

LEGACY FUND
INVESTMENT PERFORMANCE REPORT AS OF JANUARY 31, 2018

	January-18					December-17					September-17					Current FYTD		Prior Year FY17		3 Years Ended		5 Years Ended	
	Allocation		Month		Allocation		Quarter		Allocation		Quarter		Returns		Returns		6/30/2017		6/30/2017				
	Market Value	Actual	Policy	Gross ⁽¹⁾	Net	Market Value	Actual	Policy	Gross ⁽¹⁾	Net	Market Value	Actual	Policy	Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net		
TOTAL LEGACY FUND	5,422,254,269	100.0%	100.0%	2.40%	2.36%	5,252,300,943	100.0%	100.0%	3.50%	3.45%	4,960,721,538	100.0%	100.0%	3.68%	3.64%	9.88%	9.75%	12.30%	12.03%	5.61%	5.36%	4.96%	4.76%
<i>POLICY TARGET BENCHMARK</i>				2.08%	2.08%				2.97%	2.97%				3.14%	3.14%	8.41%	8.41%	9.91%	9.91%	4.42%	4.42%	3.84%	3.84%
ATTRIBUTION ANALYSIS																							
Asset Allocation				0.01%	0.01%				-0.01%	-0.01%				-0.02%	-0.02%	-0.03%	-0.03%	-0.05%	-0.05%	-0.14%	-0.14%	-0.13%	-0.13%
Manager Selection				0.32%	0.28%				0.53%	0.48%				0.56%	0.52%	1.51%	1.37%	2.43%	2.16%	1.32%	1.08%	1.26%	1.06%
TOTAL RELATIVE RETURN				0.32%	0.29%				0.52%	0.47%				0.55%	0.51%	1.48%	1.34%	2.38%	2.12%	1.18%	0.94%	1.13%	0.93%
LARGE CAP DOMESTIC EQUITY																							
LA Capital Large Cap Growth	374,630,384	6.9%	6.6%	6.74%	6.74%	350,972,609	6.7%	6.6%	7.10%	7.05%	327,861,079	6.6%	6.6%	4.76%	4.70%	19.76%	19.64%	15.44%	15.21%	5.61%	5.61%	N/A	N/A
<i>Russell 1000 Growth</i>				7.08%	7.08%				7.86%	7.86%				5.90%	5.90%	22.32%	22.32%	20.42%	20.42%	5.61%	5.61%		
LSV Large Cap Value	370,493,202	6.8%	6.6%	4.89%	4.82%	353,474,288	6.7%	6.6%	7.57%	7.49%	328,850,348	6.6%	6.6%	5.54%	5.47%	19.08%	18.82%	22.06%	21.69%	8.32%	8.01%	N/A	N/A
<i>Russell 1000 Value</i>				3.87%	3.87%				5.33%	5.33%				3.11%	3.11%	12.81%	12.81%	15.53%	15.53%	7.36%	7.36%		
LA Capital 60% Large Cap/40% Large Cap Active Extension	233,643,184	4.3%	4.4%	5.43%	5.43%	221,618,115	4.2%	4.4%	6.18%	6.14%	208,792,006	4.2%	4.4%	3.99%	3.96%	16.40%	16.33%	15.00%	14.84%	9.67%	9.52%	N/A	N/A
<i>Russell 1000</i>				5.49%	5.49%				6.59%	6.59%				4.48%	4.48%	17.48%	17.48%	18.03%	18.03%	9.26%	9.26%		
Clifton Group Enhanced S&P 500	239,582,731	4.4%	4.4%	5.31%	5.31%	227,500,511	4.3%	4.4%	6.81%	6.81%	212,987,094	4.3%	4.4%	4.46%	4.52%	17.50%	17.57%	17.67%	17.39%	10.01%	9.87%	N/A	N/A
<i>S&P 500</i>				5.73%	5.73%				6.64%	6.64%				4.48%	4.48%	17.81%	17.81%	17.90%	17.90%	9.61%	9.61%		
TOTAL LARGE CAP DOMESTIC EQUITY	1,218,349,502	22.5%	22.0%	5.64%	5.62%	1,153,565,523	22.0%	22.0%	7.01%	6.96%	1,078,490,527	21.7%	22.0%	4.79%	4.75%	18.45%	18.34%	17.77%	17.51%	9.70%	9.48%	N/A	N/A
<i>Russell 1000</i>				5.49%	5.49%				6.59%	6.59%				4.48%	4.48%	17.48%	17.48%	18.03%	18.03%	9.26%	9.26%		
