OFFICE OF THE

ARIZONA STATE TREASURER

JEFF DEWIT
TREASURER

MARCH 2016

Presented To:

Arizona State Board of Investment

April 26, 2016

STATE BOARD OF INVESTMENT

A G E N D A

April 26, 2016

1. Call to Order
2. Chairman Remarks
3. Approval of March 29, 2016 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
    - G. Broker Activity Report
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

April 26, 2016

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Minutes of
BOARD OF INVESTMENT MEETING

The regular meeting of the State Board of Investment was held on March 29, 2016 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 1:32 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, Via Tele Conference
Craig Brown, Director, Arizona Department of Administration
Robert Charlton, Interim Superintendent, Department of Financial Institutions

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
Dennis Stevenson, 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
Ken Price, Human Resource Manager, Arizona State Treasurer's Office
Ron Hansen, Reporter, Arizona Republic
Dan Warren, VP/Commercial Banker, Wells Fargo Bank

Pursuant to A.R.S. 35-311, the following reports for February, 2016 were submitted for the Board's approval:

<u>Review of Treasurer's Monthly Reports:</u>

Earnings Distribution; Investment Pools

Operating Monies Invested Balances

State Agency Pools Investments and Performance Reports

LGIP Pools Investments and Performance Reports

Earnings Distributed Endowment Funds

Endowment Investments and Performance Reports

1. **Call to Order:**
   Treasurer DeWit called the March 29, 2016 BOI meeting to order at approximately 1:32 p.m.

2. **Treasurers Comments:**
   Treasurer DeWit welcomed the board members and guests and thanked all present for attending the March 29, 2016 meeting.

3. **Approval of Minutes:**
   Mr. Papp made a motion to approve the February 25, 2016 minutes. Mr. Brown 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 February, 2016.

Operating Monies Average Invested Balance

Ms. Humbert reported the Operating Monies average invested balance for the month of February, 2016.

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 updated the Board on the IRMC benchmark study. She will provide the Board with the results when the study is complete.

Ms. Humbert reported the net yields for the State Agency Pools for the month of February, 2016.

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 February 29, 2016.

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 February 29, 2016.

Mr. Brown asked for clarification regarding the distribution of the funds. Ms. Humbert gave a brief explanation.

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

Mr. Stevenson presented the monthly report for the LGIP Investment Pools portion of the Arizona State Treasurer's Office to the Board of Investment as follows:

LGIP (Pool 5) & LGIP GOV (Pool 7) Portfolio Yield Analysis

Mr. Stevenson reported the net yield for the LGIP and LGIP-Gov Pools and the comparison to the benchmark for the month of February, 2016.

Pool 500 & Pool 700 Portfolio Yield Analysis

Mr. Stevenson reported the net yield for the LGIP Medium Term Pools and the comparison to the benchmark for the month of February, 2016.

Manager Allocation of Invested Monies for the LGIP Pools

Mr. Stevenson reported the total market value invested in all of the LGIP Pools as a percentage of the total that was allocated to each of the LGIP, LGIP-Gov, and LGIP Medium Term Pools as of February 29, 2016.

Mr. Brown asked for clarification regarding the benchmark rates. Mr. Stevenson gave a brief explanation.

LGIP Pools Investments and Performance Reports

Mr. Stevenson reported the total net assets, asset allocation, the weighted average life, the weighted average duration, and the weighted average rating on the LGIP, LGIP-Gov, and LGIP Medium Term pools for the month of February, 2016.

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 February, 2016.

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 February, 2016 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 February, 2016.

Equity Funds Purchases & Sales

Mr. White reported the purchases and sales (summary) of the Endowment Equity Pools for the month of February, 2016.

Investments Outstanding in Endowment Funds

Mr. White reported the par, book, market value, and unrealized gains/loss of the Endowment Funds as of February 29, 2016.

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 February 29, 2016.

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 February 29, 2016.

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 February 29, 2016.

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 February 29, 2016.

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 February 29, 2016.

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 February, 2016.

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 February 29, 2016.

Mr. Brown asked if the S&P 500 is more volatile than the mid cap in the month performance. Mr. White gave a brief explanation. Discussion ensued.

Mr. Brown asked for clarification regarding the moving of funds within pools of the endowment. Mr. White gave a brief explanation. Discussion ensued.

A discussion ensued regarding the Endowment balance and the earnings and land sales activity, for the month of March through current day.

Approval of Treasurer's Report

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

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

6. **Review and approval of Proposed/Pending Securities Dealers:**
   a. Approval to add two broker dealer firms to the approved *Broker Dealer List*.

   Ms. Humbert provided a brief overview regarding the two Broker Dealer Firms; Lloyds Securities, CRD #154515, and Mischler Financial Group CRD #37818. Treasurer DeWit asked for a motion for approval as presented.

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

   Mr. Papp made a motion to approve the Broker Dealer Firm Mischler Financial Group as presented. Mr. Charlton seconded the motion. Motion carried.

7. **General Business:**

Approval by the Board of the Public Notice to Banks Qualified to be a Servicing Bank of the Time and Place of Servicing Proposals will be Received Pursuant to ARS §§35-315.

Ms. Jones provided a brief overview regarding the Public Notice to Qualified Banks.

Mr. Brown made a motion to approve the Public Notice to Qualified Banks. Mr. Charlton seconded the motion. Motion carried.

8. Call to the Public:

There was no Public comment.

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

9. Notice of Next Meeting:

Treasurer DeWit advised the Board that the next regular meeting of the Board of Investment will be Tuesday, April 26, 2016 at 1:30 p.m. at 1700 West Washington, State Capitol, West Wing, Treasurer's Conference Room, Phoenix, Arizona.

10. Adjournment:

Mr. Charlton made a motion to adjourn the BOI meeting. Mr. Papp seconded the motion. Upon unanimous approval the BOI Meeting was adjourned at 2:36 p.m

Respectfully Submitted by:

____
Christine Thurston
Executive Consultant II

Approved by:

______________________________ ______________________________
Jeff DeWit, Chair Date

EARNINGS DISTRIBUTION - INVESTMENT POOLS
MARCH 2016

Recipient	Earnings Distributed MARCH 2016	Fiscal YTD 15/16	Fiscal YTD 14/15	Fiscal YTD Investment Management Fees Received
General Fund	$1,513,548	$10,205,796	$8,711,084	
2 State Agencies - Full Faith & Credit	523,865	3,386,079	3,821,075	$396,976
3 State Agencies - Diversified *(Combined)*	722,167	5,555,831	5,222,814	609,595
4 State Agencies - Gov	489,185	3,581,880	4,060,372	410,894
5 LGIP	321,155	1,818,404	937,193	449,832
7 LGIP Gov	282,940	1,349,999	471,409	402,718
10 Restricted Operating	355,636	2,734,493	2,467,224	546,694
12 CAWCD Medium-Term	404,076	3,035,609	3,789,459	129,512
16 ECDH Medium-Term	487,449	3,808,020	4,308,355	157,511
Subtotal	**$5,100,021**	**$35,476,110**	**$33,788,984**	**$3,103,733**
NAV POOL				
500 LGIP - Med Term	333,800	2,290,883	2,050,699	100,567
700 LGIP - FF&C Med Term	152,474	1,100,175	1,059,922	60,710
Total	**$5,586,295**	**$38,867,169**	**$36,899,605**	**$3,265,009**
MARCH 2015 TOTALS	**$4,198,451**			**$3,178,941**

*Note: Pool 15 AHCCCS Operating Earnings are reported in General Fund

**Note: Pool 15 AHCCCS Operating Management Fees are reported in Pool 3 State Agencies Diversified (Combined)

OPERATING MONIES
AVERAGE INVESTED BALANCE
Through March 31, 2016
(in millions of dollars)

Month	Fiscal Year 2013/2014	Fiscal Year 2014/2015	Fiscal Year 2015/2016
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	1,686
DECEMBER	1,895	1,478	1,734
JANUARY	2,234	1,754	2,140
FEBRUARY	2,427	1,959	2,295
MARCH	2,107	1,686	2,092
APRIL	2,100	1,879	
MAY	2,312	2,163	
JUNE	2,462	2,307	
Y-T-D Average	**$2,070**	**$1,764**	**$1,875**

Budget Stabilization Average Fund Balance - March 2016	**$460**
Total Average Cash Available - March 2016	**$2,552**

STATE AGENCY POOLS
PORTFOLIO EARNINGS ANALYSIS
MARCH 2016

FUND	DESCRIPTION	Current Month 03/31/16	Prior Month 02/29/16	Prior Year 03/31/15	Net Asset Value Per Share
2	STATE AGENCIES - FULL FAITH & CREDIT	614,762	582,981	449,049	0.9989
3	STATE AGENCIES - DIVERSIFIED				
	INTERNAL MANAGERS	1,148,721	1,000,948	739,216	0.9994
	EXTERNAL MANAGERS	97,081	84,339	69,911	1.0022
	FUND 3 TOTAL	1,245,802	1,085,287	809,127	0.9995
4	STATE AGENCIES - GOV	698,863	722,698	516,346	0.9994
10	RESTRICTED OPERATING				
	INTERNAL MANAGERS	866,460	797,982	810,469	1.0006
	EXTERNAL MANAGERS	144,752	139,221	94,947	0.9997
	FUND 10 TOTAL	1,011,211	937,203	905,416	1.0004
12	CAWCD MEDIUM-TERM	404,076	380,889	396,464	1.0064
15	AHCCCS OPERATING	21,439	12,110	N/A	N/A
16	ECDH MEDIUM-TERM	487,449	455,837	506,238	1.0042
	TOTAL STATE AGENCIES	4,483,602	4,177,005	3,582,640	

STATE AGENCY POOLS
PORTFOLIO YIELD ANALYSIS
MARCH 2016

FUND	DESCRIPTION	Current Month 03/31/16	Prior Month 02/29/16	Prior Year 03/31/15
2	STATE AGENCIES - FULL FAITH & CREDIT	0.80%	0.73%	0.58%
	75% MERRILL 0-1 US TREAS INDEX / 25% MERRILL US GNMA MORTGAGE BACKED INDEX	0.92%	0.99%	0.71%
3	STATE AGENCIES - DIVERSIFIED			
	INTERNAL MANAGERS	0.91%	0.87%	0.69%
	EXTERNAL MANAGERS	1.12%	1.04%	0.81%
	COMBINED	0.93%	0.88%	0.70%
	50% 3 MONTH LIBOR INDEX / 50% MERRILL 1-3 US BROAD MARKET INDEX	0.88%	0.93%	0.56%
4	STATE AGENCIES - GOV	0.73%	0.69%	0.64%
	50% MERRILL 6 MTH US T-BILL INDEX / 50% MERRILL 1-3 UNSUB. US TREAS / AGY INDEX	0.57%	0.64%	0.34%
10	RESTRICTED OPERATING			
	INTERNAL MANAGERS	1.02%	1.00%	0.88%
	EXTERNAL MANAGERS	0.56%	0.58%	0.37%
	COMBINED	0.91%	0.90%	0.77%
	50% 3 MONTH LIBOR INDEX / 50% MERRILL 1-3 US BROAD MARKET INDEX	0.88%	0.93%	0.56%
12	CAWCD MEDIUM-TERM	1.51%	1.51%	1.53%
	MERRILL 1-5 US D M INDEX	1.41%	1.56%	1.29%
15	AHCCCS OPERATING	0.39%	0.44%	N/A
16	ECDH MEDIUM-TERM	1.66%	1.66%	1.75%
	MERRILL 1-5 US D M INDEX	1.41%	1.56%	1.29%

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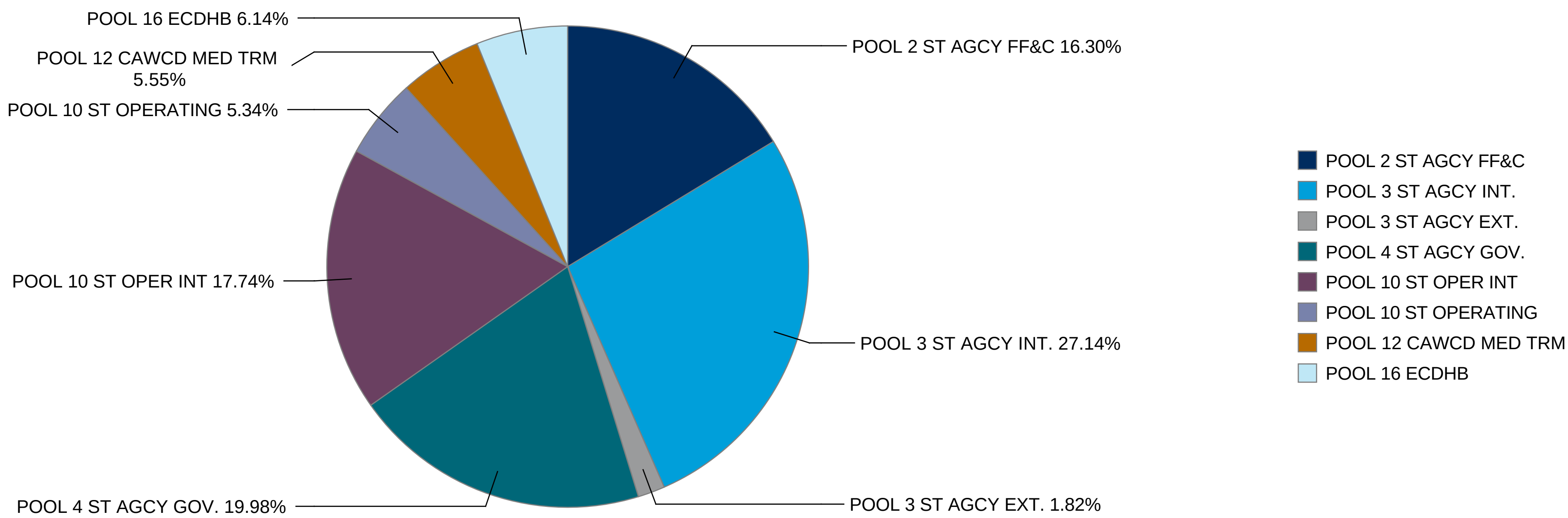
March 31, 2016

STATE AGENCY

Manager Allocation



	Market Value	% of Portfolio
POOL 2 ST AGCY FF&C	923,944,089	16.3
POOL 3 ST AGCY INT.	1,538,624,828	27.1
POOL 3 ST AGCY EXT.	102,914,970	1.8
POOL 4 ST AGCY GOV.	1,132,396,045	20.0
POOL 10 ST OPER INT	1,005,513,569	17.7
POOL 10 ST OPERATING	302,985,648	5.3
POOL 12 CAWCD MED TRM	314,644,502	5.6
POOL 16 ECDHB	347,920,342	6.1
TOTAL STATE AGENCY	5,668,943,995	100.0

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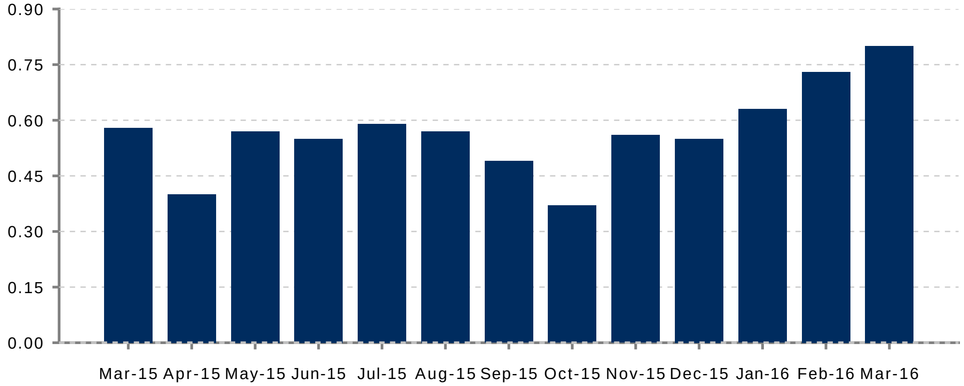
POOL 2 ST AGCY FF&C

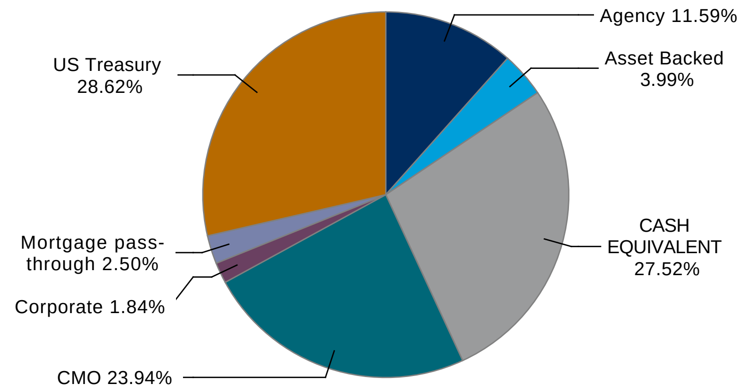
Net Yield



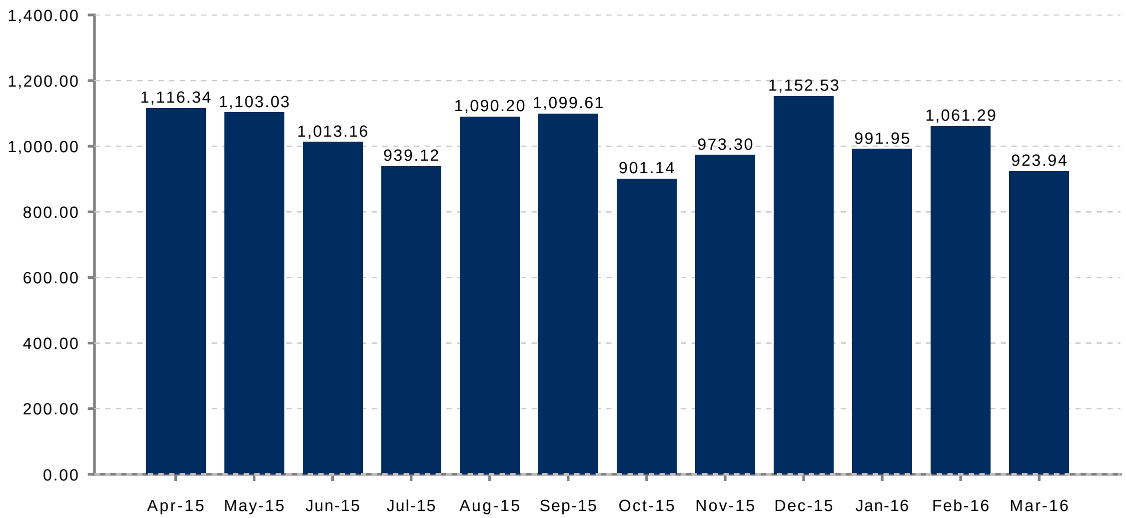
	Current Mth	Prior Mth	1 Year Ago
POOL 2 ST AGCY FF&C	0.80	0.73	0.58

Asset Allocation

	Ending Market Value
POOL 2 ST AGCY FF&C	923,944,089



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 2 ST AGCY FF&C		
WELLS FARGO REPO	84,903,435	9.19
GUGGENHEIM SECURITIES REPO	50,000,667	5.41
US TREASURY FRN	40,021,478	4.33
SOUTH STREET REPO	39,644,535	4.29
TREASURY BILL	29,947,470	3.24
TREASURY BILL	29,828,592	3.23
GOVERNMENT NATIONAL MORTGAGE A	26,377,752	2.85
US TREASURY N/B	20,309,986	2.20
US TREASURY N/B	20,258,713	2.19
US TREASURY N/B	20,196,292	2.19

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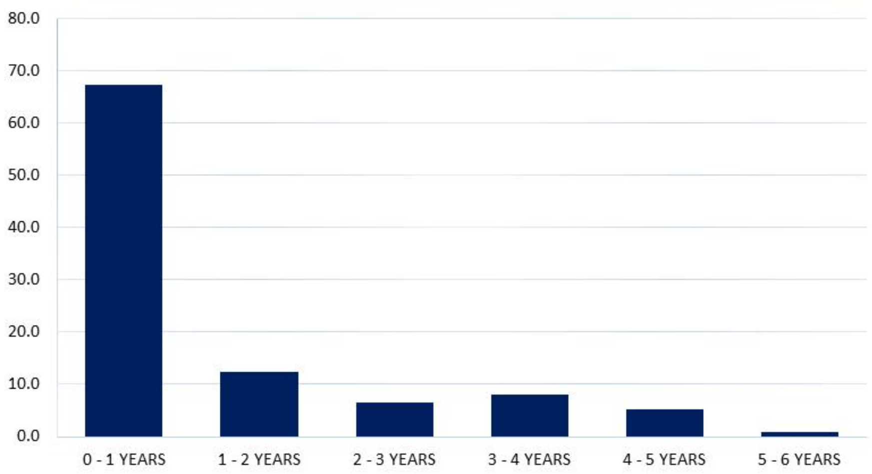
POOL 2 ST AGCY FF&C

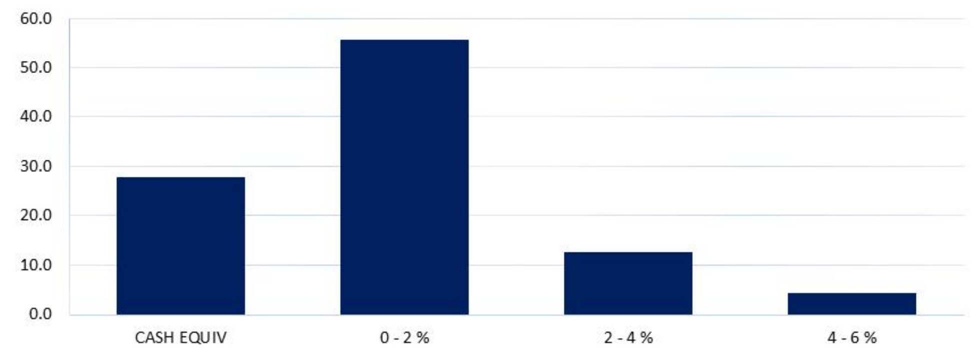
Duration Distribution



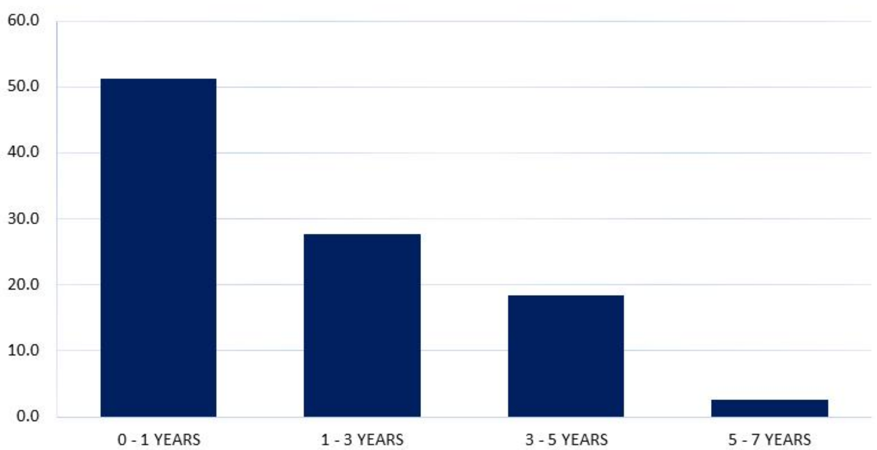
Portfolio Level Characteristics

	POOL 2 ST AGCY FF&C
Weighted Average Life	1.57
Coupon	1.28
Effective Duration	1.04
Quality Rating (Moody's)	AAA

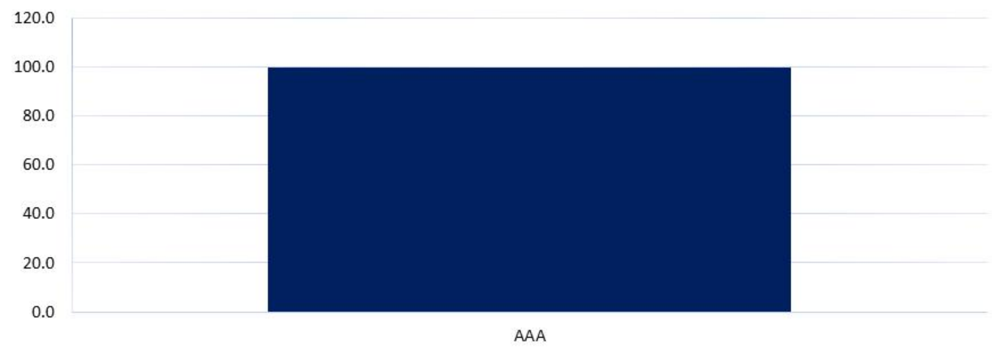
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



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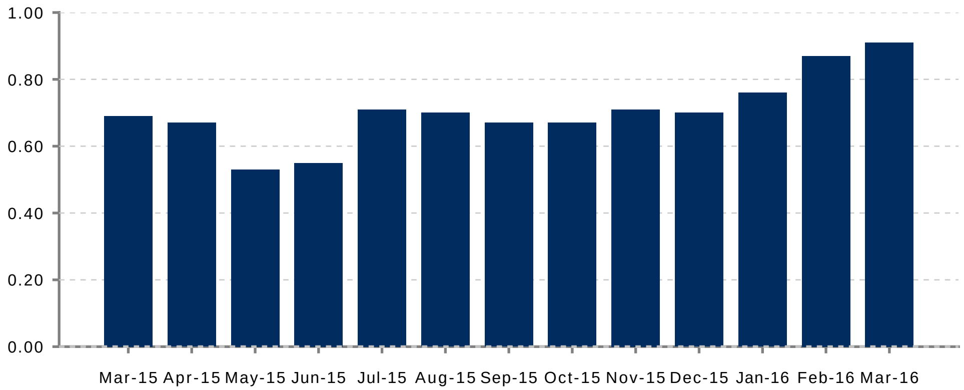
POOL 3 ST AGCY INT.

