

OFFICE OF THE
ARIZONA STATE TREASURER



**HON. DEAN MARTIN
TREASURER**



OCTOBER 2010

Presented To:

Arizona State Board of Investment

NOVEMBER 30, 2010

STATE BOARD OF INVESTMENT

A G E N D A

November 30, 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

November 30, 2010

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**Minutes of
BOARD OF INVESTMENT MEETING**

The regular meeting of the State Board of Investment was held on October 28, 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 1:33p.m.

Members Present:

Dean Martin, Chair, State Treasurer, by teleconference
Beth Ford, Treasurer, Pima County, by teleconference
David Raber, Director, Arizona Department of Administration
Alan E. Maguire, President, The Maguire Company

Members Absent:

Lauren Kingry, Superintendent, Department of Financial Institutions

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
Jenelle Birchmeier, Investment Analyst, Arizona State Treasurer's Office

Pursuant to A.R.S. 35-311, the following reports for September, 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
Broker Activity Report

1. Call to Order:

Treasurer Martin called the October 28, 2010 BOI meeting to order at approximately 1:33 p.m.

2. Treasurers Comments:

Treasurer Martin welcomed board members and guests and thanked all present for attending the October 28, 2010 meeting.

3. Approval of Minutes:

Mr. Maguire made a motion to approve the minutes for the September 23, 2010 Board of Investment Meeting. Mr. Raber 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 September, 2010.

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 September, 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 September, 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 September 30, 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 September, 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 September, 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 September 30, 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 September 30, 2010.

Operating Monies Average Invested Balance

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

Equity Funds Purchases & Sales

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

Investments Outstanding in Endowment Funds

Mr. Swenson reported the par, book, market value, and unrealized gains/loss of the Endowment Funds as of September 30, 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 September 30, 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 September 30, 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 September 30, 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 September 30, 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 September, 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 September, 2010. *This included August 2010 revised figures for the fixed income pool (as seen in corrected handouts).*

Approval of Treasurer's Report

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

5. Proposed Changes to Investment Policy:

Mr. Swenson proposed a reformatted investment policy and highlighted the substantive changes were primarily to Pools 5 and 7 guidelines for weighted average maturity and the final maturity for variable rate securities.

Mr. Maguire made a motion to approve these changes and Mr. Raber seconded the motion. The motion carried.

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

Mr. Swenson stated there were two additional brokers for consideration: Bloomberg Tradebook and Nomura Securities International.

Mr. Maguire made a motion to approve these changes and Mr. Raber seconded the motion. The motion carried.

7. General Business:

Mr. Swenson stated there was an increase in the amount of the FY 10-11 Endowment Distribution than originally forecast.

Mr. Maguire made a motion to approve the final FY 10-11 Endowment Distribution and Mr. Raber seconded the motion. The motion carried.

8. Call to the Public

There was no public comment.

9. Notice of Next Meeting:

The Treasurer advised the Board that the next regular meeting of the Board of Investment will be Tuesday, November 30, 2010 at 1:30 p.m. at 1700 West Washington, State Capitol, West Wing, Treasurer's Conference Room, Phoenix, Arizona. *They also decided to have December's BOI meeting on December 28, at 1:30 p.m., due to the holiday schedule.*

10. Adjournment:

Mr. Maguire made a motion to adjourn the BOI meeting. Mr. Raber seconded the motion. Upon unanimous approval, the BOI meeting was adjourned at 1:55 p.m.

Submitted by:

Approved by:

Christine M. Halvorson
Director of Customer /Investor Relations

Dean Martin, Chair _____
Date

EARNINGS DISTRIBUTION - INVESTMENT POOLS
OCTOBER 2010

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November 30, 2010
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Recipient	Earnings Distributed			Fiscal YTD Investment Management Fees Received
	OCTOBER 2010	Fiscal YTD 10/11	Fiscal YTD 09/10	
General Fund	\$266,138	\$2,094,649	\$339,296	
2 State Agencies I - Full Faith & Credit	652,575	2,320,994	7,262,957	180,102
3 State Agencies II - Diversified	725,857	2,790,122	7,425,619	289,435
4 State Agencies IV - Restricted Diversified	268,267	1,082,944	3,840,502	111,963
5 LGIP	296,653	1,339,885	4,717,575	341,135
7 LGIP Gov	220,976	881,505	3,363,771	386,257
12 CAWCD Medium-Term	253,656	1,173,748	2,288,094	27,956
15 GADA Long-Term	25,867	100,281	232,043	2,451
Subtotal	\$2,709,989	\$11,784,129	\$29,469,857	\$1,339,299
NAV POOL				
500 LGIP - Med Term	225,320	805,423	717,881	26,540
700 LGIP - FF&C Med Term	123,846	465,840	0	24,432
Total	\$3,059,155	\$13,055,391	\$30,187,738	\$1,390,271

LGIP & LGIP-GOV
PORTFOLIO YIELD ANALYSIS
 October 31, 2010

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FUND	DESCRIPTION	NET EARNINGS
5	LGIP	296,653
7	LGIP - GOV	220,976
TOTAL LGIP & LGIP-GOV		517,629

		08/31/10	09/30/10	10/31/10
5	LGIP MONTHLY YIELD (NET)	0.25%	0.23%	0.21%
	S & P LGIP INDEX YIELD	0.19%	0.19%	0.16%
	LGIP YTD YIELD (NET)	0.24%	0.24%	0.23%
	S & P LGIP YTD INDEX YIELD	0.19%	0.19%	0.18%
7	LGIP - GOV MONTHLY YIELD (NET)	0.13%	0.14%	0.14%
	3 MONTH T-BILL	0.14%	0.14%	0.12%
	LGIP - GOV YTD YIELD (NET)	0.12%	0.13%	0.13%
	YTD 3 MONTH T-BILL	0.15%	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
October 31, 2010**

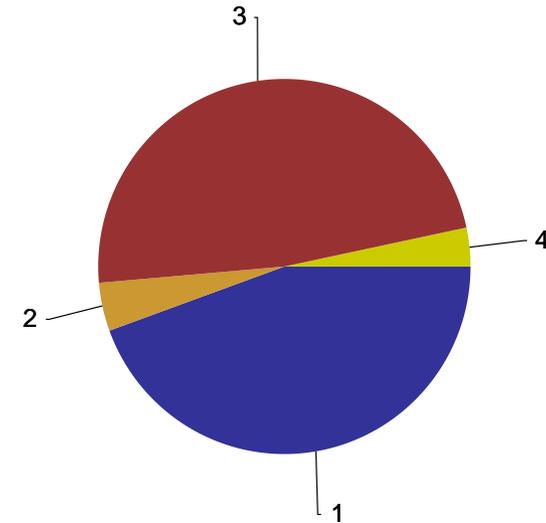
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FUND	DESCRIPTION	NET EARNINGS
500	LGIP - MED TERM POOL	225,320
700	LGIP - FF&C MED TERM POOL	123,846
	TOTAL LGIP MED TERM POOL	349,166

	08/31/10	09/30/10	10/31/10
LGIP - MED TERM MONTHLY YIELD (NET)	1.90%	1.71%	1.71%
MERRILL 1-5 US D M INDEX MONTHLY YIELD	1.59%	1.76%	1.58%
LGIP - MED TERM YTD YIELD (NET)	2.03%	1.92%	1.87%
MERRILL 1-5 US D M INDEX YTD YIELD	1.35%	1.49%	1.51%
LGIP - FF&C MED TERM MONTHLY YIELD (NET)	1.14%	1.13%	1.14%
MERRILL 1-5 US TREAS INDEX MONTHLY YIELD	0.69%	0.62%	0.53%
LGIP - FF&C MED TERM YTD YIELD (NET)	1.13%	1.13%	1.13%
MERRILL 1-5 US TREAS INDEX YTD YIELD	0.74%	0.70%	0.66%

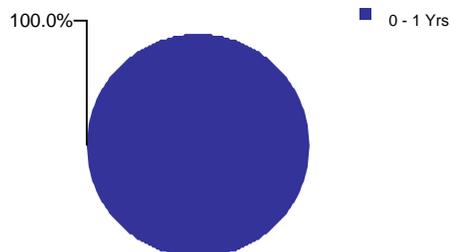
Manager Allocation - Monthly Arizona State Treasury (05509) As at October 2010

LGIP composite (00550903)			
Sr. No.	Account Name	Market Value(MIL)	Percent of Portfolio
1	State of Arizona - Pool 5 (LGIP) (10327300)	1,752.37	44.6%
2	State of Arizona - Pool 500 (LGIP - Med Term) (10327700)	161.63	4.1%
3	State of Arizona - Pool 7 (LGIP - FF&C) (10327400)	1,888.09	48.0%
4	State of Arizona - Pool 700 (LGIP-FF&C Med Term) (10563200)	128.96	3.3%
TOTAL		3,931.06	100.0%



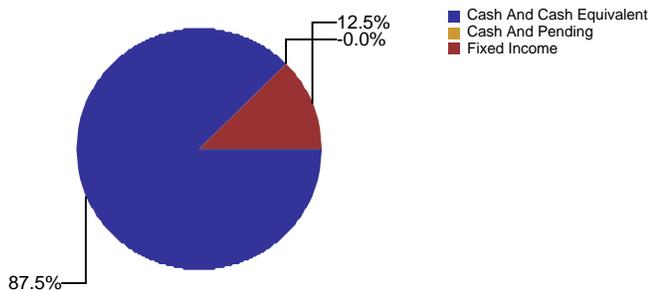
Portfolio Characteristics

Total Net Assets (Millions) **1,752.4**
 Weighted Average Life (Years) **0.09**
 Weighted Avg. Effective Duration (Years) **0.10**
 Weighted Average Maturity (Years) **0.11**
 Weighted Average Rating **AAA**
 Number of Holdings **84**



Asset Mix

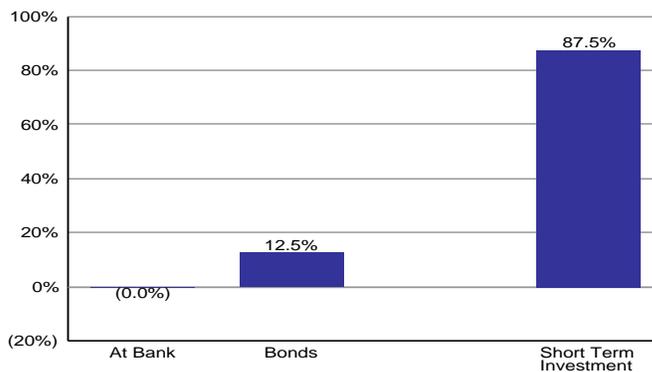
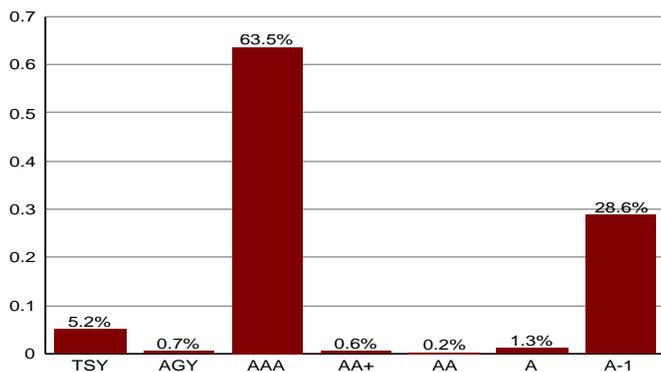
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
85299W019	TRI-PARTY REPO SOUTH STREET 0.18% 01/NOV/2010	17.52%	0.18	1/11/2010
15199U623	TRI-PARTY REPO DEUTSCHE BANK 0.20% 14/JAN/2011	17.12%	0.20	14/1/2011
46999W014	TRI-PARTY REPO JP MORGAN 0.30% 01/NOV/2010	14.29%	0.30	1/11/2010
31315KAC4	FED AGRIC MTG CP DSC NT FED BE MATURES 03/JAN/2011	2.85%	0.00	3/1/2011
947514D	UNITED STATES ZERO 07/APR/2011	2.28%	0.00	7/4/2011
17177MLH3	CIESCO, LLC CORPORATE COMMERCIAL PAPER DISCOUNT	1.60%	0.00	17/11/2010
912828JY7	UNITED STATES OF AMER TREAS NOTES 0.875% NTS	1.43%	0.88	31/1/2011
912828KH2	UNITED STATES TREAS NTS 0.875% 31/MAR/2011	1.43%	0.88	31/3/2011
2284K1L27	CROWN POINT CAP CO.	1.43%	0.00	2/11/2010
459052AZ9	INTL BANK RECON&DV ZCP BDS 24/JAN/2011 USD	1.43%	0.00	24/1/2011

