

APFC INVESTMENT POLICY

1 Preamble

Alaska Statutes ("AS") Title 37 Chapter 13. Alaska Permanent Fund Corporation ("APFC" or "Corporation").

Article 01. Alaska Permanent Fund ("Fund")

Section 37.13.020. Findings.

The people of the state, by constitutional amendment, have required the placement of at least 25 percent of all mineral lease rentals, royalties, royalty sale proceeds, and federal mineral revenue sharing payments and bonuses received by the state into a permanent fund. The legislature finds with respect to the fund that

(1) the fund should provide a means of conserving a portion of the state's revenue from mineral resources to benefit all generations of Alaskans;

(2) the fund's goal should be to maintain safety of principal while maximizing total return;

(3) the fund should be used as a savings device managed to allow the maximum use of disposable income from the fund for purposes designated by law.

2 Purpose

The purpose of the Alaska Permanent Fund Corporation is to manage and invest the assets of the Permanent Fund and other funds designated by law. The Corporation is managed by the Board of Trustees ("Board").

The purpose of this statement of investment policy is to set out in a comprehensive way the Board's policies and practices that deal with the Board's investment-related functions. The statement of investment policy is not intended to be a static, one-time document, however. The Board intends that the statement of investment policy be kept current and updated as the Board modifies or adds to its investment-related policies and practices.

These policies will be considered in their entirety on at least a bi-annual basis. Policies may be modified at any time by Board action (so long as such action is approved by roll call vote), even if this document is not immediately amended to reflect Board changes. In these circumstances, changes will be noted in Board meeting minutes, copies of which will be highlighted with relevant sections and filed in the same electronic folder as this document.

The policies addressed herein shall be interpreted and applied in a manner consistent with AS 37.13.120(a), which provides, in part, as follows:

The prudent-investor rule as applied to investment activity of the fund means that the corporation shall exercise the judgment and care under the circumstances then prevailing that an institutional investor of ordinary prudence, discretion, and intelligence exercises in the designation and management of large investments entrusted to it, not in regard to speculation, but in regard to permanent disposition of funds, considering preservation of purchasing power of the fund over time while maximizing the expected total return from both income and appreciation of capital.

3 Philosophy

3.1 Asset Allocation

The Board believes...

“that strategic asset allocation is a fiduciary responsibility, which is a basic duty of the Board. To meet the long-term real, i.e. inflation-adjusted, return objective, the portfolio should be built on a diversified global portfolio.”

3.2 Risk Tolerance

The Board believes...

“that a global equity-oriented portfolio will produce long-term returns that outweigh the short-term and medium-term risks to the corpus. The Board believes the markets will exhibit volatility. A temporary loss of capital may occur in the future, but the long-term nature of the Fund allows it to weather such occurrences.”

3.3 Time Horizon

The Board believes...

“that to preserve the purchasing power of the corpus and provide benefits to the current and future generations the portfolio should have a strategic asset allocation built on a long-term investment horizon.”

3.4 Preservation of Capital

The Board believes...

“that it is important to limit loss of capital in down markets, as large negative underperformance mathematically reduces the probability of meeting the long-term real return objective.”

3.5 Rebalancing

The Board believes...

“that rebalancing the portfolio should enhance returns and control risk over the long-term.”

3.6 Diversification

The Board believes...

“that diversification of asset class, sub-asset class, risk and manager are the primary techniques available to institutional investors for maximizing the potential return per unit of risk when investing to produce returns higher than cash.”

3.7 Sources of Return

The Board believes...

“the Fund’s risk and return relationships should be predominantly based on market risks and returns, rather than less predictable and difficult to find active management returns.”

3.8 Internal Asset Management

The Board believes...

“that where internal management has the capability to produce competitive returns, internal asset management benefits the Fund through lower fees, greater transparency and increased market awareness.”

3.9 Liquidity

The Board believes...

“that the Fund has limited demands in terms of liquidity as royalties, coupons, rent and dividends often meet the annual distributions. Given the Fund’s liquidity profile and long-term investment horizon it has the ability to take advantage of the superior risk-adjusted returns provided by prudent investments in private securities.”

