

OFFICE OF THE  
**ARIZONA STATE TREASURER**



**JEFF DEWIT**  
TREASURER



**OCTOBER 2015**

**Presented To:**

**Arizona State Board of Investment**

**November 30, 2015**

STATE BOARD OF INVESTMENT

**A G E N D A**

**November 30, 2015**

1. Call to Order
2. Chairman Remarks
3. Approval of October 27, 2015 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**

**November 30, 2015**

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**Minutes of  
BOARD OF INVESTMENT MEETING**

The regular meeting of the State Board of Investment was held on October 27, 2015 in the Office of the State Treasurer, 1700 West Washington, State Capitol, West Wing, Treasurer's Conference Room, Phoenix, Arizona. Treasurer DeWit called the meeting to order at approximately 1:30 p.m.

**Members Present:**

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

**Others Present:**

Mark Swenson, Deputy Treasurer of Policy & Research, Arizona State Treasurer's Office  
Lorraine Jones, Deputy Treasurer of Operations, Arizona State Treasurer's Office  
Sean Dollman, Deputy Treasurer of Administration, Arizona State Treasurer's Office  
Patty Humbert, Chief Investment Officer, Arizona State Treasurer's Office  
Tim White, Senior Portfolio Manager, Arizona State Treasurer's Office  
Jake Richardson, Investment Analyst, Arizona State Treasurer's Office  
Dale Stomberg, Investment Accounting Manager, Arizona State Treasurer's Office  
Pam Kirk, Assistant Investment Accounting Manager, Arizona State Treasurer's Office  
Dajana Zlaticanin, Program and Project Specialist, Arizona State Treasurer's Office  
Angelie Hawley, Accounting Supervisor, Pima County Treasurer's Office

Pursuant to A.R.S. 35-311, the following reports for September, 2015 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 DeWit called the October 27, 2015 BOI meeting to order at approximately 1:30 p.m.

**2. Treasurers Comments:**

Treasurer DeWit welcomed the board members and guests and thanked all present for attending the October 27, 2015 meeting.

**3. Approval of Minutes:**

Mr. Papp made a motion to approve the September 22, 2015 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 September, 2015.

**Operating Monies Average Invested Balance**

Ms. Humbert reported the Operating Monies average invested balance for the month of September, 2015.

**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 September, 2015.

**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 September 30, 2015.

**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 September 30, 2015.

**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 September, 2015.

### **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 September, 2015.

### **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 September 30, 2015.

### **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 September, 2015.

### **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 September, 2015.

#### **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 September, 2015 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 September, 2015.

#### **Equity Funds Purchases & Sales**

Mr. White reported the purchases and sales (summary) of the Endowment Equity Pools for the month of September, 2015.

#### **Investments Outstanding in Endowment Funds**

Mr. White reported the par, book, market value, and unrealized gains/loss of the Endowment Funds as of September 30, 2015.

### **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 September 30, 2015.

### **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 September 30, 2015.

### **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 September 30, 2015.

### **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 September 30, 2015.

### **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 September 30, 2015.

### **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 September, 2015.

### **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 September 30, 2015.

### **Broker Activity Report**

Mr. White reported the quarterly broker activity for all internally managed pools for the period of July 1, 2015 through September 30, 2015

### **Approval of Treasurer's Report**

Ms. Ford made a motion to approve the Treasurer's Report. Mr. Brown 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:**

*No General Business.*

**8. Call to the Public:**

There was no Public comment.

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

**9. Notice of Next Meeting:**

Treasurer DeWit advised the Board that the next regular meeting of the Board of Investment will be Monday, November 23, 2015 at 1:30 p.m. at 1700 West Washington, State Capitol, West Wing, Treasurer's Conference Room, Phoenix, Arizona.

**10. Adjournment:**

Mr. Brown made a motion to adjourn the BOI meeting. Mr. Kingry seconded the motion. Upon unanimous approval the BOI Meeting was adjourned at 2:20 p.m.

Respectfully Submitted by:

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Christine Thurston  
Executive Consultant II

Approved by:

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Jeff DeWit, Chair

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Date

**EARNINGS DISTRIBUTION - INVESTMENT POOLS  
OCTOBER 2015**

<b>Recipient</b>	<b>Earnings Distributed</b>			<b>Fiscal YTD Investment Management Fees Received</b>
	<b>OCTOBER 2015</b>	<b>Fiscal YTD 15/16</b>	<b>Fiscal YTD 14/15</b>	
General Fund	\$954,184	\$3,938,188	\$3,761,337	
2 State Agencies - Full Faith & Credit	251,068	1,327,075	1,723,310	\$174,208
3 State Agencies - Diversified ( <i>Combined</i> )	560,693	2,372,971	2,373,591	265,813
4 State Agencies - Gov	397,315	1,449,278	1,958,004	154,520
5 LGIP	160,243	571,756	324,696	199,417
7 LGIP Gov	84,645	326,981	161,179	170,620
10 Restricted Operating	292,013	1,138,562	1,055,176	248,348
12 CAWCD Medium-Term	289,422	1,415,959	1,670,317	57,323
16 ECDH Medium-Term	371,571	1,761,152	1,861,689	70,237
<b>Subtotal</b>	<b>\$3,361,155</b>	<b>\$14,301,921</b>	<b>\$14,889,300</b>	<b>\$1,340,485</b>
<b>NAV POOL</b>				
500 LGIP - Med Term	244,984	971,700	962,134	44,787
700 LGIP - FF&C Med Term	131,993	450,816	491,151	26,924
<b>Total</b>	<b>\$3,738,132</b>	<b>\$15,724,437</b>	<b>\$16,342,585</b>	<b>\$1,412,196</b>
<b>OCTOBER 2014 TOTALS</b>	<b>\$3,755,427</b>			<b>\$1,403,784</b>

**OPERATING MONIES**  
**AVERAGE INVESTED BALANCE**

Through October 31, 2015

(in millions of dollars)

<u>Month</u>	<u>Fiscal Year</u> <u>2013/2014</u>	<u>Fiscal Year</u> <u>2014/2015</u>	<u>Fiscal Year</u> <u>2015/2016</u>
JULY	1,942	1,876	1,795
AUGUST	1,709	1,369	1,554
SEPTEMBER	1,974	1,638	1,874
OCTOBER	1,824	1,521	1,701
NOVEMBER	1,853	1,535	
DECEMBER	1,895	1,478	
JANUARY	2,234	1,754	
FEBRUARY	2,427	1,959	
MARCH	2,107	1,686	
APRIL	2,100	1,879	
MAY	2,312	2,163	
JUNE	2,462	2,307	
<b>Y-T-D</b>			
<b>Average</b>	<b>\$2,070</b>	<b>\$1,764</b>	<b>\$1,731</b>
<b>Budget Stabilization Average Fund Balance - October 2015</b>			<b><u>\$458</u></b>
<b>Total Average Cash Available - October 2015</b>			<b><u>\$2,160</u></b>

**STATE AGENCY POOLS  
PORTFOLIO EARNINGS ANALYSIS  
OCTOBER 2015**

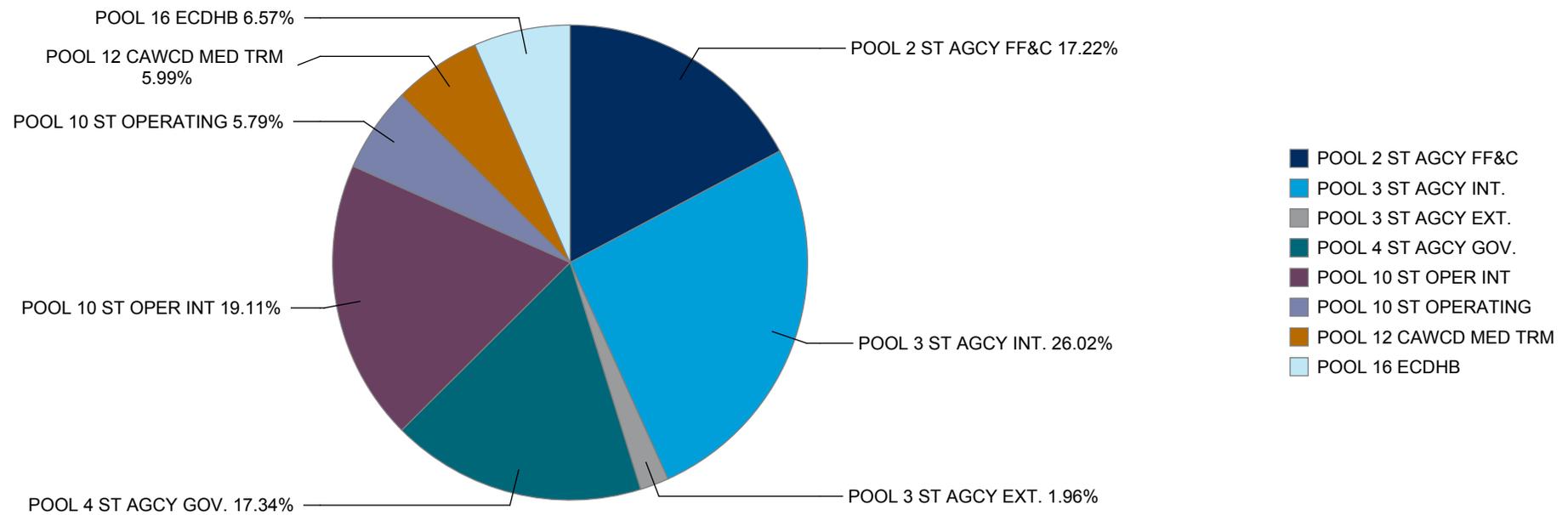
<b>FUND</b>	<b>DESCRIPTION</b>	<b>Current Month 10/31/15</b>	<b>Prior Month 09/30/15</b>	<b>Prior Year 10/31/14</b>	<b>Net Asset Value Per Share</b>
2	STATE AGENCIES - FULL FAITH & CREDIT	313,551	419,931	407,251	0.9969
3	STATE AGENCIES - DIVERSIFIED				
	INTERNAL MANAGERS	748,125	744,863	670,760	0.9978
	EXTERNAL MANAGERS	83,199	76,793	62,398	1.0007
	<b>FUND 3 TOTAL</b>	<b>831,324</b>	<b>821,656</b>	<b>733,158</b>	0.9980
4	STATE AGENCIES - GOV	466,149	472,821	497,320	0.9976
10	RESTRICTED OPERATING				
	INTERNAL MANAGERS	722,253	724,451	663,820	0.9986
	EXTERNAL MANAGERS	113,386	97,636	68,621	1.0014
	<b>FUND 10 TOTAL</b>	<b>835,639</b>	<b>822,086</b>	<b>732,441</b>	0.9993
12	CAWCD MEDIUM-TERM	289,422	368,247	415,485	1.0043
16	ECDH MEDIUM-TERM	371,571	461,268	464,377	0.9981
	<b>TOTAL STATE AGENCIES</b>	<b>3,107,657</b>	<b>3,366,010</b>	<b>3,250,032</b>	

**STATE AGENCY POOLS  
PORTFOLIO YIELD ANALYSIS  
OCTOBER 2015**

<b>FUND</b>	<b>DESCRIPTION</b>	<b>Current Month 10/31/15</b>	<b>Prior Month 09/30/15</b>	<b>Prior Year 10/31/14</b>
<b>2</b>	<b>STATE AGENCIES - FULL FAITH &amp; CREDIT</b>	0.37%	0.49%	<b>0.58%</b>
	75% MERRILL 0-1 US TREAS INDEX / 25%	0.87%	0.80%	<b>0.72%</b>
	MERRILL US GNMA MORTGAGE BACKED INDEX			
<b>3</b>	<b>STATE AGENCIES - DIVERSIFIED</b>			
	INTERNAL MANAGERS	0.67%	0.67%	<b>0.62%</b>
	EXTERNAL MANAGERS	0.96%	0.92%	<b>0.72%</b>
	COMBINED	0.69%	0.69%	<b>0.63%</b>
	50% 3 MONTH LIBOR INDEX / 50% MERRILL	0.71%	0.68%	<b>0.51%</b>
	1-3 US BROAD MARKET INDEX			
<b>4</b>	<b>STATE AGENCIES - GOV</b>	0.57%	0.67%	<b>0.76%</b>
	50% MERRILL 6 MTH US T-BILL INDEX / 50%	0.48%	0.36%	<b>0.29%</b>
	MERRILL 1-3 UNSUB. US TREAS / AGY INDEX			
<b>10</b>	<b>RESTRICTED OPERATING</b>			
	INTERNAL MANAGERS	0.84%	0.84%	<b>0.72%</b>
	EXTERNAL MANAGERS	0.44%	0.39%	<b>0.27%</b>
	COMBINED	0.75%	0.74%	<b>0.62%</b>
	50% 3 MONTH LIBOR INDEX / 50% MERRILL	0.71%	0.68%	<b>0.51%</b>
	1-3 US BROAD MARKET INDEX			
<b>12</b>	<b>CAWCD MEDIUM-TERM</b>	1.10%	1.45%	<b>1.62%</b>
	MERRILL 1-5 US D M INDEX	1.55%	1.42%	<b>1.35%</b>
<b>16</b>	<b>ECDH MEDIUM-TERM</b>	1.27%	1.64%	<b>1.61%</b>
	MERRILL 1-5 US D M INDEX	1.55%	1.42%	<b>1.35%</b>



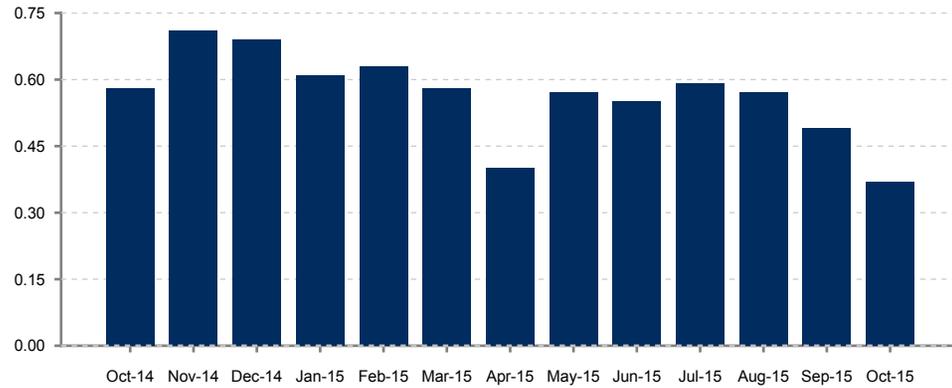
Manager Allocation



	Market Value	% of Portfolio
POOL 2 ST AGCY FF&C	901,143,913	17.2
POOL 3 ST AGCY INT.	1,361,663,113	26.0
POOL 3 ST AGCY EXT.	102,339,678	2.0
POOL 4 ST AGCY GOV.	907,403,231	17.3
POOL 10 ST OPER INT	999,742,403	19.1
POOL 10 ST OPERATING	302,928,162	5.8
POOL 12 CAWCD MED TRM	313,659,052	6.0
POOL 16 ECDHB	343,895,698	6.6
TOTAL STATE AGENCY	5,232,775,251	100.0



## Net Yield

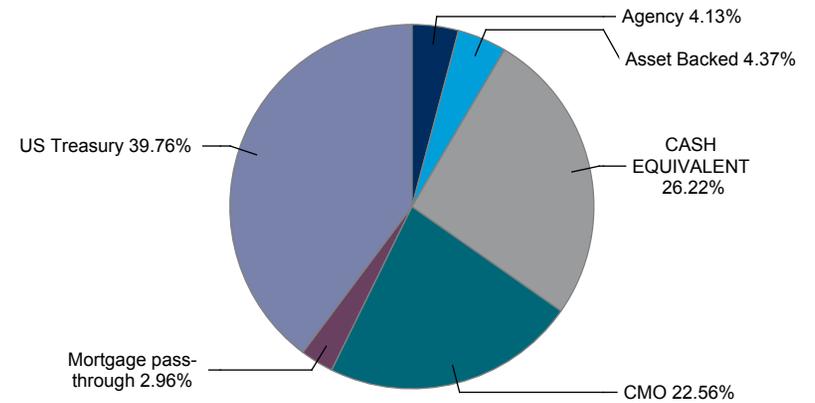


**Current Mth**      **Prior Mth**      **1 Year Ago**

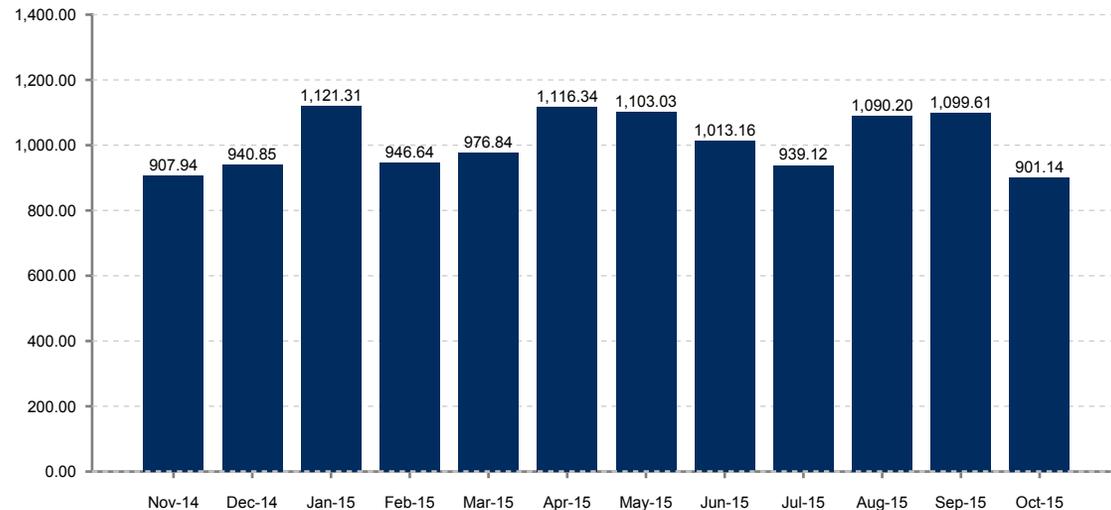
POOL 2 ST AGCY FF&C	0.37	0.49	0.58
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## Asset Allocation

	Ending Market Value
POOL 2 ST AGCY FF&C	901,143,913



## Net Asset Values over Time (\$MM)

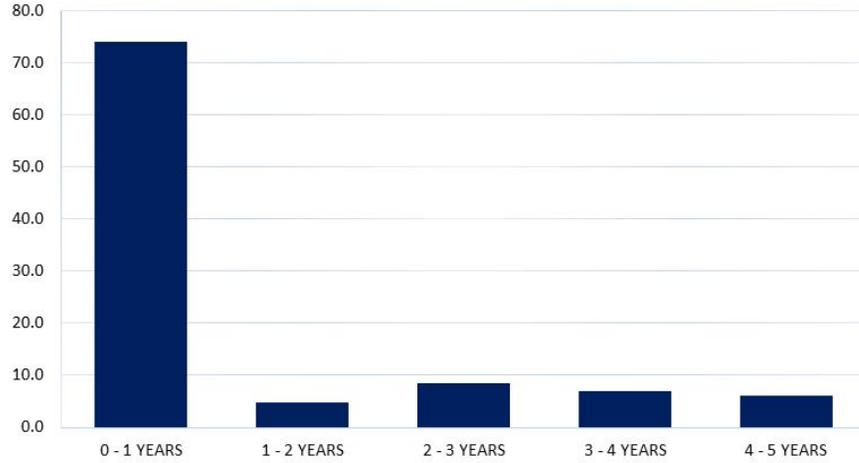


## Top 10 Holdings

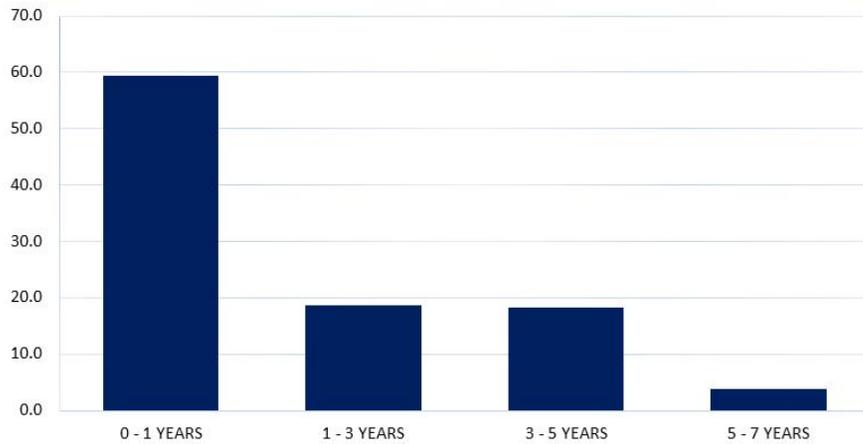
Security Name	Ending Market Value	% of Portfolio
POOL 2 ST AGCY FF&C		
DAIWA CAPITAL MARKETS REPO	62,591,883	6.95
US TREASURY N/B	45,984,692	5.10
SOUTH STREET REPO	43,925,174	4.87
US TREASURY FRN	39,990,669	4.44
TREASURY BILL	39,985,760	4.44
US TREASURY N/B	30,187,500	3.35
GOVERNMENT NATIONAL MORTGAGE A	27,535,735	3.06
US TREASURY N/B	20,600,262	2.29
US TREASURY N/B	20,494,662	2.27
US TREASURY N/B	20,366,979	2.26



**Duration Distribution**



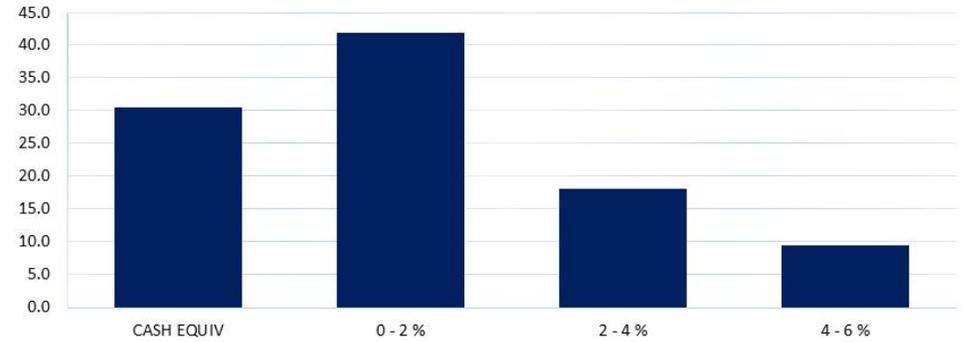
**Expected Maturity Distribution**



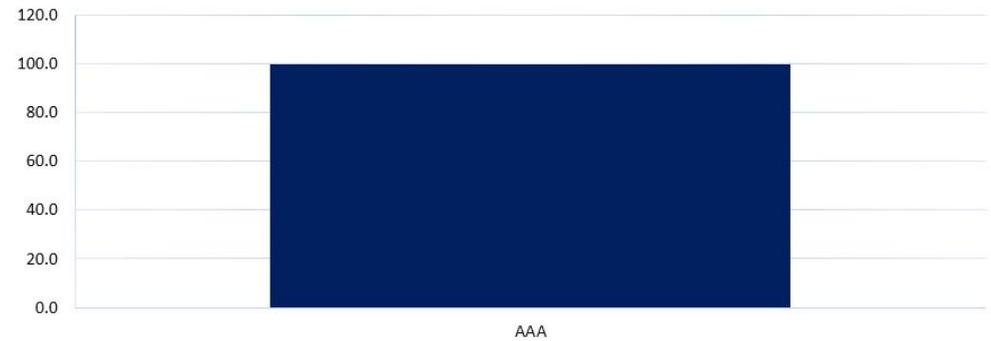
**Portfolio Level Characteristics**

	POOL 2 ST AGCY FF&C
Weighted Average Life	1.47
Coupon	1.57
Effective Duration	0.97
Quality Rating (Moody's)	AAA

**Coupon Distribution**

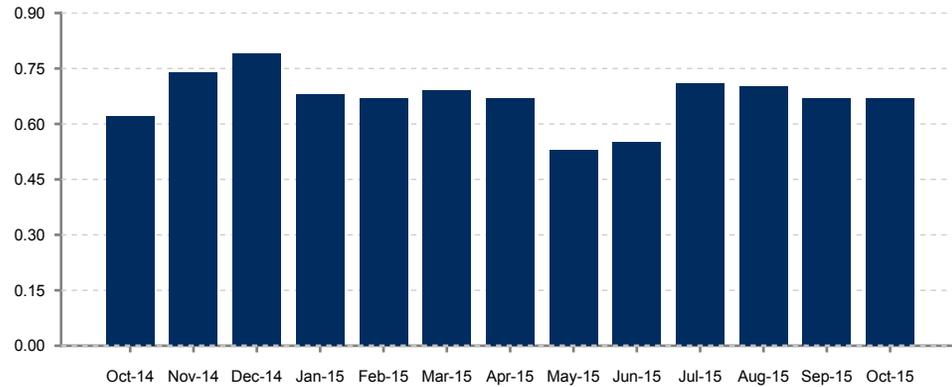


**Rating Distribution**





**Net Yield**



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

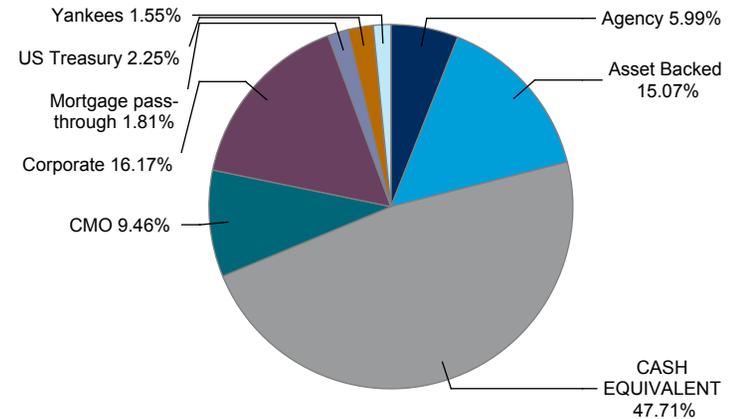
POOL 3 ST AGCY INT.	0.67	0.67	0.62
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**Asset Allocation**

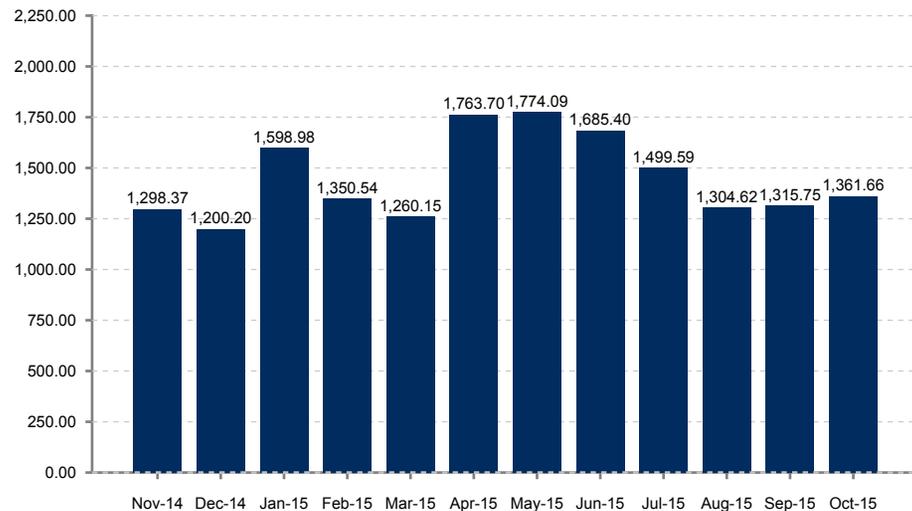
POOL 3 ST AGCY INT.

