

NDPERS
457
Companion Plan
Quarterly Report
3rd Quarter
7/1/2014 – 9/30/2014



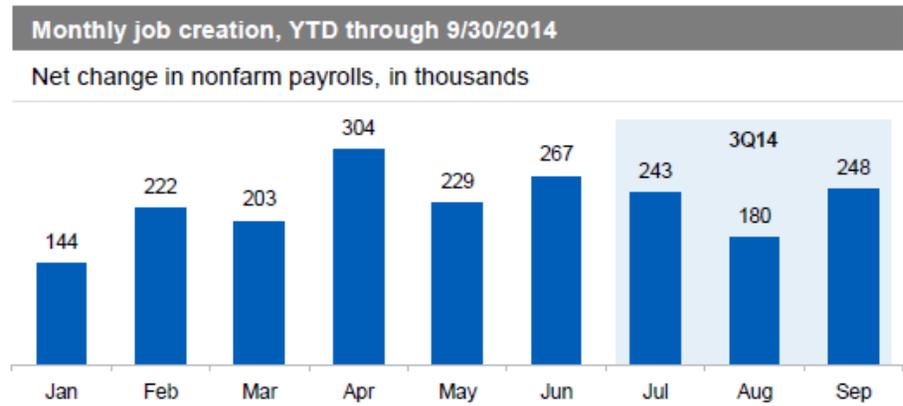
North Dakota Public Employees Retirement System
400 E Bdwy, Suite 505
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Bismarck, ND 58502

NDPERS 457 Companion and Defined Contribution Plans

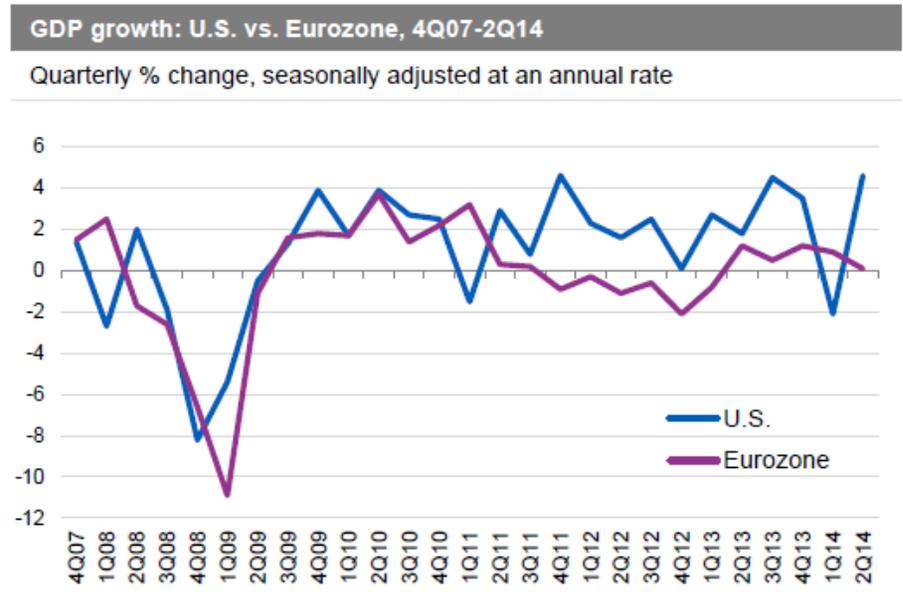
Due to poor performance relative to its benchmark and peer funds, the NDPERS Board will be closing the Parnassus Small Cap fund (Ticker Symbol: PARSX) in the core fund lineup. The replacement fund will be the DFA U.S. Small Cap Blend Fund (Ticker Symbol: DFSTX). Members invested in the Parnassus fund may move their money to another fund or do nothing and their balance will be automatically moved to the new DFA fund when the TIAA-CREF closing process is complete.

Economic overview (3Q14)

- U.S. GDP grew 4.6% in the second quarter—a post-recession high.
- Monthly job growth through 3Q averaged more than 225,000, a healthy clip.
- Housing in 3Q was mixed but in line with our expectations for slow improvement through year-end.
- Consumer spending rebounded in September after a weak July and August.
- Amid the dollar's rise to multi-year highs vs. the euro and yen, prices for oil and other commodities fell.
- While the U.S. economy expanded, Europe continued to struggle with weak growth and the threat of deflation.
- China's economy cooled more than anticipated, adding to global growth concerns.



