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# Comprehensive Performance Report

June 30, 2019



## Description of SBI Investment Programs

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The Minnesota State Board of Investment is responsible for the investment management of various retirement funds, trust funds and cash accounts.

### **Combined Funds**

The Combined Funds represent the assets for both the active and retired public employees in the statewide retirement systems, the biggest of which are the Public Employees Retirement Association (PERA), the Teachers Retirement Association (TRA), and the Minnesota State Retirement System (MSRS). The SBI commingles the assets of these plans into the Combined Funds to capture investment efficiencies. All assets in the Combined Funds are managed externally by investment management firms retained by contract.

### **Participant Directed Investment Program**

The Participant Directed Investment Program (PDIP) provides investment vehicles for a variety of retirement or other tax-advantaged savings plans. Investment goals among the PDIP's many participants are varied. In order to meet the variety of goals, participants may allocate their investments among one or more accounts that are appropriate for their needs within statutory requirements and rules established by the participating organizations. At this time, the assets of various retirement programs, including local firefighter groups, are included here.

### **Non-Retirement**

The Non-Retirement Funds are funds established by the State of Minnesota and other government entities for various purposes which include the benefit of public schools, the environment, other post-employment benefits, workers compensation insurance, and other purposes.

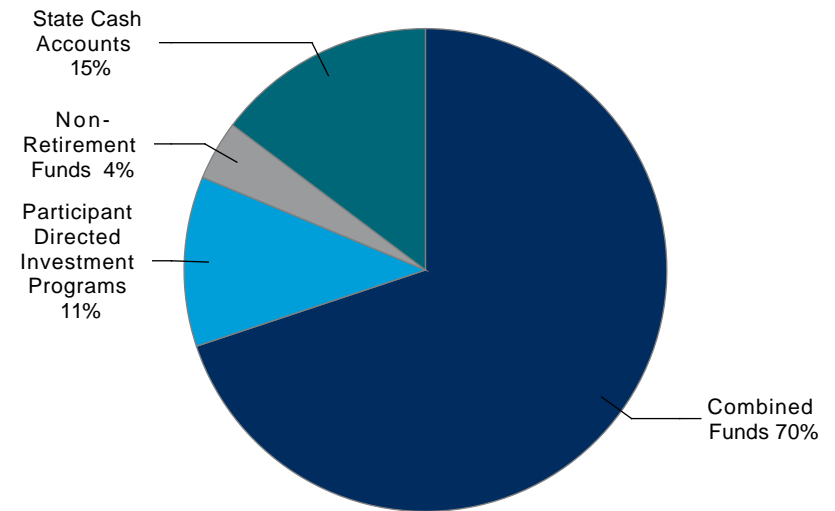
### **State Cash**

The State Cash accounts are cash balances of state government funds including the State General Fund. Most accounts are invested by SBI staff through a short-term pooled fund referred to as the Treasurer's Cash Pool. It contains the cash balances of special or dedicated accounts necessary for the operation of certain State agencies and non-dedicated cash in the State Treasury. Because of special legal restrictions, a small number of cash accounts cannot be commingled.



## Funds Under Management

	<u>\$ Millions</u>
<b>COMBINED FUNDS</b>	
Combined Funds	\$70,658
<b>PARTICIPANT DIRECTED INVESTMENT PROGRAMS</b>	
Supplemental Investment Fund*	3,942
State Deferred Compensation Plan**	6,064
Minnesota College Savings Plan	1,503
Achieve a Better Life Experience	6
<b>NON-RETIREMENT FUNDS</b>	
Assigned Risk Plan	287
Permanent School Fund	1,513
Environmental Trust Fund	1,215
Closed Landfill Investment Fund	97
Miscellaneous	258
Other Post Employment Benefits Accounts	662
<b>STATE CASH ACCOUNTS</b>	
Treasurer's Cash	14,630
Other State Cash Accounts	273
<b>TOTAL</b>	
SBI AUM	101,110



\* Includes assets of smaller retirement funds which are invested with the SBI but are not included in the Combined Funds

\*\* Does not include the Stable Value and Money Market accounts that are used by Deferred Compensation and Supplemental Investment Fund

Note: Differentials within column amounts may occur due to rounding



Quarterly Report

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**Performance Reporting Legend**

**Manager Level Data**

**Aggregate Level Data**

**Sub-Asset Class Level Data**

**Asset Class Level Data**

Note:

Throughout this report performance is calculated net of investment management fees, aggregates include terminated managers, and returns for all periods greater than one year are annualized. Inception Date and Since Inception Returns refer to the date of retention by the SBI. FYTD refers to the return generated by an account since July 1 of the most recent year. For historical benchmark details, please refer to the addendum of this report. Inception to date return information is included for manager accounts and total asset class but not other aggregates because of portfolio management decisions to group managers in different aggregates over time.





# Combined Funds

June 30, 2019



## Combined Funds Summary

### Combined Funds Change in Market Value (\$Millions)

	<u>One Quarter</u>
COMBINED FUNDS	
Beginning Market Value	\$68,816
Net Contributions	-605
Investment Return	2,448
Ending Market Value	70,658

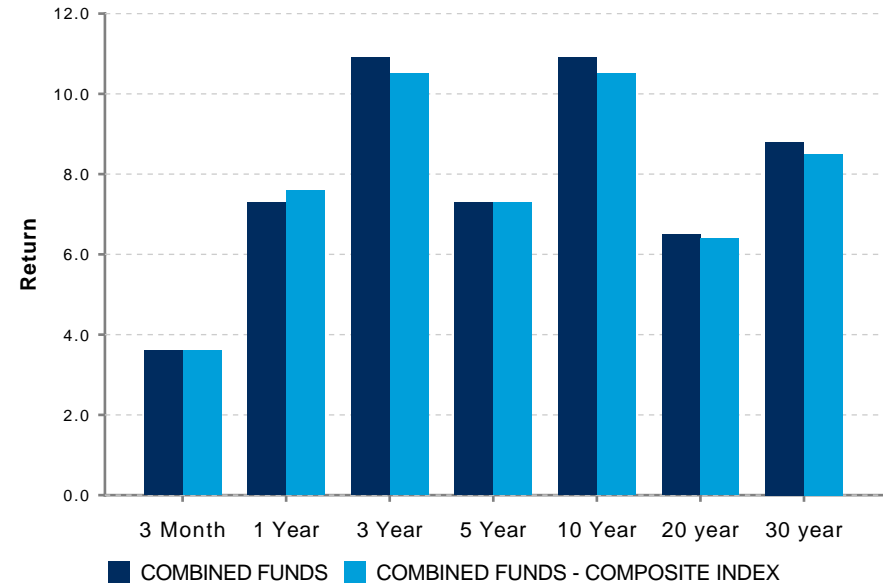
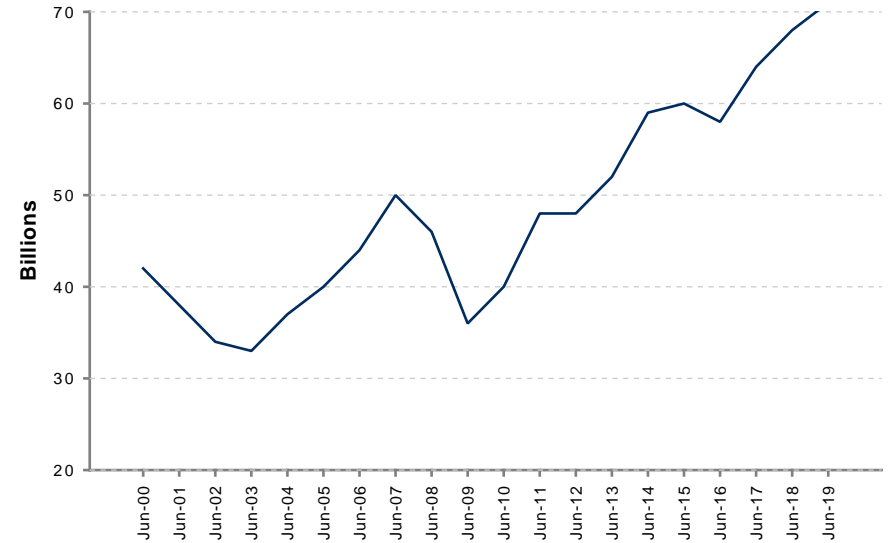
The change in market value of the Combined Funds since the end of last quarter is due to net contributions and investment returns.

### Performance (Net of Fees)

The Combined Funds' performance is evaluated relative to a composite of public market index and private market investment returns. The Composite performance is calculated by multiplying the beginning of month Composite weights and the monthly returns of the asset class benchmarks.

	<u>Qtr</u>	<u>FYTD</u>	<u>1 Yr</u>	<u>3 Yr</u>	<u>5 Yr</u>	<u>10 Yr</u>	<u>20 Yr</u>	<u>30 Yr</u>
COMBINED FUNDS	3.6%	7.3%	7.3%	10.9%	7.3%	10.9%	6.5%	8.8%
COMBINED FUNDS - COMPOSITE INDEX	3.6	7.6	7.6	10.5	7.3	10.5	6.4	8.5
Excess	-0.0	-0.3	-0.3	0.4	0.0	0.4	0.2	0.3

### Asset Growth



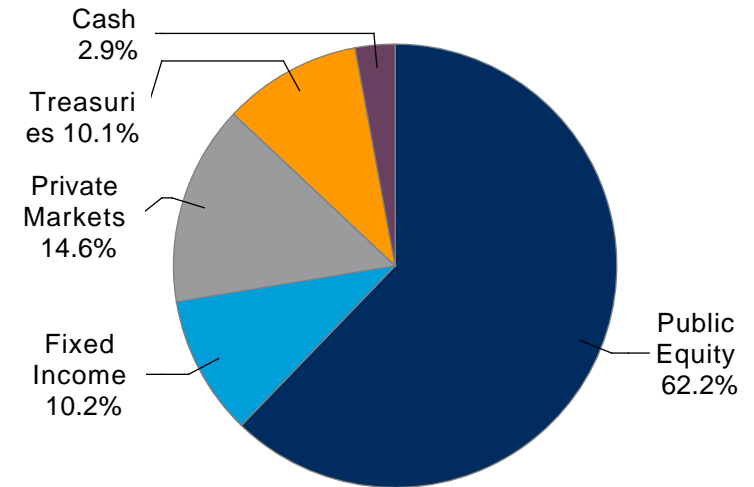


## Combined Funds Summary

### Asset Mix

The Combined Funds actual asset mix relative to the Strategic Asset Allocation Policy Target is shown below. Any uninvested portion of the Private Markets allocation is held in Public Equity.

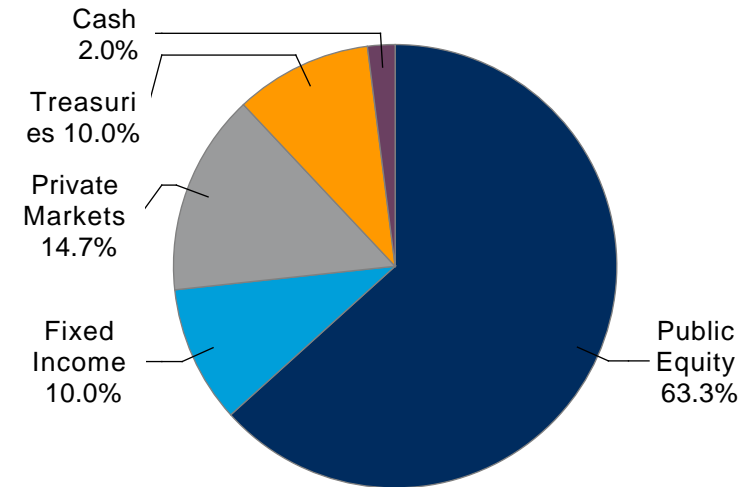
	<u>(Millions)</u>	<u>Actual Mix</u>	<u>Policy Target</u>
Public Equity	\$43,953	62.2%	53.0%
Fixed Income	7,208	10.2	10.0
Private Markets	10,281	14.6	25.0
Treasuries	7,169	10.1	10.0
Cash	2,048	2.9	2.0
<b>TOTAL</b>	<b>70,658</b>	<b>100.0</b>	



### Composite Index Comparison

The Combined Funds Composite is set as the Strategic Asset Allocation Policy Target with the uninvested portion of Private Markets allocated to Public Equity. Asset class weights for Public Equity and Private Markets are reset at the start of each month. The Combined Funds Composite weighting shown below is as of the first day of the quarter.

	<u>Policy Weight</u>	<u>Benchmark</u>
Public Equity	63.3%	Public Equity Benchmark
Fixed Income	10.0	BB Barclays U.S. Aggregate
Private Markets	14.7	Private Markets
Treasuries	10.0	BB Barclays Treasury 5+ Years
Cash	2.0	3 Month T-Bills





## Combined Funds Asset Class Performance Summary

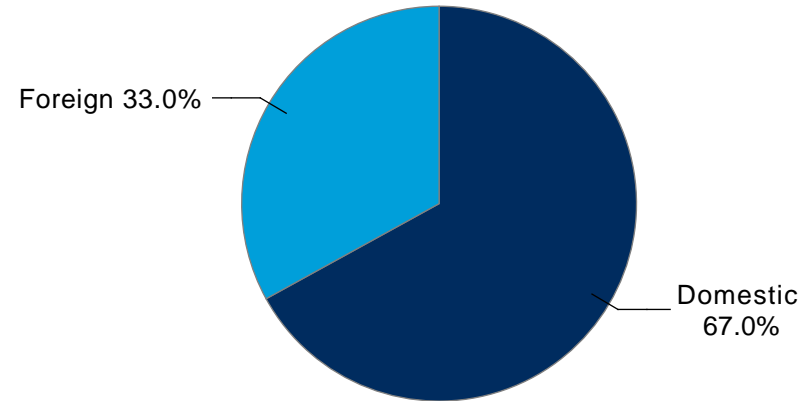
### Public Equity

The Combined Funds Public Equity includes Domestic Equity and International Equity.

The Public Equity benchmark is 60.3% Russell 1000, 6.7% Russell 2000, 24.75% MSCI World ex US (net), and 8.25% MSCI EM (net).

The Russell 1000 and Russell 2000 measure the performance of the 1000 largest and 2000 next largest U.S. companies based on total market capitalization.

The MSCI World ex US index is composed of large and mid cap companies that capture approximately 85% of the total market capitalization in 22 of the 23 developed markets. The MSCI Emerging Markets index is composed of large and mid cap companies that capture approximately 85% of the total market capitalization across 24 Emerging Markets countries.



	<u>Last Qtr</u>	<u>FYTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>20 Year</u>	<u>30 year</u>
Public Equity	3.8%	6.1%	6.1%	12.8%	8.0%	12.7%	5.7%	9.1%
Public Equity Benchmark	3.7	6.4	6.4	12.5				
Excess	0.1	-0.4	-0.4	0.2				
Domestic Equity	4.1	8.5	8.5	14.3	10.0	14.7	6.0	9.6
Domestic Equity Benchmark	4.0	8.9	8.9	14.0	10.2	14.7	6.1	9.8
Excess	0.1	-0.5	-0.5	0.3	-0.2	-0.0	-0.1	-0.2
International Equity	3.2	1.1	1.1	9.3	2.6	7.0	4.8	
International Equity Benchmark	3.0	1.3	1.3	9.4	2.2	6.5	4.4	
Excess	0.2	-0.2	-0.2	-0.1	0.4	0.5	0.4	

Note:

Prior to 6/30/16 the returns of Domestic and International Equity were not reported as a total Public Equity return. For additional information regarding historical asset class performance and benchmarks, please refer to the Combined Funds Performance Report.





## Combined Funds Asset Class Performance Summary

### Fixed Income

The Combined Funds Fixed Income program includes Core Fixed Income and Treasuries. The Combined Funds performance for these asset classes is shown here.

The Core Fixed Income benchmark is the Bloomberg Barclays U.S. Aggregate Index. This index reflects the performance of the broad bond market for investment grade (Baa or higher) bonds, U.S. Treasury and agency securities, and mortgage obligations with maturities greater than one year.

The Treasuries benchmark is the Bloomberg Barclays Treasury 5+ Years Index.

	<u>Last Qtr</u>	<u>FYTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>20 Year</u>	<u>30 year</u>
Fixed Income	3.2%	8.2%	8.2%	3.0%	3.4%	5.0%	5.3%	6.4%
Fixed Income Benchmark	3.1	7.9	7.9	2.3	2.9	3.9	4.9	6.0
Excess	0.1	0.3	0.3	0.7	0.4	1.1	0.4	0.4
Treasuries	4.5	10.3	10.3					
BBG BARC 5Y + Us Tsy Idx	4.6	10.4	10.4					
Excess	-0.0	-0.1	-0.1					

### Cash

The Combined Funds Cash performance is shown here. Cash is held by the Combined Funds to meet the liquidity needs of the retirement systems to pay benefits.

	<u>Last Qtr</u>	<u>FYTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>20 Year</u>	<u>30 year</u>
Cash	0.6%	2.3%	2.3%	1.5%	1.0%	0.7%	2.3%	3.8%
90 DAY T-BILL	0.6	2.3	2.3	1.4	0.9	0.5	1.9	3.0

Note:

For additional information regarding historical asset class performance and benchmarks, please refer to the Combined Funds Performance Report.



## Combined Funds Asset Class Performance Summary

### Private Markets

	<u>Last Qtr</u>	<u>FYTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>20 Year</u>	<u>25 year</u>	<u>30 year</u>
Private Markets	2.8%	10.4%	10.4%	14.9%	10.4%	12.5%	12.6%	13.6%	12.2%
Private Equity	5.0%	14.4%	14.4%	17.6%	14.3%	15.9%	13.5%	15.4%	
Private Credit	1.9	10.6	10.6	14.2	13.2	13.4	12.5		
Resources	-2.6	0.9	0.9	10.2	-1.8	5.5	15.5	14.5	
Real Estate	3.1	9.1	9.1	9.6	11.3	8.6	8.8	9.5	

### Private Markets

The time-weighted rates of return for the Private Markets portfolio are shown here. Private Markets included Private Equity, Private Credit, Resources, and Real Estate. Some of the existing investments are relatively immature and returns may not be indicative of future results.

### Private Equity Investments

The objectives of the Private Equity portfolio, which may include leveraged buyouts, growth equity, venture capital and special situations, are to achieve attractive returns and to provide overall portfolio diversification to the total plan.

### Private Credit Investments

The objectives of the Private Credit portfolio, which may include mezzanine debt, direct lending, and other forms of non-investment grade fixed income instruments, are to achieve a high total return over a full market cycle and to provide some degree of downside protection and typically provide current income in the form of a coupon. In certain situations, investments in the Private Credit portfolio also provide an equity component of return in the form of warrants or re-organized equity.

### Resource Investments

The objectives of the Resources portfolio, which may include energy, infrastructure, and other hard assets, are to provide protection against the risks associated with inflation and to provide overall portfolio diversification to the total plan.

### Real Estate Investments

The objectives of the Real Estate portfolio, which may include core and non-core real estate investments, are to achieve attractive returns, preserve capital, provide protection against risks associated with inflation, and provide overall portfolio diversification to the total plan.

The SBI also monitors Private Markets performance using money-weighted return metrics such as Internal Rate of Return and Multiple of Invested Capital. For money-weighted return metrics please refer to the Combined Funds Performance Report.



## Quarterly Report

# Asset Class & Manager Performance

## June 30, 2019

The assets of the Combined Funds are allocated to public equity, fixed income, private markets, and cash. Each asset class may be further differentiated by geography, management style, and/or strategy. Managers are hired to manage the assets accordingly. This diversification is intended to reduce wide fluctuations in investment returns on a year-to-year basis and enhances the Funds' ability to meet or exceed the actuarial return target over the long-term.

The Combined Funds consist of the assets of active employees and retired members of the statewide retirement plans. The SBI commingles the assets of these plans into the Combined Funds to capture investment efficiencies. This sharing is accomplished by grouping managers by asset class, geography, and management style, into several Investment Pools. The individual funds participate in the Investment Pools by purchasing units which function much like the shares of a mutual fund.

While the vast majority of the units of these pools are owned by the Combined Funds, the Supplemental Investment Fund also owns units of these pools. The Supplemental Investment Funds are mutual fund-like investment vehicles which are used by investors in the Participant Directed Investment Program. Please refer to the Participant Directed Investment Program report for more information.

The performance information presented on the following pages for Public Equity and Fixed Income includes both the Combined Funds and Supplemental Investment Fund. The Private Markets is Combined Funds only. All assets in the Combined Funds are managed externally by investment management firms retained by contract.

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# Domestic Equity

## June 30, 2019



	<u>Ending Market Value</u>	<u>Portfolio Weight</u>	<u>Last Qtr</u>	<u>Fiscal YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Since Inception</u>	<u>Inception Date</u>
<b>Total Domestic Equity</b>										
<b>ACTIVE DOMESTIC EQUITY AGGREGATE (1)</b>	<b>\$4,619,105,944</b>	<b>15.1%</b>	<b>3.4%</b>	<b>2.6%</b>	<b>2.6%</b>	<b>14.7%</b>	<b>9.1%</b>	<b>14.3%</b>		
Active Domestic Equity Benchmark			3.1	3.0	3.0	12.7	9.0	14.1		
Excess			0.3	-0.4	-0.4	2.1	0.1	0.2		
<b>SEMI PASSIVE DOMESTIC EQUITY AGGREGATE (2)</b>	<b>2,484,474,354</b>	<b>8.1</b>	<b>4.6</b>	<b>10.0</b>	<b>10.0</b>	<b>14.4</b>	<b>10.4</b>	<b>14.9</b>		
Semi Passive Domestic Equity Benchmark			4.2	10.0	10.0	14.1	10.5	14.8		
Excess			0.4	-0.0	-0.0	0.2	-0.0	0.1		
<b>PASSIVE DOMESTIC EQUITY AGGREGATE (3)</b>	<b>23,581,207,072</b>	<b>76.8</b>	<b>4.2</b>	<b>9.6</b>	<b>9.6</b>	<b>14.1</b>	<b>10.3</b>	<b>14.7</b>		
Passive Domestic Equity Benchmark			4.2	9.6	9.6	14.2	10.3	14.7		
Excess			-0.0	-0.0	-0.0	-0.1	-0.0	-0.0		
TRANSITION AGGREGATE DOMESTIC EQUITY (4)	1,544	0.0								
<b>TOTAL DOMESTIC EQUITY (5)</b>	<b>30,684,788,913</b>	<b>100.0</b>	<b>4.1</b>	<b>8.5</b>	<b>8.5</b>	<b>14.3</b>	<b>10.0</b>	<b>14.6</b>	<b>10.4</b>	<b>01/1984</b>
Domestic Equity Benchmark			4.0	8.9	8.9	14.0	10.2	14.7	10.6	01/1984
Excess			0.1	-0.5	-0.5	0.3	-0.2	-0.0	-0.2	

(1) The Active Domestic Equity Benchmark is a weighted composite each of the individual active domestic equity manager's benchmarks.

(2) The current Semi-Passive Domestic Equity Benchmark is the Russell 1000 index.

(3) The current Passive Domestic Equity Benchmark is a weighted average of the Russell 1000, Russell 2000 and Russell 3000.

(4) The Transition Domestic Equity Aggregate contains Domestic Equity securities that are being transitioned to a different manager.

(5) The current Domestic Equity Benchmark is 90% Russell 1000 and 10% Russell 2000.

Note: All aggregates include the performance of terminated managers. For historical benchmark details please refer to the addendum of this report.



	<u>2018 Calendar Return</u>	<u>2017 Calendar Return</u>	<u>2016 Calendar Return</u>	<u>2015 Calendar Return</u>	<u>2014 Calendar Return</u>
<b>Total Domestic Equity</b>					
<b>ACTIVE DOMESTIC EQUITY AGGREGATE (1)</b>	<b>-6.5%</b>	<b>20.6%</b>	<b>10.9%</b>	<b>-0.4%</b>	<b>9.3%</b>
Active Domestic Equity Benchmark	-8.0	18.3	15.7	-0.6	11.0
Excess	1.4	2.3	-4.8	0.3	-1.7
<b>SEMI PASSIVE DOMESTIC EQUITY AGGREGATE (2)</b>	<b>-4.9</b>	<b>22.5</b>	<b>11.1</b>	<b>0.5</b>	<b>14.2</b>
Semi Passive Domestic Equity Benchmark	-4.8	21.7	12.1	0.9	13.2
Excess	-0.1	0.8	-1.0	-0.4	1.0
<b>PASSIVE DOMESTIC EQUITY AGGREGATE (3)</b>	<b>-5.0</b>	<b>21.3</b>	<b>12.6</b>	<b>0.5</b>	<b>12.6</b>
Passive Domestic Equity Benchmark	-5.0	21.5	12.5	0.5	12.6
Excess	-0.0	-0.2	0.1	0.0	0.0
<b>TRANSITION AGGREGATE DOMESTIC EQUITY (4)</b>					
<b>TOTAL DOMESTIC EQUITY (5)</b>	<b>-5.3%</b>	<b>21.4%</b>	<b>11.5</b>	<b>0.3</b>	<b>12.3</b>
Domestic Equity Benchmark	-5.2%	21.1%	12.7	0.5	12.6
Excess	-0.0%	0.2%	-1.3	-0.2	-0.2

(1) The Active Domestic Equity Benchmark is a weighted composite each of the individual active domestic equity manager's benchmarks.

