



State of Montana
457 Deferred Compensation Plan

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Managing Director

Fourth Quarter 2013

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Economic Highlights

- GDP:** Real GDP rose at an impressive annual rate of 4.1% in the 3rd quarter, building off of Q2's solid 2.5% rate. For perspective, this marks only the second quarter of real GDP growth to exceed 4.0% in the last seven-plus years. Along with other signs of economic stability, the strong growth stats paved the way for the FOMC to announce in December its plans to begin tapering its bond buying programs in January. Source: Dept. of Commerce (BEA)
- Interest Rates:** Rates traded in a relatively narrow band most of the quarter, as investors awaited clarity around anticipated Fed tapering. Yields on ten-year Treasuries, which entered the quarter at 2.64%, rose above 3.00% in late December, following the Fed's Dec 18 announcement to begin tapering its monthly bond buying by \$10 billion in January. The announcement led bond traders to push Treasury yields up 19 bps, from 2.85% to 3.04%, over the final two weeks of 2013, marking their highest level since July 2011. Source: US Treasury
- Inflation:** Consumer prices continued to ease in the second half of 2013, falling -0.3% in the three months through Nov and leading to a moderate year-over-year change in CPI of 1.2%. Ten-year breakeven inflation remained well anchored at 2.24% at yearend versus 2.19% on Sept 30. Source: Dept. of Labor (BLS), US Treasury
- Employment:** Jobs growth in the U.S. increased to a monthly pace of 204,000 new jobs in the four months through Nov after expanding at a more modest 146,000 pace in the three prior months. The U.S. unemployment rate fell to 7.0% in Nov, its lowest level since a 6.8% reading in Nov 2008. Source: Dept. of Labor (BLS)
- Housing:** Home price appreciation continued to be a positive short-term contributor to household wealth. The S&P Case-Schiller 20-city Home Price Index rose 3.0% in the three months through Oct and 13.6% year-over-year since Oct 2012. Source: S&P

Market Commentary

Steven J. Foresti, Managing Director
Russell Walker, Vice President

Fourth Quarter 2013

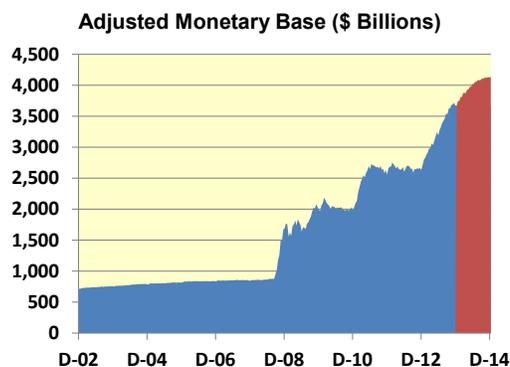
U.S. Equity Markets

The U.S. stock market, represented by the Wilshire 5000 Total Market IndexSM, surged 10.11% in the fourth quarter to post a stellar 33.07% total return for 2013, marking its best annual return since climbing 36.45% in 1995. The index, which rode monetary stimulus to notch its fifth consecutive annual gain, closed 2014 at an all-time high and is now up 38.47% on a total return basis since the Wilshire 5000's previous high of October 9, 2007. The U.S. stock market's advance was consistent throughout the year, delivering positive returns across all four quarters of 2014 and in all but two months (Jun & Aug).

U.S. Equity	MTD (%)	QTD (%)	YTD (%)	1 Year (%)
Wilshire 5000 Total Market Index SM	2.59	10.11	33.07	33.07
Standard & Poor's 500	2.53	10.51	32.39	32.39
Wilshire 4500 Completion Index SM	3.09	8.52	38.39	38.39
U.S. Equity by Size/Style	MTD (%)	QTD (%)	YTD (%)	1 Year (%)
Wilshire US Large-Cap Index SM	2.63	10.22	32.33	32.33
Wilshire US Large-Cap Growth Index SM	3.18	11.12	34.97	34.97
Wilshire US Large-Cap Value Index SM	2.16	9.45	30.24	30.24
Wilshire US Small-Cap Index SM	2.13	9.10	39.01	39.01
Wilshire US Small-Cap Growth Index SM	2.14	8.60	45.00	45.00
Wilshire US Small-Cap Value Index SM	2.12	9.56	33.80	33.80
Wilshire US Micro-Cap Index SM	3.54	10.51	48.90	48.90

Large capitalization stocks outpaced smaller shares during the quarter with the Wilshire Large-Cap IndexSM up 10.22% vs. 9.10% for the Wilshire US Small-Cap IndexSM. For the year, however, small cap stocks held on to their return advantage, gaining 39.01% vs. a more than respectable 32.33% for large caps. The Wilshire US Micro-Cap IndexSM delivered gangbuster returns for both the quarter and year, rising 10.51% and 48.90%, respectively. Growth stocks outperformed value in 2014; up 34.97% vs. 30.24% in the large-cap segment, respectively, and 45.00% vs. 33.80% for small caps.

All economic sectors showed gains during the quarter, as Industrials and Information Technology led other groups higher with moves of 12.91% and 12.35%, respectively. Consumer Discretionary and Healthcare stocks joined Industrials as the best performing sectors in 2014. The interest-rate-sensitive Utilities group was a laggard for both the quarter and year, posting relatively disappointing total returns of 3.12% and 14.89%, respectively.



Source: Federal Reserve Bank of St. Louis

The nearby chart chronicles the massive expansion in the U.S. monetary base since 2008. The impacts of QE1, QE2 and QE3 in 2008, 2010 and 2013, respectively, stand out prominently. While the FOMC's recent announcement to taper QE3 represents a monetary tightening, the Fed continues to maintain highly accommodative support. As the red area in the chart shows, even if one assumes that tapering continues at \$10 billion increments following each FOMC meeting, the monetary base could expand above \$4 trillion by the end of 2014.

Non-U.S. Equity Markets

Developed global stock markets enjoyed stellar performance in 2013, brushing aside concerns over sluggish recoveries in certain countries from the Great Global Recession and taking full advantage of the easy money made available through accommodative central bank policies. Japanese stocks were especially strong performers, propelled by a sharply weaker yen that made Japanese exports relatively cheap for their trading partners. Despite lingering headaches in continental Europe, that region's stocks also yielded double-digit returns. Emerging market stocks, on the other hand, struggled in 2013 against local economic slowdowns and political uncertainties.

Non-U.S. Equity	USD (%)				Local Currency (%)			
	MTD	QTD	YTD	1 Year	MTD	QTD	YTD	1 Year
MSCI AC World ex U.S.	0.88	4.77	15.29	15.29	0.93	5.72	20.05	20.05
MSCI EAFE	1.50	5.71	22.78	22.78	1.39	6.36	26.93	26.93
MSCI Europe	2.24	7.88	25.23	25.23	0.98	5.96	21.55	21.55
MSCI Pacific	0.04	1.56	18.27	18.27	2.26	7.21	38.05	38.05
MSCI Japan	0.80	2.29	27.16	27.16	3.49	9.57	54.58	54.58
MSCI EM (Emerging Markets)	-1.45	1.83	-2.60	-2.60	-0.98	2.96	3.44	3.44
MSCI ACWI ex U.S. Small Cap	1.75	4.63	19.73	19.73	2.01	5.99	26.01	26.01

Fixed Income Markets

Bond yields drifted down in October, then reversed course and rose in November and December; the bellwether 10-year U.S. Treasury yield ended the year at 3.04%, its highest level since July 2011 and a full 126 basis points higher than its yield at year-end 2012. Yields rose at all maturities over one year during 2013, leading long Treasuries to double-digit annual losses. Investors rotated into investment-grade and high yield corporate bonds during 2013, leading to tighter spreads relative to a year ago. Developed market bonds as a whole were essentially flat in 2013, while emerging market debt lost ground as investors found the asset space less attractive than in previous years.

U.S. Fixed Income	MTD (%)	QTD (%)	YTD (%)	1 Year (%)
Barclays U.S. Aggregate	-0.57	-0.14	-2.02	-2.02
Barclays Long Govt./Credit	-0.55	-0.10	-8.83	-8.83
Barclays Long Term Treasury	-1.94	-3.08	-12.66	-12.66
Barclays U.S. TIPS	-1.47	-2.00	-8.61	-8.61
Barclays U.S. Credit	-0.25	0.92	-2.01	-2.01
Barclays U.S. Corporate High Yield	0.54	3.58	7.44	7.44
Global Fixed Income	MTD (%)	QTD (%)	YTD (%)	1 Year (%)
Barclays Global Aggregate	-0.60	-0.44	-2.60	-2.60
Barclays Global Aggregate (Hedged)	-0.54	0.22	-0.14	-0.14
Barclays EM Local Currency Government Universal	0.23	0.02	-3.80	-3.80
Barclays EM Local Currency Govt Univ (Hedged)	-0.15	-0.81	-3.37	-3.37

Real Estate & Commodity Markets

Global public-market real estate stocks faced strong headwinds in 2013 as interest rates rose in major markets and increased borrowing costs for real estate investors. Although crude oil ended 2013 with a 7.19% price gain, commodities in general experienced losses for the year; gold was one of this year's notable losers, closing 2013 at \$1,202.30 per troy ounce, a -28.21% drop from year-end 2012. MLPs, in contrast, ended the year with solid double-digit gains, the strongest performance among broad Real Assets sectors.

Real Estate / Commodity	MTD (%)	QTD (%)	YTD (%)	1 Year (%)
Wilshire US RESI SM	0.59	-0.75	2.15	2.15
Wilshire Global ex US RESI SM	-1.13	-0.77	4.88	4.88
Wilshire Global RESI SM	-0.25	-0.77	3.38	3.38
Dow Jones UBS Commodity Index	1.24	-1.05	-9.52	-9.52
S&P GSCI Commodity	1.93	-0.33	-1.22	-1.22
Alerian MLP Index	1.64	5.28	27.58	27.58

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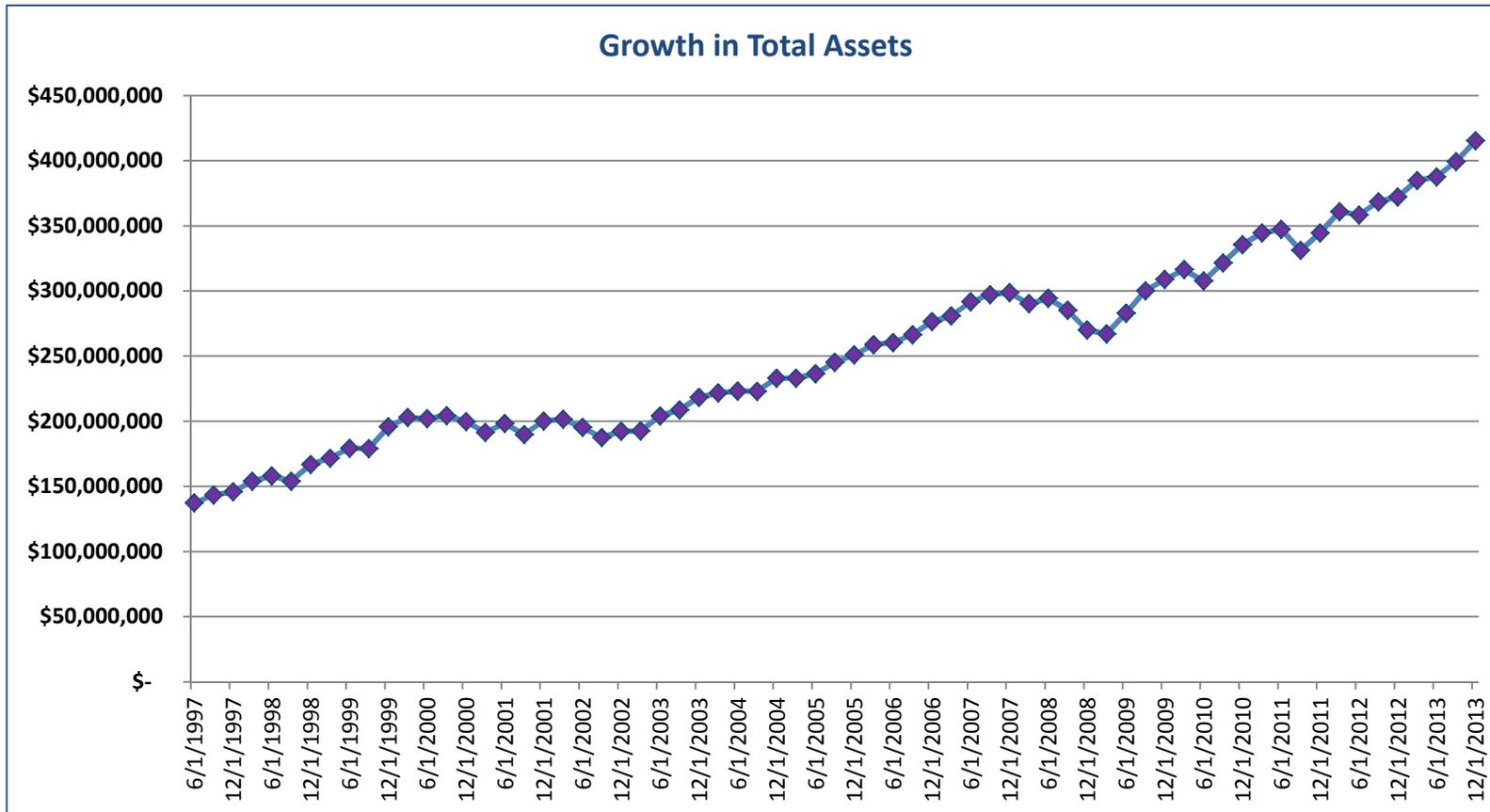
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FUND OVERVIEW FOR STATE OF MONTANA 457 DEFERRED COMPENSATION PLAN

Asset Class	Name	Ticker	Current Status	Date Placed on Probation
Fixed Income	State of Montana Stable Value - PIMCO	Sep. Mgmt.	Retention	
Fixed Income	PIMCO Total Return	PTRAX	Retention	
Fixed Income	Neuberger Berman High Income Bond Fund	NHINX	Retention	
Balanced	Vanguard Balanced Index	VBAIX	Retention	
Large Growth	Fidelity ContraFund	FCNTX	Retention	
Large Growth	Calvert Social Investment Equity A	CSIEX	Retention	
Large Core	Vanguard (500) Institutional Index	VINIX	Retention	
Large Value	Vanguard Equity Income	VEIRX	Retention	
Mid Growth	Munder Mid Cap Core Growth A	MGOAX	Retention	
Mid Value	Columbia Mid Cap Value Z Fund	NAMAX	Terminated/Replaced	2011 Q3
Small Growth	Vanguard Small Cap Growth Index	VISGX	Retention	
Small Core	Vanguard Small Cap Index Signal	VSISX	Retention	
Small Value	Neuberger Berman Genesis Tr	NBGEX	Probation	2013 Q2
Global	American Funds New Perspective Fund R4	RNPEX	Retention	
Global	Mutual Discovery Z	MDISX	Retention	
International	Artisan International Inv	ARTIX	Retention	
International	Dodge & Cox International Stock	DODFX	Retention	
International	Oppenheimer Developing Markets Y	ODVYX	Retention	
Target Date	T. Rowe Price Retirement 2005	TRRFX	Retention	
Target Date	T. Rowe Price Retirement 2010	TRRAX	Retention	
Target Date	T. Rowe Price Retirement 2015	TRRGX	Retention	
Target Date	T. Rowe Price Retirement 2020	TRRBX	Retention	
Target Date	T. Rowe Price Retirement 2025	TRRHX	Retention	
Target Date	T. Rowe Price Retirement 2030	TRRCX	Retention	
Target Date	T. Rowe Price Retirement 2035	TRRJX	Retention	
Target Date	T. Rowe Price Retirement 2040	TRRDY	Retention	
Target Date	T. Rowe Price Retirement 2045	TRRKX	Retention	
Target Date	T. Rowe Price Retirement 2050	TRRMX	Retention	
Target Date	T. Rowe Price Retirement 2055	TRRNX	Retention	
Target Date	T. Rowe Price Retirement Income	TRRIX	Retention	

