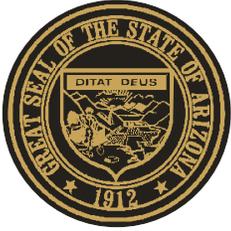


OFFICE OF THE
ARIZONA STATE TREASURER



JEFF DEWIT
TREASURER



MAY 2017

Presented To:

Arizona State Board of Investment

June 27th, 2017

STATE BOARD OF INVESTMENT

A G E N D A

June 27, 2017

1. Call to Order
2. Chairman Remarks
3. Approval of May 24, 2017 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. Land Sales Monthly Proceeds Endowment Funds
 - G. 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

June 27, 2017

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**Minutes of
BOARD OF INVESTMENT MEETING**

The regular meeting of the State Board of Investment was held on May 24, 2017 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 1:34 p.m.

Members Present:

Jeff DeWit, Chair, State Treasurer
Harry A. Papp, CFA & Managing Partner, L. Roy Papp & Associate
Beth Ford, Treasurer, Pima County, Via-Teleconference
Robert Charlton, Superintendent, Arizona Department of Financial Institutions
Clark Partridge, State Comptroller, 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
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
Eric Stivers, Collateral Analyst, Arizona State Treasurer's Office
Michael Leslein, Investment Accounting Manager, Arizona State Treasurer's Office
Patrick Quigley, Assistant Deputy Treasurer, Arizona State Treasurer's Office
Ken Price, Human Resource Manager, Arizona State Treasurer's Office

Pursuant to A.R.S. 35-311, the following reports for April, 2017 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
Land Sales Monthly Proceeds Endowment Funds
Endowment Investments and Performance Reports

1. Call to Order:

Treasurer DeWit called the May 24, 2017 BOI meeting to order at approximately 1:33 p.m.

2. Treasurers Comments:

Treasurer DeWit welcomed the board members and guests and thanked all present for attending the May 24, 2017 meeting.

3. Approval of Minutes:

Mr. Papp made a motion to approve the April 25, 2017 minutes with amendments.
Mr. Partridge 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 April, 2017.

Operating Monies Average Invested Balance

Ms. Humbert reported the Operating Monies average invested balance for the month of April, 2017.

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 April, 2017.

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 April 30, 2017.

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 April 30, 2017.

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 April, 2017.

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 April, 2017.

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 April 30, 2017.

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 April, 2017.

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 April, 2017.

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 April, 2017 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 April, 2017.

Equity Funds Purchases & Sales

Mr. White reported the purchases and sales (summary) of the Endowment Equity Pools for the month of April, 2017.

Investments Outstanding in Endowment Funds

Mr. White reported the par, book, market value, and unrealized gains/loss of the Endowment Funds as of April 30, 2017.

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 April 30, 2017.

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 April 30, 2017.

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 April 30, 2017.

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 April 30, 2017.

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 April 30, 2017.

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 April, 2017.

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 April 30, 2017.

Approval of Treasurer's Report

Mr. Partridge made a motion to approve the Treasurer's Report. Mr. Charlton seconded the motion. Motion carried.

5. Proposed Changes to Investment Policy:

There were no Proposed Changes to Investment Policy.

6. Review and approval of Proposed/Pending Securities Dealers

- a. Approval to add one Broker Dealer Firm to the approved *Broker Dealer list*.

Ms. Humbert provided a brief overview regarding the Broker Dealer Firm; Credit Agricole Securities (USA) Inc. CRD #190.

Mr. Papp made a motion to approve the Broker Dealer Firm as presented. Mr. Partridge seconded the motion. Motion carried.

7. General Business:

There was no General Business.

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, June 27, 2017 at 1:30 p.m. at 1700 West Washington, State Capitol, West Wing, Treasurer's Conference Room, Phoenix, Arizona.

10. Adjournment:

Mr. Partridge made a motion to adjourn the BOI meeting. Mr. Papp seconded the motion. Upon unanimous approval the BOI Meeting was adjourned at 2:31 p.m.

Respectfully Submitted by:

Christine Thurston
Executive Consultant II

Approved by:

Jeff DeWit, Chair

Date

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**EARNINGS DISTRIBUTION - INVESTMENT POOLS
 MAY 2017**

Recipient	Earnings Distributed			Fiscal YTD Investment Management Fees Received
	MAY 2017	Fiscal YTD 16/17	Fiscal YTD 15/16	
General Fund *	\$2,134,025	\$17,413,970	\$13,773,456	
2 State Agencies - Full Faith & Credit	673,501	6,256,789	4,388,127	499,934
3 State Agencies - Diversified (Combined) **	1,051,711	9,702,775	6,828,651	785,195
4 State Agencies - Gov	719,669	5,901,936	4,534,260	510,191
5 LGIP	1,160,406	6,852,856	2,574,777	638,611
7 LGIP Gov	859,446	4,862,481	1,990,460	585,170
9A Public School Credit Enhancement ***	0	0	N/A	22,454
10 Restricted Operating	479,175	4,538,496	3,453,117	631,467
12 CAWCD Medium-Term	460,697	4,629,148	3,855,559	173,952
16 ECDH Medium-Term	528,554	5,352,752	4,763,419	195,425
Subtotal	\$8,067,184	\$65,511,202	\$46,161,826	\$4,042,397
NAV POOL				
500 LGIP - Med Term	420,668	3,651,127	2,849,380	143,191
700 LGIP - FF&C Med Term	156,171	1,483,825	1,362,481	72,147
Total	\$8,644,023	\$70,646,154	\$50,373,688	\$4,257,735
MAY 2016 TOTALS	\$6,061,259			\$4,085,889

* 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)

*** Note: Pool 9A represents \$80 million invested in School Funding Obligations; earnings on this investment revert to the General Fund

**OPERATING MONIES
 AVERAGE INVESTED BALANCE**

Through May 31, 2017
 (in millions)

<u>Month</u>	<u>Fiscal Year 2014/2015</u>	<u>Fiscal Year 2015/2016</u>	<u>Fiscal Year 2016/2017</u>
JULY	\$1,876	\$1,795	\$2,012
AUGUST	1,369	1,554	1,504
SEPTEMBER	1,638	1,874	1,694
OCTOBER	1,521	1,701	1,672
NOVEMBER	1,535	1,686	1,633
DECEMBER	1,478	1,734	1,693
JANUARY	1,754	2,140	2,255
FEBRUARY	1,959	2,295	2,306
MARCH	1,686	2,092	1,968
APRIL	1,879	2,407	1,961
MAY	2,163	2,720	2,215
JUNE	2,307	2,590	
Y-T-D Average	\$1,764	\$2,049	\$1,901
Budget Stabilization Average Fund Balance - May 2017			<u>\$459</u>
Total Average Cash Available - May 2017			<u>\$2,674</u>

**STATE AGENCY POOLS
 PORTFOLIO EARNINGS ANALYSIS
 MAY 2017**

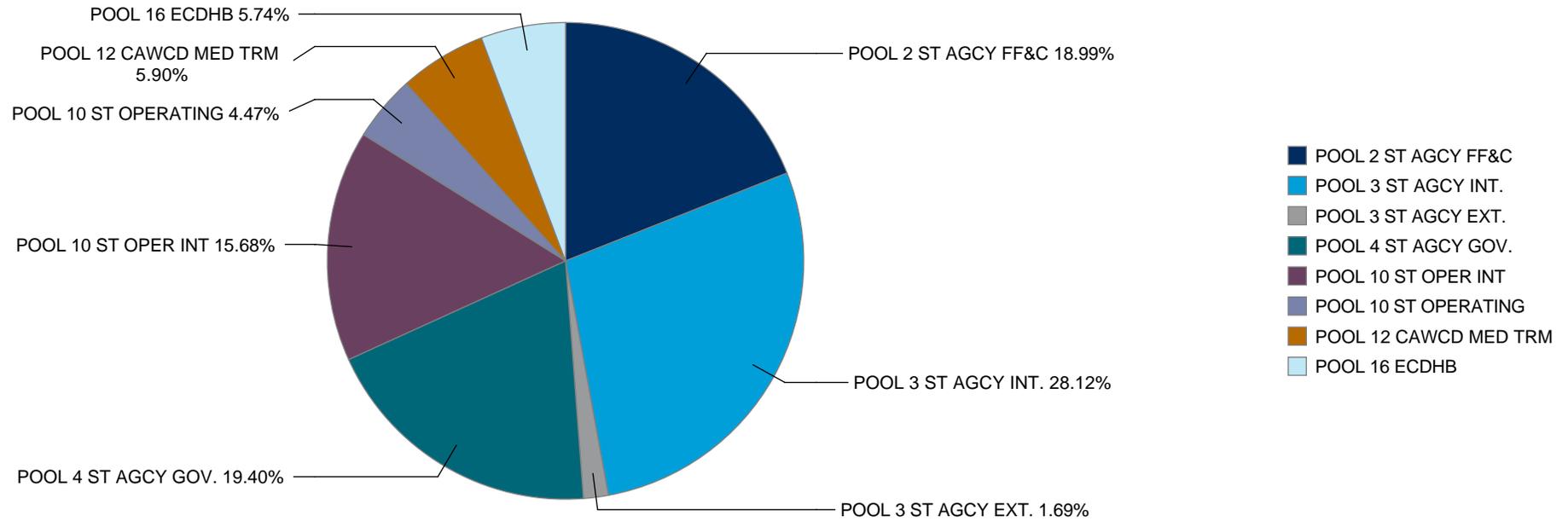
FUND	DESCRIPTION	Current Month 05/31/17	Prior Month 04/30/17	Prior Year 05/31/16	Net Asset Value Per Share
2	STATE AGENCIES - FULL FAITH & CREDIT	855,988	705,771	635,908	0.9796
3	STATE AGENCIES - DIVERSIFIED				
	INTERNAL MANAGERS	1,647,049	1,480,536	1,405,064	1.0103
	EXTERNAL MANAGERS	120,977	116,772	99,206	1.0003
	FUND 3 TOTAL	1,768,026	1,597,309	1,504,270	1.0097
4	STATE AGENCIES - GOV	986,547	867,349	737,123	0.9986
9A	PUBLIC SCHOOL CREDIT ENHANCEMENT	77,375	65,631	N/A	0.9796
10	RESTRICTED OPERATING				
	INTERNAL MANAGERS	1,096,903	1,060,632	892,240	1.0306
	EXTERNAL MANAGERS	198,728	203,894	152,669	0.9017
	FUND 10 TOTAL	1,295,631	1,264,526	1,044,909	0.9989
12	CAWCD MEDIUM-TERM	460,697	442,544	418,129	1.0026
15	AHCCCS OPERATING	54,384	29,017	9,331	N/A
16	ECDH MEDIUM-TERM	528,554	521,327	481,392	1.0005
	TOTAL STATE AGENCIES	6,027,201	5,493,474	4,831,062	

**STATE AGENCY POOLS
PORTFOLIO YIELD ANALYSIS
MAY 2017**

FUND	DESCRIPTION	Current Month 05/31/17	Prior Month 04/30/17	Prior Year 05/31/16
2	STATE AGENCIES - FULL FAITH & CREDIT	0.97%	0.83%	0.78%
	75% MERRILL 0-1 US TREAS INDEX / 25%	1.51%	1.44%	1.01%
	MERRILL US GNMA MORTGAGE BACKED INDEX			
3	STATE AGENCIES - DIVERSIFIED			
	INTERNAL MANAGERS	1.22%	1.24%	0.83%
	EXTERNAL MANAGERS	1.37%	1.37%	1.14%
	COMBINED	1.23%	1.25%	0.85%
	50% 3 MONTH LIBOR INDEX / 50% MERRILL	1.36%	1.34%	0.93%
	1-3 US BROAD MARKET INDEX			
4	STATE AGENCIES - GOV	1.00%	0.96%	0.73%
	50% MERRILL 6 MTH US T-BILL INDEX / 50%	1.19%	1.13%	0.67%
	MERRILL 1-3 UNSUB. US TREAS / AGY INDEX			
9A	PUBLIC SCHOOL CREDIT ENHANCEMENT	0.97%	0.83%	N/A
10	RESTRICTED OPERATING			
	INTERNAL MANAGERS	1.38%	1.38%	1.05%
	EXTERNAL MANAGERS	0.77%	0.82%	0.59%
	COMBINED	1.23%	1.24%	0.94%
	50% 3 MONTH LIBOR INDEX / 50% MERRILL	1.36%	1.34%	0.93%
	1-3 US BROAD MARKET INDEX			
12	CAWCD MEDIUM-TERM	1.53%	1.57%	1.47%
	75% MERRILL 1-5 US D M INDEX / 25% S & P LGIP	1.53%	1.53%	1.53%
	INDEX			
15	AHCCCS OPERATING	0.25%	0.38%	0.34%
16	ECDH MEDIUM-TERM	1.77%	1.80%	1.64%
	75% MERRILL 1-5 US D M INDEX / 25% S & P LGIP	1.53%	1.53%	1.53%
	INDEX			



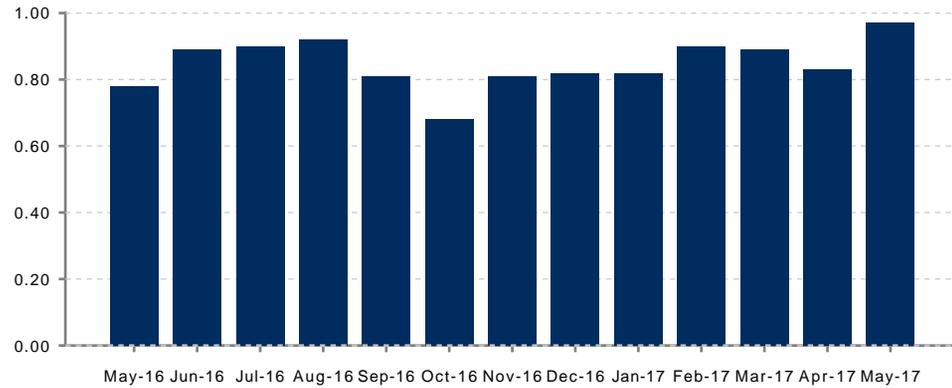
Manager Allocation



	Market Value	% of Portfolio
POOL 2 ST AGCY FF&C	1,169,832,043	19.0
POOL 3 ST AGCY INT.	1,732,261,273	28.1
POOL 3 ST AGCY EXT.	104,208,166	1.7
POOL 4 ST AGCY GOV.	1,195,088,170	19.4
POOL 10 ST OPER INT	965,716,024	15.7
POOL 10 ST OPERATING	275,332,517	4.5
POOL 12 CAWCD MED TRM	363,697,459	5.9
POOL 16 ECDHB	353,422,492	5.7
TOTAL STATE AGENCY	6,159,558,147	100.0



Net Yield

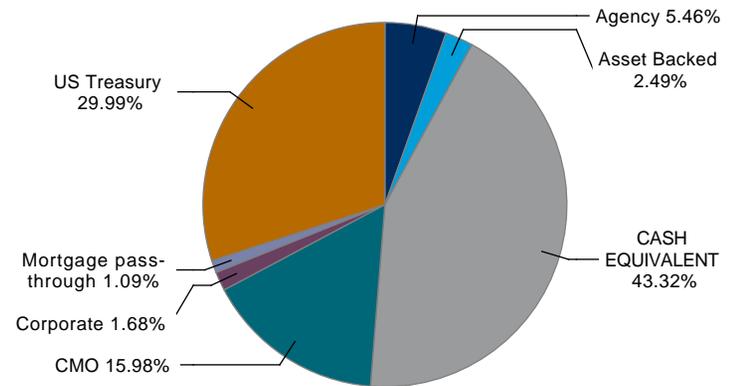


Current Mth **Prior Mth** **1 Year Ago**

POOL 2 ST AGCY FF&C	0.97	0.83	0.78
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Asset Allocation

Ending Market Value	
POOL 2 ST AGCY FF&C	1,169,832,043



Net Asset Values over Time (\$MM)

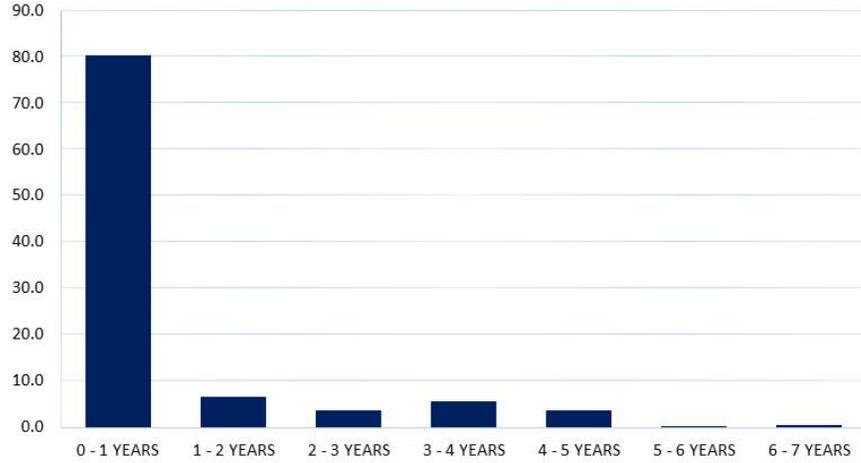


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 2 ST AGCY FF&C		
AMHERST PIERPONT	280,007,389	23.94
TREASURY BILL	129,919,877	11.11
US TREASURY N/B	70,251,832	6.01
US TREASURY N/B	50,133,969	4.29
RBC CAPITAL MARKETS R	41,262,926	3.53
US TREASURY N/B	40,129,910	3.43
TREASURY BILL	39,971,222	3.42
GUGGENHEIM SECURITIE	34,934,879	2.99
US TREASURY N/B	30,223,604	2.58
TREASURY BILL	30,000,000	2.56



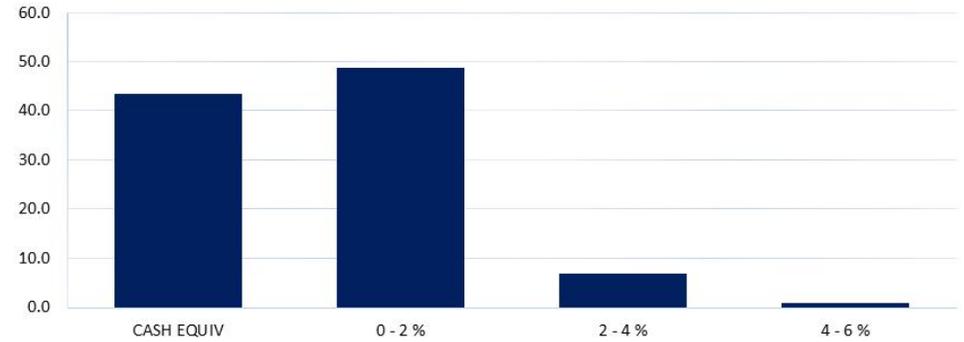
Duration Distribution



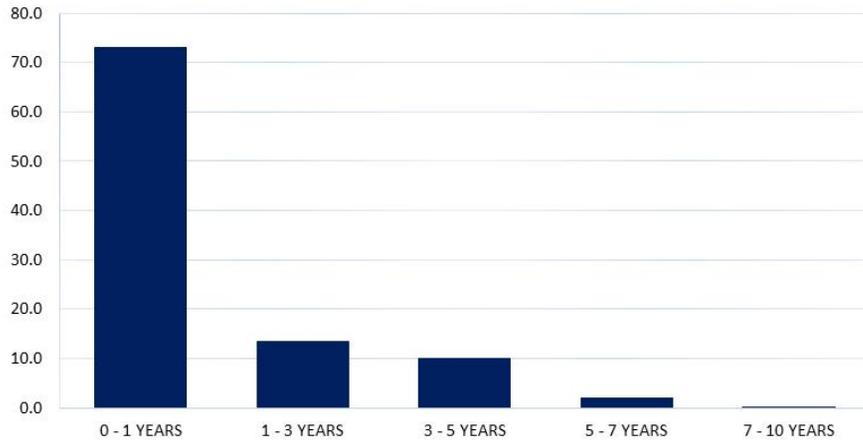
Portfolio Level Characteristics

	POOL 2 ST AGCY FF&C
Weighted Average Life	1.24
Coupon	1.01
Effective Duration	0.91
Quality Rating (Moody's)	AAA

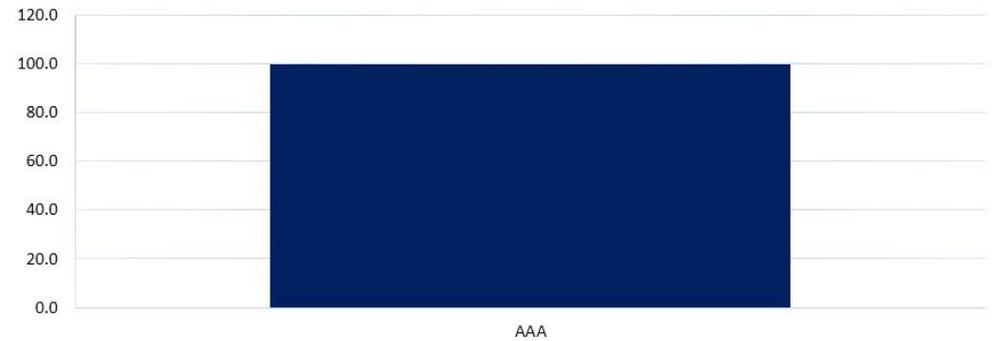
Coupon Distribution



Expected Maturity Distribution

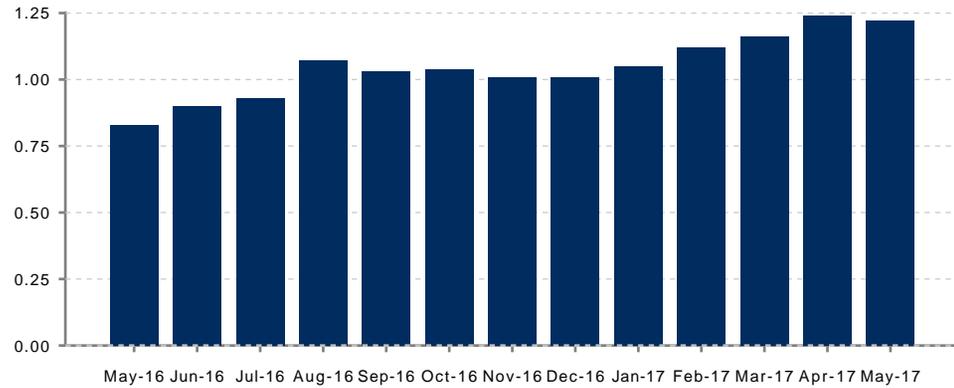


Rating Distribution





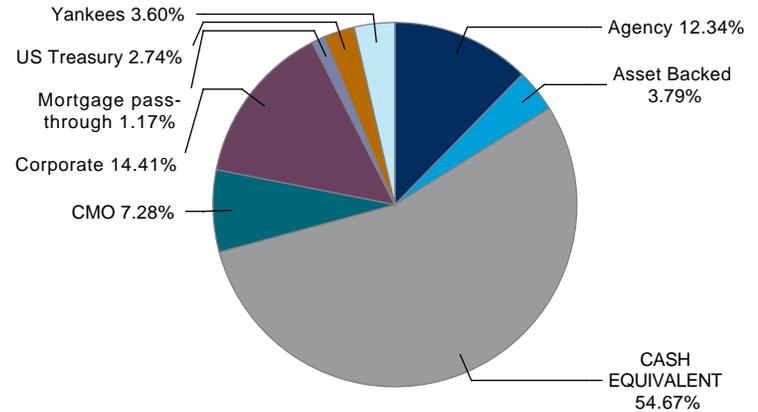
Net Yield



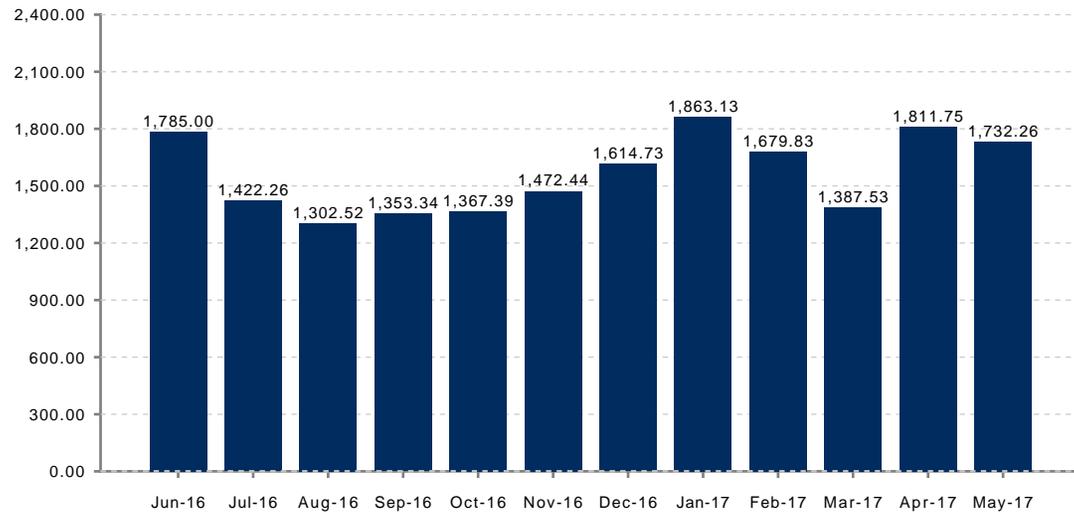
	Current Mth	Prior Mth	1 Year Ago
POOL 3 ST AGCY INT.	1.22	1.24	0.83

