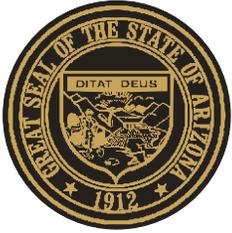


OFFICE OF THE
ARIZONA STATE TREASURER



**HON. DEAN MARTIN
TREASURER**



NOVEMBER 2009

Presented To:

Arizona State Board of Investment

DECEMBER 21, 2009

STATE BOARD OF INVESTMENT

A G E N D A

December 21, 2009

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

REPORT OF THE STATE TREASURER

FOR

December 21, 2009

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**Minutes of
BOARD OF INVESTMENT MEETING**

The regular meeting of the State Board of Investment was held on November 24, 2009 in the Office of the State Treasurer, 1700 West Washington, State Capitol, West Wing, Treasurer's Conference Room, Phoenix, Arizona. Treasurer Martin, Chair called the meeting to order at approximately 1:32 p.m.

Members Present:

Dean Martin, Chair, State Treasurer
David Raber, Interim Director of the Arizona Department of Administration
Beth Ford, Treasurer, Pima County, by teleconference
Thomas Wood, Interim Superintendent, Department of Financial Institutions

Members Absent:

Alan E. Maguire, President, The Maguire Company

Others Present:

Mark Swenson, Deputy Treasurer Strategic Planning, Audit & Research, Arizona State Treasurer's Office
Klint Tegland, Deputy Treasurer of Operations, Arizona State Treasurer's Office
Tim White, Senior Portfolio Manager, Arizona State Treasurer's Office
Chris Petkiewicz, Portfolio Manager, Arizona State Treasurer's Office
Patty Humbert, Portfolio Manager, Arizona State Treasurer's Office
Dale Stomberg, Investment Accounting Manager, Arizona State Treasurer's Office

Pursuant to A.R.S. 35-311, the following reports for October, 2009 were submitted for the Board's approval:

Review of Treasurer's Monthly Reports:

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

1. Call to Order:

Treasurer Martin called the November 24, 2009 BOI meeting to order at approximately 1:32 p.m.

2. Treasurers Comments:

Treasurer Martin welcomed board members and guests and thanked all present for attending the November 24, 2009 meeting.

3. Approval of Minutes:

Mr. Raber made a motion to approve the minutes for the October 28, 2009 Board of Investment Meeting. Mr. Wood seconded the motion. Motion carried.

4. Review of Treasurer's Monthly Report

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

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

Earnings Distribution – Investment Pools

Mr. Petkiewicz reported the earnings distributed month-to-date, year-to-date, prior year-to-date, and investment management fees deposited in the General Fund for the month of October, 2009.

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

Mr. Petkiewicz reported the net yields for the LGIP and LGIP-Gov Pools, as well as the comparisons to their relative benchmarks for the month of October, 2009.

Pool 500 Portfolio Yield Analysis

Mr. Petkiewicz reported the net yield for the LGIP Long Term Pool and the comparison to the benchmark for the month of October, 2009.

Manager Allocation of Invested Monies for the LGIP Pools

Mr. Petkiewicz reported the total market value invested in all of the LGIP Pools as a percentage of the total that was allocated to each of the LGIP, LGIP-Gov, and LGIP Long Term Pools as of October 31, 2009.

LGIP Pools Investments and Performance Reports

Mr. Petkiewicz reported the total net assets, the weighted average life, the weighted average rating, and the total number of holdings on the LGIP, LGIP-Gov, and LGIP Long Term pools for October 31, 2009.

Review of Treasurer's Monthly Report – Agency Pools:

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

State Agency Pools Portfolio Yield Analysis

Ms. Humbert reported the net yields for the State Agency Pools for the month of October, 2009.

Manager Allocation of Invested Monies for the State Agency Pools

Ms. Humbert reported the total market value of all of the State Agency Pools broken up to show the percent allocated to each individual State Agency Pool as of October 31, 2009.

Investments Outstanding in State Agency Pools

Ms. Humbert reported the total net assets, the weighted average life, the weighted average duration, the weighted average rating, and the total number of holdings for the State Agency Investment Pools as of October 31, 2009.

Operating Monies Average Invested Balance

Ms. Humbert reported the Operating Monies average invested balance for the month of October, 2009.

Treasurer Martin advised the Board that we set a record low with a balance of -224 in October. Referring to the chart "State Operating Balance: Actual vs Adjusted for One Time Transfers" he noted that the chart is showing that we are not yet seeing a recovery and we continue on the same downward path.

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:

Endowment Funds Yield Analysis

Mr. White reported the net yield of the Endowment Fund Fixed Income Pool for the month of October, 2009.

Net Realized Capital Gains/Losses – Endowment Funds

Mr. White reported the net realized capital gains for the Endowment Fixed Income, S&P 500, and S&P 400 pools for the month of October, 2009 and FY10 fiscal year to date.

Endowment Funds Fixed-Income Pool Purchases & Sales

Mr. White reported the purchases and sales of the Endowment Fixed Income Pool for the month of October, 2009.

Equity Funds Purchases & Sales

Mr. White reported the purchases and sales (summary) of the Endowment Equity Pools for the month of October, 2009.

Investments Outstanding in Endowment Funds

Mr. White reported the par, book, market value, and unrealized gains/loss of the Endowment Funds as of October 31, 2009.

Performance of Investments in Endowment Funds

Mr. White reported the performance of the Endowment Funds for the current month, the year to date, trailing one year, trailing three years, trailing five years, and since inception for the Endowment Funds as of October 31, 2009.

Manager Allocation of Invested Monies for the Endowment Pools

Mr. White reported the percentage of the total market value of all of the Endowment investments allocated to each of the Endowment Pools, as of October 31, 2009.

Equity Holdings Investments Outstanding S&P 500

Mr. White reported the investments outstanding by portfolio characteristics and industry sector and for the S&P 500 Pool as of October 31, 2009.

Equity Holdings Investments Outstanding S&P 400

Mr. White reported the investments outstanding by portfolio characteristics and industry sector for the S&P 400 Pool as of October 31, 2009.

Fixed Income Investments and Performance Reports

Mr. White reported the total net assets, the weighted average life, the weighted average duration, the weighted average yield to maturity, the weighted average rating, and the total number of holdings for the Fixed Income Pool for October 31, 2009.

Endowment Investments and Performance Growth by Account Reports

Mr. White reported the performance and growth for each of the Endowment Funds from the inception date of each fund through the end of October, 2009.

Approval of Treasurer's Report

Mr. Raber made a motion to approve the Treasurer's Report. Mr. Wood seconded the motion. Motion carried.

5. Proposed Changes to Investment Policy:

Treasurer Martin advised the board there were two changes to the Investment policy. The first change, on page five, was to take out the word corporations and replace it with the word entities. This change is being proposed in order to conform to the wording in the Arizona Revised Statutes. The second change was on page nine. It was to take out the letter F under Prohibited Investment Purchases which states "Interest bearing securities that have a possibility of not accruing current income". Treasurer Martin noted the reason for this change is "currently treasuries are generating zero yields right now, occasionally negative yields." He added that there are pools that have a statutory requirement to be invested in treasuries, and it is possible that zero or negative yielding Treasuries would be all that is available for us to purchase for those pools.

Mr. Raber made a motion to approve the changes to the Investment Policy. Mr. Wood seconded the motion. Motion carried.

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

There were no Securities Dealers to be approved this month.

7. General Business:

A. Sunset Review Discussion

Treasurer Martin advised the board that a supplemental response was being included with the Sunset Review Report. He noted that the supplemental portion "will provide some protection for the board so

there will be continuity between administrations". He added that the Treasurer will appoint the board members and they will be confirmed by the Senate, and they will be staggered, three year fixed terms.

Mr. Raber asked if the Treasurer's appointments are now staggered. Treasurer responded that currently they are not.

Mr. Raber made a motion to approve the supplemental response to the Sunset Review Report. Ms. Ford seconded the motion. Motion carried.

8. *Call to the Public*

There was no public comment.

9. *Notice of Next Meeting:*

The Treasurer advised the Board that the next regular meeting of the Board of Investment will be Monday, December 21, 2009 at 1:30 p.m. at 1700 West Washington, State Capitol, West Wing, Treasurer's Conference Room, Phoenix, Arizona.

10. *Adjournment:*

Mr. Raber made a motion to adjourn the BOI meeting. Mr. Wood seconded the motion. Upon unanimous approval, the BOI meeting was adjourned at 2:06 p.m.

Respectfully Submitted by:

Helen D. Garafola
Executive Consultant

Approved by:

Dean Martin, Chair

Date:

EARNINGS DISTRIBUTION - INVESTMENT POOLS
NOVEMBER 2009

State Treasurer's Report
December 21, 2009
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Recipient	Earnings Distributed			Fiscal YTD Investment Management Fees Received
	NOVEMBER 2009	Fiscal YTD 09/10	Fiscal YTD 08/09	
General Fund	\$0	\$339,296	\$8,954,014	
2 State Agencies I - Full Faith & Credit	899,277	8,162,234	14,826,622	144,095
3 State Agencies II - Diversified	940,878	8,366,496	21,750,534	307,591
4 State Agencies IV - Restricted Diversified	455,233	4,295,735	9,067,645	203,210
5 Local Governments	232,113	4,949,689	19,435,977	428,078
7 LGIP Gov't	135,752	3,499,523	19,579,247	667,347
12 CAWCD Medium-Term	316,930	2,605,024	2,216,252	29,706
15 GADA Long-Term	36,213	268,255	296,414	3,059
Subtotal	\$3,016,395	\$32,486,252	\$96,126,705	\$1,783,087
NAV POOL				
500 LGIP LT	223,658	941,539	1,020,284	18,648
700 LGIP GOV LT	12,821	12,821	0	4,815
Total	\$3,252,874	\$33,440,612	\$97,146,989	\$1,806,550

LGIP & LGIP-GOV
PORTFOLIO YIELD ANALYSIS
November 30, 2009

State Treasurer's Report
December 21, 2009
Page 2

FUND	DESCRIPTION	NET EARNINGS
5	LGIP	232,113
7	LGIP - GOV	135,752
TOTAL LGIP & LGIP-GOV		367,865

		09/30/09	10/31/09	11/30/09
5	LGIP MONTHLY YIELD (NET)	0.29%	0.28%	0.17%
	S & P LGIP INDEX YIELD	0.31%	0.26%	0.23%
	LGIP YTD YIELD (NET)	0.32%	0.31%	0.28%
	S & P LGIP YTD INDEX YIELD	0.34%	0.32%	0.30%
7	LGIP - GOV MONTHLY YIELD (NET)	0.11%	0.08%	0.05%
	3 MONTH T-BILL	0.11%	0.06%	0.04%
	* S & P LGIP - GOV INDEX YIELD	0.30%	0.22%	0.19%
	LGIP - GOV YTD YIELD (NET)	0.12%	0.11%	0.10%
	YTD 3 MONTH T-BILL	0.15%	0.13%	0.11%
	* S & P LGIP - GOV YTD INDEX YIELD	0.33%	0.30%	0.28%

* Note: The LGIP-GOV Pool consists of only securities explicitly backed by the full faith & credit of the US Government. The S&P LGIP-Gov Index consists of both securities implicitly and explicitly backed by the full faith & credit of the US Government.