(2) The current Semi-Passive Domestic Equity Benchmark is the Russell 1000 index.

(3) The current Passive Domestic Equity Benchmark is a weighted average of the Russell 1000, Russell 2000 and Russell 3000.

(4) The Transition Domestic Equity Aggregate contains Domestic Equity securities that are being transitioned to a different manager.

(5) The current Domestic Equity Benchmark is 90% Russell 1000 and 10% Russell 2000.

Note: All aggregates include the performance of terminated managers. For historical benchmark details please refer to the addendum of this report.



	<u>Ending Market Value</u>	<u>Portfolio Weight</u>	<u>Last Qtr</u>	<u>Fiscal YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Since Inception</u>	<u>Inception Date</u>
<b>Active Large Cap Growth</b>										
<b>SANDS</b>	<b>\$495,144,491</b>	<b>1.6%</b>	<b>4.0%</b>	<b>12.2%</b>	<b>12.2%</b>	<b>23.9%</b>	<b>13.6%</b>	<b>19.5%</b>	<b>11.6%</b>	<b>01/2005</b>
Russell 1000 Growth			4.6	11.6	11.6	18.1	13.4	16.3	10.0	01/2005
Excess			-0.6	0.7	0.7	5.8	0.2	3.3	1.6	
<b>WINSLOW</b>	<b>269,923,115</b>	<b>0.9</b>	<b>4.7</b>	<b>12.4</b>	<b>12.4</b>	<b>20.6</b>	<b>14.0</b>	<b>16.3</b>	<b>11.0</b>	<b>01/2005</b>
Russell 1000 Growth			4.6	11.6	11.6	18.1	13.4	16.3	10.0	01/2005
Excess			0.1	0.8	0.8	2.5	0.6	-0.0	1.0	
<b>ZEVENBERGEN</b>	<b>462,527,518</b>	<b>1.5</b>	<b>9.7</b>	<b>15.0</b>	<b>15.0</b>	<b>28.3</b>	<b>14.4</b>	<b>17.8</b>	<b>11.4</b>	<b>04/1994</b>
Russell 1000 Growth			4.6	11.6	11.6	18.1	13.4	16.3	9.8	04/1994
Excess			5.1	3.4	3.4	10.2	1.0	1.6	1.5	
<b>RUSSELL 1000 GROWTH AGGREGATE</b>	<b>1,227,595,124</b>	<b>4.0</b>	<b>6.3</b>	<b>13.1</b>	<b>13.1</b>	<b>24.3</b>	<b>15.2</b>	<b>18.0</b>		
Russell 1000 Growth			4.6	11.6	11.6	18.1	13.4	16.3		
Excess			1.6	1.6	1.6	6.2	1.8	1.7		





	<u>2018 Calendar Return</u>	<u>2017 Calendar Return</u>	<u>2016 Calendar Return</u>	<u>2015 Calendar Return</u>	<u>2014 Calendar Return</u>
<b>Active Large Cap Growth</b>					
<b>SANDS</b>	<b>7.0%</b>	<b>35.3%</b>	<b>-6.9%</b>	<b>2.9%</b>	<b>9.1%</b>
Russell 1000 Growth	-1.5	30.2	7.1	5.7	13.0
Excess	8.6	5.1	-13.9	-2.8	-3.9
<b>WINSLOW</b>	<b>4.2</b>	<b>33.2</b>	<b>-1.9</b>	<b>6.7</b>	<b>11.0</b>
Russell 1000 Growth	-1.5	30.2	7.1	5.7	13.0
Excess	5.7	3.0	-9.0	1.0	-2.0
<b>ZEVENBERGEN</b>	<b>2.3</b>	<b>35.1</b>	<b>-2.8</b>	<b>6.4</b>	<b>3.4</b>
Russell 1000 Growth	-1.5	30.2	7.1	5.7	13.0
Excess	3.8	4.9	-9.9	0.7	-9.6
<b>RUSSELL 1000 GROWTH AGGREGATE</b>	<b>4.7%</b>	<b>33.4%</b>	<b>1.0</b>	<b>4.6</b>	<b>9.6</b>
Russell 1000 Growth	-1.5%	30.2%	7.1	5.7	13.0
Excess	6.2%	3.2%	-6.1	-1.1	-3.4



	<u>Ending Market Value</u>	<u>Portfolio Weight</u>	<u>Last Qtr</u>	<u>Fiscal YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Since Inception</u>	<u>Inception Date</u>
<b>Active Large Cap Value</b>										
<b>BARROW HANLEY</b>	<b>\$416,035,718</b>	<b>1.4%</b>	<b>5.4%</b>	<b>8.8%</b>	<b>8.8%</b>	<b>10.9%</b>	<b>7.7%</b>	<b>13.0%</b>	<b>8.1%</b>	<b>04/2004</b>
Russell 1000 Value			3.8	8.5	8.5	10.2	7.5	13.2	7.8	04/2004
Excess			1.5	0.4	0.4	0.7	0.3	-0.2	0.3	
<b>EARNEST PARTNERS</b>	<b>296,894,008</b>	<b>1.0</b>	<b>3.6</b>	<b>8.8</b>	<b>8.8</b>	<b>14.2</b>	<b>9.6</b>	<b>13.0</b>	<b>7.1</b>	<b>07/2000</b>
Russell 1000 Value			3.8	8.5	8.5	10.2	7.5	13.2	7.2	07/2000
Excess			-0.2	0.3	0.3	4.0	2.2	-0.2	-0.1	
<b>LSV</b>	<b>386,446,651</b>	<b>1.3</b>	<b>2.3</b>	<b>2.2</b>	<b>2.2</b>	<b>11.3</b>	<b>7.5</b>	<b>14.0</b>	<b>8.7</b>	<b>04/2004</b>
Russell 1000 Value			3.8	8.5	8.5	10.2	7.5	13.2	7.8	04/2004
Excess			-1.5	-6.2	-6.2	1.1	0.1	0.9	1.0	
<b>RUSSELL 1000 VALUE AGGREGATE</b>	<b>1,099,376,377</b>	<b>3.6</b>	<b>3.8</b>	<b>6.3</b>	<b>6.3</b>	<b>12.3</b>	<b>7.8</b>	<b>13.3</b>		
Russell 1000 Value			3.8	8.5	8.5	10.2	7.5	13.2		
Excess			-0.0	-2.2	-2.2	2.1	0.3	0.1		



	<u>2018 Calendar Return</u>	<u>2017 Calendar Return</u>	<u>2016 Calendar Return</u>	<u>2015 Calendar Return</u>	<u>2014 Calendar Return</u>
<b>Active Large Cap Value</b>					
<b>BARROW HANLEY</b>	<b>-5.9%</b>	<b>14.6%</b>	<b>12.8%</b>	<b>-2.1%</b>	<b>13.0%</b>
Russell 1000 Value	-8.3	13.7	17.3	-3.8	13.5
Excess	2.4	0.9	-4.5	1.7	-0.5
<b>EARNEST PARTNERS</b>	<b>-7.7</b>	<b>19.9</b>	<b>16.2</b>	<b>-2.7</b>	<b>14.0</b>
Russell 1000 Value	-8.3	13.7	17.3	-3.8	13.5
Excess	0.6	6.2	-1.1	1.1	0.5
<b>LSV</b>	<b>-11.8</b>	<b>18.6</b>	<b>17.0</b>	<b>-2.2</b>	<b>14.0</b>
Russell 1000 Value	-8.3	13.7	17.3	-3.8	13.5
Excess	-3.6	4.9	-0.4	1.6	0.6
<b>RUSSELL 1000 VALUE AGGREGATE</b>	<b>-8.7%</b>	<b>17.3%</b>	<b>15.3</b>	<b>-3.2</b>	<b>13.1</b>
Russell 1000 Value	-8.3%	13.7%	17.3	-3.8	13.5
Excess	-0.4%	3.7%	-2.1	0.6	-0.4



	<u>Ending Market Value</u>	<u>Portfolio Weight</u>	<u>Last Qtr</u>	<u>Fiscal YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Since Inception</u>	<u>Inception Date</u>
<b>Semi-Passive Large Cap</b>										
<b>BLACKROCK</b>	<b>\$1,126,722,758</b>	<b>3.7%</b>	<b>4.7%</b>	<b>10.4%</b>	<b>10.4%</b>	<b>15.8%</b>	<b>11.4%</b>	<b>15.3%</b>	<b>10.0%</b>	<b>01/1995</b>
Semi Passive Domestic Equity Benchmark			4.2	10.0	10.0	14.1	10.5	14.8	9.6	01/1995
Excess			0.4	0.3	0.3	1.7	1.0	0.6	0.5	
<b>J.P. MORGAN</b>										
	<b>1,357,751,596</b>	<b>4.4</b>	<b>4.6</b>	<b>9.8</b>	<b>9.8</b>	<b>14.2</b>	<b>10.5</b>	<b>15.2</b>	<b>9.8</b>	<b>01/1995</b>
Semi Passive Domestic Equity Benchmark			4.2	10.0	10.0	14.1	10.5	14.8	9.6	01/1995
Excess			0.4	-0.2	-0.2	0.0	0.1	0.4	0.3	
<b>SEMI-PASSIVE DOMESTIC EQUITY AGGREGATE</b>										
	<b>2,484,474,354</b>	<b>8.1</b>	<b>4.6</b>	<b>10.0</b>	<b>10.0</b>	<b>14.4</b>	<b>10.4</b>	<b>14.9</b>		
Semi Passive Domestic Equity Benchmark			4.2	10.0	10.0	14.1	10.5	14.8		
Excess			0.4	-0.0	-0.0	0.2	-0.0	0.1		



	<u>2018 Calendar Return</u>	<u>2017 Calendar Return</u>	<u>2016 Calendar Return</u>	<u>2015 Calendar Return</u>	<u>2014 Calendar Return</u>
<b>Semi-Passive Large Cap</b>					
<b>BLACKROCK</b>	<b>-4.1%</b>	<b>24.6%</b>	<b>12.5%</b>	<b>0.8%</b>	<b>14.2%</b>
Semi Passive Domestic Equity Benchmark	-4.8	21.7	12.1	0.9	13.2
Excess	0.7	2.9	0.5	-0.1	1.0
<b>J.P. MORGAN</b>					
<b>J.P. MORGAN</b>	<b>-5.4</b>	<b>21.8</b>	<b>12.3</b>	<b>0.8</b>	<b>15.0</b>
Semi Passive Domestic Equity Benchmark	-4.8	21.7	12.1	0.9	13.2
Excess	-0.6	0.1	0.2	-0.1	1.8
<b>SEMI-PASSIVE DOMESTIC EQUITY AGGREGATE</b>					
<b>SEMI-PASSIVE DOMESTIC EQUITY AGGREGATE</b>	<b>-4.9%</b>	<b>22.5%</b>	<b>11.1</b>	<b>0.5</b>	<b>14.2</b>
Semi Passive Domestic Equity Benchmark	-4.8%	21.7%	12.1	0.9	13.2
Excess	-0.1%	0.8%	-1.0	-0.4	1.0



	<u>Ending Market Value</u>	<u>Portfolio Weight</u>	<u>Last Qtr</u>	<u>Fiscal YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Since Inception</u>	<u>Inception Date</u>
<b>Active Small Cap Growth</b>										
<b>ARROWMARK</b>	<b>\$232,684,840</b>	<b>0.8%</b>	<b>-2.1%</b>	<b>-1.2%</b>	<b>-1.2%</b>				<b>17.8%</b>	<b>11/2016</b>
Russell 2000 Growth			2.7	-0.5	-0.5				15.6	11/2016
Excess			-4.9	-0.7	-0.7				2.1	
<b>HOOD RIVER</b>	<b>265,773,224</b>	<b>0.9</b>	<b>4.2</b>	<b>4.8</b>	<b>4.8</b>				<b>16.9</b>	<b>11/2016</b>
Russell 2000 Growth			2.7	-0.5	-0.5				15.6	11/2016
Excess			1.4	5.3	5.3				1.3	
<b>RICE HALL JAMES</b>	<b>226,901,796</b>	<b>0.7</b>	<b>2.8</b>	<b>-7.8</b>	<b>-7.8</b>				<b>16.7</b>	<b>11/2016</b>
Russell 2000 Growth			2.7	-0.5	-0.5				15.6	11/2016
Excess			0.0	-7.3	-7.3				1.0	
<b>WELLINGTON</b>	<b>259,133,187</b>	<b>0.8</b>	<b>2.4</b>	<b>0.4</b>	<b>0.4</b>				<b>15.8</b>	<b>11/2016</b>
Russell 2000 Growth			2.7	-0.5	-0.5				15.6	11/2016
Excess			-0.4	0.9	0.9				0.2	
<b>RUSSELL 2000 GROWTH AGGREGATE</b>	<b>984,493,048</b>	<b>3.2</b>	<b>1.8</b>	<b>-0.9</b>	<b>-0.9</b>	<b>13.8</b>	<b>7.4</b>	<b>13.0</b>		
Russell 2000 Growth			2.7	-0.5	-0.5	14.7	8.6	14.4		
Excess			-0.9	-0.4	-0.4	-0.9	-1.2	-1.4		



	<u>2018 Calendar Return</u>	<u>2017 Calendar Return</u>	<u>2016 Calendar Return</u>	<u>2015 Calendar Return</u>	<u>2014 Calendar Return</u>
<b>Active Small Cap Growth</b>					
<b>ARROWMARK</b>	<b>0.9%</b>	<b>26.2%</b>			
Russell 2000 Growth	-9.3	22.2			
Excess	10.3	4.1			
<b>HOOD RIVER</b>	<b>-7.0</b>	<b>21.3</b>			
Russell 2000 Growth	-9.3	22.2			
Excess	2.3	-0.9			
<b>RICE HALL JAMES</b>	<b>-6.9</b>	<b>27.9</b>			
Russell 2000 Growth	-9.3	22.2			
Excess	2.4	5.8			
<b>WELLINGTON</b>	<b>-11.6</b>	<b>22.6</b>			
Russell 2000 Growth	-9.3	22.2			
Excess	-2.3	0.4			
<b>RUSSELL 2000 GROWTH AGGREGATE</b>	<b>-6.2%</b>	<b>22.0%</b>	<b>4.7</b>	<b>1.0</b>	<b>-3.4</b>
Russell 2000 Growth	-9.3%	22.2%	11.3	-1.4	5.6
Excess	3.2%	-0.1%	-6.6	2.4	-9.0



	<u>Ending Market Value</u>	<u>Portfolio Weight</u>	<u>Last Qtr</u>	<u>Fiscal YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Since Inception</u>	<u>Inception Date</u>
<b>Active Small Cap Value</b>										
<b>GOLDMAN SACHS</b>	<b>\$366,637,765</b>	<b>1.2%</b>	<b>3.2%</b>	<b>-1.2%</b>	<b>-1.2%</b>	<b>10.3%</b>	<b>6.3%</b>	<b>14.3%</b>	<b>9.2%</b>	<b>01/2004</b>
Russell 2000 Value			1.4	-6.2	-6.2	9.8	5.4	12.4	7.6	01/2004
Excess			1.8	5.0	5.0	0.5	0.9	1.9	1.7	
<b>HOTCHKIS AND WILEY</b>	<b>297,954,252</b>	<b>1.0</b>	<b>0.9</b>	<b>-8.7</b>	<b>-8.7</b>	<b>9.9</b>	<b>3.4</b>	<b>15.3</b>	<b>7.8</b>	<b>01/2004</b>
Russell 2000 Value			1.4	-6.2	-6.2	9.8	5.4	12.4	7.6	01/2004
Excess			-0.4	-2.5	-2.5	0.1	-2.0	2.9	0.2	
<b>MARTINGALE</b>	<b>283,679,533</b>	<b>0.9</b>	<b>0.8</b>	<b>-8.3</b>	<b>-8.3</b>	<b>8.4</b>	<b>5.8</b>	<b>13.5</b>	<b>7.4</b>	<b>01/2004</b>
Russell 2000 Value			1.4	-6.2	-6.2	9.8	5.4	12.4	7.6	01/2004
Excess			-0.6	-2.1	-2.1	-1.4	0.4	1.1	-0.1	
<b>PEREGRINE</b>	<b>359,369,845</b>	<b>1.2</b>	<b>1.4</b>	<b>-8.8</b>	<b>-8.8</b>	<b>10.1</b>	<b>5.0</b>	<b>13.4</b>	<b>9.7</b>	<b>07/2000</b>
Russell 2000 Value			1.4	-6.2	-6.2	9.8	5.4	12.4	9.2	07/2000
Excess			0.1	-2.6	-2.6	0.3	-0.4	1.0	0.5	
<b>RUSSELL 2000 VALUE AGGREGATE</b>	<b>1,307,641,396</b>	<b>4.3</b>	<b>1.7</b>	<b>-6.7</b>	<b>-6.7</b>	<b>9.7</b>	<b>5.1</b>	<b>14.0</b>		
Russell 2000 Value			1.4	-6.2	-6.2	9.8	5.4	12.4		
Excess			0.3	-0.4	-0.4	-0.1	-0.3	1.6		





	<u>2018 Calendar Return</u>	<u>2017 Calendar Return</u>	<u>2016 Calendar Return</u>	<u>2015 Calendar Return</u>	<u>2014 Calendar Return</u>
<b>Active Small Cap Value</b>					
<b>GOLDMAN SACHS</b>	<b>-13.3%</b>	<b>12.6%</b>	<b>24.6%</b>	<b>-5.2%</b>	<b>7.4%</b>
Russell 2000 Value	-12.9	7.8	31.7	-7.5	4.2
Excess	-0.5	4.7	-7.1	2.3	3.1
<b>HOTCHKIS AND WILEY</b>					
	<b>-14.4</b>	<b>7.9</b>	<b>19.9</b>	<b>-8.5</b>	<b>13.0</b>
Russell 2000 Value	-12.9	7.8	31.7	-7.5	4.2
Excess	-1.5	0.0	-11.8	-1.0	8.8
<b>MARTINGALE</b>					
	<b>-15.0</b>	<b>6.9</b>	<b>34.3</b>	<b>-5.2</b>	<b>7.3</b>
Russell 2000 Value	-12.9	7.8	31.7	-7.5	4.2
Excess	-2.1	-0.9	2.5	2.3	3.1
<b>PEREGRINE</b>					
	<b>-16.1</b>	<b>12.5</b>	<b>27.8</b>	<b>-6.7</b>	<b>4.1</b>
Russell 2000 Value	-12.9	7.8	31.7	-7.5	4.2
Excess	-3.3	4.7	-3.9	0.8	-0.1
<b>RUSSELL 2000 VALUE AGGREGATE</b>					
	<b>-14.7%</b>	<b>10.2%</b>	<b>26.5</b>	<b>-6.5</b>	<b>7.5</b>
Russell 2000 Value	-12.9%	7.8%	31.7	-7.5	4.2
Excess	-1.8%	2.3%	-5.2	1.0	3.3



	<u>Ending Market Value</u>	<u>Portfolio Weight</u>	<u>Last Qtr</u>	<u>Fiscal YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Since Inception</u>	<u>Inception Date</u>
<b>Total Passive Domestic Equity</b>										
<b>BLACKROCK RUSSELL 1000</b>	<b>\$21,368,276,572</b>	<b>69.6%</b>	<b>4.2%</b>	<b>10.0%</b>	<b>10.0%</b>				<b>15.2%</b>	<b>11/2016</b>
Russell 1000			4.2	10.0	10.0				15.2	11/2016
Excess			-0.0	-0.0	-0.0				-0.0	
<b>BLACKROCK RUSSELL 2000</b>	<b>594,171,324</b>		<b>2.1</b>						<b>4.8</b>	<b>11/2018</b>
RUSSELL 2000 (DAILY)			2.1						4.7	11/2018
Excess			0.0						0.1	
<b>BLACKROCK RUSSELL 3000 (1)</b>	<b>1,618,759,175</b>	<b>5.3</b>	<b>4.1</b>	<b>9.0</b>	<b>9.0</b>	<b>14.0%</b>	<b>10.2%</b>	<b>14.7%</b>	<b>9.3</b>	<b>07/1995</b>
Passive Manager Benchmark			4.1	9.0	9.0	14.0	10.2	14.7	9.2	07/1995
<b>PASSIVE DOMESTIC EQUITY AGGREGATE</b>	<b>23,581,207,072</b>	<b>76.8</b>	<b>4.2</b>	<b>9.6</b>	<b>9.6</b>	<b>14.1</b>	<b>10.3</b>	<b>14.7</b>		
Passive Domestic Equity Benchmark			4.2	9.6	9.6	14.2	10.3	14.7		
Excess			-0.0	-0.0	-0.0	-0.1	-0.0	-0.0		

(1) The current Passive Manager Benchmark is the Russell 3000. For historical benchmark details please refer to the addendum of this report.

The passively managed portfolios may, at times, exhibit minimal tracking error from the benchmark as a result of the Sudan and Iran restrictions.



	<u>2018 Calendar Return</u>	<u>2017 Calendar Return</u>	<u>2016 Calendar Return</u>	<u>2015 Calendar Return</u>	<u>2014 Calendar Return</u>
<b>Total Passive Domestic Equity</b>					
<b>BLACKROCK RUSSELL 1000</b>	<b>-4.8%</b>	<b>21.7%</b>			
Russell 1000	-4.8	21.7			
Excess	-0.0	-0.0			
<b>BLACKROCK RUSSELL 2000</b>					
RUSSELL 2000 (DAILY)					
Excess					
<b>BLACKROCK RUSSELL 3000 (1)</b>	<b>-5.2</b>	<b>21.1</b>	<b>12.7%</b>	<b>0.5%</b>	<b>12.6%</b>
Passive Manager Benchmark	-5.2	21.1	12.7	0.5	12.6
<b>PASSIVE DOMESTIC EQUITY AGGREGATE</b>	<b>-5.0%</b>	<b>21.3%</b>	<b>12.6</b>	<b>0.5</b>	<b>12.6</b>
Passive Domestic Equity Benchmark	-5.0%	21.5%	12.5	0.5	12.6
Excess	-0.0%	-0.2%	0.1	0.0	0.0

(1) The current Passive Manager Benchmark is the Russell 3000. For historical benchmark details please refer to the addendum of this report.

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# International Equity

## June 30, 2019



	<u>Ending Market Value</u>	<u>Portfolio Weight</u>	<u>Last Qtr</u>	<u>Fiscal YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Since Inception</u>	<u>Inception Date</u>
<b>Total International Equity</b>										
<b>DEVELOPED MARKETS (1)</b>	<b>\$11,059,767,988</b>	<b>75.1%</b>	<b>4.0%</b>	<b>1.2%</b>	<b>1.2%</b>	<b>9.2%</b>	<b>2.7%</b>	<b>7.5%</b>		
BENCHMARK DM			3.8	1.3	1.3	9.0	2.0	6.7		
Excess			0.2	-0.1	-0.1	0.2	0.6	0.8		
<b>EMERGING MARKETS (2)</b>	<b>3,673,704,208</b>	<b>24.9</b>	<b>0.9</b>	<b>1.2</b>	<b>1.2</b>	<b>9.6</b>	<b>2.1</b>	<b>5.3</b>		
BENCHMARK EM			0.6	1.2	1.2	10.7	2.5	5.8		
Excess			0.3	0.0	0.0	-1.1	-0.4	-0.5		
TRANSITION AGGREGATE INTERNATIONAL EQUITY (3)	1,351,188	0.0								
<b>TOTAL INTERNATIONAL EQUITY (4)</b>	<b>14,734,823,384</b>	<b>100.0</b>	<b>3.2</b>	<b>1.0</b>	<b>1.0</b>	<b>9.3</b>	<b>2.6</b>	<b>7.0</b>	<b>6.4</b>	<b>10/1992</b>
International Equity Benchmark			3.0	1.3	1.3	9.4	2.2	6.5	6.0	10/1992
Excess			0.2	-0.3	-0.3	-0.1	0.4	0.5	0.5	

(1) The current benchmark for Developed Markets, Benchmark DM, is the Standard (large + mid) MSCI World ex USA (net).

(2) The current benchmark for Emerging Markets, Benchmark EM, is the Standard (large + mid) MSCI Emerging Markets Free (net).

(3) The Transition Aggregate International Equity contains International Equity securities that are being transitioned to a different manager.

(4) Does not include impact of currency overlay on the passive EAFE portfolio from 12/1/95-10/31/00. This impact is included in the return for the Combined Funds portion of the International Equity portfolio. The current International Equity Benchmark is 75% MSCI World ex USA (net) and 25% MSCI Emerging Markets Free (net).

Note: All aggregates include the performance of terminated managers. For historical benchmark details please refer to the addendum of this report.



