

OFFICE OF THE
ARIZONA STATE TREASURER



Doug Ducey
TREASURER



NOVEMBER 2014

Presented To:

Arizona State Board of Investment

DECEMBER 22, 2014

STATE BOARD OF INVESTMENT

A G E N D A

December 22, 2014

1. Call to Order
2. Chairman Remarks
3. Approval of November 24, 2014 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
 - 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
8. Call to the Public
9. Notice of Next Meeting
10. Adjournment

REPORT OF THE STATE TREASURER

FOR

December 22, 2014

TABLE OF CONTENTS

	<u>Page</u>
Minutes of Board of Investment Meeting	ii-vii
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	3-23
D. LGIP Pools Investments and Performance Reports	24-34
E. Earnings Distributed Endowment Funds	35
F. Endowment Investments and Performance Reports	36-53

**Minutes of
BOARD OF INVESTMENT MEETING**

The regular meeting of the State Board of Investment was held on November 24, 2014 in the Office of the State Treasurer, 1700 West Washington, State Capitol, West Wing, Treasurer's Conference Room, Phoenix, Arizona. Treasurer Ducey called the meeting to order at approximately 1:32 p.m.

Members Present:

Doug Ducey, Chair, State Treasurer
Lauren Kingry, Superintendent, Department of Financial Institutions
Beth Ford, Treasurer, Pima County, Via Tele-Conference
Harry A. Papp, CFA and Managing Partner, L. Roy Papp & Associate
Kathy Peckardt, Interim Director of Arizona Department of Administration

Others Present:

Mark Swenson, Deputy Treasurer, Arizona State Treasurer's Office
Carlton Woodruff, Deputy Treasurer of Operations, 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
Chris Petkiewicz, Portfolio Manager, Arizona State Treasurer's Office
Dale Stomberg, Investment Accounting Manager, Arizona State Treasurer's Office
Martin Kelly, Investment Analyst, Arizona State Treasurer's Office
Kevin Donnellan, Director of Communications, Arizona State Treasurer's Office
Paul Ratkay, Portfolio Manager, Maricopa County
Jeff DeWit, Arizona State Treasurer Elect
Sean Dollman, Operations Manager, Jeff DeWit for State Treasurer
Christine Thurston, Staff, Jeff DeWit for State Treasurer
Robert McCoach, Investment Management Division, Intern

Pursuant to A.R.S. 35-311, the following reports for October, 2014 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 Ducey called the November 24, 2014 BOI meeting to order at approximately 1:32 pm.

2. Treasurers Comments:

Treasurer Ducey welcomed the board members and guests and thanked all present for attending the November 24, 2014 meeting.

3. Approval of Minutes:

Mr. Papp made a motion to approve the October 28, 2014 minutes. Mr. Kingry 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 October, 2014.

Operating Monies Average Invested Balance

Ms. Humbert reported the Operating Monies average invested balance for the month of October, 2014.

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 October, 2014.

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 October 31, 2014.

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 October 31, 2014.

Mr. Ratkay, Maricopa County Portfolio Manager, made a brief inquiry regarding Ms. Humbert's opinion on step-up coupon bonds. Ms. Humbert shared a brief explanation and in summary, stated that step-up coupon bonds are a good investment and will generally pay better than short securities.

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

Mr. Petkiewicz 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. Petkiewicz reported the net yield for the LGIP and LGIP-Gov Pools and the comparison to the benchmark for the month of October, 2014.

Pool 500 & Pool 700 Portfolio Yield Analysis

Mr. Petkiewicz reported the net yield for the LGIP Medium Term Pools and the comparison to the benchmark for the month of October, 2014.

Manager Allocation of Invested Monies for the LGIP Pools

Mr. Petkiewicz 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 October 31, 2014.

LGIP Pools Investments and Performance Reports

Mr. Petkiewicz 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 October, 2014.

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 October, 2014.

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 October 2014 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 October, 2014.

Equity Funds Purchases & Sales

Mr. White reported the purchases and sales (summary) of the Endowment Equity Pools for the month of October, 2014.

Investments Outstanding in Endowment Funds

Mr. White reported the par, book, market value, and unrealized gains/loss of the Endowment Funds as of October 31, 2014.

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 October 31, 2014.

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 October 31, 2014.

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 October 31, 2014.

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 October 31, 2014.

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 October 31, 2014.

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 October, 2014.

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 October, 2014.

Approval of Treasurer's Report

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

5. Proposed Changes to Investment Policy:

No proposed changes.

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

There were no Securities Dealers to be approved.

7. General Business:

There was no general business.

8. Call to the Public

Treasurer Elect, Jeff DeWit made a brief statement expressing his gratitude to the team for making themselves available during the transition. Mr. DeWit is looking forward to serving as State Treasurer.

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

9. Notice of Next Meeting:

Treasurer Ducey advised the Board that the next regular meeting of the Board of Investment will be Monday, December 22, 2014 at 1:30 p.m. at 1700 West Washington, State Capitol, West Wing, Treasurer's Conference Room, Phoenix, Arizona.

10. Adjournment:

Mr. Papp made a motion to adjourn the BOI meeting. Mr. Kingry seconded the motion. Upon unanimous approval the BOI Meeting was adjourned at 2:14 p.m.

Respectfully Submitted by:

Barbara Conley
Executive Consultant II

Approved by:

Doug Ducey, Chair

Date

**EARNINGS DISTRIBUTION - INVESTMENT POOLS
 NOVEMBER 2014**

Recipient	Earnings Distributed			Fiscal YTD Investment Management Fees Received
	NOVEMBER 2014	Fiscal YTD 14/15	Fiscal YTD 13/14	
General Fund	\$923,542	\$4,684,879	\$6,145,581	
2 State Agencies - Full Faith & Credit	458,790	2,182,100	2,701,663	\$198,206
3 State Agencies - Diversified <i>(Combined)</i>	573,230	2,946,821	5,764,805	310,717
4 State Agencies - Gov	474,832	2,432,836	2,274,803	187,324
5 LGIP	104,285	428,981	670,744	272,958
7 LGIP Gov	52,438	213,617	176,349	208,545
10 Restricted Operating	277,514	1,332,690	0	323,800
12 CAWCD Medium-Term	581,875	2,252,192	2,337,193	69,480
15 GADA Long-Term	13,421	70,365	96,080	2,794
16 ECDH Medium-Term	468,057	2,329,746	2,354,085	86,438
Subtotal	\$3,927,983	\$18,874,227	\$22,521,304	\$1,660,263
NAV POOL				
500 LGIP - Med Term	196,441	1,158,575	1,317,824	58,753
700 LGIP - FF&C Med Term	121,994	613,146	893,939	35,964
Total	\$4,246,418	\$20,645,947	\$24,733,068	\$1,754,980
NOVEMBER 2013 TOTALS	\$4,802,862			\$1,912,829

OPERATING MONIES
AVERAGE INVESTED BALANCE

Through November 30, 2014

(in millions of dollars)

<u>Month</u>	<u>Fiscal Year</u> <u>2012/2013</u>	<u>Fiscal Year</u> <u>2013/2014</u>	<u>Fiscal Year</u> <u>2014/2015</u>
JULY	1,817	1,942	1,876
AUGUST	1,475	1,709	1,369
SEPTEMBER	1,420	1,974	1,638
OCTOBER	1,205	1,824	1,521
NOVEMBER	1,316	1,853	1,535
DECEMBER	1,464	1,895	
JANUARY	1,885	2,234	
FEBRUARY	1,899	2,427	
MARCH	1,815	2,107	
APRIL	2,109	2,100	
MAY	2,428	2,312	
JUNE	2,679	2,462	
Y-T-D			
Average	\$1,793	\$2,070	\$1,588
Budget Stabilization Average Fund Balance - November 2014			<u>\$455</u>
Total Average Cash Available - November 2014			\$1,991

**STATE AGENCY POOLS
 PORTFOLIO EARNINGS ANALYSIS
 November 30, 2014**

FUND	DESCRIPTION	Current Month 11/30/14	Prior Month 10/31/14	Prior Year 11/30/13	Net Asset Value Per Share
2	STATE AGENCIES - FULL FAITH & CREDIT	514,667	407,251	731,523	0.9957
3	STATE AGENCIES - DIVERSIFIED				
	INTERNAL MANAGERS	749,864	670,760	1,641,487	0.9975
	EXTERNAL MANAGERS	60,157	62,398	58,727	1.0011
	FUND 3 TOTAL	810,021	733,158	1,700,214	0.9978
4	STATE AGENCIES - GOV	542,921	497,320	755,904	0.9947
10	RESTRICTED OPERATING				
	INTERNAL MANAGERS	770,152	663,820	N/A	0.9983
	EXTERNAL MANAGERS	68,796	68,621	43,988	1.0007
	FUND 10 TOTAL	838,948	732,441	43,988	0.9988
12	CAWCD MEDIUM-TERM	581,875	415,485	482,820	1.0093
15	GADA LONG-TERM	13,421	13,590	16,736	0.9967
16	ECDH MEDIUM-TERM	468,057	464,377	464,090	0.9980
	TOTAL STATE AGENCIES	3,769,910	3,263,622	4,195,276	

**STATE AGENCY POOLS
PORTFOLIO YIELD ANALYSIS
NOVEMBER 30, 2014**

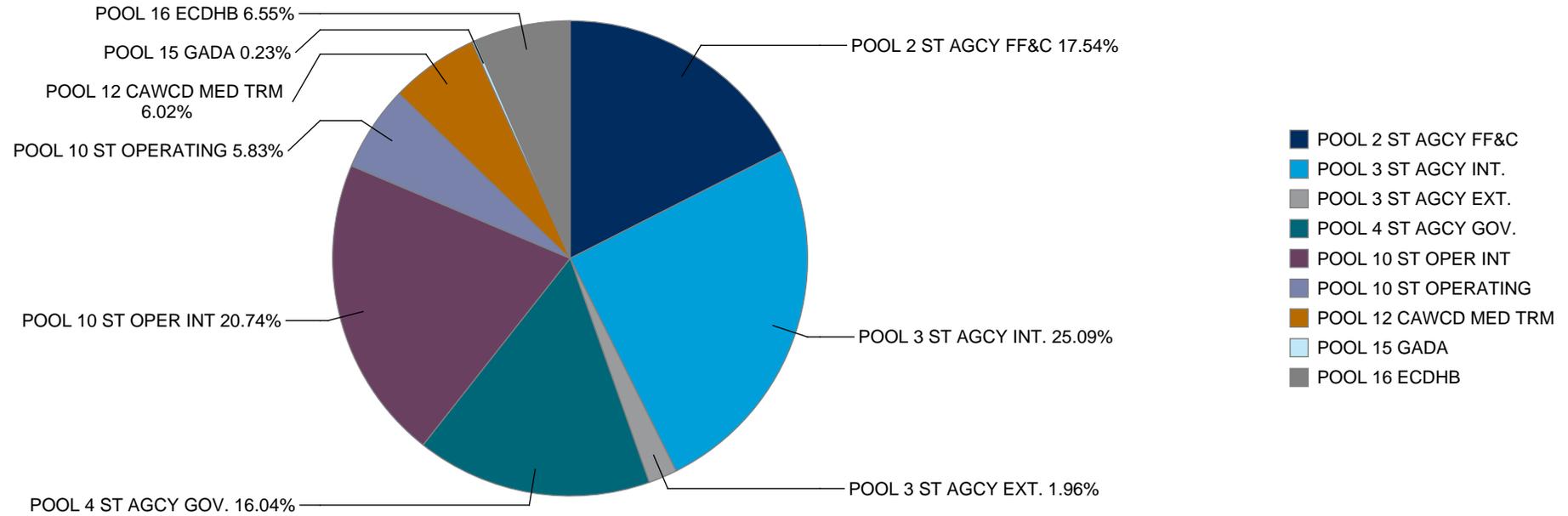
FUND	DESCRIPTION	Current Month 11/30/14	Prior Month 10/31/14	Prior Year 11/30/13
2	STATE AGENCIES - FULL FAITH & CREDIT 75% MERRILL 0-1 US TREAS INDEX / 25% MERRILL US GNMA MORTGAGE BACKED INDEX	0.71% 0.70%	0.58% 0.72%	0.92% 0.89%
3	STATE AGENCIES - DIVERSIFIED INTERNAL MANAGERS EXTERNAL MANAGERS COMBINED 50% 3 MONTH LIBOR INDEX / 50% MERRILL 1-3 US BROAD MARKET INDEX	0.74% 0.72% 0.74% 0.51%	0.62% 0.72% 0.63% 0.51%	0.91% 0.71% 0.90% 0.42%
4	STATE AGENCIES - GOV 50% MERRILL 6 MTH US T-BILL INDEX / 50% MERRILL 1-3 UNSUB. US TREAS / AGY INDEX	0.82% 0.28%	0.76% 0.29%	0.92% 0.21%
10	RESTRICTED OPERATING INTERNAL MANAGERS EXTERNAL MANAGERS COMBINED SIFMA MUNICIPAL SWAP INDEX **50% 3 MONTH LIBOR INDEX / 50% MERRILL 1-3 US BROAD MARKET INDEX	0.87% 0.28% 0.74% N/A 0.51%	0.72% 0.27% 0.62% N/A 0.51%	N/A 0.18% 0.18% 0.06% N/A
12	CAWCD MEDIUM-TERM *MERRILL 1-5 US D M INDEX	2.31% 1.31%	1.62% 1.35%	2.03% 1.12%
15	GADA LONG-TERM MERRILL 3-5 US BROAD MARKET EX CORP	1.35% 1.67%	1.32% 1.77%	1.64% 1.59%
16	ECDH MEDIUM-TERM *MERRILL 1-5 US D M INDEX	1.68% 1.31%	1.61% 1.35%	1.67% 1.12%

*Note: Beginning with May 2014, the Benchmark for Pools 12 and 16 were changed from Barclays Capital US AGG Bond Index to Merrill 1-5 US DM Index.

**Note: Beginning with June 2014, the Benchmark for Pool 10 was changed from SIFMA Municipal Swap Index to the Benchmark used for Pool 3.



Manager Allocation



	Market Value	% of Portfolio
POOL 2 ST AGCY FF&C	907,944,120	17.5
POOL 3 ST AGCY INT.	1,298,373,306	25.1
POOL 3 ST AGCY EXT.	101,608,156	2.0
POOL 4 ST AGCY GOV.	830,075,747	16.0
POOL 10 ST OPER INT	1,073,370,853	20.7
POOL 10 ST OPERATING	301,650,125	5.8
POOL 12 CAWCD MED TRM	311,681,269	6.0
POOL 15 GADA	12,068,855	0.2
POOL 16 ECDHB	338,828,567	6.5
TOTAL STATE AGENCY	5,175,600,998	100.0



Net Yield



Current Mth Prior Mth 1 Year Ago

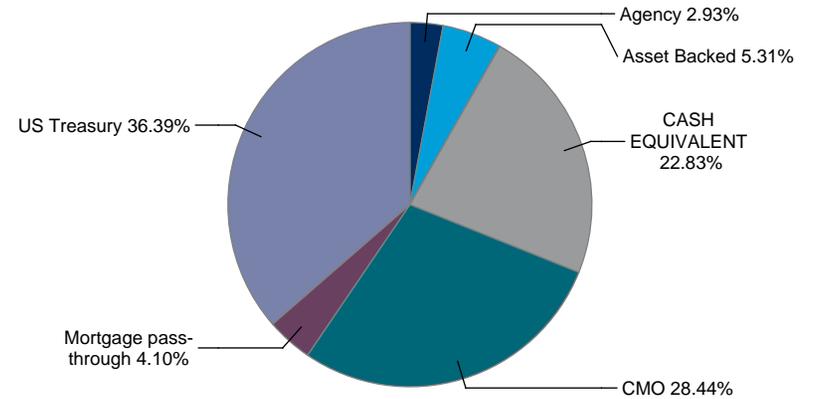
POOL 2 ST AGCY FF&C	0.71	0.58	0.91
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Asset Allocation

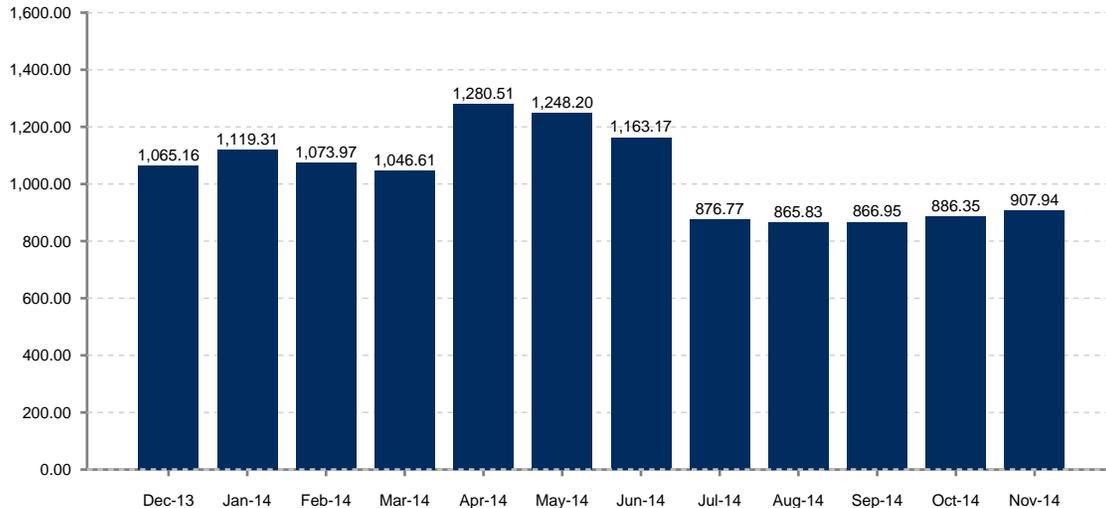
POOL 2 ST AGCY FF&C

Ending Market Value

907,944,120



Net Asset Values over Time (\$MM)

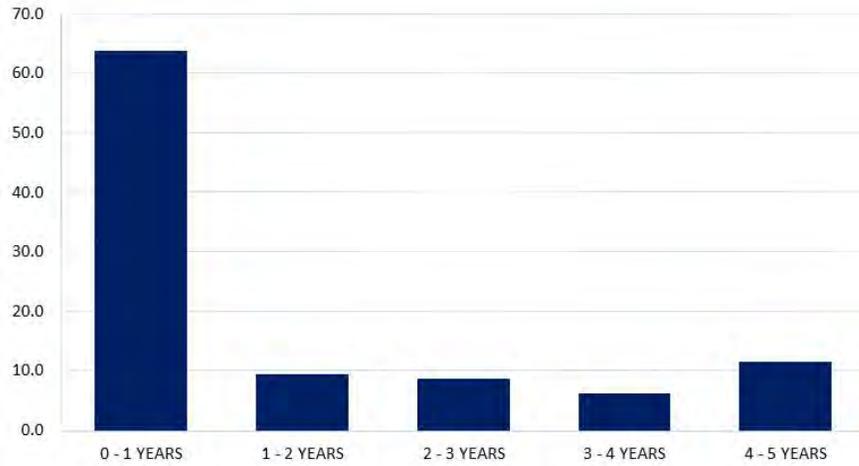


Top 10 Holdings

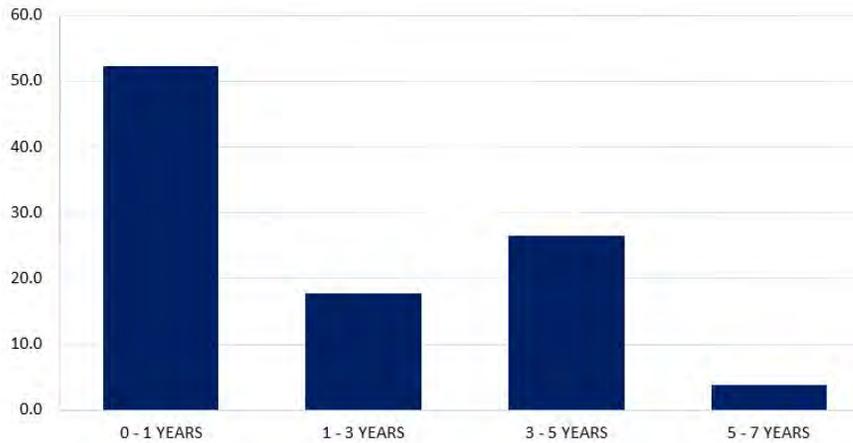
Security Name	Ending Market Value	% of Portfolio
POOL 2 ST AGCY FF&C		
WELLS FARGO REPO	187,337,608	20.63
US TREASURY N/B	71,376,942	7.86
US TREASURY N/B	50,051,165	5.51
GOVERNMENT NATIONAL MORTGAGE A	31,720,468	3.49
US TREASURY N/B	31,299,509	3.45
GOVERNMENT NATIONAL MORTGAGE A	21,751,225	2.40
US TREASURY N/B	20,593,473	2.27
US TREASURY N/B	20,364,749	2.24
US TREASURY N/B	20,230,082	2.23
US TREASURY FRN	19,998,478	2.20



Duration Distribution



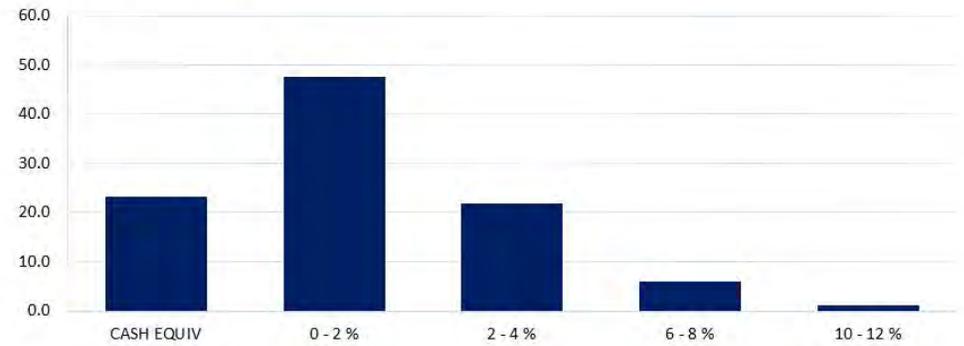
Expected Maturity Distribution



Portfolio Level Characteristics

	POOL 2 ST AGCY FF&C
Weighted Average Life	1.76
Coupon	1.68
Effective Duration	1.24
Quality Rating (Moody's)	AAA

Coupon Distribution

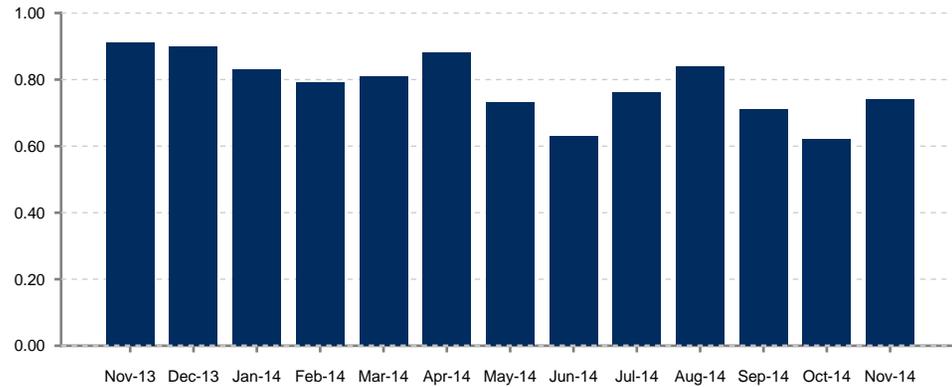


Rating Distribution





Net Yield

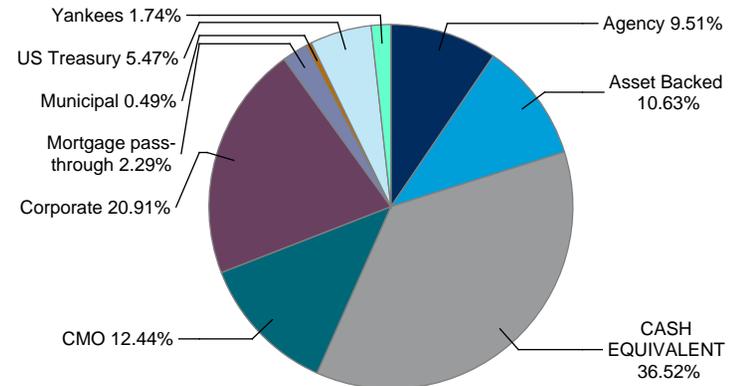


Current Mth **Prior Mth** **1 Year Ago**

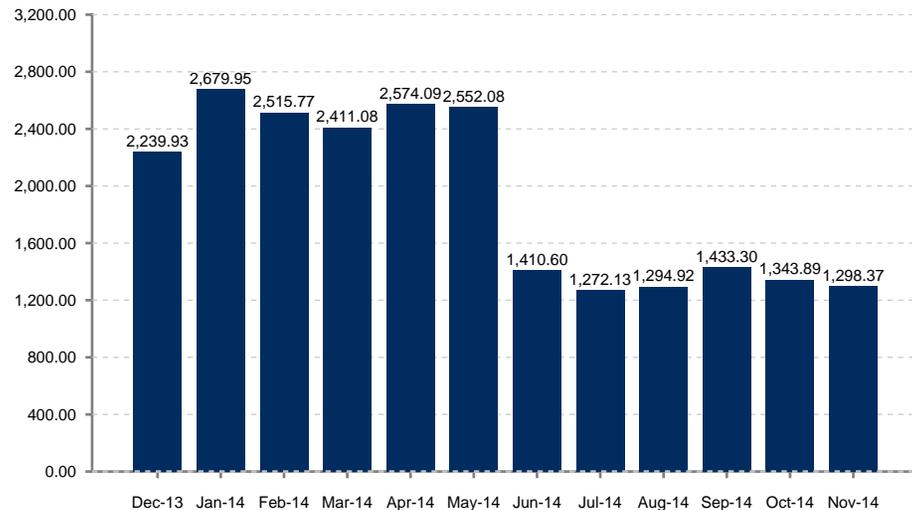
POOL 3 ST AGCY INT.	0.74	0.62	0.91
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Asset Allocation