State of Montana 457 Deferred Compensation Plan



Market Value as of December 31, 2013: \$ 415,243,225

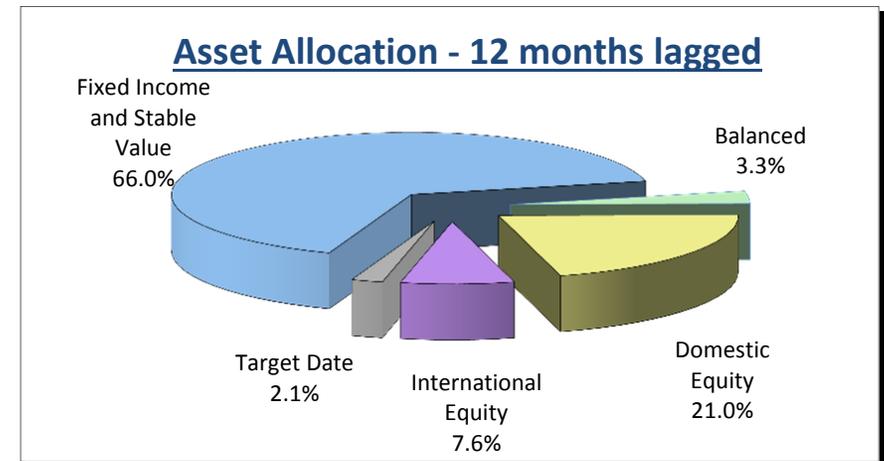
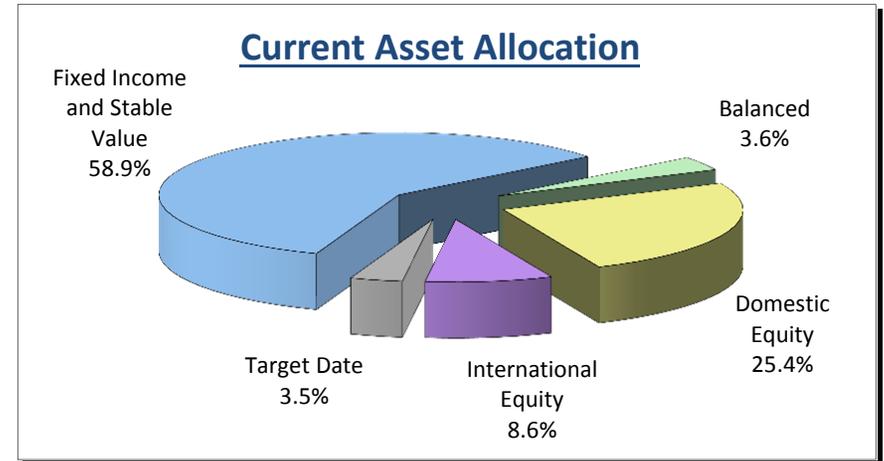
Change from previous quarter: \$ 16,049,946

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Asset Allocation as of December 31, 2013

Asset Class	# of Participants	Market Value	%
Fixed Income and Stable Value		244,583,307	58.9%
Montana Fixed Fund - Stable Value	6,280	234,033,239	56.4%
PIMCO Total Return	1,849	7,399,474	1.8%
Neuberger High Income	553	3,150,594	0.8%
Balanced		15,013,876	3.6%
Vanguard Balanced Index Fund	1,638	15,013,876	3.6%
Domestic Equity		105,504,955	25.4%
<i>Large Cap</i>		64,717,572	15.6%
Fidelity ContraFund	1,862	27,493,888	6.6%
Calvert Social Investment Equity	296	1,814,239	0.4%
Vanguard Institutional Index	2,349	22,766,675	5.5%
Vanguard Equity-Income	1,157	12,642,770	3.0%
<i>Mid Cap</i>		14,187,902	3.4%
Munder Mid Cap Core Growth A	1,900	9,273,404	2.2%
Columbia Mid Cap Value Fund Z	709	4,914,498	1.2%
<i>Small Cap</i>		26,599,480	6.4%
Vanguard Small Cap Growth Index	1,047	7,923,273	1.9%
Vanguard Small Cap Index	466	4,946,365	1.2%
Neuberger Berman Genesis	2,058	13,729,843	3.3%
International Equity		35,527,858	8.6%
American Funds New Perspective	1,207	11,007,504	2.7%
Mutual Discovery	899	9,755,982	2.3%
Artisan International	570	3,452,888	0.8%
Dodge & Cox International Stock	1,784	10,924,064	2.6%
Openheimer Developing Markets	121	387,420	0.1%
Target Date		14,613,229	3.5%
TOTAL STATE OF MONTANA 457		\$ 415,243,225	



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Montana Stable Value	Trailing Total Returns (annualized)				Universe Ranking		
Style: Intermediate Gov/Credit FI	Quarter	1 Year	3 Year	5 Year	1 year	3 year	5 year
Montana Stable Value	--	--	--	--	--	--	--
Barclays Int Gov/Credit Bond + 0.35%	0.07	(0.51)	3.26	4.31	--	--	--

Fund Narrative
Fourth quarter performance was not available at time of production. Current Status: Retention, no change recommended.

PIMCO Total Return	Trailing Total Returns (annualized)				Universe Ranking		
Style: Intermediate Fixed Income	Quarter	1 Year	3 Year	5 Year	1 year	3 year	5 year
PIMCO Total Return	(0.10)	(2.17)	3.82	6.65	75th	56th	49th
Barclays Aggregate	(0.14)	(2.02)	3.26	4.44	65th	65th	78th
Intermediate Fixed MF Median	0.28	(1.61)	3.91	6.54			
Morningstar Rating	n/a	n/a	★★★★	★★★			

Fund Narrative
This manager slightly led the benchmark this quarter, and outperformed for the 3- and 5- year time periods. However, it lags the median for the 3-year while leading only for the 5-year. PIMCO has 4- and 3-star rankings by Morningstar and still meets the State minimum. Current Status: Retention, no change recommended.

Neuberger High Income Bond	Trailing Total Returns (annualized)				Universe Ranking		
Style: High Yield Fixed Income	Quarter	1 Year	3 Year	5 Year	1 year	3 year	5 year
Neuberger High Income Bond	3.65	7.42	8.19	17.09	30th	49th	38th
Barclays U.S. High Yield Index	3.58	7.44	9.32	18.93	30th	11th	10th
High Yield MF Median	3.28	6.70	8.17	16.44			
Morningstar Rating	n/a	n/a	★★★	★★★★			

Fund Narrative
This high yield manager had a positive quarter and led the benchmark but lags for all other time periods. The performance against the median has improved to outperform in all time periods and the 3- and 4-star Morningstar ratings meet the State's requirements. Current Status: Retention, no change recommended.

Vanguard Balanced Index	Trailing Total Returns (annualized)				Universe Ranking		
Style: Balanced	Quarter	1 Year	3 Year	5 Year	1 year	3 year	5 year
Vanguard Balanced Index	5.87	18.11	11.16	13.35	32nd	20th	30th
60% MSCI US Broad Mkt/40% Barclays Agg	5.93	17.93	10.95	13.09	31st	21st	32nd
Balanced MF Median	5.24	15.69	8.78	12.35			
Morningstar Rating	n/a	n/a	★★★★	★★★★			

Fund Narrative
Also expected of an index fund, this fund's returns were within range of the 60/40 Balanced Index for the quarter and all other time horizons. Moreover, the manager performed above the median over all time periods and the fund's 4-star Morningstar Ratings meet the State requirement. Current Status: Retention, no change recommended.

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Fidelity Contrafund	Trailing Total Returns (annualized)				Universe Ranking		
Style: Large Cap Growth	Quarter	1 Year	3 Year	5 Year	1 year	3 year	5 year
Fidelity Contrafund	10.52	34.15	15.91	18.67	45th	32nd	53rd
S&P 500 Index	10.51	32.39	16.18	17.94	65th	29th	66th
Wilshire Large Growth Index	11.12	34.97	16.16	19.80	36th	30th	35th
Large Cap Growth MF Median	10.74	33.86	14.92	18.81			
Morningstar Rating	n/a	n/a	★★★★	★★★			

Fund Narrative
The fund squeezed past the benchmark this quarter but still lags for the 3-year. This manager is a strong performer and has ranked above the median for the 1- and 3-year, slightly lagging over the 5-year. With 4- and 3-star Morningstar ratings and decent performance, this fund meets the requirements of the State. Current Status: Retention, no change recommended.

Calvert Social Investor Equity	Trailing Total Returns (annualized)				Universe Ranking		
Style: Large Cap Growth	Quarter	1 Year	3 Year	5 Year	1 year	3 year	5 year
Calvert Equity A	12.21	30.42	13.78	18.16	79th	70th	65th
S&P 500 Index	10.51	32.39	16.18	17.94	65th	29th	66th
Wilshire Large Growth Index	11.12	34.97	16.16	19.80	36th	30th	35th
Large Cap Growth MF Median	10.74	33.86	14.92	18.81			
Morningstar Rating	n/a	n/a	★★	★★			

Fund Narrative
This fund had a positive and leading quarter versus the benchmark and for the 5-year, but trails for the 3-year. The fund has 2-star Morningstar ratings and underperformed the median over the 3- and 5-year, which does not meet the State minimum requirements. Current Status: Retention, no change recommended. <i>This manager is fulfilling a need and has significant sector restrictions.</i>

Vanguard Institutional Index	Trailing Total Returns (annualized)				Universe Ranking		
Style: Large Cap Core	Quarter	1 Year	3 Year	5 Year	1 year	3 year	5 year
Vanguard Institutional Index	10.50	32.35	16.15	17.95	47th	29th	29th
S&P 500 Index	10.51	32.39	16.18	17.94	46th	28th	28th
Large Cap Core MF Median	10.05	32.17	14.91	17.10			
Morningstar Rating	n/a	n/a	★★★★	★★★★			

Fund Narrative
As expected of an index fund, this fund performed in line with the returns of its benchmark for all time periods. With consistent 4-star Morningstar ratings and performance better than the median for both the 3- and 5-year, this fund meets the requirements of the State. Current Status: Retention, no change recommended.

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Vanguard Equity-Income	Trailing Total Returns (annualized)				Universe Ranking		
Style: Large Cap Value	Quarter	1 Year	3 Year	5 Year	1 year	3 year	5 year
Vanguard Equity-Income	9.00	30.19	17.85	17.15	82nd	4th	18th
FTSE High Dividend Yield Index	9.44	30.34	17.59	16.97	80th	5th	23rd
Russell 1000 Value Index	10.01	32.53	16.06	16.67	50th	23rd	32nd
Large Cap Value MF Median	9.73	32.47	14.68	16.05			
Morningstar Rating	n/a	n/a	★★★★★	★★★★★			

Fund Narrative

This large value fund changed benchmarks from the Russell 1000 Value Index to the FTSE High Dividend Yield Index. The manager underperformed for the quarter, but outperformed both benchmarks for the 3- and 5-year. With 5-star Morningstar ratings and outperforming the median over the 3- and 5- year, this fund meets the requirements of the State. **Current Status: Retention, no change recommended.**

Munder Mid-Cap Core Growth	Trailing Total Returns (annualized)				Universe Ranking		
Style: Mid Cap Growth	Quarter	1 Year	3 Year	5 Year	1 year	3 year	5 year
Munder Mid-Cap Core Growth	8.43	33.38	15.17	20.42	65th	31st	70th
Russell Mid Cap Index	8.39	34.76	15.88	22.36	53rd	22nd	36th
Wilshire Mid Growth Index	9.33	42.59	16.56	25.34	5th	14th	5th
Mid Cap Growth MF Median	8.39	34.97	14.34	21.19			
Morningstar Rating	n/a	n/a	★★★	★★★			

Fund Narrative

The fund led the benchmark for the quarter but lagged for all other time periods and outpaced the median for the 3-year time period. Although the 3-star Morningstar ratings meet the minimum requirements, the underperformance and below median ranking are cause for concern. The fund was on probation from 2009Q3 - 2012Q1 and continues to be closely monitored. **Current Status: Retention, no change recommended.**

Columbia Mid Cap Value Z Fund	Trailing Total Returns (annualized)				Universe Ranking		
Style: Mid Cap Value	Quarter	1 Year	3 Year	5 Year	1 year	3 year	5 year
Columbia Mid Cap Value Z Fund	10.73	35.44	14.94	19.92	52nd	52nd	61st
Russell Mid Cap Value Index	8.56	33.46	15.97	21.16	64th	43rd	39th
Russell Mid Cap Index	8.39	34.76	15.88	22.36	55th	44th	23rd
Mid Cap Value MF Median	8.98	35.82	15.02	20.38			
Morningstar Rating	n/a	n/a	★★★	★★			

Fund Narrative

The fund outperformed the benchmark this quarter but lags over the 3- and 5-year time periods. The fund's 3- and 2-star Morningstar ratings and the underperformance against the median do not meet the State's requirements. **Current Status: Terminated, to be replaced by the MFS Mid Cap Value.**

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Vanguard Small Cap Growth Idx	Trailing Total Returns (annualized)				Universe Ranking		
	Quarter	1 Year	3 Year	5 Year	1 year	3 year	5 year
Style: Small Cap Growth							
Vanguard Small Cap Growth Idx	7.48	37.98	16.86	24.23	76th	45th	26th
CRSP Small Cap Growth Index	7.53	38.44	15.69	23.25	72nd	66th	37th
Small Cap Growth MF Median	8.16	42.03	16.50	22.59			
Morningstar Rating	n/a	n/a	★★★	★★★★			

Fund Narrative

This Vanguard index fund recently changed its benchmark to the CRSP US Small Cap Growth Index. The fund performed in line the benchmark for the quarter and outperformed for the 3- and 5- year. It also outpaced the median for the 3- and 5-year and its 3- and 4-star Morningstar ratings help meet the State's requirements. **Current Status: Retention, no change recommended.**

Vanguard Small Cap Index	Trailing Total Returns (annualized)				Universe Ranking		
	Quarter	1 Year	3 Year	5 Year	1 year	3 year	5 year
Style: Small Cap Core							
Vanguard Small Cap Index	8.82	37.79	16.61	22.55	49th	30th	19th
CRSP Small Cap Index	8.84	38.48	17.25	23.65	39th	19th	17th
Small Cap Core MF Median	8.84	37.66	15.37	20.54			
Morningstar Rating	n/a	n/a	★★★	★★★★			

Fund Narrative

This Vanguard index fund also changed its benchmark to the CRSP US Small Cap Index. The fund performed as expected for the quarter but trailed over the 3- and 5-year. However, the fund outperformed the median for the 3- and 5-year, and has 4-star Morningstar ratings to satisfy the State's requirements. **Current Status: Retention, no change recommended.**

Neuberger Berman Genesis	Trailing Total Returns (annualized)				Universe Ranking		
	Quarter	1 Year	3 Year	5 Year	1 year	3 year	5 year
Style: Small Cap Value							
Neuberger Berman Genesis	9.15	36.89	16.29	19.23	45th	31st	75th
Russell 2000 Index	8.72	38.82	15.67	20.08	26th	46th	64th
Russell 2000 Value Index	9.30	34.52	14.49	17.64	69th	65th	89th
Small Cap Value MF Median	9.05	36.60	15.54	20.96			
Morningstar Rating	n/a	n/a	★★★★	★★★			

Fund Narrative

This manager outperformed this quarter and the 3-year but trails for the 5- year, with similar results against the median. Although the manager has 4- and 3-star Morningstar ratings, this fund is on the borderline to meet the State's minimum requirements. **Current Status: Probation, no change recommended.**

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American Funds New Perspective	Trailing Total Returns (annualized)				Universe Ranking		
Style: Global Equity	Quarter	1 Year	3 Year	5 Year	1 year	3 year	5 year
American Funds New Perspective	8.54	26.79	12.25	16.99	38th	31st	25th
MSCI AC World Index	7.31	22.80	9.73	14.92	69th	71st	56th
World Equity MF Median	7.78	25.80	11.07	15.16			
Morningstar Rating	n/a	n/a	★★★★	★★★★			

Fund Narrative

This global equity fund outperformed the MSCI AC World Index benchmark for the quarter, and for all other time periods. The manager outpaced the median in the 1-, 3-, and 5-year time periods and the 4-star Morningstar Ratings exceed the requirements of the State. **Current Status: Retention, no change recommended.**

Mutual Global Discovery	Trailing Total Returns (annualized)				Universe Ranking		
Style: Global Equity	Quarter	1 Year	3 Year	5 Year	1 year	3 year	5 year
Mutual Global Discovery	7.52	25.64	11.59	13.42	52nd	37th	83rd
MSCI World Index	8.00	26.68	11.49	15.02	40th	39th	54th
World Equity MF Median	7.78	25.80	11.07	15.16			
Morningstar Rating	n/a	n/a	★★★★	★★★			

Fund Narrative

The fund underperformed the index this quarter, but still leads for the 3-year period. With 4- and 3-star Morningstar ratings and performing above the median for only the 3-year, this fund still meets all State requirements. The fund will be remain closely monitored. **Current Status: Retention, no change recommended.**

Artisan International	Trailing Total Returns (annualized)				Universe Ranking		
Style: International (Non-US) Equity	Quarter	1 Year	3 Year	5 Year	1 year	3 year	5 year
Artisan International	7.40	25.18	13.33	16.60	13th	3rd	9th
MSCI EAFE Growth Index	5.15	22.55	7.97	12.82	30th	38th	43rd
MSCI EAFE Index	5.71	22.78	8.17	12.44	28th	33rd	53rd
Non-US Equity MF Median	5.86	20.72	7.36	12.47			
Morningstar Rating	n/a	n/a	★★★★★	★★★★★			

Fund Narrative

The fund outperformed the MSCI EAFE Growth for the quarter and greatly leads the benchmark for both 3- and 5-year time periods. With 5-star Morningstar ratings and performance well above the median for the 3- and 5-year, the fund easily fulfills the State's requirements. Although the fund had major recent improvements, the fund will still be monitored closely. **Current Status: Retention, no change recommended.**

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Dodge & Cox International Stock	Trailing Total Returns (annualized)				Universe Ranking		
Style: International (Non-US) Equity	Quarter	1 Year	3 Year	5 Year	1 year	3 year	5 year
Dodge & Cox International Stock	7.82	26.31	8.71	16.58	10th	25th	9th
MSCI EAFE Value Index	6.26	22.95	8.32	11.99	26th	31st	61st
MSCI EAFE Index	5.71	22.78	8.17	12.44	28th	33rd	53rd
Non-US Equity MF Median	5.86	20.72	7.36	12.47			
Morningstar Rating	n/a	n/a	★★★★	★★★★★			

