



IAC Performance Review

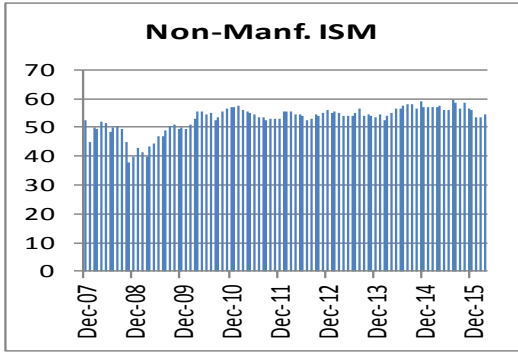
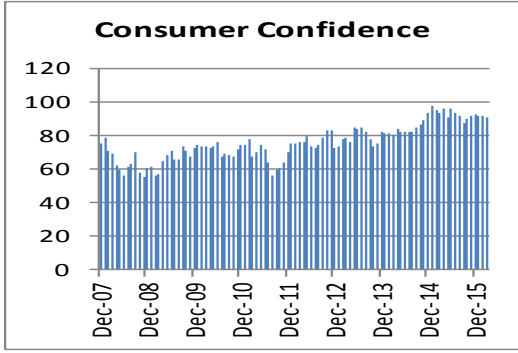
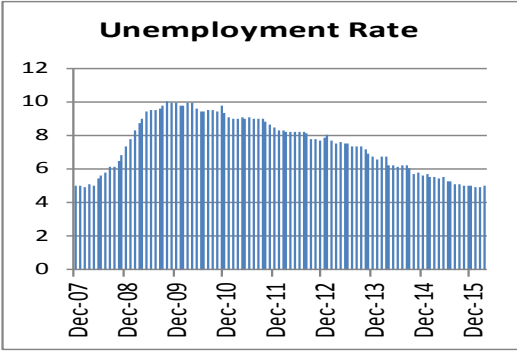
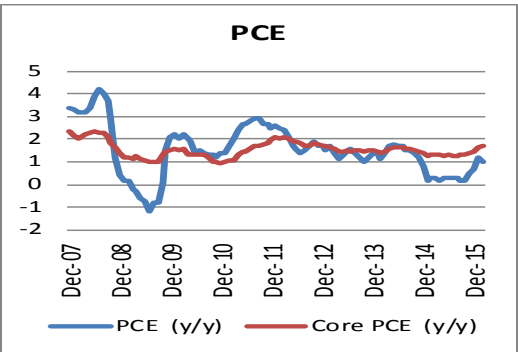
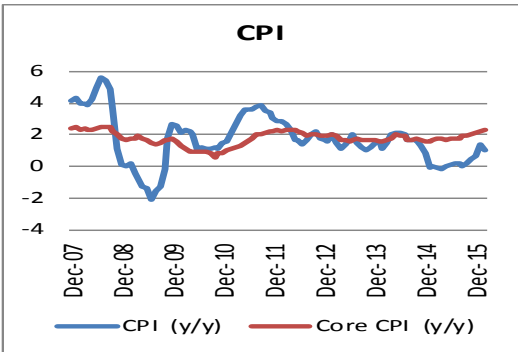
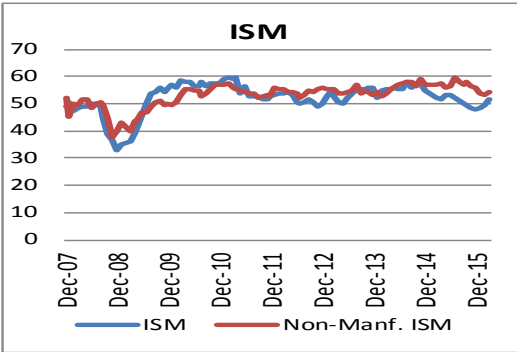
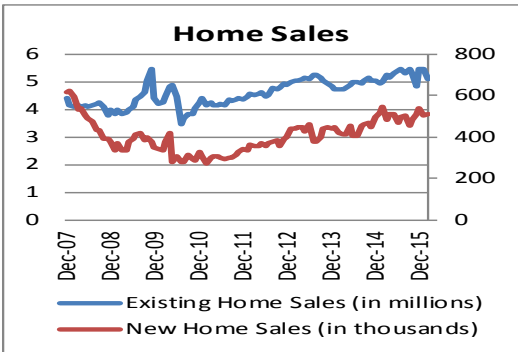
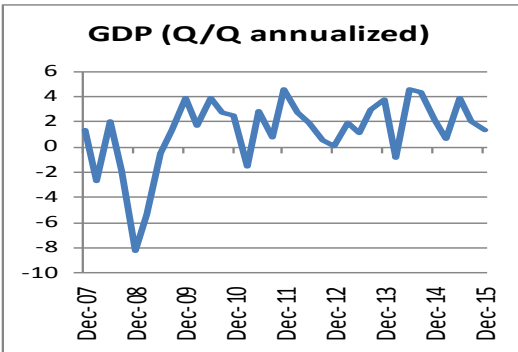
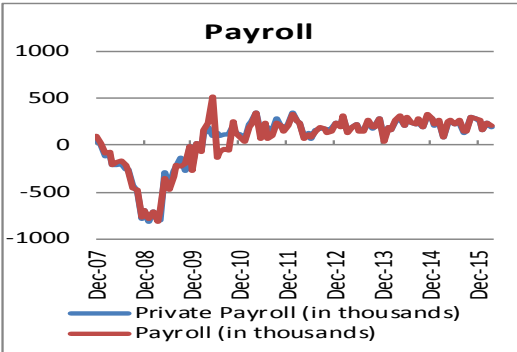
April 19, 2016



North Carolina Department of State Treasurer
Investment Management

Learn. Invest. Grow. Prosper.

U.S. Economic Environment



Source: Bloomberg



Global Economic Environment

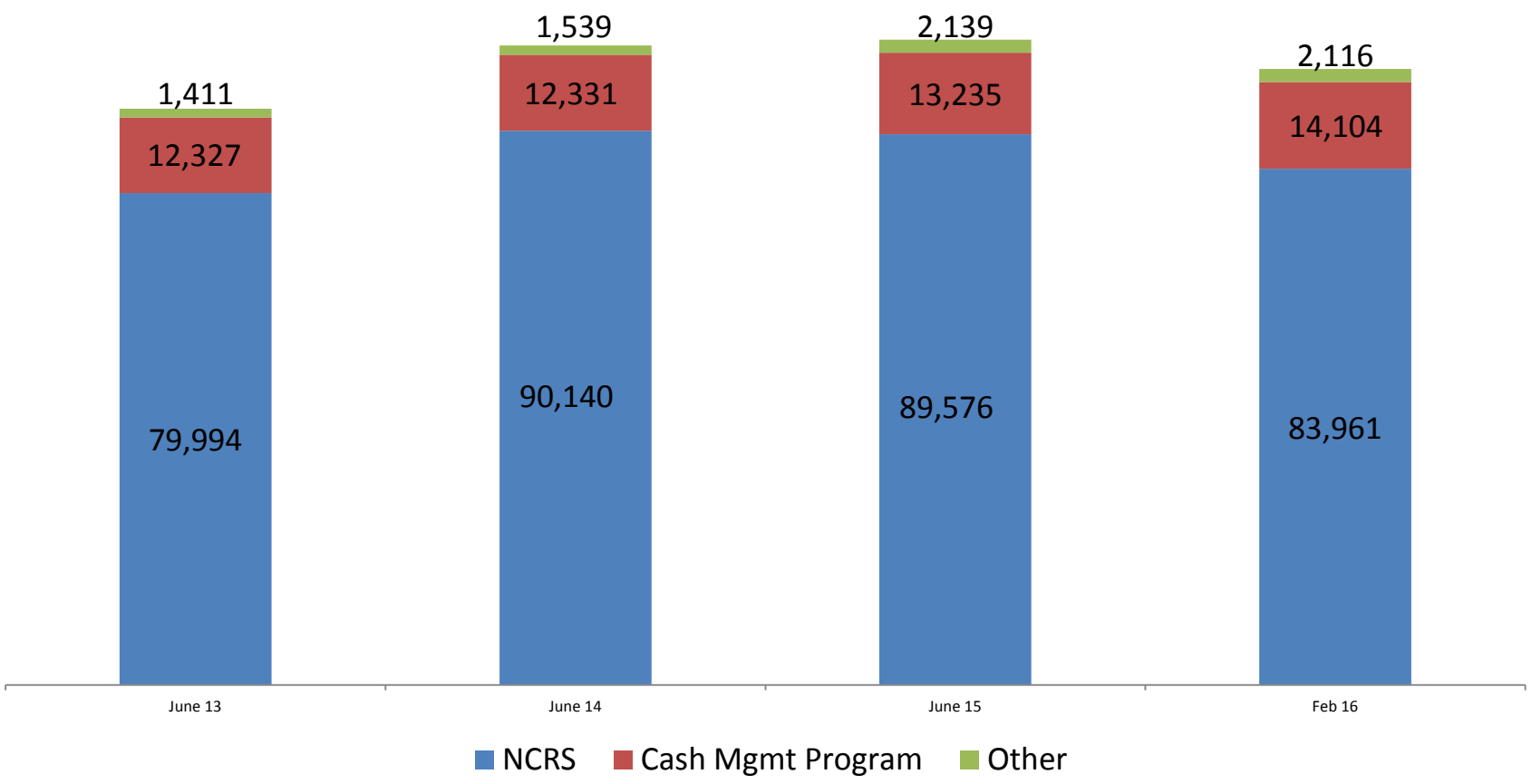
Countries	Real GDP YoY		Unemployment		CPI YoY		Countries	Real GDP YoY		Unemployment		CPI YoY	
	Date	Value	Date	Value	Date	Value		Date	Value	Date	Value	Date	Value
U.S.	12/15	2	03/16	5	02/16	1	Asia/Pacific/Latam						
Europe							China	12/15	6.8			02/16	2.3
Germany	12/15	1.3	03/16	6.2	03/16	0.3	India	12/15	7.3			02/16	5.53
France	12/15	1.4	02/16	10.2	03/16	-0.2	Japan	12/15	0.7	02/16	3.3	02/16	0.3
U.K	12/15	2.1	01/16	5.1	02/16	0.3	Indonesia	12/15	5.04			03/16	4.45
Italy	12/15	1.002	02/16	11.7	03/16	-0.2	Brazil	12/15	-5.89			03/16	9.39
Spain	12/15	3.5	02/16	20.4	03/16	-0.8	Australia	12/15	3	02/16	5.8	12/15	1.7

