

# Board of Trustees Monthly Performance Report - January 31, 2010



## Returns are unaudited, preliminary, and include some estimates

Consolidated Assets - APF assets equal 98.9% of total assets. Slight differences due to rounding.  
Market values shown are unaudited, and returns for periods greater than one year are annualized.  
Direct real estate, Fund benchmark and total Fund returns are preliminary and are calculated internally based on most recent Callan quarterly data.  
All other returns are provided by Callan Associates, Inc. and are shown gross of fees (before fees) except as noted.

	1/31/2010 Market Value (\$ in millions)	Returns as of 1/31/2010						
		Current Month	Last 3 Months	Fiscal Y-T-D	Calendar Y-T-D	Last 12 Months	Last 3 Years	Last 5 Years
<b>RETURNS BY ASSET CLASS</b>								
Domestic Fixed Income	\$ 7,156.7	1.53%	1.76%	8.21%	1.53%	14.15%	6.25%	5.06%
Non-Domestic Fixed Income	1,016.7	0.79%	1.06%	4.33%	0.79%	7.47%	6.52%	4.47%
Domestic Equities	8,526.0	-3.57%	4.92%	18.69%	-3.57%	37.23%	-5.98%	1.10%
Non-Domestic Equities	4,635.3	-4.64%	0.98%	18.35%	-4.64%	48.19%	-4.71%	5.38%
Global Equities	4,431.1	-4.46%	1.73%	17.76%	-4.46%	35.39%	-7.83%	
Real Estate	3,315.9	-4.77%	-3.24%	-5.60%	-4.77%	-6.70%	-7.43%	4.05%
Private Equity	874.6	N/M	N/M	N/M	N/M	N/M	N/M	
Absolute Return	2,340.6	0.52%	2.69%	10.15%	0.52%	15.71%	0.84%	4.32%
Infrastructure	520.3	N/M	N/M	N/M	N/M	N/M	N/M	
External CIO/Real Return Mandate	1,487.3	-0.90%			-0.90%			
	<b>\$ 34,304.7</b>							
<b>RETURNS BY RISK CLASS</b>								
Company Exposure	\$ 20,733.1	-3.32%	3.15%	17.55%	-3.32%			
Interest Rates	3,096.1	1.13%	0.79%	3.28%	1.13%			
Real Assets	4,801.6	-0.17%	-0.19%	0.36%	-0.17%			
Opportunity Pool	4,238.4	0.45%	2.06%	11.51%	0.45%			
Cash	1,435.5	0.04%	0.07%	0.14%	0.04%			
<b>Total Fund</b>	<b>\$ 34,304.7</b>	<b>-1.87%</b>	<b>2.29%</b>	<b>12.12%</b>	<b>-1.87%</b>	<b>22.84%</b>	<b>-2.28%</b>	<b>3.43%</b>
