

STANISLAUS COUNTY
EMPLOYEES' RETIREMENT ASSOCIATION
INVESTMENT PERFORMANCE ANALYSIS
JUNE 30, 2009

STRATEGIC INVESTMENT SOLUTIONS, INC.

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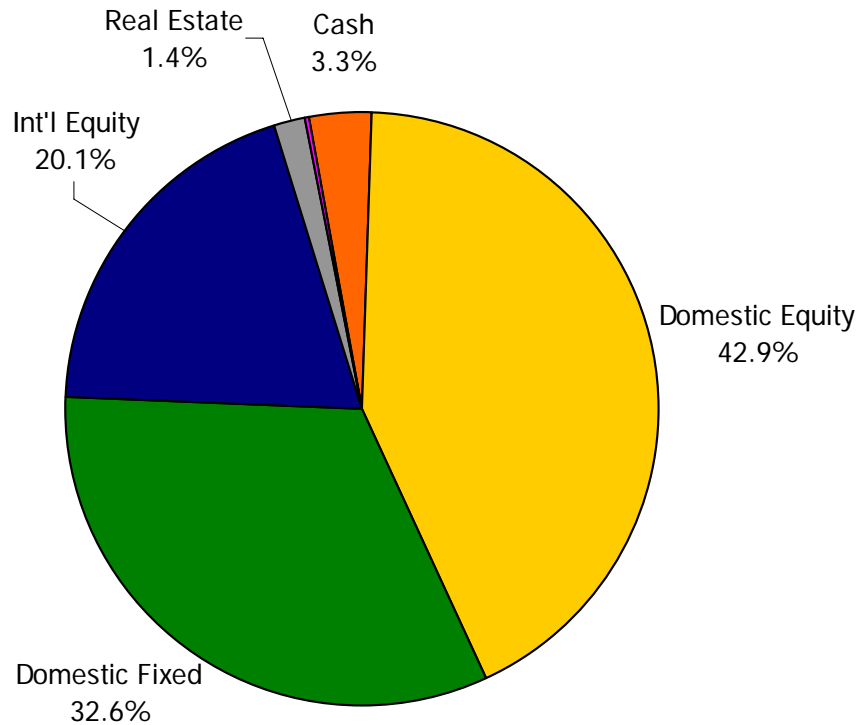
> General Comments

- U.S. equity markets rebounded sharply during the second quarter of 2009, registering the best quarterly performance since 1998. The Dow Jones Industrial Average rose 12.0% while the S&P 500 climbed 15.2% in the second quarter.
- The U.S. economy showed mixed signs of improvement as the Conference Board's Consumer Confidence Index posted its largest 1-month increase in six years, rising 14.1 to 54.8 in May. Although the index posted strong gains during the first two months of the quarter, it fell 5.5 in June ending the quarter at 49.3.
- U.S. Federal Reserve Chairman, Ben Bernanke, testified before Congress that recent data supports a slowing in economic contraction. Simultaneously, the Fed elected to keep the key short-term interest rate at the historically low range of 0 - .25%.
- Despite signs of an easing U.S. labor market, the economy has lost 6.5 million jobs since December 2007. The unemployment rate continued to rise during the quarter, ending the period at 9.5%. This marked the ninth consecutive month of increases in unemployment and the highest U.S. unemployment rate since 1983.
- Oil prices edged upward during the quarter, rising above \$70/barrel in June and ending the month at \$73.38. Analysts note that while oil inventories remain relatively high, recent inflows into commodities have steadily driven prices higher.
- After losing ground during the first two months of year, emerging markets indices have experienced a sharp rebound. Frontier markets have led returns and the MSCI BRIC Index has advanced 47.9% year to date.
- The U.S. dollar fell to a 6-month low against the euro in early June but rebounded slightly as the quarter came to a close. Simultaneously, the U.K. pound strengthened to an 8-month high. The dollar also fell against the yen which strengthened during the second quarter.
- For the period ending 6/30/09, the one quarter return for the NAREIT index was 28.86%, the one year return was (43.29%), and the three years return was (18.01%).
- The poor returns in the public indexes have been a major driver of banks' loan losses. According to a report by Real Capital Analytics, about \$2.2 trillion of U.S. commercial properties bought or refinanced since early 2004 have fallen below the price at which they changed hands.
- While for the most part the real estate news is dismal, there have been some positive announcements. For example, at the end of July, the S&P Case-Shiller Index, which reviews prices in 20 metropolitan areas, bottomed out, and the Radar Logic RPX Monthly Housing Market Report reported a two-month increase of 4.8% in the price paid per square foot since late March.

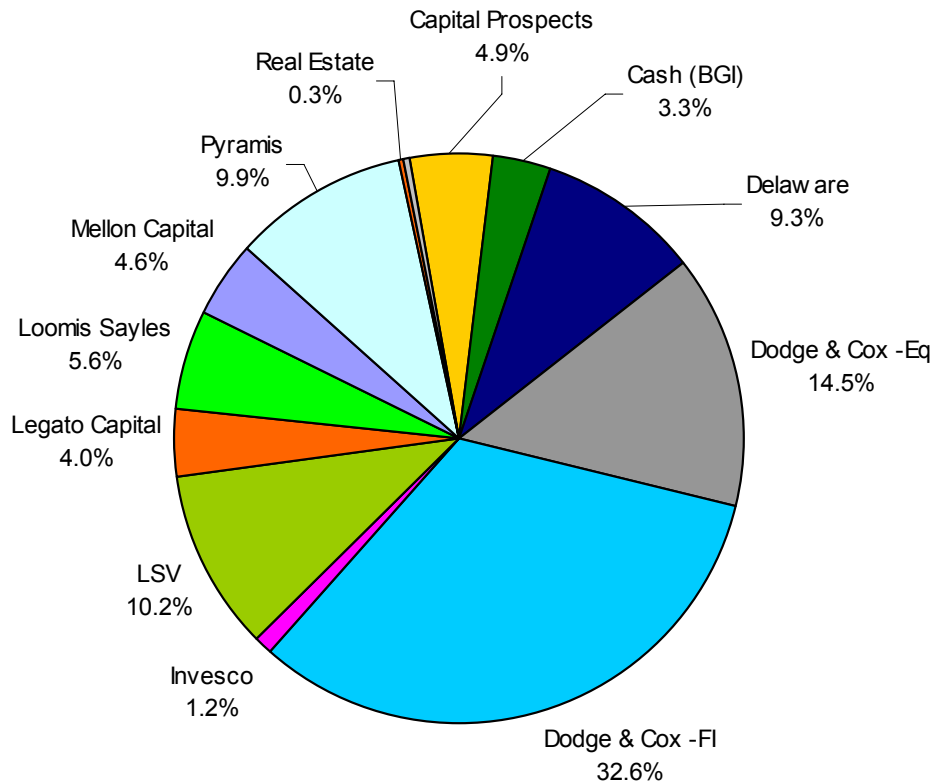
- The composite fund returned 16.0% in the second quarter of 2009 and ranked in the 7th percentile among other public funds greater than \$100 million (11.1% median). The fund led its policy index (15.0%) during this time period. Longer term, the three and five-year returns of -3.6% and 1.4%, ranked below the median among total public plans (-2.8% and 2.1%, respectively).

- Second quarter results were enhanced by the following factors:
 1. The Mellon Capital S&P 500 Index Fund returned 16.0% for the quarter. The Fund beat the S&P 500 Index return of 15.9% and ranked at the median large cap core manager.
 2. Dodge & Cox-Equity, 21.6%, ranked above the large cap value manager median of 17.4%. The Russell 1000 Value Index added 16.7% during the quarter. Significant relative overweight to the Info Tech sector plus stock selection in Energy (Schlumberger, Baker Hughes) and Info Tech (Motorola, Xerox) were positive factors to performance.
 3. Fund of funds manager Legato Capital surpassed its benchmark, the Russell 2000 Growth Index (24.1% vs. 23.4%) and ranked in the 25th percentile among small cap growth managers. It was boosted by above par stock selection in the Healthcare sector and intra-quarter trading. Nicholas Investment gained 31.2% during the quarter.
 4. Fund of funds manager Capital Prospects appreciated 21.6% for the quarter, but only ranking in the 70th percentile among its peers (24.3% median). The Russell 2000 Value Index returned 18.0%. The portfolio was helped by its stock selection in and relative underweight to the Financials sectors. Walthausen gained 28.2% during the quarter.
 5. LSV (33.4%) led the MSCI ACWI -ex US (27.9%) and ranked 5th among international equity managers. LSV benefited from the recovery in value stocks in the second quarter. It carried significant exposure to the Hong Kong market.
 6. The Dodge & Cox-Fixed Income's 7.8% return led its benchmark, the Barclays Aggregate Index, 1.8%, and ranked in the top decile among core bond managers, with a median return of 4.3%. D&C's overweight in the financials sector significantly contributed to relative performance. GMAC, Ford Motor Credit, SLM, Citigroup, Dillard's, Macy's and Dow Chemical had strong recoveries.

- Second quarter results were hindered by the following factors:
 1. Delaware's return of 15.4% ranked in the second quartile among large cap growth managers (median 15.0%), but fell behind its benchmark, the Russell 1000 Growth Index (16.3%). Sub-par Info Tech investments (Verisign, MasterCard, Intuit) hindered relative performance.
 2. Loomis trailed its benchmark, the Russell 1000 Growth Index (9.6% vs. 16.3%), and ranked in the 92nd percentile among large growth equity managers. Loomis' negative performance alpha was a result of its Consumer Discretionary (Best Buy, Autozone) and Financial investments, plus its portfolio turnover.
 3. Pyramis returned 26.2% and lagged the MSCI ACWI –ex US Index by 170 basis points. Poor European stock selection and a relative underweight to financials were among primary detractors. Poor performers were Roche (Switzerland), Royal Dutch Shell (the Netherlands), and Deutsche Telekom (Germany).
 4. INVESCO Realty gained 30.5%. However, its benchmark, the FTSE NAREIT Global Index was up 35.9%, resulting in 540 basis points of relative under-performance.



Manager	Market Value	Current%
Cash	35,000,782	3.3
Domestic Equity	451,296,691	42.9
Domestic Fixed	343,179,246	32.6
Int'l Equity	211,170,458	20.1
Real Estate	14,967,114	1.4
SecLending	-4,262,729	-0.4
Total	1,051,351,562	100.0



Manager	Market Value	Current%
Capital Prospects	51,152,418	4.9
Cash (BGI)	35,000,782	3.3
Delaware	97,763,037	9.3
Dodge & Cox -Eq	152,663,106	14.5
Dodge & Cox -FI	343,179,246	32.6
Invesco	12,195,678	1.2
LSV	107,452,078	10.2
Legato Capital	42,356,842	4.0
Loomis Sayles	58,681,030	5.6
Mellon Capital	48,680,258	4.6
Pyramis	103,718,380	9.9
Real Estate	2,771,436	0.3
Security Lending	-4,262,729	-0.4
Total	1,051,351,562	100.0

	1 QTR		CALENDAR YTD		FISCAL YTD		2 YEAR		3 YEAR		5 YEAR	
Total Fund *	16.0%	7	8.5%	3	-16.4%	31	-12.4%	68	-3.6%	74	1.4%	77
<i>Policy Index ¹</i>	<i>15.0%</i>	<i>10</i>	<i>5.9%</i>	<i>27</i>	<i>-17.7%</i>	<i>48</i>	<i>-11.7%</i>	<i>50</i>	<i>-3.0%</i>	<i>58</i>	<i>1.6%</i>	<i>70</i>
<i>Public Plan > \$100 Million Median</i>	<i>11.1%</i>		<i>4.4%</i>		<i>-17.9%</i>		<i>-11.7%</i>		<i>-2.8%</i>		<i>2.1%</i>	
US EQUITY MANAGERS												
Mellon Capital - gross of fees	16.0%	51	3.3%	48	-26.1%	50	-19.9%	63	-8.2%	64	-2.2%	75
Mellon Capital - net of fees	16.0%		3.3%		-26.1%		-19.9%		-8.2%		-2.2%	
<i>S&P 500 Index</i>	<i>15.9%</i>	<i>62</i>	<i>3.2%</i>	<i>73</i>	<i>-26.2%</i>	<i>58</i>	<i>-19.9%</i>	<i>72</i>	<i>-8.2%</i>	<i>71</i>	<i>-2.2%</i>	<i>84</i>
Delaware	15.4%	43	15.3%	18	-22.7%	23	-15.3%	49				
Delaware - net of fees	15.2%		15.0%		-23.1%		-15.8%					
Loomis Sayles	9.6%	92	7.9%	59	-36.8%	97	-21.7%	98				
Loomis Sayles - net of fees	9.4%		7.7%		-37.1%		-22.1%					
<i>Russell 1000 Growth Index</i>	<i>16.3%</i>	<i>29</i>	<i>11.5%</i>	<i>35</i>	<i>-24.5%</i>	<i>42</i>	<i>-15.7%</i>	<i>53</i>				
Dodge & Cox - gross of fees	21.6%	21	4.3%	32	-27.4%	53	-23.9%	59	-11.4%	66	-1.8%	55
Dodge & Cox - net of fees	21.5%		4.2%		-27.5%		-24.1%		-11.5%		-1.9%	
<i>Russell 1000 Value Index</i>	<i>16.7%</i>	<i>67</i>	<i>-2.9%</i>	<i>93</i>	<i>-29.0%</i>	<i>77</i>	<i>-24.1%</i>	<i>64</i>	<i>-11.1%</i>	<i>63</i>	<i>-2.1%</i>	<i>64</i>
Legato Capital - gross of fees²	24.1%	25	14.8%	24								
Legato Capital - net of fees	23.8%		14.3%									
<i>Russell 2000 Growth Index</i>	<i>23.4%</i>	<i>29</i>	<i>11.4%</i>	<i>46</i>								
Capital Prospects - gross of fees³	21.6%	70	4.3%	61								
Capital Prospects - net of fees	21.4%		3.9%									
<i>Russell 2000 Value Index</i>	<i>18.0%</i>	<i>86</i>	<i>-5.2%</i>	<i>91</i>								
US Equity Composite	18.0%	43	7.3%	41	-27.4%	65	-22.0%	77	-10.4%	81	-3.1%	90
<i>80% R1000/ 20% R2000</i>	<i>17.9%</i>	<i>44</i>	<i>5.7%</i>	<i>49</i>	<i>-26.3%</i>	<i>56</i>	<i>-19.5%</i>	<i>47</i>	<i>-8.1%</i>	<i>49</i>	<i>-1.7%</i>	<i>64</i>
<i>Russell 3000 Index</i>	<i>16.8%</i>	<i>52</i>	<i>4.2%</i>	<i>59</i>	<i>-26.6%</i>	<i>60</i>	<i>-19.9%</i>	<i>59</i>	<i>-8.3%</i>	<i>60</i>	<i>-1.8%</i>	<i>67</i>

Rankings: 1=highest, 100=lowest.

* Total Fund and US managers are ranked against appropriate peer universes. Other managers and asset class composites are ranked against asset class universes.

¹ Effective 4/1/08, policy Index is 37% Russell 1000, 9% Russell 2000, 20% MSCI ACWI-ex US, 31% Barclays Aggregate, 3% FTSE EPRA/NAREIT. MSCI ACWI-ex US return is linked with previous MSCI EAFE returns.

² Mazama was replaced by Legato Capital December 2008.

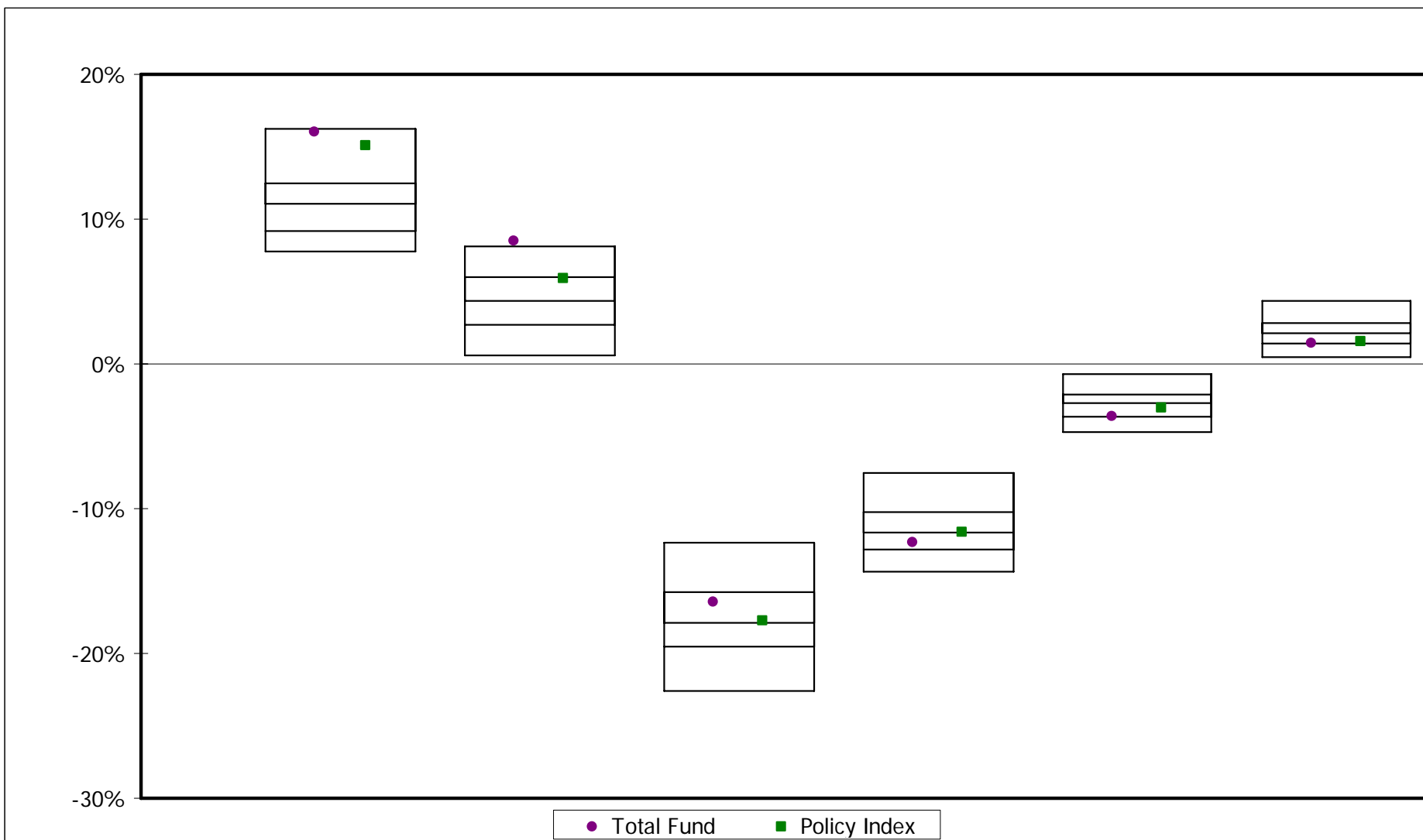
³ BGI Russell 2000 Value ishares replaced by Capital Prospects January 2009.