4 Mission

The Board's mission is calibrating the Fund's risk tolerance to balance the competing objectives of capital preservation and capital appreciation for current and future generations. In doing so, the Board will strive to outperform peers in down markets and meet peer returns in up markets.

5 Objectives

5.1 Return

The Board's long-term investment goal for the Fund is to achieve a real rate of return of five percent (5%) per year. It is recognized that there may be years, or a period of years, when the Fund does not achieve this goal followed by years when the goal is exceeded. Yet, over a long period of time, the Board seeks to achieve an average annual real rate of return of five percent (5%) at risk levels broadly consistent with large public and private funds.

5.2 Trustees

The Board's charter includes the following:

Alaska Permanent Fund Corporation – Charter of the Board of Trustees – Duties and Responsibilities - Investments

8. *In managing and investing the assets of the Alaska Permanent Fund, the Board is required to exercise the judgment and care under the circumstances then prevailing that an institutional investor of ordinary prudence, discretion, and intelligence exercises in the designation and management of large investments entrusted to it, not in regard to speculation, but in regard to the permanent disposition of funds, considering preservation of the purchasing power of the Fund over time while maximizing the expected total return from both income and the appreciation of capital.
[AS 37.13.120]*
9. *The Board will establish a statement of investment policies and guidelines, including the Board's overall investment philosophy, as well as other related policies as necessary for the effective management and investment of the assets of the Fund.*
10. *The Board will establish a framework or process for the management of the investment risk of the Fund.*
11. *The Board will approve the long-term or strategic asset allocation of the Fund in terms of the proportion of total assets to be invested*

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on average over time in the various asset classes or risk categories, as well as the minimum-maximum range within which the assets can be allocated at any point in time.

(a) The Board will establish an investment management structure for the Fund and proportion of assets in an asset class to be managed by external investment managers versus internal staff.

5.3 APFC Investment Staff

The APFC Investment Staff ("Staff") is primarily responsible for implementing the Board's strategic asset allocation. This includes: (a) hiring, terminating, and monitoring of internal and external managers; (b) monitoring and communicating the multitude of risks associated with the Fund assets, managers and process; (c) researching and recommending new asset classes and investment strategies; and (d) assisting the Board in setting the strategic asset allocation and investment policy.

5.4 Critical Dependencies

Staff must have adequate internal human resources, financial support and appropriate authority to meet the assigned objectives.

6 Time Horizon

The Fund's design is to benefit current and future generations of Alaskans; hence, the time horizon is long. More specifically, with assistance from independent third party Consultants ("Consultants"), Board Advisors ("Advisors") and Staff, the Board has established a strategic asset allocation with a time horizon greater than ten years to meet the investment objective.

7 Risk Tolerance

The Board's investment allocation will be equity-dominant given its long-term investment horizon and goal, but will include multiple asset classes having varying risk and correlation assumptions. Based on the Consultant's financial models for a 5% real return objective, the Fund's long-term expected standard deviation is approximately 12%.

8 Strategic Asset Allocation

The strategic asset allocation will seek to optimize expected return versus expected risk over a long-term investment horizon. The Board will annually evaluate the strategic asset allocation after reviewing considerations and recommendations from the Consultant, Advisors, and/or Staff.

As stated in the 15 AAC 137.420, "All permanent fund investments must be of a quality considered acceptable by other prudent institutional investors, including endowments."

Table 8a: Strategic Asset Allocation Overview

Risk Class	Asset Class	Risk Class Target	Asset Class Target
Cash		2%	2%
Interest Rates		6%	
	U.S. Government Bonds		4%
	International Developed Government Bonds (currency hedged)		2%
Company Exposure		53%	
	Global Credit		11%
	Global Equity		36%
	Private Equity		6%
Real Assets		18%	
	Real Estate		12%
	Infrastructure		3%
	U.S. Treasury Inflation Protected Securities		3%
Special Opportunities*		21%	
	Absolute Return Mandate		6%
	Real Return Mandate		7%
	Distressed Debt		1%
	Mezzanine Debt		1%
	Structured Credit		1%
	Other (future opportunities)		5%

*Capital not invested in Special Opportunities will reside in the Company Exposure risk class. Hence, the risk class target allocation will vary depending upon the actual capital invested in Special Opportunities.

