OFFICE OF THE

ARIZONA STATE TREASURER

HON. DEAN MARTIN
TREASURER

JUNE 2010

Presented To:

Arizona State Board of Investment

JULY 29, 2010

STATE BOARD OF INVESTMENT

A G E N D A

July 29, 2010

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
    - F. 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

July 29, 2010

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Minutes of
BOARD OF INVESTMENT MEETING

The regular meeting of the State Board of Investment was held on June 23, 2010 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 1:36 p.m.

Members Present:

Dean Martin, Chair, State Treasurer
Beth Ford, Treasurer, Pima County, by teleconference
David Raber, Director, Arizona Department of Administration
Lauren W. Kingry, 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
Dale Stomberg, Investment Accounting Manager, Arizona State Treasurer's Office
Tim White, Senior Portfolio Manager, Arizona State Treasurer's Office
Patty Humbert, Portfolio Manager, Arizona State Treasurer's Office
Chris Petkiewicz, Portfolio Manager, Arizona State Treasurer's Office

Pursuant to A.R.S. 35-311, the following reports for May, 2010 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

Minutes of the June 23, 2010 Meeting

1. ***Call to Order:***
   Treasurer Martin called the June 23, 2010 BOI meeting to order at approximately 1:36 p.m.

2. ***Treasurers Comments:***
   Treasurer Martin welcomed board members and guests and thanked all present for attending the June 23, 2010 meeting.

3. ***Approval of Minutes:***
   Mr. Raber made a motion to approve the minutes for the May 26, 2010 Board of Investment Meeting. Mr. Kingry seconded the motion. Motion carried.

4. ***Review of Treasurer's Monthly Report***

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

Mr. Swenson 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. Swenson 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 May, 2010.

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

Mr. Swenson reported the net yields for the LGIP and LGIP-Gov Pools, as well as the comparisons to their relative benchmarks for the month of May, 2010.

Pool 500 & Pool 700 Portfolio Yield Analysis

Mr. Swenson reported the net yield for the LGIP Long Term Pool and the comparison to the benchmark for the month of May, 2010.

Manager Allocation of Invested Monies for the LGIP Pools

Mr. Swenson 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 May 31, 2010.

LGIP Pools Investments and Performance Reports

Mr. Swenson 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 May 31, 2010.

Review of Treasurer's Monthly Report – Agency Pools:

Mr. Swenson 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

Mr. Swenson reported the net yields for the State Agency Pools for the month of May, 2010.

Manager Allocation of Invested Monies for the State Agency Pools

Mr. Swenson 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 May 31, 2010.

Investments Outstanding in State Agency Pools

Mr. Swenson 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 May 31, 2010.

Operating Monies Average Invested Balance

Mr. Swenson reported the Operating Monies average invested balance for the month of May, 2010.

Review of Treasurer's Monthly Report – Endowments:

Mr. Swenson 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. Swenson reported the net yield of the Endowment Fund Fixed Income Pool for the month of May, 2010.

Net Realized Capital Gains/Losses – Endowment Funds

Mr. Swenson reported the net realized capital gains for the Endowment Fixed Income, S&P 500, and S&P 400 pools for the month of May, 2010and FY10 fiscal year to date.

Endowment Funds Fixed-Income Pool Purchases & Sales

Mr. Swenson reported the purchases and sales of the Endowment Fixed Income Pool for the month of May, 2010.

Equity Funds Purchases & Sales

Mr. Swenson reported the purchases and sales (summary) of the Endowment Equity Pools for the month of May, 2010.

Investments Outstanding in Endowment Funds

Mr. Swenson reported the par, book, market value, and unrealized gains/loss of the Endowment Funds as of May 31, 2010.

Performance of Investments in Endowment Funds

Mr. Swenson 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 May 31, 2010.

Manager Allocation of Invested Monies for the Endowment Pools

Mr. Swenson reported the percentage of the total market value of all of the Endowment investments allocated to each of the Endowment Pools, as of May 31, 2010.

Equity Holdings Investments Outstanding S&P 500

Mr. Swenson reported the investments outstanding by portfolio characteristics and industry sector and for the S&P 500 Pool as of May 31, 2010.

Equity Holdings Investments Outstanding S&P 400

Mr. Swenson reported the investments outstanding by portfolio characteristics and industry sector for the S&P 400 Pool as of May 31, 2010.

Mr. Swenson discussed the intention of purchasing the full 400 securities in the S&P 400 index.

Fixed Income Investments and Performance Reports

Mr. Swenson reported the total net assets, the weighted average life, the weighted average duration, the weighted average yield to maturity, the weighted average rating, and the total number of holdings for the Fixed Income Pool for the month of May, 2010.

Endowment Investments and Performance Growth by Account Reports

Mr. Swenson reported the performance and growth for each of the Endowment Funds from the inception date of each fund through the end of May, 2010.

Approval of Treasurer's Report

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

5. ***Proposed Changes to Investment Policy:***

   A draft of an updated policy was given out to the Board members. Mr. Swenson noted the changes to review and that the Board will vote on the proposed changes at the next monthly Board of Investment meeting.

   Mr. Kingry inquired about the risk that might occur with these proposed changes. Mr. Swenson assured Mr. Kingry and the members that they would help 'keep the yields up'.

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

   The two new approved dealers are:

   1. *South Street Securities LLC – Mr. Raber motioned to approve and Mr. Kingry approved the motion. Motion carried.*
   2. *Morgan Keegan- Mr. Kingry motioned to approve and Mr. Raber approved the motion. Motion carried.*

Mr. Raber inquired about the process by which securities dealers are selected. It was explained that there is no limit to the number of securities dealers that could be approved. Treasurer Martin provided handouts outlining the minimal standards used in this process.

Mr. Kingry inquired as to what procedures are used in determining if a new securities dealer should be recommended. Mr. Swenson discussed the process involved in the recommendation of a new securities dealer.

7. General Business:

None

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 Wednesday, July 29, 2010 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. Kingry seconded the motion. Upon unanimous approval, the BOI meeting was adjourned at 2:05 p.m.

Submitted by: Approved by:

__________________________ ___________________ __________

Christine M. Halvorson
Director of Customer /Investor Relations

Dean Martin, Chair

Date

EARNINGS DISTRIBUTION - INVESTMENT POOLS
JUNE 2010

Recipient	Earnings Distributed JUNE 2010	Fiscal YTD 09/10	Fiscal YTD 08/09	Fiscal YTD Investment Management Fees Received
General Fund	$339,651	$705,406	$20,603,672	
2 State Agencies I - Full Faith & Credit	743,342	14,306,227	26,821,310	397,669
3 State Agencies II - Diversified	695,110	13,492,873	33,888,172	686,412
4 State Agencies IV - Restricted Diversified	358,737	6,855,963	14,584,954	440,439
5 Local Governments	291,148	6,406,003	31,667,258	936,347
7 LGIP Gov't	200,224	4,630,316	23,501,454	1,475,604
12 CAWCD Medium-Term	241,631	4,608,748	4,449,673	74,896
15 GADA Long-Term	25,104	470,007	670,932	7,285
Subtotal	**$2,894,949**	**$51,475,543**	**$156,187,425**	**$4,018,653**
NAV POOL				
500 LGIP LT	198,633	2,129,107	2,413,202	47,748
700 LGIP GOV LT	108,049	539,852	0	42,551
Total	**$3,201,631**	**$54,144,502**	**$158,600,627**	**$4,108,953**

LGIP & LGIP-GOV
PORTFOLIO YIELD ANALYSIS
June 30, 2010

FUND	DESCRIPTION	NET EARNINGS
5	LGIP	291,148
7	LGIP - GOV	200,224
	TOTAL LGIP & LGIP-GOV	**491,372**

		04/30/10	**05/31/10**	**06/30/10**
5	**LGIP MONTHLY YIELD (NET)**	0.16%	0.19%	0.20%
	S & P LGIP INDEX YIELD	0.15%	0.16%	0.17%
	LGIP YTD YIELD (NET)	0.20%	0.20%	0.20%
	S & P LGIP YTD INDEX YIELD	0.24%	0.23%	0.23%
7	**LGIP - GOV MONTHLY YIELD (NET)**	0.11%	0.12%	0.10%
	3 MONTH T-BILL	0.15%	0.15%	0.11%
	LGIP - GOV YTD YIELD (NET)	0.08%	0.09%	0.09%
	YTD 3 MONTH T-BILL	0.10%	0.11%	0.11%

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

LGIP & LGIP-GOV LONG TERM POOL
PORTFOLIO YIELD ANALYSIS
June 30, 2010

FUND	DESCRIPTION	NET EARNINGS
500	LGIP LONG TERM POOL	198,633
700	LGIP - GOV LONG TERM POOL	108,049
	TOTAL LGIP LONG TERM POOL	**306,682**

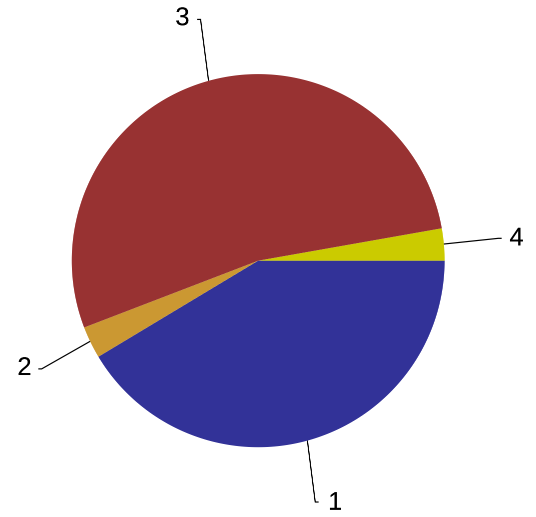
	04/30/10	**05/31/10**	**06/30/10**
LGIP LONG TERM MONTHLY YIELD (NET)	2.04%	2.50%	2.16%
MERRILL 1-5 US D M INDEX MONTHLY YIELD	2.23%	2.01%	1.53%
LGIP LONG TERM YTD YIELD (NET)	2.88%	2.84%	2.79%
MERRILL 1-5 US D M INDEX YTD YIELD	2.37%	2.34%	2.27%
LGIP - GOV LONG TERM MONTHLY YIELD (NET)	0.87%	1.53%	1.11%
MERRILL 1-5 US TREAS INDEX MONTHLY YIELD	1.34%	1.15%	0.93%
LGIP - GOV LONG TERM YTD YIELD (NET)	0.54%	0.68%	0.73%
MERRILL 1-5 US TREAS INDEX YTD YIELD	1.28%	1.26%	1.22%

J.P.Morgan

Manager Allocation - Monthly
Arizona State Treasury (05509)
As at June 2010

LGIP composite (00550903)

Sr. No.	Account Name	Market Value(MIL)	Percent of Portfolio
1	State of Arizona - Pool 5 (LGIP) (10327300)	1,680.00	41.5%
2	State of Arizona - Pool 500 (LGIP - Med Term) (10327700)	112.08	2.8%
3	State of Arizona - Pool 7 (LGIP - FF&C) (10327400)	2,141.23	52.9%
4	State of Arizona - Pool 700 (LGIP-FF&C Med Term) (10563200)	115.19	2.8%
	TOTAL	**4,048.50**	**100.0%**



J.P.Morgan

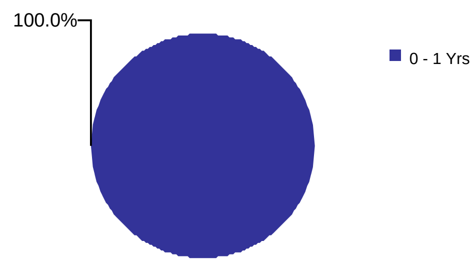
State of Arizona - Pool 5 (LGIP) (10327300)

Portfolio Fact Sheet
June 2010

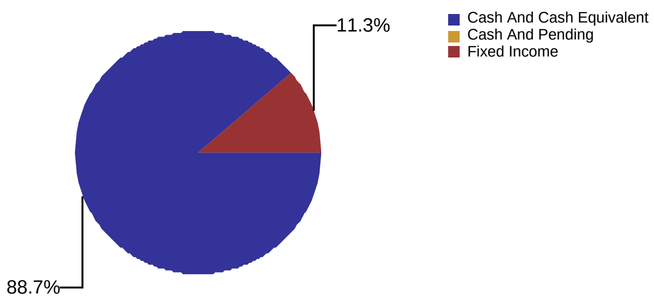
Portfolio Characteristics

Total Net Assets (Millions)	**1,680.0**
Weighted Average Life (Years)	**0.08**
Weighted Avg. Effective Duration (Years)	**0.06**
Weighted Average Maturity (Years)	**0.06**
Weighted Average Rating	**AAA**
Number of Holdings	**60**

Duration Mix



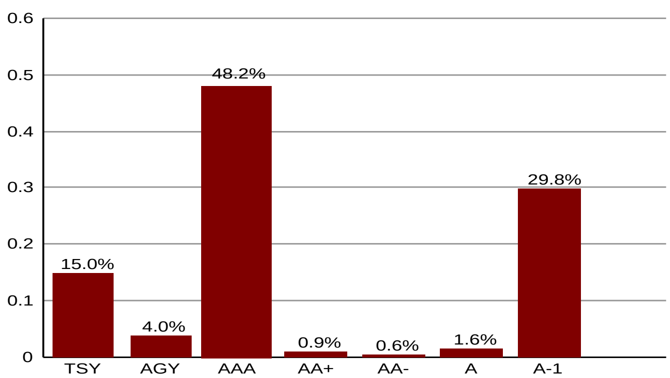
Asset Mix



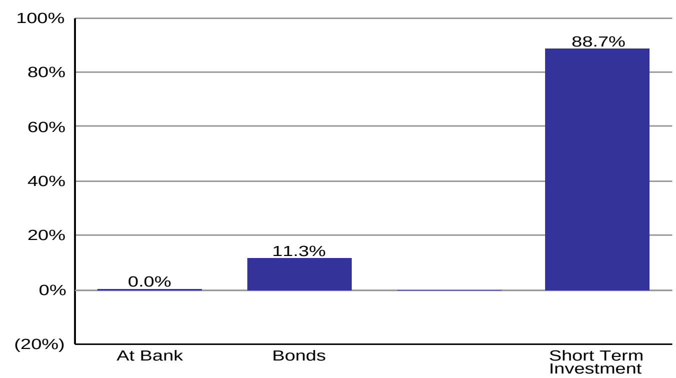
Top Ten Portfolio Holdings

Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
15199S842	TRI-PARTY REPO DEUTSCHE BANK 0.07% 06/JUL/2010	17.86%	0.07	6/7/2010
46999W014	TRI-PARTY REPO JP MORGAN 0.30% 15/JUL	14.89%	0.30	1/7/2010
15199S743	TRI-PARTY REPO DEUTSCHE BANK 0.14% 16/JUL/2010	11.91%	0.14	16/7/2010
912795U74	UNITED STATES TREAS BILLS DT	5.95%	0.00	29/7/2010
912828ED8	US TREAS NTS 04.125% 15/AUG/2010	3.04%	4.12	15/8/2010
912828DZ0	US TREAS NTS 03.875% 15/JUL/2010	3.03%	3.88	15/7/2010
912795V57	UNITED STATES OF AMER TREAS BILLS 0% TB	2.98%	0.00	12/8/2010
06099QD99	TRI-PARTY REPO BANK OF AMERICA 0.01% 01/JUL/2010	2.61%	0.01	1/7/2010
3024A7GF1	FCAR OWNER TRUST CORPORATE COMMERCIAL PAPER	1.79%	0.00	15/7/2010
313397YZ8	FEDERAL HOME LOAN MORTGAGE CORP 0% DISC NTS	1.49%	0.00	6/7/2010