	1 QTR		CALENDAR YTD		FISCAL YTD		2 YEAR		3 YEAR		5 YEAR	
INTERNATIONAL EQUITY MANAGERS												
LSV - gross of fees	33.4%	5	16.5%	13	-30.1%	53	-22.5%	81	-7.1%	63		
LSV - net of fees	33.3%		16.1%		-30.5%		-23.0%		-7.6%			
Pyramis - gross of fees⁴	26.2%	30	12.9%	24	-32.7%	71	-19.4%	41	-5.8%	43		
Pyramis - net of fees	26.0%		12.6%		-33.1%		-19.8%		-6.2%			
International Equity Composite	29.8%	11	14.7%	18	-31.4%	65	-20.9%	56	-6.4%	51	4.2%	42
<i>MSCI ACWI -ex US Index</i>	<i>27.9%</i>	<i>17</i>	<i>14.4%</i>	<i>19</i>	<i>-30.5%</i>	<i>55</i>	<i>-19.3%</i>	<i>41</i>	<i>-5.4%</i>	<i>33</i>	<i>4.7%</i>	<i>34</i>
US FIXED INCOME MANAGER												
Dodge & Cox - gross of fees	7.8%	10	7.9%	13	7.6%	23	6.1%	50	6.4%	44	5.3%	36
Dodge & Cox - net of fees	7.8%		7.9%		7.5%		6.0%		6.3%		5.2%	
<i>Barclays Aggregate Index</i>	<i>1.8%</i>	<i>83</i>	<i>1.9%</i>	<i>88</i>	<i>6.1%</i>	<i>47</i>	<i>6.6%</i>	<i>43</i>	<i>6.4%</i>	<i>44</i>	<i>5.0%</i>	<i>53</i>
GLOBAL REAL ESTATE												
Invesco - gross of fees⁵	30.5%	5	5.2%	7	-32.6%	62						
Invesco - net of fees	30.3%		4.8%		-33.0%							
<i>FTSE EPRA/NAREIT</i>	<i>35.9%</i>	<i>1</i>	<i>5.9%</i>	<i>6</i>	<i>-35.9%</i>	<i>67</i>						
REAL ESTATE												
12th Street	0.0%		0.0%		0.0%							

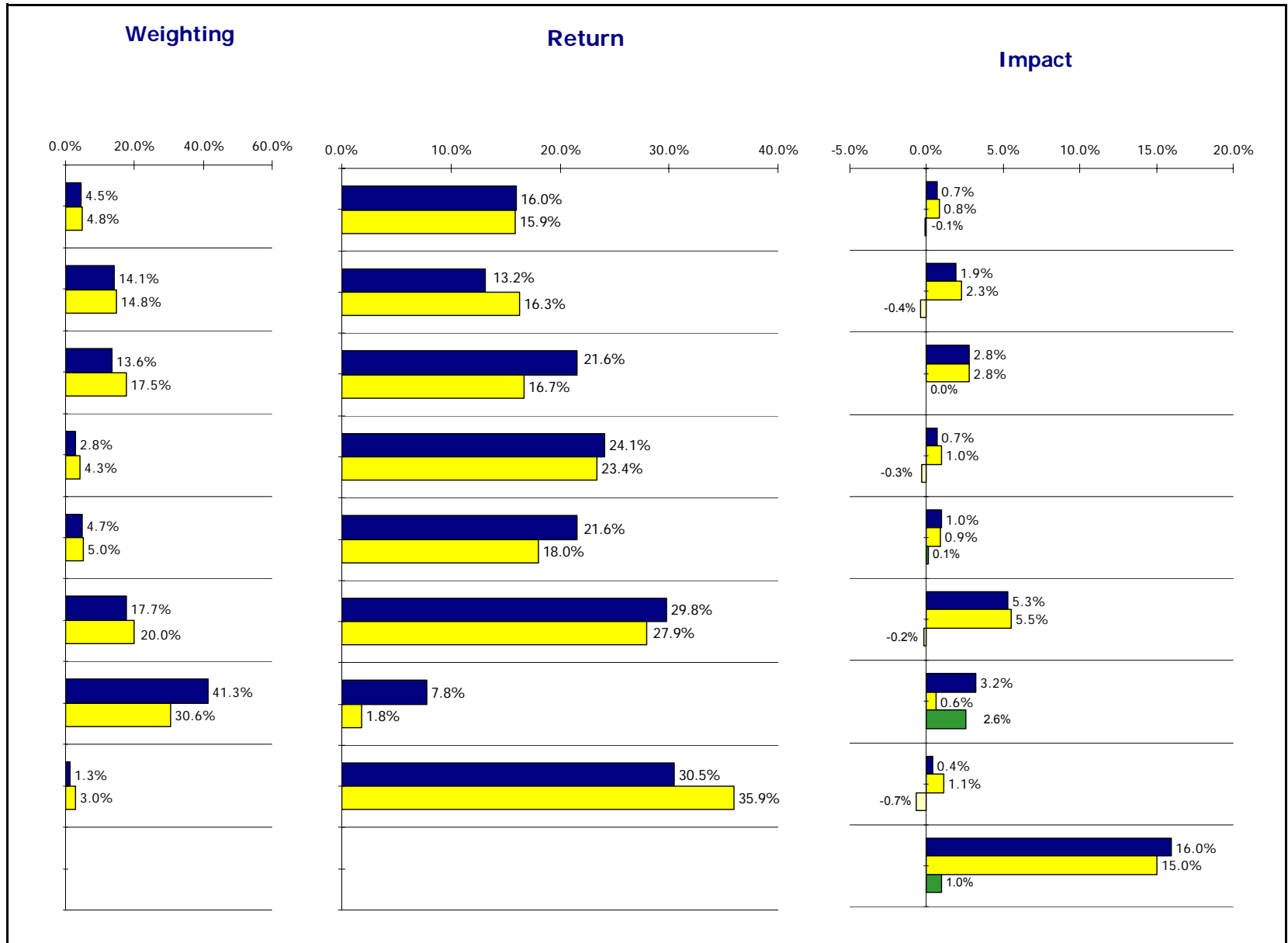
Rankings: 1=highest, 100=lowest.

⁴ Putnam was replaced by Pyramis April 2006.

⁵ Invesco Global Real Estate effective 3/3/08.



	1 QTR		CALENDAR YTD		FISCAL YTD		2 YEAR		3 YEAR		5 YEAR	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
Total Fund	16.0%	7	8.5%	3	-16.4%	31	-12.4%	68	-3.6%	74	1.4%	77
Policy Index	15.0%	10	5.9%	27	-17.7%	48	-11.7%	50	-3.0%	58	1.6%	70
Median	11.1%		4.4%		-17.9%		-11.7%		-2.8%		2.1%	

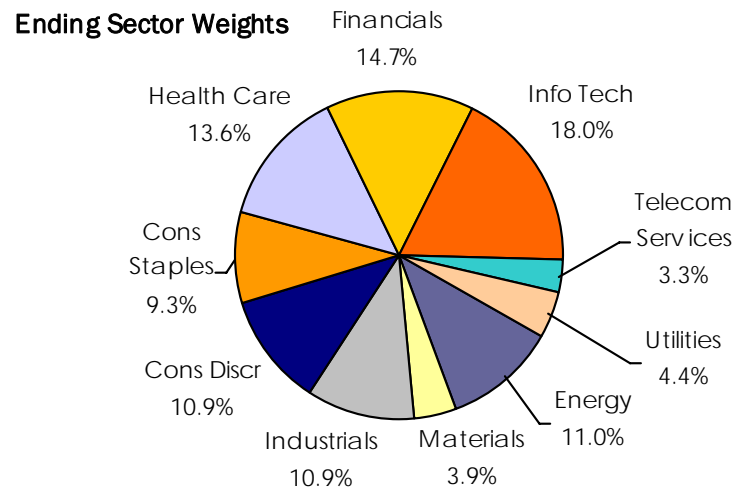


■ StanCERA ■ Policy Index ■ Impact

DOMESTIC MARKETS

Domestic Equity - Russell 3000

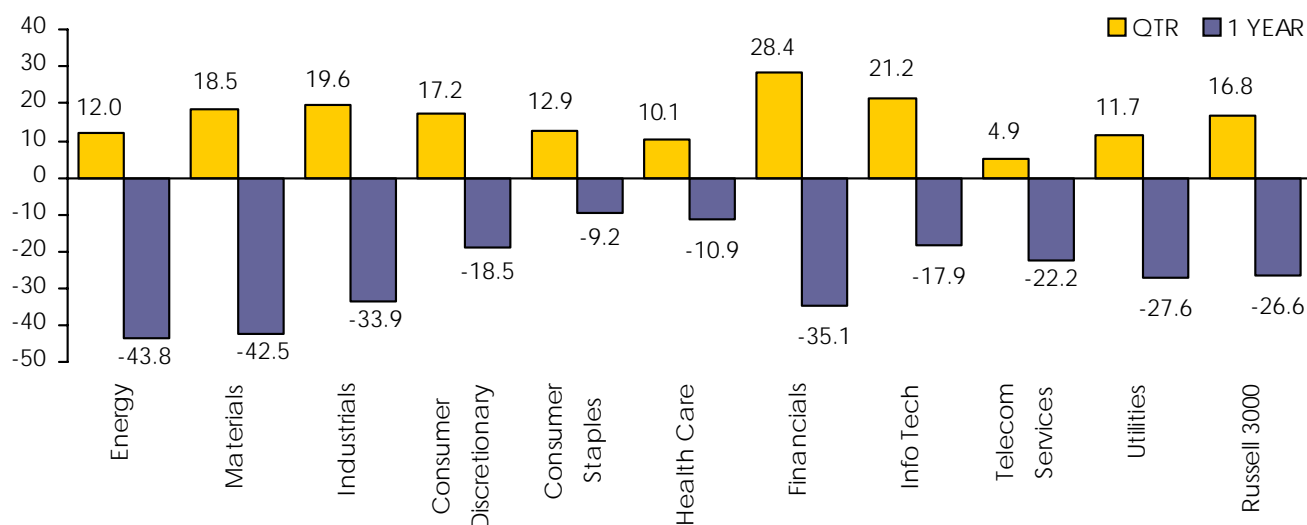
- The majority of Russell 3000 Index sectors delivered double digit returns during the second quarter with the financial and information technology sectors posting the strongest results for the quarter (+28.4% and +21.2% respectively). Conversely, the weakest performance was generated in the telecommunication services sector (+4.9%).
- Gains for the Russell 3000's two heaviest sector weightings (information technology and financials) contributed nearly half of the index's second quarter return. Financial sector performance was strengthened by gains for securities in the banking and diversified financials industries, while the information technology sector benefited from advances for positions in the office electronics and electronic equipment and instruments industries.
- On a 1-year basis, the consumer staples and health care sectors have provided the best down-side risk, while the energy and materials sectors experienced the largest declines.



Characteristics

Div Yield (%)	2.2
P/B Ratio	3.0
P/E Ratio	19.8
Fundamental Beta	1.0
Market Cap \$(MM)	58,718

Sector Returns (%)

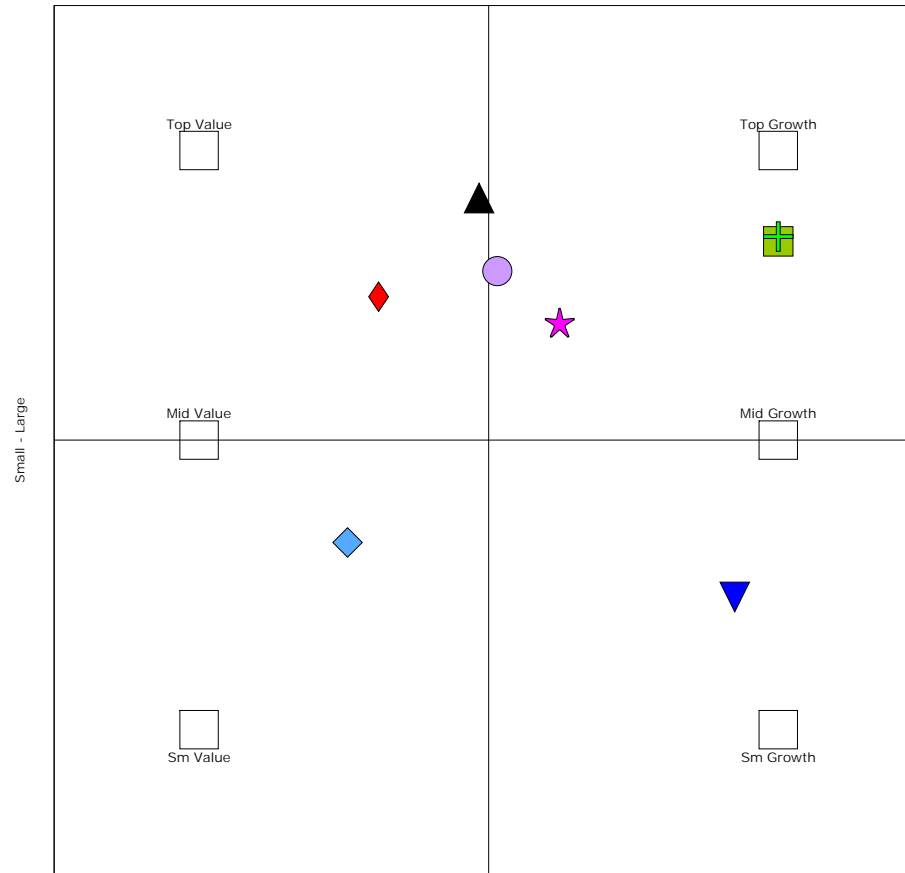


Contribution to Return:

	Energy	Materials	Industrials	Consumer Discretionary	Consumer Staples	Health Care	Financials	Info Tech	Telecom Services	Utilities	Russell 3000
Qtr	1.4	0.7	2.1	1.9	1.3	1.5	3.6	3.7	0.2	0.5	16.8
1 Yr	-4.8	-1.7	-3.7	-2.0	-0.9	-1.5	-5.2	-3.2	-0.7	-1.2	-26.6

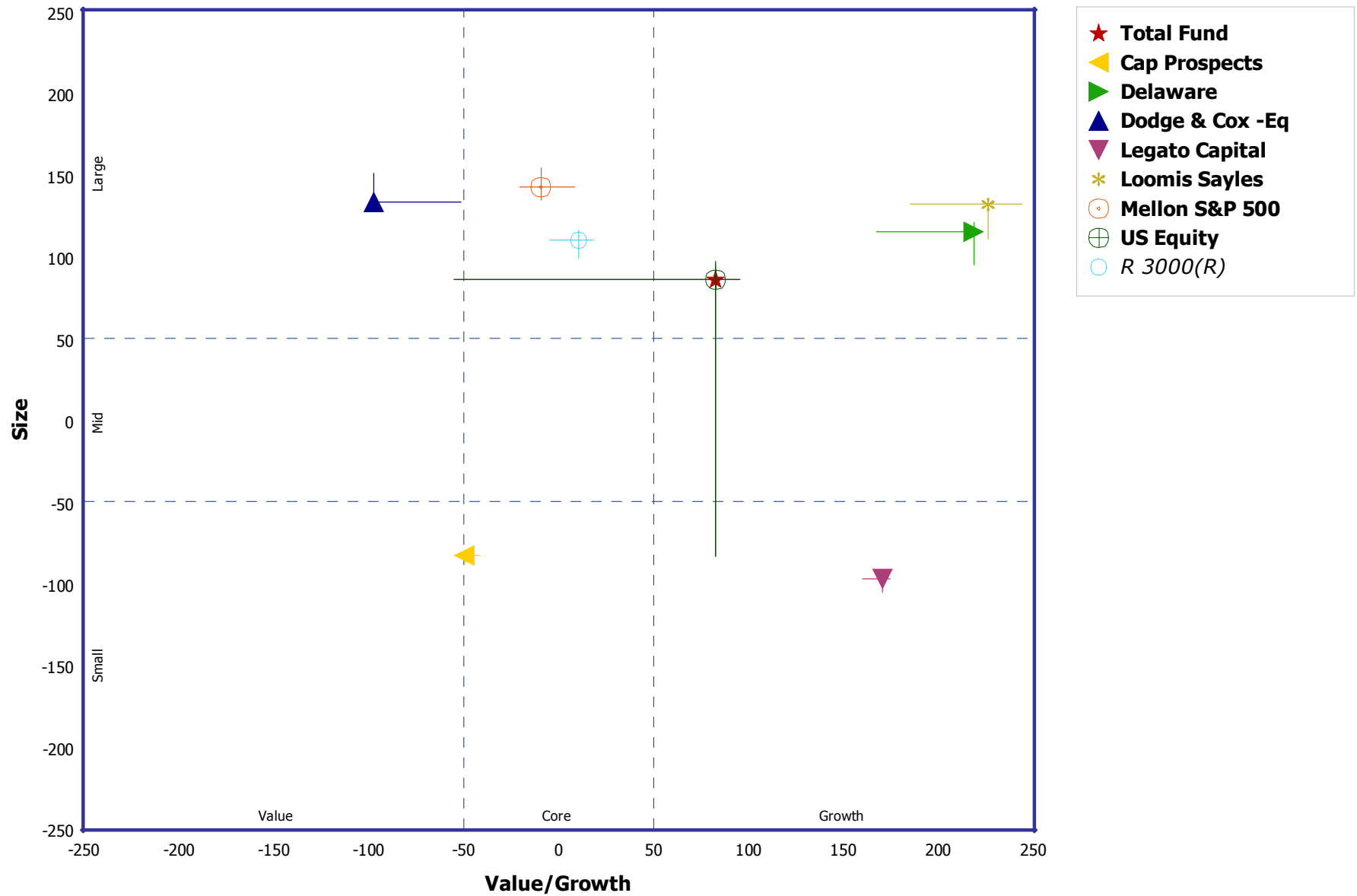
US Equity Style Map

Jul 06 - Jun 09



Legend

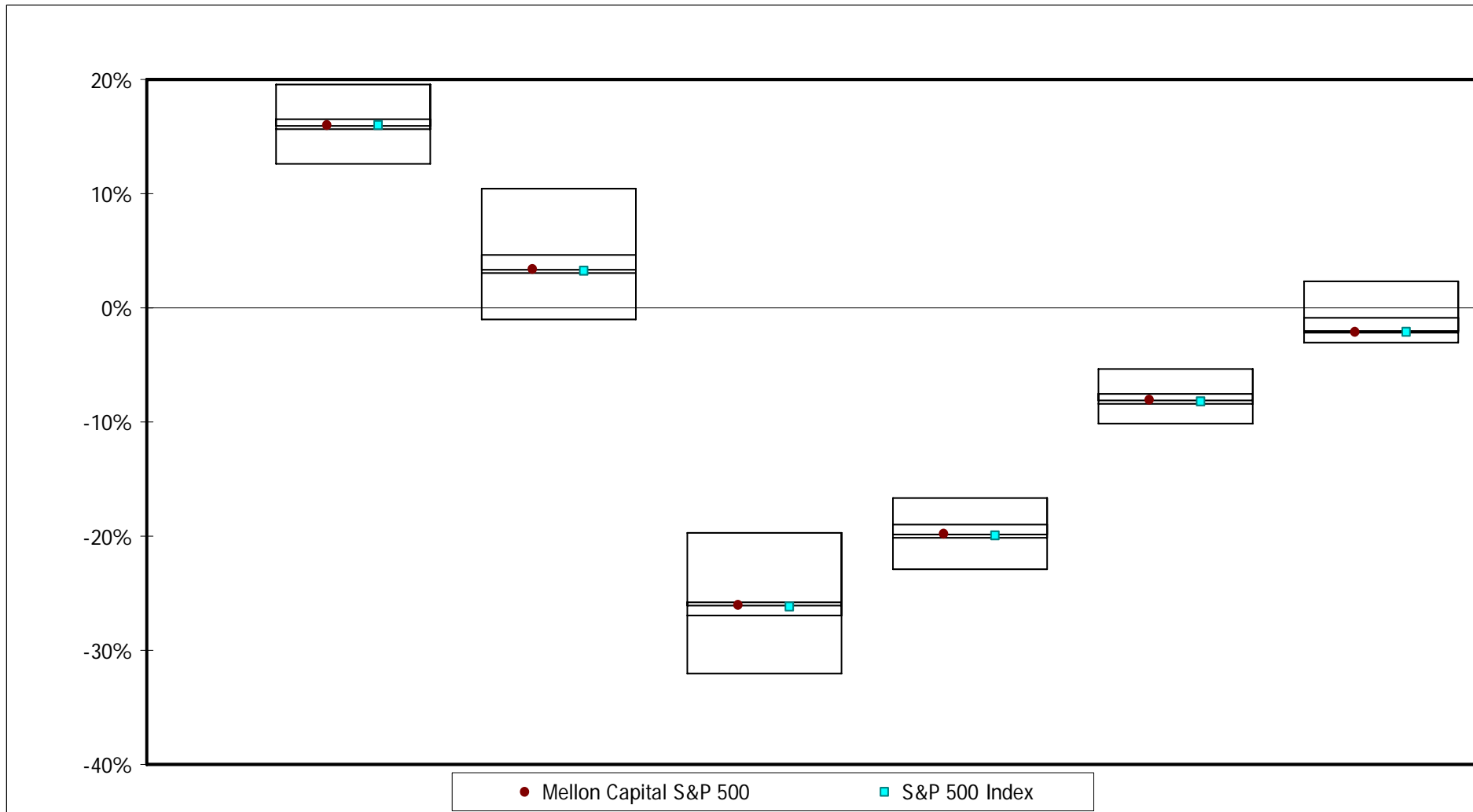
- Russell 3000 Index
- ◆ Capital Prospects
- ▲ Mellon Capital S&P 500 Index Fund
- Delaware Investments Advisers
- ◆ Dodge & Cox -Equity
- + Loomis Sayles and Company
- ▼ Legato Capital
- ★ StanCERA Equity Composite



