

OFFICE OF THE
ARIZONA STATE TREASURER



JEFF DEWIT
TREASURER



APRIL 2016

Presented To:

Arizona State Board of Investment

May 24, 2016

STATE BOARD OF INVESTMENT

A G E N D A

May 24, 2016

1. Call to Order
2. Chairman Remarks
3. Approval of April 26, 2016 Minutes
4. Review of Treasurer's Monthly Reports
 - A. Earnings Distribution; Investment Pools
 - B. Operating Monies Invested Balances
 - C. State Agency Pools Investments and Performance Reports
 - D. LGIP Pools Investments and Performance Reports
 - E. Earnings Distributed Endowment Funds
 - F. Endowment Investments and Performance Reports
5. Proposed Changes to the Investment Policy
 - A. Review of Proposed Changes
 1. One time market rebalance of Endowment to raise cash
for one-time distribution in June per Proposition 123
 - B. Public Comment on Proposed Changes
 - C. Discussion and Action on Proposed Changes
6. Review and Approval of Proposed/Pending Securities Dealers
7. General Business
 - A. Discussion/Approval for request for Attorney General's
opinion in regards to distributions from Endowment.
(Pursuant to A.R.S. 38-431.03(A) (3) the Board may vote to
go into executive session which is not open to the general
public to consult with legal counsel.)
8. Call to the Public
9. Notice of Next Meeting
10. Adjournment

REPORT OF THE STATE TREASURER

FOR

May 24, 2016

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**Minutes of
BOARD OF INVESTMENT MEETING**

The regular meeting of the State Board of Investment was held on April 26, 2016 in the Office of the State Treasurer, 1700 West Washington, State Capitol, West Wing, Treasurer's Conference Room, Phoenix, Arizona. Treasurer DeWit called the meeting to order at approximately 1:31 p.m.

Members Present:

Jeff DeWit, Chair, State Treasurer
Harry A. Papp, CFA and Managing Partner, L. Roy Papp & Associate
Beth Ford, Treasurer, Pima County
Craig Brown, Director, Arizona Department of Administration

Others Present:

Mark Swenson, Deputy Treasurer of Policy & Research, Arizona State Treasurer's Office
Lorraine Jones, Deputy Treasurer of Operations, Arizona State Treasurer's Office
Sean Dollman, Deputy Treasurer of Administration, Arizona State Treasurer's Office
Patty Humbert, Chief Investment Officer, Arizona State Treasurer's Office
Tim White, Senior Portfolio Manager, Arizona State Treasurer's Office
Dennis Stevenson, Portfolio Manager, Arizona State Treasurer's Office
Jake Richardson, Investment Analyst, Arizona State Treasurer's Office
Dale Stomberg, Investment Accounting Manager, Arizona State Treasurer's Office
Ken Price, Human Resource Manager, Arizona State Treasurer's Office
Angelie Hawley, Accounting Supervisor, Pima County Treasurer's Office
Rose Papp, CFA, L. Roy Papp & Associate

Pursuant to A.R.S. 35-311, the following reports for March, 2016 were submitted for the Board's approval:

Review of Treasurer's Monthly Reports:

Earnings Distribution; Investment Pools
Operating Monies Invested Balances
State Agency Pools Investments and Performance Reports
LGIP Pools Investments and Performance Reports
Earnings Distributed Endowment Funds
Endowment Investments and Performance Reports

1. Call to Order:

Treasurer DeWit called the April 26, 2016 BOI meeting to order at approximately 1:31 p.m.

2. Treasurers Comments:

Treasurer DeWit welcomed the board members and guests and thanked all present for attending the April 26, 2016 meeting.

3. Approval of Minutes:

Mr. Brown made a motion to approve the March 29, 2016 minutes. Ms. Ford seconded the motion. Motion carried.

4. Review of Treasurer's Monthly Report

Earnings Distribution – Investment Pools

Ms. Humbert reported the earnings distributed month-to-date, year-to-date, prior year-to-date, and investment management fees deposited in the General Fund for the month of March, 2016.

Mr. Brown inquired regarding the distribution of funds. Ms. Humbert gave a brief explanation.

Operating Monies Average Invested Balance

Ms. Humbert reported the Operating Monies average invested balance for the month of March, 2016.

Review of Treasurer's Monthly Report – Agency Pools:

Ms. Humbert presented the monthly report for the Agency Pools portion of the Arizona State Treasurer's Office to the Board of Investment as follows:

State Agency Pools Portfolio Yield Analysis

Ms. Humbert reported the net yields for the State Agency Pools for the month of March, 2016.

Manager Allocation of Invested Monies for the State Agency Pools

Ms. Humbert reported the total market value of all of the State Agency Pools broken up to show the percent allocated to each individual State Agency Pool as of March 31, 2016.

Investments Outstanding in State Agency Pools

Ms. Humbert reported the total net assets, asset allocation, the weighted average life, the weighted average duration and the weighted average rating for the State Agency Investment Pools as of March 31, 2016.

Mr. Brown asked for clarification regarding the yield and diversification of the pools. Ms. Humbert and Mr. Swenson gave a brief explanation.

Mr. Brown asked for clarification regarding how departments invest funds within the ASTO. Ms. Humbert gave a brief explanation.

Review of Treasurer's Monthly Report – LGIP Investment Pools:

Mr. Stevenson presented the monthly report for the LGIP Investment Pools portion of the Arizona State Treasurer's Office to the Board of Investment as follows:

LGIP (Pool 5) & LGIP GOV (Pool 7) Portfolio Yield Analysis

Mr. Stevenson reported the net yield for the LGIP and LGIP-Gov Pools and the comparison to the benchmark for the month of March, 2016.

Pool 500 & Pool 700 Portfolio Yield Analysis

Mr. Stevenson reported the net yield for the LGIP Medium Term Pools and the comparison to the benchmark for the month of March, 2016.

Manager Allocation of Invested Monies for the LGIP Pools

Mr. Stevenson reported the total market value invested in all of the LGIP Pools as a percentage of the total that was allocated to each of the LGIP, LGIP-Gov, and LGIP Medium Term Pools as of March 31, 2016.

LGIP Pools Investments and Performance Reports

Mr. Stevenson reported the total net assets, asset allocation, the weighted average life, the weighted average duration, and the weighted average rating on the LGIP, LGIP-Gov, and LGIP Medium Term pools for the month of March, 2016.

Review of Treasurer's Monthly Report – Endowments:

Mr. White presented the endowment portion of the monthly report of the Arizona State Treasurer's Office to the Board of Investment as follows:

Earnings Distributed Endowment Funds

Mr. White reported the earnings distributed for the Endowment Funds for the month of March, 2016.

Mr. Brown asked what determines the endowment distribution rate. Mr. White gave a brief explanation. Discussion ensued.

Net Realized Capital Gains/Losses – Endowment Funds

Mr. White reported the net realized capital gains for the Endowment Fixed Income, S&P 500, S&P 400 and S&P 600 pools for the month of March, 2016 and fiscal year to date.

Endowment Funds Fixed-Income Pool Purchases & Sales

Mr. White reported the purchases and sales of the Endowment Fixed Income Pool for the month of March, 2016.

Equity Funds Purchases & Sales

Mr. White reported the purchases and sales (summary) of the Endowment Equity Pools for the month of March, 2016.

Mr. Brown asked for clarification regarding the Endowment Equity Pools summary. Mr. White gave a brief explanation. Discussion ensued.

Investments Outstanding in Endowment Funds

Mr. White reported the par, book, market value, and unrealized gains/loss of the Endowment Funds as of March 31, 2016.

Performance of Investments in Endowment Funds

Mr. White reported the performance of the Endowment Funds for the current month, the year to date, trailing one year, trailing three years, trailing five years, and since inception for the Endowment Funds as of March 31, 2016.

Manager Allocation of Invested Monies for the Endowment Pools

Mr. White reported the percentage of the total market value of all of the Endowment investments allocated to each of the Endowment Pools, as of March 31, 2016.

Equity Holdings Investments Outstanding S&P 500

Mr. White reported the investments outstanding by portfolio characteristics and industry sector for the S&P 500 Pool as of March 31, 2016.

Equity Holdings Investments Outstanding S&P 400

Mr. White reported the investments outstanding by portfolio characteristics and industry sector for the S&P 400 Pool as of March 31, 2016.

Mr. Brown asked for clarification regarding the index and fees. Mr. White gave a brief explanation. Discussion ensued.

Equity Holdings Investments Outstanding S&P 600

Mr. White reported the investments outstanding by portfolio characteristics and industry sector for the S&P 600 Pool as of March 31, 2016.

Treasurer DeWit asked for clarification regarding State Street receivables. Mr. Stomberg gave a brief explanation. Discussion ensued.

Fixed Income Investments and Performance Reports

Mr. White reported the total net assets, asset allocation, the weighted average life, the weighted average duration and the weighted average rating for the Fixed Income Pool for the month of March, 2016.

Mr. Brown asked for clarification regarding the index. Mr. White gave a brief explanation. Discussion ensued. Treasurer DeWit asked the investment team to look into index options. The IRMC will provide an update on the benchmark study and will include research on index options by the end of fiscal year.

Endowment Investments and Performance Growth by Account Reports

Mr. White reported the performance and growth for each of the Endowment Funds from the inception date of each fund through the end of March 31, 2016.

Broker Activity Report

Mr. White reported the quarterly broker activity for all internally managed pools for the period of January 1, 2016 through March 31, 2016.

Approval of Treasurer's Report

Mr. Papp made a motion to approve the Treasurer's Report. Ms. Ford seconded the motion. Motion carried.

5. Proposed Changes to Investment Policy:

No proposed changes.

6. Review and approval of Proposed/Pending Securities Dealers:

No proposed/pending securities dealers.

7. General Business:

Deputy Treasurer Swenson updated the Members of the Board on the 5 year review of the one rule that allows the Arizona State Treasurer's Office to pay for the banking contract through earnings on investment.

8. Call to the Public:

There was no Public comment.

Mr. Papp provided the members of the board with a brief economic update.

9. Notice of Next Meeting:

Treasurer DeWit advised the Board that the next regular meeting of the Board of Investment will be Tuesday, May 24, 2016 at 1:30 p.m. at 1700 West Washington, State Capitol, West Wing, Treasurer's Conference Room, Phoenix, Arizona.

10. Adjournment:

Mr. Brown made a motion to adjourn the BOI meeting. Mr. Papp seconded the motion. Upon unanimous approval the BOI Meeting was adjourned at 2:36 p.m.

Respectfully Submitted by:

Christine Thurston
Executive Consultant II

Approved by:

Jeff DeWit, Chair

Date

EARNINGS DISTRIBUTION - INVESTMENT POOLS
APRIL 2016

Recipient	Earnings Distributed			Fiscal YTD Investment Management Fees Received
	APRIL 2016	Fiscal YTD 15/16	Fiscal YTD 14/15	
General Fund	\$1,654,270	\$11,860,066	\$9,659,463	
2 State Agencies - Full Faith & Credit	448,183	3,834,262	4,093,863	\$443,007
3 State Agencies - Diversified (<i>Combined</i>)	644,206	6,200,036	5,775,604	689,386
4 State Agencies - Gov	466,169	4,048,050	4,433,115	463,224
5 LGIP	323,047	2,141,451	1,049,504	498,391
7 LGIP Gov	286,976	1,636,975	556,710	451,856
10 Restricted Operating	351,136	3,085,629	2,729,514	605,706
12 CAWCD Medium-Term	401,821	3,437,430	4,174,112	144,255
16 ECDH Medium-Term	474,007	4,282,028	4,735,829	174,797
Subtotal	\$5,049,815	\$40,525,926	\$37,207,714	\$3,470,623
NAV POOL				
500 LGIP - Med Term	272,506	2,563,389	2,306,075	111,772
700 LGIP - FF&C Med Term	122,939	1,223,114	1,150,496	67,370
Total	\$5,445,260	\$44,312,429	\$40,664,285	\$3,649,765
APRIL 2015 TOTALS	\$3,764,680			\$3,544,034

*Note: Pool 15 AHCCCS Operating Earnings are reported in General Fund

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

OPERATING MONIES
AVERAGE INVESTED BALANCE

Through April 30, 2016

(in millions of dollars)

<u>Month</u>	<u>Fiscal Year</u> <u>2013/2014</u>	<u>Fiscal Year</u> <u>2014/2015</u>	<u>Fiscal Year</u> <u>2015/2016</u>
JULY	1,942	1,876	1,795
AUGUST	1,709	1,369	1,554
SEPTEMBER	1,974	1,638	1,874
OCTOBER	1,824	1,521	1,701
NOVEMBER	1,853	1,535	1,686
DECEMBER	1,895	1,478	1,734
JANUARY	2,234	1,754	2,140
FEBRUARY	2,427	1,959	2,295
MARCH	2,107	1,686	2,092
APRIL	2,100	1,879	2,407
MAY	2,312	2,163	
JUNE	2,462	2,307	
Y-T-D			
Average	\$2,070	\$1,764	\$1,928
Budget Stabilization Average Fund Balance - April 2016			<u>\$460</u>
Total Average Cash Available - April 2016			<u>\$2,868</u>

**STATE AGENCY POOLS
 PORTFOLIO EARNINGS ANALYSIS
 APRIL 2016**

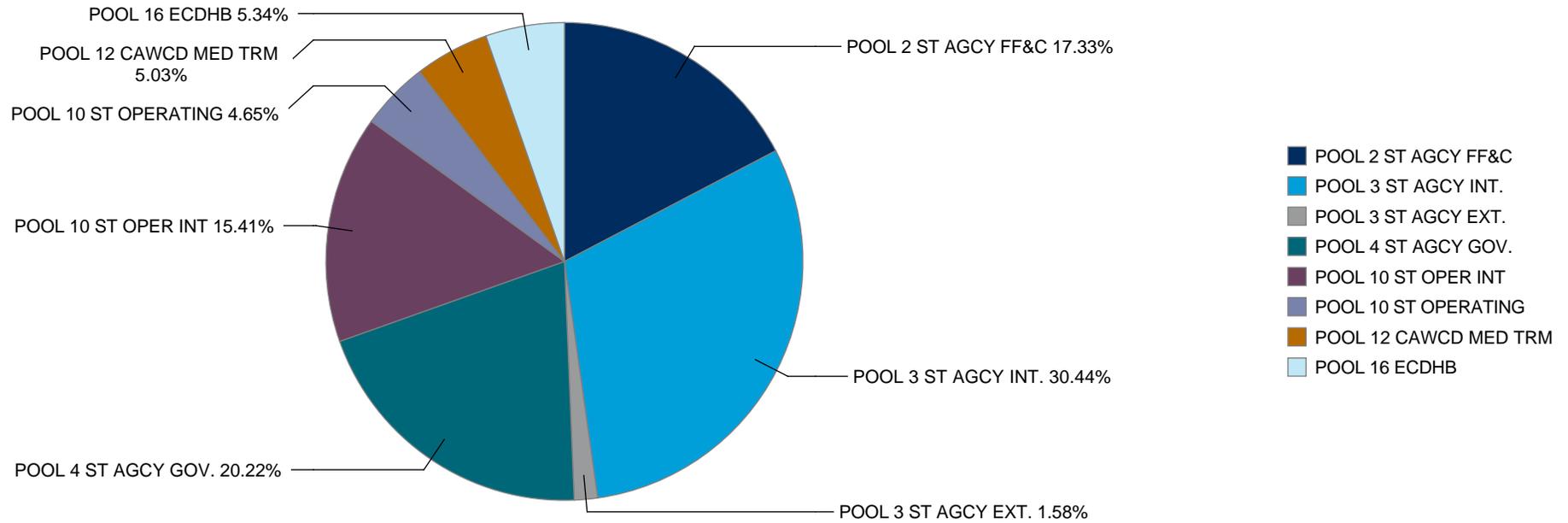
FUND	DESCRIPTION	Current Month 04/30/16	Prior Month 03/31/16	Prior Year 04/30/15	Net Asset Value Per Share
2	STATE AGENCIES - FULL FAITH & CREDIT	544,648	614,762	312,423	0.9988
3	STATE AGENCIES - DIVERSIFIED				
	INTERNAL MANAGERS	1,204,090	1,148,721	732,600	0.9996
	EXTERNAL MANAGERS	94,060	97,081	70,599	1.0027
	FUND 3 TOTAL	1,298,150	1,245,802	803,199	0.9998
4	STATE AGENCIES - GOV	700,195	698,863	495,101	0.9996
10	RESTRICTED OPERATING				
	INTERNAL MANAGERS	851,437	866,460	673,948	1.0006
	EXTERNAL MANAGERS	146,979	144,752	118,981	1.0003
	FUND 10 TOTAL	998,417	1,011,211	792,929	1.0005
12	CAWCD MEDIUM-TERM	401,821	404,076	384,654	1.0063
15	AHCCCS OPERATING	10,720	21,439	N/A	N/A
16	ECDH MEDIUM-TERM	474,007	487,449	427,474	1.0042
	TOTAL STATE AGENCIES	4,427,957	4,483,602	3,215,779	

**STATE AGENCY POOLS
 PORTFOLIO YIELD ANALYSIS
 APRIL 2016**

FUND	DESCRIPTION	Current Month 04/30/16	Prior Month 03/31/16	Prior Year 04/30/15
2	STATE AGENCIES - FULL FAITH & CREDIT	0.68%	0.80%	0.40%
	75% MERRILL 0-1 US TREAS INDEX / 25%	0.92%	0.92%	0.70%
	MERRILL US GNMA MORTGAGE BACKED INDEX			
3	STATE AGENCIES - DIVERSIFIED			
	INTERNAL MANAGERS	0.91%	0.91%	0.67%
	EXTERNAL MANAGERS	1.12%	1.12%	0.84%
	COMBINED	0.92%	0.93%	0.68%
	50% 3 MONTH LIBOR INDEX / 50% MERRILL	0.87%	0.88%	0.58%
	1-3 US BROAD MARKET INDEX			
4	STATE AGENCIES - GOV	0.74%	0.73%	0.61%
	50% MERRILL 6 MTH US T-BILL INDEX / 50%	0.58%	0.57%	0.32%
	MERRILL 1-3 UNSUB. US TREAS / AGY INDEX			
10	RESTRICTED OPERATING			
	INTERNAL MANAGERS	1.03%	1.02%	0.76%
	EXTERNAL MANAGERS	0.59%	0.56%	0.48%
	COMBINED	0.93%	0.91%	0.70%
	50% 3 MONTH LIBOR INDEX / 50% MERRILL	0.87%	0.88%	0.58%
	1-3 US BROAD MARKET INDEX			
12	CAWCD MEDIUM-TERM	1.50%	1.51%	1.56%
	MERRILL 1-5 US D M INDEX	1.40%	1.41%	1.36%
15	AHCCCS OPERATING	0.39%	0.39%	N/A
16	ECDH MEDIUM-TERM	1.67%	1.66%	1.52%
	MERRILL 1-5 US D M INDEX	1.40%	1.41%	1.36%



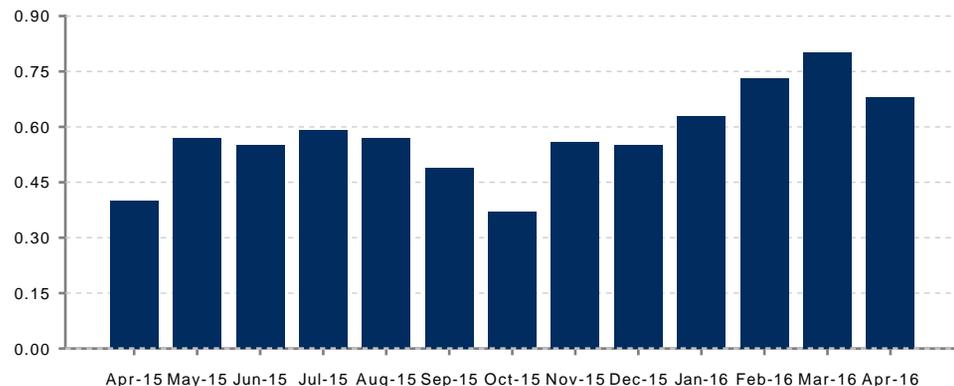
Manager Allocation



	Market Value	% of Portfolio
POOL 2 ST AGCY FF&C	1,131,560,785	17.3
POOL 3 ST AGCY INT.	1,987,340,791	30.4
POOL 3 ST AGCY EXT.	103,064,869	1.6
POOL 4 ST AGCY GOV.	1,319,895,746	20.2
POOL 10 ST OPER INT	1,006,379,470	15.4
POOL 10 ST OPERATING	303,288,404	4.6
POOL 12 CAWCD MED TRM	328,713,418	5.0
POOL 16 ECDHB	348,431,346	5.3
TOTAL STATE AGENCY	6,528,674,832	100.0



Net Yield

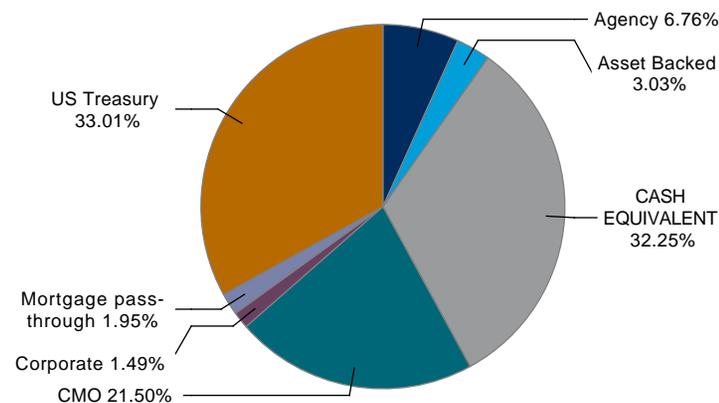


Current Mth Prior Mth 1 Year Ago

POOL 2 ST AGCY FF&C	0.68	0.80	0.40
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Asset Allocation

POOL 2 ST AGCY FF&C	Ending Market Value
	1,131,560,785



Net Asset Values over Time (\$MM)

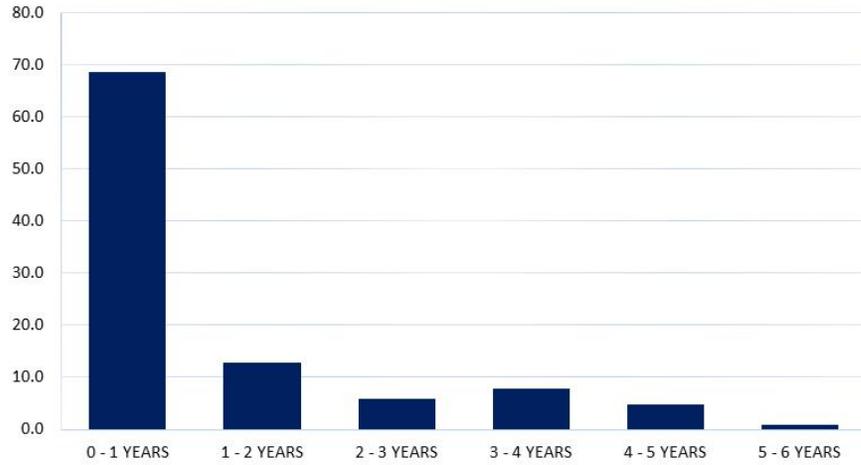


Top 10 Holdings

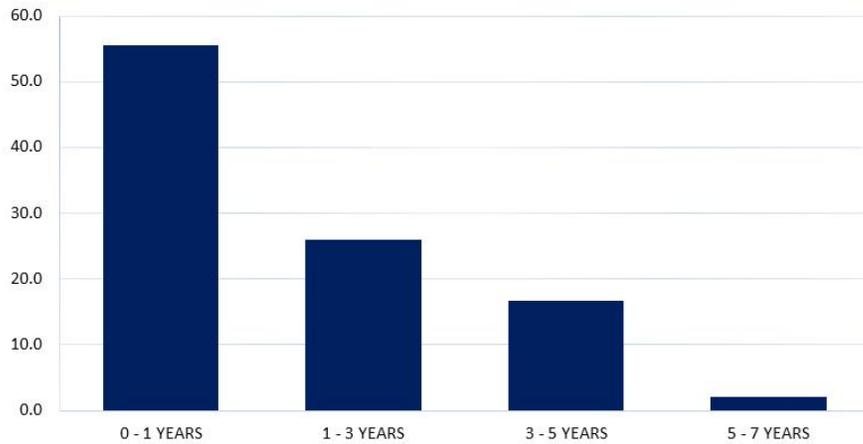
Security Name	Ending Market Value	% of Portfolio
POOL 2 ST AGCY FF&C		
DAIWA CAPITAL MARKETS REPO	132,953,259	11.75
AMHERST PIERPONT	110,001,100	9.72
US TREASURY N/B	42,416,689	3.75
US TREASURY FRN	40,035,520	3.54
TREASURY BILL	29,942,910	2.65
TREASURY BILL	29,843,940	2.64
GOVERNMENT NATIONAL MORTGAGE A	25,986,972	2.30
US TREASURY N/B	20,537,490	1.81
US TREASURY N/B	20,314,077	1.80
US TREASURY N/B	20,262,500	1.79



