

**ND PUBLIC EMPLOYEES RETIREMENT SYSTEM  
INVESTMENT PERFORMANCE REPORT AS OF JULY 31, 2013**

	July-13					Current Fiscal YTD		Prior FY13		3 Years Ended 6/30/2013		5 Years Ended 6/30/2013	
	Market Value	Allocation		Month		Gross (7)	Net	Gross (7)	Net	Gross	Net ROR	Gross	Net ROR
		Actual	Policy	Gross (8)	Net								
<b>TOTAL FUND</b>	<b>2,057,911,698</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.89%</b>	<b>2.87%</b>	<b>2.89%</b>	<b>2.87%</b>	<b>13.85%</b>	<b>13.50%</b>	<b>11.67%</b>	<b>11.31%</b>	<b>3.92%</b>	<b>3.45%</b>
<i>POLICY TARGET BENCHMARK</i>				2.92%	2.92%	2.92%	2.92%	11.84%	11.84%	10.91%	10.91%	5.49%	5.49%
ATTRIBUTION ANALYSIS													
<b>Asset Allocation</b>				<b>0.03%</b>	<b>0.03%</b>	<b>0.03%</b>	<b>0.03%</b>	<b>0.04%</b>	<b>0.04%</b>	<b>-0.33%</b>	<b>-0.33%</b>		
<b>Manager Selection</b>				<b>-0.06%</b>	<b>-0.08%</b>	<b>-0.06%</b>	<b>-0.08%</b>	<b>1.97%</b>	<b>1.62%</b>	<b>1.09%</b>	<b>0.72%</b>		
<b>TOTAL RELATIVE RETURN</b>				<b>-0.03%</b>	<b>-0.05%</b>	<b>-0.03%</b>	<b>-0.05%</b>	<b>2.01%</b>	<b>1.66%</b>	<b>0.76%</b>	<b>0.39%</b>		
<b>GLOBAL EQUITIES</b>	<b>1,214,312,599</b>	<b>59.0%</b>	<b>57.0%</b>	<b>4.82%</b>	<b>4.79%</b>	<b>4.82%</b>	<b>4.79%</b>	<b>19.13%</b>	<b>18.74%</b>				
<b>Benchmark</b>				<b>4.69%</b>	<b>4.69%</b>	<b>4.69%</b>	<b>4.69%</b>	<b>17.87%</b>	<b>17.87%</b>				
Epoch (1)	102,804,350	5.0%	4.5%	4.65%	4.64%	4.65%	4.60%	20.85%	20.10%	11.82%	11.41%	6.38%	5.23%
Calamos	27,361,048	1.3%	1.5%	4.05%	4.03%	4.05%	3.99%	8.37%	7.65%	N/A	N/A	N/A	N/A
LSV	212,362,672	10.3%	10.0%			5.75%	5.69%	N/A	N/A	N/A	N/A	N/A	N/A
<b>Total Global Equities</b>	<b>342,528,071</b>	<b>16.6%</b>	<b>16.0%</b>	<b>5.28%</b>	<b>5.27%</b>	<b>5.28%</b>	<b>5.23%</b>	<b>17.06%</b>	<b>16.32%</b>				
<b>MSCI World (2)</b>				<b>5.27%</b>	<b>5.27%</b>	<b>5.27%</b>	<b>5.27%</b>	<b>18.58%</b>	<b>18.58%</b>				
<b>Domestic - broad</b>	<b>469,021,802</b>	<b>22.8%</b>	<b>21.5%</b>	<b>5.74%</b>	<b>5.72%</b>	<b>5.74%</b>	<b>5.72%</b>	<b>24.00%</b>	<b>23.68%</b>				
<b>Benchmark</b>				<b>5.72%</b>	<b>5.72%</b>	<b>5.72%</b>	<b>5.72%</b>	<b>21.93%</b>	<b>21.93%</b>				
<b>Large Cap Domestic</b>													
LA Capital	141,409,851	6.9%	5.0%	5.24%	5.22%	5.24%	5.22%	18.86%	18.65%	19.03%	18.82%	7.30%	7.08%
<b>Russell 1000 Growth</b>				<b>5.30%</b>	<b>5.30%</b>	<b>5.30%</b>	<b>5.30%</b>	<b>17.07%</b>	<b>17.07%</b>	<b>18.68%</b>	<b>18.68%</b>	<b>7.47%</b>	<b>7.47%</b>
LA Capital	98,044,803	4.8%	2.8%	5.67%	5.66%	5.67%	5.66%	21.63%	21.44%	19.08%	18.81%	7.66%	7.39%