<i>Total Fund Return Objective</i>		<i>0.83%</i>	<i>1.73%</i>	<i>3.67%</i>	<i>0.83%</i>	<i>8.34%</i>	<i>7.47%</i>	<i>7.67%</i>
<i>Total Fund Return Benchmark</i>		<i>-2.17%</i>	<i>1.58%</i>	<i>12.48%</i>	<i>-2.17%</i>	<i>25.47%</i>	<i>-1.80%</i>	<i>3.70%</i>
<b>COMPANY EXPOSURE</b>								
In House Corporate Bonds	\$ 1,694.2	1.86%	2.33%	12.40%	1.86%			
<i>Barclay's Capital U.S. Corporate Index</i>		<i>1.63%</i>	<i>2.28%</i>	<i>11.36%</i>	<i>1.63%</i>			
Goldman Sachs High Yield	\$ 209.3	1.26%	4.99%	20.92%	1.26%	43.03%	6.09%	
Capital Guardian High Yield	\$ 362.4	0.94%	3.67%	17.18%	0.94%	36.15%	7.89%	
<i>Barclay's Capital US High Yield 2% Issuer Cap</i>		<i>1.31%</i>	<i>5.66%</i>	<i>22.85%</i>	<i>1.31%</i>	<i>50.80%</i>	<i>6.42%</i>	
<b>Passive Large-Cap Domestic Equity Managers</b>								
Mellon S&P 500	\$ 4,072.3	-3.59%	4.17%	18.23%	-3.59%	33.37%	-7.00%	0.45%
Mellon Russell Top 50	\$ 563.3	-3.81%	2.58%	15.04%	-3.81%	28.64%	-7.20%	
<i>S&amp;P 500 Index</i>		<i>-3.60%</i>	<i>4.16%</i>	<i>18.18%</i>	<i>-3.60%</i>	<i>33.14%</i>	<i>-7.24%</i>	<i>0.18%</i>
<i>Russell Top 50</i>		<i>-3.82%</i>	<i>2.58%</i>	<i>15.03%</i>	<i>-3.82%</i>	<i>28.58%</i>	<i>-7.24%</i>	
<b>Large-Cap Value Domestic Equity Manager</b>								
Dodge & Cox	\$ 568.9	-1.93%	5.53%	22.99%	-1.93%	42.64%	-10.10%	-0.13%
<i>Russell 1000 Index</i>		<i>-3.60%</i>	<i>4.57%</i>	<i>18.68%</i>	<i>-3.60%</i>	<i>34.81%</i>	<i>-7.10%</i>	<i>0.57%</i>
<i>Russell 1000 Value</i>		<i>-2.81%</i>	<i>4.48%</i>	<i>19.76%</i>	<i>-2.81%</i>	<i>31.44%</i>	<i>-10.20%</i>	<i>-0.46%</i>
<b>Large-Cap Growth Domestic Equity Managers</b>								
RCM - Large Cap	\$ 1,189.7	-5.58%	3.69%	15.35%	-5.58%	38.10%	-2.22%	3.12%
GE Asset Mgmt	\$ 472.4	-3.06%	6.36%	14.85%	-3.06%	46.32%	-3.30%	1.54%
<i>Russell 1000 Index</i>		<i>-3.60%</i>	<i>4.57%</i>	<i>18.68%</i>	<i>-3.60%</i>	<i>34.81%</i>	<i>-7.10%</i>	<i>0.57%</i>
<i>Russell 1000 Growth</i>		<i>-4.36%</i>	<i>4.65%</i>	<i>17.66%</i>	<i>-4.36%</i>	<i>37.85%</i>	<i>-4.15%</i>	<i>1.42%</i>