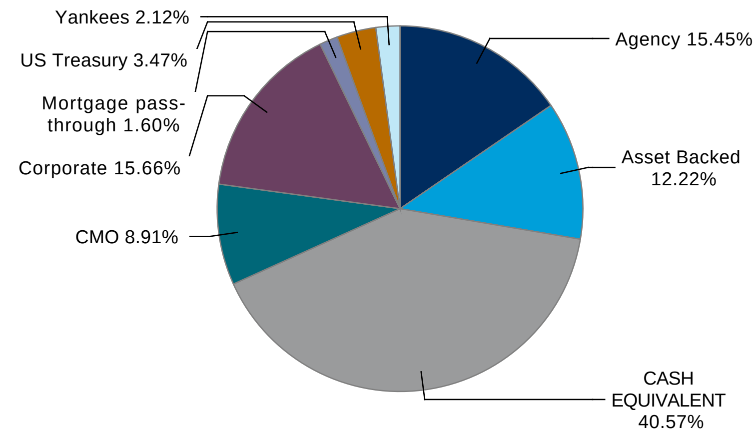
Net Yield



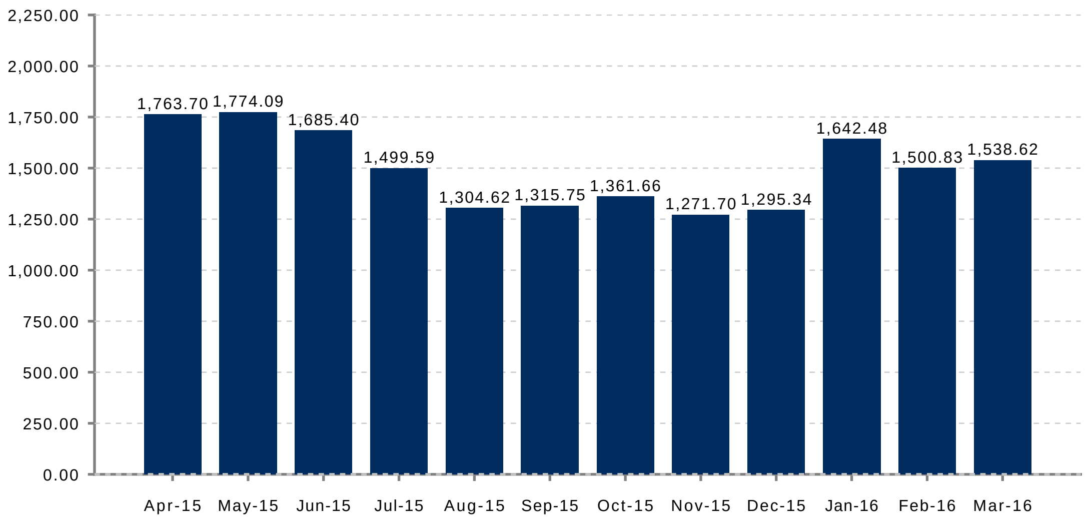
	Current Mth	Prior Mth	1 Year Ago
POOL 3 ST AGCY INT.	0.91	0.87	0.69

Asset Allocation

	Ending Market Value
POOL 3 ST AGCY INT.	1,538,624,828



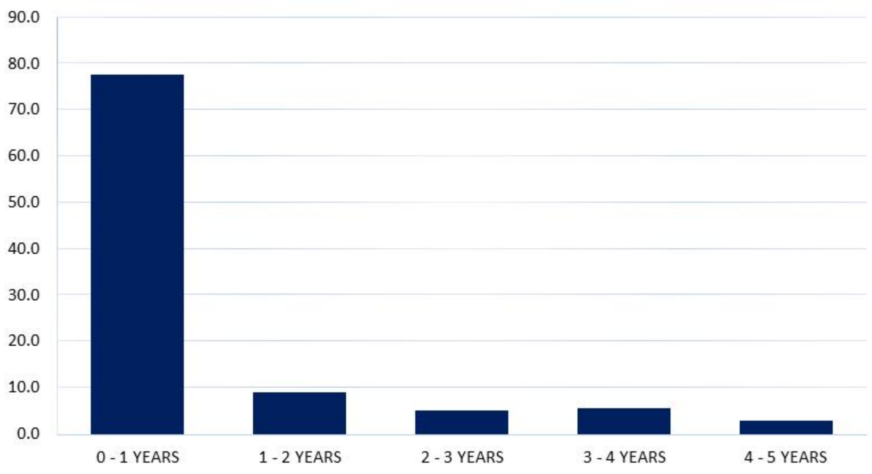
Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 3 ST AGCY INT.		
AMHERST PIERPONT	150,002,167	9.75
SUN TRUST ROBINSON REPO	50,016,792	3.25
SVENSKA HANDLSBNKN A	30,052,952	1.95
CREDIT AGRICOLE	30,050,883	1.95
CANADIAN IMPERIAL BK	30,015,549	1.95
FREDDIE MAC	30,005,673	1.95
LIBERTY FUNDING LLC	29,972,800	1.95
KELLS FDG LLC	29,972,042	1.95
CROWN POINT CAP CO.	29,949,508	1.95
ANGLESEA FDG PLC & ANG	29,942,208	1.95

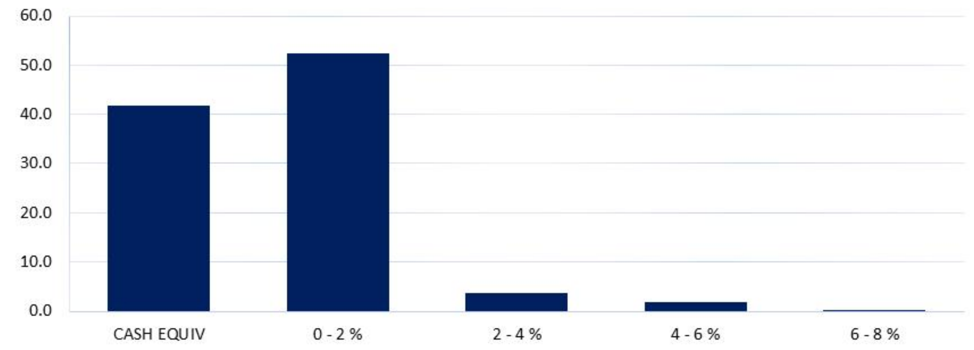
Duration Distribution



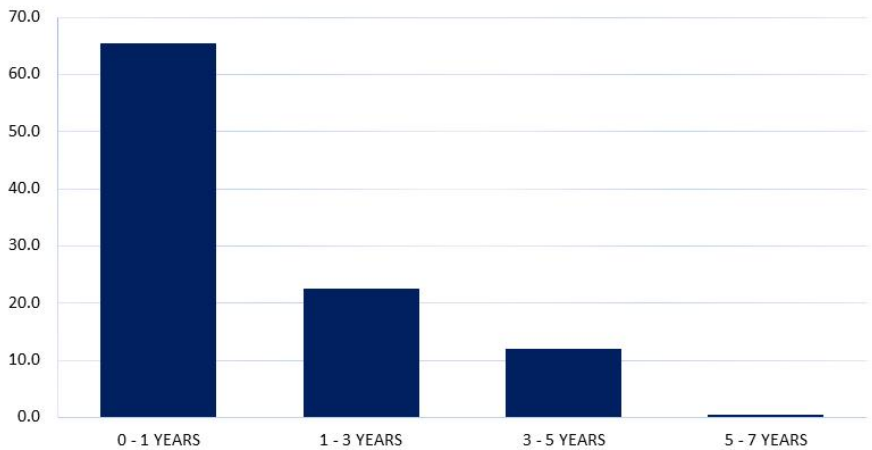
Portfolio Level Characteristics

	POOL 3 ST AGCY INT.
Weighted Average Life	1.14
Coupon	1.06
Effective Duration	0.78
Quality Rating (Moody's)	AA-1

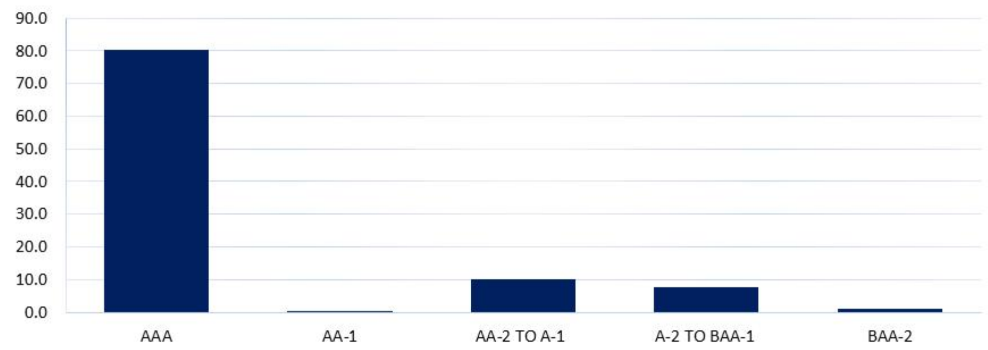
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



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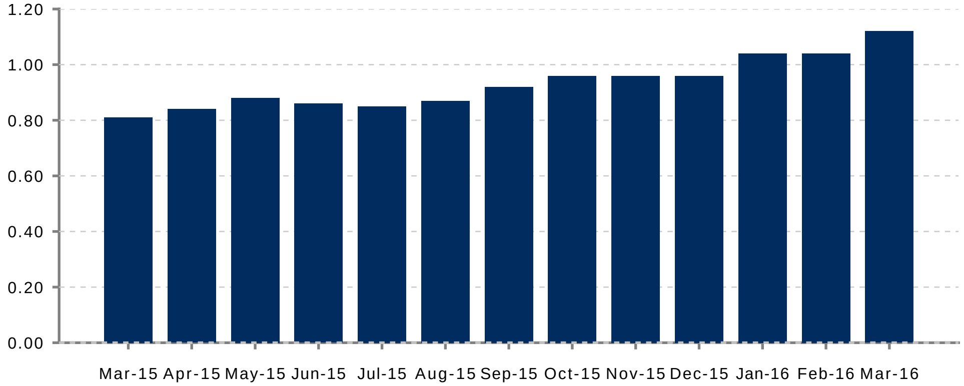
POOL 3 ST AGCY EXT.

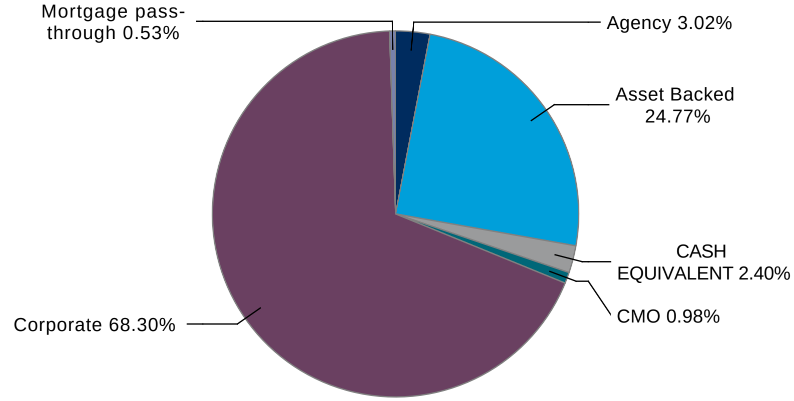
Net Yield



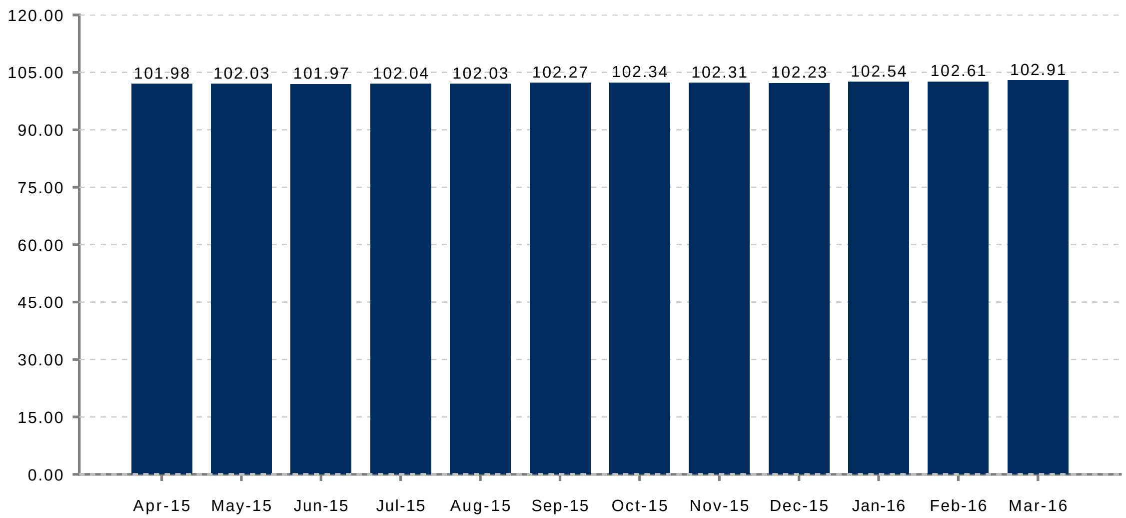
	Current Mth	Prior Mth	1 Year Ago
POOL 3 ST AGCY EXT.	1.12	1.04	0.81

Asset Allocation

	Ending Market Value
POOL 3 ST AGCY EXT.	102,914,970



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	1,800,699	1.75
CITIBANK CREDIT CARD ISSUANCE	1,732,409	1.68
MUFG UNION BANK NA	1,621,552	1.58
COSTCO WHOLESALE CORP	1,612,315	1.57
3M COMPANY	1,556,326	1.51
PEPSICO INC	1,509,693	1.47
FEDERAL FARM CREDIT BANK	1,501,636	1.46
APPLE INC	1,408,655	1.37
CISCO SYSTEMS INC	1,397,363	1.36
BMW VEHICLE OWNER TRUST	1,390,454	1.35

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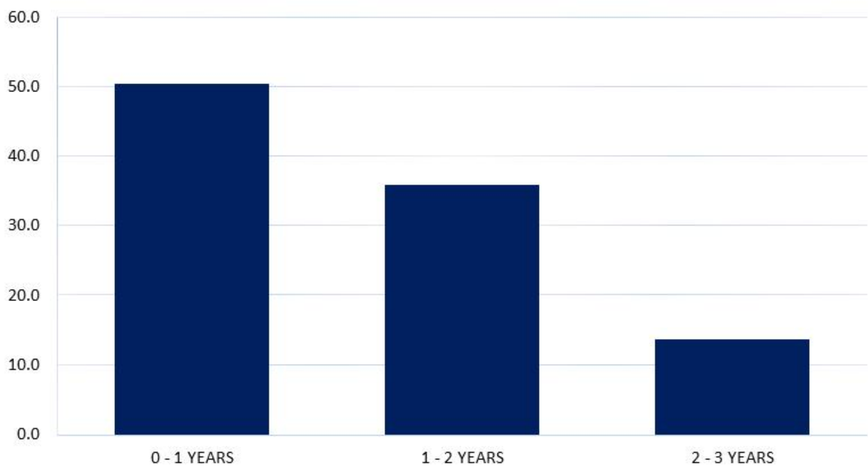
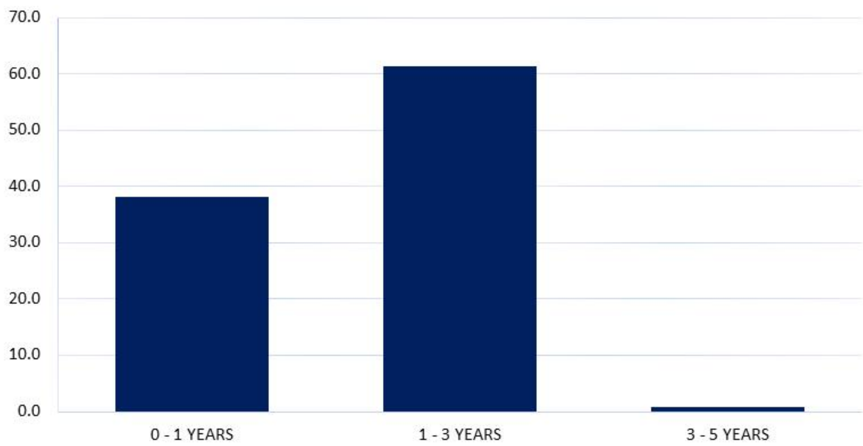
POOL 3 ST AGCY EXT

Duration Distribution



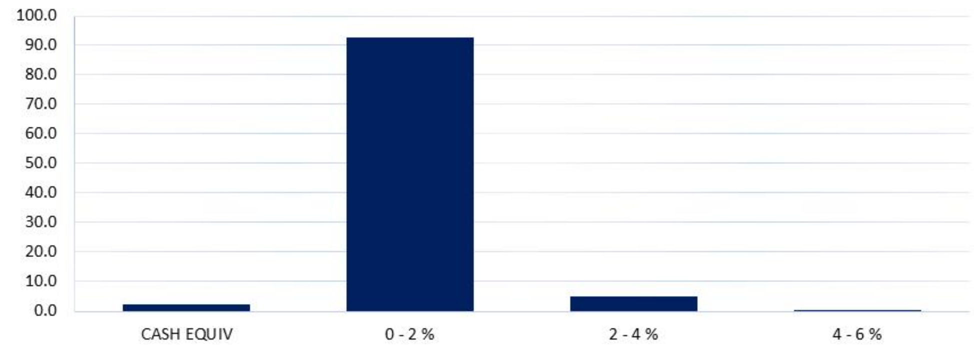
Expected Maturity Distribution



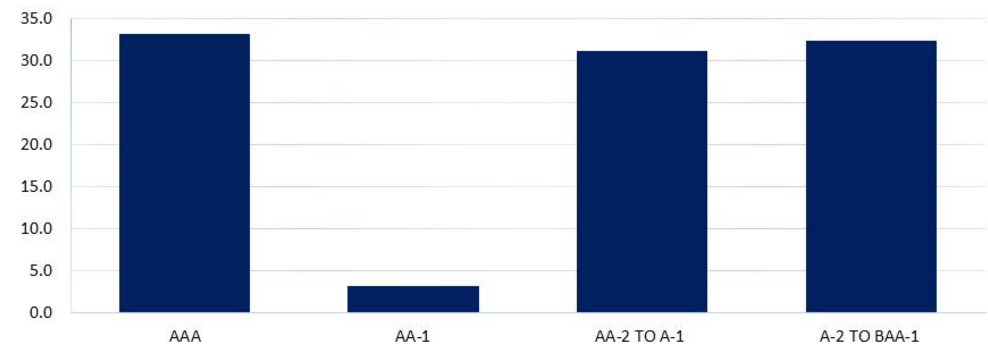
Portfolio Level Characteristics

	POOL 3 ST AGCY EXT.
Weighted Average Life	1.39
Coupon	1.24
Effective Duration	1.06
Quality Rating (Moody's)	AA-3

Coupon Distribution



Rating Distribution



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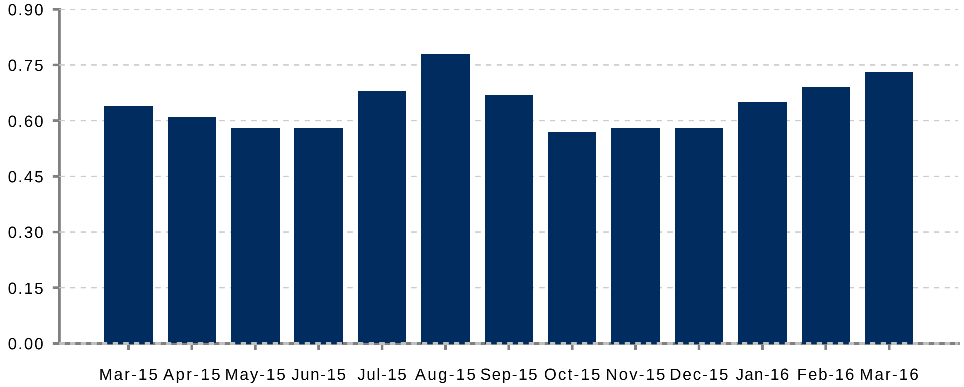
POOL 4 ST AGCY GOV.

STATE STREET.

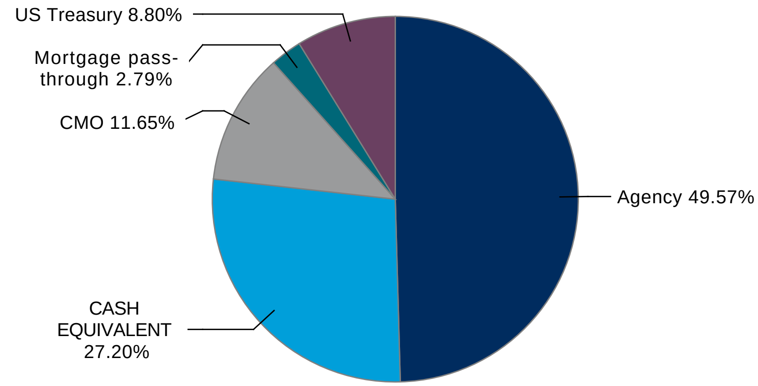
Net Yield



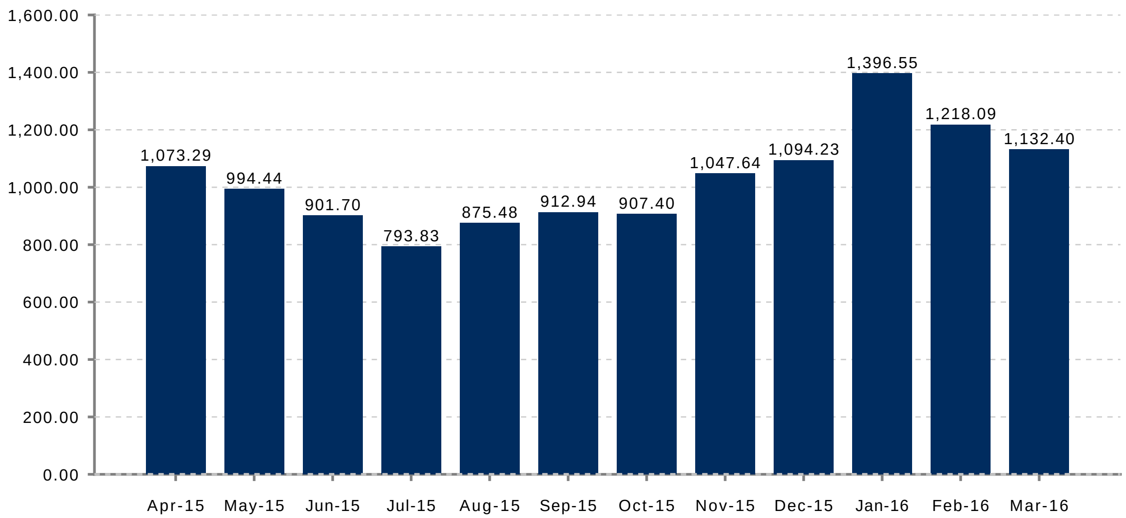
	Current Mth	Prior Mth	1 Year Ago
POOL 4 ST AGCY GOV.	0.73	0.69	0.64

Asset Allocation

	Ending Market Value
POOL 4 ST AGCY GOV.	1,132,396,045



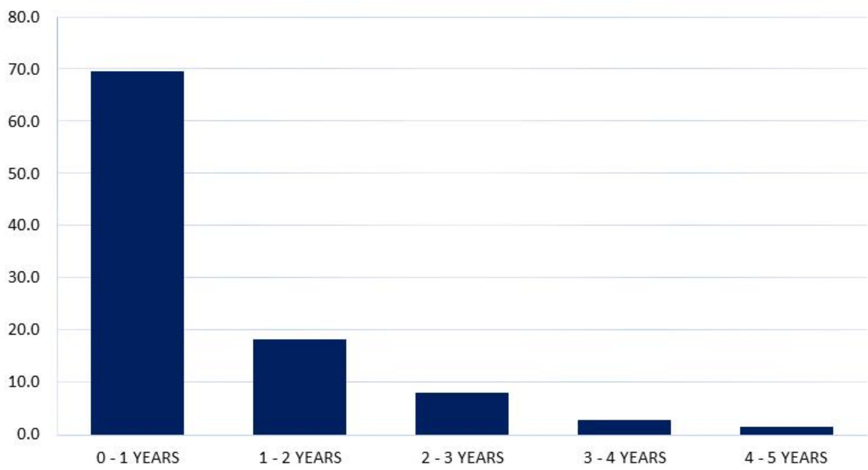
Net Asset Values over Time ($MM)



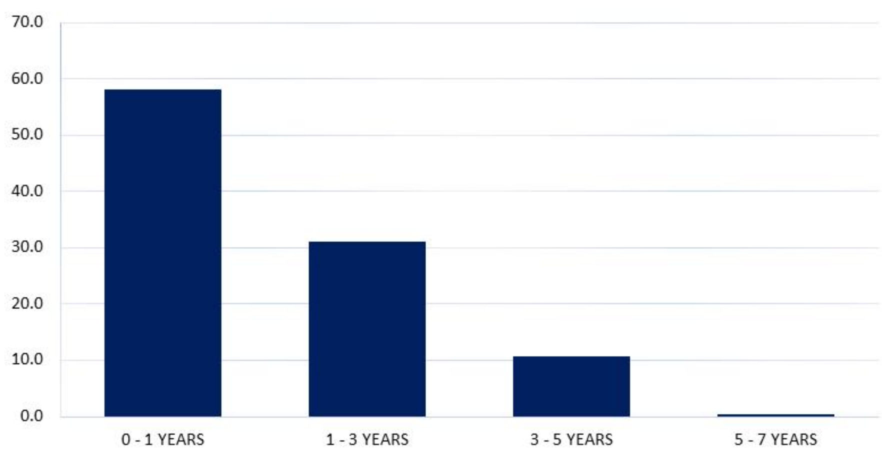
Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 4 ST AGCY GOV.		
SOUTH STREET REPO	65,147,774	5.75
SUN TRUST ROBINSON REPO	50,016,792	4.42
FED HOME LN DISCOUNT NT	49,948,500	4.41
FED HOME LN DISCOUNT NT	24,972,000	2.21
FANNIEMAE ACES	23,640,201	2.09
US TREASURY N/B	20,196,292	1.78
FREDDIE MAC	20,111,254	1.78
FEDERAL FARM CREDIT BANK	20,088,385	1.77
FEDERAL FARM CREDIT BANK	20,018,214	1.77
FARMER MAC	20,011,739	1.77

Duration Distribution



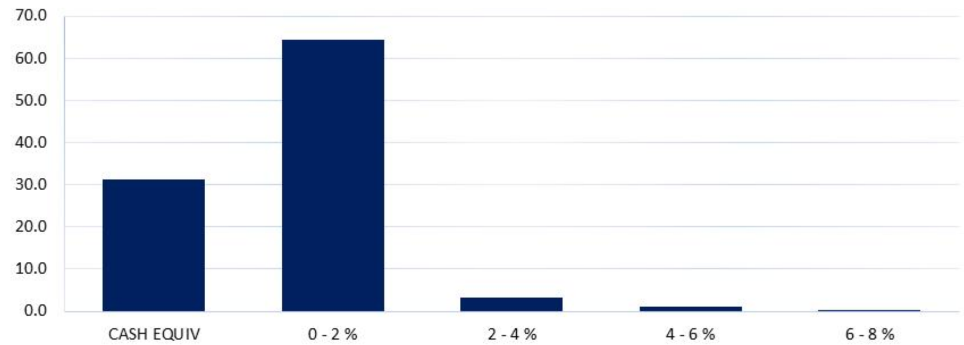
Expected Maturity Distribution



Portfolio Level Characteristics

	POOL 4 ST AGCY GOV.
Weighted Average Life	1.21
Coupon	0.82
Effective Duration	0.88
Quality Rating (Moody's)	AAA