<b>Russell 1000</b>				<b>5.35%</b>	<b>5.35%</b>	<b>5.35%</b>	<b>5.35%</b>	<b>21.24%</b>	<b>21.24%</b>	<b>18.63%</b>	<b>18.63%</b>	<b>7.12%</b>	<b>7.12%</b>
Northern Trust	49,141,153	2.4%	2.4%	5.68%	5.66%	5.68%	5.66%	23.67%	23.35%	19.75%	19.49%	8.15%	7.95%
Clifton	68,904,841	3.3%	6.4%	5.08%	5.08%	5.08%	5.08%	20.44%	20.43%	N/A	N/A	N/A	N/A
<b>S&amp;P 500</b>				<b>5.09%</b>	<b>5.09%</b>	<b>5.09%</b>	<b>5.09%</b>	<b>20.60%</b>	<b>20.60%</b>	<b>18.45%</b>	<b>18.45%</b>	<b>7.01%</b>	<b>7.01%</b>
<b>Total Large Cap Domestic</b>	<b>357,500,649</b>	<b>17.4%</b>	<b>16.6%</b>	<b>5.39%</b>	<b>5.37%</b>	<b>5.39%</b>	<b>5.37%</b>	<b>23.13%</b>	<b>22.92%</b>	<b>18.57%</b>	<b>18.23%</b>	<b>3.72%</b>	<b>3.28%</b>
<b>Russell 1000 (2)</b>				<b>5.35%</b>	<b>5.35%</b>	<b>5.35%</b>	<b>5.35%</b>	<b>21.24%</b>	<b>21.24%</b>	<b>18.62%</b>	<b>18.62%</b>	<b>7.10%</b>	<b>7.10%</b>
<b>Small Cap Domestic</b>													
SEI	110,005	0.0%	0.0%	0.00%	0.00%	0.00%	0.00%	386.46%	386.46%	46.90%	46.90%	19.57%	19.06%
Callan	61,704,921	3.0%	2.4%	6.83%	6.79%	6.83%	6.79%	27.71%	27.01%	20.26%	19.54%	9.71%	9.16%
Clifton	49,706,227	2.4%	2.4%	6.97%	6.93%	6.97%	6.93%	25.30%	24.72%	20.17%	19.68%	N/A	N/A
<b>Total Small Cap Domestic</b>	<b>111,521,152</b>	<b>5.4%</b>	<b>4.8%</b>	<b>6.89%</b>	<b>6.84%</b>	<b>6.89%</b>	<b>6.84%</b>	<b>26.86%</b>	<b>26.22%</b>	<b>20.05%</b>	<b>19.46%</b>	<b>10.58%</b>	<b>9.89%</b>
<b>Russell 2000</b>				<b>7.00%</b>	<b>7.00%</b>	<b>7.00%</b>	<b>7.00%</b>	<b>24.21%</b>	<b>24.21%</b>	<b>18.67%</b>	<b>18.67%</b>	<b>8.77%</b>	<b>8.77%</b>
<b>International - broad</b>	<b>298,026,544</b>	<b>14.5%</b>	<b>14.5%</b>	<b>4.75%</b>	<b>4.70%</b>	<b>4.75%</b>	<b>4.70%</b>	<b>16.93%</b>	<b>16.20%</b>				
<b>Benchmark</b>				<b>4.27%</b>	<b>4.27%</b>	<b>4.27%</b>	<b>4.27%</b>	<b>14.74%</b>	<b>14.74%</b>				
<b>Developed International</b>													
State Street	25,056,869	1.2%	1.2%	5.91%	5.87%	5.91%	5.87%	23.17%	22.63%	10.23%	9.54%	-1.10%	-1.80%
<b>MSCI EAFE (3)</b>				<b>5.28%</b>	<b>5.28%</b>	<b>5.28%</b>	<b>5.28%</b>	<b>18.62%</b>	<b>18.62%</b>	<b>10.04%</b>	<b>10.04%</b>	<b>-0.63%</b>	<b>-0.63%</b>
Capital Guardian	34,484,058	1.7%	2.5%	6.00%	5.97%	6.00%	5.97%	21.31%	20.83%	10.29%	9.77%	0.66%	0.12%
<b>MSCI EAFE (4)</b>				<b>5.28%</b>	<b>5.28%</b>	<b>5.28%</b>	<b>5.28%</b>	<b>18.62%</b>	<b>18.62%</b>	<b>8.10%</b>	<b>8.10%</b>	<b>-0.01%</b>	<b>-0.01%</b>
Clifton	101,758,110	4.9%	4.9%	5.81%	5.74%	5.81%	5.74%	17.25%	16.39%	9.03%	8.71%	N/A	N/A
<b>MSCI EAFE</b>				<b>5.28%</b>	<b>5.28%</b>	<b>5.28%</b>	<b>5.28%</b>	<b>18.62%</b>	<b>18.62%</b>	<b>10.04%</b>	<b>10.04%</b>		

