

Pennsylvania Public School Employees' Retirement System



Public Market Emerging Investment Manager Program Overview

As of December 31, 2009

PSERS' Public Market Emerging Investment Manager Program Roster of Managers as of December 31, 2009

- **U.S. Market Neutral**
 - Zack's Investment Management
 - Denali Advisors, LLC
- **U.S. Multi Cap Equity**
 - The Biondo Group, LLC
 - Hellman, Jordan Management Co., Inc.
- **U.S. Large Cap Equity**
 - Great Companies, Inc.
 - Hanseatic Management Services, Inc.
- **U.S. Small Cap Equity**
 - Conestoga Capital Advisors
 - Opus Capital Management
 - AH Lisanti Capital Growth, LLC

PSERS' Public Market Emerging Investment Manager Program Roster of Managers as of December 31, 2009

- **U.S. Micro Cap Equity**
 - Ativo Capital Management, LLC
- **Emerging Markets Equity**
 - Westwood Global
- **U.S. Master Limited Partnerships (MLP) Equity**
 - Harvest Funds Advisors, LLC
- **Global Equity**
 - John Hsu Capital Group, Inc.
 - Shah Capital Management, Inc.

PSERS' Public Market Emerging Investment Manager Program
Roster of Managers as of December 31, 2009

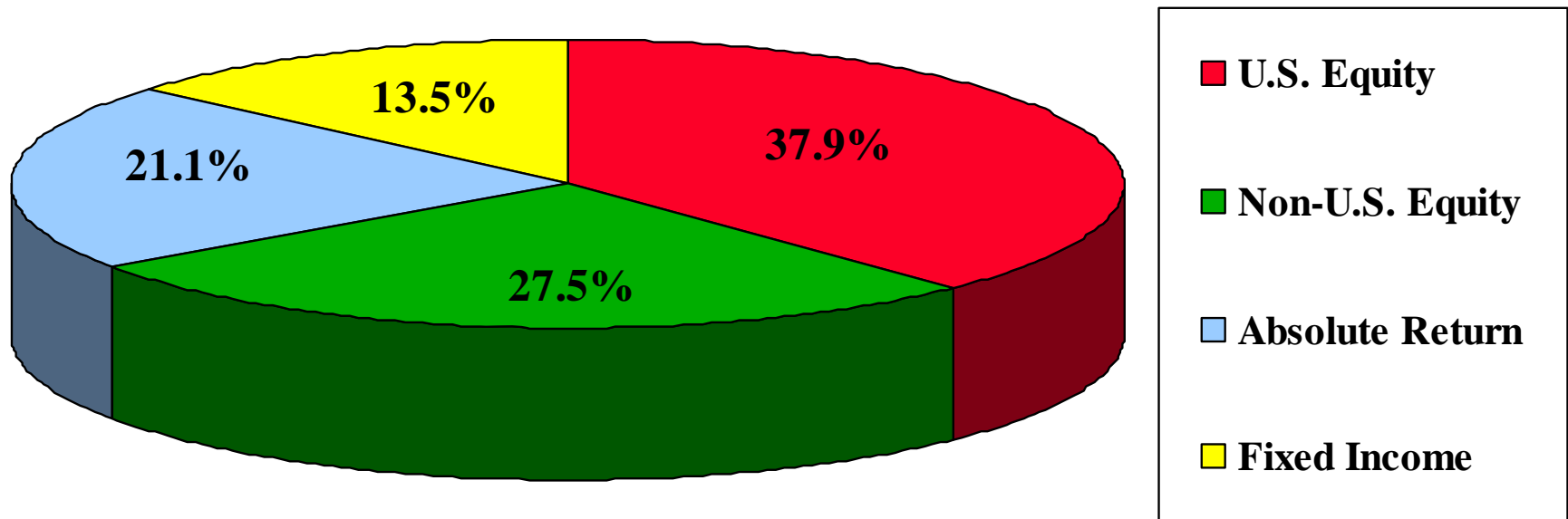
- **U.S. Core Fixed Income**
 - Piedmont Investment Advisors
 - Pugh Capital Management, Inc.
- **Asset Backed Lending**
 - Stillwater Capital Partners

PSERS' Public Market Emerging Investment Manager Program
 Market Values as of December 31, 2009
 (Unaudited)

Asset Class	Market Value* (in millions)	% of Total
Equity		
U.S. Equity	\$ 261.6	37.9%
Non-U.S. Equity	189.8	27.5%
Absolute Return		
Absolute Return	145.6	21.1%
Fixed Income		
Fixed Income	93.4	13.5%
TOTAL PROGRAM	\$ 690.4	100.0%

* - includes Cash, Cash Equivalents, and net asset value accounting adjustments.

