



## **North Dakota PERS Defined Contribution Plans**

First Quarter 2025  
Executive Summary

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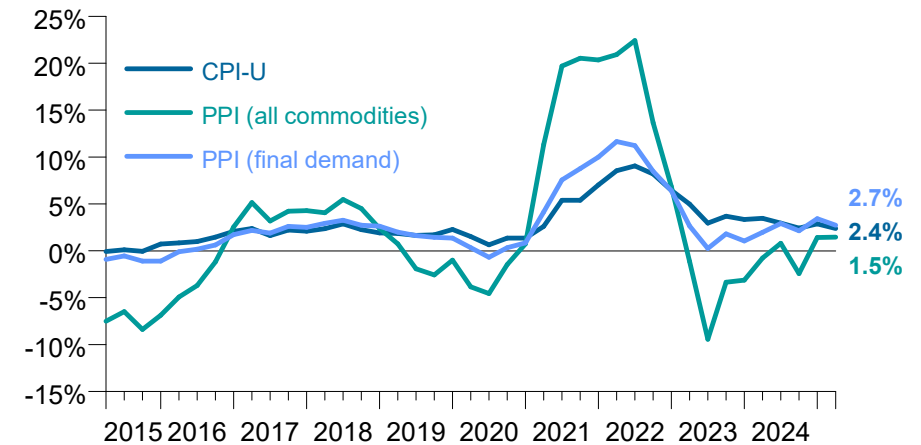
## Market Update

# U.S. Economy—Summary

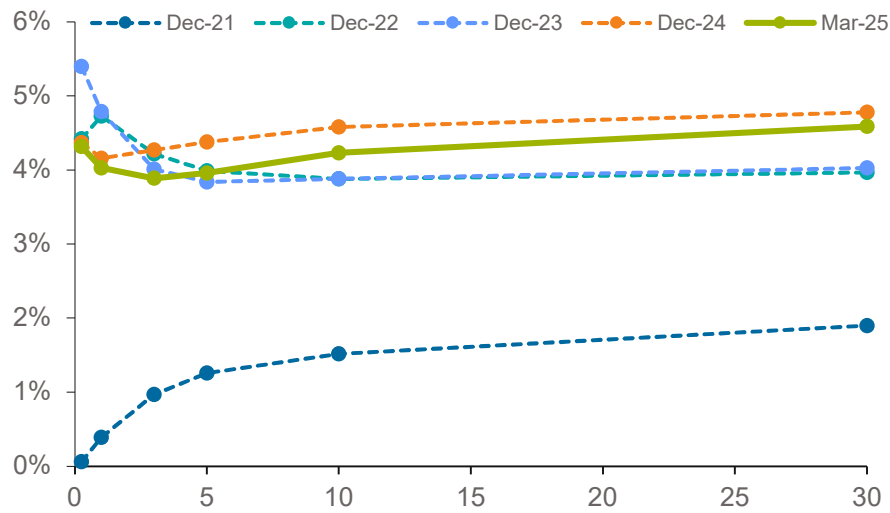
For periods ended March 31, 2025

- The unemployment rate in April and March was 4.2%, a slight increase from the 4.1% reading in February, and up from 4.0% in January.
- U.S. real gross domestic product (GDP) increased at an annual rate of 2.3% in 4Q24. According to the BEA's "advance" estimate, real GDP decreased at an annual rate of -0.3% during 1Q25.
- Headline CPI increased 2.4% year-over-year in March, after rising 2.8% over the 12 months ending February. Core CPI (ex-food and energy) increased 2.8% in March, the smallest 12-month increase since March 2021.
- The Fed held short-term rates steady at the January, March, and May 2025 FOMC meetings, maintaining the target range for the federal funds rate at 4.25% - 4.50% but noted that *"the risks of higher unemployment and higher inflation have risen."*

