OFFICE OF THE

ARIZONA STATE TREASURER

Doug Ducey
TREASURER

JULY 2014

Presented To:

Arizona State Board of Investment

AUGUST 25, 2014

STATE BOARD OF INVESTMENT

A G E N D A

August 25, 2014

1. Call to Order
2. Chairman Remarks
3. Approval of July 29, 2014 Minutes
4. Review of Treasurer's Monthly Reports
    A. Earnings Distribution; Investment Pools
    B. Operating Monies Invested Balances
    C. State Agency Pools Investments and Performance Reports
    D. LGIP Pools Investments and Performance Reports
    E. Earnings Distributed Endowment Funds
    F. Endowment Investments and Performance Reports
5. Proposed Changes to the Investment Policy
    A. Review of Proposed Changes
    B. Public Comment on Proposed Changes
    C. Discussion and Action on Proposed Changes
6. Review and Approval of Proposed/Pending Securities Dealers
7. General Business
8. Call to the Public
9. Notice of Next Meeting
10. Adjournment

REPORT OF THE STATE TREASURER

FOR

August 25, 2014

TABLE OF CONTENTS

Minutes of
BOARD OF INVESTMENT MEETING

The regular meeting of the State Board of Investment was held on July 29, 2014 in the Office of the State Treasurer, 1700 West Washington, State Capitol, West Wing, Treasurer's Conference Room, Phoenix, Arizona. Treasurer Ducey called the meeting to order at approximately 1:31 p.m.

Members Present:

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

Others Present:

Mark Swenson, Deputy Treasurer, Arizona State Treasurer's Office
Carlton Woodruff, Deputy Treasurer of Operations, Arizona State Treasurer's Office
Patty Humbert, Chief Investment Officer, Arizona State Treasurer's Office
Tim White, Senior Portfolio Manager, Arizona State Treasurer's Office
Dale Stomberg, Investment Accounting Manager, Arizona State Treasurer's Office
Martin Kelly, Investment Analyst, Arizona State Treasurer's Office
Kevin Donnellan, Director of Communications, Arizona State Treasurer's Office

Pursuant to A.R.S. 35-311, the following reports for June, 2014 were submitted for the Board's approval:

Review of Treasurer's Monthly Reports:

Earnings Distribution; Investment Pools

Operating Monies Invested Balances

State Agency Pools Investments and Performance Reports

LGIP Pools Investments and Performance Reports

Earnings Distributed Endowment Funds

Endowment Investments and Performance Reports

Broker Activity Report

1. **Call to Order:**
   Treasurer Ducey called the July 29, 2014 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 July 29, 2014 meeting.

3. **Approval of Minutes:**
   Mr. Papp made a motion to approve the June 24, 2014 minutes. Mr. Kingry seconded the motion. Motion carried.

4. Review of Treasurer's Monthly Report

Earnings Distribution – Investment Pools

Ms. Humbert reported the earnings distributed month-to-date, year-to-date, prior year-to-date, and investment management fees deposited in the General Fund for the month of June, 2014.

Operating Monies Average Invested Balance

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

Review of Treasurer's Monthly Report – Agency Pools:

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

State Agency Pools Portfolio Yield Analysis

Ms. Humbert reported the net yields for the State Agency Pools for the month of June, 2014.

Manager Allocation of Invested Monies for the State Agency Pools

Ms. Humbert reported the total market value of all of the State Agency Pools broken up to show the percent allocated to each individual State Agency Pool as of June 30, 2014.

Investments Outstanding in State Agency Pools

Ms. Humbert reported the total net assets, asset allocation, the weighted average life, the weighted average duration and the weighted average rating for the State Agency Investment Pools as of June 30, 2014.

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

Ms. Humbert 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

Ms. Humbert reported the net yield for the LGIP and LGIP-Gov Pools and the comparison to the benchmark for the month of June, 2014.

Pool 500 & Pool 700 Portfolio Yield Analysis

Ms. Humbert reported the net yield for the LGIP Medium Term Pools and the comparison to the benchmark for the month of June, 2014.

Manager Allocation of Invested Monies for the LGIP Pools

Ms. Humbert 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 June 30, 2014.

LGIP Pools Investments and Performance Reports

Ms. Humbert 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 June, 2014.

> *Ms. Ford made an inquiry, referencing Pool 7 regarding the basis point jump in yield from the prior month. Ms. Humbert stated that this was an anomaly due to a double month payment on securities lending income. Noting the securities lending income was a bit more than anticipated and does not anticipate seeing another jump like this in the future.*

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 June, 2014.

Net Realized Capital Gains/Losses – Endowment Funds

Mr. White reported the net realized capital gains for the Endowment Fixed Income, S&P 500, S&P 400 and S&P 600 pools for the month of June 2014 and fiscal year to date.

Endowment Funds Fixed-Income Pool Purchases & Sales

Mr. White reported the purchases and sales of the Endowment Fixed Income Pool for the month of June, 2014.

Equity Funds Purchases & Sales

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

Investments Outstanding in Endowment Funds

Mr. White reported the par, book, market value, and unrealized gains/loss of the Endowment Funds as of June 30, 2014.

Performance of Investments in Endowment Funds

Mr. White reported the performance of the Endowment Funds for the current month, the year to date, trailing one year, trailing three years, trailing five years, and since inception for the Endowment Funds as of June 30, 2014.

Manager Allocation of Invested Monies for the Endowment Pools

Mr. White reported the percentage of the total market value of all of the Endowment investments allocated to each of the Endowment Pools, as of June 30, 2014.

Equity Holdings Investments Outstanding S&P 500

Mr. White reported the investments outstanding by portfolio characteristics and industry sector for the S&P 500 Pool as of June 30, 2014.

Equity Holdings Investments Outstanding S&P 400

Mr. White reported the investments outstanding by portfolio characteristics and industry sector for the S&P 400 Pool as of June 30, 2014.

Equity Holdings Investments Outstanding S&P 600

Mr. White reported the investments outstanding by portfolio characteristics and industry sector for the S&P 600 Pool as of June 30, 2014.

Fixed Income Investments and Performance Reports

Mr. White reported the total net assets, asset allocation, the weighted average life, the weighted average duration and the weighted average rating for the Fixed Income Pool for the month of June, 2014.

Endowment Investments and Performance Growth by Account Reports

Mr. White reported the performance and growth for each of the Endowment Funds from the inception date of each fund through the end of June, 2014.

Approval of Treasurer's Report

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

5. **Proposed Changes to Investment Policy:**
   No proposed changes.

6. **Review and approval of Proposed/Pending Securities Dealers:**
   No proposed changes.

7. **General Business:**
   There was no general business.

8. **Call to the Public**
   There was no public comment.

   Mr. Kingry inquired as to how the transition to State Street was working out and if the support and accuracy was improving. Ms. Humbert stated that they are moving in the right direction.

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

9. **Notice of Next Meeting:**

   Treasurer Ducey advised the Board that the next regular meeting of the Board of Investment will be Tuesday, August 26, 2014 at 1:30 p.m. at 1700 West Washington, State Capitol, West Wing, Treasurer's Conference Room, Phoenix, Arizona.

10. **Adjournment:**

    Mr. Kingry made a motion to adjourn the BOI meeting. Mr. Papp seconded the motion. Upon unanimous approval the BOI Meeting was adjourned at 2:11 p.m.

Respectfully Submitted by:

____
Barbara Conley
Executive Consultant II

Approved by:

______________________________ ______________________________
Doug Ducey, Chair Date

EARNINGS DISTRIBUTION - INVESTMENT POOLS
JULY 2014

Recipient	Earnings Distributed JULY 2014	Fiscal YTD 14/15	Fiscal YTD 13/14	Fiscal YTD Investment Management Fees Received
General Fund	$1,158,388	$1,158,388	$1,354,194	
2 State Agencies - Full Faith & Credit	446,483	446,483	590,730	$43,687
3 State Agencies - Diversified *(Combined)*	580,565	580,565	1,198,986	64,343
4 State Agencies - Gov	545,045	545,045	462,409	41,244
5 LGIP	72,727	72,727	148,103	55,225
7 LGIP Gov	41,122	41,122	27,074	43,672
10 Restricted Operating	269,226	269,226	0	66,334
12 CAWCD Medium-Term	428,446	428,446	469,214	13,989
15 GADA Long-Term	15,041	15,041	29,322	566
16 ECDH Medium-Term	467,097	467,097	461,975	17,471
Subtotal	**$4,024,142**	**$4,024,142**	**$4,742,006**	**$346,533**
NAV POOL				
500 LGIP - Med Term	256,133	256,133	242,704	11,851
700 LGIP - FF&C Med Term	127,094	127,094	150,136	7,568
Total	**$4,407,368**	**$4,407,368**	**$5,134,846**	**$365,951**
JULY 2013 TOTALS	**$5,134,846**			**$417,978**

OPERATING MONIES
AVERAGE INVESTED BALANCE
Through July 31, 2014
(in millions of dollars)

Month	Fiscal Year 2012/2013	Fiscal Year 2013/2014	Fiscal Year 2014/2015
JULY	1,817	1,942	1,876
AUGUST	1,475	1,709	
SEPTEMBER	1,420	1,974	
OCTOBER	1,205	1,824	
NOVEMBER	1,316	1,853	
DECEMBER	1,464	1,895	
JANUARY	1,885	2,234	
FEBRUARY	1,899	2,427	
MARCH	1,815	2,107	
APRIL	2,109	2,100	
MAY	2,428	2,312	
JUNE	2,679	2,462	
Y-T-D Average	**$1,793**	**$2,070**	**$1,876**

Budget Stabilization Average Fund Balance - July 2014	**$455**
Total Average Cash Available - July 2014	**$2,331**

STATE AGENCY POOLS
PORTFOLIO EARNINGS ANALYSIS
July 31, 2014

FUND	DESCRIPTION	Current Month 07/31/14	Prior Month 06/30/14	Prior Year 7/31/13	Net Asset Value Per Share
2	STATE AGENCIES - FULL FAITH & CREDIT	559,307	598,326	867,461	0.9927
3	STATE AGENCIES - DIVERSIFIED				
	INTERNAL MANAGERS	822,955	801,456	1,842,459	0.9941
	EXTERNAL MANAGERS	56,234	59,468	56,147	1.0001
	FUND 3 TOTAL	879,188	860,924	1,898,606	0.9946
4	STATE AGENCIES - GOV	720,252	730,302	769,745	0.9879
10	RESTRICTED OPERATING				
	INTERNAL MANAGERS	767,766	776,942	49,751	0.9947
	EXTERNAL MANAGERS	71,872	70,149	N/A	1.0011
	FUND 10 TOTAL	**839,638**	**847,091**	49,751	0.9960
12	CAWCD MEDIUM-TERM	428,446	429,998	469,214	1.0071
15	GADA LONG-TERM	15,041	14,545	29,322	0.9929
16	ECDH MEDIUM-TERM	467,097	433,700	461,975	0.9894
	TOTAL STATE AGENCIES	**3,908,970**	**3,914,887**	**4,546,074**	

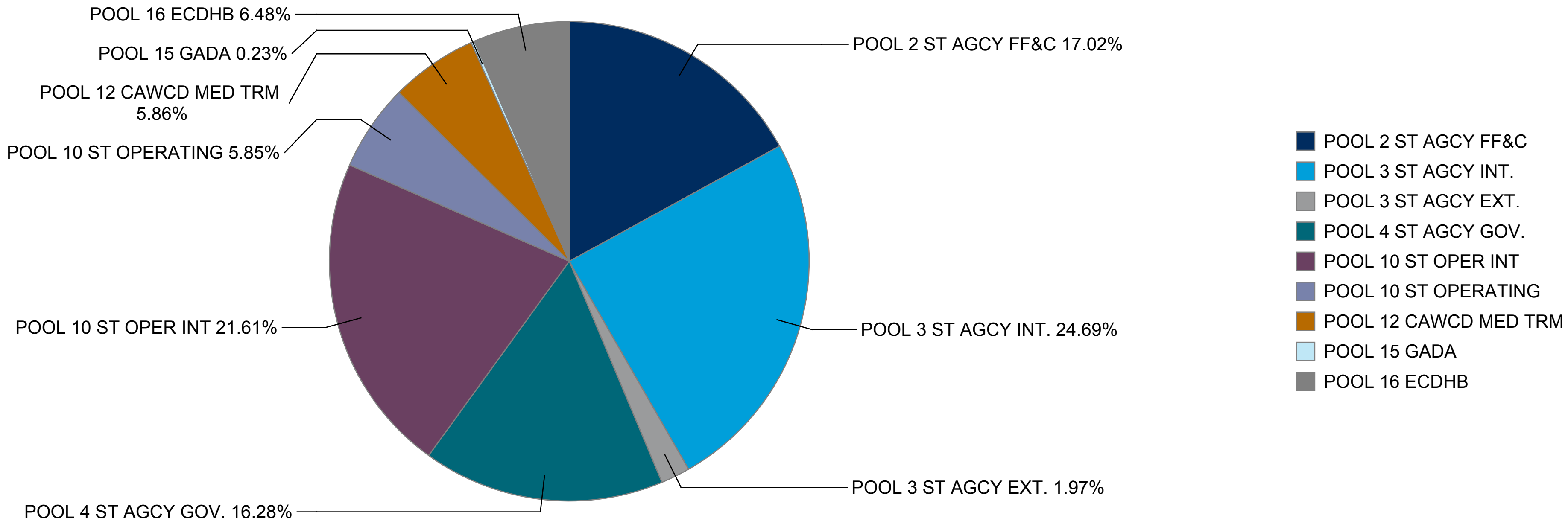
STATE AGENCY POOLS
PORTFOLIO YIELD ANALYSIS
JULY 31, 2014

FUND	DESCRIPTION	Current Month 07/31/14	Prior Month 06/30/14	Prior Year 7/31/13
2	STATE AGENCIES - FULL FAITH & CREDIT	0.71%	0.62%	0.93%
	75% MERRILL 0-1 US TREAS INDEX / 25% MERRILL US GNMA MORTGAGE BACKED INDEX	0.79%	0.75%	0.86%
3	STATE AGENCIES - DIVERSIFIED			
	INTERNAL MANAGERS	0.76%	0.63%	0.99%
	EXTERNAL MANAGERS	0.65%	0.71%	0.66%
	COMBINED	0.75%	0.64%	0.97%
	50% 3 MONTH LIBOR INDEX / 50% MERRILL 1-3 US BROAD MARKET INDEX	0.51%	0.46%	0.47%
4	STATE AGENCIES - GOV	0.97%	0.81%	0.92%
	50% MERRILL 6 MTH US T-BILL INDEX / 50% MERRILL 1-3 UNSUB. US TREAS / AGY INDEX	0.30%	0.26%	0.21%
10	RESTRICTED OPERATING			
	INTERNAL MANAGERS	0.81%	0.85%	0.20%
	EXTERNAL MANAGERS	0.28%	0.28%	N/A
	COMBINED	0.70%	0.73%	0.20%
	SIFMA MUNICIPAL SWAP INDEX	N/A	N/A	0.05%
	**50% 3 MONTH LIBOR INDEX / 50% MERRILL 1-3 US BROAD MARKET INDEX	0.51%	0.46%	N/A
12	CAWCD MEDIUM-TERM	1.68%	1.80%	1.95%
	*MERRILL 1-5 US D M INDEX	1.32%	1.18%	1.30%
15	GADA LONG-TERM	1.46%	1.46%	2.85%
	MERRILL 3-5 US BROAD MARKET EX CORP	1.80%	1.61%	1.80%
16	ECDH MEDIUM-TERM	1.63%	1.56%	1.67%
	*MERRILL 1-5 US D M INDEX	1.32%	1.18%	1.30%

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

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

Manager Allocation



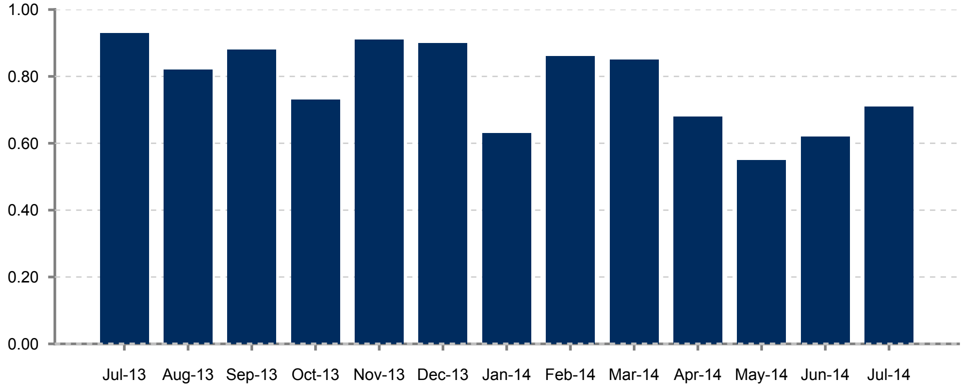
	Market Value	% of Portfolio
POOL 2 ST AGCY FF&C	876,774,680	17.0
POOL 3 ST AGCY INT.	1,272,127,076	24.7
POOL 3 ST AGCY EXT.	101,272,514	2.0
POOL 4 ST AGCY GOV.	838,758,227	16.3
POOL 10 ST OPER INT	1,113,250,601	21.6
POOL 10 ST OPERATING	301,516,513	5.9
POOL 12 CAWCD MED TRM	302,133,183	5.9
POOL 15 GADA	12,036,944	0.2
POOL 16 ECDHB	334,060,934	6.5
TOTAL STATE AGENCY	5,151,930,674	100.0

OFFICE OF THE ARIZONA STATE TREASURER

July 31, 2014

POOL 2 ST AGCY FF&C

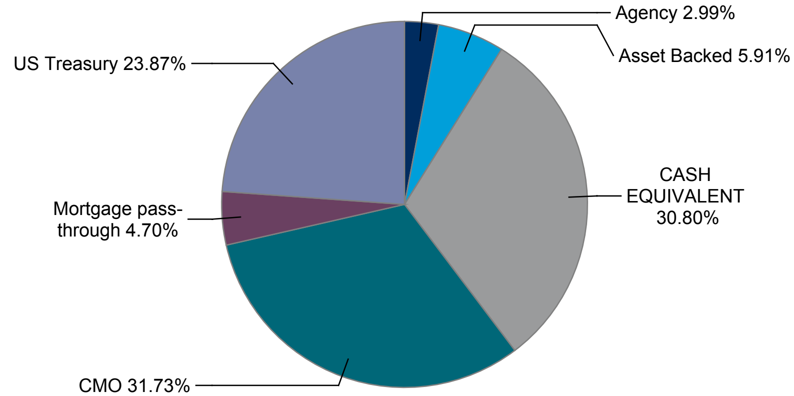
Net Yield



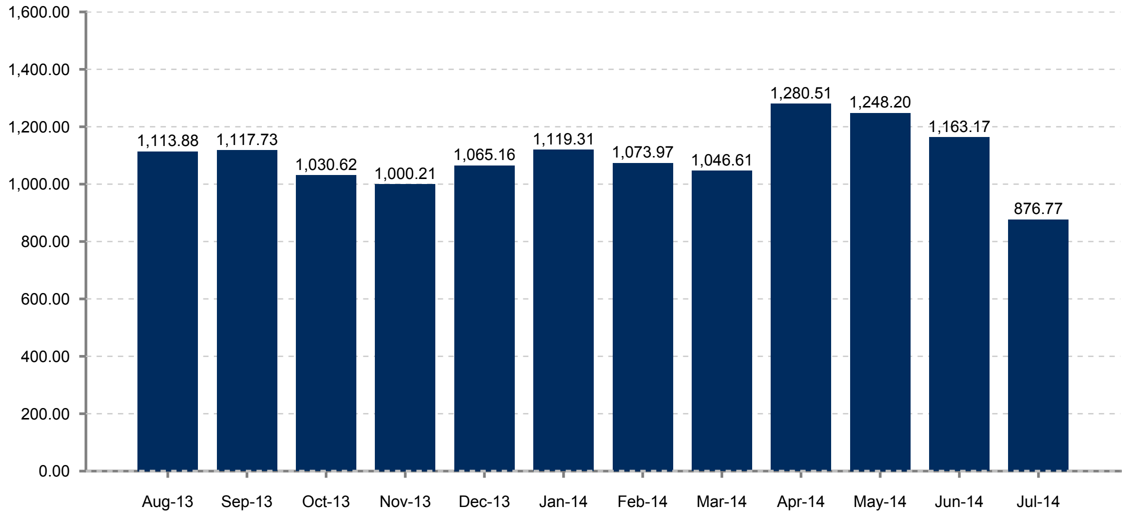
	Current Mth	Prior Mth	1 Year Ago
POOL 2 ST AGCY FF&C	0.71	0.62	0.93

Asset Allocation

	Ending Market Value
POOL 2 ST AGCY FF&C	876,774,680



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 2 ST AGCY FF&C		
SOUTH STREET REPO	140,000,311	15.97
BANK OF AMERICA REPO	100,000,000	11.41
US TREASURY N/B	72,762,833	8.30
UNITED STATES TREASURY NOTE/BO	50,044,824	5.71
GOVERNMENT NATIONAL MORTGAGE A	32,739,698	3.73
GOVERNMENT NATIONAL MORTGAGE A	22,636,500	2.58
US TREASURY FRN	19,997,299	2.28
UNITED STATES TREASURY BILL 10/14 0.00000	19,994,081	2.28
GOVERNMENT NATIONAL MORTGAGE A	19,585,671	2.23
GOVERNMENT NATIONAL MORTGAGE A	18,532,674	2.11

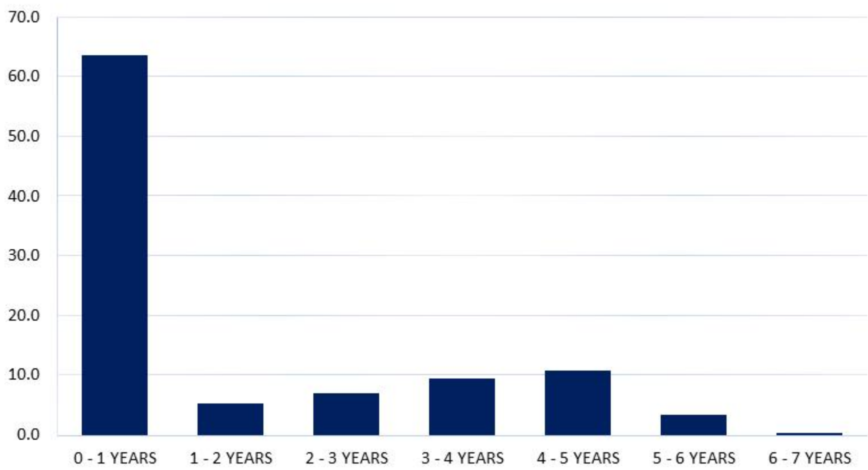
OFFICE OF THE ARIZONA STATE TREASURER

July 31, 2014

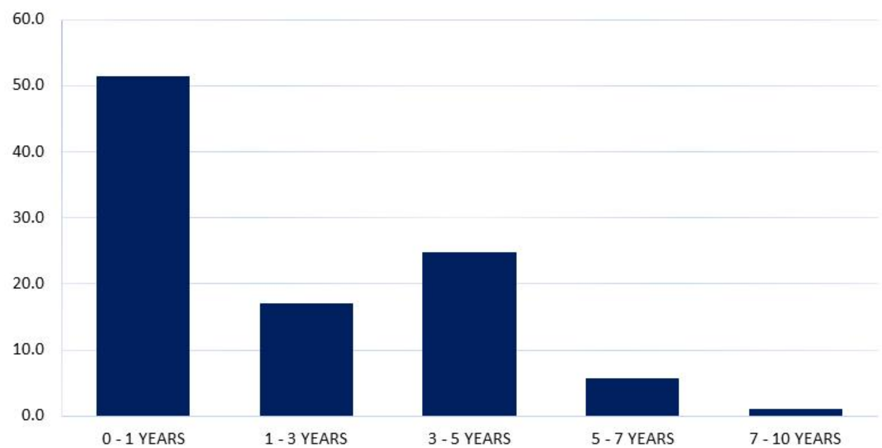
POOL 2 ST AGCY FF&C

STATE STREET.

Duration Distribution



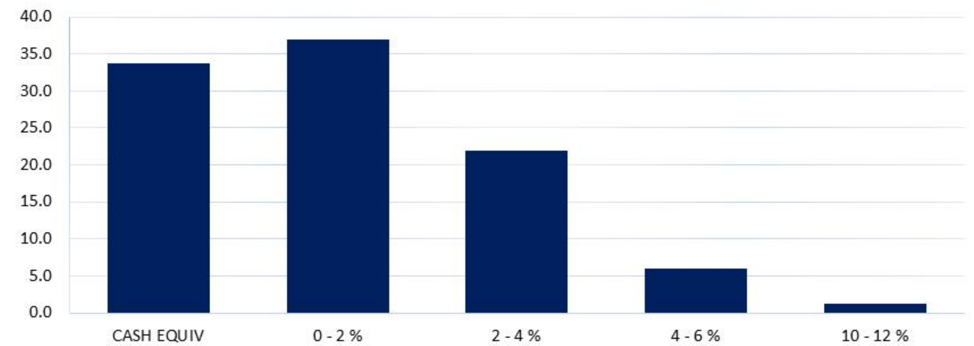
Expected Maturity Distribution



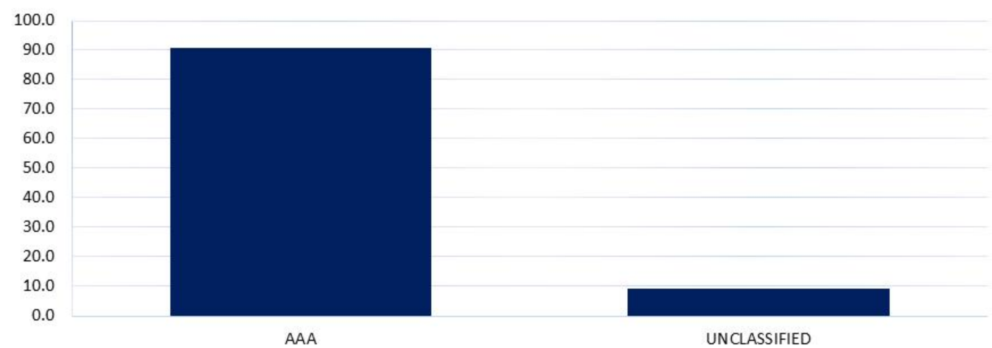
Portfolio Level Characteristics

	POOL 2 ST AGCY FF&C
Weighted Average Life	1.91
Coupon	1.72
Effective Duration	1.39
Quality Rating (S&P)	AA+

Coupon Distribution



Rating Distribution

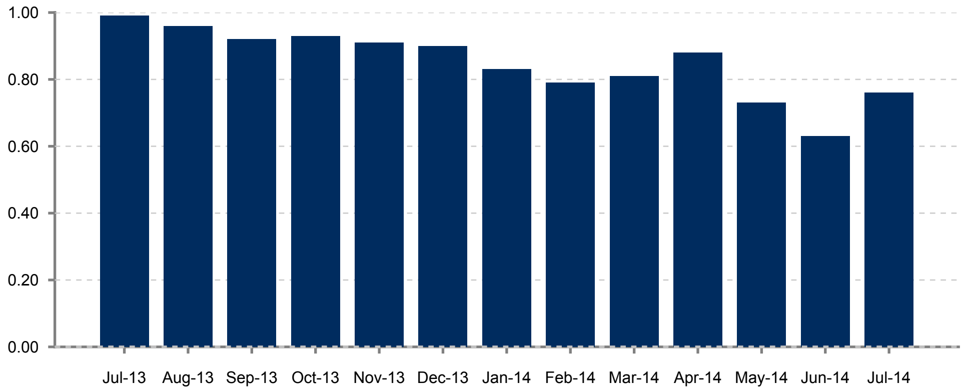


OFFICE OF THE ARIZONA STATE TREASURER

July 31, 2014

POOL 3 ST AGCY INT.