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	Market Value	Allocation		Month		Gross (7)	Net	Gross (7)	Net	Gross	Net ROR	Gross	Net ROR
		Actual	Policy	Gross (8)	Net								
DFA	31,721,722	1.5%	1.2%	7.51%	7.46%	7.51%	7.46%	24.89%	24.22%	12.34%	11.63%	2.91%	2.21%
Wellington	36,447,571	1.8%	1.2%	5.68%	5.62%	5.68%	5.62%	26.16%	25.31%	17.16%	16.27%	5.82%	4.90%
<b>S&amp;P/Citigroup BMI EPAC &lt; \$2BN</b>				<b>5.04%</b>	<b>5.04%</b>	<b>5.04%</b>	<b>5.04%</b>	<b>18.05%</b>	<b>18.05%</b>	<b>9.78%</b>	<b>9.78%</b>	<b>1.26%</b>	<b>1.26%</b>
<b>Total Developed International</b>	<b>229,468,330</b>	<b>11.2%</b>	<b>11.1%</b>	<b>6.06%</b>	<b>6.01%</b>	<b>6.06%</b>	<b>6.01%</b>	<b>20.94%</b>	<b>20.22%</b>	<b>10.96%</b>	<b>10.42%</b>	<b>2.01%</b>	<b>1.45%</b>
<b>MSCI EAFE (4)</b>				<b>5.28%</b>	<b>5.28%</b>	<b>5.28%</b>	<b>5.28%</b>	<b>18.62%</b>	<b>18.62%</b>	<b>8.10%</b>	<b>8.10%</b>	<b>-0.01%</b>	<b>-0.01%</b>
<b>Emerging Markets</b>													
JP Morgan	12,642,276	0.6%	0.6%	-0.48%	-0.55%	-0.48%	-0.55%	5.11%	4.28%	4.79%	4.01%	1.36%	0.57%
PanAgora	8,849,349	0.4%	0.6%	1.54%	1.49%	1.54%	1.49%	6.28%	5.58%	4.47%	3.72%	-0.81%	-1.55%
UBS	11,916,712	0.6%	1.0%	0.46%	0.39%	0.46%	0.39%	-0.62%	-1.55%	3.19%	2.34%	-0.59%	-1.46%
NTGI	17,676,568	0.9%	0.6%	1.08%	1.07%	1.08%	1.07%	N/A	N/A	N/A	N/A	N/A	N/A
DFA	17,473,309	0.8%	0.7%	0.51%	0.46%	0.51%	0.46%	9.18%	8.47%	6.59%	5.80%	6.52%	5.78%
<b>Total Emerging Markets</b>	<b>68,558,213</b>	<b>3.3%</b>	<b>3.5%</b>	<b>0.59%</b>	<b>0.54%</b>	<b>0.59%</b>	<b>0.54%</b>	<b>4.55%</b>	<b>3.82%</b>	<b>6.69%</b>	<b>5.97%</b>	<b>2.00%</b>	<b>1.17%</b>
<b>MSCI Emerging Markets</b>				<b>1.05%</b>	<b>1.05%</b>	<b>1.05%</b>	<b>1.05%</b>	<b>2.87%</b>	<b>2.87%</b>	<b>3.48%</b>	<b>3.48%</b>	<b>-0.25%</b>	<b>-0.25%</b>
<b>Private Equity</b>													
Coral Momentum Fund (Formerly Fund VI)	1,483,524	0.1%		0.00%	0.00%	0.00%	0.00%	14.19%	14.19%	-4.54%	-4.54%	-15.94%	-16.01%
Brinson 1998 Partnership Fund	59,766	0.0%		0.00%	0.00%	0.00%	0.00%	16.27%	16.27%	4.87%	4.87%	-5.39%	-5.63%
Brinson 1999 Partnership Fund	580,073	0.0%		0.00%	0.00%	0.00%	0.00%	9.46%	9.46%	10.71%	10.71%	0.36%	0.11%
Brinson 2000 Partnership Fund	1,552,456	0.1%		0.00%	0.00%	0.00%	0.00%	6.03%	6.03%	12.52%	12.52%	2.75%	2.50%
Brinson 2001 Partnership Fund	1,881,795	0.1%		0.00%	0.00%	0.00%	0.00%	12.43%	12.43%	14.42%	14.42%	4.80%	4.55%
Brinson 2002 Partnership Fund	1,017,813	0.0%		0.00%	0.00%	0.00%	0.00%	6.52%	6.52%	17.45%	17.45%	4.71%	4.45%
Brinson 2003 Partnership Fund	384,847	0.0%		0.00%	0.00%	0.00%	0.00%	6.11%	6.11%	8.51%	8.51%	2.19%	1.94%
Total Brinson Partnership Funds	5,476,749	0.3%		0.00%	0.00%	0.00%	0.00%	8.66%	8.66%	13.26%	13.26%	3.18%	2.93%
Brinson 1999 Non-US Partnership Fund	264,477	0.0%		0.00%	0.00%	0.00%	0.00%	27.87%	27.87%	27.63%	27.63%	10.48%	10.21%
Brinson 2000 Non-US Partnership Fund	560,753	0.0%		0.00%	0.00%	0.00%	0.00%	-1.13%	-1.13%	9.56%	9.56%	-2.18%	-2.43%