Duration Distribution



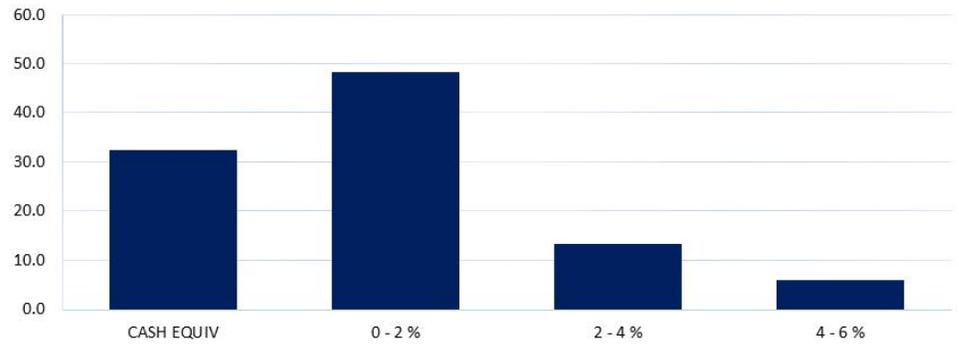
Expected Maturity Distribution



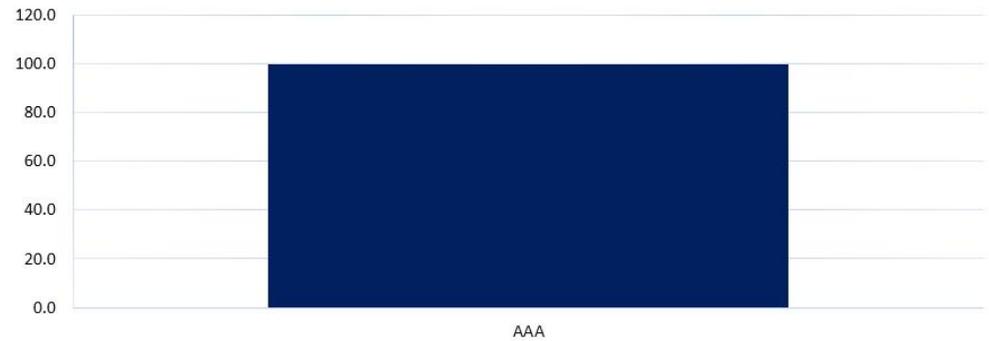
Portfolio Level Characteristics

	POOL 2 ST AGCY FF&C
Weighted Average Life	1.45
Coupon	1.52
Effective Duration	1.04
Quality Rating (Moody's)	AAA

Coupon Distribution

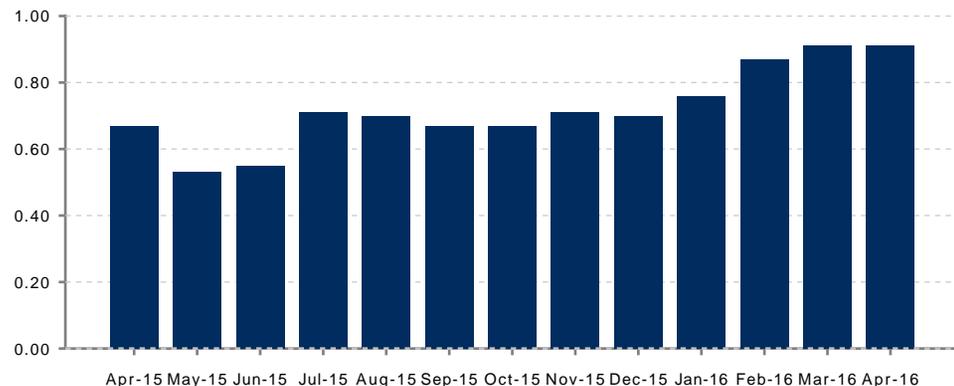


Rating Distribution





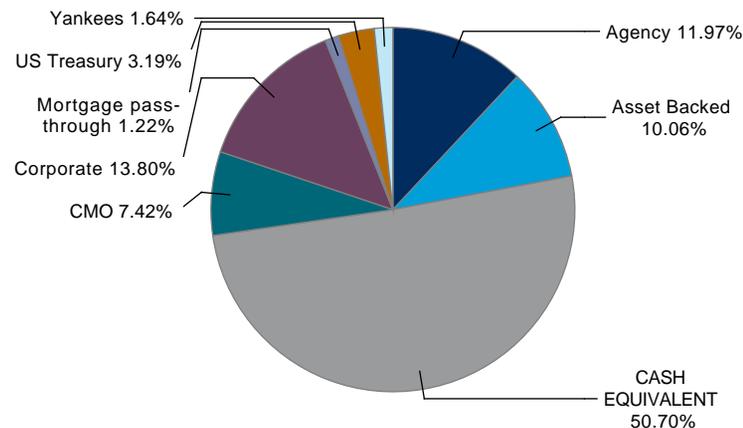
Net Yield



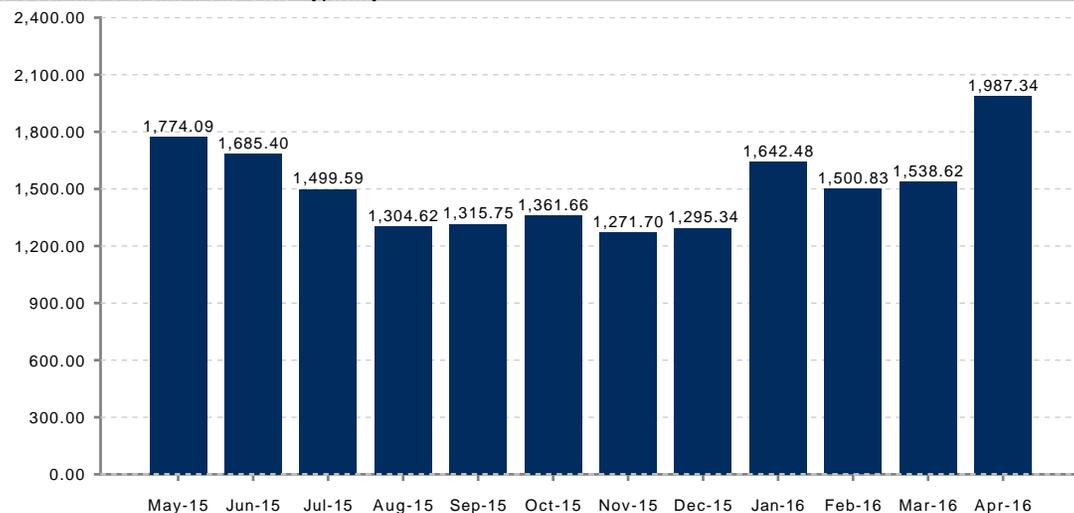
	Current Mth	Prior Mth	1 Year Ago
POOL 3 ST AGCY INT.	0.91	0.91	0.67

Asset Allocation

	Ending Market Value
POOL 3 ST AGCY INT.	1,987,340,791



Net Asset Values over Time (\$MM)

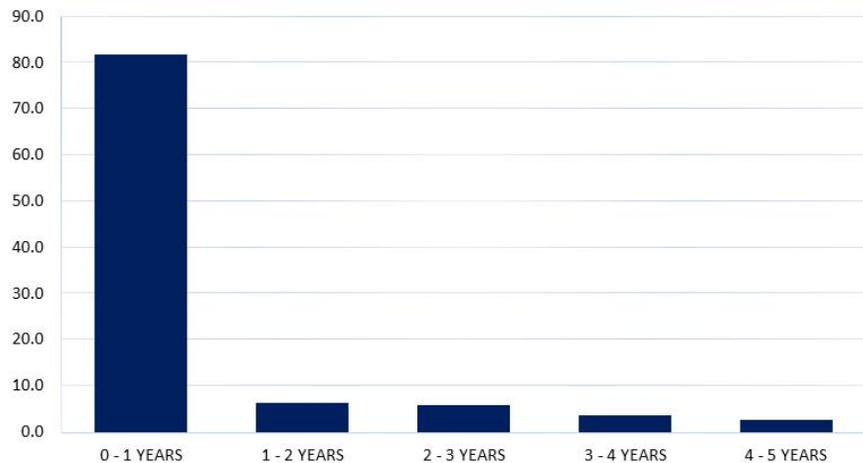


Top 10 Holdings

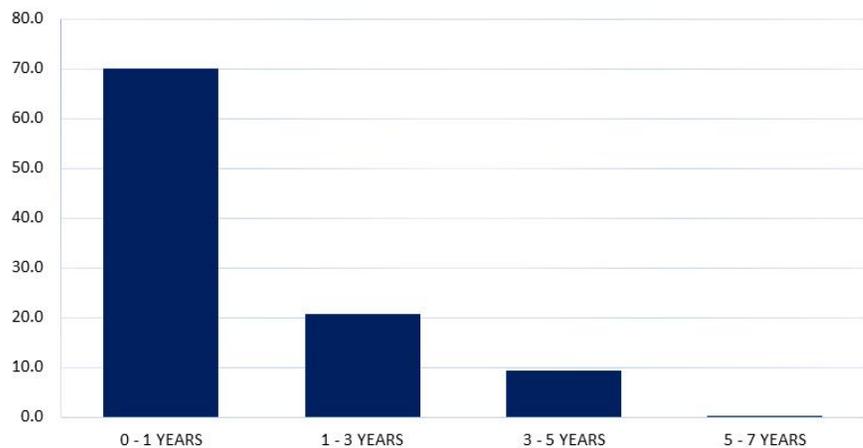
Security Name	Ending Market Value	% of Portfolio
POOL 3 ST AGCY INT.		
PHILIP MORRIS INTL	42,258,658	2.13
BANK OF MONTREAL-	40,007,409	2.01
MANHATTAN ASSET FDG.	39,970,000	2.01
ATLANTIC ASSET SECUR	39,948,444	2.01
BANK TOKYO MIT UFJ NY	39,944,889	2.01
GUGGENHEIM SECURITIES REPO	38,204,138	1.92
SVENSKA HANDLSBNKN A	30,072,706	1.51
CREDIT AGRICOLE	30,072,383	1.51
CANADIAN IMPERIAL BK	30,038,620	1.51
FREDDIE MAC	30,019,040	1.51



Duration Distribution



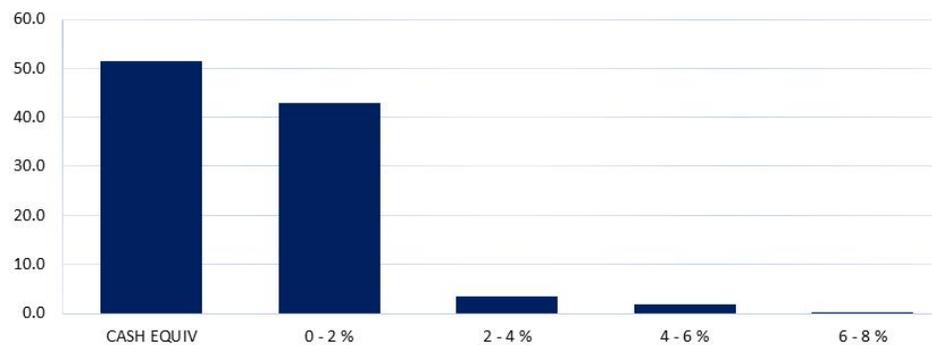
Expected Maturity Distribution



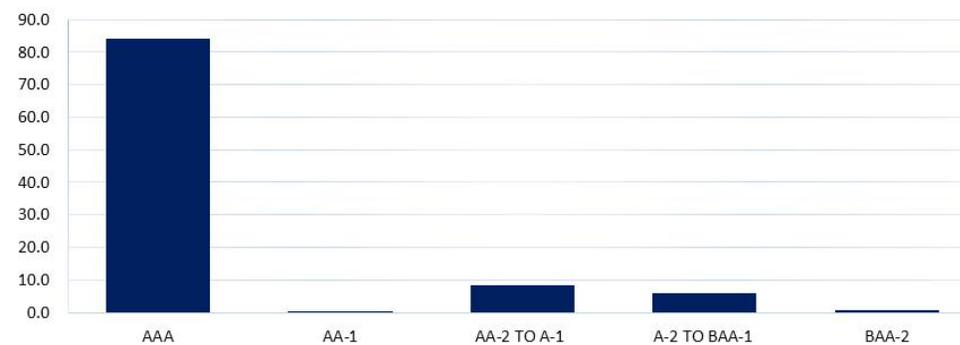
Portfolio Level Characteristics

	POOL 3 ST AGCY INT.
Weighted Average Life	0.98
Coupon	0.79
Effective Duration	0.71
Quality Rating (Moody's)	AA-1

Coupon Distribution

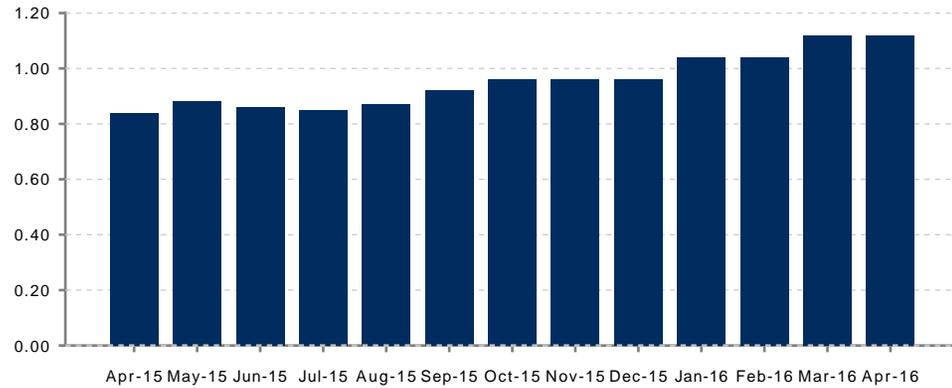


Rating Distribution





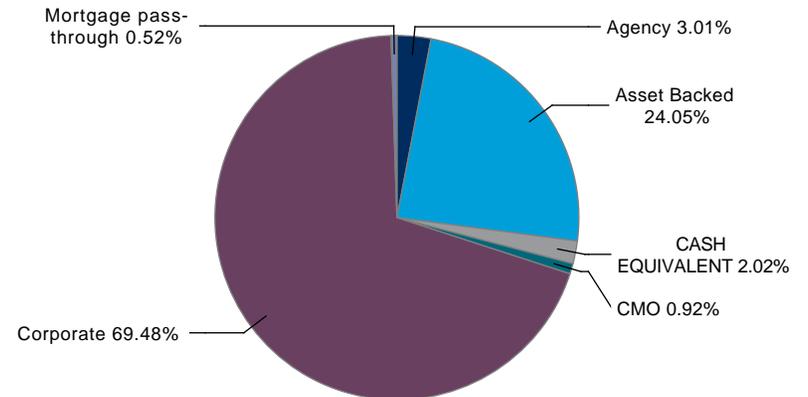
Net Yield



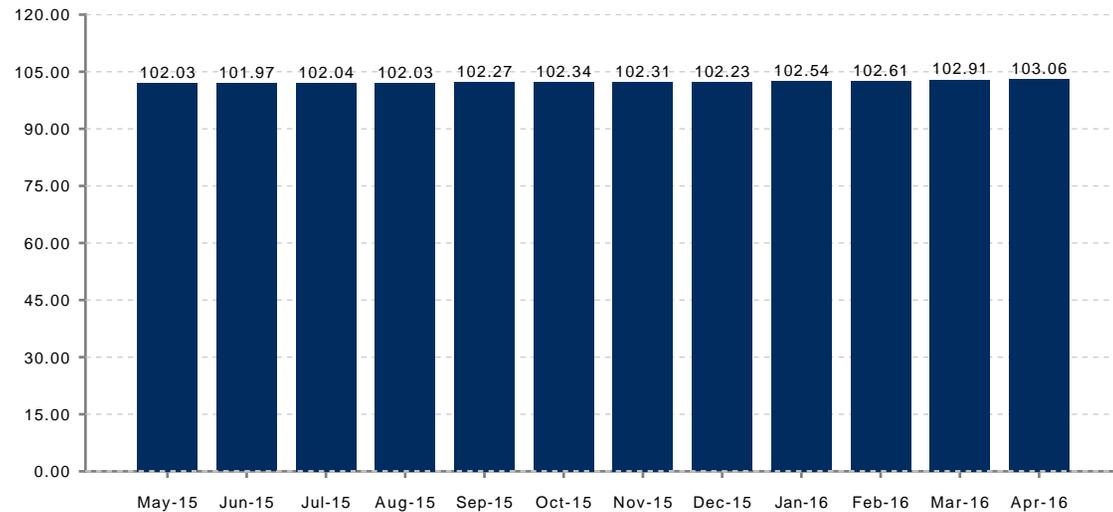
	Current Mth	Prior Mth	1 Year Ago
POOL 3 ST AGCY EXT.	1.12	1.12	0.84

Asset Allocation

	Ending Market Value
POOL 3 ST AGCY EXT.	103,064,869



Net Asset Values over Time (\$MM)

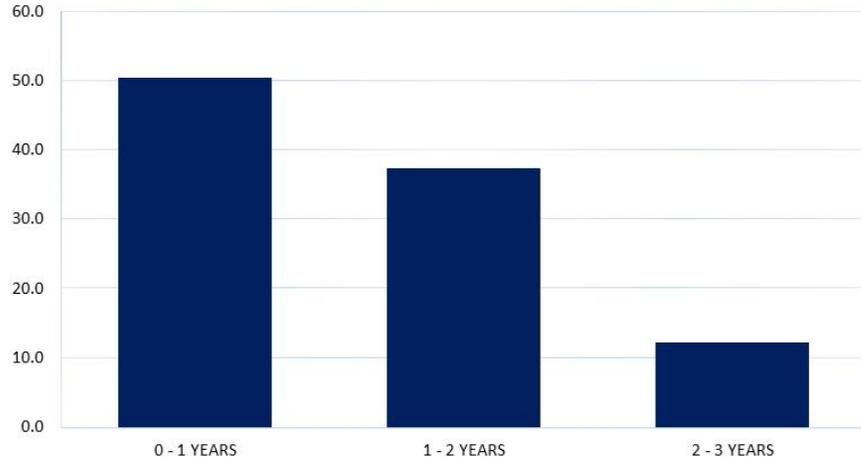


Top 10 Holdings

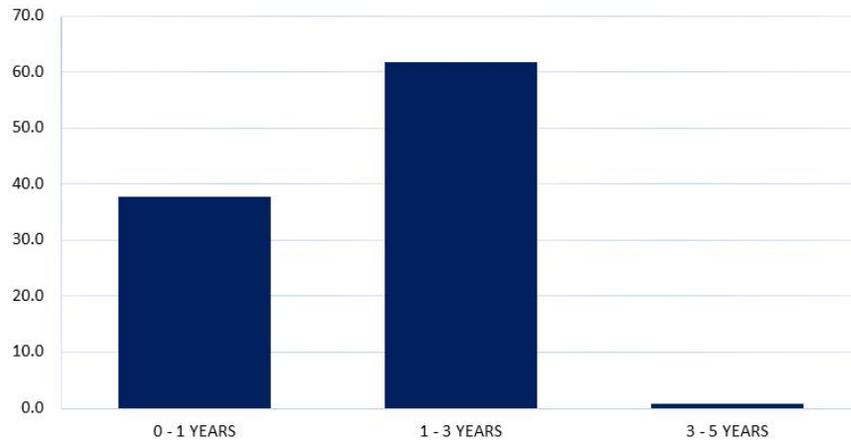
Security Name	Ending Market Value	% of Portfolio
POOL 3 ST AGCY EXT.		
ROYAL BK OF CANADA	1,802,098	1.75
CITIBANK CREDIT CARD ISSUANCE	1,734,810	1.68
MUFG UNION BANK NA	1,622,472	1.57
COSTCO WHOLESALE CORP	1,612,379	1.56
3M COMPANY	1,552,722	1.51
PEPSICO INC	1,510,604	1.47
FEDERAL FARM CREDIT BANK	1,501,877	1.46
APPLE INC	1,407,517	1.37
CISCO SYSTEMS INC	1,405,033	1.36
PNC BANK NA	1,398,652	1.36



Duration Distribution



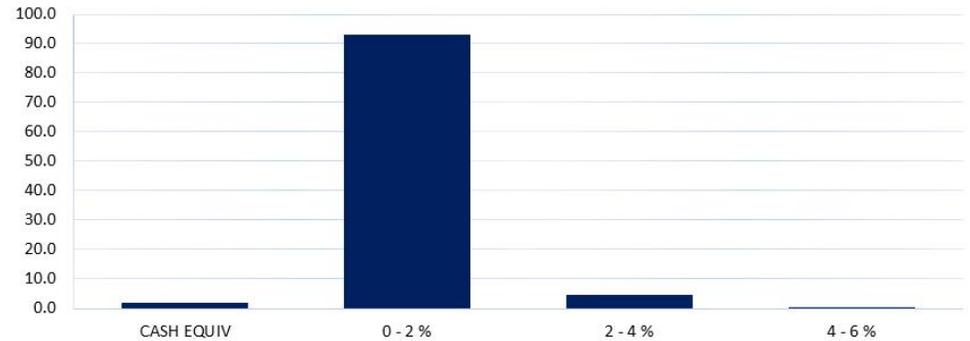
Expected Maturity Distribution



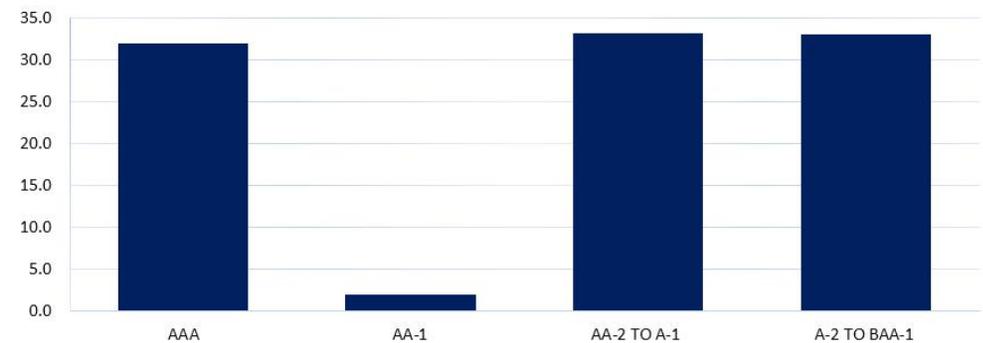
Portfolio Level Characteristics

	POOL 3 ST AGCY EXT.
Weighted Average Life	1.39
Coupon	1.25
Effective Duration	1.06
Quality Rating (Moody's)	AA-3