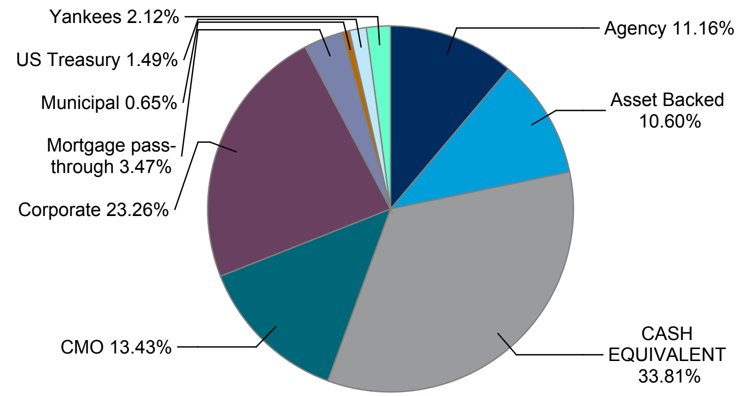
Net Yield



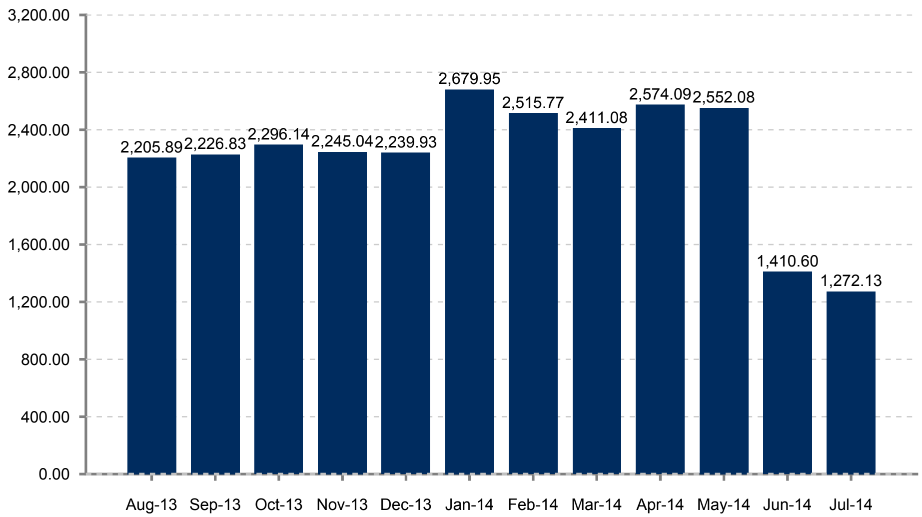
	Current Mth	Prior Mth	1 Year Ago
POOL 3 ST AGCY INT.	0.76	0.63	0.99

Asset Allocation

	Ending Market Value
POOL 3 ST AGCY INT.	1,272,127,076



Net Asset Values over Time ($MM)



Top 10 Holdings

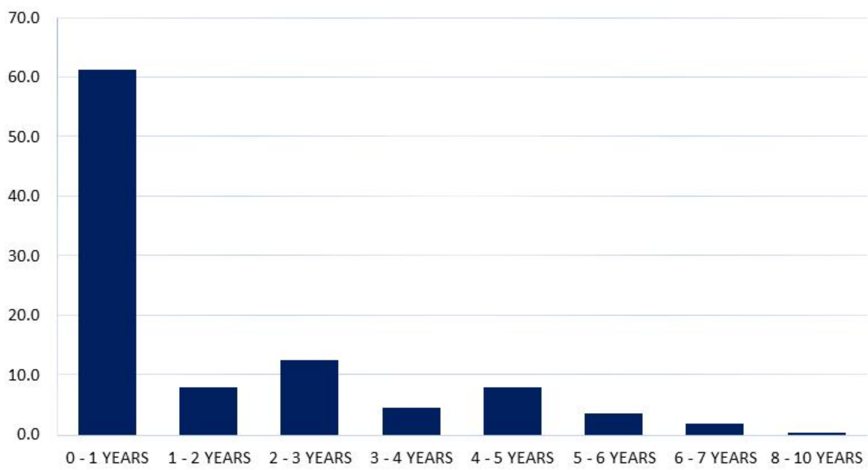
Security Name	Ending Market Value	% of Portfolio
POOL 3 ST AGCY INT.		
SOUTH STREET REPO	175,125,939	13.77
SOUTH STREET REPO	85,003,809	6.68
RIDGEFIELD FUNDING CO	39,998,933	3.14
INSTITUTIONAL SECURED	39,998,200	3.14
FREDDIE MAC	36,033,239	2.83
CITIGROUP INC	25,032,638	1.97
WHITE POINT FDG INC	24,789,415	1.95
BARTON CAPITAL CORP. COMMERCIAL PAPER DISCOUNT	23,419,642	1.84
FEDERAL NATL MTG ASSN	22,318,665	1.75
FANNIE MAE	21,730,185	1.71

OFFICE OF THE ARIZONA STATE TREASURER

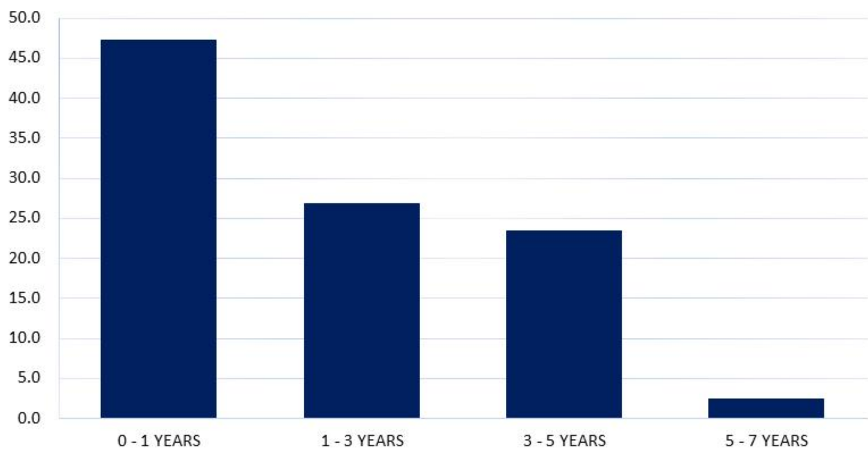
July 31, 2014

POOL 3 ST AGCY INT

Duration Distribution



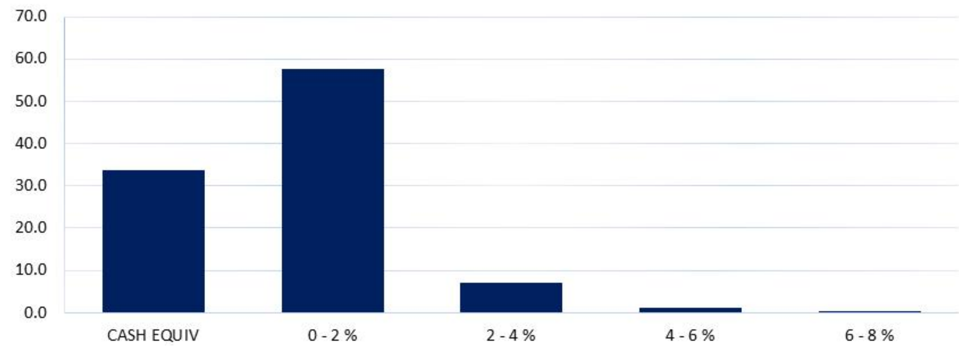
Expected Maturity Distribution



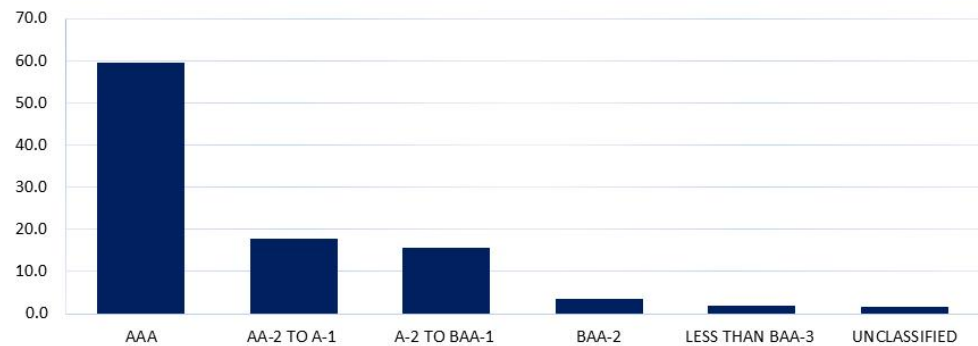
Portfolio Level Characteristics

	POOL 3 ST AGCY INT.
Weighted Average Life	1.67
Coupon	0.92
Effective Duration	1.41
Quality Rating (S&P)	AA

Coupon Distribution



Rating Distribution

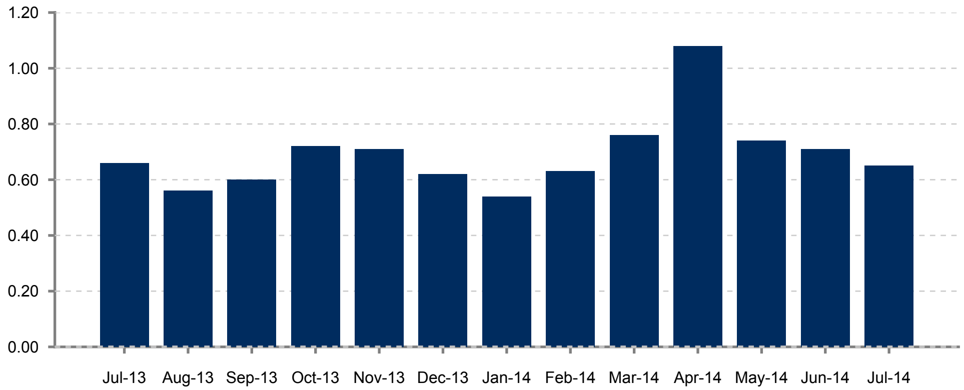


OFFICE OF THE ARIZONA STATE TREASURER

July 31, 2014

POOL 3 ST AGCY EXT.

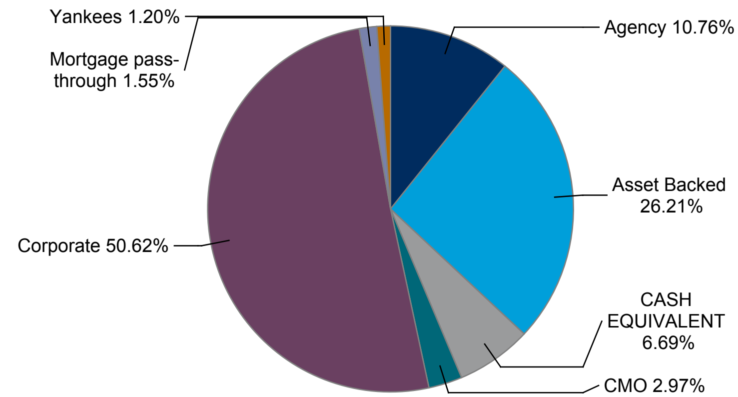
Net Yield



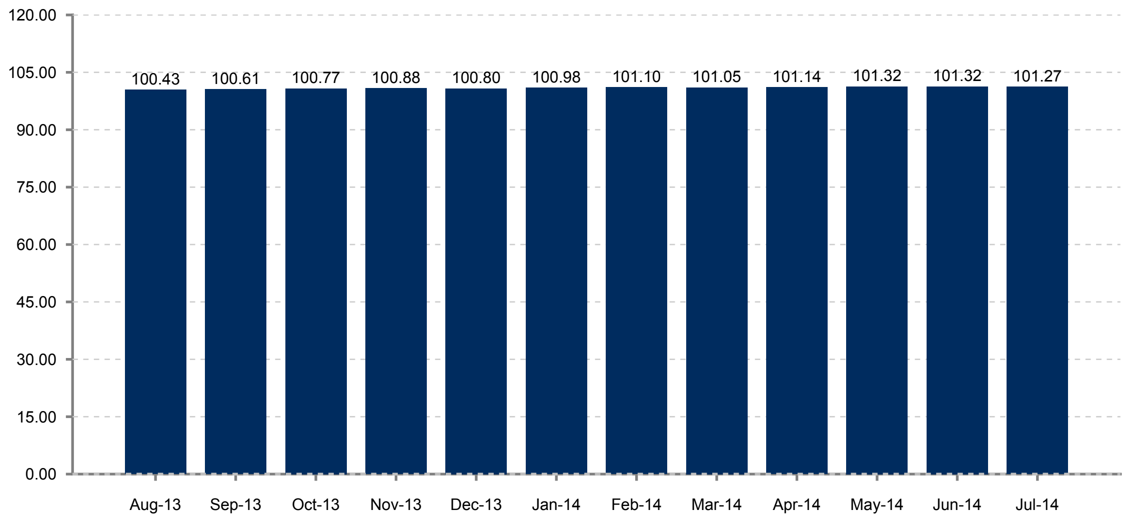
	Current Mth	Prior Mth	1 Year Ago
POOL 3 ST AGCY EXT.	0.65	0.71	0.66

Asset Allocation

	Ending Market Value
POOL 3 ST AGCY EXT.	101,272,514



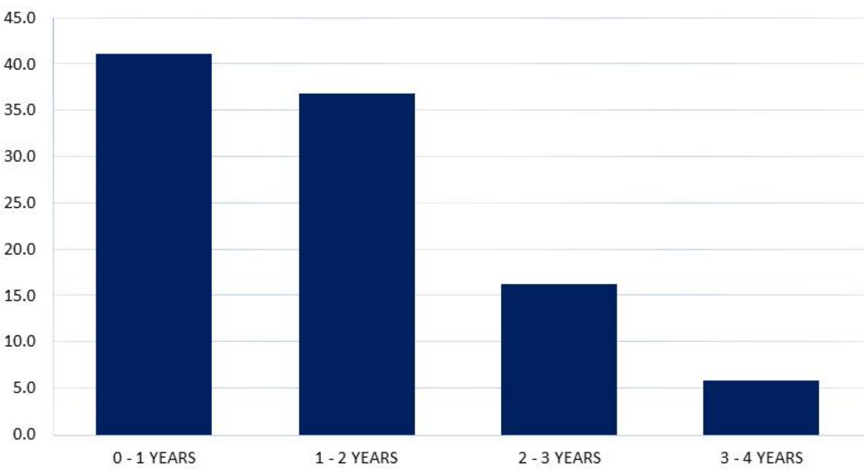
Net Asset Values over Time ($MM)



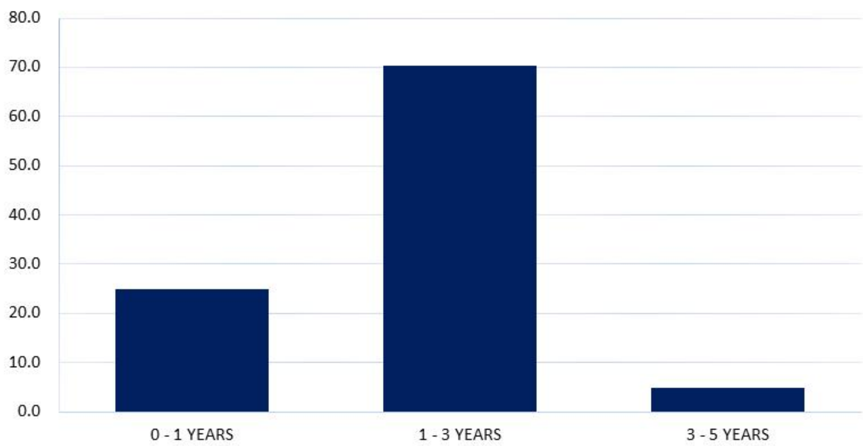
Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 3 ST AGCY EXT.		
WELLS FARGO BANK NA	2,305,260	2.28
ROYAL BK OF CANADA	1,804,586	1.78
MUFG UNION BANK NA	1,669,330	1.65
HYUNDAI AUTO RECEIVABLES TRUST	1,640,474	1.62
PACCAR FINANCIAL CORP	1,611,226	1.59
DISCOVER CARD EXECUTION NOTE T	1,574,670	1.55
JPMORGAN CHASE + CO	1,514,859	1.50
CITIBANK CREDIT CARD ISSUANCE	1,506,980	1.49
BANK OF AMERICA NA	1,504,997	1.49
FANNIE MAE	1,502,662	1.48

Duration Distribution



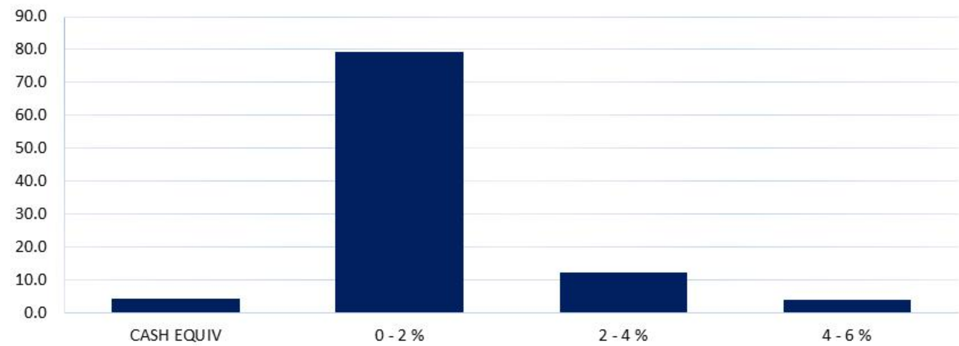
Expected Maturity Distribution



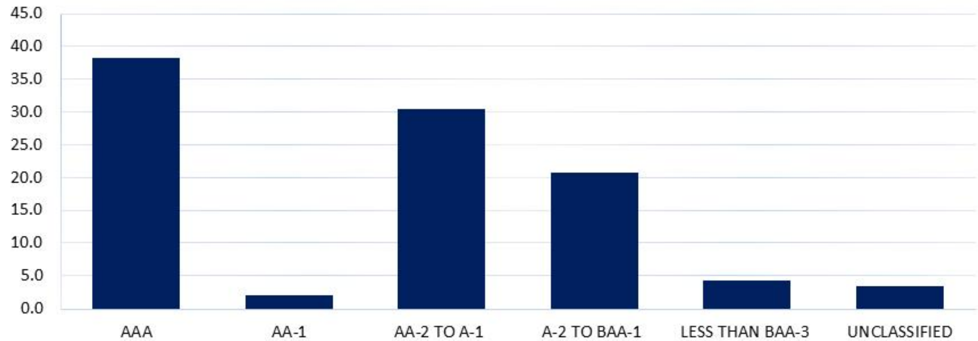
Portfolio Level Characteristics

	POOL 3 ST AGCY EXT.
Weighted Average Life	1.72
Coupon	1.26
Effective Duration	1.32
Quality Rating (S&P)	AA-

Coupon Distribution



Rating Distribution



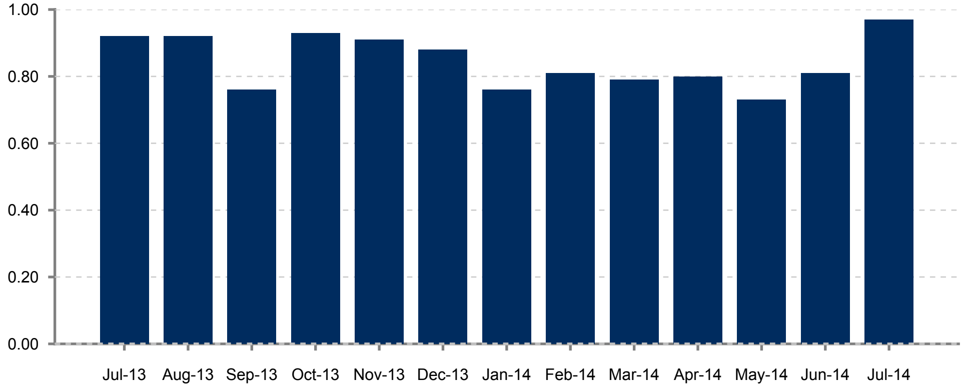
OFFICE OF THE ARIZONA STATE TREASURER

July 31, 2014

POOL 4 ST AGCY GOV.

STATE STREET.

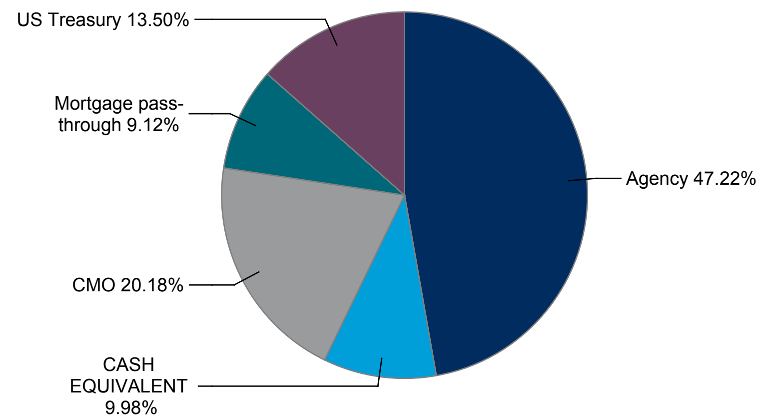
Net Yield



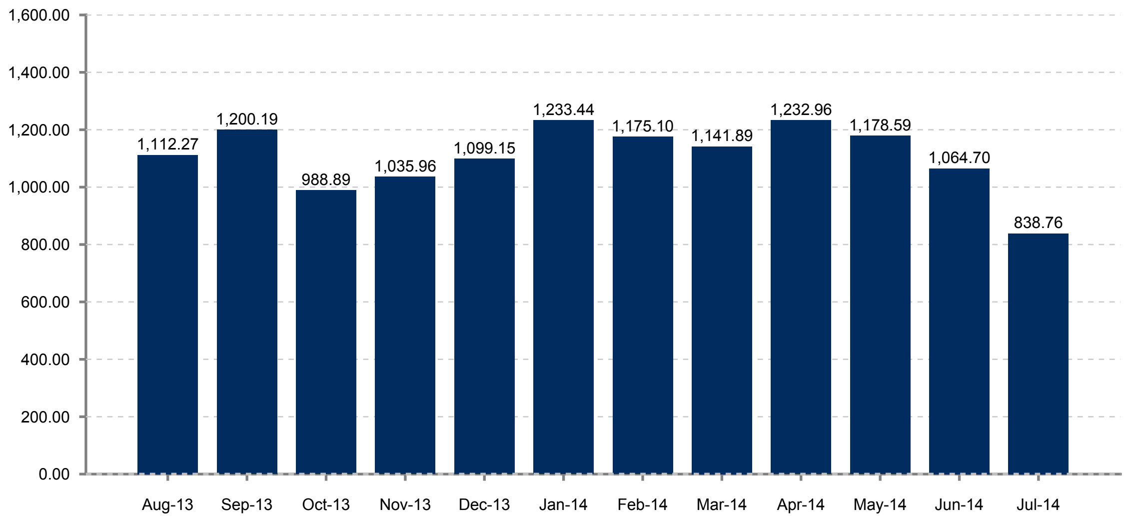
	Current Mth	Prior Mth	1 Year Ago
POOL 4 ST AGCY GOV.	0.97	0.81	0.92

Asset Allocation

	Ending Market Value
POOL 4 ST AGCY GOV.	838,758,227



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 4 ST AGCY GOV.		
FANNIE MAE	49,056,726	5.85
WELLS FARGO REPO	48,876,733	5.83
FEDERAL HOME LOAN BANK	32,200,794	3.84
FEDERAL FARM CREDIT BANK	30,022,794	3.58
SOUTH STREET REPO	24,874,839	2.97
FREDDIE MAC	23,788,937	2.84
FED HM LN PC POOL Q06969	20,395,756	2.43
FEDERAL FARM CREDIT BANK	20,022,772	2.39
FEDERAL FARM CREDIT BANK	20,011,574	2.39
FEDERAL FARM CREDIT BANK	20,003,679	2.38

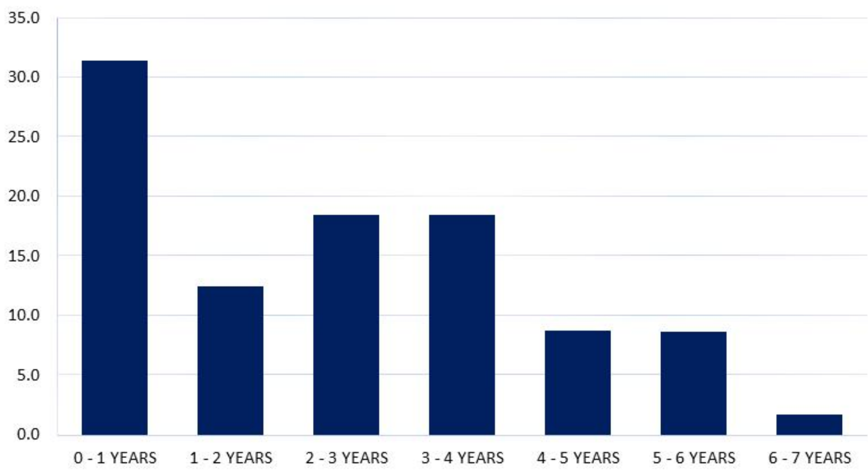
OFFICE OF THE ARIZONA STATE TREASURER

July 31, 2014

POOL 4 ST AGCY GOV

STATE STREET.

