

City of Cincinnati Retirement System

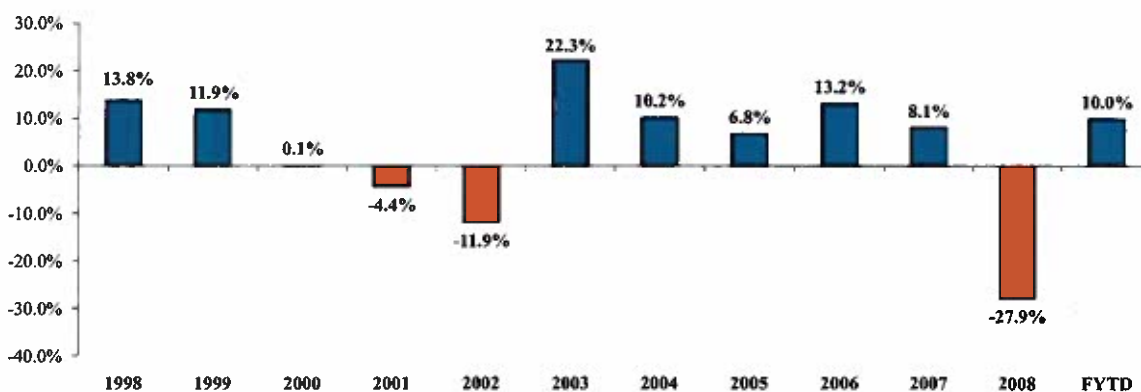
**Investment Report
July 31, 2009**



Preliminary information, subject to change.

Market Values July 31, 2009				Annualized Performance July 31, 2009								
Asset Class	Market Values	Allocation	Target	1 Mon.	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	7 Yr	10 Yr
Total Fixed Income	\$310,864,794	16.7%	17.0%	3.4%	14.3%	7.7%	6.4%	6.5%	4.9%	5.4%	5.7%	6.5%
Total U.S. Equity	\$836,516,431	44.8%	43.5%	8.2%	12.4%	-20.1%	-14.1%	-5.1%	-1.7%	-0.1%	2.6%	-0.4%
Total International Equity	\$349,948,631	18.7%	17.0%	9.3%	19.5%	-17.8%	-12.8%	-2.2%	3.8%	6.1%	5.9%	2.0%
Total Real Estate ¹	\$123,632,571	6.6%	7.5%	-0.3%	-22.4%	-29.9%	-14.3%	—	—	—	—	—
Total Long/Short Equity	\$120,593,836	6.5%	5.0%	1.7%	8.1%	-8.1%	—	—	—	—	—	—
Total Private Equity ²	\$77,067,513	4.1%	5.0%	See Page 5	—	—	—	—	—	—	—	—
Total Infrastructure	\$47,928,287	2.6%	5.0%	See Page 5	—	—	—	—	—	—	—	—
Total Cash Equivalents	\$241,116	0.0%	—	—	—	—	—	—	—	—	—	—
TOTAL PORTFOLIO	\$1,866,793,179	100.0%	100.0%	6.0%	10.0%	-14.3%	-9.2%	-1.9%	0.5%	2.0%	3.8%	2.1%

Fiscal Year Returns



¹Market Values of 6/30/09 plus J.P. Morgan.

²Market Values of 3/31/09 including 2009 capital calls and distributions.

