

OFFICE OF THE  
**ARIZONA STATE TREASURER**



**Kimberly Yee**

**TREASURER**



**MAY 2020**

**Presented To:**

**Arizona State Board of Investment**

**June 30, 2020**

STATE BOARD OF INVESTMENT

**A G E N D A**

**June 30, 2020**

1. Call to Order; Opening Remarks .....The Honorable Kimberly Yee, Chair
2. Approval of Minutes of May 27, 2020 BOI Meeting
3. Investment Outlook and Summary Review of Treasurer’s Monthly Reports
  - A. State Agency Earnings Distributions ..... Dennis Stevenson, CIO  
State Agency Operating Average Invested Balances  
State Agency Investments and Performance Reports
  - B. LGIP Yield Analysis ..... Jake Richardson, Portfolio Manager  
LGIP Pools Investments and Performance Reports
  - C. Endowment Earnings Distributions ..... Tim White, Director of Endowments  
Land Sales Monthly Proceeds Endowment Funds  
Endowment Investments and Performance Reports
4. Approval of the May 2020 Report
5. Overview of Arizona’s 529 College Savings Program....Deputy Treasurer Mark Swenson
6. Treasurer’s Report ..... The Honorable Kimberly Yee, Chair
7. Market Outlook.....Harry Papp, Board Member
8. Call to the Public
9. Notice of Next Meeting
10. Adjournment

**REPORT OF THE STATE TREASURER**

**FOR**

**June 30, 2020**

**TABLE OF CONTENTS**

	<u>Page</u>
Minutes of Board of Investment Meeting .....	iii-v
Review of Treasurer’s Monthly Reports:	
A. Earnings Distribution; Investment Pools .....	1
B. Operating Monies Invested Balances .....	2
C. State Agency Pools Investments and Performance Reports .....	3-21
D. LGIP Pools Investments and Performance Reports.....	22-32
E. Earnings Distributed PLETF Funds .....	33
F. Land Sales Monthly Proceeds PLETF Funds.....	34
G. PLETF Investments and Performance Reports.....	35-54
H. AZ Endowment Trust Investments and Performance Reports.....	55-58

**Minutes of  
BOARD OF INVESTMENT MEETING  
May 27, 2020**

The regular meeting of the State Board of Investment was held on May 27, 2020 via WebEx. Treasurer Yee called the meeting to order at 1:40 p.m.

**Members Present:**

The Honorable Kimberly Yee, Chair, State Treasurer  
Harry A. Papp, CFA & Managing Partner, L. Roy Papp & Associate  
Beth Ford, Treasurer, Pima County

**Designees Present:**

Nicole Sornsin, General Counsel, for Andy Tobin, Director of the Department of Administration  
Stephen Briggs, Legislative Liaison, for Christina Corieri, Interim Director of Insurance and Financial Institution

**Others Present:**

Mark Swenson, Deputy Treasurer, Arizona State Treasurer's Office  
Dennis Stevenson, Chief Investment Officer, Arizona State Treasurer's Office  
Tim White, Director of Endowments, Arizona State Treasurer's Office  
Eric Stivers, Financial Analyst, Arizona State Treasurer's Office  
Jackie Harding, Deputy Treasurer, Arizona State Treasurer's Office  
Michael Leslein, Investment Accounting Manager, Arizona State Treasurer's Office  
Fareed Bailey, Director of Legislative Affairs, Arizona State Treasurer's Office  
Nick Barnhiser, IT Director, Arizona State Treasurer's Office  
Ken Price, Director of Human Resources, Arizona State Treasurer's Office

**1. Call to Order**

Treasurer Yee called the May 27, 2020 BOI meeting to order at 1:40 p.m.

**Treasurer's Comments**

Treasurer Yee welcomed the Board members and extended her best wishes and hoped that everyone was healthy. She also thanked the board members for their willingness to meet via WebEx during the coronavirus pandemic.

**2. Approval of Minutes**

*Mr. Papp moved that the April 28, 2020 be approved as distributed. Seconded by Treasurer Ford. Motion carried unanimously.*

**3. Investment Outlook and Summary Review of the Treasurer's Monthly Reports**

**A. State Agency Earning Distributions, Average Invested Balances, and Performance Reports**

Chief Investment Officer, Dennis Stevenson, highlighted the results of the State Agencies performances for the month of April 2020. See memo.

**B. LGIP Yield Analysis, Pool Investments and Performance Reports**

Portfolio Manager, Jake Richardson, highlighted the results for the Local Government Investment Pools performance for the month of April 2020. See memo.

**C. Endowment Earnings Distributions, Land Sale Monthly Proceeds Endowment Funds, Endowment Investments and Performance Reports, Broker Activity Report**

Director of Endowments, Tim White, highlighted the results for the Endowment performances for the month of April 2020. See memo.

**5. Approval April Monthly Report**

*Mr. Papp moved the approval of the April Monthly Report. Seconded by Ms. Sornsin. Motion carried unanimously.*

**6. Legislative Affairs Report**

Director of Legislative Affairs, Fareed Bailey, summarized ASTO's bills passed by the legislature and transmitted to Governor Ducey for signature: SB1292 State Treasurer Financial Literacy Fund; S.B. 1354 (public retirement systems; prefunding plan); and S.B. 1528 (family college savings program; treasurer).

**7. Treasurer's Report – The Honorable Kimberly Yee**

Treasurer Yee thanked the Treasury staff for their work. She thanked the Investment Staff for abiding by the principles of following safety first followed by liquidity then yield, insuring liquidity for state and local governments during these uncertain times. The team also continues to closely insure there is ample liquidity based on forecasts. The Treasurer also commended Legislative Director Fareed Bailey for his work in ushering bills through the legislative process.

**8. Market Outlook**

Mr. Papp provided the Board with a brief Market Outlook.

**9. Call to the Public**

There was no public comment.

**10. Notice of Next Meeting**

Treasurer Yee informed the Board that the next board meeting would be held on Tuesday, June 30, 2020, at 1:30 p.m. It would most likely be another WebEx meeting if the pandemic measures were still in place.

**10. Adjournment**

State Treasurer's Report  
June 30, 2020 Meeting  
Minutes of the May 27, 2020 Meeting

*With no further business to discuss, and with no objections, the BOI Meeting was adjourned at approximately 2:10 p.m.*

Respectfully Submitted by:

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Deborah Gomez  
Executive Assistant

Approved by:

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Kimberly Yee  
Chair

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Date

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# OFFICE OF THE ARIZONA STATE TREASURER

KIMBERLY YEE  
TREASURER



## Investment Summary | May 2020

### Overall Performance – Where We Are Now |

#### ➤ State Agency Pools:

- Total assets: \$9,423,932,549
- May earnings distributed: \$8,072,946 (-46.62% YoY)
- General Fund earnings distributed: \$3,241,443 (-47.65% YoY)

### Outlook |

The virus is still with us and, in some states, hospitalizations have seen an increase. The Federal Reserve has lowered rates and we are near zero in short-dated treasuries. This is also being reflected in low corporate rates across the entire spectrum. In addition to low rates, the federal government has flooded the economy with liquidity. The savings rate of the average American is over 23% whereas last year it was below 8%. The gauge that reflects liquid assets held in various checking and savings accounts, called M2, is up an astonishing 24% YoY. In normal times this would portend a large jump in inflation in the near term. Although inflation in food costs has been observed across the country, it has largely been offset by lower fuel and transportation expenses. Overnight repo rates and treasury bill yields are hovering near 0%. There has been some speculation the Federal Reserve will implement a type of yield curve control that would put limits on how low yields can go on various durations of treasuries in addition to setting upper bounds of how high yields can go on those same securities. This model was used successfully in the past during times of significant economic stress. Economists, in general, do expect the American GDP to grow between 3.6 and 4.2% in 2021 vs. – 5% in 2020. New home sales were up 16.6% nationally in May, up 12.7% YoY. Historically low interest rates and pent up consumer demand may in fact be showing up in the housing sector.

### Strategy: Monthly Commentary |

Flexibility in our finances is more important today than any time in recent history. We have large payments going out at the end of June and the first week of July. To meet these requirements, I have been keeping our duration short and have treasuries scheduled to mature into cash to meet these large outflows in addition to all other state expenditures. Arizona will have sufficient cash to meet all annual expenses. If the Federal Reserve slows its buying of debt, rates should improve, but only slightly. After the Independence Day holiday and with more guidance from the Federal Reserve governors I will reexamine duration risk. The CARES Act funds received by the state for virus expenses are being held in very liquid, short-duration treasury bills and overnight repurchase agreements. These funds, in addition to the state's reserves, have left Arizona in a strong financial position.

## Alternative Scenarios |

There are several scenarios we continue to monitor which could change our expectations:

- Rates on U.S. treasuries turn negative
- A working vaccine for the virus is produced
- The pandemic worsens
- China shuts down Hong Kong, an Asian financial capital, and the U.S. and Europe retaliate by delisting Chinese firms on western exchanges
- Unexpected inflation raises costs of food and energy

## State Agency Investment Pool Balances |

	May 31, 2020	May 31, 2019	YoY Change
Pool 2 FF&C	\$1,408,136,997	\$1,290,977,623	+\$117,159,374
Pool 3 Internal	\$4,670,779,412	\$3,116,881,856	+\$1,553,897,556
Pool 3 External	\$112,024,593	\$108,509,884	+\$3,514,709
Pool 4 Gov.	\$1,443,073,660	\$1,209,559,831	+\$233,513,829
Pool 10 Internal	\$525,122,663	\$1,010,174,603	-\$485,051,940
Pool 10 External	\$539,665,412	\$89,121,434	+\$450,543,978
Pool 12 CAWCD	\$416,011,243	\$372,868,688	+\$43,142,555
Pool 16 ECDHB	\$309,118,567	\$329,675,147	-\$20,556,580
<b>TOTAL STATE AGENCY</b>	<b>\$9,423,932,549</b>	<b>\$7,527,769,069</b>	<b>+\$1,896,163,480</b>

# Local Government Investment Pools (LGIP) Summary

## Overall Performance – Where We Are Now |

### ➤ Local Government Investment Pools:

- Total assets: \$4,430,120,997
- Total May earnings: \$1,946,297; -\$5.97MM vs. May 2019
- Total fiscal year-to-date yields:
  - Pool 5: 1.71%; -63bps vs. May 2019
  - Pool 7: 1.64%; -68bps vs. May 2019
  - Pool 500: 2.20%; -21bps vs. May 2019
  - Pool 700: 1.83%; -29bps vs. May 2019

## Strategy: Short-term Pools 5 & 7 |

The Federal Reserve Open Market Committee held their scheduled meeting on June 10<sup>th</sup>. As expected, they kept the fed funds range at 25 bps to 0 bps for the upper and lower bounds, respectively. Most members on the committee do not expect this to change through 2022. Many of the members also have reiterated that they do not see negative rates as an appropriate tool in the U.S. The Federal Reserve in mid-June boosted bid rates on their overnight and term REPO operations. They also switched this process from the morning to the afternoon to effectively make it a “backstop” for institutions needing liquidity. Separately, the Federal Reserve also announced they will start buying corporate bonds, which is adding to the list of other programs to help support the economy during this pandemic.

LGIP assets under management were still elevated at the end of May. We continue to maintain higher cash balances in Pools 5 and 7. Arizona in the past month has become a hotspot for COVID-19 so we will continue to keep our cash balances elevated for any participant needs. Both short-term pools continue to utilize government money market funds along with REPO for overnight cash. Pool 5 still has an elevated treasury bill position for additional liquidity. Pool 7 will continue to ladder out treasury bills with more emphasis on 1- to 3-month maturities.

## Strategy: Intermediate Pools 500 & 700 |

With increasing uncertainty surrounding the pandemic, Pools 500 and 700 will maintain current elevated cash balances. Participant activity in these funds has remained relatively low over the past several months but if we start seeing higher withdrawals, we will pivot back to further building cash reserves. The intermediate pools will continue to look for opportunities to add high quality names when presented.

## LGIP Investment Pool Balances |

	May 31, 2020	May 31, 2019	YoY Change
Pool 5 LGIP	\$1,972,421,542	\$1,728,054,936	+\$244,366,606
Pool 7 LGIP FF&C	\$1,936,614,087	\$1,605,955,840	+\$330,658,247
Pool 500 LGIP Med.	\$391,443,814	\$350,050,179	+\$41,393,635
Pool 700 LGIP Med FF&C	\$129,641,554	\$137,604,082	-\$7,962,528
<b>TOTAL LGIP</b>	<b>\$4,430,120,997</b>	<b>\$3,821,665,037</b>	<b>+\$608,455,960</b>

# Endowment Summary

## Overall Performance – Where Are We Now |

- Highlights:
  - PLETF 10-year annualized total return: 8.45%
  - PLETF returned 3.43% in May; trailed benchmark by 4bps
  - Prop 123 monthly distributions highest ever at \$30.7 million

### Big Picture:

- PLETF fair market value at \$5,993,426,035
- Fair Market Value up \$172.50MM MoM; up \$170.19MM YoY
- FYTD2020 distributions increased to \$337.31MM; up \$20.67MM vs FY2019
- PLETF FYTD return +2.66% vs benchmark +3.57%
- Annualized 10-Year total return through May is 8.45% versus April at 7.72%; +73 basis points MoM
- Unrealized Gains: \$3.30BN; up \$232.96MM or +7.59% YoY
- May Realized Gains: \$38.25MM; +\$28.42MM vs May 2019
- May TRR PLETF 3.43% vs benchmark 3.47%; trailing by 4bps
- Equity Pools Experienced Huge April and May Snapback
- January, February, March, April & June PLETF & AETF Rebalances Complete (7)

## Equity Strategy: Rebalance to Risk Targets | 7 Rebalances/6 Months

Global risk markets fell victim to the Coronavirus shortly after we executed our \$480MM (total) PLETF rebalancing in January when we sold U.S. LargeCap stocks very-near the all-time highs in the S&P 500, and subsequently bought into fixed income. As a result, we were able to significantly bolster liquidity in Pool 123 for K-12 payments and continue to do so. This captured large gains, avoided losses on that portion of the portfolio and put us in tremendous position to continue to make timely distributions, even during this time of severe market uncertainty. By February 27<sup>th</sup>, our rebalancing triggers breached policy limits again and we initiated another rebalancing going the other direction – this time selling bonds and buying stocks. Equities had dropped precipitously, and our fixed income portfolio rallied in the most massive flight to safe havens of my career. The entire U.S. Treasury curve yielded under 1% with 10's touching 0.31% and 30's hitting 0.69% intraday on April 9<sup>th</sup>, creating a fantastic opportunity to sell rich bonds and buy decidedly cheaper stocks with our \$352MM (total) rebalancing. Upon completion of the second rebalancing, on March 25<sup>th</sup> we hit the triggers again, initiating the third rebalancing since January with \$517MM (total), this time causing us to sell \$258.7MM in fixed income, with proceeds going into the equity pools. All three rebalances were executed in five equal tranches at various tactical entry points. Since March 23<sup>rd</sup>, equities rallied sharply upon Federal Reserve interventional policies, triggering yet a fourth rebalancing (\$310MM total) and causing us to sell equities in May. The rally then triggered a fifth rebalancing (\$348MM total) in June causing us to sell \$174MM equities. These policy actions bring us back to original risk targets (with significant realized gains) as we continue to view our equity strategy as a long-term driver of returns for the PLETF. Exposure to U.S. equities has been a tremendous value-add over time and although markets periodically move through market correction phases, long-term equilibrium has rewarded patient, disciplined investors with positive returns that outpace inflation and build trust value in *real* terms – especially with sound rebalancing disciplines, which we employ. The AETF has similar exposure, has been rebalanced twice (May/June), and is outperforming the benchmark by 28bps inception-to-date.

## Fixed Income Strategy: Increase Pool 123 Liquidity | Reduce CMBS Risk

As a result of strong PLETF investment returns in 2019 (+19.29%), the Prop 123 distribution will once again be increasing beginning in July. Accordingly, we have taken the opportunity resulting from our recent equity rebalancings to bolster necessary liquidity in Pool 123 to continue to make these increased monthly distributions in a timely manner for our K-12 education and other beneficiaries.

During June we began our fifth PLETF rebalance since January, selling \$174MM in stocks and buying fixed income for the like amount. We continue opportunistically swapping various fixed income holdings with an eye on reallocating portfolio risk and increasing yield/duration. This means we are taking advantage of announced Federal Reserve programs by selling what they are buying and buying securities that the market feels these programs have provided underlying liquidity support for. For instance, we were sellers of longer US Treasuries and 2.5%/3% agency mortgage-backed securities as the Fed drove prices to extreme levels. We reduced risk by selling over 58% of our commercial mortgage backed securities to date to reduce exposure to retail, hospitality, and offices amid rapidly changing conditions due to Covid-19. Though we feel these securities are still quality securities with extremely high defeased-adjusted credit supports, relatively low LTVs, and high debt-service coverage ratios (DSCRs), we feel their market value may become stressed over time. This resulted in realizing a \$1 million profit and allowed us to take advantage of extremely wide option-adjusted spreads to buy investment-grade corporates like Raytheon, RBC and Duke Energy that we feel offer tremendous value in light of an aggressively supportive Fed, although spreads have come in substantially with Fed support. We continued to hold bond ETFs (AGG) with the AETF fixed income allocation. Month-end duration on pool 205 was at 3.02 years (+0.01 MoM) versus 5.87 (+0.08MoM) for the SBBIG Index. Note the forward-looking Bloomberg Bond Yield Forecast compiled by averaging 56 wall street economist's forecasts:

Rate	Market Yld	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22
<b>United States</b>											
US 30-Year	1.43	1.48	1.55	1.61	1.72	1.78	1.89	1.96	2.05	2.13	2.25
US 10-Year	0.68	0.75	0.84	0.94	1.05	1.14	1.26	1.34	1.44	1.55	1.69
US 5-Year	0.33	0.41	0.48	0.57	0.66	0.76	0.88	0.96	1.04	1.13	1.26
US 2-Year	0.18	0.22	0.27	0.33	0.39	0.48	0.58	0.65	0.75	0.86	0.98
US 3-Month Libor	0.31	0.40	0.38	0.42	0.44	0.48	0.53	0.56	0.67	0.75	0.86
Fed Funds Rate - Upper Bound	0.25	0.25	0.25	0.25	0.25	0.30	0.35	0.35	0.45	0.50	0.65
Fed Funds Rate - Lower Bound	0.00	0.00	0.00	0.01	0.02	0.05	0.09	0.12	0.20	0.27	0.38
2 Year - 10 Year Spread	0.50	0.53	0.57	0.61	0.66	0.67	0.69	0.69	0.69	0.69	0.71

\*Table presented as-of 6/25/2020.

## Endowment Monthly Land Sale Proceeds |

- +\$3.66MM in May
- -\$3.18MM vs April
- -\$53.43MM FYoY

## Endowment Prop 123 Distributions |

- \$30.7MM total/\$28.5MM for K-12 successfully distributed on time from Pool 123
- FYTD K-12 distribution \$313.70MM; up \$19.22MM YoY
- Pool 123 post-rebalancing increased laddered liquidity to 10-12 months given changing market conditions

## Pool Performance |

Equity/Fixed Income Pools:

- Pool 201 LargeCap Equity trailed the S&P 500 by 4bps MoM at 4.73%
- Pool 203 MidCap Equity trailed the S&P 400 by 3bps MoM at 7.18%
- Pool 204 SmallCap Equity trailed the S&P 600 by 13bps MoM at 4.61%
- Pool 205 outperformed the FTSE BIG Index by 30bps MoM at 0.59%
- Pool 123 returned +0.13% for May, outperforming the benchmark by 9bps

Tim White, Director of Endowments

**EARNINGS DISTRIBUTION - INVESTMENT POOLS  
MAY 2020**

<u>Recipient</u>	Earnings Distributed				Fiscal YTD Investment Management Fees Received
	<u>MAY 2020</u>	Fiscal <u>YTD 19/20</u>	Fiscal <u>YTD 18/19</u>	Change from <u>Previous Year</u>	
General Fund (1)	\$3,241,443	\$41,903,129	\$43,313,462	-3.3%	
2 State Agencies - Full Faith & Credit (2)	816,558	15,659,725	19,074,543	-17.9%	\$538,341
3 State Agencies - Diversified (2) (3)	954,003	20,604,863	22,440,366	-8.2%	1,569,630
4 State Agencies - Gov (2)	882,427	15,850,611	20,308,429	-22.0%	556,512
5 LGIP (2)	852,773	25,516,796	32,655,448	-21.9%	855,528
7 LGIP Gov (2)	357,507	22,335,199	25,617,901	-12.8%	835,885
9A Public School Credit Enhancement (4)	0	0	0	0.0%	52,259
10 Restricted Operating (2)	916,186	16,283,098	9,029,972	80.3%	553,887
12 CAWCD Medium-Term	705,180	8,402,553	8,925,563	-5.9%	192,482
16 ECDH Medium-Term	557,150	6,918,957	7,721,573	-10.4%	177,761
<b>Subtotal</b>	<b>9,283,226</b>	<b>173,474,931</b>	<b>189,087,256</b>	<b>-8.3%</b>	<b>5,332,284</b>
<b>NAV POOL</b>					
500 LGIP - Med Term	583,538	7,604,113	7,726,604	-1.6%	190,091
700 LGIP - FF&C Med Term (2)	114,826	1,854,834	2,100,236	-11.7%	66,166
<b>Total</b>	<b>9,981,590</b>	<b>182,933,878</b>	<b>198,914,096</b>	<b>-8.0%</b>	<b>5,588,540</b>

**MAY 2019 TOTALS**

**\$22,920,904**

**\$4,735,766**

(1) Pool 15 AHCCCS Operating Earnings are reported in General Fund

(2) Earnings are net of operating earnings, which are reported in the General Fund

(3) Pool 15 AHCCCS Operating Management Fees are reported in Pool 3, State Agencies Diversified (Combined)

(4) Pool 9A represents \$80 million invested in School Funding Obligations; earnings on this investment revert to the General Fund

**OPERATING MONIES**  
**AVERAGE INVESTED BALANCE**

Through May 31, 2020  
 (in millions)

<u>Month</u>	<u>Fiscal Year</u> <u>2017/2018</u>	<u>Fiscal Year</u> <u>2018/2019</u>	<u>Fiscal Year</u> <u>2019/2020</u>
JULY	\$1,635	\$1,824	\$2,483
AUGUST	1,303	1,495	1,840
SEPTEMBER	1,455	1,594	1,980
OCTOBER	1,473	1,813	2,246
NOVEMBER	1,417	1,912	2,259
DECEMBER	1,400	2,007	2,463
JANUARY	2,140	2,348	2,864
FEBRUARY	2,244	2,185	2,730
MARCH	1,937	2,050	2,198
APRIL	1,980	2,236	3,204
MAY	2,279	2,963	4,236
JUNE	2,407	3,195	
<b>Y-T-D Average</b>	<b>\$1,751</b>	<b>\$2,039</b>	<b>\$2,591</b>
<b>Full Year Average</b>	<b>\$1,806</b>	<b>\$2,135</b>	

**STATE AGENCY POOLS  
 PORTFOLIO EARNINGS ANALYSIS  
 MAY 2020**

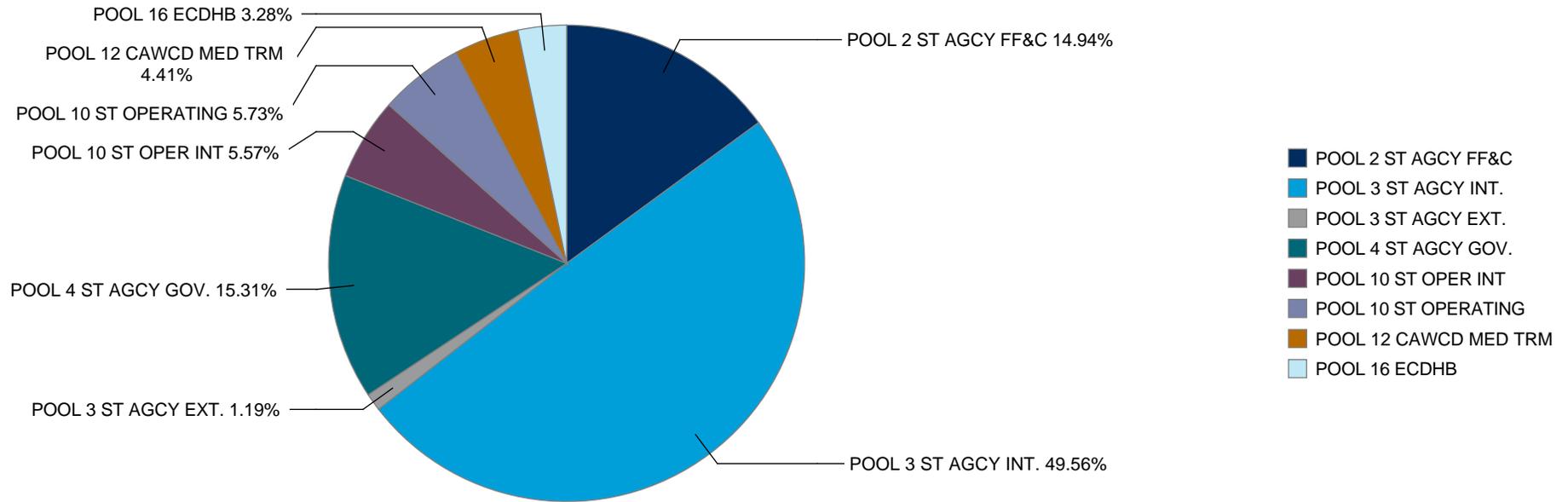
FUND	DESCRIPTION	Current Month 05/31/20	Prior Month 04/30/20	Prior Year 05/31/19	Net Asset Value Per Share
2	STATE AGENCIES - FULL FAITH & CREDIT	\$1,072,682	\$1,069,899	\$2,299,472	1.0052
3	STATE AGENCIES - DIVERSIFIED				
	INTERNAL MANAGERS	2,977,579	3,195,920	5,706,955	1.0030
	EXTERNAL MANAGERS	197,759	189,346	223,574	1.0116
	<b>FUND 3 TOTAL</b>	<b>3,175,338</b>	<b>3,385,266</b>	<b>5,930,529</b>	<b>1.0032</b>
4	STATE AGENCIES - GOV	1,436,226	1,407,964	2,650,564	1.0063
9A	PUBLIC SCHOOL CREDIT ENHANCEMENT	88,508	85,875	214,439	1.0052
10	RESTRICTED OPERATING				
	INTERNAL MANAGERS	792,155	898,021	2,058,926	1.0086
	EXTERNAL MANAGERS	207,538	300,085	114,750	1.0045
	<b>FUND 10 TOTAL</b>	<b>999,693</b>	<b>1,198,107</b>	<b>2,173,677</b>	<b>1.0065</b>
12	CAWCD MEDIUM-TERM	705,180	733,550	835,209	1.0172
15	AHCCCS OPERATING	515	475	158,717	N/A
16	ECDH MEDIUM-TERM	557,150	568,317	738,705	1.0200
	<b>TOTAL STATE AGENCIES</b>	<b>\$8,035,291</b>	<b>\$8,449,452</b>	<b>\$15,001,311</b>	

**STATE AGENCY POOLS  
PORTFOLIO YIELD ANALYSIS  
MAY 2020**

<b>FUND</b>	<b>DESCRIPTION</b>	<b>Current Month 05/31/20</b>	<b>Prior Month 04/30/20</b>	<b>Prior Year 05/31/19</b>
2	<b>STATE AGENCIES - FULL FAITH &amp; CREDIT</b>			
	50% Trailing 3-mo T-bill /	0.98%	1.17%	<b>2.37%</b>
	50% Bloomberg Barclays 1-3 year UST	0.18%	0.43%	<b>2.32%</b>
3	<b>STATE AGENCIES - DIVERSIFIED</b>			
	INTERNAL MANAGERS	0.83%	1.13%	<b>2.53%</b>
	EXTERNAL MANAGERS	2.10%	2.08%	<b>2.43%</b>
	COMBINED	0.86%	1.16%	<b>2.53%</b>
	50% 1 month T-bill /	0.34%	0.45%	<b>2.40%</b>
	50% Bloomberg Barclays 1-3 year US Agg			
4	<b>STATE AGENCIES - GOV</b>			
	50% Trailing 3-mo T-bill /	1.18%	1.41%	<b>2.46%</b>
	50% Bloomberg Barclays 1-3 year US Gov	0.19%	0.44%	<b>2.32%</b>
9A	<b>PUBLIC SCHOOL CREDIT ENHANCEMENT</b>	0.98%	1.17%	<b>2.37%</b>
10	<b>RESTRICTED OPERATING</b>			
	INTERNAL MANAGERS	1.61%	1.76%	<b>2.40%</b>
	EXTERNAL MANAGERS	0.52%	0.84%	<b>1.52%</b>
	COMBINED	1.11%	1.38%	<b>2.33%</b>
	50% Trailing 3-mo T-bill /	0.39%	0.72%	<b>2.41%</b>
	50% Bloomberg Barclays 1-3 year US Agg			
12	<b>CAWCD MEDIUM-TERM</b>			
	25% S&P LGIP Index /	2.12%	2.28%	<b>2.65%</b>
	75% Bloomber Barclays 1-3 year US Agg	0.62%	0.87%	<b>2.41%</b>
15	<b>AHCCCS OPERATING</b>	0.00%	0.00%	<b>1.27%</b>
16	<b>ECDH MEDIUM-TERM</b>			
	25% S&P LGIP Index /	2.16%	2.28%	<b>2.64%</b>
	75% Bloomber Barclays 1-3 year US Agg	0.62%	0.87%	<b>2.41%</b>



