

Commonwealth of Pennsylvania – State Employees' Retirement System
Asset Allocation Report – Total Fund Summary
June 30, 2014

(Unaudited) - (Dollars in Millions)

ASSET CLASS	Market	% of	Policy	Policy
Sub-asset Class	Exposure	Total Fund	Target %	Range %
ALTERNATIVE INVESTMENTS				
Private Equity	3,549.6	12.7		
Special Situations	861.8	3.1		
Venture Capital	1,404.7	5		
Total Alternative Investments	5,816.1	20.9%	20%	
GLOBAL PUBLIC EQUITY				
Global Mandates	654.7	2.4		
U.S. Equity	4,959.4	17.8		
Non-U.S. Developed Market Equity	3,706.3	13.3		
Emerging Markets Equity	921.4	3.3		
Equity Transition Assets	0.3	0.0		
Total Global Public Equity	10,242.2	36.8%	37%	
Total Equity	16,058.3	57.7%	57%	52-62%
REAL ASSETS				
Private Real Assets				
Private Energy	229.1	0.8		
Non-Core Real Estate	727.8	2.6		
Total Private Real Assets	956.9	3.4		
Public Real Assets				
Core Real Estate	1,758.5	6.3		
REITs	346.2	1.2		
Commodities & Infrastructure	1,343.2	4.8		
Total Public Real Assets	3,447.8	12.4		
Total Real Assets	4,404.7	15.8%	17%	14-20%
DIVERSIFYING ASSETS				
Absolute Return Strategies	184.4	0.7		
Hedged Strategies	1,443.6	5.2		
Direct Investments	107.4	0.4		
Total Diversifying Assets	1,735.5	6.2%	8%	5-11%
FIXED INCOME				
Core Plus Fixed Income	1,284.3	4.6		
Core Fixed Income	1,863.7	6.7		
Global TIPS	783.5	2.8		
Nominal U.S. Treasuries	503.7	1.8		
Total Fixed Income	4,435.1	15.9%	15%	12-18%
LIQUIDITY RESERVE				
Short-Term Notes	348.2	1.3		
Cash	872.1	3.1		
Total Liquidity Reserve	1,220.3	4.4%	3%	0-6%
TOTAL FUND				
	\$27,853.9	100.0%	100%	

Numbers in this report may not add due to rounding