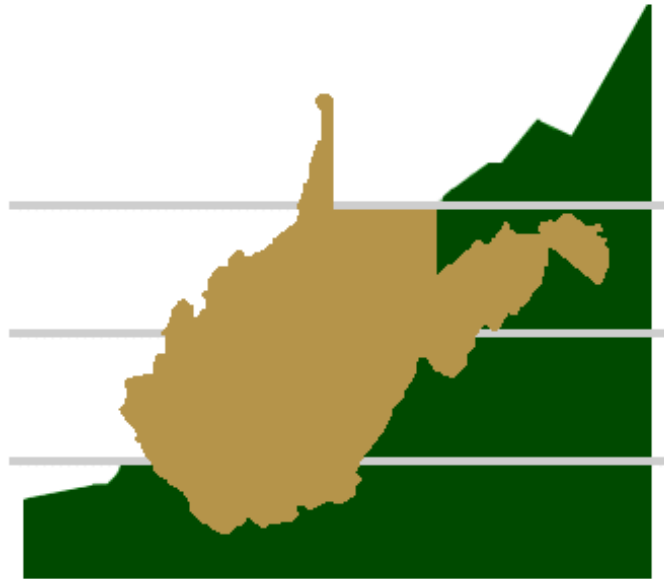


# **West Virginia Investment Management Board**

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Financial Statements  
October 31, 2009



# West Virginia Investment Management Board

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## **Financial Statements—Unaudited**

October 31, 2009

### **ORDER OF PRESENTATION**

Large Cap Domestic Equity

Non-Large Cap Domestic Equity

International Qualified

International Nonqualified

International Equity

Short-Term Fixed Income

Total Return Fixed Income

Core Fixed Income

TRS Annuity

Private Equity

Private Real Estate

Hedge Fund



**Financial Statements - Unaudited**

**October 31, 2009**



# Large Cap Domestic Equity Pool

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## Financial Statements - Unaudited October 31, 2009

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# Large Cap Domestic Equity Pool

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## Statement of Assets and Liabilities - Unaudited October 31, 2009

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	1,699,346
Collateral for securities loaned at fair value (Note 4)		71,288
Receivables:		
Investments sold		98,090
Dividends		2,378
Securities lending income		15
		<u>          </u>
<b>Total assets</b>		<b>1,871,117</b>

### Liabilities

Accrued expenses		443
Payable for investments purchased		19,566
Payable upon return of securities loaned (Note 4)		74,937
Due to broker - variation margin		440
		<u>          </u>
<b>Total liabilities</b>		<b>95,386</b>

**Net assets** \$ 1,775,731

### Analysis of net assets

Paid-in capital	\$	1,662,104
Accumulated undistributed net investment income		237,749
Accumulated undistributed net realized loss from investments		(112,276)
Unrealized net appreciation of investments		(11,846)
		<u>          </u>
<b>Net assets</b>	<b>\$</b>	<b>1,775,731</b>

### Unit data

Units outstanding		180,909,756
Net asset value, unit price	\$	<u>9.82</u>

See accompanying notes to financial statements.



# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited October 31, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
<b><u>Equity Securities</u></b>			
<i>Basic Materials</i>			
Air Products and Chemicals Inc	42,800	\$ 3,256	\$ 3,301
Airgas Inc	14,000	677	621
Alcoa Inc	117,100	1,558	1,454
Allegheny Technologies Inc	44,600	1,319	1,376
Ball Corporation	70,400	3,227	3,473
Bemis Company Inc	55,900	1,299	1,444
CF Industries Holdings Inc	7,000	633	583
CONSOL Energy Inc	36,800	1,521	1,575
Dow Chemical Company	110,500	2,858	2,595
DuPont El de Nemours Co	101,300	2,194	3,223
Eastman Chemical Company	20,300	983	1,066
Ecolab Inc	28,700	1,280	1,262
FMC Corporation	11,100	589	567
Freeport-McMoRan Copper & Gold	56,849	3,794	4,170
International Paper Company	51,000	983	1,138
Intl Flavors & Fragrances Inc	13,300	470	507
Massey Energy Company	38,900	1,119	1,132
MeadWestvaco Corp	52,700	1,147	1,203
Monsanto Company	84,190	7,025	5,656
Newmont Mining Corp	64,900	2,787	2,821
Nucor Corporation	69,800	3,193	2,782
Owens-Illinois Inc	68,400	2,113	2,181
Pactiv Corporation	22,100	391	510
Peabody Energy Corp	58,700	2,001	2,324
PPG Industries Inc	27,400	1,342	1,546
Praxair Inc	56,800	4,624	4,512
Sealed Air Corporation	82,300	1,619	1,583
Sigma-Aldrich Corporation	13,400	728	696
Titanium Metals Corp	9,000	86	77
United States Steel Corp	23,800	1,200	821
Vulcan Materials	16,500	882	759
Weyerhaeuser Company	24,400	896	887
<i>Total Basic Materials - 3.3%</i>		57,794	57,845
<i>Capital Goods</i>			
3M Co	95,800	6,621	7,048
AK Steel Holding Corporation	26,900	554	427
Apollo Group	12,200	870	697
Avery Dennison Corp	11,900	320	424
Block H&R Inc	78,000	1,477	1,431
Boeing Company	106,400	6,172	5,086
Burlington Northern Santa Fe	53,400	4,301	4,022
C H Robinson Worldwide Inc	46,200	2,505	2,546
Caterpillar Inc	60,800	3,106	3,348
Cintas Corp	49,800	1,285	1,379
CSX Corp	47,300	1,772	1,995
Cummins Engine Company Inc	29,600	1,011	1,275
Danaher Corp	24,900	1,676	1,699
Deere & Company	89,600	3,792	4,081
Donnelley & Sons	31,700	570	637
Dover Corp	48,800	1,575	1,839
Dun & Bradstreet Corp	10,400	779	796
Eaton Corporation	24,900	1,434	1,505
Emerson Electric Co	93,700	3,741	3,537
Equifax Inc	26,500	753	726
Expeditors Intl of Washington	33,700	1,136	1,086
Fastenal Company	14,000	544	483
FedEx Corp	30,100	2,133	2,188
Flowserve Corp	12,000	999	1,179
Fluor Corporation	50,400	2,940	2,239
General Dynamics Corp	43,100	2,491	2,702

\*Denotes assets pledged for initial margin requirement or collateral on open futures contracts.  
See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued) October 31, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
General Electric Company	2,042,575	49,387	29,127
Goodrich BF Company	78,900	4,173	4,288
Grainger WW Inc	35,600	2,773	3,337
Honeywell International Inc	119,800	4,707	4,300
Illinois Tool Works Inc	51,100	2,057	2,347
Iron Mountain Inc	98,400	2,707	2,404
ITT Industries Inc	22,000	1,082	1,115
Jacobs Engineering Group Inc	35,700	1,739	1,510
L-3 Communications Hldgs Inc	11,100	885	802
Lockheed Martin Corp	69,800	5,448	4,802
Masco Corporation	48,600	595	571
Monster Worldwide Inc	83,200	1,325	1,208
Norfolk Southern Corp	39,300	1,640	1,832
Northrop Grumman Corp	38,900	2,006	1,950
PACCAR Inc	53,600	2,003	2,005
Pall Corporation	12,500	384	397
Parker-Hannifin Corporation	27,500	1,452	1,456
Pitney Bowes Inc	30,100	668	737
Precision Castparts Corp	27,800	2,883	2,656
Raytheon Company	40,200	1,810	1,820
Republic Services Inc	30,700	812	795
Robert Half International Inc	24,800	574	575
Rockwell Automation Inc	51,000	1,962	2,088
Rockwell Collins	51,700	2,378	2,605
Ryder System Inc	5,900	201	239
Southwest Airlines Co	70,000	672	588
Textron Inc	44,000	712	782
Union Pacific Corp	81,700	4,613	4,505
United Parcel Service Inc	127,100	7,109	6,823
United Technologies Corp	128,400	7,875	7,890
Waste Management Inc	100,100	2,929	2,991
<i>Total Capital Goods - 8.6%</i>		174,118	152,920
<i>Communication Services</i>			
American Tower Corporation	37,900	1,373	1,395
AT&T Inc	1,414,629	42,695	36,314
CenturyTel Inc	95,005	2,739	3,084
Frontier Communications Corp	33,100	249	237
Metropcs Communications Inc	30,200	302	188
Qwest Communications Intl Inc	548,600	2,174	1,969
Sprint Nextel Corporation	384,400	1,903	1,138
Verizon Communications	625,949	21,670	18,522
Windstream Corp	66,221	640	638
<i>Total Communication Services - 3.6%</i>		73,745	63,485
<i>Consumer Discretionary</i>			
Abercrombie & Fitch Co	23,500	755	771
Amazon.com Inc	57,300	4,824	6,808
AutoNation Inc	27,900	494	481
AutoZone Inc	26,600	3,649	3,599
Bed Bath & Beyond Inc	57,900	2,034	2,039
Best Buy Co Inc	96,500	3,709	3,684
Big Lots Inc	8,700	215	218
Black & Decker Corporation	6,400	296	302
Carnival Corp	74,300	2,253	2,164
CBS Corp	82,800	916	975
Coach Inc	80,600	2,442	2,657
Comcast Corp	601,450	10,376	8,721
CVS Caremark Corp	206,776	6,368	7,299
Darden Restaurants Inc	84,900	2,387	2,573
DeVry Inc	6,600	364	365
DIRECTV Group Inc	160,400	3,910	4,219
Disney Walt Company	279,000	7,101	7,636

\*Denotes assets pledged for initial margin requirement or collateral on open futures contracts.  
See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

October 31, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
DR Horton Inc	73,000	774	800
Eastman Kodak Co	28,400	142	107
Expedia Inc	111,100	2,284	2,519
Family Dollar Stores	35,500	927	1,005
Ford Motor Company	506,000	3,484	3,542
Fortune Brands Inc	14,200	610	553
GameStop Corp	17,400	464	423
Gannett Co Inc	37,200	479	365
Gap Inc	85,900	1,509	1,833
Genuine Parts Company	36,400	1,225	1,274
Goodyear Tire & Rubber Co	133,500	1,963	1,719
Harley-Davidson Inc	24,900	542	621
Harman Intl Industries Inc	22,400	522	842
Hasbro Inc	13,300	415	363
Home Depot Inc	331,100	8,398	8,307
International Game Technology	157,000	3,001	2,801
Interpublic Group of Co Inc	77,200	550	465
Johnson Controls Inc	115,900	2,974	2,772
KB Home	64,800	1,032	919
Kohl's Corporation	64,800	3,117	3,708
Leggett & Platt Inc	16,500	228	319
Lennar Corporation	94,000	949	1,184
Limited Inc	50,500	662	889
Lowe's Corp Inc	260,200	5,425	5,092
Macy's Inc	84,600	1,106	1,486
Marriott International Inc	100,459	2,478	2,518
Mattel Inc	43,800	807	829
McDonald's Corporation	259,600	14,418	15,215
McGraw-Hill Companies Inc	96,500	2,500	2,777
Meredith Corp	28,900	752	782
New York Times Company	12,200	99	97
Newell Rubbermaid Inc	34,300	346	498
News Corp	360,900	4,174	4,158
Nike Inc	87,300	5,198	5,428
Office Depot Inc	161,600	733	978
Omnicom Group Inc	57,700	2,134	1,978
O'Reilly Automotive Inc	95,600	3,587	3,564
Penney JC & Company	59,300	1,654	1,965
Polo Ralph Lauren Corporation	9,000	606	670
Pulte Corporation	122,717	1,318	1,106
RadioShack Corp	24,100	296	407
Sears Holding Corp	5,300	343	360
Sherwin-Williams Co	29,600	1,581	1,688
Snap-On Inc	6,100	212	223
Stanley Works	20,300	754	918
Staples Inc	142,100	3,110	3,084
Starbucks Corp	187,800	3,144	3,564
Starwood Hotels & Resorts Inc	50,800	1,578	1,476
Target Corp	92,700	4,397	4,489
Tiffany & Co	16,900	683	664
Time Warner Cable Inc	72,312	3,046	2,852
Time Warner Inc	185,466	4,998	5,586
TJX Companies Inc	81,400	2,332	3,040
VF Corp	19,400	1,414	1,378
Viacom Inc	189,000	5,063	5,215
Washington Post Company	700	325	302
Whirlpool Corporation	7,800	525	558
Wyndham Worldwide Corporation	64,000	782	1,091
Wynn Resorts Limited	20,200	1,032	1,095
Yum Brands Inc	89,500	2,977	2,949
<i>Total Consumer Discretionary - 10.2%</i>		174,271	181,921

\*Denotes assets pledged for initial margin requirement or collateral on open futures contracts.  
See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

October 31, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
<i>Consumer Staples</i>			
Altria Group Inc	310,520	5,884	5,624
Archer-Daniels-Midland Co	110,000	2,989	3,313
Avon Products Inc	45,100	1,498	1,445
Brown Forman Corp	16,375	803	799
Campbell Soup Co	35,900	1,081	1,140
Clorox Company	32,400	1,825	1,919
Coca-Cola Company	404,400	21,108	21,559
Coca-Cola Enterprises	229,000	4,534	4,367
Colgate-Palmolive Co	94,600	6,790	7,438
ConAgra Foods Inc	42,200	898	886
Constellation Brands Inc	21,000	316	332
Costco Wholesale Corp	43,300	2,459	2,462
Dean Foods Company	19,100	367	348
Dr Pepper Snapple Group	27,900	402	761
Estee Lauder Companies Inc	12,500	462	531
General Mills Inc	57,700	3,413	3,804
Heinz HJ Company	48,100	1,893	1,936
Hershey Foods Corp	106,600	3,923	4,028
Hormel Foods Corp	50,900	1,866	1,856
Kellogg Company	61,600	2,787	3,175
Kimberly Clark Corporation	58,100	3,160	3,553
Kraft Foods Inc	216,100	5,624	5,947
Kroger Co	146,400	3,628	3,386
Lorillard, Inc	27,600	1,915	2,145
McCormick & Company Inc	13,800	468	483
Molson Coors Brewing Co	14,900	721	730
Pepsi Bottling Group Inc	55,300	1,777	2,070
Pepsico Inc	265,200	15,409	16,058
Philip Morris International	312,820	14,213	14,815
Procter & Gamble Company	577,632	33,698	33,503
Reynolds American Inc	21,000	893	1,018
Safeway Inc	48,700	1,042	1,087
Sara Lee Corp	66,100	623	746
Smucker JM Company	29,600	1,327	1,561
Supervalu Inc	58,500	903	928
Sysco Corp	76,200	1,682	2,015
Tyson Foods, Inc	130,500	1,529	1,634
Walgreen Co	139,200	4,989	5,266
Wal-Mart Stores	437,500	22,995	21,735
Whole Foods Market Inc	54,700	1,454	1,754
<i>Total Consumer Staples - 10.6%</i>		183,348	188,157
<i>Energy</i>			
Anadarko Petroleum Corp	86,100	4,357	5,246
Apache Corporation	48,600	4,806	4,574
Baker Hughes Inc	29,700	1,267	1,249
BJ Services Company	76,200	1,377	1,463
Cabot Oil & Gas Corporation	47,600	1,677	1,831
Cameron International Corp	32,100	919	1,187
Chesapeake Energy Corp	108,800	3,064	2,666
ChevronTexaco Corp	402,555	30,627	30,812
ConocoPhillips	223,880	13,029	11,234
Denbury Resources Inc	75,000	1,166	1,095
Devon Energy Corporation	58,400	4,046	3,779
Diamond Offshore Drilling Inc	9,500	804	905
El Paso Corporation	104,800	854	1,028
ENSCO International Inc	17,500	811	801
EOG Resources Inc	42,200	3,497	3,446
Exxon Mobil Corporation	1,005,540	71,464	72,067
First Solar Inc	8,700	1,328	1,061
FMC Technologies Inc	18,100	874	952
Halliburton Company	102,800	2,250	3,003

\*Denotes assets pledged for initial margin requirement or collateral on open futures contracts.  
See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

October 31, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Hess Corp	49,700	3,188	2,721
Marathon Oil Corp	144,242	4,862	4,611
Murphy Oil Corporation	35,900	2,161	2,195
Nabors Industries Ltd	40,000	773	833
National-Oilwell Varco Inc	80,900	3,684	3,316
Noble Energy Inc	43,800	2,805	2,875
Occidental Petroleum Corp	128,100	9,156	9,720
Pioneer Natural Resources Co	28,300	784	1,163
Range Resources Corporation	44,800	2,172	2,242
Rowan Companies Inc	12,000	277	279
Schlumberger Ltd	170,600	10,824	10,611
Smith International Inc	20,900	601	580
Spectra Energy Corp	61,900	954	1,184
Sunoco Inc	22,200	600	684
Tesoro Petroleum Corporation	45,600	648	645
Valero Energy Corporation	93,200	1,765	1,687
Williams Companies Inc	80,000	1,355	1,508
XTO Energy Inc	104,875	4,301	4,359
<i>Total Energy - 11.2%</i>		199,127	199,612
<i>Financial Services</i>			
AFLAC Inc	71,200	3,111	2,954
Allstate Corp	56,900	1,758	1,683
American Express	183,500	5,354	6,393
American International Group	37,900	1,347	1,274
Ameriprise Financial Inc	73,100	1,828	2,534
Aon Corporation	34,100	1,393	1,313
Apartment Investment & Mgmt Co	12,400	124	153
Assurant Inc	27,000	916	808
Avalonbay Communities Inc	7,500	548	516
Bank of America Corporation	1,176,777	26,086	17,157
Bank of New York Mellon Corp	245,900	8,442	6,556
BB&T Corp	126,500	3,295	3,025
Boston Properties Inc	18,900	1,252	1,149
Capital One Financial Corp	91,100	2,661	3,334
CB Richard Ellis Grp Inc	117,300	1,053	1,214
Chubb Corp	51,100	2,464	2,479
Cincinnati Financial Corp	99,400	2,387	2,521
Citigroup Inc	1,673,507	13,976	6,845
CME Group Inc	12,700	3,709	3,843
Comerica Inc	64,200	1,693	1,782
Discover Financial Services	151,300	1,720	2,139
E*Trade Group Inc	98,100	171	143
Equity Residential Prop Trust	27,800	850	803
Federated Investors Inc	71,300	1,801	1,872
Fifth Third Bancorp	217,400	1,828	1,944
First Horizon National Corp	94,372	1,010	1,116
Franklin Resources Inc	22,300	1,622	2,333
Genworth Financial Inc	134,500	1,291	1,428
Goldman Sachs Group Inc	74,800	10,145	12,729
Hartford Financial Services Gp	91,600	1,743	2,246
HCP Inc	77,600	2,288	2,296
Health Care Inc	12,700	535	563
Host Hotels & Resorts Inc	154,000	1,492	1,557
Hudson City Bancorp Inc	96,100	1,542	1,263
Huntington Bancshares Inc	385,500	1,608	1,469
Intercontinental Exchange Inc	17,500	1,645	1,753
Invesco Limited	100,700	1,785	2,130
Janus Capital Group Inc	19,300	270	253
JPMorgan Chase & Co	553,853	20,332	23,134
KeyCorp	277,000	1,821	1,493
Kimco Realty Corporation	39,800	440	503
Legg Mason Inc	37,600	977	1,095

*\*Denotes assets pledged for initial margin requirement or collateral on open futures contracts.  
See accompanying notes to financial statements.*

# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

October 31, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Leucadia National Corporation	26,600	741	598
Lincoln National Corp	82,100	1,364	1,956
Loews Corp	131,400	4,505	4,349
M & T Bank Corporation	17,600	1,100	1,106
Marsh & McLennan Co Inc	50,200	1,242	1,178
Marshall & Ilsley Corporation	288,200	1,758	1,533
MasterCard Inc	16,900	3,530	3,701
MBIA Inc	38,600	245	157
MetLife Inc	143,600	4,965	4,887
MMC Corporation Berhad	50,100	1,358	1,592
Moody's Corp	104,300	2,468	2,470
Morgan Stanley Dean Witter Co	192,200	5,888	6,173
Nasdaq Stock Market Inc	46,700	1,001	843
Northern Trust Corp	57,900	3,594	2,909
NYSE Euronext	115,500	3,077	2,986
People's United Financial Inc	118,900	1,901	1,906
Plum Creek Timber Co Inc	17,200	526	538
PNC Financial Services Group	106,900	5,162	5,232
Principal Financial Group Inc	84,000	1,923	2,103
Progressive Corp	193,200	2,949	3,091
ProLogis Trust	46,900	559	531
Prudential Financial Inc	100,500	3,921	4,546
Public Storage Inc	41,000	3,197	3,018
Regions Financial Corp	257,100	1,348	1,244
Schwab Charles Corp	164,200	2,962	2,847
Simon Property Group	37,623	2,533	2,554
SLM Corp	133,100	1,030	1,291
State Street Corp	117,700	5,968	4,941
SunTrust Banks Inc	66,100	1,624	1,263
T Rowe Price Associates Inc	38,500	1,840	1,876
Torchmark Corporation	23,200	965	942
Travelers Cos Inc	135,100	5,965	6,727
UnumProvident Corp	108,700	2,088	2,169
US Bancorp	291,800	6,675	6,776
Ventas Inc	24,600	868	987
Vornado Realty Trust	17,139	1,074	1,021
Wells Fargo & Company	645,100	16,606	17,753
XL Capital Ltd	117,600	1,401	1,930
Zions Bancorporation	102,000	1,572	1,444
<i>Total Financial Services - 13.8%</i>		251,806	244,963
<i>Health Care</i>			
Abbott Laboratories	256,300	13,042	12,961
Aetna Inc	70,800	2,056	1,843
Allergan Inc	60,100	3,231	3,381
AmerisourceBergen Corp	62,000	1,263	1,373
Amgen Inc	140,200	7,449	7,518
Bard CR Inc	9,300	728	698
Baxter International Inc	119,300	6,622	6,449
Becton Dickinson & Company	28,200	1,973	1,928
Biogen Idec Inc	46,100	2,318	1,942
Boston Scientific Corp	272,600	2,574	2,214
Bristol-Myers Squibb Company	480,900	10,005	10,484
Cardinal Health Inc	34,400	921	975
CareFusion Corporation	19,100	414	427
Celgene Corporation	61,700	3,317	3,150
Cephalon Inc	10,400	633	568
CIGNA Corporation	91,000	2,509	2,533
Coventry Health Care Inc	64,400	1,258	1,277
DaVita Inc	16,900	896	896
DENTSPLY International Inc	15,700	522	517
Express Scripts Inc	38,700	2,788	3,093
Forest Laboratories Inc	76,300	2,210	2,111

*\*Denotes assets pledged for initial margin requirement or collateral on open futures contracts.  
See accompanying notes to financial statements.*

# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

October 31, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Genzyme Corporation	25,900	1,457	1,311
Gilead Sciences Inc	140,400	6,397	5,974
Hospira Inc	23,600	822	1,054
Humana Inc	46,000	1,452	1,729
IMS Health Inc	23,700	359	388
Intuitive Surgical Inc	3,600	925	887
Johnson & Johnson	553,600	33,642	32,690
King Pharmaceuticals Inc	73,300	632	743
Laboratory Corp of Amer Hldgs	10,700	700	737
Life Technologies Corp	27,600	1,280	1,302
Lilly Eli and Company	125,100	4,825	4,255
McKesson HBOC Inc	28,500	1,692	1,674
Medco Health Solutions Inc	107,000	4,816	6,005
Medtronic Inc	118,100	4,574	4,216
Merck & Co Inc	397,900	13,292	12,307
Millipore Corp	8,700	589	583
Mylan Laboratories Inc	194,000	2,733	3,151
Patterson Companies Inc	9,800	267	250
PerkinElmer Inc	12,400	237	231
Pfizer Inc	1,487,884	33,834	25,339
Quest Diagnostics Inc	68,600	3,380	3,837
Schering-Plough Corporation	313,800	7,032	8,849
St Jude Medical Inc	35,900	1,398	1,223
Stericycle Inc	9,000	435	471
Stryker Corporation	35,600	1,685	1,638
Tenet Healthcare Corporation	122,600	724	628
Thermo Electron Corporation	50,500	2,195	2,273
UnitedHealth Group Inc	234,000	6,457	6,072
Varian Medical Systems Inc	13,300	558	545
Waters Corporation	10,100	561	580
Watson Pharmaceuticals Inc	34,000	1,137	1,170
WellPoint Inc	115,700	5,612	5,410
Zimmer Holdings Inc	22,600	1,239	1,188
<i>Total Health Care - 11.5%</i>		213,667	205,048
<i>Technology</i>			
Adobe Systems Inc	55,300	1,770	1,822
Advanced Micro Devices Inc	193,600	860	891
Affiliated Computer Svcs Inc	39,100	1,773	2,037
Agilent Technologies Inc	32,900	919	814
Akamai Technologies Inc	58,300	1,119	1,283
Altera Corporation	79,900	1,405	1,581
Amphenol Corp	22,700	875	911
Analog Devices Inc	71,000	1,842	1,820
Apple Computer Inc	137,500	19,337	25,919
Applied Materials Inc	145,800	1,952	1,779
Autodesk Inc	29,700	681	740
Automatic Data Processing Inc	134,200	5,013	5,341
BMC Software Inc	123,900	4,405	4,604
Broadcom Corp	117,100	2,628	3,116
CA Inc	58,600	1,122	1,226
CIENA Corporation	56,700	627	665
Cisco Systems Inc	1,007,890	20,750	22,990
Citrix Systems Inc	33,200	1,154	1,220
Cognizant Tech Solutions Corp	87,700	2,850	3,390
Computer Sciences Corp	41,700	1,777	2,115
Compuware Corporation	25,100	184	177
Convergys Corp	75,400	816	818
Corning Inc	308,800	5,129	4,512
Dell Inc	166,200	2,534	2,402
eBay Inc	189,600	4,425	4,222
Electronic Arts Inc	30,500	584	556
EMC Corporation	338,400	4,497	5,573

\*Denotes assets pledged for initial margin requirement or collateral on open futures contracts.  
See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued) October 31, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Fidelity Ntl Information Svcs	65,400	1,591	1,423
Fiserv Inc	59,300	2,835	2,720
FLIR Systems Inc	16,000	447	445
Google Inc	37,400	17,423	20,051
Harris Corporation	13,900	435	580
Hewlett-Packard Company	417,400	16,880	19,810
Intel Corporation	821,000	16,702	15,689
International Business Machs	256,000	25,620	30,876
Intuit Inc	73,000	1,943	2,122
Jabil Circuit Inc	32,600	326	436
JDS Uniphase Corporation	157,000	828	878
Juniper Networks Inc	94,900	2,381	2,421
KLA-Tencor Corporation	57,300	1,929	1,863
Lexmark International Inc	8,300	180	212
Linear Technology Corp	59,900	1,461	1,550
LSI Logic Corporation	69,000	355	353
McAfee, Inc	31,800	1,267	1,332
MEMC Electronic Materials Inc	71,700	1,185	891
Microchip Technology Inc	43,100	1,093	1,033
Micron Technology Inc	187,700	1,118	1,274
Microsoft Corporation	1,278,802	31,948	35,461
Molex Inc	40,300	570	752
Motorola Inc	363,100	2,669	3,112
National Semiconductor Corp	24,800	353	321
NetApp Inc.	88,800	1,978	2,402
Novell Inc	36,700	148	150
Novellus Systems Inc	74,300	1,402	1,529
NVIDIA Corporation	197,100	2,065	2,357
Oracle Corporation	728,944	14,168	15,381
Paychex Inc	54,400	1,504	1,546
QLogic Corporation	12,500	215	219
Qualcomm Inc	276,400	11,524	11,424
Red Hat Inc	45,400	1,159	1,172
Salesforce.com Inc	22,700	1,293	1,288
SanDisk Corporation	47,800	739	979
Scripps Networks Interactive	14,000	452	529
Sun Microsystems Inc	159,300	1,080	1,303
Symantec Corporation	167,300	2,583	2,941
Tellabs Inc	195,500	1,037	1,177
Teradata Corporation	36,300	988	1,012
Teradyne Inc	108,700	983	910
Texas Instruments Inc	161,000	4,026	3,775
Total System Services Inc	108,500	1,686	1,733
VeriSign Inc	25,700	548	586
Western Digital Corp	61,100	1,800	2,058
Western Union Company	94,700	1,498	1,721
Xerox Corporation	82,200	768	618
Xilinx Inc	72,500	1,460	1,577
Yahoo! Inc	203,000	3,651	3,228
<i>Total Technology - 17.4%</i>		281,322	309,744
<i>Utilities</i>			
AES Corporation	186,700	2,532	2,440
Allegheny Energy Inc	17,900	467	408
Ameren Corporation	26,600	669	647
American Electric Power Co Inc	75,300	2,302	2,276
CenterPoint Energy Inc	40,900	479	515
CMS Energy Corporation	185,700	2,390	2,470
Consolidated Edison Inc	113,100	4,451	4,601
Constellation Energy Group	45,600	1,487	1,410
Dominion Resources Inc	61,700	2,131	2,103
DTE Energy Company	49,000	1,502	1,812
Duke Energy Corp	163,300	2,786	2,583

\*Denotes assets pledged for initial margin requirement or collateral on open futures contracts.  
See accompanying notes to financial statements.



# Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

October 31, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Dynegy Inc	53,700	134	107
Edison International	31,600	1,066	1,006
Energy Corporation	33,300	2,981	2,555
EQT Corp	84,600	3,471	3,541
Exelon Corp	67,100	3,404	3,151
FirstEnergy Corp	38,100	1,822	1,649
FPL Group Inc	166,400	9,199	8,170
Integrays Energy Group Inc	8,100	291	280
NICOR Inc	8,600	299	319
NiSource Inc	29,100	397	376
Northeast Utilities	121,600	2,736	2,803
PEPCO Holdings	23,400	340	349
PG&E Corp	106,400	4,178	4,351
Pinnacle West Capital Corp	66,700	1,899	2,089
PPL Corporation	105,100	3,910	3,094
Progress Energy Inc	73,300	2,733	2,751
Public Service Enterprise Grp	124,000	4,391	3,695
Quanta Services Inc	23,400	510	496
Questar Corporation	43,700	1,694	1,741
SCANA Corporation	45,600	1,541	1,543
Sempra Energy	82,700	4,229	4,255
Southern Company	104,000	3,290	3,244
Southwestern Energy Company	71,000	2,852	3,094
TECO Energy Inc	34,500	475	495
Wisconsin Energy Corporation	48,000	2,047	2,096
Xcel Energy Inc	229,500	4,452	4,328
<i>Total Utilities - 4.7%</i>		85,537	82,843
Total Equity Securities - 94.9%		1,694,735	1,686,538
<b><u>Short-term Issues</u></b>			
Futures Cash Collateral*	1,386,000	1,386	1,386
Dreyfus Cash Management Institutional Fund	11,421,687	11,422	11,422
Total Short-term Issues - 0.6%		11,422	11,422
Total Investment Securities - 95.5%		\$ 1,707,543	\$ 1,699,346
<b><u>Futures Contracts</u></b>			
S & P 500 EMINI Futures, expiring December 2009			\$ (356)
Total Futures Contracts - 0.0%			\$ (356)

\*Denotes assets pledged for initial margin requirement or collateral on open futures contracts.  
See accompanying notes to financial statements.

# Large Cap Domestic Equity Pool

**Statement of Operations - Unaudited**  
**Period Ended October 31, 2009\***  
*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Investment income</b>		
Dividend	\$ 2,256	\$ 12,809
Securities lending	22	121
Shareholder litigation proceeds	115	358
Commission recapture	22	80
<b>Total investment income</b>	2,415	13,368
<b>Expenses</b>		
Investment advisor fees	(85)	(340)
Trustee fees	(1)	(4)
Custodian bank fees	(20)	(42)
Management fees	(63)	(268)
Fiduciary bond fees	-	(3)
Professional service fees	(13)	(53)
Securities lending agent fees	(3)	(53)
Securities lending borrower rebates	(3)	146
<b>Total expenses</b>	(188)	(617)
<b>Investment income, net</b>	2,227	12,751
<b>Realized and unrealized gain (loss) from investments</b>		
Net realized gain from investments	11,958	62,704
Net increase (decrease) in the fair value of investments	(48,204)	153,053
<b>Net gain (loss) from investments</b>	(36,246)	215,757
<b>Net increase (decrease) in net assets from operations</b>	\$ (34,019)	\$ 228,508

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## Large Cap Domestic Equity Pool

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended October 31, 2009\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 2,227	\$ 12,751
Net realized gain from investments	11,958	62,704
Net increase (decrease) in the fair value of investments	(48,204)	153,053
<b>Net increase (decrease) in net assets from operations</b>	(34,019)	228,508
<b>Unit transactions</b>		
Proceeds from sale of units	5,021	13,202
Amount paid for repurchase of units	(71,117)	(240,698)
<b>Net decrease in net assets from unit transactions</b>	(66,096)	(227,496)
<b>Increase (decrease) in net assets</b>	(100,115)	1,012
Net assets, beginning of period	1,875,846	1,774,719
<b>Net assets, end of period</b>	\$ 1,775,731	\$ 1,775,731
<b>Unit data</b>		
Units sold	501,864	1,392,427
Units repurchased	(7,109,120)	(24,720,471)
<b>Net decrease in units</b>	(6,607,256)	(23,328,044)

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Large Cap Domestic Equity Pool

## Notes to Financial Statements

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public corporation created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's Large Cap Domestic Equity Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The Pool's objective is to exceed, net of external investment management fees, the S&P 500 Stock Index over three- to five-year periods. Assets are managed by Intech Investment Management, LLC, and State Street Global Advisors.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments are carried at fair value, which is determined by a third party pricing service based on asset portfolio pricing models and other sources. Futures contracts are valued at the last settlement price established each day by the exchange on which they are traded. Commissions on the purchases of securities by the IMB are a component of the security price quoted by the seller and are included in the investment cost.

**Security Loans** - The IMB, through its agent, the Bank of New York Mellon, loans securities to various brokers on a temporary basis. Each transaction for U.S. securities is secured by initial collateral of at least 102 percent of the market value of the securities loaned. Cash collateral received is invested in the Mellon GSL Reinvestment Trust. The IMB receives compensation in the form of loan premium fees and income from the investment of the cash collateral. Expenses related to

# Large Cap Domestic Equity Pool

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## Notes to Financial Statements

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

the lending of securities are rebates paid by the lending agent to brokers and the lending agent's fees for its services. The income earned by the IMB is reported in the Statement of Operations as securities lending income. The agent fees and broker rebates are reported as expenses, and unrealized gains or losses resulting from changes in the value of the investment of cash collateral are reported as part of the net increase or decrease in the fair value of investments. The IMB also continues to receive interest or dividends on the securities loaned. Gains or losses in the fair value of the securities loaned that may occur during the term of the loans are reflected in the Statement of Operations.

**Futures Contracts** - A futures contract is an agreement between a buyer or a seller and the clearinghouse of a futures exchange in which the parties agree to buy or sell a commodity, financial instrument or index at a specified future date and price. Upon entering into a financial futures contract, the IMB is required to pledge to the broker an amount of cash, U.S. government securities, or other assets, equal to a certain percentage of the contract amount (initial margin deposit). Cash (variation margin) is received from or paid to the broker for the fluctuations of the underlying securities or index. The IMB records the cash received or paid for the variation margin as a realized gain or loss.

Interest rate futures may be used to enhance portfolio yields, to hedge an existing position, or as an alternative investment of cash. Stock index futures may be used to provide immediate exposure to fluctuations in the market values of the stocks in the underlying index and to provide liquidity for cash flows.

The market risk associated with holding interest rate and stock index futures results from changes in the market value of the contractual positions due to changes in the value of the underlying instruments or indices. Hedging risk associated with these futures contracts arises because the value of the futures contracts may not correlate perfectly with changes in the values of the underlying instruments or indices due to market distortions.

Other risks associated with futures contracts are liquidity risk and credit risk. Liquidity risk arises when there is insufficient trading in a particular futures contract. Credit risk arises from the potential inability of counterparties to meet the terms of the contracts. The IMB's managers generally only utilize futures contracts that are traded on major exchanges or are executed with major dealers. The major exchanges assume the risk of a counterparty default and generally require an initial margin deposit of cash or securities.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Investment Gains and Losses** - Gains and losses on the sale of investment securities are recognized at the time of sale by the average cost method. The calculation of realized gains and losses is independent of the calculation of the net increase or decrease in the fair value of investments. Realized gains and losses on investments held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of investments reported in the prior year.

**Interest Income** - Interest income is recognized as earned on the accrual method.

**Dividend Income** - Dividend income is recognized on the ex-dividend date.

**Distributions to Participants** - The Pool does not routinely distribute dividends of net investment income or capital gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

# Large Cap Domestic Equity Pool

## Notes to Financial Statements

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from federal and state taxation. Accordingly, the financial statements have been prepared recognizing that the IMB is not subject to federal or state income taxes.

### NOTE 3. FAIR VALUE MEASUREMENTS

FAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The IMB adopted FAS 157 for fiscal year 2009.

Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

FAS 157 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FAS 157 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with FAS 157 fair value hierarchy levels as of October 31, 2009:

	Level I	Level II	Level III	Total
Equity Securities	\$1,686,538,461	\$ -	\$ -	\$1,686,538,461
Regulated Investment Companies	-	11,421,687	-	11,421,687
Securities Lending Collateral Funds	-	71,288,041	-	71,288,041
Futures	(355,713)	-	-	(355,713)
Total	<u>\$1,686,182,748</u>	<u>\$ 82,709,728</u>	<u>\$ -</u>	<u>\$1,768,892,476</u>

### NOTE 4. SECURITIES LENDING

At October 31, 2009, the fair value of securities on loan was \$73,219,201, the initial collateral received was \$75,201,830, and the fair value of reinvested collateral held was \$71,288,041. Of the collateral held, \$74,937,140 was received as cash and invested in the Mellon GSL DBT II Collateral Fund (Collateral Fund), the Mellon SL DBT II Liquidating Fund (Liquidating Fund), and the Mellon GSL DBT II Liquidating Trust (Liquidating Trust).

In early November 2008, the IMB was notified that certain securities issued by Sigma Finance, Inc. (Sigma) were transferred from the Mellon GSL DBT II Collateral Fund on October 1, 2008, to the Liquidating Trust. Units of the Liquidating Trust were transferred to the IMB's securities lending cash collateral account. For all of the IMB investment pools that participate in the securities lending program, the value of the units in the Liquidating Trust on an amortized cost basis was \$10,973,960 as calculated by the IMB's proportionate interest in the Mellon GSL DBT II Collateral Fund as of the close of business on

# Large Cap Domestic Equity Pool

## Notes to Financial Statements

### NOTE 4. SECURITIES LENDING (Continued)

September 30, 2008. Sigma was subsequently placed into receivership and the IMB is exposed to a potential loss of the full value of the Sigma investment. In October, the IMB recorded a reserve for these potential losses in each investment pool in proportion to its participation in the securities lending program at September 30, 2008. The reserve recorded for the Pool was \$3,247,638.

Effective April 20, 2009, the assets of the Collateral Fund with maturities greater than one day were transferred to the Liquidating Fund. As securities mature in the Liquidating Fund, the proceeds are transferred to the Collateral Fund. The combined value of the holdings in the Collateral Fund and the Liquidating Fund is used to determine the fair value of reinvested collateral.

Additionally, the distribution of securities lending income has been restricted beginning October 1, 2008. The restriction will remain in place until the actual loss on Sigma is realized. At October 31, 2009 the accumulated undistributed securities lending income was \$1,611,168.

### NOTE 5. FUTURES CONTRACTS

At October 31, 2009, open positions in futures contracts were as follows:

<u>Expiration</u>	<u>Open Contracts</u>	<u>Position</u>	<u>Value at October 31, 2009</u>	<u>Value Upon Entering Contract</u>	<u>Cumulative Net Gain (Loss) Since Inception</u>
Dec 2009	308 S&P 500	Long	<u>\$ 15,908,200</u>	<u>\$ 16,263,913</u>	<u>\$ (355,713)</u>

At October 31, 2009, the Pool had pledged cash of \$1,386,000 to cover initial margin requirements on open futures contracts. The net variation margin payable of \$440,440 represents one day's settlement on open futures contracts.

### NOTE 6. FINANCIAL HIGHLIGHTS

#### Per Unit Operating Performance:

Net asset value at June 30, 2009	\$ 8.69
Income from investment operations:	
Net investment income	0.07
Net realized and unrealized gain on investment transactions	1.06
Total from investment operations	<u>1.13</u>
Net asset value at October 31, 2009	<u>\$ 9.82</u>

**Time-weighted Total Return \*** 13.0%

#### Supplemental Data:

Net assets, end of period (\$000's)	\$ 1,775,731
Ratio to average net assets:	
Expenses **	0.11%
Net investment income **	2.06%
Portfolio turnover rate	50.12%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized

# Large Cap Domestic Equity Pool

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## Notes to Financial Statements

### NOTE 7. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at October 31, 2009.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 756,906,276
Public Employees' Retirement System	699,879,953
State Police Death, Disability and Retirement Fund	77,818,059
Workers' Compensation Old Fund	57,831,735
Revenue Shortfall Reserve Fund B	47,446,478
Revenue Shortfall Reserve Fund	20,209,010
Judges' Retirement System	19,247,419
Coal Workers' Pneumoconiosis Fund	18,882,728
Prepaid Tuition Trust Fund	18,298,160
Deputy Sheriff's Retirement System	17,546,919
State Police Retirement System	9,585,715
Board of Risk and Insurance Management	9,054,206
Public Employees' Insurance Agency	7,769,034
Wildlife Endowment Fund	6,881,665
Emergency Medical Services Retirement System	4,215,950
Retiree Health Benefit Trust	4,157,624
Total	<u>\$ 1,775,730,931</u>



**Financial Statements - Unaudited**

**October 31, 2009**



# Non-Large Cap Domestic Equity Pool

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## Financial Statements - Unaudited October 31, 2009

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# Non-Large Cap Domestic Equity Pool

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## Statement of Assets and Liabilities - Unaudited

October 31, 2009

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	358,119
Collateral for securities loaned at fair value (Note 4)		69,256
Receivables:		
Investments sold		20,260
Dividends		199
Securities lending income		20
Other		865
		<hr/>
<b>Total assets</b>		448,719

### Liabilities

Accrued expenses		311
Payable upon return of securities loaned (Note 4)		71,894
		<hr/>
<b>Total liabilities</b>		72,205
		<hr/>
<b>Net assets</b>	\$	<u>376,514</u>

### Analysis of net assets

Paid-in capital	\$	391,715
Accumulated undistributed net investment income		18,417
Accumulated undistributed net realized loss from investments		(45,778)
Accumulated undistributed net realized loss from foreign currency transactions		(506)
Unrealized net depreciation of investments		12,666
		<hr/>
<b>Net assets</b>	\$	<u>376,514</u>

### Unit data

Units outstanding		32,530,168
Net asset value, unit price	\$	<u>11.57</u>

See accompanying notes to financial statements.

# Non-Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited October 31, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
<b>Equity Securities</b>			
<i>Basic Materials</i>			
Ball Corporation	14,200	\$ 475	\$ 700
Bemis Company Inc	68,200	1,672	1,762
Cabot Corporation	55,400	1,156	1,215
Celanese Corp	104,600	2,378	2,871
CONSOL Energy Inc	86,900	2,453	3,720
Crown Holdings Inc	125,700	2,860	3,350
Fuller HB Company	77,500	1,646	1,481
LSB Industries Inc	37,900	613	470
Lubrizol Corporation	22,200	1,128	1,478
Massey Energy Company	193,000	4,402	5,614
NewMarket Corporation	13,400	880	1,253
OM Group Inc	30,200	553	816
Schulman A Inc	64,100	1,383	1,113
Schweitzer-Mauduit Intl Inc	15,500	716	801
Stepan Co	12,800	772	733
<i>Total Basic Materials - 7.3%</i>		23,087	27,377
<i>Capital Goods</i>			
Alaska Air Group Inc	26,600	709	684
Alliant Techsystems Inc	15,200	1,208	1,182
Ametek Inc	84,100	2,438	2,934
Apogee Enterprises Inc	73,200	845	969
BE Aerospace Inc	217,475	4,050	3,856
Chart Industries Inc	39,600	818	783
Crane Company	65,900	1,782	1,835
Diana Shipping Inc	72,900	775	942
Dycom Industries Inc	112,200	789	1,109
Enpro Industries, Inc.	35,300	764	797
Gardner Denver Inc	44,400	972	1,594
Genco Shipping & Trading Ltd	50,700	1,062	1,008
Hewitt Associates Inc	20,000	772	710
IDEX Corporation	113,350	2,944	3,223
Joy Global Inc	50,150	1,212	2,528
Kaiser Aluminum Corp	24,000	840	959
KBR Inc	93,900	1,903	1,922
L B Foster Company	20,400	619	573
Landstar System Inc	71,250	2,690	2,511
Lennox International Inc	30,900	1,127	1,040
Michael Baker Corporation	5,400	195	193
Oshkosh Truck Corporation	25,900	876	810
Owens Corning Inc	10,800	177	239
PHH Corp	81,300	1,353	1,314
Republic Airways Holdings Inc	110,500	2,393	885
SkyWest Inc	54,500	1,372	761
SPX Corporation	23,500	1,061	1,240
Teletch Holdings Inc	56,100	944	1,004
Toro Company	25,000	703	926
Waste Connections Inc	29,650	902	932
WESCO International Inc	154,300	5,049	3,944
<i>Total Capital Goods - 11.5%</i>		43,344	43,407
<i>Communication Services</i>			
j2 Global Communications Inc	49,400	1,176	1,010
NII Holdings Inc	140,200	2,775	3,776
Telephone & Data Systems	60,700	1,648	1,798
<i>Total Communication Services - 1.7%</i>		5,599	6,584
<i>Consumer Discretionary</i>			
American Eagle Outfitters Inc	204,333	2,195	3,574
American Greetings Corp	69,100	1,621	1,405
ATC Technology Corporation	68,600	1,083	1,434

See accompanying notes to financial statements.

# Non-Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

October 31, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Bob Evans Farms Inc	51,900	1,514	1,363
California Pizza Kitchen Inc	70,600	713	917
Cash America International Inc	51,800	1,751	1,567
Citrip.com International Ltd	49,050	2,393	2,626
Darling International Inc	125,500	1,839	872
Deckers Outdoor Corporation	11,400	676	1,022
DeVry Inc	47,500	2,487	2,626
Dillard's Inc	67,900	634	925
Discovery Communications Inc	74,500	1,410	2,049
Helen of Troy Ltd	60,700	1,252	1,386
Hibbett Sports Inc	123,500	2,295	2,314
Jo-Ann Stores Inc	28,200	759	751
Jos A Bank Clothiers Inc	21,200	935	869
Navigant Consulting Inc	189,800	3,072	2,703
NetFlix.com Inc	18,000	481	962
O'Reilly Automotive Inc	66,900	1,958	2,494
Rent-A-Center Inc	54,500	983	1,001
Scholastic Corporation	47,200	1,092	1,174
Scientific Games Corporation	144,500	2,291	2,033
Steven Madden Ltd	37,000	953	1,499
Tempur-Pedic International	64,300	727	1,245
<i>Total Consumer Discretionary - 10.3%</i>		35,114	38,811
<i>Consumer Staples</i>			
BJ's Wholesale Club Inc	21,400	607	750
Cheesecake Factory Inc	37,900	615	689
Church & Dwight Company Inc	50,650	2,582	2,881
Fresh Del Monte Produce Inc	33,200	720	721
Lancaster Colony Corp	24,300	950	1,180
Ralcorp Holdings Inc	53,950	3,332	2,897
<i>Total Consumer Staples - 2.4%</i>		8,806	9,118
<i>Energy</i>			
Cal Drive International Inc	143,200	1,338	1,100
CVR Energy Inc	115,900	1,386	1,219
Denbury Resources Inc	220,100	2,367	3,213
ENSCO International Inc	73,350	2,576	3,359
Exterran Holdings Inc	215,000	6,851	4,392
Getty Realty Corporation	40,600	1,034	995
Hercules Offshore Inc	256,000	874	1,313
Holly Corporation	46,800	1,041	1,358
Oil States International Inc	34,800	836	1,199
Patterson-UTI Energy Inc	83,300	1,686	1,298
SEACOR SMIT Inc	18,000	1,132	1,463
Sunoco Inc	33,500	976	1,032
<i>Total Energy - 5.8%</i>		22,097	21,941
<i>Financial Services</i>			
American Financial Group	70,000	1,741	1,722
American Physicians Capital	26,533	752	750
Assurant Inc	34,400	822	1,030
Axis Capital Hldgs Ltd	59,900	2,121	1,731
Banco Latinoamericano Export	102,700	1,936	1,449
Bank of the Ozarks Inc	34,900	809	794
BOK Financial Corporation	15,600	640	670
City Holding Company	20,000	851	611
Delphi Financial Group Inc	54,800	1,000	1,189
DuPont Fabros Technology Inc	86,300	909	1,301
Endurance Specialty Hldg Ltd	45,300	1,676	1,630
Federated Investors Inc	54,600	1,055	1,433
First Cash Financial Services	49,700	774	854
First Horizon National Corp	252,998	3,087	2,993
FPIC Insurance Group Inc	25,000	908	846

See accompanying notes to financial statements.

# Non-Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

October 31, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
GFI Group Inc	107,700	770	555
HCC Insurance Holdings Inc	25,300	641	668
Horace Mann Educators Corp	106,300	1,131	1,321
HRPT Properties Trust	272,400	1,606	1,915
Infinity Property & Casualty	36,300	1,471	1,404
International Bancshares Corp	99,700	1,506	1,481
Investment Technology Grp Inc	66,100	2,517	1,426
Knight Capital Group Inc	42,500	946	716
LTC Properties Inc.	36,500	734	867
Montpelier Re Hldgs Ltd	105,600	1,651	1,706
National Financial Partners	102,600	862	836
National Health Investors Inc	45,900	1,445	1,377
NewAlliance Bancshares Inc	113,000	1,678	1,252
Ocwen Financial Corporation	104,300	1,026	1,140
optionsXpress Holdings Inc	68,200	1,830	1,066
Oriental Financial Group Inc	113,800	2,042	1,212
Park National Corporation	20,800	959	1,208
Platinum Underwriters Hldg Ltd	42,000	1,367	1,502
PS Business Parks Inc	27,100	1,259	1,327
Safety Insurance Group Inc	27,500	1,153	920
StanCorp Financial Group Inc	18,200	945	668
Taubman Centers Inc	55,400	1,472	1,690
Unitrin Inc	72,100	1,203	1,413
Waddell & Reed Financial Inc	103,000	2,229	2,890
World Acceptance Corporation	47,700	1,402	1,197
<i>Total Financial Services - 13.5%</i>		52,926	50,760
<i>Health Care</i>			
Alexion Pharmaceuticals Inc	139,588	3,741	6,199
AMN Healthcare Srvc Inc	100,600	1,717	837
Charles River Laboratories	70,700	2,735	2,582
DaVita Inc	73,900	3,414	3,919
Elan Corporation PLC	412,100	3,418	2,246
Health Net Inc	102,500	1,590	1,528
Healthspring Inc	107,800	1,449	1,545
Herbalife Ltd	45,700	1,813	1,538
Hill-Rom Holdings Inc	74,700	1,714	1,463
IDEXX Laboratories Inc	79,300	2,654	4,054
Illumina Inc	110,000	3,842	3,531
Invacare Corp	49,900	766	1,119
Life Technologies Corp	71,200	2,051	3,359
Magellan Health Services Inc	23,600	784	758
Mednax Inc	36,700	1,520	1,905
Orthofix International NV	44,500	648	1,424
OSI Pharmaceuticals Inc	113,350	3,635	3,652
Santarus Inc	281,500	1,895	870
Shire PLC	92,800	4,655	4,946
Skilled Healthcare Group Inc	156,500	1,303	1,258
Stericycle Inc	50,681	2,437	2,654
Wellcare Health Plans Inc	51,700	1,207	1,351
<i>Total Health Care - 14.0%</i>		48,988	52,738
<i>Technology</i>			
ACI Worldwide Inc	3,050	59	49
Alcatel	117,100	300	432
Amkor Technology Inc	156,800	635	864
Arris Group Inc	91,200	1,010	931
Avnet Inc	39,200	793	971
BMC Software Inc	53,400	1,664	1,984
Celestica Inc	110,800	666	920
Check Point Software	179,500	4,197	5,573
Citrix Systems Inc	69,650	2,055	2,560
Compuware Corporation	89,700	934	633
Comverse Technology Inc	306,900	3,750	2,569

See accompanying notes to financial statements.

# Non-Large Cap Domestic Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

October 31, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
DynCorp International Inc	84,800	1,099	1,442
EarthLink Inc	169,400	1,396	1,372
i2 Technologies Inc	49,400	821	778
Ingram Micro Inc	105,600	1,628	1,864
Insight Enterprises Inc	40,800	659	429
Integrated Device Technology	226,500	1,492	1,332
Jabil Circuit Inc	107,200	1,344	1,434
Lexmark International Inc	48,200	850	1,229
Maxim Integrated Products Inc	189,250	2,780	3,155
Mettler-Toledo International	57,100	5,054	5,567
MSCI Inc	54,950	1,000	1,670
Novellus Systems Inc	125,650	2,455	2,586
Nuance Communications Inc	303,100	4,555	3,974
Plantronics Inc	31,800	749	767
Polycom Inc	146,250	2,628	3,140
Salesforce.com Inc	35,650	1,102	2,023
Shanda Games Ltd	54,800	685	546
Synnex Corporation	29,400	587	756
Tech Data Corporation	50,600	1,636	1,945
USA Mobility Inc	81,000	1,990	883
ValueClick, Inc	95,500	762	940
VeriFone Holdings Inc	161,300	1,526	2,145
VeriSign Inc	97,100	2,541	2,215
Wright Express Corp	48,400	1,120	1,351
Zebra Technologies Corp	32,400	560	810
<i>Total Technology - 16.4%</i>		57,082	61,839
<i>Utilities</i>			
AGL Resources Inc	22,200	757	776
Alliant Energy Corp	78,300	2,265	2,080
Energen Corporation	46,500	1,338	2,040
EQT Corp	42,100	1,861	1,762
MDU Resources Group Inc	38,000	807	789
Mirant Corporation	123,100	2,177	1,721
National Fuel Gas Company	49,700	1,420	2,253
NeuStar Inc	31,300	602	723
NorthWestern Corporation	45,000	1,188	1,087
NV Energy Inc	125,500	1,937	1,438
OGE Energy Corp	46,400	1,537	1,541
ONEOK Inc	27,300	1,371	989
PNM Resources	80,300	1,031	864
<i>Total Utilities - 4.8%</i>		18,291	18,063
Total Equity Securities - 87.7%		315,334	330,638
<b>Short-term Issues</b>			
Dreyfus Cash Management Institutional Fund - 7.3%	27,481,263	27,481	27,481
Total Investment Securities - 95.0%		\$ 342,815	\$ 358,119

See accompanying notes to financial statements.



## Non-Large Cap Domestic Equity Pool

### Statement of Operations - Unaudited

Period Ended October 31, 2009\*

*(Amounts in thousands)*

	Month	Year To Date
<b>Investment income</b>		
Dividend	\$ 242	\$ 1,102
Securities lending	20	107
Shareholder litigation proceeds	-	72
Commission recapture	6	22
<b>Total investment income</b>	268	1,303
 <b>Expenses</b>		
Investment advisor fees	(280)	515
Trustee fees	-	(1)
Custodian bank fees	(3)	(9)
Management fees	(13)	(52)
Fiduciary bond fees	(1)	(1)
Professional service fees	(2)	(10)
Securities lending agent fees	(5)	(28)
Securities lending borrower rebates	4	34
<b>Total expenses</b>	(300)	448
<b>Investment income (loss), net</b>	(32)	1,751
 <b>Realized and unrealized gain (loss) from investments</b>		
Net realized gain from investments	5,673	3,336
Net increase (decrease) in the fair value of investments	(21,890)	38,562
<b>Net gain (loss) from investments</b>	(16,217)	41,898
<b>Net increase (decrease) in net assets from operations</b>	\$ (16,249)	\$ 43,649

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## Non-Large Cap Domestic Equity Pool

### Statement of Changes in Net Assets - Unaudited Period Ended October 31, 2009\*

*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income (loss), net	\$ (32)	\$ 1,751
Net realized gain from investments	5,673	3,336
Net increase (decrease) in the fair value of investments	(21,890)	38,562
<b>Net increase (decrease) in net assets from operations</b>	(16,249)	43,649
<b>Unit transactions</b>		
Proceeds from sale of units	265	21,911
Amount paid for repurchase of units	(208)	(1,510)
<b>Net increase in net assets from unit transactions</b>	57	20,401
<b>Increase (decrease) in net assets</b>	(16,192)	64,050
Net assets, beginning of period	392,706	312,464
<b>Net assets, end of period</b>	\$ 376,514	\$ 376,514
<b>Unit data</b>		
Units sold	22,029	1,981,632
Units repurchased	(17,280)	(136,950)
<b>Net increase in units</b>	4,749	1,844,682

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Non-Large Cap Domestic Equity Pool

## Notes to Financial Statements

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public corporation created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment-related operations of the IMB's Non-Large Cap Domestic Equity Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The Pool invests in the equities of small- to mid-sized companies and its objective is to exceed, net of external investment management fees, the Russell 2500 Index over three- to five-year periods. Assets are managed by Aronson + Johnson + Ortiz, LP and Westfield Capital Management.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments are carried at fair value, which is determined by a third party pricing service based on asset portfolio pricing models and other sources. Commissions on the purchases of securities by the IMB are a component of the security price quoted by the seller and are included in the investment cost.

**Security Loans** - The IMB, through its agent, the Bank of New York Mellon, loans securities to various brokers on a temporary basis. Each transaction for U.S. securities is secured by initial collateral of at least 102 percent of the market value of the securities loaned. Cash collateral received is invested in the Mellon GSL Reinvestment Trust. The IMB receives

# Non-Large Cap Domestic Equity Pool

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## Notes to Financial Statements

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

compensation in the form of loan premium fees and income from the investment of the cash collateral. Expenses related to the lending of securities are rebates paid by the lending agent to brokers and the lending agent's fees for its services. The income earned by the IMB is reported in the Statement of Operations as securities lending income. The agent fees and broker rebates are reported as expenses, and unrealized gains or losses resulting from changes in the value of the investment of cash collateral are reported as part of the net increase or decrease in the fair value of investments. The IMB also continues to receive interest or dividends on the securities loaned. Gains or losses in the fair value of the securities loaned that may occur during the term of the loans are reflected in the Statement of Operations.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Investment Gains and Losses** - Gains and losses on the sale of investment securities are recognized at the time of sale by the average cost method. The calculation of realized gains and losses is independent of the calculation of the net increase or decrease in the fair value of investments. Realized gains and losses on investments held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of investments reported in the prior year.

**Interest Income** - Interest income is recognized as earned on the accrual method.

**Dividend Income** - Dividend income is recognized on the ex-dividend date.

**Distributions to Participants** - The Pool does not routinely distribute dividends of net investment income or capital gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from federal and state taxation. Accordingly, the financial statements have been prepared recognizing that the IMB is not subject to federal or state income taxes.

### NOTE 3. FAIR VALUE MEASUREMENTS

FAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The IMB adopted FAS 157 for fiscal year 2009.

Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

FAS 157 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FAS 157 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

# Non-Large Cap Domestic Equity Pool

## Notes to Financial Statements

### NOTE 3. FAIR VALUE MEASUREMENTS (Continued)

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with FAS 157 fair value hierarchy levels as of October 31, 2009:

	Level I	Level II	Level III	Total
Equity Securities	\$ 330,638,132	\$ -	\$ -	\$ 330,638,132
Regulated Investment Companies	-	27,481,263	-	27,481,263
Securities Lending Collateral Funds	-	69,256,207	-	69,256,207
Total	<u>\$ 330,638,132</u>	<u>\$ 96,737,470</u>	<u>\$ -</u>	<u>\$ 427,375,602</u>

### NOTE 4. SECURITIES LENDING

At October 31, 2009, the fair value of securities on loan is \$69,959,042, initial collateral received is \$71,895,828, and the fair value of reinvested collateral held is \$69,256,207. Of the collateral held, \$71,893,618 was received as cash and is invested in the Mellon GSL DBT II Collateral Fund (Collateral Fund), the Mellon SL DBT II Liquidating Fund (Liquidating Fund), and the Mellon GSL DBT II Liquidating Trust (Liquidating Trust).

In early November 2008, the IMB was notified that certain securities issued by Sigma Finance, Inc. (Sigma) were transferred from the Mellon GSL DBT II Collateral Fund on October 1, 2008, to the Liquidating Trust. Units of the Liquidating Trust were transferred to the IMB's securities lending cash collateral account. For all of the IMB investment pools that participate in the securities lending program, the value of the units in the Liquidating Trust on an amortized cost basis was \$10,973,960 as calculated by the IMB's proportionate interest in the Mellon GSL DBT II Collateral Fund as of the close of business on September 30, 2008. Sigma was subsequently placed into receivership and the IMB is exposed to a potential loss of the full value of the Sigma investment. In October, the IMB recorded a reserve for these potential losses in each investment pool in proportion to its participation in the securities lending program at September 30, 2008. The reserve recorded for the Pool is \$2,247,392.

Effective April 20, 2009, the assets of the Collateral Fund with maturities greater than one day were transferred to the Liquidating Fund. As securities mature in the Liquidating Fund, the proceeds are transferred to the Collateral Fund. The combined value of the holdings in the Collateral Fund and the Liquidating Fund is used to determine the fair value of reinvested collateral.

Additionally, the distribution of securities lending income has been restricted beginning October 1, 2008. The restriction will remain in place until the actual loss on Sigma is realized. At October 31, 2009, the accumulated undistributed securities lending income is \$776,399.

# Non-Large Cap Domestic Equity Pool

## Notes to Financial Statements

### NOTE 5. FINANCIAL HIGHLIGHTS

<b>Per Unit Operating Performance:</b>	
Net asset value at June 30, 2009	\$ 10.18
Income from investment operations:	
Net investment income	0.05
Net realized and unrealized gain on investment transactions	1.34
Total from investment operations	1.39
Net asset value at October 31, 2009	\$ 11.57
<b>Time-weighted Total Return *</b>	13.3%
<b>Supplemental Data:</b>	
Net assets, end of period (\$000's)	\$ 376,514
Ratio to average net assets:	
Expenses **	-0.37%
Net investment income **	1.47%
Portfolio turnover rate	31.31%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized

### NOTE 6. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at October 31, 2009.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 158,178,200
Public Employees' Retirement System	146,557,855
Workers' Compensation Old Fund	17,343,693
State Police Death, Disability and Retirement Fund	15,996,314
Revenue Shortfall Reserve Fund B	8,829,781
Revenue Shortfall Reserve Fund	6,322,620
Judges' Retirement System	3,916,289
Coal Workers' Pneumoconiosis Fund	3,888,024
Prepaid Tuition Trust Fund	3,775,360
Deputy Sheriff's Retirement System	3,462,885
Board of Risk and Insurance Management	1,846,493
State Police Retirement System	1,843,286
Public Employees' Insurance Agency	1,506,453
Wildlife Endowment Fund	1,388,458
Retiree Health Benefit Trust	871,553
Emergency Medical Services Retirement System	786,431
Total	\$ 376,513,695

**Financial Statements - Unaudited**

**October 31, 2009**





# International Qualified Pool

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## **Financial Statements - Unaudited October 31, 2009**

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# International Qualified Pool

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## Statement of Assets and Liabilities - Unaudited

October 31, 2009

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	700,383
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### Liabilities

Accrued expenses		<u>365</u>
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<b>Net assets</b>	<b>\$</b>	<b><u>700,018</u></b>
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### Analysis of net assets

Paid-in capital	\$	378,951
Accumulated undistributed net investment loss		(19,935)
Accumulated undistributed net realized gain from investments		20,276
Unrealized net appreciation of investments		<u>320,726</u>

<b>Net assets</b>	<b>\$</b>	<b><u>700,018</u></b>
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### Unit data

Units outstanding		20,604,025
Net asset value, unit price	\$	<u>33.97</u>

See accompanying notes to financial statements.

# International Qualified Pool

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## Schedule of Investments in Securities - Unaudited October 31, 2009

(Amounts in thousands, except share data)

<u>Security Name</u>	<u>Shares</u>	<u>Cost</u>	<u>Fair Value</u>
<b><u>Investments in Other Funds</u></b>			
Silchester International Value Equity Group Trust	1,232,700,861	\$ 379,657	\$ 700,383
Investment Objective - To achieve desired exposure to equity securities of companies ordinarily incorporated in countries other than the United States.			
Redemption Provisions - Monthly on the first business day.			
Total Investments in Other Funds - 100.1%		<u>\$ 379,657</u>	<u>\$ 700,383</u>

See accompanying notes to financial statements.

# International Qualified Pool

**Statement of Operations - Unaudited**  
**Period Ended October 31, 2009\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>	\$ -	\$ -
<b>Expenses</b>		
Investment advisor fees	(304)	(1,200)
Trustee fee	-	(2)
Management fees	(25)	(98)
Fiduciary bond fees	-	(1)
Professional service fees	(5)	(19)
	<u>(334)</u>	<u>(1,320)</u>
<b>Total expenses</b>	<u>(334)</u>	<u>(1,320)</u>
<b>Investment loss, net</b>	(334)	(1,320)
<b>Realized and unrealized gain (loss) from investments</b>		
Net realized gain from investments	143	500
Net increase (decrease) in the fair value of investments	<u>(8,576)</u>	<u>88,373</u>
	<u>(8,433)</u>	<u>88,873</u>
<b>Net gain (loss) from investments</b>	<u>(8,433)</u>	<u>88,873</u>
<b>Net increase (decrease) in net assets from operations</b>	<u>\$ (8,767)</u>	<u>\$ 87,553</u>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## International Qualified Pool

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended October 31, 2009\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment loss, net	\$ (334)	\$ (1,320)
Net realized gain from investments	143	500
Net increase (decrease) in the fair value of investments	(8,576)	88,373
<b>Net increase (decrease) in net assets from operations</b>	(8,767)	87,553
<b>Unit transactions</b>		
Proceeds from sale of units	29	1,483
Amount paid for repurchase of units	-	(1,400)
<b>Net increase in net assets from unit transactions</b>	29	83
<b>Increase (decrease) in net assets</b>	(8,738)	87,636
Net assets, beginning of period	708,756	612,382
<b>Net assets, end of period</b>	\$ 700,018	\$ 700,018
<b>Unit data</b>		
Units sold	872	46,144
Units repurchased	-	(43,616)
<b>Increase in units</b>	872	2,528

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## International Qualified Pool

**Statement of Cash Flows - Unaudited**  
**Period Ended October 31, 2009\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Cash flows from operating activities</b>		
Net increase (decrease) in net assets from operations	\$ (8,767)	\$ 87,553
Adjustments to reconcile net increase (decrease) in net assets from operations to net cash provided by (used in) operating activities:		
Proceeds from disposition of investment securities	309	1,164
Net realized gain from investments	(143)	(500)
Increase (decrease) in accrued expenses	(4)	73
Net decrease (increase) in the fair value of investments	<u>8,576</u>	<u>(88,373)</u>
<b>Net cash used in operating activities</b>	<b>(29)</b>	<b>(83)</b>
<b>Cash flows from financing activities</b>		
Proceeds from units sold	29	1,483
Paid for repurchase of units	<u>-</u>	<u>(1,400)</u>
<b>Net cash provided by financing activities</b>	<b><u>29</u></b>	<b><u>83</u></b>
<b>Net change in cash</b>	<b>-</b>	<b>-</b>
<b>Cash</b>		
Beginning balance	<u>-</u>	<u>-</u>
Ending balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.

# International Qualified Pool

## Notes to Financial Statements

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public corporation created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's International Qualified Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

Funds are invested in Silchester International Investors' Value Equity Group Trust. The Pool is expected to produce investment returns that exceed the Morgan Stanley Capital International's Europe Australasia Far East (EAFE) index by 200 basis points on an annualized basis over three to five-year periods, net of external investment management fees. Only "qualified participants" (as defined by the *Internal Revenue Code*) may invest in the Pool.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments in other funds are valued at the reported unit values of the individual funds as provided by fund's management.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

# International Qualified Pool

## Notes to Financial Statements

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Investment Gains and Losses** - Gains and losses on the sale of investment securities are recognized at the time of sale by the average cost method. The calculation of realized gains and losses is independent of the calculation of the net increase or decrease in the fair value of investments. Realized gains and losses on investments held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of investments reported in the prior year.

**Distributions to Participants** - The Pool does not routinely distribute dividends of net investment income or capital gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from federal and state taxation. Accordingly, the financial statements have been prepared recognizing that the IMB is not subject to federal or state income taxes.

### NOTE 3. FAIR VALUE MEASUREMENTS

FAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The IMB adopted FAS 157 for fiscal year 2009.

Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

FAS 157 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FAS 157 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with FAS 157 fair value hierarchy levels as of October 31, 2009:

	Level I	Level II	Level III	Total
Investments in Other Funds	\$ -	\$ 700,383,344	\$ -	\$ 700,383,344



# International Qualified Pool

## Notes to Financial Statements

### NOTE 4. FINANCIAL HIGHLIGHTS

#### Per Unit Operating Performance:

Net asset value at June 30, 2009	\$	29.73
Income from investment operations:		
Net investment loss		(0.06)
Net realized and unrealized loss on investment transactions		4.30
Total from investment operations		4.24
Net asset value at October 31, 2009	\$	33.97

**Time-weighted Total Return \*** 14.3%

#### Supplemental Data:

Net assets, end of period (\$000's)	\$	700,018
Ratio to average net assets:		
Expenses **		0.59%
Net investment income **		-0.59%
Portfolio turnover rate		0.00%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized

### NOTE 5. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at October 31, 2009.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 329,182,255
Public Employees' Retirement System	312,469,203
State Police Death, Disability and Retirement Fund	36,162,084
Judges' Retirement System	8,820,229
Deputy Sheriff's Retirement System	7,729,443
State Police Retirement System	3,998,366
Emergency Medical Services Retirement System	1,656,156
Total	\$ 700,017,736



**Financial Statements - Unaudited**

**October 31, 2009**



# International Nonqualified Pool

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## Financial Statements - Unaudited October 31, 2009

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# International Nonqualified Pool

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## Statement of Assets and Liabilities - Unaudited

October 31, 2009

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	115,666
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### Liabilities

Accrued expenses		<u>10</u>
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<b>Net assets</b>	<b>\$</b>	<b><u>115,656</u></b>
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### Net assets

Paid-in capital	\$	74,983
Accumulated undistributed net investment loss		(2,698)
Accumulated undistributed net realized gain from investments		9,660
Unrealized net appreciation of investments		<u>33,711</u>

<b>Net assets</b>	<b>\$</b>	<b><u>115,656</u></b>
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### Unit data

Units outstanding		3,637,568
Net asset value, unit price	\$	<u>31.79</u>

See accompanying notes to financial statements.

# International Nonqualified Pool

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## Schedule of Investments in Securities - Unaudited October 31, 2009

(Amounts in thousands, except share data)

<u>Security Name</u>	<u>Shares</u>	<u>Cost</u>	<u>Fair Value</u>
<b><u>Investments in Other Funds</u></b>			
Silchester International Value Equity Trust	193,079,405	\$ 81,955	\$ 115,666
Investment Objective - To achieve desired exposure to equity securities of companies ordinarily incorporated in countries other than the United States.			
Redemption Provisions - Monthly on the first business day.			
Total Investments in Other Funds - 100.0%		<u>\$ 81,955</u>	<u>\$ 115,666</u>

See accompanying notes to financial statements.

# International Nonqualified Pool

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## Statement of Operations - Unaudited

Period Ended October 31, 2009\*

(Amounts in thousands)

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>	\$ -	\$ -
<b>Expenses</b>		
Investment advisor fees	(62)	(244)
Management fees	(4)	(16)
Professional service fees	<u>(1)</u>	<u>(3)</u>
<b>Total expenses</b>	<u>(67)</u>	<u>(263)</u>
<b>Investment loss, net</b>	(67)	(263)
<b>Realized and unrealized gain (loss) from investments</b>		
Net realized gain from investments	18	67
Net increase (decrease) in the fair value of investments	<u>(1,300)</u>	<u>14,596</u>
<b>Net gain (loss) from investments</b>	<u>(1,282)</u>	<u>14,663</u>
<b>Net increase (decrease) in net assets from operations</b>	<u>\$ (1,349)</u>	<u>\$ 14,400</u>

\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed.  
See accompanying notes to financial statements.



## International Nonqualified Pool

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended October 31, 2009\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment loss, net	\$ (67)	\$ (263)
Net realized gain from investments	18	67
Net increase (decrease) in the fair value of investments	(1,300)	14,596
<b>Net increase (decrease) in net assets from operations</b>	(1,349)	14,400
<b>Unit transactions</b>		
Proceeds from sale of units	246	255
Amount paid for repurchase of units	(241)	(241)
<b>Net increase in net assets from unit transactions</b>	5	14
<b>Increase (decrease) in net assets</b>	(1,344)	14,414
Net assets, beginning of period	117,000	101,242
<b>Net assets, end of period</b>	\$ 115,656	\$ 115,656
<b>Unit data</b>		
Units sold	7,663	7,956
Units repurchased	(7,509)	(7,509)
<b>Net increase in units</b>	154	447

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# International Nonqualified Pool

## Statement of Cash Flows - Unaudited

Period Ended October 31, 2009\*

(Amounts in thousands)

	<u>Month</u>	<u>Year To Date</u>
<b>Cash flows from operating activities</b>		
Net increase (decrease) in net assets from operations	\$ (1,349)	\$ 14,400
Adjustments to reconcile net increase (decrease) in net assets from operations to net cash provided by (used in) operating activities:		
Proceeds from disposition of investment securities	62	243
Net realized gain from investments	(18)	(67)
Increase in accrued expenses	-	6
Net decrease (increase) in the fair value of investments	<u>1,300</u>	<u>(14,596)</u>
<b>Net cash used in operating activities</b>	(5)	(14)
<b>Cash flows from financing activities</b>		
Proceeds from units sold	246	255
Amount paid for repurchase of units	<u>(241)</u>	<u>(241)</u>
<b>Cash provided by financing activities</b>	<u>5</u>	<u>14</u>
<b>Net change in cash</b>	-	-
<b>Cash</b>		
Beginning balance	<u>-</u>	<u>-</u>
Ending balance	<u>\$ -</u>	<u>\$ -</u>

\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.