Asset Allocation

	Ending Market Value
POOL 3 ST AGCY INT.	1,732,261,273



Net Asset Values over Time (\$MM)

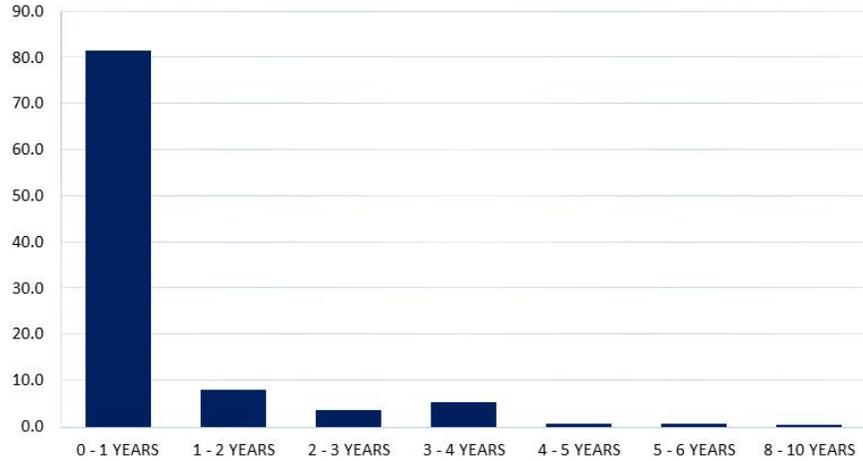


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 3 ST AGCY INT.		
SOUTH STREET REPO	342,638,081	19.78
NESTLE FIN FRANCE S.	30,175,303	1.74
CREDIT AGRICOLE	30,135,217	1.74
IBM CORP	30,133,366	1.74
CANADIAN IMPERIAL BK	30,101,145	1.74
FREDDIE MAC	30,064,442	1.74
SUMITOMO MITSUI BKG CORP	30,029,458	1.73
CREDIT AGRICOLE	30,029,400	1.73
PHILIP MORRIS INTL	29,985,275	1.73
VICTORY RECEIVABLES	29,981,975	1.73



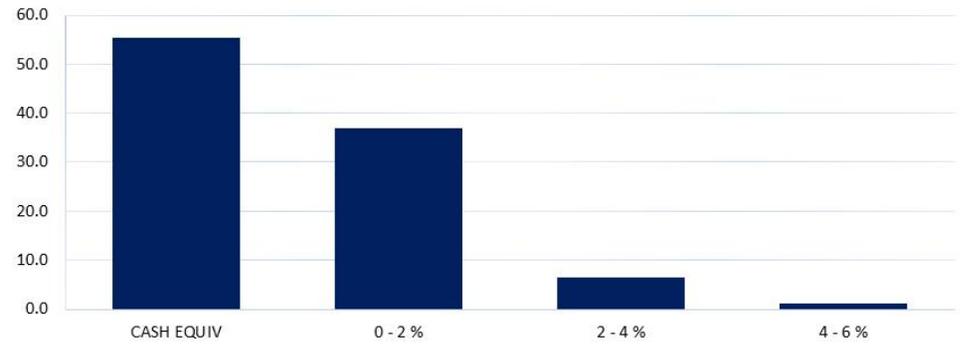
Duration Distribution



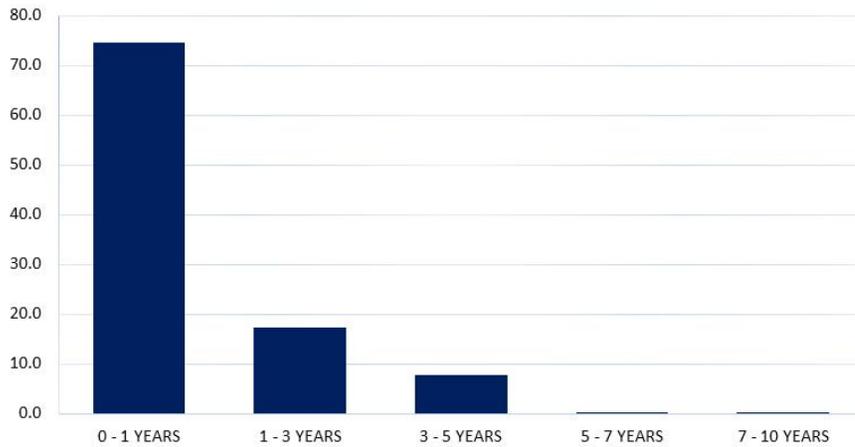
Portfolio Level Characteristics

	POOL 3 ST AGCY INT.
Weighted Average Life	1.00
Coupon	1.57
Effective Duration	0.74
Quality Rating (Moody's)	AA-1

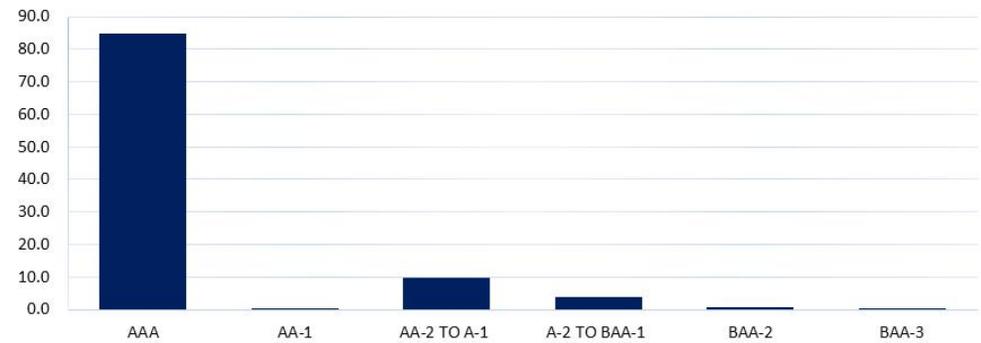
Coupon Distribution



Expected Maturity Distribution

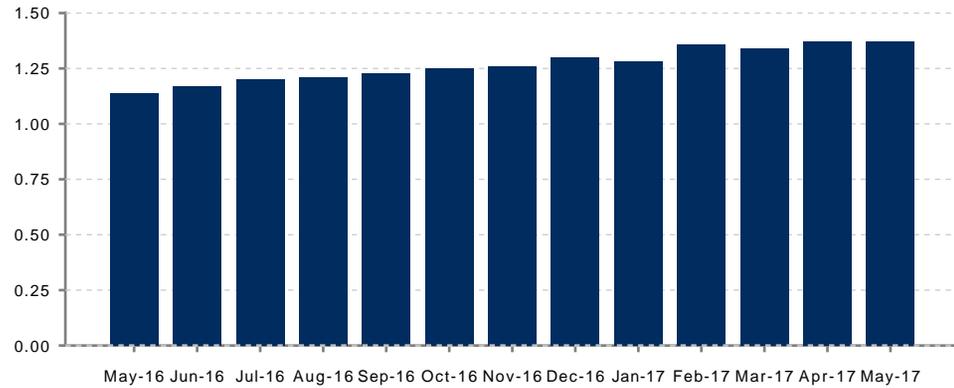


Rating Distribution





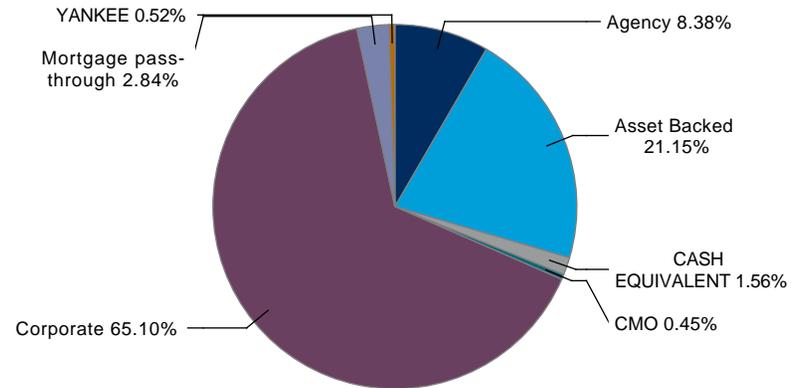
Net Yield



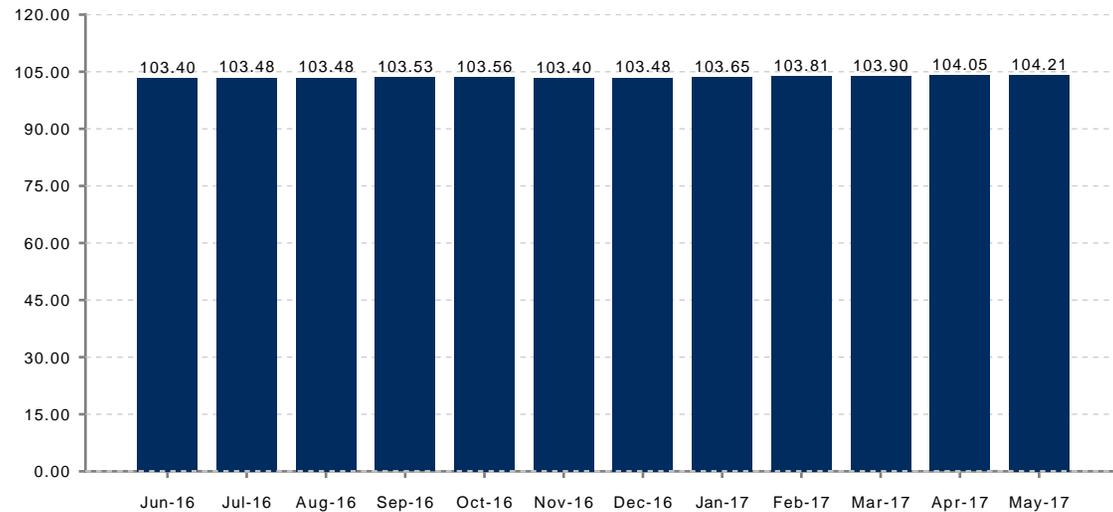
	Current Mth	Prior Mth	1 Year Ago
POOL 3 ST AGCY EXT.	1.37	1.37	1.14

Asset Allocation

	Ending Market Value
POOL 3 ST AGCY EXT.	104,208,166



Net Asset Values over Time (\$MM)

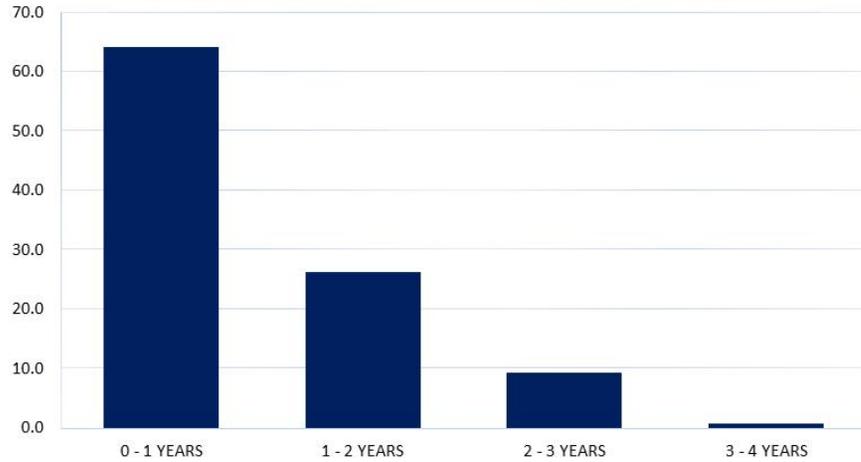


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 3 ST AGCY EXT.		
FANNIE MAE	2,991,449	2.87
FREDDIE MAC	2,793,400	2.68
FNMA POOL MA1443	2,112,577	2.03
DISCOVER CARD EXECUTION NOTE T	2,108,651	2.02
FANNIE MAE	1,992,409	1.91
BRANCH BANKING + TRUST	1,857,156	1.78
MANUF + TRADERS TRUST CO	1,801,317	1.73
CITIBANK NA	1,752,512	1.68
3M COMPANY	1,544,265	1.48
SVENSKA HANDLSBNKN A	1,500,807	1.44



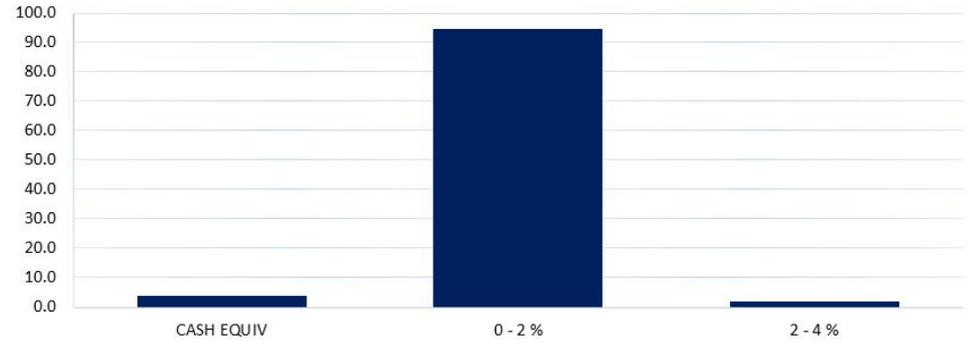
Duration Distribution



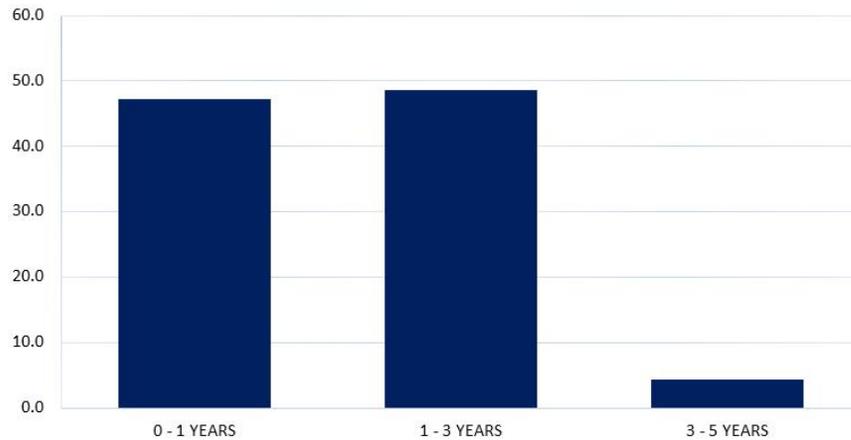
Portfolio Level Characteristics

	POOL 3 ST AGCY EXT.
Weighted Average Life	1.37
Coupon	1.47
Effective Duration	0.85
Quality Rating (Moody's)	A-1

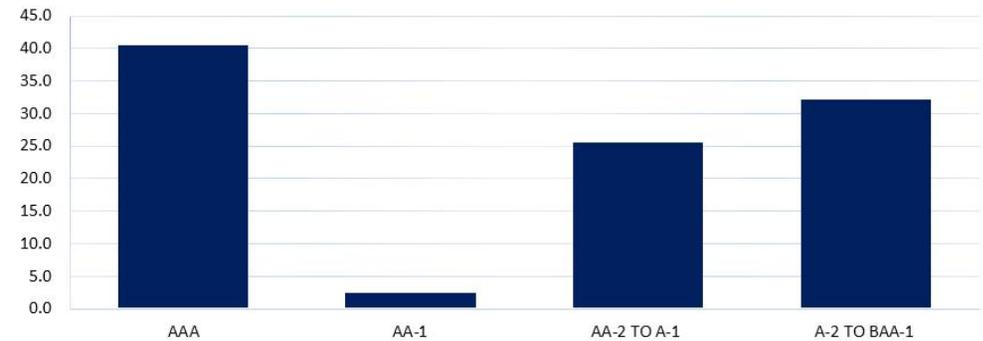
Coupon Distribution



Expected Maturity Distribution

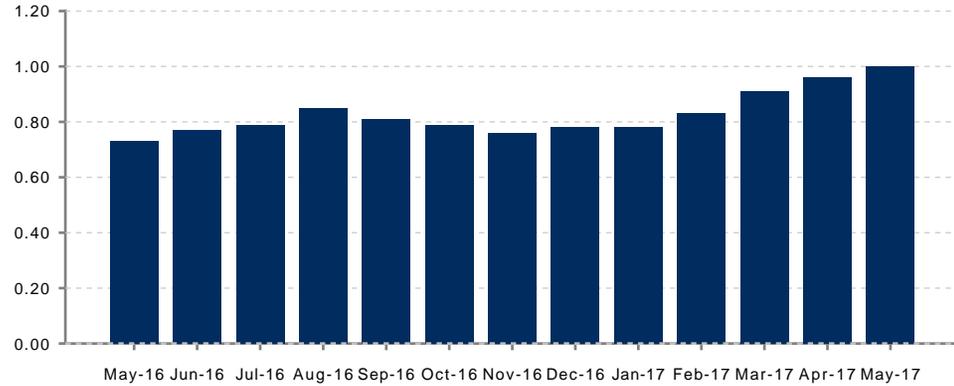


Rating Distribution





Net Yield

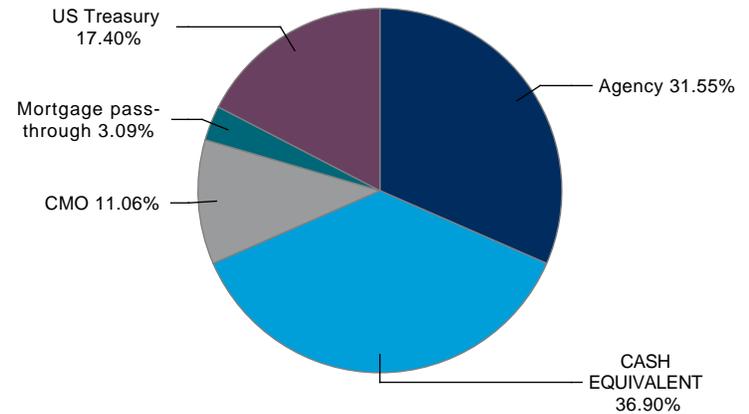


Current Mth **Prior Mth** **1 Year Ago**

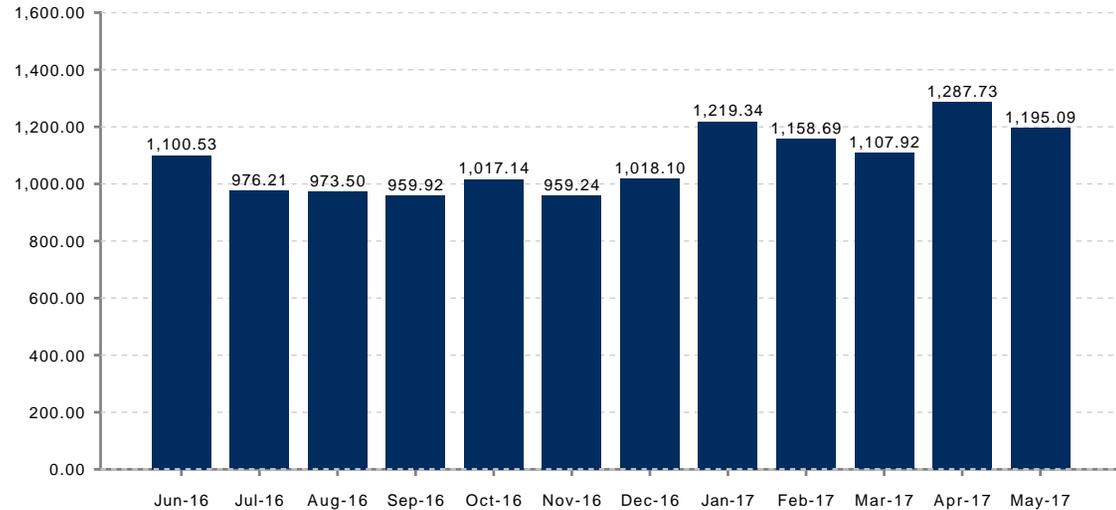
POOL 4 ST AGCY GOV.	1.00	0.96	0.73
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Asset Allocation

	Ending Market Value
POOL 4 ST AGCY GOV.	1,195,088,170



Net Asset Values over Time (\$MM)

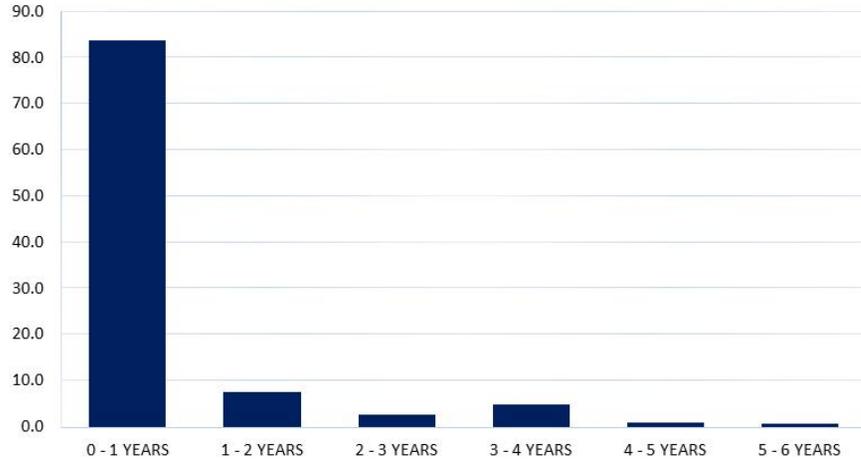


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 4 ST AGCY GOV.		
SOUTH STREET REPO	252,273,267	21.11
US TREASURY N/B	40,145,098	3.36
TREASURY BILL	39,975,920	3.35
US TREASURY N/B	30,223,604	2.53
US TREASURY N/B	30,097,378	2.52
FED HOME LN DISCOUNT NT	29,983,958	2.51
FED HOME LN DISCOUNT NT	29,978,667	2.51
TREASURY BILL	29,978,417	2.51
FED HOME LN DISCOUNT NT	23,500,000	1.97
FARMER MAC	20,186,935	1.69



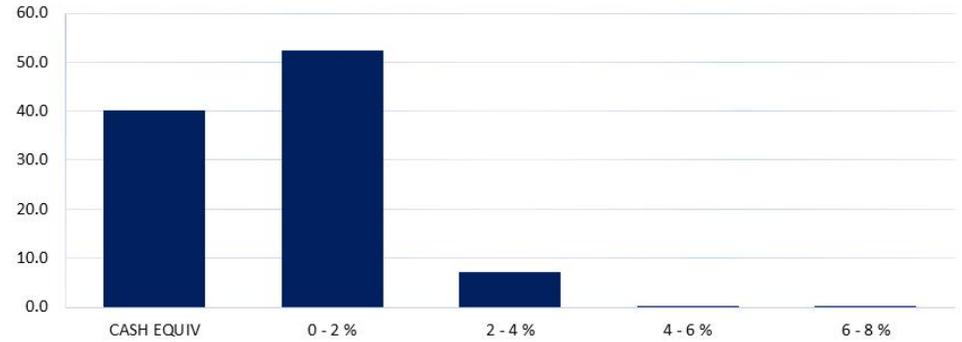
Duration Distribution



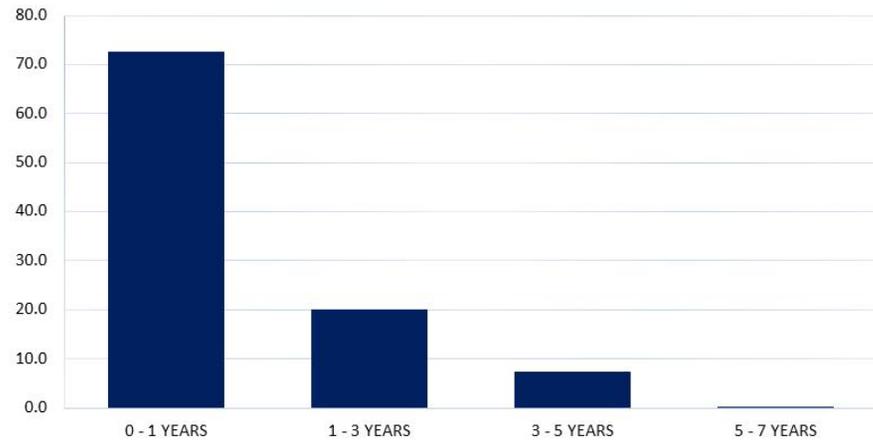
Portfolio Level Characteristics

	POOL 4 ST AGCY GOV.
Weighted Average Life	1.18
Coupon	1.10
Effective Duration	0.85
Quality Rating (Moody's)	AAA

