

IAC Performance Review

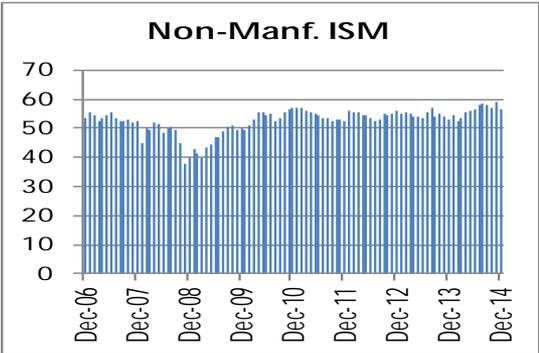
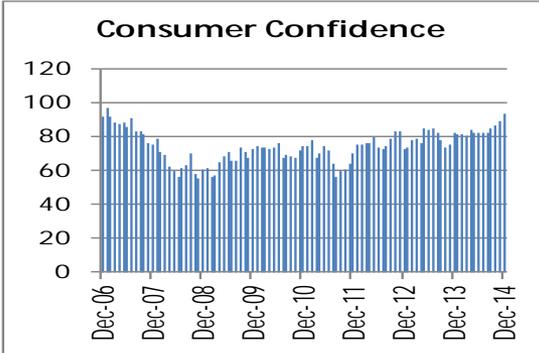
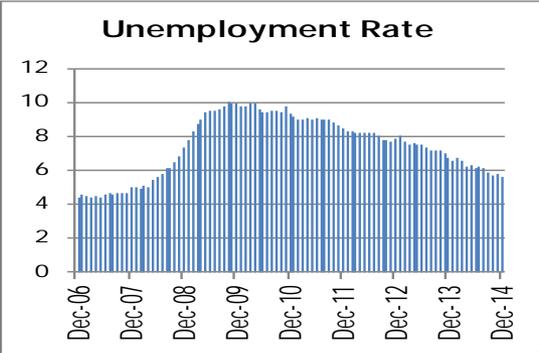
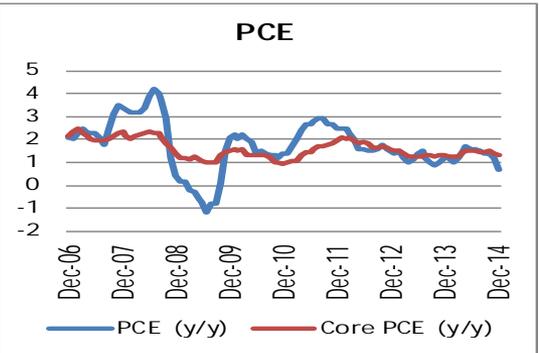
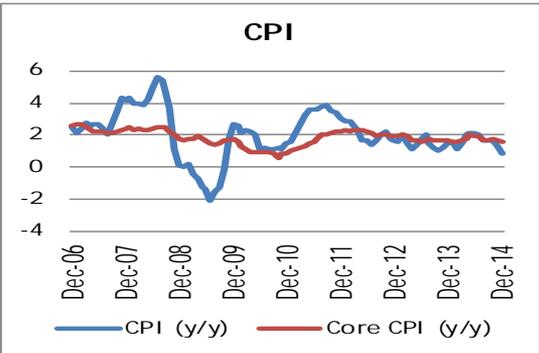
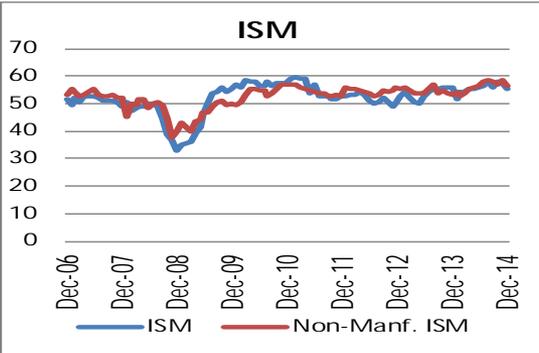
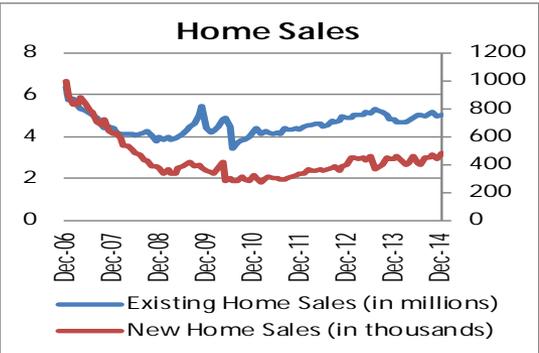
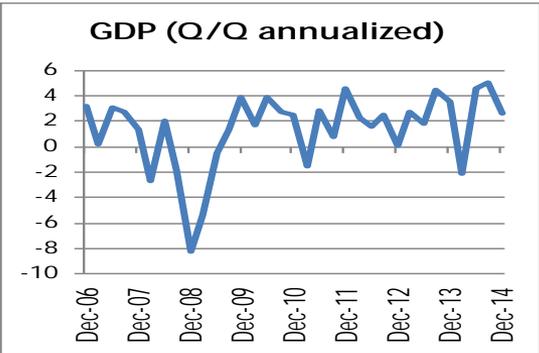
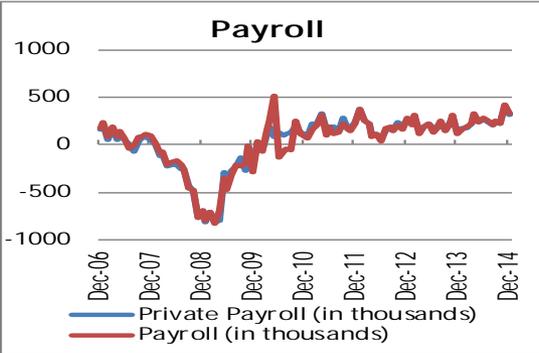
March 5, 2015



North Carolina Department of State Treasurer
Investment Management

Learn. Invest. Grow. Prosper.

