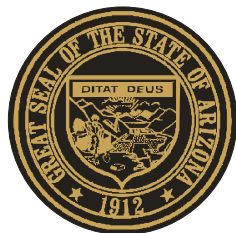


**OFFICE OF THE
ARIZONA STATE TREASURER**



Kimberly Yee

TREASURER



MAY 2023

Presented To:

Arizona State Board of Investment

June 27, 2023

STATE BOARD OF INVESTMENT

A G E N D A

June 27, 2023

1. Call to Order; Opening Remarks The Honorable Kimberly Yee, Chair
2. Approval of Minutes of May 30, 2023, BOI Meeting
3. AZ 529 Arizona’s Education Savings Plan
 - a. Monthly Program and Marketing Review..... Jeffrey Ong, AZ529 Administrator
 - b. Investment Structure Review & Fee Analysis.....Tiffany Spudich, Capital Cities
4. Investment Outlook and Summary Review of Treasurer’s Monthly Reports
 - a. State Agency Earnings Distributions Dennis Stevenson, CIO
State Agency Operating Average Invested Balances
State Agency Investments and Performance Reports
 - b. LGIP Yield Analysis Jake Richardson, Portfolio Manager
LGIP Pools Investments and Performance Reports
 - c. Endowment Earnings DistributionsTim White, Director of Endowments
Land Sales Monthly Proceeds Endowment Funds
Endowment Investments and Performance Reports
5. Discussion and Action on the May 2023 Report
6. Treasurer’s ReportThe Honorable Kimberly Yee, Chair
7. Market Outlook..... Harry Papp, Board Member
8. Call to the Public
9. Notice of Next Meeting
10. Adjournment

REPORT OF THE STATE TREASURER

FOR

June 27, 2023

TABLE OF CONTENTS

	<u>Page</u>
Minutes of Board of Investment Meeting	iii-vi
Review of Treasurer’s Monthly Reports:	
A. Earnings Distribution; Investment Pools	1
B. Operating Monies Invested Balances	2
C. State Agency Pools Investments and Performance Reports	3-23
D. LGIP Pools Investments and Performance Reports.....	24-34
E. Earnings Distributed PLETF Funds	35
F. Land Sales Monthly Proceeds PLETF Funds.....	36
G. PLETF Investments and Performance Reports.....	37-56
H. AZ Endowment Trust Investments and Performance Reports.....	57-60

**Minutes of
BOARD OF INVESTMENT MEETING
May 30, 2023**

The regular meeting of the State Board of Investment was held on May 30, 2023, in person in the Treasury's conference room and via WebEx. Treasurer Kimberly Yee called the meeting to order at 1:02 p.m.

Members Present:

The Honorable Kimberly Yee, Chair, State Treasurer – in person
Harry A. Papp, CFA & Managing Partner, L. Roy Papp & Associate – via WebEx
Beth Ford, Pima County Treasurer – via WebEx
Barbara Richardson, Director of Insurance and Financial Services – via WebEx

Designees Present:

Ashley Retsinas, Designee for Elizabeth Alvarado-Thorson, Director of Administration
– via WebEx

Others Present:

Mark Swenson, Deputy Treasurer, Arizona State Treasurer's Office
Jackie Harding, Deputy Treasurer Operations, Arizona State Treasurer's Office
Jeff Kros, Assistant Deputy Treasurer for Legal and Government Affairs, Arizona State Treasurer's Office
Dennis Stevenson, Chief Financial Officer, Arizona State Treasurer's Office
Tim White, Director of Endowment, Arizona State Treasurer's Office
Jake Richardson, LGIP Portfolio Manager, Arizona State Treasurer's Office
Eric Stivers, Financial Analyst, Arizona State Treasurer's Office
Michael Leslein, Investment Accounting Manager, Arizona State Treasurer's Office
Edward Clawson, Portfolio Analyst, Arizona State Treasurer's Office
Jeffrey Ong, AZ529 Administrator, Arizona State Treasurer's Office
Nick Barnhiser, IT Director, Arizona State Treasurer's Office
Tiffany Spudich, Capital Cities, LLC
Alyssa Koury, Public Information Officer, Arizona State Treasurer's Office
Imee Andrew, Executive Assistant, Arizona State Treasurer's Office

1. Call to Order

Treasurer Yee called the May 30, 2023, Board of Investment meeting to order at 1:02 p.m.