Fund Narrative

This fund posted a positive and leading return versus its benchmark this quarter and leads the benchmark for all other time periods. The fund has improved 4- and 5-star Morningstar ratings and recorded performance well above the median in all time periods to meet the State's minimum requirements. **Current Status: Retention, no change recommended.**

Oppenheimer Developing Mkts Y	Trailing Total Returns (annualized)				Universe Ranking		
Style: Emerging Markets Equity	Quarter	1 Year	3 Year	5 Year	1 year	3 year	5 year
Oppenheimer Developing Mkts Y	3.69	8.68	2.69	20.23	12th	10th	4th
MSCI Emerging Markets Index	1.83	(2.60)	(2.06)	14.79	59th	54th	47th
Emerging Markets Equity MF Median	2.09	(1.47)	(2.01)	14.50			
Morningstar Rating	n/a	n/a	★★★★★	★★★★★			

Fund Narrative

This emerging markets fund posted a strong leading return versus its benchmark this quarter and leads the benchmark for all time periods. The fund has consistent 5-star Morningstar ratings and it has returns far greater than the median in all time periods to meet the State's minimum requirements. **Current Status: Retention, no change recommended.**

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Target Date Funds Performance

457 - T. ROWE PRICE TARGET DATE FUNDS									
Fund Name	Ticker	Morningstar Rating	Quarter	YTD	1-Year	3-Year	5-Year	Market Value	# of Participants
T. Rowe Price Retirement 2005	TRRFX	★★★★	3.68	9.73	9.73	7.41	11.48	\$245,261.06	34
Dow Jones Target Global Date 2005 Index			0.80	1.54	1.54	4.10	6.57		
T. Rowe Price Retirement 2010	TRRAX	★★★★	4.33	11.94	11.94	8.16	12.79	\$ 842,689.23	91
Dow Jones Target Global Date 2010 Index			1.08	3.00	3.00	4.62	7.47		
T. Rowe Price Retirement 2015	TRRGX	★★★★★	5.22	15.20	15.20	9.33	14.33	\$ 2,133,499.99	170
Dow Jones Target Global Date 2015 Index			1.69	5.49	5.49	5.51	8.86		
T. Rowe Price Retirement 2020	TRRBX	★★★★★	5.96	18.06	18.06	10.29	15.61	\$ 4,903,143.19	289
Dow Jones Target Global Date 2020 Index			2.71	9.05	9.05	6.71	10.56		
T. Rowe Price Retirement 2025	TRRHX	★★★★★	6.70	20.77	20.77	11.12	16.62	\$ 2,365,263.68	272
Dow Jones Target Global Date 2025 Index			3.75	12.84	12.84	7.95	12.47		
T. Rowe Price Retirement 2030	TRRCX	★★★★★	7.28	23.10	23.10	11.85	17.51	\$ 1,394,061.00	282
Dow Jones Target Global Date 2030 Index			4.75	16.59	16.59	9.04	14.20		
T. Rowe Price Retirement 2035	TRRJX	★★★★★	5.63	19.90	19.90	9.98	15.59	\$ 1,131,396.60	240
Dow Jones Target Global Date 2035 Index			5.63	19.90	19.90	9.98	15.59		
T. Rowe Price Retirement 2040	TRRDY	★★★★★	8.00	25.93	25.93	12.63	18.28	\$ 626,650.54	220
Dow Jones Target Global Date 2040 Index			6.28	22.38	22.38	10.67	16.51		
T. Rowe Price Retirement 2045	TRRKX	★★★★★	8.00	25.93	25.93	12.65	18.28	\$ 300,098.82	122
Dow Jones Target Global Date 2045 Index			6.64	23.71	23.71	11.06	16.89		
T. Rowe Price Retirement 2050	TRRMX	★★★★★	7.96	25.89	25.89	12.68	18.27	\$ 101,079.25	37
Dow Jones Target Global Date 2050 Index			6.70	23.89	23.89	11.11	16.93		
T. Rowe Price Retirement 2055	TRRNK	★★★★★	8.02	25.87	25.87	12.68	18.28	\$ 185,551.71	28
Dow Jones Target Global Date 2055 Index			6.70	23.89	23.89	11.11	16.93		
T. Rowe Price Retirement Income	TRRIX	★★★★	3.41	9.15	9.15	6.80	10.36	\$ 384,534.25	41
Dow Jones Target Global Date Today Index			0.78	1.41	1.41	4.02	6.25		
TOTAL								\$14,613,229.32	

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PIMCO Total Return Ticker: PTRAX

Fund Strategy
This is the largest fixed income mutual fund in the world. Manager Bill Gross combines PIMCO's long term macroeconomic outlook with short term cyclical issues when constructing the portfolio. The manager has flexibility to determine sector weightings and occasionally invests in non-index sectors: high yield, developed market international, and emerging market debt.

Manager Information
Lead Manager Team Managed
Avg. Tenure n/a
Prospectus www.allianzinvestors.com

Fund	Characteristics				Trailing Total Returns (annualized)					
	Morningstar Rating	Avg. Duration	Avg. Maturity	Avg. Quality	Qtr	YTD	1 Year	3 Years	5 Years	10 Years
PIMCO Total Return	★★★★	4.42	5.15	-	-0.1%	-2.2%	-2.2%	3.8%	6.6%	5.8%
Barclays Aggregate					-0.1%	-2.0%	-2.0%	3.3%	4.4%	4.5%
Interm Fixed MF Median					0.3%	-1.6%	-1.6%	3.9%	6.5%	4.5%

	Manager Statistics				Index Statistics	
	Standard Deviation	Alpha	Sharpe Ratio	Tracking Error	Standard Deviation	Sharpe Ratio
3-Year	3.89	0.53	0.97	2.72	2.75	1.16
5-Year	3.86	2.12	1.67	2.56	2.88	1.49

Portfolio Characteristics 9-30-13

Credit Quality	%
US Gov't/Agency/AAA	64.0%
AA	9.0%
A	13.0%
BBB	8.0%
< BBB	6.0%
Non-Rated	0.0%
Maturity Breakdown	%
0 - 3 yrs.	46.2%
3 - 5 yrs.	13.5%
5 - 7 yrs.	7.5%
7 - 10 yrs.	4.8%
10 - 15 yrs.	4.1%
15 - 20 yrs.	2.9%
20 + yrs.	21.2%

Sector Weights 9-30-13

	%
Government	52.7%
Securitized	16.4%
Credit	4.5%
Municipal	1.9%
Cash & Equivalents	11.2%
Other	13.3%

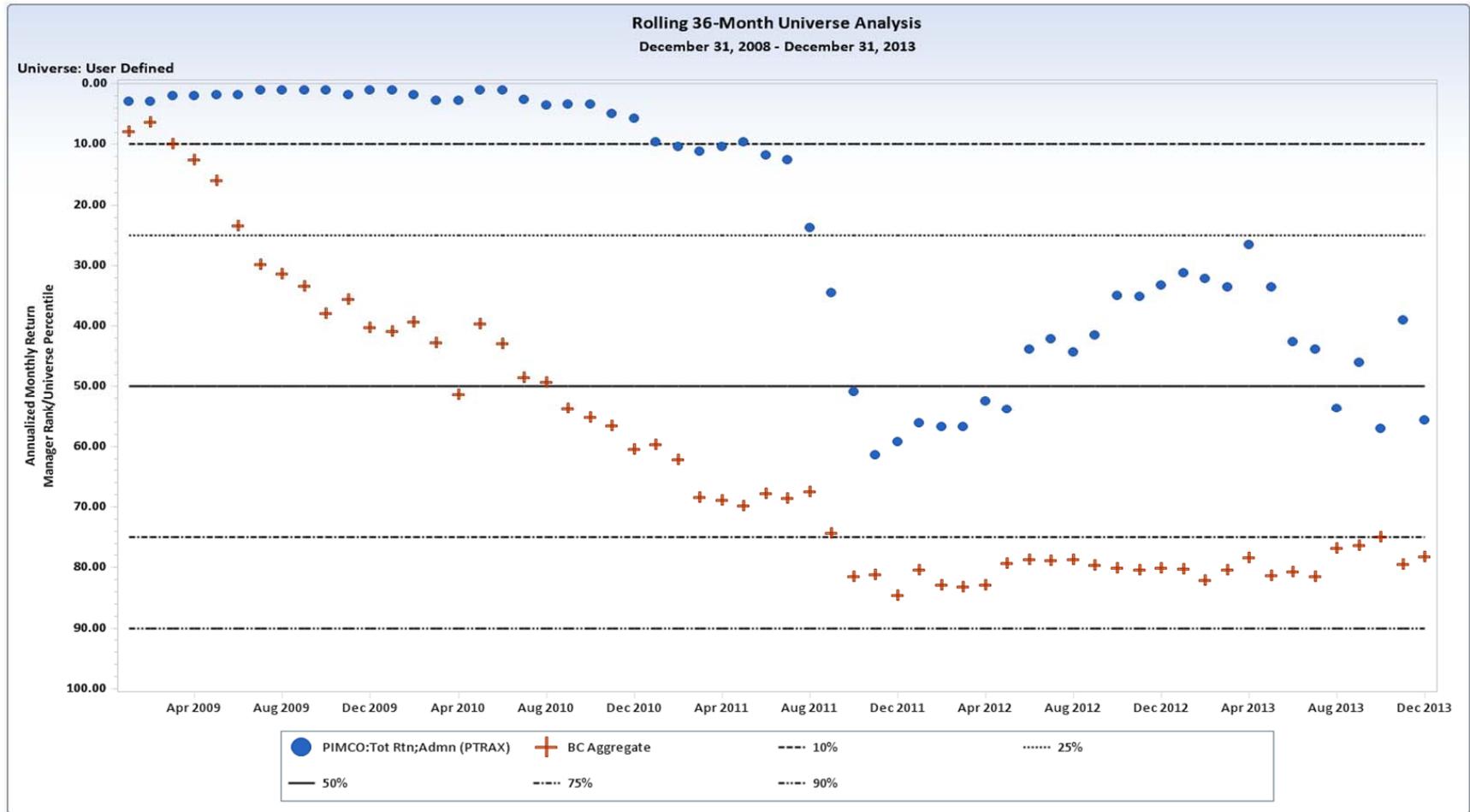
Portfolio Information

Expense Ratio	0.71%
12b-1 Fee Included	0.25%
Category Average	0.92%
Minimum Investment	\$1,000,000

Year-End Assets (\$ Mil.)

2013/11	\$28,906
2012	\$33,471
2011	\$31,439
2010	\$33,685
2009	\$30,268
2008	\$23,466
2007	\$22,644
2006	\$19,877

Intermediate Fixed Income Universe



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Neuberger Berman High Income Bond Fund

Ticker:

NHINX

Fund Strategy
Formerly called the Lehman Brothers High Income Bond Fund, this fund is focused on total return and has the flexibility to invest in bonds rated CCC (formerly this part of the credit spectrum was off limits). To date, managers have preferred higher quality, intermediate, high yield corporate bonds.

Manager Information
Lead Manager Ann H. Benjamin + Team
Avg. Tenure n/a
Prospectus www.allianzinvestors.com

Fund	Characteristics				Trailing Total Returns (annualized)					
	Morningstar Rating	Avg. Duration	Avg. Maturity	Avg. Quality	Qtr	YTD	1 Year	3 Years	5 Years	10 Years
Neuberger High Income Bond	★★★★	3.56	6.60	B	3.6%	7.4%	7.4%	8.2%	17.1%	7.9%
Barclays U.S. High Yield Index					3.6%	7.4%	7.4%	9.3%	18.9%	8.6%
High Yield MF Median					3.3%	6.7%	6.7%	8.2%	16.4%	7.3%

	Manager Statistics				Index Statistics	
	Standard Deviation	Alpha	Sharpe Ratio	Tracking Error	Standard Deviation	Sharpe Ratio
3-Year	7.16	6.61	1.13	7.20	6.50	1.40
5-Year	9.12	14.64	1.78	9.24	9.24	1.93

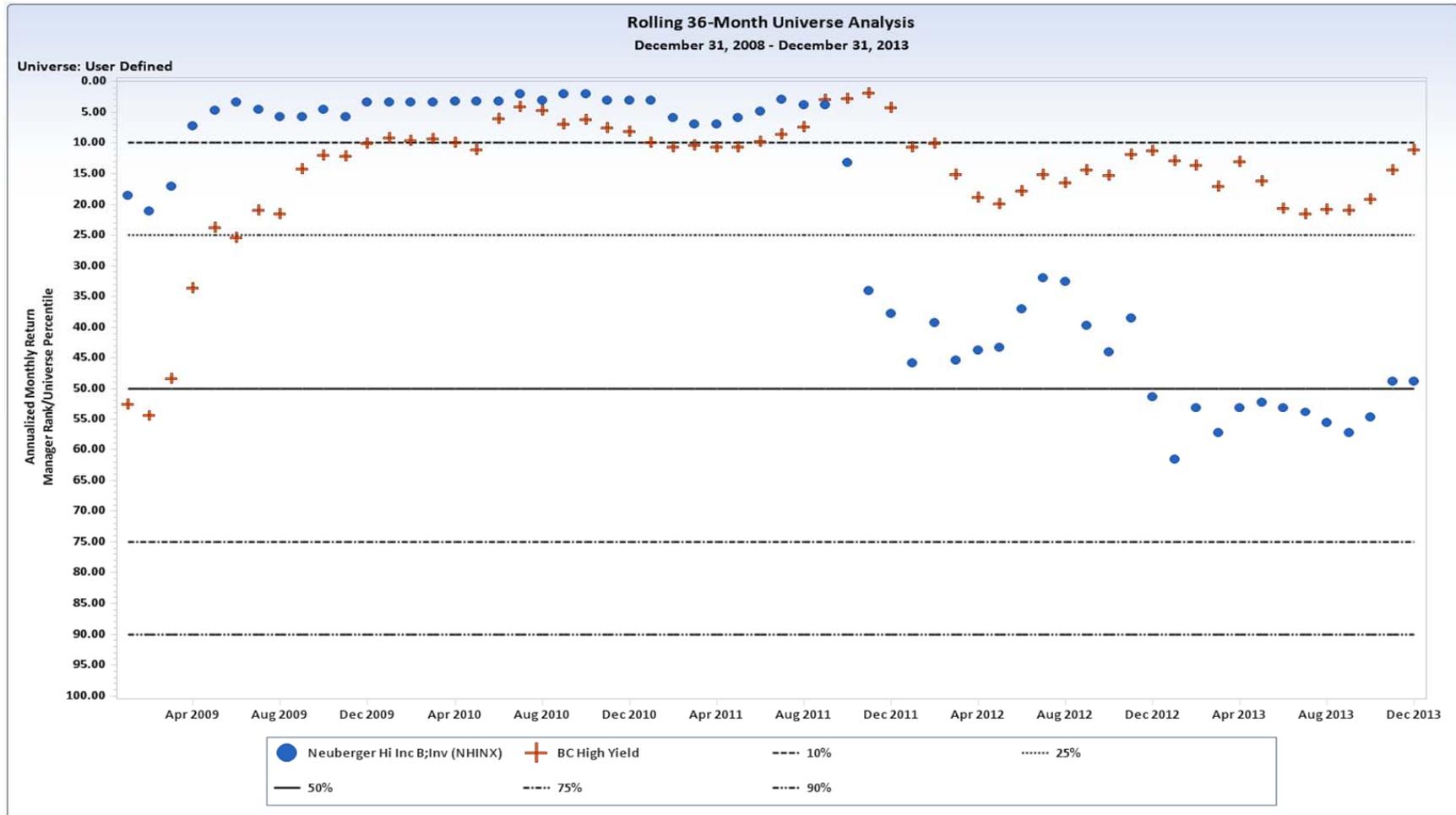
Portfolio Characteristics 10-31-13	
Credit Quality	%
US Gov't/Agency/AAA	2.6%
< AAA	0.0%
BBB	0.0%
BB	7.2%
< BB	90.2%
Non-Rated	0.0%
Maturity Breakdown	%
0 - 3 yrs.	4.0%
3 - 5 yrs.	19.7%
5 - 7 yrs.	39.2%
7 - 10 yrs.	32.9%
10 - 15 yrs.	1.7%
15 - 20 yrs.	2.2%
20 + yrs.	0.3%

Sector Weights 10-31-13	
Sectors	%
Government	0.0%
Securitized	0.4%
Credit	95.8%
Municipal	0.2%
Cash & Equivalents	3.6%
Other	0.0%

Portfolio Information	
Expense Ratio	0.84%
12b-1 Fee Included	-
Category Average	1.11%
Minimum Investment	\$2,000

Year-End Assets (\$ Mil.)	
2013/11	\$311
2012	\$337
2011	\$312
2010	\$357
2009	\$444
2008	\$196
2007	\$322
2006	\$592

High Yield Fixed Income Universe



Vanguard Balanced Index

Ticker: VBAIX

Fund Strategy
The fund is 60% stocks and 40% bonds. It tracks the MSCI Broad Market Index on the stock allocation and the Barclays Aggregate Bond Index on the fixed income allocation.