Quality/Rating Weightings



Sector Weightings (as % of Market Value)



J.P.Morgan

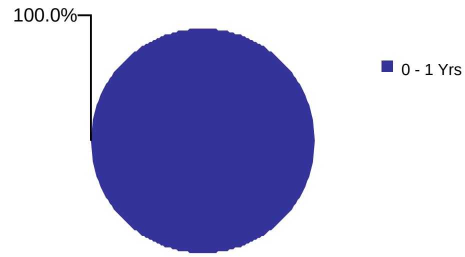
State of Arizona - Pool 7 (LGIP - FF&C) (10327400)

Portfolio Fact Sheet
June 2010

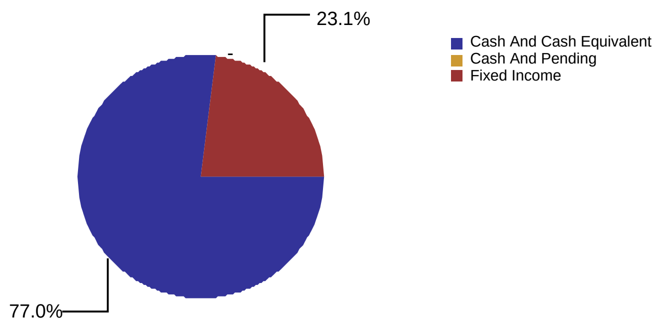
Portfolio Characteristics

Total Net Assets (Millions)	**2,141.2**
Weighted Average Life (Years)	**0.08**
Weighted Avg. Effective Duration (Years)	**0.07**
Weighted Average Maturity (Years)	**0.07**
Weighted Average Rating	**AAA**
Number of Holdings	**26**

Duration Mix



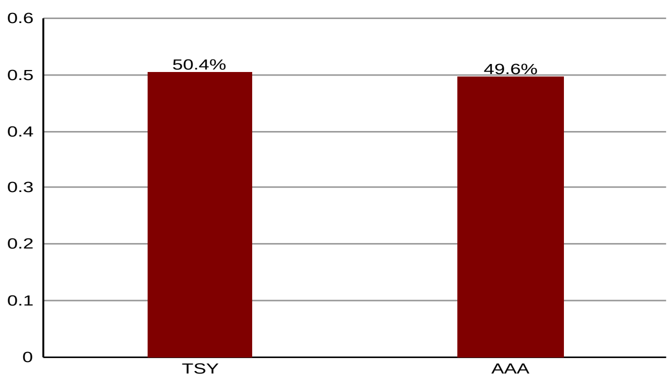
Asset Mix



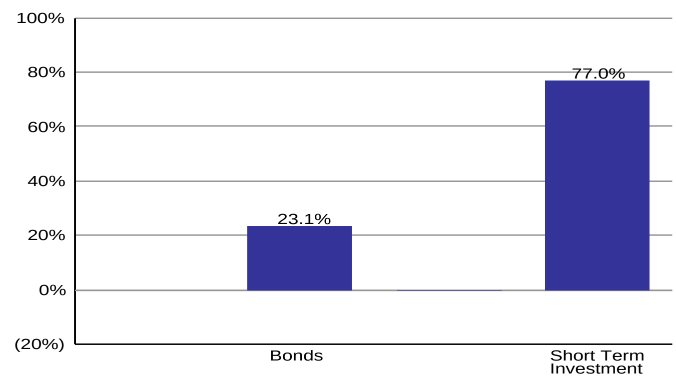
Top Ten Portfolio Holdings

Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
15199S834	TRI-PARTY REPO DEUTSCHE BANK 0.08% 07/JUL/2010	23.35%	0.08	7/7/2010
15199S743	TRI-PARTY REPO DEUTSCHE BANK 0.14% 16/JUL/2010	14.01%	0.14	16/7/2010
912795U66	UNITED STATES TREAS BILLS DT	11.91%	0.00	1/7/2010
15199S842	TRI-PARTY REPO DEUTSCHE BANK 0.07% 06/JUL/2010	9.34%	0.07	6/7/2010
912828JF8	UNITED STATES OF AMER TREAS BONDS 2.75% BDS	7.10%	2.75	31/7/2010
912795UW9	UNITED STATES TREAS BILLS DT	6.07%	0.00	8/7/2010
912795V24	UNITED STATES TREAS BILLS DT	4.67%	0.00	5/8/2010
9128276J6	UNITED STATES TREAS NTS 05.75% 15/AUG/2010	2.40%	5.75	15/8/2010
912828DZ0	US TREAS NTS 03.875% 15/JUL/2010	2.38%	3.88	15/7/2010
912828JS0	UNITED STATES OF AMER TREAS BONDS 1.25% TB	2.35%	1.25	30/11/2010

Quality/Rating Weightings



Sector Weightings (as % of Market Value)



J.P.Morgan

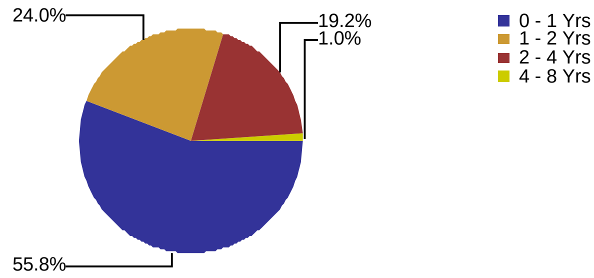
State of Arizona - Pool 500 (LGIP - Med Term) (10327700)

Portfolio Fact Sheet
June 2010

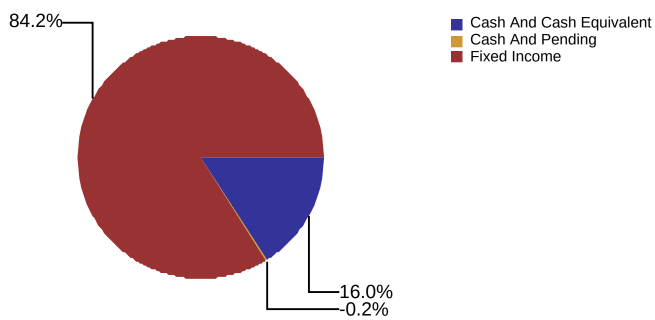
Portfolio Characteristics

Total Net Assets (Millions)	**112.1**
Weighted Average Life (Years)	**1.87**
Weighted Avg. Effective Duration (Years)	**1.15**
Weighted Average Rating	**AAA**
Number of Holdings	**139**

Duration Mix



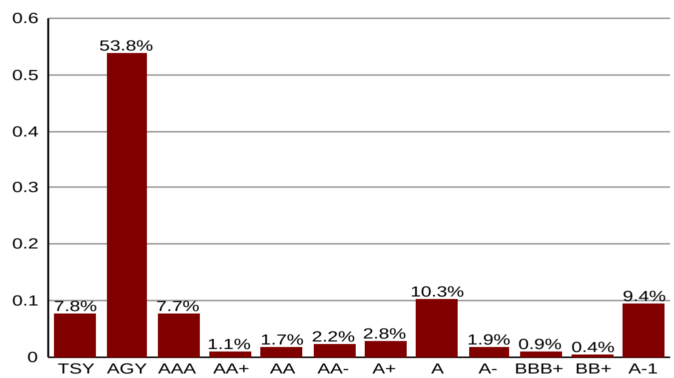
Asset Mix



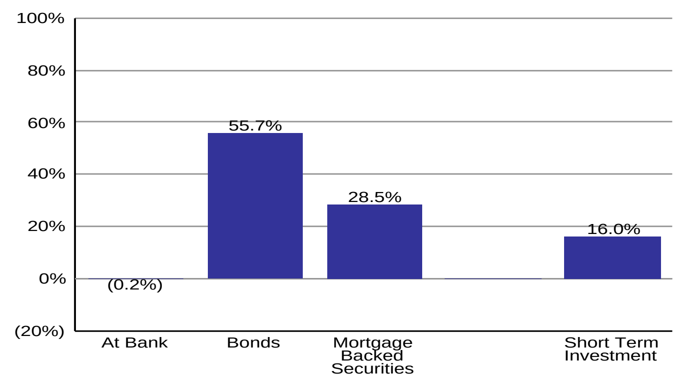
Top Ten Portfolio Holdings

Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
31418RFS5	FNMA MORTPASS 4.5% 01/MAR/2025 CI PN# AD3776	4.63%	4.50	1/3/2025
3128MMLB7	FHLMCGLD MORTPASS 4.5% 01/AUG/2024 G1 PN# G18321	4.61%	4.50	1/8/2024
3128X9KE9	FEDERAL HOME LOAN MORTGAGE CORP 3% MTN 05/NOV/2014	4.52%	3.00	5/11/2014
06099QD99	TRI-PARTY REPO BANK OF AMERICA 0.01% 01/JUL/2010	4.46%	0.01	1/7/2010
3133XXYX9	FEDERAL HOME LOAN BANKS 1.875% BDS 21/JUN/2013	2.73%	1.88	21/6/2013
31416B6K9	FNMA MORTPASS 4.5% 01/NOV/2021 CI PN# 995574	2.29%	4.50	1/11/2021
3128X9SS0	FREDDIE MAC 1.25% 19/JAN/2012	1.80%	1.25	19/1/2012
5705X5GL9	MARKET ST FNDG CORP CORPORATE COMMERCIAL PAPER	1.78%	0.00	20/7/2010
52952MJ27	LEXINGTN PKR CAP CO LL CORPORATE COMMERCIAL PAPER	1.78%	0.00	2/9/2010
31398AV33	FEDERAL NATIONAL MORTGAGE ASSOC 0.75% NTS	1.78%	0.75	30/12/2011

Quality/Rating Weightings



Sector Weightings (as % of Market Value)



J.P.Morgan

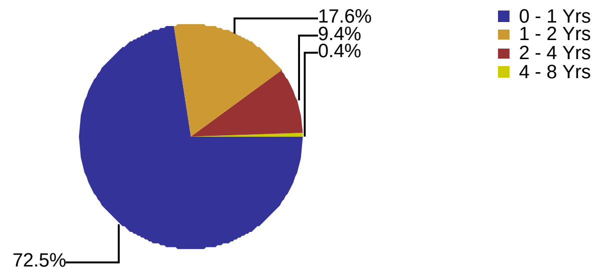
State of Arizona - Pool 700 (LGIP-FF&C Med Term) (10563200)

Portfolio Fact Sheet
June 2010

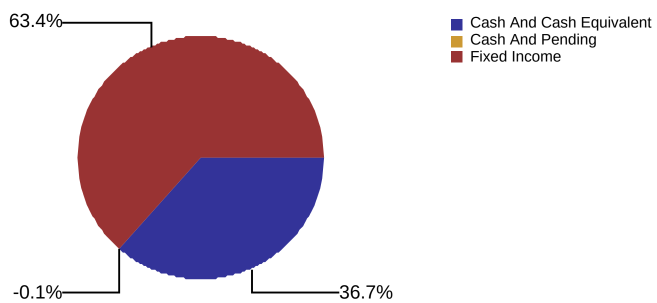
Portfolio Characteristics

Total Net Assets (Millions)	**115.2**
Weighted Average Life (Years)	**1.07**
Weighted Avg. Effective Duration (Years)	**0.65**
Weighted Average Rating	**AAA**
Number of Holdings	**57**

Duration Mix



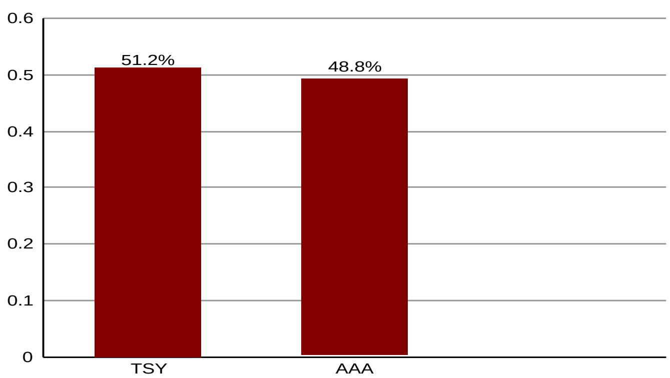
Asset Mix



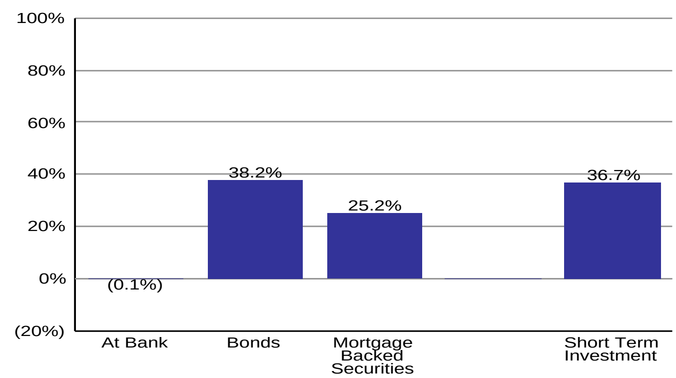
Top Ten Portfolio Holdings

Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
06099QD99	TRI-PARTY REPO BANK OF AMERICA 0.01% 01/JUL/2010	28.65%	0.01	1/7/2010
938554N	FDIC - US BANK CD 0.38% 31/MAR/2011	6.52%	0.38	31/3/2011
36202FFH4	GNMA II MORTPASS 4.5% 20/APR/2025 SF PN# 004668	4.57%	4.50	20/4/2025
912828JL5	UNITED STATES TREAS NTS 02.000% 30/SEP/2010	4.38%	2.00	30/9/2010
912828JJ0	UNITED STATES OF AMER TREAS NOTES 2.375% NTS	3.95%	2.38	31/8/2010
38376ETD7	GINNIE MAE 2009-108 WG 4.000% 20/SEP/2038	3.61%	4.00	20/9/2038
912828KL3	UNITED STATES TREAS NTS 0.875% 30/APR/2011	3.06%	0.88	30/4/2011
38374XWJ0	GINNIE MAE 2009-24 A 4.500% 20/MAR/2034	2.54%	4.50	20/3/2034
912828KV1	UNITED STATES TREAS NTS 02.250% 31/MAY/2014	2.24%	2.25	31/5/2014
912828EM8	US TREAS NTS 04.500% 15/NOV/2010	2.22%	4.50	15/11/2010

Quality/Rating Weightings



Sector Weightings (as % of Market Value)