Source: Bureau of Labor Statistics



Sources: Bureau of Economic Analysis (U.S.), Eurostat (Eurozone)

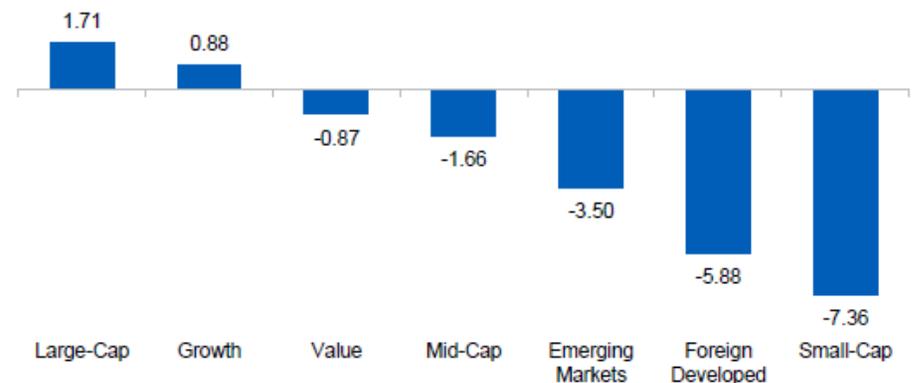
Equity markets (3Q14)

- Equity markets endured a volatile quarter as investors grappled with global economic and geopolitical headwinds.
- In the U.S., larger-cap and higher-quality stocks generally outperformed smaller, higher-beta names.
- The S&P 500 Index edged 1.13% higher, while the Russell 2000 Index tumbled 7.36%.
- Healthcare (+5.33%), Information Technology (+4.64%), and Telecom Services (+2.69%) led the S&P 500's sectors.
- Amid sharply lower oil prices, Energy (-8.78%) was the worst-performing sector; Utilities (-4.23%) also lagged.
- Foreign equity markets significantly underperformed broad U.S. benchmarks.
- A stronger dollar magnified non-U.S. equity losses or turned positive returns negative when translated into dollar terms.

* U.S. equity returns represented by Russell 2000, Top 200, Midcap, 3000 Growth, and 3000 Value Indexes; foreign developed-market equity returns represented by MSCI EAFE Index; emerging-market equity returns represented by MSCI Emerging Markets Index.

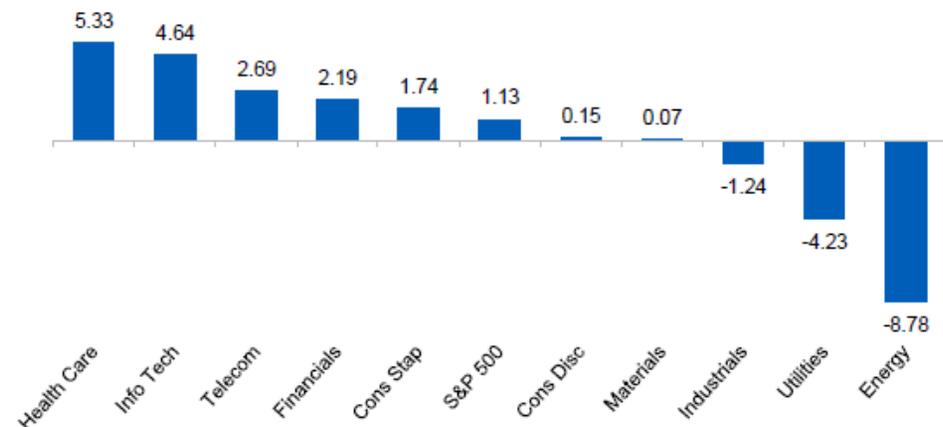
Equity market returns (%)*

Quarter ended 9/30/2014



S&P 500 sector returns (%)

Quarter ended 9/30/2014



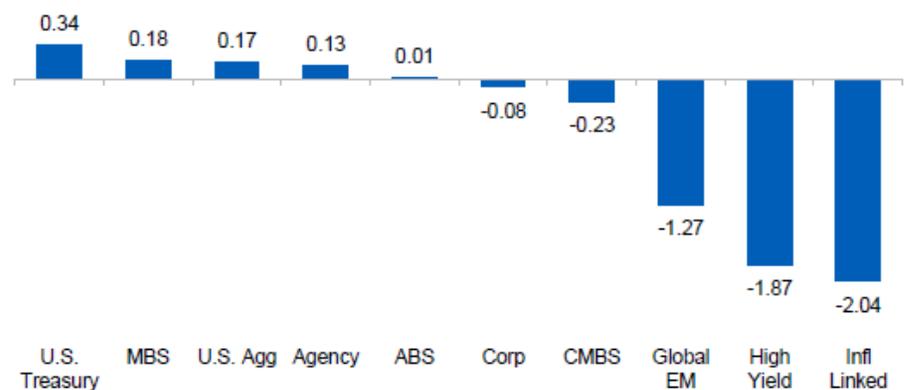
Fixed-income markets (3Q14)

- Investment-grade fixed-income markets eked out modestly positive returns in 3Q.
- The Barclays U.S. Aggregate Bond Index gained 0.17%.
- The bellwether 10-year Treasury yield finished the quarter essentially unchanged, at 2.52%.
- Declining yields on longer-dated (10+ years) bonds led to outperformance versus shorter-term (3-5 year) securities.
- Amid heightened geopolitical tensions and global financial market concerns, investors grew more risk-averse in 3Q.
- High-yield corporate bonds, emerging-markets debt, and other lower-rated categories underperformed.
- Although of high quality, TIPS also struggled, as investors deemed U.S. inflation risks to be relatively low.