U.S. Economic Environment



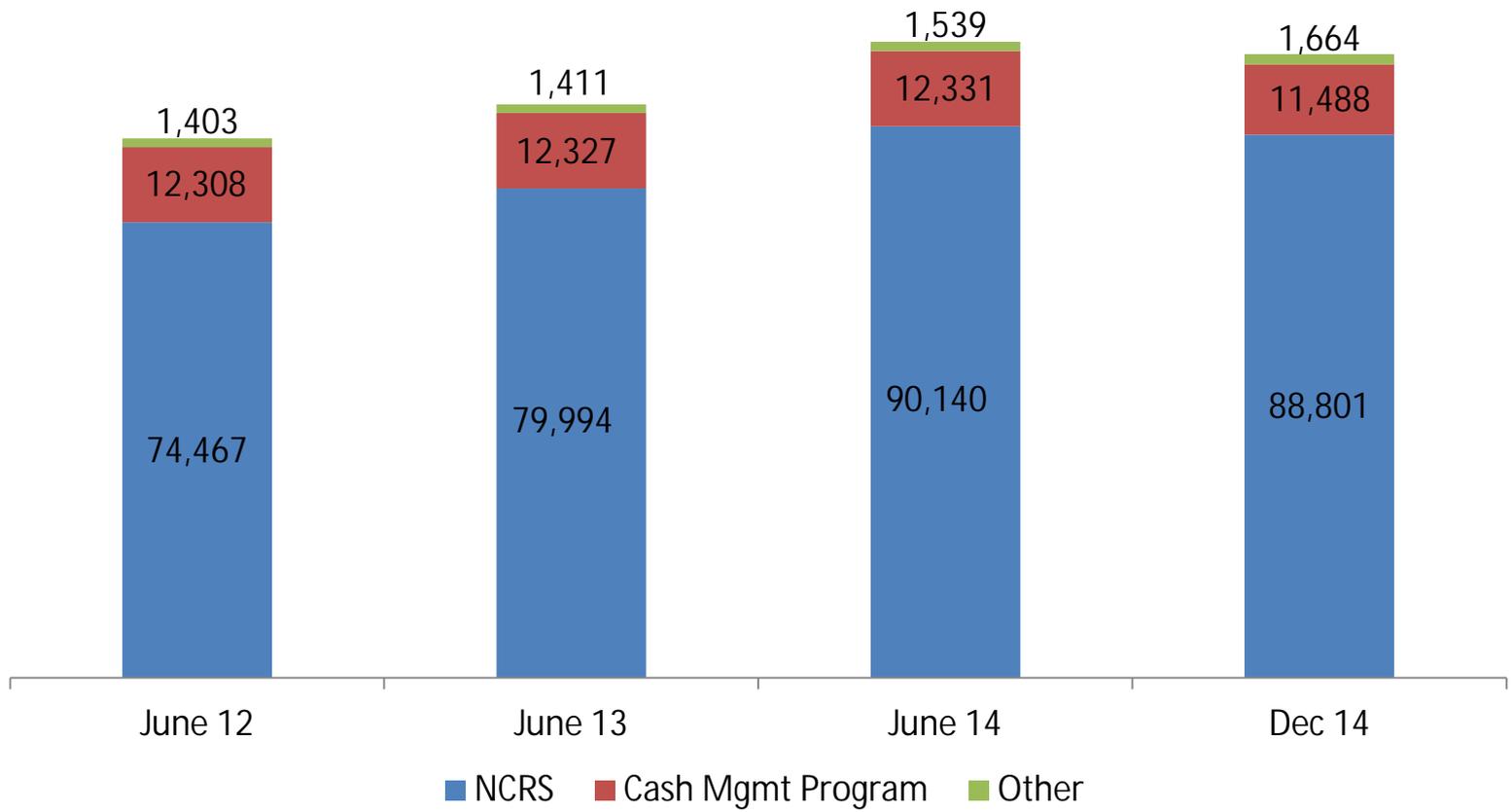
Global Economic Environment

Countries	Real GDP YoY		Unemployment		CPI YoY		Countries	Real GDP YoY		Unemployment		CPI YoY	
	Date	Value	Date	Value	Date	Value		Date	Value	Date	Value	Date	Value
U.S.	12/14	2.5	12/14	5.6	12/14	0.8	Asia/Pacific/Latam						
Europe							China	12/14	7.3			12/14	1.5
Germany	12/14	1.4	12/14	6.6	12/14	0.2	India	09/14	5.3			12/14	5.86
France	12/14	0.2	12/14	10.3	12/14	0.1	Japan	12/14	-0.5	12/14	3.4	12/14	2.4
U.K	12/14	2.7	12/14	5.7	12/14	0.5	Indonesia	12/14	5.01			12/14	8.36
Italy	12/14	-0.3	12/14	12.9	12/14	0	Brazil	09/14	-0.24			12/14	6.41
Spain	12/14	2	12/14	23.7	12/14	-1	Australia	09/14	2.7	12/14	6.1	12/14	1.7



Assets Under Management (\$mil)

\$101.95 Billion as of December 31, 2014



NCRS Asset Allocation

As of December 31, 2014

	Market Value (\$MM)	%	Policy Target	Policy Range		Relative %	Relative \$ (MM)
				Minimum	Maximum		
Growth	\$52,162	58.74%	58.0%	37.0%	71.0%	0.74%	\$658
Public Equity	39,189	44.13%	42.0%	37.0%	47.0%	2.13%	1,892
Non Core Real Estate	3,880	4.37%	3.0%	0.0%	8.0%	1.37%	1,216
Opportunistic Fixed Income	5,213	5.87%	7.0%	0.0%	7.5%	-1.13%	(\$1,003)
Private Equity	3,881	4.37%	6.0%	0.0%	8.75%	-1.63%	(\$1,447)
Inflation Sensitive & Diversifiers	7,369	8.30%	11.0%	4.0%	16.0%	-2.70%	(\$2,399)
Core Real Estate	3,096	3.49%	5.0%	2.0%	10.0%	-1.51%	(\$1,344)
Inflation Sensitive	4,274	4.81%	6.0%	2.0%	7.5%	-1.19%	(\$1,054)
Multi-Strategy	1,644	1.85%	2.0%	0.0%	4.0%	-0.15%	(\$132)
Rates & Liquidity	27,626	31.11%	29.0%	24.0%	42.0%	2.11%	1,874
Cash	1,050	1.18%	1.0%	0.0%	10.0%	0.18%	162
Investment Grade Fixed Income	26,576	29.93%	28.0%	24.0%	32.0%	1.93%	1,712
Grand Total	\$88,801						



