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**Firefighters' Retirement System of Louisiana**

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**Investment Market Update**  
**(As of August 31, 2014)**

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## Investment Market Update: As of August 31, 2014

### PERFORMANCE THROUGH 8/31/2014

| Sector             | Index                          | 2008   | 2009   | 2010  | 2011   | 2012  | 2013   | Q1    | Q2   | JUL   | AUG   | 2014  |
|--------------------|--------------------------------|--------|--------|-------|--------|-------|--------|-------|------|-------|-------|-------|
| Treasury STRIPS    | Barclays US Strips 20+ Yr      | 59.5%  | -36.0% | 10.9% | 58.5%  | 3.0%  | -21.0% | 12.7% | 7.8% | 1.4%  | 7.1%  | 31.9% |
| REITS              | Wilshire US REIT               | -39.2% | 28.6%  | 28.6% | 9.2%   | 17.6% | 1.9%   | 10.1% | 7.2% | 0.1%  | 2.8%  | 21.5% |
| Long Govt/Credit   | Barclays US Govt/Credit Long   | 8.4%   | 1.9%   | 10.2% | 22.5%  | 8.8%  | -8.8%  | 6.6%  | 4.9% | 0.3%  | 3.3%  | 15.9% |
| Long Credit        | Barclays US Long Credit        | -3.9%  | 16.8%  | 10.7% | 17.1%  | 12.7% | -6.6%  | 6.3%  | 5.0% | 0.2%  | 2.9%  | 15.2% |
| Emerging Equities  | MSCI EM                        | -53.3% | 78.5%  | 18.9% | -18.4% | 18.2% | -2.6%  | -0.4% | 6.6% | 1.9%  | 2.3%  | 10.6% |
| Large Cap Value    | Russell 1000 Value             | -36.8% | 19.7%  | 15.5% | 0.4%   | 17.5% | 32.5%  | 3.0%  | 5.1% | -1.7% | 3.7%  | 10.3% |
| Large Cap          | Russell 1000                   | -37.6% | 28.4%  | 16.1% | 1.5%   | 16.4% | 33.1%  | 2.0%  | 5.1% | -1.6% | 4.1%  | 9.9%  |
| Large Cap          | S&P 500                        | -37.0% | 26.5%  | 15.1% | 2.1%   | 16.0% | 32.4%  | 1.8%  | 5.2% | -1.4% | 4.0%  | 9.9%  |
| Large Cap Growth   | Russell 1000 Growth            | -38.4% | 37.2%  | 16.7% | 2.6%   | 15.3% | 33.5%  | 1.1%  | 5.1% | -1.5% | 4.6%  | 9.5%  |
| EMD USD            | Barclays EM USD Agg            | -14.7% | 34.2%  | 12.8% | 7.0%   | 17.9% | -4.1%  | 2.8%  | 4.5% | -0.1% | 0.8%  | 8.2%  |
| Muni Bonds         | Barclays Municipal             | -2.5%  | 12.9%  | 2.4%  | 10.7%  | 6.8%  | -2.6%  | 3.3%  | 2.6% | 0.2%  | 1.2%  | 7.5%  |
| Diversified        | Diversified*                   | -24.5% | 24.1%  | 13.5% | 1.3%   | 12.7% | 17.6%  | 2.1%  | 3.8% | -1.4% | 2.5%  | 7.0%  |
| SMID Cap           | Russell 2500                   | -36.8% | 34.4%  | 26.7% | -2.5%  | 17.9% | 36.8%  | 2.3%  | 3.6% | -4.9% | 4.9%  | 5.7%  |
| High Yield         | Barclays US Corp HY            | -26.2% | 58.2%  | 15.1% | 5.0%   | 15.8% | 7.4%   | 3.0%  | 2.4% | -1.3% | 1.6%  | 5.7%  |
| EMD Loc            | JPM GBI EM Glob Div            | -5.2%  | 22.0%  | 15.7% | -1.8%  | 16.8% | -9.0%  | 1.9%  | 4.0% | -1.1% | 0.5%  | 5.4%  |
| Core Bonds         | Barclays US Agg Bond           | 5.2%   | 5.9%   | 6.5%  | 7.8%   | 4.2%  | -2.0%  | 1.8%  | 2.0% | -0.3% | 1.1%  | 4.8%  |
| Global Bonds       | Citi WGBI                      | 10.9%  | 2.6%   | 5.2%  | 6.4%   | 1.6%  | -4.0%  | 2.7%  | 2.3% | -0.9% | 0.5%  | 4.5%  |
| Interm Core Bonds  | Barclays US Agg Interm         | 4.9%   | 6.5%   | 6.1%  | 6.0%   | 3.6%  | -1.0%  | 1.2%  | 1.6% | -0.3% | 0.8%  | 3.3%  |
| Interm Govt/Credit | Barclays US Govt/Credit Interm | 5.1%   | 5.2%   | 5.9%  | 5.8%   | 3.9%  | -0.9%  | 1.0%  | 1.2% | -0.2% | 0.7%  | 2.7%  |
| Int'l Developed    | MSCI EAFE                      | -43.4% | 31.8%  | 7.8%  | -12.1% | 17.3% | 22.8%  | 0.7%  | 4.1% | -2.0% | -0.2% | 2.6%  |
| Small Cap Value    | Russell 2000 Value             | -28.9% | 20.6%  | 24.5% | -5.5%  | 18.1% | 34.5%  | 1.8%  | 2.4% | -6.0% | 4.3%  | 2.2%  |
| Small Cap          | Russell 2000                   | -33.8% | 27.2%  | 26.9% | -4.2%  | 16.3% | 38.8%  | 1.1%  | 2.0% | -6.1% | 5.0%  | 1.8%  |
| Small Cap Growth   | Russell 2000 Growth            | -38.5% | 34.5%  | 29.1% | -2.9%  | 14.6% | 43.3%  | 0.5%  | 1.7% | -6.1% | 5.6%  | 1.4%  |
| Govt/Credit        | Barclays Govt/Credit 1-5 Yr    | 5.1%   | 4.6%   | 4.1%  | 3.1%   | 2.2%  | 0.3%   | 0.4%  | 0.7% | -0.2% | 0.4%  | 1.2%  |
| Commodities        | Bloomberg Commodity            | -35.6% | 18.9%  | 16.8% | -13.3% | -1.1% | -9.5%  | 7.0%  | 0.1% | -5.0% | -1.0% | 0.7%  |
| Govt/Credit        | Barclays US Govt/Credit 1-3 Yr | 5.0%   | 3.8%   | 2.8%  | 1.6%   | 1.3%  | 0.6%   | 0.2%  | 0.3% | -0.1% | 0.2%  | 0.7%  |