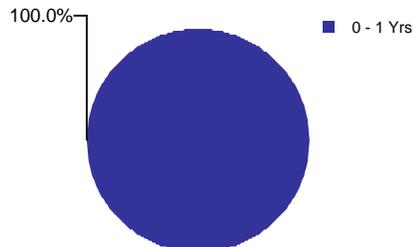
Quality/Rating Weightings

Sector Weightings (as % of Market Value)



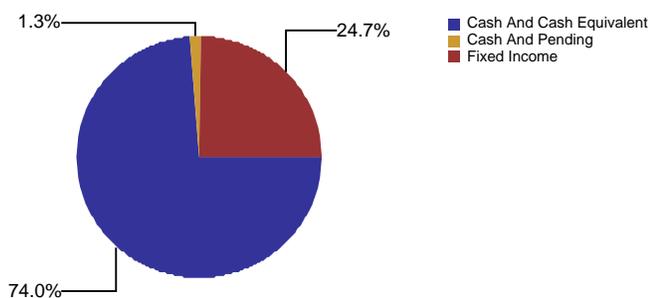
Portfolio Characteristics

Total Net Assets (Millions) **1,888.1**
 Weighted Average Life (Years) **0.14**
 Weighted Avg. Effective Duration (Years) **0.14**
 Weighted Average Maturity (Years) **0.15**
 Weighted Average Rating **AAA**
 Number of Holdings **26**



Asset Mix

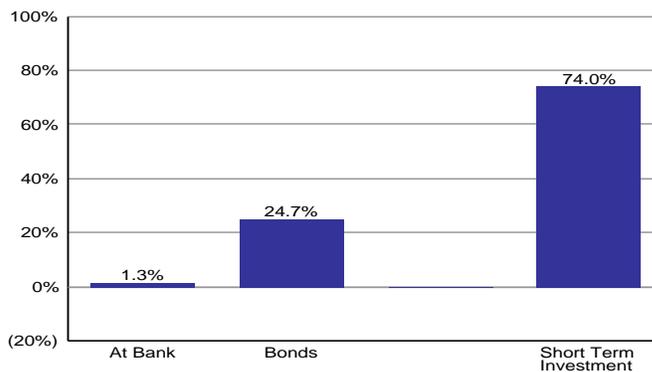
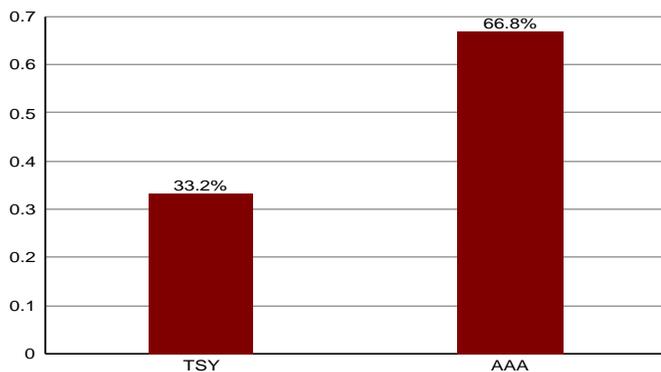
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
85299W019	TRI-PARTY REPO SOUTH STREET 0.18% 01/NOV/2010	32.91%	0.18	1/11/2010
05199T288	TRI-PARTY REPO DEUTSCHE BANK 0.21% 14/JAN/2011	10.59%	0.21	14/1/2011
60699I662	TRI-PARTY REPO MIZUHO SECURITIES 0.20% 14/JAN/2011	10.59%	0.20	14/1/2011
60699I670	TRI-PARTY REPO MIZUHO AZ 0.12% 01/NOV/2010	3.97%	0.12	1/11/2010
912828KU3	UNITED STATES TREAS NTS 0.875% 31/MAY/2011	2.67%	0.88	31/5/2011
912828JS0	UNITED STATES OF AMER TREAS BONDS 1.25% TB	2.66%	1.25	30/11/2010
787567D	FDIC ALLIANCE BANK OF AZ NOW ACCOUNT 0.25%	2.65%	0.25	31/12/2010
912795W72	UNITED STATES TREAS BILLS DT	2.65%	0.00	12/11/2010
912795W80	UNITED STATES TREAS BILLS DT	2.65%	0.00	26/11/2010
912795X30	UNITED STATES TREAS BILLS DT	2.65%	0.00	9/12/2010

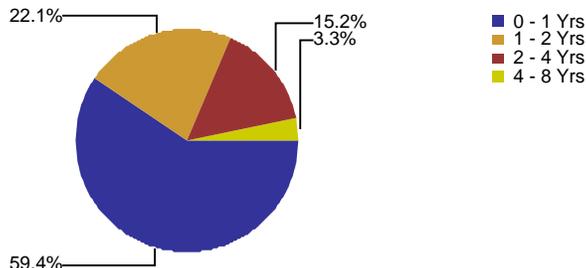
Quality/Rating Weightings

Sector Weightings (as % of Market Value)



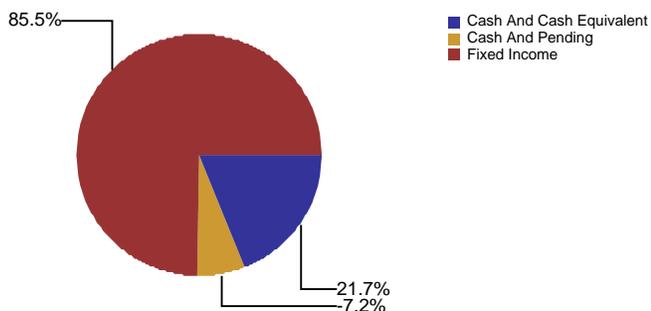
Portfolio Characteristics

Total Net Assets (Millions) **161.6**
 Weighted Average Life (Years) **1.24**
 Weighted Avg. Effective Duration (Years) **0.96**
 Weighted Average Rating **AA+**
 Number of Holdings **153**



Asset Mix

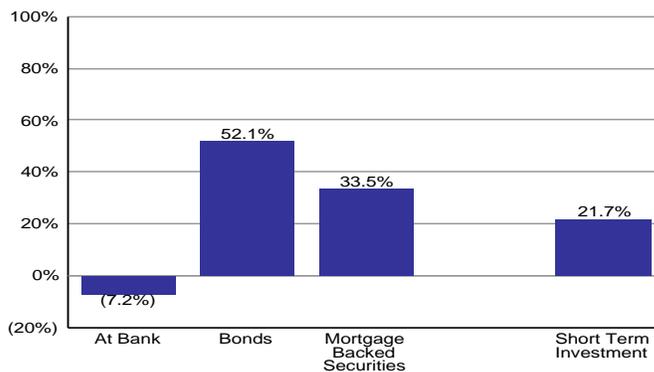
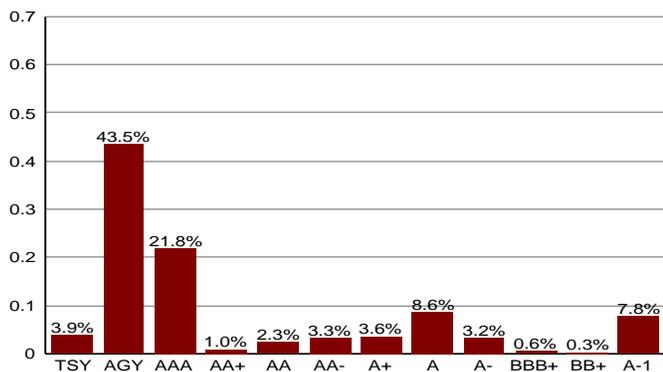
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
85299W019	TRI-PARTY REPO SOUTH STREET 0.18% 01/NOV/2010	12.99%	0.18	1/11/2010
01F0404B0	TBA FNMA SF 4.00 15 YRS NOV	6.48%	4.00	25/11/2025
31419CZL0	FNMA MORTPASS 4.5% 01/SEP/2040 CL PN# AE2546	3.26%	4.50	1/9/2040
3128PSQ75	FHLMCGLD MORTPASS 3.5% 01/OCT/2025 PN# 3178	3.21%	3.50	1/10/2025
3128PSKA4	FHLMCGLD MORTPASS 3.5% 01/SEP/2025 PN# 2989	3.20%	3.50	1/9/2025
3128X9KE9	FEDERAL HOME LOAN MORTGAGE CORP 3% MTN 05/NOV/2014	3.14%	3.00	5/11/2014
31418RFSS	FNMA MORTPASS 4.5% 01/MAR/2025 CI PN# AD3776	2.97%	4.50	1/3/2025
3128MMLB7	FHLMCGLD MORTPASS 4.5% 01/AUG/2024 G1 PN# G18321	2.84%	4.50	1/8/2024
3133XXYX9	FEDERAL HOME LOAN BANKS 1.875% BDS 21/JUN/2013	1.93%	1.88	21/6/2013
313370P28	FED HOME LOAN BK 0.5% DEB 26/AUG/2013 USD	1.55%	0.50	26/8/2013

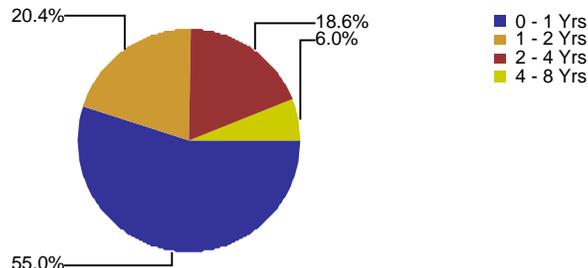
Quality/Rating Weightings

Sector Weightings (as % of Market Value)



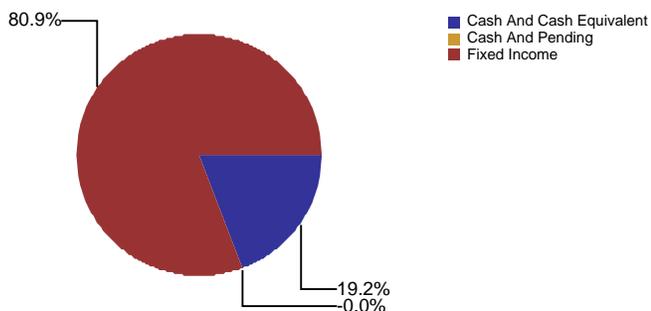
Portfolio Characteristics

Total Net Assets (Millions) **129.0**
 Weighted Average Life (Years) **1.52**
 Weighted Avg. Effective Duration (Years) **1.22**
 Weighted Average Rating **AAA**
 Number of Holdings **69**