* Source: Bond market segments are represented by respective Barclays indexes and related subsets. Segments shown include U.S. Treasury, Agencies, Mortgage-Backed Securities (MBS), Barclays U.S. Aggregate Bond Index, Barclays Global Emerging Markets Bonds Index (Global EM), Corporate Bonds, Asset-Backed Securities (ABS), U.S. High-Yield, Inflation-Linked, and Commercial Mortgage-Backed Securities (CMBS).

Fixed-income market total returns (%)*

Quarter ended 9/30/2014



10-year U.S. Treasury yield in Q3 2014

Constant maturity rate (%), daily closing value



Source: U.S. Treasury Department

Plan Summary

457(b)	Assets	Pct
TIAA-CREF Lifecycle 2020 Fund Retirement	\$10,390,616	16.2%
TIAA-CREF Lifecycle 2025 Fund Retirement	\$10,129,452	15.7%
TIAA-CREF Lifecycle 2015 Fund Retirement	\$7,320,558	11.4%
TIAA-CREF Lifecycle 2030 Fund Retirement	\$6,264,860	9.7%
TIAA-CREF Lifecycle 2035 Fund Retirement	\$4,041,958	6.3%
TIAA-CREF Lifecycle 2040 Fund Retirement	\$2,980,696	4.6%
TIAA-CREF Lifecycle 2010 Fund Retirement	\$2,298,440	3.6%
TIAA-CREF Lifecycle 2045 Fund Retirement	\$2,217,666	3.4%
Vanguard 500 Index Fund Signal	\$1,880,328	2.9%
Vanguard Total International Stock Index Fund Signal	\$1,468,284	2.3%
AllianzGI NFJ Small Cap Value Fund Administrative	\$1,387,276	2.2%
PIMCO Total Return Fund Admin	\$1,366,867	2.1%
Wells Fargo Stable Return Fund - J	\$1,208,809	1.9%
TIAA-CREF Lifecycle 2050 Fund Retirement	\$1,200,372	1.9%
Columbia Mid Cap Index Fund A	\$891,572	1.4%
Vanguard Dividend Growth Fund Investor	\$833,121	1.3%
Franklin Growth Fund Advisor	\$811,604	1.3%
T. Rowe Price Equity Income Fund	\$795,064	1.2%
Wells Fargo Advantage Growth Fund Administrator	\$770,404	1.2%
Vanguard Prime Money Market Fund Investor	\$732,814	1.1%
Templeton Global Bond Fund Advisor	\$600,510	0.9%
Cohen & Steers Realty Shares	\$535,451	0.8%
Oppenheimer Developing Markets Fund Y	\$499,413	0.8%
ASTON/Fairpointe Mid Cap Fund I	\$480,659	0.7%
Hartford Dividend and Growth Fund R5	\$450,476	0.7%
T. Rowe Price Capital Appreciation Fund Advisor	\$447,193	0.7%
Self Directed Brokerage Account	\$328,173	0.5%
Prudential Jennison Mid-Cap Growth Fund Z	\$314,400	0.5%
RidgeWorth Mid Cap Value Equity Fund I	\$310,209	0.5%
Franklin Mutual Global Discovery Fund Z	\$287,711	0.4%
Prudential High Yield Fund Z	\$261,200	0.4%
Brown Capital Management Small Company Fund Institutional	\$251,767	0.4%
PIMCO Real Return Fund Administrative	\$208,970	0.3%
TIAA-CREF Lifecycle Retirement Income Fund Retirement	\$146,674	0.2%
TIAA-CREF Lifecycle 2055 Fund Retirement	\$106,556	0.2%
DFA U.S. Small Cap Portfolio Institutional	\$94,678	0.1%
TIAA-CREF Money Market Fund Retirement	\$0	0.0%
Total	\$64,314,800	100.0%

NDPERS Mutual Fund Research - 9/30/2014

Large Value

Fund	Symbol	Assets	Inception	Manager	Tenure	Expense Ratio	Yield	Turnover	P/E	Morn-Star Rating	Category Rank	Average Return				Standard=S&P 500 Index			Standard Deviation	Sharpe Ratio		
											3 - Year	5 - Year	3-month	1-Year	3-Year	5-Year	10-Year	R-Squared	Beta	Alpha		
Hartford Dividend & Growth	HDGTX	7.6 Billion	12/22/2006	Team	7 Years	0.75%	1.52	30%	16.0	4-Stars	48	34	0.09	18.69	21.75	14.35	N/A	97	0.92	0.57	9.90	2.04
T.Rowe Price Equity Income	PRFDX	29.9 Billion	10/31/1985	27 years		0.67%	1.82	10%	17.6	3-Stars	58	48	-1.68	13.44	21.16	13.84	7.46	96	0.95	-0.54	10.26	1.93