## Inflation Year-Over-Year

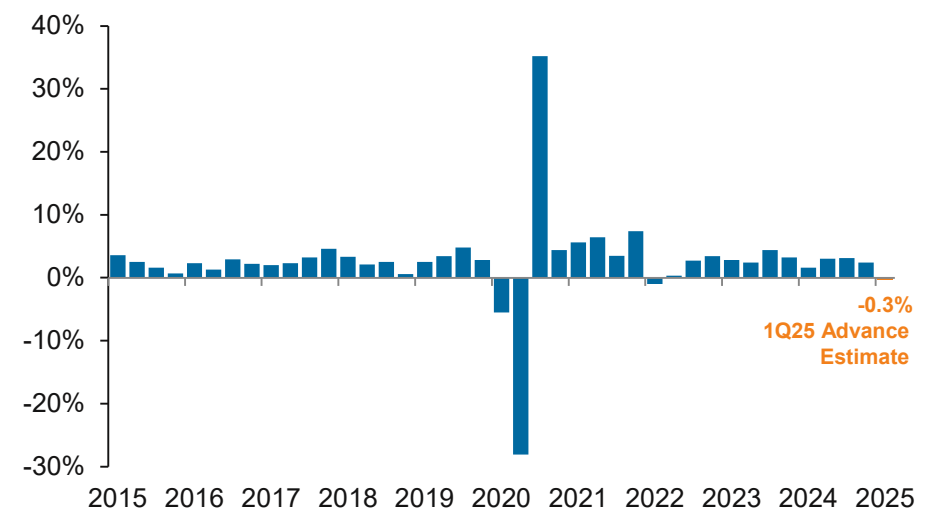


## U.S. Treasury Yield Curves



Sources: Bureau of Labor Statistics, Callan, Federal Reserve

## Quarterly Real GDP Growth



# Callan Periodic Table of Investment Returns

Annual Returns				Last Four Quarters				Monthly Returns		
2021	2022	2023	2024	Q2 '24	Q3 '24	Q4 '24	Q1 '25	Jan 25	Feb 25	Mar 25
Large Cap Equity	Private Real Estate	Large Cap Equity	Large Cap Equity	EM Equity	REITS	Large Cap Equity	Dev Non-U.S. Equity	Dev Non-U.S. Equity	REITS	EM Equity
28.71%	7.56%	26.29%	4.60%	5.00%	16.07%	2.41%	6.86%	5.26%	2.22%	0.63%
REITS	Interm. Fixed Income	Dev Non-U.S. Equity	High Yield	Large Cap Equity	Small Cap Equity	Private Real Estate	EM Equity	Large Cap Equity	U.S. Fixed Income	Interm. Fixed Income
26.09%	-8.23%	18.24%	1.80%	4.28%	9.27%	0.85%	2.93%	2.78%	2.20%	0.44%
Private Real Estate	High Yield	Small Cap Equity	Small Cap Equity	High Yield	EM Equity	Small Cap Equity	U.S. Fixed Income	Small Cap Equity	Dev Non-U.S. Equity	Private Real Estate
21.88%	-11.19%	16.93%	1.04%	1.09%	8.72%	0.33%	2.78%	2.62%	1.94%	0.28%
Small Cap Equity	U.S. Fixed Income	High Yield	Private Real Estate	Interm. Fixed Income	Dev Non-U.S. Equity	High Yield	Interm. Fixed Income	EM Equity	Interm. Fixed Income	U.S. Fixed Income
14.82%	-13.01%	13.44%	0.82%	0.64%	7.26%	0.17%	2.42%	1.79%	1.39%	0.04%
Dev Non-U.S. Equity	Dev Non-U.S. Equity	EM Equity	Interm. Fixed Income	U.S. Fixed Income	Large Cap Equity	Interm. Fixed Income	REITS	REITS	High Yield	Dev Non-U.S. Equity
11.26%	-14.45%	9.83%	-0.53%	0.07%	5.89%	-1.60%	1.59%	1.74%	0.67%	-0.40%
High Yield	Large Cap Equity	REITS	U.S. Fixed Income	Dev Non-U.S. Equity	High Yield	U.S. Fixed Income	High Yield	High Yield	EM Equity	High Yield
5.28%	-18.11%	9.67%	-1.76%	-0.42%	5.28%	-3.06%	1.00%	1.37%	0.48%	-1.02%
Interm. Fixed Income	EM Equity	U.S. Fixed Income	EM Equity	Private Real Estate	U.S. Fixed Income	EM Equity	Private Real Estate	Interm. Fixed Income	Private Real Estate	REITS
-1.44%	-20.09%	5.53%	-1.86%	-0.82%	5.20%	-8.01%	0.84%	0.57%	0.28%	-2.32%
U.S. Fixed Income	Small Cap Equity	Interm. Fixed Income	REITS	REITS	Interm. Fixed Income	Dev Non-U.S. Equity	Large Cap Equity	U.S. Fixed Income	Large Cap Equity	Large Cap Equity
-1.54%	-20.44%	5.24%	-6.97%	-2.43%	4.17%	-8.11%	-4.27%	0.53%	-1.30%	-5.63%
EM Equity	REITS	Private Real Estate	Dev Non-U.S. Equity	Small Cap Equity	Private Real Estate	REITS	Small Cap Equity	Private Real Estate	Small Cap Equity	Small Cap Equity
-2.54%	-25.10%	-13.33%	-7.26%	-3.28%	-0.07%	-9.69%	-9.48%	0.28%	-5.35%	-6.81%