Asset Mix

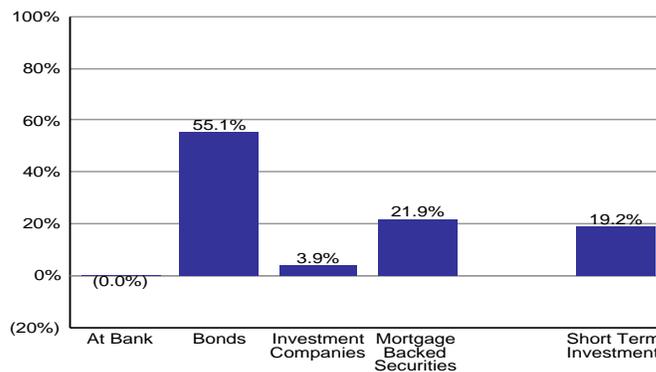
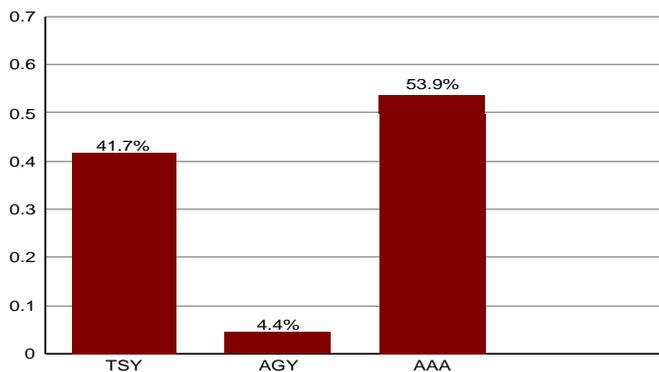
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
85299W019	TRI-PARTY REPO SOUTH STREET 0.18% 01/NOV/2010	10.86%	0.18	1/11/2010
17313YAC5	CITIGROUP FUNDING INC 1.25% 03/JUN/2011	10.20%	1.25	3/6/2011
938554N	FDIC - US BANK CD 0.38% 31/MAR/2011	5.83%	0.38	31/3/2011
038461AC3	AID-EGYPT 4.45% 15/SEP/2015	4.45%	4.45	15/9/2015
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	3.98%	4.50	20/4/2025
464287457	ISHARES BARCLAYS 1-3 YRS TREASURY BOND FUND	3.89%		
73278MAA1	POOLED FDG TR I 2.74% BDS 15/FEB/2012 USD	3.19%	2.74	15/2/2012
38376ETD7	GINNIE MAE 2009-108 WG 4.000% 20/SEP/2038	3.18%	4.00	20/9/2038
912828KL3	UNITED STATES TREAS NTS 0.875% 30/APR/2011	2.72%	0.88	30/4/2011

Quality/Rating Weightings

Sector Weightings (as % of Market Value)



**STATE AGENCY POOLS
PORTFOLIO YIELD ANALYSIS**
October 31, 2010

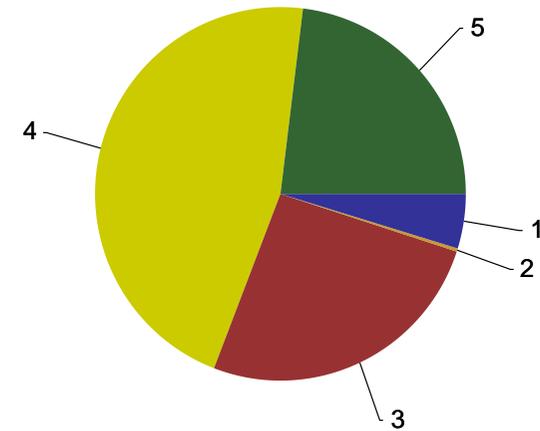
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FUND	DESCRIPTION	NET EARNINGS	NET YIELD
-----			-----
2	STATE AGENCIES I - FULL FAITH & CREDIT	756,855	1.1600%
3	STATE AGENCIES II - DIVERSIFIED	884,628	0.8000%
4	STATE AGENCIES IV-RESTRICTED DIVERSIFIED	271,354	0.5100%
12	CAWCD MEDIUM TERM	253,656	2.1000%
15	GADA	25,867	2.5100%

	TOTAL STATE AGENCIES	2,192,360	

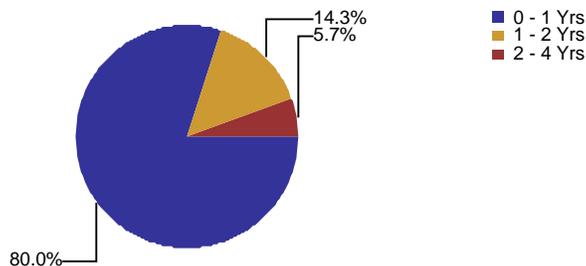
Manager Allocation - Monthly Arizona State Treasury (05509) As at October 2010

Pool Composite (00550904)			
Sr. No.	Account Name	Market Value(MIL)	Percent of Portfolio
1	State of Arizona - Pool 12 (CAWCD - Med Term) (10327500)	146.69	4.7%
2	State of Arizona - Pool 15 (GADA) (10327600)	12.44	0.4%
3	State of Arizona - Pool 2 (State Agency - FF&C) (10327000)	808.20	25.8%
4	State of Arizona - Pool 3 (State Agency - Diversified) (10327100)	1,448.10	46.2%
5	State of Arizona - Pool 4 (State Agency Rest Div) (10327200)	720.90	23.0%
TOTAL		3,136.33	100.0%



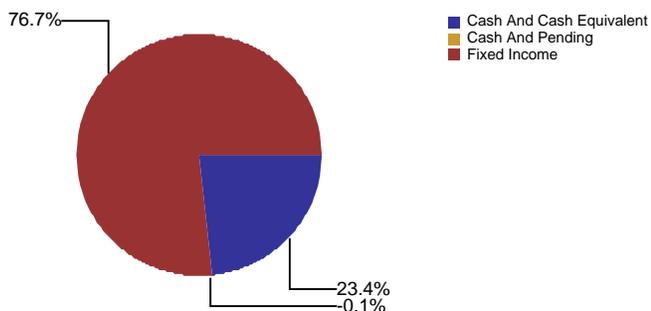
Portfolio Characteristics

Total Net Assets (Millions) **808.2**
 Weighted Average Life (Years) **0.82**
 Weighted Avg. Effective Duration (Years) **0.55**
 Weighted Average Rating **AAA**
 Number of Holdings **70**



Asset Mix

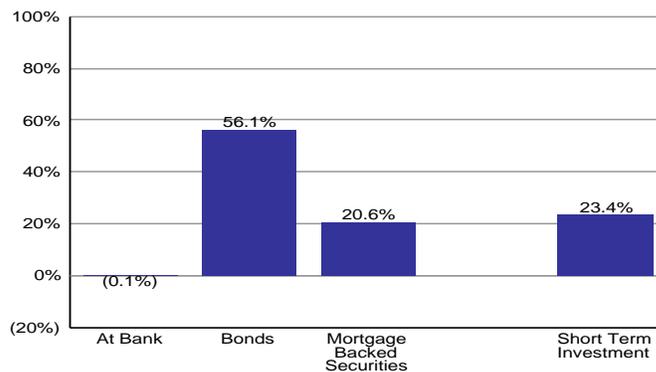
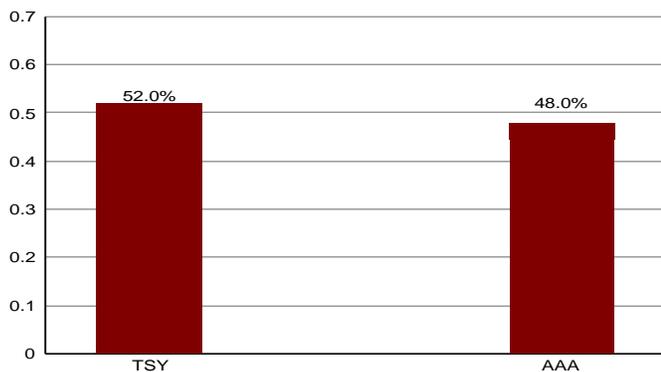
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
85299W019	TRI-PARTY REPO SOUTH STREET 0.18% 01/NOV/2010	20.94%	0.18	1/11/2010
912828LG3	UNITED STATES TREAS NTS 1% 31/JUL/2011	4.99%	1.00	31/7/2011
7591EAAA1	REGIONS BANK 2.75% BDS 10/DEC/2010 USD1000	3.76%	2.75	10/12/2010
912828FH8	US TREAS NTS 04.875% 31/MAY/2011	2.59%	4.88	31/5/2011
38376XC92	GINNIE MAE 2010-31 TJ 4.000% 20/MAR/2021	2.55%	4.00	20/3/2021
912828KP4	UNITED STATES TREAS NTS 1.375% 15/MAY/2012	2.53%	1.38	15/5/2012
912828EX4	US TREAS NTS 04.500% 28/FEB/2011	2.53%	4.50	28/2/2011
912828KB5	UNITED STATES TREAS NTS 1.125% 15/JAN/2012	2.51%	1.12	15/1/2012
912828MU1	UNITED STATES TREAS NTS 1.000% 31/MAR/2012	2.50%	1.00	31/3/2012
912828LF5	UNITED STATES TREAS NTS 1.125% 30/JUN/2011	2.50%	1.12	30/6/2011

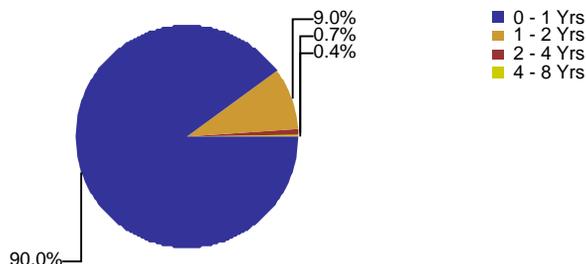
Quality/Rating Weightings

Sector Weightings (as % of Market Value)



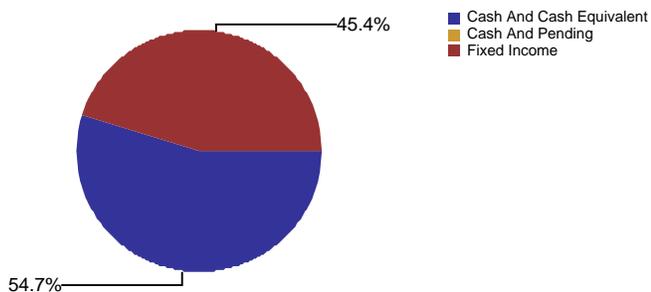
Portfolio Characteristics

Total Net Assets (Millions) **1,448.1**
 Weighted Average Life (Years) **0.79**
 Weighted Avg. Effective Duration (Years) **0.31**
 Weighted Average Rating **AA+**
 Number of Holdings **101**



Asset Mix

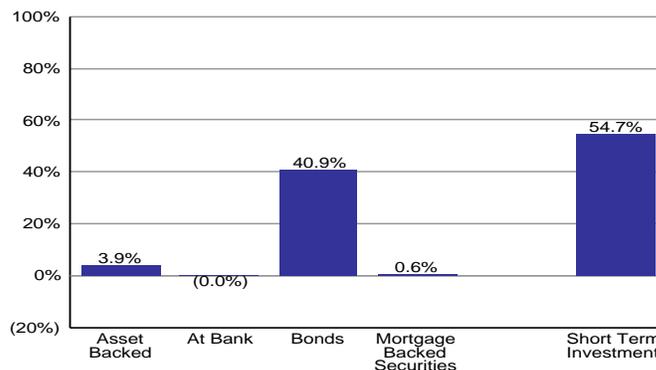
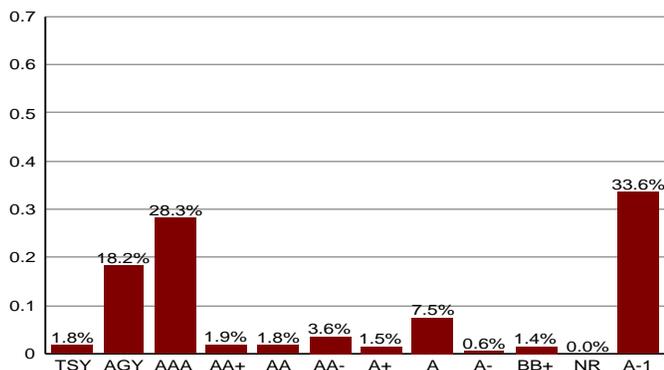
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
85299W019	TRI-PARTY REPO SOUTH STREET 0.18% 01/NOV/2010	17.95%	0.18	1/11/2010
31398A2L5	FEDERAL NATIONAL MORTGAGE ASSOC 1.25% NTS	2.43%	1.25	16/8/2013
37247XAA0	GENWORTH GLOBAL FUNDING FR MTN 15/DEC/2010 USD1000	2.17%	0.45	15/12/2010
3128X9XU9	FEDERAL HOME LOAN MORTGAGE CORP 0.00% BDS	2.08%	0.58	3/2/2012
2063C1L24	CONCORD MIN CPTL CO CORPORATE COMMERCIAL PAPER	2.07%	0.00	2/11/2010
30603BL92	FALCON ASSET SC CO LLC CORPORATE COMMERCIAL PAPER	2.07%	0.00	9/11/2010
30601WLC1	FAIRWAY FINANCE CORP CORPORATE COMMERCIAL PAPER	2.07%	0.00	12/11/2010
15963ULC8	CHARIOT FNDG LLC CORPORATE COMMERCIAL PAPER	2.07%	0.00	12/11/2010
82124MM15	SHEFFIELD RECEIVABLE CORPORATE COMMERCIAL PAPER	2.07%	0.00	1/12/2010
67983UM26	OLD LINE FUNDING LLC CORPORATE COMMERCIAL PAPER	2.07%	0.00	2/12/2010