Large Blend

Fund	Symbol	Assets	Inception	Manager	Tenure	Expense Ratio	Yield	Turnover	P/E	Morn-Star Rating	Category Rank	Average Return				Standard=S&P 500 Index			Standard Deviation	Sharpe Ratio		
											3 - Year	5 - Year	3-month	1-Year	3-Year	5-Year	10-Year	R-Squared	Beta	Alpha		
T.Rowe Price Capital Appreciation (Balanced)	PACLX	22.0 Billion	3/6/1990	7 Years		1.02%	0.81	57%	21.2	5-Stars	2	2	0.00	13.47	17.88	12.86	N/A				7.39	2.27
Vanguard 500 Index Signal	VIFSX	182.7 Billion	9/29/2006	21 Years		0.05%	1.87	3%	18.6	4-Stars	26	15	1.12	19.68	22.95	15.67	N/A	100	1.00	-0.03	10.56	2.02
Vanguard Dividend Growth	VDIGX	21.9 Billion	2/1/2006	7 Years		0.31%	1.87	18%	16.4	4-Stars	62	27	1.36	15.71	19.87	15.05	9.35	92	0.83	0.90	9.11	2.04

Large Growth

Fund	Symbol	Assets	Inception	Manager	Tenure	Expense Ratio	Yield	Turnover	P/E	Morn-Star Rating	Category Rank	Average Return				Standard=S&P 500 Index			Standard Deviation	Sharpe Ratio		
											3 - Year	5 - Year	3-month	1-Year	3-Year	5-Year	10-Year	R-Squared	Beta	Alpha		
Wells Fargo Adv Growth Adm	SGRKX	10.3 Billion	8/30/2002	Team		0.96%	0.00	42%	29.1	4-Stars	84	3	-0.61	6.89	19.37	18.61	12.38	75	1.16	-5.93	15.06	1.25
Franklin Growth Adv	FCGAX	10.4 Billion	12/31/1996	Team		0.60%	0.59	1%	21.4	3-Stars	40	38	1.10	19.37	21.20	14.95	9.49	93	0.95	-0.50	10.46	1.90

Medium Value

Fund	Symbol	Assets	Inception	Manager	Tenure	Expense Ratio	Yield	Turnover	P/E	Morn-Star Rating	Category Rank	Average Return				Standard=S&P 500 Index			Standard Deviation	Sharpe Ratio		
											3 - Year	5 - Year	3-month	1-Year	3-Year	5-Year	10-Year	R-Squared	Beta	Alpha		
RidgeWorth Mid Cap Value Equity I	SMVTX	3.8 Billion	11/30/2001	12 Years		1.09%	0.78	108%	19.8	4-Stars	22	41	-3.61	14.62	25.02	16.03	11.63	86	1.20	-2.31	13.67	1.71

Medium Blend

Fund	Symbol	Assets	Inception	Manager	Tenure	Expense Ratio	Yield	Turnover	P/E	Morn-Star Rating	Category Rank	Average Return				Standard=S&P 500 Index			Standard Deviation	Sharpe Ratio		
											3 - Year	5 - Year	3-month	1-Year	3-Year	5-Year	10-Year	R-Squared	Beta	Alpha		
Columbia Mid Cap Index A	NTIAX	3.6 Billion	5/31/2000	Team		0.45%	0.80	14%	20.4	4-Stars	55	30	-4.08	11.30	21.87	15.86	9.90	87	1.18	-4.38	13.36	1.55
ASTON/Fairpointe Mid Cap I	ABMIX	5.6 Billion	7/6/2004	Team		0.86%	0.12	37%	20.5	5-Stars	1	7	-4.66	15.07	27.82	18.14	11.95	83	1.39	-3.75	16.18	1.60

Medium Growth

Fund	Symbol	Assets	Inception	Manager	Tenure	Expense Ratio	Yield	Turnover	P/E	Morn-Star Rating	Category Rank	Average Return				Standard=S&P 500 Index			Standard Deviation	Sharpe Ratio		
											3 - Year	5 - Year	3-month	1-Year	3-Year	5-Year	10-Year	R-Squared	Beta	Alpha		
Prudential Jennison Mid Cap Growth Z	PEGZX	9.6 Billion	12/31/1996	8 Years		0.77%	0.00	39%	25.0	4-Stars	57	52	-1.02	10.12	19.19	14.91	11.62	86	1.07	-4.53	12.21	1.50

Small Value

Fund	Symbol	Assets	Inception	Manager	Tenure	Expense Ratio	Yield	Turnover	P/E	Morn-Star Rating	Category Rank	Average Return				Standard=S&P 500 Index			Standard Deviation	Sharpe Ratio		
											3 - Year	5 - Year	3-month	1-Year	3-Year	5-Year	10-Year	R-Squared	Beta	Alpha		
Allianz NFJ Small Cap Value Admin	PVADX	7.1 Billion	11/1/1995	Team		1.02%	1.09	29%	15.4	4-Stars	85	37	-5.80	8.56	18.14	14.59	10.31	85	1.10	-6.08	12.64	1.38

Small Blend

Fund	Symbol	Assets	Inception	Manager	Tenure	Expense Ratio	Yield	Turnover	P/E	Morn-Star Rating	Category Rank	Average Return				Standard=S&P 500 Index			Standard Deviation	Sharpe Ratio		
											3 - Year	5 - Year	3-month	1-Year	3-Year	5-Year	10-Year	R-Squared	Beta	Alpha		
DFA Small Cap	DFSTX	8.7 Billion	3/19/1992	Team		0.37%	0.79	10%	20.9	4-Stars	22	16	-6.85	5.93	23.16	16.16	9.40	83	1.29	-5.60	15.03	1.46

