

ND PUBLIC EMPLOYEES RETIREMENT SYSTEM
INVESTMENT PERFORMANCE REPORT AS OF JUNE 30, 2015

	June-15					March-15					December-14					September-14					Current Fiscal YTD		Prior Year FY14		3 Years Ended 6/30/2015		5 Years Ended 6/30/2015		
	Market Value	Allocation		Gross ⁽⁵⁾	Net	Market Value	Allocation		Gross ⁽⁵⁾	Net	Market Value	Allocation		Gross ⁽⁵⁾	Net	Market Value	Allocation		Gross ⁽⁵⁾	Net	Gross ⁽⁷⁾	Net	Gross ⁽⁷⁾	Net	Gross	Net ROR	Gross	Net ROR	
		Actual	Policy				Actual	Policy				Actual	Policy				Actual	Policy											Actual
TOTAL FUND	2,422,579,596	100.0%	100.0%	0.80%	0.75%	2,401,309,136	100.0%	100.0%	2.38%	2.31%	2,345,979,927	100.0%	100.0%	1.64%	1.57%	2,308,416,720	100.0%	100.0%	-0.98%	-1.11%	3.86%	3.53%	16.75%	16.38%	11.35%	11.00%	11.05%	10.69%	
<i>POLICY TARGET BENCHMARK</i>				0.26%	0.26%				1.91%	1.91%				1.30%	1.30%				-1.30%	-1.30%	2.16%	2.16%	15.67%	15.67%	9.74%	9.74%	10.03%	10.03%	
ATTRIBUTION ANALYSIS																													
Asset Allocation				-0.06%	-0.06%				0.01%	0.01%				0.07%	0.07%				-0.09%	-0.09%	-0.08%	-0.08%	0.15%	0.15%	0.03%	0.03%	-0.18%	-0.18%	
Manager Selection				0.60%	0.55%				0.47%	0.40%				0.27%	0.20%				0.41%	0.28%	1.78%	1.45%	0.93%	0.56%	1.58%	1.23%	1.21%	0.85%	
TOTAL RELATIVE RETURN				0.54%	0.49%				0.48%	0.41%				0.34%	0.27%				0.32%	0.19%	1.71%	1.38%	1.08%	0.71%	1.61%	1.26%	1.03%	0.67%	
GLOBAL EQUITIES	1,389,496,590	57.4%	57.0%	0.81%	0.76%	1,375,790,749	57.3%	57.0%	2.90%	2.84%	1,353,025,545	57.7%	57.0%	1.81%	1.76%	1,323,913,853	57.4%	57.0%	-1.91%	-2.10%	3.58%	3.24%	22.29%	21.86%	14.70%	14.32%			
<i>Benchmark</i>				52.0%	0.18%				52.0%	2.31%				52.0%	1.37%				52.0%	-2.26%	1.54%	1.54%	21.92%	21.92%	13.42%	13.42%			
Epoch (1)	165,905,663	6.8%	7.0%	0.21%	0.05%	159,542,179	6.6%	7.0%	4.05%	3.88%	153,511,982	6.5%	7.0%	3.72%	3.56%	148,227,869	6.4%	7.0%	0.39%	0.21%	8.58%	7.85%	18.24%	17.41%	15.77%	15.00%	14.20%	13.31%	
LSV	216,980,529	9.0%	9.0%	1.29%	1.26%	213,151,148	8.9%	9.0%	2.60%	2.57%	207,717,991	8.9%	9.0%	0.87%	0.85%	205,958,409	8.9%	9.0%	-2.75%	-3.55%	1.94%	1.03%	27.77%	27.33%	N/A	N/A	N/A	N/A	
Total Global Equities	382,886,192	15.8%	16.0%	0.83%	0.75%	372,693,327	15.5%	16.0%	3.22%	3.13%	361,229,973	15.4%	16.0%	2.06%	1.98%	354,186,278	15.3%	16.0%	-1.46%	-2.01%	4.67%	3.83%	23.25%	22.65%	13.00%	12.57%			
<i>MSCI World</i>				0.31%	0.31%				2.31%	2.31%				1.01%	1.01%				-2.16%	-2.16%	1.43%	1.43%	24.05%	24.05%	14.27%	14.27%			
Domestic - broad	551,588,432	22.8%	21.5%	0.39%	0.37%	549,024,600	22.9%	21.5%	3.01%	2.97%	558,014,051	23.8%	21.5%	5.61%	5.59%	523,855,774	22.7%	21.5%	-0.53%	-0.61%	8.64%	8.46%	25.22%	24.85%	19.04%	18.76%			