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

Source: Morningstar Direct

### Overview

Major asset classes mostly gained in August as volatility that had crept into the marketplace in late July receded, amid light late-summer trading. Global bond yields inched lower during the month, highlighted by German Bond 10-year yields hitting record lows at 0.88%. US Treasury yields followed suit, despite modestly positive economic news, providing a further tailwind to long Treasuries. Core bonds, represented by the Barclays Aggregate Bond Index, were up 1.1% in August. US stocks rebounded off their July sell-off. Small Cap issues led the way with gains of 5.0% (Russell 2000), moving into the black year-to-date. The MSCI EAFE was down 0.2% for the month despite growing optimism stemming from relaxed fiscal austerity in the wake of comments emphasizing efforts to spur growth in Europe from Mario Draghi, Chief of the European Central Bank. Meanwhile, Federal Reserve Chair Janet Yellen's comments at Jackson Hole were interpreted as relatively dovish and caused the dollar to rally as equity markets took pause.

Global conflicts in the Middle East and Ukraine weighed modestly on markets in August but remain largely unresolved. Further sanctions against Russia or a flare-up of conflict threaten to derail a delicate growth path for many European countries. From an economic perspective, Europe faces an uncertain future, one that likely entails some combination of fiscal or monetary stimulus in an attempt to spur growth and subsequently weaken the Euro. This continued easing may have far reaching effects as the marketplace shifts its search for yield to other locales and the Fed winds down its stimulus. In the near term, the September 18th vote on the Scottish independence referendum has already caused volatility in currency markets and could significantly affect markets if passed. Though we have long viewed developed market currency exposure as an uncompensated risk, it is for these reasons we believe this is an apt time for clients with meaningful foreign allocations to evaluate if such risks align with their investment goals. In many cases we believe developed foreign currency hedging may be an appropriate option to manage risk exposure to changing market dynamics, especially given the potential for US dollar strength. Additionally, we continue to be constructive on multi-sector fixed income and absolute return fixed income products, particularly in an environment of globally compressed yields.

