

LEGACY FUND
INVESTMENT PERFORMANCE REPORT AS OF JULY 31, 2017

	July-17					Current FYTD		Prior Year FY17		3 Years Ended		5 Years Ended	
	Allocation			Month		Returns		Returns		6/30/2017		6/30/2017	
	Market Value	Actual	Policy	Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net
TOTAL LEGACY FUND	4,793,986,847	100.0%	100.0%	1.53%	1.51%	1.53%	1.51%	12.30%	12.03%	5.61%	5.36%	4.96%	4.76%
<i>POLICY TARGET BENCHMARK</i>				1.36%	1.36%	1.36%	1.36%	9.91%	9.91%	4.42%	4.42%	3.84%	3.84%
ATTRIBUTION ANALYSIS													
Asset Allocation				0.00%	0.00%	0.00%	0.00%	-0.05%	-0.05%	-0.14%	-0.14%	-0.13%	-0.13%
Manager Selection				0.17%	0.15%	0.17%	0.15%	2.43%	2.16%	1.32%	1.08%	1.26%	1.06%
TOTAL RELATIVE RETURN				0.17%	0.15%	0.17%	0.15%	2.38%	2.12%	1.18%	0.94%	1.13%	0.93%
LARGE CAP DOMESTIC EQUITY													
LA Capital Large Cap Growth	320,739,735	6.7%	6.6%	2.43%	2.43%	2.43%	2.43%	15.44%	15.21%	5.61%	5.61%	N/A	N/A
<i>Russell 1000 Growth</i>				2.66%	2.66%	2.66%	2.66%	20.42%	20.42%	5.61%	5.61%		
LSV Large Cap Value	317,078,438	6.6%	6.6%	1.69%	1.69%	1.69%	1.69%	22.06%	21.69%	8.32%	8.01%	N/A	N/A
<i>Russell 1000 Value</i>				1.33%	1.33%	1.33%	1.33%	15.53%	15.53%	7.36%	7.36%		
LA Capital 60% Large Cap/40% Large Cap Active Extension	205,153,376	4.3%	4.4%	2.14%	2.14%	2.14%	2.14%	15.00%	14.84%	9.67%	9.52%	N/A	N/A
<i>Russell 1000</i>				1.98%	1.98%	1.98%	1.98%	18.03%	18.03%	9.26%	9.26%		
Clifton Group Enhanced S&P 500	208,057,325	4.3%	4.4%	2.11%	2.11%	2.11%	2.11%	17.67%	17.39%	10.01%	9.87%	N/A	N/A
<i>S&P 500</i>				2.06%	2.06%	2.06%	2.06%	17.90%	17.90%	9.61%	9.61%		
TOTAL LARGE CAP DOMESTIC EQUITY	1,051,028,874	21.9%	22.0%	2.09%	2.09%	2.09%	2.09%	17.77%	17.51%	9.70%	9.48%	N/A	N/A
<i>Russell 1000</i>				1.98%	1.98%	1.98%	1.98%	18.03%	18.03%	9.26%	9.26%		
SMALL CAP DOMESTIC EQUITY													
PIMCO - Research Affiliates Equity US Small	172,329,601	3.6%	4.0%	0.76%	0.70%	0.76%	0.70%	21.42%	21.12%	7.15%	6.86%	N/A	N/A
Clifton Group Enhanced Russell 2000	210,047,862	4.4%	4.0%	0.87%	0.87%	0.87%	0.87%	24.96%	24.35%	8.59%	8.16%	N/A	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	382,377,463	8.0%	8.0%	0.82%	0.79%	0.82%	0.79%	23.34%	22.87%	8.08%	7.71%	N/A	N/A
<i>Russell 2000</i>				0.74%	0.74%	0.74%	0.74%	24.60%	24.60%	7.36%	7.36%		
INTERNATIONAL EQUITY													
LSV International Large Cap Value	394,985,787	8.2%	8.0%	3.30%	3.30%	3.30%	3.30%	26.86%	26.38%	3.00%	2.60%	N/A	N/A
<i>MSCI EAFE</i>				2.89%	2.89%	2.89%	2.89%	20.27%	20.27%	1.15%	1.15%		
William Blair International Leaders	388,226,361	8.1%	8.0%	3.46%	3.36%	3.46%	3.36%	19.95%	19.56%	N/A	N/A	N/A	N/A
<i>MSCI ACWI ex-US IMI (Net)</i>				3.66%	3.66%	3.66%	3.66%	20.43%	20.43%				
DFA International Small Cap Value (1)	97,186,258	2.0%	2.0%	3.77%	3.77%	3.77%	3.77%	28.80%	28.80%	4.16%	4.16%	N/A	N/A
Vanguard International Explorer Fund (1)	96,964,948	2.0%	2.0%	3.47%	3.47%	3.47%	3.47%	26.60%	26.60%	5.69%	5.69%	N/A	N/A
<i>S&P/Citigroup BMI EPAC < \$2BN</i>				3.05%	3.05%	3.05%	3.05%	20.89%	20.89%	5.71%	5.71%		
TOTAL INTERNATIONAL EQUITY	977,363,354	20.4%	20.0%	3.43%	3.39%	3.43%	3.39%	24.26%	23.91%	2.86%	2.56%	N/A	N/A
<i>MSCI World Ex US (2)</i>				2.98%	2.98%	2.98%	2.98%	19.49%	19.49%	0.93%	0.93%		