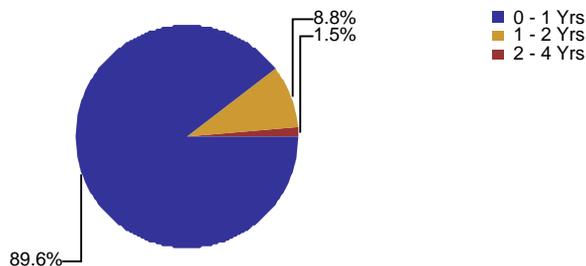
Quality/Rating Weightings

Sector Weightings (as % of Market Value)



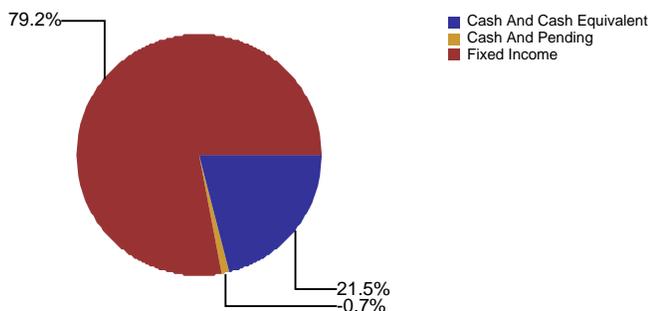
Portfolio Characteristics

Total Net Assets (Millions) **720.9**
 Weighted Average Life (Years) **0.83**
 Weighted Avg. Effective Duration (Years) **0.29**
 Weighted Average Rating **AGY**
 Number of Holdings **56**



Asset Mix

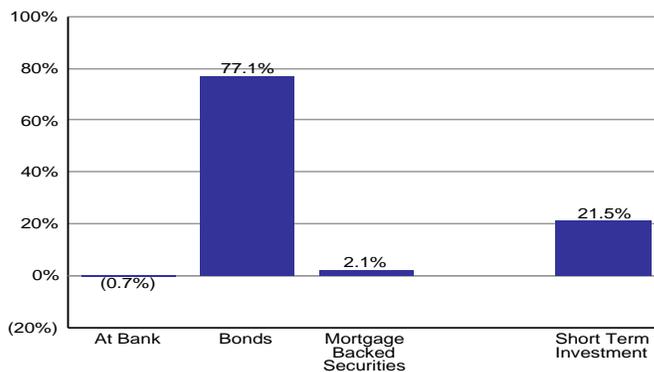
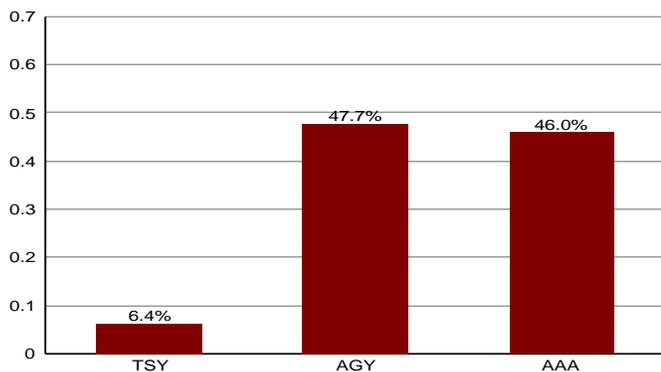
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
85299W019	TRI-PARTY REPO SOUTH STREET 0.18% 01/NOV/2010	12.44%	0.18	1/11/2010
46999W014	TRI-PARTY REPO JP MORGAN 0.30% 1/NOV/2010	7.64%	0.30	1/11/2010
3128X9XU9	FEDERAL HOME LOAN MORTGAGE CORP 0.00% BDS	4.17%	0.58	3/2/2012
446436AB3	HUNTINGTN.NATL.BK FR GTD NT 01/JUN/2012 USD1000	3.50%	0.70	1/6/2012
912828JU5	UNITED STATES OF AMER TREAS NOTES 1.75% TB	2.84%	1.75	15/11/2011
788717D	FED HOME LOAN ZCP 06/JAN/2011	2.83%	0.00	1/6/2011
3134G1UJ1	FED HOME LOAN MTG 0.4% MTN 22/SEP/2011 USD	2.78%	0.40	22/9/2011
951492D	FED HOME LOAN ZERO 07/MAR/2011	2.77%	0.00	7/3/2011
954041D	FED HOME LOAN ZCP 21/MAR/2011	2.77%	0.00	21/3/2011
787631D	FED HOME LOAN ZCP 29/AUG/2011	2.77%	0.00	29/8/2011

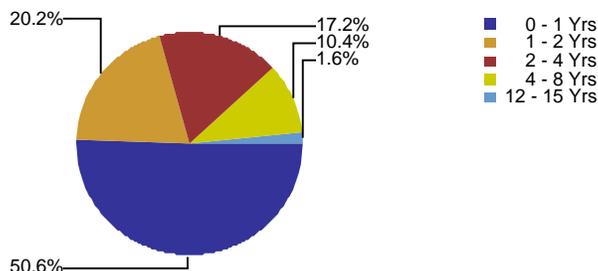
Quality/Rating Weightings

Sector Weightings (as % of Market Value)

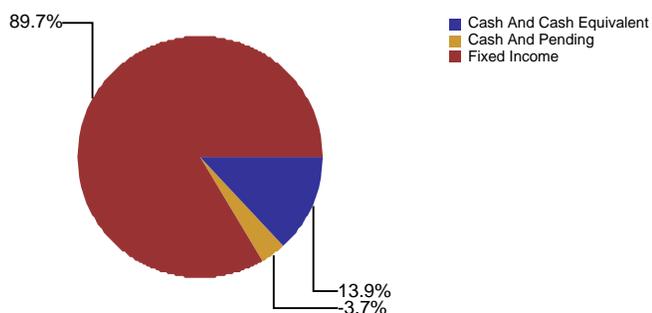


Portfolio Characteristics

Total Net Assets (Millions) **146.7**
 Weighted Average Life (Years) **4.56**
 Weighted Avg. Effective Duration (Years) **1.70**
 Weighted Average Rating **AA+**
 Number of Holdings **89**



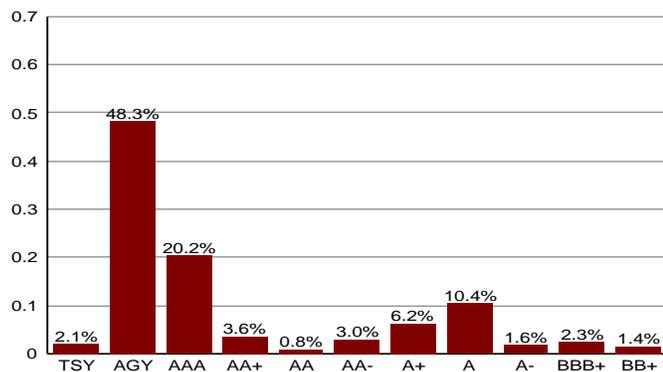
Asset Mix



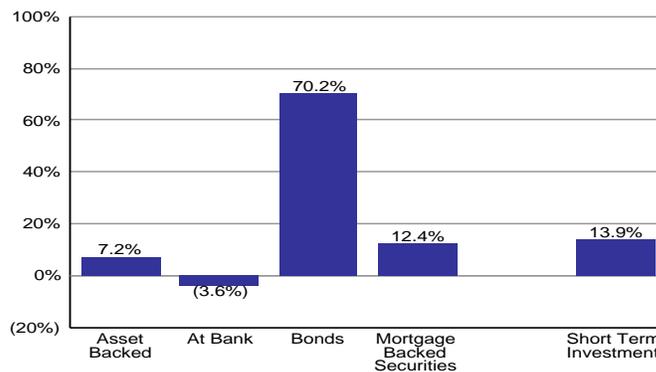
Top Ten Portfolio Holdings

Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
85299W019	TRI-PARTY REPO SOUTH STREET 0.18% 01/NOV/2010	12.06%	0.18	1/11/2010
06423RBK1	BANK ONE ISSUANCE TRUST SER 2004-A3 CL A3	3.39%	0.43	15/2/2017
084664BG5	BERKSHIRE HATHAWAY FINANCE CORP 5% GTD SNR NTS	2.29%	5.00	15/8/2013
3128X77G3	FEDERAL HOME LOAN MORTGAGE CORP 4.25% BDS	2.15%	4.25	12/12/2018
928989383	JP MORGAN U S GOVT MMF AGENCY SHARES	1.85%		1/11/2010
110122AR9	BRISTOL MYERS SQUIBB 5.45% BDS 01/MAY/2018 USD2000	1.65%	5.45	1/5/2018
58013MEC4	MCDONALD'S CORP 6.3% BDS 15/OCT/2037 USD1000	1.63%	6.30	15/10/2037
035229CS0	ANHEUSER-BUSCH COS INC 4.5% NTS 01/APR/2018	1.55%	4.50	1/4/2018
172967FE6	CITIGROUP INC 6.00% 13/DEC/2013	1.54%	6.00	13/12/2013
20825CAS3	CONOCOPHILLIPS AUSTRALIA FUNDING CO 4.75% NTS	1.53%	4.75	1/2/2014

Quality/Rating Weightings

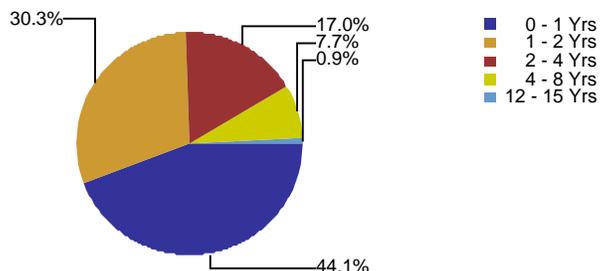


Sector Weightings (as % of Market Value)



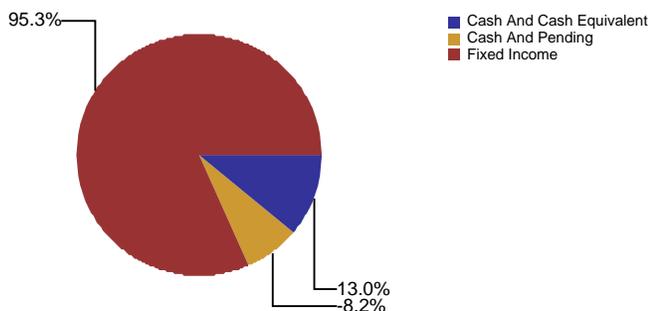
Portfolio Characteristics

Total Net Assets (Millions) **12.4**
 Weighted Average Life (Years) **4.39**
 Weighted Avg. Effective Duration (Years) **1.54**
 Weighted Average Rating **AAA**
 Number of Holdings **28**