# Firefighters' Retirement System of Louisiana

## Investment Performance Flash Report

August 31, 2014

### Investment Performance Summary - Net of Fees

|                                       | Market Value<br>(\$) | Policy %     | % of<br>Portfolio | 1 Mo<br>(%) | Fiscal<br>YTD<br>(%) | 1 Yr<br>(%) | 3 Yrs<br>(%) | 5 Yrs<br>(%) | 10 Yrs<br>(%) | Return<br>(%) | Since  |
|---------------------------------------|----------------------|--------------|-------------------|-------------|----------------------|-------------|--------------|--------------|---------------|---------------|--------|
| <b>Total Plan Composite</b>           | <b>1,398,334,242</b> | <b>100.0</b> | <b>100.0</b>      | 2.0         | 0.5                  | 11.7        | 7.1          | 7.9          | 5.7           | 6.1           | Sep-92 |
| Policy Index                          |                      |              |                   | 2.0         | 1.0                  | 16.3        | --           | --           | --            | --            | Sep-92 |
| Allocation Index                      |                      |              |                   | 1.9         | 0.8                  | 14.9        | --           | --           | --            | --            | Sep-92 |
| <b>Total Equity Composite</b>         | <b>771,532,103</b>   | <b>51.0</b>  | <b>55.2</b>       | 2.9         | 0.8                  | 21.7        | 14.5         | 14.1         | 9.0           | 7.7           | Sep-92 |
| MSCI ACWI                             |                      |              |                   | 2.2         | 1.0                  | 21.0        | 14.1         | 11.8         | 7.9           | 7.9           | Sep-92 |
| <b>Domestic Equity Composite</b>      | <b>404,305,811</b>   | <b>24.0</b>  | <b>28.9</b>       | 3.9         | 1.1                  | 21.7        | 16.4         | 16.9         | 9.7           | 8.0           | Sep-92 |
| Russell 3000                          |                      |              |                   | 4.2         | 2.1                  | 24.7        | 20.7         | 17.2         | 8.8           | 9.8           | Sep-92 |
| Mellon Stock Index Fund               | 279,887,256          |              | 20.0              | 4.0         | 2.6                  | --          | --           | --           | --            | 16.0          | Nov-13 |
| S&P 500                               |                      |              |                   | 4.0         | 2.6                  | 25.2        | 20.6         | 16.9         | 8.4           | 16.1          | Nov-13 |
| <b>SMID Cap Composite</b>             | <b>124,418,555</b>   | <b>8.0</b>   | <b>8.9</b>        | 3.6         | -2.2                 | 18.4        | --           | --           | --            | 18.5          | Oct-12 |
| Russell 2500                          |                      |              |                   | 4.9         | -0.2                 | 21.5        | 20.3         | 18.5         | 10.4          | 23.2          | Oct-12 |
| Advisory Research SMID                | 46,920,765           |              | 3.4               | 3.5         | -2.0                 | 23.5        | 18.2         | 16.9         | --            | 19.3          | Jun-09 |
| Russell 2500 Value                    |                      |              |                   | 4.4         | -0.6                 | 22.6        | 20.7         | 17.7         | 9.7           | 20.7          | Jun-09 |
| Energy Opportunities Fund             | 35,422,807           |              | 2.5               | 2.1         | -4.4                 | 13.5        | 6.7          | 12.6         | --            | 4.3           | Jul-07 |
| OIH/XLE Blended Energy Benchmark      |                      |              |                   | 2.0         | -2.9                 | 21.5        | 10.2         | 12.7         | --            | 4.3           | Jul-07 |
| Mellon Small Cap Index Fund           | 20,754,069           |              | 1.5               | 5.0         | -1.4                 | --          | --           | --           | --            | 7.9           | Nov-13 |
| Russell 2000                          |                      |              |                   | 5.0         | -1.4                 | 17.7        | 19.0         | 17.0         | 9.4           | 7.9           | Nov-13 |
| Mellon Mid Cap Stock Index Fund       | 21,320,914           |              | 1.5               | 5.1         | 0.6                  | --          | --           | --           | --            | 12.9          | Nov-13 |
| S&P 400 MidCap                        |                      |              |                   | 5.1         | 0.6                  | 23.2        | 19.8         | 18.8         | 11.1          | 12.9          | Nov-13 |
| <b>International Equity Composite</b> | <b>158,758,885</b>   | <b>12.0</b>  | <b>11.4</b>       | 0.9         | -0.9                 | 18.0        | --           | --           | --            | 14.4          | Oct-12 |
| MSCI ACWI ex USA                      |                      |              |                   | 0.6         | -0.4                 | 17.7        | 9.3          | 8.2          | 7.9           | 13.9          | Oct-12 |
| LSV International Equity Value        | 80,278,413           |              | 5.7               | 1.0         | -0.1                 | 21.0        | 11.1         | 9.5          | --            | 7.4           | Oct-04 |
| MSCI Custom Benchmark                 |                      |              |                   | 0.6         | -0.4                 | 17.7        | 9.3          | 7.6          | 6.7           | 6.5           | Oct-04 |
| Fisher All Foreign Equity             | 78,480,472           |              | 5.6               | 0.8         | -1.8                 | 15.4        | 8.7          | 9.2          | --            | 8.1           | Oct-04 |
| MSCI ACWI ex USA                      |                      |              |                   | 0.6         | -0.4                 | 17.7        | 9.3          | 8.2          | 7.9           | 7.7           | Oct-04 |

Returns are net of manager fees.

Results for periods longer than one year are annualized. Results are preliminary and subject to change.

Fiscal Year ends June 30th.

SMID Cap and International Equity Composites start date is 10/1/2012.

MSCI Custom Benchmark is comprised of the MSCI EAFE until 12/31/2009 and MSCI ACWI ex USA beginning 1/1/2010.