PSEERS' Public Market Emerging Investment Manager Program
Asset Distribution as of December 31, 2009
(Unaudited)

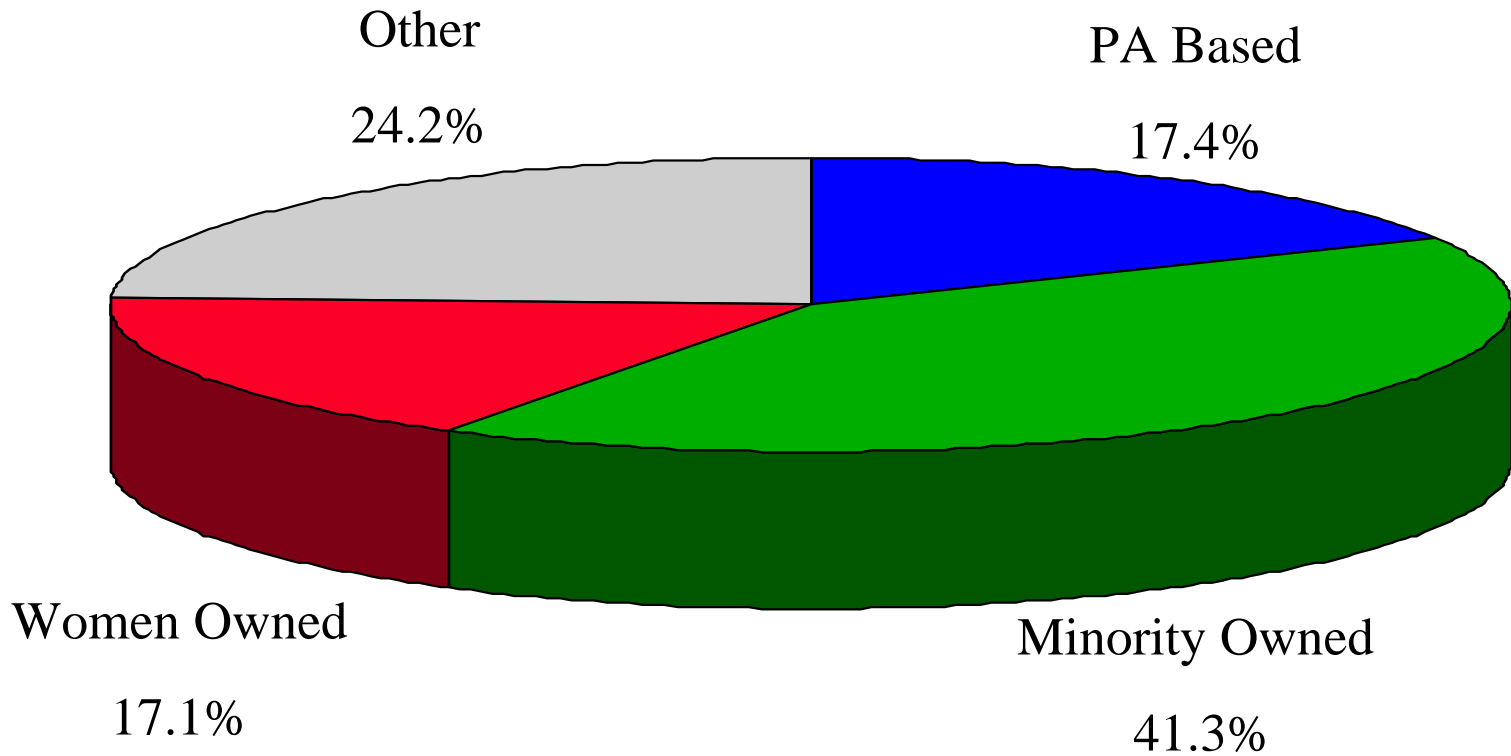


PSEERS' Public Market Emerging Investment Manager Program
Ownership Composition as of December 31, 2009
(Unaudited)

