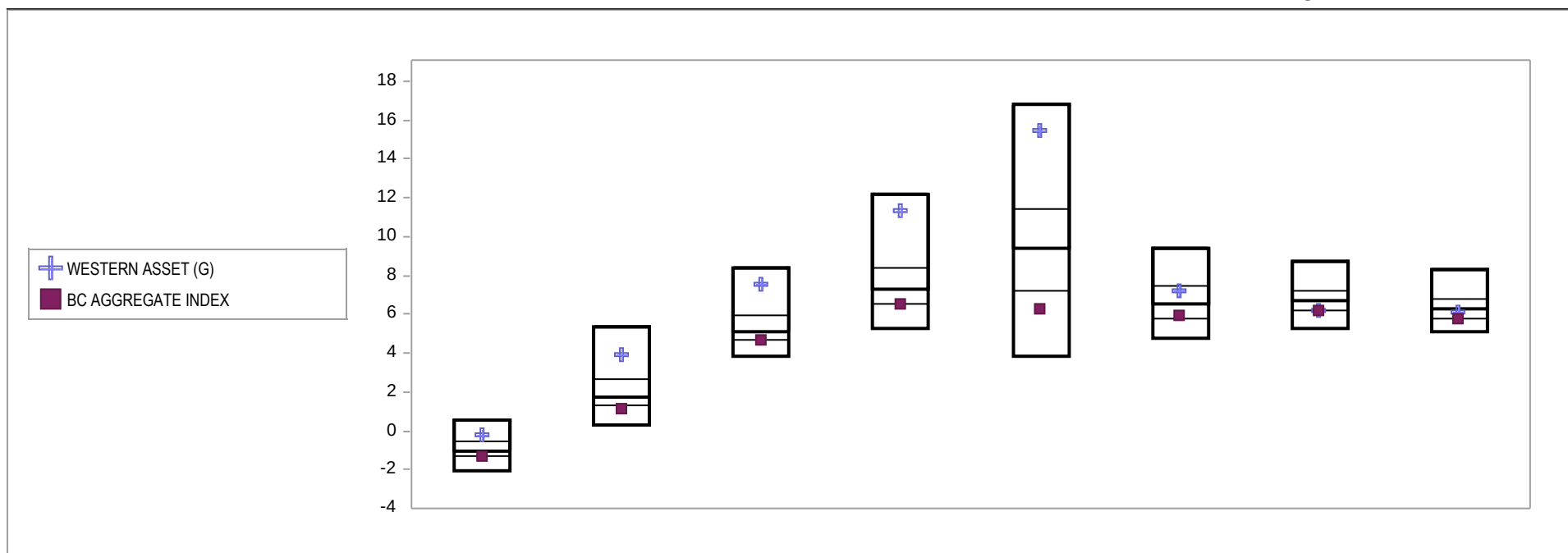


FRESNO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

CUMULATIVE PERFORMANCE COMPARISONS

Period Ending: December 31, 2010

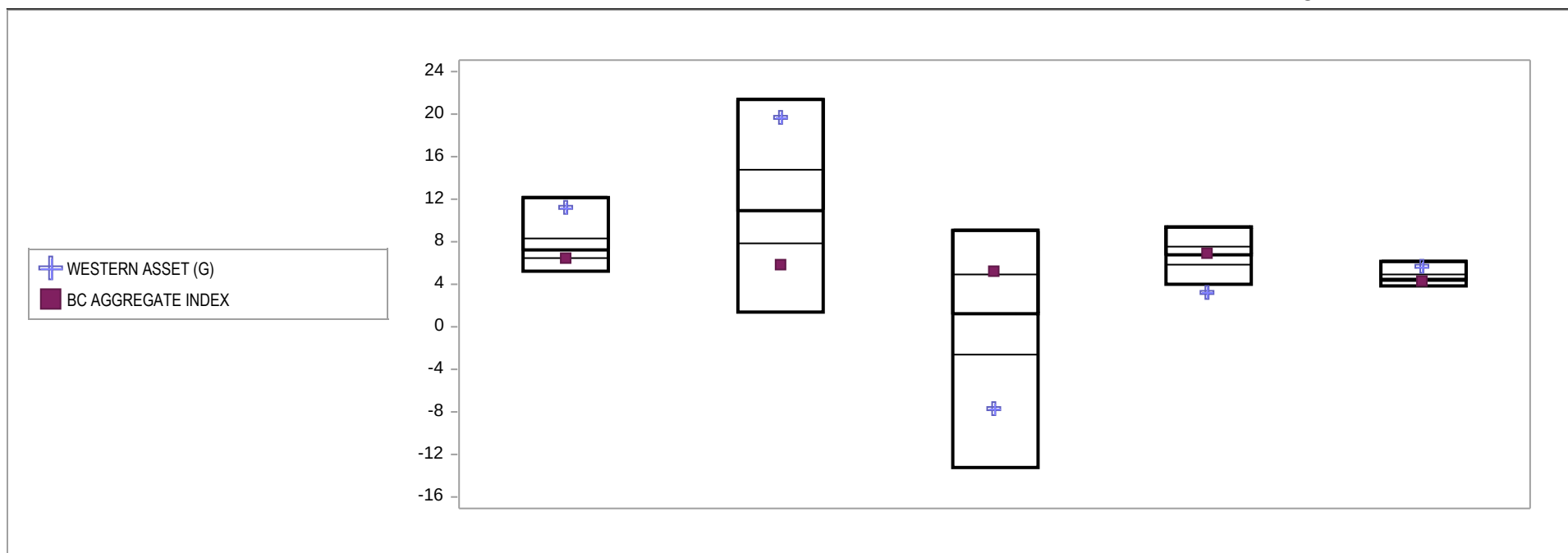


Bond Style - Core	Last Quarter		Two Quarters		Three Quarters		One Year		Two Years		Three Years		Four Years		Five Years	
	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank	Return	Rank
5th Percentile	0.6		5.3		8.4		12.2		16.8		9.4		8.7		8.3	
25th Percentile	-0.5		2.7		5.9		8.4		11.4		7.5		7.2		6.8	
