

# FIXED INCOME FUND

as of 12/31/2011

## RISK PROFILE

Low  Moderate  High

**Benchmark: Barclays Aggregate Bond Index**

**Expense ratio: 0.14%**

For illustrative purposes only, for further information regarding risk, read our Risk Disclosure at <http://www.in.gov/inprs/files/RiskDisclosure.pdf>

### INVESTMENT OBJECTIVE:

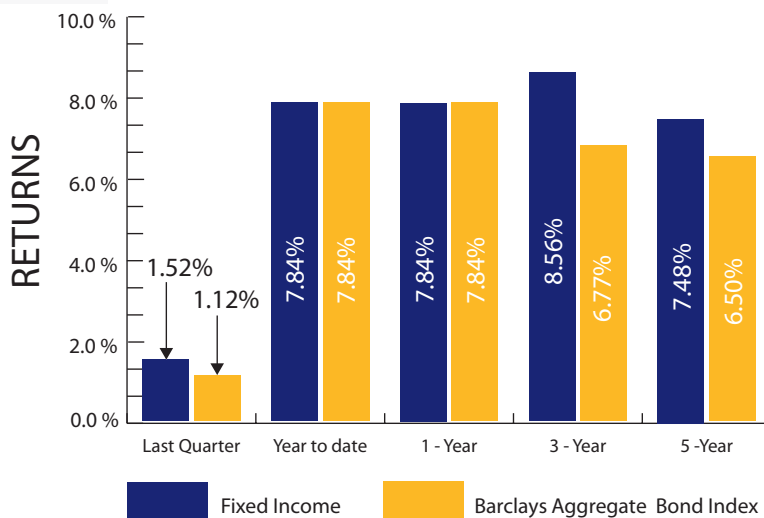
The Investment Objective of the Fixed Income Fund is to seek total return, consisting of income and capital appreciation.

### INVESTMENT MANAGERS:

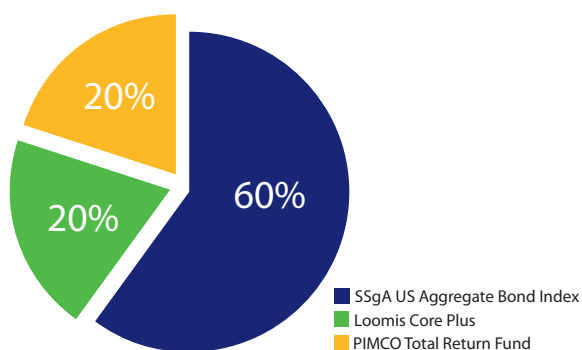
The Fixed Income Fund is comprised of the following three underlying managers: State Street Global Advisors, PIMCO and Loomis Sayles. State Street Global Advisors utilizes passive management to attempt to match the characteristics and performance of the Barclays Capital Aggregate Bond Index. Both PIMCO and Loomis utilize active management with the objective of adding value relative to the benchmark. PIMCO actively rotates between fixed income sectors and will take a macroeconomic approach to capitalizing on inefficiencies in the market. Loomis tends to favor a bottom-up, fundamental approach to fixed income management. Together, the three managers provide for a diversified portfolio of high quality bonds.

### INVESTMENT PERFORMANCE:

	TOTAL RETURN		AVERAGE ANNUAL TOTAL RETURN		
	Last Quarter	YTD	1-year	3-year	5-year
Fixed Income Fund	1.52%	7.84%	7.84%	8.56%	7.48%
Barclays Aggregate Bond Index	1.12%	7.84%	7.84%	6.77%	6.50%



### COMPOSITION:



### Disclosures:

**Past performance is not a guarantee or a reliable indicator of future results.** Bond fund values fluctuate in response to the financial condition of individual issuers, general market and economic conditions, and changes in interest rates. In general, when interest rates rise, bond fund values fall and investors may lose principal value. The use of derivatives may reduce returns and/or increase volatility. Active trading results in increased turnover and trading expenses, and may generate higher short-term capital gains. Certain investment strategies tend to increase the total risk of an investment (relative to the broader market). This fund is exposed to foreign investment risk and mortgage- and asset-backed securities risk.

Investment returns include both actual performance results and investment manager composite data for historical comparison purposes. Prior to 7/30/2010, all data presented is calculated from manager composite performance. After 7/30/2010, all performance presented consists of actual investment returns experienced by members.

- SSGA US Aggregate Bond Index Fund performance is shown gross of fees.
- Loomis Core Plus Commingled Fund performance began in the third quarter of 2010; therefore, for comparative purposes, Loomis Core Plus Separate Account is used for performance prior to the third quarter of 2010 (gross of fees).
- PIMCO Total Return Fund performance is net of fees.

### LINKS TO UNDERLYING MANAGERS:

State Street Global Advisors:

<http://www.in.gov/inprs/files/SSgAU.S.BondIndexFundClassA-TDF.pdf>

Loomis:

[http://www.loomisayles.com/Internet/FundProfiles.nsf/\(\\$ByFundID\)/17580?OpenDocument](http://www.loomisayles.com/Internet/FundProfiles.nsf/($ByFundID)/17580?OpenDocument)

PIMCO:

<http://www.pimco.com/LeftNav/ProductsServices/TotalReturn.htm>