Coupon Distribution

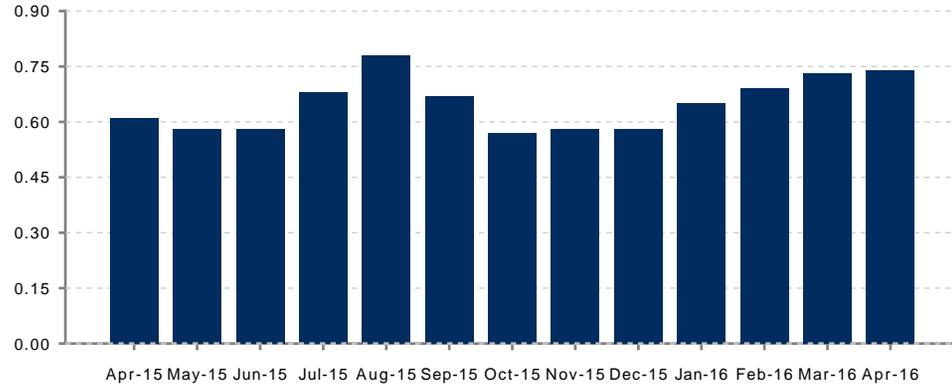


Rating Distribution





Net Yield

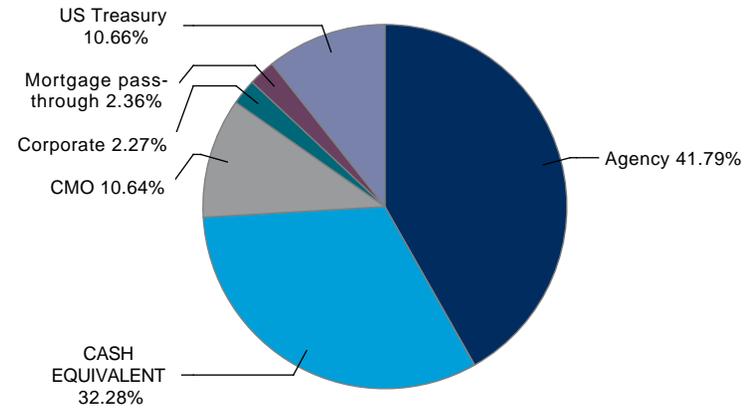


Current Mth **Prior Mth** **1 Year Ago**

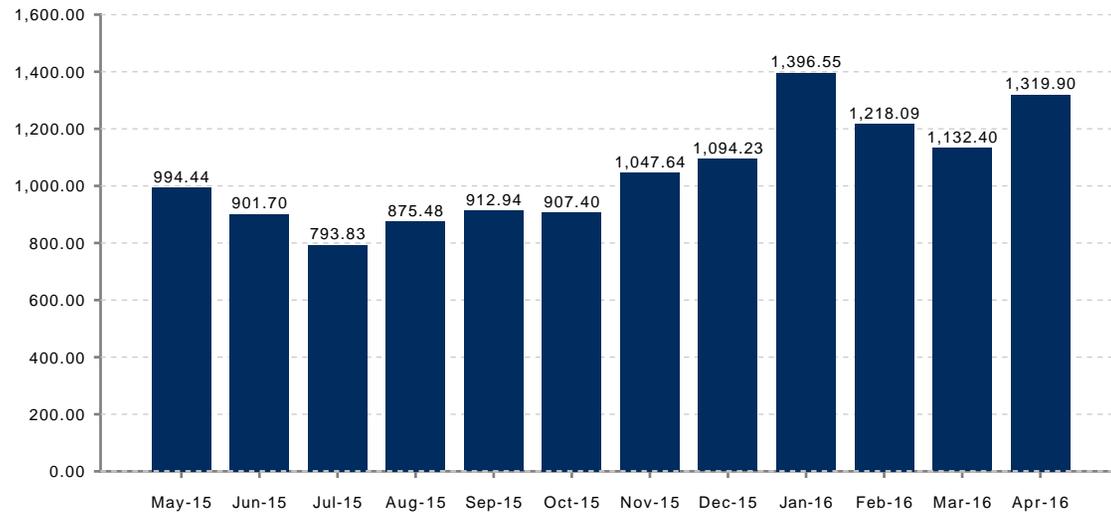
POOL 4 ST AGCY GOV.	0.74	0.73	0.61
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Asset Allocation

	Ending Market Value
POOL 4 ST AGCY GOV.	1,319,895,746



Net Asset Values over Time (\$MM)

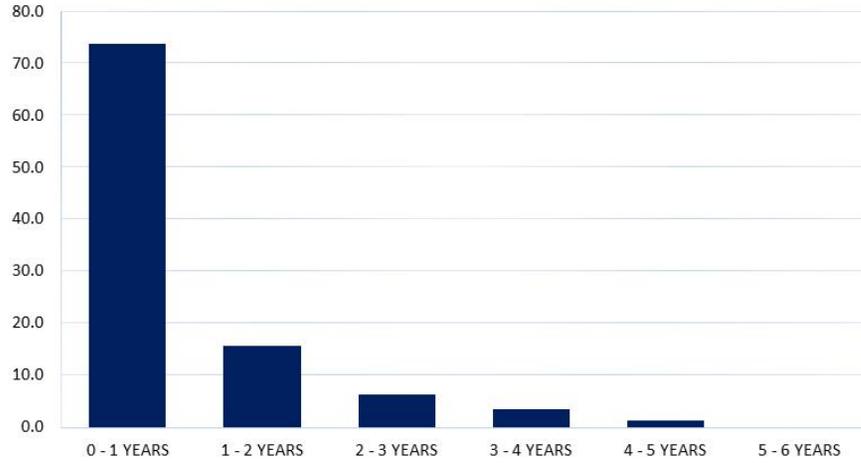


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 4 ST AGCY GOV.		
SOUTH STREET REPO	200,003,778	15.15
FED HOME LN DISCOUNT NT	49,968,000	3.79
IBRD DISCOUNT NOTE	30,000,000	2.27
FED HOME LN DISCOUNT NT	29,942,610	2.27
FED HOME LN DISCOUNT NT	24,982,000	1.89
FANNIEMAE ACES	23,730,221	1.80
US TREASURY N/B	21,208,345	1.61
US TREASURY N/B	20,200,000	1.53
FEDERAL FARM CREDIT BANK	20,028,738	1.52
FARMER MAC	20,025,576	1.52



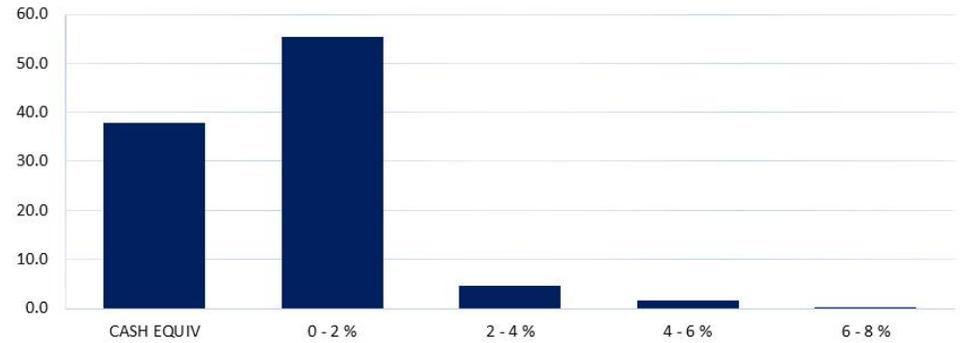
Duration Distribution



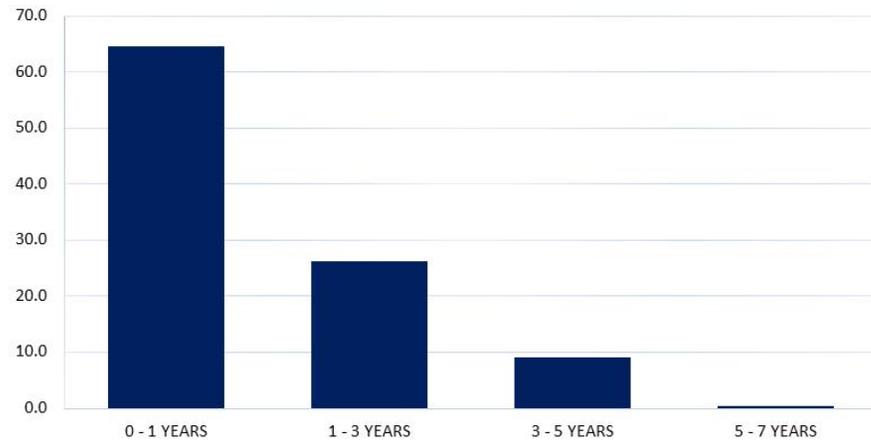
Portfolio Level Characteristics

	POOL 4 ST AGCY GOV.
Weighted Average Life	1.03
Coupon	0.85
Effective Duration	0.79
Quality Rating (Moody's)	AAA

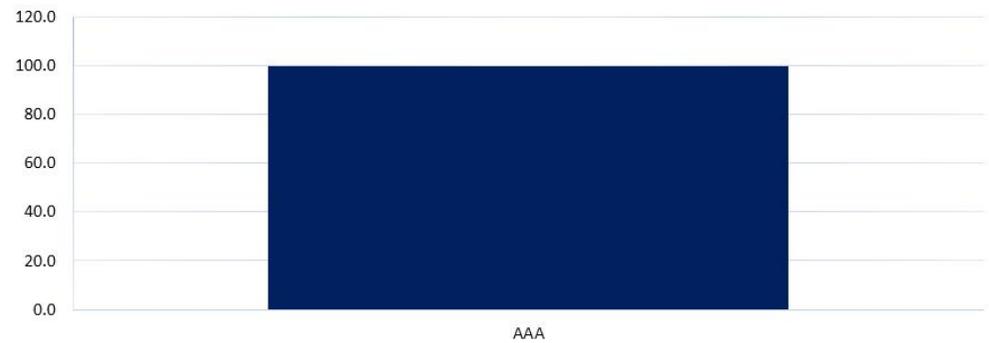
Coupon Distribution



Expected Maturity Distribution

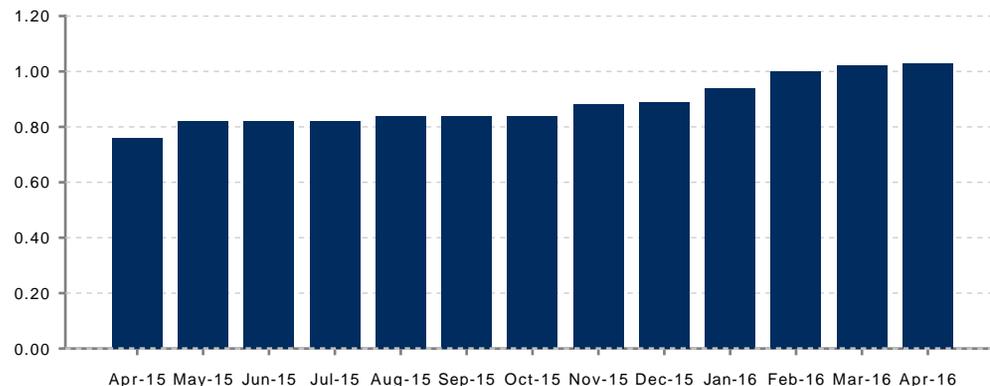


Rating Distribution





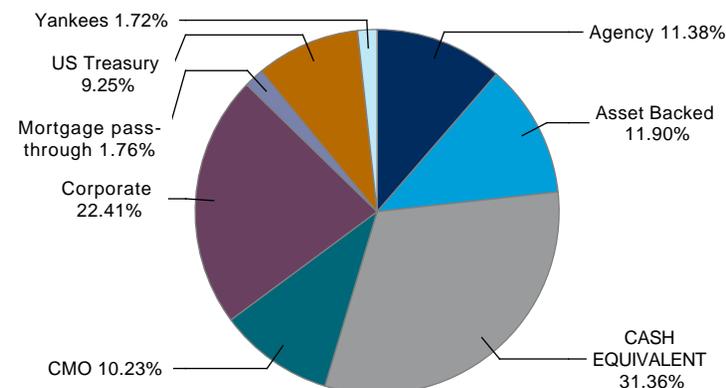
Net Yield



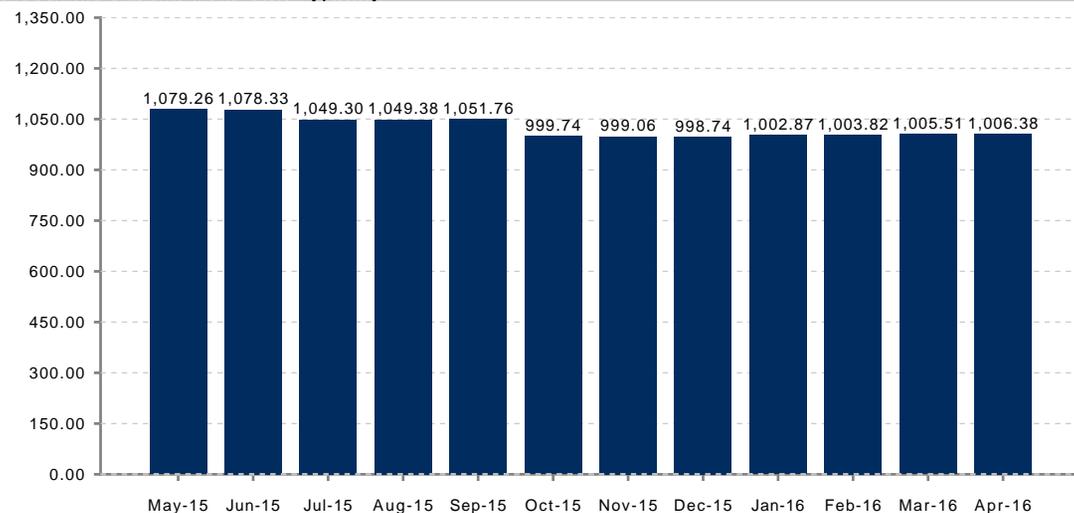
	Current Mth	Prior Mth	1 Year Ago
POOL 10 ST OPER INT	1.03	1.02	0.76

Asset Allocation

	Ending Market Value
POOL 10 ST OPER INT	1,006,379,470



Net Asset Values over Time (\$MM)

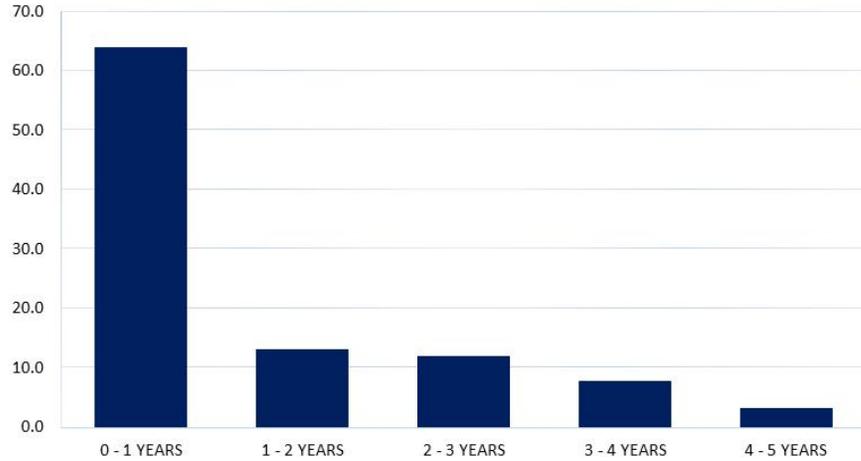


Top 10 Holdings

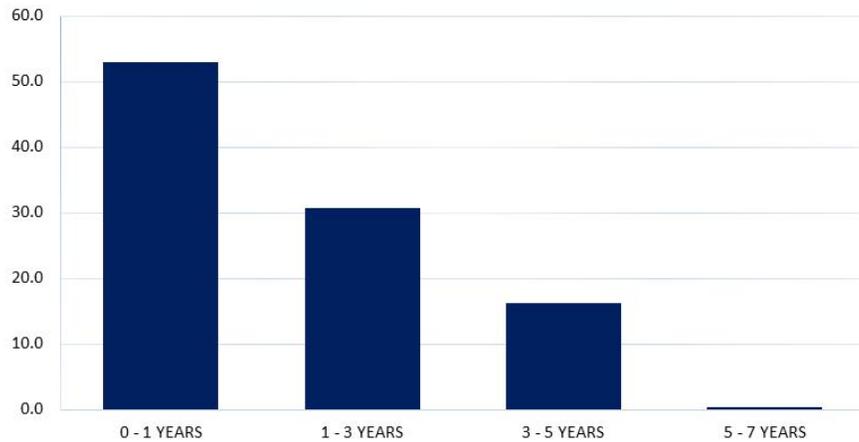
Security Name	Ending Market Value	% of Portfolio
POOL 10 ST OPER INT		
CEDAR SPRING CPTL CO	34,943,125	3.47
BANK OF NOVA SCOTIA	30,078,017	2.99
SWEDBANK	29,999,533	2.98
ING (US) FUNDING LLC	29,977,667	2.98
OLD LINE FUNDING LLC	29,974,033	2.98
THUNDER BAY FNDNG LLC	24,973,264	2.48
BEDFORD ROW FDG CORP	24,961,181	2.48
US TREASURY N/B	20,459,790	2.03
US TREASURY N/B	20,041,076	1.99
US TREASURY N/B	20,034,072	1.99



Duration Distribution



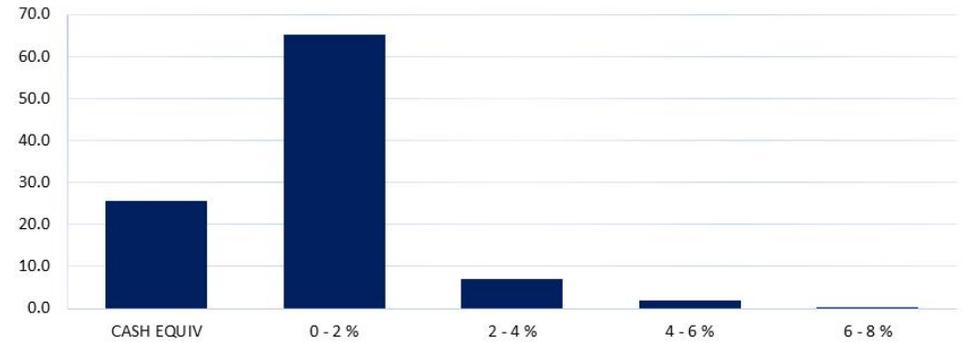
Expected Maturity Distribution



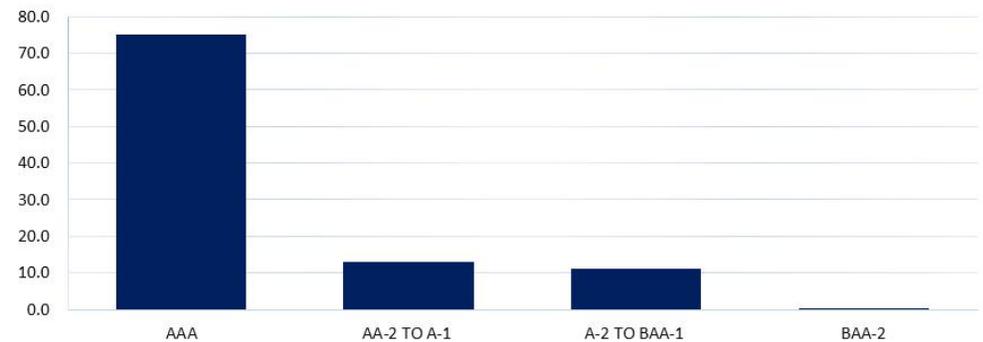
Portfolio Level Characteristics

	POOL 10 ST OPERATING INT
Weighted Average Life	1.18
Coupon	1.01
Effective Duration	1.02
Quality Rating (Moody's)	AA-1

Coupon Distribution

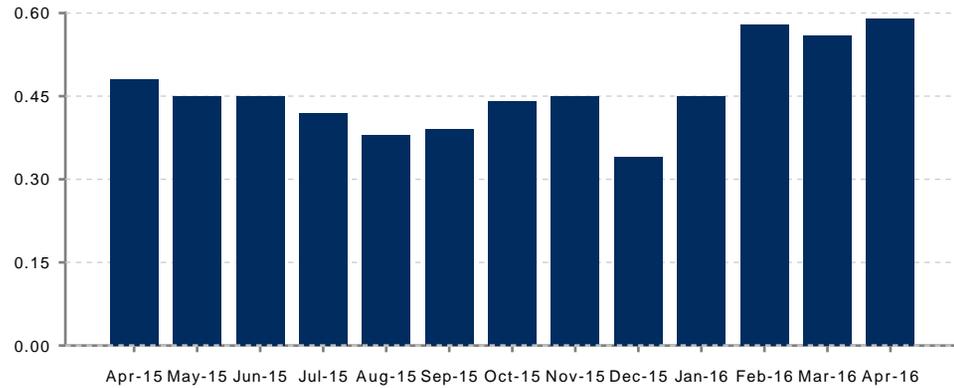


Rating Distribution





Net Yield

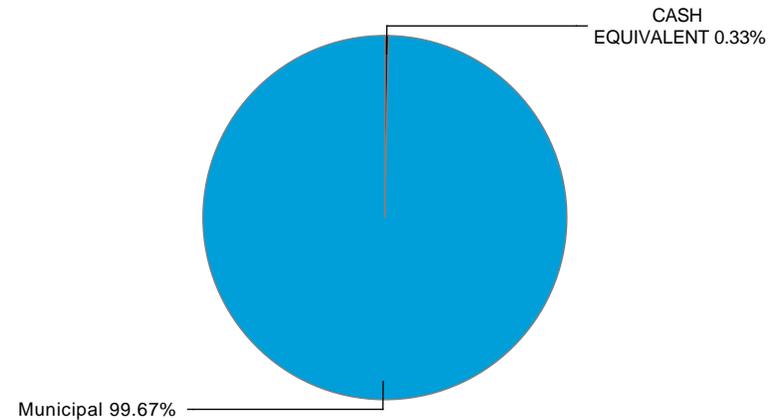


Current Mth Prior Mth 1 Year Ago

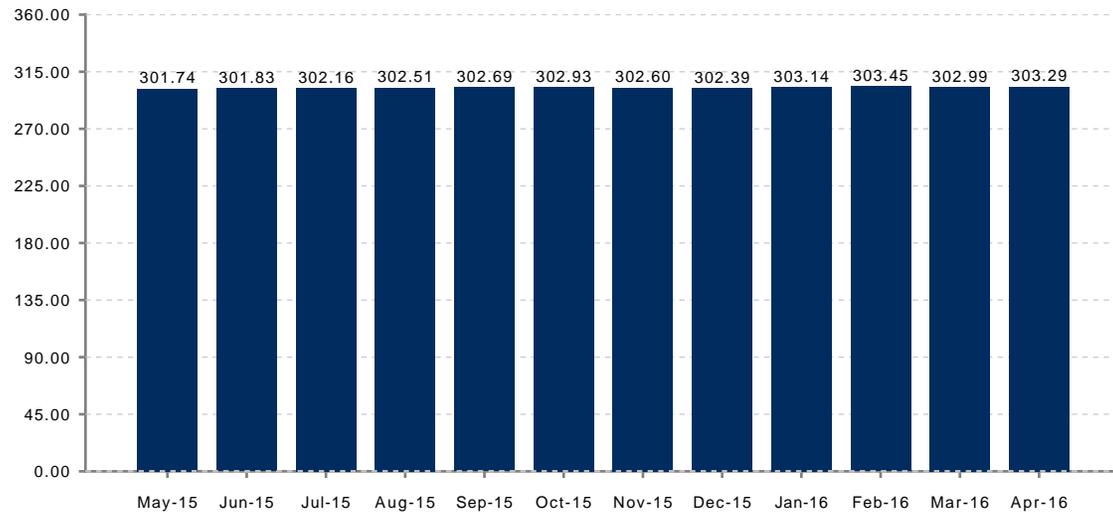
POOL 10 ST OPERATING	0.59	0.56	0.48
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Asset Allocation

	Ending Market Value
POOL 10 ST OPERATING	303,288,404



Net Asset Values over Time (\$MM)

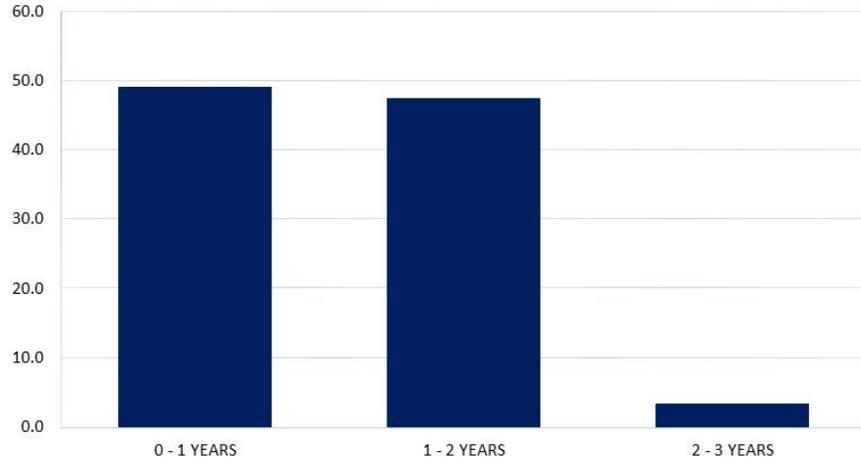


Top 10 Holdings

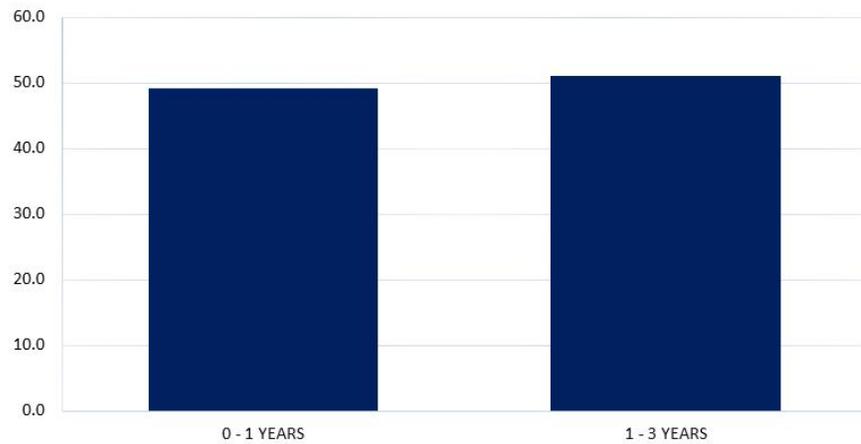
Security Name	Ending Market Value	% of Portfolio
POOL 10 ST OPERATING		
PORTLAND OR CMNTY CLG DIST	12,549,969	4.14
HOUSTON TX INDEP SCH DIST	11,772,182	3.88
PORTLAND OR SWR SYS REVENUE	11,749,925	3.87
VIRGINIA BEACH VA	10,868,280	3.58
MULTNOMAH CNTY OR SCH DIST 1J	10,672,725	3.52
NORTH SLOPE BORO AK	10,412,133	3.43
MADISON WIS	10,391,672	3.43
SPOKANE CNTY WA SCH DIST 81 S	9,894,746	3.26
BEAUFORT CNTY SC SCH DIST	9,851,395	3.25
OHIO ST	9,793,102	3.23