# International Nonqualified Pool

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## Notes to Financial Statements

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public corporation created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's International Nonqualified Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

Funds are invested in Silchester International Investors' Value Equity Trust. The Pool is expected to produce investment returns that exceed the Morgan Stanley Capital International's EAFE index by 200 basis points on an annualized basis over three- to five-year periods, net of external investment management fees. The Pool exists for participants who are not "qualified" (as defined by the *Internal Revenue Code*).

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments in other funds are valued at the reported unit values of the individual funds as provided by fund's management.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

# International Nonqualified Pool

## Notes to Financial Statements

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Investment Gains and Losses** - Gains and losses on the sale of investment securities are recognized at the time of sale by the average cost method. The calculation of realized gains and losses is independent of the calculation of the net increase or decrease in the fair value of investments. Realized gains and losses on investments held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of investments reported in the prior year.

**Distributions to Participants** - The Pool does not routinely distribute dividends of net investment income or capital gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from federal and state taxation. Accordingly, the financial statements have been prepared recognizing that the IMB is not subject to federal or state income taxes.

### NOTE 3. FAIR VALUE MEASUREMENTS

FAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The IMB adopted FAS 157 for fiscal year 2009.

Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

FAS 157 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FAS 157 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with FAS 157 fair value hierarchy levels as of October 31, 2009:

	Level I	Level II	Level III	Total
Investments in Other Funds	\$ -	\$ 115,666,363	\$ -	\$ 115,666,363

# International Nonqualified Pool

## Notes to Financial Statements

### NOTE 4. FINANCIAL HIGHLIGHTS

**Per Unit Operating Performance:**

Net asset value at June 30, 2009	\$	27.84
Income from investment operations:		
Net investment loss		(0.07)
Net realized and unrealized loss on investment transactions		4.02
Total from investment operations		<u>3.95</u>
Net asset value at October 31, 2009	\$	<u>31.79</u>

**Time-weighted Total Return \*** 14.2%

**Supplemental Data:**

Net assets, end of period (\$000's)	\$	115,656
Ratio to average net assets:		
Expenses **		0.71%
Net investment income **		-0.71%
Portfolio turnover rate		0.00%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized

### NOTE 5. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at October 31, 2009.

<u>Participant</u>	<u>Account Value</u>
Workers' Compensation Old Fund	\$ 39,327,113
Revenue Shortfall Reserve Fund B	27,118,800
Revenue Shortfall Reserve Fund	18,780,888
Coal Workers' Pneumoconiosis Fund	9,315,958
Prepaid Tuition Trust Fund	8,279,097
Board of Risk and Insurance Management	4,336,834
Public Employees' Insurance Agency	3,487,917
Wildlife Endowment Fund	3,035,068
Retiree Health Benefit Trust	1,974,704
Total	<u>\$ 115,656,379</u>



**Financial Statements - Unaudited**

**October 31, 2009**





# International Equity Pool

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## Financial Statements - Unaudited October 31, 2009

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# International Equity Pool

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## Statement of Assets and Liabilities - Unaudited

October 31, 2009

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	1,542,195
Cash		68
Cash denominated in foreign currencies (cost \$13,247)		13,486
Collateral for securities loaned at fair value (Note 4)		91,220
Receivables:		
Investments sold		45,454
Dividends		4,816
Securities lending income		37
Foreign tax withholding		732
		<hr/>
<b>Total assets</b>		1,698,008

### Liabilities

Accrued expenses		1,941
Payable for investments purchased		4,072
Payable upon return of securities loaned (Note 4)		95,220
Unrealized loss on foreign currency exchange contracts (Note 5)		135
		<hr/>
<b>Total liabilities</b>		101,368
		<hr/>
<b>Net assets</b>	\$	1,596,640

### Analysis of net assets

Paid-in capital	\$	1,120,415
Accumulated undistributed net investment income		189,328
Accumulated undistributed net realized gain from investments		128,952
Accumulated undistributed net realized gain from foreign currency transactions		56,548
Unrealized net appreciation of investments		69,394
Unrealized net appreciation on translation of assets and liabilities in foreign currencies		32,003
		<hr/>
<b>Net assets</b>	\$	1,596,640

### Unit data

Units outstanding		87,483,815
Net asset value, unit price	\$	18.25

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited October 31, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
<b>Equity Securities</b>			
<i>Argentina</i>			
Telecom Argentina SA - 0.2%	144,998	\$ 2,066	\$ 2,450
<i>Australia</i>			
Amcor Ltd	807,589	3,783	4,196
Australian Worldwide Explora	553,310	820	1,305
BlueScope Steel Ltd	1,000,400	3,920	2,730
Centennial Coal Company Ltd	489,766	540	1,412
Downer EDI Ltd	733,200	2,478	5,711
DUET Group	721,947	927	1,109
Goodman Fielder Ltd	2,216,200	3,417	3,224
John Fairfax Holdings Ltd	1,119,139	1,818	1,628
Macquarie Group Ltd	89,100	1,758	4,025
Macquarie Media Group Ltd	944,500	3,110	1,579
Metcash Ltd	510,100	1,900	2,166
OZ Minerals	978,488	942	1,061
Premier Investment Ltd	126,500	737	935
Qantas Airways Ltd	1,186,100	3,771	3,001
Sigma Pharmaceuticals Ltd	3,474,289	3,459	2,951
Telstra Corporation Ltd	1,229,600	3,655	3,689
<i>Total Australia - 2.6%</i>		37,035	40,722
<i>Austria</i>			
Vienna Insurance Group	2,716	80	154
Voestalpine AG	107,949	4,109	3,719
<i>Total Austria - 0.2%</i>		4,189	3,873
<i>Belgium</i>			
Agfa Gevaert NV	112,207	466	680
Barco NV	22,300	1,603	901
Delhaize Le Lion SA	49,000	3,343	3,340
Solvay SA	39,400	3,990	3,886
Telenet Group Holding NV	66,117	1,135	1,772
Tessenderlo Chemie NV	65,300	2,990	2,405
<i>Total Belgium - 0.8%</i>		13,527	12,984
<i>Bermuda</i>			
China Green Holdings Ltd	1,484,086	1,315	1,310
China Yurun Food Group Ltd	31,000	69	64
Cosco Pacific Limited	32,000	47	45
Credicorp Limited	1,978	153	137
First Pacific Company Rights	4,427,600	-	703
Giordano International Ltd	1,745,955	578	437
GOME Electrical Appliances	220,000	60	66
Hiscox Ltd	526,100	2,407	2,775
Huabao International Holdings	1,385,000	1,165	1,326
Orient Overseas Int'l Ltd	243,100	789	1,212
Sinofert Holdings Ltd	60,000	27	30
Yue Yuen Industrial Holdings	2,356,000	4,748	6,627
<i>Total Bermuda - 0.9%</i>		11,358	14,732
<i>Brazil</i>			
AES Tiete SA	3,000	34	34
All America Latina Logistica	11,511	85	85
Aracruz Celulose SA	14,500	32	27
B2W Companhia Global do Varejo	1,660	46	49
Banco Bradesco SA	44,900	904	889
Banco do Brasil SA	9,700	169	157
Banco do Estado do Rio Grande	5,272	33	35
Banco Santander Brasil SA	15,500	208	187
BM&F Bovespa SA	35,907	263	235
Bradespar SA	6,600	117	138
Brasil Telecom Participoes SA	4,700	48	48
Brasil Telecom SA	3,487	30	30

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

October 31, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Braskem SA Pref A	2,188,645	11,092	14,673
Brazil Telecom Participacoes	169,156	8,077	8,514
BRF-Brasil Foods SA	9,600	250	235
Centrais Electricas Brasileira	792,890	7,933	10,629
CESP-Companhia Energetica	5,231	64	62
Cetrais Elect de Santa Catarin	155,600	4,108	3,173
CIA Brasileira de Meios de Pag	17,981	173	166
CIA Paranaense De Energia	526,590	6,667	9,231
Compahnia de Transmissao	900	25	25
Companhia Brasileira de Distri	2,400	67	73
Companhia de Bebidas das Amer	4,400	365	403
Companhia de Concessoes Rodov	3,500	60	70
Companhia de Saneamento	859,813	10,478	16,505
Companhia Energetica de Minas	10,225	155	161
Companhia Siderurgica Nacional	11,600	347	388
Cosan SA Industria e Comercio	3,364	36	36
CPFL Energia SA	2,800	50	49
Cyrela Brazil Realty SA	6,000	75	77
Duratex SA	6,400	48	44
EDP-Energias do Brasil SA	1,900	31	31
Eletropaulo Metropolitana SA	242,036	4,416	4,570
Empresa Brasileira	485,770	8,064	9,837
Fertilizantes Fosfatados SA	2,900	29	28
Gerdau SA	22,108	281	323
GVT Holdings SA	2,631	60	76
Itau Unibanco Holding SA	60,100	1,226	1,154
Itausa - Investimentos Itau SA	65,000	387	373
JBS SA	10,526	53	59
Klabin SA	12,000	28	29
Lojas Americanas SA	9,700	64	64
Marfrig Frigorificos e Comerci	3,922	36	45
Metalurgica Gerdau SA	8,100	132	148
MRV Engenharia e Participacoes	2,541	48	48
Natura Cosmeticos SA	5,000	90	90
Net Servicos de Comunicacao SA	5,352	63	67
OGX Petroleo e Gas Particiipac	400	331	327
Petroleo Brasileiro SA	15,890	3,283	3,399
Porto Seguro SA	2,686	27	28
Redecard SA	396,328	4,378	5,939
Souza Cruz SA	2,200	78	78
Sul America SA	154,365	2,149	3,662
Suzano Papel e Celulose SA	4,200	44	37
Tele Norte Leste Participacoes	441,540	6,971	10,216
Telemar Norte Leste SA	800	26	25
TIM Participacoes SA	398,080	7,644	9,391
Tractebel Energia SA	3,800	46	45
Ultrapar Participacoes SA	2,200	87	96
Usinas Siderurgicas de Minas	10,700	274	278
Vale SA	103,900	2,254	2,478
Vivo Parcitipacoes SA	529,127	8,261	12,915
Votorantim Celulose e Papel	2,856	46	40
<i>Total Brazil - 8.3%</i>		102,946	132,324
<i>Canada</i>			
Alimentation Couche-Tard Inc	186,100	1,911	3,281
ATCO Ltd	21,800	651	858
BCE Inc	40,443	894	972
Biovail Corporation	257,200	3,293	3,486
Bombardier	1,078,600	3,495	4,396
Canadian Imperial Bank	79,900	4,731	4,599
Celestica Inc	597,200	3,867	4,945
China Railway Group Ltd	110,000	92	89
Fairfax Financial Holdings Inc	15,500	3,578	5,570
Laurentian Bank of Canada	83,174	2,496	3,052
Manitoba Telecom Services	120,600	4,695	3,516

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

October 31, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
National Bank of Canada	124,600	5,253	6,523
Transcontinental Inc	239,200	3,636	2,884
<i>Total Canada - 2.8%</i>		38,592	44,171
<i>Cayman Islands</i>			
Agile Property Holdings Ltd	46,000	56	61
Ajisen China Holdings Ltd	1,498,845	953	1,274
Alibaba.com Ltd	36,500	87	85
Belle International Holdings	110,000	112	113
Bosideng International Holding	45,686,000	4,177	8,194
China Digital TV Holding	100,265	815	682
China Dongxiang Group	66,000	45	41
China High Speed Transmission	25,000	52	51
China Mengniu Dairy Co	33,000	86	94
China Resources Land Ltd	58,000	132	143
China Zhongwang Holdings	47,200	47	45
Country Garden Holdings Co	119,000	44	47
Daphne International Holdings	992,000	770	759
Geely Automobile Holdings Ltd	105,000	27	38
Hengan International Group	18,000	110	117
Hidili Industry International	30,000	28	32
Kingboard Chemical Holdings	302,500	1,216	1,241
Lee & Man Paper Manufacturing	1,191,600	782	2,398
Renhe Commercial Holdings	224,000	45	43
Shimae Property Holdings	46,500	80	89
Shui On Land Ltd	1,412,000	915	876
Soho China Ltd	60,500	33	33
Want Want China Holdings Ltd	77,000	44	46
<i>Total Cayman Islands - 1.0%</i>		10,656	16,502
<i>Chile</i>			
Banco Santander Chile	2,345	129	123
Cencosud SA	3,015	124	141
Compania Cervecerias Unidas SA	1,317	45	47
Empresa Nacional de Electricid	5,655	259	260
Enersis SA	13,507	244	239
Lan Airlines SA	7,018	91	94
Sociedad Quimica Minera Chile	4,668	175	171
Vina Concha Y Toro	1,256	53	54
<i>Total Chile - 0.1%</i>		1,120	1,129
<i>China</i>			
Jiangsu Expressway Co Ltd	34,000	28	31
Anhui Conch Cement Co Ltd	12,000	82	79
Bank of China Ltd	22,224,000	7,590	13,133
Bank of Communications	168,000	201	206
Beijing Capital Intl Airport	54,000	34	37
China Bluechemical Ltd	48,000	26	26
China CITIC Bank	144,000	93	110
China Coal Energy Co	101,000	132	145
China Communication Services	52,000	28	27
China Communications Construct	122,000	134	135
China Construction Bank Corp	1,309,000	1,040	1,150
China Cosco Holdings Company	71,000	86	90
China Life Insurance Co	217,000	936	1,023
China National Bldg Material	34,000	79	75
China Railway Construction Ltd	54,000	72	73
China Shipping Container Lines	98,000	36	36
China Shipping Development Co	38,000	50	55
China South Locomotive	56,000	33	32
China Telecom Corp Ltd	404,000	189	183
Dongfang Electric Corp Ltd	4,000	20	20
Dongfeng Motor Group Company	2,584,000	731	3,137
First Tractor Company Ltd	3,452,000	1,188	1,443
Guangzhou R&F Properties Corp	28,000	50	54

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

October 31, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Huaneng Power International	90,000	59	59
Industrial & Comm Bnk of China	1,331,000	994	1,080
Metallurgical Corp of China	69,000	47	47
PetroChina Co Ltd	614,000	693	761
PICC Property & Casualty Co	70,000	49	53
Ping An Insurance Co	37,500	297	337
Shandong Weigao Gp Med Polymer	8,000	27	28
Shanghai Electric Group Co	82,000	39	39
Sichuan Xinhua Winshare	6,391,000	1,553	2,647
Sinopec Shanghai Petrochemical	68,000	28	28
Sinotrans Ltd	30,340,000	5,194	8,064
Tsingtao Brewery Company Ltd	10,000	37	41
Weichai Power Co Ltd	6,000	32	40
Yanzhou Coal Mining Company	58,000	85	93
Zijin Mining Group	116,000	117	115
ZTE Corporation	8,000	43	45
<i>Total China - 2.2%</i>		22,152	34,777
<i>Colombia</i>			
Bancolumbia SA	109,580	3,864	4,337
Ecopetrol SA	13,621	386	351
<i>Total Colombia- 0.3%</i>		4,250	4,688
<i>Czech Republic</i>			
CEZ	4,707	251	235
Komerční Banka AS	443	89	88
Telefonica O2 Czech Republic	355,258	8,334	8,422
Unipetrol	140,000	2,184	1,058
<i>Total Czech Republic - 0.6%</i>		10,858	9,803
<i>Denmark</i>			
D/S Norden A/S	24,360	1,019	925
Danske Bank A/S	157,600	3,365	3,663
Sim Corp A/S	9,259	917	1,799
Trygvesta A/S	33,900	1,721	2,460
<i>Total Denmark - 0.6%</i>		7,022	8,847
<i>Egypt</i>			
Commercial International Bank	8,596	91	89
Edyptian Company for Mobile Sv	1,037	42	40
Egyptian Financial Group-Herme	8,043	45	47
Egyptian Kuwaiti Holding Co	21,104	51	50
Orascom Construction Industries	2,970	129	142
Orascom Telecom Holding	15,547	100	106
Telecom Egypt	11,804	39	38
<i>Total Egypt- 0.0%</i>		497	512
<i>Finland</i>			
Elcoteq Network	9,325	173	15
Huhtamaki	224,400	2,469	3,049
TietoEnator Oyj	171,000	4,238	3,437
<i>Total Finland - 0.4%</i>		6,880	6,501
<i>France</i>			
Arkema	27,682	1,147	1,064
Axa	259,700	7,310	6,520
BioMerieux	12,240	999	1,366
BNP Paribas	58,900	4,720	4,471
Bull SA	332,120	662	1,397
Casino Guichard Perrachon SA	52,000	3,859	4,157
Compagnie Generale de Geophy	66,376	1,592	1,323
Credit Agricole SA	47,800	1,693	924
European Aeronautic Defence	439,300	6,178	8,287
Faurecia	34,796	605	678
France Telecom SA	210,000	6,791	5,224

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

October 31, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Groupe Steria SCA	38,672	1,304	1,164
Metropole Television	37,336	839	904
Rallye SA	35,300	2,308	1,205
SA des Ciments Vicat	19,242	1,330	1,604
Sanofi-Synthelabo SA	175,200	11,939	12,859
SCOR SE	152,600	3,648	3,901
Total SA	143,200	10,475	8,586
Virbac SA	14,455	992	1,364
Vivendi Universal	284,900	9,739	7,951
<i>Total France - 4.7%</i>		78,130	74,949
<i>Germany</i>			
Allianz AG	23,600	3,989	2,716
BASF AG	118,600	5,065	6,422
Bijou Brigitte Accessoires AG	10,169	1,042	1,652
Deutsche Bank AG	44,900	4,484	3,240
Deutsche Lufthansa AG	172,200	4,568	2,658
E.On AG	267,200	8,100	10,254
Fuchs Petrolub AG	17,261	989	1,414
Gerresheimer AG	48,791	976	1,422
Hannover Rueckversicherung AG	32,364	1,100	1,472
Hochtief AG	14,616	927	1,097
Kontron AG	128,270	1,155	1,533
Krones AG	22,784	1,086	1,139
Leoni AG	70,504	959	1,436
MorphoSys AG	23,065	510	603
Muenchener Rueckversicherungs	38,700	6,977	6,170
MUT Aero Engines Holding AG	94,800	3,636	4,312
Pfeiffer Vacuum Technology AG	20,598	1,090	1,539
Rhoen-Klinikum AG	57,628	1,097	1,397
RWE AG	43,700	3,725	3,836
Software AG	20,997	1,300	1,880
Suedzucker AG	124,631	1,882	2,585
ThyssenKrupp AG	146,200	3,771	4,713
TUI AG	101,119	932	703
<i>Total Germany - 4.0%</i>		59,360	64,193
<i>Greece</i>			
Alapis Holding Ind & Commer	1,859,100	1,132	1,591
Alpha Bank AE	137,500	4,361	2,696
Hellenic Petroleum SA	67,538	941	827
Marfin Popular Bank Public Co	461,600	2,344	2,030
Piraeus Bank SA	73,300	1,419	1,282
<i>Total Greece - 0.5%</i>		10,197	8,426
<i>Hong Kong</i>			
Air China Ltd	64,000	36	36
Aluminum Corp of China	114,000	123	128
Angang New Steel Company	32,000	60	61
Beijing Enterprises Holdings	14,000	75	85
BYD Company Ltd	15,000	122	140
Chaoda Modern Agricultures Ltd	20,706,000	11,986	16,190
China Agri-Industries Holdings	4,145,000	1,932	4,043
China Everbright Ltd	20,000	46	48
China Merchants Bank	100,500	223	264
China Merchants Holdings Intl	32,000	105	105
China Mobile (Hong Kong) Ltd	175,500	1,699	1,676
China Oilfield Services Ltd	44,000	41	49
China Overseas Land & Investment	118,000	259	260
China Pet & Chem Cor (Sinopec)	4,008,000	3,598	3,486
China Resources Enterprise Ltd	34,000	100	116
China Resources Power	48,000	110	101
China Shenhua Energy Company	94,000	406	433
China Taiping Insurance	20,000	57	71
China Travel International	220,000	47	46

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

October 31, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
China Unicom (Hong Kong) Ltd	174,129	245	228
Citic Pacific Ltd	32,000	84	84
CNOOC Ltd	521,000	706	808
CNPC Hong Kong Ltd	60,000	48	64
Dah Sing Financial Group	181,271	940	1,034
Datang Intl Power Generation	92,000	47	45
Denway Motors Ltd	142,000	63	69
Dickson Concepts Ltd	1,628,500	1,191	763
First Pacific Company Ltd	22,138,000	8,863	13,225
Fosun International	46,500	32	32
Fountain Set (Holdings) Ltd	26,540,000	6,488	4,178
Franshion Properties China Ltd	92,000	26	26
Fushan Intl Energy Group Ltd	80,000	54	62
Guangdong Investment Ltd	72,000	36	38
Harbin Power Equipment Company	846,797	979	806
Hopson Development Holdings	20,000	28	36
Inspur International Ltd	8,276,940	1,402	1,196
Jiangxi Copper Company Ltd	40,000	90	93
Lenovo Grp Ltd	134,000	62	76
Li Ning Company	21,000	64	58
Maanshan Iron & Steel Company	3,008,000	1,843	1,859
Parkson Retail Group Ltd	36,500	55	60
Shanghai Industrial Holdings	16,000	75	76
Sino-Ocean Holdings Ltd	88,500	80	88
Sinotruk Hong Kong Ltd	22,000	26	26
SmarTone Telecommunications	6,401,500	6,377	4,915
Tencent Holdings Ltd	26,000	420	460
Tingyi Holding Corporation	48,000	100	108
TPV Technology Ltd	3,770,000	2,154	2,505
Varitronix International Ltd	783,000	785	242
Weiqiao Textile Company Ltd	13,096,000	16,742	9,277
Zhejiang Expressway Company	3,346,000	2,509	2,888
<i>Total Hong Kong - 4.6%</i>		73,639	72,763
<i>Hungary</i>			
Magyar Telekom	3,111,651	14,991	13,570
MOL Hungarian Oil & Gas Nyrt	1,524	128	129
OTP Bank Nyrt	83,064	3,315	2,381
Richter Gedeon Nyrt	408	84	86
<i>Total Hungary - 1.0%</i>		18,518	16,166
<i>India</i>			
Axix Bank Ltd	9,600	203	182
Dr. Reddy's Laboratories	9,100	177	198
Gail India Ltd	12,900	510	561
Grasim Industries Ltd	2,500	129	116
HDFC Bank Ltd	4,400	508	487
ICICI Bank Ltd	20,900	801	657
Infosys Technologies	24,700	1,196	1,136
Larsen & Toubro Ltd	10,800	377	356
Mahindra & Mahindra Ltd	7,500	141	147
Ranbaxy Laborato-SP	5,600	47	46
Reliance Industries Ltd	17,000	1,558	1,418
Satyam Computer Services Ltd	22,800	144	121
State Bank of India	50,900	2,459	4,657
Sterlite Industries (India)	20,600	329	325
Tata Motors Ltd	15,800	193	180
Tata Steel Ltd	16,300	183	187
Wipro Ltd	15,000	275	257
<i>Total India - 0.7%</i>		9,230	11,031
<i>Indonesia</i>			
Aneka Tambang TBK	97,500	25	23
Astra Agro Lestari TBK	11,500	25	26
Astra International TBK	59,000	207	193

See accompanying notes to financial statements.



# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

October 31, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Bank Central Asia TBK	359,500	176	172
Bank Danamon Indonesia TBK	84,500	44	40
Bank Mandiri	211,000	104	103
Bank Rakyat Indonesia	160,000	129	119
Bumi Recources TBK	509,000	171	127
Indocement Tunggul Prakarsa	43,000	49	50
Indofood Sukses Mak TBK	128,000	41	41
Indosat TBK	39,500	22	21
Intl Nickel Indonesia TBK	58,000	25	25
Lippo Karawaci TBK	292,000	20	20
Perusahaan Gas Negara	349,000	133	132
Semen Gresik (Persero) TBK	43,000	29	31
Tambang Bukit Asam TBK	23,500	34	37
Telekomunikasi Indones TBK	294,000	267	259
Unilever Indonesia TBK	44,500	50	47
United Tractors TBK	43,500	70	68
<i>Total Indonesia - 0.1%</i>		1,621	1,534
<i>Ireland</i>			
C&C Group PLC	251,321	979	931
Irish Life & Permanent PLC	398,100	6,377	2,896
Total Produce PLC	82,700	92	42
<i>Total Ireland - 0.2%</i>		7,448	3,869
<i>Israel</i>			
Bank Hapoalim BM	28,823	106	107
Bank Leumi Le-Israel	1,011,169	3,379	4,006
Bezeq Israeli Telecommunicatio	1,056,057	1,565	2,370
Cellcom Israel Ltd	1,434	44	43
Check Point Software Tech	4,899	140	152
Elbit Systems Ltd	614	42	37
Israel Chemicals Ltd	14,752	175	176
Israel Corporation Ltd	56	35	39
Israel Discount Bank	14,295	28	28
Makhteshim-Agan Industries Ltd	3,231,556	13,965	15,487
Mizrahi Tefahot Bank Ltd	3,575	31	29
Nice Systems Ltd	1,775	54	56
Ormat Industries Ltd	5,000	45	44
Partner Communications Company	2,239	42	43
Syneron Medical Ltd	330,882	3,453	3,640
Teva Pharmaceutical Ltd	25,974	1,321	1,297
<i>Total Israel - 1.7%</i>		24,425	27,554
<i>Italy</i>			
Ansaldo STS SpA	79,153	1,029	1,519
Banca Popolare di Milano Scarl	119,115	908	891
Buzzi Unicem SpA	68,410	954	1,155
Danieli SpA	86,161	549	1,142
Davide Campari - Milano SpA	165,214	845	1,583
DiaSorin	45,618	914	1,676
Enel SpA	1,044,300	5,684	6,248
ENI SpA	271,500	8,677	6,774
Enia SpA	71,100	488	520
Finmeccanica SpA	94,600	2,202	1,597
Iride SpA	249,500	471	463
Parmalat SpA	568,710	1,131	1,583
Pirelli & Company SpA	2,769,043	1,344	1,565
Prysmian SpA	67,199	944	1,189
<i>Total Italy - 1.7%</i>		26,140	27,905
<i>Japan</i>			
Aeon Delight Company Ltd	109,500	1,863	1,687
Astellas Pharma Inc	206,700	7,370	7,695
Canon Marketing Japan Inc	71,700	1,239	1,173
Circle K Sunkus Company Ltd	153,800	2,188	2,119

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

October 31, 2009

*(Amounts in thousands, except share data)*

Security Name	Shares	Cost	Fair Value
Cosmo Oil Company	782,000	2,769	2,091
Daibiru Corporation	101,434	776	873
DDI Corporation	900	4,328	4,812
Don Quijote Co Ltd	62,500	816	1,681
Eizo Nannao Corporation	51,700	1,645	1,239
Elpida Memory Inc	77,844	1,040	1,054
Enix Corporation	56,400	1,531	1,417
Fields Corporation	633	869	853
Fuji Oozx Ic	5,000	18	13
Hanwa Company Ltd	600,000	3,094	2,134
Hitachi Cable Ltd	887,000	3,002	2,401
Hitachi Capital Corporation	67,400	608	870
Hitachi High-Technologies Corp	24,000	377	405
Hitachi Kiki Company Ltd	31,600	376	353
Hogy Medical Company Ltd	32,700	1,756	1,759
Hokuto Corporation	60,300	1,176	1,352
Hoshizaki Electric Company Ltd	86,196	1,160	1,227
Idemitsu Kosan Company Ltd	18,886	1,617	1,406
Itochu Corp	499,000	3,527	3,241
Izumi Company Ltd	103,100	1,126	1,255
JSR Corporation	104,400	1,432	2,075
JTEKT Corporation	155,511	1,371	1,687
Kaken Pharmaceutical Co Ltd	156,000	1,442	1,415
Kanto Auto Works Ltd	119,600	1,670	1,157
Keihin Corporation	160,500	1,387	2,493
Keiyo Bank Ltd	241,000	1,155	1,171
Kobayashi Pharmaceutical Co	23,459	820	1,013
Konica Corporation	438,000	3,109	4,229
Ku Holdings Company Ltd	3,100	15	12
Kyoei Steel Ltd	91,400	1,535	2,070
Kyowa Exeo Corporation	176,000	1,633	1,624
Marubeni Corporation	654,800	2,948	3,328
McDonald's Holding Company	70,239	1,307	1,415
Megmilk Snow Brand Co Ltd	59,264	1,131	1,162
Miraca Holdings Inc	160,100	3,438	5,218
Mitani Corporation	3,200	43	20
Mitsui & Company Ltd	230,000	4,638	3,107
Mizuho Financial Grp Inc	1,008,100	2,678	2,038
Mochida Pharmaceutical Company	119,667	1,241	1,239
Monex Group Inc	2,094	941	850
NEC Corporation	879,000	2,526	2,564
NEC Electronics Corp	93,200	931	707
Nippon Electric Glass Co Ltd	141,000	1,232	1,561
Nippon Mining Holdings Inc	686,000	4,110	3,145
Nippon Oil Corporation	254,600	2,036	1,274
Nippon Telegraph & Telephone	188,900	8,428	7,826
Nitto FC Co Ltd	2,000	11	11
NOK Corporation	122,093	1,277	1,655
NTT DoCoMo	5,500	8,422	8,014
Numura Real Estate Office Fund	228	1,194	1,423
Onward Kashiyama Company	406,000	3,969	2,552
Sankyo Company Ltd	48,400	2,199	2,786
Seiko Epson Corporation	138,000	2,066	2,180
Seino Holdings Corporation Ltd	330,000	1,730	2,472
Seven Bank Ltd	711	1,596	1,744
Shinko Plantech Company Ltd	81,500	464	852
SK Kaken Company Ltd	1,000	30	25
Sumitomo Corporation	363,800	5,694	3,617
Sumitomo Heavy Industries	328,000	1,450	1,536
Sumitomo Mitsui Financial Grp	59,000	2,183	2,060
Sundrug Co Ltd	69,700	1,244	1,760
Takeda Pharmaceutical Co Ltd	219,900	9,889	8,867
Toshiba Plant Sys & Ser Corp	110,000	1,361	1,452
Toyo Tanso Company Ltd	25,051	1,344	1,270
Tsumura & Company	44,600	1,260	1,537

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

October 31, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
UNY Company Ltd	224,000	2,051	1,698
USC Corporation	300	2	4
Yamaguchi Financial Group	131,099	1,292	1,267
Yodogawa Steel Works Ltd	512,000	2,194	2,144
Yokohama Rubber Company Ltd	429,000	1,821	1,915
<i>Total Japan - 9.4%</i>		152,211	150,351
<i>Korea</i>			
Amorepacific Corporation	94	68	65
Celltrion Inc	1,570	20	19
Cheil Industries Inc	1,382	58	52
CJ CheilJedang Corp	230	40	40
Daegu Bank	3,470	50	47
Daelim Industrial Co Ltd	810	50	53
Daewoo International Corp	1,430	42	40
Daewoo Securities Co Ltd	3,610	65	56
Daewoo Shipbuilding & Marine	2,790	40	38
Dongbu Insurance Company Ltd	1,140	34	36
Dongkuk Steel Mill Co Ltd	1,080	25	24
Doosan Corporation	290	22	21
Doosan Heavy Industries	920	52	51
Doosan Infracore Co, Ltd	2,210	33	32
GS Engineering & Construction	1,040	83	94
GS Holdings Corp	1,490	41	38
Halla Climate Control Corp	364,500	3,474	3,592
Hana Financial Group	5,560	188	170
Hanjin Heavy Indus & Const	910	20	17
Hanjin Shipping Co	1,680	30	23
Hankook Tire Company Ltd	2,220	43	43
Hanwha Chemical Corporation	269,550	2,970	2,576
Hanwha Corporation	1,420	51	47
Hite Brewery Co Ltd	150	21	21
Honam Petrochemical Corp	420	30	29
Hynix Semiconductor Inc	13,760	229	210
Hyosung Corporation	670	39	38
Hyundai Dept Store Co	430	39	42
Hyundai Development Company	1,650	60	50
Hyundai Engineering & Construc	1,460	79	82
Hyundai Heavy Industries Co	1,110	168	156
Hyundai Mipo Dockyard Company	27,520	2,488	2,318
Hyundai Mobis	1,850	253	251
Hyundai Motor Co Ltd	254,940	8,354	8,499
Hyundai Securities Co Ltd	3,470	48	41
Hyundai Steel Co	1,610	105	105
Industrial Bank of Korea (IBK)	309,760	5,110	3,865
Kaewoo Engineering & Construct	3,330	40	35
Kangwon Land Inc	2,810	42	38
KB Financial Group Inc	226,854	9,965	11,283
KCC Corp	140	41	41
Kia Motors Corporation	5,890	90	90
Korea Electric Power Corp	319,530	10,356	9,189
Korea Exchange Bank	321,330	4,208	3,751
Korea Gas Corporation	680	31	29
Korea Investment Holdings Co	1,080	32	30
Korea Zinc Company	24,950	2,768	3,946
Korean Air Lines Co	1,050	43	41
KT Corporation	91,130	4,138	2,998
KT&G Corporation	3,240	198	189
LG Chemical Ltd	4,120	423	397
LG Dacom Corporation	1,190	15	19
LG Display Co Ltd	6,790	193	166
LG Electronics Inc	3,240	3,021	280
LG Hausys Ltd	4,672	399	476
LG Household & Health Care Ltd	250	56	52
LG Telecom Ltd	3,960	29	30

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

October 31, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Lotte Chilsung Beverage Co	16,020	14,154	11,003
Lotte Confectionery Co Ltd	111	112	112
Lotte Shopping Company Ltd	21,120	2,246	6,038
LS Cable Ltd	520	45	43
LS Industrial Systems Co	480	37	36
Mirae Asset Securities Co	670	40	36
NCsoft Corporation	400	57	43
NHN Corporation	1,194	176	179
OCI Company Ltd	370	80	66
Pohang Iron & Steel Co Ltd	1,908	800	813
Pusan Bank	292,230	3,605	3,399
S1 Corporation	500	22	20
Samsung C&T Corporation	3,650	167	152
Samsung Card Co	1,080	49	43
Samsung Electro Mechanics Co	1,740	145	147
Samsung Electronics Co Ltd	6,934	3,602	4,117
Samsung Engineering Co	880	77	80
Samsung Fire & Marine Ins Co	1,110	227	204
Samsung Heavy Industries	4,720	100	92
Samsung SDI Co Ltd	1,000	123	116
Samsung Securities Co Ltd	1,460	85	73
Samsung Techwin Company Ltd	1,090	86	85
Shinhan Financial Group	11,760	468	459
Shinsegae Co Ltd	413	207	180
SK Energy Co Ltd	1,750	185	164
SK Holdings Co Ltd	31,790	2,776	2,571
SK Networks Co Ltd	2,130	23	21
SK Telecom Company Ltd	16,350	3,025	2,510
S-Oil Corporation	1,310	70	64
STX Offshore & Shipbuilding	3,600	44	40
STX Pan Ocean Co Ltd	3,000	28	28
Taihan Electric Wire Co	2,400	45	39
Tong Yang Securities Inc	2,050	26	19
Woongjin Coway Co Ltd	1,410	46	48
Woori Finance Holdings Co	7,060	96	98
Worri Investment & Securities	2,510	36	33
Yuhan Corporation	250	41	41
<i>Total Korea - 5.6%</i>		93,761	89,173
<i>Malaysia</i>			
AMMB Holdings Berhad	55,900	70	77
Axiata Group Berhad	80,100	73	69
Berjaya Sports Toto Berhad	23,500	30	30
British American Tobacco Malay	4,600	60	61
Bursa Malaysia Berhad	10,800	26	26
Commerce Asset Hldg Berhad	62,200	203	227
Digi.com Berhad	11,100	69	71
Gamuda Berhad	50,700	46	47
Genting Berhad	70,200	141	149
Genting Malaysia Berhad	102,100	82	82
Hong Leong Bank Berhad	15,000	29	33
IGB Corporation Berhad	70,000	45	40
IJM Corporation Berhad	25,400	33	36
IOI Corporation Berhad	108,600	163	171
Kuala Lumpur Kepong Berhad	15,200	60	67
Malayan Banking Berhad	111,900	215	219
MISC Berhad	35,300	90	92
MMC Corporation Berhad	59,000	44	43
Parkson Holdings Berhad	16,400	24	25
Petronas Gas Berhad	15,600	44	45
Plus Expressways Berhad	47,500	46	46
PPB Group Berhad	16,900	75	75
Proton Holdings Berhad	1,654,500	2,423	1,838
Public Bank Berhad	34,000	100	106
Sime Darby Berhad	94,900	234	247

