

**BUDGET STABILIZATION FUND
INVESTMENT PERFORMANCE REPORT AS OF JULY 31, 2014**

	July-14					Current FYTD		Prior Year FY14		3 Years Ended 6/30/2014		5 Years Ended 6/30/2014	
	Market Value	Allocation		Month		Returns		Returns		Gross	Net	Gross	Net
		Actual	Policy	Gross ⁽¹⁾	Net	Gross	Net	Gross	Net				
TOTAL BUDGET STABILIZATION FUND	585,839,771	100.0%	100.0%	-0.05%	-0.06%	-0.05%	-0.06%	2.04%	1.94%	2.03%	1.95%	3.45%	3.37%
<i>POLICY TARGET BENCHMARK</i>				<i>-0.07%</i>	<i>-0.07%</i>	<i>-0.07%</i>	<i>-0.07%</i>	<i>0.61%</i>	<i>0.61%</i>	<i>0.40%</i>	<i>0.40%</i>	<i>0.30%</i>	<i>0.30%</i>
Bank of ND CD'S	104,836,543	17.9%	17.9%	0.22%	0.22%	0.22%	0.22%	2.81%	2.81%	3.63%	3.63%	3.91%	3.91%
CASH EQUIVALENTS													
Northern Trust (1)	6,996,232			0.00%	0.00%	0.00%	0.00%	0.01%	0.01%	N/A	N/A	N/A	N/A
TOTAL CASH EQUIVALENTS	6,996,232	1.2%	1.2%	0.00%	0.00%	0.00%	0.00%	0.01%	0.01%	0.17%	0.17%	0.24%	0.24%
<i>90 Day T-Bill</i>				<i>0.00%</i>	<i>0.00%</i>	<i>0.00%</i>	<i>0.00%</i>	<i>0.06%</i>	<i>0.06%</i>	<i>0.08%</i>	<i>0.08%</i>	<i>0.11%</i>	<i>0.11%</i>
SHORT TERM FIXED INCOME													
Babson Capital	237,993,602	40.6%	40.5%	-0.14%	-0.14%	-0.14%	-0.14%	2.39%	2.26%	N/A	N/A	N/A	N/A
<i>BC 1-3 Year US Gov't Index</i>				<i>-0.08%</i>	<i>-0.08%</i>	<i>-0.08%</i>	<i>-0.08%</i>	<i>0.77%</i>	<i>0.77%</i>				
JP Morgan	236,013,394	40.3%	40.5%	-0.09%	-0.11%	-0.09%	-0.11%	1.44%	1.31%	N/A	N/A	N/A	N/A
<i>BC 1-3 Year Gov/Credit Index</i>				<i>-0.07%</i>	<i>-0.07%</i>	<i>-0.07%</i>	<i>-0.07%</i>	<i>1.14%</i>	<i>1.14%</i>				
TOTAL SHORT TERM FIXED INCOME	474,006,996	80.9%	80.9%	-0.12%	-0.13%	-0.12%	-0.13%	1.91%	1.79%	1.44%	1.33%	3.94%	3.85%
<i>BC 1-3 Year US Gov't Index (1)</i>				<i>-0.08%</i>	<i>-0.08%</i>	<i>-0.08%</i>	<i>-0.08%</i>	<i>0.77%</i>	<i>0.77%</i>	<i>0.51%</i>	<i>0.51%</i>	<i>0.37%</i>	<i>0.37%</i>

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

Effective July 1, 2013, net of fee returns are calculated on a cash basis in the month paid. Prior years were accrual based and split evenly over the 12 months of the fiscal year.