50th Percentile	-1.0		1.8		5.1		7.3		9.4		6.6		6.7		6.3	
75th Percentile	-1.3		1.3		4.7		6.5		7.2		5.8		6.2		5.8	
95th Percentile	-2.1		0.3		3.8		5.3		3.8		4.8		5.3		5.1	
WESTERN ASSET (G)	-0.2	19	3.9	15	7.5	12	11.3	10	15.4	10	7.2	32	6.2	74	6.1	56
BC AGGREGATE INDEX	-1.3	74	1.1	78	4.7	75	6.5	74	6.2	81	5.9	70	6.2	76	5.8	73

FRESNO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

CONSECUTIVE PERFORMANCE COMPARISONS

Period Ending: December 31, 2010

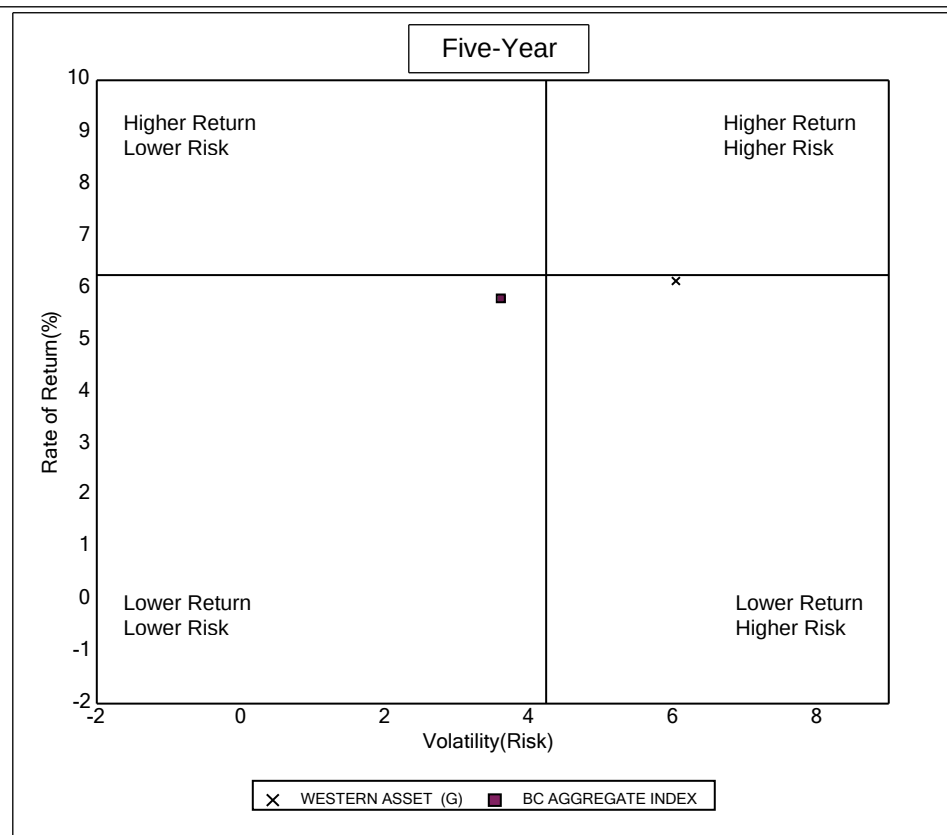
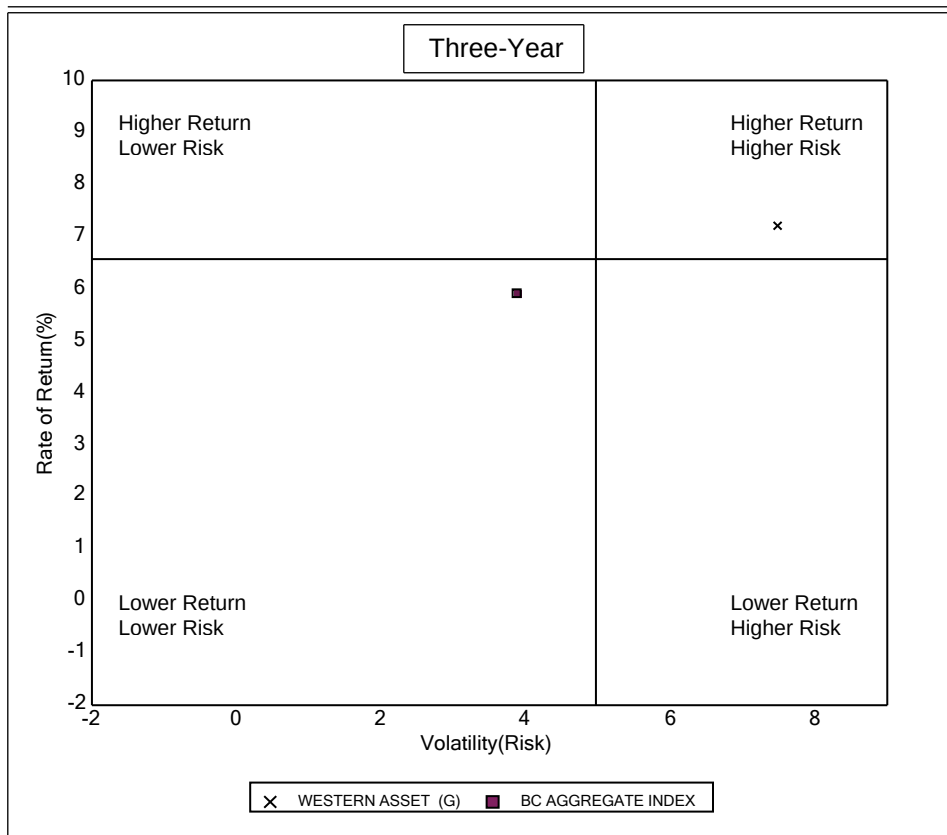