8.1 Cash

Purpose: The cash allocation is designed to let the Fund build up reserves over the course of the year to meet its expected liabilities, primarily the annual dividend payment. Additionally, cash is used to manage short-term liquidity needs that arise from asset allocation rebalancing.

Return Goal: Rate of Inflation

Components: Money market funds or fixed income securities with weighted-average maturities of no greater than 24 months.

Risk Considerations (only a sample of the risks to consider):

1. Re-investment risk; and
2. Interest rate risk.

Benchmark: U.S. Government 3 month Treasury Bills.

8.2 Interest Rates

Purpose: Debt securities, with low credit risk, often provide insurance against severe equity market corrections, essentially, acting as a deflation hedge. Additionally, they provide a high level of liquidity.

Return Goal: 3 month U.S. Treasury Bills + 150 basis points.

Components: U.S., Non-U.S. developed, and/or super-sovereign government or government-related fixed income securities.

Risk Considerations (only a sample of the risks to consider):

1. Interest rate risk;
2. Curve risk;
3. Inflation risk; and
4. Default risk.

Benchmark: Barclays Global Government Bond Index (currency hedged).

8.3 Company Exposure

Purpose: When the economy is performing well, public and private companies are generally producing profits and passing those profits to investors via interest payments on debt, dividends or through higher stock price. Investing in these corporations allows the Fund to benefit in times of growth and prosperity.

Return Goal: 3 month U.S. Treasury Bills + 600 basis points.

Components: Global corporate credit fixed income securities and global stocks (public and private).

Table 8.3.1 Risk Considerations (only a sample of the risks to consider)

Interest rate risk	Credit spread risk	Liquidity risk
Equity risk	Bankruptcy risk	Refinancing risk
Inflation risk	Currency risk	

Benchmark: 20% Barclays Global Corporate Bond Index (currency hedged)
80% Morgan Stanley All Country Investable Market Equity Index.

8.4 Real Assets

Purpose: The value of real assets may hedge inflation risk, helping protect the Fund's real value over time.

Return Goal: 3 month U.S. Treasury Bills + 400 basis points.

Components: Real estate, infrastructure and Treasury Inflation-Protected Securities (TIPS).

Table 8.4.1 Risk Considerations (only a sample of the risks to consider)

Interest rate risk	Credit spread risk	Liquidity risk
Equity risk	Bankruptcy risk	Refinancing risk
Inflation risk	Currency risk	Partnership risk
Cash flow risk	Natural disaster risk	Business (operational) risk

Benchmark: 75% NCREIF Property Index ("NPI")
25% Barclays U.S. Treasury Inflation-Protected Securities.

8.5 Special Opportunities

Purpose: This allocation allows the Fund to invest in special investment opportunities and to take advantage of perceived market opportunities.

Return Goal: 3 month U.S. Treasury Bills + 600 basis points.

Components: Global money market securities, fixed income securities (public and private), stocks (public and private), currencies and commodities.

Table 8.5.1 Risk Considerations (only a sample of the risks to consider)

Interest rate risk	Credit spread risk	Liquidity risk
Equity risk	Bankruptcy risk	Refinancing risk
Inflation risk	Currency risk	Partnership risk

Benchmark: 20% Barclays Global Corporate Bond Index (currency hedged)
80% Morgan Stanley All Country Investable Market Equity Index.