Manager Information	
Lead Manager	Michael Perre & G. Davis
Inception	12/1/2000
Prospectus	www.vanguard.com

Fund	Characteristics			Trailing Total Returns (annualized)					
	Morningstar Rating	Avg. Mkt Cap (\$MM)	# of Holdings	Qtr	YTD	1 Year	3 Years	5 Years	10 Years
Vanguard Balanced Index	★★★★	\$39,349	10302	5.9%	18.1%	18.1%	11.2%	13.3%	7.0%
US Balanced Index				5.9%	17.9%	17.9%	11.0%	13.1%	6.9%
Balanced MF Median				5.2%	15.7%	15.7%	8.8%	12.4%	6.0%

	Manager Statistics					Index Statistics	
	Standard Deviation	Beta	Alpha	Sharpe Ratio	Tracking Error	Standard Deviation	Sharpe Ratio
3-Year	7.44	0.88	2.90	1.46	1.85	7.38	1.47
5-Year	9.77	0.94	1.18	1.33	1.95	9.71	1.33

Top 10 Holdings 11-30-13	
Company	% of Portfolio
Apple Inc	1.49%
ExxonMobil Corporation	1.21%
Google, Inc. Class A	0.86%
Microsoft Corporation	0.84%
Johnson & Johnson	0.79%
Chevron Corp	0.70%
Wells Fargo & Co	0.69%
Procter & Gamble Co	0.68%
JPMorgan Chase & Co	0.63%
Pfizer Inc	0.62%

Sector Weights 11-30-13	
Basic Materials	3.5%
Communication Services	3.5%
Consumer Cyclical	12.1%
Consumer Defensive	9.4%
Healthcare	12.4%
Industrial	12.6%
Real Estate	3.1%
Technology	16.7%
Energy	9.3%
Financials	14.6%
Utilities	2.8%

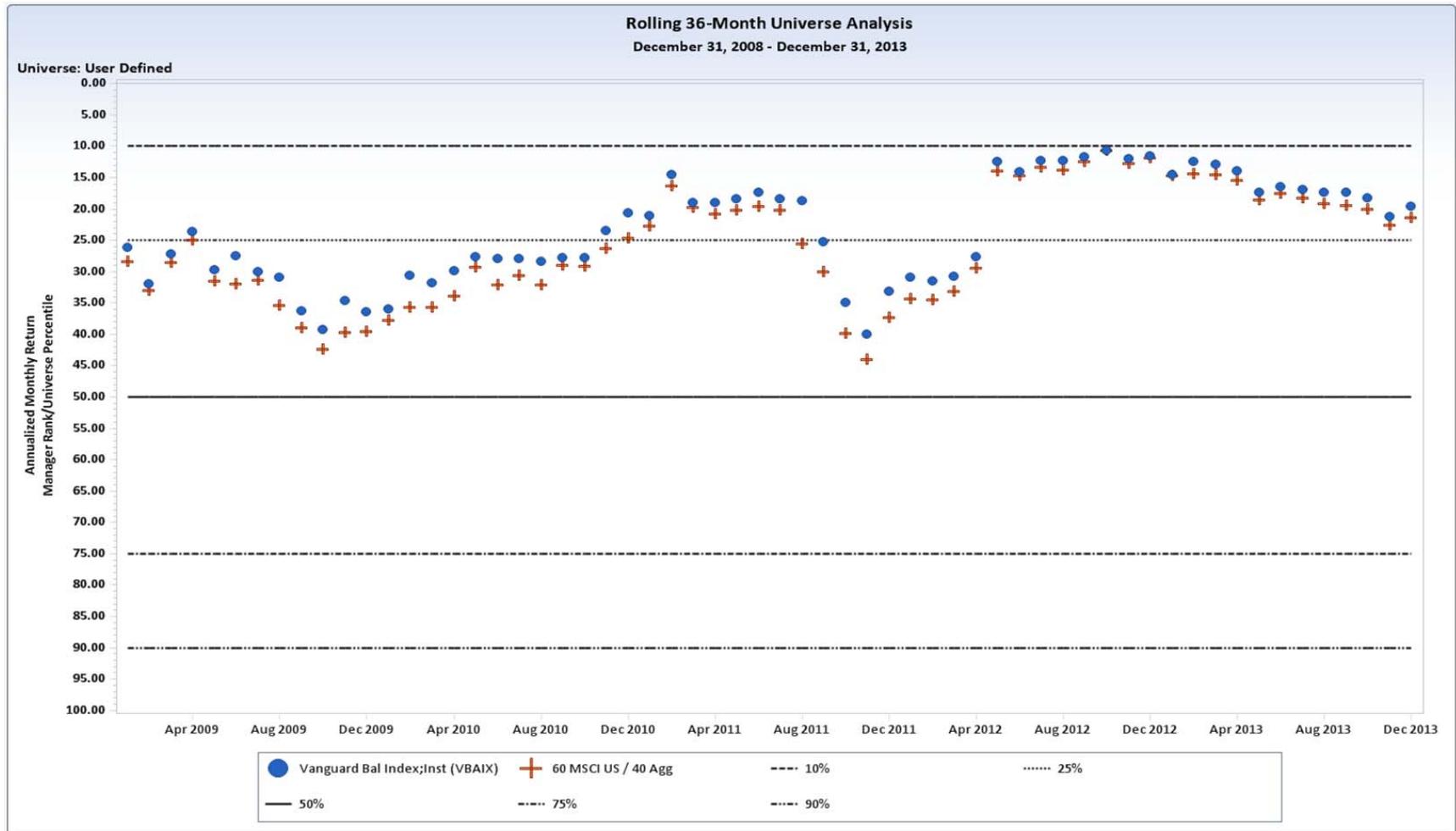
Portfolio Information	
Expense Ratio	0.08%
12b-1 Fee Included	-
Morningstar Average	1.04%
Minimum Investment	\$5,000,000
Avg. Annual Turnover	43%

Fixed Income Characteristics 11-30-13	
Avg. Duration (yrs.)	5.45
Avg. Maturity (yrs.)	7.40
Avg. Quality	AA

Sector Weights 11-30-13	
<i>versus Barclays Aggregate</i>	%
Government	46.8%
Securitized	23.1%
Credit	22.2%
Municipal	0.8%
Cash & Equivalents	7.2%
Other	0.0%

Year-End Assets (\$ Mil.)	
2013/11	\$6,803
2012	\$5,554
2011	\$4,224
2010	\$3,446
2009	\$2,869
2008	\$2,299
2007	\$2,901
2006	\$2,666
2005	\$2,014

Balanced Universe



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Fidelity ContraFund Ticker: FCNTX

Fund Strategy

This fund likes companies with improving prospects rather than turnaround situations and utilizes the growth at a reasonable price investment philosophy. The manager invests in a broad array of industries and currently has a growth tilt. Due to the size of the fund, holdings are mostly in large cap stocks, though it still has many mid-cap stocks from earlier days when it was smaller in size and more nimble.

Manager Information

Lead Manager William Danoff
Inception 5/17/1987
Prospectus www.fidelity.com

Fund	Characteristics			Trailing Total Returns (annualized)					
	Morningstar Rating	Avg. Mkt Cap (\$MM)	# of Holdings	Qtr	YTD	1 Year	3 Years	5 Years	10 Years
Fidelity ContraFund	★★★★	\$62,040	304	10.5%	34.1%	34.1%	15.9%	18.7%	10.2%
S & P 500				10.5%	32.4%	32.4%	16.2%	17.9%	7.4%
Wilshire Large Growth				11.1%	35.0%	35.0%	16.2%	19.8%	8.2%
Lg Cap Growth MF Median				10.7%	33.9%	33.9%	14.9%	18.8%	7.2%

	Manager Statistics					Index Statistics		
	Standard Deviation	Beta	Alpha	Sharpe Ratio	Tracking Error	Standard Deviation	Beta	Sharpe Ratio
3-Year	12.12	0.96	0.40	1.28	3.46	12.11	-	1.30
5-Year	13.96	0.85	3.05	1.30	4.60	15.81	-	1.12

Top 10 Holdings 11-30-13	
Company	% of Portfolio
Google, Inc Class A	6.96%
Berkshire Hathaway A	4.13%
Apple Inc	3.53%
Wells Fargo & Co	2.77%
Amazon.com Inc	2.59%
Biogen Idec Inc	2.39%
TJX Companies	2.37%
Noble Energy Inc	2.27%
Visa, Inc.	1.94%
Walt Disney Co	1.87%

Sector Weights 11-30-13	
Basic Materials	2.3%
Communication Services	1.5%
Consumer Cyclical	19.4%
Consumer Defensive	8.5%
Healthcare	11.9%
Industrial	7.4%
Real Estate	0.1%
Technology	23.7%
Energy	4.6%
Financials	20.5%
Utilities	0.0%

Portfolio Information	
Expense Ratio	0.74%
12b-1 Fee	-
Morningstar Average	1.25%
Minimum Investment	\$2,500
Avg. Annual Turnover	48%

Year-End Assets (\$ Mil.)	
2013/11	\$73,520
2012	\$58,819
2011	\$54,719
2010	\$61,431

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Calvert Social Investment Equity A

Ticker: CSIEX

Fund Strategy

This fund invests in companies with solid balance sheets, dominant business franchises, and good earnings prospects. The portfolio is screened for social investment criteria: no alcohol, tobacco, gambling, or weapons companies; no companies with poor environmental or labor related issues.

Manager Information

Manager Richard England - Atlanta Capital
Inception 8/24/1987
Prospectus www.calvert.com

Fund	Characteristics			Trailing Total Returns (annualized)					
	Morningstar Rating	Avg. Mkt Cap (\$MM)	# of Holdings	Qtr	YTD	1 Year	3 Years	5 Years	10 Years
Calvert Social Invst. A	★★	\$58,218	101	12.2%	30.4%	30.4%	13.8%	18.2%	7.2%
S & P 500				10.5%	32.4%	32.4%	16.2%	17.9%	7.4%
Wilshire Large Growth				11.1%	35.0%	35.0%	16.2%	19.8%	8.2%
Lg Cap Growth MF Median				10.7%	33.9%	33.9%	14.9%	18.8%	7.2%

	Manager Statistics					Index Statistics		
	Standard Deviation	Beta	Alpha	Sharpe Ratio	Tracking Error	Standard Deviation	Beta	Sharpe Ratio
3-Year	12.98	1.03	-2.43	1.06	3.73	12.11	-	1.30
5-Year	16.15	0.99	0.49	1.11	4.23	15.81	-	1.12

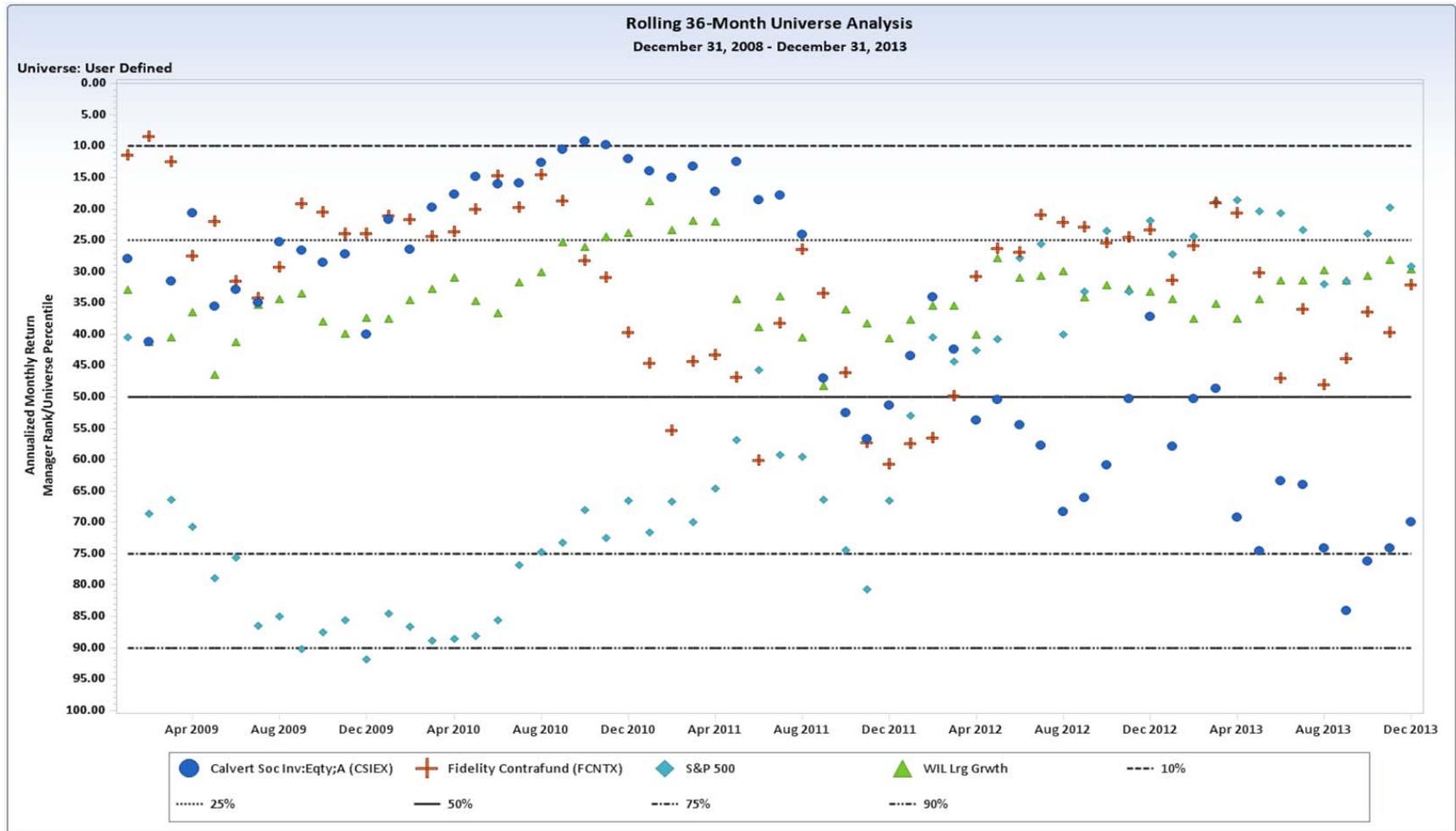
Top 10 Holdings 11-30-13	
Company	% of Portfolio
CVS Caremark Corp	4.50%
Apple Inc	4.27%
Google, Inc. Class A	3.88%
Qualcomm, Inc	3.46%
Coca-Cola Co	3.17%
Gilead Sciences Inc	3.07%
Microsoft Corporation	2.88%
Costco Wholesale Corp	2.82%
Express Scripts	2.76%
Int'l Exchange Group Inc	2.71%

Sector Weights 11-30-13	
Basic Materials	2.7%
Communication Services	0.0%
Consumer Cyclical	21.2%
Consumer Defensive	12.0%
Healthcare	15.5%
Industrial	11.0%
Real Estate	0.0%
Technology	20.4%
Energy	3.1%
Financials	14.1%
Utilities	0.0%

Portfolio Information	
Expense Ratio	1.20%
12b-1 Fee Included	0.25%
Morningstar Average	1.25%
Minimum Investment	\$2,000
Avg. Annual Turnover	32%

Year-End Assets (\$ Mil.)	
2013/11	\$1,719
2012	\$1,461
2011	\$1,366
2010	\$1,109

Large Cap Growth Universe



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Vanguard (500) Institutional Index Ticker: VINIX

Fund Strategy

This index fund buys and holds stocks that comprise the S&P 500 Index. The manager adds value by opportunistically buying futures contracts and finding ways to minimize trading costs.

