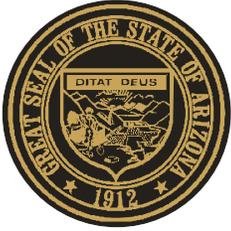


OFFICE OF THE
ARIZONA STATE TREASURER



Doug Ducey
TREASURER



NOVEMBER 2013

Presented To:

Arizona State Board of Investment

DECEMBER 23, 2013

STATE BOARD OF INVESTMENT

A G E N D A

December 23, 2013

1. Call to Order
2. Chairman Remarks
3. Approval of Minutes
4. Review of Treasurer's Monthly Reports
 - A. Earnings Distribution; Investment Pools
 - B. LGIP Pools Investments and Performance Reports
 - C. State Agency Pools Investments and Performance Reports
 - D. Operating Monies Invested Balances
 - 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 23, 2013

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**Minutes of
BOARD OF INVESTMENT MEETING**

The regular meeting of the State Board of Investment was held on November 25, 2013 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 1:31 p.m.

Members Present:

Doug Ducey, Chair, State Treasurer
Beth Ford, Treasurer, Pima County
Lauren Kingry, Superintendent, Department of Financial Institutions
Harry A. Papp, CFA and Managing Partner, L. Roy Papp & Associate

Others Present:

Mark Swenson, Deputy Treasurer, Arizona State Treasurer's Office
Carlton Woodruff, Deputy Treasurer of Operations, Arizona State Treasurer's Office
Patty Humbert, Senior Portfolio Manager, Arizona State Treasurer's Office
Tim White, Senior Portfolio Manager, Arizona State Treasurer's Office
Chris Petkiewicz, Portfolio Manager, Arizona State Treasurer's Office
Martin Kelly, Investment Analyst, Arizona State Treasurer's Office
Dale Stomberg, Investment Accounting Manager, Arizona State Treasurer's Office
Sheila Asher, VP, Relationship Manager, JP Morgan

Pursuant to A.R.S. 35-311, the following reports for October, 2013 were submitted for the Board's approval:

Review of Treasurer's Monthly Reports:

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

1. Call to Order:

Treasurer Ducey called the November 25, 2013 BOI meeting to order at approximately 1:31 pm.

2. Treasurers Comments:

Treasurer Ducey welcomed the board members and guests and thanked all present for attending the November 25, 2013 meeting.

3. Approval of Minutes:

Mr. Papp made a motion to approve the October 22, 2013 minutes. Mr. Kingry seconded the motion. Motion carried.

4. Review of Treasurer's Monthly Report

Earnings Distribution – Investment Pools

Mr. Petkiewicz 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, 2013.

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 yields for the LGIP and LGIP-Gov Pools, as well as the comparisons to their relative benchmarks for the month of October, 2013.

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, 2013.

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, 2013.

LGIP Pools Investments and Performance Reports

Mr. Petkiewicz reported the total net assets, the weighted average life, the weighted average rating, and the total number of holdings on the LGIP, LGIP-Gov, and LGIP Medium Term pools for the month of October, 2013.

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, 2013.

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, 2013.

Investments Outstanding in State Agency Pools

Ms. Humbert reported the total net assets, the weighted average life, the weighted average duration, the weighted average rating, and the total number of holdings for the State Agency Investment Pools as of October 31, 2013.

Operating Monies Average Invested Balance

Ms. Humbert reported the Operating Monies average invested balance for the month of October, 2013.

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, 2013.

Endowment Funds Yield Analysis

Mr. White reported the net yield of the Endowment Fund Fixed Income Pool for the month of October, 2013.

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 2013 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, 2013.

Equity Funds Purchases & Sales

Mr. White reported the purchases and sales (summary) of the Endowment Equity Pools for the month of October, 2013.

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, 2013.

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, 2013.

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, 2013.

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, 2013.

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, 2013.

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, 2013.

Fixed Income Investments and Performance Reports

Mr. White reported the total net assets, the weighted average life, the weighted average duration, the weighted average yield to maturity, the weighted average rating, and the total number of holdings for the Fixed Income Pool for the month of October, 2013.

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, 2013.

Approval of Treasurer's Report

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

5. Proposed Changes to Investment Policy:

No proposed changes.

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

There were no Securities Dealers to be approved.

7. General Business:

There was no general business.

8. Call to the Public

There was no public comment.

9. Notice of Next Meeting:

Treasurer Ducey advised the Board that the next regular meeting of the Board of Investment will be Monday, December 23, 2013 at 1:30 p.m. at 1700 West Washington, State Capitol, West Wing, Treasurer's Conference Room, Phoenix, Arizona.

Treasurer Ducey requested updates from the members. Mr. Papp provided a brief market update stating the economy continues to grow, the market is at the right valuation and corporate profitability is sustainable.

10. Adjournment:

Mr. Kingry made a motion to adjourn the BOI meeting. Ms. Ford seconded the motion. Upon unanimous approval the BOI Meeting was adjourned at 2:06 p.m.

Respectfully Submitted by:

Barbara Conley
Executive Consultant II

Approved by:

Doug Ducey, Chair

Date

**EARNINGS DISTRIBUTION - INVESTMENT POOLS
 NOVEMBER 2013**

Recipient	Earnings Distributed			Fiscal YTD Investment Management Fees Received
	NOVEMBER 2013	Fiscal YTD 13/14	Fiscal YTD 12/13	
General Fund	\$1,147,559	\$6,145,581	\$5,328,061	
2 State Agencies - Full Faith & Credit	572,192	2,701,663	2,525,454	\$242,795
3 State Agencies - Diversified (<i>Combined</i>)	1,067,956	5,764,805	5,549,653	543,814
4 State Agencies - Gov	468,449	2,274,803	2,161,570	238,030
5 LGIP	115,086	670,744	1,140,587	312,999
7 LGIP Gov	51,120	176,349	743,674	226,651
10 Tax-exempt Non-AMT Municipal Bonds	0	0	0	70,185
12 CAWCD Medium-Term	482,820	2,337,193	2,457,662	67,104
15 GADA Long-Term	16,736	96,080	90,408	2,845
16 ECDH Medium-Term	464,090	2,354,085	2,304,249	86,580
Subtotal	\$4,386,007	\$22,521,304	\$22,301,318	\$1,791,003
NAV POOL				
500 LGIP - Med Term	267,944	1,317,824	1,486,566	67,339
700 LGIP - FF&C Med Term	148,911	893,939	994,531	54,487
Total	\$4,802,862	\$24,733,068	\$24,782,415	\$1,912,829
NOVEMBER 2012 TOTALS	\$4,762,347			\$1,955,492

* Note: All earnings distributed for Pool 10 Tax-exempt Non-AMT Municipal Bonds are reported in the General Fund line item.

**LGIP & LGIP- GOV
PORTFOLIO YIELD ANALYSIS
NOVEMBER 30, 2013**

NET EARNINGS

FUND	DESCRIPTION	Current Month 11/30/13	Prior Month 10/31/13	Prior Year 11/30/12	Net Asset Value Per Share
5	LGIP	117,545	123,519	244,303	1.0000
7	LGIP - GOV	52,436	48,468	166,469	1.0000
	TOTAL LGIP & LGIP-GOV	169,982	171,987	410,772	

YIELDS

MONTHLY

	Current Month 11/30/13	Prior Month 10/31/13	Prior Year 11/30/12
5 LGIP (NET)	0.09%	0.12%	0.21%
S & P LGIP INDEX	0.05%	0.05%	0.10%
7 LGIP - GOV (NET)	0.06%	0.06%	0.15%
3 MONTH T-BILL	0.06%	0.04%	0.09%

YEAR TO DATE

5 LGIP (NET)	0.12%	0.13%	0.23%
S & P LGIP INDEX	0.05%	0.05%	0.10%
7 LGIP - GOV (NET)	0.04%	0.04%	0.13%
3 MONTH T-BILL	0.03%	0.03%	0.09%

* 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, 2013**

NET EARNINGS

FUND	DESCRIPTION	Current Month 11/30/13	Prior Month 10/31/13	Prior Year 11/30/12	Net Asset Value Per Share
500	LGIP - MED TERM POOL	288,693	277,759	301,520	1.0314
700	LGIP - FF&C MED TERM POOL	148,911	215,372	162,765	1.0015
	TOTAL LGIP MEDIUM TERM POOLS	437,605	493,131	464,285	

YIELDS

MONTHLY

	Current Month 11/30/13	Prior Month 10/31/13	Prior Year 11/30/12
500 LGIP - MED TERM (NET)	1.20%	1.15%	1.32%
MERRILL 1-5 US D M INDEX	1.12%	1.15%	0.95%
700 LGIP - FF&C MED TERM (NET)	0.78%	1.10%	0.88%
75% MERRILL 1-5 US TREAS INDEX / 25% MERRILL US GNMA MORTGAGE BACKED INDEX	1.22%	1.16%	0.60%

YEAR TO DATE

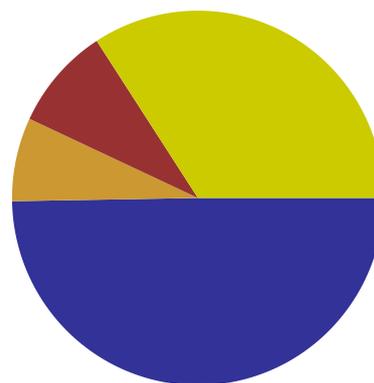
	Current Month 11/30/13	Prior Month 10/31/13	Prior Year 11/30/12
500 LGIP - MED TERM (NET)	1.19%	1.19%	1.46%
MERRILL 1-5 US D M INDEX	1.23%	1.25%	0.93%
700 LGIP - FF&C MED TERM (NET)	0.92%	0.96%	1.26%
75% MERRILL 1-5 US TREAS INDEX / 25% MERRILL US GNMA MORTGAGE BACKED INDEX	1.25%	1.25%	0.58%

Note: Yield calculation changed from share value to market value. Prior month and prior year shown was also adjusted for comparison purposes.

Manager Allocation - Daily Arizona State Treasury (05509) As of November 30, 2013

LGIP composite (00550903)		
Account Name	Market Value(MIL)	Percent of Portfolio
State of Arizona - Pool 5 (LGIP) (10327300)	1,586.19	49.7%
State of Arizona - Pool 500 (LGIP - Med Term) (10327700)	289.21	9.1%
State of Arizona - Pool 7 (LGIP - FF&C) (10327400)	1,088.55	34.1%
State of Arizona - Pool 700 (LGIP-FF&C Med Term) (10563200)	229.50	7.2%
TOTAL	3,193.45	100.0%

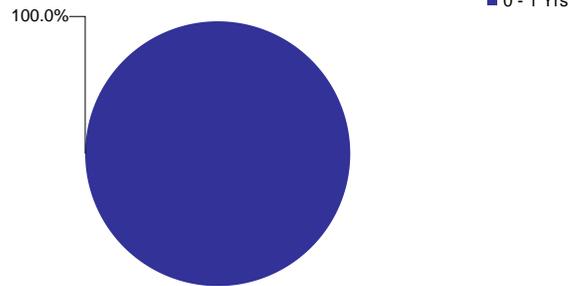
- State of Arizona - Pool 5 (LGIP) (10327300)
- State of Arizona - Pool 700 (LGIP-FF&C Med Term)
- State of Arizona - Pool 500 (LGIP - Med Term) (10327700)
- State of Arizona - Pool 7 (LGIP - FF&C) (10327400)



Portfolio Characteristics

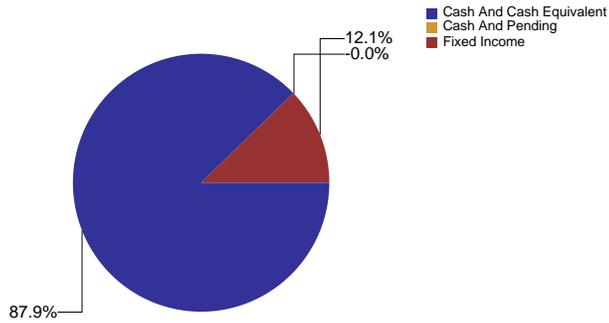
Duration Mix

Total Net Assets (Millions) **1,586.2**
 Weighted Average Life (Years) **0.09**
 Weighted Avg. Effective Duration (Years) **0.09**
 Weighted Average Maturity (Years) **0.10**
 Weighted Average Rating **AA+**
 Number of Holdings **72**



Asset Mix

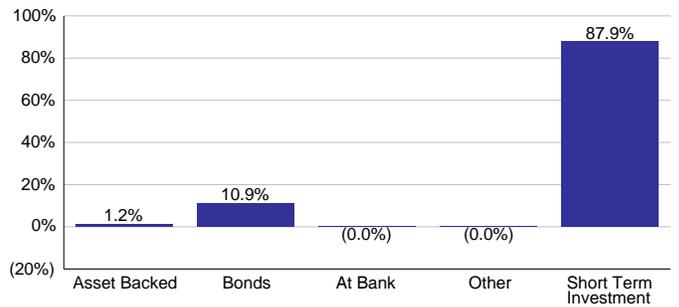
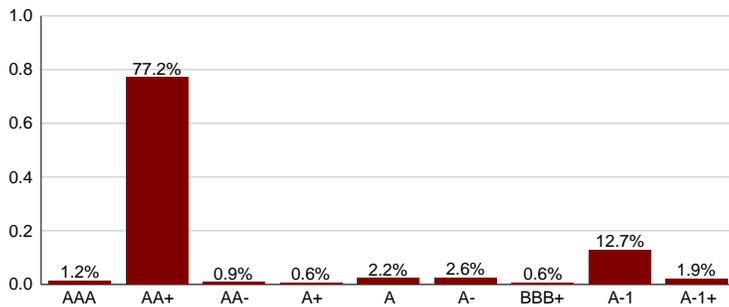
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
46999W014	TRI-PARTY REPO JP MORGAN 0.25% 1/DEC/2013	15.93%	0.25	1/12/2013
5199U6041	TRI-PARTY REPO DEUTSCHE BANK 0.12% 31/MAR/2014	9.46%	0.12	31/3/2014
94999AC76	TRIPARTY REPO WELLS FARGO 0.05% 12/10/2013	7.56%	0.05	10/12/2013
46999W022	TRI-PARTY REPO JP MORGAN REPO SWEEP 0.20%	6.33%	0.20	1/12/2013
853990S18	TRI-PARTY REPO WELLS FARGO .07%	6.30%	0.07	11/12/2013
5199U5811	TRI -PARTY REPO GOLDMAN SACHS .06%	6.30%	0.06	11/12/2013
94999A137	TRI-PARTY REPO WELLS FARGO .08% 2/DEC/2013	6.30%	0.08	2/12/2013
85299S828	TRI-PARTY REPO SOUTH STREET 0.10 05/DEC/2013	4.73%	0.10	5/12/2013
853990X46	TRI-PARTY REPO SOUTH STREET 0.08% 12/02/2013	3.15%	0.08	2/12/2013
3130A0D49	FEDERAL HOME LOAN BANKS BOND VARIABLE 21/AUG/2014	3.15%	0.00	21/8/2014

Quality/Rating Weightings

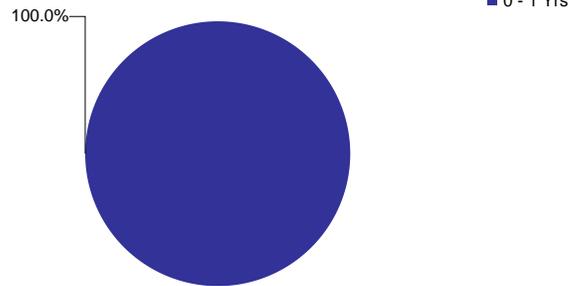
Sector Weightings (as % of Market Value)



Portfolio Characteristics

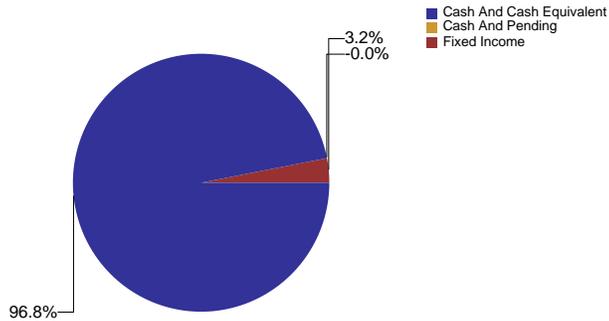
Duration Mix

Total Net Assets (Millions) **1,088.5**
 Weighted Average Life (Years) **0.12**
 Weighted Avg. Effective Duration (Years) **0.13**
 Weighted Average Maturity (Years) **0.12**
 Weighted Average Rating **AA+**
 Number of Holdings **17**