**LGIP & LGIP-GOV LONG TERM POOL
PORTFOLIO YIELD ANALYSIS**
November 30, 2009

State Treasurer's Report
December 21, 2009
Page 3

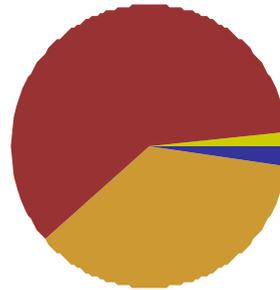
FUND	DESCRIPTION	NET EARNINGS
500	LGIP LONG TERM POOL	223,658
700	LGIP - GOV LONG TERM POOL	12,821
	TOTAL LGIP LONG TERM POOL	236,478

	09/30/09	10/31/09	11/30/09
LGIP LONG TERM MONTHLY YIELD (NET)	3.29%	2.76%	3.85%
MERRILL 1-5 US D M INDEX MONTHLY YIELD	2.43%	2.31%	1.84%
LGIP LONG TERM YTD YIELD (NET)	3.10%	3.02%	3.18%
MERRILL 1-5 US D M INDEX YTD YIELD	2.65%	2.56%	2.41%
LGIP - GOV LONG TERM MONTHLY YIELD (NET)			0.15%
MERRILL 1-5 US TREAS INDEX MONTHLY YIELD			1.00%
LGIP - GOV LONG TERM YTD YIELD (NET)			0.15%
MERRILL 1-5 US TREAS INDEX YTD YIELD			1.00%

Manager Allocation - Monthly Arizona State Treasury (05509) As at November 2009

LGIP composite (00550903)		
Account Name	Market Value(MIL)	Percent of Portfolio
State of Arizona - Pool 5 (LGIP) (10327300)	1,591.66	36.4%
State of Arizona - Pool 500 (LGIP - Med Term) (10327700)	73.30	1.7%
State of Arizona - Pool 7 (LGIP - FF&C) (10327400)	2,611.68	59.7%
State of Arizona - Pool 700 (10563200)	101.03	2.3%
TOTAL	4,377.67	100.0%

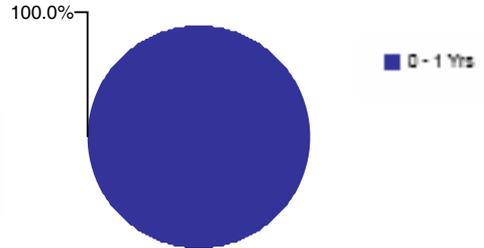
- State of Arizona - Pool 700 (10563200)
- State of Arizona - Pool 5 (LGIP) (10327300)
- State of Arizona - Pool 7 (LGIP - FF&C) (10327400)
- State of Arizona - Pool 500 (LGIP - Med Term) (10327700)



Portfolio Characteristics

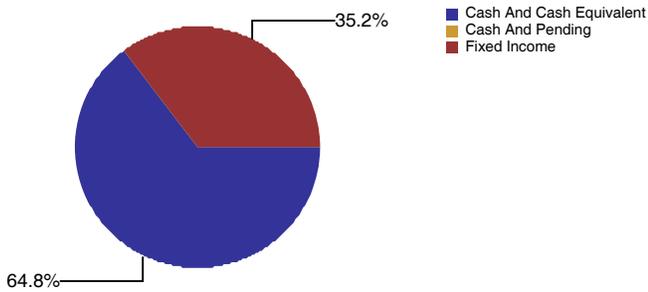
Duration Mix

Total Net Assets (Millions) **1,591.7**
 Weighted Average Life (Years) **0.19**
 Weighted Avg. Effective Duration (Years) **0.05**
 Weighted Average Rating **AAA**
 Number of Holdings **52**



Asset Mix

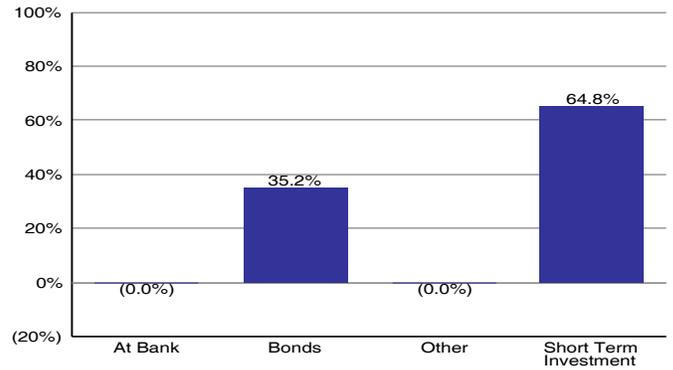
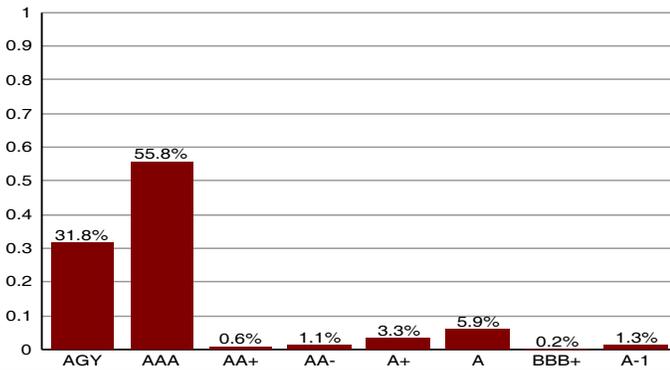
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
929274D	FDIC-CITIBANK NOW ACCOUNT 0.20% 15/DE	28.27%	0.20	15/12/2010
07299L595	TRI-PARTY REPO CITI	8.46%	0.08	1/12/2009
313385PZ3	FED HOME LOAN DISCOUNT NOTES 0% NTS 0	3.43%	0.00	2/12/2009
313385QJ8	FEDL HOME LOAN BK ZCP 11/DEC/2009	3.14%	0.00	11/12/2009
313589QQ9	FEDERAL NATL MTG ASSN DISC NT MATURES	3.14%	0.00	17/12/2009
459053SZ8	INTL BK FOR RECON & DEV DISC NT MATURE	3.14%	0.00	12/2/2010
3133XTLZ7	FEDERAL HOME LOAN BANKS CONS BD FLT 1	3.14%	0.00	29/4/2010
459053TP9	INTL BK FOR RECON & DEV DISC NT MATURE	3.01%	0.00	26/2/2010
46623ECW7	JP MORGAN CHASE & CO VAR 07/MAY/2010	2.51%	0.32	7/5/2010
459058AG8	INTERNATIONAL BANK FOR REC & DEV 1.05	2.32%	1.05	6/4/2010

Quality/Rating Weightings

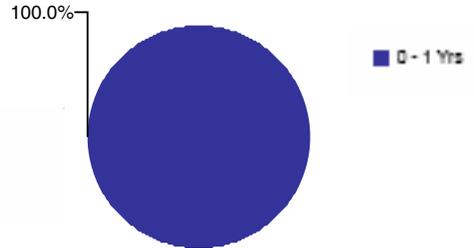
Sector Weightings (as % of Market Value)



Portfolio Characteristics

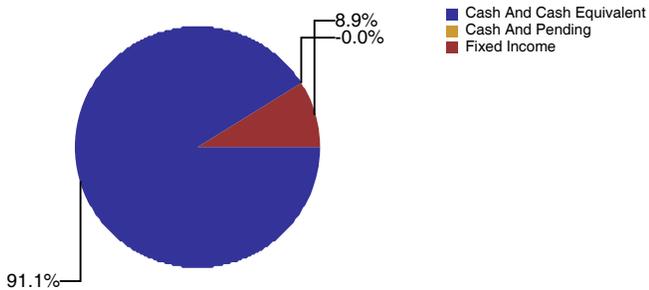
Duration Mix

Total Net Assets (Millions) **2,611.7**
 Weighted Average Life (Years) **0.06**
 Weighted Avg. Effective Duration (Years) **0.04**
 Weighted Average Rating **AAA**
 Number of Holdings **20**



Asset Mix

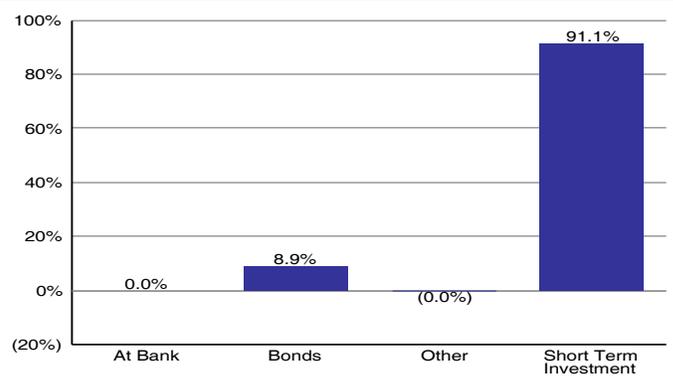
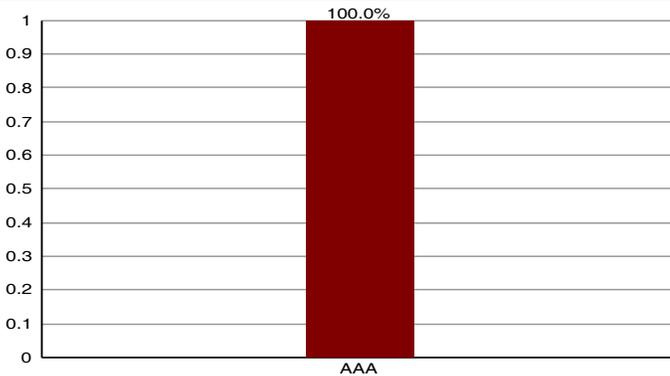
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
07299L595	TRI-PARTY REPO CITI	43.41%	0.08	1/12/2009
15199F253	TRI-PARTY REPO DEUTSCHE BANK 0.07% 04	19.14%	0.07	4/1/2010
929274D	FDIC-CITIBANK NOW ACCOUNT 0.20% 15/DE	13.40%	0.20	15/12/2010
912795R52	UNITED STATES TREAS BILLS DT	2.68%	0.00	24/12/2009
912795T27	UNITED STATES TREAS BILLS DT	2.68%	0.00	11/2/2010
912795R60	UNITED STATES TREAS BILLS DT	2.49%	0.00	31/12/2009
912828DR8	US TREASURY NOTE 4% DUE 15/APR/2010	1.95%	4.00	15/4/2010
912828DL1	UNITED STATES OF AMER TREAS NOTES 3.5	1.95%	3.50	15/2/2010
912828HL7	UNITED STATES OF AMER TREAS NOTES 3.2	1.94%	3.25	31/12/2009
912795R37	UNITED STATES TREAS BILLS DT	1.91%	0.00	10/12/2009

Quality/Rating Weightings

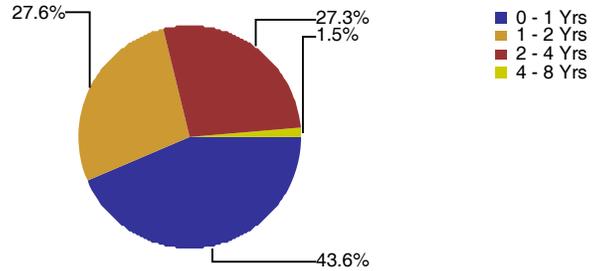
Sector Weightings (as % of Market Value)



Portfolio Characteristics

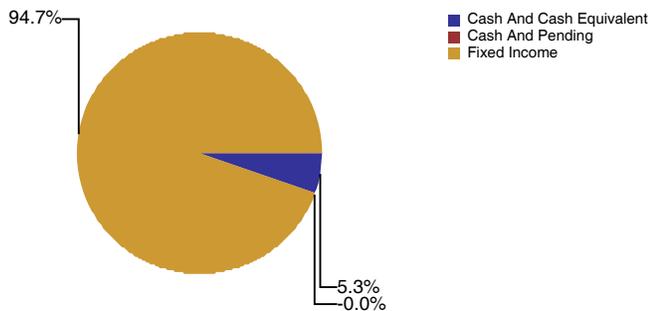
Duration Mix

Total Net Assets (Millions) **73.3**
 Weighted Average Life (Years) **2.11**
 Weighted Avg. Effective Duration (Years) **1.35**
 Weighted Average Rating **AA+**
 Number of Holdings **125**



Asset Mix

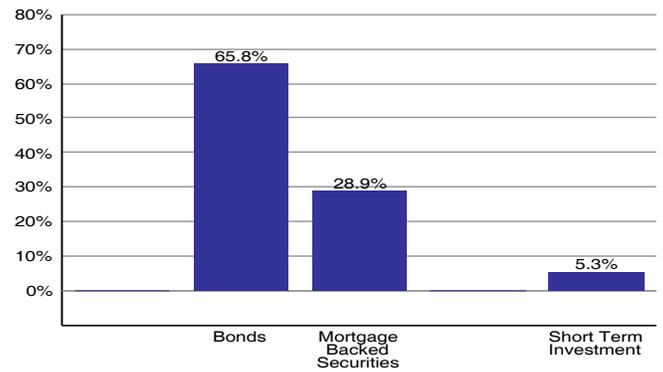
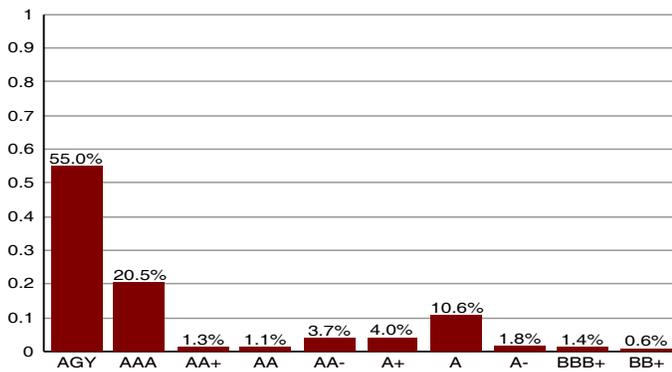
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
928989383	JP MORGAN U S GOVT AGENCY SHARES	3.51%	0.00	31/12/2049
31417SJP6	FNMA MORTPASS 4.5% 01/OCT/2024 CI PN#	2.86%	4.50	1/10/2024
3128X8KN1	FEDERAL HOME LN MTG CORP CALL 2.4%17/	2.76%	2.40	17/2/2012
3128X8QH8	FEDERAL HOME LOAN MORTGAGE CORP 2% NT	2.75%	2.00	16/3/2011
3128MMKJ1	FHLMCGLD MORTPASS 4.5% 01/FEB/2024 G1	2.69%	4.50	1/2/2024
31417SXR6	FNMA MORTPASS 5% 01/NOV/2024 CI PN# A	2.18%	5.00	1/11/2024
31371MAT4	FNMA MORTPASS 5.0% 01/APR/2015 POOL#2	1.97%	5.00	1/4/2015
31416BN38	FNMA MORTPASS 5.5% 01/NOV/2018 CI PN#	1.65%	5.50	1/11/2018
31403DHB8	FNMA MORTPASS 6% 01/MAY/2021 CI PN# 7	1.65%	6.00	1/5/2021
3128MBZR1	FHLMCGLD MORTPASS 6% 01/FEB/2019 G1 P	1.60%	6.00	1/2/2019