Small Growth

Fund	Symbol	Assets	Inception	Manager	Tenure	Expense Ratio	Yield	Turnover	P/E	Morn-Star Rating	Category Rank	Average Return				Standard=S&P 500 Index			Standard Deviation	Sharpe Ratio		
											3 - Year	5 - Year	3-month	1-Year	3-Year	5-Year	10-Year	R-Squared	Beta	Alpha		
Brown Capital Mgmt Small Co Inv	BCSIX	2.5 Billion	1/2/1996	Team		1.25%	0.00	5%	34.0	5-Stars	22	19	-4.82	1.22	21.60	16.36	12.71	55	1.09	-2.55	15.57	1.34

International

Fund	Symbol	Assets	Inception	Manager	Expense Ratio	Yield	Turnover	P/E	Morn-Star Rating	Category Rank	Average Return					Standard=	EAFE Index	Standard	Sharpe		
				Tenure						3 - Year	5 - Year	3-month	1-Year	3-Year	5-Year	10-Year	R-Squared	Beta	Alpha	Deviation	Ratio
Mutual Global Discovery Z	MDISX	25.5 Billion	12/31/1992	Team	0.98%	1.56	24%	16.0	5-Stars	36	47	-1.92	12.12	17.70	10.66	9.85	77	0.57	9.89	9.25	1.81
Vanguard Total Intl Stock Index Inv	VGTSX	130.0 Billion	4/29/1996	5 Years	0.22%	3.26	5%	15.5	3-Stars	63	63	-5.55	4.89	12.35	N/A	N/A	98	0.98	0.65	14.24	0.88
Oppenheimer Developing Markets Y	ODVYX	41.5 Billion	9/7/2005	6 Years	1.03%	0.42	26%	19.6	5-Stars	9	3	-3.52	6.06	11.93	9.05	N/A	90	1.05	-0.28	15.94	0.78

Lifestyle / Others

Fund	Symbol	Assets	Inception	Manager	Expense Ratio	Yield	Turnover	P/E	Morn-Star Rating	Category Rank	Average Return					Standard=S&P 500 Index	Standard	Sharpe			
				Tenure						3 - Year	5 - Year	3-month	1-Year	3-Year	5-Year	10-Year	R-Squared	Beta	Alpha	Deviation	Ratio
Vanguard Prime Money Market	VMMXX	131.7 Billion		9 Years	0.16%	0.01						0.00	0.01	0.02	0.04	1.67				0.01	-3.72
Wells Fargo Stable Return Fund J	WFSJ	30.3 Billion	10/1/1985		1.05%							0.18	0.68	0.99	1.40	2.52	N/A	N/A	N/A	N/A	N/A
PIMCO Real Return Bond Fund	PARRX	15.2 Billion	4/28/2000	5 Years	0.70%	1.26	33%		4-Stars	5	4	-2.27	1.74	1.78	4.68	4.80	N/A	N/A	N/A	6.00	0.31
PIMCO Total Return Bond Fund	PTRAX	201.6 Billion	9/8/1994	25 Years	0.71%	1.85	227%		4-Stars	26	50	-0.42	3.04	4.30	4.81	5.73	N/A	N/A	N/A	3.78	1.12