Asset Mix

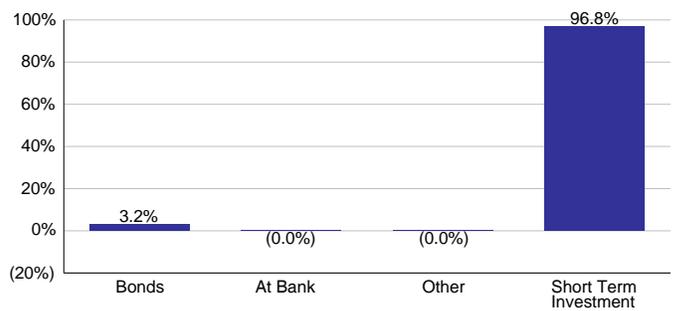
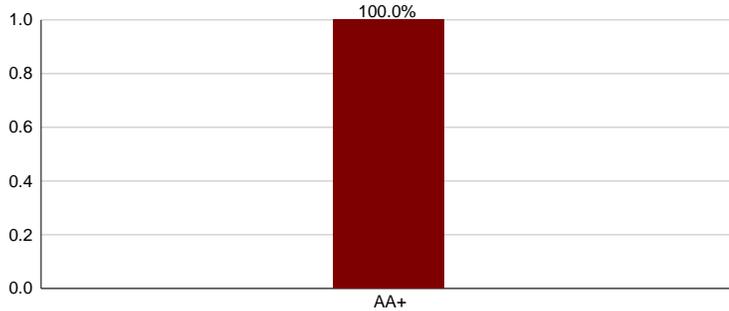
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
655990D20	TRI-PARTY REPO NOMURA .08% 2/DEC/2013	29.59%	0.08	2/12/2013
5199U6041	TRI-PARTY REPO DEUTSCHE BANK 0.12% 31/MAR/2014	13.78%	0.12	31/3/2014
60699N091	TRI-PARTY REPO MIZUHO 0.09% 03DEC2013	13.78%	0.09	3/12/2013
94999AB77	TRI - PARTY REPO WELLS FARGO 0.16%	9.19%	0.16	6/12/2013
60699D275	TRI - PARTY REPO MIZUHO .07%	9.19%	0.07	11/12/2013
01899A018	ALLIANCE BANK OF ARIZONA MONEYMARKET 0.27%	7.36%	0.27	2/1/2014
912796B4	UNITED STATES OF AMERICA BILL ZERO CPN 13/FEB/2014	4.59%	0.00	13/2/2014
912796B5	UNITED STATES OF AMERICA BILL ZERO CPN 24/JUL/2014	4.59%	0.00	24/7/2014
912820JX6	U S TREAS NT STRIPPED PRIN P	2.23%	0.00	15/2/2014
2A6261N	FDIC ALLIANCE BANK OF ARIZONA CDARS CD	1.84%	0.27	27/12/2013

Quality/Rating Weightings

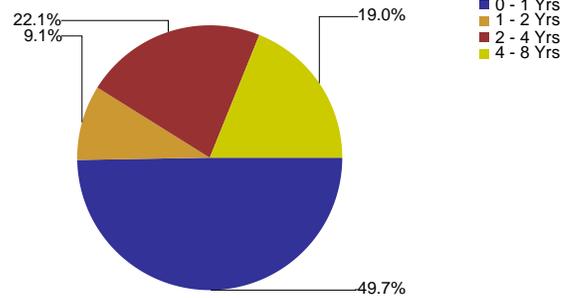
Sector Weightings (as % of Market Value)



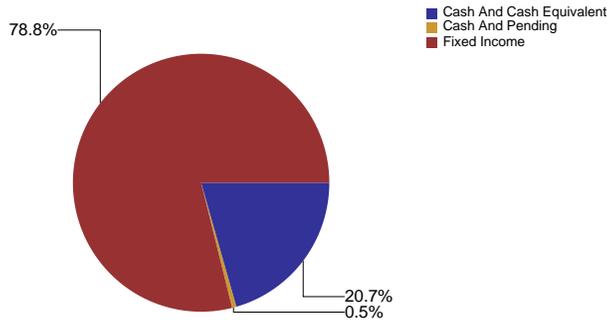
Portfolio Characteristics

Total Net Assets (Millions) **289.2**
 Weighted Average Life (Years) **2.10**
 Weighted Avg. Effective Duration (Years) **1.81**
 Weighted Average Rating **AA**
 Number of Holdings **193**

Duration Mix



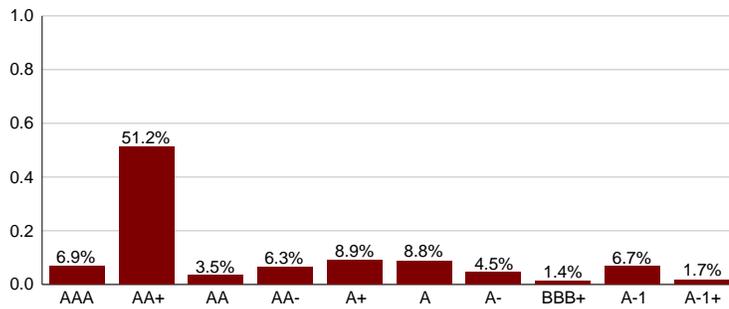
Asset Mix



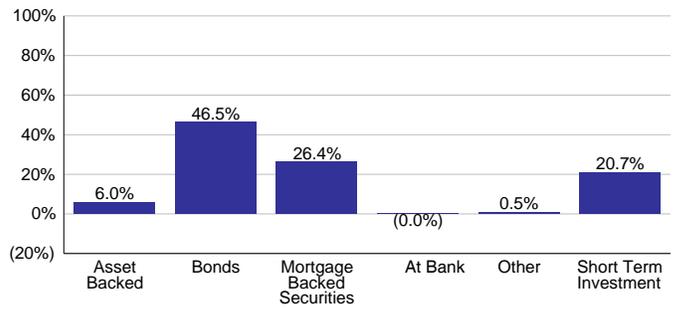
Top Ten Portfolio Holdings

Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
853990X20	TRI-PARTY REPO SOUTH STREET .10% 2/DEC/2013	10.43%	0.10	2/12/2013
31417CUR4	FNMA MORTPASS 2.5% 01/AUG/2027 CI PN# AB5991	4.17%	2.50	1/8/2027
31419JM47	FNMA MORTPASS 4.5% 01/NOV/2040 CL PN# AE7578	2.94%	4.50	1/11/2040
313381LT0	FEDERAL HOME LOAN BANKS BOND FIXED .16%	1.74%	0.16	19/12/2013
85299S828	TRI-PARTY REPO SOUTH STREET 0.10 05/DEC/2013	1.74%	0.10	5/12/2013
67983UAM5	OLD LINE FUNDING LLC CORPORATE COMMERCIAL PAPER	1.74%	0.00	21/1/2014
3128MMQT3	FHLMGGLD MORTPASS 2.5% 01/MAY/2028 G1 PN# G18465	1.67%	2.50	1/5/2028
3137ARRT5	FREDDIE MAC 4080 DA 2.000% 15/MAR/2041	1.55%	2.00	15/3/2041
3132GU4P6	FHLMGGLD MORTPASS 3.5% 01/JUL/2042 Q0 PN# Q09530	1.53%	3.50	1/7/2042
06945MBE5	BARTON CAPITAL CORP ZCP 14/FEB/2014	1.50%	0.00	14/2/2014

Quality/Rating Weightings



Sector Weightings (as % of Market Value)

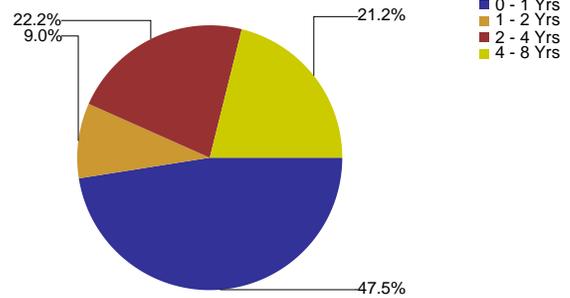


Portfolio Characteristics

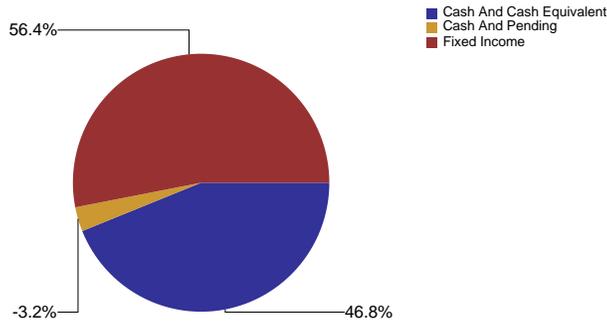
Total Net Assets (Millions)
Weighted Average Life (Years)
Weighted Avg. Effective Duration (Years)
Weighted Average Rating
Number of Holdings

229.5
2.36
1.98
AA+
86

Duration Mix



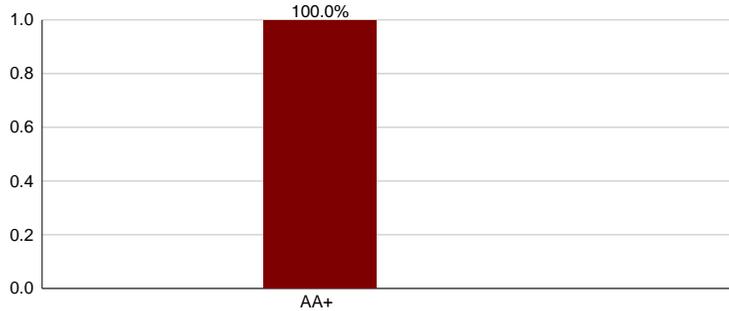
Asset Mix



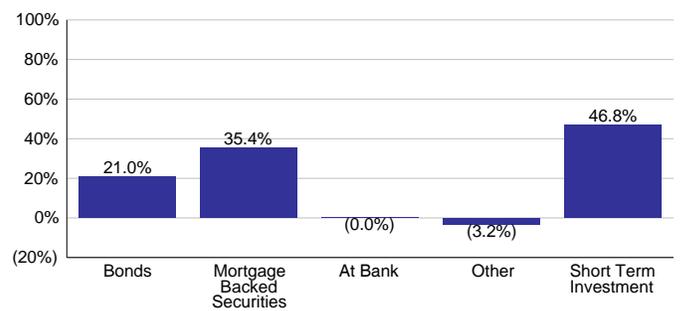
Top Ten Portfolio Holdings

Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
655990O20	TRI-PARTY REPO NOMURA .08% 2/DEC/2013	23.22%	0.08	2/12/2013
94999AB77	TRI-PARTY REPO WELLS FARGO 0.16%	10.56%	0.16	6/12/2013
39675DN	FDIC US BANK CDARS ACCOUNT 0.3% 02/JAN/2014	6.38%	0.30	2/1/2014
60699C871	TRI PARTY REPO MIZUHO BANK LTD 0.06% DTD	4.22%	0.06	6/1/2014
36202FL61	GNMA II MORTPASS 4% 20/NOV/2040 JM PN# 004849	3.17%	4.00	20/11/2040
36179MGW4	GNMA II MORTPASS 3% 20/JUL/2042 JM PN# MA0213	2.88%	3.00	20/7/2042
38378H4K9	GINNIE MAE 2012-124 KB 2.000% 20/JUL/2042	2.75%	2.00	20/7/2042
912828LL2	US TREASURY 3.00000 '16	2.27%	3.00	31/8/2016
36179MAH3	GNMA II MORTPASS 3.5% 20/APR/2027 SF PN# MA0008	2.11%	3.50	20/4/2027
912828TW0	US TREASURY 0.75000 '17	2.10%	0.75	31/10/2017

Quality/Rating Weightings



Sector Weightings (as % of Market Value)



**STATE AGENCY POOLS
 PORTFOLIO EARNINGS ANALYSIS
 November 30, 2013**

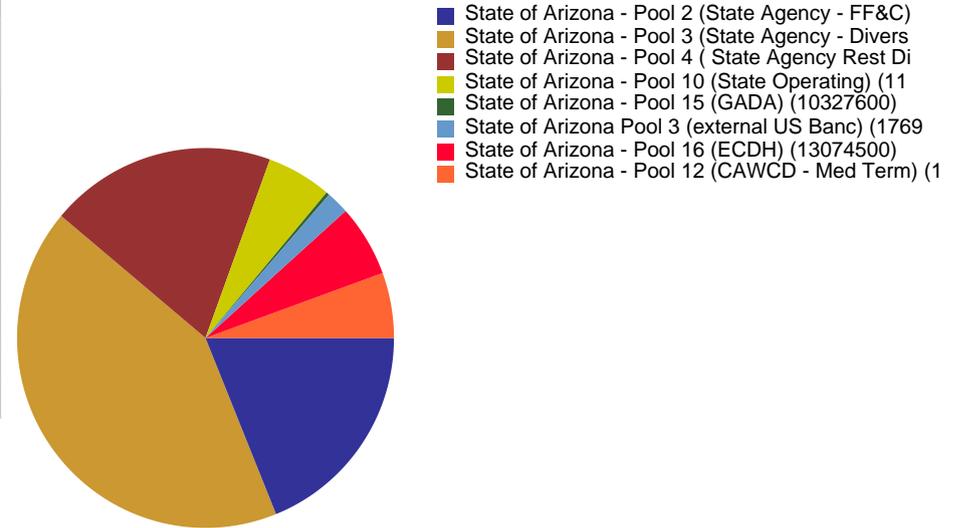
FUND	DESCRIPTION	Current Month 11/30/13	Prior Month 10/31/13	Prior Year 11/30/12	Net Asset Value Per Share
2	STATE AGENCIES - FULL FAITH & CREDIT	731,523	618,738	832,001	0.9938
3	STATE AGENCIES - DIVERSIFIED				
	INTERNAL MANAGERS	1,641,487	1,721,240	1,345,230	0.9942
	EXTERNAL MANAGERS	58,727	61,471	56,286	1.0008
	FUND 3 TOTAL	1,700,215	1,782,710	1,401,516	0.9944
4	STATE AGENCIES - GOV	755,904	788,439	686,789	0.9910
10	TAX-EXEMPT NON-AMT MUNICIPAL BONDS	43,988	78,046	N/A	1.0005
12	CAWCD MEDIUM-TERM	482,820	451,898	461,623	1.0083
15	GADA LONG-TERM	16,736	17,545	18,348	0.9899
16	ECDH MEDIUM-TERM	464,090	468,269	487,012	0.9834
	TOTAL STATE AGENCIES	4,195,276	4,205,645	3,887,290	

**STATE AGENCY POOLS
 PORTFOLIO YIELD ANALYSIS
 NOVEMBER 30, 2013**

FUND	DESCRIPTION	Current Month 11/30/13	Prior Month 10/31/13	Prior Year 11/30/12
2	STATE AGENCIES - FULL FAITH & CREDIT 75% MERRILL 0-1 US TREAS INDEX / 25% MERRILL US GNMA MORTGAGE BACKED INDEX	0.92% 0.89%	0.73% 0.81%	1.05% 0.46%
3	STATE AGENCIES - DIVERSIFIED INTERNAL MANAGERS EXTERNAL MANAGERS COMBINED 50% 3 MONTH LIBOR INDEX / 50% MERRILL 1-3 US BROAD MARKET INDEX	0.91% 0.71% 0.90% 0.42%	0.93% 0.72% 0.92% 0.43%	0.84% 0.68% 0.84% 0.59%
4	STATE AGENCIES - GOV 50% MERRILL 6 MTH US T-BILL INDEX / 50% MERRILL 1-3 UNSUB. US TREAS / AGY INDEX	0.92% 0.21%	0.93% 0.20%	0.82% 0.19%
10	TAX-EXEMPT NON-AMT MUNICIPAL BONDS SIFMA MUNICIPAL SWAP INDEX	0.18% 0.06%	0.31% 0.08%	N/A N/A
12	CAWCD MEDIUM-TERM BARCLAYS CAPITAL US AGG. BOND INDEX	2.03% 2.33%	1.86% 2.25%	1.98% 1.69%
15	GADA LONG-TERM MERRILL 3-5 US BROAD MARKET EX CORP	1.64% 1.59%	1.70% 1.61%	1.84% 1.00%
16	ECDH MEDIUM-TERM BARCLAYS CAPITAL US AGG. BOND INDEX	1.67% 2.33%	1.68% 2.25%	1.81% 1.69%

Manager Allocation - Daily Arizona State Treasury (05509) As of November 30, 2013

Pool Composite (00550904)		
Account Name	Market Value(MIL)	Percent of Portfolio
State of Arizona - Pool 10 (State Operating) (11741000)	300.91	5.7%
State of Arizona - Pool 12 (CAWCD - Med Term) (10327500)	294.47	5.5%
State of Arizona - Pool 15 (GADA) (10327600)	11.99	0.2%
State of Arizona - Pool 16 (ECDH) (13074500)	328.06	6.2%
State of Arizona - Pool 2 (State Agency - FF&C) (10327000)	1,000.21	18.8%
State of Arizona - Pool 3 (State Agency - Diversified) (10327100)	2,245.04	42.2%
State of Arizona - Pool 4 (State Agency Rest Div) (10327200)	1,035.96	19.5%
State of Arizona Pool 3 (external US Banc) (17699900)	100.88	1.9%
TOTAL	5,317.50	100.0%