Source: Bloomberg



Assets Under Management (\$mil)

\$100.2 Billion as of February 29, 2016



NCRS Asset Allocation

As of February 29, 2016

	Market Value (\$000)	%	Policy Target	Policy Range		Relative %	Relative \$ (\$000)
				Minimum	Maximum		
Growth	\$47,916,510	57.07%	58.0%	37.0%	71.0%	-0.93%	(\$780,589)
Public Equity	34,826,365	41.48%	42.0%	37.0%	47.0%	-0.52%	(437,052)
Non Core Real Estate	3,816,519	4.55%	3.0%	0.0%	8.0%	1.55%	1,297,704
Opportunistic Fixed Income	4,971,642	5.92%	7.0%	0.0%	7.5%	-1.08%	(905,594)
Private Equity	4,301,984	5.12%	6.0%	0.0%	8.75%	-0.88%	(735,647)
Inflation Sensitive & Diversifiers	8,984,552	10.70%	11.0%	4.0%	16.0%	-0.30%	(251,105)
Core Real Estate	4,009,328	4.78%	5.0%	2.0%	10.0%	-0.22%	(188,698)
Inflation Sensitive	4,975,224	5.93%	6.0%	2.0%	7.5%	-0.07%	(62,407)
Multi-Strategy	1,455,738	1.73%	2.0%	0.0%	4.0%	-0.27%	(223,473)
Rates & Liquidity	25,603,715	30.49%	29.0%	24.0%	42.0%	1.49%	1,255,166
Cash	1,389,248	1.65%	1.0%	0.0%	10.0%	0.65%	549,643
Investment Grade Fixed Income	24,214,468	28.84%	28.0%	24.0%	32.0%	0.84%	705,523
Grand Total	83,960,515	100.00%					



NCRS Unaudited Asset Allocation

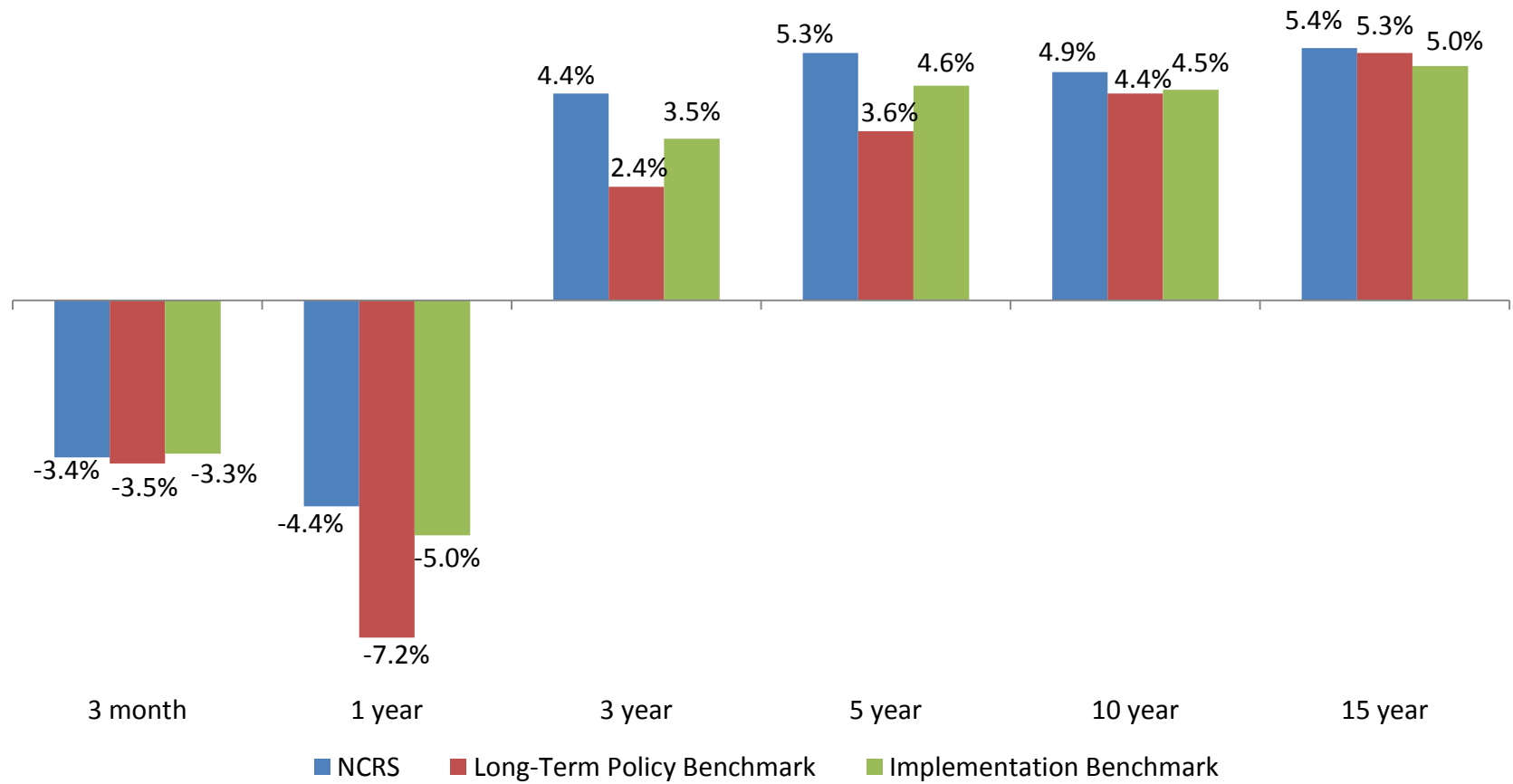
As of April 8, 2016

	Market Value (\$000)	%	Policy Target	Policy Range		Relative %	Relative \$ (\$000)
				Minimum	Maximum		
Growth	\$50,416,927	58.41%	58.0%	37.0%	71.0%	0.41%	\$351,944
Public Equity	36,941,655	42.80%	42.0%	37.0%	47.0%	0.80%	687,702
Non Core Real Estate	3,928,298	4.55%	3.0%	0.0%	8.0%	1.55%	1,338,730
Opportunistic Fixed Income	5,134,666	5.95%	7.0%	0.0%	7.5%	-1.05%	(\$907,660)
Private Equity	4,412,309	5.11%	6.0%	0.0%	8.75%	-0.89%	(\$766,828)
Inflation Sensitive & Diversifiers	9,138,784	10.59%	11.0%	4.0%	16.0%	-0.41%	(\$356,299)
Core Real Estate	4,081,447	4.73%	5.0%	2.0%	10.0%	-0.27%	(\$234,499)
Inflation Sensitive	5,057,336	5.86%	6.0%	2.0%	7.5%	-0.14%	(\$121,800)
Multi-Strategy	1,576,705	1.83%	2.0%	0.0%	4.0%	-0.17%	(\$149,673)
Rates & Liquidity	25,186,520	29.18%	29.0%	24.0%	42.0%	0.18%	154,028
Cash	992,286	1.15%	1.0%	0.0%	10.0%	0.15%	129,097
Investment Grade Fixed Income	24,194,234	28.03%	28.0%	24.0%	32.0%	0.03%	24,932
Grand Total	\$86,318,936	100.00%					