<i>Benchmark</i>				0.20%	0.20%				2.21%	2.21%				5.99%	5.99%				-1.18%	-1.18%	7.26%	7.26%	25.02%	25.02%	17.81%	17.81%			
Large Cap Domestic																													
LA Capital	162,820,730	6.7%	6.6%	0.91%	0.86%	161,271,382	6.7%	6.6%	4.82%	4.76%	168,579,176	7.2%	6.6%	5.05%	4.99%	158,817,247	6.9%	6.6%	1.48%	1.43%	12.76%	12.52%	25.82%	25.56%	19.03%	18.79%	19.06%	18.84%	
<i>Russell 1000 Growth</i>				0.12%	0.12%				3.84%	3.84%				4.78%	4.78%				1.49%	1.49%	10.56%	10.56%	26.92%	26.92%	17.99%	17.99%	18.59%	18.59%	
LA Capital	105,453,132	4.4%	3.3%	-0.28%	-0.31%	105,676,069	4.4%	3.3%	2.13%	2.10%	113,387,496	4.8%	3.3%	5.17%	5.14%	106,669,830	4.6%	3.3%	1.07%	1.03%	8.26%	8.12%	24.42%	24.27%	17.89%	17.73%	17.86%	17.64%	
<i>Russell 1000</i>				0.11%	0.11%				1.59%	1.59%				4.88%	4.88%				0.65%	0.65%	7.37%	7.37%	25.36%	25.36%	17.73%	17.73%	17.86%	17.58%	
Northern Trust	64,586,244	2.7%	3.3%	-0.36%	-0.36%	64,760,815	2.7%	3.3%	0.54%	0.31%	64,424,723	2.7%	3.3%	4.26%	4.26%	61,119,410	2.6%	3.3%	1.74%	1.61%	6.26%	5.89%	26.83%	25.90%	18.57%	18.03%	18.27%	17.86%	
Clifton	91,581,142	3.8%	3.3%	-0.01%	-0.01%	91,494,209	3.8%	3.3%	1.04%	1.04%	90,363,389	3.9%	3.3%	5.07%	5.07%	85,071,891	3.7%	3.3%	1.20%	1.19%	7.43%	7.41%	24.65%	24.65%	17.27%	17.26%	N/A	N/A	
<i>S&P 500</i>				0.28%	0.28%				0.95%	0.95%				4.93%	4.93%				1.13%	1.13%	7.42%	7.42%	24.61%	24.61%	17.31%	17.31%	17.34%	17.34%	
Total Large Cap Domestic	424,441,247	17.5%	16.6%	0.22%	0.19%	423,202,475	17.6%	16.6%	2.68%	2.62%	436,754,784	18.6%	16.6%	4.97%	4.94%	411,678,378	17.8%	16.6%	1.35%	1.30%	9.48%	9.30%	25.21%	24.96%	19.06%	18.85%	17.97%	17.69%	
<i>Russell 1000 (2)</i>				0.11%	0.11%				1.59%	1.59%				4.88%	4.88%				0.65%	0.65%	7.37%	7.37%	25.36%	25.36%	17.73%	17.73%	17.57%	17.57%	
Small Cap Domestic																													
SEI	-	0.0%	0.0%	N/A	N/A	-	0.0%	0.0%	N/A	N/A	5,433	0.0%	0.0%	0.00%	0.00%	5,428	0.0%	0.0%	0.00%	0.00%	N/A	N/A	-90.87%	-90.87%	N/A	N/A	N/A	N/A	
Callan (5)	62,904,655	2.6%	2.4%	0.88%	0.88%	62,300,139	2.6%	2.4%	4.24%	4.24%	60,029,091	2.6%	2.4%	6.14%	6.14%	56,509,833	2.4%	2.4%	-6.84%	-6.84%	3.98%	3.98%	25.27%	24.40%	18.49%	18.00%	17.77%	17.18%	
Clifton	64,242,530	2.7%	2.4%	1.04%	1.04%	63,521,986	2.6%	2.4%	4.21%	4.21%	61,224,743	2.6%	2.4%	9.90%	9.90%	55,662,135	2.4%	2.4%	-7.04%	-7.39%	7.58%	7.17%	24.95%	24.29%	18.98%	18.44%	N/A	N/A	