# Firefighters' Retirement System of Louisiana

## Investment Performance Flash Report

August 31, 2014

|                                     | Market Value<br>(\$) | Policy %    | % of<br>Portfolio | 1 Mo<br>(%) | Fiscal<br>YTD<br>(%) | 1 Yr<br>(%) | 3 Yrs<br>(%) | 5 Yrs<br>(%) | 10 Yrs<br>(%) | Return<br>(%) | Since  |
|-------------------------------------|----------------------|-------------|-------------------|-------------|----------------------|-------------|--------------|--------------|---------------|---------------|--------|
| <b>Global Equity Composite</b>      | <b>138,306,859</b>   | <b>10.0</b> | <b>9.9</b>        | 2.5         | 0.7                  | 26.7        | --           | --           | --            | 22.9          | Oct-12 |
| MSCI ACWI                           |                      |             |                   | 2.2         | 1.0                  | 21.0        | 14.1         | 11.8         | 7.9           | 17.2          | Oct-12 |
| Thornburg Global Opportunities      | 63,603,877           |             | 4.5               | 2.3         | 0.4                  | 33.0        | 20.4         | 16.1         | --            | 12.7          | Sep-04 |
| MSCI ACWI                           |                      |             |                   | 2.2         | 1.0                  | 21.0        | 14.1         | 11.8         | 7.9           | 7.7           | Sep-04 |
| BlackRock Global Focused            | 50,889,379           |             | 3.6               | 2.5         | 2.3                  | 18.9        | 13.0         | --           | --            | 13.0          | Sep-11 |
| MSCI ACWI                           |                      |             |                   | 2.2         | 1.0                  | 21.0        | 14.1         | 11.8         | 7.9           | 14.1          | Sep-11 |
| KBI Water Fund                      | 23,813,603           |             | 1.7               | 3.2         | -1.6                 | 26.7        | 19.8         | 14.9         | --            | 5.6           | Jul-07 |
| MSCI ACWI                           |                      |             |                   | 2.2         | 1.0                  | 21.0        | 14.1         | 11.8         | 7.9           | 3.3           | Jul-07 |
| <b>Emerging Markets Equity</b>      | <b>70,160,548</b>    | <b>5.0</b>  | <b>5.0</b>        | 3.0         | 3.4                  | --          | --           | --           | --            | 11.5          | Oct-13 |
| MSCI Emerging Markets               |                      |             |                   | 2.3         | 4.2                  | 20.0        | 4.4          | 7.9          | 12.2          | 12.7          | Oct-13 |
| Acadian Emerging Markets Equity     | 35,240,158           |             | 2.5               | 3.1         | 4.2                  | --          | --           | --           | --            | 11.0          | Dec-13 |
| MSCI Emerging Markets               |                      |             |                   | 2.3         | 4.2                  | 20.0        | 4.4          | 7.9          | 12.2          | 9.0           | Dec-13 |
| OFI Emerging Markets                | 34,920,390           |             | 2.5               | 2.9         | 2.6                  | --          | --           | --           | --            | 8.8           | Jan-14 |
| MSCI Emerging Markets               |                      |             |                   | 2.3         | 4.2                  | 20.0        | 4.4          | 7.9          | 12.2          | 10.6          | Jan-14 |
| <b>Total Fixed Income Composite</b> | <b>272,094,669</b>   | <b>24.0</b> | <b>19.5</b>       | 0.8         | 0.2                  | 2.9         | --           | --           | --            | 1.0           | Oct-12 |
| Total Fixed Income Custom Benchmark |                      |             |                   | 0.9         | 0.5                  | 5.0         | 2.7          | 4.3          | 4.7           | 1.2           | Oct-12 |
| <b>Core Fixed Income</b>            | <b>211,148,566</b>   | <b>19.0</b> | <b>15.1</b>       | 1.1         | 0.6                  | 3.9         | 3.2          | --           | --            | 3.2           | Dec-10 |
| Barclays Aggregate                  |                      |             |                   | 1.1         | 0.9                  | 5.7         | 2.9          | 4.5          | 4.7           | 3.6           | Dec-10 |
| PIMCO Total Return                  | 147,476,779          |             | 10.5              | 1.1         | 0.6                  | 6.1         | 4.3          | 5.8          | 6.1           | 6.8           | Jun-99 |
| Barclays Aggregate                  |                      |             |                   | 1.1         | 0.9                  | 5.7         | 2.9          | 4.5          | 4.7           | 5.6           | Jun-99 |
| Orleans Core Fixed Income           | 63,272,770           |             | 4.5               | 1.1         | 0.7                  | 6.4         | 3.4          | 5.1          | 5.2           | 6.3           | Aug-92 |
| Barclays Aggregate                  |                      |             |                   | 1.1         | 0.9                  | 5.7         | 2.9          | 4.5          | 4.7           | 5.9           | Aug-92 |
| Commonwealth                        | 399,017              |             | 0.0               | 0.0         | 0.0                  | -91.2       | -52.0        | -44.9        | --            | -35.6         | Jun-07 |
| Barclays Aggregate                  |                      |             |                   | 1.1         | 0.9                  | 5.7         | 2.9          | 4.5          | 4.7           | 5.3           | Jun-07 |
| <b>Emerging Markets Debt</b>        | <b>60,946,103</b>    | <b>5.0</b>  | <b>4.4</b>        | 0.0         | -1.1                 | --          | --           | --           | --            | -0.9          | Nov-13 |
| JP Morgan GBI EM Diversified        |                      |             |                   | 0.5         | -0.6                 | 8.3         | 0.5          | 6.2          | 9.7           | 1.0           | Nov-13 |
| Stone Harbor                        | 60,946,103           |             | 4.4               | 0.0         | -1.1                 | --          | --           | --           | --            | -0.9          | Nov-13 |
| JP Morgan GBI EM Diversified        |                      |             |                   | 0.5         | -0.6                 | 8.3         | 0.5          | 6.2          | 9.7           | 1.0           | Nov-13 |

Results for periods longer than one year are annualized. Results are preliminary and subject to change.