Coupon Distribution



Rating Distribution

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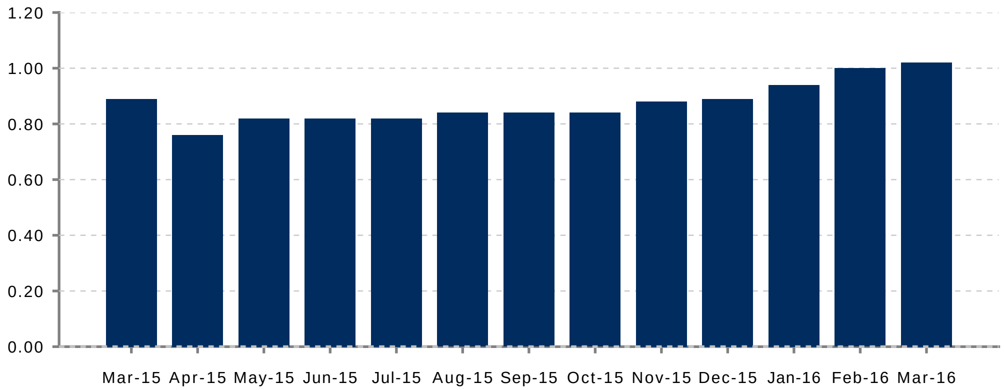
POOL 10 ST OPERATING INT

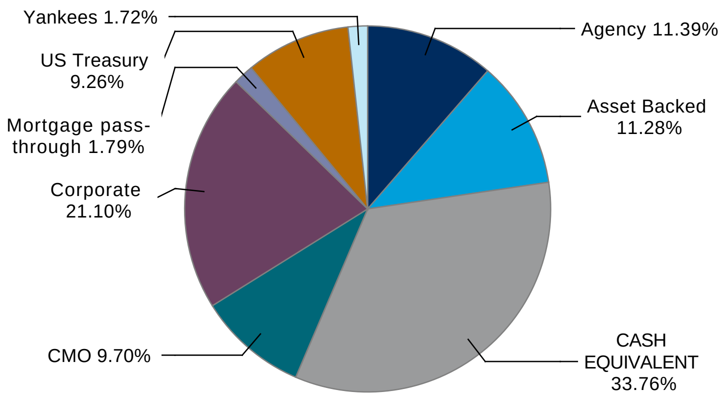
Net Yield



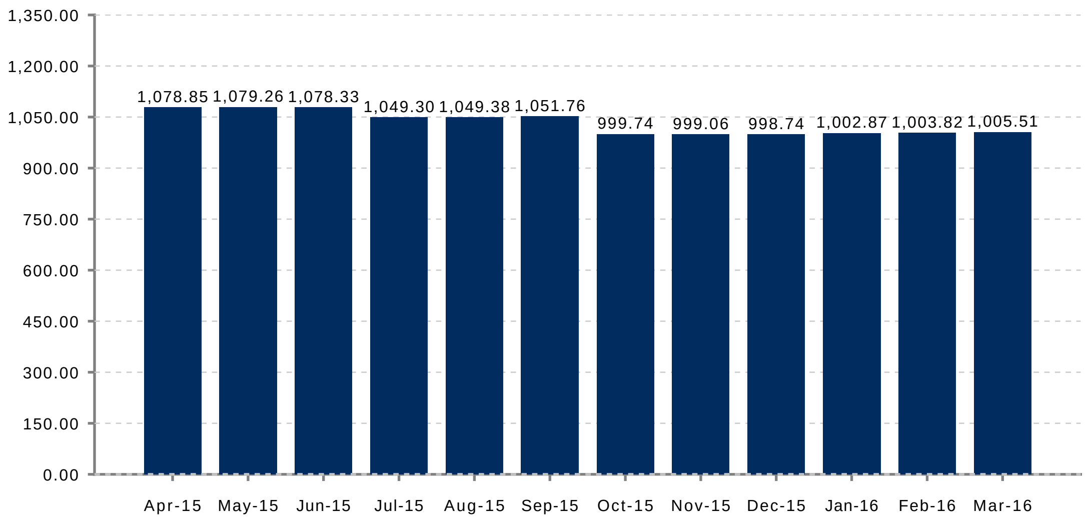
	Current Mth	Prior Mth	1 Year Ago
POOL 10 ST OPER INT	1.02	1.00	0.88

Asset Allocation

	Ending Market Value
POOL 10 ST OPER INT	1,005,513,569



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 10 ST OPER INT		
CEDAR SPRING CPTL CO	34,916,875	3.47
BANK OF NOVA SCOTIA	30,062,517	2.99
SWEDBANK	29,985,533	2.98
ING (US) FUNDING LLC	29,960,917	2.98
OLD LINE FUNDING LLC	29,953,533	2.98
AMERICAN HONDA FINAN	24,997,917	2.49
THUNDER BAY FNDNG LLC	24,957,222	2.48
BEDFORD ROW FDG CORP	24,943,264	2.48
US TREASURY N/B	20,458,640	2.03
US TREASURY N/B	20,034,635	1.99

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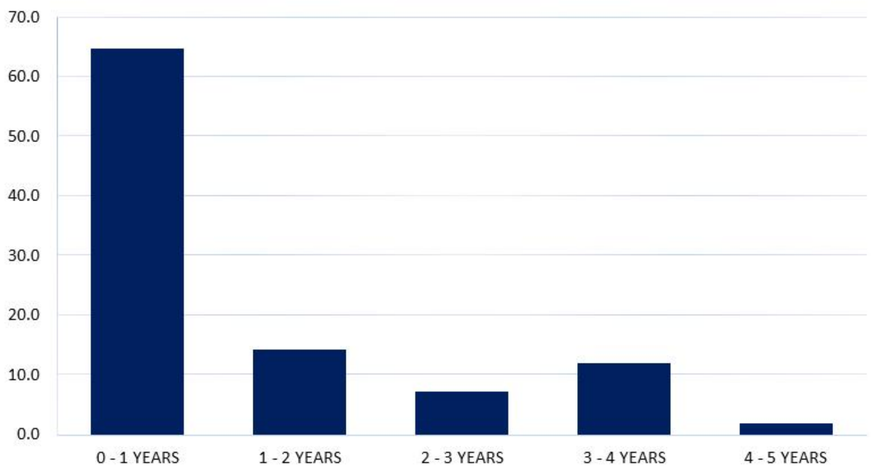
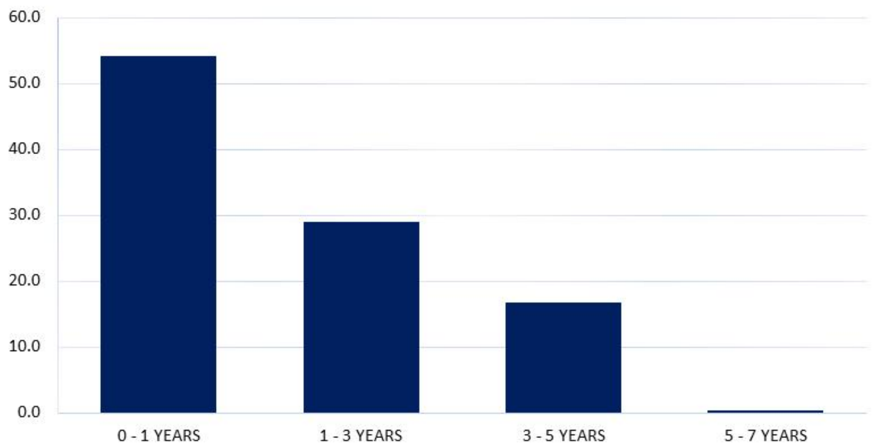
POOL 10 ST OPERATING INT

Duration Distribution



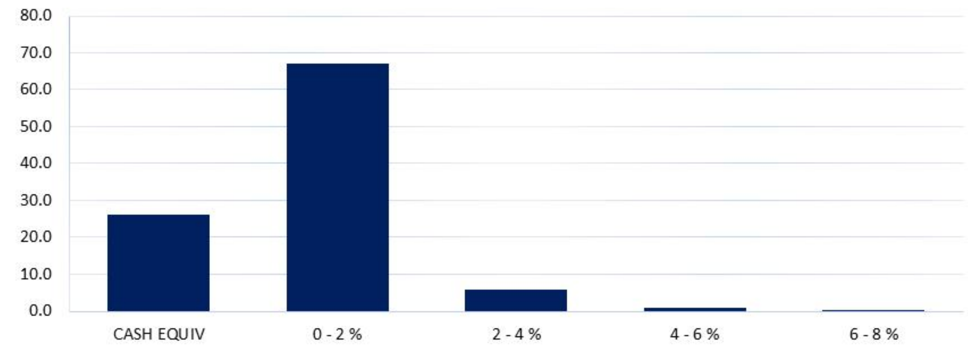
Expected Maturity Distribution



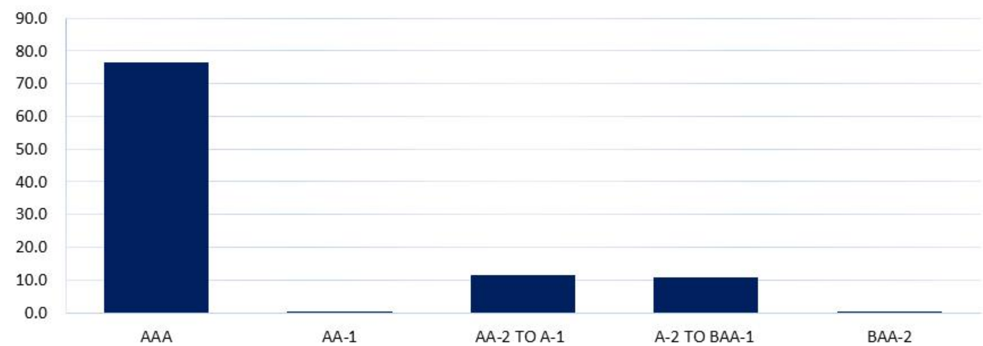
Portfolio Level Characteristics

	POOL 10 ST OPERATING INT
Weighted Average Life	1.19
Coupon	0.93
Effective Duration	1.00
Quality Rating (Moody's)	AA-1

Coupon Distribution



Rating Distribution



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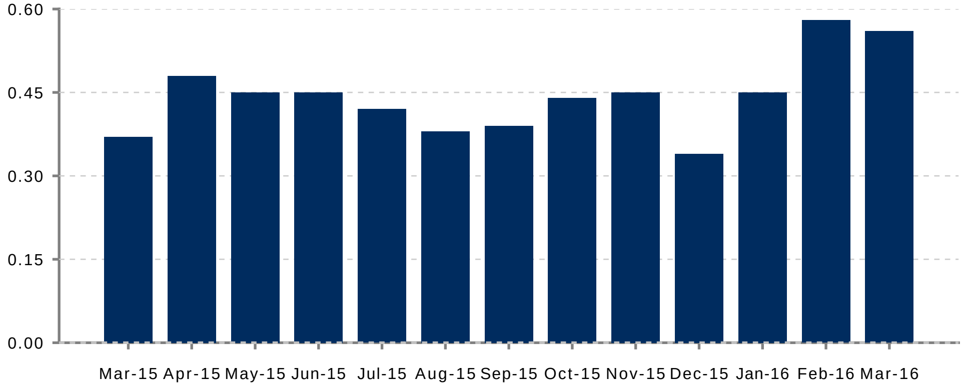
POOL 10 ST OPERATING Ext

STATE STREET.

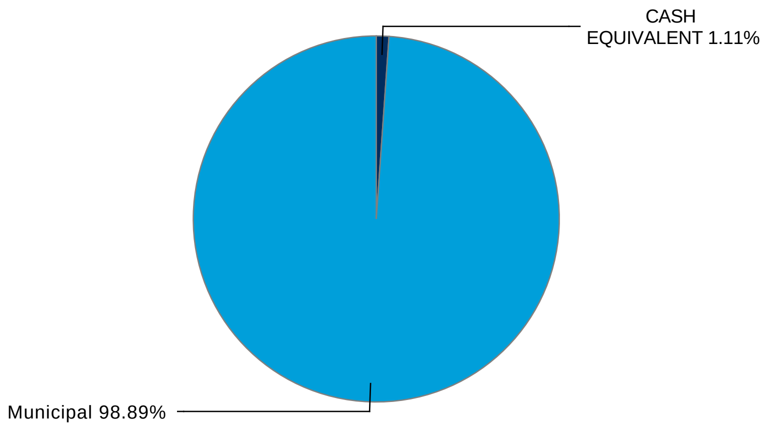
Net Yield



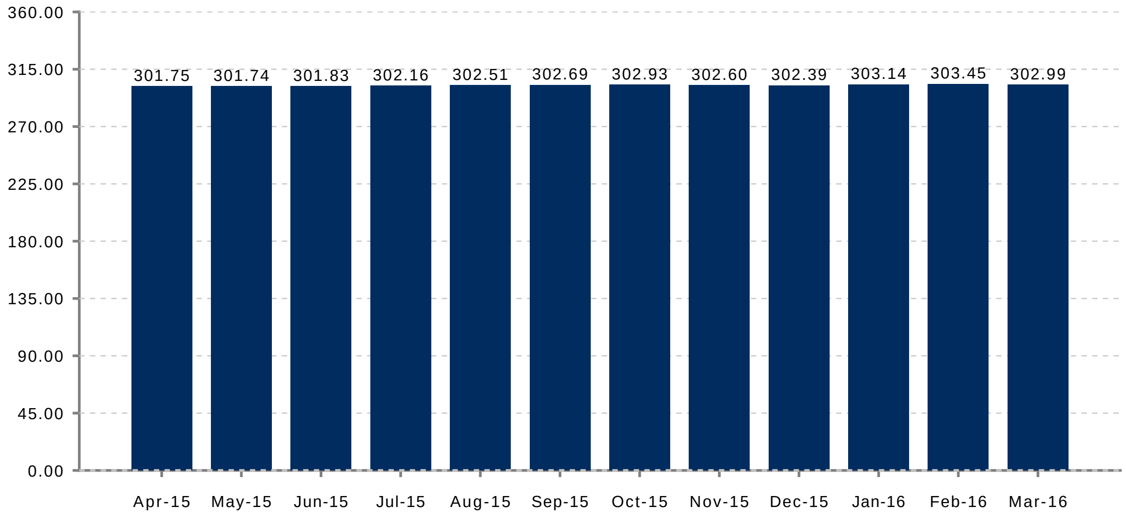
	Current Mth	Prior Mth	1 Year Ago
POOL 10 ST OPERATING	0.56	0.58	0.37

Asset Allocation

	Ending Market Value
POOL 10 ST OPERATING	302,985,648



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	12,530,366	4.14
PORTLAND OR SWR SYS REVENUE	11,731,903	3.87
INDIANA ST FIN AUTH HOSP REVEN	11,501,075	3.80
VIRGINIA BEACH VA	10,842,792	3.58
MULTNOMAH CNTY OR SCH DIST 1J	10,661,741	3.52
MADISON WIS	10,508,531	3.47
NORTH SLOPE BORO AK	10,398,449	3.43
SPOKANE CNTY WA SCH DIST 81 S	9,890,044	3.26
BEAUFORT CNTY SC SCH DIST	9,844,818	3.25
OHIO ST	9,787,256	3.23

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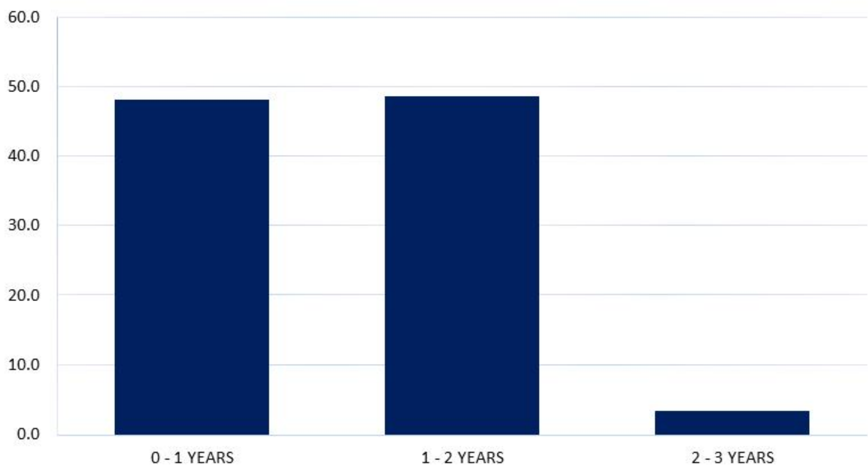
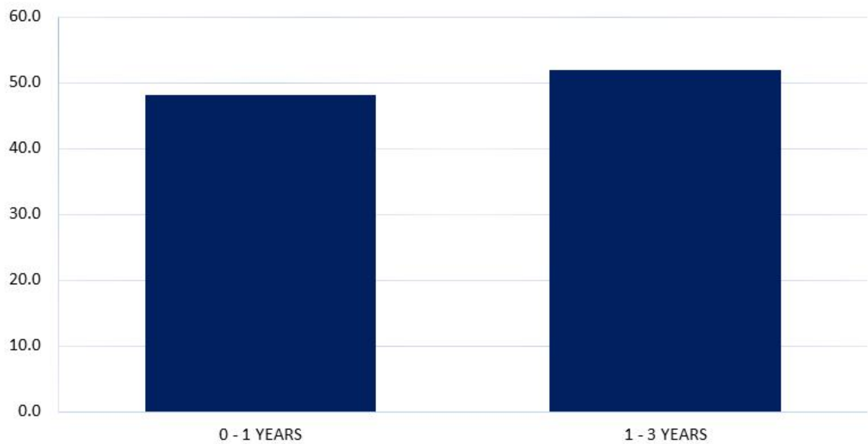
POOL 10 ST OPERATING Ext

STATE STREET.

Duration Distribution



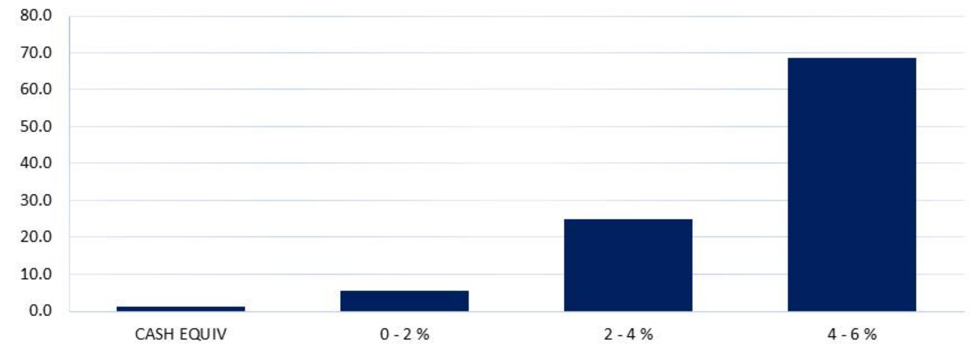
Expected Maturity Distribution



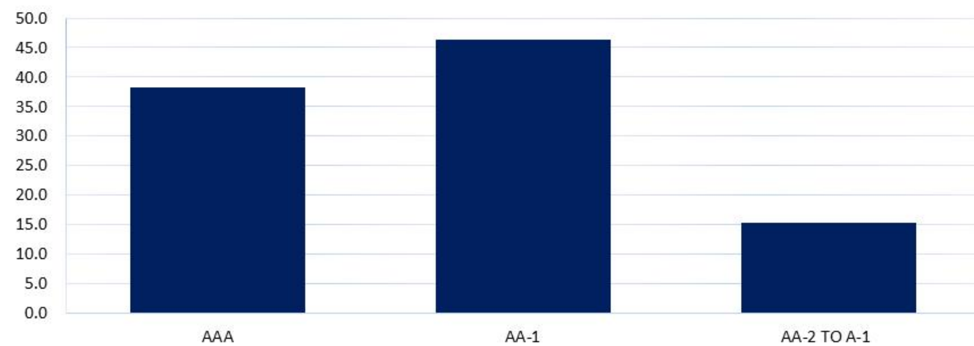
Portfolio Level Characteristics

	POOL 10 ST OPERATING
Weighted Average Life	1.02
Coupon	4.38
Effective Duration	0.99
Quality Rating (Moody's)	AA-1

Coupon Distribution



Rating Distribution



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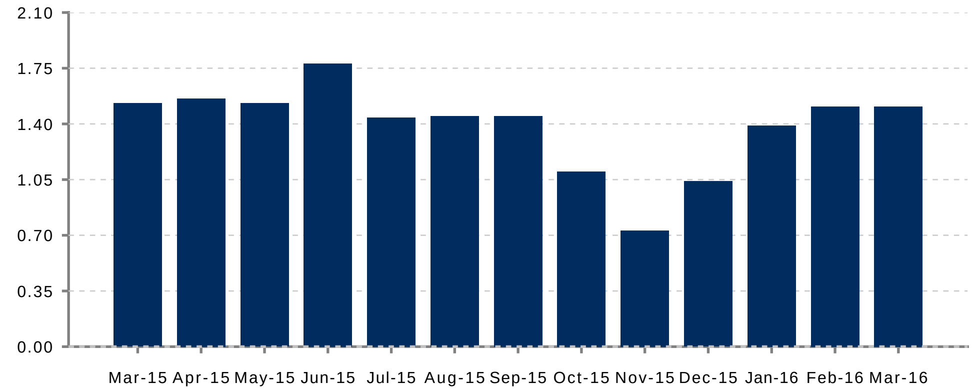
POOL 12 CAWCD MED TRM

STATE STREET.

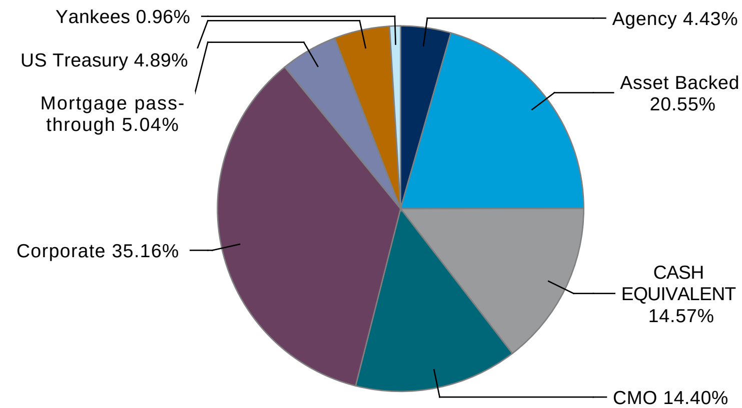
Net Yield



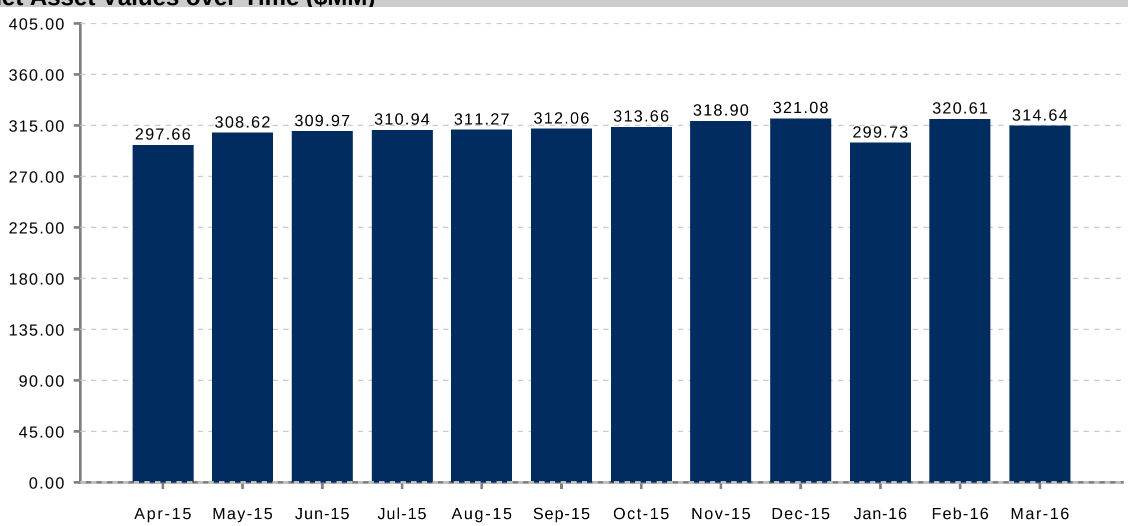
	Current Mth	Prior Mth	1 Year Ago
POOL 12 CAWCD MED TRM	1.51	1.51	1.53

Asset Allocation

	Ending Market Value
POOL 12 CAWCD MED TRM	314,644,502



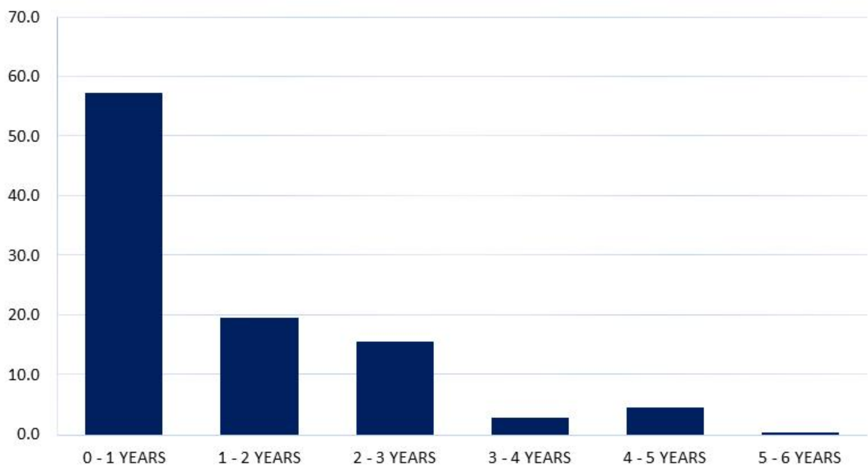
Net Asset Values over Time ($MM)