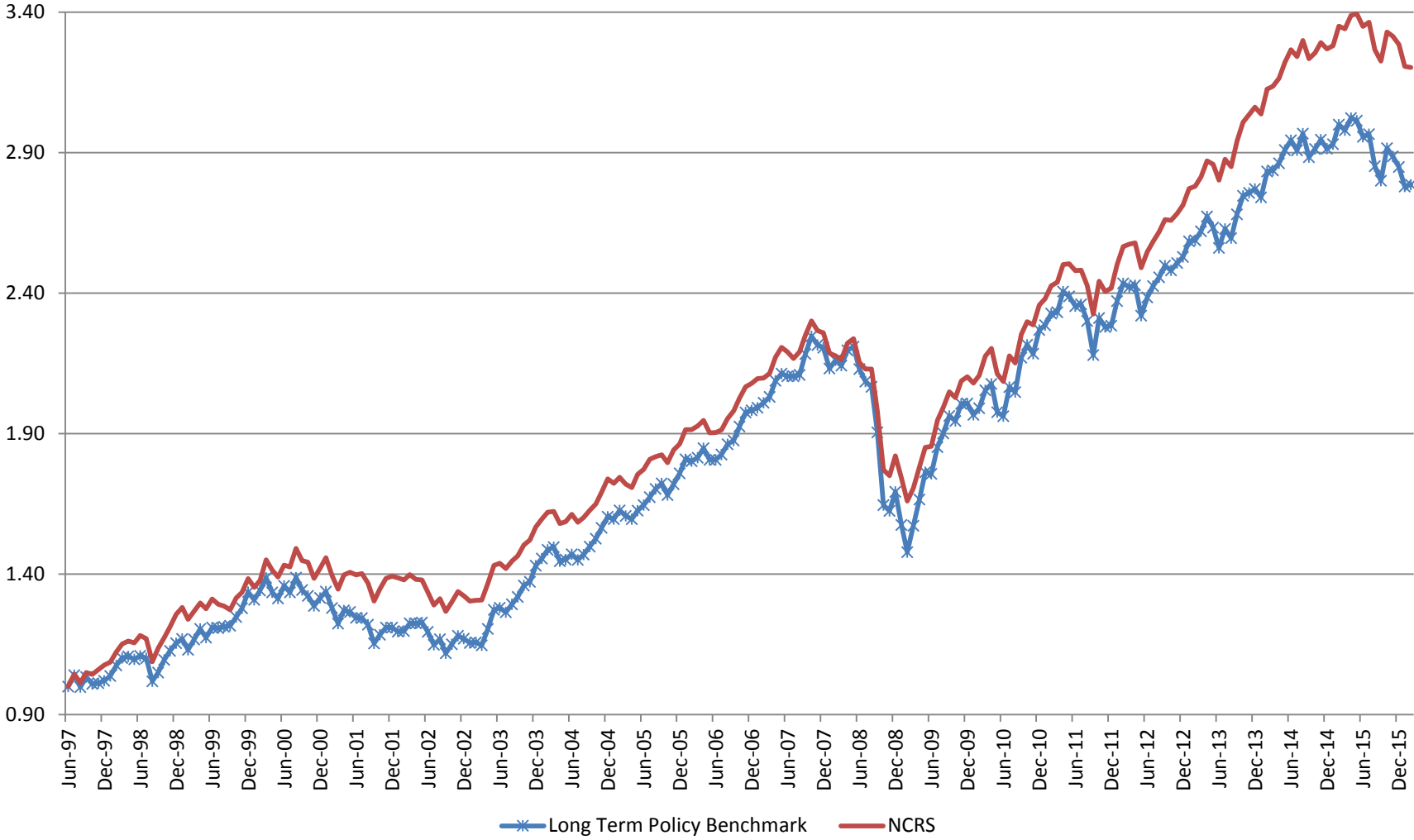


NCRS Total Net Portfolio Return vs. Benchmarks

As of February 29, 2016



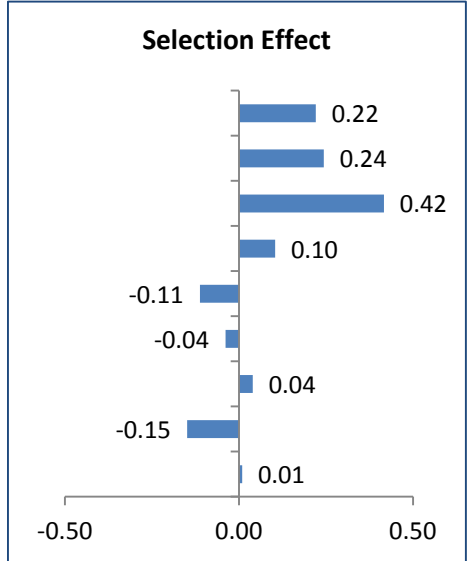
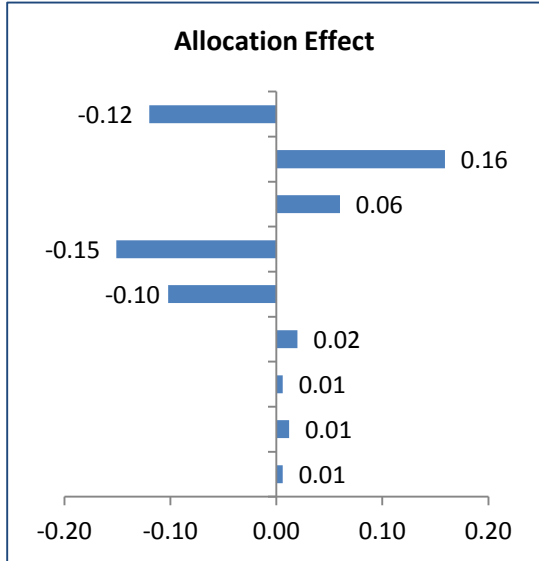
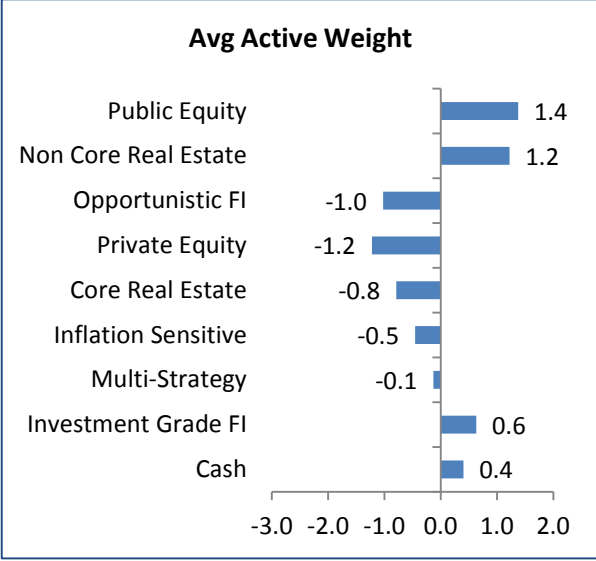
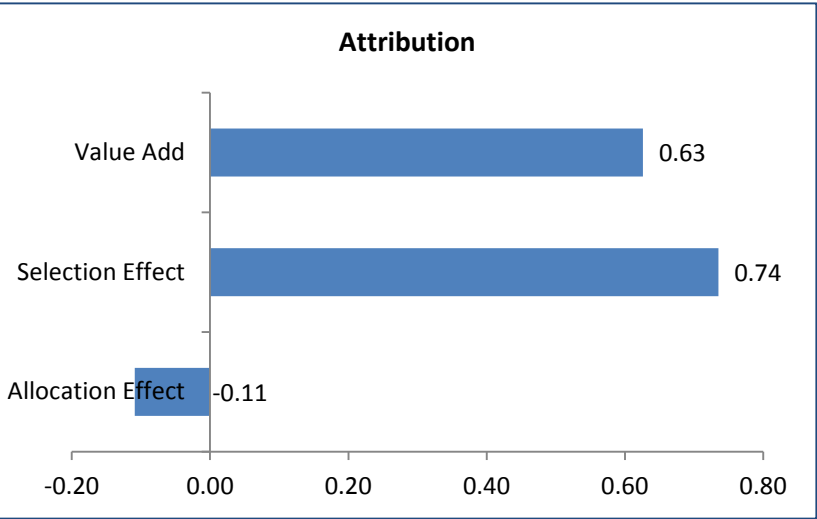
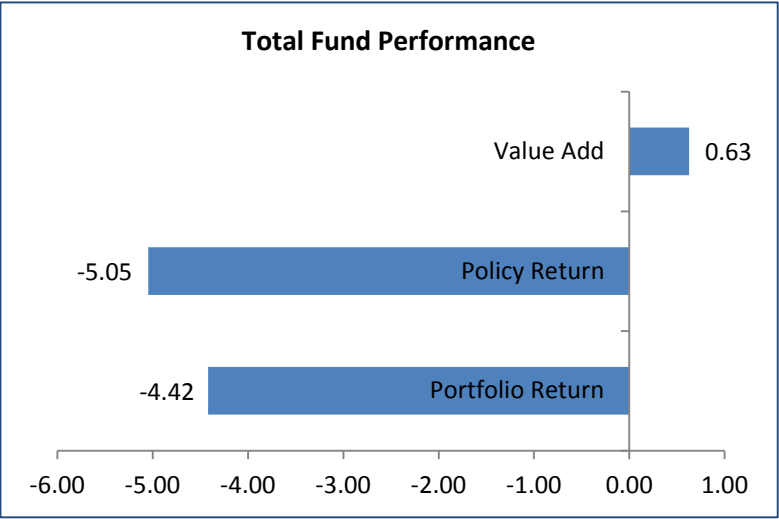
Growth of a Dollar as of February 29, 2016



