

Municipal Employees' Annuity &  
Benefit Fund of Chicago

Performance Update (Net of Fees)

Ending December 31, 2014

	3 Mo	1 Yr	3 Yrs	5 Yrs	10 Yrs	2014	2013	2012	2011	2010
<b>Total Fund Composite</b>	<b>1.5</b>	<b>4.7</b>	<b>11.1</b>	<b>9.4</b>	<b>5.6</b>	<b>4.7</b>	<b>16.1</b>	<b>12.8</b>	<b>0.1</b>	<b>14.2</b>
<i>Proposed Policy Benchmark</i>	1.3	5.4	10.3	8.6	5.3	5.4	14.3	11.4	-0.4	12.7
<i>Actuarial Rate</i>	1.8	7.5	7.5	7.7	7.8	7.5	7.5	7.5	8.0	8.0
<b>Fixed Income Composite</b>	<b>1.0</b>	<b>4.3</b>	<b>3.9</b>	<b>5.3</b>	<b>4.4</b>	<b>4.3</b>	<b>0.4</b>	<b>7.0</b>	<b>6.7</b>	<b>8.0</b>
<i>Barclays Aggregate</i>	1.8	6.0	2.7	4.4	4.7	6.0	-2.0	4.2	7.8	6.5
<b>U.S. Equity Composite</b>	<b>4.9</b>	<b>8.6</b>	<b>19.0</b>	<b>15.3</b>	<b>7.7</b>	<b>8.6</b>	<b>33.6</b>	<b>16.2</b>	<b>0.4</b>	<b>20.5</b>
<i>Wilshire 5000 Total Market</i>	5.2	12.7	20.3	15.5	8.0	12.7	33.1	16.1	1.0	17.2
<b>International Equity Composite</b>	<b>-2.8</b>	<b>-2.9</b>	<b>10.5</b>	<b>6.1</b>	<b>7.7</b>	<b>-2.9</b>	<b>17.6</b>	<b>18.3</b>	<b>-13.8</b>	<b>15.3</b>
<i>MSCI ACWI ex USA</i>	-3.9	-3.9	9.0	4.4	5.1	-3.9	15.3	16.8	-13.7	11.2
<i>MSCI EAFE</i>	-3.6	-4.9	11.1	5.3	4.4	-4.9	22.8	17.3	-12.1	7.8
<b>Hedge Fund Composite</b>	<b>3.6</b>	<b>5.4</b>	<b>10.7</b>	<b>6.3</b>	<b>--</b>	<b>5.4</b>	<b>17.6</b>	<b>9.3</b>	<b>-4.7</b>	<b>5.3</b>
<i>HFRX Equity Hedge Index</i>	0.2	1.4	5.7	0.8	0.3	1.4	11.1	4.8	-19.1	8.9
<b>Real Estate Composite</b>	<b>1.9</b>	<b>10.2</b>	<b>10.6</b>	<b>12.8</b>	<b>5.6</b>	<b>10.2</b>	<b>12.4</b>	<b>9.3</b>	<b>15.3</b>	<b>16.9</b>
<i>NPI</i>	3.0	11.8	11.1	12.1	8.4	11.8	11.0	10.5	14.3	13.1
<b>Open-End Real Estate Comp</b>	<b>2.6</b>	<b>11.5</b>	<b>11.6</b>	<b>12.9</b>	<b>6.2</b>	<b>11.5</b>	<b>12.7</b>	<b>10.7</b>	<b>15.0</b>	<b>14.8</b>
<i>NFI</i>	3.0	11.5	11.4	12.9	6.1	11.5	12.9	9.8	15.0	15.3

Green denotes outperformance of the respective benchmark; Red denotes underperformance of the respective benchmark.

Asset Allocation vs. Target

	Current	Current	Policy
Fixed Income	\$1,331,004,233	26.5%	27.0%
U.S. Equity	\$1,275,748,050	25.4%	26.0%
Non-U.S. Equity	\$1,037,251,443	20.6%	22.0%
Hedge Funds	\$548,568,934	10.9%	10.0%
Real Assets	\$496,838,745	9.9%	10.0%
Private Equity	\$256,330,563	5.1%	5.0%
Other	\$80,174,505	1.6%	0.0%
<b>Total</b>	<b>\$5,025,916,473</b>	<b>100.0%</b>	<b>100.0%</b>

MEABF Policy Benchmark: A weighted average of the target allocations of the broad asset classes.