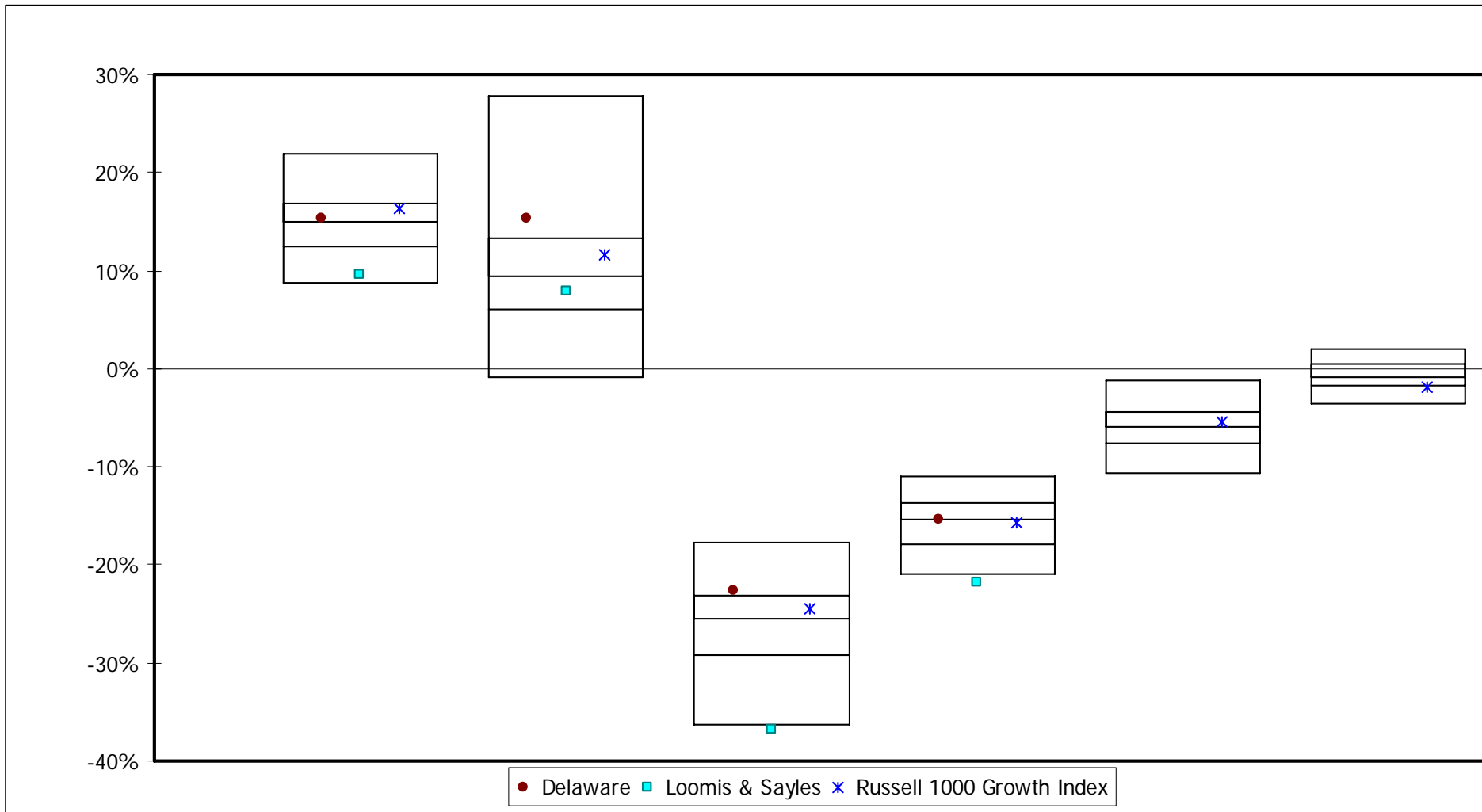
Style assignment based on Morningstar © Size and VCG Scores and Morningstar Style Box™ methodology

	DIVIDEND YIELD (%)				CAPITALIZATION (\$B)				P/E RATIO			
	<u>QTR ENDING</u>		<u>YR ENDING</u>		<u>QTR ENDING</u>		<u>YR ENDING</u>		<u>QTR ENDING</u>		<u>YR ENDING</u>	
Capital Prospects	1.91	43			1.54	79			17.08	75		
Delaware	0.92	79	0.72	78	34.79	51	45.45	47	21.34	43	22.46	24
Dodge & Cox	2.07	37	2.49	16	47.47	38	63.94	32	51.21	8	17.82	55
Legato Capital	0.53	90			1.09	90			29.37	23		
Loomis Sayles	0.71	84	0.58	85	50.50	34	49.25	44	21.69	41	24.31	19
Mellon Capital	2.36	19	2.26	27	68.10	10	88.98	10	18.20	64	17.31	59
Russell 3000	2.19	31	2.07	35	58.72	22	72.41	26	19.82	52	18.12	52
Median	1.70		1.49		36.11		43.17		20.25		18.32	

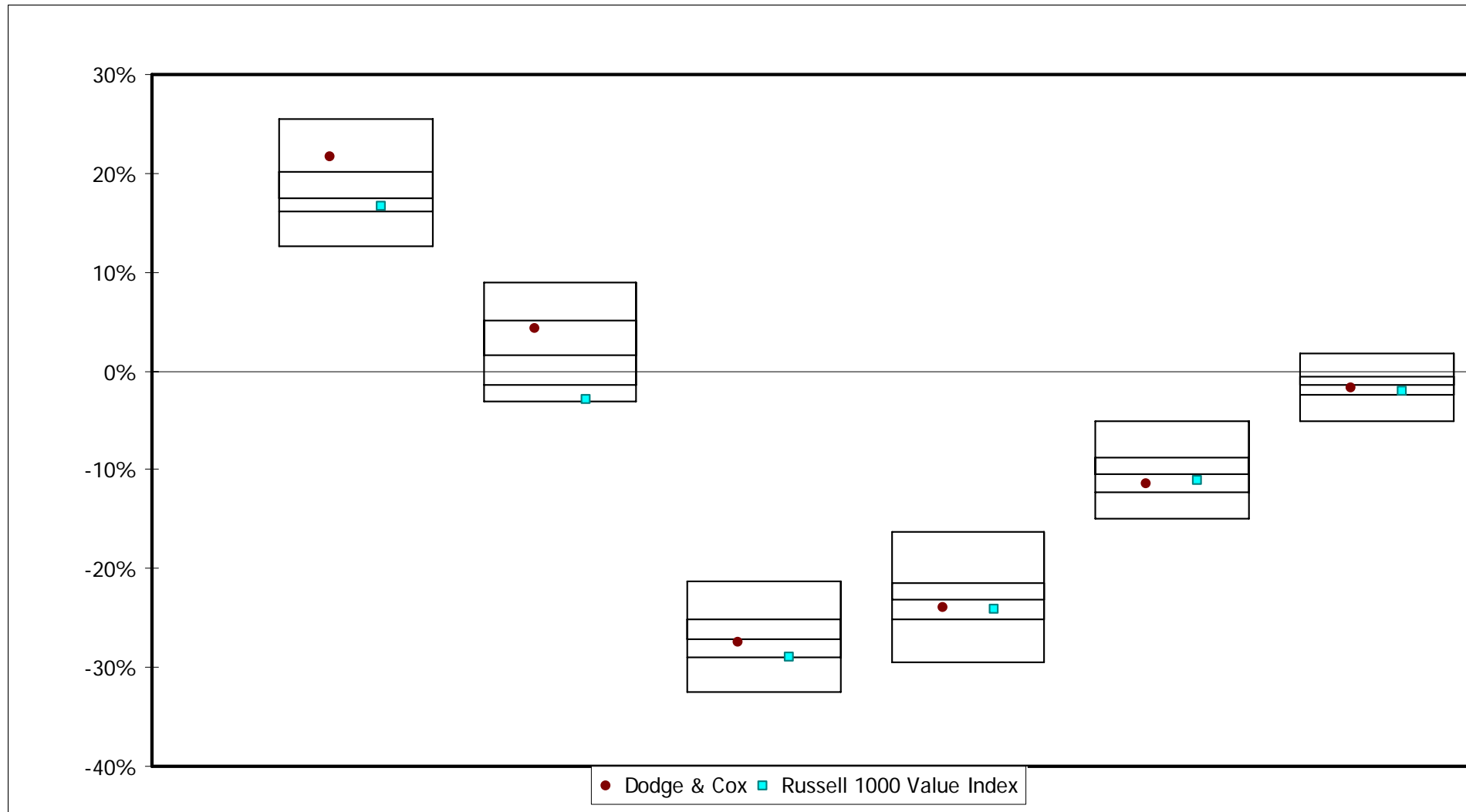
	5 YRS EPS GROWTH				RETURN ON EQUITY				PRICE/BOOK			
	<u>QTR ENDING</u>		<u>YR ENDING</u>		<u>QTR ENDING</u>		<u>YR ENDING</u>		<u>QTR ENDING</u>		<u>YR ENDING</u>	
Capital Prospects	12.95	63							1.94	81		
Delaware	23.49	22	35.43	15	15.73	55	20.78	35	3.79	13	5.21	14
Dodge & Cox	5.73	92	16.00	83	13.53	66	14.35	76	1.85	84	2.22	87
Legato Capital	22.71	25							3.13	33		
Loomis Sayles	34.73	2	47.91	2	23.10	15	23.62	12	4.31	4	6.79	1
Mellon Capital	13.08	62	21.91	60	21.57	29	21.11	27	3.09	41	3.76	43
Russell 3000	13.79	50	22.86	50	20.19	35	20.14	39	3.03	43	3.77	42
Median	13.86		22.97		16.63		18.63		2.91		3.71	



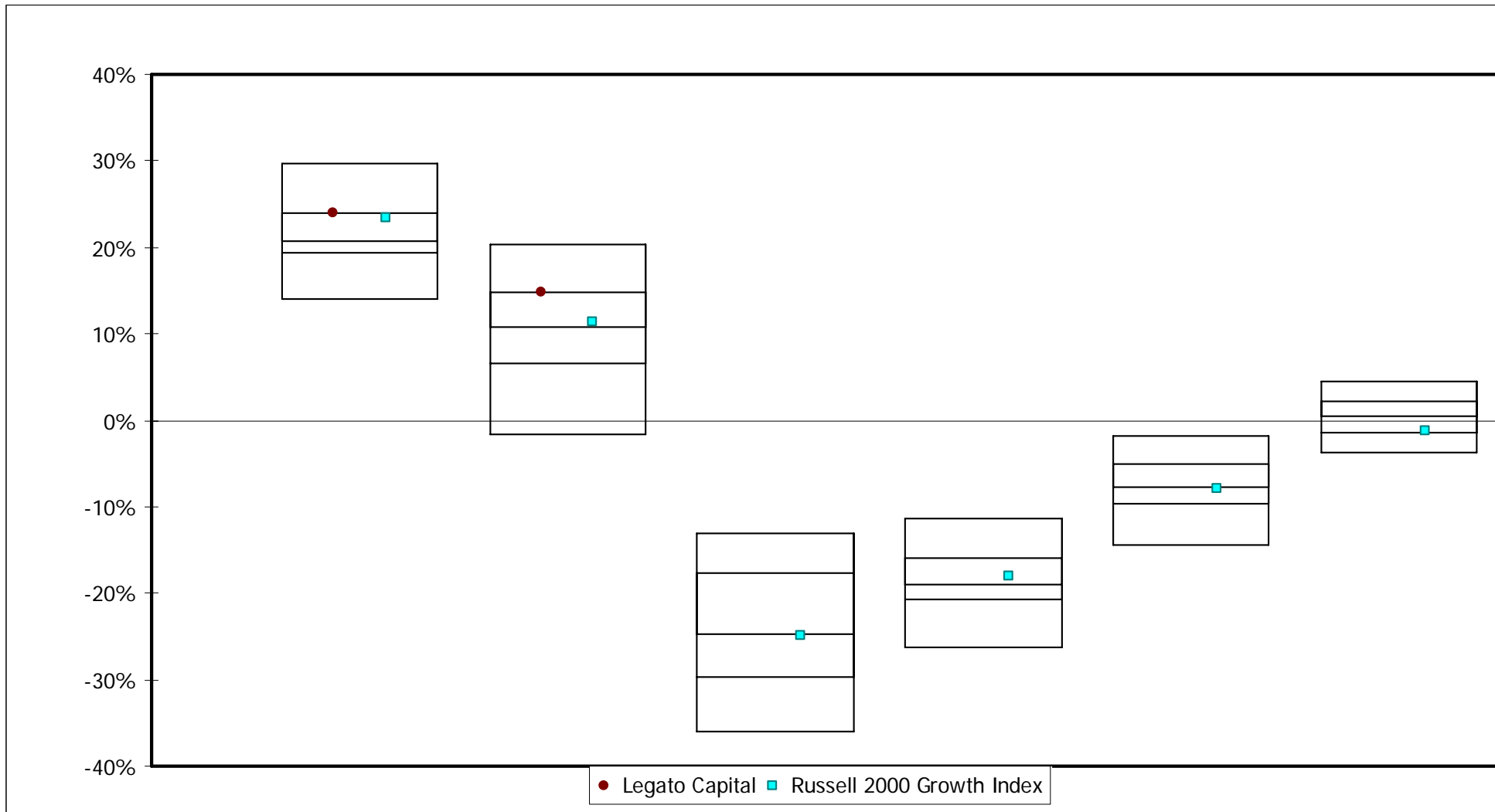
	1 QTR		CALENDAR YTD		FISCAL YTD		2 YEAR		3 YEAR		5 YEAR	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
Mellon Capital S&P 500	16.0%	51	3.3%	48	-26.1%	50	-19.9%	63	-8.2%	64	-2.2%	75
S&P 500 Index	15.9%	62	3.2%	73	-26.2%	58	-19.9%	72	-8.2%	71	-2.2%	84
Median	16.0%		3.3%		-26.1%		-19.8%		-8.1%		-2.0%	



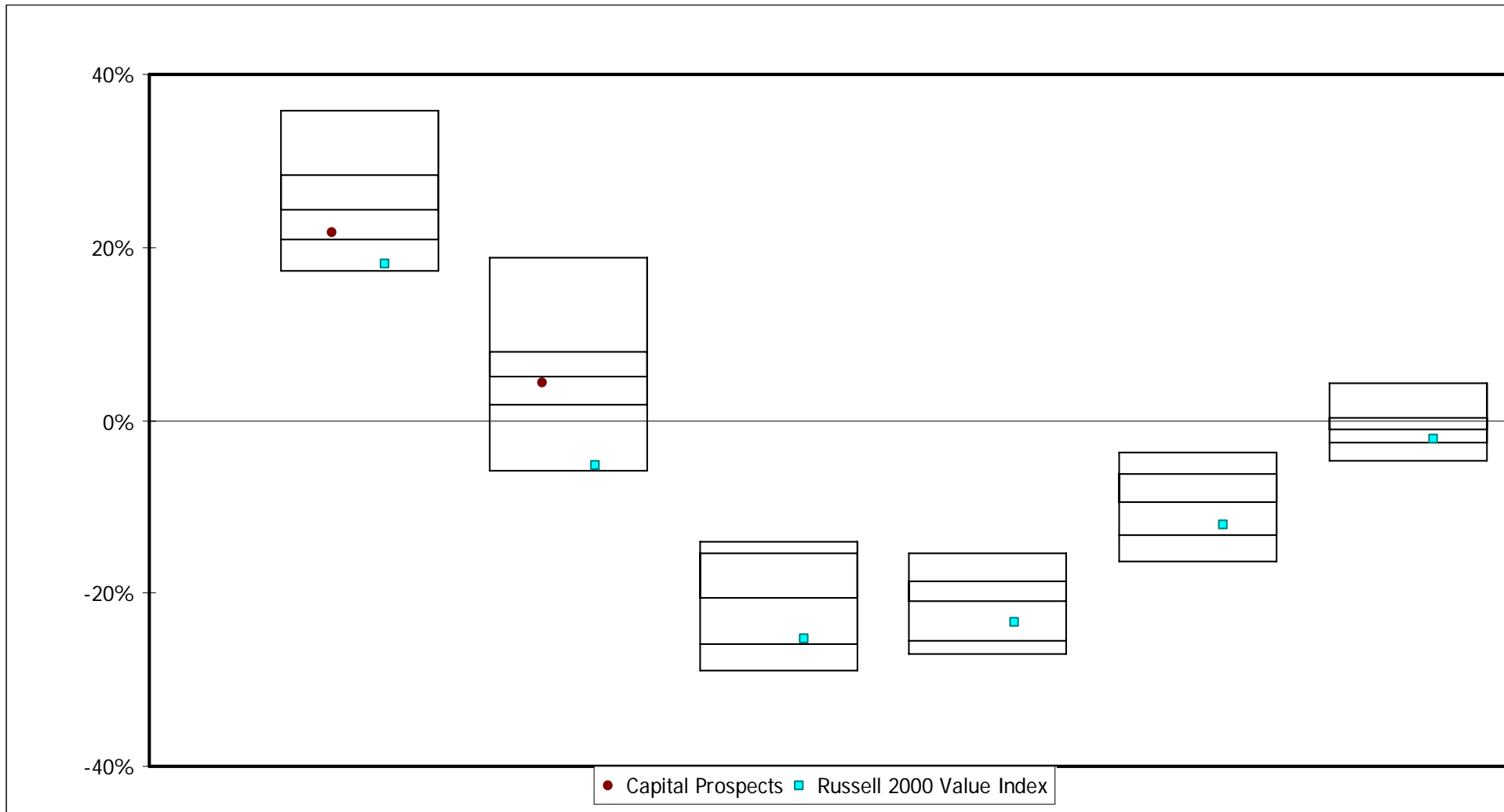
	1 QTR		CALENDAR YTD		FISCAL YTD		2 YEAR		3 YEAR		5 YEAR	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
Delaware	15.4%	43	15.3%	18	-22.7%	23	-15.3%	49				
Loomis & Sayles	9.6%	92	7.9%	59	-36.8%	97	-21.7%	98				
<i>Russell 1000 Growth Index</i>	16.3%	29	11.5%	35	-24.5%	42	-15.7%	53	-5.4%	37	-1.8%	77
Median	15.0%		9.5%		-25.5%		-15.4%		-5.9%		-0.9%	



	1 QTR		CALENDAR YTD		FISCAL YTD		2 YEAR		3 YEAR		5 YEAR	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
Dodge & Cox	21.6%	21	4.3%	32	-27.4%	53	-23.9%	59	-11.4%	66	-1.8%	55
<i>Russell 1000 Value Index</i>	16.7%	67	-2.9%	93	-29.0%	77	-24.1%	64	-11.1%	63	-2.1%	64
Median	17.4%		1.6%		-27.2%		-23.1%		-10.4%		-1.4%	



	1 QTR		CALENDAR YTD		FISCAL YTD		2 YEAR		3 YEAR		5 YEAR	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
Legato Capital	24.1%	25	14.8%	24								
<i>Russell 2000 Growth Index</i>	23.4%	29	11.4%	46	-24.8%	51	-18.1%	45	-7.8%	53	-1.3%	72
Median	20.8%		10.8%		-24.8%		-18.9%		-7.6%		0.4%	



	1 QTR		CALENDAR YTD		FISCAL YTD		2 YEAR		3 YEAR		5 YEAR	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
Capital Prospects	21.6%	70	4.3%	61								
Russell 2000 Value Index	18.0%	86	-5.2%	91	-25.2%	69	-23.5%	63	-12.1%	67	-2.3%	68
Median	24.3%		5.1%		-20.5%		-20.9%		-9.5%		-1.1%	

Portfolio Characteristics		
	Portfolio	S&P 500
Total Number of Securities	500	
Total Market Value \$	48,446,782	
Average Market Capitalization (000's)	68,102,700	70,962,100
Median Market Capitalization (000's)	6,742,300	6,911,500
Equity Segment Yield	2.36	2.35
Equity Segment P/E	18.20	17.93
Equity Segment Beta	1.00	1.00
Price/Book Ratio	3.09	3.14
Five Year Earnings Growth	13.08	13.06
Return On Equity	21.57	22.10

Ten Largest Holdings		
Name	\$	Weight
EXXON MOBIL CORP	2,054,375	4.2
MICROSOFT	1,095,631	2.3
JOHNSON & JOHNSON	942,596	1.9
PROCTER & GAMBLE CO	896,958	1.9
AT & T INC	882,615	1.8
INTERNATIONAL BUSIN	830,974	1.7
J P MORGAN CHASE &	801,312	1.7
CHEVRON CORP	799,836	1.7
APPLE INC	765,134	1.6
GENERAL ELEC CO	747,373	1.5

Ten Best Performers	
Name	Return
GENWORTH FINL INC	267.9
OFFICE DEPOT INC	248.1
WYNDHAM WORLDWIDE C	189.6
AK STL HLDG CORP	170.7
LINCOLN NATL CORP I	157.6
HUNTINGTON BANCShar	152.4
FIFTH THIRD BANCORP	143.5
TENET HEALTHCARE CO	143.1
CB RICHARD ELLIS GR	132.2
FORD MTR CO DEL	130.8

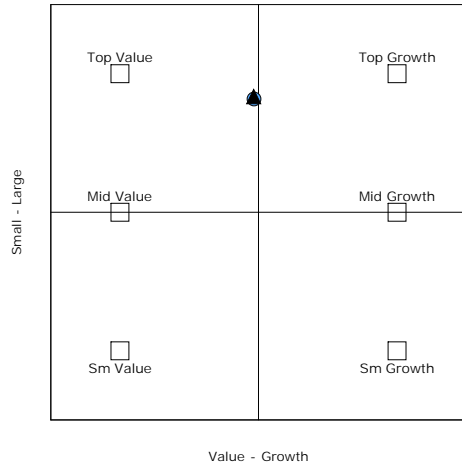
Ten Worst Performers	
Name	Return
KEYCORP NEW	-33.3
CIT GROUP INC NEW	-24.6
EASTMAN KODAK CO CO	-22.1
GAMESTOP CORP	-21.4
PULTE HOMES INC	-19.2
CEPHALON INC	-16.8
PEOPLES UTD FINL IN	-15.5
FAMILY DLR STORES I	-14.8
MARSHALL & ILSLEY C	-14.6
BIOGEN IDEC INC	-13.9

	Portfolio		S&P 500		Attribution		
	Pct of Begin Mkt Val (A)	Rate of Return (B)	Pct of Begin Mkt Val (C)	Rate of Return (D)	Stock Selection (E)	Sector Weighting (F)	Total (G)
Cons Discretionary	8.6	18.1	8.6	18.7	0.0	0.0	0.0
Consumer Staples	12.8	9.8	12.8	8.9	0.1	0.0	0.1
Energy	12.8	10.5	12.8	10.4	0.0	0.0	0.0
Financials	10.8	35.5	10.8	35.8	0.0	0.0	0.0
Health Care	15.3	8.9	15.3	8.9	0.0	0.0	0.0
Industrials	9.9	18.4	9.9	18.3	0.0	0.0	0.0
Info Technology	18.0	15.5	18.0	19.7	-0.7	0.0	-0.7
Materials	3.5	16.2	3.5	16.5	0.0	0.0	0.0
Telecom Services	4.0	3.4	4.0	3.5	0.0	0.0	0.0
Utilities	4.3	10.1	4.3	10.2	0.0	0.0	0.0
Miscellaneous	0.0		0.0				
TOTAL	100%	15.7	100%	15.8	-0.6	0.0	-0.6

