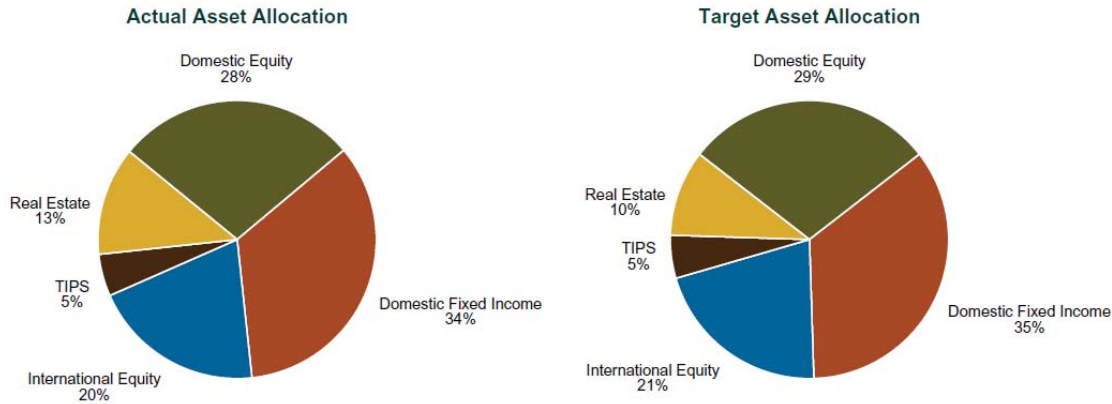


Valdez Permanent Fund
Executive Summary for Period Ending June 30, 2016

Asset Allocation



Performance

Returns for Periods Ended June 30, 2016					
	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years
Total Fund	1.85%	2.05%	6.85%	6.57%	8.84%
Target Benchmark*	1.73%	1.72%	6.28%	6.09%	8.52%
CPI + 4.5%	2.40%	5.15%	5.27%	5.63%	6.07%

Recent Developments

- **Morgan Stanley Prime Property Fund** was funded at the end of June.

Organizational Issues

- On July 18th, **Vanguard** announced that M&G Investment Management Limited no longer serves as an advisor to the \$21 billion **Vanguard International Growth Fund**. M&G, which has been an advisor to the fund since 2008, managed approximately 11% of fund assets as of June 30, 2016. Existing advisors Baillie Gifford Overseas and Schroder Investment Management North America will receive the assets. The allocation under the new arrangement is expected to be: Baillie Gifford, 60%; Schroder, 40%.

Investment Manager Asset Allocation

The table below contrasts the distribution of assets across the Fund's investment managers as of June 30, 2016, with the distribution as of March 31, 2016. The change in asset distribution is broken down into the dollar change due to Net New Investment and the dollar change due to Investment Return.

Asset Distribution Across Investment Managers

	June 30, 2016				March 31, 2016	
	Market Value	Weight	Net New Inv.	Inv. Return	Market Value	Weight
Domestic Equity	\$50,825,283	28.00%	\$(4,602,780)	\$1,600,111	\$53,827,952	30.88%
Large Cap Equity	\$35,646,048	19.64%	\$(3,502,780)	\$958,096	\$38,190,732	21.91%
Vanguard Institutional Index	35,646,048	19.64%	(3,502,780)	958,096	38,190,732	21.91%
Mid Cap Equity	\$10,028,919	5.53%	\$(1,100,000)	\$440,170	\$10,688,749	6.13%
Vanguard S&P Mid Cap 400 Index	10,028,919	5.53%	(1,100,000)	440,170	10,688,749	6.13%
Small Cap Equity	\$5,150,317	2.84%	\$0	\$201,845	\$4,948,472	2.84%
RBC Small Cap Core	5,150,317	2.84%	0	201,845	4,948,472	2.84%
International Equity	\$36,484,845	20.10%	\$1,681,780	\$(23,321)	\$34,826,385	19.98%
Vanguard Intl Growth	14,506,688	7.99%	500,000	99,597	13,907,091	7.98%
Vanguard Intl Value	14,535,585	8.01%	1,200,000	88,156	13,247,429	7.60%
Brandes International Small Cap	7,442,572	4.10%	(18,220)	(211,073)	7,671,865	4.40%
Fixed Income	\$62,408,481	34.38%	\$(1,201,099)	\$1,376,858	\$62,232,722	35.70%
Alaska Permanent Cap Mgmt	21,950,457	12.09%	(1,099)	464,406	21,487,150	12.33%
Standish Global Fixed	18,872,459	10.40%	(800,000)	369,400	19,303,059	11.07%
Baird Aggregate Bond	21,585,565	11.89%	(400,000)	543,052	21,442,514	12.30%
TIPS	\$8,848,186	4.87%	\$(500,000)	\$157,105	\$9,191,081	5.27%
Vanguard Inflation-Protected	8,848,186	4.87%	(500,000)	157,105	9,191,081	5.27%
Real Estate	\$22,934,907	12.64%	\$8,459,106	\$253,099	\$14,222,702	8.16%
UBS Trumbull Property	14,434,910	7.95%	(40,894)	253,102	14,222,702	8.16%
Morgan Stanley Prime Property Fund	8,499,997	4.68%	8,500,000	(3)	-	-
Total Fund	\$181,501,703	100.0%	\$3,837,007	\$3,363,853	\$174,300,843	100.0%