Fiscal YTD ends June 30th.

Global Equity Composite and Total Fixed Income Composite start date is 10/1/2012.

Total Fixed Income Custom Benchmark is comprised of the Barclays Aggregate from 10/1/2012 to 10/31/2013 and 75% Barclays Aggregate/25% JPM GBI EM Diversified going forward.

# Firefighters' Retirement System of Louisiana

## Investment Performance Flash Report

August 31, 2014

|   | Market Value (\$) | Policy % | % of Portfolio | 1 Mo (%) | Fiscal YTD (%) | 1 Yr (%) | 3 Yrs (%) | 5 Yrs (%) | 10 Yrs (%) | Return (%) | Since  |
|---|-------------------|----------|----------------|----------|----------------|----------|-----------|-----------|------------|------------|--------|
| <b>GAA Composite</b>                        | 140,422,324       | 10.0     | 10.0           | 2.0      | 0.7            | --       | --        | --        | --         | 4.6        | Apr-14 |
| 60% MSCI World (Net) / 40% CITI WGBI        |                   |          |                | 1.5      | 0.1            | 14.7     | 9.2       | 8.7       | 6.7        | 4.0        | Apr-14 |
| Blackrock Global Allocation                 | 70,255,055        |          | 5.0            | 1.5      | 0.8            | --       | --        | --        | --         | 4.0        | Apr-14 |
| 60% MSCI World (Net) / 40% CITI WGBI        |                   |          |                | 1.5      | 0.1            | 14.7     | 9.2       | 8.7       | 6.7        | 4.0        | Apr-14 |
| AQR Global Risk Premium – EL                | 42,436,294        |          | 3.0            | 3.0      | 0.9            | --       | --        | --        | --         | 5.7        | May-14 |
| 60% MSCI World (Net) / 40% CITI WGBI        |                   |          |                | 1.5      | 0.1            | 14.7     | 9.2       | 8.7       | 6.7        | 2.9        | May-14 |
| Putnam Risk Parity                          | 27,730,975        |          | 2.0            | 1.9      | 0.0            | --       | --        | --        | --         | 0.0        | Jul-14 |
| 60% MSCI World (Net) / 40% CITI WGBI        |                   |          |                | 1.5      | 0.1            | 14.7     | 9.2       | 8.7       | 6.7        | 0.1        | Jul-14 |
| <b>Total Alternative Composite</b>          | 170,610,748       | 15.0     | 12.2           | 0.0      | 0.0            | -4.1     | -0.8      | 3.1       | --         | 2.0        | Jun-05 |
| <b>Hedge Fund Composite</b>                 | 7,374,760         | 0.0      | 0.5            | 0.0      | -0.2           | 3.5      | -5.1      | 1.8       | --         | 1.6        | Jun-05 |
| HFRI Fund of Funds Composite Index          |                   |          |                | 0.9      | 0.5            | 7.9      | 4.3       | 3.8       | 3.5        | 3.1        | Jun-05 |
| The Clinton Group Magnolia                  | 2,805,959         |          | 0.2            | 0.0      | 0.0            | 3.8      | 11.4      | 16.4      | --         | 8.8        | Oct-07 |
| HFRI RV: Multi-Strategy Index               |                   |          |                | 0.1      | 0.3            | 6.9      | 5.5       | 7.1       | 4.9        | 4.0        | Oct-07 |
| Scoggin Fund                                | 134,784           |          | 0.0            | 0.0      | 0.0            | 17.5     | 10.2      | 11.4      | --         | 9.5        | Feb-06 |
| HFRI Event-Driven (Total) Index             |                   |          |                | 0.4      | -0.3           | 9.7      | 7.6       | 8.3       | 6.9        | 5.6        | Feb-06 |
| Sand Spring Capital III                     | 775               |          | 0.0            | 0.0      | 0.0            | -53.5    | -16.4     | -24.0     | --         | -23.8      | Jan-07 |
| HFRI RV: Fixed Income-Asset Backed          |                   |          |                | 0.1      | 0.9            | 11.2     | 11.2      | 12.2      | 9.3        | 9.4        | Jan-07 |
| CA Recovery Fund LLC                        | 4,433,243         |          | 0.3            | 0.0      | -0.4           | 8.3      | -1.2      | 7.2       | --         | 6.8        | Jul-09 |
| HFRI RV: Fixed Income-Asset Backed          |                   |          |                | 0.1      | 0.9            | 11.2     | 11.2      | 12.2      | 9.3        | 12.9       | Jul-09 |
| <b>Private Equity Composite</b>             | 69,339,837        | 8.0      | 5.0            | 0.0      | 0.0            | -15.8    | -0.2      | 5.5       | --         | -3.9       | Jul-05 |
| Cambridge Private Equity Index              |                   |          |                | 0.0      | 0.0            | 15.4     | 12.7      | 16.3      | 14.5       | 12.8       | Jul-05 |
| Murphree Venture (\$2,000,000)              | 1,655,404         |          | 0.1            | 0.0      | 0.0            | 13.8     | 4.9       | 5.5       | --         | 0.2        | Sep-05 |
| Louisiana Fund I (\$2,000,000)              | 2,098,899         |          | 0.2            | 0.0      | 0.0            | 2.0      | 4.3       | 1.9       | --         | -7.3       | Jul-05 |
| DTC Private Equity II-Q, L.P. (\$7,500,000) | 5,458,840         |          | 0.4            | 0.0      | 0.0            | 16.8     | 12.3      | 14.3      | --         | 5.7        | Feb-06 |
| Greenspring Associates (\$9,200,000)        | 6,779,860         |          | 0.5            | 0.0      | 0.0            | 22.5     | 19.0      | 17.8      | --         | 4.7        | Feb-06 |
| DCM Private Equity II (\$7,500,000)         | 5,474,835         |          | 0.4            | 0.0      | 0.0            | 9.6      | 6.7       | 8.3       | --         | 0.3        | Feb-06 |
| FECP II (\$20,000,000)                      | 5,249,509         |          | 0.4            | 0.0      | 0.0            | 113.1    | 28.2      | 18.6      | --         | 16.5       | Mar-08 |

