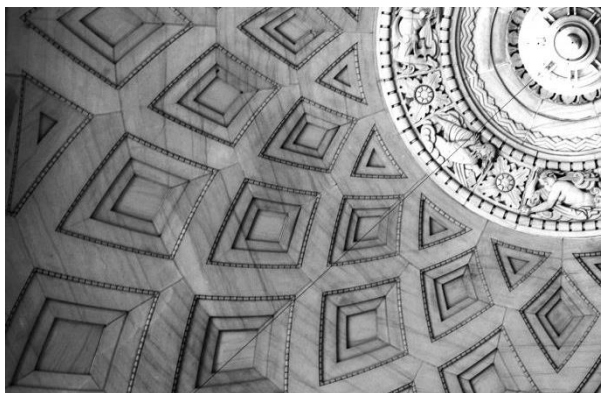




ARCHITECTS OF INVESTMENT SOLUTIONS



**State of North Carolina**

MARCH 11, 2021

# STATE OF NORTH CAROLINA

## TABLE OF CONTENTS

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<b>SECTION I:</b>	Galliard Capital Management Firm Update
<b>SECTION II:</b>	State of North Carolina Stable Value Portfolio Review
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**SECTION I**

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# GALLIARD CAPITAL MANAGEMENT

## WHO WE ARE

# \$95.4 B

TOTAL AUM

# \$79.6 B

TOTAL STABLE VALUE AUM

# 87

STABLE VALUE SEPARATE ACCOUNTS

# 104

EMPLOYEES ON STAFF

**Senior Professionals**  
**Average Years of Experience:**

Stable value strategy and contract – **21**

Stable value and contract – **22**

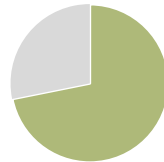
Fixed income portfolio management – **20**

Offer **separate account** and **collective fund** solutions for clients

# 215+

INSTITUTIONAL CLIENTS

CLIENT RELATIONSHIP TENURE



**~85%** of our clients have worked with Galliard for greater than **5 years**

**44** of those relationships exceed **15 years** with Galliard

CLIENT TYPES

- Corporate
- Public Entities
- Taft-Hartley
- Operating Funds
- Healthcare
- Insurance Reserves
- Foundations / Endowments

FORTUNE 100 / 500

**21** Fortune 100 clients; **57** Fortune 500 clients

## GALLIARD FOCUS

Focusing *exclusively* on

institutional

**FIXED INCOME & STABLE VALUE**

solutions

Galliard is one of the **largest** managers of stable value assets<sup>1</sup> and advises the **largest** stable value collective fund<sup>2</sup> in the nation

<sup>1</sup>Pension & Investments June 2020 edition, data as of December 31, 2019; Total assets "ranked" are managed by Galliard and reported under WFAM

<sup>2</sup>According to Hueler Analytics, Inc. © stable value universe; September 2020 monthly fund data

*Celebrating*

# 25<sup>th</sup> year

*firm anniversary*

## SECTION II

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# STABLE VALUE PORTFOLIO REVIEW

## PORTFOLIO CHARACTERISTICS

### STATE OF NORTH CAROLINA STABLE VALUE FUND

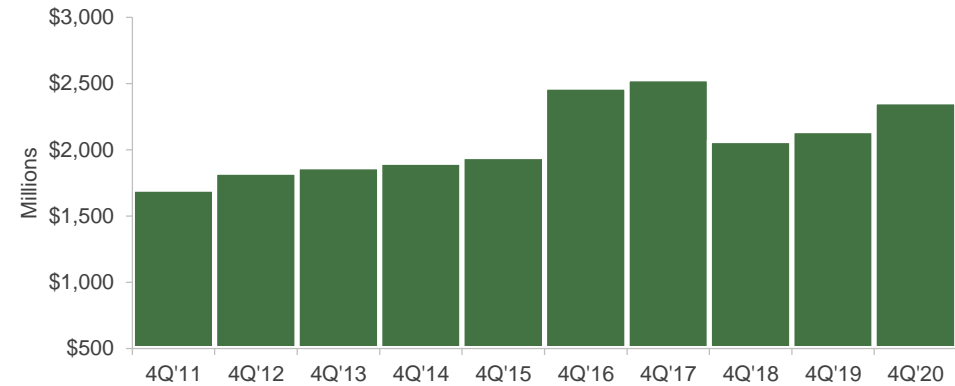
#### ACCOUNT SUMMARY

<b>Benchmark</b>	ICE BofAML US 3-Month Tsy Bill Index+150 bps, 3 Year Constant Maturity Treasury
<b>Galliard Inception Date</b>	December 1, 2010
<b>Net Asset Value</b>	\$2,360,523,954

#### PORTFOLIO CHARACTERISTICS

	Portfolio 9/30/20	Portfolio 12/31/20
<b>Average Quality - Book Value<sup>1</sup></b>	A+	A+
<b>Average Quality - Market Value<sup>2</sup></b>	AA	AA
<b>Number of Contract Issuers</b>	5	5
<b>Blended Yield (after all fees)<sup>3</sup></b>	2.36%	2.24%
<b>Yield to Maturity</b>	0.81%	0.67%
<b>Effective Duration</b>	2.95 years	2.95 years
<b>Market/Book Value Ratio</b>	105.03%	104.87%

#### HISTORICAL FUND ASSETS



#### PORTFOLIO DISTRIBUTION

	% Portfolio 9/30/20	% Portfolio 12/31/20
<b>Liquidity Buffer: Cash &amp; Equivalents<sup>4</sup></b>	2.8	2.0
<b>Short Portfolio</b>	32.9	33.0
<b>Intermediate Portfolio</b>	64.3	65.1
<b>Total</b>	<b>100.0%<sup>5</sup></b>	<b>100.0%<sup>5</sup></b>

1: Average holdings quality of the contracts and other book value assets in the portfolio. The Weighted Average Quality of the portfolio has NOT been assessed by a nationally recognized statistical rating organization. The Weighted Average Quality shown represents an average quality of the individual holdings' Composite Ratings, as rated by S&P, Moody's and Fitch.