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Table 8b: Summary of Asset Class Objectives

Asset Class	Capital Appreciation	Inflation Protection*	Deflation/Crisis Protection	Capital Preservation	Purchasing Power Preservation**	Income Generation	Diversification	Alpha
Cash			M	M	M	m		
U.S. Government Bonds			M	M	M	m		
Intl. Government Bonds			M	M	M	m	M	
Emerging Market Gov. Bonds		M				M	M	
Global Corporate Bonds						M		
Global High Yield Bonds						M		
U.S. Equities	M				M			
International Equities	M				M		m	
Emerging Market Equities	M				M		m	
Private Equities	M				M			M
Real Estate	M	m			M	M	m	
Infrastructure		m			M	M	m	
Treasury Inflation-Protected Securities		M			M			
Absolute Return Managers	M							M
Structured Credit Securities	M					M		
Distressed Debt	M							
Mezzanine Debt	M					M		
Real Return Mandate	M			M	M			M

*Inflation Protection: investments expected to hedge short-term inflationary shocks.

**Purchasing Power Preservation: investments expected to hedge the corpus against long-term inflation.

Upper case M indicates major objective, while lower case m represents the minor objective.

Board of Trustees

Monthly Performance Report - March 31, 2011

Returns are unaudited, preliminary, and include some estimates

Consolidated Assets - APF assets equal 99% of total assets. Slight differences are due to rounding.

Market values shown are unaudited, and returns for periods greater than one year are annualized.

Direct real estate, Fund benchmark and Total Fund returns are preliminary and are calculated internally based on most recent Callan quarterly data.

All other returns are provided by Callan Associates, Inc. and are shown gross of fees (before fees) except as noted.



Returns as of 3/31/2011									
	3/31/2011	Current	Last 3	Fiscal	Calendar	Last 12	Last 3	Last 5	
	Market	Month	Months	Y-T-D	Y-T-D	Months	Years	Years	
	Value								
	(\$ in millions)								
RETURNS BY ASSET CLASS									
Domestic Fixed Income	\$ 8,128.1	0.18%	1.00%	2.98%	1.00%	5.80%	5.58%	6.00%	
Non-Domestic Fixed Income	836.0	-0.15%	-0.93%	-1.02%	-0.93%	1.60%	2.03%	5.11%	
Domestic Equities	6,700.8	0.54%	6.30%	33.28%	6.30%	18.31%	4.80%	3.54%	
Non-Domestic Equities	8,203.6	0.37%	2.86%	28.18%	2.86%	13.85%	-0.97%	3.98%	
Global Equities	4,829.1	-0.20%	4.73%	29.82%	4.73%	14.00%	-0.59%	1.76%	
Real Estate	3,541.8	0.24%	3.24%	11.42%	3.24%	13.12%	-3.58%	N/M	
Private Equity	1,297.7	N/M	N/M	N/M	N/M	N/M	N/M	N/M	
Absolute Return	2,874.3	0.08%	2.07%	7.34%	2.07%	6.98%	2.12%	3.84%	
Infrastructure	795.2	N/M	N/M	N/M	N/M	N/M	N/M	N/M	
External CIO/Real Return Mandate	3,121.0	0.70%	2.41%	14.21%	2.41%	11.79%			
Total Fund	\$ 40,327.5	0.52%	3.51%	18.78%	3.51%	12.86%	2.55%	4.01%	
RETURNS BY RISK CLASS									
Company Exposure	24,230.0	0.49%	4.37%	26.84%	4.37%	15.43%			
Interest Rates	2,595.2	0.00%	-0.24%	-0.14%	-0.24%	3.03%			
Real Assets	5,654.5	1.25%	3.84%	10.58%	3.84%	12.30%			
Opportunity Pool	7,038.8	0.45%	2.17%	10.47%	2.17%	9.32%			
Cash	809.0	0.02%	0.06%	0.29%	0.06%	0.36%			
Total Fund Return Objective	\$ 40,327.5	1.39%	3.21%	6.27%	3.21%	7.68%	6.53%	7.26%	
Total Fund Return Benchmark		0.23%	3.52%	21.10%	3.52%	13.32%	3.08%	4.57%	
COMPANY EXPOSURE									
In House Corporate Bonds	\$ 2,635.0	-0.12%	0.98%	4.41%	0.98%	7.83%			
Barclay's Capital U.S. Corporate Index		-0.13%	0.86%	3.91%	0.86%	7.46%			
Capital Guardian High Yield	\$ 203.2	0.41%	3.73%	13.25%	3.73%	13.31%	11.42%		
Oaktree High Yield	\$ 360.6	0.12%	5.08%	14.15%	5.08%	13.69%	13.70%		
BC Global High Yield Corporate (Hedged)		0.24%	3.96%		3.96%				
Passive Large-Cap Domestic Equity Managers									
Mellon S&P 500	\$ 2,036.8	0.04%	5.91%	30.54%	5.91%	16.36%	2.77%	3.02%	
Mellon FTSE RAFI US Large Cap	\$ 1,214.6	0.07%	6.16%	31.96%	6.16%	15.64%	2.35%	2.62%	
S&P 500 Index		0.04%	5.92%	30.56%	5.92%	16.57%	6.63%	5.18%	
FTSE RAFI US 1000 Index		0.06%	6.18%	32.05%	6.18%	12.64%	5.08%	3.99%	
Large-Cap Growth Domestic Equity Managers									
RCM - Large Cap	\$ 1,529.9	0.15%	5.43%	33.22%	5.43%	16.69%	2.98%	2.93%	
GE Asset Mgmt	\$ 583.5	-0.45%	6.46%	30.80%	6.46%	18.26%	5.19%	4.34%	
Russell 1000 Index		0.26%	6.24%	31.77%	6.24%				
Russell 1000 Growth		0.12%	6.03%	33.99%	6.03%				