Results for periods longer than one year are annualized. Results are preliminary and subject to change.

Fiscal YTD ends June 30th.

Private Equity valuations are as of 3/31/2014 adjusted for cash flows.

CA Recovery Fund and Scoggin Fund are lagged by one month, market value and returns are as of 4/31/2014.

# Firefighters' Retirement System of Louisiana

## Investment Performance Flash Report

August 31, 2014

|  | Market Value<br>(\$) | Policy %   | % of<br>Portfolio | 1 Mo<br>(%) | Fiscal<br>YTD<br>(%) | 1 Yr<br>(%) | 3 Yrs<br>(%) | 5 Yrs<br>(%) | 10 Yrs<br>(%) | Return<br>(%) | Since         |
|--|----------------------|------------|-------------------|-------------|----------------------|-------------|--------------|--------------|---------------|---------------|---------------|
| FECF III (\$20,000,000)                        | 9,638,526            |            | 0.7               | 0.0         | 0.0                  | 125.5       | 50.1         | 30.5         | --            | 25.6          | Jul-09        |
| Sail Venture Partners II (\$30,000,000)        | 11,146,121           |            | 0.8               | 0.0         | 0.0                  | -58.3       | -33.4        | -14.2        | --            | -15.0         | Oct-08        |
| Sail Sustainable Louisiana Fund (\$15,000,000) | 7,145,412            |            | 0.5               | 0.0         | 0.0                  | -67.2       | -18.6        | --           | --            | -17.7         | Jun-11        |
| GA Crossover Fund (\$25,000,000)               | 14,692,431           |            | 1.1               | 0.0         | 0.0                  | 31.4        | 28.4         | 24.9         | --            | 15.5          | Jan-08        |
| <b>Real Estate Composite</b>                   | <b>93,896,151</b>    | <b>7.0</b> | <b>6.7</b>        | <b>0.0</b>  | <b>0.0</b>           | <b>4.6</b>  | <b>6.1</b>   | <b>--</b>    | <b>--</b>     | <b>4.6</b>    | <b>Dec-09</b> |
| <i>NCREIF Property Index</i>                   |                      |            |                   | <i>0.0</i>  | <i>0.0</i>           | <i>11.2</i> | <i>11.3</i>  | <i>9.7</i>   | <i>8.6</i>    | <i>11.0</i>   | <i>Dec-09</i> |
| Americus Fund II (\$13,168,000)                | 14,220,008           |            | 1.0               | 0.0         | 0.0                  | 6.0         | 7.4          | 4.5          | --            | 9.6           | Dec-05        |
| Sentinel Real Estate Fund (\$30,000,000)       | 30,621,707           |            | 2.2               | 0.0         | 0.0                  | 11.6        | 22.0         | 13.3         | --            | 4.7           | Feb-06        |
| Land Baron - FRS (\$25,000,000)                | 4,755,366            |            | 0.3               | 0.0         | 0.0                  | 0.0         | -25.4        | -20.5        | --            | -16.9         | Jun-07        |
| JP Morgan India (\$8,990,000)                  | 5,807,539            |            | 0.4               | 0.0         | 0.0                  | -6.2        | -3.0         | 1.8          | --            | -16.0         | Apr-07        |
| Vision Capital - GA (\$9,000,000)              | 5,830,171            |            | 0.4               | 0.0         | 0.0                  | -12.0       | -5.3         | -9.6         | --            | -10.0         | Feb-08        |
| Timbervest Crossover Fund (\$16,000,000)       | 12,085,702           |            | 0.9               | 0.0         | 0.0                  | -2.1        | 1.9          | 2.0          | --            | 0.7           | Apr-08        |
| AEW Partners VI LP (\$20,000,000)              | 16,285,658           |            | 1.2               | 0.0         | 0.0                  | 11.2        | 15.3         | --           | --            | 10.0          | Mar-10        |
| Land Baron - NLTP                              | 4,290,000            |            | 0.3               | 0.0         | 0.0                  | 0.0         | -37.9        | -22.1        | --            | -21.5         | Jun-09        |
| <b>Total Cash (\$9 MM)</b>                     | <b>43,674,398</b>    | <b>--</b>  | <b>3.1</b>        | <b>0.0</b>  | <b>0.0</b>           | <b>0.0</b>  | <b>0.1</b>   | <b>0.2</b>   | <b>1.9</b>    | <b>3.2</b>    | <b>Jun-92</b> |
| <i>91 Day T-Bills</i>                          |                      |            |                   | <i>0.0</i>  | <i>0.0</i>           | <i>0.0</i>  | <i>0.0</i>   | <i>0.1</i>   | <i>1.5</i>    | <i>2.8</i>    | <i>Jun-92</i> |

