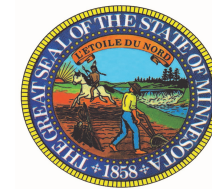


Comprehensive Performance Report

June 30, 2017



Description of SBI Investment Programs

The Minnesota State Board of Investment is responsible for the investment management of various retirement funds, trust funds and cash accounts.

Combined Funds

The Combined Funds represent the assets for both the active and retired public employees in the statewide retirement systems, the biggest of which are the Public Employees Retirement Association (PERA), the Teachers Retirement Association (TRA), and the Minnesota State Retirement System (MSRS). The SBI commingles the assets of these plans into the Combined Funds to capture investment efficiencies. All assets in the Combined Funds are managed externally by investment management firms retained by contract.

Participant Directed Investment Program

The Participant Directed Investment Program (PDIP) provides investment vehicles for a variety of retirement or other tax-advantaged savings plans. Investment goals among the PDIP's many participants are varied. In order to meet the variety of goals, participants may allocate their investments among one or more accounts that are appropriate for their needs within statutory requirements and rules established by the participating organizations. At this time, the assets of various retirement programs, including local firefighter groups, are included here.

Non-Retirement

The Non-Retirement Funds are funds established by the State of Minnesota and other government entities for various purposes which include the benefit of public schools, the environment, other post-employment benefits, workers compensation insurance, and other purposes.

State Cash

The State Cash accounts are cash balances of state government funds including the State General Fund. Most accounts are invested by SBI staff through a short-term pooled fund referred to as the Treasurer's Cash Pool. It contains the cash balances of special or dedicated accounts necessary for the operation of certain State agencies and non-dedicated cash in the State Treasury. Because of special legal restrictions, a small number of cash accounts cannot be commingled.



Funds Under Management

\$ Billions

COMBINED FUNDS

Combined Funds \$64.1

PARTICIPANT DIRECTED INVESTMENT PROGRAMS

Supplemental Investment Fund* 2.1
State Deferred Compensation Plan 6.4
Minnesota College Savings Plan 1.3
Achieve a Better Life Experience 0.0

NON-RETIREMENT FUNDS

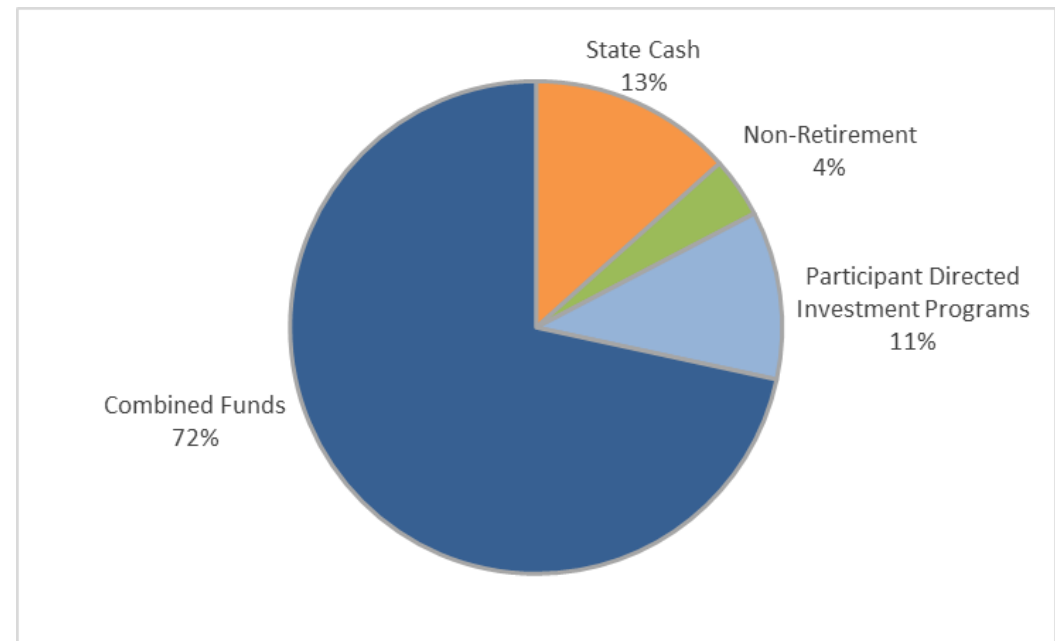
Assigned Risk Plan 0.3
Permanent School Fund 1.3
Environmental Trust Fund 1.0
Closed Landfill Investment Fund 0.1
Miscellaneous Trust Accounts 0.2
Other Post Employment Benefits Accounts 0.6

STATE CASH ACCOUNTS

Invested Treasurer's Cash 11.8
Other State Cash Accounts 0.1

TOTAL

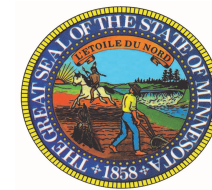
89.5



* Includes assets of smaller retirement funds which are invested with the SBI but are not included in the Combined Funds

Note: Differentials within column amounts may occur due to rounding

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Quarterly Report

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Performance Reporting Legend

Manager Level Data

Aggregate Level Data

Sub-Asset Class Level Data

Asset Class Level Data

Note:

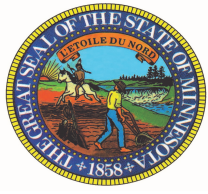
Throughout this report performance is calculated net of investment management fees, aggregates include terminated managers, and returns for all periods greater than one year are annualized. Inception Date and Since Inception Returns refer to the date of retention by the SBI. FYTD refers to the fiscal year to date return generated by an account since July 1 of the most recent year. For historical benchmark details, please refer to the addendum of this report.

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Combined Funds

June 30, 2017



Combined Funds Summary

Combined Funds Change in Market Value (\$Millions)

	<u>One Quarter</u>
COMBINED FUNDS	
Beginning Market Value	\$62,351
Net Contributions	-561
Investment Return	2,326
Ending Market Value	64,116

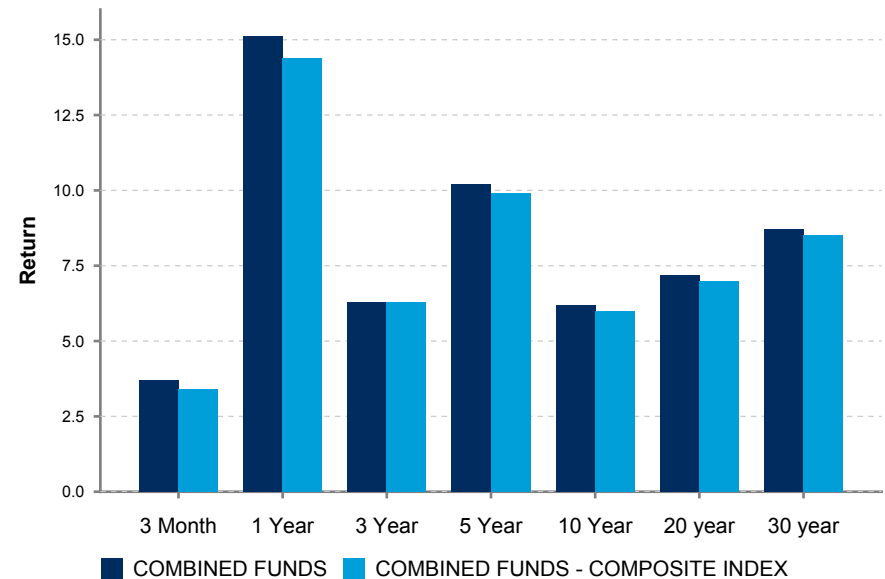
The change in market value of the Combined Funds since the end of last quarter is due to net contributions and investment returns.

Performance (Net of Fees)

The Combined Funds' performance is evaluated relative to a composite of public market index and private market investment returns. The Composite performance is calculated by multiplying the beginning of month Composite weights and the monthly returns of the asset class benchmarks.

	<u>Qtr</u>	<u>FYTD</u>	<u>1 Yr</u>	<u>3 Yr</u>	<u>5 Yr</u>	<u>10 Yr</u>	<u>20 Yr</u>	<u>30 Yr</u>
COMBINED FUNDS	3.7%	15.1%	15.1%	6.3%	10.2%	6.2%	7.2%	8.7%
COMBINED FUNDS - COMPOSITE INDEX	3.4	14.4	14.4	6.3	9.9	6.0	7.0	8.5
Excess	0.3	0.8	0.8	-0.1	0.3	0.2	0.2	0.2

Asset Growth



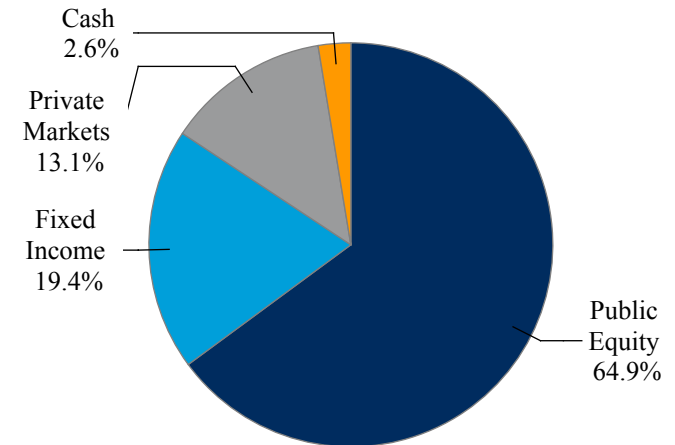


Combined Funds Summary

Asset Mix

The Combined Funds actual asset mix relative to the Strategic Asset Allocation Policy Target is shown below. Any uninvested portion of the Private Markets allocation is held in Public Equity. The current Strategic Asset Allocation Policy Target became effective on 7/1/2016.

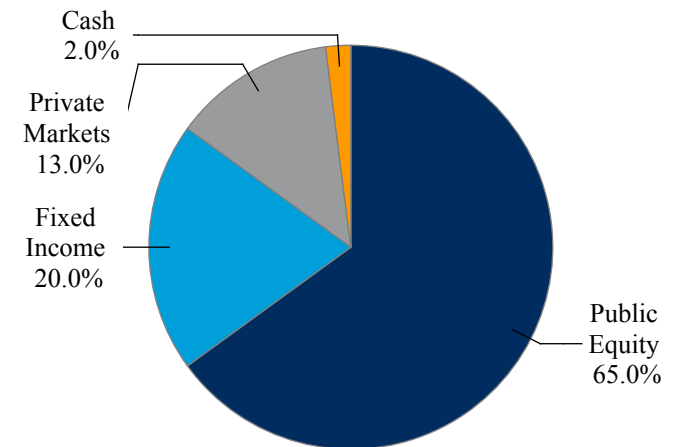
	<u>(Millions)</u>	<u>Actual Mix</u>	<u>Policy Target</u>
Public Equity	\$41,607	64.9%	58.0%
Fixed Income	12,425	19.4	20.0
Private Markets	8,409	13.1	20.0
Cash	1,675	2.6	2.0
TOTAL	64,116	100.0	

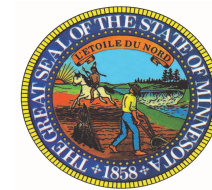


Composite Index Comparison

The Combined Funds Composite is set as the Strategic Asset Allocation Policy Target with the uninvested portion of Private Markets allocated to Public Equity. Asset class weights for Public Equity and Private Markets are reset at the start of each month. The Combined Funds Composite weighting shown below is as of the first day of the quarter.

	<u>Target Weight</u>	<u>Market Index</u>
Public Equity	65.0%	69% Russell 3000/31% MSCI ACWI ex US
Fixed Income	20.0	BB Barclays U.S. Aggregate
Private Markets	13.0	Private Markets
Cash	2.0	3 Month T-Bills





Combined Funds Asset Class Performance Summary

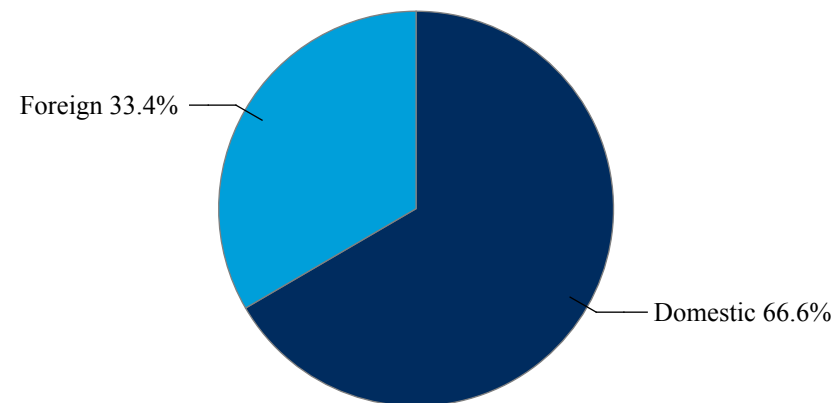
Public Equity

The Combined Funds Public Equity includes Domestic Equity and International Equity.

The Public Equity benchmark is 67% Russell 3000 and 33% MSCI ACWI ex USA.

The Russell 3000 measures the performance of the 3000 largest U.S. companies based on total market capitalization.

The Morgan Stanley Capital International All Country World Index ex U.S. (net) is a free float-adjusted market capitalization index that is designed to measure equity market performance in developed and emerging markets other than the United States.



	<u>Last Qtr</u>	<u>FYTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>20 Year</u>
Public Equity	4.2%	19.9%	19.9%	7.0%	13.0%	5.9%	6.7%
Public Equity Benchmark	3.9	19.2	19.2				
Excess	0.4	0.6	0.6				
Domestic Equity	3.1	19.4	19.4	8.7	14.5	7.1	7.1
Domestic Equity Benchmark	3.0	18.5	18.5	9.1	14.6	7.3	7.2
Excess	0.1	0.9	0.9	-0.4	-0.0	-0.1	-0.1
International Equity	6.6	20.2	20.2	1.5	8.0	1.6	4.9
International Equity Benchmark	5.8	20.5	20.5	0.8	7.2	1.2	4.5
Excess	0.8	-0.2	-0.2	0.7	0.8	0.4	0.4

Note:
Prior to 6/30/16 the returns of Domestic and International Equity were not reported as a total Public Equity return.



Combined Funds Asset Class Performance Summary

Fixed Income

The Combined Funds Fixed Income performance is shown here.

The Fixed Income benchmark is the Bloomberg Barclays U.S. Aggregate Index. This index reflects the performance of the broad bond market for investment grade (Baa or higher) bonds, U.S. Treasury and agency securities, and mortgage obligations with maturities greater than one year.

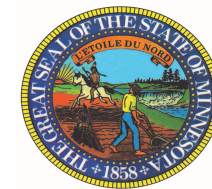
	<u>Last Qtr</u>	<u>FYTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>20 Year</u>
Fixed Income	1.6%	0.9%	0.9%	2.9%	2.9%	4.9%	5.6%
BBG BARC Agg Bd	1.4	-0.3	-0.3	2.5	2.2	4.5	5.2
Excess	0.2	1.2	1.2	0.5	0.7	0.4	0.3

Cash

The Combined Funds Cash performance is shown here. Cash is held by the Combined Funds to meet the liquidity needs of the retirement systems to pay benefits.

The Combined Funds Cash benchmark is the 90-Day U.S. Treasury Bill.

	<u>Last Qtr</u>	<u>FYTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>20 Year</u>
Cash	0.3%	0.8%	0.8%	0.5%	0.4%	1.0%	2.7%
90 DAY T-BILL	0.2	0.5	0.5	0.2	0.2	0.6	2.2
Excess	0.1	0.3	0.3	0.2	0.2	0.4	0.5



Combined Funds Asset Class Performance Summary

Private Markets

	<u>Last Qtr</u>	<u>FYTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>20 Year</u>
Total Private Markets	4.9%	19.7%	19.7%	8.9%	11.3%	9.0%	13.3%
Private Equity	5.4	18.7	18.7	12.6	14.1	10.9	14.0
Private Credit	5.2	20.0	20.0	14.4	14.6	11.1	13.2
Resources	3.9	27.3	27.3	-4.7	1.7	6.9	15.1
Real Estate	3.5	7.8	7.8	11.8	12.3	4.7	10.0

Private Markets

The time-weighted rates of return for the Private Markets portfolio are shown here. Private Markets included Private Equity, Private Credit, Resources, and Real Estate. Some of the existing investments are relatively immature and returns may not be indicative of future results.

Private Equity Investments

The objectives of the Private Equity portfolio, which may include leveraged buyouts, growth equity, venture capital and special situations, are to achieve attractive returns and to provide overall portfolio diversification to the total plan.

Private Credit Investments

The objectives of the Private Credit portfolio, which may include mezzanine debt, direct lending, and other forms of non-investment grade fixed income instruments, are to achieve a high total return over a full market cycle and to provide some degree of downside protection and typically provide current income in the form of a coupon. In certain situations, investments in the Private Credit portfolio also provide an equity component of return in the form of warrants or re-organized equity.

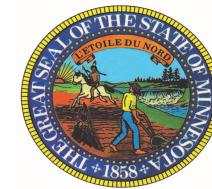
Resource Investments

The objectives of the Resources portfolio, which may include energy, infrastructure, and other hard assets, are to provide protection against the risks associated with inflation and to provide overall portfolio diversification to the total plan.

Real Estate Investments

The objectives of the Real Estate portfolio, which may include core and non-core real estate investments, are to achieve attractive returns, preserve capital, provide protection against risks associated with inflation, and provide overall portfolio diversification to the total plan.

The SBI also monitors Private Markets performance using money-weighted return metrics such as Internal Rate of Return and Multiple of Invested Capital. For money-weighted return metrics please refer to the Combined Funds Performance Report.



Quarterly Report

Asset Class & Manager Performance

June 30, 2017

In compliance with the Strategic Asset Allocation Policy, the assets of the Combined Funds are allocated to public equity, fixed income, private markets, and cash. Each asset class may be further differentiated by geography, management style, and/or strategy. Managers are hired to manage the assets accordingly. This diversification is intended to reduce wide fluctuations in investment returns on a year-to-year basis and enhances the Funds' ability to meet or exceed the actuarial return target over the long-term.

The Combined Funds consist of the assets of active employees and retired members of the statewide retirement plans. The SBI commingles the assets of these plans into the Combined Funds to capture investment efficiencies. This sharing is accomplished by grouping managers by asset class, geography, and management style, into several Investment Pools. The individual funds participate in the Investment Pools by purchasing units which function much like the shares of a mutual fund.

While the vast majority of the units of these pools are owned by the Combined Funds, the Supplemental Investment Fund also owns units of these pools. The Supplemental Investment Funds are mutual fund-like investment vehicles which are used by investors in the Participant Directed Investment Program. Please refer to the Participant Directed Investment Program report for more information.

The performance information presented on the following pages for Public Equity and Fixed Income includes both the Combined Funds and Supplemental Investment Fund. The Private Markets is Combined Funds only. All assets in the Combined Funds are managed externally by investment management firms retained by contract.

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Domestic Equity

June 30, 2017



	<u>Ending Market Value</u>	<u>Portfolio Weight</u>	<u>Last Qtr</u>	<u>Fiscal YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Since Inception</u>	<u>Inception Date</u>
Total Domestic Equity										
ACTIVE DOMESTIC EQUITY AGGREGATE (1)	\$4,329,528,086	15.0%	4.0%	23.0%	23.0%	8.0%	14.5%	6.8%		
Active Domestic Equity Benchmark			2.7	19.9	19.9	8.9	14.5	7.2		
Excess			1.3	3.1	3.1	-0.8	0.0	-0.4		
SEMI PASSIVE DOMESTIC EQUITY AGGREGATE (2)	2,251,648,409	7.8	2.6	17.9	17.9	9.0	14.6	7.2		
Semi Passive Domestic Equity Benchmark			3.1	18.0	18.0	9.3	14.7	7.3		
Excess			-0.4	-0.1	-0.1	-0.3	-0.1	-0.1		
PASSIVE DOMESTIC EQUITY AGGREGATE (3)	22,189,815,579	77.1	3.0	18.4	18.4	9.1	14.6	7.3		
Passive Domestic Equity Benchmark			3.1	18.5	18.5	9.1	14.6	7.3		
Excess			-0.0	-0.1	-0.1	-0.0	-0.0	0.0		
TRANSITION AGGREGATE DOMESTIC EQUITY (4)	510,136	0.0								
TOTAL DOMESTIC EQUITY (5)	28,771,502,211	100.0	3.1	19.3	19.3	8.7	14.5	7.1	10.3	01/1984
Domestic Equity Benchmark			3.0	18.5	18.5	9.1	14.6	7.3	10.6	01/1984
Excess			0.1	0.8	0.8	-0.4	-0.0	-0.2	-0.2	

(1) The Active Domestic Equity Benchmark is a weighted composite each of the individual active domestic equity manager's benchmarks.

(2) The current Semi-Passive Domestic Equity Benchmark is the Russell 1000 index.

(3) The current Passive Domestic Equity Benchmark is a weighted average of the Russell 1000 and Russell 3000.

(4) The Transition Domestic Equity Aggregate contains Domestic Equity securities that are being transitioned to a different manager.

(5) The current Domestic Equity Benchmark is the Russell 3000.

Note: All aggregates include the performance of terminated managers. For historical benchmark details please refer to the addendum of this report.