Equity Only Buy/Hold Return (B)	15.7	Stock Selection (E)	-0.6
Benchmark Buy/Hold Return (D)	15.8	Sector Weighting (F)	0.0
Total Relative Return Difference (B/D)	-0.6	Total Selection (E * F)	-0.6
Equity Only Actual Return (*)	16.0	Total Value Added (Selection * Trading)	-0.4
Equity Only Buy/Hold Return (B)	15.7		
Intra-Period Trading (* / B)	0.2		

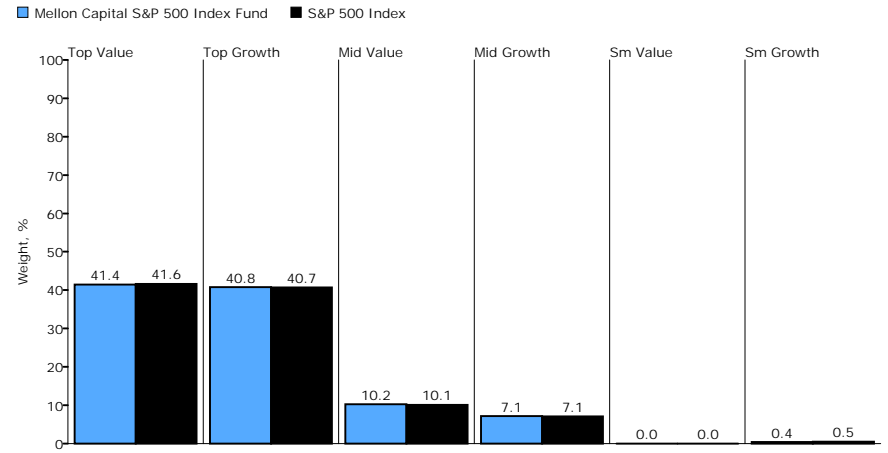
US Equity Style Map

Jul 06 - Jun 09



US Equity Style Exposures

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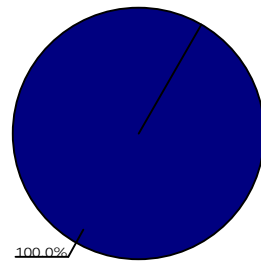
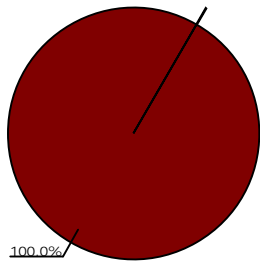


R-Squared (Style Analysis)

Jul 06 - Jun 09

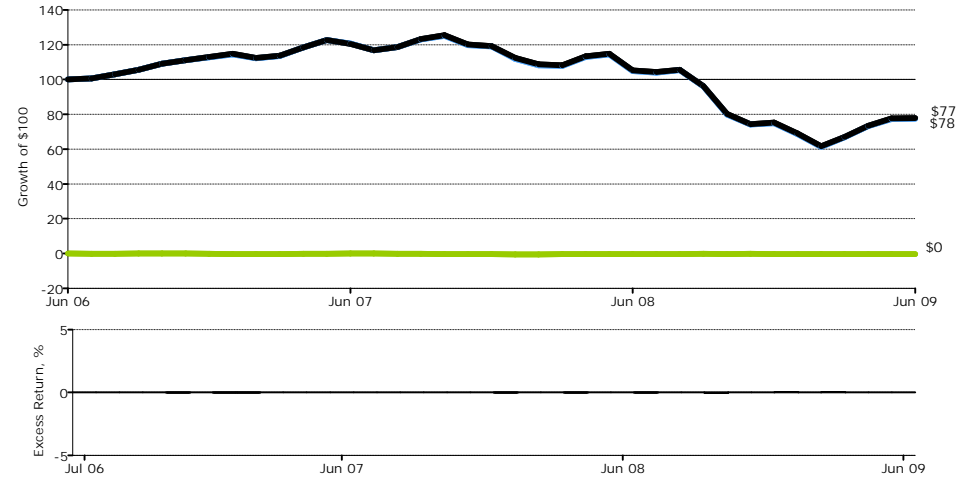
■ Style R-Squared

■ Benchmark R-Squared



Cumulative Total, Style & Selection Return

Jul 06 - Jun 09



Legend

▲ S&P 500 Index ● Mellon Capital S&P 500 Index Fund

■ Total ■ Style
■ Selection

Portfolio Characteristics		
	Portfolio	R 1000(R) GR
Total Number of Securities	30	
Total Market Value \$	96,666,042	
Average Market Capitalization (000's)	34,793,000	63,511,600
Median Market Capitalization (000's)	20,384,700	3,560,200
Equity Segment Yield	0.92	1.81
Equity Segment P/E	21.34	17.36
Equity Segment Beta	1.01	0.95
Price/Book Ratio	3.79	4.48
Five Year Earnings Growth	23.49	19.90
Return On Equity	15.73	28.71

Ten Largest Holdings		
Name	\$	Weight
QUALCOMM INC	5,518,920	5.7
VISA INC	4,619,692	4.8
INTERCONTINENTALEXC	4,592,448	4.8
GOOGLE INC	4,511,013	4.7
APPLE INC	4,472,302	4.6
ALLERGAN INC	3,887,286	4.0
INTUIT INC	3,869,184	4.0
CME GROUP INC COM	3,671,098	3.8
UNITEDHEALTH GROUP	3,484,710	3.6
MEDCOHEALTH SOLUTIO	3,361,457	3.5

Ten Best Performers	
Name	Return
INTUITIVE SURGICAL	71.6
INTERCONTINENTALEXC	53.4
TERADATA CORP	44.4
WEIGHT WATCHERS INT	41.2
APPLE INC	35.5
CME GROUP INC COM	26.7
EOG RES INC	24.3
GOOGLE INC	21.1
UNITEDHEALTH GROUP	19.4
SYNGENTA AG	18.6

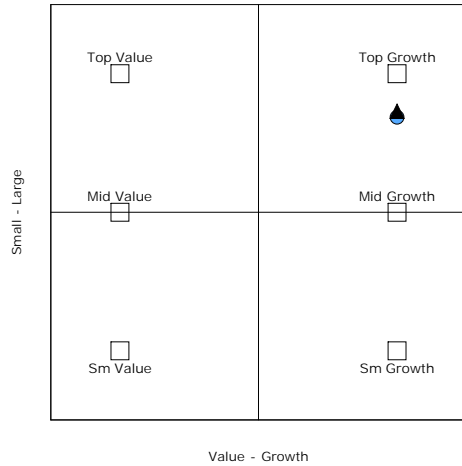
Ten Worst Performers	
Name	Return
VERISIGN INC	-2.1
ALLERGAN INC	-0.3
MASTERCARD INC	0.0
GILEAD SCIENCES INC	1.1
UNITED PARCEL SVC I	2.4
BANK NEW YORK MELLO	4.1
INTUIT INC	4.3
PRAXAIR INC	6.2
PROCTER & GAMBLE CO	9.5
MEDCOHEALTH SOLUTIO	10.3

	Portfolio		R 1000(R) GR		Attribution		
	Pct of Begin Mkt Val (A)	Rate of Return (B)	Pct of Begin Mkt Val (C)	Rate of Return (D)	Stock Selection (E)	Sector Weighting (F)	Total (G)
Cons Discretionary	4.7	11.7	9.5	16.6	-0.2	0.0	-0.2
Consumer Staples	7.1	11.6	13.9	8.5	0.2	0.5	0.7
Energy	2.6	24.3	7.5	19.9	0.1	-0.2	0.0
Financials	13.7	30.5	3.3	35.6	-0.6	1.7	1.1
Health Care	18.3	10.9	14.9	8.1	0.5	-0.2	0.3
Industrials	8.7	17.0	12.6	19.0	-0.2	-0.1	-0.3
Info Technology	35.6	15.6	31.2	19.8	-1.4	0.1	-1.2
Materials	5.5	11.7	4.4	10.3	0.1	-0.1	0.0
Telecom Services	3.9	17.7	0.8	8.6	0.4	-0.2	0.2
Utilities	0.0		1.8	21.3	0.0	-0.1	-0.1
Miscellaneous	0.0		0.0				
TOTAL	100%	16.5	100%	16.1	-1.1	1.5	0.4

Equity Only Buy/Hold Return (B)	16.5	Stock Selection (E)	-1.1
Benchmark Buy/Hold Return (D)	16.1	Sector Weighting (F)	1.5
Total Relative Return Difference (B/D)	0.4	Total Selection (E * F)	0.4
Equity Only Actual Return (*)	16.0	Total Value Added (Selection * Trading)	-0.1
Equity Only Buy/Hold Return (B)	16.5		
Intra-Period Trading (* / B)	-0.5		

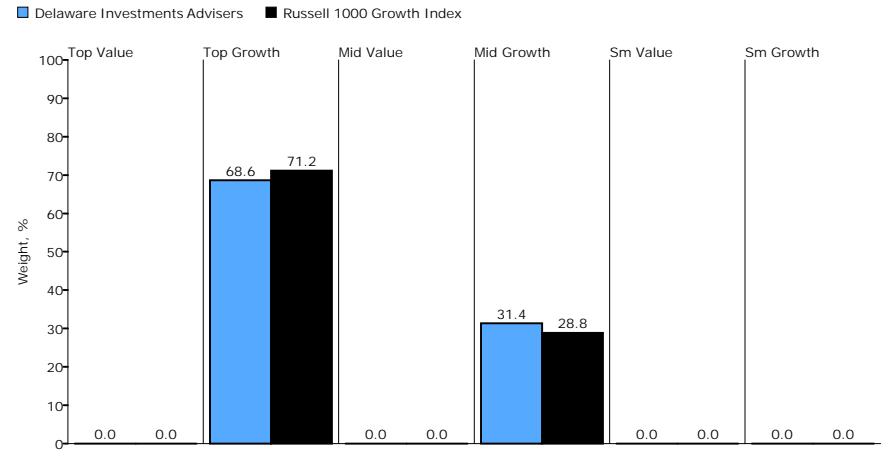
US Equity Style Map

Jul 06 - Jun 09



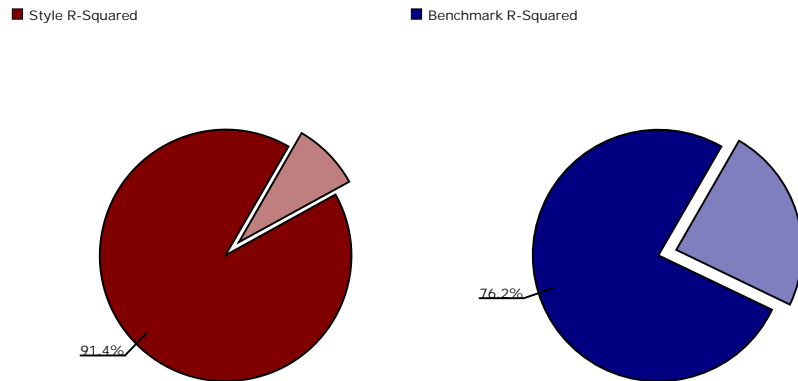
US Equity Style Exposures

Jul 06 - Jun 09



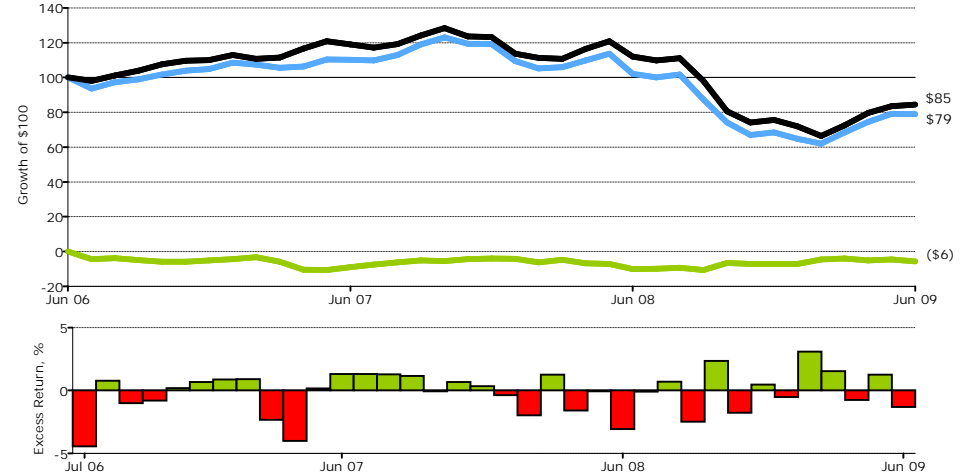
R-Squared (Style Analysis)

Jul 06 - Jun 09



Cumulative Total, Style & Selection Return

Jul 06 - Jun 09



Legend

- ▲ Russell 1000 Growth Index
- Delaware Investments Advisers
- Total
- Style
- Selection

Portfolio Characteristics		
	Portfolio	R 1000(R) GR
Total Number of Securities	48	
Total Market Value \$	58,531,034	
Average Market Capitalization (000's)	50,498,700	63,511,600
Median Market Capitalization (000's)	18,642,900	3,560,200
Equity Segment Yield	0.71	1.81
Equity Segment P/E	21.69	17.36
Equity Segment Beta	1.08	0.95
Price/Book Ratio	4.31	4.48
Five Year Earnings Growth	34.73	19.90
Return On Equity	23.10	28.71

Ten Largest Holdings		
Name	\$	Weight
APPLE INC	2,764,281	4.7
QUALCOMM INC	2,548,602	4.4
GOOGLE INC	2,538,815	4.3
ORACLE CORP	2,519,013	4.3
AMAZON COM INC	2,367,578	4.0
VISA INC	2,189,684	3.7
INTERNATIONAL BUSIN	2,144,996	3.7
CISCO SYS INC	1,885,809	3.2
MICROSOFT	1,813,104	3.1
WELLS FARGO & CO NE	1,747,448	3.0

Ten Best Performers	
Name	Return
FLUOR CORP	48.8
PRICELINE COM INC	41.6
GOLDMAN SACHS GROUP	39.4
APPLE INC	35.5
GOODRICH CORP	32.6
FREEPORT-MCMORAN CO	31.5
SOUTHWESTERN ENERGY	30.8
MCAFFEE INC.	25.9
XTO ENERGY INC	25.0
BROADCOM CORP	24.1

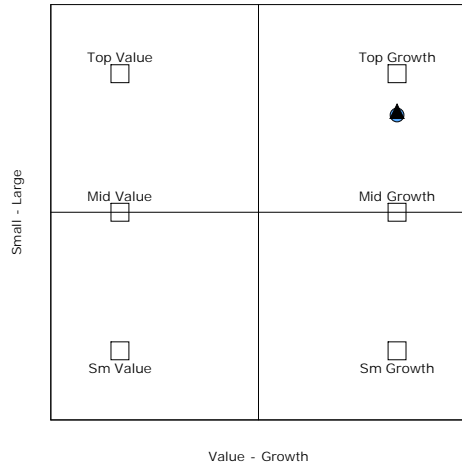
Ten Worst Performers	
Name	Return
BEST BUY INC	-11.5
AUTOZONE INC	-7.1
ABBOTT LABS	-0.5
RANGE RES CORP	0.7
KOHL'S CORPORATION	1.0
GILEAD SCIENCES INC	1.1
BAXTER INTL INC	4.0
PRAXAIR INC	6.2
INTERNATIONAL BUSIN	8.3
MEDCOHEALTH SOLUTIO	10.3

	Portfolio		R 1000(R) GR		Attribution		
	Pct of Begin Mkt Val (A)	Rate of Return (B)	Pct of Begin Mkt Val (C)	Rate of Return (D)	Stock Selection (E)	Sector Weighting (F)	Total (G)
Cons Discretionary	17.8	2.9	9.5	16.6	-2.3	0.0	-2.2
Consumer Staples	0.0		13.9	8.5	0.0	0.9	0.9
Energy	7.1	16.8	7.5	19.9	-0.1	0.0	-0.1
Financials	7.6	6.8	3.3	35.6	-2.0	0.7	-1.3
Health Care	14.4	2.1	14.9	8.1	-0.7	0.0	-0.7
Industrials	8.0	16.0	12.6	19.0	-0.1	-0.1	-0.2
Info Technology	37.0	18.8	31.2	19.8	-0.2	0.2	0.0
Materials	8.0	3.5	4.4	10.3	-0.4	-0.2	-0.6
Telecom Services	0.0		0.8	8.6	0.0	0.1	0.1
Utilities	0.0		1.8	21.3	0.0	-0.1	-0.1
Miscellaneous	0.0		0.0				
TOTAL	100%	11.1	100%	16.1	-5.8	1.6	-4.3

Equity Only Buy/Hold Return (B)	11.1	Stock Selection (E)	-5.8
Benchmark Buy/Hold Return (D)	16.1	Sector Weighting (F)	1.6
Total Relative Return Difference (B/D)	-4.3	Total Selection (E * F)	-4.3
Equity Only Actual Return (*)	9.7	Total Value Added (Selection * Trading)	-5.5
Equity Only Buy/Hold Return (B)	11.1		
Intra-Period Trading (* / B)	-1.3		

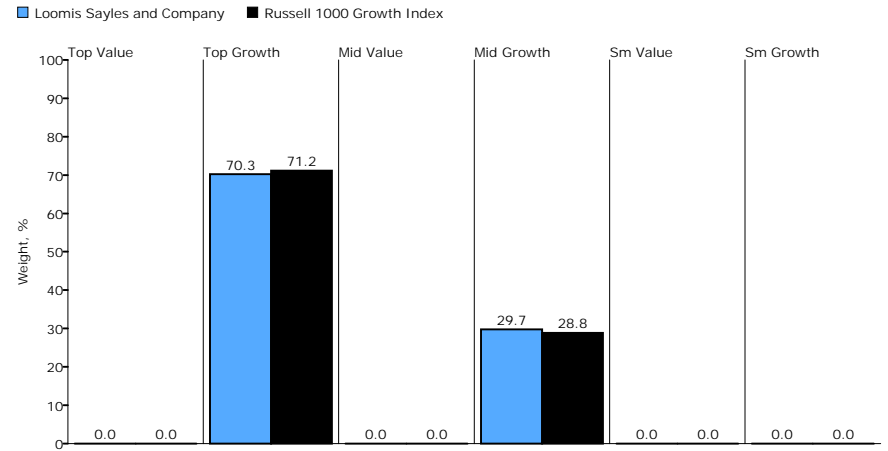
US Equity Style Map

Jul 06 - Jun 09



US Equity Style Exposures

Jul 06 - Jun 09

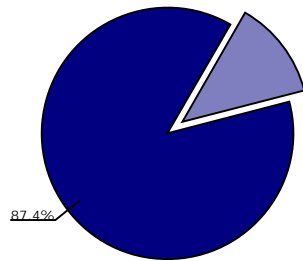
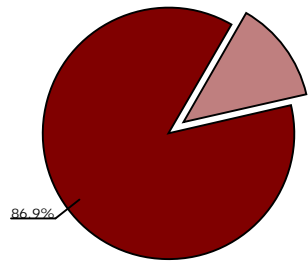


R-Squared (Style Analysis)

Jul 06 - Jun 09

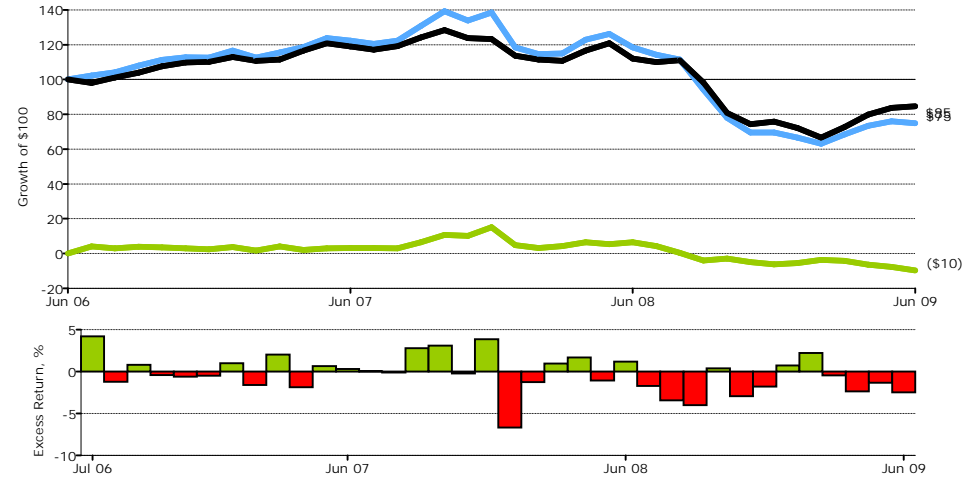
■ Style R-Squared

■ Benchmark R-Squared



Cumulative Total, Style & Selection Return

Jul 06 - Jun 09



Legend

▲ Russell 1000 Growth Index ● Loomis Sayles and Company

■ Total ■ Style ■ Selection

Portfolio Characteristics		
	Portfolio	R 1000(R) VALUE
Total Number of Securities	82	
Total Market Value \$	146,903,336	
Average Market Capitalization (000's)	47,465,600	63,442,900
Median Market Capitalization (000's)	13,971,400	2,958,900
Equity Segment Yield	2.07	2.70
Equity Segment P/E	51.21	21.08
Equity Segment Beta	1.13	1.09
Price/Book Ratio	1.85	1.64
Five Year Earnings Growth	5.73	7.80
Return On Equity	13.53	13.34