2: Average holdings quality of the underlying assets of the portfolio. The Weighted Average Quality of the portfolio has NOT been assessed by a nationally recognized statistical rating organization. The Weighted Average Quality shown represents an average quality of the individual holdings' Composite Ratings, as rated by S&P, Moody's and Fitch.

3: Blended Yield is net of all fees, including book value contract fees, Galliard investment management fees, and, if applicable, external manager fees, Wells Fargo collective fund administrative fees, and plan administrative reimbursement.

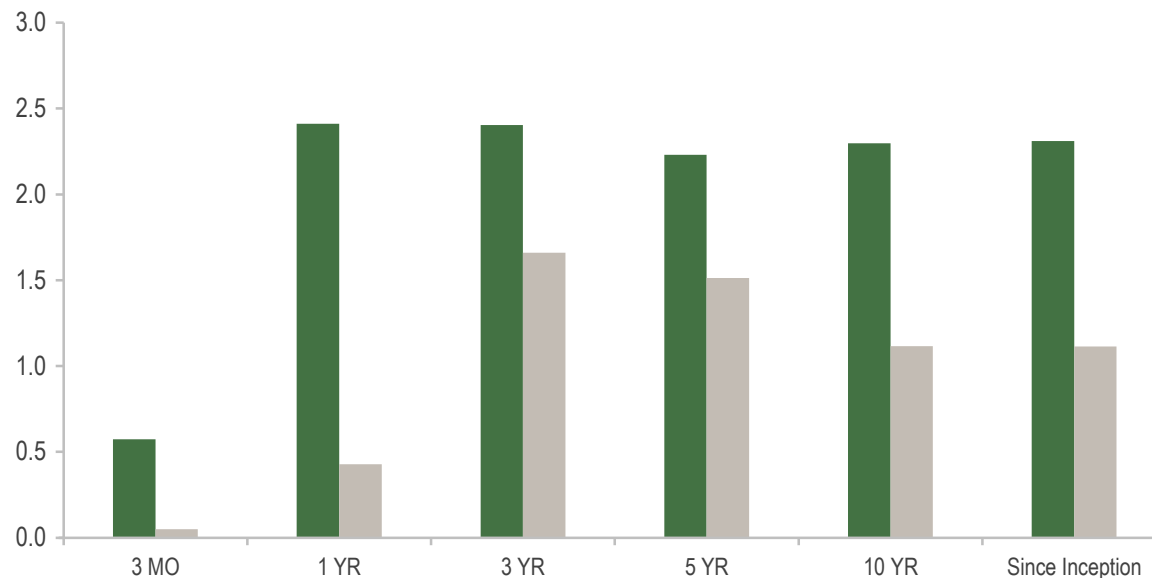
4: Includes Receivables and Payables.

5: Total % of portfolio may not add to 100% due to rounding.

## STABLE VALUE PORTFOLIO REVIEW

### ANNUALIZED INVESTMENT PERFORMANCE

#### ANNUALIZED INVESTMENT PERFORMANCE AS OF 12/31/20<sup>1</sup>



	3 Mo.	1 Yr.	3 Yr.	5 Yr.	10 Yr.	Since Inception
<span style="color: green;">■</span> Portfolio (net of all fees - NAV level) <sup>2,3</sup>	0.57	2.41	2.40	2.23	2.30	2.31
<span style="color: gray;">■</span> 3 Year Constant Maturity Treasury	0.05	0.43	1.66	1.51	1.12	1.11
ICE BofA US 3-Month Tsy Bill Index+150 bps	0.41	2.19	3.14	2.73	2.15	2.15
<b>Value Added (net of all fees - NAV level)<sup>4</sup></b>	<b>0.52</b>	<b>1.98</b>	<b>0.74</b>	<b>0.72</b>	<b>1.18</b>	<b>1.20</b>

1: Returns for periods of less than one year are not annualized.

2: Returns are net of all fees, including book value contract fees, Galliard investment management fees, and, if applicable, external manager fees, Wells Fargo collective fund administrative fees, and plan administrative reimbursement.

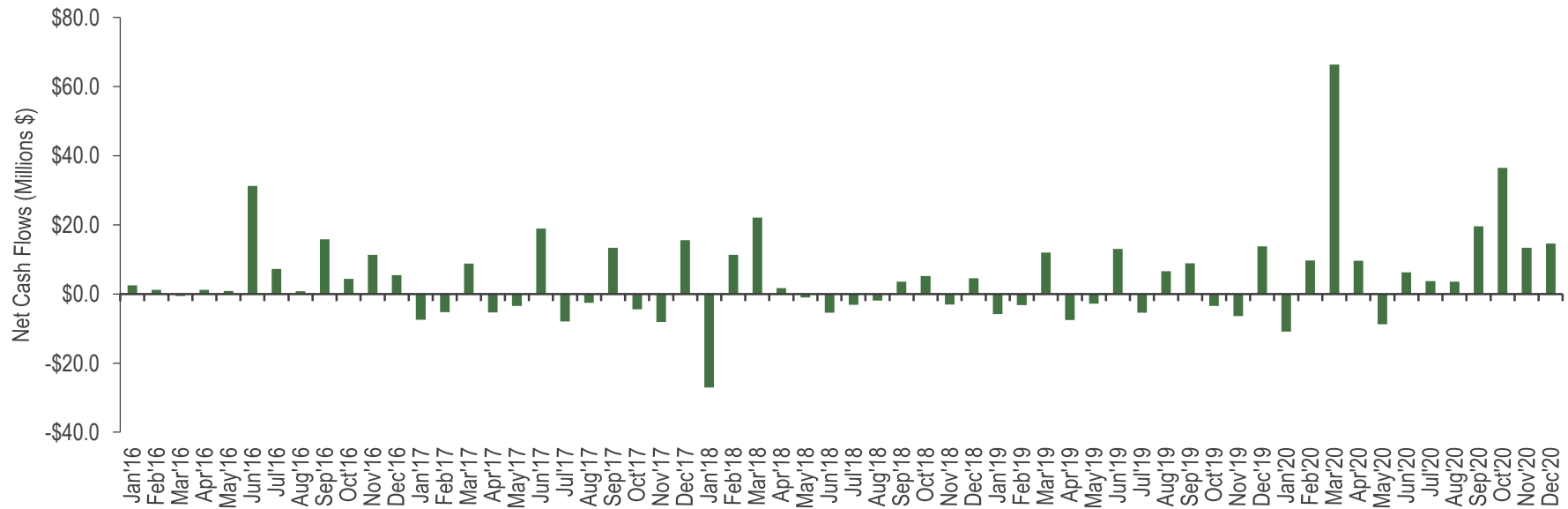
3: Galliard assumed management of this portfolio on December 1, 2010. Performance for periods referenced prior to this date include historical performance of another investment advisor.