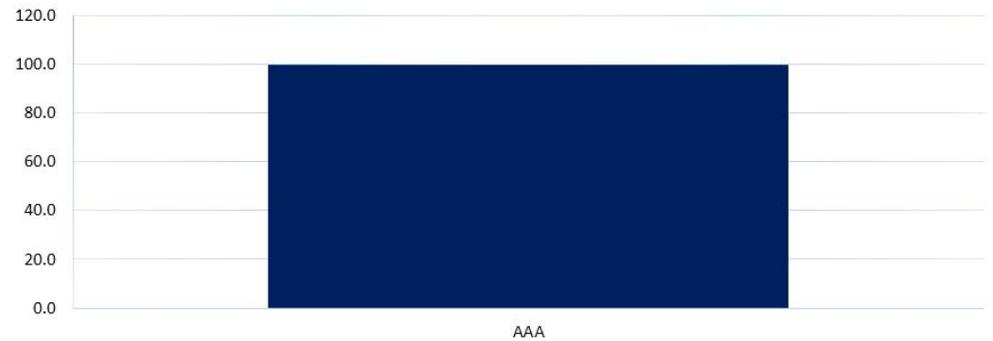
Coupon Distribution



Expected Maturity Distribution

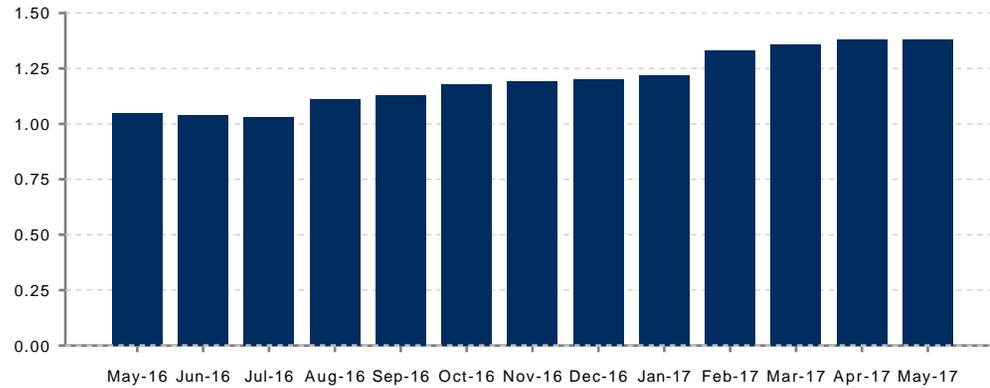


Rating Distribution





Net Yield

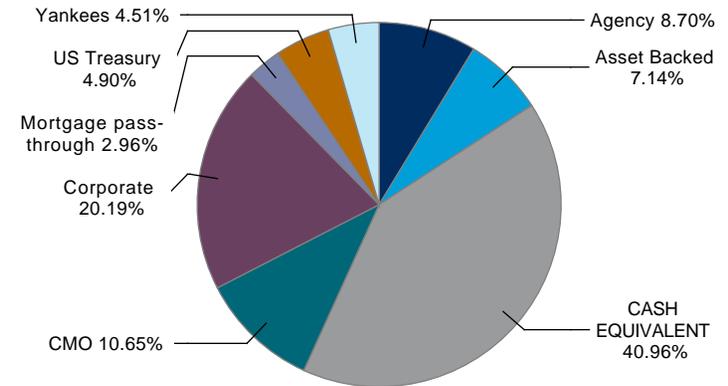


Current Mth **Prior Mth** **1 Year Ago**

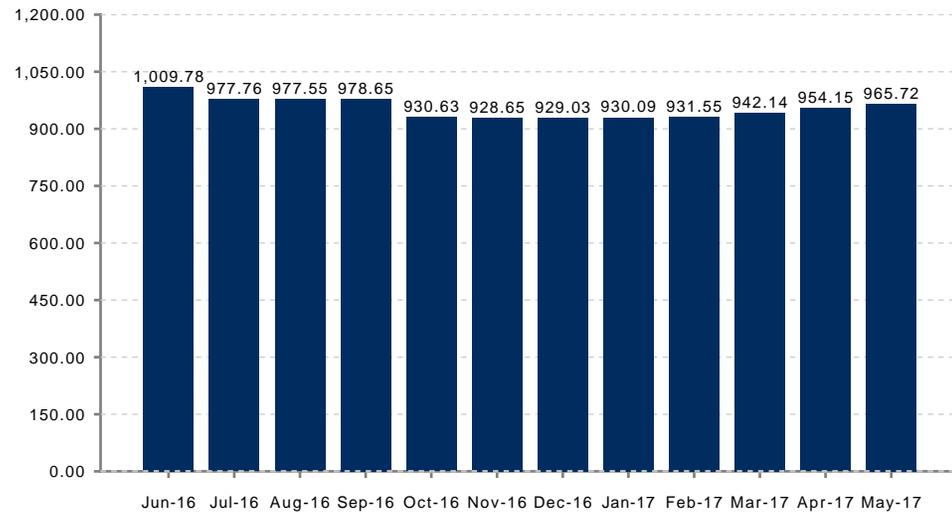
POOL 10 ST OPER INT	1.38	1.38	1.05
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Asset Allocation

POOL 10 ST OPER INT	Ending Market Value 965,716,024
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Net Asset Values over Time (\$MM)

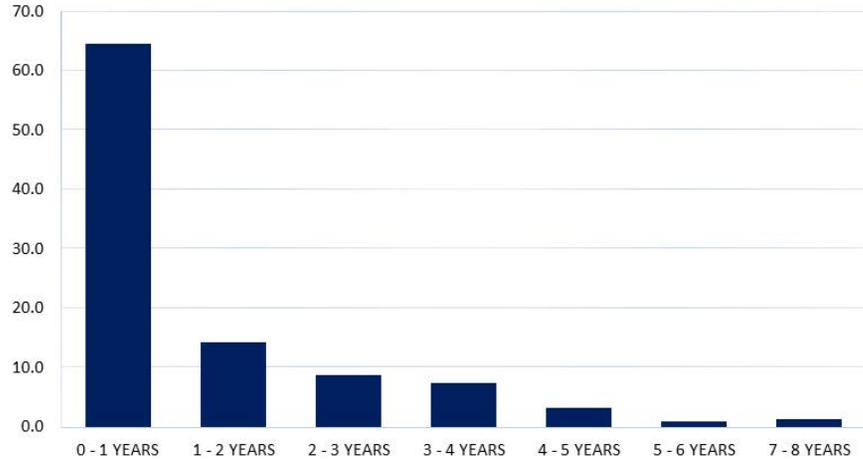


Top 10 Holdings

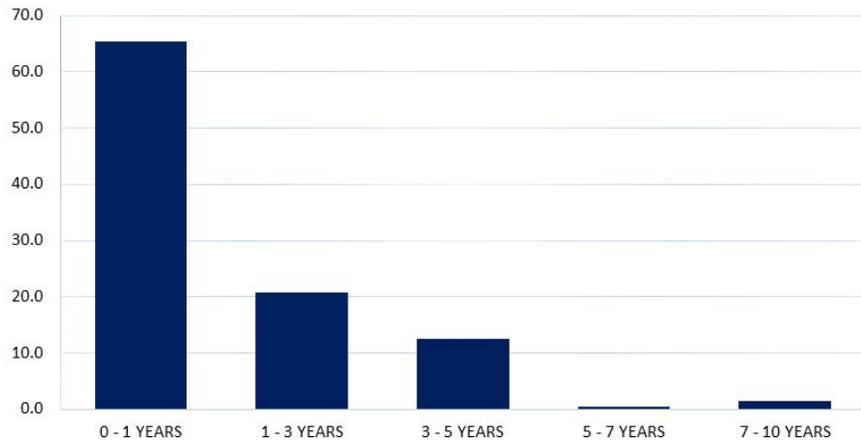
Security Name	Ending Market Value	% of Portfolio
POOL 10 ST OPER INT		
CONCORD MIN CPTL CO	29,999,150	3.11
INSTITUTIONAL SECURED	29,978,550	3.10
BMO TRIPARTY MTGE CLAS/ISIT/RTRP MATU//20121224	26,286,673	2.72
LIBERTY FUNDING LLC	24,958,410	2.58
MOUNTCLIFF	24,948,743	2.58
NESTLE FIN FRANCE S.	24,920,563	2.58
BNK OF TKYO MTBSHI L	20,195,500	2.09
US TREASURY N/B	20,086,760	2.08
SHEFFIELD RECEIVABLE	19,996,422	2.07
GOTHAM FDG CORP	19,983,389	2.07



Duration Distribution



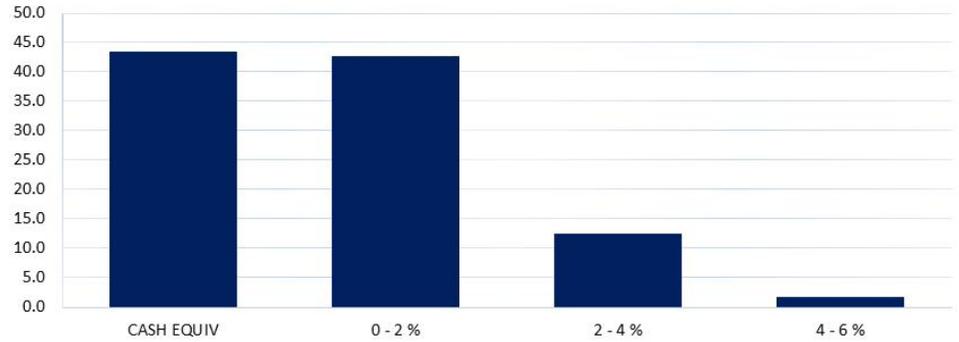
Expected Maturity Distribution



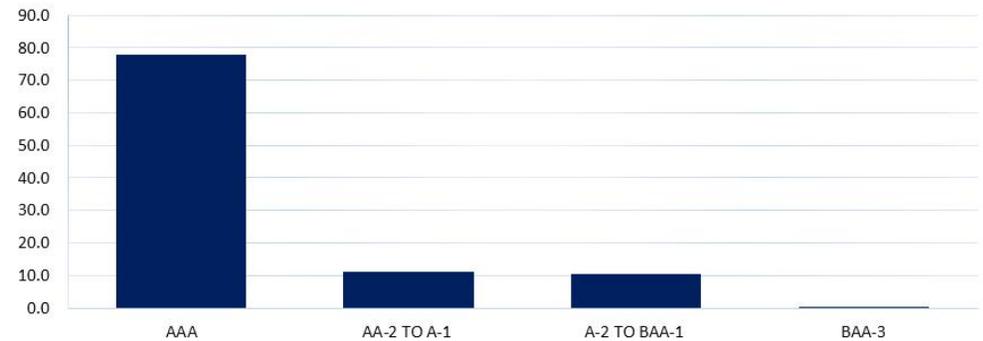
Portfolio Level Characteristics

	POOL 10 ST OPERATING INT
Weighted Average Life	1.22
Coupon	1.82
Effective Duration	1.13
Quality Rating (Moody's)	AA-2

Coupon Distribution



Rating Distribution



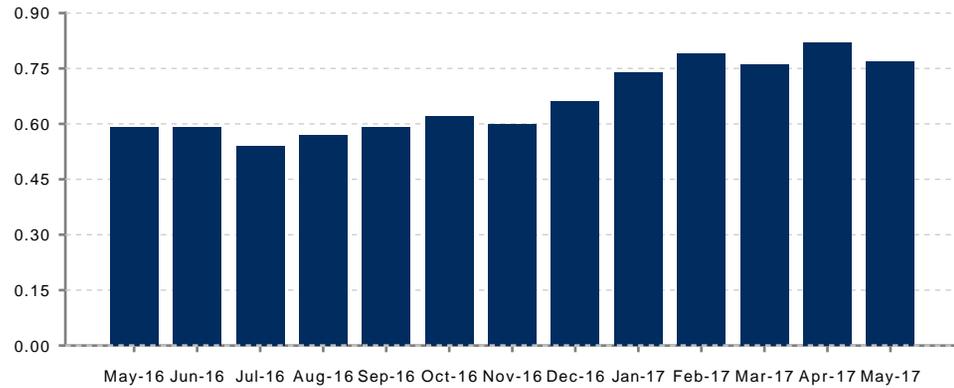
OFFICE OF THE ARIZONA STATE TREASURER

May 31, 2017

POOL 10 ST OPERATING Ext



Net Yield

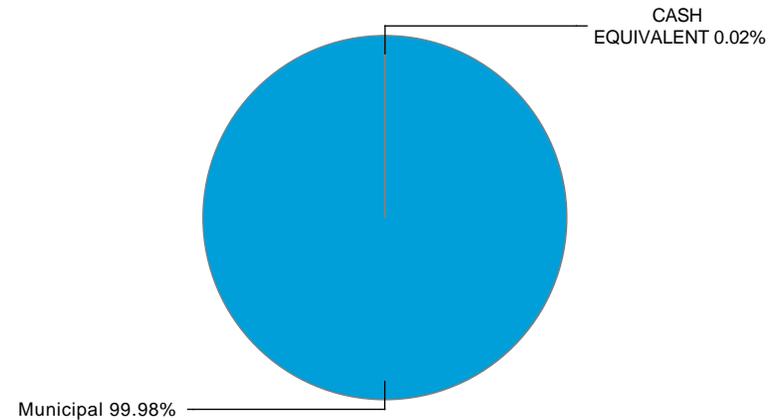


Current Mth **Prior Mth** **1 Year Ago**

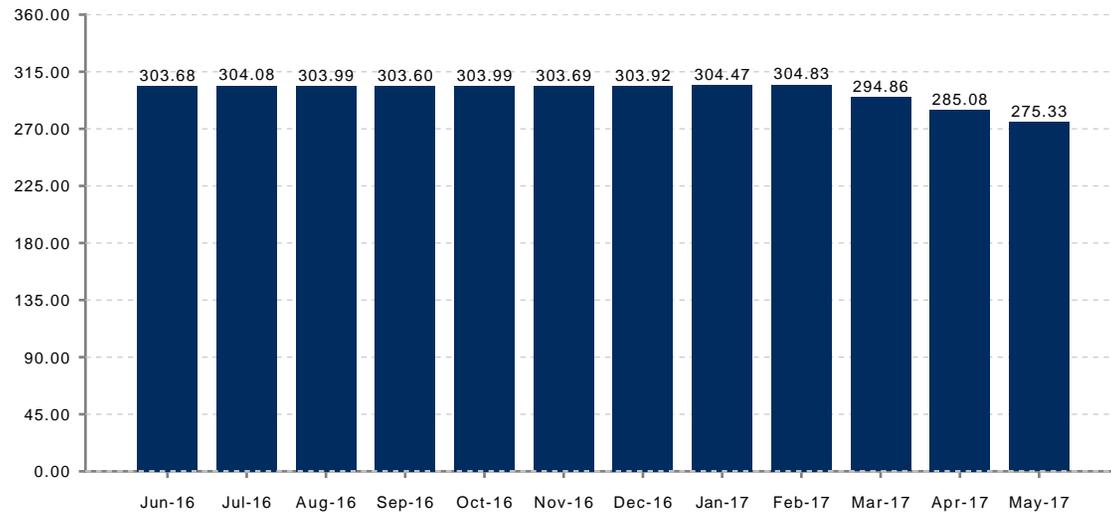
POOL 10 ST OPERATING	0.77	0.82	0.59
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Asset Allocation

	Ending Market Value
POOL 10 ST OPERATING	275,332,517



Net Asset Values over Time (\$MM)

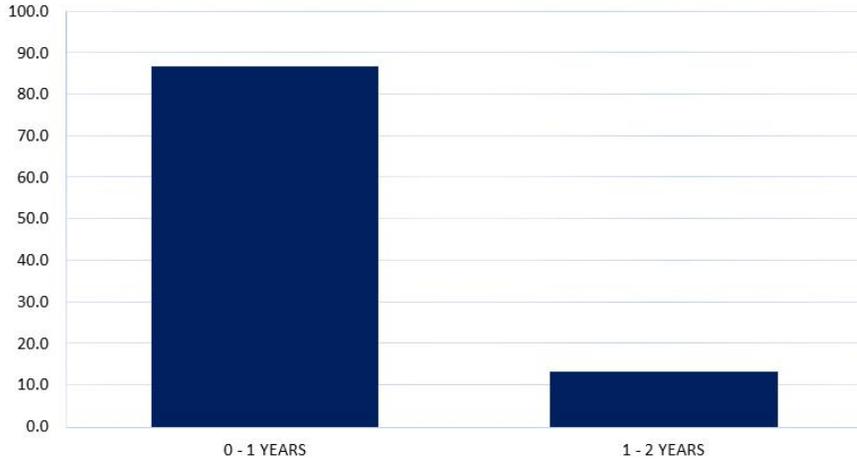


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 10 ST OPERATING		
LOUISVILLE JEFFERSON	14,750,352	5.36
NORTH BROWARD FL HOS	14,009,493	5.09
BALTIMORE CNTY MD	12,270,640	4.46
PORTLAND OR CMNTY CL	12,040,870	4.37
PORTLAND OR SWR SYS	11,275,000	4.10
PENNSYLVANIA ST INDL D	10,726,820	3.90
VIRGINIA BEACH VA	10,442,346	3.79
LEAWOOD KS	10,428,246	3.79
MULTNOMAH CNTY OR SC	10,247,121	3.72
IDAHO ST	10,193,649	3.70



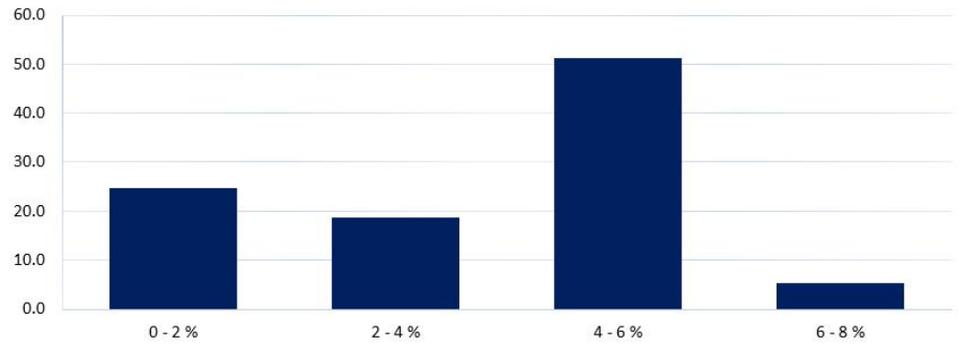
Duration Distribution



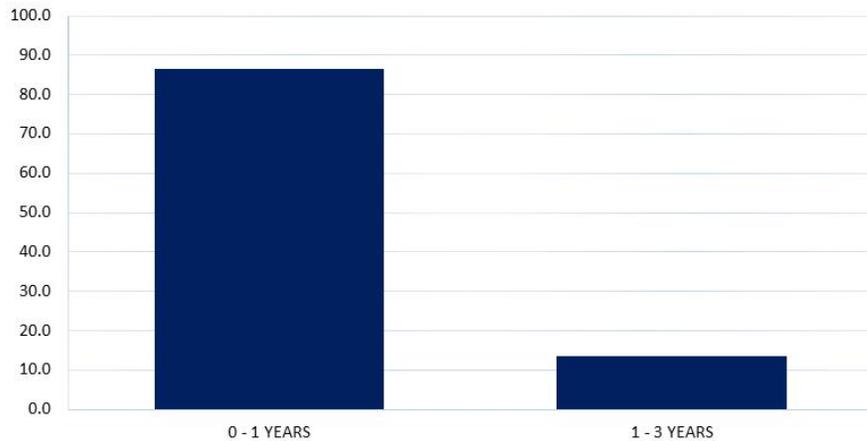
Portfolio Level Characteristics

	POOL 10 ST OPERATING
Weighted Average Life	0.43
Coupon	3.88
Effective Duration	0.43
Quality Rating (Moody's)	AA-1

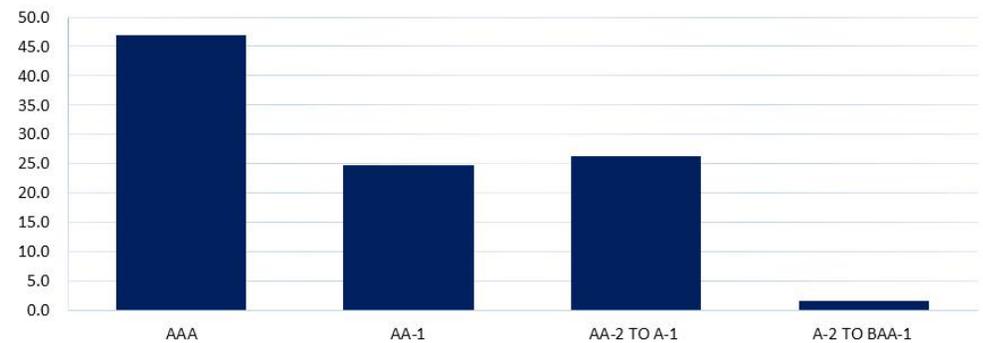
Coupon Distribution



Expected Maturity Distribution

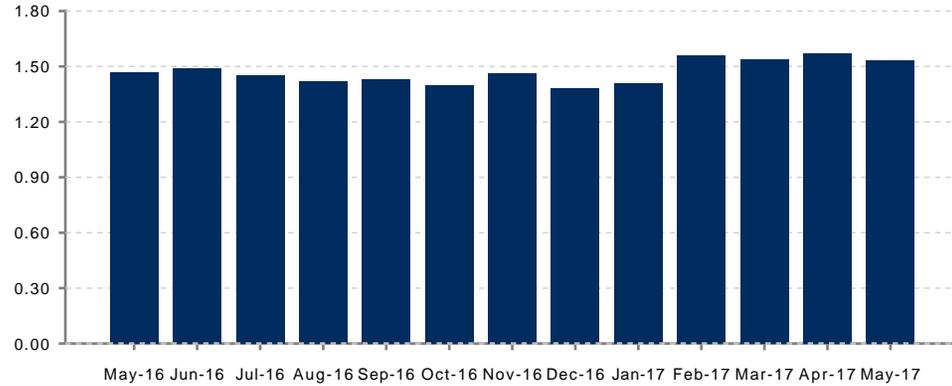


Rating Distribution





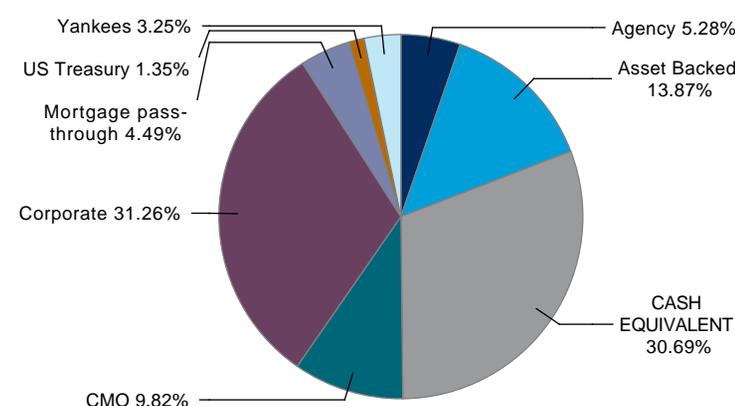
Net Yield



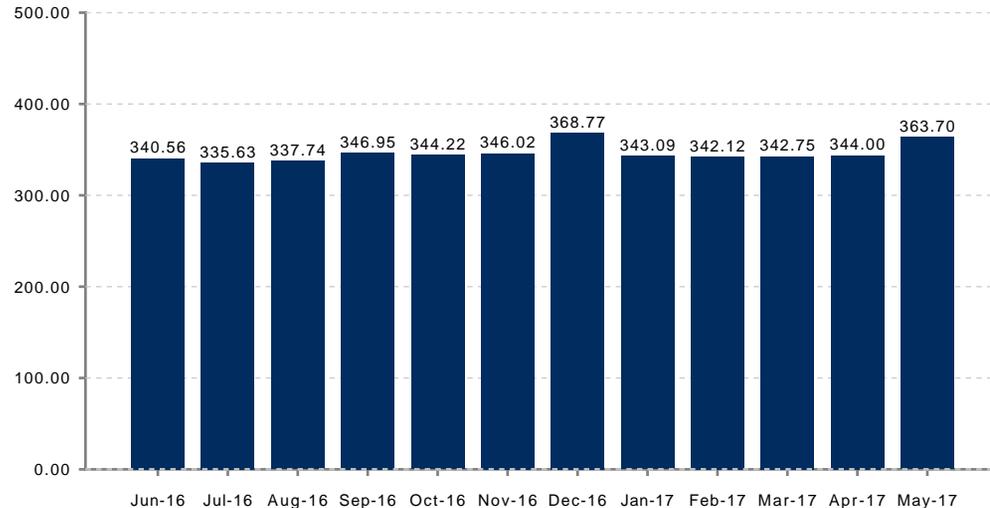
	Current Mth	Prior Mth	1 Year Ago
POOL 12 CAWCD MED TRM	1.53	1.57	1.47

Asset Allocation

	Ending Market Value
POOL 12 CAWCD MED TRM	363,697,459



Net Asset Values over Time (\$MM)

