- Achieve the highest return possible from active management with passive as the default consistent with prudent risk management and the desire for downside protection;
- Maintain liquidity and transparency in public equity, given WSIB's allocation to illiquid markets and investment structures in other strategies and/or asset classes; and
- Provide diversification to the CTF's overall investment program.

The public markets equity portion of the Retirement Funds includes strategies in the U.S., developed international, and emerging markets. Since the U.S. equity markets are generally efficient, the domestic equity portfolio is 100% passively managed. Over time, the domestic equity portfolio should track the return of a broad U.S. market benchmark, the Dow Jones U.S. Total Stock Market Index (TSMI). Non-U.S. markets are generally less efficient than the U.S. market; therefore, more active management will be included in the approach taken with international markets. The weightings of the elements of the developed markets and emerging markets of the international equity program will be similar to the weightings of the MSCI All Country World ex. U.S. IMI Index which serves as the benchmark for the WSIB's entire international program.

FIXED INCOME

The WSIB's fixed income investments are actively managed with the goal of exceeding the return of the Barclays Capital Universal Index over the long term. The major permissible investments include U.S. Treasuries and government agencies, Treasury Inflation Protection Securities (TIPS), mortgage-backed securities, asset-backed securities, and credit bonds, both investment grade in quality and below investment grade.

The portfolio is constrained by policy from investing more than 1% of the portfolio's par holdings in any single issuer with a quality rating below investment grade, and from having a duration (the sensitivity of the portfolio's market value to changes in the level of interest rates) that is more than 20% different than the duration of the Universal Index. In addition, the major sector allocations are limited to the following ranges:

U.S. Treasuries and Government Agencies	10-45%
Credit Bonds	10-60%
Asset-Backed Securities	0-10%
Commercial Mortgage-Backed Securities	0-10%
Mortgage-Backed Securities	5-45%

PRIVATE EQUITY INVESTING

The WSIB can invest in any appropriate private equity investment opportunity which has the potential for returns superior to traditional investment opportunities and which is not prohibited by the WSIB’s policies or by law. As previously indicated, these investment types are divided into venture capital investments, corporate finance (including leveraged, management and employee buyouts), distressed, international and mezzanine investments. Private equity investments are made through limited partnership vehicles.

To meet the return and plan objectives, the private equity portfolio has diversified investments in companies in a variety of stages of growth. The portfolio also includes a broad cross-section of opportunities in different industries and geographic regions.

REAL ESTATE PROGRAM

The WSIB’s real estate program is an externally managed pool of selected partnership investments, intended to provide alternative portfolio characteristics when compared to traditional stock and bond investments. The majority of the WSIB’s partnerships invest in institutional-quality real estate assets that are leased to third parties. The combination of income generated from bond-like lease payments, coupled with the hard asset qualities of real estate, combine to generate returns that are expected to fall between the return expectations for fixed income and equities. The real estate portfolio is managed to deliver risk-adjusted returns that are consistent with the Board’s long term return expectations for the asset class. The WSIB’s real estate partnerships

typically invest in private real estate assets that are held for long term income and appreciation. Many of the WSIB’s investment partnerships do not involve co-investment with other financial entities, thereby providing the WSIB with control provisions related to liquidation, acquisition and ongoing operational decisions for annual capital expenditures.

Volatility within the real estate portfolio is minimized through a combination of factors. First, the majority of the WSIB’s partners own real estate assets in a private investment form which is not subject to public market volatility. Secondly, real estate capital is diversified among a host of partners with varying investment styles. Thirdly, partnership assets are invested in numerous economic regions, including foreign markets, and in various property types. Finally, WSIB partners invest at different points within the properties’ capital structure and life cycle.

The WSIB’s current benchmark for real estate is an 8% return over a rolling ten years. The National Council of Real Estate Investment Fiduciaries (NCREIF) property index lagged one quarter is still used for comparison purposes but is no longer the policy benchmark.

TANGIBLE ASSETS

The WSIB can invest in any tangible asset investment opportunity demonstrating acceptable risk-adjusted returns provided such opportunities are not prohibited by Board policy or by law. The WSIB will seek to establish a prudent and disciplined approach to achieving a well-diversified portfolio of tangible asset investments targeting appropriate risk-adjusted returns for the asset class. Staff will make best efforts to obtain significant co-investment from their investment partners in order to improve alignment of interests.

Staff will prudently seek to diversify the portfolio cognizant of each partner’s strategy and business plan. Investments will not be made solely to achieve product type or geographic diversification.

Schedule of Investment Management Fees and Commissions
For the Year Ended June 30, 2011
(expressed in thousands)

	Fees Paid	Netted Fees*	Total Fees and Expenses	Assets Under Management
Equity Securities:				
Active Equity Manager Emerging Markets	\$ 2,590	\$ —	\$ 2,590	\$ 738,128
Active Equity Manager Global	24,432	—	24,432	6,900,258
Passive Equity Manager Developed Markets	312	—	312	6,514,295
Active Management Innovation Portfolio	769	—	769	230,540
Commingled Funds Emerging Markets	—	10,904	10,904	1,865,962
Commingled Funds Developed Markets	—	556	556	7,566,941
Alternative Investments:				
Private Equity	120,135	—	120,135	15,576,391
Real Estate	34,338	—	34,338	8,577,884
Tangible Assets	6,376	—	6,376	717,043
Cash Management	3,986	—	3,986	1,944,865
Securities Lending	1,090	—	1,090	N/A
Other Fees:				
Consultants and Accounting	1,230	—	1,230	N/A
DCP Management Fees	3,918	—	3,918	N/A
JRA Management Fees	18	—	18	N/A
Legal Fees	300	—	300	N/A
PERS Plan 3 – SELF Management Fees	767	—	767	N/A
Research Services	1,991	—	1,991	N/A
SERS Plan 3 – SELF Management Fees	360	—	360	N/A
TRS Plan 3 – SELF Management Fees	2,108	—	2,108	N/A
WSIB Operating Costs	11,578	—	11,578	N/A
Miscellaneous Fees	144	—	144	N/A
Total Investment Expenses	<u>\$ 216,442</u>	<u>\$ 11,460</u>	<u>\$ 227,902</u>	<u>\$ 50,632,307</u>

*Netted fees are included in the unrealized gains (losses) contained in the net appreciation (depreciation) in the accompanying financial statements.