Ending Market Value	
POOL 3 ST AGCY INT.	1,298,373,306



Net Asset Values over Time (\$MM)

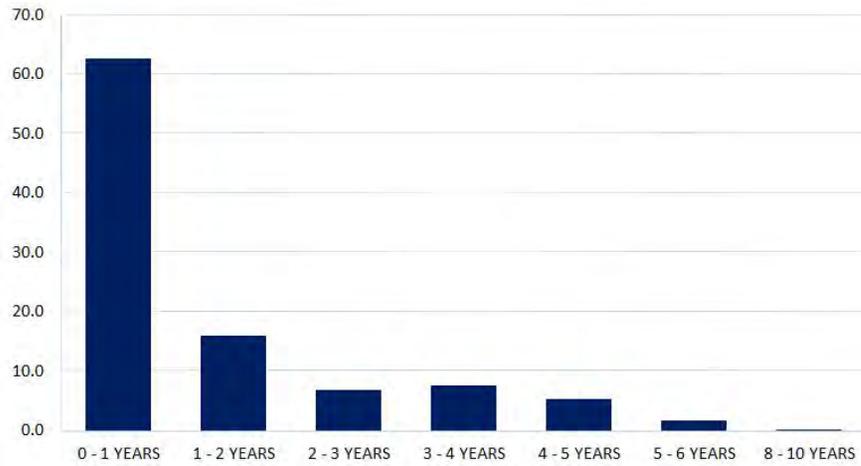


Top 10 Holdings

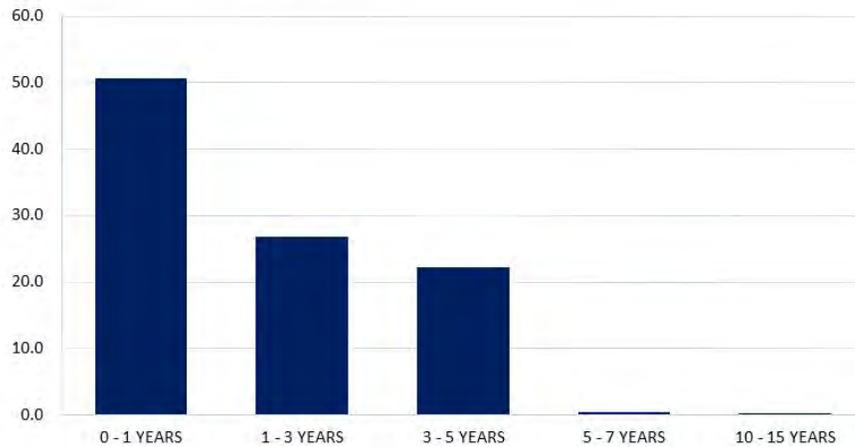
Security Name	Ending Market Value	% of Portfolio
POOL 3 ST AGCY INT.		
SOUTH STREET REPO	87,250,614	6.72
SOUTH STREET REPO	66,523,324	5.12
WHITE POINT FDG INC	45,683,227	3.52
SUMITOMO MTSU BKG CORP	39,999,533	3.08
WELLS FARGO REPO	37,987,081	2.93
BARTON CAPITAL CORP.	30,000,000	2.31
LEXINGTN PKR CAP CO LL	29,999,883	2.31
CEDAR SPRING CPTL CO	29,993,100	2.31
WORKING CAP. MAN. CO	29,000,000	2.23
CONCORD MIN CPTL CO	24,995,382	1.93



Duration Distribution



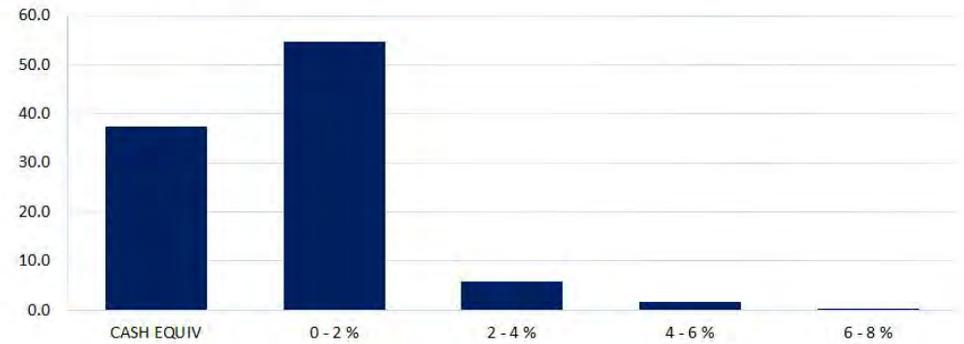
Expected Maturity Distribution



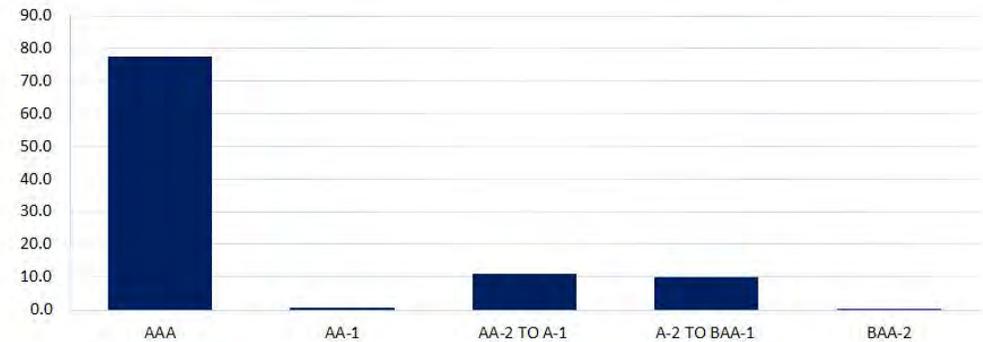
Portfolio Level Characteristics

	POOL 3 ST AGCY INT.
Weighted Average Life	1.49
Coupon	1.06
Effective Duration	1.15
Quality Rating (Moody's)	AA-1

Coupon Distribution

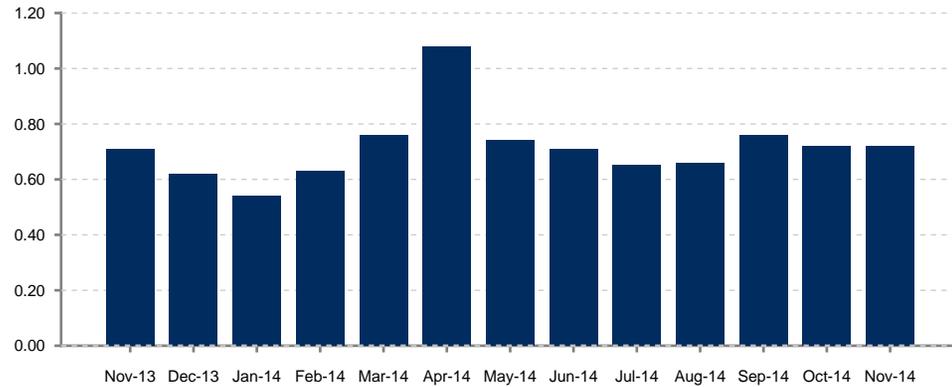


Rating Distribution





Net Yield



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

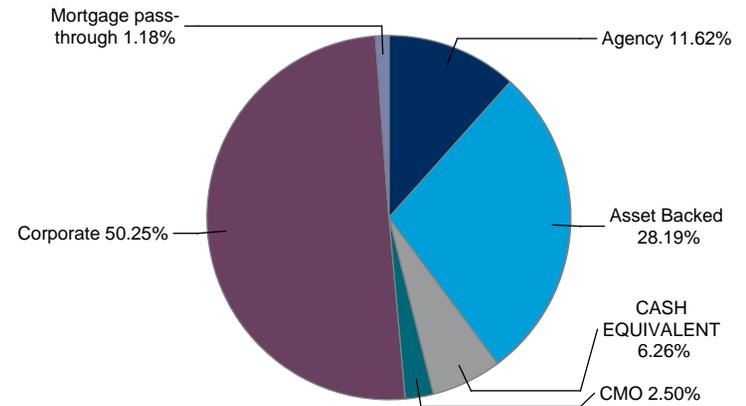
POOL 3 ST AGCY EXT.	0.72	0.72	0.71
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Asset Allocation

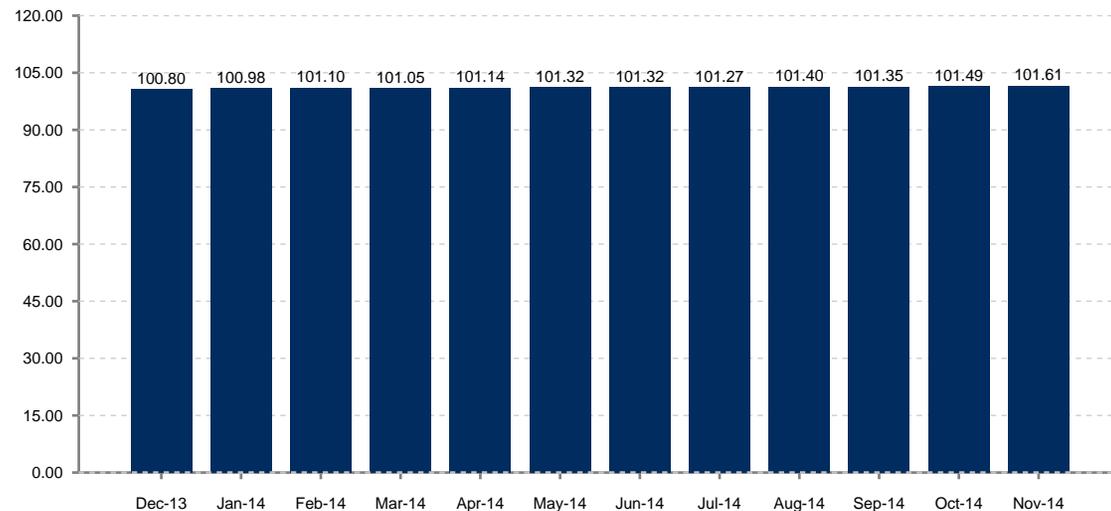
POOL 3 ST AGCY EXT.

Ending Market Value

101,608,156



Net Asset Values over Time (\$MM)

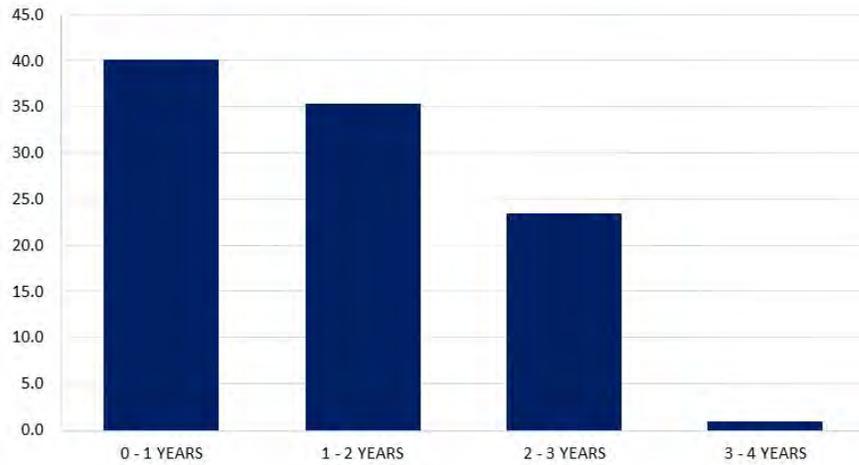


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 3 ST AGCY EXT.		
WELLS FARGO BANK NA	2,300,520	2.26
ROYAL BK OF CANADA	1,804,860	1.78
MUFG UNION BANK NA	1,670,536	1.64
DISCOVER CARD EXECUTION NOTE T	1,575,844	1.55
JPMORGAN CHASE + CO	1,508,695	1.48
FANNIE MAE	1,505,858	1.48
CITIBANK CREDIT CARD ISSUANCE	1,505,858	1.48
FANNIE MAE	1,503,730	1.48
BANK OF AMERICA NA	1,500,513	1.48
WAL MART STORES INC	1,417,470	1.40



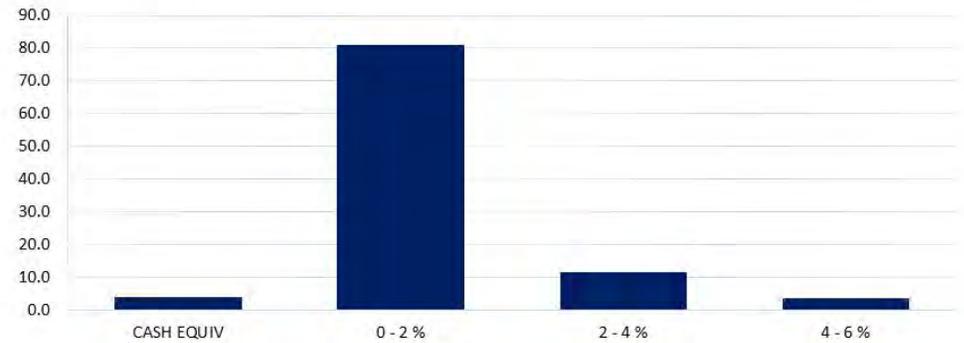
Duration Distribution



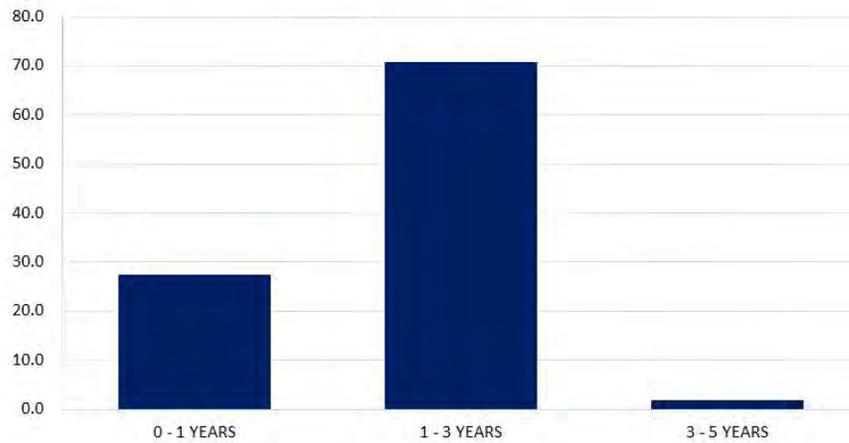
Portfolio Level Characteristics

	POOL 3 ST AGCY EXT.
Weighted Average Life	1.55
Coupon	1.27
Effective Duration	1.26
Quality Rating (Moody's)	AA-2

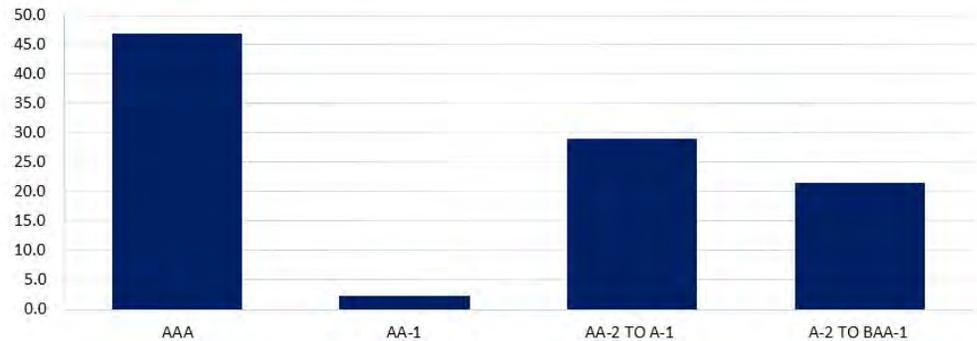
Coupon Distribution



Expected Maturity Distribution

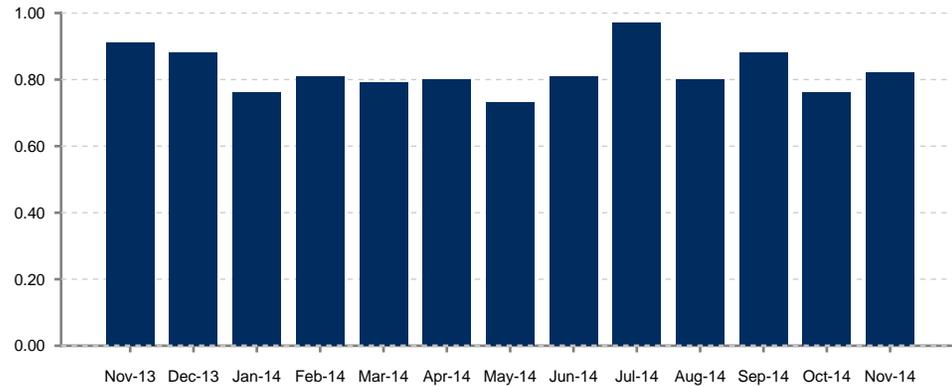


Rating Distribution





Net Yield

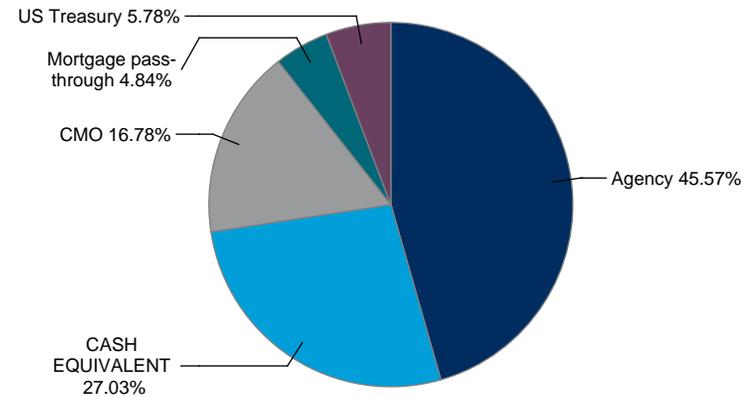


Current Mth Prior Mth 1 Year Ago

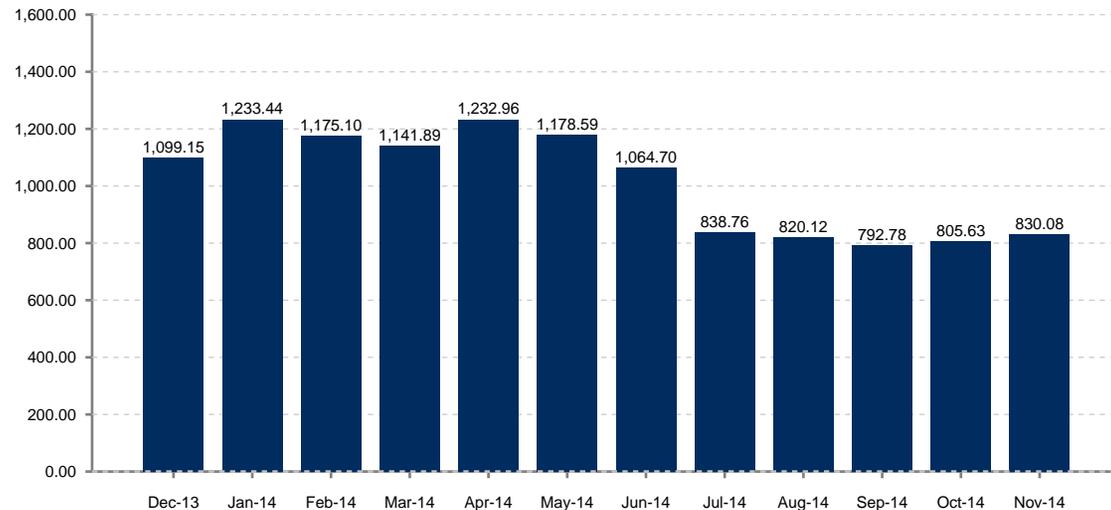
POOL 4 ST AGCY GOV.	0.82	0.76	0.91
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Asset Allocation

	Ending Market Value
POOL 4 ST AGCY GOV.	830,075,747



Net Asset Values over Time (\$MM)

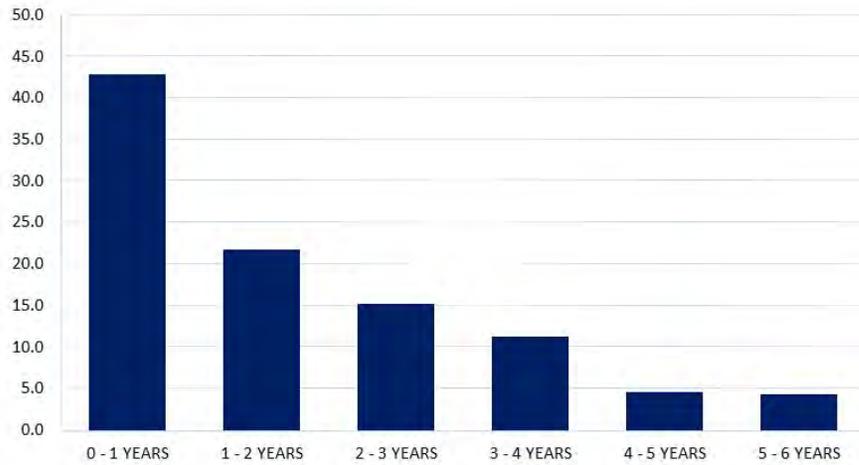


Top 10 Holdings

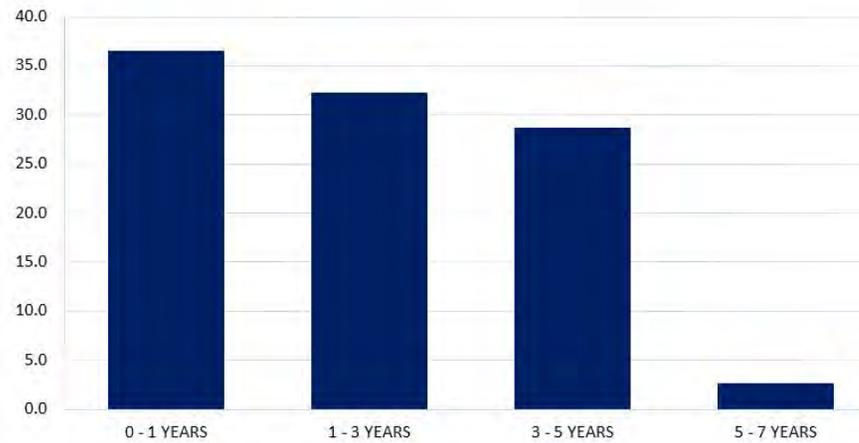
Security Name	Ending Market Value	% of Portfolio
POOL 4 ST AGCY GOV.		
SOUTH STREET REPO	100,002,361	12.05
SOUTH STREET REPO	84,533,048	10.18
FED HOME LN DISCOUNT NT	39,995,988	4.82
FANNIE MAE	39,561,155	4.77
FEDERAL HOME LOAN BANK	32,345,703	3.90
FEDERAL FARM CREDIT BANK	30,022,560	3.62
FREDDIE MAC	23,381,355	2.82
FEDERAL FARM CREDIT BANK	20,022,397	2.41
FEDERAL FARM CREDIT BANK	20,019,416	2.41
FEDERAL FARM CREDIT BANK	20,008,698	2.41