STATE AGENCY POOLS
PORTFOLIO YIELD ANALYSIS
June 30, 2010

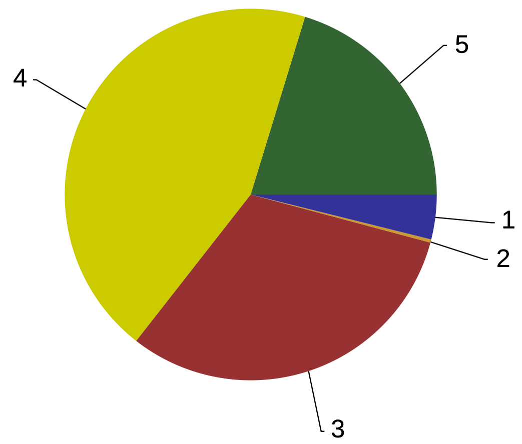
FUND	DESCRIPTION	NET EARNINGS	NET YIELD
2	STATE AGENCIES I - FULL FAITH & CREDIT	882,920	1.2400%
3	STATE AGENCIES II - DIVERSIFIED	875,486	0.8900%
4	STATE AGENCIES IV-RESTRICTED DIVERSIFIED	378,435	0.7600%
12	CAWCD MEDIUM TERM	241,631	2.2100%
15	GADA	25,104	2.5100%
	TOTAL STATE AGENCIES	**2,403,576**	

J.P.Morgan

Manager Allocation - Monthly
Arizona State Treasury (05509)
As at June 2010

Pool Composite (00550904)

Sr. No.	Account Name	Market Value(MIL)	Percent of Portfolio
1	State of Arizona - Pool 12 (CAWCD - Med Term) (10327500)	136.07	3.9%
2	State of Arizona - Pool 15 (GADA) (10327600)	12.43	0.4%
3	State of Arizona - Pool 2 (State Agency - FF&C) (10327000)	1,085.75	31.4%
4	State of Arizona - Pool 3 (State Agency - Diversified) (10327100)	1,521.61	43.9%
5	State of Arizona - Pool 4 (State Agency Rest Div) (10327200)	706.73	20.4%
	TOTAL	**3,462.58**	**100.0%**



J.P.Morgan

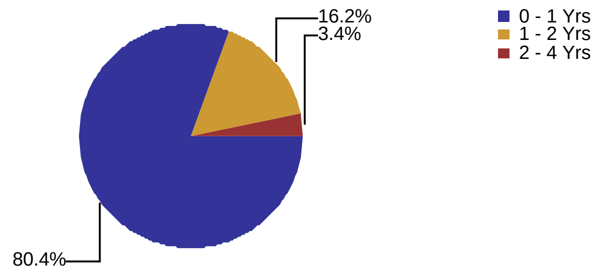
State of Arizona - Pool 2 (State Agency - FF&C) (10327000)

Portfolio Fact Sheet
June 2010

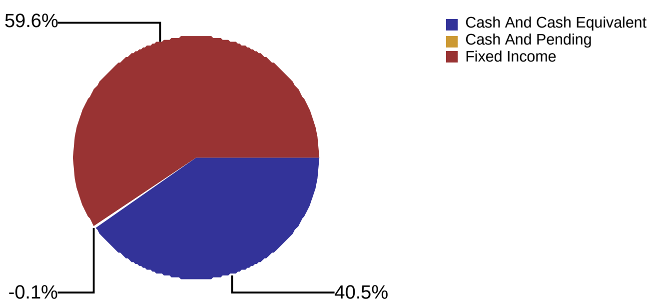
Portfolio Characteristics

Total Net Assets (Millions)	**1,085.8**
Weighted Average Life (Years)	**0.72**
Weighted Avg. Effective Duration (Years)	**0.43**
Weighted Average Rating	**AAA**
Number of Holdings	**78**

Duration Mix



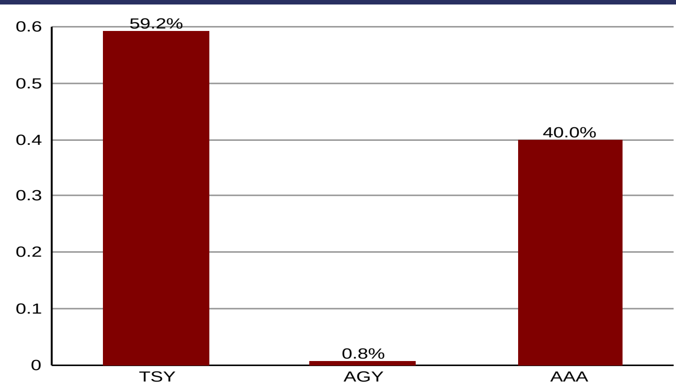
Asset Mix



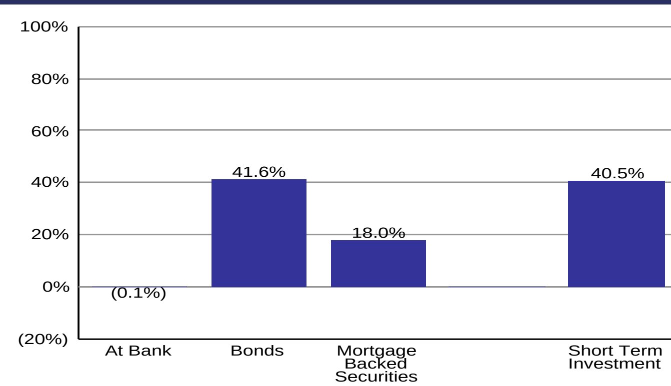
Top Ten Portfolio Holdings

Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
60699I118	TRI-PARTY REPO MIZUHO SECURITIES 0.15% 01/JUL/2010	17.04%	0.15	1/7/2010
06099QD99	TRI-PARTY REPO BANK OF AMERICA 0.01% 01/JUL/2010	5.93%	0.01	1/7/2010
912795U74	UNITED STATES TREAS BILLS DT	4.60%	0.00	29/7/2010
912795U90	UNITED STATES TREAS BILLS DT	4.60%	0.00	23/9/2010
770839D	UNITED STATES ZERO 18/NOV/2010	4.60%	0.00	18/11/2010
912828LG3	USA TREASURY NTS 1% NT 31/JUL/2011 USD1000	3.72%	1.00	31/7/2011
7591EAAA1	REGIONS BANK 2.75% BDS 10/DEC/2010 USD1000	2.80%	2.75	10/12/2010
38376XC92	GINNIE MAE 2010-31 TJ 4.000% 20/MAR/2021	1.93%	4.00	20/3/2021
912828FH8	US TREAS NTS 04.875% 31/MAY/2011	1.93%	4.88	31/5/2011
912828EX4	US TREAS NTS 04.500% 28/FEB/2011	1.92%	4.50	28/2/2011

Quality/Rating Weightings



Sector Weightings (as % of Market Value)



J.P.Morgan

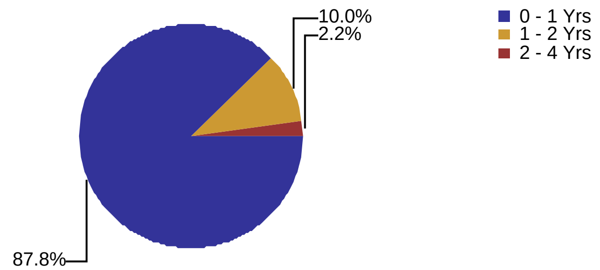
State of Arizona - Pool 3 (State Agency - Diversified) (10327100)

Portfolio Fact Sheet
June 2010

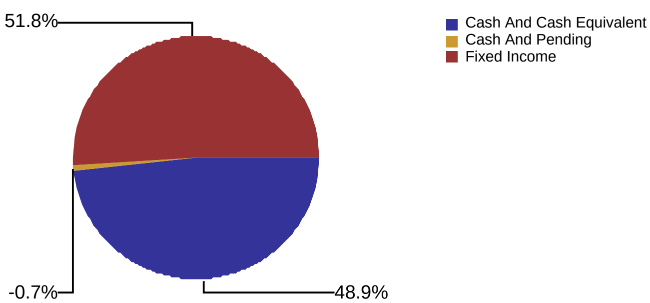
Portfolio Characteristics

Total Net Assets (Millions)	**1,521.6**
Weighted Average Life (Years)	**0.75**
Weighted Avg. Effective Duration (Years)	**0.32**
Weighted Average Rating	**AA+**
Number of Holdings	**114**

Duration Mix



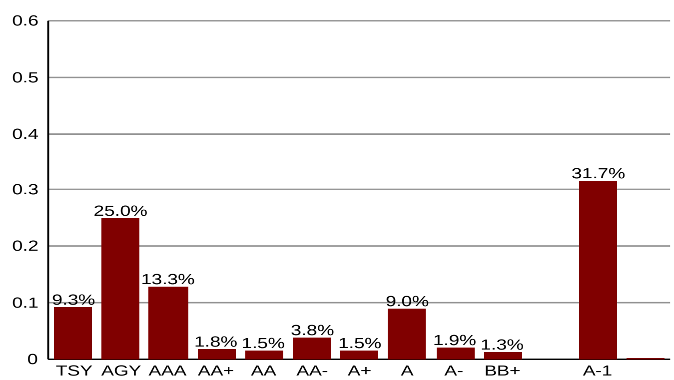
Asset Mix



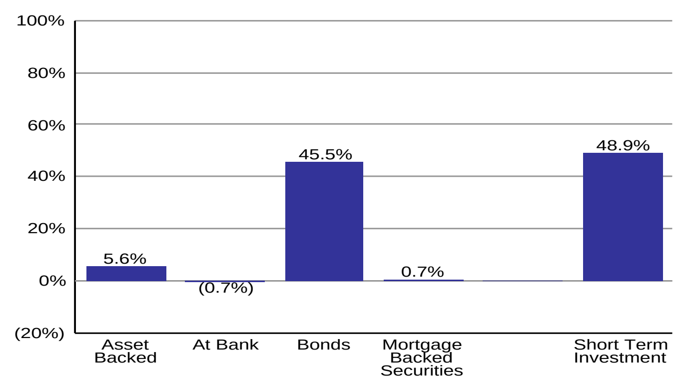
Top Ten Portfolio Holdings

Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
06099QD99	TRI-PARTY REPO BANK OF AMERICA 0.01% 01/JUL/2010	5.20%	0.01	1/7/2010
912795U74	UNITED STATES TREAS BILLS DT	3.29%	0.00	29/7/2010
313397H46	FEDL HOME LN MTG CORP DISC NT MATURES 27/SEP/2010	3.28%	0.00	27/9/2010
172967EG2	CITIGROUP INC VAR 13/AUG/2010	3.28%	0.57	13/8/2010
912795U66	UNITED STATES TREAS BILLS DT	2.63%	0.00	1/7/2010
313589G56	FEDERAL NATL MTG ASSN DISC NT MATURES 20/SEP/2006	2.56%	0.00	20/9/2010
3128X9XU9	FEDERAL HOME LOAN MORTGAGE CORP 0.00% BDS	1.97%	0.47	3/2/2012
82124MGS3	SHEFFIELD RECEIVABLE CORPORATE COMMERCIAL PAPER	1.97%	0.00	26/7/2010
59018YE72	MERRILL LYNCH & CO INC FLTG RATE NTS 05/JUN/2012	1.66%	0.77	5/6/2012
31398AE32	FEDERAL NATIONAL MORTGAGE ASSOC 0.75% NTS	1.65%	0.75	22/1/2013

Quality/Rating Weightings



Sector Weightings (as % of Market Value)



J.P.Morgan

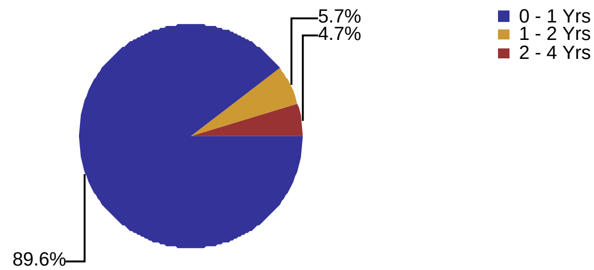
State of Arizona - Pool 4 (State Agency Rest Div) (10327200)

Portfolio Fact Sheet
June 2010

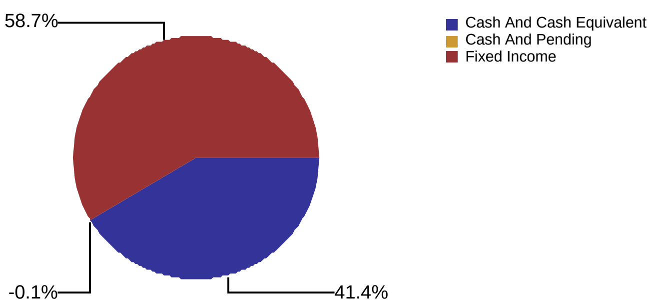
Portfolio Characteristics

Total Net Assets (Millions)	**706.7**
Weighted Average Life (Years)	**1.02**
Weighted Avg. Effective Duration (Years)	**0.33**
Weighted Average Rating	**AGY**
Number of Holdings	**46**

Duration Mix



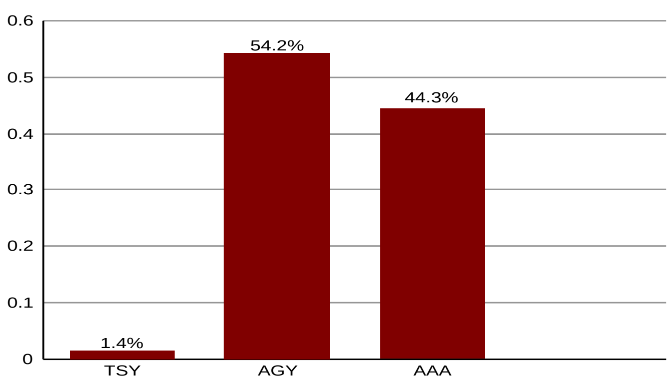
Asset Mix



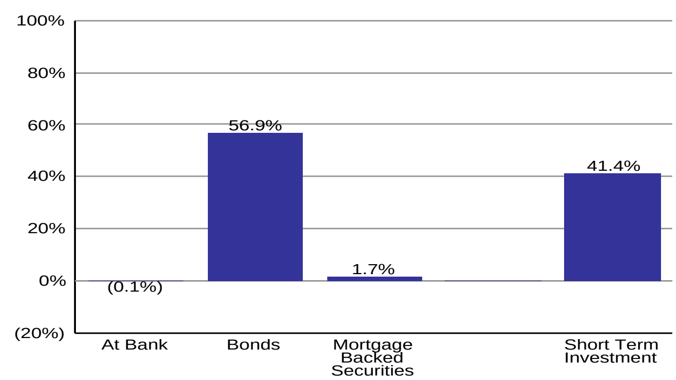
Top Ten Portfolio Holdings

Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
06099QD99	TRI-PARTY REPO BANK OF AMERICA 0.01% 01/JUL/2010	22.99%	0.01	1/7/2010
46999W014	TRI-PARTY REPO JP MORGAN 0.30% 15/JUL	7.79%	0.30	1/7/2010
313397H46	FEDL HOME LN MTG CORP DISC NT MATURES 27/SEP/2010	7.07%	0.00	27/9/2010
3128X9XU9	FEDERAL HOME LOAN MORTGAGE CORP 0.00% BDS	4.25%	0.47	3/2/2012
446436AB3	HUNTINGTON NATL BK FDIC TLGP GTD NT FLT 12	3.58%	0.94	1/6/2012
31398AE32	FEDERAL NATIONAL MORTGAGE ASSOC 0.75% NTS	3.55%	0.75	22/1/2013
941394P	FEDERAL NTL ZERO 26/APR/2011	3.53%	0.00	26/4/2011
31331XE40	FEDERAL FARM CREDIT BANKS 5.25% BDS 13/SEP/2010	2.22%	5.25	13/9/2010
481247AD6	JPMORGAN CHASE & CO 2.625% NTS 01/DEC/2010 USD1000	2.15%	2.62	1/12/2010
3136FMLX0	FEDERAL NATIONAL MORTGAGE ASSOC 1.1250% NTS	1.94%	1.12	26/4/2013