Treasurer's Comments

Treasurer Yee welcomed the Board members and staff to the meeting.

2. Approval of Minutes

Mr. Papp moved that the April 27, 2023, meeting minutes be approved as distributed. Seconded by Director Richardson. The motion CARRIED unanimously.

3. AZ529 Arizona's Educational Savings Plan

A. Monthly Program and Marketing Review

Jeffrey Ong, AZ529 Plan Administrator, reported that as of April 30, 2023, total AZ529 Plan Assets Under Management were \$1.92 billion. Total AZ529 Plan accounts were up 3.8% Year Over Year (YOY) to 102,899. Fidelity is the largest provider with 66.9% of Assets and 67.8% of Accounts. Goldman Sachs is the second largest provider holding 32.7% of Assets and 31.4% of Accounts. College Savings Bank holds the remaining 0.4% of Assets and 0.8% of Accounts. Arizona residents held 51% of total Assets and 56.7% of total Accounts, with the rest held by Non-Residents. See Memo.

B. Quarterly Investment Review

Tiffany Spudich, Capital Cities, detailed that the AZ529, Arizona's Education Saving Plan (Fidelity Direct-sold Plan) stood at nearly \$1.3 billion as of March 31, 2023. 65% of the assets were in the Age-Based Portfolios, 11% were in the Static Portfolios, and the Individual Portfolios accounted for 24%. The Age-Based Portfolios returned 3.2% to 7.5% in the first quarter. The Active and Blend Age-Based Portfolios slightly outperformed their respective benchmarks given equity manager selections. The Index Age-Based Portfolios continue to closely replicate their benchmarks.

Ms. Spudich also highlighted the Goldman Sachs 529 Plan (Advisor-sold Plan with Ascensus). The Plan totaled nearly \$624 million as of March 31, 2023, with 40% in the Year of Enrollment Portfolios, 22% in the Target Risk Portfolios, and 38% in the Individual Portfolios. The Year of Enrollment Portfolios' returns ranged from 3.6% to 7.0% in the first quarter and performed comparable to their respective benchmarks.

4. Investment Outlook and Summary Review of the Treasurer's Monthly Reports

A. State Agency Earning Distributions, Average Invested Balances, and Performance Reports

Dennis Stevenson, Chief Financial Officer, highlighted the results of the State Agencies performances for the month of April 2023. See memo.

B. LGIP Yield Analysis, Pool Investments and Performance Reports

Jake Richardson, LGIP Portfolio Manager, highlighted the results for the Local Government Investment Pools performance for the month of April 2023. See memo.

C. Endowment Earnings Distributions, Land Sale Monthly Proceeds Endowment Funds, Endowment Investments and Performance Reports

Tim White, Director of Endowments, reported the results and highlights for the Endowment performances for the month of April 2023. See memo.

Discussion and Action: Approval of April 2023 Report

Treasurer Yee requested a motion on the approval of April 2023 report.

Treasurer Ford moved the approval of the April 2023 Monthly Report. Seconded by Mr. Papp. The motion CARRIED unanimously.

5. Treasurer's Report

Treasurer Yee thanked members for their time and thanked the investment team for their continued excellent work. Treasurer Yee gave brief remarks as earnings continue to grow as interest rates rise. For the first 10 months of this fiscal year, the office distributed more than \$968.7 million in earnings, which includes \$608.1 million for our LGIP and State Agency pools and \$360.6 million for the PLETF.

The LGIP total assets in April were \$6.25 billion, that is \$2.86 billion more in assets than when the Treasurer took office, an 84.8% increase. April earnings of \$22.6 million bring earnings for the fiscal year to \$161.6 million which is an increase of 1,851% from fiscal year 2022, when we earned \$8.3 million for the first 10-months of the fiscal year.

Treasurer Yee noted that State Agency funds were \$17.5 billion in April with total earnings of \$450.7 million year to date, including \$58.7 million in April. A total of \$293.8 million has been earned for the State General Fund this year.