Asset Mix

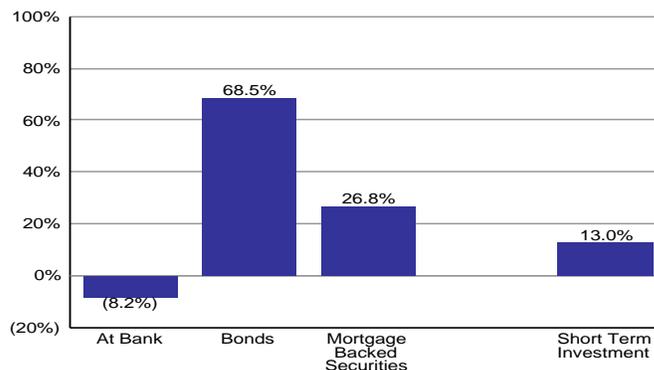
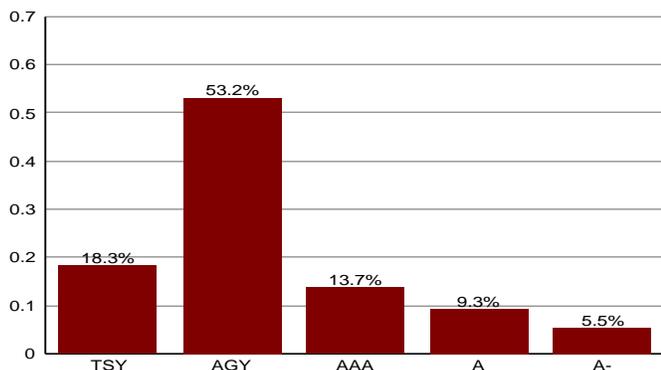
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
928989383	JP MORGAN U S GOVT MMF AGENCY SHARES	12.96%		1/11/2010
3134G1XC3	FED HOME LOAN MTG STP-UP MTN 29/OCT/2015 USD	8.03%	0.75	29/10/2015
31294KTB1	FEDERAL HOME LN MTG CORP GOLD POOL # EO1446 DTD	7.64%	4.50	1/9/2018
36241KJZ2	GNMA I MORTPASS 4.5% 15/FEB/2021 JP PN# 782080	6.08%	4.50	15/2/2021
38376JFP4	GINNIE MAE 2009-106 HA 4.000% 16/NOV/2039	5.14%	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	4.50%	7.12	15/11/2012
3128X77G3	FEDERAL HOME LOAN MORTGAGE CORP 4.25% BDS	4.23%	4.25	12/12/2018
31398AZW5	FEDERAL NATIONAL MORTGAGE ASSOC 3.25% NTS	4.08%	3.25	17/11/2014
7591EAAA1	REGIONS BANK 2.75% BDS 10/DEC/2010 USD1000	4.07%	2.75	10/12/2010

Quality/Rating Weightings

Sector Weightings (as % of Market Value)

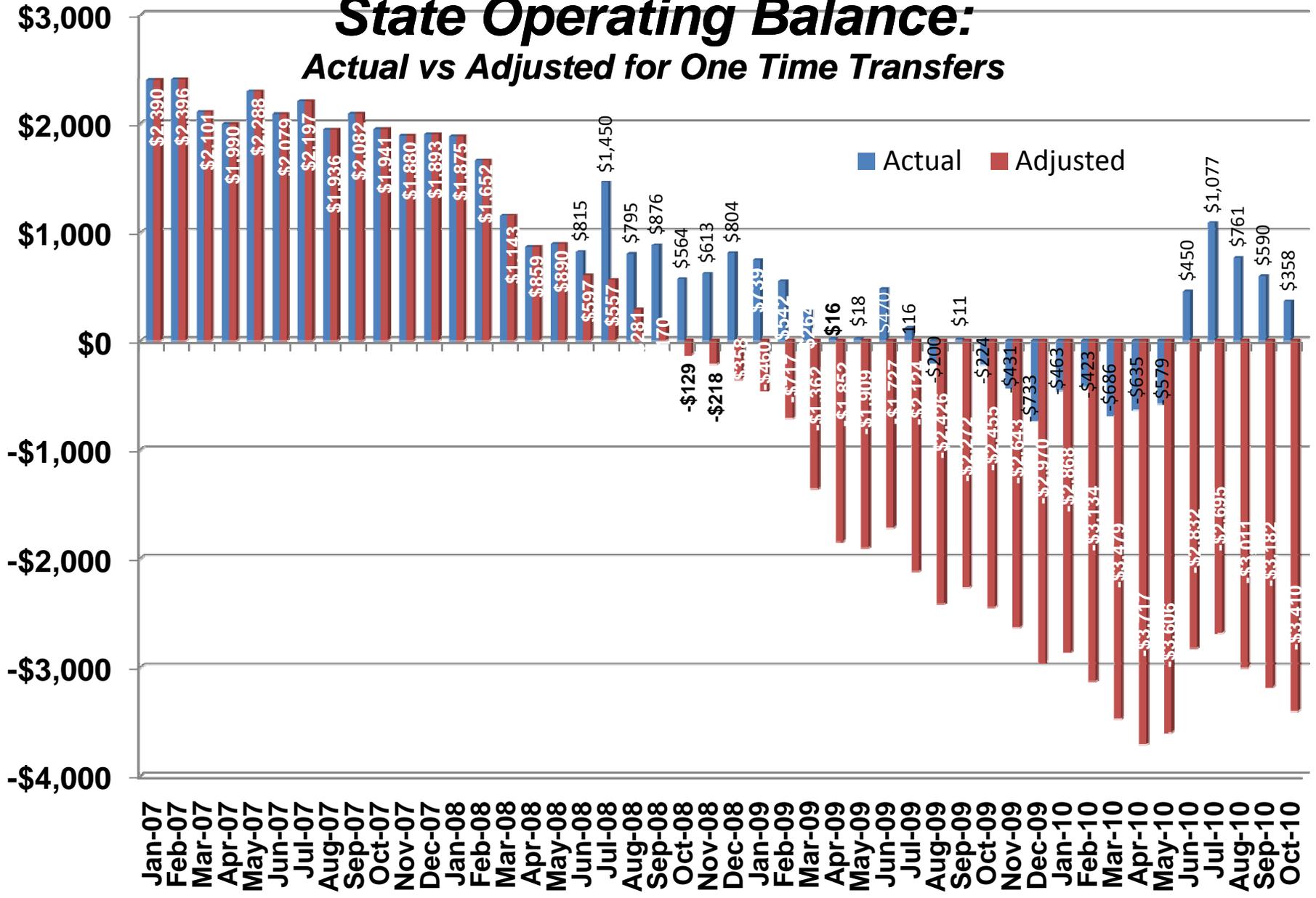


OPERATING MONIES
AVERAGE INVESTED BALANCE
Through October 31, 2010
(in millions of dollars)

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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)	
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)	\$697

State Operating Balance: Actual vs Adjusted for One Time Transfers



ENDOWMENT FUNDS
PORTFOLIO YIELD ANALYSIS
October 31, 2010

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FUND	DESCRIPTION	NET EARNINGS	NET YIELD
205	ENDOWMENTS - FIXED INCOME	4,180,813	5.38%
	TOTAL ENDOWMENTS - FIXED INCOME	4,180,813	

NET REALIZED CAPITAL GAINS / LOSSES - ENDOWMENT FUNDS

Endowment Fund -----	Oct-10 NET GAIN(LOSS) -----	FISCAL YTD GAINS(LOSSES) -----
Fixed Income Pool Net Gain (Loss)	(264,520)	(139,326)
Equity Pool (500) Net Gain (Loss)	307,724	874,541
Equity Pool (400) Net Gain (Loss)	1,790,408	3,593,130
Totals	1,833,612 =====	4,328,345 =====

ENDOWMENT FUNDS FIXED-INCOME POOL
PURCHASES & SALES
 Month of October 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>
FFCB	0.88	10/28/2013	N/A	\$5,000,000	\$4,992,500	0.93%	Aaa/AAA
GNMA MTG	5.10	12/16/2043	11.27	\$4,000,000	\$4,430,983	3.96%	Aaa/AAA

	\$9,000,000	\$9,423,483
TOTAL ENDOWMENT FUNDS PURCHASES		

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>
-----------------------------	-------------	-----------------	----------------------	------------------------------------	---------------------------------	-------------------------------------

	\$0	\$0	\$0
TOTAL ENDOWMENT FUNDS SALES			

*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 October 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	85,736	\$6,731,000	\$1,286
S&P 500 Large-Cap Fund	188,483	\$3,595,180	\$2,827
TOTAL EQUITY PURCHASES	274,219	\$10,326,179	\$4,113

II. Equity Funds Sales

	<u>SHARES</u>	<u>SALES AMOUNT</u>	<u>COMMISSIONS</u>
S&P 400 Mid-Cap Fund	33,869	\$2,386,481	\$150
S&P 500 Large-Cap Fund	11,512	\$1,272,263	\$218
TOTAL EQUITY SALES	45,381	\$3,658,744	\$368

ENDOWMENT FUNDS
INVESTMENTS OUTSTANDING
OCTOBER 31, 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>	2,556	2,323	2,671	348	
<i>Shares in Mid-Cap 400 Equity Fund</i>	820	795	1,454	659	
<i>Shares in Fixed Income Fund</i>	2,766	3,119	4,651	1,532	
Total	6,142	6,237	8,777	2,540	1.407
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>	461	489	817	328	
<i>Shares in Fixed Income Fund</i>	1,620	1,917	2,724	807	
Total	3,735	3,835	5,271	1,436	1.374
103 Leg., Exec., & Jud.					
<i>Shares in S&P 500 Index Fund</i>	1,945	1,901	2,033	132	
<i>Shares in Mid-Cap 400 Equity Fund</i>	626	651	1,110	459	
<i>Shares in Fixed Income Fund</i>	2,294	2,553	3,857	1,304	
Total	4,864	5,105	7,000	1,895	1.371
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	81	36	
<i>Shares in Fixed Income Fund</i>	163	176	274	98	
Total	340	351	493	142	1.403
105 Miners Hospital					
<i>Shares in S&P 500 Index Fund</i>	4,124	4,006	4,311	305	
<i>Shares in Mid-Cap 400 Equity Fund</i>	1,128	1,371	2,001	629	
<i>Shares in Fixed Income Fund</i>	4,118	5,378	6,925	1,547	
Total	9,370	10,755	13,236	2,481	1.231

ENDOWMENT FUNDS
INVESTMENTS OUTSTANDING
OCTOBER 31, 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>	907	852	948	96	
<i>Shares in Mid-Cap 400 Equity Fund</i>	271	292	481	189	
<i>Shares in Fixed Income Fund</i>	972	1,144	1,634	491	
Total	2,150	2,288	3,063	776	1.339
108 Penitentiaries					
<i>Shares in S&P 500 Index Fund</i>	3,262	2,948	3,410	462	
<i>Shares in Mid-Cap 400 Equity Fund</i>	939	1,010	1,667	657	
<i>Shares in Fixed Income Fund</i>	3,263	3,958	5,486	1,528	
Total	7,464	7,916	10,563	2,646	1.334
109 Permanent Common School					
<i>Shares in S&P 500 Index Fund</i>	852,431	820,408	891,074	70,665	
<i>Shares in Mid-Cap 400 Equity Fund</i>	235,025	280,811	416,973	136,162	
<i>Shares in Fixed Income Fund</i>	867,901	1,101,219	1,459,263	358,044	
Total	1,955,357	2,202,439	2,767,309	564,870	1.256
110 School for Deaf & Blind					
<i>Shares in S&P 500 Index Fund</i>	1,312	1,241	1,371	130	
<i>Shares in Mid-Cap 400 Equity Fund</i>	404	425	717	292	
<i>Shares in Fixed Income Fund</i>	1,461	1,666	2,456	790	
Total	3,177	3,332	4,545	1,213	1.364
111 School of Mines					
<i>Shares in S&P 500 Index Fund</i>	2,887	2,802	3,018	216	
<i>Shares in Mid-Cap 400 Equity Fund</i>	876	959	1,553	594	
<i>Shares in Fixed Income Fund</i>	3,167	3,762	5,325	1,563	
Total	6,930	7,524	9,897	2,373	1.315