	<u>2018 Calendar Return</u>	<u>2017 Calendar Return</u>	<u>2016 Calendar Return</u>	<u>2015 Calendar Return</u>	<u>2014 Calendar Return</u>
<b>Total International Equity</b>					
<b>DEVELOPED MARKETS (1)</b>	<b>-14.2%</b>	<b>24.9%</b>	<b>1.3%</b>	<b>-0.3%</b>	<b>-4.1%</b>
BENCHMARK DM	-14.1	24.2	2.7	-3.0	-4.3
Excess	-0.1	0.7	-1.5	2.8	0.2
<b>EMERGING MARKETS (2)</b>	<b>-15.4</b>	<b>37.7</b>	<b>7.5</b>	<b>-13.1</b>	<b>-3.8</b>
BENCHMARK EM	-14.6	37.3	11.2	-14.9	-2.2
Excess	-0.8	0.4	-3.7	1.9	-1.6
TRANSITION AGGREGATE INTERNATIONAL EQUITY (3)					
<b>TOTAL INTERNATIONAL EQUITY (4)</b>	<b>-14.5%</b>	<b>27.6%</b>	<b>2.6</b>	<b>-2.9</b>	<b>-4.0</b>
International Equity Benchmark	-14.2%	27.2%	4.5	-5.7	-3.9
Excess	-0.3%	0.4%	-1.8	2.8	-0.2

(1) The current benchmark for Developed Markets, Benchmark DM, is the Standard (large + mid) MSCI World ex USA (net).

(2) The current benchmark for Emerging Markets, Benchmark EM, is the Standard (large + mid) MSCI Emerging Markets Free (net).

(3) The Transition Aggregate International Equity contains International Equity securities that are being transitioned to a different manager.

(4) Does not include impact of currency overlay on the passive EAFE portfolio from 12/1/95-10/31/00. This impact is included in the return for the Combined Funds portion of the International Equity portfolio. The current International Equity Benchmark is 75% MSCI World ex USA (net) and 25% MSCI Emerging Markets Free (net).

Note: All aggregates include the performance of terminated managers. For historical benchmark details please refer to the addendum of this report.



	<u>Ending Market Value</u>	<u>Portfolio Weight</u>	<u>Last Qtr</u>	<u>Fiscal YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Since Inception</u>	<u>Inception Date</u>
<b>Active Developed Markets</b>										
<b>ACADIAN</b>	<b>\$387,092,209</b>	<b>2.6%</b>	<b>2.4%</b>	<b>-3.1%</b>	<b>-3.1%</b>	<b>12.5%</b>	<b>5.9%</b>	<b>9.9%</b>	<b>6.4%</b>	<b>07/2005</b>
BENCHMARK DM			3.8	1.3	1.3	9.0	2.0	6.7	4.8	07/2005
Excess			-1.4	-4.4	-4.4	3.5	3.9	3.2	1.6	
<b>COLUMBIA</b>	<b>357,750,606</b>	<b>2.4</b>	<b>6.1</b>	<b>3.0</b>	<b>3.0</b>	<b>11.4</b>	<b>5.0</b>	<b>8.7</b>	<b>3.1</b>	<b>03/2000</b>
BENCHMARK DM			3.8	1.3	1.3	9.0	2.0	6.7	3.4	03/2000
Excess			2.3	1.7	1.7	2.4	3.0	1.9	-0.3	
<b>FIDELITY</b>	<b>387,827,640</b>	<b>2.6</b>	<b>5.8</b>	<b>2.6</b>	<b>2.6</b>	<b>10.0</b>	<b>3.6</b>	<b>8.4</b>	<b>6.4</b>	<b>07/2005</b>
BENCHMARK DM			3.8	1.3	1.3	9.0	2.0	6.7	4.8	07/2005
Excess			2.0	1.3	1.3	1.0	1.6	1.7	1.6	
<b>JP MORGAN</b>	<b>268,233,133</b>	<b>1.8</b>	<b>6.5</b>	<b>3.3</b>	<b>3.3</b>	<b>11.7</b>	<b>3.0</b>	<b>7.5</b>	<b>5.1</b>	<b>07/2005</b>
BENCHMARK DM			3.8	1.3	1.3	9.0	2.0	6.7	4.8	07/2005
Excess			2.7	2.0	2.0	2.7	1.0	0.7	0.3	
<b>MARATHON</b>	<b>458,442,137</b>	<b>3.1</b>	<b>3.6</b>	<b>-0.6</b>	<b>-0.6</b>	<b>8.4</b>	<b>3.2</b>	<b>8.6</b>	<b>7.9</b>	<b>11/1993</b>
BENCHMARK DM			3.8	1.3	1.3	9.0	2.0	6.7	5.0	11/1993
Excess			-0.2	-1.9	-1.9	-0.6	1.1	1.9	2.9	
<b>MCKINLEY</b>	<b>265,224,393</b>	<b>1.8</b>	<b>5.7</b>	<b>-0.5</b>	<b>-0.5</b>	<b>9.5</b>	<b>2.7</b>	<b>7.6</b>	<b>4.7</b>	<b>07/2005</b>
BENCHMARK DM			3.8	1.3	1.3	9.0	2.0	6.7	4.8	07/2005
Excess			1.9	-1.7	-1.7	0.5	0.7	0.8	-0.2	
<b>ACTIVE DEVELOPED MARKETS AGGREGATE</b>	<b>2,124,570,118</b>	<b>14.4</b>	<b>4.8</b>	<b>0.7</b>	<b>0.7</b>	<b>10.4</b>	<b>4.0</b>	<b>8.4</b>		
BENCHMARK DM			3.8	1.3	1.3	9.0	2.0	6.7		
Excess			1.0	-0.6	-0.6	1.4	1.9	1.7		





	<u>2018 Calendar Return</u>	<u>2017 Calendar Return</u>	<u>2016 Calendar Return</u>	<u>2015 Calendar Return</u>	<u>2014 Calendar Return</u>
<b>Active Developed Markets</b>					
<b>ACADIAN</b>	<b>-13.5%</b>	<b>37.0%</b>	<b>8.1%</b>	<b>2.4%</b>	<b>-1.7%</b>
BENCHMARK DM	-14.1	24.2	2.7	-3.0	-4.3
Excess	0.6	12.8	5.4	5.4	2.6
<b>COLUMBIA</b>	<b>-14.9</b>	<b>32.7</b>	<b>-5.6</b>	<b>6.4</b>	<b>-5.6</b>
BENCHMARK DM	-14.1	24.2	2.7	-3.0	-4.3
Excess	-0.8	8.5	-8.3	9.4	-1.2
<b>FIDELITY</b>	<b>-14.6</b>	<b>25.9</b>	<b>1.2</b>	<b>0.1</b>	<b>-5.6</b>
BENCHMARK DM	-14.1	24.2	2.7	-3.0	-4.3
Excess	-0.5	1.7	-1.5	3.2	-1.3
<b>JP MORGAN</b>	<b>-17.3</b>	<b>28.3</b>	<b>4.0</b>	<b>-4.7</b>	<b>-5.1</b>
BENCHMARK DM	-14.1	24.2	2.7	-3.0	-4.3
Excess	-3.3	4.1	1.2	-1.6	-0.7
<b>MARATHON</b>	<b>-13.4</b>	<b>23.1</b>	<b>-1.1</b>	<b>6.7</b>	<b>-4.0</b>
BENCHMARK DM	-14.1	24.2	2.7	-3.0	-4.3
Excess	0.7	-1.1	-3.8	9.7	0.3
<b>MCKINLEY</b>	<b>-15.9</b>	<b>28.5</b>	<b>-7.5</b>	<b>3.1</b>	<b>-2.7</b>
BENCHMARK DM	-14.1	24.2	2.7	-3.0	-4.3
Excess	-1.9	4.3	-10.2	6.2	1.6
<b>ACTIVE DEVELOPED MARKETS AGGREGATE</b>	<b>-14.5%</b>	<b>28.4%</b>	<b>-0.2</b>	<b>3.2</b>	<b>-4.1</b>
BENCHMARK DM	-14.1%	24.2%	2.7	-3.0	-4.3
Excess	-0.4%	4.2%	-3.0	6.2	0.2



	<u>Ending Market Value</u>	<u>Portfolio Weight</u>	<u>Last Qtr</u>	<u>Fiscal YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Since Inception</u>	<u>Inception Date</u>
<b>Semi-Passive Developed Markets</b>										
AQR	\$344,210,381	2.3%	1.7%	-1.9%	-1.9%	7.4%	1.6%	7.3%	5.0%	07/2005
BENCHMARK DM			3.8	1.3	1.3	9.0	2.0	6.7	4.8	07/2005
Excess			-2.1	-3.1	-3.1	-1.6	-0.4	0.5	0.2	
<b>SEMI-PASSIVE DEVELOPED MARKETS AGGREGATE</b>										
	344,210,381	2.3	1.7	-1.9	-1.9	6.5	0.7	6.5		
BENCHMARK DM			3.8	1.3	1.3	9.0	2.0	6.7		
Excess			-2.1	-3.1	-3.1	-2.5	-1.3	-0.3		



	<u>2018 Calendar Return</u>	<u>2017 Calendar Return</u>	<u>2016 Calendar Return</u>	<u>2015 Calendar Return</u>	<u>2014 Calendar Return</u>
<b>Semi-Passive Developed Markets</b>					
AQR	-18.2%	25.1%	0.8%	0.9%	-4.4%
BENCHMARK DM	-14.1	24.2	2.7	-3.0	-4.3
Excess	-4.1	0.9	-2.0	3.9	-0.1
<b>SEMI-PASSIVE DEVELOPED MARKETS AGGREGATE</b>	<b>-18.7%</b>	<b>23.3%</b>	<b>-0.4</b>	<b>-0.3</b>	<b>-4.4</b>
BENCHMARK DM	-14.1%	24.2%	2.7	-3.0	-4.3
Excess	-4.6%	-0.9%	-3.1	2.7	-0.1



	<u>Ending Market Value</u>	<u>Portfolio Weight</u>	<u>Last Qtr</u>	<u>Fiscal YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Since Inception</u>	<u>Inception Date</u>
<b>Total Developed Markets</b>										
<b>ACTIVE DEVELOPED MARKETS AGGREGATE</b>	<b>\$2,124,570,118</b>	<b>14.4%</b>	<b>4.8%</b>	<b>0.7%</b>	<b>0.7%</b>	<b>10.4%</b>	<b>4.0%</b>	<b>8.4%</b>		
BENCHMARK DM			3.8	1.3	1.3	9.0	2.0	6.7		
Excess			1.0	-0.6	-0.6	1.4	1.9	1.7		
<b>SEMI-PASSIVE DEVELOPED MARKETS AGGREGATE</b>	<b>344,210,381</b>	<b>2.3</b>	<b>1.7</b>	<b>-1.9</b>	<b>-1.9</b>	<b>6.5</b>	<b>0.7</b>	<b>6.5</b>		
BENCHMARK DM			3.8	1.3	1.3	9.0	2.0	6.7		
Excess			-2.1	-3.1	-3.1	-2.5	-1.3	-0.3		
<b>SSgA DEVELOPED MARKETS PASSIVE</b>	<b>8,590,987,490</b>	<b>58.3</b>	<b>3.9</b>	<b>1.6</b>	<b>1.6</b>	<b>9.3</b>	<b>2.4</b>	<b>7.2</b>	<b>6.2</b>	<b>10/1992</b>
BENCHMARK DM			3.8	1.3	1.3	9.0	2.0	6.7	5.8	10/1992
Excess			0.1	0.3	0.3	0.3	0.4	0.4	0.3	
<b>DEVELOPED MARKETS TOTAL</b>	<b>11,059,767,988</b>	<b>75.1</b>	<b>4.0</b>	<b>1.2</b>	<b>1.2</b>	<b>9.2</b>	<b>2.7</b>	<b>7.5</b>		
BENCHMARK DM			3.8	1.3	1.3	9.0	2.0	6.7		
Excess			0.2	-0.1	-0.1	0.2	0.6	0.8		



	<u>2018 Calendar Return</u>	<u>2017 Calendar Return</u>	<u>2016 Calendar Return</u>	<u>2015 Calendar Return</u>	<u>2014 Calendar Return</u>
<b>Total Developed Markets</b>					
<b>ACTIVE DEVELOPED MARKETS AGGREGATE</b>	<b>-14.5%</b>	<b>28.4%</b>	<b>-0.2%</b>	<b>3.2%</b>	<b>-4.1%</b>
BENCHMARK DM	-14.1	24.2	2.7	-3.0	-4.3
Excess	-0.4	4.2	-3.0	6.2	0.2
<b>SEMI-PASSIVE DEVELOPED MARKETS AGGREGATE</b>	<b>-18.7</b>	<b>23.3</b>	<b>-0.4</b>	<b>-0.3</b>	<b>-4.4</b>
BENCHMARK DM	-14.1	24.2	2.7	-3.0	-4.3
Excess	-4.6	-0.9	-3.1	2.7	-0.1
<b>SSgA DEVELOPED MARKETS PASSIVE</b>	<b>-13.9%</b>	<b>24.7%</b>	<b>3.2</b>	<b>-2.6</b>	<b>-3.9</b>
BENCHMARK DM	-14.1%	24.2%	2.7	-3.0	-4.3
Excess	0.2%	0.5%	0.4	0.5	0.4
<b>DEVELOPED MARKETS TOTAL</b>	<b>-14.2%</b>	<b>24.9%</b>	<b>1.3</b>	<b>-0.3</b>	<b>-4.1</b>
BENCHMARK DM	-14.1%	24.2%	2.7	-3.0	-4.3
Excess	-0.1%	0.7%	-1.5	2.8	0.2



	<u>Ending Market Value</u>	<u>Portfolio Weight</u>	<u>Last Qtr</u>	<u>Fiscal YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Since Inception</u>	<u>Inception Date</u>
<b>Active Emerging Markets</b>										
<b>EARNEST PARTNERS</b>	<b>\$311,119,663</b>	<b>2.1%</b>	<b>1.1%</b>	<b>5.8%</b>	<b>5.8%</b>				<b>7.7%</b>	<b>04/2017</b>
MSCI EMERGING MARKETS			0.6	1.2	1.2				7.0	04/2017
Excess			0.5	4.6	4.6				0.7	
<b>MARTIN CURRIE</b>	<b>336,626,192</b>	<b>2.3</b>	<b>0.9</b>	<b>-0.2</b>	<b>-0.2</b>				<b>10.2</b>	<b>04/2017</b>
BENCHMARK EM			0.6	1.2	1.2				7.0	04/2017
Excess			0.3	-1.4	-1.4				3.2	
<b>MACQUARIE</b>	<b>317,514,684</b>	<b>2.2</b>	<b>-0.8</b>	<b>0.9</b>	<b>0.9</b>				<b>7.2</b>	<b>04/2017</b>
BENCHMARK EM			0.6	1.2	1.2				7.0	04/2017
Excess			-1.4	-0.3	-0.3				0.2	
<b>MORGAN STANLEY</b>	<b>607,113,200</b>	<b>4.1</b>	<b>3.0</b>	<b>1.6</b>	<b>1.6</b>	<b>8.5%</b>	<b>2.4%</b>	<b>6.2%</b>	<b>9.3</b>	<b>01/2001</b>
BENCHMARK EM			0.6	1.2	1.2	10.7	2.5	5.8	9.0	01/2001
Excess			2.4	0.4	0.4	-2.1	-0.1	0.4	0.2	
<b>NEUBERGER BERMAN</b>	<b>318,171,979</b>	<b>2.2</b>	<b>1.0</b>	<b>-0.1</b>	<b>-0.1</b>				<b>7.4</b>	<b>04/2017</b>
BENCHMARK EM			0.6	1.2	1.2				7.0	04/2017
Excess			0.3	-1.3	-1.3				0.4	
<b>PZENA</b>	<b>296,439,755</b>	<b>2.0</b>	<b>-0.2</b>	<b>2.4</b>	<b>2.4</b>				<b>4.5</b>	<b>04/2017</b>
BENCHMARK EM			0.6	1.2	1.2				7.0	04/2017
Excess			-0.8	1.1	1.1				-2.5	
<b>ROCK CREEK</b>	<b>294,712,515</b>	<b>2.0</b>	<b>1.7</b>	<b>-0.9</b>	<b>-0.9</b>				<b>4.2</b>	<b>04/2017</b>
BENCHMARK EM			0.6	1.2	1.2				7.0	04/2017
Excess			1.1	-2.1	-2.1				-2.8	



	<u>2018 Calendar Return</u>	<u>2017 Calendar Return</u>	<u>2016 Calendar Return</u>	<u>2015 Calendar Return</u>	<u>2014 Calendar Return</u>
<b>Active Emerging Markets</b>					
<b>EARNEST PARTNERS</b>	<b>-15.4%</b>				
MSCI EMERGING MARKETS	-14.6				
Excess	-0.8				
<b>MARTIN CURRIE</b>					
<b>BENCHMARK EM</b>	<b>-16.6</b>				
BENCHMARK EM	-14.6				
Excess	-2.0				
<b>MACQUARIE</b>					
<b>BENCHMARK EM</b>	<b>-13.3</b>				
BENCHMARK EM	-14.6				
Excess	1.3				
<b>MORGAN STANLEY</b>					
<b>BENCHMARK EM</b>	<b>-16.7</b>	<b>37.9%</b>	<b>6.1%</b>	<b>-9.4%</b>	<b>-2.5%</b>
BENCHMARK EM	-14.6	37.3	11.2	-14.9	-2.2
Excess	-2.2	0.6	-5.1	5.5	-0.3
<b>NEUBERGER BERMAN</b>					
<b>BENCHMARK EM</b>	<b>-17.1</b>				
BENCHMARK EM	-14.6				
Excess	-2.6				
<b>PZENA</b>					
<b>BENCHMARK EM</b>	<b>-10.8</b>				
BENCHMARK EM	-14.6				
Excess	3.8				
<b>ROCK CREEK</b>					
<b>BENCHMARK EM</b>	<b>-17.6</b>				
BENCHMARK EM	-14.6				
Excess	-3.1				



	<u>Ending Market Value</u>	<u>Portfolio Weight</u>	<u>Last Qtr</u>	<u>Fiscal YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Since Inception</u>	<u>Inception Date</u>
<b>Total Emerging Markets</b>										
<b>ACTIVE EMERGING MARKETS AGGREGATE</b>	<b>\$2,481,697,987</b>	<b>16.8%</b>	<b>1.2%</b>	<b>1.4%</b>	<b>1.4%</b>	<b>8.7%</b>	<b>1.7%</b>	<b>5.0%</b>		
BENCHMARK EM			0.6	1.2	1.2	10.7	2.5	5.8		
Excess			0.6	0.1	0.1	-1.9	-0.8	-0.8		
<b>SSGA EMERGING MARKETS PASSIVE</b>	<b>1,192,006,221</b>	<b>8.1</b>	<b>0.4</b>	<b>1.1</b>	<b>1.1</b>	<b>10.5</b>	<b>2.6</b>		<b>4.5</b>	<b>01/2012</b>
BENCHMARK EM			0.6	1.2	1.2	10.7	2.5		4.4	01/2012
Excess			-0.2	-0.1	-0.1	-0.1	0.1		0.1	
<b>EMERGING MARKETS TOTAL</b>	<b>3,673,704,208</b>	<b>24.9</b>	<b>0.9</b>	<b>1.2</b>	<b>1.2</b>	<b>9.6</b>	<b>2.1</b>	<b>5.3</b>		
BENCHMARK EM			0.6	1.2	1.2	10.7	2.5	5.8		
Excess			0.3	0.0	0.0	-1.1	-0.4	-0.5		





	<u>2018 Calendar Return</u>	<u>2017 Calendar Return</u>	<u>2016 Calendar Return</u>	<u>2015 Calendar Return</u>	<u>2014 Calendar Return</u>
<b>Total Emerging Markets</b>					
<b>ACTIVE EMERGING MARKETS AGGREGATE</b>	-15.6%	37.2%	5.3%	-12.7%	-4.1%
BENCHMARK EM	-14.6	37.3	11.2	-14.9	-2.2
Excess	-1.0	-0.1	-5.9	2.2	-2.0
<b>SSGA EMERGING MARKETS PASSIVE</b>					
<b>SSGA EMERGING MARKETS PASSIVE</b>	-14.7%	37.4%	11.1	-14.6	-2.1
BENCHMARK EM	-14.6%	37.3%	11.2	-14.9	-2.2
Excess	-0.1%	0.1%	-0.1	0.3	0.0
<b>EMERGING MARKETS TOTAL</b>					
<b>EMERGING MARKETS TOTAL</b>	-15.4%	37.7%	7.5	-13.1	-3.8
BENCHMARK EM	-14.6%	37.3%	11.2	-14.9	-2.2
Excess	-0.8%	0.4%	-3.7	1.9	-1.6

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# Fixed Income

## June 30, 2019



	<u>Ending Market Value</u>	<u>Portfolio Weight</u>	<u>Last Qtr</u>	<u>Fiscal YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Since Inception</u>	<u>Inception Date</u>
<b>Total Fixed Income</b>										
<b>ACTIVE FIXED INCOME AGGREGATE</b>	<b>\$4,266,752,168</b>	<b>56.1%</b>	<b>3.2%</b>	<b>8.3%</b>	<b>8.3%</b>	<b>3.5%</b>	<b>3.7%</b>	<b>5.4%</b>		
BBG BARC Agg (Dly)			3.1	7.9	7.9	2.3	2.9	3.9		
Excess			0.1	0.5	0.5	1.2	0.7	1.6		
<b>SEMI PASSIVE FIXED INCOME AGGREGATE</b>	<b>3,333,569,816</b>	<b>43.9</b>	<b>3.1</b>	<b>8.0</b>	<b>8.0</b>	<b>2.5</b>	<b>3.1</b>	<b>4.5</b>		
BBG BARC Agg (Dly)			3.1	7.9	7.9	2.3	2.9	3.9		
Excess			0.1	0.1	0.1	0.2	0.2	0.6		
TRANSITION AGGREGATE FIXED INCOME (1)	18,178	0.0								
<b>TOTAL FIXED INCOME (2)</b>	<b>7,600,340,162</b>	<b>100.0</b>	<b>3.2</b>	<b>8.2</b>	<b>8.2</b>	<b>3.0</b>	<b>3.4</b>	<b>5.0</b>	<b>7.5</b>	<b>07/1984</b>
Fixed Income Benchmark			3.1	7.9	7.9	2.3	2.9	3.9	7.2	07/1984
Excess			0.1	0.3	0.3	0.7	0.4	1.1	0.4	

(1) The Transition Aggregate Fixed Income includes fixed income securities that are being transition to a different manager.

(2) The current Fixed Income Benchmark is the Bloomberg Barclays U.S. Aggregate calculated daily: BBG BARC Agg (Dly). For historical benchmark details please refer to the addendum of this report.

Note: All aggregates include the performance of terminated managers. Inception refers to the date of retention by the SBI.



	<u>2018 Calendar Return</u>	<u>2017 Calendar Return</u>	<u>2016 Calendar Return</u>	<u>2015 Calendar Return</u>	<u>2014 Calendar Return</u>
<b>Total Fixed Income</b>					
<b>ACTIVE FIXED INCOME AGGREGATE</b>	<b>0.0%</b>	<b>4.7%</b>	<b>4.4%</b>	<b>0.6%</b>	<b>6.2%</b>
BBG BARC Agg (Dly)	0.0	3.5	2.6	0.5	6.0
Excess	-0.0	1.2	1.7	0.0	0.2
<b>SEMI PASSIVE FIXED INCOME AGGREGATE</b>	<b>-0.1</b>	<b>3.7</b>	<b>2.8</b>	<b>0.8</b>	<b>6.1</b>
BBG BARC Agg (Dly)	0.0	3.5	2.6	0.5	6.0
Excess	-0.1	0.2	0.2	0.2	0.1
TRANSITION AGGREGATE FIXED INCOME (1)					
<b>TOTAL FIXED INCOME (2)</b>	<b>-0.0%</b>	<b>4.2%</b>	<b>3.6</b>	<b>0.7</b>	<b>6.1</b>
Fixed Income Benchmark	0.0%	3.5%	2.6	0.5	6.0
Excess	-0.1%	0.7%	0.9	0.1	0.2

(1) The Transition Aggregate Fixed Income includes fixed income securities that are being transition to a different manager.

(2) The current Fixed Income Benchmark is the Bloomberg Barclays U.S. Aggregate calculated daily: BBG BARC Agg (Dly). For historical benchmark details please refer to the addendum of this report.

Note: All aggregates include the performance of terminated managers. Inception refers to the date of retention by the SBI.



