Optional Retirement Program Performance Report

State Retirement and Pension System of Maryland

(As of September 30, 2011)

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Investment Options | Expenses | | | Average Annual Rates of Return | | | | |
| Money Market | M & E  Ratio | Fund  Expense | Total Annual Expense | 1 Year | 2 Year | 3 Year | 4 Year | 5 Year |
| Fidelity Cash Reserves | NA | 0.37% | 0.37% | 0.02 | 0.05 | 0.43 | 1.18 | 1.96 |
| TIAA-CREF Money Market Account | .005% | 0.415% | 0.42% | 0.00 | 0.00 | 0.25 | 0.92 | 1.73 |
| *Citigroup 3-month Treasury Bill Index* |  |  |  | *0.11* | *0.11* | *0.20* | *0.79* | *1.62* |
| Stable Value | M & E  Expense | Fund  Expense | Total Annual Expense | 1 Year | 2 Year | 3 Year | 4 Year | 5 Year |
| TIAA-CREF Traditional Retirement Annuity | NA | NA | NA | 3.35 | 3.75 | 4.76 | 4.61 | 4.62 |
| *Citigroup 3-month Treasury Bill Index + 1.25%* |  |  |  | *1.36* | *1.36* | *1.45* | *2.04* | *2.87* |
| Core Fixed Income | M & E  Expense | Fund  Expense | Total Annual Expense | 1 Year | 2 Year | 3 Year | 4 Year | 5 Year |
| Spartan U.S Bond Index | NA | 0.27% | 0.27% | 5.12 | 6.54 | 7.69 | 6.34 | 5.92 |
| TIAA-CREF Bond Market Account | .005% | .43% | 0.435% | 4.17 | 6.30 | 7.26 | 5.76 | 5.51 |
| *BC Aggregate Bond Index* |  |  |  | *5.26* | *6.70* | *7.97* | *6.88* | *6.53* |
| Inflation-Linked Bond | M & E  Expense | Fund  Expense | Total Annual Expense | 1 Year | 2 Year | 3 Year | 4 Year | 5 Year |
| Fidelity BlackRock Inflation Protected Bond Instl. | NA | .40% | .40% | 8.10 | 8.70 | 8.23 | 7.89 | 7.34 |
| TIAA-CREF BlackRock Inflation Protected Bond Instl. | 0.00% | .40% | .40% | 8.10 | 8.70 | 8.23 | 7.89 | 7.34 |
| *Barclay’s US TIPS Index* |  |  |  | *7.19* | *7.30* | *6.19* | *6.61* | *6.36* |
| Balanced | M & E  Expense | Fund  Expense | Total Annual Expense | 1 Year | 2 Year | 3 Year | 4 Year | 5 Year |
| Fidelity Balanced Fund | NA | 0.60% | 0.60% | 2.33 | 6.30 | 5.44 | -1.46 | 1.88 |
| TIAA-CREF Social Choice Account | .005% | .425% | 0.43% | 0.83 | 5.32 | 4.29 | -0.12 | 1.89 |
| *60% Russell 1000/40% BC Aggregate Index* |  |  |  | *2.92* | *6.51* | *4.70* | *0.14* | *2.44* |
| Large-Cap Blend Equity (Passive) | M & E  Expense | Fund  Expense | Total Annual Expense | 1 Year | 2 Year | 3 Year | 4 Year | 5 Year |
| Fidelity Spartan 500 Index | NA | 0.10% | 0.10% | 1.06 | 5.48 | 1.19 | -5.19 | -1.23 |
| *S&P 500 Index* |  |  |  | *1.14* | *5.56* | *1.23* | *-5.15* | *-1.18* |
|  |  |  |  |  |  |  |  |  |
| TIAA-CREF Equity Index Account | .005% | 0.41% | 0.415% | 0.17 | 5.24 | 1.10 | -5.20 | -1.29 |
| *Russell 3000 Index* |  |  |  | *0.55* | *5.63* | *1.45* | *-4.86* | *-0.92* |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Investment Options | Expenses | | | Average Annual Rates of Return | | | | |
| Large-Cap Blend Equity (Active) | M & E  Expense | Fund  Expense | Total Annual Expense | 1 Year | 2 Year | 3 Year | 4 Year | 5 Year |
| Fidelity Contrafund | NA | 0.91% | 0.91% | 0.95 | 7.60 | 3.51 | -2.66 | 2.23 |
| *S&P 500 Index* |  |  |  | *1.14* | *5.56* | *1.23* | *-5.15* | *-1.18* |
|  |  |  |  |  |  |  |  |  |
| TIAA-CREF Stock | .005% | 0.465% | 0.47% | -4.10 | 2.66 | 0.72 | -6.07 | -1.44 |
| *Russell 3000 Index* |  |  |  | *0.55* | *5.63* | *1.45* | *-4.86* | *-0.92* |
| Large-Cap Growth Equity | M & E  Expense | Fund  Expense | Total Annual Expense | 1 Year | 2 Year | 3 Year | 4 Year | 5 Year |
| Fidelity Blue Chip Growth Fund | NA | 0.93% | 0.93% | 3.14 | 8.49 | 5.74 | -1.05 | 2.36 |
| TIAA-CREF Growth | .005% | 0.445% | 0.45% | 1.95 | 6.52 | 3.47 | -3.36 | 1.29 |
| *Russell 1000 Growth Index* |  |  |  | *3.78* | *8.12* | *4.69* | *-2.39* | *1.62* |
|  |  |  |  |  |  |  |  |  |
| Large-Cap Value Equity | M & E  Expense | Fund  Expense | Total Annual Expense | 1 Year | 2 Year | 3 Year | 4 Year | 5 Year |
| Fidelity Equity Income Fund | NA | 0.68% | 0.68% | -5.60 | 0.52 | -1.09 | -8.79 | -4.29 |
| TIAA-CREF American Funds Washington Mutual R6 | 0.00% | 0.31% | 0.31% | 4.39 | 8.42 |  |  |  |
| *Russell 1000 Value Index* |  |  |  | *-1.89* | *3.36* | *-1.52* | *-7.57* | *-3.53* |
| Mid-Cap Equity | M & E  Expense | Fund  Expense | Total Annual Expense | 1 Year | 2 Year | 3 Year | 4 Year | 5 Year |
| TIAA-CREF Mid Cap Value Premier | 0.00% | 0.64% | 0.64% | -2.37 | 4.75 |  |  |  |
| *Russell Mid Cap Value Index* |  |  |  | *-2.36* | *6.85* | *1.98* | *-4.18* | *-0.84* |
|  |  |  |  |  |  |  |  |  |
| TIAA-CREF Mid Cap Growth Premier | 0.00% | 0.67% | 0.67% | -2.44 | 8.78 |  |  |  |
| *Russell Mid Cap Growth Index* |  |  |  | *0.80* | *9.18* | *5.89* | *-2.75* | *1.64* |