Manager Allocation



	Market Value	% of Portfolio
POOL 2 ST AGCY FF&C	1,408,136,997	14.9
POOL 3 ST AGCY INT.	4,670,779,412	49.6
POOL 3 ST AGCY EXT.	112,024,593	1.2
POOL 4 ST AGCY GOV.	1,443,073,660	15.3
POOL 10 ST OPER INT	525,122,663	5.6
POOL 10 ST OPERATING	539,665,412	5.7
POOL 12 CAWCD MED TRM	416,011,243	4.4
POOL 16 ECDHB	309,118,567	3.3
<b>TOTAL STATE AGENCY</b>	<b>9,423,932,549</b>	<b>100.0</b>



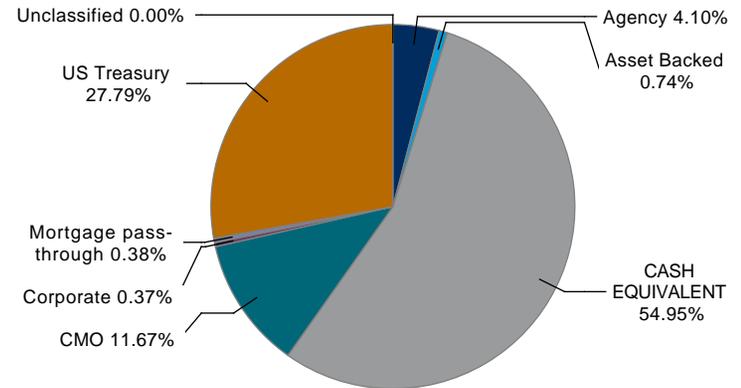
## Net Yield



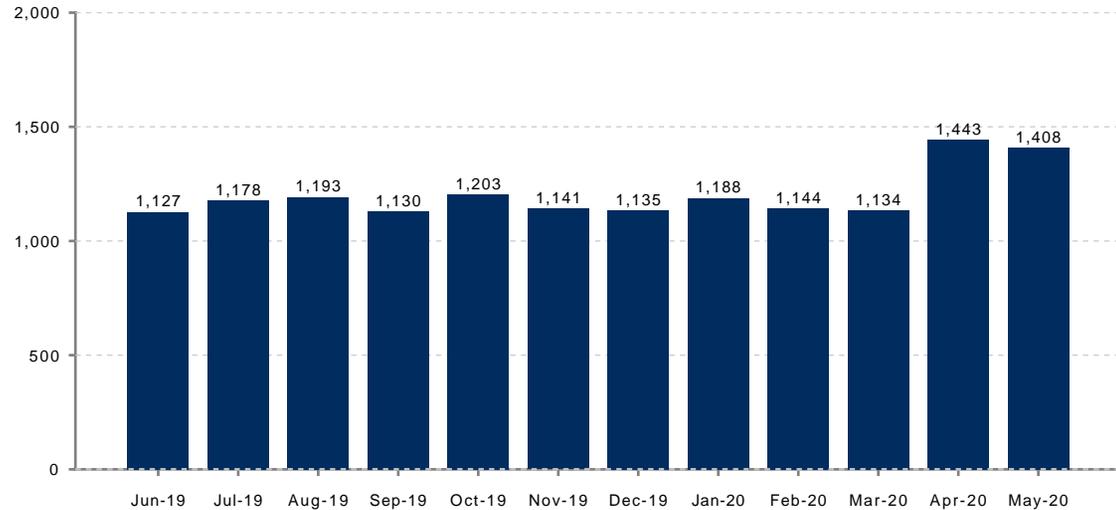
	Current Mth	Prior Mth	1 Year Ago
POOL 2 ST AGCY FF&C	0.98	1.17	2.37

## Asset Allocation

	Ending Market Value
POOL 2 ST AGCY FF&C	1,408,136,997



## Net Asset Values over Time (\$MM)

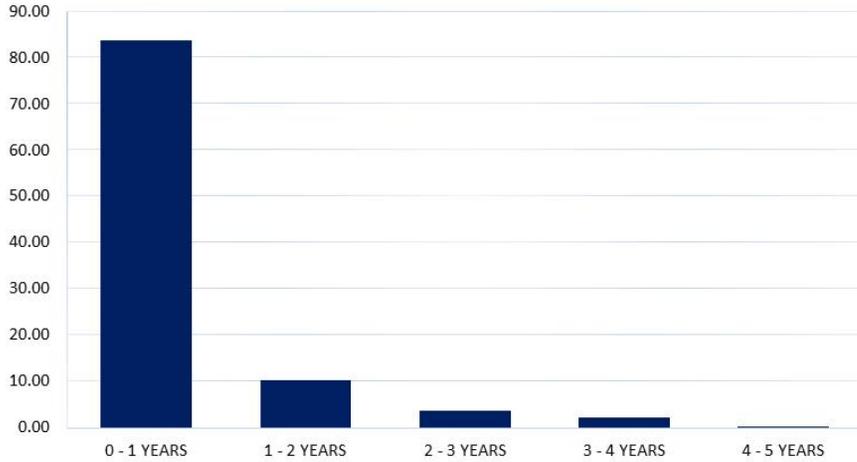


## Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 2 ST AGCY FF&C		
DAIWA CAPITAL MARKETS	200,000,833	14.20
CREDIT AGRICOLE REPO	127,233,686	9.04
FIDELITY INVESTMENTS M	100,016,777	7.10
TREASURY BILL	89,994,057	6.39
TREASURY BILL	89,944,829	6.39
US TREASURY N/B	81,023,954	5.75
US TREASURY N/B	50,401,833	3.58
TREASURY BILL	44,973,850	3.19
BMO TRIPARTY MTGE	42,329,598	3.01
US TREASURY N/B	41,063,943	2.92



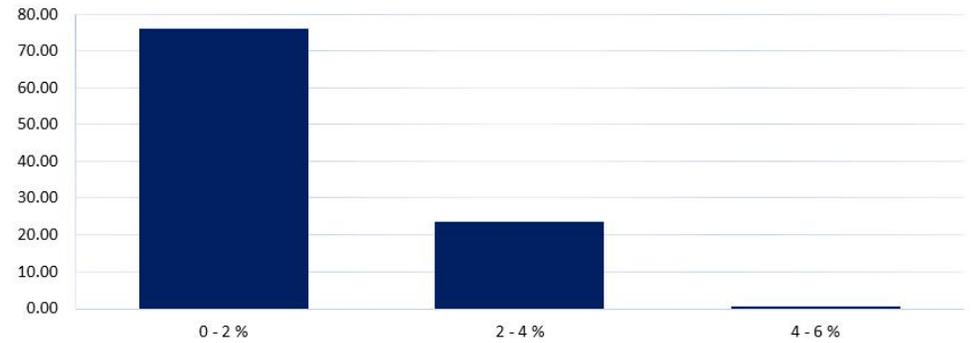
**Duration Distribution**



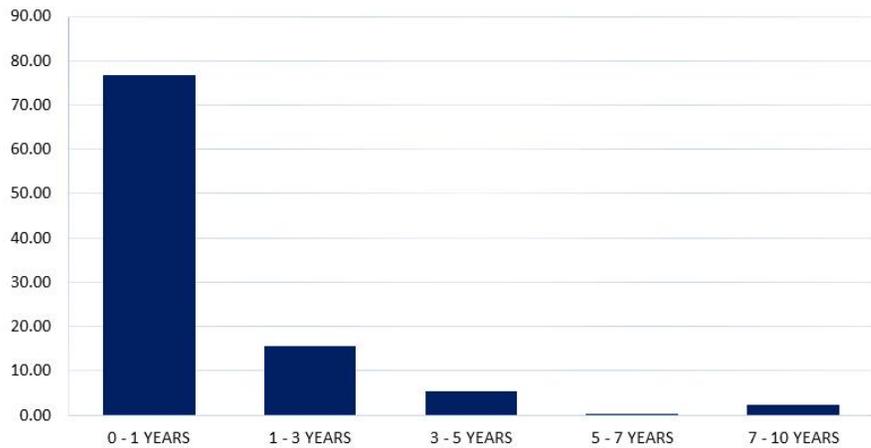
**Portfolio Level Characteristics**

	POOL 2 ST AGCY FF&C
Effective Maturity	0.77
Coupon	1.23
Effective Duration	0.42
Quality Rating (Moody's)	AAA

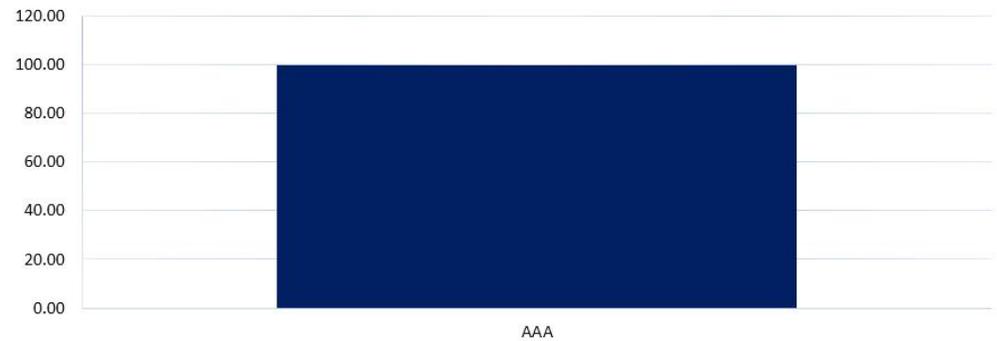
**Coupon Distribution**



**Expected Maturity Distribution**



**Rating Distribution**



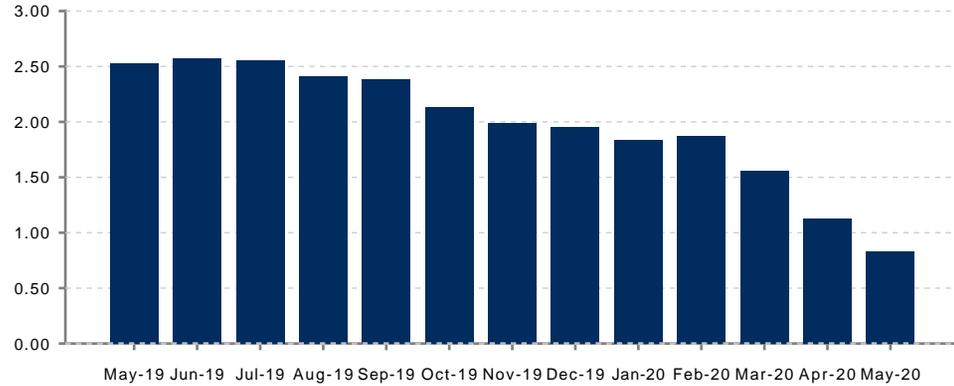
# OFFICE OF THE ARIZONA STATE TREASURER

May 31, 2020

POOL 3 ST AGCY INT.



## Net Yield



**Current Mth**      **Prior Mth**      **1 Year Ago**

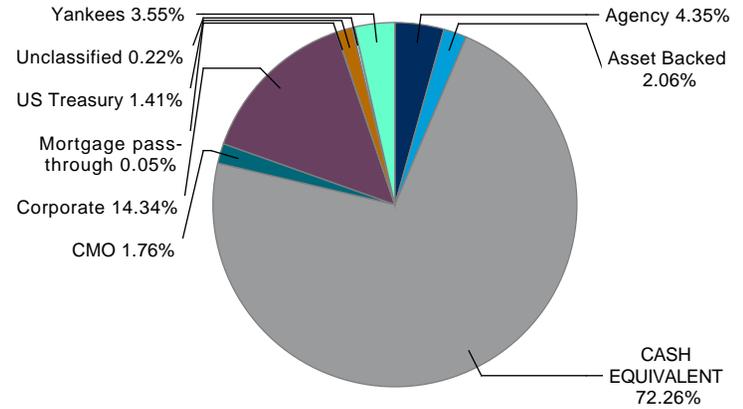
POOL 3 ST AGCY INT.	0.83	1.13	2.53
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## Asset Allocation

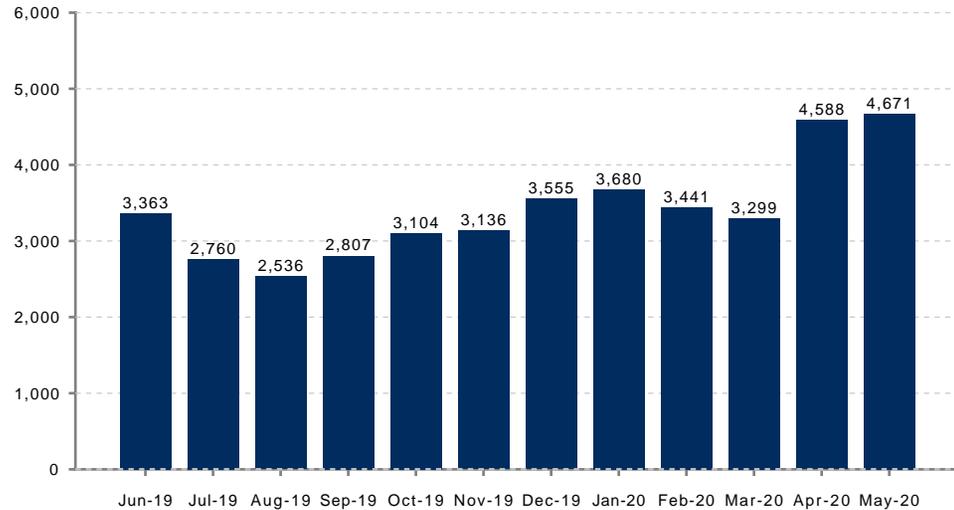
POOL 3 ST AGCY INT.

**Ending Market Value**

4,670,779,412



## Net Asset Values over Time (\$MM)

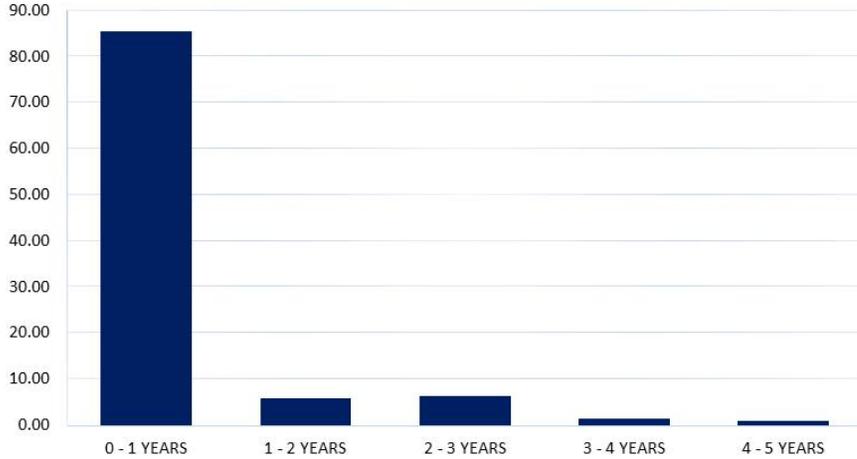


## Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 3 ST AGCY INT.		
SOUTH STREET REPO	566,422,701	12.13
CANTOR FITZGERALD REPO	450,001,875	9.63
AMHERST PIERPONT	300,001,250	6.42
TREASURY BILL	159,842,141	3.42
FIDELITY INVESTMENTS MONEY	145,011,765	3.10
JP MORGAN MONEY MARKET	135,008,948	2.89
SOUTH STREET REPO	135,000,338	2.89
AMHERST PIERPONT	100,003,056	2.14
SOUTH STREET REPO	100,000,417	2.14
CANTOR FITZGERALD REPO	100,000,250	2.14



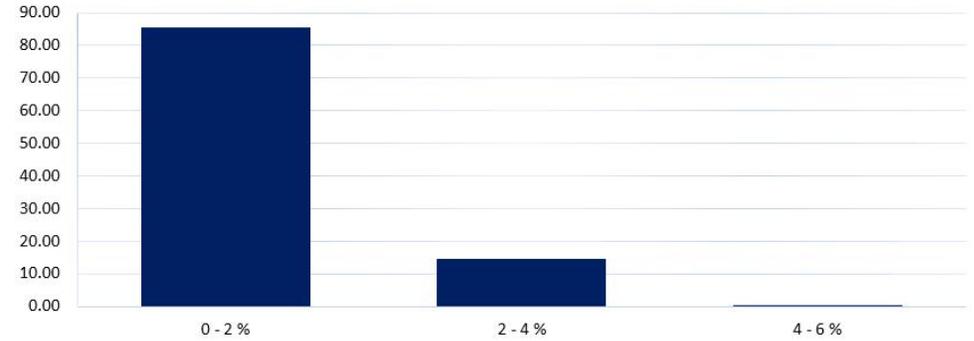
**Duration Distribution**



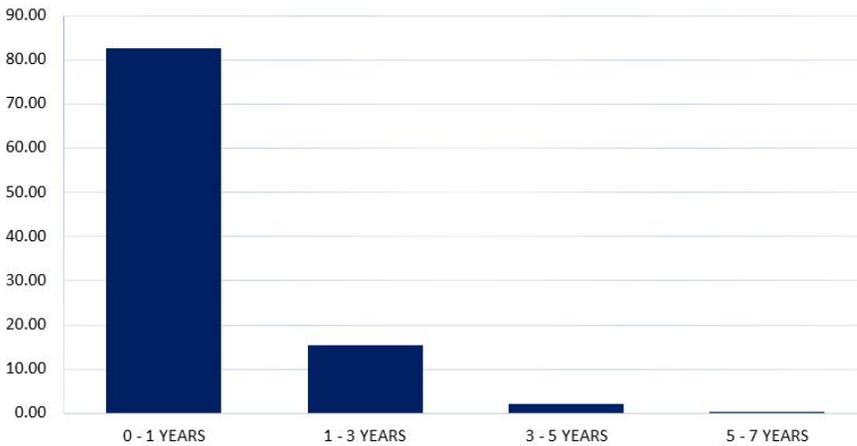
**Portfolio Level Characteristics**

	POOL 3 ST AGCY INT.
Effective Maturity	0.46
Coupon	0.85
Effective Duration	0.42
Quality Rating (Moody's)	AA-1

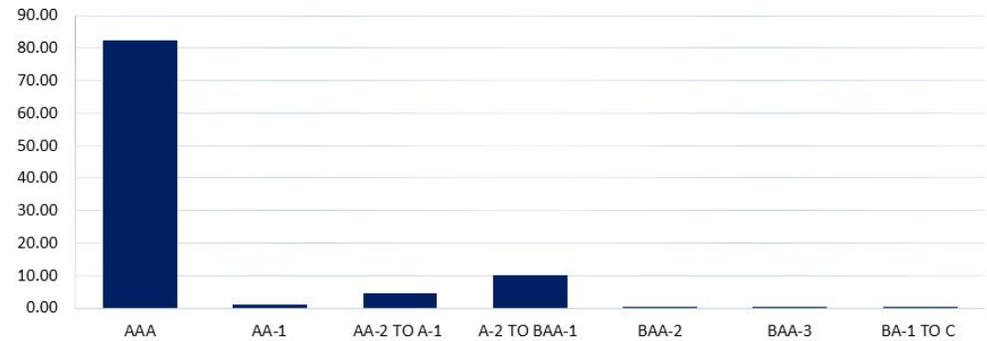
**Coupon Distribution**



**Expected Maturity Distribution**



**Rating Distribution**

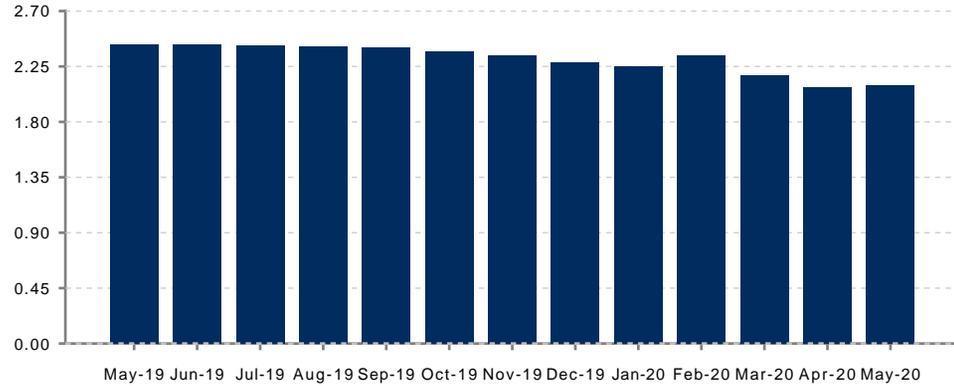


May 31, 2020

POOL 3 ST AGCY EXT.



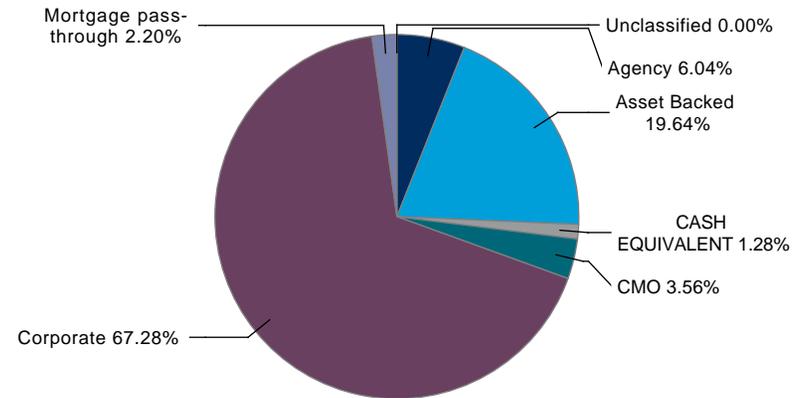
## Net Yield



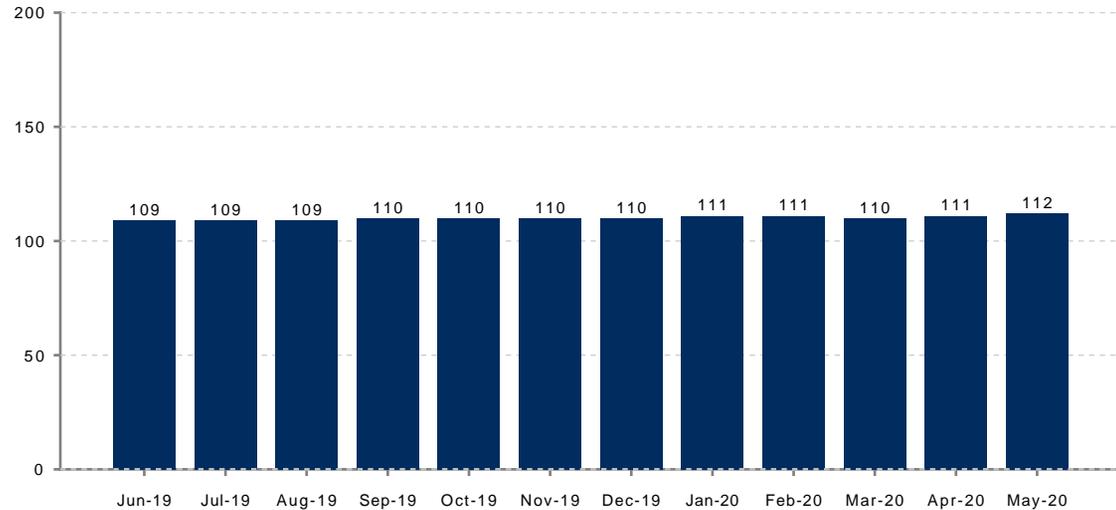
	Current Mth	Prior Mth	1 Year Ago
POOL 3 ST AGCY EXT.	2.10	2.08	2.43

## Asset Allocation

	Ending Market Value
POOL 3 ST AGCY EXT.	112,024,593



## Net Asset Values over Time (\$MM)

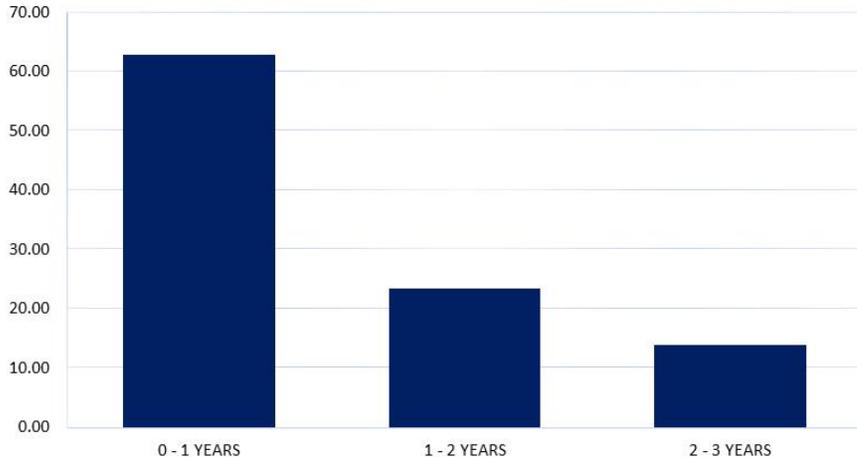


## Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 3 ST AGCY EXT.		
PACCAR FINANCIAL CORP	2,074,197	1.85
CISCO SYSTEMS INC	2,024,306	1.81
FREDDIE MAC	1,999,838	1.79
FHLMC MULTIFAMILY STRUCTURED P	1,997,667	1.78
BANK OF AMERICA CREDIT CARD TR	1,957,542	1.75
MANUF + TRADERS TRUST CO	1,788,153	1.60
CITIBANK NA	1,754,264	1.57
FED HM LN PC POOL J32364	1,620,523	1.45
INTEL CORP	1,496,336	1.34
FHLMC MULTIFAMILY STRUCTURED P	1,477,603	1.32



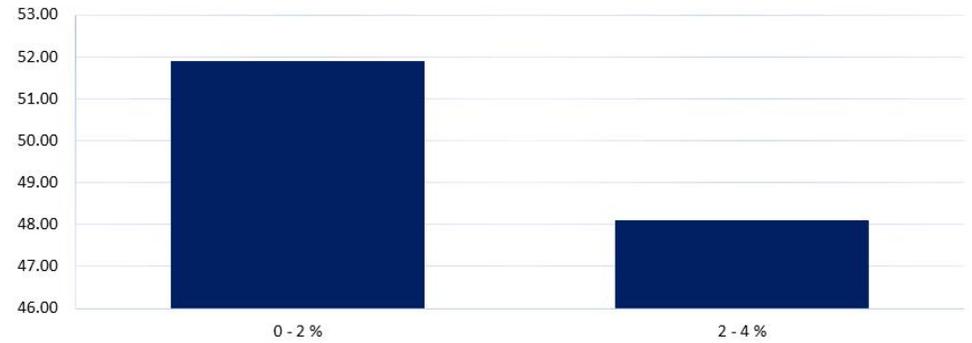
**Duration Distribution**



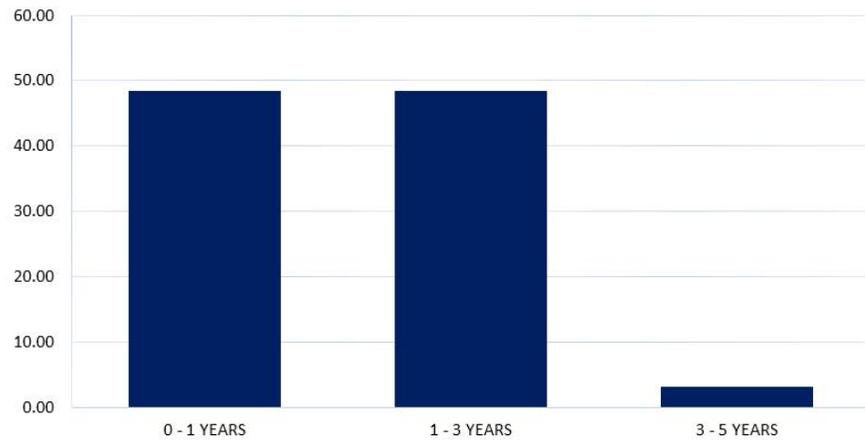
**Portfolio Level Characteristics**

	POOL 3 ST AGCY EXT.
Effective Maturity	1.32
Coupon	2.01
Effective Duration	0.96
Quality Rating (Moody's)	AA-3

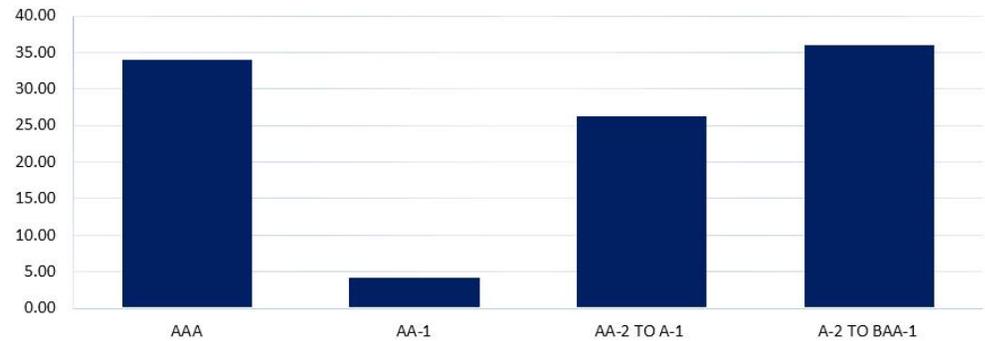
**Coupon Distribution**



**Expected Maturity Distribution**



**Rating Distribution**



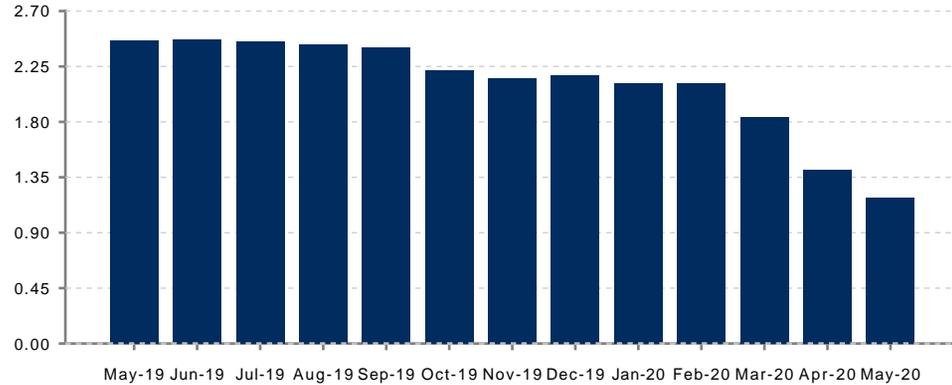
# OFFICE OF THE ARIZONA STATE TREASURER

May 31, 2020

POOL 4 ST AGCY GOV.