4: May not add due to rounding.

## STABLE VALUE PORTFOLIO REVIEW

### HISTORICAL CASHFLOWS

#### HISTORICAL CASHFLOWS



	2016	2017	2018	2019	1Q'20	2Q'20	3Q'20	4Q'20	2020 YTD
Beginning Assets	\$1,948.6	\$2,472.8	\$2,535.1	\$2,069.8	\$2,143.4	\$2,221.8	\$2,242.5	\$2,282.8	\$2,143.4
Net Cash Flow (\$)¹	\$81.5⁴	\$12.2	\$6.9³	\$19.8	\$65.2	\$7.1	\$26.9	\$64.4	\$163.5
Net Cash Flow (%)	4.18%	0.49%	0.27%	0.95%	3.04%	0.33%	1.26%	2.82%	7.63%
Estimated Investment Earnings	\$46.9	\$50.1	\$51.6	\$53.9	\$13.2	\$13.6	\$13.4	\$13.4	\$53.5
Ending Assets²	\$2,472.8	\$2,535.1	\$2,069.8	\$2,143.4	\$2,221.8	\$2,242.5	\$2,282.8	\$2,360.5	\$2,360.5

1: Contributions, Withdrawals and Investment Transfers

2: Cashflows may not net to final assets due to rounding.

3: Excludes Prudential GoalMaker withdrawal of approximately \$523.8 M on 6/8/18 for illustrative purposes.

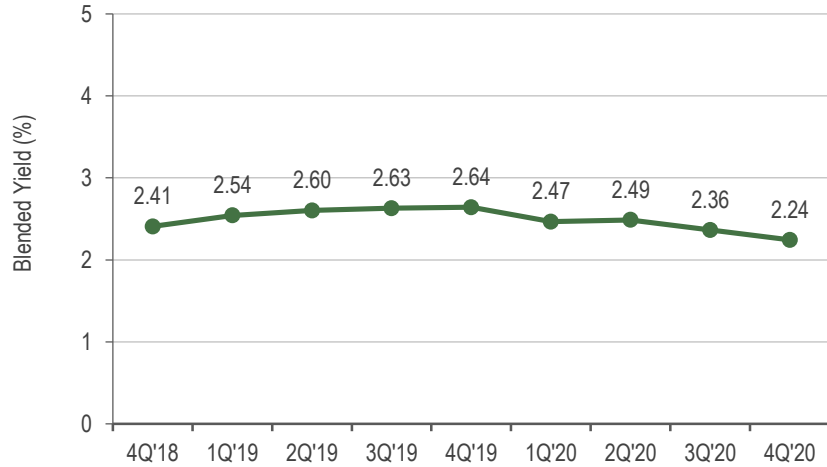
4: Approximately \$395.8 M of new inflow and transfer activity related to the 1/4/16 merger of North Carolina 457 plan assets have been removed for illustrative purposes.



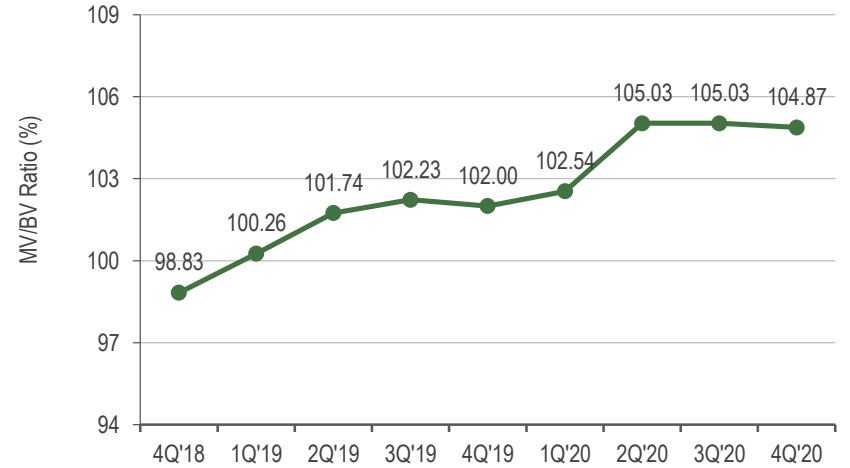
# STABLE VALUE PORTFOLIO REVIEW

## HISTORICAL STATS

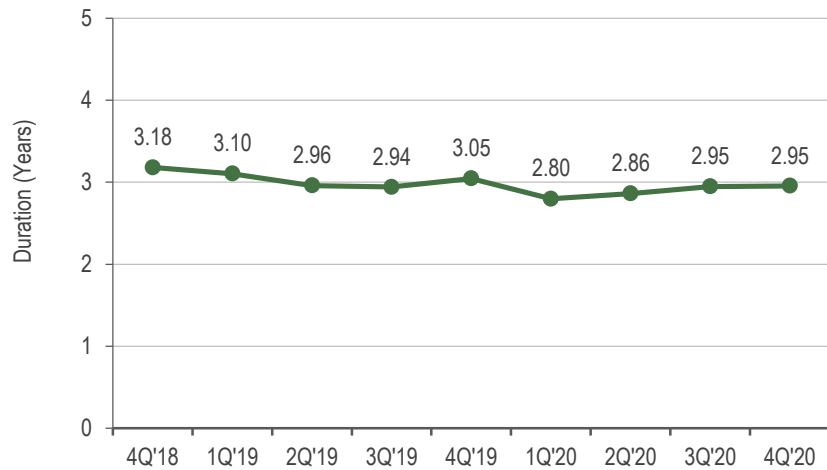
**HISTORICAL BLENDED YIELD<sup>1</sup>**