Bond Style - Core	December 2010 Return Rank		December 2009 Return Rank		December 2008 Return Rank		December 2007 Return Rank		December 2006 Return Rank	
5th Percentile	12.2		21.4		9.1		9.5		6.2	
25th Percentile	8.4		14.8		5.0		7.6		4.9	
50th Percentile	7.3		11.1		1.3		6.9		4.6	
75th Percentile	6.5		7.9		-2.6		5.9		4.3	
95th Percentile	5.3		1.4		-13.1		4.1		3.9	
WESTERN ASSET (G)	11.3	10	19.8	10	-7.5	84	3.4	97	5.7	12
BC AGGREGATE INDEX	6.5	74	5.9	81	5.2	24	7.0	46	4.3	75

FRESNO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

RISK VS RETURN THREE & FIVE YEAR

Period Ending: December 31, 2010



Three Year Return vs Risk

Annualized Return %	Standard Deviation %	Sharpe Ratio	Category
7.2	7.5	0.9	WESTERN ASSET (G)
5.9	3.9	1.3	BC AGGREGATE INDEX
6.6	5.0	1.2	Bond Style - Core Universe Median

Five Year Return vs Risk

Annualized Return %	Standard Deviation %	Sharpe Ratio
6.1	6.0	0.6
5.8	3.6	0.9
6.3	4.2	0.9