Schedule of Broker Volume and Equity Commissions Paid

For the Year Ended June 30, 2011 (page 1 of 6)

Dealer	Equity					Fixed Income	
	Volume Transacted	Buy Cost	Proceeds	Commissions	Commissions Per Share	Long-Term Volume Transacted	Short-Term Volume Transacted
ABG SECURITIES	\$ 177,987	\$ 2,227,518	\$ 2,904,815	\$ 7,574	\$ 0.04	\$ -	\$ -
ABN AMRO BANK, NV	6,963,387	5,255,326	17,881,949	39,887	0.01	-	-
ABN AMRO SECURITIES	1,301,919	5,438,239	11,111,941	15,207	0.01	-	-
ADAMS HARKNESS & HILL	36,401	-	1,913,910	1,425	0.04	-	-
ADP CLEARING & OUTSOURCING	20,372,063	422,628,405	219,024,630	172,805	0.01	-	-
ALPHA FINANCE	20,343	511,245	-	1,274	0.06	-	-
ANZ	-	-	-	-	-	116,723,412	-
BANC OF AM SEC LLC	-	-	-	-	-	35,990,678	-
BANCO BILBAO VISCAYA	221,848	-	2,624,290	3,942	0.02	-	-
BANCO BRADESCO, SA	482,764	2,841,473	2,174,350	11,668	0.02	-	-
BANCO ITUA SA	1,890,182	10,344,084	12,078,342	47,400	0.03	-	-
BANCO PACT	372,093	2,577,429	1,946,090	9,048	0.02	-	-
BANCO SANTANDER	1,925,513	16,578,229	5,388,244	31,185	0.02	-	-
BANK OF AMERICA	-	-	-	-	-	588,605,240	-
BANK OF IRELAND	8,779	545,732	-	-	-	-	-
BANK OF NEW YORK SECURITIES	1,269,121	18,776,067	3,321,125	2,678	0.00	-	-
BANQUE NATIONALE DE PARIS	1,771,503	41,822,747	1,103,438	22,362	0.01	-	-
BARCLAYS BANK	91,429	-	2,946,952	5,975	0.07	-	-
BARCLAYS CAPITAL, INC	7,967,139	63,398,819	39,939,090	85,817	0.01	27,522,425	-
BARCLAYS TRUST & BANKING CO	-	-	-	-	-	528,846,844	-
BARNARD JACOBS MELLETT & CO	57,357	952,717	-	1,897	0.03	-	-
BATUCHA SECURITIES	137,623	1,089,763	100,658	1,783	0.01	-	-
BAYERISCHE HYPOVEREINSBANK	89,118	2,943,080	-	1,477	0.02	-	-
BEAR, STEARNS & COMPANY	29,508,448	227,836,539	159,392,018	251,468	0.01	7,760,271	-
BERENDBERG BANK	31,098	1,090,540	323,326	2,022	0.07	-	-
BLAYLOCK INVESTMENTS	509	28,136	-	15	0.03	-	-
BNP PARIBAS	6,336,437	13,651,804	12,720,643	34,574	0.01	-	-
BNP PARIBAS PEREGRINE	36,207	166,316	211,597	185	0.01	-	-
BNP SECURITIES	5,553,028	50,525,719	59,912,561	46,595	0.01	84,799,060	-
BOCI SECURITIES LTD	61,853	26,555	-	263	0.00	-	-
BROCKHOUSE & COOPER	5,672,442	16,464,087	13,169,286	17,950	0.00	-	-
BUNTING WARBURG, INC	780,543	13,393,288	9,388,934	18,396	0.02	-	-
C.S.F.B. RESEARCH	1,684,342	11,517,279	9,786,407	35,498	0.02	-	-
CAIB SECURITIES	41,130	876,263	-	438	0.01	-	-
CALYON SECURITIES	416,348	1,431,328	589,085	1,564	0.00	-	-
CANACCORD CAPITAL CORP	433,653	5,443,062	3,280,474	10,367	0.02	-	-
CANTOR FITZGERALD & COMPANY	1,780,276	6,573,395	25,744,109	44,883	0.03	-	-
CAPP SECURITIES	73,214,825	-	26,637,563	-	-	2,514,043	-
CARNEGIE CORPORATION	855,442	5,213,994	9,139,947	21,440	0.03	-	-

Schedule of Broker Volume and Equity Commissions Paid
For the Year Ended June 30, 2011 (page 2 of 6)