3/31/2011		Returns as of 3/31/2011						
Market Value (\$ in millions)		Current Month	Last 3 Months	Fiscal Y-T-D	Calendar Y-T-D	Last 12 Months	Last 3 Years	Last 5 Years
COMPANY EXPOSURE (continued)								
Passive Small-Cap Domestic Equity Manager								
	\$	2.45%	9.36%	40.39%	9.36%	26.97%	10.00%	6.05%
Mellon S&P 400								
S&P 400		2.45%	9.36%	40.41%	9.36%	26.95%	10.00%	6.07%
Small-Cap Core Manager								
Jennison Associates LLC	\$	2.88%	8.98%	42.95%	8.98%	29.95%	10.97%	6.36%
Russell 2000 Index		2.59%	7.94%	39.65%	7.94%	25.79%	8.57%	3.35%
Small-Cap Growth Managers								
RBC Asset Mgmt	\$	3.72%	10.14%	39.96%	10.14%	30.23%	12.27%	4.89%
Eagle Asset Mgmt	\$	3.77%	9.54%	45.18%	9.54%	36.67%	13.89%	
Russell 2000 Index		2.59%	7.94%	39.65%	7.94%	25.79%	8.57%	3.35%
Russell 2000 Growth Index		3.75%	9.24%	44.35%	9.24%	31.04%	10.16%	4.34%
Small-Cap Value Managers								
T Rowe Price	\$	2.92%	7.27%	37.09%	7.27%	24.92%	8.33%	3.84%
Pzena Investment Mgmt	\$	0.34%	4.09%	32.59%	4.09%	18.64%	14.34%	
Russell 2000 Index		2.59%	7.94%	39.65%	7.94%	25.79%	8.57%	3.35%
Russell 2000 Value Index		1.39%	6.60%	34.93%	6.60%	20.63%	6.76%	2.23%
International Passive/Quasi-Passive Managers								
Mellon MSCI World ex-USA	\$	-1.97%	3.90%	29.05%	3.90%	9.30%	-2.92%	1.67%
DFA International Large Cap	\$	-2.18%	4.04%	30.02%	4.04%			
MSCI EAFE/MSCI World ex-USA ¹		-2.00%	3.82%	29.22%	3.82%	11.14%	-2.81%	1.44%
EAFE Active Managers								
GE Asset Mgmt EAFE	\$	-1.84%	3.17%	28.08%	3.17%	9.38%	-5.51%	
Acadian Asset Mgmt EAFE	\$	-0.10%	1.65%	21.40%	1.65%	9.36%	-3.95%	
MSCI EAFE		-2.24%	3.37%	28.36%	3.37%	10.42%	-3.01%	
International Small-Cap Managers								
DFA International Small Company	\$	-0.16%	4.14%	37.17%	4.14%	22.51%		
DFA International Small Cap Value	\$	0.50%	5.58%	38.24%	5.58%	18.71%		
SSgA World ex-USA Small Cap	\$	0.01%	3.34%		3.34%			
MSCI World ex-USA Small Cap		-0.09%	3.29%	37.26%	3.29%	22.00%		