ENDOWMENT FUNDS
INVESTMENTS OUTSTANDING
OCTOBER 31, 2010
(In Thousands)

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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>	30,010	27,955	31,370	3,415	
<i>Shares in Mid-Cap 400 Equity Fund</i>	7,862	9,570	13,949	4,379	
<i>Shares in Fixed Income Fund</i>	29,291	37,527	49,248	11,722	
Total	67,163	75,052	94,568	19,516	1.260
113 University Fund					
<i>Shares in S&P 500 Index Fund</i>	4,759	4,555	4,974	419	
<i>Shares in Mid-Cap 400 Equity Fund</i>	1,424	1,560	2,527	967	
<i>Shares in Fixed Income Fund</i>	5,193	6,115	8,732	2,616	
Total	11,376	12,230	16,233	4,003	1.327
114 U Of A Land - 1881					
<i>Shares in S&P 500 Index Fund</i>	10,109	9,662	10,568	905	
<i>Shares in Mid-Cap 400 Equity Fund</i>	3,077	3,308	5,460	2,152	
<i>Shares in Fixed Income Fund</i>	11,175	12,971	18,790	5,818	
Total	24,362	25,942	34,817	8,875	1.342
TOTALS - ALL FUNDS					
<i>Shares in S&P 500 Index Fund</i>	916,088	880,214	957,616	77,402	
<i>Shares in Mid-Cap 400 Equity Fund</i>	252,958	301,285	448,790	147,504	
<i>Shares in Fixed Income Fund</i>	933,385	1,181,506	1,569,366	387,860	
Grand Total	2,102,431	2,363,005	2,975,771	612,766	

ASSET ALLOCATION PERCENTAGE

	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE
<i>Shares in S&P 500 Index Fund</i>	43.57%	37.25%	32.18%
<i>Shares in Mid-Cap 400 Equity Fund</i>	12.03%	12.75%	15.08%
<i>Shares in Fixed Income Fund</i>	44.40%	50.00%	52.74%
Total	100.00%	100.00%	100.00%

Performance Worksheet
Arizona State Treasury (05509)
As At October 2010
Gross of Fee

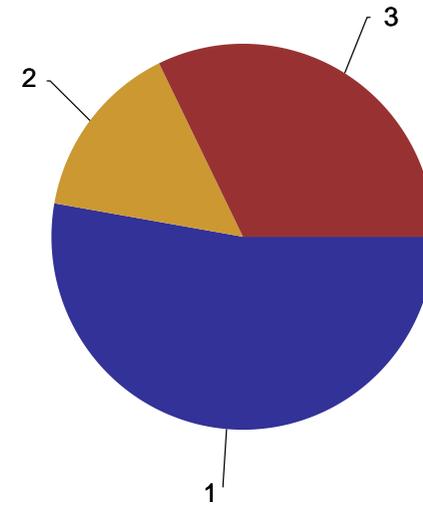
Total Endowment Fund Composite (00550902)

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	921,695,981.05	957,615,773.19	844,737	3.81	7.97	7.93	15.52	16.54	(6.27)	1.66	(0.28)	07/01/1999
10327900	S&P 400 Pool	433,546,170.66	448,789,790.28	285,992	3.45	9.45	14.42	17.02	26.91	(2.12)	4.43	6.70	08/01/2001
10328000	Pool 205	1,566,659,948.17	1,569,365,701.14	1,124,308	0.10	1.15	6.43	1.92	6.15	6.80	6.20	6.29	07/01/1999
00550902	Total Endowment Fund Composite	2,921,902,099.88	2,975,771,264.61	2,255,038	1.77	4.47	8.08	8.12	12.15	0.78	4.78	4.81	07/01/1999

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

Total Endowment Fund Composite (00550902)

Sr. No.	Account Name	Market Value(MIL)	Percent of Portfolio
1	Pool 205 (10328000)	1,569.37	52.7%
2	S&P 400 Pool (10327900)	448.79	15.1%
3	S&P 500 Pool (10327800)	957.62	32.2%
	TOTAL	2,975.77	100.0%

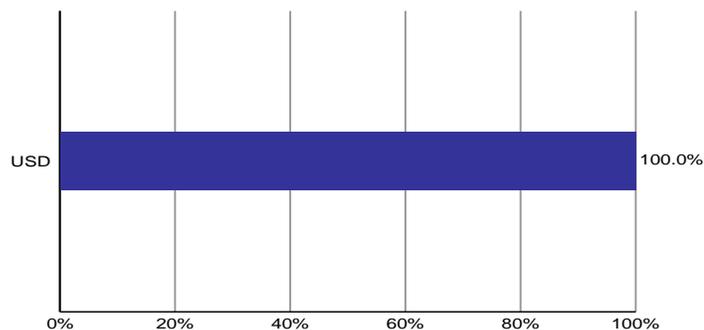


Portfolio Characteristics		Risk Measures			
Total Asset Value (in Millions)	957.6	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Since Inception
P/E Ratio	18.25	0.13	0.23	0.44	1.79
Price to Book Ratio	3.61	Information Ratio	0.16	0.95	(0.16)
Dividend Yield (%)	1.88	Std Deviation of Port.	18.95	21.81	17.52
Return on Equity (%)	16.72	Std Deviation of Bench.	19.02	21.92	17.66
Sales Growth (%)	10.32	Sharpe Ratio of Port.	0.87	(0.33)	(0.05)
Market Capitalization (\$ Billions)	81,663.81	Sharpe Ratio of Bench.	0.86	(0.34)	(0.05)
Earnings per Share (\$)	3.71	R-Squared	1.00	1.00	1.00
Number of Holdings	501	Jensen's Alpha	0.08	0.19	(0.08)

Top Ten Portfolio Holdings

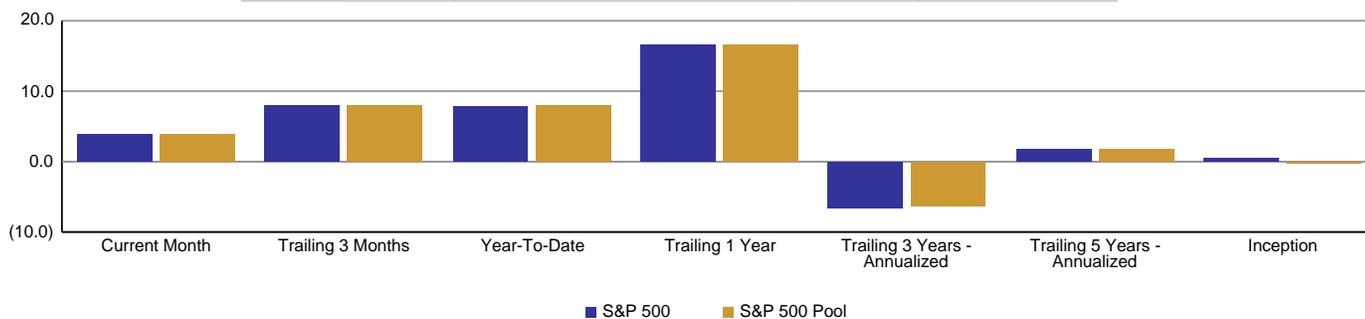
Security ID	Security Name	% of Assets
78462F103	SPDR S&P 500 ETF TRUST	3.36%
30231G102	EXXON MOBIL CORP - COM NPV	3.05%
037833100	APPLE INC - COM NPV	2.47%
594918104	MICROSOFT CORP - COM USD.001	1.82%
742718109	PROCTER & GAMBLE CO - COM NPV	1.64%
459200101	INTL BUSINESS MACHINES CORP - COM USD.2	1.63%
478160104	JOHNSON & JOHNSON - COM USD1	1.58%
369604103	GENERAL ELECTRIC CO - COM USD.63	1.54%
00206R102	AT&T INC - COM USD1	1.54%
166764100	CHEVRON CORP - COM USD3	1.49%

Top Ten Currency Weights

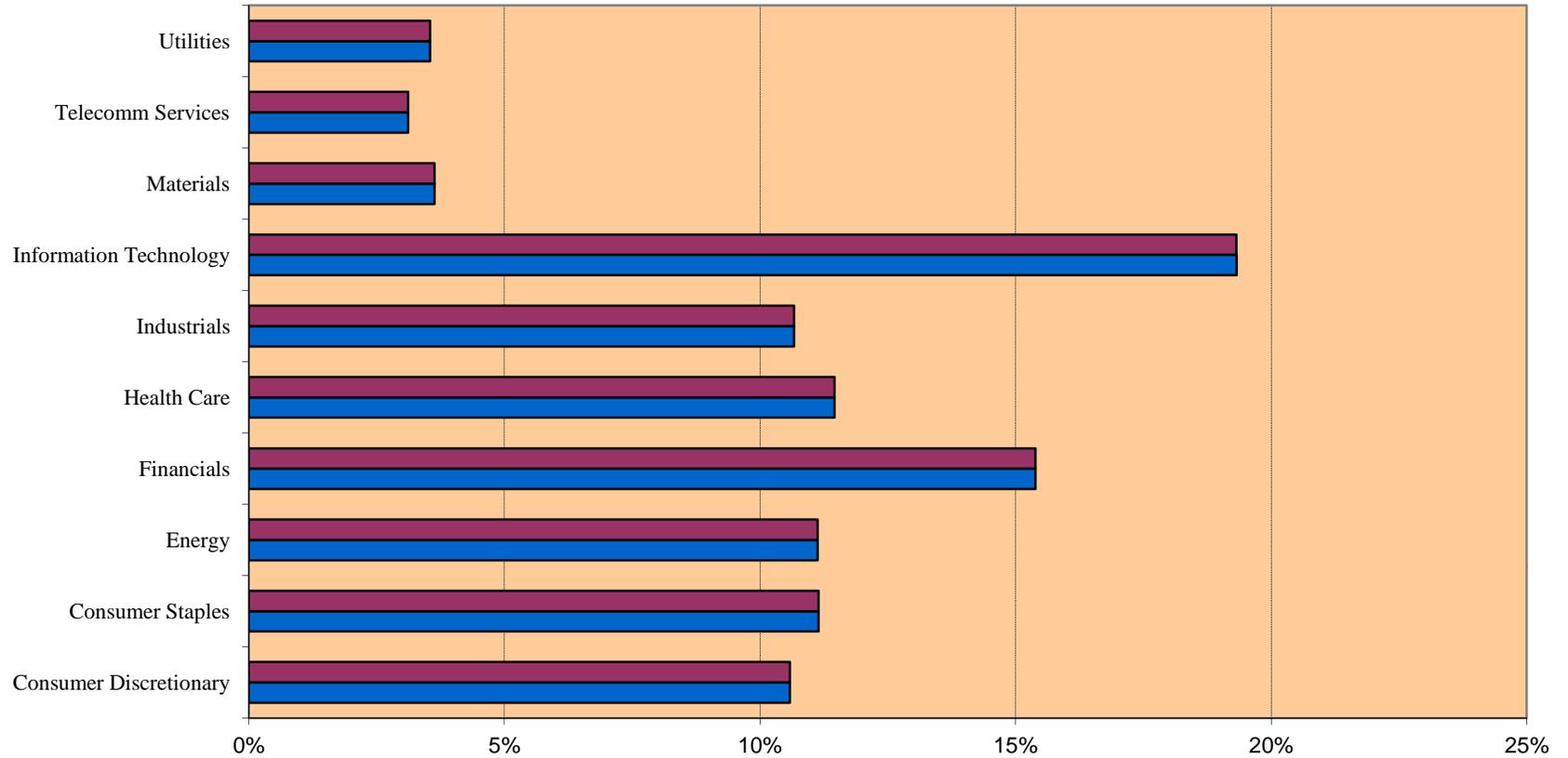


Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
S&P 500 Pool	3.81	7.97	7.93	16.54	(6.27)	1.66	(0.28)
S&P 500	3.80	7.96	7.84	16.52	(6.49)	1.73	0.48
Excess	0.00	0.00	0.09	0.02	0.22	(0.07)	(0.76)



