

OFFICE OF THE
ARIZONA STATE TREASURER



**HON. DEAN MARTIN
TREASURER**



NOVEMBER 2010

Presented To:

Arizona State Board of Investment

DECEMBER 28, 2010

STATE BOARD OF INVESTMENT

A G E N D A

December 28, 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
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 28, 2010

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**Minutes of
BOARD OF INVESTMENT MEETING**

The regular meeting of the State Board of Investment was held on November 30, 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 1:30p.m.

Members Present:

Dean Martin, Chair, State Treasurer
Beth Ford, Treasurer, Pima County
Alan E. Maguire, President, The Maguire Company, by teleconference
Lauren Kingry, Superintendent, Department of Financial Institutions

Members Absent:

David Raber, Director, Arizona Department of Administration

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
Doug Ducey, Treasurer Elect

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

1 Call to Order:

Treasurer Martin called the November 30, 2010 BOI meeting to order at approximately 1:30 p.m.

2. Treasurers Comments:

Treasurer Martin welcomed board members and guests and thanked all present for attending the November 30, 2010 meeting.

3. Approval of Minutes:

Mr. Kingry made a motion to approve the minutes for the October 28, 2010 Board of Investment Meeting. Ms. Ford seconded the motion. Motion carried.

4. Review of Treasurer's Monthly Report

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 October, 2010.

Mr. Swenson advised the board that for informational purposes, he would be including a verbal comparison of what the pools were doing a year ago in his 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:

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 October, 2010.

Pool 500 & Pool 700 Portfolio Yield Analysis

Mr. Swenson reported the net yield for the LGIP Medium Term Pools and the comparison to the benchmark for the month of October, 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 Medium Term Pools as of October 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 Medium Term pools for the month of October, 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 October, 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 October 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 October 31, 2010.

Operating Monies Average Invested Balance

Mr. Swenson reported the Operating Monies average invested balance for the month of October, 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 October, 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 October, 2010 and FY11 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 October, 2010.

Equity Funds Purchases & Sales

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

Investments Outstanding in Endowment Funds

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

Equity Holdings Investments Outstanding S&P 500

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

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 October, 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 October, 2010.

Mr. Kingry asked if the year to date comparisons that were presented could be included in the reports. Mr. Swenson responded that a request has been made to the vender to include the year to date information.

Approval of Treasurer's Report

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

5. Proposed Changes to Investment Policy:

There were no proposed changes to the Investment Policy.

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

*Mr. Swenson stated there was one broker for consideration:
CastleOak Securities L.P.*

Mr. Kingry questioned if there was a broker/dealers list available. Mr. Swenson advised that there is a list and at this time there are about 25 companies that are approved to trade securities with the Treasurer's Office. He added that he would make sure each of the members received a copy of the current list.

Mr. Kingry then inquired what the considerations are that must be met in order for the approval of a broker /dealer. Mr. Swenson replied that pricing is the main consideration. They have to show that they offer competitive pricing on the transactions we would be doing with their company.

Mr. Kingry made a motion to approve these changes and Ms. Ford seconded the motion. The motion carried.

7. General Business:

There was no general business.

8. Call to the Public

There was no public comment.

*State Treasurer's Report
December 28, 2010 Meeting
Minutes of the November 30, 2010 Meeting*

9. Notice of Next Meeting:

The Treasurer advised the Board that the next regular meeting of the Board of Investment will be Tuesday, December 28, 2010 at 1:30 p.m. at 1700 West Washington, State Capitol, West Wing, Treasurer's Conference Room, Phoenix, Arizona.

10. Adjournment:

Treasurer Martin adjourned the BOI meeting at 1:55 p.m.

Respectfully Submitted by:

Helen D. Garafola
Executive Consultant

Approved by:

Dean Martin, Chair

Date

EARNINGS DISTRIBUTION - INVESTMENT POOLS
NOVEMBER 2010

State Treasurer's Report
December 28, 2010
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Recipient	Earnings Distributed			Fiscal YTD Investment Management Fees Received
	NOVEMBER 2010	Fiscal YTD 10/11	Fiscal YTD 09/10	
General Fund	\$371,346	\$2,465,995	\$339,296	
2 State Agencies I - Full Faith & Credit	569,420	2,890,414	8,162,234	223,105
3 State Agencies II - Diversified	613,992	3,404,114	8,366,496	360,425
4 State Agencies IV - Restricted Diversified	267,045	1,349,989	4,295,735	148,310
5 LGIP	274,535	1,614,421	4,949,689	426,529
7 LGIP Gov	232,597	1,114,102	3,499,523	482,843
12 CAWCD Medium-Term	284,340	1,458,088	2,605,024	35,093
15 GADA Long-Term	26,461	126,741	268,255	3,049
Subtotal	\$2,639,736	\$14,423,865	\$32,486,252	\$1,679,352
NAV POOL				
500 LGIP - Med Term	259,158	1,064,580	941,539	35,484
700 LGIP - FF&C Med Term	157,195	623,035	12,821	30,635
Total	\$3,056,089	\$16,111,480	\$33,440,612	\$1,745,471

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

State Treasurer's Report
December 28, 2010
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FUND	DESCRIPTION	NET EARNINGS
5	LGIP	274,535
7	LGIP - GOV	233,573
TOTAL LGIP & LGIP-GOV		508,109

		09/30/10	10/31/10	11/30/10
5	LGIP MONTHLY YIELD (NET)	0.23%	0.21%	0.19%
	S & P LGIP INDEX YIELD	0.19%	0.16%	0.15%
	LGIP YTD YIELD (NET)	0.24%	0.23%	0.22%
	S & P LGIP YTD INDEX YIELD	0.19%	0.18%	0.17%
7	LGIP - GOV MONTHLY YIELD (NET)	0.14%	0.14%	0.15%
	3 MONTH T-BILL	0.14%	0.12%	0.13%
	LGIP - GOV YTD YIELD (NET)	0.13%	0.13%	0.13%
	YTD 3 MONTH T-BILL	0.14%	0.14%	0.14%

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

**LGIP & LGIP-GOV MEDIUM TERM POOL
PORTFOLIO YIELD ANALYSIS
November 30, 2010**

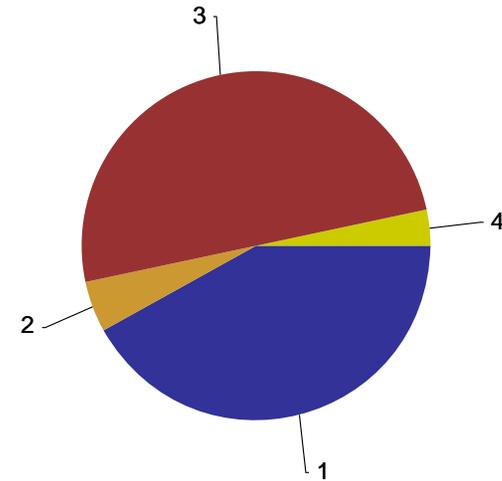
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FUND	DESCRIPTION	NET EARNINGS
500	LGIP - MED TERM POOL	259,158
700	LGIP - FF&C MED TERM POOL	157,195
	TOTAL LGIP MED TERM POOL	416,353

	09/30/10	10/31/10	11/30/10
LGIP - MED TERM MONTHLY YIELD (NET)	1.71%	1.71%	1.70%
MERRILL 1-5 US D M INDEX MONTHLY YIELD	1.76%	1.58%	1.71%
LGIP - MED TERM YTD YIELD (NET)	1.92%	1.87%	1.84%
MERRILL 1-5 US D M INDEX YTD YIELD	1.49%	1.51%	1.55%
LGIP - FF&C MED TERM MONTHLY YIELD (NET)	1.13%	1.14%	1.45%
MERRILL 1-5 US TREAS INDEX MONTHLY YIELD	0.62%	0.53%	0.69%
LGIP - FF&C MED TERM YTD YIELD (NET)	1.13%	1.13%	1.20%
MERRILL 1-5 US TREAS INDEX YTD YIELD	0.70%	0.66%	0.66%

Manager Allocation - Monthly Arizona State Treasury (05509) As of November 2010

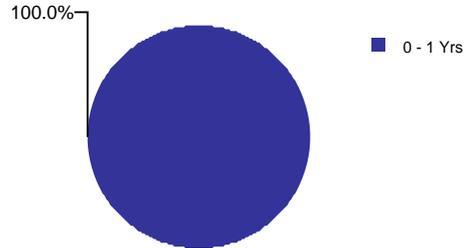
LGIP composite (00550903)			
Sr. No.	Account Name	Market Value(MIL)	Percent of Portfolio
1	State of Arizona - Pool 5 (LGIP) (10327300)	1,689.65	42.0%
2	State of Arizona - Pool 500 (LGIP - Med Term) (10327700)	186.17	4.6%
3	State of Arizona - Pool 7 (LGIP - FF&C) (10327400)	2,018.36	50.2%
4	State of Arizona - Pool 700 (LGIP-FF&C Med Term) (10563200)	128.72	3.2%
TOTAL		4,022.89	100.0%



Portfolio Characteristics

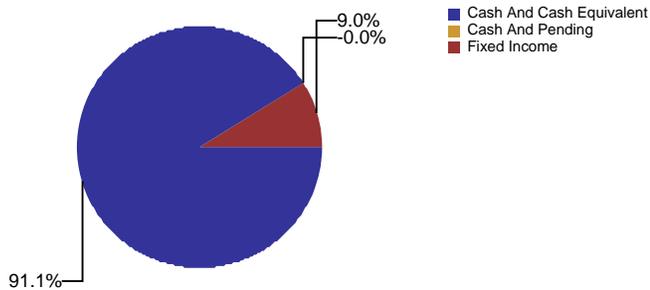
Duration Mix

Total Net Assets (Millions) **1,689.6**
 Weighted Average Life (Years) **0.10**
 Weighted Avg. Effective Duration (Years) **0.10**
 Weighted Average Maturity (Years) **0.09**
 Weighted Average Rating **AAA**
 Number of Holdings **84**



Asset Mix

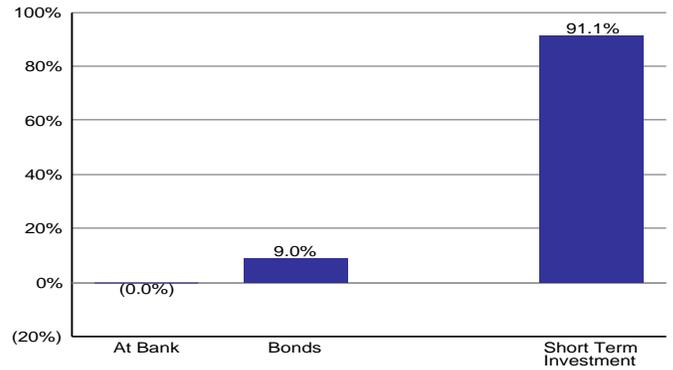
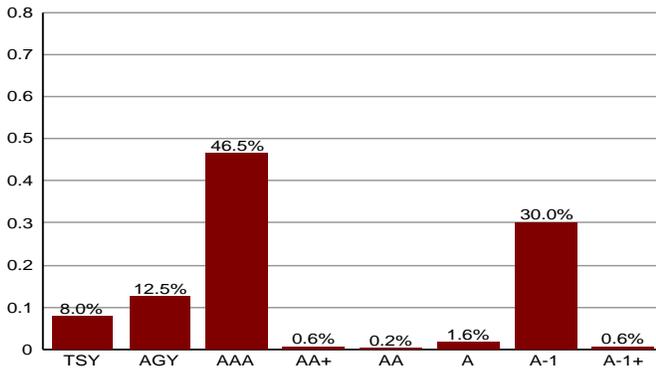
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
15199U623	TRI-PARTY REPO DEUTSCHE BANK 0.20% 14/JAN/2011	17.76%	0.20	14/1/2011
46999W014	TRI-PARTY REPO JP MORGAN 0.30% 16/DEC	14.83%	0.30	1/12/2010
07299T838	TRI-PARTY REPO CITIGROUP BANK 0.24% 01/DEC/2010	10.10%	0.24	1/12/2010
313385R57	FEDERAL HOME LOAN BANKS 0% TB 01/DEC/2010 USD1000	5.92%	0.00	1/12/2010
31315KAC4	FED AGRIC MTG CP DSC NT FED BE MATURES 03/JAN/2011	2.96%	0.00	3/1/2011
31315KAT7	FED AGRIC MTG CP DSC NT FED BE MATURES 18/JAN/2011	2.96%	0.00	18/1/2011
947514D	UNITED STATES ZERO 07/APR/2011	2.37%	0.00	7/4/2011
912828JY7	UNITED STATES OF AMER TREAS NOTES 0.875% NTS	1.49%	0.88	31/1/2011
912828KH2	UNITED STATES TREAS NTS 0.875% 31/MAR/2011	1.49%	0.88	31/3/2011
912795X97	UNITED STATES TREAS BILLS DT	1.48%	0.00	27/1/2011