Quality/Rating Weightings

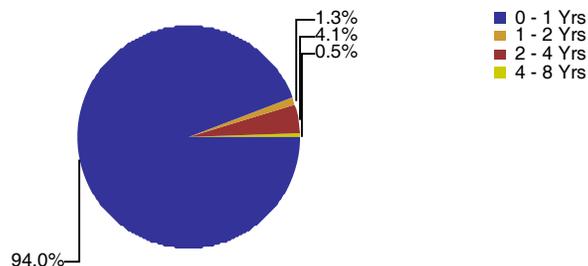
Sector Weightings (as % of Market Value)



Portfolio Characteristics

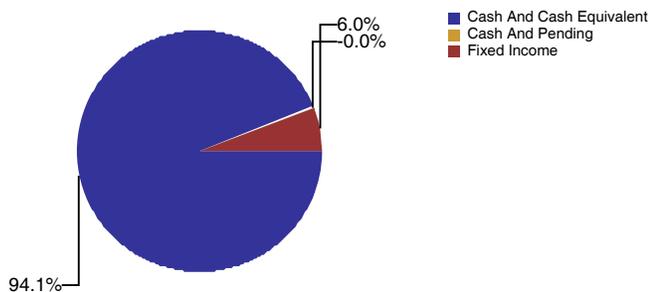
Duration Mix

Total Net Assets (Millions) **101.0**
 Weighted Average Life (Years) **0.22**
 Weighted Avg. Effective Duration (Years) **0.19**
 Weighted Average Rating **AAA**
 Number of Holdings **14**



Asset Mix

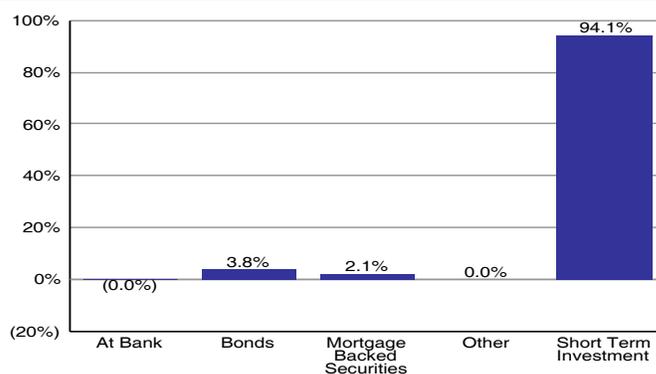
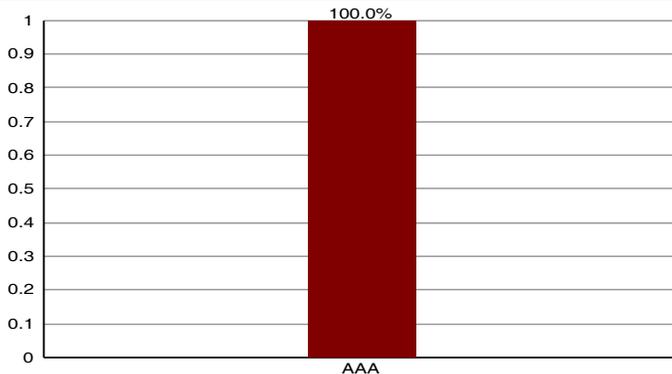
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
768512D	FDIC-CITIBANK .2% 12/DEC/2010 NOW ACC	49.49%	0.00	12/12/2010
892995T50	ARIZONA TREASURY REPO	39.59%	0.00	1/12/2009
768335D	UNITED STATES TREAS BILLS DT	3.96%	0.00	6/5/2010
36297KGS4	GNMA I MORTPASS 5% SF PN# 714009	2.09%	5.00	15/10/2039
17313UAA7	CITIGROUP INC 2.875% GTD BDS 09/DEC/2	1.30%	2.88	9/12/2011
17313YAG6	CITIGROUP FUNDING INC 2.125% NTS 12/J	1.02%	2.12	12/7/2012
17313UAE9	CITIGROUP INC 2.125% SRN 30/APR/2012	1.01%	2.12	30/4/2012
763462D	UNITED STATES TREAS BILLS DT	0.99%	0.00	3/6/2010
912828LS7	UNITED STATES TREAS NTS 2.375% 31/OCT	0.51%	2.38	31/10/2014
928989417	JP MORGAN TREASURY PLUS MMF AGENCY SH	0.02%	0.00	31/12/2049

Quality/Rating Weightings

Sector Weightings (as % of Market Value)



**STATE AGENCY POOLS
PORTFOLIO YIELD ANALYSIS**
November 30, 2009

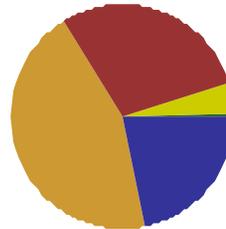
State Treasurer's Report
December 21, 2009
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FUND	DESCRIPTION	NET EARNINGS	NET YIELD
2	STATE AGENCIES I - FULL FAITH & CREDIT	899,277	1.8300%
3	STATE AGENCIES II - DIVERSIFIED	940,878	0.9500%
4	STATE AGENCIES IV-RESTRICTED DIVERSIFIED	455,233	0.7200%
12	CAWCD MEDIUM TERM	316,930	3.1400%
15	GADA	36,213	3.6200%
	TOTAL STATE AGENCIES	2,648,530	

Manager Allocation - Monthly
Arizona State Treasury (05509)
 As at November 2009

Pool Composite (00550904)		
Account Name	Market Value(ML)	Percent of Portfolio
State of Arizona - Pool 12 (CAWCD - Med Term) (10327500)	124.95	4.7%
State of Arizona - Pool 15 (GADA) (10327600)	12.45	0.5%
State of Arizona - Pool 2 (State Agency - FF&C) (10327000)	591.95	22.1%
State of Arizona - Pool 3 (State Agency - Diversified) (10327100)	1,192.55	44.4%
State of Arizona - Pool 4 (State Agency Rest Div) (10327200)	761.41	28.4%
TOTAL	2,683.30	100.0%

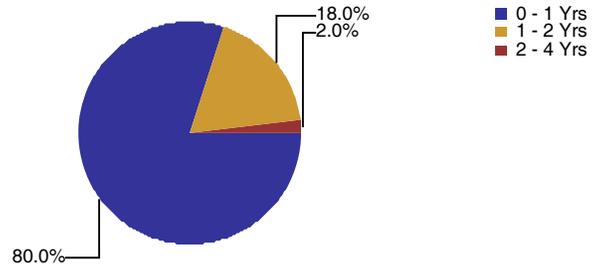
- State of Arizona - Pool 2 (State Agency - FF&C) (10327000)
- State of Arizona - Pool 3 (State Agency - Diversified) (10327100)
- State of Arizona - Pool 4 (State Agency Rest Div) (10327200)
- State of Arizona - Pool 12 (CAWCD - Med Term) (10327500)
- State of Arizona - Pool 15 (GADA) (10327600)



Portfolio Characteristics

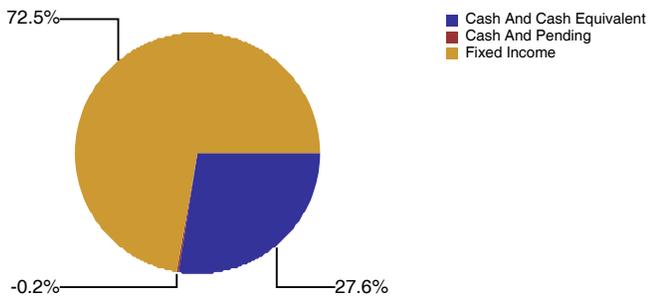
Duration Mix

Total Net Assets (Millions) **591.9**
 Weighted Average Life (Years) **0.72**
 Weighted Avg. Effective Duration (Years) **0.35**
 Weighted Average Rating **AAA**
 Number of Holdings **59**



Asset Mix

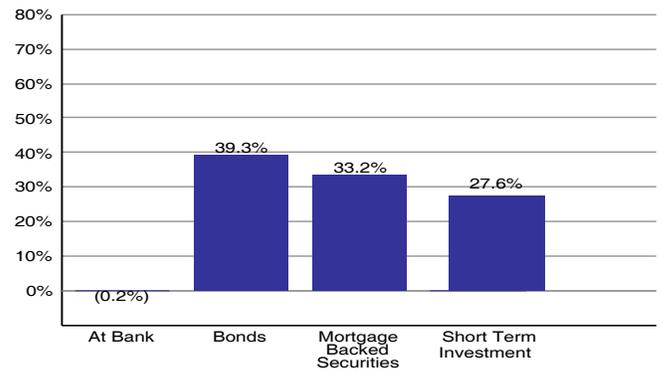
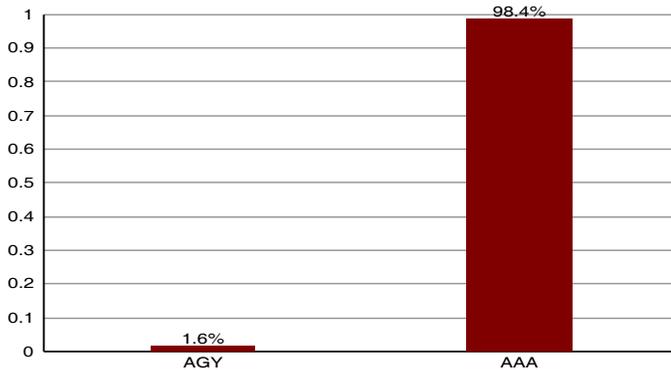
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
07299L595	TRI-PARTY REPO CITI	3.30%	0.08	1/12/2009
892995T50	ARIZONA TREASURY REPO	5.88%	0.00	1/12/2009
7591EAAA1	REGIONS BANK 2.75% BDS 10/DEC/2010 US	5.24%	2.75	10/12/2010
38374J6E1	GNMA REMIC TRUST 2004-93 PB 16/DEC/20	3.53%	5.00	16/12/2032
912828ED8	UNITED STATES OF AMER TREAS NOTES 4.1	3.51%	4.12	15/8/2010
36967HAG2	GENERAL ELECTRIC CAPITAL CORP SER'G'1	3.43%	1.62	7/1/2011
912828JA9	UNITED STATES TREAS NTS 2.625% 31/MAY	3.41%	2.62	31/5/2010
770839D	UNITED STATES ZERO 18/NOV/2010	3.36%	0.00	18/11/2010
36241KM54	GNMA I MORTPASS 5% 15/APR/2021 JP PN#	3.17%	5.00	15/4/2021
38373YG65	GINNIE MAE 2003-00 TC-MX 4.500% 16/MA	2.99%	4.50	16/5/2031

Quality/Rating Weightings

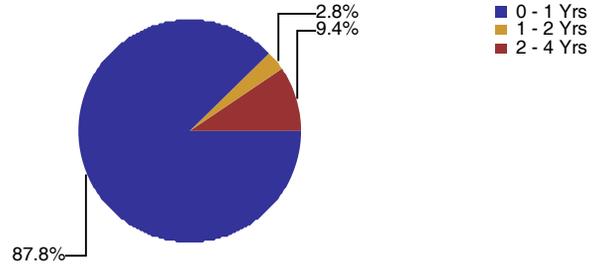
Sector Weightings (as % of Market Value)



Portfolio Characteristics

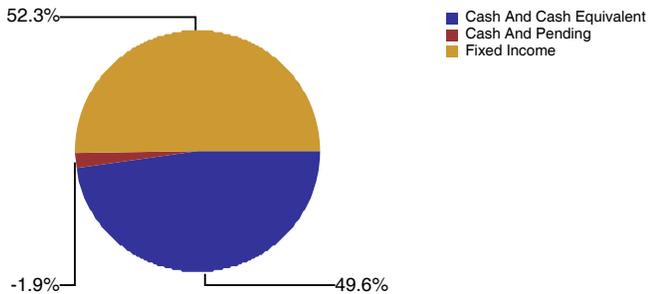
Duration Mix

Total Net Assets (Millions) **1,192.6**
 Weighted Average Life (Years) **0.82**
 Weighted Avg. Effective Duration (Years) **0.33**
 Weighted Average Rating **AA+**
 Number of Holdings **72**