Duration Distribution



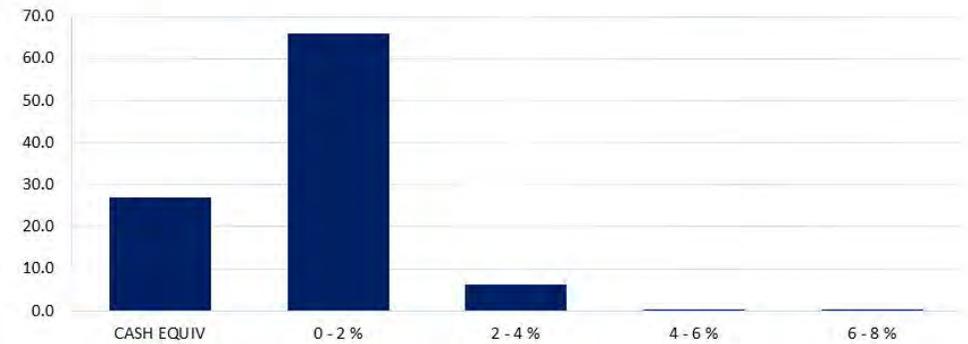
Expected Maturity Distribution



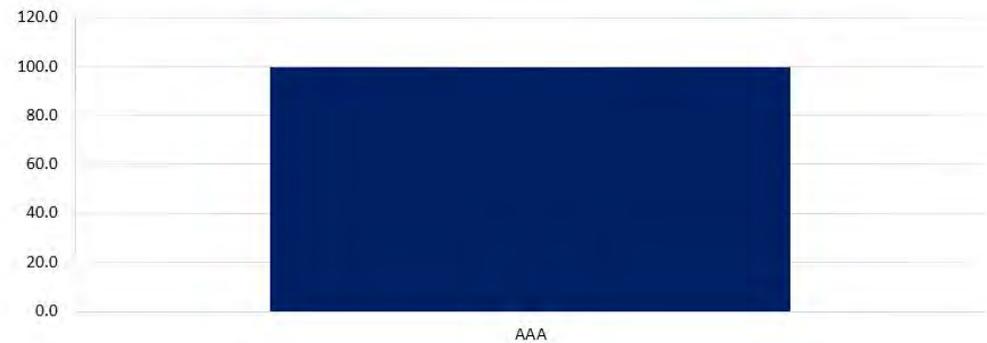
Portfolio Level Characteristics

	POOL 4 ST AGCY GOV.
Weighted Average Life	2.07
Coupon	1.17
Effective Duration	1.66
Quality Rating (Moody's)	AAA

Coupon Distribution



Rating Distribution



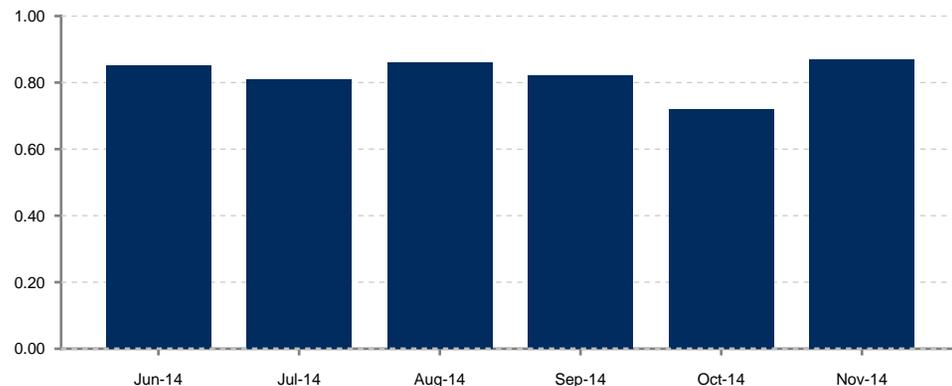
November 30, 2014

POOL 10 ST OPERATING INT



STATE STREET

Net Yield



Current Mth Prior Mth 1 Year Ago

POOL 10 ST OPER INT

0.87

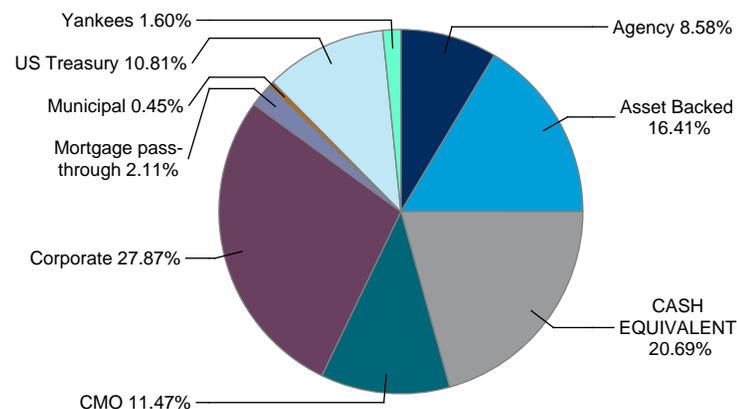
0.72

Asset Allocation

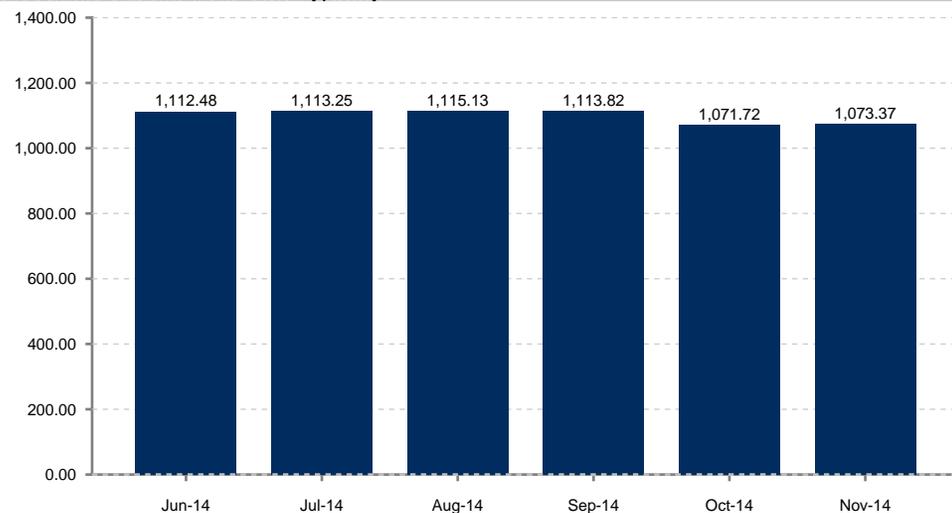
POOL 10 ST OPER INT

Ending Market Value

1,073,370,853



Net Asset Values over Time (\$MM)

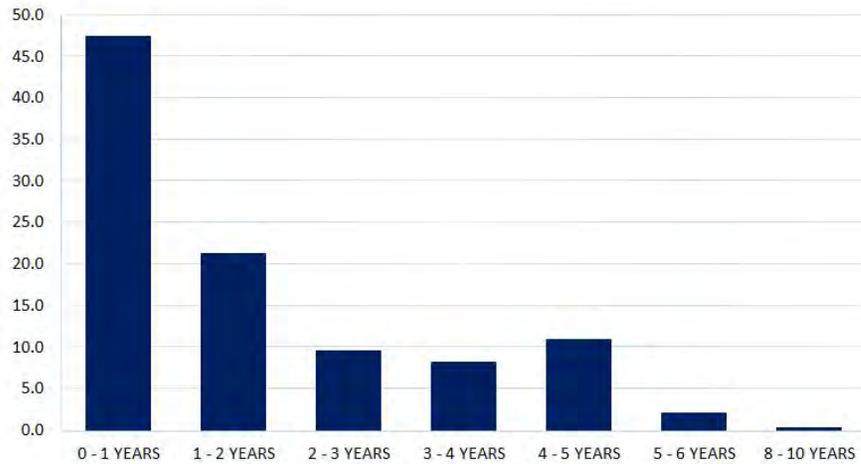


Top 10 Holdings

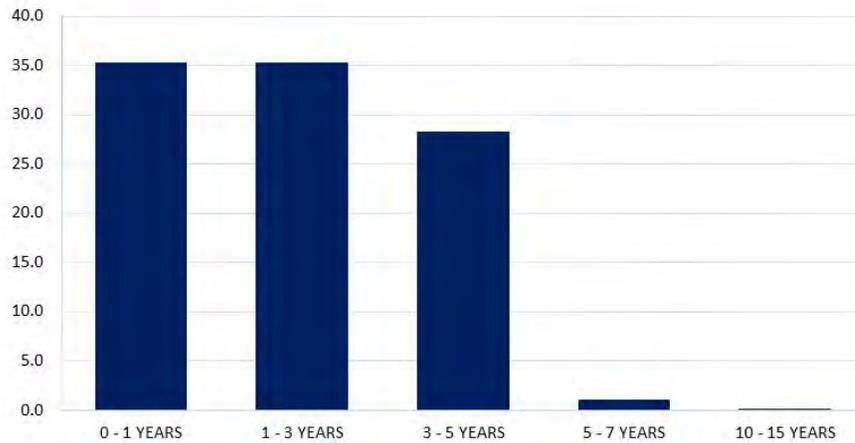
Security Name	Ending Market Value	% of Portfolio
POOL 10 ST OPER INT		
ING (US) FUNDING LLC	40,000,000	3.73
SOUTH STREET REPO	37,000,874	3.45
MATCHPOINT MASTER TR	31,358,627	2.92
CONCORD MIN CPTL CO	24,995,139	2.33
WHITE POINT FDG INC	20,699,390	1.93
US TREASURY N/B	20,364,749	1.90
GOLDMAN SACHS GROUP INC	20,270,393	1.89
US TREASURY N/B	20,228,944	1.88
US TREASURY N/B	20,102,788	1.87
US TREASURY N/B	20,070,526	1.87



Duration Distribution



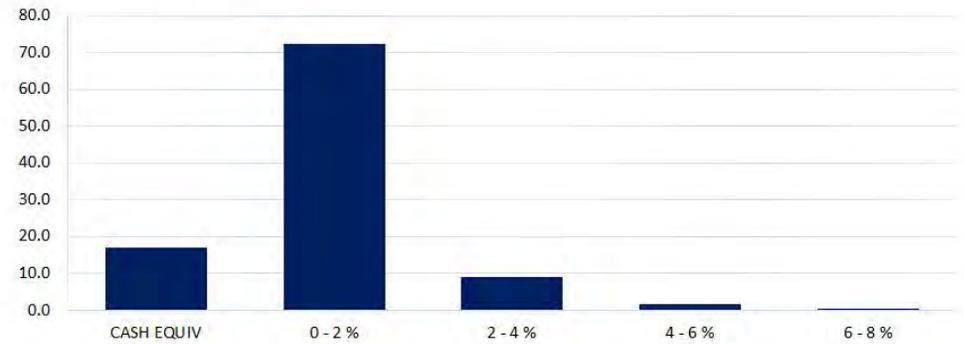
Expected Maturity Distribution



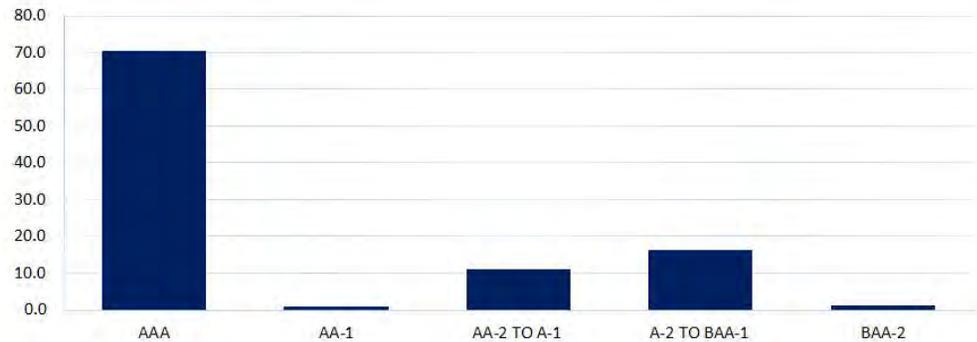
Portfolio Level Characteristics

	POOL 10 ST OPERATING INT
Weighted Average Life	1.90
Coupon	1.20
Effective Duration	1.55
Quality Rating (Moody's)	AA-1

Coupon Distribution



Rating Distribution



OFFICE OF THE ARIZONA STATE TREASURER

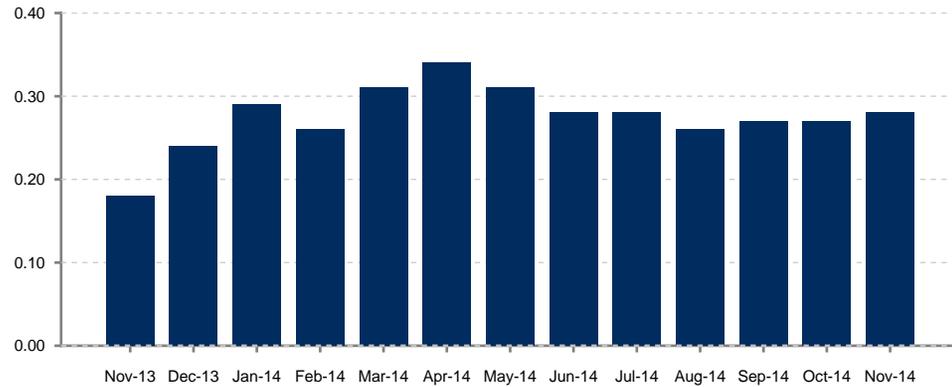
November 30, 2014

POOL 10 ST OPERATING Ext



STATE STREET

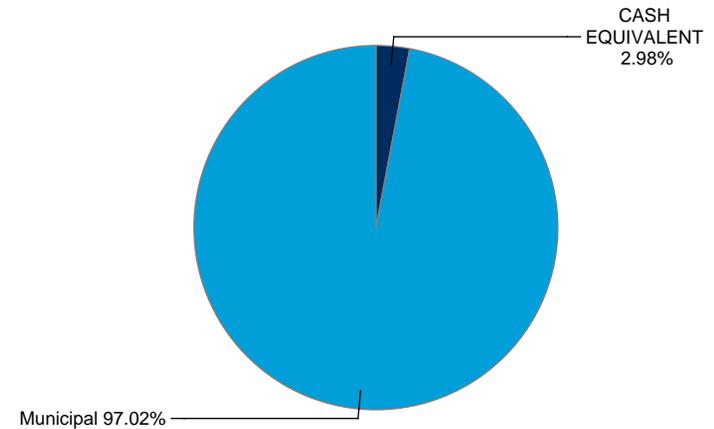
Net Yield



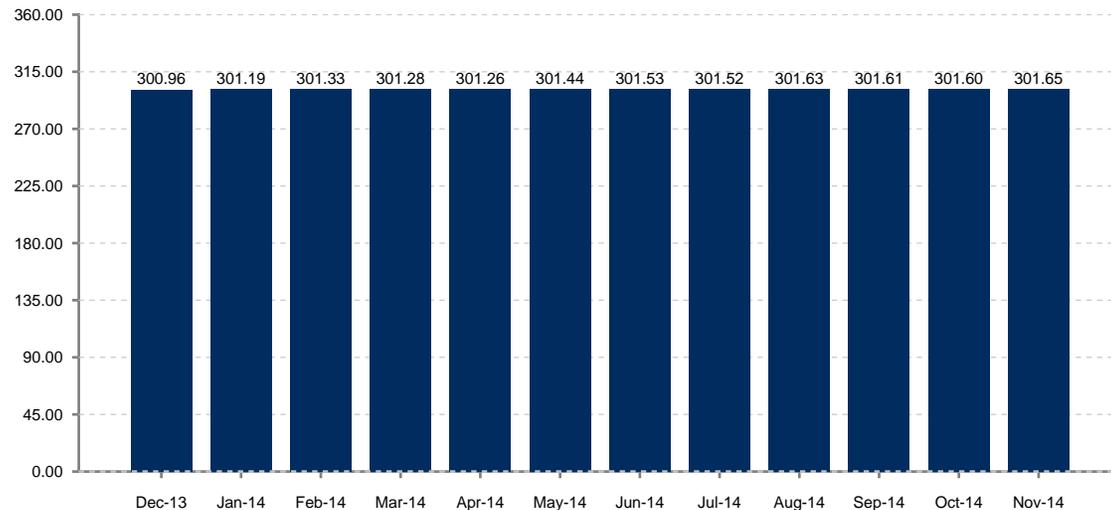
	Current Mth	Prior Mth	1 Year Ago
POOL 10 ST OPERATING	0.28	0.27	0.18

Asset Allocation

	Ending Market Value
POOL 10 ST OPERATING	301,650,125



Net Asset Values over Time (\$MM)

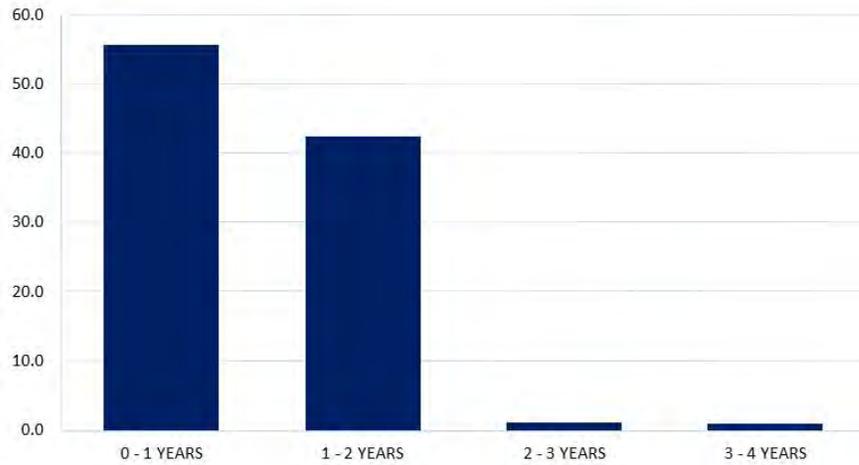


Top 10 Holdings

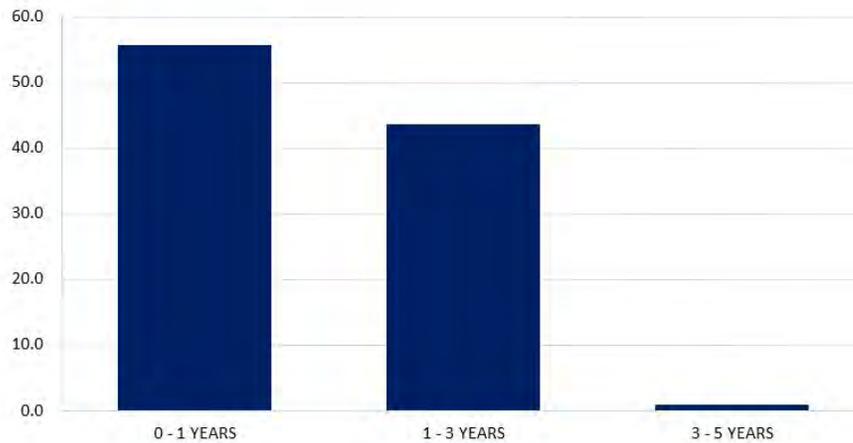
Security Name	Ending Market Value	% of Portfolio
POOL 10 ST OPERATING		
MASSACHUSETTS ST SCH BLDG AUTH	36,658,841	12.15
SAN ANTONIO TX	12,619,456	4.18
TEXAS ST	11,752,401	3.90
MASSACHUSETTS ST SCH BLDG AUTH	10,484,439	3.48
OHIO ST	10,459,973	3.47
ARIZONA ST TRANSPRTN BRD HIGHW	9,772,796	3.24
WISCONSIN ST	9,011,844	2.99
INVESCO TAX FREE CASH RESERVE	8,979,918	2.98
NORTH CAROLINA ST CAPITAL IMPT	8,132,098	2.70
OHIO ST	7,925,909	2.63



Duration Distribution



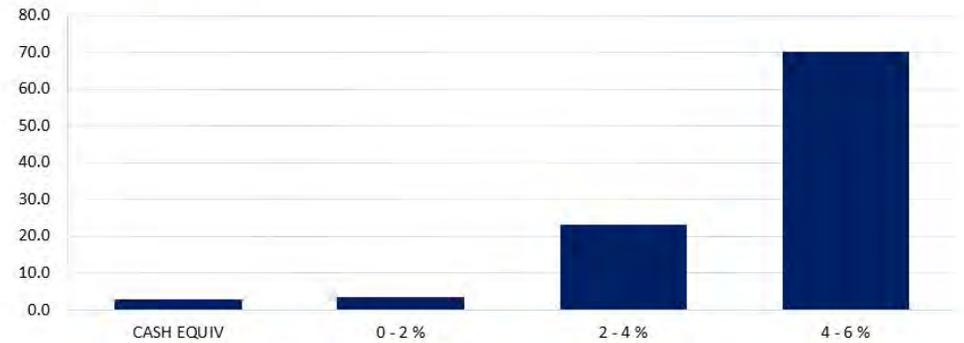
Expected Maturity Distribution



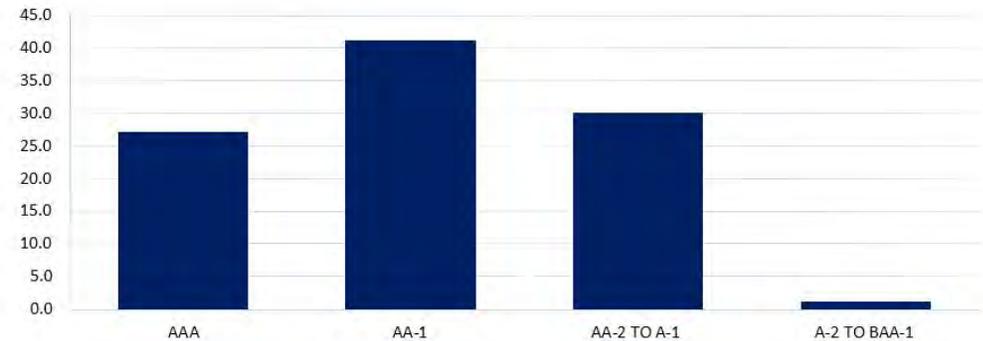
Portfolio Level Characteristics

	POOL 10 ST OPERATING
Weighted Average Life	0.93
Coupon	4.42
Effective Duration	0.89
Quality Rating (Moody's)	AA-1