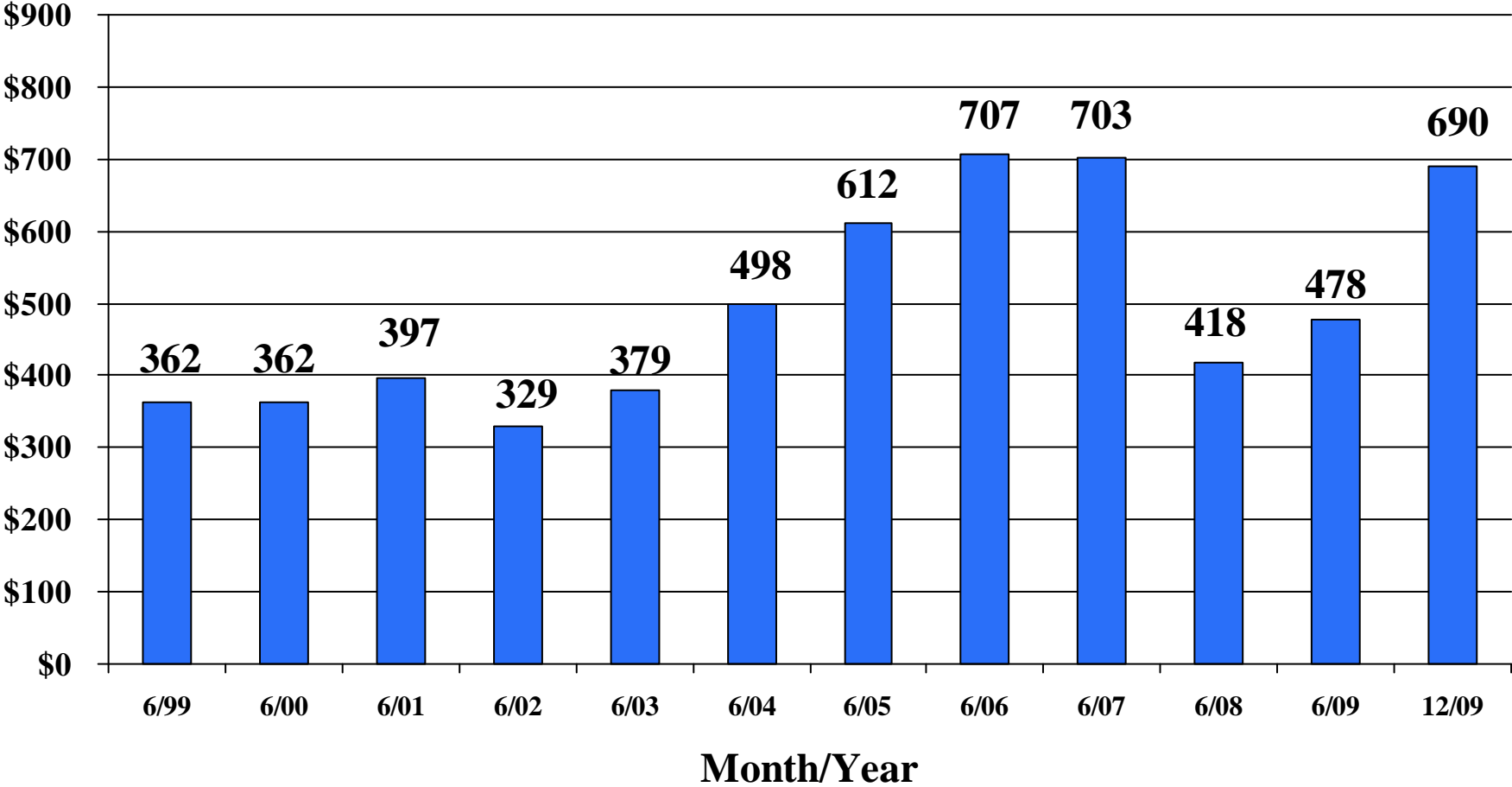
<u>Ownership Composition</u>	<u>Market Value*</u> <u>(in millions)</u>	<u>% of</u> <u>Total</u>
Pennsylvania Based	\$120.1	17.4%
Women Owned	117.7	17.1%
Minority Owned	285.1	41.3%
Other	167.5	24.2%
<u>TOTAL PROGRAM</u>	<u>\$ 690.4</u>	<u>100.0%</u>

* - includes Cash, Cash Equivalents, and net asset value accounting adjustments.

PSEERS' Public Market Emerging Investment Manager Program
Ownership Composition as of December 31, 2009
(Unaudited)



PSERS' Public Market Emerging Investment Manager Program Assets Under Management (in millions)



PSERS' Public Market Emerging Investment Manager Program
Annualized Performance (Net of Fees)
As of December 31, 2009

<u>Asset Class</u>	<u>Quarter</u>	<u>Fiscal Year to Date*</u>	<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>
U.S. Equity	5.20%	23.89%	35.35%	-4.59%	0.72%
Non-U.S. Equity	10.55	32.28	76.30	10.38	14.48
Absolute Return	6.24	11.30	47.80	N/A	N/A
Fixed Income	-9.40	-16.52	-17.81	-3.55	-0.80
TOTAL PROGRAM	4.30	16.32	29.46	-2.98	1.99
CUSTOM INDEX	4.84%	18.04%	26.09%	-4.31%	1.62%

N/A – No history available for this time period.

*PSERS' Fiscal Year ends on June 30.