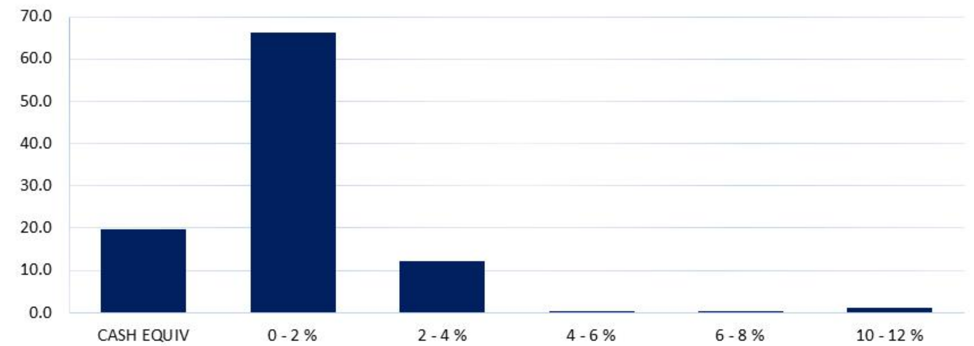
Duration Distribution



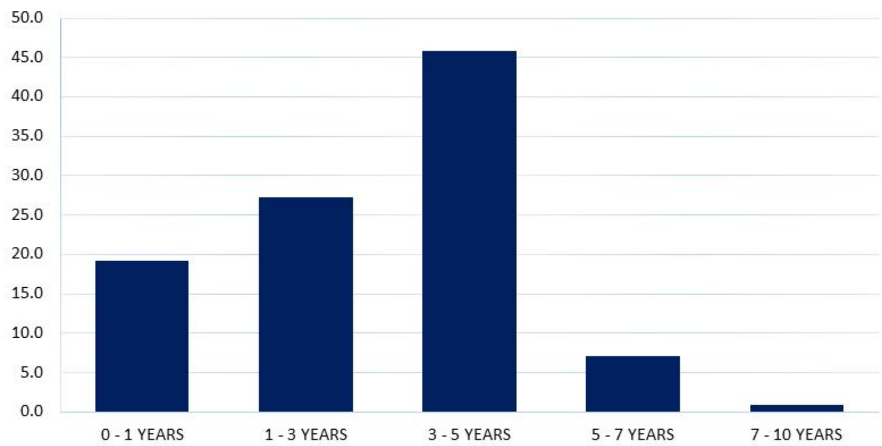
Portfolio Level Characteristics

	POOL 4 ST AGCY GOV.
Weighted Average Life	2.74
Coupon	1.32
Effective Duration	2.35
Quality Rating (S&P)	AA+

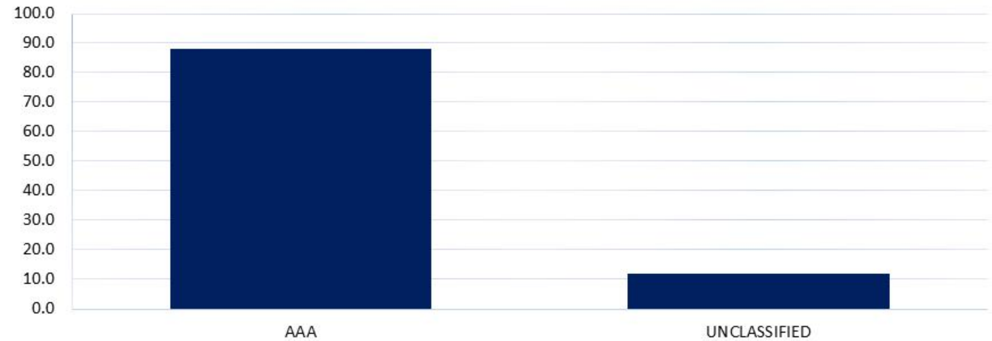
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



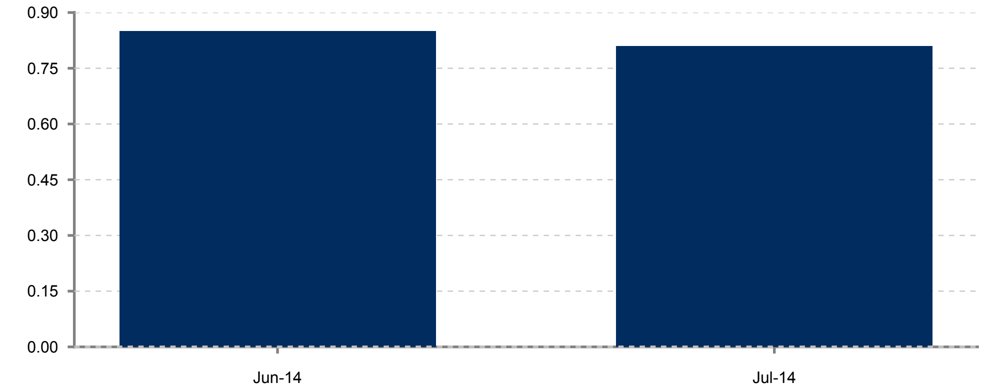
OFFICE OF THE ARIZONA STATE TREASURER

July 31, 2014

POOL 10 ST OPERATING INT

STATE STREET.

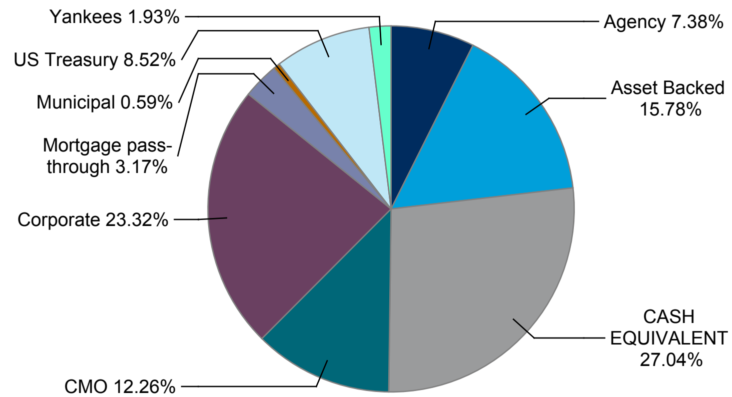
Net Yield



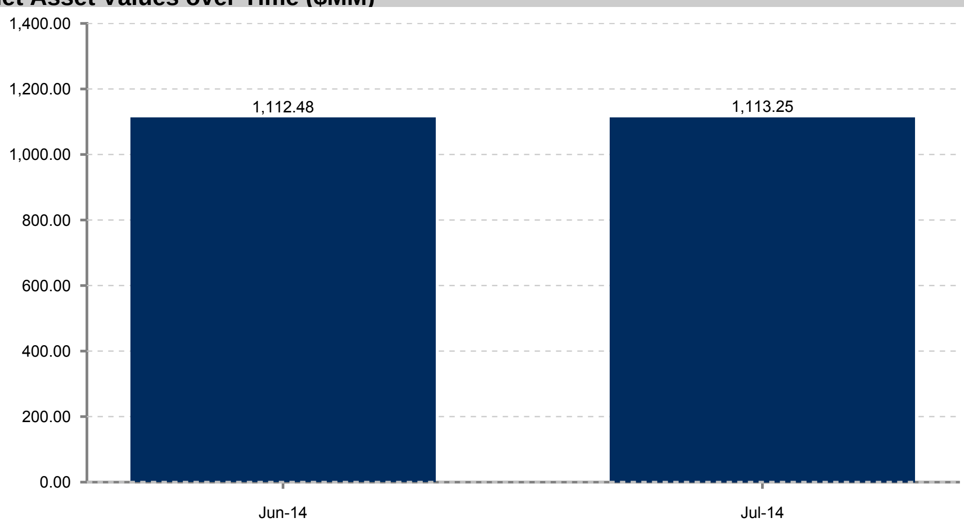
	Current Mth	Prior Mth	1 Year Ago
POOL 10 ST OPER INT	0.81	0.85	

Asset Allocation

	Ending Market Value
POOL 10 ST OPER INT	1,113,250,601



Net Asset Values over Time ($MM)



Top 10 Holdings

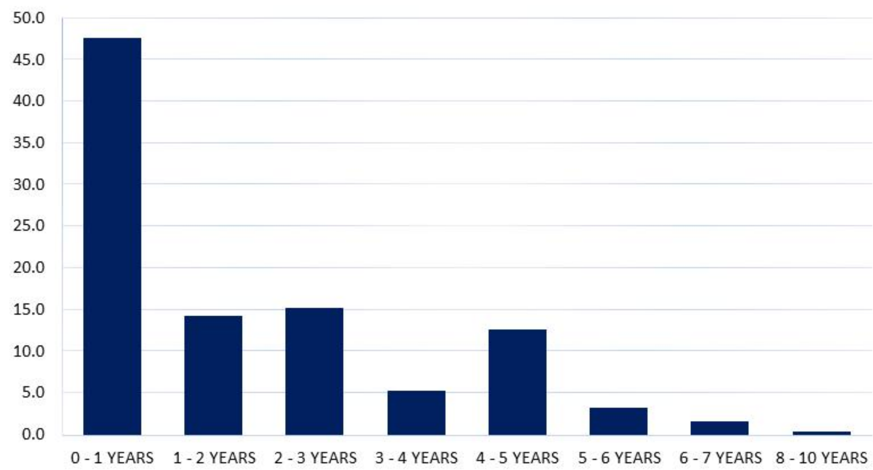
Security Name	Ending Market Value	% of Portfolio
POOL 10 ST OPER INT		
WHITE POINT FDG INC	40,652,546	3.65
CEDAR SPRING CPTL CO	39,990,289	3.59
ING (US) FUNDING LLC	39,968,156	3.59
CONCORD MIN CPTL CO	29,994,667	2.69
CROWN POINT CAP CO.	29,994,667	2.69
STARBIRD FDG. CORP COMMERCIAL PAPER DISCOUNT	29,993,350	2.69
MOUNTCLIFF	29,983,350	2.69
INSTITUTIONAL SECURED	25,014,575	2.25
US TREASURY N/B	20,005,576	1.80
US TREASURY N/B	19,980,665	1.79

OFFICE OF THE ARIZONA STATE TREASURER

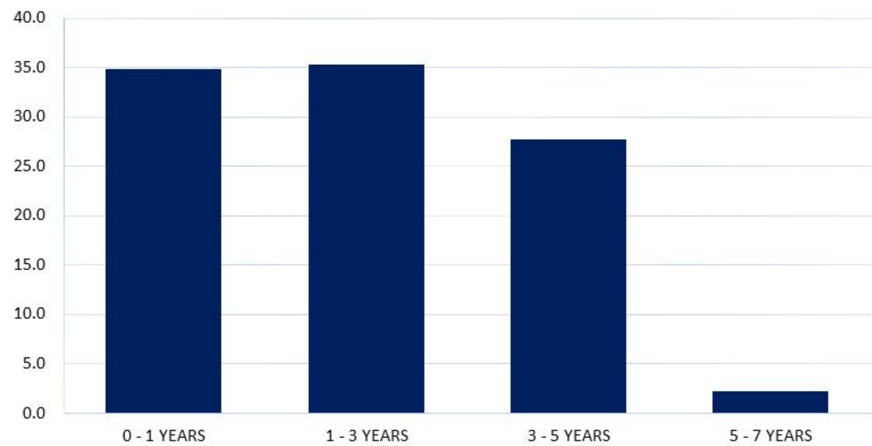
July 31, 2014

POOL 10 ST OPERATING INT

Duration Distribution



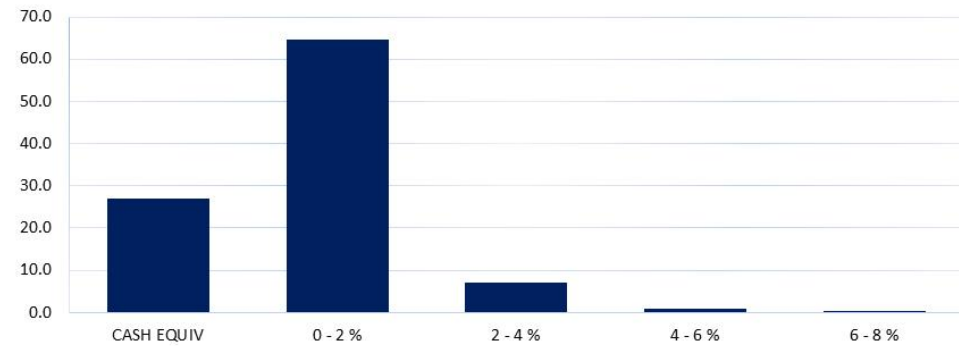
Expected Maturity Distribution



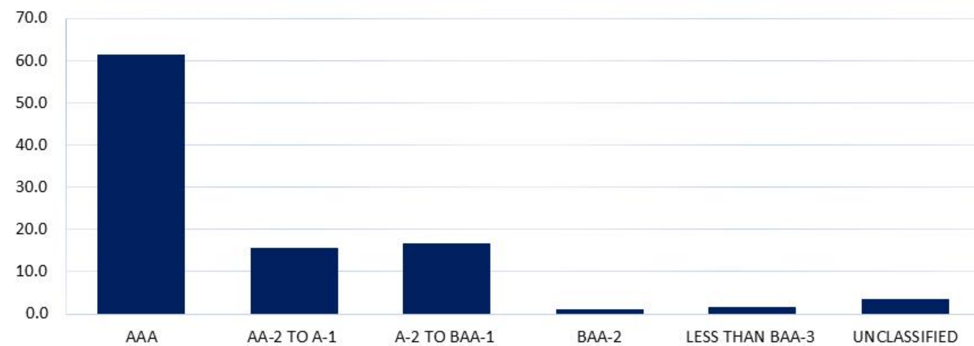
Portfolio Level Characteristics

	POOL 10 ST OPERATING INT
Weighted Average Life	2.04
Coupon	1.00
Effective Duration	1.79
Quality Rating (S&P)	AA-

Coupon Distribution



Rating Distribution



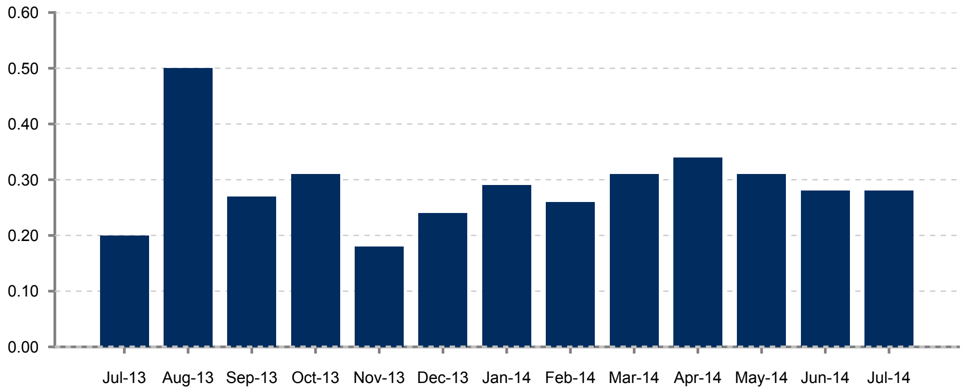
OFFICE OF THE ARIZONA STATE TREASURER

July 31, 2014

POOL 10 ST OPERATING Ext

STATE STREET.

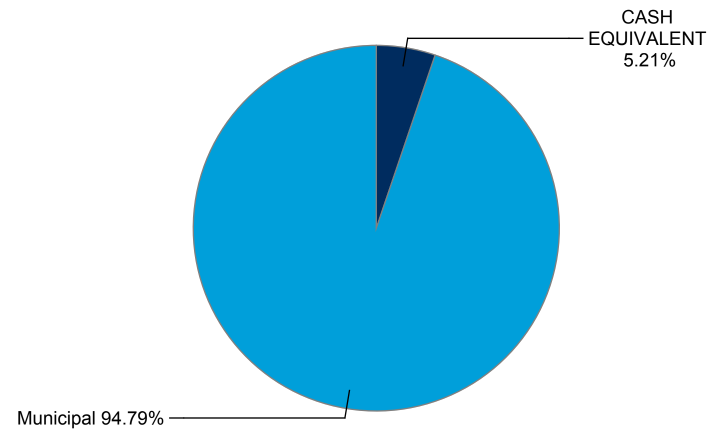
Net Yield



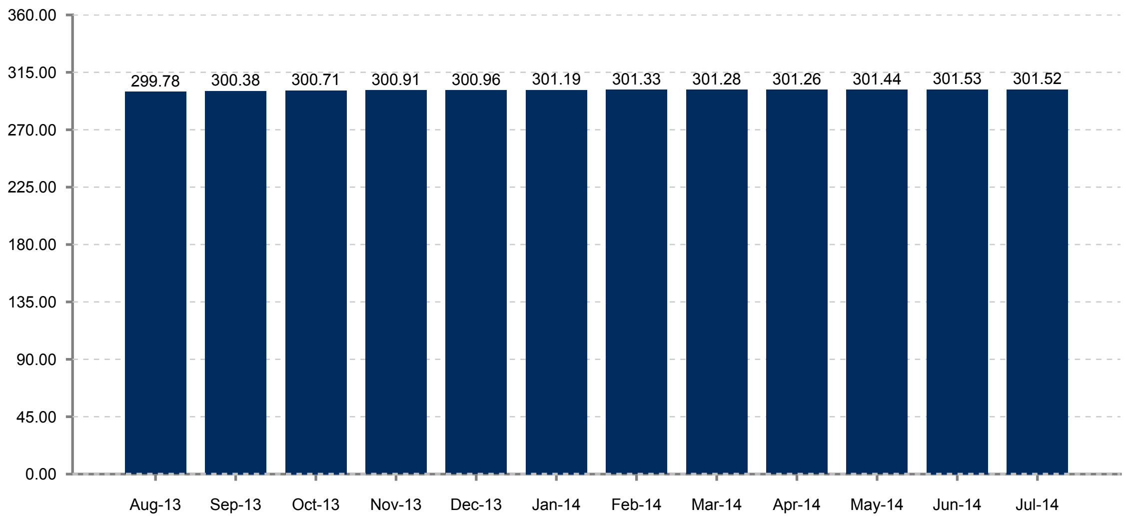
	Current Mth	Prior Mth	1 Year Ago
POOL 10 ST OPERATING	0.28	0.28	0.20

Asset Allocation

	Ending Market Value
POOL 10 ST OPERATING	301,516,513



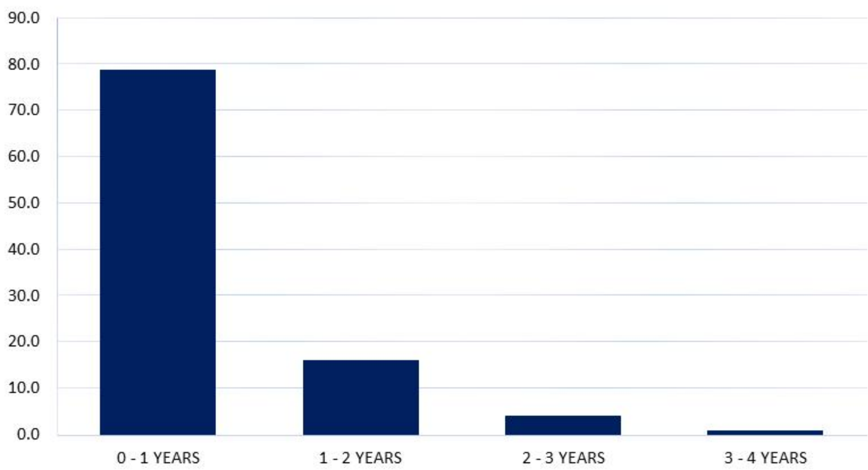
Net Asset Values over Time ($MM)



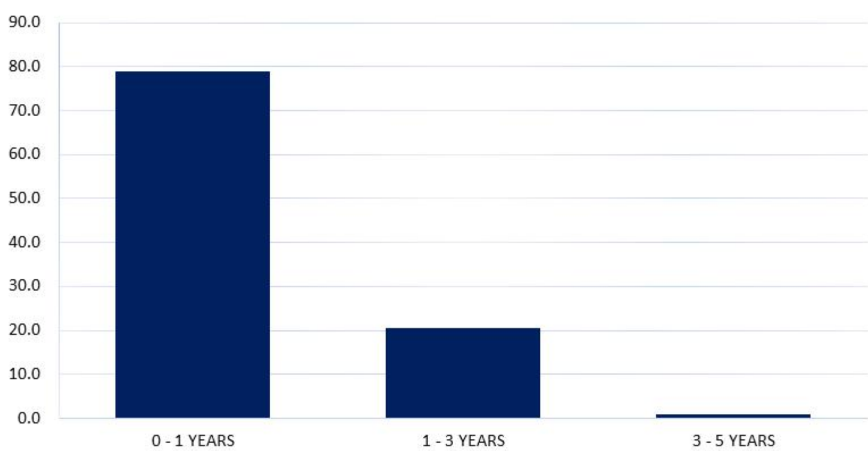
Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 10 ST OPERATING		
MASSACHUSETTS ST SCH BLDG AUTH	37,508,574	12.44
INVESCO TAX FREE CASH RESERVE	15,714,400	5.21
MASSACHUSETTS ST SCH BLDG AUTH	10,727,463	3.56
OHIO ST	10,694,475	3.55
MINNESOTA ST	10,421,619	3.46
NEW YORK NY	10,200,000	3.38
TEXAS ST	10,195,313	3.38
ARIZONA ST TRANSPRTN BRD HIGHW	9,764,526	3.24
WISCONSIN ST	9,197,276	3.05
NORTH CAROLINA ST CAPITAL IMPT	8,325,328	2.76

Duration Distribution



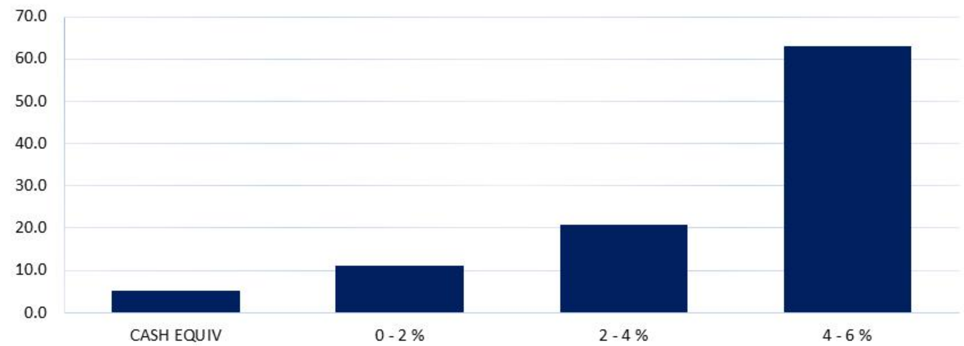
Expected Maturity Distribution



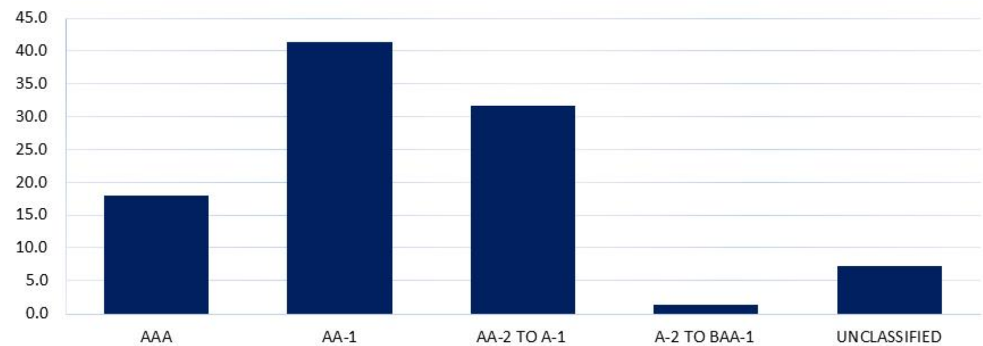
Portfolio Level Characteristics

	POOL 10 ST OPERATING
Weighted Average Life	0.85
Coupon	4.14
Effective Duration	0.82
Quality Rating (S&P)	AA

Coupon Distribution



Rating Distribution



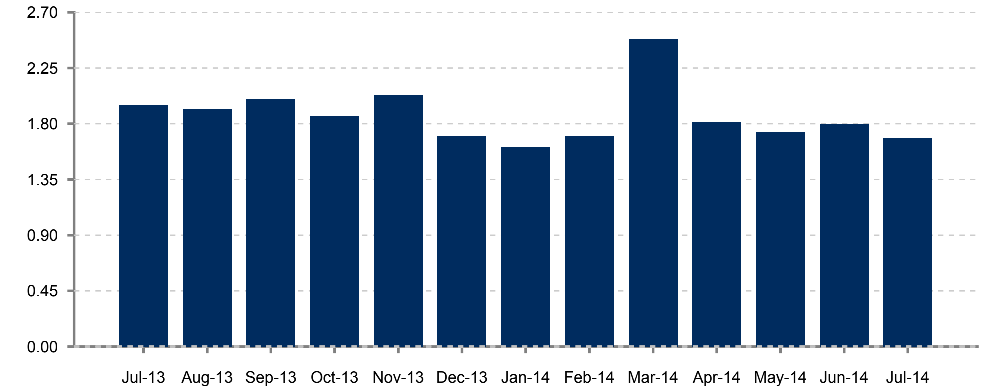
OFFICE OF THE ARIZONA STATE TREASURER

July 31, 2014

POOL 12 CAWCD MED TRM

STATE STREET.