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

October 31, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
SP Setia Berhad	25,700	30	29
Tanjong Public Ltd Company	681,000	3,050	3,025
Telekom Malaysia Berhad	32,600	29	29
Tenage Nasional Berhad	61,700	146	152
UMW Holdings Berhad	17,300	31	32
YTL Corporation Berhad	23,600	50	50
YTL Power International Berhad	65,000	41	41
<i>Total Malaysia - 0.5%</i>		7,802	7,280
<i>Mexico</i>			
Alfa SA A Shares	742,400	4,398	3,823
America Movil SAB de CV	542,700	1,151	1,203
Carso Global Telecom SAB de CV	20,300	80	80
Cemex SAB de CV	265,200	322	278
Cemex SAGB de CV	1,435,816	11,720	14,904
Coca-Cola Femsa SAB de CV	7,900	38	43
Desarrolladora Homex SA	6,400	38	38
Fomento Economico Mexicano SA	63,000	280	268
Grupo Aeroportuario del Pacifi	13,900	38	35
Grupo Bimbo SAB de CV	10,300	55	60
Grupo Carso SAB de CV	16,962	50	53
Grupo Elektra SA de CV	2,100	77	86
Grupo Financiero Banorte - O	41,204	134	136
Grupo Financiero Inbursa SAB	19,400	52	55
Grupo Mexico SAB de CV	111,297	194	222
Grupo Modelo SA de CV	14,800	65	68
Grupo Televisa MM	2,633,660	9,943	10,132
Industrias Penoles SA de CV	2,900	46	54
Kimberly-Clark de Mexico SAB	15,700	64	62
Mexichem SAB de CV	26,200	38	43
Telefonos de Mexico SA	3,649,710	7,946	7,689
Telmex International SAB	155,100	104	101
Urbi Desarrollos Urbanos SA	14,200	28	28
Wal-Mart de Mexico SAB	86,000	291	307
<i>Total Mexico - 2.5%</i>		37,152	39,768
<i>Netherlands</i>			
Aegon NV	274,100	3,714	1,973
ASM International NV	46,687	633	952
CSM NV	170,211	2,079	4,522
Fugro NV	16,663	526	934
Gemalto NV	42,580	1,479	1,802
Koninklijke DSM NV	139,700	5,192	6,151
Nutreco Holding NV	20,681	760	1,050
<i>Total Netherlands - 1.1%</i>		14,383	17,384
<i>New Zealand</i>			
Fletcher Building Ltd - 0.1%	189,796	720	1,142
<i>Norway</i>			
DnB Holding ASA	230,200	3,057	2,665
StatoilHydro ASA	125,700	4,074	2,998
Stolt-Nielsen SA	96,500	2,011	1,338
TGS Nopec Geophysical Company	86,373	691	1,324
Veidekke ASA	306,000	2,774	2,363
<i>Total Norway - 0.7%</i>		12,607	10,688
<i>Pakistan</i>			
Nishat Mills Ltd - 0.1%	1,263,200	1,844	915
<i>Panama</i>			
Banco Latinoamericano de Exp - 0.5%	604,261	9,560	8,526
<i>Peru</i>			
Compania de Minas Buenaventura - 0.0%	5,553	192	186

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

October 31, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
<i>Philippines</i>			
Ayala Corporation	6,400	41	39
Ayala Land Inc	191,000	49	42
Bank of Philippine Islands	47,800	46	47
First Philippine Holdings Corp	4,618,700	2,918	4,608
Manila Electric Company	16,430	61	65
Philippine Long Distance Tel	1,720	90	94
SM Investments Corporation	6,750	47	45
SM Prime Holdings Inc	147,000	32	31
Universal Robina Corporation	9,029,600	2,192	2,370
<i>Total Philippines - 0.5%</i>		5,476	7,341
<i>Poland</i>			
Asseco Poland SA	1,777	37	36
Bank Handlowy w Warszawie	998	22	22
Bank Pekao SA	3,604	194	197
Bank Zachodni WBK SA	669	35	36
BRE Bank SA	318	27	30
Getin Holding SA	9,772	30	28
Globe Trade Centre SA	3,686	30	32
Ing Bank Slaski SA	100	22	23
KGHM Polska Miedz	3,666	110	126
Polski Koncern Naftowy Orlen	350,398	3,031	3,707
Polskie Gornictwo Naftowe Gaz	36,042	45	44
Powszechna Kasa Oszczednosci	15,272	181	184
Telekomunikacja Polska SA	423,298	3,124	2,511
TVN SA	4,278	21	22
<i>Total Poland - 0.4%</i>		6,909	6,998
<i>Portugal</i>			
Banco Espirito Santo - 0.2%	349,800	2,449	2,590
<i>Russia</i>			
Cherepovets MK Severstal	10,738	88	78
Comstar United Telesystems	4,501	24	23
Federal Grid Co Unified Energy	7,763,128	92	85
Gazprom	319,150	6,333	7,723
Gazprom Neft	1,787	39	45
Lukoil	81,393	6,446	4,656
Magnitogorsk Iron & Steel Work	600,482	5,304	5,705
Mechel	6,022	112	103
Mining & Metallurgical Co	23,090	293	305
MMC Norilsk Nickel	296,596	4,759	3,915
Mobile TeleSystems	74,966	2,471	3,396
NovaTek OAO	2,452	122	124
Novolipetsk Steel (NLMK)	2,097	54	55
OAO TMK	1,469	23	27
Pharmstandard	4,635	81	75
Polymetal	4,900	46	43
Polyus Gold	4,105	95	108
Rosneft Oil	34,237	265	262
RusHydro	2,745,983	96	100
Sberbank	232,447	468	523
Sistema JSFC	4,898	83	80
Surgutneftegaz	37,895	240	249
Tatneft	6,354	164	166
Uralkali	4,003	77	91
Vimpel-Communications	8,283	156	149
VTB Bank OJSC	21,117	81	84
Wimm-Bill-Dnn Foods	474	34	32
<i>Total Russia - 1.8%</i>		28,046	28,202
<i>Singapore</i>			
Changjiang Fertilizer Holdings	53	1	-
ComfortDelGro Corporation	1,225,000	1,073	1,349

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

October 31, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Flextronics International Ltd	1,121,980	3,206	7,270
Golden Agri-Resources Ltd	13,783,579	2,568	4,238
Haw Par Corporation Ltd	75,000	288	300
Hong Leong Asia Ltd	1,164,000	2,220	1,731
MobileOne Ltd	9,344,300	10,437	11,626
Noble Group Ltd	3,577,000	3,000	6,701
Peoples Food Holdings Ltd	12,701,000	9,800	6,085
Venture Corp Ltd	215,200	1,138	1,393
<i>Total Singapore - 2.5%</i>		33,731	40,693
<i>South Africa</i>			
ABSA Group Ltd	9,403	148	150
African Bank Investments Ltd	22,266	87	88
African Rainbow Minerals	3,088	61	60
Anglo Platinum Ltd	1,735	153	152
Anglogold Ashanti Ltd	8,775	351	325
ArcelorMittal South Africa Ltd	5,197	82	71
Aspen Pharmacare Holdings	6,317	51	53
Astral Foods Ltd	161,900	2,256	2,068
Aveng Ltd	11,522	67	61
Bidvest Group Ltd	8,323	129	131
Discovery Holdings Ltd	7,764	30	31
Exxaro Resources Ltd	3,627	43	41
FirstRand Ltd	82,161	178	187
Foschini Ltd	5,958	49	47
Gold Fields Ltd	19,499	266	250
Growthpoint Properties Ltd	41,067	73	73
Harmony Gold Mining Co Ltd	10,552	114	106
Impala Platinum Holdings Ltd	15,647	360	348
Imperial Holdings Ltd	673,517	3,970	7,005
Investec Ltd	6,258	47	47
JD Group Ltd	297,371	1,805	1,668
Kumba Iron Ore Ltd	2,328	76	70
Liberty Holdings Ltd	3,335	29	29
Massmart Holdings Ltd	5,867	68	68
Metropolitan Holdings Ltd	1,946,300	3,206	3,307
MTN Group Ltd	42,900	703	644
Murray & Roberts Holdings	9,190	72	66
Nampak Ltd	1,627,100	3,444	3,534
Naspers Ltd	11,195	378	407
Nedbank Group Ltd	5,594	88	85
Netcare Ltd	26,954	37	40
Northam Platinum Ltd	4,196	18	20
Pick n Pay Stores Ltd	6,638	34	35
Pretoria Portland Cement Co	14,522	65	61
Redefine Income Fund Ltd	69,478	66	64
Remgro Ltd	12,809	150	151
Reunert Ltd	5,168	39	37
RMB Holdings Ltd	21,144	76	77
Sanlam Ltd	59,807	160	164
Sappi Ltd	14,872	56	55
Sasol	16,716	625	632
Shoprite Holdings Ltd	11,880	97	97
Standard Bank Group Ltd	33,983	432	427
Steinhoff International Hldgs	33,926	74	82
Telkom South Africa Ltd	7,589	43	43
Tiger Brands Limited	4,796	95	96
Truworths International Ltd	12,583	71	72
Vodacom Group (Pty) Ltd	10,842	80	75
Woolworths Holdings Ltd	19,803	42	44
<i>Total South Africa - 1.5%</i>		20,644	23,444
<i>Spain</i>			
Banco Santander Ctrl Hisp SA	763,400	8,451	12,384
Banco Santander SA Rights	763,400	-	135

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

October 31, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Grifols SA	94,071	1,478	1,528
Grupo Catalana Occidente SA	54,211	1,312	1,319
Repsol SA	323,400	9,400	8,668
Telefonica SA	332,800	7,121	9,344
<i>Total Spain - 2.1%</i>		27,762	33,378
<i>Sweden</i>			
Intrum Justitia AB	136,205	818	1,719
KappAhl Holding AB	207,287	682	1,653
NCC AB	212,300	3,788	3,281
Oriflame Cosmetics SA	36,950	873	2,096
Svenska Handelsbanken AB	188,700	2,901	5,008
Telefonaktiebolaget LM	424,600	3,220	4,581
<i>Total Sweden - 1.1%</i>		12,282	18,338
<i>Switzerland</i>			
Baloise Holding Ltd	73,300	4,946	6,308
Clariant AG	226,448	1,340	2,175
Credit Suisse Group	59,600	2,793	3,227
Helvetia Patria Holding	7,103	984	2,275
Novartis AG	265,800	9,791	13,948
Partners Group Holding AG	14,373	1,325	1,770
Petroplus Holdings AG	64,892	1,052	1,423
Sika AG	815	680	1,109
Swiss Life Holding	12,905	1,522	1,555
Swiss Re	78,300	4,167	3,212
Swisscom AG	8,300	2,855	3,009
Temenos Group AG	78,742	619	1,807
Zurich Financial Services AG	23,400	5,453	5,389
<i>Total Switzerland - 3.0%</i>		37,527	47,207
<i>Taiwan</i>			
Acer Inc	78,000	194	187
Advanced Semiconductor Engr	378,649	241	304
Asia Cement Corporation	50,000	56	53
Asustek Computer Inc	118,000	200	221
Au Optronics Corp	2,313,102	3,313	2,091
Benq Corporation	47,000	28	27
Catcher Technology Co Ltd	16,000	42	40
Cathay Financial Hldg Co Ltd	180,000	314	317
Chang Hwa Commercial Bank	152,000	70	67
Cheng Shin Rubber Industry Co	25,000	53	52
Cheng Uei Precision Industry	11,000	22	21
Chi Mei Optoelectronics Corp	146,000	77	75
Chicony Electronics Co Ltd	12,000	27	27
China Development Financial	293,000	77	78
China Steel Corporation	302,000	281	272
Chinatrust Financial Holding	260,000	174	160
Chunghwa Picture Tubes	294,000	34	31
Chunghwa Telecom Co Ltd	161,000	286	285
Compal Electronics Inc	10,629,172	9,812	13,579
Coretronic Corporation	21,000	26	23
Delta Electronics Inc	51,000	145	144
E Sun Financial Holding Co	96,000	40	38
Epistar Corporation	15,000	54	45
Everlight Electronics Co Ltd	9,000	29	25
Far Eastern Department Stores	26,000	28	27
Far Eastern Textile Ltd	86,000	103	103
Far EasTone Telecommunications	8,439,931	10,420	9,589
Feng Hsin Iron & Steel Co	14,000	22	22
First Financial Hldg Co Ltd	146,000	92	86
Formosa Chemicals & Fibre Corp	87,000	167	165
Formosa Petrochemical Corp	38,000	98	93
Formosa Plastics Corporation	122,000	250	237
Foxconn Technology Co Ltd	18,000	51	61

See accompanying notes to financial statements.



# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

October 31, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Fubon Financial Holding	138,000	162	157
Giant Manufacturing Co Ltd	8,000	21	21
Gigabyte Technology Company	2,968,000	2,206	2,560
HannStar Display Corporation	9,431,111	3,753	1,818
Hon Hai Precision Industry Co	235,000	931	939
HTC Corporation	20,000	219	203
Hua Nan Financial Holdings	106,000	67	63
Innolux Display Corporation	64,000	82	86
Inotera Memories Inc	49,000	31	30
Inventec Co Ltd	57,000	33	32
KGI Securities Company Ltd	88,000	48	41
Largan Precision Co Ltd	3,000	39	35
Lite-On Technology Corp	62,000	79	83
Macronix International Co	100,000	55	52
MediaTek Inc	28,000	459	400
Mega Financial Holding Co	237,000	150	135
Nan Ya Plastics Corp	157,000	257	253
Nan Ya Printed Circuit Bd Corp	6,000	21	19
Novatek Microelectronics Corp	15,000	35	35
Phison Electronics Corp	3,000	25	20
PixArt Imaging Inc	3,000	26	21
Polaris Securities Co Ltd	62,000	36	33
Pou Chen Corporation	70,000	46	49
Powerchip Semiconductor Corp	228,000	21	26
Powertech Technology Inc	17,000	50	48
President Chain Store Corp	16,000	38	37
Quanta Computer Inc	3,479,456	4,940	6,687
Realtek Semiconductor Corp	13,000	30	28
RichTek Technology Corp	4,000	34	31
Shin Kong Financial Holding	157,000	66	66
Siliconware Precision Inds	87,000	121	118
Simplo Technology Co Ltd	6,000	33	31
SinoPac Financial Holdings	171,000	70	65
Synnex Technology Intl Corp	33,000	70	64
Taishin Financial Holdings Co	123,000	53	49
Taiwan Cement Corporation	91,000	104	95
Taiwan Cooperative Bank	109,000	68	66
Taiwan Fertilizer Co Ltd	22,000	78	70
Taiwan Glass Industrial Corp	27,000	22	21
Taiwan Mobile Co Ltd	57,000	104	103
Taiwan Semiconductor Manf Co	751,000	1,461	1,385
Tatung Company Ltd	111,000	25	25
Teco Electric & Machinery Co	54,000	23	22
Transcend Information Inc	9,000	32	29
Tripod Technology Corp	12,000	31	31
Tung Ho Steel Enterprise Corp	22,000	23	21
U-Ming Marine Transport Corp	14,000	25	26
Unimicron Technology Corp	27,000	31	32
Uni-President Enterprises Corp	102,000	117	115
United Microelectronics Corp	379,000	187	189
Walsin Lihwa Corporation	29,462,000	9,300	9,783
Winbond Electronics Corp	34,590,000	8,350	6,541
Wintek Corp	29,000	21	20
Wistron Corporation	54,000	102	92
WPG Holdings Co Ltd	19,000	27	26
Yageo Corporation	15,272,000	4,982	4,301
Young Fast Optoelectronics	2,000	27	23
Yuanta Financial Holding Co	224,000	169	151
Yulon Motor Co Ltd	26,000	29	29
<i>Total Taiwan - 4.1%</i>		66,471	66,076
<i>Thailand</i>			
Advanced Info Service Public	28,400	80	73
Bangkok Bank Public Company	43,200	158	145
Bank of Ayudhya Public Co	58,200	33	31

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

October 31, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Banpu Public Company Ltd	4,500	58	59
CP ALL PLC	70,200	42	40
IRPC PCL	308,000	40	35
Kasikornbank Public Co Ltd	37,500	92	87
Krung Thai Bank Public Co	89,200	24	23
Land & Houses Public Company	230,200	42	39
PT Aromatics & Refining PLC	34,900	26	22
PTT Chemical PCL	11,500	25	22
PTT Exploration & Production	36,900	162	158
PTT PLC	27,100	212	195
Siam Cement Public Co Ltd	9,500	63	58
Siam Commercial Bank Public Co	38,100	98	88
Thai Oil Public Co Ltd	26,100	35	32
<i>Total Thailand- 0.1%</i>		1,190	1,107
<i>Turkey</i>			
AkBank TAS	508,555	2,404	2,782
Anadolu Efes Biracilik Ve Malt	6,306	68	72
Arcelik AS	5,562,372	14,104	18,369
Asya Katilim Bankasi AS	14,013	30	29
BIM Birlesik Magazalar AS	1,182	48	43
Enka Insaat ve Sanayi AS	7,287	31	30
Eregli Demir Ve Celik Fabrik	12,455	38	34
Haci Omer Sabanci Holding	14,791	57	55
Koc Holding AS	15,042	40	39
Selcuk Exza Deposu Ticaret AS	1,159,270	1,007	1,779
Trakya Cam Sanayii AS	3,506,605	2,342	4,141
Tupras-Turkiye Petrol Rafinery	3,899	65	67
Turk Telekomunikasyon AS	16,349	49	50
Turkcell Iletisim Hizmet AS	802,478	5,279	5,354
Turkisy Is Bankasi (Isbank)	33,565	130	129
Turkiye Garanti Bankasi AS	65,394	250	240
Turkiye Halk Bankasi	9,731	58	59
Turkiye Vakiflar Bankasi T-D	5,053,855	5,369	12,408
Yapi ve Kredi Bankasi AS	27,073	59	56
<i>Total Turkey - 2.9%</i>		31,428	45,736
<i>United Kingdom</i>			
Aberdeen Asset Management PLC	578,009	1,153	1,260
Aggreko PLC	144,696	751	1,813
Amlin PLC	167,009	859	974
AstraZeneca Group PLC	201,300	8,100	9,098
Aviva PLC	347,700	4,071	2,199
Barclays PLC	1,178,654	9,498	6,256
BP Amoco PLC	1,892,800	17,716	17,856
Bradford & Bingley PLC	202,000	1,045	-
British Aerospace PLC	879,500	4,446	4,559
Britvic PLC	739,600	2,325	4,255
BT Group PLC	1,427,300	5,116	3,089
Carillion PLC	404,545	1,411	1,963
Centrica PLC	673,200	2,097	2,755
Charter International PLC	163,100	960	1,868
Computacenter plc	900,800	3,344	4,210
Daily Mail & General Trust PLC	244,431	1,234	1,602
Dana Petroleum PLC	62,291	1,495	1,315
Drax Group PLC	336,200	4,504	2,577
Dunelm Group PLC	260,106	1,292	1,395
GlaxoSmithKline PLC	396,005	8,599	8,159
Greene King PLC	270,197	1,699	1,758
Halfords Group PLC	173,012	714	1,116
Hunting PLC	32,904	279	285
IG Group Holdings PLC	283,893	1,057	1,412
IMI PLC	525,900	3,980	3,739
Informa PLC	300,889	869	1,454
Legal & General Group PLC	1,431,600	3,410	1,852

See accompanying notes to financial statements.

# International Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

October 31, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Cost	Fair Value
Logica PLC	2,046,300	2,035	3,909
London Stock Exchange Group	100,640	1,316	1,412
Marston's PLC	893,188	2,333	1,275
Meggitt PLC	482,110	857	1,947
Micro focus International PLC	267,746	1,074	1,491
Mitie Group PLC	126,994	323	500
Mouchel Group PLC	152,948	622	480
N Brown Group PLC	309,018	1,162	1,330
Northern Foods PLC	290,100	781	302
Old Mutual PLC	2,141,000	4,842	3,748
Pace Micro Technology PLC	318,993	642	1,162
Premier Oil PLC	112,813	1,651	2,192
Royal & Sun Alliance Insurance	1,063,100	1,800	2,124
Royal Dutch Shell B Shares	664,600	18,801	19,281
RPS Group PLC	459,073	959	1,585
Serco Group PLC	196,895	1,068	1,641
Spectris PLC	422,819	4,627	4,722
St. James Place PLC	277,582	706	1,193
Tate & Lyle PLC	402,600	3,556	2,984
Thomas Cook Group	959,500	3,433	3,238
Tomkins PLC	1,165,500	1,867	3,230
Vodafone Group PLC	2,467,200	5,001	5,472
Wellstream Holdings Inc	122,798	1,154	1,037
William Hill PLC	397,548	1,136	1,101
Woolworths Group PLC	1,940,874	442	-
Total United Kingdom - 9.6%		154,212	156,175
<i>United States</i>			
Southern Copper Corporation - 0.0%	6,200	186	195
Total Equities - 90.5%		1,340,401	1,445,298
<b>Short-term Issues</b>			
Dreyfus Cash Management Institutional Fund - 6.1%	96,897,105	96,897	96,897
Total Investment Securities - 96.6%		\$ 1,437,298	\$ 1,542,195
<b>Foreign Currency Forward Contracts</b>			
<i>Short Positions</i>			
Australian Dollar, expiring 11/02/2009			\$ (27)
Euro Currency, expiring 11/02/2009 - 11/03/2009			(13)
Japanese Yen, expiring 11/02/2009			(73)
Norwegian Krone, expiring 11/02/2009			(10)
Singapore Dollar, expiring 11/02/2009			(10)
Swedish Krona, expiring 11/02/2009 - 11/03/2009			1
Swiss Franc, expiring 11/02/2009			(3)
Total Short Positions			(135)
Total Foreign Currency Forward Contracts - 0.0%			\$ (135)

See accompanying notes to financial statements.

# International Equity Pool

**Statement of Operations - Unaudited**  
**Period October 31, 2009\***  
*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Investment income</b>		
Interest	\$ -	\$ (2)
Dividend	995	14,525
Less withholding tax	(78)	(1,347)
Securities lending income	30	191
Shareholder litigation proceeds	-	104
Commission recapture	-	1
	<b>947</b>	<b>13,472</b>
<b>Expenses</b>		
Investment advisor fees	(758)	(3,113)
Trustee fees	(1)	(4)
Custodian bank fees	(177)	(391)
Management fees	(60)	(237)
Fiduciary bond fees	(1)	(3)
Professional service fees	(12)	(47)
Securities lending agent fees	(9)	(80)
Securities lending borrower rebates	16	211
	<b>(1,002)</b>	<b>(3,664)</b>
	<b>Total expenses</b>	<b>(3,664)</b>
	<b>Investment income (loss), net</b>	<b>9,808</b>
<b>Realized and unrealized gain (loss) from investments and foreign currency</b>		
Net realized gain from:		
Investments	29,622	70,080
Foreign currency transactions	17,846	18,214
Net increase (decrease) in the fair value of:		
Investments	(56,417)	192,875
Translation of assets and liabilities in foreign currencies	(11,161)	50,541
	<b>(20,110)</b>	<b>331,710</b>
	<b>Net gain (loss) from investments and foreign currency</b>	<b>331,710</b>
	<b>Net increase (decrease) in net assets from operations</b>	<b>\$ 341,518</b>
	<b>\$ (20,165)</b>	<b>\$ 341,518</b>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## International Equity Pool

### Statement of Changes in Net Assets - Unaudited Period October 31, 2009\*

*(Amounts in thousands, except unit data)*

	Month	Year To Date
<b>Operations</b>		
Investment income (loss), net	\$ (55)	\$ 9,808
Net realized gain from investments	29,622	70,080
Net realized gain from foreign currency transactions	17,846	18,214
Net increase (decrease) in the fair value of investments	(56,417)	192,875
Net increase (decrease) in the translation of assets and liabilities in foreign currencies	(11,161)	50,541
<b>Net increase (decrease) in net assets from operations</b>	(20,165)	341,518
<b>Unit transactions</b>		
Proceeds from sale of units	23,463	25,608
Amount paid for repurchase of units	(213,204)	(314,869)
<b>Net decrease in net assets from unit transactions</b>	(189,741)	(289,261)
<b>Increase (decrease) in net assets</b>	(209,906)	52,257
Net assets, beginning of period	1,806,546	1,544,383
<b>Net assets, end of period</b>	\$ 1,596,640	\$ 1,596,640
<b>Unit data</b>		
Units sold	1,263,703	1,389,186
Units repurchased	(11,079,832)	(17,922,966)
<b>Net decrease in units</b>	(9,816,129)	(16,533,780)

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# International Equity Pool

## Notes to Financial Statements

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public corporation created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's International Equity Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

This Pool invests in the equities of international companies. Assets are managed by Brandes Investment Partners, LLC, LSV Asset Management, Pictet Asset Management Limited, and State Street Global Advisors. The objective of the Pool is to exceed, net of external investment management fees, Morgan Stanley Capital International's All Country World Free Ex US index over three- to five-year periods.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments are carried at fair value, which is determined by a third party pricing service based on asset portfolio pricing models and other sources. Foreign currency forward contracts are valued at either spot or forward month-end exchange rates. Commissions on the purchases of securities by the IMB are a component of the security price quoted by the seller and are included in the investment cost.

# International Equity Pool

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## Notes to Financial Statements

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Foreign Currency** – Amounts denominated in or expected to settle in foreign currencies are translated into U.S. dollars at exchange rates reported by the Bank of New York Mellon on the following basis:

- a. Market value of investment securities, other assets and liabilities - at the closing rate of exchange at the valuation date.
- b. Purchases and sales of investment securities, income and expenses - at the rate of exchange prevailing on the respective dates of such transactions.

The IMB isolates that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from market prices of securities held.

Reported net realized foreign exchange gains and losses arise from sales of portfolio securities, sales and maturities of short-term securities, sales of foreign currencies, currency gains and losses realized between the trade and settlement dates on securities transactions, and the difference between the amounts of dividends, interest, and foreign withholding taxes recorded and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in the value of assets and liabilities including investments in securities at month end, resulting from changes in the exchange rate.

**Security Loans** - The IMB, through its agent, the Bank of New York Mellon, loans securities to various brokers on a temporary basis. Each transaction for international securities is secured by initial collateral of at least 105 percent of the market value of the securities loaned. Cash collateral received is invested in the Mellon GSL Reinvestment Trust. The IMB receives compensation in the form of loan premium fees and income from the investment of the cash collateral. Expenses related to the lending of securities are rebates paid by the lending agent to brokers and the lending agent's fees for its services. The income earned by the IMB is reported in the Statement of Operations as securities lending income. The agent fees and broker rebates are reported as expenses, and unrealized gains or losses resulting from changes in the value of the investment of cash collateral are reported as part of the net increase or decrease in the fair value of investments. The IMB also continues to receive interest or dividends on the securities loaned. Gains or losses in the fair value of the securities loaned that may occur during the term of the loans are reflected in the Statement of Operations.

**Foreign Exchange Forward Contracts** - A foreign exchange forward contract is an agreement between two parties to exchange different currencies at a specified exchange rate at an agreed upon future date. The managers enter into such contracts to hedge the assets and liabilities related to securities denominated in a foreign currency. Risks associated with such contracts include movement in the value of the foreign currency relative to the U.S. dollar and the ability of the counterparty to perform. These contracts have relatively short durations and are valued at the prevailing market exchange rates at month end. An unrealized gain or loss is recorded as the difference between the amount valued at month end and the amount to be received or paid at the expiration date. The unrealized gain or loss is reclassified to realized gain or loss when the contract expires.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Investment Gains and Losses** - Gains and losses on the sale of investment securities are recognized at the time of sale by the average cost method. The calculation of realized gains and losses is independent of the calculation of the net increase or decrease in the fair value of investments. Realized gains and losses on investments held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of investments reported in the prior year.

**Interest Income** - Interest income is recognized as earned on the accrual method.

# International Equity Pool

## Notes to Financial Statements

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Dividend Income** - Dividend income is recognized on the ex-dividend date.

**Distributions to Participants** - The Pool does not routinely distribute dividends of net investment income or capital gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from federal and state taxation. Accordingly, the financial statements have been prepared recognizing that the IMB is not subject to federal or state income taxes.

### NOTE 3. FAIR VALUE MEASUREMENTS

FAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The IMB adopted FAS 157 for fiscal year 2009.

Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

FAS 157 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FAS 157 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with FAS 157 fair value hierarchy levels as of October 31, 2009:

	Level I	Level II	Level III	Total
Equity Securities	\$1,445,297,556	\$ -	\$ -	\$1,445,297,556
Regulated Investment Companies	-	96,897,105	-	96,897,105
Foreign Exchange Forward Contracts	-	(134,851)	-	(134,851)
Securities Lending Collateral Funds	-	91,220,157	-	91,220,157
Total	<u>\$1,445,297,556</u>	<u>\$ 187,982,411</u>	<u>\$ -</u>	<u>\$1,633,279,967</u>



# International Equity Pool

## Notes to Financial Statements

### NOTE 4. SECURITIES LENDING

At October 31, 2009, the fair value of securities on loan is \$89,137,284, initial collateral received is \$95,220,099, and the fair value of reinvested collateral held is \$91,220,157. All of the collateral was received as cash and is invested in the Mellon GSL DBT II Collateral Fund (Collateral Fund), the Mellon SL DBT II Liquidating Fund (Liquidating Fund), and the Mellon GSL DBT II Liquidating Trust (Liquidating Trust).

In early November 2008, the IMB was notified that certain securities issued by Sigma Finance, Inc. (Sigma) were transferred from the Mellon GSL DBT II Collateral Fund on October 1, 2008, to the Liquidating Trust. Units of the Liquidating Trust were transferred to the IMB's securities lending cash collateral account. For all of the IMB investment pools that participate in the securities lending program, the value of the units in the Liquidating Trust on an amortized cost basis was \$10,973,960 as calculated by the IMB's proportionate interest in the Mellon GSL DBT II Collateral Fund as of the close of business on September 30, 2008. Sigma was subsequently placed into receivership and the IMB is exposed to a potential loss of the full value of the Sigma investment. In October, the IMB recorded a reserve for these potential losses in each investment pool in proportion to its participation in the securities lending program at September 30, 2008. The reserve recorded for the Pool is \$3,486,232.

Effective April 20, 2009, the assets of the Collateral Fund with maturities greater than one day were transferred to the Liquidating Fund. As securities mature in the Liquidating Fund, the proceeds are transferred to the Collateral Fund. The combined value of the holdings in the Collateral Fund and the Liquidating Fund is used to determine the fair value of reinvested collateral.

Additionally, the distribution of securities lending income has been restricted beginning October 1, 2008. The restriction will remain in place until the actual loss on Sigma is realized. At October 31, 2009 the accumulated undistributed securities lending income is \$2,159,602.

### NOTE 5. FOREIGN CURRENCY FORWARD CONTRACTS

At October 31, 2009, open foreign currency forward contracts are as follows:

Position	Foreign Currency	Inception Date	Expiration Date	Receivable		Payable		Unrealized appreciation (depreciation)
				(in foreign currency)	(in U. S. dollars)	(in foreign currency)	(in U. S. dollars)	
Long/Cover	Euro Currency	10/30/2009	11/3/2009	4,217	\$ 6,221		\$ 6,206	\$ 15
Long/Cover	Hong Kong Dollar	10/30/2009	11/3/2009	1,603,513	206,898		206,897	1
Long/Cover	Japanese Yen	10/30/2009	11/4/2009	1,399,623	15,462		15,524	(62)
Long/Cover	Norwegian Krone	10/30/2009	11/3/2009	18,502	3,247		3,224	23
Long/Cover	Singapore Dollar	10/29/2009	11/3/2009	195,116	139,513		139,598	(85)
Long/Cover	Singapore Dollar	10/30/2009	11/4/2009	84,072	60,114		60,052	62
Long/Cover	South Korean Won	10/29/2009	11/3/2009	106,595,570	90,163		90,228	(65)
Long/Cover	Swiss Franc	10/30/2009	11/3/2009	170,889	166,843		166,525	318
Short/Cover	Australian Dollar	10/28/2009	11/2/2009		4,452,327	4,957,088	4,479,224	(26,897)
Short/Cover	British Pound	10/29/2009	11/2/2009		53,336	32,202	53,080	256
Short/Cover	British Pound	10/30/2009	11/3/2009		315,049	191,403	315,499	(450)
Short/Cover	Euro Currency	10/28/2009	11/2/2009		6,993,924	4,750,368	7,008,930	(15,006)
Short/Cover	Euro Currency	10/29/2009	11/2/2009		389,835	263,136	388,243	1,592
Short/Cover	Euro Currency	10/30/2009	11/2/2009		145,805	98,864	145,869	(64)
Short/Cover	Euro Currency	10/30/2009	11/3/2009		128,309	87,001	128,366	(57)
Short/Cover	Hong Kong Dollar	10/28/2009	11/2/2009		147,072	1,139,874	147,076	(4)
Short/Cover	Hong Kong Dollar	10/29/2009	11/2/2009		1,467,523	11,373,743	1,467,532	(9)
Short/Cover	Japanese Yen	10/28/2009	11/2/2009		14,166,216	1,285,283,795	14,198,893	(32,677)
Short/Cover	Japanese Yen	10/29/2009	11/2/2009		3,671,307	335,961,312	3,711,460	(40,153)
Short/Cover	Norwegian Krone	10/28/2009	11/2/2009		1,515,319	8,689,030	1,524,953	(9,634)
Short/Cover	Singapore Dollar	10/28/2009	11/2/2009		3,169,531	4,446,646	3,179,468	(9,937)
Short/Cover	Swedish Krona	10/29/2009	11/2/2009		75,032	522,821	74,128	904
Short/Cover	Swedish Krona	10/30/2009	11/3/2009		66,691	470,502	66,710	(19)
Short/Cover	Swiss Franc	10/28/2009	11/2/2009		3,765,143	3,865,593	3,774,072	(8,929)
Short/Cover	Swiss Franc	10/29/2009	11/2/2009		1,073,307	1,093,163	1,067,281	6,026
					<u>\$ 42,284,187</u>		<u>\$ 42,419,038</u>	<u>\$ (134,851)</u>

# International Equity Pool

## Notes to Financial Statements

### NOTE 6. FINANCIAL HIGHLIGHTS

**Per Unit Operating Performance:**

Net asset value at June 30, 2009	\$	14.85
Income from investment operations:		
Net investment income		0.10
Net realized and unrealized gain on investment transactions		2.58
Net realized gain from foreign currency transactions		0.19
Net increase in the translation of assets and liabilities in foreign currencies		0.53
Total from investment operations		3.40
Net asset value at October 31, 2009	\$	18.25

**Time-weighted Total Return \*** 23.0%

**Supplemental Data:**

Net assets, end of period (\$000's)	\$	1,596,640
Ratio to average net assets:		
Expenses **		0.69%
Net investment income **		1.78%
Portfolio turnover rate		27.29%

\* Return data are net of fees for the fiscal year-to-date and are not annualized

\*\* All ratios are for the fiscal year-to-date annualized

### NOTE 7. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at October 31, 2009.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 667,168,696
Public Employees' Retirement System	621,583,750
State Police Death, Disability and Retirement Fund	67,110,588
Workers' Compensation Old Fund	63,406,834
Revenue Shortfall Reserve Fund B	49,713,917
Revenue Shortfall Reserve Fund	29,291,625
Coal Workers' Pneumoconiosis Fund	16,423,687
Judges' Retirement System	16,384,555
Prepaid Tuition Trust Fund	16,323,905
Deputy Sheriff's Retirement System	14,444,693
Board of Risk and Insurance Management	7,954,617
State Police Retirement System	7,648,736
Public Employees' Insurance Agency	6,381,021
Wildlife Endowment Fund	5,829,746
Retiree Health Benefit Trust	3,720,018
Emergency Medical Services Retirement System	3,253,600
Total	\$ 1,596,639,988

**Financial Statements - Unaudited**

**October 31, 2009**



# Short-Term Fixed Income Pool

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## Financial Statements - Unaudited October 31, 2009

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## Short-Term Fixed Income Pool

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### Statement of Assets and Liabilities - Unaudited

October 31, 2009

(Amounts in thousands, except unit data)

#### Assets

Investment securities at amortized cost	\$	221,024
Accrued interest		<u>29</u>

**Total assets** 221,053

#### Liabilities

Accrued expenses		35
Payable for investments purchased		<u>2,998</u>

**Total liabilities** 3,033

**Net assets** \$ 218,020

#### Analysis of net assets

Paid-in capital	\$	218,028
Accumulated undistributed net realized loss from investments		<u>(8)</u>

**Net assets** \$ 218,020

#### Unit data

Units outstanding		218,028,334
Net asset value, unit price	\$	<u><u>1.00</u></u>

See accompanying notes to financial statements.