FRESNO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

TOP TEN HOLDING

Period Ending: December 31, 2010

WESTERN ASSET

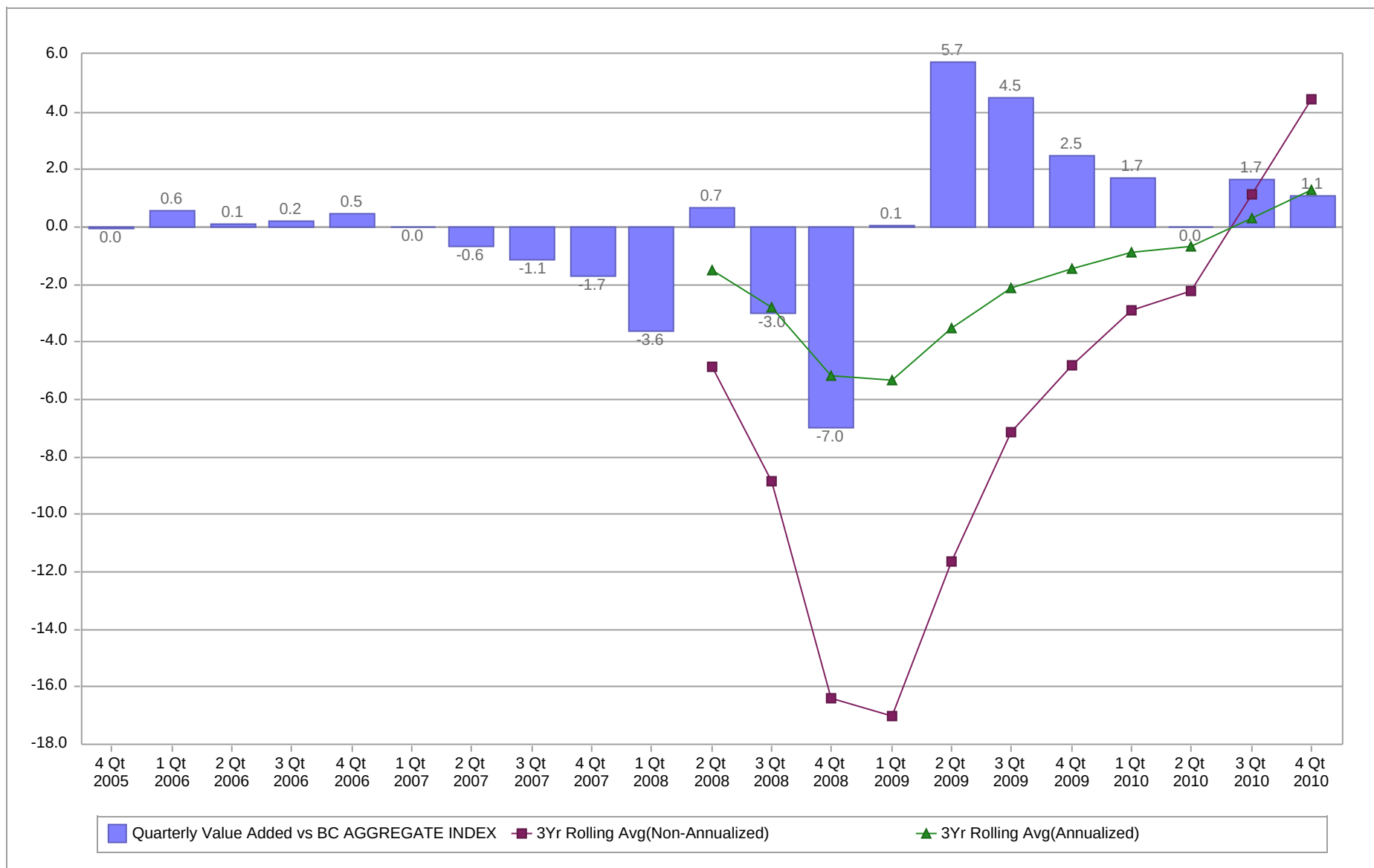
As Of 3/31/09	As Of 6/30/09	As Of 9/30/09	As Of 12/31/09
W25000000 WA MBS PORTFOLIO LLC 48.9%	W25000000 WA MBS PORTFOLIO LLC 43.1%	W25000000 WA MBS PORTFOLIO LLC 37.3%	W25000000 WA MBS PORTFOLIO LLC 28.4%
OWP067614 CDS USD R F .35000 0.35% 2 3.4%	OWP067614 CDS USD R F .35000 0.35% 2 3.5%	OWP150956 IRS USD R V 03MLIBOR 1% 28 5.4%	OWP150956 IRS USD R V 03MLIBOR 1% 28 6.2%
W20000001 US DOLLAR HIGH YIELD SEC 2.9%	W20000001 US DOLLAR HIGH YIELD SEC 3.5%	W20000001 US DOLLAR HIGH YIELD SEC 4.0%	W20000001 US DOLLAR HIGH YIELD SEC 4.0%
UNITED STATES TREAS BDS 5.5% 15 Aug 2.7%	W20000050 WA FLT RATE HI INC 2.7%	W20000050 WA FLT RATE HI INC 2.8%	OWP154412 IRS USD R F 4.62100 4.621% 3.6%
W20000050 WA FLT RATE HI INC 2.3%	UNITED STATES TREAS BDS 3.5% 15 Feb 2.0%	UNITED STATES TREAS BDS 3.5% 15 Feb 2.3%	US TREASURY N/B 4.375% 15 Nov 2039 11/ 3.3%
OWP067630 CDS USD R V 00MEVENT 1% 2.2%	W00000005 INT INVEST GRADE SEC 2.0%	W00000005 INT INVEST GRADE SEC 2.2%	W20000050 WA FLT RATE HI INC 2.9%
W00000005 INT INVEST GRADE SEC 2.1%	OWP128374 CDS USD R F 1.40000 1.4% 20 1.9%	OWP128374 CDS USD R F 1.40000 1.4% 20 2.0%	UNITED STATES TREAS BDS 3.5% 15 Feb 2.4%
OWP128374 CDS USD R F 1.40000 1.4% 20 1.9%	ATLANTIC EAST FUNDING LLC 3.05375% 1.5%	US TREASURY N/B 3.125% 15 May 2019 1.8%	W00000005 INT INVEST GRADE SEC 2.2%
ATLANTIC EAST FUNDING LLC 3.05375% 1.5%	OWP077837 CDS USD R F .18000 0.18% 2 1.0%	ATLANTIC EAST FUNDING LLC 3.05375% 1.6%	UNITED STATES TREAS BDS 4.5% 15 Aug 2.1%
UNITED STATES TREAS BD STRP PR 0% 1.1%	FEDERAL NATL MTG ASSN 5% 13 Feb 1.0%	US TREASURY N/B 4.25% 15 May 2039 1.5%	ATLANTIC EAST FUNDING LLC 3.05375% 2.0%