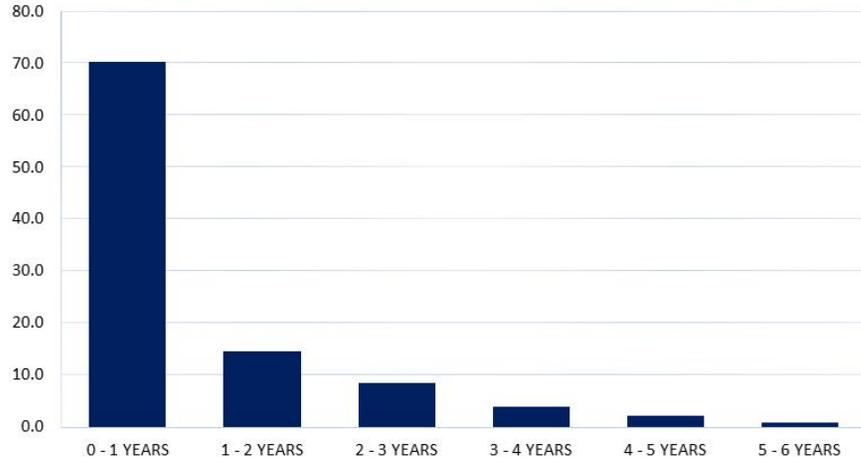


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 12 CAWCD MED TRM		
SOUTH STREET REPO	40,001,056	11.00
BMO TRIPARTY MTGE CLAS/ISIT/RTRP MATU//20121224	12,714,161	3.50
GM FINANCIAL AUTOMOBILE LEASIN	10,012,271	2.75
HONDA AUTO RECEIVABLES OWNER T	5,989,572	1.65
PHILIP MORRIS INTL	5,577,261	1.53
FANNIE MAE	5,421,954	1.49
FNMA POOL AV9175	5,192,569	1.43
BNK OF TKYO MTBSHI L	5,059,004	1.39
GOLDMAN SACHS GROUP INC	5,052,950	1.39
CISCO SYSTEMS INC	5,042,990	1.39



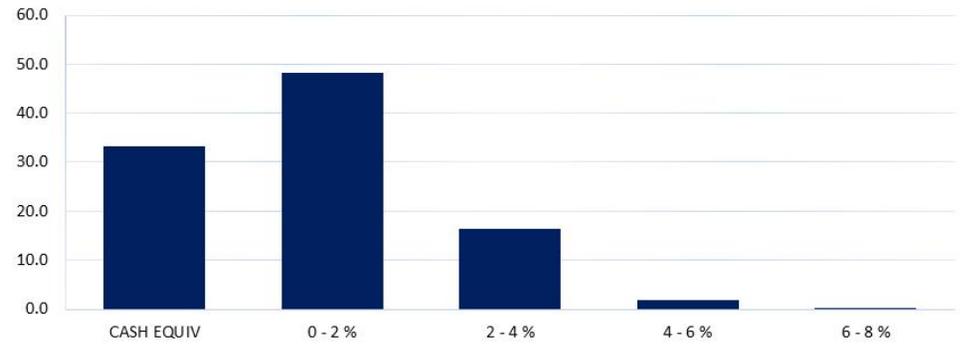
Duration Distribution



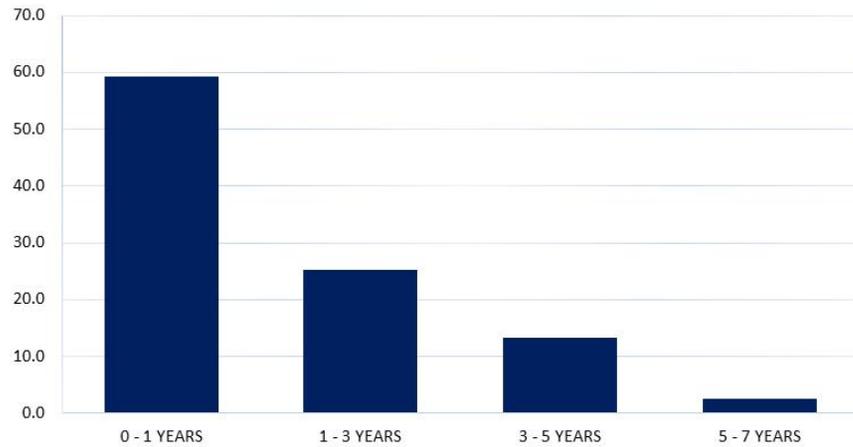
Portfolio Level Characteristics

	POOL 12 CAWCD MED TRM
Weighted Average Life	1.57
Coupon	1.98
Effective Duration	0.95
Quality Rating (Moody's)	AA-2

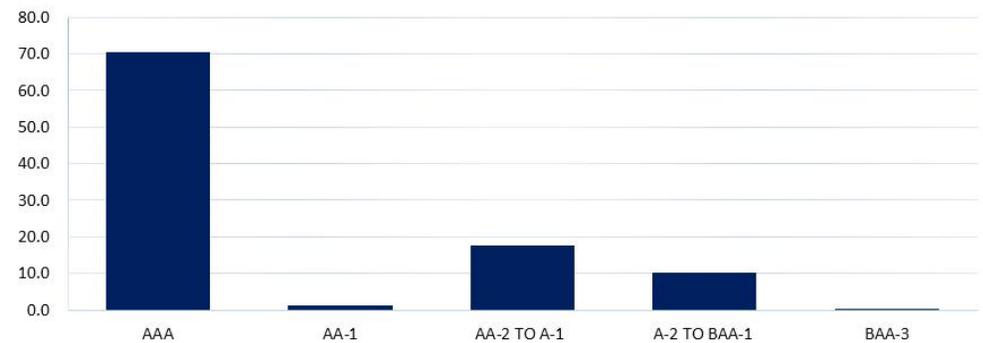
Coupon Distribution



Expected Maturity Distribution

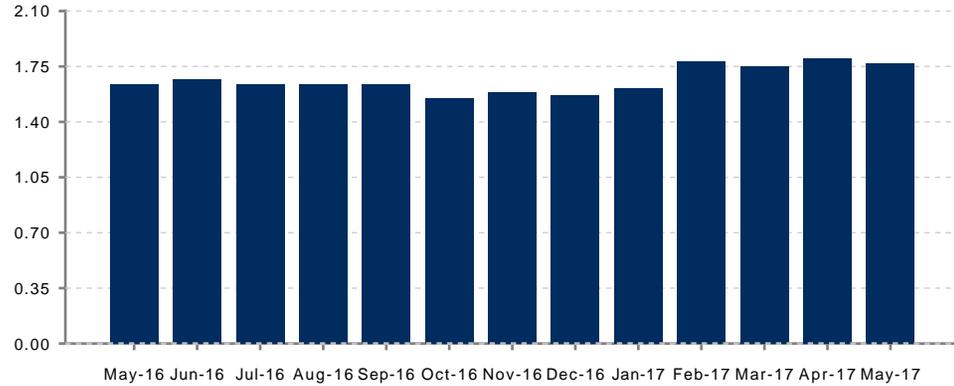


Rating Distribution





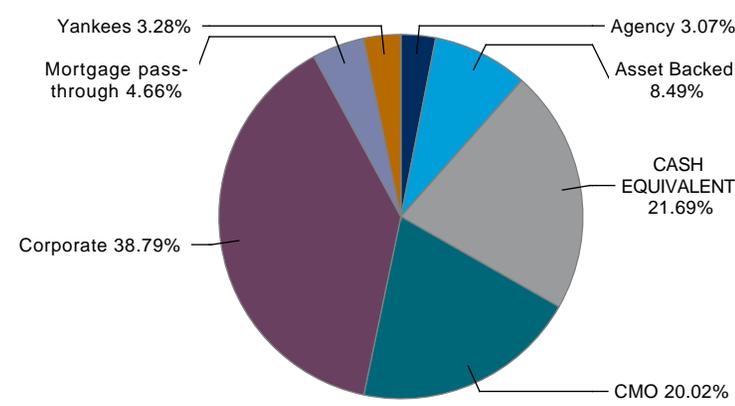
Net Yield



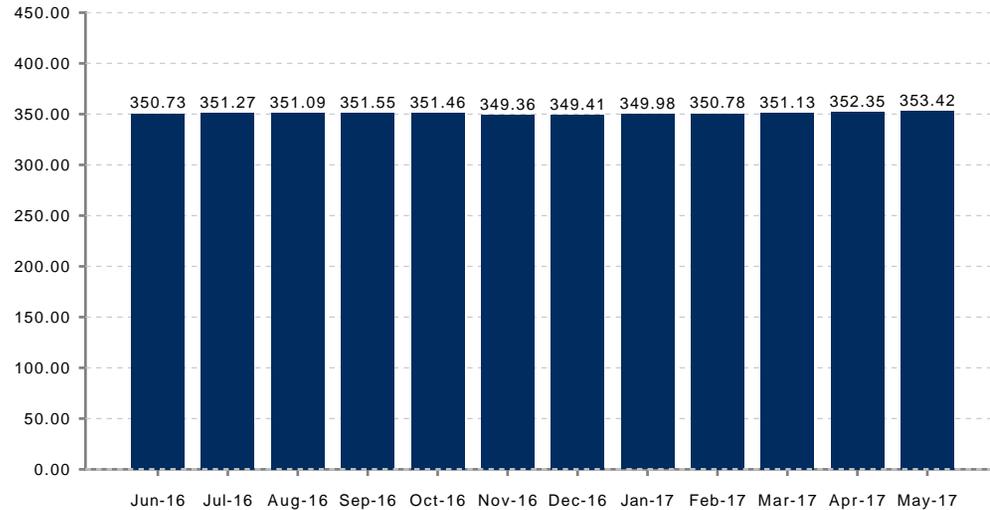
	Current Mth	Prior Mth	1 Year Ago
POOL 16 ECDHB	1.77	1.80	1.64

Asset Allocation

	Ending Market Value
POOL 16 ECDHB	353,422,492



Net Asset Values over Time (\$MM)

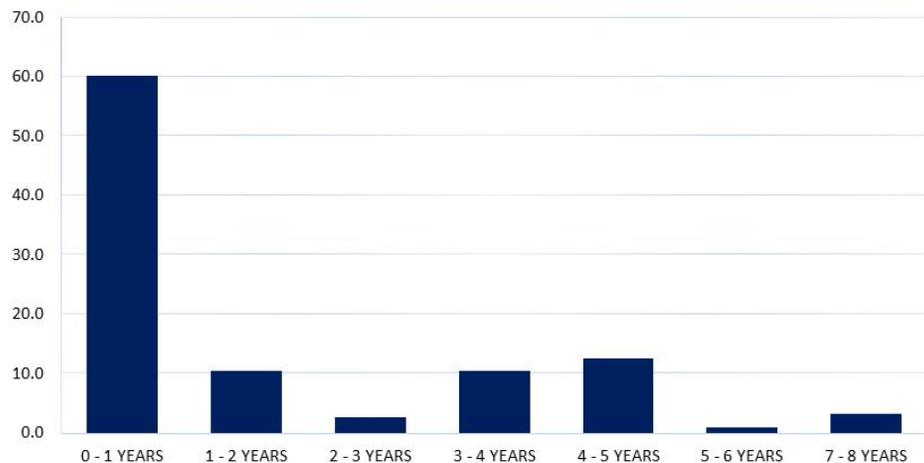


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 16 ECDHB		
BMO TRIPARTY MTGE CLAS/ISIT/RTRP MATU//20121224	27,000,578	7.64
PNC BANK NA	7,023,089	1.99
FREDDIEMAC STRIP	6,434,080	1.82
FANNIE MAE	6,421,973	1.82
FHLMC MULTIFAMILY STRUCTURED P	5,204,450	1.47
GOVERNMENT NATIONAL MORTGAGE A	5,144,364	1.46
FANNIE MAE	5,114,752	1.45
BNK OF TKYO MTBSHI L	5,059,004	1.43
CISCO SYSTEMS INC	5,042,661	1.43
CAPITAL ONE MULTI ASSET EXECUT	5,034,593	1.42



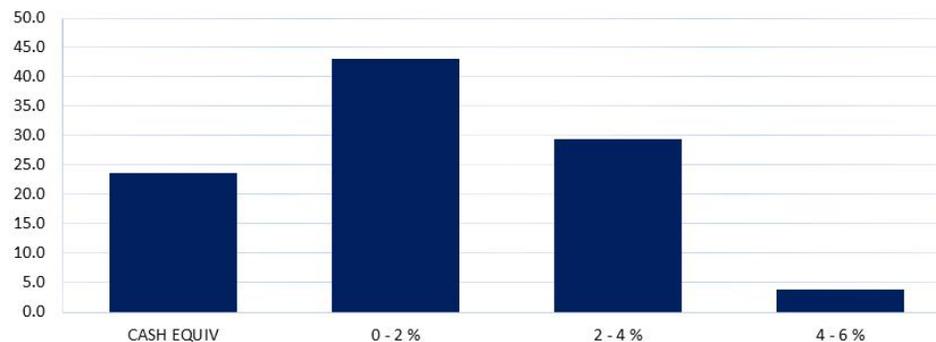
Duration Distribution



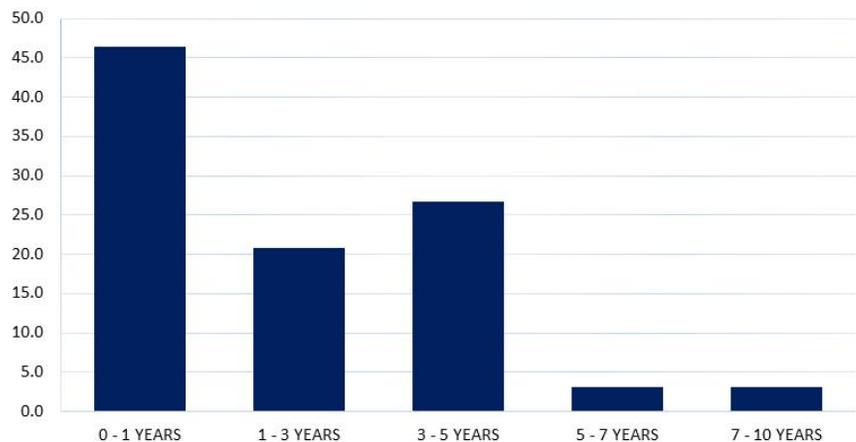
Portfolio Level Characteristics

	POOL 16 ECDHB
Weighted Average Life	2.17
Coupon	2.26
Effective Duration	1.51
Quality Rating (Moody's)	AA-3

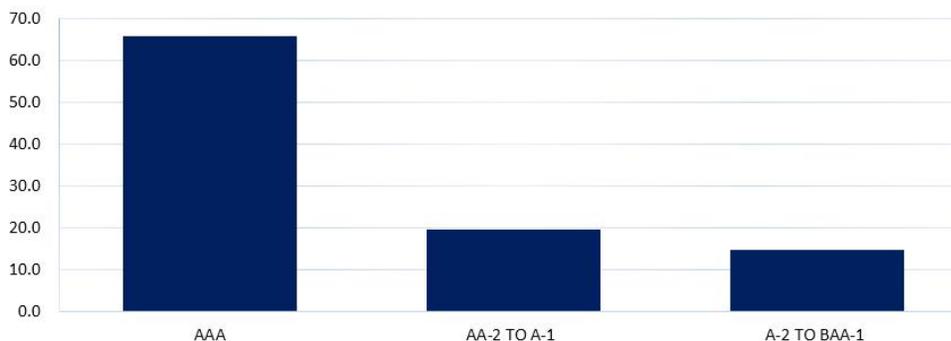
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



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**LGIP & LGIP- GOV
 PORTFOLIO YIELD ANALYSIS
 MAY 2017**

NET EARNINGS

FUND	DESCRIPTION	Current Month 05/31/17	Prior Month 04/30/17	Prior Year 05/31/16	Net Asset Value Per Share
5	LGIP	1,167,303	937,850	440,265	1.0000
7	LGIP - GOV	872,680	600,420	364,577	1.0000
	TOTAL LGIP & LGIP-GOV	2,039,983	1,538,270	804,842	

YIELDS

<u>MONTHLY</u>		Current Month 05/31/17	Prior Month 04/30/17	Prior Year 5/31/16
5	LGIP (NET)	0.88%	0.84%	0.39%
	S & P LGIP INDEX	0.82%	0.76%	0.36%
7	LGIP - GOV (NET)	0.73%	0.62%	0.33%
	3 MONTH T-BILL	0.89%	0.79%	0.26%
<u>YEAR TO DATE</u>				
5	LGIP (NET)	0.59%	0.56%	0.26%
	S & P LGIP INDEX	0.55%	0.52%	0.19%
7	LGIP - GOV (NET)	0.46%	0.43%	0.21%
	3 MONTH T-BILL	0.48%	0.43%	0.16%

* 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
 MAY 2017**

NET EARNINGS

FUND	DESCRIPTION	Current Month 05/31/17	Prior Month 04/30/17	Prior Year 05/31/16	Net Asset Value Per Share
500	LGIP - MED TERM POOL	420,668	389,880	285,991	1.0321
700	LGIP - FF&C MED TERM POOL	156,171	143,345	139,367	1.0087
	TOTAL LGIP MEDIUM TERM POOLS	576,839	533,225	425,358	

YIELDS

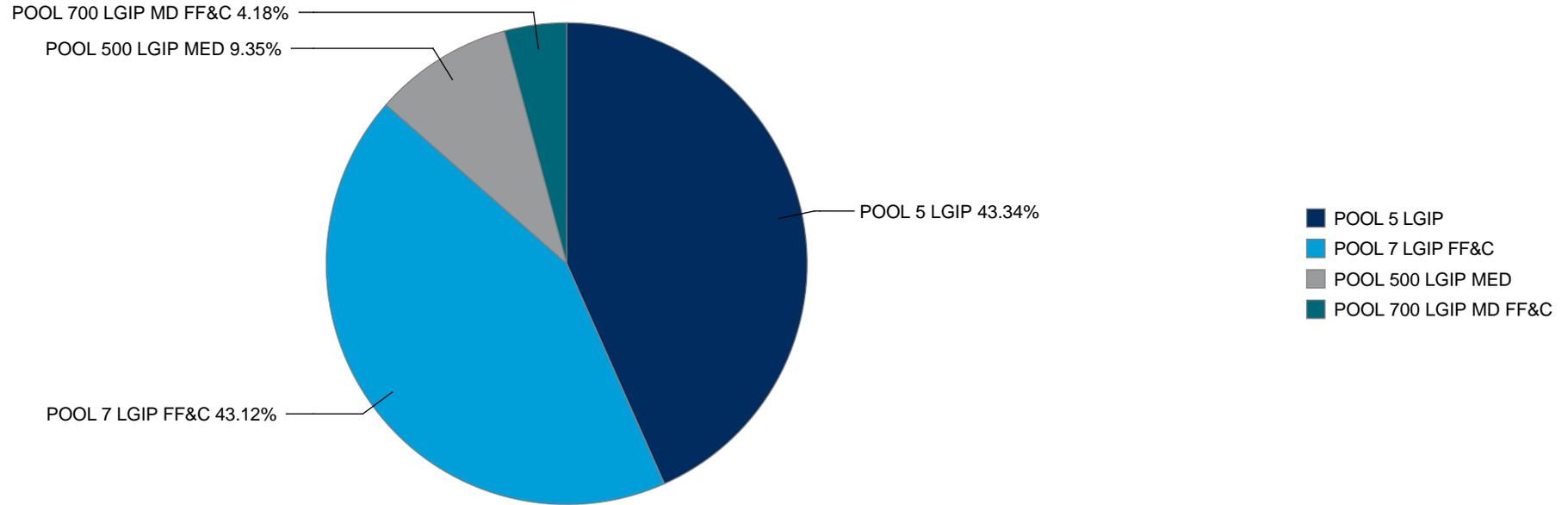
MONTHLY

	Current Month 05/31/17	Prior Month 04/30/17	Prior Year 5/31/16
500 LGIP - MED TERM (NET)	1.53%	1.54%	1.35%
75% MERRILL 1-5 US D M INDEX / 25% S & P LGIP INDEX	1.53%	1.53%	1.53%
700 LGIP - FF&C MED TERM (NET)	1.27%	1.20%	1.15%
75% MERRILL 1-5 US TREAS INDEX / 15% MERRILL US GNMA 15 YR INDEX / 10% MERRILL US 3 MO T-BILL INDEX	1.47%	1.47%	1.36%

YEAR TO DATE

500 LGIP - MED TERM (NET)	1.40%	1.39%	1.27%
75% MERRILL 1-5 US D M INDEX / 25% S & P LGIP INDEX	1.37%	1.36%	1.52%
700 LGIP - FF&C MED TERM (NET)	1.14%	1.12%	1.01%
75% MERRILL 1-5 US TREAS INDEX / 15% MERRILL US GNMA 15 YR INDEX / 10% MERRILL US 3 MO T-BILL INDEX	1.26%	1.24%	1.38%

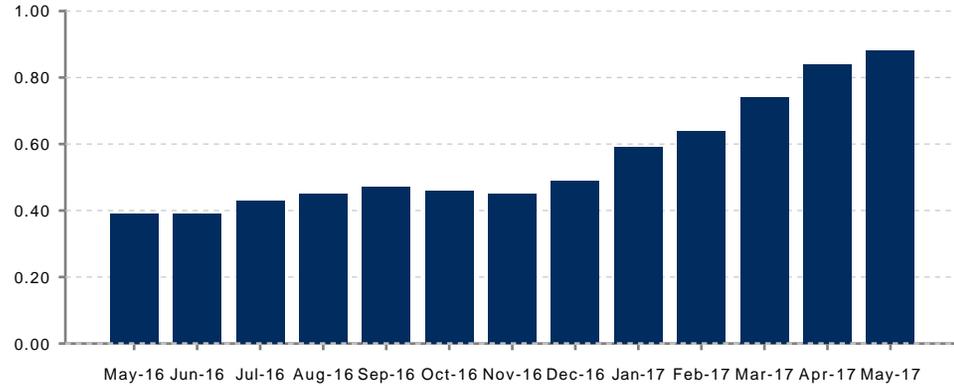
Manager Allocation



	Market Value	% of Portfolio
POOL 5 LGIP	1,503,842,887	43.3
POOL 7 LGIP FF&C	1,496,089,729	43.1
POOL 500 LGIP MED	324,487,239	9.4
POOL 700 LGIP MD FF&C	145,075,571	4.2
TOTAL LGIP	3,469,495,426	100.0



Net Yield

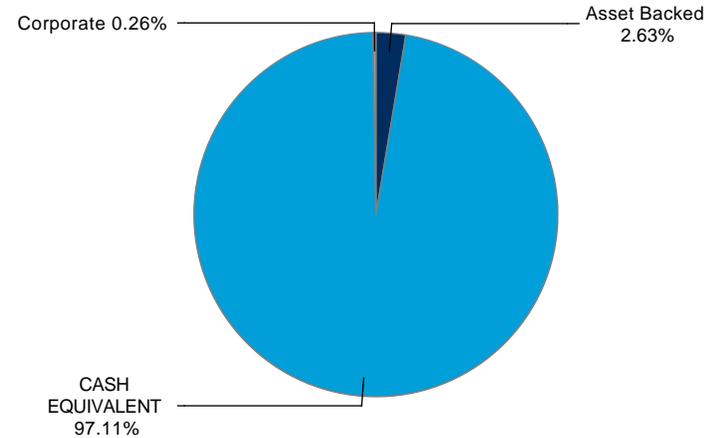


Current Mth Prior Mth 1 Year Ago

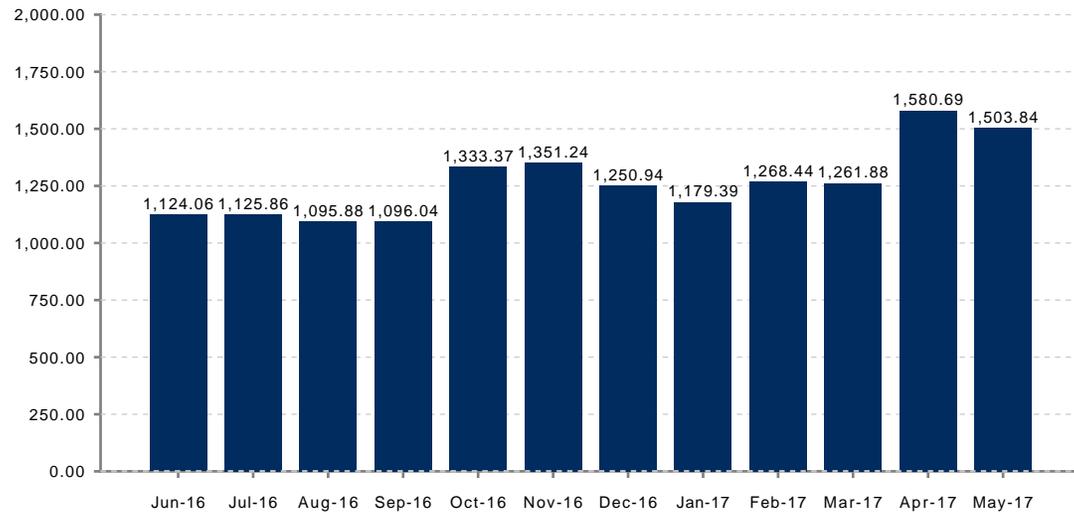
POOL 5 LGIP	0.88	0.84	0.39
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Asset Allocation

Ending Market Value	1,503,842,887
POOL 5 LGIP	1,503,842,887



Net Asset Values over Time (\$MM)