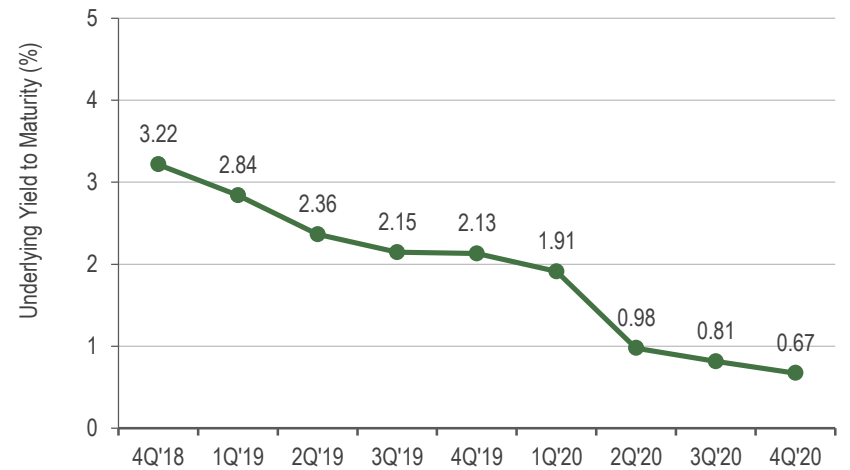
**HISTORICAL MARKET VALUE TO BOOK VALUE RATIO**



**HISTORICAL DURATION**



**HISTORICAL UNDERLYING YIELD TO MATURITY**



<sup>1</sup>: Blended Yield is net of all fees, including book value contract fees, Galliard investment management fees, and, if applicable, external manager fees, Wells Fargo collective fund administrative fees, and plan administrative reimbursement.

## STABLE VALUE PORTFOLIO REVIEW

### CONTRACT ISSUERS

#### CONTRACT ISSUER DISTRIBUTION & RATING SUMMARY<sup>1</sup>

	Contract Type <sup>2</sup>	% Portfolio 9/30/20	% Portfolio 12/31/20	Rating 9/30/20	Rating 12/31/20	Wrap fees (bps) 12/31/20
American General Life Ins. Co.	SBIC	19.7	19.6	A+	A+	16
Metropolitan Life Ins. Co.	SAGIC	10.1	10.4	AA-	AA-	18
Nationwide Life Ins. Co.	SBIC	19.8	20.5	A+	A+	16
Prudential Ins. Co. of America	SBIC	24.3	24.5	AA-	AA-	16
Transamerica Life Ins. Co. <sup>3</sup>	SBIC	23.2	23.1	A+	A+	15

1: The quality rating shown represents the individual holdings' Composite Ratings, as rated by S&P, Moody's and Fitch. Ratings shown as NR/NA are not rated or not available security ratings.

2: SBIC = Security Backed Investment Contract. SAGIC = Separate Account GIC

3: Effective October 1, 2020, Transamerica Premier Life Insurance Company merged into Transamerica Life Insurance Company.

# STABLE VALUE CONTRACT MANAGEMENT

## CONTRACT ISSUER CREDIT REVIEW PROCESS

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### OVERSIGHT

#### Galliard Credit Working Group

- MEMBERSHIP: includes all analysts and traders from both the Credit Sector Team and Structured Sector Team
- Reports contract issuer credit oversight to Galliard's Stable Value Strategy Committee

### CREDIT REVIEW PROCESS

#### Approved Issuer List

- The Credit Working Group maintains an approved list of contract issuers on an ongoing basis
- All contracts used in stable value accounts must be written by an approved issuer

#### Credit Working Group Review, Approval & Monitoring

- Meets monthly to review issuer credit quality and firm-wide exposure to approved contract issuers
- Oversees analysts' due diligence and formal credit reviews for each issuer
- Fundamental analysis of issuers includes:
  - Financial statements and ratios
  - Business model and product mix
  - Industry, economic, and regulatory environment
  - Regulatory ratios
  - Ratings agency analysis
  - Other third party research services (e.g. ALIRT, SNL)
  - Periodic due diligence calls and/or on-site visits