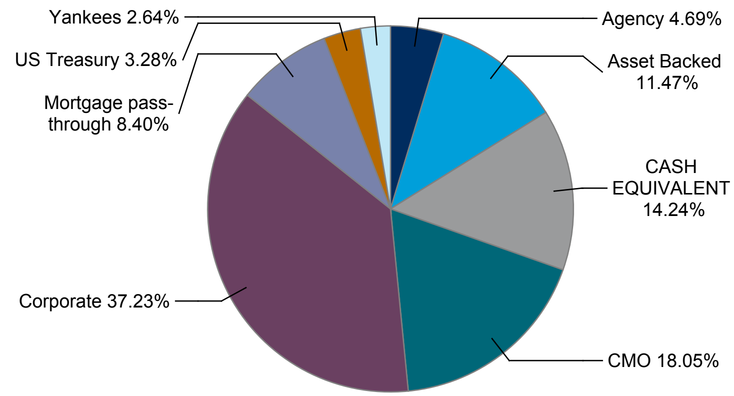
Net Yield



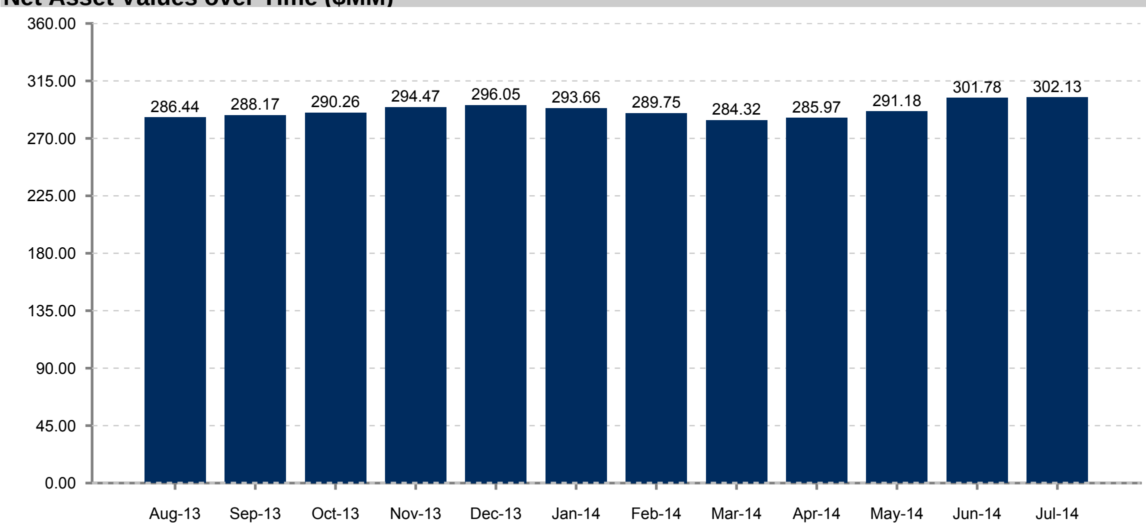
	Current Mth	Prior Mth	1 Year Ago
POOL 12 CAWCD MED TRM	1.68	1.80	1.95

Asset Allocation

	Ending Market Value
POOL 12 CAWCD MED TRM	302,133,183



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 12 CAWCD MED TRM		
CREDIT AGRICOLE NORTH AMER INC	9,995,967	3.31
MOUNTCLIFF	9,995,764	3.31
WELLS FARGO REPO	8,427,743	2.79
FANNIE MAE	8,300,495	2.75
FNMA POOL AV9175	7,292,660	2.41
FNMA POOL MA1763	6,972,440	2.31
FANNIE MAE	5,915,222	1.96
FANNIE MAE	5,372,488	1.78
VERIZON COMMUNICATIONS	5,226,890	1.73
GOLDMAN SACHS GROUP INC	5,096,214	1.69

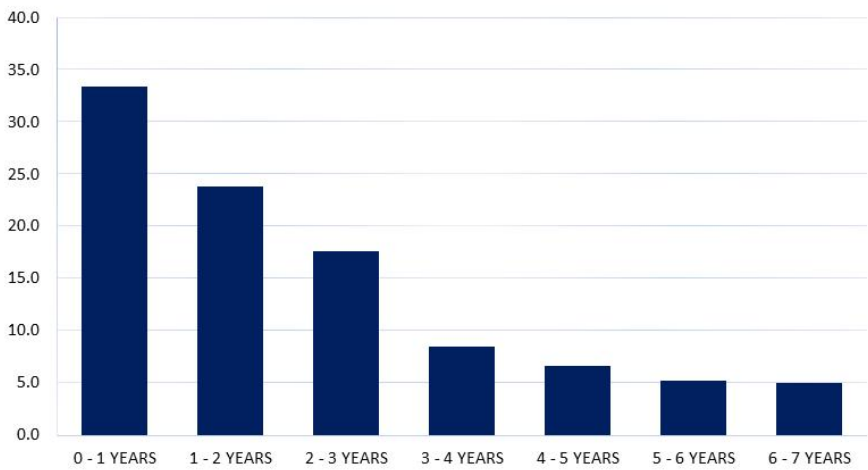
OFFICE OF THE ARIZONA STATE TREASURER

July 31, 2014

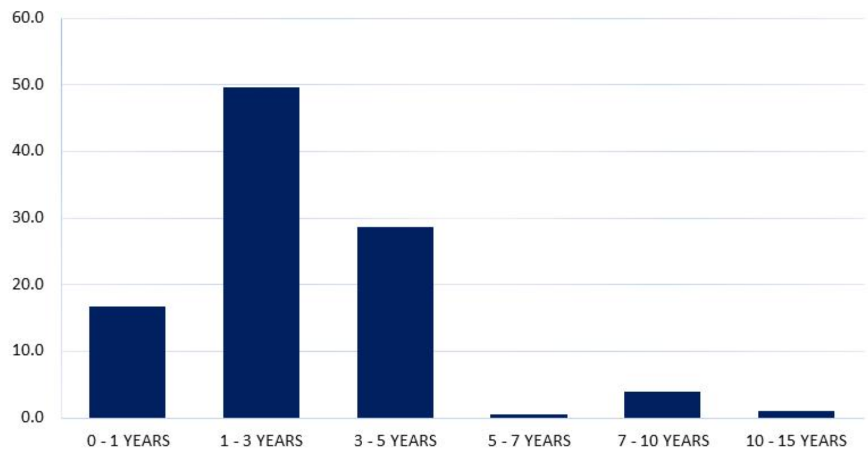
POOL 12 CAWCD MED TRM

STATE STREET.

Duration Distribution



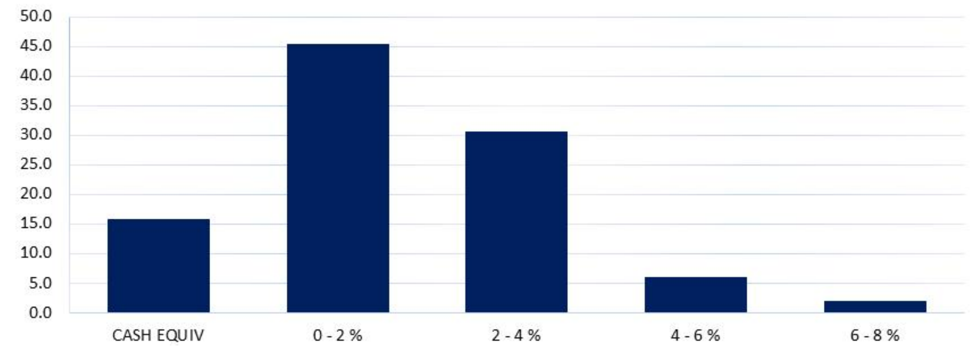
Expected Maturity Distribution



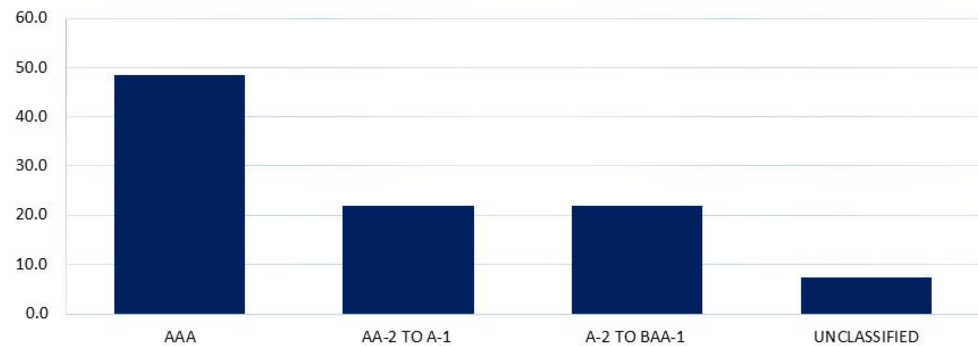
Portfolio Level Characteristics

	POOL 12 CAWCD MED TRM
Weighted Average Life	2.57
Coupon	1.86
Effective Duration	2.07
Quality Rating (S&P)	AA-

Coupon Distribution



Rating Distribution

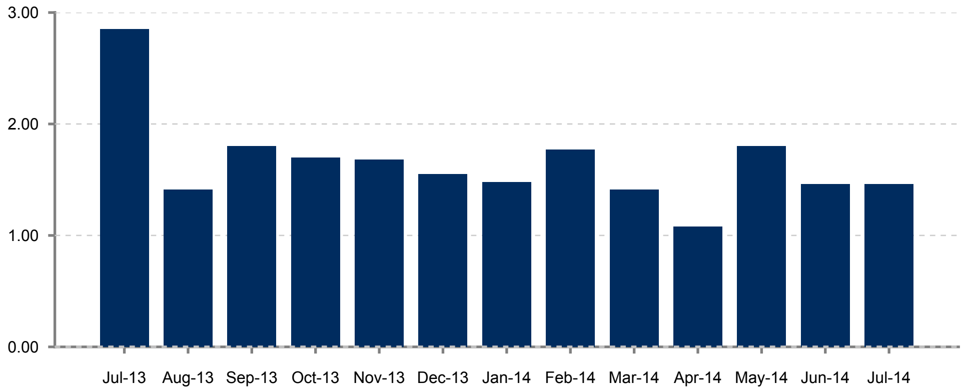


OFFICE OF THE ARIZONA STATE TREASURER

July 31, 2014

POOL 15 GADA

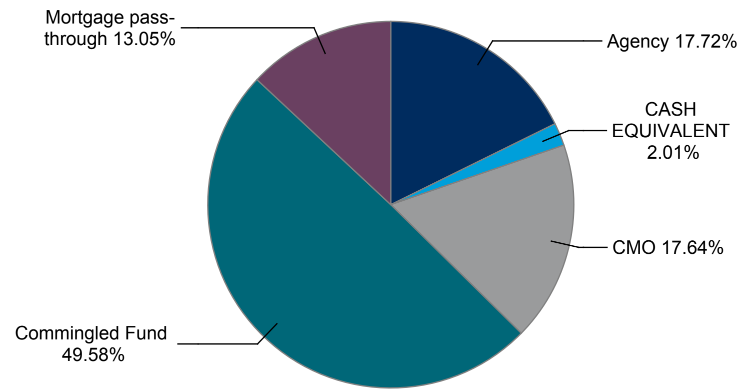
Net Yield



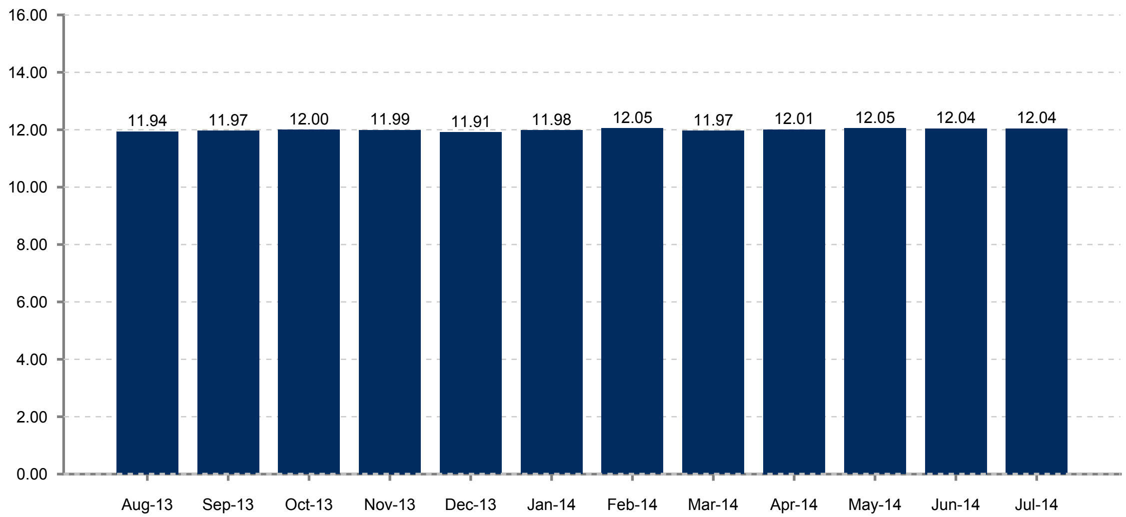
	Current Mth	Prior Mth	1 Year Ago
POOL 15 GADA	1.46	1.46	2.85

Asset Allocation

	Ending Market Value
POOL 15 GADA	12,036,944



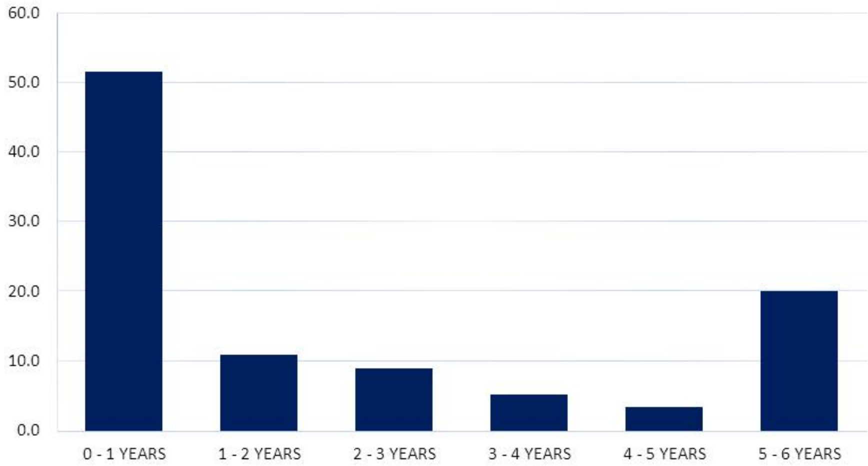
Net Asset Values over Time ($MM)



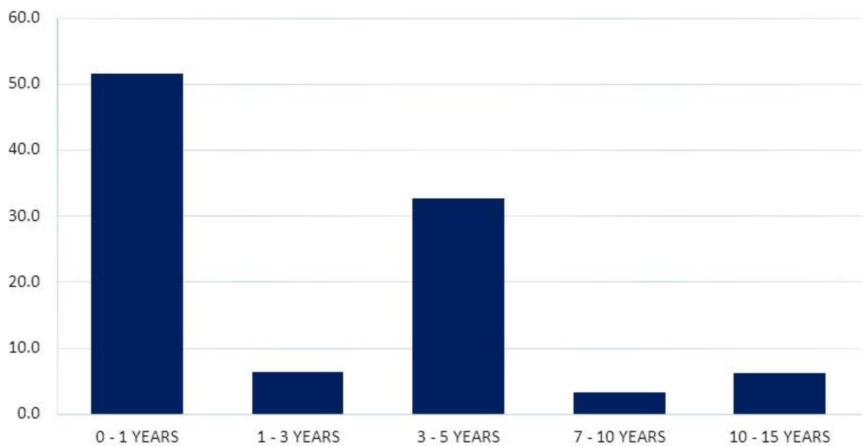
Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 15 GADA		
LOCAL GOV INVS POOL 4	5,435,641	45.16
FANNIE MAE	1,678,594	13.95
FEDERAL FARM CREDIT BANK	998,527	8.30
FANNIE MAE	744,553	6.19
LOCAL GOV INVS POOL 700	539,706	4.48
FREDDIE MAC	520,563	4.32
FEDERAL HOME LOAN BANK	393,137	3.27
FNMA POOL AJ1622	367,319	3.05
GOVERNMENT NATIONAL MORTGAGE A	250,176	2.08
GNMA POOL 782080	243,210	2.02

Duration Distribution



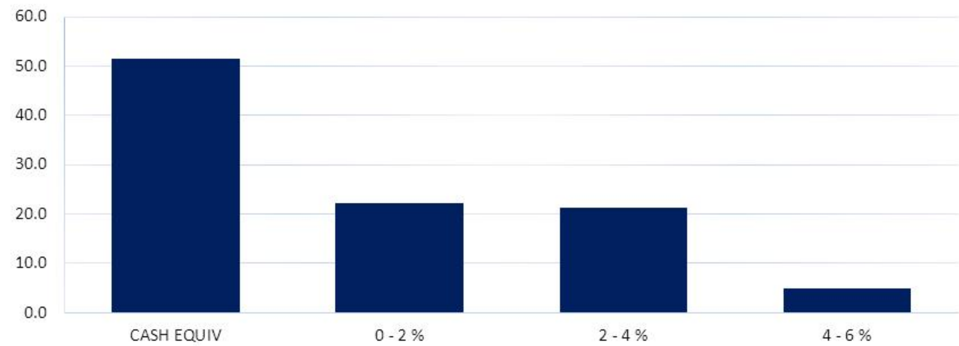
Expected Maturity Distribution



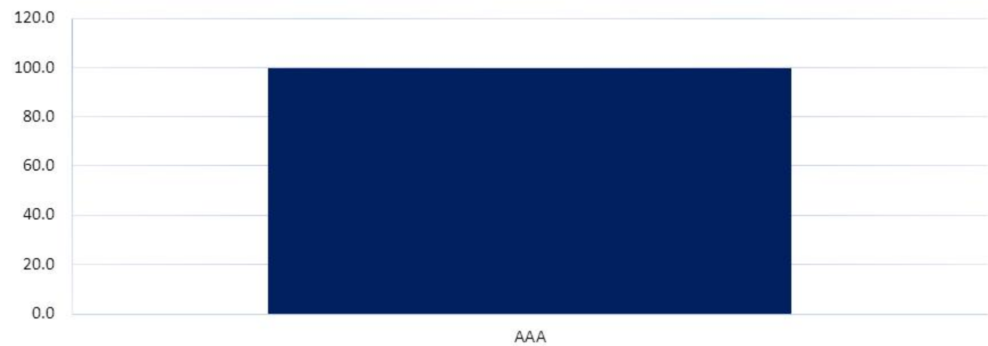
Portfolio Level Characteristics

	POOL 15 GADA
Weighted Average Life	2.37
Coupon	1.19
Effective Duration	1.81
Quality Rating (S&P)	AA+

Coupon Distribution



Rating Distribution

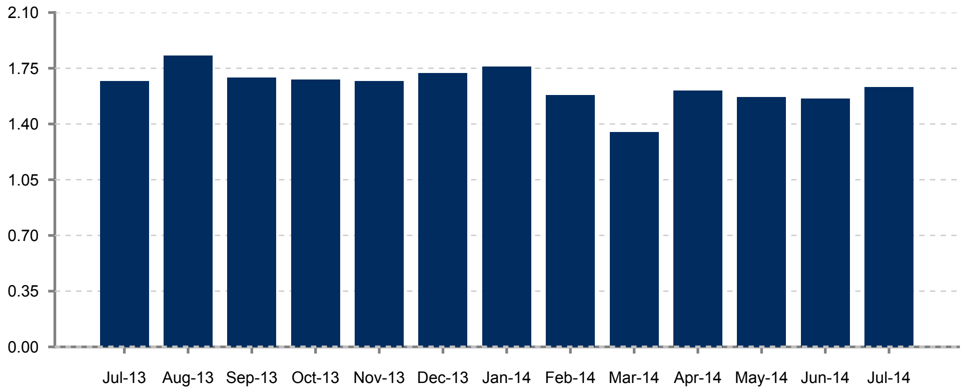


OFFICE OF THE ARIZONA STATE TREASURER

July 31, 2014

POOL 16 ECDHB

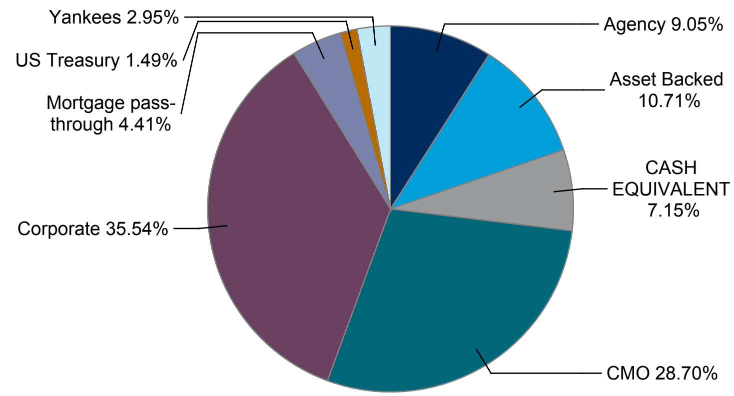
Net Yield



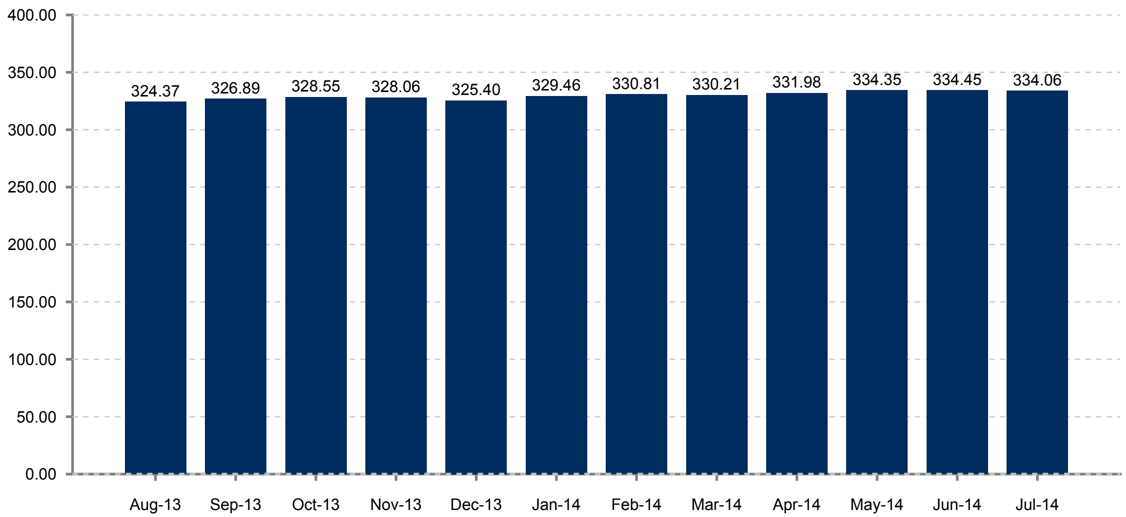
	Current Mth	Prior Mth	1 Year Ago
POOL 16 ECDHB	1.63	1.56	1.67

Asset Allocation

	Ending Market Value
POOL 16 ECDHB	334,060,934



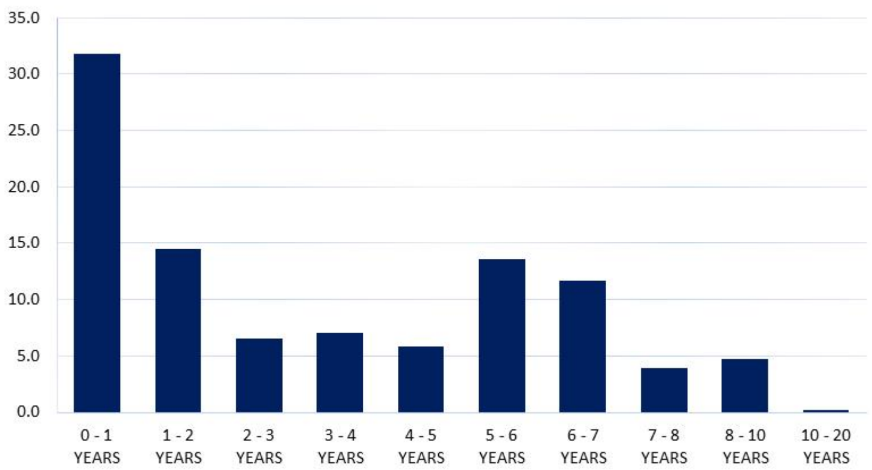
Net Asset Values over Time ($MM)



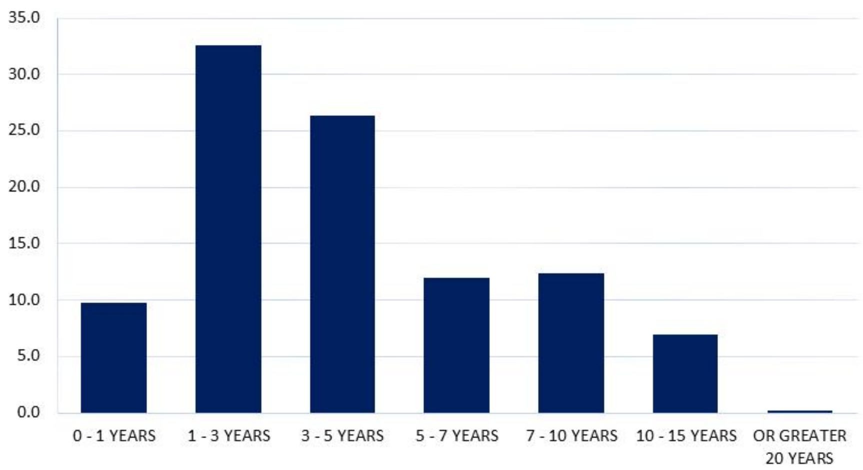
Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 16 ECDHB		
FREDDIE MAC	10,530,415	3.15
FREDDIEMAC STRIP	8,964,114	2.68
NATIONAL CITY BANK	6,994,773	2.09
FANNIE MAE	6,340,862	1.90
WELLS FARGO REPO	6,000,013	1.80
FREDDIE MAC	5,422,027	1.62
AT+T INC	5,207,001	1.56
FREDDIE MAC	5,167,838	1.55
FHLMC MULTIFAMILY STRUCTURED P	5,142,560	1.54
GOVERNMENT NATIONAL MORTGAGE A	5,133,338	1.54

Duration Distribution



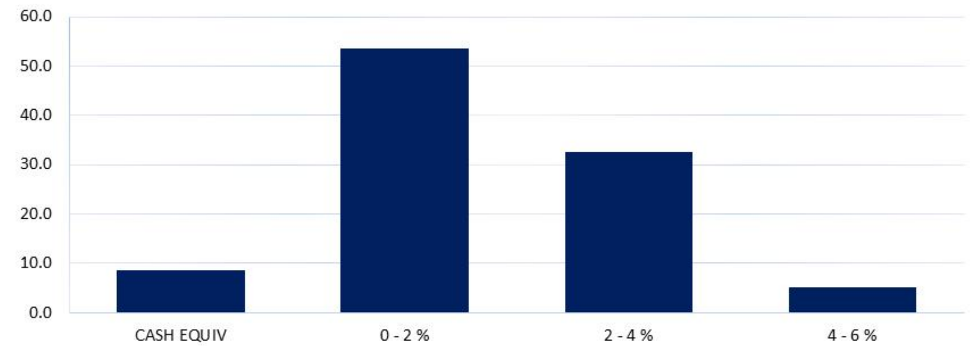
Expected Maturity Distribution



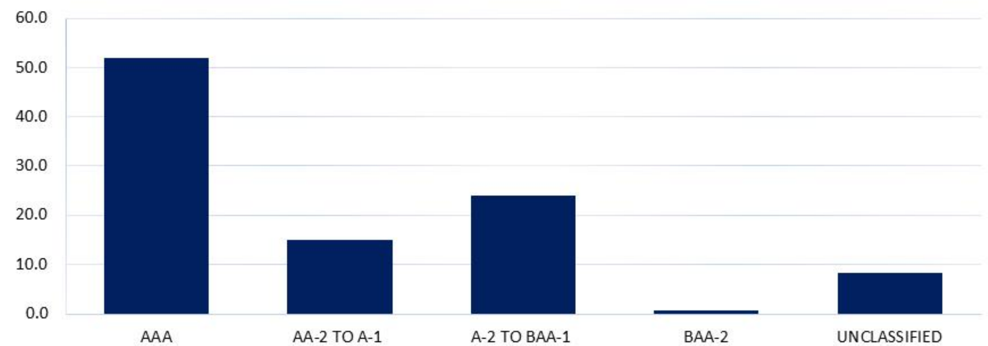
Portfolio Level Characteristics

	POOL 16 ECDHB
Weighted Average Life	4.29
Coupon	1.85
Effective Duration	3.28
Quality Rating (S&P)	AA

Coupon Distribution



Rating Distribution



LGIP & LGIP- GOV
PORTFOLIO YIELD ANALYSIS
JULY 31, 2014

NET EARNINGS

FUND	DESCRIPTION	Current Month 07/31/14	Prior Month 06/30/14	Prior Year 7/31/13	Net Asset Value Per Share
5	LGIP	73,587	95,168	**149,563**	1.0000
7	LGIP - GOV	41,584	108,766	**27,686**	1.0000
	TOTAL LGIP & LGIP-GOV	**115,171**	**203,934**	**177,249**	

YIELDS

	MONTHLY	Current Month 07/31/14	Prior Month 06/30/14	Prior Year 7/31/13
5	**LGIP (NET)**	0.07%	0.09%	**0.13%**
	S & P LGIP INDEX	0.05%	0.05%	**0.05%**
7	**LGIP - GOV (NET)**	0.05%	0.13%	**0.03%**
	3 MONTH T-BILL	0.02%	0.02%	**0.03%**
	YEAR TO DATE			
5	**LGIP (NET)**	0.07%	0.11%	**0.13%**
	S & P LGIP INDEX	0.05%	0.05%	**0.05%**
7	**LGIP - GOV (NET)**	0.05%	0.05%	**0.03%**
	3 MONTH T-BILL	0.02%	0.03%	**0.03%**

* Note: The LGIP-GOV Pool consists of only securities explicitly backed by the full faith & credit of the US Government.