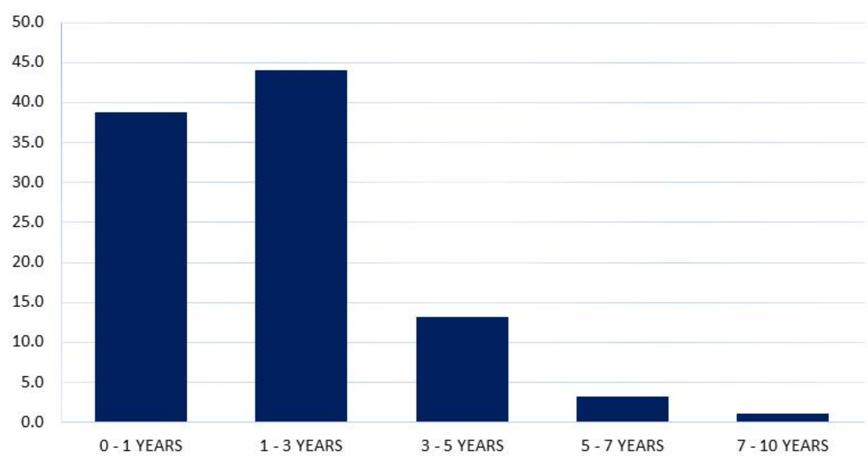
Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 12 CAWCD MED TRM		
GM FINANCIAL AUTOMOBILE LEASIN	9,991,549	3.18
FANNIE MAE	6,629,284	2.11
FNMA POOL AV9175	6,187,386	1.97
SOUTH STREET REPO	6,114,790	1.94
HONDA AUTO RECEIVABLES OWNER T	5,998,153	1.91
FANNIE MAE	5,476,492	1.74
FNMA POOL MA1763	5,235,619	1.66
US TREASURY N/B	5,129,505	1.63
APPLE INC	5,083,579	1.62
US TREASURY N/B	5,040,243	1.60

Duration Distribution



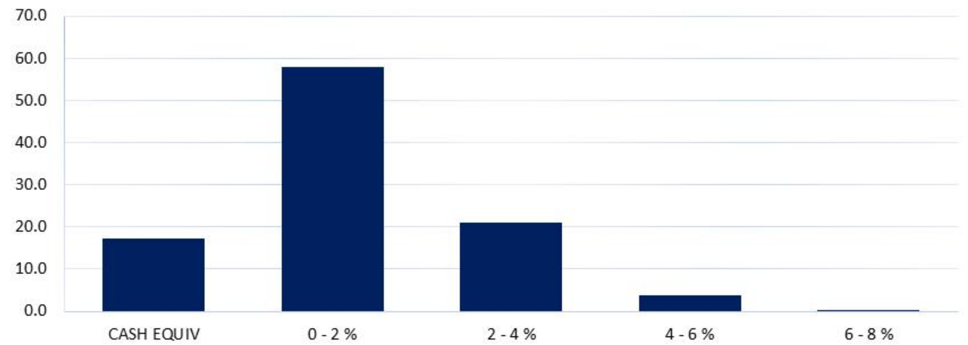
Expected Maturity Distribution



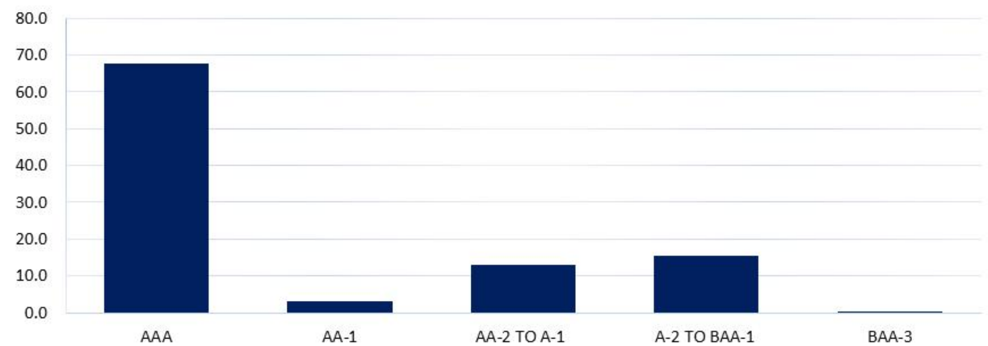
Portfolio Level Characteristics

	POOL 12 CAWCD MED TRM
Weighted Average Life	1.88
Coupon	1.67
Effective Duration	1.23
Quality Rating (Moody's)	AA-1

Coupon Distribution



Rating Distribution



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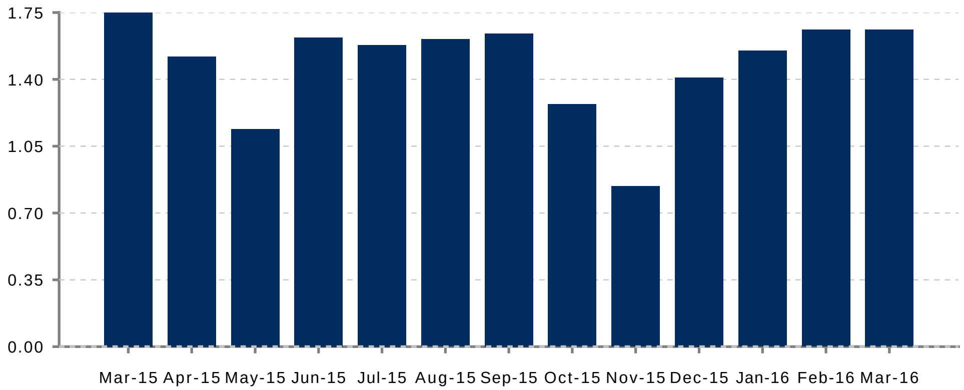
POOL 16 ECDHB

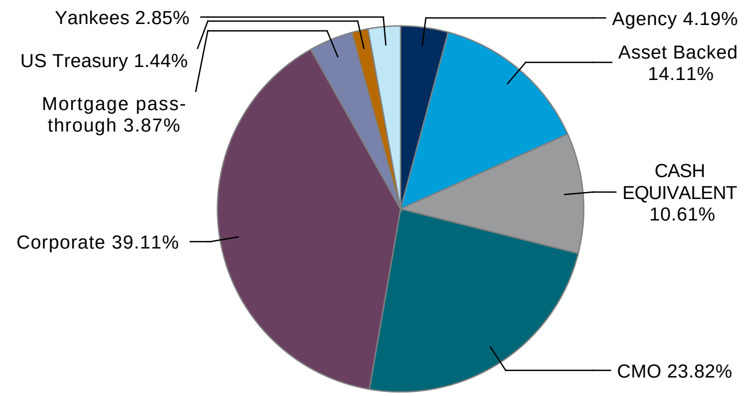
Net Yield



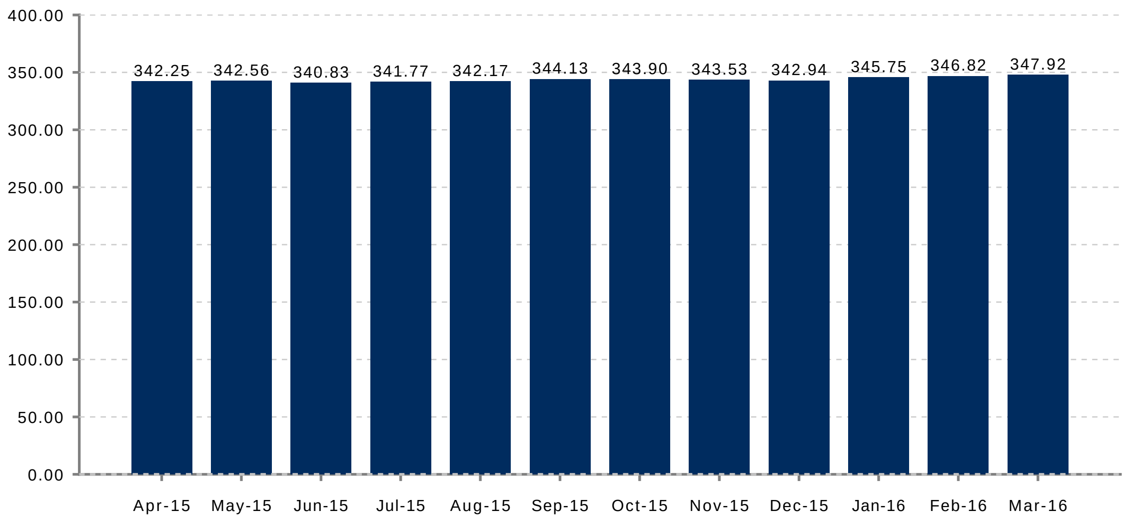
	Current Mth	Prior Mth	1 Year Ago
POOL 16 ECDHB	1.66	1.66	1.75

Asset Allocation

	Ending Market Value
POOL 16 ECDHB	347,920,342



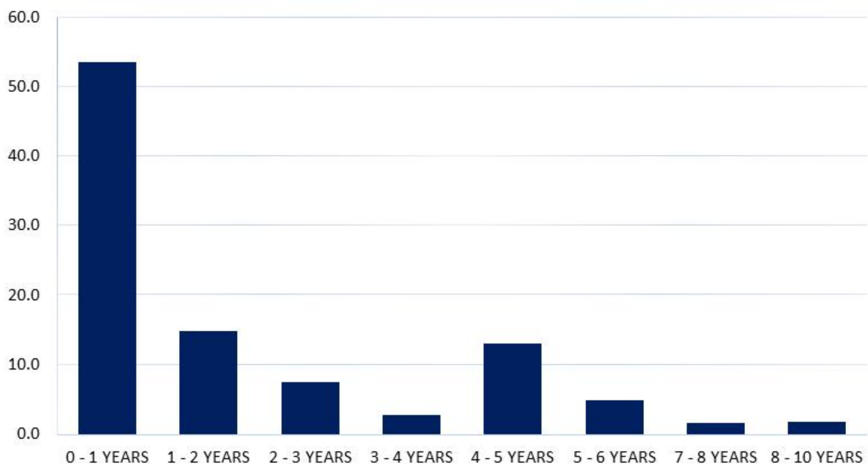
Net Asset Values over Time ($MM)



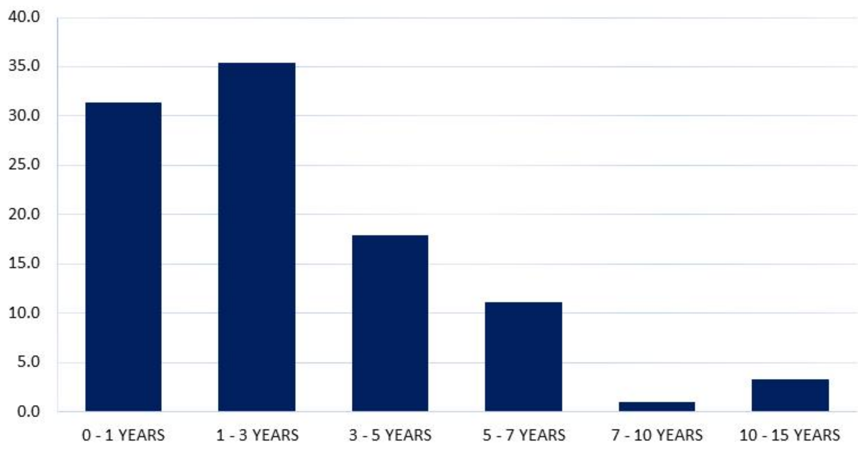
Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 16 ECDHB		
SOUTH STREET REPO	9,000,120	2.59
FREDDIEMAC STRIP	7,787,539	2.24
NATIONAL CITY BANK	6,955,167	2.00
FREDDIE MAC	6,803,964	1.96
FANNIE MAE	6,619,044	1.90
MIZUHO BANK LTD	5,983,953	1.72
FREDDIE MAC	5,767,632	1.66
FHLMC MULTIFAMILY STRUCTURED P	5,318,897	1.53
GOVERNMENT NATIONAL MORTGAGE A	5,251,046	1.51
FREDDIE MAC	5,245,752	1.51

Duration Distribution



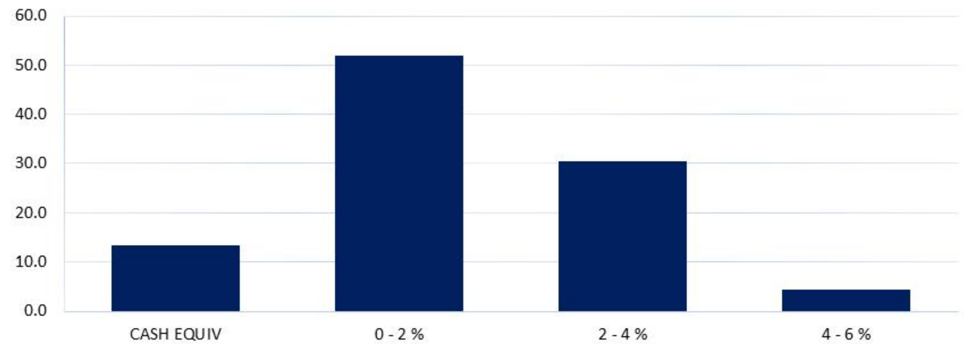
Expected Maturity Distribution



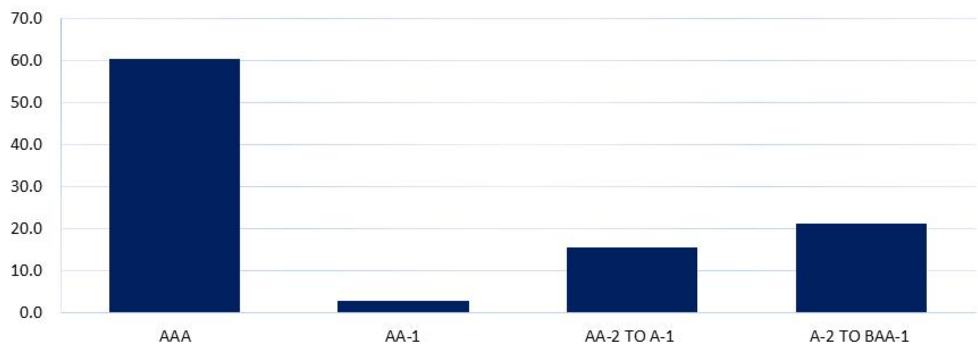
Portfolio Level Characteristics

	POOL 16 ECDHB
Weighted Average Life	2.66
Coupon	1.90
Effective Duration	1.84
Quality Rating (Moody's)	AA-2

Coupon Distribution



Rating Distribution



LGIP & LGIP- GOV
PORTFOLIO YIELD ANALYSIS
MARCH 2016

NET EARNINGS

FUND	DESCRIPTION	Current Month 03/31/16	Prior Month 02/29/16	Prior Year 03/31/15	Net Asset Value Per Share
5	LGIP	327,728	285,595	**125,434**	1.0000
7	LGIP - GOV	288,690	246,427	**73,084**	1.0000
	TOTAL LGIP & LGIP-GOV	**616,418**	**532,022**	**198,518**	

YIELDS

	MONTHLY	Current Month 03/31/16	Prior Month 02/29/16	Prior Year 3/31/15
5	**LGIP (NET)**	0.38%	0.36%	**0.14%**
	S & P LGIP INDEX	0.32%	0.28%	**0.06%**
7	**LGIP - GOV (NET)**	0.32%	0.30%	**0.09%**
	3 MONTH T-BILL	0.28%	0.30%	**0.02%**
	YEAR TO DATE			
5	**LGIP (NET)**	0.23%	0.21%	**0.11%**
	S & P LGIP INDEX	0.15%	0.13%	**0.05%**
7	**LGIP - GOV (NET)**	0.18%	0.17%	**0.07%**
	3 MONTH T-BILL	0.14%	0.12%	**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
MARCH 2016

NET EARNINGS

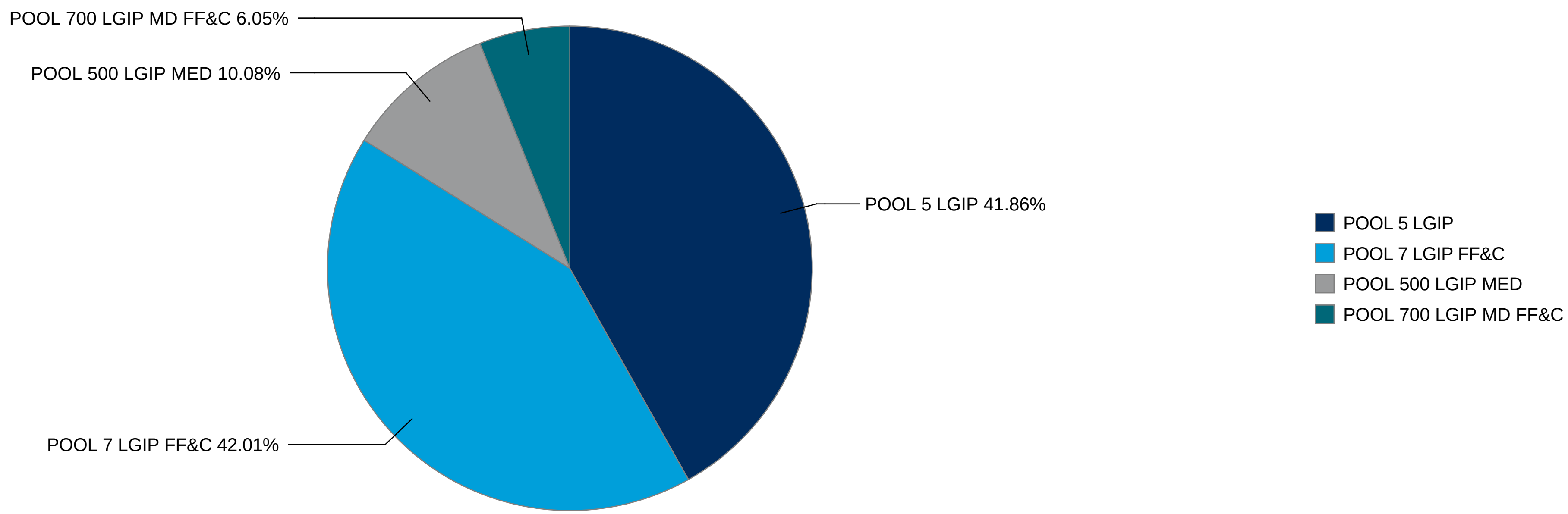
FUND	DESCRIPTION	Current Month 03/31/16	Prior Month 02/29/16	Prior Year 03/31/15	Net Asset Value Per Share
500	LGIP - MED TERM POOL	333,800	260,035	268,076	1.0350
700	LGIP - FF&C MED TERM POOL	152,474	136,832	118,216	1.0126
	TOTAL LGIP MEDIUM TERM POOLS	486,274	396,867	386,293	

YIELDS

	MONTHLY	Current Month 03/31/16	Prior Month 02/29/16	Prior Year 3/31/15
500	LGIP - MED TERM (NET)	1.58%	1.34%	1.18%
	MERRILL 1-5 US D M INDEX	1.41%	1.56%	1.29%
700	LGIP - FF&C MED TERM (NET)	1.21%	1.16%	0.95%
	75% MERRILL 1-5 US TREAS INDEX / 25% MERRILL US GNMA MORTGAGE BACKED INDEX	1.25%	1.29%	1.19%

	YEAR TO DATE	Current Month 03/31/16	Prior Month 02/29/16	Prior Year 3/31/15
500	LGIP - MED TERM (NET)	1.25%	1.21%	1.06%
	MERRILL 1-5 US D M INDEX	1.54%	1.55%	1.33%
700	LGIP - FF&C MED TERM (NET)	1.00%	0.97%	0.94%
	75% MERRILL 1-5 US TREAS INDEX / 25% MERRILL US GNMA MORTGAGE BACKED INDEX	1.40%	1.42%	1.28%

Manager Allocation



	Market Value	% of Portfolio
POOL 5 LGIP	1,034,746,724	41.9
POOL 7 LGIP FF&C	1,038,224,181	42.0
POOL 500 LGIP MED	249,250,932	10.1
POOL 700 LGIP MD FF&C	149,430,837	6.0
TOTAL LGIP	2,471,652,674	100.0

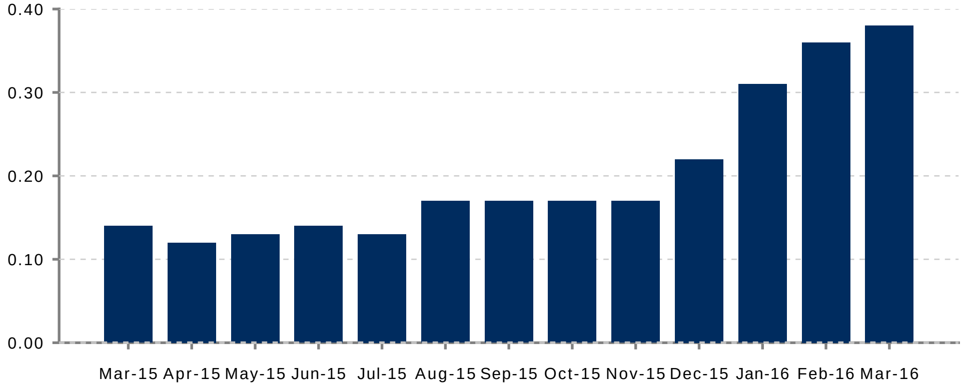
OFFICE OF THE ARIZONA STATE TREASURER

March 31, 2016

POOL 5 LGIP

STATE STREET.

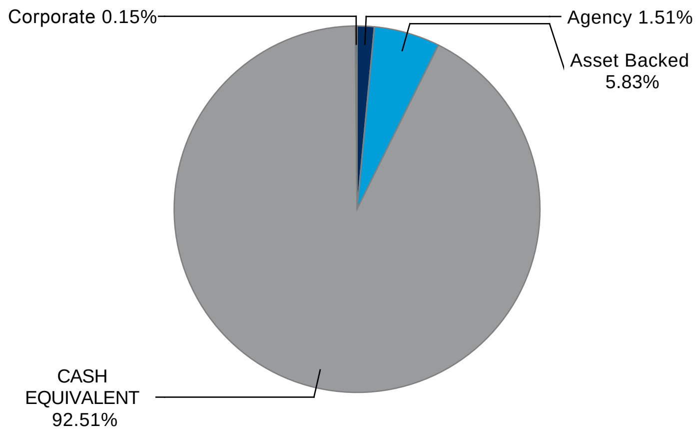
Net Yield



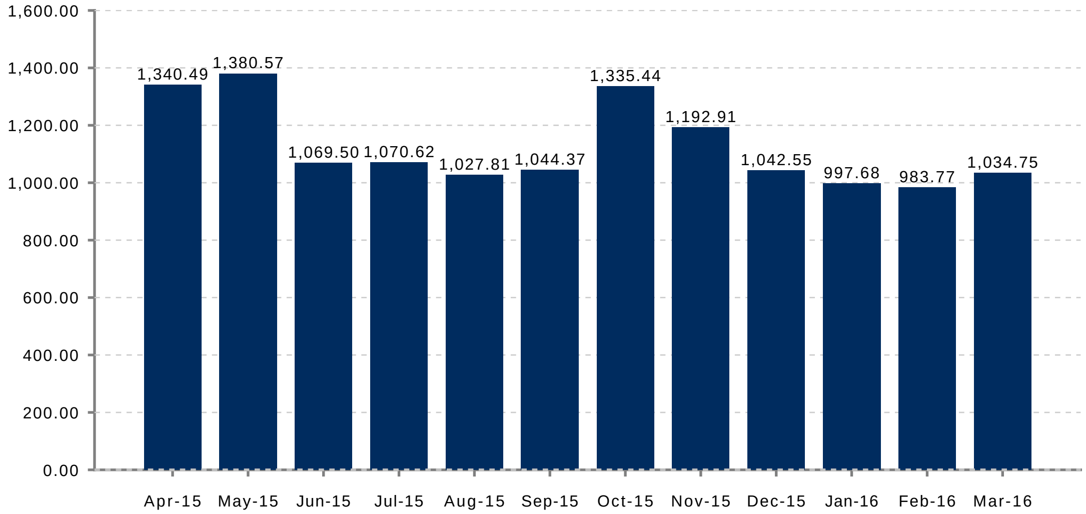
	Current Mth	Prior Mth	1 Year Ago
POOL 5 LGIP	0.38	0.36	0.14

Asset Allocation

	Ending Market Value
POOL 5 LGIP	1,034,746,724



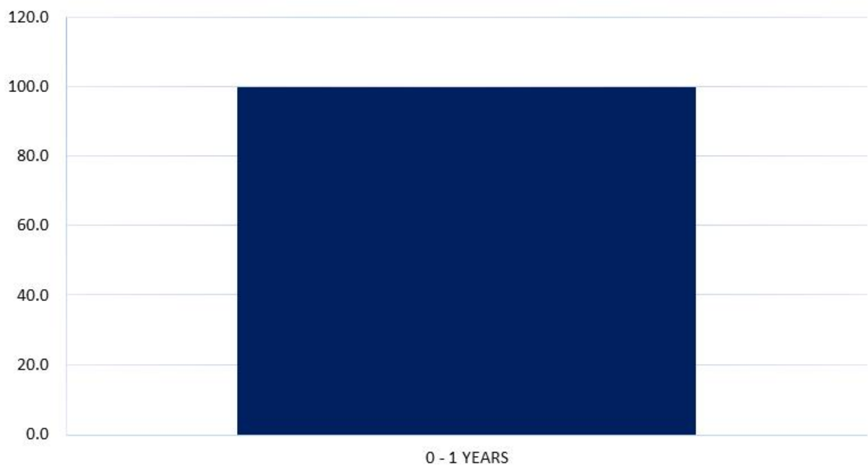
Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 5 LGIP		
WELLS FARGO REPO	150,001,375	14.50
BANK OF AMERICA REPO	100,000,750	9.66
RBC CAPITAL MARKETS REPO	100,000,000	9.66
MOUNTCLIFF	29,998,533	2.90
ANGLESEA FDG PLC & ANG	29,989,733	2.90
ATLANTIC ASSET SECUR	29,989,167	2.90
NESTLE CAP CORP	29,984,967	2.90
UNITED PARCEL SERVIC	29,973,535	2.90
PFIZER INC	24,973,563	2.41
BEDFORD ROW FDG CORP	24,968,750	2.41