Market Values

July 31, 2009

Asset Class	Investment Manager	Market Value
Core Fixed Income	Blackrock	\$94,521
Core Fixed Income	PIMCO	\$114,900
High Yield Fixed Income	Shenkman	\$101,350
Total Fixed Income		\$310,800
All-Cap Core Equity	Allegiant	\$159,620
All-Cap Core Equity	PanAgora	\$160,100
All-Cap Value Equity	Bartlett	\$42,800
Large-Cap Value Equity	Gradison	\$109,200
Large-Cap Value Equity	Rhumblin	\$62,700
Large-Cap Growth Equity	Montag & Caldwell	\$109,800
Mid-Cap Growth Equity	Rhumblin	\$59,200
Mid-Cap Growth Equity	Turner	\$38,500
Small-Cap Value Equity	Opus	\$42,200
Small-Cap Value Equity	WCM	\$41,900
Cash Equitization	Clifton Group	\$10,100
Total U.S. Equity		\$836,500
International Value	Mondrian	\$139,100
International Core	Harding Loevner	\$150,000
International Small Value	DFA	\$38,300
Emerging Markets	Mondrian - EM	\$22,300
Total International Equity		\$349,900
Real Estate Core	J.P. Morgan SPF	\$46,300
Real Estate Core	Morgan Stanley P.P.	\$47,200
Real Estate Value-Added	PRISA III	\$10,700
Real Estate Value-Added	Principal Enhanced	\$14,700
Real Estate - Non U.S.	Mesirow/Courtland I	\$4,500
Total Real Estate		\$123,600
Long/Short Equity	ABS Global	\$59,600
Long/Short Equity	Common Sense	\$60,900
Total Long/Short Equity		\$120,500
Private Equity Venture	Blue Chip II	\$1,000
Private Equity Venture	Blue Chip III	\$1,500
Private Equity Venture	Blue Chip IV	\$16,200
Private Equity FoFs Specialized	Fort Washington Fund V	\$14,000
Private Equity FoFs Specialized	Fort Washington Fund VI	\$4,700
Private Equity Buy-Out	Piper Jaffray III - LBO	\$11,200
Private Equity Venture	Piper Jaffray III - VC	\$5,800
Private Equity Buy-Out	Piper Jaffray IV - LBO	\$1,300
Private Equity Venture	Piper Jaffray IV - VC	\$4,700
Private Equity FoFs Specialized	Portfolio Advisors IV - Special Sit	\$12,600
Private Equity FoFs Specialized	Portfolio Advisors V - Special Sit	\$3,600
Total Private Equity		\$77,000
Infrastructure	Alinda II	\$14,400
Infrastructure	Macquarie II	\$33,400
Total Infrastructure		\$47,900
Cash Short-Term	Transition	\$200
Cash Short-Term	Cash	\$200
Cash Short-Term	Cash - Securities Lending	\$160
Total Cash Equivalents		\$240
TOTAL PORTFOLIO		\$1,866,700