Sources: ● Bloomberg Aggregate ● Bloomberg Corp High Yield ● Bloomberg Int. Gov/Credit ● NCREIF ODCE Equal Weight Net

● EPRA/NAREIT Developed ● MSCI EAFE ● MSCI Emerging Markets ● Russell 2000 ● S&P 500

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## **North Dakota PERS DC Plans**

# New Investment Structure With In-Plan Annuity Options

Tier I: Asset Allocation	Tier II: Passive Core	Tier II: Active Core	Tier III: Specialty
<b>Target Date Funds</b> Nuveen Lifecycle Retirement		<b>Capital Preservation</b> Galliard Stable Value Vanguard Treasury MM <i>Empower IFAS VI</i> <i>New York Life Anchor</i>	
	<b>Core Fixed Income</b> Vanguard Total Bond Index	<b>Core Plus Fixed Income</b> Baird Core Plus Bond	
	<b>U.S. Large-Cap Equity</b> Vanguard Institutional Index		
	<b>Broad Non-U.S. Equity</b> Vanguard Total Intn'l Index	<b>Broad Non-U.S. Equity</b> MFS International Diversification	
		<b>U.S. Small/Mid-Cap Equity</b> JP Morgan US SMID Core	
			<b>Real Estate</b> Cohen & Steers Realty
			<b>Brokerage Window</b>