**STATE OF ARIZONA
POOL 201 (S&P 500)
As of October 31, 2010**



	Consumer Discretionary	Consumer Staples	Energy	Financials	Health Care	Industrials	Information Technology	Materials	Telecomm Services	Utilities
■ S&P 500 Index	10.58%	11.15%	11.13%	15.39%	11.46%	10.67%	19.32%	3.63%	3.12%	3.55%
■ STATE OF ARIZONA - POOL 201	10.58%	11.15%	11.13%	15.39%	11.46%	10.67%	19.32%	3.63%	3.12%	3.55%

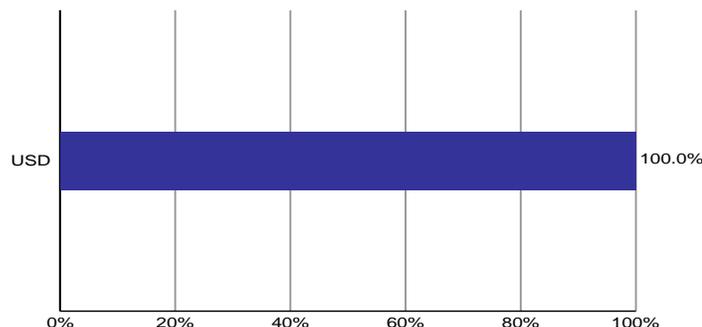
S&P 500 Index
 STATE OF ARIZONA - POOL 201

Portfolio Characteristics		Risk Measures			
Total Asset Value (in Millions)	448.8	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Since Inception
P/E Ratio	19.74	0.90	2.64	2.15	2.24
Price to Book Ratio	3.25	Information Ratio	(0.80)	(0.27)	(0.24)
Dividend Yield (%)	1.29	Std Deviation of Port.	20.94	25.00	20.14
Return on Equity (%)	8.11	Std Deviation of Bench.	21.14	26.07	21.04
Sales Growth (%)	10.73	Sharpe Ratio of Port.	1.28	(0.13)	0.09
Market Capitalization (\$ Billions)	3,237.73	Sharpe Ratio of Bench.	1.30	(0.09)	0.11
Earnings per Share (\$)	2.04	R-Squared	1.00	0.99	0.99
Number of Holdings	402	Jensen's Alpha	(0.45)	(0.82)	(0.40)
					0.25

Top Ten Portfolio Holdings

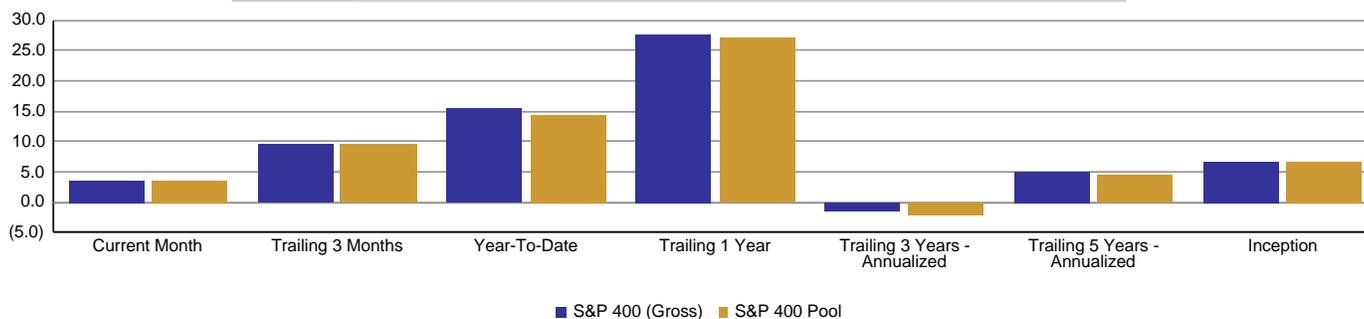
Security ID	Security Name	% of Assets
78467Y107	SPDR S&P MIDCAP 400 ETF TRUST	6.47%
315616102	F5 NETWORKS INC - COM NPV	0.86%
651290108	NEWFIELD EXPLORATION CO - COM USD.01	0.72%
92532F100	VERTEX PHARMACEUTICALS INC - COM USD.01	0.71%
64110L106	NETFLIX INC - COM USD.001	0.68%
649445103	NEW YORK CMNTY BANCORP INC - COM USD.01	0.67%
481165108	JOY GLOBAL INC - COM	0.67%
28176E108	EDWARDS LIFESCIENCES CORP - COM USD1	0.66%
549271104	LUBRIZOL CORP - COM NPV	0.63%
169656105	CHIPOTLE MEXICAN GRILL INC - COM USD.01	0.59%

Top Ten Currency Weights

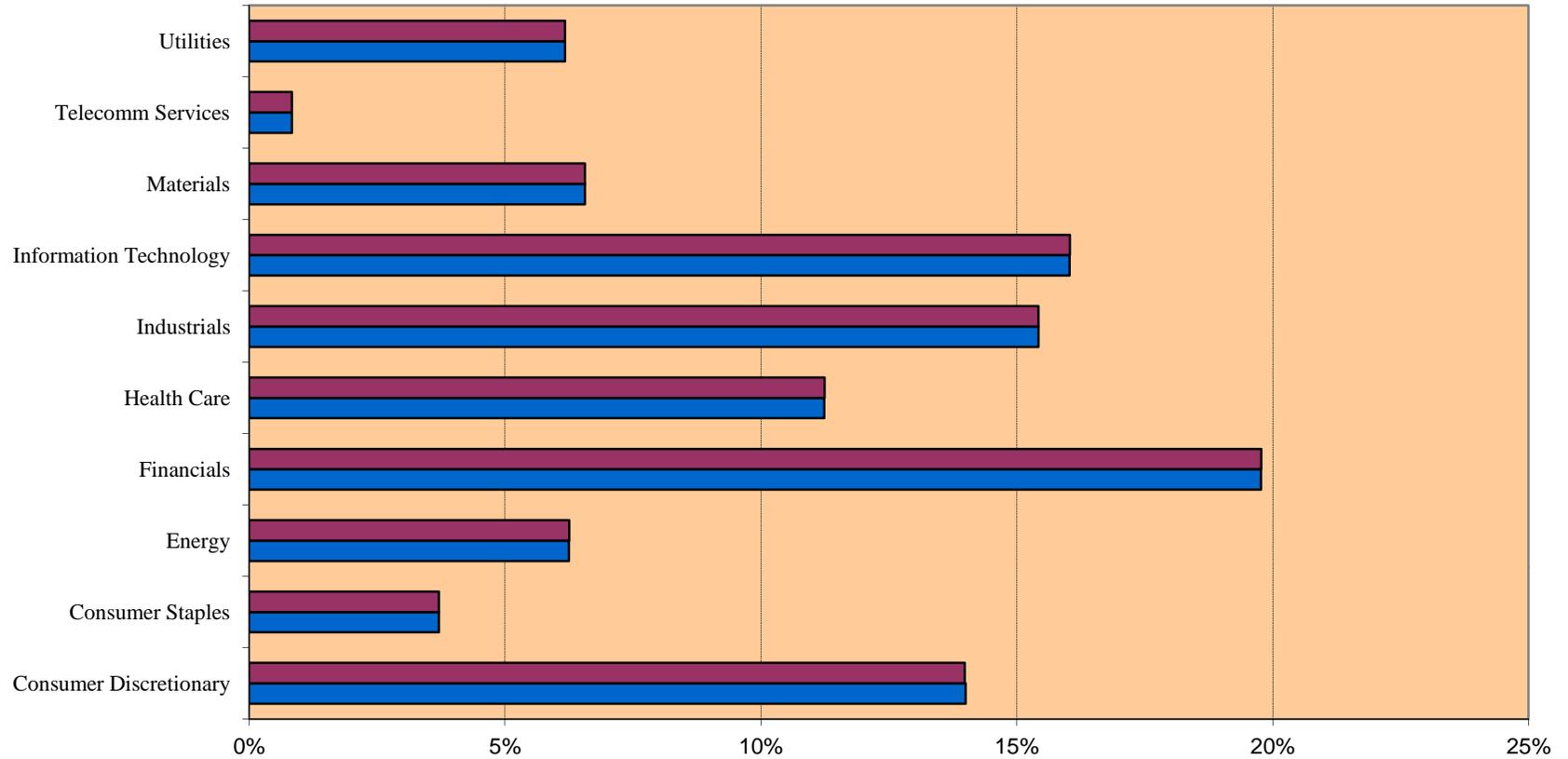


Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years - Annualized	Trailing 5 Years - Annualized	Inception
S&P 400 Pool	3.45	9.45	14.42	26.91	(2.12)	4.43	6.70
S&P 400 (Gross)	3.45	9.46	15.42	27.64	(1.41)	4.93	6.74
Excess	0.00	(0.01)	(1.00)	(0.72)	(0.71)	(0.51)	(0.04)



**STATE OF ARIZONA
POOL 203 (S&P MIDCAP 400)
As of October 31, 2010**

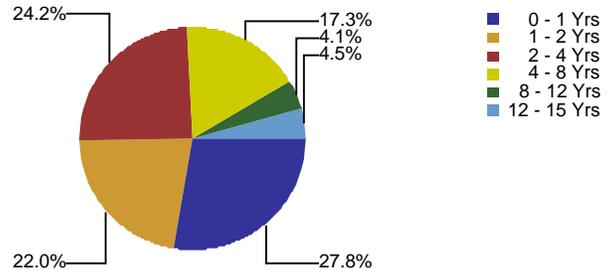


	Consumer Discretionary	Consumer Staples	Energy	Financials	Health Care	Industrials	Information Technology	Materials	Telecomm Services	Utilities
■ S&P MIDCAP 400	13.98%	3.71%	6.25%	19.78%	11.24%	15.43%	16.04%	6.56%	0.84%	6.18%
■ STATE OF ARIZONA - POOL 203	14.00%	3.71%	6.25%	19.77%	11.24%	15.42%	16.03%	6.56%	0.84%	6.17%

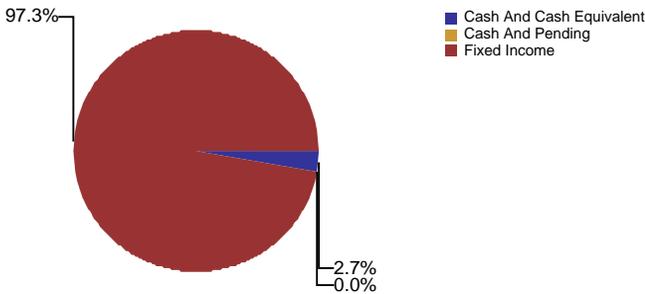
■ S&P MIDCAP 400
 ■ STATE OF ARIZONA - POOL 203

Portfolio Characteristics

Total Net Assets (Millions)	1,569.4
Weighted Average Life (Years)	4.91
Weighted Avg. Effective Duration (Years)	3.10
Weighted Average Coupon (%)	4.56
Weighted Average Current Yield (%)	1.51
Weighted Average Yield to Maturity (%)	1.62
Weighted Average Rating	AA+
Number of Holdings	259