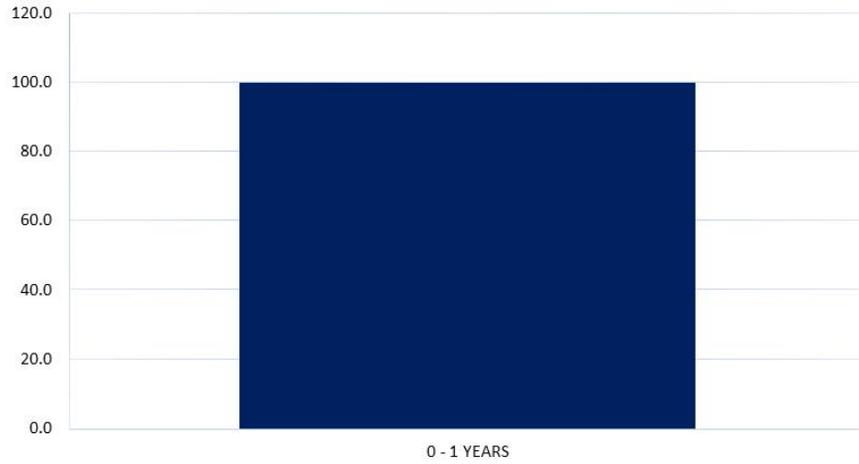


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 5 LGIP		
WELLS FARGO REPO	220,004,950	14.63
BANK OF AMERICA REPO	100,002,083	6.65
RBC CAPITAL MARKETS REPO	58,739,241	3.91
FIDELITY INVESTMENTS MONEY	50,389,233	3.35
3M CO	49,987,472	3.32
CROWN POINT CAP CO.	44,917,500	2.99
BANK NEW YORK MELLON CORP	39,991,111	2.66
GM FINANCIAL AUTOMOBILE LEASI	36,068,596	2.40
ELI LILLY & COMPANY	34,996,850	2.33
GENERAL ELECTRIC CO	34,976,900	2.33



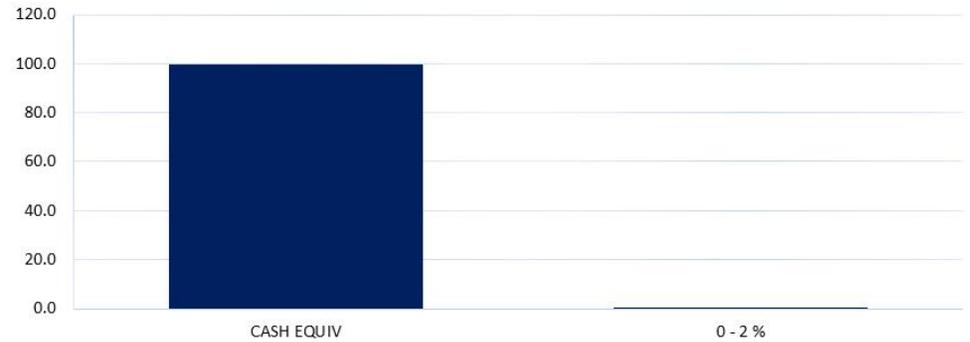
Duration Distribution



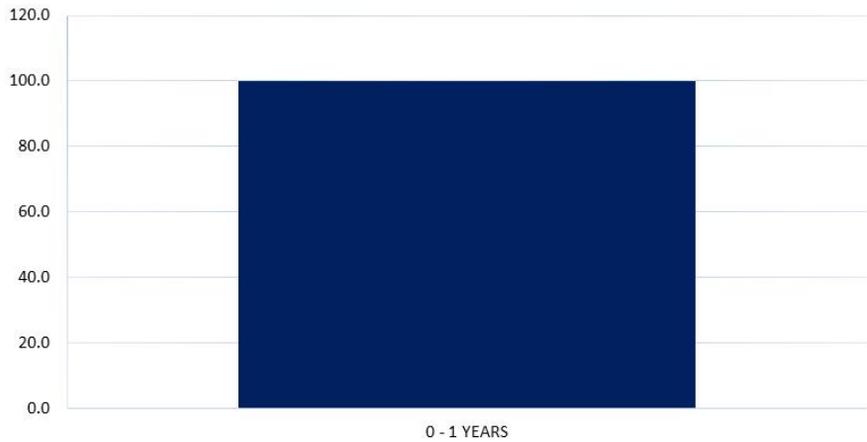
Portfolio Level Characteristics

	POOL 5 LGIP
Weighted Average Life	0.10
Coupon	0.30
Effective Duration	0.10
Quality Rating (Moody's)	AAA

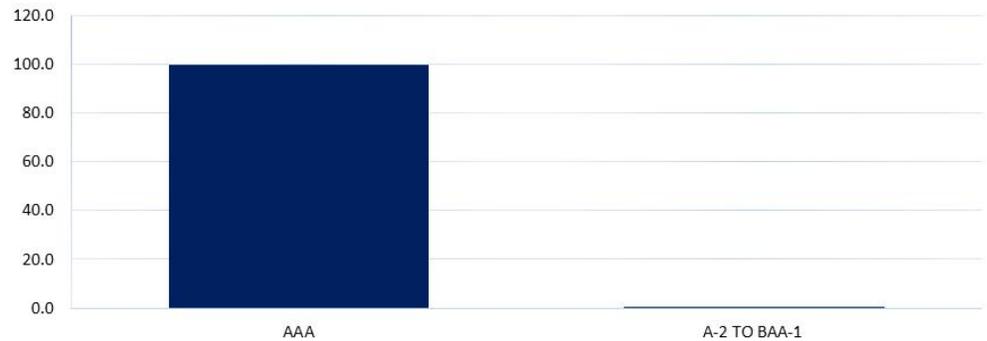
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



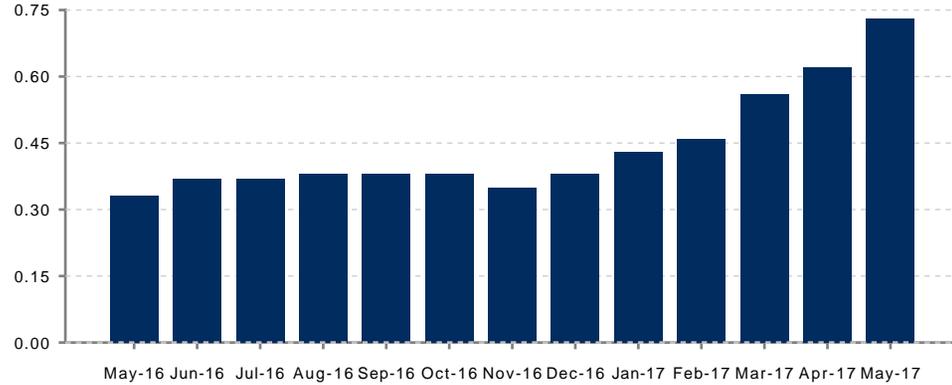
OFFICE OF THE ARIZONA STATE TREASURER

May 31, 2017

POOL 7 LGIP FF&C



Net Yield



Current Mth Prior Mth 1 Year Ago

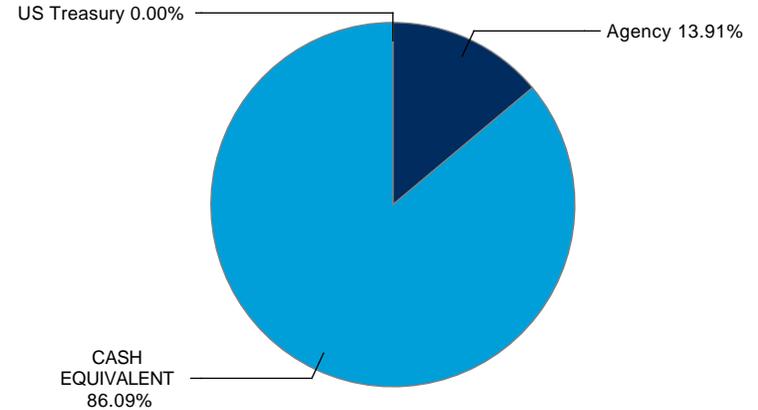
POOL 7 LGIP FF&C	0.73	0.62	0.33
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Asset Allocation

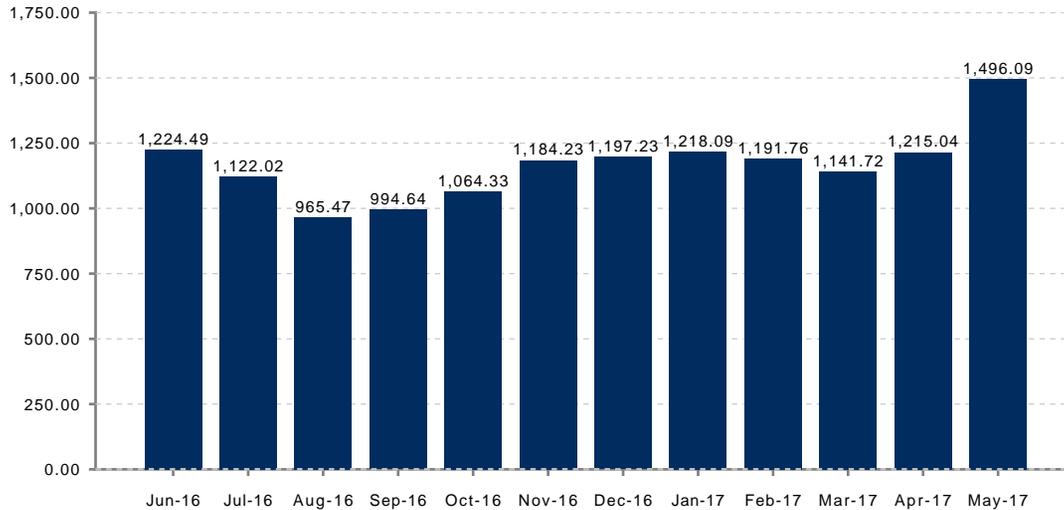
POOL 7 LGIP FF&C

Ending Market Value

1,496,089,729



Net Asset Values over Time (\$MM)

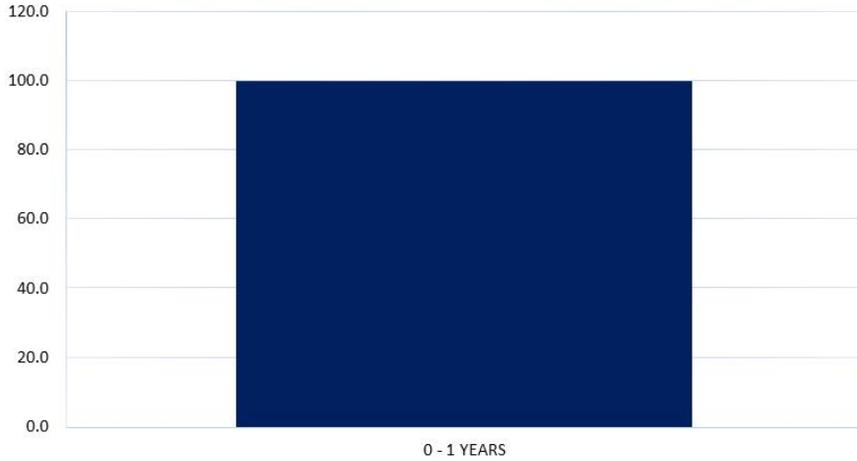


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 7 LGIP FF&C		
DAIWA CAPITAL MARKETS REPO	200,004,722	13.37
TREASURY BILL	119,538,960	7.99
TREASURY BILL	109,625,230	7.33
MIZUHO	100,002,278	6.68
TREASURY BILL	99,760,000	6.67
TREASURY BILL	89,973,056	6.01
TREASURY BILL	79,935,997	5.34
TREASURY BILL	79,846,654	5.34
TREASURY BILL	79,779,280	5.33
TREASURY BILL	79,673,920	5.33



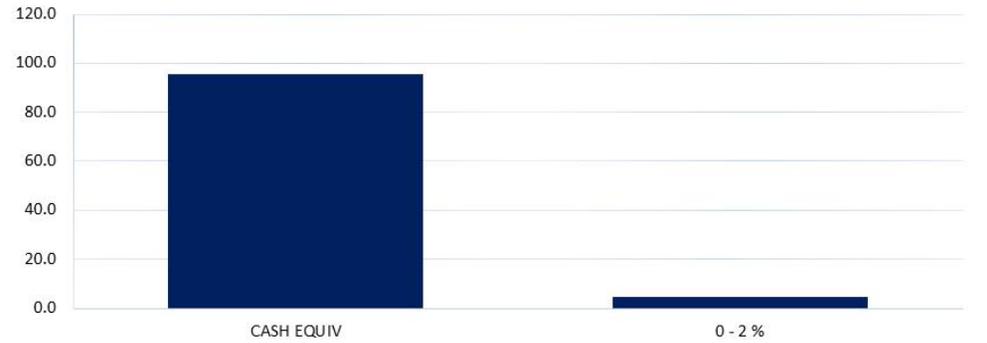
Duration Distribution



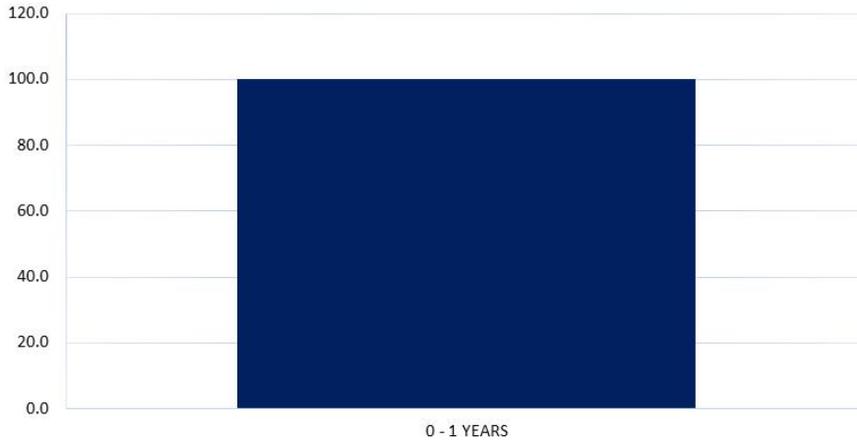
Portfolio Level Characteristics

	POOL 7 LGIP FF&C
Weighted Average Life	0.26
Coupon	0.01
Effective Duration	0.26
Quality Rating (Moody's)	AAA

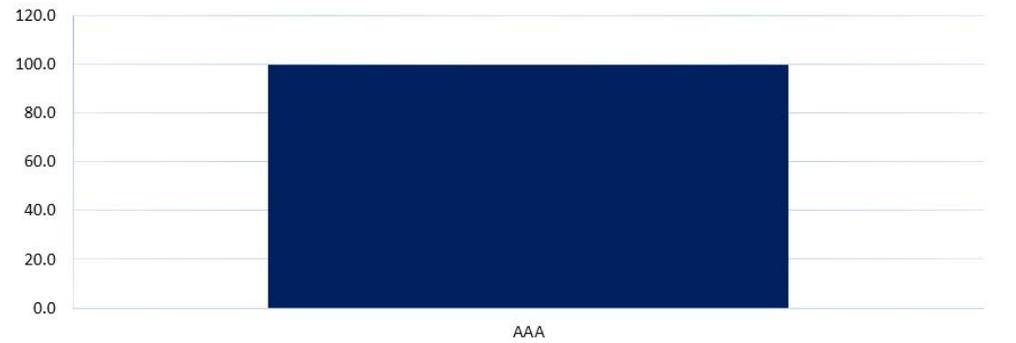
Coupon Distribution



Expected Maturity Distribution



Rating Distribution





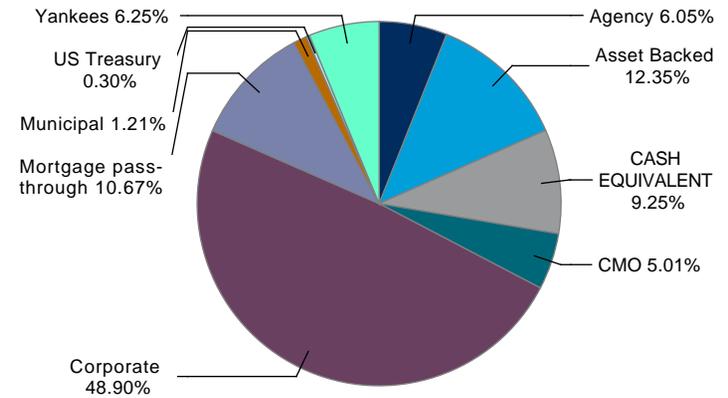
Net Yield



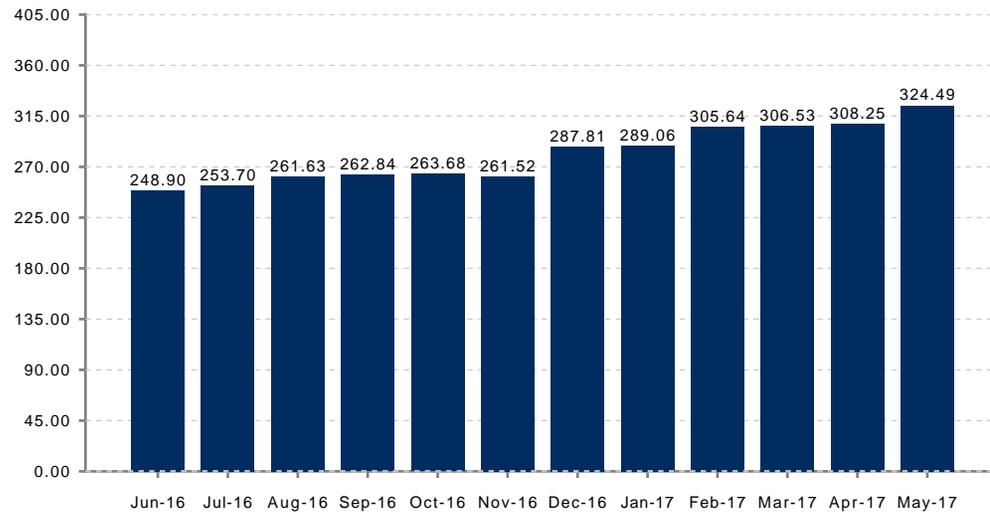
	Current Mth	Prior Mth	1 Year Ago
POOL 500 LGIP MED	1.53	1.54	1.35

Asset Allocation

	Ending Market Value
POOL 500 LGIP MED	324,487,239



Net Asset Values over Time (\$MM)

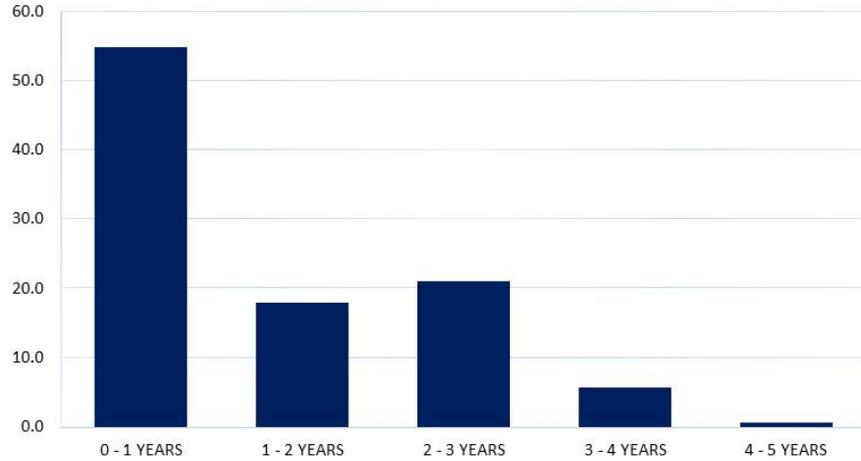


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 500 LGIP MED		
BMO TRIPARTY MTGE CLAS/ISIT/RTRP MATU//20121224	21,000,449	6.47
MICROSOFT CORP	8,082,932	2.49
GOLDMAN SACHS GROUP INC	8,035,773	2.48
APPLE INC	7,020,186	2.16
FNMA POOL AB5991	6,860,181	2.11
HERSHEY COMPANY	6,040,127	1.86
MERCK + CO INC	5,542,180	1.71
FEDERAL HOME LOAN BANK	5,040,278	1.55
APPLE INC	5,029,335	1.55
CHEVRON CORP	5,017,987	1.55



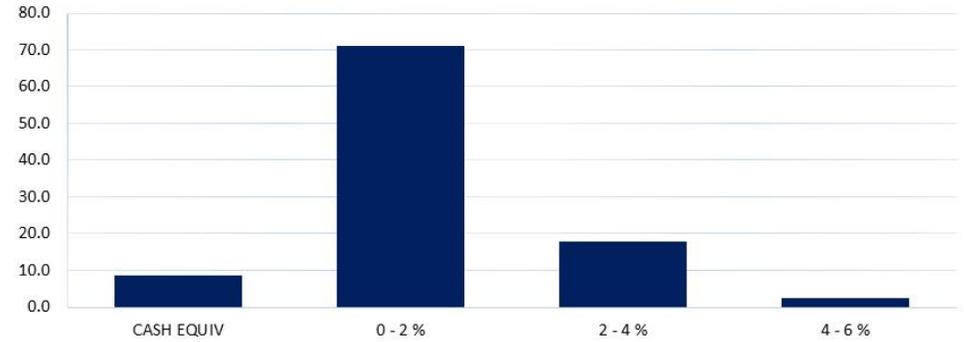
Duration Distribution



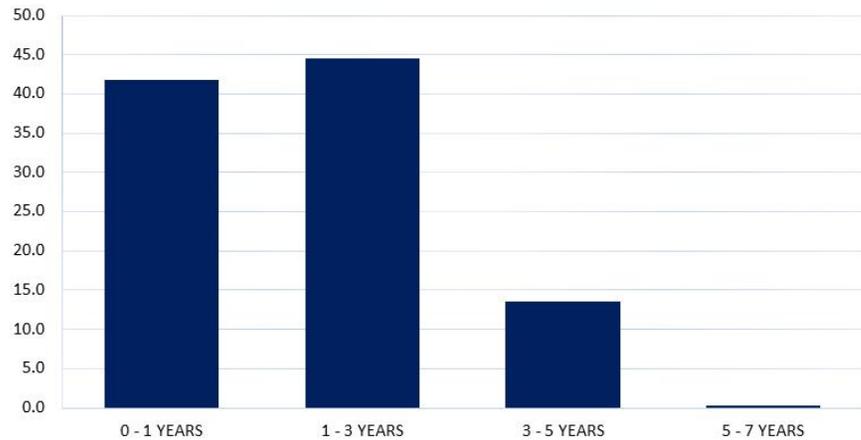
Portfolio Level Characteristics

	POOL 500 LGIP MED
Weighted Average Life	1.72
Coupon	1.82
Effective Duration	1.20
Quality Rating (Moody's)	AA-3