Total Small Cap Domestic	127,147,185	5.2%	4.8%	0.96%	0.96%	125,822,124	5.2%	4.8%	4.22%	4.22%	121,259,266	5.2%	4.8%	8.01%	8.01%	112,177,397	4.9%	4.8%	-6.94%	-7.11%	5.77%	5.57%	25.13%	24.36%	18.85%	18.34%	18.02%	17.48%	
<i>Russell 2000</i>				0.42%	0.42%				4.32%	4.32%				9.73%	9.73%				-7.36%	-7.36%	6.49%	6.49%	23.64%	23.64%	17.81%	17.81%	17.08%	17.08%	
International - broad	366,054,326	15.1%	14.5%	2.20%	2.16%	358,352,555	14.9%	14.5%	4.18%	4.13%	334,836,827	14.3%	14.5%	-3.20%	-3.24%	339,378,508	14.7%	14.5%	-5.43%	-5.48%	-2.53%	-2.71%	23.18%	22.73%	11.97%	11.53%			
<i>Benchmark</i>				0.66%	0.66%				4.25%	4.25%				-3.78%	-3.78%				-5.28%	-5.28%	-4.37%	-4.37%	21.37%	21.37%	10.02%	10.02%			
Developed International																													
Capital Group	69,502,214	2.9%	3.3%	1.89%	1.80%	68,295,267	2.8%	3.3%	3.86%	3.75%	56,487,992	2.4%	3.3%	-2.11%	-2.22%	51,525,554	2.2%	3.3%	-5.19%	-5.30%	-1.78%	-2.20%	21.31%	20.79%	13.07%	12.59%	9.84%	9.33%	
<i>MSCI EAFE (3)</i>				0.62%	0.62%				4.88%	4.88%				-3.57%	-3.57%				-5.88%	-5.88%	-4.22%	-4.22%	23.57%	23.57%	11.97%	11.97%	8.38%	8.38%	
NTGI	125,303,516	0.0%	5.5%	0.64%	0.64%	124,548,181	0.0%	5.5%	3.96%	3.94%	119,684,011	0.0%	5.5%	-3.69%	-3.69%	123,997,475	0.0%	5.5%	-5.70%	-5.71%	-4.98%	-5.01%	N/A	N/A	N/A	N/A	N/A	N/A	
<i>MSCI World Ex US</i>				0.48%	0.48%				3.83%	3.83%				-3.69%	-3.69%				-5.74%	-5.74%	-5.28%	-5.28%	N/A	N/A	N/A	N/A	N/A	N/A	
DFA (5)	40,229,850	1.7%	1.1%	5.19%	5.19%	38,256,562	1.6%	1.1%	4.68%	4.68%	36,502,394	1.6%	1.1%	-3.97%	-3.97%	37,928,094	1.6%	1.1%	-8.53%	-8.53%	-3.27%	-3.27%	36.64%	35.75%	18.18%	17.71%	13.39%	12.81%	
Wellington	45,739,181	1.9%	1.1%	5.84%	5.63%	43,313,727	1.8%	1.1%	6.97%	6.74%	40,528,396	1.7%	1.1%	-3.58%	-3.80%	42,037,790	1.8%	1.1%	-7.90%	-8.09%	0.53%	-0.31%	29.23%	28.18%	17.91%	16.99%	15.88%	14.97%	
<i>S&P/Citigroup BMI EPAC < \$2BN</i>				5.97%	5.97%				6.19%	6.19%				-4.44%	-4.44%				-5.94%	-5.94%	1.14%	1.14%	26.39%	26.39%	14.70%	14.70%	11.08%	11.08%	
Total Developed International	280,774,762	11.6%	11.1%	2.41%	2.35%	274,413,737	11.4%																						

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	June-15					March-15					December-14					September-14					Current Fiscal YTD		Prior Year FY14		3 Years Ended 6/30/2015		5 Years Ended 6/30/2015		
	Market Value	Allocation		Quarter		Market Value	Allocation		Quarter		Market Value	Allocation		Quarter		Market Value	Allocation		Quarter		Gross (7)	Net	Gross (7)	Net	Gross	Net ROR	Gross	Net ROR	
		Actual	Policy	Gross (6)	Net		Actual	Policy	Gross (6)	Net		Actual	Policy	Gross (6)	Net		Actual	Policy	Gross (6)	Net									Gross (7)