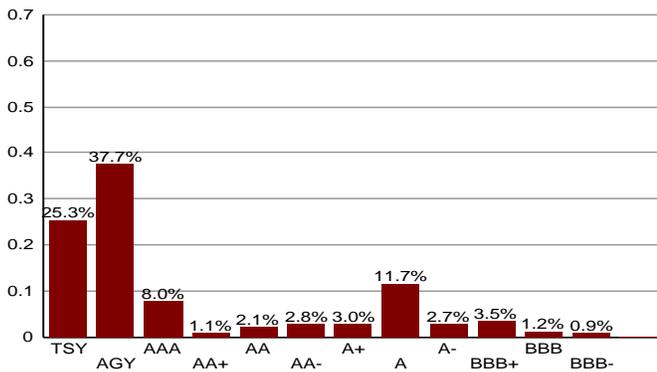
Asset Mix



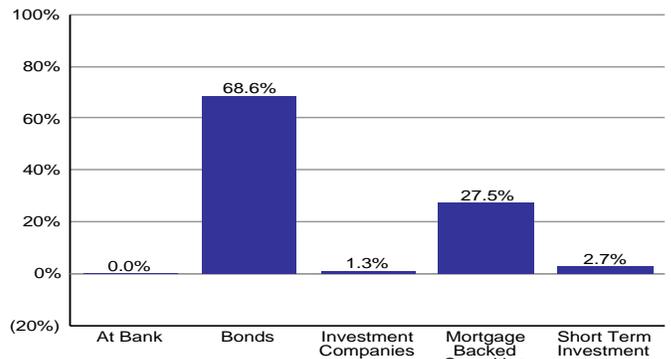
Top Ten Portfolio Holdings

Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
539992AA5	LOCAL GOVERNMENT INVESTMENT POOL	2.67%	0.00	31/12/2049
31359MQV8	FEDERAL NATIONAL MORTGAGE ASSOC 4.75% BDS	1.41%	4.75	21/2/2013
947513BB	LONG TERM POOL	1.28%	0.00	
92343VAN4	VERIZON COMMUNICATIONS INC 5.25% NTS 15/APR/2013	1.02%	5.25	15/4/2013
912828FK1	US TREAS NTS 05.125% 30/JUN/2011	1.00%	5.12	30/6/2011
931142BV4	WAL MART STORES 931142BV4 4.125% 15/FEB/2011	0.97%	4.12	15/2/2011
912810ED6	UNITED STATES TREAS BDS 08.125% 15/AUG/2019	0.94%	8.12	15/8/2019
912810FA1	USA TREASURY BDS6.375% BDS 15/AUG/2027 USD1000	0.89%	6.38	15/8/2027
92343VAM6	VERIZON COMMUN 6.1% NTS 15/APR/2018 USD1000	0.76%	6.10	15/4/2018
59562VAT4	MIDAMERICAN ENERGY HLDGS 5.75% SNR NTS 01/APR/2018	0.74%	5.75	1/4/2018

Quality/Rating Weightings

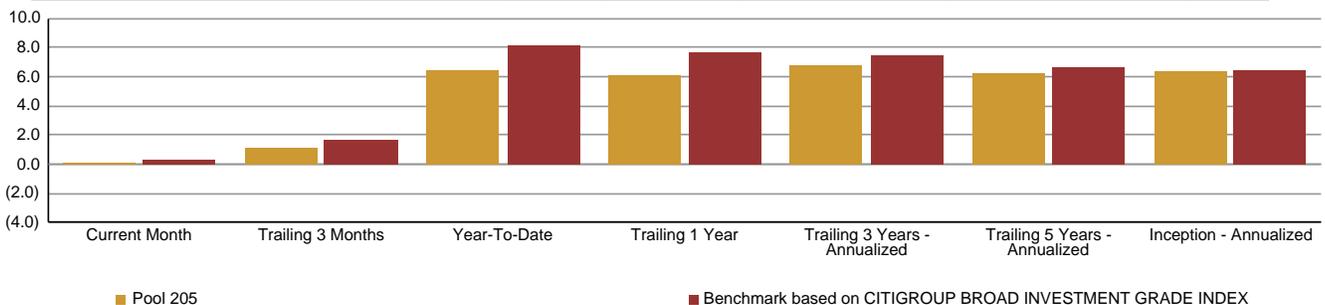


Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
Pool 205	0.10	1.15	6.43	6.15	6.80	6.20	6.29
Benchmark based on CITIGROUP BROAD INVESTMENT GRADE INDEX	0.33	1.66	8.10	7.68	7.51	6.65	6.48
Excess	(0.23)	(0.51)	(1.67)	(1.53)	(0.71)	(0.45)	(0.18)

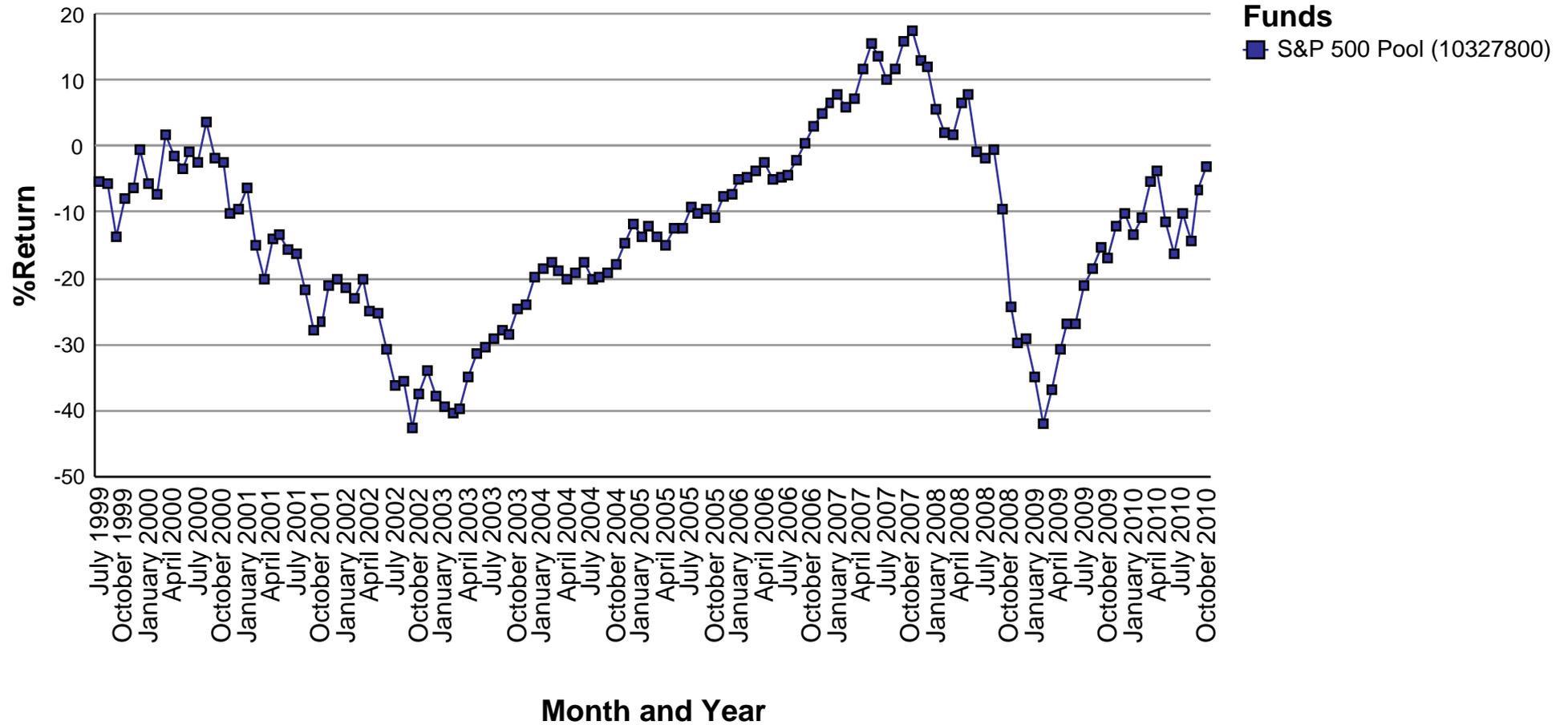


Performance Growth by Account

Arizona State Treasury (05509)

From July 1999 to October 2010

Gross of Fee

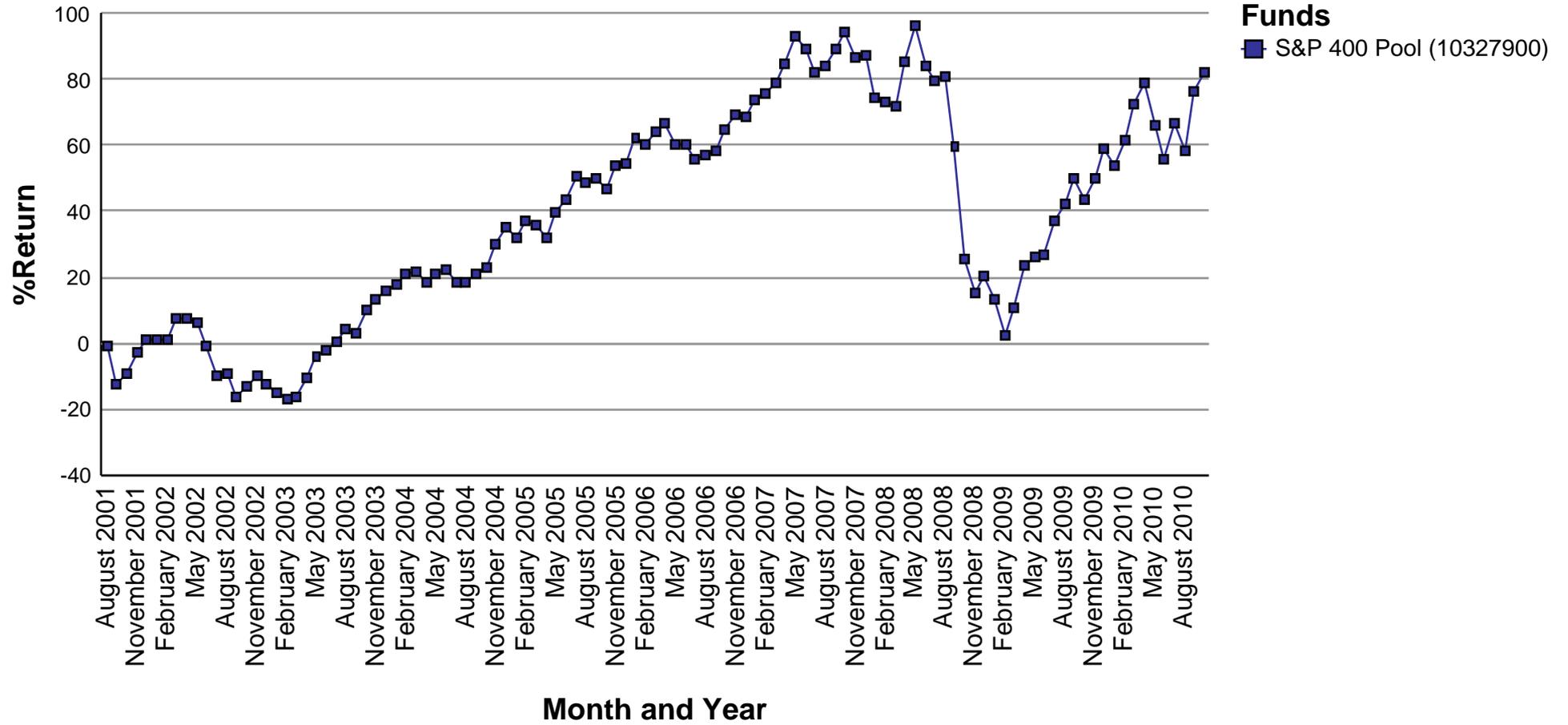


Performance Growth by Account

Arizona State Treasury (05509)

From August 2001 to October 2010

Gross of Fee



Performance Growth by Account

Arizona State Treasury (05509)

From July 1999 to October 2010

Gross of Fee