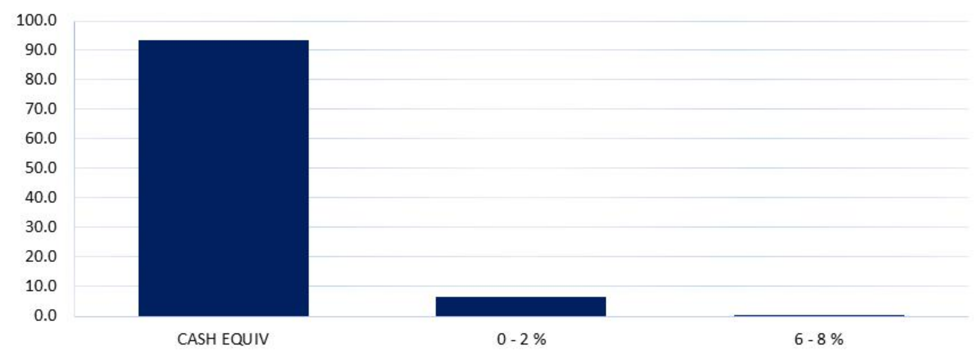
Duration Distribution



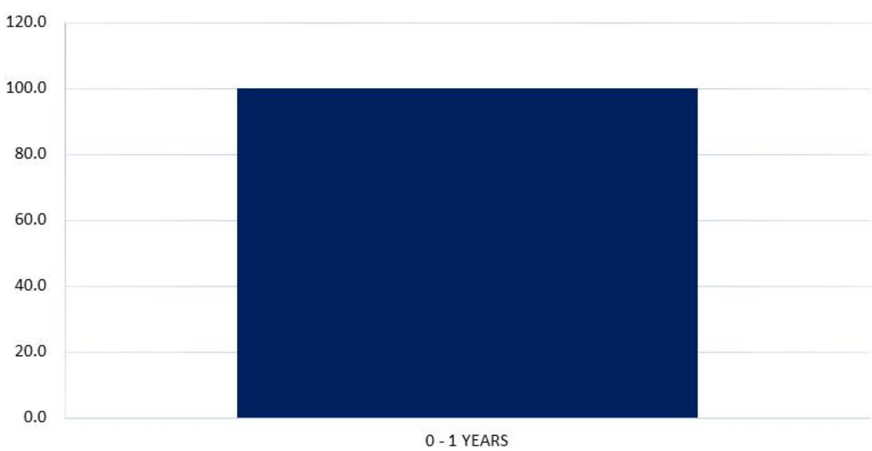
Portfolio Level Characteristics

	POOL 5 LGIP
Weighted Average Life	0.09
Coupon	0.07
Effective Duration	0.08
Quality Rating (Moody's)	AAA

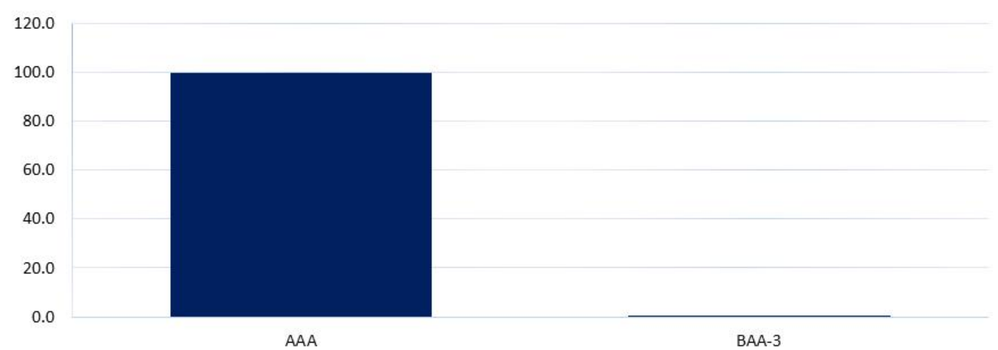
Coupon Distribution



Expected Maturity Distribution



Rating Distribution

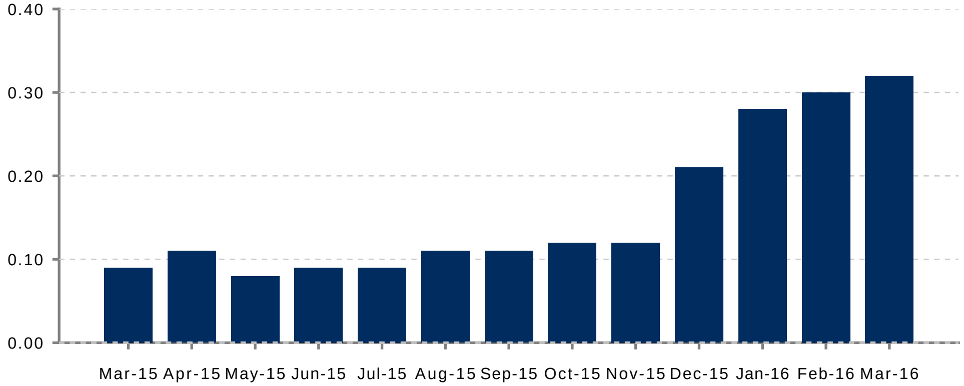


OFFICE OF THE ARIZONA STATE TREASURER

March 31, 2016

POOL 7 LGIP FF&C

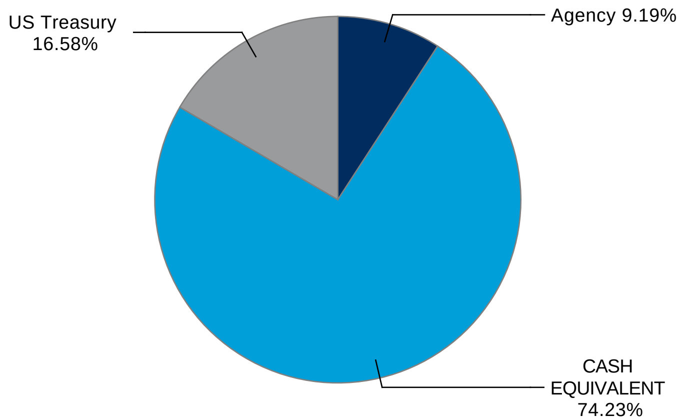
Net Yield



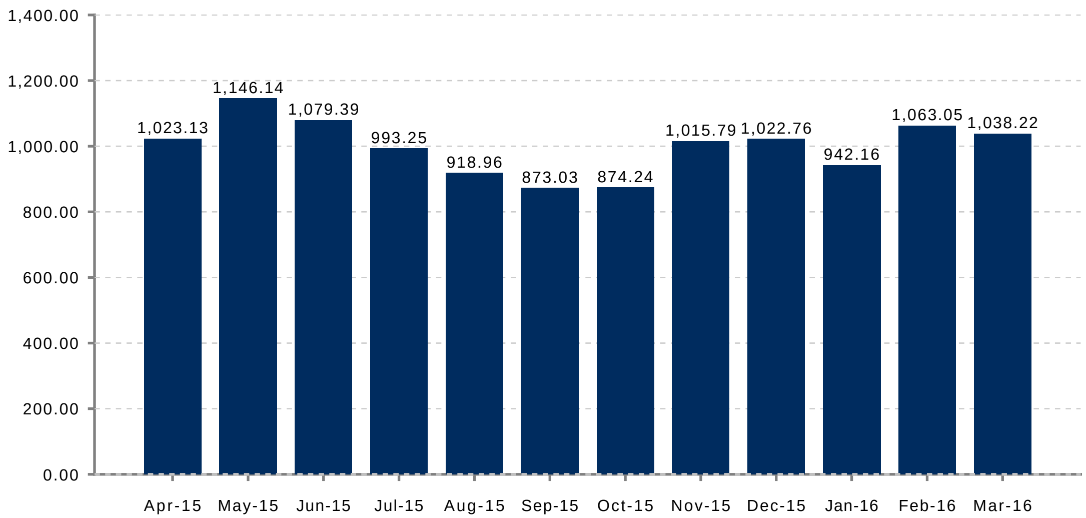
	Current Mth	Prior Mth	1 Year Ago
POOL 7 LGIP FF&C	0.32	0.30	0.09

Asset Allocation

	Ending Market Value
POOL 7 LGIP FF&C	1,038,224,181



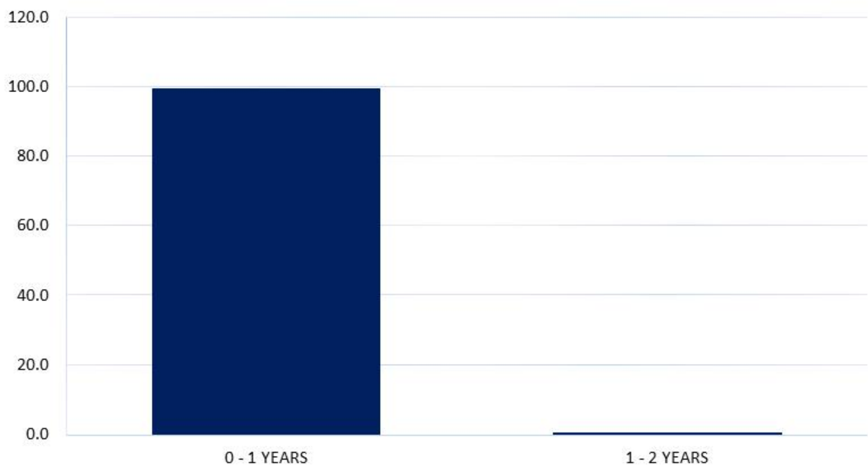
Net Asset Values over Time ($MM)



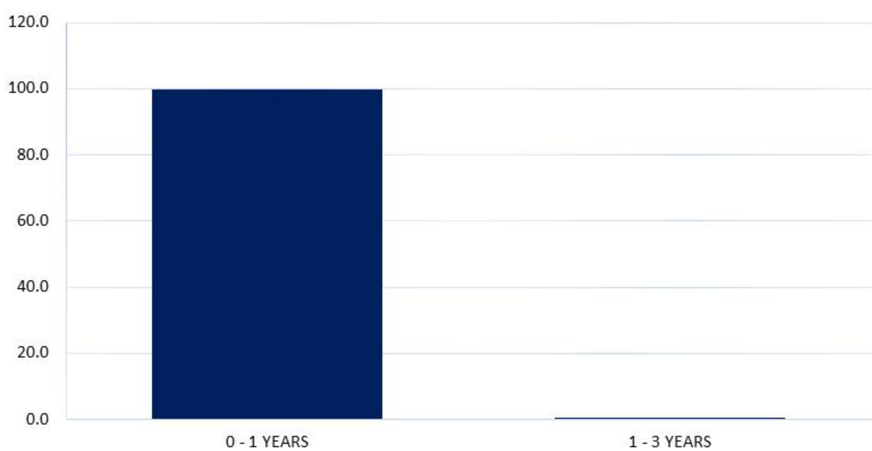
Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 7 LGIP FF&C		
DAIWA CAPITAL MARKETS REPO	200,001,944	19.26
WELLS FARGO REPO	150,001,375	14.45
SOUTH STREET REPO	119,095,968	11.47
ALLIANCE BANK OF ARIZONA MONEY	75,687,915	7.29
TREASURY BILL	69,897,287	6.73
US TREASURY FRN	40,029,927	3.86
TREASURY BILL	39,928,420	3.85
TREASURY BILL	39,921,324	3.85
TREASURY BILL	39,815,800	3.83
TREASURY BILL	29,975,750	2.89

Duration Distribution



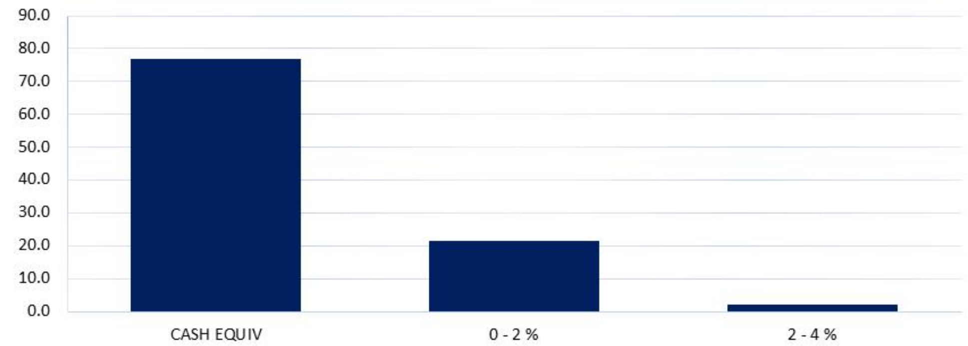
Expected Maturity Distribution



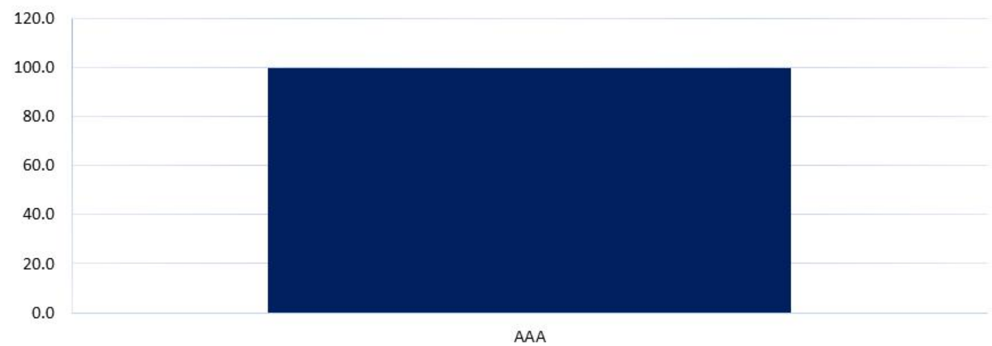
Portfolio Level Characteristics

	POOL 7 LGIP FF&C
Weighted Average Life	0.22
Coupon	0.25
Effective Duration	0.20
Quality Rating (Moody's)	AAA

Coupon Distribution



Rating Distribution

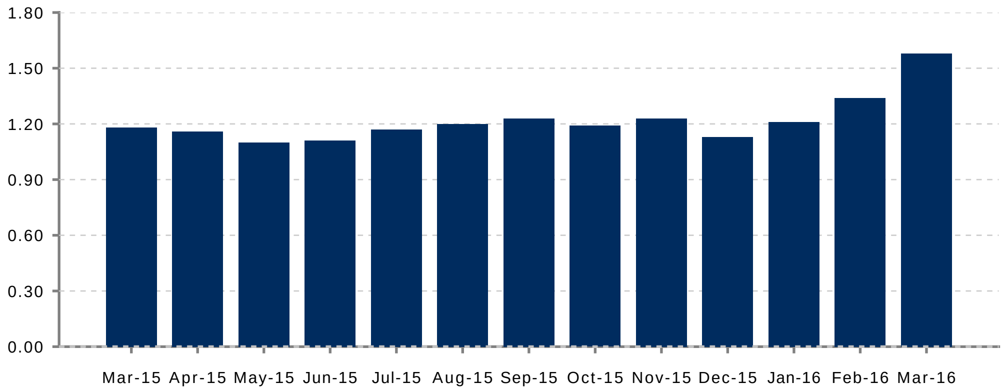


OFFICE OF THE ARIZONA STATE TREASURER

March 31, 2016

POOL 500 LGIP MED

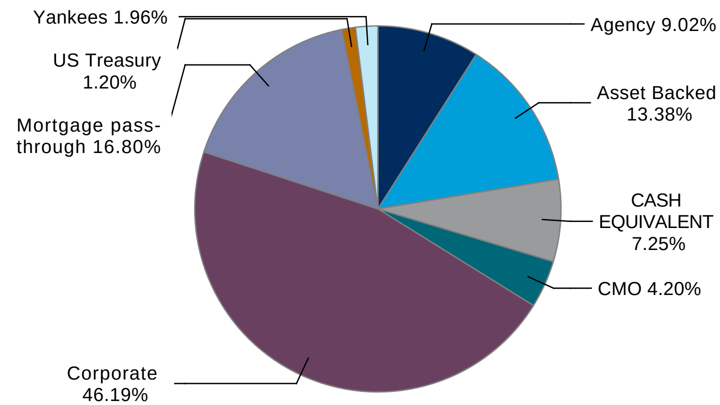
Net Yield



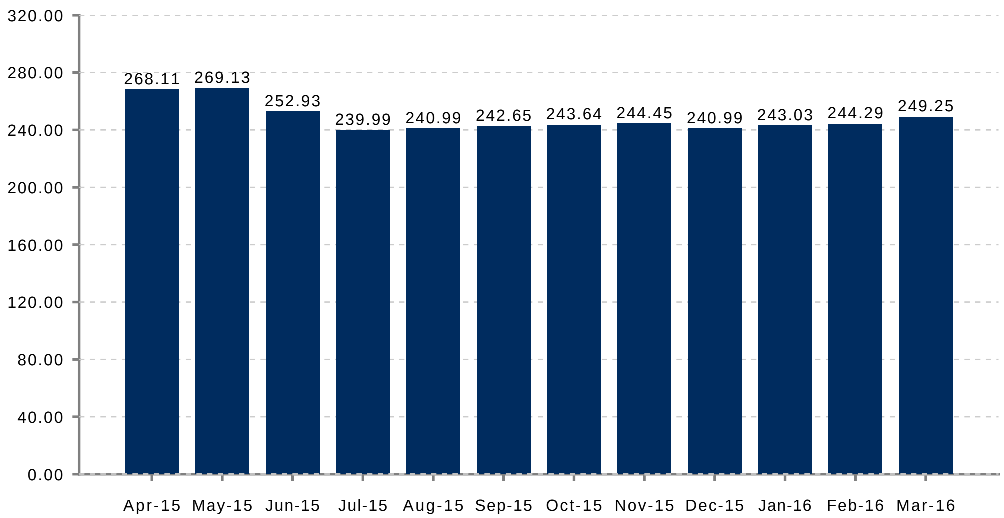
	Current Mth	Prior Mth	1 Year Ago
POOL 500 LGIP MED	1.58	1.34	1.18

Asset Allocation

	Ending Market Value
POOL 500 LGIP MED	249,250,932



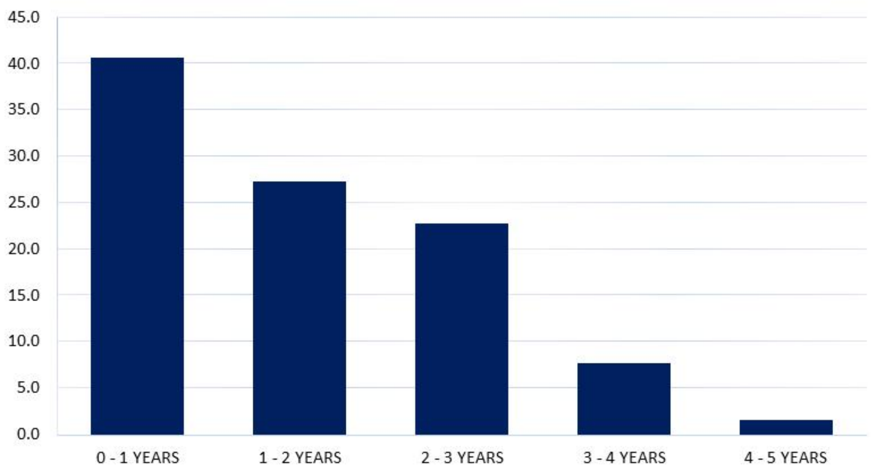
Net Asset Values over Time ($MM)



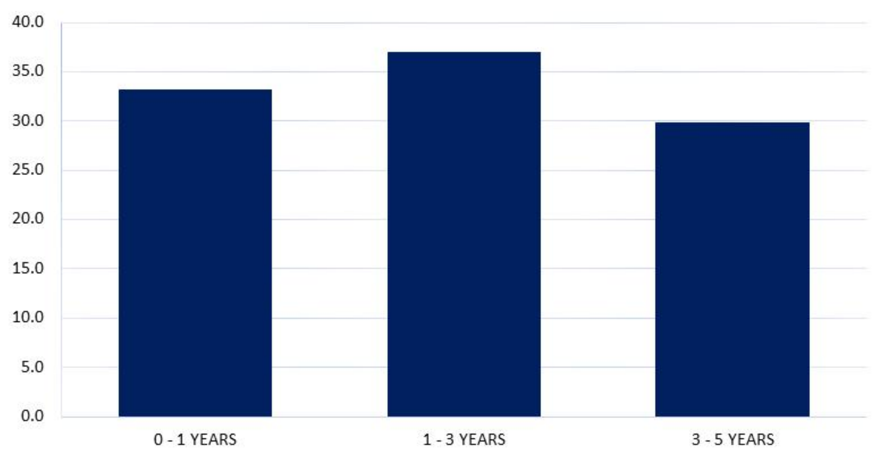
Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 500 LGIP MED		
SOUTH STREET REPO	13,000,173	5.22
FNMA POOL AB5991	8,907,948	3.57
MERCK + CO INC	5,480,519	2.20
MICROSOFT CORP	5,121,087	2.05
ELI LILLY + CO	5,043,880	2.02
CHEVRON CORP	5,023,369	2.02
FREDDIE MAC	5,008,445	2.01
FORD CREDIT FLOORPLAN MASTER O	5,007,773	2.01
NISSAN MOTOR ACCEPTANCE	5,007,429	2.01
APPLE INC	4,923,340	1.98

Duration Distribution



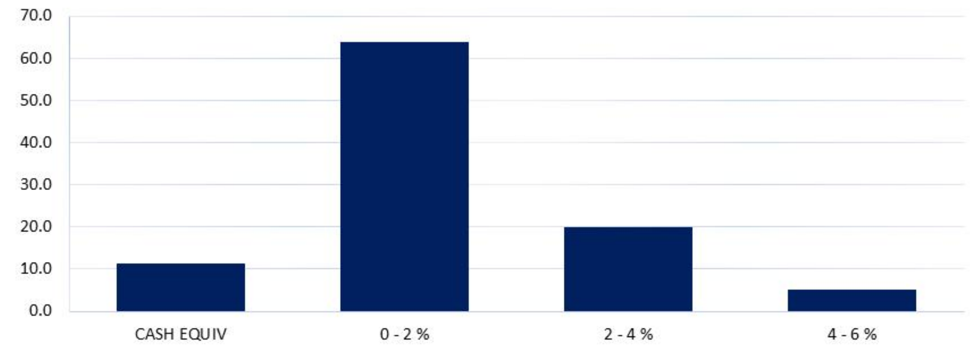
Expected Maturity Distribution



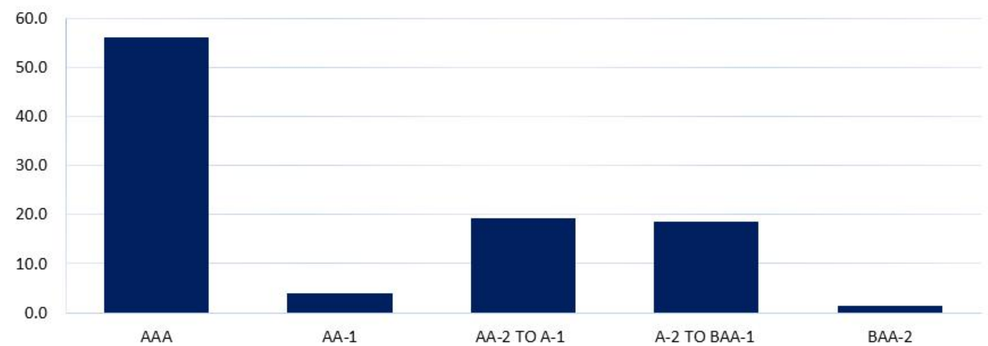
Portfolio Level Characteristics

	POOL 500 LGIP MED
Weighted Average Life	1.99
Coupon	1.81
Effective Duration	1.47
Quality Rating (Moody's)	AA-2

Coupon Distribution



Rating Distribution



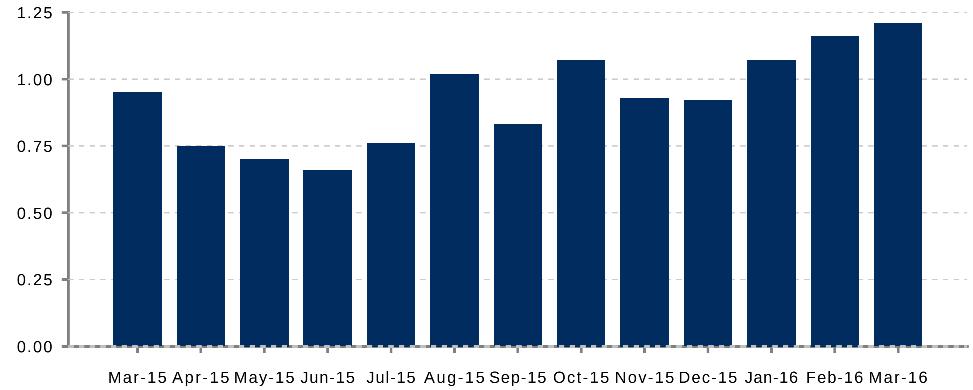
OFFICE OF THE ARIZONA STATE TREASURER

March 31, 2016

POOL 700 LGIP MD FF&C

STATE STREET.