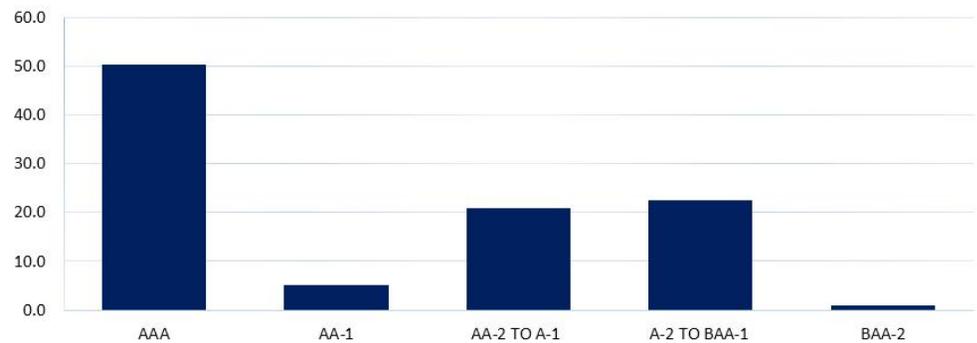
Coupon Distribution



Expected Maturity Distribution

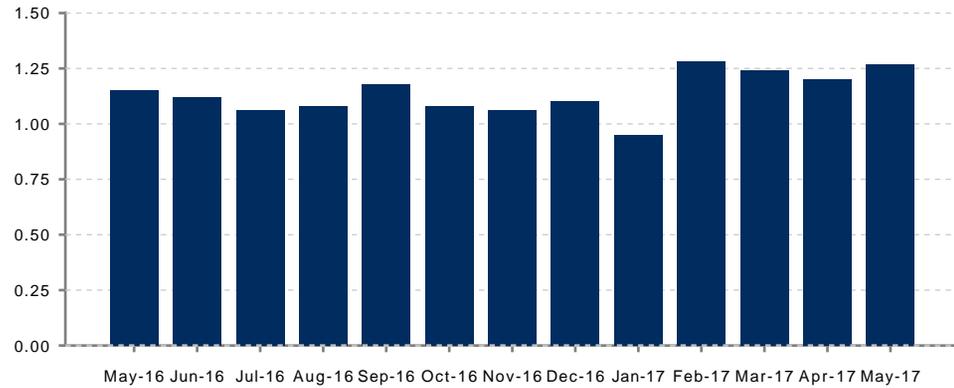


Rating Distribution





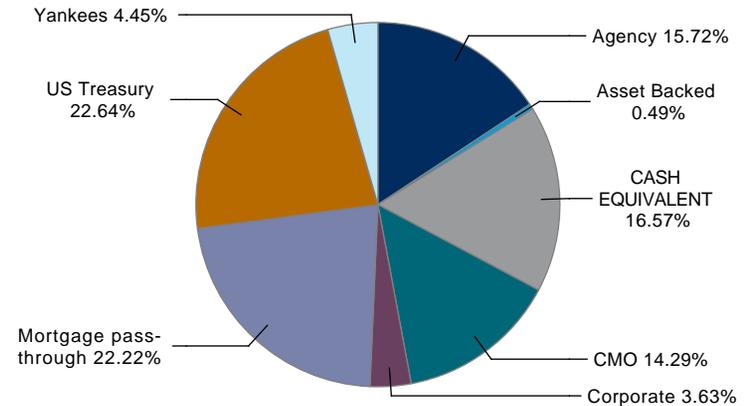
Net Yield



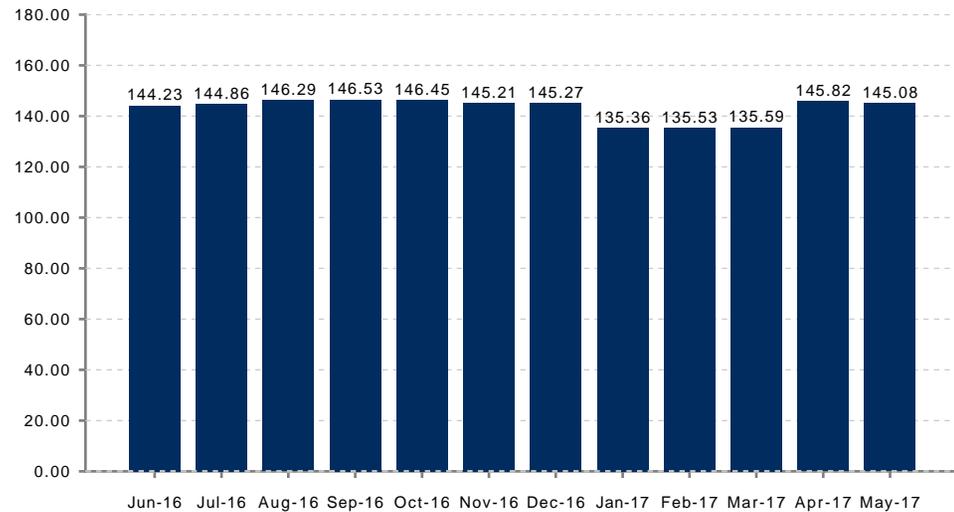
	Current Mth	Prior Mth	1 Year Ago
POOL 700 LGIP MD FF&C	1.27	1.20	1.15

Asset Allocation

	Ending Market Value
POOL 700 LGIP MD FF&C	145,075,571



Net Asset Values over Time (\$MM)

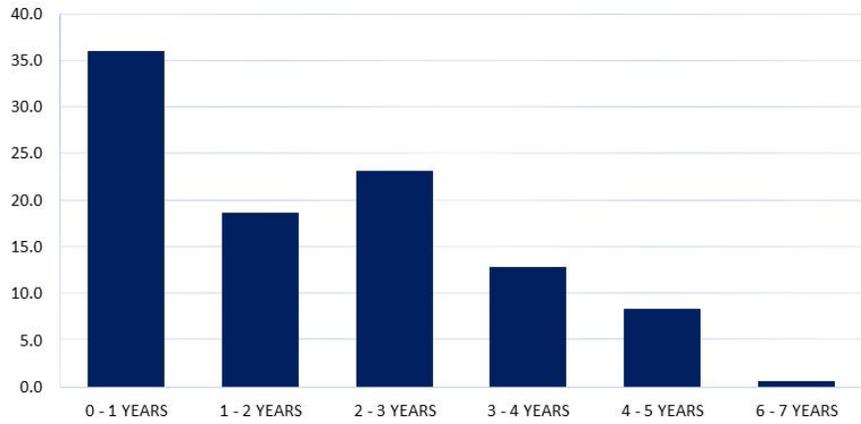


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 700 LGIP MD FF&C		
BMO TRIPARTY MTGE CLAS/ISIT/RTRP MATU//20121224	13,000,278	8.96
PRIVATE EXP. FUNDING	9,915,539	6.83
US TREASURY N/B	5,034,271	3.47
US TREASURY N/B	5,000,951	3.45
US TREASURY N/B	4,996,231	3.44
OVERSEAS PRIVATE INV COR	4,541,850	3.13
GNMA II POOL MA0213	4,337,154	2.99
GOVERNMENT NATIONAL MORTGAGE A	4,007,866	2.76
PRIVATE EXPORT FUNDING	3,517,562	2.42
OVERSEAS PRIVATE INV COR	3,028,800	2.09



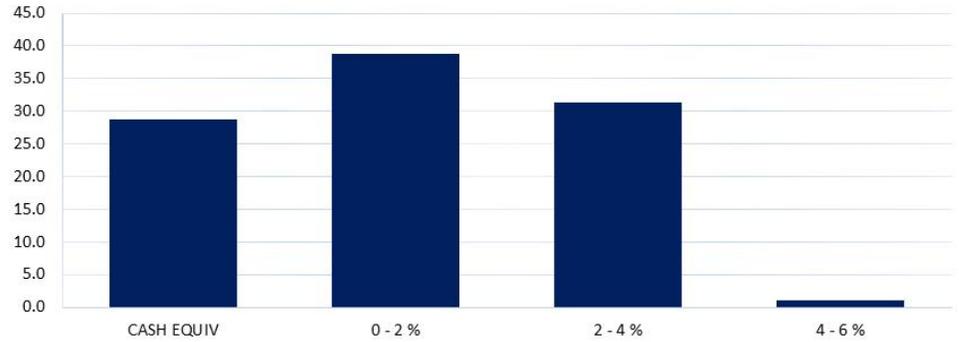
Duration Distribution



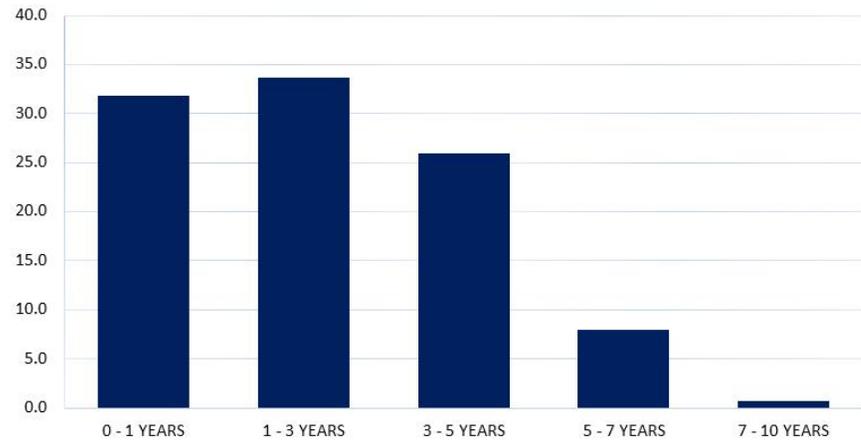
Portfolio Level Characteristics

	POOL 700 LGIP MD FF&C
Weighted Average Life	2.17
Coupon	1.70
Effective Duration	1.82
Quality Rating (Moody's)	AAA

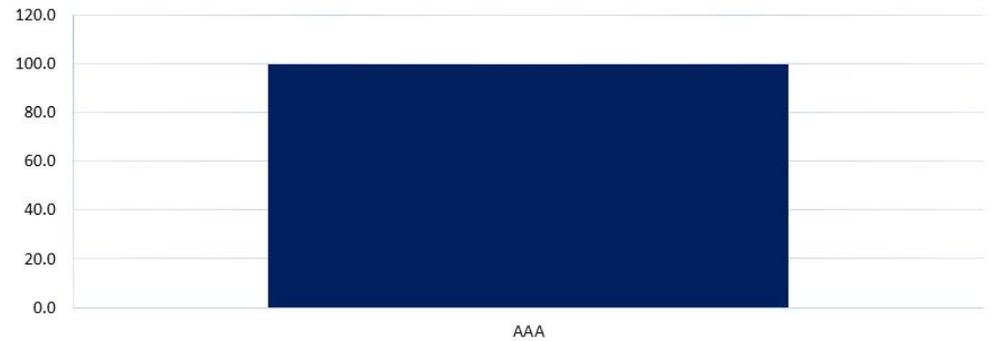
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



**EARNINGS DISTRIBUTED
 ENDOWMENT FUNDS
 MAY 2017**

Distributed in Current Month

Recipient	MAY 2017	Fiscal YTD 16/17	Fiscal YTD 15/16
101 A & M Colleges	\$62,695	\$689,645	\$230,901
102 State Hospital	39,692	436,612	143,168
103 Leg., Exec., & Jud.	51,413	565,543	188,278
104 Military Institute	3,456	38,016	12,823
105 Miners Hospital	126,965	1,396,615	432,416
107 Normal School ASU/NAU	23,855	262,405	85,237
108 Penitentiaries	85,542	940,962	301,020
109 Permanent Common School	22,463,210	247,095,311	79,919,779
110 School for Deaf & Blind	33,142	364,566	120,215
111 School of Mines	70,914	780,054	261,038
112 State Charitable-Pioneers Home	346,473	3,811,202	1,266,771
112 State Charitable-Corrections	173,236	1,905,601	633,386
112 State Charitable-Youth Treatment	173,236	1,905,601	633,386
113 University Fund	122,961	1,352,567	443,376
114 U of A Land - 1881	384,475	4,229,229	1,284,741
Total	\$24,161,266	\$265,773,929	\$85,956,532

**Land Sales Monthly Proceeds
 Endowment Funds**

Month	Year						
	2011	2012	2013	2014	2015	2016	2017
January	3,622,869	21,196,075	85,209,777	29,493,046	7,126,212	5,108,687	2,960,815
February	8,915,155	92,150,173	24,412,865	33,969,801	2,535,244	1,083,178	1,103,303
March	1,244,602	1,015,640	13,469,847	1,323,549	1,096,232	1,106,860	3,045,043
April	2,413,502	1,796,774	4,599,024	2,252,527	1,968,281	28,981,969	78,134,289
May	1,889,780	926,085	12,685,871	1,100,261	19,123,417	20,147,116	27,642,672
June	3,446,620	22,369,423	6,493,351	4,564,719	33,179,898	31,844,678	
July	2,803,278	823,328	5,694,705	4,196,738	6,092,396	2,469,997	
August	3,470,996	33,621,311	2,304,138	24,838,430	1,038,971	13,094,287	
September	5,202,040	17,307,221	10,399,639	1,960,673	1,967,125	(12,580,728)	
October	5,799,335	1,403,700	1,240,497	3,150,170	2,366,519	10,614,885	
November	2,045,107	5,131,627	8,995,327	34,193,583	1,358,711	28,490,238	
December	5,123,133	28,846,813	3,574,631	1,136,538	4,264,354	6,127,407	
Calendar Year	45,976,416	226,588,170	179,079,672	142,180,034	82,117,360	136,488,573	112,886,122
Fiscal Year (July 1st to June 30th)	139,820,630	163,898,058	234,004,734	104,912,840	134,505,415	105,360,563	161,102,208

NET REALIZED CAPITAL GAINS / LOSSES - ENDOWMENT FUNDS

Endowment Fund	May 2017 NET GAIN(LOSS)	May 2016 NET GAIN(LOSS)
Fixed Income Pool	(\$428,466)	(\$245,627)
500 Large-Cap Fund	(240,474)	4,009,092
400 Mid-Cap Fund	(1,393,018)	11,473,421
600 Small-Cap Fund	717,660	1,901,936
Totals	(\$1,344,298)	\$17,138,822

Endowment Fund	2016/2017 FISCAL YEAR TO DATE GAINS(LOSSES)	2015/2016 FISCAL YEAR TO DATE GAINS(LOSSES)
Fixed Income Pool	(\$2,480,402)	(\$1,658,146)
500 Large-Cap Fund	52,979,870	20,398,159
400 Mid-Cap Fund	52,123,374	53,173,911
600 Small-Cap Fund	42,285,864	34,289,186
Totals	\$144,908,705	\$106,203,111

**ENDOWMENT FUNDS FIXED-INCOME POOLS
PURCHASES & SALES
MAY 2017**

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I. Endowment Funds Purchases

<u>POOL</u>	<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>
205	AMGEN	1.50	05/10/2019	NA	\$13,000,000	\$13,000,000	1.50%	Baa1/A
205	EBAY	2.07	01/30/2023	NA	15,000,000	15,000,000	2.07%	Baa1/BBB+
205	FREDDIE MAC GOLD	3.50	05/01/2037	5.02	4,960,722	5,144,010	2.70%	Aaa/AA+
205	FEDERAL HOME LOAN	1.38	05/28/2019	NA	5,000,000	4,990,550	1.47%	Aaa/AA+
205	FANNIE MAE	2.50	09/01/2030	4.36	4,767,193	4,842,425	2.11%	Aaa/AA+
205	FANNIE MAE	2.50	01/01/2030	4.56	4,353,735	4,423,803	2.12%	Aaa/AA+
205	FANNIE MAE	4.50	05/01/2047	6.50	9,923,667	10,839,436	2.85%	Aaa/AA+
205	FANNIE MAE	4.50	04/01/2047	6.39	6,854,033	7,486,531	2.83%	Aaa/AA+
205	NORFOLK SOUTHERN	3.15	06/01/2027	NA	5,000,000	4,992,350	3.17%	Baa1/BBB+
205	PNC BANK	2.00	05/19/2020	NA	8,000,000	7,990,960	2.04%	A2/A
205	PNC BANK	1.54	05/19/2020	NA	20,000,000	20,000,000	1.54%	A2/A
205	SHEFFIELD RECEIVABLES	1.20	08/31/2017	NA	10,000,000	9,967,333	1.20%	P1/NR
123	CEDAR SPRINGS CAPITAL	1.20	08/24/2017	NA	10,000,000	9,969,333	1.20%	P1/A1
123	INSTITUTIONAL SECURED	1.01	05/31/2017	NA	10,000,000	9,998,036	1.01%	P1/A1
123	VICTORY RECEIVABLES	0.98	06/21/2017	NA	10,000,000	9,992,378	0.98%	P1/A1
TOTAL ENDOWMENT FUNDS PURCHASES					\$136,859,350	\$138,637,145		

II. Endowment Funds Sales

<u>POOL</u>	<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>
TOTAL ENDOWMENT FUNDS SALES				\$0	\$0	\$0	

* 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.

** Security is rated only by Fitch Ratings.

**EQUITY FUNDS
PURCHASES & SALES
MAY 2017**

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I. Equity Fund Purchases

	<u>SHARES</u>	<u>PURCHASE COST</u>	<u>COMMISSIONS</u>
400 Mid-Cap Fund	76,392	\$1,716,569	\$573
500 Large-Cap Fund	11,428	2,641,459	86
600 Small-Cap Fund	536,699	9,991,982	2,708
TOTAL EQUITY PURCHASES	624,519	\$14,350,010	\$3,367

II. Equity Funds Sales

	<u>SHARES</u>	<u>SALES AMOUNT</u>	<u>COMMISSIONS</u>
400 Mid-Cap Fund	167,575	\$1,540,799	\$36
500 Large-Cap Fund	10,807	1,644,397	81
600 Small-Cap Fund	110,515	3,526,302	829
TOTAL EQUITY SALES	288,897	\$6,711,498	\$946

**ENDOWMENT FUNDS
INVESTMENTS OUTSTANDING**

MAY 31, 2017
(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>	419	\$2,947	\$7,813	\$4,866	
	<i>Shares in Fixed Income Pools</i>	4,200	3,007	5,196	2,189	
	Total	4,619	5,954	13,009	7,055	2.185
102	State Hospital					
	<i>Shares in Equity Pools</i>	285	2,086	5,306	3,220	
	<i>Shares in Fixed Income Pools</i>	2,930	2,278	3,624	1,346	
	Total	3,214	4,364	8,930	4,566	2.046
103	Leg., Exec., & Jud					
	<i>Shares in Equity Pools</i>	340	2,568	6,342	3,774	
	<i>Shares in Fixed Income Pools</i>	3,632	2,602	4,492	1,890	
	Total	3,972	5,170	10,834	5,664	2.095
104	Military Institute					
	<i>Shares in Equity Pools</i>	23	181	430	250	
	<i>Shares in Fixed Income Pools</i>	252	177	311	134	
	Total	275	358	741	384	2.072
105	Miners Hospital					
	<i>Shares in Equity Pools</i>	988	8,756	18,434	9,678	
	<i>Shares in Fixed Income Pools</i>	9,958	8,671	12,317	3,646	
	Total	10,946	17,426	30,751	13,325	1.765
107	Normal School ASU/NAU					
	<i>Shares in Equity Pools</i>	189	1,618	3,519	1,901	
	<i>Shares in Fixed Income Pools</i>	1,949	1,556	2,410	855	
	Total	2,137	3,173	5,929	2,756	1.868
108	Penitentiaries					
	<i>Shares in Equity Pools</i>	665	5,639	12,409	6,770	
	<i>Shares in Fixed Income Pools</i>	6,814	5,611	8,428	2,817	
	Total	7,479	11,250	20,837	9,587	1.852

ENDOWMENT FUNDS
INVESTMENTS OUTSTANDING
MAY 31, 2017
(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>	167,289	1,360,654	3,119,831	1,759,177	
<i>Shares in Fixed Income Pools</i>	1,687,031	1,380,413	2,086,832	706,419	
Total	1,854,320	2,741,066	5,206,663	2,465,596	1.900
110 School for Deaf & Blind					
<i>Shares in Equity Pools</i>	230	1,791	4,283	2,492	
<i>Shares in Fixed Income Pools</i>	2,582	1,979	3,194	1,215	
Total	2,812	3,771	7,478	3,707	1.983
111 School of Mines					
<i>Shares in Equity Pools</i>	474	3,559	8,844	5,284	
<i>Shares in Fixed Income Pools</i>	4,880	3,624	6,037	2,413	
Total	5,355	7,183	14,881	7,698	2.072
112 State Charitable					
<i>Shares in Equity Pools</i>	4,771	35,943	88,979	53,036	
<i>Shares in Fixed Income Pools</i>	46,500	36,887	57,520	20,633	
Total	51,271	72,829	146,499	73,669	2.012
113 University Fund					
<i>Shares in Equity Pools</i>	863	6,844	16,103	9,259	
<i>Shares in Fixed Income Pools</i>	8,898	6,784	11,007	4,223	
Total	9,762	13,627	27,110	13,482	1.989
114 U Of A Land - 1881					
<i>Shares in Equity Pools</i>	3,236	31,507	60,341	28,834	
<i>Shares in Fixed Income Pools</i>	33,290	28,746	41,180	12,433	
Total	36,526	60,254	101,521	41,267	1.685
TOTALS - ALL FUNDS					
<i>Shares in Equity Pools</i>	179,772	1,464,092	3,352,633	1,888,541	
<i>Shares in Fixed Income Pools</i>	1,812,916	1,482,334	2,242,549	760,214	
Grand Total	1,992,687	\$2,946,427	\$5,595,182	\$2,648,755	
PRIOR YEAR:					
MAY 2016 BALANCES	1,976,923	\$3,001,457	\$5,291,126	\$2,289,669	

ENDOWMENT FUNDS
INVESTMENTS OUTSTANDING
MAY 31, 2017

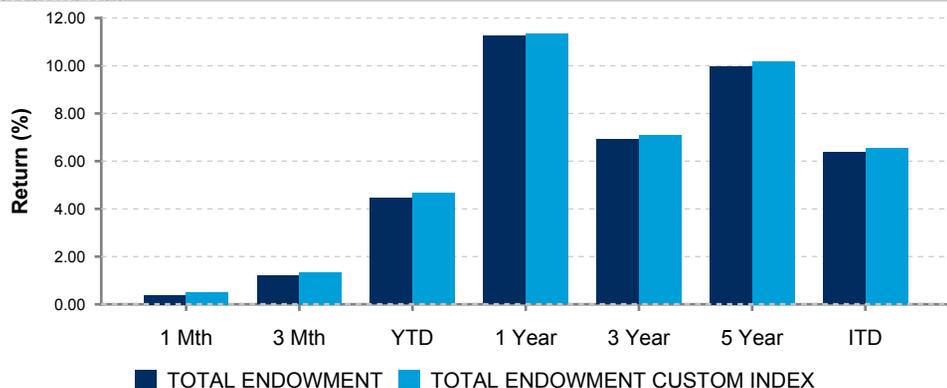
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ASSET ALLOCATION PERCENTAGE

	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	MAY 2016 MARKET VALUE
<i>Shares in Equity Pools</i>	9.02%	49.69%	59.92%	63.52%
<i>Shares in Fixed Income Pools</i>	90.98%	50.31%	40.08%	36.48%
	-----	-----	-----	-----
Total	100.00%	100.00%	100.00%	100.00%
	=====	=====	=====	=====



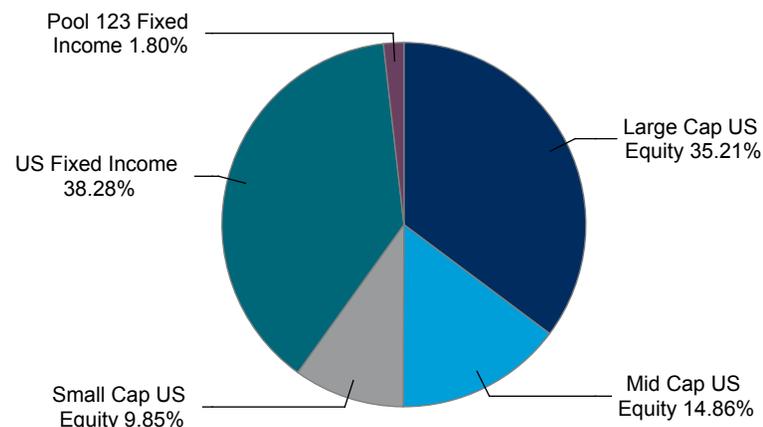
Performance



	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Incept Date
TOTAL ENDOWMENT	0.38	1.20	4.45	11.24	6.91	9.97	6.37	07/99
TOTAL ENDOWMENT CUSTOM INDEX	0.51	1.35	4.66	11.33	7.07	10.19	6.56	07/99
Excess	-0.13	-0.16	-0.21	-0.09	-0.16	-0.21	-0.19	

Asset Allocation

	Ending Market Value
TOTAL ENDOWMENT	5,595,181,743

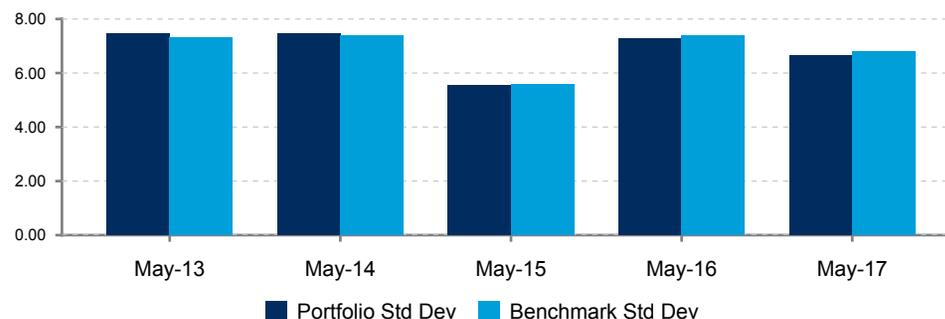


Ending Market Value



3 Year Risk Statistics

	Return	Portfolio Std Dev	Benchmark Std Dev	Sharpe Ratio	Beta	Tracking Error	Information Ratio
TOTAL ENDOWMENT	6.91	6.66	6.78	1.01	0.98	0.37	-0.44