Coupon Distribution

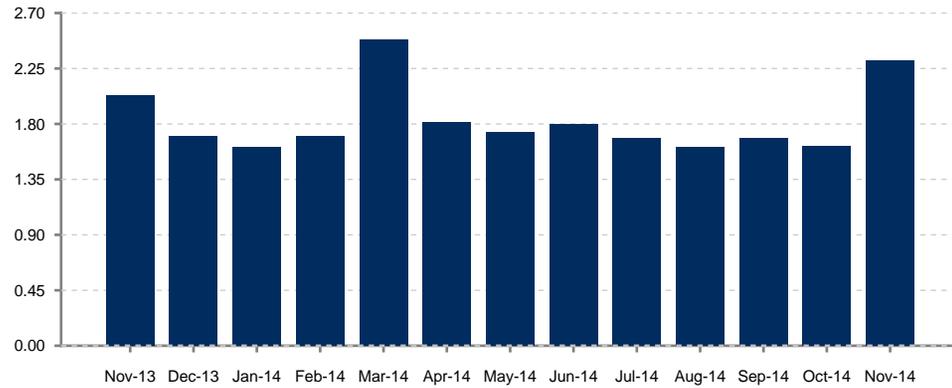


Rating Distribution





Net Yield

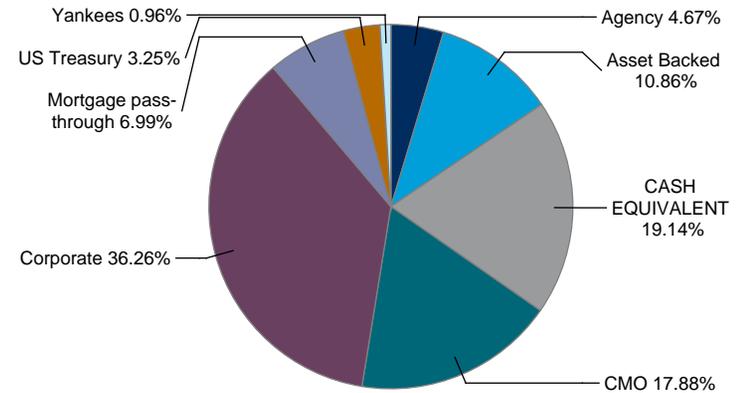


Current Mth **Prior Mth** **1 Year Ago**

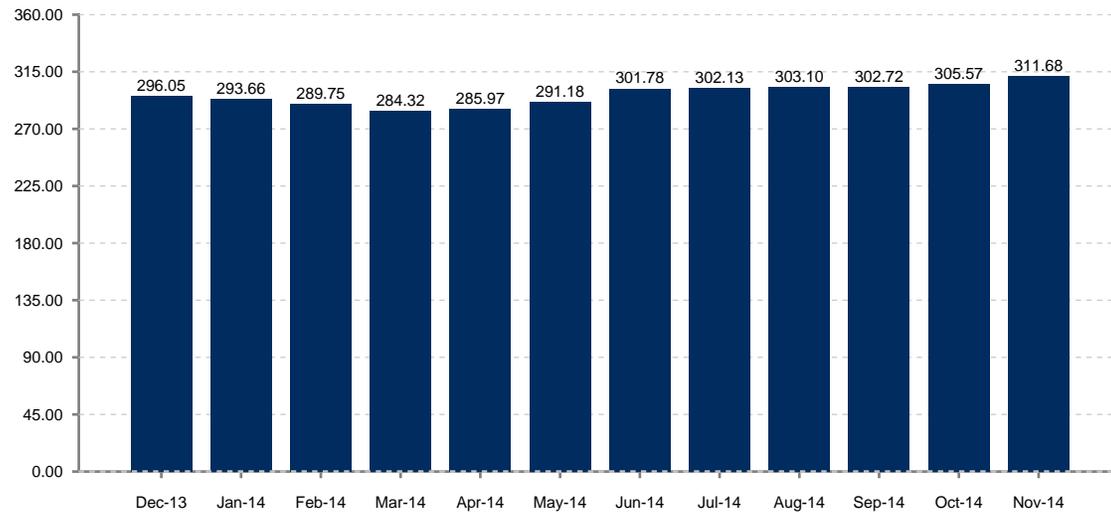
POOL 12 CAWCD MED TRM	2.31	1.62	2.03
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Asset Allocation

POOL 12 CAWCD MED TRM	Ending Market Value
	311,681,269



Net Asset Values over Time (\$MM)

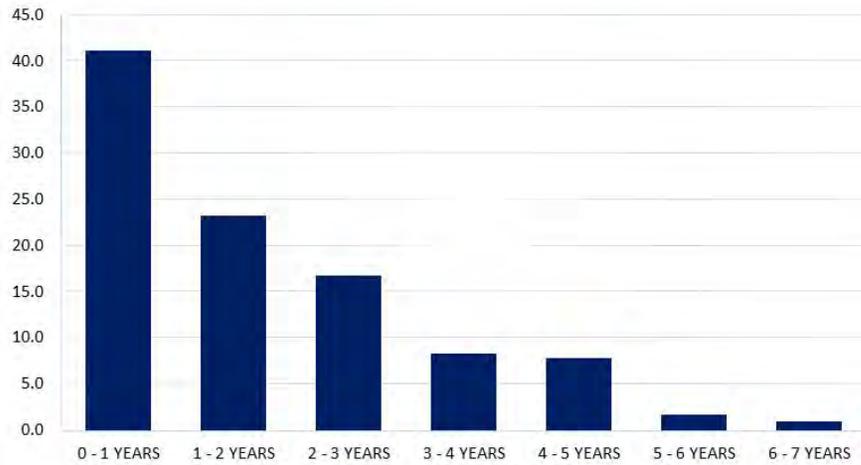


Top 10 Holdings

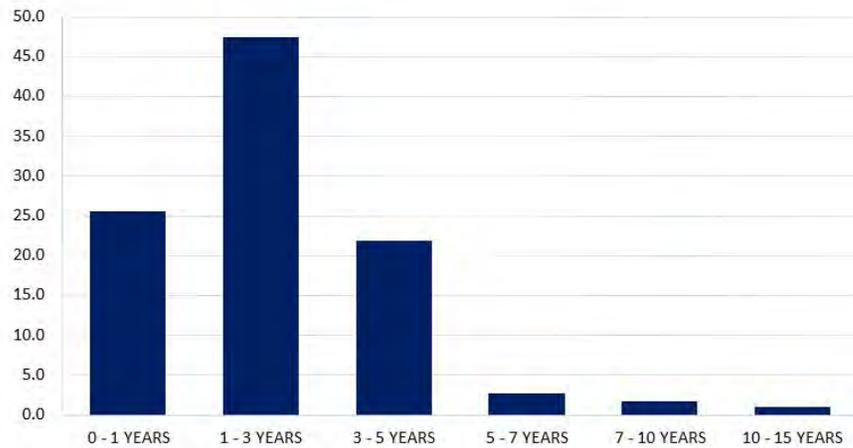
Security Name	Ending Market Value	% of Portfolio
POOL 12 CAWCD MED TRM		
SOUTH STREET REPO	18,478,683	5.93
MOUNTCLIFF	9,995,275	3.21
INSTITUTIONAL SECURED	9,992,850	3.21
CONCORD MIN CPTL CO	9,990,479	3.21
RIDGEFIELD FUNDING CO	9,986,043	3.20
FANNIE MAE	8,007,689	2.57
FNMA POOL AV9175	7,162,490	2.30
FNMA POOL MA1763	6,757,238	2.17
FANNIE MAE	5,744,421	1.84
FANNIE MAE	5,436,456	1.74



Duration Distribution



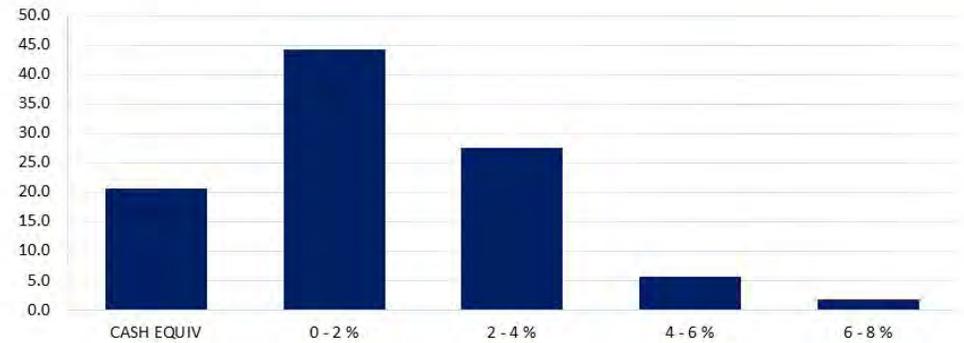
Expected Maturity Distribution



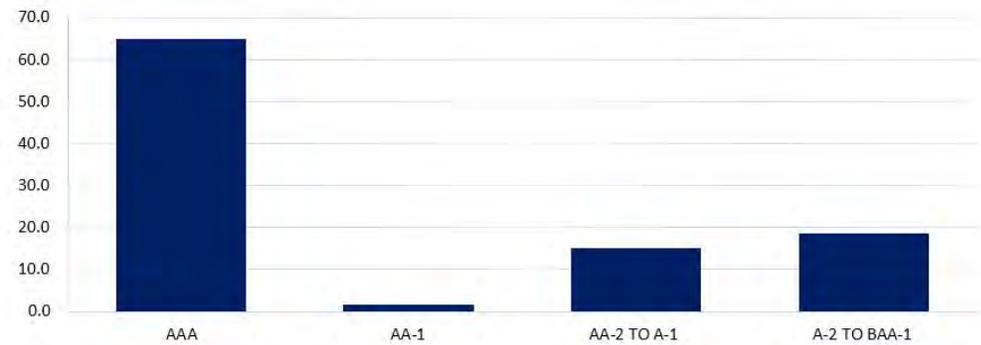
Portfolio Level Characteristics

	POOL 12 CAWCD MED TRM
Weighted Average Life	2.25
Coupon	1.86
Effective Duration	1.63
Quality Rating (Moody's)	AA-2

Coupon Distribution

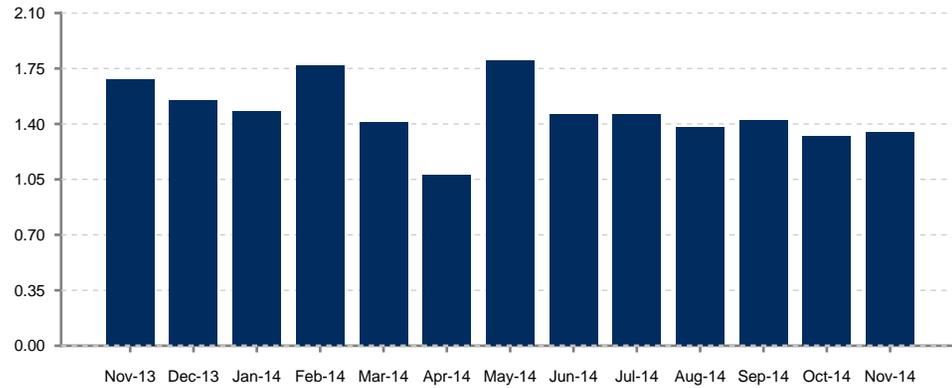


Rating Distribution





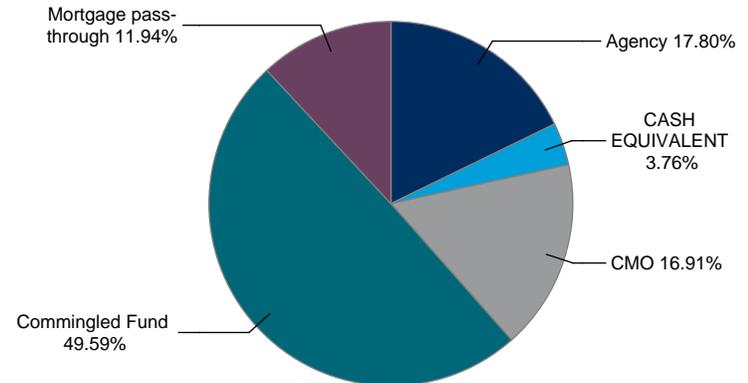
Net Yield



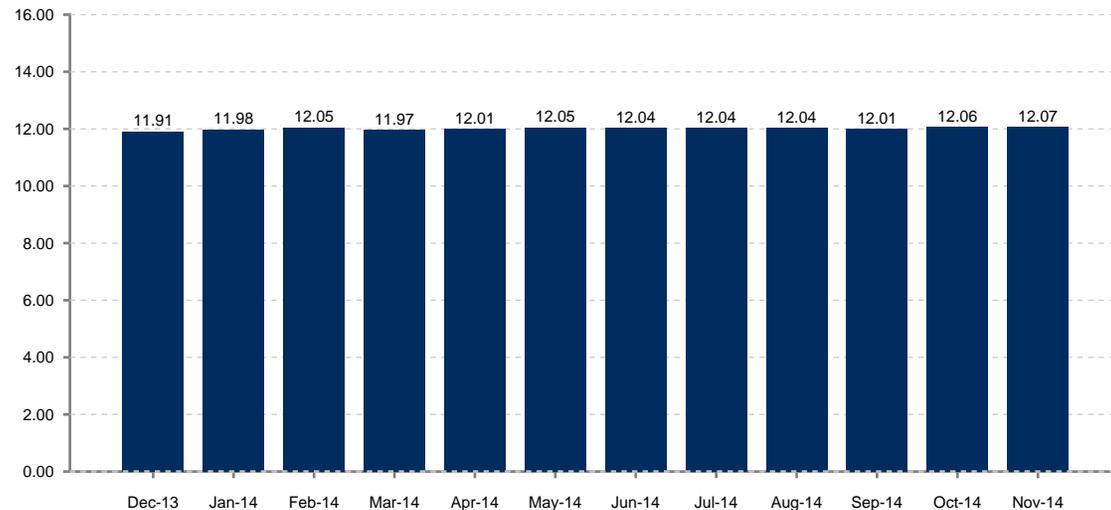
	Current Mth	Prior Mth	1 Year Ago
POOL 15 GADA	1.35	1.32	1.68

Asset Allocation

	Ending Market Value
POOL 15 GADA	12,068,855



Net Asset Values over Time (\$MM)

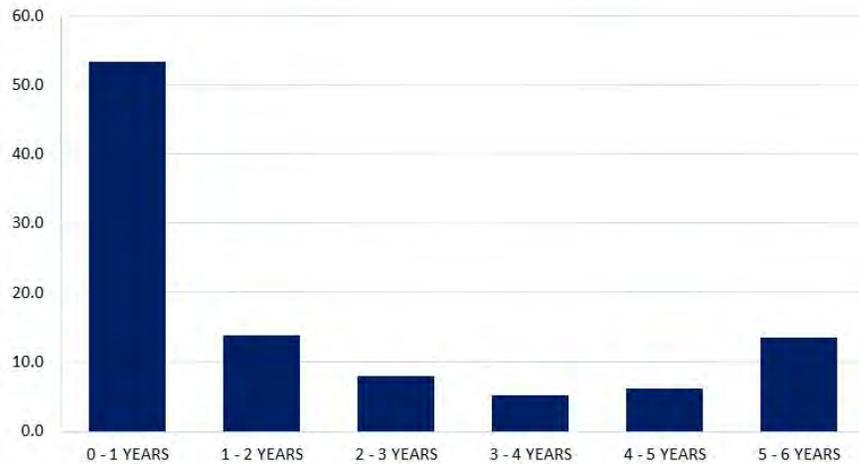


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 15 GADA		
LOCAL GOV INVS POOL 4	5,450,420	45.16
FANNIE MAE	1,634,109	13.54
FEDERAL FARM CREDIT BANK	1,001,288	8.30
FANNIE MAE	748,185	6.20
LOCAL GOV INVS POOL 700	541,401	4.49
FREDDIE MAC	486,903	4.03
SSC GOVERNMENT MM GVXX	454,837	3.77
FEDERAL HOME LOAN BANK	400,831	3.32
FNMA POOL AJ1622	347,709	2.88
GOVERNMENT NATIONAL MORTGAGE A	232,104	1.92



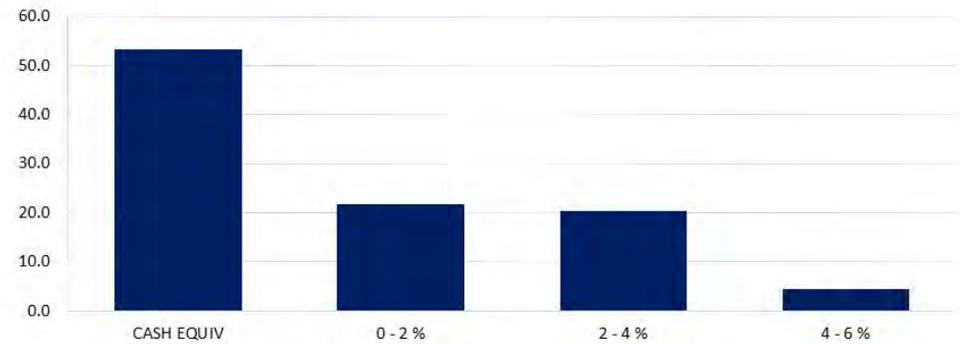
Duration Distribution



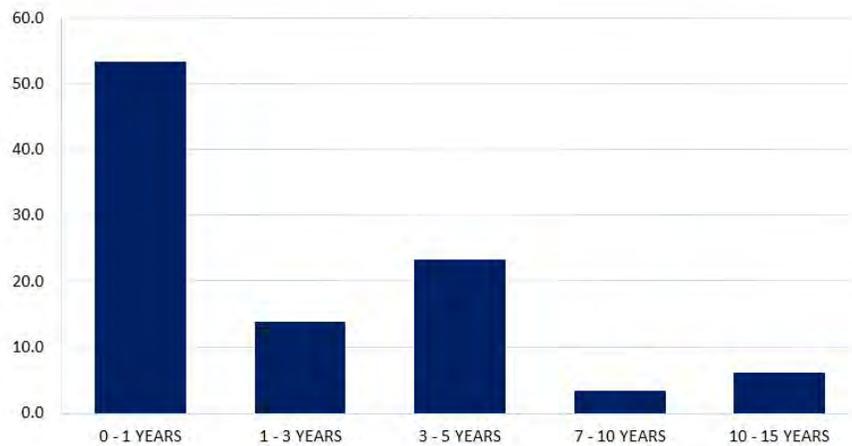
Portfolio Level Characteristics

	POOL 15 GADA
Weighted Average Life	2.20
Coupon	1.13
Effective Duration	1.60
Quality Rating (Moody's)	AAA

Coupon Distribution



Expected Maturity Distribution

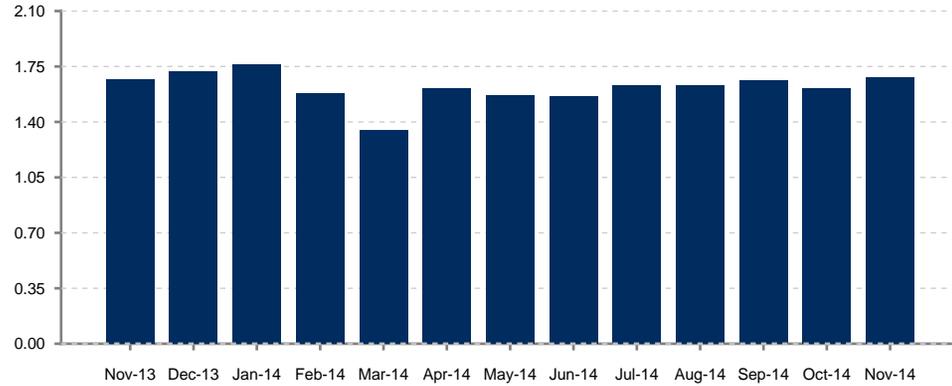


Rating Distribution





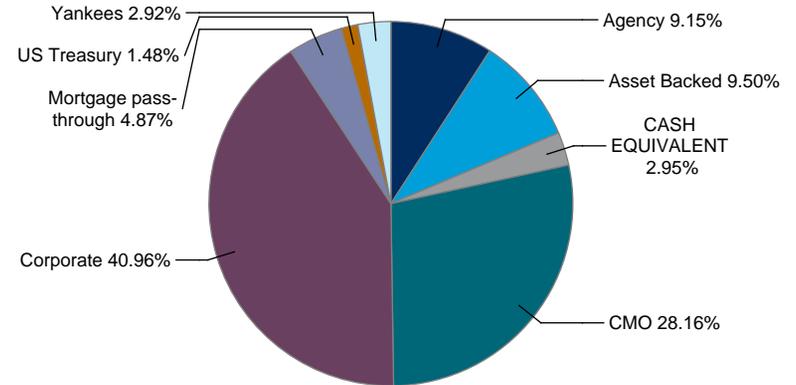
Net Yield



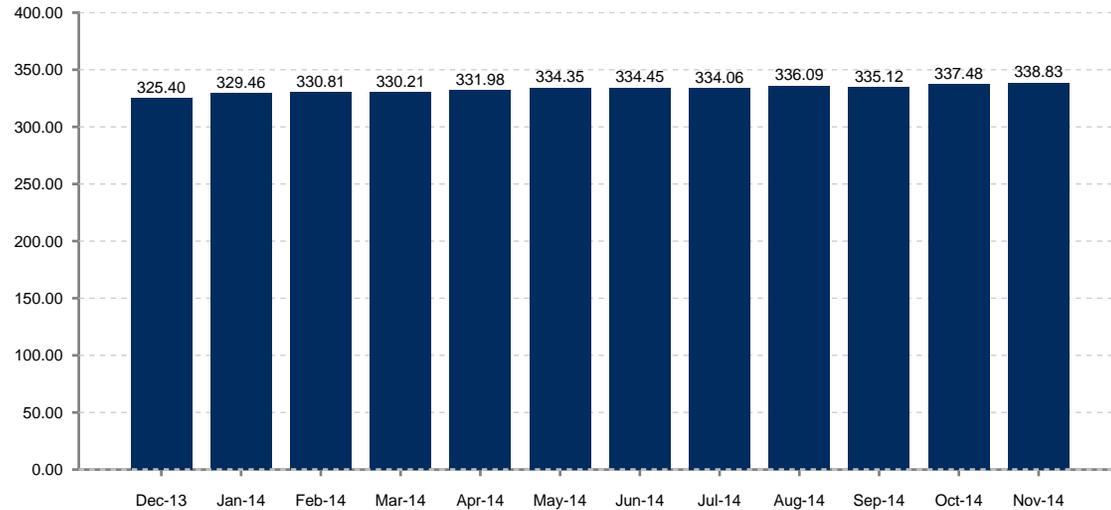
	Current Mth	Prior Mth	1 Year Ago
POOL 16 ECDHB	1.68	1.61	1.67

Asset Allocation

	Ending Market Value
POOL 16 ECDHB	338,828,567



Net Asset Values over Time (\$MM)

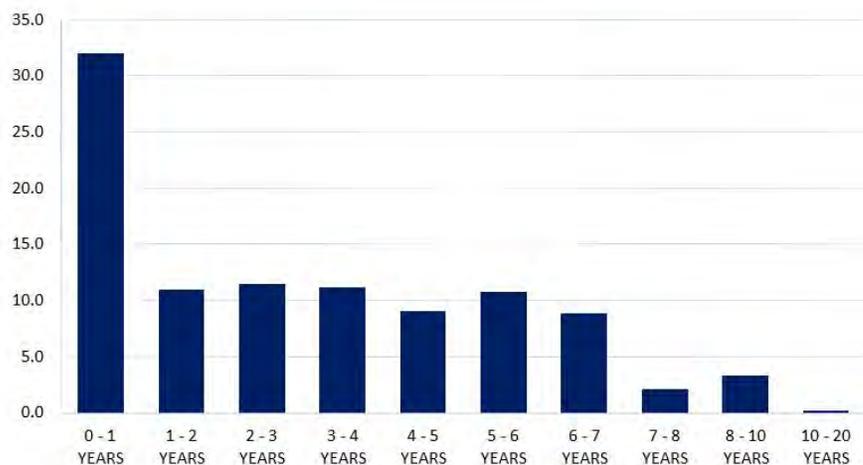


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 16 ECDHB		
BELLSOUTH CORP	13,510,712	3.99
FREDDIE MAC	9,629,566	2.84
FREDDIEMAC STRIP	9,043,710	2.67
SOUTH STREET REPO	8,000,189	2.36
NATIONAL CITY BANK	6,975,090	2.06
FANNIE MAE	6,519,176	1.92
FREDDIE MAC	5,543,152	1.64
FREDDIE MAC	5,266,253	1.55
GOVERNMENT NATIONAL MORTGAGE A	5,251,523	1.55
FREDDIE MAC	5,227,375	1.54



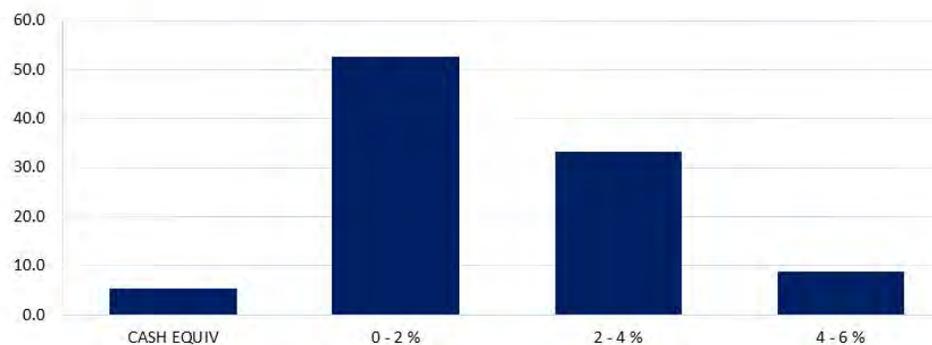
Duration Distribution



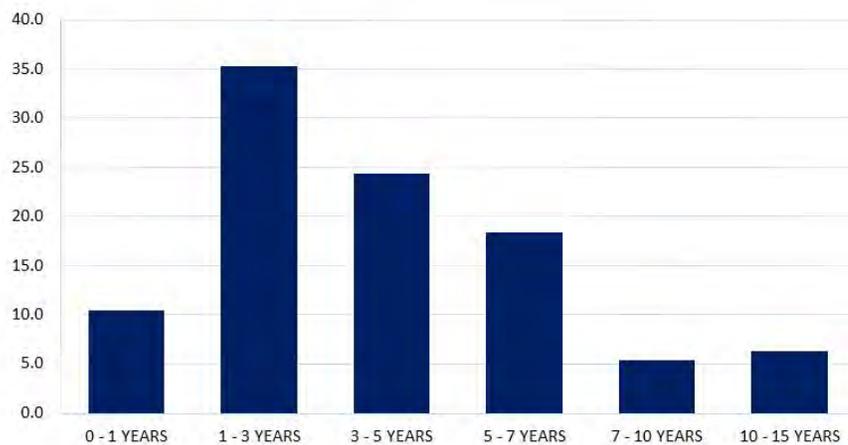
Portfolio Level Characteristics

	POOL 16 ECDHB
Weighted Average Life	4.06
Coupon	2.17
Effective Duration	3.02
Quality Rating (Moody's)	AA-2