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(As of September 30, 2011)

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Investment Options | Expenses | | | Average Annual Rates of Return | | | | | |
| Mi Mid-Cap Equity (continued) | M & E  Expense | Fund  Expense | Total Annual Expense | 1 Year | 2 Year | 3 Year | 4 Year | | 5 Year |
| Fidelity Mid Cap Stock Fund | NA | 0.59% | 0.59% | 2.73 | 7.43 | 6.88 | -4.02 | | 0.41 |
| *Russell Mid Cap Index* |  |  |  | *-0.88* | *7.94* | *3.96* | *-3.35* | | *0.56* |
| S Small –Cap Equity | M & E  Expense | Fund  Expense | Total Annual Expense | 1 Year | 2 Year | 3 Year | | 4 Year | 5 Year |
| Fi Fidelity Small Cap Stock Fund | NA | 1.12% | 1.12% | -13.45 | -1.56 | 2.63 | | -4.67 | -0.35 |
| TI TIAA-CREF Small Cap Equity Premier | 0.00% | 0.73% | 0.73% | -4.33 | 4.80 |  | |  |  |
| *Russell 2000 Index* |  |  |  | *-3.53* | *4.57* | *-0.37* | | *-4.10* | *-1.02* |
| In International/Global Equity | M & E  Expense | Fund  Expense | Total Annual Expense | 1 Year | 2 Year | 3 Year | | 4 Year | 5 Year |
| F Fidelity Diversified International Fund | NA | 0.96% | 0.96% | -10.99 | -3.48 | -3.08 | | -10.27 | -3.67 |
| TI TIAA-CREF American Funds EuroPacific F Growth R6 | 0.00% | 0.50% | 0.50% | -12.34 | -2.97 |  | |  |  |
| *MSCI EAFE Index (Net)* |  |  |  | *-9.36* | *-3.25* | *-1.13* | | *-9.47* | *-3.46* |
|  |  |  |  |  |  |  | |  |  |
| M Mutual Global Discovery Fund | NA | 1.04% | 1.04% | -6.39 | 0.88 | 1.76 | | -3.25 | 1.35 |
| TI TIAA-CREF Global Equities | .005% | 0.48% | 0.485% | -6.20 | 0.42 | -0.43 | | -7.63 | -2.41 |
| *MSCI All-Country World Index Free* |  |  |  | *-6.01* | *0.95* | *0.59* | | *-7.12* | *-1.59* |
| S Socially Responsible | M & E  Expense | Fund  Expense | Total Annual Expense | 1 Year | 2 Year | 3 Year | | 4 Year | 5 Year |
| Fi Neuberger Berman Socially Responsive Fund | NA | 1.12% | 1.12% | -1.20 | 6.30 | 0.88 | | -4.33 | -0.33 |
| *S S&P 500 Index* |  |  |  | *1.14* | *5.56* | *1.23* | | *-5.15* | *-1.18* |
|  |  |  |  |  |  |  | |  |  |
| TI TIAA-CREF Social Choice Account | .005% | .425% | 0.43% | 0.83 | 5.32 | 4.29 | | -0.12 | 1.89 |
| *60% Russell 3000 Index/40% BC Aggregate*  *Bond Index* |  |  |  | *2.72* | *6.48* | *4.63* | | *0.21* | *2.45* |