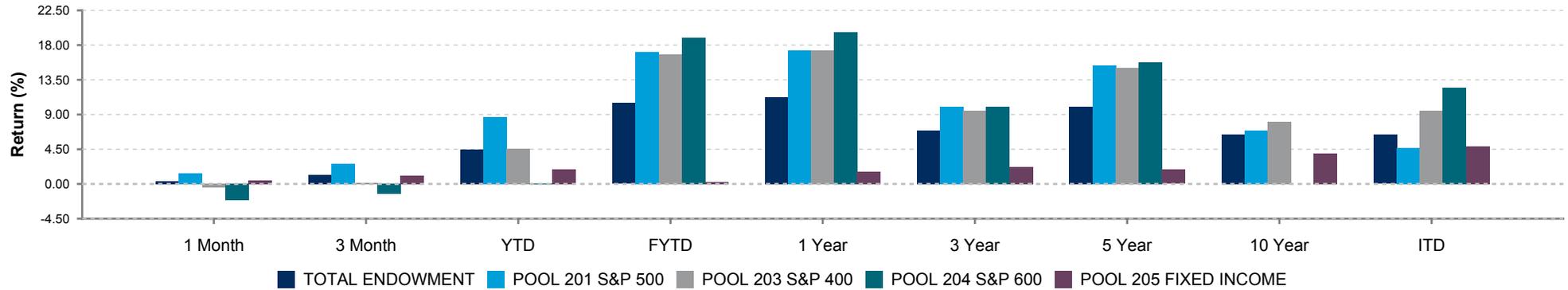
OFFICE OF THE ARIZONA STATE TREASURER

May 31, 2017

Total Returns Net Mgr



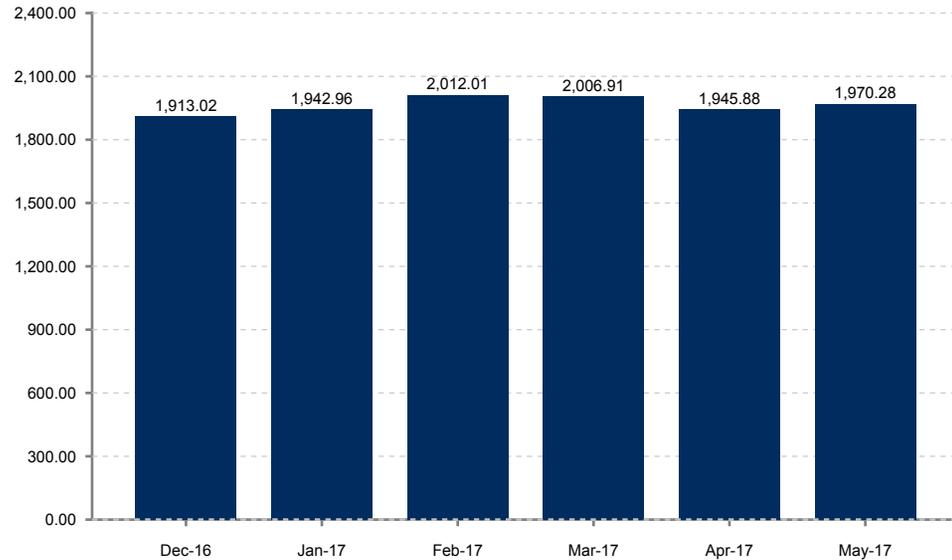
Return Comparison



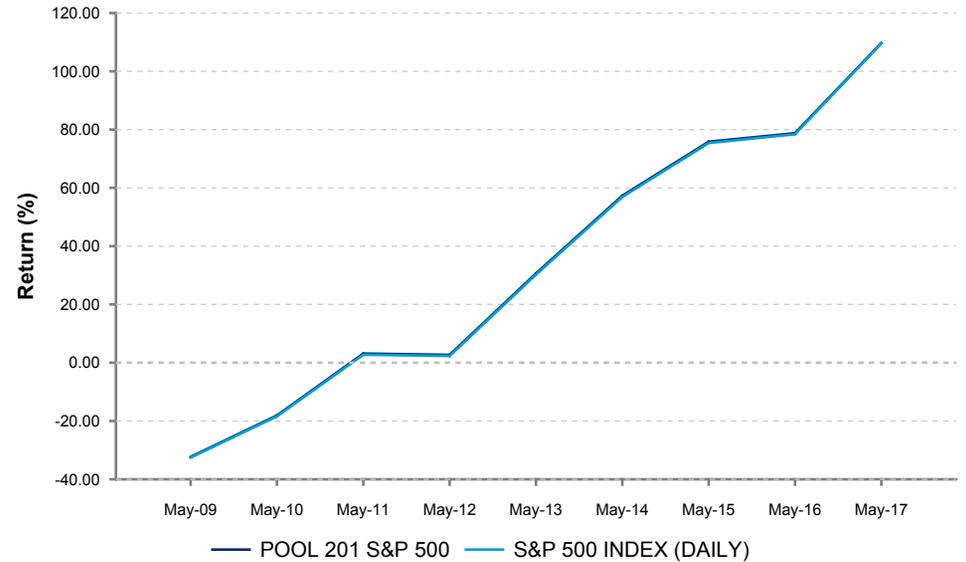
	Market Value	Actual Weight	1 Mth	3 Mth	YTD	FYTD	1 Year	3 Year	5 Year	10 Year	ITD	Inc Date
TOTAL ENDOWMENT	5,595,181,743	100.00	0.38	1.20	4.45	10.48	11.24	6.91	9.97	6.39	6.37	Jul-01-99
TOTAL ENDOWMENT CUSTOM INDEX			0.51	1.35	4.66	10.35	11.33	7.07	10.19	6.69	6.56	Jul-01-99
Excess			-0.13	-0.16	-0.21	0.13	-0.09	-0.16	-0.21	-0.29	-0.19	
POOL 201 S&P 500	1,970,280,789	35.21	1.43	2.58	8.68	17.13	17.32	10.06	15.35	6.97	4.67	Jul-01-99
S&P 500 INDEX (DAILY)			1.41	2.57	8.66	17.16	17.47	10.14	15.42	6.94	5.19	Jul-01-99
Excess			0.02	0.01	0.02	-0.03	-0.15	-0.07	-0.06	0.04	-0.52	
POOL 203 S&P 400	831,483,008	14.86	-0.48	0.16	4.53	16.77	17.29	9.50	15.03	8.06	9.48	Aug-01-01
S&P 400 MIDCAP INDEX (DAILY)			-0.49	-0.04	4.30	16.68	17.16	9.42	14.98	8.15	9.48	Aug-01-01
Excess			0.01	0.20	0.23	0.10	0.13	0.08	0.05	-0.09	0.00	
POOL 204 S&P 600	550,869,326	9.85	-2.10	-1.25	-0.07	18.95	19.72	10.03	15.81		12.46	Mar-01-11
S&P SM 600 TR			-2.13	-1.37	-0.19	18.91	19.63	9.93	15.74		12.42	Mar-01-11
Excess			0.02	0.12	0.13	0.05	0.09	0.10	0.07		0.04	
POOL 205 FIXED INCOME	2,141,725,250	38.28	0.43	1.10	1.86	0.24	1.59	2.19	1.85	3.93	4.85	Jul-01-99
CITIGROUP BIG (DAILY)			0.81	1.55	2.46	-0.16	1.64	2.55	2.25	4.55	5.17	Jul-01-99
Excess			-0.37	-0.45	-0.60	0.40	-0.05	-0.36	-0.40	-0.62	-0.32	
POOL 123 FIXED INCOME	100,823,371	1.80	0.09	0.23	0.38	0.75	0.78				0.78	Jun-01-16
ASTO-POOL 5 BENCHMARK			0.07	0.21	0.31	0.54	0.57				0.57	Jun-01-16
Excess			0.02	0.03	0.08	0.21	0.21				0.21	



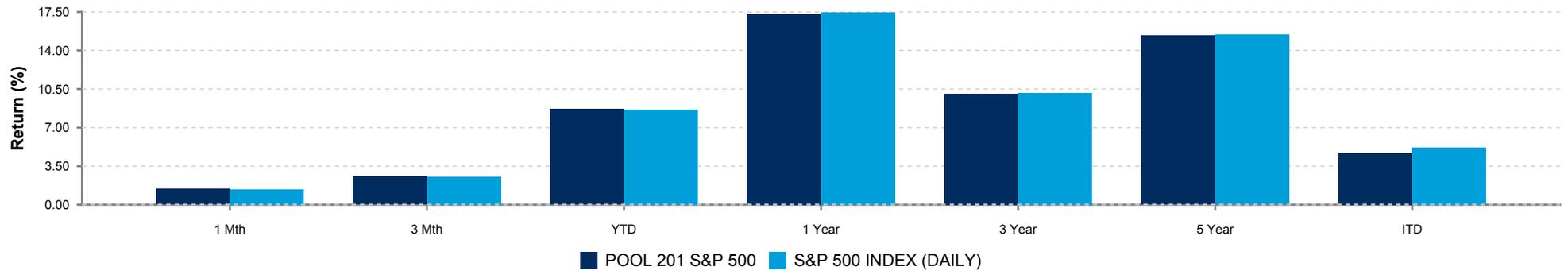
Net Asset Values over Time (\$MM)



Cumulative Return (%)



Rates of Return

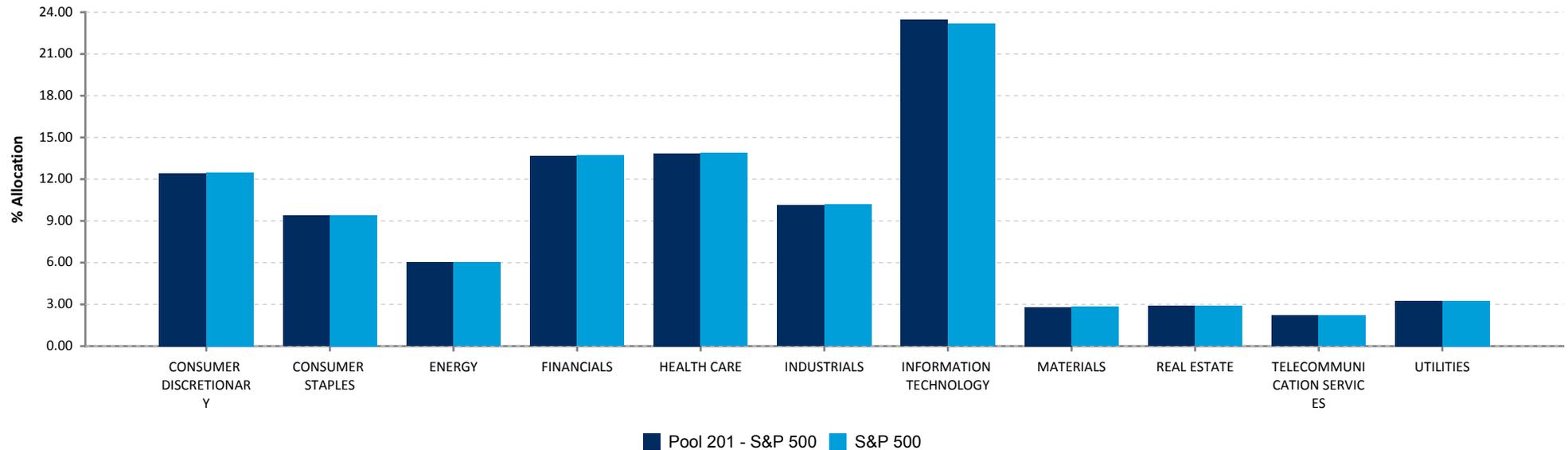


	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	May 31 2017	May 31 2016	May 31 2015
POOL 201 S&P 500	1.43	2.58	8.68	17.32	10.06	15.35	4.67	17.32	1.67	11.78
S&P 500 INDEX (DAILY)	1.41	2.57	8.66	17.47	10.14	15.42	5.19	17.47	1.72	11.81
Excess	0.02	0.01	0.02	-0.15	-0.07	-0.06	-0.52	-0.15	-0.05	-0.02

OFFICE OF THE ARIZONA STATE TREASURER

May 31, 2017

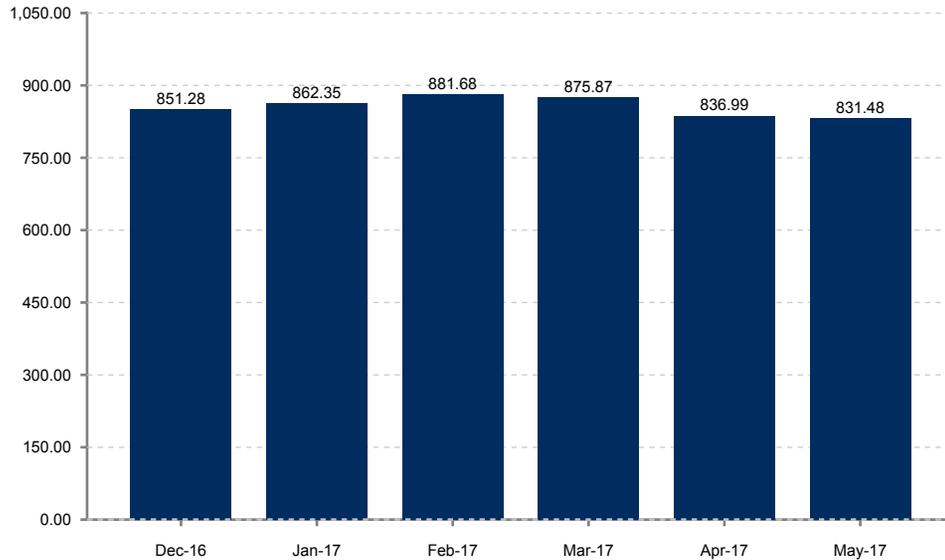
POOL 201 S&P 500
Sector Allocation vs S&P 500



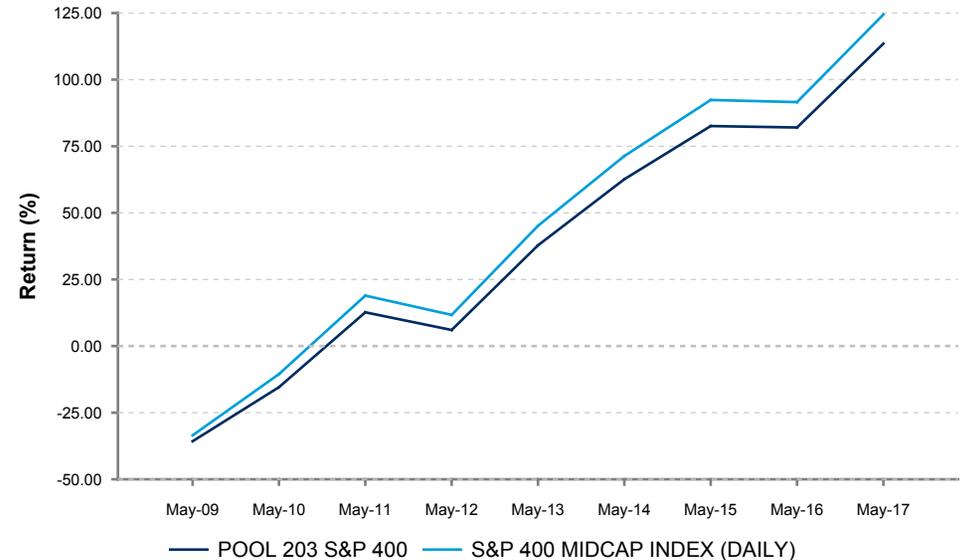
	Fund Weight	Benchmark Weight	Relative Weight
POOL 201 S&P 500	100.00	100.00	0.00
CONSUMER DISCRETIONARY	12.46	12.50	-0.04
CONSUMER STAPLES	9.27	9.29	-0.02
ENERGY	6.30	6.32	-0.02
FINANCIALS	14.05	14.09	-0.03
HEALTH CARE	13.92	13.96	-0.04
INDUSTRIALS	10.09	10.15	-0.06
INFORMATION TECHNOLOGY	22.71	22.50	0.21
MATERIALS	2.84	2.85	-0.01
REAL ESTATE	2.90	2.91	-0.01
TELECOMMUNICATION SERVICES	2.28	2.26	0.02
UTILITIES	3.17	3.18	-0.01



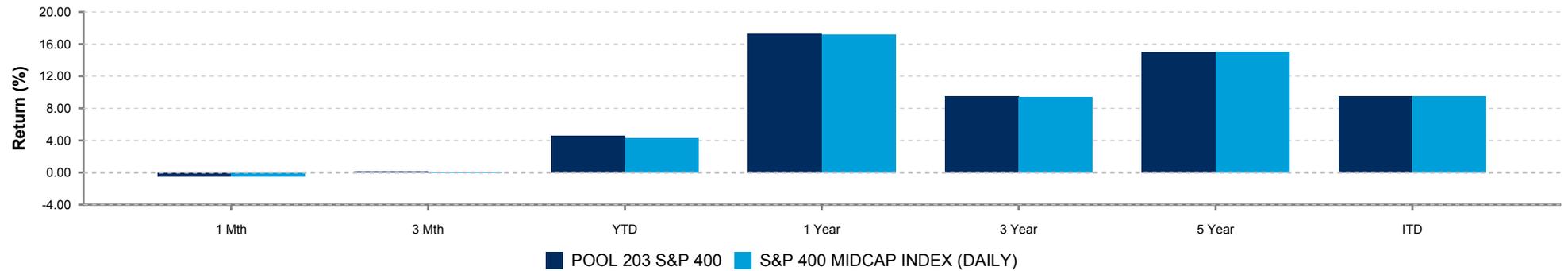
Net Asset Values over Time (\$MM)



Cumulative Return (%)



Rates of Return

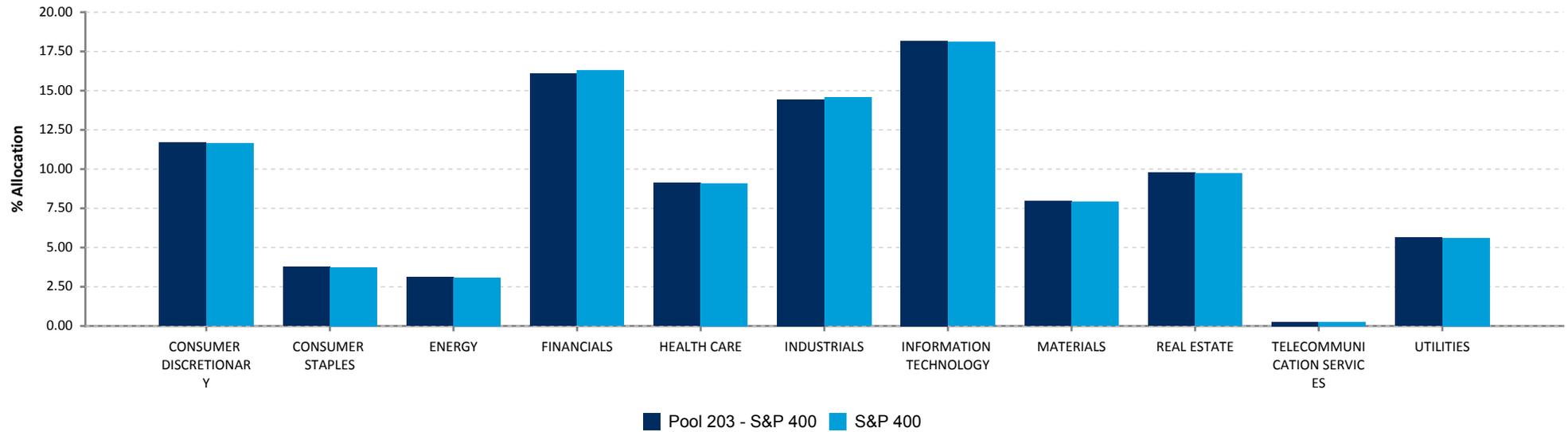


	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	May 31 2017	May 31 2016	May 31 2015
POOL 203 S&P 400	-0.48	0.16	4.53	17.29	9.50	15.03	9.48	17.29	-0.29	12.27
S&P 400 MIDCAP INDEX (DAILY)	-0.49	-0.04	4.30	17.16	9.42	14.98	9.48	17.16	-0.42	12.28
Excess	0.01	0.20	0.23	0.13	0.08	0.05	0.00	0.13	0.13	-0.01

OFFICE OF THE ARIZONA STATE TREASURER

May 31, 2017

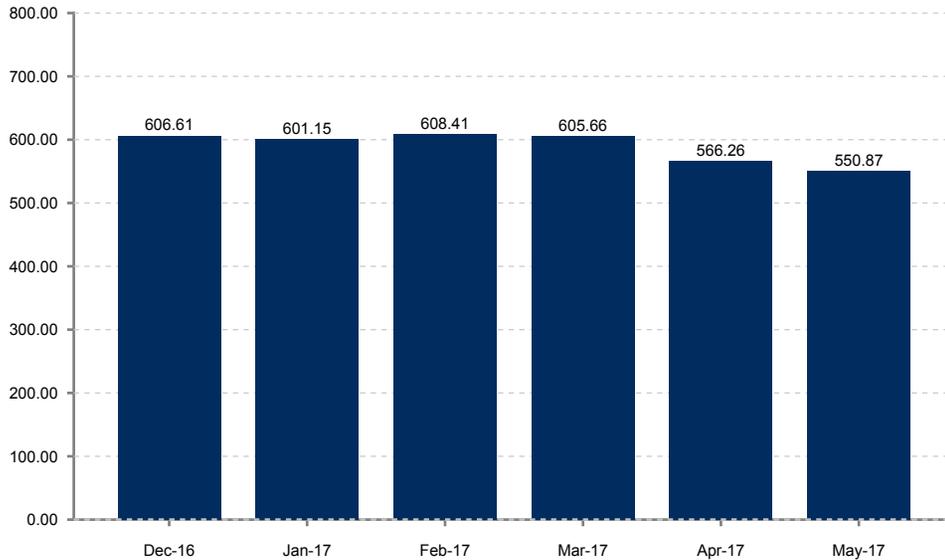
POOL 203 S&P 400
Sector Allocation vs S&P MID CAP 400



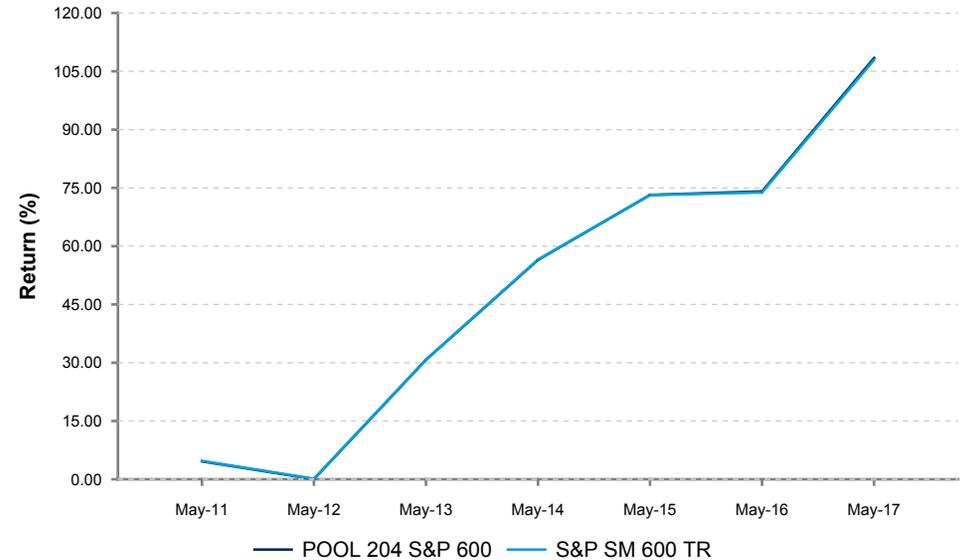
	Weight Fund	Weight Benchmark	Weight Relative
POOL 203 S&P 400	100.00	100.00	0.00
CONSUMER DISCRETIONARY	11.79	11.76	0.02
CONSUMER STAPLES	3.86	3.85	0.01
ENERGY	3.32	3.45	-0.14
FINANCIALS	16.48	16.36	0.12
HEALTH CARE	8.84	8.83	0.02
INDUSTRIALS	14.56	14.73	-0.17
INFORMATION TECHNOLOGY	17.35	17.32	0.03
MATERIALS	8.02	8.00	0.02
REAL ESTATE	9.96	9.88	0.08
TELECOMMUNICATION SERVICES	0.29	0.29	0.00
UTILITIES	5.53	5.51	0.01



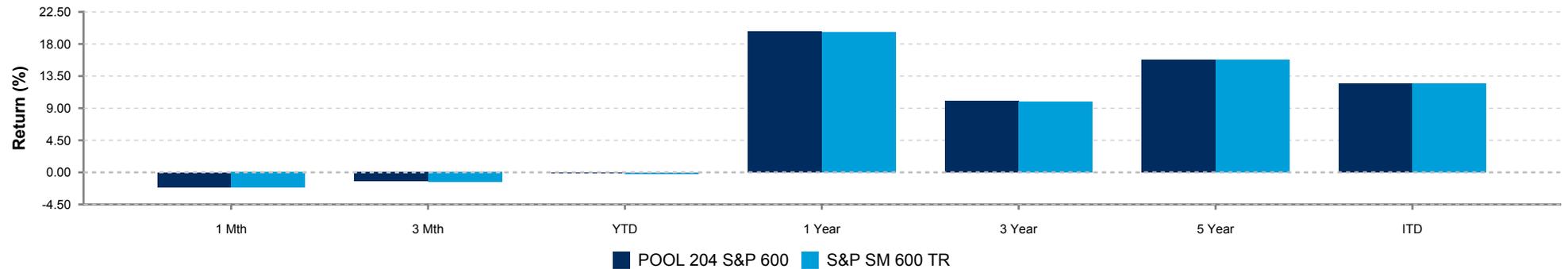
Net Asset Values over Time (\$MM)



Cumulative Return (%)