Manager Information

Lead Manager Donald M. Butler
Inception 7/31/1990
Prospectus www.vanguard.com

Fund	Characteristics			Trailing Total Returns (annualized)					
	Morningstar Rating	Avg. Mkt Cap (\$MM)	# of Holdings	Qtr	YTD	1 Year	3 Years	5 Years	10 Years
Vanguard (500) Inst. Idx	★★★★	\$68,666	511	10.5%	32.3%	32.3%	16.2%	18.0%	7.4%
S & P 500				10.5%	32.4%	32.4%	16.2%	17.9%	7.4%
Large Core MF Median				10.1%	32.2%	32.2%	14.9%	17.1%	7.0%

	Manager Statistics					Index Statistics		
	Standard Deviation	Beta	Alpha	Sharpe Ratio	Tracking Error	Standard Deviation	Beta	Sharpe Ratio
3-Year	12.11	1.00	-0.02	1.30	0.02	12.11	-	1.30
5-Year	15.81	1.00	0.01	1.12	0.03	15.81	-	1.12

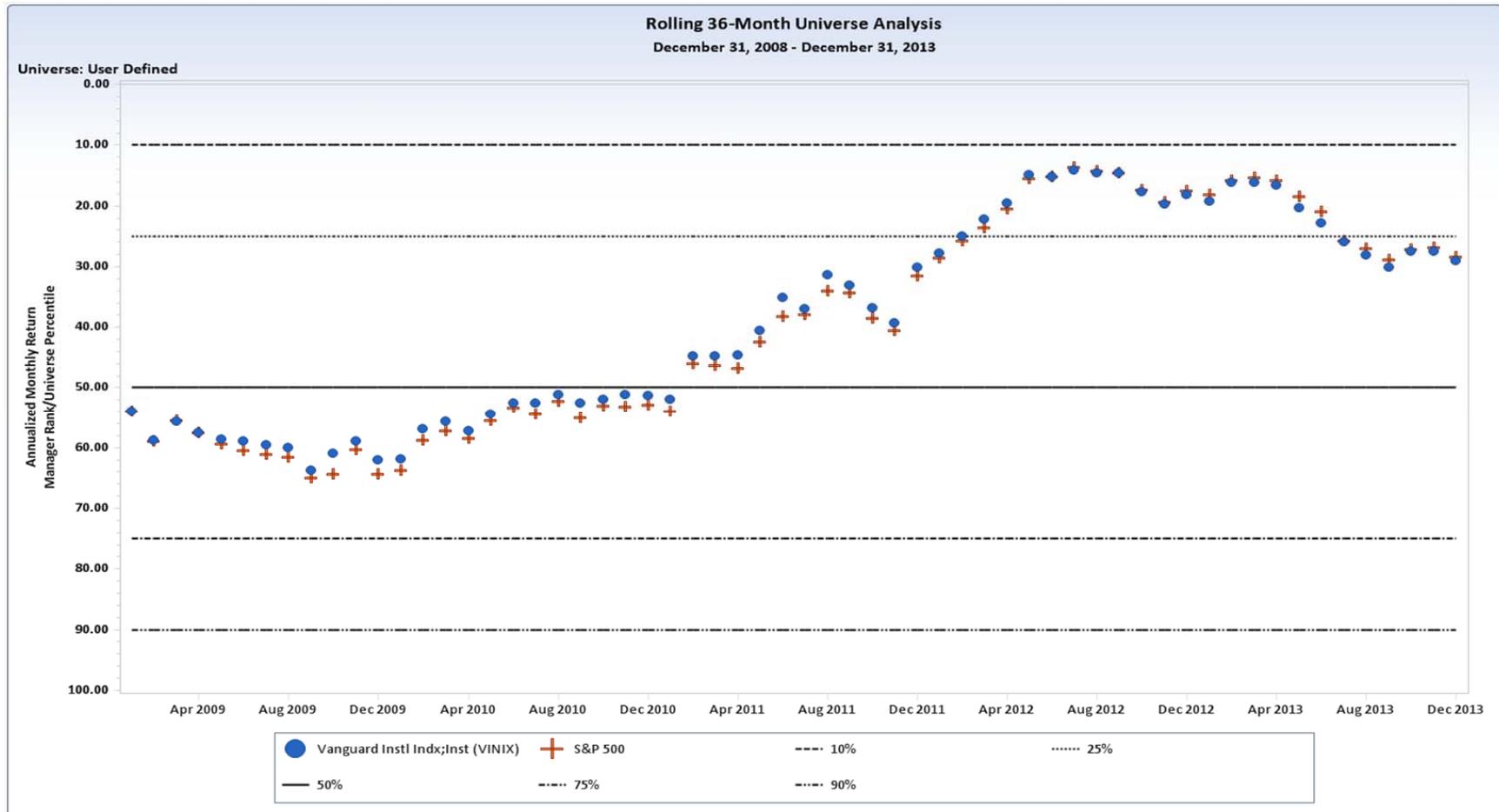
Top 10 Holdings 11-30-13	
Company	% of Portfolio
Apple, Inc.	3.14%
ExxonMobil Corporation	2.56%
Google, Inc. Class A	1.84%
Microsoft Corporation	1.80%
General Electric Co	1.69%
Johnson & Johnson	1.66%
Chevron Corp	1.47%
Procter & Gamble Co	1.43%
JPMorgan Chase & Co	1.34%
Wells Fargo & Co	1.32%

Sector Weights 11-30-13	
Basic Materials	3.3%
Communication Services	3.8%
Consumer Cyclical	11.2%
Consumer Defensive	10.8%
Healthcare	12.7%
Industrial	11.8%
Real Estate	1.7%
Technology	16.4%
Energy	10.3%
Financials	15.2%
Utilities	2.8%

Portfolio Information	
Expense Ratio	0.04%
12b-1 Fee Included	-
Morningstar Average	1.13%
Minimum Investment	\$5,000,000
Avg. Annual Turnover	5%

Year-End Assets (\$ Mil.)	
2013/11	\$86,106
2012	\$68,055
2011	\$58,399
2010	\$54,686

Large Cap Core Universe



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Vanguard Equity Income Ticker: VEIRX

Fund Strategy

This fund seeks to find stocks in high quality companies that are temporarily undervalued and have a high dividend yield in an effort to deliver a combination of steady returns and above average income. The portfolio is broadly diversified. Wellington subadvises 60% of the portfolio while Vanguard's quantitative group manages the remaining 40%.

Manager Information

Lead Manager James Stetler - Wellington
Inception 8/13/2001
Prospectus www.vanguard.com

Fund	Characteristics			Trailing Total Returns (annualized)					
	Morningstar Rating	Avg. Market Cap (\$MM)	# of Holdings	Qtr	YTD	1 Year	3 Years	5 Years	10 Years
Vanguard Equity Income	★★★★★	\$74,133	180	9.0%	30.2%	30.2%	17.8%	17.2%	8.7%
FTSE High Dividend Yield Idx				9.4%	30.3%	30.3%	17.6%	17.0%	8.6%
Russell 1000 Value Index				10.0%	32.5%	32.5%	16.1%	16.7%	7.6%
Large Value MF Median				9.7%	32.5%	32.5%	14.7%	16.1%	7.0%

	Manager Statistics					Index Statistics		
	Standard Deviation	Beta	Alpha	Sharpe Ratio	Tracking Error	Standard Deviation	Beta	Sharpe Ratio
3-Year	10.30	0.81	4.18	1.65	3.75	10.04	-	1.33
5-Year	15.21	0.93	0.43	1.12	3.82	16.20	-	0.84

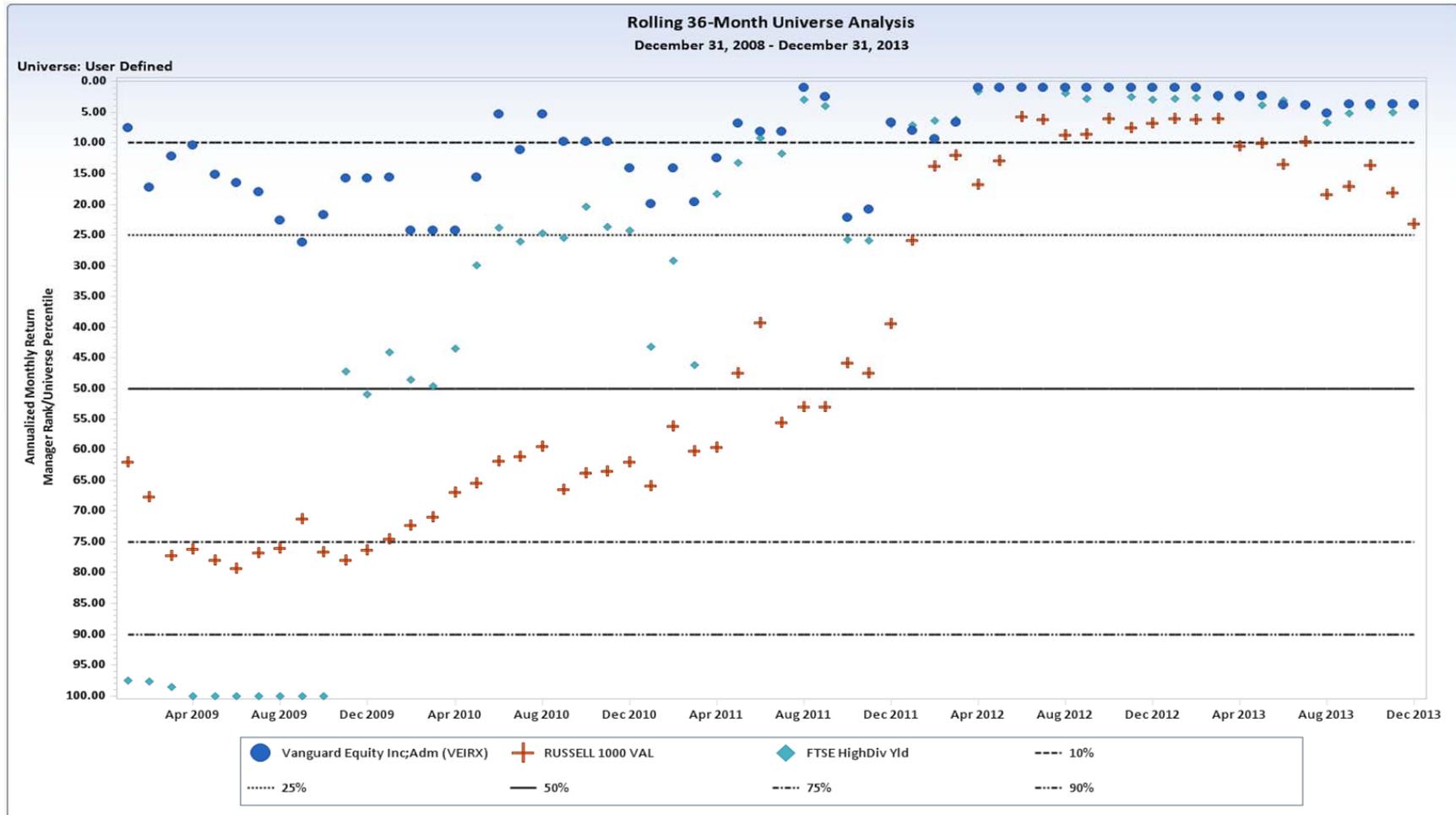
Top 10 Holdings 9-30-13	
Company	% of Portfolio
Johnson & Johnson	3.90%
Chevron Corp	3.53%
Wells Fargo & Co	3.27%
Exxon Mobil Corporation	3.13%
Microsoft Corporation	3.09%
JPMorgan Chase & Co	2.87%
Merck & Co Inc	2.57%
General Electric Co	2.57%
Pfizer Inc	2.16%
United Technologies Corp	2.00%

Sector Weights 9-30-13	
Basic Materials	3.9%
Communication Services	4.7%
Consumer Cyclical	6.9%
Consumer Defensive	13.1%
Healthcare	12.4%
Industrial	15.0%
Real Estate	0.0%
Technology	9.7%
Energy	12.5%
Financials	15.5%
Utilities	6.2%

Portfolio Information	
Expense Ratio	0.21%
12b-1 Fee Included	-
Morningstar Average	1.18%
Minimum Investment	\$50,000
Avg. Annual Turnover	34%

Year-End Assets (\$ Mil.)	
2013/11	\$9,968
2012	\$5,725
2011	\$3,292
2010	\$2,272

Large Cap Value Universe



**State of Montana 457 Deferred Compensation Plan
Fourth Quarter 2013**



Munder Mid Cap Core Growth A

Ticker: MGOAX

Fund Strategy

This fund operates in the mid-capitalization space and managers seek to invest in companies that are temporarily out of favor and trade cheap relative to growth potential. The fund keeps sector weightings within 3% of the benchmark. The fund holds 80-95 stocks and individual positions are capped at 3%.

Manager Information

Lead Manager Tony Y. Dong + Team
Inception 6/30/2000
Prospectus www.munder.com

Fund	Characteristics			Trailing Total Returns (annualized)					
	Morningstar Rating	Avg. Mkt Cap (\$MM)	# of Holdings	Qtr	YTD	1 Year	3 Years	5 Years	10 Years
Munder Mid Cap Core Grw A	★★★	\$7,773	84	8.4%	33.4%	33.4%	15.2%	20.4%	10.2%
Russell Mid Cap Index				8.4%	34.8%	34.8%	15.9%	22.4%	10.2%
Mid Cap Growth MF Median				8.4%	35.0%	35.0%	14.3%	21.2%	9.1%

	Manager Statistics					Index Statistics		
	Standard Deviation	Beta	Alpha	Sharpe Ratio	Tracking Error	Standard Deviation	Beta	Sharpe Ratio
3-Year	14.65	1.15	-2.92	1.04	4.91	14.23	-	1.11
5-Year	16.33	0.98	2.59	1.22	5.26	18.02	-	1.21

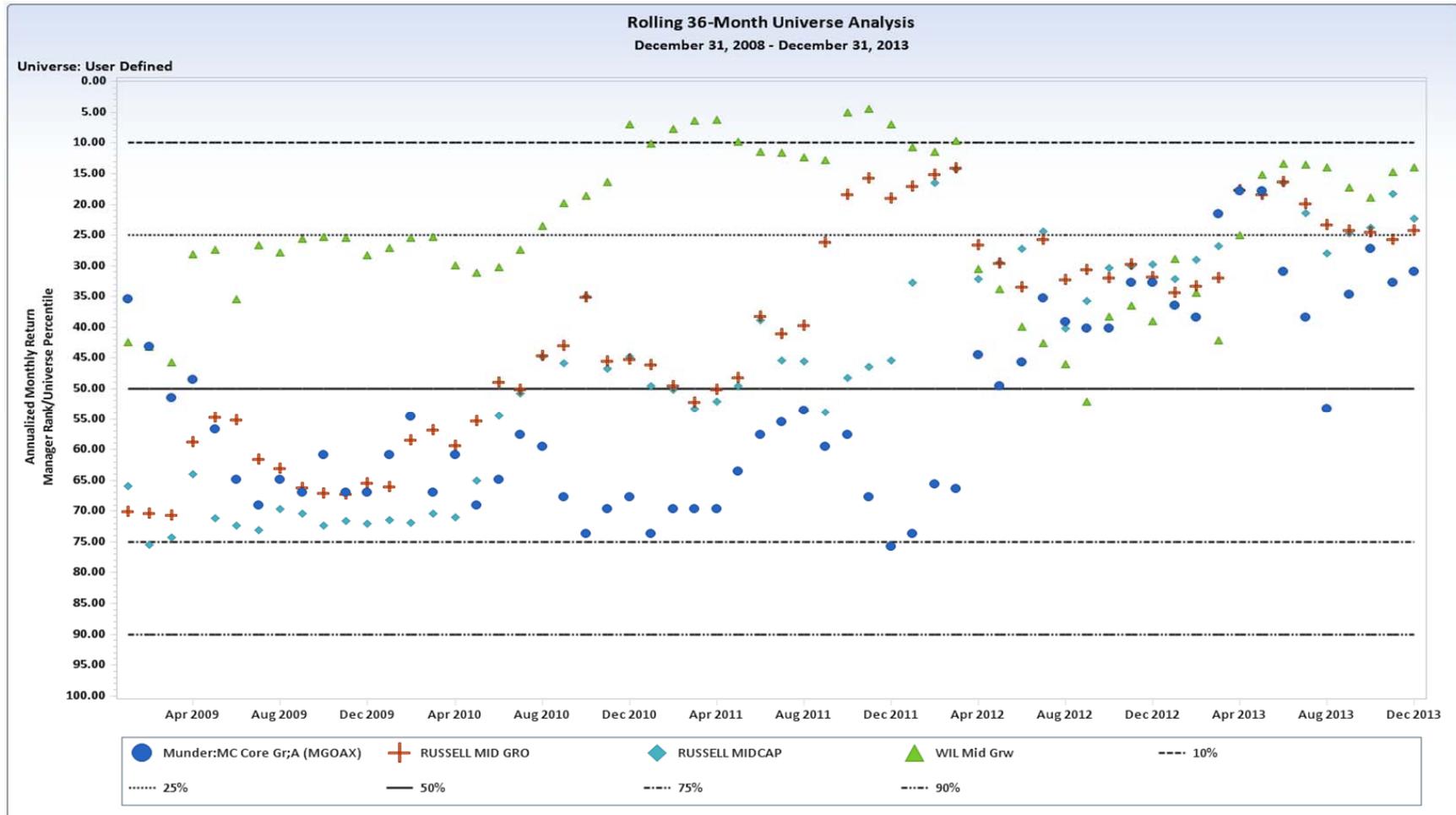
Top 10 Holdings 9-30-13	
Company	% of Portfolio
Affiliated Managers Group	2.62%
Lincoln National Corp	2.09%
NiSource Inc	1.87%
Liberty Media Corp	1.86%
Invesco Ltd.	1.78%
Airgas Inc	1.76%
LKQ Corporation	1.73%
Tupperware Brands Corp	1.72%
SBA Communications Corp	1.70%
Cooper Companies	1.60%

Sector Weights 9-30-13	
Basic Materials	5.6%
Communication Services	1.7%
Consumer Cyclical	20.6%
Consumer Defensive	6.5%
Healthcare	9.6%
Industrial	12.5%
Real Estate	3.8%
Technology	13.8%
Energy	7.4%
Financials	14.6%
Utilities	3.9%

Portfolio Information	
Expense Ratio	1.33%
12b-1 Fee Included	0.25%
Morningstar Average	1.36%
Minimum Investment	\$2,500
Avg. Annual Turnover	25%

Year-End Assets (\$ Mil.)	
2013/11	\$1,461
2012	\$1,193
2011	\$1,249
2010	\$1,507

Mid Cap Growth Universe



**State of Montana 457 Deferred Compensation Plan
Fourth Quarter 2013**



Columbia Mid Cap Value Z Fund

Ticker: NAMAX

Fund Strategy

Managers screen for the cheapest mid-cap stocks and from those, identify companies with improving operating metrics, preferably driven by strong top-line growth. There is not a strict limitation on sector weightings but do monitor risk closely. This fund tends to stay fully vested, therefore having the potential to fall farther than funds holding cash.