Asset Mix

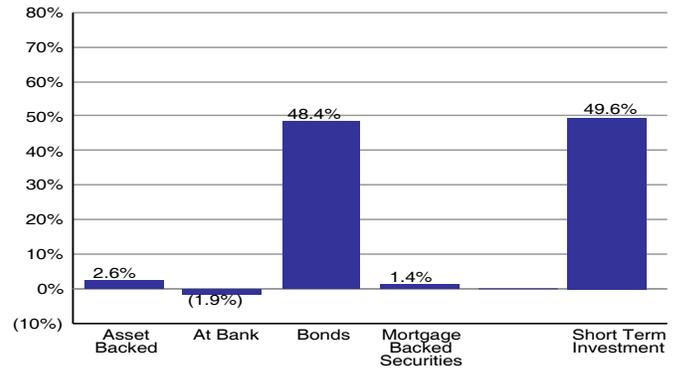
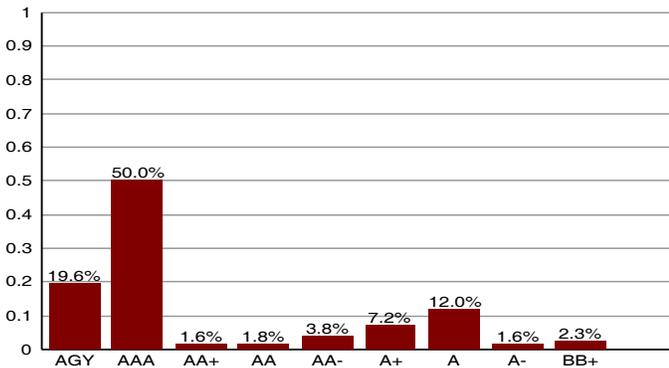
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
892995T50	ARIZONA TREASURY REPO	35.94%	0.00	1/12/2009
07299L595	TRI-PARTY REPO CITI	4.46%	0.08	1/12/2009
172967EG2	CITIGROUP INC VAR 13/AUG/2010	4.10%	0.42	13/8/2010
36962G2H6	GENERAL ELECTRIC CAPITAL CORP FLTG RA	2.69%	0.33	12/3/2010
46623ECW7	JP MORGAN CHASE & CO VAR 07/MAY/2010	2.47%	0.32	7/5/2010
31398AVW9	FEDERAL NATIONAL MORTGAGE ASSOC 2% SR	2.08%	2.00	1/4/2011
59018YE72	MERRILL LYNCH & CO INC FLTG RATE NTS	2.06%	0.54	5/6/2012
3128X83L4	FEDERAL HOME LN MTG CORP CALL STEP 13	1.99%	1.50	13/7/2012
88319QM26	TEXTRON FINL CORP MTN BE VR	1.92%	1.20	14/2/2011
931142CF8	WAL-MART STORES INC 5% BDS 05/APR/201	1.81%	5.00	5/4/2012

Quality/Rating Weightings

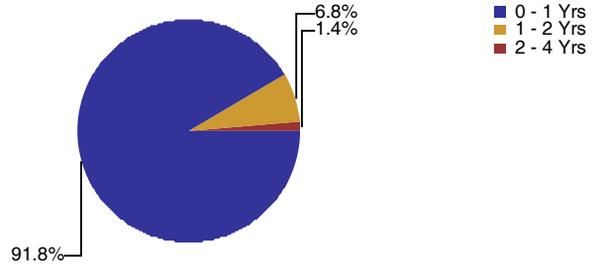
Sector Weightings (as % of Market Value)



Portfolio Characteristics

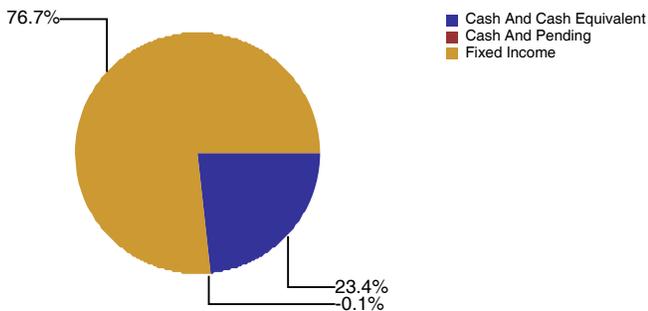
Duration Mix

Total Net Assets (Millions) **761.4**
 Weighted Average Life (Years) **1.33**
 Weighted Avg. Effective Duration (Years) **0.34**
 Weighted Average Rating **AGY**
 Number of Holdings **59**



Asset Mix

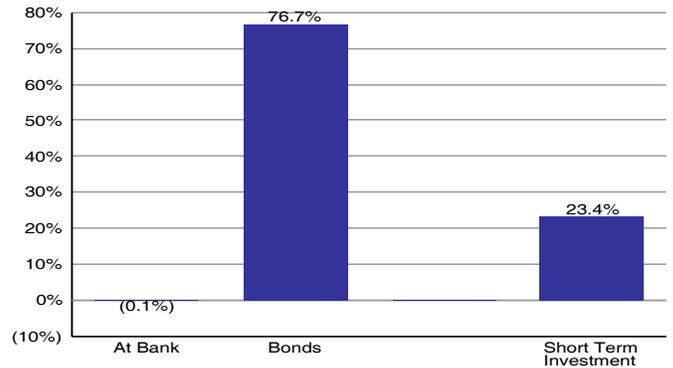
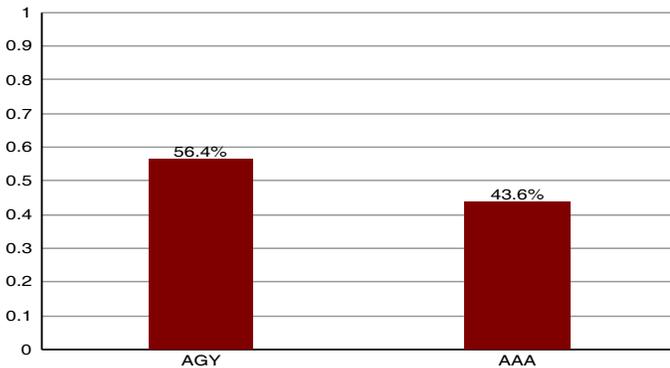
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
07299L59	TRI-PARTY REPO CITI	12.87%	0.08	1/12/2009
9128275Z1	UNITED STATES OF AMER TREAS NOTES 6.5	8.13%	6.50	15/2/2010
892995T50	ARIZONA TREASURY REPO	7.89%	0.00	1/12/2009
3128X8RR5	FEDERAL HOME LOAN MORTGAGE CORP 2.625	4.65%	2.62	19/3/2012
446436AB3	HUNTINGTON NATL BK FDIC TLGP GTD NT F	3.32%	0.76	1/6/2012
31359M2S1	FEDERAL NATIONAL MORTGAGE ASSOC 4.625	2.68%	4.62	15/12/2009
3128X82R2	FHLMC 1.50% 29/JUN/2012	2.66%	1.50	29/6/2012
3136F95T6	FEDERAL NATL MTG ASSN CALL STEP 27/JA	2.64%	1.25	27/1/2011
3128X8SK9	FEDERAL HOME LN MTG CORP CALL 2.5%23/	2.49%	2.50	23/3/2012
31331XE40	FEDERAL FARM CREDIT BANKS 5.25% BDS 1	2.11%	5.25	13/9/2010

Quality/Rating Weightings

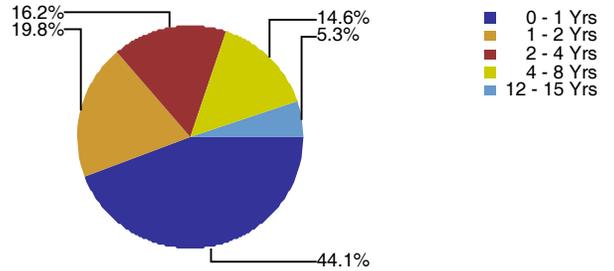
Sector Weightings (as % of Market Value)



Portfolio Characteristics

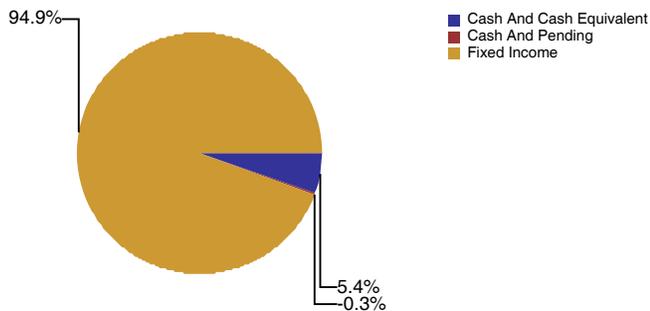
Duration Mix

Total Net Assets (Millions) **124.9**
 Weighted Average Life (Years) **5.16**
 Weighted Avg. Effective Duration (Years) **2.46**
 Weighted Average Rating **AA+**
 Number of Holdings **74**



Asset Mix

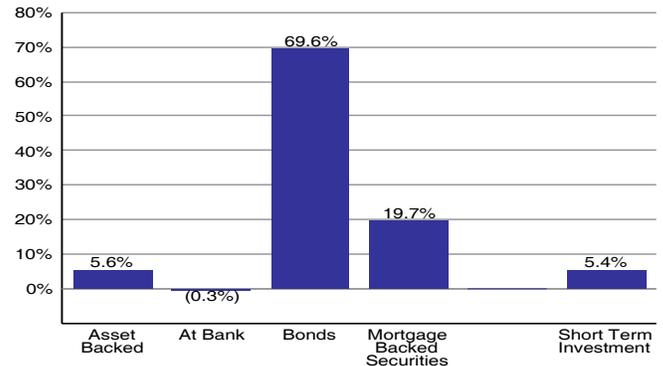
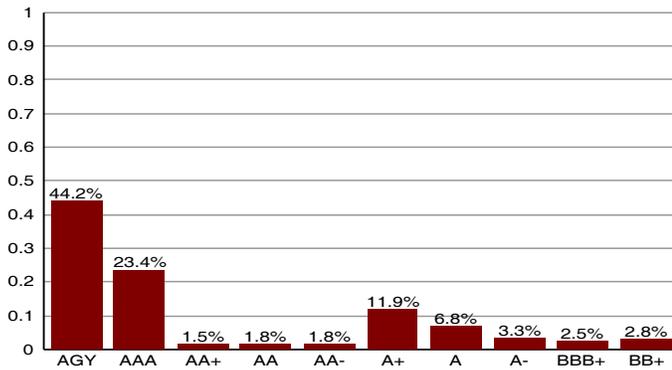
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
928989383	JP MORGAN U S GOVT AGENCY SHARES	5.40%	0.00	31/12/2049
3128X6XS0	FEDERAL HOME LN MTG CORP 5.55%25/JAN/	4.08%	5.55	25/1/2023
31398AST0	FEDERAL NATIONAL MORTGAGE ASSOC 4.15%	4.07%	4.15	13/1/2012
06423RBK1	BANK ONE ISSUANCE TRUST SER 2004-A3 C	3.89%	0.41	15/2/2017
740816AD5	PRESIDENT & FELLOWS HARVARD COLLEGE 5	3.42%	5.63	1/10/2038
31398AYW6	FEDERAL NATIONAL MORTGAGE ASSOC 3.5%	3.28%	3.50	25/8/2014
459200GJ4	INTERNATIONAL BUS MACH CORP 5.7% BDS	3.04%	5.70	14/9/2017
38374HD23	GINNIE MAE 2004-79 PA 5.000% 20/JAN/2	2.60%	5.00	20/1/2031
250847DS6	DETROIT EDISON CO 6.125% BDS 01/OCT/2	2.32%	6.12	1/10/2010
31393MG08	FREDDIE MAC 2585 CJ MAC 4.500% 15/DEC	2.20%	4.50	15/12/2032

Quality/Rating Weightings

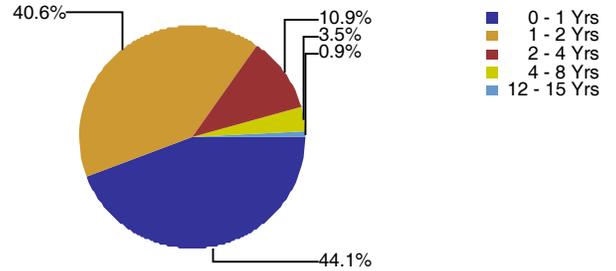
Sector Weightings (as % of Market Value)