Rates of Return

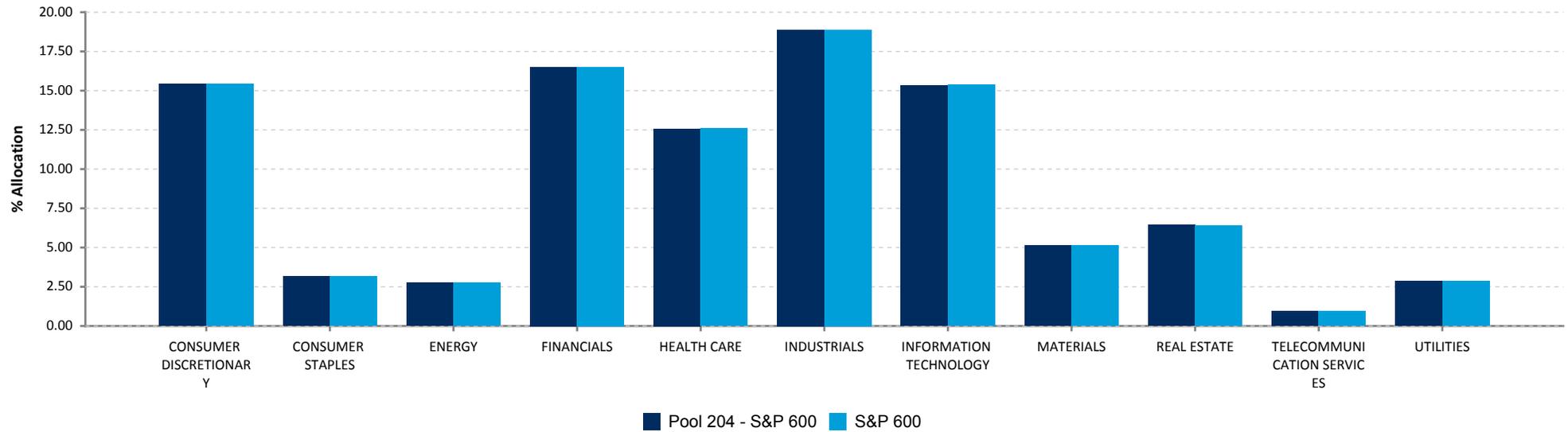


	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	May 31 2017	May 31 2016	May 31 2015
POOL 204 S&P 600	-2.10	-1.25	-0.07	19.72	10.03	15.81	12.46	19.72	0.53	10.69
S&P SM 600 TR	-2.13	-1.37	-0.19	19.63	9.93	15.74	12.42	19.63	0.39	10.62
Excess	0.02	0.12	0.13	0.09	0.10	0.07	0.04	0.09	0.14	0.07

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May 31, 2017

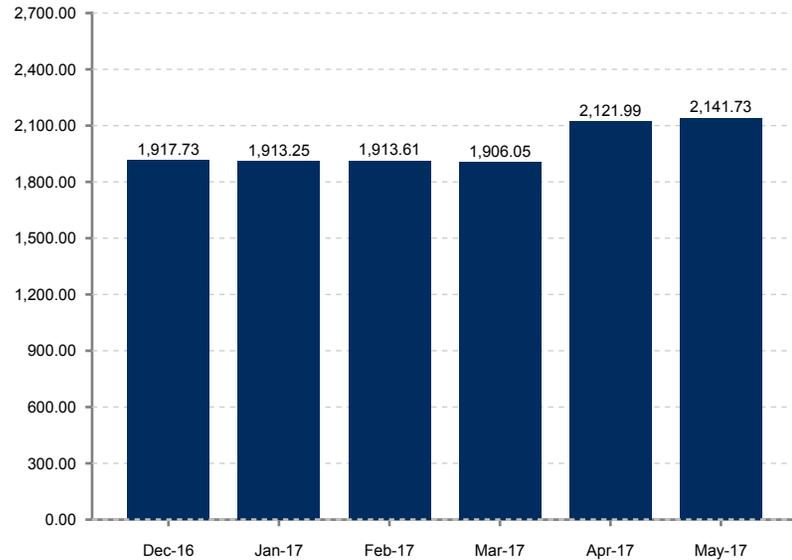
POOL 204 S&P 600
Sector Allocation vs S&P SMALLCAP 600



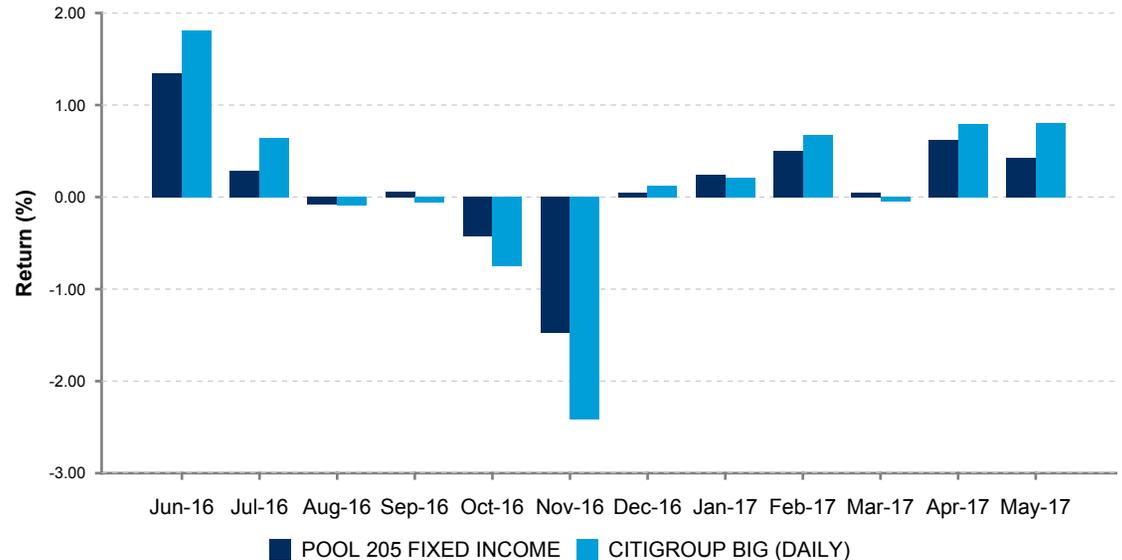
	Weight Fund	Weight Benchmark	Weight Relative
POOL 204 S&P 600	100.00	100.00	0.00
CONSUMER DISCRETIONARY	15.40	15.45	-0.05
CONSUMER STAPLES	3.23	3.23	-0.01
ENERGY	2.88	2.89	-0.01
FINANCIALS	16.53	16.95	-0.42
HEALTH CARE	12.17	12.21	-0.04
INDUSTRIALS	19.09	19.16	-0.07
INFORMATION TECHNOLOGY	14.64	14.69	-0.05
MATERIALS	6.13	5.54	0.59
REAL ESTATE	6.24	6.17	0.07
TELECOMMUNICATION SERVICES	1.01	1.01	-0.00
UTILITIES	2.70	2.70	-0.01



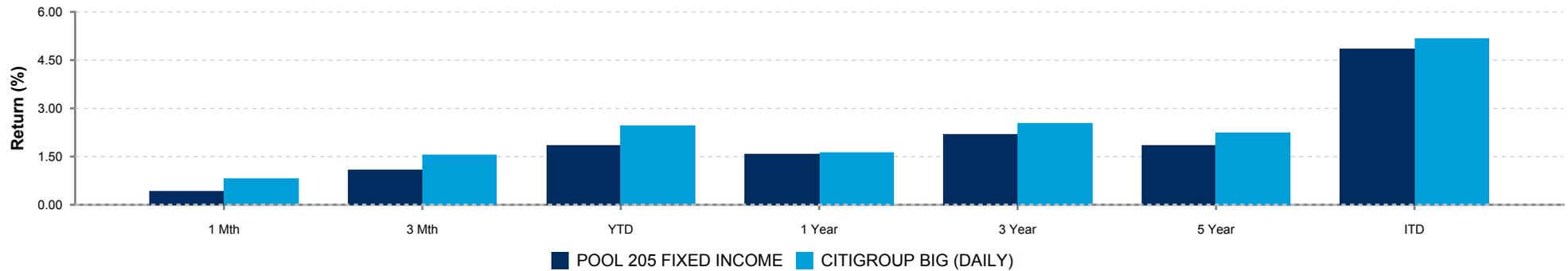
Net Asset Values over Time (\$MM)



Monthly Returns



Rates of Return

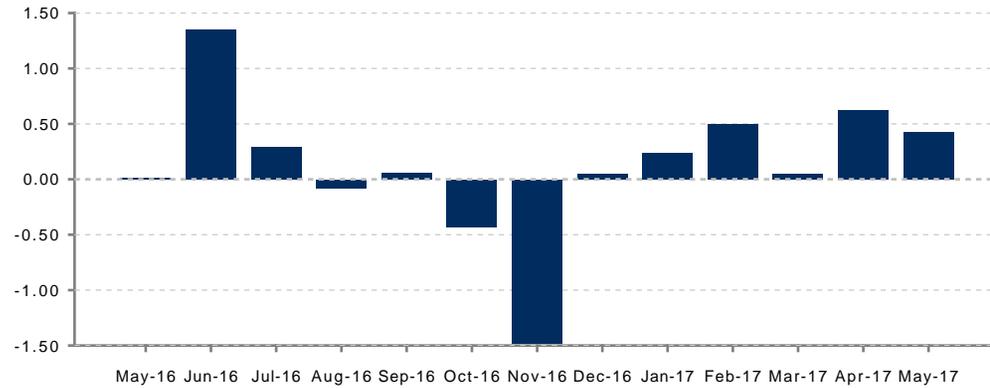


	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	May 31 2017	May 31 2016	May 31 2015
POOL 205 FIXED INCOME	0.43	1.10	1.86	1.59	2.19	1.85	4.85	1.59	2.48	2.49
CITIGROUP BIG (DAILY)	0.81	1.55	2.46	1.64	2.55	2.25	5.17	1.64	2.98	3.03
Excess	-0.37	-0.45	-0.60	-0.05	-0.36	-0.40	-0.32	-0.05	-0.50	-0.54

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Net Mqr Return



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

POOL 205 FIXED INCOME

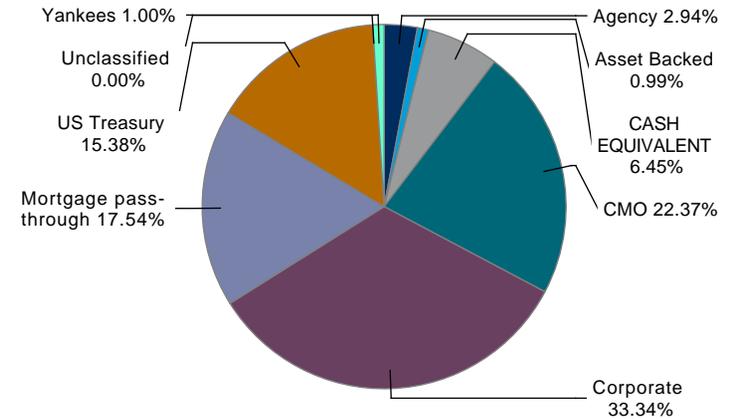
0.43

0.62

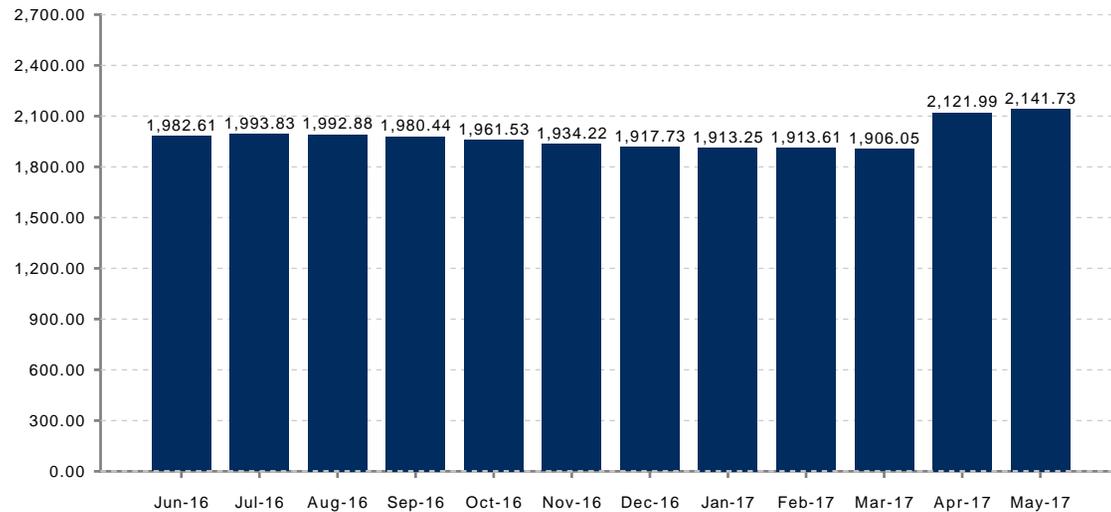
0.01

Asset Allocation

	Ending Market Value
POOL 205 FIXED INCOME	2,141,725,250



Net Asset Values over Time (\$MM)

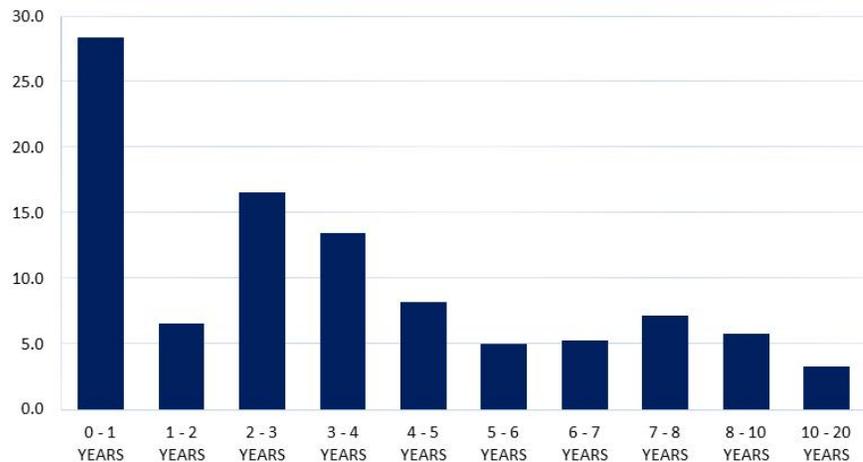


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 205 FIXED INCOME		
BLACKROCK PROV TEMP	40,532,962	1.89
US TREASURY N/B	28,477,462	1.33
US TREASURY N/B	28,070,304	1.31
GOTHAM FDG CORP	24,984,688	1.17
US TREASURY N/B	20,970,047	0.98
US TREASURY N/B	20,482,942	0.96
PEPSICO INC	20,110,120	0.94
PNC BANK NA SR UNSECU	20,023,571	0.93
US TREASURY N/B	17,281,428	0.81
US TREASURY N/B	17,151,796	0.80



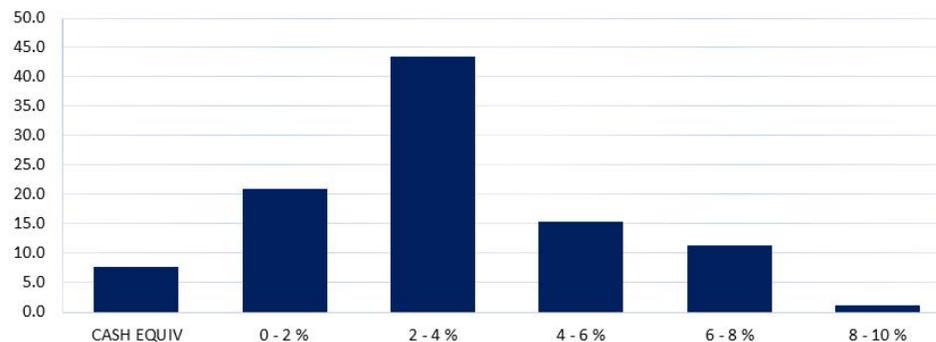
Duration Distribution



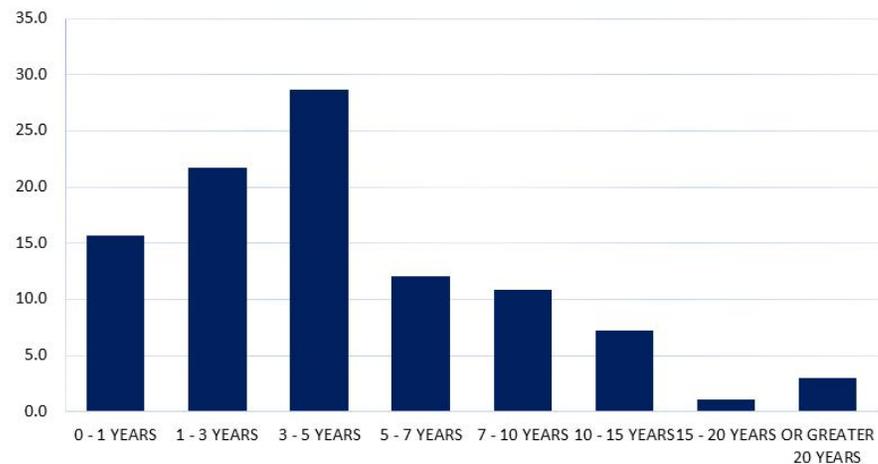
Portfolio Level Characteristics

	POOL 205 FIXED INCOME
Weighted Average Life	5.05
Coupon	3.48
Effective Duration	3.54
Quality Rating (Moody's)	AA-2

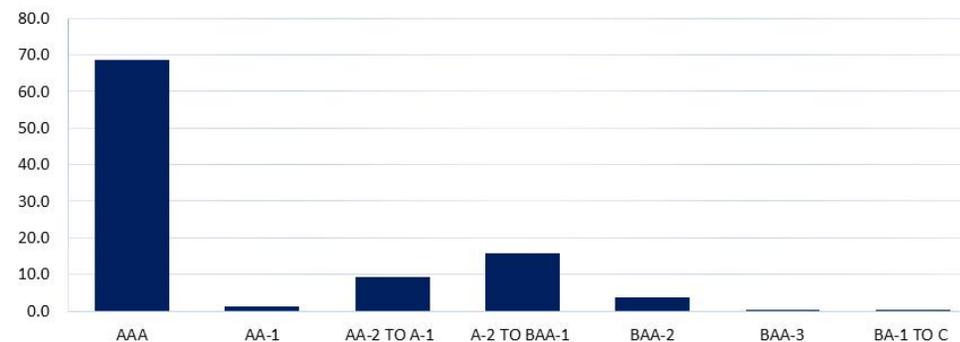
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



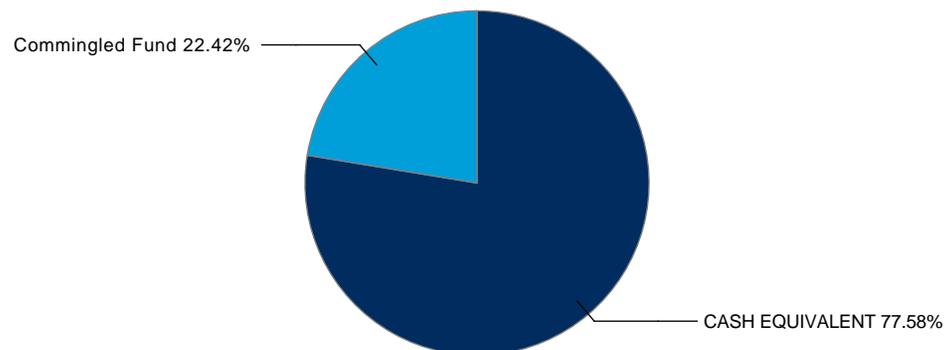


Asset Allocation

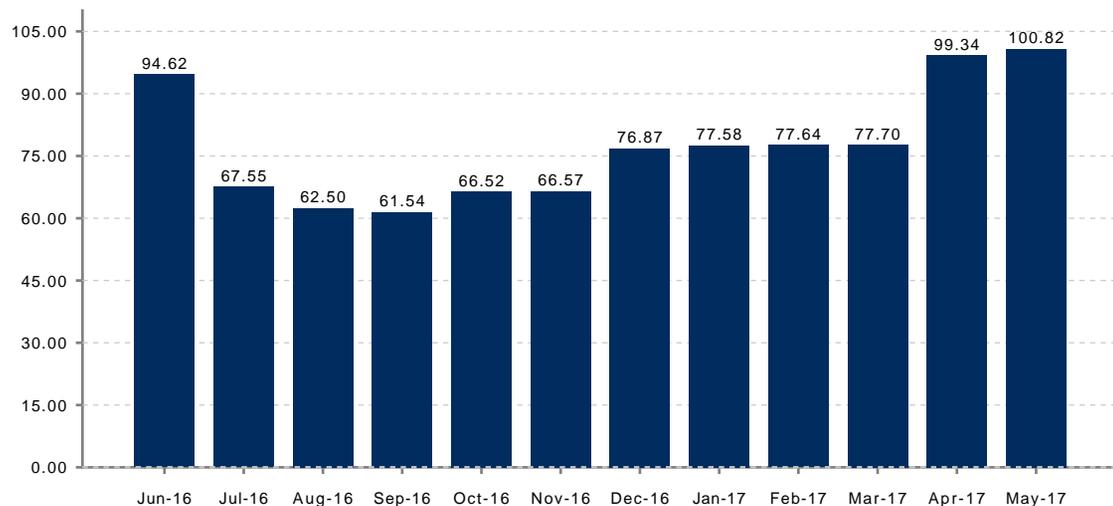
Ending Market Value

POOL 123 ST

100,823,371



Net Asset Values over Time (\$MM)

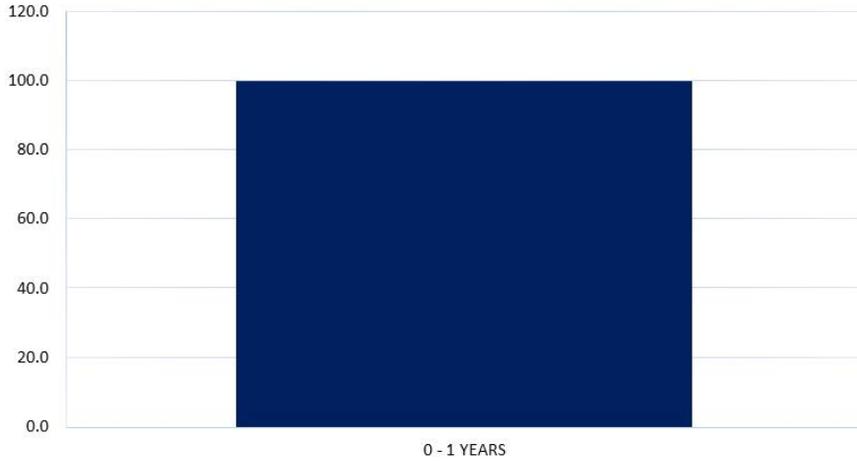


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 123 ST		
BLACKROCK PROV TEMP	43,260,333	42.91
LOCAL GOVERNMENT INV	22,608,155	22.42
VICTORY RECEIVABLES	9,994,556	9.91
ATLANTIC ASSET SECUR	9,991,750	9.91
CEDAR SPRING CPTL CO	9,972,000	9.89



Duration Distribution



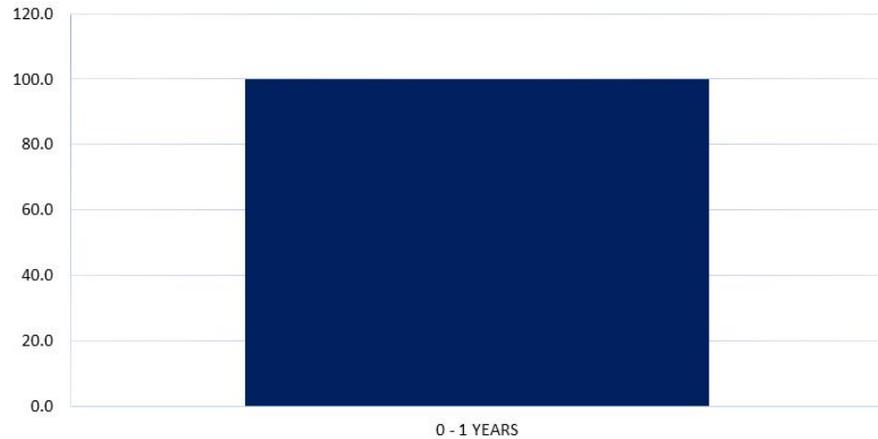
Portfolio Level Characteristics

	POOL 123 ST
Weighted Average Life	0.14
Coupon	0.00
Effective Duration	0.13
Quality Rating (Moody's)	AAA

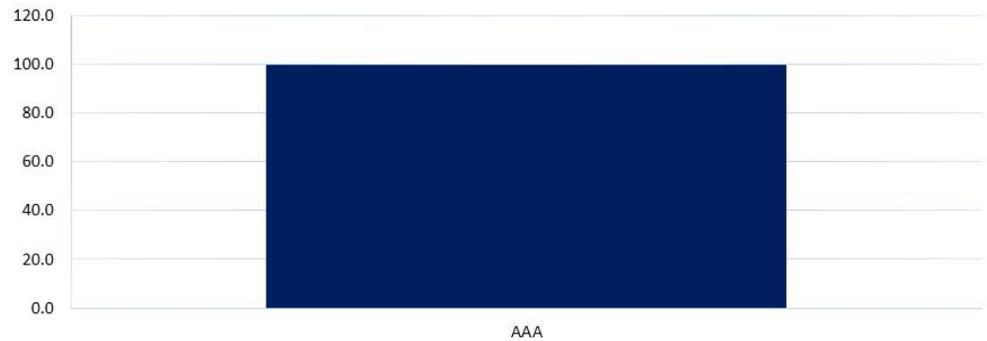
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



Endowment Fund Market Value