SMALL CAP DOMESTIC EQUITY																							
PIMCO - Research Affiliates Equity US Small	190,145,543	3.5%	4.0%	1.32%	1.26%	187,786,434	3.6%	4.0%	4.01%	3.95%	180,653,825	3.6%	4.0%	5.63%	5.56%	11.31%	11.11%	21.42%	21.12%	7.15%	6.86%	N/A	N/A
Clifton Group Enhanced Russell 2000	233,198,324	4.3%	4.0%	2.55%	2.55%	227,408,276	4.3%	4.0%	3.06%	3.06%	220,653,824	4.4%	4.0%	6.07%	5.96%	12.10%	11.98%	24.96%	24.35%	8.59%	8.16%	N/A	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	423,343,866	7.8%	8.0%	1.99%	1.96%	415,194,711	7.9%	8.0%	3.49%	3.46%	401,307,648	8.1%	8.0%	5.87%	5.78%	11.75%	11.59%	23.34%	22.87%	8.08%	7.71%	N/A	N/A
<i>Russell 2000</i>				2.61%	2.61%				3.34%	3.34%				5.67%	5.67%	12.05%	12.05%	24.60%	24.60%	7.36%	7.36%		
INTERNATIONAL EQUITY																							
LSV International Large Cap Value	435,494,761	8.0%	8.0%	4.64%	4.54%	411,728,637	7.8%	8.0%	3.47%	3.37%	398,315,660	8.0%	8.0%	6.93%	6.83%	15.78%	15.45%	26.86%	26.38%	3.00%	2.60%	N/A	N/A
<i>MSCI EAFE</i>				5.02%	5.02%				4.23%	4.23%				5.40%	5.40%	15.37%	15.37%	20.27%	20.27%	1.15%	1.15%		
William Blair International Leaders	453,359,834	8.4%	8.0%	6.47%	6.37%	426,216,872	8.1%	8.0%	5.52%	5.42%	404,291,545	8.1%	8.0%	7.74%	7.64%	21.04%	20.70%	19.95%	19.56%	N/A	N/A	N/A	N/A
<i>MSCI ACWI ex-US IMI (Net)</i>				5.48%	5.48%				5.23%	5.23%				6.27%	6.27%	17.94%	17.94%	20.43%	20.43%				
DFA International Small Cap Value (1)	109,229,717	2.0%	2.0%	4.40%	4.40%	104,629,132	2.0%	2.0%	3.83%	3.83%	100,765,744	2.0%	2.0%	7.60%	7.60%	16.63%	16.63%	28.80%	28.80%	4.16%	4.16%	N/A	N/A
Vanguard International Explorer Fund (1)	112,234,806	2.1%	2.0%	5.12%	5.12%	106,768,499	2.0%	2.0%	5.50%	5.50%	101,205,397	2.0%	2.0%	7.99%	7.99%	19.76%	19.76%	26.60%	26.60%	5.69%	5.69%	N/A	N/A
<i>S&P/Citigroup BMI EPAC < \$2BN</i>				5.31%	5.31%				7.60%	7.60%				5.48%	5.48%	19.53%	19.53%	20.89%	20.89%	5.71%	5.71%		
TOTAL INTERNATIONAL EQUITY	1,110,319,117	20.5%	20.0%	5.41%	5.33%	1,049,343,140	20.0%	20.0%	4.54%	4.46%	1,004,578,346	20.3%	20.0%	7.42%	7.34%	18.36%	18.10%	24.26%	23.91%	2.86%	2.56%	N/A	N/A
<i>MSCI World Ex US (2)</i>				4.66%	4.66%				4.23%	4.23%				5.62%	5.62%	15.22%	15.22%	19.49%	19.49%	0.93%	0.93%		
FIXED INCOME																							
Western Asset U.S. Core Fixed Income	505,620,765	9.3%	10.3%	-1.00%	-1.03%	499,802,371	9.5%	10.4%	0.79%	0.76%	496,021,993	10.0%	10.6%	1.24%	1.20%	1.02%	0.92%	2.48%	2.35%	3.88%	3.73%	N/A	N/A
Prudential Core Plus Fixed Income	196,071,040	3.6%	2.8%	-0.92%	-0.92%	197,898,883	3.8%	2.8%	1.10%	1.03%	181,064,943	3.6%	2.8%	1.68%	1.61%	1.85%	1.71%	3.10%	2.83%	4.23%	3.96%	N/A	N/A