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended June 30, 2016. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns for Periods Ended June 30, 2016

	Last Quarter	Last Year	Last 3 Years	Last 5 Years	Last 7 Years
Domestic Equity	2.89%	2.33%	11.19%	11.64%	14.78%
Russell 3000 Index	2.63%	2.14%	11.13%	11.60%	14.95%
Large Cap Equity	2.45%	3.97%	11.63%	12.07%	14.90%
Vanguard Institutional Index	2.45%	3.97%	11.63%	12.07%	14.90%
S&P 500 Index	2.46%	3.99%	11.66%	12.10%	14.92%
Mid Cap Equity	3.98%	1.27%	-	-	-
Vanguard S&P Mid Cap 400 Index	3.98%	1.27%	-	-	-
S&P Mid Cap 400 Index	3.99%	1.33%	10.53%	10.55%	16.28%
Small Cap Equity	4.08%	(6.67%)	-	-	-
RBC Small Cap Core	4.08%	(6.67%)	-	-	-
Russell 2000 Index	3.79%	(6.73%)	7.09%	8.35%	13.94%
International Equities	0.07%	(6.93%)	4.13%	2.67%	7.26%
Vanguard Intl Growth	0.82%	(7.75%)	4.53%	2.66%	8.09%
Vanguard Intl Value	0.97%	(10.70%)	1.98%	1.62%	5.62%
MSCI EAFE	(1.46%)	(10.16%)	2.06%	1.68%	5.97%
MSCI ACWIxUS IMI Gross	(0.45%)	(9.19%)	2.10%	0.83%	6.22%
Brandes International Small Cap	(2.76%)	2.89%	-	-	-
ACWI Sm Cap ex US	(0.87%)	(5.46%)	4.93%	2.28%	8.79%
Fixed Income	2.22%	5.50%	3.84%	3.77%	4.77%
Alaska Permanent Cap Mgmt	2.16%	6.20%	4.15%	4.08%	4.93%
Baird Aggregate Bond	2.55%	-	-	-	-
Barclays Aggregate Index	2.21%	6.00%	4.06%	3.76%	4.58%
Standish Global Fixed	1.93%	3.62%	-	-	-
Barclays Global Aggregate Index	2.51%	7.37%	5.15%	4.76%	4.78%
TIPS	1.79%	4.76%	2.47%	2.72%	-
Vanguard Inflation-Protected	1.79%	4.76%	2.47%	2.72%	-
Barclays US TIPS Index	1.71%	4.35%	2.31%	2.63%	4.31%
Real Estate	1.45%	9.39%	9.96%	-	-
UBS Trumbull Property - Net	1.49%	9.43%	9.97%	-	-
NFI-ODCE Equal Weight Net**	1.97%	11.24%	12.08%	11.70%	9.59%
Total Fund	1.85%	2.05%	6.85%	6.57%	8.84%
Target Benchmark*	1.73%	1.72%	6.28%	6.09%	8.52%
CPI + 4.5%	2.40%	5.15%	5.27%	5.63%	6.07%

* Current Quarter Target = 35.0% Barclays Aggregate Index, 29.0% Russell 3000 Index, 21.0% MSCI ACWIxUS IMI Gross, 10.0% NFI-ODCE Equal Weight Net and 5.0% Barclays US TIPS Index.

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended June 30, 2016. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns for Periods Ended June 30, 2016			
	Last 10 Years	Last 15 Years	Last 18-3/4 Years
Domestic Equity	7.26%	6.04%	-
Russell 3000 Index	7.40%	6.09%	6.47%
Large Cap Equity	7.43%	5.76%	-
Vanguard Institutional Index	7.43%	5.76%	-
S&P 500 Index	7.42%	5.75%	6.30%
International Equities	3.09%	5.16%	-
Vanguard Intl Growth	3.77%	-	-
Vanguard Intl Value	1.84%	-	-
MSCI EAFE	1.58%	4.32%	3.60%
MSCI ACWIxUS IMI Gross	2.60%	5.87%	4.57%
Fixed Income	4.69%	4.97%	5.37%
Alaska Permanent Cap Mgmt	5.49%	5.47%	5.78%
Barclays Aggregate Index	5.13%	5.08%	5.44%
Total Fund	5.77%	5.96%	6.20%
Target Benchmark*	5.74%	5.74%	5.88%
CPI + 4.5%	6.22%	6.51%	6.64%

* Current Quarter Target = 35.0% Barclays Aggregate Index, 29.0% Russell 3000 Index, 21.0% MSCI ACWIxUS IMI Gross, 10.0% NFI-ODCE Equal Weight Net and 5.0% Barclays US TIPS Index.