Prudential High Yield Z	PHYZX	3.2 Billion	3/1/1996	Team	0.58%	6.52	55%		4-Stars	42	23	-2.05	6.76	10.32	10.23	7.94	N/A	N/A	N/A	5.31	1.87
Templeton Global Bond Adv	TGBAX	72.6 Billion	12/31/1996	Team	0.61%	3.79	42%		5-Stars	9	12	0.06	3.53	6.34	7.63	6.93	N/A	N/A	N/A	7.86	0.97
Cohen & Steers Realty Shares	CSRSX	5.6 Billion	7/2/1991	Team	0.97%	2.18	73%	42.1	3-Stars	39	60	-3.23	13.38	15.71	14.77	9.05	N/A	N/A	N/A	14.64	1.07
TIAA-CREF Lifecycle Ret Income	TLIRX	320 Million	11/30/2007	Team	0.63%	2.51	19%	16.1	4-Stars	30	33	-1.14	6.81	9.55	7.70	N/A	N/A	N/A	N/A	5.59	1.66
TIAA-CREF Lifecycle 2010	TCLEX	1.0 Billion	10/15/2004	Team	0.64%	2.70	28%	18.6	4-Stars	17	18	-1.27	7.52	10.88	8.46	N/A	N/A	N/A	N/A	6.46	1.63
TIAA-CREF Lifecycle 2015	TCLIX	1.6 Billion	10/15/2004	Team	0.65%	2.40	20%	18.6	4-Stars	13	15	-1.40	8.13	12.02	9.02	N/A	N/A	N/A	N/A	7.26	1.60
TIAA-CREF Lifecycle 2020	TCLTX	2.5 Billion	10/15/2004	Team	0.66%	2.45	15%	18.6	4-Stars	16	17	-1.52	8.80	13.45	9.70	N/A	N/A	N/A	N/A	8.11	1.60
TIAA-CREF Lifecycle 2025	TCLFX	2.4 Billion	10/15/2004	Team	0.68%	2.52	12%	18.6	4-Stars	21	24	-1.72	9.55	14.88	10.37	N/A	N/A	N/A	N/A	9.04	1.58
TIAA-CREF Lifecycle 2030	TCLNX	2.3 Billion	10/15/2004	Team	0.69%	5.65	11%	18.6	4-Stars	13	18	-1.85	10.22	16.23	10.97	N/A	N/A	N/A	N/A	9.95	1.56
TIAA-CREF Lifecycle 2035	TCLRX	2.4 Billion	10/15/2004	Team	0.70%	2.69	10%	18.6	4-Stars	19	21	-2.02	10.73	17.47	11.50	N/A	N/A	N/A	N/A	10.82	1.54
TIAA-CREF Lifecycle 2040	TCLOX	3.1 Billion	10/15/2004	Team	0.71%	2.73	9%	18.6	4-Stars	14	17	-2.18	11.07	18.08	11.79	N/A	N/A	N/A	N/A	11.24	1.54
TIAA-CREF Lifecycle 2045	TFRX	1.0 Billion	11/30/2007	Team	0.71%	3.17	6%	18.6	4-Stars	23	23	-2.13	11.02	18.07	11.73	N/A	N/A	N/A	N/A	11.25	1.54
TIAA-CREF Lifecycle 2050	TLFRX	592 Million	11/30/2007	Team	0.71%	3.16	6%	18.6	4-Stars	20	22	-2.13	11.08	18.07	11.77	N/A	N/A	N/A	N/A	11.23	1.54
TIAA-CREF Lifecycle 2055	TTRLX	92 Million	4/29/2011	Team	0.71%	3.13	10%	18.6	4-Stars	28	N/A	-2.15	10.96	18.14	N/A	N/A	N/A	N/A	N/A	11.25	1.54