NCRS Net Return Attribution

Total Fund Performance vs. Implementation Benchmark

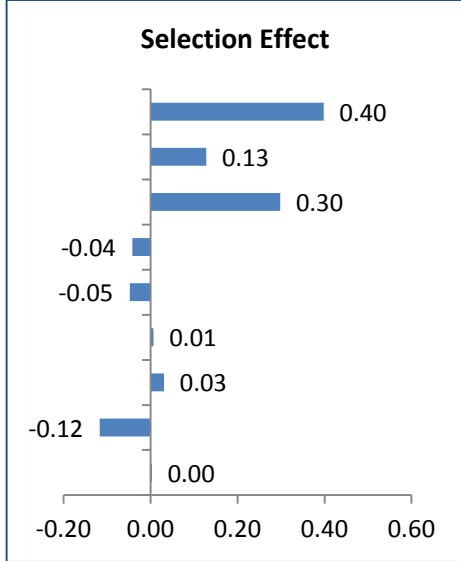
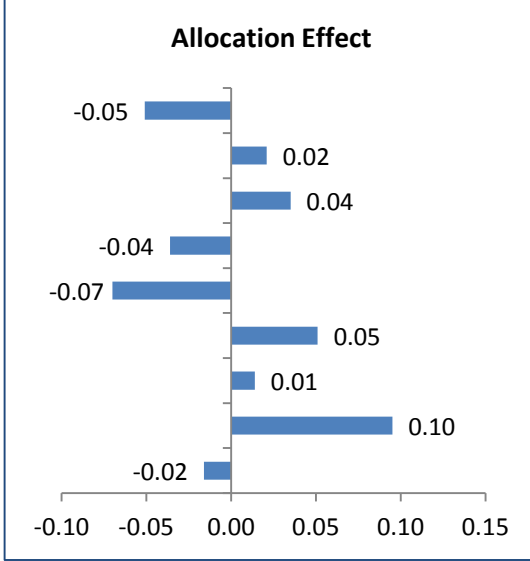
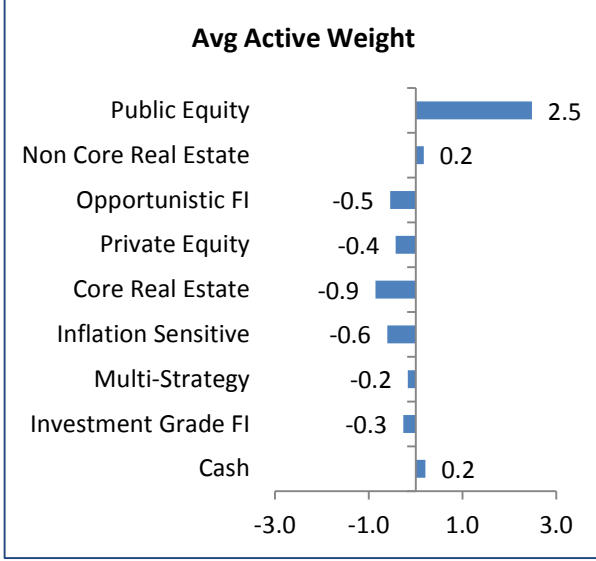
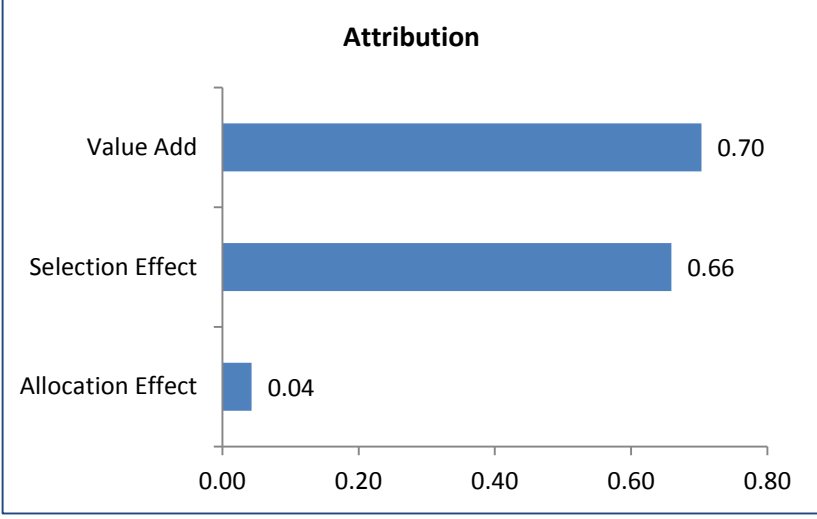
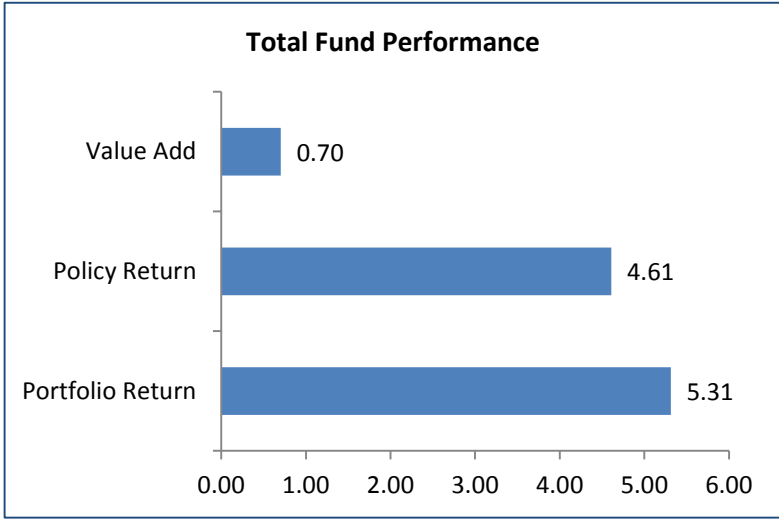
1 Year Ending February 29, 2016



NCRS Net Return Attribution

Total Fund Performance vs. Implementation Benchmark

5 Years Ending February 29, 2016



NCRS Gross of Fees Return and Risk
 BNY Mellon Universe: Public Funds > \$1B
 As of February 29, 2016

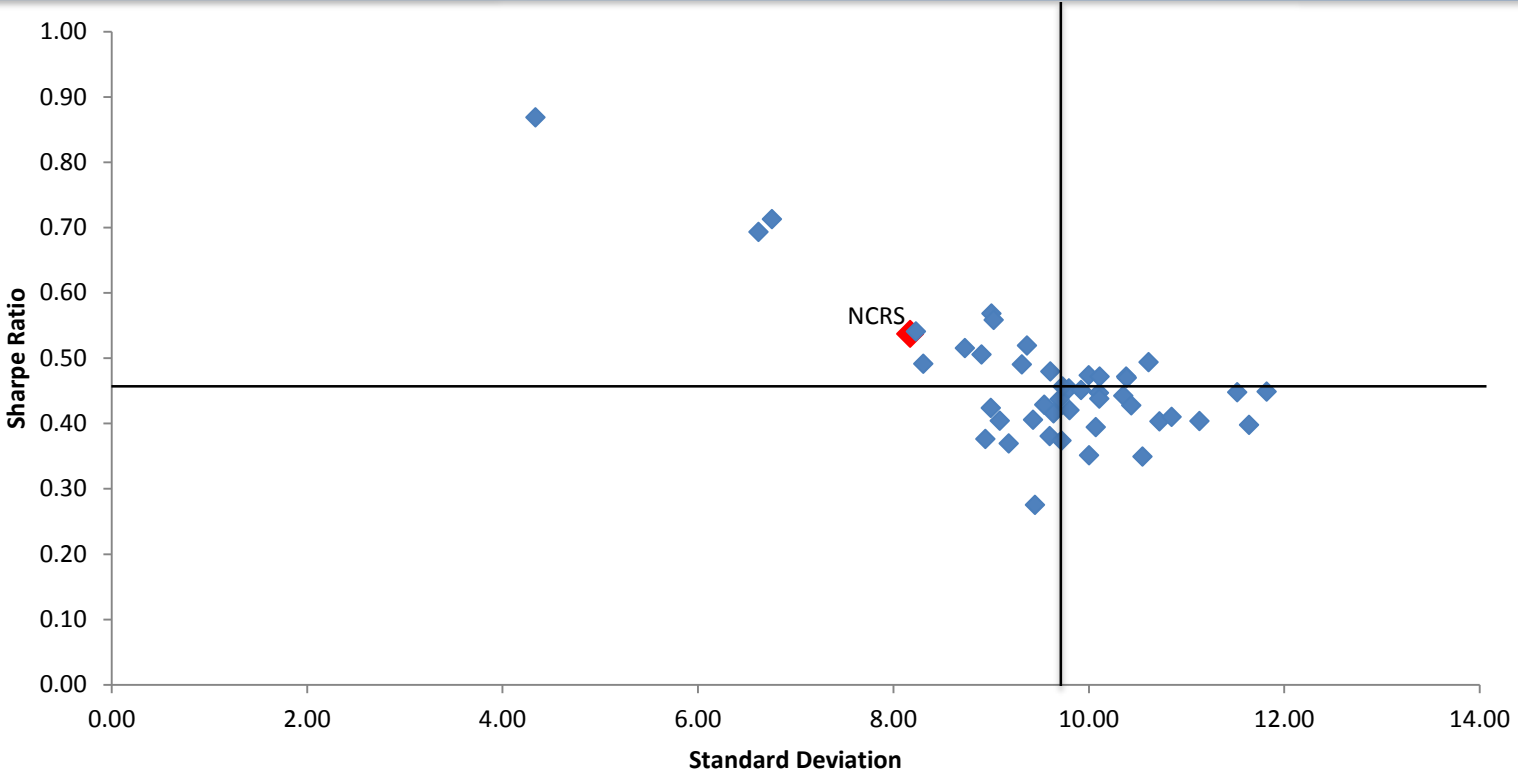
<u>Returns</u>	<u>3 Years</u>	<u>5 Years</u>	<u>10 Years</u>	<u>15 Year</u>
25th percentile	5.94	6.30	5.55	6.01
Median	5.02	5.67	5.25	5.78
75th percentile	3.96	4.96	4.85	5.37
NCRS	5.07	5.86	5.36	5.75
Percentile Rank (1 st percentile = highest performance)	49	43	40	60
<u>Risk</u>	<u>3 Years</u>	<u>5 Years</u>	<u>10 Years</u>	<u>15 Year</u>
25th percentile	6.99	7.85	10.36	9.92
Median	6.41	7.20	9.71	9.41
75th percentile	5.63	6.49	9.02	8.66
NCRS	5.42	6.11	8.17	7.85
Percentile Rank (99 th percentile = lowest risk)	81	81	91	92