Ten Largest Holdings		
Name	\$	Weight
HEWLETT PACKARD CO	8,133,494	5.5
SCHLUMBERGER LTD CO	5,567,800	3.8
COMCAST CORP-CL A	5,208,619	3.5
WELLS FARGO & CO NE	4,800,375	3.3
WELLPOINT INC	4,544,477	3.1
AMGEN INC	4,293,434	2.9
MERCK & CO INC COM	4,179,988	2.8
OCCIDENTAL PETE COR	3,968,400	2.7
GLAXO SMITHKLINE PL	3,753,677	2.6
NEWS CORP INC	3,689,550	2.5

Ten Best Performers	
Name	Return
GENWORTH FINL INC	267.9
SLM CORP	107.5
DOW CHEM CO	93.2
HEALTH MGMT ASSOC I	91.5
CAPITAL ONE FINL CO	79.1
LIBERTY MEDIA INTER	72.8
WELLS FARGO & CO NE	70.7
AEGON NV	60.4
MOTOROLA INC DEL	56.7
CEMEX S.A.B. DE C.V	55.4

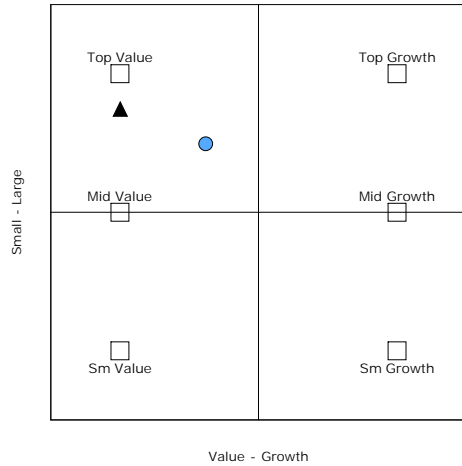
Ten Worst Performers	
Name	Return
WAL MART STORES INC	-6.5
SYNOPSYS INC COM	-5.9
PITNEY BOWES	-4.5
CARDINAL HEALTH INC	-2.4
VULCAN MATERIALS CO	-1.5
CHEVRON CORP	-0.5
HOME DEPOT INC COM	1.2
TRAVELERS COS INC	1.7
BMC SOFTWARE INC	2.4
COMPUWARE CORP	4.1

	Portfolio		R 1000(R) VALUE		Attribution		
	Pct of Begin Mkt Val (A)	Rate of Return (B)	Pct of Begin Mkt Val (C)	Rate of Return (D)	Stock Selection (E)	Sector Weighting (F)	Total (G)
Cons Discretionary	23.2	11.9	8.5	24.1	-2.7	0.9	-1.8
Consumer Staples	3.1	-1.7	10.0	10.2	-0.4	0.4	0.0
Energy	11.5	20.4	17.7	7.5	1.4	0.5	1.9
Financials	7.7	54.6	20.5	31.1	1.7	-1.5	0.2
Health Care	25.6	13.2	14.4	11.3	0.4	-0.5	-0.1
Industrials	6.3	19.3	7.8	20.2	-0.1	0.0	-0.1
Info Technology	19.1	26.4	3.3	23.0	0.6	0.9	1.5
Materials	1.7	56.2	3.2	32.9	0.4	-0.2	0.1
Telecom Services	1.8	34.7	7.3	3.3	0.5	0.6	1.2
Utilities	0.0		7.4	9.0	0.0	0.5	0.5
Miscellaneous	0.0		0.0				
TOTAL	100%	23.2	100%	16.7	1.8	1.4	3.3

Equity Only Buy/Hold Return (B)	23.2	Stock Selection (E)	1.8
Benchmark Buy/Hold Return (D)	16.7	Sector Weighting (F)	1.4
Total Relative Return Difference (B/D)	3.3	Total Selection (E * F)	3.3
Equity Only Actual Return (*)	23.1	Total Value Added (Selection * Trading)	3.2
Equity Only Buy/Hold Return (B)	23.2		
Intra-Period Trading (* / B)	0.0		

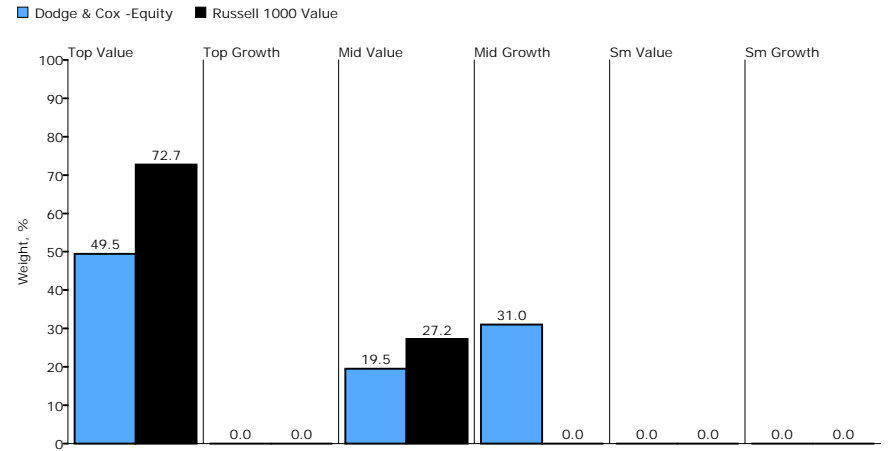
US Equity Style Map

Jul 06 - Jun 09



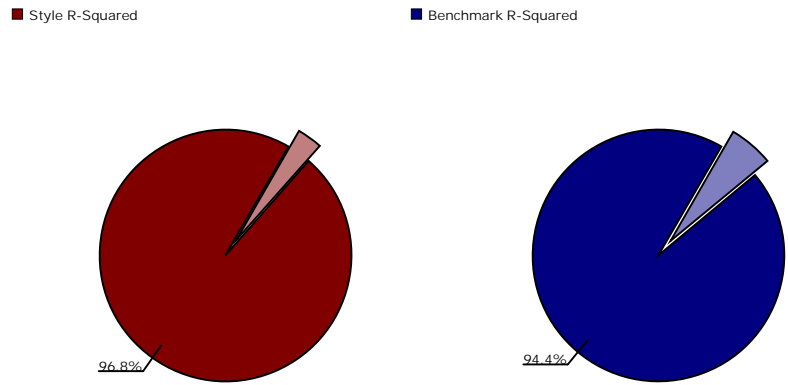
US Equity Style Exposures

Jul 06 - Jun 09



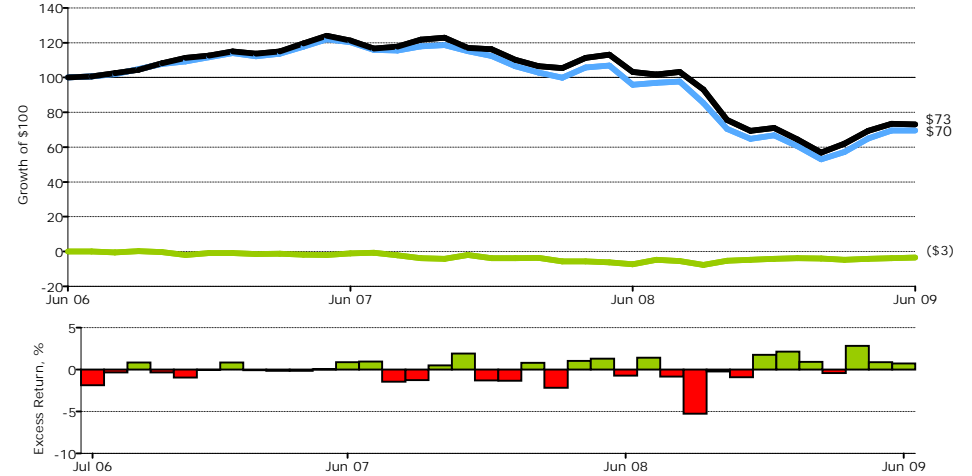
R-Squared (Style Analysis)

Jul 06 - Jun 09



Cumulative Total, Style & Selection Return

Jul 06 - Jun 09



Legend

- ▲ Russell 1000 Value
- Dodge & Cox -Equity
- Total
- Style
- Selection

Portfolio Characteristics		
	Portfolio	R 2000(R) GR
Total Number of Securities	659	
Total Market Value \$	41,391,033	
Average Market Capitalization (000's)	1,086,400	823,200
Median Market Capitalization (000's)		343,500
Equity Segment Yield	0.53	0.62
Equity Segment P/E	29.37	60.69
Equity Segment Beta	1.16	1.12
Price/Book Ratio	3.13	3.33
Five Year Earnings Growth	22.71	18.39
Return On Equity		10.21

Ten Largest Holdings		
Name	\$	Weight
UNITED NAT FOODS IN	547,706	1.3
PORTFOLIO RECOVERY	496,519	1.2
CYBERSOURCE CORP DE	468,348	1.1
SEMTECH CORP	446,912	1.1
NEOGEN CORP	440,496	1.1
LKQ CORP	432,882	1.0
ROLLINS INC COM	402,717	1.0
NATIONAL INSTRS COR	399,086	1.0
CHEMED CORP NEW	390,260	0.9
PHASE FORWARD INC C	383,446	0.9

Ten Best Performers	
Name	Return
DENDREON CORP	491.7
STEC INC COM	214.7
SOLUTIA INC NEW	208.0
VERINT SYS INC	194.3
ARUBA NETWORKS INC	178.3
DATA DOMAIN INC COM	165.3
CENTRAL EUROPEAN DI	146.9
AIXTRON AKTIENGESEL	145.1
TETRA TECHNOLOGIES	144.9
CHART INDUSTRIES IN	130.7

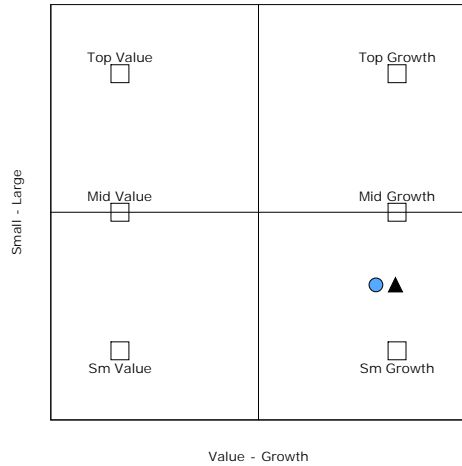
Ten Worst Performers	
Name	Return
IMMUCOR INC	-45.3
CARDIONET INC	-41.8
KENDLE INTERNATIONALA	-41.6
GENOMIC HEALTH INC	-28.9
OSI PHARMACEUTICALS	-26.2
ACI WORLDWIDE INC C	-25.5
WATSON WYATT WORLDW	-23.8
CBEYOND INC	-23.8
TELECOMMUNICATIONS	-22.5
BIGBAND NETWORKS IN	-21.1

	Portfolio		R 2000(R) GR		Attribution		
	Pct of Begin Mkt Val (A)	Rate of Return (B)	Pct of Begin Mkt Val (C)	Rate of Return (D)	Stock Selection (E)	Sector Weighting (F)	Total (G)
Cons Discretionary	10.8	22.5	11.9	29.8	-0.8	-0.1	-0.8
Consumer Staples	3.5	29.9	3.1	24.0	0.2	0.0	0.2
Energy	3.6	25.4	5.4	31.7	-0.2	-0.1	-0.3
Financials	7.0	18.7	5.3	15.9	0.2	-0.1	0.1
Health Care	24.2	21.4	26.2	19.3	0.5	0.1	0.6
Industrials	14.5	19.3	18.6	21.9	-0.4	0.1	-0.3
Info Technology	33.9	28.5	24.1	28.6	0.0	0.4	0.3
Materials	1.5	27.5	3.0	29.0	0.0	-0.1	-0.1
Telecom Services	0.4	4.8	1.5	11.8	0.0	0.1	0.1
Utilities	0.4	10.6	0.9	16.0	0.0	0.0	0.0
Miscellaneous			0.0				
TOTAL	100%	24.2	100%	24.1	-0.3	0.2	0.0

Equity Only Buy/Hold Return (B)	24.2	Stock Selection (E)	-0.3
Benchmark Buy/Hold Return (D)	24.1	Sector Weighting (F)	0.2
Total Relative Return Difference (B/D)	0.0	Total Selection (E * F)	0.0
Equity Only Actual Return (*)	24.7	Total Value Added (Selection * Trading)	0.4
Equity Only Buy/Hold Return (B)	24.2		
Intra-Period Trading (* / B)	0.4		

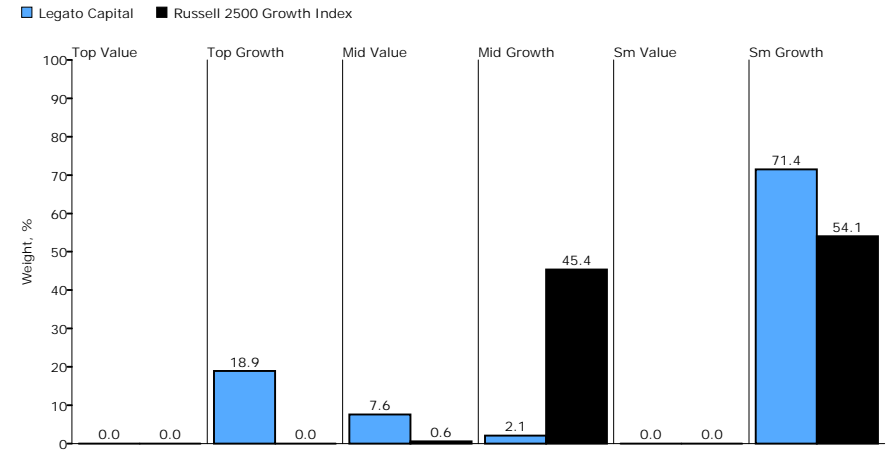
US Equity Style Map

Jul 06 - Jun 09



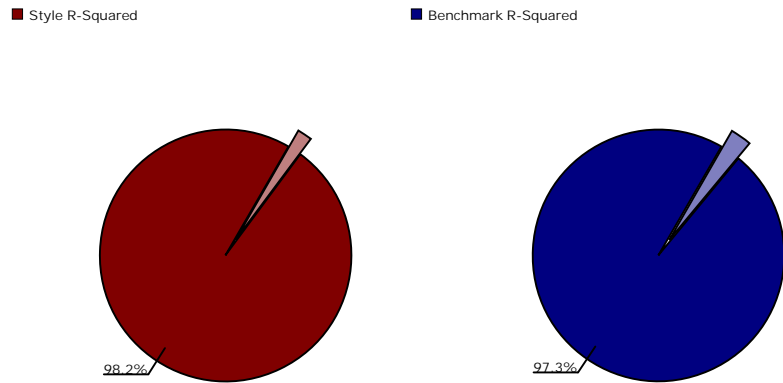
US Equity Style Exposures

Jul 06 - Jun 09



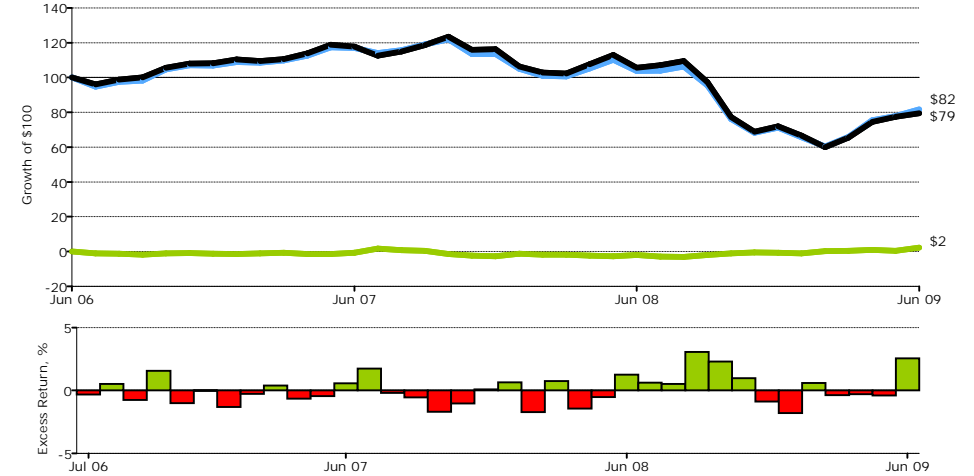
R-Squared (Style Analysis)

Jul 06 - Jun 09



Cumulative Total, Style & Selection Return

Jul 06 - Jun 09



Legend

- ▲ Russell 2500 Growth Index
- Legato Capital
- Total
- Style
- Selection

Portfolio Characteristics		
	Portfolio	R 2000(R) VALUE
Total Number of Securities	398	
Total Market Value \$	48,920,829	
Average Market Capitalization (000's)	1,541,900	690,400
Median Market Capitalization (000's)		280,500
Equity Segment Yield	1.91	2.39
Equity Segment P/E	17.08	35.32
Equity Segment Beta	1.26	1.37
Price/Book Ratio	1.94	1.17
Five Year Earnings Growth	12.95	5.93
Return On Equity		5.59

Ten Largest Holdings		
Name	\$	Weight
BRINKS CO	733,298	1.5
CROWN HLDGS INC	580,326	1.2
ANNALY CAPITAL MANA	551,687	1.1
LITTLEFUSE INC	524,649	1.1
ACUITY BRANDS INC	449,389	0.9
MFA FINANCIAL INC	443,364	0.9
OWENS ILL INC	409,786	0.8
BECKMAN COULTER INC	399,980	0.8
PLEXUS CORP	396,044	0.8
ANIXTER INTL INC	395,071	0.8

Ten Best Performers	
Name	Return
PHOTRONICS INC	321.9
SPARTECH CORP	273.6
CLEARWATER PAPER CO	214.9
SOLUTIA INC NEW	208.0
WYNDHAM WORLDWIDE C	189.6
CEDAR SHOPPING CTRS	159.8
ISLE CAPRI CASINOS	151.8
U STORE IT TR	145.2
ASBURY AUTOMOTIVE G	137.6
SAKS INC	136.9

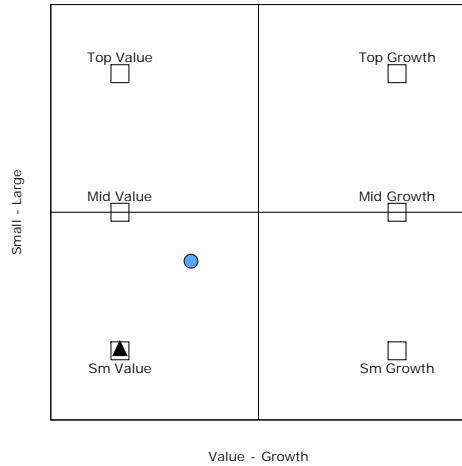
Ten Worst Performers	
Name	Return
NATIONAL PENN BANCS	-44.1
HOT TOPIC INC	-34.7
CNA SURETY CORP	-26.8
HUTCHINSON TECHNOLO	-25.0
TELECOMMUNICATIONS	-22.5
WENDYS	-20.2
FIRST FINL BANCORP	-20.1
BRONCO DRILLING CO	-18.6
COINSTAR INC	-18.5
FPIC INS GROUP INC	-17.3

	Portfolio		R 2000(R) VALUE		Attribution		
	Pct of Begin Mkt Val	Rate of Return	Pct of Begin Mkt Val	Rate of Return	Stock Selection	Sector Weighting	Total
	(A)	(B)	(C)	(D)	(E)	(F)	(G)
Cons Discretionary	10.2	35.1	10.3	35.3	0.0	0.0	0.0
Consumer Staples	6.2	18.8	5.2	12.4	0.4	-0.1	0.3
Energy	4.3	22.5	2.4	34.6	-0.5	0.2	-0.3
Financials	23.9	16.0	36.1	9.7	1.5	1.0	2.5
Health Care	5.5	23.4	5.3	20.4	0.1	0.0	0.1
Industrials	21.6	21.1	14.2	20.9	0.0	0.1	0.1
Info Technology	12.2	26.3	12.4	34.9	-1.0	0.0	-1.0
Materials	8.4	30.6	4.8	28.8	0.1	0.3	0.4
Telecom Services	0.4	27.3	1.0	26.6	0.0	0.0	0.0
Utilities	6.7	8.9	8.3	5.5	0.2	0.2	0.4
Miscellaneous			0.0				0.0
TOTAL	100%	22.1	100%	19.1	0.8	1.6	2.4

Equity Only Buy/Hold Return (B)	22.1	Stock Selection (E)	0.8
Benchmark Buy/Hold Return (D)	19.1	Sector Weighting (F)	1.6
Total Relative Return Difference (B/D)	2.4	Total Selection (E * F)	2.4
Equity Only Actual Return (*)	23.1	Total Value Added (Selection * Trading)	3.3
Equity Only Buy/Hold Return (B)	22.1		
Intra-Period Trading (* / B)	0.8		