## STABLE VALUE PORTFOLIO REVIEW HOLDINGS

Asset ID	Security Description	Contract <sup>1</sup> Type	Manager	Book Value (\$)	Market Value (\$)	Market/Book Value Ratio (%)	% of Portfolio	Crediting Rate (%) <sup>2</sup>	UCA Yield (%)	Effective Duration (yrs)	Galliard Composite Rating	Wrap Fees (bps)
<b>LIQUIDITY BUFFER</b>												
	Cash Receivable / (Payable)			-1,475,901	-1,475,901	100.0	-0.1	0.16	0.16	0.10	AAA	
9983008\$P	WF/BlackRock Short Term Investment Fund S			48,125,858	48,125,858	100.0	2.0	0.16	0.16	0.10	AAA	
<b>TOTAL LIQUIDITY BUFFER</b>				46,649,958	46,649,958	100.0	2.0	0.16	0.16	0.10	AAA	
<b>SHORT PORTFOLIO</b>												
946996EE1	American General Life Ins. Co.	SBIC	Galliard	227,427,297	237,087,607	104.2	9.6	2.32	0.39	1.82	A+	16.0
896994GW4	Nationwide Life Ins. Co.	SBIC	Galliard	209,106,880	216,895,326	103.7	8.9	2.17	0.39	1.82	A+	16.0
744999CV3	Prudential Ins. Co. of America	SBIC	Galliard	113,109,473	120,398,815	106.4	4.8	2.63	0.39	1.82	AA-	16.0
600996QF2	Transamerica Life Ins. Co.	SBIC	Galliard	228,362,721	239,020,249	104.7	9.7	2.23	0.39	1.82	A+	15.0
<b>TOTAL SHORT PORTFOLIO</b>				778,006,371	813,401,997	104.5	33.0	2.30	0.39	1.82	A+	
<b>INTERMEDIATE PORTFOLIO</b>												
590994VM8	Metropolitan Life Ins. Co.	SAGIC	Dodge & Cox	244,815,522	259,523,451	106.0	10.4	2.78	0.90	3.21	AA-	18.0
946996EE1	American General Life Ins. Co.	SBIC	Payden & Rygel	235,205,734	245,196,444	104.2	10.0	2.32	0.94	3.77	A+	16.0
896994GW4	Nationwide Life Ins. Co.	SBIC	Galliard	274,267,610	284,483,048	103.7	11.6	2.17	0.80	3.14	A+	16.0
744999CV3	Prudential Ins. Co. of America	SBIC	PGIM	239,554,803	254,992,917	106.4	10.1	2.63	1.02	3.93	AA-	16.0
744999CV3	Prudential Ins. Co. of America	SBIC	Jennison Assoc.	226,145,324	240,719,264	106.4	9.6	2.63	0.63	4.19	AA-	16.0
600996QF2	Transamerica Life Ins. Co.	SBIC	Galliard	81,535,621	85,340,831	104.7	3.5	2.23	0.80	3.14	A+	15.0
600996QF2	Transamerica Life Ins. Co.	SBIC	TCW	234,343,011	245,279,635	104.7	9.9	2.23	0.67	3.67	A+	15.0
<b>TOTAL INTERMEDIATE PORTFOLIO</b>				1,535,867,625	1,615,535,590	105.2	65.1	2.44	0.83	3.61	A+	
<b>TOTAL PORTFOLIO</b>				<b>2,360,523,954</b>	<b>2,475,587,545</b>	<b>104.9</b>	<b>100.0</b>	<b>2.35</b>	<b>0.67</b>	<b>2.95</b>	<b>A+</b>	

1: SAGIC = Separate Account GIC. SBIC = Security Backed Investment Contract.  
2: Crediting rates are net of wrap fees and any other fees being netted out of the rates.

## STABLE VALUE PORTFOLIO REVIEW EXPENSES

### TOTAL ANNUAL FUND OPERATING EXPENSES

Total Annual Operating Expenses are deducted directly from the Fund's net asset value and reduce the investment option's rate of return.

Expense	Expense Ratio 12/31/20	Per \$1000	Est. Annual Revenue
Investment Management Fees paid to Galliard	0.059%	\$0.59	\$1,388,683
Investment Management fees paid to Non-Affiliated Investment Advisors	0.056%	\$0.56	\$1,310,694
Investment Contract Fees* <sup>1</sup>	0.157%	\$1.57	\$3,696,737
Acquired Fund Fees <sup>2</sup>	0.002%	\$0.02	\$38,501
-Investment Contract Fees	None	None	None
-Other Acquired Fund Fees and Non-Affiliated Investment Management Fees paid to Non-Affiliated Investment Advisors <sup>3</sup>	0.002%	\$0.02	\$38,501
12b-1 Distribution Fee	None	None	None
Other Expenses <sup>4</sup>	0.002%	\$0.02	\$42,489
<b>Total Annual Fund Operating Expenses<sup>5</sup></b>	<b>0.274%</b>	<b>\$2.74</b>	<b>\$6,477,105</b>

\*Changes have occurred to the fee schedule structure since the prior period. Please contact your Galliard representative if you have additional questions.

1: These are fees paid to create and maintain the investments used by a stable value fund.

2: These are fees borne indirectly by the Fund when it acquires an interest in another fund which pays its own separate fees.

3: Includes audit fees for the cost of producing a report by a qualified auditor.

4: NC's administrative fee of 0.025% which ordinarily is included in the Other Expenses, is waived for 2020.

5: Total Annual Fund Operating Expenses are reflected daily in the Fund's net asset value (NAV).

Excluding STIF or money market allocations, non-affiliated investment advisors include Dodge & Cox , Jennison Assoc., Payden & Rygel, PGIM, TCW.

## SECTION III

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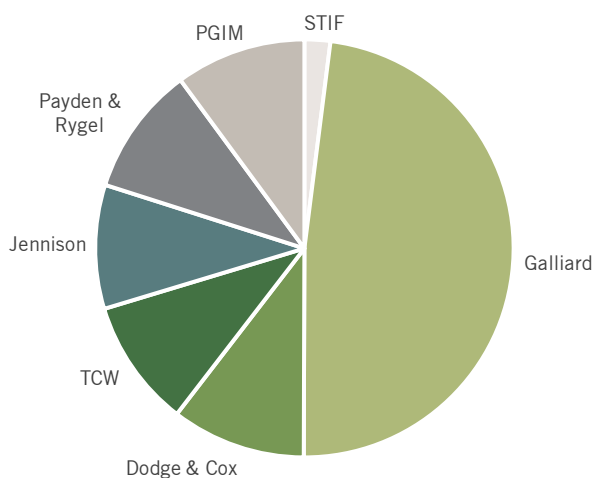
## STATE OF NORTH CAROLINA STABLE VALUE FUND MANAGER STYLES