	1/31/2010 Market Value (\$ in millions)	Returns as of 1/31/2010						
		Current Month	Last 3 Months	Fiscal Y-T-D	Calendar Y-T-D	Last 12 Months	Last 3 Years	Last 5 Years
<b>COMPANY EXPOSURE (continued)</b>								
<i>Passive Small-Cap Domestic Equity Manager</i>								
Mellon S&P 400	\$ 591.1	-3.21%	7.02%	22.55%	-3.21%	43.35%	-4.01%	2.92%
<i>S&amp;P 400</i>		-3.21%	7.03%	22.58%	-3.21%	43.36%	-4.05%	2.86%
<i>Small-Cap Core Manager</i>								
Small-Cap Management Portfolio (SCMP)	\$ 669.0	-3.72%	7.05%	21.57%	-3.72%	45.35%	-6.65%	
<i>Russell 2000 Index</i>		-3.68%	7.34%	19.34%	-3.68%	37.82%	-7.74%	
<i>Small-Cap Value Manager</i>								
T Rowe Price	\$ 199.0	-3.02%	8.52%	21.92%	-3.02%	38.93%	-5.85%	2.48%
<i>Russell 2000 Index</i>		-3.68%	7.34%	19.34%	-3.68%	37.82%	-7.74%	0.61%
<i>Russell 2000 Value Index</i>		-2.93%	7.74%	23.43%	-2.93%	36.55%	-9.57%	0.19%
<i>Small-Cap Growth Manager</i>								
RCM - Small Cap	\$ 200.2	-3.71%	8.23%	21.94%	-3.71%	44.48%	-5.09%	2.09%
<i>Russell 2000 Index</i>		-3.68%	7.34%	19.34%	-3.68%	37.82%	-7.74%	0.61%
<i>Russell 2000 Growth Index</i>		-4.47%	6.91%	15.35%	-4.47%	39.03%	-6.03%	0.88%
<i>EAFE Passive Manager</i>								
Mellon EAFE	\$ 729.1	-4.40%	-1.10%	16.66%	-4.40%	39.86%	-6.83%	3.62%
<i>MSCI EAFE</i>		-4.41%	-1.09%	16.69%	-4.41%	39.68%	-7.65%	2.99%
<i>EAFE Active Managers</i>								
GE Asset Mgmt EAFE	\$ 421.6	-5.42%	-0.62%	14.01%	-5.42%	35.59%		
Goldman Sachs EAFE	\$ 419.3	-4.30%	-1.31%	17.01%	-4.30%	38.54%		
Artio EAFE	\$ 539.7	-6.04%	-0.89%	15.59%	-6.04%	31.50%		
Acadian Asset Mgmt EAFE	\$ 304.4	-0.63%	3.02%	12.80%	-0.63%	20.11%		
Principal EAFE	\$ 187.6	-4.26%	1.18%	16.90%	-4.26%	30.92%		
Morgan Stanley EAFE	\$ 207.3	-5.21%	0.20%	18.51%	-5.21%	47.43%		
<i>MSCI EAFE</i>		-4.41%	-1.09%	16.69%	-4.41%	39.68%		
<i>Emerging Markets Managers</i>								
Mondrian Investment Partners	\$ 608.3	-2.94%	3.53%	23.15%	-2.94%	77.18%	6.06%	14.20%
T Rowe Price Emerging Markets	\$ 149.4	-6.86%	1.47%	23.52%	-6.86%	92.16%	0.06%	
Capital Guardian EMGF	\$ 1,068.5	-5.58%	3.18%	22.67%	-5.58%	76.15%	5.31%	17.15%
<i>MSCI Emg Mkts Index</i>		-5.56%	2.40%	24.11%	-5.56%	80.66%	3.79%	14.49%