Brinson 2001 Non-US Partnership Fund	339,923	0.0%		0.00%	0.00%	0.00%	0.00%	9.41%	9.41%	4.02%	4.02%	-7.57%	-7.82%
Brinson 2002 Non-US Partnership Fund	1,126,743	0.1%		0.00%	0.00%	0.00%	0.00%	8.55%	8.55%	15.73%	15.73%	-2.33%	-2.59%
Brinson 2003 Non-US Partnership Fund	906,761	0.0%		0.00%	0.00%	0.00%	0.00%	32.82%	32.82%	20.45%	20.45%	6.27%	6.00%
Brinson 2004 Non-US Partnership Fund	635,392	0.0%		0.00%	0.00%	0.00%	0.00%	8.52%	8.52%	9.90%	9.90%	-2.30%	-2.55%
Total Brinson Non-US Partnership Fund	3,834,050	0.2%		0.00%	0.00%	0.00%	0.00%	13.16%	13.16%	14.49%	14.49%	0.02%	-0.24%
Adams Street 2008 Non-US Partnership Fd	2,356,609	0.1%		0.00%	0.00%	0.00%	0.00%	10.58%	10.58%	9.37%	9.37%	2.05%	-2.17%
Brinson BVCF IV	2,615,119	0.1%		0.00%	0.00%	0.00%	0.00%	32.89%	32.89%	83.51%	83.51%	53.63%	53.35%
Adams Street Direct Co-investment Fund	8,207,646	0.4%		0.00%	0.00%	0.00%	0.00%	11.74%	11.74%	13.70%	13.70%	3.10%	2.69%
Adams Street 2010 Direct Fund	456,463	0.0%		0.00%	0.00%	0.00%	0.00%	2.36%	2.36%	4.96%	4.96%	N/A	N/A
Adams Street 2010 Non-US Emerging Mkts	165,471	0.0%		0.00%	0.00%	0.00%	0.00%	-5.04%	-5.04%	N/A	N/A	N/A	N/A
Adams Street 2010 Non-US Developed Mkts	742,776	0.0%		0.00%	0.00%	0.00%	0.00%	11.47%	11.47%	0.81%	0.81%	N/A	N/A
Adams Street 2010 Partnership Fund	1,446,685	0.1%		0.00%	0.00%	0.00%	0.00%	10.31%	10.31%	15.54%	15.54%	N/A	N/A
Total Adams Street 2010 Funds	2,811,394	0.1%		0.00%	0.00%	0.00%	0.00%	8.27%	8.27%	9.88%	9.88%	N/A	N/A
Matlin Patterson Global Opportunities	6,003	0.0%		0.00%	0.00%	0.00%	0.00%	18.21%	18.21%	-1.05%	-1.05%	10.88%	10.07%
Matlin Patterson Global Opportunities II	740,824	0.0%		-0.03%	-0.03%	-0.03%	-0.03%	-12.14%	-12.14%	-53.08%	-53.08%	-45.68%	-45.80%
Matlin Patterson Global Opportunities III	13,536,013	0.7%		0.00%	0.00%	0.00%	0.00%	25.08%	25.08%	41.76%	41.76%	16.69%	15.28%
InvestAmerica (Lewis and Clark Fund)	3,065,418	0.1%		0.00%	0.00%	0.00%	0.00%	17.77%	17.77%	10.58%	10.58%	7.57%	6.05%
L&C II	5,311,786	0.3%		0.00%	0.00%	0.00%	0.00%	-4.18%	-4.18%	-5.04%	N/A	N/A	N/A
Corsair III (2)	5,734,413	0.3%		-1.48%	-1.48%	-1.48%	-1.48%	-10.93%	-10.93%	-1.72%	-2.07%	-5.61%	-6.74%
Corsair III - ND Investors LLC (2)	5,814,131	0.3%		0.22%	0.22%	0.22%	0.22%	8.19%	8.19%	4.27%	4.18%	2.33%	2.09%
Corsair IV	5,290,095	0.3%		-1.85%	-1.85%	-1.85%	-1.85%	8.75%	8.75%	-5.01%	-5.19%	N/A	N/A
Capital International (CIPEF V)	9,546,766	0.5%		-0.22%	-0.22%	-0.22%	-0.22%	-10.03%	-10.03%	6.63%	6.63%	3.60%	2.40%
Capital International (CIPEF VI)	5,076,874	0.2%		-1.88%	-1.88%	-1.88%	-1.88%	-22.38%	-22.38%	N/A	N/A	N/A	N/A
EIG (formerly TCW)	14,512,425	0.7%		0.00%	0.00%	0.00%	0.00%	0.37%	0.37%	6.67%	6.67%	11.10%	10.10%
Quantum Resources	4,603,176	0.2%		-3.52%	-3.52%	-3.52%	-3.52%	36.60%	36.60%	38.33%	38.33%	-31.99%	-37.56%
Quantum Energy Partners	4,713,168	0.2%		0.04%	0.04%	0.04%	0.04%	18.79%	18.79%	23.23%	23.23%	9.73%	7.86%