# Short-Term Fixed Income Pool

## Schedule of Investments in Securities - Unaudited October 31, 2009

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
<b><u>U. S. Government Agency Issues</u></b>						
Federal Farm Credit Bank	0.110	% 0.110 %	08/26/2011	1,000	\$ 1,000	\$ 998
Federal Home Loan Bank	0.310	0.332	01/14/2010	2,000	2,000	2,000
Federal Home Loan Bank	0.870	0.961	01/26/2010	999	1,000	1,001
Federal Home Loan Bank	0.960	1.069	02/04/2010	1,498	1,500	1,503
Federal Home Loan Bank	1.050	1.166	02/23/2010	999	1,000	1,003
Federal Home Loan Bank	0.500	0.520	10/18/2010	2,000	2,000	2,001
Federal Home Loan Bank	0.300	0.285	12/06/2010	3,000	3,000	3,003
Federal Home Loan Mort Corp	0.580	0.560	01/08/2010	4,000	4,000	4,003
Federal Home Loan Mort Corp	0.180	0.184	07/12/2010	4,000	4,000	4,003
Federal National Mortgage	0.230	0.458	08/05/2010	2,998	2,999	3,001
Total U. S. Government Agency Issues - 10.3%					22,499	22,516
<b><u>Short-term Issues</u></b>						
Abbey National North America	0.000	0.183	01/05/2010	3,998	3,999	3,998
Bank of America Corp	0.000	0.110	11/02/2009	6,000	6,000	6,000
Barton Capital Corp	0.000	0.213	11/03/2009	5,998	6,000	6,000
Calyon North America Inc	0.000	0.243	12/16/2009	4,997	4,999	4,999
Deutsche Bank Finl LLC	0.000	0.294	04/08/2010	5,991	5,992	5,991
Federal Home Loan Bank	0.000	1.145	12/04/2009	1,978	1,998	1,998
Federal Home Loan Bank	0.000	0.101	01/06/2010	5,998	5,999	6,000
Federal Home Loan Bank	0.000	0.274	02/24/2010	1,997	1,998	1,999
Federal Home Loan Mort Corp	0.000	0.228	11/10/2009	3,997	4,000	4,000
Federal Home Loan Mort Corp	0.000	0.254	11/17/2009	5,995	5,999	5,999
Federal Home Loan Mort Corp	0.000	0.376	12/29/2009	5,988	5,996	5,996
Federal Home Loan Mort Corp	0.000	0.254	02/05/2010	1,998	1,999	2,000
Federal Home Loan Mort Corp	0.000	0.233	02/12/2010	9,990	9,993	9,998
Federal Home Loan Mort Corp	0.000	0.132	02/23/2010	1,999	1,999	1,999
Federal Home Loan Mort Corp	0.000	0.142	02/26/2010	3,998	3,998	3,999
Federal Home Loan Mort Corp	0.000	0.132	03/01/2010	2,999	2,999	2,999
Federal Home Loan Mort Corp	0.000	0.255	03/22/2010	2,497	2,498	2,498
Federal Home Loan Mort Corp	0.000	0.152	03/23/2010	2,998	2,998	2,999
Federal Home Loan Mort Corp	0.000	0.203	03/29/2010	1,998	1,998	1,999
Federal Home Loan Mort Corp	0.000	0.437	05/17/2010	2,990	2,993	2,997
Federal National Mortgage Assn	0.000	0.254	11/17/2009	2,997	3,000	3,000
Federal National Mortgage Assn	0.000	0.254	11/25/2009	3,996	3,999	3,999
Federal National Mortgage Assn	0.000	0.284	12/15/2009	1,998	1,999	1,999
Federal National Mortgage Assn	0.000	0.315	01/15/2010	2,996	2,998	2,999
General Electric Capital Corp	0.000	0.132	11/13/2009	7,999	8,000	8,000
ING Funding LLC	0.000	0.304	11/02/2009	2,998	3,000	3,000
ING Funding LLC	0.000	0.223	01/08/2010	4,997	4,998	4,997
Natixis Commercial Paper Corp	0.000	0.213	11/06/2009	7,999	8,000	8,000
Nordea NA Inc	0.000	0.203	01/26/2010	5,997	5,997	5,997
Repurchase Agreement	0.050	0.050	11/02/2009	21,085	21,085	21,085
Sheffield Receivables Corp	0.000	0.220	01/11/2010	4,998	4,998	4,998
United States Treasury	0.000	0.056	11/05/2009	40,998	41,000	41,000
United States Treasury	0.000	0.162	04/15/2010	4,996	4,996	4,997
Total Short-Term Issues - 91.1%					198,525	198,539
Total Investment Securities - 101.4%					\$ 221,024	\$ 221,055

See accompanying notes to financial statements.

## Short-Term Fixed Income Pool

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### Statement of Operations - Unaudited

Period Ended October 31, 2009\*

(Amounts in thousands)

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>		
Interest	\$ 12	\$ 59
Net accretion	32	139
	<hr/>	<hr/>
<b>Total investment income</b>	44	198
 <b>Expenses</b>		
Investment advisor fees	(12)	(41)
Custodian bank fees	(1)	(4)
Management fees	(5)	(21)
Professional service fees	(1)	(4)
	<hr/>	<hr/>
<b>Total expenses</b>	(19)	(70)
<b>Investment income, net</b>	25	128
<b>Net realized gain (loss) from investments</b>	<hr/> (1)	<hr/> 1
<b>Net increase in net assets from operations</b>	<hr/> \$ 24	<hr/> \$ 129

\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.



## Short-Term Fixed Income Pool

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended October 31, 2009\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 25	\$ 128
Net realized gain (loss) from investments	(1)	1
	<b>24</b>	<b>129</b>
<b>Distributions to unitholders</b>		
Investment income, net	(26)	(128)
<b>Unit transactions</b>		
Proceeds from sale of units	127,872	409,530
Reinvestment of distributions	26	128
	127,897	409,658
Amount paid for repurchase of units	(111,640)	(456,193)
	<b>16,257</b>	<b>(46,535)</b>
	<b>16,255</b>	<b>(46,534)</b>
Net assets, beginning of period	201,765	264,554
	<b>Net assets, end of period</b>	<b>\$ 218,020</b>
	<b>\$ 218,020</b>	<b>\$ 218,020</b>
<b>Unit data</b>		
Units sold	127,871,261	409,530,745
Units issued from reinvestment of distributions	25,660	128,062
	127,896,921	409,658,807
Units repurchased	(111,640,899)	(456,193,498)
	<b>16,256,022</b>	<b>(46,534,691)</b>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Short-Term Fixed Income Pool

## Notes to Financial Statements

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public corporation created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's Short-Term Fixed Income Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The main objective of the Pool is to maintain sufficient liquidity to fund withdrawals by the participant plans and to invest cash contributions until such time as the money can be transferred to other asset classes without sustaining capital losses. JP Morgan Investment Advisors, Inc. manages the Pool. The Pool's investment performance, net of external investment management fees, is expected to meet or exceed the Salomon ninety-day T-bill index plus fifteen basis points.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments are carried at amortized cost. Commissions on the purchases of securities by the IMB are a component of the security price quoted by the seller and are included in the investment cost.

**Repurchase Agreements** - In connection with transactions in repurchase agreements, it is the IMB's policy that its designated custodian take possession of the underlying collateral securities, the fair value of which exceeds the principal amount of the repurchase transaction at all times. If the seller defaults, and the fair value of the collateral declines, realization of the collateral by the IMB may be delayed or limited.

# Short-Term Fixed Income Pool

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## Notes to Financial Statements

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Security Loans** - The IMB, through its agent, the Bank of New York Mellon, loans securities to various brokers on a temporary basis. Each transaction for U.S. securities is secured by initial collateral of at least 102 percent of the market value of the securities loaned. Cash collateral received is invested in the Mellon GSL Reinvestment Trust. The IMB receives compensation in the form of loan premium fees and income from the investment of the cash collateral. Expenses related to the lending of securities are rebates paid by the lending agent to brokers and the lending agent's fees for its services. The income earned by the IMB is reported in the Statement of Operations as securities lending income. The agent fees and broker rebates are reported as expenses, and unrealized gains or losses resulting from changes in the value of the investment of cash collateral are reported as part of the net increase or decrease in the fair value of investments. The IMB also continues to receive interest or dividends on the securities loaned. Gains or losses in the fair value of the securities loaned that may occur during the term of the loans are reflected in the Statement of Operations.

**Asset-Backed Securities** - The Pool invests in various asset-backed securities, mortgage-backed securities, and structured corporate debt. The securities are reported at fair value. The Pool invests in these securities to enhance yields on investments. Changes in market interest rates affect the cash flows of these securities and may result in changes in fair value. The overall return or yield on these securities depends on the changes in the interest and principal payment pattern and market value of the underlying assets.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Investment Gains and Losses** - Gains and losses on the sale of investment securities are recognized at the time of sale by the average cost method. The calculation of realized gains and losses is independent of the calculation of the net increase or decrease in the fair value of investments. Realized gains and losses on investments held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of investments reported in the prior year.

**Interest Income** - Interest income is recognized as earned on the accrual method.

**Dividend Income** - Dividend income is recognized on the ex-dividend date.

**Amortization** - Discounts and premiums on securities purchased are amortized over the life of the respective securities using the scientific method of amortization. This method maintains a constant book yield over the life of the security. The amortization of asset-backed securities considers the effect of prepayments on the life of the security. Historical prepayment speeds are obtained from market data vendors and are updated annually. The effect of changing prepayment assumptions is reported in the Statement of Operations in the year of the change.

**Distributions to Participants** - The net investment income of the Pool is declared as a dividend and distributed daily to the participants based upon their pro rata participation in the Pool. The distributions of net investment income are credited to the participants' accounts in the form of dividend reinvestments in the Pool and are presented first as distributions to participants, and then as reinvestment of distributions on the Statement of Changes in Net Assets.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from federal and state taxation. Accordingly, the financial statements have been prepared recognizing that the IMB is not subject to federal or state income taxes.

# Short-Term Fixed Income Pool

## Notes to Financial Statements

### NOTE 3. FAIR VALUE MEASUREMENTS

FAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The IMB adopted FAS 157 for fiscal year 2009.

Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

FAS 157 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FAS 157 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with FAS 157 fair value hierarchy levels as of October 31, 2009:

	<u>Level I</u>	<u>Level II</u>	<u>Level III</u>	<u>Total</u>
Short-term Issues	\$ -	\$ 198,526,770	\$ -	\$ 198,526,770
U.S. Government Agency Issues	-	22,497,666	-	22,497,666
Total	<u>\$ -</u>	<u>\$ 221,024,436</u>	<u>\$ -</u>	<u>\$ 221,024,436</u>

# Short-Term Fixed Income Pool

## Notes to Financial Statements

### NOTE 4. FINANCIAL HIGHLIGHTS

**Per Unit Operating Performance:**

Net asset value at June 30, 2009	\$ 1.00
Net asset value at October 31, 2009	\$ 1.00

<b>Time-weighted Total Return *</b>	0.1%
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**Supplemental Data:**

Net assets, end of period (\$000's)	\$ 218,020
Ratio to average net assets:	
Expenses **	0.09%
Net investment income **	0.16%
Weighted average days to maturity	50
Maximum weighted average investment maturity per Board guidelines	60 days
Money market yield ***	0.14%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized

\*\*\* The money market yield represents the rate of income, net of expenses, earned over the past month and is not intended to indicate future performance. The return is annualized over a 365-day year, assuming no reinvestment of earnings.

### NOTE 5. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at October 31, 2009.

<u>Participant</u>	<u>Account Value</u>
Workers' Compensation Old Fund	\$ 88,373,832
Teachers' Retirement System	29,673,006
Teachers' Employers Contribution Collection Account	24,222,435
Revenue Shortfall Reserve Fund	22,327,609
Public Employees' Retirement System	13,199,258
Coal Workers' Pneumoconiosis Fund	11,106,067
Workers' Compensation Uninsured Employers Fund	8,708,395
Revenue Shortfall Reserve Fund B	8,477,066
Workers' Compensation Self-insured Employers Fund	7,230,476
Judges' Retirement System	1,772,403
Prepaid Tuition Trust Fund	1,004,347
State Police Retirement System	654,548
Deputy Sheriff's Retirement System	565,332
Emergency Medical Services Retirement System	392,573
State Police Death, Disability and Retirement Fund	212,578
Wildlife Endowment Fund	98,653
Board of Risk and Insurance Management	4,657
Retiree Health Benefit Trust	4,287
Public Employees' Insurance Agency	812
Total	\$ 218,028,334



**Financial Statements - Unaudited**

**October 31, 2009**





# Total Return Fixed Income Pool

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## Financial Statements - Unaudited October 31, 2009

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# Total Return Fixed Income Pool

## Statement of Assets and Liabilities - Unaudited

October 31, 2009

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	1,685,676
Cash denominated in foreign currencies (cost \$302)		311
Collateral for securities loaned at fair value (Note 4)		21,177
Receivables:		
Accrued interest		6,659
Investments sold		276,606
Dividends		39
Securities lending income		2
Unrealized gain on foreign currency exchange contracts (Note 8)		773
		<u>773</u>
<b>Total assets</b>		<b>1,991,243</b>

### Liabilities

Accrued expenses		810
Dividends payable		1,381
Payable for investments purchased		411,232
Payable upon return of securities loaned (Note 4)		22,999
Due to broker - variation margin		704
Option contracts written		9,192
		<u>9,192</u>
<b>Total liabilities</b>		<b>446,318</b>
		<u>446,318</u>
<b>Net assets</b>	\$	<b>1,544,925</b>

### Analysis of net assets

Paid-in capital	\$	1,221,242
Accumulated undistributed net investment income		435
Accumulated undistributed net realized gain from investments		355,974
Accumulated undistributed net realized gain from foreign currency transactions		15,621
Unrealized net depreciation of investments		(49,385)
Unrealized net appreciation on translation of assets and liabilities in foreign currencies		1,038
		<u>1,038</u>
<b>Net assets</b>	\$	<b>1,544,925</b>

### Unit data

Units outstanding		119,135,005
Net asset value, unit price	\$	<u>12.97</u>

See accompanying notes to financial statements.

# Total Return Fixed Income Pool

## Schedule of Investments in Securities - Unaudited October 31, 2009

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
<b>Investments in Other Funds</b>						
Western Asset High Yield Portfolio				23,186	\$ 225,744	\$ 189,431
Investment Objective - To maximize total return by investing in fixed income securities that are rated below investment grade at time of purchase.						
Redemption Provisions - Daily						
Western Asset International Investment Grade Securities Portfolio				1,226	22,212	28,652
Investment Objective - To maximize total return by investing in fixed income securities that are rated investment grade at time of purchase.						
Redemption Provisions - Daily						
Western Asset Opportunistic US Dollar High Yield Securities Portfolio, LLC				4,131	62,233	74,009
Investment Objective - To maximize total return by investing in fixed income securities that are rated below investment grade at time of purchase.						
Redemption Provisions - Daily						
Western Asset Floating Rate High Income Fund, LLC				9,309	111,188	122,050
Investment Objective - To maximize total return by investing in U.S. dollar-denominated loans, loan participations and below investment grade fixed income securities.						
Redemption Provisions - Daily						
Western Asset US Enhanced Cash, LLC				8,423	80,975	77,691
Investment Objective - To maximize total return by investing in investment grade fixed income securities.						
Redemption Provisions - Daily						
Western Asset Opportunistic Asian Securities Portfolio, LLC				5,017	52,279	55,425
Investment Objective - To maximize total return by investing in debt and fixed income securities of Asian issuers.						
Redemption Provisions - Daily						
Western Asset Non-U.S. Inflation Linked Securities Portfolio, LLC				1,430	22,581	21,833
Investment Objective - To maximize total return by investing in inflation linked securities of non-U.S. issuers (70%) and U.S. issuers (30%).						
Redemption Provisions - Daily						
Western Asset Opportunistic Local Market Debt Securities Portfolio, LLC				2,707	33,811	40,713
Investment Objective - To maximize total return by investing in lower rated debt and other fixed income securities of non-U.S. issuers.						
Redemption Provisions - Daily						
Western Asset Opportunistic Structured Securities Portfolio, LLC				9,012	80,373	83,698
Investment Objective - To maximize total return by investing in primarily investment grade asset backed fixed income securities.						
Redemption Provisions - Daily						
Western Asset Opportunistic Developing Markets Corporate Credit Securities Portfolio, LLC				2,384	22,282	27,060
Investment Objective - To maximize total return by investing in U.S. dollar-denominated fixed income securities of non-U.S. issuers in developing markets.						
Redemption Provisions - Daily						
Total Investments in Other Funds - 46.6%					713,678	720,562
<b>U. S. Treasury Issues</b>						
United States Treasury	2.000 %	1.228 %	07/15/2014	1,360	1,610	1,643
United States Treasury	2.375	2.331	09/30/2014	90	90	90
United States Treasury	1.625	1.307	01/15/2015	1,500	1,720	1,753
United States Treasury	3.125	3.138	10/31/2016	21,610	21,588	21,796
United States Treasury	3.625	3.443	08/15/2019	1,880	1,908	1,916
United States Treasury	2.000	1.808	01/15/2026	26,670	29,022	29,261
United States Treasury	4.500	4.292	08/15/2039	90	93	94
Total U. S. Treasury Issues - 3.7%					56,031	56,553
<b>U. S. Government Agency Issues</b>						
<i>U. S. Government Agency Bonds</i>						
Federal National Mortgage Assn	5.250	0.000	08/01/2012	3,710	3,438	3,968
<i>U. S. Government Agency MBS (coupon, yield, and maturity date are weighted averages)</i>						
FHLMC Mortgage Pools	5.010	5.099	06/05/2038	47,854	49,703	50,141
FNMA Mortgage Pools	5.029	5.919	02/15/2038	127,516	129,623	133,217
GNMA Mortgage Pools	4.750	4.590	09/01/2039	26,100	26,958	27,067
<i>Total U. S. Government Agency MBS</i>					206,284	210,425

See accompanying notes to financial statements.

# Total Return Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (Continued) October 31, 2009

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
<i>U. S. Government Agency CMO</i>						
Federal Home Loan Mortgage	1.046 A	0.000	03/15/2034	443	-	437
Total U.S. Government Agency Issues - 13.9%					209,722	214,830
<b><u>Corporate Issues</u></b>						
<i>Corporate Bonds</i>						
AES Corporation	7.750	7.362	03/01/2014	120	122	121
AES Corporation	8.000	7.910	10/15/2015	4,150	4,175	4,171
AES Corporation	7.750	7.714	10/15/2017	2,970	2,976	2,989
AES Corporation	8.000	8.000	06/01/2020	10,400	10,400	10,400
Aiful Corporation	5.000	5.167	08/10/2010	2,610	2,592	1,566
Allstate Life Global Fn Trust	5.380	5.398	04/30/2013	1,700	1,698	1,825
American Express	6.800	6.550	08/28/2017	1,660	1,722	1,444
American Express	6.150	6.072	09/01/2066	3,370	3,388	3,554
American General Finance Corp	6.900	7.000	12/15/2017	1,580	1,569	1,100
American Intl Group	5.850	5.922	01/16/2018	910	905	683
Anadarko Finance Co	6.750	5.384	05/01/2011	100	108	107
Anadarko Finance Co	7.500	6.498	05/01/2031	1,280	1,436	1,413
Anadarko Petroleum Corp	6.450	6.433	09/15/2036	4,350	4,360	4,526
ASIF Global Financing	6.880	4.777	05/01/2012	510	514	463
AT&T Corp Wireless Services	4.900	5.709	01/17/2013	480	557	548
AT&T Inc	8.130	5.575	05/01/2012	5,076	5,047	5,328
AT&T Inc	5.500	5.291	09/15/2014	1,220	1,204	1,316
BAC Capital Trust XIV	5.100	6.231	02/01/2018	570	519	396
Bank of America Corp	5.630	5.591	12/31/2049	270	268	286
Bank of America Corp	5.380	3.544	08/15/2011	600	696	587
Bank One Corporation	5.420	6.087	03/15/2017	2,415	2,382	2,596
Bear Stearns Companies Inc	5.900	7.289	11/15/2011	5,540	5,525	6,337
Caterpillar Financial Services	7.250	5.235	02/01/2018	2,010	2,043	2,105
Citigroup Inc	5.450	4.901	04/15/2018	6,750	6,801	6,656
Citigroup Inc	5.000	6.929	09/15/2014	5,140	5,105	5,347
Comcast Corp	6.880	5.704	03/05/2038	3,605	3,824	3,990
Comcast Corp	6.500	6.334	01/15/2015	6,915	6,996	7,543
Commonwealth Edison	6.500	4.735	01/15/2017	1,500	1,638	1,634
Continental Airlines Inc	6.150	7.250	03/15/2012	1,370	1,370	1,384
Continental Airlines Inc	9.125	7.000	05/10/2017	5,830	5,830	5,910
Corp Bond Backed CTF-CCE	7.125	9.250	11/10/2019	5,000	2,175	1,616
Countrywide Financial Corp	0.000	7.950	05/15/2018	2,550	2,283	2,584
Countrywide Financial Corp	6.250	7.825	06/07/2012	40	37	43
Credit Agricole SA	5.800	8.125	05/15/2016	4,130	4,130	4,345
CVS Caremark Corp	8.125	7.044	12/13/1949	5,497	5,497	5,658
Delta Air Lines	6.820	6.823	08/10/2022	2,451	2,451	2,304
Deutsche Telekom Int Fin	5.750	5.520	03/23/2016	1,635	1,616	1,743
Dominion Resources Inc	5.130	5.202	12/15/2010	900	896	904
Dominion Resources Inc	4.750	4.773	09/17/2012	280	280	289
Dr Pepper Snapple Group	6.820	6.295	05/01/2018	1,830	1,830	2,091
Dynegy Holdings Inc	7.750	8.739	06/01/2019	2,290	2,124	1,929
Eastman Kodak Co	7.250	6.912	11/15/2013	2,785	2,847	2,172
El Paso Corporation	7.800	11.224	08/01/2031	469	331	439
El Paso Corporation	7.750	7.814	01/15/2032	222	220	208
El Paso Performance-Link	7.750	7.724	07/15/2011	6,890	6,897	7,044
Exelon Corp	4.750	4.187	10/01/2012	890	898	944
FirstEnergy Corp	6.450	6.603	11/15/2011	11	11	12
FirstEnergy Corp	7.380	6.711	11/15/2031	5,560	5,910	6,170
Ford Motor Credit Company	8.000 A	8.798	06/15/2011	4,230	4,016	4,086
Ford Motor Credit Company	5.880	5.629	05/15/2015	5,800	5,780	5,626
Ford Motor Credit Company	12.000	12.250	12/15/2016	8,360	8,263	9,415
Freeport-McMoRan Copper & Gold	8.380	6.916	04/01/2017	7,680	8,452	8,256
General Electric Capital Corp	6.380	3.915	01/15/2013	9,160	9,187	7,946
General Electric Capital Corp	5.450 A	4.769	11/15/2067	570	577	606
General Electric Company	5.000	4.413	02/01/2013	3,590	3,629	3,823
General Motors Corp	0.000 N	1.904	07/15/2033	3,900	3,559	585
Glitnir BankI HF	0.000 N	0.006	07/28/2011	5,000	4,997	1
Glitnir BankI HF	0.000 N	0.024	09/25/2012	600	594	-

See accompanying notes to financial statements.

# Total Return Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (Continued)

October 31, 2009

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Glitnir BankI HF	0.000 <i>N</i>	-	06/15/2016	2,530	2,530	588
Glitnir BankI HF	0.000 <i>N</i>	0.045	09/14/2049	3,390	3,382	788
GMAC LLC	0.000	8.026	12/31/2013	50	25	25
GMAC LLC	8.000	19.012	06/15/2015	529	272	434
GMAC LLC	7.500	14.913	12/31/2018	1,303	971	1,205
GMAC LLC	8.000	14.265	11/01/2031	5,753	3,337	4,919
Goldman Sachs Capital II	5.790 <i>A</i>	2.484	12/29/2049	3,960	3,254	2,945
Goldman Sachs Group Inc	6.600	5.507	01/15/2012	2,030	2,036	2,211
Goldman Sachs Group Inc	6.150	5.914	04/01/2018	3,680	3,682	3,921
Groupe BPCE	12.500	9.578	<i>P</i>	5,317	6,939	6,325
Household Finance Corporation	6.380	5.707	10/15/2011	120	125	128
Household Finance Corporation	7.000	5.660	05/15/2012	20	22	22
Household Finance Corporation	6.380	6.462	11/27/2012	440	437	478
Hypothekebank In Essen	5.000	5.023	01/20/2012	2,060	2,058	2,204
ICICI Bank Limited	6.380 <i>A</i>	7.127	04/30/2022	2,338	2,092	2,028
ILFC E-Capital Trust II	6.250 <i>A</i>	3.271	12/21/2065	4,520	4,552	2,124
John Deere Capital Corp	5.350	5.035	04/03/2018	3,050	3,077	3,244
JPMorgan Chase & Co	5.750	5.268	01/02/2013	1,590	1,642	1,712
JPMorgan Chase & Co	5.130	5.030	09/15/2014	560	564	593
JPMorgan Chase & Co	5.150	5.329	10/01/2015	790	780	823
Kaupthing Bank HF	0.000 <i>N</i>	2.606	02/28/2015	7,930	6,641	1,784
Kerr-McGee Corporation	7.880	6.646	07/01/2024	3,605	4,180	4,078
Kerr-McGee Corporation	6.950	6.236	09/15/2031	330	355	349
Kinder Morgan Energy Partners	6.750	6.157	03/15/2011	560	573	596
Kinder Morgan Energy Partners	7.130	5.551	03/15/2012	910	965	993
Kinder Morgan Energy Partners	5.000	6.163	09/15/2012	940	876	984
Kinder Morgan Energy Partners	6.000	6.219	12/15/2013	1,610	1,585	1,698
Kinder Morgan Energy Partners	5.850	7.004	02/15/2018	150	144	162
Kinder Morgan Energy Partners	5.950	6.030	01/15/2038	2,800	2,783	2,942
Koninklijke KPN NV	8.000	4.627	10/01/2010	2,500	2,734	2,649
Koninklijke KPN NV	8.380	6.529	10/01/2030	2,105	2,511	2,670
Kroger Co	6.400	5.641	08/15/2017	220	232	244
Kroger Co	6.150	5.660	01/15/2020	240	244	263
L-3 Communications Corp	5.875	5.762	01/15/2015	1,680	1,688	1,634
L-3 Communications Corp	6.375	6.066	10/15/2015	5,060	5,131	4,997
L-3 Communications Corp	5.200	5.246	10/15/2019	6,370	6,347	6,432
Lehman Brothers Holdings	0.000 <i>N</i>	0.012	01/24/2013	1,690	1,689	266
Lehman Brothers Holdings	0.000 <i>N</i>	(0.053)	09/26/2014	3,040	3,048	490
Lehman Brothers Holdings Inc	0.000 <i>N</i>	0.007	07/19/2017	8,860	8,853	1
Lehman Brothers Holdings Inc	0.000 <i>N</i>	0.017	12/28/2017	110	110	-
Lehman Brothers Holdings Inc	0.000 <i>N</i>	0.114	11/29/2049	4,430	4,221	-
McDonalds Corp	5.350	4.936	03/01/2018	5,120	5,168	5,590
Merrill Lynch & Company Inc	6.880	6.605	04/25/2018	10,890	10,881	11,725
MetLife Inc	6.400	7.003	12/15/2066	4,870	4,458	4,219
Morgan Stanley Dean Witter Co	6.630	5.666	01/09/2012	360	371	386
Morgan Stanley Dean Witter Co	6.600	5.476	04/01/2012	3,615	3,912	3,928
Morgan Stanley Dean Witter Co	5.630	5.806	04/01/2018	2,450	2,433	2,609
MUFG Capital Fin 1 LTD	6.350 <i>A</i>	4.237	07/29/2049	2,090	2,090	1,931
Nelnet Student Loan Trust	1.980 <i>A</i>	1.984	04/25/2024	4,480	4,480	4,676
News America Inc	6.650	6.763	11/15/2037	270	266	282
Pacific Gas & Electric Corp	6.050	5.756	03/01/2034	2,120	2,160	2,309
Pacific Gas & Electric Corp	5.800	5.858	03/01/2037	1,050	1,013	1,112
Pacific Life Global Funding	5.150	4.812	04/15/2013	450	450	472
Rabobank Nederland	11.000	10.092	<i>P</i>	544	593	683
Resona PFD Global Securities	7.190 <i>A</i>	2.061	12/29/2049	750	753	660
Reynolds American Inc	6.750	6.567	06/15/2017	4,740	4,782	4,879
Royal Bank of Scotland Grp PLC	6.375	6.375	02/01/2011	1,270	1,270	1,271
Royal Bank of Scotland Grp PLC	5.000	7.737	10/01/2014	7,310	6,482	6,427
Royal Bank of Scotland Grp PLC	7.640 <i>A</i>	7.640	<i>P</i>	1,400	1,400	686
Santander US Debt SA UNI	0.550 <i>A</i>	0.581	07/23/2010	10,000	9,992	9,991
Seariver Maritime Inc	0.000	3.908	09/01/2012	3,180	2,230	2,975
Shinsei Fin Cayman Ltd	6.420 <i>A</i>	2.169	01/29/2049	5,560	5,378	3,280
Southern Natural Gas Co	8.000 <i>A</i>	8.395	04/01/2017	1,090	959	1,248
Southern Natural Gas Co	5.900	5.897	03/01/2032	570	570	582
Sprint Capital Corp	6.900	6.750	03/15/2012	120	121	104

See accompanying notes to financial statements.

# Total Return Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (Continued)

October 31, 2009

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Sprint Capital Corp	8.380	6.005	05/01/2019	3,690	4,100	3,736
Sprint Capital Corp	8.750	7.014	03/15/2032	680	819	588
Systems 2001 Asset Trust	6.660	5.341	09/15/2013	5,561	5,846	5,791
Telecom Italia Capital	5.250	4.918	11/15/2013	435	434	458
Telecom Italia Capital	4.950	4.771	09/30/2014	810	807	841
Telecom Italia Capital	5.250	5.126	10/01/2015	820	815	850
Tenet Healthcare Corporation	8.880	9.625	07/01/2019	250	238	268
Time Warner Entertainment Co	8.380	7.620	07/15/2033	3,050	3,157	3,658
TNK-BP Finance SA	7.880	8.692	03/13/2018	2,820	2,668	2,848
Travelers Cos Inc	6.250	4.604	03/15/2037	570	538	513
TXU Corp	5.550	7.064	11/15/2014	430	389	312
TXU Corp	6.500	8.559	11/15/2024	2,230	1,819	1,074
TXU Corp	6.550	8.063	11/15/2034	2,805	2,336	1,296
Tyco International Group SA	6.750	4.956	02/15/2011	1,090	1,156	1,158
Tyco/Tyco International Fin SA	6.880	5.817	01/15/2021	3,670	4,007	4,196
UnitedHealth Group Inc	5.250	4.986	03/15/2011	40	40	42
Vale Overseas Ltd	6.880	6.850	11/21/2036	2,812	2,774	2,829
Vedanta Resources PLC	8.750	8.857	01/15/2014	1,430	1,430	1,426
Verizon Communications	6.100	5.378	04/15/2018	1,710	1,775	1,858
Verizon Global Funding Corp	6.880	4.979	06/15/2012	90	102	100
Verizon Global Funding Corp	7.380	5.220	09/01/2012	1,180	1,356	1,342
Wachovia Capital Trust	5.800 A	1.970	12/29/2049	2,540	2,542	1,817
Wachovia Corp	5.500	4.992	05/01/2013	9,840	9,818	10,541
Wachovia Corp	5.630	6.046	10/15/2016	4,150	4,027	4,258
Wal-Mart Stores	5.800	4.866	02/15/2018	610	641	683
WellPoint Inc	5.880	5.707	06/15/2017	260	258	274
Wells Fargo & Company	5.250	3.972	09/01/2012	140	145	150
Wells Fargo Capital X	5.950	6.337	12/15/2036	3,280	3,111	2,836
Wisconsin Electric Power	5.700	5.705	12/01/2036	5,000	4,996	5,259
Wyeth	5.950	5.797	04/01/2037	2,570	2,553	2,771
XTO Energy Inc	7.500	4.797	04/15/2012	625	739	696
XTO Energy Inc	5.650	5.683	04/01/2016	770	768	804
XTO Energy Inc	5.500	5.528	06/15/2018	7,140	7,039	7,443
<i>Total Corporate Bonds</i>					417,399	381,854
<i>Corporate Asset Backed Issues</i>						
Hertz Vehicle Financing LLC	0.000 N	0.001	03/25/2015	2,800	2,800	2,819
Pegasus Aviation Lease Sec	8.370	17.655	07/25/2017	500	285	138
Public Service New Hampshire	6.480	5.468	05/01/2015	461	481	503
<i>Total Corporate Asset Backed Issues</i>					3,566	3,460
<i>Corporate CMO</i>						
Banc of America Mortgage Sec	5.180 A	6.180	12/01/2034	6,703	6,410	5,919
Banc of America Mortgage Sec	4.710 A	5.217	04/25/2035	1,057	1,032	954
Bear Stearns Adj Rate Mortgage	5.000 A	2.334	12/25/2046	2,036	2,000	1,326
Countrywide Alternative Loan T	5.440 A	14.215	11/20/2035	2,943	1,678	1,576
Countrywide Alternative Loan T	5.680 A	5.551	12/25/2035	2,364	2,348	1,688
Countrywide Asset-Backed Cert	1.280 A	14.058	08/25/2047	2,634	1,911	1,391
Countrywide Home Loans	6.750 A	5.702	06/20/2036	1,388	1,387	977
GMAC Mortgage Corp Loan Trust	0.500 A	5.382	09/19/2035	1,085	1,069	901
Greenpoint Mtge Funding Trust	4.750 A	30.583	04/25/2036	2,284	1,210	1,103
Indymac Inda Mtg Loan Trust	0.500 A	6.123	09/25/2037	5,839	5,890	5,859
Indymac Indx Mortgage Ln Trust	6.110 A	25.527	04/25/2046	2,479	1,314	1,201
IndyMac Residential Asset Sec	4.960	4.509	02/25/2019	2,423	2,422	1,723
JPMorgan Mortgage Trust	4.950 A	5.290	08/25/2035	2,218	2,179	1,857
Lehman XZ Trust	0.480 A	30.440	04/25/2046	5,633	2,929	2,745
Luminent Mortgage Trust	7.000 A	16.350	02/25/2046	4,942	2,718	2,367
MASTR ARM Trust	4.850 A	5.325	01/25/2036	94	97	89
MASTR Performing Loan Trust	4.230	6.277	08/25/2034	1,613	1,581	1,350
Merrill Lynch Mortgage Invest	4.830 A	4.301	12/25/2034	49	48	47
Morgan Stanley Mortgage Loan	6.420 A	3.622	10/25/2034	1,560	1,552	1,082
Morgan Stanley Mortgage Loan	5.810 A	6.218	06/25/2037	4,937	4,949	2,773
Residential Accredit Loans Inc	5.060 A	5.950	12/01/2035	12,863	12,784	5,882
Structured Asset Mortgage Inv	0.500 A	10.424	08/25/2036	8,693	4,781	4,297
Thornburg Mtg Securities Trust	6.190 A	6.278	09/25/2037	7,652	7,619	6,331

See accompanying notes to financial statements.

# Total Return Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (Continued)

October 31, 2009

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Thornburg Mtg Securities Trust	6.180 A	6.553	09/25/2037	7,609	7,500	6,412
Washington Mutual Mortgage	4.820 A	5.228	08/25/2035	1,504	1,484	1,309
Washington Mutual Mortgage	5.040 A	5.337	10/25/2035	2,406	2,369	1,895
Washington Mutual Mortgage	4.910 A	5.243	12/25/2035	2,112	2,075	1,841
Washington Mutual Mortgage	5.570 A	5.578	11/25/2036	944	943	695
Washington Mutual Mortgage	5.390 A	19.655	12/25/2036	747	412	496
Washington Mutual Mortgage	5.570 A	17.698	12/25/2036	765	422	550
Washington Mutual Mortgage	5.590 A	5.804	02/25/2037	276	273	188
Washington Mutual Mortgage	5.600 A	5.689	03/01/2037	241	240	184
Wells Fargo Mortgage Backed	4.570 A	12.030	12/25/2034	3,769	3,053	3,610
Wells Fargo Mortgage Backed	5.240 A	5.657	04/25/2036	737	729	629
<i>Total Corporate CMO</i>					89,408	71,247
<i>Corporate Preferred Securities</i>						
General Motors Corp				132	2,403	449
Preferred Blocker Inc				1	431	878
<i>Total Corporate Preferred Securities</i>					2,834	1,327
Total Corporate Issues - 29.6%					513,207	457,888
<b>Short-term Issues</b>						
Futures Cash Collateral *				4,537	4,603	4,603
Swap Cash Collateral *				7,470	7,470	7,470
Dreyfus Cash Management				226,029	226,029	226,029
Total Short-term Issues - 15.4%					238,102	238,102
<b>Option Contracts Purchased</b>						
US Treasury Bond Option, expiring November 2009			11/20/2009	417	599	137
Euro 90 Day Future Option, expiring December 2009			12/14/2009	140	25	5
Total Option Contracts Purchased - 0.0%					624	142
<b>Interest Rate Swaps</b>						
Greenwich Capital Holdings, expiring 2018 - 2039, notional value of \$63,360,000						(1,199)
CS First Boston Mtg Secs, expiring 2014, notional value of \$134,770,000						(1,202)
Total Interest Rate Swaps - (0.2%)						(2,401)
Total Investment Securities - 109.0%					\$ 1,731,364	\$ 1,685,676
<b>Futures Contracts</b>						
<i>Long Positions</i>						
<i>U.S. Dollar</i>						
US Treasury 10 Yr Note Future, expiring December 2009				744		1,557
US Treasury 2 Yr Note Future, expiring December 2009				515		271
Euro 90 Day Future, expiring March 2010				1,042		660
Euro 90 Day Future, expiring June 2010				448		465
Euro 90 Day Future, expiring September 2010				171		231
Euro 90 Day Future, expiring December 2011				700		53
						3,237
<i>Euro</i>						
Euro Bond Future, expiring December 2009				302		239
Total Long Positions						3,476
<i>Short Positions</i>						
<i>U.S. Dollar</i>						
Euro 90 Day Future, expiring December 2009				(560)		(1,708)
Euro 90 Day Future, expiring December 2009				(1,317)		(356)
US Treasury Bond Future, expiring December 2009				(702)		1,155
Euro 90 Day Future, expiring December 2010				(700)		(149)
Total Short Positions						(1,058)
Total Futures Contracts - 0.2%						\$ 2,418

See accompanying notes to financial statements.