LGIP & LGIP- GOV MEDIUM TERM POOLS
PORTFOLIO YIELD ANALYSIS
JULY 31, 2014

NET EARNINGS

FUND	DESCRIPTION	Current Month 07/31/14	Prior Month 06/30/14	Prior Year 7/31/13	Net Asset Value Per Share
500	LGIP - MED TERM POOL	256,133	288,183	261,388	1.0312
700	LGIP - FF&C MED TERM POOL	127,094	185,654	150,136	1.0034
	TOTAL LGIP MEDIUM TERM POOLS	383,227	473,837	411,524	

YIELDS

	MONTHLY	Current Month 07/31/14	Prior Month 06/30/14	Prior Year 7/31/13
500	LGIP - MED TERM (NET)	1.19%	1.27%	1.09%
	MERRILL 1-5 US D M INDEX	1.32%	1.18%	1.30%
700	LGIP - FF&C MED TERM (NET)	0.93%	1.28%	0.78%
	75% MERRILL 1-5 US TREAS INDEX / 25% MERRILL US GNMA MORTGAGE BACKED INDEX	1.40%	1.27%	1.25%

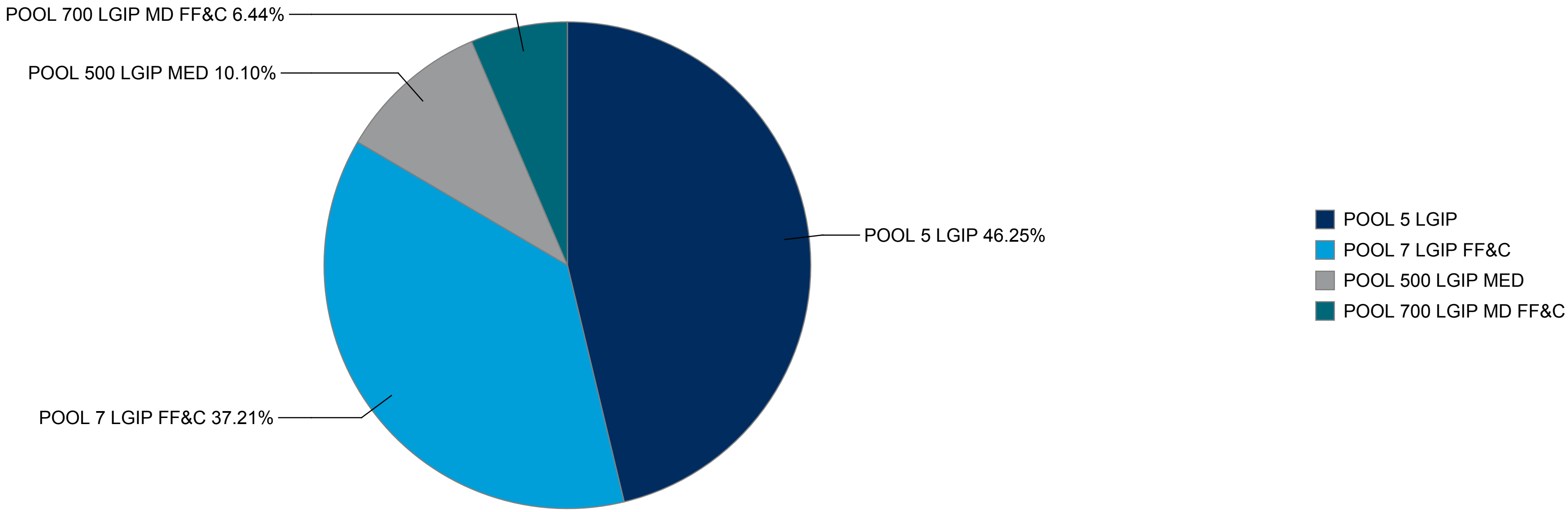
	YEAR TO DATE			
500	LGIP - MED TERM (NET)	1.19%	1.21%	1.09%
	MERRILL 1-5 US D M INDEX	1.32%	1.20%	1.30%
700	LGIP - FF&C MED TERM (NET)	0.93%	0.95%	0.78%
	75% MERRILL 1-5 US TREAS INDEX / 25% MERRILL US GNMA MORTGAGE BACKED INDEX	1.40%	1.28%	1.25%

OFFICE OF THE ARIZONA STATE TREASURER

July 31, 2014

LGIP

Manager Allocation



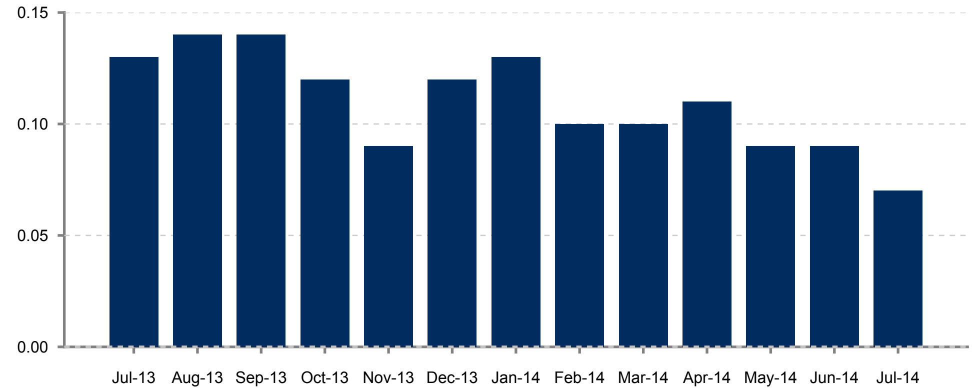
	Market Value	% of Portfolio
POOL 5 LGIP	1,157,368,591	46.2
POOL 7 LGIP FF&C	931,213,228	37.2
POOL 500 LGIP MED	252,672,097	10.1
POOL 700 LGIP MD FF&C	161,259,579	6.4
TOTAL LGIP	2,502,513,495	100.0

OFFICE OF THE ARIZONA STATE TREASURER

July 31, 2014

POOL 5 LGIP

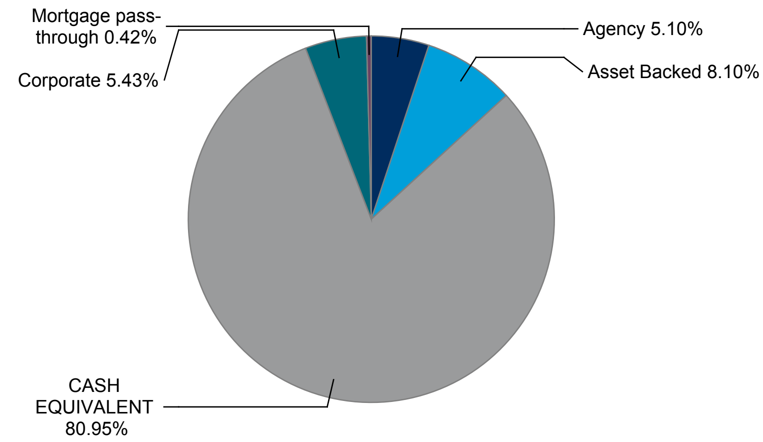
Net Yield



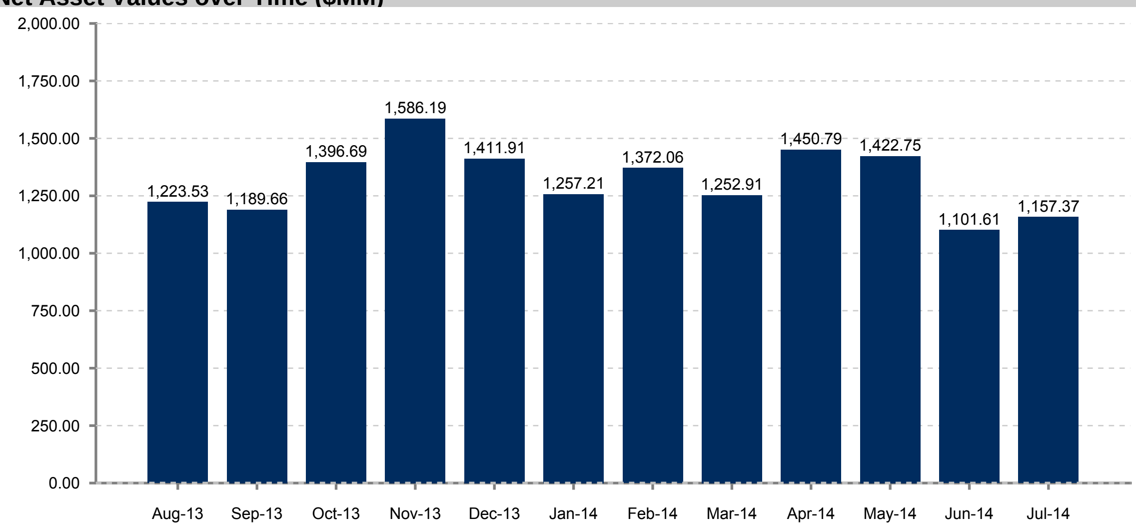
	Current Mth	Prior Mth	1 Year Ago
POOL 5 LGIP	0.07	0.09	0.13

Asset Allocation

	Ending Market Value
POOL 5 LGIP	1,157,368,591



Net Asset Values over Time ($MM)



Top 10 Holdings

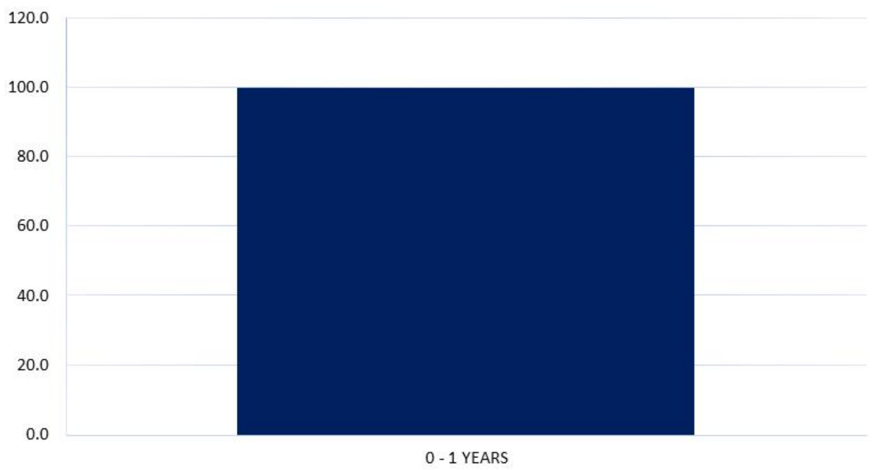
Security Name	Ending Market Value	% of Portfolio
POOL 5 LGIP		
WELLS FARGO REPO	176,506,001	15.25
DEUTSCHE BANK REPO	100,003,833	8.64
BANK OF AMERICA REPO	75,001,917	6.48
FEDERAL HOME LOAN BANK	50,001,467	4.32
GOLDEN FUNDING CORP	16,644,815	1.44
VICTORY RECEIVABLES	16,073,187	1.39
CITIGROUP INC	15,019,583	1.30
RIDGEFIELD FUNDING CO	14,999,850	1.30
SALISBURY RECEIVABLES CO	14,999,833	1.30
NIEUW AMSTERDAM RECV	14,999,333	1.30

OFFICE OF THE ARIZONA STATE TREASURER

July 31, 2014

POOL 5 LGIP

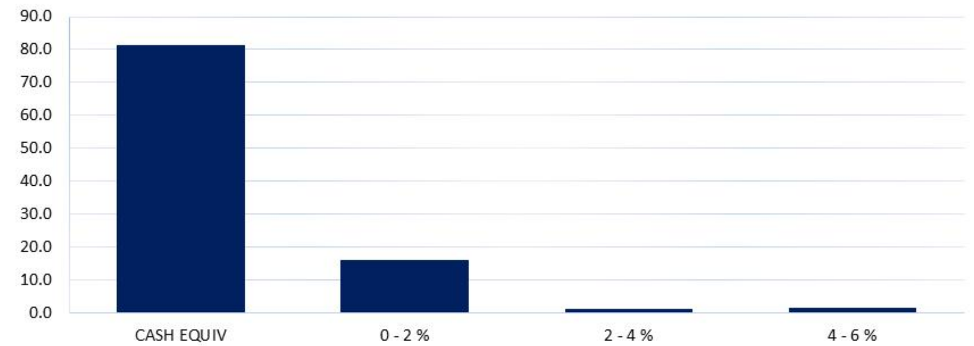
Duration Distribution



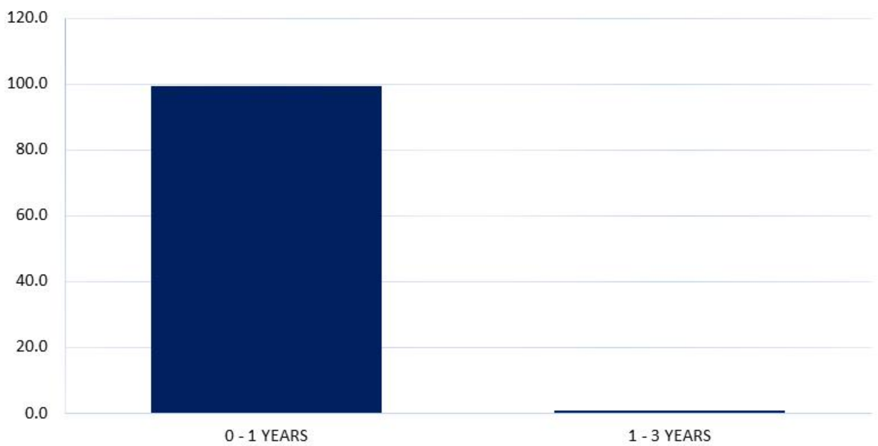
Portfolio Level Characteristics

	POOL 5 LGIP
Weighted Average Life	0.12
Coupon	0.32
Effective Duration	0.10
Quality Rating (S&P)	AA+

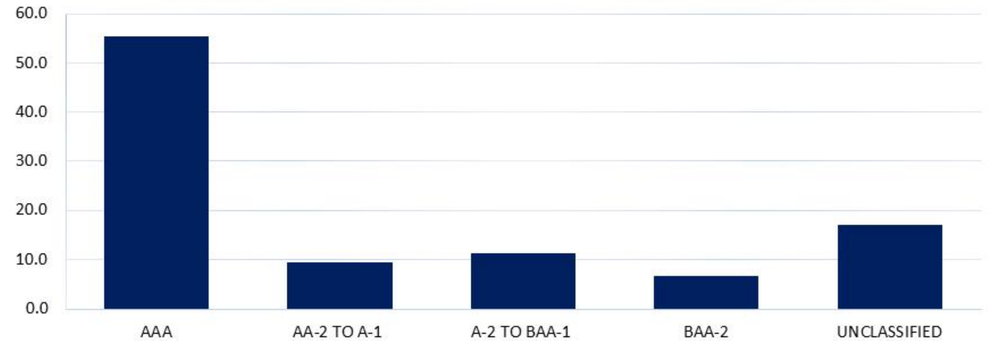
Coupon Distribution



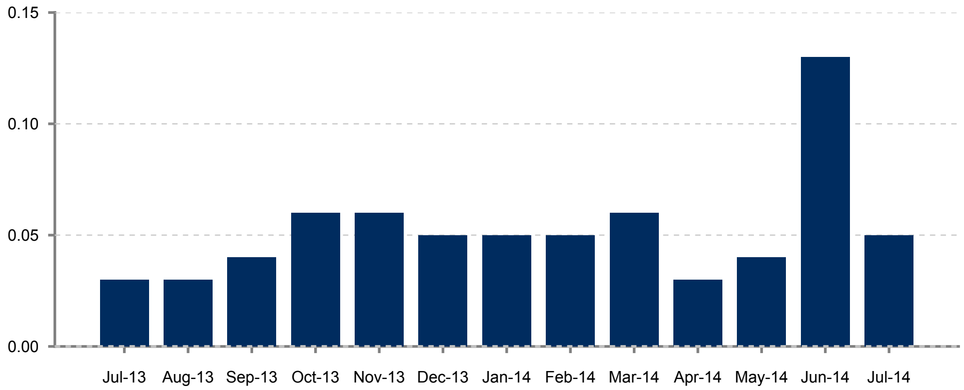
Expected Maturity Distribution



Rating Distribution



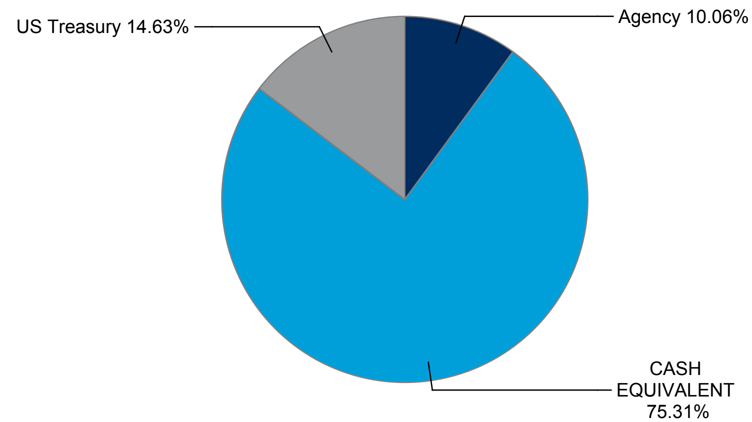
Net Yield



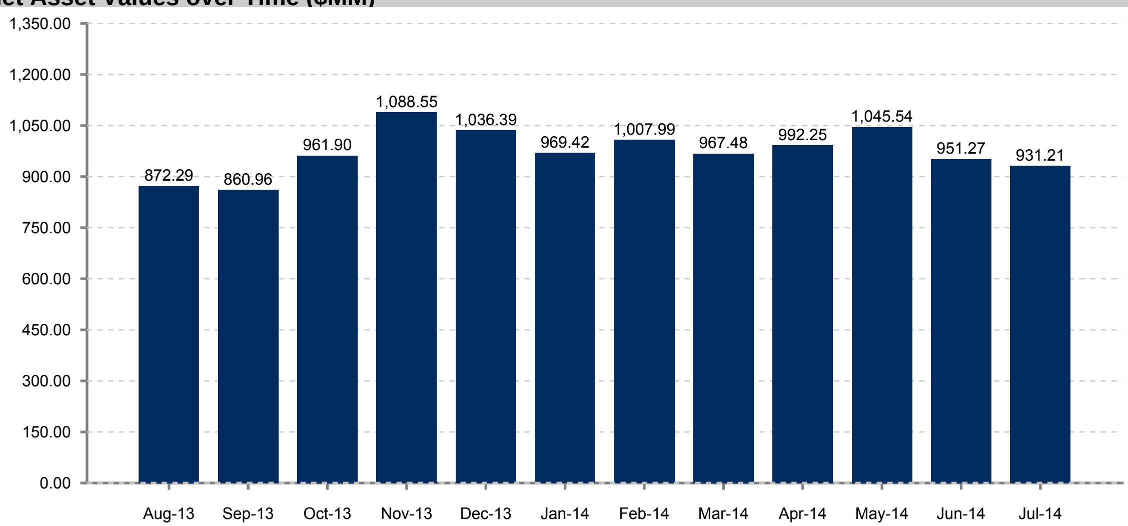
	Current Mth	Prior Mth	1 Year Ago
POOL 7 LGIP FF&C	0.05	0.13	0.03

Asset Allocation

	Ending Market Value
POOL 7 LGIP FF&C	931,213,228



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 7 LGIP FF&C		
WELLS FARGO REPO	509,038,020	54.66
FDIC ALLIANCE BANK OF ARIZONA	90,342,886	9.70
US TREASURY N/B	50,590,321	5.43
US TREASURY N/B	50,519,836	5.43
UNITED STATES TREASURY BILL 03/15 0.00000	44,983,125	4.83
SOUTH STREET REPO	35,001,400	3.76
AID ISRAEL	33,962,702	3.65
US TREASURY FRN	24,996,624	2.68
UNITED STATES TREASURY BILL 01/15 0.00000	24,994,175	2.68

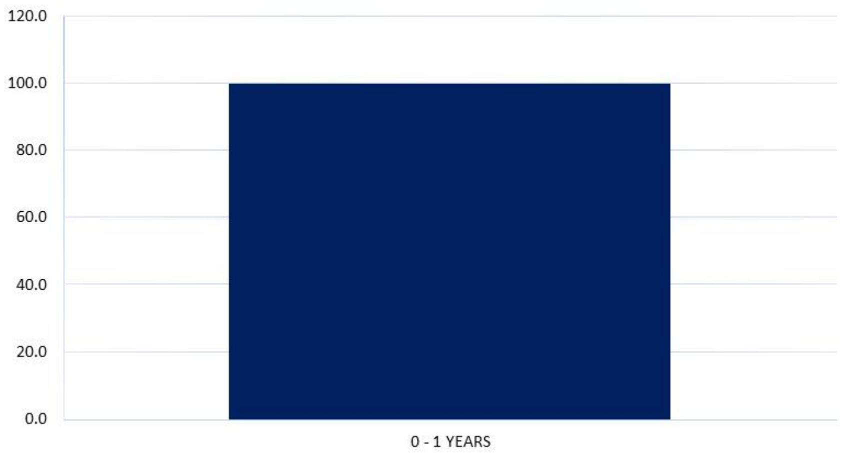
OFFICE OF THE ARIZONA STATE TREASURER

July 31, 2014

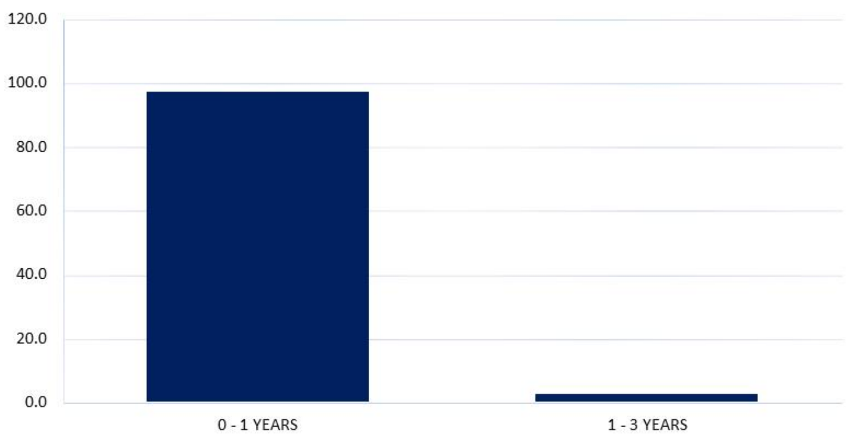
POOL 7 LGIP FF&C

STATE STREET.

Duration Distribution



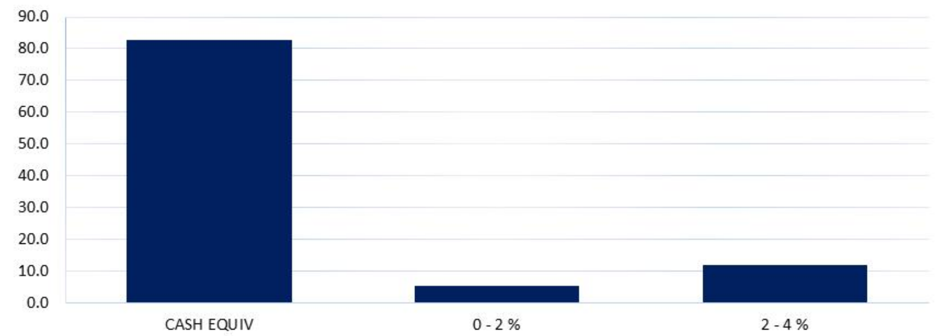
Expected Maturity Distribution



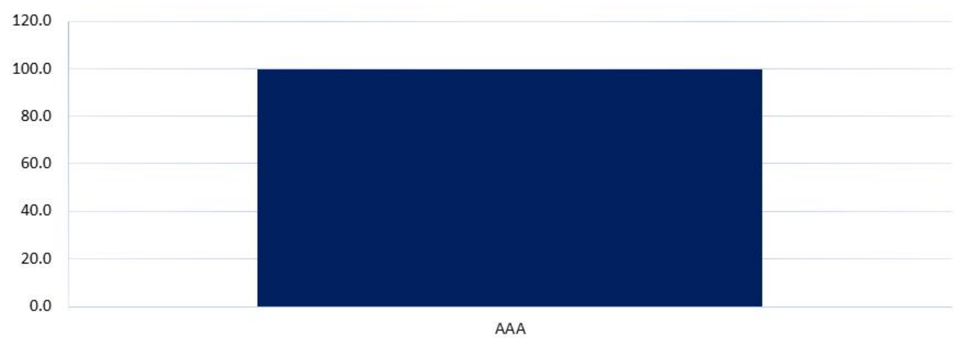
Portfolio Level Characteristics

	POOL 7 LGIP FF&C
Weighted Average Life	0.16
Coupon	0.41
Effective Duration	0.13
Quality Rating (S&P)	AAA

Coupon Distribution



Rating Distribution



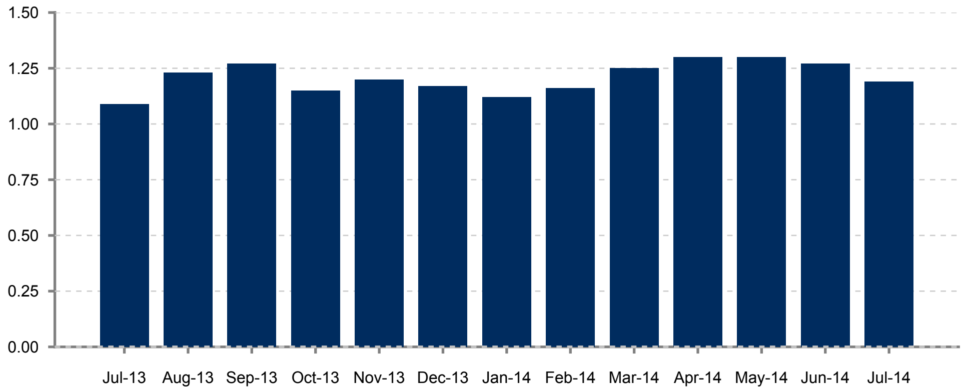
OFFICE OF THE ARIZONA STATE TREASURER

July 31, 2014

POOL 500 LGIP MED

STATE STREET.