	<u>2016 Calendar Return</u>	<u>2015 Calendar Return</u>	<u>2014 Calendar Return</u>	<u>2013 Calendar Return</u>	<u>2012 Calendar Return</u>
Total Domestic Equity					
ACTIVE DOMESTIC EQUITY AGGREGATE (1)	10.9%	-0.4%	9.3%	40.2%	15.4%
Active Domestic Equity Benchmark	15.7	-0.6	11.0	34.7	16.3
Excess	-4.8	0.3	-1.7	5.5	-0.9
SEMI PASSIVE DOMESTIC EQUITY AGGREGATE (2)	11.1	0.5	14.2	33.2	17.7
Semi Passive Domestic Equity Benchmark	12.1	0.9	13.2	33.1	16.4
Excess	-1.0	-0.4	1.0	0.1	1.3
PASSIVE DOMESTIC EQUITY AGGREGATE (3)	12.6	0.5	12.6	33.5	16.4
Passive Domestic Equity Benchmark	12.5	0.5	12.6	33.6	16.4
Excess	0.1	0.0	0.0	-0.0	0.0
TRANSITION AGGREGATE DOMESTIC EQUITY (4)					
TOTAL DOMESTIC EQUITY (5)	11.5	0.3	12.3	35.1	16.6
Domestic Equity Benchmark	12.7	0.5	12.6	33.6	16.4
Excess	-1.3	-0.2	-0.2	1.6	0.2

(1) The Active Domestic Equity Benchmark is a weighted composite each of the individual active domestic equity manager's benchmarks.

(2) The current Semi-Passive Domestic Equity Benchmark is the Russell 1000 index.

(3) The current Passive Domestic Equity Benchmark is a weighted average of the Russell 1000 and Russell 3000.

(4) The Transition Domestic Equity Aggregate contains Domestic Equity securities that are being transitioned to a different manager.

(5) The current Domestic Equity Benchmark is the Russell 3000.

Note: All aggregates include the performance of terminated managers. For historical benchmark details please refer to the addendum of this report.



	<u>Ending Market Value</u>	<u>Portfolio Weight</u>	<u>Last Qtr</u>	<u>Fiscal YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Since Inception</u>	<u>Inception Date</u>
Active Large Cap Growth										
SANDS	\$444,303,128	1.5%	7.1%	25.7%	25.7%	7.8%	14.2%	11.2%	9.9%	01/2005
Russell 1000 Growth			4.7	20.4	20.4	11.1	15.3	8.9	8.9	01/2005
Excess			2.4	5.3	5.3	-3.3	-1.1	2.3	0.9	
WINSLOW	187,395,528	0.7	7.2	21.6	21.6	10.1	14.7	9.1	9.6	01/2005
Russell 1000 Growth			4.7	20.4	20.4	11.1	15.3	8.9	8.9	01/2005
Excess			2.5	1.2	1.2	-1.0	-0.6	0.2	0.6	
ZEVENBERGEN	422,587,544	1.5	11.0	36.7	36.7	8.3	17.3	9.6	10.3	04/1994
Russell 1000 Growth			4.7	20.4	20.4	11.1	15.3	8.9	9.3	04/1994
Excess			6.4	16.3	16.3	-2.8	2.0	0.7	1.1	
RUSSELL 1000 GROWTH AGGREGATE	1,054,286,199	3.7	8.7	27.3	27.3	10.4	15.8	9.2		
Russell 1000 Growth			4.7	20.4	20.4	11.1	15.3	8.9		
Excess			4.0	6.8	6.8	-0.7	0.5	0.3		



	<u>2016 Calendar Return</u>	<u>2015 Calendar Return</u>	<u>2014 Calendar Return</u>	<u>2013 Calendar Return</u>	<u>2012 Calendar Return</u>
Active Large Cap Growth					
SANDS	-6.9%	2.9%	9.1%	42.4%	24.2%
Russell 1000 Growth	7.1	5.7	13.0	33.5	15.3
Excess	-13.9	-2.8	-3.9	8.9	9.0
WINSLOW	-1.9	6.7	11.0	37.4	13.7
Russell 1000 Growth	7.1	5.7	13.0	33.5	15.3
Excess	-9.0	1.0	-2.0	3.9	-1.5
ZEVENBERGEN	-2.8	6.4	3.4	60.6	8.0
Russell 1000 Growth	7.1	5.7	13.0	33.5	15.3
Excess	-9.9	0.7	-9.6	27.1	-7.3
RUSSELL 1000 GROWTH AGGREGATE	1.0	4.6	9.6	42.0	15.5
Russell 1000 Growth	7.1	5.7	13.0	33.5	15.3
Excess	-6.1	-1.1	-3.4	8.5	0.3



	<u>Ending Market Value</u>	<u>Portfolio Weight</u>	<u>Last Qtr</u>	<u>Fiscal YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Since Inception</u>	<u>Inception Date</u>
Active Large Cap Value										
BARROW HANLEY	\$353,009,072	1.2%	2.7%	15.8%	15.8%	7.2%	13.9%	5.7%	8.0%	04/2004
Russell 1000 Value			1.3	15.5	15.5	7.4	13.9	5.6	7.8	04/2004
Excess			1.3	0.3	0.3	-0.2	-0.0	0.1	0.2	
EARNEST PARTNERS	241,785,203	0.8	2.5	21.2	21.2	8.8	13.1	5.7	6.7	07/2000
Russell 1000 Value			1.3	15.5	15.5	7.4	13.9	5.6	7.1	07/2000
Excess			1.1	5.7	5.7	1.5	-0.8	0.2	-0.5	
LSV	374,418,566	1.3	1.5	20.6	20.6	7.9	16.6	6.2	9.0	04/2004
Russell 1000 Value			1.3	15.5	15.5	7.4	13.9	5.6	7.8	04/2004
Excess			0.1	5.0	5.0	0.5	2.6	0.6	1.2	
RUSSELL 1000 VALUE AGGREGATE	969,212,840	3.4	2.2	20.1	20.1	7.2	14.4	5.8		
Russell 1000 Value			1.3	15.5	15.5	7.4	13.9	5.6		
Excess			0.8	4.6	4.6	-0.1	0.5	0.2		



	<u>2016 Calendar Return</u>	<u>2015 Calendar Return</u>	<u>2014 Calendar Return</u>	<u>2013 Calendar Return</u>	<u>2012 Calendar Return</u>
Active Large Cap Value					
BARROW HANLEY	12.8%	-2.1%	13.0%	35.5%	15.5%
Russell 1000 Value	17.3	-3.8	13.5	32.5	17.5
Excess	-4.5	1.7	-0.5	3.0	-2.0
EARNEST PARTNERS	16.2	-2.7	14.0	32.0	10.7
Russell 1000 Value	17.3	-3.8	13.5	32.5	17.5
Excess	-1.1	1.1	0.5	-0.5	-6.8
LSV	17.0	-2.2	14.0	41.2	20.4
Russell 1000 Value	17.3	-3.8	13.5	32.5	17.5
Excess	-0.4	1.6	0.6	8.7	2.9
RUSSELL 1000 VALUE AGGREGATE	15.3	-3.2	13.1	36.5	16.9
Russell 1000 Value	17.3	-3.8	13.5	32.5	17.5
Excess	-2.1	0.6	-0.4	3.9	-0.6



	<u>Ending Market Value</u>	<u>Portfolio Weight</u>	<u>Last Qtr</u>	<u>Fiscal YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Since Inception</u>	<u>Inception Date</u>
Semi-Passive Large Cap										
BLACKROCK	\$904,174,698	3.1%	3.1%	20.0%	20.0%	9.9%	15.2%	7.3%	9.7%	01/1995
Semi Passive Domestic Equity Benchmark			3.1	18.0	18.0	9.3	14.7	7.3	9.3	01/1995
Excess			0.0	2.0	2.0	0.6	0.6	-0.0	0.4	
J.P. MORGAN	1,347,473,711	4.7	2.6	18.9	18.9	9.7	15.2	7.9	9.7	01/1995
Semi Passive Domestic Equity Benchmark			3.1	18.0	18.0	9.3	14.7	7.3	9.3	01/1995
Excess			-0.4	0.9	0.9	0.4	0.6	0.7	0.3	
SEMI-PASSIVE DOMESTIC EQUITY AGGREGATE	2,251,648,409	7.8	2.6	17.9	17.9	9.0	14.6	7.2		
Semi Passive Domestic Equity Benchmark			3.1	18.0	18.0	9.3	14.7	7.3		
Excess			-0.4	-0.1	-0.1	-0.3	-0.1	-0.1		



	<u>2016 Calendar Return</u>	<u>2015 Calendar Return</u>	<u>2014 Calendar Return</u>	<u>2013 Calendar Return</u>	<u>2012 Calendar Return</u>
Semi-Passive Large Cap					
BLACKROCK	12.5%	0.8%	14.2%	33.3%	19.0%
Semi Passive Domestic Equity Benchmark	12.1	0.9	13.2	33.1	16.4
Excess	0.5	-0.1	1.0	0.2	2.6
J.P. MORGAN					
J.P. MORGAN	12.3	0.8	15.0	33.7	17.6
Semi Passive Domestic Equity Benchmark	12.1	0.9	13.2	33.1	16.4
Excess	0.2	-0.1	1.8	0.6	1.2
SEMI-PASSIVE DOMESTIC EQUITY AGGREGATE					
SEMI-PASSIVE DOMESTIC EQUITY AGGREGATE	11.1	0.5	14.2	33.2	17.7
Semi Passive Domestic Equity Benchmark	12.1	0.9	13.2	33.1	16.4
Excess	-1.0	-0.4	1.0	0.1	1.3



	<u>Ending Market Value</u>	<u>Portfolio Weight</u>	<u>Last Qtr</u>	<u>Fiscal YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Since Inception</u>	<u>Inception Date</u>
Active Small Cap Growth										
ARROWMARK	\$185,349,195	0.6%	7.3%						23.1%	11/2016
Russell 2000 Growth			4.4						21.4	11/2016
Excess			2.9						1.7	
HOOD RIVER	217,723,159	0.8	7.5						24.2	11/2016
Russell 2000 Growth			4.4						21.4	11/2016
Excess			3.2						2.7	
MCKINLEY	261,113,833	0.9	1.9	22.3%	22.3%	6.5%	16.0%	6.1%	7.4	01/2004
Russell 2000 Growth			4.4	24.4	24.4	7.6	14.0	7.8	8.8	01/2004
Excess			-2.5	-2.1	-2.1	-1.1	2.0	-1.7	-1.4	
RICE HALL JAMES	191,849,176	0.7	5.3						27.5	11/2016
Russell 2000 Growth			4.4						21.4	11/2016
Excess			0.9						6.0	
WELLINGTON	216,995,445	0.8	6.2						23.8	11/2016
Russell 2000 Growth			4.4						21.4	11/2016
Excess			1.8						2.4	
RUSSELL 2000 GROWTH AGGREGATE	1,073,030,814	3.7	5.4	21.7	21.7	5.8	11.6	5.5		
Russell 2000 Growth			4.4	24.4	24.4	7.6	14.0	7.8		
Excess			1.1	-2.7	-2.7	-1.9	-2.4	-2.3		



	<u>2016 Calendar Return</u>	<u>2015 Calendar Return</u>	<u>2014 Calendar Return</u>	<u>2013 Calendar Return</u>	<u>2012 Calendar Return</u>
Active Small Cap Growth					
ARROWMARK					
Russell 2000 Growth					
Excess					
HOOD RIVER					
Russell 2000 Growth					
Excess					
MCKINLEY	12.9%	3.6%	2.0%	51.6%	23.2%
Russell 2000 Growth	11.3	-1.4	5.6	43.3	14.6
Excess	1.6	5.0	-3.6	8.3	8.6
RICE HALL JAMES					
Russell 2000 Growth					
Excess					
WELLINGTON					
Russell 2000 Growth					
Excess					
RUSSELL 2000 GROWTH AGGREGATE	4.7	1.0	-3.4	47.2	12.0
Russell 2000 Growth	11.3	-1.4	5.6	43.3	14.6
Excess	-6.6	2.4	-9.0	3.9	-2.6



	<u>Ending Market Value</u>	<u>Portfolio Weight</u>	<u>Last Qtr</u>	<u>Fiscal YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Since Inception</u>	<u>Inception Date</u>
Active Small Cap Value										
GOLDMAN SACHS	\$330,771,470	1.1%	0.4%	20.9%	20.9%	6.9%	14.5%	8.5%	9.8%	01/2004
Russell 2000 Value			0.7	24.9	24.9	7.0	13.4	5.9	8.3	01/2004
Excess			-0.2	-3.9	-3.9	-0.1	1.1	2.6	1.6	
HOTCHKIS AND WILEY	287,810,622	1.0	-0.6	28.1	28.1	4.5	14.9	6.9	8.7	01/2004
Russell 2000 Value			0.7	24.9	24.9	7.0	13.4	5.9	8.3	01/2004
Excess			-1.3	3.3	3.3	-2.5	1.5	1.0	0.4	
MARTINGALE	274,684,991	1.0	1.0	23.2	23.2	8.7	16.6	6.2	8.3	01/2004
Russell 2000 Value			0.7	24.9	24.9	7.0	13.4	5.9	8.3	01/2004
Excess			0.3	-1.6	-1.6	1.6	3.2	0.2	0.1	
PEREGRINE	339,731,149	1.2	1.2	26.1	26.1	6.4	13.4	6.1	10.5	07/2000
Russell 2000 Value			0.7	24.9	24.9	7.0	13.4	5.9	9.9	07/2000
Excess			0.5	1.3	1.3	-0.6	0.1	0.2	0.6	
RUSSELL 2000 VALUE AGGREGATE	1,232,998,233	4.3	0.5	24.6	24.6	6.6	14.6	6.8		
Russell 2000 Value			0.7	24.9	24.9	7.0	13.4	5.9		
Excess			-0.1	-0.3	-0.3	-0.5	1.3	0.9		



	<u>2016 Calendar Return</u>	<u>2015 Calendar Return</u>	<u>2014 Calendar Return</u>	<u>2013 Calendar Return</u>	<u>2012 Calendar Return</u>
Active Small Cap Value					
GOLDMAN SACHS	24.6%	-5.2%	7.4%	39.3%	16.6%
Russell 2000 Value	31.7	-7.5	4.2	34.5	18.1
Excess	-7.1	2.3	3.1	4.8	-1.4
HOTCHKIS AND WILEY	19.9	-8.5	13.0	46.0	24.1
Russell 2000 Value	31.7	-7.5	4.2	34.5	18.1
Excess	-11.8	-1.0	8.8	11.5	6.0
MARTINGALE	34.3	-5.2	7.3	43.1	20.1
Russell 2000 Value	31.7	-7.5	4.2	34.5	18.1
Excess	2.5	2.3	3.1	8.5	2.0
PEREGRINE	27.8	-6.7	4.1	37.3	18.8
Russell 2000 Value	31.7	-7.5	4.2	34.5	18.1
Excess	-3.9	0.8	-0.1	2.8	0.7
RUSSELL 2000 VALUE AGGREGATE	26.5	-6.5	7.5	40.8	19.6
Russell 2000 Value	31.7	-7.5	4.2	34.5	18.1
Excess	-5.2	1.0	3.3	6.3	1.5



	<u>Ending Market Value</u>	<u>Portfolio Weight</u>	<u>Last Qtr</u>	<u>Fiscal YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Since Inception</u>	<u>Inception Date</u>
Total Passive Domestic Equity										
BLACKROCK RUSSELL 1000	\$10,743,076,421	37.3%	3.1%							10/2016
Russell 1000			3.1							10/2016
Excess			-0.0							
BLACKROCK RUSSELL 3000 (1)	11,446,739,157	39.8	3.0	18.5%	18.5%	9.1%	14.6%	7.3%	9.1%	07/1995
Passive Manager Benchmark			3.0	18.5	18.5	9.1	14.6	7.3	9.0	07/1995
Excess			-0.0	-0.0	-0.0	0.0	0.0	0.0	0.1	
PASSIVE DOMESTIC EQUITY AGGREGATE	22,189,815,579	77.1	3.0	18.4	18.4	9.1	14.6	7.3		
Passive Domestic Equity Benchmark			3.1	18.5	18.5	9.1	14.6	7.3		
Excess			-0.0	-0.1	-0.1	-0.0	-0.0	0.0		

(1) The current Passive Manager Benchmark is the Russell 3000. For historical benchmark details please refer to the addendum of this report.



	<u>2016 Calendar Return</u>	<u>2015 Calendar Return</u>	<u>2014 Calendar Return</u>	<u>2013 Calendar Return</u>	<u>2012 Calendar Return</u>
Total Passive Domestic Equity					
BLACKROCK RUSSELL 1000					
Russell 1000					
Excess					
BLACKROCK RUSSELL 3000 (1)	12.7%	0.5%	12.6%	33.5%	16.4%
Passive Manager Benchmark	12.7	0.5	12.6	33.6	16.4
Excess	0.0	0.0	0.0	-0.0	0.0
PASSIVE DOMESTIC EQUITY AGGREGATE	12.6	0.5	12.6	33.5	16.4
Passive Domestic Equity Benchmark	12.5	0.5	12.6	33.6	16.4
Excess	0.1	0.0	0.0	-0.0	0.0

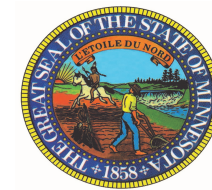
(1) The current Passive Manager Benchmark is the Russell 3000. For historical benchmark details please refer to the addendum of this report.

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International Equity

June 30, 2017



	<u>Ending Market Value</u>	<u>Portfolio Weight</u>	<u>Last Qtr</u>	<u>Fiscal YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Since Inception</u>	<u>Inception Date</u>
Total International Equity										
DEVELOPED MARKETS (1)	\$10,691,430,763	75.9%	6.3%	19.5%	19.5%	1.5%	9.1%	1.7%		
BENCHMARK DM			5.6	19.5	19.5	0.7	8.1	1.0		
Excess			0.7	-0.0	-0.0	0.8	0.9	0.6		
EMERGING MARKETS (2)	3,387,099,051	24.0	7.0	21.7	21.7	0.9	4.2	1.5		
BENCHMARK EM			6.3	23.7	23.7	1.1	4.0	2.0		
Excess			0.8	-2.1	-2.1	-0.2	0.3	-0.5		
TRANSITION AGGREGATE INTERNATIONAL EQUITY (3)	5,742,910	0.0								
TOTAL INTERNATIONAL EQUITY (4)	14,084,272,724	100.0	6.5	20.2	20.2	1.5	8.0	1.6	6.6	10/1992
International Equity Benchmark			5.8	20.5	20.5	0.8	7.2	1.2	6.1	10/1992
Excess			0.7	-0.3	-0.3	0.7	0.8	0.4	0.5	

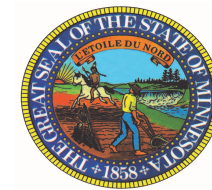
(1) The current benchmark for Developed Markets, Benchmark DM, is the Standard (large + mid) MSCI World ex USA (net).

(2) The current benchmark for Emerging Markets, Benchmark EM, is the Standard (large + mid) MSCI Emerging Markets Free (net).

(3) The Transition Aggregate International Equity contains International Equity securities that are being transitioned to a different manager.

(4) Does not include impact of currency overlay on the passive EAFE portfolio from 12/1/95-10/31/00. This impact is included in the return for the Combined Funds portion of the International Equity portfolio. The current International Equity Benchmark is the Standard (large + mid) MSCI ACWI ex U.S. (net).

Note: All aggregates include the performance of terminated managers. For historical benchmark details please refer to the addendum of this report.



	<u>2016 Calendar Return</u>	<u>2015 Calendar Return</u>	<u>2014 Calendar Return</u>	<u>2013 Calendar Return</u>	<u>2012 Calendar Return</u>
Total International Equity					
DEVELOPED MARKETS (1)	1.3%	-0.3%	-4.1%	23.3%	17.6%
BENCHMARK DM	2.7	-3.0	-4.3	21.0	16.4
Excess	-1.5	2.8	0.2	2.2	1.1
EMERGING MARKETS (2)					
EMERGING MARKETS (2)	7.5	-13.1	-3.8	0.2	17.6
BENCHMARK EM	11.2	-14.9	-2.2	-2.6	18.2
Excess	-3.7	1.9	-1.6	2.9	-0.7
TRANSITION AGGREGATE INTERNATIONAL EQUITY (3)					
TOTAL INTERNATIONAL EQUITY (4)	2.6	-2.9	-4.0	17.8	17.6
International Equity Benchmark	4.5	-5.7	-3.9	15.3	16.8
Excess	-1.8	2.8	-0.2	2.5	0.8

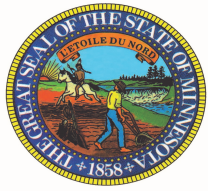
(1) The current benchmark for Developed Markets, Benchmark DM, is the Standard (large + mid) MSCI World ex USA (net).

(2) The current benchmark for Emerging Markets, Benchmark EM, is the Standard (large + mid) MSCI Emerging Markets Free (net).

(3) The Transition Aggregate International Equity contains International Equity securities that are being transitioned to a different manager.

(4) Does not include impact of currency overlay on the passive EAFE portfolio from 12/1/95-10/31/00. This impact is included in the return for the Combined Funds portion of the International Equity portfolio. The current International Equity Benchmark is the Standard (large + mid) MSCI ACWI ex U.S. (net).

Note: All aggregates include the performance of terminated managers. For historical benchmark details please refer to the addendum of this report.



