

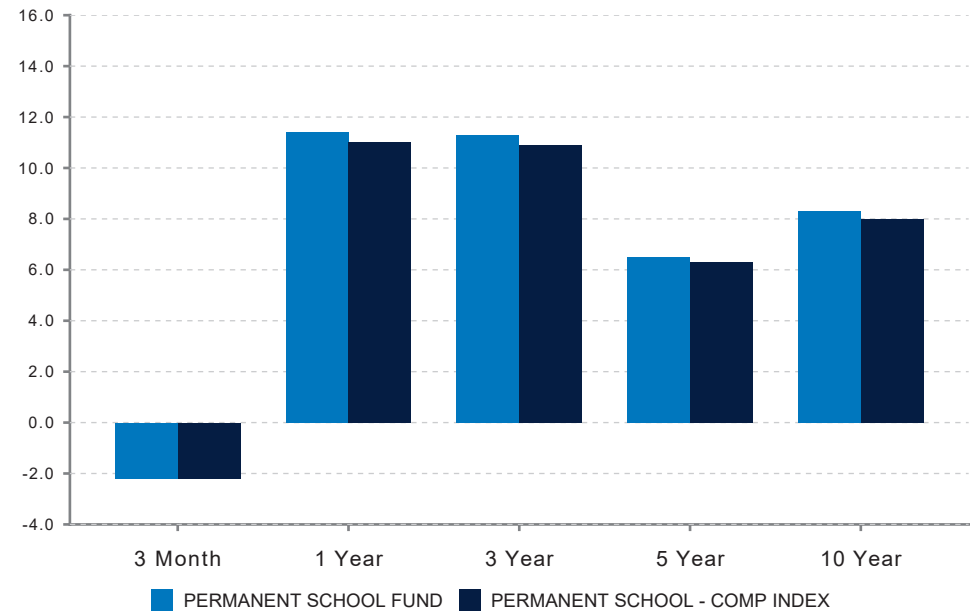


Permanent School Fund Quarter-End Review

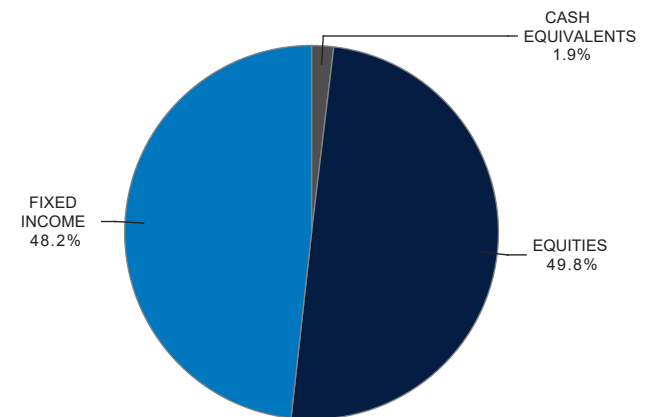
Permanent School Fund

The investment objectives of the Permanent School Fund are to produce annual distributions in support of Minnesota schools while maintaining the Fund as a perpetual financial resource. The Permanent School Fund's investment objectives are dictated by the legal provisions under which its investments must be managed.

The Permanent School Fund is invested in a portfolio of common stocks, bonds, and cash. The equity segment is passively managed and seeks to track the performance of the S&P 500 Index. The fixed income segment is actively managed and seeks to outperform the Bloomberg U.S. Aggregate Bond Index. The cash segment is actively managed and seeks to outperform the iMoneyNet Money Fund Average. The Permanent School Fund's benchmark is a combination of the equity, fixed income, and cash benchmarks, weighted according to the asset allocation targets of 50% equities, 48% fixed income, and 2% cash. The actual asset mix will fluctuate and is shown in the pie graph below.



	Ending Market Value	Last Qtr	1 Year	3 Year	5 Year	10 Year
PERMANENT SCHOOL FUND	\$2,397,478,186	-2.2%	11.4%	11.3%	6.5%	8.3%
CASH EQUIVALENTS	\$46,259,476	0.9%	4.3%	5.0%	3.6%	2.4%
EQUITIES	\$1,195,115,469	-4.3%	17.8%	18.3%	12.0%	14.1%
FIXED INCOME	\$1,156,103,241	-0.0%	4.7%	4.2%	0.6%	2.1%
PERMANENT SCHOOL - COMP INDEX		-2.2%	11.0%	10.9%	6.3%	8.0%
Excess		-0.0%	0.4%	0.4%	0.2%	0.2%
S&P 500		-4.3%	17.8%	18.3%	12.1%	14.2%
Bloomberg U.S. Aggregate		-0.0%	4.3%	3.6%	0.3%	1.7%
iMoneyNet Money Fund Average		0.8%	3.8%	4.5%	3.2%	2.0%



Note: Since 12/1/2017 the equity segment has been managed by Mellon and the fixed income segment by PGIM. Prior to 12/1/2017 both segments were managed internally by SBI staff.