	1/31/2010 Market Value (\$ in millions)	Current Month	Last 3 Months	Fiscal Y-T-D	Calendar Y-T-D	Last 12 Months	Last 3 Years	Last 5 Years
<b>COMPANY EXPOSURE (continued)</b>								
<i>Global Equity Managers</i>								
Lazard Asset Management	\$ 943.3	-3.71%	2.13%	17.74%	-3.71%	34.39%	-5.14%	3.07%
Capital Guardian	\$ 870.5	-4.58%	1.66%	16.37%	-4.58%	35.69%	-6.78%	
McKinley Capital Mgmt	\$ 532.0	-6.59%	0.67%	16.63%	-6.59%	27.01%	-7.18%	
Alliance Bernstein Global Equity	\$ 311.4	-4.97%	2.92%	24.41%	-4.97%	48.87%		
AQR Global Equity	\$ 391.2	-3.55%	1.96%	19.67%	-3.55%	39.14%		
GMO Global Equity	\$ 530.4	-4.26%	1.54%	16.76%	-4.26%	31.96%		
State Street MSCI World Index (Passive)	\$ 852.2	-4.16%	1.63%	17.37%	-4.16%	37.03%		
<i>MSCI World</i>		-4.13%	1.58%	17.18%	-4.13%	36.58%	-7.32%	1.61%
<i>Private Equity Manager</i>								
Pathway Capital Management <sup>1</sup>	\$ 872.2	N/M	N/M	N/M	N/M	N/M	N/M	
HarbourVest	\$ 2.4	N/M			N/M			
<i>Private equity custom index<sup>2</sup></i>		-3.93%	2.40%	17.94%	-3.93%	39.38%	-6.59%	
<b>INTEREST RATES</b>								
In House MBS/TBA Cash Combined	\$ 516.0	1.42%	1.35%	4.27%	1.42%			
<i>Barclay's Capital U.S. MBS Index</i>		1.33%	1.18%	4.26%	1.33%			
In House Government Bonds	\$ 1,563.4	1.26%	0.44%	2.25%	1.26%			
<i>Barclay's Capital U.S. Treasury Index</i>		1.58%	0.30%	2.36%	1.58%			
<i>Non-domestic Fixed Income Managers</i>								
Augustus Asset Mgmt	\$ 487.6	0.62%	0.67%	3.26%	0.62%	6.62%	6.21%	4.25%
Rogge Global Partners	\$ 529.1	0.95%	1.45%	5.35%	0.95%	8.29%	6.83%	4.69%
<i>Citigroup Non-US World Gov Bond Index (100% Hedged)</i>		0.30%	0.56%	2.47%	0.30%	3.93%	5.17%	4.65%
<b>CASH</b>								
Alaska CD	\$ 221.1	0.08%	0.24%	0.58%	0.08%	0.98%	2.53%	3.18%
Internal Cash	\$ 1,214.3	0.02%	0.03%	0.04%	0.02%			
<i>Three-month T-Bill Rate</i>		0.01%	0.02%	0.11%	0.01%	0.22%	2.27%	2.99%
<b>REAL ASSETS</b>								
In House TIPS	\$ 478.5	1.54%	2.06%	6.77%	1.54%			
Alaska Permanent Capital Mgmt <sup>3</sup>	\$ 487.0	1.52%	2.06%	8.03%	1.52%			
<i>Barclay's Capital U.S. TIPS Index</i>		1.61%	2.15%	6.58%	1.61%			
Infrastructure <sup>4</sup>	\$ 520.3	N/M	N/M	N/M	N/M	N/M	N/M	