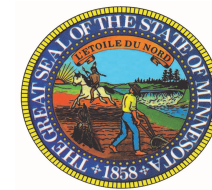
	<u>Ending Market Value</u>	<u>Portfolio Weight</u>	<u>Last Qtr</u>	<u>Fiscal YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Since Inception</u>	<u>Inception Date</u>
Active Developed Markets										
ACADIAN	\$486,068,897	3.5%	9.8%	29.6%	29.6%	6.7%	13.7%	1.7%	6.7%	07/2005
BENCHMARK DM			5.6	19.5	19.5	0.7	8.1	1.0	5.0	07/2005
Excess			4.1	10.1	10.1	6.0	5.5	0.7	1.7	
COLUMBIA	394,446,978	2.8	9.1	19.0	19.0	3.2	9.0	2.6	2.5	03/2000
BENCHMARK DM			5.6	19.5	19.5	0.7	8.1	1.0	3.3	03/2000
Excess			3.5	-0.5	-0.5	2.5	0.8	1.5	-0.7	
FIDELITY	394,957,135	2.8	7.0	19.0	19.0	2.1	9.7	2.9	6.5	07/2005
BENCHMARK DM			5.6	19.5	19.5	0.7	8.1	1.0	5.0	07/2005
Excess			1.4	-0.5	-0.5	1.5	1.5	1.9	1.5	
JP MORGAN	328,511,883	2.3	6.1	24.4	24.4	1.2	8.0	1.6	5.0	07/2005
BENCHMARK DM			5.6	19.5	19.5	0.7	8.1	1.0	5.0	07/2005
Excess			0.5	4.9	4.9	0.5	-0.1	0.6	0.1	
MARATHON	868,434,405	6.2	7.0	19.6	19.6	3.1	10.8	4.0	8.3	11/1993
BENCHMARK DM			5.6	19.5	19.5	0.7	8.1	1.0	5.1	11/1993
Excess			1.4	0.1	0.1	2.5	2.6	3.0	3.3	
MCKINLEY	322,843,723	2.3	6.4	17.1	17.1	0.6	8.5	-0.1	4.5	07/2005
BENCHMARK DM			5.6	19.5	19.5	0.7	8.1	1.0	5.0	07/2005
Excess			0.8	-2.4	-2.4	-0.1	0.3	-1.1	-0.5	
ACTIVE DEVELOPED MARKETS AGGREGATE	2,795,263,021	19.8	7.6	21.3	21.3	3.0	10.1	2.4		
BENCHMARK DM			5.6	19.5	19.5	0.7	8.1	1.0		
Excess			2.0	1.8	1.8	2.3	2.0	1.4		



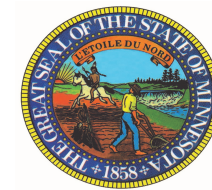
	<u>2016 Calendar Return</u>	<u>2015 Calendar Return</u>	<u>2014 Calendar Return</u>	<u>2013 Calendar Return</u>	<u>2012 Calendar Return</u>
Active Developed Markets					
ACADIAN	8.1%	2.4%	-1.7%	26.1%	17.6%
BENCHMARK DM	2.7	-3.0	-4.3	21.0	16.4
Excess	5.4	5.4	2.6	5.1	1.2
COLUMBIA	-5.6	6.4	-5.6	23.9	19.0
BENCHMARK DM	2.7	-3.0	-4.3	21.0	16.4
Excess	-8.3	9.4	-1.2	2.9	2.6
FIDELITY	1.2	0.1	-5.6	26.7	20.3
BENCHMARK DM	2.7	-3.0	-4.3	21.0	16.4
Excess	-1.5	3.2	-1.3	5.7	3.9
JP MORGAN	4.0	-4.7	-5.1	19.5	18.4
BENCHMARK DM	2.7	-3.0	-4.3	21.0	16.4
Excess	1.2	-1.6	-0.7	-1.5	2.0
MARATHON	-1.1	6.7	-4.0	28.5	17.9
BENCHMARK DM	2.7	-3.0	-4.3	21.0	16.4
Excess	-3.8	9.7	0.3	7.5	1.5
MCKINLEY	-7.5	3.1	-2.7	28.0	16.9
BENCHMARK DM	2.7	-3.0	-4.3	21.0	16.4
Excess	-10.2	6.2	1.6	7.0	0.5
ACTIVE DEVELOPED MARKETS AGGREGATE	-0.2	3.2	-4.1	25.4	17.9
BENCHMARK DM	2.7	-3.0	-4.3	21.0	16.4
Excess	-3.0	6.2	0.2	4.4	1.5



	<u>Ending Market Value</u>	<u>Portfolio Weight</u>	<u>Last Qtr</u>	<u>Fiscal YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Since Inception</u>	<u>Inception Date</u>
Semi-Passive Developed Markets										
AQR	\$387,219,643	2.7%	5.8%	20.9%	20.9%	1.9%	10.1%	1.7%	5.7%	07/2005
BENCHMARK DM			5.6	19.5	19.5	0.7	8.1	1.0	5.0	07/2005
Excess			0.1	1.4	1.4	1.2	2.0	0.7	0.7	
FIDELITY	552,109,829	3.9	5.8	17.1	17.1	0.4	8.3	1.5	5.6	07/2005
BENCHMARK DM			5.6	19.5	19.5	0.7	8.1	1.0	5.0	07/2005
Excess			0.2	-2.4	-2.4	-0.3	0.1	0.5	0.6	
SSgA	343,220,435	2.4	6.6	22.7	22.7	0.9	9.4	0.5	4.6	07/2005
BENCHMARK DM			5.6	19.5	19.5	0.7	8.1	1.0	5.0	07/2005
Excess			1.0	3.2	3.2	0.2	1.3	-0.5	-0.3	
SEMI-PASSIVE DEVELOPED MARKETS AGGREGATE	1,282,549,907	9.1	6.0	19.7	19.7	1.0	9.1	1.2		
BENCHMARK DM			5.6	19.5	19.5	0.7	8.1	1.0		
Excess			0.4	0.2	0.2	0.3	1.0	0.2		



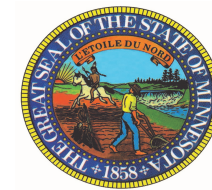
	<u>2016 Calendar Return</u>	<u>2015 Calendar Return</u>	<u>2014 Calendar Return</u>	<u>2013 Calendar Return</u>	<u>2012 Calendar Return</u>
Semi-Passive Developed Markets					
AQR	0.8%	0.9%	-4.4%	24.1%	20.8%
BENCHMARK DM	2.7	-3.0	-4.3	21.0	16.4
Excess	-2.0	3.9	-0.1	3.1	4.4
FIDELITY					
FIDELITY	-1.7	-0.7	-4.0	23.2	19.4
BENCHMARK DM	2.7	-3.0	-4.3	21.0	16.4
Excess	-4.5	2.3	0.3	2.2	3.0
SSgA					
SSgA	0.6	-0.9	-5.1	25.3	17.3
BENCHMARK DM	2.7	-3.0	-4.3	21.0	16.4
Excess	-2.2	2.1	-0.8	4.2	0.9
SEMI-PASSIVE DEVELOPED MARKETS AGGREGATE					
SEMI-PASSIVE DEVELOPED MARKETS AGGREGATE	-0.4	-0.3	-4.4	24.0	19.2
BENCHMARK DM	2.7	-3.0	-4.3	21.0	16.4
Excess	-3.1	2.7	-0.1	3.0	2.8



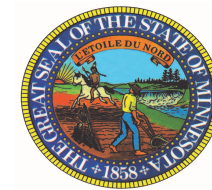
	<u>Ending Market Value</u>	<u>Portfolio Weight</u>	<u>Last Qtr</u>	<u>Fiscal YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Since Inception</u>	<u>Inception Date</u>
Total Developed Markets										
ACTIVE DEVELOPED MARKETS AGGREGATE	\$2,795,263,021	19.8%	7.6%	21.3%	21.3%	3.0%	10.1%	2.4%		
BENCHMARK DM			5.6	19.5	19.5	0.7	8.1	1.0		
Excess			2.0	1.8	1.8	2.3	2.0	1.4		
SEMI-PASSIVE DEVELOPED MARKETS AGGREGATE	1,282,549,907	9.1	6.0	19.7	19.7	1.0	9.1	1.2		
BENCHMARK DM			5.6	19.5	19.5	0.7	8.1	1.0		
Excess			0.4	0.2	0.2	0.3	1.0	0.2		
SSgA DEVELOPED MARKETS PASSIVE	6,613,617,834	47.0	5.9	20.0	20.0	1.1	8.6	1.4	6.3	10/1992
BENCHMARK DM			5.6	19.5	19.5	0.7	8.1	1.0	6.0	10/1992
Excess			0.2	0.5	0.5	0.5	0.4	0.4	0.3	
DEVELOPED MARKETS TOTAL	10,691,430,763	75.9	6.3	19.5	19.5	1.5	9.1	1.7		
BENCHMARK DM			5.6	19.5	19.5	0.7	8.1	1.0		
Excess			0.7	-0.0	-0.0	0.8	0.9	0.6		



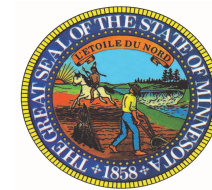
	<u>2016 Calendar Return</u>	<u>2015 Calendar Return</u>	<u>2014 Calendar Return</u>	<u>2013 Calendar Return</u>	<u>2012 Calendar Return</u>
Total Developed Markets					
ACTIVE DEVELOPED MARKETS AGGREGATE	-0.2%	3.2%	-4.1%	25.4%	17.9%
BENCHMARK DM	2.7	-3.0	-4.3	21.0	16.4
Excess	-3.0	6.2	0.2	4.4	1.5
SEMI-PASSIVE DEVELOPED MARKETS AGGREGATE	-0.4	-0.3	-4.4	24.0	19.2
BENCHMARK DM	2.7	-3.0	-4.3	21.0	16.4
Excess	-3.1	2.7	-0.1	3.0	2.8
SSgA DEVELOPED MARKETS PASSIVE	3.2	-2.6	-3.9	21.4	16.7
BENCHMARK DM	2.7	-3.0	-4.3	21.0	16.4
Excess	0.4	0.5	0.4	0.4	0.3
DEVELOPED MARKETS TOTAL	1.3	-0.3	-4.1	23.3	17.6
BENCHMARK DM	2.7	-3.0	-4.3	21.0	16.4
Excess	-1.5	2.8	0.2	2.2	1.1



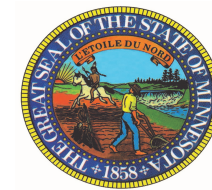
	<u>Ending Market Value</u>	<u>Portfolio Weight</u>	<u>Last Qtr</u>	<u>Fiscal YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Since Inception</u>	<u>Inception Date</u>
Active Emerging Markets										
EARNEST PARTNERS	\$284,710,207	2.0%	8.0%						8.6%	03/2017
MSCI EMERGING MARKETS			6.3						8.6	03/2017
Excess			1.8						-0.0	
MARTIN CURRIE	294,560,389	2.1	8.9						11.8	03/2017
BENCHMARK EM			6.3						8.6	03/2017
Excess			2.6						3.1	
MACQUARIE	290,987,551	2.1	7.2						10.2	03/2017
BENCHMARK EM			6.3						8.6	03/2017
Excess			0.9						1.6	
MORGAN STANLEY	578,330,810	4.1	8.1	21.7%	21.7%	2.3%	5.4%	2.5%	10.1	01/2001
BENCHMARK EM			6.3	23.7	23.7	1.1	4.0	2.0	9.6	01/2001
Excess			1.9	-2.0	-2.0	1.3	1.5	0.5	0.5	
NEUBERGER BERMAN	289,501,516	2.1	6.8						9.4	03/2017
BENCHMARK EM			6.3						8.6	03/2017
Excess			0.6						0.8	
PZENA	283,599,658	2.0	5.7						8.3	03/2017
BENCHMARK EM			6.3						8.6	03/2017
Excess			-0.6						-0.4	
ROCK CREEK	283,101,164	2.0	5.3						9.3	03/2017
BENCHMARK EM			6.3						9.1	03/2017
Excess			-1.0						0.2	



	<u>2016 Calendar Return</u>	<u>2015 Calendar Return</u>	<u>2014 Calendar Return</u>	<u>2013 Calendar Return</u>	<u>2012 Calendar Return</u>
Active Emerging Markets					
EARNEST PARTNERS					
MSCI EMERGING MARKETS					
Excess					
MARTIN CURRIE					
BENCHMARK EM					
Excess					
MACQUARIE					
BENCHMARK EM					
Excess					
MORGAN STANLEY	6.1%	-9.4%	-2.5%	0.5%	21.1%
BENCHMARK EM	11.2	-14.9	-2.2	-2.6	18.2
Excess	-5.1	5.5	-0.3	3.1	2.8
NEUBERGER BERMAN					
BENCHMARK EM					
Excess					
PZENA					
BENCHMARK EM					
Excess					
ROCK CREEK					
BENCHMARK EM					
Excess					



	<u>Ending Market Value</u>	<u>Portfolio Weight</u>	<u>Last Qtr</u>	<u>Fiscal YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Since Inception</u>	<u>Inception Date</u>
Total Emerging Markets										
ACTIVE EMERGING MARKETS AGGREGATE	\$2,304,791,296	16.4%	7.2%	19.4%	19.4%	0.3%	3.9%	1.3%		
BENCHMARK EM			6.3	23.7	23.7	1.1	4.0	2.0		
Excess			1.0	-4.3	-4.3	-0.8	-0.1	-0.6		
SSGA EMERGING MARKETS PASSIVE	1,082,307,756	7.7	6.5	23.4	23.4	1.3	4.1		4.5	01/2012
BENCHMARK EM			6.3	23.7	23.7	1.1	4.0		4.3	01/2012
Excess			0.2	-0.3	-0.3	0.2	0.2		0.1	
EMERGING MARKETS TOTAL	3,387,099,051	24.0	7.0	21.7	21.7	0.9	4.2	1.5		
BENCHMARK EM			6.3	23.7	23.7	1.1	4.0	2.0		
Excess			0.8	-2.1	-2.1	-0.2	0.3	-0.5		



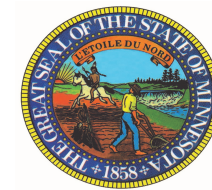
	<u>2016 Calendar Return</u>	<u>2015 Calendar Return</u>	<u>2014 Calendar Return</u>	<u>2013 Calendar Return</u>	<u>2012 Calendar Return</u>
Total Emerging Markets					
ACTIVE EMERGING MARKETS AGGREGATE	5.3%	-12.7%	-4.1%	0.6%	17.5%
BENCHMARK EM	11.2	-14.9	-2.2	-2.6	18.2
Excess	-5.9	2.2	-2.0	3.2	-0.8
SSGA EMERGING MARKETS PASSIVE	11.1	-14.6	-2.1	-2.5	18.5
BENCHMARK EM	11.2	-14.9	-2.2	-2.6	18.2
Excess	-0.1	0.3	0.1	0.1	0.3
EMERGING MARKETS TOTAL	7.5	-13.1	-3.8	0.2	17.6
BENCHMARK EM	11.2	-14.9	-2.2	-2.6	18.2
Excess	-3.7	1.9	-1.6	2.9	-0.7

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Fixed Income

June 30, 2017

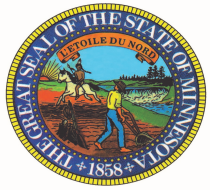


	<u>Ending Market Value</u>	<u>Portfolio Weight</u>	<u>Last Qtr</u>	<u>Fiscal YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Since Inception</u>	<u>Inception Date</u>
Total Fixed Income										
ACTIVE FIXED INCOME AGGREGATE	\$5,970,655,905	46.8%	1.8%	1.9%	1.9%	3.3%	3.4%	5.0%		
BBG BARC Agg (Dly)			1.4	-0.3	-0.3	2.5	2.2	4.5		
Excess			0.3	2.2	2.2	0.8	1.2	0.5		
SEMI PASSIVE FIXED INCOME AGGREGATE	6,784,657,070	53.2	1.5	-0.1	-0.1	2.7	2.5	4.7		
BBG BARC Agg (Dly)			1.4	-0.3	-0.3	2.5	2.2	4.5		
Excess			0.1	0.2	0.2	0.2	0.3	0.2		
TRANSITION AGGREGATE FIXED INCOME (1)	94,072	0.0								
TOTAL FIXED INCOME (2)	12,755,407,047	100.0	1.6	0.9	0.9	2.9	2.9	4.8	7.7	07/1984
BBG BARC Agg Bd			1.4	-0.3	-0.3	2.5	2.2	4.5	7.4	07/1984
Excess			0.2	1.2	1.2	0.5	0.7	0.4	0.3	

(1) The Transition Aggregate Fixed Income includes fixed income securities that are being transition to a different manager.

(2) The current Fixed Income Benchmark is the Bloomberg Barclays U.S. Aggregate calculated daily: BBG BARC Agg (Dly). For historical benchmark details please refer to the addendum of this report.

Note: All aggregates include the performance of terminated managers. Inception refers to the date of retention by the SBI.

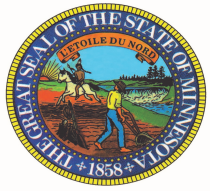


	<u>2016 Calendar Return</u>	<u>2015 Calendar Return</u>	<u>2014 Calendar Return</u>	<u>2013 Calendar Return</u>	<u>2012 Calendar Return</u>
Total Fixed Income					
ACTIVE FIXED INCOME AGGREGATE	4.4%	0.6%	6.2%	-0.8%	8.1%
BBG BARC Agg (Dly)	2.6	0.5	6.0	-2.0	4.2
Excess	1.7	0.0	0.2	1.2	3.9
SEMI PASSIVE FIXED INCOME AGGREGATE	2.8	0.8	6.1	-1.8	5.3
BBG BARC Agg (Dly)	2.6	0.5	6.0	-2.0	4.2
Excess	0.2	0.2	0.1	0.2	1.1
TRANSITION AGGREGATE FIXED INCOME (1)					
TOTAL FIXED INCOME (2)	3.6	0.7	6.1	-1.3	6.7
BBG BARC Agg Bd	2.6	0.5	6.0	-2.0	4.2
Excess	0.9	0.1	0.2	0.7	2.5

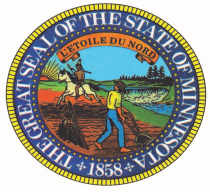
(1) The Transition Aggregate Fixed Income includes fixed income securities that are being transition to a different manager.

(2) The current Fixed Income Benchmark is the Bloomberg Barclays U.S. Aggregate calculated daily: BBG BARC Agg (Dly). For historical benchmark details please refer to the addendum of this report.

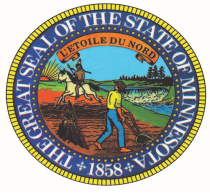
Note: All aggregates include the performance of terminated managers. Inception refers to the date of retention by the SBI.