R-squared - This compares a fund's performance to a given index. If R-squared is 100, the fund moves in lockstep with the index to which it is being compared. Generally, a higher R-squared will indicate a more useful beta figure. If the R-squared is lower, then the beta is less relevant to the fund's performance.

Beta - This compares a fund's volatility to a given index. If beta is greater than 1, the fund is more volatile than the index to which it is being compared. If beta is lower than 1, the fund is less volatile than the index. If a fund's R-squared is low, beta is less reliable as a predictor of volatility.

Alpha - This is a measure of risk-adjusted performance. The higher a fund's alpha, the better it has done. A fund's alpha is only reliable when its R-squared is relatively high.

Standard Deviation - The higher this number is, the more volatile the fund's returns have been. It indicates how much the fund has deviated from its mean total return over the past three years.

Sharpe Ratio - This measure combines standard deviation and mean total return to show a risk-adjusted measure of the fund's performance. The higher this number is, the better. As a rule of thumb, a Sharpe ratio of more than 1.00 is very good.

NDPERS Investment Benchmarks - 3rd Quarter 2014

	<u>Quarter</u>	<u>Y-T-D</u>	<u>1-Year</u>	<u>3-Year</u>	<u>5-Year</u>
<u>Stable Value / Money Market Fund</u>					
<i>Vanguard Prime Money Market - VMMXX</i>	0.00%	0.01%	0.01%	0.02%	0.04%
<i>Wells Fargo Stable Return Fund J - WFSJ#</i>	0.18%	0.49%	0.68%	0.99%	1.40%
3 Month T-Bill Index	0.01%	0.03%	0.04%	0.05%	0.08%
<u>Fixed Income Fund</u>					
<i>PIMCO Real Return Admin - PARRX</i>	-2.27%	3.97%	1.74%	1.78%	4.68%
<i>PIMCO Total Return Bond Fund - PTRAX</i>	-0.42%	3.14%	3.04%	4.30%	4.81%
Barclays Aggregate Bond Index	0.17%	4.10%	3.96%	2.43%	4.12%
Taxable Bond Fund Universe	-0.87%	3.08%	3.94%	4.40%	5.21%
<i>Prudential High Yield Z - PHYZX</i>	-2.05%	3.36%	6.76%	10.32%	10.32%
ML High Yield Bond Fund Index	-1.92%	3.61%	7.23%	10.95%	10.40%
High Yield Bond Fund Universe	-2.03%	2.71%	6.00%	9.98%	9.39%
<i>Templeton Global Bond Adv - TGBAX</i>	0.06%	3.53%	6.34%	7.63%	6.93%
Citi World Govt Bond Index	-3.78%	1.03%	-0.07%	-0.51%	1.58%
World Bond Fund Universe	-1.94%	2.87%	3.43%	3.17%	3.95%
<u>Real Estate Fund</u>					
<i>Cohen & Steers Realty Shares - CSRSX</i>	-3.23%	13.52%	13.38%	15.71%	14.77%
FTSE NAREIT All Equity REITs Index	-3.15%	13.96%	13.14%	16.68%	15.88%
Real Estate Fund Universe	-3.01%	13.03%	12.64%	15.77%	15.05%
<u>Balanced Fund</u>					
<i>T.Rowe Price Capital Appreciation - PACLX</i>	0.00%	6.83%	13.47%	17.88%	12.86%
60% Large Cap Value Univ & 40% Taxable Bond Universe	-0.68%	5.06%	11.39%	14.61%	10.30%
60% Russell 1000 Value & 40% Agg Bond Index	-0.05%	6.48%	12.92%	15.33%	10.80%
<u>Large Cap Equities - Value</u>					
<i>Hartford Dividend & Growth - HDGTX</i>	0.09%	8.09%	18.69%	21.75%	14.35%
<i>T.Rowe Price Equity Income - PRFDX</i>	-1.68%	4.34%	13.44%	21.16%	13.84%
Russell 1000 Value Index	-0.19%	8.07%	18.89%	23.93%	15.26%
Large Cap Value Fund Universe	-0.55%	6.38%	16.35%	21.41%	13.69%
<u>Large Cap Equities - Blend</u>					
<i>Vanguard 500 Index Signal - VIFSX</i>	1.12%	8.31%	19.68%	22.95%	15.67%
<i>Vanguard Dividend Growth Fund - VDIGX</i>	1.36%	6.01%	15.71%	19.87%	15.05%
S&P 500 Index	1.13%	8.34%	19.73%	22.99%	15.70%
Large Cap Blend Fund Universe	-0.08%	6.33%	16.84%	21.59%	14.10%
<u>Large Cap Equities - Growth</u>					
<i>Wells Fargo Adv Growth Adm - SGRKX</i>	-0.61%	-0.81%	6.89%	19.37%	18.61%
Russell 3000 Growth Index	0.88%	6.91%	17.87%	22.41%	16.43%
<i>Franklin Growth Adv - FCGAX</i>	1.10%	8.36%	19.37%	21.20%	14.95%
Russell 1000 Growth Index	1.49%	7.89%	19.15%	22.45%	16.50%
Large Cap Growth Fund Universe	0.68%	5.40%	16.24%	21.28%	14.60%
<u>Mid Cap Equities - Value</u>					
<i>RidgeWorth Mid Cap Value Equity I - SMVTX</i>	-3.61%	5.87%	14.62%	25.02%	16.03%
Russell Mid Cap Value	-2.65%	8.20%	17.46%	24.72%	17.24%
Mid Cap Value Fund Universe	-3.42%	4.13%	13.56%	22.86%	15.01%
<u>Mid Cap Equities - Blend</u>					
<i>Columbia Mid Cap Index A - NTIAX</i>	-4.08%	2.86%	11.30%	21.87%	15.86%
S&P Mid Cap 400	-3.98%	3.22%	11.82%	22.43%	16.37%
<i>ASTON/Fairpointe Mid Cap I - ABMIX</i>	-4.66%	5.33%	15.07%	27.82%	18.14%
Wilshire 4500 Index	-4.97%	1.17%	9.79%	23.08%	16.34%
Mid Cap Blend Fund Universe	-3.30%	3.00%	12.20%	21.86%	14.91%
<u>Mid Cap Equities - Growth</u>					
<i>Prudential Jennison Mid Cap Growth Z - PEGZX</i>	-1.02%	2.72%	10.12%	19.19%	14.91%
Russell Mid Cap Growth	-0.73%	5.73%	14.43%	22.74%	17.12%
Mid Cap Growth Fund Universe	-2.29%	1.63%	10.05%	20.14%	14.82%
Fund Returns in RED do not meet both benchmarks. Fund Returns in BLACK meet both benchmarks.					