**Ending Market Value**

1,361,663,113



**Net Asset Values over Time (\$MM)**

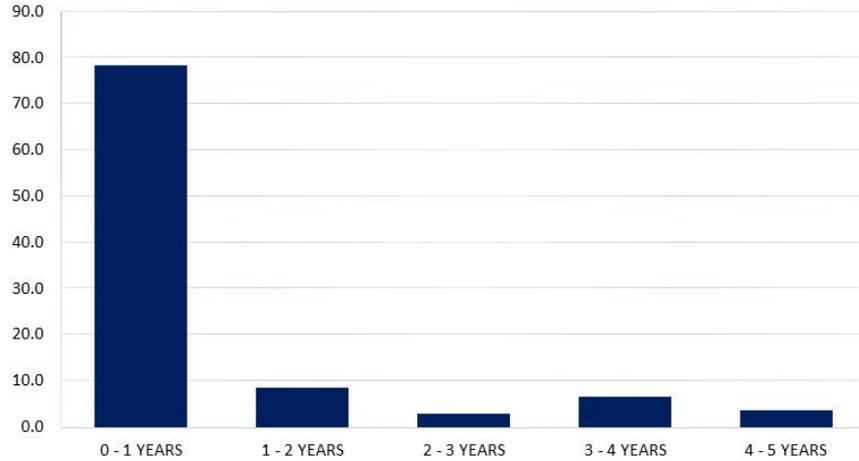


**Top 10 Holdings**

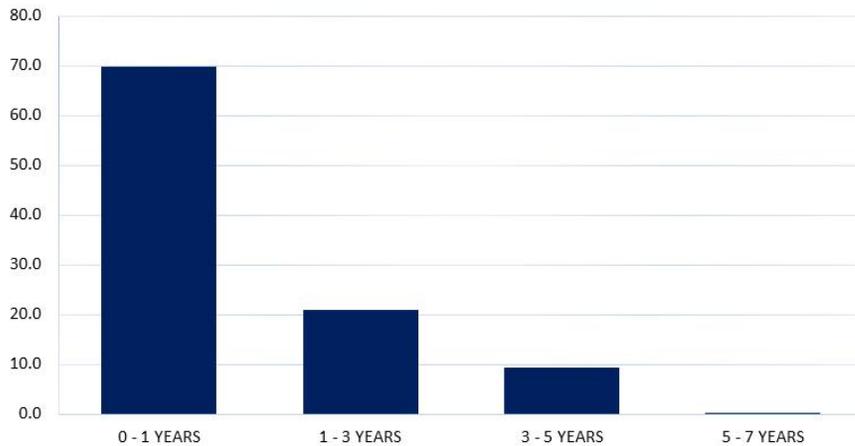
Security Name	Ending Market Value	% of Portfolio
POOL 3 ST AGCY INT.		
SUN TRUST ROBINSON REPO	125,019,375	9.18
SOUTH STREET REPO	84,699,582	6.22
EXXON MOBIL CORP	49,998,445	3.67
INTERCONTINENTAL EXCHANGE	39,999,622	2.94
THUNDER BAY FNDNG LLC	39,994,333	2.94
CANADIAN IMPERIAL BK	30,024,040	2.20
AIR PRODUCTS & CHEMI	29,994,940	2.20
ANGLESEA FDG PLC & ANG	29,993,707	2.20
SHEFFIELD RECEIVABLE	29,989,643	2.20
HANNOVER FDG CO. LLC	29,987,477	2.20



**Duration Distribution**



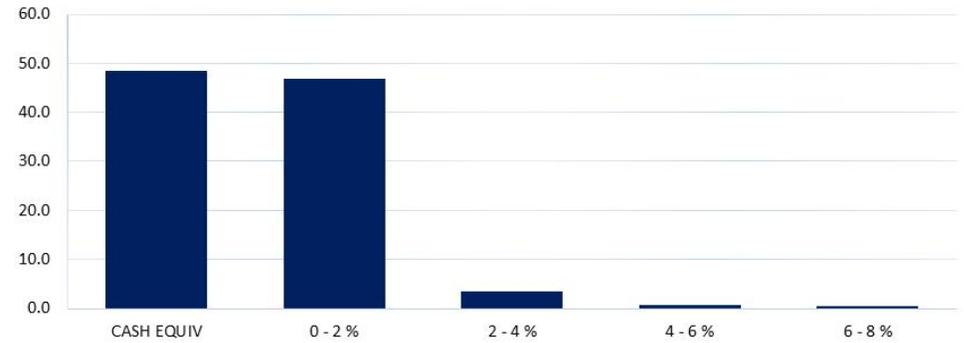
**Expected Maturity Distribution**



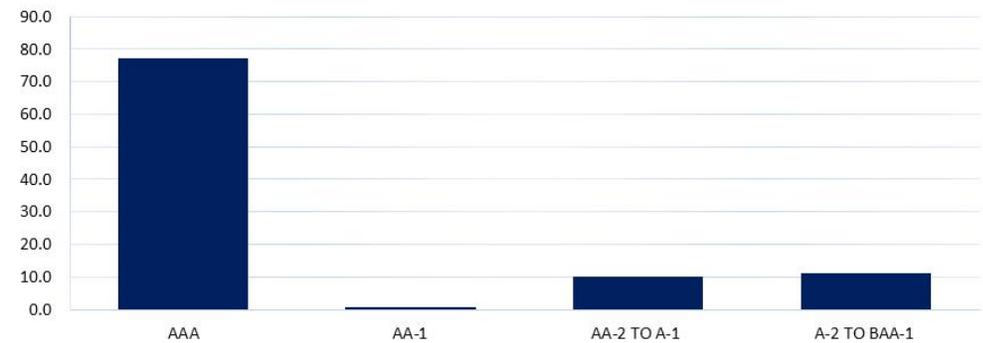
**Portfolio Level Characteristics**

	POOL 3 ST AGCY INT.
Weighted Average Life	1.00
Coupon	0.77
Effective Duration	0.76
Quality Rating (Moody's)	AA-1

**Coupon Distribution**

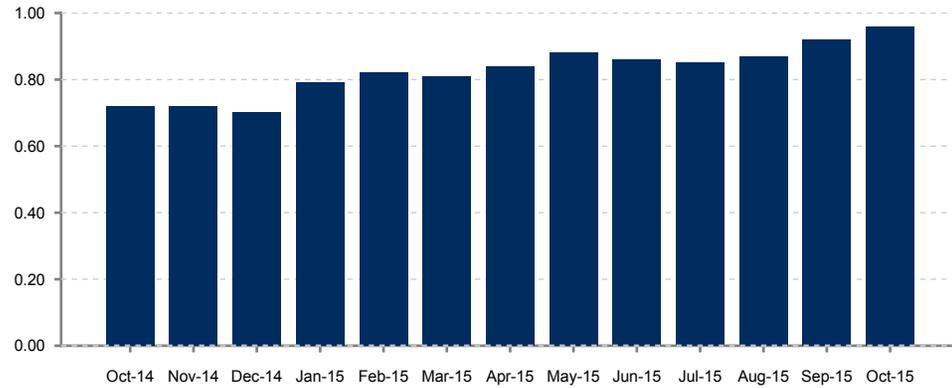


**Rating Distribution**





**Net Yield**

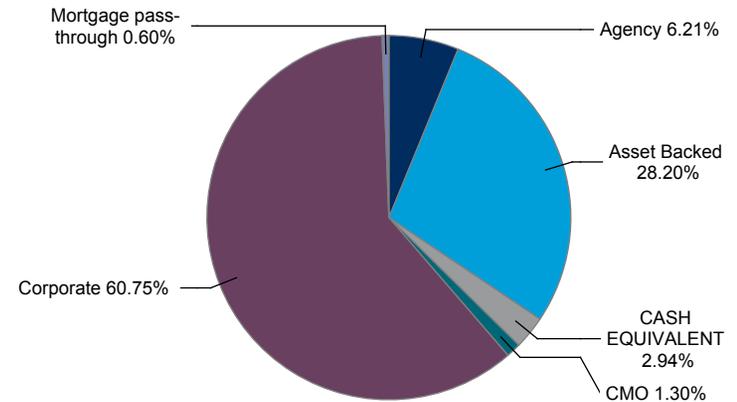


**Current Mth      Prior Mth      1 Year Ago**

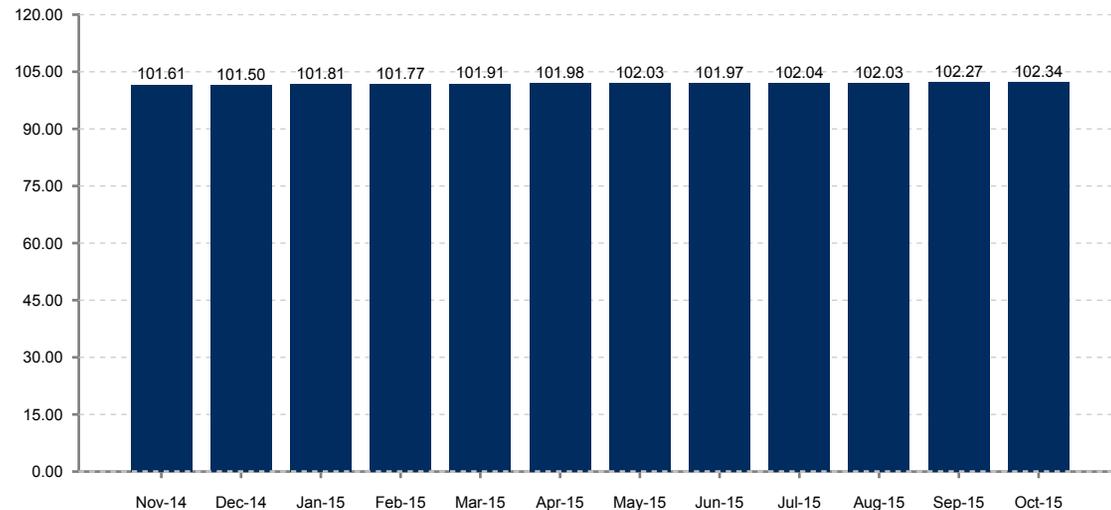
POOL 3 ST AGCY EXT.	0.96	0.92	0.72
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**Asset Allocation**

POOL 3 ST AGCY EXT.	<b>Ending Market Value</b> 102,339,678
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**Net Asset Values over Time (\$MM)**

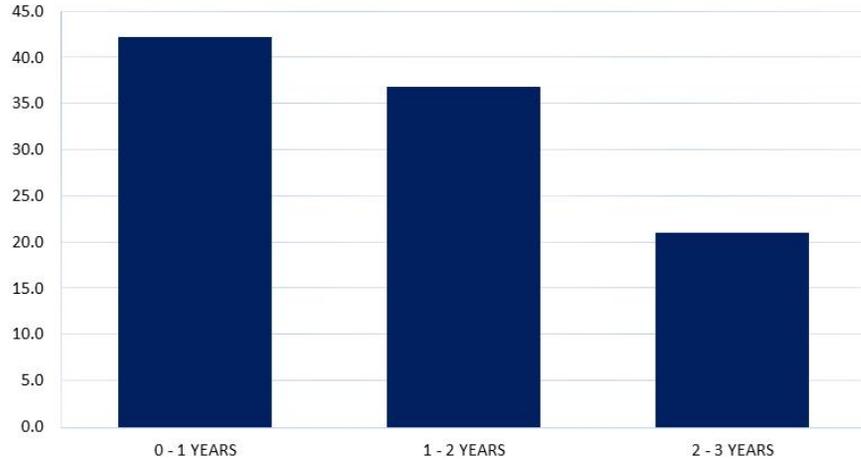


**Top 10 Holdings**

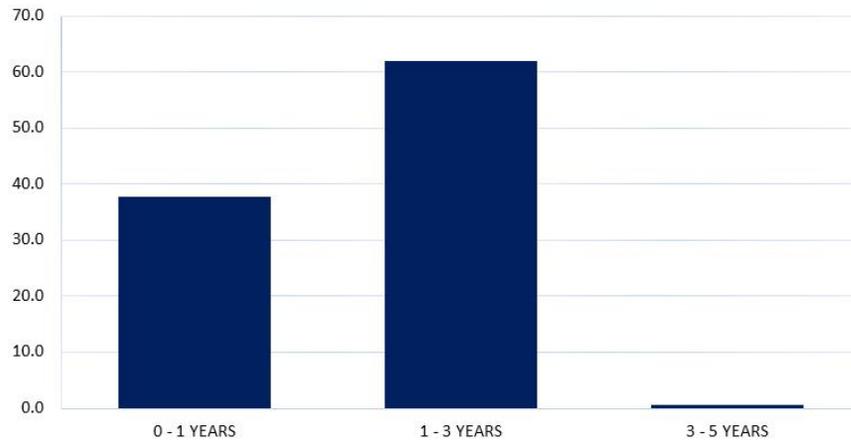
Security Name	Ending Market Value	% of Portfolio
POOL 3 ST AGCY EXT.		
ROYAL BK OF CANADA	1,803,805	1.76
MUFG UNION BANK NA	1,639,357	1.60
COSTCO WHOLESALE CORP	1,603,647	1.57
DISCOVER CARD EXECUTION NOTE T	1,575,713	1.54
MERCEDES BENZ AUTO RECEIVABLES	1,529,631	1.49
PEPSICO INC	1,511,402	1.48
JPMORGAN CHASE + CO	1,505,931	1.47
FANNIE MAE	1,505,608	1.47
CITIBANK CREDIT CARD ISSUANCE	1,502,934	1.47
FEDERAL FARM CREDIT BANK	1,496,919	1.46



**Duration Distribution**



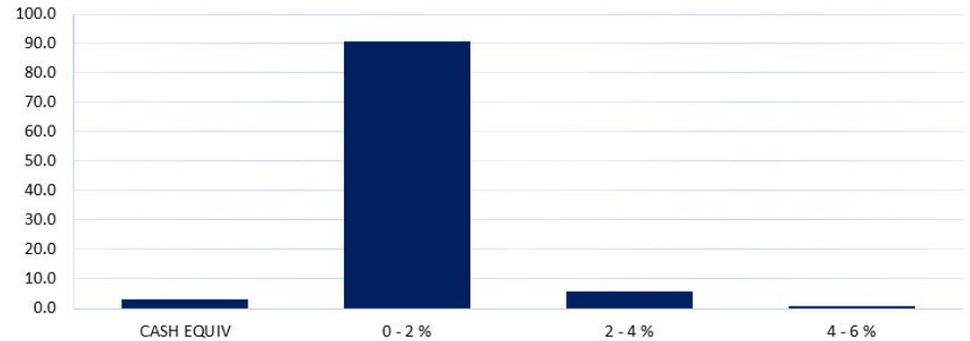
**Expected Maturity Distribution**



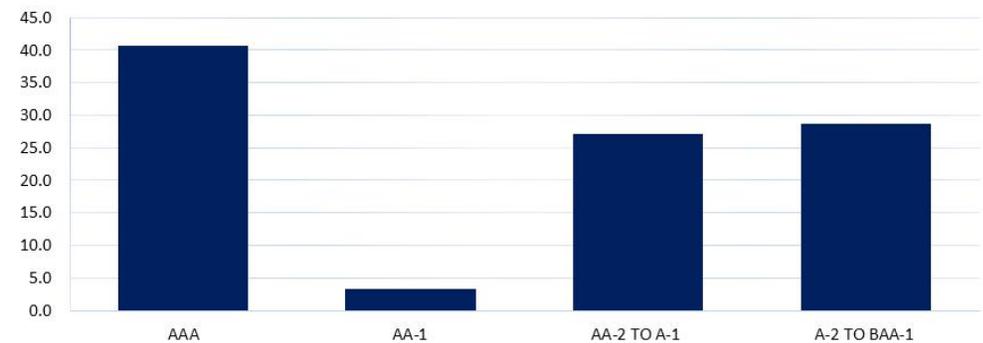
**Portfolio Level Characteristics**

	POOL 3 ST AGCY EXT.
Weighted Average Life	1.43
Coupon	1.17
Effective Duration	1.22
Quality Rating (Moody's)	AA-3

**Coupon Distribution**

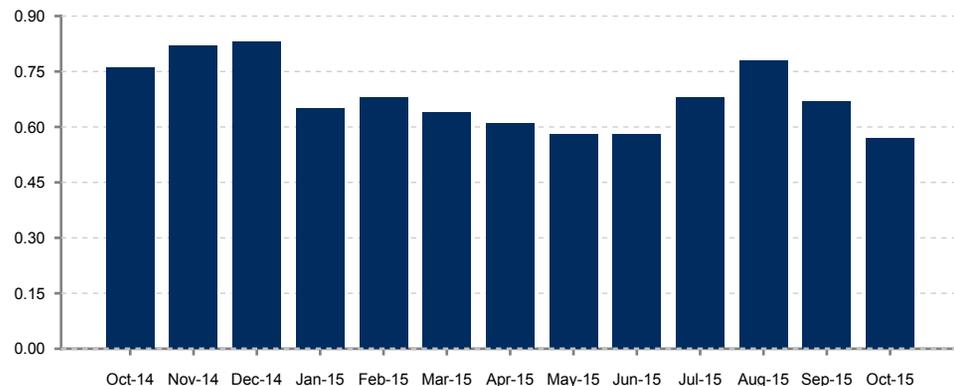


**Rating Distribution**





**Net Yield**

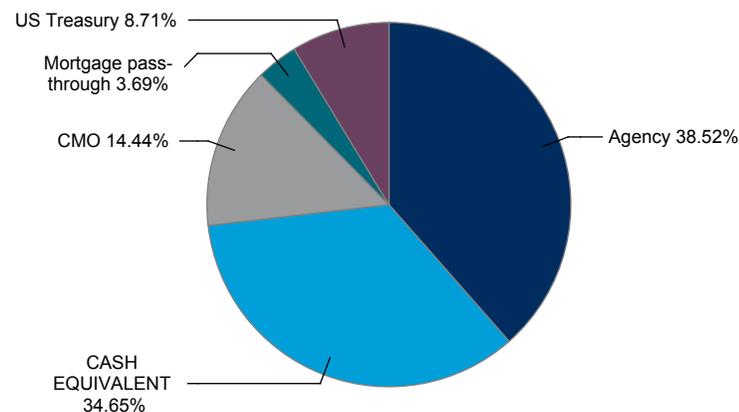


**Current Mth      Prior Mth      1 Year Ago**

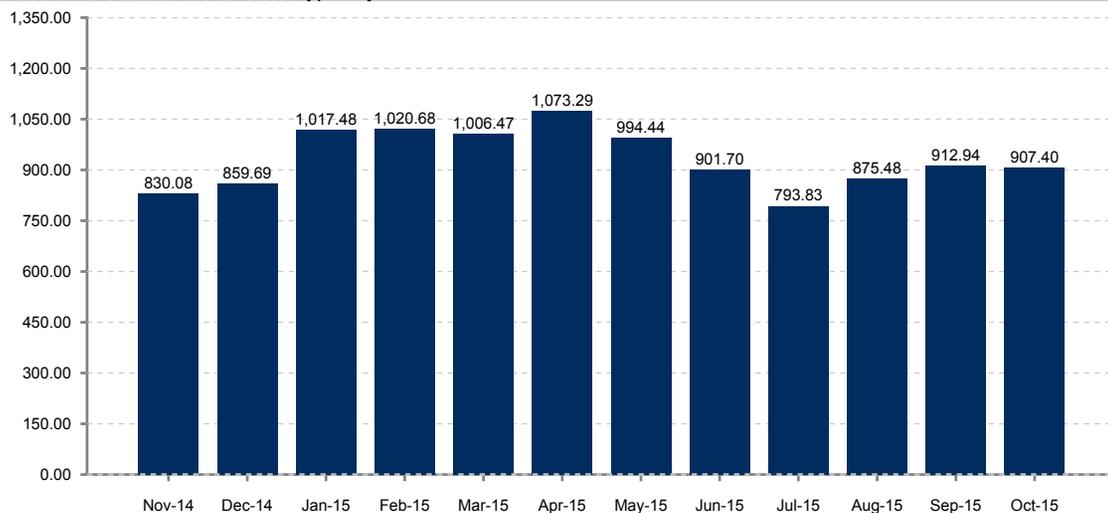
POOL 4 ST AGCY GOV.	0.57	0.67	0.76
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**Asset Allocation**