Portfolio Characteristics

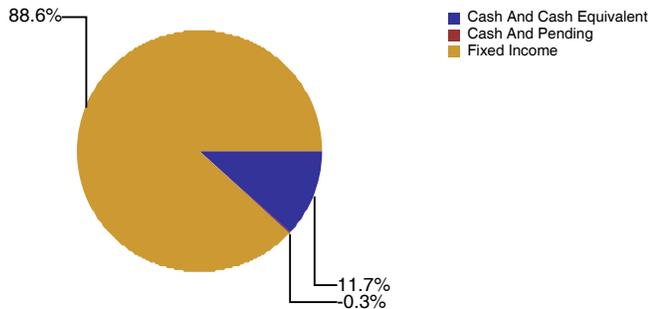
Duration Mix

Total Net Assets (Millions) **12.4**
 Weighted Average Life (Years) **4.11**
 Weighted Avg. Effective Duration (Years) **1.44**
 Weighted Average Rating **AA+**
 Number of Holdings **24**



Asset Mix

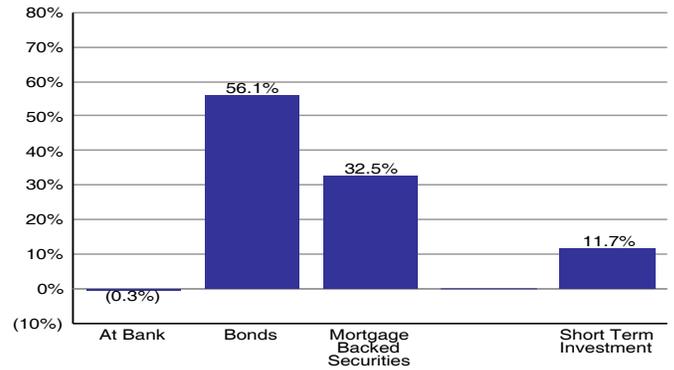
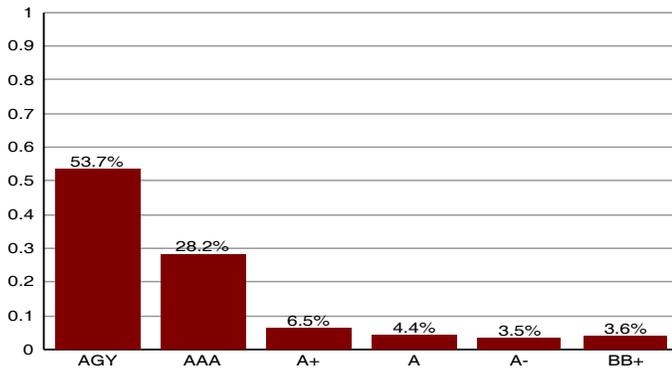
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
31294KT81	FEDERAL HOME LN MTG CORP GOLD POOL #	16.36%	4.50	1/9/2018
928989383	JP MORGAN U S GOVT AGENCY SHARES	11.70%	0.00	31/12/2049
36241KJZ2	GNMA I MORTPASS 4.5% 15/FEB/2021 JP P	7.62%	4.50	15/2/2021
31396WBV7	FEDERAL NATL MTG ASSOC 5.5% 25/JUN/20	5.77%	5.50	25/6/2027
10138MAH8	BOTTLING GROUP 6.95% SNR NTS 15/MAR/2	4.77%	6.95	15/3/2014
5526E2AC3	MBNA AMERICA BANK NA 7.125% 15/NOV/20	4.39%	7.12	15/11/2012
31331GZG7	FEDERAL FARM CR BKS GLOBAL CONS BD 4.	4.16%	4.25	23/6/2016
7591EAAA1	REGIONS BANK 2.75% BDS 10/DEC/2010 US	4.15%	2.75	10/12/2010
481247AD6	JPMORGAN CHASE & CO 2.625% NTS 01/DEC	4.14%	2.62	1/12/2010
3128X7U36	FEDERAL HOME LOAN MORTGAGE CORP	4.14%	3.75	30/7/2010

Quality/Rating Weightings

Sector Weightings (as % of Market Value)



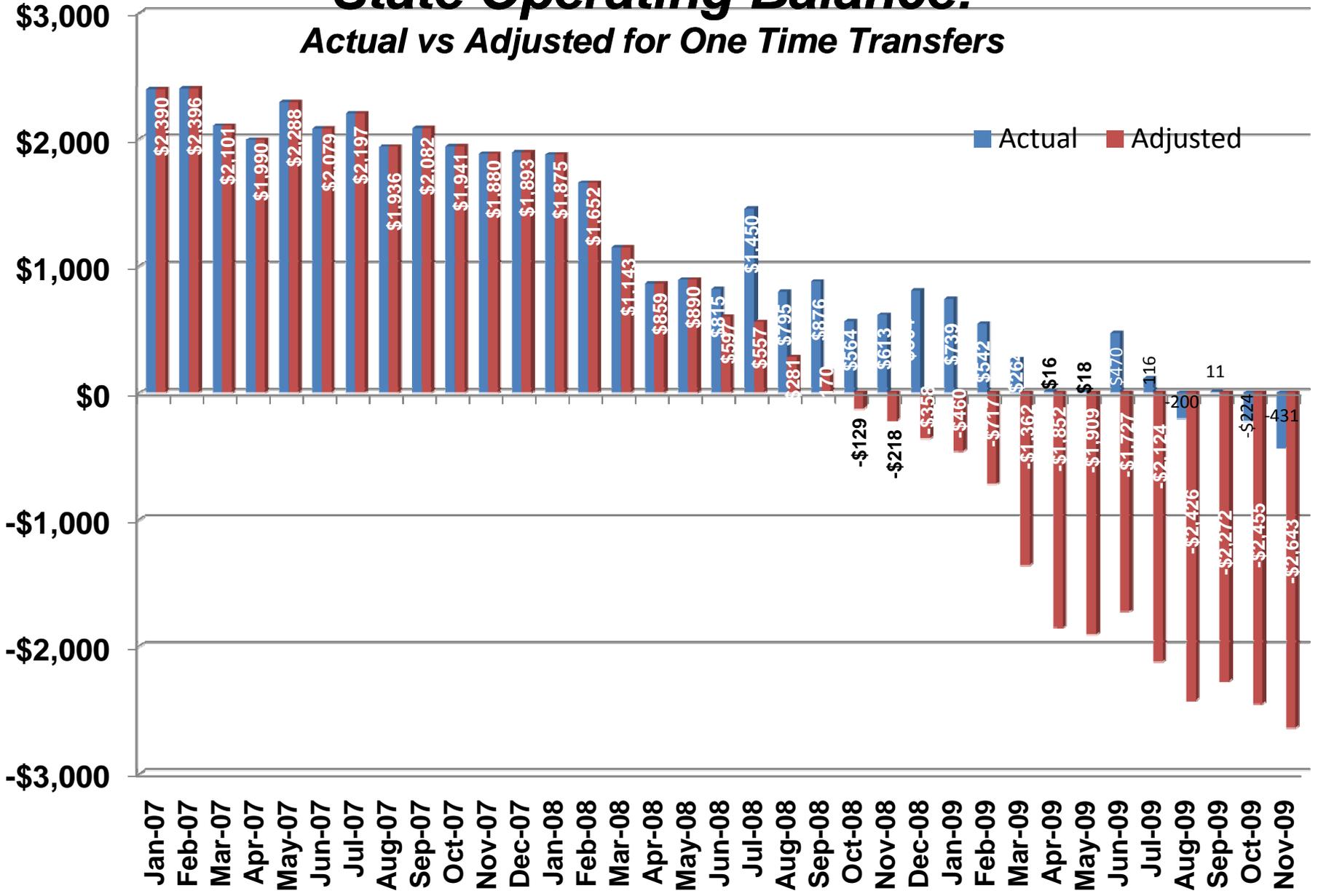
OPERATING MONIES
AVERAGE INVESTED BALANCE
Through November 30, 2009
(in millions of dollars)

State Treasurer's Report
December 21, 2009
Page 16

<u>Month</u>	<u>Fiscal Year</u> <u>2007/2008</u>	<u>Fiscal Year</u> <u>2008/2009</u>	<u>Fiscal Year</u> <u>2009/2010</u>
JULY	2,197	1,450	116
AUGUST	1,936	795	(200)
SEPTEMBER	2,082	876	11
OCTOBER	1,941	564	(224)
NOVEMBER	1,880	613	(431)
DECEMBER	1,893	804	
JANUARY	1,875	739	
FEBRUARY	1,652	542	
MARCH	1,143	264	
APRIL	859	16	
MAY	890	18	
JUNE	815	470	
Y-T-D			
Average	\$1,597	\$596	(\$146)

State Operating Balance:

Actual vs Adjusted for One Time Transfers



ENDOWMENT FUNDS
PORTFOLIO YIELD ANALYSIS
November 30, 2009

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FUND	DESCRIPTION	NET EARNINGS	NET YIELD
205	ENDOWMENTS - FIXED INCOME	4,389,447	5.7000%
	TOTAL ENDOWMENTS - FIXED INCOME	4,389,447	

NET REALIZED CAPITAL GAINS / LOSSES - ENDOWMENT FUNDS

Endowment Fund -----	Nov-09 NET GAIN(LOSS) -----	FISCAL YTD GAINS(LOSSES) -----
Fixed Income Pool Net Gain (Loss)	(74,847)	(2,180,880)
Equity Pool (500) Net Gain (Loss)	(173,405)	(1,639,928)
Equity Pool (400) Net Gain (Loss)	1,270,427	1,856,876
Totals	1,022,175 =====	(1,963,932) =====

EQUITY FUNDS
PURCHASES & SALES
Month of November 2009

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I. Equity Fund Purchases

	<u>SHARES</u>	<u>PURCHASE COST</u>	<u>COMMISSIONS</u>
S&P 400 Mid-Cap Fund	321,784	\$8,769,922	\$4,827
S&P 500 Large-Cap Fund	293,889	\$8,487,717	\$4,328
TOTAL EQUITY PURCHASES	615,673	\$17,257,639	\$9,155

II. Equity Funds Sales

	<u>SHARES</u>	<u>SALES AMOUNT</u>	<u>COMMISSIONS</u>
S&P 400 Mid-Cap Fund	408,131	\$12,631,368	\$6,062
S&P 500 Large-Cap Fund	6,332	\$172,096	\$95
TOTAL EQUITY SALES	414,463	\$12,803,464	\$6,157

ENDOWMENT FUNDS
INVESTMENTS OUTSTANDING
NOVEMBER 30, 2009
(In Thousands)

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FUND NAME OF FUND	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	UNREALIZED GAINS (LOSSES)	Mkt Value/ Book Value
101 A & M Colleges					
<i>Shares in S&P 500 Index Fund</i>	2,499	2,268	2,375	107	
<i>Shares in Mid-Cap 400 Equity Fund</i>	808	776	1,180	404	
<i>Shares in Fixed Income Fund</i>	2,721	3,044	4,354	1,310	
Total	6,028	6,089	7,909	1,820	1.299
102 State Hospital					
<i>Shares in S&P 500 Index Fund</i>	1,564	1,342	1,486	145	
<i>Shares in Mid-Cap 400 Equity Fund</i>	442	459	646	187	
<i>Shares in Fixed Income Fund</i>	1,559	1,801	2,495	694	
Total	3,566	3,601	4,627	1,026	1.285
103 Leg., Exec., & Jud.					
<i>Shares in S&P 500 Index Fund</i>	1,950	1,906	1,853	(53)	
<i>Shares in Mid-Cap 400 Equity Fund</i>	627	652	916	264	
<i>Shares in Fixed Income Fund</i>	2,299	2,559	3,680	1,121	
Total	4,877	5,117	6,449	1,331	1.260
104 Military Institute					
<i>Shares in S&P 500 Index Fund</i>	132	131	125	(6)	
<i>Shares in Mid-Cap 400 Equity Fund</i>	46	45	67	22	
<i>Shares in Fixed Income Fund</i>	163	176	262	85	
Total	341	352	454	102	1.289
105 Miners Hospital					
<i>Shares in S&P 500 Index Fund</i>	3,828	3,726	3,637	(89)	
<i>Shares in Mid-Cap 400 Equity Fund</i>	1,068	1,275	1,560	284	
<i>Shares in Fixed Income Fund</i>	3,922	5,002	6,276	1,274	
Total	8,818	10,004	11,473	1,469	1.147

ENDOWMENT FUNDS
INVESTMENTS OUTSTANDING
NOVEMBER 30, 2009
(In Thousands)