Quality/Rating Weightings



Sector Weightings (as % of Market Value)



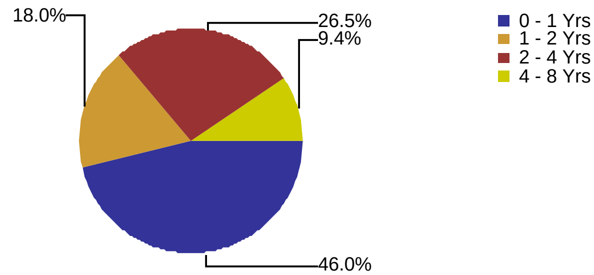
State of Arizona - Pool 12 (CAWCD - Med Term) (10327500)

Portfolio Fact Sheet
June 2010

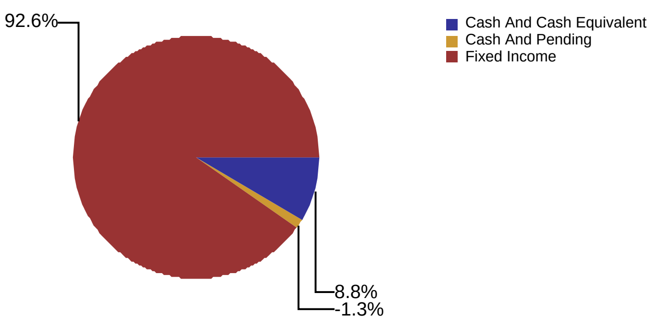
Portfolio Characteristics

Total Net Assets (Millions)	136.1
Weighted Average Life (Years)	4.10
Weighted Avg. Effective Duration (Years)	1.77
Weighted Average Rating	AA+
Number of Holdings	85

Duration Mix



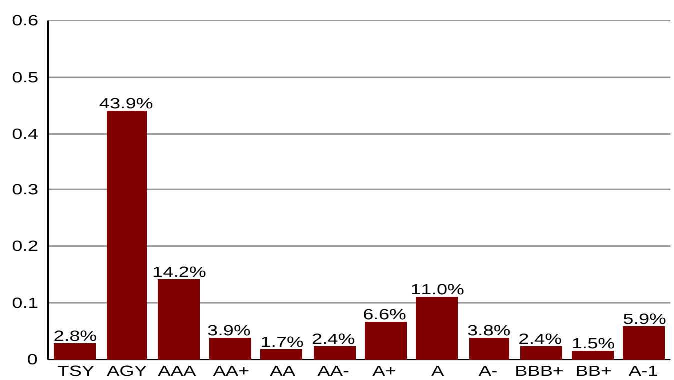
Asset Mix



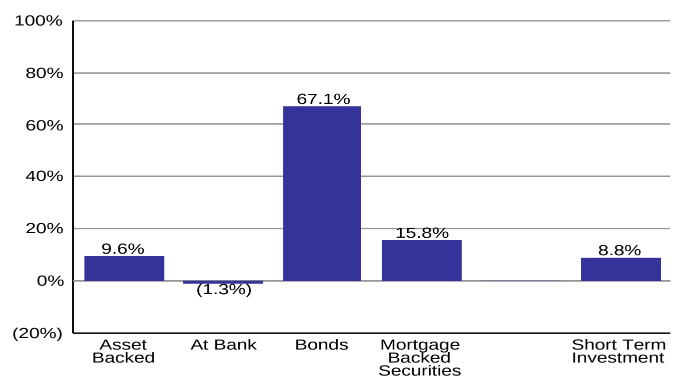
Top Ten Portfolio Holdings

Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
06423RBK1	BANK ONE ISSUANCE TRUST SER 2004-A3 C	3.64%	0.52	15/2/2017
31398AYW6	FEDERAL NATIONAL MORTGAGE ASSOC 3.5% BDS	2.99%	3.50	25/8/2014
084664BG5	BERKSHIRE HATHAWAY FINANCE CORP 5% GTD SNR NTS	2.46%	5.00	15/8/2013
3128X77G3	FEDERAL HOME LOAN MORTGAGE CORP 4.25% BDS	2.29%	4.25	12/12/2018
250847DS6	DETROIT EDISON CO 6.125% BDS 01/OCT/2010 USD1000	2.08%	6.12	1/10/2010
58013MEC4	MCDONALD'S CORP 6.3% BDS 15/OCT/2037 USD1000	1.80%	6.30	15/10/2037
110122AR9	BRISTOL MYERS SQUIBB 5.45% BDS 01/MAY/2018 USD2000	1.70%	5.45	1/5/2018
31393MGQ8	FREDDIE MAC 2585 CJ MAC 4.500% 15/DEC/2032	1.69%	4.50	15/12/2032
06099QD99	TRI-PARTY REPO BANK OF AMERICA 0.01% 01/JUL/2010	1.66%	0.01	1/7/2010
20825CAS3	CONOCOPHILLIPS AUSTRALIA FUNDING CO 4.75% NTS	1.65%	4.75	1/2/2014

Quality/Rating Weightings



Sector Weightings (as % of Market Value)



J.P.Morgan

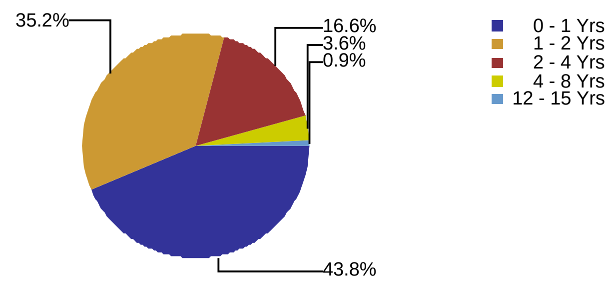
State of Arizona - Pool 15 (GADA) (10327600)

Portfolio Fact Sheet
June 2010

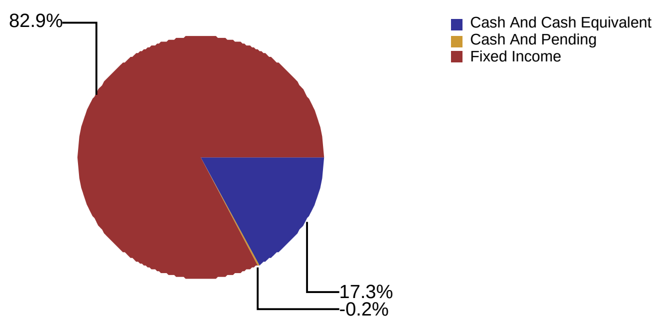
Portfolio Characteristics

Total Net Assets (Millions)	**12.4**
Weighted Average Life (Years)	**3.00**
Weighted Avg. Effective Duration (Years)	**1.38**
Weighted Average Rating	**AAA**
Number of Holdings	**25**

Duration Mix



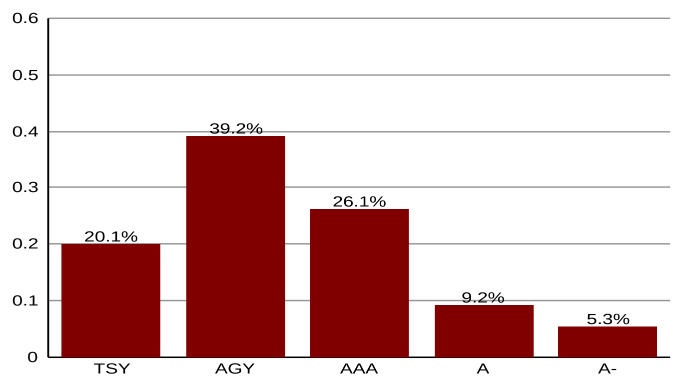
Asset Mix



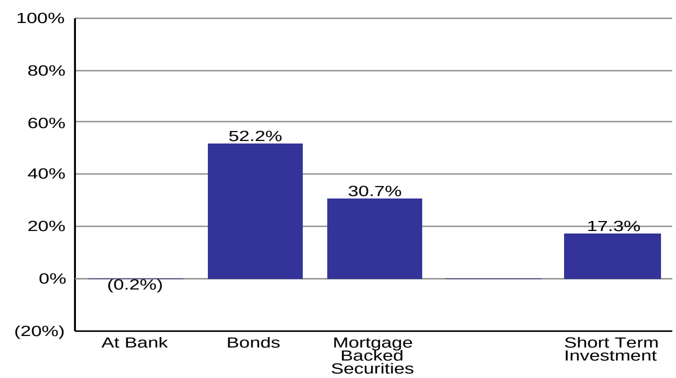
Top Ten Portfolio Holdings

Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
928989383	JP MORGAN U S GOVT AGENCY SHARES	17.30%	0.02	31/12/2049
31294KTB1	FEDERAL HOME LN MTG CORP GOLD POOL # EO1446 DTD	8.42%	4.50	1/9/2018
36241KJZ2	GNMA I MORTPASS 4.5% 15/FEB/2021 JP PN# 782080	6.70%	4.50	15/2/2021
38376JFP4	GINNIE MAE 2009-106 HA 4.000% 16/NOV/2039	6.22%	4.00	16/11/2039
10138MAH8	BOTTLING GROUP 6.95% SNR NTS 15/MAR/2014 USD1000	4.83%	6.95	15/3/2014
31396WBV7	FEDERAL NATL MTG ASSOC 5.5% 25/JUN/2027 SER	4.68%	5.50	25/6/2027
5526E2AC3	MBNA AMERICA BANK NA 7.125% 15/NOV/2012	4.42%	7.12	15/11/2012
3128X77G3	FEDERAL HOME LOAN MORTGAGE CORP 4.25% BDS	4.18%	4.25	12/12/2018
3128X7U36	FEDERAL HOME LOAN MORTGAGE CORP 3.75% MTN	4.09%	3.75	30/7/2010
31398AZJ4	FEDERAL NATIONAL MORTGAGE ASSOC 3.125% NTS	4.08%	3.12	29/9/2014

Quality/Rating Weightings

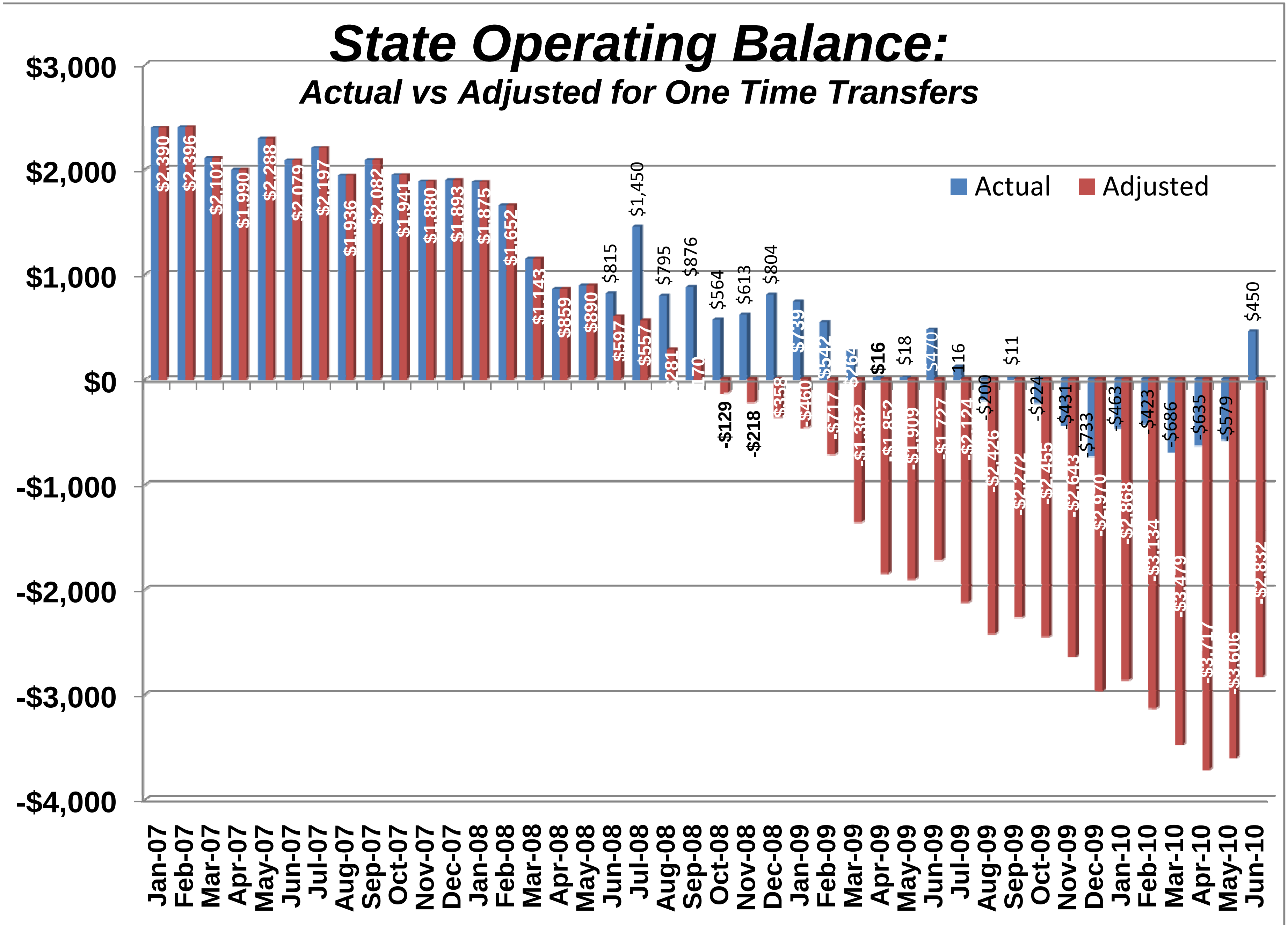


Sector Weightings (as % of Market Value)



OPERATING MONIES
AVERAGE INVESTED BALANCE
Through June 30, 2010
(in millions of dollars)

Month	Fiscal Year 2007/2008	Fiscal Year 2008/2009	Fiscal Year 2009/2010
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	(733)
JANUARY	1,875	739	(463)
FEBRUARY	1,652	542	(423)
MARCH	1,143	264	(686)
APRIL	859	16	(635)
MAY	890	18	(579)
JUNE	815	470	450
Y-T-D Average	**$1,597**	**$596**	**($316)**