<sup>1</sup> Private equity returns are calculated as internal rates of return. Private equity will be funded over time, and internal rates of return are not yet meaningful.

<sup>2</sup> As of July 1, 2009, the private equity custom index is 60% Russell 3000 and 40% MSCI EAFE.

<sup>3</sup> Beginning on July 1, 2009, Alaska Permanent Capital's investment mandate was changed from general domestic fixed income to TIPS only.

<sup>4</sup> The infrastructure asset class was initially funded in late November 2007. Infrastructure returns are calculated as internal rates of return and are not yet meaningful.





# Board of Trustees

## Monthly Performance Report - January 31, 2010

Consolidated Assets - APF assets equal 98.9% of total assets. Slight differences due to rounding.  
Market value of holdings and actual % shown are based on manager mandates (each manager's account value), not on detailed holdings.

### Asset Allocation

	Market Value (\$ in millions)	Actual %	Target %	Range	Over/ (Under)
<b>COMPANY EXPOSURE</b>	<b>\$20,733.1</b>	<b>60.4%</b>	<b>53%</b>	<b>43%-63%</b>	<b>7.4 %</b>
<i>Debt</i>	<b>2,266.0</b>	<b>6.6%</b>	<b>9%</b>	<b>0%-20%</b>	<b>(2.4) %</b>
Corporate Investment Grade	1,694.2	4.9%	5%		(0.1) %
High Yield	571.8	1.7%	2%		(0.3) %
Bank Loans	-	0.0%	2%		(2.0) %
<i>Equities</i>	<b>18,467.1</b>	<b>53.8%</b>	<b>44%</b>	<b>40%-63%</b>	<b>9.8 %</b>
Large Cap	8,624.1	25.1%	12%		13.1 %
Small Cap	2,330.7	6.8%	8%		(1.2) %
International (EAFE)	4,628.9	13.5%	10%		3.5 %
Emerging Market	2,008.8	5.9%	8%		(2.1) %
Private Equity	874.6	2.5%	6%	1%-11%	(3.5) %
<b>INTEREST RATES</b>	<b>\$3,096.1</b>	<b>9.0%</b>	<b>6%</b>	<b>5%-20%</b>	<b>3.0 %</b>
<i>Domestic Government</i>	<b>2,079.4</b>	<b>6.1%</b>	<b>4%</b>		<b>2.1 %</b>
<i>International Government</i>	<b>1,016.7</b>	<b>3.0%</b>	<b>2%</b>		<b>1.0 %</b>
<b>REAL ASSETS</b>	<b>\$4,801.6</b>	<b>14.0%</b>	<b>18%</b>	<b>13%-23%</b>	<b>(4.0) %</b>
<i>Real Estate</i>	<b>3,315.9</b>	<b>9.7%</b>	<b>12%</b>	<b>7%-17%</b>	<b>(2.3) %</b>
Private Real Estate	3,101.8	9.0%			
REITs	214.1	0.6%			
<i>Infrastructure</i>	<b>520.3</b>	<b>1.5%</b>	<b>3%</b>	<b>0%-6%</b>	<b>(1.5) %</b>
<i>TIPS</i>	<b>965.4</b>	<b>2.8%</b>	<b>3%</b>		<b>(0.2) %</b>
<b>OPPORTUNITY POOL</b>	<b>\$4,238.4</b>	<b>12.4%</b>	<b>21%</b>	<b>0%-23%</b>	<b>(8.6) %</b>
<i>Absolute Return</i>	<b>2,128.3</b>	<b>6.2%</b>	<b>6%</b>	<b>3%-9%</b>	<b>0.2 %</b>
<i>Real Return Mandate</i>	<b>1,487.3</b>	<b>4.3%</b>	<b>6%</b>		<b>(1.7) %</b>
<i>Distressed Debt</i>	<b>212.4</b>	<b>0.6%</b>	<b>1%</b>		<b>(0.4) %</b>
<i>ABS/CMBS</i>	<b>410.4</b>	<b>1.2%</b>	<b>4%</b>		<b>(2.8) %</b>
<i>Other</i>	<b>0.0</b>	<b>0.0%</b>	<b>4%</b>		<b>(4.0) %</b>
<b>CASH</b>	<b>\$1,435.5</b>	<b>4.2%</b>	<b>2%</b>	<b>0%-8%</b>	<b>2.2 %</b>
	<b>\$34,304.7</b>	<b>100.0%</b>			



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## Unrealized Gain(Loss) Analysis