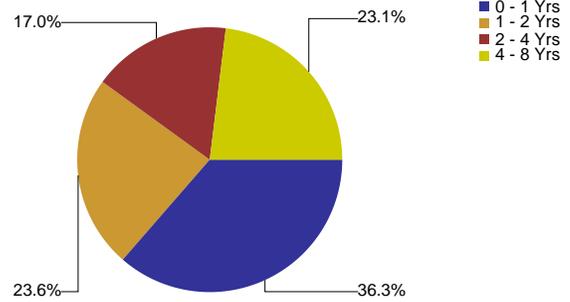


Portfolio Characteristics

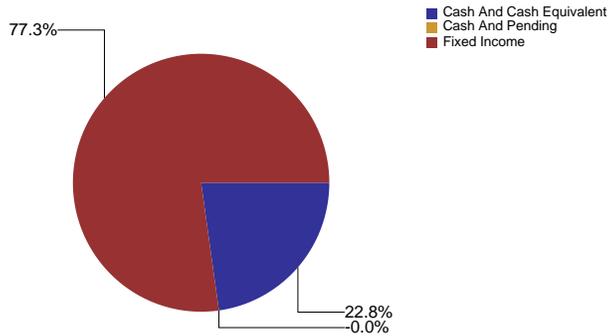
Total Net Assets (Millions)
Weighted Average Life (Years)
Weighted Avg. Effective Duration (Years)
Weighted Average Rating
Number of Holdings

1,000.2
2.56
2.05
AA+
108

Duration Mix



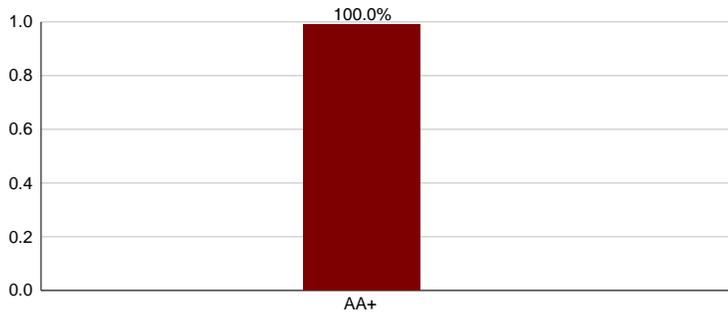
Asset Mix



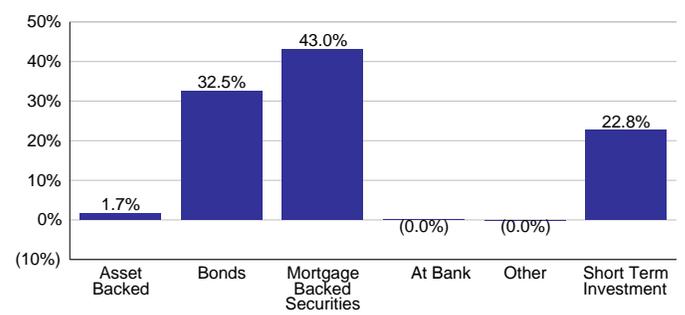
Top Ten Portfolio Holdings

Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
853990X38	TRI-PARTY REPO SOUTH STREET 0.02% 02DEC2013	8.00%	0.02	2/12/2013
912828DM9	US TREASURY 4.00000 '15	5.28%	4.00	15/2/2015
912828RZ5	US TREASURY 0.25000 '15	5.01%	0.25	15/1/2015
38375GHL8	GINNIE MAE 2012-84 LB 2.000% 16/MAY/2042	3.62%	2.00	16/5/2042
912796BT5	UNITED STATES OF AMERICA BILL ZERO CPN 24/JUL/2014	3.00%	0.00	24/7/2014
912796BE8	UNITED STATES OF AMERICA BILL ZERO CPN 01/MAY/2014	2.50%	0.00	1/5/2014
38377X5L2	GINNIE MAE 2012-137 FA VARIABLE 20/NOV/2042	2.39%	0.00	20/11/2042
655990O20	TRI-PARTY REPO NOMURA .08% 2/DEC/2013	2.29%	0.08	2/12/2013
38378EGJ6	GINNIE MAE 2012-51 EA 1.500% 20/SEP/2040	2.17%	1.50	20/9/2040
912828KV1	UNITED STATES TREAS NTS 02.250% 31/MAY/2014	2.02%	2.25	31/5/2014

Quality/Rating Weightings



Sector Weightings (as % of Market Value)

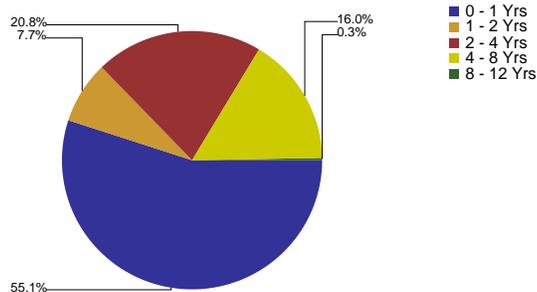


Portfolio Characteristics

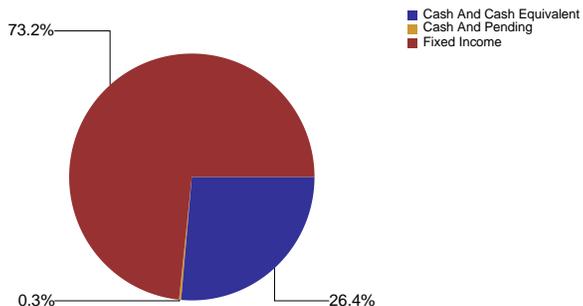
Total Net Assets (Millions)
Weighted Average Life (Years)
Weighted Avg. Effective Duration (Years)
Weighted Average Rating
Number of Holdings

2,345.9
2.08
1.69
AA
325

Duration Mix



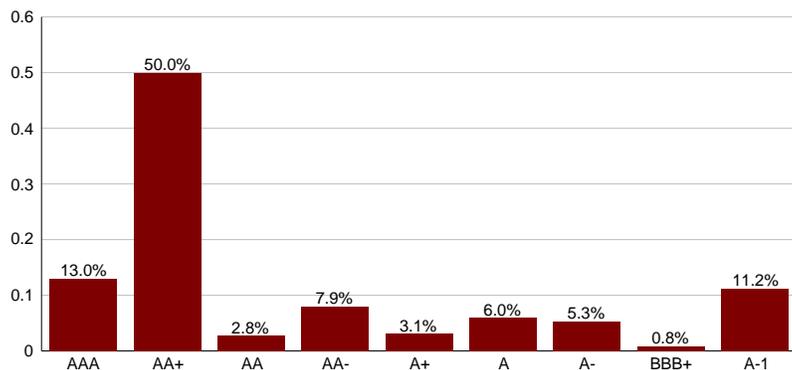
Asset Mix



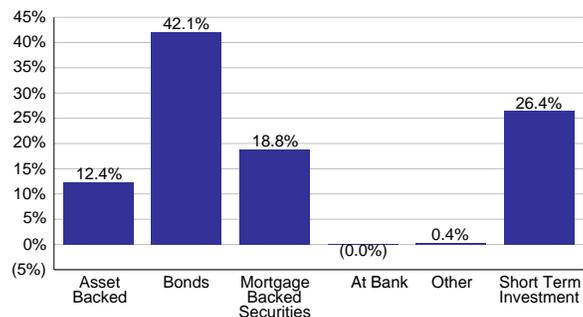
Top Ten Portfolio Holdings

Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
853990X46	TRI-PARTY REPO SOUTH STREET 0.08% 12/02/2013	4.28%	0.08	2/12/2013
853990X38	TRI-PARTY REPO SOUTH STREET 0.02% 02DEC2013	4.28%	0.02	2/12/2013
41068LAG1	HANNOVER FUNDING CO LLC COMMERCIAL PAPER	1.92%	0.00	16/1/2014
25155BKQ7	DEUTSCHE BANK AG NY CERTIFICATE OF DEPOSIT FIXED	1.72%	0.73	23/1/2014
62455AZA8	MOUNTCLIFF CORPORATE COMMERCIAL PAPER DISC	1.71%	0.00	10/12/2013
38346LZH2	GOTHAM FDG CORP CORPORATE COMMERCIAL PAPER	1.71%	0.00	17/12/2013
60688GAE7	MIZUHO FUNDING LLC CORPORATE COMMERCIAL PAPER	1.71%	0.00	14/1/2014
0556N1B36	BNP PARIBAS FINANCE INC ZCP 02/03/2014	1.71%	0.00	3/2/2014
06945MBJ4	BARTON CAPITAL CP 02/14	1.71%	0.00	18/2/2014
3135G0XD0	FEDERAL NATIONAL MORTGAGE ASSOC 1% BDS 21/5/18	1.67%	1.00	21/5/2018

Quality/Rating Weightings

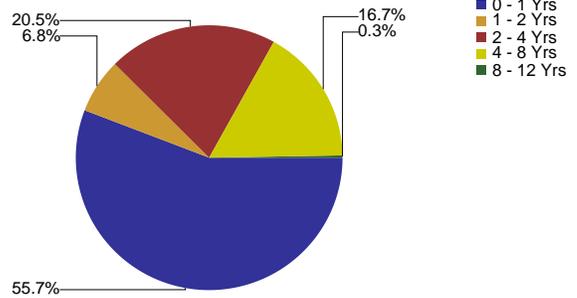


Sector Weightings (as % of Market Value)

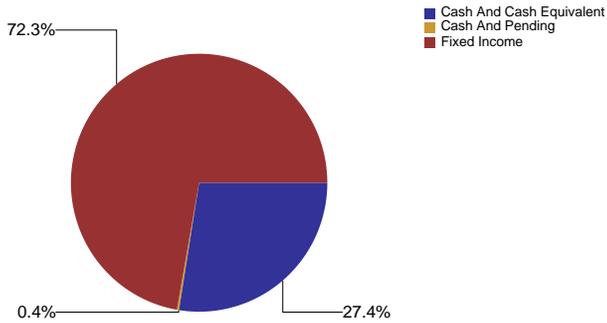


Portfolio Characteristics Duration Mix

Total Net Assets (Millions) **2,245.0**
 Weighted Average Life (Years) **2.15**
 Weighted Avg. Effective Duration (Years) **1.70**
 Weighted Average Rating **AA**
 Number of Holdings **184**

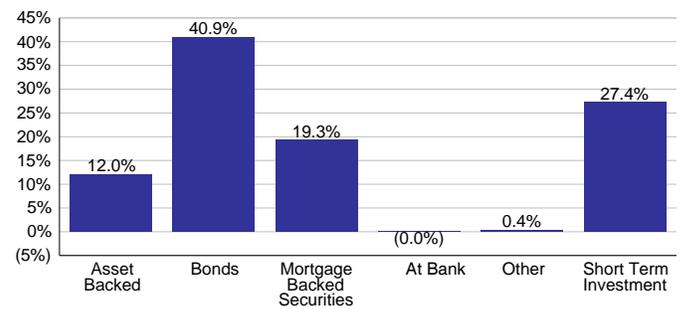
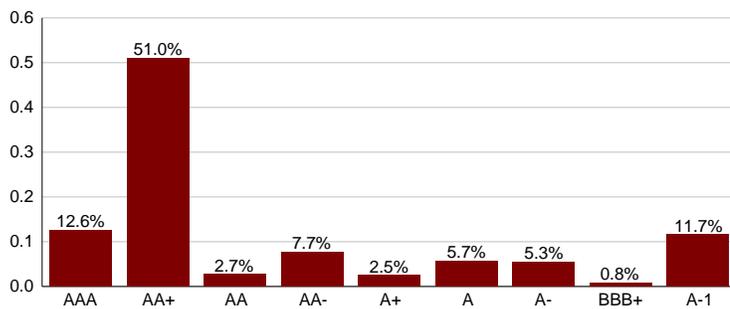


Asset Mix Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
853990X46	TRI-PARTY REPO SOUTH STREET 0.08% 12/02/2013	4.47%	0.08	2/12/2013
853990X38	TRI-PARTY REPO SOUTH STREET 0.02% 02DEC2013	4.47%	0.02	2/12/2013
41068LAG1	HANNOVER FUNDING CO LLC COMMERCIAL PAPER ZERO CPN	2.01%	0.00	16/1/2014
25155BKQ7	DEUTSCHE BANK AG NY CERTIFICATE OF DEPOSIT FIXED	1.80%	0.73	23/1/2014
62455AZA8	MOUNTCLIFF CORPORATE COMMERCIAL PAPER DISCOUNT DTD	1.79%	0.00	10/12/2013
38346LZH2	GOTHAM FDG CORP CORPORATE COMMERCIAL PAPER	1.79%	0.00	17/12/2013
60688GAE7	MIZUHO FUNDING LLC CORPORATE COMMERCIAL PAPER	1.79%	0.00	14/1/2014
0556N1B36	BNP PARIBAS FINANCE INC ZCP 02/03/2014	1.79%	0.00	3/2/2014
06945MBJ4	BARTON CAPITAL CP 02/14	1.79%	0.00	18/2/2014
3135G0XD0	FEDERAL NATIONAL MORTGAGE ASSOC 1% BDS 21/MAY/2018	1.75%	1.00	21/5/2018

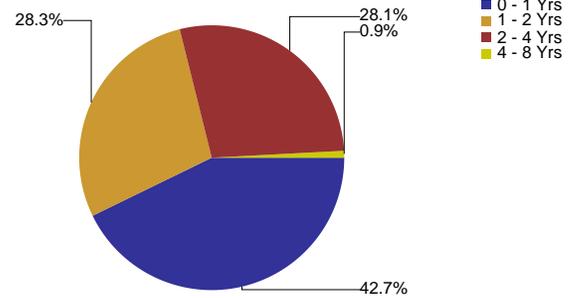
Quality/Rating Weightings Sector Weightings (as % of Market Value)



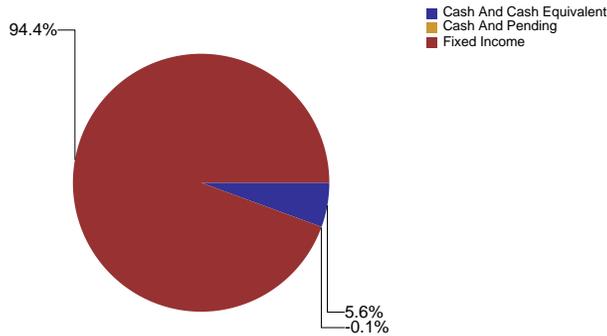
Portfolio Characteristics

Total Net Assets (Millions) **100.9**
 Weighted Average Life (Years) **0.57**
 Weighted Avg. Effective Duration (Years) **1.35**
 Weighted Average Rating **AA**
 Number of Holdings **141**

Duration Mix



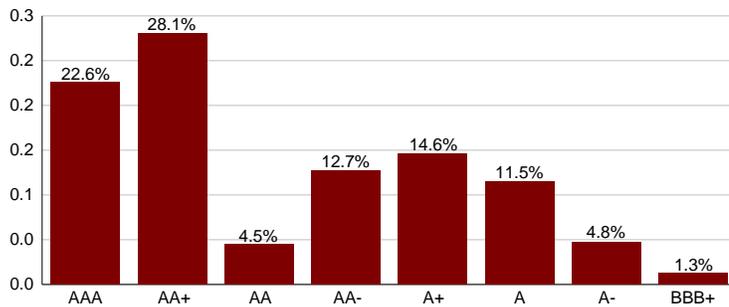
Asset Mix



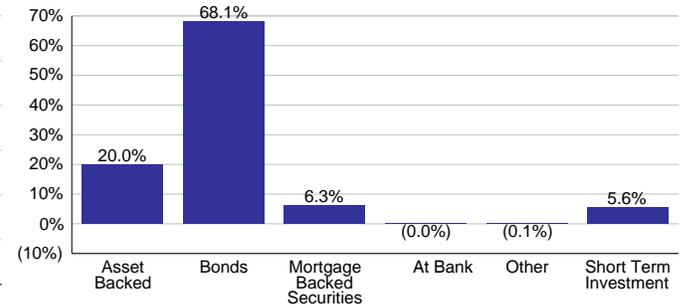
Top Ten Portfolio Holdings

Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
94985H5G5	WELLS FARGO BANK N A SR FLT NT 15 20/JUL/2015	2.28%	0.00	20/7/2015
3133EAZU5	FEDERAL FARM CREDIT BANKS 0.45% BDS 24/APR/2015	1.98%	0.45	24/4/2015
3135G0XU2	FEDERAL NATIONAL MORTGAGE ASSOC 0.52% NTS	1.98%	0.52	27/5/2016
78009NNG7	ROYAL BANK OF CANADA FRN 21/JUN/2016 USD1000	1.78%	0.00	21/6/2016
12623MAC7	CNH EQUIPMENT TST 0.94% BDS 15/MAY/2017 USD1000	1.62%	0.94	15/5/2017
69371RL38	PACCAR FINANCIAL CORP FRN 08/FEB/2016 USD1000	1.59%	0.00	8/2/2016
254683BA2	DISCOVER CARD MASTER TRUST 1 0.69% MTG BDS	1.56%	0.69	15/8/2018
912828NV8	US TREASURY 1.25000 '15	1.52%	1.25	31/8/2015
3135G0VA8	FEDERAL NATIONAL MORTGAGE ASSOC 0.5% BDS	1.49%	0.50	30/3/2016
17305EFK6	CITIBANK CREDIT CARD ISSUANCE TRUST 2013-A10 A10	1.49%	0.73	7/2/2018