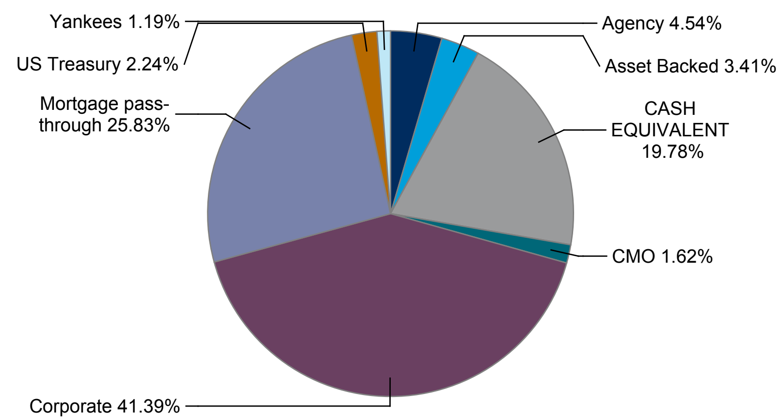
Net Yield



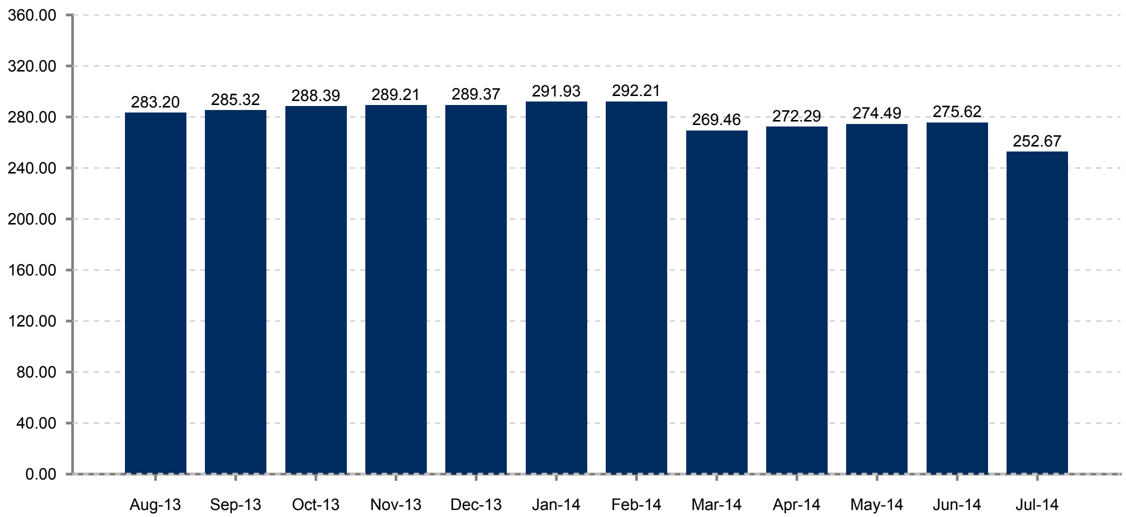
	Current Mth	Prior Mth	1 Year Ago
POOL 500 LGIP MED	1.19	1.27	1.09

Asset Allocation

	Ending Market Value
POOL 500 LGIP MED	252,672,097



Net Asset Values over Time ($MM)



Top 10 Holdings

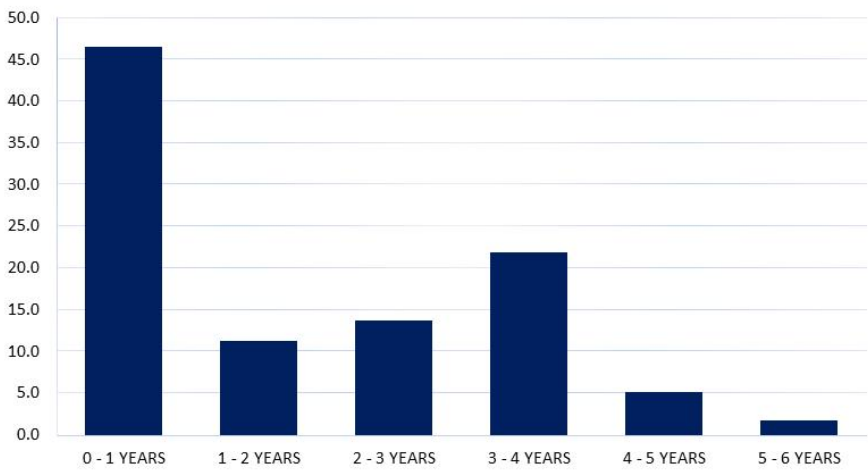
Security Name	Ending Market Value	% of Portfolio
POOL 500 LGIP MED		
FNMA POOL AB5991	11,399,291	4.51
WELLS FARGO REPO	10,000,022	3.96
FNMA POOL AE7578	7,401,024	2.93
ABBEY NATIONAL NA LL	4,999,304	1.98
INSTITUTIONAL SECURED	4,999,208	1.98
BARTON CAPITAL CORP.	4,998,825	1.98
RIDGEFIELD FUNDING CO	4,997,356	1.98
FED HM LN PC POOL G18465	4,518,618	1.79
FED HM LN PC POOL Q09530	4,227,846	1.67
FREDDIE MAC	4,101,277	1.62

OFFICE OF THE ARIZONA STATE TREASURER

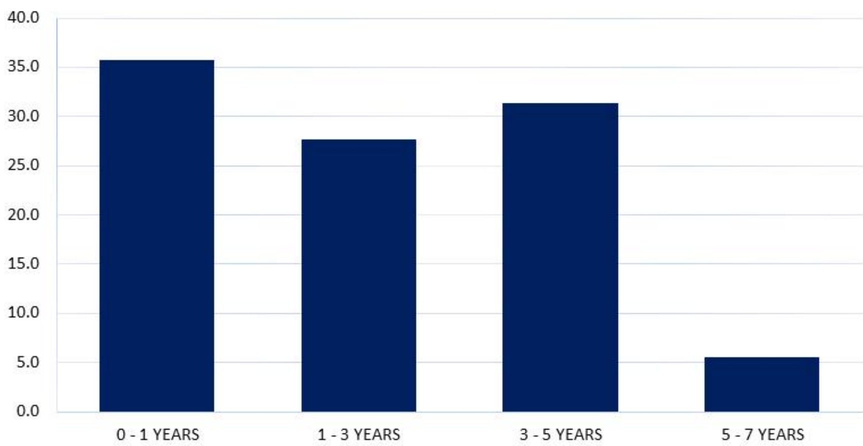
July 31, 2014

POOL 500 LGIP MED

Duration Distribution



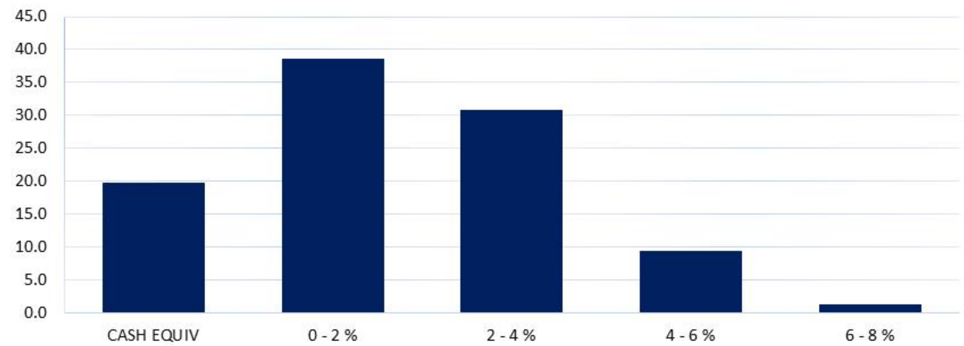
Expected Maturity Distribution



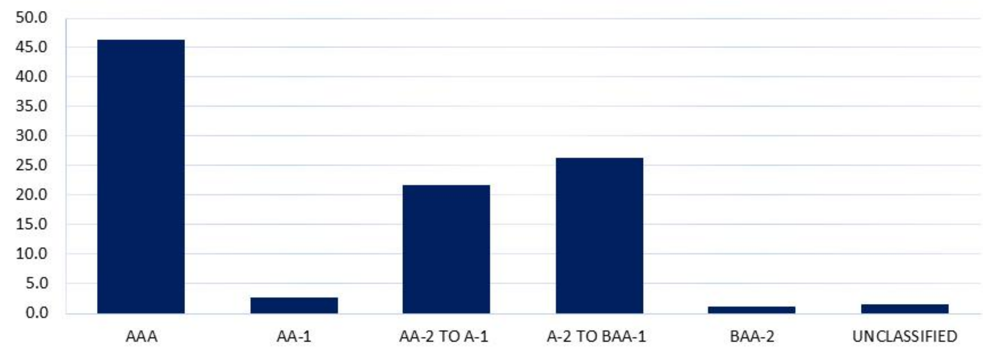
Portfolio Level Characteristics

	POOL 500 LGIP MED
Weighted Average Life	2.16
Coupon	1.89
Effective Duration	1.75
Quality Rating (S&P)	AA

Coupon Distribution



Rating Distribution

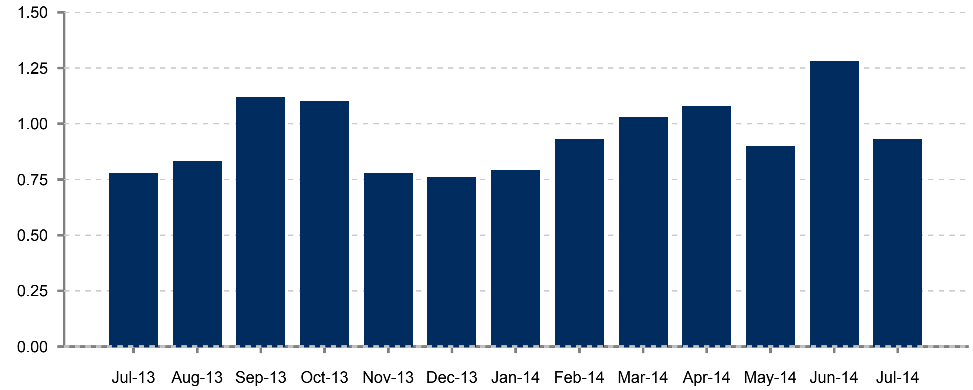


OFFICE OF THE ARIZONA STATE TREASURER

July 31, 2014

POOL 700 LGIP MD FF&C

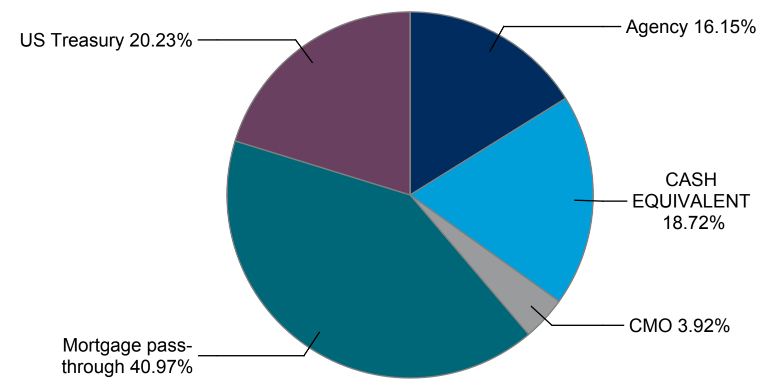
Net Yield



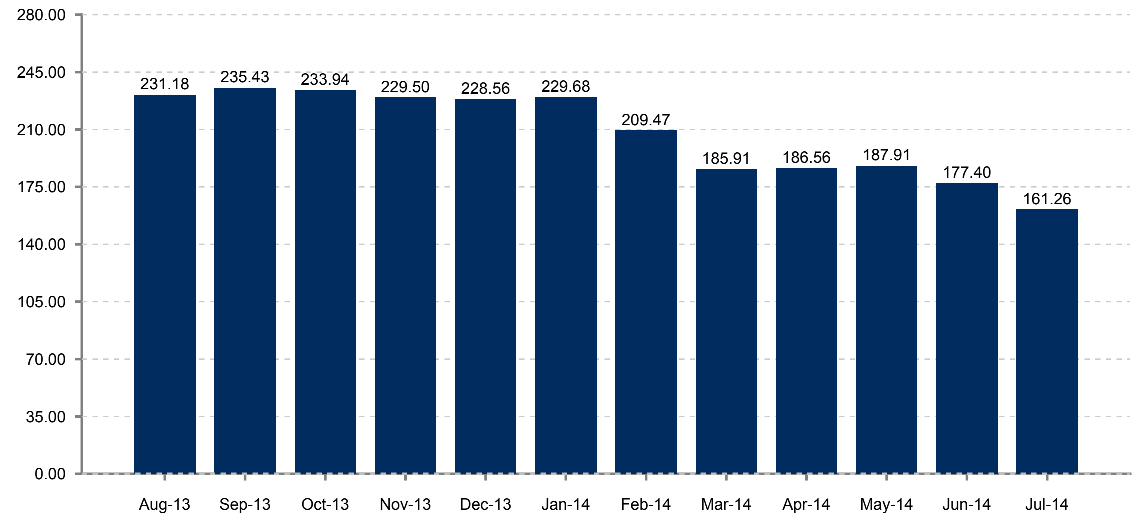
	Current Mth	Prior Mth	1 Year Ago
POOL 700 LGIP MD FF&C	0.93	1.28	0.78

Asset Allocation

	Ending Market Value
POOL 700 LGIP MD FF&C	161,259,579



Net Asset Values over Time ($MM)



Top 10 Holdings

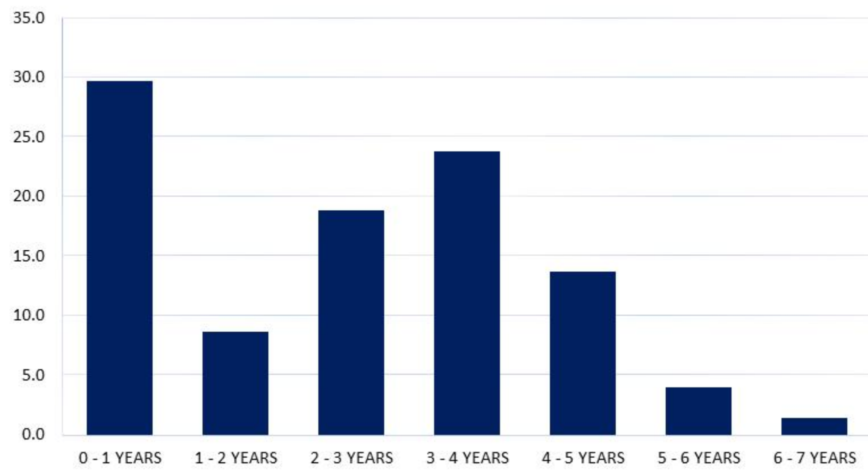
Security Name	Ending Market Value	% of Portfolio
POOL 700 LGIP MD FF&C		
FDIC US BANK CDARS ACCOUNT	15,136,992	9.39
WELLS FARGO REPO	13,000,029	8.06
GNMA II POOL MA0213	6,496,616	4.03
GNMA II POOL 004849	6,433,657	3.99
GOVERNMENT NATIONAL MORTGAGE A	5,901,743	3.66
US TREASURY N/B	5,313,162	3.29
US TREASURY N/B	4,940,727	3.06
AID ISRAEL	4,887,580	3.03
GNMA II POOL MA0008	4,107,990	2.55
NCUA GUARANTEED NOTES	4,079,437	2.53

OFFICE OF THE ARIZONA STATE TREASURER

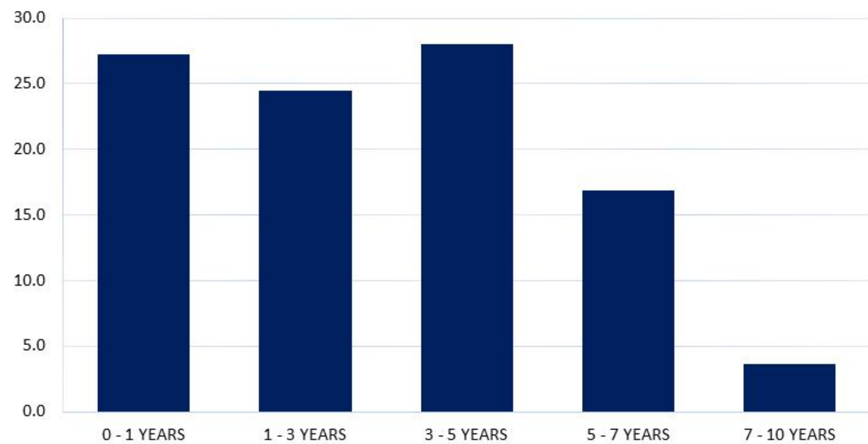
July 31, 2014

POOL 700 LGIP MD FF&C

Duration Distribution



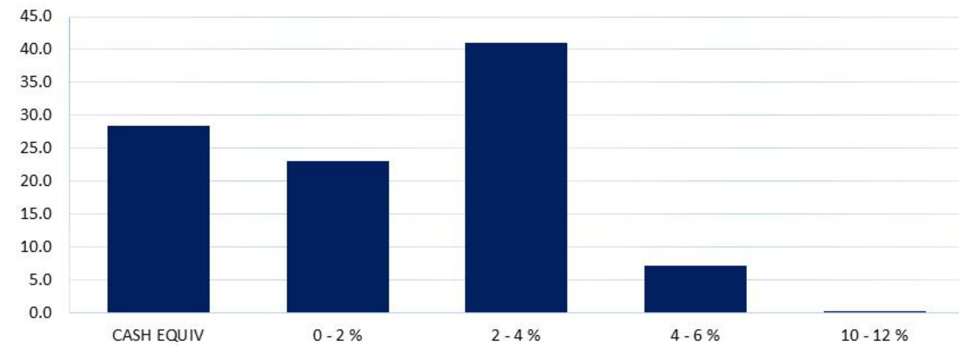
Expected Maturity Distribution



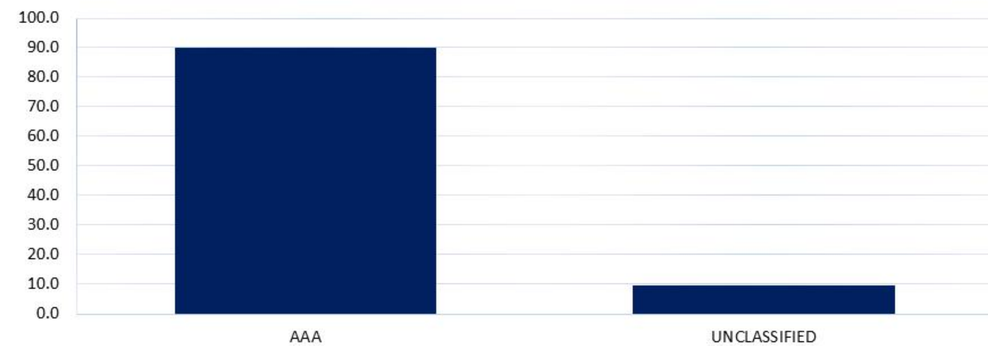
Portfolio Level Characteristics

	POOL 700 LGIP MD FF&C
Weighted Average Life	2.85
Coupon	2.04
Effective Duration	2.38
Quality Rating (S&P)	AA+

Coupon Distribution



Rating Distribution



EARNINGS DISTRIBUTED
ENDOWMENT FUNDS
JULY 2014

Recipient		Distributed in Current Month JULY 2014	Fiscal YTD 14/15	Fiscal YTD 13/14
101	A & M Colleges	$18,997	$18,997	$17,813
102	State Hospital	$11,534	$11,534	$10,553
103	Leg., Exec., & Jud.	$15,436	$15,436	$14,367
104	Military Institute	$1,065	$1,065	$1,003
105	Miners Hospital	$32,415	$32,415	$27,751
107	Normal School ASU/NAU	$6,839	$6,839	$6,218
108	Penitentiaries	$23,538	$23,538	$20,501
109	Permanent Common School	$6,332,035	$6,332,035	$5,648,484
110	School for Deaf & Blind	$9,692	$9,692	$8,889
111	School of Mines	$21,500	$21,500	$20,138
112	State Charitable-Pioneers Home	$103,941	$103,941	$98,076
112	State Charitable-Corrections	$51,970	$51,970	$49,038
112	State Charitable-Youth Treatment	$51,970	$51,970	$49,038
113	University Fund	$35,752	$35,752	$33,169
114	U of A Land - 1881	$94,102	$94,102	$81,012
	Total	**$6,810,786**	**$6,810,786**	**$6,086,052**

Posted in USAS in current month

NET REALIZED CAPITAL GAINS / LOSSES - ENDOWMENT FUNDS

Endowment Fund		Jul-14 NET GAIN(LOSS)	Jul-13 NET GAIN(LOSS)
Fixed Income Pool		(334,714)	**(286,690)**
500 Large-Cap Fund		3,400,509	**(3,468,495)**
400 Mid-Cap Fund		3,164,147	**612,198**
600 Small-Cap Fund		2,339,650	**1,533,629**
	Totals	**8,569,593**	**(1,609,358)**

Endowment Fund		2014/2015 FISCAL YEAR TO DATE GAINS(LOSSES)	2013/ 2014 FISCAL YEAR TO DATE GAINS(LOSSES)
Fixed Income Pool		(334,714)	**(286,690)**
500 Large-Cap Fund		3,400,509	**(3,468,495)**
400 Mid-Cap Fund		3,164,147	**612,198**
600 Small-Cap Fund		2,339,650	**1,533,629**
	Totals	**8,569,593**	**(1,609,358)**

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

I. Endowment Funds Purchases

SECURITY DESCRIPTION	RATE	MATURITY	*WAL YEARS	PAR VALUE	PURCHASE COST	YIELD	MOODY'S / S&P RATING
FNMA MTG	2.50	7/25/2042	5.14	$5,053,648	$5,051,016	2.50%	Aaa/AA+
FNMA MTG	6.13	10/1/2037	2.07	$1,837,762	$2,000,862	1.93%	Aaa/AA+
FNMA MTG	3.50	3/1/2034	5.67	$4,839,438	$5,037,620	2.69%	Aaa/AA+
FHR MTG	3.00	2/15/2039	4.52	$4,816,708	$4,945,254	2.38%	Aaa/AA+
FHR MTG	3.00	10/15/2042	5.15	$4,949,904	$5,043,333	2.61%	Aaa/AA+
FHR MTG	3.00	10/15/2042	5.15	$4,949,904	$5,041,786	2.62%	Aaa/AA+
FHR MTG	3.00	5/15/2037	3.97	$5,000,000	$5,181,615	2.07%	Aaa/AA+
US TREAS	1.00	9/30/2016	N/A	$5,000,000	$5,056,433	0.63%	Aaa/AA+
TOTAL ENDOWMENT FUNDS PURCHASES				**$36,447,363**	**$37,357,918**		

II. Endowment Funds Sales

SECURITY DESCRIPTION	RATE	MATURITY	PAR VALUE	AMORTIZED COST/PROCEEDS	SALES GAINS/(LOSSES)	MOODY'S / S&P RATING
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 usec only with mortgage-backed pass-through/CMO securities.