PIMCO Distressed Senior Credit Opportunities II (1)	50,375,093	0.9%	0.9%	0.98%	0.98%	49,885,888	0.9%	0.9%	1.36%	1.36%	49,217,599	1.0%	1.0%	4.24%	4.24%	6.69%	6.69%	17.08%	17.08%	8.43%	8.43%	N/A	N/A
PIMCO BRAVO II (1)	25,022,520	0.5%	0.5%	0.79%	0.79%	24,825,848	0.5%	0.5%	1.07%	1.07%	26,915,000	0.5%	0.5%	-3.97%	-3.97%	-2.17%	-2.17%	13.38%	13.38%	10.22%	10.22%	N/A	N/A
<i>Bloomberg Aggregate</i>				-1.15%	-1.15%				0.39%	0.39%				0.85%	0.85%	0.07%	0.07%	-0.31%	-0.31%	2.48%	2.48%		
Declaration Total Return Bond Fund (1)	129,001,458	2.4%	2.4%	-0.12%	-0.12%	129,154,494	2.5%	2.5%	0.82%	0.82%	128,198,038	2.6%	2.6%	1.47%	1.47%	2.18%	2.18%	4.99%	4.99%	3.71%	3.71%	N/A	N/A
<i>3m LIBOR</i>				0.15%	0.15%				0.36%	0.36%				0.33%	0.33%	0.84%	0.84%	0.98%	0.98%	0.58%	0.58%		
State Street U.S. Govt Credit Bond Index	251,852,850	4.6%	4.9%	-1.15%	-1.15%	254,780,214	4.9%	4.9%	0.49%	0.48%	233,563,469	4.7%	4.9%	0.81%	0.81%	0.14%	0.12%	-0.43%	-0.46%	2.62%	2.58%	N/A	N/A
<i>Bloomberg Gov/Credit</i>				-1.15%	-1.15%				0.49%	0.49%				0.81%	0.81%	0.13%	0.13%	-0.23%	-0.23%	2.67%	2.67%		
Wells Capital Medium Quality Credit	505,393,645	9.3%	10.3%	-0.44%	-0.48%	507,806,032	9.7%	10.4%	1.30%	1.26%	501,496,258	10.1%	10.6%	1.85%	1.81%	2.72%	2.60%	5.23%	5.05%	4.44%	4.26%	N/A	N/A
<i>Bloomberg Credit Baa</i>				-0.65%	-0.65%				1.22%	1.22%				1.64%	1.64%	2.21%	2.21%	3.55%	3.55%	2.98%	2.98%		

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	January-18					December-17					September-17					Current FYTD		Prior Year FY17		3 Years Ended 6/30/2017		5 Years Ended 6/30/2017		
	Market Value	Allocation		Month		Market Value	Allocation		Quarter		Market Value	Allocation		Quarter		Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net	Gross ⁽¹⁾	Net	
		Actual	Policy	Gross ⁽¹⁾	Net		Actual	Policy	Gross ⁽¹⁾	Net		Actual	Policy	Gross ⁽¹⁾	Net									
Ares ND Credit Strategies	46,350,767	0.9%	0.9%	0.00%	0.00%	32,430,767	0.6%	0.6%	0.09%	0.09%	14,800,000	0.3%	0.3%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Cerberus ND Private Credit Fund	44,118,426	0.8%	0.8%	0.67%	0.67%	43,825,710	0.8%	0.8%	4.17%	4.17%	14,400,000	0.3%	0.3%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
S&P LSTA Leveraged Loan B Index				0.35%	0.35%				1.09%	1.09%					0.85%	0.85%	0.07%	0.07%	-0.31%	-0.31%	2.48%	2.48%		
Bank of ND Match Loan CDs	63,063,759	1.2%	1.2%	0.22%	0.22%	63,242,695	1.2%	1.2%	0.66%	0.66%	64,217,890	1.3%	1.3%	0.71%	0.71%	1.60%	1.60%	N/A	N/A	N/A	N/A	N/A	N/A	
TOTAL FIXED INCOME	1,816,870,324	33.5%	35.0%	-0.61%	-0.63%	1,803,652,902	34.3%	35.0%	0.97%	0.95%	1,709,895,189	34.5%	35.0%	1.47%	1.44%	1.83%	1.76%	3.68%	3.55%	4.10%	3.97%	N/A	N/A	