Duration Distribution



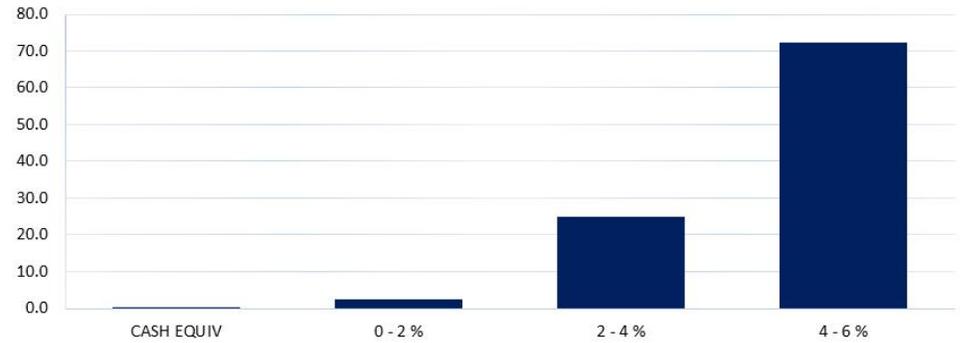
Expected Maturity Distribution



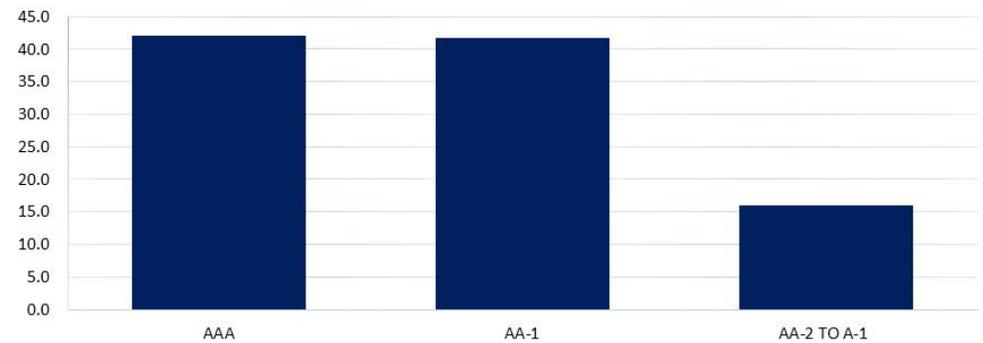
Portfolio Level Characteristics

	POOL 10 ST OPERATING
Weighted Average Life	0.99
Coupon	4.51
Effective Duration	0.96
Quality Rating (Moody's)	AA-1

Coupon Distribution

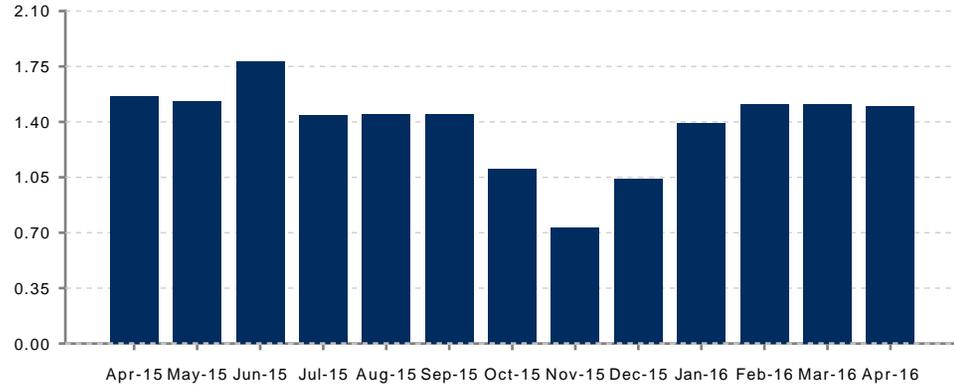


Rating Distribution





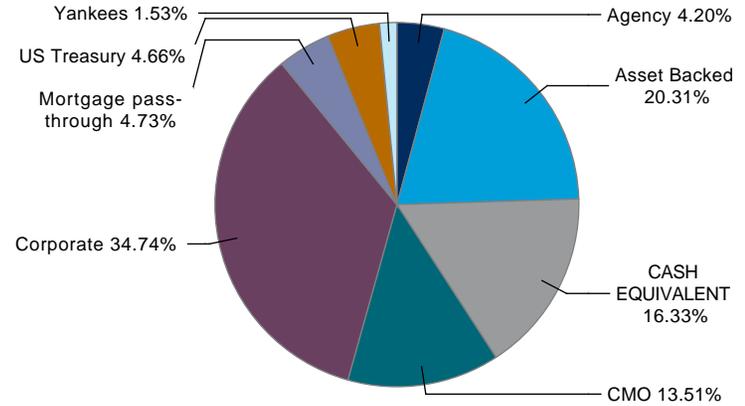
Net Yield



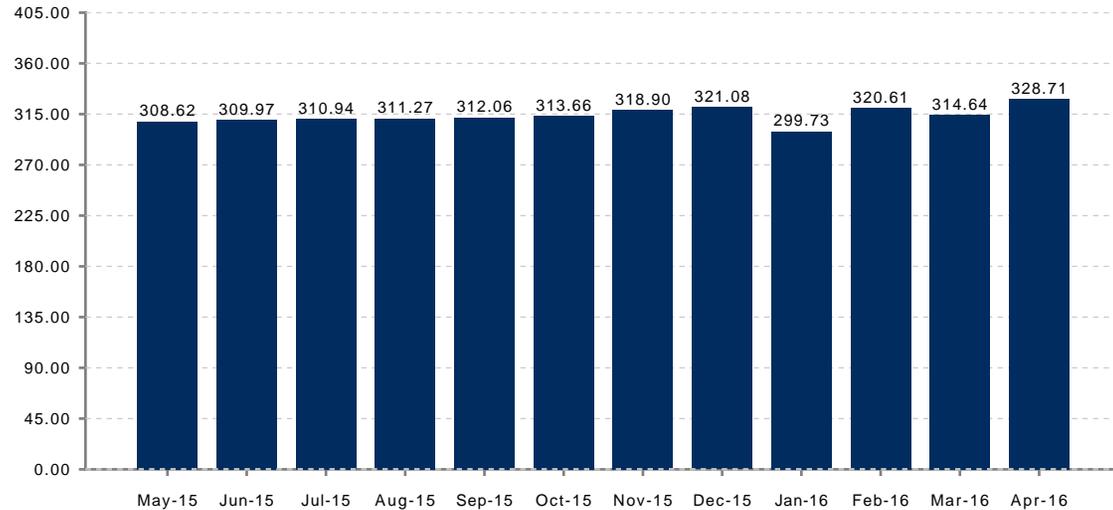
	Current Mth	Prior Mth	1 Year Ago
POOL 12 CAWCD MED TRM	1.50	1.51	1.56

Asset Allocation

	Ending Market Value
POOL 12 CAWCD MED TRM	328,713,418



Net Asset Values over Time (\$MM)

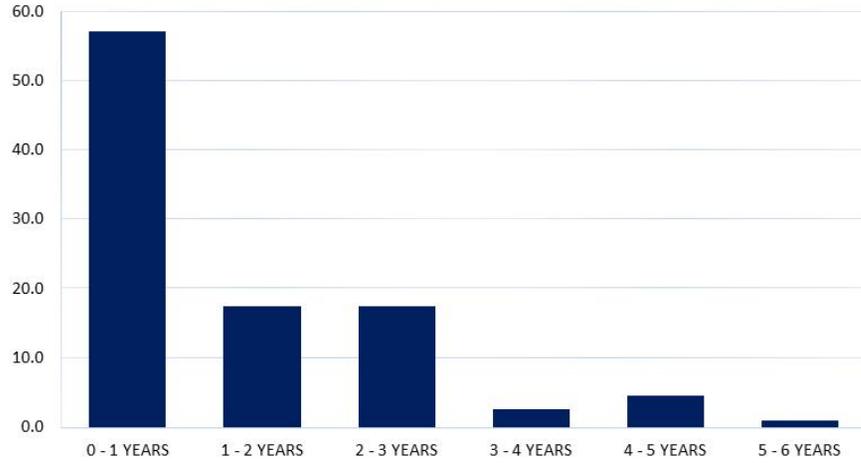


Top 10 Holdings

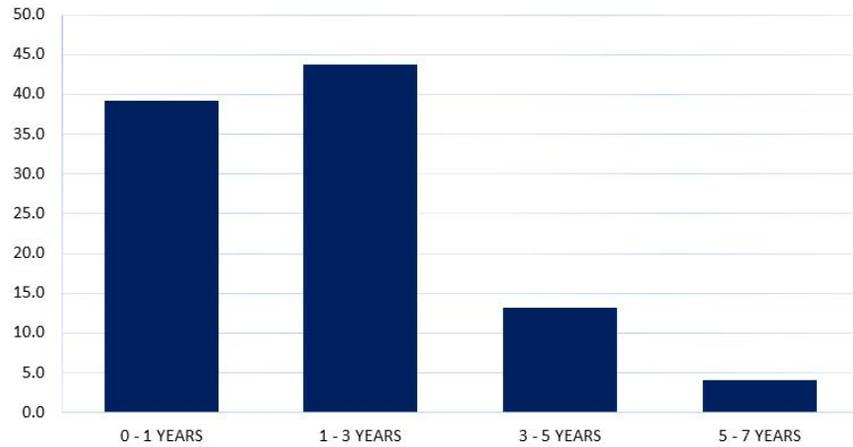
Security Name	Ending Market Value	% of Portfolio
POOL 12 CAWCD MED TRM		
DAIWA CAPITAL MARKETS REPO	16,049,224	4.88
GM FINANCIAL AUTOMOBILE LEASIN	10,008,719	3.04
FANNIE MAE	6,594,001	2.01
FNMA POOL AV9175	6,165,822	1.88
HONDA AUTO RECEIVABLES OWNER T	5,999,049	1.83
FANNIE MAE	5,477,087	1.67
US TREASURY N/B	5,134,373	1.56
FNMA POOL MA1763	5,129,215	1.56
APPLE INC	5,084,219	1.55
US TREASURY N/B	5,041,017	1.53



Duration Distribution



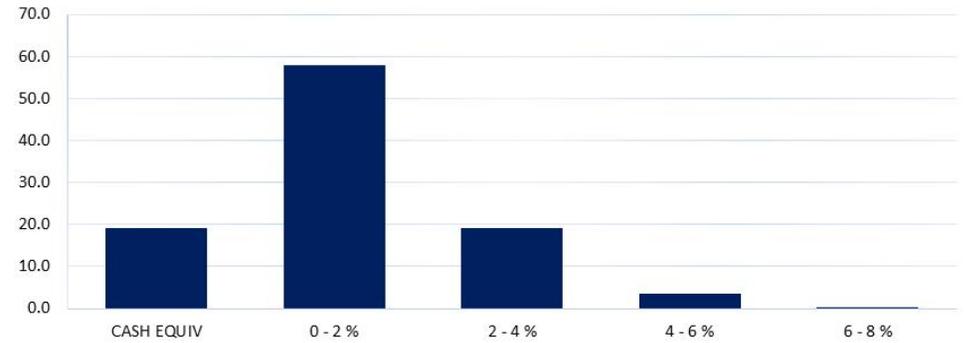
Expected Maturity Distribution



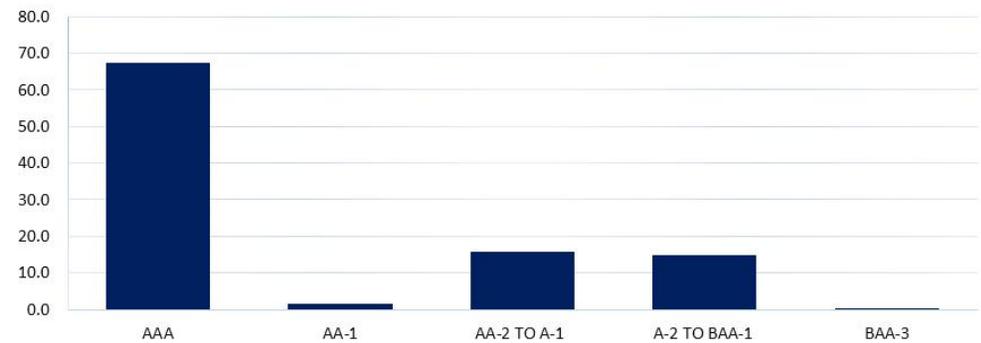
Portfolio Level Characteristics

	POOL 12 CAWCD MED TRM
Weighted Average Life	1.89
Coupon	1.67
Effective Duration	1.31
Quality Rating (Moody's)	AA-1

Coupon Distribution

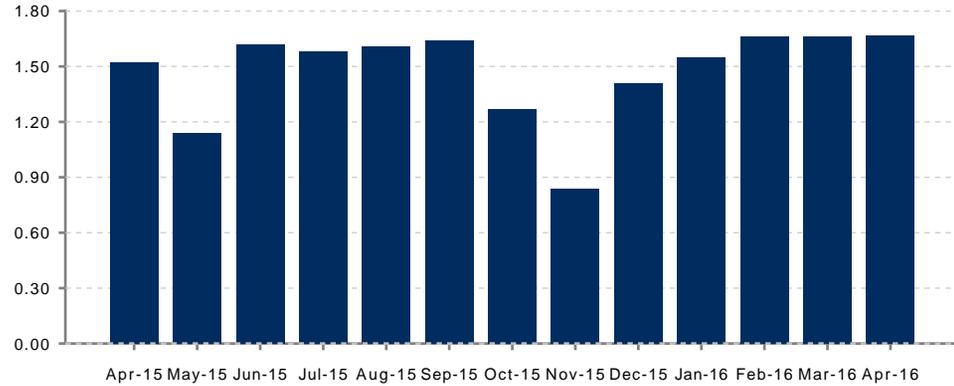


Rating Distribution





Net Yield

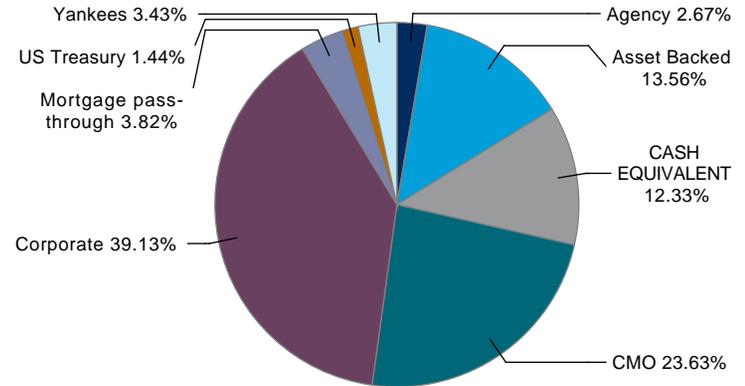


Current Mth **Prior Mth** **1 Year Ago**

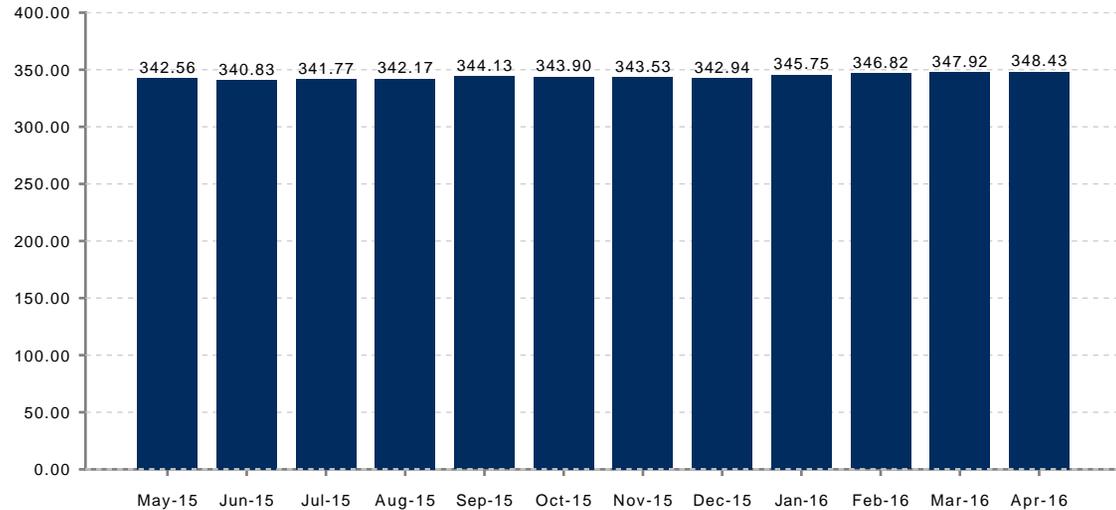
POOL 16 ECDHB	1.67	1.66	1.52
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Asset Allocation

	Ending Market Value
POOL 16 ECDHB	348,431,346



Net Asset Values over Time (\$MM)

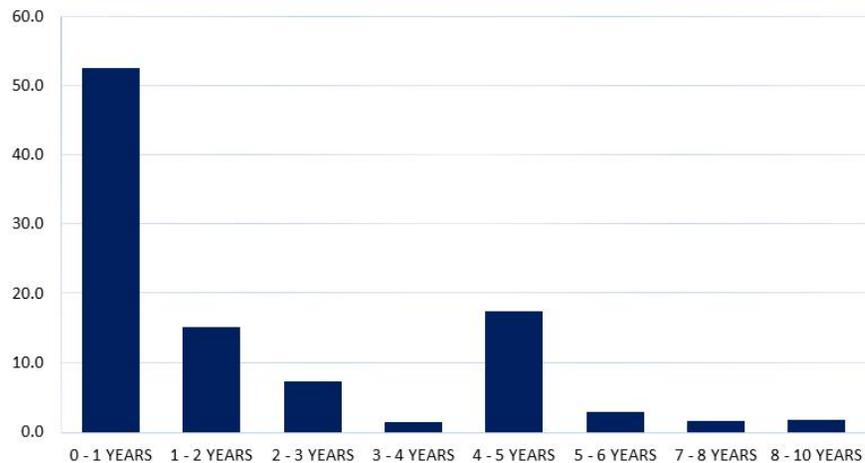


Top 10 Holdings

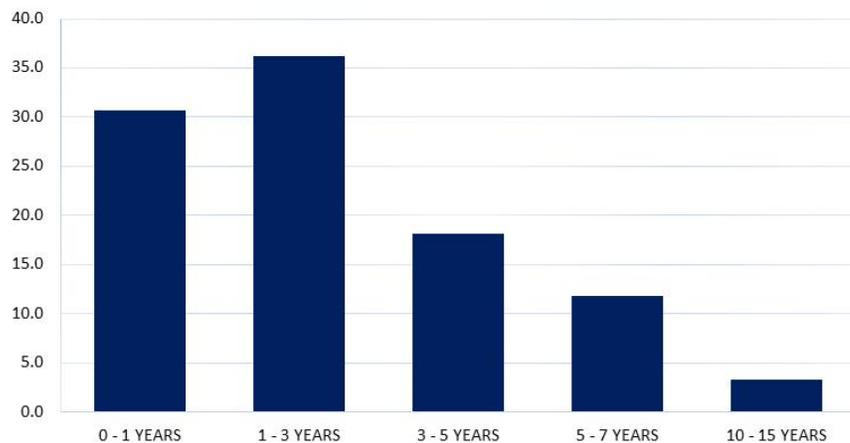
Security Name	Ending Market Value	% of Portfolio
POOL 16 ECDHB		
DAIWA CAPITAL MARKETS REPO	15,000,250	4.31
FREDDIEMAC STRIP	7,684,064	2.21
NATIONAL CITY BANK	6,994,234	2.01
FREDDIE MAC	6,706,501	1.92
FANNIE MAE	6,590,140	1.89
MIZUHO BANK LTD	5,988,103	1.72
FREDDIE MAC	5,764,710	1.65
FHLMC MULTIFAMILY STRUCTURED P	5,311,859	1.52
GOVERNMENT NATIONAL MORTGAGE A	5,237,998	1.50
FREDDIE MAC	5,225,076	1.50



Duration Distribution



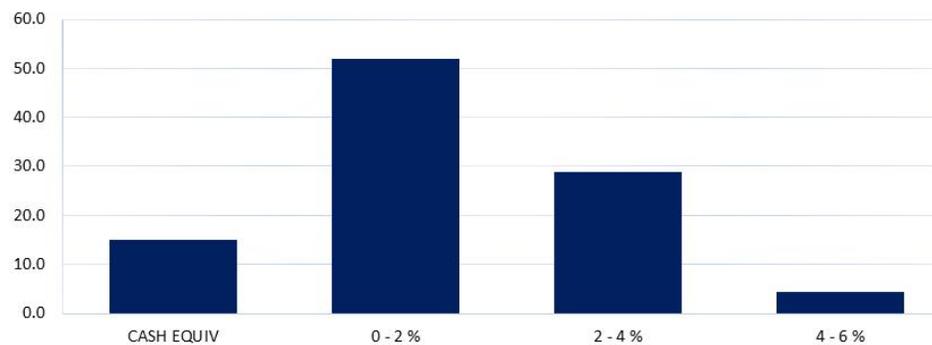
Expected Maturity Distribution



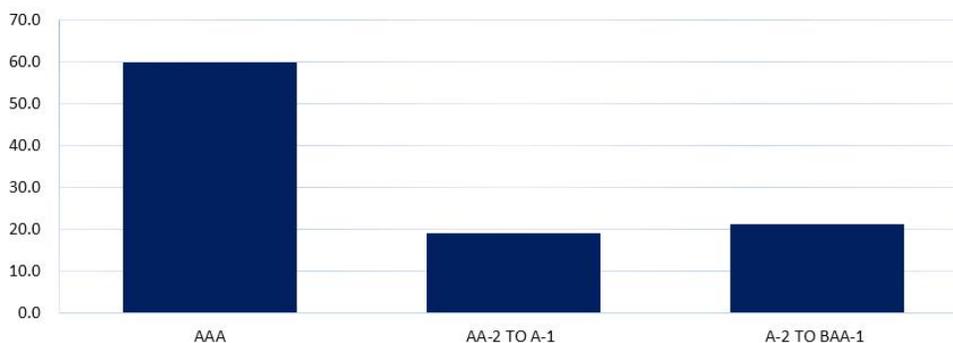
Portfolio Level Characteristics

	POOL 16 ECDHB
Weighted Average Life	2.57
Coupon	1.87
Effective Duration	1.80
Quality Rating (Moody's)	AA-2

Coupon Distribution



Rating Distribution



**LGIP & LGIP- GOV
 PORTFOLIO YIELD ANALYSIS
 APRIL 2016**

NET EARNINGS

FUND	DESCRIPTION	Current Month 04/30/16	Prior Month 03/31/16	Prior Year 04/30/15	Net Asset Value Per Share
5	LGIP	328,943	327,728	115,279	1.0000
7	LGIP - GOV	292,915	288,690	87,672	1.0000
	TOTAL LGIP & LGIP-GOV	621,858	616,418	202,950	

YIELDS

MONTHLY

	Current Month 04/30/16	Prior Month 03/31/16	Prior Year 4/30/15
5 LGIP (NET)	0.37%	0.38%	0.12%
S & P LGIP INDEX	0.35%	0.32%	0.06%
7 LGIP - GOV (NET)	0.33%	0.32%	0.11%
3 MONTH T-BILL	0.22%	0.28%	0.01%

YEAR TO DATE

5 LGIP (NET)	0.25%	0.23%	0.11%
S & P LGIP INDEX	0.17%	0.15%	0.05%
7 LGIP - GOV (NET)	0.20%	0.18%	0.07%
3 MONTH T-BILL	0.14%	0.14%	0.01%