NCRS Asset Allocation

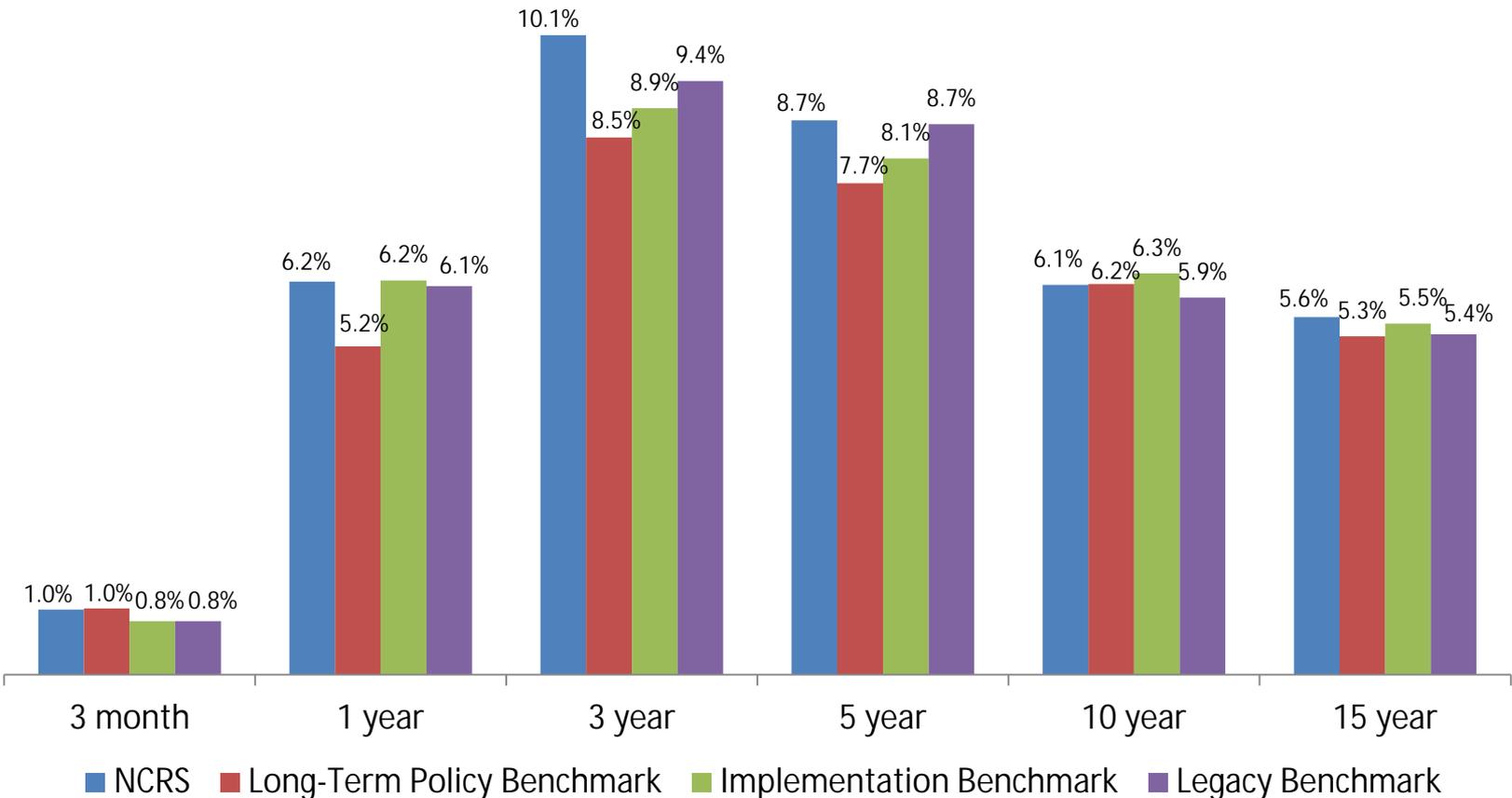
As of February 24, 2015

	Market Value (\$MM)	%	Policy Target	Policy Range		Relative %	Relative \$ (MM)
				Minimum	Maximum		
Growth	\$53,649	59.27%	58.0%	37.0%	71.0%	1.27%	\$1,150
Public Equity	40,767	45.04%	42.0%	37.0%	47.0%	3.04%	2,750
Non Core Real Estate	3,856	4.26%	3.0%	0.0%	8.0%	1.26%	1,140
Opportunistic Fixed Income	5,073	5.60%	7.0%	0.0%	7.5%	-1.40%	(\$1,263)
Private Equity	3,954	4.37%	6.0%	0.0%	8.75%	-1.63%	(\$1,477)
Inflation Sensitive & Diversifiers	7,482	8.27%	11.0%	4.0%	16.0%	-2.73%	(\$2,475)
Core Real Estate	3,188	3.52%	5.0%	2.0%	10.0%	-1.48%	(\$1,338)
Inflation Sensitive	4,294	4.74%	6.0%	2.0%	7.5%	-1.26%	(\$1,137)
Multi-Strategy	1,623	1.79%	2.0%	0.0%	4.0%	-0.21%	(\$187)
Rates & Liquidity	27,762	30.67%	29.0%	24.0%	42.0%	1.67%	1,512
Cash	1,640	1.81%	1.0%	0.0%	10.0%	0.81%	735
Investment Grade Fixed Income	26,123	28.86%	28.0%	24.0%	32.0%	0.86%	778
Grand Total	\$90,517						

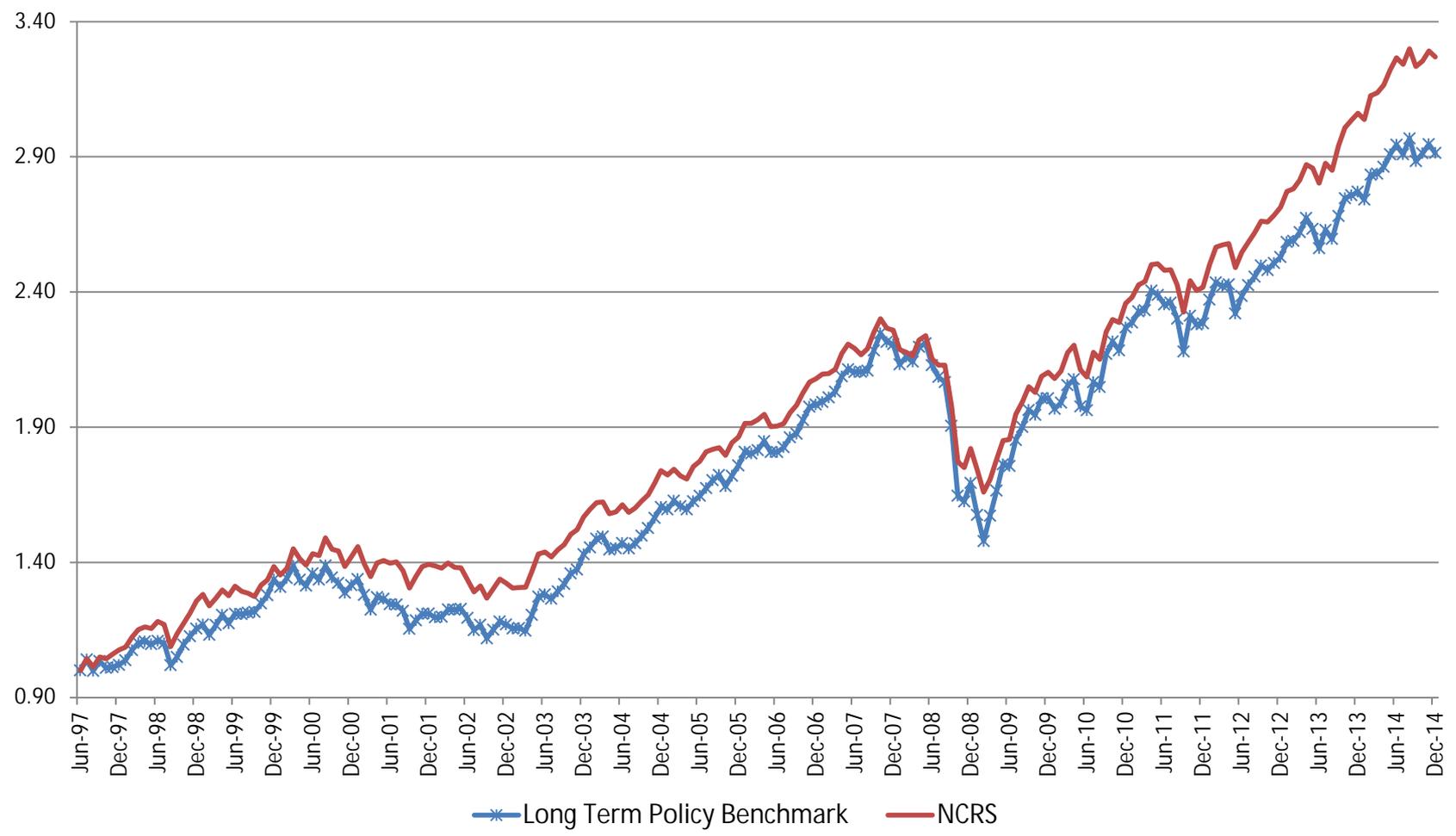


NCRS Total Net Portfolio Return vs. Benchmarks

As of December 31, 2014



Growth of a Dollar as of December 31, 2014



NCRS Net Return Attribution
Contribution to Total Fund Performance vs. Implementation Benchmark
 As of December 31, 2014

	3 months	1 Year	3 Years	5 Years
Growth	0.27	0.42	0.93	0.58
Rates & Liquidity	-0.09	-0.41	0.17	0.03
Inflation Sensitive & Diversifiers	0.00	-0.03	0.04	-0.05
Multi-Strategy	0.00	0.00	0.01	0.05
Total NCRS	0.18	-0.02	1.15	0.61

NCRS Net Return Attribution

Contribution to Total Fund Performance vs. Implementation Benchmark

As of December 31, 2014

	3 months	1 Year	3 Years	5 Years
Public Equity	0.00	-0.20	0.64	0.40
Private Equity	0.08	-0.02	-0.18	-0.15
Non-Core Real Estate	0.13	0.42	0.11	0.07
Opportunistic Fixed Income	0.05	0.23	0.36	0.27
IG Fixed Income	-0.09	-0.37	0.20	0.04
Cash	0.00	-0.04	-0.03	-0.02
Inflation Sensitive	0.07	0.13	0.10	0.02
Core Real Estate	-0.07	-0.17	-0.06	-0.07
Multi-Strategy	0.00	0.00	0.01	0.05
Total NCRS	0.18	-0.02	1.15	0.61