State Operating Balance:
Actual vs Adjusted for One Time Transfers
Actual
Adjusted
$3,000
$2,000
$1,000
$0
-$1,000
-$2,000
-$3,000
-$4,000
Jan-07
Feb-07
Mar-07
Apr-07
May-07
Jun-07
Jul-07
Aug-07
Sep-07
Oct-07
Nov-07
Dec-07
Jan-08
Feb-08
Mar-08
Apr-08
May-08
Jun-08
Jul-08
Aug-08
Sep-08
Oct-08
Nov-08
Dec-08
Jan-09
Feb-09
Mar-09
Apr-09
May-09
Jun-09
Jul-09
Aug-09
Sep-09
Oct-09
Nov-09
Dec-09
Jan-10
Feb-10
Mar-10
Apr-10
May-10
Jun-10
$2,390
$2,396
$2,101
$1,990
$2,288
$2,079
$2,197
$1,936
$2,082
$1,941
$1,880
$1,893
$1,875
$1,652
$1,143
$859
$890
$815
$597
$1,450
$557
$795
281
$876
170
$564
-$129
$613
-$218
$804
-$358
$739
-$460
$542
-$717
-$1,362
$16
-$1,852
$18
-$1,909
$470
-$1,727
116
-$2,124
-$200
-$2,426
$11
-$2,272
-$224
-$2,455
-$431
-$2,643
-$733
-$2,970
-$463
-$2,868
-$423
-$3,134
-$686
-$3,479
-$635
-$3,717
-$579
-$3,606
$450
-$2,832

ENDOWMENT FUNDS
PORTFOLIO YIELD ANALYSIS
June 30, 2010

FUND	DESCRIPTION	NET EARNINGS	NET YIELD
205	ENDOWMENTS - FIXED INCOME	4,347,240	5.65%
	TOTAL ENDOWMENTS - FIXED INCOME	**4,347,240**	

NET REALIZED CAPITAL GAINS / LOSSES - ENDOWMENT FUNDS

Endowment Fund	Jun-10 NET GAIN(LOSS)	FISCAL YTD GAINS(LOSSES)
Fixed Income Pool Net Gain (Loss)	(173,887)	(307,650)
Equity Pool (500) Net Gain (Loss)	167,316	(7,542,365)
Equity Pool (400) Net Gain (Loss)	8,733,972	16,219,020
Totals	**8,727,401**	**8,369,005**

ENDOWMENT FUNDS FIXED-INCOME POOL
PURCHASES & SALES
Month of June 2010

I. Endowment Funds Purchases

SECURITY DESCRIPTION	RATE	MATURITY	*WAL YEARS	PAR VALUE	PURCHASE COST	YIELD	MOODY'S / S&P RATING
FNMA MTG	4.50	4/1/2018	2.61	$4,816,986	$5,133,703	1.85%	Aaa/AAA
GNMA MTG	4.50	1/16/2031	2.08	$6,115,968	$6,492,291	1.52%	Aaa/AAA
JOHN DEERE CAPITAL	1.88	6/17/2013	N/A	$5,000,000	$4,995,650	1.90%	A2/A
TOTAL ENDOWMENT FUNDS PURCHASES				**$15,932,954**	**$16,621,645**		

II. Endowment Funds Sales

SECURITY DESCRIPTION	RATE	MATURITY	PAR VALUE	AMORTIZED COST/PROCEEDS	SALES GAINS/(LOSSES)	MOODY'S / S&P RATING
TOTAL ENDOWMENT FUNDS SALES			**$0**	**$0**	**$0**	

*WAL is the weighted average life of the security based on the Bloomberg calculation at the time the trade is executed. The calculation is used only with mortgage-backed pass-through/CMO securities.

EQUITY FUNDS
PURCHASES & SALES
Month of June 2010

I. Equity Fund Purchases

	SHARES	PURCHASE COST	COMMISSIONS
S&P 400 Mid-Cap Fund	6,881,900	$136,701,620	$102,172
S&P 500 Large-Cap Fund	403,095	$6,742,564	$5,736
TOTAL EQUITY PURCHASES	**7,284,995**	**$143,444,184**	**$107,908**

II. Equity Funds Sales

	SHARES	SALES AMOUNT	COMMISSIONS
S&P 400 Mid-Cap Fund	1,151,087	$136,289,001	$16,957
S&P 500 Large-Cap Fund	83,298	$3,730,523	$1,241
TOTAL EQUITY SALES	**1,234,385**	**$140,019,523**	**$18,198**

ENDOWMENT FUNDS
INVESTMENTS OUTSTANDING
JUNE 30, 2010
(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 S&P 500 Index Fund	2,561	2,328	2,317	(10)	
	Shares in Mid-Cap 400 Equity Fund	821	797	1,245	448	
	Shares in Fixed Income Fund	2,771	3,125	4,572	1,448	
	Total	6,154	6,249	8,135	1,885	**1.302**
102	State Hospital					
	Shares in S&P 500 Index Fund	1,629	1,403	1,474	71	
	Shares in Mid-Cap 400 Equity Fund	456	480	691	210	
	Shares in Fixed Income Fund	1,601	1,885	2,641	757	
	Total	3,686	3,768	4,806	1,038	**1.275**
103	Leg., Exec., & Jud.					
	Shares in S&P 500 Index Fund	1,950	1,906	1,765	(142)	
	Shares in Mid-Cap 400 Equity Fund	627	652	951	298	
	Shares in Fixed Income Fund	2,299	2,559	3,793	1,234	
	Total	4,877	5,117	6,509	1,391	**1.272**
104	Military Institute					
	Shares in S&P 500 Index Fund	132	131	120	(12)	
	Shares in Mid-Cap 400 Equity Fund	46	45	70	25	
	Shares in Fixed Income Fund	163	176	270	94	
	Total	341	352	459	106	**1.302**
105	Miners Hospital					
	Shares in S&P 500 Index Fund	4,123	4,005	3,731	(274)	
	Shares in Mid-Cap 400 Equity Fund	1,128	1,371	1,710	339	
	Shares in Fixed Income Fund	4,118	5,376	6,794	1,418	
	Total	9,369	10,751	12,234	1,483	**1.138**

ENDOWMENT FUNDS
INVESTMENTS OUTSTANDING
JUNE 30, 2010
(In Thousands)

FUND	NAME OF FUND	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	UNREALIZED GAINS (LOSSES)	**Mkt Value/ Book Value**
107	Normal School ASU/NAU					
	Shares in S&P 500 Index Fund	906	851	819	(31)	
	Shares in Mid-Cap 400 Equity Fund	271	291	411	119	
	Shares in Fixed Income Fund	971	1,142	1,602	460	
	Total	2,148	2,284	2,832	549	**1.240**
108	Penitentiaries					
	Shares in S&P 500 Index Fund	3,233	2,919	2,925	6	
	Shares in Mid-Cap 400 Equity Fund	934	999	1,416	416	
	Shares in Fixed Income Fund	3,241	3,918	5,347	1,428	
	Total	7,407	7,837	9,687	1,851	**1.236**
109	Permanent Common School					
	Shares in S&P 500 Index Fund	840,472	808,695	760,550	(48,144)	
	Shares in Mid-Cap 400 Equity Fund	232,591	276,802	352,654	75,852	
	Shares in Fixed Income Fund	858,479	1,085,496	1,416,212	330,716	
	Total	1,931,541	2,170,992	2,529,416	358,424	**1.165**
110	School for Deaf & Blind					
	Shares in S&P 500 Index Fund	1,171	1,105	1,060	(45)	
	Shares in Mid-Cap 400 Equity Fund	376	378	570	191	
	Shares in Fixed Income Fund	1,353	1,485	2,232	746	
	Total	2,900	2,969	3,861	893	**1.301**
111	School of Mines					
	Shares in S&P 500 Index Fund	2,894	2,809	2,619	(190)	
	Shares in Mid-Cap 400 Equity Fund	877	961	1,330	369	
	Shares in Fixed Income Fund	3,174	3,770	5,236	1,466	
	Total	6,946	7,541	9,186	1,645	**1.218**

ENDOWMENT FUNDS
INVESTMENTS OUTSTANDING

JUNE 30, 2010
(In Thousands)

FUND	NAME OF FUND	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	UNREALIZED GAINS (LOSSES)	**Mkt Value/ Book Value**
112	State Charitable					
	Shares in S&P 500 Index Fund	30,003	27,947	27,150	(797)	
	Shares in Mid-Cap 400 Equity Fund	7,862	9,566	11,920	2,355	
	Shares in Fixed Income Fund	29,290	37,513	48,318	10,806	
	Total	67,154	75,026	87,388	12,363	**1.165**
113	University Fund					
	Shares in S&P 500 Index Fund	4,769	4,565	4,316	(250)	
	Shares in Mid-Cap 400 Equity Fund	1,427	1,563	2,164	601	
	Shares in Fixed Income Fund	5,204	6,128	8,585	2,457	
	Total	11,401	12,256	15,065	2,808	**1.229**
114	U Of A Land - 1881					
	Shares in S&P 500 Index Fund	10,116	9,668	9,154	(514)	
	Shares in Mid-Cap 400 Equity Fund	3,079	3,309	4,668	1,359	
	Shares in Fixed Income Fund	11,182	12,978	18,447	5,469	
	Total	24,377	25,955	32,269	6,314	**1.243**
	TOTALS - ALL FUNDS					
	Shares in S&P 500 Index Fund	903,959	868,333	818,000	(50,333)	
	Shares in Mid-Cap 400 Equity Fund	250,494	297,215	379,798	82,584	
	Shares in Fixed Income Fund	923,847	1,165,550	1,524,049	358,499	
	Grand Total	**2,078,300**	**2,331,097**	**2,721,848**	**390,750**	

ASSET ALLOCATION PERCENTAGE

	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE
Shares in S&P 500 Index Fund	43.50%	37.25%	30.05%
Shares in Mid-Cap 400 Equity Fund	12.05%	12.75%	13.95%
Shares in Fixed Income Fund	44.45%	50.00%	55.99%
Total	**100.00%**	**100.00%**	**100.00%**

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Performance Worksheet
Arizona State Treasury (05509)
As Of June 2010
Gross of Fee

Total Endowment Fund Composite (00550902)

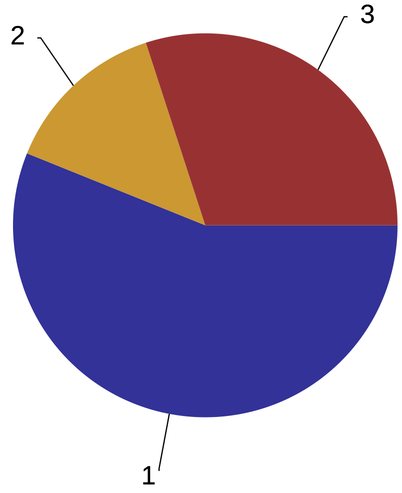
ID	Name	Beginning Market Value	Ending Market Value	Cashflow	Current Month	Trailing Three Months	Year to Date	Fiscal Year To Date	Trailing One Year	Trailing Three Years	Trailing Five Years	Since Inception	Inception Date
10327800	S&P 500 Pool	861,986,809.54	818,000,264.56	1,010,875	(5.22)	(11.39)	(6.57)	14.51	14.51	(9.68)	(0.88)	(1.59)	07/01/1999
10327900	S&P 400 Pool	404,656,318.14	379,798,306.96	346,004	(6.36)	(9.74)	(2.22)	22.51	22.51	(6.33)	1.63	5.09	08/01/2001
10328000	Pool 205	1,504,222,831.89	1,524,049,011.41	874,882	1.26	2.87	4.43	7.55	7.55	7.23	5.58	6.30	07/01/1999
00550902	**Total Endowment Fund Composite**	**2,770,865,959.57**	**2,721,847,582.93**	**2,231,761**	**(1.87)**	**(3.67)**	**(0.04)**	**11.53**	**11.53**	**(0.79)**	**3.27**	**4.22**	**07/01/1999**

J.P.Morgan

Manager Allocation - Monthly
Arizona State Treasury (05509)
As at June 2010

Total Endowment Fund Composite (00550902)

Sr. No.	Account Name	Market Value(MIL)	Percent of Portfolio
1	Pool 205 (10328000)	1,524.05	56.0%
2	S&P 400 Pool (10327900)	379.80	14.0%
3	S&P 500 Pool (10327800)	818.00	30.1%
	TOTAL	**2,721.85**	**100.0%**



S&P 500 Pool (10327800)

Portfolio Fact Sheet
June 2010

Portfolio Characteristics

Total Asset Value (in Millions)	**818.0**
P/E Ratio	**16.13**
Price to Book Ratio	**3.16**
Dividend Yield (%)	**2.12**
Return on Equity (%)	**16.72**
Sales Growth (%)	**10.44**
Market Capitalization ($ Billions)	**73,398.37**
Earnings per Share ($)	**2.91**
Number of Holdings	**501**

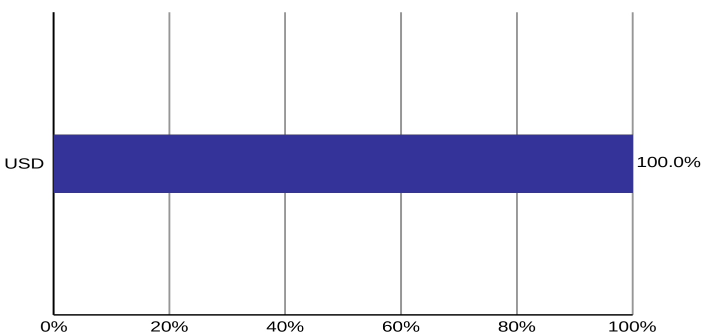
Risk Measures

	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Since Inception
Tracking Error	0.17	0.29	0.44	1.82
Information Ratio	0.44	0.46	(0.19)	(0.42)
Std Deviation of Port.	16.82	20.63	16.68	16.24
Std Deviation of Bench.	16.89	20.73	16.83	16.10
Sharpe Ratio of Port.	0.85	(0.55)	(0.22)	(0.28)
Sharpe Ratio of Bench.	0.85	(0.55)	(0.21)	(0.23)
R-Squared	1.00	1.00	1.00	0.99
Jensen's Alpha	0.14	0.08	(0.11)	(0.76)

Top Ten Portfolio Holdings

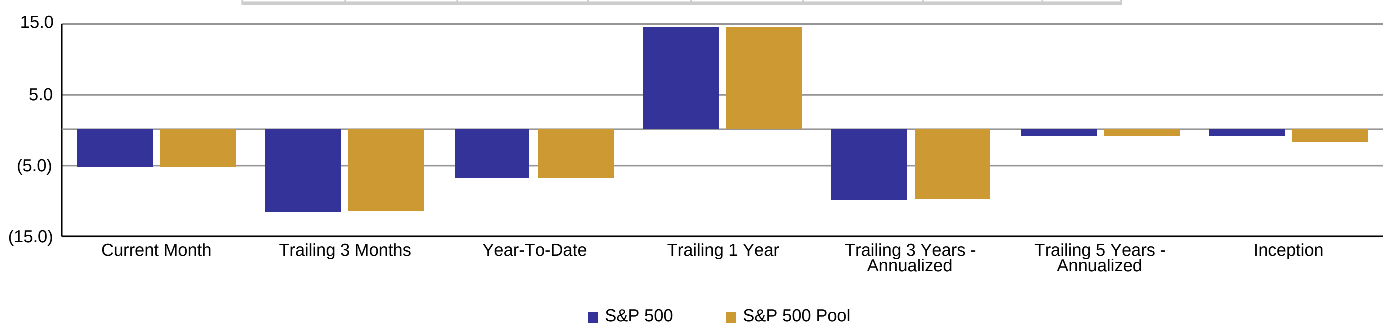
Security ID	Security Name	% of Assets
30231G102	EXXON MOBIL CORP - COM NPV	3.04%
78462F103	SPDR S&P 500 ETF TRUST	2.62%
037833100	APPLE INC - COM NPV	2.39%
594918104	MICROSOFT CORP - COM USD.001	1.83%
742718109	PROCTER & GAMBLE CO - COM NPV	1.80%
478160104	JOHNSON & JOHNSON - COM USD1	1.70%
459200101	INTL BUSINESS MACHINES CORP - COM USD.2	1.65%
369604103	GENERAL ELECTRIC CO - COM USD.63	1.62%
46625H100	JPMORGAN CHASE & CO - COM USD12	1.52%
060505104	BANK OF AMERICA CORP - COM USD2.5	1.50%