* Note: 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
APRIL 2016**

NET EARNINGS

FUND	DESCRIPTION	Current Month 04/30/16	Prior Month 03/31/16	Prior Year 04/30/15	Net Asset Value Per Share
500	LGIP - MED TERM POOL	272,506	333,800	255,376	1.0354
700	LGIP - FF&C MED TERM POOL	122,939	152,474	90,574	1.0125
	TOTAL LGIP MEDIUM TERM POOLS	395,445	486,274	345,950	

YIELDS

MONTHLY

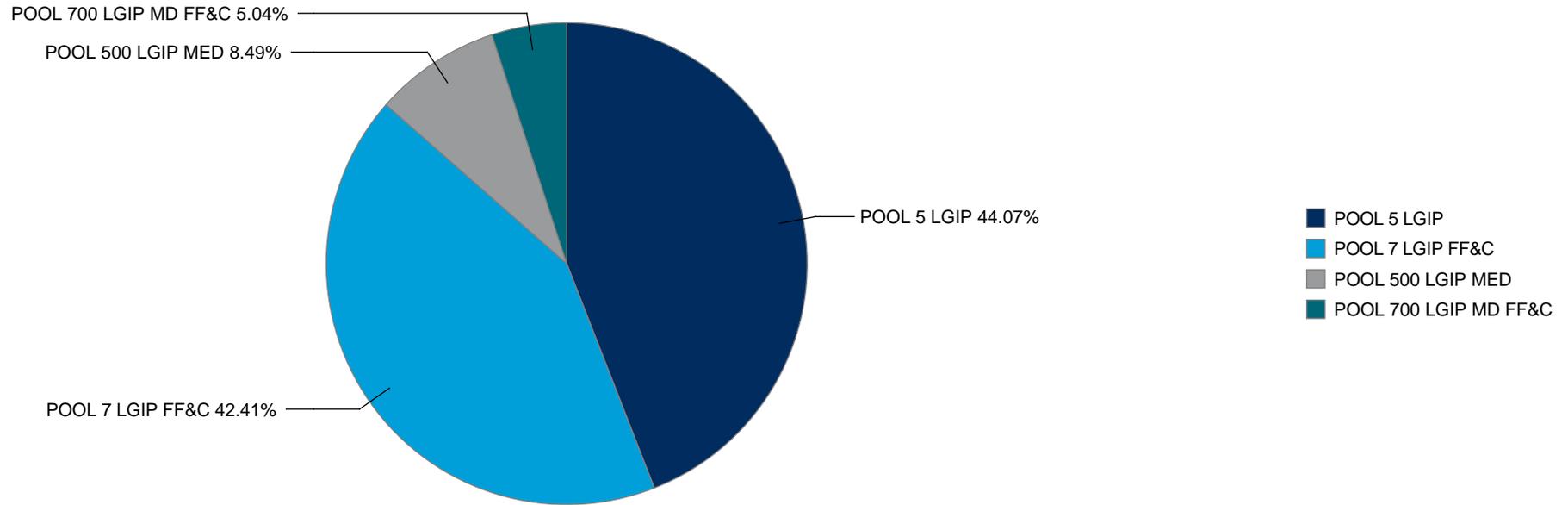
	Current Month 04/30/16	Prior Month 03/31/16	Prior Year 4/30/15
500 LGIP - MED TERM (NET)	1.34%	1.58%	1.16%
MERRILL 1-5 US D M INDEX	1.40%	1.41%	1.36%
700 LGIP - FF&C MED TERM (NET)	1.02%	1.21%	0.75%
75% MERRILL 1-5 US TREAS INDEX / 25% MERRILL US GNMA MORTGAGE BACKED INDEX	1.28%	1.25%	1.23%

YEAR TO DATE

500 LGIP - MED TERM (NET)	1.26%	1.25%	1.07%
MERRILL 1-5 US D M INDEX	1.52%	1.54%	1.33%
700 LGIP - FF&C MED TERM (NET)	1.00%	1.00%	0.92%
75% MERRILL 1-5 US TREAS INDEX / 25% MERRILL US GNMA MORTGAGE BACKED INDEX	1.38%	1.40%	1.28%



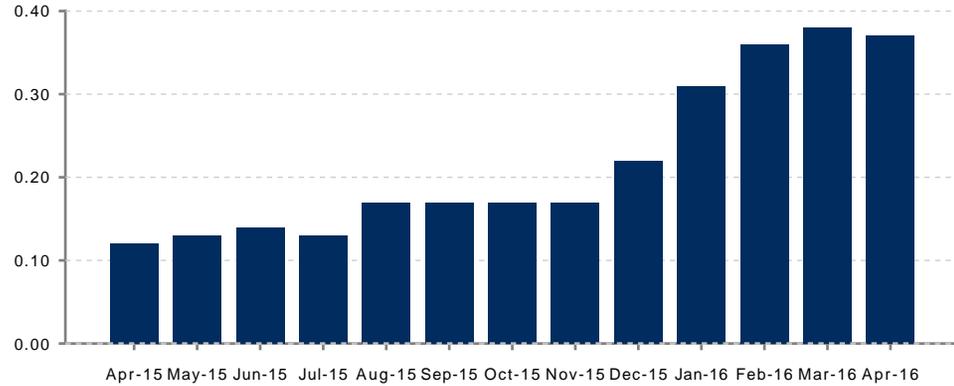
Manager Allocation



	Market Value	% of Portfolio
POOL 5 LGIP	1,290,860,392	44.1
POOL 7 LGIP FF&C	1,242,099,546	42.4
POOL 500 LGIP MED	248,561,523	8.5
POOL 700 LGIP MD FF&C	147,572,649	5.0
TOTAL LGIP	2,929,094,111	100.0



Net Yield

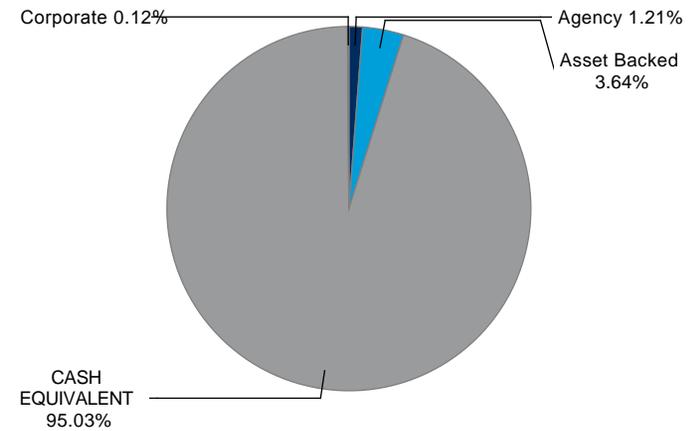


Current Mth Prior Mth 1 Year Ago

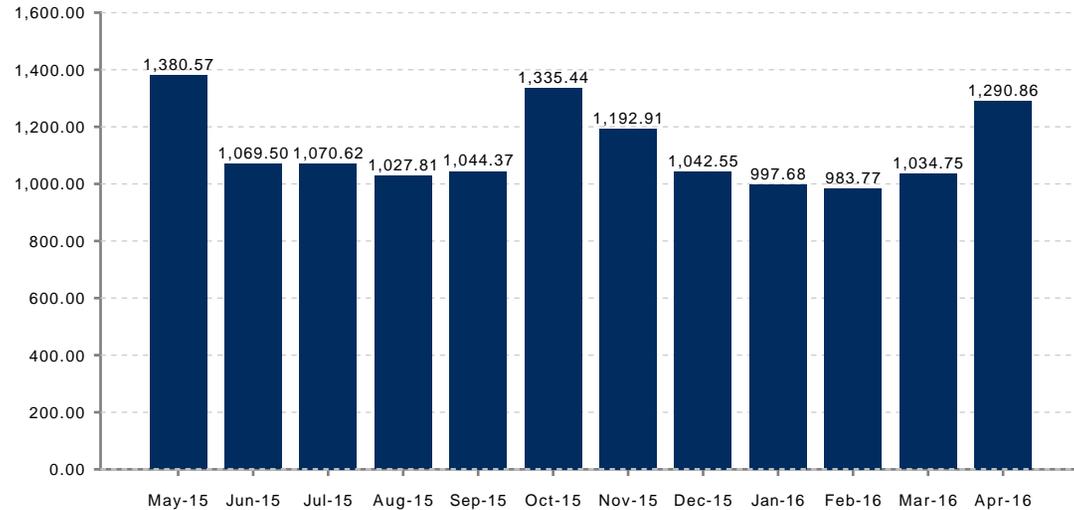
POOL 5 LGIP	0.37	0.38	0.12
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Asset Allocation

Ending Market Value	1,290,860,392
POOL 5 LGIP	



Net Asset Values over Time (\$MM)

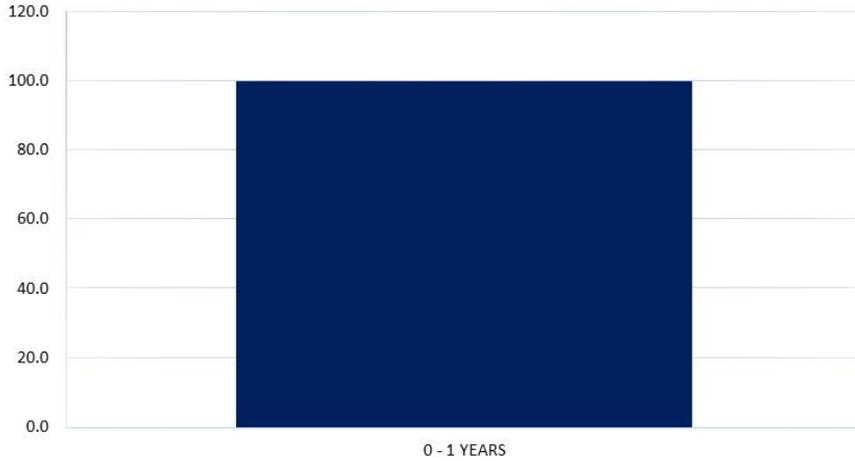


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 5 LGIP		
WELLS FARGO REPO	150,003,500	11.62
WELLS FARGO REPO	100,001,667	7.75
BANK OF AMERICA REPO	100,001,389	7.75
RBC CAPITAL MARKETS REPO	90,180,184	6.99
GENERAL ELECTRIC CO	39,971,644	3.10
NESTLE CAP CORP	29,995,967	2.32
STARBIRD FDG. CORP	29,952,725	2.32
NORTHWESTERN UNIVERS	25,819,565	2.00
EXXON MOBIL CORP	24,999,528	1.94
PRAXAIR INC	24,996,042	1.94



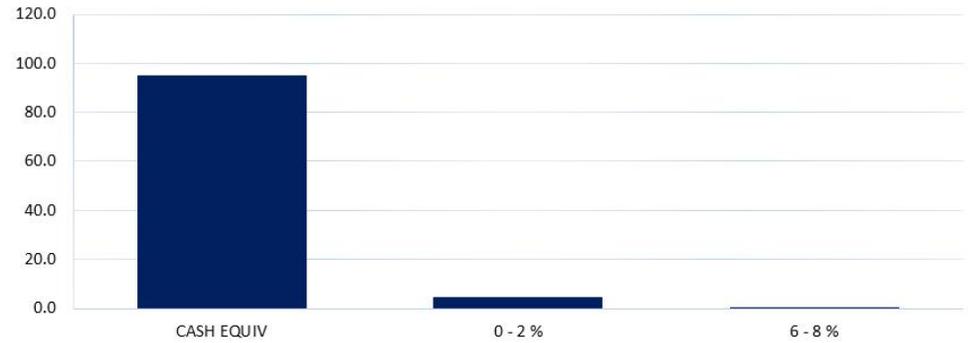
Duration Distribution



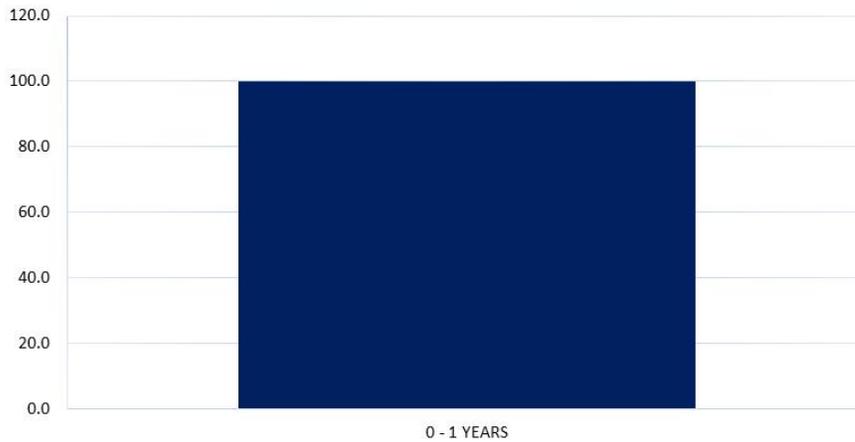
Portfolio Level Characteristics

	POOL 5 LGIP
Weighted Average Life	0.07
Coupon	0.04
Effective Duration	0.07
Quality Rating (Moody's)	AAA

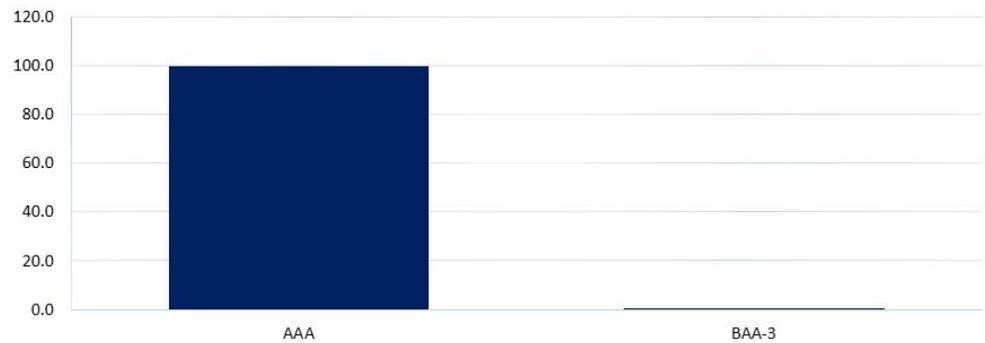
Coupon Distribution



Expected Maturity Distribution

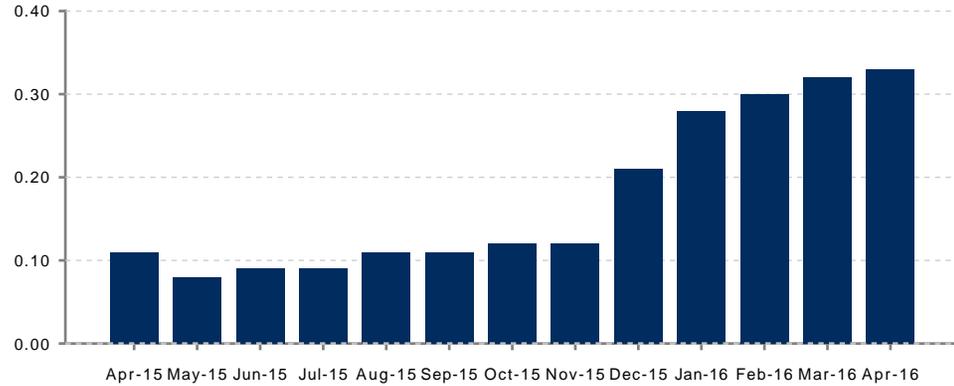


Rating Distribution





Net Yield



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

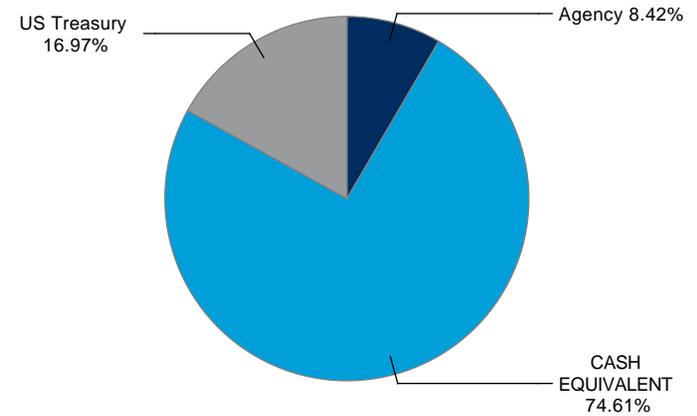
POOL 7 LGIP FF&C	0.33	0.32	0.11
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Asset Allocation

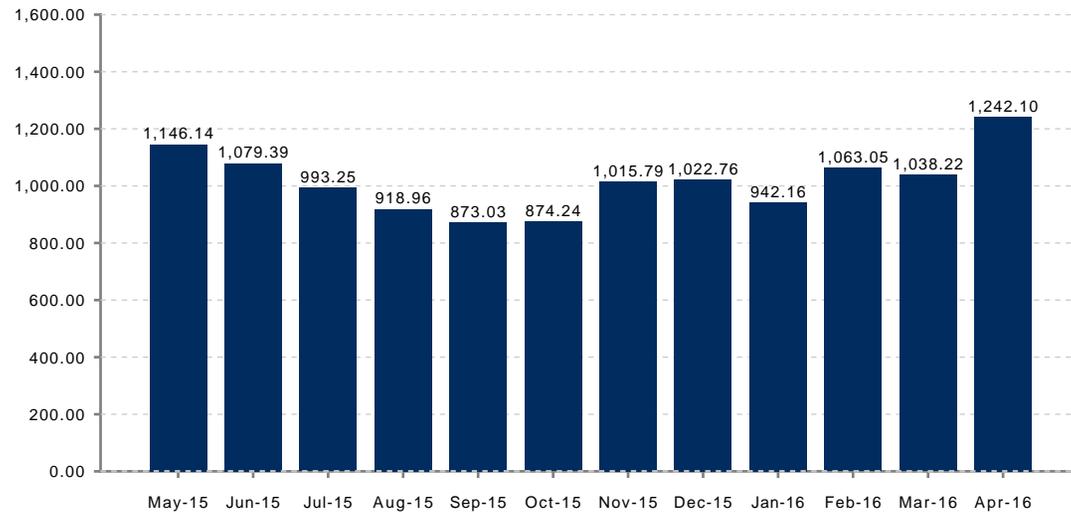
POOL 7 LGIP FF&C

Ending Market Value

1,242,099,546



Net Asset Values over Time (\$MM)

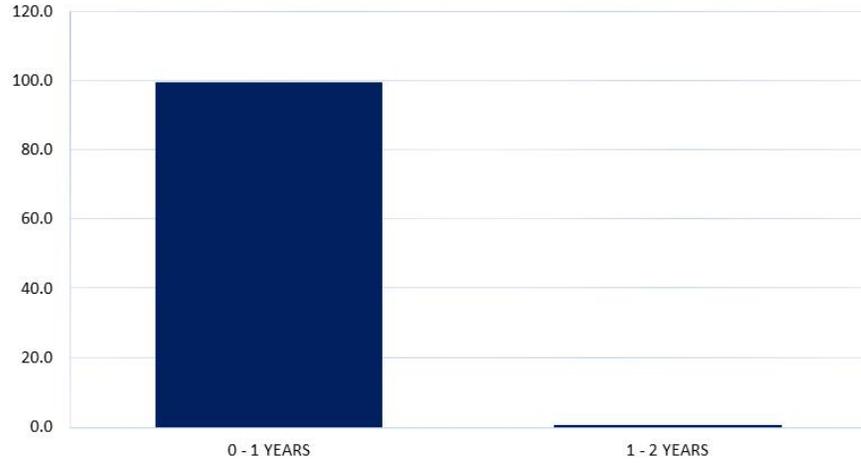


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 7 LGIP FF&C		
SOUTH STREET REPO	275,004,431	22.14
WELLS FARGO REPO	150,003,500	12.08
GUGGENHEIM SECURITIES REPO	100,001,833	8.05
GUGGENHEIM SECURITIES REPO	100,001,833	8.05
ALLIANCE BANK OF ARIZONA MONEY	79,219,377	6.38
TREASURY BILL	69,919,455	5.63
US TREASURY FRN	40,041,755	3.22
TREASURY BILL	39,943,128	3.22
TREASURY BILL	39,935,458	3.22
TREASURY BILL	39,833,800	3.21



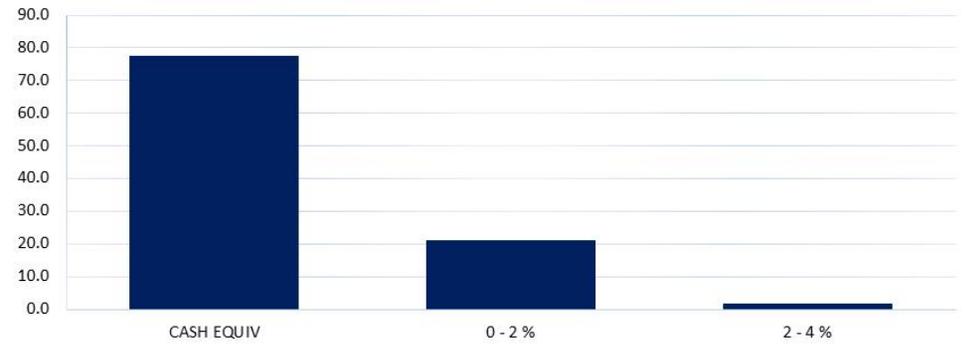
Duration Distribution



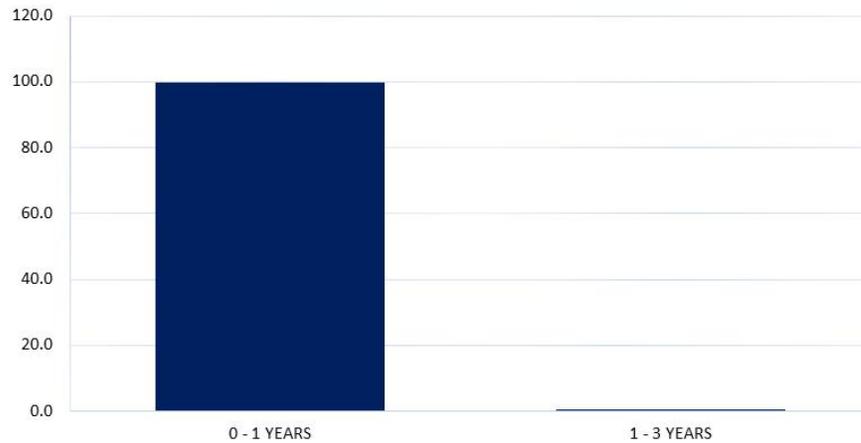
Portfolio Level Characteristics

	POOL 7 LGIP FF&C
Weighted Average Life	0.19
Coupon	0.27
Effective Duration	0.18
Quality Rating (Moody's)	AAA