Results for periods longer than one year are annualized. Results are preliminary and subject to change.

Fiscal YTD ends June 30th.

Real Estate valuations are as of 3/31/2014 adjusted for cash flows.

Land Baron - NLTP is part of the Real Estate Composite as of 12/1/2012.

Firefighters' Retirement System of Louisiana

Current Monthly Breakdown of Change in Value

August 31, 2014

Total Cash Flow Summary

Month Ending August 31, 2014

|   | Beginning Market Value | Withdrawals  | Contributions | Net Cash Flow | Fees       | Net Investment Change | Ending Market Value |
|---|------------------------|--------------|---------------|---------------|------------|-----------------------|---------------------|
| Acadian Emerging Markets Equity             | \$34,170,152           | \$0          | \$0           | \$0           | -\$60,648  | \$1,070,006           | \$35,240,158        |
| Advisory Research SMID                      | \$45,339,106           | \$0          | \$0           | \$0           | \$0        | \$1,581,659           | \$46,920,765        |
| AEW Partners VI LP (\$20,000,000)           | \$16,285,658           | \$0          | \$0           | \$0           | \$0        | \$0                   | \$16,285,658        |
| Americus Fund II (\$13,168,000)             | \$14,220,008           | \$0          | \$0           | \$0           | \$0        | \$0                   | \$14,220,008        |
| AQR Global Risk Premium – EL                | \$41,210,697           | \$0          | \$0           | \$0           | \$0        | \$1,225,597           | \$42,436,294        |
| Blackrock Global Allocation                 | \$69,069,910           | \$0          | \$119,485     | \$119,485     | -\$119,485 | \$1,065,659           | \$70,255,055        |
| BlackRock Global Focused                    | \$49,649,842           | \$0          | \$0           | \$0           | -\$49,701  | \$1,239,537           | \$50,889,379        |
| CA Recovery Fund LLC                        | \$4,433,243            | \$0          | \$0           | \$0           | \$0        | \$0                   | \$4,433,243         |
| Cash/Clearing Account                       | \$35,541,873           | -\$1,419,485 | \$5,184,352   | \$3,764,868   | \$0        | \$1                   | \$39,306,742        |
| Commonwealth                                | \$399,017              | \$0          | \$0           | \$0           | \$0        | \$0                   | \$399,017           |
| DCM Private Equity II (\$7,500,000)         | \$5,474,835            | \$0          | \$0           | \$0           | \$0        | \$0                   | \$5,474,835         |
| DTC Private Equity II-Q, L.P. (\$7,500,000) | \$5,458,840            | \$0          | \$0           | \$0           | \$0        | \$0                   | \$5,458,840         |
| Energy Opportunities Fund                   | \$34,692,359           | \$0          | \$0           | \$0           | \$0        | \$730,448             | \$35,422,807        |
| FECP II (\$20,000,000)                      | \$5,249,509            | \$0          | \$0           | \$0           | \$0        | \$0                   | \$5,249,509         |
| FECP III (\$20,000,000)                     | \$9,638,526            | \$0          | \$0           | \$0           | \$0        | \$0                   | \$9,638,526         |
| Fisher All Foreign Equity                   | \$77,848,635           | \$0          | \$0           | \$0           | \$0        | \$631,837             | \$78,480,472        |
| GA Crossover Fund (\$25,000,000)            | \$14,692,431           | \$0          | \$0           | \$0           | \$0        | \$0                   | \$14,692,431        |
| Greenspring Associates (\$9,200,000)        | \$6,779,860            | \$0          | \$0           | \$0           | \$0        | \$0                   | \$6,779,860         |
| JP Morgan India (\$8,990,000)               | \$5,807,539            | \$0          | \$0           | \$0           | \$0        | \$0                   | \$5,807,539         |
| KBI Water Fund                              | \$23,082,850           | \$0          | \$0           | \$0           | -\$12,899  | \$730,753             | \$23,813,603        |
| Land Baron - FRS (\$25,000,000)             | \$4,755,366            | \$0          | \$0           | \$0           | \$0        | \$0                   | \$4,755,366         |
| Land Baron - NLTP                           | \$4,290,000            | \$0          | \$0           | \$0           | \$0        | \$0                   | \$4,290,000         |
| Louisiana Asset Management Pool             | \$4,367,550            | \$0          | \$0           | \$0           | \$0        | \$106                 | \$4,367,656         |
| Louisiana Fund I (\$2,000,000)              | \$2,098,899            | \$0          | \$0           | \$0           | \$0        | \$0                   | \$2,098,899         |