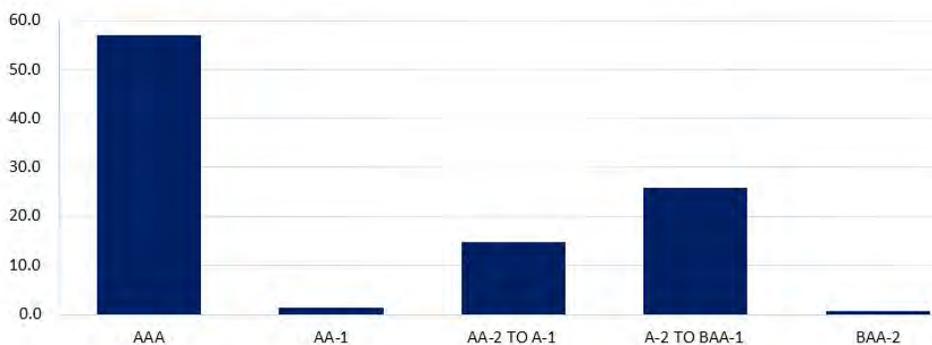
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



**LGIP & LGIP- GOV
PORTFOLIO YIELD ANALYSIS
NOVEMBER 30, 2014**

NET EARNINGS

FUND	DESCRIPTION	Current Month 11/30/14	Prior Month 10/31/14	Prior Year 11/30/13	Net Asset Value Per Share
5	LGIP	105,086	91,907	117,545	1.0000
7	LGIP - GOV	52,987	45,095	52,436	1.0000
	TOTAL LGIP & LGIP-GOV	158,073	137,002	169,982	

YIELDS

<u>MONTHLY</u>		Current Month 11/30/14	Prior Month 10/31/14	Prior Year 11/30/13
5	LGIP (NET)	0.10%	0.09%	0.09%
	S & P LGIP INDEX	0.05%	0.05%	0.05%
7	LGIP - GOV (NET)	0.07%	0.06%	0.06%
	3 MONTH T-BILL	0.01%	0.01%	0.06%
<u>YEAR TO DATE</u>				
5	LGIP (NET)	0.09%	0.08%	0.12%
	S & P LGIP INDEX	0.05%	0.05%	0.05%
7	LGIP - GOV (NET)	0.06%	0.06%	0.04%
	3 MONTH T-BILL	0.01%	0.01%	0.03%

* 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
NOVEMBER 30, 2014**

NET EARNINGS

FUND	DESCRIPTION	Current Month 11/30/14	Prior Month 10/31/14	Prior Year 11/30/13	Net Asset Value Per Share
500	LGIP - MED TERM POOL	196,441	238,024	288,693	1.0352
700	LGIP - FF&C MED TERM POOL	121,994	116,778	148,911	1.0104
	TOTAL LGIP MEDIUM TERM POOLS	318,435	354,802	437,605	

YIELDS

MONTHLY

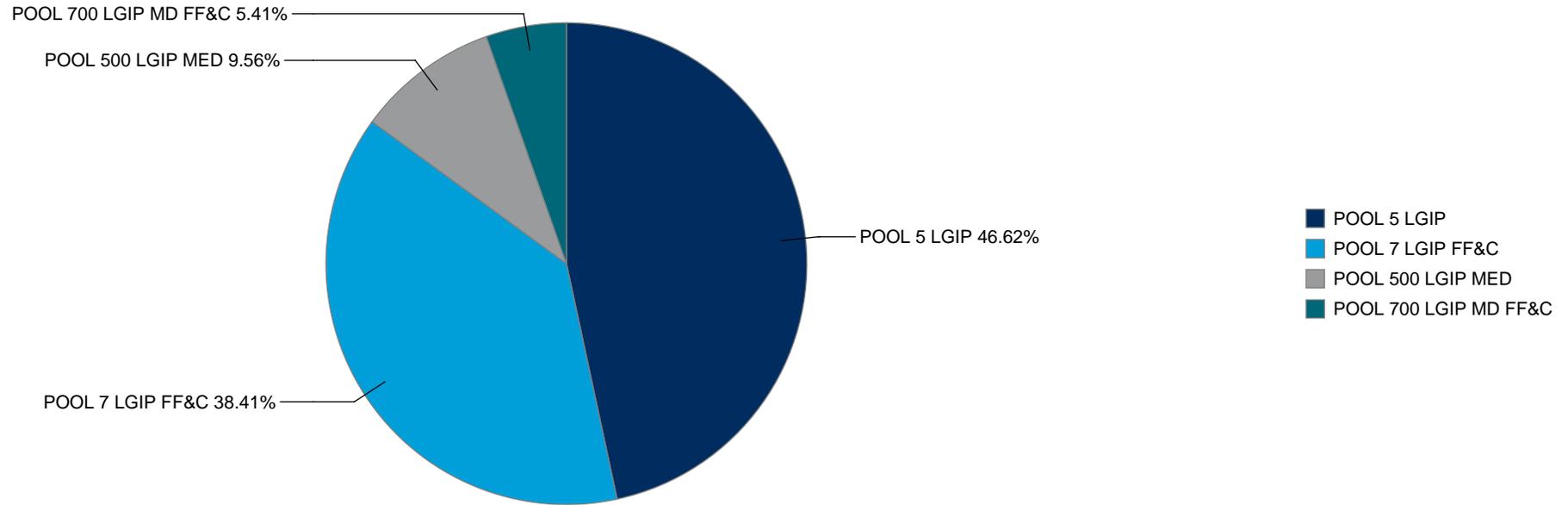
	Current Month 11/30/14	Prior Month 10/31/14	Prior Year 11/30/13
500 LGIP - MED TERM (NET)	0.93%	1.09%	1.20%
MERRILL 1-5 US D M INDEX	1.31%	1.35%	1.12%
700 LGIP - FF&C MED TERM (NET)	1.02%	0.95%	0.78%
75% MERRILL 1-5 US TREAS INDEX / 25% MERRILL US GNMA MORTGAGE BACKED INDEX	1.21%	1.28%	1.22%

YEAR TO DATE

500 LGIP - MED TERM (NET)	1.08%	1.12%	1.19%
MERRILL 1-5 US D M INDEX	1.32%	1.32%	1.23%
700 LGIP - FF&C MED TERM (NET)	0.94%	0.93%	0.92%
75% MERRILL 1-5 US TREAS INDEX / 25% MERRILL US GNMA MORTGAGE BACKED INDEX	1.33%	1.36%	1.25%



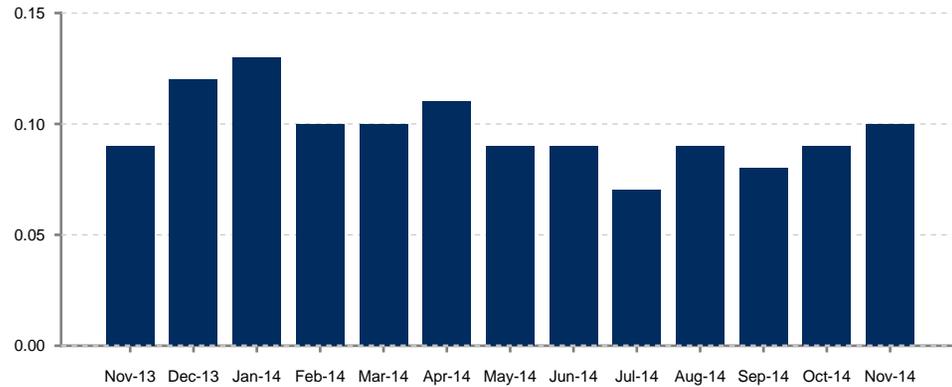
Manager Allocation



	Market Value	% of Portfolio
POOL 5 LGIP	1,255,260,173	46.6
POOL 7 LGIP FF&C	1,034,265,574	38.4
POOL 500 LGIP MED	257,508,170	9.6
POOL 700 LGIP MD FF&C	145,772,208	5.4
TOTAL LGIP	2,692,806,125	100.0



Net Yield

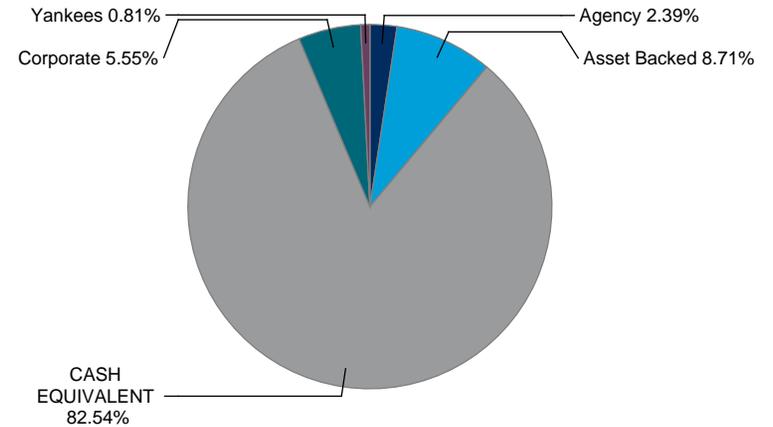


Current Mth **Prior Mth** **1 Year Ago**

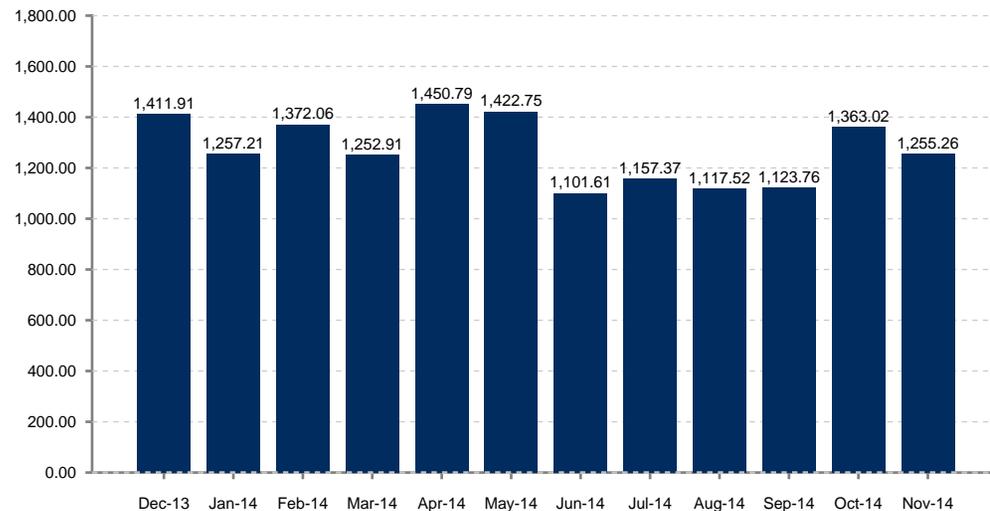
POOL 5 LGIP	0.10	0.09	0.09
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Asset Allocation

	Ending Market Value
POOL 5 LGIP	1,255,260,173



Net Asset Values over Time (\$MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 5 LGIP		
WELLS FARGO REPO	185,002,056	14.74
FED HOME LN DISCOUNT NT	99,996,111	7.97
FREDDIE MAC DISCOUNT NT	49,999,896	3.98
FED HOME LN DISCOUNT NT	39,998,133	3.19
WELLS FARGO REPO	23,998,904	1.91
SUMITOMO MITSUI BKG CORP	20,012,165	1.59
FED HOME LN DISCOUNT NT	14,998,938	1.19
FED HOME LN DISCOUNT NT	14,998,565	1.19
HANNOVER FDG CO. LLC	14,995,883	1.19
SWEDBANK	14,994,800	1.19



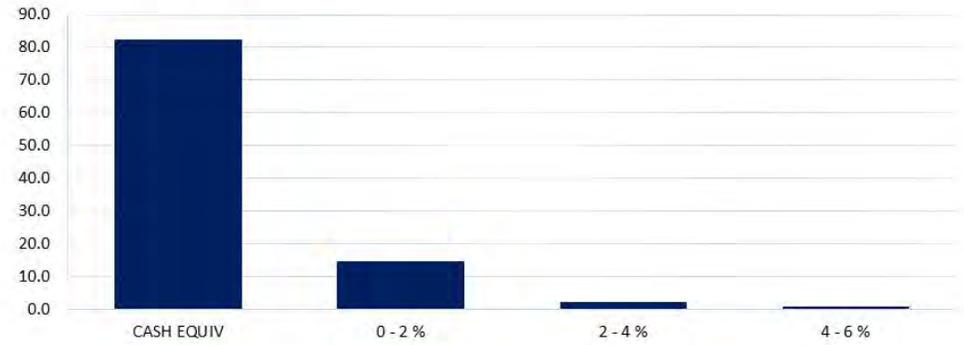
Duration Distribution



Portfolio Level Characteristics

	POOL 5 LGIP
Weighted Average Life	0.16
Coupon	0.21
Effective Duration	0.14
Quality Rating (Moody's)	AAA

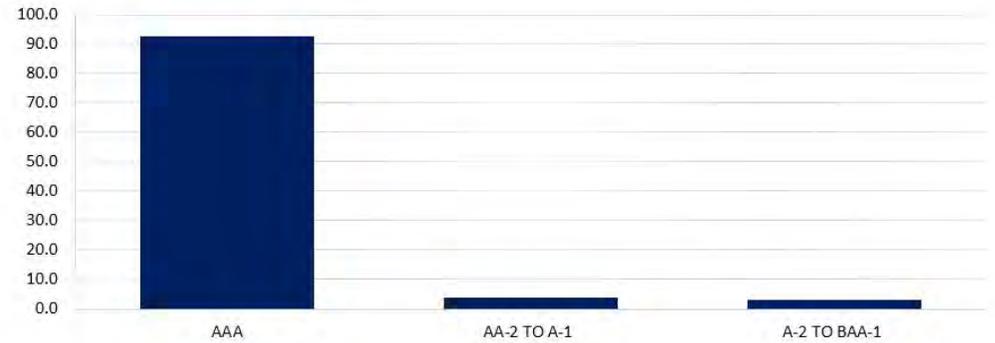
Coupon Distribution



Expected Maturity Distribution

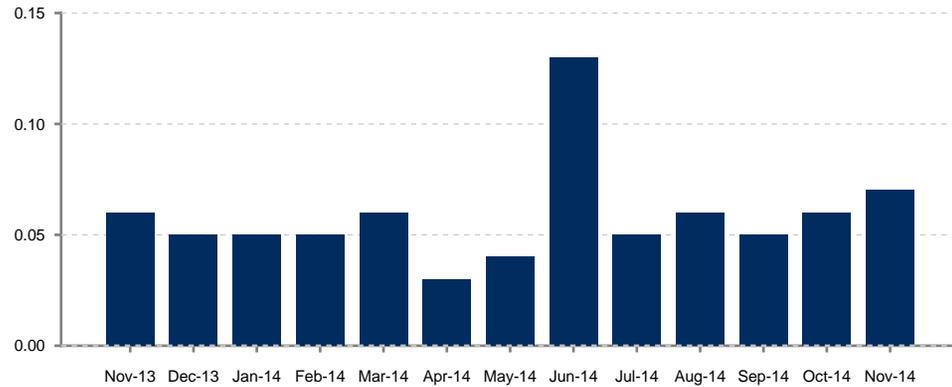


Rating Distribution





Net Yield

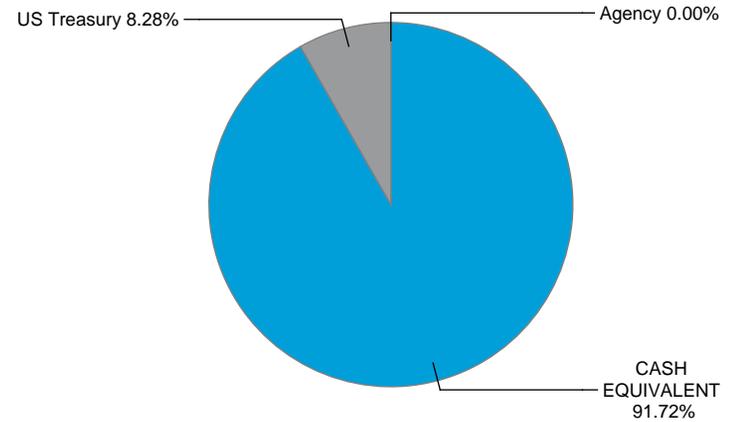


Current Mth **Prior Mth** **1 Year Ago**

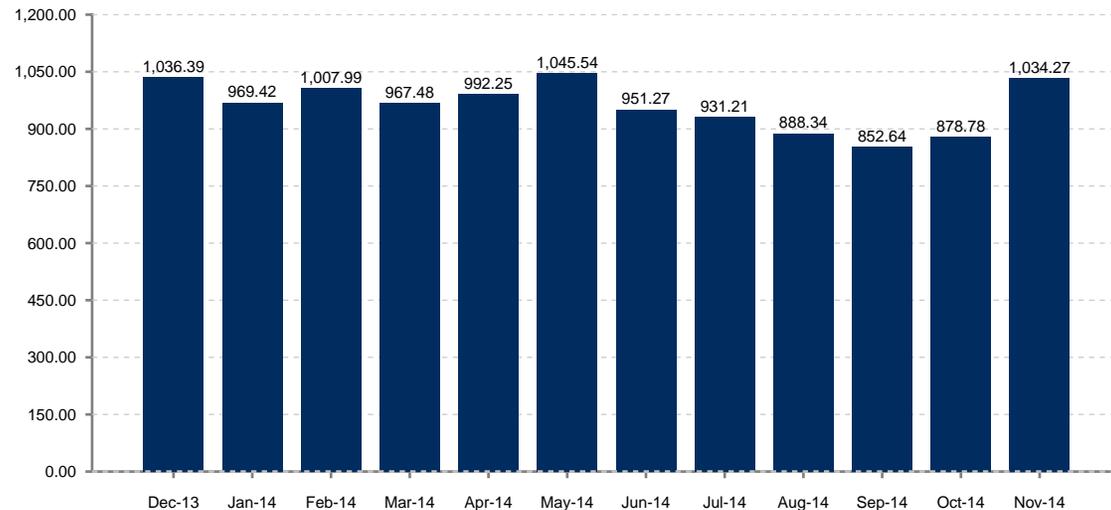
POOL 7 LGIP FF&C	0.07	0.06	0.06
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Asset Allocation

	Ending Market Value
POOL 7 LGIP FF&C	1,034,265,574



Net Asset Values over Time (\$MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 7 LGIP FF&C		
GUGGENHEIM SECURITIES REPO	145,002,538	14.02
WELLS FARGO REPO	115,001,278	11.12
SOUTH STREET REPO	110,001,222	10.64
GUGGENHEIM SECURITIES REPO	100,003,972	9.67
DAIWA CAPITAL MARKETS REPO	100,001,528	9.67
ALLIANCE BANK OF ARIZONA MONEY	98,187,918	9.49
BANK OF AMERICA REPO	98,000,817	9.48
SOUTH STREET REPO	78,219,931	7.56
US TREASURY N/B	50,531,250	4.89
TREASURY BILL	44,997,660	4.35



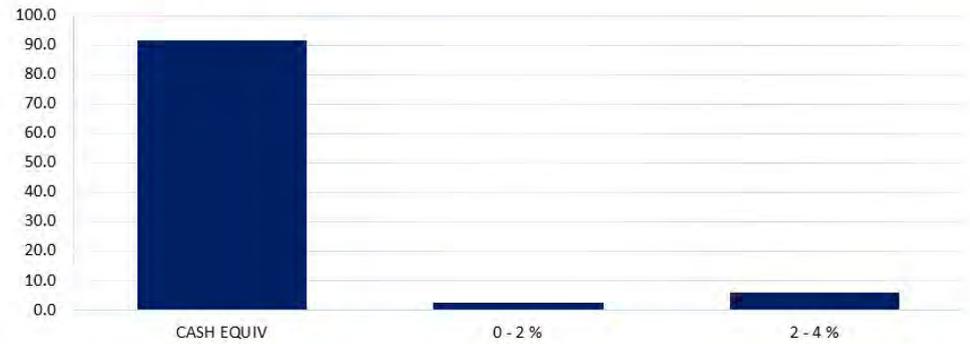
Duration Distribution



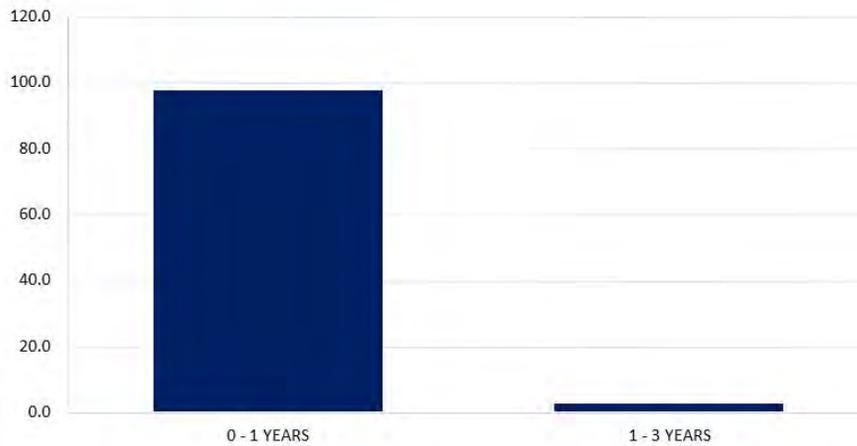
Portfolio Level Characteristics

	POOL 7 LGIP FF&C
Weighted Average Life	0.06
Coupon	0.49
Effective Duration	0.03
Quality Rating (Moody's)	AAA

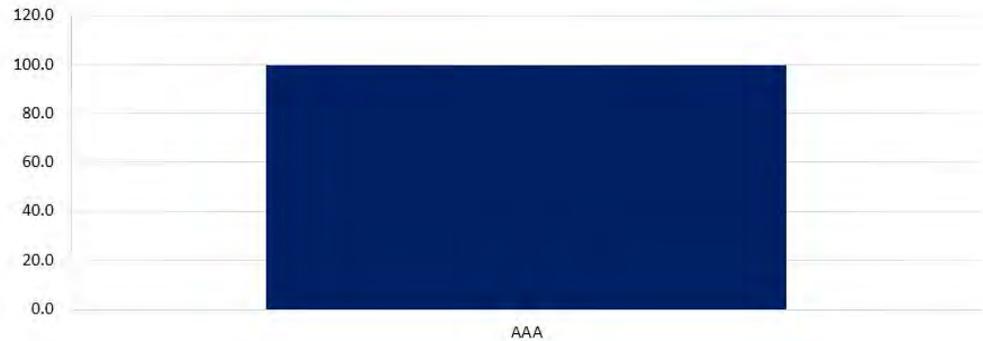
Coupon Distribution



Expected Maturity Distribution

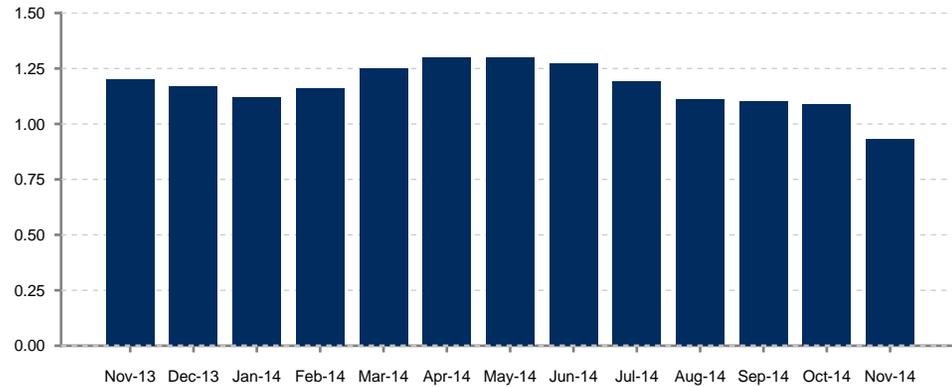


Rating Distribution





Net Yield



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

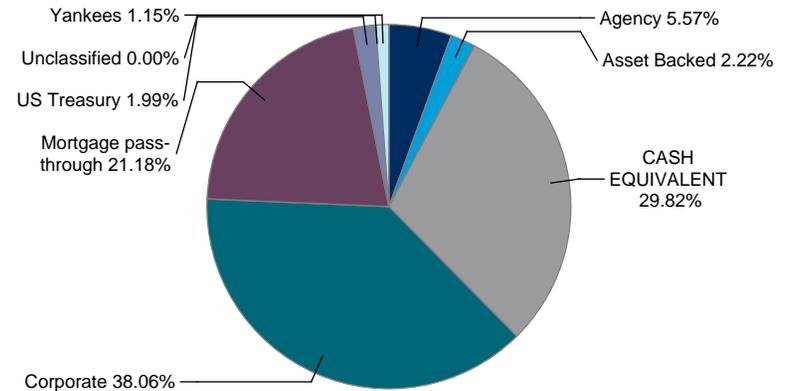
POOL 500 LGIP MED	0.93	1.09	1.20
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Asset Allocation