	<u>Ending Market Value</u>	<u>Portfolio Weight</u>	<u>Last Qtr</u>	<u>Fiscal YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Since Inception</u>	<u>Inception Date</u>
<b>Active Fixed Income Managers</b>										
<b>COLUMBIA</b>	<b>\$1,061,565,987</b>	<b>14.0%</b>	<b>3.6%</b>	<b>8.9%</b>	<b>8.9%</b>	<b>3.8%</b>	<b>3.9%</b>	<b>5.2%</b>	<b>5.4%</b>	<b>07/1993</b>
BBG BARC Agg (Dly)			3.1	7.9	7.9	2.3	2.9	3.9	5.2	07/1993
Excess			0.5	1.0	1.0	1.5	0.9	1.3	0.2	
<b>DODGE &amp; COX</b>	<b>1,152,734,482</b>	<b>15.2</b>	<b>2.9</b>	<b>7.6</b>	<b>7.6</b>	<b>3.6</b>	<b>3.4</b>	<b>5.2</b>	<b>6.0</b>	<b>02/2000</b>
BBG BARC Agg (Dly)			3.1	7.9	7.9	2.3	2.9	3.9	5.1	02/2000
Excess			-0.2	-0.2	-0.2	1.3	0.4	1.3	1.0	
<b>PIMCO</b>	<b>953,784,717</b>	<b>12.5</b>	<b>3.0</b>	<b>8.1</b>	<b>8.1</b>	<b>3.0</b>	<b>3.4</b>	<b>5.3</b>	<b>5.6</b>	<b>10/2008</b>
BBG BARC Agg (Dly)			3.1	7.9	7.9	2.3	2.9	3.9	4.2	10/2008
Excess			-0.1	0.3	0.3	0.7	0.5	1.4	1.3	
<b>WESTERN</b>	<b>1,098,666,982</b>	<b>14.5</b>	<b>3.3</b>	<b>8.7</b>	<b>8.7</b>	<b>3.8</b>	<b>4.0</b>	<b>5.8</b>	<b>8.3</b>	<b>07/1984</b>
BBG BARC Agg (Dly)			3.1	7.9	7.9	2.3	2.9	3.9	7.2	07/1984
Excess			0.2	0.8	0.8	1.5	1.0	1.9	1.1	
<b>ACTIVE FIXED INCOME AGGREGATE</b>	<b>4,266,752,168</b>	<b>56.1</b>	<b>3.2</b>	<b>8.3</b>	<b>8.3</b>	<b>3.5</b>	<b>3.7</b>	<b>5.4</b>		
BBG BARC Agg (Dly)			3.1	7.9	7.9	2.3	2.9	3.9		
Excess			0.1	0.5	0.5	1.2	0.7	1.6		



	<u>2018 Calendar Return</u>	<u>2017 Calendar Return</u>	<u>2016 Calendar Return</u>	<u>2015 Calendar Return</u>	<u>2014 Calendar Return</u>
<b>Active Fixed Income Managers</b>					
<b>COLUMBIA</b>	<b>0.2%</b>	<b>4.8%</b>	<b>5.2%</b>	<b>0.2%</b>	<b>5.8%</b>
BBG BARC Agg (Dly)	0.0	3.5	2.6	0.5	6.0
Excess	0.2	1.2	2.6	-0.4	-0.2
<b>DODGE &amp; COX</b>	<b>-0.0</b>	<b>4.2</b>	<b>4.8</b>	<b>0.3</b>	<b>6.0</b>
BBG BARC Agg (Dly)	0.0	3.5	2.6	0.5	6.0
Excess	-0.1	0.7	2.2	-0.3	0.0
<b>PIMCO</b>	<b>0.4</b>	<b>4.4</b>	<b>2.8</b>	<b>1.0</b>	<b>5.5</b>
BBG BARC Agg (Dly)	0.0	3.5	2.6	0.5	6.0
Excess	0.4	0.8	0.2	0.4	-0.4
<b>WESTERN</b>	<b>-0.2</b>	<b>5.6</b>	<b>4.9</b>	<b>0.7</b>	<b>7.0</b>
BBG BARC Agg (Dly)	0.0	3.5	2.6	0.5	6.0
Excess	-0.3	2.1	2.2	0.1	1.0
<b>ACTIVE FIXED INCOME AGGREGATE</b>	<b>0.0%</b>	<b>4.7%</b>	<b>4.4</b>	<b>0.6</b>	<b>6.2</b>
BBG BARC Agg (Dly)	0.0%	3.5%	2.6	0.5	6.0
Excess	-0.0%	1.2%	1.7	0.0	0.2



	<u>Ending Market Value</u>	<u>Portfolio Weight</u>	<u>Last Qtr</u>	<u>Fiscal YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Since Inception</u>	<u>Inception Date</u>
<b>Semi Passive Fixed Income Managers</b>										
<b>BLACKROCK</b>	<b>\$1,062,423,000</b>	<b>14.0%</b>	<b>3.1%</b>	<b>8.1%</b>	<b>8.1%</b>	<b>2.5%</b>	<b>3.1%</b>	<b>4.3%</b>	<b>5.3%</b>	<b>04/1996</b>
BBG BARC Agg (Dly)			3.1	7.9	7.9	2.3	2.9	3.9	5.2	04/1996
Excess			0.1	0.3	0.3	0.2	0.2	0.4	0.1	
<b>GOLDMAN SACHS</b>	<b>1,167,660,903</b>	<b>15.4</b>	<b>3.1</b>	<b>7.9</b>	<b>7.9</b>	<b>2.6</b>	<b>3.2</b>	<b>4.6</b>	<b>5.6</b>	<b>07/1993</b>
BBG BARC Agg (Dly)			3.1	7.9	7.9	2.3	2.9	3.9	5.2	07/1993
Excess			0.1	0.0	0.0	0.3	0.2	0.7	0.3	
<b>NEUBERGER</b>	<b>1,103,485,913</b>	<b>14.5</b>	<b>3.1</b>	<b>8.0</b>	<b>8.0</b>	<b>2.4</b>	<b>3.1</b>	<b>4.7</b>	<b>6.4</b>	<b>07/1988</b>
BBG BARC Agg (Dly)			3.1	7.9	7.9	2.3	2.9	3.9	6.2	07/1988
Excess			0.0	0.1	0.1	0.0	0.1	0.8	0.2	
<b>SEMI PASSIVE FIXED INCOME</b>	<b>3,333,569,816</b>	<b>43.9</b>	<b>3.1</b>	<b>8.0</b>	<b>8.0</b>	<b>2.5</b>	<b>3.1</b>	<b>4.5</b>		
BBG BARC Agg (Dly)			3.1	7.9	7.9	2.3	2.9	3.9		
Excess			0.1	0.1	0.1	0.2	0.2	0.6		





	<u>2018 Calendar Return</u>	<u>2017 Calendar Return</u>	<u>2016 Calendar Return</u>	<u>2015 Calendar Return</u>	<u>2014 Calendar Return</u>
<b>Semi Passive Fixed Income Managers</b>					
<b>BLACKROCK</b>	<b>-0.1%</b>	<b>3.7%</b>	<b>2.8%</b>	<b>0.9%</b>	<b>6.0%</b>
BBG BARC Agg (Dly)	0.0	3.5	2.6	0.5	6.0
Excess	-0.2	0.1	0.1	0.3	0.0
<b>GOLDMAN SACHS</b>	<b>-0.0</b>	<b>3.9</b>	<b>3.0</b>	<b>0.8</b>	<b>6.1</b>
BBG BARC Agg (Dly)	0.0	3.5	2.6	0.5	6.0
Excess	-0.0	0.4	0.3	0.2	0.1
<b>NEUBERGER</b>	<b>-0.1</b>	<b>3.6</b>	<b>2.7</b>	<b>0.7</b>	<b>6.1</b>
BBG BARC Agg (Dly)	0.0	3.5	2.6	0.5	6.0
Excess	-0.1	0.0	0.1	0.2	0.2
<b>SEMI PASSIVE FIXED INCOME</b>	<b>-0.1%</b>	<b>3.7%</b>	<b>2.8</b>	<b>0.8</b>	<b>6.1</b>
BBG BARC Agg (Dly)	0.0%	3.5%	2.6	0.5	6.0
Excess	-0.1%	0.2%	0.2	0.2	0.1

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# Treasuries

## June 30, 2019



	<u>Ending Market Value</u>	<u>Portfolio Weight</u>	<u>Last Qtr</u>	<u>Fiscal YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Since Inception</u>	<u>Inception Date</u>
<b>Treasuries Managers</b>										
<b>BLACKROCK</b>	<b>\$2,390,321,616</b>	<b>33.3%</b>	<b>4.5%</b>	<b>10.3%</b>	<b>10.3%</b>				<b>7.3%</b>	<b>02/2018</b>
BBG BARC 5Y + Us Tsy Idx			4.6	10.4	10.4				7.5	02/2018
Excess			-0.1	-0.2	-0.2				-0.1	
<b>GOLDMAN SACHS</b>	<b>2,377,985,597</b>	<b>33.2</b>	<b>4.6</b>	<b>10.3</b>	<b>10.3</b>				<b>7.4</b>	<b>02/2018</b>
BBG BARC 5Y + Us Tsy Idx			4.6	10.4	10.4				7.5	02/2018
Excess			0.1	-0.1	-0.1				-0.0	
<b>NEUBERGER</b>	<b>2,400,010,589</b>	<b>33.5</b>	<b>4.5</b>	<b>10.2</b>	<b>10.2</b>				<b>7.3</b>	<b>02/2018</b>
BBG BARC 5Y + Us Tsy Idx			4.6	10.4	10.4				7.5	02/2018
Excess			-0.0	-0.2	-0.2				-0.2	
TREASURIES TRANSITION ACCOUNT	0	0.0								
<b>TOTAL TREASURIES</b>	<b>7,168,317,802</b>	<b>100.0</b>	<b>4.5</b>	<b>10.3</b>	<b>10.3</b>				<b>7.4%</b>	<b>02/2018</b>
BBG BARC 5Y + Us Tsy Idx			4.6	10.4	10.4				7.5%	02/2018
Excess			-0.0	-0.1	-0.1				-0.1%	



	<u>2018 Calendar Return</u>	<u>2017 Calendar Return</u>	<u>2016 Calendar Return</u>	<u>2015 Calendar Return</u>	<u>2014 Calendar Return</u>
<b>Treasuries Managers</b>					
<b>BLACKROCK</b>					
BBG BARC 5Y + Us Tsy Idx					
Excess					
<b>GOLDMAN SACHS</b>					
BBG BARC 5Y + Us Tsy Idx					
Excess					
<b>NEUBERGER</b>					
BBG BARC 5Y + Us Tsy Idx					
Excess					
<b>TOTAL TREASURIES</b>					
BBG BARC 5Y + Us Tsy Idx					
Excess					

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# Private Markets

## June 30, 2019



## Combined Funds Asset Class Performance Summary

### Private Markets

	<u>Last Qtr</u>	<u>FYTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>20 Year</u>	<u>25 year</u>	<u>30 year</u>
Private Markets	2.8%	10.4%	10.4%	14.9%	10.4%	12.5%	12.6%	13.6%	12.2%
Private Equity	5.0%	14.4%	14.4%	17.6%	14.3%	15.9%	13.5%	15.4%	
Private Credit	1.9	10.6	10.6	14.2	13.2	13.4	12.5		
Resources	-2.6	0.9	0.9	10.2	-1.8	5.5	15.5	14.5	
Real Estate	3.1	9.1	9.1	9.6	11.3	8.6	8.8	9.5	

### Private Markets

The time-weighted rates of return for the Private Markets portfolio are shown here. Private Markets included Private Equity, Private Credit, Resources, and Real Estate. Some of the existing investments are relatively immature and returns may not be indicative of future results.

### Private Equity Investments

The objectives of the Private Equity portfolio, which may include leveraged buyouts, growth equity, venture capital and special situations, are to achieve attractive returns and to provide overall portfolio diversification to the total plan.

### Private Credit Investments

The objectives of the Private Credit portfolio, which may include mezzanine debt, direct lending, and other forms of non-investment grade fixed income instruments, are to achieve a high total return over a full market cycle and to provide some degree of downside protection and typically provide current income in the form of a coupon. In certain situations, investments in the Private Credit portfolio also provide an equity component of return in the form of warrants or re-organized equity.

### Resource Investments

The objectives of the Resources portfolio, which may include energy, infrastructure, and other hard assets, are to provide protection against the risks associated with inflation and to provide overall portfolio diversification to the total plan.

### Real Estate Investments

The objectives of the Real Estate portfolio, which may include core and non-core real estate investments, are to achieve attractive returns, preserve capital, provide protection against risks associated with inflation, and provide overall portfolio diversification to the total plan.

The SBI also monitors Private Markets performance using money-weighted return metrics such as Internal Rate of Return and Multiple of Invested Capital. For money-weighted return metrics please refer to the Combined Funds Performance Report.



**Minnesota State Board of Investment  
- Alternative Investments -**

As of June 30, 2019

Investment	Total Commitment	Total Contribution	Market Value	Distributions	Unfunded Commitment	IRR %	NET MOIC*	Period Years
<b>I. PRIVATE EQUITY</b>								
<b>Adams Street Partners</b>								
<i>Adams Street Global Secondary Fund 5</i>	100,000,000	76,529,750	53,902,821	38,701,321	23,470,250	6.14	1.21	<b>6.78</b>
<i>Adams Street Global Secondary Fund 6</i>	100,000,000	11,200,000	11,543,494	1,214,007	88,800,000	25.38	1.14	<b>2.00</b>
<b>Advent International</b>								
<i>Advent International GPE VI</i>	50,000,000	52,993,313	9,704,411	99,117,913	0	16.96	2.05	<b>11.00</b>
<i>Advent International GPE VII</i>	90,000,000	84,690,641	75,004,405	76,034,048	5,400,000	16.19	1.78	<b>6.54</b>
<i>Advent International GPE VIII</i>	100,000,000	84,100,000	97,562,728	0	15,900,000	11.11	1.16	<b>3.15</b>
<i>Advent International GPE IX</i>	115,000,000	0	0	0	115,000,000	0.00	0.00	<b>0.14</b>
<b>Affinity Ventures</b>								
<i>Affinity Ventures IV</i>	4,000,000	4,000,000	576,089	1,541,970	0	-11.71	0.53	<b>14.76</b>
<i>Affinity Ventures V</i>	5,000,000	5,000,000	2,263,538	1,706,245	0	-4.07	0.79	<b>10.75</b>
<b>APAX Partners</b>								
<i>Apax VIII - USD</i>	200,000,000	222,011,295	130,148,428	211,796,833	14,644,515	14.03	1.54	<b>6.07</b>
<i>Apax IX - USD</i>	150,000,000	72,867,205	94,704,841	3,944,404	81,077,199	21.01	1.35	<b>2.86</b>
<b>Arsenal Capital Partners</b>								
<i>Arsenal Fund V</i>	75,000,000	0	0	0	75,000,000	0.00	0.00	<b>0.24</b>
<b>Asia Alternatives</b>								
<i>Asia Alternatives Capital Partners V</i>	96,665,054	14,564,710	10,156,916	289,056	82,385,202	-37.10	0.72	<b>1.75</b>
<b>Banc Fund</b>								
<i>Banc Fund VIII</i>	98,250,000	98,250,000	69,662,533	142,853,973	0	13.48	2.16	<b>10.94</b>
<i>Banc Fund IX</i>	107,205,932	107,205,932	113,653,190	17,673,634	0	7.40	1.22	<b>4.81</b>
<i>Banc Fund X</i>	71,110,909	22,830,545	21,858,535	0	48,280,364	-8.84	0.96	<b>0.91</b>
<b>BlackRock</b>								
<i>BlackRock Long Term Capital</i>	250,000,000	0	0	0	250,000,000	0.00	0.00	<b>0.25</b>
<b>Blackstone Capital Partners</b>								
<i>Blackstone Capital Partners IV</i>	70,000,000	84,429,831	3,076,227	198,697,669	1,862,355	37.03	2.39	<b>16.73</b>

Investment	Total Commitment	Total Contribution	Market Value	Distributions	Unfunded Commitment	IRR %	NET MOIC*	Period Years
<i>Blackstone Capital Partners V</i>	140,000,000	152,169,559	6,102,292	237,565,752	7,027,560	7.95	1.60	<b>13.16</b>
<i>Blackstone Capital Partners VI</i>	100,000,000	103,491,189	88,138,191	78,454,884	13,199,714	13.15	1.61	<b>10.69</b>
<i>Blackstone Capital Partners VII</i>	130,000,000	75,491,797	81,023,331	7,693,243	64,800,687	14.22	1.18	<b>3.75</b>
<i>Blackstone Capital Partners VIII</i>	150,000,000	0	0	0	150,000,000	0.00	0.00	<b>0.25</b>
<b>Blackstone Strategic Partners (CSFB/ DLJ)</b>								
<i>Strategic Partners III VC</i>	25,000,000	24,998,952	2,981,276	31,145,688	1,067,943	6.05	1.37	<b>13.84</b>
<i>Strategic Partners III-B</i>	100,000,000	79,488,031	4,261,237	114,448,044	14,934,308	6.38	1.49	<b>13.84</b>
<i>Strategic Partners IV VC</i>	40,500,000	41,058,721	9,747,180	53,616,011	2,439,627	9.43	1.54	<b>11.02</b>
<i>Strategic Partners IV-B</i>	100,000,000	99,017,142	9,746,794	143,932,425	17,798,494	12.23	1.55	<b>10.79</b>
<i>Strategic Partners V</i>	100,000,000	84,043,533	19,909,727	115,882,823	38,034,796	19.15	1.62	<b>7.62</b>
<i>Strategic Partners VI</i>	150,000,000	94,961,080	54,003,596	90,242,956	60,956,184	18.22	1.52	<b>4.96</b>
<i>Strategic Partners VII</i>	150,000,000	94,176,314	114,291,115	16,118,810	68,912,171	28.86	1.38	<b>2.27</b>
<i>Strategic Partners VIII</i>	150,000,000	7,951,243	7,951,243	0	142,048,757	0.00	1.00	<b>0.50</b>
<b>Bridgepoint</b>								
<i>Bridgepoint Europe VI</i>	170,691,984	9,854,501	7,883,738	0	160,837,483	-20.00	0.80	<b>1.03</b>
<b>Brookfield Asset Management</b>								
<i>Brookfield Capital Partners Fund IV</i>	100,000,000	90,760,734	89,588,356	110,229,853	27,499,345	59.43	2.20	<b>3.55</b>
<i>Brookfield Capital Partners V</i>	250,000,000	0	-1,017,621	0	250,000,000	0.00	0.00	<b>0.68</b>
<b>Cardinal Partners</b>								
<i>DSV Partners IV</i>	10,000,000	10,000,000	30,883	39,196,082	0	10.61	3.92	<b>34.26</b>
<b>Carlyle Group</b>								
<i>Carlyle Partners VII</i>	150,000,000	22,095,608	18,634,883	0	127,904,392	-20.44	0.84	<b>1.29</b>
<b>Chicago Growth Partners (William Blair)</b>								
<i>William Blair Capital Partners VII</i>	50,000,000	48,150,000	1,075,428	69,201,191	1,650,000	8.60	1.46	<b>18.07</b>
<i>Chicago Growth Partners I</i>	50,000,000	52,441,998	1,873,424	54,532,745	300,000	1.70	1.08	<b>13.69</b>
<i>Chicago Growth Partners II</i>	60,000,000	58,347,626	3,441,868	121,871,703	1,652,374	19.76	2.15	<b>11.06</b>
<b>Court Square Capital Partners</b>								
<i>Court Square Capital Partners II</i>	175,000,000	170,186,067	18,395,992	293,299,965	16,176,139	12.92	1.83	<b>12.57</b>
<i>Court Square Capital Partners III</i>	175,000,000	180,618,546	173,531,817	91,142,790	13,624,629	18.23	1.47	<b>6.83</b>
<i>Court Square Capital Partners IV</i>	150,000,000	0	0	0	150,000,000	0.00	0.00	<b>0.89</b>
<b>Crescendo</b>								
<i>Crescendo IV</i>	101,500,000	103,101,226	2,145,317	55,121,736	0	-4.79	0.56	<b>19.07</b>
<b>CVC Capital Partners</b>								
<i>CVC European Equity Partners V</i>	133,942,741	153,756,444	26,938,137	260,306,257	1,626,479	16.41	1.87	<b>11.02</b>

Investment	Total Commitment	Total Contribution	Market Value	Distributions	Unfunded Commitment	IRR %	NET MOIC*	Period Years
<i>CVC Capital Partners VI</i>	258,298,579	255,492,099	260,188,310	76,191,255	51,621,020	12.63	1.32	<b>5.73</b>
<b>Elevation Partners</b>								
<i>Elevation Partners</i>	75,000,000	73,237,580	144,367	113,492,106	799,634	11.81	1.55	<b>13.88</b>
<b>GHJM</b>								
<i>TrailHead Fund</i>	20,000,000	16,070,803	34,369,639	6,406,955	3,935,813	19.49	2.54	<b>7.10</b>
<b>Glouston Capital Partners**</b>								
<i>Glouston Private Equity Opportunities Fund IV</i>	5,337,098	4,376,198	1,300,762	3,457,751	1,090,000	3.73	1.09	<b>4.25</b>
<b>GS Capital Partners</b>								
<i>GS Capital Partners V</i>	100,000,000	74,319,006	1,092,872	191,435,136	1,041,099	18.26	2.59	<b>14.00</b>
<i>GS Capital Partners VI</i>	100,000,000	109,807,690	13,296,247	130,385,768	2,801,717	7.28	1.31	<b>12.16</b>
<i>GS Vintage VII</i>	100,000,000	68,395,888	69,623,518	11,282,171	42,963,816	17.96	1.18	<b>2.75</b>
<i>West Street Capital Partners VII</i>	150,000,000	51,153,586	41,100,369	12,491,195	110,258,025	3.42	1.05	<b>2.27</b>
<i>GS China-US Cooperation Fund</i>	99,800,000	10,154,445	8,603,918	0	89,820,000	-15.27	0.85	<b>0.87</b>
<b>GTCR</b>								
<i>GTCR IX</i>	75,000,000	71,414,933	165,020	128,764,150	3,585,067	13.77	1.81	<b>12.75</b>
<i>GTCR X</i>	100,000,000	103,907,821	20,799,688	188,348,914	6,751,396	21.53	2.01	<b>8.31</b>
<i>GTCR XI</i>	110,000,000	97,445,726	92,206,797	66,755,383	13,716,556	22.50	1.63	<b>5.37</b>
<b>HarbourVest**</b>								
<i>Dover Street VII Cayman Fund</i>	2,198,112	2,072,893	314,508	1,584,581	132,416	-4.28	0.92	<b>4.25</b>
<i>HarbourVest Intl PE Partners V-Cayman US</i>	3,522,813	3,344,847	721,576	3,589,077	182,208	12.99	1.29	<b>4.25</b>
<i>Harbourvest Intl PE Partners VI-Cayman</i>	4,237,153	3,999,555	3,799,442	2,446,132	239,148	15.93	1.56	<b>4.25</b>
<i>HarbourVest Partners VIII Cayman Buyout</i>	4,506,711	4,298,488	1,595,542	4,240,871	234,000	14.14	1.36	<b>4.25</b>
<i>HarbourVest Partners VIII-Cayman Venture</i>	7,190,898	7,079,986	3,820,778	5,356,802	140,000	9.16	1.30	<b>4.25</b>
<b>Hellman &amp; Friedman</b>								
<i>Hellman &amp; Friedman Capital Partners VI</i>	175,000,000	171,037,755	11,149,880	309,138,681	5,084,864	13.03	1.87	<b>12.01</b>
<i>Hellman &amp; Friedman Capital Partners VII</i>	50,000,000	49,759,311	67,642,880	62,974,408	2,343,044	24.64	2.62	<b>9.95</b>
<i>Hellman &amp; Friedman Investors IX</i>	175,000,000	0	-313,512	0	172,258,308	0.00	0.00	<b>0.75</b>
<b>IK Investment Partners</b>								
<i>IK Fund VII</i>	180,337,770	177,717,768	183,148,220	104,167,821	8,128,847	13.78	1.62	<b>5.55</b>
<i>IK Fund VIII</i>	172,120,601	125,184,424	146,370,930	2,213,957	49,082,080	12.63	1.19	<b>2.69</b>
<b>Kohlberg Kravis Roberts</b>								
<i>KKR Millennium Fund</i>	200,000,000	205,167,570	178,659	424,946,028	0	16.37	2.07	<b>16.32</b>
<i>KKR 2006 Fund</i>	200,000,000	218,952,911	61,498,848	315,358,398	3,360,223	8.98	1.72	<b>12.51</b>
<i>KKR Americas Fund XII</i>	150,000,000	61,091,605	63,225,469	988,851	89,511,167	5.88	1.05	<b>3.07</b>