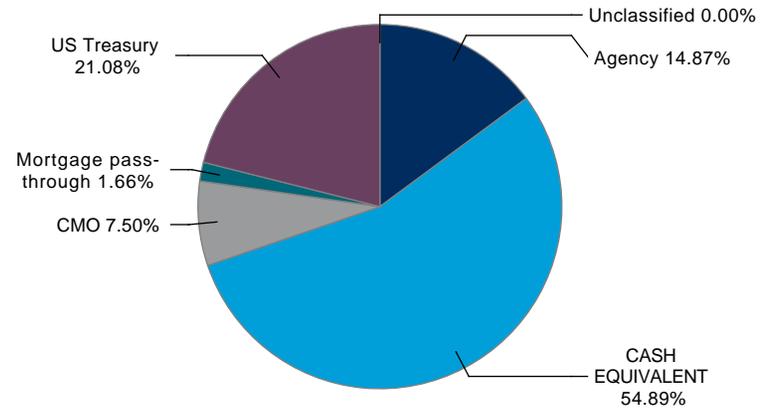
## Net Yield



	Current Mth	Prior Mth	1 Year Ago
POOL 4 ST AGCY GOV.	1.18	1.41	2.46

## Asset Allocation

	Ending Market Value
POOL 4 ST AGCY GOV.	1,443,073,660



## Net Asset Values over Time (\$MM)

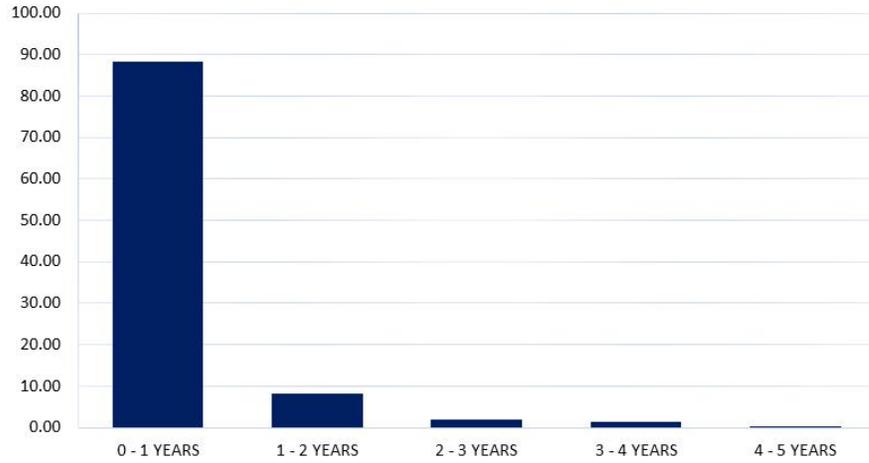


## Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 4 ST AGCY GOV.		
SOUTH STREET REPO	223,014,443	15.45
TREASURY BILL	109,856,997	7.61
FIDELITY INVESTMENTS MONEY	100,009,647	6.93
JP MORGAN MONEY MARKET	100,008,948	6.93
TREASURY BILL	69,996,755	4.85
US TREASURY N/B	65,831,962	4.56
US TREASURY N/B	55,718,130	3.86
AMHERST PIERPONT	50,001,528	3.46
US TREASURY N/B	40,516,985	2.81
CANTOR FITZGERALD REPO	30,001,067	2.08



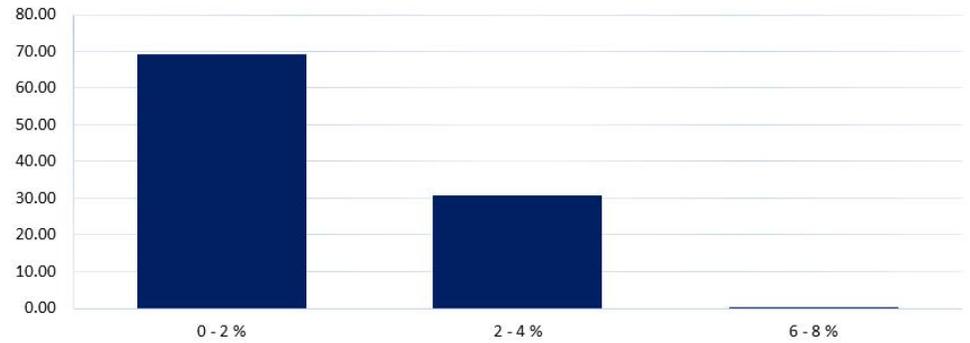
**Duration Distribution**



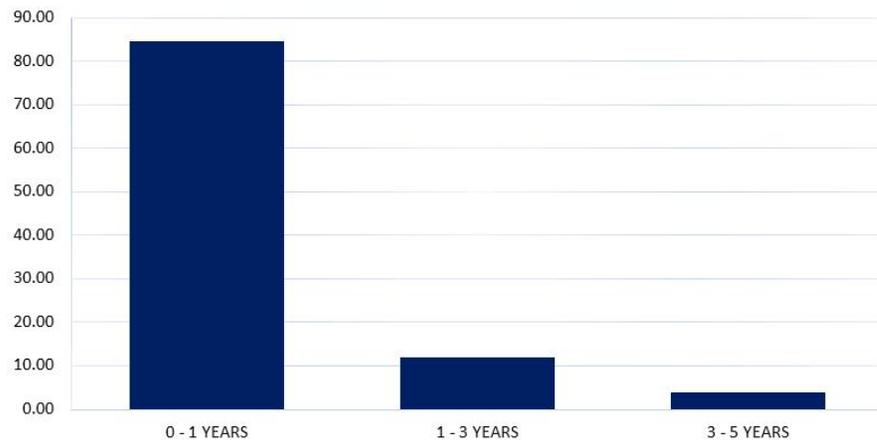
**Portfolio Level Characteristics**

	POOL 4 ST AGCY GOV.
Effective Maturity	0.47
Coupon	1.30
Effective Duration	0.35
Quality Rating (Moody's)	AAA

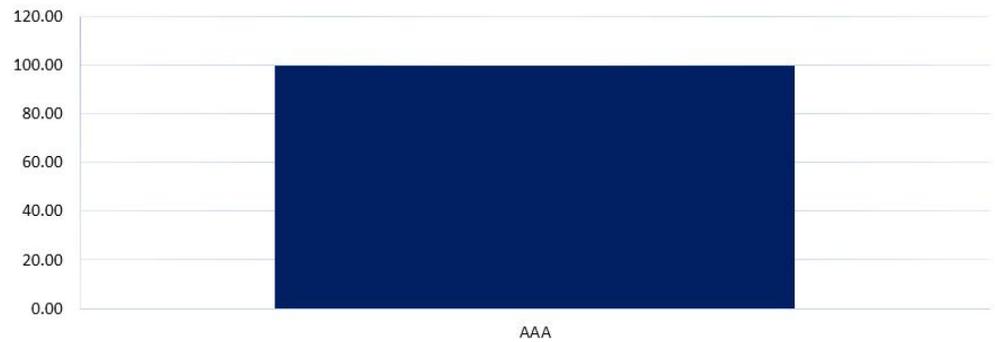
**Coupon Distribution**



**Expected Maturity Distribution**

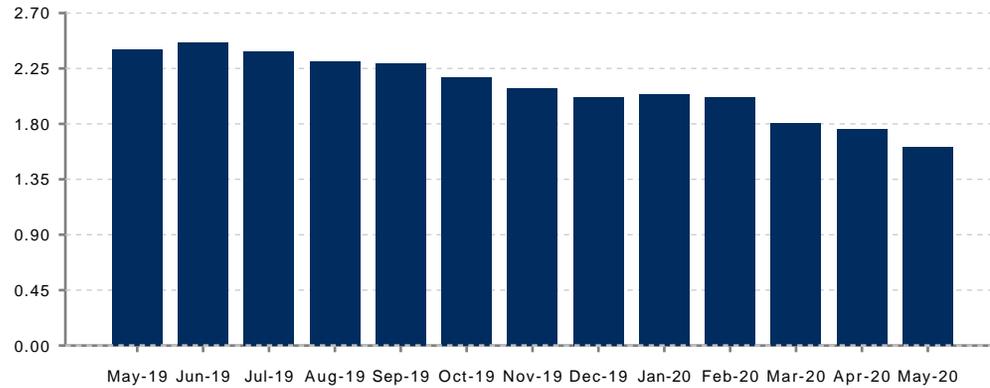


**Rating Distribution**





### Net Yield

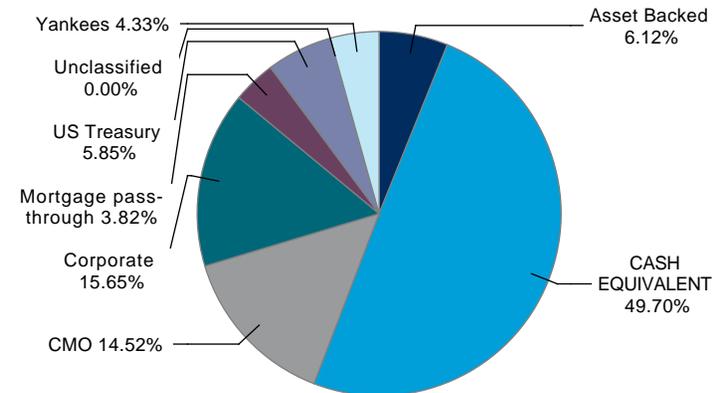


**Current Mth**      **Prior Mth**      **1 Year Ago**

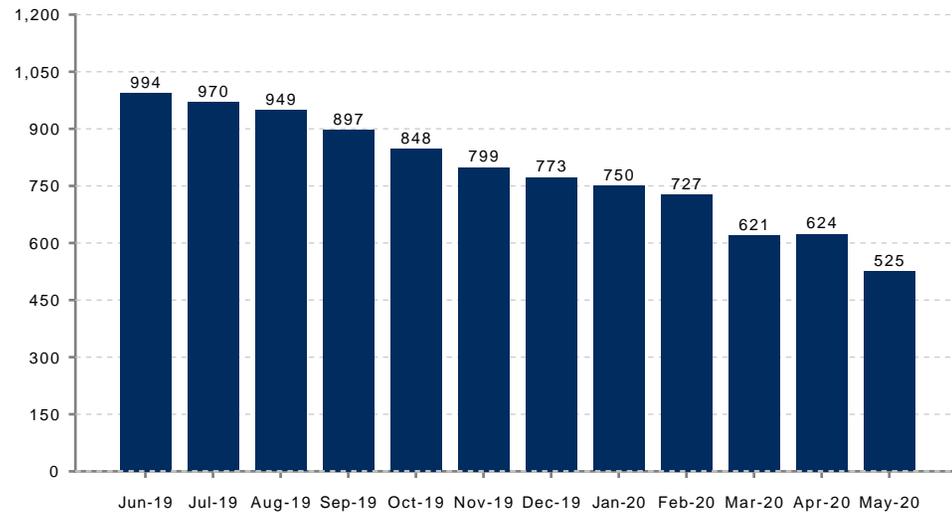
POOL 10 ST OPER INT	1.61	1.76	2.40
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### Asset Allocation

POOL 10 ST OPER INT	<b>Ending Market Value</b> 525,122,663
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### Net Asset Values over Time (\$MM)

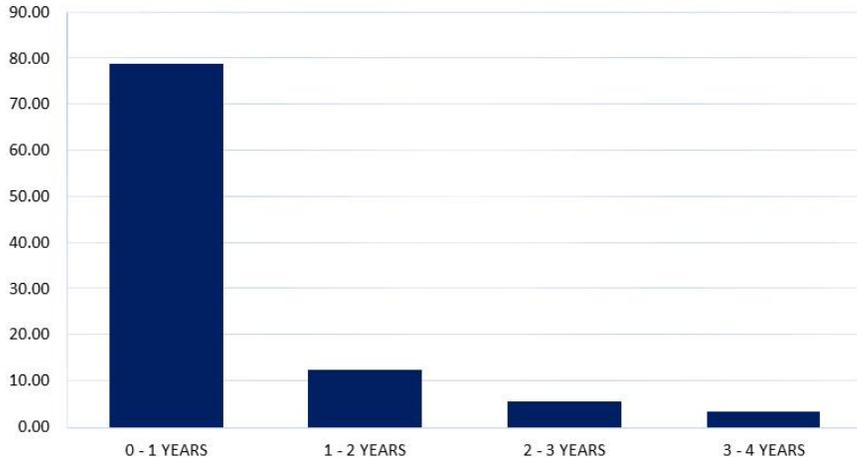


### Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 10 ST OPER INT		
SOUTH STREET REPO	40,067,695	7.63
JP MORGAN MONEY MARKET	25,000,000	4.76
UNITED HEALTHCARE CO	24,972,813	4.76
VERIZON COMMNTN INC	19,976,778	3.80
WALT DISNEY CO	19,957,750	3.80
DOW CHEMICAL COMPANY	19,945,050	3.80
US TREASURY N/B	15,191,991	2.89
PFIZER INC	14,996,000	2.86
KELLS FDG LLC	14,988,312	2.85
CITIGROUP GLOBAL MKTS INC S	14,956,792	2.85



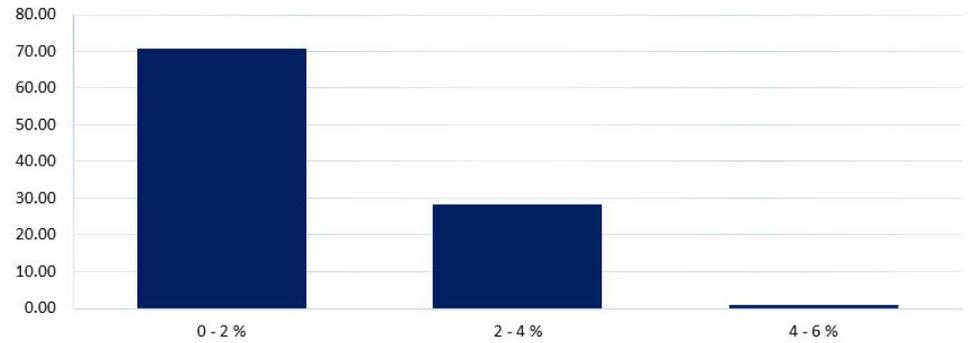
**Duration Distribution**



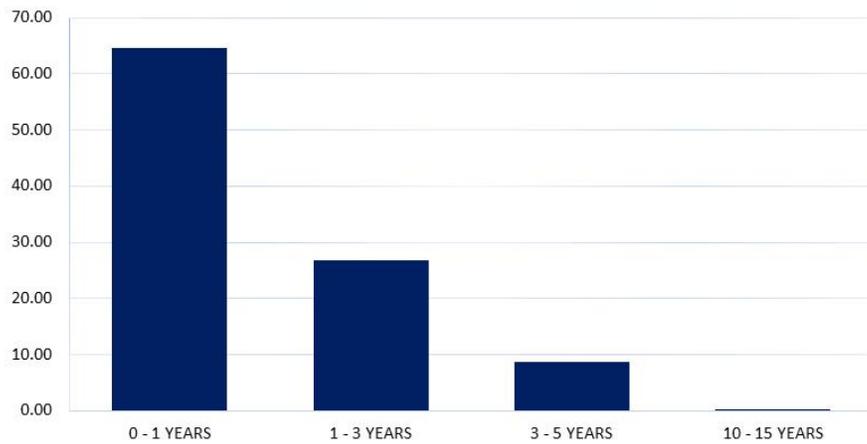
**Portfolio Level Characteristics**

	POOL 10 ST OPERATING INT
Effective Maturity	0.92
Coupon	1.22
Effective Duration	0.54
Quality Rating (Moody's)	AA-2

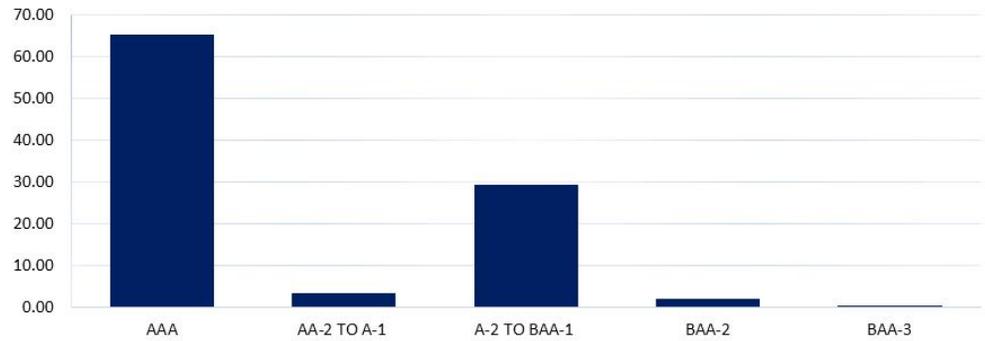
**Coupon Distribution**



**Expected Maturity Distribution**

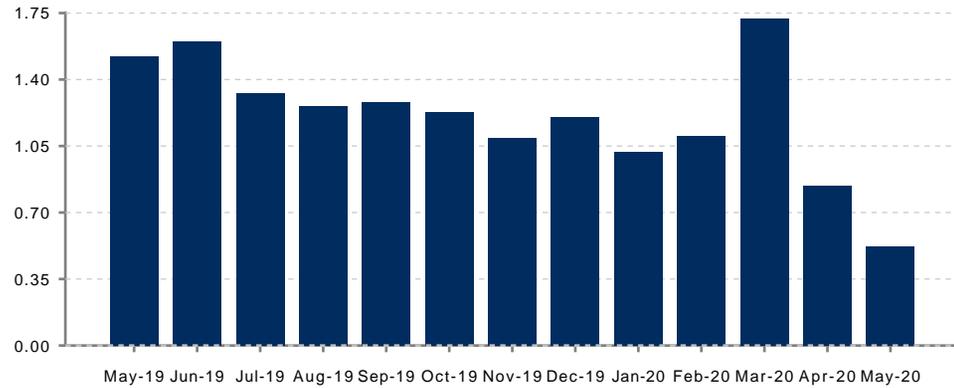


**Rating Distribution**





### Net Yield

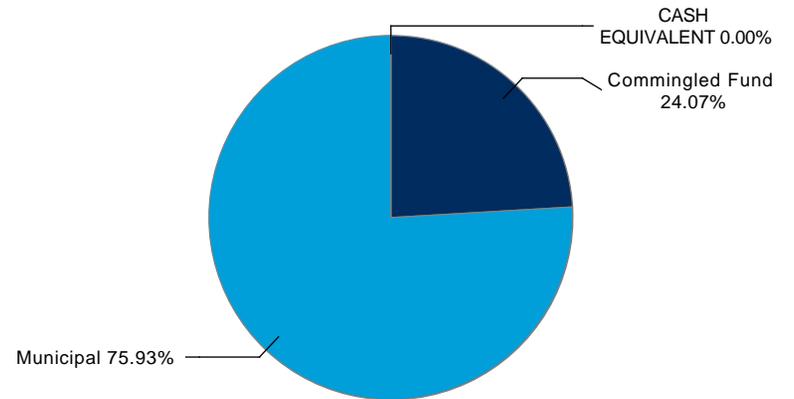


**Current Mth**      **Prior Mth**      **1 Year Ago**

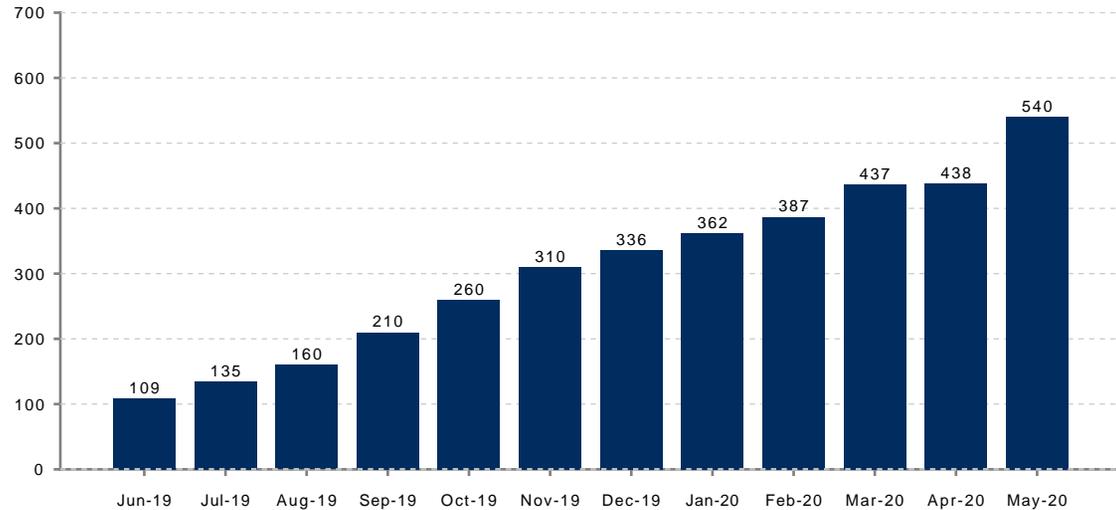
POOL 10 ST OPERATING	0.52	0.84	1.52
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### Asset Allocation

	Ending Market Value
POOL 10 ST OPERATING	539,665,412



### Net Asset Values over Time (\$MM)

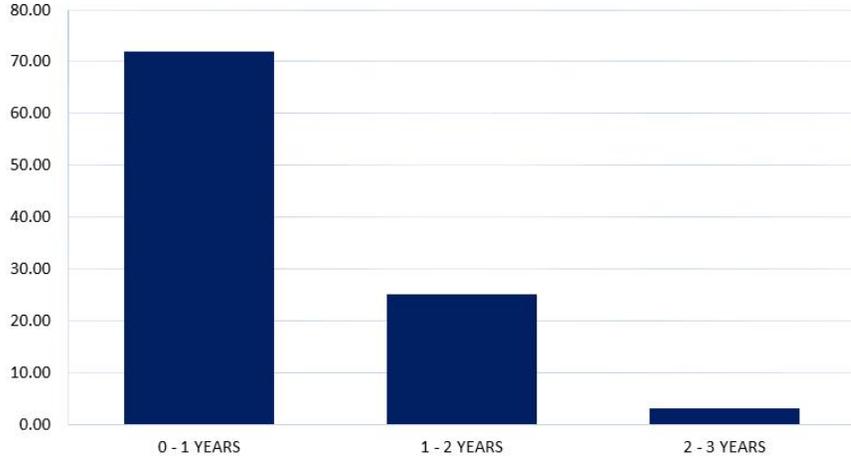


### Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 10 ST OPERATING		
BLACKROCK LIQUIDITY FU	129,965,445	24.08
MARYLAND ST	20,267,051	3.76
LOUDOUN CNTY VA INDL	19,827,876	3.67
AUSTIN TX WTR WSTWT	18,001,328	3.34
TULSA OK	16,996,370	3.15
MASSACHUSETTS ST	14,686,475	2.72
SAINT PAUL MN HSG RED	13,996,740	2.59
FLORIDA ST BRD OF EDU	12,648,958	2.34
MARYLAND ST HLTH HGR	11,881,321	2.20
TEXAS ST	11,104,698	2.06



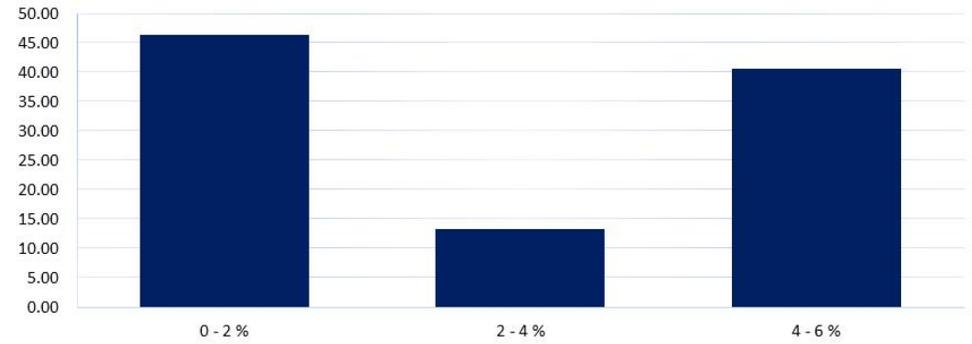
**Duration Distribution**



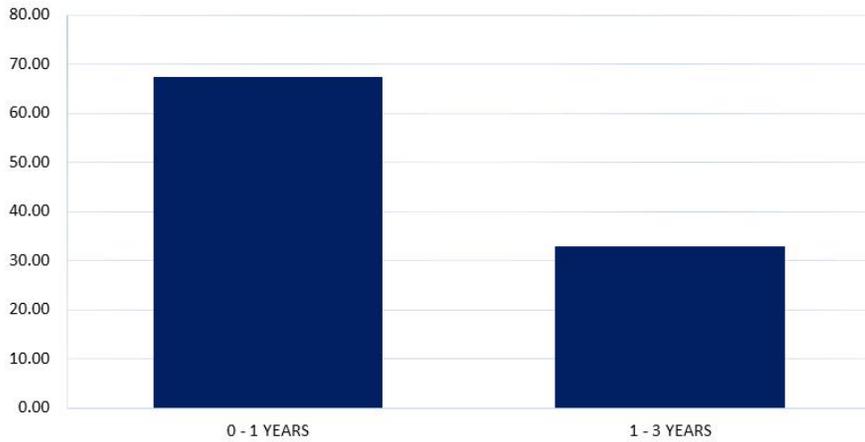
**Portfolio Level Characteristics**

	POOL 10 ST OPERATING
Effective Maturity	0.61
Coupon	2.60
Effective Duration	0.59
Quality Rating (Moody's)	AA-1