Quality/Rating Weightings

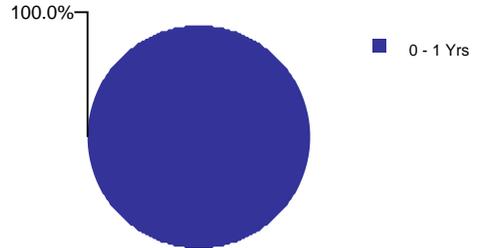
Sector Weightings (as % of Market Value)



Portfolio Characteristics

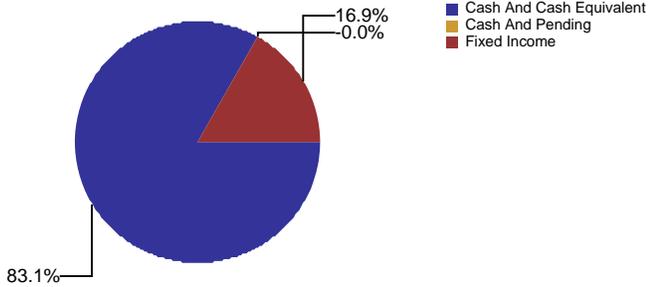
Duration Mix

Total Net Assets (Millions) **2,018.4**
 Weighted Average Life (Years) **0.11**
 Weighted Avg. Effective Duration (Years) **0.11**
 Weighted Average Maturity (Years) **0.11**
 Weighted Average Rating **AAA**
 Number of Holdings **24**



Asset Mix

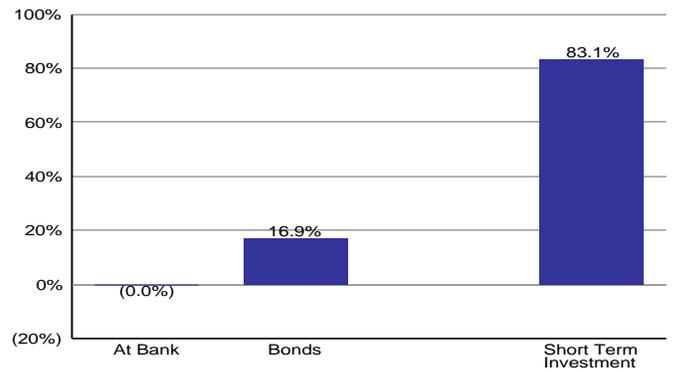
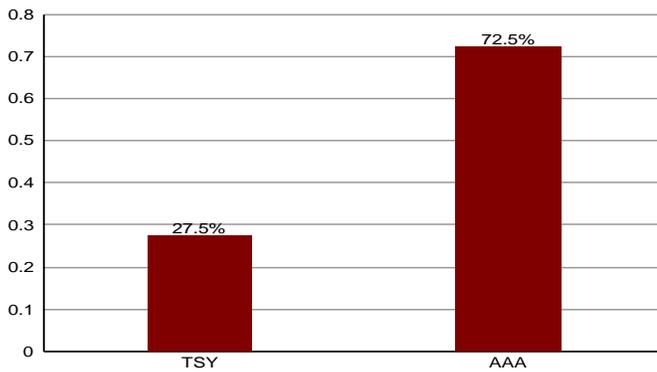
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
07299T838	TRI-PARTY REPO CITIGROUP BANK 0.24% 01/DEC/2010	29.13%	0.24	1/12/2010
60699I712	TRI-PARTY REPO MIZUHO SECURITIES 0.20% 13/JAN/2011	12.39%	0.20	13/1/2011
05199T288	TRI-PARTY REPO DEUTSCHE BANK 0.21% 14/JAN/2011	9.91%	0.21	14/1/2011
60699I662	TRI-PARTY REPO MIZUHO SECURITIES 0.20% 14/JAN/2011	9.91%	0.20	14/1/2011
912795X71	UNITED STATES TREAS BILLS DT	4.71%	0.00	6/1/2011
05199T361	TRI-PARTY REPO DEUTSCHE BANK 0.18% 20/DEC/2010	3.72%	0.18	20/12/2010
05199T387	TRI-PARTY REPO DEUTSCHE BANK 0.21 % 03/DEC/2010	2.97%	0.21	3/12/2010
912795Y21	UNITED STATES TREAS BILLS DT	2.97%	0.00	3/2/2011
912828KU3	UNITED STATES TREAS NTS 0.875% 31/MAY/2011	2.49%	0.88	31/5/2011
787567D	FDIC ALLIANCE BANK OF AZ NOW ACCOUNT 0.25%	2.48%	0.25	31/12/2010

Quality/Rating Weightings

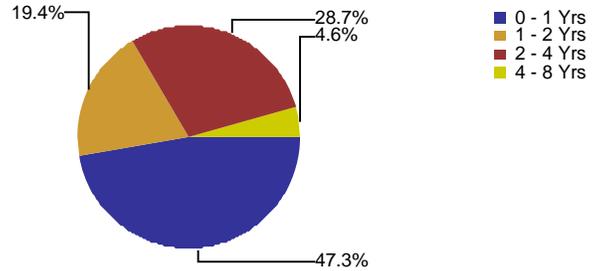
Sector Weightings (as % of Market Value)



Portfolio Characteristics

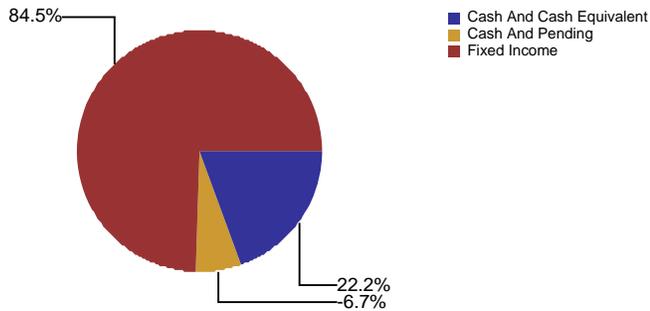
Duration Mix

Total Net Assets (Millions) **186.2**
 Weighted Average Life (Years) **1.74**
 Weighted Avg. Effective Duration (Years) **1.38**
 Weighted Average Rating **AAA**
 Number of Holdings **166**



Asset Mix

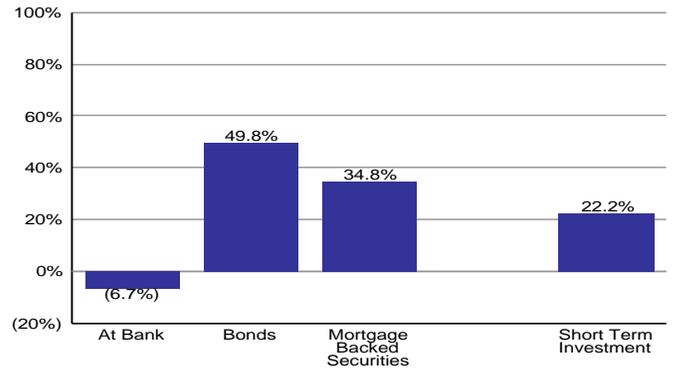
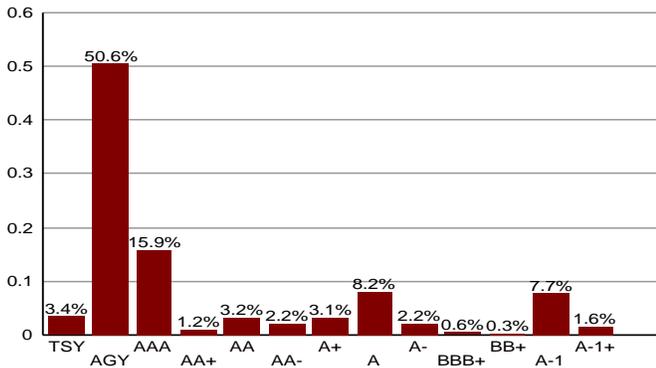
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
07299T838	TRI-PARTY REPO CITIGROUP BANK 0.24% 01/DEC/2010	13.97%	0.24	1/12/2010
31416NZB1	FNMA MORTPASS 4% 01/APR/2024 CI PN# AA5237	5.61%	4.00	1/4/2024
01F0404B0	TBA FNMA SF 4.00 15 YRS NOV	5.60%	4.00	25/11/2025
3133XWQ06	FEDERAL HOME LN BKS CONS BD 1.1% 30/DEC/2011	2.96%	1.10	30/12/2011
31419CZL0	FNMA MORTPASS 4.5% 01/SEP/2040 CL PN# AE2546	2.79%	4.50	1/9/2040
3128PSKA4	FHLMCGLD MORTPASS 3.5% 01/SEP/2025 PN# 2989	2.72%	3.50	1/9/2025
3128PSQ75	FHLMCGLD MORTPASS 3.5% 01/OCT/2025 PN# 3178	2.72%	3.50	1/10/2025
31418RFS5	FNMA MORTPASS 4.5% 01/MAR/2025 CI PN# AD3776	2.49%	4.50	1/3/2025
3128MMLB7	FHLMCGLD MORTPASS 4.5% 01/AUG/2024 G1 PN# G18321	2.34%	4.50	1/8/2024
3133XXYX9	FEDERAL HOME LOAN BANKS 1.875% BDS 21/JUN/2013	1.67%	1.88	21/6/2013

Quality/Rating Weightings

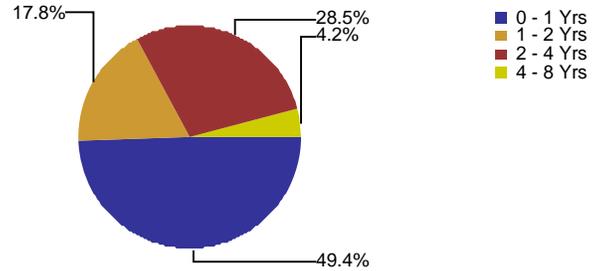
Sector Weightings (as % of Market Value)



Portfolio Characteristics

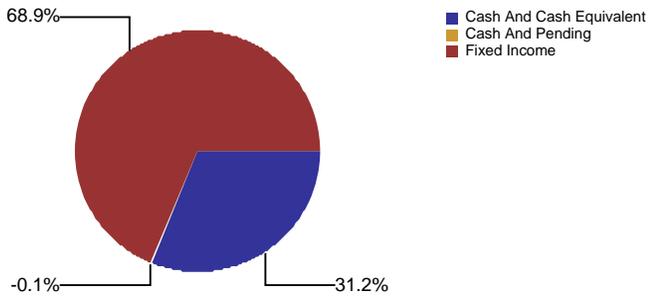
Duration Mix

Total Net Assets (Millions) **128.7**
 Weighted Average Life (Years) **1.61**
 Weighted Avg. Effective Duration (Years) **1.27**
 Weighted Average Rating **AAA**
 Number of Holdings **70**



