

TENNESSEE CONSOLIDATED RETIREMENT SYSTEM

**EXECUTIVE SUMMARY**

**MARCH 31, 2015**

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1 Effective 1/1/13, Policy Index is 33% S&P 1500/ 4% S&P TSX 60/ 13% MSCI EAFE IMI net/ 5% MSCI Emerging Markets net/ 25% Citigroup LPF/ 4% Citigroup TIPS/ 7% NCREIF 1Q Lag/ 3% S&P 500 + 3% 1Q Lag/ 1% 91 Day T-Bill / 5% Strategic Lending.

2 Effective 1/1/15, Total Fund Allocation Index is 33.7% S&P 1500/ 4.1% S&P TSX 60/ 13.3% MSCI EAFE IMI net/ 5.1% MSCI Emerging Markets net/ 26.4% Citigroup LPF/ 6.4% Citigroup TIPS/ 6.1% NCREIF 1Q Lag/ 1.9% S&P 500 + 3% 1Q Lag/ 2% Strategic Lending/ 1% 91 Day T-Bill.

3 Effective 1/1/13, benchmark is 89.19% S&P 1500/ 10.81% S&P TSX 60; linked to 87.5% S&P 1500/ 12.5% S&P TSX 60 Index.

4 Effective 7/1/04, benchmark is S&P 1500.

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5 Effective 7/1/08, strategy was changed from SMID Cap. Benchmark is linked to 100% S&P 1000 Index.

6 Use 100% Russell 2000 Futures returns January 2011-June 2012. Use weighted blend of Russell 2000 Futures and Small Cap Fund returns July 2012- October 2012.

Use 100% Small Cap Fund returns November 2012-present.

7 Effective 1/1/13, benchmark is 72.22% MSCI EAFE IMI net/ 27.78% MSCI Emerging Mkts net; linked to 100% MSCI EAFE IMI net (10/08-12/12) and 100% MSCI EAFE net Index (7/04-9/08).

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8 Effective 9/4/10, internally managed by TCRS staff. Amundi Pacific terminated.

9 Effective 7/1/04.

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10 Effective 3/1/09. Benchmark is linked to MSCI Europe Index.

11 Effective 9/1/11. Benchmark is linked to 50% Citigroup BIG/ 50% Citigroup LPF (4/1/11-8/31/11) and 100% Citigroup BIG (8/1/05-3/31/11).

12 Effective 7/1/11. Benchmark is linked to 50% Citigroup BIG Credit/ 50% Citigroup LPF (4/1/11-6/30/11) and 100% Citigroup BIG Credit Index (1/1/01-3/31/11).



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13 Effective 9/1/11. Benchmark is linked to Citi 1-7 Govt (7/1/11-8/31/11), 50% Citigroup 1-5 Govt/ 50% Citigroup 1-7 Govt (4/1/11-6/30/11), and 100% Citigroup 1-5 Govt (9/1/09-3/31/11).

14 Effective 7/1/11. Benchmark is linked to 50% Citigroup Core 5+ Govt/ 50% Citigroup 7+ Govt (4/1/11-6/30/11), 100% Citigroup Core 5+ Govt (9/1/09-3/31/11), and 100% Citigroup Govt (7/1/04-8/31/09).

\* Effective 4/1/12. One quarter lagged IRR returns are provided by Cambridge Associates.

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15 Funded 8/1/13. Reported net of fees. Triton Debt Opp Fund market value is rolled forward from Q4 2014, and adjusted for Q4 cash flows.