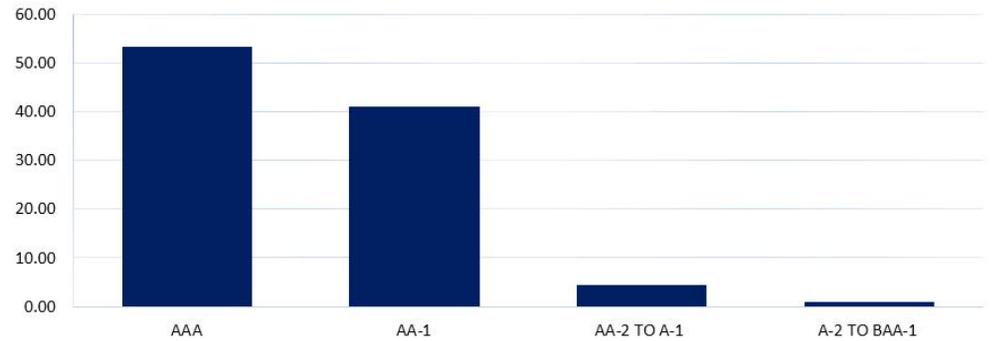
**Coupon Distribution**



**Expected Maturity Distribution**



**Rating Distribution**

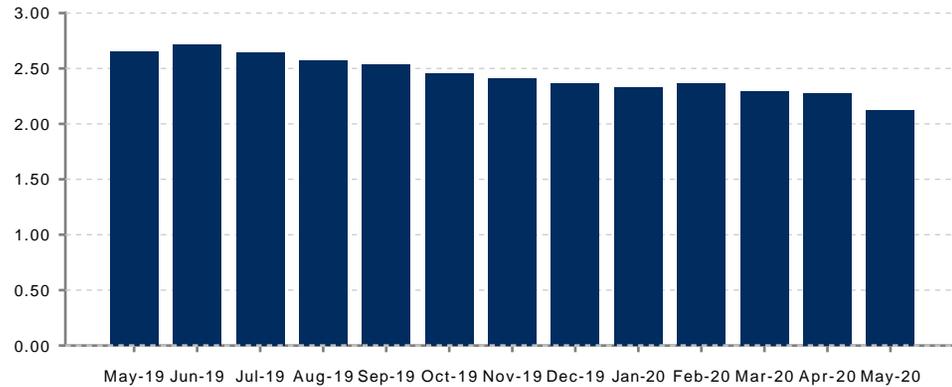


May 31, 2020

POOL 12 CAWCD MED TRM



### Net Yield

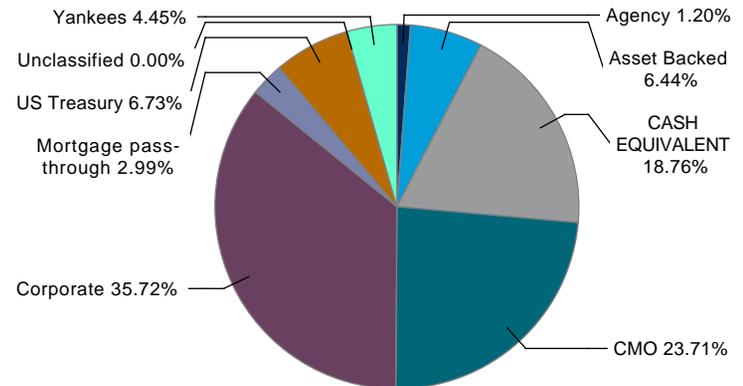


**Current Mth**      **Prior Mth**      **1 Year Ago**

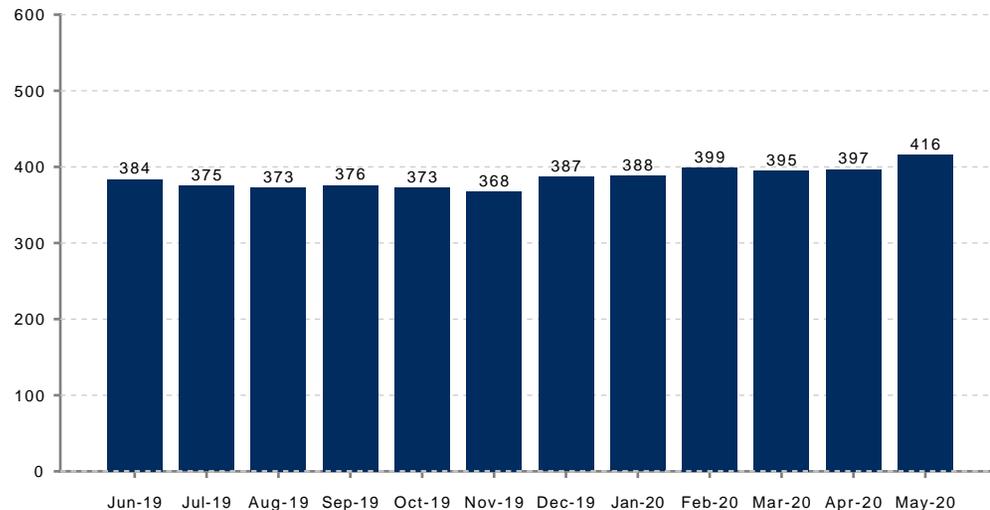
POOL 12 CAWCD MED TRM	2.12	2.28	2.65
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### Asset Allocation

	Ending Market Value
POOL 12 CAWCD MED TRM	416,011,243



### Net Asset Values over Time (\$MM)

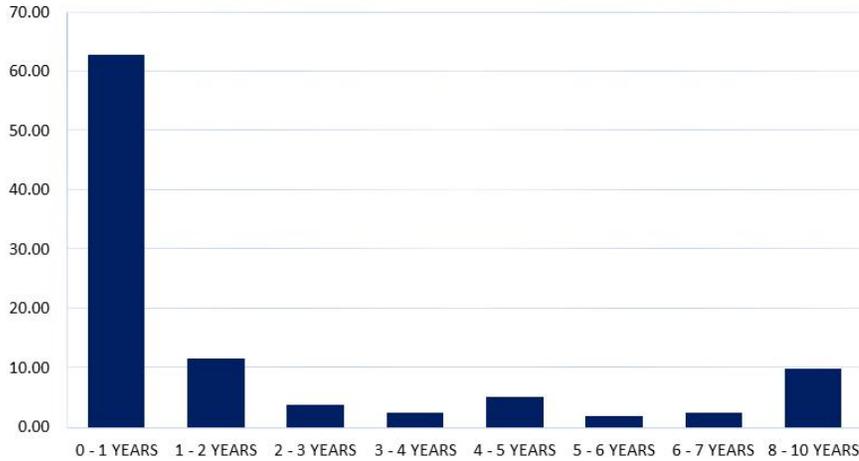


### Top 10 Holdings

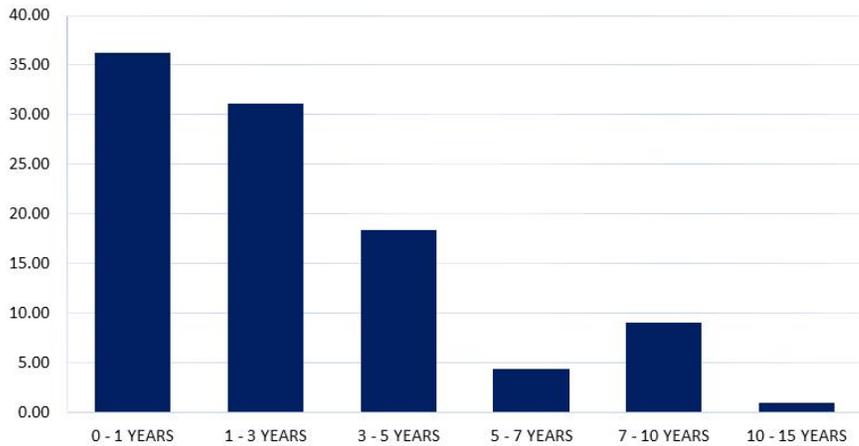
Security Name	Ending Market Value	% of Portfolio
POOL 12 CAWCD MED TRM		
SOUTH STREET REPO	29,000,169	6.97
US TREASURY N/B	10,135,547	2.44
WI TREASURY SEC	7,679,593	1.85
GOVERNMENT NATIONAL MORTGAGE A	7,100,171	1.71
GLENCOVE FDG DAC/LLC	7,000,636	1.68
FORD CREDIT AUTO OWNER TRUST/F	6,289,624	1.51
GOVERNMENT NATIONAL MORTGAGE A	5,822,152	1.40
BERKSHIRE HATHAWAY ENERGY	5,676,163	1.36
ANHEUSER BUSCH INBEV WOR	5,522,729	1.33
BANK OF AMERICA CORP	5,494,345	1.32



**Duration Distribution**



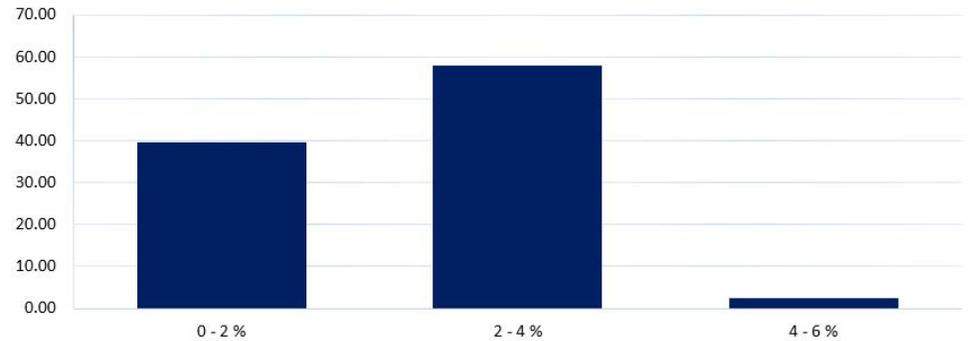
**Expected Maturity Distribution**



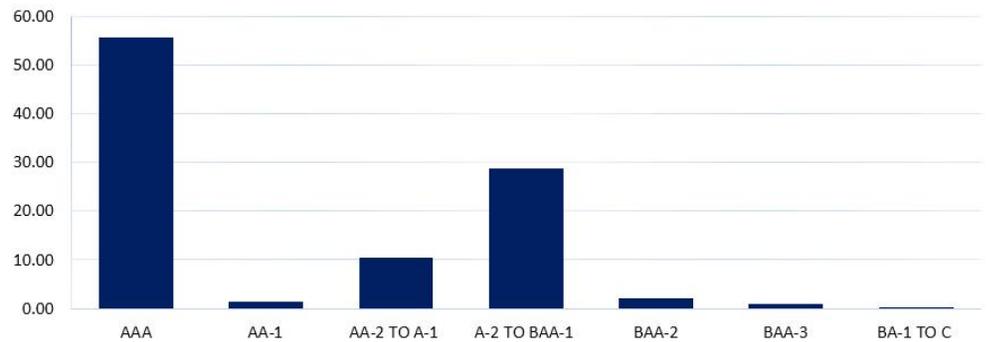
**Portfolio Level Characteristics**

	POOL 12 CAWCD MED TRM
Effective Maturity	2.69
Coupon	2.22
Effective Duration	1.74
Quality Rating (Moody's)	AA-2

**Coupon Distribution**

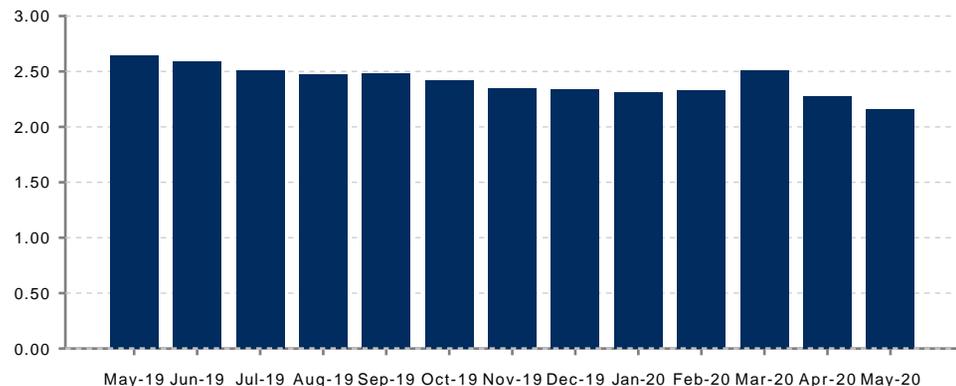


**Rating Distribution**





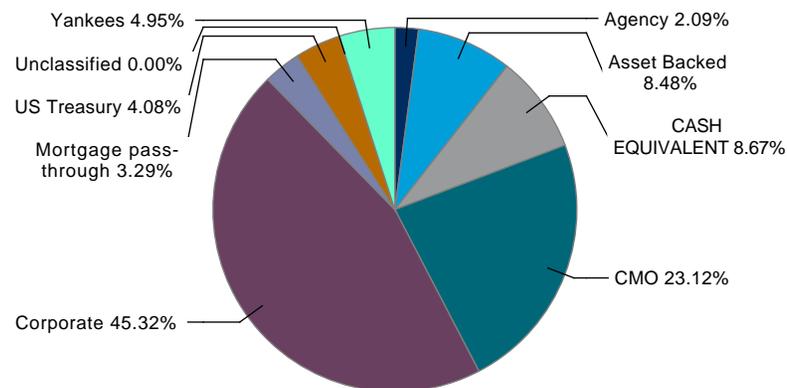
**Net Yield**



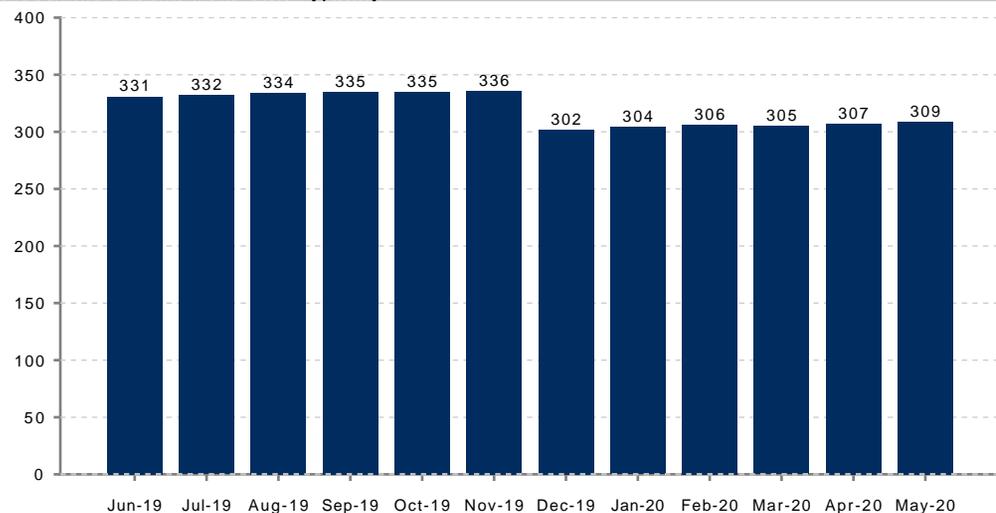
	Current Mth	Prior Mth	1 Year Ago
POOL 16 ECDHB	2.16	2.28	2.64

**Asset Allocation**

	Ending Market Value
POOL 16 ECDHB	309,118,567



**Net Asset Values over Time (\$MM)**

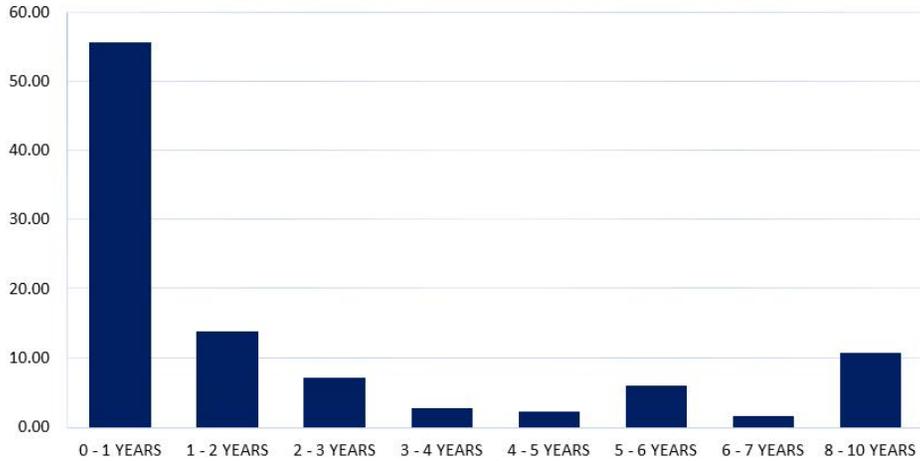


**Top 10 Holdings**

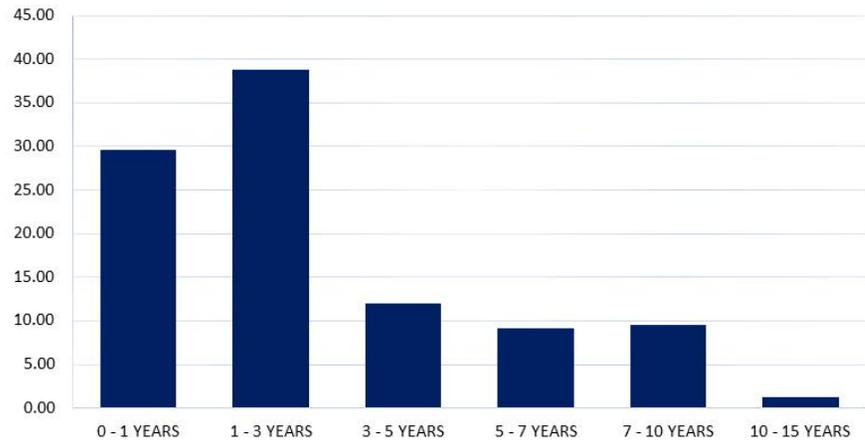
Security Name	Ending Market Value	% of Portfolio
POOL 16 ECDHB		
BERKSHIRE HATHAWAY ENERG	5,676,163	1.84
ANHEUSER BUSCH INBEV WOR	5,522,729	1.79
BRISTOL MYERS SQUIBB CO	5,446,027	1.76
BANK OF AMERICA CORP	5,389,453	1.74
BANK OF NY MELLON CORP	5,389,171	1.74
NEXTERA ENERGY CAPITAL	5,388,839	1.74
FREDDIE MAC	5,359,656	1.73
BANK OF NOVA SCOTIA	5,142,523	1.66
AMERICAN HONDA FINANCE	5,133,259	1.66
RAYTHEON TECH CORP	5,130,513	1.66



**Duration Distribution**



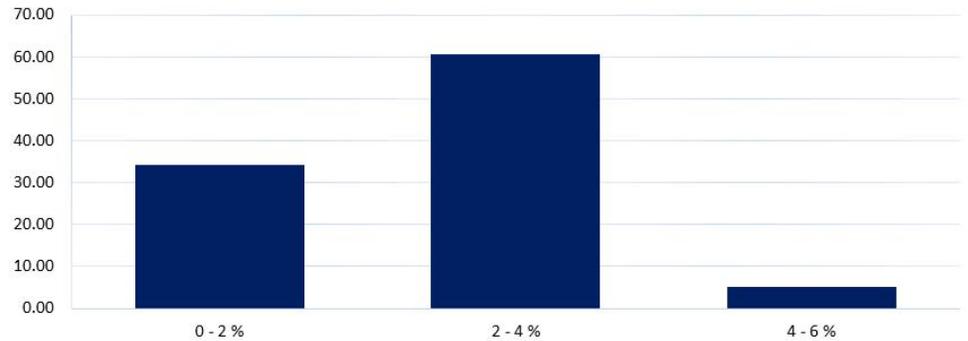
**Expected Maturity Distribution**



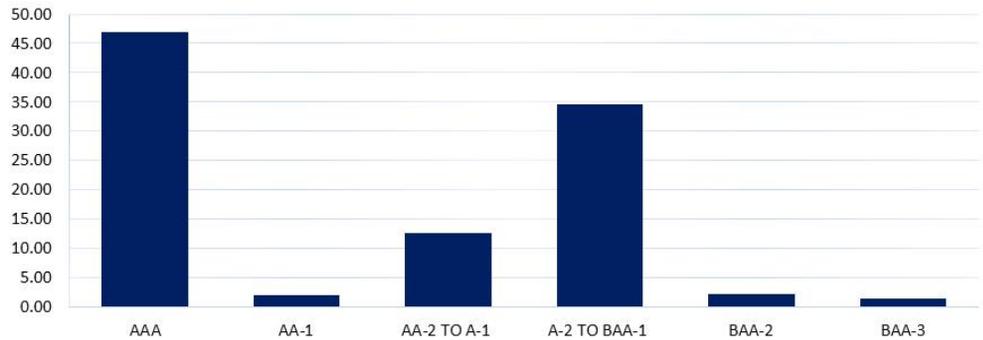
**Portfolio Level Characteristics**

	POOL 16 ECDHB
Effective Maturity	2.99
Coupon	2.40
Effective Duration	1.99
Quality Rating (Moody's)	AA-3

**Coupon Distribution**



**Rating Distribution**



**LGIP & LGIP- GOV  
 PORTFOLIO YIELD ANALYSIS  
 MAY 2020**

**NET EARNINGS**

<b>FUND</b>	<b>DESCRIPTION</b>	<b>Current Month 05/31/20</b>	<b>Prior Month 04/30/20</b>	<b>Prior Year 05/31/19</b>	<b>Net Asset Value Per Share</b>
5	LGIP	\$885,236	\$1,317,082	\$3,730,867	1.0000
7	LGIP - GOV (1)	357,507	762,132	3,197,919	1.0000
	<b>TOTAL LGIP &amp; LGIP-GOV</b>	<b>\$1,242,744</b>	<b>\$2,079,214</b>	<b>\$6,928,786</b>	

**YIELDS**

<b><u>MONTHLY</u></b>		<b>Current Month 05/31/20</b>	<b>Prior Month 04/30/20</b>	<b>Prior Year 5/31/19</b>
5	LGIP (NET)	0.54%	0.94%	2.49%
	S&P LGIP Index	0.65%	0.98%	2.40%
7	LGIP - GOV (NET) (1)	0.23%	0.54%	2.48%
	Trailing 3-mo T-bill	0.17%	0.62%	2.41%

**FISCAL YEAR TO DATE**

5	LGIP (NET)	1.71%	1.83%	2.34%
	S&P LGIP Index	1.64%	1.76%	2.21%
7	LGIP - GOV (NET) (1)	1.54%	1.67%	2.22%
	Trailing 3-mo T-bill	1.50%	1.63%	2.25%

(1) The LGIP-GOV Pool consists of only securities explicitly backed by the full faith & credit of the US Government.

**LGIP & LGIP- GOV MEDIUM TERM POOLS  
PORTFOLIO YIELD ANALYSIS  
MAY 2020**

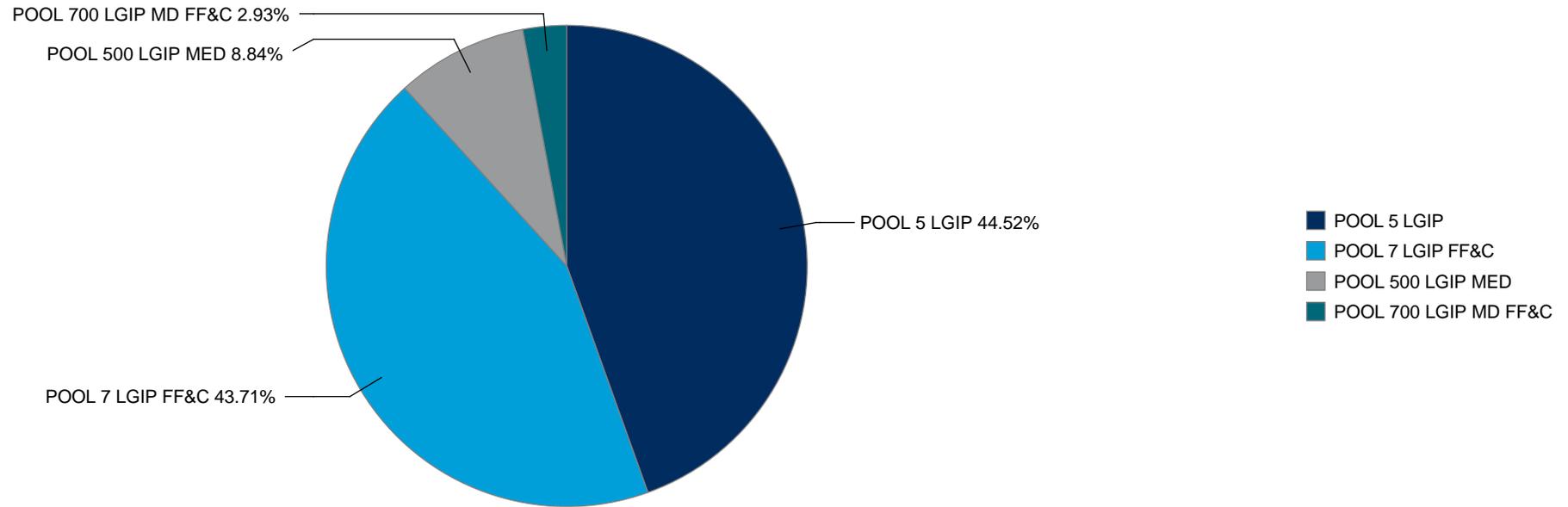
**NET EARNINGS**

<b>FUND</b>	<b>DESCRIPTION</b>	<b>Current Month 05/31/20</b>	<b>Prior Month 04/30/20</b>	<b>Prior Year 05/31/19</b>	<b>Net Asset Value Per Share</b>
500	LGIP - MED TERM POOL	\$583,538	\$617,907	\$740,571	1.0463
700	LGIP - FF&C MED TERM POOL	120,016	131,011	250,236	1.0182
<b>TOTAL LGIP MEDIUM TERM POOLS</b>		<b>\$703,554</b>	<b>\$748,918</b>	<b>\$990,807</b>	

**YIELDS**

<b><u>MONTHLY</u></b>		<b>Current Month 05/31/20</b>	<b>Prior Month 04/30/20</b>	<b>Prior Year 5/31/19</b>
500	LGIP - MED TERM (NET)	1.76%	1.92%	2.50%
	20% S&P LGIP Index /	0.62%	0.86%	2.41%
	80% Bloomberg Barclays 1-3 year US Agg			
700	LGIP - FF&C MED TERM (NET)	1.09%	1.23%	2.15%
	20% Trailing 3-mo T-bill /	0.19%	0.32%	2.27%
	80% Barclay 1-3 year UST			
<b><u>FISCAL YEAR TO DATE</u></b>				
500	LGIP - MED TERM (NET)	2.20%	2.24%	2.41%
	20% S&P LGIP Index /	1.58%	1.68%	2.66%
	80% Bloomberg Barclays 1-3 year US Agg			
700	LGIP - FF&C MED TERM (NET)	1.83%	1.90%	2.12%
	20% Trailing 3-mo T-bill /	1.32%	1.43%	2.52%
	80% Bloomberg Barclays 1-3 year UST			

Manager Allocation



	Market Value	% of Portfolio
POOL 5 LGIP	1,972,421,542	44.5
POOL 7 LGIP FF&C	1,936,614,087	43.7
POOL 500 LGIP MED	391,443,814	8.8
POOL 700 LGIP MD FF&C	129,641,554	2.9
TOTAL LGIP	4,430,120,997	100.0



**Net Yield**

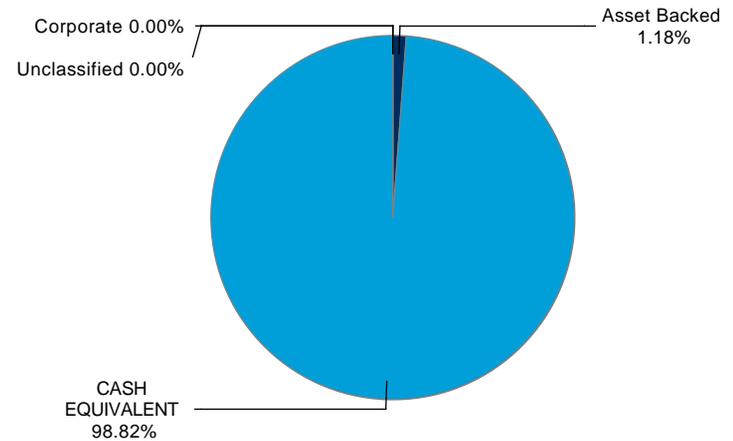


Current Mth      Prior Mth      1 Year Ago

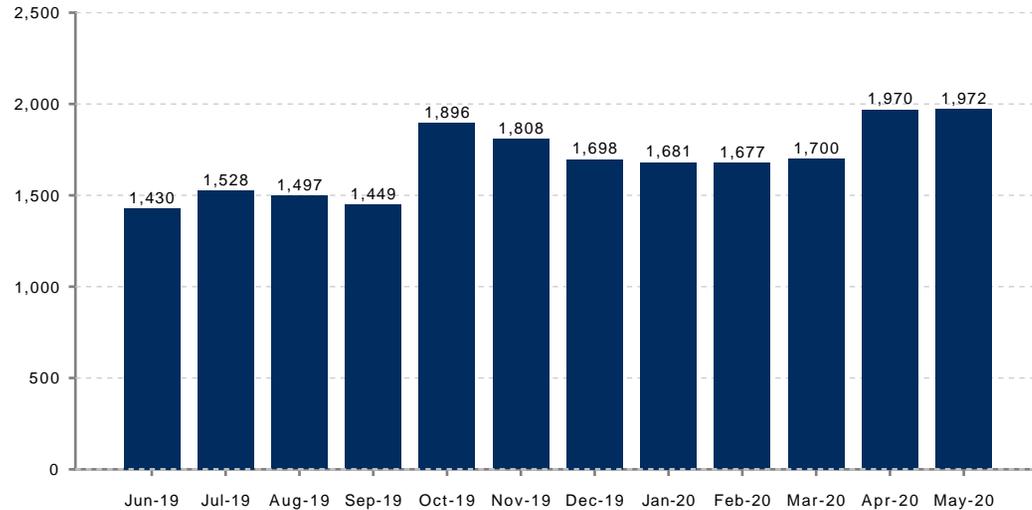
POOL 5 LGIP	0.54	0.94	2.49
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**Asset Allocation**

	Ending Market Value
POOL 5 LGIP	1,972,421,542



**Net Asset Values over Time (\$MM)**

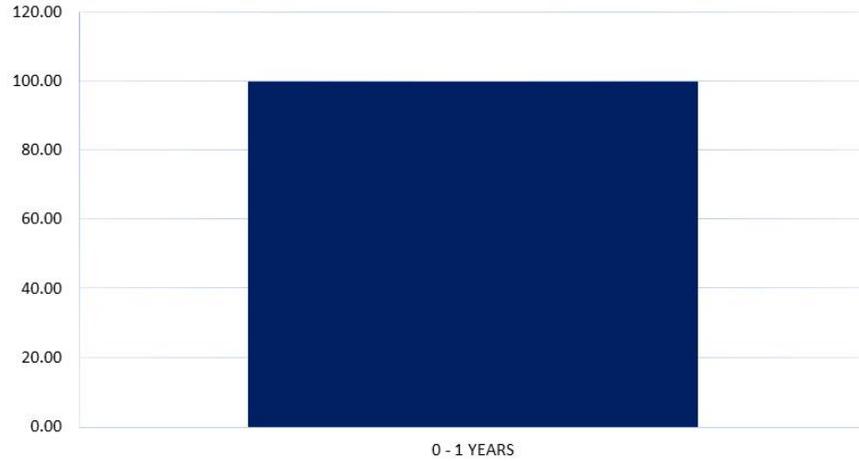


**Top 10 Holdings**

Security Name	Ending Market Value	% of Portfolio
POOL 5 LGIP		
RBC CAPITAL MARKETS REPO	125,000,313	6.34
BANK OF AMERICA REPO	100,000,083	5.07
FIDELITY INVESTMENTS MONEY	80,006,878	4.06
JP MORGAN MONEY MARKET	75,005,869	3.80
TREASURY BILL	29,996,676	1.52
TREASURY BILL	29,994,379	1.52
TREASURY BILL	29,990,751	1.52
TREASURY BILL	29,989,487	1.52
TREASURY BILL	29,988,715	1.52
USAA CAPITAL CORP	24,998,611	1.27