Asset Mix

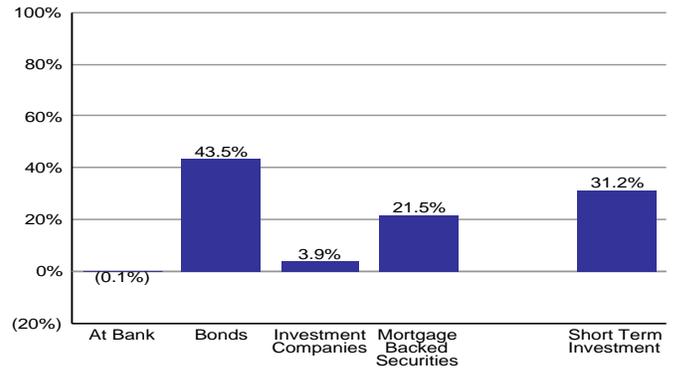
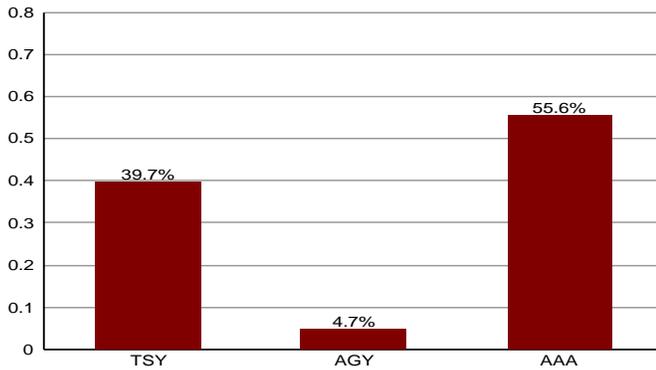
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
07299T838	TRI-PARTY REPO CITIGROUP BANK 0.24% 01/DEC/2010	20.20%	0.24	1/12/2010
938554N	FDIC - US BANK CD 0.38% 31/MAR/2011	5.84%	0.38	31/3/2011
36967HAY3	GENERAL ELECTRIC CAPITAL CORP 2.625% BDS	4.09%	2.62	28/12/2012
36202FFH4	GNMA II MORTPASS 4.5% 20/APR/2025 SF PN# 004668	3.93%	4.50	20/4/2025
464287457	ISHARES BARCLAYS 1-3 YRS TREASURY BOND FUND	3.89%		
928989417	JP MORGAN TREASURY PLUS MMF AGENCY SH	3.46%	0.01	31/12/2049
73278MAA1	POOLED FDG TR I 2.74% BDS 15/FEB/2012 USD	3.20%	2.74	15/2/2012
38376ETD7	GINNIE MAE 2009-108 WG 4.000% 20/SEP/2038	3.15%	4.00	20/9/2038
912828KL3	UNITED STATES TREAS NTS 0.875% 30/APR/2011	2.73%	0.88	30/4/2011
911759JQ2	U S DEPT HSG & URBAN DEV GOVT 4.33% DEB	2.65%	4.33	1/8/2015

Quality/Rating Weightings

Sector Weightings (as % of Market Value)



**STATE AGENCY POOLS
PORTFOLIO YIELD ANALYSIS**
November 30, 2010

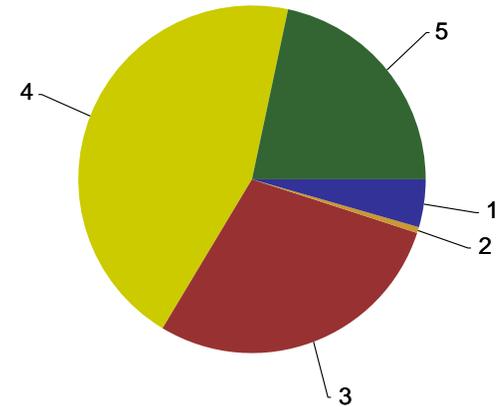
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FUND	DESCRIPTION	NET EARNINGS	NET YIELD
2	STATE AGENCIES I - FULL FAITH & CREDIT	737,215	1.0300%
3	STATE AGENCIES II - DIVERSIFIED	813,806	0.6900%
4	STATE AGENCIES IV-RESTRICTED DIVERSIFIED	269,806	0.4700%
12	CAWCD MEDIUM TERM	284,340	2.3900%
15	GADA	26,461	2.6600%
	TOTAL STATE AGENCIES	2,131,628	

Manager Allocation - Monthly Arizona State Treasury (05509) As of November 2010

Pool Composite (00550904)

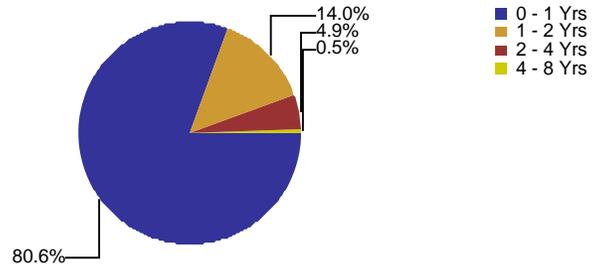
Sr. No.	Account Name	Market Value(MIL)	Percent
1	State of Arizona - Pool 12 (CAWCD - Med Term) (10327500)	148.40	4.6%
2	State of Arizona - Pool 15 (GADA) (10327600)	12.38	0.4%
3	State of Arizona - Pool 2 (State Agency - FF&C) (10327000)	927.08	28.6%
4	State of Arizona - Pool 3 (State Agency - Diversified) (10327100)	1,455.35	44.8%
5	State of Arizona - Pool 4 (State Agency Rest Div) (10327200)	703.17	21.7%
TOTAL		3,246.38	100.0%



Portfolio Characteristics

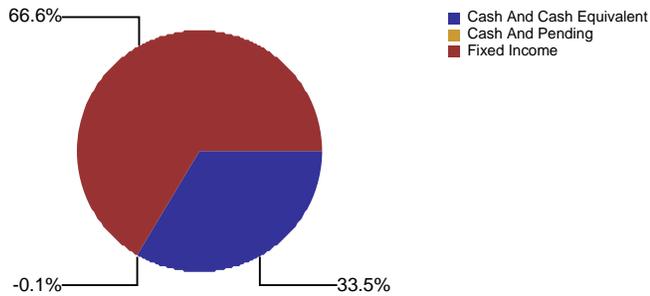
Duration Mix

Total Net Assets (Millions) **927.1**
 Weighted Average Life (Years) **0.75**
 Weighted Avg. Effective Duration (Years) **0.50**
 Weighted Average Rating **AAA**
 Number of Holdings **70**



Asset Mix

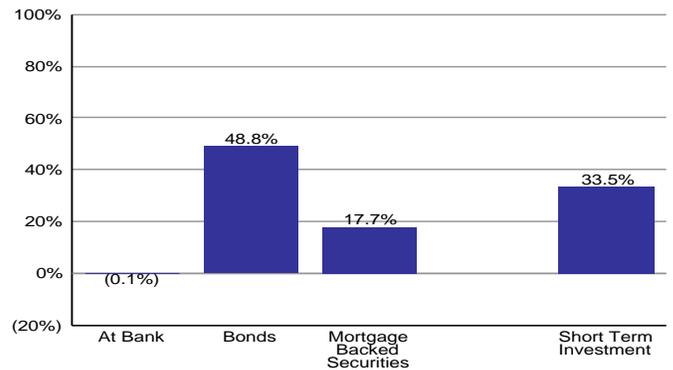
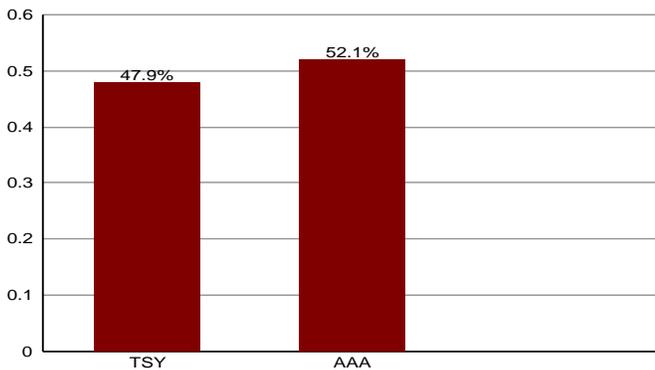
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
07299T838	TRI-PARTY REPO CITIGROUP BANK 0.24% 01/DEC/2010	25.98%	0.24	1/12/2010
05199T346	TRI-PARTY REPO DEUTSCHE BANK 0.20% 01/DEC/2010	5.39%	0.20	1/12/2010
912828LG3	UNITED STATES TREAS NTS 1% 31/JUL/2011	4.35%	1.00	31/7/2011
7591EAAA1	REGIONS BANK 2.75% BDS 10/DEC/2010 USD1000	3.28%	2.75	10/12/2010
912828FH8	US TREAS NTS 04.875% 31/MAY/2011	2.21%	4.88	31/5/2011
912828EX4	US TREAS NTS 04.500% 28/FEB/2011	2.20%	4.50	28/2/2011
38376XC92	GINNIE MAE 2010-31 TJ 4.000% 20/MAR/2021	2.20%	4.00	20/3/2021
912828KP4	UNITED STATES TREAS NTS 1.375% 15/MAY/2012	2.19%	1.38	15/5/2012
912828KB5	UNITED STATES TREAS NTS 1.125% 15/JAN/2012	2.19%	1.12	15/1/2012
912828MU1	UNITED STATES TREAS NTS 1.000% 31/MAR/2012	2.18%	1.00	31/3/2012

Quality/Rating Weightings

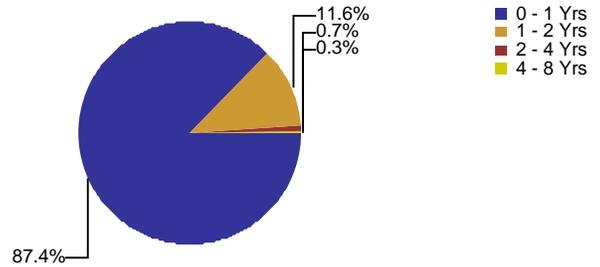
Sector Weightings (as % of Market Value)



Portfolio Characteristics

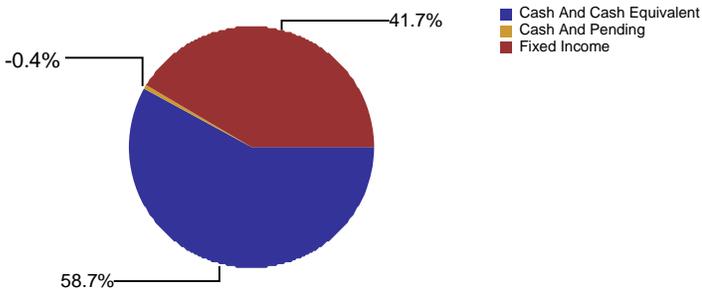
Duration Mix

Total Net Assets (Millions) **1,455.3**
 Weighted Average Life (Years) **0.65**
 Weighted Avg. Effective Duration (Years) **0.27**
 Weighted Average Rating **AA+**
 Number of Holdings **89**



Asset Mix

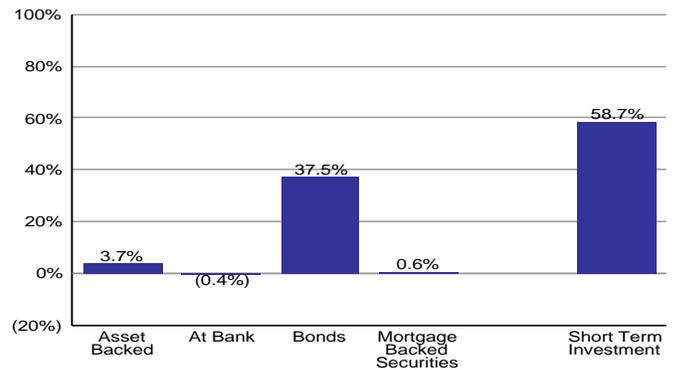
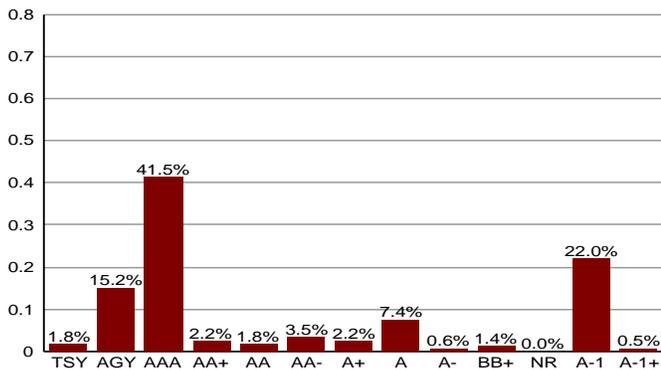
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
07299T838	TRI-PARTY REPO CITIGROUP BANK 0.24% 01/DEC/2010	30.70%	0.24	1/12/2010
05199T346	TRI-PARTY REPO DEUTSCHE BANK 0.20% 01/DEC/2010	3.44%	0.20	1/12/2010
31398A2L5	FEDERAL NATIONAL MORTGAGE ASSOC 1.25% NTS	2.42%	1.25	16/8/2013
37247XAA0	GENWORTH GLOBAL FUNDING FR MTN 15/DEC/2010 USD1000	2.16%	0.45	15/12/2010
3128X9XU9	FEDERAL HOME LOAN MORTGAGE CORP 0.00% BDS	2.06%	0.41	3/2/2012
82124MM15	SHEFFIELD RECEIVABLE CORPORATE COMMERCIAL PAPER	2.06%	0.00	1/12/2010
18885KM12	CLIPPER RECEIVABLES CO CORPORATE COMMERCIAL PAPER	2.06%	0.00	1/12/2010
17307SM17	CITIGROUP FDG INC CORPORATE COMMERCIAL PAPER	2.06%	0.00	1/12/2010
67983UM26	OLD LINE FUNDING LLC CORPORATE COMMERCIAL PAPER	2.06%	0.00	2/12/2010
12619UNC1	CRC FUNDING LLC CORPORATE COMMERCIAL PAPER	2.06%	0.00	12/1/2011