Top Ten Currency Weights

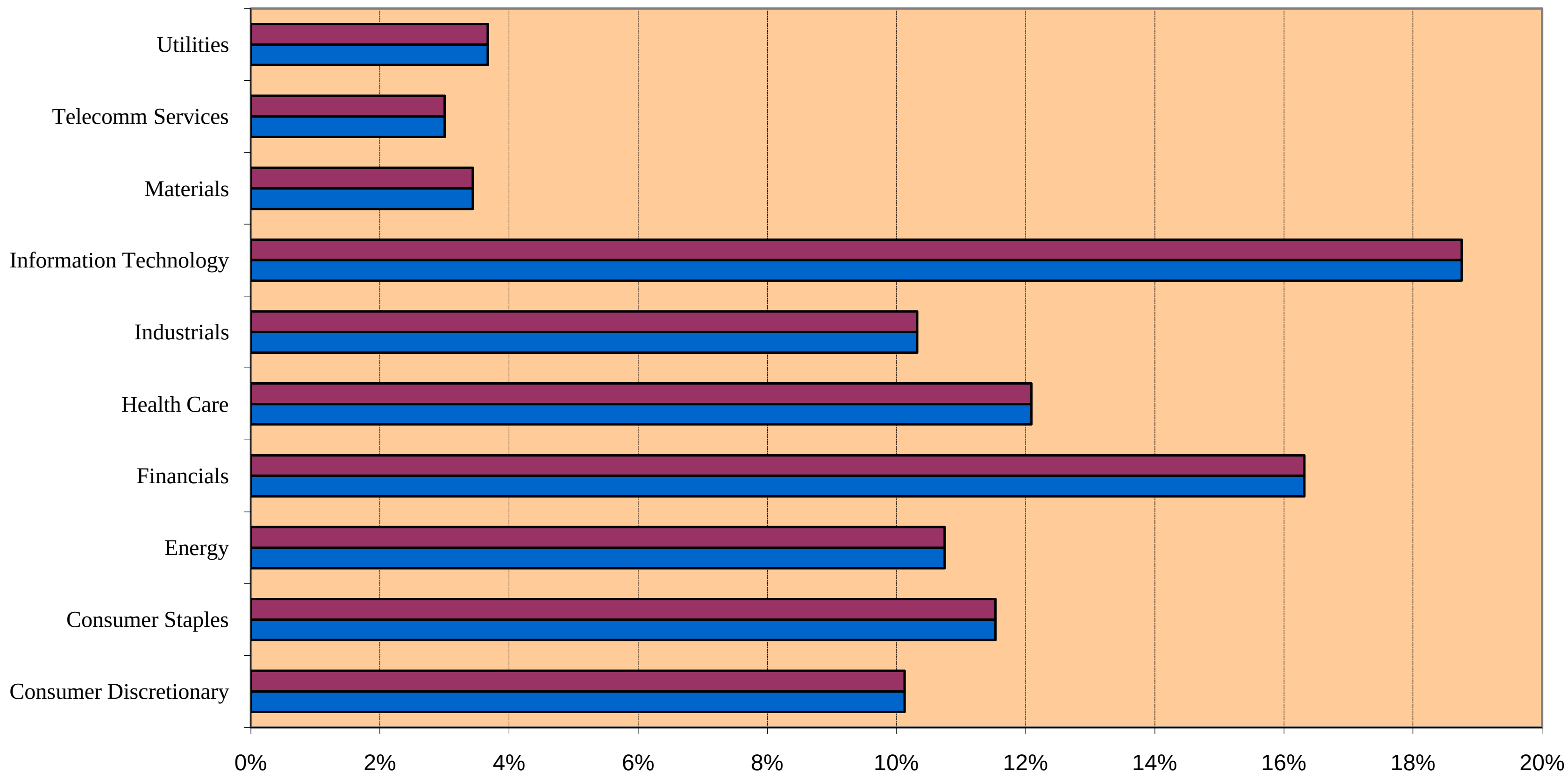


Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
S&P 500 Pool	(5.22)	(11.39)	(6.57)	14.51	(9.68)	(0.88)	(1.59)
S&P 500	(5.23)	(11.43)	(6.65)	14.43	(9.81)	(0.79)	(0.82)
Excess	0.02	0.03	0.08	0.08	0.13	(0.08)	(0.77)



STATE OF ARIZONA
POOL 201 (S&P 500)
As of June 30, 2010



	Consumer Discretionary	Consumer Staples	Energy	Financials	Health Care	Industrials	Information Technology	Materials	Telecomm Services	Utilities
S&P 500 Index	10.13%	11.53%	10.75%	16.32%	12.09%	10.32%	18.76%	3.44%	3.01%	3.67%
STATE OF ARIZONA - POOL 201	10.13%	11.53%	10.75%	16.32%	12.09%	10.32%	18.76%	3.44%	3.01%	3.67%

S&P 500 Index   STATE OF ARIZONA - POOL 201

J.P.Morgan

S&P 400 Pool (10327900)

Portfolio Fact Sheet
June 2010

Portfolio Characteristics

Total Asset Value (in Millions)	379.8
P/E Ratio	19.29
Price to Book Ratio	2.79
Dividend Yield (%)	1.49
Return on Equity (%)	9.45
Sales Growth (%)	9.82
Market Capitalization ($ Billions)	2,768.31
Earnings per Share ($)	2.04
Number of Holdings	401

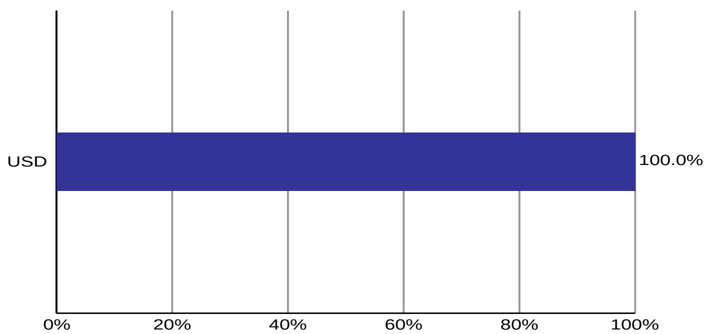
Risk Measures

	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Since Inception
Tracking Error	1.45	2.67	2.15	2.28
Information Ratio	(1.67)	(0.16)	(0.27)	(0.02)
Std Deviation of Port.	18.92	23.70	19.28	17.33
Std Deviation of Bench.	19.73	24.86	20.23	18.51
Sharpe Ratio of Port.	1.18	(0.33)	(0.06)	0.16
Sharpe Ratio of Bench.	1.26	(0.30)	(0.03)	0.15
R-Squared	1.00	0.99	0.99	0.99
Jensen's Alpha	(1.36)	(0.81)	(0.61)	0.15

Top Ten Portfolio Holdings

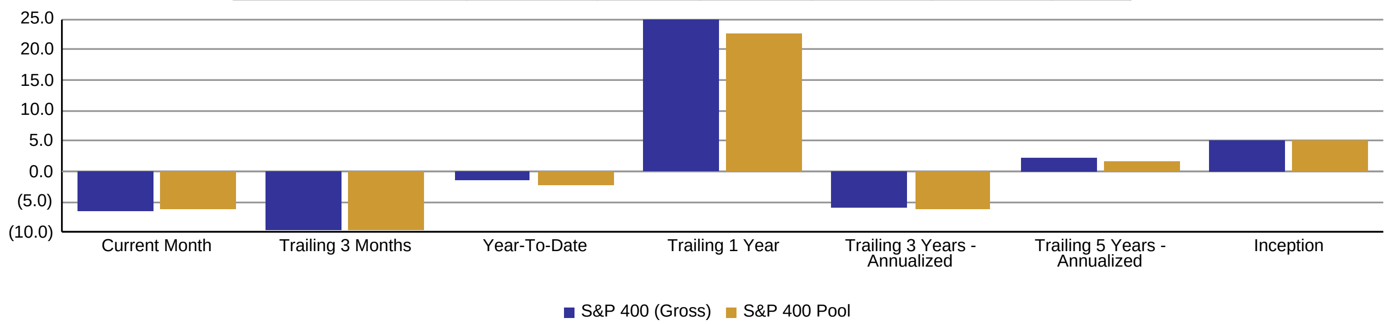
Security ID	Security Name	% of Assets
78467Y107	SPDR S&P MIDCAP 400 ETF TRUST	4.82%
92532F100	VERTEX PHARMACEUTICALS INC - COM USD.01	0.72%
649445103	NEW YORK CMNTY BANCORP INC - COM USD.01	0.72%
651290108	NEWFIELD EXPLORATION CO - COM USD.01	0.70%
225447101	CREE INC - COM USD.01	0.70%
28176E108	EDWARDS LIFESCIENCES CORP - COM USD1	0.68%
171798101	CIMAREX ENERGY CO - COM USD.01	0.65%
871130100	SYBASE INC - COM USD.001	0.61%
315616102	F5 NETWORKS INC - COM NPV	0.59%
549271104	LUBRIZOL CORP - COM NPV	0.59%

Top Ten Currency Weights

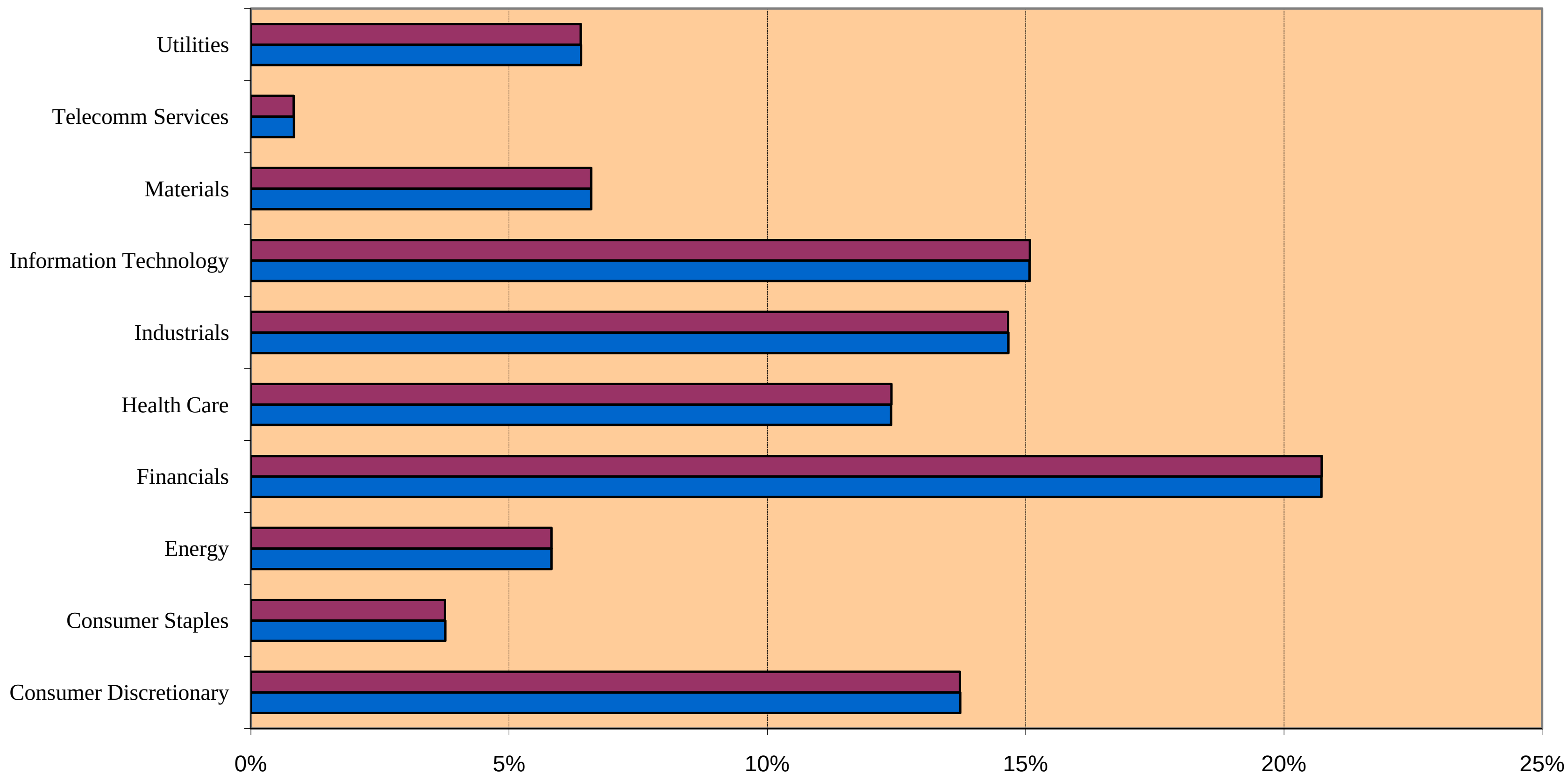


Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
S&P 400 Pool	(6.36)	(9.74)	(2.22)	22.51	(6.33)	1.63	5.09
S&P 400 (Gross)	(6.55)	(9.59)	(1.36)	24.93	(5.90)	2.22	5.13
Excess	0.19	(0.15)	(0.86)	(2.42)	(0.43)	(0.58)	(0.04)



STATE OF ARIZONA
POOL 203 (S&P MIDCAP 400)
As of June 30, 2010



	Consumer Discretionary	Consumer Staples	Energy	Financials	Health Care	Industrials	Information Technology	Materials	Telecomm Services	Utilities
S&P MIDCAP 400	13.73%	3.76%	5.82%	20.73%	12.40%	14.66%	15.08%	6.59%	0.83%	6.39%
STATE OF ARIZONA - POOL 203	13.73%	3.76%	5.82%	20.73%	12.40%	14.66%	15.08%	6.59%	0.83%	6.39%

S&P MIDCAP 400 STATE OF ARIZONA - POOL 203

J.P.Morgan

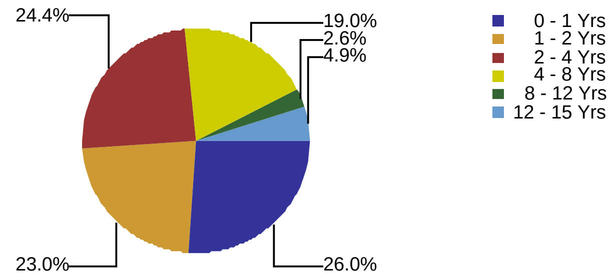
Pool 205 (10328000)