# Plan Performance Monitoring

As of March 31, 2025

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years
<b>Asset Allocation Funds</b>					
Nuveen Lifecycle Ret. Inc	0.86%	5.05%	3.47%	6.75%	4.87%
LifeCycle Ret Income CB	1.09%	6.00%	3.60%	6.67%	5.39%
Callan Tgt Dt Idx 2010	1.31%	5.74%	3.23%	6.00%	4.94%
Nuveen Lifecycle 2010 Fund	0.91%	5.23%	3.56%	6.80%	4.90%
LifeCycle 2010 CB	1.24%	5.98%	3.42%	6.54%	5.29%
Callan Tgt Dt Idx 2010	1.31%	5.74%	3.23%	6.00%	4.94%
Nuveen Lifecycle 2015 Fund	0.77%	4.98%	3.52%	7.27%	5.09%
LifeCycle 2015 Cust Bnch	1.08%	6.03%	3.64%	7.22%	5.66%
CAI Tgt Dt Idx 2015	1.23%	5.76%	3.31%	6.43%	5.17%
Nuveen Lifecycle 2020 Fund	0.64%	4.88%	3.73%	7.91%	5.39%
LifeCycle 2020 Cust Bnchm	0.86%	6.07%	3.88%	7.96%	6.05%
CAI Tgt Dt Idx 2020	1.09%	5.79%	3.50%	7.14%	5.53%
Nuveen Lifecycle 2025 Fund	0.30%	4.77%	3.97%	8.93%	5.83%
LifeCycle 2025 Cust Bnch	0.64%	6.14%	4.16%	8.98%	6.55%
CAI Tgt Dt Idx 2025	0.88%	5.89%	3.87%	8.40%	6.15%
Nuveen Lifecycle 2030 Fund	(0.10%)	4.58%	4.36%	10.07%	6.35%
LifeCycle 2030 Cust Bnch	0.29%	6.23%	4.58%	10.16%	7.14%
CAI Tgt Dt Idx 2030	0.45%	5.94%	4.42%	9.86%	6.85%
Nuveen Lifecycle 2035 Fund	(0.47%)	4.48%	4.92%	11.31%	6.94%
LifeCycle 2035 Cust Bnch	(0.06%)	6.35%	5.17%	11.45%	7.80%
CAI Tgt Dt Idx 2035	0.02%	6.03%	5.02%	11.37%	7.57%
Nuveen Lifecycle 2040 Fund	(1.09%)	4.16%	5.54%	12.61%	7.53%
LifeCycle 2040 Cust Bnch	(0.57%)	6.48%	5.87%	12.89%	8.51%
CAI Tgt Dt Idx 2040	(0.36%)	6.12%	5.55%	12.59%	8.13%
Nuveen Lifecycle 2045 Fund	(1.49%)	3.93%	5.80%	13.68%	8.00%
LifeCycle 2045 Cust Bnch	(0.91%)	6.58%	6.16%	14.08%	9.05%
CAI Tgt Dt Idx 2045	(0.64%)	6.17%	5.92%	13.44%	8.51%
Nuveen Lifecycle 2050 Fund	(1.72%)	3.82%	5.93%	13.94%	8.13%
LifeCycle 2050 Cust Bnch	(1.08%)	6.63%	6.28%	14.38%	9.21%
CAI Tgt Dt Idx 2050	(0.80%)	6.20%	6.15%	13.84%	8.70%
Nuveen Lifecycle 2055 Fund	(1.79%)	3.79%	5.98%	14.09%	8.19%
LifeCycle 2055 Cust Bnch	(1.13%)	6.65%	6.35%	14.59%	9.31%
CAI Tgt Dt Idx 2055	(0.87%)	6.22%	6.25%	14.01%	8.77%
Nuveen Lifecycle 2060 Fund	(1.80%)	3.85%	6.04%	14.26%	8.28%
LifeCycle 2060 Cust Bnch	(1.19%)	6.67%	6.42%	14.79%	9.40%
Callan Tgt Dt Idx 2060	(0.91%)	6.22%	6.29%	14.09%	8.81%
Nuveen Lifecycle 2065 Fund	(1.84%)	3.74%	6.08%	-	-
LifeCycle 2065Custom Ben	(1.24%)	6.69%	6.50%	-	-
Callan Tgt Dt Idx 2065	(0.92%)	6.21%	6.30%	14.10%	8.82%

# Plan Performance Monitoring

As of March 31, 2025

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years
<b>Large Cap U.S. Equity</b>					
Vanguard Institutional Index	(4.28%)	8.21%	9.02%	18.56%	13.22%
S&P 500 Index	(4.27%)	8.25%	9.06%	18.59%	13.25%
<b>Small/Mid Cap U.S. Equity</b>					
JPMorgan SMID Cap Equity R6	(4.87%)	(0.89%)	1.56%	13.19%	5.94%
Russell 2500 Index	(7.50%)	(3.11%)	1.78%	14.91%	7.16%
<b>Non-U.S. Equity</b>					
MFS International Diversification R6	5.86%	8.19%	5.57%	10.67%	5.95%
MSCI ACWI xUS (Net)	5.23%	6.09%	4.48%	10.92%	4.47%
Vanguard Total Int'l Stock Adm	5.51%	6.37%	4.65%	11.44%	4.48%
FTSE GI All Cap ex US Idx	4.55%	5.73%	4.21%	11.30%	4.55%
<b>Fixed Income</b>					
Vanguard Total Bond Index Adm	2.77%	4.87%	0.52%	(0.41%)	1.58%
Blmbg Aggregate Flt Adj	2.75%	4.87%	0.56%	(0.36%)	1.62%
Baird Core Plus Bond Instl	2.60%	5.39%	1.44%	1.07%	2.30%
Blmbg Universal	2.66%	5.24%	1.01%	0.32%	1.87%
<b>Capital Preservation</b>					
Galliard Stable Value C	0.73%	3.03%	2.62%	2.32%	2.27%
3-month Treasury Bill	1.02%	4.97%	4.23%	2.56%	2.45%
New York Life Ins. Co. Anchor Acct. IV	0.80%	3.59%	3.26%	2.76%	2.67%
3-month Treasury Bill	1.02%	4.97%	4.23%	2.56%	2.45%
Vanguard Treasury MM Inv	1.06%	4.97%	4.28%	2.58%	2.40%
3-month Treasury Bill	1.02%	4.97%	4.23%	2.56%	2.45%
<b>Sector Funds</b>					
Cohen & Steers Realty Shares	3.17%	10.42%	(0.40%)	10.76%	8.36%
FTSE NAREIT All Eq Index	2.75%	9.23%	(1.66%)	9.55%	6.92%