Quality/Rating Weightings

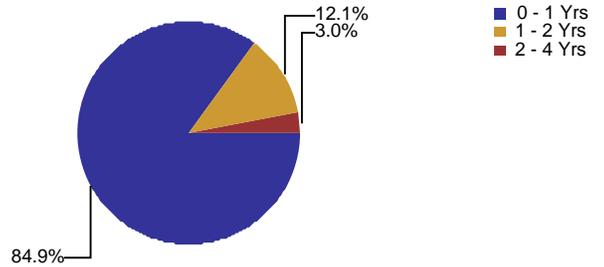
Sector Weightings (as % of Market Value)



Portfolio Characteristics

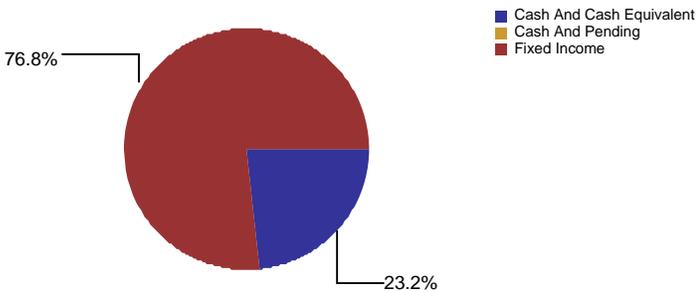
Duration Mix

Total Net Assets (Millions) **703.2**
 Weighted Average Life (Years) **1.00**
 Weighted Avg. Effective Duration (Years) **0.46**
 Weighted Average Rating **AGY**
 Number of Holdings **53**



Asset Mix

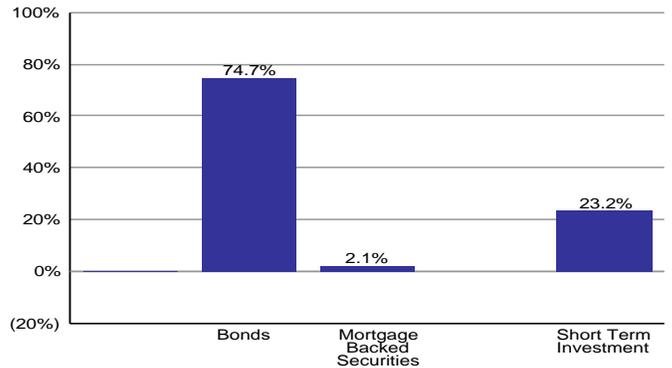
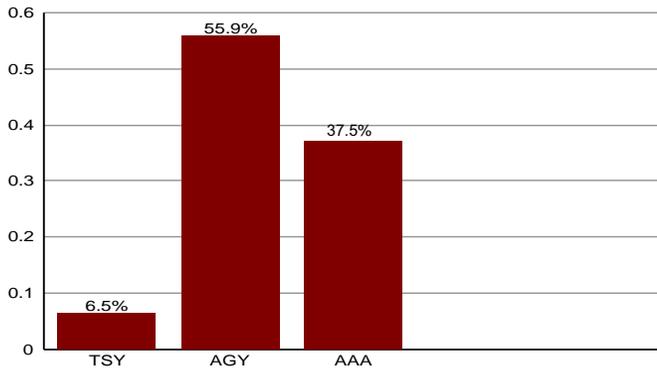
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
07299T838	TRI-PARTY REPO CITIGROUP BANK 0.24% 01/DEC/2010	13.97%	0.24	1/12/2010
46999W014	TRI-PARTY REPO JP MORGAN 0.30% 16/DEC	7.84%	0.30	1/12/2010
3128X9XU9	FEDERAL HOME LOAN MORTGAGE CORP 0.00% BDS	4.27%	0.41	3/2/2012
446436AB3	HUNTINGTN.NATL.BK FR GTD NT 01/JUN/2012 USD1000	3.58%	0.70	1/6/2012
788717D	FED HOME LOAN ZCP 06/JAN/2011	2.90%	0.00	1/6/2011
912828JU5	UNITED STATES OF AMER TREAS NOTES 1.75% TB	2.89%	1.75	15/11/2011
3134G1UJ1	FED HOME LOAN MTG 0.4% MTN 22/SEP/2011 USD	2.84%	0.40	22/9/2011
951492D	FED HOME LOAN ZERO 07/MAR/2011	2.84%	0.00	7/3/2011
954041D	FED HOME LOAN ZCP 21/MAR/2011	2.84%	0.00	21/3/2011
787631D	FED HOME LOAN ZCP 29/AUG/2011	2.84%	0.00	29/8/2011

Quality/Rating Weightings

Sector Weightings (as % of Market Value)

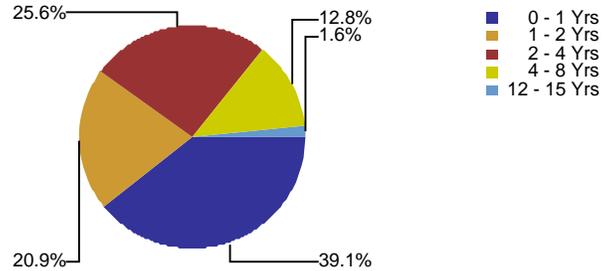


Portfolio Characteristics

Duration Mix

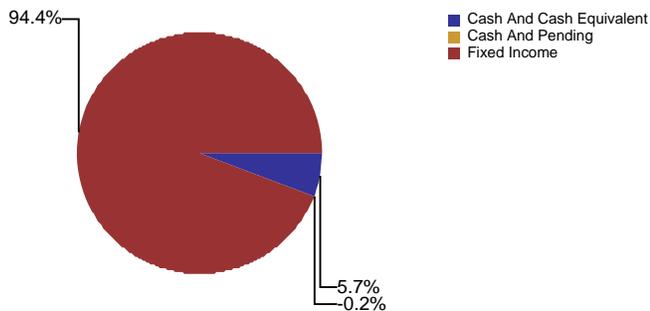
Total Net Assets (Millions) **148.4**
 Weighted Average Life (Years) **5.18**
 Weighted Avg. Effective Duration (Years) **2.01**
 Weighted Average Rating **AA+**
 Number of Holdings **98**

148.4
5.18
2.01
AA+
98



Asset Mix

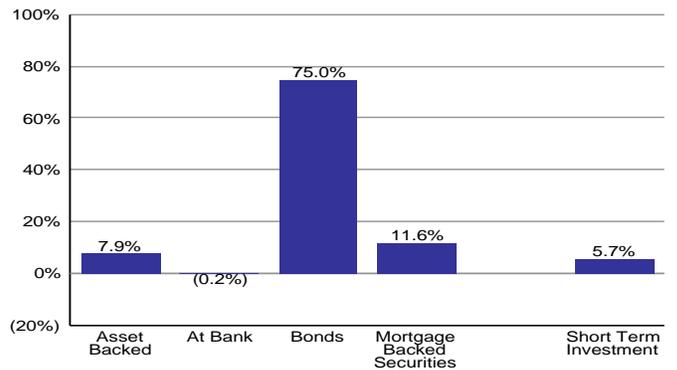
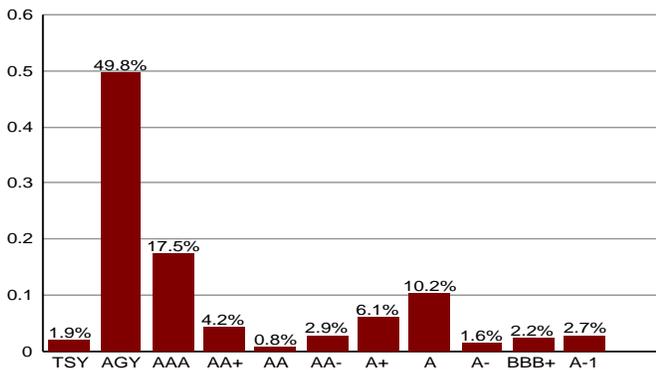
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
06423RBK1	BANK ONE ISSUANCE TRUST SER 2004-A3 CL A3	3.35%	0.42	15/2/2017
07299T838	TRI-PARTY REPO CITIGROUP BANK 0.24% 01/DEC/2010	2.40%	0.24	1/12/2010
084664BG5	BERKSHIRE HATHAWAY FINANCE CORP 5% GTD SNR NTS	2.25%	5.00	15/8/2013
3128X77G3	FEDERAL HOME LOAN MORTGAGE CORP 4.25% BDS	2.12%	4.25	12/12/2018
58013MEC4	MCDONALD'S CORP 6.3% BDS 15/OCT/2037 USD1000	1.62%	6.30	15/10/2037
110122AR9	BRISTOL MYERS SQUIBB 5.45% BDS 01/MAY/2018 USD2000	1.58%	5.45	1/5/2018
172967FE6	CITIGROUP INC 6.00% 13/DEC/2013	1.51%	6.00	13/12/2013
20825CAS3	CONOCOPHILLIPS AUSTRALIA FUNDING CO 4.75% NTS	1.51%	4.75	1/2/2014
035229CS0	ANHEUSER-BUSCH COS INC 4.5% NTS 01/APR/2018	1.51%	4.50	1/4/2018
31398ADU3	FEDERAL NATIONAL MORTGAGE ASSOC 6.318% BDS	1.48%	6.32	15/6/2027

Quality/Rating Weightings

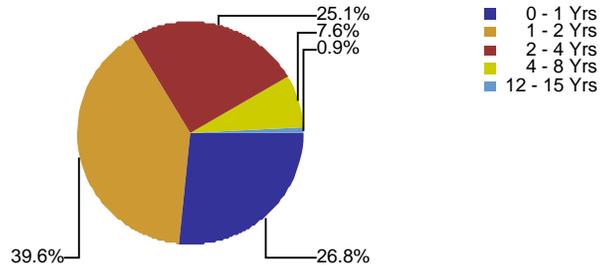
Sector Weightings (as % of Market Value)



Portfolio Characteristics

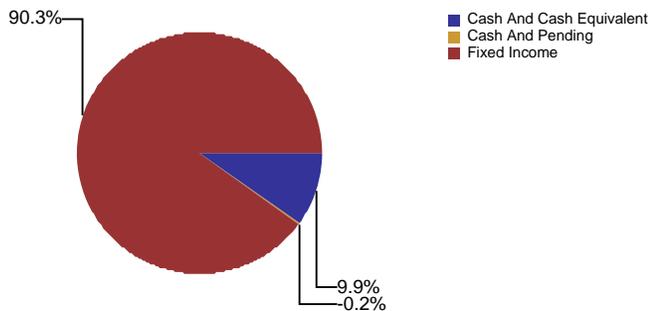
Duration Mix

Total Net Assets (Millions) **12.4**
 Weighted Average Life (Years) **4.40**
 Weighted Avg. Effective Duration (Years) **1.79**
 Weighted Average Rating **AAA**
 Number of Holdings **27**