Manager Information

Lead Manager Diane Sobin, David Hoffman
Inception 11/20/2001
Prospectus www.columbiafunds.com

Fund	Characteristics			Trailing Total Returns (annualized)					
	Morningstar Rating	Avg. Mkt Cap (\$MM)	# of Holdings	Qtr	YTD	1 Year	3 Years	5 Years	10 Years
Columbia Mid Cap Value Z	★★★	\$8,855	102	10.7%	35.4%	35.4%	14.9%	19.9%	9.8%
Russell Mid Cap Value Index				8.6%	33.5%	33.5%	16.0%	21.2%	10.3%
Mid Cap Value MF Median				9.0%	35.8%	35.8%	15.0%	20.4%	9.5%

	Manager Statistics					Index Statistics		
	Standard Deviation	Beta	Alpha	Sharpe Ratio	Tracking Error	Standard Deviation	Beta	Sharpe Ratio
3-Year	14.56	1.16	-3.22	1.03	4.42	13.89	-	1.14
5-Year	18.72	1.14	-0.32	1.06	5.49	18.88	-	1.11

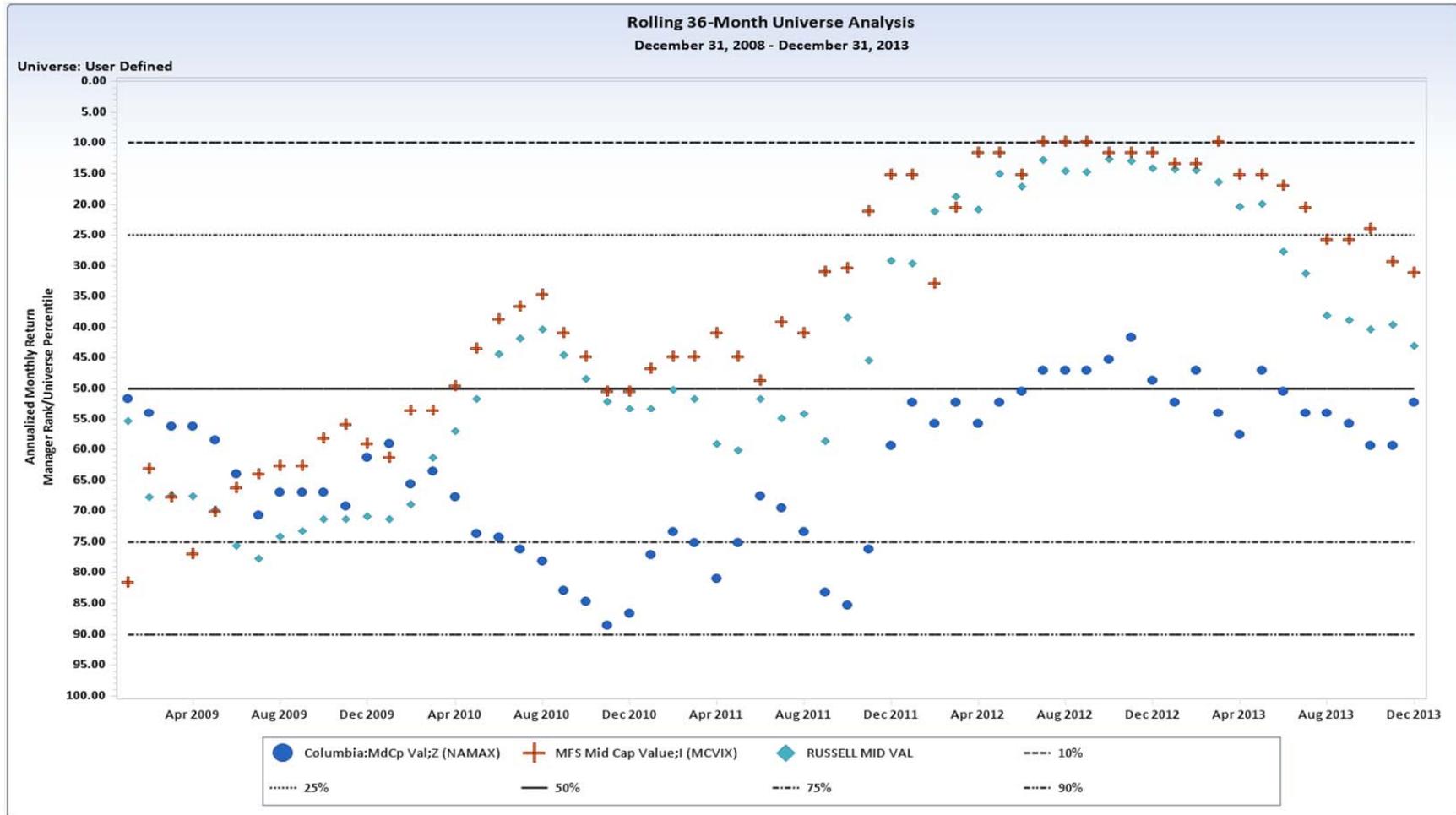
Top 10 Holdings 11-30-13	
Company	% of Portfolio
Noble Energy Inc	2.03%
CIT Group Inc	1.97%
Dover Corporation	1.92%
Jazz Pharmaceuticals PLC	1.72%
Principal Financial Group	1.72%
DISH Network Corp	1.68%
Hartford Financial Services	1.67%
Aon plc	1.63%
Fifth Third Bancorp	1.63%
TD Ameritrade	1.57%

Sector Weights 11-30-13	
Basic Materials	6.6%
Communication Services	3.2%
Consumer Cyclical	10.6%
Consumer Defensive	1.6%
Healthcare	9.7%
Industrial	11.4%
Real Estate	6.6%
Technology	11.3%
Energy	9.8%
Financials	21.3%
Utilities	7.9%

Portfolio Information	
Expense Ratio	0.94%
12b-1 Fee Included	-
Morningstar Average	1.29%
Minimum Investment	\$2,000
Avg. Annual Turnover	36%

Year-End Assets (\$ Mil.)	
2013/11	\$2,352
2012	\$2,220
2011	\$2,369
2010	\$2,707

Mid Cap Value Universe



State of Montana 457 Deferred Compensation Plan
Fourth Quarter 2013



Vanguard Small Cap Growth Index

Ticker: VISGX

Fund Strategy

This index fund tracks the CRSP Small Growth Index. CRSP classifies growth securities using these factors: future LT growth in EPS, future ST growth in EPS, 3-year historical growth in EPS and sales per share, and current investment-to-assets ratio and return on assets.

Manager Information

Lead Manager Gerard O'Reilly + Team
Inception 5/21/1998
Prospectus www.vanguard.com

Fund	Characteristics			Trailing Total Returns (annualized)					
	Morningstar Rating	Avg. Mkt Cap (\$MM)	# of Holdings	Qtr	YTD	1 Year	3 Years	5 Years	10 Years
Vanguard Small Growth Index	★★★★	\$2,809	693	7.5%	38.0%	38.0%	16.9%	24.2%	10.6%
CRSP US Small Growth Index				7.5%	38.4%	38.4%	15.7%	23.2%	10.8%
Small Cap Growth MF Median				8.2%	42.0%	42.0%	16.5%	22.6%	9.2%

	Manager Statistics					Index Statistics		
	Standard Deviation	Beta	Alpha	Sharpe Ratio	Tracking Error	Standard Deviation	Beta	Sharpe Ratio
3-Year	17.04	1.33	-3.93	1.00	6.84	16.89	-	0.95
5-Year	20.74	1.22	2.25	1.15	8.41	19.86	-	1.15

Top 10 Holdings 11-30-13	
Company	% of Portfolio
Fortune Brands Home & Sec	0.61%
3D Systems Corporation	0.58%
Nu Skin Enterprise, Inc. Class A	0.57%
Cooper Companies	0.55%
Incyte Corp Ltd	0.54%
Westinghouse Air Brake Tech	0.53%
Jazz Pharmaceuticals PLC	0.49%
Dick's Sporting Goods, Inc.	0.48%
Oil States International Inc	0.47%
Mednax, Inc.	0.47%

Sector Weights 11-30-13	
Basic Materials	2.3%
Communication Services	1.7%
Consumer Cyclical	17.3%
Consumer Defensive	4.2%
Healthcare	14.3%
Industrial	17.1%
Real Estate	10.8%
Technology	20.4%
Energy	5.9%
Financials	5.5%
Utilities	0.6%

Portfolio Information	
Expense Ratio	0.24%
12b-1 Fee Included	0.00%
Morningstar Average	1.44%
Minimum Investment	\$3,000
Avg. Annual Turnover	37%

Year-End Assets (\$ Mil.)	
2013/11	\$2,905
2012	\$2,649
2011	\$2,614
2010	\$4,229

State of Montana 457 Deferred Compensation Plan
Fourth Quarter 2013



Vanguard Small Cap Index Signal

Ticker: VSISX

Fund Strategy

This index fund tracks the CRSP US Small Cap Index. This index includes U.S. companies that fall between the bottom 2%-15% of the investable market capitalization.

Manager Information

Lead Manager Michael H. Buek
Inception 11/13/2000
Prospectus www.vanguard.com

Fund	Characteristics			Trailing Total Returns (annualized)					
	Morningstar Rating	Avg. Mkt Cap (\$MM)	# of Holdings	Qtr	YTD	1 Year	3 Years	5 Years	10 Years
Vanguard Small Cap Idx	★★★★	\$2,747	1448	8.8%	37.8%	37.8%	16.6%	22.5%	10.3%
CRSP US Small Cap Index				8.8%	38.5%	38.5%	17.2%	23.6%	10.9%
Small Cap Core MF Median				8.8%	37.7%	37.7%	15.4%	20.5%	9.0%

	Manager Statistics					Index Statistics		
	Standard Deviation	Beta	Alpha	Sharpe Ratio	Tracking Error	Standard Deviation	Beta	Sharpe Ratio
3-Year	16.30	1.29	-3.64	1.02	5.79	15.96	-	1.08
5-Year	20.98	1.26	0.27	1.08	7.89	20.42	-	1.14

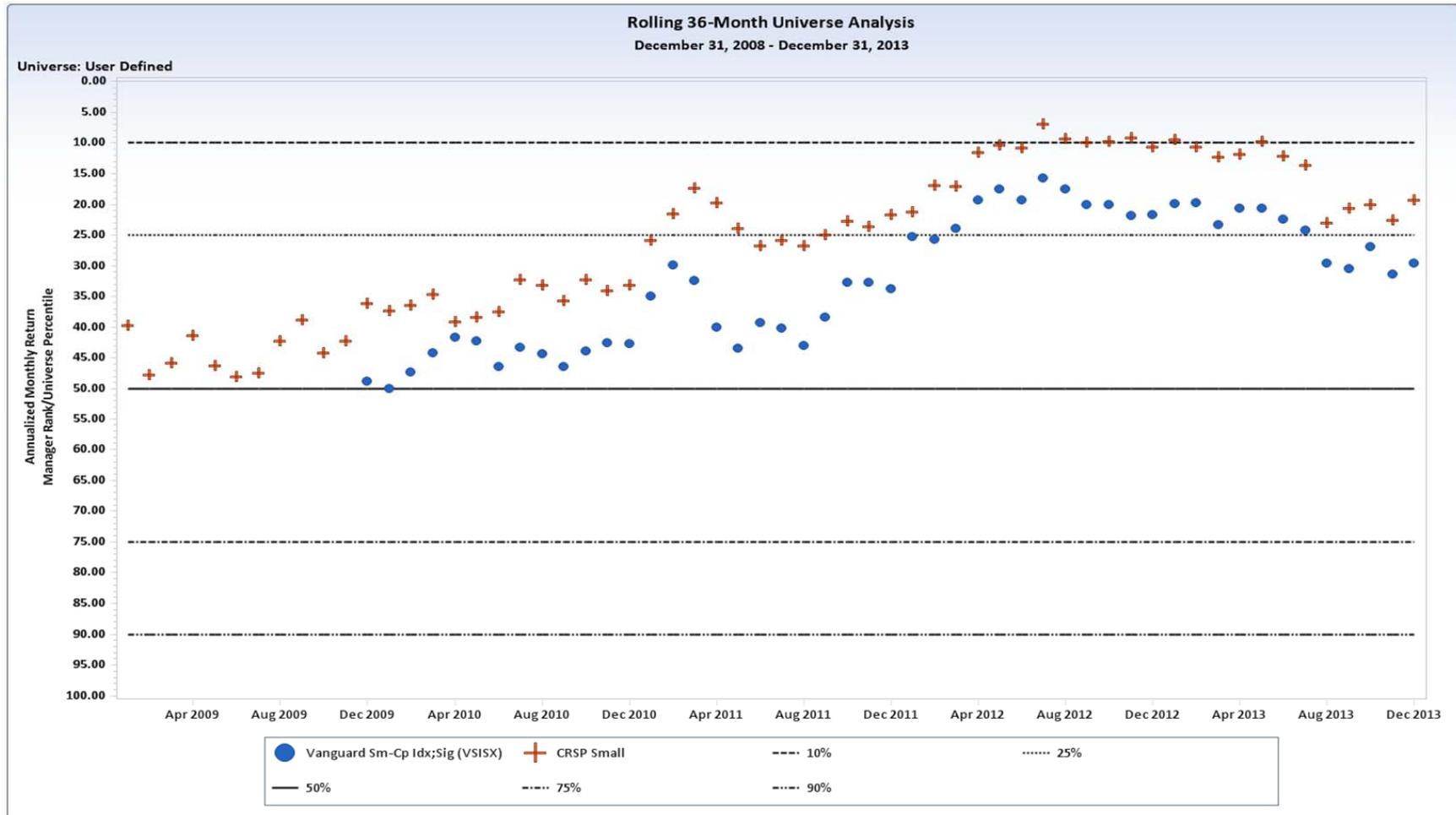
Top 10 Holdings 11-30-13	
Company	% of Portfolio
Genworth Financial Inc	0.28%
Towers Watson & Co Class A	0.28%
Fortune Brands Home & Sec	0.27%
Hanesbrands Inc	0.26%
3D Systems Corporation	0.26%
Jarden Corporation	0.26%
Fidelity National Financial Inc	0.26%
Nu Skin Enterprises, Inc	0.26%
Cooper Companies	0.24%
Incyte Corp Ltd	0.24%

Sector Weights 11-30-13	
Basic Materials	5.2%
Communication Services	1.2%
Consumer Cyclical	15.8%
Consumer Defensive	4.1%
Healthcare	10.5%
Industrial	18.0%
Real Estate	9.7%
Technology	14.3%
Energy	4.8%
Financials	13.1%
Utilities	3.3%

Portfolio Information	
Expense Ratio	0.10%
12b-1 Fee Included	-
Morningstar Average	1.31%
Minimum Investment	\$0
Avg. Annual Turnover	14%

Year-End Assets (\$ Mil.)	
2013/11	\$7,163
2012	\$4,329
2011	\$3,075
2010	\$2,300

Small Cap Core Universe



**State of Montana 457 Deferred Compensation Plan
Fourth Quarter 2013**



Neuberger Berman Genesis Tr Ticker: **NBGEX**

Fund Strategy
Focusing on the small cap space, managers seek to find stocks with good cash flows and a dominant competitive niche, preferably in a business that is not too dependent on the broader economy. The orientation of the fund is conservative with minimal volatility.