	<b>Ending Market Value</b>
POOL 4 ST AGCY GOV.	907,403,231



**Net Asset Values over Time (\$MM)**

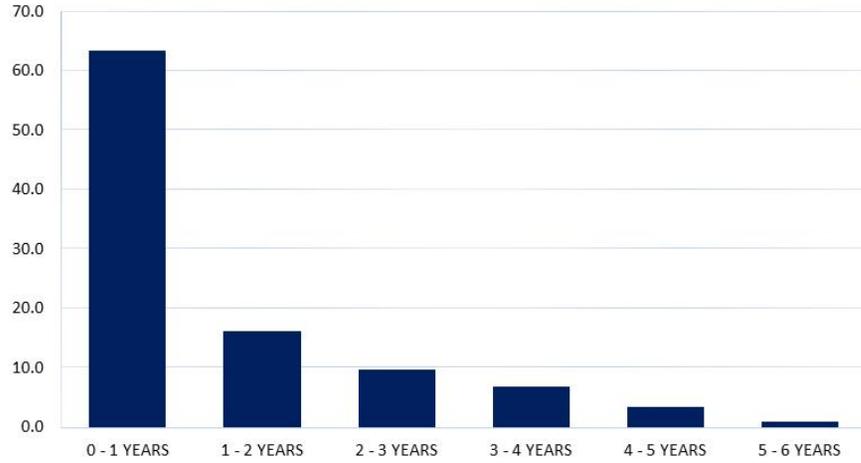


**Top 10 Holdings**

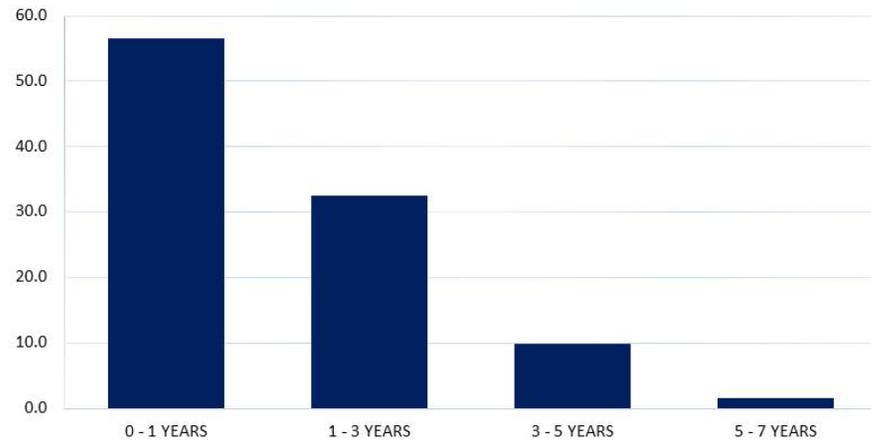
Security Name	Ending Market Value	% of Portfolio
POOL 4 ST AGCY GOV.		
SOUTH STREET REPO	105,301,262	11.60
DAIWA CAPITAL MARKETS REPO	39,424,215	4.34
FANNIEMAE ACES	25,260,114	2.78
US TREASURY N/B	20,366,979	2.24
FEDERAL FARM CREDIT BANK	20,028,742	2.21
FEDERAL FARM CREDIT BANK	20,010,276	2.21
FEDERAL FARM CREDIT BANK	20,005,177	2.20
WI TREASURY SEC.	19,999,053	2.20
FED HOME LN DISCOUNT NT	19,993,460	2.20
TREASURY BILL	19,992,920	2.20



**Duration Distribution**



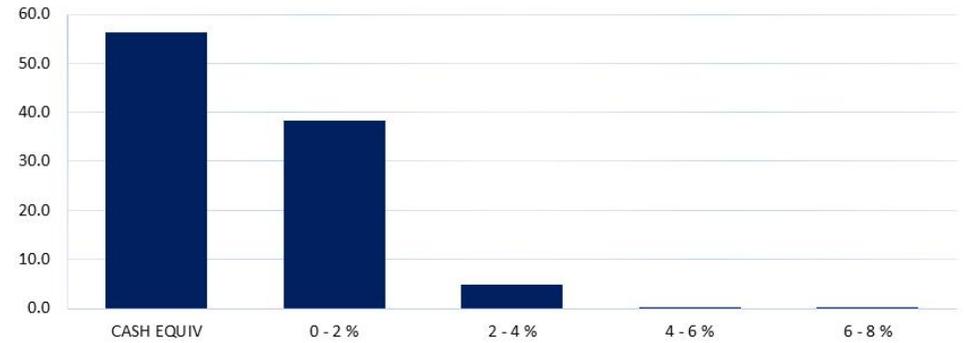
**Expected Maturity Distribution**



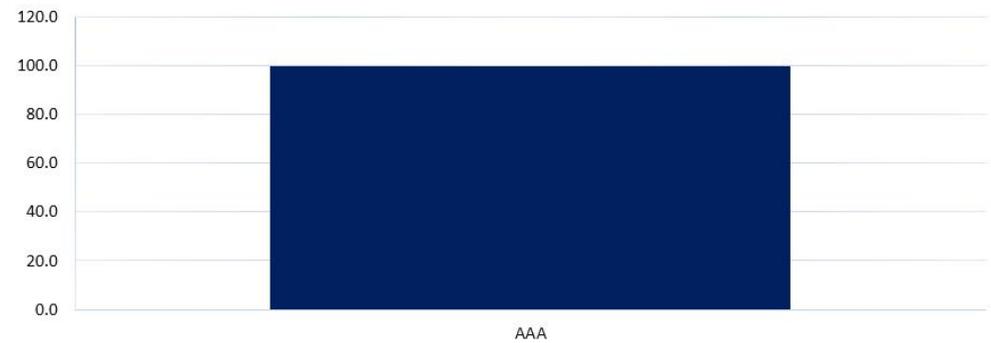
**Portfolio Level Characteristics**

	POOL 4 ST AGCY GOV.
Weighted Average Life	1.40
Coupon	0.73
Effective Duration	1.16
Quality Rating (Moody's)	AAA

**Coupon Distribution**

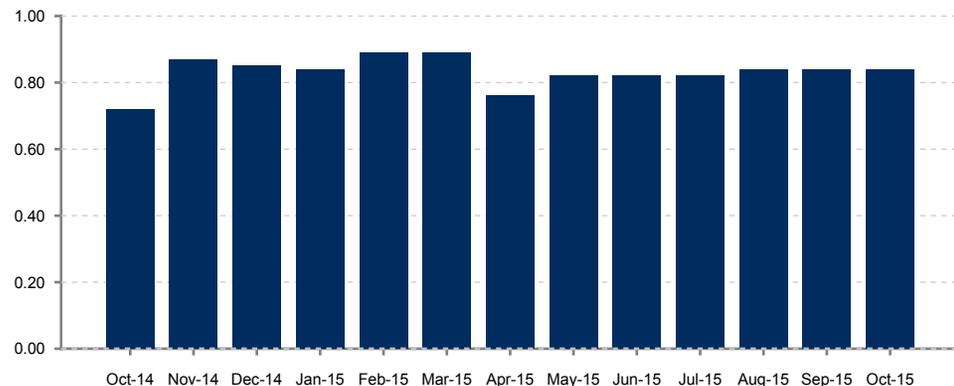


**Rating Distribution**





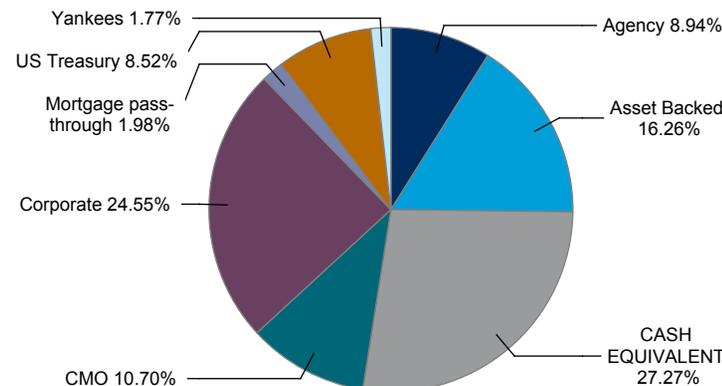
**Net Yield**



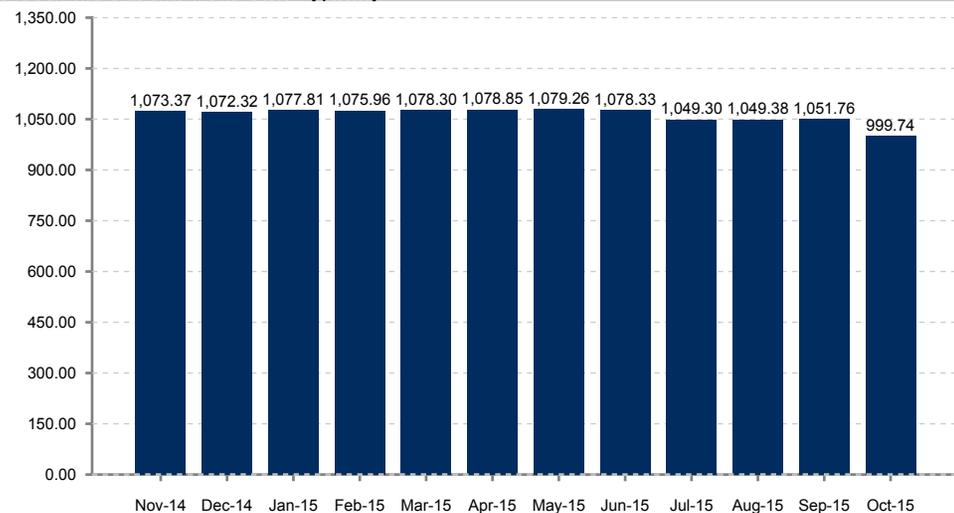
	Current Mth	Prior Mth	1 Year Ago
POOL 10 ST OPER INT	0.84	0.84	0.72

**Asset Allocation**

	Ending Market Value
POOL 10 ST OPER INT	999,742,403



**Net Asset Values over Time (\$MM)**

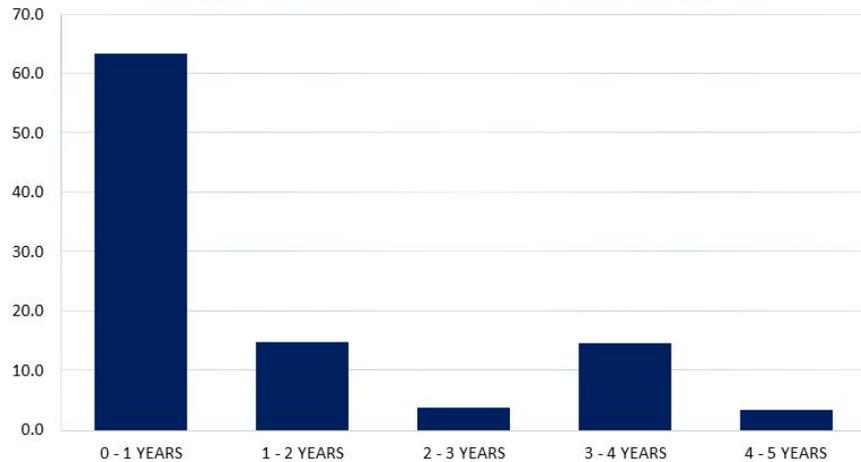


**Top 10 Holdings**

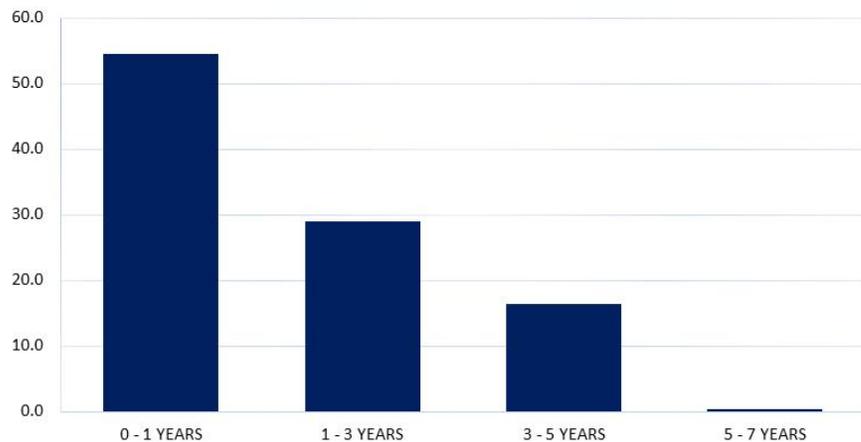
Security Name	Ending Market Value	% of Portfolio
POOL 10 ST OPER INT		
CREDIT AGRICOLE	40,068,333	4.01
CEDAR SPRING CPTL CO	34,967,139	3.50
3M CO	29,999,816	3.00
GOTHAM FDG CORP	24,999,528	2.50
CONCORD MIN CPTL CO	24,999,514	2.50
LIBERTY FUNDING LLC	24,998,125	2.50
VW CR INC	24,997,611	2.50
US TREASURY N/B	20,301,750	2.03
US TREASURY N/B	20,050,876	2.01
US TREASURY N/B	20,035,197	2.00



**Duration Distribution**



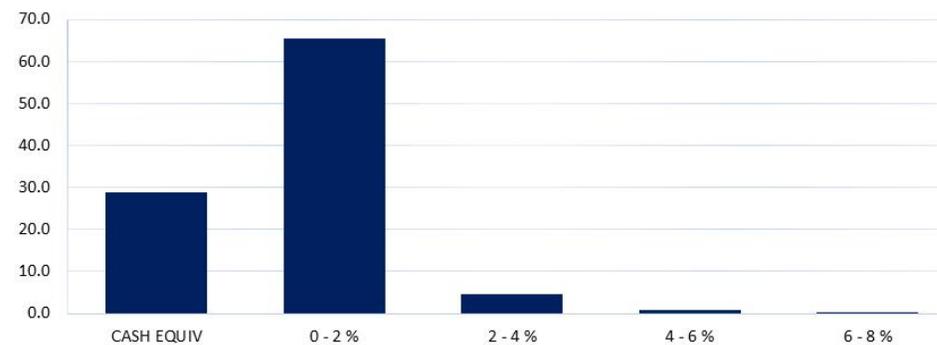
**Expected Maturity Distribution**



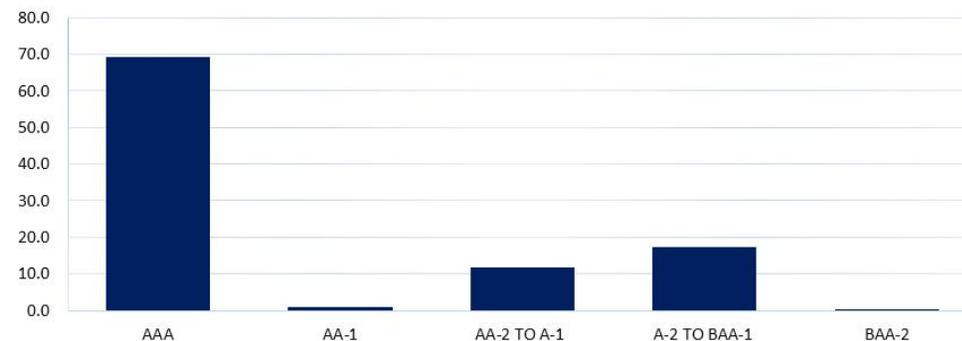
**Portfolio Level Characteristics**

	POOL 10 ST OPERATING INT
Weighted Average Life	1.42
Coupon	0.93
Effective Duration	1.20
Quality Rating (Moody's)	AA-1

**Coupon Distribution**

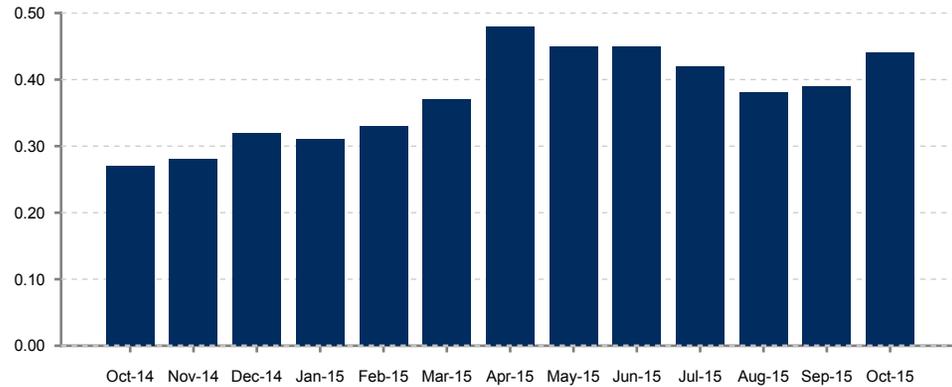


**Rating Distribution**





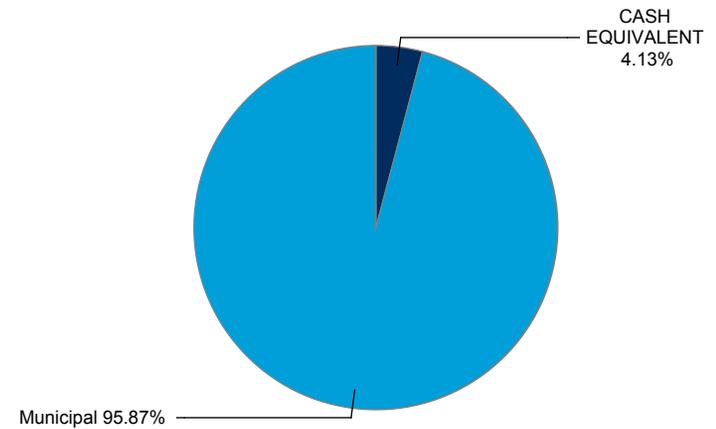
**Net Yield**



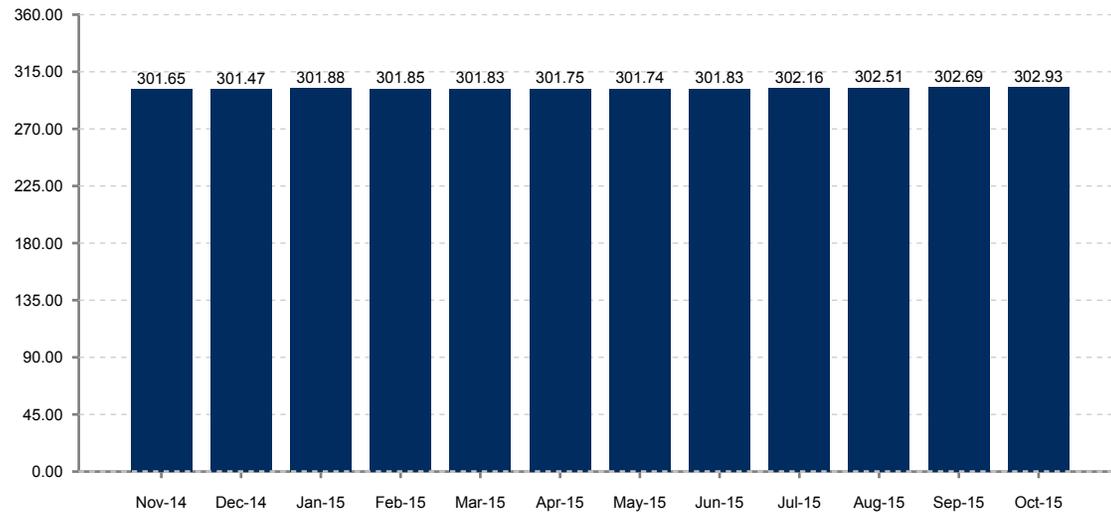
	Current Mth	Prior Mth	1 Year Ago
POOL 10 ST OPERATING	0.44	0.39	0.27

**Asset Allocation**

	Ending Market Value
POOL 10 ST OPERATING	302,928,162



**Net Asset Values over Time (\$MM)**

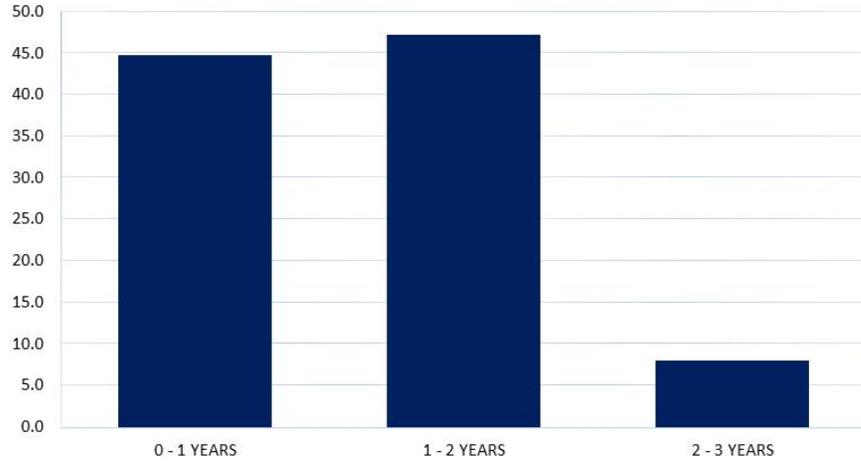


**Top 10 Holdings**

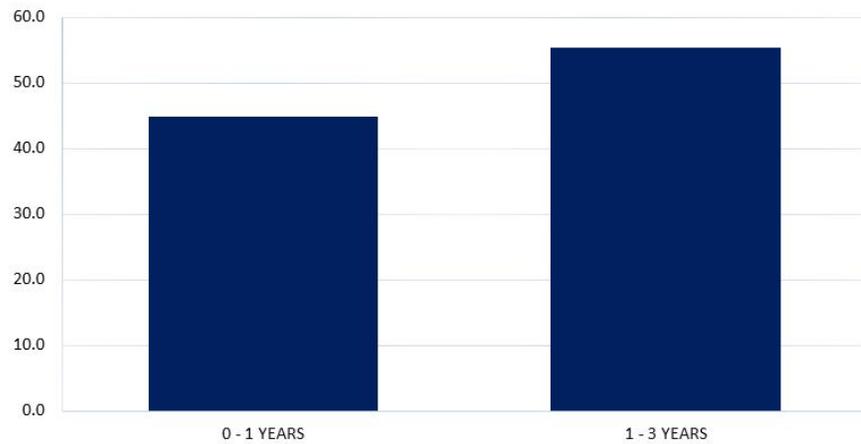
Security Name	Ending Market Value	% of Portfolio
POOL 10 ST OPERATING		
PORTLAND OR CMNTY CLG DIST	12,956,923	4.28
SAN ANTONIO TX	12,203,056	4.03
PORTLAND OR SWR SYS REVENUE	11,877,863	3.92
TEXAS ST	11,263,395	3.72
MULTNOMAH CNTY OR SCH DIST 1J	10,963,056	3.62
MADISON WIS	10,485,763	3.46
BEAUFORT CNTY SC SCH DIST	10,032,303	3.31
OHIO ST	10,026,202	3.31
JOHNSON CNTY KS UNIF SCH DIST	9,597,759	3.17
ARIZONA ST TRANSPRTN BRD HIGHW	9,362,319	3.09



**Duration Distribution**



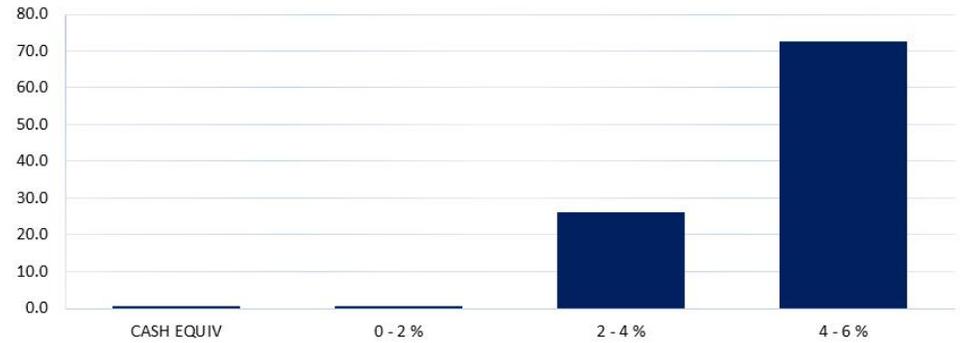
**Expected Maturity Distribution**



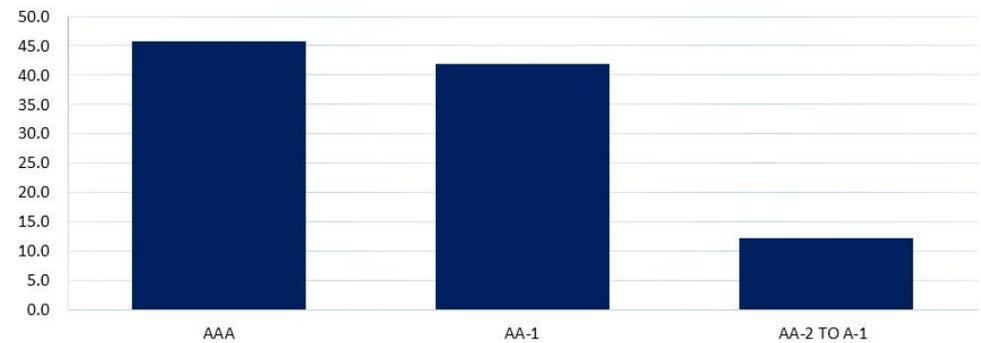
**Portfolio Level Characteristics**

	POOL 10 ST OPERATING
Weighted Average Life	1.19
Coupon	4.53
Effective Duration	1.15
Quality Rating (Moody's)	AA-1