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	Market Value	Allocation		Month		Gross (7)	Net	Gross (7)	Net	Gross	Net ROR	Gross	Net ROR
		Actual	Policy	Gross (8)	Net								
<b>Total Private Equity (8)</b>	<b>104,736,183</b>	<b>5.1%</b>	<b>5.0%</b>	<b>-0.41%</b>	<b>-0.41%</b>	<b>-0.41%</b>	<b>-0.41%</b>	<b>6.69%</b>	<b>6.69%</b>	<b>8.85%</b>	<b>8.85%</b>	<b>0.59%</b>	<b>0.27%</b>
<b>GLOBAL FIXED INCOME</b>	<b>445,863,948</b>	<b>21.7%</b>	<b>22.0%</b>	<b>0.30%</b>	<b>0.29%</b>	<b>0.30%</b>	<b>0.29%</b>	<b>5.92%</b>	<b>5.69%</b>				
<b>Benchmark</b>				<b>0.63%</b>	<b>0.63%</b>	<b>0.63%</b>	<b>0.63%</b>	<b>0.93%</b>	<b>0.93%</b>				
<b>Domestic Fixed Income</b>	<b>350,526,982</b>	<b>17.0%</b>	<b>17.0%</b>	<b>0.17%</b>	<b>0.16%</b>	<b>0.17%</b>	<b>0.16%</b>	<b>7.55%</b>	<b>7.36%</b>				
<b>Benchmark</b>				<b>0.65%</b>	<b>0.65%</b>	<b>0.65%</b>	<b>0.65%</b>	<b>2.22%</b>	<b>2.22%</b>				
<b>Investment Grade Fixed Income</b>													
PIMCO (DiSCO II) (8)	47,494,371	2.3%	1.9%	1.00%	1.00%	1.00%	1.00%	33.07%	33.07%	N/A	N/A	N/A	N/A
<b>BC Aggregate</b>				<b>0.14%</b>	<b>0.14%</b>	<b>0.14%</b>	<b>0.14%</b>	<b>-0.69%</b>	<b>-0.69%</b>				
State Street	23,004,726	1.1%	1.2%	-1.85%	-1.85%	-1.85%	-1.85%	N/A	N/A	N/A	N/A	N/A	N/A
<b>BC Long Treasuries</b>				<b>-1.86%</b>	<b>-1.86%</b>	<b>-1.86%</b>	<b>-1.86%</b>	<b>-8.36%</b>	<b>-8.36%</b>				
PIMCO (Unconstrained) (9)	29,056,756	1.4%	1.4%	-0.12%	-0.12%	-0.12%	-0.12%	2.20%	2.20%	N/A	N/A	N/A	N/A
<b>3m LIBOR</b>				<b>0.02%</b>	<b>0.02%</b>	<b>0.02%</b>	<b>0.02%</b>	<b>0.34%</b>	<b>0.34%</b>				
Declaration (Total Return) (9)	28,938,035	1.4%	1.4%	0.00%	0.00%	0.00%	0.00%	7.83%	7.83%	N/A	N/A	N/A	N/A
<b>3m LIBOR</b>				<b>0.02%</b>	<b>0.02%</b>	<b>0.02%</b>	<b>0.02%</b>	<b>0.34%</b>	<b>0.34%</b>				
Western Asset	48,957,923	2.4%	2.4%	-0.14%	-0.16%	-0.14%	-0.16%	-1.31%	-1.48%	N/A	N/A	N/A	N/A
PIMCO (MBS)	72,540,689	3.5%	3.6%	-0.29%	-0.30%	-0.29%	-0.30%	-0.45%	-0.62%	N/A	N/A	N/A	N/A
<b>BC Mortgage Backed Securities Index</b>				<b>-0.09%</b>	<b>-0.09%</b>	<b>-0.09%</b>	<b>-0.09%</b>	<b>-1.10%</b>	<b>-1.10%</b>				
<b>Total Investment Grade Fixed Income</b>	<b>249,992,499</b>	<b>12.1%</b>	<b>12.0%</b>	<b>-0.11%</b>	<b>-0.12%</b>	<b>-0.11%</b>	<b>-0.12%</b>	<b>5.13%</b>	<b>5.04%</b>	<b>5.86%</b>	<b>5.65%</b>	<b>4.25%</b>	<b>3.78%</b>