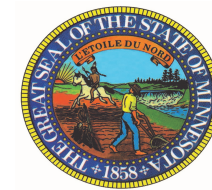
	<u>Ending Market Value</u>	<u>Portfolio Weight</u>	<u>Last Qtr</u>	<u>Fiscal YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Since Inception</u>	<u>Inception Date</u>
Active Fixed Income Managers										
COLUMBIA	\$1,160,642,196	9.1%	1.8%	2.0%	2.0%	3.3%	3.2%	4.9%	5.5%	07/1993
BBG BARC Agg (Dly)			1.4	-0.3	-0.3	2.5	2.2	4.5	5.4	07/1993
Excess			0.3	2.3	2.3	0.8	1.0	0.5	0.1	
DODGE & COX	1,646,751,688	12.9	1.5	2.7	2.7	3.0	3.6	5.5	6.3	02/2000
BBG BARC Agg (Dly)			1.4	-0.3	-0.3	2.5	2.2	4.5	5.2	02/2000
Excess			0.1	3.0	3.0	0.5	1.4	1.1	1.0	
PIMCO	1,575,510,117	12.4	1.6	0.8	0.8	3.0	3.1		5.9	10/2008
BBG BARC Agg (Dly)			1.4	-0.3	-0.3	2.5	2.2		4.4	10/2008
Excess			0.2	1.1	1.1	0.5	0.9		1.5	
WESTERN	1,587,751,904	12.4	2.2	2.4	2.4	3.7	3.7	5.4	8.6	07/1984
BBG BARC Agg (Dly)			1.4	-0.3	-0.3	2.5	2.2	4.5	7.4	07/1984
Excess			0.8	2.7	2.7	1.2	1.5	0.9	1.2	
ACTIVE FIXED INCOME AGGREGATE	5,970,655,905	46.8	1.8	1.9	1.9	3.3	3.4	5.0		
BBG BARC Agg (Dly)			1.4	-0.3	-0.3	2.5	2.2	4.5		
Excess			0.3	2.2	2.2	0.8	1.2	0.5		



	<u>2016 Calendar Return</u>	<u>2015 Calendar Return</u>	<u>2014 Calendar Return</u>	<u>2013 Calendar Return</u>	<u>2012 Calendar Return</u>
Active Fixed Income Managers					
COLUMBIA	5.2%	0.2%	5.8%	-1.0%	6.9%
BBG BARC Agg (Dly)	2.6	0.5	6.0	-2.0	4.2
Excess	2.6	-0.4	-0.2	1.0	2.7
DODGE & COX	4.8	0.3	6.0	0.9	8.5
BBG BARC Agg (Dly)	2.6	0.5	6.0	-2.0	4.2
Excess	2.2	-0.3	0.0	3.0	4.2
PIMCO	2.8	1.0	5.5	-1.3	9.3
BBG BARC Agg (Dly)	2.6	0.5	6.0	-2.0	4.2
Excess	0.2	0.4	-0.4	0.7	5.1
WESTERN	4.9	0.7	7.0	-1.4	7.8
BBG BARC Agg (Dly)	2.6	0.5	6.0	-2.0	4.2
Excess	2.2	0.1	1.0	0.7	3.6
ACTIVE FIXED INCOME AGGREGATE	4.4	0.6	6.2	-0.8	8.1
BBG BARC Agg (Dly)	2.6	0.5	6.0	-2.0	4.2
Excess	1.7	0.0	0.2	1.2	3.9



	<u>Ending Market Value</u>	<u>Portfolio Weight</u>	<u>Last Qtr</u>	<u>Fiscal YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Since Inception</u>	<u>Inception Date</u>
Semi Passive Fixed Income Managers										
BLACKROCK	\$2,066,829,549	16.2%	1.5%	-0.1%	-0.1%	2.6%	2.4%	4.4%	5.4%	04/1996
BBG BARC Agg (Dly)			1.4	-0.3	-0.3	2.5	2.2	4.5	5.3	04/1996
Excess			0.0	0.2	0.2	0.2	0.2	-0.1	0.1	
GOLDMAN SACHS	2,486,566,007	19.5	1.5	0.2	0.2	2.7	2.6	4.8	5.7	07/1993
BBG BARC Agg (Dly)			1.4	-0.3	-0.3	2.5	2.2	4.5	5.4	07/1993
Excess			0.1	0.5	0.5	0.2	0.4	0.3	0.3	
NEUBERGER	2,231,261,515	17.5	1.5	-0.3	-0.3	2.6	2.4	4.9	6.6	07/1988
BBG BARC Agg (Dly)			1.4	-0.3	-0.3	2.5	2.2	4.5	6.4	07/1988
Excess			0.1	0.0	0.0	0.1	0.2	0.4	0.2	
SEMI PASSIVE FIXED INCOME	6,784,657,070	53.2	1.5	-0.1	-0.1	2.7	2.5	4.7		
BBG BARC Agg (Dly)			1.4	-0.3	-0.3	2.5	2.2	4.5		
Excess			0.1	0.2	0.2	0.2	0.3	0.2		



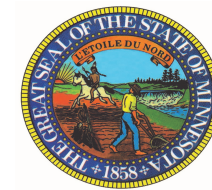
	<u>2016 Calendar Return</u>	<u>2015 Calendar Return</u>	<u>2014 Calendar Return</u>	<u>2013 Calendar Return</u>	<u>2012 Calendar Return</u>
Semi Passive Fixed Income Managers					
BLACKROCK	2.8%	0.9%	6.0%	-1.8%	5.0%
BBG BARC Agg (Dly)	2.6	0.5	6.0	-2.0	4.2
Excess	0.1	0.3	0.0	0.2	0.8
GOLDMAN SACHS	3.0	0.8	6.1	-1.7	5.4
BBG BARC Agg (Dly)	2.6	0.5	6.0	-2.0	4.2
Excess	0.3	0.2	0.1	0.3	1.2
NEUBERGER	2.7	0.7	6.1	-2.0	5.4
BBG BARC Agg (Dly)	2.6	0.5	6.0	-2.0	4.2
Excess	0.1	0.2	0.2	0.1	1.2
SEMI PASSIVE FIXED INCOME	2.8	0.8	6.1	-1.8	5.3
BBG BARC Agg (Dly)	2.6	0.5	6.0	-2.0	4.2
Excess	0.2	0.2	0.1	0.2	1.1

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Private Markets

June 30, 2017



Private Markets Performance

Private Markets

	<u>Last Qtr</u>	<u>FYTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>20 Year</u>
Total Private Markets	4.9%	19.7%	19.7%	8.9%	11.3%	9.0%	13.3%
Private Equity	5.4	18.7	18.7	12.6	14.1	10.9	14.0
Private Credit	5.2	20.0	20.0	14.4	14.6	11.1	13.2
Resources	3.9	27.3	27.3	-4.7	1.7	6.9	15.1
Real Estate	3.5	7.8	7.8	11.8	12.3	4.7	10.0

Private Markets

The time-weighted rates of return for the Private Markets portfolio are shown here. Private Markets included Private Equity, Private Credit, Resources, and Real Estate. Some of the existing investments are relatively immature and returns may not be indicative of future results.

Private Equity Investments

The objectives of the Private Equity portfolio, which may include leveraged buyouts, growth equity, venture capital and special situations, are to achieve attractive returns and to provide overall portfolio diversification to the total plan.

Private Credit Investments

The objectives of the Private Credit portfolio, which may include mezzanine debt, direct lending, and other forms of non-investment grade fixed income instruments, are to achieve a high total return over a full market cycle and to provide some degree of downside protection and typically provide current income in the form of a coupon. In certain situations, investments in the Private Credit portfolio also provide an equity component of return in the form of warrants or re-organized equity.

Resources Investments

The objectives of the Resources portfolio, which may include energy, infrastructure, and other hard assets, are to provide protection against the risks associated with inflation and to provide overall portfolio diversification to the total plan.

Real Estate Investments

The objectives of the Real Estate portfolio, which may include core and non-core real estate investments, are to achieve attractive returns, preserve capital, provide protection against risks associated with inflation, and provide overall portfolio diversification to the total plan.

The SBI also monitors Private Markets performance using money-weighted return metrics such as Internal Rate of Return and Multiple of Invested Capital. For money-weighted return metrics please refer to the following pages.

Minnesota State Board of Investment
- Alternative Investments -
As of June 30, 2017

Investment	Total Commitment	Funded Commitment	MarketValue	Distributions	Unfunded Commitment	IRR %	MOIC*	Period Years
I. REAL ESTATE								
Angelo, Gordon & Co.								
<i>AG Realty Fund IX</i>	100,000,000	60,538,360	63,856,791	1,500,000	39,461,640	10.25	1.08	1.29
<i>AG Asia Realty Fund III</i>	50,000,000	21,000,000	21,388,430	2,875,000	30,953,750	13.60	1.16	0.75
Blackstone								
<i>Blackstone Real Estate Partners V</i>	100,000,000	97,030,342	33,641,998	170,585,770	4,174,052	10.88	2.10	10.93
<i>Blackstone Real Estate Partners VI</i>	100,000,000	99,320,387	18,643,123	194,555,798	4,907,906	12.93	2.15	10.00
<i>Blackstone Real Estate Partners VII</i>	100,000,000	93,824,566	86,658,179	79,572,577	16,659,681	17.71	1.77	5.34
<i>Blackstone Real Estate Partners VIII</i>	150,000,000	72,645,182	67,814,761	21,035,456	93,833,542	14.97	1.22	2.02
Blackstone Strategic Partners (CSFB)								
<i>Strategic Partners III RE</i>	25,000,000	25,752,810	4,182,246	10,953,622	9,006	-6.98	0.59	11.75
<i>Strategic Partners IV RE</i>	50,000,000	50,601,452	10,825,903	38,815,182	1,368,796	-0.52	0.98	8.79
Colony Capital								
<i>Colony Investors III</i>	100,000,000	100,000,000	5,175,300	172,642,105	0	14.56	1.78	19.25
Rockpoint								
<i>Rockpoint Real Estate Fund V</i>	100,000,000	30,571,299	33,061,832	2,073,661	69,697,752	6.42	1.15	1.27
Rockwood								
<i>Rockwood Capital RE Partners X</i>	100,000,000	24,615,602	23,462,533	454,546	75,384,398	-3.88	0.97	0.96
Silverpeak Real Estate Partners								
<i>Silverpeak Legacy Pension Partners II</i>	75,000,000	78,673,707	5,544,602	87,952,458	7,742,386	4.44	1.19	11.75
<i>Silverpeak Legacy Pension Partners III</i>	150,000,000	70,138,520	16,833,935	9,565,043	79,861,480	-12.37	0.38	8.86
T.A. Associates Realty								
<i>Realty Associates Fund VIII</i>	100,000,000	100,000,000	42,930,264	52,803,114	0	-0.52	0.96	10.75
<i>Realty Associates Fund IX</i>	100,000,000	100,000,000	17,413,825	143,048,338	0	10.55	1.60	8.60
<i>Realty Associates Fund X</i>	100,000,000	100,000,000	84,426,736	54,280,759	0	11.76	1.39	5.08
<i>Realty Associates Fund XI</i>	100,000,000	40,000,000	39,828,160	572,862	60,000,000	1.40	1.01	1.75
Real Estate Total	1,600,000,000	1,164,712,227	575,688,618	1,043,286,290	484,054,389		1.39	

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II. RESOURCE								
Apache Corp.								
<i>1986 Net Profits Interest</i>	30,000,000	30,000,000	371,580	59,838,195	0	12.15	2.01	30.25
EIG Global Energy Partners								
<i>EIG Energy Fund XIV</i>	100,000,000	113,013,074	13,906,276	92,181,918	2,761,129	-2.40	0.94	9.95
<i>EIG Energy Fund XV</i>	150,000,000	145,074,733	94,110,712	85,829,469	6,322,679	6.24	1.24	6.82
<i>EIG Energy Fund XVI</i>	200,000,000	124,880,546	118,881,745	25,494,749	81,730,852	8.03	1.16	3.55
EnCap Energy								
<i>EnCap Energy Capital Fund VII</i>	100,000,000	96,692,592	8,574,882	132,528,983	3,860,151	15.26	1.46	9.75
<i>EnCap Energy Capital Fund VIII</i>	100,000,000	92,787,484	44,967,799	40,019,993	8,379,469	-3.09	0.92	6.50
<i>Encap Energy Fund IX</i>	100,000,000	97,848,189	71,072,669	61,606,909	18,569,791	18.59	1.36	4.31
<i>EnCap Energy Capital Fund X</i>	100,000,000	53,585,923	46,276,284	15,145,693	54,200,820	20.57	1.15	2.07
EnerVest Energy								
<i>EnerVest Energy Institutional Fund XIV</i>	100,000,000	84,214,273	77,813,840	6,136,266	17,540,521	-0.28	1.00	1.94
Energy & Minerals Group								
<i>NGP Midstream & Resources</i>	100,000,000	100,090,315	77,916,245	121,030,856	230,871	15.96	1.99	10.00
<i>The Energy & Minerals Group Fund II</i>	100,000,000	94,741,371	128,825,694	33,897,369	5,533,640	16.57	1.72	5.52
<i>The Energy & Minerals Group Fund III</i>	200,000,000	186,946,088	162,453,744	5,097,895	14,793,996	-4.81	0.90	3.07
<i>The Energy & Minerals Group Fund IV</i>	150,000,000	79,888,463	99,061,001	5,152,897	72,583,810	20.73	1.30	1.67
Energy Capital Partners								
<i>Energy Capital Partners II</i>	100,000,000	80,529,511	49,527,211	85,460,609	30,099,613	13.86	1.68	6.70
<i>Energy Capital Partners III</i>	200,000,000	106,956,580	109,839,479	8,889,828	93,043,420	7.48	1.11	3.28
First Reserve								
<i>First Reserve Fund X</i>	100,000,000	100,000,000	430,477	182,429,002	0	31.06	1.83	12.41
<i>First Reserve Fund XI</i>	150,000,000	150,292,121	12,807,276	92,012,153	0	-7.88	0.70	10.27
<i>First Reserve Fund XII</i>	150,000,000	160,143,186	44,713,115	71,186,004	3,440,286	-8.31	0.72	8.42
<i>First Reserve Fund XIII</i>	200,000,000	64,379,747	71,045,244	5,975,369	135,620,253	11.40	1.20	3.41

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Merit Energy Partners								
<i>Merit Energy Partners B</i>	24,000,000	24,000,000	10,225,460	182,321,687	0	24.32	8.02	20.75
<i>Merit Energy Partners C</i>	50,000,000	50,000,000	18,668,994	497,681,630	0	30.98	10.33	18.42
<i>Merit Energy Partners D</i>	88,000,000	70,938,303	35,229,708	311,288,474	0	22.81	4.88	15.85
<i>Merit Energy Partners E</i>	100,000,000	39,983,197	26,049,011	73,805,235	0	13.15	2.50	12.46
<i>Merit Energy Partners F</i>	100,000,000	59,522,861	24,964,326	27,251,921	0	-2.24	0.88	11.02
<i>Merit Energy Partners H</i>	100,000,000	100,000,000	74,637,538	18,410,723	0	-2.27	0.93	6.16
<i>Merit Energy Partners I</i>	169,721,518	143,099,999	178,277,842	4,296,319	26,621,519	28.11	1.28	2.45
NGP								
<i>Natural Gas Partners IX</i>	150,000,000	161,702,525	7,907,594	235,442,290	1,473,974	11.77	1.50	9.44
<i>NGP Natural Resources X</i>	150,000,000	140,378,747	69,642,472	89,627,571	9,621,253	4.80	1.13	5.47
<i>Natural Gas Capital Resources XI</i>	150,000,000	87,730,791	88,614,495	17,344,708	68,431,215	24.28	1.21	2.31
Sheridan								
<i>Sheridan Production Partners I</i>	100,000,000	116,550,000	65,723,992	82,750,000	0	5.98	1.27	10.00
<i>Sheridan Production Partners II</i>	100,000,000	100,000,000	66,365,005	7,000,000	0	-7.15	0.73	6.50
<i>Sheridan Production Partners III-B</i>	100,000,000	34,350,000	41,942,015	2,000,000	65,650,000	26.67	1.28	2.31
T. Rowe Price	18,513,566	18,513,566	7,539,057	5,953,538	0	-38.65	0.73	
Resource Total	3,830,235,084	3,108,834,185	1,948,382,782	2,685,088,254	720,509,262		1.49	

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III. PRIVATE CREDIT								
Audax Group								
<i>Audax Mezzanine Fund III</i>	100,000,000	90,175,036	50,995,033	63,054,397	18,332,960	9.76	1.26	6.99
<i>Audax Mezzanine Fund IV</i>	100,000,000	11,922,399	9,968,061	1,990,291	88,724,551	0.61	1.00	1.98
Avenue Capital Partners								
<i>Avenue Energy Opportunities Fund</i>	100,000,000	100,000,000	120,354,100	934,495	0	11.96	1.21	2.02
Citicorp Mezzanine								
<i>CM Liquidating Partnership</i>	100,000,000	88,029,296	11,799,488	149,642,633	0	16.87	1.83	17.41
Crescent Capital Group								
<i>TCW/Crescent Mezzanine Partners III</i>	75,000,000	68,835,269	2,437,594	156,868,939	29,733,852	35.88	2.31	16.00
Gold Hill Venture Lending								
<i>Gold Hill Venture Lending</i>	40,000,000	40,000,000	1,101,058	63,913,250	0	10.64	1.63	12.51
<i>Gold Hill 2008</i>	25,852,584	25,852,584	9,033,754	32,238,919	0	12.03	1.60	8.75
GS Mezzanine Partners								
<i>GS Mezzanine Partners 2006</i>	100,000,000	74,999,888	3,801,267	131,284,920	9,858,563	4.95	1.80	10.98
<i>GS Mezzanine Partners V</i>	150,000,000	112,057,963	6,380,624	172,683,972	38,044,131	8.85	1.60	9.44
Kohlberg Kravis Roberts								
<i>KKR Lending Partners II</i>	75,000,000	81,865,272	65,734,900	29,570,002	11,180,434	16.51	1.16	2.08
LBC Credit Partners								
<i>LBC Credit Partners IV</i>	100,000,000	25,001,167	25,685,799	416,312	74,998,833	9.43	1.04	1.17
Merit Capital Partners								
<i>William Blair Mezzan. Cap. Fd. III</i>	60,000,000	57,243,241	616,399	112,755,951	2,756,759	15.51	1.98	17.25
<i>Merit Mezzanine Fund IV</i>	75,000,000	70,178,571	17,960,267	107,010,285	4,821,429	10.58	1.78	12.29
<i>Merit Mezzanine Fund V</i>	75,000,000	70,420,408	54,724,865	41,939,385	4,579,592	9.79	1.37	7.28
<i>Merit Mezzanine Fund VI</i>	61,603,125	18,216,603	19,182,859	0	43,386,522	12.46	1.05	1.27
Oaktree Capital Management								
<i>Oaktree Opportunities Fund X</i>	50,000,000	20,000,000	19,695,225	5,619,660	35,000,000	28.06	1.27	2.08
<i>Oaktree Opportunities Fund Xb</i>	100,000,000	0	0	0	100,000,000	0.00	0.00	2.08
Pimco Bravo**								
<i>Pimco Bravo Fund OnShore Feeder I</i>	3,958,027	3,958,027	310,309	3,717,270	2,086,707	1.89	1.02	2.25
<i>Pimco Bravo Fund OnShore Feeder II</i>	5,243,670	4,618,670	5,529,874	5,187	625,000	6.89	1.20	2.25

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Portfolio Advisors								
<i>DLJ Investment Partners II</i>	27,375,168	23,164,217	82,683	34,829,566	0	10.37	1.51	17.25
<i>DLJ Investment Partners III</i>	100,000,000	72,260,040	5,677,044	88,389,198	29,739,249	7.32	1.30	10.77
Prudential Capital Partners								
<i>Prudential Capital Partners II</i>	100,000,000	97,079,158	5,231,021	135,600,498	3,053,595	8.89	1.45	11.75
<i>Prudential Capital Partners III</i>	100,000,000	96,292,841	39,326,728	123,359,252	7,149,552	13.72	1.69	7.96
<i>Prudential Capital Partners IV</i>	100,000,000	95,435,108	75,202,925	40,392,370	5,131,007	10.94	1.21	5.20
<i>Prudential Capital Partners V</i>	150,000,000	8,994,254	8,847,899	0	141,005,747	-3.98	0.98	0.87
Summit Partners								
<i>Summit Subordinated Debt Fund III</i>	45,000,000	42,750,000	9,745,381	55,057,070	2,250,000	9.32	1.52	13.12
<i>Summit Subordinated Debt Fund IV</i>	50,000,000	55,134,261	19,821,367	52,499,924	16,044,207	9.65	1.31	9.01
TCW Asset Management								
<i>TCW Direct Lending</i>	100,000,000	76,021,441	58,855,835	21,913,589	32,729,586	5.53	1.06	2.21
Windjammer Capital Investors								
<i>Windjammer Mezzanine & Equity Fund II</i>	66,708,861	56,569,498	68,519	84,876,800	10,139,363	8.94	1.50	17.00
<i>Windjammer Senior Equity Fund III</i>	75,000,000	61,619,620	19,235,282	126,531,293	13,380,380	18.91	2.37	11.24
<i>Windjammer Senior Equity Fund IV</i>	100,000,000	77,681,454	67,187,676	6,906,820	24,987,467	-2.29	0.95	5.10
<i>Private Credit Total</i>	2,410,741,435	1,726,376,286	734,593,836	1,844,002,249	749,739,485		1.49	

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IV. PRIVATE EQUITY								
Adams Street Partners								
<i>Adams Street Global Secondary Fund 5</i>	100,000,000	72,529,750	54,281,342	21,947,518	27,470,250	2.64	1.05	4.78
<i>Adams Street Global Secondary Fund 6</i>	100,000,000	-	-	-	100,000,000	-	-	0
Advent International								
<i>Advent International GPE VI</i>	50,000,000	50,000,000	31,298,588	76,885,584	-	17.98	2.16	9.00
<i>Advent International GPE VII</i>	90,000,000	81,000,000	84,516,831	34,200,083	9,000,000	15.36	1.47	4.54
<i>Advent International GPE VIII</i>	100,000,000	23,400,000	22,974,471	-	76,600,000	-4.02	0.98	1.40
Affinity Ventures								
<i>Affinity Ventures IV</i>	4,000,000	4,000,000	1,154,149	1,541,970	-	-7.47	0.67	12.75
<i>Affinity Ventures V</i>	5,000,000	5,000,000	2,886,784	1,585,611	0	-2.45	0.89	8.74
APAX Partners								
<i>Apax VIII - USD</i>	200,000,000	204,727,016	208,803,242	45,725,902	18,017,529	11.30	1.24	4.06
<i>Apax IX - USD</i>	150,000,000	5,250,000	2,550,440	-	144,750,000	-52.13	0.49	1.00
Banc Fund								
<i>Banc Fund VII</i>	45,000,000	45,000,000	47,841,000	15,392,725	-	3.36	1.41	12.00
<i>Banc Fund VIII</i>	98,250,000	98,250,000	156,858,108	48,533,973	0	15.48	2.09	8.93
<i>Banc Fund IX</i>	107,205,932	85,764,746	104,940,885	1,407,814	21,441,186	17.86	1.24	2.81
BlackRock**								
<i>BlackRock Tempus Fund</i>	1,774,870	1,774,870	726,609	1,308,352	-	12.70	1.15	1.81
Blackstone								
<i>Blackstone Capital Partners IV</i>	70,000,000	72,325,477	7,426,131	192,304,580	1,945,831	37.06	2.76	14.72
<i>Blackstone Capital Partners V</i>	140,000,000	130,994,409	14,559,305	227,295,035	8,522,239	7.97	1.85	11.16
<i>Blackstone Capital Partners VI</i>	100,000,000	88,714,261	89,385,357	40,852,257	16,683,497	11.38	1.47	8.68
<i>Blackstone Capital Partners VII</i>	130,000,000	16,498,486	16,809,897	46,064	113,521,841	-19.30	1.02	1.75
Blackstone Strategic Partners (CSFB/ DLJ)								
<i>Strategic Partners II-B</i>	100,000,000	86,154,714	614,433	161,889,320	4,692,847	35.07	1.89	13.70
<i>Strategic Partners III-B</i>	100,000,000	78,088,666	16,646,763	101,761,623	15,070,182	6.50	1.52	11.83
<i>Strategic Partners III VC</i>	25,000,000	24,818,888	6,201,521	27,787,072	1,138,329	6.27	1.37	11.83
<i>Strategic Partners IV-B</i>	100,000,000	92,041,126	22,290,928	128,192,214	18,379,014	12.43	1.63	9.01
<i>Strategic Partners IV VC</i>	40,500,000	40,049,287	13,806,172	46,918,010	2,965,229	9.54	1.52	8.79
<i>Strategic Partners V</i>	100,000,000	77,878,472	35,977,546	91,310,525	41,339,010	20.37	1.63	5.62
<i>Strategic Partners VI</i>	150,000,000	81,280,504	84,312,285	32,501,432	71,617,717	22.13	1.44	2.96