NCRS Gross of Fees Sharpe Ratio

BNY Mellon Universe: Public Funds > \$1B

As of February 29, 2016



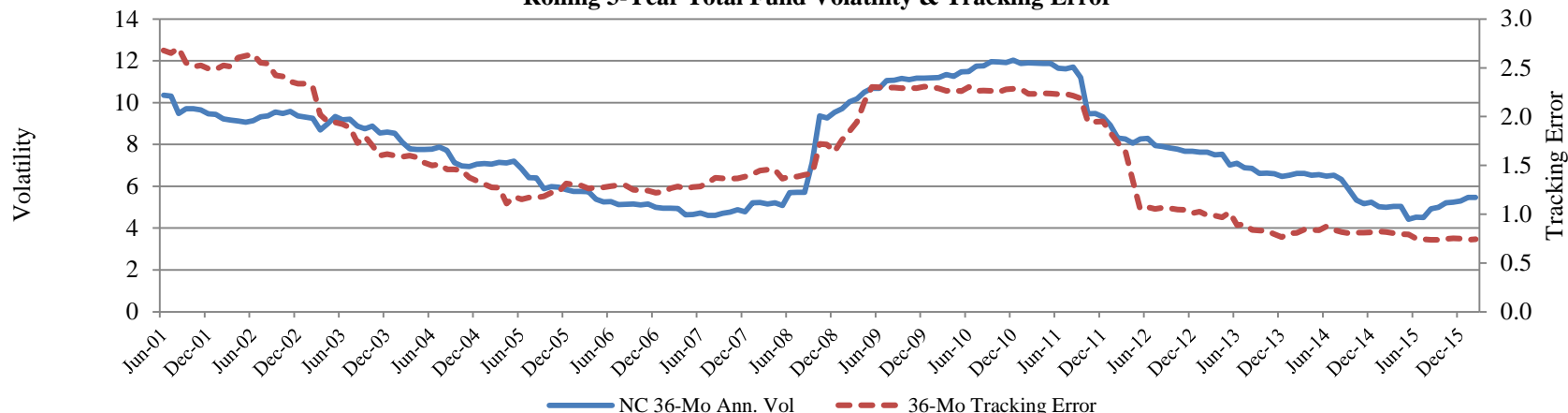
<u>Sharpe Ratio</u>	<u>3 Years</u>	<u>5 Years</u>	<u>10 Years</u>	<u>15 Year</u>
25th percentile	0.94	0.93	0.49	0.55
Median	0.76	0.77	0.45	0.48
75th percentile	0.66	0.68	0.40	0.45
NCRS	0.93	0.95	0.54	0.56
Percentile Rank	27	22	16	20

Note: Scatter plot shows Sharpe Ratio and Volatility for 10 years ending February 29, 2016



NCRS Rolling 3 Year Total Fund Volatility & Tracking Error*

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	47.9	57.1	6.0	8.6	1.6	0.8	2.0	5.7	10.3	1.3	0.8	1.5
Public Equity	34.8	41.5	4.8	11.1	0.9	0.7	1.3	4.7	13.3	0.9	0.7	1.3
Private Equity	4.3	5.1	11.3	3.2	0.0	4.0	0.0	10.1	3.3	-0.9	4.4	-0.2
Non-Core Real Estate	3.8	4.5	15.8	3.2	4.8	4.2	1.2	13.8	3.9	3.2	3.4	0.9
Opportunistic Fixed Income	5.0	5.9	3.5	3.5	5.8	2.7	2.2	5.1	3.7	6.5	3.4	1.9
Rates & Liquidity	25.6	30.5	2.4	3.9	-0.3	0.6	-0.5	4.8	3.8	-0.3	0.7	-0.4
IG Fixed Income	24.2	28.8	2.4	4.0	-0.4	0.6	-0.6	4.8	3.9	-0.3	0.7	-0.4
Cash	1.4	1.7	--	--	--	--	--	--	--	--	--	--
Inflation Sensitive & Diversifiers	9.0	10.7	1.4	3.0	-0.8	2.1	-0.4	1.6	5.6	-1.2	2.1	-0.6
Inflation Sensitive	5.0	5.9	-4.1	4.5	0.2	2.4	0.1	-3.5	7.4	0.4	2.5	0.2
Core Real Estate	4.0	4.8	9.5	4.2	-1.1	3.1	-0.3	9.8	4.8	-1.7	2.9	-0.6
Multi-Strategy	1.5	1.7	4.9	8.0	1.1	0.9	1.2	7.5	9.8	2.3	2.7	0.9
Total NCRS	84.0	100.0	4.4	5.5	1.0	0.7	1.3	5.3	6.1	0.7	0.5	1.5

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

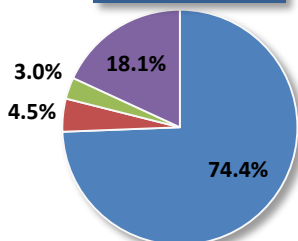
*As of February 29, 2016



NCRS Liquidity Profile

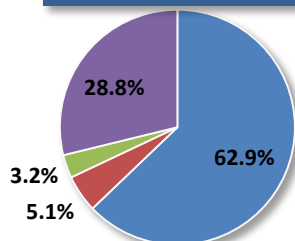
As of February 29, 2016

% Market Value



■ Level 1 ■ Level 2 ■ Level 3 ■ Level 4

% Total Potential Exposure



■ Level 1 ■ Level 2 ■ Level 3 ■ Level 4

Liquidity Levels

- Level 1: Highly Liquid (T+3)
- Level 2: T+3 to 12 Months
- Level 3: 12 to 24 Months
- Level 4: Greater than 24 Months

Current Exposure (Market Value)

	Global Public Equity	Private Equity	Non Core Real Estate	Opportunistic Fixed Income	Investment Grade Fixed Income	Cash	Inflation Sensitive	Core Real Estate	Multi-Strategy	Total \$	Total %
Level 1	\$33,718	\$6	\$0	\$428	\$24,214	\$1,389	\$817	\$571	\$1,312	\$62,456	74.4%
Level 2	\$636	\$0	\$0	\$1,921	\$0	\$0	\$469	\$783	\$0	\$3,809	4.5%
Level 3	\$125	\$0	\$0	\$1,064	\$0	\$0	\$0	\$1,170	\$122	\$2,481	3.0%
Level 4	\$347	\$4,296	\$3,817	\$1,559	\$0	\$0	\$3,690	\$1,485	\$22	\$15,214	18.1%
Total \$	\$34,826	\$4,302	\$3,817	\$4,972	\$24,214	\$1,389	\$4,975	\$4,009	\$1,456	\$83,961	100.0%
Total %	41.48%	5.12%	4.55%	5.92%	28.84%	1.65%	5.93%	4.78%	1.73%		

Total Potential Exposure (Market Value + Unfunded Commitments)

	Global Public Equity	Private Equity	Non Core Real Estate	Opportunistic Fixed Income	Investment Grade Fixed Income	Cash	Inflation Sensitive	Core Real Estate	Multi-Strategy	Total	Total %
Level 1	\$27,751	\$6	\$0	\$428	\$20,456	\$1,389	\$817	\$611	\$1,312	\$52,771	62.9%
Level 2	\$636	\$0	\$0	\$1,960	\$0	\$0	\$469	\$1,243	\$0	\$4,309	5.1%
Level 3	\$125	\$0	\$0	\$1,064	\$0	\$0	\$0	\$1,370	\$122	\$2,681	3.2%
Level 4	\$347	\$7,043	\$6,291	\$2,264	\$0	\$0	\$5,885	\$2,168	\$202	\$24,200	28.8%
Total \$	\$28,860	\$7,049	\$6,291	\$5,717	\$20,456	\$1,389	\$7,171	\$5,392	\$1,636	\$83,961	100.0%
Total %	34.37%	8.40%	7.49%	6.81%	24.36%	1.65%	8.54%	6.42%	1.95%		