Dealer	Equity					Fixed Income	
	Volume Transacted	Buy Cost	Proceeds	Commissions	Commissions Per Share	Long-Term Volume Transacted	Short-Term Volume Transacted
CHAPDELAINE INST. EQUITIES NY	\$ 481	\$ 21,120	\$ –	\$ 14	\$ 0.03	\$ –	\$ –
CHEVREUX DE VIRIEU	42,917	1,024,738	382,243	1,484	0.03	–	–
CHINA INTERNATIONAL	3,756,499	3,326,316	4,128,610	7,493	0.00	–	–
CI NORDIC SECURITIES	84,086	–	1,091,486	586	0.01	–	–
CIBC WORLD MARKETS CORP	4,000,408	32,814,389	34,767,846	55,840	0.01	–	–
CIC SECURITIES	3,292	–	73,628	80	0.02	–	–
CICC US SECURITIES, INC	538,723	172,318	–	344	0.00	–	–
CITATION GROUP	9,016	2,916,244	–	90	0.01	–	–
CITIBANK	5,352,174	994,995	1,301,430	4,106	0.00	–	–
CITICORP SECURITIES, INC	53,184	996,281	–	893	0.02	–	–
CITIGROUP	71,340,351	252,563,253	266,161,516	487,055	0.01	28,901,131,080	–
CLSA AUSTRALIA PTY LTD	278,954	527,569	–	1,316	0.00	–	–
CLSA SINGAPORE	26,505,390	34,032,243	24,589,074	75,980	0.00	–	–
COLLINS STEWART	82,121	1,163,084	1,069,786	2,183	0.03	–	–
COMMERZBANK, AG	34,135	1,100,724	–	603	0.02	–	–
COWEN & COMPANY	21,396	74,403	431,723	642	0.03	–	–
CREDIT AGRIGOLE	2,082,933	22,558,789	24,256,191	51,546	0.02	–	–
CREDIT LYONNAIS	30,063,178	67,833,458	63,207,740	233,715	0.01	–	–
CREDIT SUISSE FIRST BOSTON	126,720,064	473,078,659	393,270,097	704,554	0.01	44,603,032	–
DAIN RAUSCHER	1,896	75,561	–	80	0.04	7,056,174	–
DAWA SECURITIES GROUP	13,378,440	37,553,046	39,393,901	78,373	0.01	–	–
DAVY STOCKBROKERS	307,542	1,022,345	524,131	2,301	0.01	–	–
DBS SECURITIES	1,834,653	3,572,774	271,574	7,812	0.00	–	–
DEUTSCHE BANK SECURITIES	117,733,024	1,078,969,026	1,734,897,590	781,429	0.01	641,707,236	–
DEXIA BANK	49,884	–	2,177,515	1,988	0.04	–	–
DSP MERRILL LYNCH	465,072	5,364,378	959,298	2,943	0.01	–	–
DUNDEE SECURITIES	3,641	24,396	–	87	0.02	–	–
EDELWEISS SECURITIES	26,481	169,932	–	423	0.02	–	–
ENAM SECURITIES PVT LTD	901,663	838,146	4,744,164	14,009	0.02	–	–
ENS NORTH AMERICA	2,002	119,512	–	179	0.09	–	–
ENSKILDA SECURITIES	756,805	4,009,317	3,605,296	10,584	0.01	–	–
ERSTE BANK DER OESTERREICHISCH	65,316	964,055	1,471,016	3,654	0.06	–	–
ESN NORTH	9,281	545,227	–	817	0.09	–	–
EUROCLEAR	600,623	5,504,896	2,886,576	5,074	0.01	–	–
EUROMOBILIARE	2,173,688	2,265,424	1,755,278	5,568	0.00	–	–
EVOLUTION BEESON GREGORY	506,621	5,276,376	676,663	7,680	0.02	–	–
EXANE BNP PARIBAS	838,172	21,251,473	13,302,296	42,085	0.05	–	–
EXECUTION SERVICES, INC	334,829	1,129,525	1,191,707	2,779	0.01	–	–
FINANCIAL BROKERAGE GROUP (FBG)	470,266	1,500,340	–	5,975	0.01	–	–

Schedule of Broker Volume and Equity Commissions Paid

For the Year Ended June 30, 2011 (page 3 of 6)

Dealer	Equity					Fixed Income	
	Volume	Buy Cost	Proceeds	Commissions	Commissions	Long-Term	Short-Term
	Transacted				Per Share	Volume	Volume
						Transacted	Transacted
FIRST INTERSTATE BANK OKLAHOMA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,190,071	\$ -
FRANK RUSSELL	519	-	-	-	-	-	-
G-TRADE SERVICES	1,907,725	10,561,822	11,964,007	8,499	0.00	-	-
G.K. GOH	3,826,533	3,128,298	1,362,129	5,793	0.00	-	-
GOLDMAN SACHS & COMPANY	82,056,312	426,375,578	631,992,978	688,405	0.01	1,204,087,057	-
GRIFFITHS MCBURNEY	1,182,804	2,693,187	257,934	9,556	0.01	-	-
HANOVER NOMINEES LTD	363,876	5,820,424	55,440	2,349	0.01	-	-
HSBC INVESTMENT BANK, PLC	3,712,269	14,737,120	3,865,034	37,942	0.01	-	-
HSBC SECURITIES, INC	3,157,680	7,591,567	2,199,847	17,601	0.01	869,938,592	-
ICHIYOSHI SECURITIES	5,387	158,657	-	158	0.03	-	-
INDIA INFOLINE LTD	9,387	584,452	-	1,456	0.16	-	-
ING BANK BRAZIL	932,907	3,609,961	7,162,231	18,815	0.02	-	-
INSTINET	174,046,607	698,232,571	639,295,216	749,943	0.00	-	-
INTERACCIONES	13,568	-	198,812	199	0.01	-	-
INTERSTATE SECURITIES	371,195	1,179,825	3,825,845	7,379	0.02	-	-
INVESTEC SECURITIES	589,009	1,526,111	4,704,080	8,586	0.01	-	-
INVESTMENT TECHNOLOGY GROUP INC	18,705,014	151,891,427	108,988,509	113,206	0.01	-	-
ITG INC	24,498,033	87,072,184	91,201,582	102,428	0.00	-	-
J.B. WERE & SON	27,509	-	579,777	871	0.03	-	-
J.P. MORGAN & COMPANY	29,461,156	187,502,700	60,271,237	55,636	0.00	354,160,780	373,353,508
J.P. MORGAN CHASE BANK	-	-	-	-	-	9,976,360	-
J.P. MORGAN SECURITIES, INC	86,220,324	298,085,858	269,157,531	526,241	0.01	567,572,816,745	121,972,674
JANNEY MONTGOMERY SCOTT	5,677	-	3,207	57	0.01	-	-
JEFFERIES & COMPANY	4,708,424	47,037,840	29,762,004	82,452	0.02	1,803,802	-
JONES & ASSOCIATES	3,437,666	1,333,376	98,990,814	191,138	0.06	-	-
JULIUS BAER	99,554	2,886,790	1,031,260	5,709	0.06	-	-
KAS-ASSOCIATES	52,010	-	1,661,813	2,496	0.05	-	-
KB SECURITIES, NV	179,360	-	2,416,444	6,056	0.03	-	-
KBC FINANCE	317,836	147,114	2,612,765	4,205	0.01	-	-
KEEFE, BRUYETTE & WOODS INC	984,228	6,091,951	4,217,684	13,539	0.01	-	-
KEPLER EQUITIES	163,230	3,482,251	4,848,901	11,695	0.07	-	-
KINGSTON SECURITIES LIMITED	1,105,654	500,173	-	4,947	0.00	-	-
KNIGHT EQUITY MRKTS INTERNATIONAL	88,199	1,823,539	-	2,066	0.02	-	-
KNIGHT SECURITIES	16,465,552	30,185,622	53,031,980	91,974	0.01	-	-
KOTAK SECURITIES	303,086	721,536	3,683,115	10,779	0.04	-	-
LAZARD ASSET MANAGEMENT	824	34,382	-	69	0.08	-	-
LAZARD BROTHERS CAPITAL MKTS	8,057	-	540,835	157	0.02	-	-
LE GUAY MASSONAU	39,597	-	2,455,270	982	0.02	-	-
LEERINK SWANN & COMPANY	719	31,273	-	22	0.03	-	-
LIQUIDNET	6,434,238	31,898,590	14,801,571	31,032	0.00	-	-