Investment	Total Commitment	Total Contribution	Market Value	Distributions	Unfunded Commitment	IRR %	NET MOIC*	Period Years
<i>KKR Asian Fund III</i>	100,000,000	36,559,631	38,622,892	0	63,499,193	9.00	1.06	<b>2.00</b>
<i>KKR Europe V</i>	100,000,000	0	0	0	100,000,000	0.00	0.00	<b>0.65</b>
<b>Leonard Green &amp; Partners</b>								
<i>Green Equity Investors VI</i>	200,000,000	215,919,566	213,155,198	143,815,738	20,574,386	15.59	1.65	<b>7.04</b>
<b>Lexington Capital Partners</b>								
<i>Lexington Capital Partners VI</i>	100,000,000	98,374,022	9,113,811	136,577,361	1,634,703	7.95	1.48	<b>13.27</b>
<i>Lexington Capital Partners VII</i>	200,000,000	172,466,709	51,325,173	220,490,869	38,059,995	14.64	1.58	<b>10.22</b>
<i>Lexington Capital Partners VIII</i>	150,000,000	127,263,490	110,116,433	54,736,720	37,620,383	18.70	1.30	<b>5.08</b>
<i>Lexington Co-Investment Partners IV</i>	200,000,000	131,326,240	137,748,821	6,715,339	75,389,099	11.63	1.10	<b>2.66</b>
<i>Lexington Middle Market Investors IV</i>	100,000,000	11,023,441	10,622,751	1,458,011	88,976,559	0.00	1.10	<b>2.27</b>
<i>Lexington Capital Partners IX</i>	150,000,000	0	4,498,002	0	150,000,000	0.00	0.00	<b>0.73</b>
<b>Madison Dearborn Capital Partners</b>								
<i>Madison Dearborn Capital Partners VII</i>	100,000,000	67,396,018	71,741,418	5,817,652	38,393,836	9.15	1.15	<b>3.28</b>
<b>Neuberger Berman</b>								
<i>Dyal Capital Partners III</i>	175,000,000	154,683,944	101,280,011	95,399,724	112,982,304	26.35	1.27	<b>3.95</b>
<i>Dyal Capital Partners IV</i>	250,000,000	12,408,973	9,291,800	3,803,147	241,250,918	5.73	1.06	<b>0.98</b>
<b>Nordic Capital</b>								
<i>Nordic Capital Fund VIII</i>	178,477,173	190,003,473	157,264,890	114,939,555	104,451,774	13.62	1.43	<b>5.55</b>
<i>Nordic Capital Fund IX Beta</i>	170,622,102	27,277,658	33,899,055	0	143,344,444	46.17	1.24	<b>1.95</b>
<b>North Sky Capital**</b>								
<i>North Sky Capital LBO Fund III</i>	1,070,259	720,259	300,141	708,259	350,000	13.95	1.40	<b>4.25</b>
<i>North Sky Capital Venture Fund III</i>	1,384,080	1,277,830	381,065	1,219,519	106,250	10.47	1.25	<b>4.25</b>
<b>Oak Hill Capital Management, Inc.</b>								
<i>Oak Hill Capital Partners IV</i>	150,000,000	102,244,567	93,266,820	28,267,962	69,551,869	31.13	1.19	<b>2.30</b>
<i>Oak Hill Capital Partners V</i>	100,000,000	0	0	0	100,000,000	0.00	0.00	<b>0.56</b>
<b>Paine Schwartz</b>								
<i>Paine Schwartz IV</i>	75,000,000	55,214,709	54,802,423	14,823,737	20,858,445	10.19	1.26	<b>4.30</b>
<i>Paine Schwartz V</i>	150,000,000	0	-1,403,561	0	150,000,000	0.00	0.00	<b>0.91</b>
<b>Permira</b>								
<i>Permira V</i>	177,534,603	171,146,581	208,221,956	83,631,687	25,384,767	15.53	1.71	<b>5.25</b>
<i>Permira VI</i>	137,055,758	92,507,453	104,315,059	0	44,548,305	10.79	1.13	<b>2.68</b>
<i>Permira VII</i>	142,350,048	0	0	0	142,350,048	0.00	0.00	<b>0.08</b>
<b>Public Pension Capital Management</b>								
<i>Public Pension Capital</i>	150,000,000	79,633,866	75,135,151	44,315,075	80,350,177	21.95	1.50	<b>4.87</b>

Investment	Total Commitment	Total Contribution	MarketValue	Distributions	Unfunded Commitment	IRR %	NET MOIC*	Period Years
<b>RWI Ventures</b>								
<i>RWI Ventures I</i>	7,603,265	7,603,265	453,038	6,122,274	0	-4.09	0.86	<b>12.76</b>
<b>Silver Lake Partners</b>								
<i>Silver Lake Partners II</i>	100,000,000	90,200,747	912,328	171,246,452	11,771,953	11.04	1.91	<b>14.75</b>
<i>Silver Lake Partners III</i>	100,000,000	91,865,976	19,915,095	174,273,455	10,559,311	17.93	2.11	<b>12.01</b>
<i>Silver Lake Partners IV</i>	100,000,000	108,966,844	137,886,690	60,600,091	7,057,636	26.46	1.82	<b>6.51</b>
<i>Silver Lake Partners V</i>	135,000,000	54,186,798	57,066,935	0	66,780,621	7.64	1.05	<b>2.00</b>
<b>Split Rock Partners</b>								
<i>Split Rock Partners</i>	50,000,000	47,890,906	6,074,471	56,816,177	2,109,094	3.36	1.31	<b>13.92</b>
<i>Split Rock Partners II</i>	60,000,000	59,165,000	29,133,475	47,174,545	835,000	5.50	1.29	<b>10.93</b>
<b>Summit Partners</b>								
<i>Summit Partners Growth Equity Fund VIII</i>	100,000,000	115,015,327	68,829,457	157,829,723	24,040,551	24.99	1.97	<b>7.91</b>
<i>Summit Partners Growth Equity Fund IX</i>	100,000,000	76,850,000	78,408,823	9,973,626	33,123,626	17.19	1.15	<b>3.59</b>
<i>Summit Partners Growth Equity Fund X</i>	150,000,000	0	0	0	150,000,000	0.00	0.00	<b>0.32</b>
<b>Thoma Bravo</b>								
<i>Thoma Bravo Fund XII</i>	75,000,000	72,161,313	85,800,882	2,298,018	5,207,940	12.38	1.22	<b>2.56</b>
<i>Thoma Bravo Fund XIII</i>	150,000,000	53,586,862	53,256,553	0	96,413,138	-0.99	0.99	<b>1.00</b>
<b>Thoma Cressey</b>								
<i>Thoma Cressey Fund VII</i>	50,000,000	50,000,000	468,920	107,057,940	0	23.59	2.15	<b>18.61</b>
<i>Thoma Cressey Fund VIII</i>	70,000,000	69,577,712	457,758	202,471,763	770,000	18.27	2.92	<b>12.92</b>
<b>Thomas H. Lee Partners</b>								
<i>Thomas H. Lee Equity Fund VII</i>	100,000,000	96,075,814	102,863,280	30,607,993	12,690,548	23.47	1.39	<b>3.56</b>
<i>Thomas H. Lee Equity Fund VIII</i>	150,000,000	3,908,094	1,705,856	0	146,091,906	-56.35	0.44	<b>1.00</b>
<b>Thomas, McNerney &amp; Partners</b>								
<i>Thomas, McNerney &amp; Partners I</i>	30,000,000	30,000,000	6,987,335	15,087,143	0	-4.27	0.74	<b>16.41</b>
<i>Thomas, McNerney &amp; Partners II</i>	50,000,000	48,125,000	7,979,476	103,648,037	1,875,000	16.65	2.32	<b>12.75</b>
<b>TPG Capital</b>								
<i>TPG Partners VII</i>	100,000,000	90,994,420	97,638,555	17,515,734	16,597,098	15.47	1.27	<b>3.56</b>
<i>TPG Partners VIII</i>	150,000,000	0	0	0	150,000,000	0.00	0.00	<b>1.01</b>
<b>Vestar Capital Partners</b>								
<i>Vestar Capital Partners IV</i>	55,000,000	55,652,024	747,071	102,273,825	57,313	14.65	1.85	<b>19.30</b>
<i>Vestar Capital Partners V</i>	75,000,000	76,456,520	9,520,459	90,693,238	0	3.89	1.31	<b>13.29</b>
<i>Vestar Capital Partners VI</i>	100,000,000	106,195,246	68,301,014	118,359,663	1,821,992	26.69	1.76	<b>7.52</b>
<i>Vestar Capital Partners VII</i>	150,000,000	26,562,663	23,431,483	0	123,437,337	-17.76	0.88	<b>1.29</b>

Investment	Total Commitment	Total Contribution	Market Value	Distributions	Unfunded Commitment	IRR %	NET MOIC*	Period Years
<b>Warburg Pincus</b>								
<i>Warburg Pincus Equity Partners</i>	100,000,000	100,000,000	386,522	163,542,253	0	10.03	1.64	<b>20.77</b>
<i>Warburg Pincus Private Equity VIII</i>	100,000,000	100,373,266	1,392,922	228,271,451	0	14.76	2.29	<b>16.97</b>
<i>Warburg Pincus Private Equity IX</i>	100,000,000	100,000,000	6,021,559	168,124,301	0	9.76	1.74	<b>13.68</b>
<i>Warburg Pincus Private Equity X</i>	150,000,000	150,000,000	56,970,774	180,343,550	0	8.14	1.58	<b>11.44</b>
<i>Warburg Pincus Private Equity XI</i>	200,000,000	200,299,952	179,449,542	145,134,148	0	13.85	1.62	<b>6.27</b>
<i>Warburg Pincus Private Equity XII</i>	131,000,000	102,376,500	114,023,133	5,740,813	28,623,500	9.73	1.17	<b>3.36</b>
<i>Warburg Pincus China</i>	45,000,000	38,115,000	40,697,959	3,899,250	8,820,000	13.82	1.17	<b>2.30</b>
<i>Warburg Pincus Financial Sector</i>	90,000,000	41,620,808	34,594,762	4,590,000	52,830,000	-10.95	0.94	<b>1.29</b>
<i>Warburg Pincus Global Growth</i>	250,000,000	2,897,089	2,195,811	0	247,000,000	-24.16	0.76	<b>0.61</b>
<i>Warburg Pincus China-Southeast Asia II</i>	50,000,000	1,750,000	1,750,000	0	48,250,000	0.00	1.00	<b>0.07</b>
<b>Wellspring Capital Partners</b>								
<i>Wellspring Capital Partners VI</i>	125,000,000	35,440,817	33,011,491	0	89,559,183	-21.17	0.93	<b>2.55</b>
<b>Welsh, Carson, Anderson &amp; Stowe</b>								
<i>Welsh, Carson, Anderson &amp; Stowe XI</i>	100,000,000	100,000,000	35,364,295	129,502,945	0	12.38	1.65	<b>10.70</b>
<i>Welsh, Carson, Anderson &amp; Stowe XII</i>	150,000,000	125,826,129	135,669,422	53,574,205	24,173,871	23.24	1.50	<b>4.28</b>
<i>Welsh, Carson, Anderson &amp; Stowe XIII</i>	250,000,000	1,833,825	494,427	0	248,166,175	-73.04	0.27	<b>1.01</b>
<b>Windjammer Capital Investors</b>								
<i>Windjammer Mezzanine &amp; Equity Fund II</i>	66,708,861	55,215,684	66,484	84,876,800	10,139,363	8.94	1.54	<b>19.01</b>
<i>Windjammer Senior Equity Fund III</i>	75,000,000	62,684,411	401,894	154,618,016	13,380,380	19.55	2.47	<b>13.24</b>
<i>Windjammer Senior Equity Fund IV</i>	100,000,000	89,524,405	116,213,120	19,278,060	18,397,478	12.11	1.51	<b>7.10</b>
<i>Windjammer Senior Equity Fund V</i>	100,000,000	2,718,972	505,479	0	97,281,028	-90.47	0.19	<b>1.36</b>
<i>Private Equity Total</i>	<b>14,760,222,504</b>	<b>9,151,482,240</b>	<b>5,621,288,944</b>	<b>8,715,856,266</b>	<b>6,390,929,913</b>	<b>12.68</b>	<b>1.58</b>	

## II. PRIVATE CREDIT

### Audax Group

<i>Audax Mezzanine Fund III</i>	100,000,000	96,267,884	16,920,264	106,333,207	5,369,457	9.12	1.28	<b>8.99</b>
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<i>Audax Mezzanine Fund IV</i>	100,000,000	42,270,178	31,501,527	14,790,221	59,697,426	9.04	1.10	<b>3.98</b>
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### BlackRock

<i>BlackRock Middle Market Senior Fund</i>	97,500,000	28,682,443	28,229,576	0	68,817,557	-1.86	0.98	<b>0.96</b>
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### Crescent Capital Group

<i>TCW/Crescent Mezzanine Partners III</i>	75,000,000	79,161,593	227,398	159,230,122	29,733,852	35.87	2.01	<b>18.01</b>
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Investment	Total Commitment	Total Contribution	Market Value	Distributions	Unfunded Commitment	IRR %	NET MOIC*	Period Years
<b>Energy Capital Partners</b>								
<i>Energy Capital Credit Solutions II</i>	100,000,000	0	0	0	100,000,000	0.00	0.00	<b>0.50</b>
<b>GS Mezzanine Partners</b>								
<i>GS Mezzanine Partners 2006</i>	100,000,000	113,445,143	923,532	134,654,263	9,858,563	5.00	1.20	<b>12.99</b>
<i>GS Mezzanine Partners V</i>	150,000,000	147,691,560	1,819,620	178,674,923	37,564,028	8.98	1.22	<b>11.44</b>
<b>Gold Hill Venture Lending</b>								
<i>Gold Hill Venture Lending</i>	40,000,000	40,000,000	360,588	65,077,862	0	10.69	1.64	<b>14.51</b>
<i>Gold Hill 2008</i>	25,852,584	25,852,584	5,668,508	44,745,145	0	14.79	1.95	<b>10.75</b>
<b>Kohlberg Kravis Roberts</b>								
<i>KKR Lending Partners II</i>	75,000,000	85,873,107	25,985,857	75,728,529	8,802,924	9.62	1.18	<b>4.07</b>
<i>KKR Lending Partners III</i>	199,000,000	72,547,481	69,661,994	13,335,209	132,302,062	16.16	1.14	<b>1.98</b>
<b>LBC Credit Partners</b>								
<i>LBC Credit Partners IV</i>	100,000,000	84,888,047	69,418,193	24,853,912	31,013,872	10.56	1.11	<b>2.92</b>
<b>Merit Capital Partners</b>								
<i>Merit Mezzanine Fund IV</i>	75,000,000	70,178,571	1,912,671	135,917,682	4,821,429	11.45	1.96	<b>14.30</b>
<i>Merit Mezzanine Fund V</i>	75,000,000	70,665,306	43,316,055	59,544,918	4,334,694	9.29	1.46	<b>9.28</b>
<i>Merit Mezzanine Fund VI</i>	100,000,000	52,545,141	60,693,585	2,425,373	47,388,060	13.28	1.20	<b>3.02</b>
<b>Portfolio Advisors</b>								
<i>DLJ Investment Partners III</i>	100,000,000	82,719,050	583,958	96,478,980	509,988	6.82	1.17	<b>12.78</b>
<b>Prudential Capital Partners</b>								
<i>Prudential Capital Partners II</i>	100,000,000	97,354,846	6,053,800	136,363,957	11,112,955	8.88	1.46	<b>13.76</b>
<i>Prudential Capital Partners III</i>	100,000,000	100,567,556	3,700,203	169,754,106	14,896,373	14.09	1.72	<b>9.96</b>
<i>Prudential Capital Partners IV</i>	100,000,000	107,116,335	60,803,277	75,216,604	3,818,601	9.40	1.27	<b>7.20</b>
<i>Prudential Capital Partners V</i>	150,000,000	85,553,949	89,031,263	11,361,141	67,865,788	15.36	1.17	<b>2.62</b>
<b>Summit Partners</b>								
<i>Summit Subordinated Debt Fund III</i>	45,000,000	44,088,494	3,728,682	60,443,093	2,250,000	8.94	1.46	<b>15.13</b>
<i>Summit Subordinated Debt Fund IV</i>	50,000,000	55,837,807	4,498,506	72,207,729	19,926,328	10.38	1.37	<b>11.01</b>
<b>TCW Asset Management</b>								
<i>TCW Direct Lending VI</i>	100,000,000	83,599,652	41,618,975	55,775,315	25,329,409	7.56	1.17	<b>4.53</b>
<i>TCW Direct Lending VII</i>	100,000,000	36,456,148	34,169,619	2,090,382	66,506,505	-0.67	0.99	<b>1.21</b>
<i>Private Credit Total</i>	<b>2,257,352,584</b>	<b>1,703,362,875</b>	<b>600,827,651</b>	<b>1,695,002,672</b>	<b>751,919,870</b>	<b>12.03</b>	<b>1.35</b>	

Investment	Total Commitment	Total Contribution	Market Value	Distributions	Unfunded Commitment	IRR %	NET MOIC*	Period Years
<b>III. REAL ASSETS</b>								
<b>BlackRock</b>								
<i>BlackRock Global Renewable Power Fund II</i>	98,500,000	70,834,071	64,884,791	6,090,450	31,982,728	0.15	1.00	<b>3.35</b>
<b>EIG Global Energy Partners</b>								
<i>EIG Energy Fund XIV</i>	100,000,000	113,177,137	10,736,680	94,745,253	2,761,129	-2.40	0.93	<b>11.95</b>
<i>EIG Energy Fund XV</i>	150,000,000	158,557,720	70,235,877	117,356,327	22,871,323	4.48	1.18	<b>8.82</b>
<i>EIG Energy Fund XVI</i>	200,000,000	175,065,404	139,646,091	71,917,670	61,284,878	7.64	1.21	<b>5.55</b>
<b>EnCap Energy</b>								
<i>EnCap Energy Capital Fund VII</i>	100,000,000	105,357,255	7,240,831	134,445,165	0	14.81	1.34	<b>11.75</b>
<i>EnCap Energy Capital Fund VIII</i>	100,000,000	99,003,512	32,694,422	53,818,149	4,802,299	-3.89	0.87	<b>8.50</b>
<i>EnCap Energy Capital Fund IX</i>	100,000,000	110,823,005	67,917,410	82,206,325	6,307,627	12.96	1.35	<b>6.31</b>
<i>EnCap Energy Capital Fund X</i>	100,000,000	85,798,877	86,533,531	17,941,118	22,090,249	11.07	1.22	<b>4.07</b>
<b>EnerVest Energy</b>								
<i>EnerVest Energy Institutional Fund XIV</i>	100,000,000	94,353,949	85,949,255	39,331,232	13,739,749	11.54	1.33	<b>3.81</b>
<b>Energy Capital Partners</b>								
<i>Energy Capital Partners II</i>	100,000,000	85,551,360	12,328,320	111,999,239	29,749,110	10.39	1.45	<b>8.70</b>
<i>Energy Capital Partners III</i>	200,000,000	201,330,531	180,407,231	68,434,490	33,632,656	9.94	1.24	<b>5.28</b>
<i>Energy Capital Partners IV</i>	150,000,000	39,699,839	46,858,875	2,378,600	112,929,806	22.76	1.24	<b>1.25</b>
<b>Energy &amp; Minerals Group</b>								
<i>NGP Midstream &amp; Resources</i>	100,000,000	103,527,211	15,002,556	176,410,295	17,857	13.92	1.85	<b>12.01</b>
<i>The Energy &amp; Minerals Group Fund II</i>	100,000,000	104,661,204	97,417,497	98,872,076	1,248,635	15.11	1.88	<b>7.52</b>
<i>The Energy &amp; Minerals Group Fund III</i>	200,000,000	192,607,030	152,403,918	18,442,920	9,428,480	-2.94	0.89	<b>5.07</b>
<i>The Energy &amp; Minerals Group Fund IV</i>	150,000,000	132,518,254	167,568,920	35,874,026	38,187,834	20.60	1.54	<b>3.42</b>
<b>First Reserve</b>								
<i>First Reserve Fund X</i>	100,000,000	100,000,000	348,231	182,429,002	0	31.05	1.83	<b>14.42</b>
<i>First Reserve Fund XI</i>	150,000,000	150,292,121	7,348,721	97,802,016	0	-7.34	0.70	<b>12.28</b>
<i>First Reserve Fund XII</i>	150,000,000	165,617,044	29,295,626	81,001,567	0	-9.04	0.67	<b>10.42</b>
<i>First Reserve Fund XIII</i>	200,000,000	168,086,747	134,418,428	63,482,040	55,124,670	11.20	1.18	<b>5.41</b>
<b>Kohlberg, Kravis, Roberts &amp; Co.</b>								
<i>KKR Global Infrastructure Investors III</i>	149,850,000	18,889,906	17,290,554	0	130,960,094	-13.21	0.92	<b>1.01</b>
<b>Merit Energy Partners</b>								
<i>Merit Energy Partners B</i>	24,000,000	24,000,000	3,140,663	188,273,079	0	24.28	7.98	<b>22.19</b>



Investment	Total Commitment	Total Contribution	Market Value	Distributions	Unfunded Commitment	IRR %	NET MOIC*	Period Years
<i>Merit Energy Partners C</i>	50,000,000	50,000,000	6,154,869	512,993,716	0	30.96	10.38	<b>20.43</b>
<i>Merit Energy Partners D</i>	88,000,000	70,938,303	13,240,840	332,269,462	0	22.58	4.87	<b>17.86</b>
<i>Merit Energy Partners E</i>	100,000,000	39,983,197	2,971,472	81,305,936	0	11.37	2.11	<b>14.50</b>
<i>Merit Energy Partners F</i>	100,000,000	59,522,861	10,370,141	29,256,493	0	-6.77	0.67	<b>13.02</b>
<i>Merit Energy Partners H</i>	100,000,000	100,000,000	69,773,960	29,668,582	0	-0.12	0.99	<b>8.16</b>
<i>Merit Energy Partners I</i>	169,721,518	169,721,518	212,409,071	35,839,059	0	16.39	1.46	<b>4.45</b>
<i>Merit Energy Partners K</i>	150,000,000	0	0	0	150,000,000	0.00	0.00	<b>0.25</b>
<b>NGP</b>								
<i>Natural Gas Partners IX</i>	150,000,000	173,775,602	3,594,649	244,762,733	750,911	12.05	1.43	<b>11.44</b>
<i>NGP Natural Resources X</i>	150,000,000	144,048,971	58,192,419	105,475,349	5,951,029	3.84	1.14	<b>7.47</b>
<i>Natural Gas Capital Resources XI</i>	150,000,000	136,035,482	143,751,819	29,131,205	20,159,854	12.11	1.27	<b>4.31</b>
<i>NGP Natural Resources XII</i>	149,500,000	43,178,620	42,646,581	0	105,980,905	-1.08	0.99	<b>1.66</b>
<b>Sheridan</b>								
<i>Sheridan Production Partners I</i>	100,000,000	116,552,260	34,083,992	82,750,000	0	0.06	1.00	<b>12.01</b>
<i>Sheridan Production Partners II</i>	100,000,000	103,500,000	8,392,003	7,000,000	3,500,000	-33.57	0.15	<b>8.50</b>
<i>Sheridan Production Partners III</i>	100,000,000	34,353,005	31,835,999	17,300,000	65,650,000	16.20	1.43	<b>4.31</b>
<i>Real Assets Total</i>	<b>4,479,571,518</b>	<b>3,741,361,996</b>	<b>2,067,086,242</b>	<b>3,251,003,574</b>	<b>929,111,823</b>	<b>14.43</b>	<b>1.42</b>	

#### IV. REAL ESTATE

##### Angelo, Gordon & Co.

<i>AG Realty Fund IX</i>	100,000,000	85,141,582	94,383,445	13,500,000	18,650,000	11.72	1.27	<b>4.31</b>
<i>AG Asia Realty Fund III</i>	50,000,000	47,587,261	43,297,351	17,000,000	6,196,250	15.67	1.27	<b>2.50</b>
<i>AG Europe Realty Fund II</i>	75,000,000	37,144,581	38,998,500	28,384	37,500,000	5.87	1.05	<b>1.78</b>
<i>AG Realty Fund X</i>	150,000,000	11,250,000	11,250,000	0	138,750,000	0.00	1.00	<b>0.91</b>
<i>AG Asia Realty Fund IV</i>	100,000,000	12,500,000	12,500,000	0	87,500,000	0.00	0.00	<b>0.81</b>

##### Blackstone Real Estate Partners

<i>Blackstone Real Estate Partners V</i>	100,000,000	104,213,007	7,740,330	198,817,559	4,174,052	10.79	1.98	<b>12.93</b>
<i>Blackstone Real Estate Partners VI</i>	100,000,000	109,477,567	9,036,720	209,759,596	4,907,906	13.08	2.00	<b>12.01</b>
<i>Blackstone Real Estate Partners VII</i>	100,000,000	107,645,658	59,516,202	127,633,007	13,995,597	16.48	1.74	<b>7.34</b>
<i>Blackstone Real Estate Partners VIII</i>	150,000,000	137,178,382	126,892,520	46,179,092	50,756,838	13.89	1.26	<b>4.01</b>
<i>Blackstone Real Estate Partners Asia II</i>	74,500,000	16,633,853	15,769,312	20,015	58,793,436	-11.10	0.95	<b>1.52</b>
<i>Blackstone Real Estate Partners IX</i>	300,000,000	0	0	0	300,000,000	0.00	0.00	<b>0.52</b>

Investment	Total Commitment	Total Contribution	Market Value	Distributions	Unfunded Commitment	IRR %	NET MOIC*	Period Years
<b>Blackstone Strategic Partners (CSFB)</b>								
<i>Strategic Partners III RE</i>	25,000,000	25,988,048	646,314	14,666,337	9,006	-6.53	0.59	<b>13.75</b>
<i>Strategic Partners IV RE</i>	50,000,000	51,437,038	4,623,963	46,958,338	1,119,776	0.05	1.00	<b>10.79</b>
<b>Carlyle Group</b>								
<i>Carlyle Realty Partners VIII</i>	150,000,000	14,847,362	12,085,479	13,748	135,175,253	-23.72	0.81	<b>1.90</b>
<b>Colony Capital</b>								
<i>Colony Investors III</i>	100,000,000	99,660,860	2,996,500	173,622,105	0	14.50	1.77	<b>21.26</b>
<b>Landmark Partners</b>								
<i>Landmark Real Estate Partners VIII</i>	149,500,000	39,820,779	29,173,061	17,034,494	109,966,051	22.18	1.16	<b>2.29</b>
<b>Lubert Adler</b>								
<i>Lubert-Adler Real Estate Fund VII-B</i>	74,147,868	39,779,763	41,440,409	1,731,088	35,220,237	7.11	1.09	<b>2.48</b>
<b>Rockpoint</b>								
<i>Rockpoint Real Estate Fund V</i>	100,000,000	87,501,883	84,880,438	18,087,068	26,125,220	11.41	1.18	<b>4.22</b>
<i>Rockpoint Real Estate Fund VI</i>	100,000,000	0	0	0	100,000,000	0.00	0.00	<b>0.28</b>
<b>Rockwood</b>								
<i>Rockwood Capital RE Partners X</i>	100,000,000	73,869,859	73,726,546	5,136,364	27,838,939	4.95	1.07	<b>3.71</b>
<b>Silverpeak Real Estate Partners</b>								
<i>Silverpeak Legacy Pension Partners II</i>	75,000,000	72,965,488	1,616,723	90,801,977	7,599,582	4.20	1.27	<b>13.67</b>
<i>Silverpeak Legacy Pension Partners III</i>	150,000,000	70,415,683	12,780,887	12,176,279	79,588,867	-11.36	0.35	<b>10.92</b>
<b>T.A. Associates Realty</b>								
<i>Realty Associates Fund VIII</i>	100,000,000	100,000,000	256,967	99,064,669	0	-0.08	0.99	<b>12.75</b>
<i>Realty Associates Fund X</i>	100,000,000	100,000,000	47,050,666	109,656,048	0	12.44	1.57	<b>7.08</b>
<i>Realty Associates Fund XI</i>	100,000,000	100,000,000	104,683,941	12,019,309	0	8.11	1.17	<b>3.75</b>
<i>Realty Associates Fund XII</i>	100,000,000	0	-923,817	0	100,000,000	0.00	0.00	<b>1.00</b>
<b><i>Real Estate Total</i></b>	<b>2,773,147,868</b>	<b>1,545,058,653</b>	<b>834,422,455</b>	<b>1,213,905,476</b>	<b>1,343,867,010</b>	<b>8.03</b>	<b>1.34</b>	