	Investment Approach	Sector Rotation	Active Duration/ Yield Curve Mgmt.	Issue Selection	SECTOR EMPHASIS
<b>GALLIARD</b>	 Bottom Up    Top Down	 Low    High	 Low    High	 Less    More Important	Diversified high quality spread sector emphasis, multi-sector relative value
<b>DODGE &amp; COX</b>	 Bottom Up    Top Down	 Low    High	 Low    High	 Less    More Important	Corporate credit, Agency MBS
<b>TCW</b>	 Bottom Up    Top Down	 Low    High	 Low    High	 Less    More Important	Duration, multi-sector relative value
<b>JENNISON</b>	 Bottom Up    Top Down	 Low    High	 Low    High	 Less    More Important	Credit, yield-curve positioning
<b>PAYDEN &amp; RYGEL</b>	 Bottom Up    Top Down	 Low    High	 Low    High	 Less    More Important	Corporate credit, structured credit, multi-sector relative value
<b>PGIM</b>	 Bottom Up    Top Down	 Low    High	 Low    High	 Less    More Important	Multi-sector relative value, Agency MBS, global focus

# STATE OF NORTH CAROLINA STABLE VALUE FUND

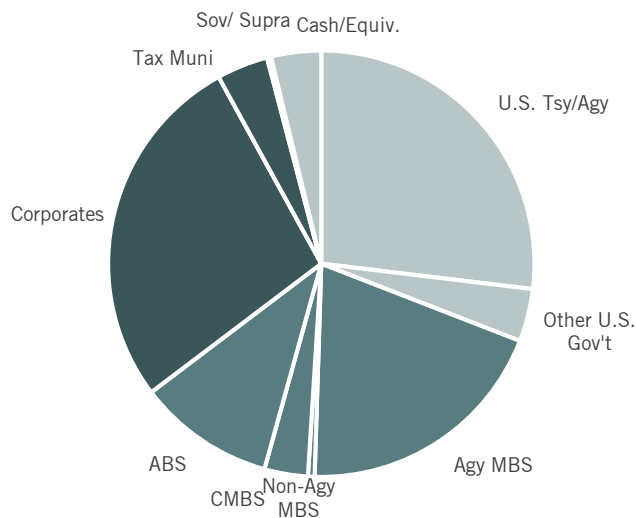
## PORTFOLIO AS OF 12/31/20

### MANAGER ALLOCATION



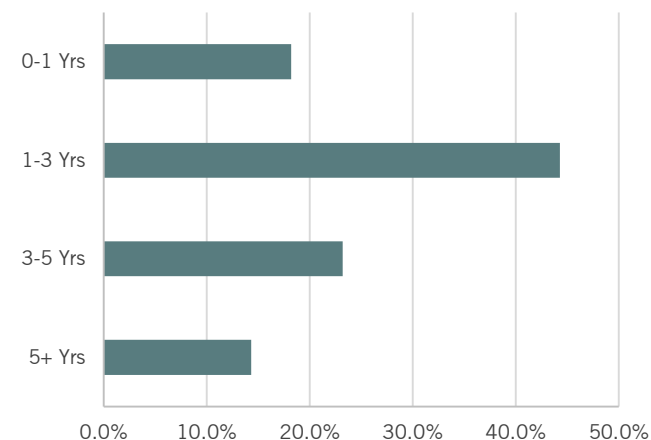
STIF	2.0%
Galliard	48.1%
Dodge & Cox	10.4%
TCW	9.9%
Jennison	9.6%
Payden & Rygel	10.0%
PGIM	10.1%
<b>TOTAL EXT. MANAGER</b>	<b>50.0%</b>
<b>TOTAL PORTFOLIO</b>	<b>100%</b>

### UNDERLYING FIXED INCOME SECTOR ALLOCATION



U.S. Tsy/Agy	26.9%
Other U.S. Gov't	4.0%
Agy MBS	19.6%
Non-Agy MBS	0.5%
CMBS	3.3%
ABS	10.4%
Corporates	27.3%
Tax Muni	3.9%
Sov/ Supra	0.3%
Cash/Equiv.	3.8%