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(As of September 30, 2011)

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Investment Options | Expenses | | | Average Annual Rates of Return | | | | |
| Lifecycle Funds | M & E  Expense | Fund  Expense | Total Annual Expense | 1 Year | 2 Year | 3 Year | 4 Year | 5 Year |
| Fidelity Freedom Income Fund | NA | 0.46% | 0.46% | 1.97 | 4.72 | 4.89 | 2.27 | 3.28 |
| Fidelity Freedom 2000 Fund | NA | 0.47% | 0.47% | 2.16 | 4.81 | 4.71 | 1.81 | 3.11 |
| Fidelity Freedom 2005 Fund | NA | 0.58% | 0.58% | 1.33 | 4.84 | 4.36 | -0.31 | 2.16 |
| Fidelity Freedom 2010 Fund | NA | 0.62% | 0.62% | 0.79 | 4.78 | 4.41 | -0.40 | 2.14 |
| Fidelity Freedom 2015 Fund | NA | 0.63% | 0.63% | 0.82 | 4.82 | 4.29 | -0.90 | 1.93 |
| Fidelity Freedom 2020 Fund | NA | 0.69% | 0.69% | 0.28 | 4.74 | 3.64 | -2.28 | 1.17 |
| Fidelity Freedom 2025 Fund | NA | 0.73% | 0.73% | -0.90 | 4.19 | 3.09 | -2.95 | 0.69 |
| Fidelity Freedom 2030 Fund | NA | 0.75% | 0.75% | -1.28 | 4.00 | 2.22 | -4.30 | -0.13 |
| Fidelity Freedom 2035 Fund | NA | 0.77% | 0.77% | -2.63 | 3.16 | 1.53 | -4.95 | -0.64 |
| Fidelity Freedom 2040 Fund | NA | 0.78% | 0.78% | -2.76 | 3.07 | 1.27 | -5.31 | -0.88 |
| Fidelity Freedom 2045 Fund | NA | 0.79% | 0.79% | -3.08 | 2.93 | 1.16 | -5.53 | -0.96 |
| Fidelity Freedom 2050 Fund | NA | 0.80% | 0.80% | -3.53 | 2.51 | 0.63 | -6.22 | -1.45 |

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(As of September 30, 2011)

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Investment Options | Expenses | | | Average Annual Rates of Return | | | | |
| Lifecycle Funds (Continued) | M & E  Expense | Fund  Expense | Total Annual Expense | 1 Year | 2 Year | 3 Year | 4 Year | 5 Year |
| TIAA-CREF Lifecycle Retirement Income Premier | NA | 0.53% | 0.53% | 1.44 | 5.08 |  |  |  |
| TIAA-CREF Lifecycle 2010 Premier | NA | 0.54% | 0.54% | 0.92 | 5.04 |  |  |  |
| TIAA-CREF Lifecycle 2015 Premier | NA | 0.56% | 0.56% | 0.20 | 4.73 |  |  |  |
| TIAA-CREF Lifecycle 2020 Premier | NA | 0.57% | 0.57% | -0.51 | 4.42 |  |  |  |
| TIAA-CREF Lifecycle 2025 Premier | NA | 0.58% | 0.58% | -1.30 | 3.94 |  |  |  |
| TIAA-CREF Lifecycle 2030 Premier | NA | 0.59% | 0.59% | -1.93 | 3.63 |  |  |  |
| TIAA-CREF Lifecycle 2035 Premier | NA | 0.60% | 0.60% | -2.73 | 3.20 |  |  |  |
| TIAA-CREF Lifecycle 2040 Premier | NA | 0.60% | 0.60% | -3.02 | 3.10 |  |  |  |
| TIAA-CREF Lifecycle 2045 Premier | NA | 0.61% | 0.61% | -2.97 | 3.03 |  |  |  |
| TIAA-CREF Lifecycle 2050 Premier | NA | 0.61% | 0.61% | -2.95 | 3.06 |  |  |  |
| TIAA-CREF Lifecycle 2055 Premier | NA | 0.62% | 0.62% |  |  |  |  |  |

|  |  |
| --- | --- |
|  |  |
| \* | Fidelity will charge a quarterly administrative fee of $3 ($12 annually). This amount will be deducted from participant’s accounts and will appear as a deduction on the quarterly account statements. |

***Other Notes:***

* All returns are reported net of all expenses.
* Returns greater than one year are annualized.
* Indexes are listed in *red italics*. They are intended to reflect the performance of the overall market in each investment category, and should be used for comparison purposes only.
* The Mortality & Expense is applicable to variable annuities only. It pays for the guaranteed death benefits and annuity payments upon annuitization of the contract for the life of the annuitant. Please contact a vendor representative for a more complete explanation.