# Firefighters' Retirement System of Louisiana

## Current Monthly Breakdown of Change in Value

August 31, 2014

Month Ending August 31, 2014

|  | Beginning<br>Market Value | Withdrawals         | Contributions      | Net Cash Flow      | Fees              | Net Investment<br>Change | Ending<br>Market Value |
|--|---------------------------|---------------------|--------------------|--------------------|-------------------|--------------------------|------------------------|
| LSV International Equity Value                 | \$79,508,461              | \$0                 | \$0                | \$0                | \$0               | \$769,952                | \$80,278,413           |
| Mellon Mid Cap Stock Index Fund                | \$20,289,763              | \$0                 | \$0                | \$0                | -\$528            | \$1,031,151              | \$21,320,914           |
| Mellon Small Cap Index Fund                    | \$19,774,038              | \$0                 | \$0                | \$0                | -\$514            | \$980,031                | \$20,754,069           |
| Mellon Stock Index Fund                        | \$269,126,801             | \$0                 | \$0                | \$0                | -\$6,927          | \$10,760,455             | \$279,887,256          |
| Murphree Venture (\$2,000,000)                 | \$1,655,404               | \$0                 | \$0                | \$0                | \$0               | \$0                      | \$1,655,404            |
| OFI Emerging Markets                           | \$33,896,832              | \$0                 | \$0                | \$0                | -\$25,608         | \$1,023,558              | \$34,920,390           |
| Orleans Core Fixed Income                      | \$62,612,221              | \$0                 | \$0                | \$0                | \$0               | \$660,549                | \$63,272,770           |
| PIMCO Total Return                             | \$145,851,190             | \$0                 | \$0                | \$0                | -\$56,533         | \$1,625,588              | \$147,476,779          |
| Putnam Risk Parity                             | \$27,210,871              | \$0                 | \$0                | \$0                | \$0               | \$520,104                | \$27,730,975           |
| Sail Sustainable Louisiana Fund (\$15,000,000) | \$7,145,412               | \$0                 | \$0                | \$0                | \$0               | \$0                      | \$7,145,412            |
| Sail Venture Partners II (\$30,000,000)        | \$11,146,121              | \$0                 | \$0                | \$0                | \$0               | \$0                      | \$11,146,121           |
| Sand Spring Capital III                        | \$775                     | \$0                 | \$0                | \$0                | \$0               | \$0                      | \$775                  |
| Scoggin Fund                                   | \$134,784                 | \$0                 | \$0                | \$0                | \$0               | \$0                      | \$134,784              |
| Sentinel Real Estate Fund (\$30,000,000)       | \$30,621,707              | \$0                 | \$0                | \$0                | \$0               | \$0                      | \$30,621,707           |
| Stone Harbor                                   | \$60,945,917              | \$0                 | \$0                | \$0                | -\$43,170         | \$186                    | \$60,946,103           |
| The Clinton Group Magnolia                     | \$2,805,959               | \$0                 | \$0                | \$0                | \$0               | \$0                      | \$2,805,959            |
| Thornburg Global Opportunities                 | \$62,170,326              | \$0                 | \$0                | \$0                | -\$95,395         | \$1,433,552              | \$63,603,877           |
| Timbervest Crossover Fund (\$16,000,000)       | \$12,085,702              | \$0                 | \$0                | \$0                | \$0               | \$0                      | \$12,085,702           |
| Vision Capital - GA (\$9,000,000)              | \$5,830,171               | \$0                 | \$0                | \$0                | \$0               | \$0                      | \$5,830,171            |
| <b>Total</b>                                   | <b>\$1,367,369,160</b>    | <b>-\$1,419,485</b> | <b>\$5,303,837</b> | <b>\$3,884,352</b> | <b>-\$471,407</b> | <b>\$27,080,729</b>      | <b>\$1,398,334,242</b> |

Beginning Market Value may not match the Ending Market Value of the previous Flash report due to delayed reporting of private investments (private equity and real estate).

## Reporting Methodology

- The client's custodian bank is NEPC's preferred data source unless otherwise directed. NEPC reconciles custodian data to manager data. If the custodian cannot provide accurate data, manager data may be used.
- Trailing time period returns are determined by geometrically linking the holding period returns, from the first full month after inception to the report date. Rates of Return are annualized when the time period is longer than a year. Performance is presented gross and/or net of fees as indicated on each page.
- For managers funded in the middle of a month, the "since inception" return will start with the first full month, although actual inception dates and cash flows are taken into account in all Composite calculations.
- This report may contain forward-looking statements that are based on NEPC's estimates, opinions and beliefs, but NEPC cannot guarantee that any plan will achieve its targeted return or meet other goals.

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