### UNDERLYING DURATION DISTRIBUTION



0-1 Yrs	18.2%
1-3 Yrs	44.3%
3-5 Yrs	23.2%
5+ Yrs	14.3%



**STATE OF NORTH CAROLINA STABLE VALUE FUND**  
**MARKET VALUE PERFORMANCE SUMMARY AS OF 12/31/20<sup>1</sup>**

	<b>3 Month</b>	<b>1 Year</b>	<b>3 Year</b>	<b>5 Year</b>	<b>Since Inception</b>	<b>Inception Date</b>
<b>SHORT DURATION</b>						
Galliard (before fees)	0.34	4.22	-	-	4.05	<b>6/1/2018</b>
Bloomberg Barclays U.S. 1-3 Yr. Government/Credit	0.21	3.33	-	-	3.44	
<b>Value Added<sup>2</sup></b>	<b>0.13</b>	<b>0.89</b>	-	-	<b>0.61</b>	
<b>INTERMEDIATE DURATION</b>						
Dodge & Cox (before fees)	1.09	7.06	5.03	4.26	3.59	<b>3/1/2015</b>
Bloomberg Barclays U.S. Intermediate Aggregate	0.42	5.60	4.37	3.46	3.02	
<b>Value Added<sup>2</sup></b>	<b>0.67</b>	<b>1.46</b>	<b>0.66</b>	<b>0.80</b>	<b>0.57</b>	
Galliard (before fees)	0.65	6.33	-	-	6.04	<b>6/1/2018</b>
Bloomberg Barclays U.S. Intermediate Aggregate	0.42	5.60	-	-	5.48	
<b>Value Added<sup>2</sup></b>	<b>0.23</b>	<b>0.73</b>	-	-	<b>0.56</b>	
Jennison (before fees) <sup>3</sup>	0.51	8.35	5.36	4.21	6.57	<b>5/1/2018</b>
Bloomberg Barclays U.S. Intermediate Govt/Credit	0.48	6.43	4.67	3.64	5.87	
<b>Value Added<sup>2</sup></b>	<b>0.03</b>	<b>1.92</b>	<b>0.69</b>	<b>0.57</b>	<b>0.70</b>	
Payden & Rygel (before fees)	0.77	6.64	5.10	3.62	2.75	<b>7/1/2009</b>
Bloomberg Barclays U.S. Intermediate Aggregate <sup>4</sup>	0.42	5.60	4.72	3.24	2.23	
<b>Value Added<sup>2</sup></b>	<b>0.35</b>	<b>1.04</b>	<b>0.38</b>	<b>0.38</b>	<b>0.52</b>	
PGIM (before fees)	0.95	6.26	4.86	-	3.91	<b>2/1/2016</b>
Bloomberg Barclays U.S. Intermediate Aggregate	0.42	5.60	4.37	-	3.26	
<b>Value Added<sup>2</sup></b>	<b>0.53</b>	<b>0.66</b>	<b>0.49</b>	-	<b>0.65</b>	
TCW (before fees)	0.84	7.65	-	-	6.46	<b>6/1/2018</b>
Bloomberg Barclays U.S. Intermediate Govt/Credit	0.48	6.43	-	-	5.82	
<b>Value Added<sup>2</sup></b>	<b>0.36</b>	<b>1.22</b>	-	-	<b>0.64</b>	

1: Returns for periods of less than one year are not annualized.

2: May not add due to rounding.

3: Performance inception: May 1, 2018. Prior to May 1, 2018 returns are linked to Wells Fargo Fixed Income Fund N (Jennison)

4: Linked Benchmark: Bloomberg Barclays U.S. Intermediate Aggregate Bond Index. Prior to Jun 1, 2018 benchmark was Bloomberg Barclays U.S. 1-3 Year Government/Credit Bond Index.

## STATE OF NORTH CAROLINA STABLE VALUE FUND PERFORMANCE COMMENTARY – EXCESS RETURN

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### **GALLIARD SHORT** +13 Q4 2020

- Overweight to the spread sectors drove outperformance
- Allocations to consumer ABS, taxable municipals, and CMBS proved particularly beneficial
- A higher quality bias in corporate issue selection detracted modestly

### **GALLIARD INTERMEDIATE** +23 Q4 2020

- Overweight to the spread sectors, taxable municipals in particular, drove outperformance
- Security selection in Agency RMBS was also beneficial
- Security selection in corporates detracted, as a higher quality bias proved detrimental
- An overweight to intermediate maturities was a modest drag on returns

### **DODGE & COX** +67 Q4 2020

- The overweight to Corporates and security selection in the sector benefited performance
- The allocation to Agency RMBS detracted slightly from performance
- While duration positioning did not significantly impact relative returns, yield curve positioning detracted from relative performance

### **JENNISON** +2 Q4 2020

- While the overweight to Corporates contributed positively to performance, the high quality bias in the space detracted
- Within out-of-benchmark structured securities, the allocation to Agency RMBS slightly added to performance, and the allocation to ABS was a small detractor
- The slightly longer duration profile and yield curve positioning also detracted over the quarter

### **PAYDEN & RYGEL** +53 Q4 2020

- The overweight to Corporates securities was the primary driver of positive performance while security selection detracted slightly
- Security selection within Taxable Municipals and Securitized sectors also aided positive relative performance

### **PGIM** +42 Q4 2020

- Allocation decisions favoring spread sectors were the primary driver of outperformance led by the overweight to CMBS and Corporates
- The impact of security selection was also positive as selection within Agency RMBS, Corporates, and ABS contributed positively
- Security selection within CMBS detracted

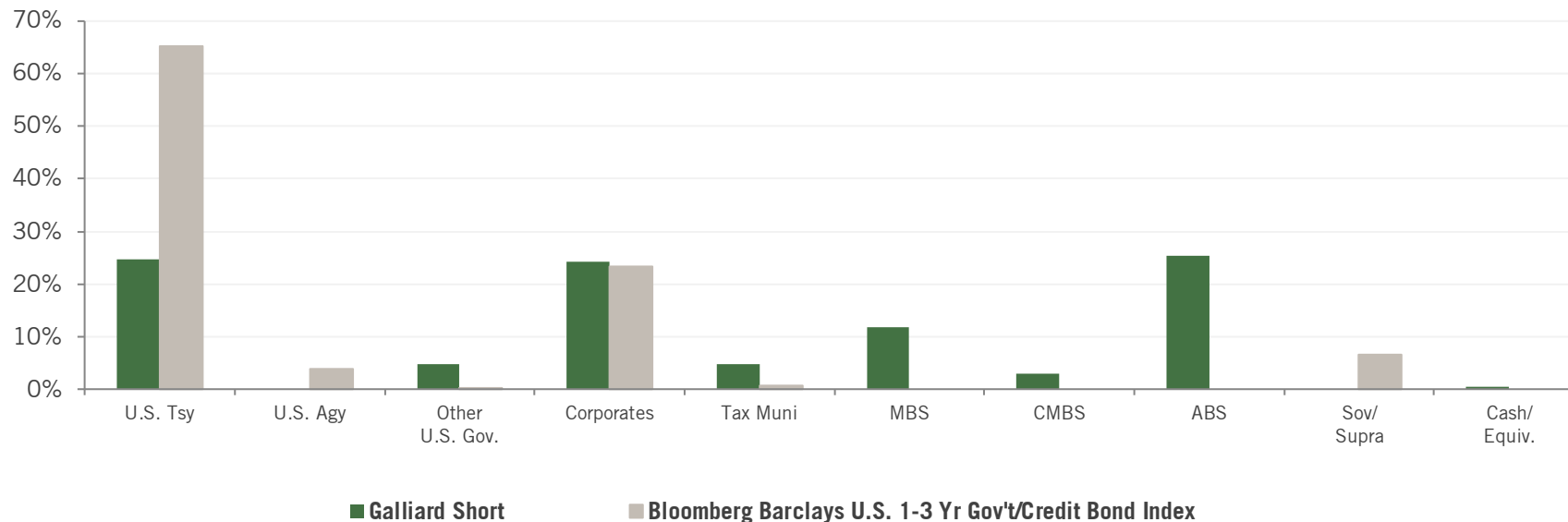
### **TCW** +36 Q4 2020

- The underweight to Corporates detracted from relative performance, but security selection in the space benefited over the quarter
- Short benchmark-relative duration positioning also added slightly to performance

Before fees.