¹ MSCI EAFE through 5/26/10, then MSCI World ex-USA

3/31/2011

Market Value (\$ in millions)

3/31/2011

Current Month

Last 3 Months

Fiscal Y-T-D

Calendar Y-T-D

Last 12 Months

Last 3 Years

Last 5 Years

Returns as of 3/31/2011

COMPANY EXPOSURE (continued)

Emerging Markets Managers

Capital Guardian EMGF \$ 1,348.5
Mondrian Investment Partners \$ 748.3
SSgA MSCI Emerging Markets \$ 226.8
MSCI Emg Mkts Index

Global Equity Managers

AQR Global Equity \$ 972.8
State Street MSCI World Index (Passive) \$ 647.1
MSCI World Index

Lazard Asset Management⁴ \$ 1,290.5
McKinley Capital Mgmt \$ 711.8
GMO Global Equity⁴ \$ 1,206.6
MSCI All-Country World Index¹

Private Equity Managers²

Pathway Capital Management \$ 1,256.0
HarbourVest \$ 41.7
Private equity custom index³

INTEREST RATES

In House MBS/TBA Cash Combined \$ 609.2
Barclay's Capital U.S. MBS Index
In House Government Bonds \$ 1,150.0
Barclay's Capital U.S. Treasury Index

Non-domestic Fixed Income Managers

GAM International Mgmt \$ 391.7
Rogge Global Partners \$ 444.2
BC Global Treasury ex-US Index (Hedged)

CASH

Alaska CD \$ 220.3
Internal Cash \$ 588.7
Three-month T-Bill Rate

REAL ASSETS

In House TIPS \$ 797.8
Alaska Permanent Capital Mgmt \$ 519.8
Barclay's Capital U.S. TIPS Index
Infrastructure⁵ \$ 795.2

¹ MSCI World through 9/30/10, then MSCI All Country World (net), thereafter.

² Private equity accounts are gradually funded over time. Private equity returns are calculated as internal rates of return and are not meaningful here.

³ As of July 1, 2009, the private equity custom index is 60% Russell 3000 and 40% MSCI EAFE.

⁴ Lazard and GMO global equity accounts' annual fees do not include fees paid on imbedded mutual fund positions. As of 3/31/11, 21.27% of Lazard's investments and 17.39% of GMO's investments are in mutual funds.

⁵ The infrastructure asset class was initially funded in late November 2007. Infrastructure returns are calculated as internal rates of return and are not meaningful here.



Board of Trustees Monthly Performance Report - March 31, 2011

Consolidated Assets - APF assets equal 99% of total assets. Slight differences are due to rounding.
Values shown are unaudited. \$ in millions.