<b>BC Aggregate</b>				<b>0.14%</b>	<b>0.14%</b>	<b>0.14%</b>	<b>0.14%</b>	<b>-0.69%</b>	<b>-0.69%</b>	<b>3.51%</b>	<b>3.51%</b>	<b>5.19%</b>	<b>5.19%</b>
<b>Below Investment Grade Fixed Income</b>													
Loomis Sayles	92,398,185	4.5%	4.6%	1.06%	1.03%	1.06%	1.03%	12.75%	12.25%	11.41%	10.91%	10.28%	9.77%
Goldman Sachs 2006 Fund (8)	2,185,957	0.1%	0.1%	-0.72%	-0.72%	-0.72%	-0.72%	18.49%	18.49%	6.96%	6.96%	3.82%	1.93%
Goldman Sachs Fund V (8)	5,950,341	0.3%	0.3%	-1.03%	-1.03%	-1.03%	-1.03%	17.11%	17.11%	15.96%	15.96%	13.95%	13.42%
<b>Total Below Investment Grade Fixed Income</b>	<b>100,534,483</b>	<b>4.9%</b>	<b>5.0%</b>	<b>0.91%</b>	<b>0.87%</b>	<b>0.91%</b>	<b>0.87%</b>	<b>14.10%</b>	<b>13.64%</b>	<b>11.75%</b>	<b>11.35%</b>	<b>8.27%</b>	<b>7.62%</b>
<b>LB High Yield 2% Issuer Constrained Index</b>				<b>1.90%</b>	<b>1.90%</b>	<b>1.90%</b>	<b>1.90%</b>	<b>9.50%</b>	<b>9.50%</b>	<b>10.69%</b>	<b>10.69%</b>	<b>11.00%</b>	<b>11.00%</b>
<b>International Fixed Income</b>	<b>95,336,967</b>	<b>4.6%</b>	<b>5.0%</b>	<b>0.79%</b>	<b>0.76%</b>	<b>0.79%</b>	<b>0.76%</b>	<b>0.83%</b>	<b>0.48%</b>				
<b>Benchmark</b>				<b>0.54%</b>	<b>0.54%</b>	<b>0.54%</b>	<b>0.54%</b>	<b>-3.40%</b>	<b>-3.40%</b>				
<b>Developed Investment Grade Int'l FI</b>													
UBS Global (Brinson)	45,664,248	2.2%	2.5%	2.16%	2.14%	2.16%	2.14%	-3.45%	-3.74%	3.64%	3.34%	2.89%	2.59%
<b>BC Global Aggregate ex-US (6)</b>				<b>0.54%</b>	<b>0.54%</b>	<b>0.54%</b>	<b>0.54%</b>	<b>-3.40%</b>	<b>-3.40%</b>	<b>3.46%</b>	<b>3.46%</b>	<b>3.11%</b>	<b>3.11%</b>
Brandywine	49,672,719	2.4%	2.5%	-0.44%	-0.47%	-0.44%	-0.47%	5.00%	4.59%	9.95%	9.53%	8.53%	8.11%
<b>BC Global Aggregate (ex-US)</b>				<b>1.26%</b>	<b>1.26%</b>	<b>1.26%</b>	<b>1.26%</b>	<b>-2.18%</b>	<b>-2.18%</b>	<b>3.55%</b>	<b>3.55%</b>	<b>3.43%</b>	<b>3.43%</b>
<b>Total Developed Investment Grade Int'l FI</b>	<b>95,336,967</b>	<b>4.6%</b>	<b>5.0%</b>	<b>0.79%</b>	<b>0.76%</b>	<b>0.79%</b>	<b>0.76%</b>	<b>0.83%</b>	<b>0.48%</b>	<b>6.89%</b>	<b>6.53%</b>	<b>5.97%</b>	<b>5.61%</b>
<b>BC Global Aggregate ex-US</b>				<b>0.54%</b>	<b>0.54%</b>	<b>0.54%</b>	<b>0.54%</b>	<b>-3.40%</b>	<b>-3.40%</b>	<b>3.46%</b>	<b>3.46%</b>	<b>3.11%</b>	<b>3.11%</b>