NDPERS Investment Benchmarks - 3rd Quarter 2014

	Quarter	Y-T-D	1-Year	3-Year	5-Year
Small Cap Equities - Value					
Allianz NFJ Small Cap Value - PVADX	-5.80%	0.18%	8.56%	18.14%	14.59%
Russell 2000 Value Index	-8.58%	-4.74%	4.13%	20.61%	13.02%
Small Value Fund Universe	-7.14%	-2.67%	6.31%	20.98%	13.57%
Small Cap Equities - Blend					
DFA US Small Cap - DFSTX	-6.85%	-3.98%	5.93%	23.16%	16.16%
Russell 2000 Index	-7.36%	-4.41%	3.93%	21.26%	14.29%
Small Blend Fund Universe	-6.75%	-3.22%	5.66%	20.91%	14.18%
Small Cap Equities - Growth					
Brown Capital Mgmt Small Co Inv - BCSIX	-4.82%	-6.19%	1.22%	21.60%	16.36%
Russell 2000 Growth Index	-6.13%	-4.05%	3.79%	21.91%	15.51%
Small Growth Fund Universe	-5.80%	-4.99%	2.78%	20.06%	14.84%
International Equity Funds					
Mutual Global Discovery Z - MDISX	-1.92%	4.28%	12.12%	17.70%	10.66%
Vanguard Total Intl Stock Index Inv - VGTSX	-5.55%	0.01%	4.89%	12.35%	N/A
MSCI EAFE	-5.88%	-1.38%	4.25%	13.65%	6.56%
International Stock Fund Universe	-4.44%	0.23%	5.89%	13.27%	7.37%
Oppenheimer Developing Markets Y - ODVYX	-3.52%	2.29%	6.06%	11.93%	9.05%
MSCI Emerging Markets Index	-3.49%	2.43%	4.30%	7.19%	4.42%
Diversified Emerging Mkts Universe	-3.47%	2.08%	4.81%	7.92%	4.28%
Asset Allocation Funds:					
TIAA-CREF Lifecycle Ret Income - TLIRX	-1.14%	2.83%	6.81%	9.55%	7.70%
Income Benchmark	-0.68%	3.81%	7.52%	9.41%	7.35%
TIAA-CREF Lifecycle 2010 - TCLEX	-1.27%	2.87%	7.52%	10.88%	8.46%
2010 Benchmark	-0.81%	3.97%	8.36%	10.77%	8.12%
TIAA-CREF Lifecycle 2015 - TCLIX	-1.40%	2.85%	8.13%	12.02%	9.02%
2015 Benchmark	-0.93%	4.07%	9.06%	11.96%	8.78%
TIAA-CREF Lifecycle 2020 - TCLTX	-1.52%	2.78%	8.80%	13.45%	9.70%
2020 Benchmark	-1.10%	4.18%	9.96%	13.50%	9.63%
TIAA-CREF Lifecycle 2025 - TCLFX	-1.72%	2.66%	9.55%	14.88%	10.37%
2025 Benchmark	-1.26%	4.30%	10.86%	15.04%	10.48%
TIAA-CREF Lifecycle 2030 - TCLNX	-1.85%	2.55%	10.22%	16.23%	10.97%
2030 Benchmark	-1.29%	4.42%	11.53%	16.03%	10.90%
TIAA-CREF Lifecycle 2035 - TCLRX	-2.02%	2.34%	10.73%	17.47%	11.50%
2035 Benchmark	-1.44%	4.46%	12.32%	17.44%	11.60%
TIAA-CREF Lifecycle 2040 - TCLOX	-2.18%	2.28%	11.07%	18.08%	11.79%
2040 Benchmark	-1.53%	4.48%	12.79%	18.27%	12.02%
TIAA-CREF Lifecycle 2045 - TTFRX	-2.13%	2.22%	11.02%	18.07%	11.73%
2045 Benchmark	-1.54%	4.47%	12.79%	18.28%	12.02%
TIAA-CREF Lifecycle 2050 - TLFrx	-2.13%	2.23%	11.08%	18.07%	11.77%
2050 Benchmark	-1.54%	4.46%	12.77%	18.27%	12.01%
TIAA-CREF Lifecycle 2055 - TTRLX	-2.15%	2.25%	10.96%	18.14%	N/A
2055 Benchmark	-1.54%	4.46%	12.77%	18.27%	12.01%
Income Benchmark is comprised of 27.5% Wilshire 5000, 12.5% MSCI EAFE, 47.4% Ag Bond, 2.5% ML HY Bond, 10.1% 3 Month T-Bill					
2010 Benchmark is comprised of 32.6% Wilshire 5000, 14.5% MSCI EAFE, 42.8% Ag Bond, 2.8% ML HY Bond, 7.3% 3 Month T-Bill					
2015 Benchmark is comprised of 36.9% Wilshire 5000, 16.4% MSCI EAFE, 38.1% Ag Bond, 3.4% ML HY Bond, 5.2% 3 Month T-Bill					
2020 Benchmark is comprised of 42.5% Wilshire 5000, 18.8% MSCI EAFE, 31.1% Ag Bond, 4.4% ML HY Bond, 3.2% 3 Month T-Bill					
2025 Benchmark is comprised of 48.1% Wilshire 5000, 21.1% MSCI EAFE, 24.2% Ag Bond, 5.4% ML HY Bond, 1.2% 3 Month T-Bill					
2030 Benchmark is comprised of 53.8% Wilshire 5000, 23.4% MSCI EAFE, 22.8% Ag Bond					
2035 Benchmark is comprised of 59.4% Wilshire 5000, 25.8% MSCI EAFE, 14.8% Ag Bond					
2040 Benchmark is comprised of 62.7% Wilshire 5000, 27.2% MSCI EAFE, 10.1% Ag Bond					
2045 Benchmark is comprised of 62.7% Wilshire 5000, 27.3% MSCI EAFE, 10.0% Ag Bond					
2050 Benchmark is comprised of 62.6% Wilshire 5000, 27.4% MSCI EAFE, 10.0% Ag Bond					
2055 Benchmark is comprised of 62.6% Wilshire 5000, 27.4% MSCI EAFE, 10.0% Ag Bond					
Wilshire 5000 Index	0.08%	7.08%	17.91%	22.82%	15.66%
MSCI EAFE	-5.88%	-1.38%	4.25%	13.65%	6.56%
Barclays Aggregate Bond Index	0.17%	4.10%	3.96%	2.43%	4.12%
ML High Yield Bond Fund Index	-1.92%	3.61%	7.23%	10.95%	10.40%
3 Month T-Bill Index	0.01%	0.03%	0.04%	0.05%	0.08%
Fund Returns in RED do not meet both benchmarks. Fund Returns in BLACK meet both benchmarks.					