Schedule of Broker Volume and Equity Commissions Paid
For the Year Ended June 30, 2011 (page 4 of 6)

Dealer	Equity					Fixed Income	
	Volume	Buy Cost	Proceeds	Commissions	Commissions	Long-Term	Short-Term
	Transacted				Per Share	Volume	Volume
						Transacted	Transacted
LOOP CAPITAL	\$ 839,358	\$ 15,590,852	\$ 10,558,707	\$ 10,459	\$ 0.01	\$ -	\$ -
LYNCH JONES & RYAN	93,498	2,489,288	-	3,740	0.04	-	-
M.M. WARBURG & COMPANY	12,829	-	1,188,365	951	0.07	-	-
MACQUARIE EQUITIES	74,354,856	135,684,548	172,802,129	347,844	0.00	-	-
MAN FINANCIAL	8,207	2,080,416	-	2,494	0.30	-	-
MEDIOBANCA SPA MIALANO	517,173	-	1,384,228	2,079	0.00	-	-
MELLON BANK	14,898	223,824	-	-	-	-	-
MERRILL LYNCH INTERNATIONAL	23,798,698	121,620,628	81,089,110	231,011	0.01	-	-
MERRILL LYNCH PIERCE	73,700,688	288,504,444	157,331,172	448,504	0.01	-	-
MESIROW AND COMPANY	-	-	-	-	-	2,252,950	-
MF GLOBAL FXA SECURITIES LTD	143,061	364,698	811,985	1,177	0.01	-	-
MITSUBISHI BANK	227,361	2,732,764	227,307	4,439	0.02	-	-
MITSUBISHI UJF SECURITIES	952,244	1,548,241	-	619	0.00	10,886,700	-
MIZUHO SECURITIES	992,305	16,638,078	4,610,054	20,763	0.02	2,779,414	-
MORGAN STANLEY & COMPANY	21,647,244	336,926,645	140,116,490	151,152	0.01	220,904,893	-
MOTILAL OSWAL SECURITIES, LTD	30,551	-	281,457	706	0.02	-	-
MS & COMPANY INC	192,526,370	1,021,677,504	944,225,809	993,388	0.01	-	-
MURPHY & DURIEM	5,387	367,465	-	32	0.01	-	-
NATEXIS BLEICHROEDER	30,395	1,942,699	-	2,910	0.10	-	-
NATIONAL FINANCIAL	1,067,649	8,182,630	1,283,563	10,670	0.01	-	-
NBC LEVESQUE	529,669	12,113,812	5,115,391	18,409	0.03	-	-
NCB STOCKBROKERS	7,507	-	7,363	15	0.00	-	-
NESBITT BURNS	1,579,178	6,504,722	8,712,787	21,771	0.01	-	-
NOMURA AGENCY PLC	92,267	-	1,022,078	2,565	0.03	-	-
NOMURA FINANCIAL ADVISORY	23,202	-	246,506	619	0.03	-	-
NOMURA INTERNATIONAL TRUST CO	7,480,976	32,859,456	26,239,591	36,034	0.00	798,109	-
NOMURA SECURITIES INTL	22,630,619	54,140,490	145,576,091	175,831	0.01	23,620,102	-
NORDEA BANK	2,494	115,811	-	173	0.07	-	-
NORTHERN TRUST COMPANY	114,218	2,115,889	201,684	-	-	-	-
NUMIS SECURITIES	3,935,881	12,734,674	8,495,036	30,093	0.01	-	-
NZB NEUE ZURCHER BANK	1,278	483,401	-	724	0.57	-	-
ODDO DESACHE' PARIS	1,062,947	2,207,856	3,588,981	8,689	0.01	-	-
OLIVETREE SECURITIES LIMITED	4,614	287,239	-	430	0.09	-	-
OPPENHEIMER & COMPANY	170,288	1,555,673	2,918,443	3,521	0.02	-	-
PANMURE GORDON	134,790	509,462	-	759	0.01	-	-
PAREL PARIS	46,582	1,496,182	222,280	859	0.02	-	-
PARETO FUNDS & SECURITIES, LTD	277,619	6,102,146	-	9,748	0.04	-	-
PATRIA FINANCE	139,787	1,055,170	289,414	2,686	0.02	-	-
PENSERRA SECURITIES, LLC	3,249,628	56,233,394	43,402,059	39,852	0.01	-	-
PENSON FINANCIAL SERVICES, INC	884,427	6,586,596	5,531,584	22,561	0.03	-	-

Schedule of Broker Volume and Equity Commissions Paid
For the Year Ended June 30, 2011 (page 5 of 6)