	Cost	Market	Unrealized Gain(Loss)		Cost	Market	Unrealized Gain(Loss)
<b>COMPANY EXPOSURE</b>				<b>REAL ASSETS</b>			
<b>Corporate Debt</b>				<b>Real Estate</b>			
In House Corporate Bonds	\$ 1,596.4	\$ 1,694.2	\$ 97.8	RE Direct Equity	\$ 2,914.0	\$ 3,101.8	\$ 187.8
Goldman Sachs High Yield	202.8	209.3	6.5	AEW Global RE Securities	219.5	214.0	(5.4)
Capital Guardian High Yield	348.4	362.4	14.0	Wellington Mgmt	0.1	0.1	(0.0)
<b>Domestic Equities</b>				<b>TIPS</b>			
Mellon S&P 500	3,530.7	4,072.3	541.6	In House TIPS	457.7	478.5	20.8
Mellon Russell Top 50	528.8	563.3	34.5	Alaska Permanent Capital Mgmt	461.2	487.0	25.8
Alliance Capital	0.1	0.1	0.0	<b>Infrastructure</b>			
Dodge & Cox	601.4	568.9	(32.5)		<u>525.2</u>	<u>520.3</u>	<u>(5.0)</u>
RCM - Large Cap	1,080.3	1,189.7	109.3	<b>Total Real Assets</b>	<b>\$ 4,577.7</b>	<b>\$ 4,801.6</b>	<b>\$ 223.9</b>
GE Asset Mgmt	471.6	472.4	0.8	<b>OPPORTUNITY POOL</b>			
Mellon S&P 400 (prev 1000)	641.8	591.1	(50.7)	<b>ABS and CMBS</b>			
T Rowe Price	175.8	199.0	23.2	In House ABS	\$ 30.3	\$ 31.9	\$ 1.6
RCM - Small Cap	180.2	200.2	20.1	In House CMBS	367.1	378.5	11.4
Small Cap Management Pool (SCMP)	632.8	669.0	36.2	<b>Absolute Return</b>			
<b>Non-domestic Equities</b>				Lazard Alternatives			
Mellon EAFE	610.4	729.1	118.7		308.8	340.2	31.4
GE Asset Mgmt EAFE	407.8	421.6	13.9	Mariner Investment Group	369.0	418.2	49.2
Goldman Sachs EAFE	408.2	419.3	11.1	Crestline Investors	717.3	797.1	79.8
Artio EAFE	508.0	539.7	31.7	PAAMCO L.P.	131.1	124.8	(6.3)
Acadian Asset Mgmt EAFE	287.2	304.4	17.3	Mariner II	437.7	448.0	10.2
Principal EAFE	169.2	187.6	18.4	<b>Distressed Debt</b>			
Morgan Stanley EAFE	189.2	207.3	18.0	Crestline AK Distressed Fund	162.4	185.4	23.0
UBS Asset Mgmt	0.1	0.1	(0.0)	Oaktree Opportunities Fund VIII	26.0	26.9	1.0
Capital Guardian EMGF	1,274.3	1,068.5	(205.7)	<b>External CIO/Real Return Mandate</b>			
Mondrian Investment Partners	576.0	608.3	32.4	Bridgewater ECIO	500.0	505.1	5.1
T Rowe Price Emerging Markets	116.5	149.4	32.9	AQR ECIO	501.9	495.1	(6.8)
<b>Global Equities</b>				Goldman Sachs ECIO			
Capital Guardian	825.9	870.5	44.5		<u>500.0</u>	<u>487.2</u>	<u>(12.8)</u>
Lazard Freres	903.0	943.3	40.3	<b>Total Opportunity Pool</b>	<b>\$ 4,051.8</b>	<b>\$ 4,238.4</b>	<b>\$ 186.7</b>
McKinley Capital Mgmt	467.3	532.0	64.7	<b>CASH</b>			
Alliance Bernstein Global	323.1	311.4	(11.7)	Alaska CD Program			
GMO Global	559.4	530.4	(29.0)		220.0	221.1	1.1
AQR Capital Mgmt	392.5	391.2	(1.3)	Internal Cash	<u>1,214.3</u>	<u>1,214.3</u>	<u>0.0</u>
State Street MSCI World	672.1	852.2	180.1	<b>Total Cash</b>	<b>\$ 1,434.3</b>	<b>\$ 1,435.5</b>	<b>\$ 1.1</b>
<b>Private Equity</b>				<b>TOTAL FUND</b>			
Pathway	969.1	872.2	(96.9)		<b>\$ 32,695.1</b>	<b>\$ 34,304.7</b>	<b>\$ 1,609.6</b>
HarbourVest	<u>2.4</u>	<u>2.4</u>	<u>(0.0)</u>				
<b>Total Company Exposure</b>	<b>\$ 19,652.9</b>	<b>\$ 20,733.1</b>	<b>\$ 1,080.1</b>				
<b>INTEREST RATES</b>							
<b>Domestic Government</b>							
In House MBS	\$ 395.0	\$ 416.8	\$ 21.7				
In House TBA Cash	99.2	99.2	0.0				
In House Government Securities	1,546.2	1,563.4	17.2				
<b>International Government</b>							
Augustus Asset Mgmt	457.2	487.6	30.4				
Rogge Global Partners	<u>480.7</u>	<u>529.1</u>	<u>48.4</u>				
<b>Total Interest Rates</b>	<b>\$ 2,978.4</b>	<b>\$ 3,096.1</b>	<b>\$ 117.7</b>				