**ND PUBLIC EMPLOYEES RETIREMENT SYSTEM  
INVESTMENT PERFORMANCE REPORT AS OF JULY 31, 2013**

	July-13					Current Fiscal YTD		Prior FY13		3 Years Ended 6/30/2013		5 Years Ended 6/30/2013	
	Market Value	Allocation		Month		Gross (7)	Net	Gross (7)	Net	Gross	Net ROR	Gross	Net ROR
		Actual	Policy	Gross (8)	Net								
<b>GLOBAL REAL ASSETS</b>	<b>378,539,553</b>	<b>18.4%</b>	<b>20.0%</b>	<b>0.23%</b>	<b>0.20%</b>	<b>0.23%</b>	<b>0.20%</b>	<b>8.24%</b>	<b>7.86%</b>				
<b>Benchmark</b>				<b>0.56%</b>	<b>0.56%</b>	<b>0.56%</b>	<b>0.56%</b>	<b>8.09%</b>	<b>8.09%</b>				
<b>Global Real Estate</b>													
INVESCO - Core	71,864,200			0.00%	-0.04%	0.00%	-0.04%	13.36%	12.84%	15.85%	15.38%	0.04%	-0.46%
INVESCO - Fund II (8)	11,312,308			0.00%	0.00%	0.00%	0.00%	23.44%	23.44%	35.58%	35.58%	-15.67%	-16.63%
INVESCO - Fund III (9)	20,324,255			0.00%	0.00%	0.00%	0.00%	16.79%	16.79%	N/A	N/A	N/A	N/A
INVESCO - Asia Real Estate Fund (8)	11,577,157			0.00%	0.00%	0.00%	0.00%	-5.61%	-5.61%	-4.32%	-4.32%	N/A	N/A
J.P. Morgan Strategic & Special Funds	65,221,546			1.39%	1.32%	1.39%	1.32%	14.62%	13.66%	16.20%	15.23%	0.20%	-0.82%
J.P. Morgan Alternative Property Fund	2,912,515			0.00%	-0.01%	0.00%	-0.01%	15.24%	15.13%	15.71%	15.35%	-6.30%	-7.55%
J.P. Morgan Greater Europe Fund (8)	5,183,987			2.41%	2.41%	2.41%	2.41%	-48.64%	-48.64%	-106.48%	-106.48%	N/A	N/A
J.P. Morgan Greater China Property Fund (8)	10,624,053			-0.04%	-0.04%	-0.04%	-0.04%	-4.51%	-4.51%	2.30%	2.30%	1.53%	0.33%
<b>Total Global Real Estate</b>	<b>199,020,022</b>	<b>9.7%</b>	<b>10.0%</b>	<b>0.51%</b>	<b>0.47%</b>	<b>0.51%</b>	<b>0.47%</b>	<b>11.04%</b>	<b>10.55%</b>	<b>15.90%</b>	<b>15.36%</b>	<b>-1.43%</b>	<b>-2.21%</b>
<b>NCREIF TOTAL INDEX</b>				<b>0.95%</b>	<b>0.95%</b>	<b>0.95%</b>	<b>0.95%</b>	<b>10.72%</b>	<b>10.72%</b>	<b>13.14%</b>	<b>13.14%</b>	<b>2.79%</b>	<b>2.79%</b>
<b>Timber</b>													
TIR - Teredo (7)	39,407,969	1.9%		0.00%	0.00%	0.00%	0.00%	5.64%	5.64%	3.09%	3.09%	5.33%	5.20%
TIR - Springbank	60,566,493	2.9%		0.02%	0.02%	0.02%	0.02%	-2.45%	-2.45%	-3.02%	-3.02%	-4.88%	-4.92%
<b>Total Timber</b>	<b>99,974,462</b>	<b>4.9%</b>	<b>5.0%</b>	<b>0.01%</b>	<b>0.01%</b>	<b>0.01%</b>	<b>0.01%</b>	<b>0.58%</b>	<b>0.58%</b>				