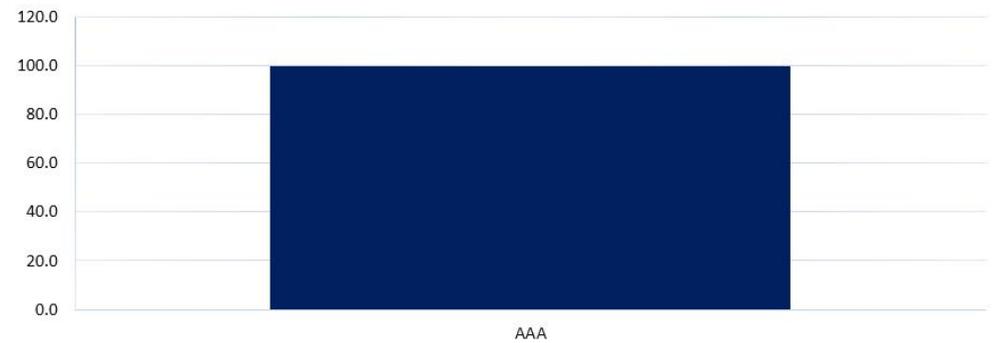
Coupon Distribution



Expected Maturity Distribution



Rating Distribution





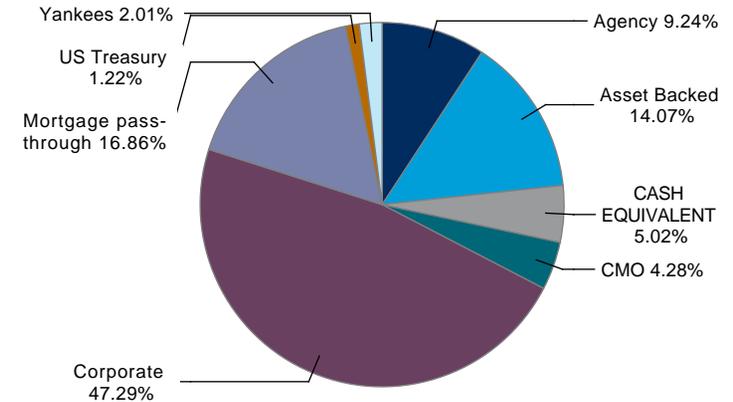
Net Yield



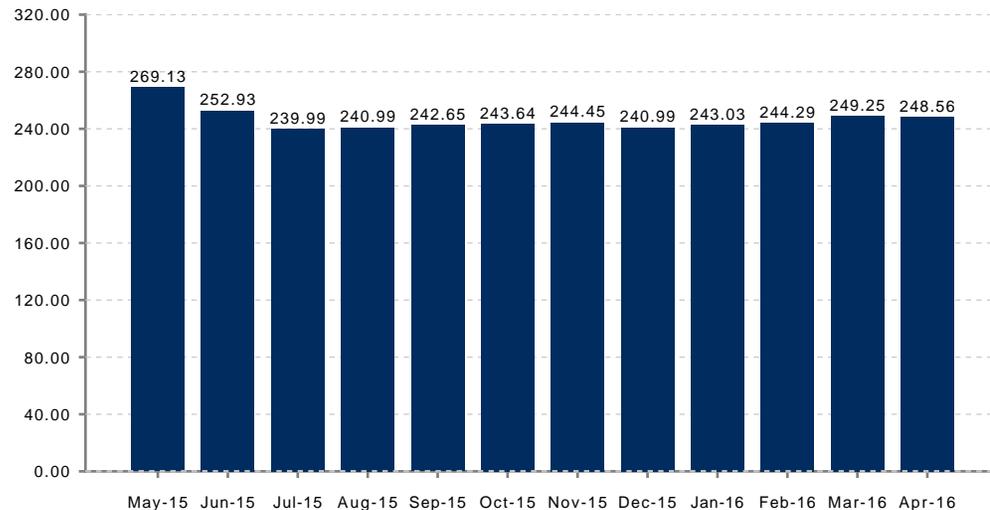
	Current Mth	Prior Mth	1 Year Ago
POOL 500 LGIP MED	1.34	1.58	1.16

Asset Allocation

	Ending Market Value
POOL 500 LGIP MED	248,561,523



Net Asset Values over Time (\$MM)

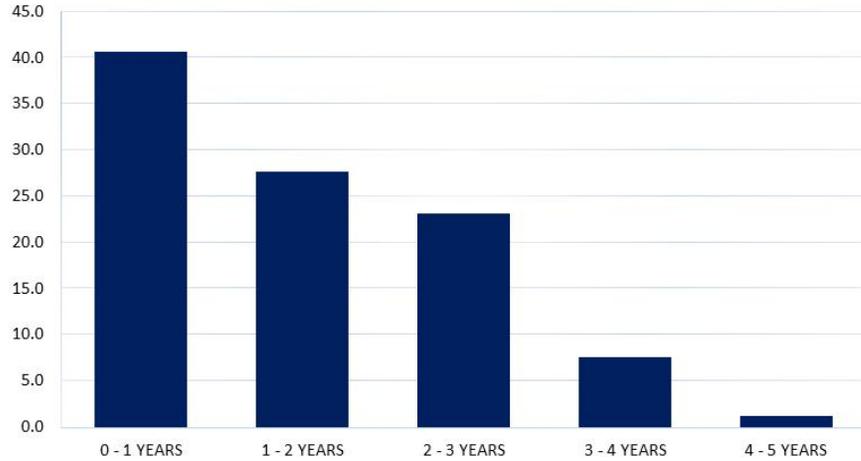


Top 10 Holdings

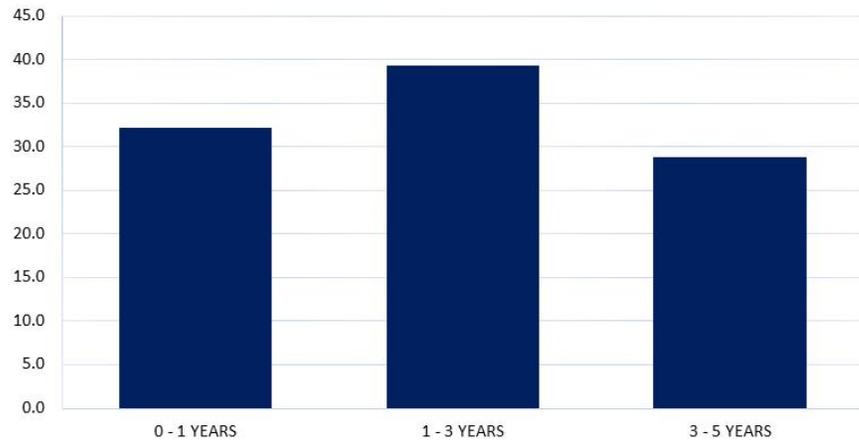
Security Name	Ending Market Value	% of Portfolio
POOL 500 LGIP MED		
FNMA POOL AB5991	8,790,832	3.54
DAIWA CAPITAL MARKETS REPO	7,000,117	2.82
MERCK + CO INC	5,507,436	2.22
MICROSOFT CORP	5,125,896	2.06
ELI LILLY + CO	5,044,475	2.03
CHEVRON CORP	5,032,123	2.02
FREDDIE MAC	5,012,482	2.02
NISSAN MOTOR ACCEPTANCE	5,005,748	2.01
FORD CREDIT FLOORPLAN MASTER O	5,003,546	2.01
APPLE INC	4,957,456	1.99



Duration Distribution



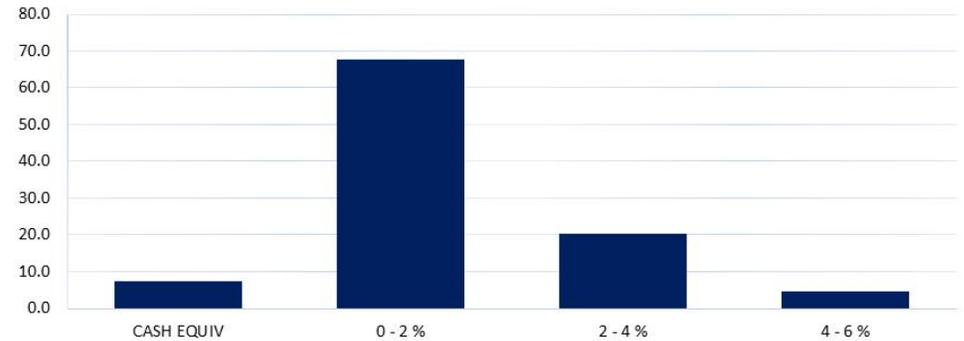
Expected Maturity Distribution



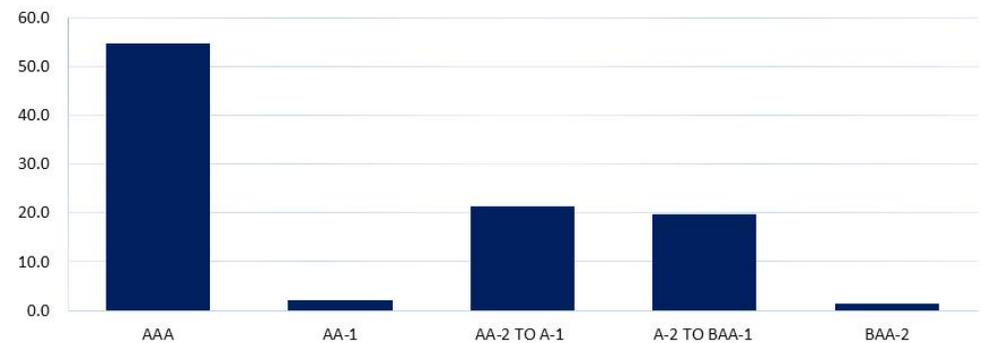
Portfolio Level Characteristics

	POOL 500 LGIP MED
Weighted Average Life	1.99
Coupon	1.77
Effective Duration	1.45
Quality Rating (Moody's)	AA-2

Coupon Distribution

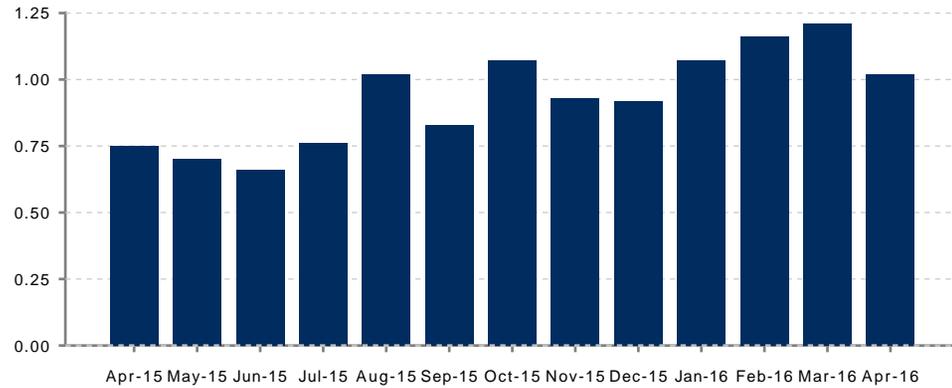


Rating Distribution





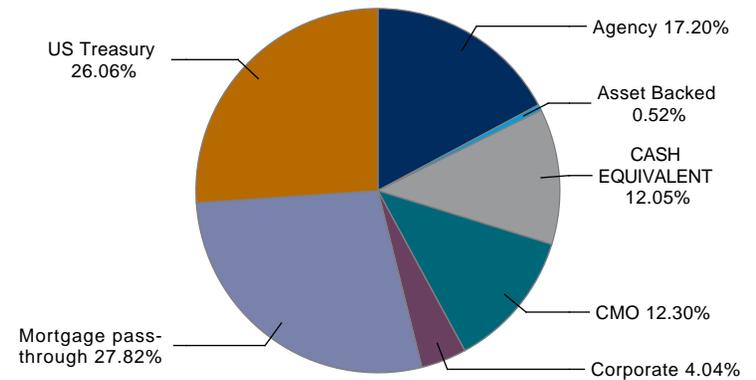
Net Yield



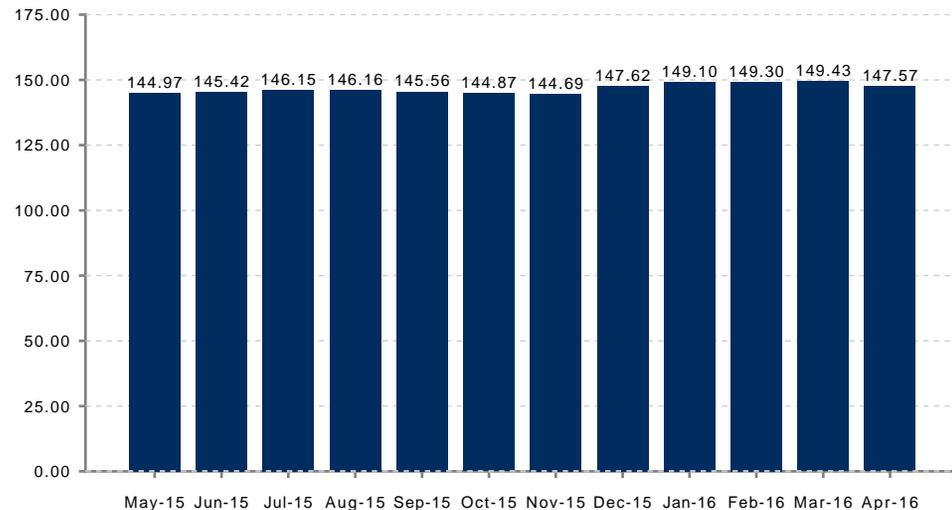
	Current Mth	Prior Mth	1 Year Ago
POOL 700 LGIP MD FF&C	1.02	1.21	0.75

Asset Allocation

	Ending Market Value
POOL 700 LGIP MD FF&C	147,572,649



Net Asset Values over Time (\$MM)

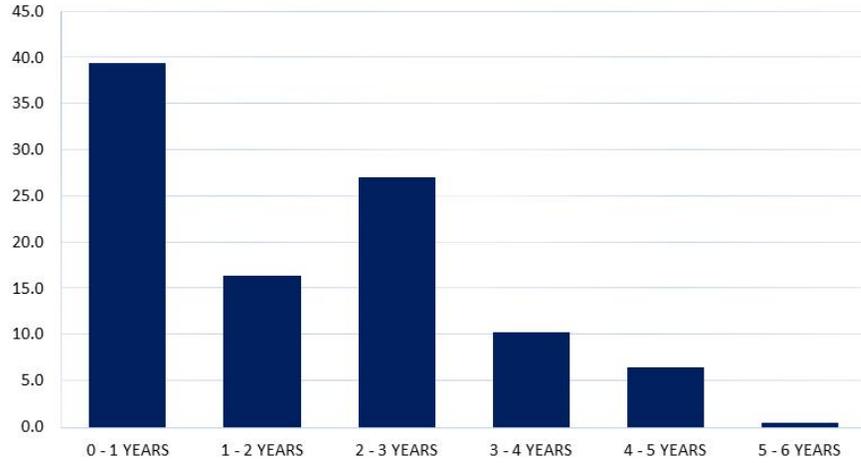


Top 10 Holdings

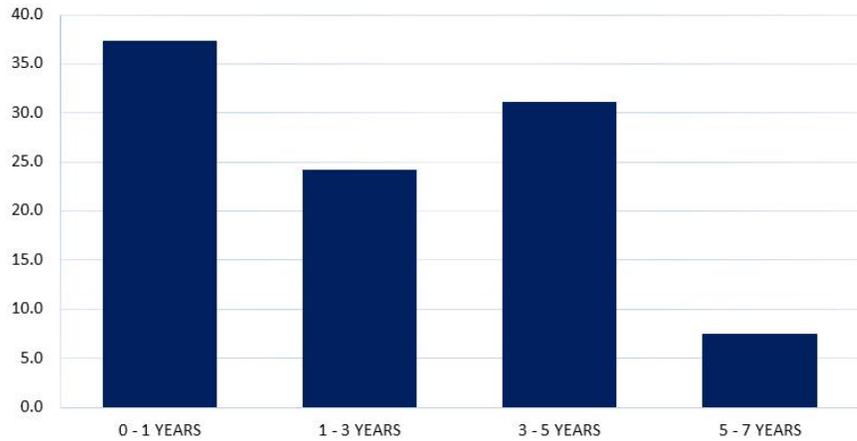
Security Name	Ending Market Value	% of Portfolio
POOL 700 LGIP MD FF&C		
DAIWA CAPITAL MARKETS REPO	16,000,267	10.84
OVERSEAS PRIVATE INV COR	5,208,046	3.53
GNMA II POOL MA0213	5,141,417	3.48
US TREASURY N/B	5,068,707	3.43
US TREASURY N/B	5,021,977	3.40
US TREASURY N/B	5,007,293	3.39
AID ISRAEL	4,985,865	3.38
PRIVATE EXPORT FUNDING	3,565,930	2.42
GNMA II POOL 004849	3,201,641	2.17
GNMA POOL 775134	3,179,005	2.15



Duration Distribution



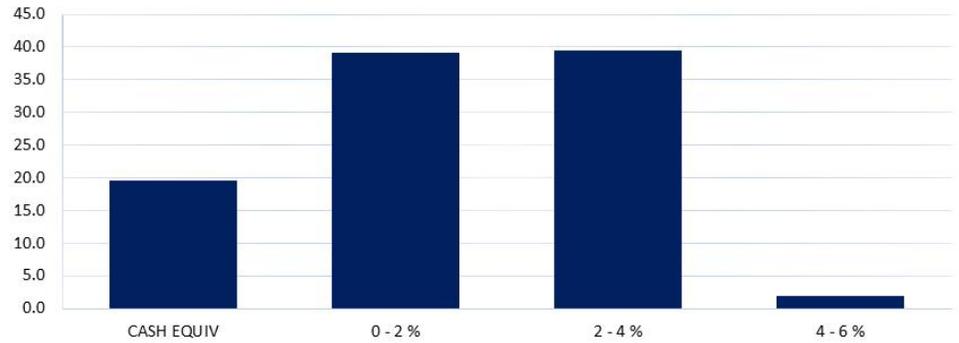
Expected Maturity Distribution



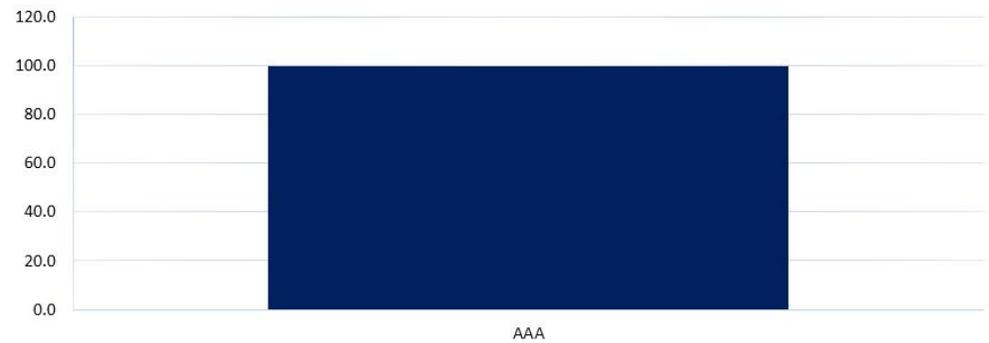
Portfolio Level Characteristics

	POOL 700 LGIP MD FF&C
Weighted Average Life	2.14
Coupon	1.85
Effective Duration	1.70
Quality Rating (Moody's)	AAA

Coupon Distribution



Rating Distribution



**EARNINGS DISTRIBUTED
ENDOWMENT FUNDS
APRIL 2016**

Distributed in Current Month

Recipient	APRIL 2016	Fiscal YTD 15/16	Fiscal YTD 14/15
101 A & M Colleges	\$20,991	\$209,910	\$189,968
102 State Hospital	\$13,015	\$130,153	\$115,344
103 Leg., Exec., & Jud.	\$17,116	\$171,162	\$154,358
104 Military Institute	\$1,166	\$11,657	\$10,653
105 Miners Hospital	\$39,311	\$393,105	\$324,148
107 Normal School ASU/NAU	\$7,749	\$77,488	\$68,389
108 Penitentiaries	\$27,365	\$273,654	\$235,380
109 Permanent Common School	\$7,265,434	\$72,654,344	\$63,320,354
110 School for Deaf & Blind	\$10,929	\$109,286	\$96,917
111 School of Mines	\$23,731	\$237,307	\$214,995
112 State Charitable-Pioneers Home	\$115,161	\$1,151,610	\$1,039,405
112 State Charitable-Corrections	\$57,581	\$575,805	\$519,703
112 State Charitable-Youth Treatment	\$57,581	\$575,805	\$519,703
113 University Fund	\$40,307	\$403,069	\$357,522
114 U of A Land - 1881	\$116,795	\$1,167,946	\$941,021
Total	\$7,814,230	\$78,142,302	\$68,107,859

NET REALIZED CAPITAL GAINS / LOSSES - ENDOWMENT FUNDS

Endowment Fund	Apr-16 NET GAIN(LOSS)	Apr-15 NET GAIN(LOSS)
----- Fixed Income Pool	382,737	(303,795)
500 Large-Cap Fund	485,330	(457,198)
400 Mid-Cap Fund	8,808,426	3,425,669
600 Small-Cap Fund	4,023,948	195,749
Totals	13,700,441	2,860,426
	=====	=====

Endowment Fund	2015/2016 FISCAL YEAR TO DATE GAINS(LOSSES)	2014/ 2015 FISCAL YEAR TO DATE GAINS(LOSSES)
----- Fixed Income Pool	(1,412,518)	(2,166,396)
500 Large-Cap Fund	16,389,068	30,075,941
400 Mid-Cap Fund	41,700,490	51,701,543
600 Small-Cap Fund	32,387,250	22,017,930
Totals	89,064,290	101,629,019
	=====	=====

**ENDOWMENT FUNDS FIXED-INCOME POOL
PURCHASES & SALES
APRIL 2016**

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I. Endowment Funds Purchases

<u>SECURITY DESCRIPTION</u>	<u>RATE</u>	<u>MATURITY</u>	<u>*WAL YEARS</u>	<u>PAR VALUE</u>	<u>PURCHASE COST</u>	<u>YIELD</u>	<u>MOODY'S / S&P RATING</u>
FHR MTG	3.00	6/15/2043	3.67	\$5,000,000	\$5,180,414	2.02%	Aaa/AA+
FNMA MTG	3.00	8/25/2027	5.95	\$6,932,672	\$7,319,854	2.00%	Aaa/AA+
FNMA MTG	3.50	5/1/2045	5.15	\$6,366,367	\$6,740,855	2.22%	Aaa/AA+

TOTAL ENDOWMENT FUNDS PURCHASES

\$18,299,039

\$19,241,124

II. Endowment Funds Sales

<u>SECURITY DESCRIPTION</u>	<u>RATE</u>	<u>MATURITY</u>	<u>PAR VALUE</u>	<u>AMORTIZED COST/PROCEEDS</u>	<u>SALES GAINS/(LOSSES)</u>	<u>MOODY'S / S&P RATING</u>
FHLB	5.00	11/17/2017	\$5,000,000	\$5,438,794	282,997	Aaa/AA+

TOTAL ENDOWMENT FUNDS SALES

\$5,000,000

\$5,438,794

\$282,997

*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.