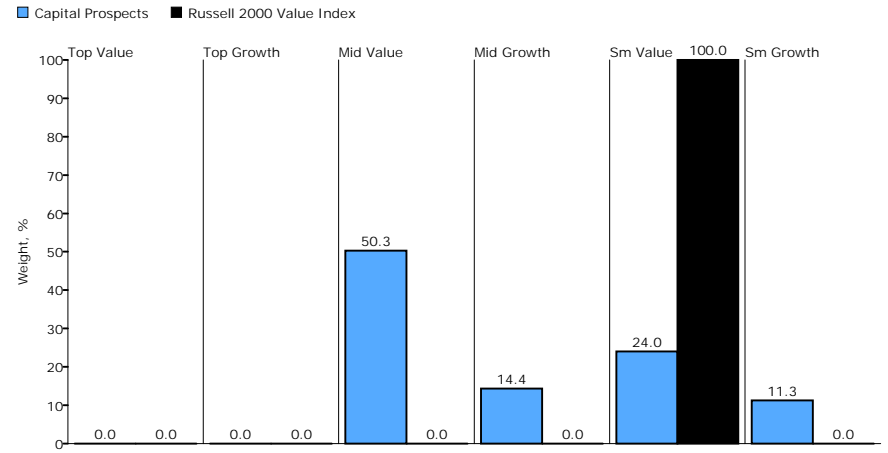
US Equity Style Map

Jul 06 - Jun 09



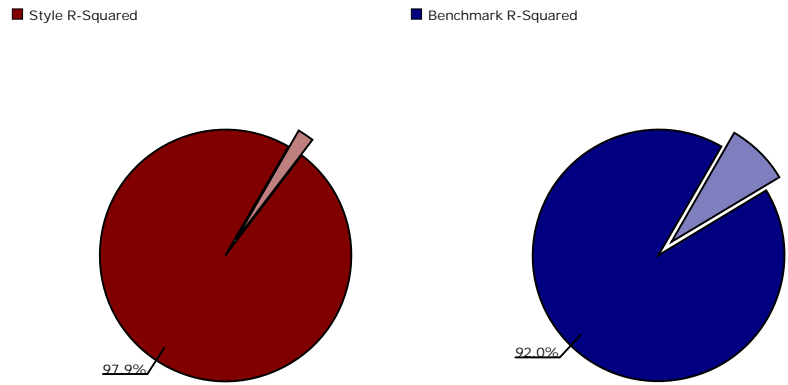
US Equity Style Exposures

Jul 06 - Jun 09



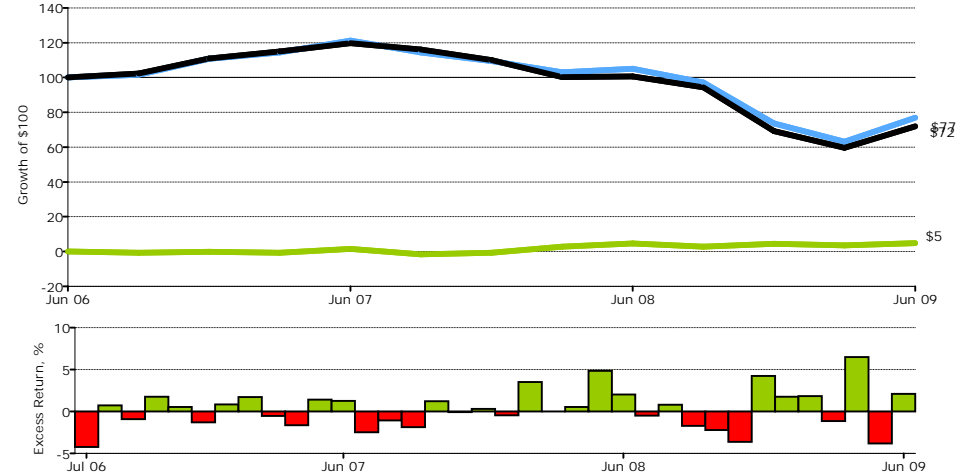
R-Squared (Style Analysis)

Jul 06 - Jun 09



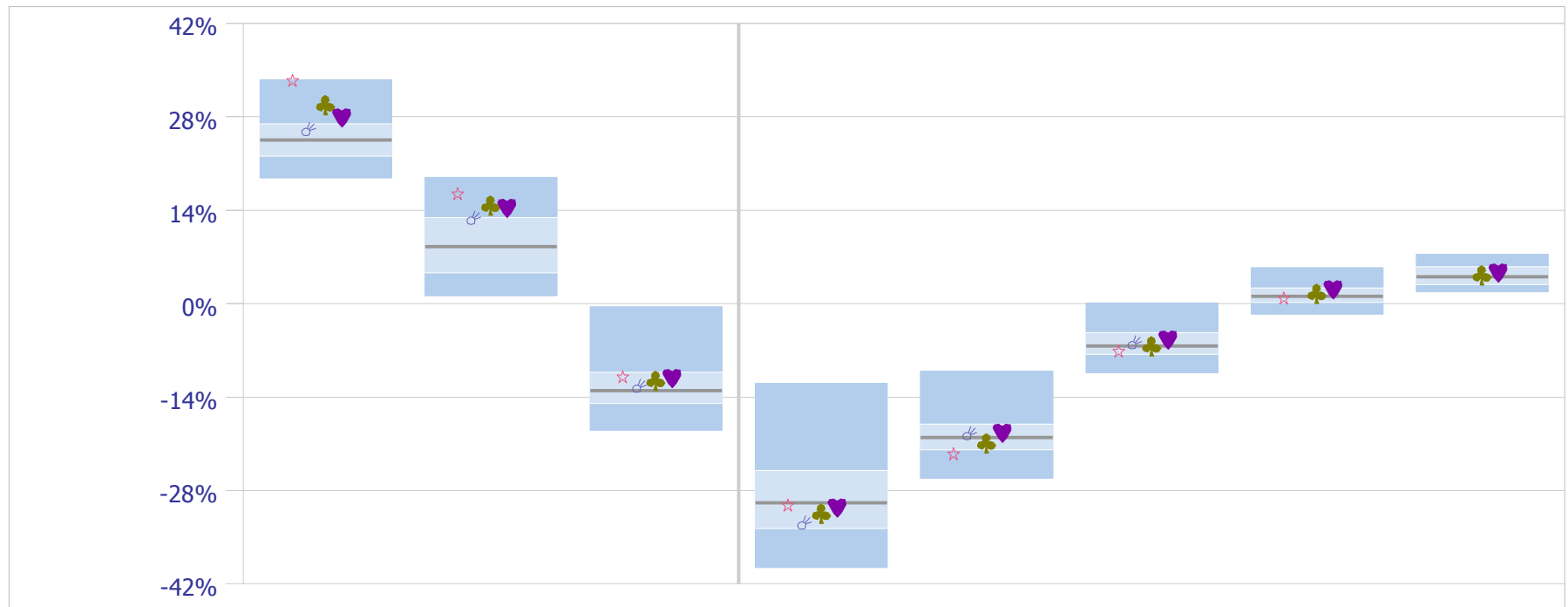
Cumulative Total, Style & Selection Return

Jul 06 - Jun 09

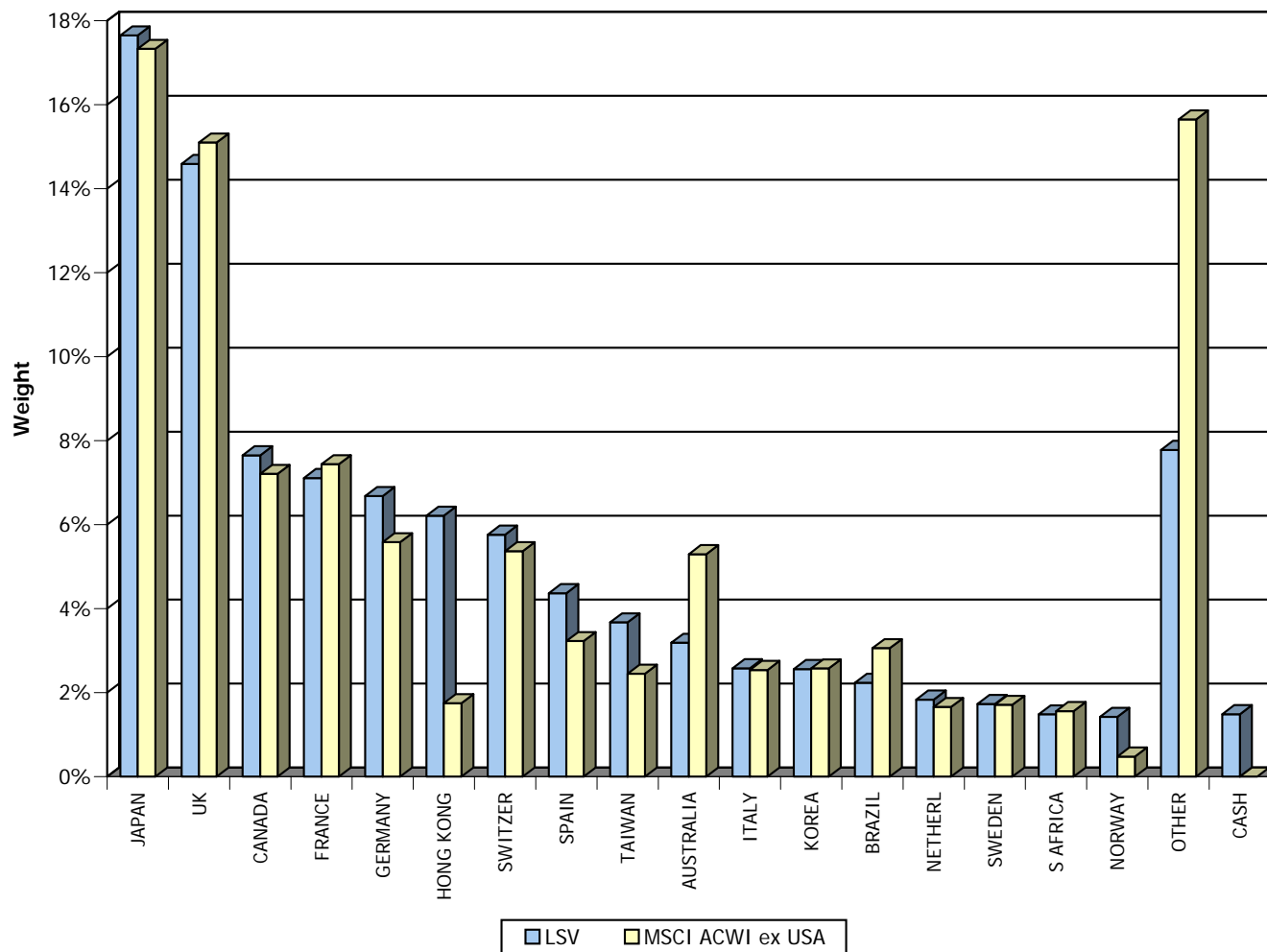


Legend

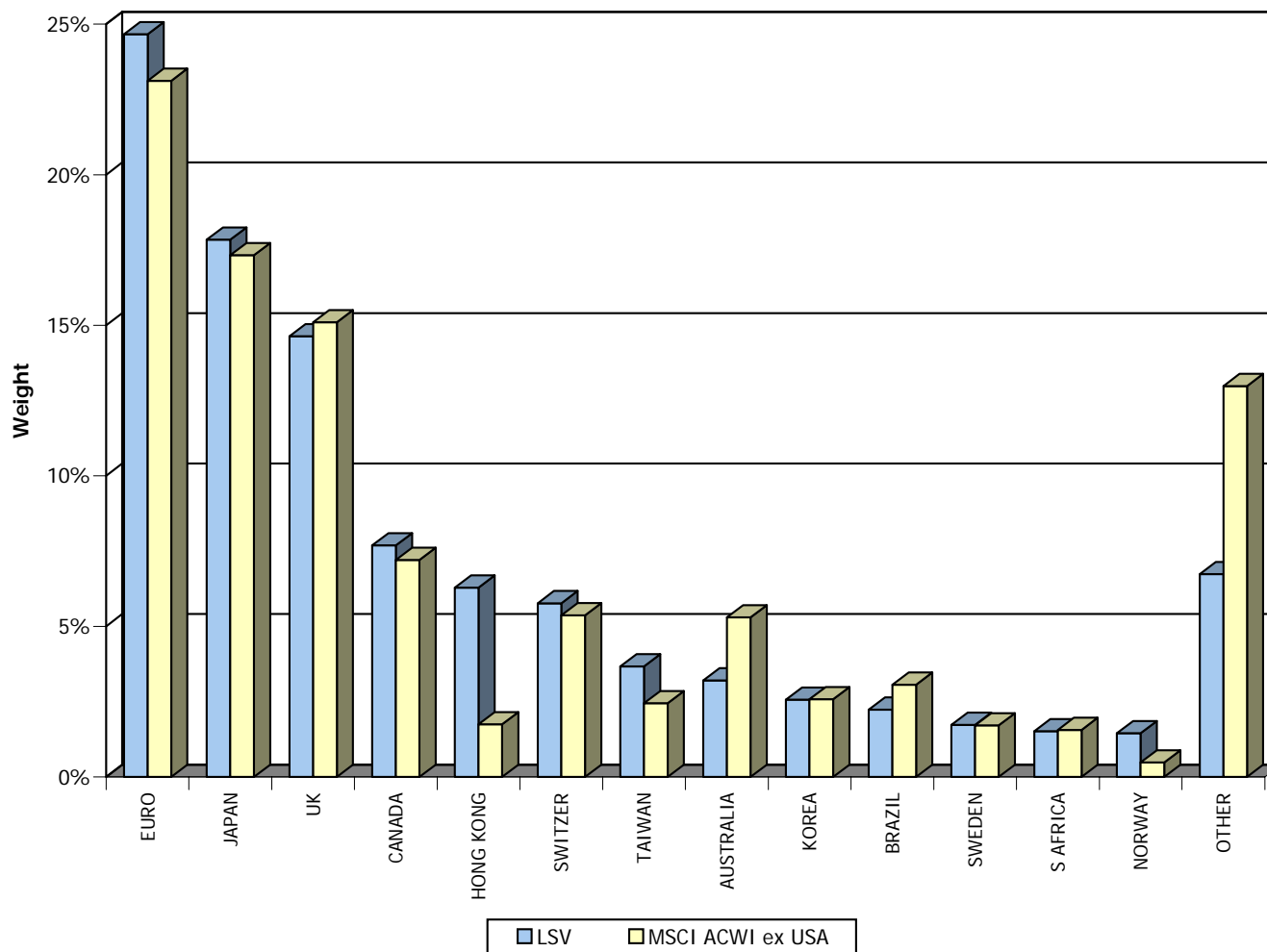
- ▲ Russell 1000 Value
- Capital Prospects
- Total
- Style
- Selection



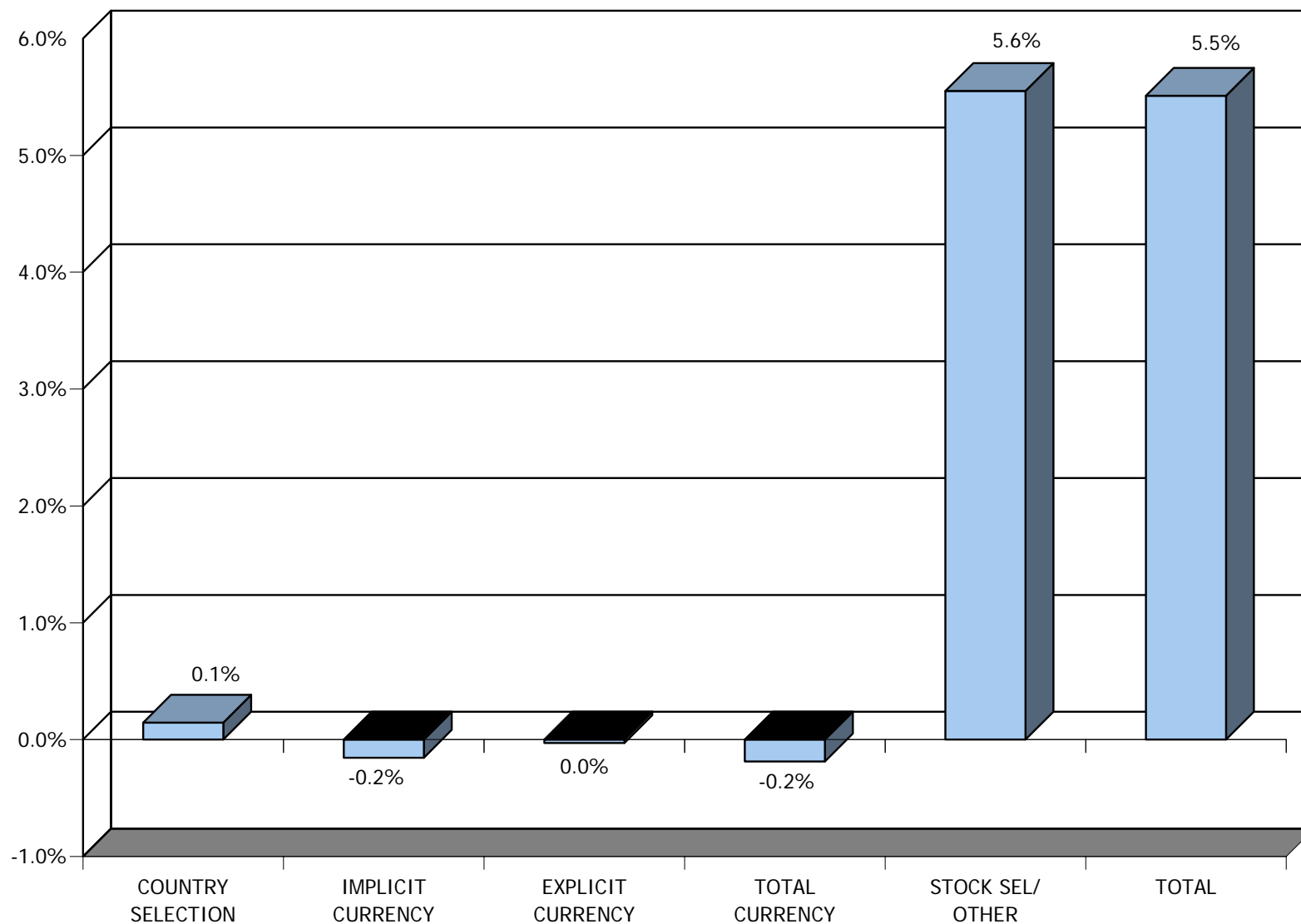
	One Quarter		Two Quarters		Three Quarters		One Year		Two Years		Three Years		Four Years		Five Years	
☆ LSV	33.4	5	16.5	13	-10.9	28	-30.1	53	-22.5	81	-7.1	63	0.8	58		
♁ Pyramis	26.2	30	12.9	24	-12.3	40	-32.7	71	-19.4	41	-5.8	43				
♣ Intl Equity	29.8	11	14.7	18	-11.6	32	-31.4	65	-20.9	56	-6.4	51	1.5	40	4.2	42
♥ MSCI ACWI-ex US	27.9	17	14.4	19	-11.1	29	-30.5	55	-19.3	41	-5.4	33	2.1	29	4.7	34
Median	24.5		8.5		-13.0		-29.8		-20.1		-6.3		1.1		4.0	