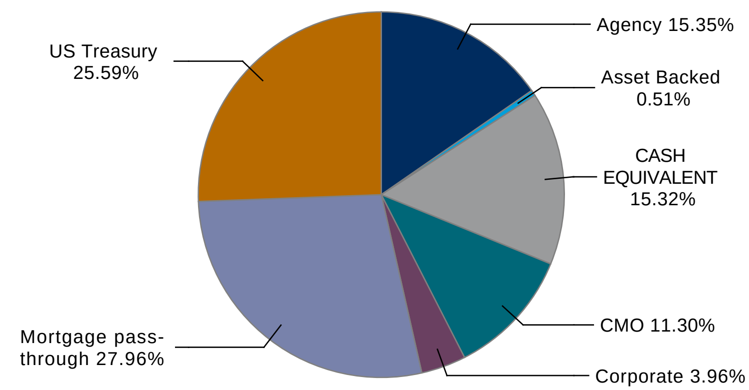
Net Yield



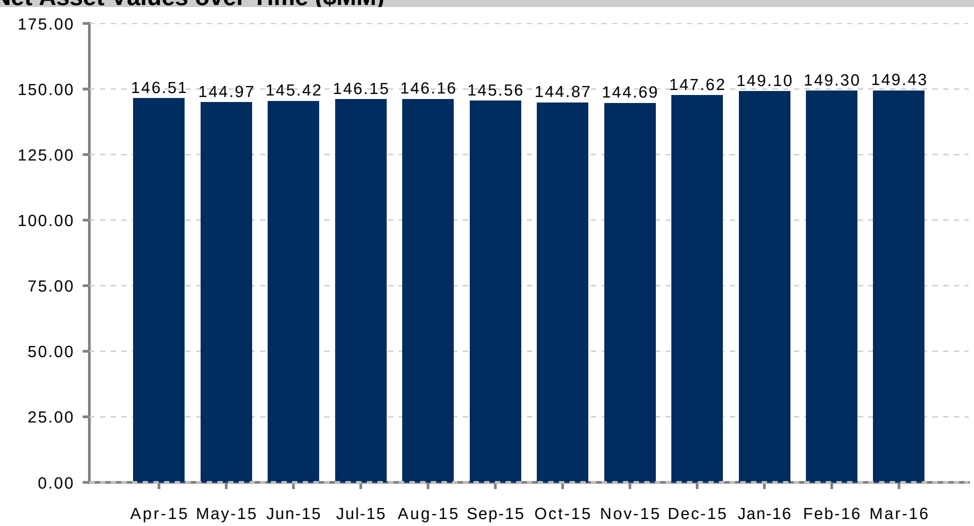
	Current Mth	Prior Mth	1 Year Ago
POOL 700 LGIP MD FF&C	1.21	1.16	0.95

Asset Allocation

	Ending Market Value
POOL 700 LGIP MD FF&C	149,430,837



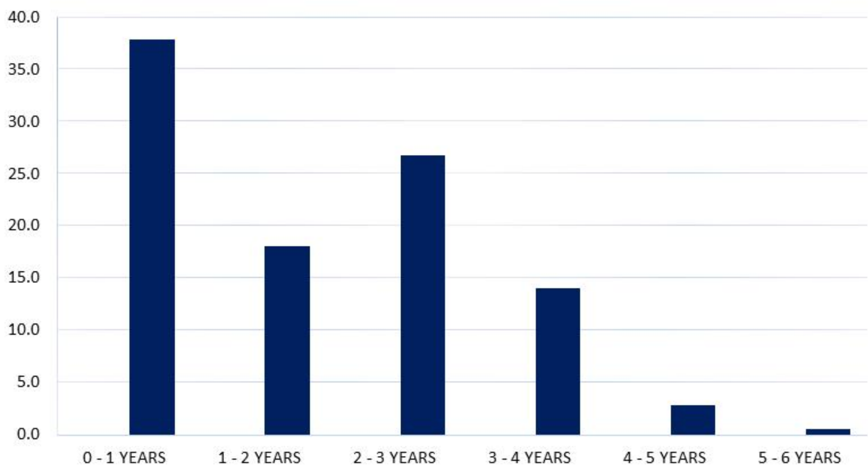
Net Asset Values over Time ($MM)



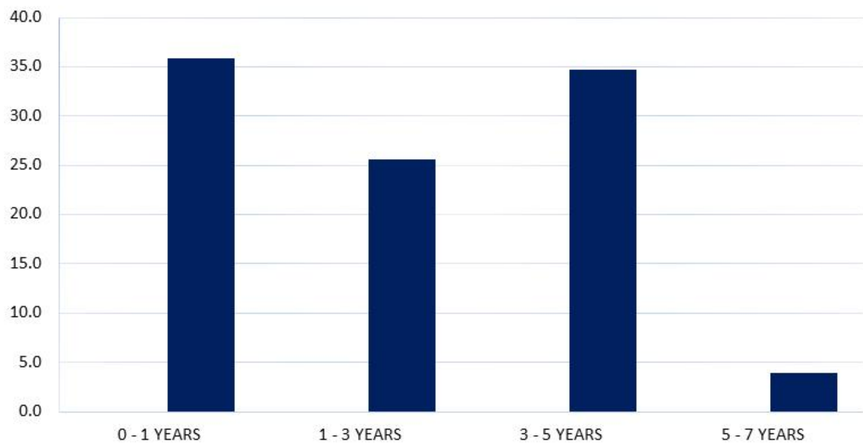
Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 700 LGIP MD FF&C		
FDIC US BANK CDARS ACCOUNT	15,210,389	10.18
SOUTH STREET REPO	6,000,080	4.02
OVERSEAS PRIVATE INV COR	5,205,563	3.48
GNMA II POOL MA0213	5,164,555	3.46
US TREASURY N/B	5,066,313	3.39
US TREASURY N/B	5,017,522	3.36
US TREASURY N/B	5,003,042	3.35
AID ISRAEL	4,980,605	3.33
PRIVATE EXPORT FUNDING	3,557,175	2.38
GNMA II POOL 004849	3,352,890	2.24

Duration Distribution



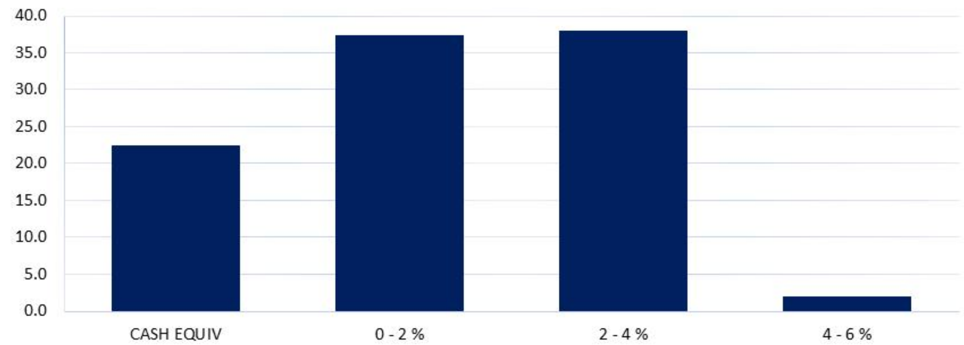
Expected Maturity Distribution



Portfolio Level Characteristics

	POOL 700 LGIP MD FF&C
Weighted Average Life	2.13
Coupon	1.85
Effective Duration	1.67
Quality Rating (Moody's)	AAA

Coupon Distribution



Rating Distribution

EARNINGS DISTRIBUTED
ENDOWMENT FUNDS
MARCH 2016

Recipient		Distributed in Current Month		
		MARCH 2016	Fiscal YTD 15/16	Fiscal YTD 14/15
101	A & M Colleges	$20,991	$188,919	$170,971
102	State Hospital	$13,015	$117,137	$103,809
103	Leg., Exec., & Jud.	$17,116	$154,045	$138,922
104	Military Institute	$1,166	$10,492	$9,588
105	Miners Hospital	$39,311	$353,795	$291,734
107	Normal School ASU/NAU	$7,749	$69,739	$61,550
108	Penitentiaries	$27,365	$246,289	$211,842
109	Permanent Common School	$7,265,434	$65,388,910	$56,988,319
110	School for Deaf & Blind	$10,929	$98,358	$87,225
111	School of Mines	$23,731	$213,576	$193,496
112	State Charitable-Pioneers Home	$115,161	$1,036,449	$935,465
112	State Charitable-Corrections	$57,581	$518,225	$467,732
112	State Charitable-Youth Treatment	$57,581	$518,225	$467,732
113	University Fund	$40,307	$362,762	$321,770
114	U of A Land - 1881	$116,795	$1,051,152	$846,919
	Total	**$7,814,230**	**$70,328,072**	**$61,297,073**

NET REALIZED CAPITAL GAINS / LOSSES - ENDOWMENT FUNDS

Endowment Fund	Mar-16 NET GAIN(LOSS)	Mar-15 NET GAIN(LOSS)
Fixed Income Pool	(208,998)	(32,809)
500 Large-Cap Fund	(223,382)	10,245,188
400 Mid-Cap Fund	9,284,248	22,851,823
600 Small-Cap Fund	3,773,058	3,504,145
Totals	**12,624,927**	**36,568,347**

Endowment Fund	2015/2016 FISCAL YEAR TO DATE GAINS(LOSSES)	2014/ 2015 FISCAL YEAR TO DATE GAINS(LOSSES)
Fixed Income Pool	(1,795,255)	(1,862,601)
500 Large-Cap Fund	15,903,737	30,533,139
400 Mid-Cap Fund	32,892,065	48,275,875
600 Small-Cap Fund	28,363,302	21,822,181
Totals	**75,363,849**	**98,768,594**

ENDOWMENT FUNDS FIXED-INCOME POOL
PURCHASES & SALES
MARCH 2016

I. Endowment Funds Purchases

SECURITY DESCRIPTION	RATE	MATURITY	*WAL YEARS	PAR VALUE	PURCHASE COST	YIELD	MOODY'S / S&P RATING
BERKSHIRE HATHAWAY INC	3.13	3/15/2026	NA	$3,000,000	$2,997,180	3.14%	Aa2/AA
FHR MTG	3.00	3/15/2028	6.09	$2,778,434	$2,926,125	2.05%	Aaa/AA+
FNMA MTG	3.50	12/1/2034	5.03	$4,932,788	$5,214,471	2.25%	Aaa/AA+
GNMA MTG	4.00	8/20/2026	3.52	$6,509,719	$6,962,687	1.94%	Aaa/AA+
MERCEDES BENZ CO	1.69	11/15/2021	2.16	$5,000,000	$4,999,786	1.69%	Aaa/NR
TOTAL ENDOWMENT FUNDS PURCHASES				**$22,220,941**	**$23,100,248**		

II. Endowment Funds Sales

SECURITY DESCRIPTION	RATE	MATURITY	PAR VALUE	AMORTIZED COST/PROCEEDS	SALES GAINS/(LOSSES)	MOODY'S / S&P RATING
US TREASURY	1.50	12/31/2018	$5,000,000	$5,084,313	72,856	Aaa/AA+
US TREASURY	2.38	3/31/2016	$5,000,000	$5,058,229	903	Aaa/AA+
US TREASURY	2.63	4/30/2016	$7,500,000	$7,594,697	18,140	Aaa/AA+
US TREASURY	0.88	9/15/2016	$2,500,000	$2,515,272	1,345	Aaa/AA+
TOTAL ENDOWMENT FUNDS SALES			**$20,000,000**	**$20,252,510**	**$93,244**	

*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
MARCH 2016

I. Equity Fund Purchases

	SHARES	PURCHASE COST	COMMISSIONS
400 Mid-Cap Fund	368,100	$9,256,077	$1,733
500 Large-Cap Fund	255,502	$13,537,228	$1,606
600 Small-Cap Fund	228,786	$6,655,861	$1,716
TOTAL EQUITY PURCHASES	**852,388**	**$29,449,166**	**$5,055**

II. Equity Funds Sales

	SHARES	SALES AMOUNT	COMMISSIONS
400 Mid-Cap Fund	420,404	$19,319,442	$2,864
500 Large-Cap Fund	225,976	$9,778,435	$1,513
600 Small-Cap Fund	274,471	$9,709,359	$1,214
TOTAL EQUITY SALES	**920,851**	**$38,807,236**	**$5,590**

ENDOWMENT FUNDS
INVESTMENTS OUTSTANDING
MARCH 31, 2016
(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	479	3,369	7,887	4,518	
	Shares in Fixed Income Pools	4,325	3,025	4,736	1,711	
	Total	4,804	6,395	12,623	6,228	**1.974**
102	State Hospital					
	Shares in Equity Pools	322	2,360	5,299	2,939	
	Shares in Fixed Income Pools	2,796	2,087	3,062	975	
	Total	3,118	4,447	8,361	3,914	**1.880**
103	Leg., Exec, & Jud					
	Shares in Equity Pools	386	2,902	6,356	3,454	
	Shares in Fixed Income Pools	3,709	2,596	4,061	1,466	
	Total	4,095	5,497	10,417	4,920	**1.895**
104	Military Institute					
	Shares in Equity Pools	25	183	413	231	
	Shares in Fixed Income Pools	247	164	271	107	
	Total	272	347	684	337	**1.971**
105	Miners Hospital					
	Shares in Equity Pools	1,105	9,785	18,189	8,404	
	Shares in Fixed Income Pools	9,725	8,294	10,649	2,356	
	Total	10,830	18,079	28,839	10,760	**1.595**
107	Normal School ASU/NAU					
	Shares in Equity Pools	198	1,583	3,253	1,670	
	Shares in Fixed Income Pools	1,813	1,373	1,986	612	
	Total	2,011	2,956	5,239	2,283	**1.772**
108	Penitentiaries					
	Shares in Equity Pools	720	5,862	11,858	5,996	
	Shares in Fixed Income Pools	6,527	5,199	7,147	1,948	
	Total	7,247	11,061	19,005	7,944	**1.718**

ENDOWMENT FUNDS
INVESTMENTS OUTSTANDING
MARCH 31, 2016
(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	182,884	1,456,690	3,011,313	1,554,623	
	Shares in Fixed Income Pools	1,636,408	1,301,477	1,791,980	490,503	
	Total	1,819,292	2,758,167	4,803,293	2,045,126	**1.741**
110	School for Deaf & Blind					
	Shares in Equity Pools	255	1,920	4,196	2,276	
	Shares in Fixed Income Pools	2,381	1,702	2,607	905	
	Total	2,636	3,621	6,803	3,181	**1.879**
111	School of Mines					
	Shares in Equity Pools	538	4,031	8,856	4,825	
	Shares in Fixed Income Pools	4,983	3,622	5,457	1,835	
	Total	5,521	7,653	14,313	6,660	**1.870**
112	State Charitable					
	Shares in Equity Pools	5,428	40,893	89,380	48,487	
	Shares in Fixed Income Pools	47,643	37,125	52,172	15,047	
	Total	53,071	78,018	141,553	63,534	**1.814**
113	University Fund					
	Shares in Equity Pools	978	7,749	16,107	8,357	
	Shares in Fixed Income Pools	9,068	6,777	9,930	3,154	
	Total	10,047	14,526	26,037	11,511	**1.792**
114	U Of A Land - 1881					
	Shares in Equity Pools	3,374	31,100	55,552	24,452	
	Shares in Fixed Income Pools	30,918	25,817	33,858	8,041	
	Total	34,292	56,917	89,410	32,493	**1.571**
	TOTALS - ALL FUNDS					
	Shares in Equity Pools	196,691	1,568,427	3,238,659	1,670,232	
	Shares in Fixed Income Pools	1,760,544	1,399,258	1,927,917	528,659	
	Grand Total	**1,957,235**	**2,967,685**	**5,166,576**	**2,198,891**	
	PRIOR YEAR: MARCH 2015 BALANCES	**1,961,928**	**2,958,340**	**5,152,752**	**2,194,412**	

ENDOWMENT FUNDS
INVESTMENTS OUTSTANDING
MARCH 31, 2016

ASSET ALLOCATION PERCENTAGE

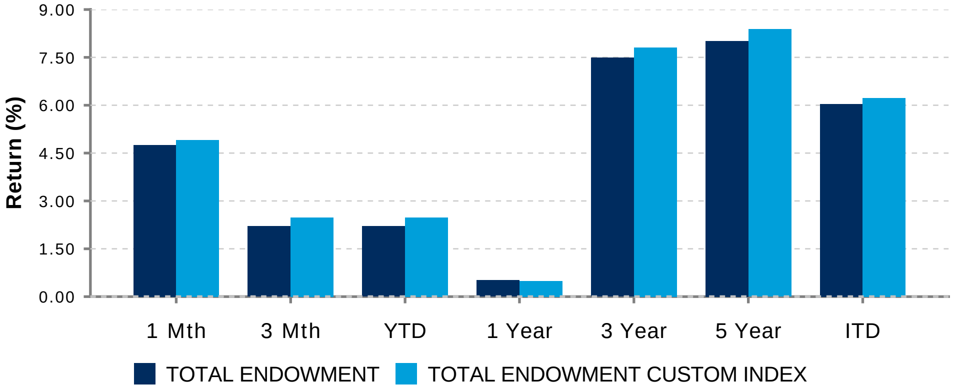
	SHARES OUTSTANDING	**BOOK VALUE**	MARKET VALUE	MARCH 2015 MARKET VALUE
Shares in Equity Pools	10.05%	**52.85%**	62.68%	63.20%
Shares in Fixed Income Pools	89.95%	**47.15%**	37.32%	36.80%
Total	100.00%	**100.00%**	100.00%	100.00%

OFFICE OF THE ARIZONA STATE TREASURER

March 31, 2016

Total Endowment Summary

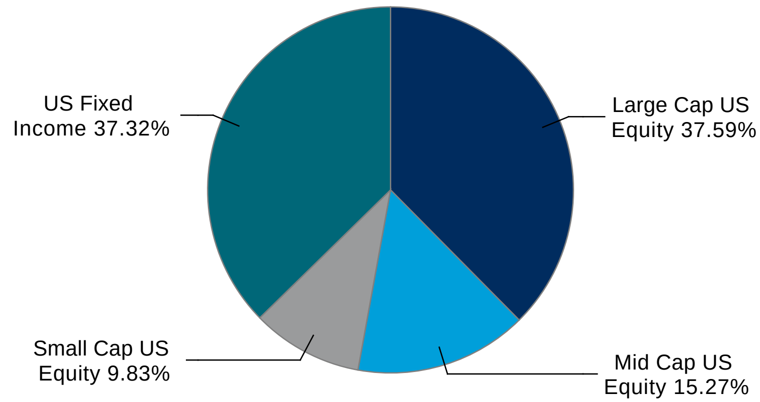
Performance



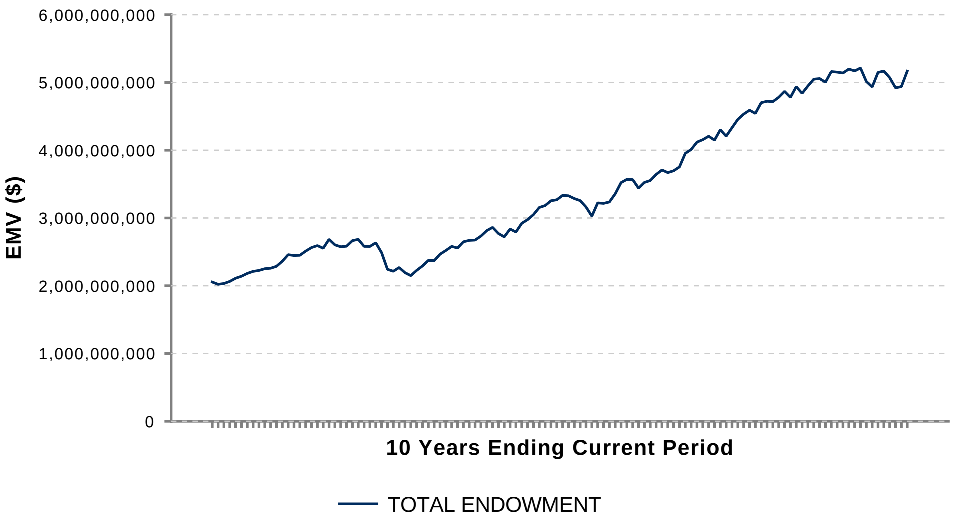
	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Incept Date
TOTAL ENDOWMENT	4.75	2.21	2.21	0.51	7.49	8.01	6.04	07/99
TOTAL ENDOWMENT CUSTOM INDEX	4.91	2.48	2.48	0.49	7.81	8.38	6.23	07/99
Excess	-0.16	-0.27	-0.27	0.03	-0.33	-0.37	-0.19	

Asset Allocation

	Ending Market Value
TOTAL ENDOWMENT	5,166,576,136

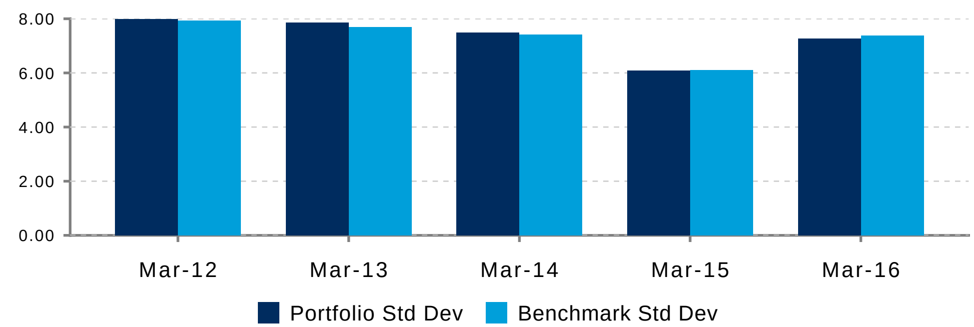


Ending Market Value

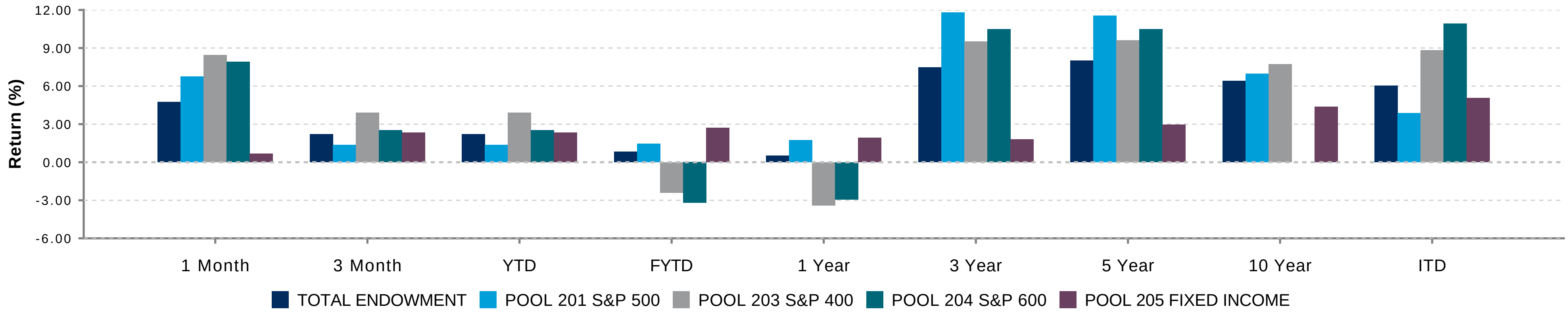


3 Year Risk Statistics

	Return	Portfolio Std Dev	Benchmark Std Dev	Sharpe Ratio	Beta	Tracking Error	Information Ratio
TOTAL ENDOWMENT	7.49	7.26	7.38	1.02	0.98	0.31	-1.05



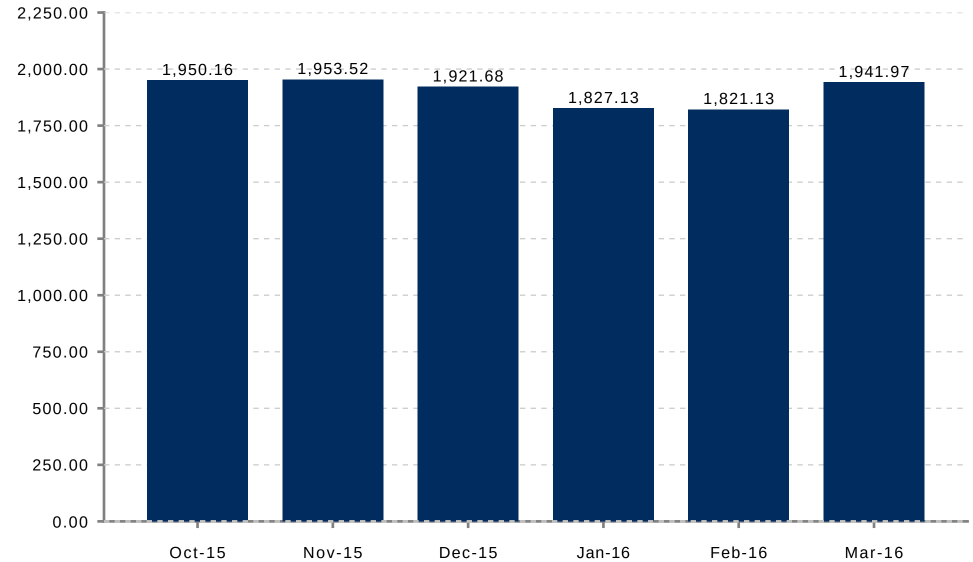
Return Comparison



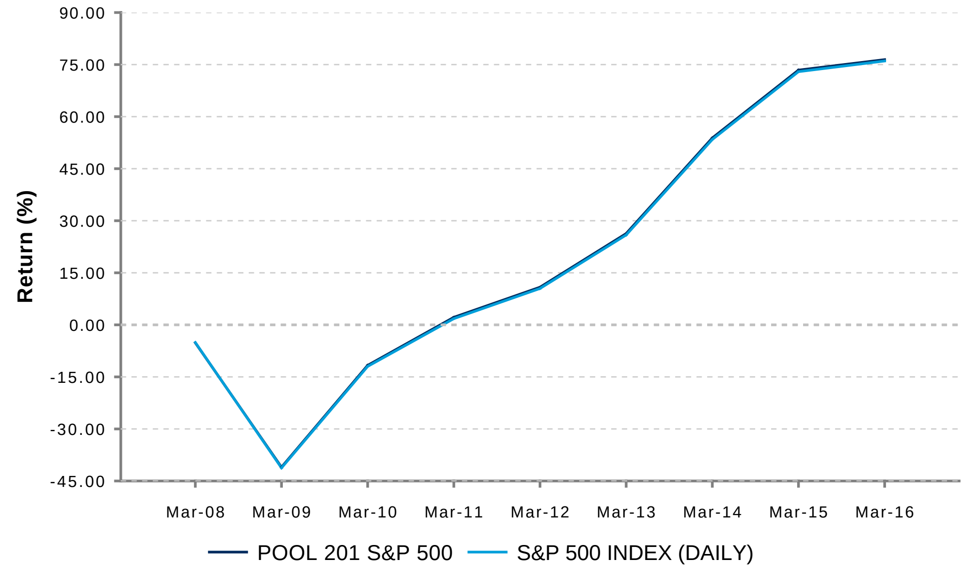
	Market Value	Actual Weight	1 Mth	3 Mth	YTD	FYTD	1 Year	3 Year	5 Year	10 Year	ITD	Inc Date
TOTAL ENDOWMENT	5,166,576,136	100.00	4.75	2.21	2.21	0.84	0.51	7.49	8.01	6.42	6.04	Jul-01-99
TOTAL ENDOWMENT CUSTOM INDEX			4.91	2.48	2.48	1.15	0.49	7.81	8.38	6.69	6.23	Jul-01-99
Excess			-0.16	-0.27	-0.27	-0.31	0.03	-0.33	-0.37	-0.27	-0.19	
POOL 201 S&P 500	1,941,966,899	37.59	6.76	1.36	1.36	1.47	1.74	11.79	11.54	6.97	3.87	Jul-01-99
S&P 500 INDEX (DAILY)			6.78	1.35	1.35	1.50	1.78	11.82	11.58	7.01	4.42	Jul-01-99
Excess			-0.02	0.01	0.01	-0.03	-0.04	-0.03	-0.04	-0.04	-0.55	
POOL 203 S&P 400	788,692,766	15.27	8.45	3.90	3.90	-2.40	-3.40	9.52	9.61	7.73	8.83	Aug-01-01
S&P 400 MIDCAP INDEX (DAILY)			8.52	3.78	3.78	-2.56	-3.60	9.46	9.52	7.78	8.83	Aug-01-01
Excess			-0.06	0.11	0.11	0.16	0.19	0.06	0.09	-0.06	-0.00	
POOL 204 S&P 600	507,999,661	9.83	7.91	2.52	2.52	-3.20	-2.93	10.48	10.49		10.93	Mar-01-11
S&P SM 600 TR			8.20	2.66	2.66	-3.39	-3.20	10.39	10.41		10.87	Mar-01-11
Excess			-0.29	-0.14	-0.14	0.19	0.27	0.09	0.08		0.06	
POOL 205 FIXED INCOME	1,927,916,810	37.32	0.66	2.32	2.32	2.72	1.92	1.80	2.97	4.38	5.07	Jul-01-99
CITIGROUP BIG (DAILY)			0.96	3.04	3.04	3.64	1.93	2.49	3.77	4.98	5.41	Jul-01-99
Excess			-0.30	-0.71	-0.71	-0.92	-0.01	-0.69	-0.80	-0.60	-0.34	

STATE STREET.