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Strategic Partners VII	150,000,000	14,700,409	17,789,543	1,804,121	135,299,591	88.23	1.33	1.38
BLUM Capital Partners								
<i>Blum Strategic Partners II</i>	50,000,000	40,185,889	134,317	89,708,870	2,127,584	22.42	2.24	15.70
<i>Blum Strategic Partners III</i>	75,000,000	78,121,020	-	83,524,046	471,064	0.26	1.07	11.83
<i>Blum Strategic Partners IV</i>	150,000,000	170,916,780	0	167,939,991	5,896,033	-0.75	0.98	9.36
Brookfield Asset Management Inc.								
<i>Brookfield Capital Partners Fund IV</i>	100,000,000	33,772,408	34,672,881	7,794,360	71,489,160	13.06	1.26	1.78
CVC Capital Partners								
<i>CVC European Equity Partners V</i>	133,942,703	132,413,576	55,106,428	187,825,177	1,628,978	14.37	1.83	9.01
<i>CVC Capital Partners VI</i>	254,303,501	139,313,187	155,352,866	2,223,185	115,918,953	8.56	1.13	3.73
Carval Investors								
<i>CVI Global Value Fund</i>	200,000,000	190,000,000	29,609,733	290,286,276	10,000,000	9.67	1.68	10.22
<i>CVI Credit Value Fund I</i>	100,000,000	95,000,000	41,609,805	167,914,197	5,000,000	19.10	2.21	6.50
<i>CVI Credit Value Fund A II</i>	150,000,000	142,500,000	127,845,275	62,800,217	7,500,000	8.18	1.34	4.42
<i>CVI Credit Value Fund A III</i>	150,000,000	97,500,000	113,147,970	-	52,500,000	13.10	1.16	1.83
Cardinal Partners								
<i>DSV Partners IV</i>	10,000,000	10,000,000	31,177	39,196,082	-	10.61	3.92	31.97
Carlyle Group								
<i>Carlyle Strategic Partners IV</i>	100,000,000	10,212,331	10,303,676	1,457,332	91,245,001	22.57	1.15	1.25
Chicago Growth Partners (William Blair)								
<i>William Blair Capital Partners VII</i>	50,000,000	48,150,000	59,631	67,985,017	1,650,000	8.26	1.41	16.06
<i>Chicago Growth Partners I</i>	50,000,000	52,441,998	5,119,924	53,058,188	300,000	2.40	1.11	11.68
<i>Chicago Growth Partners II</i>	60,000,000	58,095,626	21,503,013	94,583,860	1,652,374	18.74	2.00	9.06
Court Square Capital Partners								
<i>Court Square Capital Partners</i>	100,000,000	80,827,220	104,698	182,160,766	1,920,943	28.91	2.26	15.30
<i>Court Square Capital Partners II</i>	175,000,000	158,503,096	44,278,211	255,085,071	17,544,102	12.91	1.89	10.57
<i>Court Square Capital Partners III</i>	175,000,000	97,116,094	56,930,988	63,877,629	85,547,995	10.47	1.24	4.83
Crescendo								
<i>Crescendo IV</i>	101,500,000	101,500,000	14,424,384	37,386,052	-	-6.05	0.51	17.06
Diamond Castle Partners								
<i>Diamond Castle Partners IV</i>	92,487,949	91,151,326	-	94,068,606	1,377,108	0.40	1.03	10.56
Elevation Partners								
<i>Elevation Partners</i>	75,000,000	69,311,710	579,089	113,091,463	799,634	11.82	1.64	11.87
Fox Paine & Company								

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<i>Fox Paine Capital Fund II</i>	50,000,000	46,299,626	4,068,672	86,859,891	11,953,212	18.91	1.96	16.75
GHJM Marathon Fund								
<i>GHJM Marathon Fund V</i>	50,000,000	50,093,425	-	95,948,519	46,502	12.10	1.92	12.50
<i>TrailHead Fund</i>	20,000,000	15,414,187	20,774,703	2,406,955	4,585,813	12.55	1.50	5.10
Glouston Capital Partners (fka Permal)**								
<i>Glouston Private Equity Opportunities Fund</i>	5,337,098	4,247,098	2,056,536	2,515,487	1,090,000	3.84	1.08	2.25
GTCR Golder Rauner								
<i>GTCR IX</i>	75,000,000	71,414,933	6,468,482	119,144,001	3,585,067	13.51	1.76	10.75
<i>GTCR X</i>	100,000,000	93,248,604	66,852,726	129,082,682	6,751,396	22.21	2.10	6.31
<i>GTCR Fund XI</i>	110,000,000	65,712,553	65,869,458	15,407,534	44,287,447	15.48	1.24	3.38
GS Capital Partners								
<i>GS Capital Partners 2000</i>	50,000,000	50,000,000	165,394	115,122,481	-	23.49	2.31	16.58
<i>GS Capital Partners V</i>	100,000,000	73,958,901	1,504,912	219,279,192	1,041,099	18.23	2.99	12.00
<i>GS Capital Partners VI</i>	100,000,000	80,215,619	19,803,130	110,990,160	15,039,971	5.80	1.63	10.16
<i>West Street Capital Partners</i>	150,000,000	13,500,000	12,822,165	-	136,500,000	-5.76	0.95	0.53
<i>GS Vintage VII</i>	100,000,000	2,000,000	2,000,000	-	98,000,000	0.00	1.00	0.37
HarbourVest**								
<i>Dover Street VII Cayman Fund</i>	2,198,112	2,070,612	746,213	1,163,702	127,500	-5.65	0.92	2.25
<i>HarbourVest Intl PE Partners V-Cayman US</i>	3,521,849	3,293,739	1,607,787	2,426,789	228,110	13.72	1.22	2.25
<i>Harbourvest Intl PE Partners VI-Cayman</i>	4,230,909	3,771,838	3,859,212	1,136,556	459,071	17.36	1.32	2.25
<i>HarbourVest Partners VIII Cayman Buyout</i>	4,506,711	4,194,711	2,566,540	2,634,438	312,000	13.99	1.24	2.25
<i>HarbourVest Partners VIII-Cayman Venture</i>	7,190,898	7,050,898	4,893,015	2,940,496	140,000	5.56	1.11	2.25
Hellman & Friedman								
<i>Hellman & Friedman Capital Partners V</i>	160,000,000	146,165,961	3,206,543	415,483,079	8,070,303	27.91	2.86	12.33
<i>Hellman & Friedman Capital Partners VI</i>	175,000,000	171,035,354	38,626,990	310,253,019	5,087,265	13.07	2.04	10.00
<i>Hellman & Friedman Capital Partners VII</i>	50,000,000	47,410,744	57,959,683	22,242,847	2,589,256	18.15	1.69	7.95
IK Investment Partners								
<i>IK Fund VII</i>	180,294,720	169,629,300	177,514,762	16,742,521	10,665,421	6.02	1.15	3.55
<i>IK Fund VIII</i>	169,923,527	28,807,990	27,883,132	2,213,957	143,261,439	6.55	1.04	0.95
Kohlberg Kravis Roberts								
<i>KKR Millennium Fund</i>	200,000,000	200,000,000	19,253,695	400,827,308	-	16.32	2.10	14.31
<i>KKR 2006 Fund</i>	200,000,000	211,063,288	89,063,198	262,796,284	3,360,223	8.45	1.67	10.51
<i>KKR Americas Fund XII</i>	150,000,000	-	-	-	150,000,000	0.00	0.00	1.33
<i>KKR Asian Fund III</i>	100,000,000	-	-	-	100,000,000	0.00	0.00	0.25

Minnesota State Board of Investment
- Alternative Investments -
As of June 30, 2017

Investment	Total Commitment	Funded Commitment	MarketValue	Distributions	Unfunded Commitment	IRR %	MOIC*	Period Years
Leonard Green & Partners								
<i>Green Equity Investors VI</i>	200,000,000	213,778,395	204,976,510	66,923,993	10,758,975	11.93	1.27	5.04
Lexington Capital Partners								
<i>Lexington Capital Partners VI-B</i>	100,000,000	98,365,297	21,316,397	120,963,822	1,634,703	7.80	1.45	11.27
<i>Lexington Capital Partners VII</i>	200,000,000	166,986,835	79,548,367	177,095,378	41,166,114	15.46	0.00	7.80
<i>Lexington Capital Partners VIII</i>	150,000,000	42,225,863	41,821,051	19,158,593	114,384,150	32.06	1.44	3.07
<i>Lexington Middle Market Investors IV</i>	100,000,000	-	-	-	100,000,000	0.00	0.00	0.52
MHR Institutional Partners								
<i>MHR Institutional Partners IV</i>	75,000,000	18,000,000	15,071,115	1,733,418	58,509,011	-5.20	0.93	1.96
Madison Dearborn Capital Partners								
<i>Madison Dearborn Capital Partners VII</i>	100,000,000	24,326,801	23,479,961	57,142	75,673,199	-4.21	0.00	1.53
Merced Capital								
<i>Merced Partners II</i>	75,000,000	63,768,881	4,985,045	124,662,721	-	23.92	2.03	10.00
<i>Merced Partners III</i>	100,000,000	100,000,000	56,370,960	76,497,107	0	6.63	1.33	6.90
<i>Merced Partners IV</i>	125,000,000	125,000,000	133,349,775	11,248,378	0	5.66	1.16	3.72
<i>Merced Partners V</i>	100,000,000	37,616,250	37,616,250	0	62,383,750	0.00	1.00	0.00
Neuberger Berman								
<i>Dyal Capital Partners III</i>	175,000,000	121,343,383	72,283,473	58,941,714	112,598,331	24.35	1.08	0.54
Nordic Capital								
<i>Nordic Capital Fund VIII</i>	177,604,412	116,521,186	146,944,838	49,418	61,083,226	10.80	1.26	3.55
North Sky Capital**								
<i>North Sky Capital LBO Fund III</i>	1,070,259	720,259	504,060	424,624	350,000	15.12	1.29	2.25
<i>North Sky Capital Venture Fund III</i>	1,384,080	1,277,830	522,505	869,341	106,250	5.51	1.09	2.25
Oak Hill Capital Management, Inc.								
<i>Oak Hill Capital Partners IV</i>	150,000,000	15,000,000	9,034,530	0	135,000,000	-40.39	0.60	0.56
Oaktree Capital Management								
<i>Oaktree Principal Fund VI</i>	100,000,000	38,652,814	32,160,874	11,561,586	72,509,912	20.56	1.13	2.25
Paine & Partners								
<i>Paine & Partners Capital Fund IV</i>	75,000,000	39,367,701	34,583,049	1,074,740	36,688,304	-8.85	0.91	2.30
PERMIRA								
<i>Permira V</i>	178,586,154	161,392,363	186,219,659	2,229,773	17,193,792	7.62	1.17	3.25
<i>Permira VI</i>	135,926,608	21,164,465	20,882,024	0	114,762,143	-2.83	0.99	0.93
Public Pension Capital Management								
<i>Public Pension Capital</i>	100,000,000	49,987,358	50,205,944	1,149,355	50,012,642	-8.89	1.03	2.88

Minnesota State Board of Investment
- Alternative Investments -
As of June 30, 2017

Investment	Total Commitment	Funded Commitment	MarketValue	Distributions	Unfunded Commitment	IRR %	MOIC*	Period Years
RWI Ventures								
<i>RWI Ventures I</i>	7,603,265	7,603,265	483,933	6,094,262	0	-4.30	0.87	10.75
Silver Lake Partners								
<i>Silver Lake Partners II</i>	100,000,000	90,142,191	14,494,024	156,317,295	11,771,953	11.07	1.89	12.75
<i>Silver Lake Partners III</i>	100,000,000	91,352,370	56,864,658	135,356,048	10,675,428	18.13	2.10	10.00
<i>Silver Lake Partners IV</i>	100,000,000	76,189,252	80,704,541	32,761,458	35,839,166	28.04	1.49	4.51
<i>Silver Lake Partners V</i>	135,000,000	-	-	-	135,000,000	0.00	0.00	0.25
Split Rock Partners								
<i>Split Rock Partners</i>	50,000,000	47,454,543	26,715,874	25,998,744	2,545,457	1.36	1.11	11.92
<i>Split Rock Partners II</i>	60,000,000	58,845,000	45,374,980	23,289,936	1,155,000	4.13	1.17	8.92
Summit Partners								
<i>Summit Ventures V</i>	25,000,000	24,125,000	104,865	33,358,461	875,000	8.12	1.39	19.00
<i>Summit Partners Growth Equity Fund VIII</i>	100,000,000	106,489,649	102,805,193	49,846,746	12,212,734	17.27	1.43	5.91
<i>Summit Partners Growth Equity Fund IX</i>	100,000,000	6,000,000	6,248,724	-	94,000,000	4.20	1.04	1.84
T. Rowe Price	28,282,209	28,282,209	15,837,583	22,494,869	-	20.44	1.36	
TPG Capital								
<i>TPG Partners VII</i>	100,000,000	35,547,673	34,651,220	1,250,410	65,676,741	1.26	1.01	1.56
Thoma Cressey								
<i>Thoma Cressey Fund VI</i>	35,000,000	33,915,000	1,891	34,556,478	1,085,000	0.22	1.02	18.61
<i>Thoma Cressey Fund VII</i>	50,000,000	50,000,000	919,353	106,625,069	-	23.60	2.15	16.60
<i>Thoma Cressey Fund VIII</i>	70,000,000	68,932,574	1,524,016	233,860,926	770,000	18.27	2.93	10.92
Thoma Bravo								
<i>Thoma Bravo Fund XII</i>	75,000,000	30,374,491	28,986,407	-	44,625,509	-5.50	0.95	0.81
Thomas H. Lee Partners								
<i>Thomas H. Lee Equity Fund VII</i>	100,000,000	38,252,291	52,737,225	31,244	61,747,709	48.88	1.38	1.56
<i>Thomas, McNerney & Partners</i>								
<i>Thomas, McNerney & Partners I</i>	30,000,000	30,000,000	3,032,665	15,087,143	-	-8.68	0.60	14.40
<i>Thomas, McNerney & Partners II</i>	50,000,000	48,125,000	16,473,698	94,461,371	1,875,000	17.07	2.31	10.75
Varde Fund								
<i>Varde Fund IX</i>	100,000,000	100,000,000	15,105,454	203,143,061	0	15.23	2.18	8.77
<i>Varde Fund X</i>	150,000,000	150,000,000	119,311,838	171,061,240	0	12.84	1.94	6.94
<i>Varde Fund XI</i>	200,000,000	200,000,000	260,254,600	-	-	7.83	1.30	3.73
Vestar Capital Partners								
<i>Vestar Capital Partners IV</i>	55,000,000	53,635,969	746,203	102,141,056	57,313	14.66	1.92	17.29

Minnesota State Board of Investment
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Investment	Total Commitment	Funded Commitment	MarketValue	Distributions	Unfunded Commitment	IRR %	MOIC*	Period Years
<i>Vestar Capital Partners V</i>	75,000,000	74,936,812	19,529,057	82,246,388	63,188	4.31	1.36	11.28
<i>Vestar Capital Partners VI</i>	100,000,000	78,284,566	84,508,588	51,133,094	21,715,434	31.03	1.73	5.52
Warburg Pincus								
<i>Warburg Pincus Equity Partners</i>	100,000,000	100,000,000	390,972	163,222,253	0	10.02	1.64	18.76
<i>Warburg Pincus Private Equity VIII</i>	100,000,000	100,000,000	11,074,352	219,211,151	0	14.85	2.30	14.96
<i>Warburg Pincus Private Equity IX</i>	100,000,000	100,000,000	12,404,649	164,844,296	0	10.08	1.77	11.68
<i>Warburg Pincus Private Equity X</i>	150,000,000	150,000,000	77,286,049	146,753,987	-	7.91	1.49	9.44
<i>Warburg Pincus Private Equity XI</i>	200,000,000	186,800,000	204,226,676	47,839,400	13,200,000	12.21	1.35	4.28
<i>Warburg Pincus Private Equity XII</i>	131,000,000	41,658,000	40,061,578	353,700	89,342,000	-5.23	0.97	1.36
<i>Warburg Pincus China</i>	45,000,000	8,100,000	5,882,686	1,935,000	38,835,000	-7.65	0.97	0.55
Wayzata								
<i>Wayzata Opportunities Fund</i>	100,000,000	93,180,000	1,138,130	156,084,065	18,920,000	8.45	1.69	11.28
<i>Wayzata Opportunities Fund II</i>	150,000,000	57,450,000	23,895,941	183,589,062	30,000,000	16.41	3.61	9.44
<i>Wayzata Opportunities Fund III</i>	150,000,000	68,415,000	43,584,874	25,553,965	101,910,000	0.49	1.01	4.79
Welsh, Carson, Anderson & Stowe								
<i>Welsh, Carson, Anderson & Stowe X</i>	100,000,000	98,000,000	17,696,356	148,394,381	2,000,000	8.05	1.69	11.29
<i>Welsh, Carson, Anderson & Stowe XI</i>	100,000,000	99,245,264	68,864,265	87,591,319	754,736	12.87	1.58	8.69
<i>Welsh, Carson, Anderson & Stowe XII</i>	150,000,000	41,709,761	49,043,335	2,070,391	108,290,239	11.22	1.23	2.25
Private Equity Total	12,917,625,765	9,066,414,280	5,099,876,179	9,303,975,438	4,019,961,425		1.59	
Alternatives Total	20,758,602,284	15,066,336,978	8,358,541,415	14,876,352,231	5,974,264,561		1.54	

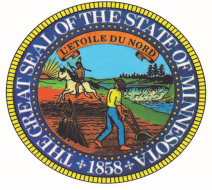
Notes

None of the data presented herein has been reviewed or approved by either the general partner or investment manager. The performance and valuation data presented herein is not a guarantee or prediction of future results. Ultimately, the actual performance and value of any investment is not known until final liquidation. Because there is no industry-standardized method for valuation or reporting comparisons of performance and valuation data among different investments is difficult.

* MOIC: Multiple of Invested Capital

**Partnership interests transferred to the MSBI during 1Q2015. All data presented as of the transfer date.

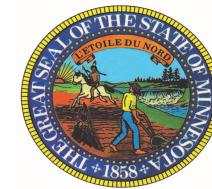
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Participant Directed Investment Program

June 30, 2017

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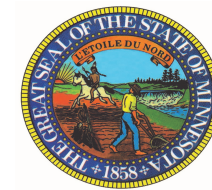
Quarterly Report

Participant Directed Investment Program

The Participant Directed Investment Program (PDIP) provides investment vehicles for a variety of retirement or other tax-advantaged savings plans. The objective of the Plan is to be competitive in the market place by providing quality investment options with low fees to its participants. Investment goals among the PDIP's many participants are varied.

- The Supplemental Investment Fund (SIF) is a program which provides individuals the opportunity to invest in many of the same investment pools as the Combined Funds. Participation in the SIF is accomplished through the purchase or sale of shares in each Fund. The SIF is structured much like a family of mutual funds. Participants may allocate their investments among one or more accounts that are appropriate for their needs within statutory requirements and rules established by the participating organizations. It provides some or all of the investment options for the Unclassified Employees Retirement Plan, Minnesota Deferred Compensation Plan, Public Employees Defined Contribution Plan, Hennepin County Supplemental Retirement Plan, and Health Care Savings Plan. All Funds in the SIF program, except the Stable Value Fund, are available to local volunteer fire relief associations who invest their assets with the SBI. The Volunteer Firefighter Account is available only for those local firefighter entities that participate in the Statewide Volunteer Firefighter Plan. Local entities that participate in this Plan must have all their assets invested in the Volunteer Firefighter Account.
- The Minnesota Deferred Compensation Plan offers plan participants three sets of investment options. The first is a set of actively and passively managed options that includes four mutual funds, a Money Market Fund, a Stable Value Fund and five passively managed mutual funds. The second is a set of target date funds called Minnesota Target Retirement Funds. The third is a self-directed brokerage account window which offers thousands of mutual funds. The SBI has no direct management responsibilities for funds within the self-directed brokerage account window. The Minnesota Deferred Compensation Plan uses two of the SIF investment options, the Stable Value Fund and the Money Market Fund, for its participants.
- The Minnesota College Savings Plan is an education savings plan designed to help families set aside funds for future college costs. It is established under the provisions of the Internal Revenue Code Section 529, which authorized these types of savings plans to help families meet the costs of qualified colleges nationwide. The SBI is responsible for the investments and the Minnesota Office of Higher Education (OHE) is responsible for the overall administration of the Plan. The SBI and OHE have contracted jointly with TIAA-CREF Tuition Financing, Inc. to provide administrative, marketing, communication, recordkeeping and investment management services.
- The Minnesota Achieve a Better Life Experience Plan (ABLE) is a savings plan designed to help individuals save for qualified disability expenses without losing eligibility for certain assistance programs. The plan is administered by the Department of Human Services (DHS). The SBI and DHS have jointly contracted with Ascensus to provide recordkeeping, administrative, and investment management services for the plan.