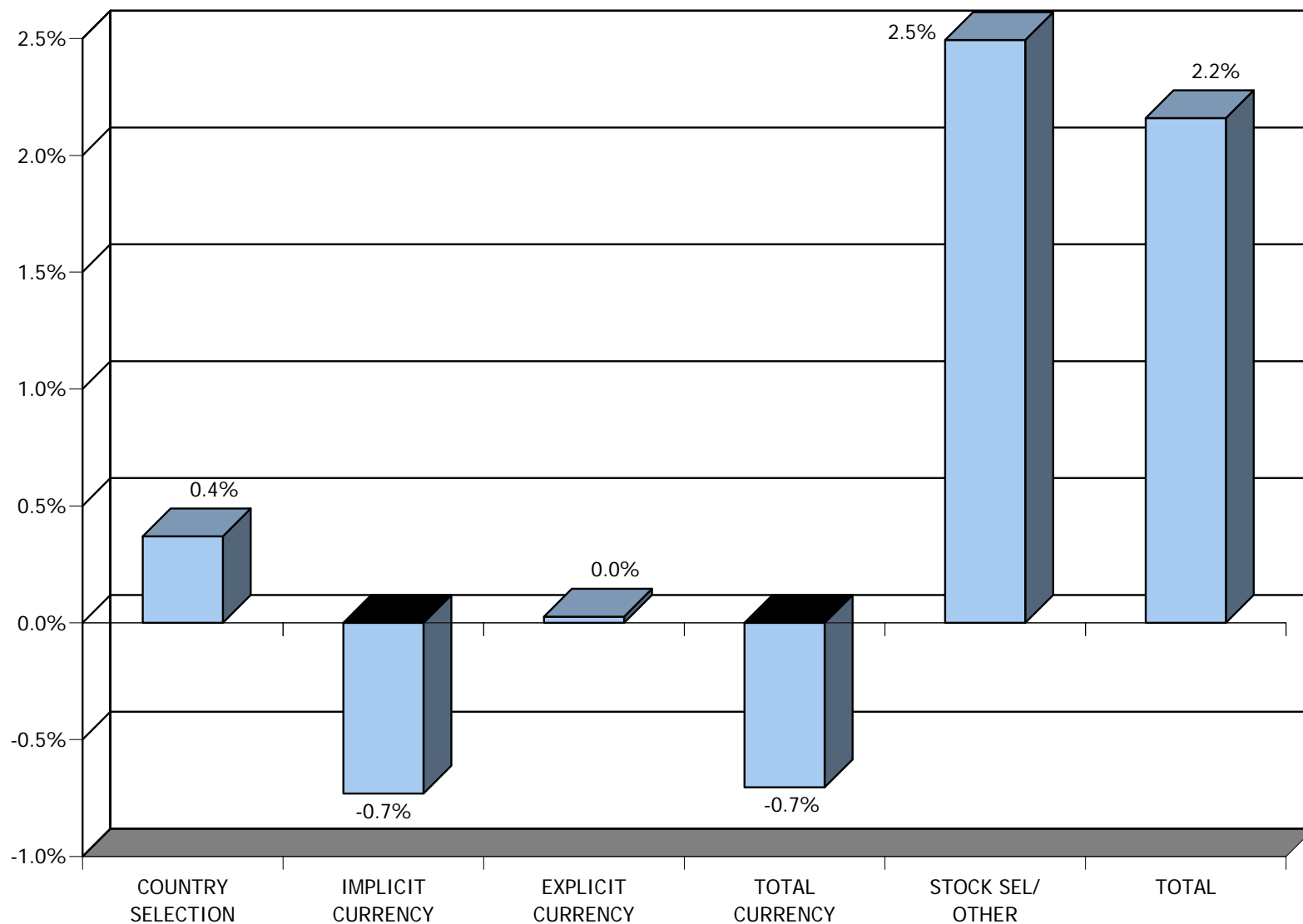


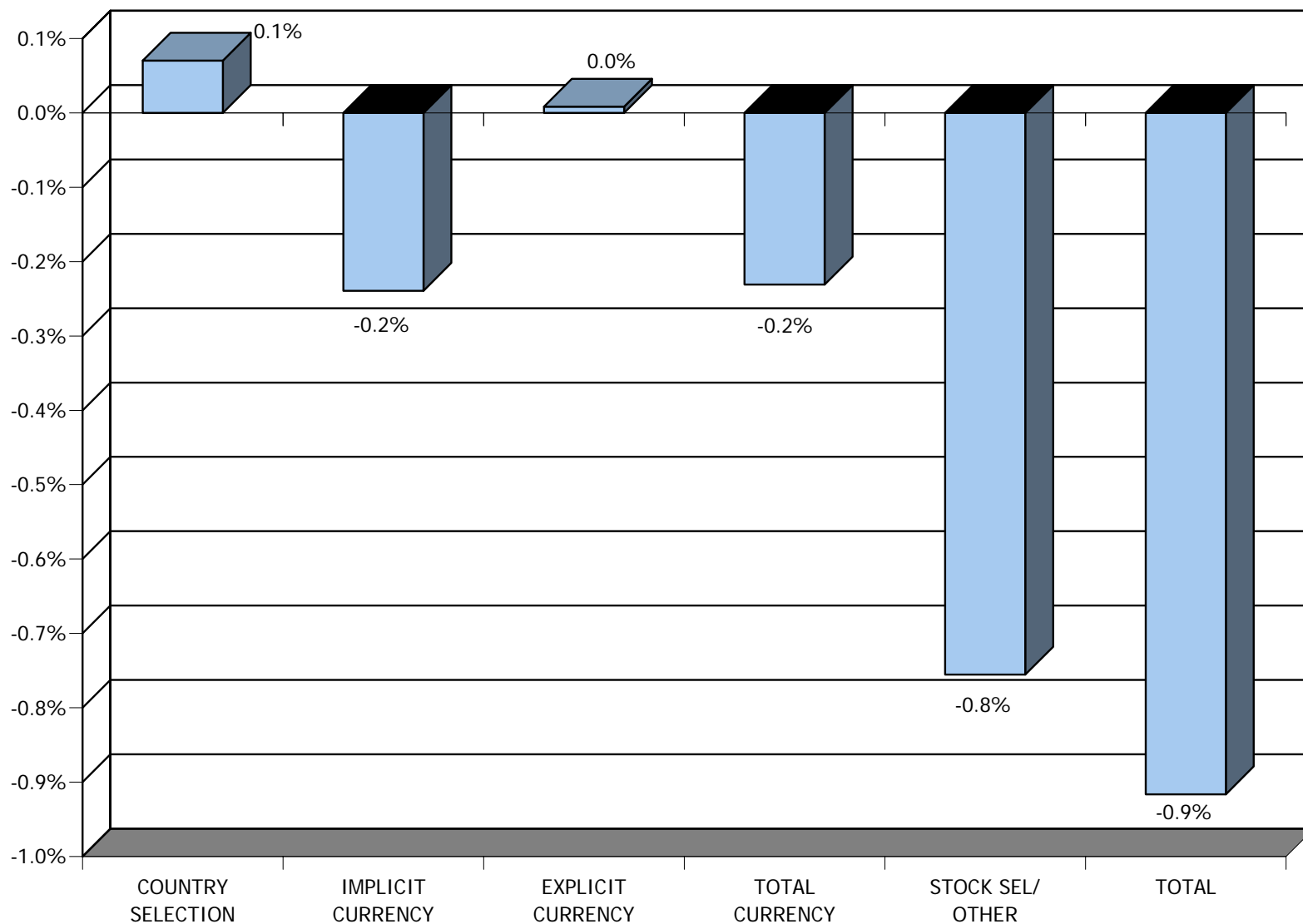
COUNTRY	MARKET VALUE	LSV	MSCI ACWI ex USA
JAPAN	\$ 18,964	17.6%	17.3%
UK	\$ 15,675	14.6%	15.1%
CANADA	\$ 8,220	7.6%	7.2%
FRANCE	\$ 7,639	7.1%	7.4%
GERMANY	\$ 7,181	6.7%	5.6%
HONG KONG	\$ 6,677	6.2%	1.8%
SWITZER	\$ 6,190	5.8%	5.4%
SPAIN	\$ 4,695	4.4%	3.2%
TAIWAN	\$ 3,947	3.7%	2.5%
AUSTRALIA	\$ 3,423	3.2%	5.3%
ITALY	\$ 2,774	2.6%	2.5%
KOREA	\$ 2,755	2.6%	2.6%
BRAZIL	\$ 2,403	2.2%	3.1%
NETHERL	\$ 1,970	1.8%	1.7%
SWEDEN	\$ 1,861	1.7%	1.7%
S AFRICA	\$ 1,594	1.5%	1.6%
NORWAY	\$ 1,531	1.4%	0.5%
OTHER	\$ 8,356	7.8%	15.7%
CASH	\$ 1,600	1.5%	0.0%
	\$ 107,452	100.0%	100.0%

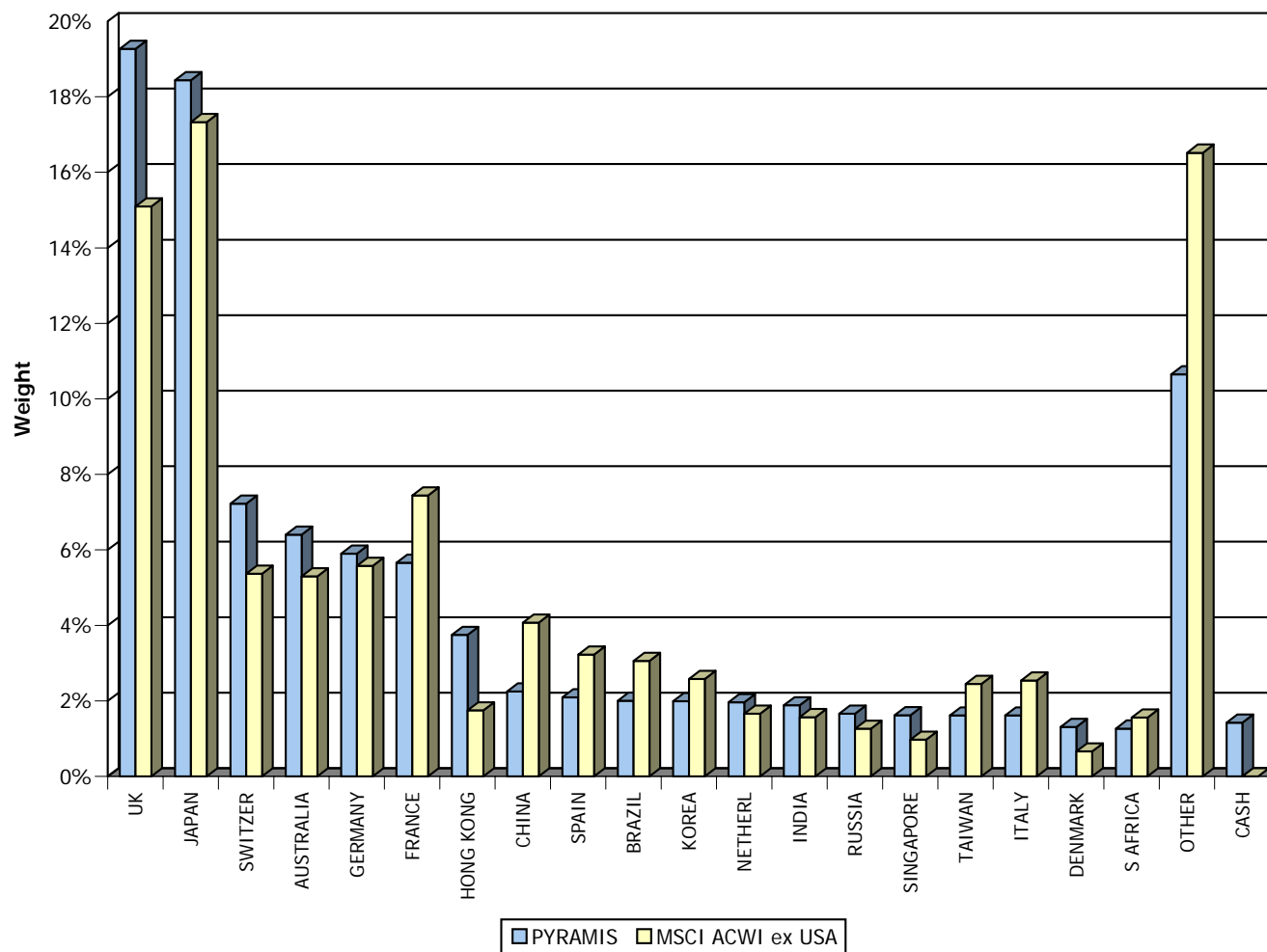


CURRENCY	MARKET VALUE	LSV	MSCI ACWI ex USA
EURO	\$ 26,504	24.7%	23.1%
JAPAN	\$ 19,173	17.8%	17.3%
UK	\$ 15,728	14.6%	15.1%
CANADA	\$ 8,258	7.7%	7.2%
HONG KONG	\$ 6,756	6.3%	1.8%
SWITZER	\$ 6,198	5.8%	5.4%
TAIWAN	\$ 3,947	3.7%	2.5%
AUSTRALIA	\$ 3,447	3.2%	5.3%
KOREA	\$ 2,755	2.6%	2.6%
BRAZIL	\$ 2,403	2.2%	3.1%
SWEDEN	\$ 1,861	1.7%	1.7%
S AFRICA	\$ 1,633	1.5%	1.6%
NORWAY	\$ 1,557	1.4%	0.5%
OTHER	\$ 7,233	6.7%	13.0%
	\$ 107,452	100.0%	100.0%