GLOBAL REAL ASSETS	432,543,163	17.9%	20.0%	3.04%	2.99%	419,350,121	17.5%	20.0%	2.45%	2.32%	414,752,181	17.7%	20.0%	2.03%	1.89%	412,627,583	17.9%	20.0%	1.64%	1.58%	9.48%	9.07%	11.40%	10.99%	9.70%	9.30%			
Benchmark				1.99%	1.99%				2.34%	2.34%				2.55%	2.55%				1.62%	1.62%	8.78%	8.78%	8.55%	8.55%	8.47%	8.47%			
Global Real Estate																													
INVESCO - Core	92,569,512			5.26%	5.17%	88,022,528			3.28%	3.19%	85,304,432			3.49%	3.40%	82,495,531			3.45%	3.35%	16.38%	15.97%	10.91%	10.48%	13.53%	13.07%	14.95%	14.50%	
INVESCO - Fund II (5)	9,102,044			1.62%	1.62%	8,956,825			-0.38%	-0.38%	11,534,864			4.93%	4.93%	10,992,806			0.00%	0.00%	6.23%	6.23%	14.49%	14.49%	14.50%	14.50%	24.83%	24.83%	
INVESCO - Fund III (5)	16,278,288			4.26%	4.26%	16,466,058			4.67%	4.67%	19,968,945			8.76%	8.76%	18,360,357			0.00%	0.00%	18.70%	18.70%	18.28%	18.28%	17.92%	17.92%	N/A	N/A	
INVESCO - Fund IV (6)	11,970,538			20.97%	20.97%	-			N/A	N/A	-			N/A	N/A	-			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
INVESCO - Asia Real Estate Fund (5)	5,451,534			9.40%	9.40%	11,026,462			12.12%	12.12%	13,364,893			-4.61%	-4.61%	14,928,500			-0.69%	-0.69%	16.19%	16.19%	15.25%	15.25%	8.12%	8.12%	3.24%	3.24%	
J.P. Morgan Strategic & Special Funds	84,200,014			4.26%	4.26%	80,758,328			4.07%	3.59%	77,779,586			2.98%	2.50%	75,883,158			2.66%	2.66%	14.71%	13.64%	15.10%	14.04%	14.81%	13.78%	15.68%	14.67%	
J.P. Morgan Alternative Property Fund	179,717			0.76%	0.76%	178,358			-27.28%	-27.28%	333,452			-8.94%	-8.94%	1,765,594			0.00%	0.00%	-33.28%	-33.28%	4.18%	4.18%	-7.13%	-7.16%	1.49%	1.30%	
J.P. Morgan Greater Europe Fund (5)	12,819,248			23.29%	23.29%	11,542,028			-11.15%	-11.15%	13,004,126			16.58%	16.58%	11,158,031			-8.45%	-8.45%	16.90%	16.90%	66.58%	66.58%	0.01%	0.01%	N/A	N/A	
J.P. Morgan Greater China Property Fund (5)	5,006,913			7.78%	7.78%	4,645,709			5.78%	5.78%	4,727,377			2.15%	2.15%	5,179,462			0.24%	0.24%	16.74%	16.74%	70.53%	70.53%	23.88%	23.88%	16.34%	16.34%	
Total Global Real Estate	237,577,808	9.8%	10.0%	6.18%	6.14%	221,596,296	9.2%	10.0%	3.24%	3.04%	226,017,674	9.6%	10.0%	3.89%	3.70%	220,763,438	9.6%	10.0%	1.67%	1.63%	15.79%	15.25%	16.77%	16.24%	14.51%	13.99%	16.05%	15.52%	
NCREIF TOTAL INDEX				3.14%	3.14%				3.57%	3.57%				3.04%	3.04%				2.63%	2.63%	12.98%	12.98%	11.21%	11.21%	11.63%	11.63%	12.72%	12.72%	
Timber																													
TIR - Teredo	30,759,068	1.3%		1.35%	1.35%	30,348,687	1.3%		12.93%	12.93%	36,304,603	1.5%		0.93%	0.93%	37,233,734	1.6%		0.00%	0.00%	15.52%	15.52%	6.64%	6.64%	9.18%	9.18%	6.18%	6.18%	