Top Ten Total: 68.9%	Top Ten Total: 62.3%	Top Ten Total: 60.9%	Top Ten Total: 57.0%
As Of 3/31/10	As Of 6/30/10	As Of 9/30/10	As Of 12/31/10
W25000000 WA MBS PORTFOLIO LLC 28.9%	W25000000 WA MBS PORTFOLIO LLC 29.4%	W25000000 WA MBS PORTFOLIO LLC 29.1%	W25000000 WA MBS PORTFOLIO LLC 33.3%
OWP150956 IRS USD R V 03MLIBOR 1% 28 6.1%	W20000001 US DOLLAR HIGH YIELD SEC 3.6%	US TREASURY N/B 4.375% 15 May 2040 5.9%	W20000001 US DOLLAR HIGH YIELD SEC 4.0%
W20000001 US DOLLAR HIGH YIELD SEC 3.7%	UNITED STATES TREAS BDS 3.5% 15 Feb 2.5%	W20000001 US DOLLAR HIGH YIELD SEC 3.8%	STATE STREET BANK + TRUST CO SHORT 3.3%
W20000050 WA FLT RATE HI INC 2.6%	W20000050 WA FLT RATE HI INC 2.5%	W20000050 WA FLT RATE HI INC 2.5%	W20000050 WA FLT RATE HI INC 2.7%
UNITED STATES TREAS BDS 3.5% 15 Feb 2.3%	UNITED STATES TREAS BDS 4.5% 15 Aug 2.0%	US TREASURY N/B 3.875% 15 Aug 2040 08/ 2.2%	US TREASURY N/B 4.375% 15 May 2040 2.5%
US TREASURY N/B 4.375% 15 Nov 2039 11/ 2.2%	ATLANTIC EAST FUNDING LLC 3.05375% 1.9%	US TREASURY N/B 4.375% 15 Nov 2039 11/ 2.0%	WA OPPORTUNISTIC INTL INV. 1.8%
W00000005 INT INVEST GRADE SEC 2.1%	W00000005 INT INVEST GRADE SEC 1.9%	WA OPPORTUNISTIC INTL INV. 1.8%	ATLANTIC EAST FUNDING LLC 3.05375% 1.8%
ATLANTIC EAST FUNDING LLC 3.05375% 2.0%	US TREASURY N/B 4.375% 15 Nov 2039 11/ 1.8%	ATLANTIC EAST FUNDING LLC 3.05375% 1.7%	US TREASURY N/B 4.375% 15 Nov 2039 11/ 1.8%
UNITED STATES TREAS BDS 4.5% 15 Aug 1.8%	US TREASURY N/B 4.625% 15 Feb 2040 02/ 1.8%	UNITED STATES TREAS BD STRPPED 0% 1.3%	US TREASURY N/B 3.5% 15 May 2020 1.3%
US TREASURY N/B 4.25% 15 May 2039 1.6%	US TREASURY N/B 4.25% 15 May 2039 1.7%	FNMA OCT TBA TBAXXX 4% 01 Dec 0.9%	UNITED STATES TREAS BD STRPPED 0% 1.2%
Top Ten Total: 53.2%	Top Ten Total: 49.2%	Top Ten Total: 51.4%	Top Ten Total: 53.7%