EQUITY FUNDS
PURCHASES & SALES
Month of July 2014

I. Equity Fund Purchases

	SHARES	PURCHASE COST	COMMISSIONS
400 Mid-Cap Fund	168,240	$5,690,705	$1,262
500 Large-Cap Fund	187,727	$11,641,010	$1,408
600 Small-Cap Fund	481,274	$7,483,750	$3,610
TOTAL EQUITY PURCHASES	**837,241**	**$24,815,464**	**$6,280**

II. Equity Funds Sales

	SHARES	SALES AMOUNT	COMMISSIONS
400 Mid-Cap Fund	387,995	$12,219,655	$1,957
500 Large-Cap Fund	129,300	$11,028,521	$763
600 Small-Cap Fund	233,381	$8,157,086	$1,333
TOTAL EQUITY SALES	**750,676**	**$31,405,262**	**$4,052**

ENDOWMENT FUNDS
INVESTMENTS OUTSTANDING
JULY 31, 2014
(In Thousands)

FUND	NAME OF FUND	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	UNREALIZED GAINS (LOSSES)	**Mkt Value/ Book Value**
101	A & M Colleges					
	Shares in Equity Pools	494	3,473	7,402	3,929	
	Shares in Fixed Income Pools	4,472	3,128	4,673	1,546	
	Total	4,965	6,601	12,076	5,475	**1.829**
102	State Hospital					
	Shares in Equity Pools	325	2,349	4,870	2,521	
	Shares in Fixed Income Pools	2,827	2,098	2,954	857	
	Total	3,152	4,447	7,824	3,378	**1.760**
103	Leg., Exec, & Jud					
	Shares in Equity Pools	397	2,983	5,950	2,967	
	Shares in Fixed Income Pools	3,817	2,672	3,990	1,318	
	Total	4,214	5,655	9,940	4,285	**1.758**
104	Military Institute					
	Shares in Equity Pools	26	189	389	200	
	Shares in Fixed Income Pools	255	170	267	97	
	Total	281	359	656	297	**1.829**
105	Miners Hospital					
	Shares in Equity Pools	1,122	9,914	16,817	6,903	
	Shares in Fixed Income Pools	9,892	8,430	10,339	1,908	
	Total	11,014	18,344	27,155	8,812	**1.480**
107	Normal School ASU/NAU					
	Shares in Equity Pools	191	1,446	2,862	1,416	
	Shares in Fixed Income Pools	1,743	1,289	1,822	533	
	Total	1,934	2,735	4,684	1,949	**1.712**
108	Penitentiaries					
	Shares in Equity Pools	730	5,885	10,947	5,063	
	Shares in Fixed Income Pools	6,623	5,256	6,922	1,666	
	Total	7,353	11,141	17,869	6,728	**1.604**

ENDOWMENT FUNDS
INVESTMENTS OUTSTANDING
JULY 31, 2014
(In Thousands)

	NAME OF FUND	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	UNREALIZED GAINS (LOSSES)	**Mkt Value/ Book Value**
109	Permanent Common School					
	Shares in Equity Pools	182,298	1,426,051	2,733,300	1,307,249	
	Shares in Fixed Income Pools	1,629,948	1,287,753	1,703,501	415,748	
	Total	1,812,246	2,713,805	4,436,801	1,722,997	**1.635**
110	School for Deaf & Blind					
	Shares in Equity Pools	261	1,963	3,919	1,955	
	Shares in Fixed Income Pools	2,446	1,746	2,556	810	
	Total	2,707	3,709	6,475	2,766	**1.746**
111	School of Mines					
	Shares in Equity Pools	552	4,129	8,276	4,148	
	Shares in Fixed Income Pools	5,124	3,721	5,355	1,634	
	Total	5,676	7,849	13,631	5,782	**1.737**
112	State Charitable					
	Shares in Equity Pools	5,534	41,435	82,971	41,536	
	Shares in Fixed Income Pools	48,675	37,846	50,872	13,026	
	Total	54,209	79,281	133,843	54,562	**1.688**
113	University Fund					
	Shares in Equity Pools	995	7,830	14,922	7,092	
	Shares in Fixed Income Pools	9,236	6,881	9,653	2,772	
	Total	10,231	14,711	24,575	9,863	**1.670**
114	U Of A Land - 1881					
	Shares in Equity Pools	3,432	31,491	51,463	19,972	
	Shares in Fixed Income Pools	31,510	26,254	32,932	6,678	
	Total	34,942	57,745	84,395	26,650	**1.462**
	TOTALS - ALL FUNDS					
	Shares in Equity Pools	196,357	1,539,139	2,944,089	1,404,950	
	Shares in Fixed Income Pools	1,756,568	1,387,242	1,835,835	448,593	
	Grand Total	**1,952,925**	**2,926,381**	**4,779,924**	**1,853,544**	
	PRIOR YEAR: JULY 2013 BALANCES	**1,739,350**	**2,781,216**	**4,301,862**	**1,520,646**	

ENDOWMENT FUNDS
INVESTMENTS OUTSTANDING
JULY 31, 2014

ASSET ALLOCATION PERCENTAGE

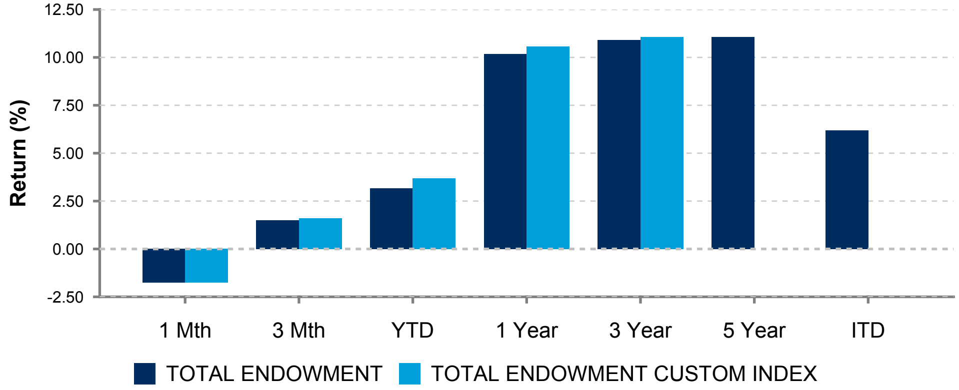
	SHARES OUTSTANDING	**BOOK VALUE**	MARKET VALUE	JULY 2013 MARKET VALUE
Shares in Equity Pools	10.05%	**52.60%**	61.59%	64.67%
Shares in Fixed Income Pools	89.95%	**47.40%**	38.41%	35.33%
Total	100.00%	**100.00%**	100.00%	100.00%

OFFICE OF THE ARIZONA STATE TREASURER

July 31, 2014

Total Endowment Summary

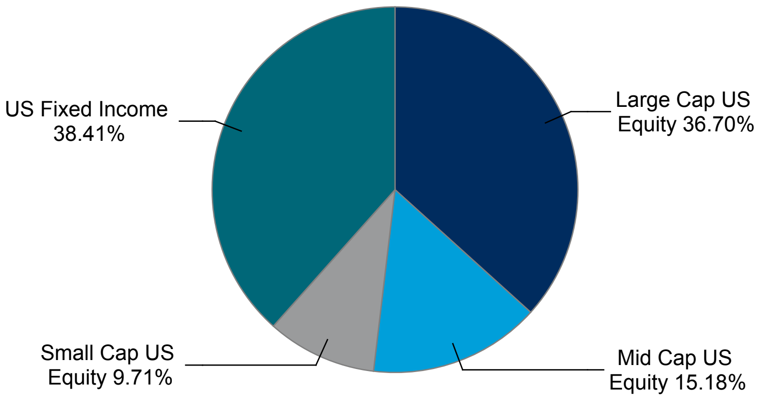
Performance



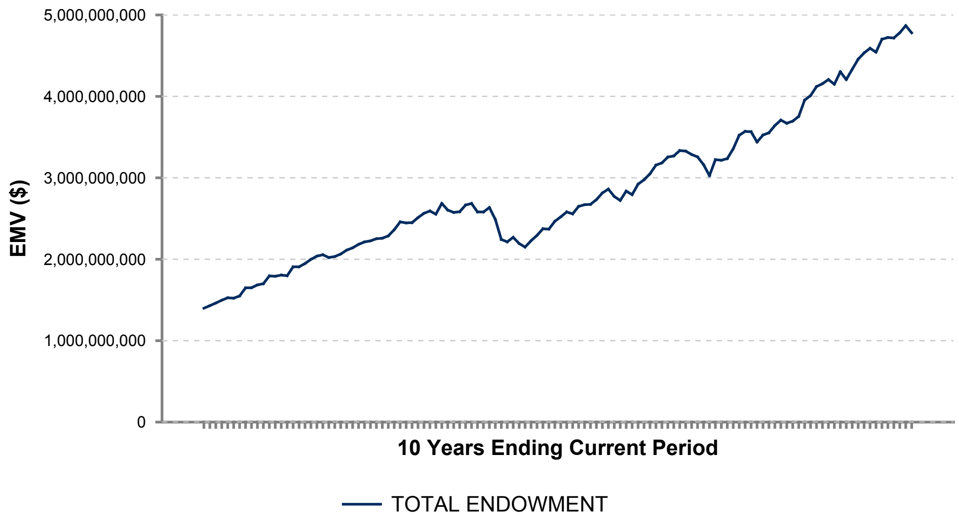
	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Incept Date
TOTAL ENDOWMENT	-1.77	1.51	3.16	10.19	10.91	11.06	6.20	07/99
TOTAL ENDOWMENT CUSTOM INDEX	-1.77	1.61	3.69	10.56	11.07			07/99
Excess	0.00	-0.09	-0.53	-0.38	-0.16			

Asset Allocation

	Ending Market Value
TOTAL ENDOWMENT	4,779,924,389

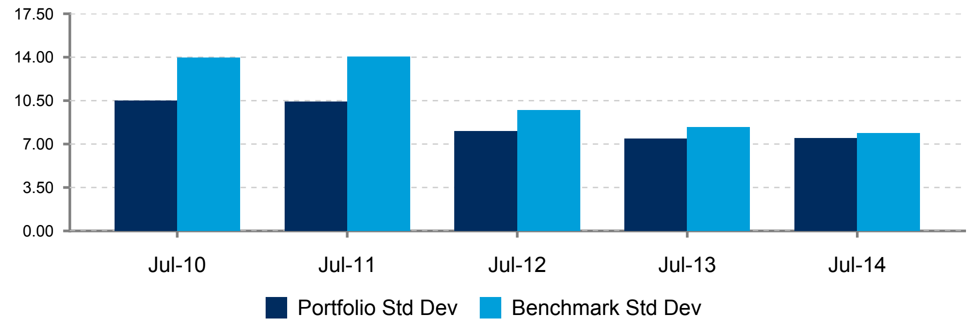


Ending Market Value



3 Year Risk Statistics

	Return	Portfolio Std Dev	Benchmark Std Dev	Sharpe Ratio	Beta	Tracking Error	Information Ratio
TOTAL ENDOWMENT	10.91	7.49	7.88	1.45	0.95	0.74	-0.21

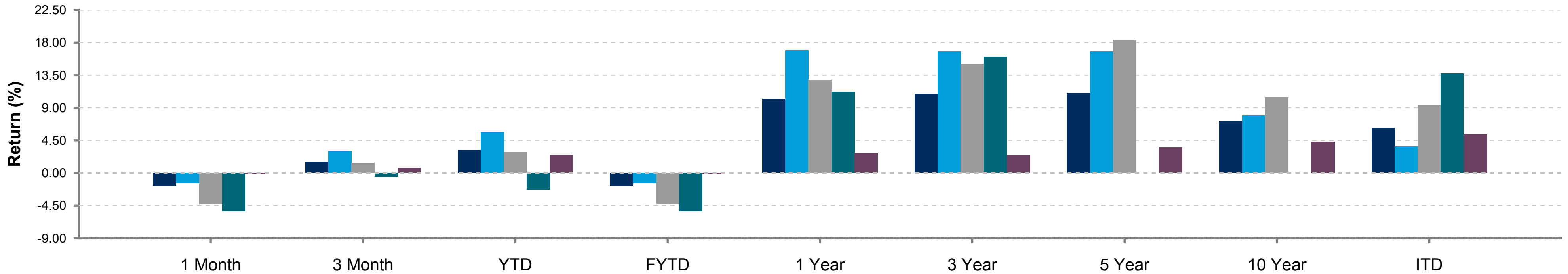


OFFICE OF THE ARIZONA STATE TREASURER

July 31, 2014

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	4,779,924,389	100.00	-1.77	1.51	3.16	-1.77	10.19	10.91	11.06	7.15	6.20	Jul-01-99
TOTAL ENDOWMENT CUSTOM INDEX			-1.77	1.61	3.69	-1.77	10.56	11.07				Jul-01-99
Excess			0.00	-0.09	-0.53	0.00	-0.38	-0.16				
POOL 201 S&P 500	1,754,212,167	36.70	-1.37	3.01	5.61	-1.37	16.91	16.80	16.77	7.92	3.62	Jul-01-99
S&P 500 INDEX (DAILY)			-1.38	3.02	5.66	-1.38	16.94	16.84	16.79	8.00	4.22	Jul-01-99
Excess			0.01	-0.01	-0.05	0.01	-0.03	-0.04	-0.02	-0.08	-0.60	
POOL 203 S&P 400	725,536,858	15.18	-4.31	1.38	2.84	-4.31	12.85	15.02	18.39	10.43	9.32	Aug-01-01
S&P 400 MIDCAP INDEX (DAILY)			-4.27	1.46	2.90	-4.27	12.89	14.96	18.61	10.55	9.35	Aug-01-01
Excess			-0.04	-0.07	-0.06	-0.04	-0.04	0.05	-0.22	-0.12	-0.02	
POOL 204 S&P 600	464,340,039	9.71	-5.30	-0.53	-2.26	-5.30	11.21	16.00			13.71	Mar-01-11
S&P SM 600 TR			-5.49	-0.77	-2.45	-5.49	11.04	15.88			13.66	Mar-01-11
Excess			0.19	0.24	0.19	0.19	0.18	0.11			0.05	
POOL 205 FIXED INCOME	1,835,835,325	38.41	-0.17	0.69	2.44	-0.17	2.70	2.39	3.52	4.33	5.32	Jul-01-99
CITIGROUP BIG (DAILY)			-0.25	0.95	3.64	-0.25	3.94	3.05	4.38	4.92	5.63	Jul-01-99
Excess			0.08	-0.26	-1.20	0.08	-1.24	-0.66	-0.86	-0.58	-0.30	

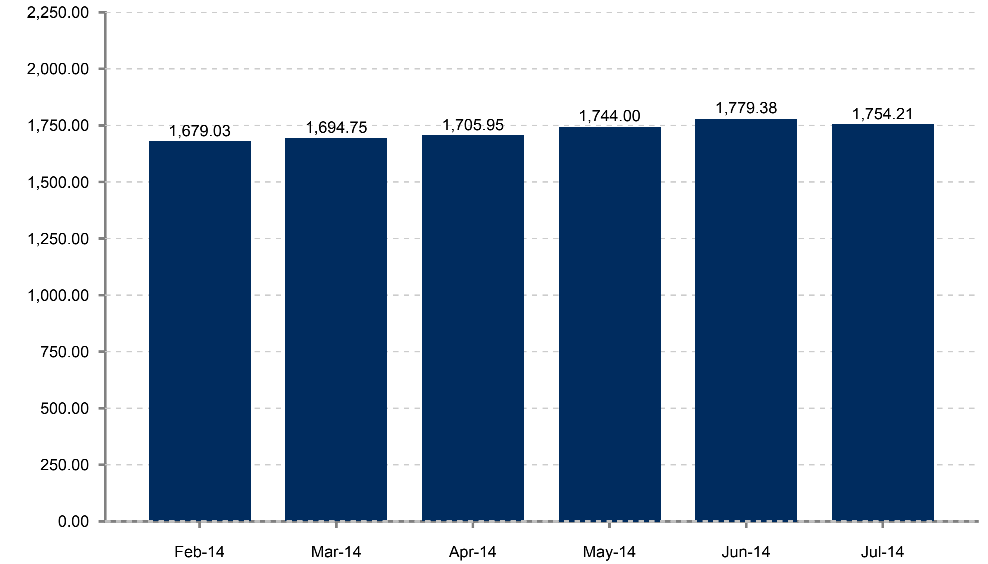
OFFICE OF THE ARIZONA STATE TREASURER

July 31, 2014

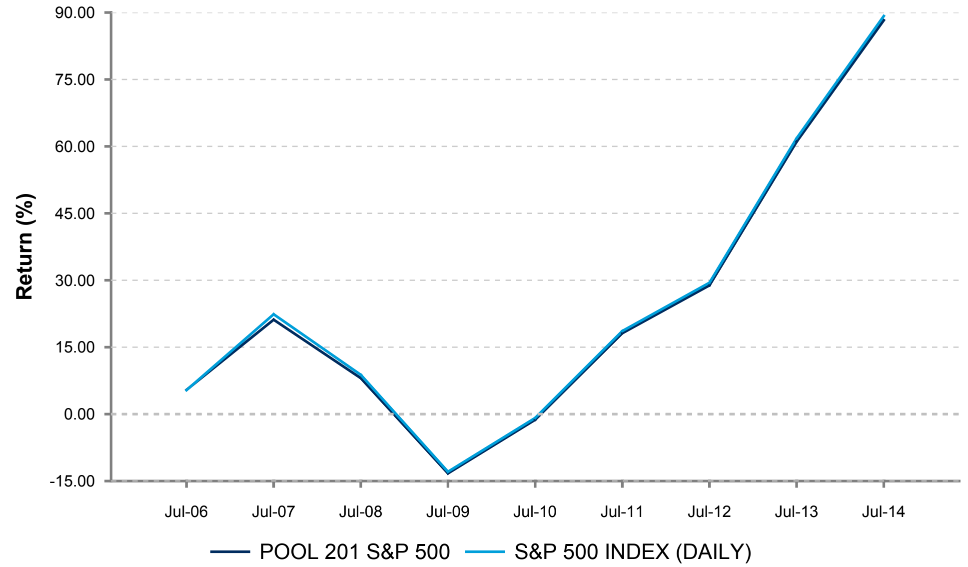
POOL 201 S&P 500

STATE STREET.

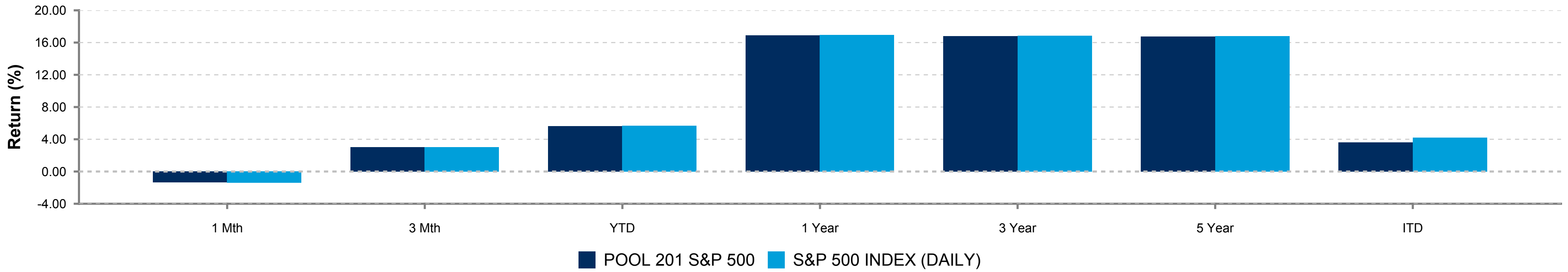
Net Asset Values over Time ($MM)



Cumulative Return (%)



Rates of Return

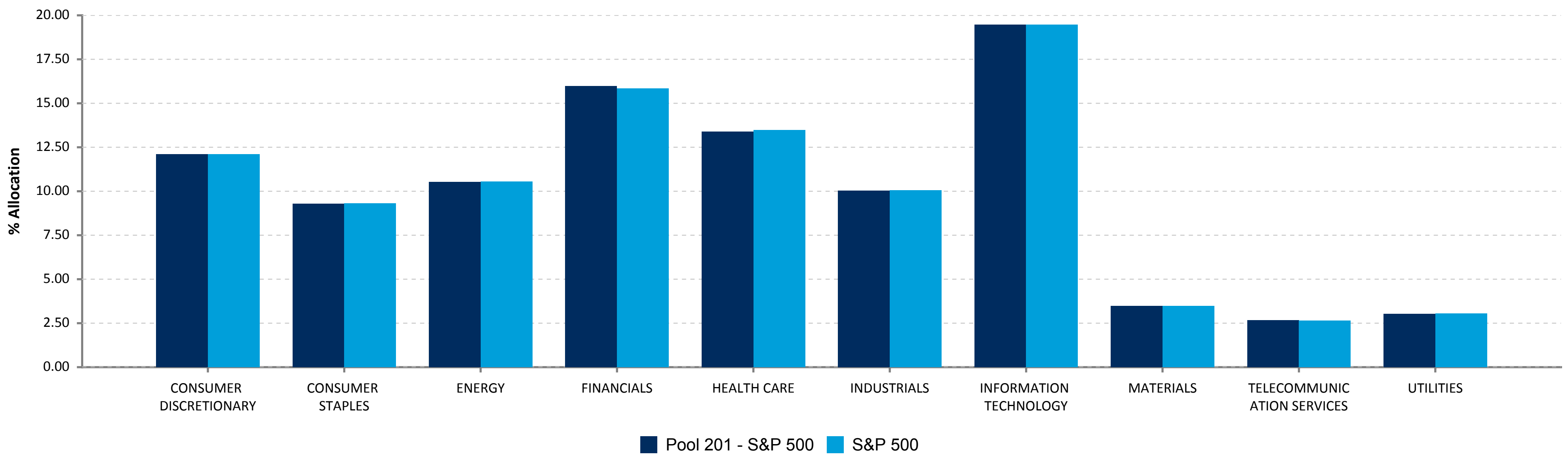


	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Jul 31 2014	Jul 31 2013	Jul 31 2012
POOL 201 S&P 500	-1.37	3.01	5.61	16.91	16.80	16.77	3.62	16.91	24.97	9.08
S&P 500 INDEX (DAILY)	-1.38	3.02	5.66	16.94	16.84	16.79	4.22	16.94	25.00	9.13
Excess	0.01	-0.01	-0.05	-0.03	-0.04	-0.02	-0.60	-0.03	-0.03	-0.06

OFFICE OF THE ARIZONA STATE TREASURER

July 31, 2014

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



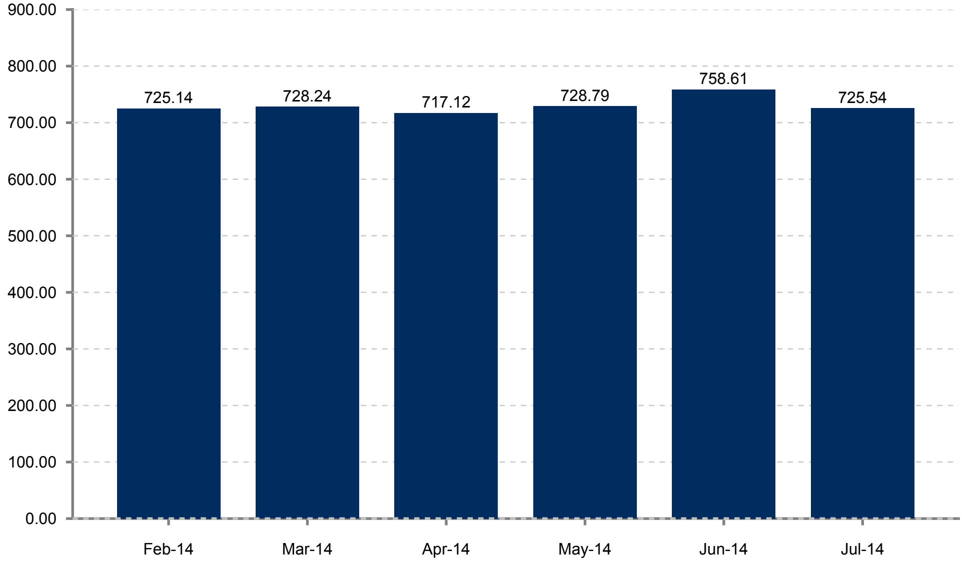
	Fund Weight	Benchmark Weight	Relative Weight
POOL 201 S&P 500	100.00	100.00	0.00
CONSUMER DISCRETIONARY	12.15	12.11	0.04
CONSUMER STAPLES	9.53	9.51	0.02
ENERGY	10.70	10.78	-0.08
FINANCIALS	15.76	15.79	-0.04
HEALTH CARE	13.26	13.29	-0.03
INDUSTRIALS	10.37	10.34	0.03
INFORMATION TECHNOLOGY	18.99	18.91	0.08
MATERIALS	3.49	3.48	0.01
TELECOMMUNICATION SERVICES	2.54	2.55	-0.01
UTILITIES	3.22	3.24	-0.02

OFFICE OF THE ARIZONA STATE TREASURER

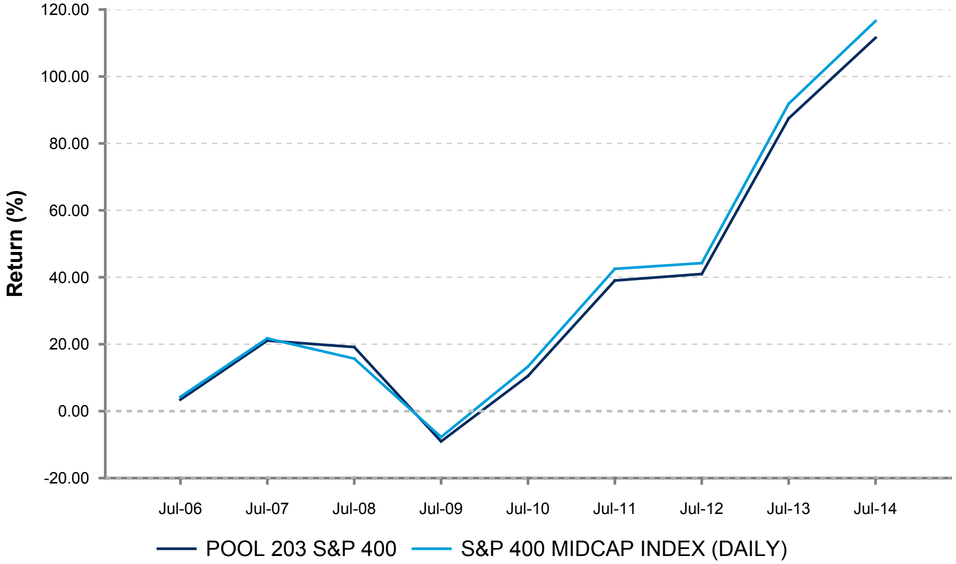
July 31, 2014

POOL 203 S&P 400

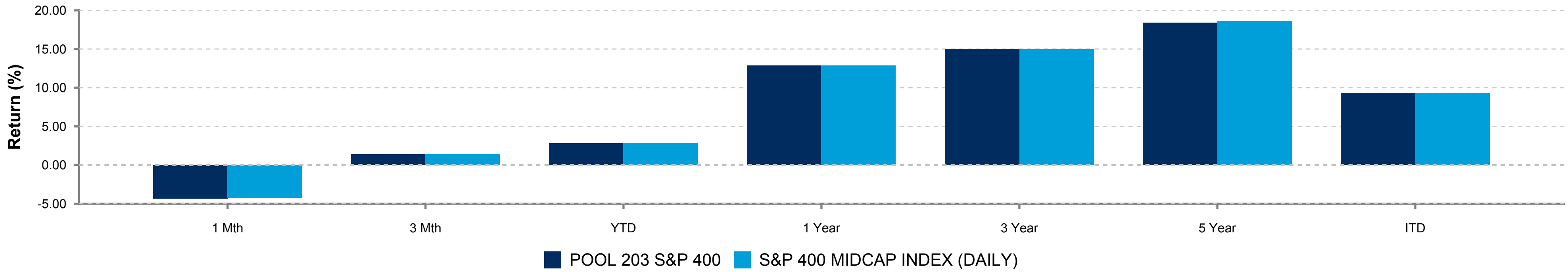
Net Asset Values over Time ($MM)



Cumulative Return (%)