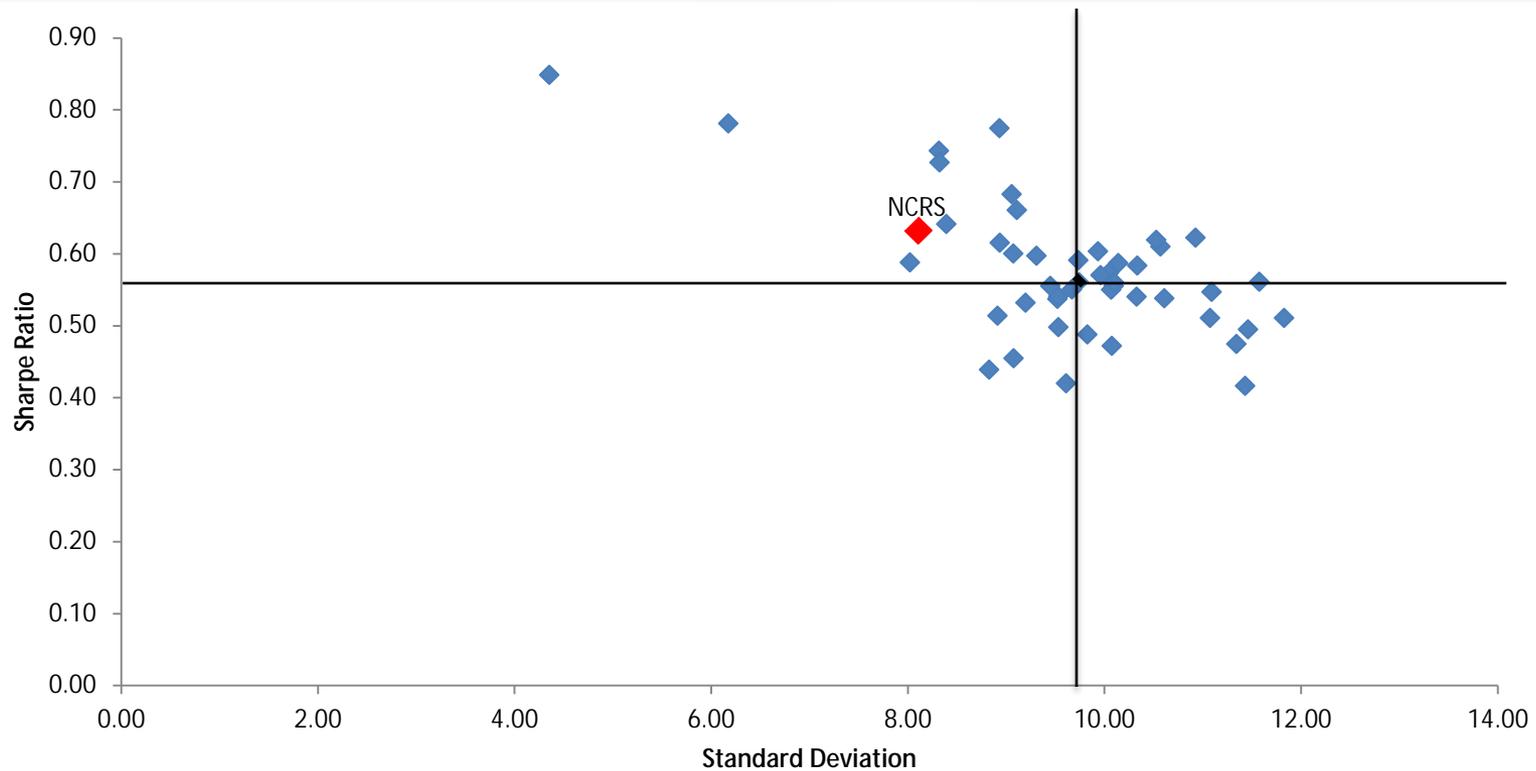


NCRS Gross of Fees Return and Risk
 BNY Mellon Universe: Public Funds > \$1B
 As of December 31, 2014

<u>Returns</u>	<u>3 Years</u>	<u>5 Years</u>	<u>10 Years</u>	<u>15 Year</u>
25th percentile	12.69	10.36	7.20	6.27
Median	11.39	9.90	6.77	6.01
75th percentile	10.18	9.15	6.34	5.69
NCRS	10.58	9.22	6.52	5.90
Percentile Rank	67	73	66	55
<u>Risk</u>	<u>3 Years</u>	<u>5 Years</u>	<u>10 Years</u>	<u>15 Year</u>
25th percentile	6.61	8.84	10.33	10.28
Median	6.00	7.94	9.74	9.54
75th percentile	5.13	7.13	9.06	8.71
NCRS	5.23	6.73	8.10	8.24
Percentile Rank	73	80	92	85



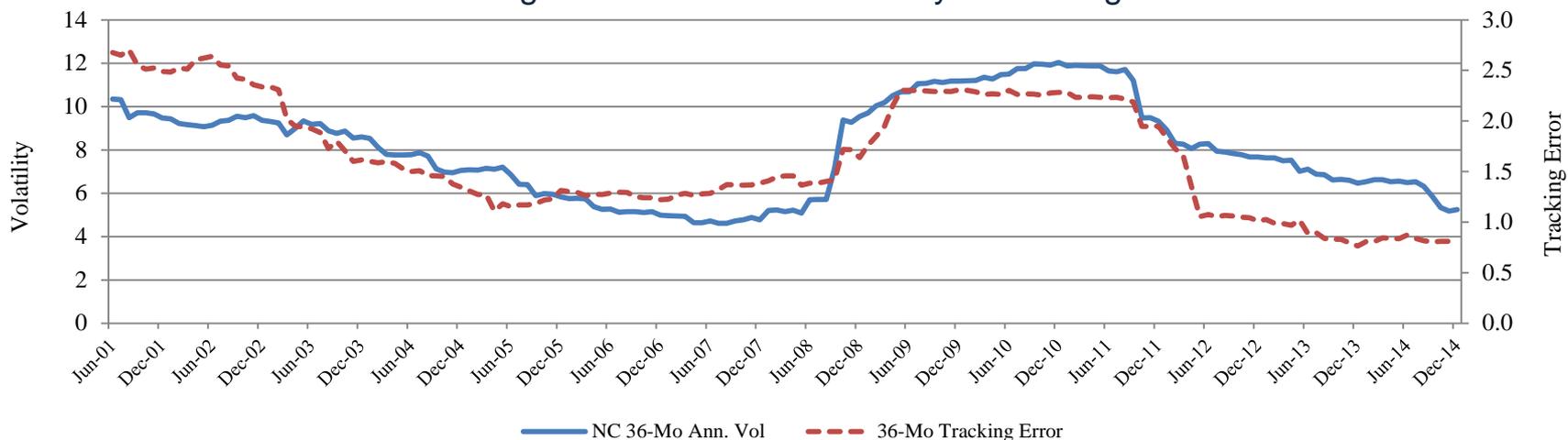
NCRS Gross of Fees Sharpe Ratio
BNY Mellon Universe: Public Funds > \$1B
 As of December 31, 2014



<u>Sharpe Ratio</u>	<u>3 Years</u>	<u>5 Years</u>	<u>10 Years</u>	<u>15 Year</u>
25th percentile	2.03	1.36	0.62	0.51
Median	1.84	1.22	0.56	0.44
75th percentile	1.69	1.10	0.51	0.42
NCRS	1.94	1.34	0.63	0.50
Percentile Rank	36	30	20	31