FRESNO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

VALUE ADDED ANALYSIS

Period Ending: December 31, 2010

Three Years Rolling for WESTERN ASSET (in %)

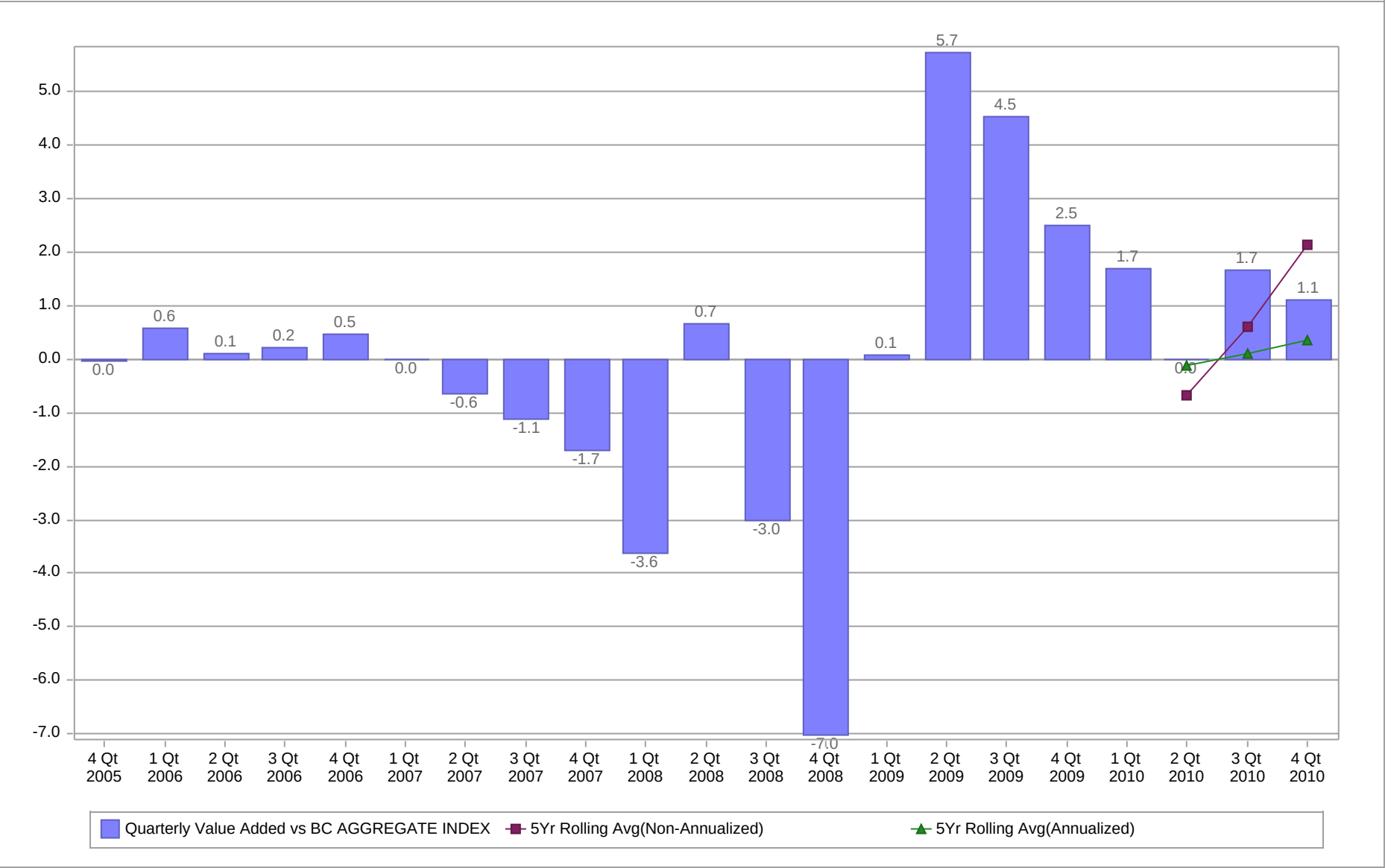


FRESNO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

VALUE ADDED ANALYSIS 5 YEARS

Period Ending: December 31, 2010

Five Years Rolling for WESTERN ASSET (in %)