**Coupon Distribution**



**Rating Distribution**





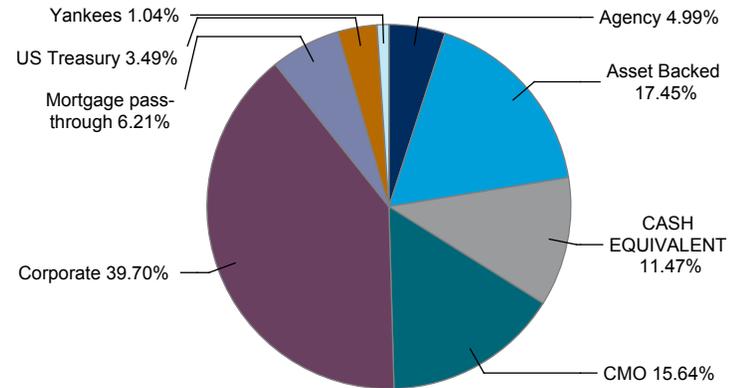
**Net Yield**



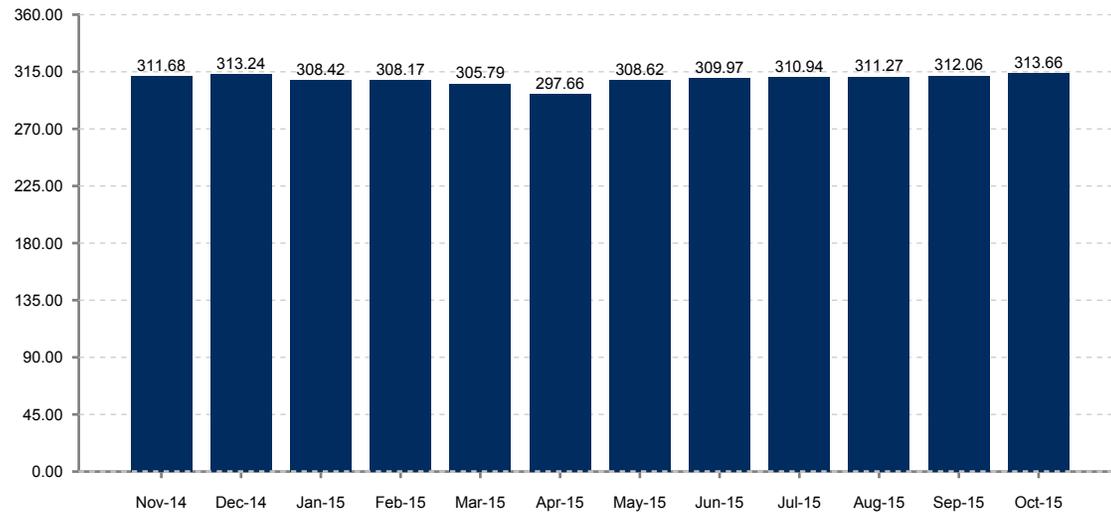
	Current Mth	Prior Mth	1 Year Ago
POOL 12 CAWCD MED TRM	1.10	1.45	1.62

**Asset Allocation**

	Ending Market Value
POOL 12 CAWCD MED TRM	313,659,052



**Net Asset Values over Time (\$MM)**

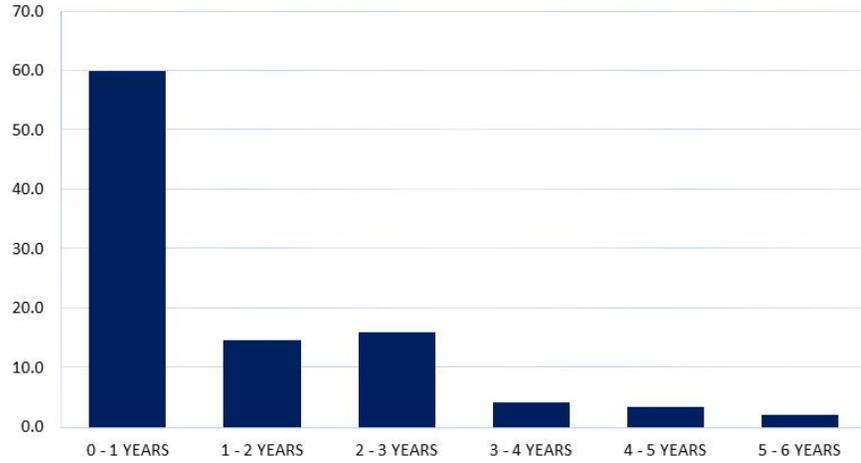


**Top 10 Holdings**

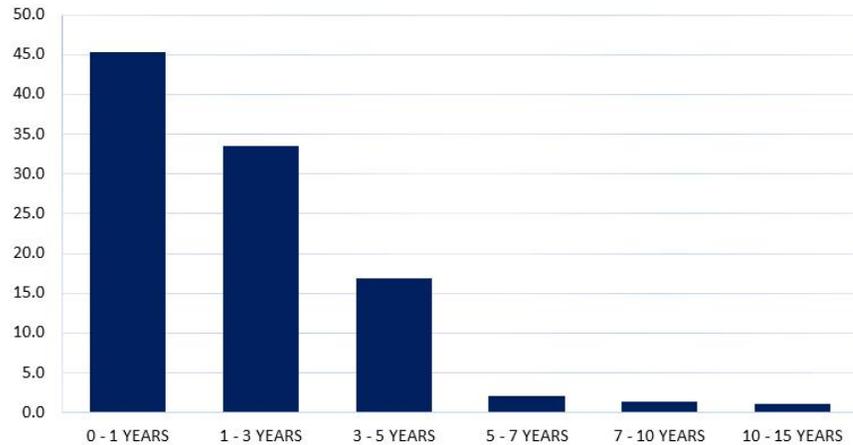
Security Name	Ending Market Value	% of Portfolio
POOL 12 CAWCD MED TRM		
BARCLAYS BANK PLC	9,980,268	3.18
FANNIE MAE	6,583,316	2.10
FNMA POOL AV9175	6,529,137	2.08
FNMA POOL MA1763	5,557,182	1.77
FANNIE MAE	5,443,356	1.74
GOLDMAN SACHS GROUP INC	5,046,358	1.61
US TREASURY N/B	5,026,118	1.60
WELLS FARGO + COMPANY	5,022,648	1.60
TOYOTA MOTOR CREDIT CORP	5,019,291	1.60
PFIZER INC	5,016,044	1.60



**Duration Distribution**



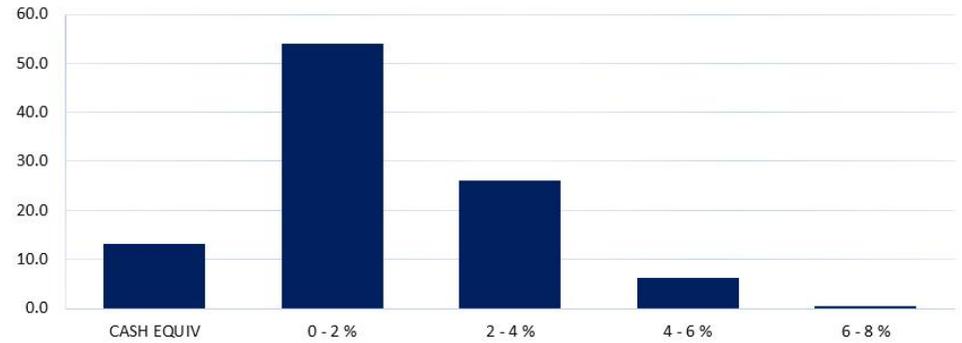
**Expected Maturity Distribution**



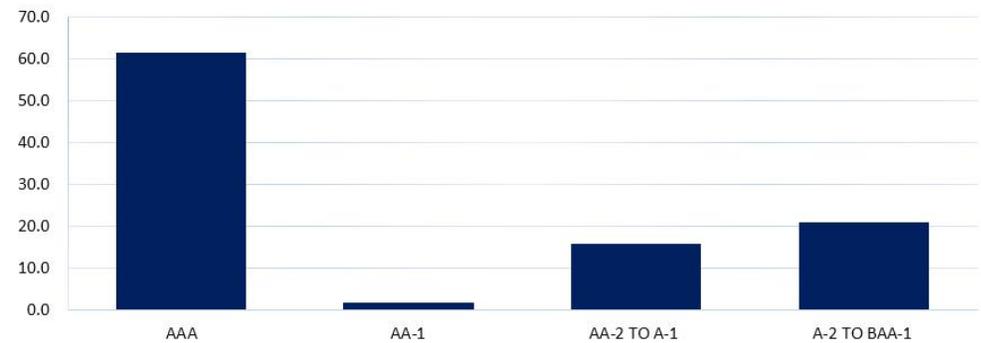
**Portfolio Level Characteristics**

	POOL 12 CAWCD MED TRM
Weighted Average Life	1.90
Coupon	1.75
Effective Duration	1.29
Quality Rating (Moody's)	AA-2

**Coupon Distribution**

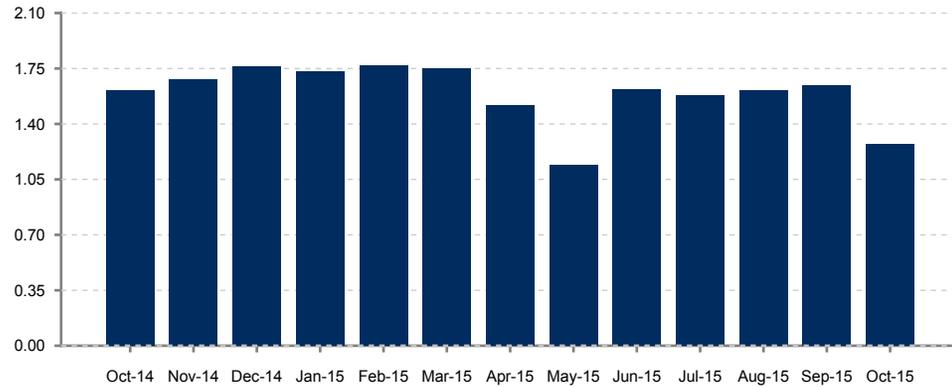


**Rating Distribution**





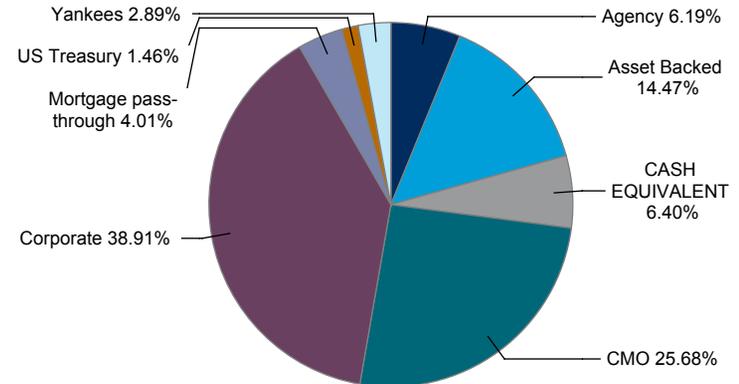
**Net Yield**



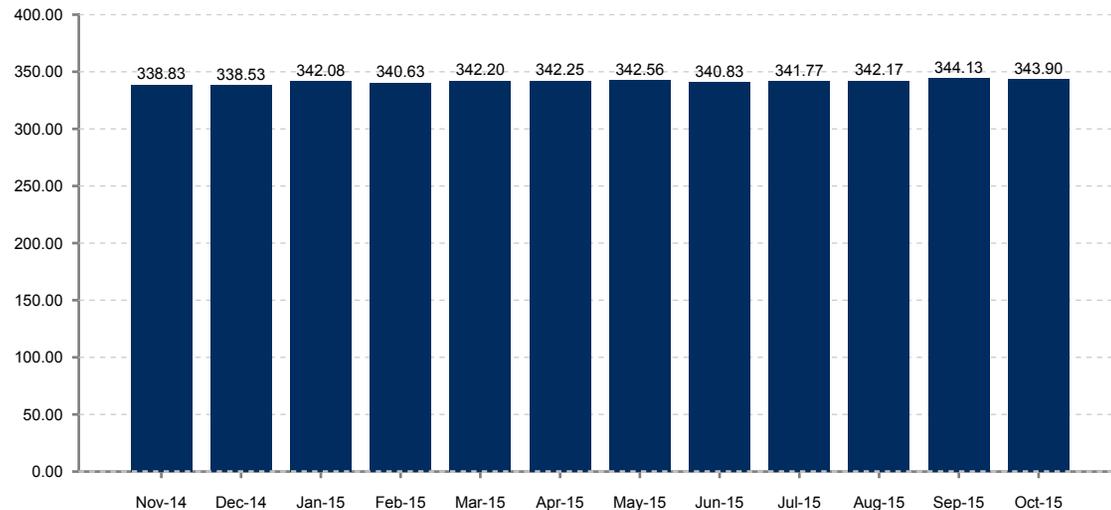
	Current Mth	Prior Mth	1 Year Ago
POOL 16 ECDHB	1.27	1.64	1.61

**Asset Allocation**

	Ending Market Value
POOL 16 ECDHB	343,895,698



**Net Asset Values over Time (\$MM)**

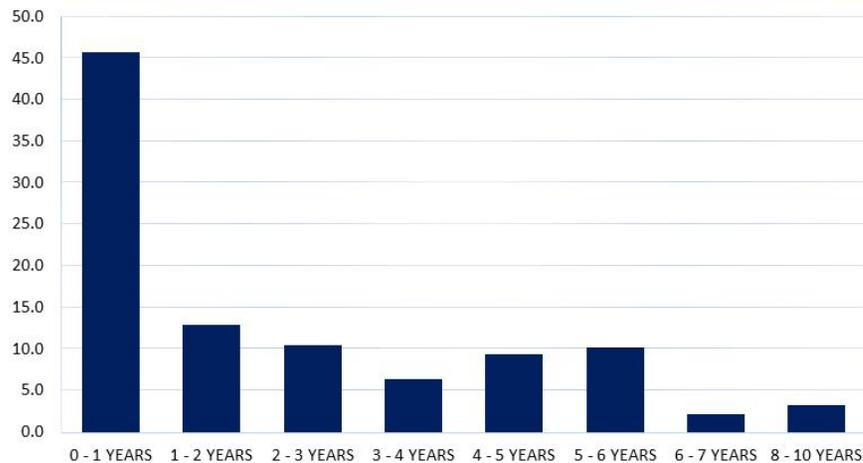


**Top 10 Holdings**

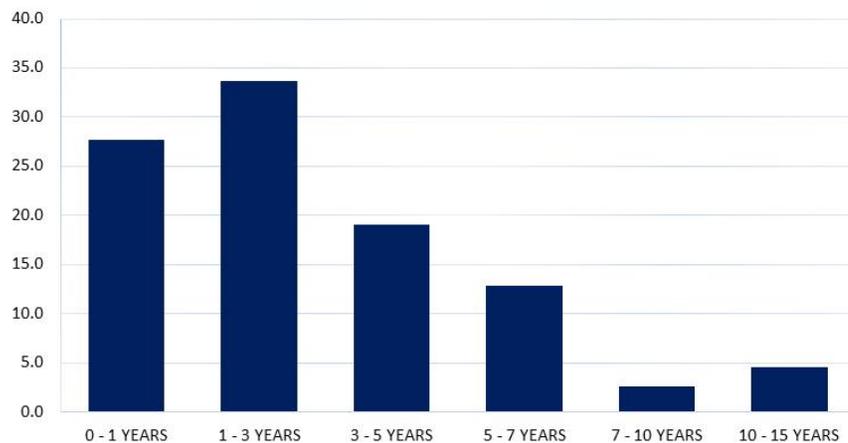
Security Name	Ending Market Value	% of Portfolio
POOL 16 ECDHB		
FREDDIEMAC STRIP	8,207,445	2.39
FREDDIE MAC	7,629,185	2.22
VW CR INC	6,994,653	2.03
NATIONAL CITY BANK	6,970,775	2.03
FANNIE MAE	6,535,858	1.90
CNH EQUIPMENT TRUST	6,001,037	1.75
FREDDIE MAC	5,634,516	1.64
FREDDIE MAC	5,249,264	1.53
FHLMC MULTIFAMILY STRUCTURED P	5,230,609	1.52
GOVERNMENT NATIONAL MORTGAGE A	5,227,531	1.52



**Duration Distribution**



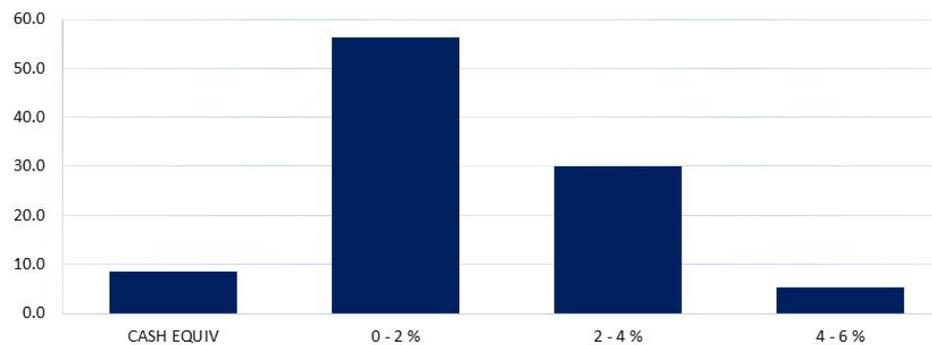
**Expected Maturity Distribution**



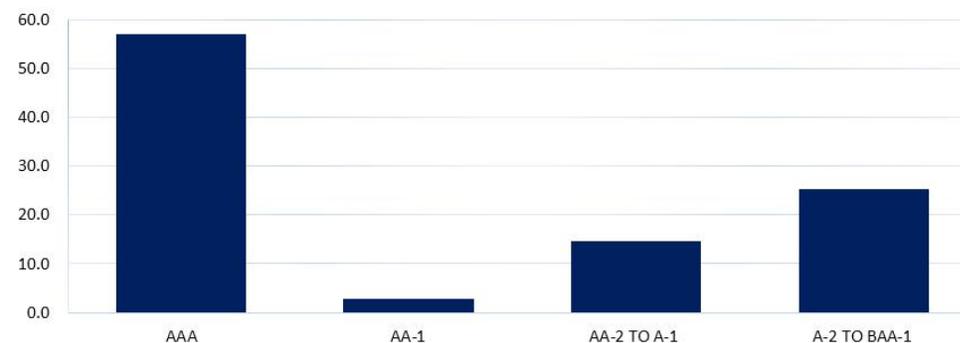
**Portfolio Level Characteristics**

	POOL 16 ECDHB
Weighted Average Life	3.10
Coupon	1.88
Effective Duration	2.23
Quality Rating (Moody's)	AA-2

**Coupon Distribution**



**Rating Distribution**



**LGIP & LGIP- GOV  
PORTFOLIO YIELD ANALYSIS  
OCTOBER 2015**

**NET EARNINGS**

<b>FUND</b>	<b>DESCRIPTION</b>	<b>Current Month 10/31/15</b>	<b>Prior Month 09/30/15</b>	<b>Prior Year 10/31/14</b>	<b>Net Asset Value Per Share</b>
5	LGIP	166,664	144,885	91,907	1.0000
7	LGIP - GOV	86,834	79,269	45,095	1.0000
	<b>TOTAL LGIP &amp; LGIP-GOV</b>	<b>253,498</b>	<b>224,154</b>	<b>137,002</b>	

**YIELDS**

<b><u>MONTHLY</u></b>		<b>Current Month 10/31/15</b>	<b>Prior Month 09/30/15</b>	<b>Prior Year 10/31/14</b>
5	LGIP (NET)	0.17%	0.17%	0.09%
	S & P LGIP INDEX	0.10%	0.09%	0.05%
7	LGIP - GOV (NET)	0.12%	0.11%	0.06%
	3 MONTH T-BILL	0.01%	0.01%	0.01%
<b><u>YEAR TO DATE</u></b>				
5	LGIP (NET)	0.16%	0.16%	0.08%
	S & P LGIP INDEX	0.08%	0.08%	0.05%
7	LGIP - GOV (NET)	0.11%	0.11%	0.06%
	3 MONTH T-BILL	0.02%	0.03%	0.01%

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

**LGIP & LGIP- GOV MEDIUM TERM POOLS  
PORTFOLIO YIELD ANALYSIS  
OCTOBER 2015**

**NET EARNINGS**

FUND	DESCRIPTION	Current Month 10/31/15	Prior Month 09/30/15	Prior Year 10/31/14	Net Asset Value Per Share
500	LGIP - MED TERM POOL	244,984	245,219	238,024	1.0329
700	LGIP - FF&C MED TERM POOL	131,993	99,373	116,778	1.0097
	<b>TOTAL LGIP MEDIUM TERM POOLS</b>	<b>376,977</b>	<b>344,591</b>	<b>354,802</b>	

**YIELDS**

**MONTHLY**

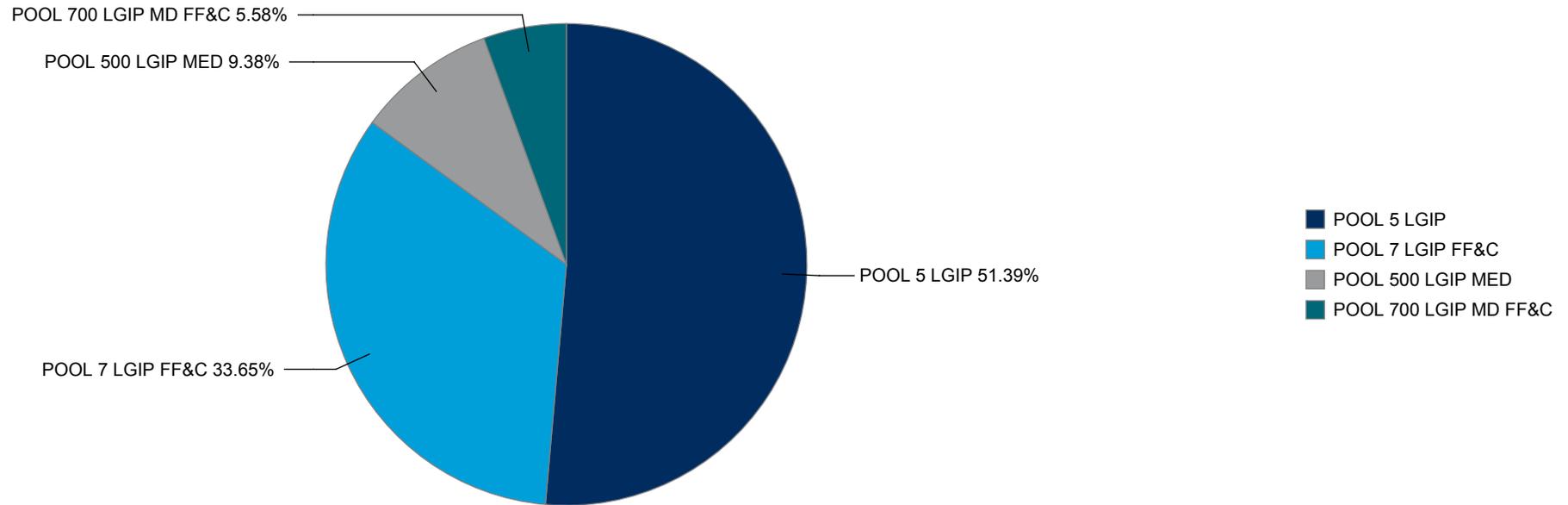
	Current Month 10/31/15	Prior Month 09/30/15	Prior Year 10/31/14
500 LGIP - MED TERM (NET)	1.19%	1.23%	1.09%
MERRILL 1-5 US D M INDEX	1.55%	1.42%	1.35%
700 LGIP - FF&C MED TERM (NET)	1.07%	0.83%	0.95%
75% MERRILL 1-5 US TREAS INDEX / 25% MERRILL US GNMA MORTGAGE BACKED INDEX	1.39%	1.30%	1.28%

**YEAR TO DATE**

500 LGIP - MED TERM (NET)	1.20%	1.20%	1.12%
MERRILL 1-5 US D M INDEX	1.48%	1.46%	1.32%
700 LGIP - FF&C MED TERM (NET)	0.92%	0.87%	0.93%
75% MERRILL 1-5 US TREAS INDEX / 25% MERRILL US GNMA MORTGAGE BACKED INDEX	1.37%	1.37%	1.36%