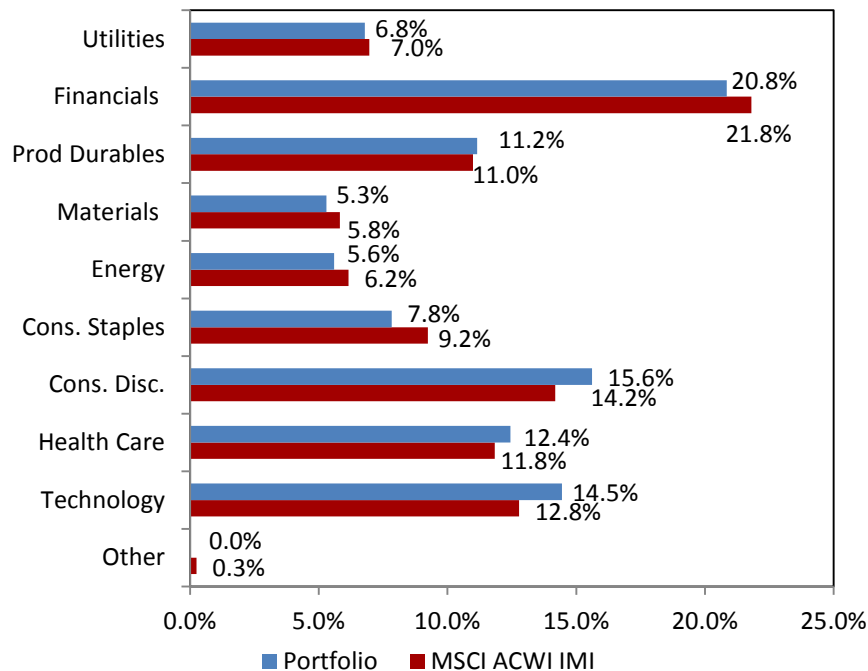
NCRS Public Equity Net Performance

As of February 29, 2016

	Market Value (\$MM)	3 Month	1 Year	3 Years	5 Years	10 Years
Public Equity	\$34,826	(8.43)	(11.43)	4.75	4.72	3.76
Benchmark ²		(8.23)	(11.89)	3.86	3.83	3.32
Domestic Portfolio	\$15,243	(8.42)	(8.36)	10.07	9.48	6.28
Russell 3000		(7.61)	(7.84)	10.05	9.61	6.36
Non-US Portfolio	\$13,894	(9.16)	(15.63)	(1.02)	(0.33)	1.59
Custom Benchmark		(9.29)	(16.37)	(1.74)	(1.01)	0.79
Global Portfolio	\$2,296	(7.95)	(9.88)	9.53	8.42	-
MSCI ACWI		(8.36)	(12.32)	3.67	3.71	3.55
Equity Hedge	\$2,531	(3.39)	-	-	-	-
MSCI ACWI (beta adjusted)		(3.44)	-	-	-	-
Transition	\$862	-	-	-	-	-



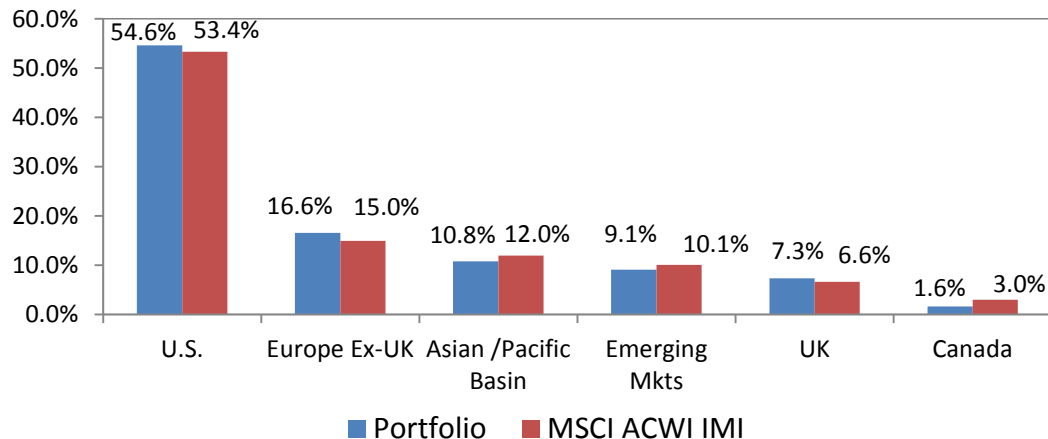
Total Equity Sector Allocation



Portfolio Characteristics

	Portfolio	MSCI ACWI IMI
Price/Earnings	18.7	18.4
Dividend Yield	2.49	2.70
Price/Book	2.77	2.63
Debt/Equity	0.97	0.99
Market Cap (\$ Weighted Median)	30,609	30,526
Return on Equity - 1 Year	15.6	15.1

Total Equity Regional Allocation



As of February 29, 2016

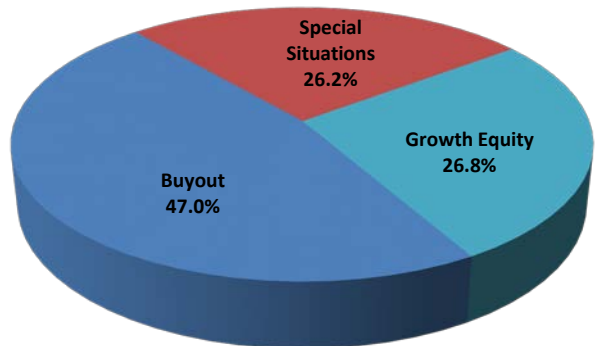
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Net Performance						
	Market Value (\$MM)	3 Month	1 Year	3 Years	5 Years	10 Years
Private Equity	\$4,302	(0.55)	8.89	11.29	10.06	7.58
Benchmark ³		(0.15)	6.27	11.27	11.01	10.46
Buyout	\$1,755	(0.40)	6.45	8.02	7.50	8.28
Growth	\$899	0.12	14.51	16.76	15.50	5.86
Special Situations	\$577	(3.55)	1.41	5.92	5.53	6.84
Fund of Funds	\$1,065	0.31	13.17	15.67	13.24	6.12
Stock Distribution Account	\$6	1.94	4.23	(13.23)	(12.24)	(1.78)

IRR by Vintage Year															
	<u>Pre-2004</u>	<u>2004</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>2015</u>	<u>2016</u>	<u>Total</u>
NCRS	12.08	7.57	5.00	3.02	9.22	9.95	13.32	19.34	9.82	13.38	2.96	4.94	-4.08	N/A	7.42
# of Funds	28	3	11	21	15	17	3	1	6	6	9	4	9	1	134

Strategy Allocation (based on commitments)



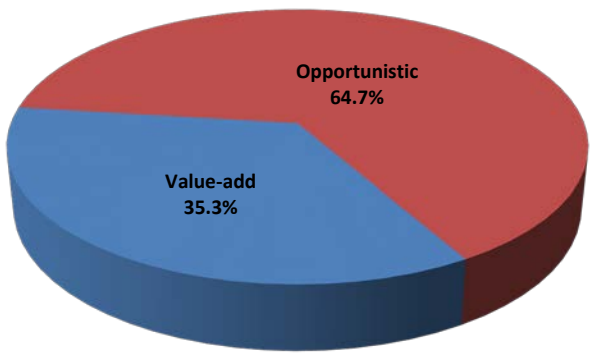
Non-Core Real Estate

As of February 29, 2016

Net Performance						
	Market Value (\$MM)	3 Month	1 Year	3 Years	5 Years	10 Years
Non-Core Real Estate	\$3,817	2.49	15.39	15.81	13.81	4.55
Benchmark ⁴		1.17	8.34	11.01	10.58	4.11
Opportunistic	\$2,455	1.75	14.27	15.47	12.54	4.01
Value Add	\$1,361	3.88	17.68	16.40	15.97	5.97

IRR by Vintage Year															
	<u>Pre-2004</u>	<u>2004</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>2015</u>	<u>2016</u>	<u>Total</u>
NCRS	9.17	15.86	-1.42	2.21	1.23	17.53	7.38	17.81	17.41	16.54	14.28	-7.98	-9.60	N/A	5.40
# of Funds	17	3	15	13	8	6	1	6	7	5	7	7	6	1	102

Strategy Allocation (based on valuation)



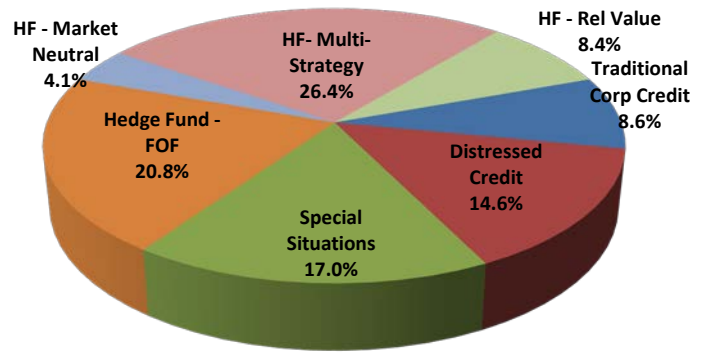
Opportunistic Fixed Income

As of February 29, 2016

Net Performance						
	Market Value (\$MM)	3 Month	1 Year	3 Years	5 Years	10 Years
Opportunistic Fixed Income	\$4,972	(3.25)	(4.91)	3.50	5.05	-
Benchmark ⁵		(6.20)	(11.63)	(2.27)	(1.45)	-
Traditional Corporate Credit	\$428	(5.71)	(5.10)	2.22	6.46	-
Distressed Credit	\$726	(1.93)	(2.08)	6.39	8.28	-
Special Situations	\$847	0.28	8.20	16.73	16.04	-
Hedged Fixed Income	\$2,971	(4.03)	(7.92)	1.24	2.29	-