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FUND NAME OF FUND	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	UNREALIZED GAINS (LOSSES)	Mkt Value/ Book Value
107 Normal School ASU/NAU					
<i>Shares in S&P 500 Index Fund</i>	876	824	833	9	
<i>Shares in Mid-Cap 400 Equity Fund</i>	265	282	387	105	
<i>Shares in Fixed Income Fund</i>	950	1,106	1,520	415	
Total	2,091	2,211	2,740	528	1.239
108 Penitentiaries					
<i>Shares in S&P 500 Index Fund</i>	3,208	2,897	3,048	151	
<i>Shares in Mid-Cap 400 Equity Fund</i>	929	992	1,357	365	
<i>Shares in Fixed Income Fund</i>	3,224	3,888	5,159	1,270	
Total	7,360	7,777	9,563	1,787	1.230
109 Permanent Common School					
<i>Shares in S&P 500 Index Fund</i>	819,427	788,657	778,564	(10,093)	
<i>Shares in Mid-Cap 400 Equity Fund</i>	228,149	269,943	333,251	63,308	
<i>Shares in Fixed Income Fund</i>	841,949	1,058,600	1,347,380	288,780	
Total	1,889,525	2,117,200	2,459,195	341,996	1.162
110 School for Deaf & Blind					
<i>Shares in S&P 500 Index Fund</i>	1,143	1,078	1,086	8	
<i>Shares in Mid-Cap 400 Equity Fund</i>	370	369	541	171	
<i>Shares in Fixed Income Fund</i>	1,337	1,448	2,139	692	
Total	2,850	2,895	3,766	870	1.301
111 School of Mines					
<i>Shares in S&P 500 Index Fund</i>	2,861	2,777	2,719	(59)	
<i>Shares in Mid-Cap 400 Equity Fund</i>	870	951	1,271	321	
<i>Shares in Fixed Income Fund</i>	3,147	3,728	5,037	1,309	
Total	6,879	7,455	9,027	1,572	1.211

ENDOWMENT FUNDS
INVESTMENTS OUTSTANDING
NOVEMBER 30, 2009
(In Thousands)

State Treasurer's Report
December 21, 2009
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FUND NAME OF FUND	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	UNREALIZED GAINS (LOSSES)	Mkt Value/ Book Value
112 State Charitable					
<i>Shares in S&P 500 Index Fund</i>	29,813	27,762	28,327	565	
<i>Shares in Mid-Cap 400 Equity Fund</i>	7,823	9,502	11,427	1,925	
<i>Shares in Fixed Income Fund</i>	29,150	37,264	46,650	9,385	
Total	66,787	74,529	86,404	11,875	1.159
113 University Fund					
<i>Shares in S&P 500 Index Fund</i>	4,769	4,565	4,531	(34)	
<i>Shares in Mid-Cap 400 Equity Fund</i>	1,427	1,562	2,084	522	
<i>Shares in Fixed Income Fund</i>	5,203	6,127	8,327	2,200	
Total	11,399	12,254	14,942	2,688	1.219
114 U Of A Land - 1881					
<i>Shares in S&P 500 Index Fund</i>	10,092	9,646	9,589	(57)	
<i>Shares in Mid-Cap 400 Equity Fund</i>	3,074	3,302	4,490	1,189	
<i>Shares in Fixed Income Fund</i>	11,164	12,947	17,865	4,918	
Total	24,330	25,894	31,945	6,050	1.234
TOTALS - ALL FUNDS					
<i>Shares in S&P 500 Index Fund</i>	882,165	847,579	838,173	(9,405)	
<i>Shares in Mid-Cap 400 Equity Fund</i>	245,898	290,111	359,177	69,066	
<i>Shares in Fixed Income Fund</i>	906,789	1,137,690	1,451,143	313,454	
Grand Total	2,034,852	2,275,379	2,648,494	373,115	

ASSET ALLOCATION PERCENTAGE

	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE
<i>Shares in S&P 500 Index Fund</i>	43.35%	37.25%	31.65%
<i>Shares in Mid-Cap 400 Equity Fund</i>	12.08%	12.75%	13.56%
<i>Shares in Fixed Income Fund</i>	44.56%	50.00%	54.79%
Total	100.00%	100.00%	100.00%

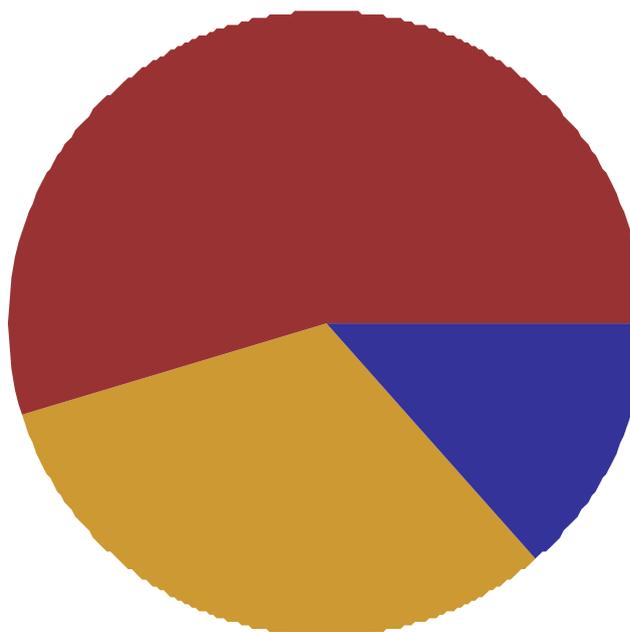
Performance Worksheet
Arizona State Treasury (05509)
As At November 2009
Gross of Fee

Total Endowment Fund Composite (00550902)													
ID	Name	Beginning Market Value	Ending Market Value	Cashflow	Current Month	Trailing Three Months	Year to Date	Fiscal Year To Date	Trailing One Year	Trailing Three Years	Trailing Five Years	Since Inception	Inception Date
10327800	S&P 500 Pool	785,824,320.63	838,173,251.68	5,978,837	5.90	7.88	24.07	20.20	25.44	(5.70)	0.60	(1.22)	07/01/1999
10327900	S&P 400 Pool	342,367,914.04	359,177,019.50	993,403	4.61	5.68	24.97	18.17	30.35	(3.87)	2.95	5.00	08/01/2001
10328000	Pool 205	1,429,259,653.97	1,451,143,472.50	6,979,907	1.04	2.24	7.36	4.33	10.55	6.57	5.47	6.36	07/01/1999
00550902	Total Endowment Fund Composite	2,557,451,888.64	2,648,493,743.68	13,952,147	3.01	4.43	14.56	10.76	17.53	0.86	3.78	4.39	07/01/1999

Manager Allocation - Monthly Arizona State Treasury (05509) As at November 2009

Total Endowment Fund Composite (00550902)		
Account Name	Market Value(MIL)	Percent of Portfolio
Pool 205 (10328000)	1,451.14	54.8%
S&P 400 Pool (10327900)	359.18	13.6%
S&P 500 Pool (10327800)	838.17	31.6%
TOTAL	2,648.49	100.0%

- S&P 400 Pool (10327900)
- S&P 500 Pool (10327800)
- Pool 205 (10328000)

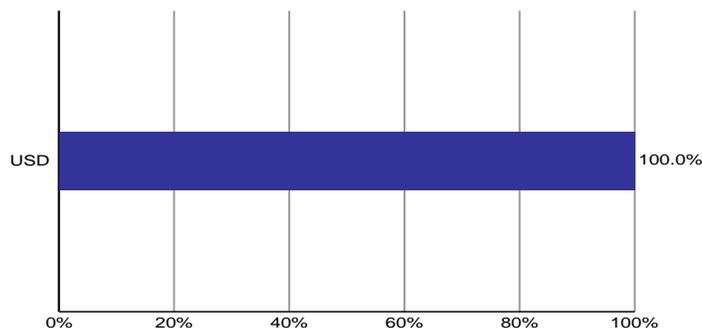


Portfolio Characteristics			Risk Measures			
Total Asset Value (in Millions)	838.2		Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Since Inception
P/E Ratio	3.25	Tracking Error	0.23	0.35	0.45	1.87
Price to Book Ratio	3.79	Information Ratio	0.25	0.27	(0.24)	(0.44)
Dividend Yield (%)	1.86	Std Deviation of Port.	22.20	19.76	15.94	16.24
Return on Equity (%)	31.21	Std Deviation of Bench.	22.31	19.89	16.09	16.08
Sales Growth (%)	14.37	Sharpe Ratio of Port.	1.14	(0.42)	(0.15)	(0.27)
Market Capitalization (\$ Billions)	79,514.25	Sharpe Ratio of Bench.	1.13	(0.42)	(0.15)	(0.22)
Earnings per Share (\$)	1.86	R-Squared	1.00	1.00	1.00	0.99
Number of Holdings	501	Jensen's Alpha	0.18	0.04	(0.13)	(0.82)

Top Ten Portfolio Holdings

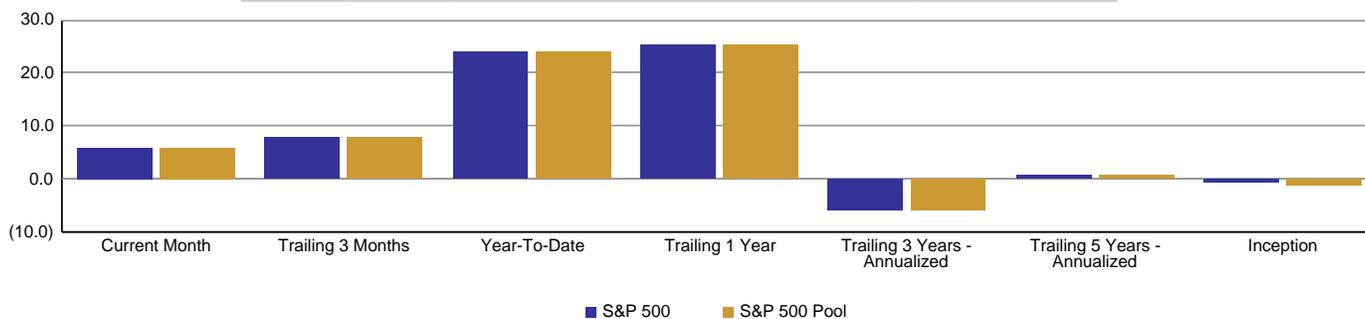
Security ID	Security Name	% of Assets
78462F103	SPDR TRUST UNITS SER 1 NPV	4.06%
30231G102	EXXON MOBIL CORP COM NPV	3.60%
594918104	MICROSOFT CORP COM USD0.0000125	2.28%
742718109	PROCTER & GAMBLE CO COM STK NPV	1.81%
037833100	APPLE INC COM STK NPV	1.78%
478160104	JOHNSON & JOHNSON COM STK USD1	1.73%
369604103	GENERAL ELECTRIC CO. COM STK USD0.06	1.69%
46625H100	JPMORGAN CHASE & CO COM STK USD1	1.66%
459200101	INTERNATIONAL BUS MACH CORP COM STK U	1.65%
00206R102	AT&T INC COM STK USD1	1.58%