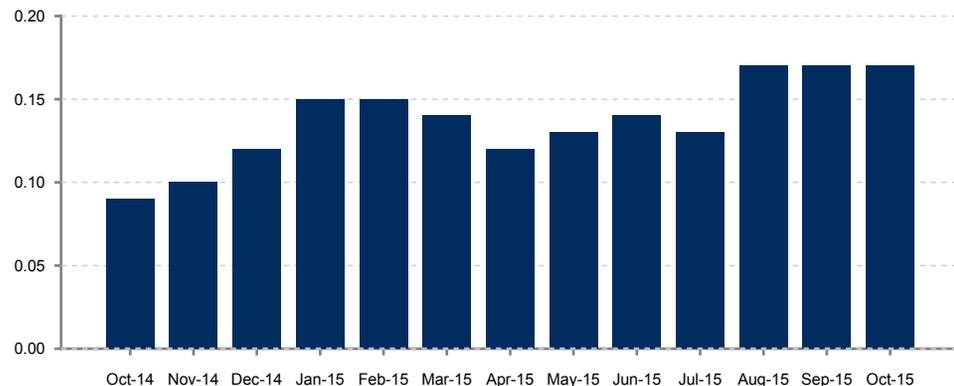
Manager Allocation



	Market Value	% of Portfolio
POOL 5 LGIP	1,335,438,052	51.4
POOL 7 LGIP FF&C	874,242,475	33.6
POOL 500 LGIP MED	243,636,104	9.4
POOL 700 LGIP MD FF&C	144,872,968	5.6
TOTAL LGIP	2,598,189,599	100.0



**Net Yield**



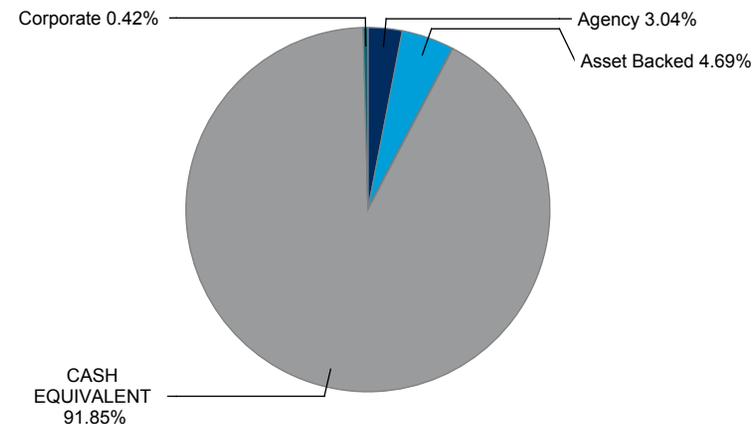
**Current Mth**                      **Prior Mth**                      **1 Year Ago**

POOL 5 LGIP	0.17	0.17	0.09
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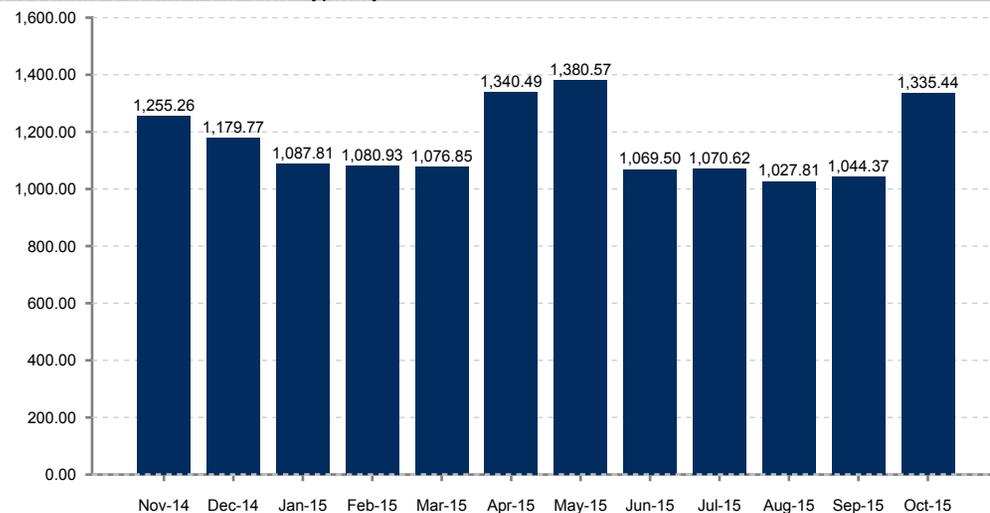
**Asset Allocation**

**Ending Market Value**

POOL 5 LGIP	1,335,438,052
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**Net Asset Values over Time (\$MM)**

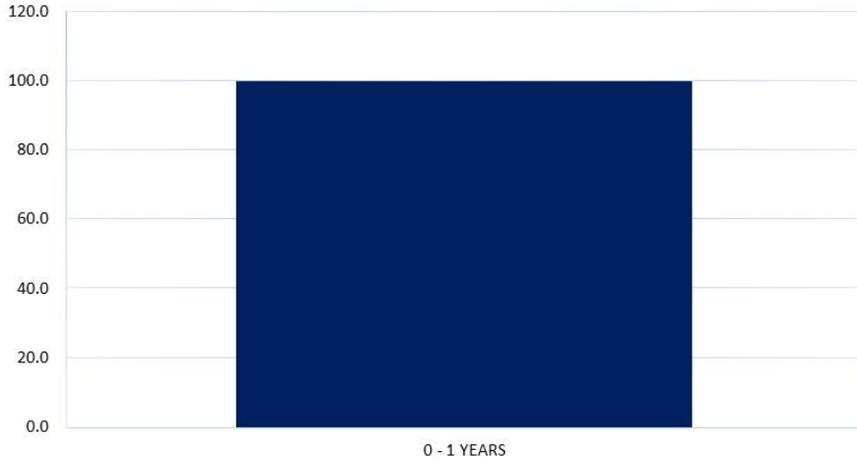


**Top 10 Holdings**

Security Name	Ending Market Value	% of Portfolio
POOL 5 LGIP		
WELLS FARGO REPO	221,001,473	16.55
BANK OF AMERICA REPO	100,000,278	7.49
BANK OF MONTREAL-	30,136,813	2.26
PHILIP MORRIS INTL	29,999,883	2.25
GOTHAM FDG CORP	29,999,366	2.25
BARTON CAPITAL CORP.	29,985,172	2.25
MOUNTCLIFF	29,985,040	2.25
FARMER MAC DISCOUNT NOTE	24,999,750	1.87
EXXON MOBIL CORP	24,999,722	1.87
CONCORD MIN CPTL CO	24,999,514	1.87



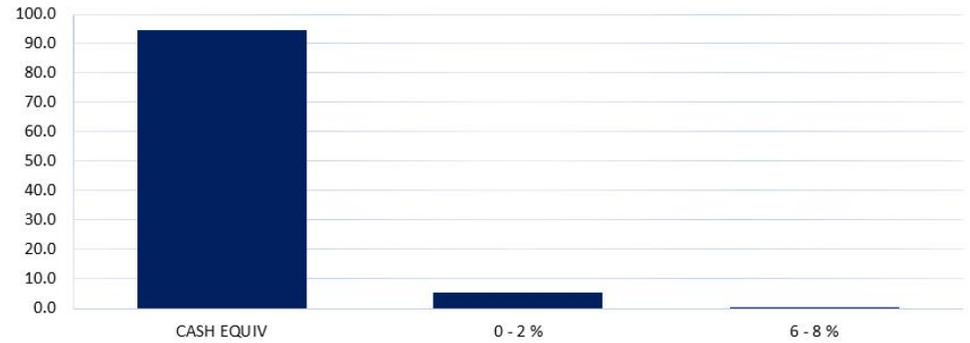
**Duration Distribution**



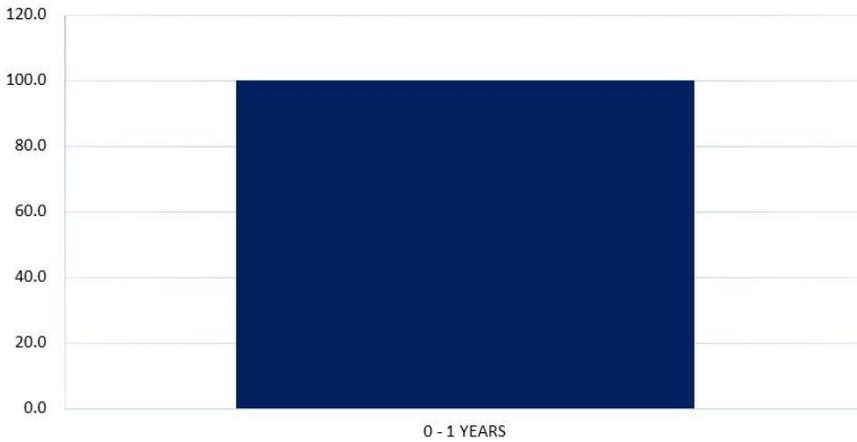
**Portfolio Level Characteristics**

	POOL 5 LGIP
Weighted Average Life	0.12
Coupon	0.06
Effective Duration	0.11
Quality Rating (Moody's)	AAA

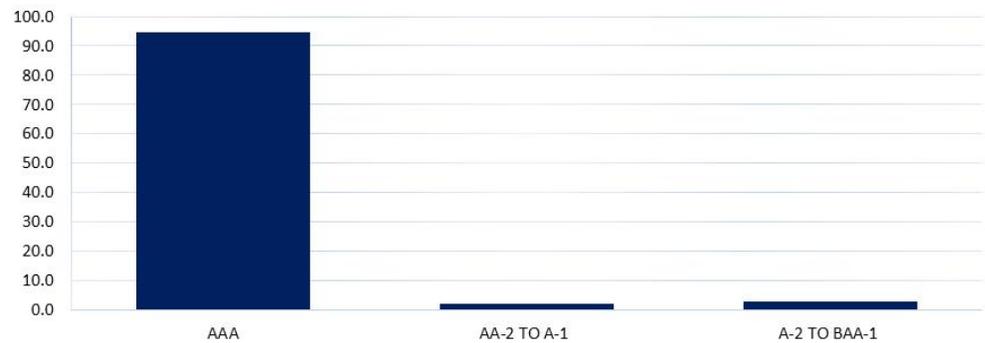
**Coupon Distribution**



**Expected Maturity Distribution**

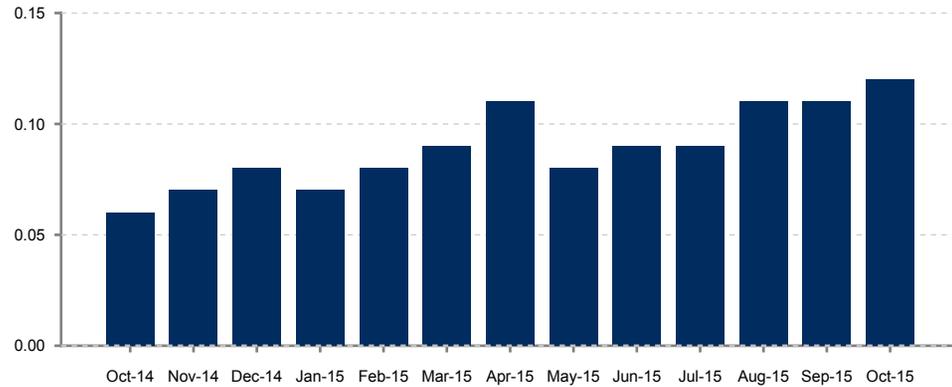


**Rating Distribution**





**Net Yield**



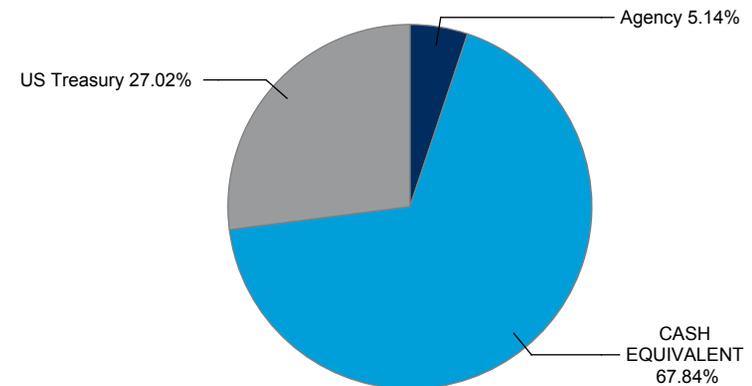
**Current Mth**      **Prior Mth**      **1 Year Ago**

POOL 7 LGIP FF&C	0.12	0.11	0.06
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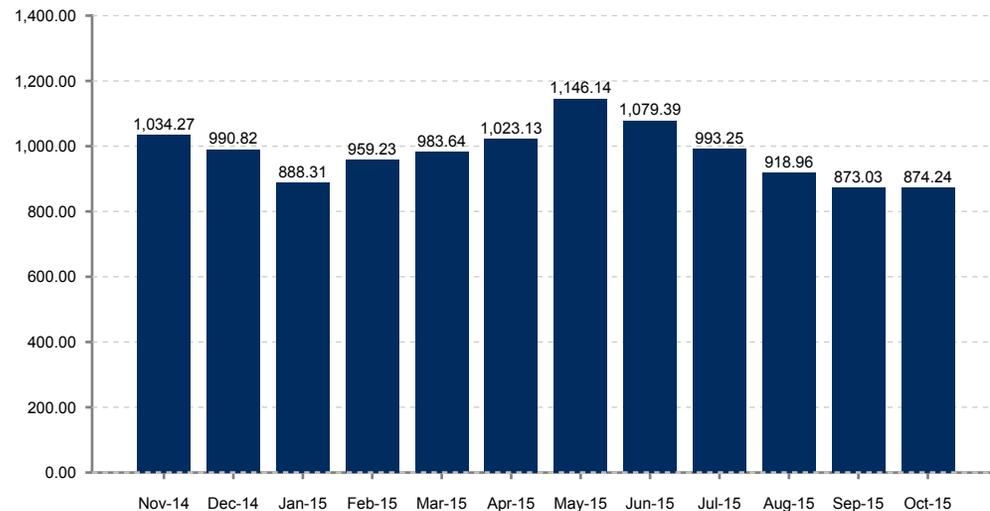
**Asset Allocation**

**Ending Market Value**

POOL 7 LGIP FF&C	874,242,475
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**Net Asset Values over Time (\$MM)**

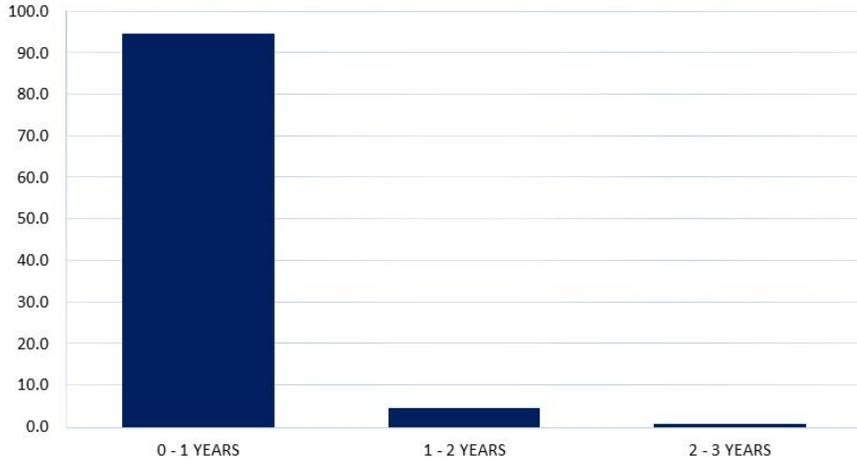


**Top 10 Holdings**

Security Name	Ending Market Value	% of Portfolio
POOL 7 LGIP FF&C		
WELLS FARGO REPO	192,648,396	22.04
DAIWA CAPITAL MARKETS REPO	97,984,680	11.21
WELLS FARGO REPO	79,000,527	9.04
ALLIANCE BANK OF ARIZONA MONEY	68,367,091	7.82
TREASURY BILL	49,982,200	5.72
US TREASURY FRN	40,018,016	4.58
TREASURY BILL	29,932,860	3.42
US TREASURY FRN	25,006,970	2.86
GUGGENHEIM SECURITIES REPO	25,000,097	2.86
US TREASURY N/B	20,437,641	2.34



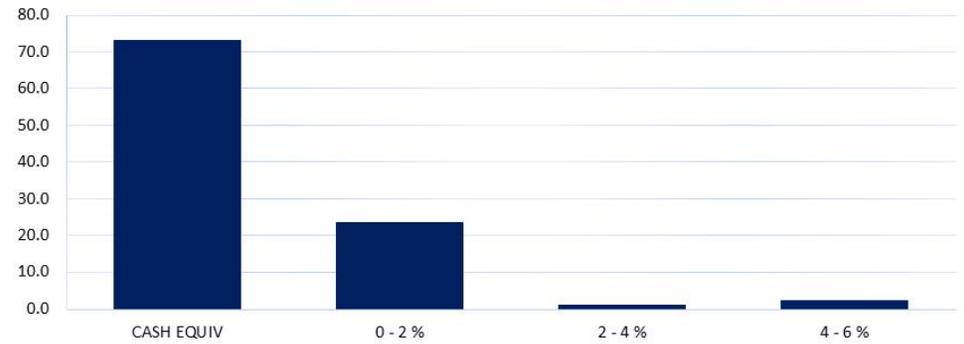
**Duration Distribution**



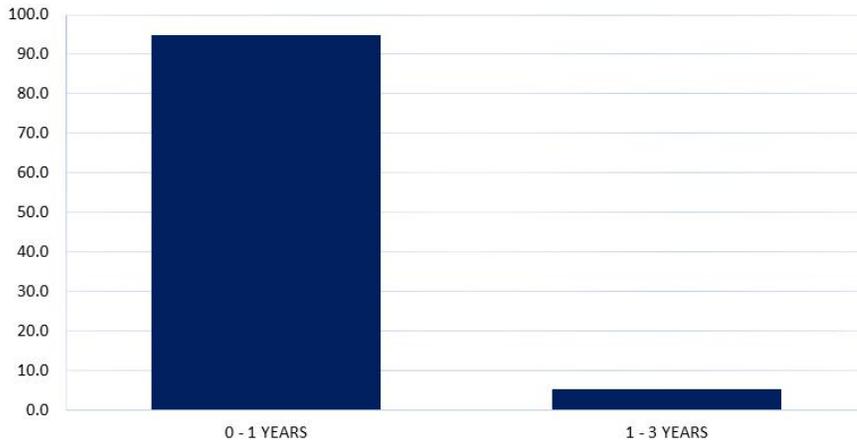
**Portfolio Level Characteristics**

	POOL 7 LGIP FF&C
Weighted Average Life	0.24
Coupon	0.34
Effective Duration	0.18
Quality Rating (Moody's)	AAA

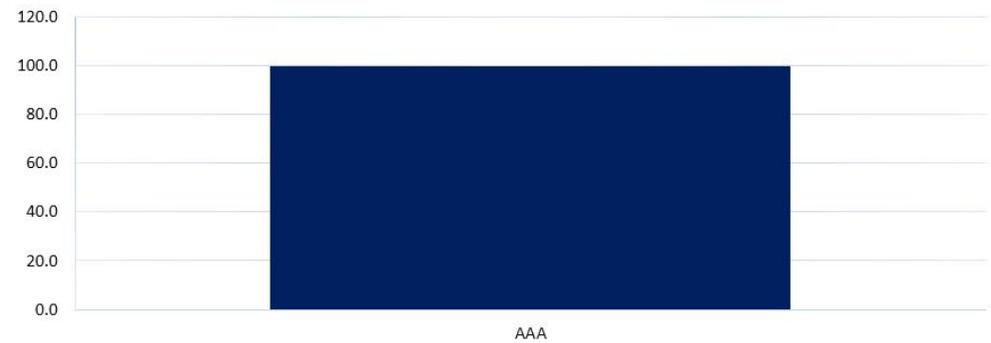
**Coupon Distribution**



**Expected Maturity Distribution**

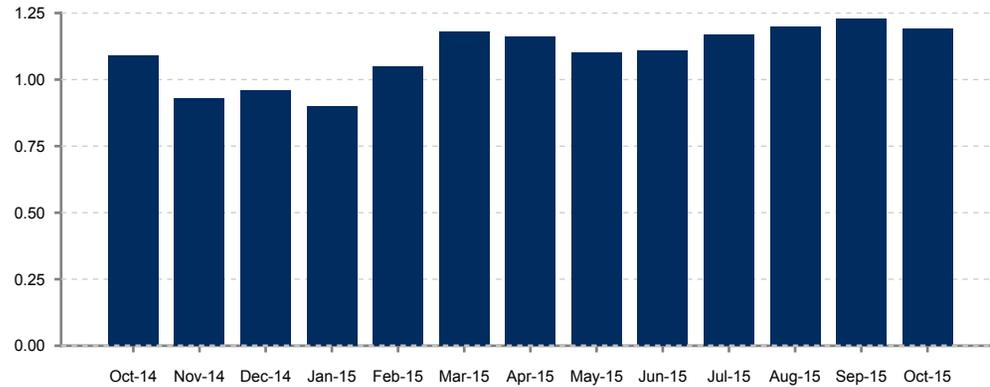


**Rating Distribution**





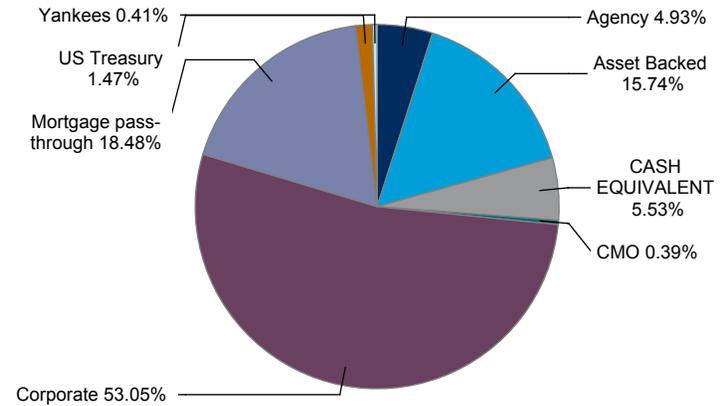
**Net Yield**



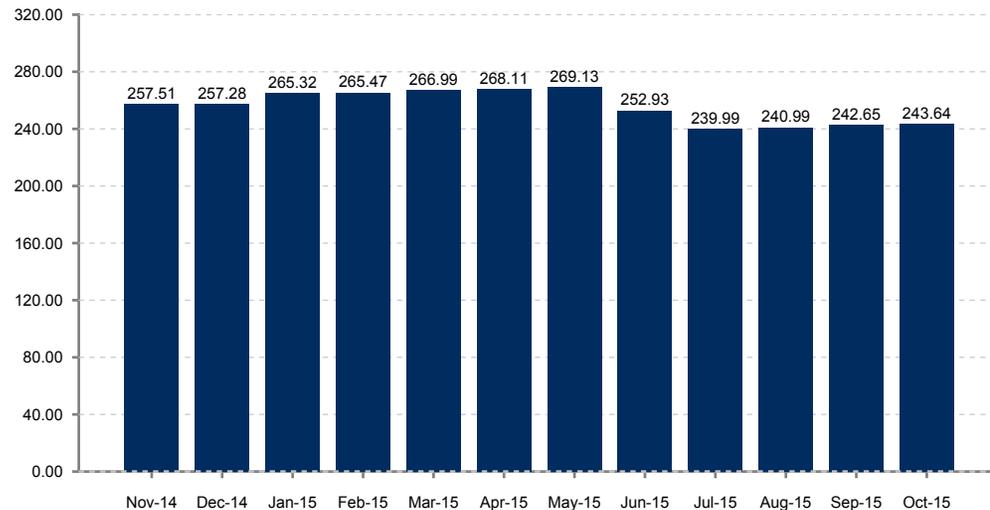
	Current Mth	Prior Mth	1 Year Ago
POOL 500 LGIP MED	1.19	1.23	1.09