NCRS Rolling 3 Year Total Fund Volatility & Tracking Error*



NCRS Risk and Return Metrics*

Program	POSITION		36-MONTH					60-MONTH				
	\$ Bil	% Wgt	Return	St. Dev	Active Return	TE	IR	Return	St. Dev	Active Return	TE	IR
Growth	52.2	58.7	14.5	8.3	1.5	0.9	1.7	10.4	11.7	1.0	1.3	0.7
Public Equity	39.2	44.1	15.5	10.7	1.2	0.8	1.5	10.5	14.4	1.0	1.3	0.8
Private Equity	3.9	4.4	10.4	2.7	-3.2	4.3	-0.7	10.2	3.2	-3.4	5.0	-0.7
Non-Core Real Estate	3.9	4.4	13.3	3.2	2.0	3.0	0.7	10.3	5.2	1.2	2.9	0.4
Opportunistic Fixed Income	5.2	5.9	11.2	2.7	7.7	2.8	2.8	10.2	3.9	7.1	4.8	1.5
Rates & Liquidity	27.6	31.1	3.9	3.9	0.3	0.6	0.5	6.3	3.9	0.0	0.8	0.0
IG Fixed Income	26.6	29.9	4.0	3.9	0.3	0.6	0.4	6.4	3.9	0.0	0.8	0.0
Cash	1.1	1.2	--	--	--	--	--	--	--	--	--	--
Inflation Sensitive & Diversifiers	7.4	8.3	4.4	4.1	-0.4	2.1	-0.2	1.9	6.3	-2.4	4.3	-0.5
Inflation Sensitive	4.3	4.8	-0.3	5.6	0.4	2.4	0.1	-4.1	9.9	-2.1	7.4	-0.3
Core Real Estate	3.1	3.5	11.8	4.5	-0.4	2.9	-0.1	10.3	5.6	-1.2	2.9	-0.4
Multi-Strategy	1.6	1.9	13.0	8.1	0.6	0.9	0.7	10.4	8.6	2.3	3.7	0.6
Total NCRS	88.8	100.0	10.1	5.2	1.1	0.8	1.4	8.7	6.7	0.6	0.8	0.7

Note: Active Return= Net Managed less benchmark returns; TE=Tracking Error; IR = Information Ratio

*As of December 31, 2014



NCRS Liquidity Profile

As of December 31, 2014

Invested Assets (\$MM)

	Public Equity	Private Equity	Non-Core RE	Opportunistic FI	IG Fixed Income	Cash	Inflation Sensitive	Core Real Estate	Multi Strategy	TOTAL	Allocation
Level 1	\$38,251	\$3	-	\$469	\$26,576	\$1,050	\$881	\$493	\$1,368	\$69,091	77.8%
Level 2	\$938	\$0	-	\$1,859	-	-	\$720	\$725	-	\$4,242	4.8%
Level 3	-	\$50	-	\$1,168	-	-	-	\$1,004	\$266	\$2,488	2.8%
Level 4	-	\$3,828	\$3,880	\$1,716	-	-	\$2,673	\$874	\$10	\$12,980	14.6%
TOTAL	\$39,189	\$3,881	\$3,880	\$5,213	\$26,576	\$1,050	\$4,274	\$3,096	\$1,644	\$88,801	

Invested Assets plus Unfunded Commitments (\$MM)

	Public Equity	Private Equity	Non-Core RE	Opportunistic FI	IG Fixed Income	Cash	Inflation Sensitive	Core Real Estate	Multi Strategy	TOTAL	Allocation
Level 1	\$33,232	\$3	-	\$469	\$23,646	\$1,050	\$881	\$493	\$1,368	\$61,142	71.5%
Level 2	\$938	\$0	-	\$1,859	-	-	\$720	\$725	-	\$4,242	4.9%
Level 3	-	\$50	-	\$1,168	-	-	-	\$1,004	\$266	\$2,488	2.7%
Level 4	-	\$6,202	\$5,945	\$2,295	-	-	\$4,560	\$1,918	\$10	\$20,929	20.9%
TOTAL	\$34,170	\$6,255	\$5,945	\$5,792	\$23,646	\$1,050	\$6,161	\$4,139	\$1,644	\$88,801	

The Liquidity Level defines the level of liquidity for each investment.

Level 1: Highly liquid (T+3 or less)

Level 2: Separate or Commingled Funds with Monthly, Quarterly or Semi-Annual redemption period

Level 3: Annual to 24 month redemption period

Level 4: Illiquid (> 24 month redemption period)



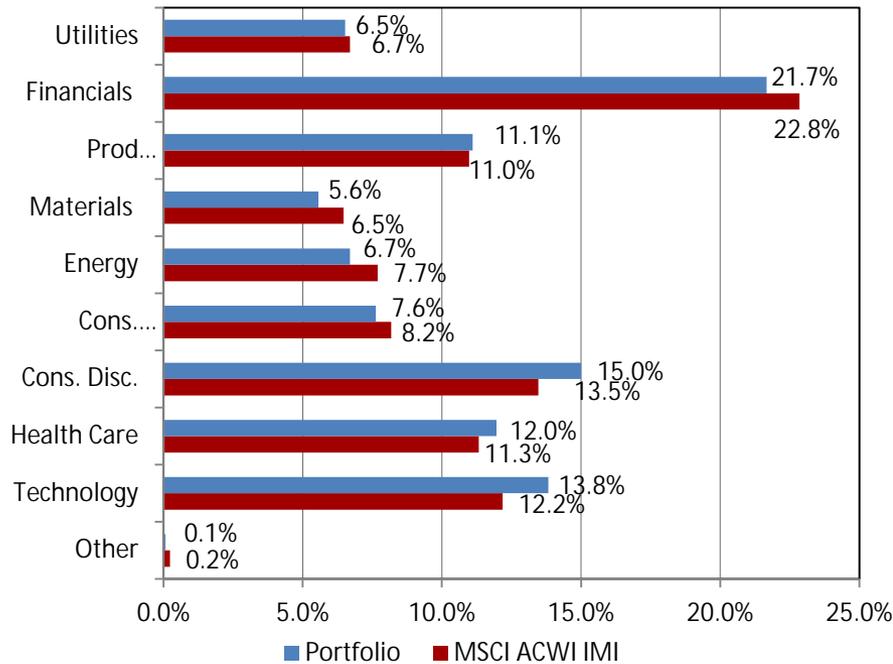
NCRS Public Equity Net Performance

As of December 31, 2014

	Market Value (\$MM)	3 Month	1 Year	3 Years	5 Years	10 Years
Public Equity	\$39,189	0.61	3.68	15.46	10.48	5.92
Benchmark ²		0.59	3.82	14.26	9.46	6.36
Domestic Portfolio	\$18,547	4.80	11.40	20.88	15.79	8.03
Russell 3000		5.24	12.56	20.51	15.63	7.94
Non-US Portfolio	\$14,415	(3.83)	(3.89)	9.99	4.60	5.12
Custom Benchmark		(3.88)	(3.89)	9.22	4.18	3.99
Global Portfolio	\$2,664	3.11	7.69	20.21	13.44	-
MSCI ACWI		0.41	4.16	14.10	9.17	6.09
Equity Hedge	\$51	1.46	(0.71)	-	-	-
MSCI ACWI (beta adjusted)		0.26	1.28	-	-	-