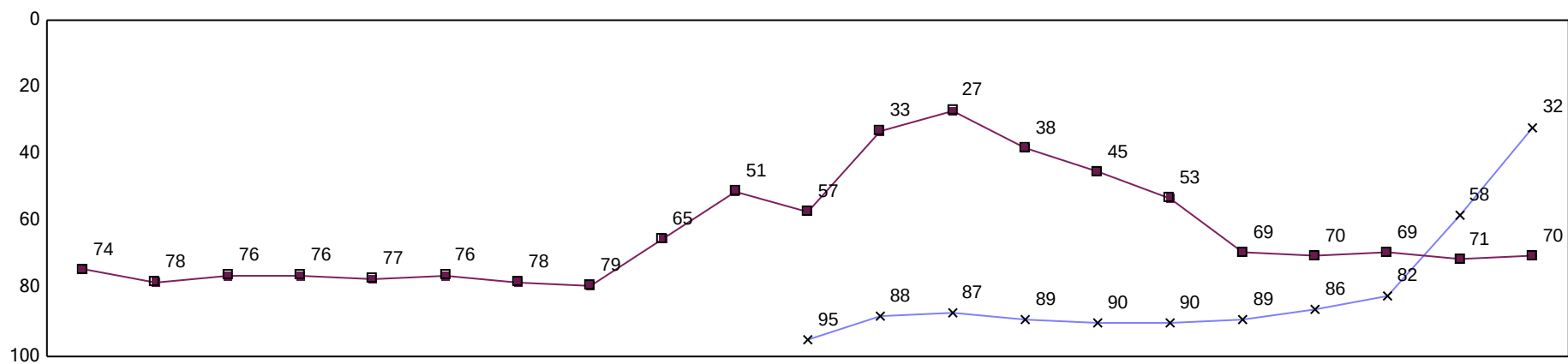


FRESNO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

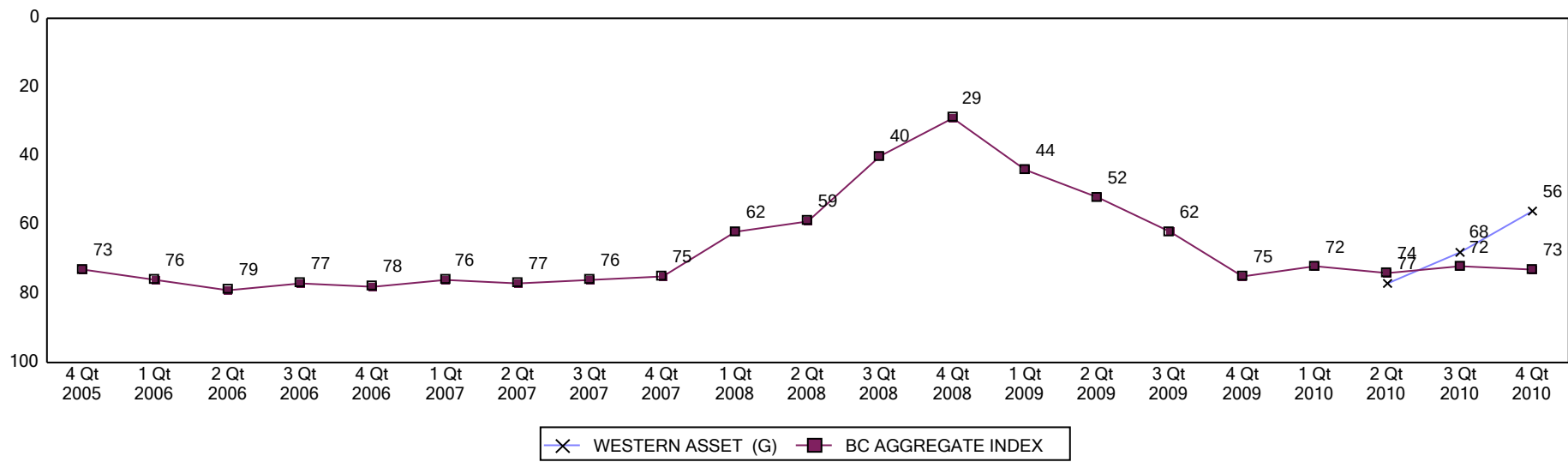
ROLLING RETURN RANKING 3 & 5 YEARS

Period Ending: December 31, 2010

Ranking Comparisons - Rolling 3 Years



Ranking Comparisons - Rolling 5 Years



Note: data is ranked against the Bond Style - Core Universe

Fresno County Employees' Retirement Association

WESTERN ASSET MANAGEMENT

Index: BC AGGREGATE

September 30, 2010 - December 31, 2010

Fixed Income Average Life Distribution

	BEGINNING WTS		ENDING WTS		RETURN	
	Fund	Index	Fund	Index	Fund	Index
WESTERN ASSET MANAGEMENT						
Cash Equivalents	0.0	0.0	3.4	0.0		
Less than or equal to 1 Years	2.2	3.1	1.3	0.9		0.2
1 To 3 Years	9.4	23.0	5.0	24.6		0.1
3 To 5 Years	21.6	29.4	11.6	28.8		-0.2
5 To 10 Years	28.2	32.8	18.2	34.6		-1.9
10 To 20 Years	8.3	3.7	4.5	3.7		-5.0
Greater than 20 Years	29.1	7.3	10.1	7.4		-5.5
Unclassified	1.1	0.6	46.0	0.0		0.1
TOTAL	100.0	100.0	100.0	100.0		-1.3

Fresno County Employees' Retirement Association

WESTERN ASSET MANAGEMENT

Index: BC AGGREGATE

Quarter Ending December 31, 2010

Fixed Income Coupon Distribution

	BEGINNING WTS		ENDING WTS		RETURN	
	Fund	Index	Fund	Index	Fund	Index
WESTERN ASSET MANAGEMENT						
Cash Equivalents	0.0	0.0	3.4	0.0		
Less than or equal to 5 %	48.8	64.6	22.6	66.7	-1.4	
5 To 7 %	34.1	28.8	19.8	27.5	-0.8	
7 To 9 %	13.2	5.2	6.7	4.9	-2.7	
9 To 11 %	2.1	0.7	1.2	0.7	-1.1	
11 To 13 %	0.6	0.1	0.4	0.1	-1.6	
Greater than 13 %	0.0	0.0	0.0	0.0	0.6	
Unclassified	1.1	0.6	46.0	0.0	0.1	
TOTAL	100.0	100.0	100.0	100.0	-1.3	