## STATE OF NORTH CAROLINA STABLE VALUE FUND SHORT DURATION PORTFOLIO AS OF 12/31/20

### BLOOMBERG BARCLAYS U.S. 1-3 YEAR GOVERNMENT/CREDIT BOND INDEX

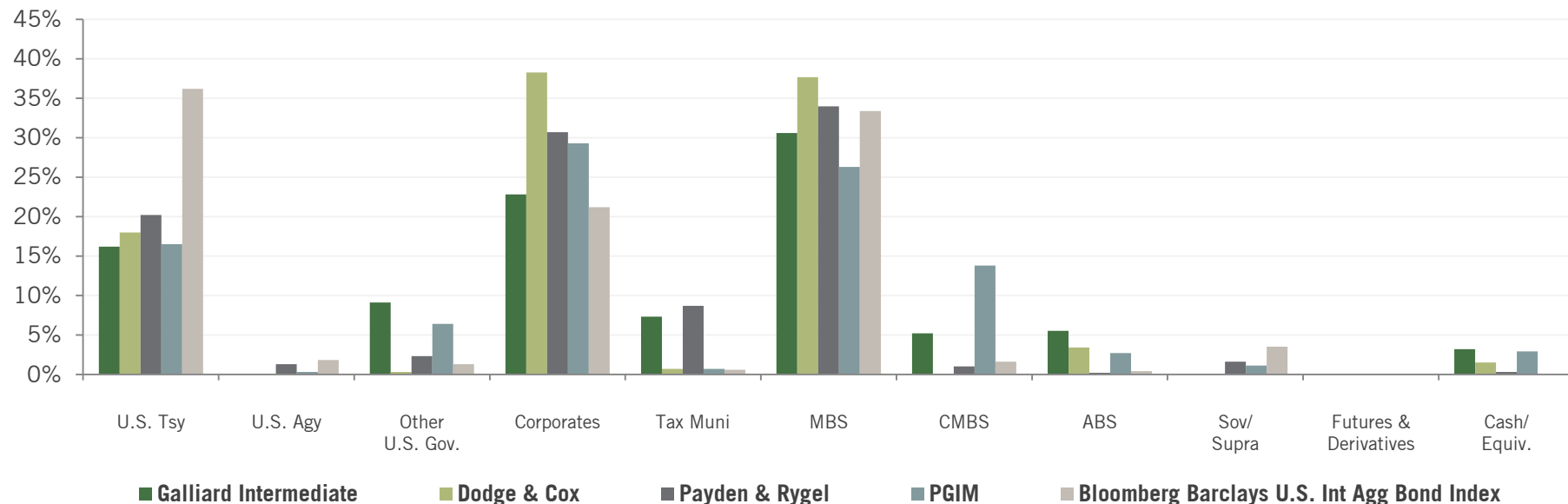


Characteristic	Galliard Short	Bloomberg Barclays U.S. 1-3 Yr Gov't/ Credit Bond Index
Weighted Average Quality <sup>1</sup>	AA+	AA+
Effective Duration	1.82 Yrs	1.85 Yrs
Yield to Maturity	0.39%	0.26%

1: The Weighted Average Quality of the portfolio has NOT been assessed by a nationally recognized statistical rating organization. The Weighted Average Quality shown represents an average quality of the individual holdings' Composite Ratings, as rated by S&P, Moody's and Fitch.

## STATE OF NORTH CAROLINA STABLE VALUE FUND INTERMEDIATE DURATION PORTFOLIOS AS OF 12/31/20

### BLOOMBERG BARCLAYS U.S. INTERMEDIATE AGGREGATE BOND INDEX



Characteristic	Galliard Intermediate	Dodge & Cox	Payden & Rygel	PGIM	Bloomberg Barclays U.S. Int Agg Bond Index
Weighted Average Quality <sup>1</sup>	AA+	AA-	AA	AA-	AA+
Effective Duration	3.14 Yrs	3.21 Yrs	3.77 Yrs	3.93 Yrs	3.52 Yrs
Yield to Maturity	0.80%	0.90%	0.94%	1.02%	0.85%

1: The Weighted Average Quality of the portfolio has NOT been assessed by a nationally recognized statistical rating organization. The Weighted Average Quality shown represents an average quality of the individual holdings' Composite Ratings, as rated by S&P, Moody's and Fitch.

## STATE OF NORTH CAROLINA STABLE VALUE FUND INTERMEDIATE DURATION PORTFOLIOS AS OF 12/31/20

### BLOOMBERG BARCLAYS U.S. INTERMEDIATE GOVERNMENT/CREDIT BOND INDEX



Characteristic	Jennison	TCW	Bloomberg Barclays U.S. Int Gov't/Credit Bond Index
Weighted Average Quality <sup>1</sup>	AA	AA+	AA
Effective Duration	4.19 Yrs	3.67 Yrs	4.08 Yrs
Yield to Maturity	0.63%	0.67%	0.62%

1: The Weighted Average Quality of the portfolio has NOT been assessed by a nationally recognized statistical rating organization. The Weighted Average Quality shown represents an average quality of the individual holdings' Composite Ratings, as rated by S&P, Moody's and Fitch.