

BUDGET STABILIZATION FUND
INVESTMENT PERFORMANCE REPORT AS OF SEPTEMBER 30, 2011

	September-11							August-11					July-11					Current Fiscal YTD		Prior Year FY11		3 Years Ended 6/30/2011		5 Years Ended 6/30/2011	
	Allocation		Quarter		Month			Allocation		Month			Allocation		Month			Returns		Returns					
	Market Value	Actual	Policy	Gross	Net	Gross	Net	Market Value	Actual	Policy	Gross	Net	Market Value	Actual	Policy	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
TOTAL BUDGET STABILIZATION FUND	377,338,283	30.2%	30.2%	-0.16%	-0.17%	0.11%	0.11%	324,897,379	100.0%	100.0%	-0.34%	-0.34%	325,938,914	100.0%	100.0%	0.07%	0.06%	-0.16%	-0.17%	3.69%	3.63%	2.20%	2.15%	2.35%	2.30%
POLICY TARGET BENCHMARK				0.02%	0.02%	0.00%	0.00%				0.02%	0.02%				-0.01%	-0.01%	0.02%	0.02%	0.16%	0.16%	0.44%	0.44%	2.01%	2.01%
Bank of ND CD'S	99,966,787	26.5%	26.5%	1.09%	1.09%	0.36%	0.36%	109,831,238	31.0%	31.0%	0.37%	0.37%	100,743,434	30.9%	30.9%	0.36%	0.36%	1.09%	1.09%	4.37%	4.37%	4.33%	4.33%	4.65%	4.65%
SHORT TERM FIXED INCOME																									
Prudential	8,696,072	2.3%	2.3%	-0.92%	-0.95%	0.00%	-0.01%	176,552,459	54.3%	54.3%	-0.83%	-0.84%	177,968,900	54.6%	54.6%	-0.09%	-0.10%	-0.92%	-0.94%	3.95%	3.83%	0.34%	0.24%	N/A	N/A
Babson Capital	127,172,081	33.7%	34.9%	N/A	N/A	N/A	N/A	-	0.0%	0.0%	N/A	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
JP Morgan	135,334,379	36.1%	34.9%	N/A	N/A	N/A	N/A	-	0.0%	0.0%	N/A	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
TOTAL SHORT TERM FIXED INCOME	272,202,532	72.1%	72.1%	-0.92%	-0.95%	0.00%	-0.01%	176,552,459	54.3%	54.3%	-0.83%	-0.84%	177,968,900	54.6%	54.6%	-0.09%	-0.10%	-0.92%	-0.94%	3.95%	3.83%	0.34%	0.24%	N/A	N/A
90 Day T-Bill				0.02%	0.01%	0.00%	-0.01%				0.02%	0.02%				-0.01%	-0.01%	0.02%	0.02%	0.16%	0.16%	0.44%	0.44%		
CASH EQUIVALENTS																									
Bank of ND	5,168,964	1.4%	1.4%	0.06%	0.06%	0.02%	0.02%	47,513,682	14.6%	14.6%	0.02%	0.02%	47,226,580	14.5%	14.5%	0.02%	0.02%	0.04%	0.04%	0.31%	0.31%	0.58%	0.58%	2.09%	2.09%
90 Day T-Bill				0.02%	0.02%	0.00%	0.00%				0.02%	0.02%				-0.01%	-0.01%	0.02%	0.02%	0.16%	0.16%	0.44%	0.44%	2.01%	2.01%

NOTE: Monthly returns and market values are preliminary and subject to change.

Budget Stabilization Fund

	New Money In	Net Increase	Income Distributions Out	Net Assets End of Period	Net Return
FY2006 (Initial Funding - Sept. 2005)	99,472,631	3,611,730	(3,207,845)	99,876,516	N/A partial year
FY2007	-	4,980,987	(4,981,500)	99,876,003	5.12%
FY2008	100,527,369	122,430	(1,688,532)	198,837,270	0.01%
FY2009	-	(8,736,058)	-	190,101,212	-4.23%
FY2010	124,936,548	21,464,258	(11,385,172)	325,116,846	7.38%
FY2011	-	12,031,101	(11,474,863)	325,673,084	3.63%
FY2012 (preliminary through 9/30/11)	61,414,562	(9,749,363)	-	377,338,283	-0.17%
	<u>386,351,110</u>	<u>23,725,085</u>	<u>(32,737,912)</u>		
Net Increase - Inception to Date	23,725,085				
Income Distributions Taken	(32,737,912)				
Income Remaining to be Transferred Out	(9,012,827)				
September 30, 2011 MV	<u>377,338,283</u>				
Cumulative Return Inception to Date	15.77%				
Average Annualized Return (6 Years)	2.47%				
T-Bill Return	2.19%				