Dealer	Equity					Fixed Income	
	Volume Transacted	Buy Cost	Proceeds	Commissions	Commissions Per Share	Long-Term Volume Transacted	Short-Term Volume Transacted
PERSHING & COMPANY	\$ 4,946,863	\$ 42,719,131	\$ 19,673,546	\$ 97,951	\$ 0.02	\$ 16,852,495	\$ -
PETERCAM AMSTERDAM	40,567	962,815	188,369	1,725	0.04	-	-
PETERS & COMPANY	640,216	8,635,244	509,029	5,626	0.01	-	-
PIPER JAFFRAY INC	8,256	-	2,074,513	413	0.05	-	-
PRINCETON SECURITIES	5,687	136,795	60,633	40	0.01	-	-
RABOBANK NETHERLAND	19,401	404,502	-	485	0.02	-	-
RAIFFEISEN ZENTRALBANK	36,208	-	824,081	825	0.02	-	-
RAYMOND JAMES & ASSOCIATES	97,015	423,234	1,132,229	3,075	0.03	-	-
RBC DAIN RAUSCHER	3,992	94,700	-	120	0.03	-	-
RBC DOMINION SECURITIES	1,734,931	17,692,164	10,733,832	43,068	0.02	12,470	-
RBS SECURITIES INC	2,782,430	19,467,838	14,719,655	38,178	0.01	14,964,540	-
REDBURN PARTNERS	1,692,559	13,965,863	19,453,547	47,644	0.03	-	-
ROYAL BANK OF CANADA	-	-	-	-	-	199,527,200	-
ROYAL BANK OF SCOTLAND	8,737	-	259,133	389	0.04	84,799,060	-
ROYAL TRUST CO OF CANADA	346,307	176,129	2,831,082	7,531	0.02	-	-
RUSSELL FRANK	-	-	-	-	-	5,910	-
SALOMON BROTHERS	562,925	8,352,427	1,427,662	5,472	0.01	-	-
SALOMON, SMITH BARNEY	2,059,449	2,948,033	2,703,383	9,712	0.00	-	-
SAMSUNG SECURITIES CO LTD	2,165	59,899	-	120	0.06	-	-
SANFORD BERNSTEIN	20,973,870	147,882,100	118,549,575	155,427	0.01	-	-
SANTANDER CENT HISPANO	104,145	67,075	4,332,849	6,078	0.06	-	-
SANTANDER INVESTMENT SECURITIES	84,362	-	3,027,176	3,374	0.04	36,187,251	-
SCOTIA CAPITAL MARKET	121,789	3,872,369	-	4,652	0.04	-	-
SCOTIA MCLEOD	351,354	10,722,522	3,193,286	10,106	0.03	-	-
SEYMOUR PIERCE BUTTERFIELD	33,022	113,773	-	227	0.01	-	-
SG COWEN SECURITIES CORP	38,084,265	61,183,835	51,200,726	71,471	0.00	-	-
SHENYIN WANGUO SECURITIES	56,865	256,185	-	511	0.01	-	-
SINOPAC SECURITIES	286,064	-	457,577	413	0.00	-	-
SIS SEGAINTERSETTLE AG	102,943	1,871,167	2,218,659	4,936	0.05	-	-
SKANDINAVISKA ENSKILDA	2,494	115,811	-	173	0.07	-	-
SOCIETE GENERALE SECURITIES	14,117,298	107,776,220	114,355,016	137,843	0.01	-	-
SPEAR, LEEDS & KELLOG	19,915	132,308	992,621	299	0.02	-	-
SPROTT SECURITIES LTD	858,550	3,584,146	-	11,269	0.01	-	-
SS KANTILAL	10,025	300,281	-	748	0.07	-	-
STANDARD CHARTERED BANK	5,145,978	6,360,059	2,428,127	13,225	0.00	-	-
STATE STREET BANK & TRUST	10,428,450	98,915,642	47,277,095	2,578	0.00	-	-
STIFEL NICOLAUS & COMPANY	86,156	377,322	2,413,444	2,836	0.03	-	-

Schedule of Broker Volume and Equity Commissions Paid
For the Year Ended June 30, 2011 (page 6 of 6)

Dealer	Equity					Fixed Income	
	Volume Transacted	Buy Cost	Proceeds	Commissions	Commissions Per Share	Long-Term Volume Transacted	Short-Term Volume Transacted
STRATING EFFECTEN & COMPANY	\$ 1,209,290	\$ -	\$ 7,547,064	\$ 3,020	\$0.00	\$ -	\$ -
SUSQUEHANNA FINANCIAL GROUP	4,276	117,827	-	128	0.03	-	-
SVENSKA HANDELSBANKEN	626,605	6,829,773	5,768,870	18,896	0.03	-	-
SWEDBANK STOCKHOLM	235,885	184,350	1,789,842	2,965	0.01	-	-
TAYLOR, D.W. & COMPANY	2,383,315	39,082,443	32,982,823	28,825	0.01	-	-
TERA MENKUL DEGERLER	2,327,124	248,063	7,830,423	16,187	0.01	-	-
THINK EQUITY	50,180	-	1,131,290	2,509	0.05	-	-
TORONTO DOMINION SECURITIES, INC	263,213	3,465,493	6,926,268	7,928	0.03	-	-
UBS SECURITIES	177,027,715	719,281,526	737,177,869	761,698	0.00	7,988,105,200	-
UBS-DB CORPORATION	217,389	828,776	4,973,666	6,712	0.03	-	-
UNICREDIT BANK AUSTRIA AG	3,577	305,397	-	1,518	0.42	-	-
UNPUBLISHED EUROCLEAR	615,082	28,923	4,876,446	5,142	0.01	99,764	-
VALCOURT	16,361	-	517,626	778	0.05	-	-
VALORES FINAMEX INT.	102,158	-	331,109	331	0.00	-	-
VONTOBEL	16,882	-	2,011,833	2,950	0.17	-	-
WACHOVIA BANK	-	-	-	-	-	1,170,258	-
WARBURG DILLON READ, LLC	425,226	28,920,543	-	25,514	0.06	-	-
WARBURG SECURITIES	729,642	4,723,477	5,777,986	11,180	0.02	-	-
WEEDEN & COMPANY	2,367,201	31,600,514	18,073,473	19,868	0.01	-	-
WELLS FARGO BANK	3,833	-	177,495	115	0.03	-	-
WILSHIRE ASSOCIATES	74,535	-	1,549,212	620	0.01	-	-
WOOD & COMPANY	52,522	-	678,701	2,042	0.04	-	-
WOORI INVESTMENTS	13,021	2,323,428	-	4,638	0.36	-	-
YUANTA SECURITIES	31,924	40,311	-	40	0.00	-	-
Total	\$1,776,457,028	\$8,595,676,819	\$8,369,122,506	\$10,586,285	\$0.01	\$609,607,199,218	\$495,326,182

Summary of Investments Owned As of June 30, 2011
Pension Trust Funds (page 1 of 7)
(expressed in thousands)