#### V. DISTRESSED/ OPPORTUNISTIC

##### Avenue Capital Partners

<i>Avenue Energy Opportunities Fund</i>	100,000,000	100,977,328	119,602,800	10,934,495	0	7.46	1.29	<b>4.75</b>
<i>Avenue Energy Opportunities Fund II</i>	100,000,000	100,000,000	99,992,700	417,420	0	0.38	1.00	<b>1.90</b>

##### BlackRock\*\*

<i>BlackRock Tempus Fund</i>	1,774,870	1,774,870	349,820	1,610,734	0	6.21	1.10	<b>3.80</b>
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Investment	Total Commitment	Total Contribution	MarketValue	Distributions	Unfunded Commitment	IRR %	NET MOIC*	Period Years
<b>Carlyle Group</b>								
<i>Carlyle Strategic Partners IV</i>	100,000,000	42,630,089	28,414,595	19,732,224	77,060,244	14.70	1.13	<b>3.00</b>
<b>Carval Investors</b>								
<i>CVI Global Value Fund</i>	200,000,000	190,000,000	9,060,293	311,161,915	10,000,000	9.53	1.69	<b>12.22</b>
<i>CVI Credit Value Fund I</i>	100,000,000	95,000,000	5,876,550	207,569,569	5,000,000	18.77	2.25	<b>8.50</b>
<i>CVI Credit Value Fund A II</i>	150,000,000	142,500,000	24,419,433	180,629,576	7,500,000	8.68	1.44	<b>6.42</b>
<i>CVI Credit Value Fund A III</i>	150,000,000	142,500,000	122,383,571	58,053,370	7,500,000	9.62	1.27	<b>3.82</b>
<i>CVI Credit Value Fund IV</i>	150,000,000	75,203,333	78,376,950	60	75,000,000	5.91	1.04	<b>1.49</b>
<b>Merced Capital</b>								
<i>Merced Partners II</i>	75,000,000	63,768,881	6,408	130,505,918	0	23.96	2.05	<b>12.00</b>
<i>Merced Partners III</i>	100,000,000	100,000,000	13,400,883	122,497,107	0	6.26	1.36	<b>8.90</b>
<i>Merced Partners IV</i>	125,000,000	124,968,390	76,575,197	79,977,033	0	5.88	1.25	<b>5.72</b>
<i>Merced Partners V</i>	53,737,500	53,915,358	53,419,159	0	0	-0.49	0.99	<b>1.75</b>
<b>MHR Institutional Partners</b>								
<i>MHR Institutional Partners IV</i>	75,000,000	35,809,392	31,484,264	3,343,007	42,475,035	-1.26	0.97	<b>4.78</b>
<b>Oaktree Capital Management</b>								
<i>Oaktree Principal Fund VI</i>	100,000,000	84,287,744	80,117,197	14,037,147	28,293,967	7.38	1.12	<b>4.25</b>
<i>Oaktree Opportunities Fund X</i>	50,000,000	46,500,021	47,283,408	11,119,660	8,500,000	13.69	1.26	<b>4.13</b>
<i>Oaktree Opportunities Fund Xb</i>	100,000,000	12,500,000	12,382,250	0	87,500,000	-1.27	0.99	<b>4.13</b>
<i>Oaktree Special Situations Fund II</i>	100,000,000	-11,926	0	0	100,000,000	0.00	0.00	<b>0.93</b>
<b>Pimco Bravo**</b>								
<i>Pimco Bravo Fund OnShore Feeder I</i>	3,958,027	3,958,027	111,761	3,978,735	2,348,173	3.17	1.03	<b>4.25</b>
<i>Pimco Bravo Fund OnShore Feeder II</i>	5,243,670	4,680,663	2,777,404	3,226,244	3,794,070	6.24	1.28	<b>4.25</b>
<b>TSSP</b>								
<i>TSSP Adjacent Opportunities Partner</i>	50,000,000	23,510,936	24,300,129	0	26,489,064	6.03	1.03	<b>0.99</b>
<i>TSSP Adjacent Opportunities Contingent</i>	100,000,000	70,318	70,318	0	99,929,682	0.00	1.00	<b>1.07</b>
<i>TSSP Opportunities Partners IV</i>	50,000,000	6,232,140	6,232,140	1,665	43,767,860	0.05	1.00	<b>0.89</b>
<b>Varde Fund</b>								
<i>Varde Fund IX</i>	100,000,000	100,000,000	886,042	215,289,913	0	15.01	2.16	<b>10.77</b>
<i>Varde Fund X</i>	150,000,000	150,000,000	46,699,690	240,096,045	0	11.67	1.91	<b>8.95</b>
<i>Varde Fund XI</i>	200,000,000	200,000,000	200,984,288	94,006,474	0	7.92	1.47	<b>5.72</b>
<i>Varde Fund XIII</i>	150,000,000	7,500,000	7,500,000	0	142,500,000	0.00	1.00	<b>0.73</b>
<b>Wayzata</b>								
<i>Wayzata Opportunities Fund II</i>	150,000,000	174,750,000	2,351,905	325,782,839	30,000,000	16.44	1.88	<b>11.44</b>

<b>Investment</b>	<b>Total Commitment</b>	<b>Total Contribution</b>	<b>MarketValue</b>	<b>Distributions</b>	<b>Unfunded Commitment</b>	<b>IRR %</b>	<b>NET MOIC*</b>	<b>Period Years</b>
<i>Wayzata Opportunities Fund III</i>	150,000,000	68,415,000	28,846,621	37,605,787	15,000,000	-0.92	0.97	<b>6.79</b>
<i>Distressed/Oppportunistic Total</i>	<b>2,939,714,067</b>	<b>2,151,440,565</b>	<b>1,123,905,776</b>	<b>2,071,576,936</b>	<b>812,658,095</b>		<b>1.49</b>	
<i>Private Markets Total</i>	<b>27,210,008,541</b>	<b>18,292,706,329</b>	<b>10,247,531,068</b>	<b>16,947,344,924</b>	<b>10,228,486,711</b>	<b>12.27</b>	<b>1.50</b>	

<b>Private Markets Portfolio Status</b>	<b>Investment Manager Count</b>	<b>Investments Count</b>
PRIVATE EQUITY	51	133
PRIVATE CREDIT	13	24
REAL ASSETS	11	36
REAL ESTATE	11	26
DISTRESSED/ OPPORTUNISTIC	11	29
<b>Total</b>	<b>97</b>	<b>248</b>

### Notes

None of the data presented herein has been reviewed or approved by either the general partner or investment manager. The performance and valuation data presented herein is not a guarantee or prediction of future results. Ultimately, the actual performance and value of any investment is not known until final liquidation. Because there is no industry-standardized method for valuation or reporting, comparisons of performance and valuation data among different investments is difficult.

Data presented in this report is made public pursuant to Minn. Stat. Chs. 13 and 13D, and Minn. Stat. § 11A.24, subd. 6(c). Additional information on private markets investments may be classified as non-public and not subject to disclosure.

\* MOIC: Multiple of Invested Capital

\*\*Partnership interests transferred to the MSBI during 1Q2015. All data presented as of the transfer date.



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# Participant Directed Investment Program

## June 30, 2019

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## Quarterly Report

# Participant Directed Investment Program

The Participant Directed Investment Program (PDIP) provides investment vehicles for a variety of retirement or other tax-advantaged savings plans. The objective of the Plan is to be competitive in the marketplace by providing quality investment options with low fees to its participants. Investment goals among the PDIP's many participants are varied.

- The Supplemental Investment Fund (SIF) is a program which provides individuals the opportunity to invest in many of the same investment pools as the Combined Funds. Participation in the SIF is accomplished through the purchase or sale of shares in each Fund. The SIF is structured much like a family of mutual funds. Participants may allocate their investments among one or more accounts that are appropriate for their needs within statutory requirements and rules established by the participating organizations. It provides some or all of the investment options for the Unclassified Employees Retirement Plan, Minnesota Deferred Compensation Plan, Public Employees Defined Contribution Plan, Hennepin County Supplemental Retirement Plan, and Health Care Savings Plan. All Funds in the SIF program, except the Stable Value Fund, are available to local volunteer fire relief associations who invest their assets with the SBI. The Volunteer Firefighter Account is available only for those local firefighter entities that participate in the Statewide Volunteer Firefighter Plan. Local entities that participate in this Plan must have all their assets invested in the Volunteer Firefighter Account.
- The Minnesota Deferred Compensation Plan offers plan participants three sets of investment options. The first is a set of actively and passively managed options that includes four mutual funds, a Money Market Fund, a Stable Value Fund and five passively managed mutual funds. The second is a set of target date funds called Minnesota Target Retirement Funds. The third is a self-directed brokerage account window which offers thousands of mutual funds. The SBI has no direct management responsibilities for funds within the self-directed brokerage account window. The Minnesota Deferred Compensation Plan uses two of the SIF investment options, the Stable Value Fund and the Money Market Fund, for its participants.
- The Minnesota College Savings Plan is an education savings plan designed to help families set aside funds for future college costs. It is established under the provisions of the Internal Revenue Code Section 529, which authorized these types of savings plans to help families meet the costs of qualified colleges nationwide. The SBI is responsible for the investments and the Minnesota Office of Higher Education (OHE) is responsible for the overall administration of the Plan. The SBI and OHE have contracted jointly with TIAA-CREF Tuition Financing, Inc. to provide administrative, marketing, communication, recordkeeping and investment management services.
- The Minnesota Achieve a Better Life Experience Plan (ABLE) is a savings plan designed to help individuals save for qualified disability expenses without losing eligibility for certain assistance programs. The plan is administered by the Department of Human Services (DHS). The SBI and DHS have jointly contracted with Ascensus to provide recordkeeping, administrative, and investment management services for the plan.

The investment returns shown in this report are calculated using a time-weighted rate of return formula. These returns are net of investment management fees and transaction costs. They do not, however, reflect administrative expenses that may be deducted by the retirement systems or other agencies to defray administrative costs.



## Supplemental Investment Fund Summary

The Minnesota Supplemental Investment Fund (SIF) is a multi-purpose investment program that offers a range of investment options to state and local public employees. The SIF provides some or all of the investment options to the Unclassified Employees Retirement Plan, Minnesota Deferred Compensation Plan, Public Employees Defined Contribution Plan, Hennepin County Supplemental Retirement Plan, Health Care Savings Plan, local police and firefighter retirement plans and the Statewide Volunteer Firefighter plan.

A wide diversity of investment goals exists among the Fund's participants. In order to meet those needs, the Fund has been structured much like a "family of mutual funds." Participants may allocate their investments among one or more accounts that are appropriate for their needs, within the statutory requirements and rules established by the participating organizations. Participation in the Fund is accomplished through the purchase or sale of shares in each account. All returns are net of investment management fees.

### Investment Option Descriptions

- Balanced Fund - a balanced portfolio utilizing both common stocks and bonds.
- U.S. Stock Actively Managed Fund - an actively managed, U.S. common stock portfolio.
- U.S. Stock Index Fund - a passively managed, common stock portfolio designed to broadly track the performance of the U.S. stock market.
- Broad International Stock Fund - a portfolio of non-U.S. stocks that incorporates both active and passive management.
- Bond Fund - an actively managed, bond portfolio.
- Money Market Fund - a portfolio utilizing short-term, liquid debt securities.
- Stable Value Fund - a portfolio of stable value instruments, including security backed contracts and insurance company and bank investment contracts.
- Volunteer Firefighter Account - a balanced portfolio only used by the Statewide Volunteer Firefighter Plan.

	<u>Ending Market Value</u>	<u>Last Qtr</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Option Since</u>
BALANCED FUND	\$474,234,574	3.6%	8.8%	9.7%	7.5%	10.6%	01/1980
U.S. ACTIVELY MANAGED FUND	277,105,464	4.6	8.9	15.7	10.6	15.0	07/1986
U.S. STOCK INDEX FUND	652,530,921	4.1	9.0	14.0	10.2	14.7	07/1986
BROAD INTERNATIONAL STOCK FUND	195,549,010	3.2	1.1	9.3	2.6	7.0	09/1994
BOND FUND	180,735,768	3.2	8.2	3.0	3.4	5.0	07/1986
MONEY MARKET FUND	468,426,492	0.6	2.5	1.6	1.0	0.6	07/1986
STABLE VALUE FUND	1,585,640,341	0.7	2.6	2.3	2.2	2.7	11/1994
VOLUNTEER FIREFIGHTER ACCOUNT	107,450,791	3.4	7.3	7.9	5.7		01/2010
TOTAL SUPPLEMENTAL INVESTMENT FUND	3,941,676,485						

Note:

The Market Values for the Money Market Fund, the Stable Value Fund, and the Total Supplemental Investment Fund also include assets held through the Deferred Compensation Plan.





## Supplemental Investment Fund Performance

### Balanced Fund

The primary investment objective of the Balanced Fund is to gain exposure to publicly traded U.S. equities, bond and cash in a diversified investment portfolio. The Fund seeks to maximize long-term real rates of return, while limiting short-run portfolio return volatility. The Balanced Fund is invested in a balanced portfolio of common stocks and bonds. Common stocks provide the potential for significant capital appreciation, while bonds act as a deflation hedge and provide portfolio diversification. The benchmark is a blend of 60% Russell 3000/35% Barclays Aggregate Bond Index/5% T-Bills Composite.

	<u>Ending Market Value</u>	<u>Last Qtr</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
<b>BALANCED FUND</b>	<b>\$474,234,574</b>	<b>3.6%</b>	<b>8.8%</b>	<b>9.7%</b>	<b>7.5%</b>	<b>10.6%</b>
SIF BALANCED FUND BENCHMARK		3.7	8.7	9.4	7.3	10.3
Excess		-0.1	0.0	0.3	0.1	0.3

### U.S. Actively Managed Fund

The U.S. Stock Actively Managed Fund's investment objective is to generate above-average returns from capital appreciation on common stocks. The U.S. Stock Actively Managed Fund is invested primarily in the common stocks of U.S. companies. The managers in the account also hold varying levels of cash.

	<u>Ending Market Value</u>	<u>Last Qtr</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
<b>U.S. ACTIVELY MANAGED FUND</b>	<b>277,105,464</b>	<b>4.6</b>	<b>8.9</b>	<b>15.7</b>	<b>10.6</b>	<b>15.0</b>
Russell 3000		4.1	9.0	14.0	10.2	14.7
Excess		0.5	-0.1	1.7	0.4	0.3



## Supplemental Investment Fund Performance

### U.S. Stock Index Fund

The investment objective of the U.S. Stock Index Fund is to generate returns that track those of the U.S. stock market as a whole. The Fund is designed to track the performance of the Russell 3000 Index, a broad-based equity market indicator. The Fund is invested 100% in common stock.

	<u>Ending Market Value</u>	<u>Last Qtr</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
<b>U.S. STOCK INDEX FUND</b>	<b>\$652,530,921</b>	<b>4.1%</b>	<b>9.0%</b>	<b>14.0%</b>	<b>10.2%</b>	<b>14.7%</b>
Russell 3000		4.1	9.0	14.0	10.2	14.7
Excess		-0.0	0.0	0.0	0.0	0.0

### Broad International Stock Fund

The investment objective of the Broad International Stock Fund is to earn a high rate of return by investing in the stock of companies outside the U.S. Portions of the Fund are passively managed and semi-passively managed. These portions of the Fund are designed to track and modestly outperform, respectively, the return of developed markets included in the MSCI World ex USA Index. A portion of the Fund is "actively managed" by several international managers and emerging markets specialists who buy and sell stocks in an attempt to maximize market value. The International Equity Benchmark is currently the MSCI ACWI ex USA (net).

	<u>Ending Market Value</u>	<u>Last Qtr</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
<b>BROAD INTERNATIONAL STOCK FUND</b>	<b>195,549,010</b>	<b>3.2</b>	<b>1.1</b>	<b>9.3</b>	<b>2.6</b>	<b>7.0</b>
International Equity Benchmark		3.0	1.3	9.4	2.2	6.5
Excess		0.2	-0.2	-0.1	0.4	0.5



## Supplemental Investment Fund Performance

### Bond Fund

The investment objective of the Bond Fund is to exceed the return of the broad domestic bond market by investing in fixed income securities. The Bond Fund invests primarily in high-quality, government and corporate bonds that have intermediate to long-term maturities, usually 3 to 20 years. The Bond Fund benchmark is the Bloomberg Barclays U.S. Aggregate.

	<u>Ending Market Value</u>	<u>Last Qtr</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
<b>BOND FUND</b>	<b>\$180,735,768</b>	<b>3.2%</b>	<b>8.2%</b>	<b>3.0%</b>	<b>3.4%</b>	<b>5.0%</b>
BBG BARC US Agg		3.1	7.9	2.3	2.9	3.9
Excess		0.1	0.3	0.7	0.4	1.1

### Money Market Fund

The investment objective of the Money Market Fund is to protect principal by investing in short-term, liquid U.S. Government securities. The Fund is invested entirely in high-quality, short-term U.S. Treasury and Agency securities. The average maturity of the portfolios is less than 90 days. Please note that the Market Value for the Money Market Fund reflects assets held through the Deferred Compensation Plan as well.

	<u>Ending Market Value</u>	<u>Last Qtr</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
<b>MONEY MARKET FUND</b>	<b>468,426,492</b>	<b>0.6</b>	<b>2.5</b>	<b>1.6</b>	<b>1.0</b>	<b>0.6</b>
90 DAY T-BILL		0.6	2.3	1.4	0.9	0.5
Excess		0.0	0.2	0.2	0.2	0.1



## Supplemental Investment Fund Performance

### Stable Value Fund

The investment objectives of the Stable Value Fund are to protect investors from loss of their original investment and to provide competitive interest rates using somewhat longer-term investments than typically found in a money market fund. The Fund is invested in a well-diversified portfolio of high-quality fixed income securities with strong credit ratings. The Fund also invests in contracts issued by highly rated insurance companies and banks which are structured to provide principal protection for the Fund's diversified bond portfolios, regardless of daily market changes. The Stable Value Fund Benchmark is the 3-year Constant Maturity Treasury Bill +45 basis points. Please note that the Market Value for the Stable Value Fund reflects assets held through the Deferred Compensation Plan as well.

	<u>Ending Market Value</u>	<u>Last Qtr</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
<b>STABLE VALUE FUND</b>	<b>\$1,585,640,341</b>	<b>0.7%</b>	<b>2.6%</b>	<b>2.3%</b>	<b>2.2%</b>	<b>2.7%</b>
Fixed Interest Blended Benchmark		0.6	3.0	2.4	2.0	1.6
Excess		0.0	-0.4	-0.1	0.2	1.1

### Volunteer Firefighter Account

The Volunteer Firefighter Account is different than other SIF program options. It is available only to the local entities that participate in the Statewide Volunteer Firefighter Plan (administered by PERA) and have all of their assets invested in the Volunteer Firefighter Account. There are other volunteer firefighter plans that are not eligible to be consolidated that may invest their assets through other SIF program options. The investment objective of the Volunteer Firefighter Account is to maximize long-term returns while limiting short-term portfolio return volatility. The account is invested in a balanced portfolio of domestic equity, international equity, fixed income and cash. The benchmark for this account is 35% Russell 3000, 15% MSCI ACWI ex USA (net), 45% Bloomberg Barclays U.S. Aggregate, 5% 3 Month T-Bills.

	<u>Ending Market Value</u>	<u>Last Qtr</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
<b>VOLUNTEER FIREFIGHTER ACCOUNT</b>	<b>107,450,791</b>	<b>3.4</b>	<b>7.3</b>	<b>7.9</b>	<b>5.7</b>	
SIF Volunteer Firefighter Account BM		3.4	7.4	7.5	5.4	
Excess		-0.0	-0.1	0.4	0.2	



## Deferred Compensation Plan Summary

The Deferred Compensation Plan provides public employees with a tax-sheltered retirement savings plan that is supplemental to their primary retirement plan. (In most cases, the primary plan is a defined benefit plan administered by TRA, PERA, or MSRS.)

Participants choose from 4 actively managed stock and bond funds, 5 passively managed stock and bond funds and a set of 10 target date retirement fund options.

Deferred Compensation Plan participants may also invest in the money market option and stable value option in the Supplemental Investment Fund program. All provide for the daily pricing needs of the plan administrator. In addition, participants may also choose from hundreds of funds available through a mutual fund brokerage window. The current plan structure became effective July 1, 2011.

	<u>Ending Market Value</u>	<u>Last Qtr</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Option Since</u>
VANGUARD INSTITUTIONAL INDEX PLUS	\$1,329,286,995	4.3%	10.4%	14.2%	10.7%	14.7%	07/1999
VANGUARD DIVIDEND GROWTH	714,782,250	6.3	19.0				10/2016
VANGUARD MID CAP INDEX	572,432,570	4.4	7.9	12.3	8.8	15.2	01/2004
T. ROWE PRICE SMALL-CAP STOCK	788,640,234	5.8	10.9	16.7	10.6	17.0	04/2000
FIDELITY DIVERSIFIED INTERNATIONAL	295,514,583	5.8	2.4	8.8	3.5	7.7	07/1999
VANGUARD TOTAL INTERNATIONAL STOCK INDEX	205,481,422	2.7	0.6	9.0	2.4		07/2011
VANGUARD BALANCED INDEX	823,206,622	3.7	8.9	9.4	7.4	10.5	12/2003
DODGE & COX INCOME	254,624,247	2.8	7.6	3.7	3.3	4.9	07/1999
VANGUARD TOTAL BOND MARKET INDEX	235,190,962	3.1	7.8	2.2	2.9	3.8	12/2003
2020 FUND	128,497,259	2.5	5.9	5.8	3.8		07/2011
2025 FUND	147,870,191	2.9	6.2	7.2	4.7		07/2011
2030 FUND	108,986,607	3.3	6.3	8.4	5.5		07/2011
2035 FUND	85,479,546	3.5	6.3	9.1	5.8		07/2011
2040 FUND	65,833,538	3.6	6.0	9.7	6.0		07/2011
2045 FUND	54,752,171	3.6	5.7	10.2	6.2		07/2011
2050 FUND	41,079,627	3.6	5.4	10.5	6.3		07/2011
2055 FUND	24,056,933	3.6	5.4	10.5	6.3		07/2011
2060 FUND	19,267,689	3.6	5.4	10.5	6.3		07/2011
INCOME FUND	92,597,459	2.5	5.8	5.1	3.4		07/2011
TD Ameritrade SDB	75,925,291						
TD Ameritrade SDB Roth	978,508						
Total Deferred Compensation Plan	6,064,484,704						



## Deferred Compensation Plan Options

### LARGE CAP EQUITY

#### Vanguard Index Institutional Plus (passive)

A passive domestic stock portfolio that tracks the S&P 500.

#### Vanguard Dividend Growth (active) (1)

A fund of large cap stocks which is expected to outperform the Nasdaq US Dividend Achievers Select Index, over time.

### MID CAP EQUITY

#### Vanguard Mid Cap Index (passive) (2)

A fund that passively invests in companies with medium market capitalizations that tracks the CRSP US Mid-Cap Index.

### SMALL CAP EQUITY

#### T Rowe Price Small Cap (active)

A fund that invests primarily in companies with small market capitalizations and is expected to outperform the Russell 2000 Index.

### INTERNATIONAL EQUITY

#### Fidelity Diversified International (active)

A fund that invests primarily in stocks of companies located outside of the United States and is expected to outperform the MSCI index of Europe, Australasia and the Far East (EAFE), over time.

#### Vanguard Total International Stock Index (passive) (3)

A fund that seeks to track the investment performance of the FTSE Global All Cap ex US Index, an index designed to measure equity market performance in developed and emerging markets, excluding the United States.