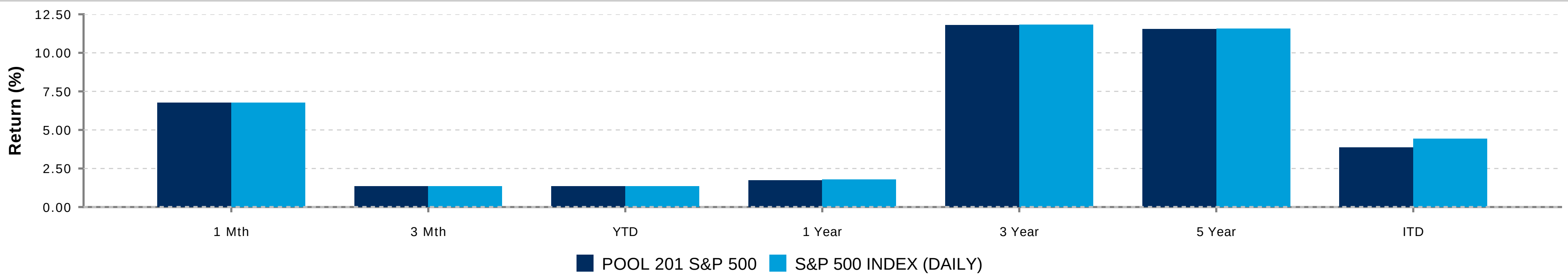
Net Asset Values over Time ($MM)



Cumulative Return (%)

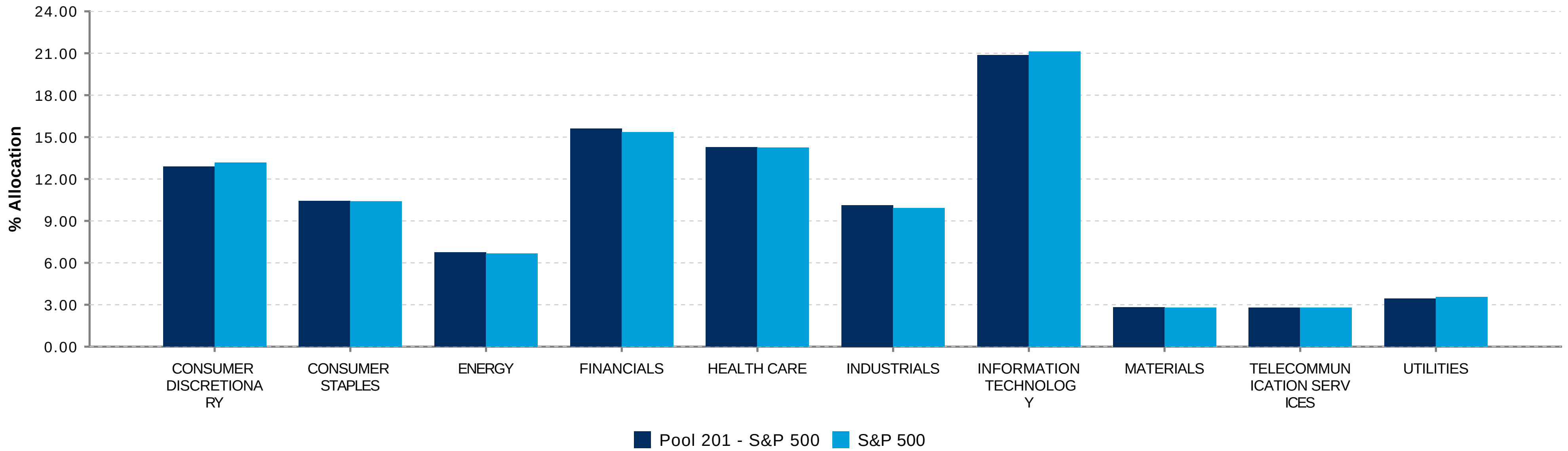


Rates of Return



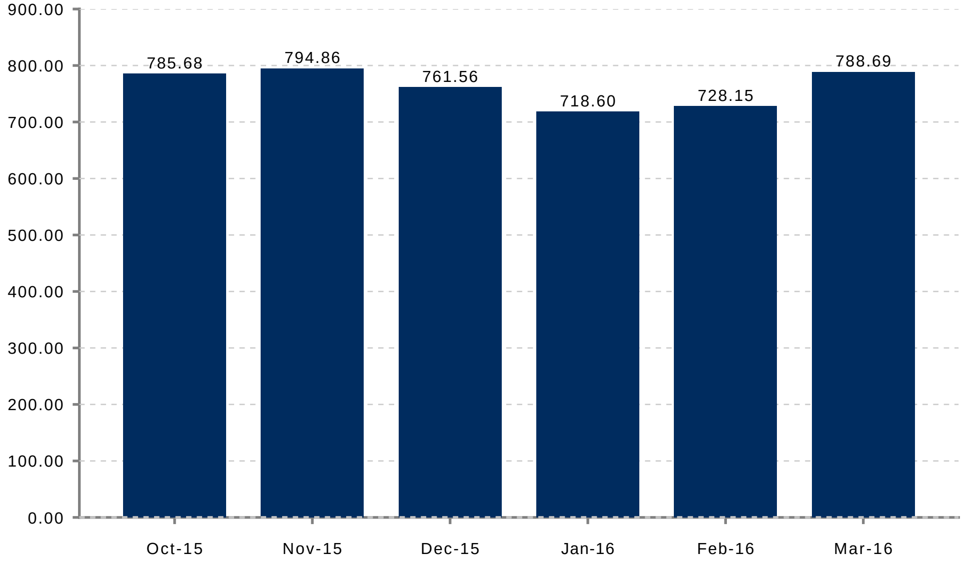
	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Mar 31 2016	Mar 31 2015	Mar 31 2014
POOL 201 S&P 500	6.76	1.36	1.36	1.74	11.79	11.54	3.87	1.74	12.71	21.82
S&P 500 INDEX (DAILY)	6.78	1.35	1.35	1.78	11.82	11.58	4.42	1.78	12.73	21.86
Excess	-0.02	0.01	0.01	-0.04	-0.03	-0.04	-0.55	-0.04	-0.02	-0.04

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

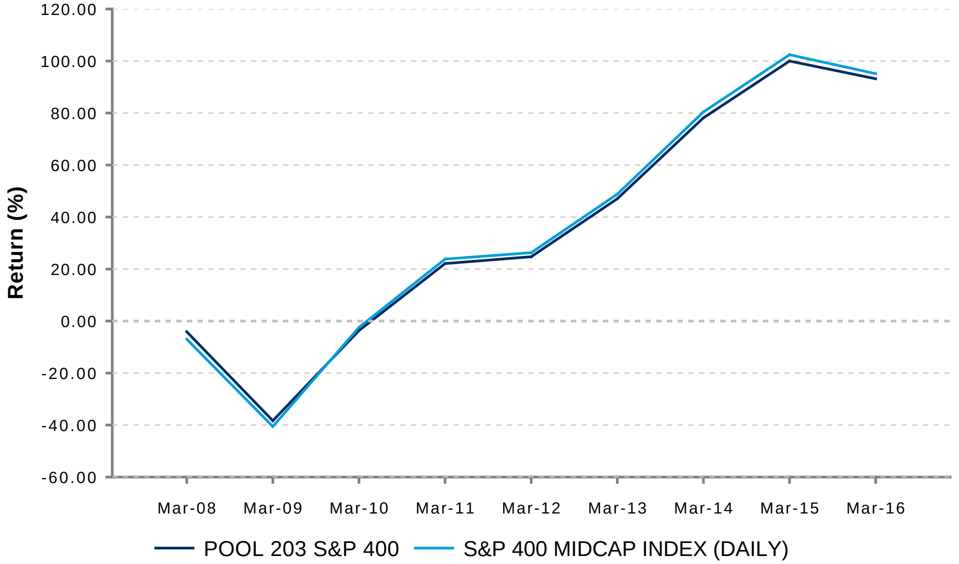


	Fund Weight	Benchmark Weight	Relative Weight
POOL 201 S&P 500	100.00	100.00	0.00
CONSUMER DISCRETIONARY	12.94	13.21	-0.27
CONSUMER STAPLES	10.69	10.70	-0.02
ENERGY	6.61	6.52	0.09
FINANCIALS	15.54	15.28	0.26
HEALTH CARE	14.71	14.68	0.03
INDUSTRIALS	10.16	9.93	0.23
INFORMATION TECHNOLOGY	20.40	20.69	-0.29
MATERIALS	2.81	2.77	0.03
TELECOMMUNICATION SERVICES	2.78	2.78	-0.01
UTILITIES	3.37	3.43	-0.06

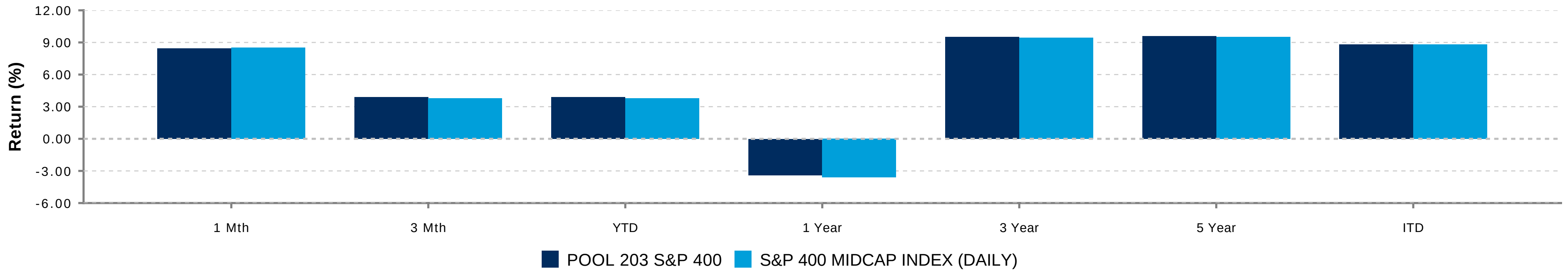
Net Asset Values over Time ($MM)



Cumulative Return (%)

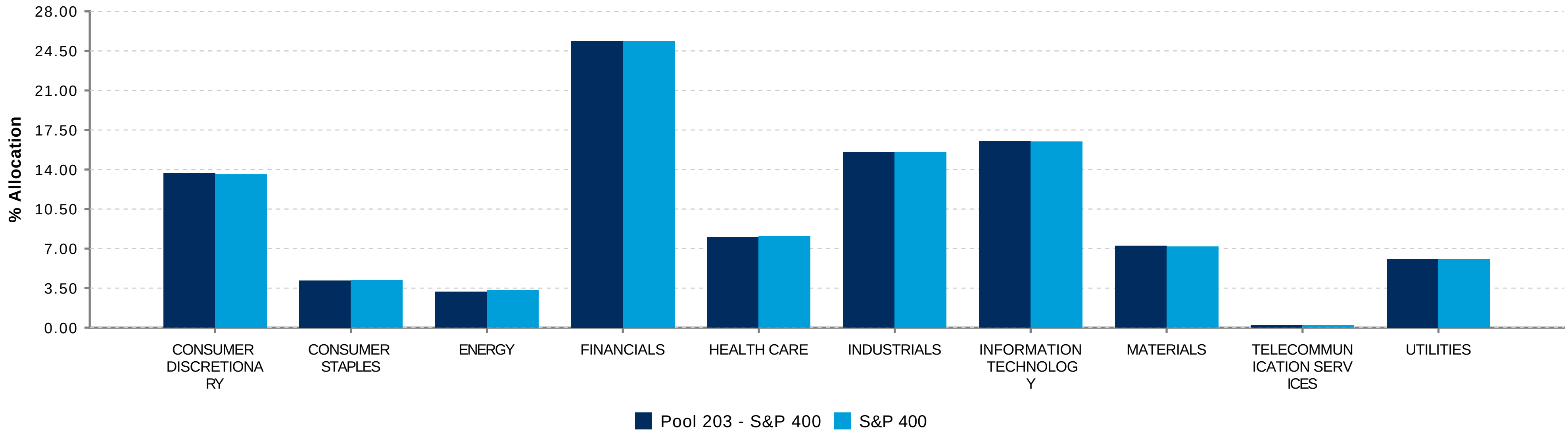


Rates of Return



	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Mar 31 2016	Mar 31 2015	Mar 31 2014
POOL 203 S&P 400	8.45	3.90	3.90	-3.40	9.52	9.61	8.83	-3.40	12.26	21.15
S&P 400 MIDCAP INDEX (DAILY)	8.52	3.78	3.78	-3.60	9.46	9.52	8.83	-3.60	12.19	21.24
Excess	-0.06	0.11	0.11	0.19	0.06	0.09	-0.00	0.19	0.06	-0.10

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	13.70	13.68	0.02
CONSUMER STAPLES	4.15	4.14	0.01
ENERGY	2.57	2.56	0.00
FINANCIALS	25.33	25.24	0.09
HEALTH CARE	9.78	9.77	0.01
INDUSTRIALS	15.21	15.35	-0.14
INFORMATION TECHNOLOGY	16.71	16.74	-0.03
MATERIALS	6.66	6.64	0.02
TELECOMMUNICATION SERVICES	0.18	0.18	0.00
UTILITIES	5.73	5.70	0.02

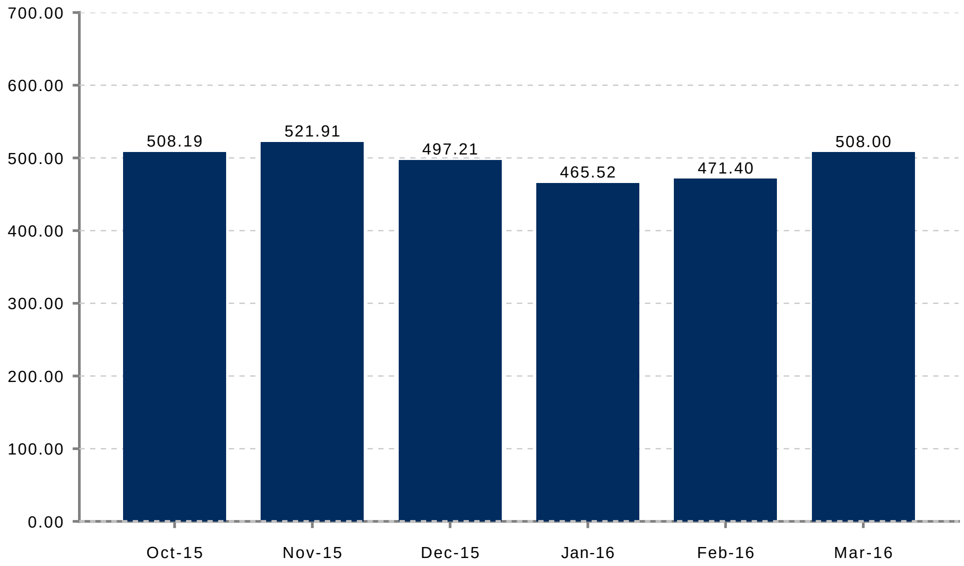
OFFICE OF THE ARIZONA STATE TREASURER

March 31, 2016

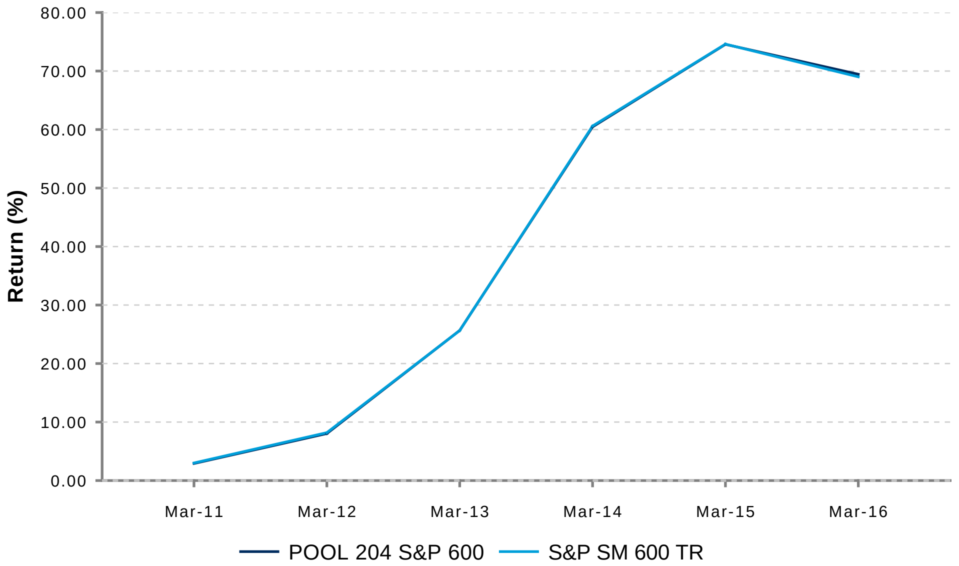
POOL 204 S&P 600

STATE STREET.

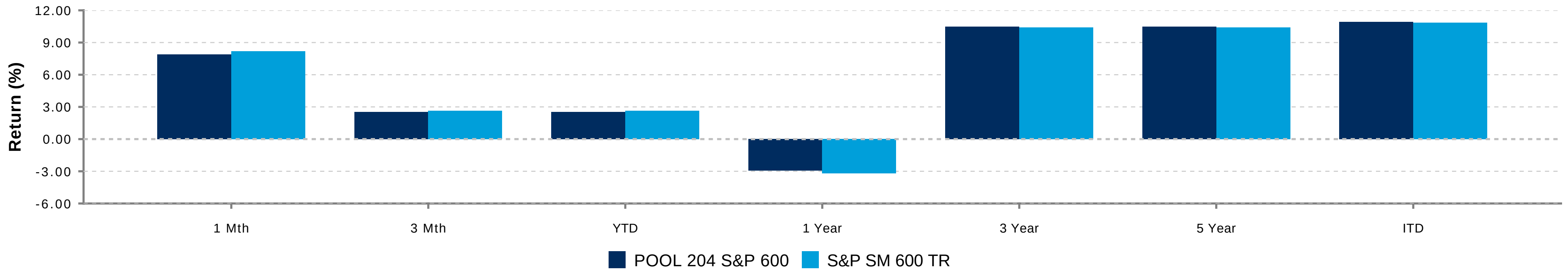
Net Asset Values over Time ($MM)



Cumulative Return (%)

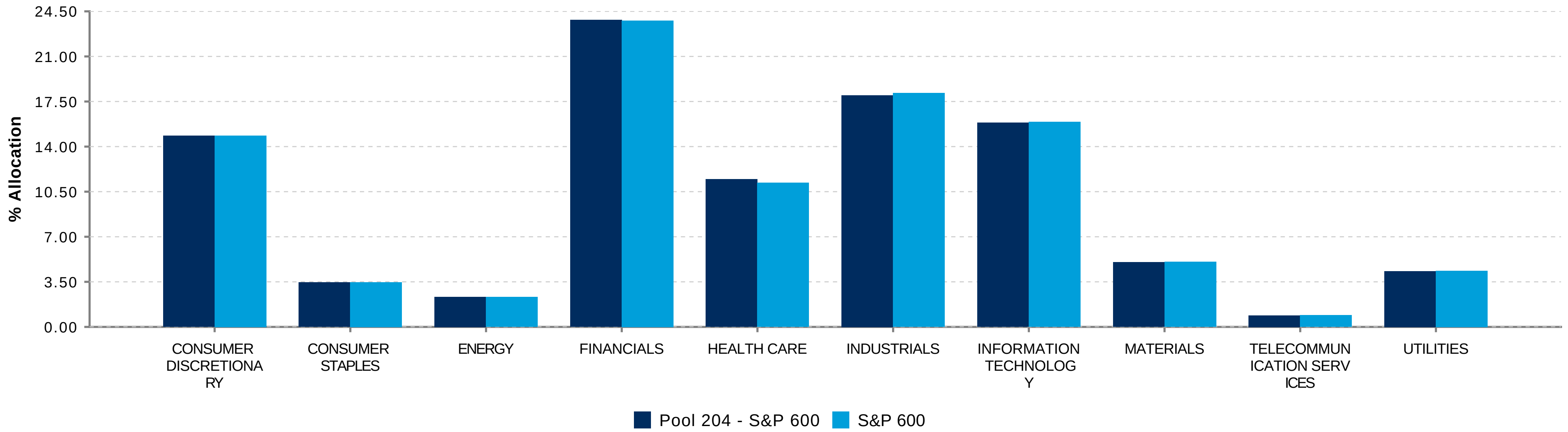


Rates of Return



	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Mar 31 2016	Mar 31 2015	Mar 31 2014
POOL 204 S&P 600	7.91	2.52	2.52	-2.93	10.48	10.49	10.93	-2.93	8.79	27.69
S&P SM 600 TR	8.20	2.66	2.66	-3.20	10.39	10.41	10.87	-3.20	8.72	27.81
Excess	-0.29	-0.14	-0.14	0.27	0.09	0.08	0.06	0.27	0.07	-0.12

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



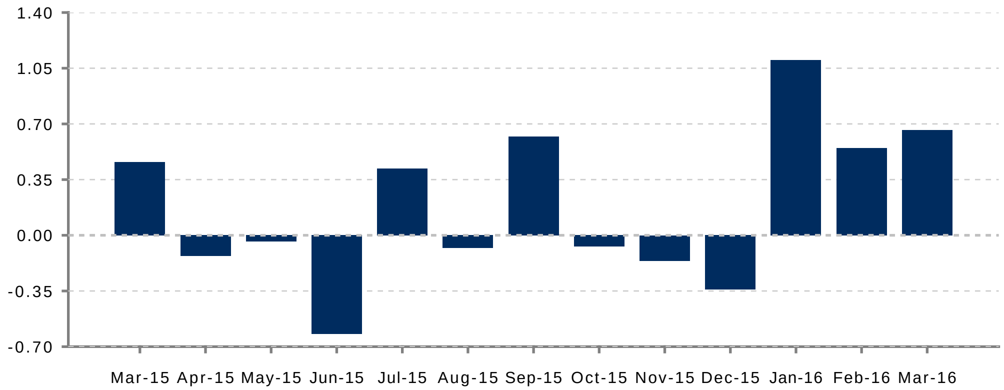
	Weight Fund	Weight Benchmark	Weight Relative
POOL 204 S&P 600	100.00	100.00	0.00
CONSUMER DISCRETIONARY	14.96	15.02	-0.06
CONSUMER STAPLES	3.43	3.46	-0.03
ENERGY	1.93	1.95	-0.01
FINANCIALS	24.41	24.45	-0.04
HEALTH CARE	11.34	11.29	0.05
INDUSTRIALS	17.67	17.81	-0.14
INFORMATION TECHNOLOGY	15.77	15.65	0.12
MATERIALS	4.87	4.73	0.14
TELECOMMUNICATION SERVICES	0.91	0.92	-0.01
UTILITIES	4.71	4.73	-0.02

OFFICE OF THE ARIZONA STATE TREASURER

March 31, 2016

POOL 205 FIXED INCOME

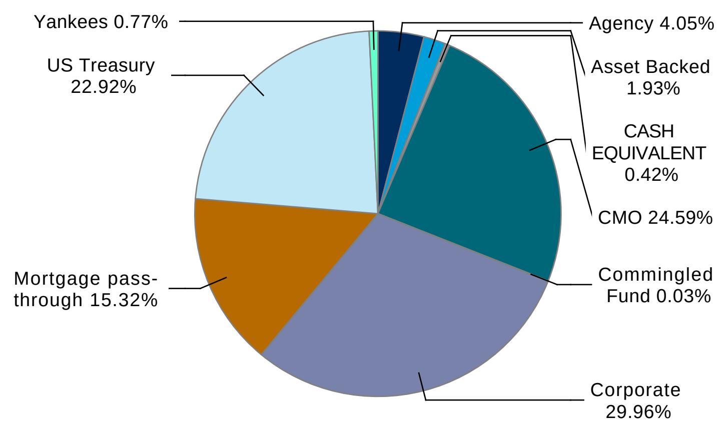
Net Mgr Return



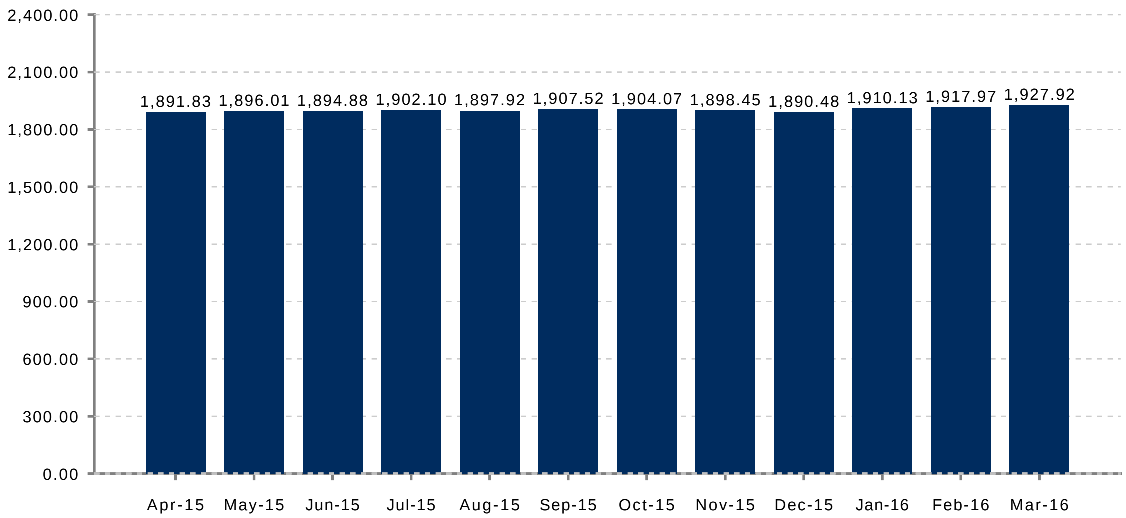
	Current Mth	Prior Mth	1 Year Ago
POOL 205 FIXED INCOME	0.66	0.55	0.46