**Asset Allocation**

	Ending Market Value
POOL 500 LGIP MED	243,636,104



**Net Asset Values over Time (\$MM)**

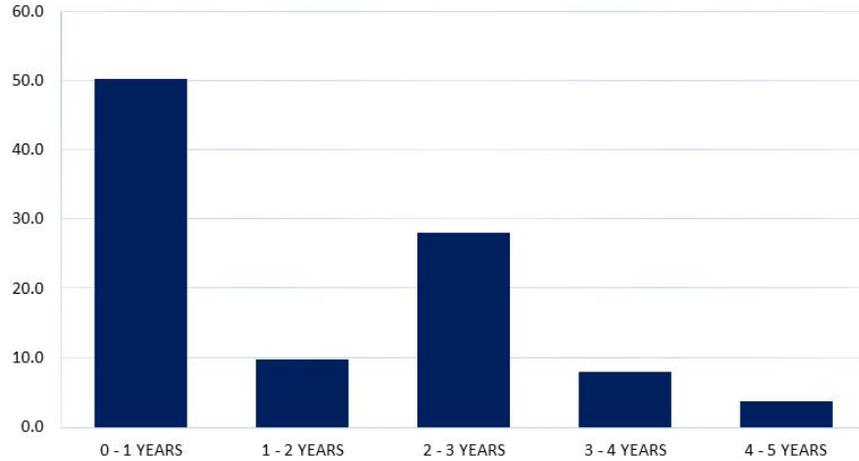


**Top 10 Holdings**

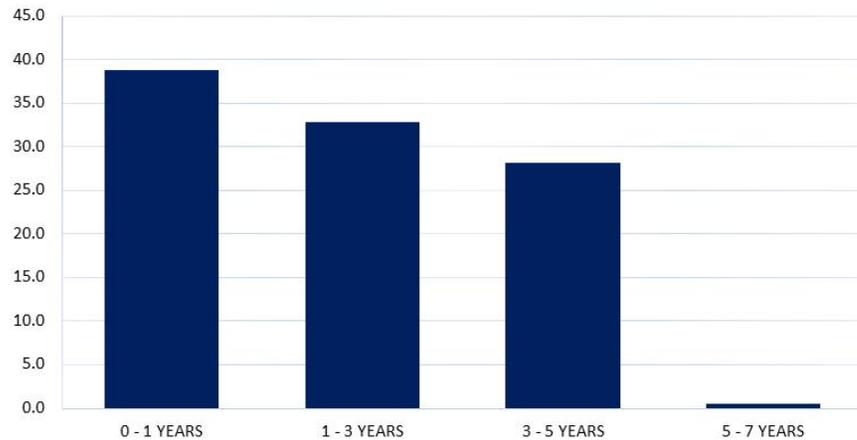
Security Name	Ending Market Value	% of Portfolio
POOL 500 LGIP MED		
FNMA POOL AB591	9,463,852	3.88
MERCK + CO INC	5,470,655	2.25
VOLKSWAGEN AUTO LEASE TRUST	5,133,850	2.11
MICROSOFT CORP	5,038,085	2.07
FORD CREDIT FLOORPLAN MASTER O	5,024,303	2.06
CHEVRON CORP	5,022,080	2.06
ELI LILLY + CO	5,011,669	2.06
FEDERAL HOME LOAN BANK	5,007,672	2.06
GOLDMAN SACHS GROUP INC	5,004,300	2.05
NISSAN MOTOR ACCEPTANCE	5,003,628	2.05



**Duration Distribution**



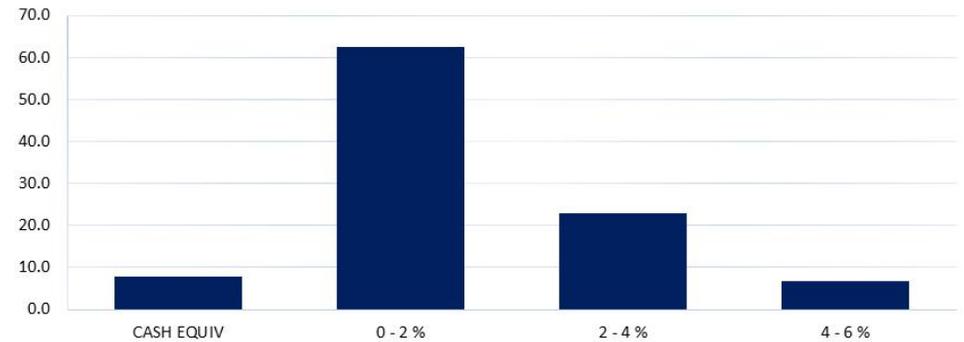
**Expected Maturity Distribution**



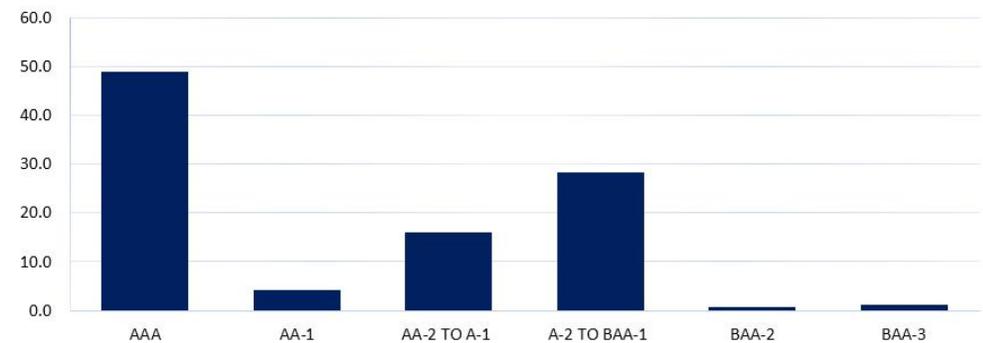
**Portfolio Level Characteristics**

	POOL 500 LGIP MED
Weighted Average Life	2.04
Coupon	1.75
Effective Duration	1.46
Quality Rating (Moody's)	AA-2

**Coupon Distribution**

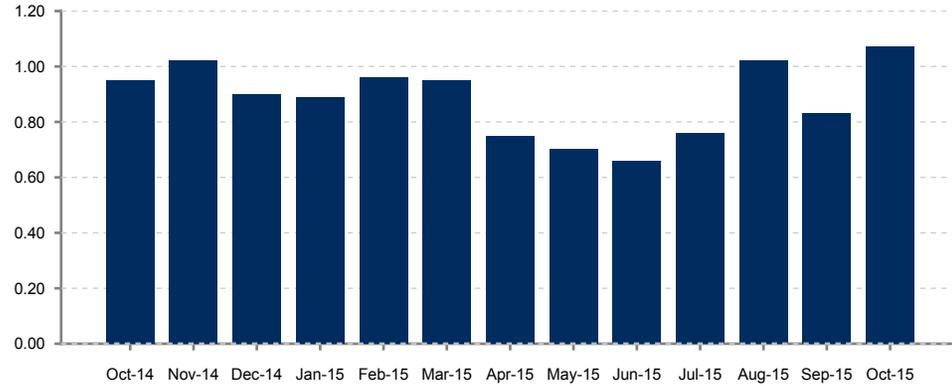


**Rating Distribution**





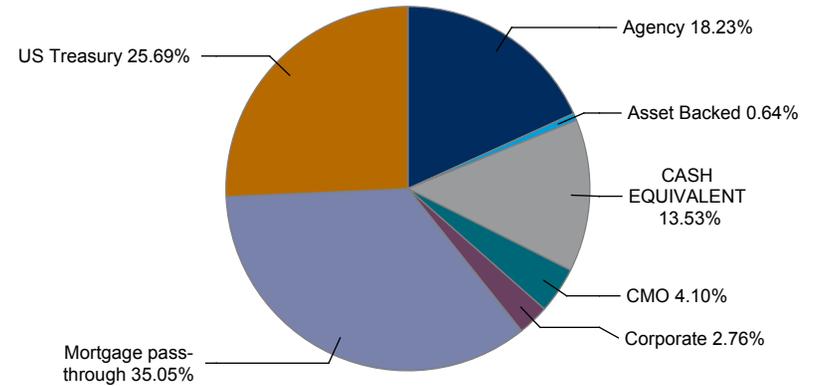
**Net Yield**



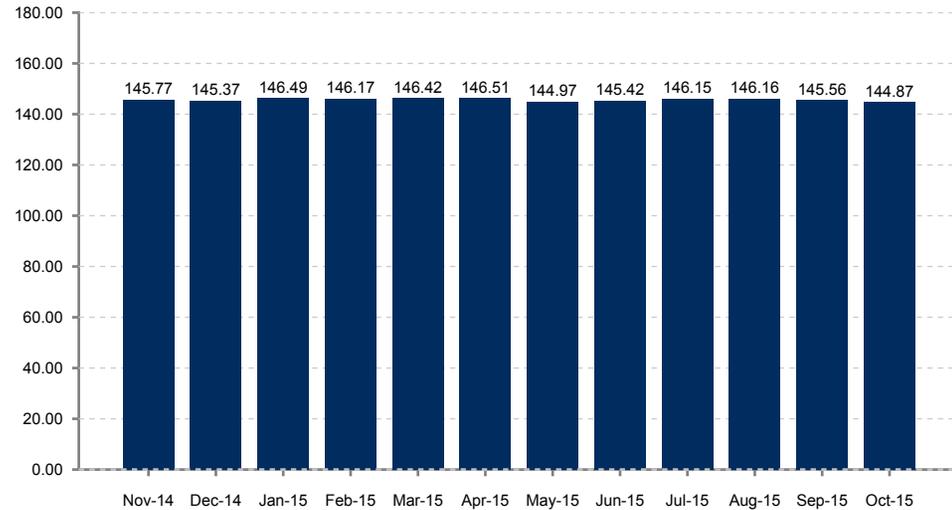
	Current Mth	Prior Mth	1 Year Ago
POOL 700 LGIP MD FF&C	1.07	0.83	0.95

**Asset Allocation**

	Ending Market Value
POOL 700 LGIP MD FF&C	144,872,968



**Net Asset Values over Time (\$MM)**

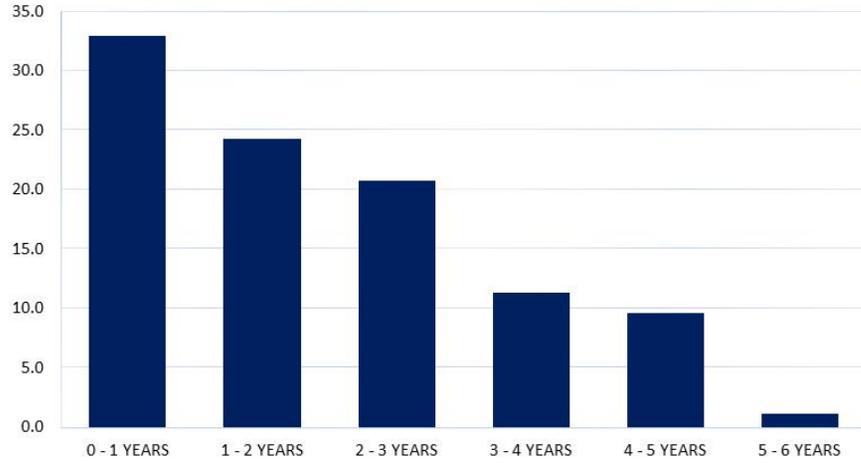


**Top 10 Holdings**

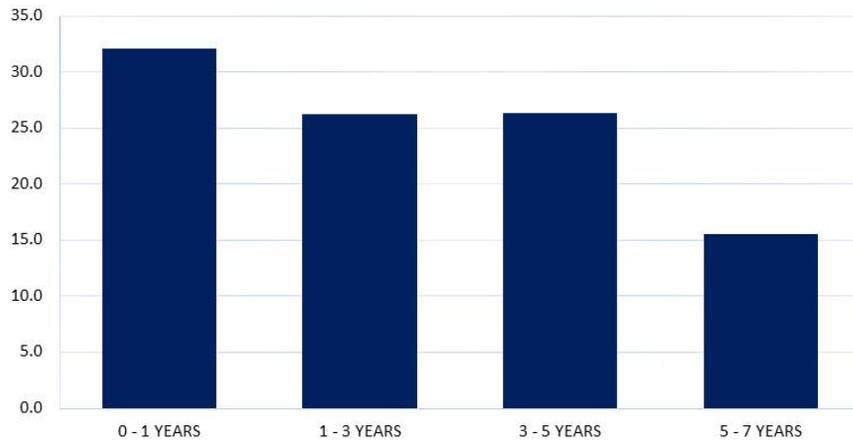
Security Name	Ending Market Value	% of Portfolio
POOL 700 LGIP MD FF&C		
FDIC US BANK CDARS ACCOUNT	15,192,403	10.49
GNMA II POOL MA0213	5,681,818	3.92
OVERSEAS PRIVATE INV COR	5,194,362	3.59
US TREASURY N/B	5,131,084	3.54
US TREASURY N/B	5,017,423	3.46
US TREASURY N/B	5,003,797	3.45
AID ISRAEL	4,961,225	3.42
GNMA II POOL 004849	3,754,420	2.59
PRIVATE EXPORT FUNDING	3,498,660	2.41
GNMA POOL 775134	3,294,813	2.27



**Duration Distribution**



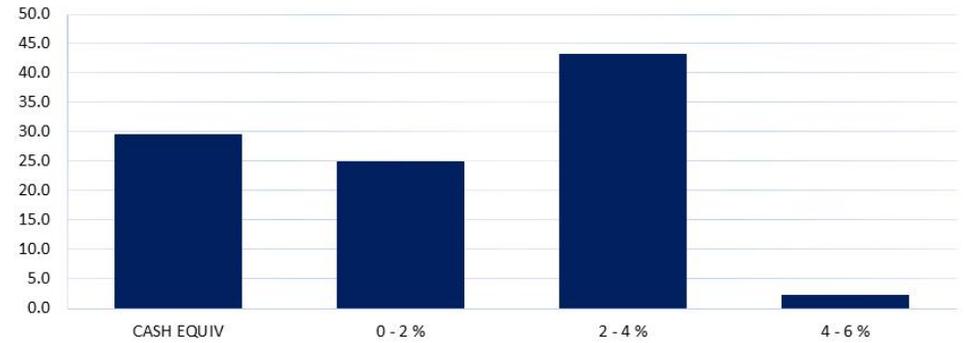
**Expected Maturity Distribution**



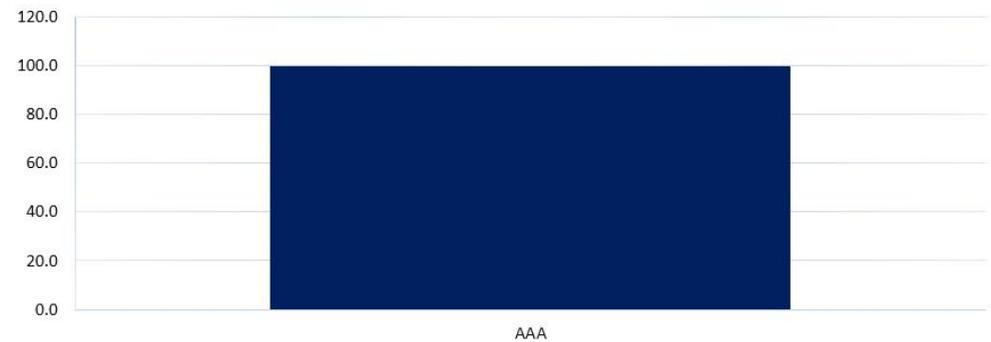
**Portfolio Level Characteristics**

	POOL 700 LGIP MD FF&C
Weighted Average Life	2.42
Coupon	1.81
Effective Duration	1.95
Quality Rating (Moody's)	AAA

**Coupon Distribution**



**Rating Distribution**



**EARNINGS DISTRIBUTED  
ENDOWMENT FUNDS  
OCTOBER 2015**

**Distributed in Current Month**

<b>Recipient</b>	<b>OCTOBER 2015</b>	<b>Fiscal YTD 15/16</b>	<b>Fiscal YTD 14/15</b>
101 A & M Colleges	\$20,991	\$83,964	\$75,987
102 State Hospital	\$13,015	\$52,061	\$46,137
103 Leg., Exec., & Jud.	\$17,116	\$68,465	\$61,743
104 Military Institute	\$1,166	\$4,663	\$4,261
105 Miners Hospital	\$39,311	\$157,242	\$129,659
107 Normal School ASU/NAU	\$7,749	\$30,995	\$27,355
108 Penitentiaries	\$27,365	\$109,462	\$94,152
109 Permanent Common School	\$7,265,434	\$29,061,738	\$25,328,142
110 School for Deaf & Blind	\$10,929	\$43,715	\$38,767
111 School of Mines	\$23,731	\$94,923	\$85,998
112 State Charitable-Pioneers Home	\$115,161	\$460,644	\$415,762
112 State Charitable-Corrections	\$57,581	\$230,322	\$207,881
112 State Charitable-Youth Treatment	\$57,581	\$230,322	\$207,881
113 University Fund	\$40,307	\$161,228	\$143,009
114 U of A Land - 1881	\$116,795	\$467,178	\$376,408
<b>Total</b>	<b>\$7,814,230</b>	<b>\$31,256,921</b>	<b>\$27,243,144</b>

**NET REALIZED CAPITAL GAINS / LOSSES - ENDOWMENT FUNDS**

<b>Endowment Fund</b>	<b>Oct-15 NET GAIN(LOSS)</b>	<b>Oct-14 NET GAIN(LOSS)</b>
----- Fixed Income Pool	(320,352)	(319,112)
500 Large-Cap Fund	(764,360)	992,304
400 Mid-Cap Fund	4,316,287	(219,065)
600 Small-Cap Fund	4,330,509	(416,693)
<b>Totals</b>	<b>7,562,084</b>	<b>37,435</b>

<b>Endowment Fund</b>	<b>2015/2016 FISCAL YEAR TO DATE GAINS(LOSSES)</b>	<b>2014/ 2015 FISCAL YEAR TO DATE GAINS(LOSSES)</b>
----- Fixed Income Pool	(530,310)	(1,170,939)
500 Large-Cap Fund	9,657,290	8,802,018
400 Mid-Cap Fund	13,008,899	12,071,993
600 Small-Cap Fund	18,116,939	6,456,857
<b>Totals</b>	<b>40,252,819</b>	<b>26,159,930</b>

**ENDOWMENT FUNDS FIXED-INCOME POOL  
PURCHASES & SALES  
OCTOBER 2015**

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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&amp;P RATING</u>
FNMA MTG	3.00	7/25/2026	5.64	\$2,188,656	\$2,304,906	2.00%	Aaa/AA+
FHLMC MTG	3.00	10/15/2026	5.77	\$2,499,210	\$2,634,883	2.02%	Aaa/AA+

**TOTAL ENDOWMENT FUNDS PURCHASES**

-----  
**\$4,687,866**  
-----

-----  
**\$4,939,789**  
-----

**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&amp;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  
OCTOBER 2015**

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**I. Equity Fund Purchases**

	<u>SHARES</u>	<u>PURCHASE COST</u>	<u>COMMISSIONS</u>
400 Mid-Cap Fund	256,928	\$10,565,479	\$987
500 Large-Cap Fund	35,800	\$4,893,545	\$267
600 Small-Cap Fund	292,346	\$4,462,237	\$1,821
<b>TOTAL EQUITY PURCHASES</b>	<b>585,074</b>	<b>\$19,921,261</b>	<b>\$3,075</b>

**II. Equity Funds Sales**

	<u>SHARES</u>	<u>SALES AMOUNT</u>	<u>COMMISSIONS</u>
400 Mid-Cap Fund	120,495	\$4,627,558	\$532
500 Large-Cap Fund	45,793	\$6,622,422	\$267
600 Small-Cap Fund	186,329	\$10,673,870	\$534
<b>TOTAL EQUITY SALES</b>	<b>352,617</b>	<b>\$21,923,851</b>	<b>\$1,333</b>

**ENDOWMENT FUNDS  
INVESTMENTS OUTSTANDING**

OCTOBER 31, 2015

(In Thousands)

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FUND	NAME OF FUND	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	UNREALIZED GAINS (LOSSES)	<b>Mkt Value/ Book Value</b>
101	A & M Colleges					
	<i>Shares in Equity Pools</i>	483	3,396	7,924	4,527	
	<i>Shares in Fixed Income Pools</i>	4,362	3,052	4,692	1,641	
	Total	4,845	6,448	12,616	6,168	<b>1.957</b>
102	State Hospital					
	<i>Shares in Equity Pools</i>	324	2,378	5,321	2,944	
	<i>Shares in Fixed Income Pools</i>	2,820	2,105	3,034	929	
	Total	3,145	4,483	8,355	3,872	<b>1.864</b>
103	Leg., Exec, & Jud					
	<i>Shares in Equity Pools</i>	389	2,926	6,387	3,462	
	<i>Shares in Fixed Income Pools</i>	3,741	2,618	4,023	1,406	
	Total	4,130	5,544	10,411	4,867	<b>1.878</b>
104	Military Institute					
	<i>Shares in Equity Pools</i>	25	184	416	231	
	<i>Shares in Fixed Income Pools</i>	249	166	268	103	
	Total	275	350	684	334	<b>1.953</b>
105	Miners Hospital					
	<i>Shares in Equity Pools</i>	1,110	9,832	18,216	8,384	
	<i>Shares in Fixed Income Pools</i>	9,777	8,338	10,517	2,178	
	Total	10,887	18,171	28,733	10,562	<b>1.581</b>
107	Normal School ASU/NAU					
	<i>Shares in Equity Pools</i>	197	1,574	3,237	1,663	
	<i>Shares in Fixed Income Pools</i>	1,810	1,368	1,947	579	
	Total	2,007	2,942	5,184	2,242	<b>1.762</b>
108	Penitentiaries					
	<i>Shares in Equity Pools</i>	725	5,904	11,903	5,999	
	<i>Shares in Fixed Income Pools</i>	6,577	5,239	7,075	1,835	
	Total	7,302	11,143	18,978	7,834	<b>1.703</b>

**ENDOWMENT FUNDS  
INVESTMENTS OUTSTANDING**

OCTOBER 31, 2015  
(In Thousands)

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NAME OF FUND	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	UNREALIZED GAINS (LOSSES)	Mkt Value/ Book Value
109 Permanent Common School					
<i>Shares in Equity Pools</i>	183,795	1,463,949	3,016,316	1,552,367	
<i>Shares in Fixed Income Pools</i>	1,645,380	1,308,613	1,769,814	461,202	
Total	1,829,175	2,772,562	4,786,131	2,013,569	<b>1.726</b>
110 School for Deaf & Blind					
<i>Shares in Equity Pools</i>	257	1,935	4,216	2,281	
<i>Shares in Fixed Income Pools</i>	2,401	1,716	2,582	866	
Total	2,658	3,651	6,798	3,147	<b>1.862</b>
111 School of Mines					
<i>Shares in Equity Pools</i>	541	4,051	8,879	4,828	
<i>Shares in Fixed Income Pools</i>	5,014	3,643	5,394	1,750	
Total	5,555	7,695	14,273	6,578	<b>1.855</b>
112 State Charitable					
<i>Shares in Equity Pools</i>	5,471	41,212	89,779	48,567	
<i>Shares in Fixed Income Pools</i>	48,058	37,448	51,692	14,244	
Total	53,528	78,660	141,471	62,811	<b>1.799</b>
113 University Fund					
<i>Shares in Equity Pools</i>	986	7,808	16,175	8,367	
<i>Shares in Fixed Income Pools</i>	9,141	6,831	9,833	3,001	
Total	10,127	14,639	26,008	11,369	<b>1.777</b>
114 U Of A Land - 1881					
<i>Shares in Equity Pools</i>	3,368	30,897	55,267	24,369	
<i>Shares in Fixed Income Pools</i>	30,869	25,720	33,204	7,484	
Total	34,237	56,617	88,470	31,853	<b>1.563</b>
TOTALS - ALL FUNDS					
<i>Shares in Equity Pools</i>	197,671	1,576,048	3,244,037	1,667,989	
<i>Shares in Fixed Income Pools</i>	1,770,200	1,406,857	1,904,075	497,218	
<b>Grand Total</b>	<b>1,967,871</b>	<b>2,982,905</b>	<b>5,148,112</b>	<b>2,165,207</b>	
<b>PRIOR YEAR:</b>					
<b>OCTOBER 2014 BALANCES</b>	<b>1,956,895</b>	<b>2,939,436</b>	<b>4,948,999</b>	<b>2,009,563</b>	

**ENDOWMENT FUNDS  
INVESTMENTS OUTSTANDING  
OCTOBER 31, 2015**

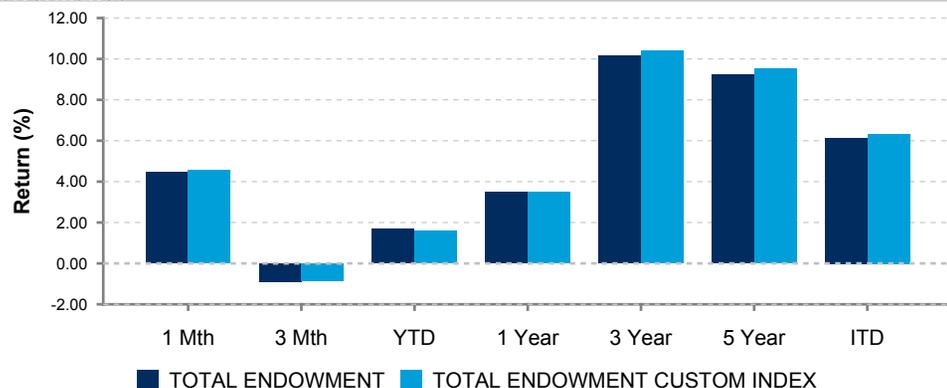
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**ASSET ALLOCATION PERCENTAGE**