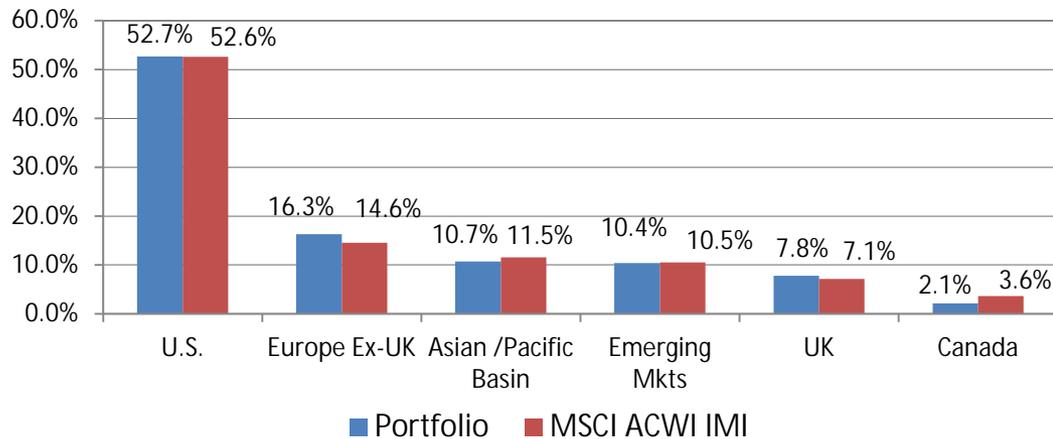
Total Equity Sector Allocation



Portfolio Characteristics

	Portfolio	MSCI ACWI IMI
Price/Earnings	19.2	18.7
Dividend Yield	2.12	2.32
Price/Book	2.16	2.13
Debt/Equity	0.90	0.92
Market Cap (\$ Weighted Median)	32,549	34,032
Return on Equity - 1 Year	16.3	15.9

Total Equity Regional Allocation



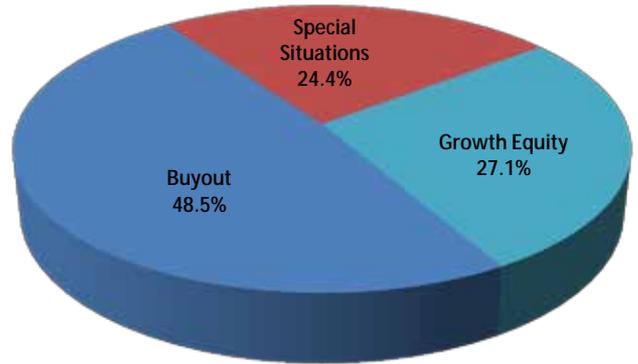
Private Equity

As of December 31, 2014

Net Performance						
	Market Value (\$MM)	3 Month	1 Year	3 Years	5 Years	10 Years
Private Equity	\$3,881	1.13	14.02	10.43	10.14	8.24
Benchmark ³		(0.33)	12.76	13.59	13.54	12.38
Buyout	\$1,593	0.70	9.74	8.45	8.32	9.89
Growth	\$726	1.30	20.57	12.71	13.19	4.15
Special Situations	\$477	(3.94)	3.48	6.89	6.67	9.82
Fund of Funds	\$1,082	4.21	21.95	13.85	13.29	4.24

IRR by Vintage Year													
	Pre-2004	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Total
NCRS	12.68	8.52	5.61	3.52	7.78	11.02	15.15	19.69	8.00	11.68	-2.84	-18.53	7.50
# of Funds	28	3	11	21	13	17	3	1	6	6	9	4	122

Strategy Allocation (based on commitments)



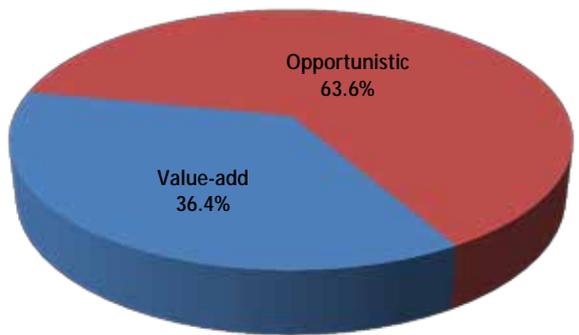
Non-Core Real Estate

As of December 31, 2014

Net Performance						
	Market Value (\$MM)	3 Month	1 Year	3 Years	5 Years	10 Years
Non-Core Real Estate	\$3,880	4.17	19.45	13.27	10.30	4.91
Benchmark ⁴		1.31	11.35	11.29	9.11	6.48
Opportunistic	\$2,466	2.66	17.88	12.52	10.54	4.46
Value Add	\$1,413	6.72	22.01	14.42	10.20	6.09

IRR by Vintage Year												
	<u>Pre-2005</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>Total</u>
NCRS	9.92	-1.53	1.32	-0.05	16.64	1.94	16.28	16.21	15.67	15.79	1.66	4.31
# of Funds	19	15	13	8	6	1	6	7	5	6	7	93

Strategy Allocation (based on valuation)



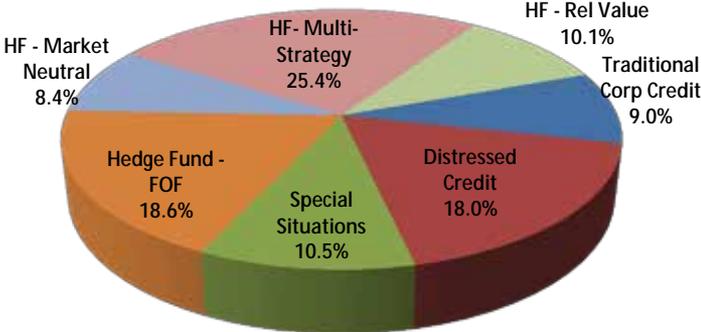
Opportunistic Fixed Income

As of December 31, 2014

Net Performance						
	Market Value (\$MM)	3 Month	1 Year	3 Years	5 Years	10 Years
Opportunistic Fixed Income	\$5,213	(2.07)	3.40	11.15	10.22	-
Benchmark ⁵		(2.17)	0.31	3.46	3.09	-
Traditional Corporate Credit	\$469	(0.94)	5.65	13.04	12.02	-
Distressed Credit	\$939	(1.02)	7.73	15.78	11.43	-
Special Situations	\$547	2.88	10.37	25.01	20.87	-
Hedged Fixed Income	\$3,257	(3.34)	0.67	7.65	-	-

IRR by Vintage Year										
	2005	2007	2008	2009	2010	2011	2012	2013	2014	Total
NCRS	3.60	16.73	10.32	22.42	12.98	5.38	1.41	2.57	-0.02	8.70
# of Funds	1	1	3	1	4	9	2	7	3	31

Strategy Allocation (based on valuation)



Rates & Liquidity

As of December 31, 2014

Net Performance						
	Market Value (\$MM)	3 Month	1 Year	3 Years	5 Years	10 Years
Rates & Liquidity	\$27,626	2.21	8.32	3.90	6.35	6.10
Benchmark ⁶		2.61	9.55	3.60	6.35	5.74
IG Fixed Income	\$26,576	2.29	8.51	3.96	6.39	6.12
Core Fixed Income	\$23,802	2.55	8.83	3.91	6.48	6.15
Non-Core Fixed Income	\$255	0.93	4.19	8.33	7.67	-
IG Fixed Income Cash	\$2,519	0.12	-	-	-	-
Cash	\$1,050	0.12	0.45	-	-	-