The investment returns shown in this report are calculated using a time-weighted rate of return formula. These returns are net of investment management fees and transaction costs. They do not, however, reflect administrative expenses that may be deducted by the retirement systems or other agencies to defray administrative costs.



Supplemental Investment Fund Summary

The Minnesota Supplemental Investment Fund (SIF) is a multi-purpose investment program that offers a range of investment options to state and local public employees. The SIF provides some or all of the investment options to the Unclassified Employees Retirement Plan, Minnesota Deferred Compensation Plan, Public Employees Defined Contribution Plan, Hennepin County Supplemental Retirement Plan, Health Care Savings Plan, local police and firefighter retirement plans and the Voluntary Statewide Volunteer Firefighter plan.

A wide diversity of investment goals exists among the Fund's participants. In order to meet those needs, the Fund has been structured much like a "family of mutual funds." Participants may allocate their investments among one or more accounts that are appropriate for their needs, within the statutory requirements and rules established by the participating organizations. Participation in the Fund is accomplished through the purchase or sale of shares in each account. All returns are net of investment management fees.

Investment Option Descriptions

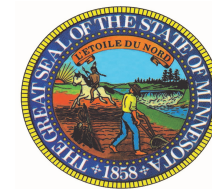
- Balanced Fund - a balanced portfolio utilizing both common stocks and bonds.
- U.S. Stock Actively Managed Fund - an actively managed, U.S. common stock portfolio.
- U.S. Stock Index Fund - a passively managed, common stock portfolio designed to broadly track the performance of the U.S. stock market.
- Broad International Stock Fund - a portfolio of non-U.S. stocks that incorporates both active and passive management.
- Bond Fund - an actively managed, bond portfolio.
- Money Market Fund - a portfolio utilizing short-term, liquid debt securities.
- Stable Value Fund - a portfolio of stable value instruments, including security backed contracts and insurance company and bank investment contracts.
- Volunteer Firefighter Account - a balanced portfolio only used by the Voluntary Statewide Volunteer Firefighter Plan.

	<u>Ending Market Value</u>	<u>Last Qtr</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Option Since</u>
BALANCED FUND	\$403,114,401	2.4%	11.3%	6.6%	9.9%	6.6%	01/1980
U.S. ACTIVELY MANAGED FUND	229,166,850	3.7	20.5	8.7	14.6	7.1	07/1986
U.S. STOCK INDEX FUND	559,315,447	3.0	18.5	9.1	14.6	7.3	07/1986
BROAD INTERNATIONAL STOCK FUND	179,233,485	6.6	20.2	1.5	8.0	1.6	09/1994
BOND FUND	154,814,304	1.6	0.9	2.9	2.9	4.9	07/1986
MONEY MARKET FUND	383,817,052	0.2	0.7	0.4	0.3	0.8	07/1986
STABLE VALUE FUND	1,565,131,997	0.5	2.0	2.0	2.1	3.1	11/1994
VOLUNTEER FIREFIGHTER ACCOUNT	75,432,019	2.8	10.1	4.9	7.8		01/2010

On June 30, 2017 the total market value of the Supplemental Investment Fund was \$2.1 billion.

Note:

The Market Value for the Money Market Fund and the Stable Value Fund also includes assets held through the Deferred Compensation Plan. The total Supplemental Investment Fund value does not include the Deferred Compensation Plan assets.



Supplemental Investment Fund Performance

Balanced Fund

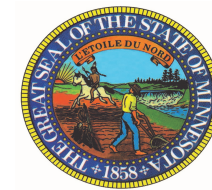
The primary investment objective of the Balanced Fund is to gain exposure to publicly traded U.S. equities, bond and cash in a diversified investment portfolio. The Fund seeks to maximize long-term real rates of return, while limiting short-run portfolio return volatility. The Balanced Fund is invested in a balanced portfolio of common stocks and bonds. Common stocks provide the potential for significant capital appreciation, while bonds act as a deflation hedge and provide portfolio diversification. The benchmark is a blend of 60% Russell 3000/35% Barclays Aggregate Bond Index/5% T-Bills Composite.

	<u>Ending Market Value</u>	<u>Last Qtr</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
BALANCED FUND	\$403,114,401	2.4%	11.3%	6.6%	9.9%	6.6%
SIF BALANCED FUND BENCHMARK		2.3	10.7	6.4	9.5	6.1
Excess		0.1	0.6	0.1	0.4	0.5

U.S. Actively Managed Fund

The U.S. Stock Actively Managed Fund's investment objective is to generate above-average returns from capital appreciation on common stocks. The U.S. Stock Actively Managed Fund is invested primarily in the common stocks of U.S. companies. The managers in the account also hold varying levels of cash.

	<u>Ending Market Value</u>	<u>Last Qtr</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
U.S. ACTIVELY MANAGED FUND	229,166,850	3.7	20.5	8.7	14.6	7.1
Russell 3000		3.0	18.5	9.1	14.6	7.3
Excess		0.7	2.0	-0.4	0.1	-0.2



Supplemental Investment Fund Performance

U.S. Stock Index Fund

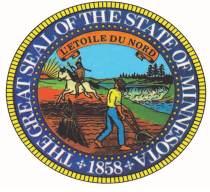
The investment objective of the U.S. Stock Index Fund is to generate returns that track those of the U.S. stock market as a whole. The Fund is designed to track the performance of the Russell 3000 Index, a broad-based equity market indicator. The Fund is invested 100% in common stock.

	<u>Ending Market Value</u>	<u>Last Qtr</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
U.S. STOCK INDEX FUND	\$559,315,447	3.0%	18.5%	9.1%	14.6%	7.3%
Russell 3000		3.0	18.5	9.1	14.6	7.3
Excess		-0.0	-0.0	0.0	0.0	0.1

Broad International Stock Fund

The investment objective of the Broad International Stock Fund is to earn a high rate of return by investing in the stock of companies outside the U.S. Portions of the Fund are passively managed and semi-passively managed. These portions of the Fund are designed to track and modestly outperform, respectively, the return of developed markets included in the MSCI World ex USA Index. A portion of the Fund is "actively managed" by several international managers and emerging markets specialists who buy and sell stocks in an attempt to maximize market value. The International Equity Benchmark is currently the MSCI ACWI ex USA (net).

	<u>Ending Market Value</u>	<u>Last Qtr</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
BROAD INTERNATIONAL STOCK FUND	179,233,485	6.6	20.2	1.5	8.0	1.6
International Equity Benchmark		5.8	20.5	0.8	7.2	1.2
Excess		0.8	-0.2	0.7	0.8	0.5



Supplemental Investment Fund Performance

Bond Fund

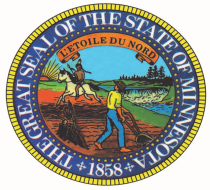
The investment objective of the Bond Fund is to exceed the return of the broad domestic bond market by investing in fixed income securities. The Bond Fund invests primarily in high-quality, government and corporate bonds that have intermediate to long-term maturities, usually 3 to 20 years. The Bond Fund benchmark is the Bloomberg Barclays U.S. Aggregate.

	<u>Ending Market Value</u>	<u>Last Qtr</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
BOND FUND	\$154,814,304	1.6%	0.9%	2.9%	2.9%	4.9%
BBG BARC Agg Bd		1.4	-0.3	2.5	2.2	4.5
Excess		0.2	1.2	0.5	0.7	0.4

Money Market Fund

The investment objective of the Money Market Fund is to protect principal by investing in short-term, liquid U.S. Government securities. The Fund is invested entirely in high-quality, short-term U.S. Treasury and Agency securities. The average maturity of the portfolios is less than 90 days. Please note that the Market Value for the Money Market Fund reflects assets held through the Deferred Compensation Plan as well.

	<u>Ending Market Value</u>	<u>Last Qtr</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
MONEY MARKET FUND	383,817,052	0.2	0.7	0.4	0.3	0.8
90 DAY T-BILL		0.2	0.5	0.2	0.2	0.6
Excess		0.0	0.3	0.2	0.1	0.2



Supplemental Investment Fund Performance

Stable Value Fund

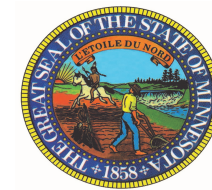
The investment objectives of the Stable Value Fund are to protect investors from loss of their original investment and to provide competitive interest rates using somewhat longer-term investments than typically found in a money market fund. The Fund is invested in a well-diversified portfolio of high-quality fixed income securities with strong credit ratings. The Fund also invests in contracts issued by highly rated insurance companies and banks which are structured to provide principal protection for the Fund's diversified bond portfolios, regardless of daily market changes. The Stable Value Fund Benchmark is the 3-year Constant Maturity Treasury Bill +45 basis points. Please note that the Market Value for the Stable Value Fund reflects assets held through the Deferred Compensation Plan as well.

	<u>Ending Market Value</u>	<u>Last Qtr</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
STABLE VALUE FUND	\$1,565,131,997	0.5%	2.0%	2.0%	2.1%	3.1%
3-Year Constant Maturity Treasury + 0.45%		0.5	1.7	1.5	1.3	1.7
Excess		0.0	0.3	0.4	0.7	1.5

Volunteer Firefighter Account

The Volunteer Firefighter Account is different than other SIF program options. It is available only to the local entities that participate in the Statewide Volunteer Firefighter Plan (administered by PERA) and have all of their assets invested in the Volunteer Firefighter Account. There are other volunteer firefighter plans that are not eligible to be consolidated that may invest their assets through other SIF program options. The investment objective of the Volunteer Firefighter Account is to maximize long-term returns while limiting short-term portfolio return volatility. The account is invested in a balanced portfolio of domestic equity, international equity, fixed income and cash. The benchmark for this account is 35% Russell 3000, 15% MSCI ACWI ex USA (net), 45% Bloomberg Barclays U.S. Aggregate, 5% 3 Month T-Bills.

	<u>Ending Market Value</u>	<u>Last Qtr</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
VOLUNTEER FIREFIGHTER ACCOUNT	75,432,019	2.8	10.1	4.9	7.8	
SIF Volunteer Firefighter Account BM		2.6	9.1	4.6	7.2	
Excess		0.2	1.0	0.3	0.5	



Deferred Compensation Plan Summary

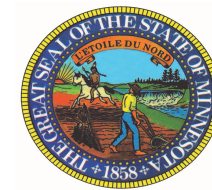
The Deferred Compensation Plan provides public employees with a tax-sheltered retirement savings plan that is supplemental to their primary retirement plan. (In most cases, the primary plan is a defined benefit plan administered by TRA, PERA, or MSRS.)

Participants choose from 4 actively managed stock and bond funds, 5 passively managed stock and bond funds and a set of 10 target date retirement fund options.

The SBI also offers a money market option and a stable value option. All provide for daily pricing needs of the plan administrator. Participants may also choose from hundreds of funds available through a mutual fund brokerage window. The current plan structure became effective July 1, 2011.

	<u>Ending Market Value</u>	<u>Last Qtr</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Option Since</u>
VANGUARD INSTITUTIONAL INDEX PLUS	\$1,146,183,944	3.1%	17.9%	9.6%	14.6%	7.2%	07/1999
VANGUARD DIVIDEND GROWTH	567,687,115	3.8					10/2016
VANGUARD MID CAP INDEX	501,700,896	2.8	17.3	8.1	14.8	7.5	01/2004
T. ROWE PRICE SMALL-CAP STOCK	657,583,937	2.4	21.2	8.0	14.5	9.5	07/1999
FIDELITY DIVERSIFIED INTERNATIONAL	284,406,521	7.7	18.0	2.7	9.5	1.8	07/1999
VANGUARD TOTAL INTERNATIONAL STOCK INDEX	180,252,784	5.8	20.1	1.4	7.7		07/2011
VANGUARD BALANCED INDEX	747,660,445	2.4	10.6	6.5	9.6	6.6	12/2003
DODGE & COX INCOME	227,154,150	1.5	3.2	2.8	3.4	5.2	07/1999
VANGUARD TOTAL BOND MARKET INDEX	205,425,822	1.5	-0.4	2.4	2.1	4.5	12/2003
SIF MONEY MARKET	69,947,395	0.2	0.7	0.4	0.3	0.8	07/1986
SIF FIXED INTEREST	1,351,219,935	0.5	2.0	2.0	2.1	3.1	11/1994
2020 FUND	106,126,981	1.9	6.8	2.8	5.8		07/2011
2025 FUND	91,460,954	2.5	9.1	3.7	7.4		07/2011
2030 FUND	61,885,426	3.1	11.4	4.5	8.5		07/2011
2035 FUND	48,914,476	3.5	12.7	4.7	9.2		07/2011
2040 FUND	34,676,543	3.7	13.9	4.9	9.7		07/2011
2045 FUND	27,776,921	3.8	15.0	5.0	10.2		07/2011
2050 FUND	19,478,232	3.9	15.8	5.2	10.3		07/2011
2055 FUND	10,285,562	3.9	15.8	5.2	10.3		07/2011
2060 FUND	9,989,248	3.9	15.8	5.2	10.3		07/2011
INCOME FUND	77,247,843	1.6	5.4	2.4	4.3		07/2011

On June 30, 2017 the total market value for the Deferred Compensation Plan was \$6.4 Billion.



Deferred Compensation Plan Options

LARGE CAP EQUITY

Vanguard Index Institutional Plus (passive)

A passive domestic stock portfolio that tracks the S&P 500.

Vanguard Dividend Growth (active) (1)

A fund of large cap stocks which is expected to outperform the Nasdaq US Dividend Achievers Select Index, over time.

MID CAP EQUITY

Vanguard Mid Cap Index (passive) (2)

A fund that passively invests in companies with medium market capitalizations that tracks the CRSP US Mid-Cap Index.

SMALL CAP EQUITY

T Rowe Price Small Cap (active)

A fund that invests primarily in companies with small market capitalizations and is expected to outperform the Russell 2000 Index.

INTERNATIONAL EQUITY

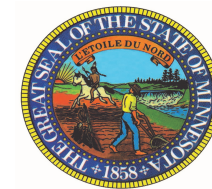
Fidelity Diversified International (active)

A fund that invests primarily in stocks of companies located outside of the United States and is expected to outperform the MSCI index of Europe, Australasia and the Far East (EAFE), over time.

Vanguard Total International Stock Index (passive) (3)

A fund that seeks to track the investment performance of the FTSE Global All Cap ex US Index, an index designed to measure equity market performance in developed and emerging markets, excluding the United States.

	Ending Market Value	Last Qtr	1 Year	3 Year	5 Year	Option Since
Large Cap US Equity						
VANGUARD INSTITUTIONAL INDEX PLUS	\$1,146,183,944	3.1%	17.9%	9.6%	14.6%	07/1999
S&P 500		3.1	17.9	9.6	14.6	07/1999
Excess		-0.0	-0.0	-0.0	-0.0	
VANGUARD DIVIDEND GROWTH	567,687,115	3.8				10/2016
NASDAQ US Dividend Achievers Select		3.6				10/2016
Excess		0.2				
Mid Cap US Equity						
VANGUARD MID CAP INDEX	501,700,896	2.8	17.3	8.1	14.8	01/2004
CRSP US Mid Cap Index		2.8	17.3	8.1	14.8	01/2004
Excess		-0.0	-0.0	-0.0	0.0	
Small Cap US Equity						
T. ROWE PRICE SMALL-CAP STOCK	657,583,937	2.4	21.2	8.0	14.5	07/1999
Russell 2000		2.5	24.6	7.4	13.7	07/1999
Excess		-0.0	-3.4	0.7	0.8	
International Equity						
FIDELITY DIVERSIFIED INTERNATIONAL	284,406,521	7.7	18.0	2.7	9.5	07/1999
MSCI EAFE FREE (NET)		6.1	20.3	1.1	8.7	07/1999
Excess		1.6	-2.3	1.6	0.9	
VANGUARD TOTAL INTERNATIONAL STOCK INDEX	180,252,784	5.8	20.1	1.4	7.7	07/2011
FTSE Global All Cap ex US Index Net		5.6	20.2	1.2		07/2011
Excess		0.2	-0.1	0.2		



Deferred Compensation Options

BALANCED

Vanguard Balanced Index (passive) (4)

A fund that passively invests in a mix of domestic stocks and bonds. The fund is expected to track a weighted benchmark of 60% CRSP US Total Market Index/40% BB Barclays U.S. Aggregate.

FIXED INCOME

Dodge & Cox Income Fund (active)

A fund that invests primarily in investment grade securities in the U.S. bond market which is expected to outperform the BB Barclays U.S. Aggregate, over time.

Vanguard Total Bond Market Index (passive)

A fund that passively invests in a broad, market weighted bond index that is expected to track the BB Barclays U.S. Aggregate.

SIF Money Market Fund (5)

A fund that invests in short-term debt instruments which is expected to outperform the return on 90-Day U.S. Treasury Bills.

STABLE VALUE

SIF Stable Value Fund (5)

A portfolio composed of stable value instruments which are primarily investment contracts and security backed contracts. The fund is expected to outperform the return of the 3 year Constant Maturity Treasury +45 basis points, over time.

Ending Market Value Last Qtr 1 Year 3 Year 5 Year Option Since

Balanced Funds

VANGUARD BALANCED INDEX	\$747,660,445	2.4%	10.6%	6.5%	9.6%	12/2003
Vanguard Balanced Fund Benchmark		2.4	10.7	6.5	9.6	12/2003
Excess		0.0	-0.1	-0.0	-0.0	

Fixed Income

DODGE & COX INCOME	227,154,150	1.5	3.2	2.8	3.4	07/1999
BBG BARC Agg Bd		1.4	-0.3	2.5	2.2	07/1999
Excess		0.1	3.6	0.4	1.2	

VANGUARD TOTAL BOND MARKET INDEX	205,425,822	1.5	-0.4	2.4	2.1	12/2003
BBG BARC Agg Bd		1.4	-0.3	2.5	2.2	12/2003
Excess		0.0	-0.1	-0.0	-0.1	

SIF MONEY MARKET	69,947,395	0.2	0.7	0.4	0.3	07/1986
90 DAY T-BILL		0.2	0.5	0.2	0.2	07/1986
Excess		0.0	0.3	0.2	0.1	

Stable Value

SIF FIXED INTEREST	1,351,219,935	0.5	2.0	2.0	2.1	11/1994
3-Year Constant Maturity Treasury + 0.45%		0.5	1.7	1.5	1.3	11/1994
Excess		0.0	0.3	0.4	0.7	

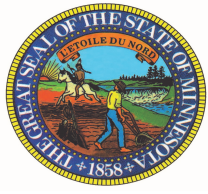
(1) Vanguard Dividend Growth replaced the Janus Twenty Fund in the third quarter of 2016.

(2) Prior to 02/01/2013 the benchmark was the MSCI US Mid-Cap 450 Index

(3) Prior to 06/01/2013 the benchmark was MSCI ACWI ex USA IMI.

(4) Prior to 01/01/2013 the benchmark was 60% MSCI US Broad Market Index and 40% Bloomberg Barclays U.S. Aggregate.

(5) SIF Money Market and SIF Fixed Interest are Supplemental Investment Fund options which are also offered under the Deferred Compensation Plan.



Deferred Compensation Options

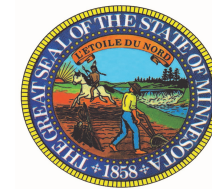
MN TARGET RETIREMENT ACCOUNTS

Target retirement funds offer a mix of investments that are adjusted over time to reduce risk and become more conservative as the target retirement date approaches. A participant only needs to make one investment decision by investing their assets in the fund that is closest to their anticipated retirement date.

Target Date Retirement Funds

	<u>Ending Market Value</u>	<u>Last Qtr</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>Option Since</u>		<u>Ending Market Value</u>	<u>Last Qtr</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>Option Since</u>
SSgA													
2020 FUND	\$106,126,981	1.9%	6.8%	2.8%	5.8%	07/2011	2045 FUND	\$27,776,921	3.8%	15.0%	5.0%	10.2%	07/2011
2020 FUND BENCHMARK		1.8	6.9	2.9	5.9	07/2011	2045 FUND BENCHMARK		3.8	15.2	5.1	10.3	07/2011
Excess		0.0	-0.1	-0.0	-0.1		Excess		0.0	-0.2	-0.0	-0.1	
2025 FUND	91,460,954	2.5	9.1	3.7	7.4	07/2011	2050 FUND	19,478,232	3.9	15.8	5.2	10.3	07/2011
2025 FUND BENCHMARK		2.5	9.3	3.7	7.5	07/2011	2050 FUND BENCHMARK		3.9	16.0	5.2	10.4	07/2011
Excess		0.0	-0.2	-0.0	-0.1		Excess		0.0	-0.3	-0.0	-0.1	
2030 FUND	61,885,426	3.1	11.4	4.5	8.5	07/2011	2055 FUND	10,285,562	3.9	15.8	5.2	10.3	07/2011
2030 FUND BENCHMARK		3.1	11.7	4.5	8.6	07/2011	2055 FUND BENCHMARK		3.9	16.0	5.2	10.4	07/2011
Excess		0.0	-0.2	-0.0	-0.1		Excess		0.0	-0.2	-0.0	-0.1	
2035 FUND	48,914,476	3.5	12.7	4.7	9.2	07/2011	2060 FUND	9,989,248	3.9	15.8	5.2	10.3	07/2011
2035 FUND BENCHMARK		3.4	12.9	4.8	9.2	07/2011	2060 FUND BENCHMARK		3.9	16.0	5.2	10.4	07/2011
Excess		0.0	-0.2	-0.0	-0.1		Excess		0.0	-0.3	-0.0	-0.1	
2040 FUND	34,676,543	3.7	13.9	4.9	9.7	07/2011	INCOME FUND	77,247,843	1.6	5.4	2.4	4.3	07/2011
2040 FUND BENCHMARK		3.6	14.1	5.0	9.8	07/2011	INCOME FUND BENCHMARK		1.6	5.5	2.4	4.4	07/2011
Excess		0.0	-0.2	-0.0	-0.1		Excess		0.0	-0.1	-0.1	-0.1	

Note: Each SSgA Fund benchmark is the aggregate of the returns of the Fund's underlying index funds weighted by the Fund's asset allocation



MN College Savings Plan Options

The Minnesota College Savings Plan is an education savings plan designed to help families set aside funds for future college costs. The SBI is responsible for the investments and the Minnesota Office of Higher Education (OHE) is responsible for the overall administration of the Plan.