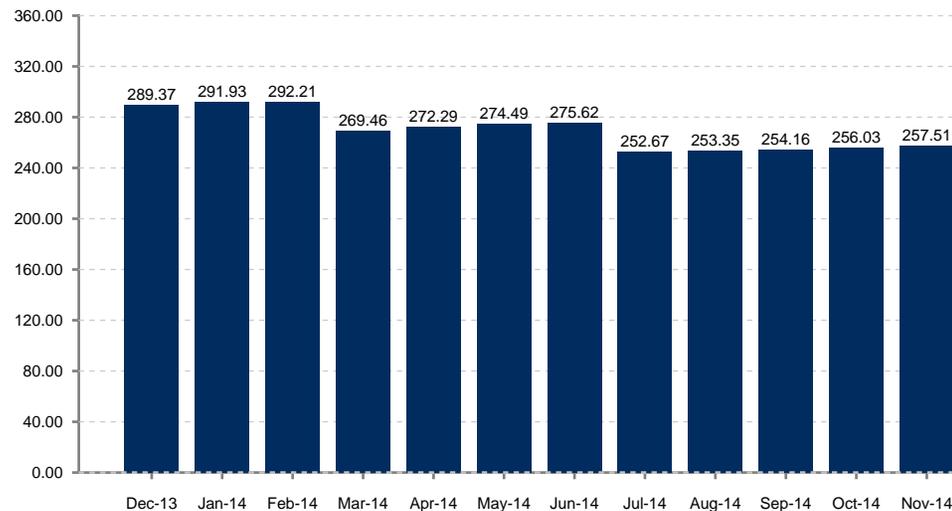
POOL 500 LGIP MED

Ending Market Value

257,508,170



Net Asset Values over Time (\$MM)

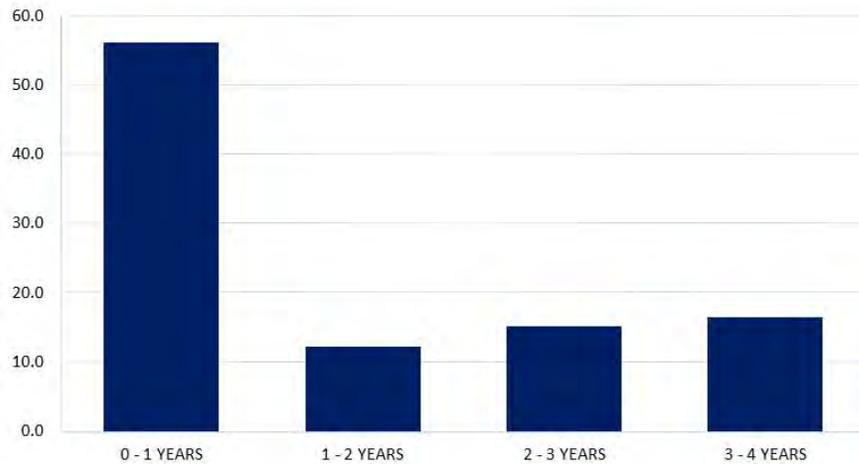


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 500 LGIP MED		
SUN TRUST ROBINSON REPO	30,001,700	11.65
SOUTH STREET REPO	20,000,472	7.77
FNMA POOL AB5991	11,148,353	4.33
FNMA POOL AE7578	6,905,735	2.68
FED HOME LN DISCOUNT NT	6,539,281	2.54
FANNIE DISCOUNT NOTE	5,157,265	2.00
SWEDBANK	4,998,267	1.94
AGRICULTURAL BANK CHINA	4,995,250	1.94
CHARIOT FNDG LLC	4,991,731	1.94
FED HM LN PC POOL G18465	4,402,071	1.71



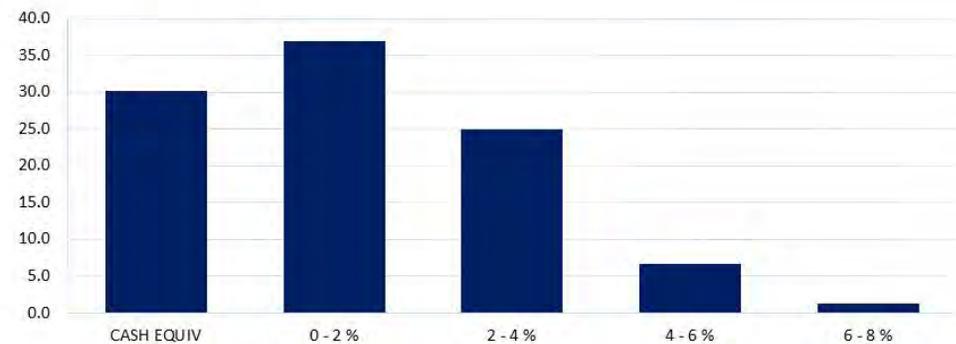
Duration Distribution



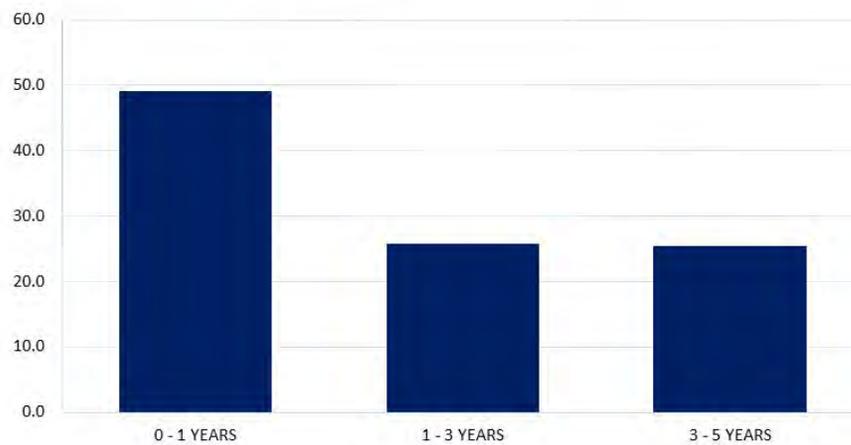
Portfolio Level Characteristics

	POOL 500 LGIP MED
Weighted Average Life	1.60
Coupon	1.93
Effective Duration	1.23
Quality Rating (Moody's)	AA-2

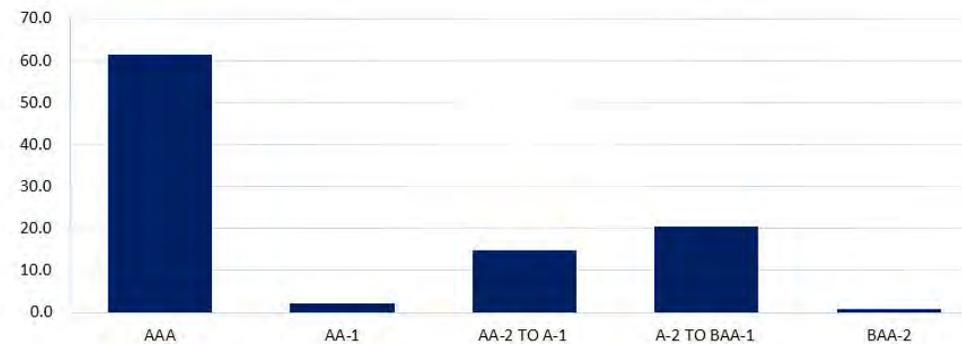
Coupon Distribution



Expected Maturity Distribution



Rating Distribution





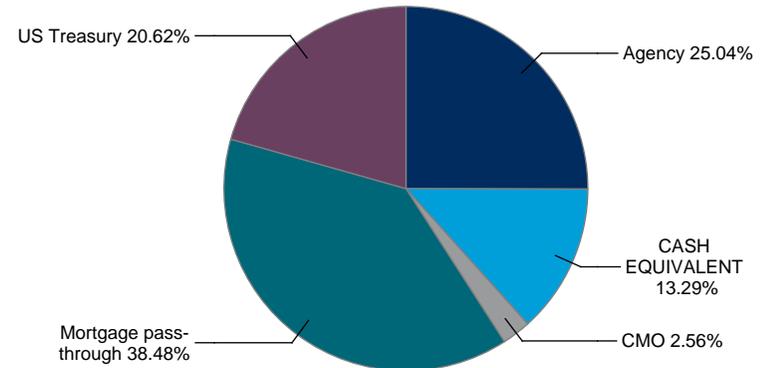
Net Yield



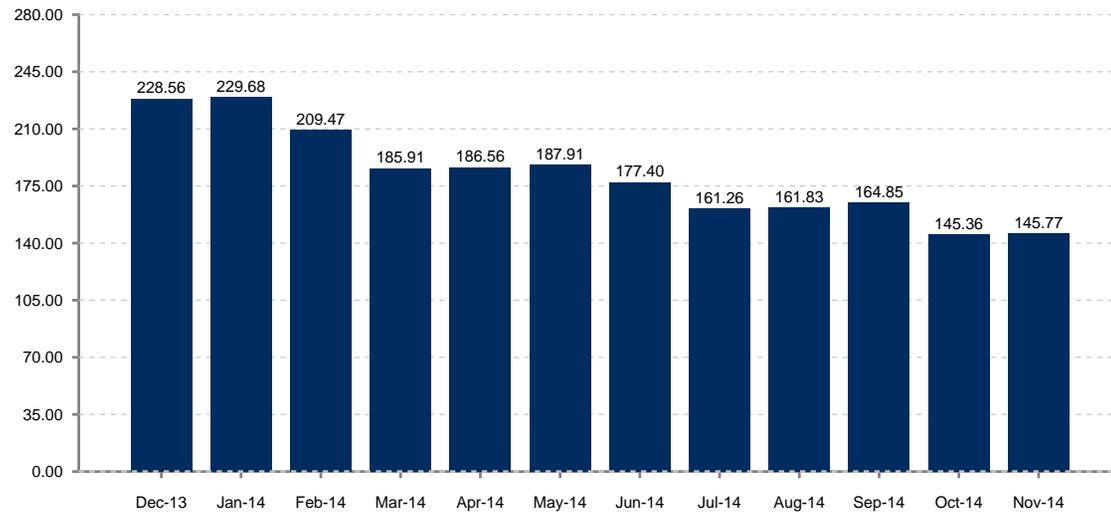
	Current Mth	Prior Mth	1 Year Ago
POOL 700 LGIP MD FF&C	1.02	0.95	0.78

Asset Allocation

	Ending Market Value
POOL 700 LGIP MD FF&C	145,772,208



Net Asset Values over Time (\$MM)

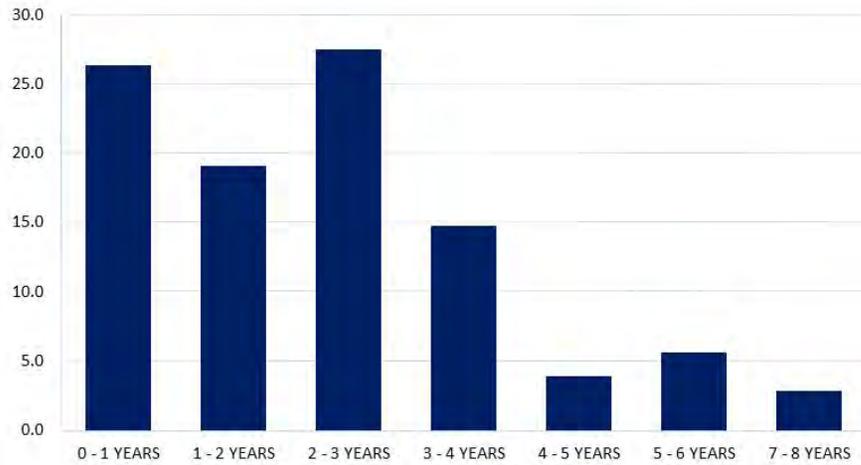


Top 10 Holdings

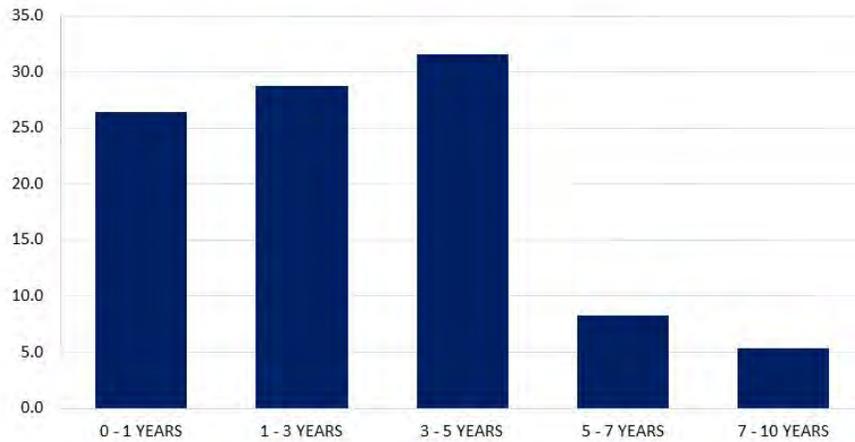
Security Name	Ending Market Value	% of Portfolio
POOL 700 LGIP MD FF&C		
FDIC US BANK CDARS ACCOUNT	15,152,116	10.39
HOUSING URBAN DEVELOPMNT	9,373,691	6.43
GNMA II POOL MA0213	6,459,758	4.43
GNMA II POOL 004849	5,759,573	3.95
US TREASURY N/B	5,265,467	3.61
US TREASURY N/B	4,984,461	3.42
AID ISRAEL	4,919,715	3.37
NCUA GUARANTEED NOTES	4,079,813	2.80
GNMA POOL AA8339	3,848,870	2.64
GNMA II POOL MA0008	3,833,744	2.63



Duration Distribution



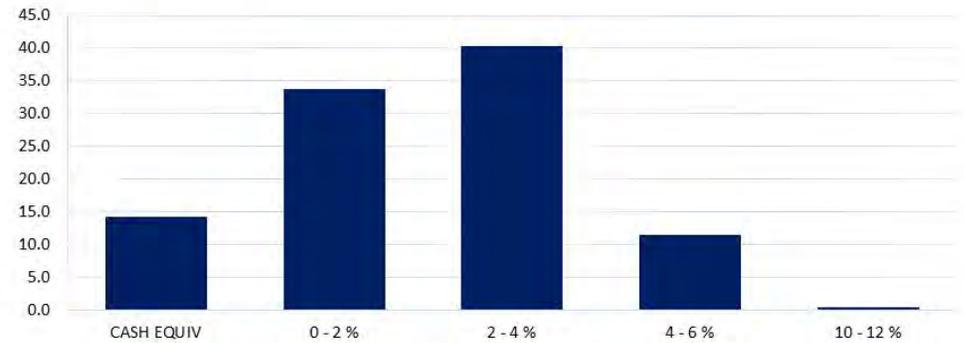
Expected Maturity Distribution



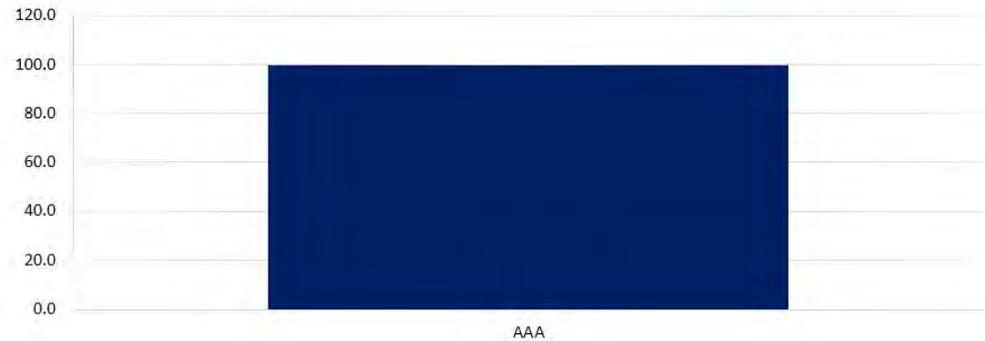
Portfolio Level Characteristics

	POOL 700 LGIP MD FF&C
Weighted Average Life	2.85
Coupon	2.40
Effective Duration	2.31
Quality Rating (Moody's)	AAA

Coupon Distribution



Rating Distribution



**EARNINGS DISTRIBUTED
ENDOWMENT FUNDS
NOVEMBER 2014**

Distributed in Current Month

Recipient	NOVEMBER 2014	Fiscal YTD 14/15	Fiscal YTD 13/14
101 A & M Colleges	\$18,997	\$94,984	\$89,064
102 State Hospital	\$11,534	\$57,672	\$52,766
103 Leg., Exec., & Jud.	\$15,436	\$77,179	\$71,834
104 Military Institute	\$1,065	\$5,327	\$5,017
105 Miners Hospital	\$32,415	\$162,074	\$138,756
107 Normal School ASU/NAU	\$6,839	\$34,194	\$31,091
108 Penitentiaries	\$23,538	\$117,690	\$102,505
109 Permanent Common School	\$6,332,035	\$31,660,177	\$28,242,420
110 School for Deaf & Blind	\$9,692	\$48,458	\$44,445
111 School of Mines	\$21,500	\$107,498	\$100,689
112 State Charitable-Pioneers Home	\$103,941	\$519,703	\$490,382
112 State Charitable-Corrections	\$51,970	\$259,851	\$245,191
112 State Charitable-Youth Treatment	\$51,970	\$259,851	\$245,191
113 University Fund	\$35,752	\$178,761	\$165,847
114 U of A Land - 1881	\$94,102	\$470,510	\$405,062
Total	\$6,810,786	\$34,053,930	\$30,430,260

Posted in USAS in current month

NET REALIZED CAPITAL GAINS / LOSSES - ENDOWMENT FUNDS

Endowment Fund	Nov-14 NET GAIN(LOSS)	Nov-13 NET GAIN(LOSS)
----- Fixed Income Pool	(310,323)	(44,095)
500 Large-Cap Fund	960,428	(904,650)
400 Mid-Cap Fund	2,573,793	555,615
600 Small-Cap Fund	(130,682)	2,439,338
	-----	-----
Totals	3,093,217	2,046,208
	=====	=====

Endowment Fund	2014/2015 FISCAL YEAR TO DATE GAINS(LOSSES)	2013/ 2014 FISCAL YEAR TO DATE GAINS(LOSSES)
----- Fixed Income Pool	(1,481,262)	(1,054,169)
500 Large-Cap Fund	9,762,446	37,917,670
400 Mid-Cap Fund	14,645,787	36,942,556
600 Small-Cap Fund	6,326,176	11,429,362
	-----	-----
Totals	29,253,147	85,235,419
	=====	=====

ENDOWMENT FUNDS FIXED-INCOME POOL
PURCHASES & SALES
 Month of November 2014

State Treasurer's Report
 December 22, 2014
 Page 37

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	7/15/2041	2.38	\$1,053,946	\$1,096,612	1.26%	Aaa/AA+
JP MORGAN COMM MTG	2.38	10/15/2045	5.27	\$10,000,000	\$10,048,553	2.31%	NR/AAA
FHR MTG	2.50	4/15/2031	4.67	\$872,407	\$883,721	2.20%	Aaa/AA+
FNMA MTG	3.50	12/25/2024	5.17	\$2,420,624	\$2,571,006	2.19%	Aaa/AA+
FNMA MTG	2.50	6/1/2028	4.83	\$4,288,287	\$4,371,819	2.06%	Aaa/AA+
FNMA MTG	3.84	5/1/2018	3.56	\$1,895,000	\$2,031,029	1.75%	Aaa/AA+

TOTAL ENDOWMENT FUNDS PURCHASES

\$20,530,264

\$21,002,740

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>
US TREAS	0.38	3/15/2015	\$2,000,000	\$2,003,410	1,298	Aaa/AA+

TOTAL ENDOWMENT FUNDS SALES

\$2,000,000

\$2,003,410

\$1,298

*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
 Month of November 2014

State Treasurer's Report
 December 22, 2014
 Page 38

I. Equity Fund Purchases

	<u>SHARES</u>	<u>PURCHASE COST</u>	<u>COMMISSIONS</u>
400 Mid-Cap Fund	440,060	\$15,151,681	\$3,148
500 Large-Cap Fund	318,348	\$17,165,188	\$2,175
600 Small-Cap Fund	355,695	\$9,665,884	\$2,518
TOTAL EQUITY PURCHASES	1,114,103	\$41,982,753	\$7,842

II. Equity Funds Sales

	<u>SHARES</u>	<u>SALES AMOUNT</u>	<u>COMMISSIONS</u>
400 Mid-Cap Fund	213,636	\$10,271,771	\$618
500 Large-Cap Fund	41,755	\$3,782,120	\$160
600 Small-Cap Fund	45,773	\$547,206	\$343
TOTAL EQUITY SALES	301,164	\$14,601,097	\$1,122

**ENDOWMENT FUNDS
INVESTMENTS OUTSTANDING**

NOVEMBER 30, 2014
(In Thousands)

State Treasurer's Report
December 22, 2014
Page 39

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>	491	3,452	7,867	4,414	
	<i>Shares in Fixed Income Pools</i>	4,443	3,108	4,716	1,608	
	Total	4,934	6,560	12,583	6,022	1.918
102	State Hospital					
	<i>Shares in Equity Pools</i>	325	2,356	5,203	2,847	
	<i>Shares in Fixed Income Pools</i>	2,825	2,100	2,999	899	
	Total	3,150	4,456	8,202	3,746	1.841
103	Leg., Exec. & Jud					
	<i>Shares in Equity Pools</i>	394	2,966	6,324	3,358	
	<i>Shares in Fixed Income Pools</i>	3,794	2,655	4,027	1,372	
	Total	4,188	5,621	10,351	4,730	1.842
104	Military Institute					
	<i>Shares in Equity Pools</i>	26	187	414	225	
	<i>Shares in Fixed Income Pools</i>	254	169	269	101	
	Total	280	356	683	326	1.922
105	Miners Hospital					
	<i>Shares in Equity Pools</i>	1,117	9,870	17,898	8,028	
	<i>Shares in Fixed Income Pools</i>	9,843	8,388	10,448	2,060	
	Total	10,960	18,258	28,346	10,088	1.553
107	Normal School ASU/NAU					
	<i>Shares in Equity Pools</i>	190	1,438	3,043	1,604	
	<i>Shares in Fixed Income Pools</i>	1,733	1,281	1,839	558	
	Total	1,923	2,719	4,882	2,162	1.795
108	Penitentiaries					
	<i>Shares in Equity Pools</i>	727	5,856	11,645	5,790	
	<i>Shares in Fixed Income Pools</i>	6,587	5,227	6,992	1,764	
	Total	7,314	11,083	18,637	7,554	1.682

**ENDOWMENT FUNDS
INVESTMENTS OUTSTANDING**

State Treasurer's Report
December 22, 2014
Page 40

NOVEMBER 30, 2014
(In Thousands)