Bloomberg Aggregate				-1.15%	-1.15%				0.39%	0.39%					0.85%	0.85%	0.07%	0.07%	-0.31%	-0.31%	2.48%	2.48%		
DIVERSIFIED REAL ASSETS																								
Western Asset Global Inflation Linked Plus, L.L.C.	375,473,491	6.9%	7.2%	1.38%	1.35%	355,642,915	6.8%	7.1%	3.06%	3.03%	345,503,670	7.0%	7.2%	2.23%	2.20%	6.82%	6.72%	0.95%	0.82%	0.25%	0.11%	N/A	N/A	
Bloomberg Global Inflation Linked Index				1.18%	1.18%				2.85%	2.85%					2.22%	2.22%	6.38%	6.38%	0.91%	0.91%	-0.30%	-0.30%		
Grosvenor Customized Infrastructure Strategies II (1)	34,937,570	0.6%	0.6%	-0.29%	-0.29%	32,135,695	0.6%	0.6%	2.40%	2.40%	24,082,444	0.5%	0.5%	-0.25%	-0.25%	1.85%	1.85%	3.28%	3.28%	N/A	N/A	N/A	N/A	
JP Morgan Infrastructure Investments Fund (IIF)	118,746,988	2.2%	2.2%	0.00%	0.00%	118,746,989	2.3%	2.3%	5.14%	5.00%	113,161,165	2.3%	2.3%	0.00%	0.02%	5.14%	5.02%	6.96%	6.27%	N/A	N/A	N/A	N/A	
CPI				0.58%	0.58%				-0.17%	-0.17%					0.89%	0.89%	1.30%	1.30%	1.50%	1.50%				
TOTAL DIVERSIFIED REAL ASSETS	529,158,049	9.8%	10.0%	0.95%	0.93%	506,525,600	9.6%	10.0%	3.51%	3.45%	482,747,279	9.7%	10.0%	1.57%	1.56%	6.14%	6.04%	2.35%	2.10%	1.26%	1.03%	N/A	N/A	
Benchmark				1.01%	1.01%				1.97%	1.97%					1.85%	1.85%	4.91%	4.91%	1.07%	1.07%	-0.20%	-0.20%		
REAL ESTATE																								
J.P. Morgan U.S. Real Estate Income and Growth Domestic, LP	141,380,682	2.6%	2.5%	1.33%	1.10%	139,836,489	2.7%	2.5%	2.13%	1.98%	137,219,677	2.8%	2.5%	0.00%	0.03%	3.49%	3.14%	8.94%	8.03%	11.88%	10.80%	N/A	N/A	
Invesco Core Real Estate-USA, LP	131,584,803	2.4%	2.5%	0.00%	0.00%	131,584,803	2.5%	2.5%	2.26%	2.18%	128,779,436	2.6%	2.5%	1.46%	1.37%	3.75%	3.58%	8.53%	8.16%	11.90%	11.52%	N/A	N/A	
TOTAL REAL ESTATE	272,965,486	5.0%	5.0%	0.68%	0.57%	271,421,292	5.2%	5.0%	2.20%	2.08%	265,999,113	5.4%	5.0%	0.70%	0.68%	3.62%	3.35%	8.75%	8.09%	11.81%	11.09%	N/A	N/A	
NCREIF Total Index				0.60%	0.60%				1.80%	1.80%					1.70%	1.70%	4.14%	4.14%	6.97%	6.97%	10.17%	10.17%		
CASH EQUIVALENTS																								
Northern Trust-MFB NI Gov't Assets Portfolio (1)	36,159,026			0.09%	0.09%	37,922,020			0.23%	0.23%	9,315,183			0.20%	0.20%	0.51%	0.51%	0.32%	0.32%	0.15%	0.15%	N/A	N/A	
Bank of ND	15,088,899			0.12%	0.12%	14,675,755			0.30%	0.30%	8,388,252			0.29%	0.29%	0.71%	0.71%	N/A	N/A	N/A	N/A	N/A	N/A	
TOTAL CASH EQUIVALENTS	51,247,924	0.9%	0.0%	0.10%	0.10%	52,597,775	1.0%	0.0%	0.25%	0.25%	17,703,435	0.4%	0.0%	0.24%	0.24%	0.59%	0.59%	0.44%	0.44%	0.19%	0.19%	0.16%	0.16%	
90 Day T-Bill				0.12%	0.12%				0.28%	0.28%					0.26%	0.26%	0.67%	0.67%	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 based and split evenly over the 12 months of the fiscal year.

(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.