IRR by Vintage Year													
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Total
NCRS	2.52	N/A	17.40	7.95	22.42	7.72	2.07	-0.29	1.00	-1.93	3.51	N/A	4.81
# of Funds	1	N/A	1	3	1	4	9	2	7	3	1	1	33

Strategy Allocation (based on valuation)



Rates & Liquidity

As of February 29, 2016

Net Performance						
	Market Value (\$MM)	3 Month	1 Year	3 Years	5 Years	10 Years
Rates & Liquidity	\$25,604	1.63	1.00	2.36	4.80	5.95
Benchmark ⁶		2.26	1.49	2.74	5.13	5.70
IG Fixed Income	\$24,214	1.70	1.01	2.44	4.85	5.98
Core Fixed Income	\$21,720	1.89	1.09	2.54	5.02	6.03
IG Fixed Income Cash	\$2,495	0.18	0.62	-	-	-
Cash	\$1,389	0.32	0.75	-	-	-

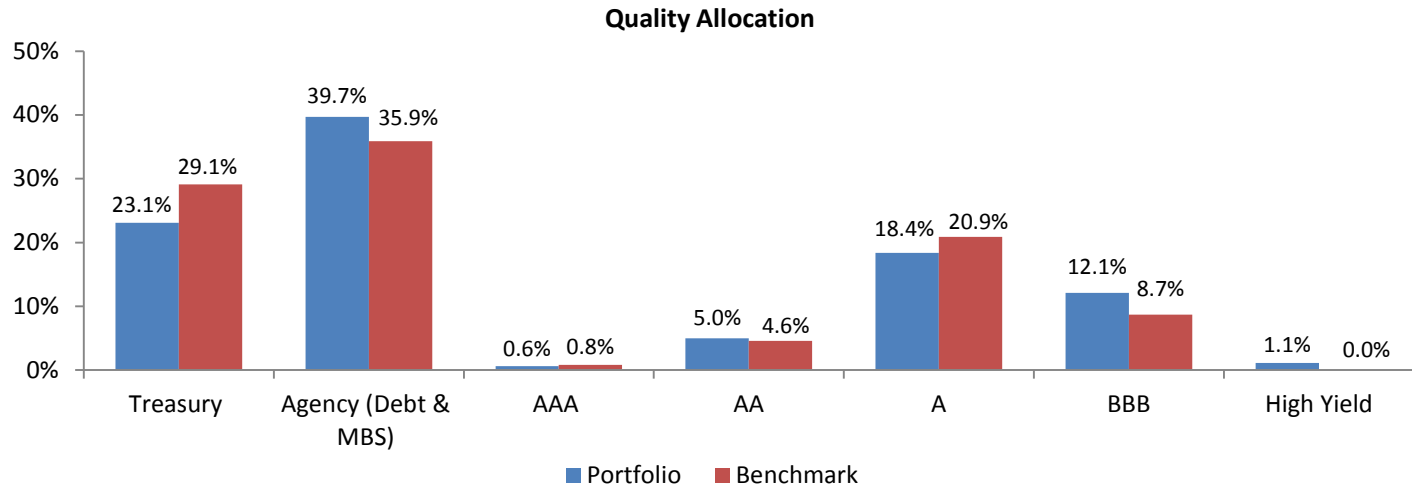
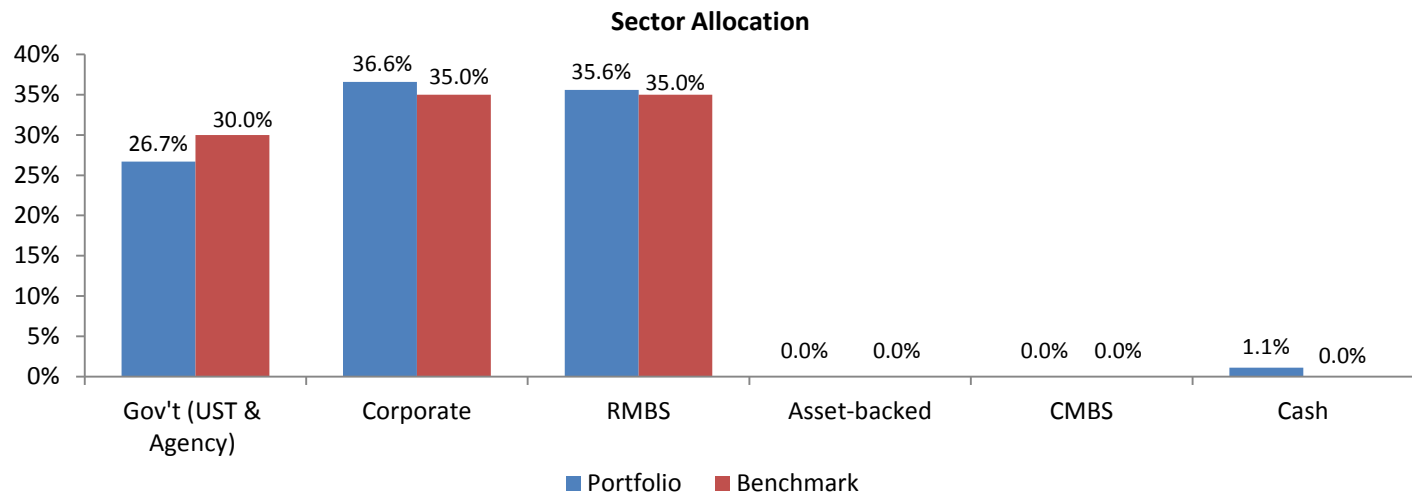
Core Fixed Income Portfolio Characteristics

	<u>Avg. Coupon</u>	<u>Yield to Maturity</u>	<u>Duration</u>
Government (Treasury & Agency)	5.42%	1.96%	10.2
Corporate	4.93%	4.16%	8.6
Mortgage	4.10%	2.34%	3.1
Total	4.76%	2.91%	7.1



Core Fixed Income

As of February 29, 2016



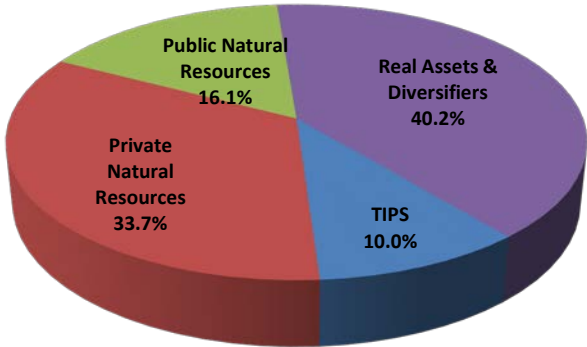
Inflation Sensitive

As of February 29, 2016

Net Performance						
	Market Value (\$MM)	3 Month	1 Year	3 Years	5 Years	10 Years
Inflation Sensitive	\$4,975	(0.87)	(8.97)	(4.09)	(3.53)	(0.51)
Benchmark ¹⁰		0.02	(8.27)	(4.29)	(3.95)	3.10
Private Natural Resources	\$1,687	(1.32)	(13.27)	(0.90)	1.55	1.71
Public Natural Resources	\$801	(3.13)	(21.74)	(14.58)	(11.75)	-
TIPS	\$499	0.35	-	-	-	-
Real Assets & Other Diversifiers	\$1,988	0.22	5.18	6.09	-	-

IRR by Vintage Year												
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Total
NCRS	-0.10	9.34	-0.80	N/A	-15.95	-15.67	3.84	-3.44	4.02	-1.54	N/A	-6.36
# of Funds	3	2	2	0	3	9	7	11	12	3	N/A	52

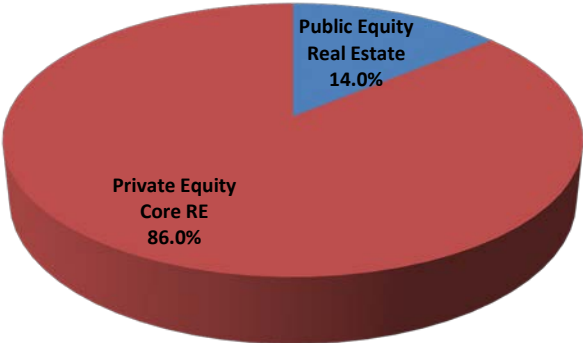
Strategy Allocation (based on valuation)



Net Performance						
	Market Value (\$MM)	3 Month	1 Year	3 Years	5 Years	10 Years
Core Real Estate	\$4,009	1.56	6.17	9.54	9.82	4.69
Benchmark ¹¹		2.22	9.28	10.61	11.53	5.34
Public Equity Real Estate	\$571	(4.21)	(10.56)	5.32	6.54	-
Private Equity Core Real Estate	\$3,438	2.60	9.97	10.68	11.25	5.79