Asset Mix

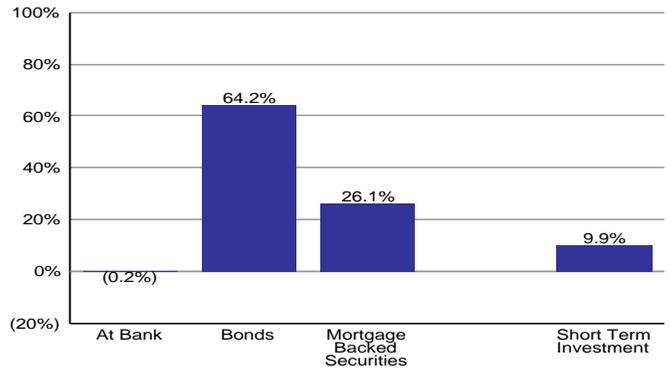
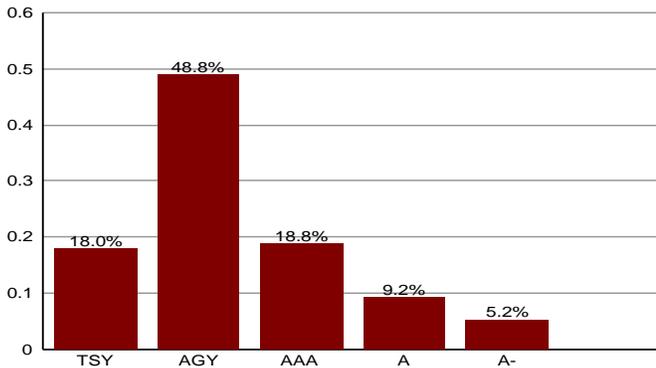
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
928989383	JP MORGAN U S GOVT AGENCY SHARES	9.90%	0.00	31/12/2049
31294KTB1	FEDERAL HOME LN MTG CORP GOLD POOL # EO1446 DTD	7.44%	4.50	1/9/2018
36241KJZ2	GNMA I MORTPASS 4.5% 15/FEB/2021 JP PN# 782080	5.99%	4.50	15/2/2021
38376JFP4	GINNIE MAE 2009-106 HA 4.000% 16/NOV/2039	4.90%	4.00	16/11/2039
10138MAH8	BOTTLING GROUP 6.95% SNR NTS 15/MAR/2014 USD1000	4.81%	6.95	15/3/2014
5526E2AC3	MBNA AMERICA BANK NA 7.125% 15/NOV/2012	4.38%	7.12	15/11/2012
3128X77G3	FEDERAL HOME LOAN MORTGAGE CORP 4.25% BDS	4.24%	4.25	12/12/2018
7591EAAA1	REGIONS BANK 2.75% BDS 10/DEC/2010 USD1000	4.09%	2.75	10/12/2010
481247AD6	JPMORGAN CHASE & CO 2.625% NTS 01/DEC/2010 USD1000	4.09%	2.62	1/12/2010
3136FMUR3	FEDERAL NATL MTG ASSN CALL STEP 03/DEC/2018	4.08%	2.00	3/12/2018

Quality/Rating Weightings

Sector Weightings (as % of Market Value)

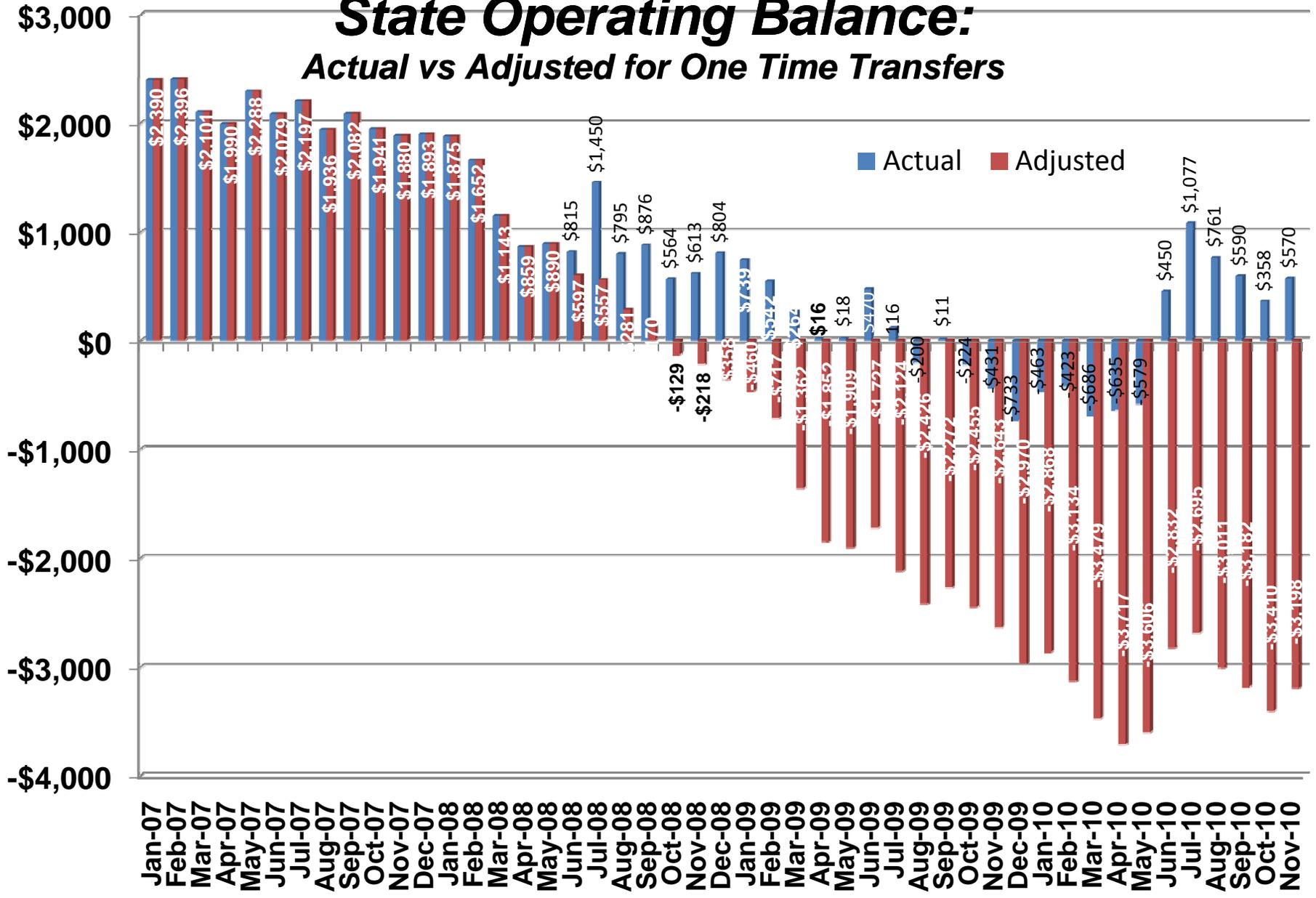


OPERATING MONIES
AVERAGE INVESTED BALANCE
Through November 30, 2010
(in millions of dollars)

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<u>Month</u>	<u>Fiscal Year</u> <u>2008/2009</u>	<u>Fiscal Year</u> <u>2009/2010</u>	<u>Fiscal Year</u> <u>2010/2011</u>
JULY	1,450	116	1,077
AUGUST	795	(200)	761
SEPTEMBER	876	11	590
OCTOBER	564	(224)	358
NOVEMBER	613	(431)	570
DECEMBER	804	(733)	
JANUARY	739	(463)	
FEBRUARY	542	(423)	
MARCH	264	(686)	
APRIL	16	(635)	
MAY	18	(579)	
JUNE	470	450	
Y-T-D			
Average	\$596	(\$316)	\$671

State Operating Balance: Actual vs Adjusted for One Time Transfers



**EARNINGS DISTRIBUTED
ENDOWMENT FUNDS
NOVEMBER 2010**

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Distributed in Current Month

Recipient	November-10	Fiscal YTD 10/11	Fiscal YTD 09/10
101 A & M Colleges	\$4,897	\$22,514	\$0
102 State Hospital	\$2,401	\$10,952	\$0
103 Leg., Exec., & Jud.	\$4,604	\$21,481	\$0
104 Military Institute	\$356	\$1,669	\$0
105 Miners Hospital	\$6,454	\$30,008	\$0
107 Normal School ASU/NAU	\$1,795	\$8,339	\$0
108 Penitentiaries	\$9,792	\$47,088	\$0
109 Permanent Common School	\$1,390,917	\$6,427,527	\$0
110 School for Deaf & Blind	\$2,682	\$12,492	\$0
111 School of Mines	\$6,060	\$28,101	\$0
112 State Charitable-Pioneers Home	\$21,984	\$99,927	\$0
112 State Charitable-Corrections	\$10,992	\$49,965	\$0
112 State Charitable-Youth Treatment	\$10,992	\$49,965	\$0
113 University Fund	\$9,301	\$43,043	\$0
114 U of A Land - 1881	\$20,827	\$96,692	\$0
Total	\$1,504,054	\$6,949,763	\$0

Posted in USAS in current month

ENDOWMENT FUNDS
PORTFOLIO YIELD ANALYSIS
November 30, 2010

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FUND	DESCRIPTION	NET EARNINGS	NET YIELD
205	ENDOWMENTS - FIXED INCOME	4,180,512	5.26%
	TOTAL ENDOWMENTS - FIXED INCOME	4,180,512	

NET REALIZED CAPITAL GAINS / LOSSES - ENDOWMENT FUNDS

Endowment Fund -----	Nov-10 NET GAIN(LOSS) -----	FISCAL YTD GAINS(LOSSES) -----
Fixed Income Pool Net Gain (Loss)	(251,048)	(390,374)
Equity Pool (500) Net Gain (Loss)	181,885	1,056,426
Equity Pool (400) Net Gain (Loss)	458,161	4,051,291
Totals	388,998 =====	4,717,343 =====

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

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I. Endowment Funds Purchases

<u>SECURITY DESCRIPTION</u>	<u>RATE</u>	<u>MATURITY</u>	<u>*WAL YEARS</u>	<u>PAR VALUE</u>	<u>PURCHASE COST</u>	<u>YIELD</u>	<u>MOODY'S / S&P RATING</u>
FHLMC MTG	4.00	6/15/2028	3.88	\$5,000,000	\$5,235,642	2.74%	Aaa/AAA
FNMA MTG	3.05	1/1/2037	8.64	\$6,134,773	\$6,435,166	1.88%	Aaa/AAA
GNMA MTG	6.15	4/20/2037	3.39	\$4,947,361	\$5,597,706	1.83%	Aaa/AAA
GNMA MTG	6.15	4/20/2037	3.39	\$4,947,361	\$5,586,182	1.90%	Aaa/AAA
U S TREASURY NOTE	2.63	11/15/2020	N/A	\$5,000,000	\$4,956,193	2.73%	Aaa/AAA
U S TREASURY NOTE	2.25	11/30/2017	N/A	\$5,000,000	\$5,043,864	2.12%	Aaa/AAA

	\$31,029,495	\$32,854,752
TOTAL ENDOWMENT FUNDS PURCHASES	\$31,029,495	\$32,854,752

II. Endowment Funds Sales

<u>SECURITY DESCRIPTION</u>	<u>RATE</u>	<u>MATURITY</u>	<u>PAR VALUE</u>	<u>AMORTIZED COST/PROCEEDS</u>	<u>SALES GAINS/(LOSSES)</u>	<u>MOODY'S / S&P RATING</u>
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	\$0	\$0	\$0
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 November 2010

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I. Equity Fund Purchases

	<u>SHARES</u>	<u>PURCHASE COST</u>	<u>COMMISSIONS</u>
S&P 400 Mid-Cap Fund	379,166	\$12,767,307	\$5,681
S&P 500 Large-Cap Fund	785,790	\$27,310,807	\$11,235
TOTAL EQUITY PURCHASES	1,164,956	\$40,078,114	\$16,916

II. Equity Funds Sales

	<u>SHARES</u>	<u>SALES AMOUNT</u>	<u>COMMISSIONS</u>
S&P 400 Mid-Cap Fund	37,913	\$2,726,908	\$1,097
S&P 500 Large-Cap Fund	15,996	\$1,362,093	\$216
TOTAL EQUITY SALES	53,909	\$4,089,001	\$1,313

ENDOWMENT FUNDS
INVESTMENTS OUTSTANDING
NOVEMBER 30, 2010
(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>	2,554	2,322	2,670	349	
<i>Shares in Mid-Cap 400 Equity Fund</i>	819	795	1,497	702	
<i>Shares in Fixed Income Fund</i>	2,765	3,117	4,634	1,517	
Total	6,138	6,233	8,801	2,568	1.412
102 State Hospital					
<i>Shares in S&P 500 Index Fund</i>	1,654	1,428	1,729	301	
<i>Shares in Mid-Cap 400 Equity Fund</i>	460	489	841	352	
<i>Shares in Fixed Income Fund</i>	1,620	1,917	2,715	798	
Total	3,734	3,833	5,285	1,451	1.379
103 Leg., Exec., & Jud.					
<i>Shares in S&P 500 Index Fund</i>	1,944	1,900	2,032	132	
<i>Shares in Mid-Cap 400 Equity Fund</i>	625	651	1,142	492	
<i>Shares in Fixed Income Fund</i>	2,292	2,551	3,842	1,292	
Total	4,861	5,101	7,017	1,916	1.375
104 Military Institute					
<i>Shares in S&P 500 Index Fund</i>	132	131	138	7	
<i>Shares in Mid-Cap 400 Equity Fund</i>	46	45	84	39	
<i>Shares in Fixed Income Fund</i>	163	175	273	98	
Total	340	351	494	143	1.408
105 Miners Hospital					
<i>Shares in S&P 500 Index Fund</i>	4,127	4,010	4,315	305	
<i>Shares in Mid-Cap 400 Equity Fund</i>	1,128	1,372	2,061	688	
<i>Shares in Fixed Income Fund</i>	4,121	5,382	6,908	1,526	
Total	9,376	10,764	13,283	2,520	1.234