	Ending Market Value	Last Qtr	1 Year	3 Year	5 Year	Option Since
<b>Large Cap US Equity</b>						
<b>VANGUARD INSTITUTIONAL INDEX PLUS</b>	<b>\$1,329,286,995</b>	<b>4.3%</b>	<b>10.4%</b>	<b>14.2%</b>	<b>10.7%</b>	<b>07/1999</b>
S&P 500		4.3	10.4	14.2	10.7	07/1999
Excess		-0.0	-0.0	-0.0	-0.0	
<b>VANGUARD DIVIDEND GROWTH</b>	<b>714,782,250</b>	<b>6.3</b>	<b>19.0</b>			<b>10/2016</b>
NASDAQ US Dividend Achievers Select		5.6	15.7			10/2016
Excess		0.8	3.3			
<b>Mid Cap US Equity</b>						
<b>VANGUARD MID CAP INDEX</b>	<b>572,432,570</b>	<b>4.4</b>	<b>7.9</b>	<b>12.3</b>	<b>8.8</b>	<b>01/2004</b>
CRSP US Mid Cap Index		4.4	7.8	12.4	8.9	01/2004
Excess		-0.0	0.0	-0.0	-0.0	
<b>Small Cap US Equity</b>						
<b>T. ROWE PRICE SMALL-CAP STOCK</b>	<b>788,640,234</b>	<b>5.8</b>	<b>10.9</b>	<b>16.7</b>	<b>10.6</b>	<b>04/2000</b>
Russell 2000		2.1	-3.3	12.3	7.1	04/2000
Excess		3.7	14.2	4.4	3.5	
<b>International Equity</b>						
<b>FIDELITY DIVERSIFIED INTERNATIONAL</b>	<b>295,514,583</b>	<b>5.8</b>	<b>2.4</b>	<b>8.8</b>	<b>3.5</b>	<b>07/1999</b>
MSCI EAFE FREE (NET)		3.7	1.1	9.1	2.2	07/1999
Excess		2.1	1.3	-0.3	1.3	
<b>VANGUARD TOTAL INTERNATIONAL STOCK INDEX</b>	<b>205,481,422</b>	<b>2.7</b>	<b>0.6</b>	<b>9.0</b>	<b>2.4</b>	<b>07/2011</b>
FTSE Global All Cap ex US Index Net		2.8	0.3	9.0	2.2	07/2011
Excess		-0.0	0.3	-0.0	0.1	



## Deferred Compensation Options

### BALANCED

#### **Vanguard Balanced Index (passive) (4)**

A fund that passively invests in a mix of domestic stocks and bonds. The fund is expected to track a weighted benchmark of 60% CRSP US Total Market Index/40% BB Barclays U.S. Aggregate.

### FIXED INCOME

#### **Dodge & Cox Income Fund (active)**

A fund that invests primarily in investment grade securities in the U.S. bond market which is expected to outperform the BB Barclays U.S. Aggregate, over time.

#### **Vanguard Total Bond Market Index (passive)**

A fund that passively invests in a broad, market weighted bond index that is expected to track the BB Barclays U.S. Aggregate.

#### **SIF Money Market Fund (5)**

A fund that invests in short-term debt instruments which is expected to outperform the return on 90-Day U.S. Treasury Bills.

### STABLE VALUE

#### **SIF Stable Value Fund (5)**

A portfolio composed of stable value instruments which are primarily investment contracts and security backed contracts. The fund is expected to outperform the return of the 3 year Constant Maturity Treasury +45 basis points, over time.

**Ending Market Value**   **Last Qtr**   **1 Year**   **3 Year**   **5 Year**   **Option Since**

#### **Balanced Funds**

	Ending Market Value	Last Qtr	1 Year	3 Year	5 Year	Option Since
<b>VANGUARD BALANCED INDEX</b>	<b>\$823,206,622</b>	<b>3.7%</b>	<b>8.9%</b>	<b>9.4%</b>	<b>7.4%</b>	<b>12/2003</b>
Vanguard Balanced Fund Benchmark		3.8	9.0	9.4	7.4	12/2003
Excess		-0.1	-0.1	-0.1	-0.0	

#### **Fixed Income**

	Ending Market Value	Last Qtr	1 Year	3 Year	5 Year	Option Since
<b>DODGE &amp; COX INCOME</b>	<b>254,624,247</b>	<b>2.8</b>	<b>7.6</b>	<b>3.7</b>	<b>3.3</b>	<b>07/1999</b>
BBG BARC Agg Bd		3.1	7.9	2.3	2.9	07/1999
Excess		-0.3	-0.3	1.4	0.3	

	Ending Market Value	Last Qtr	1 Year	3 Year	5 Year	Option Since
<b>VANGUARD TOTAL BOND MARKET INDEX</b>	<b>235,190,962</b>	<b>3.1</b>	<b>7.8</b>	<b>2.2</b>	<b>2.9</b>	<b>12/2003</b>
BBG BARC Agg Bd		3.1	7.9	2.3	2.9	12/2003
Excess		-0.0	-0.0	-0.1	-0.1	

	Ending Market Value	Last Qtr	1 Year	3 Year	5 Year	Option Since
<b>MONEY MARKET FUND</b>	<b>468,426,492</b>	<b>0.6</b>	<b>2.5</b>	<b>1.6</b>	<b>1.0</b>	<b>07/1986</b>
90 DAY T-BILL		0.6	2.3	1.4	0.9	07/1986
Excess		0.0	0.2	0.2	0.2	

#### **Stable Value**

	Ending Market Value	Last Qtr	1 Year	3 Year	5 Year	Option Since
<b>STABLE VALUE FUND</b>	<b>1,585,640,341</b>	<b>0.7</b>	<b>2.6</b>	<b>2.3</b>	<b>2.2</b>	<b>11/1994</b>
Fixed Interest Blended Benchmark		0.6	3.0	2.4	2.0	11/1994
Excess		0.0	-0.4	-0.1	0.2	

- (1) Vanguard Dividend Growth replaced the Janus Twenty Fund in the third quarter of 2016.
- (2) Prior to 02/01/2013 the benchmark was the MSCI US Mid-Cap 450 Index
- (3) Prior to 06/01/2013 the benchmark was MSCI ACWI ex USA IMI.
- (4) Prior to 01/01/2013 the benchmark was 60% MSCI US Broad Market Index and 40% Bloomberg Barclays U.S. Aggregate.
- (5) SIF Money Market and SIF Fixed Interest are Supplemental Investment Fund options which are also offered under the Deferred Compensation Plan.



## Deferred Compensation Options

### MN TARGET RETIREMENT ACCOUNTS

Target retirement funds offer a mix of investments that are adjusted over time to reduce risk and become more conservative as the target retirement date approaches. A participant only needs to make one investment decision by investing their assets in the fund that is closest to their anticipated retirement date.

#### Target Date Retirement Funds

	<u>Ending Market Value</u>	<u>Last Qtr</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>Option Since</u>		<u>Ending Market Value</u>	<u>Last Qtr</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>Option Since</u>
<b>SSgA</b>													
<b>2020 FUND</b>	<b>\$128,497,259</b>	<b>2.5%</b>	<b>5.9%</b>	<b>5.8%</b>	<b>3.8%</b>	<b>07/2011</b>	<b>2045 FUND</b>	<b>\$54,752,171</b>	<b>3.6%</b>	<b>5.7%</b>	<b>10.2%</b>	<b>6.2%</b>	<b>07/2011</b>
2020 FUND BENCHMARK		2.5	5.8	5.8	3.8	07/2011	2045 FUND BENCHMARK		3.5	5.7	10.3	6.2	07/2011
Excess		0.0	0.0	-0.1	-0.0		Excess		0.0	0.0	-0.1	-0.0	
<b>2025 FUND</b>	<b>147,870,191</b>	<b>2.9</b>	<b>6.2</b>	<b>7.2</b>	<b>4.7</b>	<b>07/2011</b>	<b>2050 FUND</b>	<b>41,079,627</b>	<b>3.6</b>	<b>5.4</b>	<b>10.5</b>	<b>6.3</b>	<b>07/2011</b>
2025 FUND BENCHMARK		2.9	6.2	7.2	4.7	07/2011	2050 FUND BENCHMARK		3.5	5.4	10.6	6.3	07/2011
Excess		0.0	0.0	-0.1	-0.0		Excess		0.0	0.0	-0.1	-0.0	
<b>2030 FUND</b>	<b>108,986,607</b>	<b>3.3</b>	<b>6.3</b>	<b>8.4</b>	<b>5.5</b>	<b>07/2011</b>	<b>2055 FUND</b>	<b>24,056,933</b>	<b>3.6</b>	<b>5.4</b>	<b>10.5</b>	<b>6.3</b>	<b>07/2011</b>
2030 FUND BENCHMARK		3.2	6.2	8.5	5.5	07/2011	2055 FUND BENCHMARK		3.5	5.3	10.6	6.3	07/2011
Excess		0.0	0.0	-0.1	-0.0		Excess		0.0	0.0	-0.1	-0.0	
<b>2035 FUND</b>	<b>85,479,546</b>	<b>3.5</b>	<b>6.3</b>	<b>9.1</b>	<b>5.8</b>	<b>07/2011</b>	<b>2060 FUND</b>	<b>19,267,689</b>	<b>3.6</b>	<b>5.4</b>	<b>10.5</b>	<b>6.3</b>	<b>07/2011</b>
2035 FUND BENCHMARK		3.5	6.2	9.2	5.8	07/2011	2060 FUND BENCHMARK		3.5	5.3	10.6	6.3	07/2011
Excess		0.0	0.0	-0.1	-0.0		Excess		0.0	0.0	-0.1	-0.0	
<b>2040 FUND</b>	<b>65,833,538</b>	<b>3.6</b>	<b>6.0</b>	<b>9.7</b>	<b>6.0</b>	<b>07/2011</b>	<b>INCOME FUND</b>	<b>92,597,459</b>	<b>2.5</b>	<b>5.8</b>	<b>5.1</b>	<b>3.4</b>	<b>07/2011</b>
2040 FUND BENCHMARK		3.5	6.0	9.8	6.0	07/2011	INCOME FUND BENCHMARK		2.4	5.8	5.1	3.4	07/2011
Excess		0.0	0.0	-0.1	-0.0		Excess		0.0	0.0	-0.1	-0.0	

Note: Each SSgA Fund benchmark is the aggregate of the returns of the Fund's underlying index funds weighted by the Fund's asset allocation





## MN College Savings Plan Options

The Minnesota College Savings Plan is an education savings plan designed to help families set aside funds for future college costs. The SBI is responsible for the investments and the Minnesota Office of Higher Education (OHE) is responsible for the overall administration of the Plan.

The SBI and OHE contract jointly with TIAA to provide administrative, marketing, communication, recordkeeping and investment management services. Please see the next page for the performance as reported by TIAA.

### **AGE-BASED MANAGED ALLOCATIONS**

The Age-Based Managed Allocation Option seeks to align the investment objective and level of risk, which will become more conservative as the beneficiary ages and moves closer to entering an eligible educational institution.

### **RISK BASED ALLOCATIONS**

The Risk Based Allocation Option offers three separate allocation investment options - Aggressive, Moderate and Conservative, each of which has a fixed risk level that does not change as the Beneficiary ages.

### **ASSET CLASS BASED ALLOCATIONS**

**U.S. LARGE CAP EQUITY INDEX** - A passive domestic stock portfolio that tracks the S&P 500.

**INTERNATIONAL EQUITY INDEX** - A fund that passively invests in a mix of developed and emerging market equities. The fund is expected to track a weighted benchmark of 80% MSCI ACWI World ex USA and 20% MSCI Emerging Markets Free Index.

**U.S. AND INTERNATIONAL EQUITY INDEX** - A fund that invests in a mix of equities, both U.S. and international, across all capitalization ranges and real estate-related securities. The fund is expected to track a weighted benchmark of 60% Russell 3000, 24% International, 6% Emerging Markets, and 10% Real Estate Securities Fund.

**PRINCIPAL PLUS INTEREST OPTION** - A passive fund where contributions are invested in a Funding Agreement issued by TIAA-CREF Life. The funding agreement provides for a return of principal plus a guaranteed rate of interest which is made by the insurance company to the policyholder, not the account owners. The account is expected to outperform the return of the 3-month T-Bill.

**EQUITY AND INTEREST ACCUMULATION** - A fund that passively invests half of the portfolio in U.S. equities across all capitalization ranges and the other half in the same Funding Agreement issued by TIAA-CREF Life as described above. The fund is expected to track a weighted benchmark of 50% Russell 3000 and 50% 3-month T-Bill.

**100% FIXED INCOME** - A fund that passively invests in fixed income holdings that tracks the Bloomberg Barclays U.S. Aggregate and two active funds that invest in inflation-linked bonds and high yield securities. The fund is expected to track a weighted benchmark of 70% BB Barclays Aggregate, 20% inflation-linked bond, and 10% high yield.

**MONEY MARKET** - An active fund that invests in high-quality, short-term money market instruments of both domestic and foreign issuers that tracks the iMoneyNet Average All Taxable benchmark.

**MINNESOTA COLLEGE SAVINGS PLAN**  
**Performance Statistics for the Period Ending: June 30, 2019**

**Total = \$1,503 Million**

Fund Name	Ending Market	3 Months	1 Year	Annualized				Inception Date
				3 Years	5 Years	10 Years	Since Inception	
Managed Ages 0-4 BB: Managed Ages 0-4	\$37,905,731	3.53%	7.15%	10.06%			7.28%	8/12/2014
		3.53%	7.38%	10.15%			7.38%	
Managed Ages 5-8 BB: Managed Ages 5-8	\$70,253,377	3.39%	7.27%	9.11%			6.71%	8/12/2014
		3.49%	7.48%	9.24%			6.85%	
Managed Ages 9-10 BB: Managed Ages 9-10	\$63,951,027	3.32%	7.21%	8.18%			6.15%	8/12/2014
		3.43%	7.54%	8.32%			6.32%	
Managed Ages 11-12 BB: Managed Ages 11-12	\$93,705,189	3.10%	6.74%	7.15%			5.49%	8/12/2014
		3.25%	7.32%	7.33%			5.67%	
Managed Ages 13-14 BB: Managed Ages 13-14	\$132,970,092	2.94%	6.68%	6.25%			4.88%	8/12/2014
		3.07%	7.07%	6.34%			5.01%	
Managed Age 15 BB: Managed Age 15	\$80,723,128	2.53%	5.82%	5.17%			4.12%	8/12/2014
		2.64%	6.29%	5.20%			4.14%	
Managed Age 16 BB: Managed Age 16	\$90,393,921	2.23%	5.20%	4.55%			3.68%	8/12/2014
		2.36%	5.76%	4.59%			3.65%	
Managed Age 17 BB: Managed Age 17	\$87,035,302	1.91%	4.74%	4.03%			3.29%	8/12/2014
		2.08%	5.23%	3.99%			3.15%	
Managed Ages 18 & Over BB: Managed Ages 18 & Over	\$232,912,384	1.59%	4.26%	3.48%			2.89%	8/12/2014
		1.80%	4.69%	3.38%			2.66%	
U.S. and International Equity Option BB: U.S. and International Equity Option	\$299,318,086	3.59%	7.20%	11.80%	7.70%	12.41%	7.05%	10/ 1/2001
		3.60%	7.11%	11.94%	7.78%	12.68%	7.89%	



**MINNESOTA COLLEGE SAVINGS PLAN**

**Performance Statistics for the Period Ending: June 30, 2019**

Fund Name	Ending Market	3 Months	1 Year	Annualized				Inception Date
				3 Years	5 Years	10 Years	Since Inception	
Moderate Allocation Option	\$72,879,507	3.33%	7.13%	8.17%	5.75%	8.89%	5.36%	8/ 2/2007
BB: Moderate Allocation Option		3.43%	7.54%	8.32%	5.95%	9.32%	5.91%	
100% Fixed-Income Option	\$17,572,346	2.82%	7.05%	2.42%	2.56%	3.52%	3.66%	8/16/2007
BB: 100% Fixed-Income Option		2.95%	7.32%	2.72%	2.86%	3.95%	4.29%	
International Equity Index Option	\$5,086,633	2.92%	1.24%	9.15%	2.25%		4.48%	6/18/2013
BB: International Equity Index Option		3.06%	1.14%	9.46%	2.37%		4.74%	
Money Market Option	\$13,160,384	0.57%	2.02%	1.12%	0.67%	0.28%	0.51%	11/ 1/2007
BB: Money Market Option		0.50%	1.84%	0.98%	0.60%	0.31%	0.51%	
Principal Plus Interest Option	\$123,006,719	0.45%	1.91%	1.67%	1.51%	1.78%	2.50%	10/10/2001
Citigroup 3-Month U.S. Treasury Bill		0.61%	2.30%	1.36%	0.84%	0.46%	1.33%	
Aggressive Allocation Option	\$30,204,642	3.38%	7.08%	10.05%			7.23%	8/12/2014
BB: Aggressive Allocation Option		3.53%	7.38%	10.15%			7.38%	
Conservative Allocation Option	\$11,069,322	2.46%	5.78%	5.12%			3.94%	8/18/2014
BB: Conservative Allocation Option		2.64%	6.29%	5.20%			4.00%	
Equity and Interest Accumulation Option	\$4,957,747	2.25%	5.36%	7.70%			5.84%	8/18/2014
BB: Equity and Interest Accumulation Option		2.47%	6.07%	7.73%			5.73%	
U.S. Large Cap Equity Option	\$33,550,586	4.26%	10.19%	13.96%			11.01%	8/12/2014
BB: U.S. Large Cap Equity Option		4.30%	10.42%	14.19%			11.24%	
Matching Grant	\$2,373,228	0.45%	1.91%	1.67%	1.51%	1.78%	2.52%	3/22/2002
Citigroup 3-Month U.S. Treasury Bill		0.61%	2.30%	1.36%	0.84%	0.46%	1.31%	

# MINNESOTABLE *plan*

A member of The National ABLE Alliance

Performance as of  
06/30/19

Total Market Value: \$ **6,463,472**

<u>Fund Name</u>	<u>Market Value</u>	<u>% of Plan</u>	<u>1 Month</u>	<u>3 Months</u>	<u>YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Inception</u>	<u>Inception Date</u>
Aggressive Option	\$ 589,794	9.13%	5.36	2.94	15.72	5.36				9.48	12/15/16
ABLE Aggressive Custom Benchmark			5.52	3.11	16.04	5.74				10.11	
<b>Variance</b>			<b>(0.16)</b>	<b>(0.17)</b>	<b>(0.32)</b>	<b>(0.38)</b>				<b>(0.63)</b>	
Moderately Aggressive Option	\$ 634,191	9.81%	4.60	2.85	13.81	5.50				8.41	12/15/16
ABLE Moderately Aggressive Custom Benchmark			4.74	2.98	14.13	5.96				9.04	
<b>Variance</b>			<b>(0.14)</b>	<b>(0.13)</b>	<b>(0.32)</b>	<b>(0.46)</b>				<b>(0.63)</b>	
Growth Option	\$ 934,491	14.46%	3.91	2.75	11.97	5.56				7.33	12/15/16
ABLE Growth Custom Benchmark			3.97	2.86	12.22	6.09				7.94	
<b>Variance</b>			<b>(0.06)</b>	<b>(0.11)</b>	<b>(0.25)</b>	<b>(0.53)</b>				<b>(0.61)</b>	
Moderate Option	\$ 777,134	12.02%	3.09	2.55	9.90	5.52				6.23	12/15/16
ABLE Moderate Custom Benchmark			3.22	2.73	10.32	6.13				6.80	
<b>Variance</b>			<b>(0.13)</b>	<b>(0.18)</b>	<b>(0.42)</b>	<b>(0.61)</b>				<b>(0.57)</b>	
Moderately Conservative Option	\$ 711,400	11.01%	2.18	2.00	7.15	4.56				4.70	12/15/16
ABLE Moderately Conservative Custom Benchmark			2.27	2.17	7.55	5.22				5.21	
<b>Variance</b>			<b>(0.09)</b>	<b>(0.17)</b>	<b>(0.40)</b>	<b>(0.66)</b>				<b>(0.51)</b>	
Conservative Option	\$ 963,755	14.91%	0.94	1.23	3.48	3.29				2.66	12/15/16
ABLE Conservative Custom Benchmark			1.01	1.40	3.83	3.81				3.02	
<b>Variance</b>			<b>(0.07)</b>	<b>(0.17)</b>	<b>(0.35)</b>	<b>(0.52)</b>				<b>(0.36)</b>	
Checking Option	\$ 1,852,708	28.66%									03/30/17

## MINNESOTA ACHIEVE A BETTER LIFE EXPERIENCE

The Minnesota Achieve a Better Life Experience Plan (ABLE) is a savings plan designed to help individuals save for qualified disability expenses without losing eligibility for certain assistance programs. The plan is administered by the Department of Human Services (DHS).

The SBI and DHS have jointly contracted with Ascensus to provide recordkeeping, administrative, and investment management services for the plan.

## RISK BASED ALLOCATIONS

The plan offers seven different allocation investment options: Aggressive, Moderately Aggressive, Growth, Moderate, Moderately Conservative, Conservative, and Checking. Each allocation is based on a fixed risk level.



# Non-Retirement

## June 30, 2019



## Quarterly Report

# Non-Retirement Funds

The SBI manages funds for trusts and programs created by the Minnesota State Constitution and Legislature.

- The Permanent School Fund is a trust established for the benefit of Minnesota public schools.
- The Environmental Trust Fund is a trust established for the protection and enhancement of Minnesota's environment. It is funded with a portion of the proceeds from the state's lottery.
- The Minnesota Workers Compensation Assigned Risk Plan provides worker compensation insurance for companies unable to obtain coverage through private carriers.
- The Closed Landfill Investment Fund is a trust created by the Legislature to invest money to pay for the long-term costs of maintaining the integrity of landfills in Minnesota once they are closed.
- Other Post-Employment Benefits Accounts (OPEB) are the assets set aside by local units of government for the payment of retiree benefits trusted by the Public Employees Retirement Association.
- Miscellaneous Trust Accounts are other small funds managed by the SBI for a variety of purposes.

All equity, fixed income, and cash assets for these accounts are managed externally by investment management firms retained by the SBI.



Non-Retirement

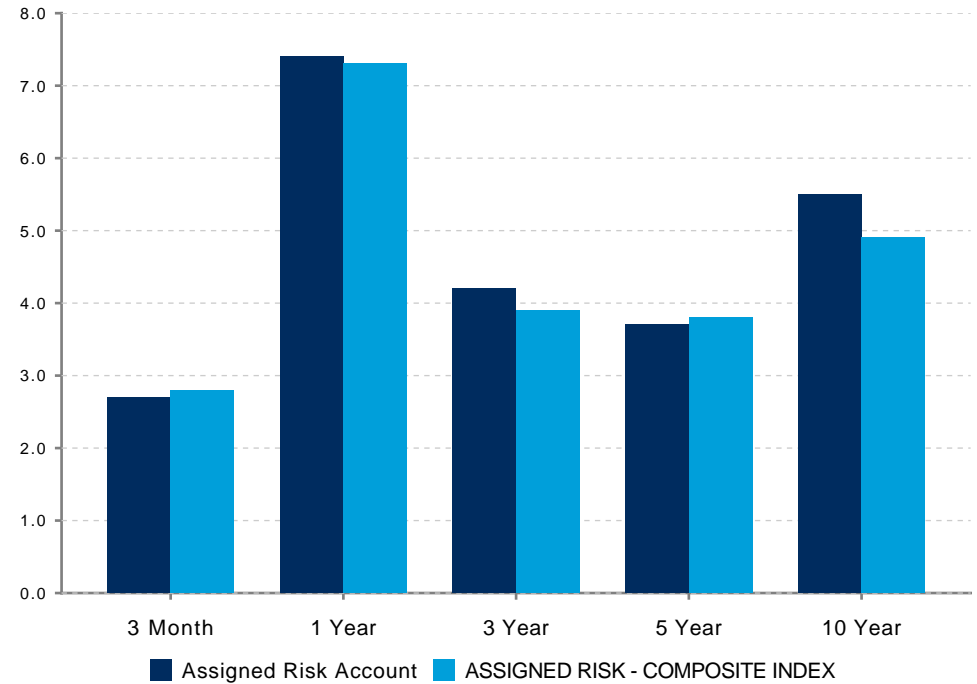
**Assigned Risk Plan**

The Assigned Risk plan has two investment objectives: to minimize the mismatch between assets and liabilities and to provide sufficient liquidity for the payment of ongoing claims and operating expenses.

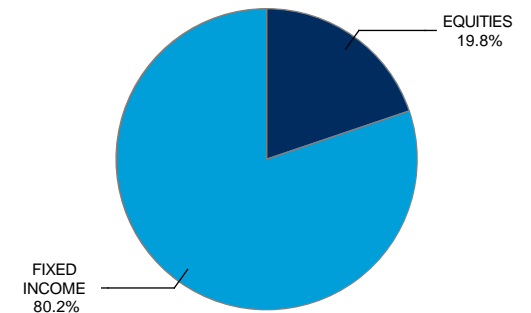
The Assigned Risk Plan is invested in a portfolio of common stocks and bonds

The equity segment is passively managed to track the performance of the S&P 500.

The fixed income benchmark is the Bloomberg Barclays Intermediate Government Index. The total fund benchmark is a combination of the fixed income and equity benchmarks, weighted according to the total fund asset allocation targets of 80% equities and 20% fixed income. The actual asset mix will fluctuate and is shown in the graph below.