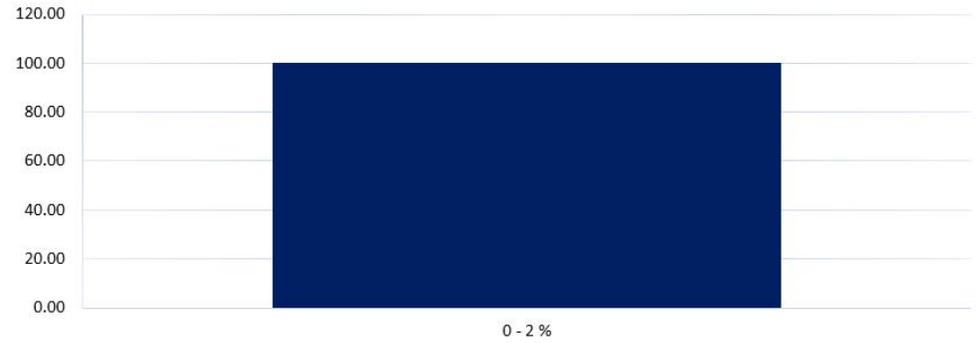
**Duration Distribution**



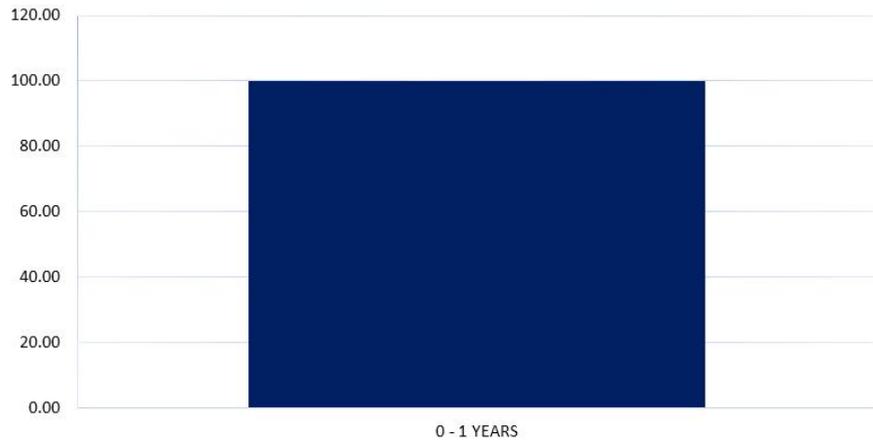
**Portfolio Level Characteristics**

	POOL 5 LGIP
Effective Maturity	0.14
Coupon	0.02
Effective Duration	0.14
Quality Rating (Moody's)	AAA

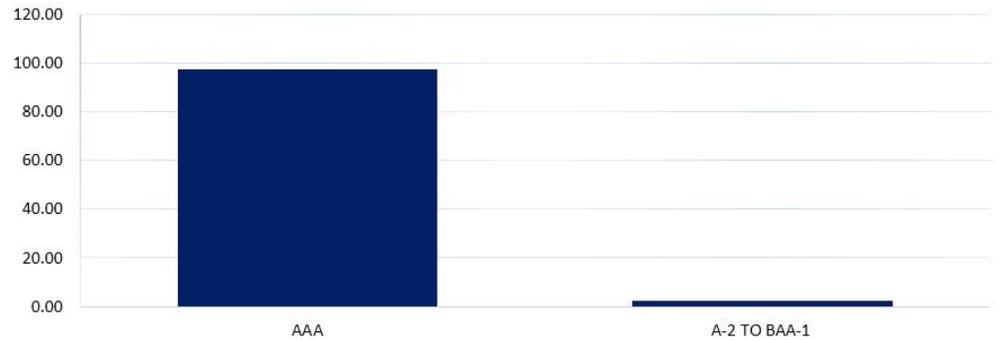
**Coupon Distribution**



**Expected Maturity Distribution**



**Rating Distribution**



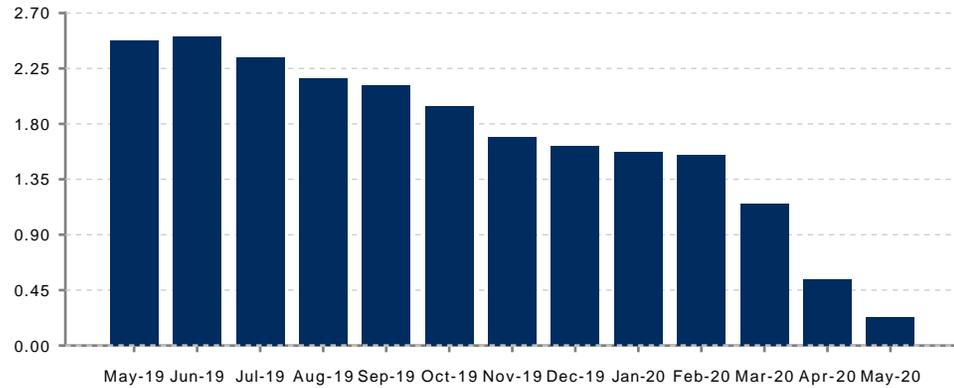
# OFFICE OF THE ARIZONA STATE TREASURER

May 31, 2020

POOL 7 LGIP FF&C



## Net Yield



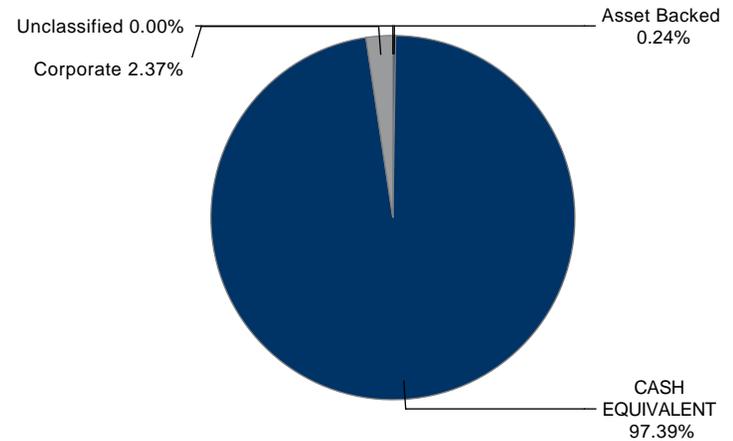
Current Mth      Prior Mth      1 Year Ago

POOL 7 LGIP FF&C	0.23	0.54	2.48
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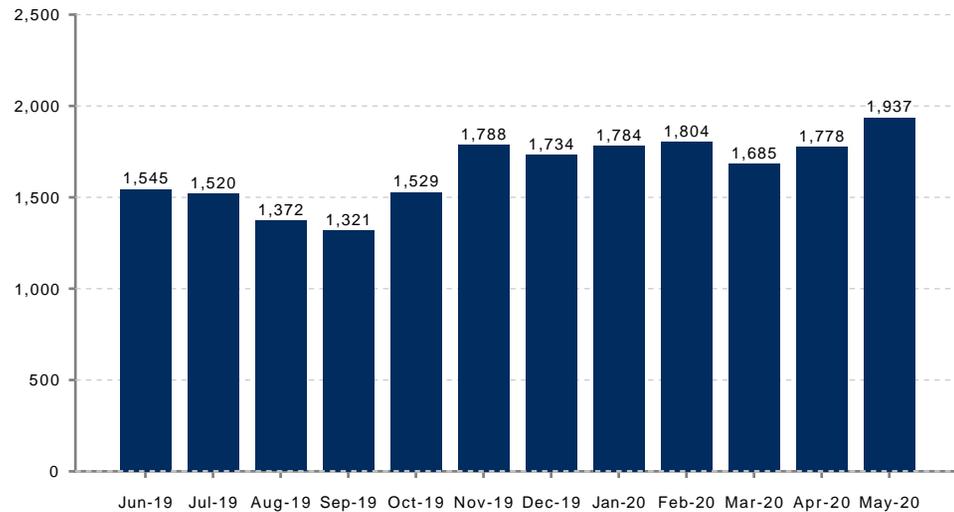
## Asset Allocation

Ending Market Value

POOL 7 LGIP FF&C	1,936,614,087
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## Net Asset Values over Time (\$MM)

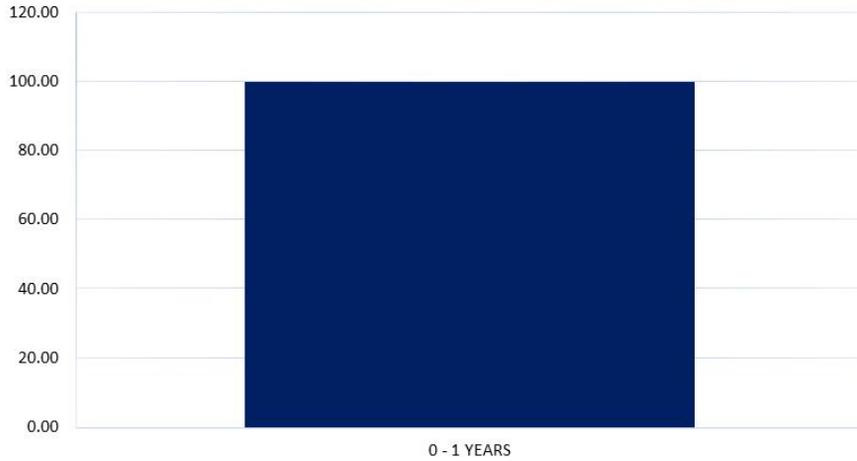


## Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 7 LGIP FF&C		
FIDELITY INVESTMENTS MONEY	125,043,680	6.46
TREASURY BILL	119,996,640	6.20
GUGGENHEIM SECURITIES REPO	99,749,139	5.15
TREASURY BILL	89,991,501	4.65
TREASURY BILL	79,999,744	4.13
TREASURY BILL	79,994,011	4.13
TREASURY BILL	79,985,278	4.13
TREASURY BILL	79,983,217	4.13
AMHERST PIERPONT	75,000,250	3.87
TREASURY BILL	69,999,467	3.61



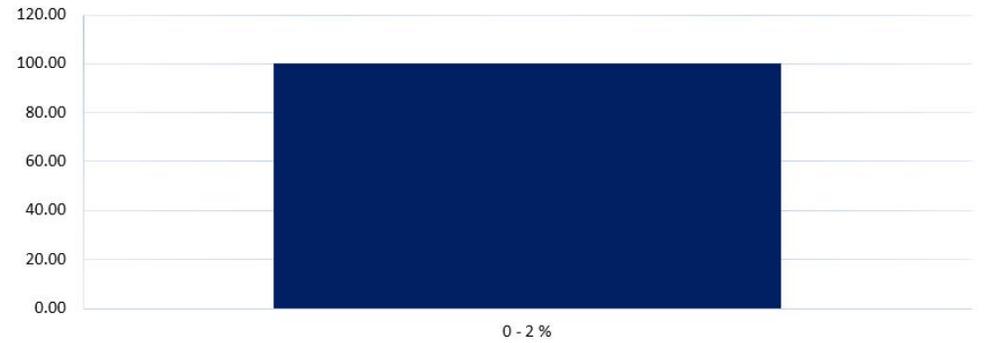
**Duration Distribution**



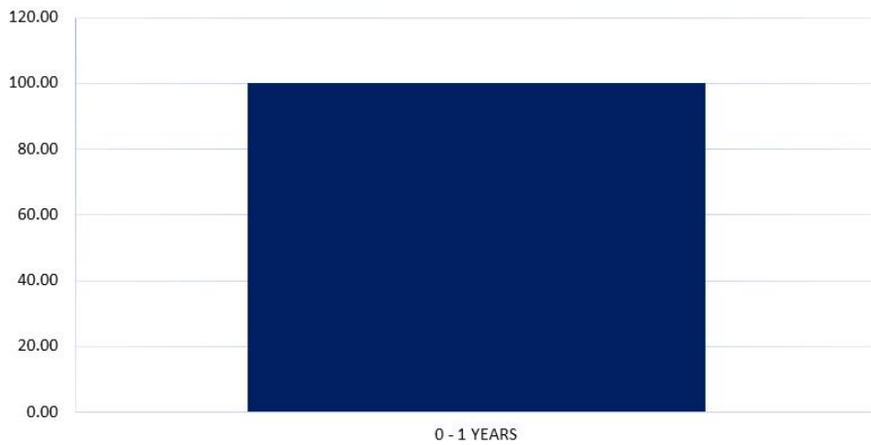
**Portfolio Level Characteristics**

	POOL 7 LGIP FF&C
Effective Maturity	0.13
Coupon	0.00
Effective Duration	0.13
Quality Rating (Moody's)	AAA

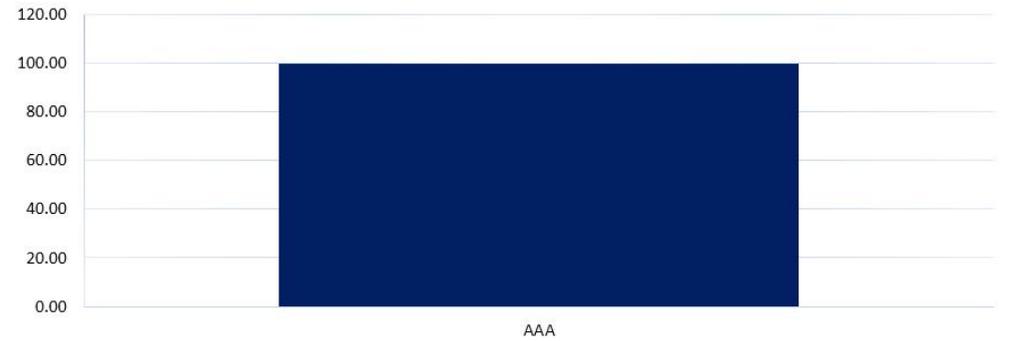
**Coupon Distribution**



**Expected Maturity Distribution**

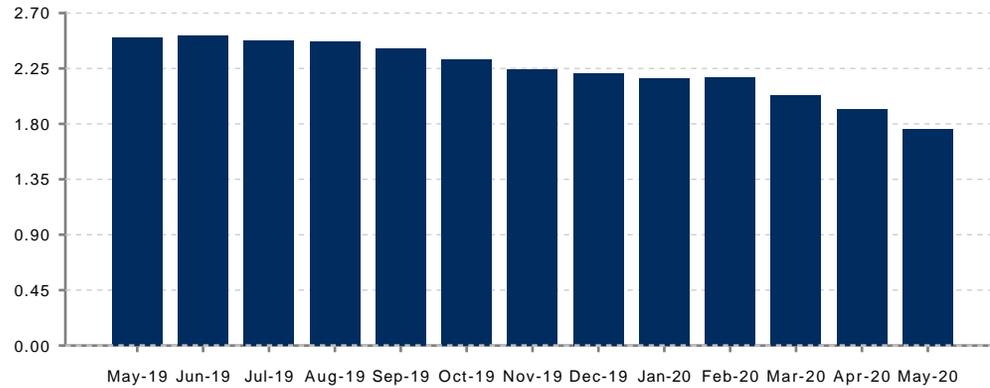


**Rating Distribution**





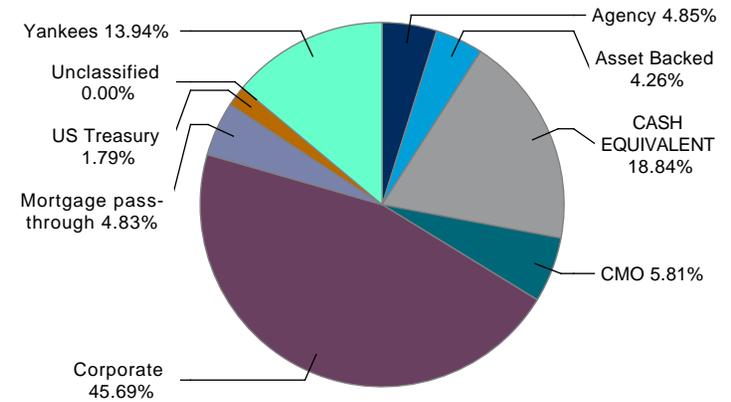
**Net Yield**



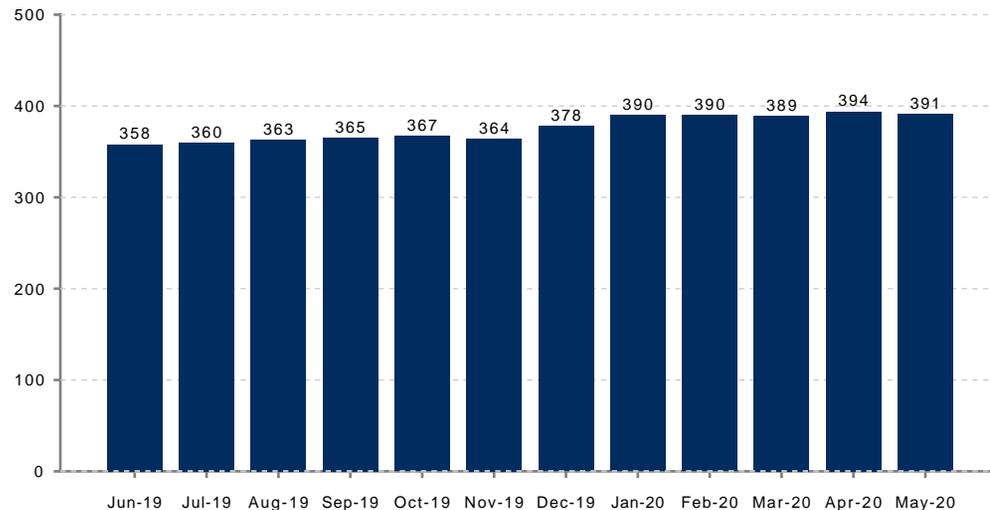
	Current Mth	Prior Mth	1 Year Ago
POOL 500 LGIP MED	1.76	1.92	2.50

**Asset Allocation**

	Ending Market Value
POOL 500 LGIP MED	391,443,814



**Net Asset Values over Time (\$MM)**

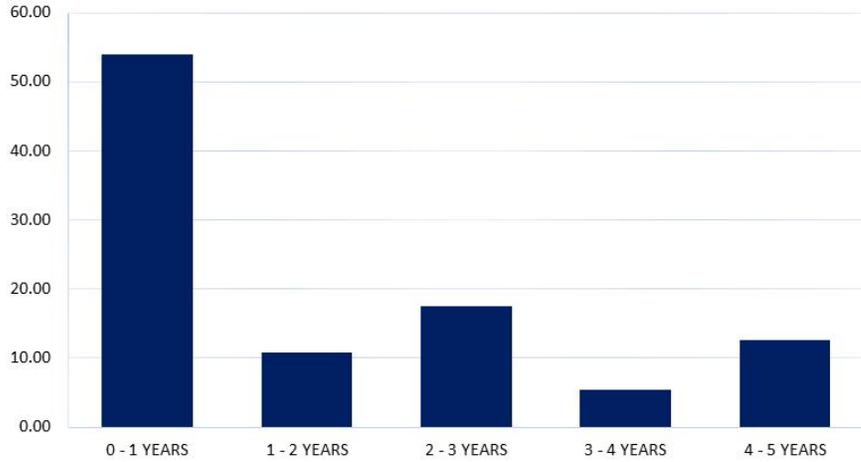


**Top 10 Holdings**

Security Name	Ending Market Value	% of Portfolio
POOL 500 LGIP MED		
JP MORGAN MONEY MARKET	10,000,054	2.55
SOUTH STREET REPO	7,000,041	1.79
APPLE INC	6,997,913	1.79
FIDELITY INVESTMENTS MONEY	6,000,026	1.53
BANK OF AMERICA CORP	5,878,339	1.50
US BANCORP	5,332,891	1.36
AMERICAN EXPRESS CO	5,308,227	1.36
TRUIST BANK	5,274,298	1.35
EXXON MOBIL CORPORATION	5,255,703	1.34
NEW YORK LIFE GLOBAL FDG	5,207,355	1.33



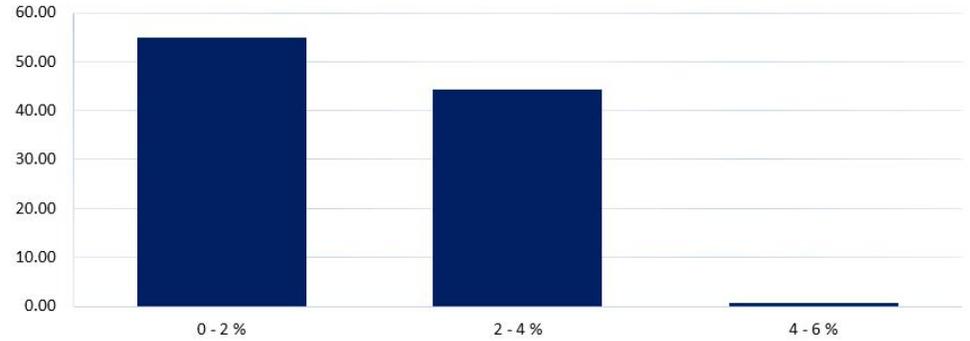
**Duration Distribution**



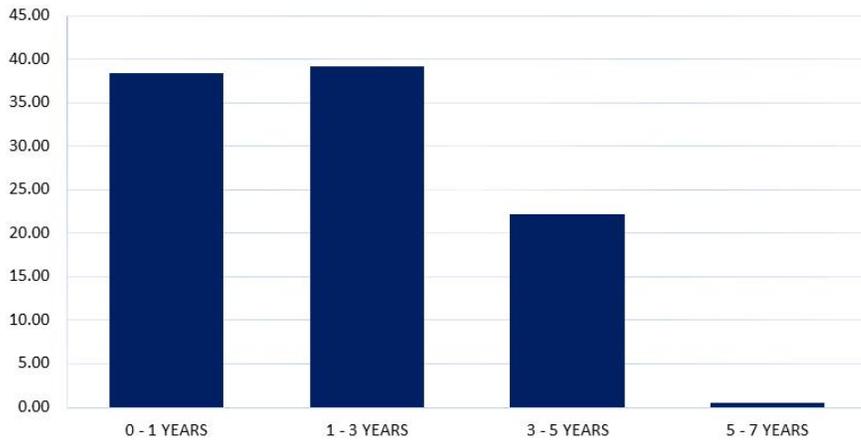
**Portfolio Level Characteristics**

	POOL 500 LGIP MED
Effective Maturity	1.86
Coupon	1.76
Effective Duration	1.44
Quality Rating (Moody's)	AA-2

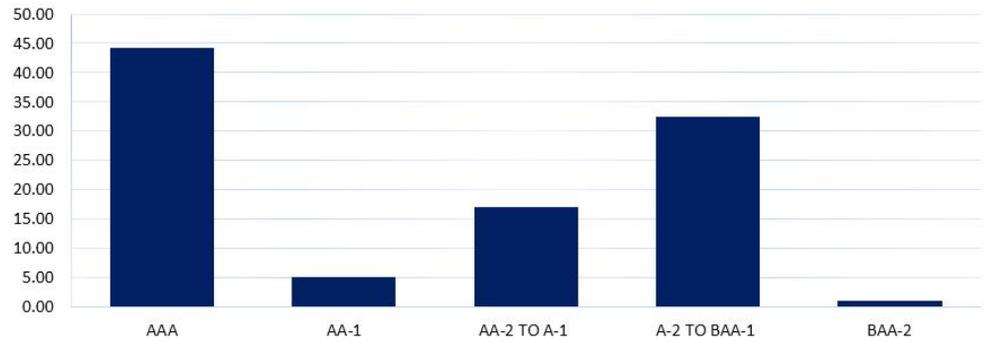
**Coupon Distribution**



**Expected Maturity Distribution**



**Rating Distribution**





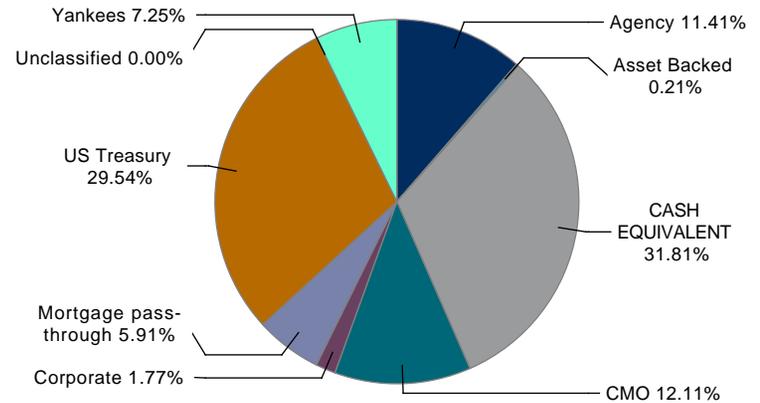
### Net Yield



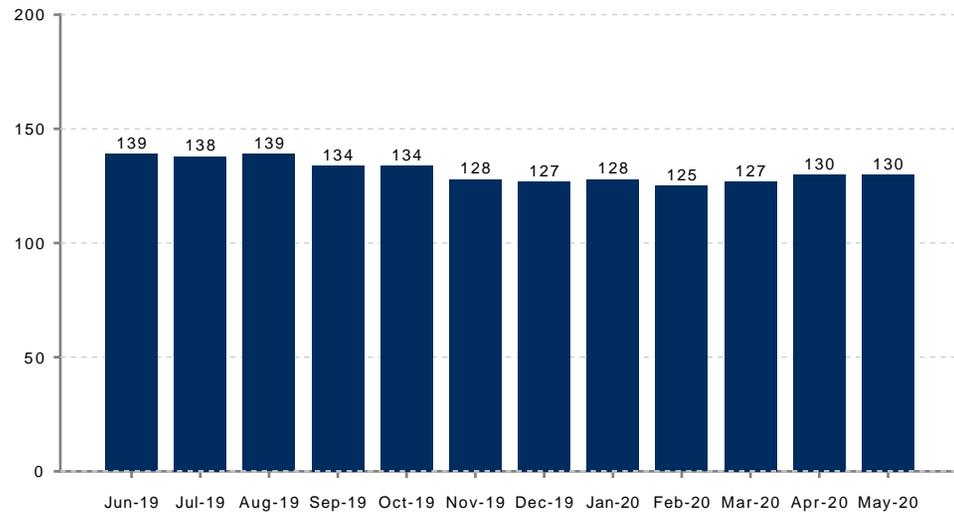
	Current Mth	Prior Mth	1 Year Ago
POOL 700 LGIP MD FF&C	1.09	1.23	2.15

### Asset Allocation

	Ending Market Value
POOL 700 LGIP MD FF&C	129,641,554



### Net Asset Values over Time (\$MM)

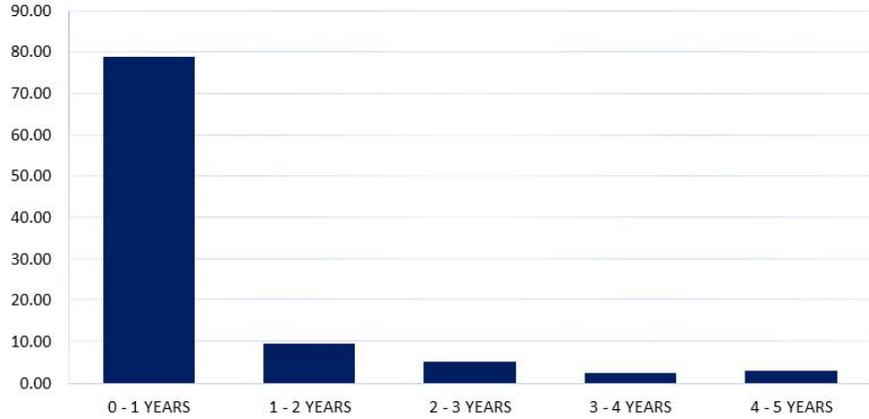


### Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 700 LGIP MD FF&C		
FIDELITY INVESTMENTS MONEY	30,004,245	23.14
AID JORDAN	6,352,228	4.90
INT DEVELOPMENT FIN CORP	5,365,059	4.14
US TREASURY N/B	5,039,394	3.89
US TREASURY N/B	5,032,757	3.88
US TREASURY N/B	4,049,645	3.12
INT DEVELOPMENT FIN CORP	3,510,219	2.71
AID UKRAINE	3,053,634	2.36
US TREASURY FRN	3,011,052	2.32
TREASURY BILL	2,997,844	2.31