The SBI and OHE contract jointly with TIAA to provide administrative, marketing, communication, recordkeeping and investment management services. Please see the next page for the performance as reported by TIAA.

AGE-BASED MANAGED ALLOCATIONS

The Age-Based Managed Allocation Option seeks to align the investment objective and level of risk, which will become more conservative as the beneficiary ages and moves closer to entering an eligible educational institution.

RISK BASED ALLOCATIONS

The Risk Based Allocation Option offers three separate allocation investment options - Aggressive, Moderate and Conservative, each of which has a fixed risk level that does not change as the Beneficiary ages.

ASSET CLASS BASED ALLOCATIONS

U.S. LARGE CAP EQUITY INDEX - A passive domestic stock portfolio that tracks the S&P 500.

INTERNATIONAL EQUITY INDEX - A fund that passively invests in a mix of developed and emerging market equities. The fund is expected to track a weighted benchmark of 80% MSCI ACWI World ex USA and 20% MSCI Emerging Markets Free Index.

U.S. AND INTERNATIONAL EQUITY INDEX - A fund that invests in a mix of equities, both U.S. and international, across all capitalization ranges and real estate-related securities. The fund is expected to track a weighted benchmark of 60% Russell 3000, 24% International, 6% Emerging Markets, and 10% Real Estate Securities Fund.

PRINCIPAL PLUS INTEREST OPTION - A passive fund where contributions are invested in a Funding Agreement issued by TIAA-CREF Life. The funding agreement provides for a return of principal plus a guaranteed rate of interest which is made by the insurance company to the policyholder, not the account owners. The account is expected to outperform the return of the 3-month T-Bill.

EQUITY AND INTEREST ACCUMULATION - A fund that passively invests half of the portfolio in U.S. equities across all capitalization ranges and the other half in the same Funding Agreement issued by TIAA-CREF Life as described above. The fund is expected to track a weighted benchmark of 50% Russell 3000 and 50% 3-month T-Bill.

100% FIXED INCOME - A fund that passively invests in fixed income holdings that tracks the Bloomberg Barclays U.S. Aggregate and two active funds that invest in inflation-linked bonds and high yield securities. The fund is expected to track a weighted benchmark of 70% BB Barclays Aggregate, 20% inflation-linked bond, and 10% high yield.

MONEY MARKET - An active fund that invests in high-quality, short-term money market instruments of both domestic and foreign issuers that tracks the iMoneyNet Average All Taxable benchmark.



MINNESOTA COLLEGE SAVINGS PLAN
Performance Statistics for the Period Ending: June 30, 2017

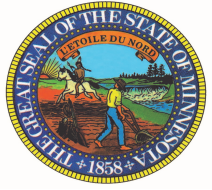
Fund Name	Ending Market	3 Months	1 Year	Annualized				Inception Date
				3 Years	5 Years	10 Years	Since Inception	
Managed Ages 0-4	\$27,345,298	3.53%	13.72%	-	-	-	6.59%	8/12/2014
BM: Managed Ages 0-4		3.33%	13.91%	-	-	-	6.73%	
Managed Ages 5-8	\$70,373,952	3.31%	12.11%	-	-	-	6.07%	8/12/2014
BM: Managed Ages 5-8		3.06%	12.20%	-	-	-	6.21%	
Managed Ages 9-10	\$69,675,333	3.00%	10.50%	-	-	-	5.54%	8/12/2014
BM: Managed Ages 9-10		2.78%	10.51%	-	-	-	5.68%	
Managed Ages 11-12	\$103,946,305	2.59%	8.82%	-	-	-	4.91%	8/12/2014
BM: Managed Ages 11-12		2.46%	8.82%	-	-	-	5.03%	
Managed Ages 13-14	\$138,242,649	2.36%	7.32%	-	-	-	4.30%	8/12/2014
BM: Managed Ages 13-14		2.14%	7.16%	-	-	-	4.38%	
Managed Age 15	\$73,647,164	1.84%	5.73%	-	-	-	3.59%	8/12/2014
BM: Managed Age 15		1.72%	5.48%	-	-	-	3.50%	
Managed Age 16	\$69,227,714	1.67%	4.89%	-	-	-	3.20%	8/12/2014
BM: Managed Age 16		1.49%	4.64%	-	-	-	3.01%	
Managed Age 17	\$67,851,465	1.40%	4.23%	-	-	-	2.84%	8/12/2014
BM: Managed Age 17		1.26%	3.80%	-	-	-	2.52%	
Managed Ages 18 & Over	\$179,835,961	1.13%	3.38%	-	-	-	2.44%	8/12/2014
BM: Managed Ages 18 & Over		1.02%	2.97%	-	-	-	2.02%	
U.S. and International Equity Option	\$294,512,994	4.05%	16.99%	6.65%	11.89%	4.97%	6.77%	10/ 1/2001
BM: U.S. and International Equity Option		3.88%	17.39%	6.78%	12.21%	5.60%	7.71%	



MINNESOTA COLLEGE SAVINGS PLAN

Performance Statistics for the Period Ending: June 30, 2017

Fund Name	Ending Market	3 Months	1 Year	Annualized				Inception Date
				3 Years	5 Years	10 Years	Since Inception	
Moderate Allocation Option	\$60,700,840	2.91%	10.46%	4.89%	7.78%	-	5.03%	8/ 2/2007
BM: Moderate Allocation Option		2.78%	10.51%	5.09%	8.09%	-	5.64%	
100% Fixed-Income Option	\$13,047,311	1.06%	0.49%	2.01%	1.46%	-	3.72%	8/16/2007
BM: 100% Fixed-Income Option		1.15%	0.80%	2.31%	1.90%	-	4.41%	
International Equity Index Option	\$3,206,463	6.43%	20.56%	1.19%	-	-	4.80%	6/18/2013
BM: International Equity Index Option		6.15%	20.99%	1.22%	-	-	5.05%	
Money Market Option	\$9,508,516	0.10%	0.29%	0.10%	0.06%	-	0.30%	11/ 1/2007
BM: Money Market Option		0.10%	0.21%	0.09%	0.06%	-	0.34%	
Principal Plus Interest Option	\$114,147,923	0.34%	1.42%	1.33%	1.35%	2.10%	2.59%	10/10/2001
Citigroup 3-Month U.S. Treasury Bill		0.18%	0.46%	0.20%	0.15%	0.51%	1.27%	
Aggressive Allocation Option	\$14,598,464	3.45%	13.74%	-	-	-	6.53%	8/12/2014
BM: Aggressive Allocation Option		3.33%	13.91%	-	-	-	6.73%	
Conservative Allocation Option	\$6,822,495	1.86%	5.58%	-	-	-	3.28%	8/18/2014
BM: Conservative Allocation Option		1.72%	5.48%	-	-	-	3.26%	
Equity and Interest Accumulation Option	\$1,953,508	1.76%	9.76%	-	-	-	5.25%	8/18/2014
BM: Equity and Interest Accumulation Option		1.59%	9.19%	-	-	-	4.85%	
U.S. Large Cap Equity Option	\$16,215,091	3.04%	17.69%	-	-	-	10.23%	8/12/2014
BM: U.S. Large Cap Equity Option		3.09%	17.90%	-	-	-	10.46%	
Matching Grant	\$2,492,587	0.34%	1.42%	1.33%	1.35%	2.10%	2.61%	3/22/2002
Citigroup 3-Month U.S. Treasury Bill		0.18%	0.46%	0.20%	0.15%	0.51%	1.24%	



MN ABLE Plan Options

MINNESOTA ACHIEVE A BETTER LIFE EXPERIENCE

The Minnesota Achieve a Better Life Experience Plan (ABLE) is a savings plan designed to help individuals save for qualified disability expenses without losing eligibility for certain assistance programs. The plan is administered by the Department of Human Services (DHS).

The SBI and DHS have jointly contracted with Ascensus to provide recordkeeping, administrative, and investment management services for the plan.

RISK BASED ALLOCATIONS

The plan offers seven different allocation investment options: Aggressive, Moderately Aggressive, Growth, Moderate, Moderately Conservative, Conservative, and Checking. Each allocation is based on a fixed risk level.

MINNESOTABLE^{plan}

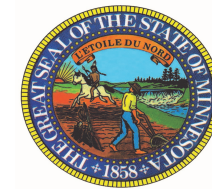
A member of The National ABLE Alliance

Performance as of
06/30/17

Total Market Value: \$ 512,208

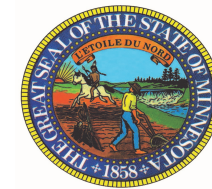
<u>Fund Name</u>	<u>Market Value</u>	<u>% of Plan</u>	<u>1 Month</u>	<u>3 Months</u>	<u>YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Inception</u>	<u>Inception Date</u>
Aggressive Option	\$ 62,755	12.25%	1.03	3.06	8.01					7.90	12/15/16
ABLE Aggressive Custom Benchmark			1.02	3.18	8.34						
Variance			0.01	(0.12)	(0.33)						
Moderately Aggressive Option	\$ 53,446	10.43%	0.94	2.69	6.90					6.90	12/15/16
ABLE Moderately Aggressive Custom Benchmark			0.81	2.72	7.11						
Variance			0.13	(0.03)	(0.21)						
Growth Option	\$ 92,825	18.12%	0.57	2.13	5.49					5.70	12/15/16
ABLE Growth Custom Benchmark			0.60	2.27	5.89						
Variance			(0.03)	(0.14)	(0.40)						
Moderate Option	\$ 55,782	10.89%	0.38	1.65	4.49					4.80	12/15/16
ABLE Moderate Custom Benchmark			0.39	1.82	4.69						
Variance			(0.01)	(0.17)	(0.20)						
Moderately Conservative Option	\$ 52,298	10.21%	0.29	1.17	3.09					3.40	12/15/16
ABLE Moderately Conservative Custom Benchmark			0.25	1.30	3.28						
Variance			0.04	(0.13)	(0.19)						
Conservative Option	\$ 97,197	18.98%	0.10	0.59	1.40					1.60	12/15/16
ABLE Conservative Custom Benchmark			0.08	0.60	1.41						
Variance			0.02	(0.01)	(0.01)						
Checking Option	\$ 97,906	19.11%	0.00	0.00	0.00					0.00	03/30/17

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Non-Retirement

June 30, 2017



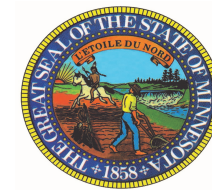
Quarterly Report

Non-Retirement Funds

The SBI manages funds for trusts and programs created by the Minnesota State Constitution and Legislature.

- The Permanent School Fund is a trust established for the benefit of Minnesota public schools.
- The Environmental Trust Fund is a trust established for the protection and enhancement of Minnesota's environment. It is funded with a portion of the proceeds from the state's lottery.
- The Minnesota Workers Compensation Assigned Risk Plan provides worker compensation insurance for companies unable to obtain coverage through private carriers.
- The Closed Landfill Investment Fund is a trust created by the Legislature to invest money to pay for the long-term costs of maintaining the integrity of landfills in Minnesota once they are closed.
- Other Post-Employment Benefits Accounts (OPEB) are the assets set aside by local units of government for the payment of retiree benefits trusted by the Public Employees Retirement Association.
- Miscellaneous Trust Accounts are other small funds managed by the SBI for a variety of purposes.

All equity, fixed income, and cash assets for these accounts are currently managed internally by the SBI except the fixed income portion of the Assigned Risk Plan. RBC is the manager for the Assigned Risk Plan fixed income allocation.



Non-Retirement

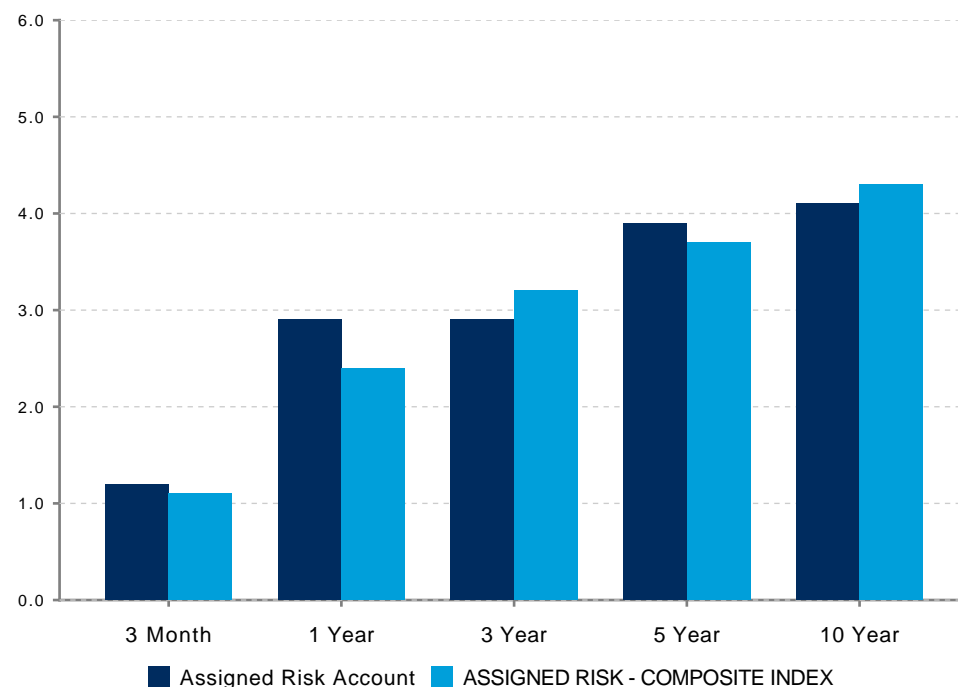
Assigned Risk Plan

The Assigned Risk plan has two investment objectives: to minimize the mismatch between assets and liabilities and to provide sufficient liquidity for the payment of ongoing claims and operating expenses.

The Assigned Risk Plan is invested in a portfolio of common stocks and bonds. The actual asset mix will fluctuate in response to changes in the Plan's liability stream.

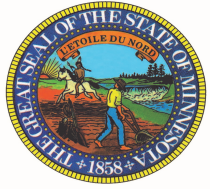
RBC Global Asset Management (U.S.) Inc. manages the bond segment of the Fund. SBI Staff passively manages the equity segment to track the performance of the S&P 500.

The fixed income benchmark is the Bloomberg Barclays Intermediate Government Index. The total fund benchmark is a combination of the fixed income and equity benchmarks, weighted according to the total fund asset allocation targets.



	<u>Ending Market Value</u>	<u>Last Qtr</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Actual Weight</u>	<u>Policy Weight</u>
Assigned Risk Account	\$323,086,323	1.2%	2.9%	2.9%	3.9%	4.1%		
EQUITIES	65,944,239	3.1	19.6	8.0	14.3	7.1	20.5%	20.0%
FIXED INCOME	257,142,085	0.7	-1.1	1.5	1.1	3.2	79.5%	80.0%
ASSIGNED RISK - COMPOSITE INDEX		1.1	2.4	3.2	3.7	4.3		
Excess		0.0	0.5	-0.2	0.1	-0.2		
S&P 500		3.1	17.9	9.6	14.6	7.2		
BBG BARC US Gov: Int		0.7	-1.2	1.5	1.1	3.4		

Note: Prior to 1/17/2017 the Assigned Risk equity segment was managed by SSgA (formerly GE Investment Mgmt.).



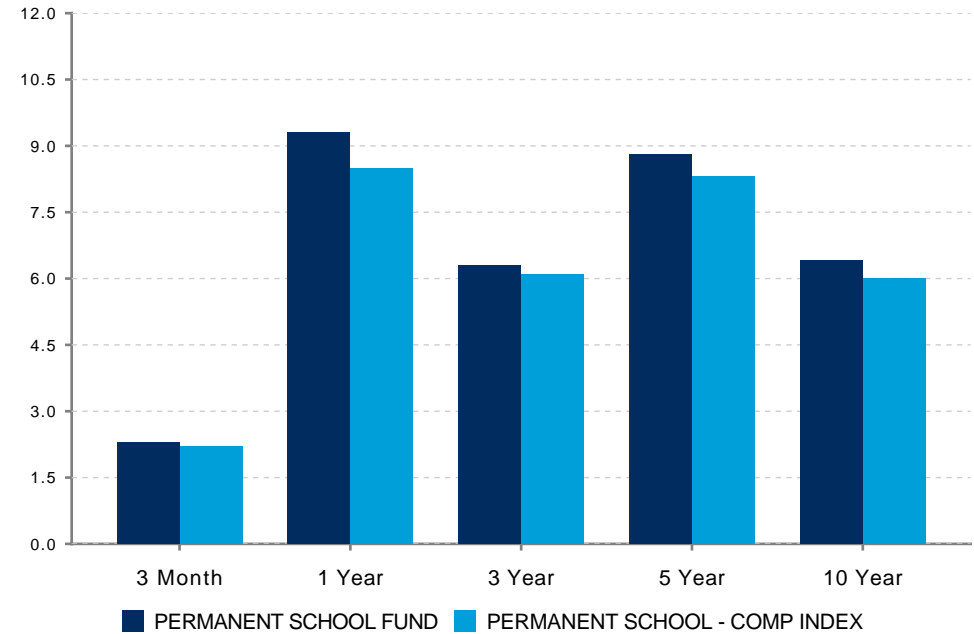
Non-Retirement

Permanent School Fund

The investment objective of the Permanent School Fund is to produce a growing level of spendable income, within the constraints of maintaining adequate portfolio quality and liquidity. The income from the portfolio is transferred to the school endowment fund and distributed to Minnesota's public schools.

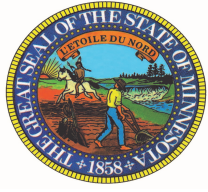
The Permanent School Fund is invested in a balanced portfolio of common stocks and bonds. Common stocks provide the potential for significant capital appreciation, while bonds provide portfolio diversification and a more stable stream of current income.

SBI staff currently manages all assets of the Permanent School Fund. The stock segment is passively managed to track the performance of the S&P 500. The bond segment is actively managed to add incremental value through sector, security and yield curve decisions. The fixed income benchmark is the Bloomberg Barclays U.S. Aggregate. The total fund benchmark is a combination of the fixed income and equity benchmarks, weighted according to the total fund asset allocation targets.



	<u>Ending Market Value</u>	<u>Last Qtr</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Actual Weight</u>	<u>Policy Weight</u>
PERMANENT SCHOOL FUND	\$1,316,578,080	2.3%	9.3%	6.3%	8.8%	6.4%		
CASH EQUIVALENTS	25,139,621	0.2	0.6	0.3	0.3	0.8	1.9%	2.0%
EQUITIES	672,924,099	3.1	17.9	9.7	14.6	7.2	51.1%	50.0%
FIXED INCOME	618,514,360	1.6	0.8	3.0	3.1	5.1	47.0%	48.0%
PERMANENT SCHOOL - COMP INDEX		2.2	8.5	6.1	8.3	6.0		
Excess		0.1	0.8	0.2	0.4	0.4		
S&P 500		3.1	17.9	9.6	14.6	7.2		
BBG BARC US Agg		1.4	-0.3	2.5	2.2	4.5		

Note: Prior to 7/1/97 the Fund allocation was 100% fixed income.



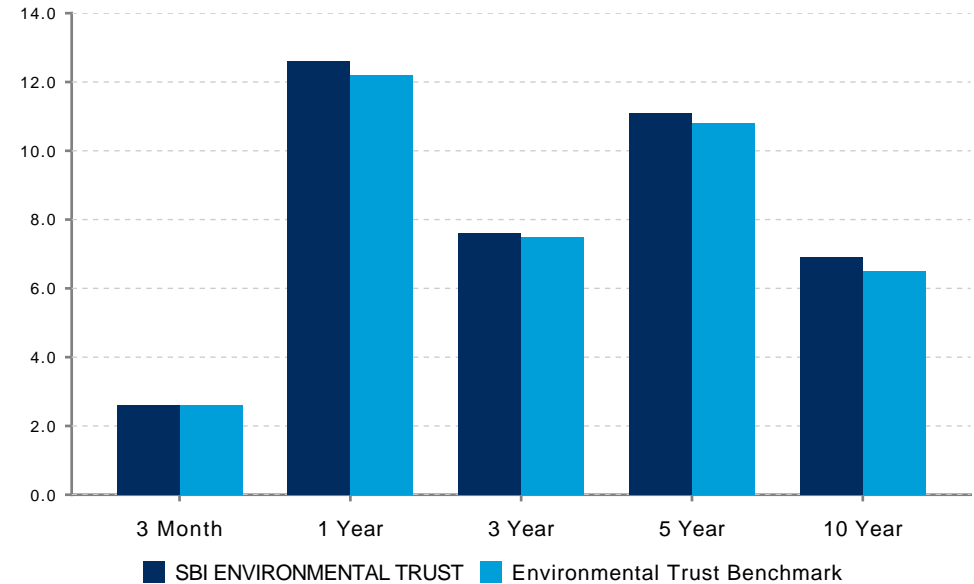
Non-Retirement

Environmental Trust Fund

The objective of the Environmental Trust Fund is to increase the market value of the Fund over time in order to increase the annual amount made available for spending within the constraints of maintaining adequate portfolio quality and liquidity.