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	Market Value	Allocation		Month		Returns		Returns		Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net
		Actual	Policy	Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net				
FIXED INCOME													
Western Asset U.S. Core Fixed Income	487,618,733	10.2%	11.0%	0.53%	0.50%	0.53%	0.50%	2.48%	2.35%	3.88%	3.73%	N/A	N/A
Prudential Core Plus Fixed Income	179,535,739	3.7%	2.8%	0.76%	0.76%	0.76%	0.76%	3.10%	2.83%	4.23%	3.96%	N/A	N/A
PIMCO Distressed Senior Credit Opportunities II (1)	47,639,937	1.0%	1.0%	0.90%	0.90%	0.90%	0.90%	17.08%	17.08%	8.43%	8.43%	N/A	N/A
PIMCO BRAVO II (1)	28,027,646	0.6%	0.6%	0.00%	0.00%	0.00%	0.00%	13.38%	13.38%	10.22%	10.22%	N/A	N/A
Bloomberg Aggregate				0.43%	0.43%	0.43%	0.43%	-0.31%	-0.31%	2.48%	2.48%		
Declaration Total Return Bond Fund (1)	127,036,238	2.6%	2.6%	0.52%	0.52%	0.52%	0.52%	4.99%	4.99%	3.71%	3.71%	N/A	N/A
3m LIBOR				0.11%	0.11%	0.11%	0.11%	0.98%	0.98%	0.58%	0.58%		
State Street U.S. Govt Credit Bond Index	232,646,166	4.9%	4.9%	0.41%	0.41%	0.41%	0.41%	-0.43%	-0.46%	2.62%	2.58%	N/A	N/A
Bloomberg Gov/Credit				0.42%	0.42%	0.42%	0.42%	-0.23%	-0.23%	2.67%	2.67%		
Wells Capital Medium Quality Credit	492,166,002	10.3%	11.0%	0.92%	0.92%	0.92%	0.92%	5.23%	5.05%	4.44%	4.26%	N/A	N/A
Bloomberg Credit Baa				0.91%	0.91%	0.91%	0.91%	3.55%	3.55%	2.98%	2.98%		
Bank of ND Match Loan CDs	54,464,838	1.1%	1.1%	0.23%	0.23%	0.23%	0.23%	N/A	N/A	N/A	N/A	N/A	N/A
TOTAL FIXED INCOME	1,649,135,299	34.4%	35.0%	0.65%	0.64%	0.65%	0.64%	3.68%	3.55%	4.10%	3.97%	N/A	N/A
Bloomberg Aggregate				0.43%	0.43%	0.43%	0.43%	-0.31%	-0.31%	2.48%	2.48%		
DIVERSIFIED REAL ASSETS													
Western Asset Global Inflation Linked Plus, L.L.C.	324,527,442	6.8%	7.2%	1.33%	1.30%	1.33%	1.30%	0.95%	0.82%	0.25%	0.11%	N/A	N/A
Bloomberg Global Inflation Linked Index				1.26%	1.26%	1.26%	1.26%	0.91%	0.91%	-0.30%	-0.30%		
Grosvenor Customized Infrastructure Strategies II (1)	19,117,416	0.4%	0.4%	-0.25%	-0.25%	-0.25%	-0.25%	3.28%	3.28%	N/A	N/A	N/A	N/A
JP Morgan Infrastructure Investments Fund (IIF)	113,162,021	2.4%	2.4%	0.00%	0.02%	0.00%	0.02%	6.96%	6.27%	N/A	N/A	N/A	N/A
CPI				-0.08%	-0.08%	-0.08%	-0.08%	1.50%	1.50%				
TOTAL DIVERSIFIED REAL ASSETS	456,806,879	9.5%	10.0%	0.93%	0.92%	0.93%	0.92%	2.35%	2.10%	1.26%	1.03%	N/A	N/A
Benchmark				0.88%	0.88%	0.88%	0.88%	1.07%	1.07%	-0.20%	-0.20%		
REAL ESTATE													
J.P. Morgan U.S. Real Estate Income and Growth Domestic, LP	137,219,678	2.9%	2.5%	0.00%	0.03%	0.00%	0.03%	8.94%	8.03%	11.88%	10.80%	N/A	N/A
Invesco Core Real Estate-USA, LP	127,038,112	2.6%	2.5%	0.00%	0.00%	0.00%	0.00%	8.53%	8.16%	11.90%	11.52%	N/A	N/A
TOTAL REAL ESTATE	264,257,790	5.5%	5.0%	0.00%	0.02%	0.00%	0.02%	8.75%	8.09%	11.81%	11.09%	N/A	N/A
NCREIF Total Index				0.58%	0.58%	0.58%	0.58%	6.97%	6.97%	10.17%	10.17%		
CASH EQUIVALENTS													
Northern Trust-MFB NI Gov't Assets Portfolio (1)	4,722,962			0.06%	0.06%	0.06%	0.06%	0.32%	0.32%	0.15%	0.15%	N/A	N/A
Bank of ND	8,294,225			0.10%	0.10%	0.10%	0.10%	N/A	N/A	N/A	N/A	N/A	N/A
TOTAL CASH EQUIVALENTS	13,017,187	0.3%	0.0%	0.08%	0.08%	0.08%	0.08%	0.44%	0.44%	0.19%	0.19%	0.16%	0.16%
90 Day T-Bill				0.09%	0.09%	0.09%	0.09%	0.49%	0.49%	0.23%	0.23%	0.17%	0.17%

Initial funding September 7, 2011.

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

(1) 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.

(2) This benchmark was changed to the MSCI World ex-US as of July 1, 2016 and the MSCI EAFE (unhedged) as of April 1, 2011.