ENDOWMENT FUNDS
INVESTMENTS OUTSTANDING
NOVEMBER 30, 2010
(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>	909	854	950	96	
<i>Shares in Mid-Cap 400 Equity Fund</i>	271	292	496	203	
<i>Shares in Fixed Income Fund</i>	974	1,147	1,632	486	
Total	2,154	2,294	3,079	785	1.342
108 Penitentiaries					
<i>Shares in S&P 500 Index Fund</i>	3,259	2,946	3,407	461	
<i>Shares in Mid-Cap 400 Equity Fund</i>	939	1,009	1,714	706	
<i>Shares in Fixed Income Fund</i>	3,260	3,955	5,464	1,509	
Total	7,457	7,909	10,586	2,677	1.338
109 Permanent Common School					
<i>Shares in S&P 500 Index Fund</i>	875,716	844,750	915,501	70,750	
<i>Shares in Mid-Cap 400 Equity Fund</i>	239,586	289,143	437,664	148,521	
<i>Shares in Fixed Income Fund</i>	887,393	1,133,893	1,487,504	353,611	
Total	2,002,694	2,267,786	2,840,668	572,882	1.253
110 School for Deaf & Blind					
<i>Shares in S&P 500 Index Fund</i>	1,311	1,240	1,370	130	
<i>Shares in Mid-Cap 400 Equity Fund</i>	404	425	738	314	
<i>Shares in Fixed Income Fund</i>	1,460	1,665	2,448	782	
Total	3,175	3,330	4,556	1,226	1.368
111 School of Mines					
<i>Shares in S&P 500 Index Fund</i>	2,886	2,800	3,017	216	
<i>Shares in Mid-Cap 400 Equity Fund</i>	875	959	1,599	640	
<i>Shares in Fixed Income Fund</i>	3,165	3,760	5,306	1,546	
Total	6,926	7,519	9,921	2,402	1.319

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

State Treasurer's Report
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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>	29,998	27,944	31,361	3,417	
<i>Shares in Mid-Cap 400 Equity Fund</i>	7,859	9,566	14,357	4,791	
<i>Shares in Fixed Income Fund</i>	29,279	37,512	49,079	11,567	
Total	67,136	75,022	94,797	19,775	1.264
113 University Fund					
<i>Shares in S&P 500 Index Fund</i>	4,756	4,552	4,972	419	
<i>Shares in Mid-Cap 400 Equity Fund</i>	1,423	1,559	2,600	1,042	
<i>Shares in Fixed Income Fund</i>	5,190	6,112	8,700	2,588	
Total	11,370	12,223	16,272	4,049	1.331
114 U Of A Land - 1881					
<i>Shares in S&P 500 Index Fund</i>	10,103	9,656	10,562	906	
<i>Shares in Mid-Cap 400 Equity Fund</i>	3,076	3,306	5,618	2,312	
<i>Shares in Fixed Income Fund</i>	11,169	12,964	18,722	5,758	
Total	24,347	25,926	34,902	8,976	1.346
TOTALS - ALL FUNDS					
<i>Shares in S&P 500 Index Fund</i>	939,347	904,533	982,023	77,490	
<i>Shares in Mid-Cap 400 Equity Fund</i>	257,512	309,610	470,411	160,801	
<i>Shares in Fixed Income Fund</i>	952,849	1,214,149	1,597,227	383,078	
Grand Total	2,149,709	2,428,292	3,049,661	621,369	

ASSET ALLOCATION PERCENTAGE

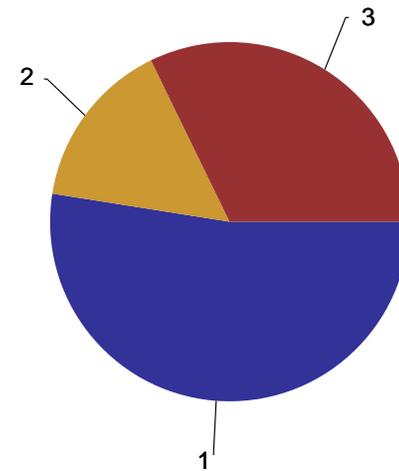
	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE
<i>Shares in S&P 500 Index Fund</i>	43.70%	37.25%	32.20%
<i>Shares in Mid-Cap 400 Equity Fund</i>	11.98%	12.75%	15.43%
<i>Shares in Fixed Income Fund</i>	44.32%	50.00%	52.37%
Total	100.00%	100.00%	100.00%

Performance Worksheet
Arizona State Treasury (05509)
As of November 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	957,615,773.19	982,023,050.63	24,315,655	0.02	13.08	7.95	15.55	10.07	(4.99)	0.92	(0.28)	07/01/1999
10327900	S&P 400 Pool	448,789,790.28	470,410,857.98	8,318,770	2.97	18.54	17.83	20.50	24.93	0.21	4.05	6.97	08/01/2001
10328000	Pool 205	1,569,365,701.14	1,597,226,825.31	32,628,247	(0.30)	(0.07)	6.11	1.61	4.74	6.18	6.04	6.22	07/01/1999
00550902	Total Endowment Fund Composite	2,975,771,264.61	3,049,660,733.92	65,262,672	0.30	6.49	8.40	8.44	9.19	1.41	4.15	4.80	07/01/1999

Manager Allocation - Monthly Arizona State Treasury (05509) As of November 2010

Total Endowment Fund Composite (00550902)			
Sr. No.	Account Name	Market Value(MIL)	Percent of Portfolio
1	Pool 205 (10328000)	1,597.23	52.4%
2	S&P 400 Pool (10327900)	470.41	15.4%
3	S&P 500 Pool (10327800)	982.02	32.2%
	TOTAL	3,049.66	100.0%

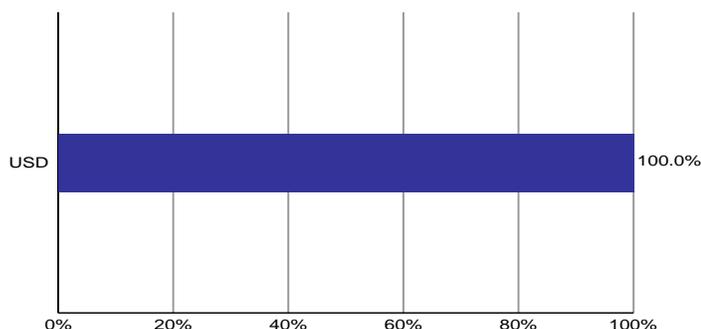


Portfolio Characteristics				Risk Measures			
Total Asset Value (in Millions)	982.0			Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Since Inception
P/E Ratio	18.66			0.07	0.20	0.44	1.79
Price to Book Ratio	3.92	Tracking Error		1.88	0.78	(0.14)	(0.42)
Dividend Yield (%)	1.91	Information Ratio		18.33	21.71	17.45	16.38
Return on Equity (%)	19.04	Std Deviation of Port.		18.38	21.80	17.59	16.25
Sales Growth (%)	10.46	Std Deviation of Bench.		0.54	(0.27)	(0.09)	(0.19)
Market Capitalization (\$ Billions)	81,164.86	Sharpe Ratio of Port.		0.53	(0.28)	(0.09)	(0.15)
Earnings per Share (\$)	3.76	Sharpe Ratio of Bench.		1.00	1.00	1.00	0.99
Number of Holdings	501	R-Squared		0.16	0.13	(0.07)	(0.75)
		Jensen's Alpha					

Top Ten Portfolio Holdings

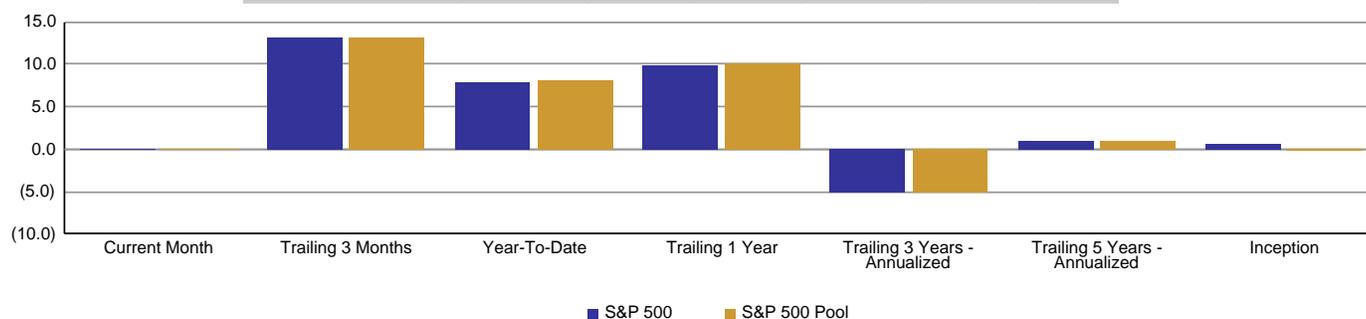
Security ID	Security Name	% of Assets
78462F103	SPDR S&P 500 ETF TRUST	3.24%
30231G102	EXXON MOBIL CORP - COM NPV	3.21%
037833100	APPLE INC - COM NPV	2.56%
594918104	MICROSOFT CORP - COM USD.001	1.74%
459200101	INTL BUSINESS MACHINES CORP - COM USD.2	1.61%
742718109	PROCTER & GAMBLE CO - COM NPV	1.56%
478160104	JOHNSON & JOHNSON - COM USD1	1.54%
369604103	GENERAL ELECTRIC CO - COM USD.63	1.52%
00206R102	AT&T INC - COM USD1	1.48%
166764100	CHEVRON CORP - COM USD3	1.48%