Annualized Performance (Gross of Fees)
July 31, 2009

	1 Month	YTD	1 Year	2 Year	3 Year	4 Year	5 Year
Fixed Income							
Blackrock	3.0%	9.6%	7.6%	6.0%	5.7%	4.7%	4.8%
PIMCO	3.3%	13.5%	9.9%	7.7%	7.0%	5.7%	5.7%
<i>BarCap Aggregate</i>	1.6%	3.6%	7.9%	7.0%	6.5%	5.2%	5.1%
Shenkman	4.0%	20.5%	4.6%	4.7%	5.1%	4.8%	5.6%
<i>BarCap High Yield</i>	6.1%	38.4%	4.9%	2.4%	3.8%	3.9%	5.3%
U.S. Equity							
Allegiant	7.8%	12.4%	-19.8%	-15.1%	---	---	---
PanAgora	7.8%	12.3%	-20.1%	-15.1%	-5.7%	-3.1%	0.7%
<i>Russell 3000</i>	7.7%	12.5%	-20.0%	-15.3%	-5.8%	-3.1%	0.6%
Bartlett	9.0%	11.2%	-26.4%	-17.2%	-6.3%	-2.6%	1.5%
<i>Russell 3000 Value</i>	11.1%	-7.8%	-38.6%	-25.5%	-13.3%	-6.1%	-2.4%
Gradison	7.8%	4.4%	-19.4%	-15.1%	-5.0%	-1.6%	1.7%
Rhumblin	8.2%	5.4%	-22.5%	-18.8%	---	---	---
<i>Russell 1000 Value</i>	8.2%	5.1%	-22.9%	-19.2%	-9.5%	-4.6%	-0.3%
Montag & Caldwell	5.7%	15.4%	-15.9%	-5.9%	1.6%	1.2%	3.4%
<i>Russell 1000 Growth</i>	7.1%	19.5%	-17.6%	-12.1%	-2.6%	-2.2%	0.7%
Rhumblin	7.7%	25.7%	-21.7%	-15.1%	---	---	---
Turner	10.8%	25.2%	---	---	---	---	---
<i>Russell MidCap Growth</i>	7.9%	25.8%	-21.9%	-15.2%	-4.4%	-2.6%	2.5%
Opus	11.4%	12.2%	-15.3%	---	---	---	---
WCM	10.9%	9.5%	---	---	---	---	---
<i>Russell 2000 Value</i>	11.6%	5.8%	-20.7%	-15.5%	-8.4%	-4.8%	0.8%
International							
Mondrian	7.9%	10.2%	-19.5%	-15.0%	-3.6%	2.7%	6.6%
Harding Loevner	10.4%	24.1%	-17.4%	-11.5%	-0.9%	4.5%	---
<i>MSCI EAFE</i>	9.1%	18.3%	-22.2%	-17.1%	-5.1%	1.6%	5.3%
DFA	9.3%	25.1%	-16.5%	---	---	---	---
<i>Citigroup < \$2 Bill ex U.S.</i>	7.1%	29.8%	-18.0%	-17.1%	-3.7%	0.6%	5.8%
Mondrian - EM	11.2%	49.3%	-12.5%	---	---	---	---
<i>MSCI Emerging Markets</i>	11.3%	51.6%	-16.6%	-10.6%	6.5%	11.7%	18.0%

Annualized Performance (Gross of Fees)
July 31, 2009

	1 Month	YTD	1 Year	2 Year	3 Year	4 Year	5 Year
Real Estate							
J.P. Morgan SPF	-0.7%	-19.1%	-27.0%	---	---	---	---
Morgan Stanley P.P.	---	-25.0%	-29.5%	-13.4%	---	---	---
PRISA III	---	-38.0%	-50.9%	---	---	---	---
Principal Enhanced	---	-21.0%	-32.9%	---	---	---	---
Mesirow/Courtland I	---	---	---	---	---	---	---
NCREIF	---	-12.2%	-19.6%	-6.3%	1.0%	5.1%	7.6%
NCREIF - ODCE	---	-22.1%	-31.3%	-14.4%	-5.1%	0.2%	3.3%
Long/Short Equity							
ABS Global	1.7%	4.0%	-9.9%	---	---	---	---
Common Sense	1.7%	12.4%	-6.3%	---	---	---	---
Custom Benchmark (80% R3000)	6.2%	9.8%	-16.2%	-12.3%	-4.8%	-2.7%	0.3%
Total Fund Composite							
	5.9%	9.9%	-14.3%	-9.2%	-1.9%	0.5%	2.0%
Policy Benchmark ¹	6.0%	10.9%	-13.8%	-10.1%	-2.7%	-0.3%	2.4%
Target Benchmark ²	5.8%	9.9%	-14.1%	-10.0%	-2.1%	0.5%	3.3%

¹As of 8/31/08 the Policy Benchmark consists of 14% the BarCap Aggregate, 6% BarCap High Yield, 17% the Russell 3000, 3% Russell 3000 Value, 10% the Russell 1000 Value, 7% Russell 1000 Growth, 3% Russell MidCap Growth, 7% Russell 2000 Value, 3% VE all Private Equity, 7% NCREIF, 15% MSCI EAFE Index, 1% MSCI Emerging Markets, 2% Citigroup Intl. < \$2 Billion, and 5% HFR Hedged Equity Index.