16 Effective 1/1/13, benchmark is 50% Barclays HY 2% Issuer Capped/ 50% Credit Suisse Leveraged Loans.









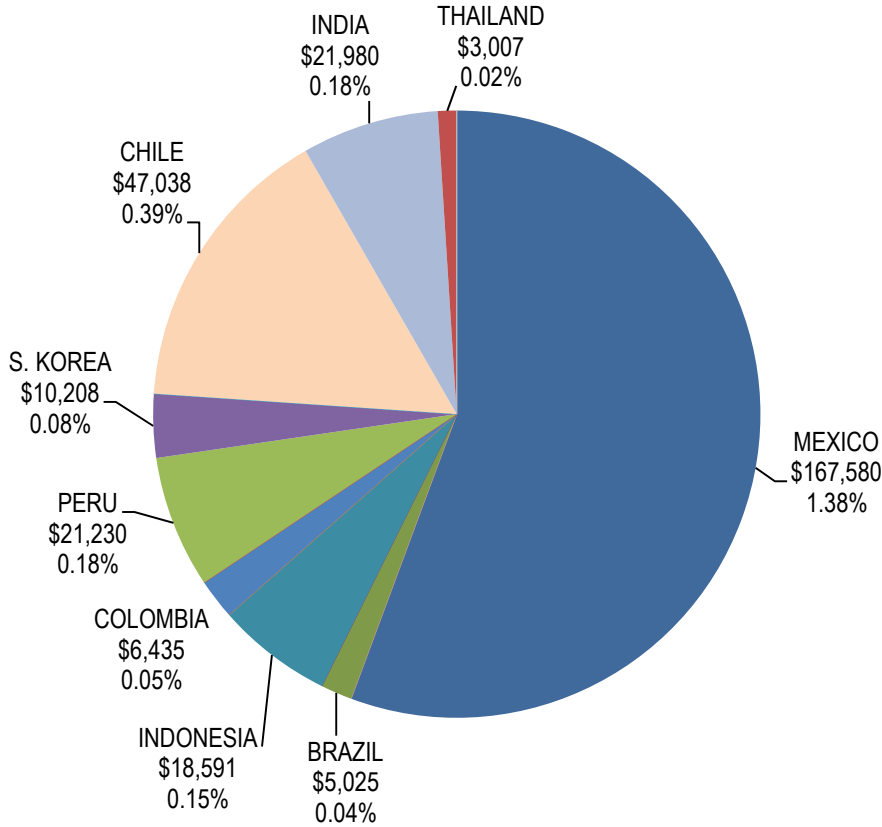






Emerging Market Investment Grade Bond Portfolio Regional Weights

As of March 31, 2015



COUNTRY	TCRS MARKET VALUE (\$ 000)	TCRS FI	LPF	DIFF
MEXICO	\$ 167,580	1.38%	0.89%	+0.49%
OTHER*	\$ -		0.85%	-0.85%
BRAZIL	\$ 5,025	0.04%	0.56%	-0.52%
TURKEY	\$ -		0.41%	-0.41%
INDONESIA	\$ 18,591	0.15%	0.33%	-0.18%
PHILIPPINES	\$ -		0.28%	-0.28%
COLOMBIA	\$ 6,435	0.05%	0.23%	-0.18%
S. AFRICA	\$ -		0.14%	-0.14%
PERU	\$ 21,230	0.18%	0.13%	+0.05%
S. KOREA	\$ 10,208	0.08%	0.10%	-0.02%
POLAND	\$ -		0.09%	-0.09%
CHILE	\$ 47,038	0.39%	0.04%	+0.35%
INDIA	\$ 21,980	0.18%		+0.18%
THAILAND	\$ 3,007	0.02%		+0.02%
MALAYSIA	\$ -			0.00%
TAIWAN	\$ -			0.00%
	\$ 301,094	2.49%	4.05%	-1.56%

\* Includes Bahrain, British Virgin, Curacao, Iceland, Isle of Man, Panama, Qatar, Slovakia, Slovenia and Uruguay.  
 \*\*Countries excluded: United States, Japan, Germany, France, The United Kingdom, Italy, Canada, Australia, Spain, Israel, Belgium, Ireland, Luxembourg, Netherlands, Norway, Sweden and Switzerland.