	<u>Ending Market Value</u>	<u>Last Qtr</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
Assigned Risk Account	\$287,321,163	2.7%	7.4%	4.2%	3.7%	5.5%
EQUITIES	56,977,287	4.3	10.4	14.7	9.8	13.3
FIXED INCOME	230,343,876	2.3	6.0	1.4	2.0	3.4
ASSIGNED RISK - COMPOSITE INDEX		2.8	7.3	3.9	3.8	4.9
Excess		-0.2	0.1	0.3	-0.1	0.6
S&P 500		4.3	10.4	14.2	10.7	14.7
BBG BARC US Gov: Int		2.3	6.2	1.3	1.9	2.4



Note: Since 12/1/2017 the Assigned Risk equity segment has been managed by Mellon. From 1/17/2017-11/30/2017 it was managed internally by SBI staff. Prior to 1/17/2017 the equity segment was managed by SSgA (formerly GE Investment Mgmt.). RBC manages the fixed income segment of the Fund.



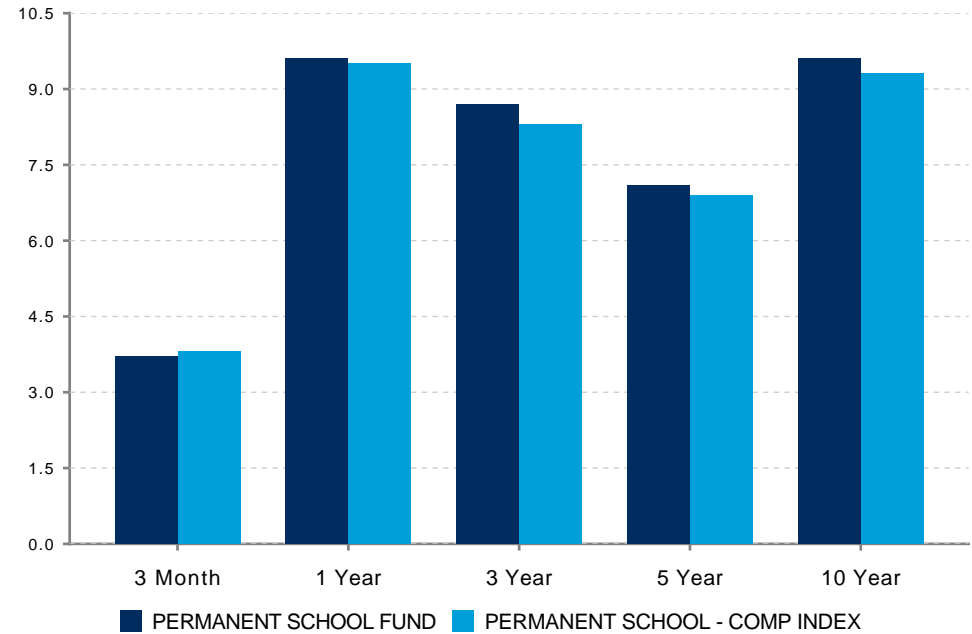
Non-Retirement

**Permanent School Fund**

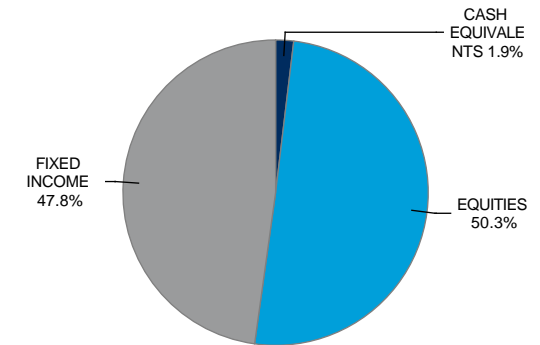
The investment objective of the Permanent School Fund is to produce a growing level of spendable income, within the constraints of maintaining adequate portfolio quality and liquidity. The income from the portfolio is transferred to the school endowment fund and distributed to Minnesota's public schools.

The Permanent School Fund is invested in a balanced portfolio of common stocks and bonds. Common stocks provide the potential for significant capital appreciation, while bonds provide portfolio diversification and a more stable stream of current income.

The stock segment is passively managed to track the performance of the S&P 500. The bond segment is actively managed to add incremental value through sector, security and yield curve decisions. The fixed income benchmark is the Bloomberg Barclays U.S. Aggregate. The total fund benchmark is a combination of the fixed income and equity benchmarks, weighted according to the total fund asset allocation targets of 2% cash, 50% equity, and 48% fixed income. The actual asset mix will fluctuate and is shown in the graph below.



	<u>Ending Market Value</u>	<u>Last Qtr</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
PERMANENT SCHOOL FUND	\$1,512,574,251	3.7%	9.6%	8.7%	7.1%	9.6%
CASH EQUIVALENTS	28,820,326	0.6	2.4	1.5	0.9	0.6
EQUITIES	760,953,299	4.3	10.4	14.2	10.7	14.7
FIXED INCOME	722,800,625	3.2	8.4	2.9	3.4	4.3
PERMANENT SCHOOL - COMP INDEX		3.8	9.5	8.3	6.9	9.3
Excess		-0.1	0.1	0.4	0.2	0.3
S&P 500		4.3	10.4	14.2	10.7	14.7
BBG BARC US Agg		3.1	7.9	2.3	2.9	3.9



Note: Since 12/1/2017 the equity segment has been managed by Mellon and the fixed income segment by Prudential. Prior to 12/1/2017 both segments were managed internally by SBI staff. Prior to 7/1/97 the Fund allocation was 100% fixed income.





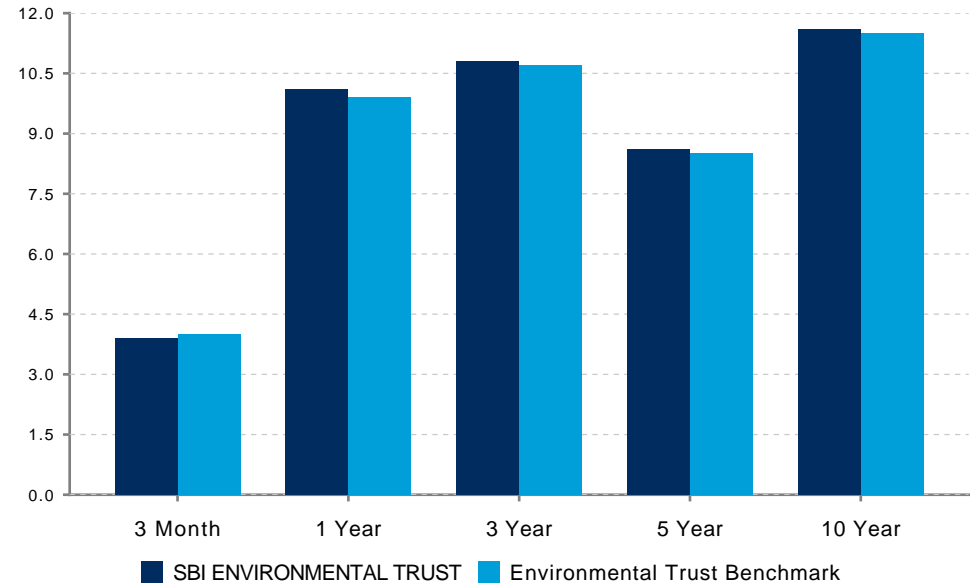
Non-Retirement

**Environmental Trust Fund**

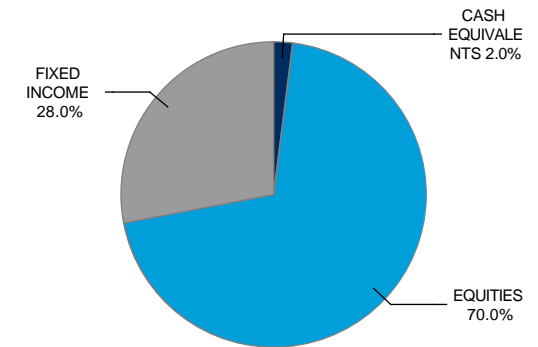
The objective of the Environmental Trust Fund is to increase the market value of the Fund over time in order to increase the annual amount made available for spending within the constraints of maintaining adequate portfolio quality and liquidity.

The Environmental Trust Fund is invested in a balanced portfolio of common stocks and bonds. Common stocks provide the potential for significant capital appreciation, while bonds act as a deflation hedge and provide portfolio diversification.

The bond segment is actively managed to add incremental value through sector, security and yield curve decisions. The stock segment is passively managed to track the performance of the S&P 500. The fixed income benchmark is the Bloomberg Barclays U.S. Aggregate. The total fund benchmark is a combination of the fixed income and equity benchmarks, weighted according to the total fund asset allocation targets of 2% cash, 70% equities, and 28% fixed income. The actual asset mix will fluctuate and is shown in the graph below.



	<u>Ending Market Value</u>	<u>Last Qtr</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
SBI ENVIRONMENTAL TRUST	\$1,215,371,302	3.9%	10.1%	10.8%	8.6%	11.6%
CASH EQUIVALENTS	23,754,076	0.6	2.4	1.5	1.0	0.6
EQUITIES	851,009,309	4.3	10.4	14.2	10.7	14.7
FIXED INCOME	340,607,917	3.2	8.4	2.9	3.4	4.3
Environmental Trust Benchmark		4.0	9.9	10.7	8.5	11.5
Excess		-0.1	0.1	0.2	0.1	0.1
S&P 500		4.3	10.4	14.2	10.7	14.7
BBG BARC US Agg		3.1	7.9	2.3	2.9	3.9



Note: Since 12/1/2017 the equity segment has been managed by Mellon and the fixed income segment by Prudential. Prior to 12/1/2017 both segments were managed internally by SBI staff. From 7/1/94 to 7/1/99, the Fund's target allocation and benchmark was 50% fixed income and 50% stock. Prior to 7/1/94 the Fund was invested entirely in short-term instruments as part of the Invested Treasurer's Cash pool.

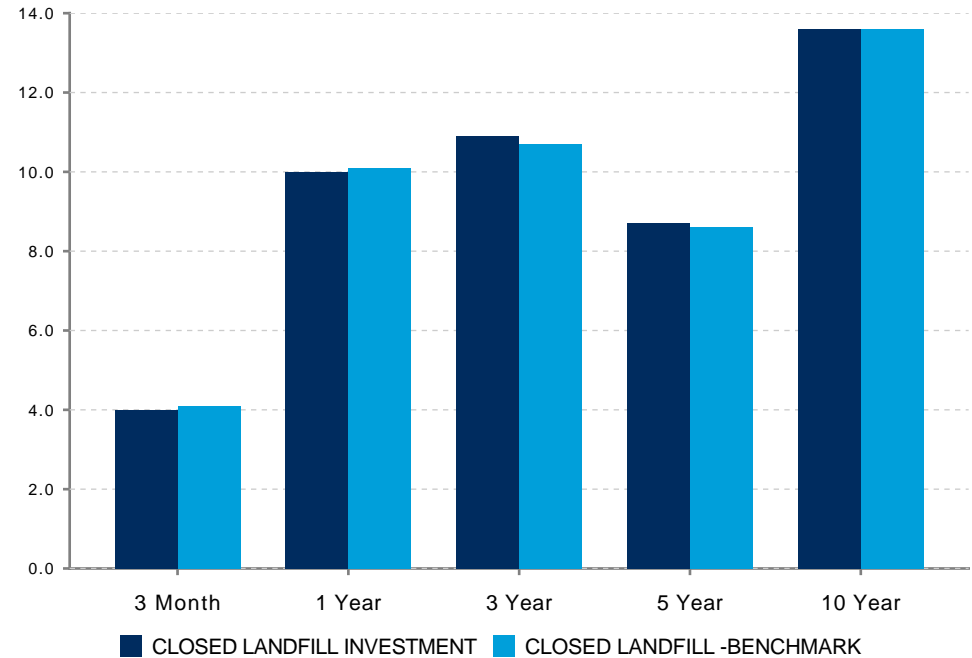


Non-Retirement

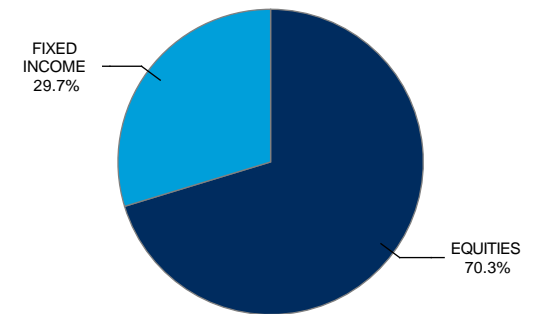
**Closed Landfill Investment Fund**

The investment objective of the Closed Landfill Investment Fund is to increase the market value of the Fund and to reduce volatility to meet future expenditures. By statute, the assets of the Fund are unavailable for expenditure until after the fiscal year 2020 to pay for long-term costs of maintaining the integrity of landfills in Minnesota once they are closed. In FY 2011, \$48 million was transferred out of the general fund leaving a balance of \$1 million in the account. Legislation was enacted in 2013 to replenish the principal and earnings back into the fund and in FY 2014 a repayment was made in the amount of \$64.2 million. In 2015, legislation was passed which repealed any further repayments.

The bond segment is actively managed to add incremental value through sector, security and yield curve decisions. The stock segment is managed to passively track the performance of the S&P 500. The fixed income benchmark is the Bloomberg Barclays U.S. Aggregate. The total fund benchmark is a combination of the fixed income and equity benchmarks, weighted according to the total fund asset allocation targets of 70% equities and 30% fixed income. The actual asset mix will fluctuate and is shown in the graph below.



	<u>Ending Market Value</u>	<u>Last Qtr</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
CLOSED LANDFILL INVESTMENT	\$96,788,958	4.0%	10.0%	10.9%	8.7%	13.6%
EQUITIES	68,059,063	4.3	10.4	14.2	10.7	14.7
FIXED INCOME	28,729,895	3.2	8.4	2.9		
CLOSED LANDFILL -BENCHMARK		4.1	10.1	10.7	8.6	13.6
Excess		-0.1	-0.0	0.2	0.1	0.0
S&P 500		4.3	10.4	14.2	10.7	14.7
BBG BARC US Agg		3.1	7.9	2.3	2.9	3.9



Note: Since 12/1/2017 the equity segment has been managed by Mellon and the fixed income segment by Prudential. Prior to 12/1/2017 both segments were managed internally by SBI staff. Prior to 9/10/14 the Fund's target allocation and benchmark was 100% domestic equity.



	<u>Ending Market Value</u>	<u>Last Qtr</u>	<u>Fiscal YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Since Inception</u>	<u>Inception Date</u>
<b>NON RETIREMENT EQUITY INDEX - MELLON</b>	<b>2,375,754,716</b>	<b>4.3</b>	<b>10.4</b>	<b>10.4</b>	<b>14.2</b>	<b>10.7</b>	<b>14.7</b>	<b>9.7</b>	<b>07/1993</b>
S&P 500 INDEX (DAILY)		4.3	10.4	10.4	14.2	10.7	14.7	9.6	07/1993
Excess		-0.0	-0.0	-0.0	-0.0	0.0	-0.0	0.1	
<b>NON RETIREMENT FIXED INCOME - PRUDENTIAL</b>	<b>1,264,381,425</b>	<b>3.2</b>	<b>8.4</b>	<b>8.4</b>	<b>2.9</b>	<b>3.4</b>	<b>4.3</b>	<b>6.0</b>	<b>07/1994</b>
BBG BARC Agg (Dly)		3.1	7.9	7.9	2.3	2.9	3.9	5.5	07/1994
Excess		0.1	0.6	0.6	0.6	0.4	0.4	0.5	
<b>RBC</b>	<b>230,343,873</b>	<b>2.3</b>	<b>6.0</b>	<b>6.0</b>	<b>1.4</b>	<b>2.0</b>	<b>3.4</b>	<b>4.9</b>	<b>07/1991</b>
RBC Custom Benchmark		2.3	6.2	6.2	1.3	1.9	2.4	5.0	07/1991
Excess		-0.1	-0.2	-0.2	0.1	0.0	0.9	-0.1	
MET COUNCIL OPEB BOND POOL	65,935,741	1.7	4.7	4.7					02/2009
<b>NON RETIREMENT CASH</b>	<b>136,493,792</b>	<b>0.6</b>	<b>2.4</b>	<b>2.4</b>	<b>1.5</b>	<b>1.0</b>	<b>0.6</b>	<b>2.7</b>	
iMoneyNet Money Fund Average- All Taxable		0.5	1.9	1.9	1.0	0.6	0.3		
Excess		0.1	0.5	0.5	0.4	0.3	0.3		

Note:

RBC is the manager for the fixed income portion of the assigned risk account. RBC changed its name from Voyager Asset Management on 1/1/2010. The current benchmark is the Bloomberg Barclays Intermediate Government Index. Prior to 7/1/11 the Voyager Custom Index was 10% 90 day T-Bill, 25% Merrill 1-3 Government, 15% Merrill 3-5 Government, 25% Merrill 5-10 Government, 25% Merrill Mortgage Master.

Prior to 12/1/17 the Non Retirement Equity Index and Non Retirement Fixed Income accounts were managed internally by SBI staff.

In addition to the Non-Retirement Funds listed on the previous pages, the Non Retirement Equity Index and the Non Retirement Fixed Income accounts also include the assets of various smaller Miscellaneous Trust Accounts and Other Post Employment Benefits.

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# State Cash

## June 30, 2019



## State Cash Accounts

### Invested Treasurer's Cash

The Invested Treasurer's Cash Pool (ITC) represents the balances in more than 400 separate accounts that flow through the Minnesota State Treasury. These accounts vary greatly in size. The ITC contains the cash balances of certain State agencies and non-dedicated cash in the State Treasury.

The investment objectives of the ITC, in order of priority, are as follows:

- Safety of Principal. To preserve capital.
- Liquidity. To meet cash needs without the forced sale of securities at a loss.
- Competitive Rate of Return. To provide a level of current income consistent with the goal of preserving capital.

The SBI seeks to provide safety of principal by investing all cash accounts in high quality, liquid, short term investments. These include U.S. Treasury and Agency issues, repurchase agreements, bankers acceptances, commercial paper, and certificates of deposit.

Beginning in January 2003, the Treasurer's Cash Pool is measured against the iMoneyNet, All Taxable Money Fund Report Average.

	<u>Ending Market Value</u>	<u>Last Qtr</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
Treasurer's Cash	14,630,264,734	0.7	2.7	1.6	1.2	0.9
iMoneyNet Money Fund Average-All Taxable		0.5	1.9	1.0	0.6	0.3

### Other State Cash Accounts

Due to differing investment objectives, strategies, and time horizons, some State agencies' accounts are invested separately. These agencies direct the investments or provide the SBI with investment guidelines and the SBI executes on their behalf. Consequently, returns are shown for informational purposes only and there are no benchmarks for these accounts.

	<u>Ending Market Value</u>	<u>Last Qtr</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
Debt Service	100,180,081	1.4	5.4	2.2	2.7	
Housing Finance	111,362,849	0.6	2.4	1.4	1.7	
Public Facilities Authority	61,045,065	1.1	3.2	1.9	2.3	



## Addendum

### Benchmark Definitions

#### **Active Domestic Equity Benchmark:**

A weighted composite each of the individual active domestic equity managers' benchmarks. Effective 3/1/2017 the calculation uses the average weight of the manager relative to the total group of active managers during the month. Prior to 3/1/2017 the beginning of the month weight relative to the total group was used.

#### **Benchmark DM:**

Since 6/1/08 the developed markets managers' benchmark, "Benchmark DM," is the Standard (large + mid) MSCI World ex USA (net). From 10/1/07 through 5/31/08 the benchmark was the Provisional Standard MSCI World ex USA (net). From 10/1/03 to 9/30/07 the benchmark was the MSCI World ex USA (net). Prior to that date, it was the MSCI EAFE Free (net), including from 10/1/01 to 5/31/02 when it was the Provisional MSCI EAFE Free (net).

#### **Benchmark EM:**

Since 6/1/08 the emerging markets managers' benchmark, "Benchmark EM," is the Standard (large + mid) MSCI Emerging Markets Free (net). From 10/1/07 through 5/31/08 the benchmark was the Provisional Standard MSCI Emerging Markets Free (net). From 1/1/01 to 9/30/07 the benchmark was the MSCI Emerging Markets Free (net), including from 10/1/01 to 5/31/02 when it was the Provisional MSCI Emerging Markets Free (net). Prior to 1/1/01, it was the MSCI Emerging Markets Free (gross).

#### **Combined Funds Composite Index:**

The Composite Index performance is calculated by multiplying the beginning of month Composite weights by the monthly returns of the asset class benchmarks. The Combined Funds Composite weight is set as the Strategic Asset Allocation Policy Target with the uninvested portion of Private Markets allocated to Public Equity. Asset class weights for Public Equity and Private Markets are reset at the start of each month. From 1/1/2018-2/28/2019 the Transitional Policy Target was used to reflect the addition of Treasuries to the Fixed Income portfolio. From 7/1/2016-12/31/2016 the composite weights were set to match actual allocation as the portfolio was brought into line with the new Strategic Asset Allocation Policy Target. Prior to 7/1/2016 the uninvested portion of the Private Markets was invested in Fixed Income and the Composite Index was adjusted accordingly. When the Strategic Asset Allocation Policy Target changes, so does the Composite Index.

#### **Domestic Equity Benchmark:**

Since 1/1/2019 the benchmark is 90% Russell 1000 and 10% Russell 2000. From 10/1/2003 to 12/31/2018 it was the Russell 3000. From 7/1/1999 to 9/30/2003, it was the Wilshire 5000 Investable Index. From 11/1/1993 to 6/30/1999, the target was the Wilshire 5000 as reported with no adjustments. Prior to 11/1/1993, the Wilshire 5000 was adjusted to reflect SBI mandated restrictions, which included liquor and tobacco, American Home Products and South Africa.

#### **Fixed Income Benchmark:**

In 2016, the Barclays Agg was rebranded Bloomberg Barclays Agg to reflect an ownership change. Prior to 9/18/2008 this index was called the Lehman Brothers Aggregate Bond Index. From 7/1/84-6/30/94 the asset class benchmark was the Salomon Brothers Broad Investment Grade Index.



## Addendum

### Benchmark Definitions (continued)

#### **Fixed Interest Blended Benchmark:**

On 6/1/2002, the benchmark was set as the 3 Year Constant Maturity Treasury Yield + 45 bps. Prior to this change it was the 3 Year Constant Maturity Treasury Yield + 30 bps.

#### **International Equity Benchmark:**

Since 1/1/2019 the benchmark is 75% MSCI World ex USA Index (net) and 25% MSCI Emerging Markets Index (net). From 6/1/08 to 12/31/2018 the International Equity asset class target was the Standard (large + mid) MSCI ACWI ex U.S. (net). From 10/1/07 through 5/31/08 the benchmark was the Provisional Standard MSCI ACWI ex U.S. (net). From 10/1/03 to 9/30/07 the target was MSCI ACWI ex U.S. (net). From 1/1/01 to 9/30/03, the target was MSCI EAFE Free (net) plus Emerging Markets Free (net), and from 7/1/99 to 12/31/00 the target was MSCI EAFE Free (net) plus Emerging Markets Free (gross). From 7/1/99 to 9/30/03, the weighting of each index fluctuated with market capitalization. From 10/1/01 to 5/31/02 all international benchmarks being reported were the MSCI Provisional indices. From 12/31/96 to 6/30/99 the benchmark was fixed at 87% EAFE Free (net)/13% Emerging Markets Free (gross). On 5/1/96, the portfolio began transitioning from 100% EAFE Free (net) to the 12/31/96 fixed weights. Prior to 5/1/96 it was 100% the EAFE Free (net).

#### **Passive Domestic Equity Benchmark:**

A weighted average of the Russell 1000 and Russell 3000 effective 10/1/2016. From 10/1/2003 to 10/1/2016 it was equal to the Russell 3000. From 7/1/2000 to 9/30/2003, it was the Wilshire 5000 Investable Index. From 11/1/1993 to 6/30/2000, the target was the Wilshire 5000 as reported with no adjustments. Prior to 11/1/1993, the Wilshire 5000 was adjusted to reflect SBI mandated restrictions, which included liquor and tobacco, American Home Products and South Africa.

#### **Passive Manager Benchmark:**

Russell 3000 effective 10/1/2003. From 7/1/2000 to 9/30/2003, it was the Wilshire 5000 Investable Index. From 11/1/1993 to 6/30/2000, the target was the Wilshire 5000 as reported with no adjustments. Prior to 11/1/1993, the Wilshire 5000 was adjusted to reflect SBI mandated restrictions, which included liquor and tobacco, American Home Products and South Africa.

#### **Public Equity Benchmark:**

60.3% Russell 1000, 6.7% Russell 2000, 24.75% MSCI World Ex US (net), and 8.25% MSCI EM (net) effective 1/1/2019. From 7/1/2017 thru 12/31/2018 it was 67% Russell 3000 and 33% MSCI ACWI ex USA. Prior to 6/30/16 the returns of Domestic and International Equity were not reported as a total Public Equity return. From 6/30/16-6/30/17 the Public Equity benchmark adjusted by 2% each quarter from 75% Russell 3000 and 25% MSCI ACWI ex USA until it reached the 67% and 33% weighting.

#### **Semi-Passive Domestic Equity Benchmark:**

Russell 1000 index effective 1/1/2004. Prior to 1/1/2004 it was the Completeness Fund benchmark.