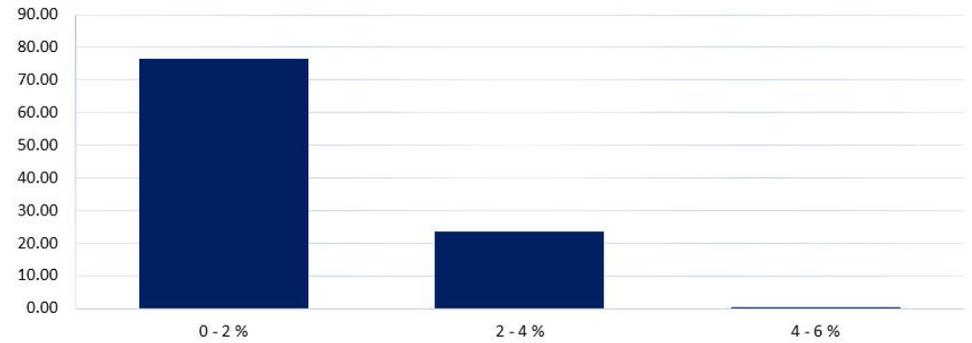
**Duration Distribution**



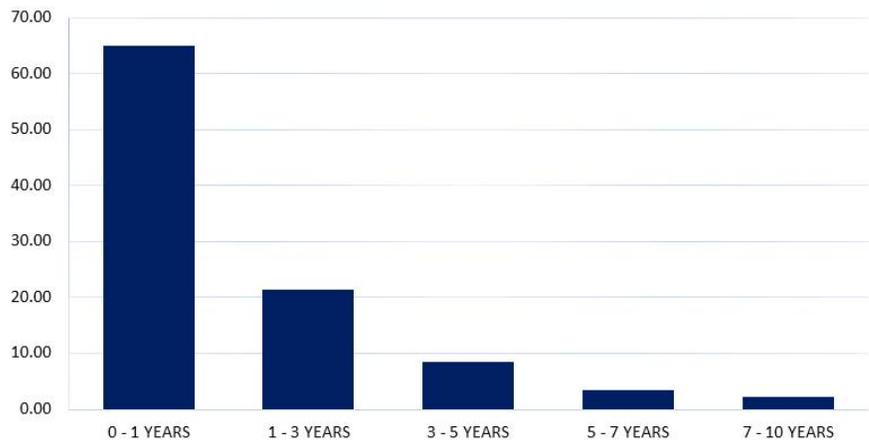
**Portfolio Level Characteristics**

	POOL 700 LGIP MD FF&C
Effective Maturity	1.27
Coupon	1.06
Effective Duration	0.72
Quality Rating (Moody's)	AAA

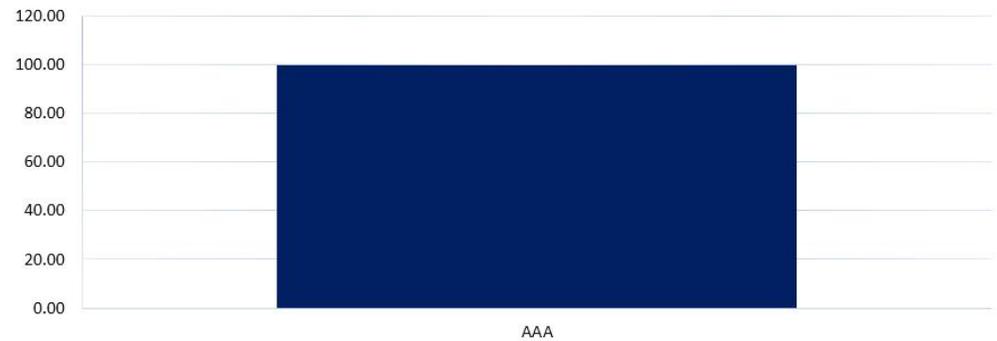
**Coupon Distribution**



**Expected Maturity Distribution**



**Rating Distribution**



**EARNINGS DISTRIBUTED  
 PERMANENT LAND ENDOWMENT TRUST FUND  
 MAY 2020**

**Distributed in Current Month**

<b>Recipient</b>	<b>MAY 2020</b>	<b>Fiscal YTD 19/20</b>	<b>Fiscal YTD 18/19</b>	<b>Fiscal YTD Change</b>
101 A & M Colleges	\$73,227	\$805,496	\$774,457	\$31,039
102 State Hospital	51,319	564,507	517,934	46,574
103 Leg., Exec., & Jud.	60,756	668,316	641,526	26,790
104 Military Institute	4,049	44,540	42,544	1,996
105 Miners Hospital	170,411	1,874,517	1,739,300	135,218
107 Normal School ASU/NAU	31,311	344,421	317,406	27,014
108 Penitentiaries	113,987	1,253,854	1,166,919	86,934
109 Permanent Common School	28,518,181	313,699,996	294,475,165	19,224,831
110 School for Deaf & Blind	41,371	455,078	424,668	30,410
111 School of Mines	83,229	915,521	878,523	36,998
112 State Charitable-Pioneers Home	412,187	4,534,053	4,335,275	198,779
112 State Charitable-Corrections	206,093	2,267,027	2,167,637	99,389
112 State Charitable-Youth Treatment	206,093	2,267,027	2,167,637	99,389
113 University Fund	151,327	1,664,600	1,577,250	87,350
114 U of A Land - 1881	541,028	5,951,303	5,412,403	538,900
<b>Total</b>	<b>\$30,664,569</b>	<b>\$337,310,254</b>	<b>\$316,638,644</b>	<b>\$20,671,610</b>

**Land Sales Monthly Proceeds  
Permanent Land Endowment Trust Fund**

<b>Month</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>January</b>	\$29,493,046	\$7,126,212	\$5,108,687	\$2,960,815	\$809,822	\$30,671,107	\$34,028,510
<b>February</b>	33,969,801	2,535,244	1,083,178	1,103,303	744,295	875,823	2,362,463
<b>March</b>	1,323,549	1,096,232	1,106,860	3,045,043	8,296,029	997,479	13,103,761
<b>April</b>	2,252,527	1,968,281	28,981,969	78,134,289	22,707,772	12,816,140	6,837,496
<b>May</b>	1,100,261	19,123,417	20,147,116	27,642,672	16,234,823	590,432	3,656,783
<b>June</b>	4,564,719	33,179,898	31,844,678	2,451,110	6,799,100	3,654,938	
<b>July</b>	4,196,738	6,092,396	2,469,997	13,838,188	27,835,379	4,356,585	
<b>August</b>	24,838,430	1,038,971	13,094,287	5,746,802	6,932,754	10,038,331	
<b>September</b>	1,960,673	1,967,125	(12,580,728)	19,937,751	8,293,343	1,201,114	
<b>October</b>	3,150,170	2,366,519	10,614,885	480,710	24,823,636	5,075,858	
<b>November</b>	34,193,583	1,358,711	28,490,238	9,500,048	42,245,892	9,161,341	
<b>December</b>	1,136,538	4,264,354	6,127,407	3,869,818	2,283,305	15,116,940	
<b>Calendar Year</b>	142,180,034	82,117,360	136,488,573	168,710,549	168,006,150	94,556,089	\$59,989,013
<b>Fiscal Year (July 1st to June 30th)</b>	104,912,840	134,505,415	105,360,563	163,553,318	108,965,158	162,020,229	\$104,939,182

**NET REALIZED CAPITAL GAINS / LOSSES - PERM LAND ENDOW TRUST FUND**

<u><b>Endowment Fund</b></u>	<b>May 2020</b>	<b>May 2019</b>
-----	<u><b>NET GAIN(LOSS)</b></u>	<u><b>NET GAIN(LOSS)</b></u>
Fixed Income Pool	\$374,653	(\$343,121)
500 Large-Cap Fund	37,261,216	4,763,809
400 Mid-Cap Fund	1,150,236	2,285,799
600 Small-Cap Fund	(540,446)	3,123,183
<b>Totals</b>	<b>\$38,245,659</b>	<b>\$9,829,670</b>

<u><b>Endowment Fund</b></u>	<b>2019/2020</b>	<b>2018/2019</b>
-----	<u><b>FISCAL YEAR TO DATE</b></u>	<u><b>FISCAL YEAR TO DATE</b></u>
-----	<u><b>GAINS(LOSSES)</b></u>	<u><b>GAINS(LOSSES)</b></u>
Fixed Income Pool	\$9,637,889	(\$3,694,436)
500 Large-Cap Fund	226,438,201	42,522,216
400 Mid-Cap Fund	27,786,650	38,892,296
600 Small-Cap Fund	17,515,997	31,615,582
<b>Totals</b>	<b>\$281,378,736</b>	<b>\$109,335,658</b>

**PERM LAND ENDOWMENT TRUST FUND FIXED-INCOME POOLS  
PURCHASES & SALES  
MAY 2020**

**I. Endowment Funds Purchases**

<u>POOL</u>	<u>SECURITY DESCRIPTION</u>	<u>RATE</u>	<u>MATURITY</u>	<u>WAL YEARS (1)</u>	<u>PAR VALUE</u>	<u>PURCHASE COST</u>	<u>YIELD</u>	<u>MOODY'S RATING</u>
205	DUKE ENERGY	2.45	06/01/2030	NA	\$3,000,000	\$2,990,430	2.49%	Baa1
205	DUKE ENERGY	2.45	06/01/2030	NA	10,000,000	9,968,100	2.49%	Baa1
205	RAYTHEON	2.25	07/01/2030	NA	15,000,000	14,980,800	2.26%	Baa1
205	ROYAL BANK OF CANADA	1.15	05/22/2023	NA	10,000,000	10,000,000	1.15%	Aa2
123	DOW CHEMICAL	0.00	08/24/2020	NA	25,000,000	24,901,778	1.37%	P-2
123	EXXON MOBIL	0.00	11/25/2020	NA	10,000,000	9,982,500	0.35%	P-1
123	HARLEY-DAVIDSON	0.00	07/24/2020	NA	10,000,000	9,978,550	1.17%	P-2
123	US TREASURY	0.00	07/28/2020	NA	7,000,000	6,998,507	0.10%	Aaa
123	UNITED HEALTHCARE	0.00	06/26/2020	NA	20,000,000	19,994,861	0.25%	P-2
123	WALGREENS	0.00	08/12/2020	NA	10,000,000	9,979,694	0.86%	P-2
123	WALGREENS	0.00	11/20/2020	NA	15,000,000	14,903,138	1.24%	P-2
123	WALT DISNEY	0.00	07/13/2020	NA	10,000,000	9,964,611	1.41%	P-1
<b>TOTAL ENDOWMENT FUNDS PURCHASES</b>					<b><u>\$145,000,000</u></b>	<b><u>\$144,642,969</u></b>		

**II. Endowment Funds Sales**

<u>POOL</u>	<u>SECURITY DESCRIPTION</u>	<u>MATURITY</u>	<u>PAR VALUE</u>	<u>NET PROCEEDS</u>	<u>SALES GAINS/(LOSSES)</u>	<u>MOODY'S RATING</u>
205	COMM MORTGAGE	07/10/2045	\$3,275,231	\$3,378,350	(\$33,171)	Aaa
205	COMM MORTGAGE	04/10/2047	5,000,000	5,328,125	207,467	Aaa
205	COMM MORTGAGE	10/10/2048	6,258,000	6,516,143	79,945	Aa2
205	DBUBS	07/10/2044	4,995,523	5,061,089	(445,650)	Aaa
205	JP MORGAN CHASE COMM	10/15/2045	5,526,504	5,562,124	21,039	Aaa
205	US TREASURY	08/15/2029	5,000,000	7,513,672	1,004,530	Aaa
205	WELLS FARGO	05/15/2048	5,000,000	5,350,000	183,011	Aaa
<b>TOTAL ENDOWMENT FUNDS SALES</b>			<b><u>\$35,055,258</u></b>	<b><u>\$38,709,503</u></b>	<b><u>\$1,017,171</u></b>	

(1) WAL is the weighted average life of the security based on the Bloomberg calculation at the time the trade is executed. The calculation is used only with mortgage-backed pass-through/CMO securities.

**PERMANENT LAND ENDOWMENT TRUST FUND  
 EQUITY FUNDS PURCHASES & SALES  
 MAY 2020**

**I. Equity Fund Purchases**

	<u>SHARES</u>	<u>PURCHASE COST</u>	<u>COMMISSIONS</u>
400 Mid-Cap Fund	29,780	\$1,764,137	\$223
500 Large-Cap Fund	15,077	4,759,990	43
600 Small-Cap Fund	554,250	5,197,976	3,986
<b>TOTAL EQUITY PURCHASES</b>	<b><u>599,107</u></b>	<b><u>\$11,722,103</u></b>	<b><u>\$4,252</u></b>

**II. Equity Funds Sales**

	<u>SHARES</u>	<u>SALES AMOUNT</u>	<u>COMMISSIONS</u>
400 Mid-Cap Fund	32,182	\$2,814,635	\$0
500 Large-Cap Fund	832,930	73,491,962	6,249
600 Small-Cap Fund	497,055	3,642,826	3,728
<b>TOTAL EQUITY SALES</b>	<b><u>1,362,167</u></b>	<b><u>\$79,949,424</u></b>	<b><u>\$9,977</u></b>

**PERMANENT LAND ENDOWMENT TRUST FUND**  
**INVESTMENTS OUTSTANDING**  
**MAY 31, 2020**  
**(In Thousands)**

State Treasurer's Report  
June 30, 2020  
Page 38

FUND NAME OF FUND	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	UNREALIZED GAINS (LOSSES)	<b>Mkt Value/ Book Value</b>
101 A & M Colleges					
<i>Shares in Equity Pools</i>	\$354	\$2,488	\$8,051	\$5,563	
<i>Shares in Fixed Income Pools</i>	3,527	2,525	4,889	2,364	
Total	<u>3,881</u>	<u>5,013</u>	<u>12,940</u>	<u>7,927</u>	<b>2.581</b>
102 State Hospital					
<i>Shares in Equity Pools</i>	286	2,487	6,500	4,013	
<i>Shares in Fixed Income Pools</i>	2,939	2,446	4,073	1,627	
Total	<u>3,224</u>	<u>4,933</u>	<u>10,573</u>	<u>5,640</u>	<b>2.143</b>
103 Leg., Exec, & Jud					
<i>Shares in Equity Pools</i>	289	2,181	6,575	4,394	
<i>Shares in Fixed Income Pools</i>	3,104	2,224	4,302	2,078	
Total	<u>3,393</u>	<u>4,406</u>	<u>10,878</u>	<u>6,472</u>	<b>2.469</b>
104 Military Institute					
<i>Shares in Equity Pools</i>	19	153	444	291	
<i>Shares in Fixed Income Pools</i>	215	151	297	146	
Total	<u>234</u>	<u>304</u>	<u>741</u>	<u>437</u>	<b>2.440</b>
105 Miners Hospital					
<i>Shares in Equity Pools</i>	904	8,257	20,572	12,316	
<i>Shares in Fixed Income Pools</i>	9,075	8,009	12,577	4,568	
Total	<u>9,978</u>	<u>16,266</u>	<u>33,150</u>	<u>16,884</u>	<b>2.038</b>
107 Normal School ASU/NAU					
<i>Shares in Equity Pools</i>	171	1,485	3,896	2,410	
<i>Shares in Fixed Income Pools</i>	1,768	1,419	2,450	1,030	
Total	<u>1,939</u>	<u>2,905</u>	<u>6,346</u>	<u>3,441</u>	<b>2.185</b>
108 Penitentiaries					
<i>Shares in Equity Pools</i>	575	4,876	13,099	8,223	
<i>Shares in Fixed Income Pools</i>	5,887	4,849	8,160	3,311	
Total	<u>6,463</u>	<u>9,725</u>	<u>21,258</u>	<u>11,534</u>	<b>2.186</b>

**PERMANENT LAND ENDOWMENT TRUST FUND**  
**INVESTMENTS OUTSTANDING**  
**MAY 31, 2020**  
**(In Thousands)**

State Treasurer's Report  
June 30, 2020  
Page 39

NAME OF FUND	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	UNREALIZED GAINS (LOSSES)	<b>Mkt Value/ Book Value</b>
109 Permanent Common School					
<i>Shares in Equity Pools</i>	152,054	1,245,264	3,461,648	2,216,384	
<i>Shares in Fixed Income Pools</i>	1,530,143	1,255,794	2,120,742	864,948	
Total	1,682,196	2,501,058	5,582,390	3,081,332	<b>2.232</b>
110 School for Deaf & Blind					
<i>Shares in Equity Pools</i>	212	1,787	4,820	3,033	
<i>Shares in Fixed Income Pools</i>	2,394	1,896	3,318	1,423	
Total	2,606	3,683	8,138	4,455	<b>2.210</b>
111 School of Mines					
<i>Shares in Equity Pools</i>	401	3,010	9,129	6,119	
<i>Shares in Fixed Income Pools</i>	4,126	3,064	5,718	2,655	
Total	4,527	6,074	14,848	8,774	<b>2.445</b>
112 State Charitable					
<i>Shares in Equity Pools</i>	4,265	33,392	97,088	63,696	
<i>Shares in Fixed Income Pools</i>	41,356	33,334	57,318	23,984	
Total	45,620	66,726	154,406	87,679	<b>2.314</b>
113 University Fund					
<i>Shares in Equity Pools</i>	912	9,591	20,770	11,179	
<i>Shares in Fixed Income Pools</i>	9,423	8,321	13,060	4,739	
Total	10,336	17,912	33,831	15,918	<b>1.889</b>
114 U Of A Land - 1881					
<i>Shares in Equity Pools</i>	2,807	27,334	63,904	36,570	
<i>Shares in Fixed Income Pools</i>	28,878	24,936	40,024	15,088	
Total	\$31,685	\$52,270	\$103,929	\$51,658	<b>1.988</b>
TOTALS - ALL FUNDS					
<i>Shares in Equity Pools</i>	163,248	1,342,305	3,716,496	2,374,191	
<i>Shares in Fixed Income Pools</i>	1,642,834	1,348,969	2,276,930	927,961	
<b>Grand Total</b>	\$1,806,082	\$2,691,274	\$5,993,426	\$3,302,152	
<b>PRIOR YEAR:</b>					
<b>MAY 2019 BALANCES</b>	<b>\$1,854,322</b>	<b>\$2,754,039</b>	<b>\$5,823,234</b>	<b>\$3,069,195</b>	

**PERMANENT LAND ENDOWMENT TRUST FUND  
INVESTMENTS OUTSTANDING  
MAY 31, 2020**

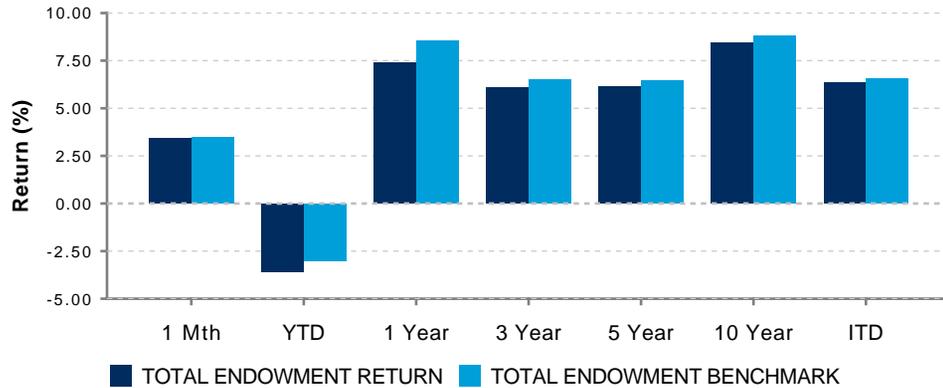
State Treasurer's Report  
June 30, 2020  
Page 40

**ASSET ALLOCATION PERCENTAGE**

	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	MAY 2019 MARKET VALUE
<i>Equity Pools</i>	9.04%	<b>49.88%</b>	62.01%	59.16%
<i>Fixed Income Pools</i>	90.96%	<b>50.12%</b>	37.99%	40.84%
<b>Total</b>	100.00%	<b>100.00%</b>	100.00%	100.00%



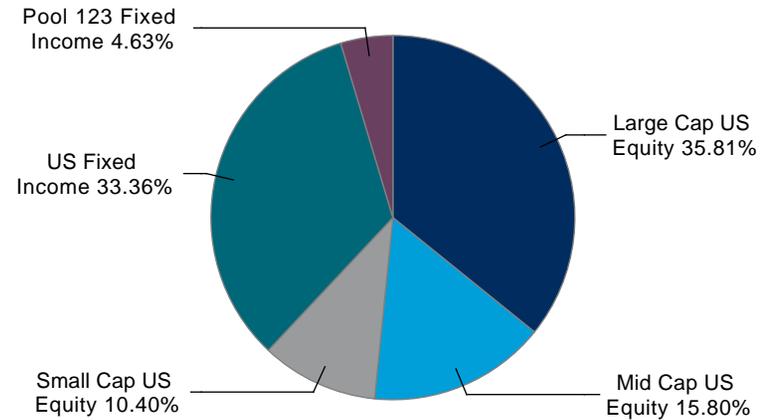
## Performance



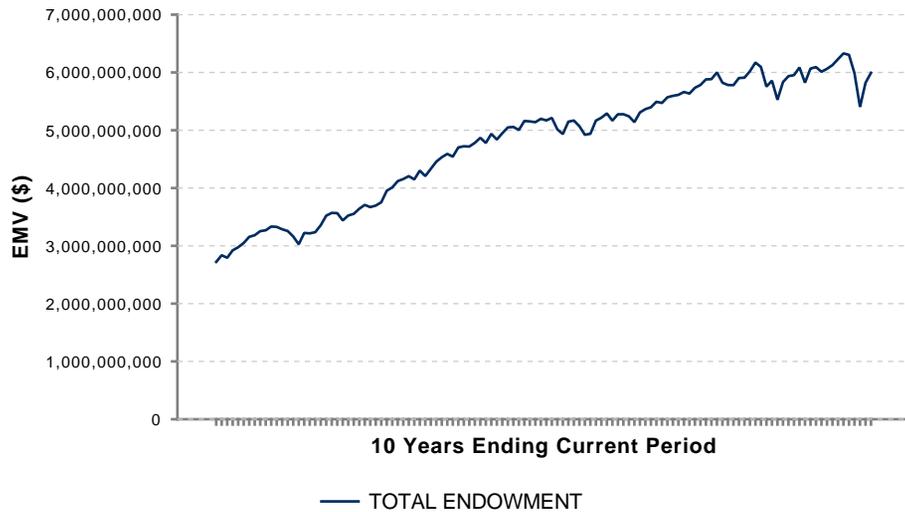
	1 Mth	YTD	1 Year	3 Year	5 Year	10 Year	ITD	Incept Date
TOTAL ENDOWMENT RETURN	3.43	-3.56	7.40	6.08	6.16	8.45	6.33	07/99
TOTAL ENDOWMENT BENCHMARK	3.47	-3.01	8.52	6.51	6.47	8.82	6.55	07/99
	-0.04	-0.55	-1.12	-0.43	-0.31	-0.37	-0.22	

## Asset Allocation

	Ending Market Value
TOTAL ENDOWMENT RETURN	5,993,426,035

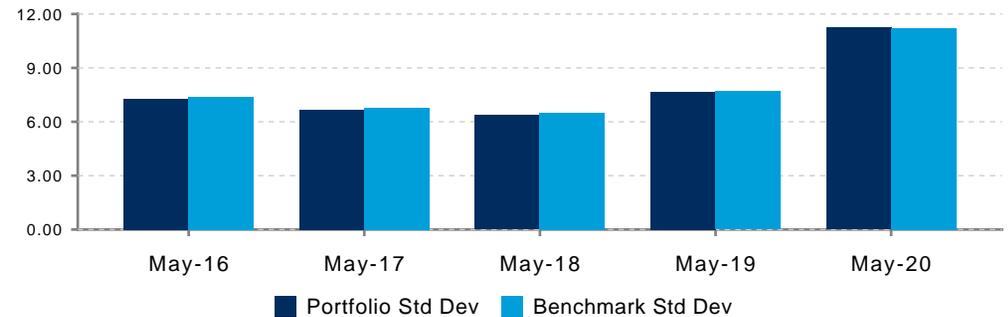


## Ending Market Value



## 3 Year Risk Statistics

	Return	Portfolio Std Dev	Benchmark Std Dev	Sharpe Ratio	Beta	Tracking Error	Information Ratio
TOTAL ENDOWMENT RETURN	6.08	11.23	11.20	0.38	1.00	0.43	-0.99



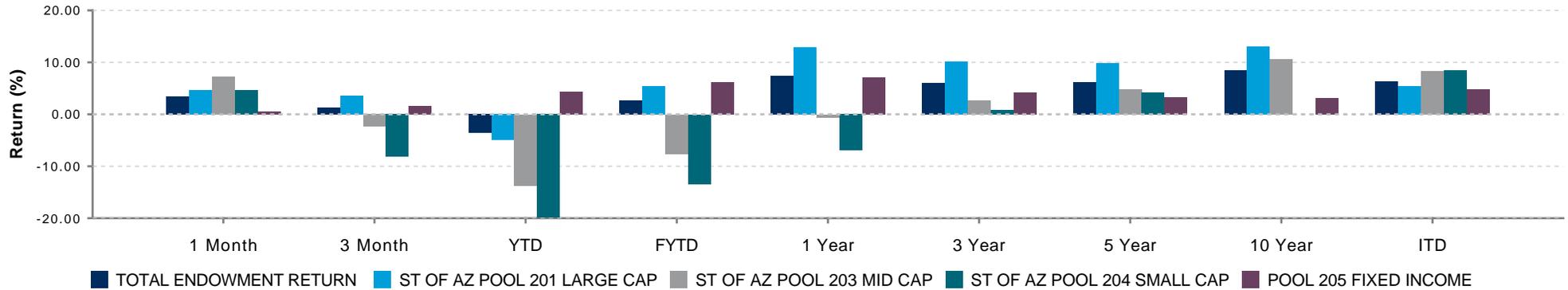
# OFFICE OF THE ARIZONA STATE TREASURER

May 31, 2020

Total Returns Net Mgr



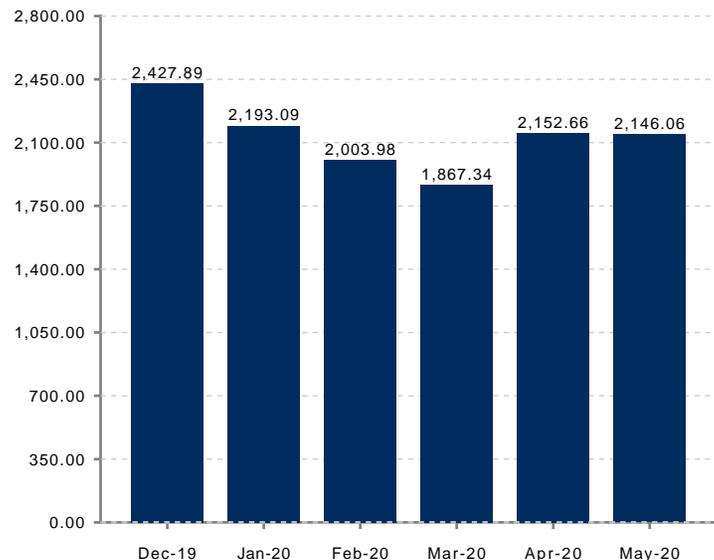
## Return Comparison



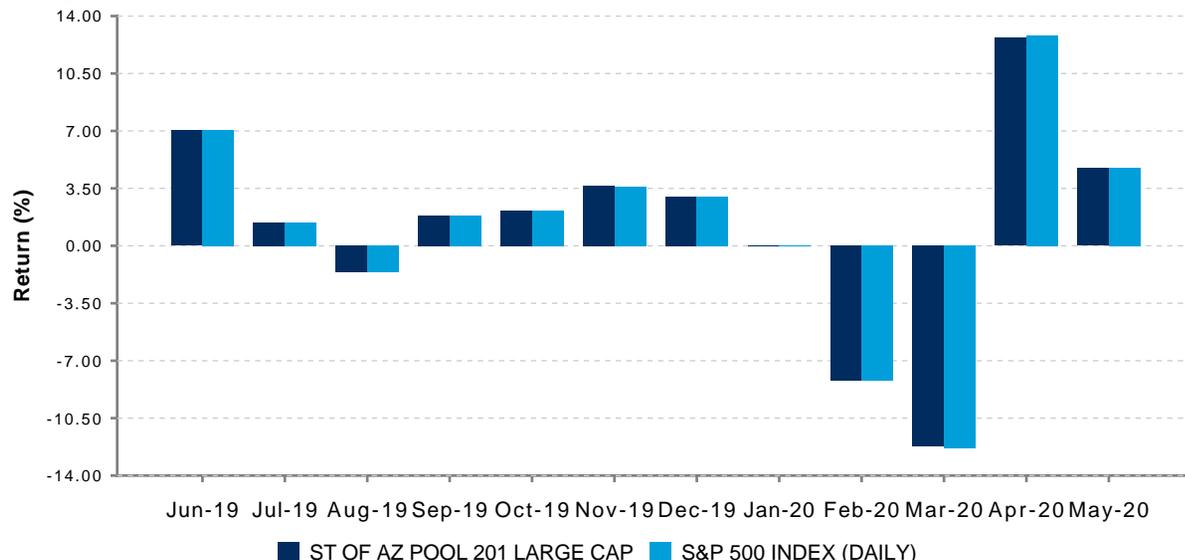
	Market Value	Actual Weight	1 Mth	3 Mth	YTD	FYTD	1 Year	3 Year	5 Year	10 Year	ITD	Inc Date
TOTAL ENDOWMENT RETURN	5,993,426,035	100.00	3.43	1.33	-3.56	2.66	7.40	6.08	6.16	8.45	6.33	Jul-01-99
TOTAL ENDOWMENT BENCHMARK			3.47	1.68	-3.01	3.57	8.52	6.51	6.47	8.82	6.55	Jul-01-99
ST OF AZ POOL 201 LARGE CAP	2,146,055,480	35.81	4.73	3.57	-4.91	5.46	12.87	10.22	9.81	13.11	5.45	Jul-01-99
S&P 500 INDEX (DAILY)			4.76	3.59	-4.97	5.41	12.84	10.23	9.86	13.15	5.90	Jul-01-99
ST OF AZ POOL 203 MID CAP	946,995,163	15.80	7.18	-2.30	-13.73	-7.62	-0.60	2.68	4.83	10.58	8.37	Aug-01-01
S&P 400 MIDCAP INDEX (DAILY)			7.31	-2.27	-13.86	-7.85	-0.81	2.51	4.68	10.45	8.34	Aug-01-01
ST OF AZ POOL 204 SMALL CAP	623,445,696	10.40	4.61	-8.12	-19.88	-13.42	-6.98	0.77	4.25		8.53	Mar-01-11
S&P SM 600 TR			4.31	-8.77	-20.81	-14.48	-8.11	0.32	3.93		8.35	Mar-01-11
POOL 205 FIXED INCOME	1,999,273,290	33.36	0.59	1.61	4.38	6.18	7.09	4.18	3.32	3.16	4.76	Jul-01-99
FTSE BIG (DAILY)			0.53	1.74	5.53	8.23	9.57	5.11	3.98	3.92	5.16	Jul-01-99
POOL 123 FIXED INCOME	277,656,406	4.63	0.13	0.44	0.76	1.84	2.05	1.98			1.68	Jun-01-16
ASTO-POOL 5 BENCHMARK			0.04	0.24	0.53	1.58	1.79	1.81			1.50	Jun-01-16