Top Ten Currency Weights

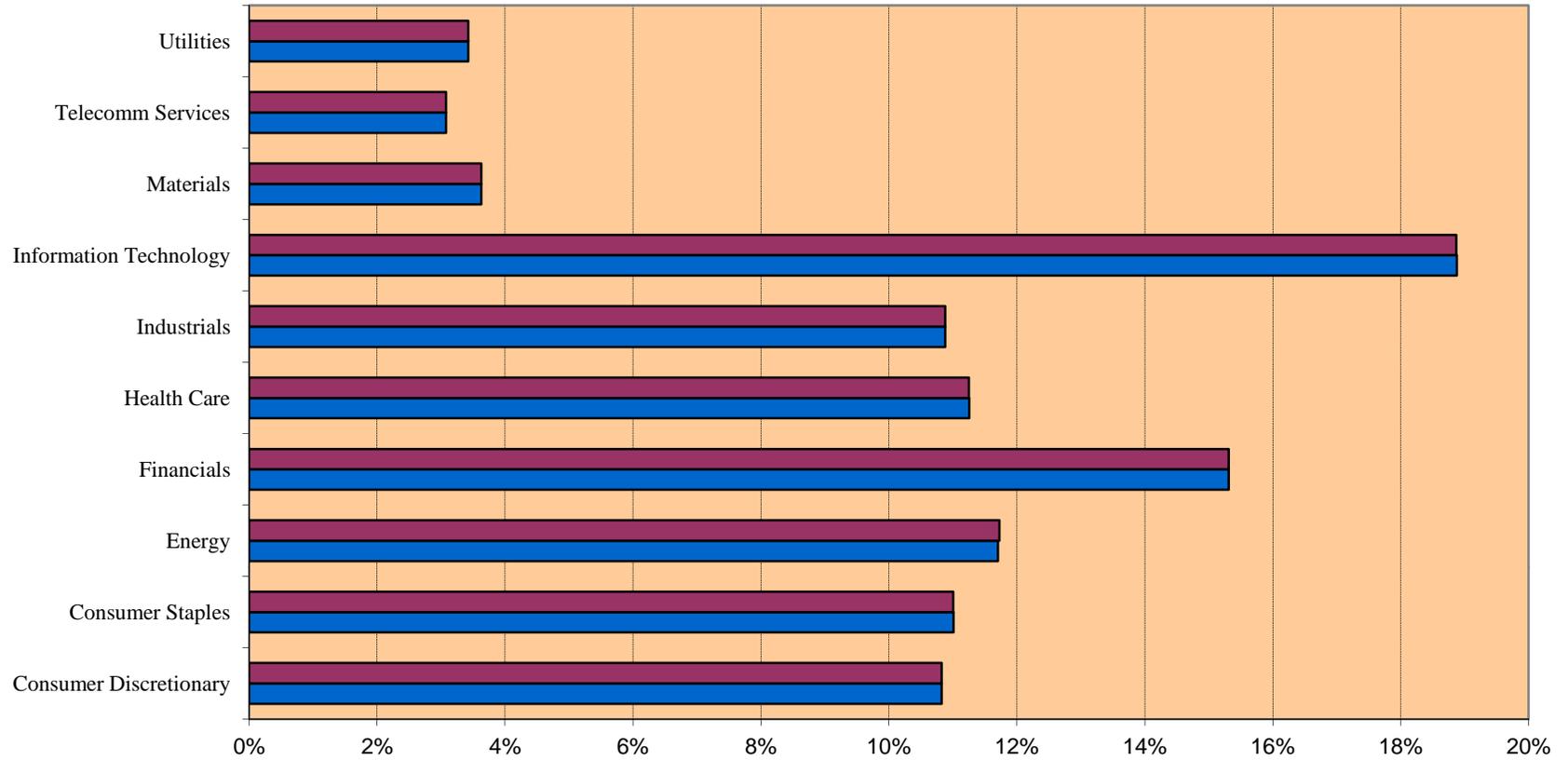


Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
S&P 500 Pool	0.02	13.08	7.95	10.07	(4.99)	0.92	(0.28)
S&P 500	0.01	13.08	7.86	9.94	(5.15)	0.98	0.48
Excess	0.01	(0.00)	0.10	0.13	0.15	(0.06)	(0.75)



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



	Consumer Discretionary	Consumer Staples	Energy	Financials	Health Care	Industrials	Information Technology	Materials	Telecomm Services	Utilities
■ S&P 500 Index	10.83%	11.00%	11.73%	15.31%	11.25%	10.88%	18.87%	3.63%	3.08%	3.43%
■ STATE OF ARIZONA - POOL 201	10.83%	11.01%	11.71%	15.31%	11.25%	10.88%	18.88%	3.63%	3.08%	3.43%

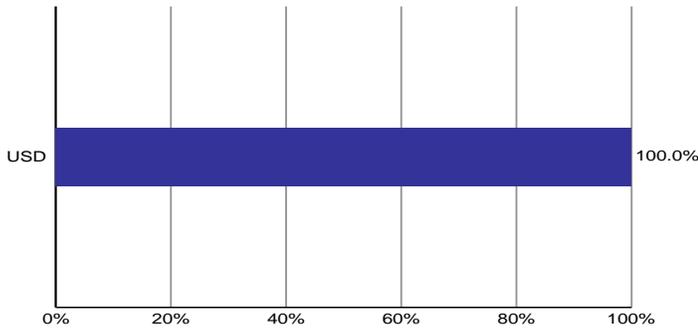
S&P 500 Index
 STATE OF ARIZONA - POOL 201

Portfolio Characteristics		Risk Measures			
Total Asset Value (in Millions)	470.4	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Since Inception
P/E Ratio	22.30	0.62	2.56	2.15	2.23
Price to Book Ratio	4.09	Information Ratio	(2.22)	(0.42)	(0.23)
Dividend Yield (%)	1.28	Std Deviation of Port.	20.80	24.93	20.08
Return on Equity (%)	8.68	Std Deviation of Bench.	21.06	25.93	20.98
Sales Growth (%)	10.59	Sharpe Ratio of Port.	1.19	(0.03)	0.08
Market Capitalization (\$ Billions)	3,414.10	Sharpe Ratio of Bench.	1.24	0.02	0.10
Earnings per Share (\$)	2.13	R-Squared	1.00	0.99	0.99
Number of Holdings	403	Jensen's Alpha	(1.04)	(1.06)	(0.40)

Top Ten Portfolio Holdings

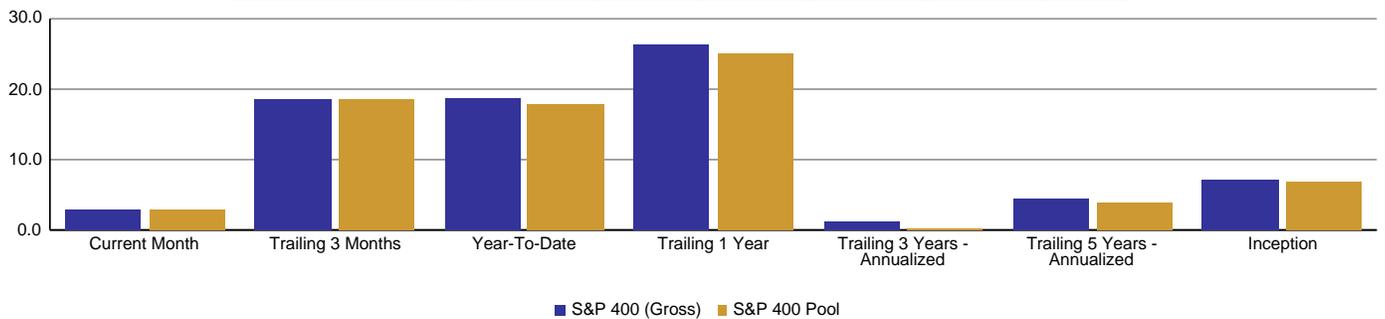
Security ID	Security Name	% of Assets
78467Y107	SPDR S&P MIDCAP 400 ETF TRUST	6.15%
315616102	F5 NETWORKS INC - COM NPV	0.94%
64110L106	NETFLIX INC - COM USD.001	0.79%
651290108	NEWFIELD EXPLORATION CO - COM USD.01	0.79%
169656105	CHIPOTLE MEXICAN GRILL INC - COM USD.01	0.71%
481165108	JOY GLOBAL INC - COM	0.70%
28176E108	EDWARDS LIFESCIENCES CORP - COM USD1	0.67%
649445103	NEW YORK CMNTY BANCORP INC - COM USD.01	0.65%
118759109	BUCYRUS INTERNATIONAL INC - COM USD.01	0.64%
549271104	LUBRIZOL CORP - COM NPV	0.63%

Top Ten Currency Weights

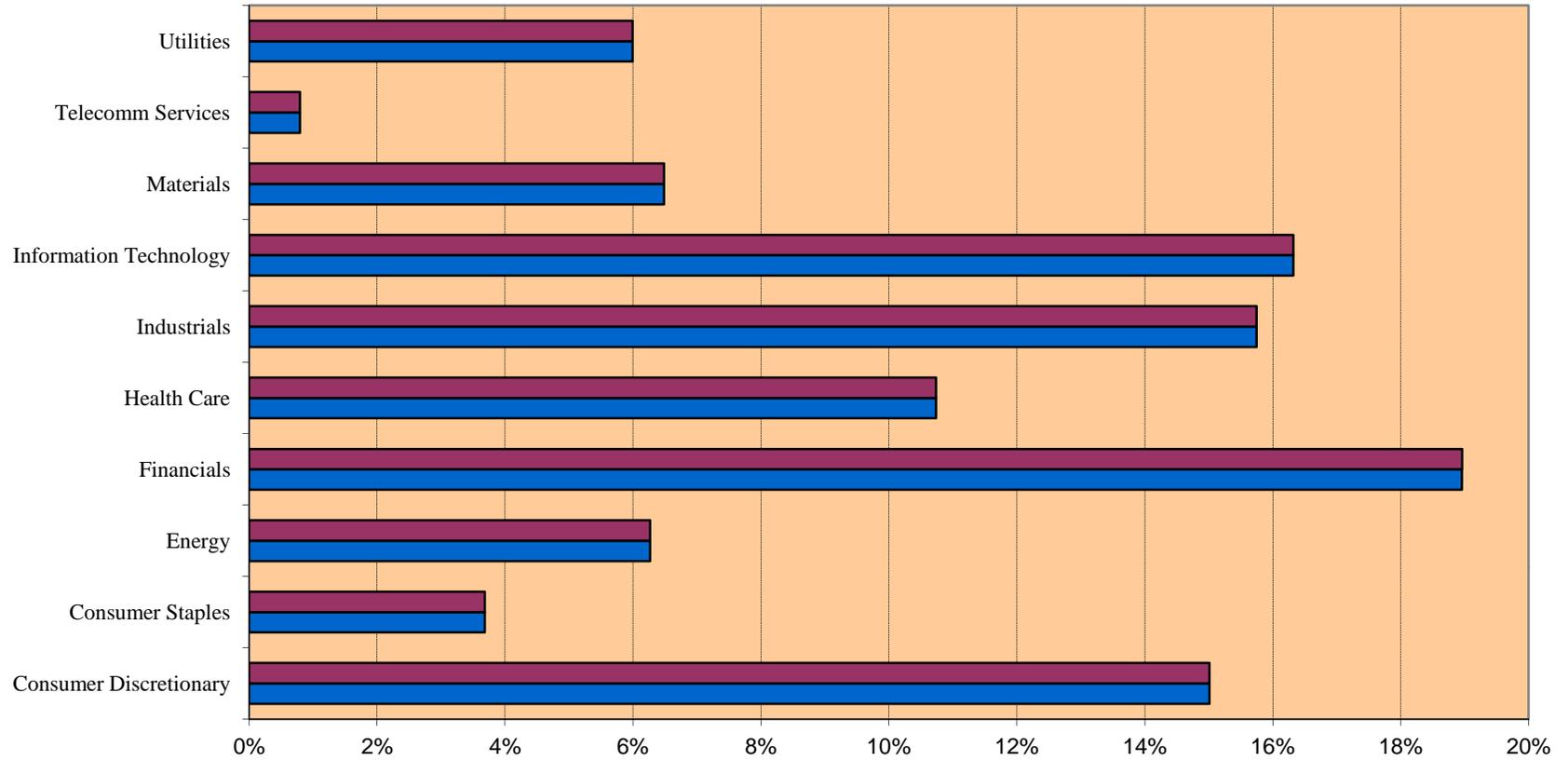


Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
S&P 400 Pool	2.97	18.54	17.83	24.93	0.21	4.05	6.97
S&P 400 (Gross)	2.97	18.56	18.85	26.31	1.29	4.55	7.01
Excess	0.00	(0.02)	(1.02)	(1.38)	(1.08)	(0.49)	(0.04)



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

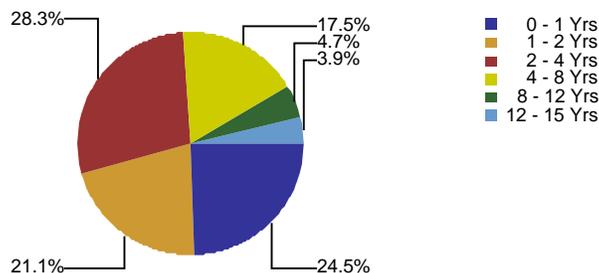


	Consumer Discretionary	Consumer Staples	Energy	Financials	Health Care	Industrials	Information Technology	Materials	Telecomm Services	Utilities
■ S&P MIDCAP 400	15.01%	3.69%	6.27%	18.96%	10.74%	15.75%	16.32%	6.49%	0.80%	5.99%
■ STATE OF ARIZONA - POOL 203	15.01%	3.69%	6.27%	18.96%	10.74%	15.75%	16.32%	6.49%	0.80%	5.99%

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

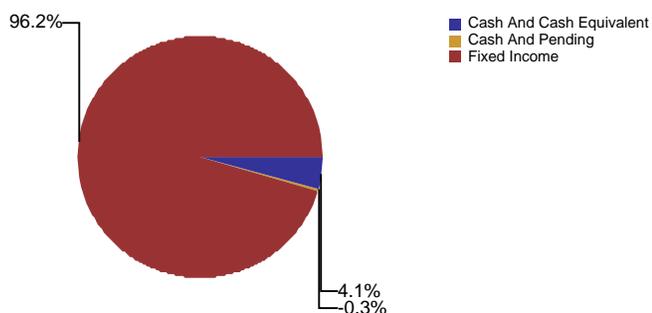
Portfolio Characteristics

Total Net Assets (Millions)	1,597.2
Weighted Average Life (Years)	5.01
Weighted Avg. Effective Duration (Years)	3.16
Weighted Average Coupon (%)	4.49
Weighted Average Current Yield (%)	1.64
Weighted Average Yield to Maturity (%)	1.71
Weighted Average Rating	AAA
Number of Holdings	263