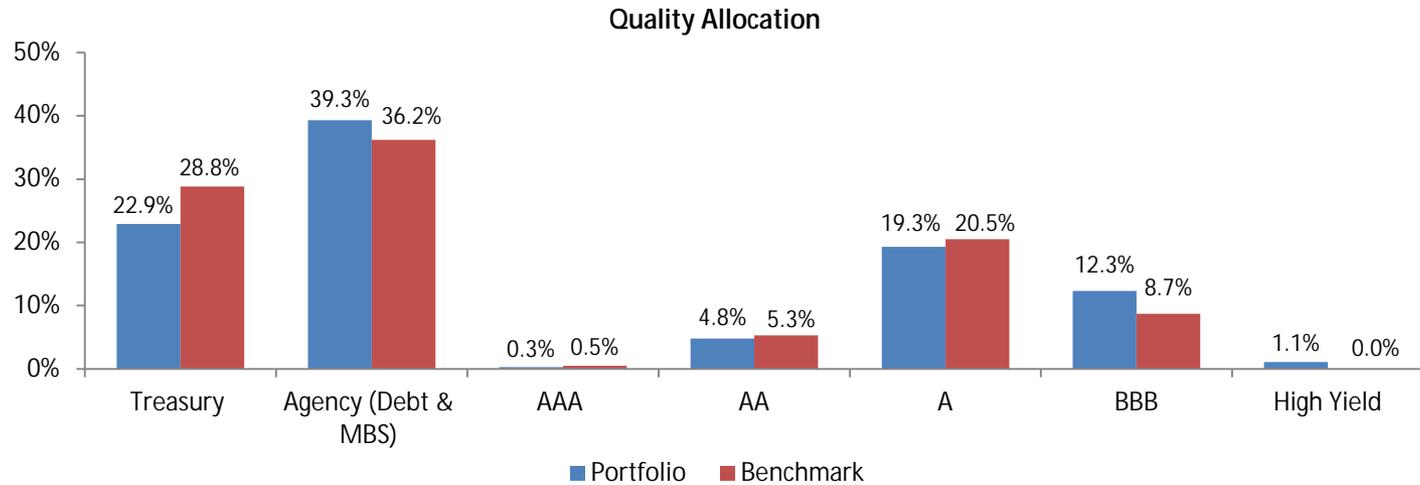
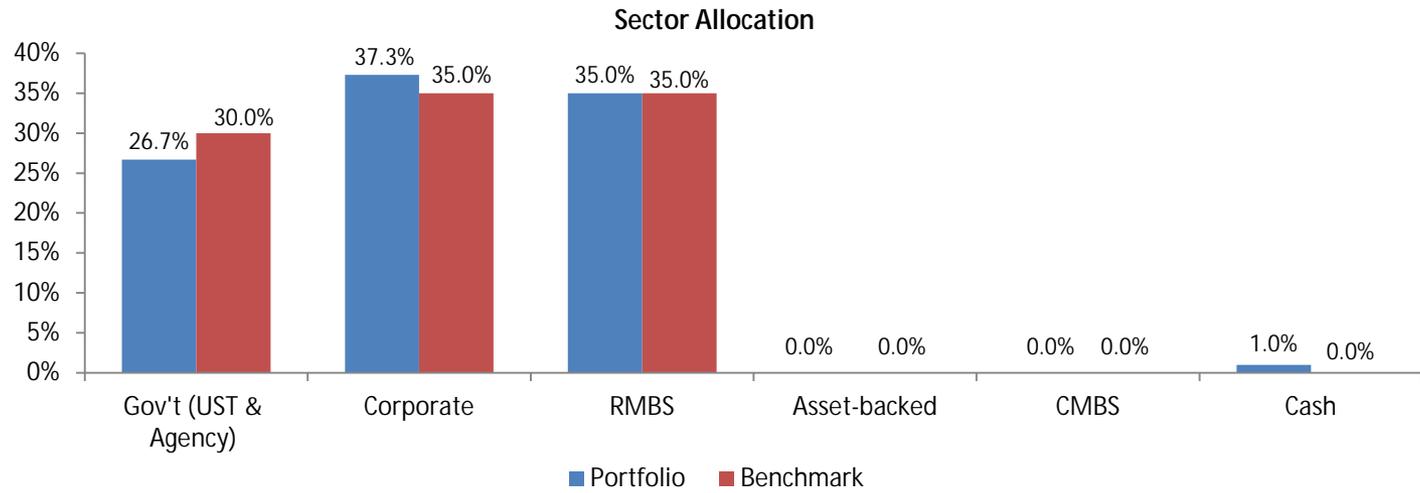
Core Fixed Income Portfolio Characteristics

	<u>Avg. Coupon</u>	<u>Yield to Maturity</u>	<u>Duration</u>
Government (Treasury & Agency)	5.69%	2.26%	9.5
Corporate	5.27%	3.67%	8.4
Mortgage	4.14%	2.39%	3.4
Total	4.98%	2.84%	7.1



Core Fixed Income

As of December 31, 2014



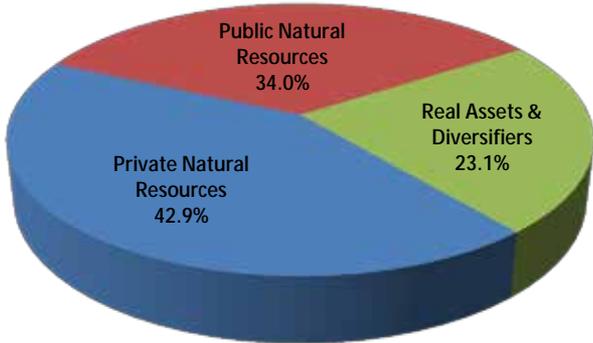
Inflation Sensitive

As of December 31, 2014

Net Performance						
	Market Value (\$MM)	3 Month	1 Year	3 Years	5 Years	10 Years
Inflation Sensitive	\$4,274	(3.86)	(0.65)	(0.31)	(4.06)	3.13
Benchmark ¹⁰		(3.92)	(1.02)	(0.66)	(1.96)	5.35
Private Natural Resources	\$1,834	(0.31)	8.27	7.00	1.64	5.90
Public Natural Resources	\$1,455	(10.05)	(12.89)	(7.55)	-	-
Real Assets & Other Diversifiers	\$985	0.86	7.33	4.34	-	-

IRR by Vintage Year											
	Pre-2006	2006	2007	2008	2009	2010	2011	2012	2013	2014	Total
NCRS	9.38	-0.63	13.55	10.69	N/A	.7.73	-6.39	13.43	0.91	-2.00	-2.44
# of Funds	1	3	2	2	0	3	9	7	11	12	50

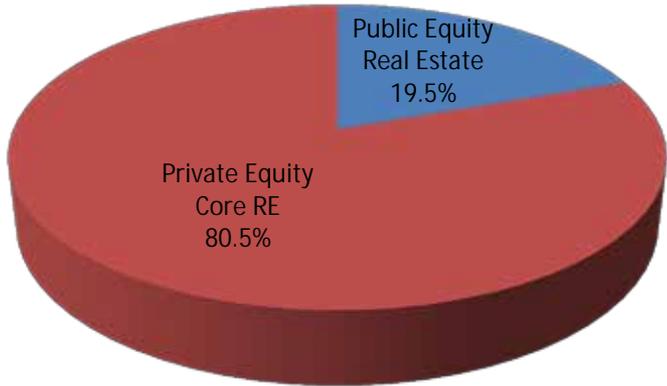
Strategy Allocation (based on valuation)



Net Performance						
	Market Value (\$MM)	3 Month	1 Year	3 Years	5 Years	10 Years
Core Real Estate	\$3,096	3.28	10.41	11.78	10.33	6.00
Benchmark ¹¹		3.84	12.16	12.14	11.49	6.32
Public Equity Real Estate	\$605	9.72	19.61	18.02	12.89	-
Private Equity Core Real Estate	\$2,491	1.73	8.21	10.71	9.98	6.98

IRR by Vintage Year											
	<u>Pre-2005</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>Total</u>
NCRS	7.62	-0.32	5.61	2.16	10.47	23.62	n/a	n/a	4.15	-0.04	6.97
# of Funds	6	1	2	3	1	1	0	0	2	6	22

Strategy Allocation (based on valuation)