²As of 1/31/07, the Target Benchmark consists of 12% the BarCap Aggregate, 5% BarCap High Yield, 16% the Russell 3000, 2% Russell 3000 Value, 6% the Russell 1000 Value, 5% Russell 1000 Growth, 5% Russell MidCap Growth, 5% Russell 2000 Value, 14% MSCI EAFE Index, 2% Citigroup Intl. < \$2 Billion, 1% MSCI Emerging Markets, 5% HFR Hedged Equity Index, 8% NCREIF Property Index, 5% the VE Private Equity Index, and 5% the ML LIBOR + 4%. Prior to 1/31/07, the Target Benchmark consisted of 21% BarCap Aggregate, 5% BarCap High Yield, 10% Russell 3000, 2% Russell 3000 Value, 19% Russell 1000 Value, 15% Russell 1000 Growth, 4% Russell 2500 Value, 2% Russell 2000 Growth, 17% MSCI EAFE, and 5% VE Private Equity.

Private Equity/Infrastructure Data¹

Asset Class	IM	As of 7/31/09										IRR Since Inception (As of 3/31/09)	
		Date Funded	Committed	Called	Distributed	Fees	Capital Balance	Cumulative	Annualized				
Private Equity Venture	Blue Chip I	07/01/93	\$4,000,000	\$4,000,000	\$6,314,076	\$742,000	\$0	\$17.35%	13.40%				
Private Equity Venture	Blue Chip II	08/01/97	\$10,000,000	\$10,000,000	\$8,213,618	\$1,948,768	\$1,007,564	-24.53%	-2.38%				
Private Equity Venture	Blue Chip III	11/01/99	\$15,000,000	\$15,000,000	\$3,770,047	\$2,528,189	\$1,508,202	-84.76%	-18.11%				
Private Equity Venture	Blue Chip IV	12/01/00	\$25,000,000	\$25,000,000	\$10,648,089	\$4,423,195	\$16,259,090	16.56%	1.86%				
Private Equity FoFs Specialized	Fort Washington Fund V	09/01/07	\$40,000,000	\$17,286,667	\$0	\$0	\$14,010,698	-27.53%	-18.57%				
Private Equity FoFs Specialized	Fort Washington Fund VI	09/01/08	\$30,000,000	\$4,390,050	\$0	\$0	\$4,771,169	14.33%	---				
Private Equity Buy-Out	Piper Jaffray III - LBO	05/01/07	\$20,000,000	\$14,650,017	\$69,581	\$689,141	\$11,222,581	-36.76%	-21.25%				
Private Equity Venture	Piper Jaffray III - VC	05/01/07	\$20,000,000	\$6,633,339	\$125,280	\$664,236	\$5,862,117	-5.25%	-2.77%				
Private Equity Buy-Out	Piper Jaffray IV - LBO	09/01/08	\$15,000,000	\$1,627,500	\$0	\$334,449	\$1,359,029	-37.48%	---				
Private Equity Venture	Piper Jaffray IV - VC	06/01/08	\$15,000,000	\$6,150,000	\$0	\$952,256	\$4,705,250	-47.08%	---				
Private Equity FoFs Specialized	Portfolio Advisors IV - Special Sit	06/01/07	\$20,000,000	\$13,278,685	\$0	\$207,540	\$12,665,428	-0.90%	-0.50%				
Private Equity FoFs Specialized	Portfolio Advisors V - Special Sit	09/01/08	\$10,000,000	\$3,833,049	\$0	\$18,652	\$3,696,385	-8.81%	---				
Infrastructure	Alinda II ²	08/01/08	\$60,000,000	\$16,994,611	\$1,255,533	\$1,576,796	\$14,450,509	---	---				
Infrastructure	Macquarie II ²	09/01/08	\$60,000,000	\$36,530,513	\$3,216,604	\$606,655	\$33,477,778	---	---				
Private Equity Composite		07/01/93	\$224,000,000	\$121,849,307	\$29,140,691	\$12,508,426	\$77,067,513	-64.19%	-6.32%				
Infrastructure Composite²		08/01/08	\$120,000,000	\$53,525,124	\$4,472,137	\$2,183,451	\$47,928,287	---	---				
Combined			\$344,000,000	\$175,374,431	\$33,612,828	\$14,691,877	\$124,995,800	---	---				

¹All data is preliminary and subject to change.