	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	OCTOBER 2014 MARKET VALUE
<i>Shares in Equity Pools</i>	10.04%	<b>52.84%</b>	63.01%	62.45%
<i>Shares in Fixed Income Pools</i>	89.96%	<b>47.16%</b>	36.99%	37.55%
	-----	-----	-----	-----
<b>Total</b>	100.00%	<b>100.00%</b>	100.00%	100.00%
	=====	=====	=====	=====



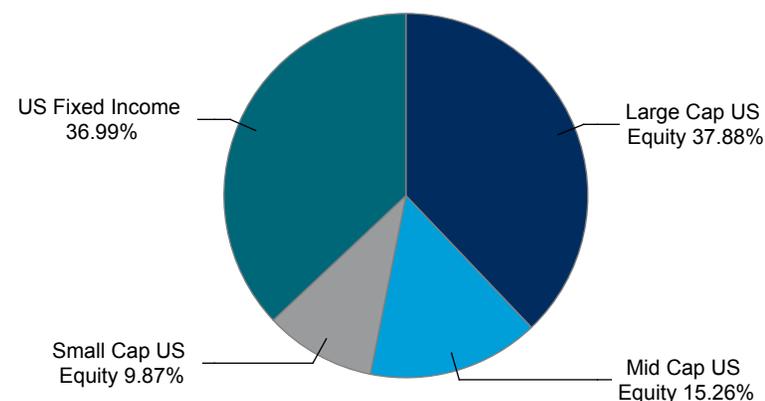
## Performance



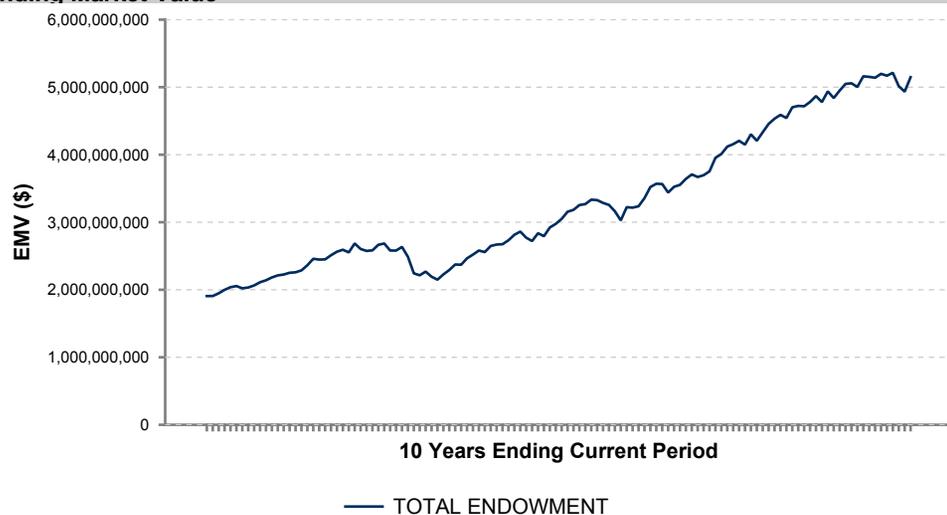
	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Incept Date
TOTAL ENDOWMENT	4.46	-0.91	1.70	3.49	10.17	9.24	6.14	07/99
TOTAL ENDOWMENT CUSTOM INDEX	4.56	-0.87	1.58	3.48	10.39			07/99
Excess	-0.10	-0.03	0.12	0.01	-0.22			

## Asset Allocation

	Ending Market Value
TOTAL ENDOWMENT	5,148,111,662

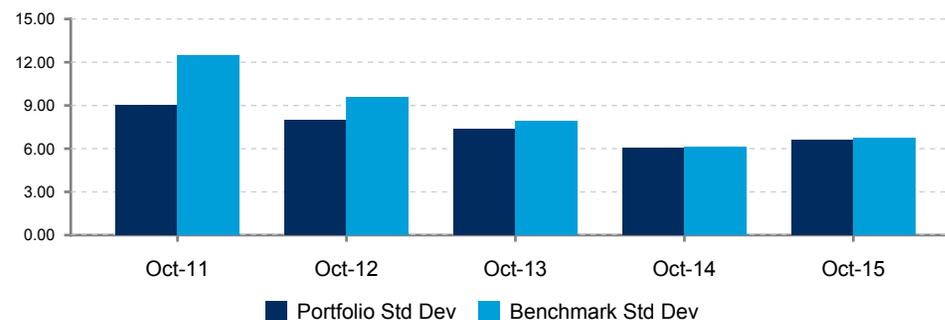


## Ending Market Value



## 3 Year Risk Statistics

	Return	Portfolio Std Dev	Benchmark Std Dev	Sharpe Ratio	Beta	Tracking Error	Information Ratio
TOTAL ENDOWMENT	10.17	6.61	6.70	1.53	0.99	0.30	-0.73



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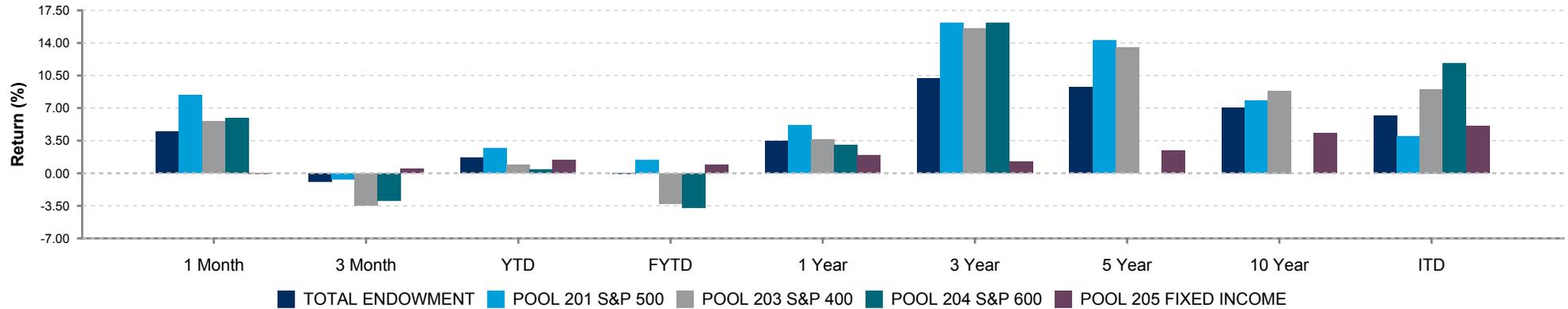
October 31, 2015

Total Returns Net Mgr



STATE STREET

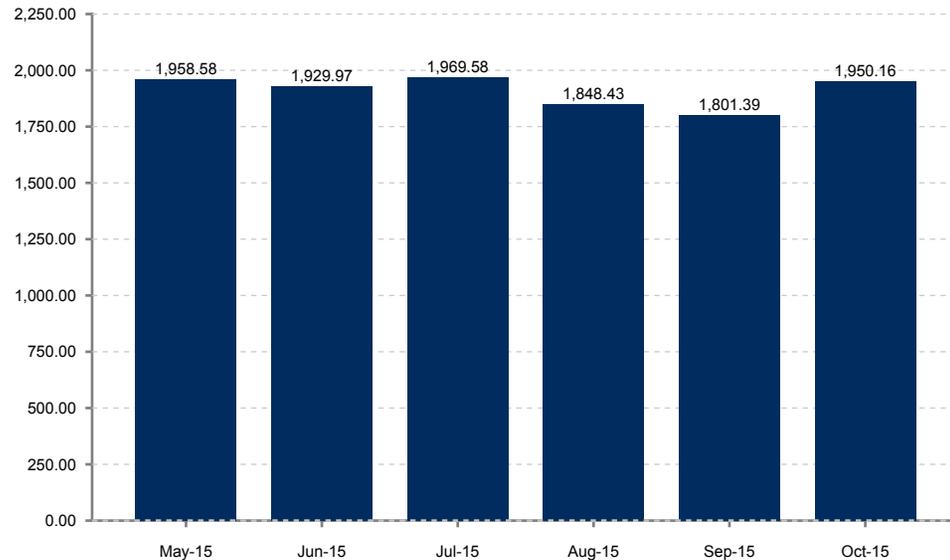
## Return Comparison



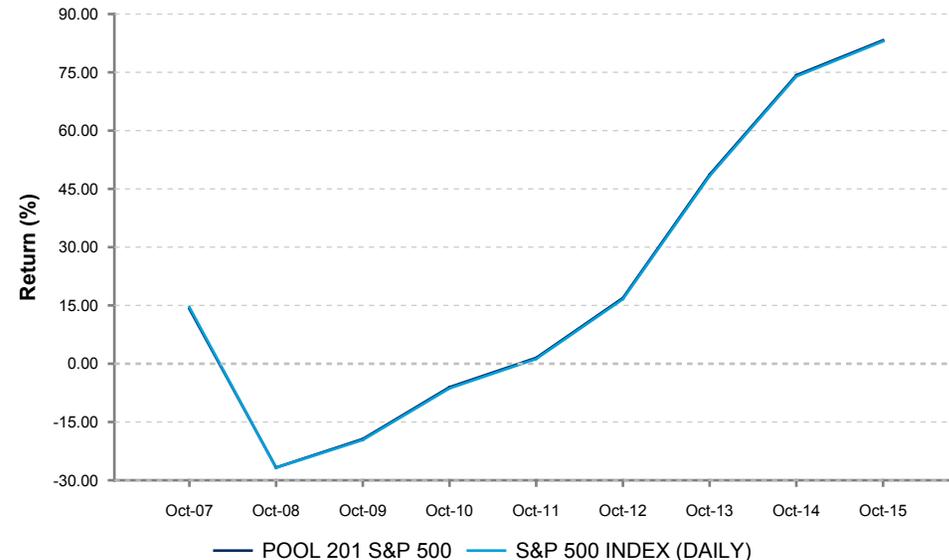
	Market Value	Actual Weight	1 Mth	3 Mth	YTD	FYTD	1 Year	3 Year	5 Year	10 Year	ITD	Inc Date
TOTAL ENDOWMENT	5,148,111,662	100.00	4.46	-0.91	1.70	-0.04	3.49	10.17	9.24	6.99	6.14	Jul-01-99
TOTAL ENDOWMENT CUSTOM INDEX			4.56	-0.87	1.58	0.07	3.48	10.39				Jul-01-99
Excess			-0.10	-0.03	0.12	-0.11	0.01	-0.22				
POOL 201 S&P 500	1,950,164,114	37.88	8.36	-0.66	2.67	1.41	5.17	16.16	14.29	7.79	3.97	Jul-01-99
S&P 500 INDEX (DAILY)			8.44	-0.63	2.70	1.45	5.20	16.20	14.33	7.85	4.53	Jul-01-99
Excess			-0.07	-0.03	-0.03	-0.04	-0.03	-0.04	-0.04	-0.06	-0.56	
POOL 203 S&P 400	785,683,855	15.26	5.62	-3.43	0.89	-3.27	3.64	15.54	13.48	8.86	9.03	Aug-01-01
S&P 400 MIDCAP INDEX (DAILY)			5.63	-3.47	0.72	-3.34	3.42	15.51	13.41	9.09	9.04	Aug-01-01
Excess			-0.01	0.04	0.18	0.07	0.22	0.03	0.07	-0.23	-0.01	
POOL 204 S&P 600	508,189,161	9.87	5.94	-2.91	0.36	-3.68	2.99	16.13			11.83	Mar-01-11
S&P SM 600 TR			6.10	-2.92	0.27	-3.74	2.85	16.06			11.80	Mar-01-11
Excess			-0.16	0.00	0.09	0.06	0.14	0.07			0.03	
POOL 205 FIXED INCOME	1,904,074,532	36.99	-0.07	0.48	1.42	0.90	1.89	1.23	2.42	4.29	5.09	Jul-01-99
CITIGROUP BIG (DAILY)			0.08	0.55	1.14	1.20	1.93	1.63	3.01	4.81	5.40	Jul-01-99
Excess			-0.15	-0.08	0.28	-0.31	-0.04	-0.39	-0.59	-0.51	-0.31	



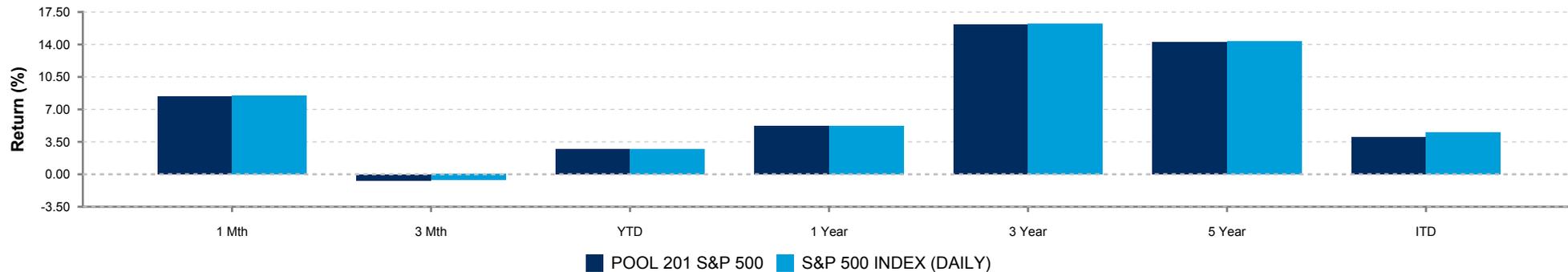
Net Asset Values over Time (\$MM)



Cumulative Return (%)



Rates of Return



	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Oct 31 2015	Oct 31 2014	Oct 31 2013
POOL 201 S&P 500	8.36	-0.66	2.67	5.17	16.16	14.29	3.97	5.17	17.20	27.16
S&P 500 INDEX (DAILY)	8.44	-0.63	2.70	5.20	16.20	14.33	4.53	5.20	17.27	27.18
Excess	-0.07	-0.03	-0.03	-0.03	-0.04	-0.04	-0.56	-0.03	-0.07	-0.02

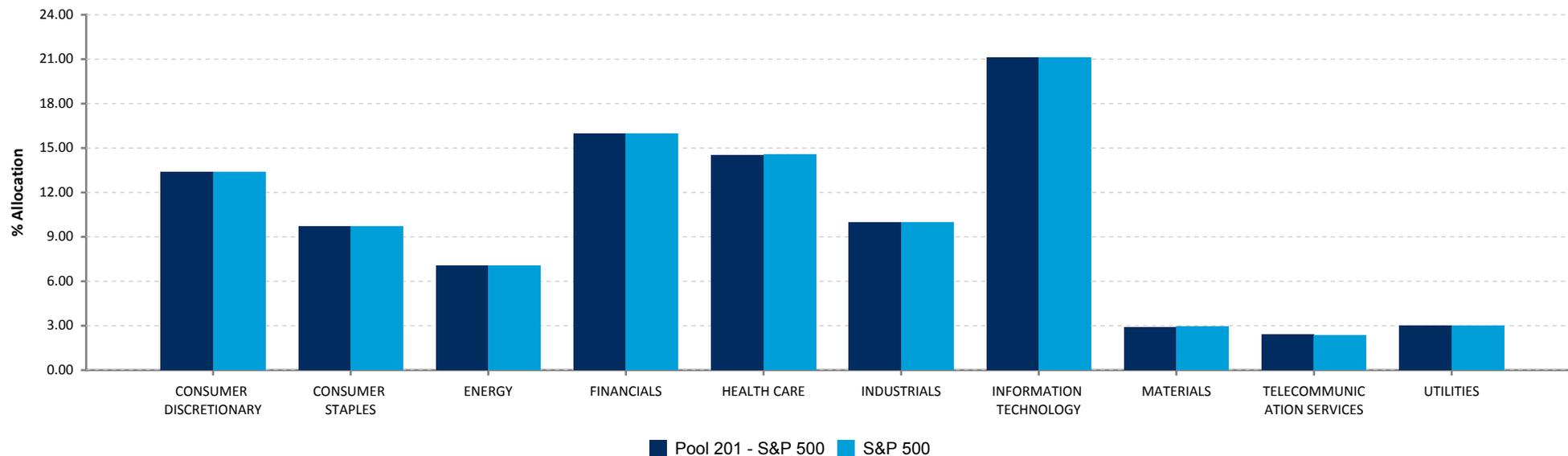
# OFFICE OF THE ARIZONA STATE TREASURER

October 31, 2015

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



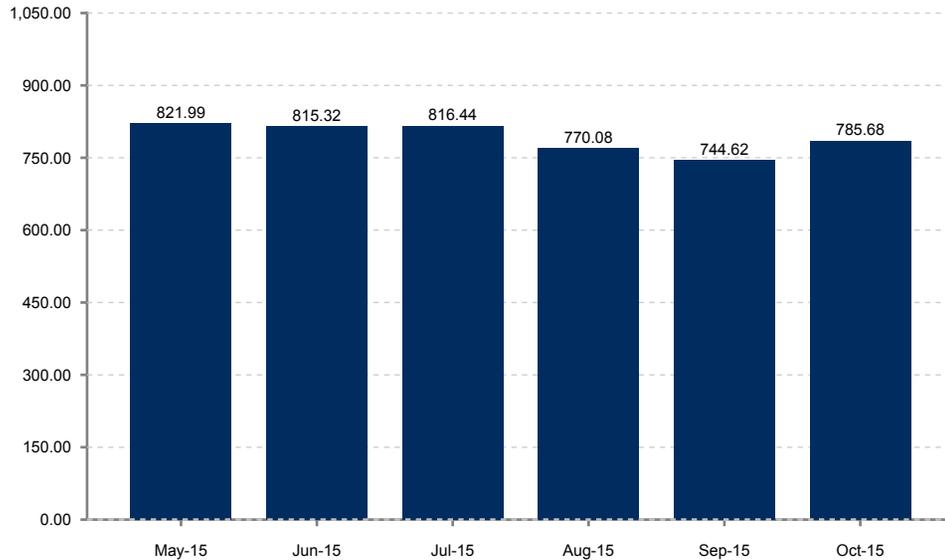
STATE STREET



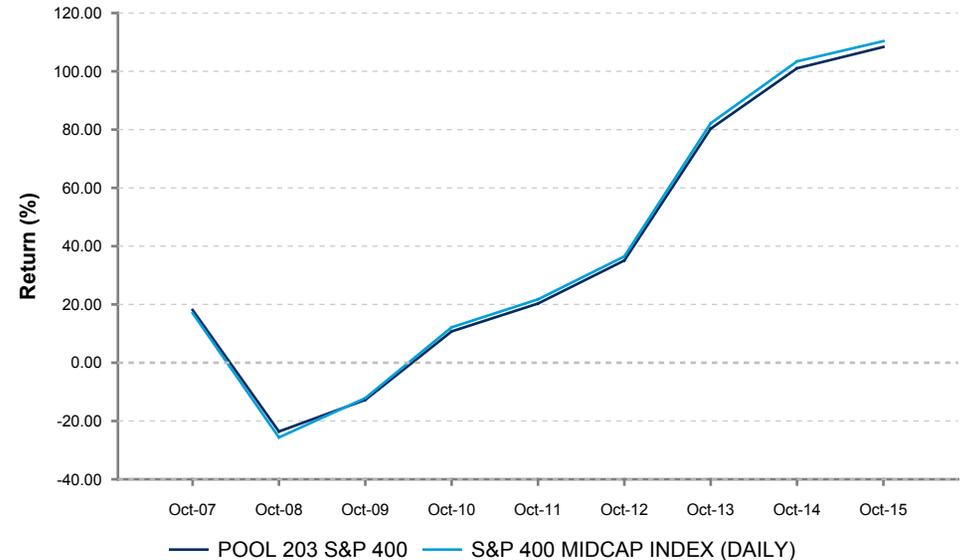
	Fund Weight	Benchmark Weight	Relative Weight
POOL 201 S&P 500	100.00	100.00	0.00
CONSUMER DISCRETIONARY	13.30	13.31	-0.00
CONSUMER STAPLES	9.95	9.93	0.02
ENERGY	6.85	6.85	-0.00
FINANCIALS	16.33	16.33	-0.00
HEALTH CARE	14.64	14.64	-0.00
INDUSTRIALS	9.84	9.84	0.01
INFORMATION TECHNOLOGY	20.65	20.67	-0.02
MATERIALS	2.79	2.79	0.00
TELECOMMUNICATION SERVICES	2.42	2.42	-0.00
UTILITIES	3.22	3.22	0.00



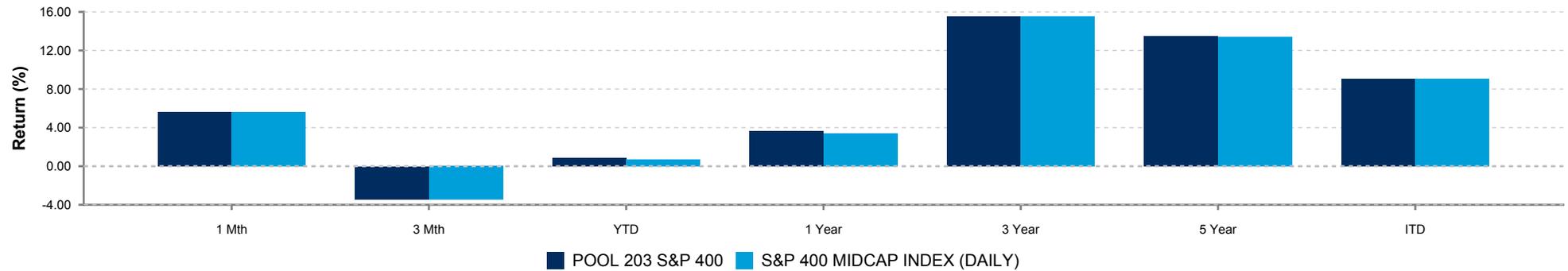
Net Asset Values over Time (\$MM)



Cumulative Return (%)



Rates of Return



	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Oct 31 2015	Oct 31 2014	Oct 31 2013
POOL 203 S&P 400	5.62	-3.43	0.89	3.64	15.54	13.48	9.03	3.64	11.50	33.48
S&P 400 MIDCAP INDEX (DAILY)	5.63	-3.47	0.72	3.42	15.51	13.41	9.04	3.42	11.65	33.48
Excess	-0.01	0.04	0.18	0.22	0.03	0.07	-0.01	0.22	-0.15	-0.00

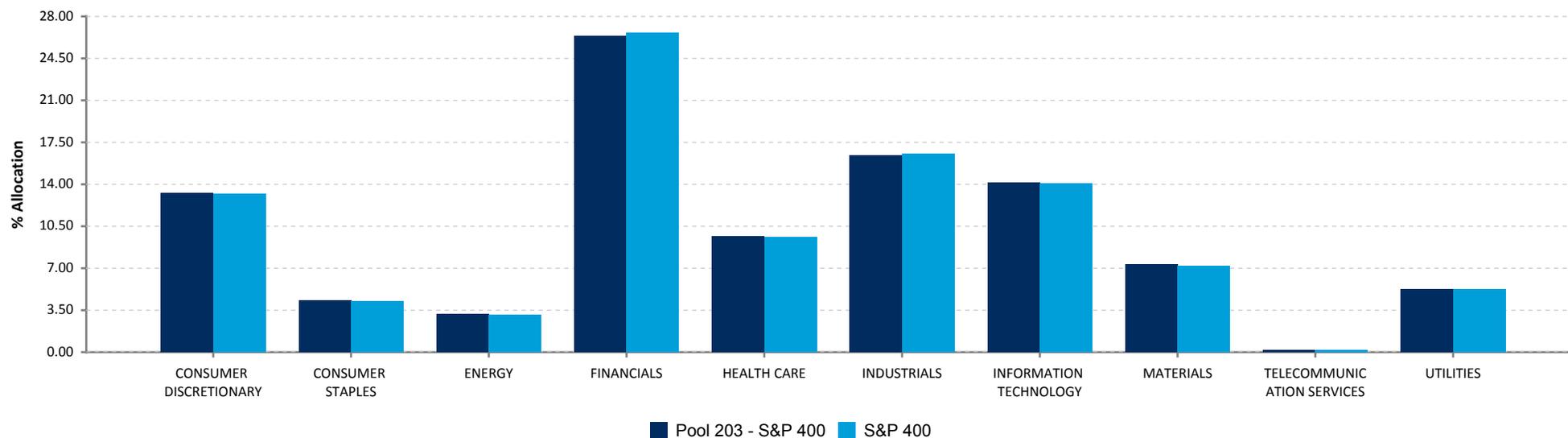
# OFFICE OF THE ARIZONA STATE TREASURER

October 31, 2015

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



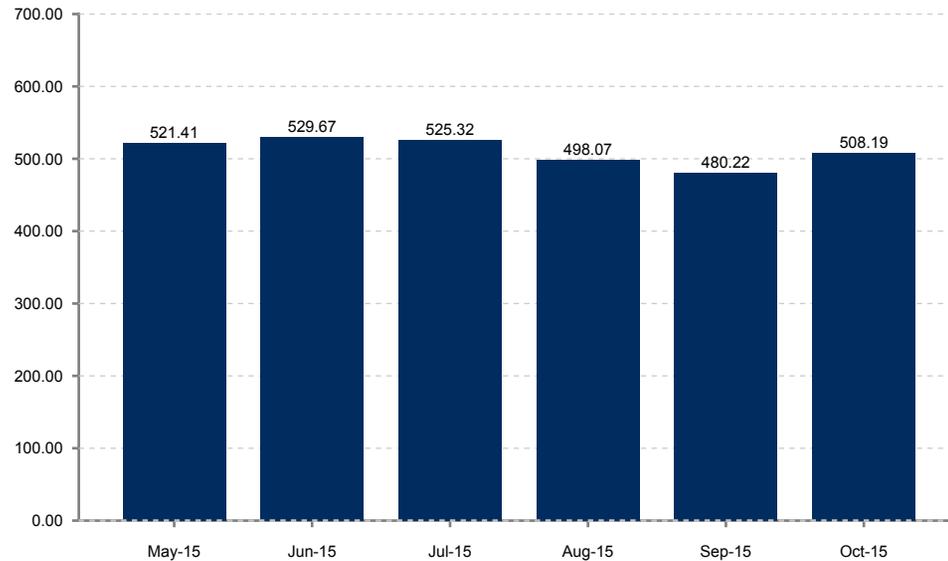
STATE STREET.