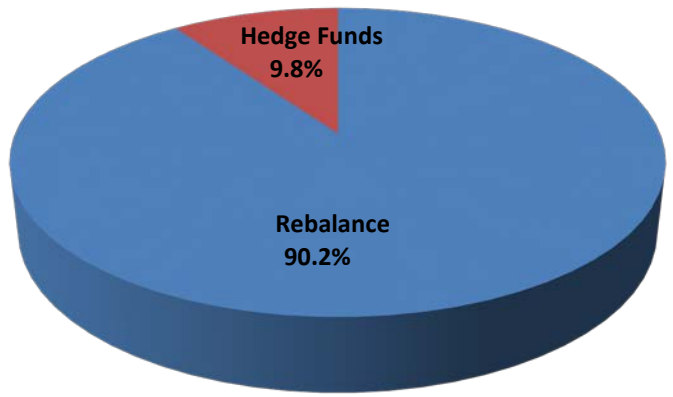
IRR by Vintage Year														
	<u>Pre-2004</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>Total</u>
NCRS	7.64	9.80	-1.41	5.71	1.42	9.83	23.62	N/A	N/A	7.61	3.07	N/A	0.44	7.01
# of Funds	5	1	1	2	3	1	1	0	0	2	6	2	2	26

Strategy Allocation (based on valuation)



Net Performance						
	Market Value (\$MM)	3 Month	1 Year	3 Years	5 Years	10 Years
Multi-Strategy	\$1,456	(6.59)	(7.21)	4.95	7.53	4.79
Benchmark ¹²		(7.09)	(9.34)	3.84	5.25	5.18
Rebalance Strategy	\$1,312	(7.05)	(7.41)	5.90	-	-
Hedge Funds	\$143	(4.11)	(5.97)	0.32	(0.11)	1.00

Strategy Allocation (based on valuation)



New and Incremental Investment Commitments

Since November 2015 IAC Meeting

<u>Fund Name</u>	<u>Firm Name</u>	<u>Commitment</u>	<u>Closing Date</u>
<u>Public Equity</u>			
ECM Feeder Fund 2, LP	Effisimo Capital Management	\$125,000,000	02/26/16
ValueAct Capital Partners	ValueAct Capital Management	\$750,000,000	12/07/15
<u>Private Equity</u>			
Harvest Partners VII, L.P.	Harvest Partners	\$100,000,000	04/01/16
L Catterton Growth Partners III, L.P.	L Catterton Partners	\$75,000,000	01/28/16
Warburg Pincus Private Equity XII, L.P.	Warburg Pincus LLC	\$175,000,000	11/19/15
<u>Non-Core Real Estate</u>			
Blackstone Real Estate Partners Europe V, L.P.	The Blackstone Group	\$200,000,000	02/26/16
Crow Holdings Realty Partners VII, L.P.	Crow Holdings Realty Partners	\$100,000,000	11/16/15
<u>Core Real Estate</u>			
BR Developed Passive REIT	BlackRock	\$300,000,000	02/18/16
BR Active World REIT	BlackRock	\$200,000,000	02/18/16
BR Emerging REIT	BlackRock	\$50,000,000	02/18/16
MW North Carolina Debt Fund, LLC	Mesa West Capital	\$200,000,000	01/27/16
LBA NC Core Industrial, L.P.	LBA NC Core Industrial, L.P.	\$300,000,000	12/23/15
<u>Opportunistic Fixed Income</u>			
AG Pisgah, L.P.	Angelo, Gordon & Co., L.P.	\$400,000,000	02/09/16
<u>Inflation Sensitive</u>			
	None		
<u>Multi Strategy</u>			
AG Cataloochee, L.P.	Angelo, Gordon & Co., L.P.	\$200,000,000	02/09/16



Appendix: NCRS Asset Class Net Performance

As of February 29, 2016

	Market Value (\$MM)	1 Year	3 Years	5 Years	10 Years	15 Years
Growth	\$47,916.51	(7.46)	6.01	5.75	3.98	-
Benchmark ¹		(9.02)	4.43	4.49	3.62	3.94
Public Equity	\$34,826.36	(11.43)	4.75	4.72	3.76	4.39
Benchmark ²		(11.89)	3.86	3.83	3.32	3.60
Private Equity	\$4,301.98	8.89	11.29	10.06	7.58	3.46
Benchmark ³		6.27	11.27	11.01	10.46	9.28
Non-Core Real Estate	\$3,816.52	15.39	15.81	13.81	4.55	-
Benchmark ⁴		8.34	11.01	10.58	4.11	7.16
Opportunistic Fixed Income	\$4,971.64	(4.91)	3.50	5.05	-	-
Benchmark ⁵		(11.63)	(2.27)	(1.45)	-	-
Rates & Liquidity	\$25,603.72	1.00	2.36	4.80	5.95	6.20
Benchmark ⁶		1.49	2.74	5.13	5.70	5.98
IG Fixed Income	\$24,214.47	1.01	2.44	4.85	5.98	6.21
Benchmark ⁷		1.54	2.81	5.17	5.72	5.99
Cash	\$1,389.25	0.75	-	-	-	-
Benchmark ⁸		0.08	0.04	0.05	-	-
Inflation Sensitive & Diversifiers	\$8,984.55	(2.69)	1.38	1.62	1.07	-
Benchmark ⁹		(0.57)	2.17	2.85	0.79	3.78
Inflation Sensitive	\$4,975.22	(8.97)	(4.09)	(3.53)	(0.51)	-
Benchmark ¹⁰		(8.27)	(4.29)	(3.95)	3.10	-
Core Real Estate	\$4,009.33	6.17	9.54	9.82	4.69	-
Benchmark ¹¹		9.28	10.61	11.53	5.34	6.88
Multi-Strategy	\$1,455.74	(7.21)	4.95	7.53	4.79	-
Benchmark ¹²		(9.34)	3.84	5.25	5.18	-

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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.

*Source: BofA Merrill Lynch , used with permission. See disclaimer on page.



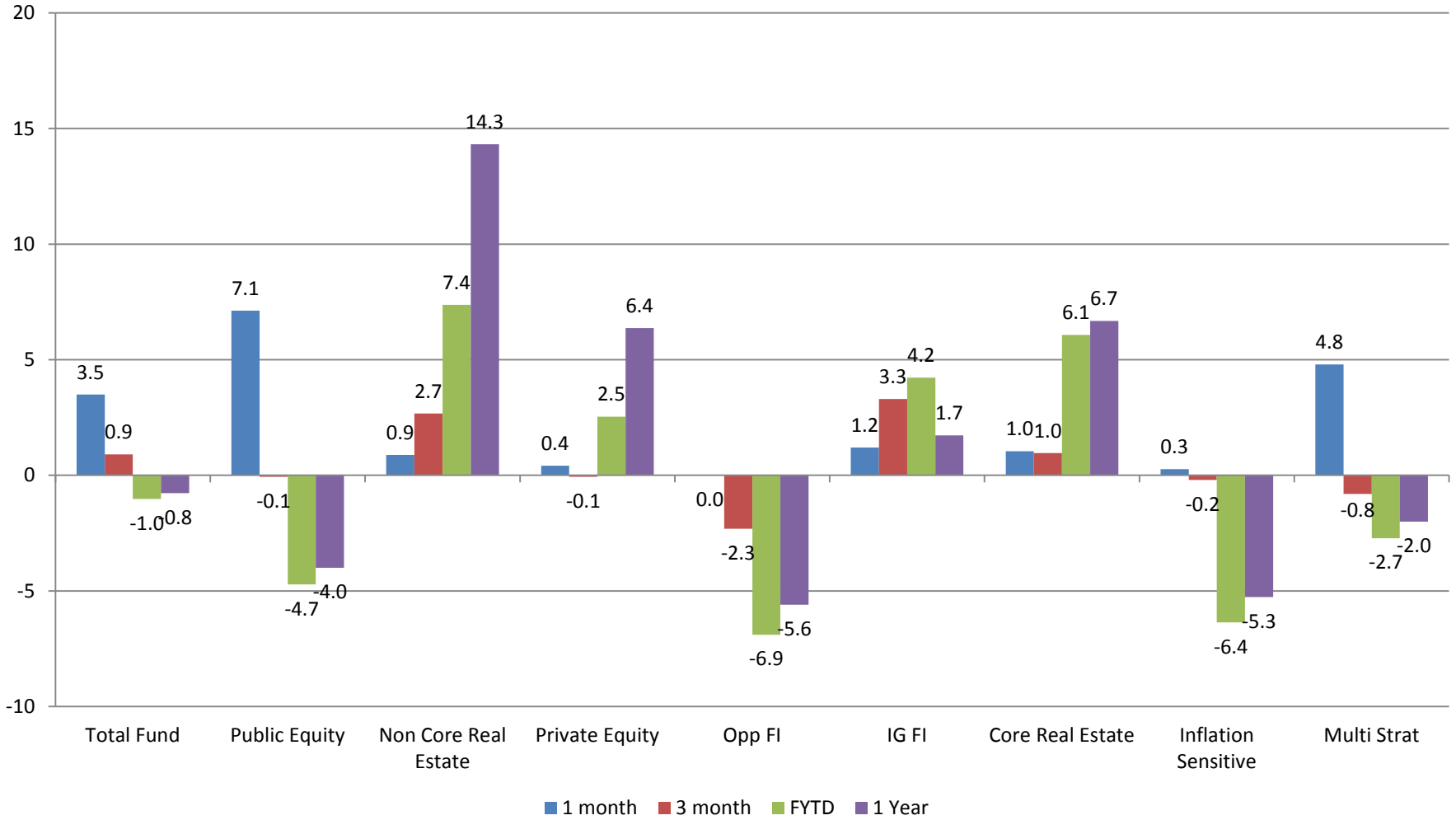
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NCRS Unaudited Performance

As of March 31, 2016



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





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