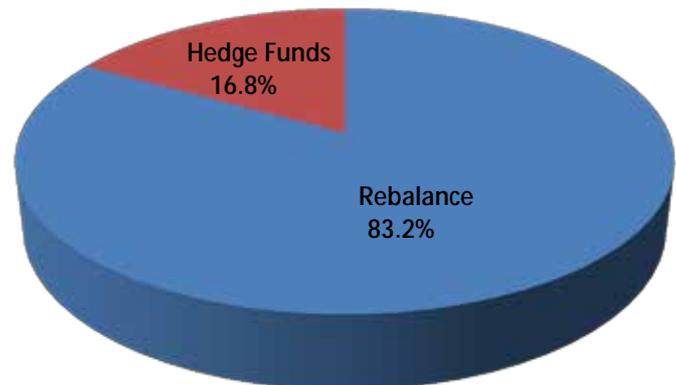


Multi-Strategy

As of December 31, 2014

Net Performance						
	Market Value (\$MM)	3 Month	1 Year	3 Years	5 Years	10 Years
Multi-Strategy	\$1,644	0.57	2.69	13.04	10.38	5.98
Benchmark ¹²		0.69	2.50	12.40	8.13	8.56
Rebalance Strategy	\$1,368	0.98	3.02	14.95	-	-
Hedge Funds	\$276	(1.37)	1.11	4.32	3.03	2.39

Strategy Allocation (based on valuation)



New and Incremental Investment Commitments Since December IAC Meeting

<u>Fund Name</u>	<u>Firm Name</u>	<u>Commitment</u>	<u>Closing Date</u>
<u>Public Equity</u>			
Wasatch EM Small Cap	Wasatch Advisors	\$200,000,000	12/30/2014
<u>Private Equity</u>			
Francisco Partners IV	Francisco Partners	\$100,000,000	12/22/2014
Landmark Equity Partners XV (through the SMA titled NCL Investments, L.P.)	Landmark Partners	\$250,000,000	12/22/2014
<u>Non-Core Real Estate</u>			
Rockpoint Real Estate Fund V	Rockpoint Group	\$100,000,000	12/19/2014
Rockpoint Real Estate Fund V Side Car Funds	Rockpoint Group	\$50,000,000	12/19/2014
NorthRock Fund III, L.P.	Rockwood Capital, LLC	\$400,000,000	2/12/2015
<u>Core Real Estate</u>			
Blackstone NC Property Partners	The Blackstone Group	\$200,000,000	12/15/2014
<u>Opportunistic Fixed Income</u>			
Brightwood Capital Fund III	Brightwood Capital Advisors	\$100,000,000	12/10/2014
<u>Inflation Sensitive</u>			
Blackstone Energy Partners II	Blackstone Group	\$100,000,000	12/19/2014
Landmark Real Asset SMA (through the SMA titled NCL Investments, L.P.)	Landmark Equity Advisors	\$250,000,000	12/22/2014
Landmark Real Estate Partners VII (through the SMA titled NCL Investments, L.P.)	Landmark Equity Advisors	\$100,000,000	12/22/2014
EnCap Energy Capital Fund VIII Co-Investors, L.P. (additional commitment)	EnCap	\$29,814,882	12/19/2014
<u>Multi Strategy</u>			
None			



Appendix: NCRS Asset Class Net Performance

As of December 31, 2014

	Market Value (\$MM)	1 Year	3 Years	5 Years	10 Years	15 Years
Growth	\$52,162.39	5.52	14.53	10.42	5.79	-
Benchmark ¹		4.74	13.05	9.43	6.48	-
Public Equity	\$39,188.66	3.68	15.46	10.48	5.92	4.19
Benchmark ²		3.82	14.26	9.46	6.36	3.69
Private Equity	\$3,881.36	14.02	10.43	10.14	8.24	4.03
Benchmark ³		12.76	13.59	13.54	12.38	10.71
Non-Core Real Estate	\$3,879.58	19.45	13.27	10.30	4.91	-
Benchmark ⁴		11.35	11.29	9.11	6.48	-
Opportunistic Fixed Income	\$5,212.79	3.40	11.15	10.22	-	-
Benchmark ⁵		0.31	3.46	3.09	-	-
Rates & Liquidity	\$27,626.02	8.32	3.90	6.35	6.10	7.17
Benchmark ⁶		9.55	3.60	6.35	5.74	6.87
IG Fixed Income	\$26,576.00	8.51	3.96	6.39	6.12	7.18
Benchmark ⁷		9.90	3.71	6.42	5.77	6.90
Cash	\$1,050.02	0.45	-	-	-	-
Benchmark ⁸		0.02	0.04	-	-	-
Inflation Sensitive & Diversifiers	\$7,369.19	3.82	4.36	1.94	3.39	-
Benchmark ⁹		4.84	4.73	4.30	2.83	-
Inflation Sensitive	\$4,273.63	(0.65)	(0.31)	(4.06)	3.13	-
Benchmark ¹⁰		(1.02)	(0.66)	(1.96)	5.35	-
Core Real Estate	\$3,095.57	10.41	11.78	10.33	6.00	-
Benchmark ¹¹		12.16	12.14	11.49	6.32	-
Multi-Strategy	\$1,643.61	2.69	13.04	10.38	5.98	-
Benchmark ¹²		2.50	12.40	8.13	8.56	-

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NOTES:

All data presented are based on currently available information at time of publication and may be revised subsequently

1. The Growth Benchmark is a blend of the Public Equity Benchmark, Private Equity Benchmark, Non-Core Real Estate Benchmark, & Opportunistic FI Benchmark at policy weights.
2. The Public Equity Benchmark is the dynamically weighted combination of the MSCI ACWI IMI Net (Long-Only) and a beta adjusted MSCI ACWI IMI Net (Hedged Equity).
3. The Private Equity Benchmark is comprised of the following Burgiss Group Private iQ indices: 50% Buyout, 20% Venture Capital, and 30% Special Situations and Distressed Securities.
4. The Non-Core Real Estate Benchmark is comprised of the following Burgiss Group Private iQ indices: 80% U.S. Non-Core Real Estate (Opportunistic and Value-Added) and 20% Non-U.S. Non-Core Real Estate (Opportunistic and Value-Added).
5. The Opportunistic Fixed Income Benchmark is a comprised of 50% HFRX Distressed Securities Index, 20% HFRX Relative Value Index, 15% Credit Suisse Leveraged Loan Index, and 15% BOAML High Yield Index.
6. The Rates & Liquidity Benchmark is a blend of the IG Fixed Income Benchmark and the Cash Benchmark at policy weights.
7. The IG Fixed Income Benchmark is comprised 10% iMoneyNet First Tier Institutional Money Market Funds Net Index and 90% custom BOAML Core Investment Grade Index. The custom BOAML core index comprised of the following weightings: 30% BOAML 5+ Years Governments, 35% BOAML 5+ Years Investment Grade Corporates, and 35% BOAML Mortgage Master.
8. The Cash Benchmark is the iMoneyNet First Tier Institutional Money Market Funds Net Index.
9. The Inflation Sensitive & Diversifiers Benchmark is a blend of the Inflation Sensitive Benchmark and the Core Real Estate Benchmark at policy weights.
10. The Inflation Sensitive Benchmark is the dynamically weighted combination of the Bank of America Merrill Lynch 1-3 Years U.S. Inflation-Linked Treasury Index (TIPS), the Bloomberg Commodities Index (Commodities), and a combination of the benchmarks of investments classified within Private Natural Resources or Other Real Assets and Diversifiers.
11. The Core Real Estate Benchmark is comprised of 80% NCREIF ODCE Net and 20% FTSE EPRA NAREiT Global Index.
12. The Multi-Strategy Benchmark is comprised of a dynamically weighted combination of the HFRX ED: Multi-Strategy Index, net of fees, and the market value weighted benchmarks for any other total fund strategies within the Portfolio.

Note: All benchmarks are currently being reviewed by staff and AonHewitt and may be revised

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