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>	183,755	1,451,534	2,945,407	1,493,873	
<i>Shares in Fixed Income Pools</i>	1,644,583	1,304,007	1,745,645	441,638	
Total	1,828,338	2,755,541	4,691,052	1,935,511	1.702
110 School for Deaf & Blind					
<i>Shares in Equity Pools</i>	260	1,952	4,165	2,213	
<i>Shares in Fixed Income Pools</i>	2,431	1,735	2,581	845	
Total	2,691	3,688	6,746	3,058	1.829
111 School of Mines					
<i>Shares in Equity Pools</i>	549	4,104	8,795	4,691	
<i>Shares in Fixed Income Pools</i>	5,091	3,697	5,404	1,707	
Total	5,640	7,801	14,199	6,398	1.820
112 State Charitable					
<i>Shares in Equity Pools</i>	5,503	41,199	88,196	46,997	
<i>Shares in Fixed Income Pools</i>	48,363	37,603	51,335	13,732	
Total	53,866	78,802	139,531	60,729	1.771
113 University Fund					
<i>Shares in Equity Pools</i>	990	7,786	15,864	8,078	
<i>Shares in Fixed Income Pools</i>	9,181	6,841	9,746	2,905	
Total	10,171	14,627	25,610	10,983	1.751
114 U Of A Land - 1881					
<i>Shares in Equity Pools</i>	3,418	31,359	54,785	23,427	
<i>Shares in Fixed Income Pools</i>	31,367	26,135	33,295	7,160	
Total	34,785	57,494	88,080	30,587	1.532
TOTALS - ALL FUNDS					
<i>Shares in Equity Pools</i>	197,742	1,564,061	3,169,606	1,605,545	
<i>Shares in Fixed Income Pools</i>	1,770,497	1,402,946	1,879,296	476,350	
Grand Total	1,968,239	2,967,007	5,048,902	2,081,895	
PRIOR YEAR: NOVEMBER 2013 BALANCES	1,935,648	2,879,361	4,533,422	1,654,061	

**ENDOWMENT FUNDS
INVESTMENTS OUTSTANDING**
NOVEMBER 30, 2014

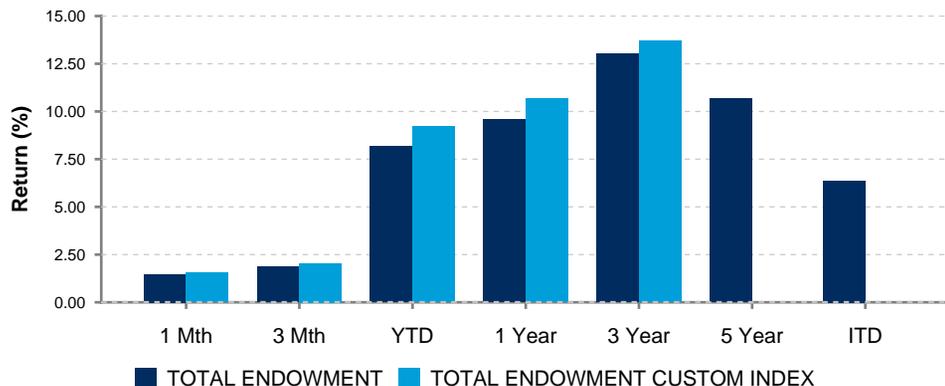
State Treasurer's Report
December 22, 2014
Page 41

ASSET ALLOCATION PERCENTAGE

	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	NOVEMBER 2013 MARKET VALUE
<i>Shares in Equity Pools</i>	10.05%	52.72%	62.78%	60.63%
<i>Shares in Fixed Income Pools</i>	89.95%	47.28%	37.22%	39.37%
	-----	-----	-----	-----
Total	100.00%	100.00%	100.00%	100.00%
	=====	=====	=====	=====



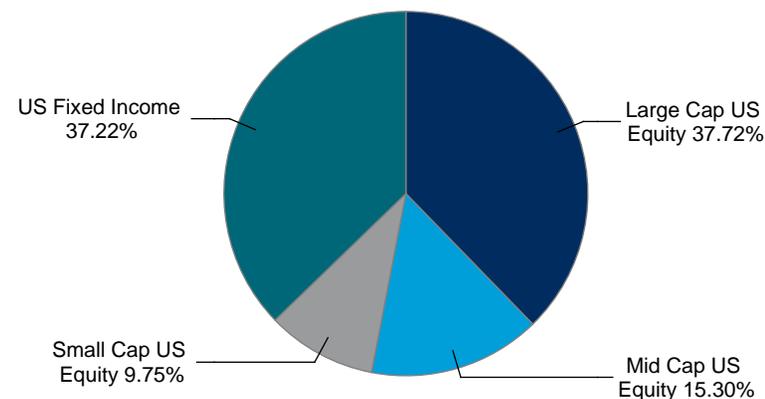
Performance



	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Incept Date
TOTAL ENDOWMENT	1.47	1.87	8.16	9.59	13.02	10.67	6.38	07/99
TOTAL ENDOWMENT CUSTOM INDEX	1.54	2.04	9.22	10.67	13.71			07/99
Excess	-0.07	-0.17	-1.06	-1.08	-0.69			

Asset Allocation

	Ending Market Value
TOTAL ENDOWMENT	5,048,901,966



Ending Market Value



3 Year Risk Statistics

	Return	Portfolio Std Dev	Benchmark Std Dev	Sharpe Ratio	Beta	Tracking Error	Information Ratio
TOTAL ENDOWMENT	13.02	6.00	6.05	2.16	0.99	0.29	-2.38



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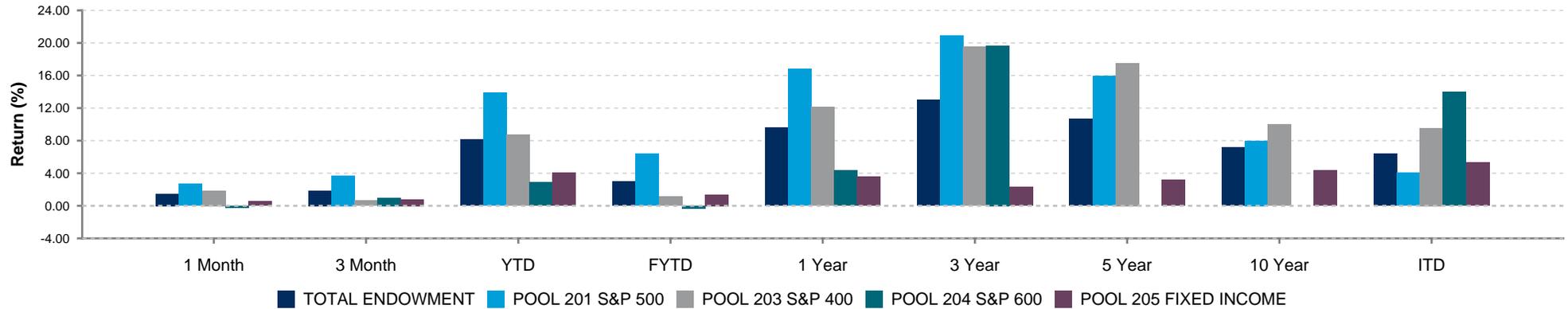
November 30, 2014

Total Returns Net Mgr



STATE STREET

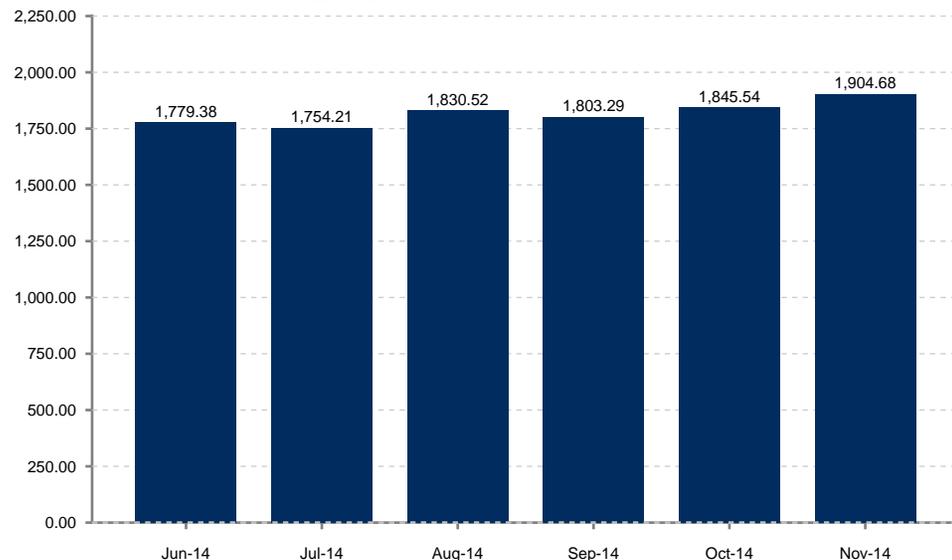
Return Comparison



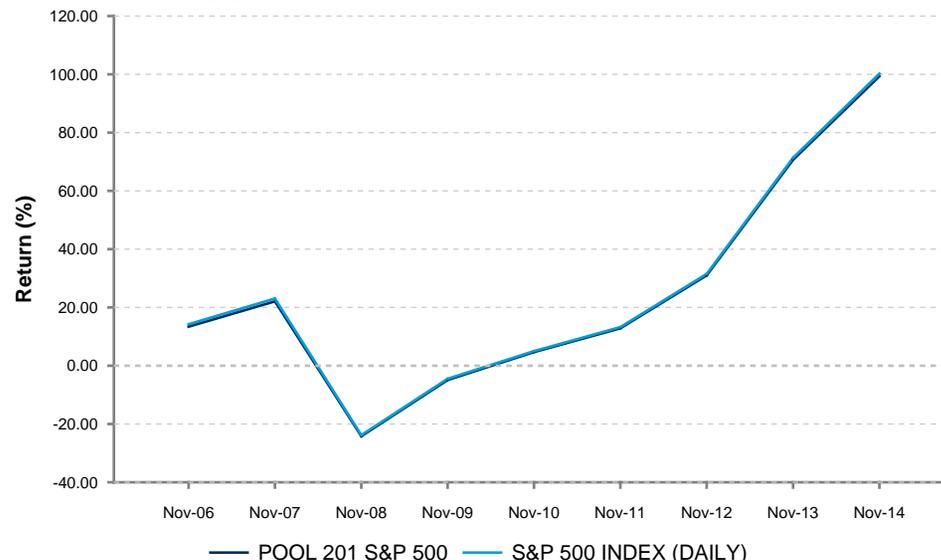
	Market Value	Actual Weight	1 Mth	3 Mth	YTD	FYTD	1 Year	3 Year	5 Year	10 Year	ITD	Inc Date
TOTAL ENDOWMENT	5,048,901,966	100.00	1.47	1.87	8.16	3.00	9.59	13.02	10.67	7.17	6.38	Jul-01-99
TOTAL ENDOWMENT CUSTOM INDEX			1.54	2.04	9.22	3.34	10.67	13.71				Jul-01-99
Excess			-0.07	-0.17	-1.06	-0.34	-1.08	-0.69				
POOL 201 S&P 500	1,904,684,360	37.72	2.69	3.70	13.89	6.36	16.79	20.88	15.95	8.00	4.05	Jul-01-99
S&P 500 INDEX (DAILY)			2.69	3.72	13.98	6.38	16.86	20.93	15.96	8.06	4.64	Jul-01-99
Excess			-0.00	-0.02	-0.09	-0.02	-0.07	-0.05	-0.01	-0.06	-0.59	
POOL 203 S&P 400	772,550,162	15.30	1.87	0.67	8.73	1.16	12.10	19.51	17.54	10.01	9.54	Aug-01-01
S&P 400 MIDCAP INDEX (DAILY)			1.85	0.68	8.87	1.28	12.23	19.51	17.77	10.07	9.56	Aug-01-01
Excess			0.02	-0.01	-0.14	-0.11	-0.13	-0.00	-0.23	-0.06	-0.03	
POOL 204 S&P 600	492,371,339	9.75	-0.26	0.99	2.87	-0.33	4.32	19.67			13.96	Mar-01-11
S&P SM 600 TR			-0.27	1.06	2.82	-0.39	4.31	19.61			13.96	Mar-01-11
Excess			0.02	-0.07	0.06	0.06	0.02	0.06			0.00	
POOL 205 FIXED INCOME	1,879,296,105	37.22	0.55	0.79	4.04	1.38	3.53	2.28	3.16	4.31	5.31	Jul-01-99
CITIGROUP BIG (DAILY)			0.72	1.00	5.84	1.87	5.28	2.99	4.02	4.90	5.65	Jul-01-99
Excess			-0.17	-0.21	-1.80	-0.48	-1.75	-0.71	-0.85	-0.59	-0.33	



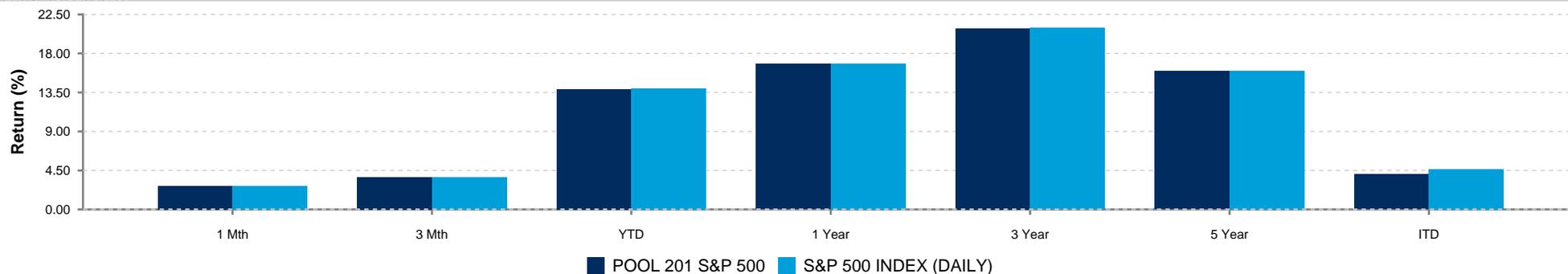
Net Asset Values over Time (\$MM)



Cumulative Return (%)



Rates of Return



	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Nov 30 2014	Nov 30 2013	Nov 30 2012
POOL 201 S&P 500	2.69	3.70	13.89	16.79	20.88	15.95	4.05	16.79	30.27	16.10
S&P 500 INDEX (DAILY)	2.69	3.72	13.98	16.86	20.93	15.96	4.64	16.86	30.30	16.13
Excess	-0.00	-0.02	-0.09	-0.07	-0.05	-0.01	-0.59	-0.07	-0.03	-0.04

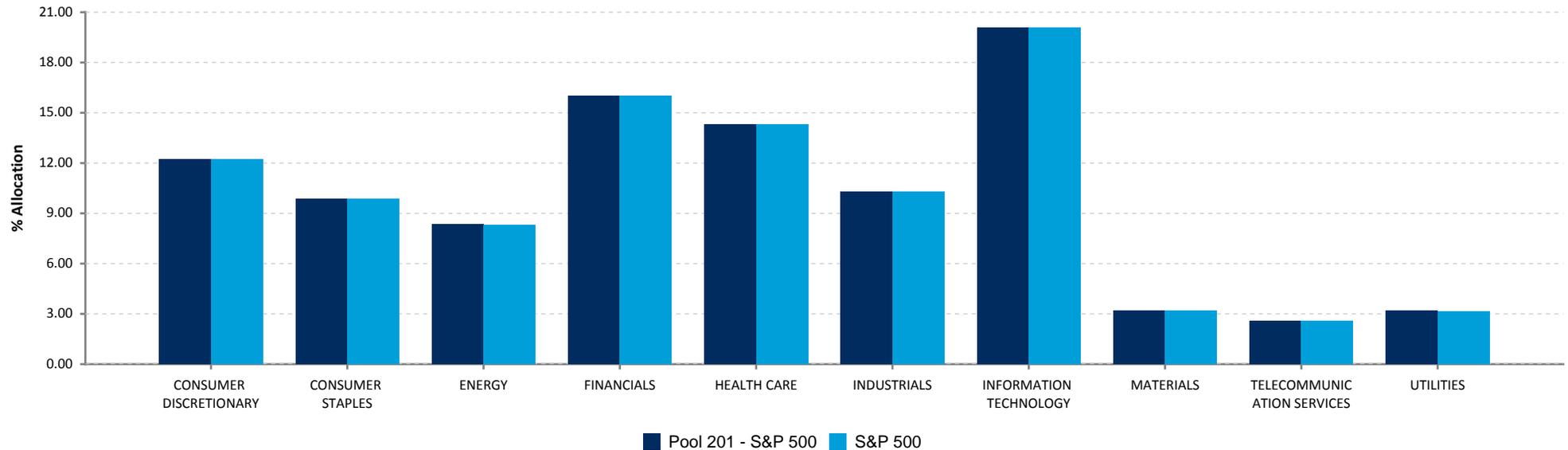
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November 30, 2014

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



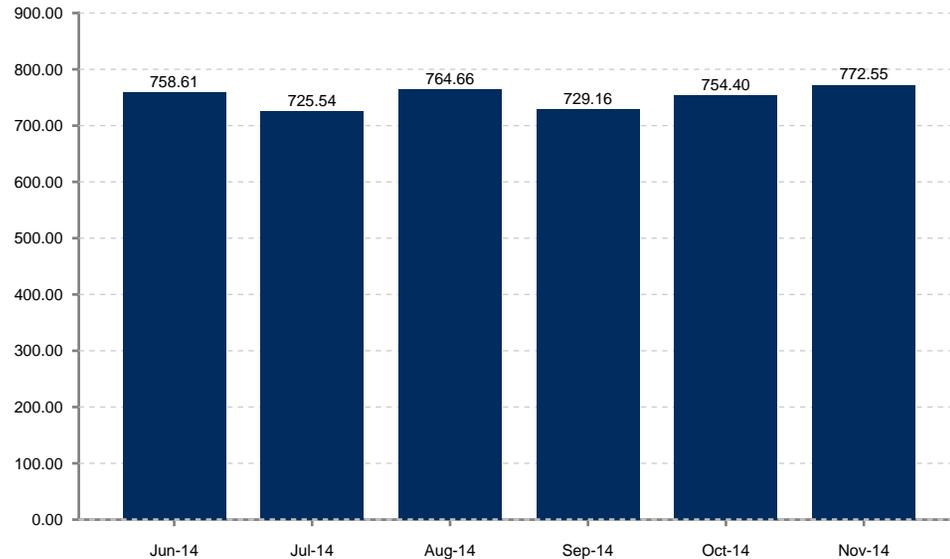
STATE STREET



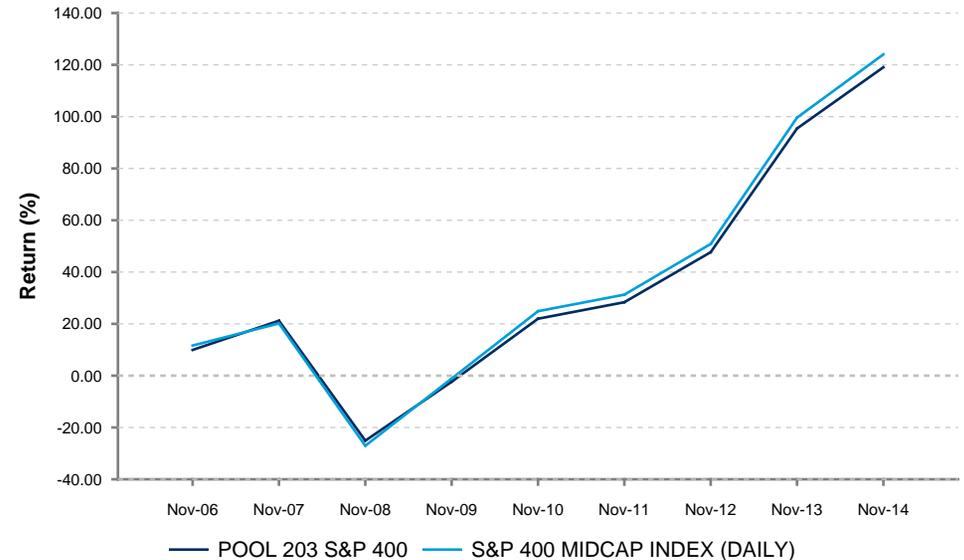
	Fund Weight	Benchmark Weight	Relative Weight
POOL 201 S&P 500	100.00	100.00	0.00
CONSUMER DISCRETIONARY	11.94	11.95	-0.01
CONSUMER STAPLES	9.65	9.65	0.01
ENERGY	9.12	9.12	-0.00
FINANCIALS	16.09	16.10	-0.01
HEALTH CARE	14.26	14.26	-0.00
INDUSTRIALS	10.26	10.26	-0.00
INFORMATION TECHNOLOGY	19.63	19.65	-0.01
MATERIALS	3.26	3.26	0.00
TELECOMMUNICATION SERVICES	2.54	2.52	0.02
UTILITIES	3.23	3.23	0.00



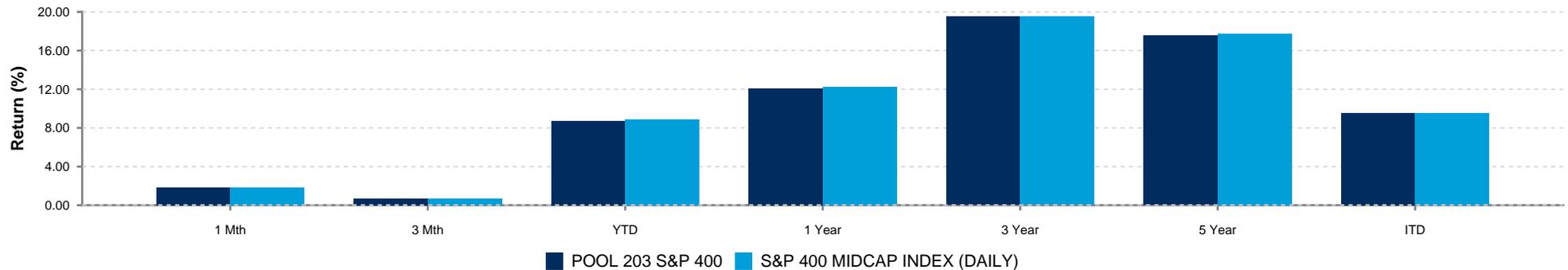
Net Asset Values over Time (\$MM)



Cumulative Return (%)



Rates of Return



	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Nov 30 2014	Nov 30 2013	Nov 30 2012
POOL 203 S&P 400	1.87	0.67	8.73	12.10	19.51	17.54	9.54	12.10	32.32	15.07
S&P 400 MIDCAP INDEX (DAILY)	1.85	0.68	8.87	12.23	19.51	17.77	9.56	12.23	32.33	14.93
Excess	0.02	-0.01	-0.14	-0.13	-0.00	-0.23	-0.03	-0.13	-0.01	0.14