²Not Available

Asset Class

Core Fixed Income
Core Fixed Income
High Yield Fixed Income

Total Fixed Income

All-Cap Core Equity
All-Cap Core Equity
All-Cap Value Equity
Large-Cap Value Equity
Large-Cap Value Equity
Large-Cap Growth Equity
Mid-Cap Growth Equity
Mid-Cap Growth Equity
Small-Cap Value Equity
Small-Cap Value Equity
Cash Equitization

Total U.S. Equity

International Value
International Core
International Small Value
Emerging Markets

Total International Equity

Real Estate Core
Real Estate Core
Real Estate Value-Added
Real Estate Value-Added
Real Estate - Non U.S.

Total Real Estate

Long/Short Equity
Long/Short Equity

Total Long/Short Equity

Private Equity Venture
Private Equity Venture
Private Equity Venture
Private Equity FoFs Spec
Private Equity FoFs Spec
Private Equity Buy-Out
Private Equity Venture
Private Equity Buy-Out
Private Equity Venture
Private Equity FoFs Spec
Private Equity FoFs Spec

Total Private Equity

Infrastructure
Infrastructure

Total Infrastructure

Cash Short-Term
Cash Short-Term
Cash Short-Term

Total Cash Equivalents

TOTAL PORTFOLIO

¹ 8/31/09 not available, 7/ 1/

Asset Class			
Core Fixed Income			
Core Fixed Income			
High Yield Fixed			
Total Fixed Income			
All-Cap Core Equity		\$9,492,579	
All-Cap Core Equity			
All-Cap Value Equity			
Large-Cap Value Equity		\$199,383,386	
Large-Cap Value Equity			
Large-Cap Growth		\$61,889,340	
Mid-Cap Growth			
Mid-Cap Growth			
Small-Cap Value			
Small-Cap Value			
Cash Equitization			
Total U.S. Equity			
International Value			
International Core		\$10,085,158	
International Small			
Emerging Markets			
Total International			
Real Estate Core			
Real Estate Core			
Real Estate Value			
Real Estate Value			
Real Estate - Non			
Total Real Estate			
Long/Short Equity		\$89,342,887	
Long/Short Equity		\$9,082,237	
Total Long/Short			
Private Equity Value			
Private Equity Value			
Private Equity Value			
Private Equity Fund			
Private Equity Fund			
Private Equity Buyout			
Private Equity Buyout			
Private Equity Buyout			
Private Equity Buyout			
Private Equity Value			
Private Equity Fund			
Private Equity Fund			
Total Private			
Equity			
Infrastructure			
Infrastructure			
Total Infrastructure			
Cash Short-Term		\$4	
Cash Short-Term			
Cash Short-Term			
Total Cash E u			
TOTAL PORT.		\$1,866,793,172	
			100.0%
			100.0%

Estimated Annual Investment Management Fees

Asset Class	Investment Manager	Fee Schedule	Expense Ratio & Estimated Annual Fee ¹	Industry Average ²
<u>Old Fees:</u>				
All-Cap Core Equity	Allegiant	0.08% on the first \$50 million 0.04% on the next \$50 million 0.02% on the Balance	0.045% \$71,924	0.07%
All-Cap Core Equity	PanAgora	0.10% on the first \$50 million 0.05% on the next \$50 million 0.02% on the Balance	0.054% \$87,020	0.07%
			Total Fees: \$158,945	
<u>Proposed Fee:</u>				
	PanAgora	0.03% on the Balance (minimum \$50,000)	\$48,030	
	Allegiant has agreed to match any fees		\$47,887	
			Total Fees: \$100,000	

¹ Expense Ratio & Estimated Annual Fee are Based on Market Value at Quarter End.

² Source: 2005 Marquette Associates Investment Management Fee Study.

³ Annualized