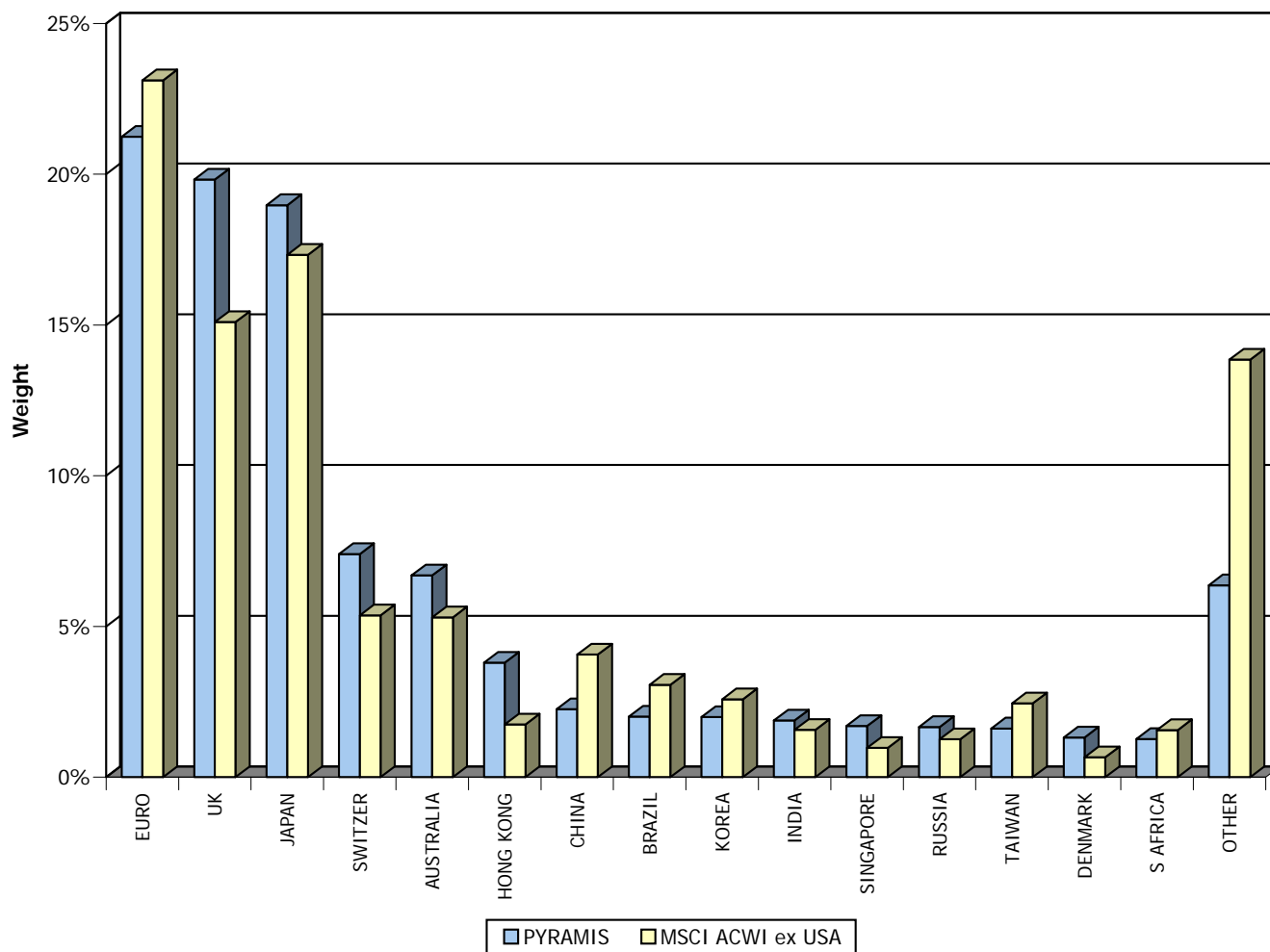




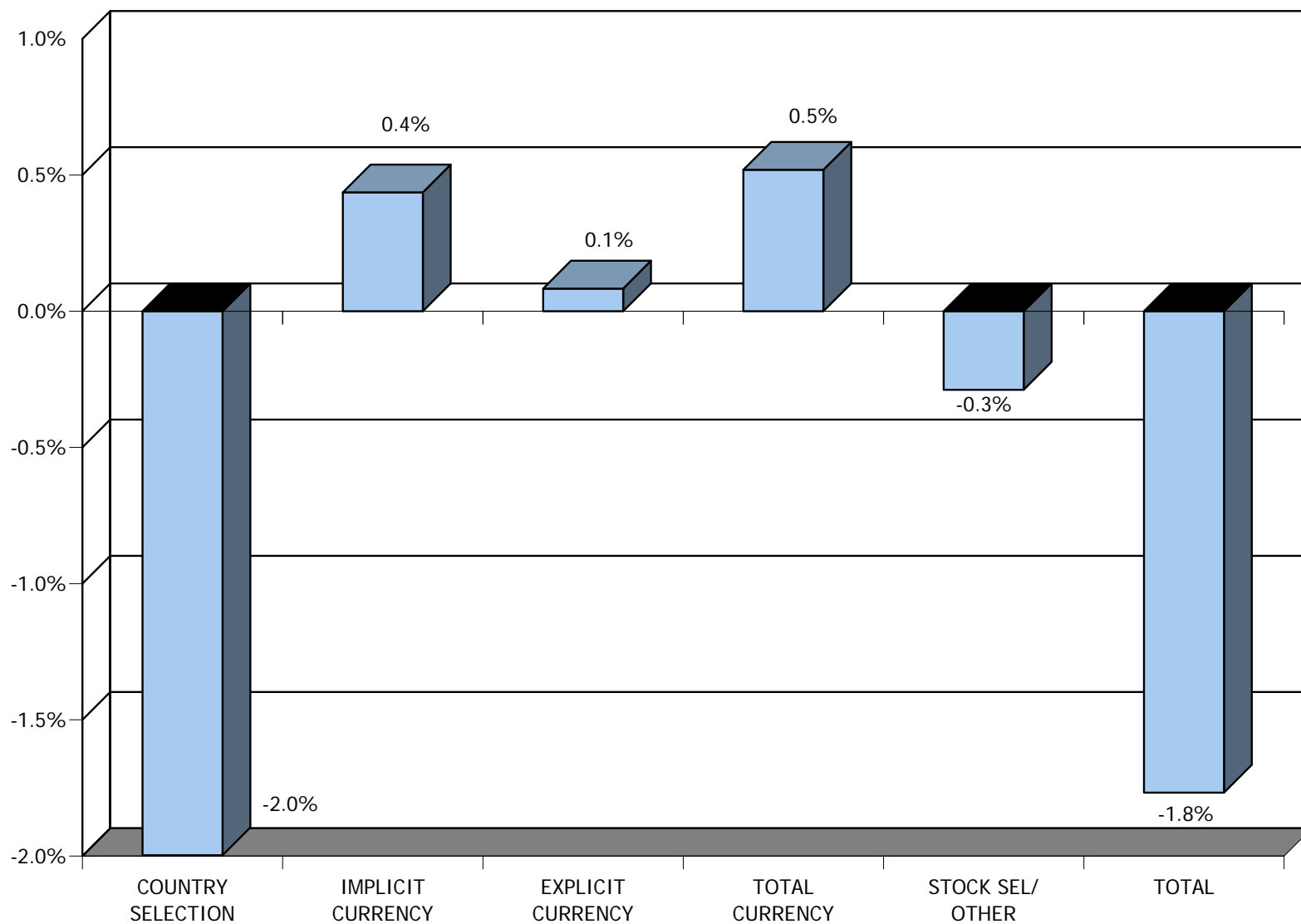


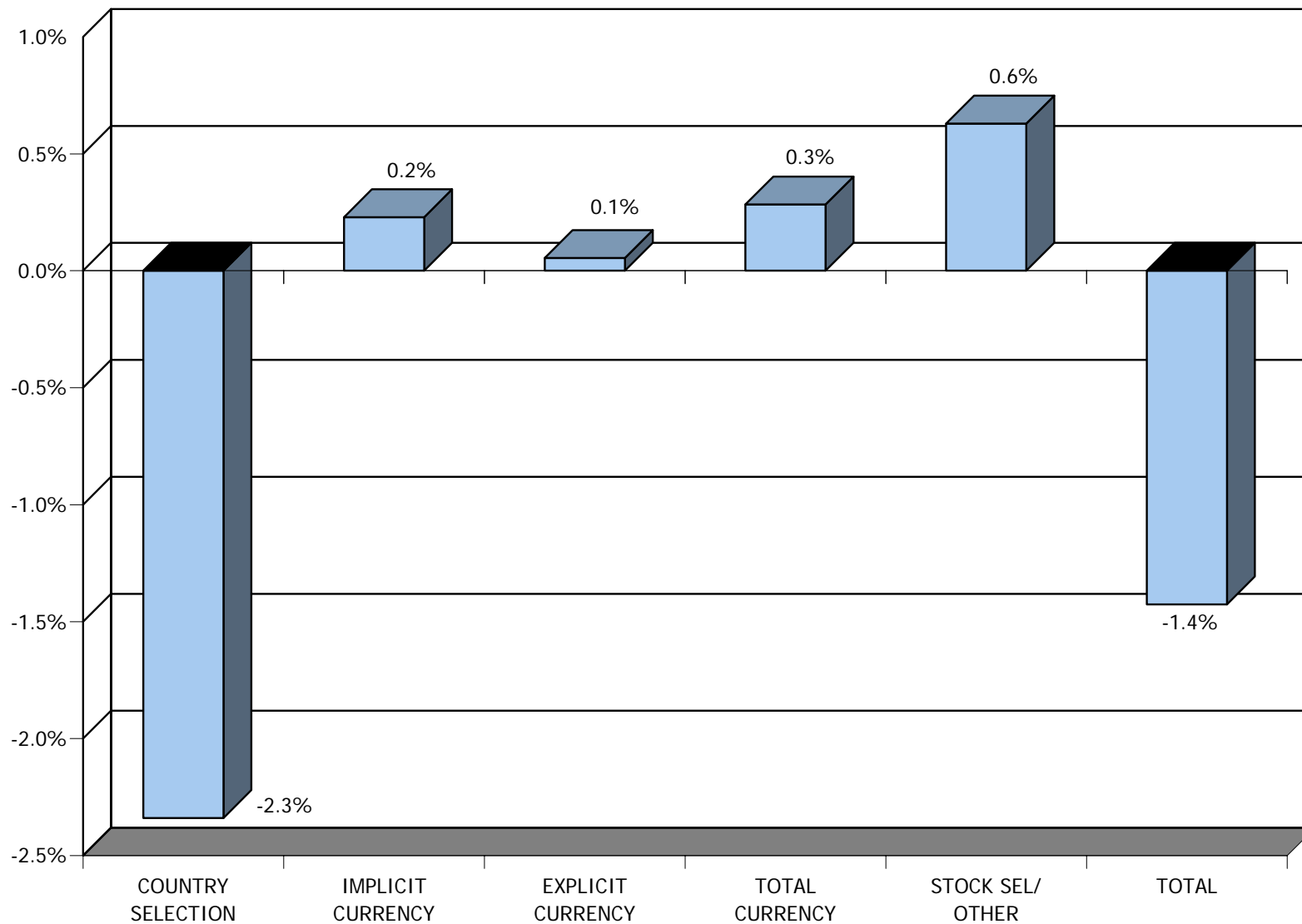


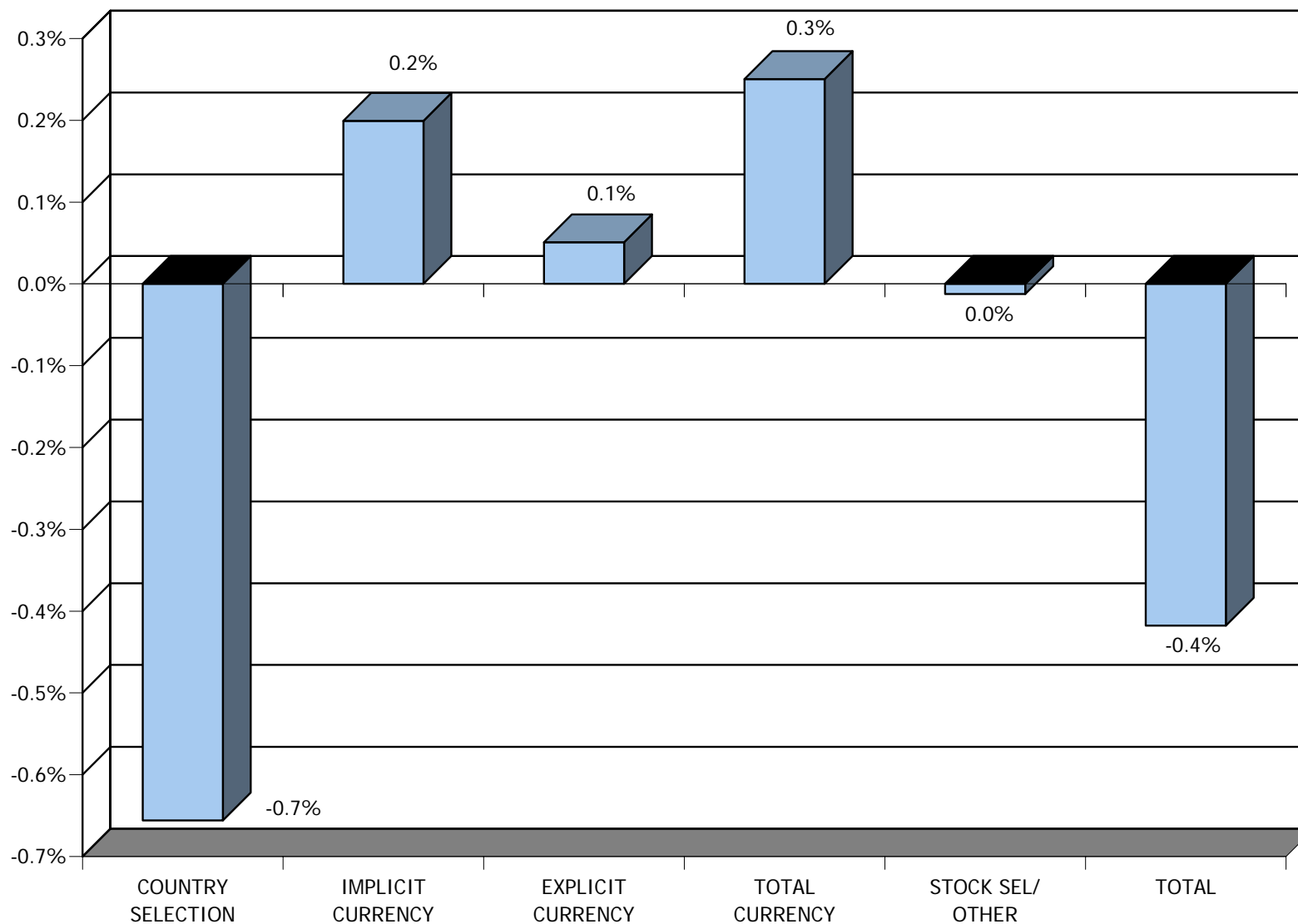
COUNTRY	MARKET VALUE	PYRAMIS	MSCI ACWI ex USA
UK	\$ 19,988	19.3%	15.1%
JAPAN	\$ 19,128	18.4%	17.3%
SWITZER	\$ 7,495	7.2%	5.4%
AUSTRALIA	\$ 6,637	6.4%	5.3%
GERMANY	\$ 6,122	5.9%	5.6%
FRANCE	\$ 5,871	5.7%	7.4%
HONG KONG	\$ 3,888	3.7%	1.8%
CHINA	\$ 2,334	2.3%	4.1%
SPAIN	\$ 2,172	2.1%	3.2%
BRAZIL	\$ 2,081	2.0%	3.1%
KOREA	\$ 2,064	2.0%	2.6%
NETHERL	\$ 2,037	2.0%	1.7%
INDIA	\$ 1,955	1.9%	1.6%
RUSSIA	\$ 1,726	1.7%	1.3%
SINGAPORE	\$ 1,682	1.6%	1.0%
TAIWAN	\$ 1,677	1.6%	2.5%
ITALY	\$ 1,672	1.6%	2.5%
DENMARK	\$ 1,358	1.3%	0.7%
S AFRICA	\$ 1,313	1.3%	1.6%
OTHER	\$ 11,042	10.6%	16.5%
CASH	\$ 1,475	1.4%	0.0%
	\$ 103,718	100.0%	100.0%



CURRENCY	MARKET VALUE	PYRAMIS	MSCI ACWI ex USA
EURO	\$ 22,035	21.2%	23.1%
UK	\$ 20,563	19.8%	15.1%
JAPAN	\$ 19,684	19.0%	17.3%
SWITZER	\$ 7,680	7.4%	5.4%
AUSTRALIA	\$ 6,940	6.7%	5.3%
HONG KONG	\$ 3,942	3.8%	1.8%
CHINA	\$ 2,334	2.3%	4.1%
BRAZIL	\$ 2,081	2.0%	3.1%
KOREA	\$ 2,064	2.0%	2.6%
INDIA	\$ 1,955	1.9%	1.6%
SINGAPORE	\$ 1,759	1.7%	1.0%
RUSSIA	\$ 1,726	1.7%	1.3%
TAIWAN	\$ 1,677	1.6%	2.5%
DENMARK	\$ 1,369	1.3%	0.7%
S AFRICA	\$ 1,313	1.3%	1.6%
OTHER	\$ 6,599	6.4%	13.9%
	\$ 103,718	100.0%	100.0%





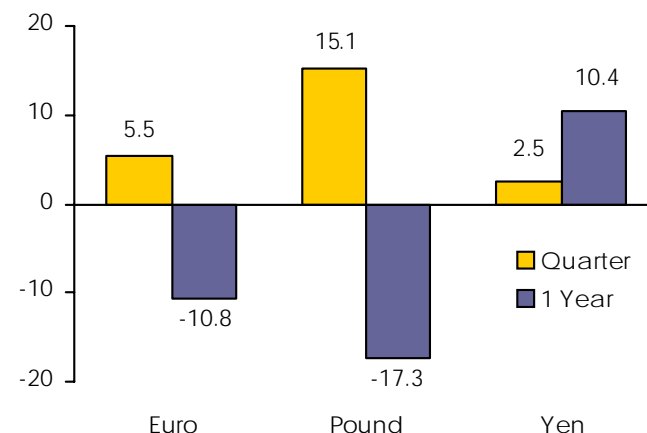


CURRENCY AND BOND MARKETS

Currency Markets

- The dollar weakened against a basket of foreign currencies including the euro, pound, and yen as investors began to embrace riskier assets during the second quarter.
- The pound strengthened considerably over the 3-month period gaining 15.1%. In mid-June the pound moved to an 8-month high relative to the dollar, but the currency still remains well below its peak registered in October 2007.
- The euro strengthened during the first two months of the quarter, but remained relatively flat in June as mixed economic data tempered the currency's outlook.
- Conversely, the yen weakening slightly in the first month of the quarter, but regained ground on the dollar later in the period as economic optimism cooled in U.S. financial markets.

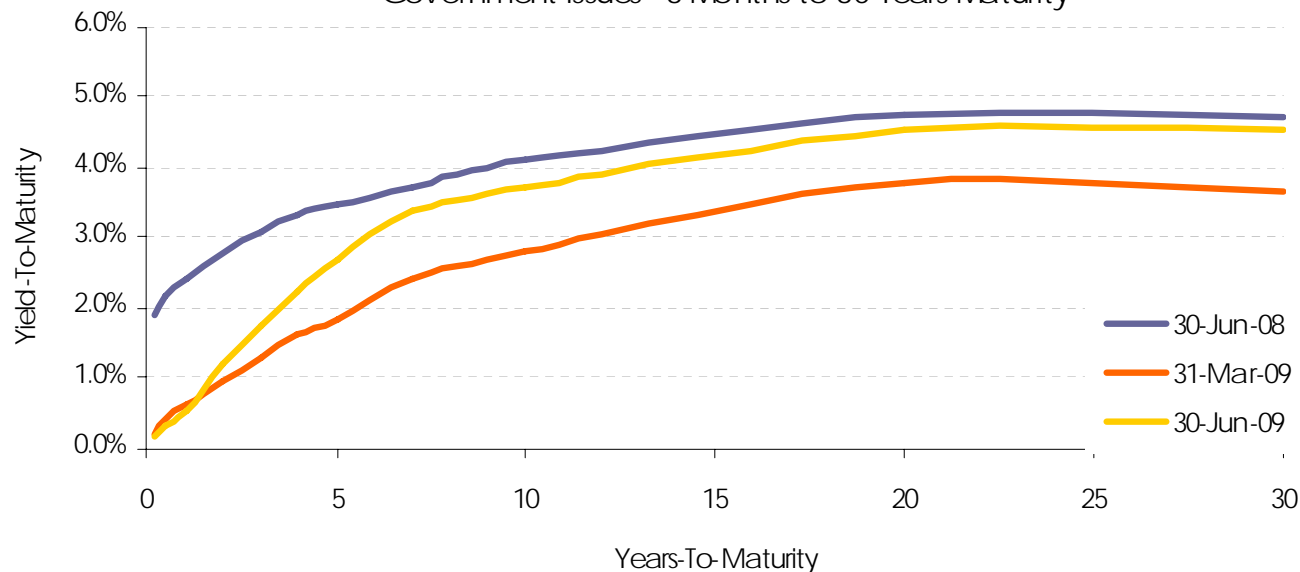
Currency Returns (%)

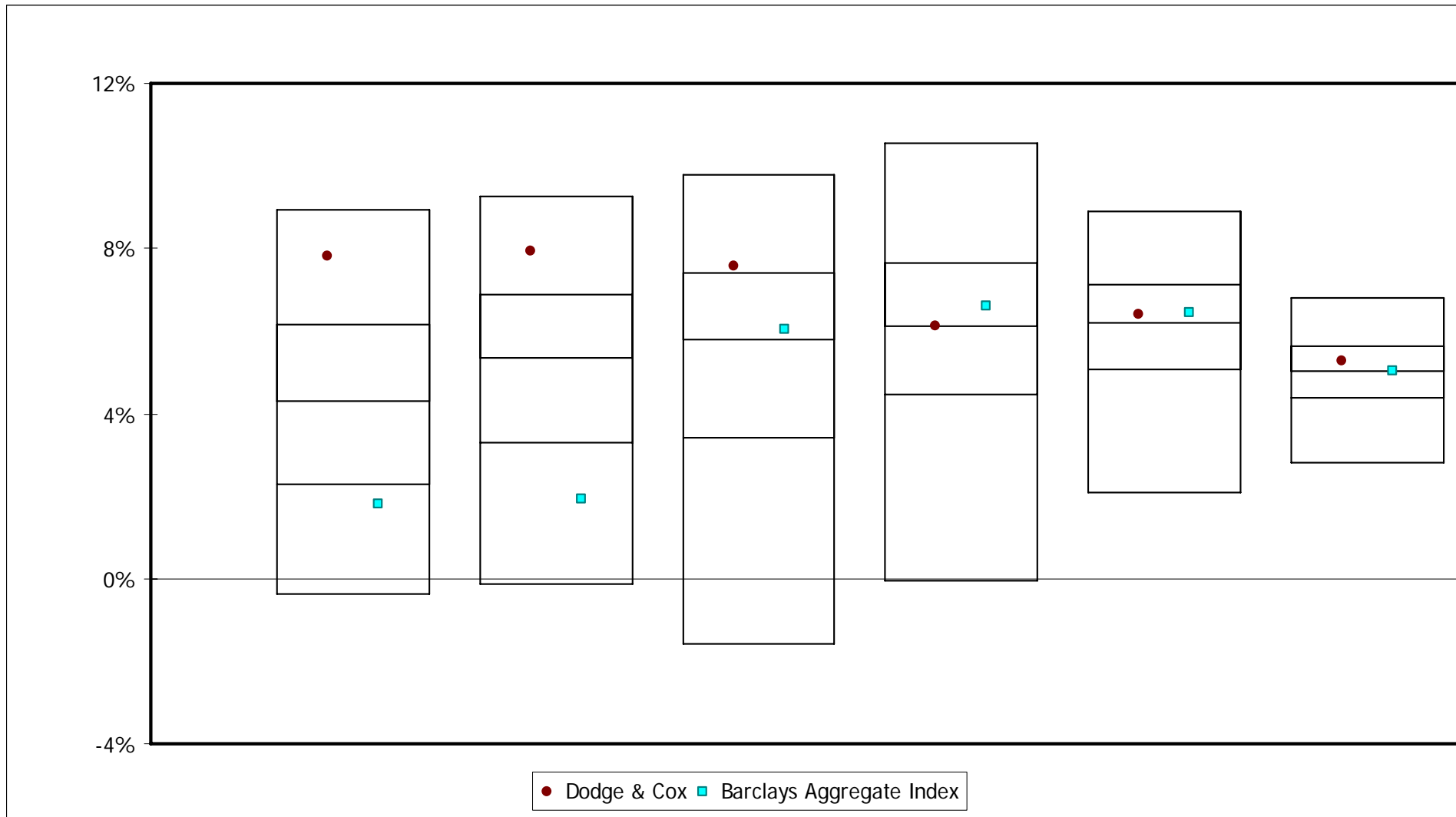


Yield Curve

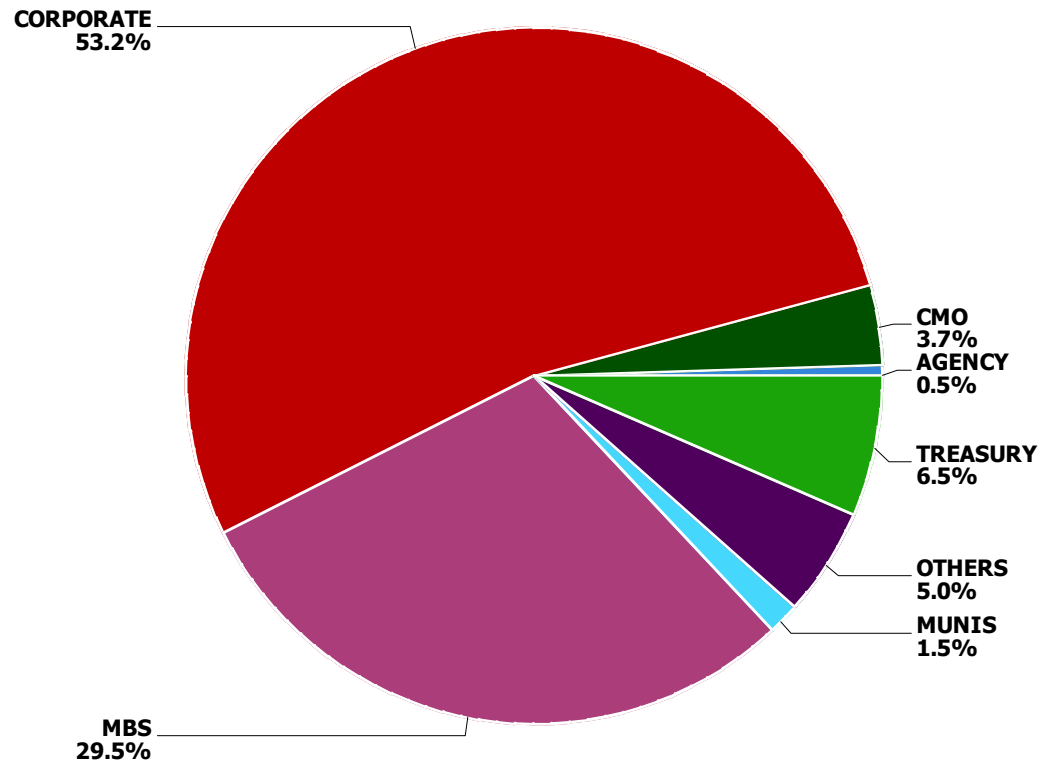
- The Fed continued to hold the key short term interest rate at the historically low range of 0 - 0.25% during the second quarter.
- Amid large U.S. government purchases of mortgage-backed securities and Treasuries, the gap between yields of the 2-year Treasury and the 10-year note widened to its highest point ever during May.

INTEREST RATE TERM STRUCTURE
Government Issues - 3 Months to 30 Years Maturity





	1 QTR		CALENDAR YTD		FISCAL YTD		2 YEAR		3 YEAR		5 YEAR	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
Dodge & Cox	7.8%	10	7.9%	13	7.6%	23	6.1%	50	6.4%	44	5.3%	36
<i>Barclays Aggregate Index</i>	1.8%	83	1.9%	88	6.1%	47	6.6%	43	6.4%	44	5.0%	53
Median	4.3%		5.3%		5.8%		6.1%		6.2%		5.0%	



Sector	Account Weight	Index Weight	Difference
ABS	0.0%	4.0%	-4.0%
Agencies	0.5%	9.1%	-8.6%
CMO	3.7%	0.0%	3.7%
Corporates	53.2%	16.5%	36.7%
Foreign	0.0%	4.1%	-4.1%
MBS	29.5%	37.0%	-7.4%
Municipals	1.5%	0.0%	1.5%
Others	5.0%	0.0%	5.0%
Treasuries	6.5%	27.1%	-20.5%
Utilities	0.0%	2.3%	-2.3%
Total	100.0%	100.0%	0.0%

Benchmark: BC AGGREGATE

Portfolio Characteristics		
	Portfolio	BC AGGREGATE
Total Number of Securities	155	
Total Market Value	\$ 328,976,612	
Current Coupon	5.90	4.94
Yield To Maturity	5.23	4.14
Average Life	5.61	6.72
Duration	3.51	4.30
Quality	20.10	23.25

Duration (in Years)	
Range	%Held
0.0 to 1.0	13.9
1.0 to 3.0	34.6
3.0 to 4.0	2.0
4.0 to 6.0	15.4
6.0 to 8.0	12.3
Over 8.0	9.1
Unclassified	9.5

Quality	
Range	%Held
Govt (26)	39.4
Aaa (24)	0.9
Aa (22)	2.0
A (19)	15.5
Baa (16)	21.8
Below Baa	9.4
Other	11.1

Yield to Maturity	
Range	%Held
0.0 to 5.0	50.8
5.0 to 7.0	16.0
7.0 to 9.0	12.2
9.0 to 11.0	4.2
11.0 to 13.0	1.4
Over 13.0	5.8
Unclassified	9.5

Average Life	
Range	%Held
0.0 to 1.0	9.5
1.0 to 3.0	36.6
3.0 to 5.0	13.0
5.0 to 10.0	21.5
10.0 to 20.0	2.9
Over 20.0	7.0
Unclassified	9.5

Coupon	
Range	%Held
0.0 to 5.0	16.4
5.0 to 7.0	63.5
7.0 to 9.0	18.3
9.0 to 11.0	1.7
11.0 to 13.0	0.0
Over 13.0	0.0
Unclassified	0.2