Portfolio Fact Sheet
June 2010

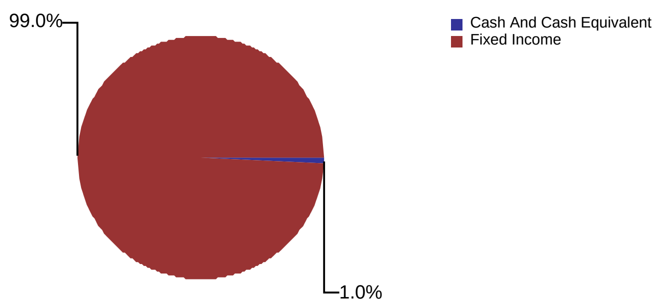
Portfolio Characteristics

Total Net Assets (Millions)	**1,524.0**
Weighted Average Life (Years)	**4.79**
Weighted Avg. Effective Duration (Years)	**3.05**
Weighted Average Coupon (%)	**4.66**
Weighted Average Current Yield (%)	**1.82**
Weighted Average Yield to Maturity (%)	**1.93**
Weighted Average Rating	**AA+**
Number of Holdings	**255**

Duration Mix



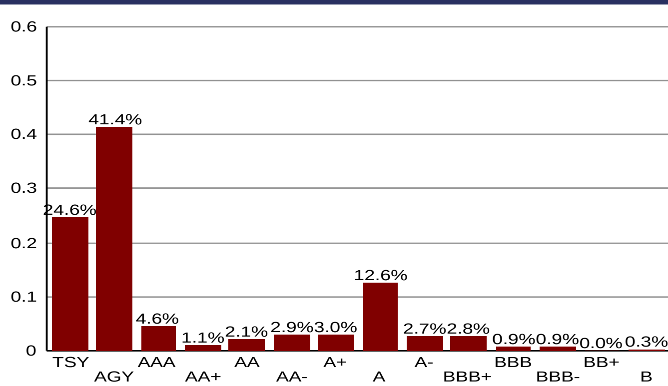
Asset Mix



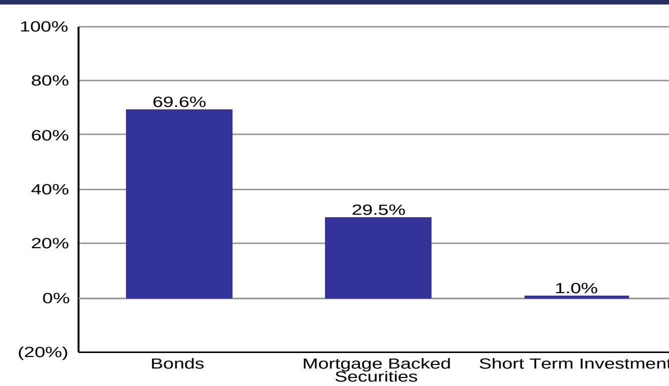
Top Ten Portfolio Holdings

Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
31359MQV8	FEDERAL NATIONAL MORTGAGE ASSOC 4.75% BDS	1.46%	4.75	21/2/2013
92343VAN4	VERIZON COMMUNICATIONS INC 5.25% NTS 15/APR/2013	1.05%	5.25	15/4/2013
912828FK1	US TREAS NTS 05.125% 30/JUN/2011	1.03%	5.12	30/6/2011
931142BV4	WAL MART STORES 931142BV4 4.125% 15/FEB/2011	1.02%	4.12	15/2/2011
539992AA5	LOCAL GOVERNMENT INVESTMENT POOL	0.97%	0.00	31/12/2049
912810DZ8	USA TREASURY BDS 8.875% BDS 15/AUG/2017 USD1000	0.96%	8.88	15/8/2017
912810ED6	USA TREASURY BDS 8.125% BDS15/AUG/2019 USD1000	0.95%	8.12	15/8/2019
92343VAM6	VERIZON COMMUNICATIONS INC 6.1% NTS 15/APR/2018	0.75%	6.10	15/4/2018
31396VAS7	FEDERAL NATL MTG ASSOC 5.5% 25/APR/2017 SER	0.75%	5.50	25/4/2017
59562VAT4	MIDAMERICAN ENERGY HLDGS 5.75% SNR NTS 01/APR/2018	0.74%	5.75	1/4/2018

Quality/Rating Weightings

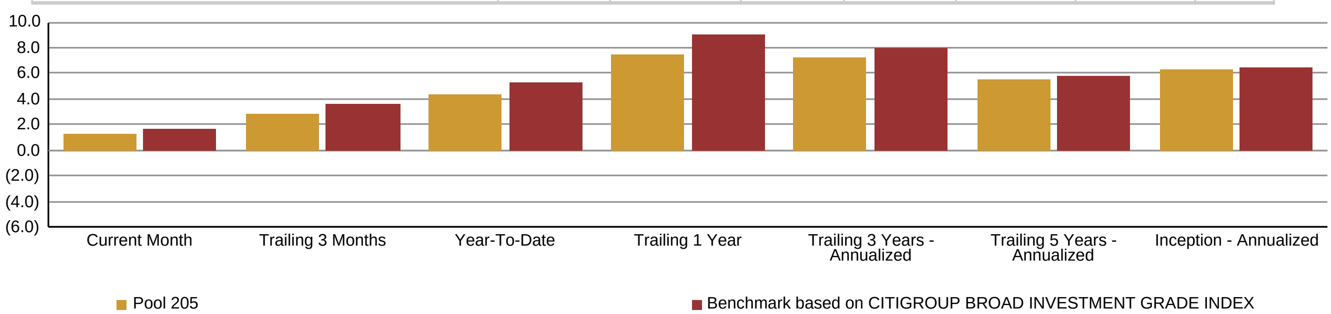


Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
Pool 205	1.26	2.87	4.43	7.55	7.23	5.58	6.30
Benchmark based on CITIGROUP BROAD INVESTMENT GRADE INDEX	1.63	3.66	5.27	9.03	7.96	5.77	6.42
Excess	(0.37)	(0.80)	(0.83)	(1.48)	(0.73)	(0.20)	(0.12)



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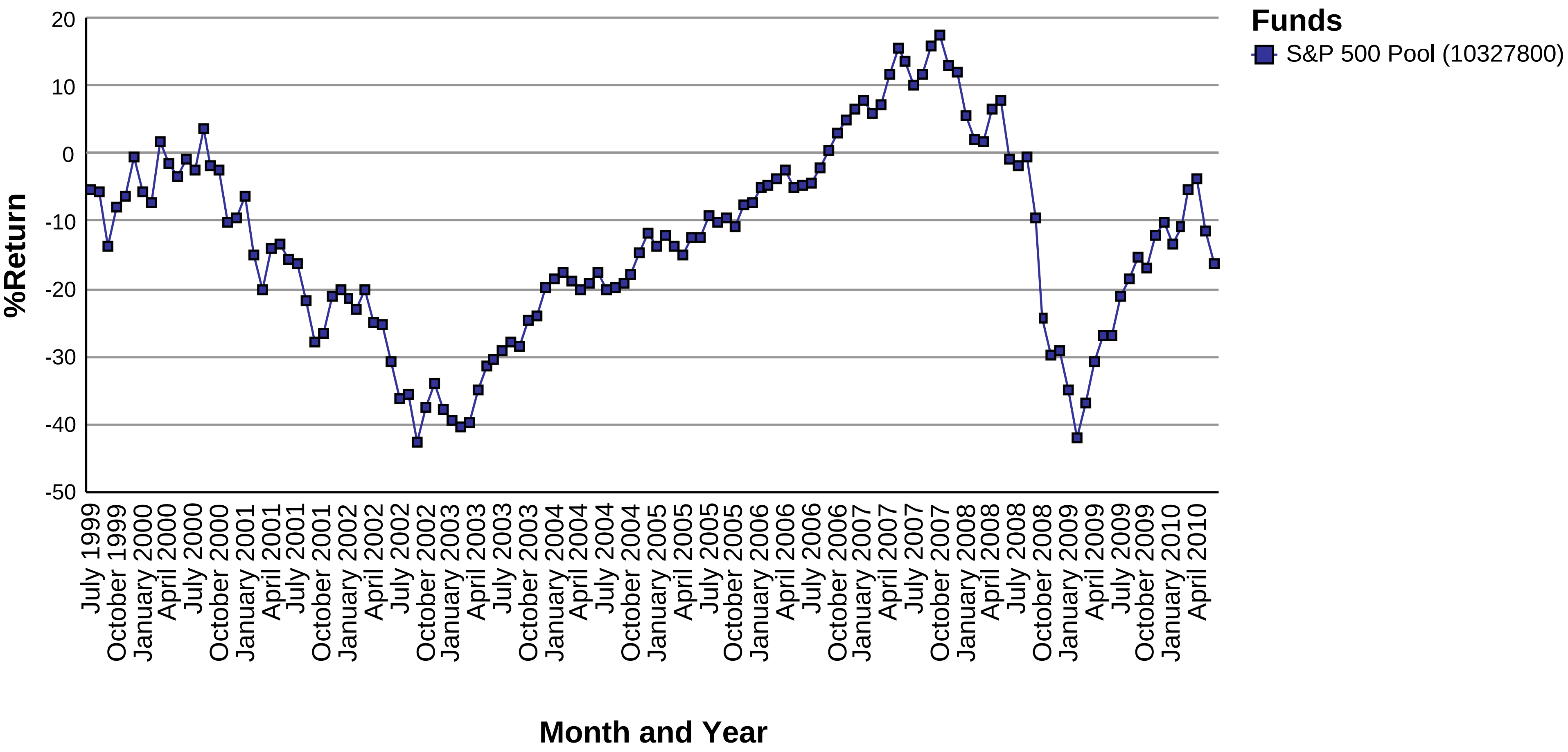
Performance Growth by Account

Arizona State Treasury (05509)

From **July 1999** to **June 2010**

Gross of Fee



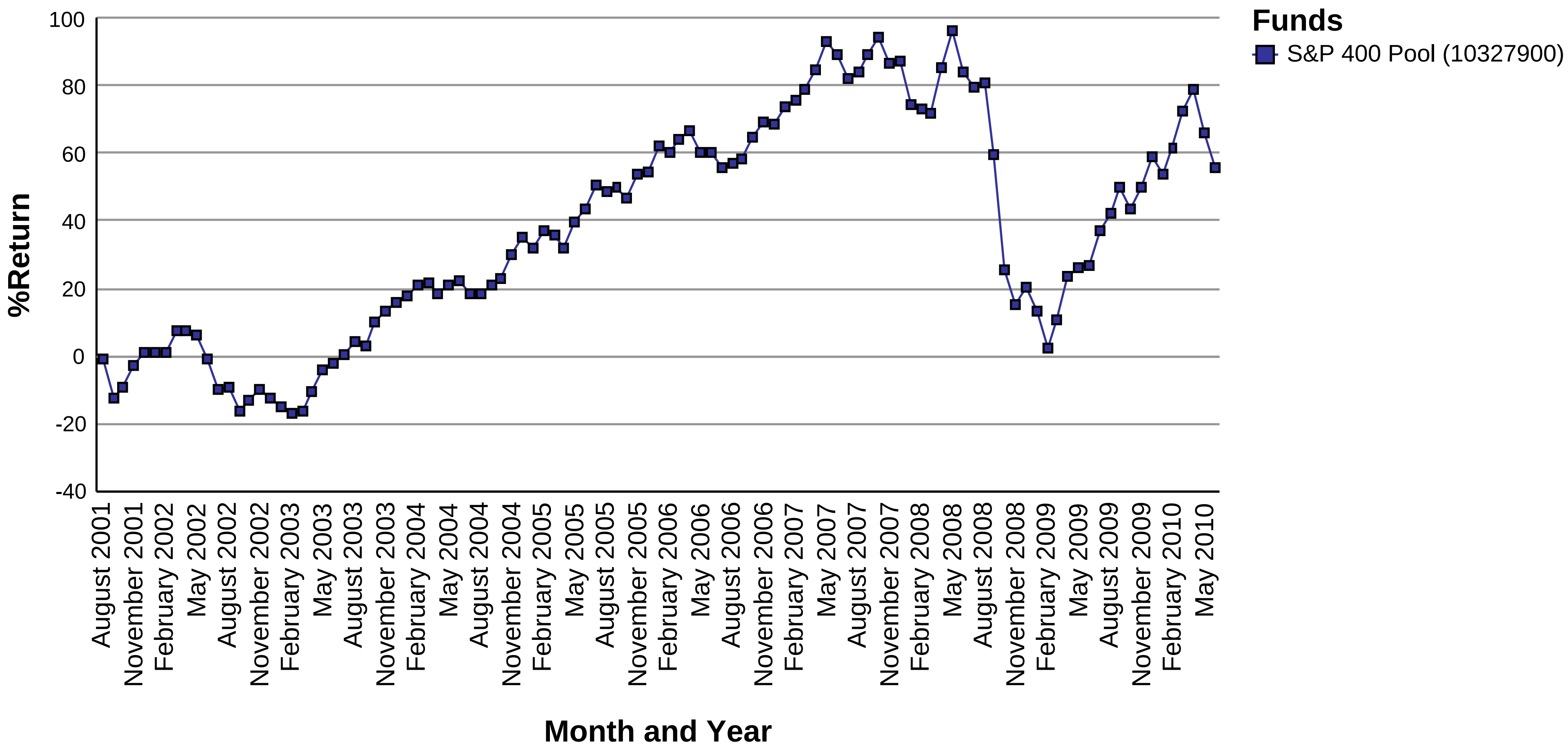
J.P.Morgan

Performance Growth by Account

Arizona State Treasury (05509)

From **August 2001** to **June 2010**

Gross of Fee



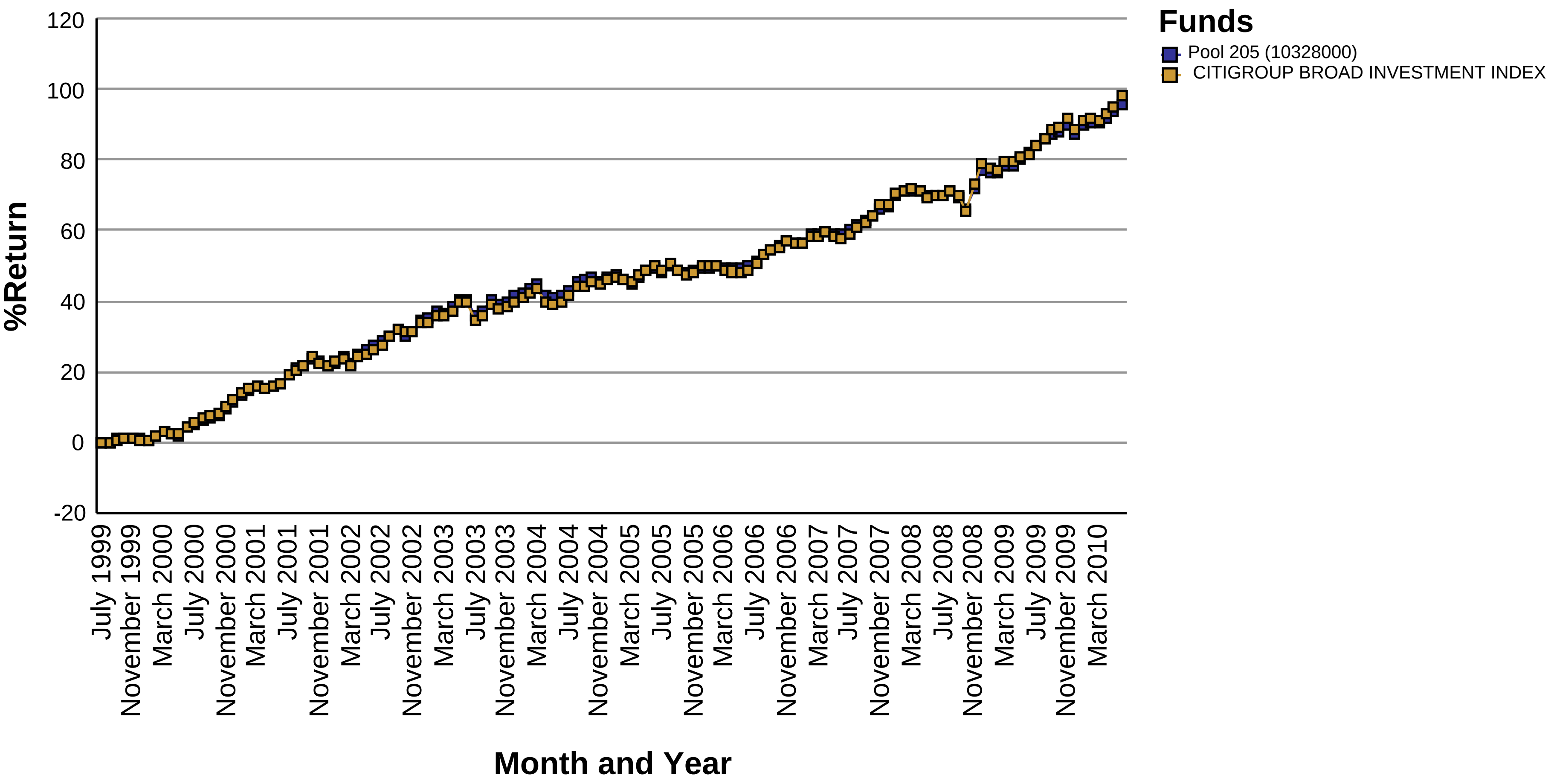
J.P.Morgan

Performance Growth by Account

Arizona State Treasury (05509)