<u>Description</u>	<u>Rate</u>	<u>Maturity</u>	<u>Market Value</u>	<u>% of Total Market Value</u>
ASSET BACKED SECURITIES				
CITIBANK CREDIT CARD ISSUANCE	1.737%	5/15/2014	\$ 50,520	0.07%
CHASE ISSUANCE TRUST	1.737%	4/15/2014	50,481	0.07%
NISSAN MASTER OWNER TRUST RECEIVABLES	1.337%	1/15/2015	20,167	0.03%
FNMA 95-W1 A7	8.200%	4/25/2025	61	—
TOTAL ASSET BACKED SECURITIES			121,229	0.17%
RESIDENTIAL MORTGAGE-BACKED SECURITIES				
FNMA TBA SF 4.50 30 YRS JULY	4.500%	7/25/2040	138,297	0.20%
FNMA	5.000%	12/1/2099	124,016	0.17%
FANNIE MAE	6.000%	6/25/2035	79,480	0.11%
FREDDIE MAC	4.000%	12/1/2040	68,405	0.10%
FNMA TBA JUL 30 SINGLE FAMILY	5.500%	12/1/2099	65,799	0.09%
FREDDIE MAC	6.000%	7/15/2035	42,765	0.06%
FNMA FHR 2003-70 BH	4.500%	10/25/2031	42,047	0.06%
FANNIE MAE	6.000%	1/1/2023	41,855	0.06%
FHLMC 2006 3177 KD	6.000%	6/15/2035	41,254	0.06%
Other			1,722,086	2.42%
TOTAL RESIDENTIAL MORTGAGE-BACKED SECURITIES			2,366,004	3.33%
COMMERCIAL MORTGAGE-BACKED SECURITIES				
CITIGROUP/DEUTSCHE BANK COMMERCIAL MORTGAGE	5.524%	1/15/2046	53,942	0.08%
MORGAN STANLEY CAPITAL I	5.417%	3/12/2016	43,543	0.06%
GS MORTGAGE SECURITIES CORP	5.553%	4/10/2038	43,390	0.06%
BEAR STEARNS COMMERCIAL MORTGAGE	5.540%	9/11/2041	38,308	0.05%
CITIGROUP COMMERCIAL MORTGAGE	5.431%	10/15/2049	32,632	0.05%
CSFB 2002-CKP1 A3	6.439%	12/15/2035	22,860	0.03%
BACM 2002-2 A3	5.118%	7/11/2043	22,584	0.03%
FUNB COMMERCIAL 2002 -C1 A2	6.141%	2/12/2034	20,582	0.03%
FNGT 2002-T3 B	5.763%	12/25/2011	20,384	0.03%
Other			29,059	0.04%
TOTAL COMMERCIAL MORTGAGE-BACKED SECURITIES			327,284	0.46%
CORPORATE BONDS - DOMESTIC DOLLAR DENOMINATED				
ANHEUSER-BUSCH INBEV WORLDWIDE	6.875%	11/15/2019	60,359	0.09%
DIAMOND OFFSHORE DRILLING INC	4.875%	7/1/2015	54,152	0.08%
CHESAPEAKE ENERGY CORP	6.500%	8/15/2017	52,749	0.07%
JPMORGAN CHASE & CO	0.997%	5/2/2014	49,896	0.07%
RELIANCE HOLDINGS USA	4.500%	10/19/2020	49,401	0.07%
TTX CO	4.900%	3/1/2015	42,719	0.06%
UNION PACIFIC RR CO	5.866%	7/2/2030	42,693	0.06%
NORFOLK SOUTHERN CORP	7.700%	5/15/2017	40,017	0.06%
GOLDMAN SACHS GROUP	5.750%	10/1/2016	38,290	0.05%
Other			904,888	1.27%
TOTAL CORPORATE BONDS - DOMESTIC DOLLAR DENOMINATED			1,335,164	1.88%

Summary of Investments Owned As of June 30, 2011
Pension Trust Funds (page 2 of 7)
(expressed in thousands)

Description	Rate	Maturity	Market Value	% of Total Market Value
CORPORATE BONDS - DOMESTIC NON DOLLAR DENOMINATED				
ANHEUSER-BUSCH INBEV WORLDWIDE	9.750%	11/17/2015	\$ 27,055	0.04%
TOTAL CORPORATE BONDS - DOMESTIC NON DOLLAR DENOMINATED			27,055	0.04%
CORPORATE BONDS - FOREIGN NON DOLLAR DENOMINATED				
AMBEV INTERNATIONAL FINANCE CO	9.500%	7/24/2017	39,178	0.05%
AMERICA MOVIL SA DE CV	8.460%	12/18/2036	32,478	0.05%
CIA DE ELE DO E DA BAHIA	11.750%	4/27/2016	27,395	0.04%
ITAU UNIBANCO HLDG S/AVY	10.500%	11/23/2015	27,051	0.04%
COLUMBIA ENERGY COMPANY	8.750%	1/25/2021	16,945	0.02%
TOTAL CORPORATE BONDS - FOREIGN NON DOLLAR DENOMINATED			143,047	0.20%
CORPORATE BONDS - FOREIGN DOLLAR DENOMINATED				
INVERSIONES CMPC	6.125%	11/5/2019	68,817	0.10%
CANADIAN OIL SANDS	7.750%	5/15/2019	61,128	0.09%
FIBRIA OVERSEAS FINANCE	7.500%	5/4/2020	59,741	0.08%
ECOPETROL SA 7.625% NTS	7.625%	7/23/2019	59,732	0.08%
GTL TRADE FINANCE INC	7.250%	10/20/2017	55,867	0.08%
BFF INTERNATIONAL LTD	7.250%	1/28/2020	54,567	0.08%
ENCANA CORP	5.900%	12/1/2017	54,213	0.08%
WOODSIDE FINANCE LTD	8.750%	3/1/2019	50,429	0.07%
BANK OF CHINA HONG KONG	5.550%	2/11/2020	50,428	0.07%
Other			3,036,853	4.27%
TOTAL CORPORATE BONDS - FOREIGN DOLLAR DENOMINATED			3,551,775	5.00%
US GOVERNMENT TREASURIES				
US TREASURY N/B	0.625%	6/30/2012	450,665	0.63%
US TREASURY N/B	1.250%	8/31/2015	337,657	0.48%
US TREASURY N/B	1.000%	7/15/2013	287,355	0.41%
US TREASURY N/B	2.625%	8/15/2020	193,131	0.27%
US TREASURY N/B	0.750%	11/30/2011	155,045	0.22%
US TREASURY N/B	1.500%	12/31/2013	127,391	0.18%
US TREASURY N/B	0.875%	2/29/2012	100,240	0.14%
US TREASURY N/B	1.000%	12/31/2011	100,194	0.14%
US TREASURY N/B	0.625%	4/30/2013	100,105	0.14%
Other			221,064	0.31%
TOTAL US GOVERNMENT TREASURIES			2,072,847	2.92%

Summary of Investments Owned As of June 30, 2011
Pension Trust Funds (page 3 of 7)
(expressed in thousands)