Manager Information
Lead Manager Judith M. Vale + Team
Inception 8/26/1993
Prospectus www.nb.com

Fund	Characteristics			Trailing Total Returns (annualized)					
	Morningstar Rating	Avg. Mkt Cap (\$MM)	# of Holdings	Qtr	YTD	1 Year	3 Years	5 Years	10 Years
Neuberger Berman Genesis Tr	★★★★	\$2,896	144	9.1%	36.9%	36.9%	16.3%	19.2%	11.3%
Russell 2000				8.7%	38.8%	38.8%	15.7%	20.1%	9.1%
Small Cap Value MF Median				9.1%	36.6%	36.6%	15.5%	21.0%	10.1%

	Manager Statistics					Index Statistics		
	Standard Deviation	Beta	Alpha	Sharpe Ratio	Tracking Error	Standard Deviation	Beta	Sharpe Ratio
3-Year	13.40	1.00	0.22	1.19	5.69	16.68	-	0.96
5-Year	15.53	0.91	2.66	1.21	6.03	20.93	-	0.98

Top 10 Holdings 9-30-13

Company	% of Portfolio
Church & Dwight Company, Inc.	2.22%
Westinghouse Air Brake Tech	2.12%
AptarGroup Inc	1.95%
Oceaneering International	1.93%
Ocwen Financial Corporation	1.83%
Polaris Industries, Inc.	1.81%
Compass Minerals Intl, Inc.	1.74%
Clarcor Inc.	1.67%
Altisource Portfolio Solutions	1.60%
Henry Schein, Inc	1.48%

Sector Weights 9-30-13

Basic Materials	8.1%
Communication Services	0.0%
Consumer Cyclical	15.9%
Consumer Defensive	6.7%
Healthcare	11.0%
Industrial	21.2%
Real Estate	1.7%
Technology	13.9%
Energy	7.4%
Financials	12.4%
Utilities	1.8%

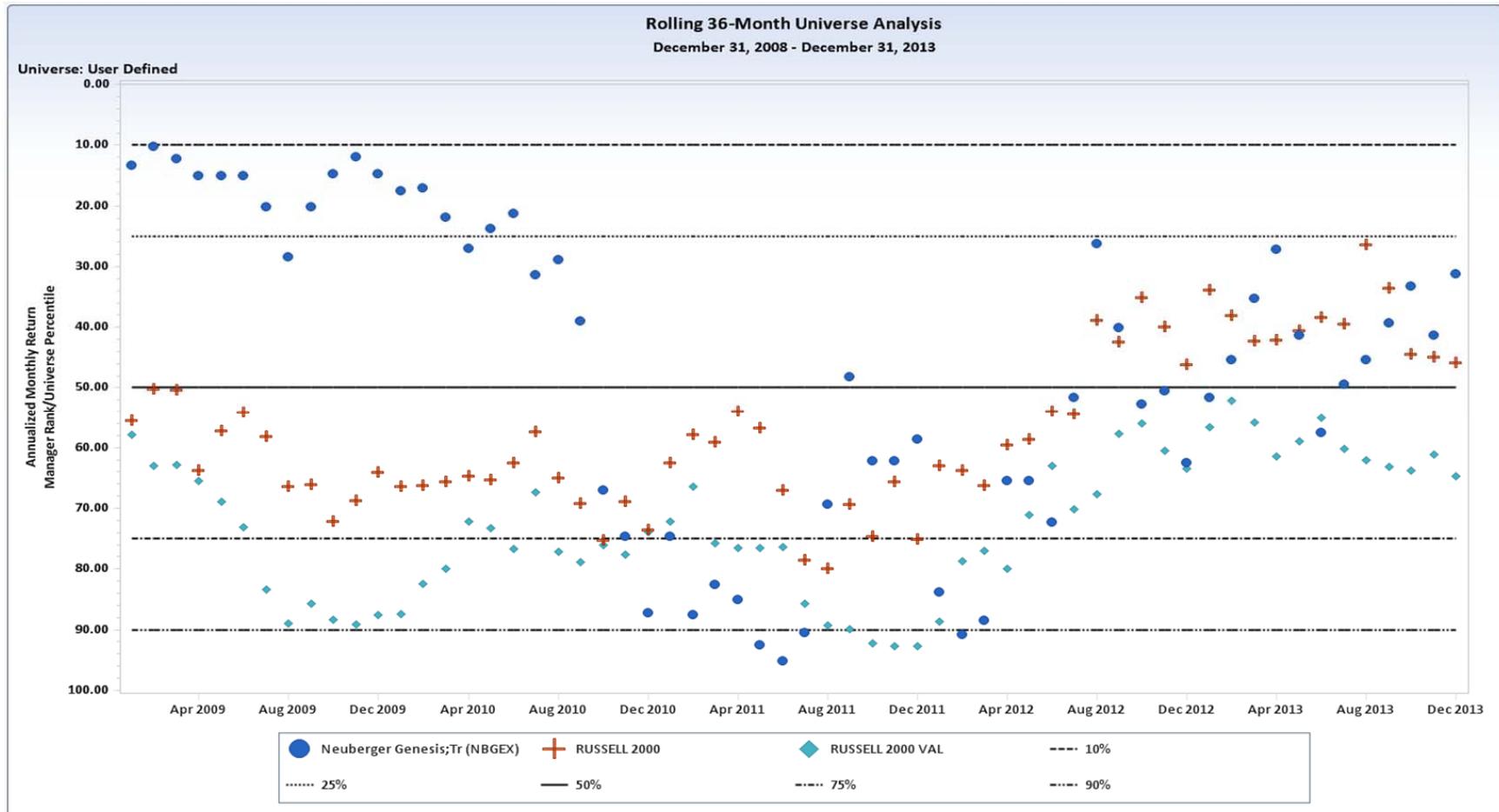
Portfolio Information

Expense Ratio	1.10%
12b-1 Fee Included	-
Morningstar Average	1.36%
Minimum Investment	\$0
Avg. Annual Turnover	20%

Year-End Assets (\$ Mil.)

2013/11	\$3,474
2012	\$2,981
2011	\$3,373
2010	\$3,737

Small Cap Value Universe



State of Montana 457 Deferred Compensation Plan
Fourth Quarter 2013



American Funds New Perspective

Ticker: RNPEX

Fund Strategy

This fund seeks capital appreciation by investing in high quality companies that are temporarily out of favor and holding these positions for the long term. Manager stock picks are based on the firm's internally generated fair value model. The fund invests internationally and traditionally has held a large cash position.

Manager Information

Lead Manager Gregg England + Team
Inception 5/28/2002
Prospectus www.americanfunds.com

Fund	Characteristics			Trailing Total Returns (annualized)					
	Morningstar Rating	Avg. Mkt Cap (\$MM)	# of Holdings	Qtr	YTD	1 Year	3 Years	5 Years	10 Years
American Funds New Perspective	★★★★★	\$49,208	285	8.5%	26.8%	26.8%	12.2%	17.0%	9.2%
MSCI AC World Index				7.3%	22.8%	22.8%	9.7%	14.9%	7.2%
World Stock MF Median				7.8%	25.8%	25.8%	11.1%	15.2%	7.7%

	Manager Statistics					Index Statistics		
	Standard Deviation	Beta	Alpha	Sharpe Ratio	Tracking Error	Standard Deviation	Beta	Sharpe Ratio
3-Year	13.48	0.78	7.49	0.92	5.26	14.14	-	0.72
5-Year	16.48	0.81	5.77	1.03	5.55	17.60	-	0.88

Top 10 Holdings 9-30-13	
Company	% of Portfolio
Novo-Nordisk A/S	3.95%
Amazon.com Inc	2.55%
Google, Inc. Class A	1.75%
Naspers Ltd	1.63%
ASML Holding NV	1.61%
Home Depot, Inc.	1.57%
Bayer AG	1.52%
CME Group Inc	1.26%
Burberry Group PLC	1.22%
Delta Air Lines Inc	1.22%

Country Weights 9-30-13	
	%
Europe	37.2%
France	4.4%
Germany	4.0%
United Kingdom	9.3%
Asia	12.5%
Australia	0.9%
Hong Kong	1.1%
Japan	7.0%
Latin America	0.5%
North America	49.8%
Canada	1.9%
United States	47.9%

Portfolio Information	
Expense Ratio	0.80%
12b-1 Fee Included	0.25%
Morningstar Average	1.32%
Minimum Investment	-
Avg. Annual Turnover	30%

Year-End Assets (\$ Mil.)	
2013/11	\$1,739
2012	\$1,380
2011	\$1,102
2010	\$1,173
2009	\$970
2008	\$582

**State of Montana 457 Deferred Compensation Plan
Fourth Quarter 2013**



Mutual Discovery Z Ticker: MDISX

Fund Strategy
This fund seeks capital appreciation by purchasing out of favor stocks of all capitalization sizes, particularly in Europe and the US. The fund also buys debt of depressed companies. The fund invests internationally and managers do not consider any benchmark when constructing the portfolio. Traditionally, managers have hedged foreign currency exposure but, in recent past, have allowed the hedges to lapse.

Manager Information
Lead Manager Anne E. Gudefin
Inception 12/31/1992
Prospectus www.franklintempleton.com

Fund	Characteristics			Trailing Total Returns (annualized)					
	Morningstar Rating	Avg. Mkt Cap (\$MM)	# of Holdings	Qtr	YTD	1 Year	3 Years	5 Years	10 Years
Mutual Discovery Z	★★★★	\$41,474	170	7.5%	25.6%	25.6%	11.6%	13.4%	10.1%
MSCI World Index				8.0%	26.7%	26.7%	11.5%	15.0%	7.0%
World Stock MF Median				7.8%	25.8%	25.8%	11.1%	15.2%	7.7%

	Manager Statistics					Index Statistics		
	Standard Deviation	Beta	Alpha	Sharpe Ratio	Tracking Error	Standard Deviation	Beta	Sharpe Ratio
3-Year	11.25	0.62	7.69	1.03	7.96	13.73	-	0.86
5-Year	11.02	0.49	6.29	1.19	11.28	17.23	-	0.90

Top 10 Holdings 9-30-13

Company	% of Portfolio
Vodafone Group PLC	2.23%
Merck & Co Inc	2.00%
Apple Inc	1.95%
ACE Ltd	1.91%
American Intl Group Inc	1.80%
Microsoft Corporation	1.70%
British American Tobacco	1.66%
Medtronic Inc	1.62%
Royal Dutch Shell PLC	1.55%
Apache Corporation	1.54%

Country Weights 9-30-13

	%
Europe	41.8%
France	7.5%
Germany	3.1%
United Kingdom	18.1%
Asia	4.5%
Australia	0.0%
Hong Kong	1.8%
Japan	0.0%
Latin America	0.8%
North America	52.9%
Canada	0.9%
United States	52.0%

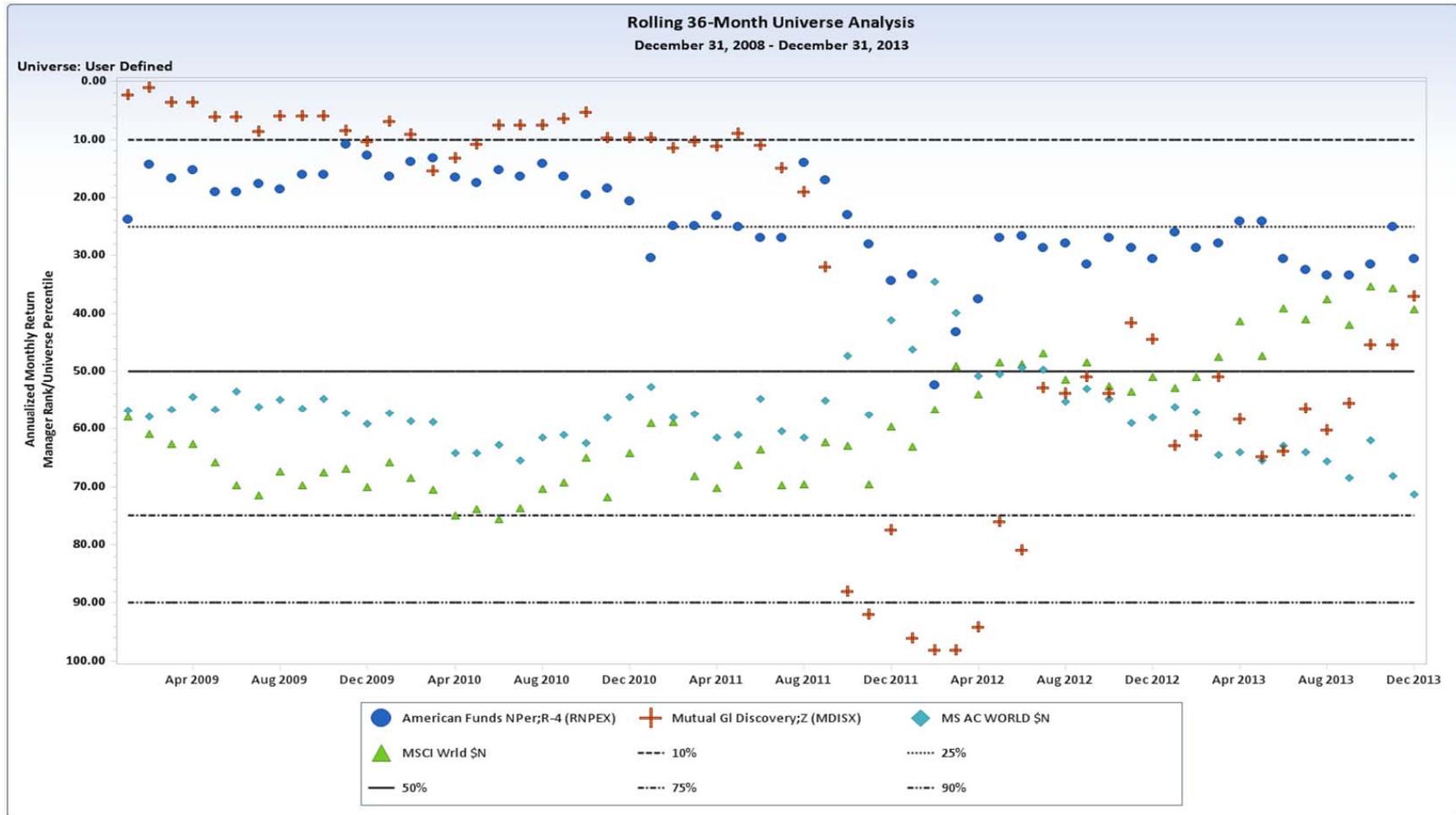
Portfolio Information

Expense Ratio	1.02%
12b-1 Fee Included	-
Morningstar Average	1.32%
Minimum Investment	\$1,000
Avg. Annual Turnover	25%

Year-End Assets (\$ Mil.)

2013/11	\$9,455
2012	\$7,422
2011	\$7,164
2010	\$7,211
2009	\$3,489
2008	\$4,719

World Equity Universe



State of Montana 457 Deferred Compensation Plan
Fourth Quarter 2013



Artisan International Inv Ticker: ARTIX

Fund Strategy
This fund has a growth orientation and selects stocks poised to enjoy superior earnings growth. The fund invests in smaller capitalization and emerging market companies. It also invests in themes. Consequently, the fund sector weightings differ measurably from the benchmark index. Traditionally, the fund has not hedged foreign currency exposure.

Manager Information	
Lead Manager	Mark L. Yockey
Inception	12/28/1995
Prospectus	www.artisanfunds.com

Fund	Characteristics			Trailing Total Returns (annualized)					
	Morningstar Rating	Avg. Mkt Cap (\$MM)	# of Holdings	Qtr	YTD	1 Year	3 Years	5 Years	10 Years
Artisan International Inv	★★★★★	\$42,571	83	7.4%	25.2%	25.2%	13.3%	16.6%	8.9%
MSCI EAFE Growth Index				5.2%	22.5%	22.5%	8.0%	12.8%	7.0%
MSCI EAFE Index				5.7%	22.8%	22.8%	8.2%	12.4%	6.9%
Non-US Equity MF Median				5.9%	20.7%	20.7%	7.4%	12.5%	7.0%

	Manager Statistics					Index Statistics		
	Standard Deviation	Beta	Alpha	Sharpe Ratio	Tracking Error	Standard Deviation	Beta	Sharpe Ratio
3-Year	17.21	1.00	7.67	0.81	4.97	15.93	-	0.56
5-Year	20.41	0.99	3.54	0.85	5.40	18.35	-	0.75

Top 10 Holdings 9-30-13	
Company	% of Portfolio
Baidu Inc	4.20%
Linde AG	4.00%
AIA Group Ltd	3.23%
Bayer AG	3.20%
Nestle SA	3.13%
Roche Holding AG	2.90%
Unilever NV DR	2.89%
Japan Tobacco Inc	2.88%
Deutsche Post AG	2.78%
SABMiller PLA	2.61%

Country Weights 9-30-13	
	%
Europe	67.6%
France	8.3%
Germany	19.2%
United Kingdom	18.8%
Asia	26.4%
Australia	0.0%
Hong Kong	4.5%
Japan	11.9%
Latin America	0.3%
North America	5.6%
Canada	1.2%
United States	4.4%

Portfolio Information	
Expense Ratio	1.20%
12b-1 Fee Included	-
Morningstar Average	1.23%
Minimum Investment	\$1,000
Avg. Annual Turnover	42%

Year-End Assets (\$ Mil.)	
2013/11	\$10,764
2012	\$7,498
2011	\$6,151
2010	\$7,489
2009	\$8,078
2008	\$6,003

**State of Montana 457 Deferred Compensation Plan
Fourth Quarter 2013**



Dodge & Cox International Stock

Ticker: DODFX

Fund Strategy

This fund seeks capital appreciation by investing in good international companies that are temporarily out of favor and holding positions for the long term. It favors companies with good management, dominant competitive positions and good growth potential. Stocks are picked based on the internally generated fair value model.

