

Washington State Bond Fund

Characteristics

	Fund	Benchmark ⁽¹⁾
Average Maturity	5.6 years	5.1 years
Yield to Maturity	1.77%	1.43%
Effective Duration	5.09	4.46
Average Coupon	3.01%	3.33%
Number of Holdings	257	4,582

Top Ten Issuers

Blackrock Inc.	1.81%
U.S. Bancorp Investments, Inc.	1.16%
Laboratory Corp. Of America	1.15%
Banco Del Estado de Chile	1.12%
Principal Financial Group	1.00%
SP PowerAssets Ltd.	0.97%
BNP Paribas	0.96%
Macquarie Bank Ltd.	0.95%
AbbVie Inc.	0.95%
Apple Inc.	0.94%

Investment Objective

The Washington State Bond Fund seeks to provide returns while controlling risk by investing in high-quality corporate bonds. The fund's performance objective is to match or exceed the return of the Bloomberg Barclays Intermediate Credit Index.

Investment strategy

The Washington State Bond Fund employs an active strategy that seeks to add incremental value over the index. The fund normally invests in a diversified portfolio of investment-grade corporate securities. The portfolio intends to earn additional returns through security selection, but will be allowed to deviate from the index's duration by plus or minus 15 percent.

Investment risk

The Washington State Bond Fund is intended for participants who want an investment designed to match or modestly exceed the returns of the Bloomberg Barclays Intermediate Credit Index. It is intended as an intermediate-term investment vehicle due to the moderate level of returns on fixed income instruments over short time periods.

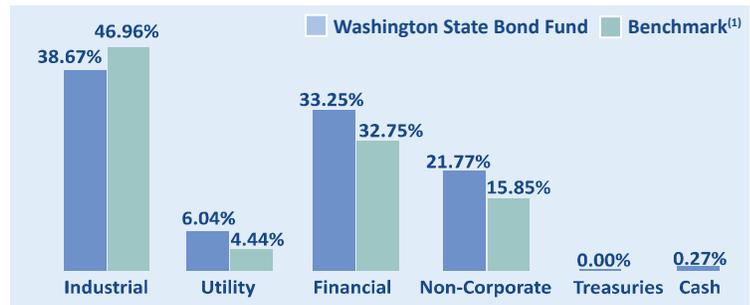
(1) Bloomberg Barclays Intermediate Credit Index

The fund returns are reflected net of an annual Investment Management Fee and Investment Management Administrative Costs, including, but not limited to accounting, custody and audit fees. The fund returns do not reflect the current record keeping fee of 0.0625%, DRS Administrative Fee of 0.0473% and the WSIB fee of 0.0226%. All fees are subject to change. Additional fee data is available online.

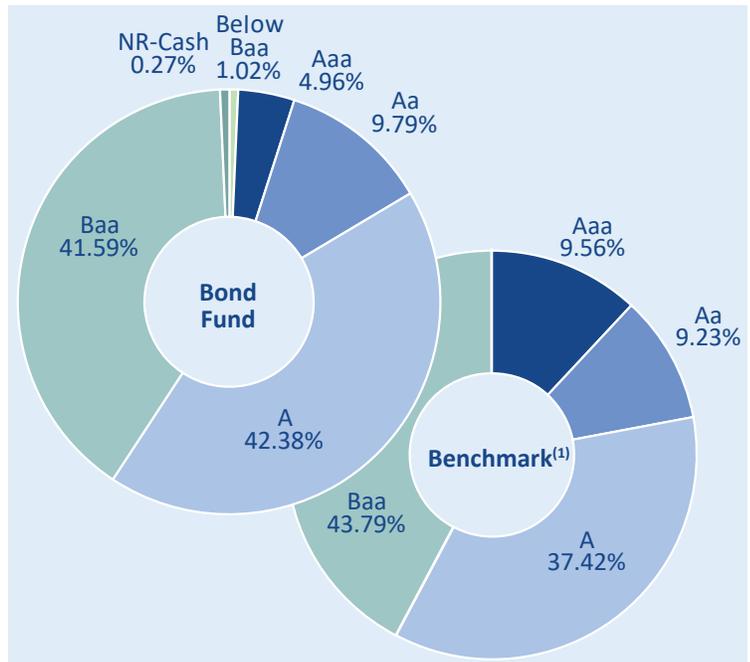
Performance

	Fund	Benchmark ⁽¹⁾
Quarter	6.97%	6.67%
1 Year	7.70%	6.97%
3 Year	5.24%	4.88%
5 Year	4.57%	4.18%
10 Year	4.42%	4.18%

Sector Distribution



Rating Distribution



Moody's Equivalent Quality Ratings

Aaa+, Aaa	Highest ratings.
Aa	Rated very strong. Only slightly less secure than the highest rating.
A	Rating is slightly more susceptible to adverse economic conditions.
Baa	Rating is adequate.
Below Baa	Below investment grade having speculative characteristics.
NR	No rating.