# Total Return Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (Continued)

October 31, 2009

(Amounts in thousands, except share data)

<u>Security Name</u>	<u>Coupon</u>	<u>Yield</u>	<u>Maturity</u>	<u>Par Value, Shares or Contracts</u>	<u>Amortized Cost</u>	<u>Fair Value</u>
<b>Foreign Currency Forward Contracts</b>						
<i>Long Position</i>						
Japanese Yen, expiring 11/19/2009						1,282
<i>Short Position</i>						
Japanese Yen, expiring 11/19/2009						(309)
Euro Currency, expiring 11/19/2009						(200)
Total Foreign Currency Forward Contracts - 0.1%						<u>\$ 773</u>

A - Adjustable rate security. N - Security is in nonaccrual status pending bankruptcy proceeding. P - Perpetual bond, no stated maturity

\* Denotes assets pledged for initial margin requirements on open futures and swap contracts.

See accompanying notes to financial statements.



## Total Return Fixed Income Pool

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### Option Contracts Written - Unaudited

October 31, 2009

(Amounts in thousands)

<u>Security Name</u>	<u>Cost</u>	<u>Fair Value</u>
<b><u>Option Contracts Written</u></b>		
Euro 90 Day Future Option	\$ (452)	\$ (967)
Euro 90 Day Future Option	(60)	(72)
Euro 90 Day Future Option	(464)	(75)
Euro 90 Day Future Option	(111)	(63)
Euro 90 Day Future Option	(12)	(3)
Euro 90 Day Future Option	(90)	(93)
Euro 90 Day Future Option	(77)	(74)
Swaption	(1,329)	(1,458)
Swaption	(1,356)	(1,524)
Swaption	(1,329)	(1,884)
Swaption	(1,356)	(1,777)
US Treasury 10Yr Note Option	(579)	(1,202)
	<u>                    </u>	<u>                    </u>
Total Option Contracts Written - (0.6%)	<u>\$ (7,215)</u>	<u>\$ (9,192)</u>

See accompanying notes to financial statements.

## Total Return Fixed Income Pool

### Statement of Operations - Unaudited

Period Ended October 31, 2009\*

*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Investment income</b>		
Interest	\$ 3,365	\$ 14,614
Dividend	73	8,059
Securities lending	3	52
Net accretion	128	1,620
<b>Total investment income</b>	3,569	24,345
<b>Expenses</b>		
Investment advisor fees	(291)	(1,292)
Trustee fees	(1)	(5)
Custodian bank fees	(5)	(22)
Management fees	(67)	(324)
Fiduciary bond fees	(1)	(4)
Professional service fees	(13)	(64)
Securities lending agent fees	-	(6)
Securities lending borrower rebates	(1)	(20)
<b>Total expenses</b>	(379)	(1,737)
<b>Investment income, net</b>	3,190	22,608
<b>Realized and unrealized gain (loss) from investments and foreign currency</b>		
Net realized gain (loss) from:		
Investments	(7,973)	16,865
Foreign currency transactions	(81)	(31)
Net increase (decrease) in the fair value of:		
Investments	19,661	166,795
Translation of assets and liabilities in foreign currencies	(673)	1,021
<b>Net gain from investments and foreign currency</b>	10,934	184,650
<b>Net increase in net assets from operations</b>	\$ 14,124	\$ 207,258

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## Total Return Fixed Income Pool

### Statement of Changes in Net Assets - Unaudited

**Period Ended October 31, 2009\***

*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 3,190	\$ 22,608
Net realized gain (loss) from investments	(7,973)	16,865
Net realized loss from foreign currency transactions	(81)	(31)
Net increase in the fair value of investments	19,661	166,795
Net increase (decrease) in the translation of assets and liabilities in foreign currencies	(673)	1,021
<b>Net increase in net assets from operations</b>	14,124	207,258
<b>Distributions to unitholders</b>		
Investment income, net	(3,188)	(22,583)
<b>Unit transactions</b>		
Proceeds from sale of units	447	53,635
Reinvestment of distributions	12,717	31,909
	13,164	85,544
Amount paid for repurchase of units	(837,864)	(954,903)
<b>Net decrease in net assets from unit transactions</b>	(824,700)	(869,359)
<b>Decrease in net assets</b>	(813,764)	(684,684)
Net assets, beginning of period	2,358,689	2,229,609
<b>Net assets, end of period</b>	\$ 1,544,925	\$ 1,544,925
<b>Unit data</b>		
Units sold	34,857	4,502,286
Units issued from reinvestment of distributions	992,520	2,573,662
	1,027,377	7,075,948
Units repurchased	(65,792,915)	(75,278,691)
<b>Net decrease in units</b>	(64,765,538)	(68,202,743)

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Total Return Fixed Income Pool

## Notes to Financial Statements

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public corporation created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's Total Return Fixed Income Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The main objective of this bond pool is to earn superior returns with low volatility by actively investing in the extended fixed income markets. Western Asset Management Company (Western) manages the Pool. The Pool's investment performance, net of external investment management fees, is expected to meet or exceed the Barclays Capital US Universal index.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments are carried at fair value, which is determined by a third party pricing service based on asset portfolio pricing models and other sources. Futures and option contracts are valued at the last settlement price established each day by the exchange on which they are traded. Interest rate and credit default swap values are based on market values received from third parties or are determined by valuation models. Foreign currency forward contracts are valued at either spot or forward month-end exchange rates. Investments in other funds are valued at the reported unit values of the individual funds as provided by fund's management. Commissions on the purchases of securities by the IMB are a component of the security price quoted by the seller and are included in the investment cost.

# Total Return Fixed Income Pool

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## Notes to Financial Statements

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Foreign Currency** – Amounts denominated in or expected to settle in foreign currencies are translated into U.S. dollars at exchange rates reported by the Bank of New York Mellon on the following basis:

- a. Market value of investment securities, other assets and liabilities - at the closing rate of exchange at the valuation date.
- b. Purchases and sales of investment securities, income and expenses - at the rate of exchange prevailing on the respective dates of such transactions.

The IMB isolates that portion of the results of operations resulting from changes in foreign exchange rates on investments from the fluctuations arising from market prices of securities held.

Reported net realized foreign exchange gains and losses arise from sales of portfolio securities, sales and maturities of short-term securities, sales of foreign currencies, currency gains and losses realized between the trade and settlement dates on securities transactions, and the difference between the amounts of dividends, interest, and foreign withholding taxes recorded and the U.S. dollar equivalent of the amounts actually received or paid. Net unrealized foreign exchange gains and losses arise from changes in the value of assets and liabilities including investments in securities at month end, resulting from changes in the exchange rate.

**Option Contracts** - The IMB may purchase or write equity, bond, currency, or index option contracts that have recognized liquidity and are actively traded on major exchanges or are executed with major dealers. These option contracts give the purchaser of the contract the right to buy (call) or sell (put) the security, or settle cash for an index option, underlying the contract at an agreed upon price (strike price) during or at the conclusion of a specified period of time.

Premiums paid upon the purchase of an option contract are recorded as an asset and subsequently adjusted to market value. Upon exercising a purchased option, a gain is recorded equal to the difference between the market value of the underlying instrument and the strike price of the option, minus premiums paid. If the option expires unexercised, a loss is recognized in the amount of the premiums paid for the option.

Premiums received when option contracts are written are recorded as a liability and subsequently adjusted to market value. If a written option contract expires unexercised, a gain is recorded equal to the amount of the premiums received. The difference between the premiums received and the amount paid to effect a closing transaction is also recorded as a gain or loss. When a written option is exercised, a loss is recorded equal to the difference between the market value of the underlying instrument and the strike price of the option, minus premiums received.

Written option contracts are used to enhance investment returns and reduce portfolio convexity when implied volatility is high. Purchased option contracts are used to increase portfolio convexity when implied volatility is low, to implement certain yield curve strategies, or to hedge sector exposure.

When writing put options, there is risk that a loss may be incurred if the market price of the underlying instrument decreases and the option is exercised. This loss is determined by market conditions and cannot be specifically limited. The risk associated with writing call options is the loss of potential profit if the market price of the security increases and the option is exercised. Purchased put or call options bear the risk of loss of the premium paid if market conditions are not favorable to exercise the option. There may also be risk that the value of the option contract does not correlate perfectly with movements of the underlying instrument due to certain market distortions.

The IMB limits its exposure to credit risk by only buying or selling options traded on major exchanges, or executed with major dealers. There is a risk of the inability to enter into a closing transaction if a liquid secondary market does not exist. The IMB maintains sufficient levels of cash or cash equivalents to meet cash flow obligations.

**Security Loans** - The IMB, through its agent, the Bank of New York Mellon, loans securities to various brokers on a temporary basis. Each transaction for U.S. securities is secured by initial collateral of at least 102 percent of the market value

# Total Return Fixed Income Pool

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## Notes to Financial Statements

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

of the securities loaned. For international securities, the collateral is at least 105 percent of the market value of the securities on loan. Cash collateral received is invested in the Mellon GSL Reinvestment Trust. The IMB receives compensation in the form of loan premium fees and income from the investment of the cash collateral. Expenses related to the lending of securities are rebates paid by the lending agent to brokers and the lending agent's fees for its services. The income earned by the IMB is reported in the Statement of Operations as securities lending income. The agent fees and broker rebates are reported as expenses, and unrealized gains or losses resulting from changes in the value of the investment of cash collateral are reported as part of the net increase or decrease in the fair value of investments. The IMB also continues to receive interest or dividends on the securities loaned. Gains or losses in the fair value of the securities loaned that may occur during the term of the loans are reflected in the Statement of Operations.

**Futures Contracts** - A futures contract is an agreement between a buyer or a seller and the clearinghouse of a futures exchange in which the parties agree to buy or sell a commodity, financial instrument or index at a specified future date and price. Upon entering into a financial futures contract, the IMB is required to pledge to the broker an amount of cash, U.S. government securities, or other assets, equal to a certain percentage of the contract amount (initial margin deposit). Cash (variation margin) is received from or paid to the broker for the fluctuations of the underlying securities or index. The IMB records the cash received or paid for the variation margin as a realized gain or loss.

Interest rate futures may be used to enhance portfolio yields, to hedge an existing position, or as an alternative investment of cash. Stock index futures may be used to provide immediate exposure to fluctuations in the market values of the stocks in the underlying index and to provide liquidity for cash flows.

The market risk associated with holding interest rate and stock index futures results from changes in the market value of the contractual positions due to changes in the value of the underlying instruments or indices. Hedging risk associated with these futures contracts arises because the value of the futures contracts may not correlate perfectly with changes in the values of the underlying instruments or indices due to market distortions.

Other risks associated with futures contracts are liquidity risk and credit risk. Liquidity risk arises when there is insufficient trading in a particular futures contract. Credit risk arises from the potential inability of counterparties to meet the terms of the contracts. The IMB's managers generally only utilize futures contracts that are traded on major exchanges or are executed with major dealers. The major exchanges assume the risk of a counterparty default and generally require an initial margin deposit of cash or securities.

**Foreign Exchange Forward Contracts** - A foreign exchange forward contract is an agreement between two parties to exchange different currencies at a specified exchange rate at an agreed upon future date. Western enters into such contracts to hedge the assets and liabilities related to securities denominated in a foreign currency. Risks associated with such contracts include movement in the value of the foreign currency relative to the U.S. dollar and the ability of the counterparty to perform. These contracts have relatively short durations and are valued at the prevailing market exchange rates at month end. An unrealized gain or loss is recorded as the difference between the amount valued at month end and the amount to be received or paid at the expiration date. The unrealized gain or loss is reclassified to realized gain or loss when the contract expires.

**Interest Rate Swaps** – Interest rate swaps represent agreements between counterparties to exchange cash flows based on the difference between two interest rates, applied to a notional principal amount for a specified period. Interest rate swaps do not involve the exchange of principal between the parties. Interest is paid or received periodically.

**Credit Default Swaps** – Credit default swaps are agreements between counterparties to transfer the credit risk of referenced debt securities. The buyer of the credit default swap gains protection against a negative credit event such as a default or credit rating downgrade and the seller assumes the credit risk and is obligated to pay upon the occurrence of such an event.

**Asset-Backed Securities** – The Pool invests in various asset-backed securities, mortgage-backed securities, and structured corporate debt. The securities are reported at fair value. The Pool invests in these securities to enhance yields on investments.

# Total Return Fixed Income Pool

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## Notes to Financial Statements

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Changes in market interest rates affect the cash flows of these securities and may result in changes in fair value. The overall return or yield on these securities depends on the changes in the interest and principal payment pattern and market value of the underlying assets.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Investment Gains and Losses** - Gains and losses on the sale of investment securities are recognized at the time of sale by the average cost method. The calculation of realized gains and losses is independent of the calculation of the net increase or decrease in the fair value of investments. Realized gains and losses on investments held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of investments reported in the prior year.

**Interest Income** - Interest income is recognized as earned on the accrual method.

**Dividend Income** - Dividend income is recognized on the ex-dividend date.

**Amortization** - Discounts and premiums on securities purchased are amortized over the life of the respective securities using the scientific method of amortization. This method maintains a constant book yield over the life of the security. The amortization of asset-backed securities considers the effect of prepayments on the life of the security. Historical prepayment speeds are obtained from market data vendors and are updated annually. The effect of changing prepayment assumptions is reported in the Statement of Operations in the year of the change.

**Distributions to Participants** - The monthly net investment income of the Pool is declared as a dividend on the last day of the month and distributed to the participants of the Pool on the first day of the following month. Distributions are paid in the form of reinvestments in the Pool and have been included in distributions to participants and reinvestment of distributions as presented on the Statement of Changes in Net Assets.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from federal and state taxation. Accordingly, the financial statements have been prepared recognizing that the IMB is not subject to federal or state income taxes.

### NOTE 3. FAIR VALUE MEASUREMENTS

FAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The IMB adopted FAS 157 for fiscal year 2009.

Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

FAS 157 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FAS 157 are:

# Total Return Fixed Income Pool

## Notes to Financial Statements

### NOTE 3. FAIR VALUE MEASUREMENTS (Continued)

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with FAS 157 fair value hierarchy levels as of October 31, 2009:

	Level I	Level II	Level III	Total
Commingled Funds	\$ -	\$ 720,563,276	\$ -	\$ 720,563,276
Corporate Issues	-	456,560,349	-	456,560,349
Regulated Investment Companies	-	226,029,395	-	226,029,395
U.S. Government Agency Issues	-	214,830,538	-	214,830,538
U.S. Treasury Issues	-	56,553,113	-	56,553,113
Securities Lending Collateral Funds	-	21,176,879	-	21,176,879
Futures	2,417,676	-	-	2,417,676
Preferred Securities	878,123	-	-	878,123
Convertible Securities	-	449,480	-	449,480
Foreign Exchange Forward Contracts	-	772,768	-	772,768
Interest Rate Swaps	-	(2,401,015)	-	(2,401,015)
Options	(9,050,463)	-	-	(9,050,463)
Total	\$ (5,754,664)	\$ 1,694,534,783	\$ -	\$ 1,688,780,119

### NOTE 4. SECURITIES LENDING

At October 31, 2009, the fair value of securities on loan was \$22,534,625, initial collateral received was \$22,999,440, and the fair value of reinvested collateral held was \$21,176,879. All of the collateral was received as cash and was invested in the Mellon GSL DBT II Collateral Fund (Collateral Fund), the Mellon SL DBT II Liquidating Fund (Liquidating Fund), and the Mellon GSL DBT II Liquidating Trust (Liquidating Trust).

In early November 2008, the IMB was notified that certain securities issued by Sigma Finance, Inc. (Sigma) were transferred from the Mellon GSL DBT II Collateral Fund on October 1, 2008, to the Liquidating Trust. Units of the Liquidating Trust were transferred to the IMB's securities lending cash collateral account. For all of the IMB investment pools that participate in the securities lending program, the value of the units in the Liquidating Trust on an amortized cost basis was \$10,973,960 as calculated by the IMB's proportionate interest in the Mellon GSL DBT II Collateral Fund as of the close of business on September 30, 2008. Sigma was subsequently placed into receivership and the IMB is exposed to a potential loss of the full value of the Sigma investment. In October, the IMB recorded a reserve for these potential losses in each investment pool in proportion to its participation in the securities lending program at September 30, 2008. The reserve recorded for the Pool was \$1,703,359.



## Total Return Fixed Income Pool

### Notes to Financial Statements

#### NOTE 4. SECURITIES LENDING (Continued)

Effective April 20, 2009, the assets of the Collateral Fund with maturities greater than one day were transferred to the Liquidating Fund. As securities mature in the Liquidating Fund, the proceeds are transferred to the Collateral Fund. The combined value of the holdings in the Collateral Fund and the Liquidating Fund was used to determine the fair value of reinvested collateral.

Additionally, the distribution of securities lending income has been restricted beginning October 1, 2008. The restriction will remain in place until the actual loss on Sigma is realized. The accumulated undistributed securities lending income at October 31, 2009 was \$434,978.

#### NOTE 5. FUTURES CONTRACTS

At October 31, 2009, open positions in futures contracts denominated in US dollars were as follows:

Expiration	Open Contracts	Position	Value at October 31, 2009	Value Upon Entering Contract	Cumulative Net Gain (Loss) Since Inception
Dec 2011	700	Euro 90 Day Future	\$ 169,933,750	\$ 169,986,250	\$ 52,500
Mar 2010	1,042	Euro 90 Day Future	258,524,563	259,184,475	659,912
Jun 2010	448	Euro 90 Day Future	110,644,800	111,109,600	464,800
Sep 2010	171	Euro 90 Day Future	42,027,113	42,258,375	231,262
Dec 2009	744	US Treasury 2 Yr Note	160,344,267	161,901,376	1,557,109
Dec 2009	515	US Treasury 10 Yr Note	60,813,328	61,083,828	270,500
Dec 2010	(700)	Euro 90 Day Future	(172,156,250)	(172,305,000)	(148,750)
Dec 2009	(560)	Euro 90 Day Future	(137,844,000)	(139,552,000)	(1,708,000)
Dec 2009	(1,317)	US Treasury 5 Yr Note	(153,013,172)	(153,368,766)	(355,594)
Dec 2009	(702)	US T-Bond	(85,504,750)	(84,349,688)	1,155,062
			<u>\$ 253,769,649</u>	<u>\$ 255,948,450</u>	<u>\$ 2,178,801</u>

At October 31, 2009, open positions in futures contracts denominated in foreign currencies are as follows:

Expiration	Open Contracts	Currency	Position	Value at October 31, 2009 Local Currency	Initial Value in Local Currency	October 31, 2009 Exchange Rate	Cumulative Net Gain (Loss) Since Inception
Dec 2009	302	Euro	Euro Bond Future	36,813,800	36,651,900	1.47545	\$ 238,875

At October 31, 2009, the Pool had pledged cash of \$4,602,951 to cover initial margin requirements on open futures contracts, and the net variation margin payable of \$704,025, includes one day's settlement on open U.S. dollar futures contracts of \$942,900, and the cumulative margin receivable on open foreign currency denominated futures contracts of \$238,875.

## Total Return Fixed Income Pool

### Notes to Financial Statements

#### NOTE 6. SWAPS

At October 31, 2009, open positions in interest rate swaps are as follows:

Counterparty	Notional Value	Maturity Date	Receiving			Paying			Fair Value
			Rate	Type	Base	Rate	Type	Base	
Greenwich Capital	\$ 10,560,000	12/18/2018	1.00%	Floating	3 mo. Libor	4.34%	Fixed	N/A	\$ (739,195)
Greenwich Capital	35,200,000	7/16/2019	1.00%	Floating	3 mo. Libor	3.64%	Fixed	N/A	(331,887)
Greenwich Capital	17,600,000	7/16/2039	1.00%	Floating	3 mo. Libor	4.09%	Fixed	N/A	(127,609)
CS First Boston	134,770,000	2/28/2014	1.00%	Floating	3 mo. Libor	2.75%	Fixed	N/A	(1,202,324)
	<u>\$198,130,000</u>								<u>\$ (2,401,015)</u>

At October 31, 2009, the Pool had pledged cash of \$7,470,000 as collateral on open swap contracts.

#### NOTE 7. OPTION CONTRACTS

At October 31, 2009, open option contracts were as follows:

Type	Description	Maturity	Strike Price	Face	Premiums (Received)/Paid	Value at October 31, 2009
<i>Long Positions</i>						
Put	US Treasury Bond Option	11/20/2009	117.000	417	\$ 598,683	\$ 136,828
Put	Euro 90 Day Future Option	12/14/2009	99.375	140	24,955	5,250
Total Long Positions					623,638	142,078
<i>Short Positions</i>						
Call	US Treasury Option 10 Yr	11/20/2009	117.000	(621)	(579,393)	(1,203,187)
Call	Euro 90 Day Future Option	9/13/2010	98.750	(79)	(89,606)	(93,319)
Call	Euro 90 Day Future Option	3/15/2010	99.000	(707)	(451,594)	(967,706)
Call	Euro 90 Day Future Option	3/15/2010	99.375	(125)	(60,494)	(71,875)
Call	Swaption	10/3/2013	4.860	(224)	(1,356,410)	(1,776,967)
Call	Swaption	10/2/2013	4.965	(224)	(1,328,978)	(1,883,685)
Put	Euro 90 Day Future Option	9/13/2010	98.750	(79)	(76,768)	(73,569)
Put	Euro 90 Day Future Option	12/14/2009	99.250	(140)	(11,795)	(2,625)
Put	Euro 90 Day Future Option	3/15/2010	98.875	(707)	(463,531)	(75,119)
Put	Euro 90 Day Future Option	3/15/2010	99.375	(229)	(111,243)	(62,975)
Put	Swaption	10/2/2013	4.965	(224)	(1,328,977)	(1,523,674)
Put	Swaption	10/3/2013	4.860	(224)	(1,356,410)	(1,457,840)
Total Short Positions					(7,215,199)	(9,192,541)
Total Option Contracts					\$ (6,591,561)	\$ (9,050,463)

A summary of the activity in short (written) option positions for the period ended October 31, 2009 is as follows:

	Puts		Calls	
	Number of Contracts	Premiums (Received)/Paid	Number of Contracts	Premiums (Received)/Paid
Options outstanding at June 30, 2009	(4,775)	\$ (4,118,647)	(3,126)	\$ (4,427,335)
Options written	(3,760)	(1,719,406)	(2,637)	(2,105,734)
Options closed	1,659	832,315	462	364,915
Options expired	5,273	1,657,013	3,321	2,301,680
Options outstanding at October 31, 2009	<u>(1,603)</u>	<u>\$ (3,348,725)</u>	<u>(1,980)</u>	<u>\$ (3,866,474)</u>

# Total Return Fixed Income Pool

## Notes to Financial Statements

### NOTE 8. FOREIGN CURRENCY FORWARD CONTRACTS

At October 31, 2009, open foreign currency forward contracts were as follows:

Position	Foreign Currency	Inception Date	Expiration Date	Receivable		Payable		Unrealized appreciation (depreciation)
				(in foreign currency)	(in U. S. dollars)	(in foreign currency)	(in U. S. dollars)	
Long/Hedge	Japanese Yen	8/4/2009	11/19/2009	2,696,608,000	\$ 29,793,007		\$ 28,511,699	\$ 1,281,308
Short/Hedge	Japanese Yen	8/4/2009	11/19/2009		29,484,015	2,696,608,000	29,793,008	(308,993)
Short/Hedge	Euro	8/4/2009	11/19/2009		7,747,824	5,386,673	7,947,370	(199,546)
					<u>\$ 67,024,846</u>		<u>\$ 66,252,077</u>	<u>\$ 772,768</u>

### NOTE 9. FINANCIAL HIGHLIGHTS

**Per Unit Operating Performance:**

Net asset value at June 30, 2009	\$ 11.90
Income from investment operations:	
Net investment income	0.13
Net realized and unrealized gain on investment transactions	<u>1.07</u>
Total from investment operations	1.20
Less distributions from net investment income	<u>(0.13)</u>
Net asset value at October 31, 2009	<u>\$ 12.97</u>

**Time-weighted Total Return \*** 10.1%

**Supplemental Data:**

Net assets, end of period (\$000's)	\$ 1,544,925
Ratio to average net assets:	
Expenses **	0.24%
Net investment income **	3.13%
Portfolio turnover rate	18.93%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized

## Total Return Fixed Income Pool

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### Notes to Financial Statements

#### NOTE 10. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at October 31, 2009. The balances do not include the dividend declared by the Pool on the last day of the month and reinvested to the participant's account on the first day of the following month.

<u>Participant</u>	<u>Account Value</u>
Public Employees' Retirement System	\$ 567,154,291
Teachers' Retirement System	492,584,702
Workers' Compensation Old Fund	120,881,131
Retiree Health Benefit Trust	85,984,485
State Police Death, Disability and Retirement Fund	63,830,402
Coal Workers' Pneumoconiosis Fund	54,719,042
Public Employees' Insurance Agency	33,724,927
Board of Risk and Insurance Management	28,712,632
Revenue Shortfall Reserve Fund B	21,937,411
Prepaid Tuition Trust Fund	16,645,318
Judges' Retirement System	15,660,762
Deputy Sheriff's Retirement System	13,878,603
Revenue Shortfall Reserve Fund	13,086,986
State Police Retirement System	7,300,028
Wildlife Endowment Fund	5,648,141
Emergency Medical Services Retirement System	3,176,252
Total	<u>\$ 1,544,925,113</u>

**Financial Statements - Unaudited**

**October 31, 2009**



# Core Fixed Income Pool

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## Financial Statements - Unaudited October 31, 2009

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# Core Fixed Income Pool

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**Statement of Assets and Liabilities - Unaudited**  
**October 31, 2009**  
*(Amounts in thousands, except unit data)*

**Assets**

Investment securities at fair value	\$ 1,300,004
Receivables:	
Accrued interest	5,119
Investments sold	398,196
Dividends	<u>53</u>
<b>Total assets</b>	<b>1,703,372</b>

**Liabilities**

Cash overdraft	11
Accrued expenses	531
Dividends payable	1,778
Payable for investments purchased	<u>5,082</u>
<b>Total liabilities</b>	<b><u>7,402</u></b>
<b>Net assets</b>	<b><u><u>\$ 1,695,970</u></u></b>

**Analysis of net assets**

Paid-in capital	\$ 1,669,409
Accumulated undistributed net realized gain from investments	7,719
Unrealized net appreciation of investments	<u>18,842</u>
<b>Net assets</b>	<b><u><u>\$ 1,695,970</u></u></b>

**Unit data**

Units outstanding	163,332,638
Net asset value, unit price	<u><u>\$ 10.38</u></u>

*See accompanying notes to financial statements.*



# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited October 31, 2009

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
<b><u>U. S. Treasury Issues</u></b>						
United States Treasury	4.630 %	1.226 %	07/31/2012	2,500	\$ 2,729	\$ 2,727
United States Treasury	0.000	1.623	08/15/2012	4,000	3,824	3,855
United States Treasury	3.880	1.670	02/15/2013	300	321	322
United States Treasury	0.000	2.177	02/15/2013	200	186	189
United States Treasury	0.000	2.796	02/15/2014	4,100	3,640	3,740
United States Treasury	1.880	2.255	02/28/2014	1,000	984	993
United States Treasury	1.750	2.213	03/31/2014	500	490	493
United States Treasury	0.000	2.283	05/15/2014	7,100	6,405	6,419
United States Treasury	2.630	2.231	06/30/2014	2,000	2,035	2,038
United States Treasury	0.000	2.343	08/15/2014	3,000	2,684	2,683
United States Treasury	0.000	2.361	11/15/2014	750	666	663
United States Treasury	0.000	2.704	02/15/2015	150	130	131
United States Treasury	9.880	2.377	11/15/2015	3,100	4,400	4,349
United States Treasury	2.630	2.847	02/29/2016	200	197	198
United States Treasury	2.630	2.947	04/30/2016	1,000	981	987
United States Treasury	0.000	3.331	08/15/2016	4,800	3,836	3,870
United States Treasury	7.500	3.056	11/15/2016	9,900	12,666	12,727
United States Treasury	0.000	3.302	11/15/2016	250	199	199
United States Treasury	4.630	3.056	02/15/2017	6,500	7,162	7,185
United States Treasury	0.000	3.562	02/15/2017	5,150	3,981	4,042
United States Treasury	8.750	3.094	05/15/2017	9,150	12,605	12,620
United States Treasury	4.500	3.059	05/15/2017	4,100	4,495	4,492
United States Treasury	8.880	3.213	08/15/2017	10,450	14,496	14,571
United States Treasury	4.750	3.018	08/15/2017	15,000	16,790	16,675
United States Treasury	0.000	3.491	11/15/2017	7,050	5,337	5,321
United States Treasury	0.000	3.464	02/15/2018	2,950	2,219	2,202
United States Treasury	8.500	3.484	02/15/2020	750	1,073	1,072
United States Treasury	8.750	3.409	05/15/2020	1,400	2,057	2,037
United States Treasury	0.000	4.018	05/15/2020	2,450	1,611	1,627
United States Treasury	8.750	3.735	08/15/2020	3,250	4,686	4,740
United States Treasury	0.000	3.855	08/15/2020	4,500	2,981	2,945
United States Treasury	0.000	4.258	11/15/2020	400	251	259
United States Treasury	0.000	4.230	02/15/2021	200	125	128
United States Treasury	8.130	3.524	05/15/2021	1,000	1,433	1,413
United States Treasury	0.000	4.091	02/15/2022	450	274	271
United States Treasury	0.000	4.504	05/15/2024	800	419	422
United States Treasury	0.000	4.459	08/15/2024	700	365	364
United States Treasury	6.750	4.072	08/15/2026	625	827	824
United States Treasury	6.500	3.954	11/15/2026	400	525	515
United States Treasury	6.630	3.831	02/15/2027	700	946	914
United States Treasury	6.380	4.144	08/15/2027	150	192	192
United States Treasury	6.130	4.210	11/15/2027	50	62	62
United States Treasury	0.000	4.554	05/15/2029	150	62	62
United States Treasury	5.380	4.312	02/15/2031	1,000	1,147	1,162
United States Treasury	0.000	4.591	05/15/2036	200	60	61
United States Treasury Strip	0.000	4.006	05/15/2020	4,500	2,961	2,996
Total U. S. Treasury Issues - 8.0%					135,515	135,757
<b><u>U. S. Government Agency Issues</u></b>						
<i>U. S. Government Agency MBS (coupon, yield, and maturity date are weighted averages)</i>						
FHLMC Mortgage Pools	6.299	5.665	04/11/2034	78,763	83,101	83,988
FNMA Mortgage Pools	6.135	5.414	04/02/2032	75,734	80,104	80,977
GNMA Mortgage Pools	6.922	6.179	05/13/2036	2,312	2,496	2,489
<i>Total U. S. Government Agency MBS</i>					165,701	167,454
<i>U. S. Government Agency CMO (coupon, yield, and maturity date are weighted averages)</i>						
FHLMC Issues	7.540	7.675	05/13/2033	71,687	46,535	48,499
FNMA Issues	7.042	6.977	09/08/2032	119,729	92,827	95,839
GNMA Issues	10.188	7.651	01/01/2034	100,712	25,981	28,255
<i>Total U. S. Government Agency CMO</i>					165,343	172,593
Total U. S. Government Agency Issues - 20.1%					331,044	340,047

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (Continued)

October 31, 2009

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
<b><u>Municipal Bonds</u></b>						
Illinois	5.100	5.820	06/01/2033	350	320	318
Total Municipal Bonds - 0.0%					320	318
<b><u>Corporate Issues</u></b>						
<i>Corporate Bonds</i>						
Ace Ina Hldg Inc	5.880	3.570	06/15/2014	240	263	264
Allied Waste North America	6.880	6.978	06/17/2015	250	249	265
Allstate Corp	5.000	3.585	08/15/2014	470	499	497
American Express Credit Co	7.300	4.692	08/20/2013	600	654	674
American Express Credit Co	5.130	4.116	08/25/2014	625	652	658
Ameritech Capital Funding	6.450	5.178	01/15/2018	70	76	76
Amgen Inc	5.700	5.035	02/01/2019	210	220	230
Anadarko Petroleum Corp	8.700	8.251	03/15/2019	300	308	367
Anadarko Petroleum Corp	6.950	5.869	06/15/2019	285	307	320
Anheuser- Busch	7.200	4.539	01/15/2014	300	330	338
Anheuser- Busch	7.750	6.532	01/15/2019	175	190	204
Appalachian Power Company	5.950	6.624	05/15/2033	250	230	247
Arrow Electronics Inc	6.880	6.098	07/01/2013	215	220	235
Arrow Electronics Inc	6.880	5.965	06/01/2018	235	249	247
Associates Corp NA	6.950	9.356	11/01/2018	350	299	363
AT&T Corp	8.000	6.174	11/15/2031	1,000	1,218	1,231
AT&T Corp Wireless Services	7.880	2.894	03/01/2011	500	532	542
AT&T Inc	4.950	3.716	01/15/2013	175	181	187
AT&T Inc	5.600	5.809	05/15/2018	365	360	386
AT&T Inc	6.300	7.669	01/15/2038	300	253	313
Atmos Energy Corp	8.500	8.529	03/15/2019	150	150	185
Bank of America Corp	5.500	5.648	06/14/2012	2,000	1,993	2,129
Bank of America Corp	7.380	7.510	05/15/2014	600	597	672
Bank of America Corp	5.130	8.762	11/15/2014	300	256	311
Bank of America Corp	6.500	6.545	08/01/2016	500	499	535
Bank of America Corp	7.630	7.715	06/01/2019	210	208	242
Bank of New York Co Inc	4.500	2.783	04/01/2013	305	322	323
Bank of New York Co Inc	5.130	3.868	08/27/2013	350	365	379
Barclays Bank PLC	5.200	5.227	07/10/2014	400	400	427
BB&T Corporation	4.900	5.999	06/30/2017	800	747	773
BB&T Corporation	3.850	3.851	07/27/2012	175	175	181
BB&T Corporation	3.380	3.399	09/25/2013	340	340	343
BB&T Corporation	6.850	7.048	04/30/2019	225	222	253
BellSouth Corporation	5.200	4.342	09/15/2014	300	311	324
Berkshire Hathaway Fin	4.000	4.082	04/15/2012	600	599	632
Berkshire Hathaway Fin	4.600	4.335	05/15/2013	100	101	107
BHP Billiton Financial USA	5.500	5.577	04/01/2014	200	199	220
Boeing Company	9.750	2.232	04/01/2012	260	306	303
Boeing Company	5.130	4.019	02/15/2013	100	103	108
BP Capital Markets PLC	3.130	3.127	03/10/2012	250	250	258
BP Capital Markets PLC	3.630	3.625	05/08/2014	100	100	104
British Telecom PLC	9.130	6.000	12/15/2010	260	269	280
Bunge Limited Finance Co	5.880	6.484	05/15/2013	50	49	52
Bunge Limited Finance Co	8.500	7.206	06/15/2019	373	405	435
Bunge NA Finance LP	5.900	7.617	04/01/2017	54	49	54
Burlington Northern Santa Fe	5.900	4.746	07/01/2012	150	154	164
Burlington Northern Santa Fe	4.700	4.722	10/01/2019	350	349	352
Burlington Northern Santa Fe	7.290	6.510	06/01/2036	80	88	96
C & P Telephone	7.150	7.864	05/01/2023	400	377	412
Capital One Bank USA NA	6.500	10.704	06/13/2013	100	88	107
Capital One Financial Corp	7.380	5.321	05/23/2014	295	319	335
Capital One Financial Corp	5.500	10.399	06/01/2015	200	159	208
Capital One Financial Corp	6.750	5.613	09/15/2017	625	670	664
Cargill Inc	6.380	3.633	06/01/2012	100	107	109
Cargill Inc	7.350	5.427	03/06/2019	250	285	292
Carolina Power & Light	5.300	4.589	01/15/2019	200	211	215
Caterpillar Financial Services	5.850	4.754	09/01/2017	820	878	885
Caterpillar Financial Services	7.150	6.131	02/15/2019	395	422	464

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (Continued)