The Environmental Trust Fund is invested in a balanced portfolio of common stocks and bonds. Common stocks provide the potential for significant capital appreciation, while bonds act as a deflation hedge and provide portfolio diversification.

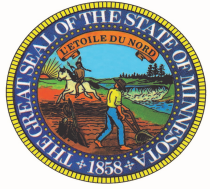
SBI staff currently manages all assets of the Environmental Trust Fund. The bond segment is actively managed to add incremental value through sector, security and yield curve decisions. The stock segment is passively managed to track the performance of the S&P 500. The fixed income benchmark is the Bloomberg Barclays U.S. Aggregate. The total fund benchmark is a combination of the fixed income and equity benchmarks, weighted according to the total fund asset allocation targets.



	<u>Ending Market Value</u>	<u>Last Qtr</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Actual Weight</u>	<u>Policy Weight</u>
SBI ENVIRONMENTAL TRUST	\$1,028,370,411	2.6%	12.6%	7.6%	11.1%	6.9%		
CASH EQUIVALENTS	19,869,976	0.2	0.6	0.3	0.3	0.8	1.9%	2.0%
EQUITIES	724,795,128	3.1	17.9	9.7	14.6	7.2	70.5%	70.0%
FIXED INCOME	283,705,307	1.6	0.8	3.0	3.1	5.1	27.6%	28.0%
Environmental Trust Benchmark		2.6	12.2	7.5	10.8	6.5		
Excess		0.0	0.4	0.1	0.2	0.3		
S&P 500		3.1	17.9	9.6	14.6	7.2		
BBG BARC US Agg		1.4	-0.3	2.5	2.2	4.5		

Note:

From 7/1/94 to 7/1/99, the Fund's target allocation and benchmark was 50% fixed income and 50% stock. Prior to 7/1/94 the Fund was invested entirely in short-term instruments as part of the Invested Treasurer's Cash pool.

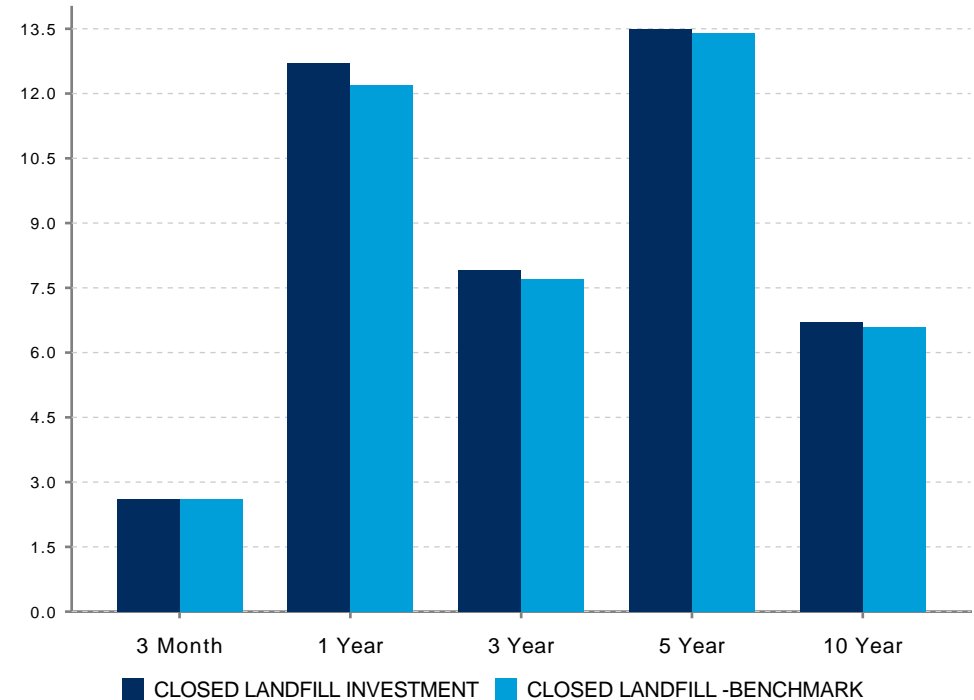


Non-Retirement

Closed Landfill Investment Fund

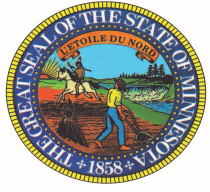
The investment objective of the Closed Landfill Investment Fund is to increase the market value of the Fund and to reduce volatility to meet future expenditures. By statute, the assets of the Fund are unavailable for expenditure until after the fiscal year 2020 to pay for long-term costs of maintaining the integrity of landfills in Minnesota once they are closed. In FY 2011, \$48 million was transferred out of the general fund leaving a balance of \$1 million in the account. Legislation was enacted in 2013 to replenish the principal and earnings back into the fund and in FY 2014 a repayment was made in the amount of \$64.2 million. In 2015, legislation was passed which repealed any further repayments.

SBI staff currently manage all assets of the Closed Landfill Investment Fund. The bond segment is actively managed to add incremental value through sector, security and yield curve decisions. The stock segment is managed to passively track the performance of the S&P 500. The fixed income benchmark is the Bloomberg Barclays U.S. Aggregate. The total fund benchmark is a combination of the fixed income and equity benchmarks, weighted according to the total fund asset allocation targets.



	<u>Ending Market Value</u>	<u>Last Qtr</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Actual Weight</u>	<u>Policy Weight</u>
CLOSED LANDFILL INVESTMENT	\$81,193,833	2.6%	12.7%	7.9%	13.5%	6.7%		
EQUITIES	57,145,885	3.1	17.9	9.7	14.6	7.2	70.4%	70.0%
FIXED INCOME	24,047,947	1.6	0.8				29.6%	30.0%
CLOSED LANDFILL -BENCHMARK		2.6	12.2	7.7	13.4	6.6		
Excess		0.0	0.5	0.1	0.0	0.1		
S&P 500		3.1	17.9	9.6	14.6	7.2		
BBG BARC US Agg		1.4	-0.3	2.5	2.2	4.5		

Note: Prior to 9/10/14 the Fund's target allocation and benchmark was 100% domestic equity.



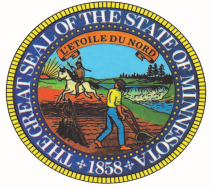
	<u>Ending Market Value</u>	<u>Last Qtr</u>	<u>Fiscal YTD</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>	<u>Since Inception</u>	<u>Inception Date</u>
SBI INTERNAL EQUITY INDEX	2,104,743,210	3.1	17.9	17.9	9.7	14.6	7.2	9.5	07/1993
S&P 500 INDEX (DAILY)		3.1	17.9	17.9	9.6	14.6	7.2	9.4	07/1993
Excess		-0.0	-0.0	-0.0	0.0	-0.0	0.0	0.1	
SBI INTERNAL FIXED INCOME	1,085,050,891	1.6	0.8	0.8	3.0	3.1	5.1	6.2	07/1994
BBG BARC Agg (Dly)		1.4	-0.3	-0.3	2.5	2.2	4.5	5.7	07/1994
Excess		0.1	1.2	1.2	0.5	0.9	0.6	0.5	
RBC	257,142,116	0.7	-1.1	-1.1	1.5	1.1	3.2	5.1	07/1991
Voyageur Custom Index		0.7	-1.2	-1.2	1.5	1.1	3.4	5.2	07/1991
Excess		0.0	0.2	0.2	0.1	0.0	-0.2	-0.1	

Note:

RBC is the manager for the fixed income portion of the assigned risk account. RBC changed its name from Voyageur Asset Management on 1/1/2010. The current benchmark is the Bloomberg Barclays Intermediate Government Index. Prior to 7/1/11 the Voyageur Custom Index was 10% 90 day T-Bill, 25% Merrill 1-3 Government, 15% Merrill 3-5 Government, 25% Merrill 5-10 Government, 25% Merrill Mortgage Master.

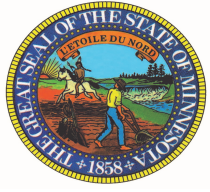
In addition to the Non-Retirement Funds listed on the previous pages, the SBI Internal Equity Index and the SBI Internal Fixed Income also include the assets of various smaller Miscellaneous Trust Accounts and Other Post Employment Benefits.

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State Cash

June 30, 2017



State Cash Accounts

Invested Treasurer's Cash

The Invested Treasurer's Cash Pool (ITC) represents the balances in more than 400 separate accounts that flow through the Minnesota State Treasury. These accounts vary greatly in size. The ITC contains the cash balances of certain State agencies and non-dedicated cash in the State Treasury.

The investment objectives of the ITC, in order of priority, are as follows:

- Safety of Principal. To preserve capital.
- Liquidity. To meet cash needs without the forced sale of securities at a loss.
- Competitive Rate of Return. To provide a level of current income consistent with the goal of preserving capital.

The SBI seeks to provide safety of principal by investing all cash accounts in high quality, liquid, short term investments. These include U.S. Treasury and Agency issues, repurchase agreements, bankers acceptances, commercial paper, and certificates of deposit.

Beginning in January 2003, the Treasurer's Cash Pool is measured against the iMoneyNet, All Taxable Money Fund Report Average.

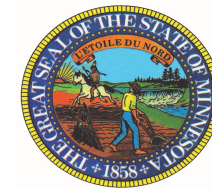
	<u>Ending Market Value</u>	<u>Last Qtr</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
Treasurer's Cash	11,820,363,556	0.3	0.8	0.7	0.6	1.3
iMoneyNet Money Fund Average-All Taxable		0.1	0.3	0.1	0.1	0.5

Other State Cash Accounts

Due to differing investment objectives, strategies, and time horizons, some State agencies' accounts are invested separately. These agencies direct the investments or provide the SBI with investment guidelines and the SBI executes on their behalf. Consequently, returns are shown for informational purposes only and there are no benchmarks for these accounts.

	<u>Ending Market Value</u>	<u>Last Qtr</u>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>10 Year</u>
Debt Service	77,601,891	1.1	0.7	2.4		
Housing Finance	48,150,932	0.3	0.2	1.5		
Public Facilities Authority	18,437,255	1.0	1.4	2.4		

Addendum



Addendum

Benchmark Definitions

Active Domestic Equity Benchmark:

A weighted composite each of the individual active domestic equity managers' benchmarks. Effective 3/1/2017 the calculation uses the average weight of the manager relative to the total group of active managers during the month. Prior to 3/1/2017 the beginning of the month weight relative to the total group was used.

Benchmark DM:

Since 6/1/08 the developed markets managers' benchmark, "Benchmark DM," is the Standard (large + mid) MSCI World ex USA (net). From 10/1/07 through 5/31/08 the benchmark was the Provisional Standard MSCI World ex USA (net). From 10/1/03 to 9/30/07 the benchmark was the MSCI World ex USA (net). Prior to that date, it was the MSCI EAFE Free (net), including from 10/1/01 to 5/31/02 when it was the Provisional MSCI EAFE Free (net).

Benchmark EM:

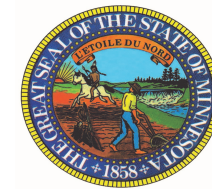
Since 6/1/08 the emerging markets managers' benchmark, "Benchmark EM," is the Standard (large + mid) MSCI Emerging Markets Free (net). From 10/1/07 through 5/31/08 the benchmark was the Provisional Standard MSCI Emerging Markets Free (net). From 1/1/01 to 9/30/07 the benchmark was the MSCI Emerging Markets Free (net). Prior to that date, it was the MSCI Emerging Markets Free (gross), including from 10/1/01 to 5/31/02 when it was the Provisional MSCI Emerging Markets Free (net).

Combined Funds Composite Index:

The Composite Index performance is calculated by multiplying the beginning of month Composite weights by the monthly returns of the asset class benchmarks. Effective 1/1/2017, the Combined Funds Composite weight is set as the Strategic Asset Allocation Policy Target with the uninvested portion of Private Markets allocated to Public Equity. Asset class weights for Public Equity and Private Markets are reset at the start of each month. From 7/1/2016-12/31/2016 the composite weights were set to match actual allocation as the portfolio was brought into line with the new Strategic Asset Allocation Policy Target. Prior to 7/1/2016 the uninvested portion of the Private Markets was invested in Fixed Income and the Composite Index was adjusted accordingly. When the Strategic Asset Allocation Policy Target changes, so does the Composite Index.

Domestic Equity Benchmark:

Russell 3000 effective 10/1/2003. From 7/1/1999 to 9/30/2003, it was the Wilshire 5000 Investable Index. From 11/1/1993 to 6/30/1999, the target was the Wilshire 5000 as reported with no adjustments. Prior to 11/1/1993, the Wilshire 5000 was adjusted to reflect SBI mandated restrictions, which included liquor and tobacco, American Home Products and South Africa.



Addendum

Benchmark Definitions (continued)

Fixed Income Benchmark:

In 2016, the Barclays Agg was rebranded Bloomberg Barclays Agg to reflect an ownership change. Prior to 9/18/2008 this index was called the Lehman Brothers Aggregate Bond Index. From 7/1/84-6/30/94 the asset class benchmark was the Salomon Brothers Broad Investment Grade Index

International Equity Benchmark:

Since 6/1/08 the International Equity asset class target is the Standard (large + mid) MSCI ACWI ex U.S. (net). From 10/1/07 through 5/31/08 the benchmark was the Provisional Standard MSCI ACWI ex U.S. (net). From 10/1/03 to 9/30/07 the target was MSCI ACWI ex U.S. (net). From 1/1/01 to 9/30/03, the target was MSCI EAFE Free (net) plus Emerging Markets Free (net), and from 7/1/99 to 12/31/00 the target was MSCI EAFE Free (net) plus Emerging Markets Free (gross). From 7/1/99 to 9/30/03, the weighting of each index fluctuated with market capitalization. From 10/1/01 to 5/31/02 all international benchmarks being reported were the MSCI Provisional indices. From 12/31/96 to 6/30/99 the benchmark was fixed at 87% EAFE Free (net)/13% Emerging Markets Free (gross). On 5/1/96, the portfolio began transitioning from 100% EAFE Free (net) to the 12/31/96 fixed weights. Prior to 5/1/96 it was 100% the EAFE Free (net).

Passive Domestic Equity Benchmark:

A weighted average of the Russell 1000 and Russell 3000 effective 10/1/2016. From 10/1/2003 to 10/1/2016 it was equal to the Russell 3000. From 7/1/2000 to 9/30/2003, it was the Wilshire 5000 Investable Index. From 11/1/1993 to 6/30/2000, the target was the Wilshire 5000 as reported with no adjustments. Prior to 11/1/1993, the Wilshire 5000 was adjusted to reflect SBI mandated restrictions, which included liquor and tobacco, American Home Products and South Africa.

Passive Manager Benchmark:

Russell 3000 effective 10/1/2003. From 7/1/2000 to 9/30/2003, it was the Wilshire 5000 Investable Index. From 11/1/1993 to 6/30/2000, the target was the Wilshire 5000 as reported with no adjustments. Prior to 11/1/1993, the Wilshire 5000 was adjusted to reflect SBI mandated restrictions, which included liquor and tobacco, American Home Products and South Africa.

Public Equity Benchmark:

67% Russell 3000 and 33% MSCI ACWI ex USA effective 7/1/2017. Prior to 6/30/16 the returns of Domestic and International Equity were not reported as a total Public Equity return. From 6/30/16-6/30/17 the Public Equity benchmark adjusted by 2% each quarter from 75% Russell 3000 and 25% MSCI ACWI ex USA until it reached its current weighting.

Semi-Passive Domestic Equity Benchmark:

Russell 1000 index effective 1/1/2004. Prior to 1/1/2004 it was the Completeness Fund benchmark.

MINNESOTA STATE BOARD OF INVESTMENT
Composition of State Investment Portfolios By Type of Investment
Market Value June 30, 2017 (in Thousands)

	Cash & ST	Bonds Int	Bonds Ext	Stock Int	Stock Ext	Ext Intl	Alternative	Total
COMBINED RETIREMENT FUNDS								
Teachers Retirement Fund	622,773 2.94%	0	4,098,977 19.32%	0	9,142,315 43.08%	4,583,377 21.60%	2,773,952 13.07%	21,221,394 100%
Public Employees Retirement Fund	468,437 2.43%	0	3,744,268 19.42%	0	8,351,176 43.31%	4,186,750 21.71%	2,533,903 13.14%	19,284,534 100%
State Employees Retirement Fund	312,411 2.51%	0	2,412,541 19.39%	0	5,380,906 43.27%	2,697,645 21.69%	1,632,670 13.13%	12,436,173 100%
Public Employees Police & Fire	188,309 2.39%	0	1,535,288 19.43%	0	3,424,290 43.33%	1,716,722 21.72%	1,038,994 13.15%	7,903,603 100%
Highway Patrol Retirement Fund	17,761 2.58%	0	133,670 19.39%	0	298,137 43.24%	149,467 21.68%	90,460 13.12%	689,495 100%
Judges Retirement Fund	5,629 3.05%	0	35,578 19.29%	0	79,354 43.03%	39,783 21.57%	24,078 13.06%	184,422 100%
Correctional Employees Retirement	27,810 2.73%	0	197,493 19.36%	0	440,487 43.17%	220,832 21.64%	133,652 13.10%	1,020,274 100%
Public Employees Correctional	14,956 2.49%	0	116,764 19.41%	0	260,430 43.28%	130,563 21.70%	79,019 13.13%	601,732 100%
PERA Minneapolis Retirement	16,674 2.15%	0	150,750 19.47%	0	336,232 43.43%	168,565 21.77%	102,020 13.18%	774,241 100%
TOTAL COMBINED FUNDS	1,674,760 2.61%	0	12,425,329 19.38%	0	27,713,327 43.22%	13,893,704 21.66%	8,408,748 13.11%	64,115,868 100%

	Cash & ST	Bonds Int	Bonds Ext	Stock Int	Stock Ext	Ext Intl	Alternative	Total
MINNESOTA SUPPLEMENTAL FUNDS								
Balanced Fund	18,807 4.66%	141,210 35.03%	0	0	243,097 60.30%	0	0	403,114 100%
U.S. Stock Actively Managed Fund	0	0	0	0	229,167 100.00%	0	0	229,167 100%
Money Market Fund	313,870 100.00%	0	0	0	0	0	0	313,870 100%
U.S. Stock Index Fund	0	0	0	0	559,315 100.00%	0	0	559,315 100%
Bond Fund	0	0	154,814 100.00%	0	0	0	0	154,814 100%
Broad International Stock Fund	0	0	0	0	0	179,233 100.00%	0	179,233 100%
Stable Value Fund	0	0	214,091 100.00%	0	0	0	0	214,091 100%
Volunteer Firefighters Account	3,448 4.58%	0	34,052 45.14%	0	26,597 35.26%	11,335 15.03%	0	75,432 100%
TOTAL SUPPLEMENTAL FUNDS	336,125 15.79%	141,210 6.63%	402,957 18.93%	0	1,058,176 49.71%	190,568 8.95%	0	2,129,036 100%
MN DEFERRED COMP PLAN	78,927 1.23%	0	2,278,476 35.45%	0	3,505,055 54.54%	564,607 8.78%	0	6,427,065 100%
TOTAL RETIREMENT FUNDS	2,089,812 2.88%	141,210 0.19%	15,106,762 20.79%	0	32,276,558 44.41%	14,648,879 20.16%	8,408,748 11.57%	72,671,969 100%

	Cash & ST	Bonds Int	Bonds Ext	Stock Int	Stock Ext	Ext Intl	Alternative	Total
ASSIGNED RISK PLAN	185 0.06%	0	256,957 79.53%	0	65,944 20.41%	0	0	323,086 100%
ENVIRONMENTAL FUND	19,870 1.93%	283,705 27.59%	0	724,795 70.48%	0	0	0	1,028,370 100%
PERMANENT SCHOOL FUND	25,140 1.91%	618,514 46.98%	0	672,924 51.11%	0	0	0	1,316,578 100%
CLOSED LANDFILL FUND	0	24,048 29.62%	0	57,146 70.38%	0	0	0	81,194 100%
Metropolitan Landfill Contingency Action Trust	0	2,411 26.84%	0	6,573 73.16%	0	0	0	8,984 100%
MISCELLANEOUS TRUST FUND	553 0.27%	77,810 37.78%	0	127,603 61.95%	0	0	0	205,966 100%
Other Post Employment Funds (OPEB's)	16,509 2.87%	105,931 18.42%	0	452,721 78.71%	0	0	0	575,161 100%
TREASURERS CASH	11,819,222 100.00%	0	0	0	0	0	0	11,819,222 100%
MISCELLANEOUS STATE ACCOUNTS	0	145,221 100.00%	0	0	0	0	0	145,221 100%
MN COLLEGE SAVINGS PLAN	9,509 0.71%	0	635,194 47.59%	0	491,500 36.83%	198,657 14.88%	0	1,334,860 100%
TOTAL CASH AND NON-RETIREMENT	11,890,988 70.62%	1,257,640 7.47%	892,151 5.30%	2,041,762 12.13%	557,444 3.31%	198,657 1.18%	0	16,838,642 100%
GRAND TOTAL	13,980,800 15.62%	1,398,850 1.56%	15,998,913 17.87%	2,041,762 2.28%	32,834,002 36.68%	14,847,536 16.59%	8,408,748 9.39%	89,510,611 100%