The Permanent Land Endowment Trust Fund market value was \$7.56 billion at the end of April. That is a 36.93% increase since the Treasurer took office in January 2019. The 10-year annual total return was 7.63% in April and the annual survey of University Endowments was released in February, and the PLETF's 10-year total return of 8.24% as of June 30, 2022, continues to rank well when compared with most endowments which averaged 7.83% for 10-year returns.

For the AZ529 program, since October 2020, after 31-months of operation, the 529 accounts have increased by 28,396 accounts and assets are up 18.3% in that same time frame to \$1.92 billion.

7. **Market Outlook**

Harry A. Papp, CFA & Managing Partner, L. Roy Papp & Associate, also Member of Board of Investment, provided the Board with a brief overview and giving his insight for the market outlook update.

8. **Call to the Public**

There was no public comment.

9. **Notice of Next Meeting**

Treasurer Yee announced that the next board meeting will be held on Tuesday, June 27, 2023, at 1:00 p.m.

10. **Adjournment**

With no further business to discuss, Director Richardson moved that the meeting be adjourned. Seconded by Mr. Papp. The motion CARRIED unanimously. Meeting adjourned at 1:41 p.m.

Respectfully Submitted by:

Imee L. Andrew
Executive Assistant

Approved by:

Kimberly Yee
Chair

Date

(This page intentionally left blank)



OFFICE OF THE ARIZONA STATE TREASURER

KIMBERLY YEE
TREASURER



Investment Summary | May 2023

Overall Performance – Where We Are Now |

➤ State Agency Pools:

- Total assets: \$16,953,316,688
- May earnings distributed: \$62,405,469 (+471.30% YoY)
- General Fund earnings distributed: \$37,359,396 (+1251.51% YoY)

Outlook |

The Federal Reserve has taken a pause in raising interest rates. Congress and the White House have agreed to extend the nation's debt ceiling. This has given both the debt and equity markets time to pause and stabilize. The difference in short-term and long-term U.S. Treasury interest rates is still negative, but the difference has begun to lessen. Historically, you are paid more for lending funds for a longer duration. M2 balances continue to decelerate at an accelerating rate. Consumer confidence remains strong with the University of Michigan Consumer Sentiment Index coming in at 63.9 vs 59.2 the previous month. This optimism is also apparent in housing starts being up +21.7% MoM vs last month's +2.2% growth despite higher mortgage rates. Average hourly earnings continue to increase, up 4.3% YoY and the unemployment rate remains historically low at 3.7%.

The Producer Price Index is up 1.1% YoY with the caveat that it's a backward-looking economic indicator. It is slow to pick up the large increases in food and service costs, both of which are rising rapidly. The Consumer Price index is 4% month over month, this shows inflation has not abated as much as the FOMC had hoped and will lead to still-higher interest rates. The Arizona state general fund revenue was down more than expected vs May of last year due in large part to lower income tax revenue and lower capital gains tax revenue. Sales tax revenue also had a small year-over-year increase of just 0.3% resulting in a forecast loss of \$18 million.

The war in Ukraine has been ongoing for more than a year now. The U.S. continues to support the Ukrainian government with vast sums of money and weapons. There is no sign of Russia withdrawing and no public expectations for them to do so. These are not good developments for peace prospects.

Secretary of State Blinken flew to China to try and reestablish direct talks between different branches of the governments, including the military. This was an effort to encourage China to maintain the status quo with Taiwan and other Asian neighbors. Soon after, President Biden said Xi Jinping, the head of the communist party and China, had major economic problems and was a dictator. This declaration was not well received in Beijing.

Strategy: Monthly Commentary |

Our strategy continues to be the same as it has been since the Fed began raising rates. We will continue to increase duration with every successive increase in rates by the Federal Reserve. This strategy has earned over \$500 million in state agency pools fiscal-year-to-date and that is more than the last four fiscal years combined, a new record. The interest rate spread between U.S. Treasuries and high-grade corporate bonds is extremely small by all historical standards. I expect this spread to widen considerably, increasing the yield on corporate bonds across the spectrum. We are redeploying to high-grade corporate bonds as these new issues become available.