Asset Mix

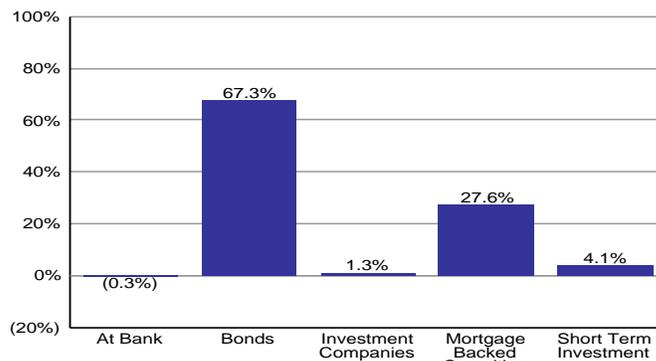
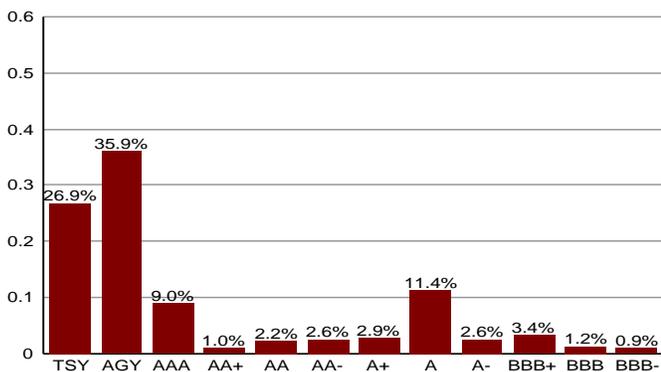
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
539992AA5	LOCAL GOVERNMENT INVESTMENT POOL	4.10%	0.00	31/12/2049
31359MQV8	FEDERAL NATIONAL MORTGAGE ASSOC 4.75% BDS	1.38%	4.75	21/2/2013
947513BB	LONG TERM POOL	1.26%	0.00	31/12/2049
92343VAN4	VERIZON COMMUNICATIONS INC 5.25% NTS 15/APR/2013	1.00%	5.25	15/4/2013
912828FK1	US TREAS NTS 05.125% 30/JUN/2011	0.99%	5.12	30/6/2011
931142BV4	WAL MART STORES 931142BV4 4.125% 15/FEB/2011	0.95%	4.12	15/2/2011
912810ED6	USA TREASURY BDS 8.125% BDS15/AUG/2019 USD1000	0.92%	8.12	15/8/2019
912810FA1	USA TREASURY BDS6.375% BDS 15/AUG/2027 USD1000	0.86%	6.38	15/8/2027
92343VAM6	VERIZON COMMUNICATIONS INC 6.1% NTS 15/APR/2018	0.74%	6.10	15/4/2018
59562VAT4	MIDAMERICAN ENERGY HLDGS 5.75% SNR NTS 01/APR/2018	0.73%	5.75	1/4/2018

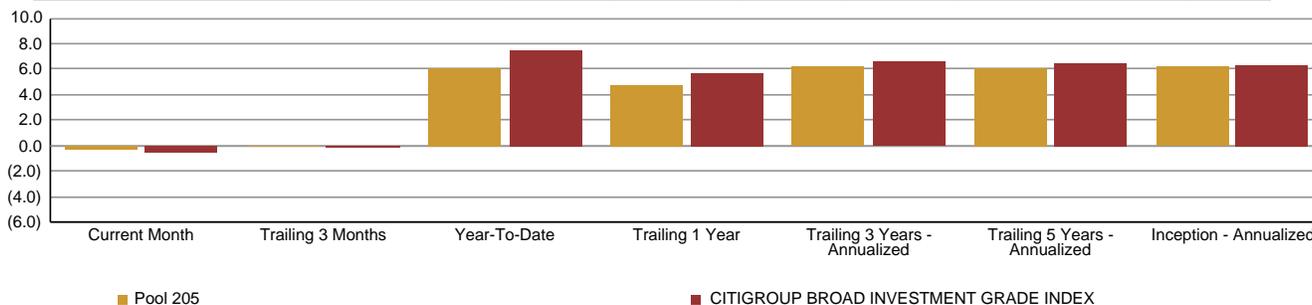
Quality/Rating Weightings

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	(0.30)	(0.07)	6.11	4.74	6.18	6.04	6.22
CITIGROUP BROAD INVESTMENT GRADE INDEX	(0.51)	(0.20)	7.55	5.71	6.62	6.45	6.38
Excess	0.21	0.13	(1.44)	(0.97)	(0.44)	(0.41)	(0.16)

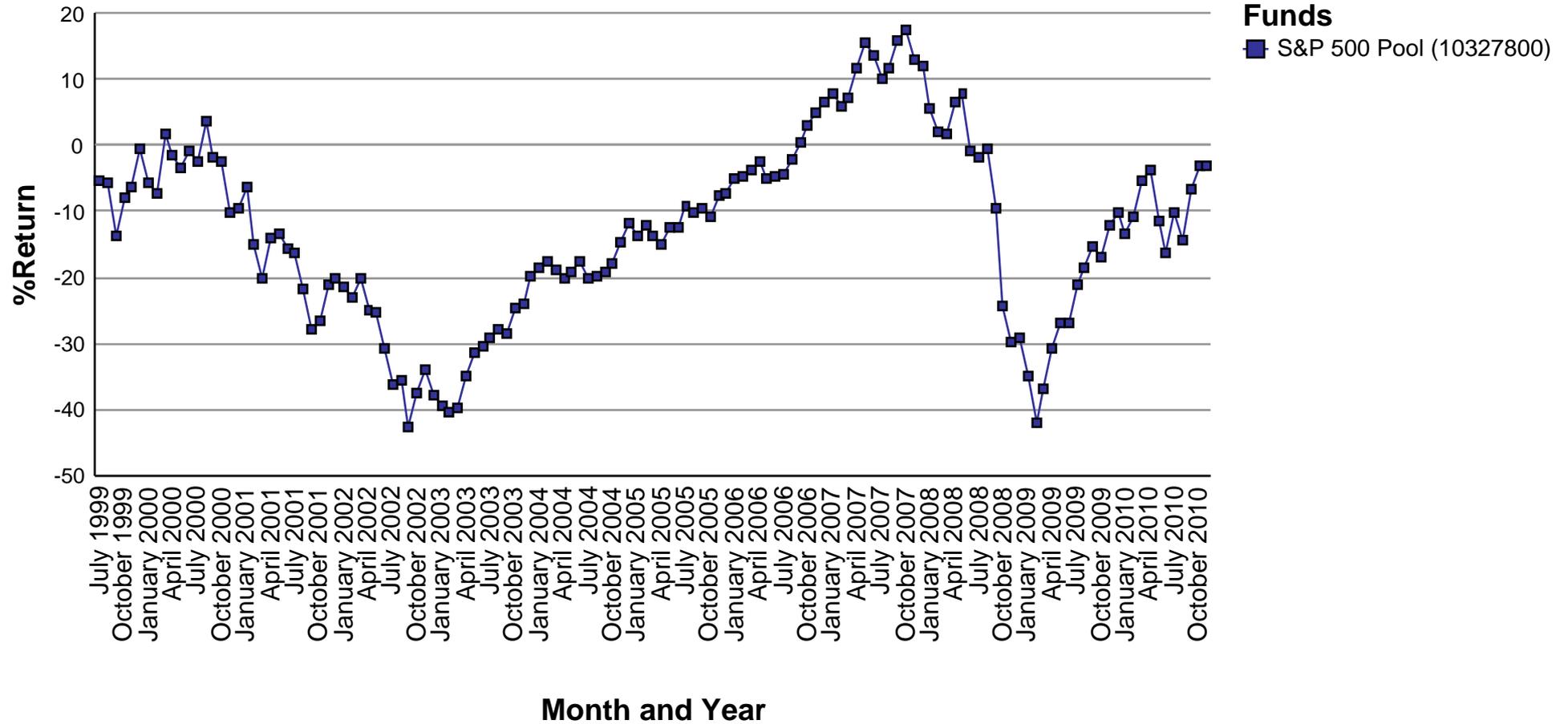


Performance Growth by Account

Arizona State Treasury (05509)

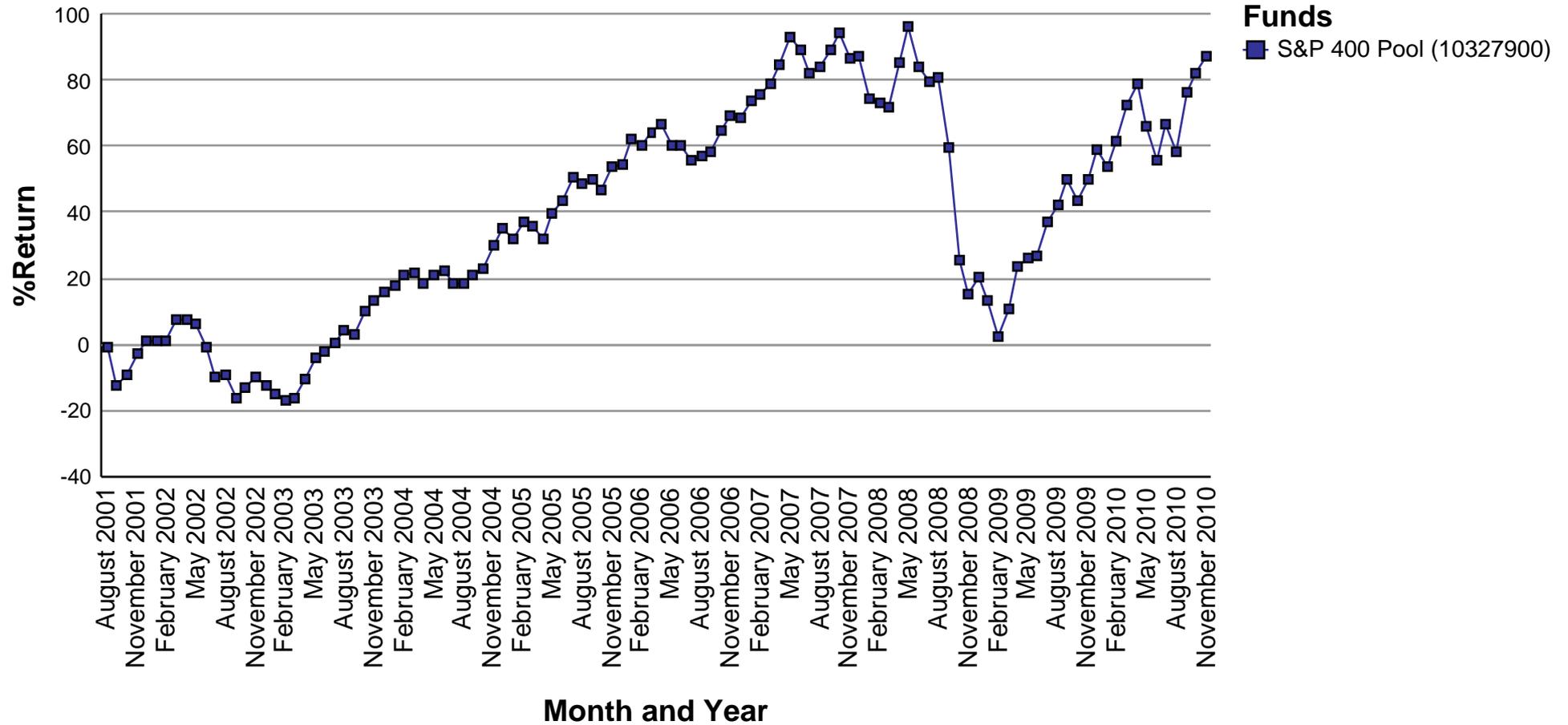
From July 1999 to November 2010

Gross of Fee



Performance Growth by Account

Arizona State Treasury (05509)
From August 2001 to November 2010
Gross of Fee



Performance Growth by Account

Arizona State Treasury (05509)

From July 1999 to November 2010

Gross of Fee