Quality/Rating Weightings



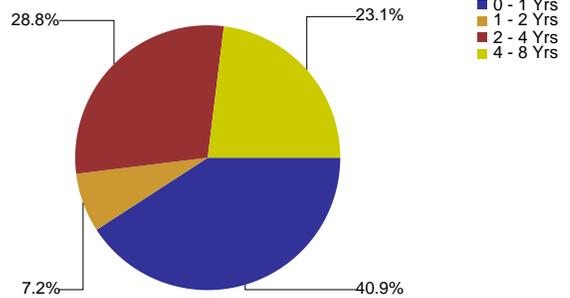
Sector Weightings (as % of Market Value)



Portfolio Characteristics

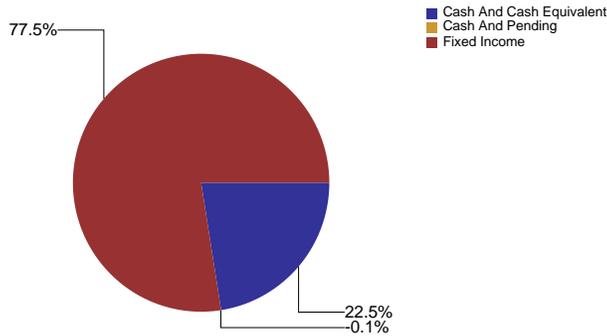
Duration Mix

Total Net Assets (Millions) **1,036.0**
 Weighted Average Life (Years) **2.63**
 Weighted Avg. Effective Duration (Years) **2.35**
 Weighted Average Rating **AA+**
 Number of Holdings **95**



Asset Mix

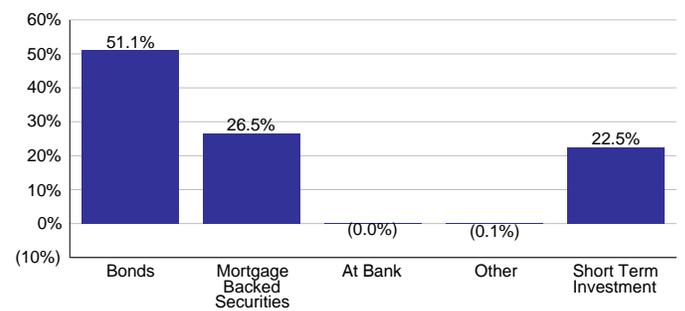
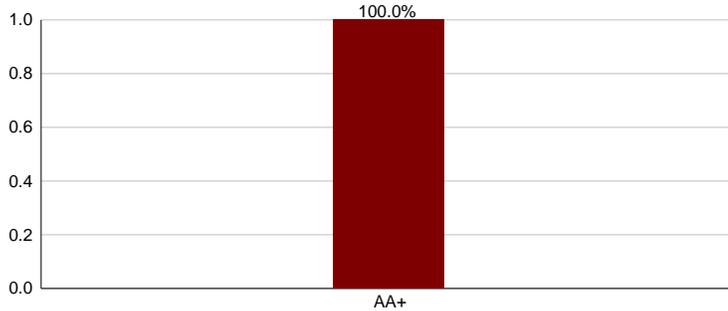
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
853990X20	TRI-PARTY REPO SOUTH STREET .10% 2/DEC /2013	9.75%	0.10	2/12/2013
46999W014	TRI-PARTY REPO JP MORGAN 0.25% 1/DEC/2013	5.36%	0.25	1/12/2013
3135G0WB5	FEDERAL NATIONAL MORTGAGE ASSOC 1.2% BDS	4.73%	1.20	18/4/2018
3133813R4	FEDERAL HOME LOAN BANKS 1% BDS 09/NOV/2017	3.10%	1.00	9/11/2017
3133EAJF6	FEDERAL FARM CR BKS CONS BD FLT 15 22/SEP/2015	2.90%	0.19	22/9/2015
3137AUBR9	FREDDIE MAC 4111 AG 1.750% 15/AUG/2039	2.51%	1.75	15/8/2039
3132GSC07	FHLMGLD MORTPASS 3.5% 01/MAR/2042 Q0 PN# Q06969	2.09%	3.50	1/3/2042
3133ECAW4	FEDERAL FARM CREDIT BANKS VAR BDS 24/FEB/2016	1.93%	0.00	24/2/2016
3133EA5D6	FEDERAL FARM CREDIT BANKS VAR MTG BDS 23/APR/2015	1.93%	0.00	23/4/2015
3133ECE34	FEDERAL FARM CR BKS CONS BD FLT 18 30/JAN/2018	1.93%	0.00	30/1/2018

Quality/Rating Weightings

Sector Weightings (as % of Market Value)

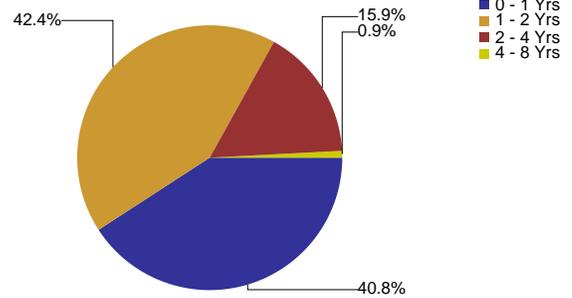


Portfolio Characteristics

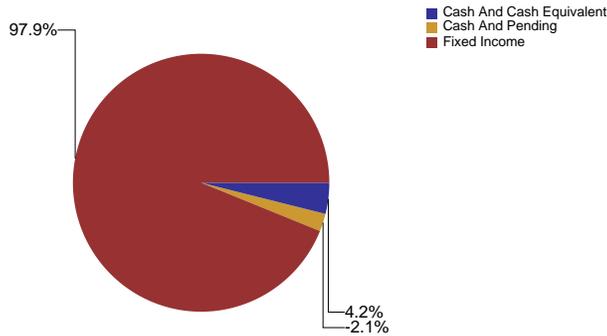
Total Net Assets (Millions)
Weighted Average Life (Years)
Weighted Avg. Effective Duration (Years)
Weighted Average Rating
Number of Holdings

300.9
1.30
1.32
AA
78

Duration Mix



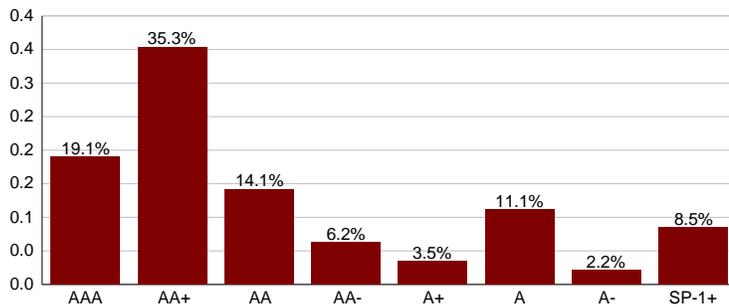
Asset Mix



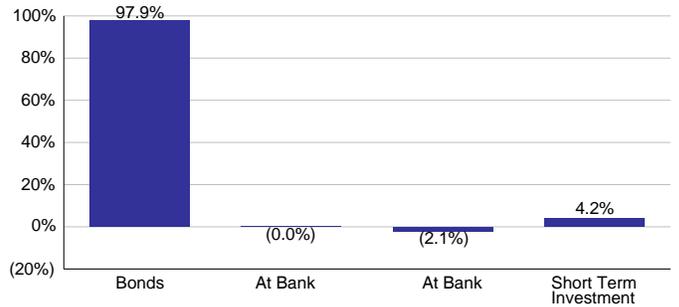
Top Ten Portfolio Holdings

Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
576000BF9	MASSACHUSETTS ST SCH BLDG AUTH DEDICATED SALES TAX	12.47%	5.00	15/8/2023
001996859	INVESCO TAX FREE CASH RESERVE PORTFOLIO INST.	4.09%	0.00	31/12/2049
576000NS8	MASSACHUSETTS ST SCH BLDG AUTH DEDICATED SALES TAX	3.56%	5.00	15/8/2030
677520Q68	OHIO ST FOR ISSUES DTD PRIOR TO 3/25/05 SEE 677519	3.53%	5.00	1/8/2016
604129R24	MINNESOTA ST VARIOUS PURP-SER D 06/NOV/2013	3.45%	5.00	1/10/2014
64966KEE9	NEW YORK N Y FOR PRIOR ISSUES DTD PRIOR TO	3.38%	4.00	1/8/2014
882723CX5	TEXAS ST FOR ISSUES DATED PRIOR TO 12/19/12 SEE	3.32%	2.00	28/8/2014
040654PW9	ARIZONA ST TRANSN BRD HWY REV 01/JUL/2024 05.000	3.31%	5.00	1/7/2024
677521E77	OHIO STATE RFDG-COMMON SCHS-SER A 15/SEP/2016	2.68%	5.00	15/9/2016
373384XV3	GEORGIA ST SER H 01/NOV/2014 04.000	2.62%	4.00	1/11/2014

Quality/Rating Weightings



Sector Weightings (as % of Market Value)

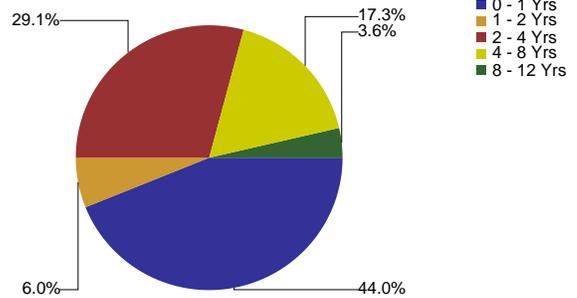


Portfolio Characteristics

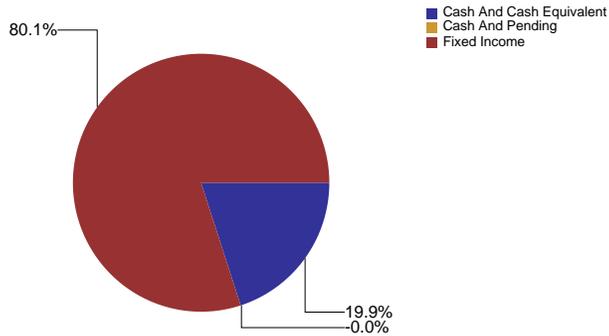
Total Net Assets (Millions)
Weighted Average Life (Years)
Weighted Avg. Effective Duration (Years)
Weighted Average Rating
Number of Holdings

294.5
2.58
2.23
AA
108

Duration Mix



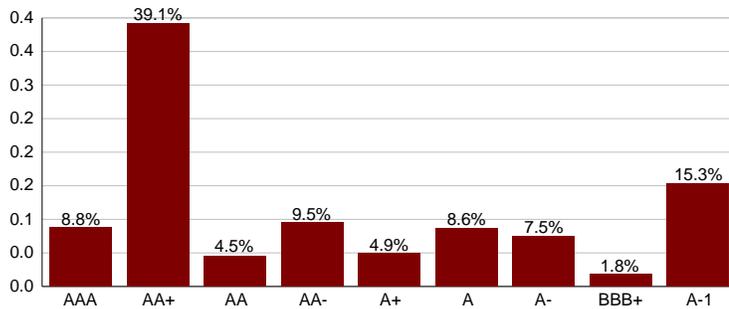
Asset Mix



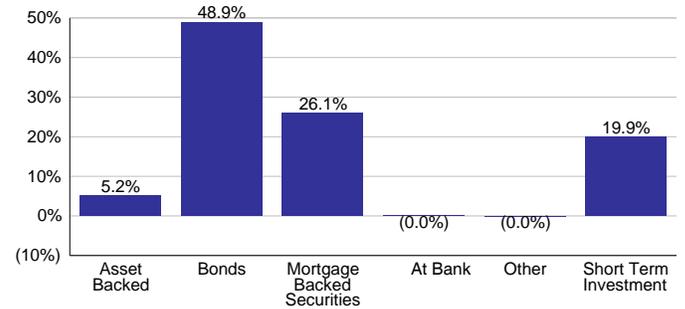
Top Ten Portfolio Holdings

Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
853990X20	TRI-PARTY REPO SOUTH STREET .10% 2/DEC /2013	2.98%	0.10	2/12/2013
3136AEFZ5	FANNIE MAE 2013-53 JL 3.000% 25/JUN/2043	2.87%	3.00	25/6/2043
3136A9LG1	FANNIE MAE 2012-114 GB 1.750% 25/MAR/2040	2.16%	1.75	25/3/2040
3136FTR68	FEDERAL NATL MTG ASSN CALL 1.65%28/FEB/2019	1.79%	1.65	28/2/2019
92343VAY0	VERIZON COMMUNICATIONS INC 3% BDS 01/APR/2016	1.78%	3.00	1/4/2016
38141GVK7	GOLDMAN SACHS GROUP INC SR FLT NT 18 30/APR/2018	1.71%	0.00	30/4/2018
78008TXB5	ROYAL BANK OF CANADA FRN 30/OCT/2014 USD1000	1.71%	0.00	30/10/2014
717081DD2	PFIZER INC 0.9% NTS 15/JUN/2017 USD1000	1.70%	0.90	15/1/2017
94974BFK1	WELLS FARGO & CO. MEDIUM TERM NOTE VARIABLE DTD	1.70%	0.00	23/4/2018
59217GAF6	METROPOLITAN LIFE GLOBAL FUNDING I FRN 10/JAN/2014	1.70%	0.00	10/1/2014

Quality/Rating Weightings



Sector Weightings (as % of Market Value)

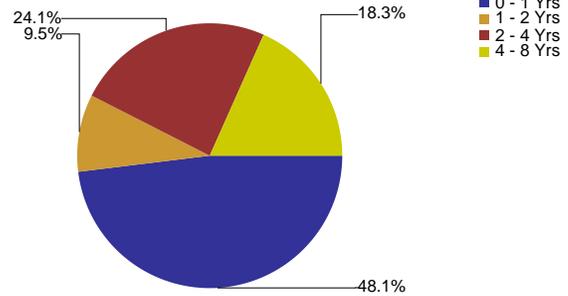


Portfolio Characteristics

Duration Mix

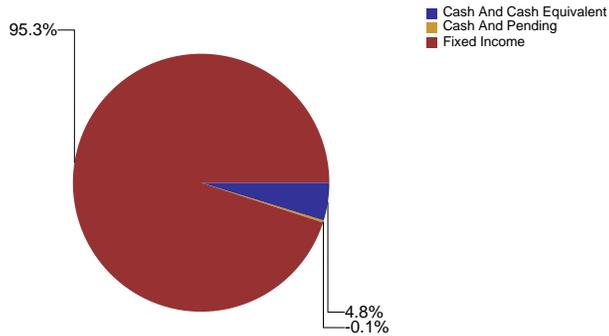
Total Net Assets (Millions)
Weighted Average Life (Years)
Weighted Avg. Effective Duration (Years)
Weighted Average Rating
Number of Holdings

12.0
2.70
1.81
AA+
19



Asset Mix

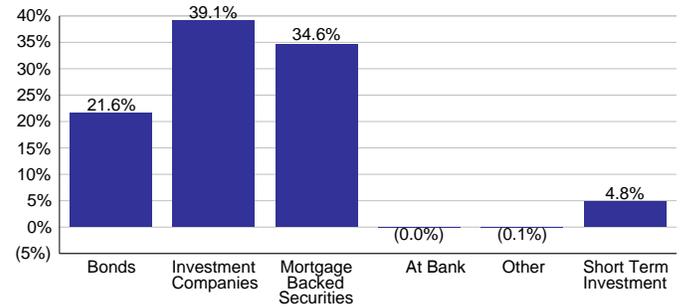
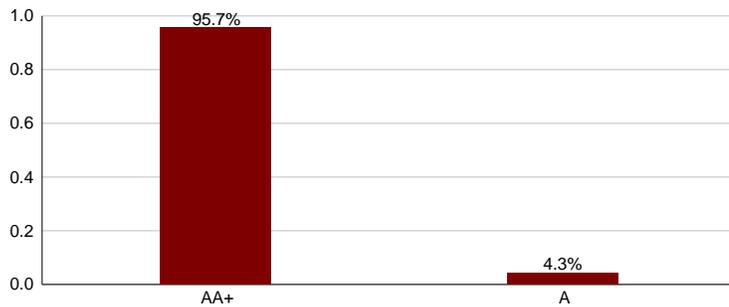
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
539998153	LOCAL GOV INVS POOL 4	28.82%	0.00	1/12/2013
3136AD2H1	FANNIE MAE 2013-43 XP 1.500% 25/AUG/2041	15.08%	1.50	25/8/2041
A41995373	LOCAL GOV INVS POOL 700	10.26%	0.00	1/12/2013
3133EAX29	FEDERAL FARM CREDIT BANK CALLABLE BOND FIXED .98%	8.29%	0.98	18/9/2017
3136FTN70	FEDERAL NATL MTG ASSN CALL 3%28/NOV/2025	5.76%	3.00	28/11/2025
928989466	JP MORGAN PRIME MMF AGENCY SHARES	4.80%	0.00	31/12/2049
3137A7HC7	FREDDIE MAC 3800 KE 3.500% 15/FEB/2026	4.42%	3.50	15/2/2026
10138MAH8	BOTTLING GROUP 6.95% SNR NTS 15/MAR/2014 USD1000	4.30%	6.95	15/3/2014
3138ASYU0	FNMA MORTPASS 3% 01/OCT/2026 CI PN# AJ1622	3.42%	3.00	1/10/2026
313379S75	FEDERAL HOME LOAN BANKS CONS BD 2.5% 27/JUN/2022	3.19%	2.50	27/6/2022