Fresno County Employees' Retirement Association

WESTERN ASSET MANAGEMENT

Index: BC AGGREGATE

Quarter Ending December 31, 2010

Fixed Income Duration Distribution

	BEGINNING WTS		ENDING WTS		RETURN	
	Fund	Index	Fund	Index	Fund	Index
WESTERN ASSET MANAGEMENT						
Cash Equivalents	0.0	0.0	3.4	0.0		
Less than or equal to 1 Years	4.0	3.8	2.3	1.4		0.2
1 To 3 Years	10.3	36.1	5.6	36.8		0.4
3 To 4 Years	17.0	13.6	9.1	13.0		-0.6
4 To 6 Years	12.4	24.7	8.8	26.5		-1.3
6 To 8 Years	16.8	9.6	7.9	10.0		-3.4
8 To 10 Years	2.9	2.3	3.9	2.9		-4.8
Greater than 10 Years	35.2	9.3	13.0	9.3		-5.5
Unclassified	1.3	0.6	46.0	0.0		0.2
TOTAL	100.0	100.0	100.0	100.0		-1.3

Fresno County Employees' Retirement Association

WESTERN ASSET MANAGEMENT

Index: BC AGGREGATE

September 30, 2010 - December 31, 2010

Fixed Income Quality Rating Distribution

	BEGINNING WTS		ENDING WTS		RETURN	
	Fund	Index	Fund	Index	Fund	Index
WESTERN ASSET MANAGEMENT						
Cash Equivalents	0.0	0.0	3.4	0.0		
TREASURY	24.3	33.3	10.8	34.0		-2.7
AGENCY	9.2	40.3	4.3	40.1		-0.0
AAA	5.8	3.4	3.5	3.2		-0.8
AA-1 To AA-3	8.3	4.2	4.3	4.3		-1.2
A-1 To A-3	20.8	8.5	11.0	8.6		-1.7
BAA-1 To BAA-3	18.1	8.3	10.3	8.4		-1.6
BA-1 To BA-3	5.8	0.3	3.0	0.3		0.9
B-1 To B-3	2.7	0.0	1.6	0.0		19.5
CAA To C	1.3	0.0	0.7	0.0		
NOT RATED	1.4	1.0	1.5	1.1		0.2
Unclassified	2.2	0.7	45.6	0.0		-0.0
TOTAL	100.0	100.0	100.0	100.0		-1.3

Fresno County Employees' Retirement Association

WESTERN ASSET MANAGEMENT

Index: BC AGGREGATE

September 30, 2010 - December 31, 2010

Fixed Income Yield to Maturity Distribution

	BEGINNING WTS		ENDING WTS		RETURN	
	Fund	Index	Fund	Index	Fund	Index
WESTERN ASSET MANAGEMENT						
Less than or equal to 5 %	70.4	91.4	37.1	91.9	-1.2	
5 To 7 %	22.3	7.4	11.8	7.4	-2.1	
7 To 9 %	3.3	0.5	2.1	0.6	1.3	
9 To 11 %	0.1	0.0	0.1	0.0	9.6	
11 To 13 %	1.1	0.0	0.7	0.0	6.0	
Greater than 13 %	1.4	0.0	0.6	0.0	5.1	
Unclassified	1.3	0.6	47.7	0.0	0.2	
TOTAL	100.0	100.0	100.0	100.0	-1.3	

Fresno County Employees' Retirement Association

WESTERN ASSET MANAGEMENT

INDEX: BC AGGREGATE

AS OF: December 31, 2010

FIXED INCOME SECTOR ALLOCATION

SECTOR	PORTFOLIO WEIGHT %	INDEX WEIGHT %	DIFF %
AGENCY	2.8	7.3	-4.5
ASSET BACKED	2.0	0.3	1.8
CASH EQUIVALENT	3.4	0.0	3.4
CMBS	4.0	2.6	1.4
CMO	1.7	0.0	1.7
COMMINGLED FUND	43.2	0.0	43.2
CORPORATE	30.0	19.4	10.6
MORTGAGE PASS-THROUGH	0.6	31.7	-31.1
MUNICIPAL	0.2	0.0	0.2
PREFERRED STOCK	0.1	0.0	0.1
SWAPS	-0.1	0.0	-0.1
US TREASURY	10.8	34.0	-23.2
YANKEE	1.4	4.8	-3.4
TOTAL	100.0	100.0	0.0