October 31, 2009

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Cenovus Energy Inc	5.700	5.708	10/15/2019	165	165	171
Centerpoint Ener Houston	5.750	5.100	01/15/2014	185	189	199
Centerpoint Ener Houston	7.000	5.151	03/01/2014	185	198	208
Cisco Systems Inc	5.500	4.491	02/22/2016	210	222	231
Cisco Systems Inc	5.900	6.273	02/15/2039	210	200	223
Citigroup Inc	5.250	7.887	02/27/2012	200	189	208
Citigroup Inc	5.500	7.166	04/11/2013	600	570	625
Citigroup Inc	6.380	6.536	08/12/2014	295	293	313
Citigroup Inc	5.500	5.615	10/15/2014	300	299	308
Citigroup Inc	6.000	9.072	08/15/2017	190	158	191
Citigroup Inc	6.130	8.449	11/21/2017	300	260	306
Citigroup Inc	8.500	8.765	05/22/2019	265	261	310
Citigroup Inc	8.130	8.310	07/15/2039	350	343	407
Cleveland Electric Illum	7.880	5.053	11/01/2017	300	355	360
Cleveland Electric Illum	8.880	7.005	11/15/2018	225	253	283
Coca-Cola Company	3.630	3.725	03/15/2014	100	100	104
Coca-Cola Company	4.880	4.993	03/15/2019	100	99	106
Columbus Southern Power	6.050	6.649	05/01/2018	205	197	220
Comcast Cable Comm Holdings	9.460	8.128	11/15/2022	500	553	638
Comcast Corp	5.900	5.728	03/15/2016	350	353	376
Comcast Corp	6.500	5.409	01/15/2017	200	213	218
ConocoPhillips	5.750	5.911	02/01/2019	100	99	108
ConocoPhillips	6.000	4.630	01/15/2020	875	971	963
Consumers Energy Company	6.700	5.661	09/15/2049	394	458	453
Cox Communications Inc	5.450	3.845	12/15/2014	225	242	242
Credit Suisse FB USA Inc	5.130	5.058	01/15/2014	155	155	166
Credit Suisse FB USA Inc	4.880	6.376	01/15/2015	250	234	264
Credit Suisse FB USA Inc	5.130	4.005	08/15/2015	525	555	560
Credit Suisse FB USA Inc	7.130	5.535	07/15/2032	275	331	335
Credit Suisse New York	3.450	3.496	07/02/2012	200	200	207
Credit Suisse New York	5.500	5.524	05/01/2014	170	170	184
Credit Suisse USA Inc	5.850	6.720	08/16/2016	200	191	214
CSX Corp	6.300	4.952	03/15/2012	100	103	108
CSX Corp	6.250	5.299	03/15/2018	200	213	218
CSX Corp	7.380	6.722	02/01/2019	200	209	233
Daimler Finance NA Holdings	6.500	7.740	11/15/2013	275	263	299
Dell Inc	5.650	4.846	04/15/2018	317	334	336
Deutsche Bank AG London	3.880	3.962	08/18/2014	305	304	311
Deutsche Telekom Int Fin	6.000	5.648	07/08/2019	635	651	684
Diageo Capital PLC	7.380	3.318	01/15/2014	402	465	468
Dominion Resources Inc	6.400	4.717	06/15/2018	465	520	519
Dow Chemical Company	4.850	4.855	08/15/2012	235	235	244
Duke Energy Ohio Inc	5.450	5.008	04/01/2019	395	408	425
Encana Corp	6.500	5.141	05/15/2019	500	551	555
Enel Finance Intl SA	5.130	5.151	10/07/2019	600	599	611
EOG Resources Inc	5.630	5.356	06/01/2019	200	204	218
FirstEnergy Corp	7.380	6.270	11/15/2031	90	102	100
Florida Power Corp	6.400	5.331	06/15/2038	280	324	321
FMR LLC	6.450	6.504	11/15/2039	250	248	251
FPL Group Capital Inc	6.000	6.006	03/01/2019	125	125	138
France Telecom	4.380	3.419	07/08/2014	400	416	422
General Electric Capital Corp	0.400 A	3.210	04/10/2012	500	467	485
General Electric Capital Corp	5.250	4.913	10/19/2012	800	807	860
General Electric Capital Corp	5.900	5.926	05/13/2014	1,500	1,498	1,642
General Electric Capital Corp	5.630	7.254	09/15/2017	200	181	207
General Electric Capital Corp	5.630	8.002	05/01/2018	250	214	257
General Electric Capital Corp	6.000	6.015	08/07/2019	105	105	110
General Electric Capital Corp	5.880	8.520	01/14/2038	200	144	191
General Electric Company	5.250	5.983	12/06/2017	305	291	317
General Mills Inc	5.200	4.836	03/17/2015	100	102	108
Georgia Power Company	5.250	5.030	12/15/2015	200	202	220
Glaxosmithkline Cap Inc	4.380	3.625	04/15/2014	215	222	228
Goldman Sachs	3.630	3.652	08/01/2012	300	300	309
Goldman Sachs	7.500	5.926	02/15/2019	1,375	1,526	1,606
Goldman Sachs Group Inc	4.750	7.235	07/15/2013	200	184	210

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (Continued)

October 31, 2009

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
Goldman Sachs Group Inc	5.150	5.113	01/15/2014	415	416	438
Goldman Sachs Group Inc	5.750	5.226	10/01/2016	50	52	52
Goldman Sachs Group Inc	6.250	7.134	09/01/2017	290	275	310
Goldman Sachs Group Inc	6.150	7.286	04/01/2018	235	218	250
GTE Corporation	8.750	5.975	11/01/2021	250	309	302
Halliburton Company	6.150	4.627	09/15/2019	360	403	403
Halliburton Company	7.450	7.646	09/15/2039	100	98	125
Hewlett-Packard Company	2.950	2.956	08/15/2012	225	225	231
Hewlett-Packard Company	5.400	4.620	03/01/2017	280	293	305
Historic Time Warner Inc	9.150	6.368	02/01/2023	945	1,178	1,131
Home Depot Inc	5.400	5.912	03/01/2016	500	486	528
Household Finance Corporation	4.750	7.304	07/15/2013	17	16	18
HRPT Properties Trust	6.650	10.261	01/15/2018	375	301	351
HSBC Finance Corp	0.530	7.207	01/15/2014	500	378	463
HSBC Finance Corp	5.000	9.339	06/30/2015	300	244	312
International Business Machs	7.630	5.057	10/15/2018	330	390	408
Intuit Inc	5.750	4.907	03/15/2017	233	245	245
Jefferies Group Inc	7.750	25.463	03/15/2012	340	238	368
Jefferies Group Inc	8.500	7.634	07/15/2019	290	307	315
Jefferies Group Inc	6.450	8.192	06/08/2027	330	277	279
John Deere Capital Corp	5.250	5.329	10/01/2012	225	225	245
John Deere Capital Corp	5.750	4.607	09/10/2018	233	252	254
Kellogg Company	4.250	3.896	03/06/2013	100	101	106
Kimberly Clark Corporation	7.500	4.845	11/01/2018	250	298	310
Kohl's Corporation	6.250	5.839	12/15/2017	90	92	99
Kraft Foods Inc	6.750	4.586	02/19/2014	250	271	279
Kraft Foods Inc	6.130	5.169	08/23/2018	435	464	462
Kroger Co	7.500	4.288	01/15/2014	50	56	58
Kroger Co	6.400	6.119	08/15/2017	100	102	111
Kroger Co	6.150	5.095	01/15/2020	475	514	520
Lilly Eli and Company	3.550	3.578	03/06/2013	100	100	105
Lockheed Martin Corp	7.750	6.031	05/01/2026	95	112	119
Lockheed Martin Corp	8.500	5.565	12/01/2029	225	304	301
M & T Bank Corporation	5.380	3.575	05/24/2012	190	198	196
Manuf & Traders Trust Co	6.630	7.668	12/04/2017	465	436	482
Marathon Oil Corp	7.500	5.509	02/15/2019	215	246	252
Marshall & Ilsley Corp	5.350	9.819	04/01/2011	215	203	208
Mass Mutual Global Funding	3.630	3.652	07/16/2012	150	150	155
Merrill Lynch & Company Inc	6.150	8.809	04/25/2013	341	314	366
Merrill Lynch & Company Inc	6.880	6.086	04/25/2018	600	631	646
Met Life Global Funding I	2.880	2.975	09/17/2012	500	499	502
Met Life Global Funding I	5.130	5.006	04/10/2013	300	301	318
Miller Brewing Company	5.500	3.464	08/15/2013	300	321	321
Monsanto Company	5.130	5.008	04/15/2018	160	161	169
Morgan Stanley	6.000	5.915	05/13/2014	375	376	403
Morgan Stanley	5.630	5.680	09/23/2019	510	508	513
Morgan Stanley Dean Witter Co	6.250	7.609	08/28/2017	430	395	451
Morgan Stanley Dean Witter Co	6.630	6.270	04/01/2018	400	409	429
Morgan Stanley Mortgage Loan	4.750	8.248	04/01/2014	250	218	251
National City Bank	5.800	5.680	06/07/2017	850	856	848
National Rural Utilities	2.630	2.671	09/16/2012	60	60	61
National Rural Utilities	10.380	8.107	11/01/2018	100	114	133
Nevada Power Company	7.130	5.401	03/15/2019	300	338	343
New York Global Life Fdg	4.650	3.682	05/09/2013	285	294	301
News America Holdings Inc	8.880	9.297	04/26/2023	250	242	296
News America Inc	7.250	5.514	05/18/2018	64	71	71
News America Inc	7.300	7.225	04/30/2028	250	252	260
Niagara Mohawk Power	4.880	4.881	08/15/2019	100	100	101
NiSource Finance Corp	10.750	7.509	03/15/2016	460	534	548
Northern Trust Corp	5.500	4.130	08/15/2013	102	107	112
Northrop Grumman Corp	7.750	5.091	03/01/2016	195	223	235
Nucor Corporation	5.750	4.303	12/01/2017	242	266	264
Oracle Corporation	5.750	5.177	04/15/2018	250	260	275
Oracle Corporation	5.000	4.688	07/08/2019	400	410	423
Pacific Life Global Funding	5.150	5.631	04/15/2013	100	99	105

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (Continued)

October 31, 2009

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
PACIFICORP	5.500	4.874	01/15/2019	350	366	379
PEPCO Holdings	7.900	5.749	12/15/2038	335	436	437
Pepsico Inc	7.900	4.537	11/01/2018	515	642	647
Petro-Canada	6.050	5.704	05/15/2018	245	251	261
Petro-Canada	6.800	6.466	05/15/2038	225	235	246
PG&E Corp	5.750	5.875	04/01/2014	150	149	164
PNC Funding Corp	5.250	7.406	11/15/2015	200	179	205
Praxair Inc	3.950	3.652	06/01/2013	130	131	136
Praxair Inc	4.380	4.446	03/31/2014	200	199	213
Pricoa Global Funding	5.450	5.499	06/11/2014	350	349	369
Principal Life Global	6.250	7.272	02/15/2012	600	587	628
Principal Life Global	5.050	8.354	03/15/2015	500	430	489
Progress Energy Inc	6.050	6.115	03/15/2014	150	150	165
PSEG Power LLC	7.750	2.572	04/15/2011	396	425	427
Sempra Energy	8.900	6.589	11/15/2013	200	216	237
Sempra Energy	6.500	6.539	06/01/2016	100	100	110
Sempra Energy	9.800	7.451	02/15/2019	150	173	191
Shell International Fin	4.000	4.006	03/21/2014	500	500	525
Shell International Fin	4.300	4.343	09/22/2019	285	284	286
Shell International Fin	6.380	6.026	12/15/2038	140	147	163
Simon Property Group Inc	6.750	6.403	05/15/2014	140	142	151
Simon Property Group Inc	5.630	4.874	08/15/2014	50	52	52
Simon Property Group Inc	6.100	9.051	05/01/2016	325	279	338
Southern Cal Edison	4.150	4.153	09/15/2014	100	100	105
Southern Cal Edison	6.050	6.110	03/15/2039	250	248	280
Southern Company	4.150	4.173	05/15/2014	100	100	104
Spectra Energy	6.200	6.993	04/15/2018	245	233	264
Spectra Energy Capital	6.750	8.473	07/15/2018	160	143	175
Spectra Energy Capital	8.000	5.666	10/01/2019	450	529	527
Staples Inc	9.750	7.024	01/15/2014	220	241	267
State Street Corp	4.300	4.321	05/30/2014	300	300	315
Talisman Energy Inc	7.750	7.809	06/01/2019	30	30	36
TCI Communications Inc	7.880	7.698	02/15/2026	100	102	113
Telecom Italia Capital	4.950	4.108	09/30/2014	625	648	649
Telecom Italia Capital	7.000	8.462	06/04/2018	100	91	110
Telefonica Eisiones SAU	5.860	3.741	02/04/2013	200	213	218
Telefonica Eisiones SAU	6.220	5.862	07/03/2017	150	153	166
Telefonica Eisiones SAU	5.880	5.877	07/15/2019	50	50	54
Tennessee Valley Authority	5.250	5.275	09/15/2039	98	98	100
Thomson Corporation	4.700	4.744	10/15/2019	150	149	151
Time Warner Cable Inc	8.250	5.583	02/14/2014	380	418	446
TransCanada Pipe	7.630	7.632	01/15/2039	50	50	64
Trans-Canada Pipelines	6.500	6.574	08/15/2018	250	249	283
UBS AG Stamford CT	5.880	5.576	12/20/2017	300	306	308
Union Pacific Corp	6.500	2.457	04/15/2012	300	329	331
Union Pacific Corp	7.880	6.065	01/15/2019	160	180	197
United Mexican States	6.380	3.627	01/16/2013	630	682	689
United Technologies Corp	6.130	4.488	02/01/2019	285	320	322
UNP RR CO 2003 PASS TRUST	4.700	7.947	01/02/2024	90	85	86
Verizon Communications	5.500	4.893	02/15/2018	720	749	755
Verizon Communications	7.350	7.564	04/01/2039	400	390	476
Verizon Florida LLC	6.130	5.835	01/15/2013	275	277	295
Verizon Virginia Inc	4.630	4.968	03/15/2013	375	371	392
Viacom Inc	6.250	7.799	04/30/2016	145	134	158
Virginia Electric & Power Co	5.400	4.990	04/30/2018	490	504	523
Vodafone Group	5.750	6.019	03/15/2016	200	197	216
Vodafone Group	5.450	4.869	06/10/2019	369	385	387
Wachovia Bank NA	0.630	2.848	03/15/2016	850	739	760
Wachovia Corp	5.300	3.203	10/15/2011	345	359	367
Wachovia Corp	5.500	5.860	05/01/2013	950	939	1,018
Wachovia Corp	5.750	5.312	06/15/2017	425	437	443
Wachovia Corp	5.750	6.830	02/01/2018	400	373	418
Wal-Mart Stores	5.250	5.736	09/01/2035	425	397	422
Waste Management Inc	7.380	7.011	03/11/2019	60	61	70
WEA Finance/WT Fin Aust	6.750	6.933	09/02/2019	148	146	151

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (Continued)

October 31, 2009

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value
WellPoint Inc	5.880	6.710	06/15/2017	200	190	211
Wells Fargo & Company	3.750	3.786	10/01/2014	390	389	390
Wells Fargo & Company	5.000	7.000	11/15/2014	100	92	104
Wells Fargo & Company	5.630	5.415	12/11/2017	865	876	900
XTO Energy Inc	4.630	3.416	06/15/2013	100	104	104
XTO Energy Inc	6.250	4.955	08/01/2017	326	352	349
<i>Total Corporate Bonds</i>					81,767	86,418
<i>Corporate Asset Backed Issues</i>						
Ally Auto Receivables Trust	2.330	2.347	09/15/2012	500	500	496
Bank of America Auto Trust	2.670	2.691	07/15/2013	600	600	611
Bank of America Auto Trust	2.130	2.140	09/16/2013	650	650	657
Bank of America Auto Trust	3.520	3.555	06/15/2016	200	200	205
Chrysler Financial Auto Sec	2.820	2.842	01/15/2016	250	250	256
Citifinancial Auto Issuance	2.590	2.604	10/15/2013	930	930	930
CNH Equipment Trust	5.280	5.342	11/15/2012	250	250	263
CNH Equipment Trust	2.970	2.996	03/15/2013	200	200	204
Ford Credit Auto Owner Trust	2.790	2.810	08/15/2013	400	400	408
Ford Credit Auto Owner Trust	4.500	4.547	07/15/2014	300	300	315
Honda Auto Receivables Trust	2.310	2.329	05/15/2013	200	200	203
Honda Auto Receivables Trust	3.300	3.329	09/15/2015	250	250	257
John Deere Owner Trust	2.590	2.612	10/15/2013	300	300	305
John Deere Owner Trust	1.570	1.577	10/15/2013	715	715	715
World Omni Auto Receivable	3.330	3.363	05/15/2013	365	365	376
<i>Total Corporate Asset Backed Issues</i>					6,110	6,201
<i>Corporate CMO</i>						
ASG Resecuritization Trust	5.810 A	9.224	05/24/2036	1,768	1,637	1,733
ASG Resecuritization Trust	5.590	9.709	03/26/2037	2,301	2,116	2,197
ASG Resecuritization Trust	5.620 A	16.802	06/26/2037	1,568	1,245	1,529
ASG Resecuritization Trust	6.000	9.545	06/28/2037	1,887	1,796	1,849
Banc of Amer Altern Loan Trust	5.500	6.977	02/25/2019	749	710	721
Banc of Amer Altern Loan Trust	5.500	5.567	09/25/2019	463	462	460
Banc of Amer Altern Loan Trust	5.500	7.249	09/25/2033	427	380	428
Banc of Amer Altern Loan Trust	5.500	5.686	11/25/2033	664	659	666
Banc of Amer Altern Loan Trust	6.000	6.371	01/25/2034	428	415	412
Banc of Amer Altern Loan Trust	6.000	6.673	01/25/2034	731	705	704
Banc of America Commercial Mtg	5.370	10.516	09/10/2045	660	516	652
Banc of America Funding Corp	5.500	4.535	10/25/2034	863	868	856
Banc of America Mortgage Sec	6.500	6.737	09/25/2032	452	447	445
Banc of America Mortgage Sec	4.500	4.374	04/25/2034	1,273	1,279	1,273
Bank of America Corp	5.750	7.161	09/20/2034	730	644	665
BCAP LLC Trust	5.500	7.118	11/26/2034	1,546	1,435	1,453
BCAP LLC Trust	5.750	6.038	06/26/2037	1,992	1,967	1,968
Bear Stearns Commercial Mtg	5.540	9.695	10/12/2041	300	241	303
Chase Funding Mortgage Loan	4.280	6.642	11/25/2034	1,000	873	861
Chase Mortgage Finance Corp	4.050 A	5.744	07/25/2037	822	761	776
Citicorp Mortgage Securities	5.250	5.196	05/25/2034	459	458	458
Citigroup Mortgage Loan Trust	5.250	7.433	10/25/2033	1,144	942	1,147
Citigroup Mortgage Loan Trust	6.000	8.652	06/25/2036	996	906	905
Commercial Mortgage Pass-Thru	4.980	9.224	05/10/2043	1,000	838	987
Countrywide Home Loans	4.500	5.301	06/25/2019	1,107	1,074	1,095
Countrywide Home Loans	5.250	5.253	09/25/2033	1,000	997	1,008
Credit Suisse Mortgage Capital	5.500	5.501	10/27/2035	1,000	997	997
CS First Boston Mortgage	18.170	19.362	06/25/2035	371	362	362
First Horizon Mortgage Ps Thru	4.500	4.461	09/25/2018	1,437	1,436	1,436
First Horizon Mortgage Ps Thru	5.000	4.610	03/25/2034	745	743	744
GMAC Commercial Mortgage Sec.	5.240	0.000	11/10/2045	1,810	1,810	1,749
GMAC Mortgage Corp Loan Trust	4.140 A	6.440	10/19/2033	1,411	1,348	1,344
GS Mortgage Securities Corp	5.550	9.277	04/10/2038	1,000	835	940
GSMPS Mortgage Loan Trust	0.590	7.771	03/25/2035	726	454	510
GSR Mortgage Loan Trust	5.500	10.283	01/25/2037	100	78	69
Household Home Equity Loan Tst	0.520	4.937	01/20/2035	294	250	270
Household Home Equity Loan Tst	0.410	4.434	01/20/2036	641	540	544
Household Home Equity Loan Tst	0.400	3.329	03/20/2036	566	498	491

A - Adjustable rate security.

See accompanying notes to financial statements.

# Core Fixed Income Pool

## Schedule of Investments in Securities - Unaudited (Continued)

October 31, 2009

(Amounts in thousands, except share data)

Security Name	Coupon	Yield	Maturity	Par Value, Shares or Contracts	Amortized Cost	Fair Value	
Household Home Equity Loan Tst	5.600	5.191	03/20/2036	750	757	761	
Household Home Equity Loan Tst	1.440	4.111	11/20/2036	421	356	350	
IMPAC Secured Assets Corp	5.500	6.642	08/25/2033	1,009	945	1,011	
IMPAC Secured Assets Corp	0.590	2.346	08/25/2036	832	690	689	
JP Morgan Chase Commercial Mtg	5.400	9.292	05/15/2045	950	776	882	
JPMorgan Mortgage Trust	4.060 A	5.026	08/25/2034	2,876	2,739	2,838	
LB-UBS Commercial Mortgage Tst	5.160	7.515	01/15/2016	300	269	294	
Master Adjustable Rate Mtgage	3.100 A	5.701	11/21/2034	1,000	953	982	
Master Reperforming Loan Trust	0.590	6.924	05/25/2035	984	649	681	
Master Resecuritization Trust	13.630	13.625	05/28/2035	861	460	499	
MASTR Asset Securitization	5.500	7.874	09/25/2033	355	313	362	
Morgan Stanley Capital Inc	0.990 A	4.811	01/25/2035	354	296	314	
Morgan Stanley Mortgage Loan	5.500	5.737	08/25/2034	6,814	853	883	
Residential Accredit Loans	16.110	16.602	10/25/2017	382	383	373	
Residential Accredit Loans	5.750	6.508	10/25/2033	765	715	726	
Residential Accredit Loans	5.500	14.346	05/25/2034	1,346	932	920	
Salomon Brothers Mortgage Sec	3.450	10.991	04/25/2032	421	348	345	
Structured Asset Mortgage Inv	0.000	5.974	07/25/2032	295	194	221	
Structured Asset Sec Corp	0.740	6.507	06/25/2033	1,439	1,281	1,323	
Structured Asset Securities	5.000	11.022	05/25/2035	420	320	406	
Structured Asset Securities	13.410	15.871	05/25/2035	276	266	251	
Thornburg Mtg Securities Trust	0.560	0.000	09/25/2043	261	261	227	
TIAA Seasoned Commercial Mtg	6.070 A	5.530	08/15/2039	2,500	2,537	2,624	
Vendee Mortgage Trust	6.750	5.507	06/15/2026	919	972	983	
Wachovia Bank Comm Mtg Trust	5.740 A	8.074	05/15/2043	1,440	1,284	1,422	
Washington Mutual Mortgage	5.500	5.567	08/25/2019	861	858	855	
Washington Mutual Mortgage	0.000	14.088	07/25/2033	380	252	261	
Washington Mutual Mortgage	16.380	16.044	11/25/2033	1,057	1,075	1,081	
Washington Mutual Mortgage	3.130 A	5.465	06/25/2034	387	358	366	
Washington Mutual Mortgage	4.200 A	6.431	01/25/2035	2,253	2,079	2,148	
Washington Mutual Mortgage	5.500	5.744	05/25/2035	907	94	115	
Wells Fargo Mortgage Backed	4.750	4.649	12/25/2018	2,513	2,516	2,547	
Wells Fargo Mortgage Backed	4.480	4.590	11/25/2033	2,316	2,304	2,279	
Wells Fargo Mortgage Backed	4.890 A	4.730	02/25/2034	1,275	1,279	1,229	
Wells Fargo Mortgage Backed	3.070 A	5.230	09/25/2034	752	705	737	
Wells Fargo Mortgage Backed	3.330 A	6.202	10/25/2034	574	524	553	
Wells Fargo Mortgage Backed	3.170 A	5.758	12/25/2034	799	743	766	
Wells Fargo Mortgage Backed	4.060 A	12.562	12/25/2034	654	571	653	
Wells Fargo Mortgage Backed	3.170 A	5.155	12/25/2034	799	754	770	
Wells Fargo Mortgage Backed	4.220 A	6.099	12/25/2034	654	637	645	
<i>Total Corporate CMO</i>					68,020	70,379	
Total Corporate Issues - 9.6%						155,897	162,998
<b><u>Short-term Issues</u></b>							
Dreyfus Cash Management				18,838,263	18,838	18,838	
Total Short-term Issues - 1.1%						18,838	18,838
<b><u>Investments in Other Funds</u></b>							
State Street Global Advisors							
Investment Objective - To match the return of the Lehman Brothers Aggregate Bond Index				639,548,345	639,548	642,046	
Redemption Provisions - Daily							
Total Investment in Other Funds - 37.9%						639,548	642,046
Total Investment Securities - 76.7%					\$	1,281,162	\$ 1,300,004

A - Adjustable rate security.

See accompanying notes to financial statements.

## Core Fixed Income Pool

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**Statement of Operations - Unaudited**  
**Period Ended October 31, 2009\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>		
Interest	\$ 3,925	\$ 12,484
Dividend	19	46
Net amortization	(577)	(2,222)
	<hr/>	<hr/>
<b>Total investment income</b>	3,367	10,308
<b>Expenses</b>		
Investment advisor fees	(233)	(506)
Trustee fees	(1)	(2)
Custodian bank fees	(5)	(14)
Management fees	(42)	(98)
Fiduciary bond fees	-	(1)
Professional service fees	(8)	(19)
	<hr/>	<hr/>
<b>Total expenses</b>	(289)	(640)
<b>Investment income, net</b>	3,078	9,668
<b>Unrealized gain from investments</b>		
Net realized gain from investments	7,695	7,695
Net increase in the fair value of investments	4,490	17,255
	<hr/>	<hr/>
<b>Net gain from investments</b>	12,185	24,950
<b>Net increase in net assets from operations</b>	<u>\$ 15,263</u>	<u>\$ 34,618</u>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*



## Core Fixed Income Pool

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended October 31, 2009\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 3,078	\$ 9,668
Net realized gain from investments	7,695	7,695
Net increase in the fair value of investments	4,490	17,255
<b>Net increase in net assets from operations</b>	15,263	34,618
<b>Distributions to unitholders</b>		
Investment income, net	(3,078)	(9,668)
<b>Unit transactions</b>		
Proceeds from sale of units	1,113,116	1,266,233
Reinvestment of distributions	3,779	9,916
	1,116,895	1,276,149
Amount paid for repurchase of units	-	(12)
<b>Net increase in net assets from unit transactions</b>	1,116,895	1,276,137
<b>Increase in net assets</b>	1,129,080	1,301,087
Net assets, beginning of period	566,890	394,883
<b>Net assets, end of period</b>	\$ 1,695,970	\$ 1,695,970
<b>Unit data</b>		
Units sold	107,973,650	123,051,398
Units issued from reinvestment of distributions	366,577	971,995
	108,340,227	124,023,393
Units repurchased	-	(1,136)
<b>Net increase in units</b>	108,340,227	124,022,257

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Core Fixed Income Pool

## Notes to Financial Statements

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public corporation created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The Core Fixed Income pool (Pool) began operations on March 2, 2009.

The accompanying financial statements reflect only the investments and investment related operations of the Pool. They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The main objective of this core bond pool is to generate investment income, provide stability and diversification, but not at the expense of total return. JP Morgan Investment Advisors, Inc. and State Street Global Advisors manage this pool. This pool's investment performance, net of external investment management fees, is expected to meet or exceed the Barclays Capital US Aggregate index.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments are carried at fair value, which is determined by a third party pricing service based on asset portfolio pricing models and other sources. Commissions on the purchases of securities by the IMB are a component of the security price quoted by the seller and are included in the investment cost.

# Core Fixed Income Pool

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## Notes to Financial Statements

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Asset-Backed Securities** – The Pool invests in various asset-backed securities, mortgage-backed securities, and structured corporate debt. The securities are reported at fair value. The Pool invests in these securities to enhance yields on investments. Changes in market interest rates affect the cash flows of these securities and may result in changes in fair value. The overall return or yield on these securities depends on the changes in the interest and principal payment pattern and market value of the underlying assets.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Investment Gains and Losses** - Gains and losses on the sale of investment securities are recognized at the time of sale by the average cost method. The calculation of realized gains and losses is independent of the calculation of the net increase or decrease in the fair value of investments. Realized gains and losses on investments held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of investments reported in the prior year.

**Interest Income** - Interest income is recognized as earned on the accrual method.

**Dividend Income** - Dividend income is recognized on the ex-dividend date.

**Amortization** - Discounts and premiums on securities purchased are amortized over the life of the respective securities using the scientific method of amortization. This method maintains a constant book yield over the life of the security. The amortization of asset-backed securities considers the effect of prepayments on the life of the security. Historical prepayment speeds are obtained from market data vendors and are updated annually. The effect of changing prepayment assumptions is reported in the Statement of Operations in the year of the change.

**Distributions to Participants** - The monthly net investment income is declared as a dividend on the last day of the month and distributed to the participants of the Pool on the first day of the following month. Distributions are paid in the form of reinvestments in the Pool and have been included in distributions to participants and reinvestment of distributions as presented on the Statement of Changes in Net Assets.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from federal and state taxation. Accordingly, the financial statements have been prepared recognizing that the IMB is not subject to federal or state income taxes.

### NOTE 3. FAIR VALUE MEASUREMENTS

FAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The IMB adopted FAS 157 for fiscal year 2009.

Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

# Core Fixed Income Pool

## Notes to Financial Statements

### NOTE 3. FAIR VALUE MEASUREMENTS (Continued)

FAS 157 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FAS 157 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with FAS 157 fair value hierarchy levels as of October 31, 2009:

	Level I	Level II	Level III	Total
Regulated Investment Companies	\$ -	\$ 18,838,263	\$ -	\$ 18,838,263
U.S. Government Agency Issues	-	340,055,300	-	340,055,300
U.S. Treasury Issues	-	135,756,706	-	135,756,706
Corporate Issues	-	162,990,369	-	162,990,369
Commingled Funds	-	642,045,891	-	642,045,891
Municipal Bonds	-	317,867	-	317,867
Total	\$ -	\$1,300,004,396	\$ -	\$1,300,004,396

### NOTE 4. FINANCIAL HIGHLIGHTS

#### Per Unit Operating Performance:

Net asset value at June 30, 2009	\$ 10.05
Income from investment operations:	
Net investment income	0.12
Net realized and unrealized gain on investment transactions	0.33
Total from investment operations	0.45
Less distributions from net investment income	(0.12)
Net asset value at October 31, 2009	<u>\$ 10.38</u>

**Time-weighted Total Return \*** 5.1%

#### Supplemental Data:

Net assets, end of period (\$000's)	\$ 1,695,970
Ratio to average net assets:	
Expenses **	0.27%
Net investment income **	4.02%
Portfolio turnover rate	134.03%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized

# Core Fixed Income Pool

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## Notes to Financial Statements

### NOTE 5. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at October 31, 2009. The balances do not include the dividend declared by the Pool on the last day of the month and reinvested to the participant's account on the first day of the following month.

<u>Participant</u>	<u>Account Value</u>
Public Employees' Retirement System	\$ 515,072,709
Teachers' Retirement System	462,522,741
Workers' Compensation Old Fund	216,670,113
Retiree Health Benefit Trust	120,763,343
Coal Workers' Pneumoconiosis Fund	79,215,898
State Police Death, Disability and Retirement Fund	57,415,779
Revenue Shortfall Reserve Fund B	56,755,836
Public Employees' Insurance Agency	48,067,446
Revenue Shortfall Reserve Fund	42,217,396
Board of Risk and Insurance Management	41,136,966
Prepaid Tuition Trust Fund	14,919,591
Judges' Retirement System	14,076,471
Deputy Sheriff's Retirement System	12,476,691
State Police Retirement System	6,745,509
Wildlife Endowment Fund	5,066,699
Emergency Medical Services Retirement System	2,846,650
Total	<u>\$ 1,695,969,838</u>



**Financial Statements - Unaudited**

**October 31, 2009**





# TRS Annuity Pool

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## Financial Statements - Unaudited September 30, 2009

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# TRS Annuity Pool

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## Statement of Assets and Liabilities - Unaudited

October 31, 2009

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	201,888
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### Liabilities

Accrued expenses		<u>19</u>
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<b>Net assets</b>	<b>\$</b>	<b><u>201,869</u></b>
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### Analysis of net assets

Paid-in capital	\$	193,329
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Accumulated undistributed net investment income		<u>8,540</u>
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<b>Net assets</b>	<b>\$</b>	<b><u>201,869</u></b>
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### Unit data

Units outstanding		19,422,915
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Net asset value, unit price	\$	<u>10.39</u>
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See accompanying notes to financial statements.

# TRS Annuity Pool

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## Schedule of Investments in Securities - Unaudited October 31, 2009

(Amounts in thousands, except share data)

<u>Security Name</u>	<u>Shares</u>	<u>Amortized Cost</u>	<u>Fair Value</u>
<u>Annuity Contract</u>			
Variable Annuity Life Insurance Company	201,887,914	\$ 201,888	\$ 201,888
Total Annuity Contract - 100.0%		201,888	201,888
Total Investment Securities - 100.0%		\$ 201,888	\$ 201,888

See accompanying notes to financial statements.

## TRS Annuity Pool

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**Statement of Operations - Unaudited**  
**Period Ended October 31, 2009\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>		
Interest	\$ 753	\$ 2,972
<b>Expenses</b>		
Management fees	(7)	(29)
Professional service fees	<u>(3)</u>	<u>(8)</u>
<b>Total expenses</b>	<u>(10)</u>	<u>(37)</u>
<b>Investment income, net</b>	<u>743</u>	<u>2,935</u>
<b>Net increase in net assets from operations</b>	<u><u>\$ 743</u></u>	<u><u>\$ 2,935</u></u>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## TRS Annuity Pool

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**Statement of Changes in Net Assets - Unaudited**  
**Period Ended October 31, 2009\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment income, net	\$ 743	\$ 2,935
<b>Unit transactions</b>		
Proceeds from sale of units	9	30
<b>Increase in net assets from unit transactions</b>	9	30
<b>Increase in net assets</b>	752	2,965
Net assets, beginning of period	201,117	198,904
<b>Net assets, end of period</b>	\$ 201,869	\$ 201,869
<b>Unit data</b>		
Units sold	874	2,919
<b>Increase in units</b>	874	2,919

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## TRS Annuity Pool

**Statement of Cash Flows - Unaudited**  
**Period Ended October 31, 2009\***  
*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Cash flows from operating activities</b>		
Investment income, net	\$ 743	\$ 2,935
Adjustments to reconcile net decrease in net assets from operations to net cash provided by (used in) operating activities:		
Purchase of investment securities	(753)	(2,973)
Increase in accrued expenses	1	8
<b>Net cash used in operating activities</b>	(9)	(30)
 <b>Cash flows from financing activities</b>		
Proceeds from units sold	9	30
<b>Cash provided by financing activities</b>	9	30
<b>Net change in cash</b>	-	-
 <b>Cash</b>		
Beginning balance	-	-
Ending balance	\$ -	\$ -

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# TRS Annuity Pool

## Notes to Financial Statements

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public corporation created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The TRS Annuity pool (Pool) began operations on December 10, 2008.

The accompanying financial statements reflect only the investments and investment related operations of the Pool. They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The Pool holds an investment contract strictly for the benefit of the Teachers Retirement System (TRS). The IMB assumed responsibility for this investment as part of the restructuring of the Teachers Defined Contribution (TDC) plan, a separate retirement plan outside of the IMB, whereby certain TDC participants elected to transfer the ownership of their individual TDC retirement accounts to the TRS in exchange for current participation in the TRS defined benefit plan. The contract, issued by the Variable Annuity Life Insurance Company (VALIC), could not be liquidated as part of the restructuring, and was transferred in kind to the IMB on December 10, 2008. The final amount transferred on the contract was \$248,292,529. Effective April 23, 2009, the IMB elected to liquidate this contract and will receive five equal annual payments of \$55,058,102. The first payment was received on May 4, 2009 and subsequent payments will be received on May 4, 2010, 2011, 2012, and 2013. The contract and the payments include a guaranteed annual interest yield of 4.5%. VALIC is a wholly-owned subsidiary of American International Group, Inc. (AIG), but is not in bankruptcy.

# TRS Annuity Pool

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## Notes to Financial Statements

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. The VALIC contract is a private contract between the issuer and the IMB and is not a marketable security. It is carried at fair value using a discounted cash flow model based on the underlying cash flows of the contract, implicit rate of return, and estimated credit risk premiums using observable market data.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Investment Gains and Losses** - Gains and losses on the sale of investment securities are recognized at the time of sale by the average cost method. The calculation of realized gains and losses is independent of the calculation of the net increase or decrease in the fair value of investments. Realized gains and losses on investments held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of investments reported in the prior year.

**Interest Income** - Interest income is recognized as earned on the accrual method.

**Distributions to Participants** - The Pool does not routinely distribute dividends or net capital gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from federal and state taxation. Accordingly, the financial statements have been prepared recognizing that the IMB is not subject to federal or state income taxes.

### NOTE 3. FAIR VALUE MEASUREMENTS

FAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The IMB adopted FAS 157 for fiscal year 2009.

Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

FAS 157 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FAS 157 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.



# TRS Annuity Pool

## Notes to Financial Statements

### NOTE 3. FAIR VALUE MEASUREMENTS (Continued)

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with FAS 157 fair value hierarchy levels as of October 31, 2009:

	Level I	Level II	Level III	Total
Annuity Contract	\$ -	\$ -	\$ 201,887,914	\$ 201,887,914

The reconciliation of the beginning and ending balances of Level 3 investments for the period ended October 31, 2009 was as follows:

	<u>Annuity Contract</u>
Balance at June 30, 2009	\$ 198,915,431
Net realized gain/(loss)	-
Net change in unrealized appreciation/(depreciation)	-
Net purchases/(sales)	2,972,483
Net transfers in/(out) of Level 3	-
Balance at October 31, 2009	\$ 201,887,914

### NOTE 4. FINANCIAL HIGHLIGHTS

**Per Unit Operating Performance:**

Net asset value at June 30, 2009	\$ 10.24
Net investment income from investment operations	0.15
Net asset value at October 31, 2009	\$ 10.39

**Time-weighted Total Return \*** 1.5%

**Supplemental Data:**

Net assets, end of period (\$000's)	\$ 201,869
Ratio to average net assets:	
Expenses **	0.06%
Net investment income **	4.39%
Portfolio turnover rate	0.00%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date and are annualized



**Financial Statements - Unaudited**

**October 31, 2009**



# Private Equity Pool

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## Financial Statements - Unaudited October 31, 2009

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# Private Equity Pool

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## Statement of Assets and Liabilities - Unaudited

October 31, 2009

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	767,450
Dividends receivable		<u>3</u>
<b>Total assets</b>		767,453

### Liabilities

Accrued expenses		<u>179</u>
<b>Net assets</b>	<b>\$</b>	<b><u><u>767,274</u></u></b>

### Analysis of net assets

Paid-in capital	\$	933,655
Accumulated undistributed net investment loss		(2,018)
Accumulated undistributed net realized loss from investments		(150,046)
Unrealized net depreciation of investments		<u>(14,317)</u>
<b>Net assets</b>	<b>\$</b>	<b><u><u>767,274</u></u></b>

### Unit data

Units outstanding		97,975,350
Net asset value, unit price	\$	<u><u>7.83</u></u>

See accompanying notes to financial statements.