Quality/Rating Weightings

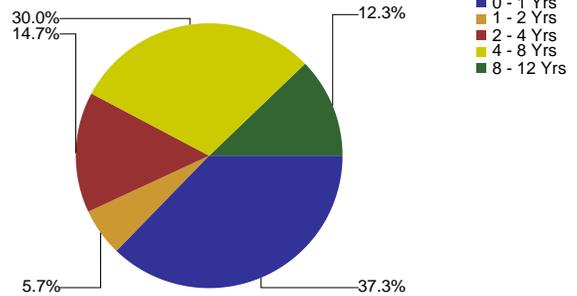
Sector Weightings (as % of Market Value)



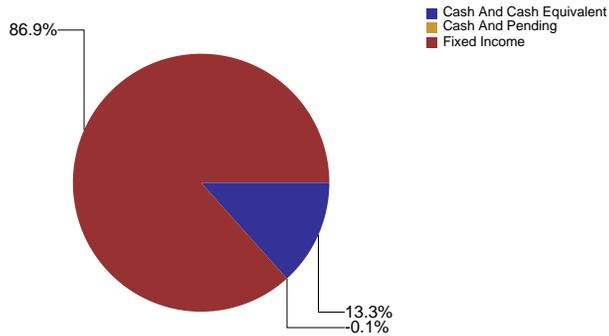
Portfolio Characteristics

Total Net Assets (Millions) **328.1**
 Weighted Average Life (Years) **4.23**
 Weighted Avg. Effective Duration (Years) **3.60**
 Weighted Average Rating **AA**
 Number of Holdings **94**

Duration Mix



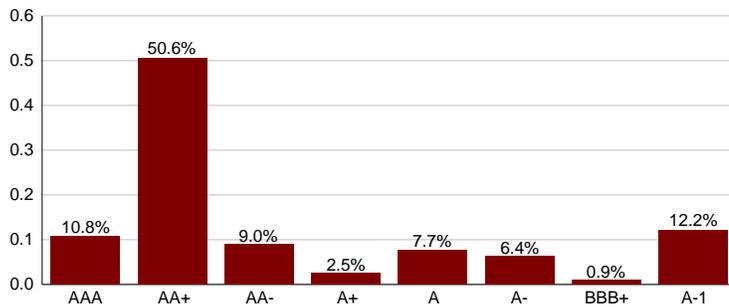
Asset Mix



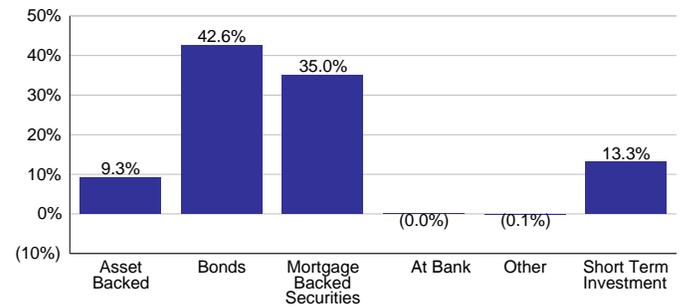
Top Ten Portfolio Holdings

Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
3137ATR20	FREDDIE MAC 4097 VH 1.500% 15/OCT/2041	3.61%	1.50	15/10/2041
3128HXW76	FHLMC GOLD MORTPASS 3.00% 15/AUG/2042 POOL#S06070	2.87%	3.00	15/8/2042
3134G35R7	FEDERAL HOME LOAN MORTGAGE CORP 2.25% NTS	2.36%	2.25	13/3/2020
63534PAH0	NATIONAL CITY BANK(CLEVELAND) FLTG RATE NTS	2.11%	0.63	7/6/2017
31398NY24	FANNIE MAE 2010-123B PM 4.000% 25/JUL/2040	1.94%	4.00	25/7/2040
31398T7A3	FANNIE MAE 2010-113 LV 4.000% 25/JUN/2030	1.63%	4.00	25/6/2030
3137AL2X6	FREDDIE MAC 3990 BH 3.500% 15/JAN/2032	1.61%	3.50	15/1/2032
46625YXT5	JP MORGAN CHASE COMMERCIAL MORTGAGE SECURITIES	1.59%	0.00	15/12/2044
3137GAWS2	FREDDIE MAC 3738 BJ 3.500% 15/DEC/2038	1.58%	3.50	15/12/2038
3137GAWO6	FREDDIE MAC 3738 BH 3.000% 15/DEC/2038	1.57%	3.00	15/12/2038

Quality/Rating Weightings



Sector Weightings (as % of Market Value)



OPERATING MONIES
AVERAGE INVESTED BALANCE

Through November 30, 2013

(in millions of dollars)

<u>Month</u>	<u>Fiscal Year</u> <u>2011/2012</u>	<u>Fiscal Year</u> <u>2012/2013</u>	<u>Fiscal Year</u> <u>2013/2014</u>
JULY	1,209	1,817	1,942
AUGUST	818	1,475	1,709
SEPTEMBER	744	1,420	1,974
OCTOBER	668	1,205	1,824
NOVEMBER	858	1,316	1,853
DECEMBER	979	1,464	
JANUARY	1,511	1,885	
FEBRUARY	1,501	1,899	
MARCH	1,373	1,815	
APRIL	1,725	2,109	
MAY	2,036	2,428	
JUNE	2,331	2,679	
Y-T-D			
Average	\$1,313	\$1,793	\$1,860
Budget Stabilization Average Fund Balance - November 2013			<u>\$455</u>
Total Average Cash Available - November 2013			<u>\$2,307</u>

**EARNINGS DISTRIBUTED
ENDOWMENT FUNDS
NOVEMBER 2013**

Distributed in Current Month

Recipient	NOVEMBER 2013	Fiscal YTD 13/14	Fiscal YTD 12/13
101 A & M Colleges	\$17,813	\$89,064	\$69,617
102 State Hospital	\$10,553	\$52,766	\$40,534
103 Leg., Exec., & Jud.	\$14,367	\$71,834	\$59,207
104 Military Institute	\$1,003	\$5,017	\$4,299
105 Miners Hospital	\$27,751	\$138,756	\$103,679
107 Normal School ASU/NAU	\$6,218	\$31,091	\$25,337
108 Penitentiaries	\$20,501	\$102,505	\$114,334
109 Permanent Common School	\$5,648,484	\$28,242,420	\$22,281,438
110 School for Deaf & Blind	\$8,889	\$44,445	\$36,887
111 School of Mines	\$20,138	\$100,689	\$81,060
112 State Charitable-Pioneers Home	\$98,076	\$490,382	\$359,325
112 State Charitable-Corrections	\$49,038	\$245,191	\$179,663
112 State Charitable-Youth Treatment	\$49,038	\$245,191	\$179,663
113 University Fund	\$33,169	\$165,847	\$132,203
114 U of A Land - 1881	\$81,012	\$405,062	\$290,265
Total	\$6,086,052	\$30,430,260	\$23,957,509

Posted in USAS in current month

**ENDOWMENT FUNDS
 PORTFOLIO YIELD ANALYSIS
 NOVEMBER 30, 2013**

NET EARNINGS

FUND	DESCRIPTION	Current Month 11/30/13	Prior Month 10/31/13	Prior Year 11/30/12
205	ENDOWMENTS - FIXED INCOME	\$3,229,338	\$3,086,035	\$3,941,143

YIELDS

<u>MONTHLY</u>	Current Month 11/30/13	Prior Month 10/31/13	Prior Year 11/30/12	
205	ENDOWMENTS - FIXED INCOME	2.17%	2.42%	3.15%

Note: Yield calculation changed from share value to market value. Prior month and prior year shown was also adjusted for comparison purposes.

NET REALIZED CAPITAL GAINS / LOSSES - ENDOWMENT FUNDS

Endowment Fund	Nov-13 NET GAIN(LOSS)	Nov-12 NET GAIN(LOSS)
----- Fixed Income Pool	(44,095)	(7,263)
Equity Pool (500)	(904,650)	61,487
Equity Pool (400)	555,615	49,306
Equity Pool (600)	2,439,338	(147,438)
Totals	2,046,208	(43,908)
	=====	=====

Endowment Fund	2013/2014 FISCAL YEAR TO DATE GAINS(LOSSES)	2012/ 2013 FISCAL YEAR TO DATE GAINS(LOSSES)
----- Fixed Income Pool	(1,054,169)	1,215,129
Equity Pool (500)	37,917,670	1,879,872
Equity Pool (400)	36,942,556	6,008,475
Equity Pool (600)	11,429,362	1,710,086
Totals	85,235,419	10,813,562
	=====	=====

ENDOWMENT FUNDS FIXED-INCOME POOL
PURCHASES & SALES
 Month of November 2013

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I. Endowment Funds Purchases

<u>SECURITY DESCRIPTION</u>	<u>RATE</u>	<u>MATURITY</u>	<u>*WAL YEARS</u>	<u>PAR VALUE</u>	<u>PURCHASE COST</u>	<u>YIELD</u>	<u>MOODY'S / S&P RATING</u>
US TREAS	0.25	10/31/2015	N/A	\$5,000,000	\$4,994,509	0.31%	Aaa/AA+
US TREAS	0.25	10/31/2015	N/A	\$5,000,000	\$4,997,336	0.28%	Aaa/AA+
US TREAS	0.63	10/31/2016	N/A	\$5,000,000	\$5,008,248	0.58%	Aaa/AA+
US TREAS	3.25	12/31/2016	N/A	\$5,000,000	\$5,466,610	0.63%	Aaa/AA+
GE CAPITAL	0.62	3/15/2020	4.90	\$5,000,000	\$4,999,467	0.63%	Aaa/NA
BNP PARIBAS CP	0.31	6/13/2014	N/A	\$15,000,000	\$14,973,650	0.31%	P1/A1
CHARTA CP	0.24	5/13/2014	N/A	\$10,000,000	\$9,988,400	0.24%	P1/A1
DEUTSCHE BANK CP	0.30	5/30/2014	N/A	\$20,000,000	\$19,967,333	0.30%	P1/A1
GOVCO CP	0.18	2/11/2014	N/A	\$15,000,000	\$14,993,625	0.18%	P1/A1
INSTITUTIONAL SEC. CP	0.35	2/19/2014	N/A	\$15,000,000	\$14,986,438	0.35%	P1/A1
LEXINGTON PARKER CP	0.20	2/13/2014	N/A	\$15,000,000	\$14,992,750	0.20%	P1/A1
MOUNTCLIFF CP	0.25	1/15/2014	N/A	\$15,000,000	\$14,993,646	0.25%	P1/A1
RIDGEFIELD CP	0.31	4/16/2014	N/A	\$10,000,000	\$9,987,514	0.31%	P1/A1

	-----	-----	
TOTAL ENDOWMENT FUNDS PURCHASES	\$140,000,000	\$140,349,525	
	-----	-----	

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>
-----------------------------	-------------	-----------------	----------------------	------------------------------------	---------------------------------	-------------------------------------

	-----	-----	
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.

EQUITY FUNDS
PURCHASES & SALES
Month of November 2013

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I. Equity Fund Purchases

	<u>SHARES</u>	<u>PURCHASE COST</u>	<u>COMMISSIONS</u>
S&P 400 Mid-Cap Fund	194,478	\$4,491,425	\$189
S&P 500 Large-Cap Fund	47,905	\$5,998,591	\$359
S&P 600 Small-Cap Fund	148,424	\$2,105,294	\$846
TOTAL EQUITY PURCHASES	390,807	\$12,595,311	\$1,395

II. Equity Funds Sales

	<u>SHARES</u>	<u>SALES AMOUNT</u>	<u>COMMISSIONS</u>
S&P 400 Mid-Cap Fund	60,532	\$2,466,863	\$189
S&P 500 Large-Cap Fund	48,385	\$3,028,570	\$107
S&P 600 Small-Cap Fund	262,263	\$3,722,606	\$923
TOTAL EQUITY SALES	371,180	\$9,218,039	\$1,219

ENDOWMENT FUNDS
INVESTMENTS OUTSTANDING
 NOVEMBER 30, 2013
 (In Thousands)

State Treasurer's Report
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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>	491	3,395	6,932	3,537	
	<i>Shares in Fixed Income Pools</i>	4,443	3,084	4,555	1,471	
	Total	4,934	6,480	11,487	5,008	1.773
102	State Hospital					
	<i>Shares in Equity Pools</i>	318	2,221	4,486	2,265	
	<i>Shares in Fixed Income Pools</i>	2,756	2,017	2,826	809	
	Total	3,074	4,237	7,311	3,074	1.725
103	Leg., Exec. & Jud					
	<i>Shares in Equity Pools</i>	399	2,976	5,627	2,651	
	<i>Shares in Fixed Income Pools</i>	3,832	2,673	3,929	1,255	
	Total	4,231	5,650	9,556	3,906	1.691
104	Military Institute					
	<i>Shares in Equity Pools</i>	26	191	371	180	
	<i>Shares in Fixed Income Pools</i>	259	172	265	93	
	Total	285	363	636	273	1.752
105	Miners Hospital					
	<i>Shares in Equity Pools</i>	998	8,068	14,090	6,022	
	<i>Shares in Fixed Income Pools</i>	8,723	7,207	8,943	1,736	
	Total	9,721	15,275	23,033	7,758	1.508
107	Normal School ASU/NAU					
	<i>Shares in Equity Pools</i>	188	1,404	2,661	1,257	
	<i>Shares in Fixed Income Pools</i>	1,720	1,262	1,763	501	
	Total	1,908	2,666	4,424	1,758	1.660
108	Penitentiaries					
	<i>Shares in Equity Pools</i>	730	5,856	10,310	4,453	
	<i>Shares in Fixed Income Pools</i>	6,622	5,245	6,789	1,544	
	Total	7,352	11,102	17,099	5,997	1.540

ENDOWMENT FUNDS
INVESTMENTS OUTSTANDING
 NOVEMBER 30, 2013
 (In Thousands)

State Treasurer's Report
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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>	181,344	1,408,406	2,560,452	1,152,046	
<i>Shares in Fixed Income Pools</i>	1,621,346	1,277,399	1,662,266	384,867	
Total	1,802,690	2,685,805	4,222,718	1,536,913	1.572
110 School for Deaf & Blind					
<i>Shares in Equity Pools</i>	255	1,855	3,606	1,751	
<i>Shares in Fixed Income Pools</i>	2,387	1,678	2,448	770	
Total	2,643	3,533	6,054	2,521	1.713
111 School of Mines					
<i>Shares in Equity Pools</i>	551	4,079	7,780	3,701	
<i>Shares in Fixed Income Pools</i>	5,113	3,696	5,242	1,546	
Total	5,664	7,775	13,022	5,247	1.675
112 State Charitable					
<i>Shares in Equity Pools</i>	5,585	41,816	78,853	37,036	
<i>Shares in Fixed Income Pools</i>	49,158	38,221	50,399	12,178	
Total	54,743	80,037	129,251	49,214	1.615
113 University Fund					
<i>Shares in Equity Pools</i>	949	7,129	13,397	6,268	
<i>Shares in Fixed Income Pools</i>	8,807	6,422	9,029	2,607	
Total	9,756	13,551	22,426	8,875	1.655
114 U Of A Land - 1881					
<i>Shares in Equity Pools</i>	2,828	22,567	39,932	17,365	
<i>Shares in Fixed Income Pools</i>	25,821	20,321	26,473	6,152	
Total	28,649	42,888	66,404	23,517	1.548
TOTALS - ALL FUNDS					
<i>Shares in Equity Pools</i>	194,662	1,509,964	2,748,496	1,238,533	
<i>Shares in Fixed Income Pools</i>	1,740,986	1,369,398	1,784,926	415,528	
Grand Total	1,935,648	2,879,361	4,533,422	1,654,061	
PRIOR YEAR:					
NOVEMBER 2012 BALANCES	1,682,878	2,650,750	3,696,471	1,045,721	