# Plan Investment Fees

As of March 31, 2025

Asset Class and Strategy	Ticker/Vehicle	Total Annual Operating Expense Ratio (Peer Ranking*)	Revenue Sharing %	Callan Peer Group Median**
<b>Asset Allocation Funds</b>				
Nuveen Lifecycle Ret. Inc	TLRIX	0.37% (78)	0.00%	0.50%
Nuveen Lifecycle 2010 Fund	TCTIX	0.37% (53)	0.00%	0.42%
Nuveen Lifecycle 2015 Fund	TCNIX	0.38% (69)	0.00%	0.50%
Nuveen Lifecycle 2020 Fund	TCWIX	0.39% (74)	0.00%	0.53%
Nuveen Lifecycle 2025 Fund	TCYIX	0.40% (71)	0.00%	0.54%
Nuveen Lifecycle 2030 Fund	TCRIX	0.41% (67)	0.00%	0.53%
Nuveen Lifecycle 2035 Fund	TCIIX	0.42% (64)	0.00%	0.53%
Nuveen Lifecycle 2040 Fund	TCOIX	0.43% (66)	0.00%	0.53%
Nuveen Lifecycle 2045 Fund	TTFIX	0.44% (63)	0.00%	0.53%
Nuveen Lifecycle 2050 Fund	TFTIX	0.45% (61)	-	0.54%
Nuveen Lifecycle 2055 Fund	TTRIX	0.45% (61)	0.00%	0.53%
Nuveen Lifecycle 2060 Fund	TLXNX	0.45% (66)	0.00%	0.55%
Nuveen Lifecycle 2065 Fund	TSFTX	0.45%	0.00%	-

Fees for Stable Value funds are supplied by the manager. Fee information is provided by the recordkeeper. This data is not audited by Callan.

\* A higher peer group ranking is more favorable.

\*\* The peer group median is for the total annual operating expense ratio. Funds in the peer group may or may not contain revenue sharing.

# Plan Investment Fees

As of March 31, 2025

Asset Class and Strategy	Ticker/Vehicle	Total Annual Operating Expense Ratio (Peer Ranking*)	Revenue Sharing %	Callan Peer Group Median**
<b>U.S. Equity</b>				
<b>Large Cap U.S. Equity</b>				
Vanguard Institutional Index	VINIX	0.04% <sup>(99)</sup>	0.00%	0.62%
<b>Small/Mid Cap U.S. Equity</b>				
JPMorgan SMID Cap Equity R6	WOOSX	0.59% <sup>(84)</sup>	0.00%	0.85%
<b>Non-U.S. Equity</b>				
Vanguard Total Int'l Stock Adm	VTIAX	0.06% <sup>(99)</sup>	0.00%	0.84%
<b>Fixed Income</b>				
Vanguard Total Bond Index Adm	VBTLX	0.04% <sup>(99)</sup>	0.00%	0.43%
Baird Core Plus Bond Instl	BCOIX	0.30% <sup>(92)</sup>	0.00%	0.46%
<b>Capital Preservation</b>				
Empower Investments Fixed Acct Series VI	Custom	0.10%	0.00%	-
Galliard Stable Value C	CIT	0.37% <sup>(68)</sup>	0.00%	0.39%
New York Life Ins. Co. Anchor Acct. IV	Custom	0.35%	0.00%	-
Vanguard Treasury MM Inv	VUSXX	0.07% <sup>(96)</sup>	0.00%	0.15%
<b>Sector Funds</b>				
Cohen & Steers Realty Shares	CSRSX	0.88% <sup>(41)</sup>	0.30%	0.80%

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