Top Ten Currency Weights

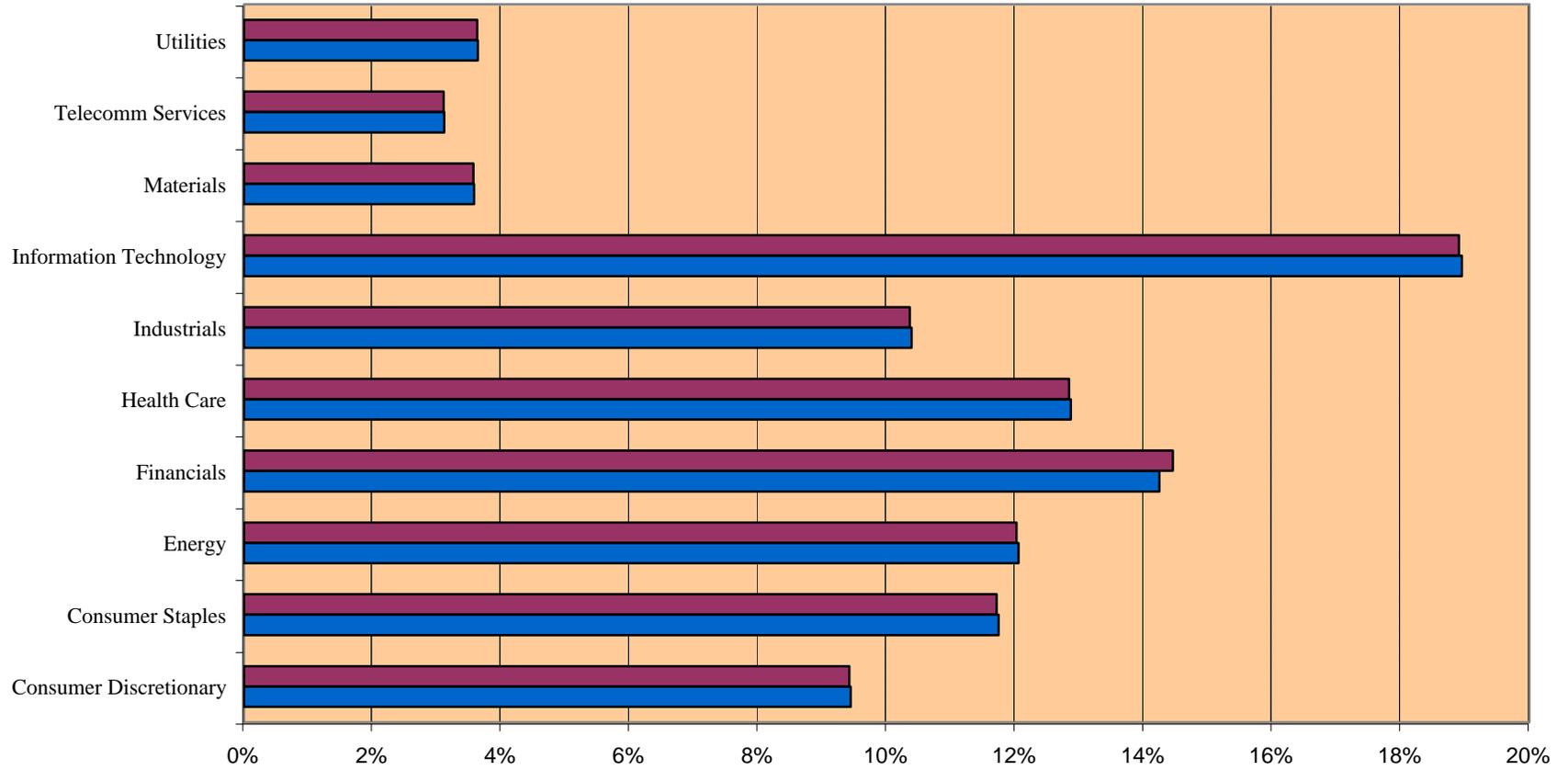


Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
S&P 500 Pool	5.90	7.88	24.07	25.44	(5.70)	0.60	(1.22)
S&P 500	6.00	7.91	24.07	25.39	(5.79)	0.71	(0.39)
Excess	(0.10)	(0.03)	(0.00)	0.06	0.09	(0.10)	(0.83)



**STATE OF ARIZONA
POOL 201 (S&P 500)
As of November 30, 2009**



	Consumer Discretionary	Consumer Staples	Energy	Financials	Health Care	Industrials	Information Technology	Materials	Telecomm Services	Utilities
■ S&P 500 Index	9.42%	11.71%	12.02%	14.45%	12.84%	10.36%	18.90%	3.57%	3.11%	3.63%
■ STATE OF ARIZONA - POOL 201	9.44%	11.74%	12.05%	14.24%	12.87%	10.39%	18.95%	3.58%	3.12%	3.64%

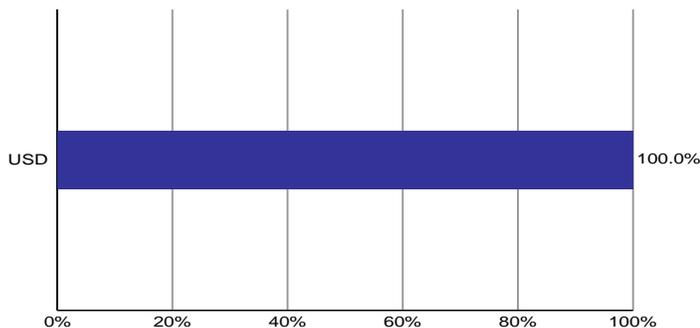
■ STATE OF ARIZONA - POOL 201
 ■ S&P 500 Index

Portfolio Characteristics		Risk Measures				
Total Asset Value (in Millions)	359.2	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Since Inception	
P/E Ratio	15.69	3.47	2.69	2.22	2.35	
Price to Book Ratio	2.13	Information Ratio	(1.50)	0.03	0.04	
Dividend Yield (%)	0.89	Std Deviation of Port.	21.90	22.42	18.53	
Return on Equity (%)	8.63	Std Deviation of Bench.	24.55	23.55	19.46	
Sales Growth (%)	10.07	Sharpe Ratio of Port.	1.38	(0.29)	(0.01)	
Market Capitalization (\$ Billions)	2,076.44	Sharpe Ratio of Bench.	1.44	(0.28)	(0.01)	
Earnings per Share (\$)	0.61	R-Squared	0.99	0.99	0.99	
Number of Holdings	202	Jensen's Alpha	(1.23)	(0.26)	0.07	

Top Ten Portfolio Holdings

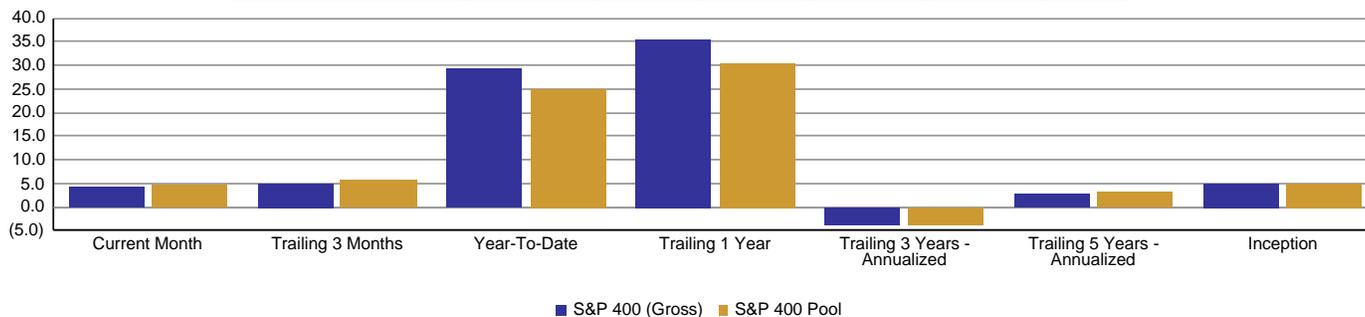
Security ID	Security Name	% of Assets
595635103	MIDCAP SPDR TRUST UNIT SERIES 1	38.43%
92532F100	VERTEX PHARMACEUTICAL COM STK USD0.01	0.71%
18683K101	CLIFFS NATURAL RESOURCES INC	0.59%
651290108	NEWFIELD EXPLORATION CO COM STK USD0.	0.57%
778296103	ROSS STORES INC COM STK USD0.01	0.56%
74153Q102	PRIDE INTL INC NEW COM USD0.01	0.56%
481165108	JOY GLOBAL INC COM STK USD1	0.56%
G3223R108	EVEREST RE GROUP COM STK USD0.01	0.53%
156782104	CERNER CORP COM STK USD0.01	0.51%
549271104	LUBRIZOL CORP COM STK NPV	0.50%

Top Ten Currency Weights

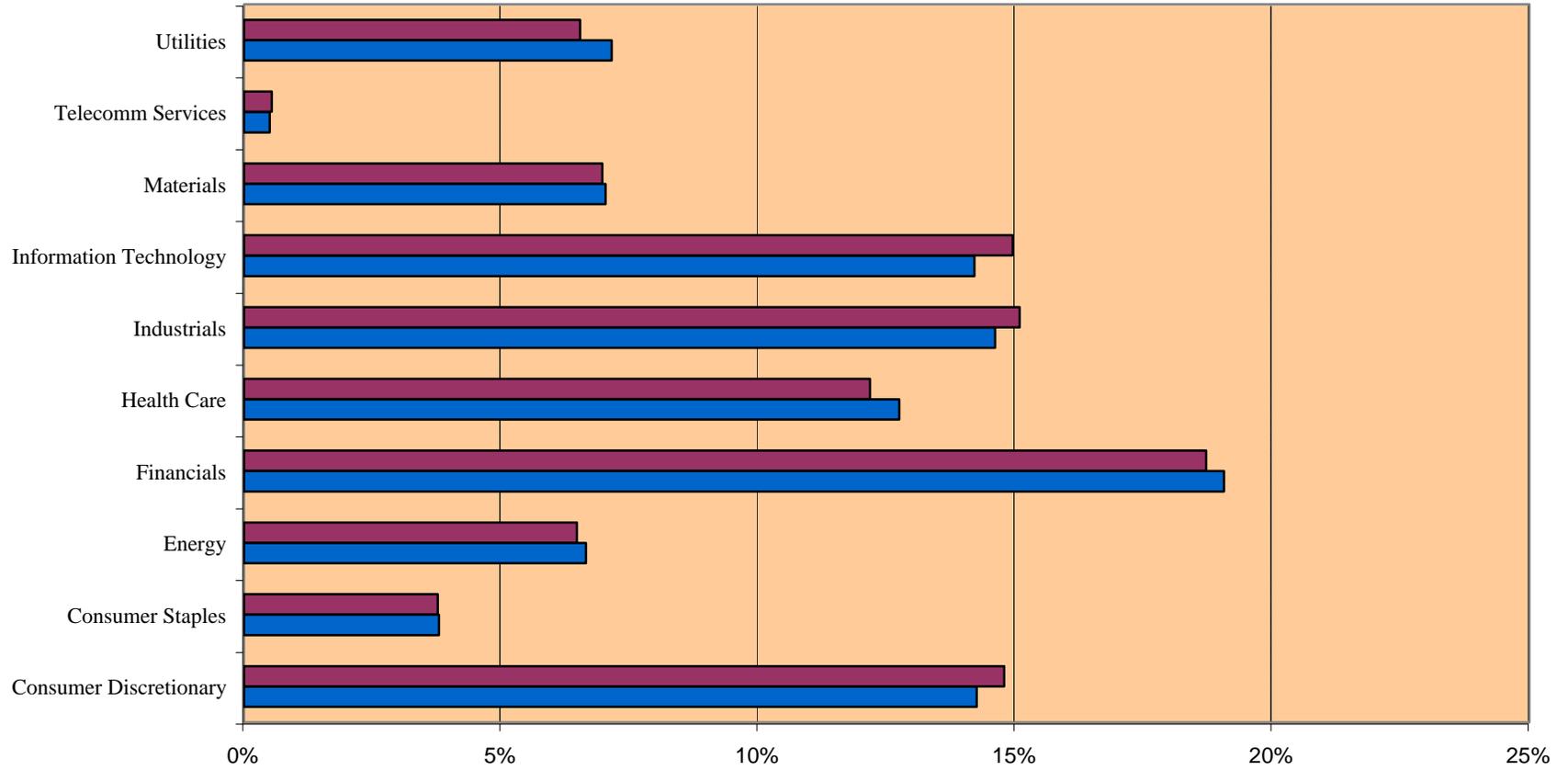


Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
S&P 400 Pool	4.61	5.68	24.97	30.35	(3.87)	2.95	5.00
S&P 400 (Gross)	4.05	5.01	29.27	35.53	(3.96)	2.87	4.91
Excess	0.56	0.67	(4.29)	(5.19)	0.09	0.09	0.09



**STATE OF ARIZONA
POOL 203 (S&P MIDCAP 400)
As of November 30, 2009**

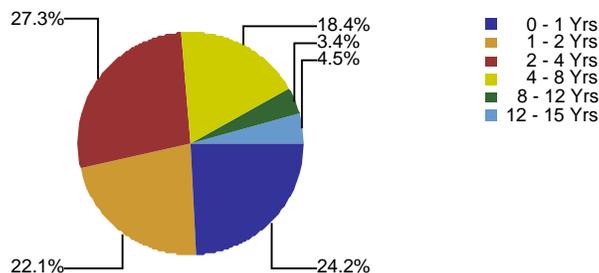


	Consumer Discretionary	Consumer Staples	Energy	Financials	Health Care	Industrials	Information Technology	Materials	Telecomm Services	Utilities
■ S&P MIDCAP 400	14.79%	3.77%	6.48%	18.71%	12.17%	15.08%	14.95%	6.97%	0.54%	6.54%
■ STATE OF ARIZONA - POOL 203	14.25%	3.79%	6.65%	19.06%	12.74%	14.61%	14.21%	7.03%	0.50%	7.15%