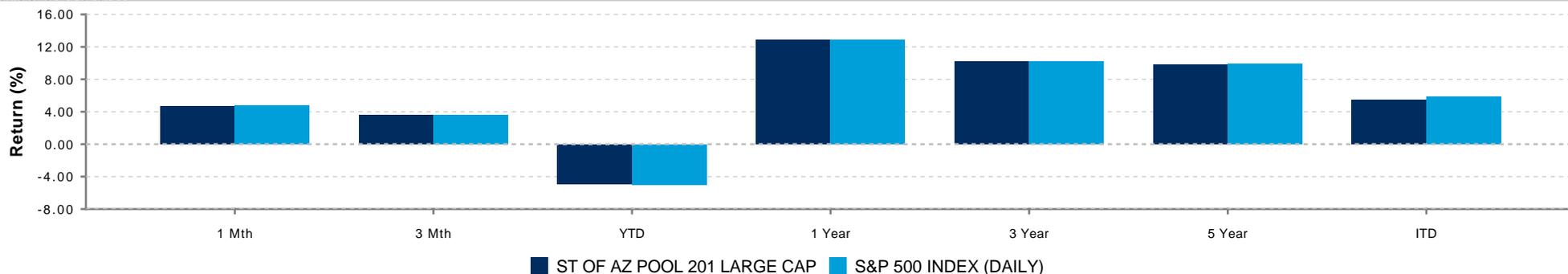
Net Asset Values over Time (\$MM)



Monthly Returns



Rates of Return

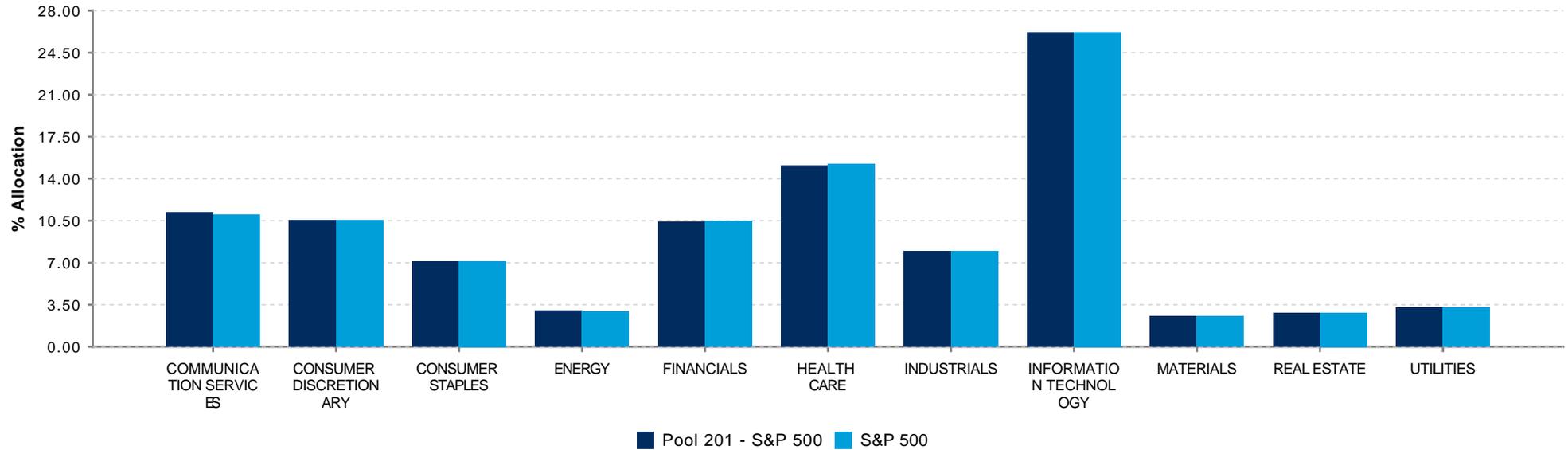


	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	May 31 2018	May 31 2019	May 31 2020
ST OF AZ POOL 201 LARGE CAP	4.73	3.57	-4.91	12.87	10.22	9.81	5.45	14.28	3.80	12.87
S&P 500 INDEX (DAILY)	4.76	3.59	-4.97	12.84	10.23	9.86	5.90	14.38	3.78	12.84
	-0.03	-0.02	0.06	0.03	-0.02	-0.05	-0.45	-0.11	0.02	0.03

# OFFICE OF THE ARIZONA STATE TREASURER

May 31, 2020

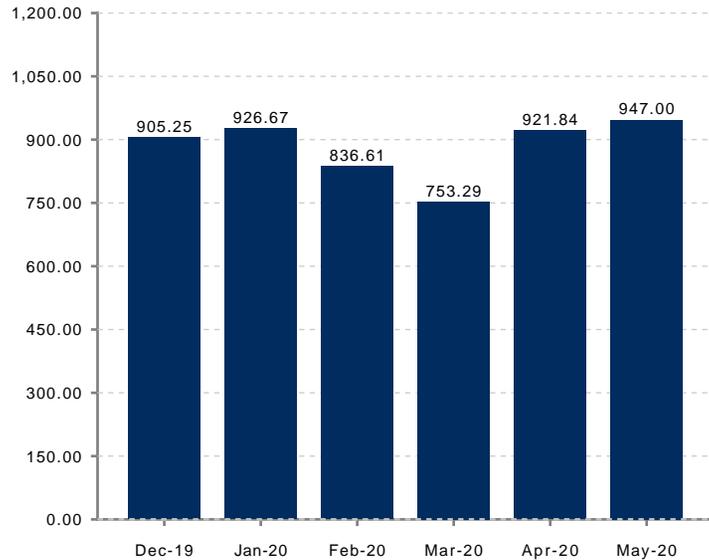
ST OF AZ POOL 201 LARGE CAP  
Sector Allocation vs S&P 500



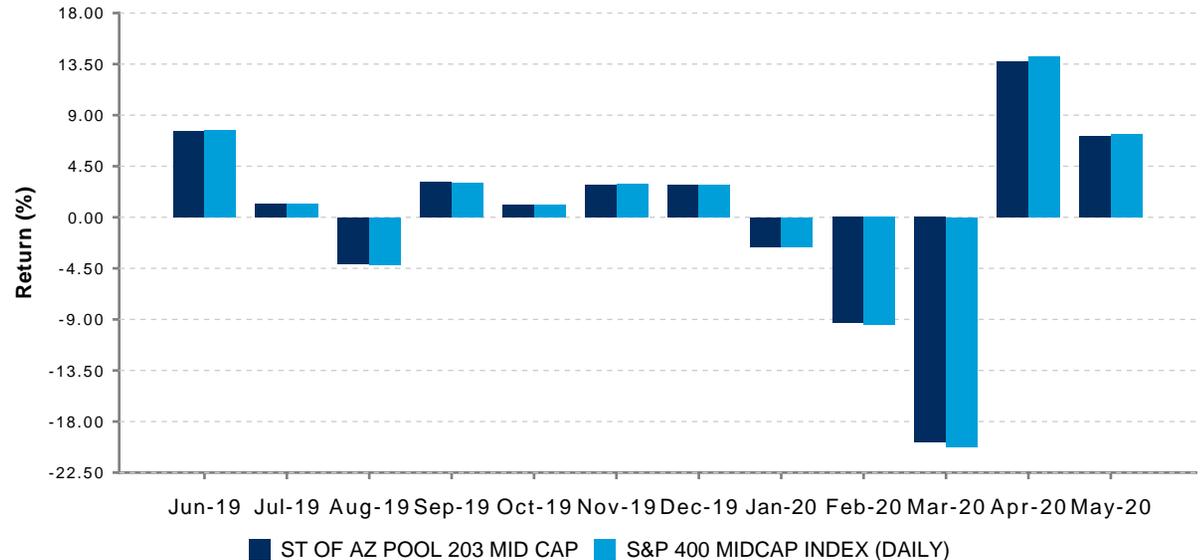
	Fund Weight	Benchmark Weight	Relative Weight
ST OF AZ POOL 201 LARGE CAP	100.00	100.00	0.00
COMMUNICATION SERVICES	11.19	10.97	0.22
CONSUMER DISCRETIONARY	10.53	10.53	-0.00
CONSUMER STAPLES	7.12	7.13	-0.01
ENERGY	2.98	2.92	0.07
FINANCIALS	10.37	10.44	-0.07
HEALTH CARE	15.11	15.23	-0.12
INDUSTRIALS	7.93	7.96	-0.03
INFORMATION TECHNOLOGY	26.16	26.21	-0.05
MATERIALS	2.53	2.53	-0.00
REAL ESTATE	2.83	2.84	-0.01
UTILITIES	3.24	3.24	0.00



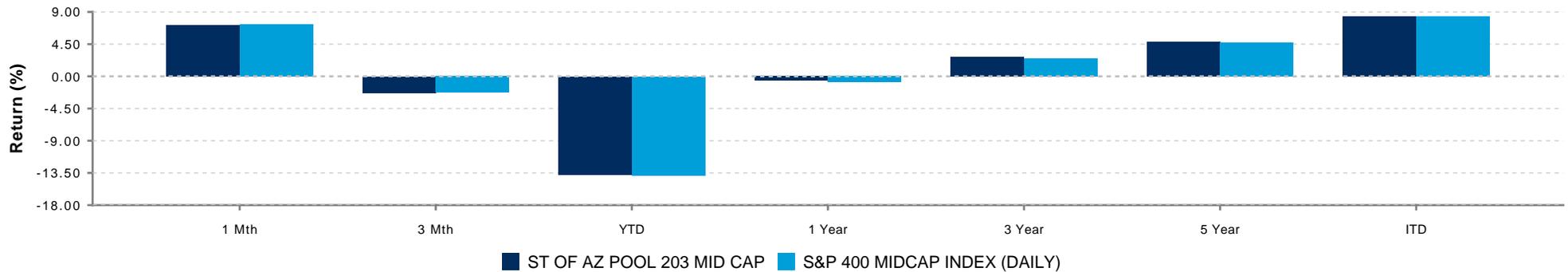
Net Asset Values over Time (\$MM)



Monthly Returns



Rates of Return

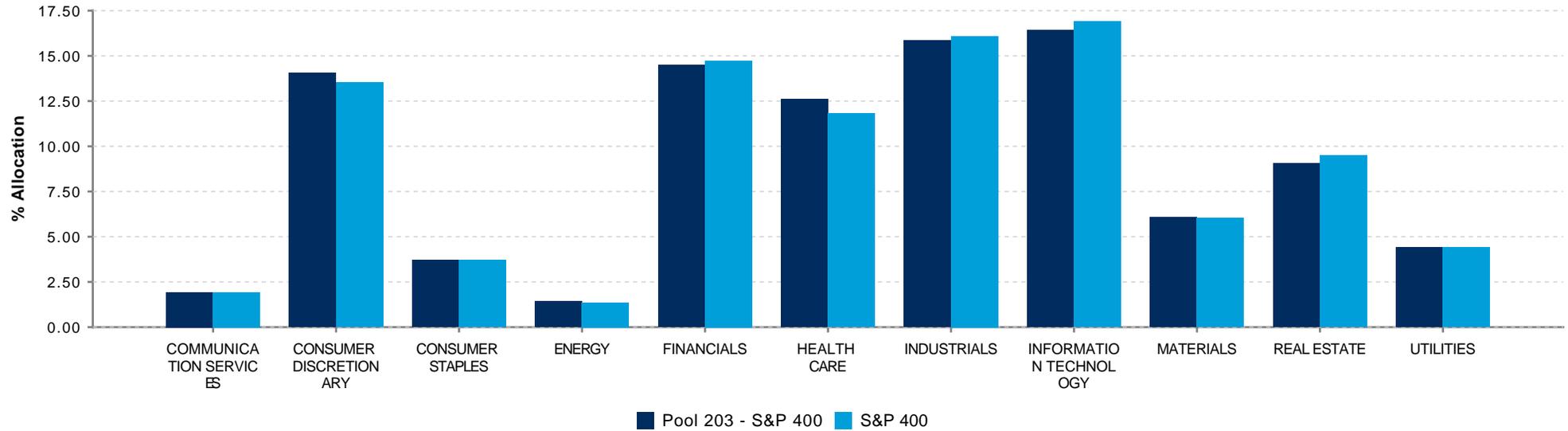


	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	May 31 2018	May 31 2019	May 31 2020
ST OF AZ POOL 203 MID CAP	7.18	-2.30	-13.73	-0.60	2.68	4.83	8.37	14.78	-5.11	-0.60
S&P 400 MIDCAP INDEX (DAILY)	7.31	-2.27	-13.86	-0.81	2.51	4.68	8.34	14.86	-5.44	-0.81
	-0.13	-0.02	0.13	0.21	0.17	0.15	0.03	-0.07	0.33	0.21

# OFFICE OF THE ARIZONA STATE TREASURER

May 31, 2020

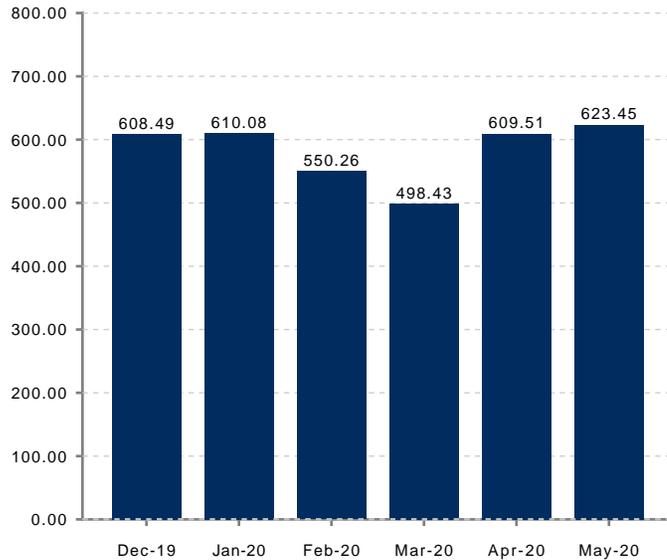
ST OF AZ POOL 203 MID CAP  
Sector Allocation vs S&P MID CAP 400



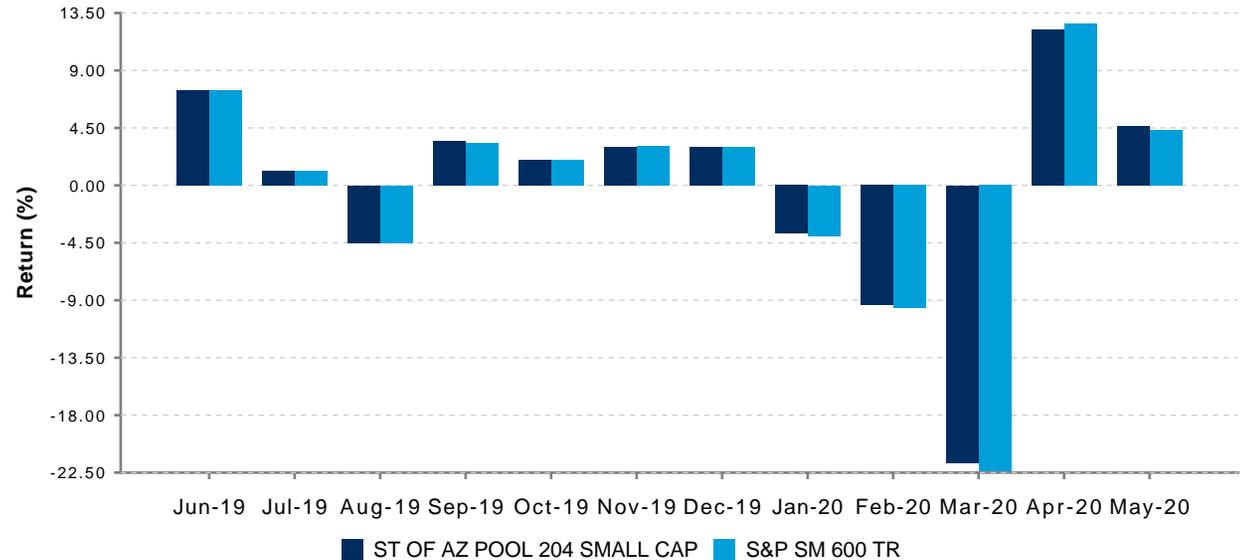
	Weight Fund	Weight Benchmark	Weight Relative
ST OF AZ POOL 203 MID CAP	100.00	100.00	0.00
COMMUNICATION SERVICES	1.93	1.93	-0.01
CONSUMER DISCRETIONARY	14.04	13.53	0.51
CONSUMER STAPLES	3.71	3.72	-0.01
ENERGY	1.41	1.36	0.05
FINANCIALS	14.49	14.73	-0.24
HEALTH CARE	12.59	11.80	0.79
INDUSTRIALS	15.84	16.09	-0.25
INFORMATION TECHNOLOGY	16.43	16.90	-0.47
MATERIALS	6.09	6.04	0.05
REAL ESTATE	9.06	9.48	-0.42
UTILITIES	4.40	4.41	-0.01



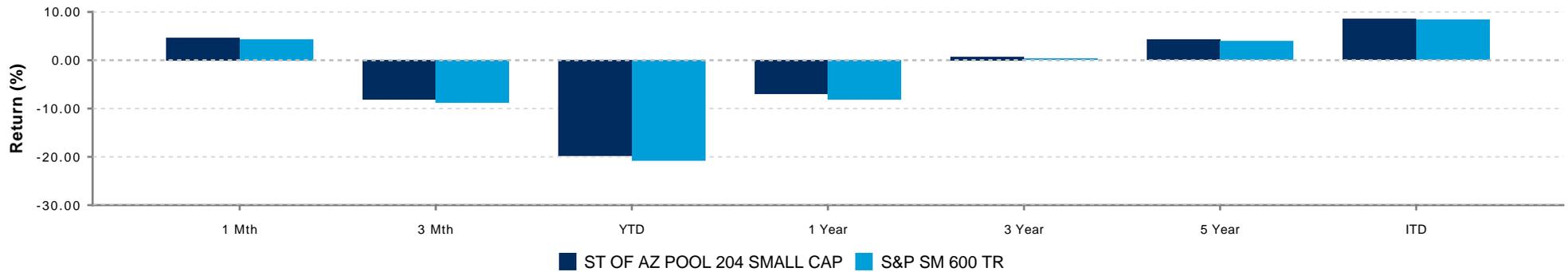
Net Asset Values over Time (\$MM)



Monthly Returns



Rates of Return

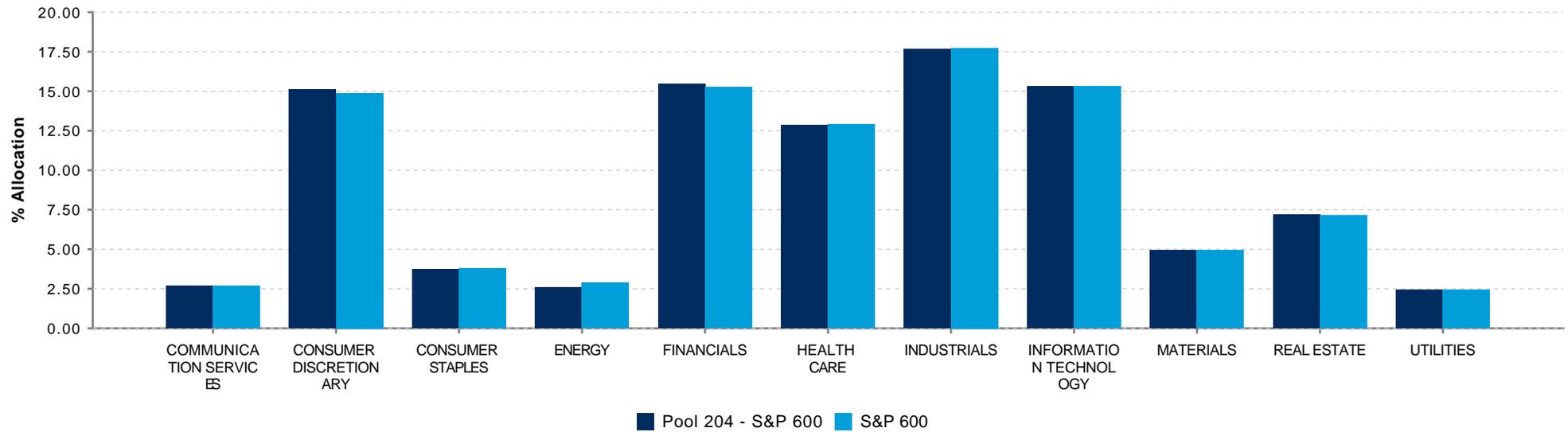


	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	May 31 2018	May 31 2019	May 31 2020
ST OF AZ POOL 204 SMALL CAP	4.61	-8.12	-19.88	-6.98	0.77	4.25	8.53	22.47	-10.16	-6.98
S&P SM 600 TR	4.31	-8.77	-20.81	-8.11	0.32	3.93	8.35	22.72	-10.47	-8.11
	0.30	0.65	0.93	1.13	0.46	0.33	0.19	-0.25	0.31	1.13

# OFFICE OF THE ARIZONA STATE TREASURER

May 31, 2020

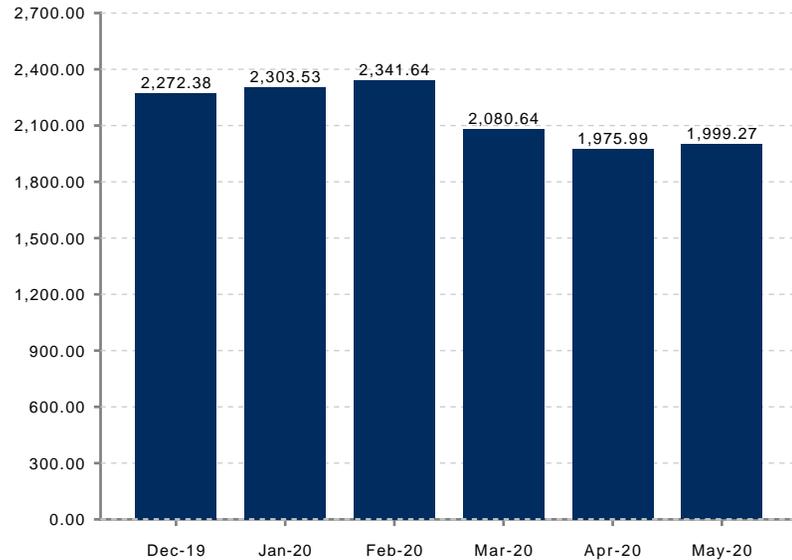
ST OF AZ POOL 204 SMALL CAP  
Sector Allocation vs S&P SMALLCAP 600



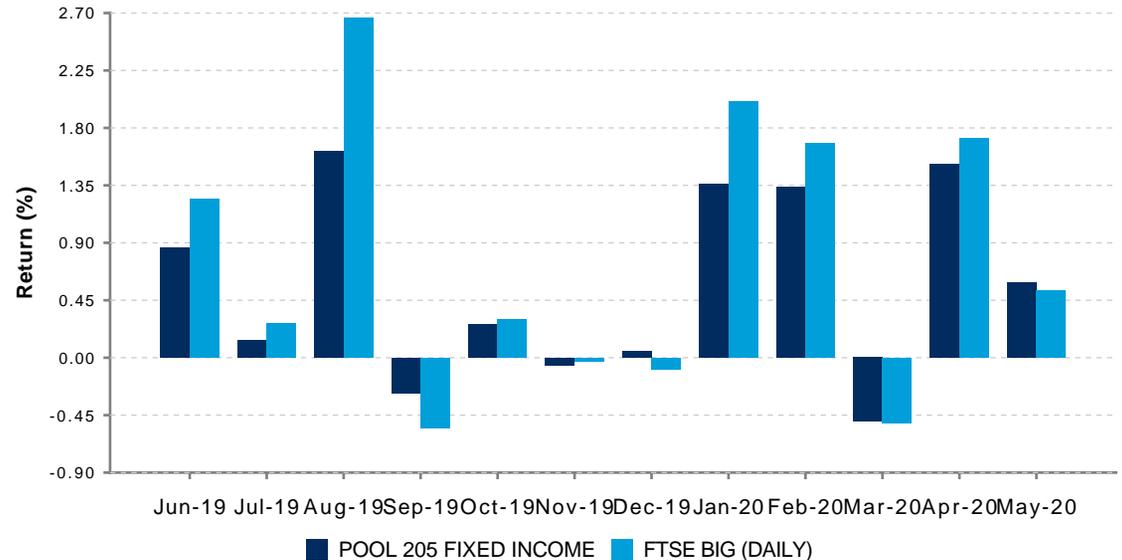
	Weight Fund	Weight Benchmark	Weight Relative
ST OF AZ POOL 204 SMALL CAP	100.00	100.00	0.00
COMMUNICATION SERVICES	2.69	2.70	-0.01
CONSUMER DISCRETIONARY	15.09	14.88	0.21
CONSUMER STAPLES	3.75	3.77	-0.02
ENERGY	2.60	2.90	-0.31
FINANCIALS	15.46	15.25	0.21
HEALTH CARE	12.87	12.92	-0.05
INDUSTRIALS	17.66	17.74	-0.08
INFORMATION TECHNOLOGY	15.32	15.29	0.03
MATERIALS	4.92	4.95	-0.02
REAL ESTATE	7.20	7.14	0.05
UTILITIES	2.44	2.45	-0.01



Net Asset Values over Time (\$MM)



Monthly Returns



Rates of Return



	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	May 31 2020	May 31 2019	May 31 2018
POOL 205 FIXED INCOME	0.59	1.61	4.38	7.09	4.18	3.32	4.76	7.09	5.50	0.09
FTSE BIG (DAILY)	0.53	1.74	5.53	9.57	5.11	3.98	5.16	9.57	6.41	-0.40
	0.06	-0.14	-1.15	-2.48	-0.93	-0.66	-0.41	-2.48	-0.91	0.48

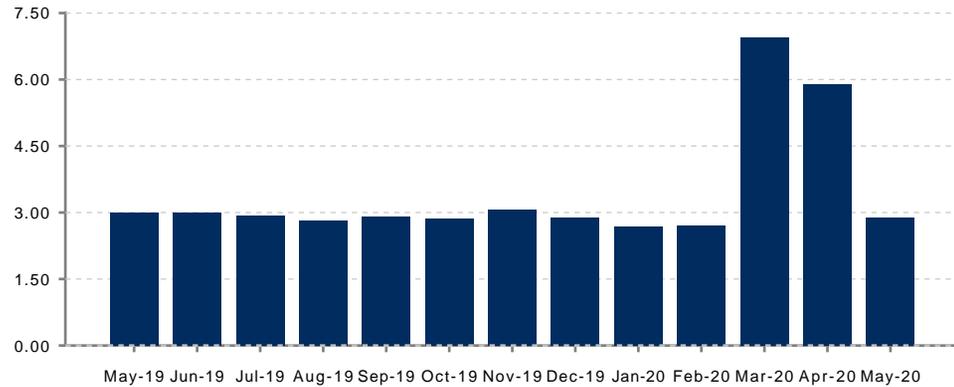
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May 31, 2020