# Private Equity Pool

## Schedule of Investments in Securities - Unaudited October 31, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Amortized Cost	Fair Value
<b>Partnerships</b>			
Advent GPE VI		\$ 9,400	\$ 8,567
Investment Objective - To provide risk capital for, and make investments in the securities of, privately held and publicly listed companies primarily in Europe and North America.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
Carlyle Partners V		15,637	12,487
Investment Objective - To generate superior, long-term capital appreciation through privately negotiated equity and equity related investments.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
FP Venture 2008		3,254	2,925
Investment Objective - To realize long-term compounded returns in excess of those available through conventional investments in the public equity markets.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
FP Venture 2009		1,084	998
Investment Objective - To realize long-term compounded returns in excess of those available through conventional investments in the public equity markets.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
H.I.G. Bayside II		10,083	11,194
Investment Objective - To invest in distressed debt obligations and other securities of distressed lower middle market companies.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
Insight Equity II LP		775	240
Investment Objective - To acquire underperforming, operationally challenged, or financially distressed small and middle market businesses and to seek to reorganize operations and strategy to restore profitability and growth.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
Insight Equity Mezzanine LLP		1,228	1,090
Investment Objective - To invest in mezzanine securities issued by companies in which Insight is also an equity sponsor.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
KPS Special Situations Fund III		3,206	2,997
Investment Objective - Seek to invest alongside KPS Special Situations Fund III, L.P. and KPS Special Situations Fund III (A), L.P., to make controlling equity and equity-related investments in underperforming or distressed companies engaged in manufacturing, transportation, and service industries challenged by the need to effect immediate and significant change - Special Situations			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
LLR Partners III		8,744	7,117
Investment Objective - To provide investors with substantial long-term capital gains by investing in a diversified portfolio of equity securities.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
Natural Gas Partners IX		12,406	9,230
Investment Objective - To generate long-term capital gains through equity investments in companies engaged in the energy and resource related industries, with an emphasis on privately negotiated equity investments in North America oil and gas companies.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			
Odyssey Investment		947	208
Investment Objective - To seek long-term capital appreciation by principally pursuing control oriented equity and equity related investments in middle market companies located primarily in the United States.			
Redemption Provisions - Upon termination of the partnership.			
A detail of the underlying investments is not available.			

See accompanying notes to financial statements.

# Private Equity Pool

## Schedule of Investments in Securities - Unaudited (Continued)

**October 31, 2009**

*(Amounts in thousands, except share data)*

Security Name	Shares	Amortized Cost	Fair Value
Platinum Equity Capital Partners II Investment Objective - To make private investments in equity, equity oriented or debt securities that offer equity-like returns, of underperforming companies to generate capital appreciation. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		20,592	13,818
Welsh, Carson, Anderson & Stover Investment Objective - To provide capital to domestic or foreign corporations, partnerships and joint ventures and to assist in developing the business of those enterprises. Redemption Provisions - Upon termination of the partnership. A detail of the underlying investments is not available.		1,134	75
Total Partnerships - 9.2%		88,490	70,946
<b><u>Investments in Other Funds</u></b>			
Bridgewater Associates All Weather Portfolio II Investment Objective - To maintain market exposure for funds awaiting investment in private equity limited partnerships. Redemption Provisions - Monthly on the first business day A detail of the underlying investments is not available.	669,395	669,395	672,622
Total Investments in Other Funds - 87.7%		669,395	672,622
<b><u>Short-term Issues</u></b>			
Dreyfus Cash Management Institutional Fund - 3.1%	23,882,415	23,882	23,882
Total Investment Securities - 100.0%		\$ 781,767	\$ 767,450

See accompanying notes to financial statements.



# Private Equity Pool

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**Statement of Operations - Unaudited**  
**Period Ended October 31, 2009\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>		
Dividend	\$ 3	\$ 23
<b>Expenses</b>		
Trustee fees	(1)	(2)
Custodian bank fees	-	(1)
Management fees	(27)	(100)
Fiduciary bond fees	-	(1)
Professional service fees	(62)	(245)
Fund closing costs	2	(139)
<b>Total expenses</b>	<u>(88)</u>	<u>(488)</u>
<b>Investment loss, net</b>	(85)	(465)
<b>Realized and unrealized gain (loss) from investments</b>		
Net realized loss from investments	(80,005)	(79,446)
Net increase in the fair value of investments	83,658	119,074
<b>Net gain from investments</b>	3,653	39,628
<b>Net increase in net assets from operations</b>	<u>\$ 3,568</u>	<u>\$ 39,163</u>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## Private Equity Pool

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**Statement of Changes in Net Assets - Unaudited**  
**Period Ended October 31, 2009\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment loss, net	\$ (85)	\$ (465)
Net realized loss from investments	(80,005)	(79,446)
Net increase in the fair value of investments	83,658	119,074
<b>Net increase in net assets from operations</b>	3,568	39,163
<b>Unit transactions</b>		
Proceeds from sale of units	-	165,179
Amount paid for repurchase of units	(19,916)	(19,958)
<b>Net increase (decrease) in net assets from unit transactions</b>	(19,916)	145,221
<b>Increase (decrease) in net assets</b>	(16,348)	184,384
Net assets, beginning of period	783,622	582,890
<b>Net assets, end of period</b>	\$ 767,274	\$ 767,274
<b>Unit data</b>		
Units sold	-	21,634,237
Units repurchased	(2,554,993)	(2,560,549)
<b>Net increase (decrease) in units</b>	(2,554,993)	19,073,688

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Private Equity Pool

**Statement of Cash Flows - Unaudited**  
**Period Ended October 31, 2009\***  
*(Amounts in thousands)*

	<b>Month</b>	<b>Year To Date</b>
<b>Cash flows from operating activities</b>		
Net increase in net assets from operations	\$ 3,568	\$ 39,163
Adjustments to reconcile net increase in net assets from operations to net cash provided by (used in) operating activities:		
Purchase of investment securities	(3,713)	(158,700)
Proceeds from disposition of investment securities	20,000	21,886
Net realized loss from investments	80,005	79,446
Purchases and sales of short-term investment securities, net	3,708	(8,042)
Decrease in receivable for investments sold	-	34
Decrease in dividends receivable	2	6
Increase in accrued expenses	4	60
Net increase in the fair value of investments	(83,658)	(119,074)
<b>Net cash provided by (used in) operating activities</b>	19,916	(145,221)
<b>Cash flows from financing activities</b>		
Proceeds from units sold	-	165,179
Paid for repurchase of units	(19,916)	(19,958)
<b>Net cash provided by (used in) financing activities</b>	(19,916)	145,221
<b>Net change in cash</b>	-	-
<b>Cash</b>		
Beginning balance	-	-
Ending balance	\$ -	\$ -

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Private Equity Pool

## Notes to Financial Statements

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public corporation created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's Private Equity Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The Pool was established to hold the IMB's investments in various types of private equity funds. Franklin Park Associates, LLC has been retained by the IMB to provide consulting services for this asset class.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments, which are not publicly traded, are carried at net asset value as a practical expedient for fair market value. The Pool has \$743,567,412 of investments in private partnerships and other investment funds which are reported at fair value. For all of these investments, the IMB has concluded that the net asset value reported by the underlying fund approximates the fair value of the investment. Due to the nature of the investments held by the funds, changes in market conditions and the economic environment may significantly impact the net asset value of the funds and, consequently, the fair value of the interests in the funds. Although a secondary market exists for these investments, it is not active and individual transactions are typically not observable. When transactions do occur in this limited secondary market, they may occur at discounts to the

# Private Equity Pool

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## Notes to Financial Statements

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

reported net asset value. It is therefore reasonably possible that if the IMB were to sell these investments in the secondary market a buyer may require a discount to the reported net asset value, and the discount could be significant. The IMB believes that the carrying amount of such investments is a reasonable estimate of fair value as of October 31, 2009.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Investment Gains and Losses** - Gains and losses on the sale of investments in other funds are recognized at the time of sale by the average cost method. The calculation of realized gains and losses is independent of the calculation of the net increase or decrease in the fair value of investments. Realized gains and losses on investments held in more than one fiscal year and sold in the current year may have been recognized as an increase or decrease in the fair value of investments reported in the prior year.

**Dividend Income** - Dividend income is recognized on the ex-dividend date.

**Distributions to Participants** - The Pool does not routinely distribute dividends or net capital gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from federal and state taxation. Accordingly, the financial statements have been prepared recognizing that the IMB is not subject to federal or state income taxes.

### NOTE 3. FAIR VALUE MEASUREMENTS

FAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The IMB adopted FAS 157 for fiscal year 2009.

Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

FAS 157 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FAS 157 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

# Private Equity Pool

## Notes to Financial Statements

### NOTE 3. FAIR VALUE MEASUREMENTS

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with FAS 157 fair value hierarchy levels as of October 31, 2009:

	<u>Level I</u>	<u>Level II</u>	<u>Level III</u>	<u>Total</u>
Regulated Investment Companies	\$ -	\$ 23,882,415	\$ -	\$ 23,882,415
Investments in Other Funds	-	-	672,622,585	672,622,585
Partnerships	-	-	70,944,827	70,944,827
Total	<u>\$ -</u>	<u>\$ 23,882,415</u>	<u>\$ 743,567,412</u>	<u>\$ 767,449,827</u>

The reconciliation of the beginning and ending balances of Level 3 investments for the period ended October 31, 2009 was as follows:

	<u>Investments in Other Funds</u>	<u>Partnerships</u>
Balance at June 30, 2009	\$ 504,142,661	\$ 62,982,211
Net realized gain/(loss)	(80,005,280)	559,069
Net change in unrealized appreciation/(depreciation)	118,485,204	471,385
Net purchases/(sales)	130,000,000	6,932,162
Net transfers in/(out) of Level 3	-	-
Balance at October 31, 2009	<u>\$ 672,622,585</u>	<u>\$ 70,944,827</u>

### NOTE 4. COMMITMENTS

The IMB, with the assistance of its consultant, began implementing its plan to invest in private equity partnerships in February 2008. As of October 31, 2009 the IMB had made commitments to fifteen private equity general partnerships totaling \$578,000,000. The IMB had funded \$88,490,038 of these commitments at October 31, 2009, leaving unfunded commitments of \$489,509,962.

# Private Equity Pool

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## Notes to Financial Statements

### NOTE 5. FINANCIAL HIGHLIGHTS

**Per Unit Operating Performance:**

Net asset value at June 30, 2009	\$	7.39
Net realized and unrealized gain on investment transactions		0.44
Net asset value at October 31, 2009	\$	<u>7.83</u>

**Time-weighted Total Return \*** 6.0%

**Supplemental Data:**

Net assets, end of period (\$000's)	\$	767,274
Ratio to average net assets:		
Expenses **		0.22%
Net investment income **		-0.21%
Portfolio turnover rate		3.38%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date and are annualized

### NOTE 6. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at October 31, 2009.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 363,679,710
Public Employees' Retirement System	335,975,374
State Police Death, Disability and Retirement Fund	39,546,371
Judges' Retirement System	9,670,196
Deputy Sheriff's Retirement System	8,533,795
State Police Retirement System	4,521,344
Wildlife Endowment Fund	3,423,008
Emergency Medical Services Retirement System	1,923,780
Total	<u>\$ 767,273,578</u>





**Financial Statements - Unaudited**

**October 31, 2009**



# Private Real Estate Pool

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**Financial Statements - Unaudited  
October 31, 2009**

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# Private Real Estate Pool

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## Statement of Assets and Liabilities - Unaudited

October 31, 2009

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	37,970
Dividends receivable		<u>3</u>
<b>Total assets</b>		37,973

### Liabilities

Accrued expenses		<u>68</u>
<b>Net assets</b>	<b>\$</b>	<b><u><u>37,905</u></u></b>

### Analysis of net assets

Paid-in capital	\$	46,639
Accumulated undistributed net investment loss		(414)
Unrealized net depreciation of investments		<u>(8,320)</u>
<b>Net assets</b>	<b>\$</b>	<b><u><u>37,905</u></u></b>

### Unit data

Units outstanding		5,002,724
Net asset value, unit price	<u>\$</u>	<u><u>7.58</u></u>

See accompanying notes to financial statements.

## Private Real Estate Pool

### Schedule of Investments in Securities

**October 31, 2009**

*(Amounts in thousands, except share data)*

Security Name	Shares	Amortized Cost	Fair Value
<b><u>Investments in Other Funds</u></b>			
Quadrant Fund I, LLC		\$ 15,000	\$ 8,812
Investment Objective - To provide an attractive total return by investing in a diversified portfolio of real estate assets.			
Redemption Provisions - Quarterly on the last business day			
A detail of the underlying investments is not available.			
RCG Longview Debt Fund IV, L. P.		9,801	7,669
Investment Objective - To provide above market, risk adjusted returns by investing in a variety of debt and debt-like instruments.			
Redemption Provisions - upon termination of partnership.			
Total Investments in Other Funds - 43.5%		24,801	16,481
<b><u>Short-term Issues</u></b>			
Dreyfus Cash Management Institutional Fund - 56.7%	21,489,325	21,489	21,489
Total Investment Securities - 100.2%		\$ 46,290	\$ 37,970

*See accompanying notes to financial statements.*

## Private Real Estate Pool

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**Statement of Operations - Unaudited**  
**Period Ended October 31, 2009\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>		
Operating	\$ -	\$ 213
Dividend	3	18
	<u>3</u>	<u>231</u>
<b>Expenses</b>		
Management fees	(2)	(6)
Professional service fees	(31)	(129)
Management fees - external	(75)	(150)
	<u>(108)</u>	<u>(285)</u>
<b>Investment loss, net</b>	(105)	(54)
<b>Net increase (decrease) in the fair value of investments</b>	<u>(230)</u>	<u>436</u>
<b>Net increase (decrease) in net assets from operations</b>	<u>\$ (335)</u>	<u>\$ 382</u>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed.  
See accompanying notes to financial statements.*

## Private Real Estate Pool

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**Statement of Changes in Net Assets - Unaudited**  
**Period Ended October 31, 2009\***  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment loss, net	\$ (105)	\$ (54)
Net increase (decrease) in the fair value of investments	(230)	436
<b>Net increase (decrease) in net assets from operations</b>	(335)	382
<b>Unit transactions</b>		
Proceeds from sale of units	33	131
<b>Increase in net assets from unit transactions</b>	33	131
<b>Increase (decrease) in net assets</b>	(302)	513
Net assets, beginning of period	38,207	37,392
<b>Net assets, end of period</b>	\$ 37,905	\$ 37,905
<b>Unit data</b>		
Units sold	4,384	17,348
<b>Increase in units</b>	4,384	17,348

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## Private Real Estate Pool

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**Statement of Cash Flows - Unaudited**  
**Period Ended October 31, 2009\***  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Cash flows from operating activities</b>		
Net increase (decrease) in net assets from operations	\$ (335)	\$ 382
Adjustments to reconcile net increase (decrease) in net assets from operations to net cash provided by (used in) operating activities:		
Proceeds from disposition of investment securities	-	257
Purchases and sales of short-term investment securities, net	72	(344)
Decrease in dividends receivable	1	6
Increase (decrease) in accrued expenses	(1)	4
Net decrease (increase) in the fair value of investments	230	(436)
<b>Net cash used in operating activities</b>	<b>(33)</b>	<b>(131)</b>
<b>Cash flows from financing activities</b>		
Proceeds from units sold	33	131
<b>Cash provided by financing activities</b>	<b>33</b>	<b>131</b>
<b>Net change in cash</b>	<b>-</b>	<b>-</b>
<b>Cash</b>		
Beginning balance	-	-
Ending balance	<u>\$ -</u>	<u>\$ -</u>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*



# Private Real Estate Pool

## Notes to Financial Statements

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public corporation created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's Private Real Estate Pool (Pool). They do not reflect a activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The Pool was established to hold the IMB's investments in private real estate funds. Courtland Partners, Ltd. has been retained by the IMB to provide consulting services for this asset class.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments, which are not publicly traded, are carried at net asset value as a practical expedient for fair market value. The Pool has \$16,480,888 of investments in private partnerships and other investment funds which are reported at fair value. For all of these investments, the IMB has concluded that the net asset value reported by the underlying fund approximates the fair value of the investment. Due to the nature of the investments held by the funds, changes in market conditions and the economic environment may significantly impact the net asset value of the funds and, consequently, the fair value of the interests in the funds. Although a secondary market exists for these investments, it is not active and individual transactions are typically not observable. When transactions do occur in this limited secondary market, they may occur at discounts to the reported net asset value. It is therefore reasonably possible that if the IMB were to sell these investments in the secondary market a buyer may require a discount to the reported net asset value, and the discount could be significant. The IMB believes that the carrying amount of such investments is a reasonable estimate of fair value as of October 31, 2009.

# Private Real Estate Pool

## Notes to Financial Statements

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Dividend Income** - Dividend income is recognized on the ex-dividend date.

**Distributions to Participants** - The Pool does not routinely distribute dividends or net capital gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from federal and state taxation. Accordingly, the financial statements have been prepared recognizing that the IMB is not subject to federal or state income taxes.

### NOTE 3. FAIR VALUE MEASUREMENTS

FAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The IMB adopted FAS 157 for fiscal year 2009.

Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

FAS 157 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FAS 157 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

The table below summarizes the valuation of the investment securities in accordance with FAS 157 fair value hierarchy levels as of October 31, 2009:

	Level I	Level II	Level III	Total
Regulated Investment Companies	\$ -	\$ 21,489,325	\$ -	\$ 21,489,325
Investments in Other Funds	-	-	16,480,888	16,480,888
Total	\$ -	\$ 21,489,325	\$ 16,480,888	\$ 37,970,213

# Private Real Estate Pool

## Notes to Financial Statements

### NOTE 3. FAIR VALUE MEASUREMENTS (Continued)

The reconciliation of the beginning and ending balances of Level 3 investments for the period ended October 31, 2009 was as follows:

	<u>Investments in Other Funds</u>
Balance at June 30, 2009	\$ 16,301,689
Net realized gain/(loss)	-
Net change in unrealized appreciation/(depreciation)	435,895
Net purchases/(sales)	(256,696)
Net transfers in/(out) of Level 3	-
Balance at October 31, 2009	<u>\$ 16,480,888</u>

### NOTE 4. COMMITMENTS

The IMB, with the assistance of its consultant, began implementing its plan to invest in private real estate in February 2008. The IMB committed \$130,000,000 to four real estate investment funds/partnerships. The IMB had funded \$24,800,477 of these commitments at October 31, 2009, leaving unfunded commitments of \$105,199,523.

### NOTE 5. FINANCIAL HIGHLIGHTS

#### Per Unit Operating Performance:

Net asset value at June 30, 2009	\$ 7.50
Income from investment operations:	
Net investment loss	(0.01)
Net realized and unrealized loss on investment transactions	0.09
Total from investment operations	<u>0.08</u>
Net asset value at October 31, 2009	<u>\$ 7.58</u>

**Time-weighted Total Return \*** 1.0%

#### Supplemental Data:

Net assets, end of period (\$000's)	\$ 37,905
Ratio to average net assets:	
Expenses **	2.27%
Net investment income **	-0.43%
Portfolio turnover rate	0.00%

\* Return data is net of fees for the fiscal year-to-date and is not annualized

\*\* All ratios are for the fiscal year-to-date annualized

# Private Real Estate Pool

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## Notes to Financial Statements

### NOTE 6. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at October 31, 2009.

<u>Participant</u>	<u>Account Value</u>
Public Employees' Retirement System	\$ 17,786,104
Teachers' Retirement System	16,738,899
State Police Death, Disability and Retirement Fund	2,068,347
Judges' Retirement System	454,716
Deputy Sheriff's Retirement System	398,899
State Police Retirement System	210,300
Wildlife Endowment Fund	170,117
Emergency Medical Services Retirement System	77,375
Total	<u>\$ 37,904,757</u>

**Financial Statements - Unaudited**

**October 31, 2009**



# Hedge Fund Pool

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## Financial Statements - Unaudited October 31, 2009

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# Hedge Fund Pool

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## Statement of Assets and Liabilities - Unaudited

October 31, 2009

(Amounts in thousands, except unit data)

### Assets

Investment securities at fair value	\$	1,172,681
Dividends receivable		<u>3</u>
<b>Total assets</b>		1,172,684

### Liabilities

Accrued expenses		<u>168</u>
<b>Net assets</b>	<b>\$</b>	<b><u><u>1,172,516</u></u></b>

### Analysis of net assets

Paid-in capital	\$	1,190,042
Accumulated undistributed net investment loss		(1,160)
Accumulated undistributed net realized gain from investments		5,846
Unrealized net depreciation of investments		<u>(22,212)</u>
<b>Net assets</b>	<b>\$</b>	<b><u><u>1,172,516</u></u></b>

### Unit data

Units outstanding		119,122,017
Net asset value, unit price	\$	<u><u>9.84</u></u>

See accompanying notes to financial statements.



# Hedge Fund Pool

## Schedule of Investments in Securities - Unaudited October 31, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Amortized Cost	Fair Value
<b><u>Investments in Other Funds</u></b>			
AllBlue Limited		\$ 65,520	\$ 81,795
Investment Objective - To provide consistent long-term appreciation of assets through active investment in a diversified portfolio.			
Redemption Provisions - Monthly on the first business day with 33 days' prior written notice.			
A detail of the underlying investments is not available.			
Anchorage Crossover Credit		48,000	43,407
Investment Objective - To earn superior risk-adjusted returns while emphasizing preservation of capital.			
Redemption Provisions - Bi-annually with 90 days' prior written notice.			
A detail of the underlying investments is not available.			
Bennelong Asia Pacific		36,000	28,927
Investment Objective - To achieve long- and short-term capital appreciation primarily through equity investments in companies organized or operating in the Asia Pacific region.			
Redemption Provisions - Monthly with 90 days' prior written notice.			
A detail of the underlying investments is not available.			
Brevan Howard Fund		39,386	47,740
Investment Objective - To generate consistent long-term appreciation through active leveraged trading and investment on a global basis.			
Redemption Provisions - Monthly with 90 days' prior written notice.			
A detail of the underlying investments is not available.			
BW Pure Alpha		49,243	47,249
Investment Objective - To achieve substantial capital appreciation in a wide range of asset classes.			
Redemption Provisions - Monthly on the first business day with 5 days' prior written notice.			
A detail of the underlying investments is not available.			
CQS Convertible Strategies		60,000	50,853
Investment Objective - To achieve attractive risk-adjusted returns over the medium to long term.			
Redemption Provisions - Annually with 365 days' prior notice.			
A detail of the underlying investments is not available.			
Davidson Kempner		74,645	79,944
Investment Objective - To achieve capital appreciation.			
Redemption Provisions - Quarterly with 65 days' prior notice.			
A detail of the underlying investments is not available.			
Golden Tree Offshore		60,000	62,725
Investment Objective - To achieve superior risk-adjusted total returns through investments in public and private non-investment grade and nonrated debt securities.			
Redemption Provisions - Quarterly with 90 days' prior notice.			
A detail of the underlying investments is not available.			
Highbridge Capital		90,000	85,916
Investment Objective - To attain consistent capital appreciation with low volatility through arbitrage and absolute return investment strategies in the global equity and corporate debt securities markets.			
Redemption Provisions - Quarterly with 45 days' prior notice.			
A detail of the underlying investments is not available.			
Ionic Capital		40,000	38,053
Investment Objective: To generate superior risk-adjusted returns in both rising and falling markets.			
Redemption Provisions: Quarterly with 60 days' prior notice.			
Ivory Offshore		48,000	50,785
Investment Objective - To take long and short positions primarily in equity securities of publicly traded companies.			
Redemption Provisions - Quarterly with 45 days' prior written notice.			
A detail of the underlying investments is not available.			

See accompanying notes to financial statements.

# Hedge Fund Pool

## Schedule of Investments in Securities - Unaudited (Continued)

October 31, 2009

(Amounts in thousands, except share data)

Security Name	Shares	Amortized Cost	Fair Value
Level Global		50,217	51,631
Investment Objective - To achieve above average capital appreciation primarily through investments in equity securities and other equity-related instruments.			
Redemption Provisions - Quarterly with 60 days' prior written notice. A detail of the underlying investments is not available.			
Magnetar Capital Fund		90,000	75,705
Investment Objective - To achieve superior risk-adjusted returns.			
Redemption Provisions - Quarterly with 90 days' prior written notice. A detail of the underlying investments is not available.			
M&G Episode		42,814	40,945
Investment Objective - To deliver attractive returns with appropriate volatility by seeking to exploit the mis-pricing of asset class and intra-asset class risk.			
Redemption Provisions - Quarterly with 30 days' prior written notice. A detail of the underlying investments is not available.			
O'Connor Global		72,281	82,140
Investment Objective - To realize consistently high risk-adjusted appreciation in the value of its assets.			
Redemption Provisions - Quarterly with 60 days' prior written notice. A detail of the underlying investments is not available.			
Perry Partners		60,000	56,386
Investment Objective - To achieve positive annual returns accompanied by a low level of beta and volatility in correlation relative to equity markets.			
Redemption Provisions - Annually with 90 days' prior written notice. A detail of the underlying investments is not available.			
PMA Asian Opportunities		36,000	33,302
Investment Objective - To achieve an absolute target return with strict adherence to stop-loss limits on the portfolio.			
Redemption Provisions - Quarterly with 90 days' prior written notice. A detail of the underlying investments is not available.			
Shepherd Investments		90,000	77,078
Investment Objective - To achieve an attractive rate of return, relative to the level of risk assumed.			
Redemption Provisions - Quarterly with 90 days' prior written notice. A detail of the underlying investments is not available.			
Taconic Opportunity		60,000	60,328
Investment Objective - To provide solid risk-adjusted, absolute returns by focusing on bottom-up, research-driven, probabilistic investing.			
Redemption Provisions - Quarterly with 60 days' prior written notice. A detail of the underlying investments is not available.			
VICIS Capital		37,785	32,770
Investment Objective - To achieve attractive risk-adjusted returns through investment in a diversified portfolio of assets.			
Redemption Provisions - Quarterly with 30 days' prior notice. A detail of the underlying investments is not available.			
Total Investment in Other Funds - 96.2%		1,149,891	1,127,679
<b>Short-term Issues</b>			
Dreyfus Cash Management Institutional Fund - 3.8%	45,002,471	45,002	45,002
Total Investment Securities - 100.0%		\$ 1,194,893	\$ 1,172,681

See accompanying notes to financial statements.

# Hedge Fund Pool

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**Statement of Operations - Unaudited**  
**Period Ended October 31, 2009**  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Investment income</b>		
Dividend	\$ 3	\$ 14
<b>Expenses</b>		
Trustee fees	(1)	(3)
Custodian fees	(1)	(1)
Management fees	(40)	(170)
Fiduciary bond fees	-	(2)
Professional service fees	(41)	(168)
<b>Total expenses</b>	<u>(83)</u>	<u>(344)</u>
<b>Investment loss, net</b>	(80)	(330)
<b>Realized and unrealized gain from investments</b>		
Net realized gain from investments	5,846	5,846
Net increase in the fair value of investments	<u>7,662</u>	<u>65,212</u>
<b>Net gain from investments</b>	<u>13,508</u>	<u>71,058</u>
<b>Net increase in net assets from operations</b>	<u>\$ 13,428</u>	<u>\$ 70,728</u>

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

## Hedge Fund Pool

**Statement of Changes in Net Assets - Unaudited**  
**Period Ended October 31, 2009**  
*(Amounts in thousands, except unit data)*

	<b>Month</b>	<b>Year To Date</b>
<b>Operations</b>		
Investment loss, net	\$ (80)	\$ (330)
Net realized gain from investments	5,846	5,846
Net increase in the fair value of investments	7,662	65,212
<b>Net increase in net assets from operations</b>	13,428	70,728
<b>Unit transactions</b>		
Proceeds from sale of units	-	49,511
Amount paid for repurchase of units	(9,921)	(60,167)
<b>Net decrease in net assets from unit transactions</b>	(9,921)	(10,656)
<b>Increase in net assets</b>	3,507	60,072
Net assets, beginning of period	1,169,009	1,112,444
<b>Net assets, end of period</b>	\$ 1,172,516	\$ 1,172,516
<b>Unit data</b>		
Units sold	-	5,323,293
Units repurchased	(1,019,616)	(6,279,375)
<b>Net decrease in units</b>	(1,019,616)	(956,082)

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed. See accompanying notes to financial statements.*

# Hedge Fund Pool

**Statement of Cash Flows - Unaudited**  
**Period Ended October 31, 2009**  
*(Amounts in thousands)*

	<u>Month</u>	<u>Year To Date</u>
<b>Cash flows from operating activities</b>		
Net increase in net assets from operations	\$ 13,428	\$ 70,728
Adjustments to reconcile net increase in net assets from operations net cash provided by (used in) operating activities:		
Purchase of investment securities	-	(40,000)
Proceeds from disposition of investment securities	45,000	95,955
Purchases and sales of short-term investment securities, net	(34,994)	(45,002)
Increase in dividends receivable	(1)	(3)
Increase (decrease) in accrued expenses	(4)	36
Net realized gain from investments	(5,846)	(5,846)
Net increase in the fair value of investments	(7,662)	(65,212)
<b>Net cash provided by operating activities</b>	<b>9,921</b>	<b>10,656</b>
<b>Cash flows from financing activities</b>		
Proceeds from units sold	-	49,511
Amount paid for repurchase of units	(9,921)	(60,167)
<b>Cash used in financing activities</b>	<b>(9,921)</b>	<b>(10,656)</b>
<b>Net change in cash</b>	<b>-</b>	<b>-</b>
<b>Cash</b>		
Beginning balance	-	-
Ending balance	\$ -	\$ -

*\*The WVIMB operates on a fiscal year beginning on July 1. The "year to date" information is for the period July 1 through the month listed.  
See accompanying notes to financial statements.*

# Hedge Fund Pool

## Notes to Financial Statements

### NOTE 1. DESCRIPTION OF THE ENTITY

The West Virginia Investment Management Board (IMB) was organized on April 25, 1997, as a public corporation created by *West Virginia Code §12-6-1* to provide prudent fiscal administration and investment management services to designated State pension funds, the State's Workers' Compensation and Coal Workers' Pneumoconiosis funds, and certain other State government funds.

A Board of Trustees, consisting of thirteen members, governs the IMB. The Governor, the State Auditor and the State Treasurer are ex officio members of the Board of Trustees. The Governor appoints all other Trustees for a term of six years.

The IMB operates on a fiscal year beginning July 1 and ending June 30.

The accompanying financial statements reflect only the investments and investment related operations of the IMB's Hedge Fund Pool (Pool). They do not reflect activity of the other investment pools under the control of the IMB or the Administrative Fund of the IMB, or any other assets or liabilities, or restrictions thereon, or the various investment pool participants. Accordingly, these financial statements are not intended to and do not present the comprehensive financial position and operations of the IMB or any of the investment pool participants.

These financial statements have been prepared on a basis of accounting following U.S. generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB) and the American Institute of Certified Public Accountants applicable to investment companies, which is a comprehensive basis of accounting other than GAAP for state and local governments established by the Government Accounting Standards Board. The IMB has selected this basis of accounting because it believes that the disclosures required for investment companies better reflect the purpose and operations of the Pool.

A summary of the differences between financial statements prepared in accordance with GAAP for investment companies and GAAP for state and local governments are as follows:

	Investment Company GAAP	State and Local GAAP
Management Discussion and Analysis	Not required	Required
Schedule of Investments in Securities	Required	Not required
Statement of Operations	Required	Not required
Investment Risk Disclosures	Not required	Required
Financial Highlights	Required	Not required

There are no differences in the reported amounts of assets, liabilities, net assets, investment operations, distributions, or unit transactions between GAAP for investment companies and GAAP for state and local governments.

The Pool was established to hold the IMB's investments in hedge funds. Albourne America, LLC has been retained by the IMB to provide consulting services for this asset class.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

**Basis of Accounting** - The IMB invests funds of the State and its component units, all of which are government entities. Investments, which are not publicly traded, are carried at net asset value as a practical expedient for fair market value. The Pool has \$1,127,679,156 of investments in alternative investment funds which are reported at fair value. For all of these investments, the IMB has concluded that the net asset value reported by the underlying fund approximates the fair value of the investment. These investments are redeemable with the fund at net asset value under the original terms of the agreements and operations of the underlying fund. However, it is possible that these redemption rights may be restricted or eliminated by the funds in the future in accordance with the underlying fund agreements. Due to the nature of the investments held by the funds, changes in market conditions and the economic environment may significantly impact the net asset value of the funds and, consequently, the fair value of the interests in the funds. Although a secondary market exists for these investments, it is

# Hedge Fund Pool

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## Notes to Financial Statements

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

not active and individual transactions are typically not observable. When transactions do occur in this limited secondary market, they may occur at discounts to the reported net asset value. It is therefore reasonably possible that if the redemption rights in the funds were restricted or eliminated and the IMB were to sell these investments in the secondary market a buyer may require a discount to the reported net asset value, and the discount could be significant. The IMB believes that the carrying amount of such investments is a reasonable estimate of fair value as of October 31, 2009.

**Investment Transactions** - Investment transactions are accounted for on a trade date basis.

**Use of Estimates** - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Dividend Income** - Dividend income is recognized on the ex-dividend date.

**Distributions to Participants** - The Pool does not routinely distribute dividends or net capital gains.

**Expenses** - The IMB's Trustees adopt an annual budget and fee schedule for services to be provided to all of the investment pools under its management. Each investment pool is charged for its direct investment-related cost and for its allocated share of other expenses. These other expenses are allocated to the individual pools based on asset size. The IMB pays all expenses on behalf of the Pool.

**Income Taxes** - The IMB is a public corporation organized under laws of the State of West Virginia and exempt from federal and state taxation. Accordingly, the financial statements have been prepared recognizing that the IMB is not subject to federal or state income taxes.

### NOTE 3. FAIR VALUE MEASUREMENTS

FAS 157 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The IMB adopted FAS 157 for fiscal year 2009.

Fair value of an investment is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price).

FAS 157 established a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical financial instruments (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FAS 157 are:

Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities at the reporting date.

Level 2 Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not considered active; observable inputs other than observable quoted prices for the asset or liability; or inputs derived principally from or corroborated by observable market data.

Level 3 Unobservable pricing inputs for assets and liabilities.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the investment.

# Hedge Fund Pool

## Notes to Financial Statements

### NOTE 3. FAIR VALUE MEASUREMENTS (Continued)

The table below summarizes the valuation of the investment securities in accordance with FAS 157 fair value hierarchy levels as of October 31, 2009:

	Level I	Level II	Level III	Total
Regulated Investment Companies	\$ -	\$ 45,002,471	\$ -	\$ 45,002,471
Investments in Other Funds	-	-	1,127,679,156	1,127,679,156
Total	<u>\$ -</u>	<u>\$ 45,002,471</u>	<u>\$1,127,679,156</u>	<u>\$1,172,681,627</u>

The reconciliation of the beginning and ending balances of Level 3 investments for the period ended October 31, 2009 was as follows:

	Investments in Other Funds
Balance at June 30, 2009	\$ 1,112,575,678
Net realized gain/(loss)	5,846,295
Net change in unrealized appreciation/(depreciation)	65,212,495
Net purchases/(sales)	(55,955,312)
Net transfers in/(out) of Level 3	-
Balance at October 31, 2009	<u>\$ 1,127,679,156</u>

### NOTE 4. FINANCIAL HIGHLIGHTS

#### Per Unit Operating Performance:

Net asset value at June 30, 2009	\$ 9.26
Net realized and unrealized loss on investment transactions	0.58
Net asset value at October 31, 2009	<u>\$ 9.84</u>

**Time-weighted Total Return \*** 6.3%

#### Supplemental Data:

Net assets, end of period (\$000's)	\$ 1,172,516
Ratio to average net assets:	
Expenses **	0.09%
Net investment income **	-0.09%
Portfolio turnover rate	3.50%

\* - Return data is net of fees and is for the fiscal year-to-date and is not annualized

\*\* - All ratios are for the fiscal year-to-date annualized



# Hedge Fund Pool

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## Notes to Financial Statements

### NOTE 5. SCHEDULE OF PARTICIPATION

The following schedule provides the value of participants' accounts in the Pool at October 31, 2009.

<u>Participant</u>	<u>Account Value</u>
Teachers' Retirement System	\$ 408,499,679
Public Employees' Retirement System	382,921,863
Workers' Compensation Old Fund	142,222,090
Coal Workers' Pneumoconiosis Fund	47,573,425
Revenue Shortfall Reserve Fund B	46,519,831
State Police Death, Disability and Retirement Fund	38,326,961
Revenue Shortfall Reserve Fund	32,174,705
Public Employees' Insurance Agency	24,465,606
Board of Risk and Insurance Management	22,324,421
Judges' Retirement System	9,367,996
Deputy Sheriff's Retirement System	8,245,637
State Police Retirement System	4,523,922
Wildlife Endowment Fund	3,425,119
Emergency Medical Services Retirement System	1,924,980
Total	<u>\$ 1,172,516,235</u>