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

	12/2015- 6/2016	2015	2014	2013	2012
Domestic Equity	4.64%	(0.24%)	12.72%	33.25%	15.54%
Russell 3000 Index	3.62%	0.48%	12.56%	33.55%	16.42%
Large Cap Equity	3.82%	1.37%	13.65%	32.35%	15.98%
Vanguard Institutional Index	3.82%	1.37%	13.65%	32.35%	15.98%
S&P 500 Index	3.84%	1.38%	13.69%	32.39%	16.00%
Mid Cap Equity	7.90%	(2.23%)	9.72%	-	-
Vanguard S&P Mid Cap 400 Index	7.90%	(2.23%)	9.72%	-	-
S&P Mid Cap 400 Index	7.93%	(2.18%)	9.77%	33.50%	17.88%
Small Cap Equity	4.25%	(7.27%)	4.68%	-	-
RBC Small Cap Core	4.25%	(7.27%)	4.68%	-	-
Russell 2000 Index	2.22%	(4.41%)	4.89%	38.82%	16.35%
International Equities	(0.02%)	(0.43%)	(6.09%)	22.62%	20.19%
Vanguard Intl Growth	(1.19%)	0.25%	(5.51%)	23.12%	20.18%
Vanguard Intl Value	0.45%	(5.41%)	(6.69%)	22.15%	20.18%
MSCI EAFE	(4.42%)	(0.81%)	(4.90%)	22.78%	17.32%
MSCI ACWIxUS IMI Gross	(0.58%)	(4.20%)	(3.47%)	16.30%	17.58%
Brandes International Small Cap	1.46%	-	-	-	-
ACWI Sm Cap ex US	(0.20%)	2.60%	(4.03%)	19.73%	18.52%
Fixed Income	4.85%	0.47%	5.85%	(1.87%)	4.73%
Alaska Permanent Cap Mgmt	5.26%	1.04%	5.80%	(1.73%)	5.08%
Barclays Aggregate Index	5.31%	0.55%	5.97%	(2.02%)	4.21%
Standish Global Fixed	3.62%	-	-	-	-
Barclays Global Aggregate Index	5.87%	1.02%	7.59%	(0.14%)	5.72%
TIPS	6.44%	(1.54%)	4.07%	(8.83%)	6.87%
Vanguard Inflation-Protected	6.44%	(1.54%)	4.07%	(8.83%)	6.87%
Barclays US TIPS Index	6.24%	(1.44%)	3.64%	(8.61%)	6.98%
Real Estate	3.26%	11.64%	10.38%	9.12%	8.85%
UBS Trumbull Property - Net	3.30%	11.64%	10.38%	9.12%	8.85%
NFI-ODCE Equal Weight Net**	4.24%	14.18%	11.42%	12.36%	9.93%
Total Fund	3.70%	1.08%	5.28%	14.77%	11.99%
Target Benchmark*	3.52%	0.34%	6.01%	12.74%	11.57%
CPI + 4.5%	4.14%	4.89%	4.83%	5.96%	6.18%

* Current Quarter Target = 35.0% Barclays Aggregate Index, 29.0% Russell 3000 Index, 21.0% MSCI ACWIxUS IMI Gross, 10.0% NFI-ODCE Equal Weight Net and 5.0% Barclays US TIPS Index.

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

	2011	2010	2009	2008	2007
Domestic Equity	1.65%	16.13%	26.66%	(36.73%)	5.00%
Russell 3000 Index	1.03%	16.93%	28.34%	(37.31%)	5.14%
Large Cap Equity	2.09%	15.05%	26.63%	(36.95%)	5.47%
Vanguard Institutional Index	2.09%	15.05%	26.63%	(36.95%)	5.47%
S&P 500 Index	2.11%	15.06%	26.47%	(37.00%)	5.49%
International Equity	(14.04%)	11.59%	37.74%	(43.30%)	14.45%
Vanguard Intl Growth	(13.58%)	15.81%	41.88%	(44.83%)	16.25%
Vanguard Intl Value	(14.58%)	7.31%	33.77%	(41.74%)	12.66%
MSCI EAFE	(12.14%)	7.75%	31.78%	(43.38%)	11.17%
MSCI ACWIXUS IMI Gross	(13.94%)	13.17%	44.28%	(45.71%)	16.58%
Fixed Income	7.82%	6.59%	8.41%	0.01%	5.62%
Alaska Permanent Cap Mgmt	7.88%	6.26%	8.90%	4.61%	7.03%
Barclays Aggregate Index	7.84%	6.54%	5.93%	5.24%	6.97%
Total Fund	1.01%	10.77%	18.95%	(20.07%)	6.77%
Target Benchmark*	1.08%	11.50%	17.85%	(18.42%)	6.82%
CPI + 4.5%	7.71%	6.18%	7.87%	4.06%	8.85%

* Current Quarter Target = 35.0% Barclays Aggregate Index, 28.0% S&P 500 Index, 23.0% MSCI ACWIXUS Gross, 7.0% Russell 2500 Index and 7.0% Barclays US TIPS Index.