<b>NCREIF Timberland Index(8)</b>				<b>0.31%</b>	<b>0.31%</b>	<b>0.31%</b>	<b>0.31%</b>	<b>9.35%</b>	<b>9.35%</b>	<b>3.71%</b>	<b>3.71%</b>	<b>0.47%</b>	<b>2.51%</b>
<b>Infrastructure</b>													
JP Morgan (Asian)	15,114,760	0.7%		0.11%	0.11%	0.11%	0.11%	23.99%	23.99%	6.83%	6.83%	N/A	N/A
JP Morgan (IIF)	48,080,925	2.3%		0.00%	-0.08%	0.00%	-0.08%	10.64%	9.57%	7.42%	6.12%	-0.12%	-1.56%
Credit Suisse	16,349,384	0.8%		-1.08%	-1.08%	-1.08%	-1.08%	9.43%	9.43%	N/A	N/A	N/A	N/A
<b>Total Infrastructure (8)</b>	<b>79,545,069</b>	<b>3.9%</b>	<b>5.0%</b>	<b>-0.19%</b>	<b>-0.24%</b>	<b>-0.19%</b>	<b>-0.24%</b>	<b>12.33%</b>	<b>11.60%</b>				
<b>CPI</b>				<b>0.04%</b>	<b>0.04%</b>	<b>0.04%</b>	<b>0.04%</b>	<b>1.75%</b>	<b>1.75%</b>				
<b>Cash Equivalents</b>													
Northern Trust STIF	19,195,597			0.00%	0.00%	0.00%	0.00%	0.10%	0.10%	0.12%	0.12%	0.33%	0.30%
<b>Total Cash Equivalents</b>	<b>19,195,597</b>	<b>0.9%</b>	<b>1.0%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.10%</b>	<b>0.10%</b>	<b>0.13%</b>	<b>0.13%</b>	<b>0.35%</b>	<b>0.34%</b>
<b>90 Day T-Bill</b>				<b>0.01%</b>	<b>0.01%</b>	<b>0.01%</b>	<b>0.01%</b>	<b>0.11%</b>	<b>0.11%</b>	<b>0.11%</b>	<b>0.11%</b>	<b>0.30%</b>	<b>0.30%</b>

NOTE: Monthly returns and market values are preliminary and subject to change.

New asset class structure began October 1, 2011. Composite returns for new composites not available prior to that date.

Portfolios moved between asset classes will show historical returns in new position.

(1) Epoch was included in the Large Cap Domestic Equity composite through 12/31/11.

(2) Prior to January 1, 2012, the benchmark was S&P 500.

(3) This benchmark was changed to the MSCI EAFE (unhedged) as of December 1, 2004.

(4) This benchmark was changed to the MSCI EAFE (unhedged) as of April 1, 2011.

(5) Prior to January 1, 2005, the benchmark was the First Boston Convertible Index.

(6) Prior to December 1, 2009, the benchmark was the Citigroup World Gov't Bond Index ex-US

(7) Prior to June 1, 2006, the Teredo properties were under the management of RMK.

(8) All limited partnership-type investments' returns will only be reported net of fees, which is standard practice by the investment consultant.