From **July 1999** to **June 2010**

Gross of Fee



BROKER ACTIVITY REPORT
STATE AGENCY FUNDS 2, 3, 4, 12, 15, 55, 57
APRIL 1 - JUNE 30, 2010

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
BA SECURITIES INC.				
	REPO	4,103,810,130	16.94%	13.62%
	COMMERCIAL PAPER	114,571,751	15.89%	0.38%
BARCLAYS CAPITAL INC.				
	COMMERCIAL PAPER	59,962,769	8.32%	0.20%
	CORP ABS	12,258,613	51.56%	0.04%
	CORP NOTES	32,149,417	22.36%	0.11%
	US-AGENCY	170,121,169	38.68%	0.56%
	USA-MBS	14,898,124	25.58%	0.05%
	US TREAS	82,034,684	23.85%	0.27%
BROADPOINT CAPITAL				
	CORP NOTES	10,175,200	7.08%	0.03%
CANTOR FITZGERALD				
	CORP NOTES	5,758,053	4.00%	0.02%
	CORP CMO	6,586,049	100.00%	0.02%
	US AGENCY	26,489,698	6.02%	0.09%
	USA-MBS	12,384,750	21.26%	0.04%
CITIGROUP				
	REPO	4,925,571,307	20.33%	16.35%
	COMMERCIAL PAPER	209,164,776	29.01%	0.69%
	CORP NOTES	3,996,520	2.78%	0.01%
	USA-MBS	8,841,490	15.18%	0.03%
	US TREAS	19,993,789	5.81%	0.07%

BROKER ACTIVITY REPORT
STATE AGENCY FUNDS 2, 3, 4, 12, 15, 55, 57
APRIL 1 - JUNE 30, 2010

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
DEUTSCHE BANC				
	REPO	6,892,352,224	28.45%	22.87%
	COMMERCIAL PAPER	81,967,675	11.37%	0.27%
	CORP NOTES	14,727,776	10.24%	0.05%
	US AGENCY	42,496,250	9.66%	0.14%
	US TREAS	70,713,377	20.56%	0.23%
FIRST TENNESSEE				
	US AGENCY	30,731,950	6.99%	0.10%
	US TREAS	51,110,324	14.86%	0.17%
GOLDMAN SACHS				
	REPO	3,309,399,737	13.66%	10.98%
	COMMERCIAL PAPER	72,271,852	10.02%	0.24%
	CORP NOTES	10,000,000	6.95%	0.03%
	US TREAS	99,989,105	29.07%	0.33%
JP MORGAN CHASE				
	MONEY-MARK	451,032,738	100.00%	1.50%
	REPO SWEEP	3,721,531,881	100.00%	12.35%
	COMMERCIAL PAPER	103,120,939	14.30%	0.34%
	CORP NOTES	21,412,396	14.89%	0.07%
	US AGENCY	10,000,000	2.27%	0.03%
JEFFRIES CO.				
	US AGENCY	38,885,413	8.84%	0.13%
KEYBANC CAPITAL MARKETS				
	CORP NOTES	35,069,379	24.39%	0.12%
	US AGENCY	27,784,178	6.32%	0.09%

BROKER ACTIVITY REPORT
STATE AGENCY FUNDS 2, 3, 4, 12, 15, 55, 57
APRIL 1 - JUNE 30, 2010

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
MIZUHO SECURITIES				
	REPO	4,992,753,228	20.61%	16.57%
	US TREAS	20,130,008	5.85%	0.07%
PIPER JAFFRAY				
	US AGENCY	3,009,795	0.68%	0.01%
RAYMOND JAMES				
	USA-MBS	1,369,351	2.35%	0.00%
RBC DAIN RAUSCHER				
	COMMERCIAL PAPER	79,960,594	11.09%	0.27%
	US AGENCY	65,194,339	14.82%	0.22%
ROBERT W BAIRD				
	US AGENCY	500,000	0.11%	0.00%
	CORP ABS	9,566,194	40.23%	0.03%
STIFEL NICOLAUS				
	CORP NOTES	10,500,267	7.30%	0.03%
	CORP ABS	1,952,493	8.21%	0.01%
	US AGENCY	24,580,457	5.59%	0.08%
	USA-MBS	20,750,914	35.63%	0.07%

BROKER ACTIVITY REPORT
POOL 5 - L.G.I.P.
APRIL 1 - JUNE 30, 2010

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
BA SECURITIES INC.				
	REPO	2,786,756,498	15.70%	7.79%
	COMMERCIAL PAPER	466,862,655	23.37%	1.31%
	CORP NOTES	10,006,134	48.17%	0.03%
	US-AGENCY	4,997,725	2.78%	0.01%
	US TREAS	34,992,736	13.42%	0.10%
BARCLAYS CAPITAL INC.				
	COMMERCIAL PAPER	143,909,487	7.20%	0.40%
	CORP NOTES	5,001,500	24.08%	0.01%
	US-AGENCY	24,999,618	13.91%	0.07%
	US TREAS	49,993,126	19.18%	0.14%
CITIGROUP				
	REPO	3,787,409,933	21.33%	10.59%
	COMMERCIAL PAPER	381,795,602	19.11%	1.07%
	US-AGENCY	19,999,000	11.13%	0.06%
DEUTSCHE BANC				
	REPO	7,334,276,132	41.31%	20.51%
	COMMERCIAL PAPER	259,976,721	13.01%	0.73%
	US TREAS	50,360,076	19.32%	0.14%
GOLDMAN SACHS				
	REPO	1,342,934,362	7.56%	3.76%
	COMMERCIAL PAPER	188,616,450	9.44%	0.53%
	US-AGENCY	84,423,492	46.98%	0.24%
JP MORGAN CHASE				
	COMMERCIAL PAPER	141,534,570	7.09%	0.40%
	MONEY MARKET	43,286,510	100.00%	0.12%
	REPO SWEEP	15,506,382,838	100.00%	43.36%

BROKER ACTIVITY REPORT
POOL 5 - L.G.I.P.
APRIL 1 - JUNE 30, 2010

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
KEYBANC CAPITAL MARKETS				
	CORP NOTES	2,877,563	13.85%	0.01%
	US-AGENCY	10,126,978	5.64%	0.03%
MIZUHO SECURITIES				
	REPO	2,501,207,866	14.09%	6.99%
	US TREAS	25,331,945	9.72%	0.07%
MORGAN STANLEY				
	COMMERCIAL PAPER	142,874,355	7.15%	0.40%
	US-AGENCY	24,999,236	13.91%	0.07%
PIPER JAFFRAY				
	CORP NOTES	2,889,195	13.91%	0.01%
RBC DAIN RAUSCHER				
	COMMERCIAL PAPER	190,961,005	9.56%	0.53%
	US-AGENCY	10,145,061	5.65%	0.03%
RBS GREENWICH				
	US TREAS	99,993,822	38.36%	0.28%
WACHOVIA SECURITIES				
	COMMERCIAL PAPER	81,039,734	4.06%	0.23%

BROKER ACTIVITY REPORT
POOL 500 - L.G.I.P. LONG-TERM
APRIL 1 - JUNE 30, 2010

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
BA SECURITIES INC.				
	REPO	57,000,000	10.26%	8.14%
	COMMERCIAL PAPER	9,527,670	25.35%	1.36%
	US AGENCY	1,994,400	8.72%	0.28%
BARCLAYS CAPITAL INC.				
	COMMERCIAL PAPER	4,899,208	13.03%	0.70%
	CORP NOTES	2,567,607	27.16%	0.37%
	US AGENCY	1,508,493	6.59%	0.22%
CANTOR FITZGERALD				
	US AGENCY	1,779,280	7.78%	0.25%
	USA-MBS	7,032,489	47.61%	1.00%
CITIGROUP				
	REPO	173,000,000	31.13%	24.71%
	COMMERCIAL PAPER	8,252,085	21.95%	1.18%
	CORP NOTES	999,130	10.57%	0.14%
	US AGENCY	3,000,000	13.11%	0.43%
DEUTSCHE BANC				
	REPO	91,700,524	16.50%	13.10%
	COMMERCIAL PAPER	1,999,914	5.32%	0.29%
	US AGENCY	499,355	2.18%	0.07%
	US TREAS	391,823	100.00%	0.06%
GOLDMAN SACHS				
	REPO	73,000,000	13.14%	10.43%
	CORP NOTES	2,088,252	22.09%	0.30%

BROKER ACTIVITY REPORT
POOL 500 - L.G.I.P. LONG-TERM
APRIL 1 - JUNE 30, 2010

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
GOVERNMENT PERSPECTIVES				
	US AGENCY	6,031,191	26.36%	0.86%
	USA-MBS	5,150,023	34.87%	0.74%
JP MORGAN CHASE				
	COMMERCIAL PAPER	2,098,970	5.58%	0.30%
	MONEY MARKET	59,379,780	100.00%	8.48%
KEYBANC CAPITAL MARKETS				
	CORP NOTES	2,726,201	28.84%	0.39%
	US AGENCY	1,012,698	4.43%	0.14%
MIZUHO SECURITIES				
	REPO	161,000,000	28.97%	22.99%
MORGAN STANLEY				
	COMMERCIAL PAPER	1,883,680	5.01%	0.27%
RAYMOND JAMES				
	USA-MBS	2,587,016	17.52%	0.37%
RBC DAIN RAUSCHER				
	COMMERCIAL PAPER	6,105,729	16.24%	0.87%
	US AGENCY	1,000,000	4.37%	0.14%
ROBERT W BAIRD				
	US AGENCY	5,056,633	22.10%	0.72%
UBS PAINE WEBBER				
	CORP NOTES	1,072,989	11.35%	0.15%
	US AGENCY	1,000,000	4.37%	0.14%

BROKER ACTIVITY REPORT
POOL 500 - L.G.I.P. LONG-TERM
APRIL 1 - JUNE 30, 2010

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
WACHOVIA SECURITIES				
	COMMERCIAL PAPER	2,822,346	7.51%	0.40%

BROKER ACTIVITY REPORT
POOL 7 - L.G.I.P.- GOV
APRIL 1 - JUNE 30, 2010

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
BA SECURITIES INC.				
	REPO	6,739,433,372	11.79%	11.60%
BARCLAYS CAPITAL INC.				
	US TREAS	525,261,997	62.52%	0.90%
CITIGROUP				
	REPO	10,885,018,760	19.03%	18.74%
DEUTSCHE BANC				
	REPO	18,070,171,120	31.60%	31.11%
	US TREAS	49,985,500	5.95%	0.09%
GOLDMAN SACHS				
	REPO	8,333,665,901	14.57%	14.35%
JP MORGAN CHASE				
	MONEY MARKET	59,217,851	100.00%	0.10%
	US TREAS	164,980,554	19.64%	0.28%
MIZUHO SECURITIES				
	REPO	13,156,038,905	23.01%	22.65%
	US TREAS	99,983,667	11.90%	0.17%

BROKER ACTIVITY REPORT
POOL 700 - L.G.I.P.- GOV LONG-TERM
APRIL 1 - JUNE 30, 2010

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
BA SECURITIES INC.				
	REPO	368,000,000	16.82%	16.40%
	US TREAS	1,995,207	15.90%	0.09%
BARCLAYS CAPITAL INC.				
	FDIC - CORP NOTES	2,075,383	36.85%	0.09%
	US TREAS	3,541,470	28.23%	0.16%
CANTOR FITZGERALD				
	USA-MBS	5,959,434	46.80%	0.27%
	US TREAS	1,007,359	8.03%	0.04%
CITIGROUP				
	REPO	544,000,000	24.87%	24.24%
	USA-MBS	2,934,471	23.04%	0.13%
DEUTSCHE BANC				
	REPO	681,500,000	31.15%	30.36%
	US TREAS	6,001,951	47.84%	0.27%
GOLDMAN SACHS				
	REPO	221,000,000	10.10%	9.85%
JP MORGAN CHASE				
	MONEY MARKET	26,076,569	100.00%	1.16%
KEYBANC CAPITAL MARKETS				
	FDIC - CORP NOTES	3,555,879	63.15%	0.16%
MIZUHO SECURITIES				
	REPO	373,000,000	17.05%	16.62%
ROBERT W BAIRD				
	USA-MBS	3,839,882	30.16%	0.17%

BROKER ACTIVITY REPORT
FIXED INCOME FUND 205
APRIL 1 - JUNE 30, 2010

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
BARCLAYS CAPITAL INC.				
	CORP-NOTE	3,105,167	29.92%	1.40%
BROADPOINT CAPITAL				
	USA MBS	27,326,233	56.59%	12.31%
CANTOR FITZGERALD				
	US AGENCY	5,133,703	20.38%	2.31%
CITIGROUP				
	CORP-NOTE	4,995,650	48.13%	2.25%
	USA MBS	11,085,909	22.96%	4.99%
	US TREAS	16,173,076	100.00%	7.29%
DEUTSCHE BANC				
	US AGENCY	5,000,000	19.85%	2.25%
GOVERNMENT PERSPECTIVES				
	US AGENCY	5,000,000	19.85%	2.25%
JP MORGAN CHASE				
	MONEY-MARK	121,912,877	100.00%	54.93%
PIPER JAFFRAY				
	CORP-NOTE	2,278,644	21.95%	1.03%
	USA MBS	9,875,896	20.45%	4.45%
ROBERT W BAIRD				
	US AGENCY	5,068,333	20.12%	2.28%
STIFEL NICOLAUS				
	US AGENCY	4,992,500	19.82%	2.25%