**ENDOWMENT FUNDS
INVESTMENTS OUTSTANDING
NOVEMBER 30, 2013**

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ASSET ALLOCATION PERCENTAGE

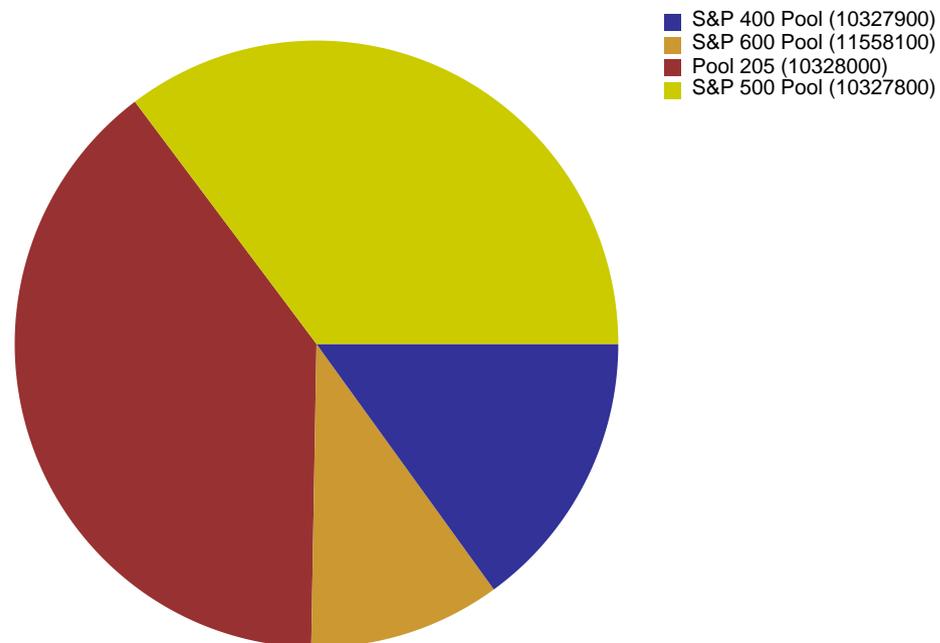
	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	NOVEMBER 2012 MARKET VALUE
<i>Shares in Equity Pools</i>	10.06%	52.44%	60.63%	59.40%
<i>Shares in Fixed Income Pools</i>	89.94%	47.56%	39.37%	40.60%
	-----	-----	-----	-----
Total	100.00%	100.00%	100.00%	100.00%
	=====	=====	=====	=====

Performance Worksheet
Arizona State Treasury (05509)
As of November 2013
 Primary - US Dollar

Total Endowment Fund Composite (00550902)													
ID	Name	Beginning Market Value	Ending Market Value	Cashflow	Current Month	Trailing Three Months	Year to Date	Fiscal Year To Date	Trailing One Year	Trailing Three Years	Trailing Five Years	Since Inception	Inception Date
10327800	S&P 500 Pool	1,713,778,130.48	1,605,564,171.57	-155,572,535	3.04	11.15	29.08	13.44	30.26	17.69	17.62	3.22	07/01/1999
10327900	S&P 400 Pool	754,621,419.12	678,539,755.29	-84,909,783	1.32	10.57	29.52	13.05	32.35	17.02	21.15	9.33	08/01/2001
10328000	Pool 205	1,531,188,569.33	1,784,925,907.06	255,127,939	(0.10)	1.20	(1.18)	1.01	(1.31)	2.53	4.53	5.44	07/01/1999
11558100	S&P 600 Pool	456,333,288.64	464,392,140.41	-11,736,346	4.50	14.99	39.37	19.88	43.95			17.70	03/01/2011
00550902	Total Endowment Fund Composite	4,455,921,407.57	4,533,421,974.33	2,909,275	1.68	7.71	17.73	9.30	18.78	11.53	12.23	6.17	07/01/1999

Manager Allocation - Daily Arizona State Treasury (05509) As of November 30, 2013

Total Endowment Fund Composite (00550902)		
Account Name	Market Value(MIL)	Percent of Portfolio
Pool 205 (10328000)	1,784.93	39.4%
S&P 400 Pool (10327900)	678.54	15.0%
S&P 500 Pool (10327800)	1,605.56	35.4%
S&P 600 Pool (11558100)	464.39	10.2%
TOTAL	4,533.42	100.0%



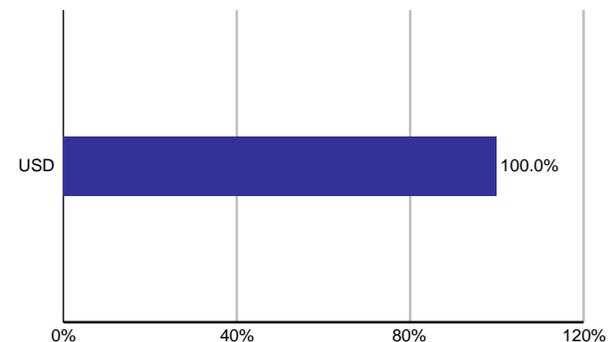
Portfolio Characteristics

			Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Since Inception
Total Asset Value (in Millions)	1,605.6					
P/E Ratio	19.10	Tracking Error	0.02	0.04	0.11	1.59
Price to Book Ratio	2.42	Information Ratio	(1.26)	(0.92)	0.06	(0.37)
Dividend Yield (%)	1.97	Std Deviation of Port.	8.60	12.46	15.76	15.73
Return on Equity (%)	17.06	Std Deviation of Bench.	8.61	12.48	15.81	15.61
Sales Growth (%)	7.71	Sharpe Ratio of Port.	3.14	1.37	1.11	0.14
Market Capitalization (\$ Millions)	117,336.12	Sharpe Ratio of Bench.	3.14	1.37	1.10	0.18
Earnings per Share (\$)	5.69	R-Squared	1.00	1.00	1.00	0.99
Number of Holdings	500	Jensen's Alpha	(0.02)	(0.01)	0.07	(0.63)

Top Ten Portfolio Holdings

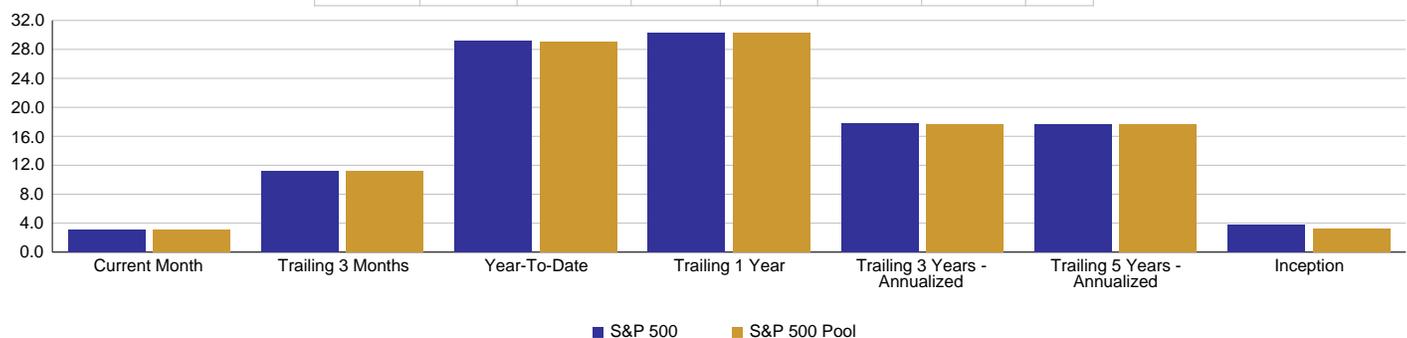
Security ID	Security Name	% of Assets
037833100	APPLE INC - COM NPV	3.10%
30231G102	EXXON MOBIL CORP - COM NPV	2.54%
38259P508	GOOGLE INC - CL A COM USD.001	1.82%
594918104	MICROSOFT CORP - COM USD.00000625	1.79%
369604103	GENERAL ELECTRIC CO - COM USD.63	1.67%
478160104	JOHNSON & JOHNSON - COM USD1	1.65%
166764100	CHEVRON CORP - COM USD3	1.46%
742718109	PROCTER & GAMBLE CO - COM NPV	1.42%
46625H100	JPMORGAN CHASE & CO - COM USD12	1.32%
949746101	WELLS FARGO & CO - COM USD1.67	1.31%

Top Ten Currency Weights

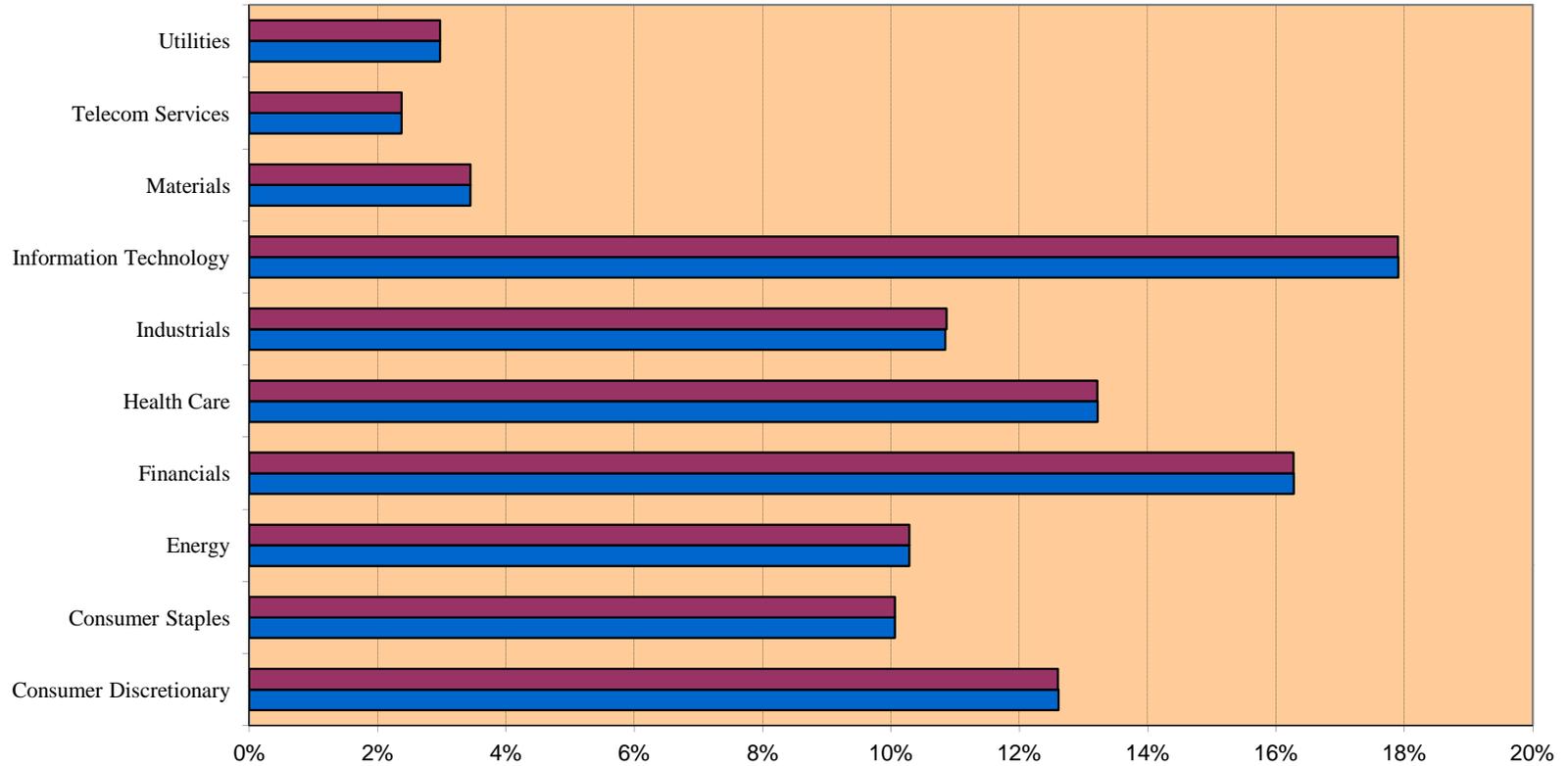


Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
S&P 500 Pool	3.04	11.15	29.08	30.26	17.69	17.62	3.22
S&P 500	3.05	11.16	29.12	30.30	17.73	17.60	3.85
Excess	(0.00)	(0.01)	(0.04)	(0.04)	(0.04)	0.02	(0.63)



**STATE OF ARIZONA
POOL 201 (S&P 500)
As of November 30, 2013**



	Consumer Discretionary	Consumer Staples	Energy	Financials	Health Care	Industrials	Information Technology	Materials	Telecom Services	Utilities
■ S&P 500 Index	12.60%	10.06%	10.29%	16.27%	13.22%	10.87%	17.90%	3.45%	2.37%	2.97%
■ STATE OF ARIZONA - POOL 201	12.61%	10.06%	10.29%	16.28%	13.22%	10.85%	17.90%	3.45%	2.37%	2.98%



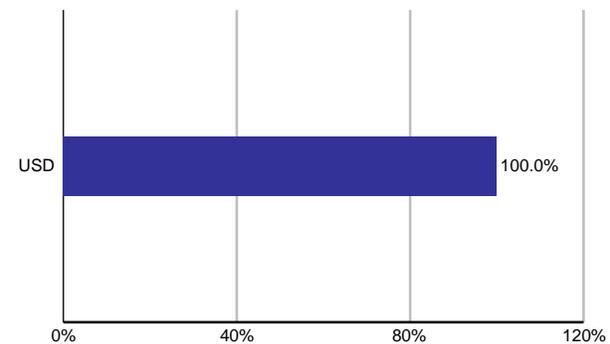
Portfolio Characteristics

		Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Since Inception
Total Asset Value (in Millions)	678.5				
P/E Ratio	24.80	0.06	0.06	1.61	1.94
Price to Book Ratio	2.41	0.28	1.37	(0.68)	(0.08)
Dividend Yield (%)	1.39	11.22	15.47	17.73	17.06
Return on Equity (%)	12.82	11.21	15.49	18.47	17.93
Sales Growth (%)	6.44	2.57	1.09	1.17	0.51
Market Capitalization (\$ Millions)	4,907.59	2.57	1.08	1.18	0.50
Earnings per Share (\$)	2.66	1.00	1.00	0.99	0.99
Number of Holdings	401	(0.02)	0.12	(0.19)	0.39
		Tracking Error			
		Information Ratio			
		Std Deviation of Port.			
		Std Deviation of Bench.			
		Sharpe Ratio of Port.			
		Sharpe Ratio of Bench.			
		R-Squared			
		Jensen's Alpha			

Top Ten Portfolio Holdings

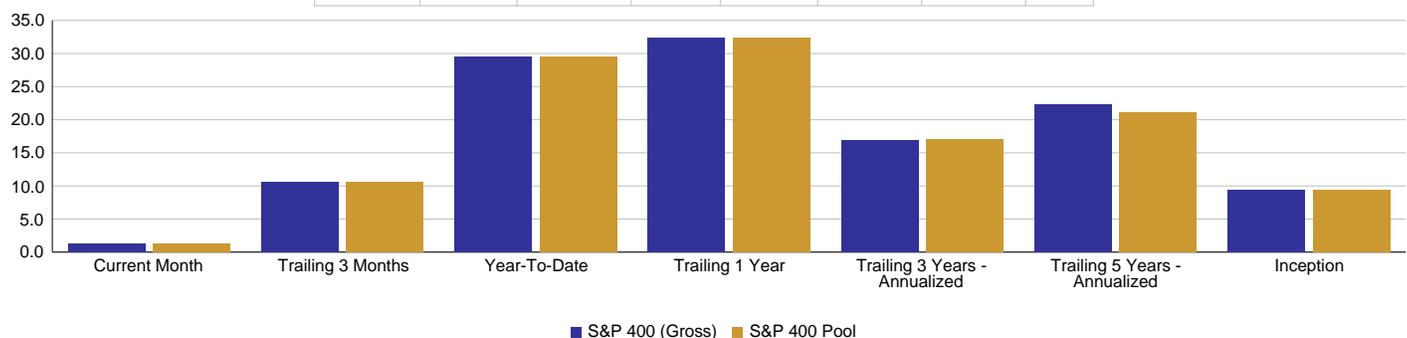
Security ID	Security Name	% of Assets
018581108	ALLIANCE DATA SYSTEMS CORP - COM USD.01	0.78%
78467Y107	SPDR S&P MIDCAP 400 ETF TRUST ETP USD	0.71%
008252108	AFFILIATED MANAGERS GRP INC - COM USD.01	0.70%
892356106	TRACTOR SUPPLY CO - COM USD.008	0.68%
501889208	LKQ CORP - COM	0.66%
806407102	SCHEIN (HENRY) INC - COM USD.01	0.65%
436106108	HOLLYFRONTIER CORP - COM USD.01	0.64%
171340102	CHURCH & DWIGHT INC - COM NPV	0.60%
393122106	GREEN MTN COFFEE ROASTERS - COM USD.1	0.59%
731068102	POLARIS INDUSTRIES INC - COM NPV	0.57%

