



Policeman's Annuity and Benefit Fund of Chicago
Performance Update
As of December 31, 2011

Performance as of December 31, 2011

	Fourth Quarter	1 Year Ending 12/31/11	3 Years Ending 12/31/11	5 Years Ending 12/31/11	10 Years Ending 12/31/11
Total Fund	5.3%	1.1%	11.7%	2.0%	5.0%
<i>Allocation Index</i>	<i>5.2%</i>	<i>1.0%</i>	<i>12.0%</i>	<i>2.4%</i>	<i>5.3%</i>
U.S. Equity	11.6%	0.7%	16.3%	1.0%	4.0%
<i>DJ US Total Stock Market Index</i>	<i>12.1%</i>	<i>1.1%</i>	<i>15.2%</i>	<i>0.2%</i>	<i>n/a</i>
Non-U.S. Equity	5.6%	-13.1%	11.1%	-2.9%	5.5%
<i>MSCI ACWI ex. US</i>	<i>3.7%</i>	<i>-13.7%</i>	<i>10.7%</i>	<i>-2.9%</i>	<i>6.3%</i>
Fixed Income	1.5%	8.2%	9.3%	5.7%	5.5%
<i>BC Aggregate Index</i>	<i>1.1%</i>	<i>7.8%</i>	<i>6.8%</i>	<i>6.5%</i>	<i>5.8%</i>
Alternatives	-0.4%	10.8%	2.4%	2.1%	1.7%
<i>Custom Benchmark</i>	<i>-0.7%</i>	<i>9.6%</i>	<i>5.3%</i>	<i>4.5%</i>	<i>7.4%</i>
Cash	0.0%	0.1%	0.3%	1.7%	2.1%
<i>90 Day T-Bills</i>	<i>0.0%</i>	<i>0.1%</i>	<i>0.1%</i>	<i>1.5%</i>	<i>2.0%</i>



Allocation Index: A weighted average of the underlying individual investment strategy benchmarks.

Alternatives Benchmark: A weighted average of the HFRI Fund of Funds, S&P/LSTA Leveraged Loan, NCREIF Property Index, Venture Economics All Private Equity Index.

Asset Allocation as of December 31, 2011

	Fixed Income	Total Equity	Private Capital	Alternatives	Cash	Total	% of Total	Policy
Total Equity	-	\$ 1,342,828	-	-	-	\$ 1,342,828	45.4%	41.0%
Fixed Income	\$ 849,423	-	-	-	-	\$ 849,423	28.7%	22.0%
Private Capital	-	-	\$ 410,335	-	-	\$ 410,335	13.9%	14.0%
Alternatives	-	-	-	\$ 348,647	-	\$ 348,647	11.8%	23.0%
Cash	-	-	-	-	\$ 7,736	\$ 7,736	0.3%	0.0%
Total Fund	\$ 849,423	\$ 1,342,828	\$ 410,335	\$ 348,647	\$ 7,736	\$ 2,958,969	100.0%	100.0%
% of Total	28.7%	45.4%	13.9%	11.8%	0.3%	100.0%		