**EQUITY FUNDS
PURCHASES & SALES
APRIL 2016**

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I. Equity Fund Purchases

	<u>SHARES</u>	<u>PURCHASE COST</u>	<u>COMMISSIONS</u>
400 Mid-Cap Fund	338,983	\$11,275,608	\$2,179
500 Large-Cap Fund	67,713	\$5,206,416	\$238
600 Small-Cap Fund	221,634	\$4,436,719	\$1,310
TOTAL EQUITY PURCHASES	628,330	\$20,918,743	\$3,727

II. Equity Funds Sales

	<u>SHARES</u>	<u>SALES AMOUNT</u>	<u>COMMISSIONS</u>
400 Mid-Cap Fund	395,801	\$13,979,996	\$2,699
500 Large-Cap Fund	34,980	\$1,607,097	\$100
600 Small-Cap Fund	64,084	\$3,731,639	\$280
TOTAL EQUITY SALES	494,865	\$19,318,732	\$3,078

**ENDOWMENT FUNDS
INVESTMENTS OUTSTANDING**

APRIL 30, 2016
(In Thousands)

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FUND	NAME OF FUND	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	UNREALIZED GAINS (LOSSES)	Mkt Value/ Book Value
101	A & M Colleges					
	<i>Shares in Equity Pools</i>	478	3,364	7,929	4,565	
	<i>Shares in Fixed Income Pools</i>	4,317	3,020	4,746	1,726	
	Total	4,796	6,384	12,675	6,290	1.985
102	State Hospital					
	<i>Shares in Equity Pools</i>	321	2,356	5,327	2,971	
	<i>Shares in Fixed Income Pools</i>	2,791	2,083	3,068	985	
	Total	3,113	4,440	8,396	3,956	1.891
103	Leg., Exec, & Jud					
	<i>Shares in Equity Pools</i>	385	2,897	6,389	3,492	
	<i>Shares in Fixed Income Pools</i>	3,703	2,591	4,070	1,479	
	Total	4,088	5,488	10,459	4,971	1.906
104	Military Institute					
	<i>Shares in Equity Pools</i>	25	183	416	233	
	<i>Shares in Fixed Income Pools</i>	247	164	271	107	
	Total	272	346	687	340	1.982
105	Miners Hospital					
	<i>Shares in Equity Pools</i>	1,104	9,776	18,298	8,522	
	<i>Shares in Fixed Income Pools</i>	9,714	8,285	10,678	2,393	
	Total	10,818	18,061	28,976	10,915	1.604
107	Normal School ASU/NAU					
	<i>Shares in Equity Pools</i>	197	1,582	3,274	1,692	
	<i>Shares in Fixed Income Pools</i>	1,812	1,373	1,992	619	
	Total	2,010	2,955	5,266	2,312	1.782
108	Penitentiaries					
	<i>Shares in Equity Pools</i>	750	6,355	12,433	6,078	
	<i>Shares in Fixed Income Pools</i>	6,825	5,527	7,502	1,975	
	Total	7,575	11,882	19,935	8,053	1.678

**ENDOWMENT FUNDS
INVESTMENTS OUTSTANDING**

APRIL 30, 2016
(In Thousands)

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NAME OF FUND	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	UNREALIZED GAINS (LOSSES)	Mkt Value/ Book Value
109 Permanent Common School					
<i>Shares in Equity Pools</i>	183,632	1,469,095	3,044,570	1,575,475	
<i>Shares in Fixed Income Pools</i>	1,643,932	1,309,748	1,806,967	497,220	
Total	1,827,565	2,778,843	4,851,538	2,072,694	1.746
110 School for Deaf & Blind					
<i>Shares in Equity Pools</i>	254	1,917	4,218	2,302	
<i>Shares in Fixed Income Pools</i>	2,377	1,699	2,612	914	
Total	2,631	3,616	6,831	3,215	1.889
111 School of Mines					
<i>Shares in Equity Pools</i>	537	4,025	8,903	4,879	
<i>Shares in Fixed Income Pools</i>	4,975	3,616	5,468	1,852	
Total	5,512	7,641	14,371	6,731	1.881
112 State Charitable					
<i>Shares in Equity Pools</i>	5,426	40,877	89,964	49,087	
<i>Shares in Fixed Income Pools</i>	47,622	37,109	52,344	15,236	
Total	53,048	77,986	142,309	64,323	1.825
113 University Fund					
<i>Shares in Equity Pools</i>	977	7,738	16,194	8,456	
<i>Shares in Fixed Income Pools</i>	9,054	6,766	9,952	3,186	
Total	10,030	14,503	26,146	11,642	1.803
114 U Of A Land - 1881					
<i>Shares in Equity Pools</i>	3,370	31,062	55,869	24,807	
<i>Shares in Fixed Income Pools</i>	30,877	25,783	33,940	8,157	
Total	34,247	56,845	89,809	32,964	1.580
TOTALS - ALL FUNDS					
<i>Shares in Equity Pools</i>	197,457	1,581,228	3,273,786	1,692,558	
<i>Shares in Fixed Income Pools</i>	1,768,247	1,407,763	1,943,610	535,847	
Grand Total	1,965,704	2,988,991	5,217,396	2,228,405	
PRIOR YEAR:					
APRIL 2015 BALANCES	1,959,947	2,955,515	5,139,746	2,184,231	

**ENDOWMENT FUNDS
INVESTMENTS OUTSTANDING**
APRIL 30, 2016

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ASSET ALLOCATION PERCENTAGE

	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	APRIL 2015 MARKET VALUE
<i>Shares in Equity Pools</i>	10.05%	52.90%	62.75%	63.19%
<i>Shares in Fixed Income Pools</i>	89.95%	47.10%	37.25%	36.81%
	-----	-----	-----	-----
Total	100.00%	100.00%	100.00%	100.00%
	=====	=====	=====	=====



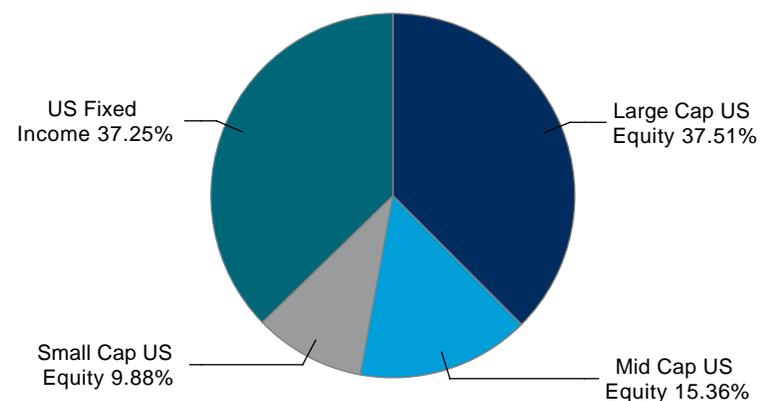
Performance



	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Incept Date
TOTAL ENDOWMENT	0.58	5.87	2.80	1.25	7.31	7.71	6.05	07/99
TOTAL ENDOWMENT CUSTOM INDEX	0.61	6.12	3.11	1.34	7.62	8.06	6.24	07/99
Excess	-0.04	-0.26	-0.31	-0.09	-0.31	-0.36	-0.19	

Asset Allocation

	Ending Market Value
TOTAL ENDOWMENT	5,217,396,146

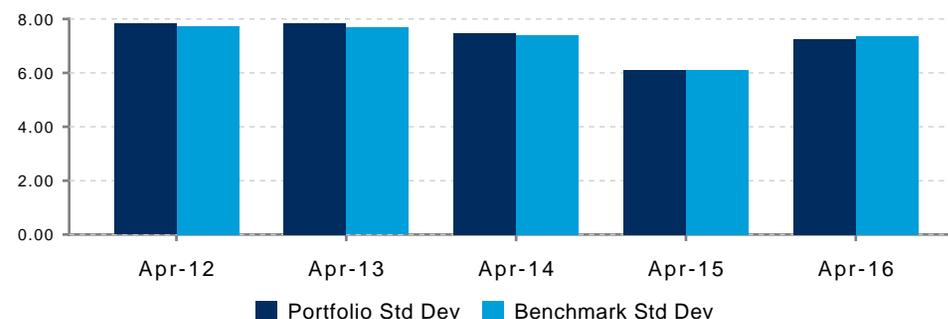


Ending Market Value



3 Year Risk Statistics

	Return	Portfolio Std Dev	Benchmark Std Dev	Sharpe Ratio	Beta	Tracking Error	Information Ratio
TOTAL ENDOWMENT	7.31	7.26	7.37	1.00	0.98	0.31	-1.00



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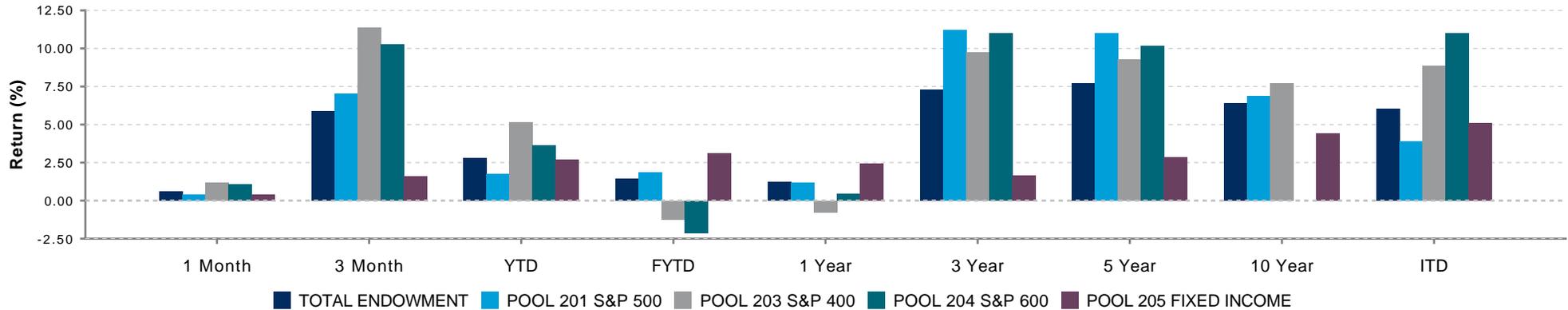
April 30, 2016

Total Returns Net Mgr



STATE STREET

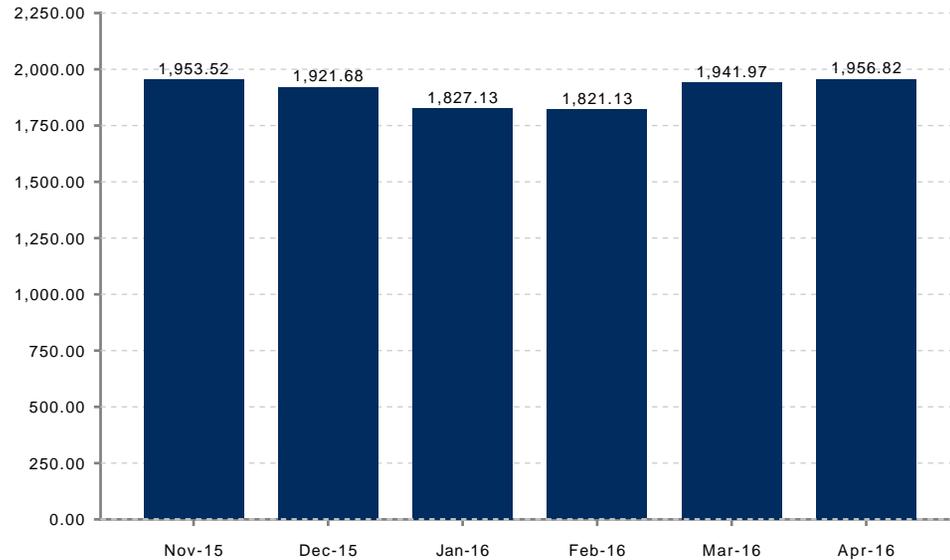
Return Comparison



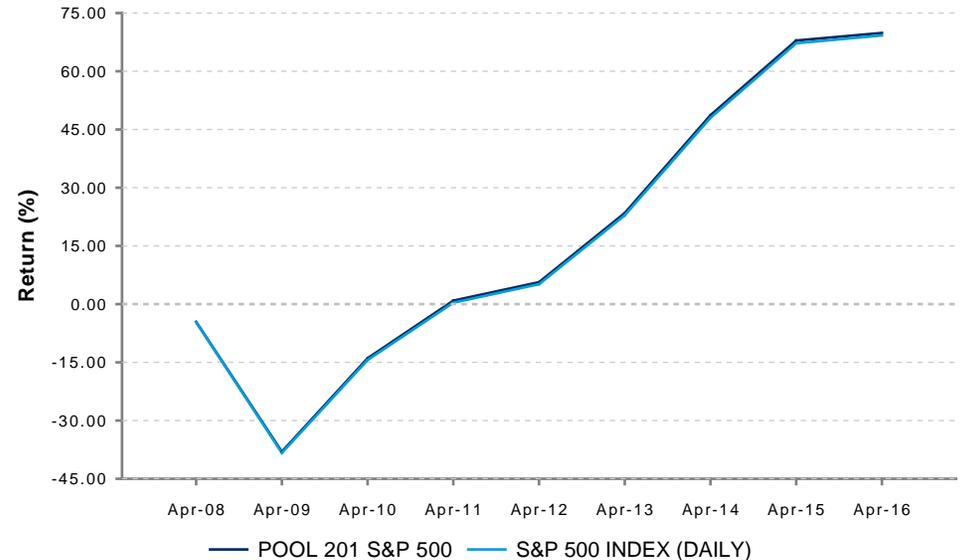
	Market Value	Actual Weight	1 Mth	3 Mth	YTD	FYTD	1 Year	3 Year	5 Year	10 Year	ITD	Inc Date
TOTAL ENDOWMENT	5,217,396,146	100.00	0.58	5.87	2.80	1.42	1.25	7.31	7.71	6.41	6.05	Jul-01-99
TOTAL ENDOWMENT CUSTOM INDEX			0.61	6.12	3.11	1.77	1.34	7.62	8.06	6.69	6.24	Jul-01-99
Excess			-0.04	-0.26	-0.31	-0.35	-0.09	-0.31	-0.36	-0.28	-0.19	
POOL 201 S&P 500	1,956,821,814	37.51	0.39	7.04	1.75	1.86	1.16	11.22	10.98	6.88	3.88	Jul-01-99
S&P 500 INDEX (DAILY)			0.39	7.05	1.74	1.89	1.21	11.26	11.02	6.91	4.42	Jul-01-99
Excess			-0.00	-0.01	0.01	-0.03	-0.04	-0.04	-0.03	-0.02	-0.54	
POOL 203 S&P 400	801,296,936	15.36	1.20	11.36	5.14	-1.23	-0.77	9.73	9.28	7.69	8.87	Aug-01-01
S&P 400 MIDCAP INDEX (DAILY)			1.22	11.39	5.06	-1.37	-0.94	9.67	9.20	7.76	8.87	Aug-01-01
Excess			-0.03	-0.03	0.09	0.14	0.17	0.05	0.08	-0.07	-0.01	
POOL 204 S&P 600	515,666,989	9.88	1.09	10.29	3.64	-2.14	0.42	10.98	10.16		10.98	Mar-01-11
S&P SM 600 TR			1.17	10.69	3.86	-2.25	0.26	10.91	10.10		10.94	Mar-01-11
Excess			-0.08	-0.40	-0.22	0.12	0.16	0.07	0.06		0.04	
POOL 205 FIXED INCOME	1,943,610,406	37.25	0.37	1.59	2.71	3.10	2.43	1.67	2.85	4.42	5.07	Jul-01-99
CITIGROUP BIG (DAILY)			0.44	2.13	3.49	4.10	2.72	2.29	3.61	5.05	5.41	Jul-01-99
Excess			-0.07	-0.53	-0.79	-1.00	-0.29	-0.63	-0.76	-0.63	-0.34	



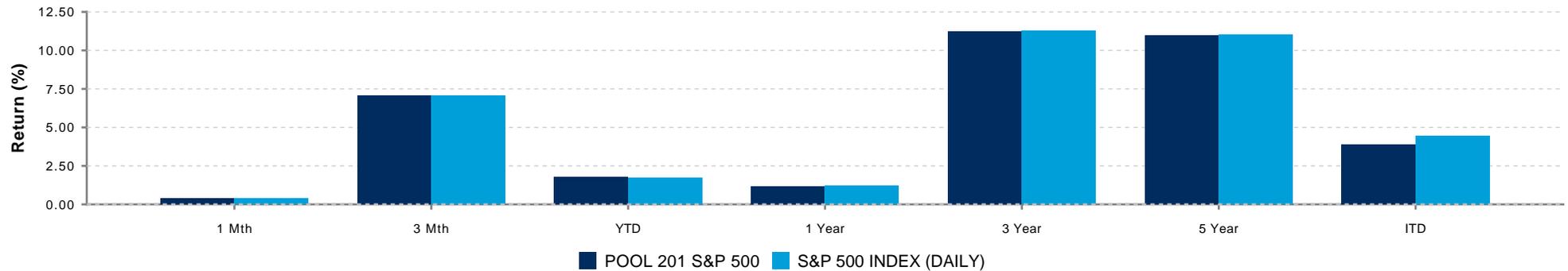
Net Asset Values over Time (\$MM)



Cumulative Return (%)



Rates of Return



	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Apr 30 2016	Apr 30 2015	Apr 30 2014
POOL 201 S&P 500	0.39	7.04	1.75	1.16	11.22	10.98	3.88	1.16	12.96	20.40
S&P 500 INDEX (DAILY)	0.39	7.05	1.74	1.21	11.26	11.02	4.42	1.21	12.98	20.44
Excess	-0.00	-0.01	0.01	-0.04	-0.04	-0.03	-0.54	-0.04	-0.02	-0.04

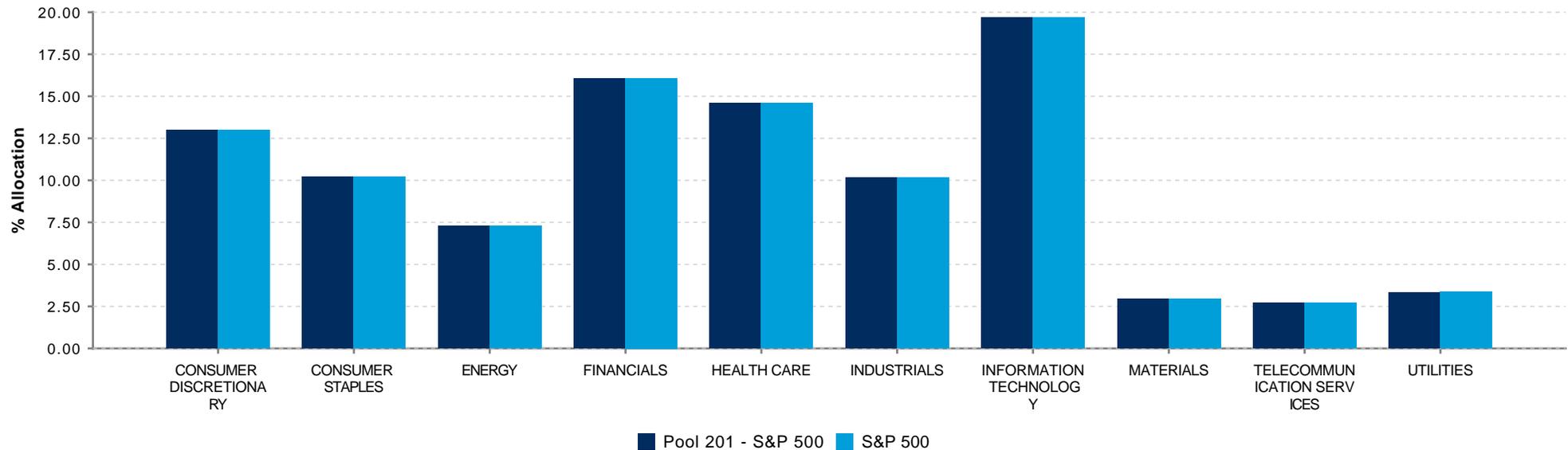
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POOL 201 S&P 500
Sector Allocation vs S&P 500



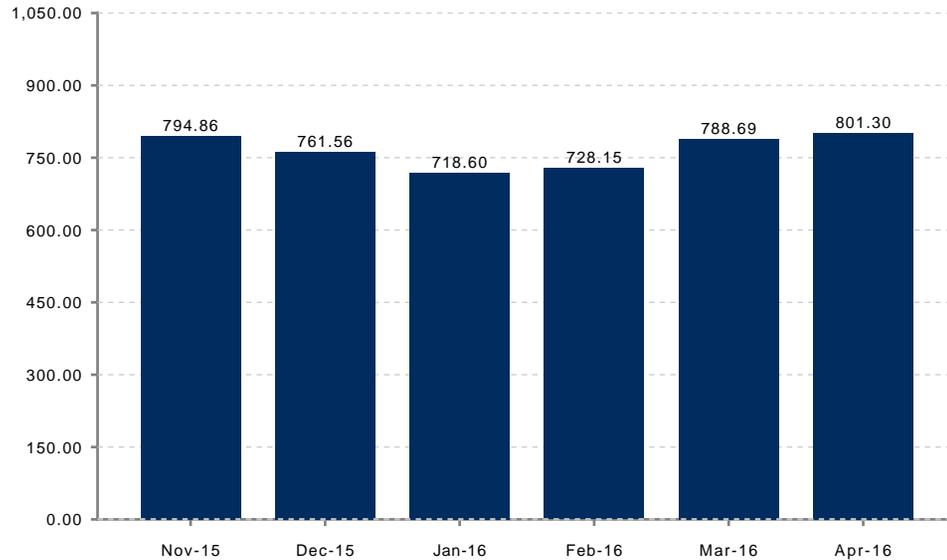
STATE STREET



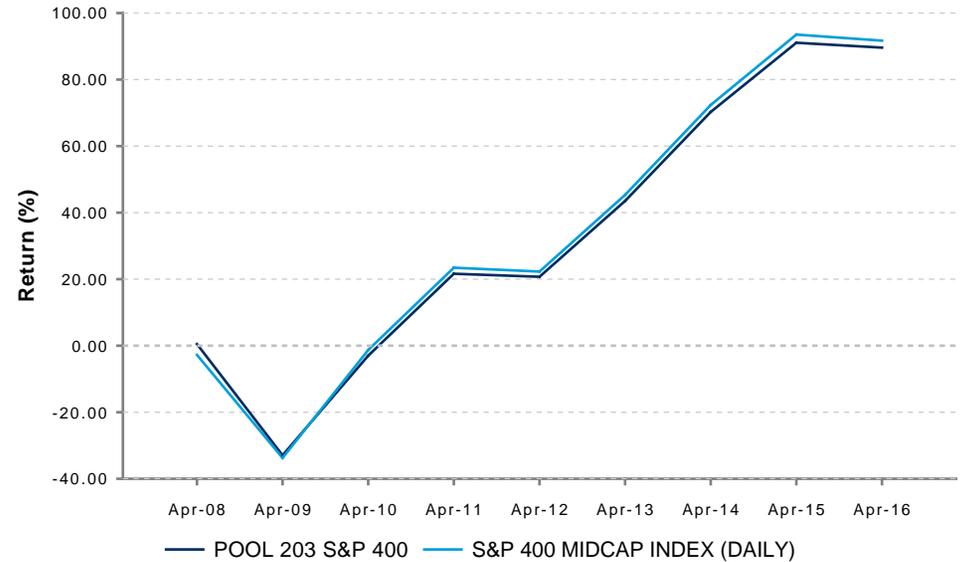
	Fund Weight	Benchmark Weight	Relative Weight
POOL 201 S&P 500	100.00	100.00	0.00
CONSUMER DISCRETIONARY	12.89	12.90	-0.01
CONSUMER STAPLES	10.42	10.40	0.02
ENERGY	6.76	6.76	-0.00
FINANCIALS	15.60	15.63	-0.03
HEALTH CARE	14.28	14.28	-0.01
INDUSTRIALS	10.13	10.13	0.00
INFORMATION TECHNOLOGY	20.86	20.83	0.03
MATERIALS	2.83	2.83	0.00
TELECOMMUNICATION SERVICES	2.78	2.79	-0.00
UTILITIES	3.45	3.45	0.00



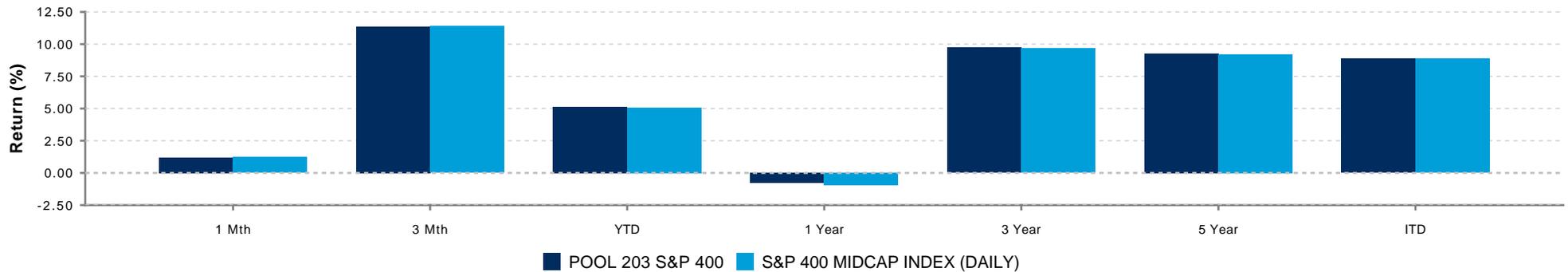
Net Asset Values over Time (\$MM)



Cumulative Return (%)



Rates of Return



	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Apr 30 2016	Apr 30 2015	Apr 30 2014
POOL 203 S&P 400	1.20	11.36	5.14	-0.77	9.73	9.28	8.87	-0.77	12.21	18.65
S&P 400 MIDCAP INDEX (DAILY)	1.22	11.39	5.06	-0.94	9.67	9.20	8.87	-0.94	12.28	18.61
Excess	-0.03	-0.03	0.09	0.17	0.05	0.08	-0.01	0.17	-0.06	0.04

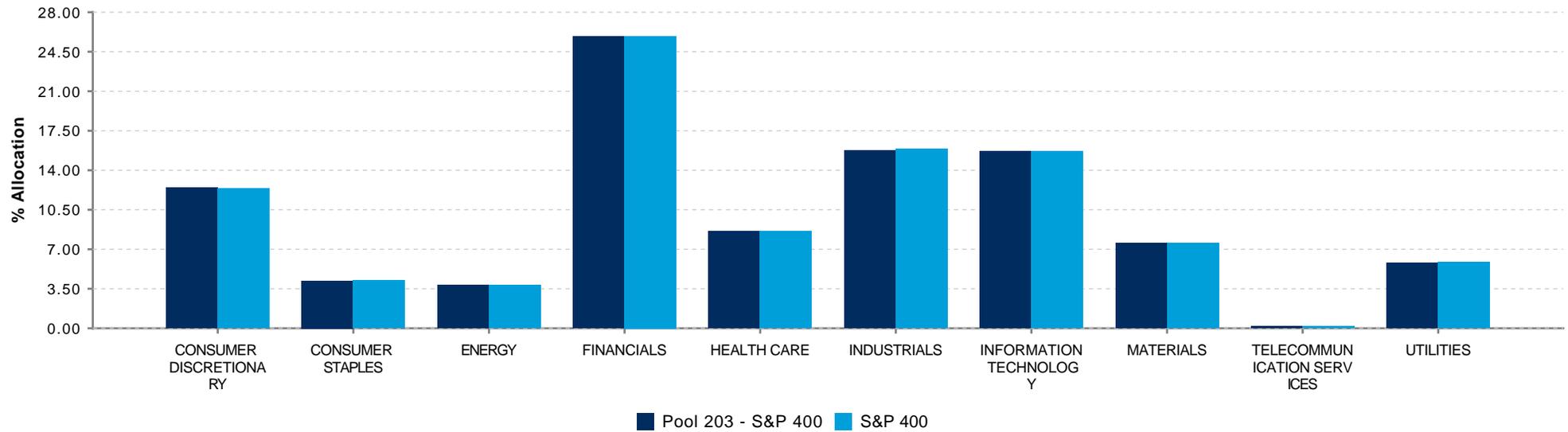
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POOL 203 S&P 400
Sector Allocation vs S&P MID CAP 400



STATE STREET.