Description	Rate	Maturity	Market Value	% of Total Market Value
FOREIGN GOVERNMENT AND AGENCIES - DOLLAR DENOMINATED				
PETROBRAS INTERNATIONAL FINANCE CO	6.125%	10/6/2016	\$ 55,576	0.08%
PETROBRAS INTERNATIONAL FINANCE CO	5.875%	3/1/2018	53,766	0.08%
DUBAI PORTS WORLD	6.850%	7/2/2037	47,636	0.07%
REPUBLIC OF KOREA	5.125%	12/7/2016	39,083	0.05%
BANCO DO BRASIL (CAYMAN)	6.000%	1/22/2020	38,379	0.05%
DUBAI PORTS WORLD	6.250%	7/2/2017	37,037	0.05%
RAS LAFFAN LNG III	6.332%	9/30/2027	36,745	0.05%
MAJAPAHIT HOLDING BV	8.000%	8/7/2019	35,390	0.05%
PETRO CO TRINIDAD/TOBAGO LTD	6.000%	5/8/2022	34,428	0.05%
Other			630,016	0.89%
TOTAL FOREIGN GOVERNMENT AND AGENCIES - DOLLAR DENOMINATED			1,008,056	1.42%
SUPRANATIONAL - DOLLAR DENOMINATED				
INTERNATIONAL FINANCE CORP	2.250%	4/11/2016	30,587	0.04%
TOTAL SUPRANATIONAL - DOLLAR DENOMINATED			30,587	0.04%
FOREIGN GOVERNMENT AND AGENCIES - NON DOLLAR DENOMINATED				
NEW S WALES TREASURY CORP	5.500%	3/1/2017	108,129	0.15%
FEDERATIVE REPUBLIC OF BRAZIL	10.250%	1/10/2028	87,106	0.12%
QUEENSLAND TREASURY CORP	6.000%	9/14/2017	55,435	0.08%
REPUBLIC OF PHILIPPINES	6.250%	1/14/2036	36,721	0.05%
INDONESIA GOVERNMENT	11.000%	11/15/2020	28,659	0.04%
EXPORT-IMPORT BK KOREA	6.600%	11/4/2013	25,494	0.04%
EXPORT-IMPORT BK KOREA	5.100%	10/29/2013	24,689	0.03%
INDONESIA GOVERNMENT	11.500%	9/15/2019	21,717	0.03%
FEDERATIVE REPUBLIC OF BRAZIL	12.500%	1/5/2016	13,546	0.02%
Other			36,177	0.05%
TOTAL FOREIGN GOVERNMENT AND AGENCIES - NON DOLLAR DENOMINATED			437,673	0.61%
SUPRANATIONAL - NON DOLLAR DENOMINATED				
INTERNATIONAL BANK OF RECONSTRUCTION & DEVELOPMENT	5.750%	10/21/2019	52,949	0.07%
INTERNATIONAL BANK OF RECONSTRUCTION & DEVELOPMENT	13.625%	5/9/2017	48,256	0.07%
INTERNATIONAL FINANCE CORP	5.750%	6/24/2014	43,335	0.06%
INTER-AMERICAN DEVELOPMENT BANK	6.500%	8/20/2019	33,187	0.04%
ASIAN DEVELOPMENT BANK	6.000%	1/20/2015	27,266	0.04%
INTERNATIONAL BANK OF RECONSTRUCTION & DEVELOPMENT	6.000%	2/15/2017	27,257	0.04%
INTERNATIONAL BANK OF RECONSTRUCTION & DEVELOPMENT	5.750%	2/17/2015	27,047	0.04%
INTER-AMERICAN DEVELOPMENT BANK	4.750%	1/10/2014	22,179	0.03%
INTER-AMERICAN DEVELOPMENT BANK	9.500%	1/6/2014	13,023	0.02%
Other			21,791	0.03%
TOTAL SUPRANATIONAL - NON DOLLAR DENOMINATED			316,290	0.44%

Summary of Investments Owned As of June 30, 2011
Pension Trust Funds (page 4 of 7)
(expresses in thousands)

Description	Market Value	% of Total Market Value
CORPORATE STOCK - DOMESTIC DOLLAR DENOMINATED		
PHILIP MORRIS INTERNATIONAL	\$ 66,130	0.09%
THERMO ELECTRON CORP	51,938	0.07%
QUEST DIAGNOSTICS INC	49,720	0.07%
ELI LILLY & CO COM	47,571	0.07%
NEWMONT MNG CORP	46,384	0.07%
YUM BRANDS INC	46,189	0.07%
PFIZER INC	44,533	0.06%
ORACLE SYSTEMS CORP	44,303	0.06%
CAMECO CORP	40,497	0.06%
Other	2,047,835	2.88%
TOTAL CORPORATE STOCK - DOMESTIC DOLLAR DENOMINATED	2,485,100	3.50%
CORPORATE STOCK - DOMESTIC NON DOLLAR DENOMINATED		
SYNTHES INC	5,606	0.01%
SWISHER HYGIENE INC NPV	402	-
TOTAL CORPORATE STOCK - DOMESTIC NON DOLLAR DENOMINATED	6,008	0.01%
CORPORATE STOCK - FOREIGN NON DOLLAR DENOMINATED		
VODAFONE GROUP	134,700	0.19%
NOVARTIS AG	134,505	0.19%
NESTLE SA	129,872	0.18%
GLAXOSMITHKLINE	115,453	0.16%
SANOFI SYNTHELABO	99,318	0.14%
ROCHE HOLDINGS AG	91,595	0.13%
BP AMOCO	90,143	0.13%
HSBC HOLDINGS	89,769	0.13%
TOTAL SA	87,911	0.12%
Other	10,109,185	14.22%
TOTAL CORPORATE STOCK - FOREIGN NON DOLLAR DENOMINATED	11,082,451	15.59%
CORPORATE STOCK - FOREIGN DOLLAR DENOMINATED		
TENARIS S.A. ADR EACH REP 2 CO	46,064	0.07%
BANCO BRADESCO SA	43,352	0.06%
BARRICK GOLD CORP COM	42,176	0.06%
ACCENTURE PLC CLS'A'USD0.00002	38,974	0.05%
PETROLEO BRASILEIRO SA PETRO	36,354	0.05%
TE CONNECTIVITY LT COM CHF1.37	35,510	0.05%
COVIDIEN PUBLIC LTD CO PLC	33,896	0.05%
TAIWAN SEMICONDUCTOR MFG CO LTD	32,733	0.05%
VALE SA ADR REPR 1 PREF SHS NP	31,684	0.04%
Other	468,629	0.66%
TOTAL CORPORATE STOCK - FOREIGN DOLLAR DENOMINATED	809,372	1.14%