Top Ten Currency Weights

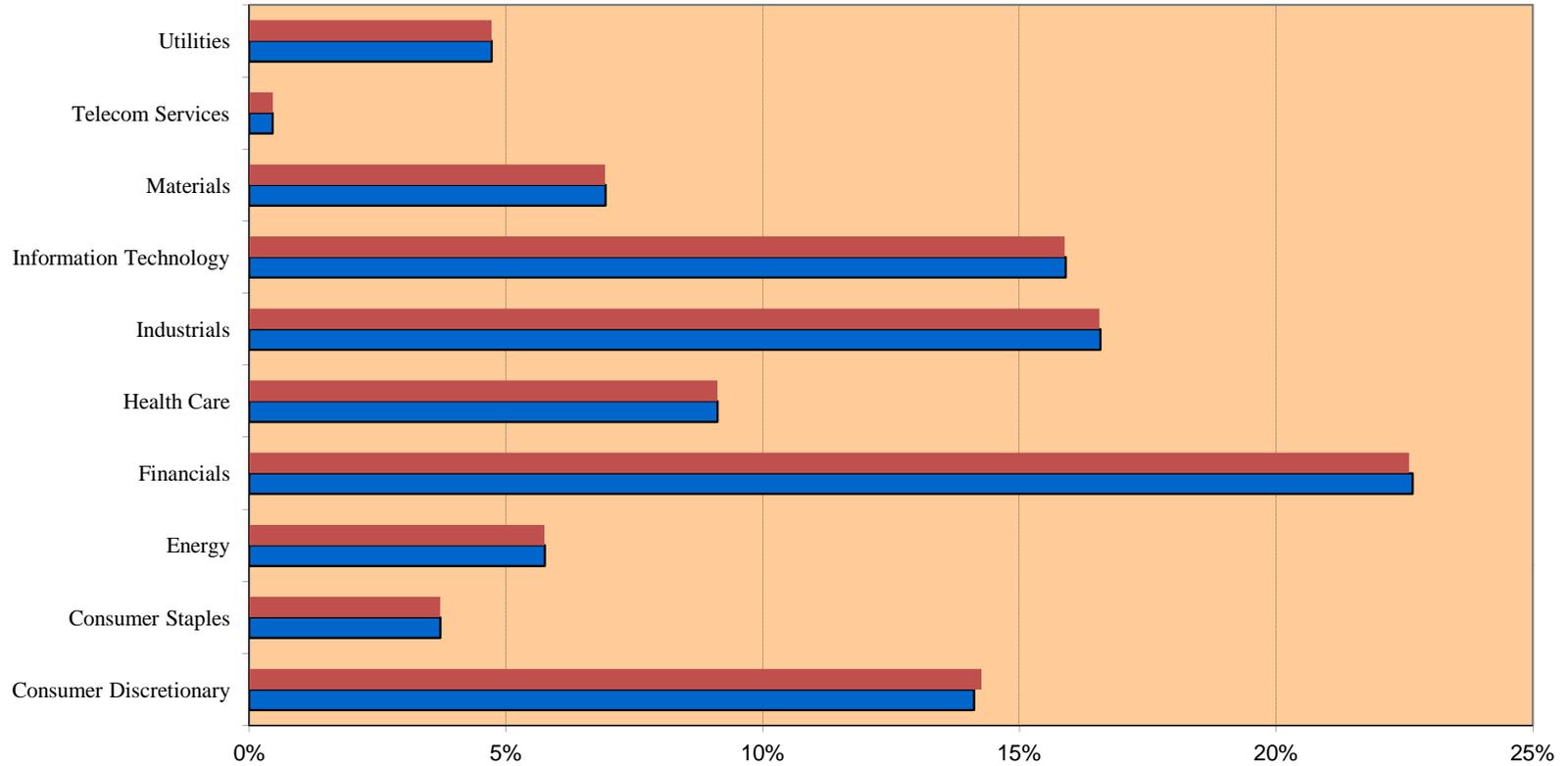


Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
S&P 400 Pool	1.32	10.57	29.52	32.35	17.02	21.15	9.33
S&P 400 (Gross)	1.32	10.56	29.50	32.33	16.92	22.30	9.34
Excess	(0.00)	0.01	0.02	0.02	0.10	(1.16)	(0.01)



**STATE OF ARIZONA
POOL 203 (S&P MIDCAP 400)
As of November 30, 2013**



	Consumer Discretionary	Consumer Staples	Energy	Financials	Health Care	Industrials	Information Technology	Materials	Telecom Services	Utilities
■ S&P MIDCAP 400	14.26%	3.72%	5.75%	22.60%	9.12%	16.56%	15.89%	6.94%	0.46%	4.72%
■ STATE OF ARIZONA - POOL 203	14.12%	3.72%	5.76%	22.66%	9.13%	16.58%	15.91%	6.94%	0.46%	4.73%



Portfolio Characteristics

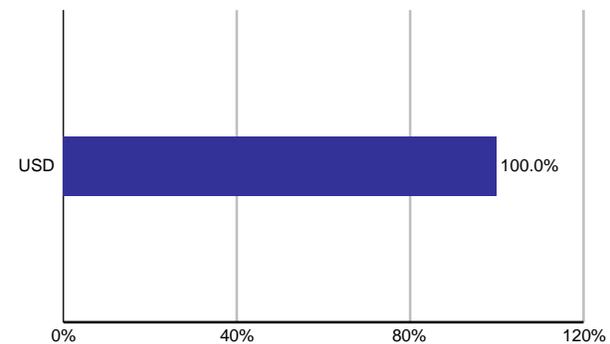
		Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Since Inception
Total Asset Value (in Millions)	464.4				
P/E Ratio	32.00	0.06	-	-	0.09
Price to Book Ratio	2.29	0.60	-	-	(0.03)
Dividend Yield (%)	1.07	9.97	-	-	16.15
Return on Equity (%)	11.53	9.99	-	-	16.18
Sales Growth (%)	7.59	3.75	-	-	1.09
Market Capitalization (\$ Millions)	1,688.55	3.74	-	-	1.09
Earnings per Share (\$)	1.59	1.00	-	-	1.00
Number of Holdings	600	0.14	-	-	0.04
		Tracking Error			
		Information Ratio			
		Std Deviation of Port.			
		Std Deviation of Bench.			
		Sharpe Ratio of Port.			
		Sharpe Ratio of Bench.			
		R-Squared			
		Jensen's Alpha			

Top Ten Portfolio Holdings

Security ID	Security Name	% of Assets
464287804	ISHARES TRUST CORE S&P SMALL-CAP ETF	4.57%
117043109	BRUNSWICK CORP - COM USD.75	0.57%
316645100	FIFTH & PACIFIC COS INC - COM USD1	0.56%
405217100	HAIN CELESTIAL GROUP INC - COM USD.01	0.55%
016255101	ALIGN TECHNOLOGY INC - COM USD.001	0.53%
30241L109	FEI CO - COM NPV	0.53%
679580100	OLD DOMINION FREIGHT - COM USD.1	0.50%
891092108	TORO CO - COM USD1	0.49%
955306105	WEST PHARMACEUTICAL SVSC INC - COM USD.25	0.48%
879360105	TELEDYNE TECHNOLOGIES INC - COM USD.01	0.48%

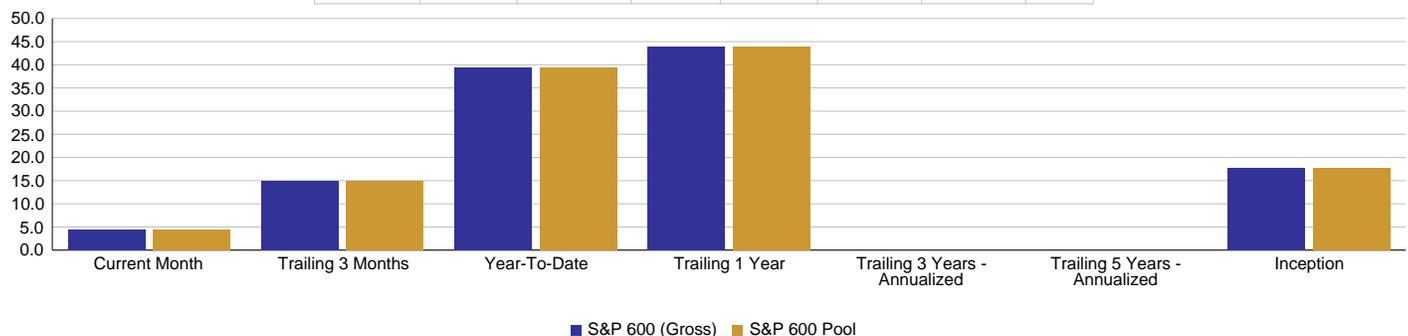
Regional Allocation

Top Ten Currency Weights

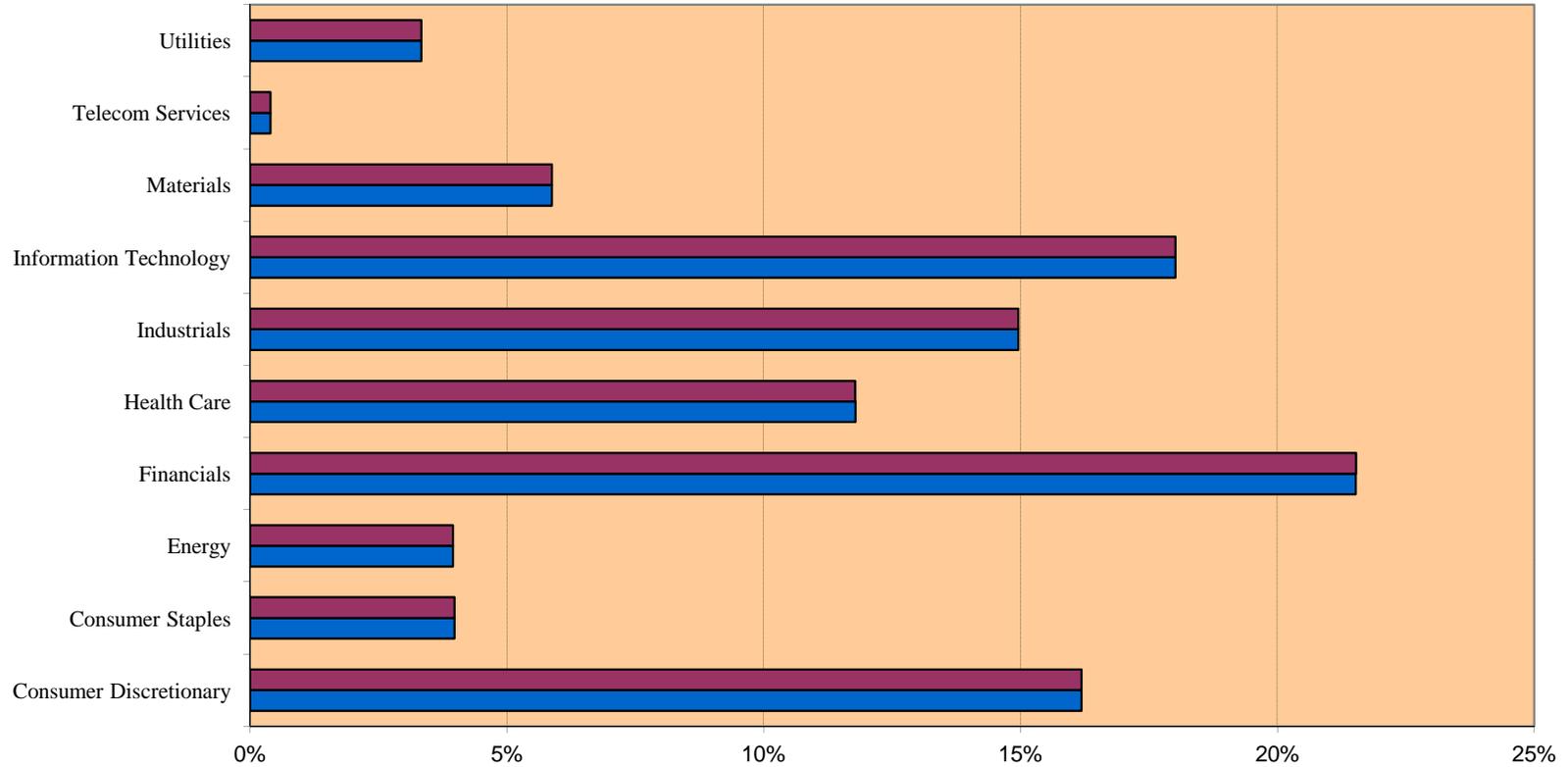


Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
S&P 600 Pool	4.50	14.99	39.37	43.95			17.70
S&P 600 (Gross)	4.50	15.01	39.30	43.90			17.70
Excess	0.01	(0.02)	0.08	0.05	(0.00)	(0.00)	0.00



**STATE OF ARIZONA
POOL 204 (S&P 600 Index)
As of November 30, 2013**



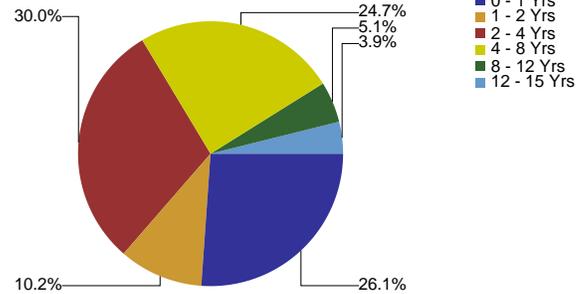
	Consumer Discretionary	Consumer Staples	Energy	Financials	Health Care	Industrials	Information Technology	Materials	Telecom Services	Utilities
■ S&P 600 Index	16.19%	3.98%	3.95%	21.53%	11.78%	14.96%	18.01%	5.88%	0.40%	3.33%
■ STATE OF ARIZONA - POOL 204	16.19%	3.98%	3.95%	21.53%	11.79%	14.96%	18.01%	5.88%	0.40%	3.33%



Portfolio Characteristics

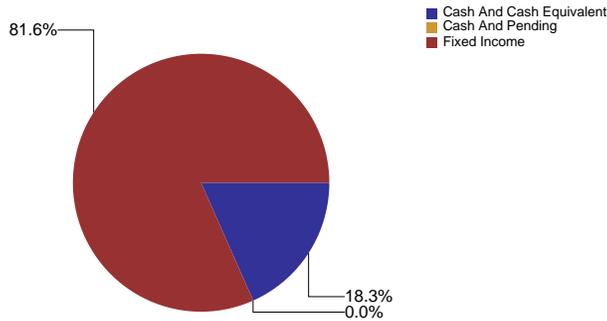
Duration Mix

Total Net Assets (Millions) **1,784.9**
 Weighted Average Life (Years) **4.61**
 Weighted Avg. Effective Duration (Years) **3.54**
 Weighted Average Coupon (%) **3.00**
 Weighted Average Current Yield (%) **0.71**
 Weighted Average Yield to Maturity (%) **0.71**
 Weighted Average Rating **AA**
 Number of Holdings **290**



Asset Mix

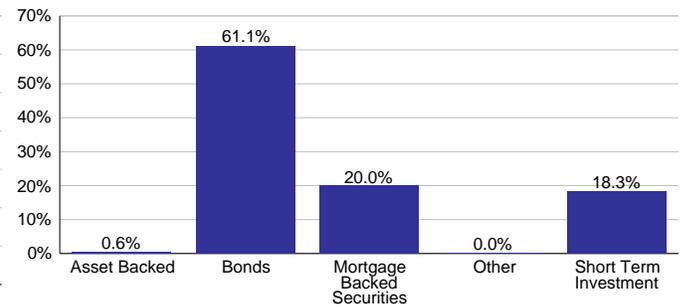
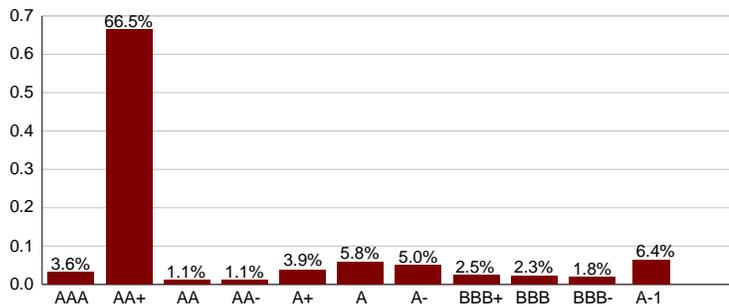
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
539992AA5	LOCAL GOVERNMENT INVESTMENT POOL	11.41%	0.00	31/12/2049
25153KEW3	DEUTSCHE BK FINL DISC COML PAPER	1.12%	0.00	30/5/2014
912828PE4	US TREASURY 1.25000 '15	1.00%	1.25	31/10/2015
45779QBK1	INSTITUTIONAL SECURED FUNDING LLC COMMERCIAL PAPER	0.84%	0.35	19/2/2014
62455BAF2	MOUNTCLIFF CORPORATE COMMERCIAL PAPER DISCOUNT DTD	0.84%	0.00	15/1/2014
52952MBD1	LEXINGTN PKR CAP CO LL CORPORATE COMMERCIAL PAPER	0.84%	0.00	13/2/2014
38362WBB6	GOVCO, LLC. CORPORATE COMMERCIAL PAPER DISCOUNT	0.84%	0.00	11/2/2014
0556N1FD0	BNP PARIBAS CP 06/06	0.84%	0.00	13/6/2014
31677QAV1	FIFTH THIRD BANCORP 1.45% BDS 28/FEB/2018 USD1000	0.83%	1.45	28/2/2018
912810ED6	US TREASURY 8.12500 '19	0.77%	8.12	15/8/2019