Unrealized Gain(Loss) Analysis

COMPANY EXPOSURE		Cost	Market	Unrealized Gain(Loss)
Corporate Debt				
In House Corporate Bonds	\$	2,547.5	\$ 2,635.0	\$ 87.5
Capital Guardian High Yield		188.2	203.2	15.0
Oaktree High Yield		360.5	360.6	0.1
Domestic Equities				
Mellon S&P 500		1,459.8	2,036.8	577.0
Mellon FTSE RAFI US Large Cap		960.0	1,214.6	254.5
RCM - Large Cap		1,178.7	1,529.9	351.2
GE Asset Mgmt		479.0	583.5	104.5
Mellon S&P 400 (prev 1000)		220.7	269.8	49.1
T Rowe Price		144.4	214.6	70.1
Jennison Associates LLC		165.2	211.7	46.5
RBC Asset Mgmt		167.1	215.4	48.3
Eagle Asset Mgmt		155.4	217.7	62.3
Pzena Investment Mgmt		176.3	206.8	30.5
Non-domestic Equities				
Mellon MSCI World-ex-USA		2,001.6	2,528.0	526.4
GE Asset Mgmt EAFE		758.1	834.7	76.6
Goldman Sachs EAFE		0.1	0.2	0.0
Artio EAFE		1.0	1.0	0.0
Acadian Asset Mgmt EAFE		461.6	502.6	41.1
Capital Guardian EMGF		1,296.6	1,348.5	51.8
Mondrian Investment Partners		630.0	748.3	118.3
SSgA MSCI Emerging Markets		174.8	226.8	52.0
SSgA World ex-USA Small Cap		206.4	253.2	46.8
DFA International Large Cap		1,045.9	1,256.3	210.4
DFA International Small Company		205.5	254.9	49.4
DFA International Small Cap Value		207.4	249.1	41.7
Global Equities				
Capital Guardian		0.3	0.3	0.0
Lazard Asset Mgmt		1,112.2	1,290.5	178.3
McKinley Capital Mgmt		582.0	711.8	129.7
GMO Global		1,096.3	1,206.6	110.3
AQR Capital Mgmt		866.9	972.8	105.9
State Street MSCI World		439.1	647.1	208.0
Private Equity				
Pathway		1,163.6	1,256.0	92.4
HarbourVest		39.2	41.7	2.5
Total Company Exposure	\$	20,491.7	\$ 24,230.0	\$ 3,738.3
INTEREST RATES				
Domestic Government				
In House MBS	\$	304.5	\$ 316.8	\$ 12.4
In House TBA Cash		292.4	292.4	0.0
In House Government Securities		1,151.8	1,150.0	(1.8)
International Government				
GAM International Mgmt		377.4	391.7	14.3
Rogge Global Partners		425.8	444.2	18.4
Total Interest Rates	\$	2,551.9	\$ 2,595.2	\$ 43.2
REAL ASSETS				
Real Estate				
RE Direct Equity	\$	2,973.0	\$ 3,250.6	\$ 277.6
AEW Global RE Securities		231.9	291.2	59.3
TIPS				
In House TIPS		756.6	797.8	41.2
Alaska Permanent Capital Mgmt		478.5	519.8	41.2
Infrastructure				
Total Real Assets	\$	5,144.1	\$ 5,654.5	\$ 510.4
OPPORTUNITY POOL				
CMBS and High Yield Debt				
In House CMBS	\$	344.1	\$ 363.7	\$ 19.7
Cap Guardian High Yield Emerging Markets Gov't		403.9	420.9	17.0
Emerging Markets Total Opportunities				
Capital Guardian ETOP		200.0	200.0	(0.0)
Absolute Return				
Lazard Alternatives		306.3	374.1	67.8
Mariner Investment Group		1,028.6	1,178.6	150.1
Cresline Investors		739.6	877.1	137.6
PAAMCO L.P.		39.1	31.6	(7.5)
Distressed and Mezzanine Debt				
Crestline AK Distressed Fund		197.1	252.8	55.7
Oaktree Opportunities Fund VIII		148.6	160.1	11.5
Oaktree III Mezzanine Debt		45.1	45.1	0.0
Audax III Mezzanine Debt		13.8	13.8	0.0
External CIO/Real Return Mandate				
Bridgewater ECIO		504.0	629.3	125.2
AQR ECIO		584.0	629.0	45.0
GMO ECIO		750.0	710.5	(39.5)
Goldman Sachs ECIO		509.6	556.5	47.0
PIMCO ECIO		521.4	595.7	74.3
Total Opportunity Pool	\$	6,335.1	\$ 7,038.8	\$ 703.7
CASH				
Alaska CD Program	\$	220.0	\$ 220.3	\$ 0.3
Internal Cash		588.7	588.7	0.0
Total Cash	\$	808.7	\$ 809.0	\$ 0.3
TOTAL FUND	\$	35,331.5	\$ 40,327.5	\$ 4,996.0