■ STATE OF ARIZONA - POOL 203
 ■ S&P MIDCAP 400

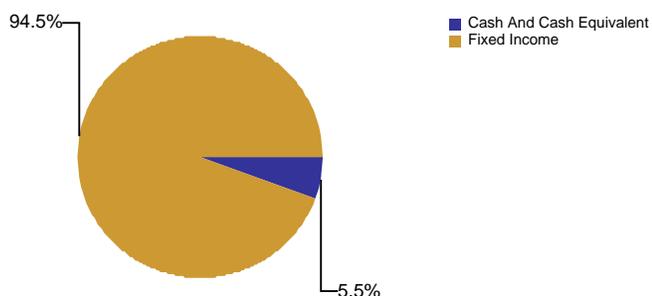
Portfolio Characteristics

Total Net Assets (Millions)	1,451.1
Weighted Average Life (Years)	4.87
Weighted Avg. Effective Duration (Years)	3.23
Weighted Average Coupon (%)	4.68
Weighted Average Current Yield (%)	2.18
Weighted Average Yield to Maturity (%)	2.20
Weighted Average Rating	AA+
Number of Holdings	227



Asset Mix

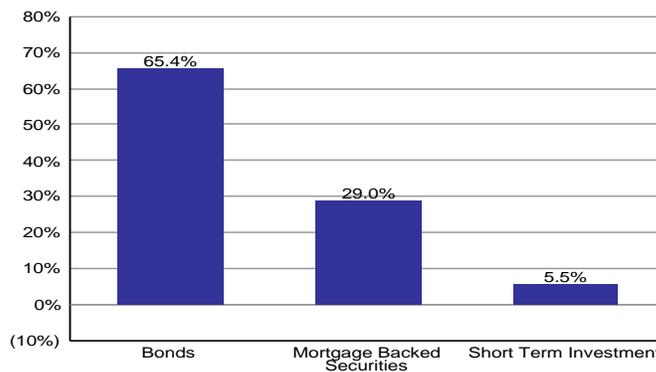
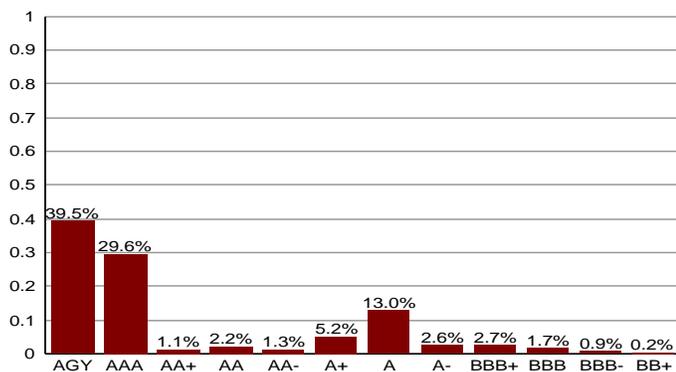
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
539992AA5	LOCAL GOVERNMENT INVESTMENT POOL	5.51%	0.00	31/12/2049
31359MQV8	FANNIE MAE BOND 4.75%	1.54%	4.75	21/2/2013
912828FK1	UNITED STATES OF AMER TREAS NOTES 5.1	1.13%	5.12	30/6/2011
92343VAN4	VERIZON COMMUNICATIONS INC 5.25% NTS	1.10%	5.25	15/4/2013
931142BV4	WAL MART STORES 931142BV4 4.125% 15/F	1.08%	4.12	15/2/2011
31395LZM6	FREDDIE MAC 2936 PB 5.000% 15/FEB/202	0.90%	5.00	15/2/2028
31396VAS7	FEDERAL NATL MTG ASSOC 5.5% 25/APR/20	0.83%	5.50	25/4/2017
134429AR0	CAMPBELL SOUP CO 5% 03/DEC/2012	0.77%	5.00	3/12/2012
912828GZ7	US TREAS NTS 04.625% 31/JUL/2012	0.77%	4.62	31/7/2012
31406FBL4	FNMA MORTPASS 5.5% 01/SEP/2034 CL PN#	0.77%	5.50	1/9/2034

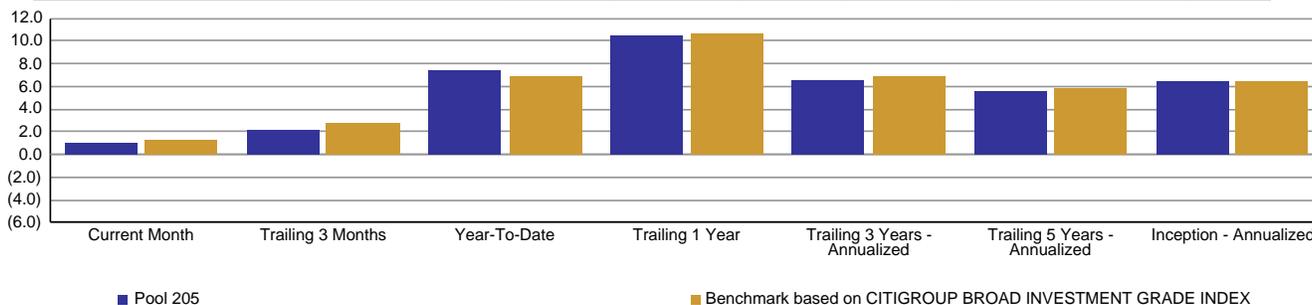
Quality/Rating Weightings

Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
Pool 205	1.04	2.24	7.36	10.55	6.57	5.47	6.36
Benchmark based on CITIGROUP BROAD INVESTMENT GRADE INDEX	1.34	2.84	6.91	10.60	6.84	5.80	6.44
Excess	(0.30)	(0.60)	0.46	(0.05)	(0.28)	(0.33)	(0.09)

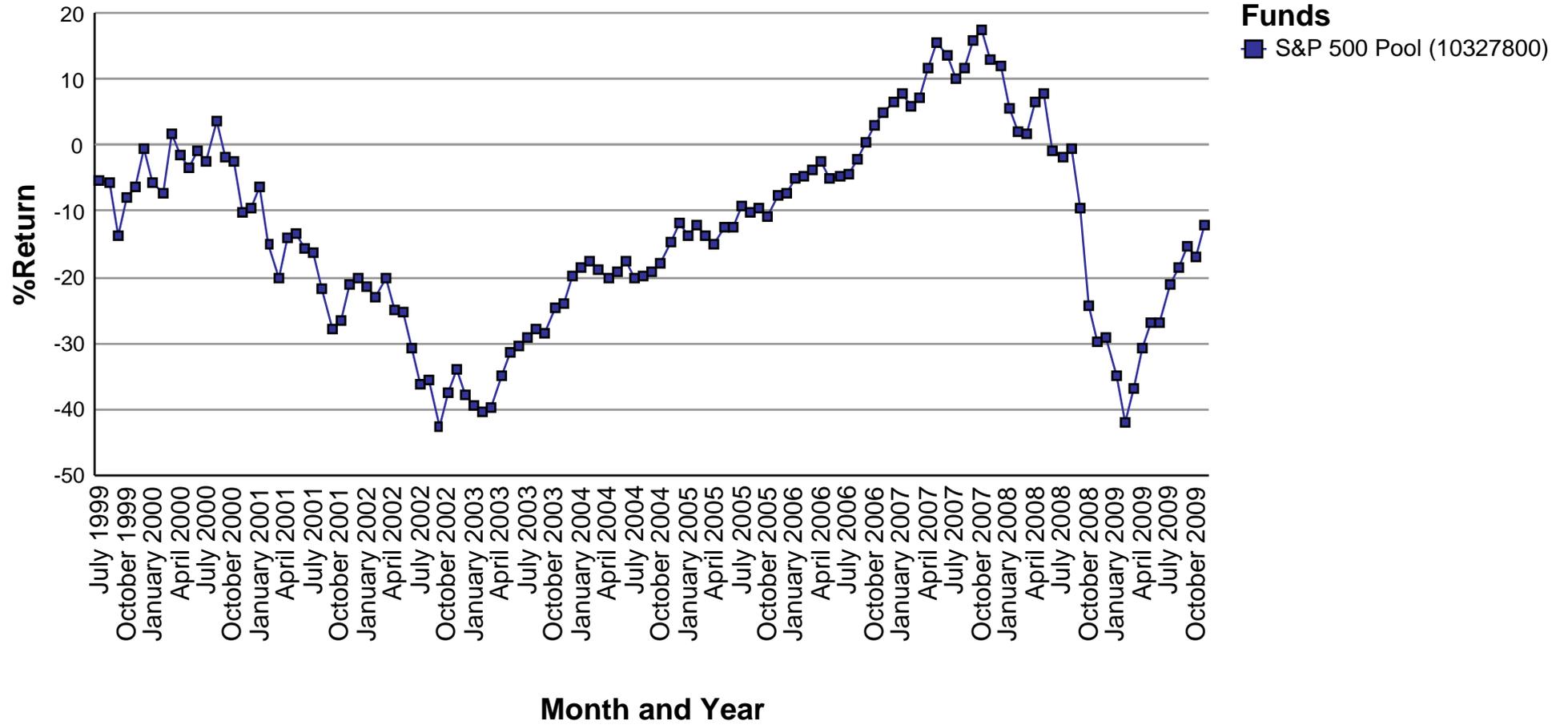


Performance Growth by Account

Arizona State Treasury (05509)

From July 1999 to November 2009

Gross of Fee

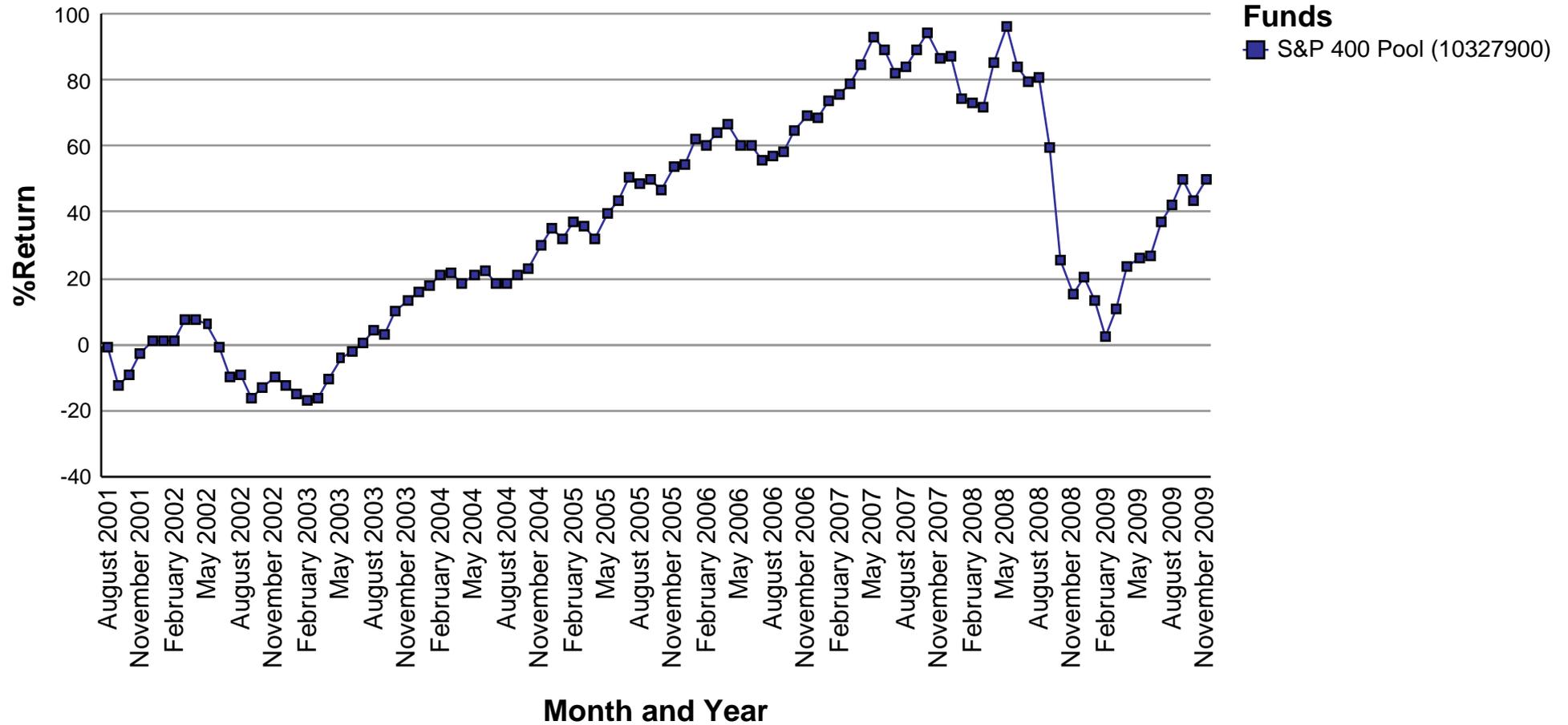


Performance Growth by Account

Arizona State Treasury (05509)

From August 2001 to November 2009

Gross of Fee



Performance Growth by Account

Arizona State Treasury (05509)

From July 1999 to November 2009

Gross of Fee