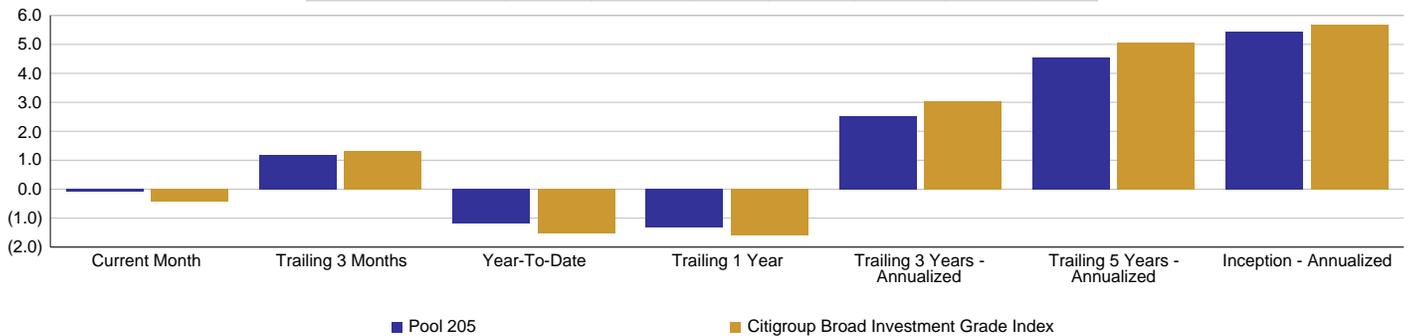
Quality/Rating Weightings

Sector Weightings (as % of Market Value)



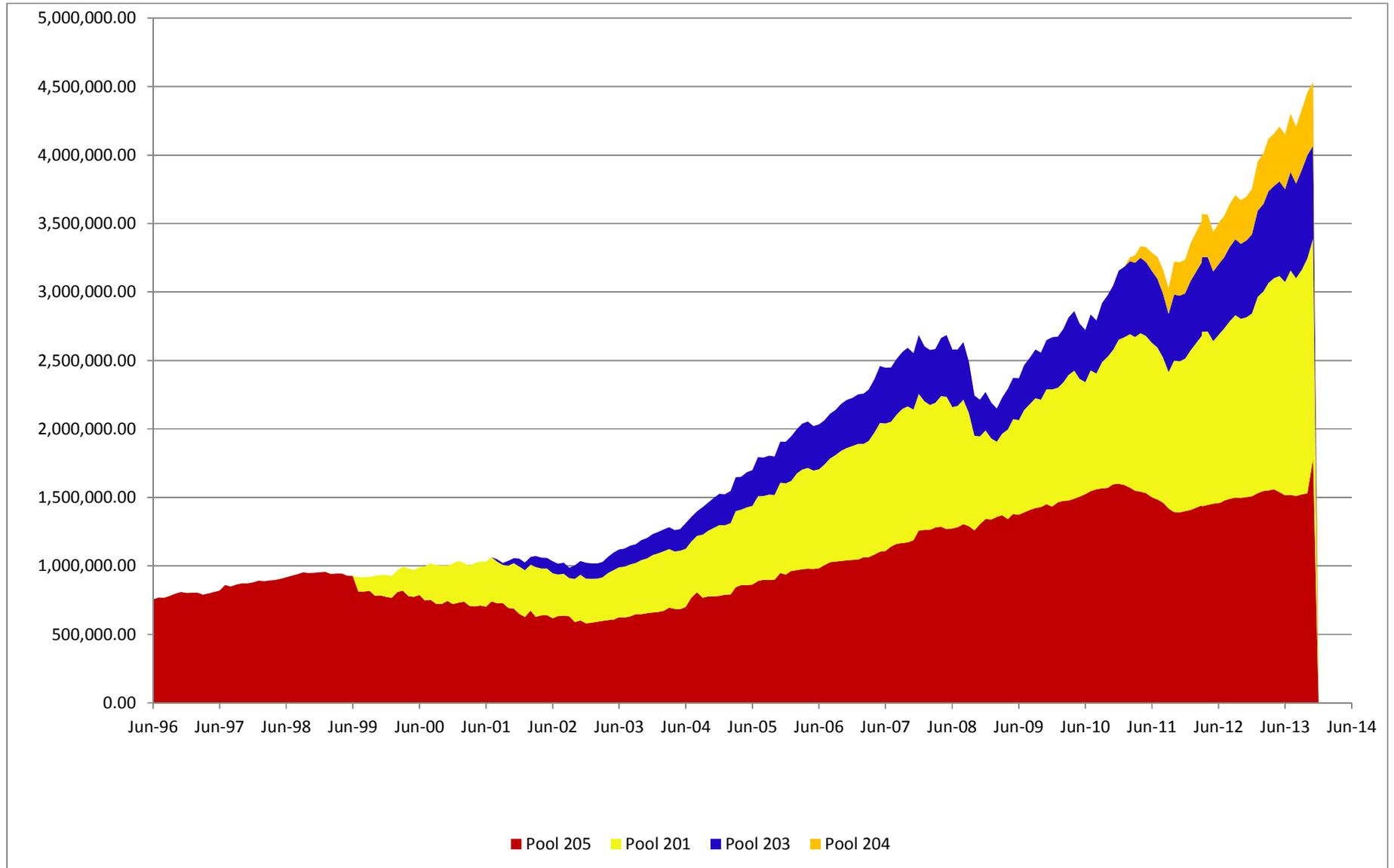
Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
Pool 205	(0.10)	1.20	(1.18)	(1.31)	2.53	4.53	5.44
Citigroup Broad Investment Grade Index	(0.42)	1.33	(1.52)	(1.60)	3.04	5.05	5.68
Excess	0.32	(0.14)	0.34	0.29	(0.51)	(0.51)	(0.24)



Thousands

Endowment Fund Market Value

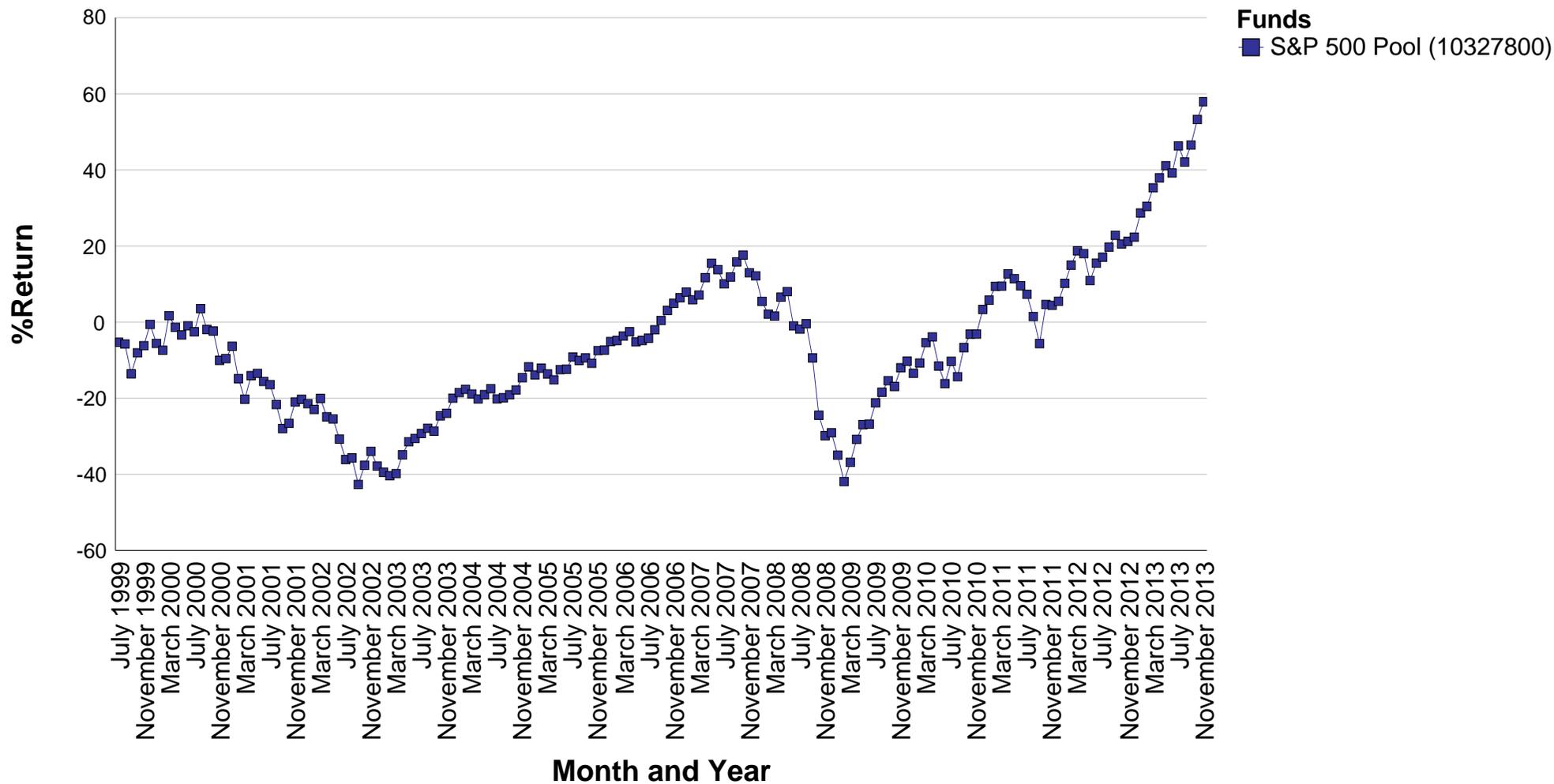


Performance Growth by Account

Arizona State Treasury (05509)

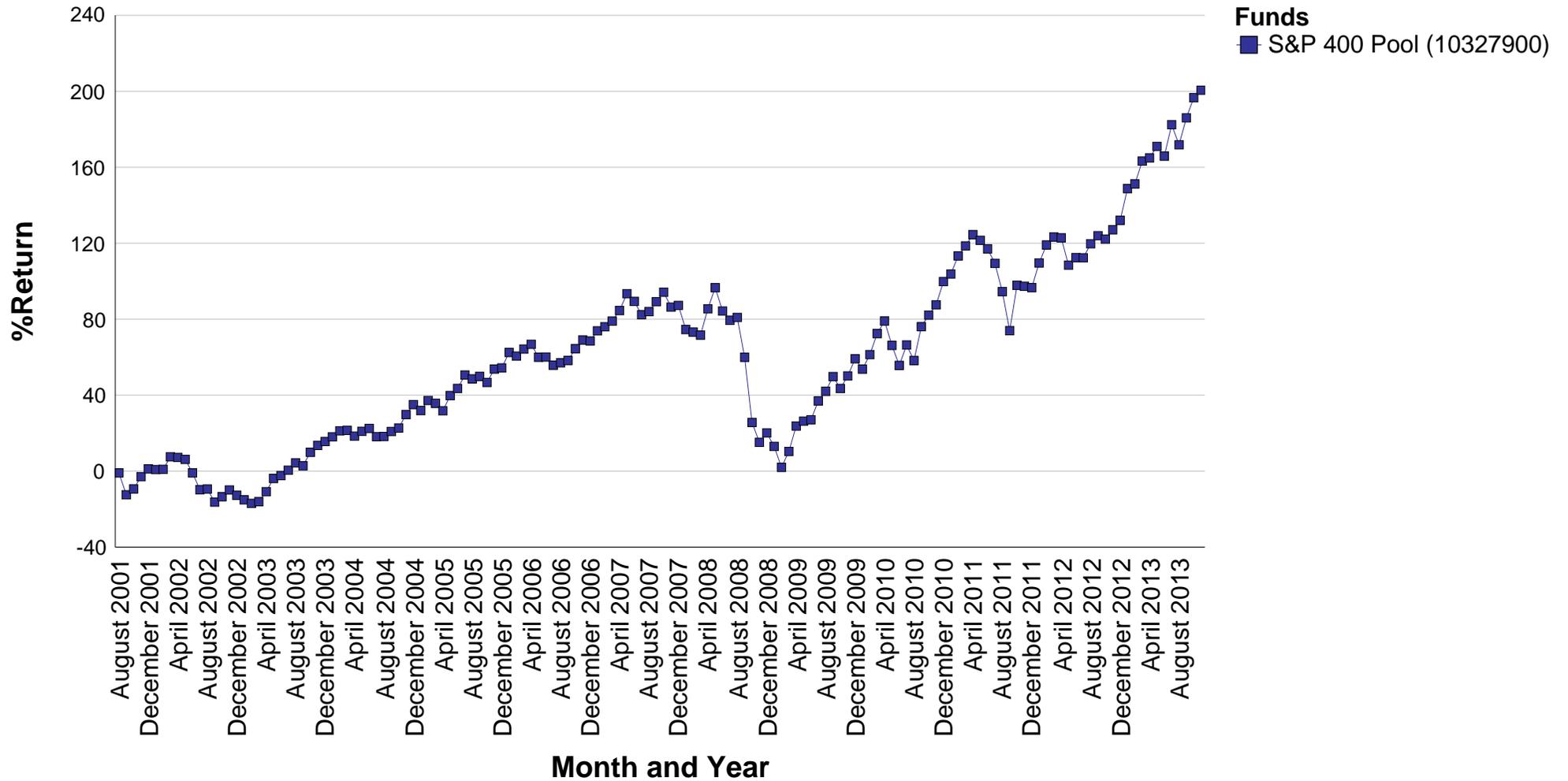
From July 1999 to November 2013

Gross of Fee



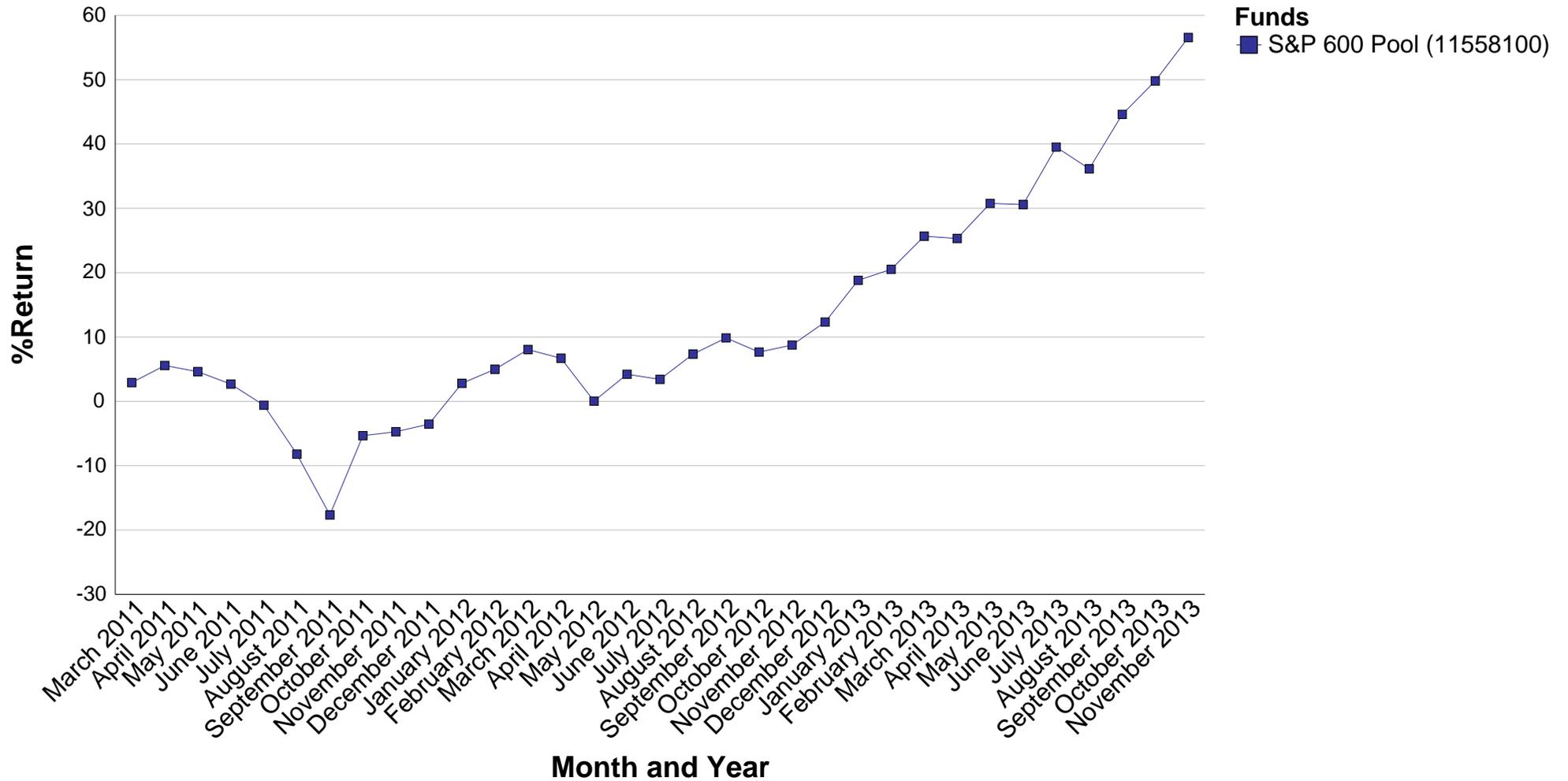
Performance Growth by Account

Arizona State Treasury (05509)
From August 2001 to November 2013
Gross of Fee



Performance Growth by Account

Arizona State Treasury (05509)
From March 2011 to November 2013
Gross of Fee



Performance Growth by Account

Arizona State Treasury (05509)
From July 1999 to November 2013
Gross of Fee