TIR - Springbank	58,848,669	2.4%		-0.06%	-0.06%	58,897,673	2.5%		-1.92%	-1.92%	60,332,790	2.6%		-0.03%	-0.03%	60,362,029	2.6%		0.02%	0.02%	-1.98%	-1.98%	0.22%	0.22%	-1.41%	-1.41%	-2.17%	-2.17%	
Total Timber (5)	89,607,737	3.7%	5.0%	0.42%	0.42%	89,246,361	3.7%	5.0%	3.15%	3.15%	96,637,393	4.1%	5.0%	0.33%	0.33%	97,595,763	4.2%	5.0%	0.01%	0.01%	3.94%	3.94%	2.62%	2.62%	2.37%	2.37%			
NCREIF Timberland Index				0.51%	0.51%				1.75%	1.75%				6.02%	6.02%				1.47%	1.47%	10.02%	10.02%	9.94%	9.94%	9.77%	9.77%	6.10%	6.10%	
Infrastructure																													
JP Morgan (Asian) (5)	15,480,248	0.6%		-1.10%	-1.10%	16,536,510	0.7%		-1.13%	-1.13%	16,665,258	0.7%		-0.44%	-0.44%	16,413,371	0.7%		0.07%	0.07%	-2.58%	-2.58%	3.71%	3.71%	7.80%	7.80%	4.26%	4.26%	
JP Morgan (IIF)	69,367,921	2.9%		-1.88%	-2.09%	69,675,234	2.9%		-0.74%	-0.88%	54,609,322	2.3%		-1.87%	-2.09%	55,799,352	2.4%		5.74%	5.49%	1.06%	0.23%	9.82%	8.81%	7.08%	6.12%	6.59%	5.44%	
Grosvenor (formerly Credit Suisse) (5)	19,735,393	0.8%		0.22%	0.22%	21,897,369	0.9%		2.42%	2.42%	20,822,534	0.9%		2.81%	2.81%	22,055,659	1.0%		-0.14%	-0.14%	5.37%	5.37%	12.90%	12.90%	9.19%	9.19%	N/A	N/A	
Grosvenor CIS II (6)	774,055	0.0%		N/A	N/A	398,350	0.0%		N/A	N/A	-	0.0%		N/A	N/A	-	0.0%		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Total Infrastructure	105,357,618	4.3%	5.0%	-1.38%	-1.52%	108,507,464	4.5%	5.0%	-0.07%	-0.17%	92,097,114	3.9%	5.0%	-0.59%	-0.73%	94,268,382	4.1%	5.0%	3.33%	3.19%	1.23%	0.72%	9.50%	8.83%	7.58%	6.95%			
CPI				1.19%	1.19%				0.50%	0.50%				-1.82%	-1.82%				-0.23%	-0.23%	-0.38%	-0.38%	2.05%	2.05%	1.13%	1.13%			
Cash Equivalents																													
Northern Trust STIF	40,176,878			0.02%	0.02%	44,631,702			0.02%	0.02%	26,969,388			0.02%	0.02%	22,646,710			0.01%	0.01%	0.06%	0.06%	0.04%	0.04%	0.07%	0.07%	0.09%	0.09%	
Total Cash Equivalents	40,176,878	1.7%	1.0%	0.02%	0.02%	44,631,702	1.9%	1.0%	0.02%	0.02%	26,969,388	1.1%	1.0%	0.02%	0.02%	22,646,710	1.0%	1.0%	0.01%	0.01%	0.06%	0.06%	0.04%	0.04%	0.07%	0.07%	0.10%	0.10%	
90 Day T-Bill				0.01%	0.01%				0.00%	0.00%				0.00%	0.00%				0.01%	0.01%	0.02%	0.02%	0.06%	0.06%	0.06%	0.06%	0.08%	0.08%	

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 April 1, 2011.

(4) Prior to December 1, 2009, the benchmark was the Citigroup World Govt Bond Index ex-US

(5) All limited partnership-type (and mutual funds as of 7/1/14) investment returns will only be reported net of fees, which is standard practice by the investment consultant.