Asset Allocation

	Ending Market Value
POOL 205 FIXED INCOME	1,927,916,810



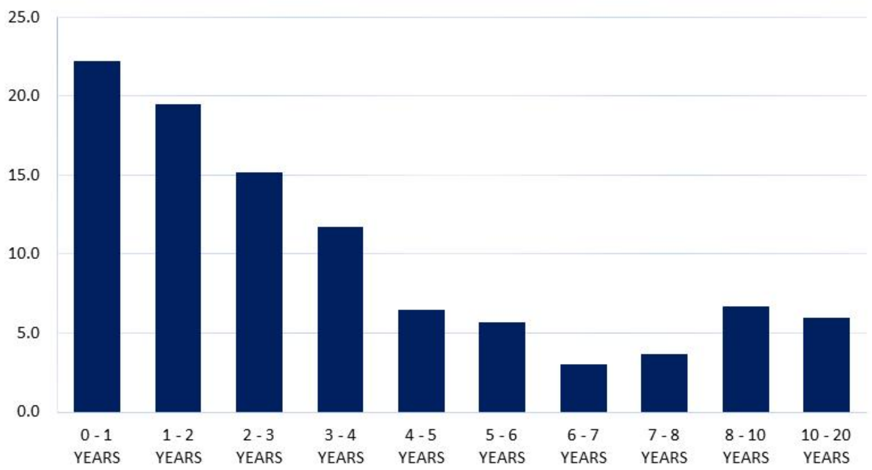
Net Asset Values over Time ($MM)



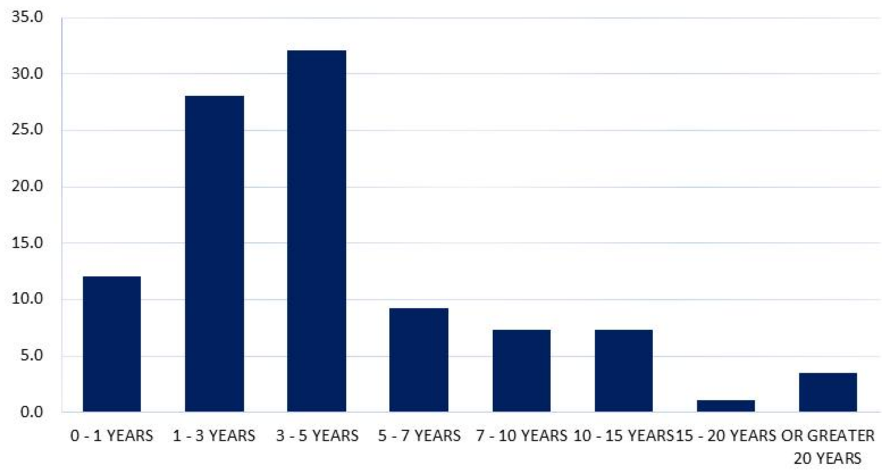
Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 205 FIXED INCOME		
US TREASURY N/B	17,387,755	0.90
WELLS FARGO + COMPANY	15,271,590	0.79
FIFTH THIRD BANK	14,980,338	0.78
US TREASURY N/B	14,958,264	0.78
US TREASURY N/B	14,768,892	0.77
US TREASURY N/B	14,690,333	0.76
3M COMPANY	13,564,238	0.70
IBM CORP	13,404,592	0.70
PRES + FELLOWS OF HARVAR	13,198,042	0.68
US TREASURY N/B	12,477,289	0.65

Duration Distribution



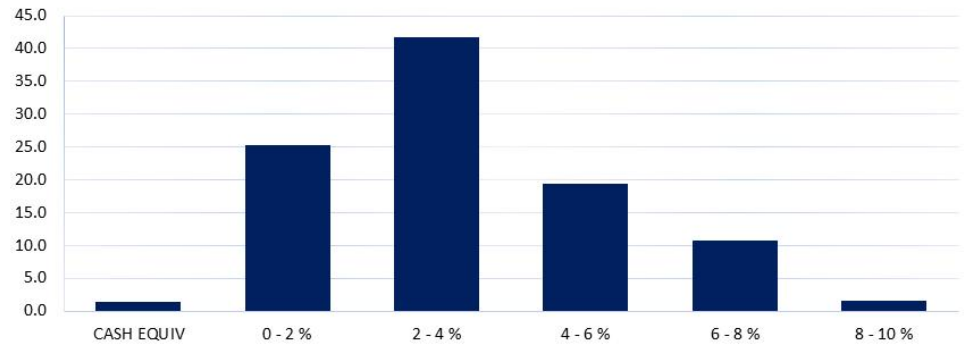
Expected Maturity Distribution



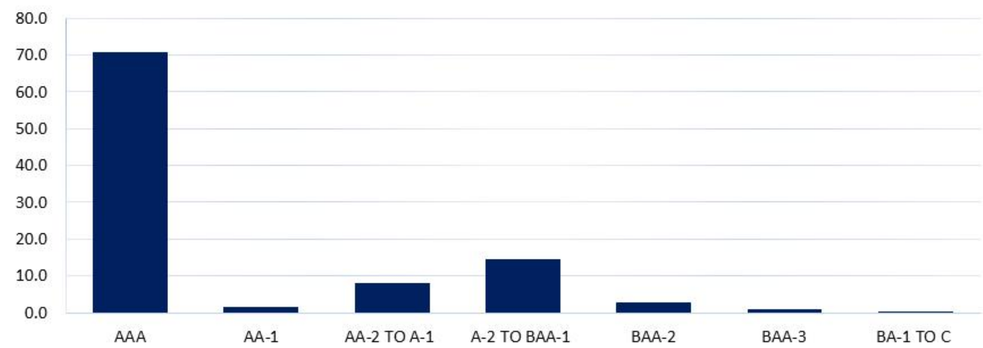
Portfolio Level Characteristics

	POOL 205 FIXED INCOME
Weighted Average Life	4.91
Coupon	3.47
Effective Duration	3.57
Quality Rating (Moody's)	AA-2

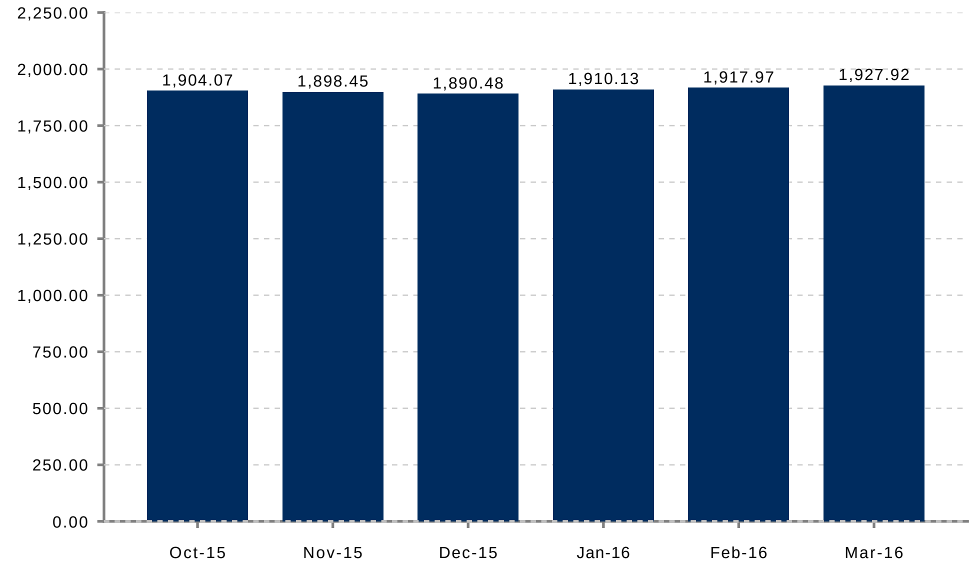
Coupon Distribution



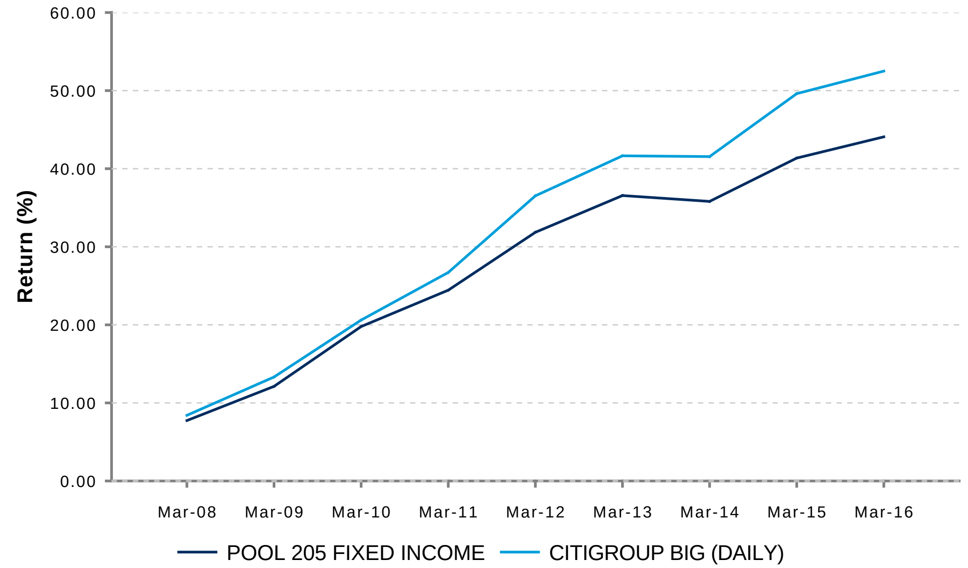
Rating Distribution



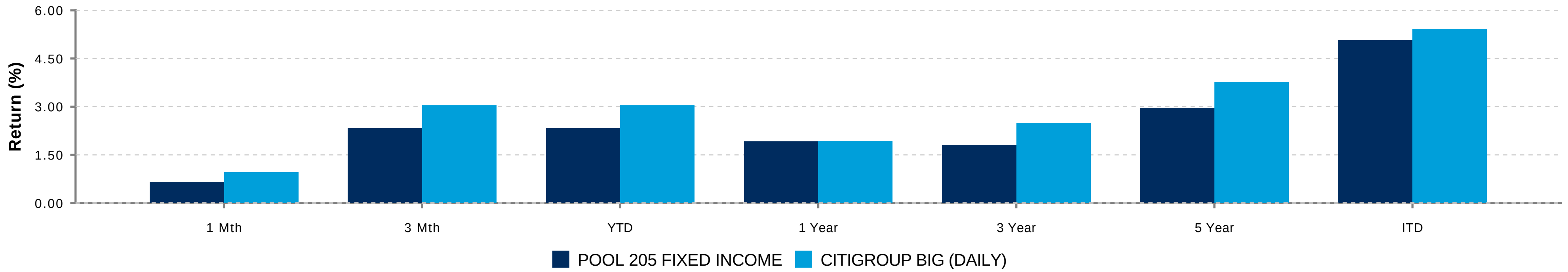
Net Asset Values over Time ($MM)



Cumulative Return (%)



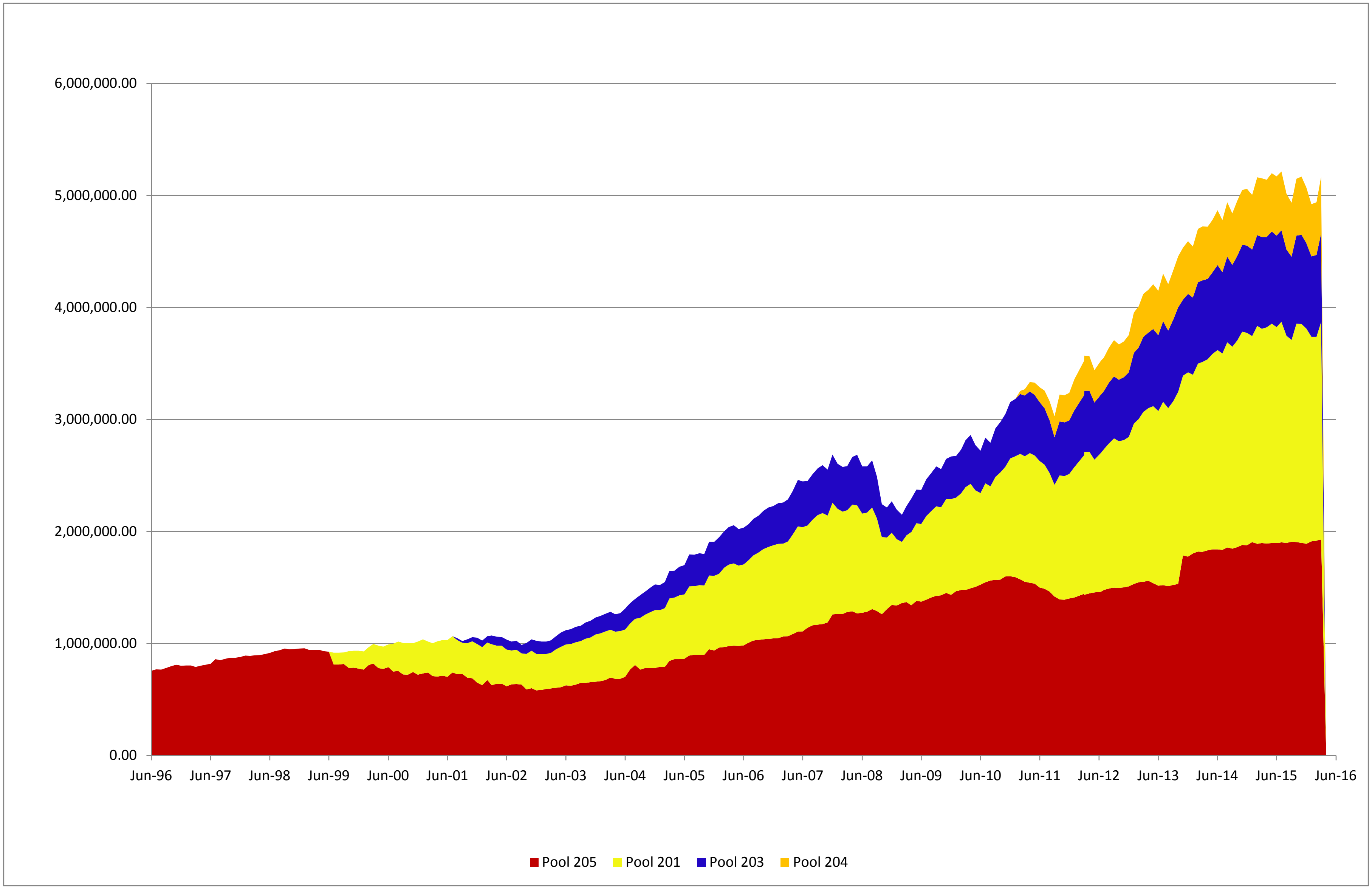
Rates of Return



	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Mar 31 2016	Mar 31 2015	Mar 31 2014
POOL 205 FIXED INCOME	0.66	2.32	2.32	1.92	1.80	2.97	5.07	1.92	4.09	-0.55
CITIGROUP BIG (DAILY)	0.96	3.04	3.04	1.93	2.49	3.77	5.41	1.93	5.70	-0.07
Excess	-0.30	-0.71	-0.71	-0.01	-0.69	-0.80	-0.34	-0.01	-1.61	-0.48

Thousands

Endowment Fund Market Value



BROKER ACTIVITY REPORT
STATE AGENCY POOLS 2, 3 Int., 4, 12,15,16 & 10 Int.
JANUARY 1 - MARCH 31, 2016

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
AMHERST SECURITIES				
	REPO	6,545,255,983	19.24%	18.30%
BA SECURITIES INC.				
	REPO	837,374,456	2.46%	2.34%
	COMMERCIAL PAPER	104,629,126	16.56%	0.29%
	CORP NOTES	17,987,900	15.18%	0.05%
	CORP ABS	78,497,044	56.88%	0.22%
	US TREAS	19,218,281	9.65%	0.05%
BARCLAYS CAPITAL INC.				
	COMMERCIAL PAPER	39,895,417	6.31%	0.11%
	CORP NOTES	14,689,685	12.39%	0.04%
	CORP ABS	18,498,521	13.41%	0.05%
	US AGENCY	58,166,678	11.54%	0.16%
	US TREAS	14,864,394	7.46%	0.04%
BNP PARIBAS				
	COMMERCIAL PAPER	19,983,811	3.16%	0.06%
CANTOR FITZGERALD				
	COMMERCIAL PAPER	69,920,567	11.06%	0.20%
	US AGENCY	44,179,567	8.76%	0.12%
	USA-MBS	27,596,491	54.76%	0.08%
CITIGROUP				
	CD's	40,004,865	38.10%	0.11%
	COMMERCIAL PAPER	29,987,917	4.74%	0.08%
	CORP NOTES	12,993,060	10.96%	0.04%
	CORP ABS	10,000,000	7.25%	0.03%
	US AGENCY	49,867,500	9.89%	0.14%
DAIWA CAPITAL MARKETS				
	REPO	312,531,282	0.92%	0.87%

BROKER ACTIVITY REPORT
STATE AGENCY POOLS 2, 3 Int., 4, 12,15,16 & 10 Int.
JANUARY 1 - MARCH 31, 2016

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
DEUTSCHE BANC				
	REPO	942,255,788	2.77%	2.63%
	US TREAS	18,988,169	9.53%	0.05%
FIRST TENNESSEE				
	COMMERCIAL PAPER	24,980,208	3.95%	0.07%
	US AGENCY	95,834,875	19.01%	0.27%
GOLDMAN SACHS				
	CD's	30,000,000	28.57%	0.08%
	CORP NOTES	16,992,790	14.34%	0.05%
GUGGENHEIM SECURITIES, LLC				
	REPO	345,000,000	1.01%	0.96%
JEFFERIES&CO				
	CORP NOTES	10,214,708	8.62%	0.03%
JP MORGAN CHASE				
	CD's	5,000,108	4.76%	0.01%
	COMMERCIAL PAPER	89,285,194	14.13%	0.25%
	CORP NOTES	24,992,140	21.09%	0.07%
	CORP ABS	15,998,845	11.59%	0.04%
	US AGENCY	8,994,420	1.78%	0.03%
	US TREAS	31,772,648	15.95%	0.09%
KEYBANC CAPITAL				
	US AGENCY	12,495,521	2.48%	0.03%
MARKETAXESS				
	CORP NOTES	2,456,780	2.07%	0.01%

BROKER ACTIVITY REPORT
STATE AGENCY POOLS 2, 3 Int., 4, 12,15,16 & 10 Int.
JANUARY 1 - MARCH 31, 2016

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
MIZUHO SECURITIES				
	REPO	180,000,000	0.53%	0.50%
	COMMERCIAL PAPER	49,939,583	7.90%	0.14%
	CORP ABS	10,499,726	7.61%	0.03%
	US TREAS	19,984,385	10.03%	0.06%
PIPER JAFFRAY				
	USA MBS	4,667,918	9.26%	0.01%
RBC CAPITAL MARKETS				
	CD's	30,006,201	28.57%	0.08%
	REPO	158,259,418	0.47%	0.44%
	COMMERCIAL PAPER	154,543,311	24.45%	0.43%
	US AGENCY	11,017,000	2.18%	0.03%
RAYMOND JAMES AND ASSOCIATES INC				
	US AGENCY	98,996,229	19.63%	0.28%
	USA MBS	16,017,705	31.78%	0.04%
ROBERT W. BAIRD				
	CORP NOTES	9,810,239	8.28%	0.03%
	US AGENCY	49,762,929	9.87%	0.14%
	USA-MBS	2,114,774	4.20%	0.01%
SOUTH STREET				
	REPO	21,232,250,435	62.40%	59.35%
STIFEL NICOLAUS				
	CORP NOTES	8,379,076	7.07%	0.02%
SUNTRUST ROBINSON				
	REPO	375,000,000	1.10%	1.05%

BROKER ACTIVITY REPORT
STATE AGENCY POOLS 2, 3 Int., 4, 12,15,16 & 10 Int.
JANUARY 1 - MARCH 31, 2016

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
WELLS FARGO				
	REPO	3,097,016,172	9.10%	8.66%
	COMMERCIAL PAPER	48,835,129	7.73%	0.14%
	CORP ABS	4,499,055	3.26%	0.01%
	US AGENCY	74,938,542	14.86%	0.21%
	US TREAS	94,395,383	47.38%	0.26%

BROKER ACTIVITY REPORT
LGIP POOLS 5, 7, 500 and 700
JANUARY 1 - MARCH 31, 2016

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
AMHERST SECURITIES				
	REPO	1,744,744,017	5.10%	4.87%
	US TREAS	59,873,223	20.26%	0.17%
BA SECURITIES INC.				
	REPO	5,262,625,544	15.39%	14.68%
	COMMERCIAL PAPER	222,569,348	17.99%	0.62%
	CORP NOTES	5,000,000	24.62%	0.01%
	CORP ABS	4,999,040	6.49%	0.01%
	US TREAS	62,906,503	21.29%	0.18%
BARCLAYS CAPITAL INC.				
	COMMERCIAL PAPER	6,196,469	0.50%	0.02%
	CORP ABS	14,000,000	18.18%	0.04%
	US AGENCY	2,024,044	11.29%	0.01%
BNY MELLON CAPITAL MARKETS				
	COMMERCIAL PAPER	99,905,733	8.08%	0.28%
	US AGENCY	5,912,979	32.97%	0.02%
BREAN CAPITAL				
	USA MBS	487,764	2.46%	0.00%
CANTOR FITZGERALD				
	COMMERCIAL PAPER	19,985,500	1.62%	0.06%
	USA-MBS	8,197,921	41.29%	0.02%
CITIGROUP				
	CORP NOTES	1,000,000	4.92%	0.00%
	CORP ABS	16,500,000	21.43%	0.05%
DAIWA CAPITAL MARKETS				
	REPO	11,887,468,718	34.77%	33.15%
	US TREAS	59,989,981	20.30%	0.17%

BROKER ACTIVITY REPORT
LGIP POOLS 5, 7, 500 and 700
JANUARY 1 - MARCH 31, 2016

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
DEUTSCHE BANC				
	REPO	502,744,212	1.47%	1.40%
	US TREAS	999,377	0.34%	0.00%
FIRST TENNESSEE				
	COMMERCIAL PAPER	24,980,208	2.02%	0.07%
GOLDMAN SACHS				
	CORP NOTES	1,000,000	4.92%	0.00%
GREAT PACIFIC				
	COMMERCIAL PAPER	291,022,358	23.53%	0.81%
GUGGENHEIM SECURITIES, LLC				
	REPO	75,000,000	0.22%	0.21%
JP MORGAN CHASE				
	COMMERCIAL PAPER	114,931,664	9.29%	0.32%
	CORP NOTES	2,999,060	14.77%	0.01%
	CORP ABS	29,500,000	38.31%	0.08%
	US AGENCY	999,380	5.57%	0.00%
MARKETAXESS				
	CORP NOTES	1,002,768	4.94%	0.00%
MITSUBISHI				
	COMMERCIAL PAPER	32,985,875	2.67%	0.09%
MIZUHO SECURITIES				
	CORP ABS	12,000,000	15.58%	0.03%
PIPER JAFFRAY				
	US AGENCY	937,240	5.23%	0.00%
	USA-MBS	4,947,187	24.91%	0.01%

BROKER ACTIVITY REPORT
LGIP POOLS 5, 7, 500 and 700
JANUARY 1 - MARCH 31, 2016

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
RAYMOND JAMES AND ASSOCIATES INC				
	USA MBS	6,223,672	31.34%	0.02%
RBC CAPITAL MARKETS				
	REPO	441,740,582	1.29%	1.23%
	COMMERCIAL PAPER	133,009,460	10.75%	0.37%
	CORP NOTES	4,000,000	19.70%	0.01%
	US AGENCY	5,000,000	27.88%	0.01%
ROBERT W. BAIRD				
	CORP NOTES	1,543,838	7.60%	0.00%
	US AGENCY	1,058,663	5.90%	0.00%
SOUTH STREET				
	REPO	5,087,749,565	14.88%	14.19%
STIFEL NICOLAUS				
	CORP NOTES	761,734	3.75%	0.00%
SUNTRUST ROBINSON				
	US AGENCY	2,000,000	11.15%	0.01%
WELLS FARGO				
	REPO	9,184,983,828	26.87%	25.62%
	COMMERCIAL PAPER	291,293,074	23.55%	0.81%
	CORP NOTES	2,999,310	14.77%	0.01%
	US TREAS	111,739,620	37.81%	0.31%

BROKER ACTIVITY REPORT
ENDOWMENT FIXED INCOME POOL 205
JANUARY 1 - MARCH 31, 2016

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
BA SECURITIES INC.				
	US TREAS	14,783,098	49.36%	11.43%
BARCLAYS CAPITAL INC.				
	US TREAS	5,058,229	16.89%	3.91%
BREAN CAPITAL				
	USA MBS	16,511,706	32.10%	12.76%
CANTOR FITZGERALD				
	USA MBS	29,300,878	56.97%	22.65%
CITIGROUP				
	CORP-NOTES	10,000,000	23.26%	7.73%
MITSUBISHI UFJ				
	CORP ABS	4,999,786	100.00%	3.86%
MORGAN STANLEY CAP				
	CORP-NOTES	4,994,800	11.62%	3.86%
PIPER JAFFRAY				
	USA MBS	2,926,125	5.69%	2.26%
RBC CAPITAL MARKETS				
	US MBS	2,695,871	5.24%	2.08%
WELLS FARGO				
	CORP-NOTES	27,994,880	65.12%	21.64%
	US TREAS	10,109,968	33.75%	7.81%

BROKER ACTIVITY REPORT
ENDOWMENT EQUITY POOLS 201, 203, & 204
JANUARY 1 - MARCH 31, 2016

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
BLOOMBERG				
	LARGE CAP	26,381,450	57.02%	18.70%
	MID CAP	42,405,667	79.90%	30.06%
	SMALL CAP	16,090,256	38.56%	11.41%
LIQUIDNET				
	LARGE CAP	3,439,071	7.43%	2.44%
	MID CAP	6,833,063	12.88%	4.84%
	SMALL CAP	2,649,514	6.35%	1.88%
MKM HOLDINGS				
	LARGE CAP	15,302,357	33.07%	10.85%
	MID CAP	1,625,877	3.06%	1.15%
	SMALL CAP	21,488,340	51.50%	15.23%
RAYMOND JAMES AND ASSOCIATES INC				
	LARGE CAP	143,756	0.31%	0.10%
	MID CAP	1,494,113	2.82%	1.06%
	SMALL CAP	1,091,909	2.62%	0.77%
SG AMERICAS SECURITIES LLC				
	LARGE CAP	1,002,045	2.17%	0.71%
	MID CAP	712,938	1.34%	0.51%
	SMALL CAP	406,520	0.97%	0.29%