

Commonwealth of Pennsylvania - State Employees' Retirement System

Asset Allocation Report - Total Fund Summary

December 31, 2016

(Unaudited) - (Dollars in Millions)

ASSET CLASS Sub-asset Class	Market Exposure	% of Total Fund	Policy Target %	Policy Range %
PRIVATE EQUITY				
Buyouts	2,372.8	9.0		
Special Situations	670.5	2.6		
Venture Capital	1,080.5	4.1		
Total Private Equity	4,123.8	15.7%	16.0%	
GLOBAL PUBLIC EQUITY				
Global Mandates	687.5	2.6		
U.S. Equity	6,315.6	24.1		
Non-U.S. Developed Markets Equity	4,384.5	16.7		
Emerging Markets Equity	801.1	3.1		
Equity Transition Assets	0.2	0.0		
Total Global Public Equity	12,188.9	46.4%	43.0%	
Total Equity	16,312.7	62.2%	59.0%	54-64%
REAL ESTATE				
Core Real Estate Funds	325.3	1.2		
Real Estate Separate Accounts	1,017.0	3.9		
Non-Core Real Estate Funds	510.5	1.9		
Timberland	154.5	0.6		
REITs	239.4	0.9		
Total Real Estate	2,246.8	8.6%	12.0%	9-15%
HEDGE FUNDS				
Funds-of-Hedge Funds	1,506.6	5.7		
Absolute Return Strategies	77.4	0.3		
Direct Investments	105.1	0.4		
Commodities	368.2	1.4		
Total Hedge Funds	2,057.4	7.8%	12.0%	9-15%
FIXED INCOME				
Core Plus Fixed Income	1,494.3	5.7		
Core Fixed Income	1,138.7	4.3		
Global TIPS	789.3	3.0		
Nominal U.S. Treasuries	533.4	2.0		
Short-Term Notes	355.5	1.4		
Total Fixed Income	4,311.2	16.4%	14.0%	11-17%
CASH				
Cash	1,316.0	5.0		
Total Cash	1,316.0	5.0%	3.0%	0-6%
TOTAL FUND	\$ 26,244.1	100.0%	100.0%	