POOL 205 FIXED INCOME



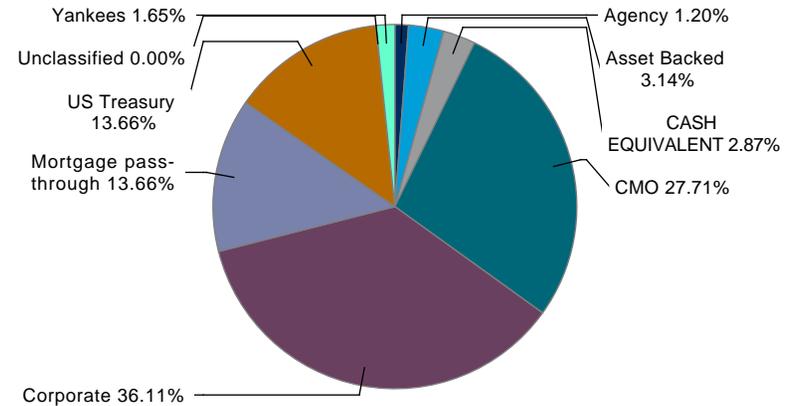
## Net Yield



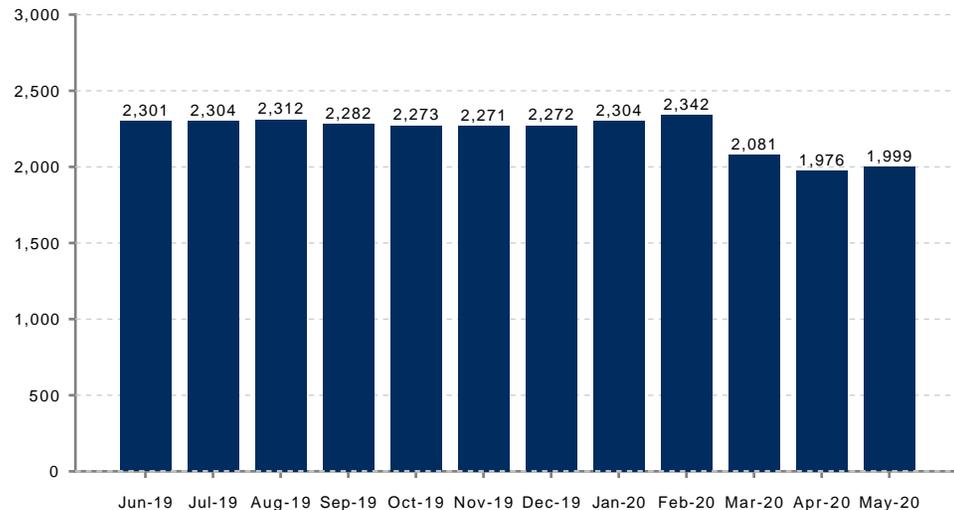
	Current Mth	Prior Mth	1 Year Ago
POOL 205 FIXED INCOME	2.89	5.90	2.99

## Asset Allocation

	Ending Market Value
POOL 205 FIXED INCOME	1,999,273,290



## Net Asset Values over Time (\$MM)

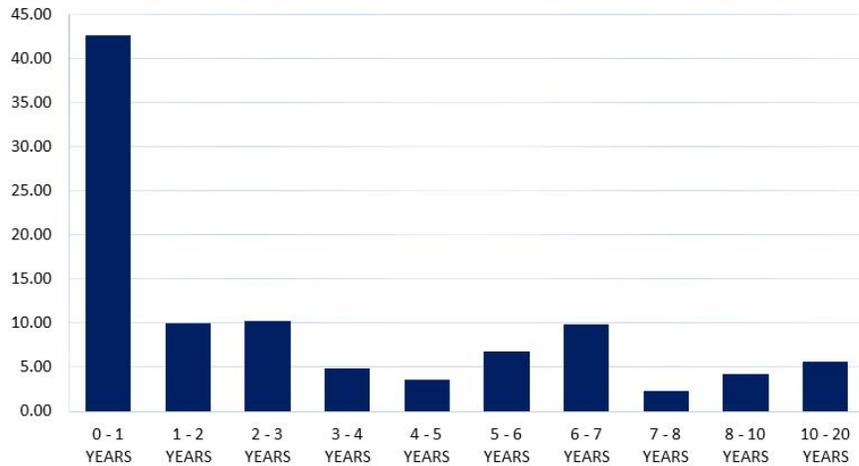


## Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 205 FIXED INCOME		
BLACKROCK PROV TEMP	37,442,482	1.87
BOEING CO	31,971,700	1.60
US TREASURY N/B	31,818,946	1.59
US TREASURY N/B	28,169,497	1.41
US TREASURY N/B	24,333,946	1.22
US TREASURY N/B	21,550,627	1.08
US TREASURY N/B	21,241,075	1.06
PEPSICO INC	19,949,050	1.00
NEXTERA ENERGY CAPITAL	19,900,956	1.00
US TREASURY N/B	17,375,425	0.87



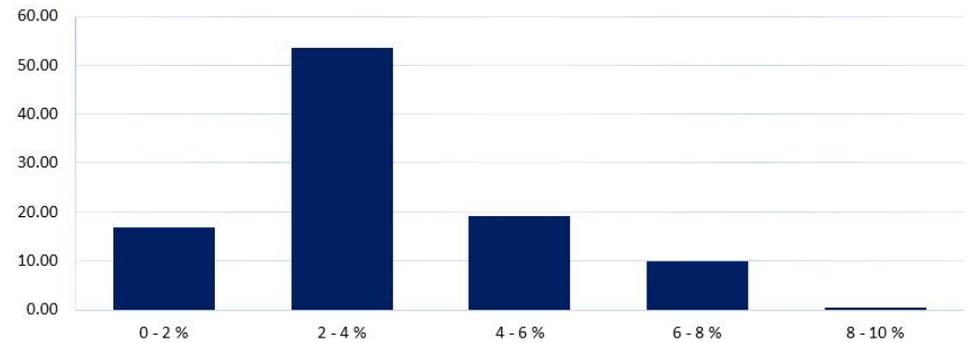
**Duration Distribution**



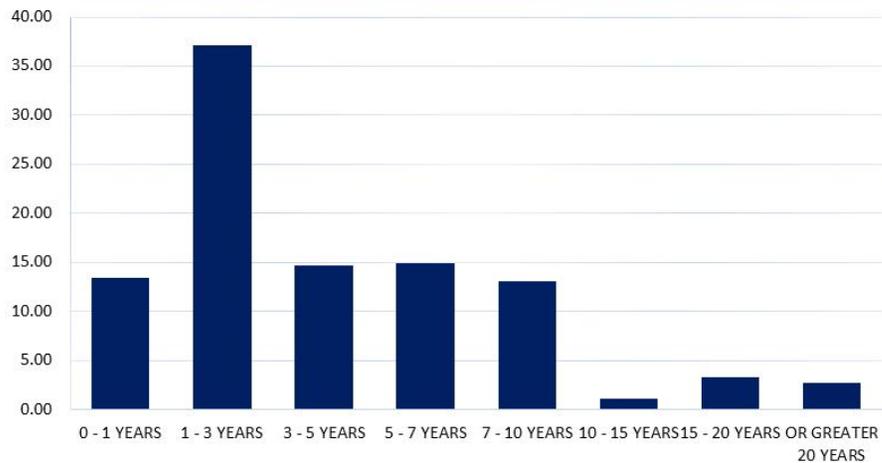
**Portfolio Level Characteristics**

	POOL 205 FIXED INCOME
Effective Maturity	4.88
Coupon	3.57
Effective Duration	3.02
Quality Rating (Moody's)	AA-2

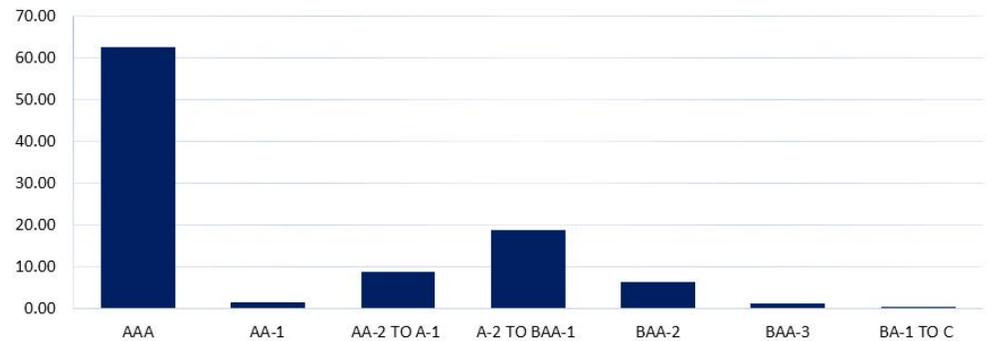
**Coupon Distribution**



**Expected Maturity Distribution**

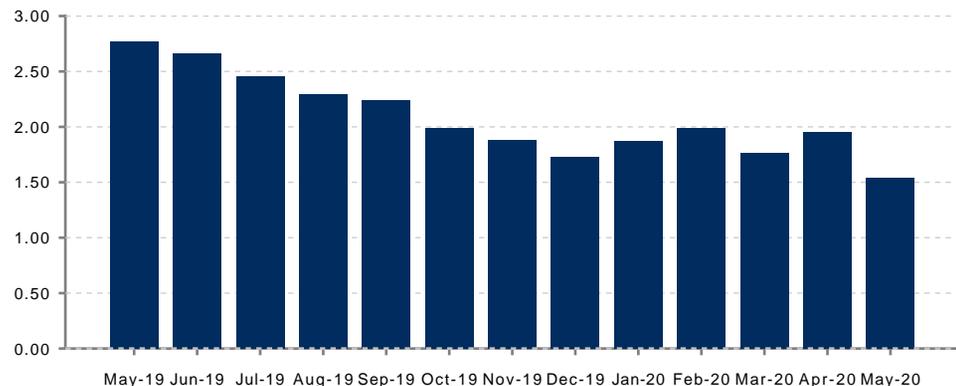


**Rating Distribution**





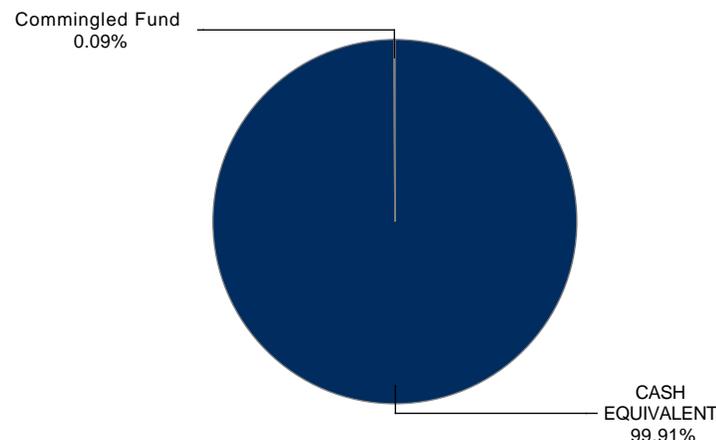
**Net Yield**



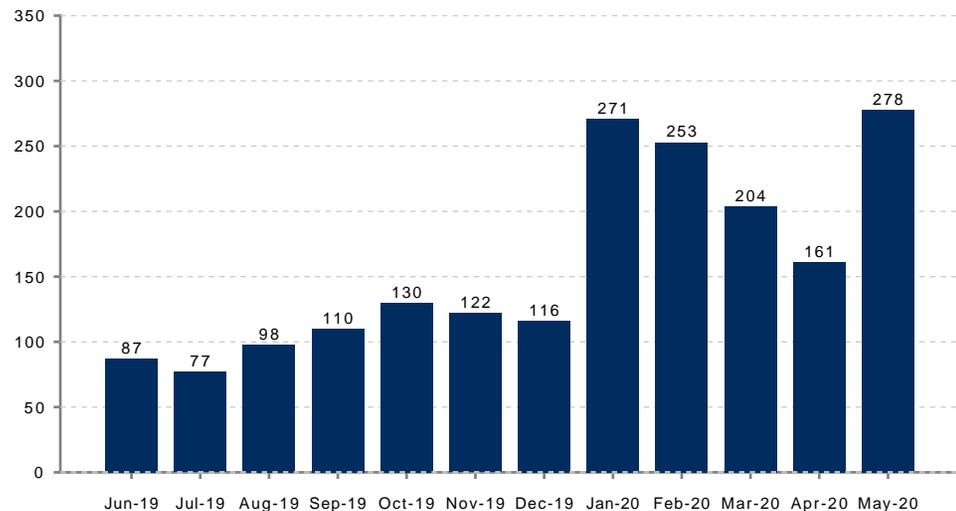
	Current Mth	Prior Mth	1 Year Ago
ST OF AZ POOL 123 ST FIXED INC	1.54	1.95	2.77

**Asset Allocation**

	Ending Market Value
ST OF AZ POOL 123 ST FIXED INC	277,656,406



**Net Asset Values over Time (\$MM)**

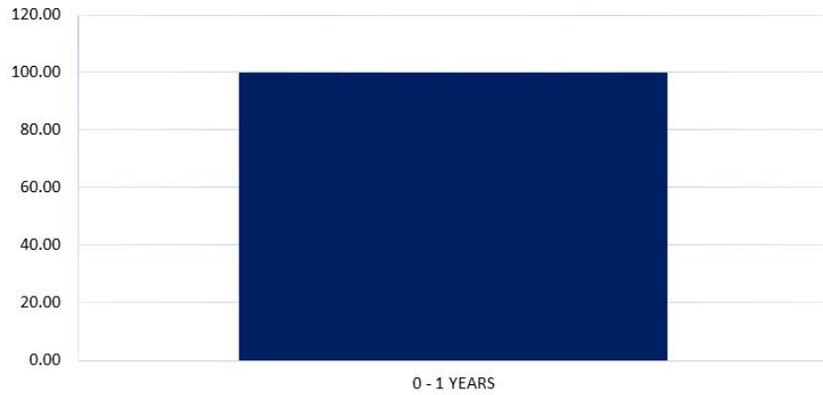


**Top 10 Holdings**

Security Name	Ending Market Value	% of Portfolio
ST OF AZ POOL 123 ST FIXED INC		
BLACKROCK PROV TEMP	72,767,098	26.21
DOW CHEMICAL COMPANY	24,920,667	8.98
UNITED HEALTHCARE CO	19,996,528	7.20
TORONTO DOMINION BANK	14,983,000	5.40
WALGREENS BOOTS	14,911,850	5.37
CAN AST + CAN LTD JT	9,996,558	3.60
STARBIRD FDG. CORP	9,992,208	3.60
HALKIN FINANCE LLC USC	9,991,050	3.60
VERIZON COMMNTN INC	9,988,389	3.60
WALGREENS BOOTS	9,982,800	3.60



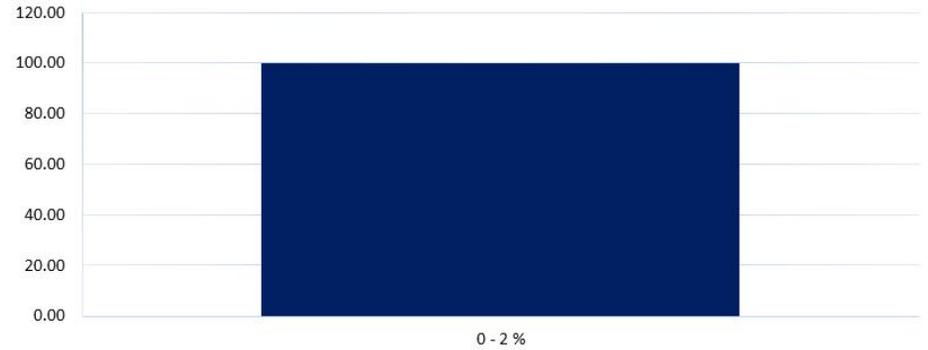
**Duration Distribution**



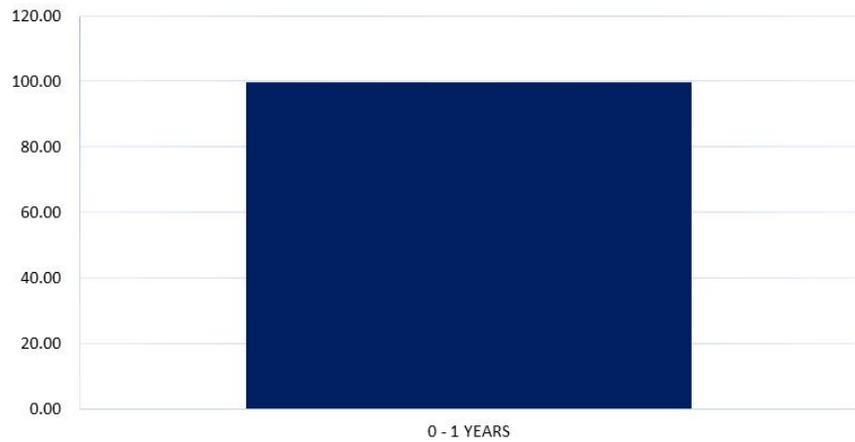
**Portfolio Level Characteristics**

	POOL 123 ST
Effective Maturity	0.12
Coupon	0.00
Effective Duration	0.12
Quality Rating (Moody's)	AA-2

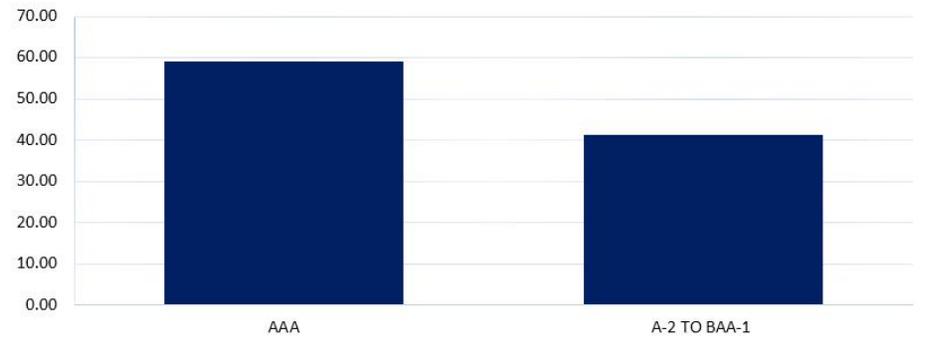
**Coupon Distribution**



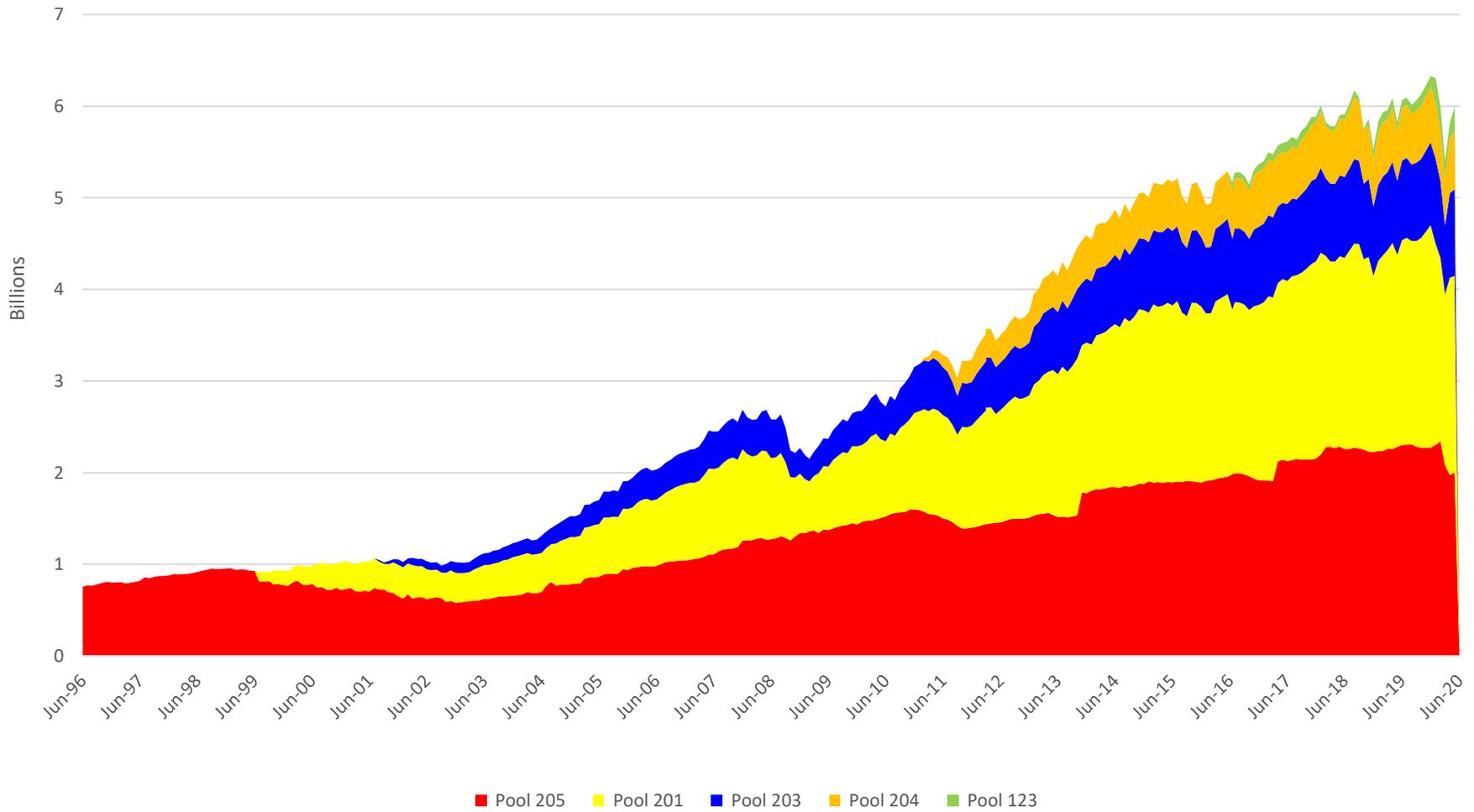
**Expected Maturity Distribution**



**Rating Distribution**



## Permanent Land Endowment Trust Fund Market Value



## ARIZONA ENDOWMENT TRUST FUND

### NET REALIZED CAPITAL GAIN/(LOSS)

	<u>May 2020</u>	<u>May 2019</u>
Current Month	\$12,120	\$0
Year-to-date	11,848	0

### MONTHLY PROCEEDS

#### FY 2020

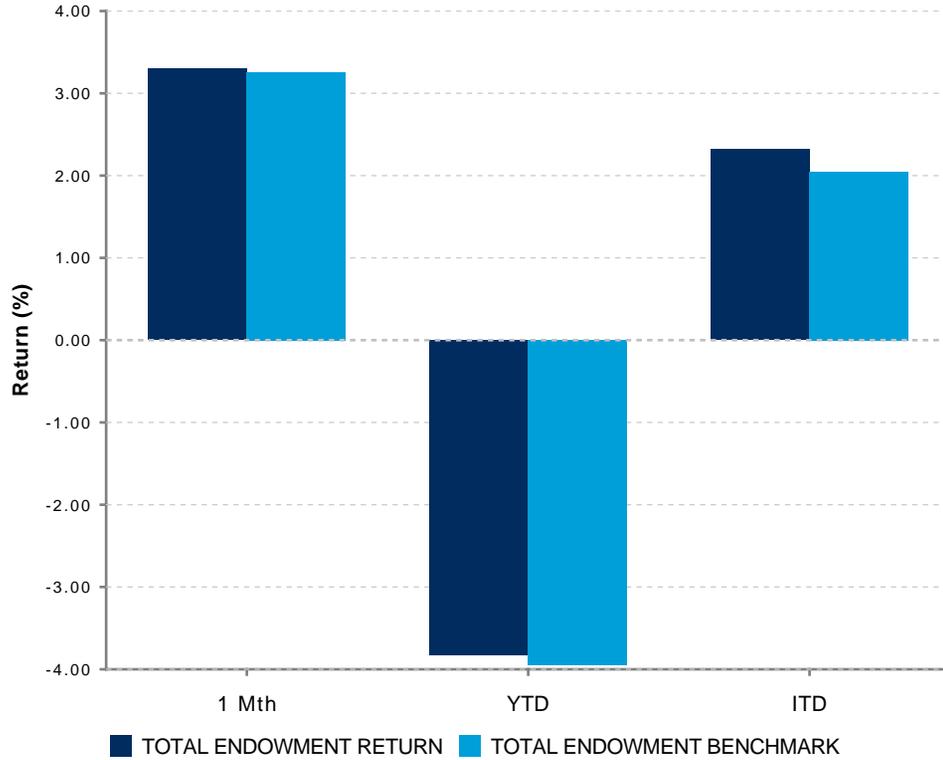
July	\$0
August	0
September	4,749,889
October	931,330
November	874,356
December	841,488
January	753,478
February	763,898
March	733,644
April	0
May	0
June	
<b>TOTAL</b>	<b><u><u>\$9,648,084</u></u></b>

### ASSET ALLOCATION

	<u>SHARES OUTSTANDING</u>	<u>BOOK VALUE</u>	<u>MARKET VALUE</u>	<u>UNREALIZED GAIN / (LOSS)</u>
<i>Equity Pools</i>	601,712	\$5,788,850	\$5,919,822	\$130,972
<i>Fixed Income Pools</i>	361,063	3,859,233	3,781,462	(77,771)
<b>TOTAL</b>	<b><u><u>962,775</u></u></b>	<b><u><u>\$9,648,084</u></u></b>	<b><u><u>\$9,701,284</u></u></b>	<b><u><u>\$53,201</u></u></b>



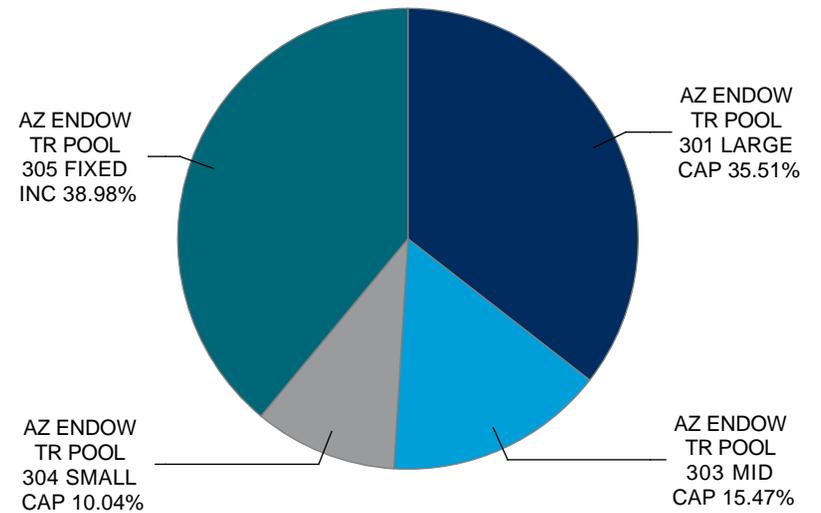
**Performance**



	1 Mth	YTD	ITD	Incept Date
TOTAL ENDOWMENT RETURN	3.30	-3.83	2.32	09/19
TOTAL ENDOWMENT BENCHMARK	3.26	-3.95	2.05	09/19
	0.04	0.12	0.28	

**Asset Allocation**

	Ending Market Value
TOTAL ENDOWMENT RETURN	9,701,284



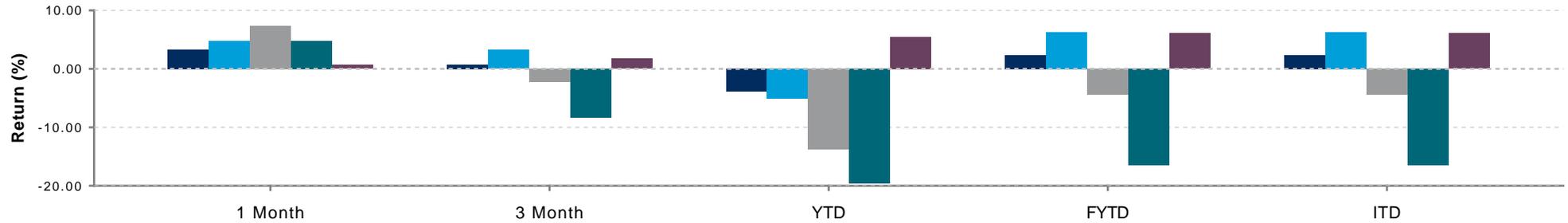
# OFFICE OF THE ARIZONA STATE TREASURER

May 31, 2020

Total Returns Net Mgr



## Return Comparison



■ TOTAL ENDOWMENT RETURN 
 ■ AZ ENDOW TR POOL 301 LARGE CAP 
 ■ AZ ENDOW TR POOL 303 MID CAP 
 ■ AZ ENDOW TR POOL 304 SMALL CAP 
 ■ AZ ENDOW TR POOL 305 FIXED INC

	Market Value	Actual Weight	1 Mth	3 Mth	YTD	FYTD	ITD	Inc Date
TOTAL ENDOWMENT RETURN	9,701,284	100.00	3.30	0.72	-3.83	2.32	2.32	Sep-01-19
TOTAL ENDOWMENT BENCHMARK			3.26	0.84	-3.95	2.05	2.05	Sep-01-19
			0.04	-0.12	0.12	0.28	0.28	
AZ ENDOW TR POOL 301 LARGE CAP	3,444,698	35.51	4.75	3.21	-5.02	6.31	6.31	Sep-01-19
S&P 500 INDEX (DAILY)			4.76	3.59	-4.97	5.59	5.59	Sep-01-19
			-0.01	-0.38	-0.05	0.72	0.72	
AZ ENDOW TR POOL 303 MID CAP	1,500,801	15.47	7.36	-2.30	-13.75	-4.34	-4.34	Sep-01-19
S&P 400 MIDCAP INDEX (DAILY)			7.31	-2.27	-13.86	-4.95	-4.95	Sep-01-19
			0.05	-0.03	0.11	0.61	0.61	
AZ ENDOW TR POOL 304 SMALL CAP	974,322	10.04	4.76	-8.40	-19.58	-16.52	-16.52	Sep-01-19
S&P SM 600 TR			4.31	-8.77	-20.81	-11.45	-11.45	Sep-01-19
			0.45	0.37	1.23	-5.08	-5.08	
AZ ENDOW TR POOL 305 FIXED INC	3,781,462	38.98	0.64	1.74	5.45	6.05	6.05	Sep-01-19
FTSE BIG (DAILY)			0.53	1.74	5.53	5.14	5.14	Sep-01-19
			0.11	-0.01	-0.08	0.91	0.91	

## Arizona Endowment Trust Fund Market Value