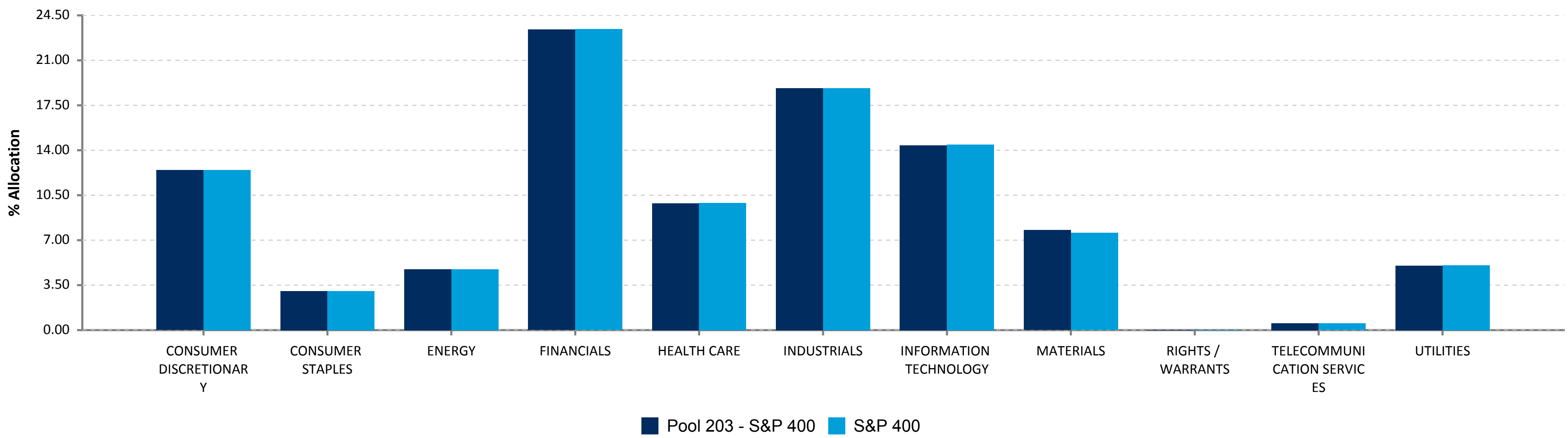


Rates of Return



	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Jul 31 2014	Jul 31 2013	Jul 31 2012
POOL 203 S&P 400	-4.31	1.38	2.84	12.85	15.02	18.39	9.32	12.85	32.97	1.40
S&P 400 MIDCAP INDEX (DAILY)	-4.27	1.46	2.90	12.89	14.96	18.61	9.35	12.89	33.00	1.20
Excess	-0.04	-0.07	-0.06	-0.04	0.05	-0.22	-0.02	-0.04	-0.03	0.20

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	12.39	12.38	0.00
CONSUMER STAPLES	3.04	3.04	-0.00
ENERGY	4.84	4.86	-0.01
FINANCIALS	23.95	23.98	-0.03
HEALTH CARE	9.34	9.37	-0.03
INDUSTRIALS	18.66	18.70	-0.04
INFORMATION TECHNOLOGY	14.28	14.33	-0.05
MATERIALS	7.80	7.62	0.17
RIGHTS / WARRANTS	0.00	0.00	0.00
TELECOMMUNICATION SERVICES	0.50	0.50	0.01
UTILITIES	5.20	5.21	-0.02

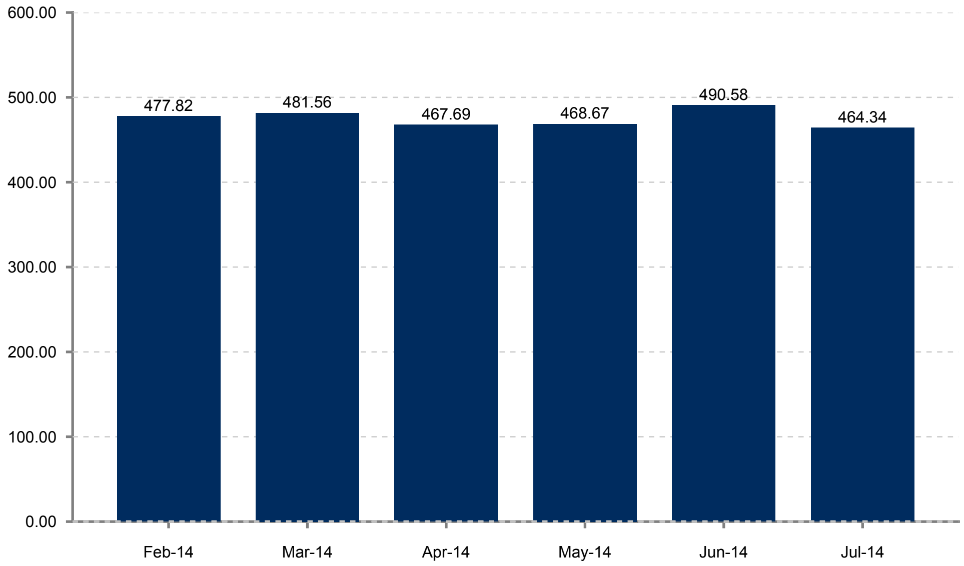
OFFICE OF THE ARIZONA STATE TREASURER

July 31, 2014

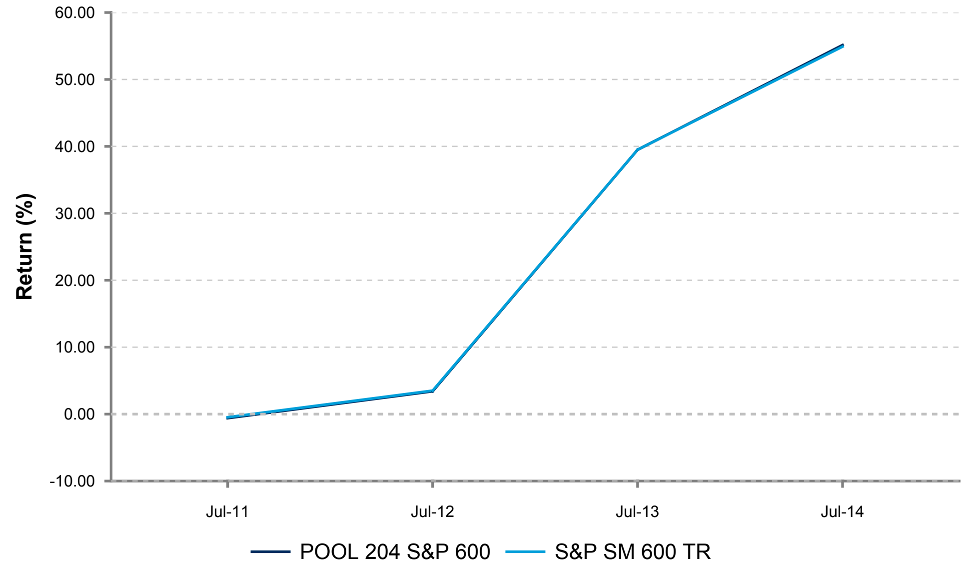
POOL 204 S&P 600

STATE STREET.

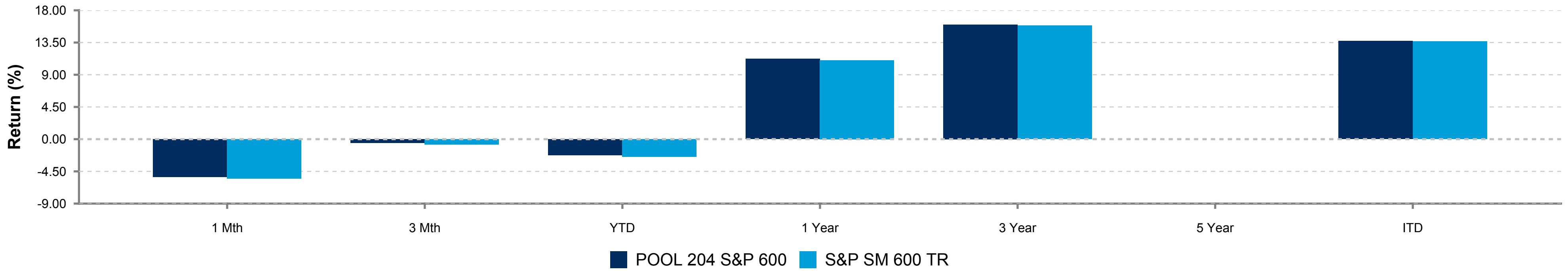
Net Asset Values over Time ($MM)



Cumulative Return (%)



Rates of Return

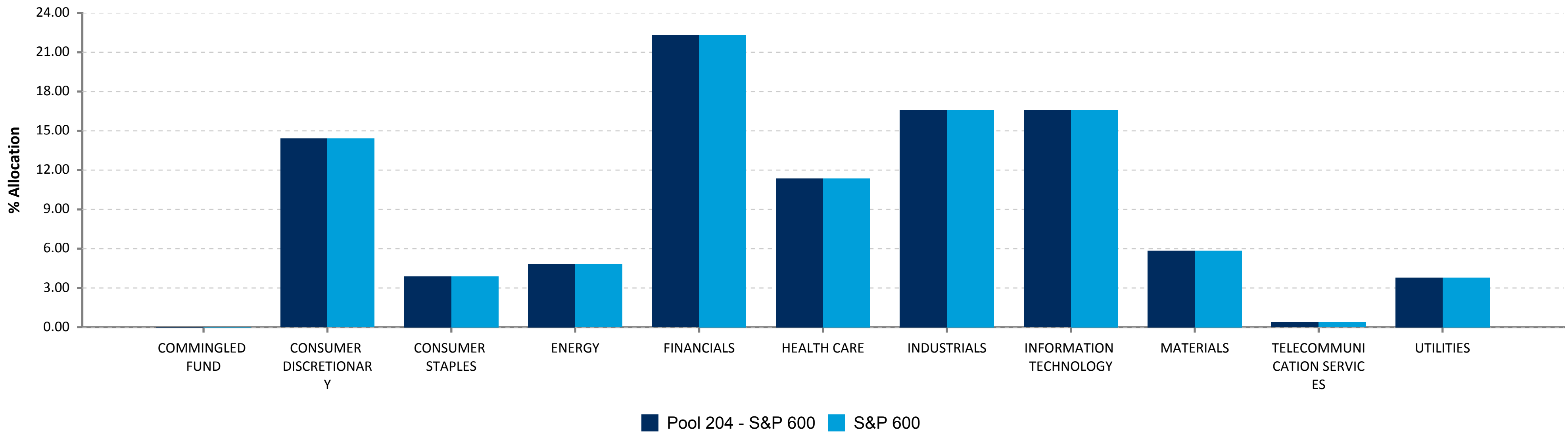


	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Jul 31 2014	Jul 31 2013	Jul 31 2012
POOL 204 S&P 600	-5.30	-0.53	-2.26	11.21	16.00		13.71	11.21	34.89	4.04
S&P SM 600 TR	-5.49	-0.77	-2.45	11.04	15.88		13.66	11.04	34.78	3.99
Excess	0.19	0.24	0.19	0.18	0.11		0.05	0.18	0.11	0.05

OFFICE OF THE ARIZONA STATE TREASURER

July 31, 2014

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
COMMINGLED FUND	0.00	0.00	0.00
CONSUMER DISCRETIONARY	14.59	14.49	0.10
CONSUMER STAPLES	3.89	3.86	0.02
ENERGY	5.01	4.99	0.02
FINANCIALS	21.41	21.52	-0.12
HEALTH CARE	10.68	10.87	-0.19
INDUSTRIALS	17.27	17.12	0.15
INFORMATION TECHNOLOGY	17.01	16.94	0.07
MATERIALS	5.87	5.95	-0.09
TELECOMMUNICATION SERVICES	0.41	0.41	0.00
UTILITIES	3.87	3.85	0.03

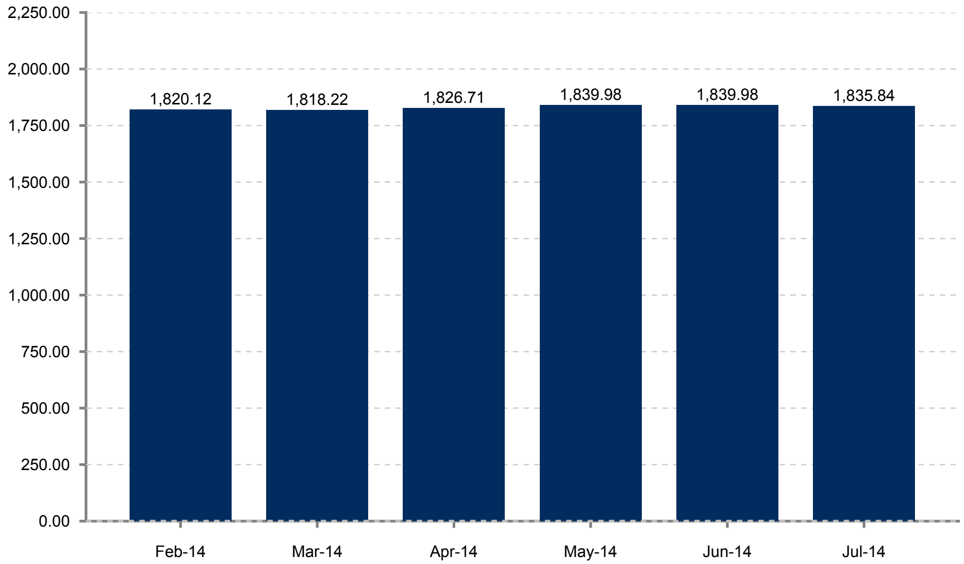
OFFICE OF THE ARIZONA STATE TREASURER

July 31, 2014

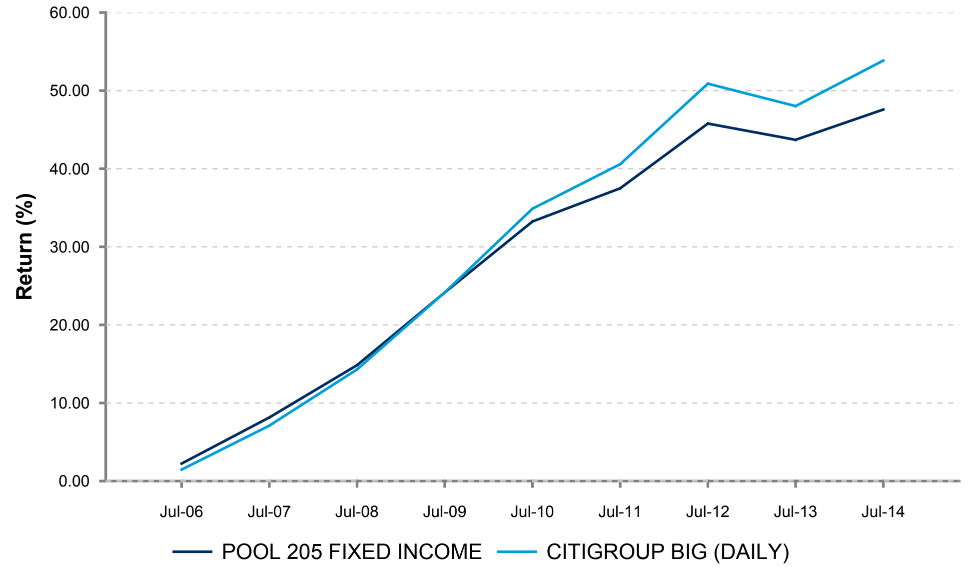
POOL 205 FIXED INCOME

STATE STREET.

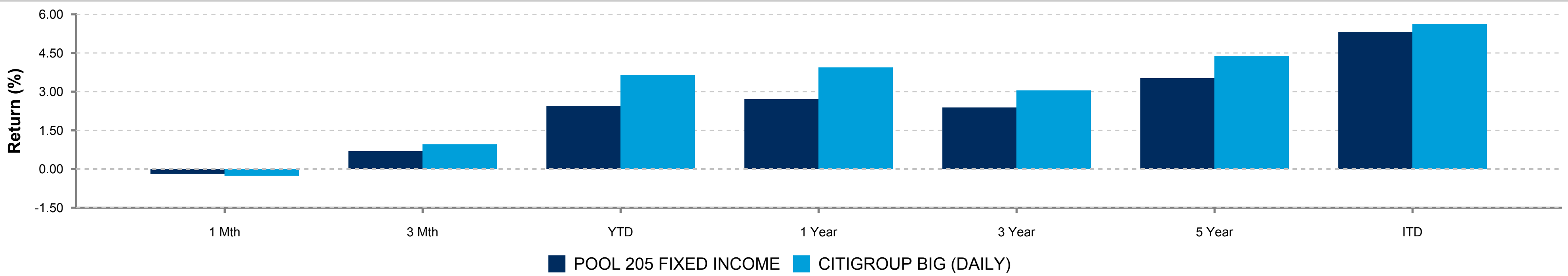
Net Asset Values over Time ($MM)



Cumulative Return (%)



Rates of Return



	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Jul 31 2014	Jul 31 2013	Jul 31 2012
POOL 205 FIXED INCOME	-0.17	0.69	2.44	2.70	2.39	3.52	5.32	2.70	-1.43	6.03
CITIGROUP BIG (DAILY)	-0.25	0.95	3.64	3.94	3.05	4.38	5.63	3.94	-1.90	7.33
Excess	0.08	-0.26	-1.20	-1.24	-0.66	-0.86	-0.30	-1.24	0.47	-1.31

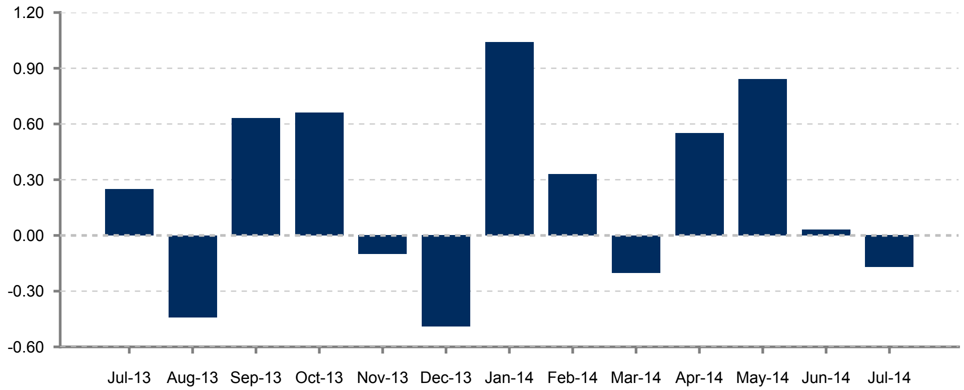
OFFICE OF THE ARIZONA STATE TREASURER

July 31, 2014

POOL 205 FIXED INCOME

STATE STREET.

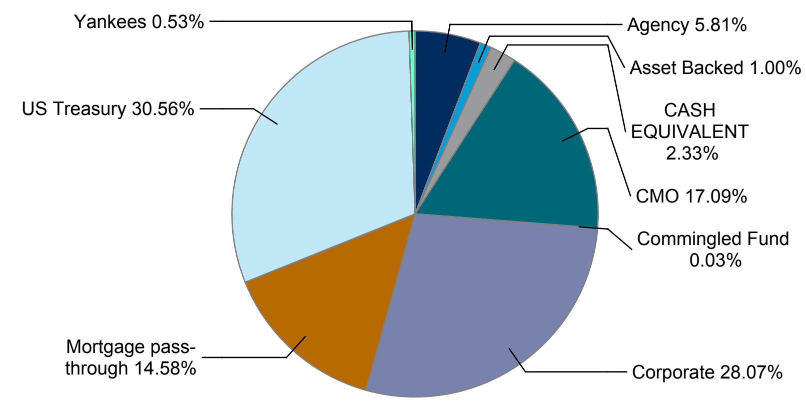
Net Mgr Return



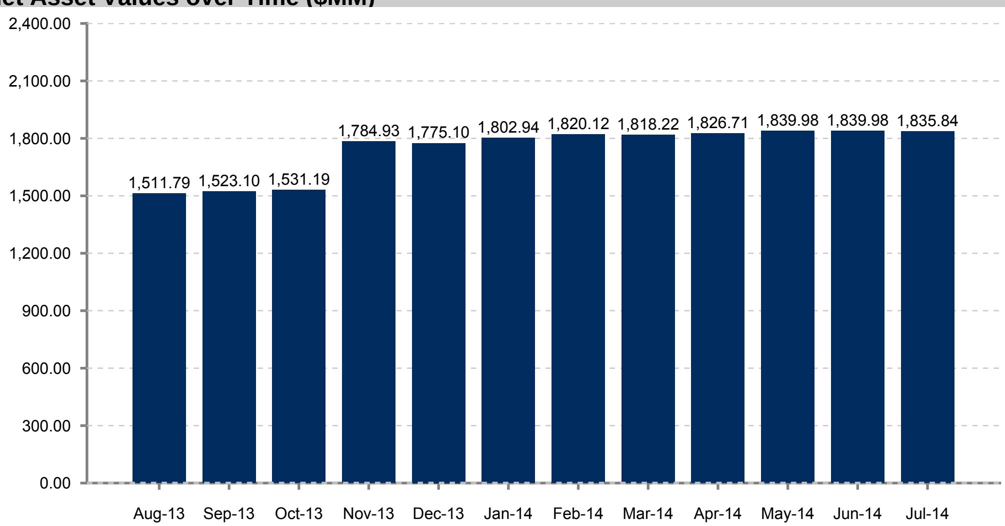
	Current Mth	Prior Mth	1 Year Ago
POOL 205 FIXED INCOME	-0.17	0.03	0.25

Asset Allocation

	Ending Market Value
POOL 205 FIXED INCOME	1,835,835,325



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 205 FIXED INCOME		
STATE STR INSTL LIQUID RESVS	29,771,953	1.62
UNITED STATES TREASURY NOTE/BO	17,782,239	0.97
FIFTH THIRD BANK	14,944,463	0.81
US TREASURY N/B	14,231,595	0.78
US TREASURY N/B	13,459,207	0.73
US TREASURY N/B	12,756,307	0.69
CONOCOPHILLIPS	12,626,446	0.69
PRES + FELLOWS OF HARVAR	12,291,777	0.67
FNMA POOL AV6108	12,051,771	0.66
FNMA POOL AL0215	11,660,968	0.64

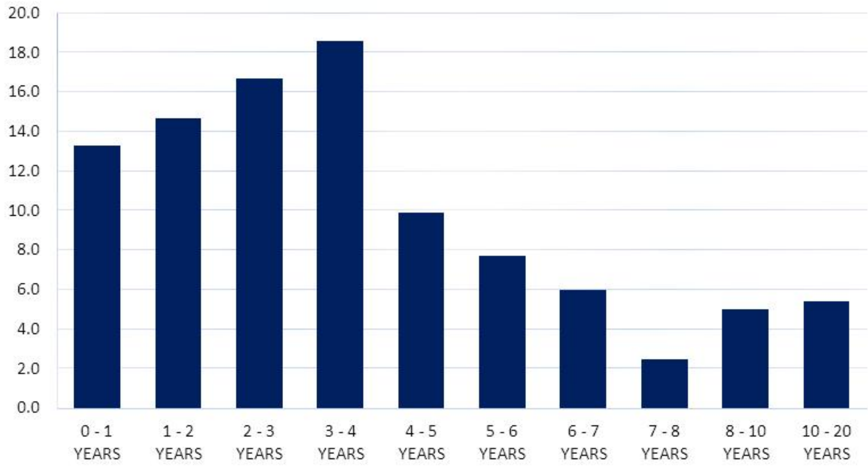
OFFICE OF THE ARIZONA STATE TREASURER

July 31, 2014

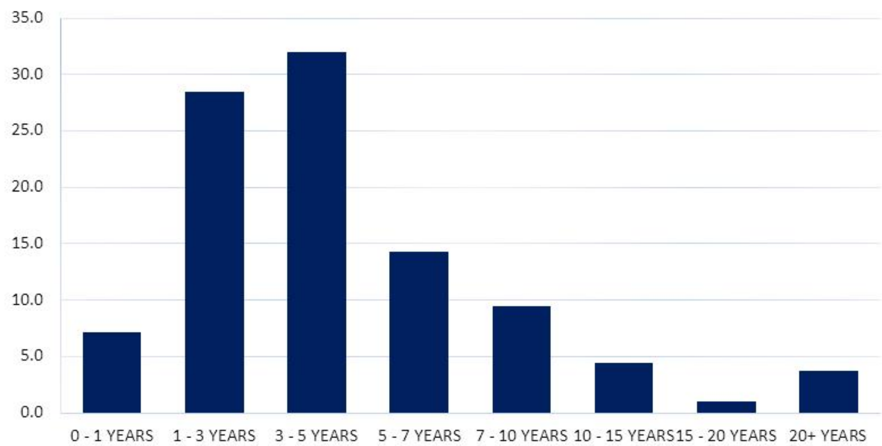
POOL 205 FIXED INCOME

STATE STREET.

Duration Distribution



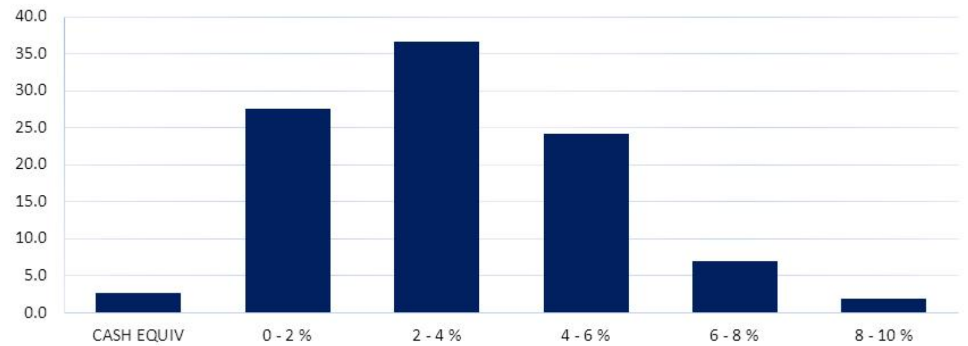
Expected Maturity Distribution



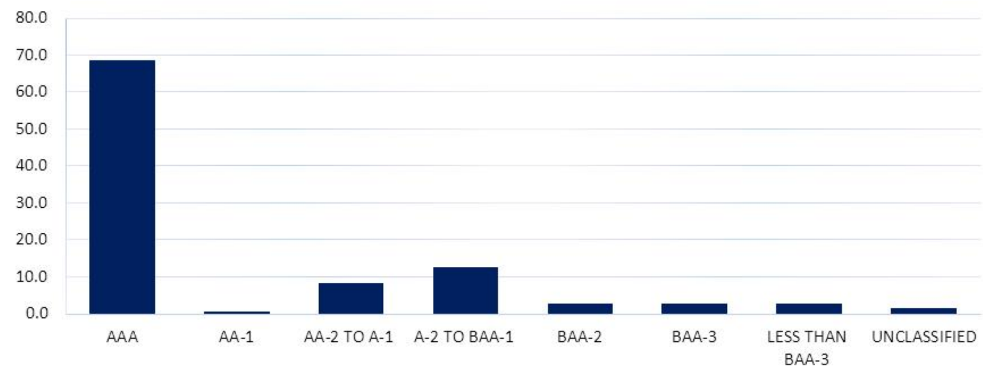
Portfolio Level Characteristics

	POOL 205 FIXED INCOME
Weighted Average Life	5.11
Coupon	3.30
Effective Duration	3.97
Quality Rating (S&P)	AA-

Coupon Distribution



Rating Distribution



Thousands

Endowment Fund Market Value