Manager Information

Lead Manager Bryan C. Cameron
Inception 5/1/2001
Prospectus www.dodgeandcox.com

Fund	Characteristics			Trailing Total Returns (annualized)					
	Morningstar Rating	Avg. Mkt Cap (\$MM)	# of Holdings	Qtr	YTD	1 Year	3 Years	5 Years	10 Years
Dodge & Cox Int'l Stock	★★★★	\$39,765	91	7.8%	26.3%	26.3%	8.7%	16.6%	9.8%
MSCI EAFE Value Index				6.3%	23.0%	23.0%	8.3%	12.0%	6.8%
MSCI EAFE Index				5.7%	22.8%	22.8%	8.2%	12.4%	6.9%
Non-US Equity MF Median				5.9%	20.7%	20.7%	7.4%	12.5%	7.0%

	Manager Statistics					Index Statistics		
	Standard Deviation	Beta	Alpha	Sharpe Ratio	Tracking Error	Standard Deviation	Beta	Sharpe Ratio
3-Year	17.43	1.03	3.30	0.56	3.77	17.45	-	0.54
5-Year	22.49	1.12	2.21	0.79	4.54	21.58	-	0.63

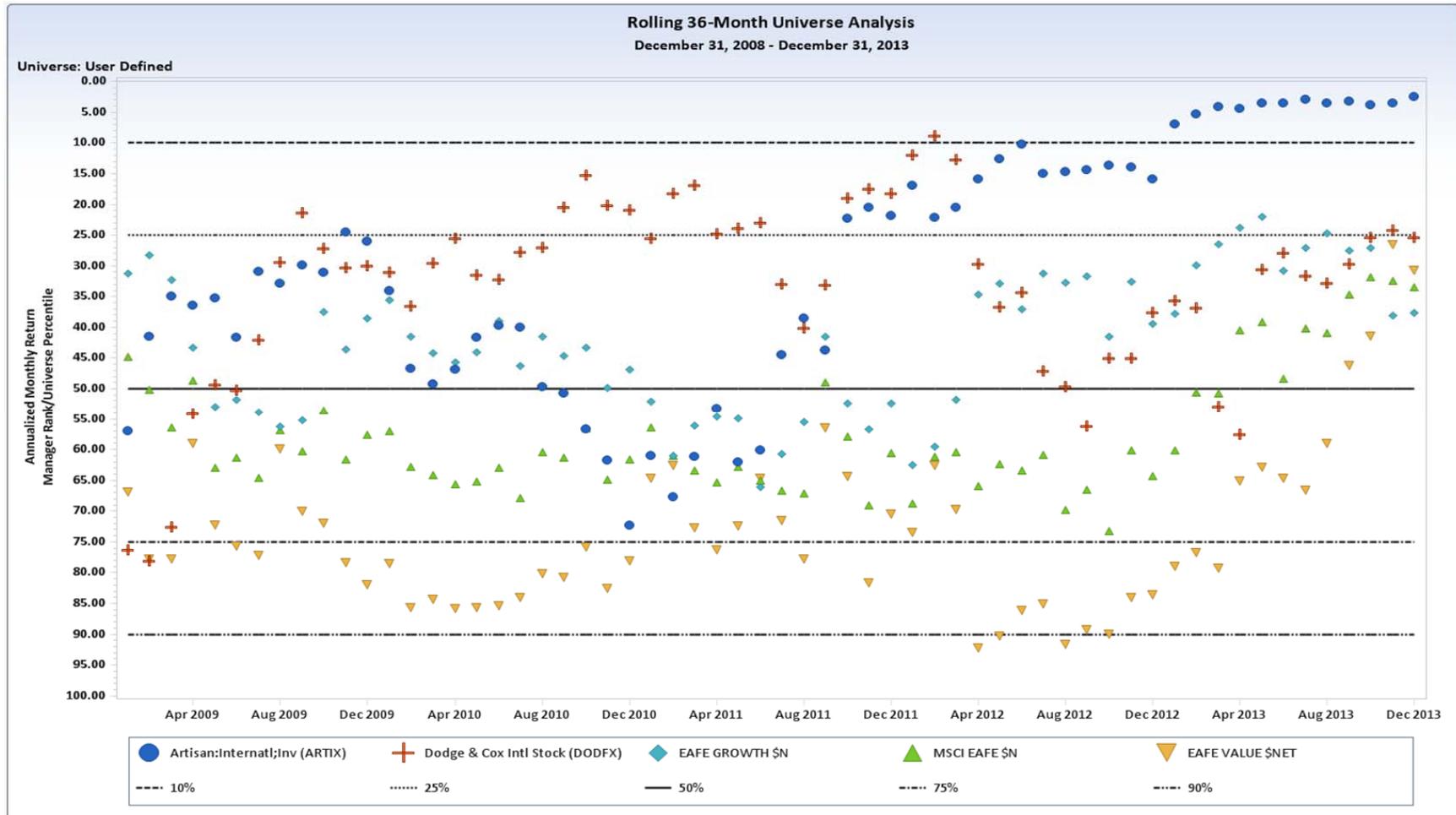
Top 10 Holdings 9-30-13	
Company	% of Portfolio
Naspers Ltd	4.46%
Roche Holding AG	3.95%
Sanofi	3.27%
Lafarge SA	2.81%
Credit Suisse Group	2.81%
Royal Philips NV	2.68%
Novartis AG ADR	2.56%
Bayer AG	2.39%
HSBC Holdings PLC	2.35%
Schlumberger NV	2.25%

Country Weights 9-30-13	
	%
Europe	71.6%
France	8.1%
Germany	7.2%
United Kingdom	16.0%
Asia	18.1%
Australia	0.0%
Hong Kong	1.2%
Japan	12.6%
Latin America	4.9%
North America	5.3%
Canada	0.0%
United States	5.3%

Portfolio Information	
Expense Ratio	0.64%
12b-1 Fee Included	-
Morningstar Average	1.23%
Minimum Investment	\$2,500
Avg. Annual Turnover	10%

Year-End Assets (\$ Mil.)	
2013/11	\$52,538
2012	\$40,556
2011	\$35,924
2010	\$43,400
2009	\$36,546

International (Non-US) Equity Universe



State of Montana 457 Deferred Compensation Plan
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Oppenheimer Developing Markets Y

Ticker: ODVYX

Fund Strategy

The Oppenheimer fund seeks exposure to emerging markets equities through a diversified growth oriented investment style and employs a low turnover strategy with a portfolio of roughly of 100-125 securities. The team has improved its portfolio construction process and has demonstrated an impressive level of alpha from security specific selection.

Manager Information

Lead Manager Justin Leverenz
Inception 9/7/2005
Prospectus www.oppenheimerfunds.com

Fund	Characteristics			Trailing Total Returns (annualized)					
	Morningstar Rating	Avg. Mkt Cap (\$MM)	# of Holdings	Qtr	YTD	1 Year	3 Years	5 Years	10 Years
Oppenheimer Dev Mkt Y	★★★★★	\$19,455	110	3.7%	8.7%	8.7%	2.7%	20.2%	15.3%
MSCI Emerg Mkts Index				1.8%	-2.6%	-2.6%	-2.1%	14.8%	11.2%
Emg Mkt Equity MF Median				2.1%	-1.5%	-1.5%	-2.0%	14.5%	10.3%

	Manager Statistics					Index Statistics		
	Standard Deviation	Beta	Alpha	Sharpe Ratio	Tracking Error	Standard Deviation	Beta	Sharpe Ratio
3-Year	17.65	0.99	-2.13	0.23	6.73	19.31	-	-0.02
5-Year	21.92	1.05	6.19	0.95	7.29	22.59	-	0.72

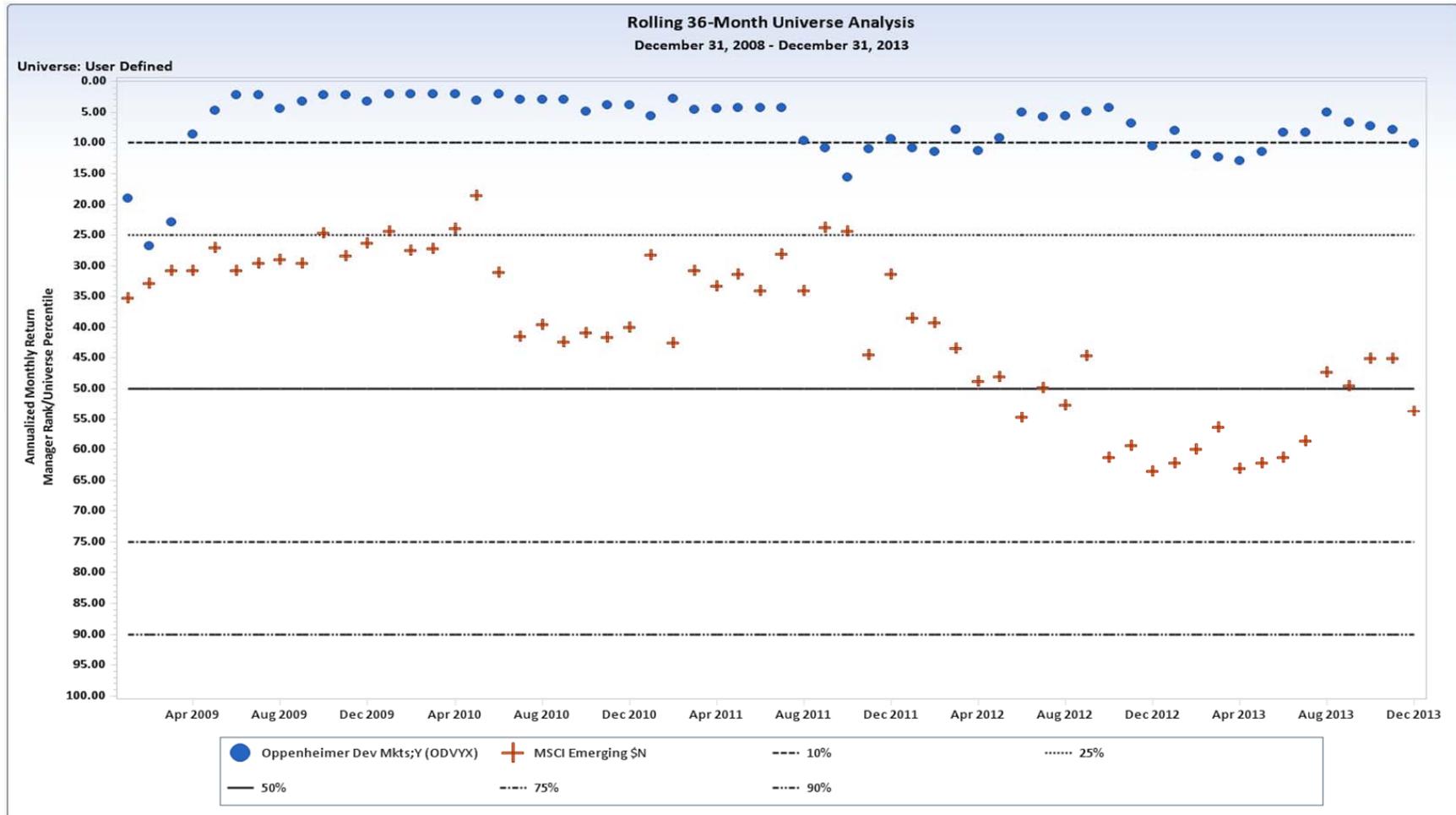
Top 10 Holdings 11-31-13	
Company	% of Portfolio
Baidu, Inc. ADR	5.31%
Tencent Holdings Ltd	3.21%
OAO Novatek GDR	2.27%
Yandex NV	2.18%
Magnit JSC	2.18%
Housing Development Fin	2.06%
Infosys Ltd	2.00%
America Movil	1.90%
Carlsberg AS	1.87%
Taiwan Semi Man. Co Ltd	1.85%

Country Weights 11-31-13	
	%
Europe	32.9%
France	2.3%
Germany	0.0%
United Kingdom	9.0%
Asia	48.7%
Australia	0.0%
Hong Kong	5.1%
Japan	0.0%
Latin America	17.9%
North America	0.4%
Canada	0.0%
United States	0.4%

Portfolio Information	
Expense Ratio	1.01%
12b-1 Fee Included	-
Morningstar Average	1.57%
Minimum Investment	\$0
Avg. Annual Turnover	29%

Year-End Assets (\$ Mil.)	
2013/11	\$18,542
2012	\$13,350
2011	\$8,206
2010	\$7,296
2009	\$2,519

Emerging Markets Equity Universe



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ADR	American Depository Receipt, a negotiable receipt for the shares of a foreign-based corporation held in trust by a U.S. bank that entitles a shareholder to all dividends and capital gains.
Alpha	Alpha is a statistical calculation based on a manager's beta and the rate of return of the index over the period. Alpha measures whether a manager has added value to or detracted from returns on a risk-adjusted basis. Alpha can be used when comparing dissimilar products because alpha is adjusted for risk and therefore the product with the highest alpha added the most historical value relative to its risk level
Annualized Return	Rate of return of the account smoothed as though the return occurred equally over twelve-month periods. When the specified time frame is for less than a year, the rate of return is projected as though the same performance continues to occur for a twelve-month time period.
Assets Managed in Style	The total assets managed in all investment vehicles of the investment style.
Average Market Capitalization (\$ Wtd.)	The average market capitalization of all stocks in a given portfolio, weighted by each company's portion of the portfolio's market value.
Beta	A measure of volatility. A beta over 1.0 indicates above-market volatility; below 1.0, less volatility.
Book Value	The balance sheet value of assets minus the balance sheet value of liabilities. Also known as shareholders' equity
Bottom-Up Investment Approach	The investment manager concentrates on fundamental analysis of a company's financial statements. In addition, an investment manager may examine other aspects of the company such as strength of management, new product lines, valuation, historic record, etc.
Cumulative Annualized Rate of Return	Funds appear in order of their absolute rate of return over a common time period, with the highest rate of return appearing first
Cycle Analysis	The index, by definition, automatically has an Up-Cycle of 100. If a manager has an Up-Cycle number higher than 100, the manager has historically captured more than 100% of the rising market. If a manager has a Down-Cycle number of less than 100, the manager has historically captured less than 100% of the falling market.
Dividend	A payment issued by a company that distributes a portion of its value, usually in the form of cash.

Duration	The weighted maturity of a fixed-income investment's cash flows, used in the estimation of the price sensitivity of fixed-income securities for a given change in interest rates. Time periods are weighted by multiplying by the present value of its cash flow divided by the bond's price. (A bond's cash flows consist of coupon payments and repayment of capital). A bond's duration will almost always be shorter than its maturity, with the exception of zero-coupon bonds, where maturity and duration are equal.
Earnings	Earnings are a company's accounting profits or losses, typically reported four times each year.
Emerging Markets	Countries whose economies are considered emerging or underdeveloped.
Fundamental	A company's underlying financial situation.
Growth Style Investing	Growth investors purchase companies that have above-average earnings growth
Hedging	A strategy designed to reduce risk by offsetting potential losses from existing investments. This practice is often used in international investing, where investment managers often use hedging techniques to reduce exposure to fluctuating currencies
Investment Vehicle	The account type that an investor can gain access to an investment manager. Examples of investment vehicles are pooled or commingled funds, mutual funds, separate accounts, and limited partnerships.
Large Cap	Large Capitalization - refers to those companies with a market capitalization of greater than \$10 billion.
Liquidity	The ability to buy or sell an asset quickly and in large volume without substantially affecting the asset's price.
Market Capitalization	The dollar value of a public company based on the total number of shares of stock available multiplied by the price per share.
Median Market Capitalization (\$ Wtd.)	The market capitalization of the stock that represents the middle of the portfolio's cumulative market value. Half of the portfolio is invested in stocks larger than the median and the other half is invested in stocks smaller than the median
Micro Cap	Micro Capitalization - refers to those companies with a market capitalization of less than \$500 million.
Mid Cap	Mid Capitalization - refers to those companies with a market capitalization between \$2 and \$10 billion.
Net of Fees	After subtraction of management fees.
Portfolio	Refers to the complete list of securities held in an investment vehicle.

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Price-to-earnings (P/E) ratio	Calculated by dividing the current share price by the trailing twelve-months earnings per share
Price-to-book (P/B) ratio	Calculated by dividing the share price by the book value per share.
Relative Rank	"Rank" reflects funds' performance within the full universe of comparable products, which includes similar investment styles and objectives. The rank reflects which percentile the manager's absolute rate of return falls within relative to its peer universe, with 1 = highest and 100 = lowest
R-Squared (Coefficient of Determination)	A statistical measure of the degree to which the movements of two variables are related. An R-Squared closer to 1.0 indicates that the two variables tend to behave similarly or that by knowing one variable you can closely estimate the other variable.
Sharpe Ratio	A risk-adjusted measure calculated by using standard deviation and excess return to determine reward per unit of risk. The higher the Sharpe Ratio, the better the fund's historical risk-adjusted performance. The Sharpe Ratio is calculated for the past 36 month period by dividing a fund's annualized excess returns by the standard deviation of a fund's annualized excess returns.
Small Cap	Small Capitalization - refers to those companies with a market capitalization between \$500 million and \$1.99 billion.
Standard Deviation	Measures the range of returns and is based on a Normal Curve. Managers with lower standard deviations than the index have historically had returns that tended to fall closer to their mean return compared to the index. Managers with higher standard deviations than the index have historically had returns that tended to be further dispersed around the mean than the index. This is another measure of volatility, but it does not distinguish downside performance from upside performance.
Top--Down Investment Approach	The investment manager concentrates on analyzing the economy and investment environment to identify attractive economic sectors for investment. In international investing, a top-down investment approach is often used to identify attractive countries or regions for investment.
Treynor Ratio	The Treynor ratio is the return premium earned over the risk free rate by the series for each unit of risk taken, with risk measured as the beta of the series or portfolio relative to the market.
Value Added	Based on alpha, value-added shows how much value a manager added, after adjustment for the amount of volatility (risk) that a manager has experienced. A value-added of 1.0 means a manager has added 1% to annualized returns.
Value Style Investing	Value investors rely on an examination of the underlying or unrealized value of a company as the primary criterion for deciding whether or not to buy a company's stock. Value stocks are often priced lower than growth stocks due to slower growth expectations, recent financial difficulty, or a host of other reasons.