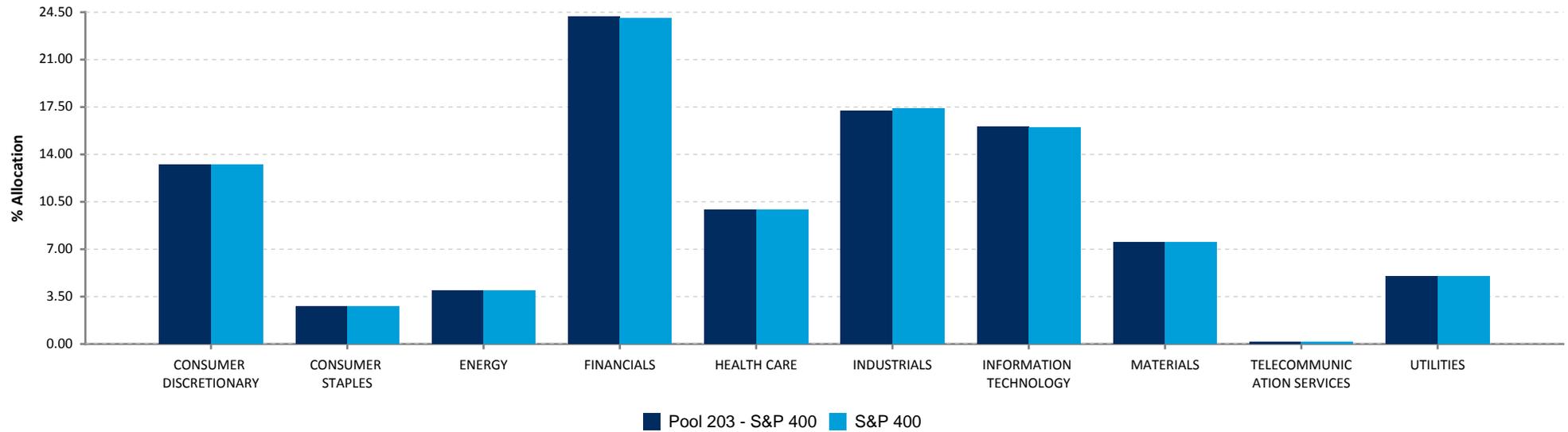
OFFICE OF THE ARIZONA STATE TREASURER

November 30, 2014

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



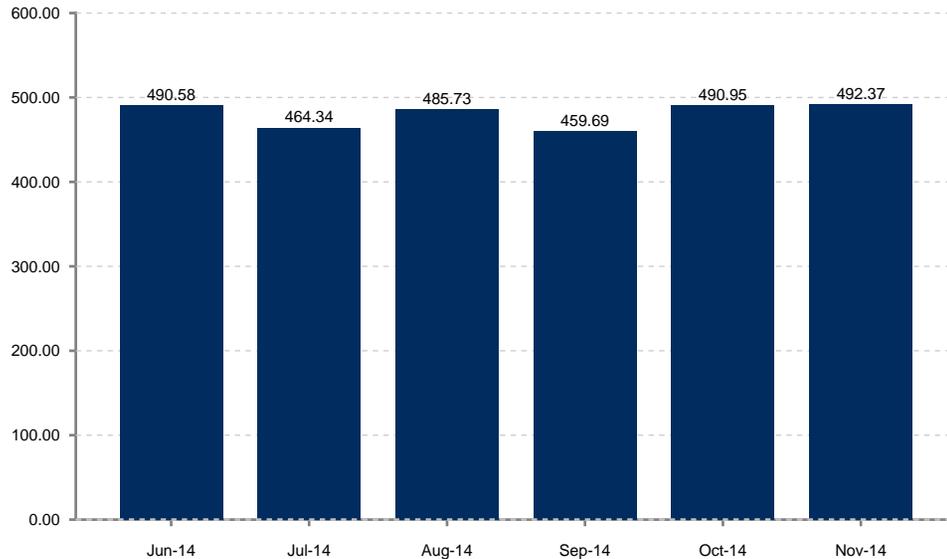
STATE STREET



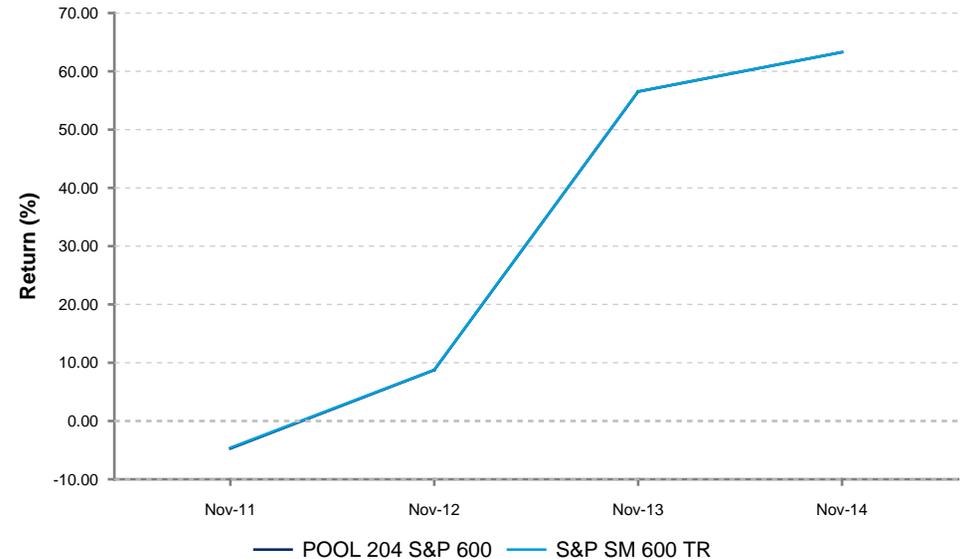
	Weight Fund	Weight Benchmark	Weight Relative
POOL 203 S&P 400	100.00	100.00	0.00
CONSUMER DISCRETIONARY	12.71	12.72	-0.01
CONSUMER STAPLES	2.74	2.74	-0.00
ENERGY	4.42	4.42	-0.00
FINANCIALS	24.35	24.30	0.05
HEALTH CARE	9.66	9.67	-0.01
INDUSTRIALS	17.83	17.88	-0.06
INFORMATION TECHNOLOGY	15.00	14.97	0.03
MATERIALS	7.58	7.59	-0.00
TELECOMMUNICATION SERVICES	0.53	0.53	-0.00
UTILITIES	5.18	5.18	0.00



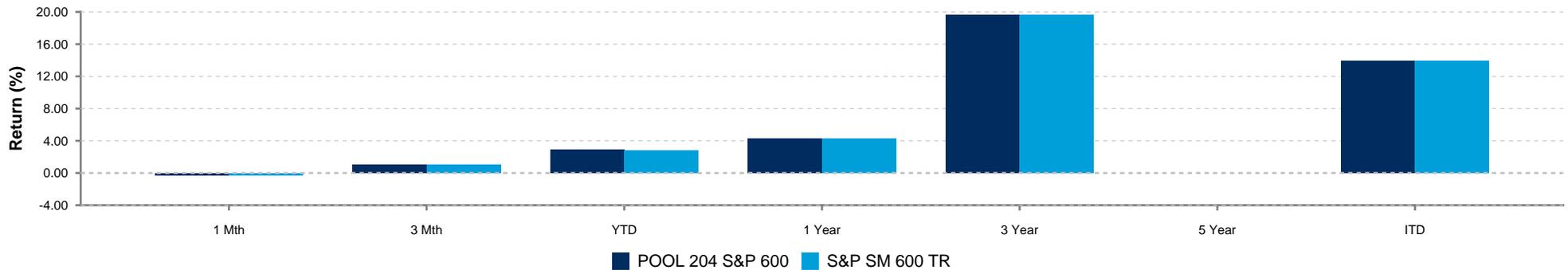
Net Asset Values over Time (\$MM)



Cumulative Return (%)



Rates of Return



	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Nov 30 2014	Nov 30 2013	Nov 30 2012
POOL 204 S&P 600	-0.26	0.99	2.87	4.32	19.67	13.96	43.94	4.32	43.94	14.12
S&P SM 600 TR	-0.27	1.06	2.82	4.31	19.61	13.96	43.90	4.31	43.90	14.02
Excess	0.02	-0.07	0.06	0.02	0.06	0.00	0.04	0.02	0.04	0.11

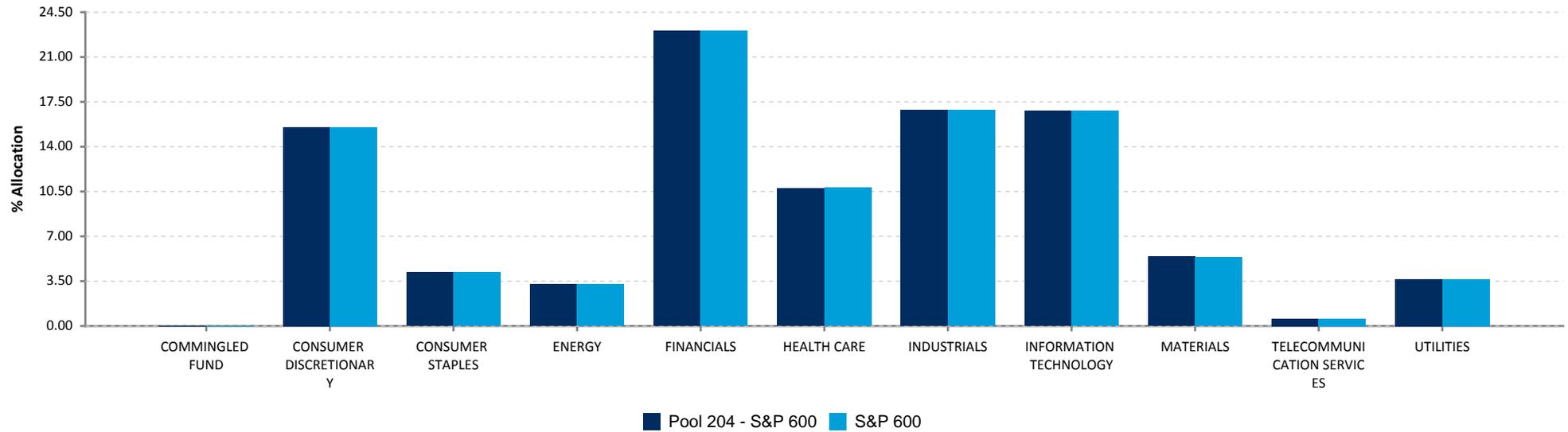
OFFICE OF THE ARIZONA STATE TREASURER

November 30, 2014

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



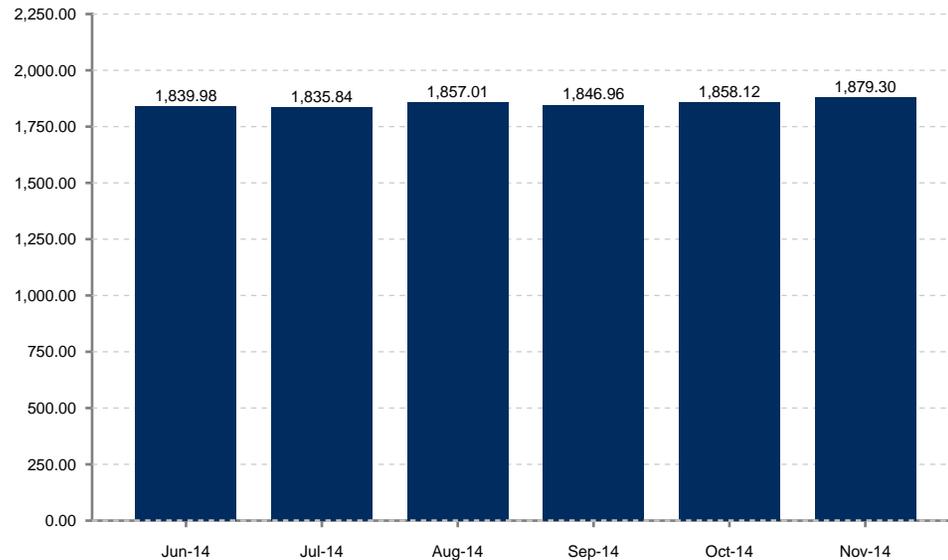
STATE STREET



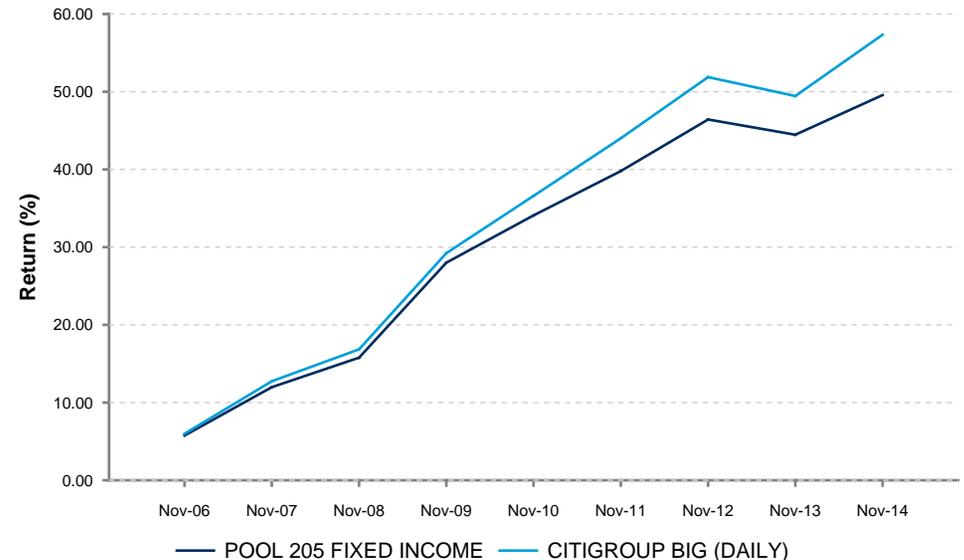
	Weight Fund	Weight Benchmark	Weight Relative
POOL 204 S&P 600	100.00	100.00	0.00
COMMINGLED FUND	0.00	0.00	0.00
CONSUMER DISCRETIONARY	14.71	14.64	0.07
CONSUMER STAPLES	4.08	4.06	0.02
ENERGY	4.08	4.07	0.02
FINANCIALS	22.93	23.11	-0.18
HEALTH CARE	10.77	10.79	-0.02
INDUSTRIALS	16.95	16.95	0.01
INFORMATION TECHNOLOGY	16.63	16.56	0.07
MATERIALS	5.63	5.61	0.03
TELECOMMUNICATION SERVICES	0.53	0.56	-0.03
UTILITIES	3.67	3.66	0.02



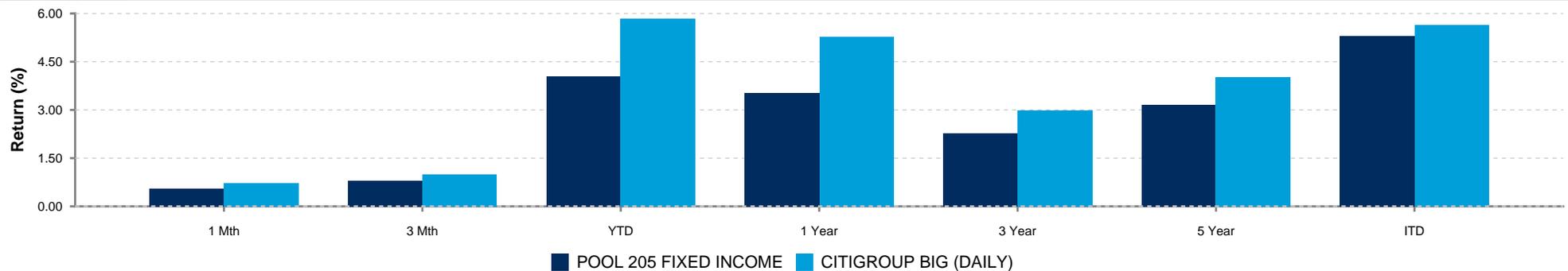
Net Asset Values over Time (\$MM)



Cumulative Return (%)



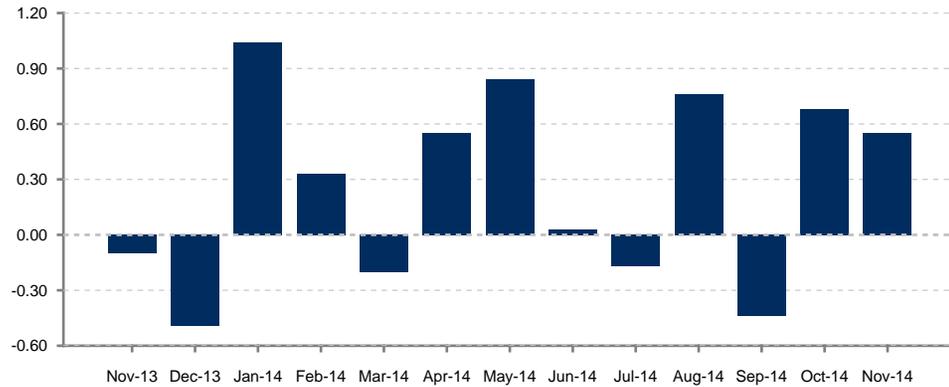
Rates of Return



	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Nov 30 2014	Nov 30 2013	Nov 30 2012
POOL 205 FIXED INCOME	0.55	0.79	4.04	3.53	2.28	3.16	5.31	3.53	-1.33	4.75
CITIGROUP BIG (DAILY)	0.72	1.00	5.84	5.28	2.99	4.02	5.65	5.28	-1.60	5.46
Excess	-0.17	-0.21	-1.80	-1.75	-0.71	-0.85	-0.33	-1.75	0.27	-0.71



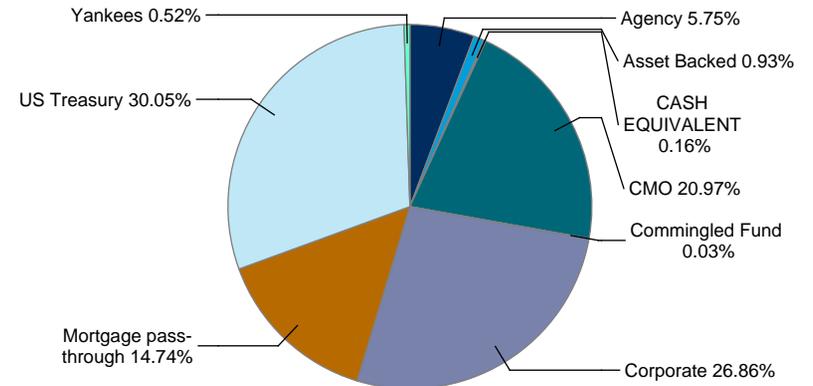
Net Mgr Return



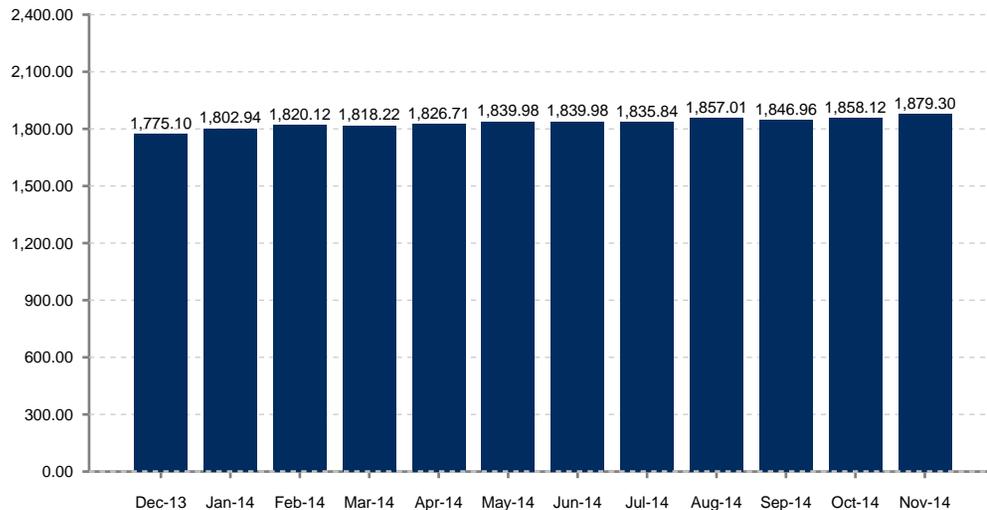
	Current Mth	Prior Mth	1 Year Ago
POOL 205 FIXED INCOME	0.55	0.68	-0.10

Asset Allocation

	Ending Market Value
POOL 205 FIXED INCOME	1,879,296,105



Net Asset Values over Time (\$MM)

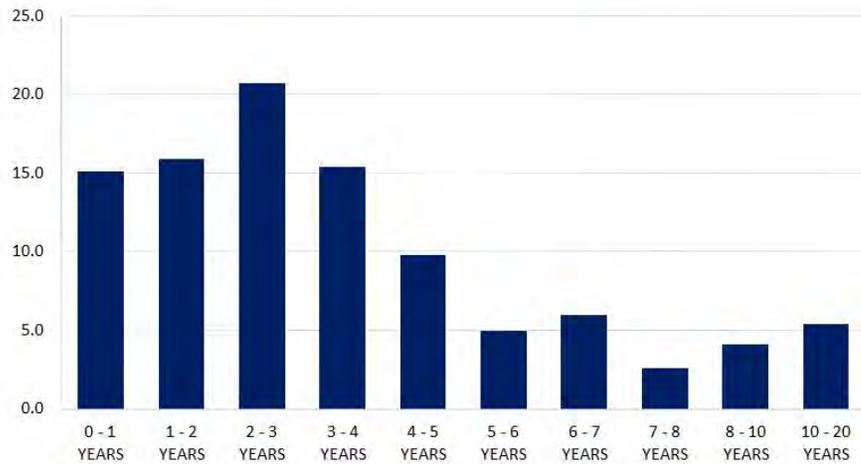


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 205 FIXED INCOME		
UNITED STATES TREASURY NOTE/BO	17,697,828	0.94
FIFTH THIRD BANK/OHIO SR UNSECURED	14,971,153	0.80
US TREASURY N/B	14,569,902	0.78
US TREASURY N/B	13,284,541	0.71
PRES + FELLOWS OF HARVAR	12,501,478	0.67
CONOCOPHILLIPS	12,462,532	0.66
US TREASURY N/B	12,422,962	0.66
FNMA POOL AV6108	11,993,733	0.64
BERKSHIRE HATHAWAY ENERG	11,372,253	0.61
JP MORGAN CHASE COMMERCIAL MOR	11,224,799	0.60



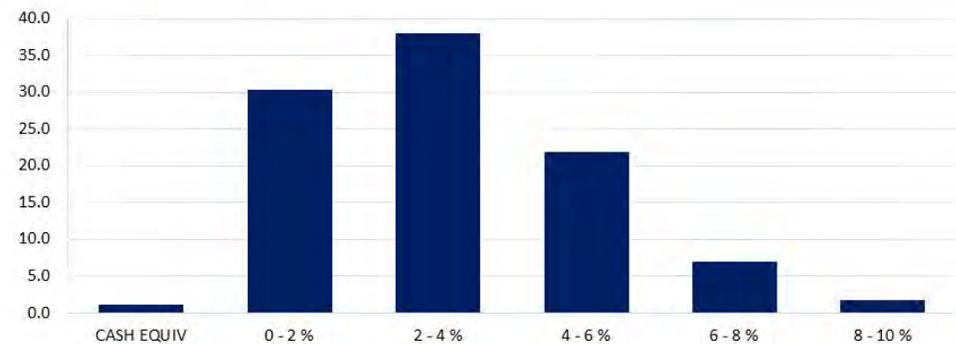
Duration Distribution



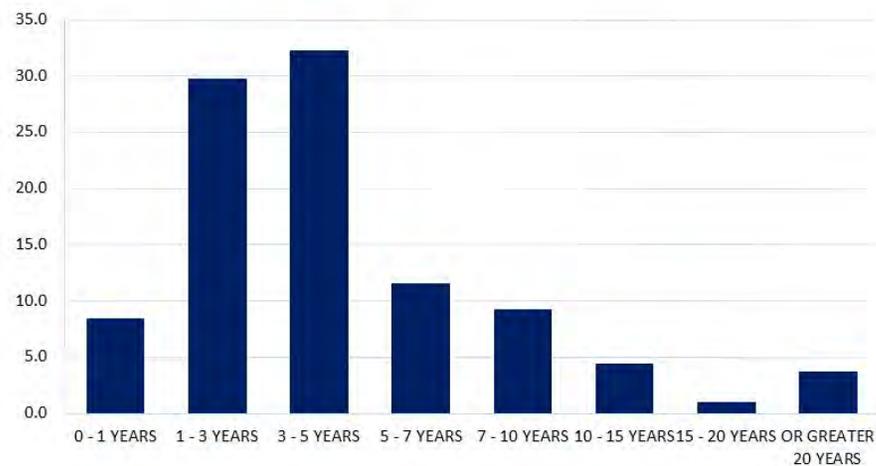
Portfolio Level Characteristics

	POOL 205 FIXED INCOME
Weighted Average Life	4.91
Coupon	3.26
Effective Duration	3.75
Quality Rating (Moody's)	AA-1

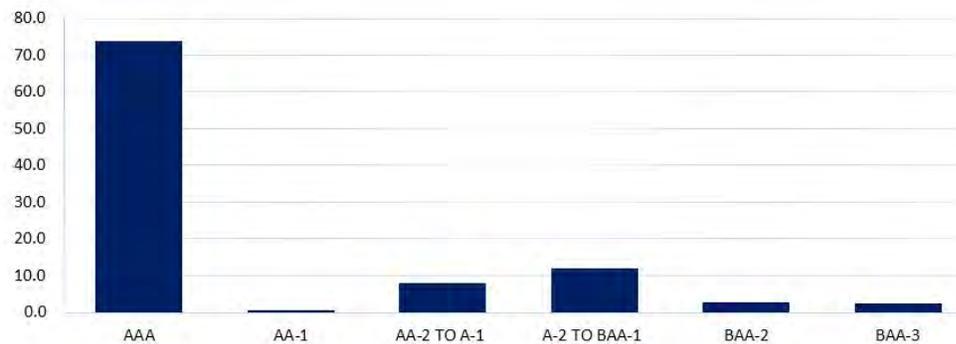
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



Thousands

Endowment Fund Market Value