Summary of Investments Owned As of June 30, 2011
Pension Trust Funds (page 5 of 7)
(expressed in thousands)

Description	Market Value	% of Total Market Value
COMMINGLED INDEX FUNDS - DOMESTIC		
BTC US EQUITY MARKET FUND	\$ 7,566,774	10.65%
TOTAL COMMINGLED INDEX FUNDS - DOMESTIC	7,566,774	10.65%
COMMINGLED INDEX FUNDS - FOREIGN		
GMO TRUST	577,979	0.81%
EMERGING MARKETS GROWTH FUND I	496,042	0.70%
LAZARD FRERES CAPITAL MANAGEMENT	400,592	0.56%
JPMCB EMERGING MARKETS EQUITY	374,133	0.53%
GMO EMERGING MARKETS ILLIQUID	17,178	0.02%
EUROPE ALPHA TILTS FD	14	-
TOTAL COMMINGLED INDEX FUNDS - FOREIGN	1,865,938	2.62%
CASH AND MONEY MARKET		
BLACKROCK TEMPORARY CASH FUND (21)	1,891,650	2.66%
United States Dollar	14,923	0.02%
JPM EOD SHORT TERM INVESTMENT FUND	5,466	0.01%
Other	1	-
TOTAL CASH AND MONEY MARKET	1,912,040	2.69%
PRIVATE EQUITY		
KKR MILLENNIUM FUND	1,314,386	1.85%
KKR 2006 FUND	1,225,403	1.73%
WARBURG PINCUS PRIVATE EQ IX	663,518	0.93%
WARBURG PINCUS X, LP	568,234	0.80%
TPG PARTNERS V	434,719	0.61%
KKR EUROPEAN FUND II, LP	375,372	0.53%
KKR ASIA FUND, LP	369,455	0.52%
BLACKSTONE CAPITAL PARTNERS V	341,946	0.48%
TPG PARTNERS VI	325,120	0.46%
Other	9,957,924	14.01%
TOTAL PRIVATE EQUITY	15,576,077	21.92%
REAL ESTATE		
PRINCIPAL ENTERPRISE CAPITAL HOLDINGS	1,251,237	1.76%
FILLMORE STRATEGIC INVESTORS LLC.	1,229,029	1.73%
HOMETOWN AMERICA LLC	1,011,436	1.42%
EVERGREEN REAL ESTATE PARTNERS	858,156	1.21%
CORPORATE PROPERTIES OF AMERICAS LLC	540,347	0.76%
LONE STAR FUND VI, LP	457,310	0.64%
TERRAMAR RETAIL CENTER	371,077	0.52%
UNION SQUARE LP	281,374	0.40%
LONE STAR FUND V (U.S.), LP	272,012	0.38%
Other	2,305,733	3.25%
TOTAL REAL ESTATE	8,577,711	12.07%

Summary of Investments Owned As of June 30, 2011
Pension Trust Funds (page 6 of 7)
(expresses in thousands)

Description	Market Value	% of Total Market Value
TANGIBLE ASSETS		
HAWTHORNE TIMBER LLC	\$ 235,289	0.33%
ALINDA INFRASTRUCTURE FUND II	159,713	0.23%
ALINDA INFRASTRUCTURE FUND 1	129,781	0.18%
HIGHSTAR CAPITAL III	96,181	0.14%
SHERIDAN PRODUCTION PARTNERS I, LP	88,255	0.12%
SHERIDAN PRODUCTION PARTNERS II-B	7,810	0.01%
TOTAL TANGIBLE ASSETS	717,029	1.01%
FOREIGN CURRENCY		
JAPAN-YEN	12,225	0.02%
E.M.U.-EURO	8,688	0.01%
CANADA-DOLLAR	3,052	0.01%
NORWAY-KRONE	1,220	-
EGYPT-POUND	1,209	-
SWEDEN-KRONA	1,117	-
HONG KONG-DOLLAR	1,082	-
TAIWAN-DOLLAR	1,045	-
TURKEY-LIRA	724	-
Other	2,648	0.01%
TOTAL FOREIGN CURRENCY	33,010	0.05%
SECURITIES LENDING PORTFOLIO		
COLLATERAL HELD UNDER SECURITIES LENDING AGREEMENTS	2,712,461	3.82%
TOTAL SECURITIES LENDING PORTFOLIO	2,712,461	3.82%
GUARANTEED INVESTMENT CONTRACTS		
SAVINGS POOL	1,018,374	1.43%
TOTAL GUARANTEED INVESTMENT CONTRACTS	1,018,374	1.43%
LIFE ANNUITY		
GE CAPITAL ASSURANCE	5	-
TOTAL LIFE ANNUITY	5	-
MONEY MARKET FUNDS (IN DEFINED CONTRIBUTION PLANS)		
WASHINGTON STATE MONEY MARKET FUND	489,930	0.69%
WSIB SHORT TERM INVESTMENT FUND	171	-
TOTAL MONEY MARKET FUNDS (IN DEFINED CONTRIBUTION PLANS)	490,101	0.69%

Summary of Investments Owned As of June 30, 2011
Pension Trust Funds (page 7 of 7)
(expressed in thousands)

Description	Market Value	% of Total Market Value
MUTUAL FUNDS (IN DEFINED CONTRIBUTION PLANS)		
US STOCK MARKET INDEX	\$ 641,385	0.90%
US LARGE STOCK INDEX	444,334	0.63%
US SMALL STOCK INDEX	489,194	0.69%
INTERNATIONAL STOCK INDEX FUND	423,574	0.60%
GROWTH COMPANY FUND	368,145	0.52%
US ACTIVE VALUE FUND	300,997	0.42%
US ACTIVE CORE FUND	239,482	0.34%
RETIREMENT STRATEGY 2015	225,590	0.32%
RETIREMENT STRATEGY 2030	80,978	0.11%
Other	706,706	0.99%
TOTAL MUTUAL FUNDS (IN DEFINED CONTRIBUTION PLANS)	3,920,385	5.52%
BOND FUNDS		
WASHINGTON STATE BOND FUND	557,517	0.78%
TOTAL BOND FUNDS	557,517	0.78%
TOTAL INVESTMENTS	\$ 71,067,364	100.00%