	Weight Fund	Weight Benchmark	Weight Relative
POOL 203 S&P 400	100.00	100.00	0.00
CONSUMER DISCRETIONARY	13.70	13.58	0.12
CONSUMER STAPLES	4.18	4.19	-0.01
ENERGY	3.20	3.32	-0.11
FINANCIALS	25.42	25.36	0.07
HEALTH CARE	7.95	8.08	-0.13
INDUSTRIALS	15.48	15.54	-0.06
INFORMATION TECHNOLOGY	16.58	16.49	0.09
MATERIALS	7.22	7.18	0.04
TELECOMMUNICATION SERVICES	0.19	0.19	-0.00
UTILITIES	6.07	6.07	0.00

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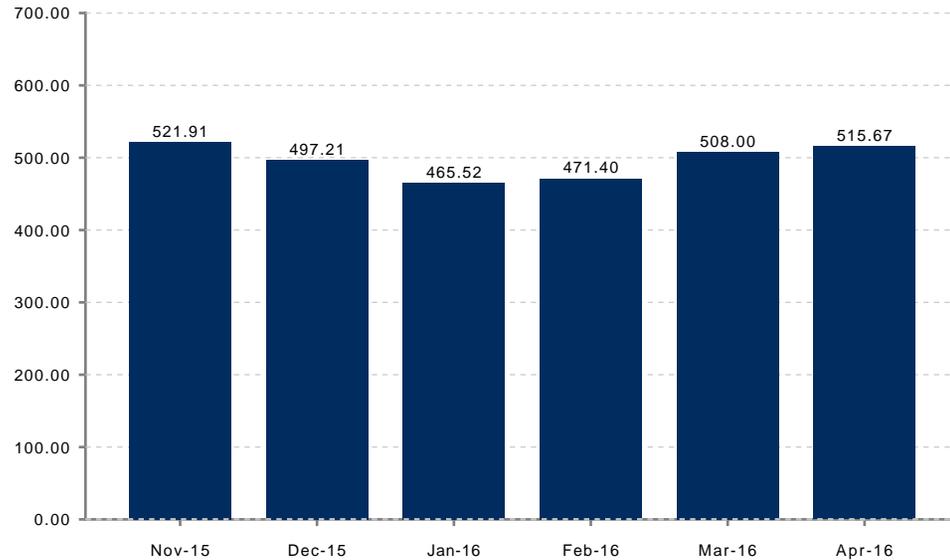
April 30, 2016

POOL 204 S&P 600

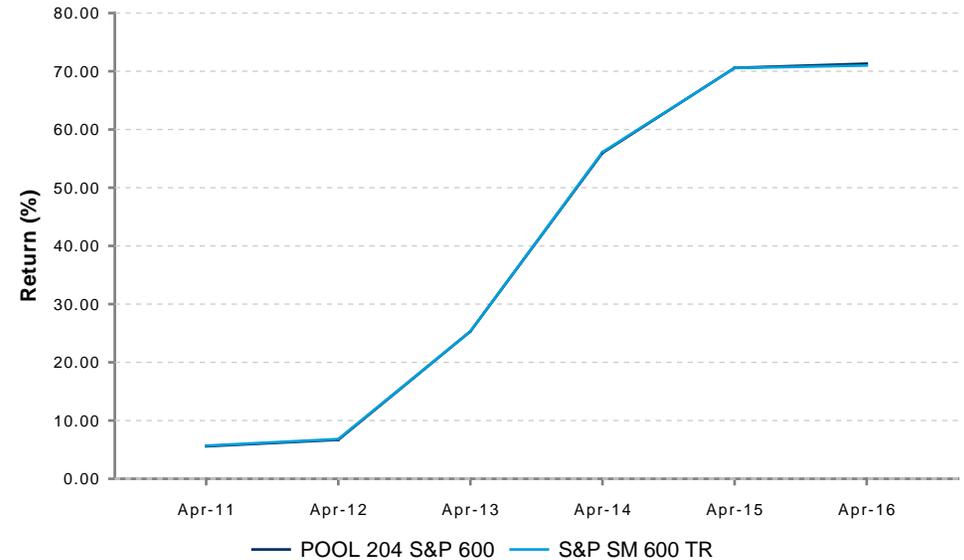


STATE STREET

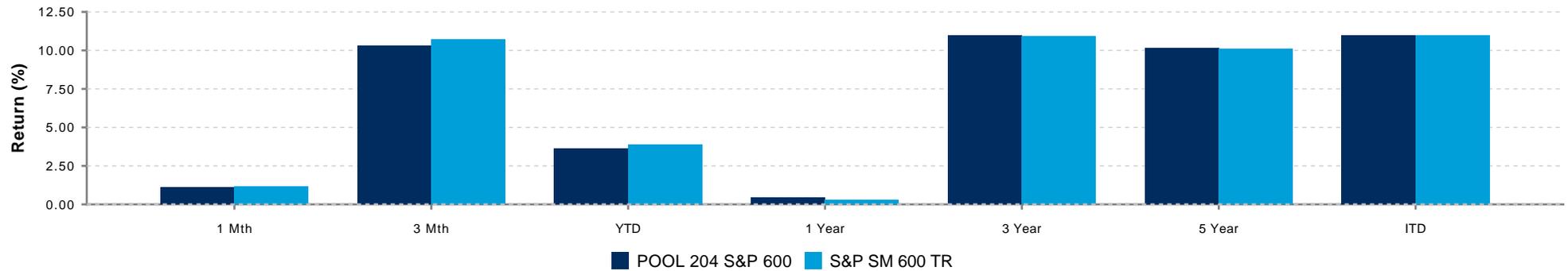
Net Asset Values over Time (\$MM)



Cumulative Return (%)



Rates of Return



	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Apr 30 2016	Apr 30 2015	Apr 30 2014
POOL 204 S&P 600	1.09	10.29	3.64	0.42	10.98	10.16	10.98	0.42	9.37	24.47
S&P SM 600 TR	1.17	10.69	3.86	0.26	10.91	10.10	10.94	0.26	9.24	24.58
Excess	-0.08	-0.40	-0.22	0.16	0.07	0.06	0.04	0.16	0.13	-0.11

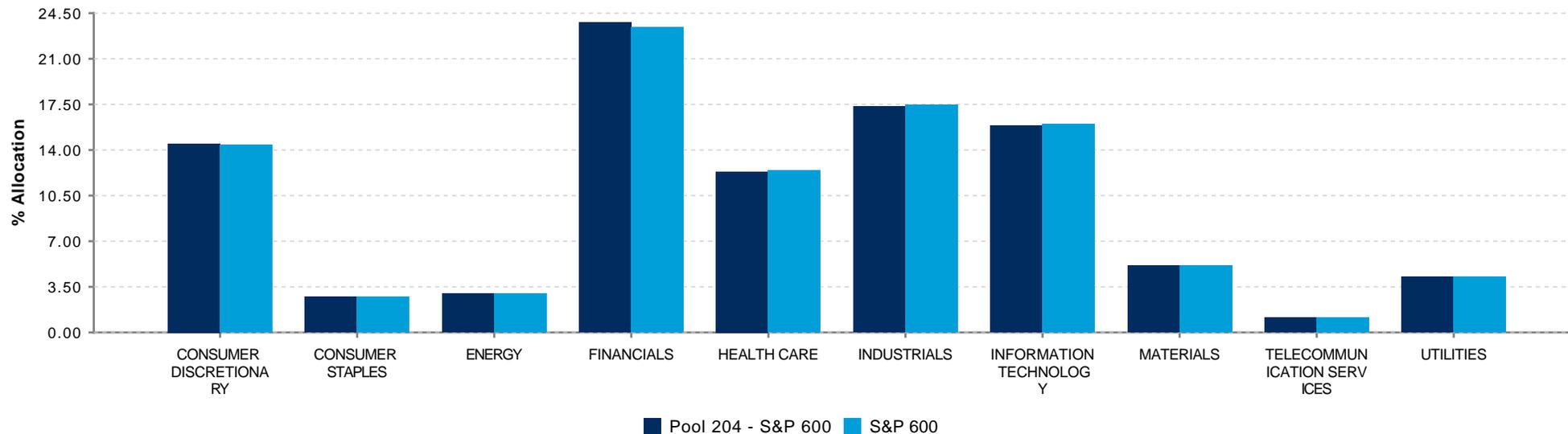
OFFICE OF THE ARIZONA STATE TREASURER

April 30, 2016

POOL 204 S&P 600
Sector Allocation vs S&P SMALLCAP 600



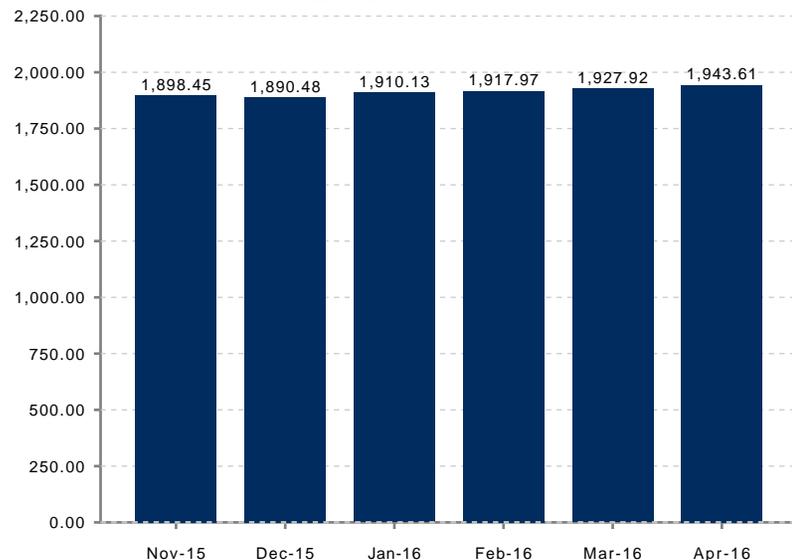
STATE STREET.



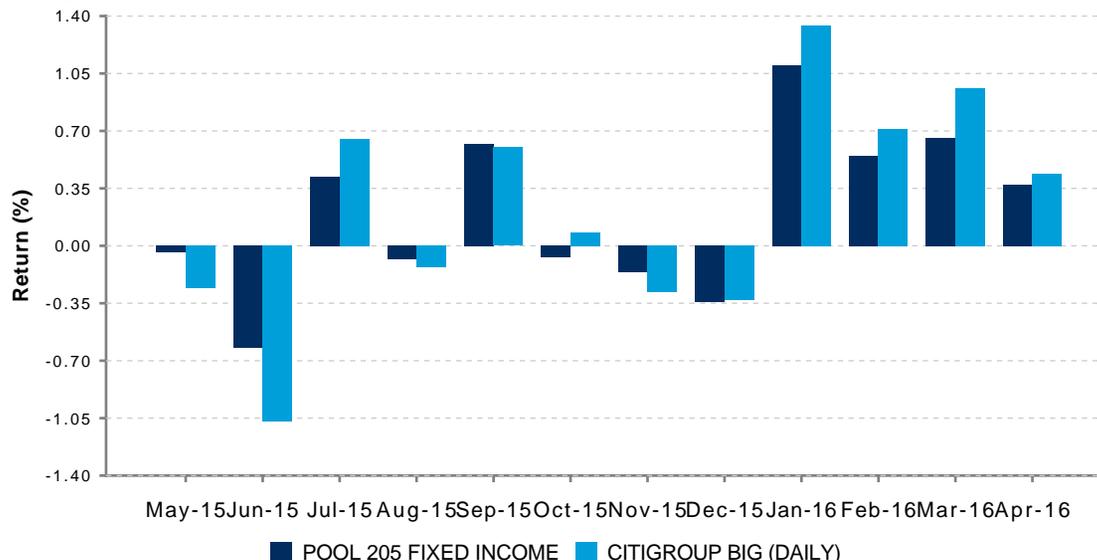
	Weight Fund	Weight Benchmark	Weight Relative
POOL 204 S&P 600	100.00	100.00	0.00
CONSUMER DISCRETIONARY	14.72	14.79	-0.07
CONSUMER STAPLES	2.67	2.67	-0.01
ENERGY	2.63	2.61	0.02
FINANCIALS	22.95	22.86	0.09
HEALTH CARE	12.67	12.44	0.23
INDUSTRIALS	17.40	17.47	-0.08
INFORMATION TECHNOLOGY	16.82	16.96	-0.14
MATERIALS	4.70	4.67	0.03
TELECOMMUNICATION SERVICES	1.15	1.17	-0.02
UTILITIES	4.31	4.36	-0.06



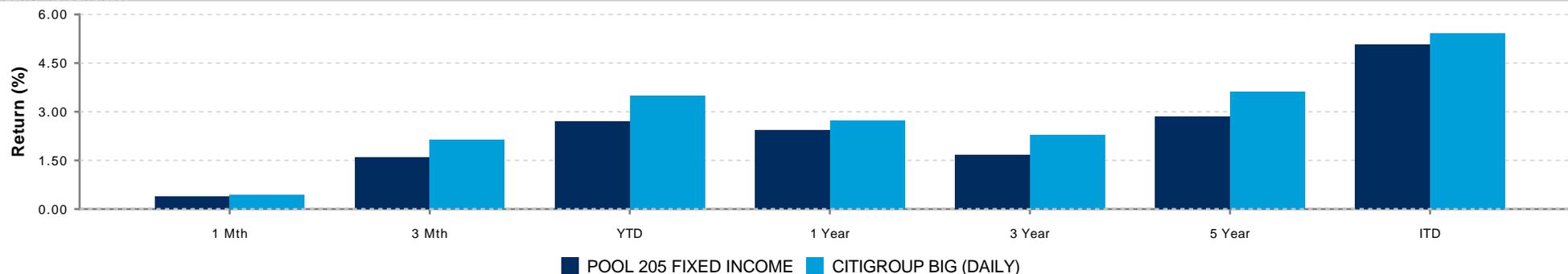
Net Asset Values over Time (\$MM)



Monthly Returns



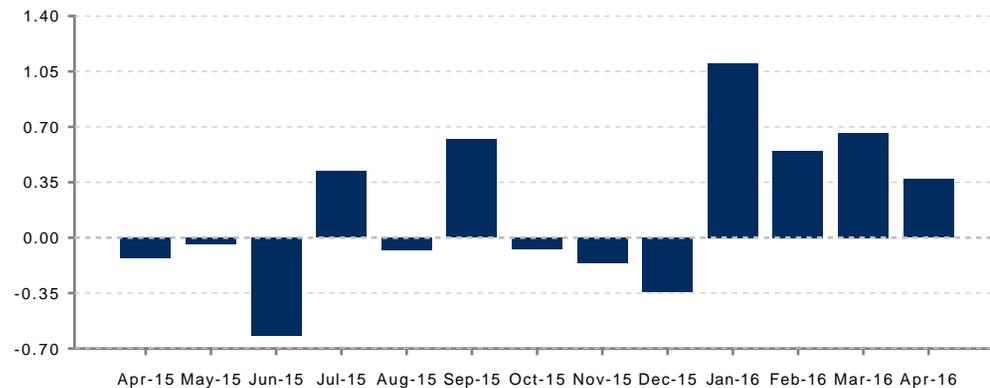
Rates of Return



	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Apr 30 2016	Apr 30 2015	Apr 30 2014
POOL 205 FIXED INCOME	0.37	1.59	2.71	2.43	1.67	2.85	5.07	2.43	3.39	-0.77
CITIGROUP BIG (DAILY)	0.44	2.13	3.49	2.72	2.29	3.61	5.41	2.72	4.49	-0.27
Excess	-0.07	-0.53	-0.79	-0.29	-0.63	-0.76	-0.34	-0.29	-1.10	-0.50



Net Mqr Return



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

POOL 205 FIXED INCOME

0.37

0.66

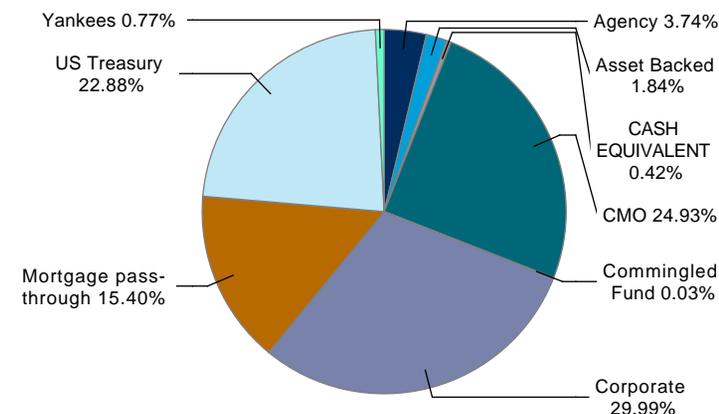
-0.13

Asset Allocation

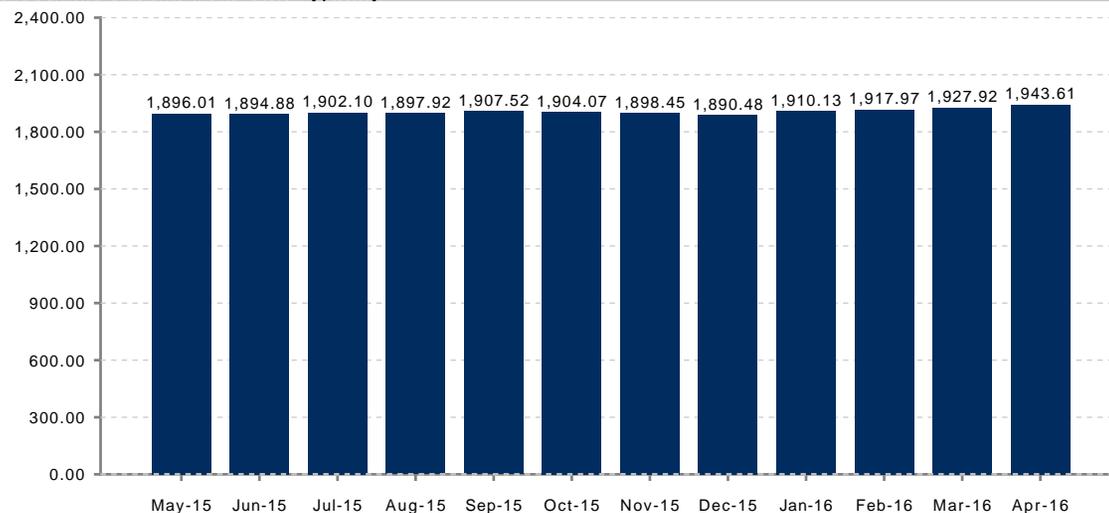
POOL 205 FIXED INCOME

Ending Market Value

1,943,610,406



Net Asset Values over Time (\$MM)

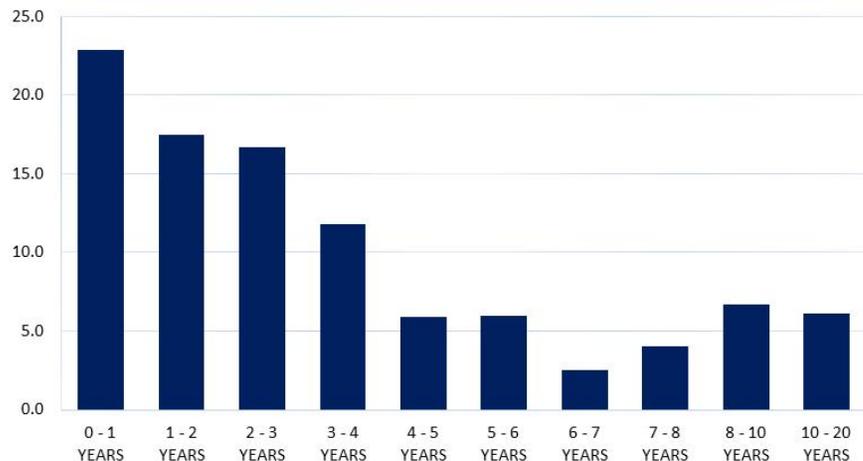


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 205 FIXED INCOME		
US TREASURY N/B	17,399,268	0.90
WELLS FARGO + COMPANY	15,294,326	0.79
FIFTH THIRD BANK	15,019,133	0.77
US TREASURY N/B	14,913,435	0.77
US TREASURY N/B	14,766,714	0.76
US TREASURY N/B	14,673,724	0.75
3M COMPANY	13,617,613	0.70
IBM CORP	13,537,579	0.70
PRES + FELLOWS OF HARVAR	12,881,909	0.66
US TREASURY N/B	12,468,083	0.64



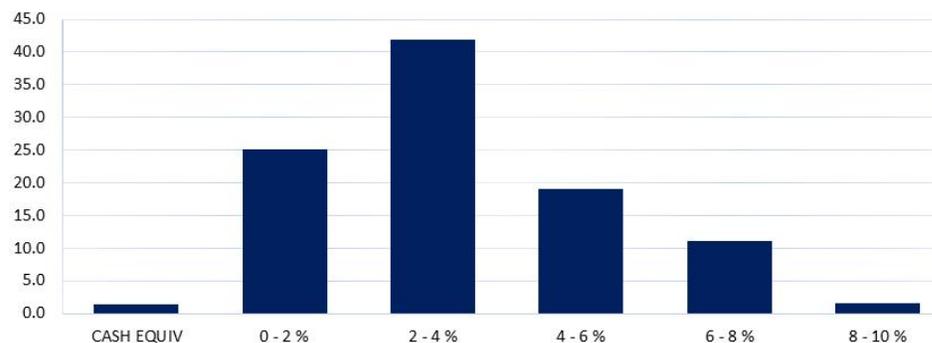
Duration Distribution



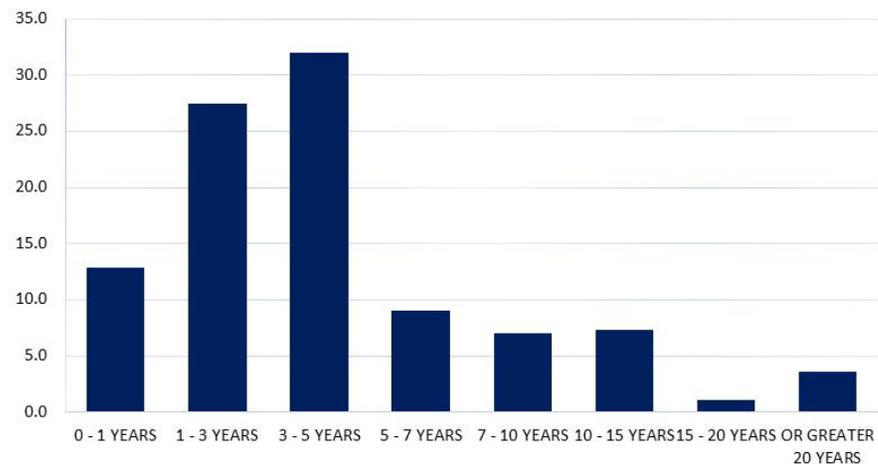
Portfolio Level Characteristics

	POOL 205 FIXED INCOME
Weighted Average Life	4.89
Coupon	3.47
Effective Duration	3.57
Quality Rating (Moody's)	AA-2

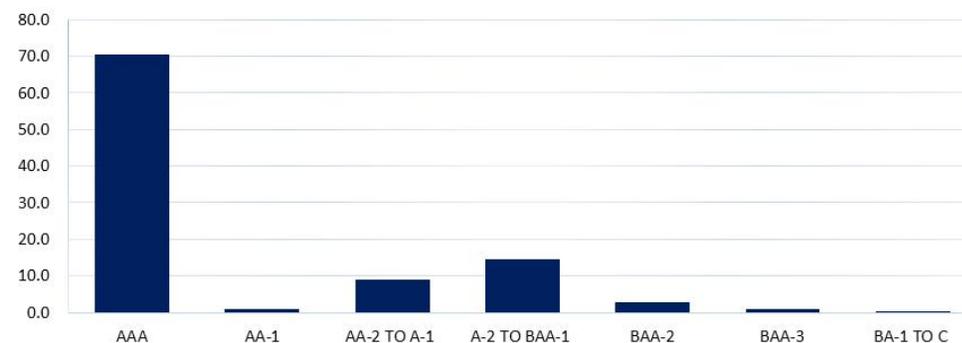
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



Thousands

Endowment Fund Market Value