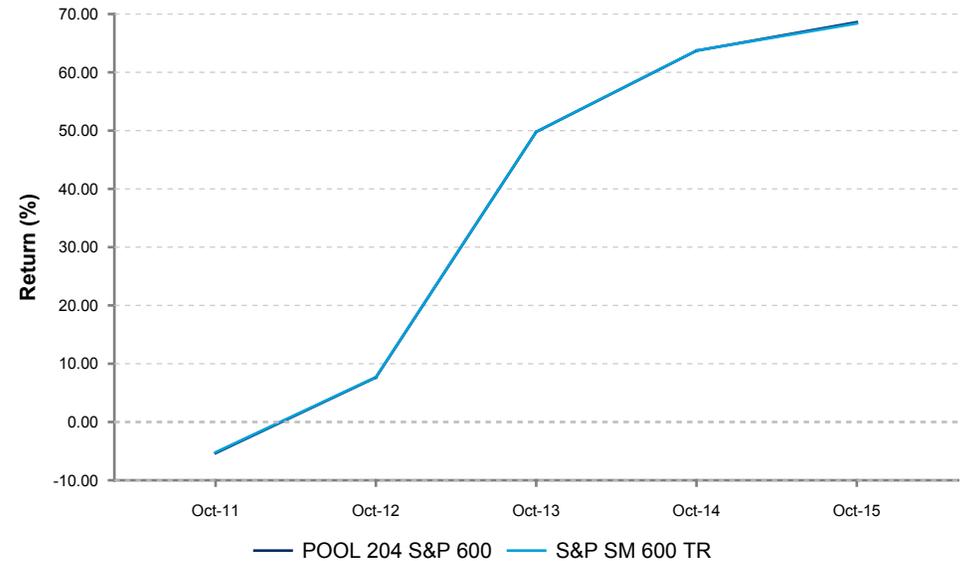
	Weight Fund	Weight Benchmark	Weight Relative
POOL 203 S&P 400	100.00	100.00	0.00
CONSUMER DISCRETIONARY	13.65	13.89	-0.24
CONSUMER STAPLES	4.31	4.30	0.01
ENERGY	3.07	3.06	0.01
FINANCIALS	27.43	27.29	0.14
HEALTH CARE	9.50	9.48	0.02
INDUSTRIALS	16.00	16.11	-0.11
INFORMATION TECHNOLOGY	13.61	13.58	0.03
MATERIALS	7.00	6.88	0.12
TELECOMMUNICATION SERVICES	0.16	0.16	0.00
UTILITIES	5.26	5.24	0.02



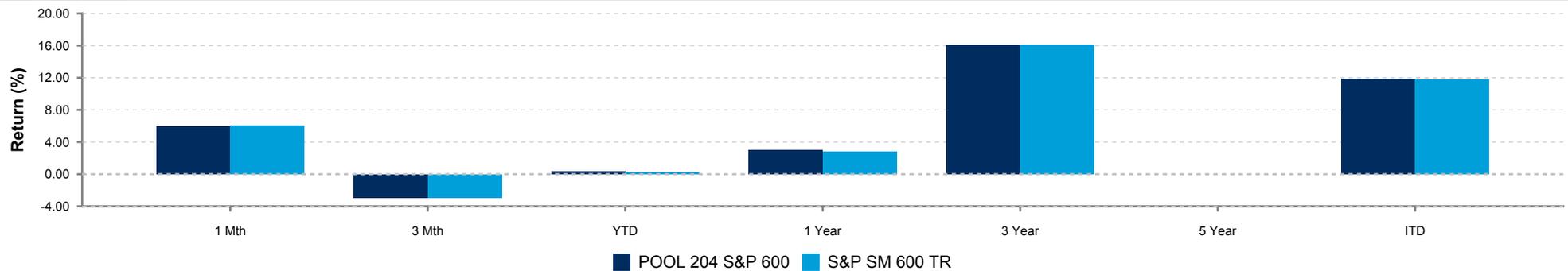
Net Asset Values over Time (\$MM)



Cumulative Return (%)



Rates of Return



	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Oct 31 2015	Oct 31 2014	Oct 31 2013
POOL 204 S&P 600	5.94	-2.91	0.36	2.99	16.13	11.83	39.14	2.99	9.30	39.14
S&P SM 600 TR	6.10	-2.92	0.27	2.85	16.06	11.80	39.08	2.85	9.29	39.08
Excess	-0.16	0.00	0.09	0.14	0.07	0.03	0.05	0.14	0.01	0.05

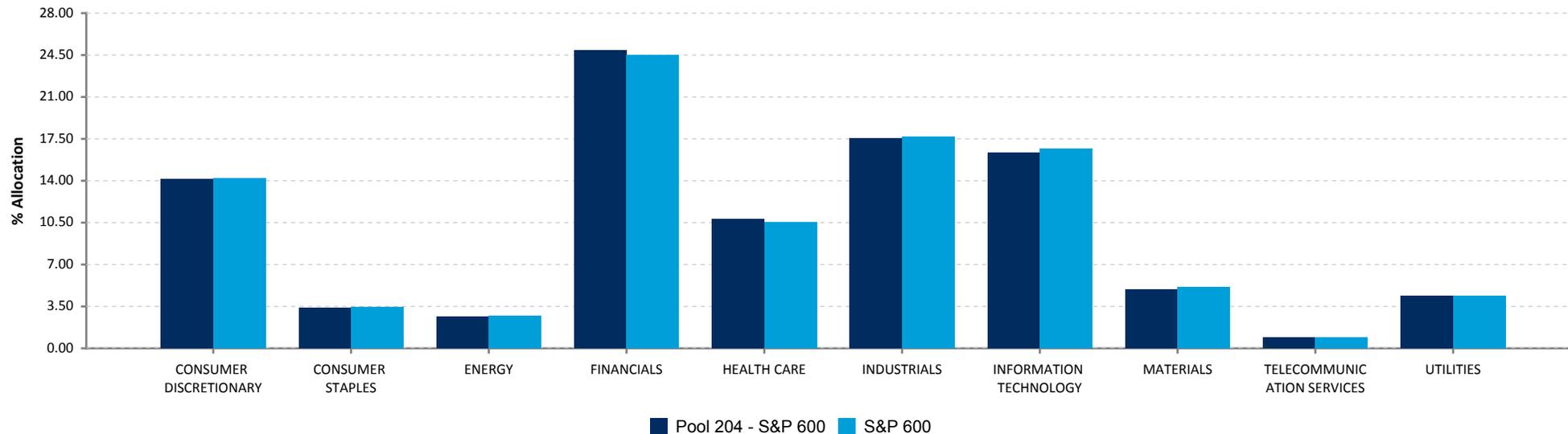
# OFFICE OF THE ARIZONA STATE TREASURER

October 31, 2015

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



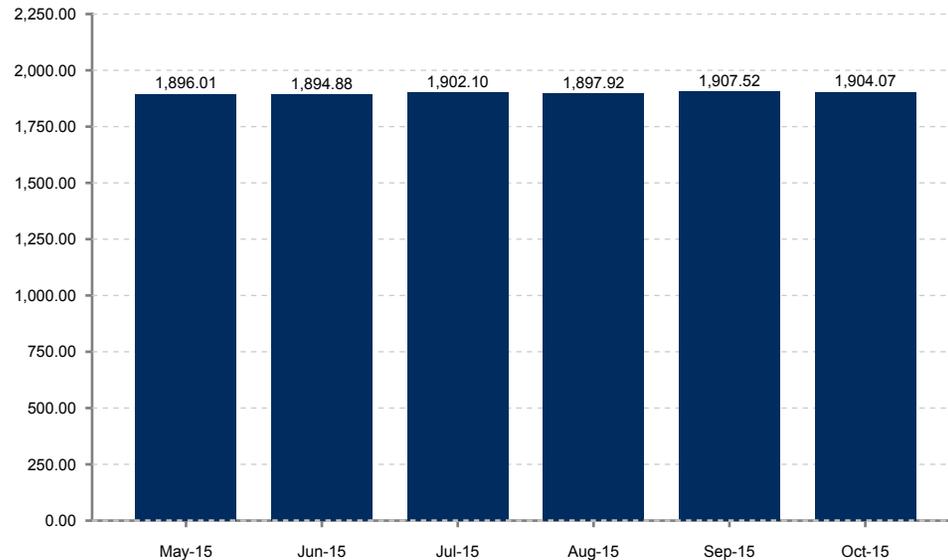
STATE STREET



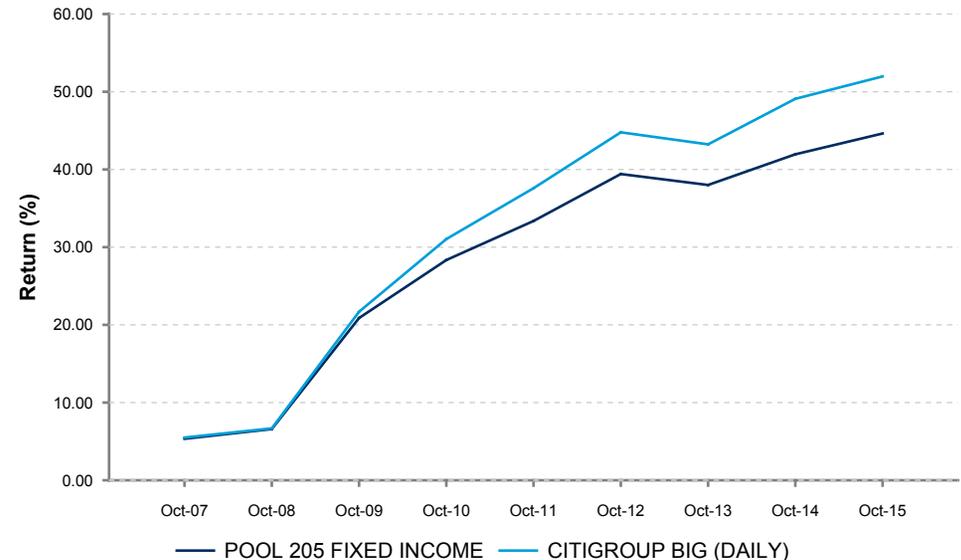
	Weight Fund	Weight Benchmark	Weight Relative
POOL 204 S&P 600	100.00	100.00	0.00
CONSUMER DISCRETIONARY	15.17	14.80	0.38
CONSUMER STAPLES	3.40	3.43	-0.03
ENERGY	2.38	2.39	-0.01
FINANCIALS	24.87	24.83	0.04
HEALTH CARE	11.56	11.60	-0.04
INDUSTRIALS	16.79	16.90	-0.11
INFORMATION TECHNOLOGY	16.07	16.12	-0.06
MATERIALS	4.82	4.99	-0.17
TELECOMMUNICATION SERVICES	0.65	0.66	-0.00
UTILITIES	4.28	4.28	0.00



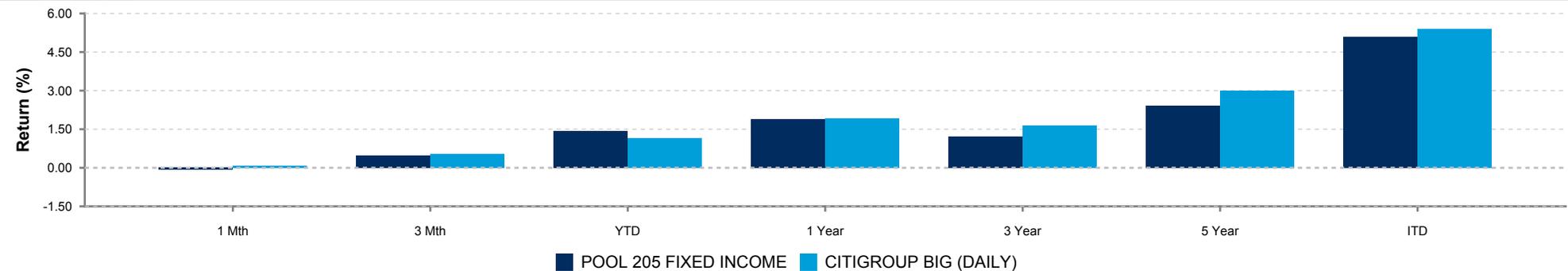
Net Asset Values over Time (\$MM)



Cumulative Return (%)



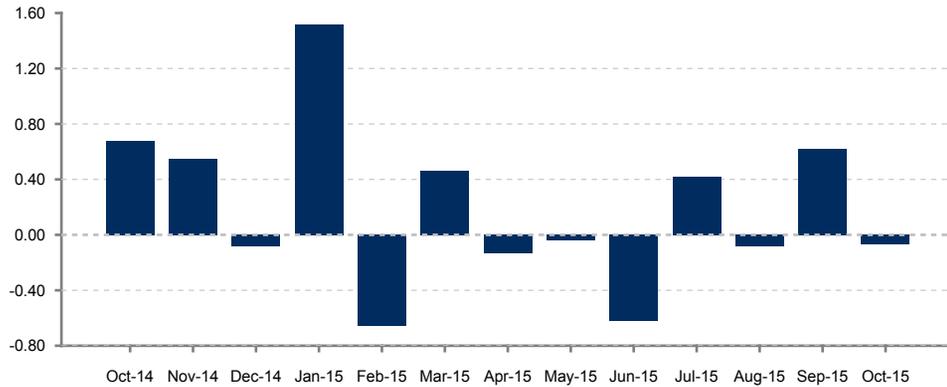
Rates of Return



	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Oct 31 2015	Oct 31 2014	Oct 31 2013
POOL 205 FIXED INCOME	-0.07	0.48	1.42	1.89	1.23	2.42	5.09	1.89	2.86	-1.01
CITIGROUP BIG (DAILY)	0.08	0.55	1.14	1.93	1.63	3.01	5.40	1.93	4.09	-1.07
Excess	-0.15	-0.08	0.28	-0.04	-0.39	-0.59	-0.31	-0.04	-1.23	0.06



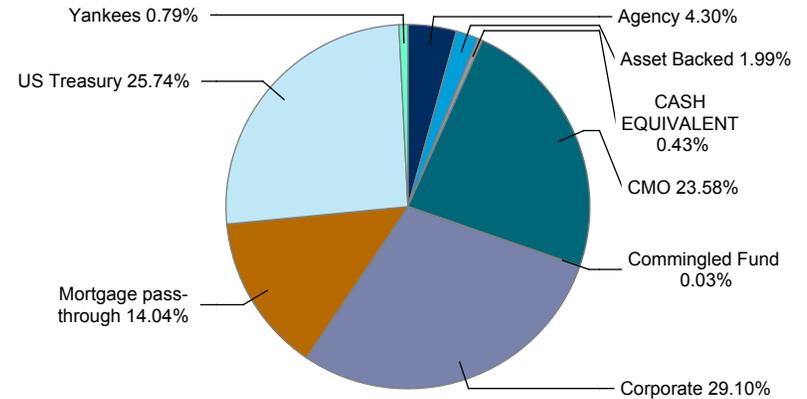
**Net Mqr Return**



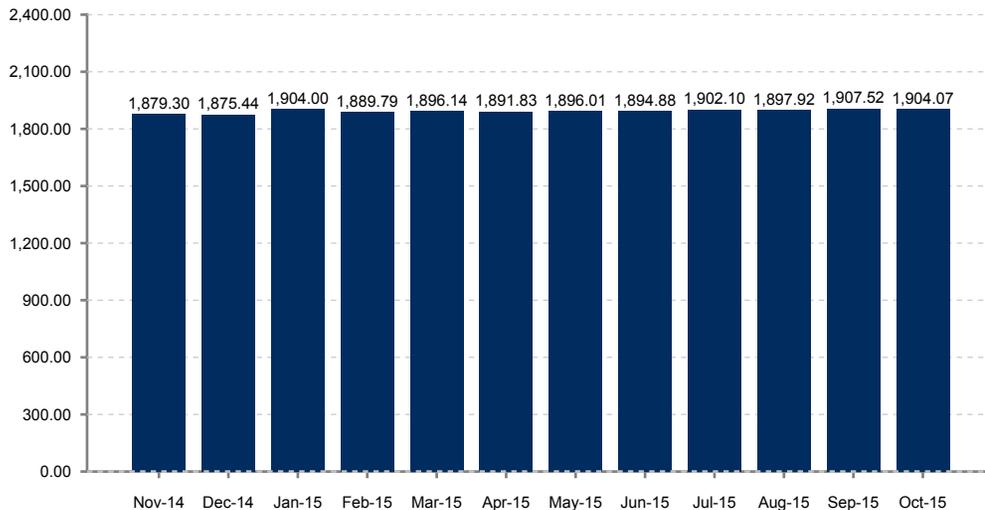
	Current Mth	Prior Mth	1 Year Ago
POOL 205 FIXED INCOME	-0.07	0.62	0.68

**Asset Allocation**

	Ending Market Value
POOL 205 FIXED INCOME	1,904,074,532



**Net Asset Values over Time (\$MM)**

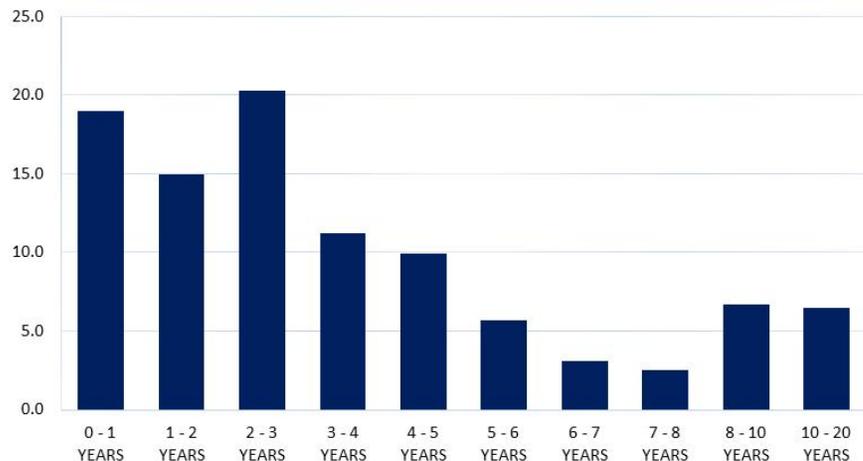


**Top 10 Holdings**

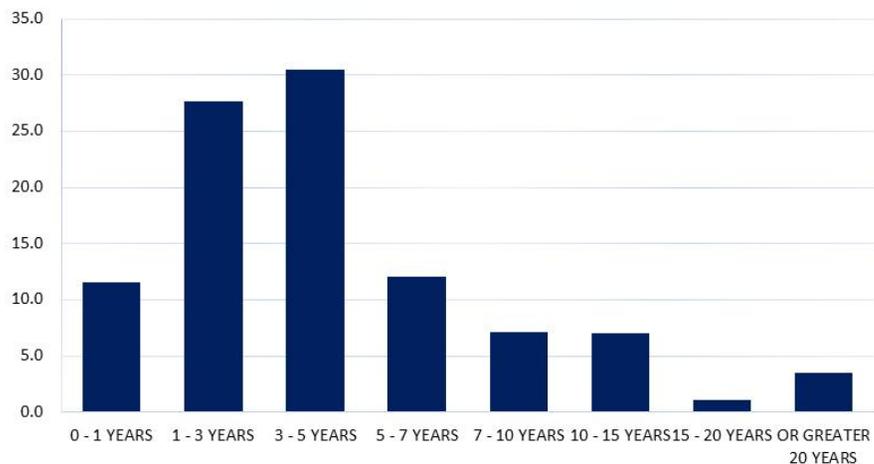
Security Name	Ending Market Value	% of Portfolio
POOL 205 FIXED INCOME		
FIFTH THIRD BANK	14,915,963	0.78
US TREASURY N/B	14,528,751	0.76
US TREASURY N/B	14,501,703	0.76
US TREASURY N/B	14,391,892	0.76
3M COMPANY	13,261,633	0.70
IBM CORP	12,769,879	0.67
US TREASURY N/B	12,705,025	0.67
PRES + FELLOWS OF HARVAR	12,085,620	0.63
CONOCOPHILLIPS	11,793,886	0.62
US TREASURY N/B	11,643,191	0.61



**Duration Distribution**



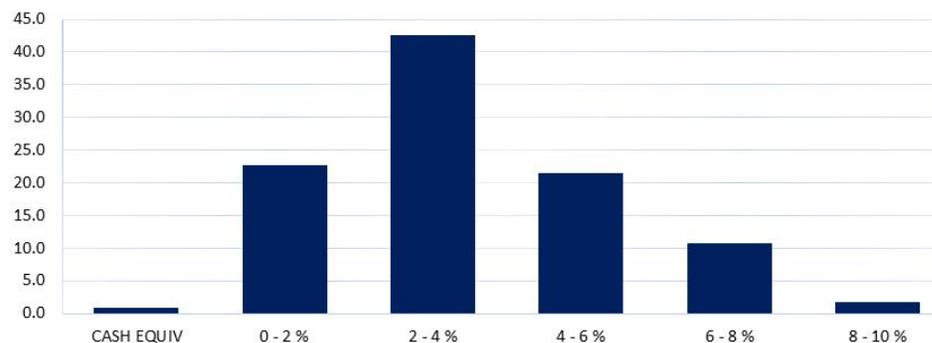
**Expected Maturity Distribution**



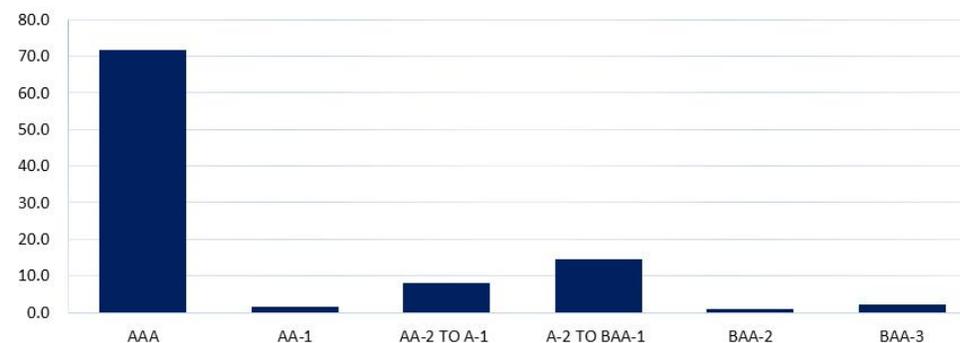
**Portfolio Level Characteristics**

	POOL 205 FIXED INCOME
Weighted Average Life	4.96
Coupon	3.54
Effective Duration	3.70
Quality Rating (Moody's)	AA-1

**Coupon Distribution**



**Rating Distribution**



Thousands

# Endowment Fund Market Value