Dennis Stevenson, CIO

Alternative Scenarios |

There are several scenarios we continue to monitor which could change our expectations:

- China invades Taiwan
- The war in Ukraine continues with no peace talks
- Russia cuts off a significant portion of the world's wheat supply
- Food inflation persists or increases
- The American power grid has disruptions
- Central Banks raise rates significantly from current levels

State Agency Investment Pool Balances |

	May 31, 2023	May 31, 2022	YoY Change
Pool 2 FF&C	\$2,488,603,685	\$1,570,277,313	+\$918,326,372
Pool 3 Internal	\$6,258,352,970	\$8,954,736,494	-\$2,696,383,524
Pool 3 External	\$113,360,532	\$111,489,598	+\$1,870,934
Pool 4 Gov.	\$1,161,217,214	\$1,241,994,748	-\$80,777,534
Pool 10 Internal	\$919,994,080	\$480,938,271	+\$439,055,809
Pool 10 External	\$531,132,401	\$580,631,963	-\$49,499,562
Pool 12 CAWCD	\$563,307,840	\$556,069,345	+\$7,238,495
Pool 15 Operating	\$4,715,374,863	\$2,854,934,040	+\$1,860,440,823
Pool 16 ECDHB	\$201,973,103	\$223,339,328	-\$21,366,225
TOTAL STATE AGENCY	\$16,953,316,688	\$16,574,411,098	+\$378,905,590

Local Government Investment Pools (LGIP) Summary

Overall Performance – Where We Are Now |

➤ Local Government Investment Pools:

- Total assets: \$6,473,121,903
- Total May earnings: \$25,977,372; +663.24% vs. May 2022
- Total fiscal year-to-date yields:
 - Pool 5: 3.74%; +356bps vs. May 2022
 - Pool 7: 3.56%; +347bps vs. May 2022
 - Pool 500: 2.65%; +179bps vs. May 2022
 - Pool 700: 2.17%; +185bps vs. May 2022

Strategy: Short-term Pools 5 & 7 |

The FOMC left interest rates unchanged at the June meeting. Holding them at 5.00%-5.25% for the lower and upper bounds, respectively. They forecasted that they will likely have to move another 50bps by the end of the year. We believe that they will be data dependent moving forward, but still see inflation as a big issue. The market is now pricing in that the Fed will likely hike one more time by the end of the year. The debt ceiling issue has passed as Congress and President Biden struck a deal which should extend until 2025. Pool 5 and 7 continue to have an ample amount of liquidity for participant needs. We will continue to carry the elevated cash balance through July. The WAM target will remain at 30 to 40 days, but we will look to start increasing that target towards the end of July.

Strategy: Intermediate Pools 500 & 700 |

Yields in the belly of the curve have increased over the past month. The 2-year Treasury notes have increased 45bps over the past month which are now yielding 4.76% at the time of this writing. This is likely due to the reiteration by Jerome Powell that they will need to keep interest rates higher for longer. The market previously was pricing in cuts by the end of the year, which does not seem to be the case now. Pools 500 and 700's strategies remain the same. We will continue to add duration throughout the year and keep patiently extending out along the curve throughout 2023.

LGIP Investment Pool Balances |

	May 31, 2023	May 31, 2022	YoY Change
Pool 5 LGIP	\$2,865,139,517	\$2,481,872,616	+\$383,266,901
Pool 7 LGIP FF&C	\$2,661,714,222	\$2,483,947,160	+\$177,767,062
Pool 500 LGIP Med.	\$654,640,165	\$645,680,033	+\$8,960,132
Pool 700 LGIP Med FF&C	\$291,627,999	\$259,631,998	+\$31,996,001
TOTAL LGIP	\$6,473,121,903	\$5,871,131,808	+\$601,990,095

Endowment Summary

Overall Performance – Where Are We Now | Long-Term Performance Remains Stellar

➤ Highlights:

- PLETF May total return: -0.66%
- **PLETF outperformed aggregate benchmark by +23bps in May; 1-Year outperforming benchmark +130bps**
- PLETF 10-year annualized total return: +7.44%; +7bps vs benchmark
- Prop 123 record high monthly distributions at \$36.1MM; Projected \$432.8MM in FY23
- AETF May total return: -0.91%
- AETF inception-to-date total return: +5.89%
- **AETF lead aggregate benchmark +3bps in May; outperforming +38bps since inception**
- **PLETF FY2022 10-year annualized total return 8.24% vs FY2022 NACUBO-TIAA Study of Endowments Average TRR of 7.83%: Marks Ninth Straight Year of Outperformance vs All Institutions**

Big Picture:

- PLETF fair market value: \$7,513,055,050
- Fair Market Value down -\$54.87MM MoM; up +\$81.64MM YoY net of distributions
- FYTD2023 distributions \$396.7MM; up +\$30.19MM vs FY2022
- **PLETF 12-Month return +0.60% vs benchmark -0.70%**
- Annualized 10-Year total return through May is +7.44% versus April at +7.63%
- PLETF Unrealized Gains: \$4.42BN
- May PLETF Realized Gains: +\$3.87MM
- May TRR PLETF -0.66% vs benchmark -0.89%
- **Pool 205 Fixed Income 1-year return has outperformed FTSE Broad Investment Grade Index by +307bps**
- 2020 January, February, March, April (2), July (2), Sept, Nov, Dec (2), 2021 Jan, May, Sept, 2022 May PLETF & AETF Rebalances Complete

Equity Strategy: Rebalance to Risk Targets | 15 Rebalances/40 Months

Since 2020 the strategy of rebalancing to our risk targets was triggered ten times in the PLETF and five times in the AETF. Our 2020/2021 rebalancing strategy was responsible for generating over \$517MM in realized gains in the PLETF and over \$155K in the AETF. These profits have benefited in ensuring enough cash to continue to make distributions under Proposition 123. PLETF rebalance triggers were reached in eight months for selling equities and buying fixed income assets, and triggers for selling fixed income and buying equities were reached in two months. These policy actions bring us back to original risk targets (with significant realized gains) as we continue to view our equity strategy as a long-term driver of returns for the PLETF. Exposure to U.S. equities has been a tremendous value-add over time and although markets periodically move through market correction phases, long-term equilibrium has rewarded patient, disciplined investors with positive returns that outpace inflation and build trust value in *real* terms – especially with sound rebalancing disciplines, which we employ. The AETF has similar exposure and has been rebalanced five times realizing gains of \$328K with a total return inception-to-date of 5.89%.

Fixed Income Strategy: Maintain Liquidity | Position for Rising Rates/Inflation

As a result of strong long-term PLETF investment returns, the Prop 123 distribution has once again increased significantly and **beginning in July 2023 will pay record distributions of \$456.1MM - up from \$432.8MM.** We had taken the opportunity resulting from equity rebalancing to reduce fixed income duration in Pool 205 and bolster necessary liquidity in Pool 123 to continue to make these increased monthly distributions in a timely manner for our K-12 education and other beneficiaries and take advantage of reinvestment at significantly higher rates. Clearly, we were correct in disagreeing with the notion that inflation was “transitory”. Appropriately, we maintained this defensive, short duration bias and continued opportunistically adding variable rate fixed income holdings with an eye on reallocating portfolio risk and increasing yield in light of likely interest rate increases by the Federal Reserve. This strategy has proven extremely fortuitous as the Fed has taken a very hawkish tone continuing on a tightening regime. Hence, **Pool 205 has outperformed the FTSE BIG Index benchmark over the past 12 months by a massive +307 basis points through May.** However, with risks of a recession scenario having risen somewhat, we may work incrementally to reduce our significant short duration bias. During the month we put cash to work in money market cash equivalents, US Treasuries, high-grade corporate notes, US Agencies and MBS (3.94%-6.08%), opportunistically adding incremental duration as the market selloff has made rates more attractive. Focus was on utilities, large bank paper and defense. Existing floating rate securities in the portfolio continued to reset/stay higher as the Fed increases rates and our short cash equivalents offer dry powder to re-deploy at these much higher rates as the Fed has indicated a continued hawkish stance. We continue to look for opportunistic ways to sensibly add convexity and duration to lock in significant outperformance versus the benchmark and hedge against the scenarios of subdued inflation, Russian war/geopolitical developments, and/or an economic downturn. We will become more aggressive with duration as market conditions change and it is deemed prudent. We continue to use other bond ETFs in the PLETF for diversification and in fact already added bond ETFs (BND & SPAB) with the AETF fixed income allocation. Month-end duration on Pool 205 was at 3.49 years (+0.20 MoM), outperforming substantially (+307bps 1 YR versus benchmark) with higher rates than 12-months ago. Note the forward-looking Bloomberg Bond Yield Forecast compiled by averaging 56 wall street economist’s forecasts:

Rate	Mkt Yld	Q2 23	Q3 23	Q4 23	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25	Q3 25
United States											
US 30-Year	3.87	3.87	3.81	3.74	3.69	3.69	3.64	3.61	3.61	3.64	3.63
US 10-Year	3.80	3.63	3.50	3.39	3.33	3.29	3.24	3.20	3.25	3.28	3.25
US 5-Year	4.04	3.72	3.57	3.44	3.34	3.27	3.20	3.13	3.22	3.23	3.18
US 2-Year	4.79	4.27	3.99	3.74	3.50	3.32	3.16	3.00	3.12	3.07	3.02
US 3-Month Term SOFR	5.25	5.13	5.07	4.88	4.50	4.08	3.70	3.38	3.29	3.15	3.05
Fed Funds Rate - Upper Bound	5.25	5.25	5.30	5.15	4.85	4.40	4.00	3.70	3.00	3.20	2.75
Fed Funds Rate - Lower Bound	5.00	5.01	5.05	4.92	4.61	4.17	3.75	3.44	2.75	2.95	2.50
2 Year - 10 Year Spread	-1.00	-0.64	-0.49	-0.36	-0.17	-0.03	0.08	0.19	0.13	0.21	0.23

*Table presented as-of 6/22/2023.

Endowment Monthly Land Sale Proceeds |

- +\$31.42MM in May
- +\$30.98MM vs April
- -\$78.55MM YoY

Endowment Prop 123 Distributions |

- \$36.1MM total/\$33.5MM for K-12 successfully distributed on time from Pool 123 in May
- FYTD K-12 distribution \$368.9MM; up +\$27.9MM YoY
- Pool 123 has laddered liquidity of approximately 8 months taking advantage of rising reinvestment rates

Pool Performance |

Equity/Fixed Income Pools:

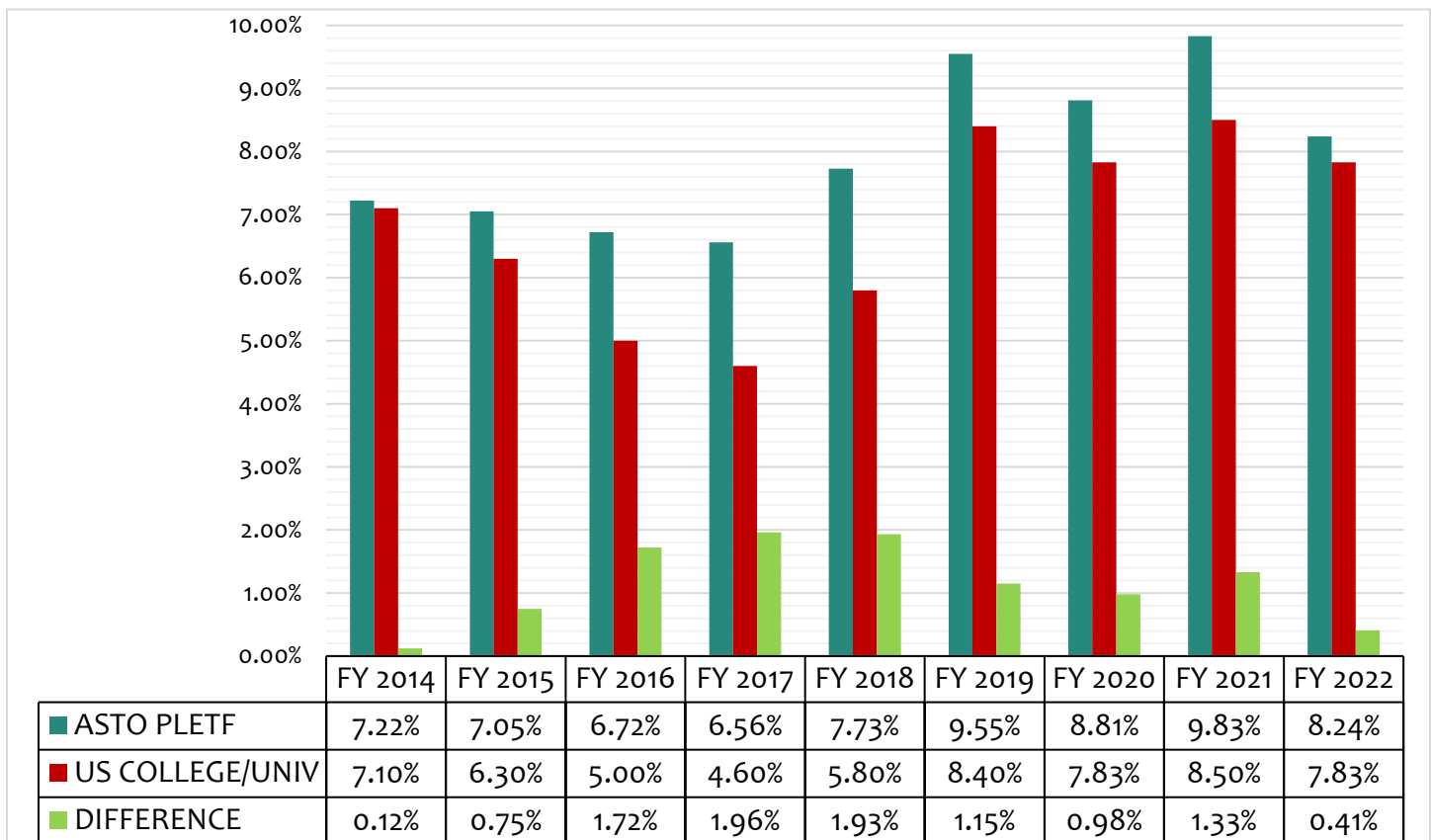
- Pool 201 Large Cap Equity trailed the S&P 500 by -4bps MoM at +0.40%
- Pool 203 Mid Cap Equity lead the S&P 400 by +11bps MoM at -3.08%
- Pool 204 Small Cap Equity trailed the S&P 600 by -8bps MoM at -1.83%
- Pool 205 lead the FTSE BIG Index by +66bps MoM at -0.51%
- Pool 123 returned +0.44% for May, outperforming the LGIP benchmark by +2bps

Long-Term PLETF Performance |

PLETF VS US COLLEGE/UNIVERSITY ENDOWMENTS

10YR ANNUALIZED AVG RETURN COMPARISON

Data gathered from historical NACUBO-TIAA Study of Endowments©(NTSE)



**EARNINGS DISTRIBUTION - INVESTMENT POOLS
MAY 2023**

<u>Recipient</u>	Earnings Distributed			<u>Change from Previous Year</u>	<u>Fiscal YTD Investment Management Fees Received</u>
	<u>MAY 2023</u>	<u>Fiscal YTD 22/23</u>	<u>Fiscal YTD 21/22</u>		
General Fund (1)	\$37,359,396	\$ 331,161,030	\$24,503,051	1251.5%	
2 State Agencies - Full Faith & Credit (2)	7,579,067	48,953,436	3,092,232	1483.1%	\$897,566
3 State Agencies - Diversified (2) (3)	7,860,194	59,075,562	6,149,130	860.7%	6,126,700
4 State Agencies - Gov (2)	3,082,155	24,287,811	3,359,212	623.0%	597,908
5 LGIP (2)	12,083,078	86,621,155	3,643,147	2277.6%	1,302,970
7 LGIP Gov (2)	10,848,656	76,564,787	1,915,111	3897.9%	1,163,640
9A Public School Credit Enhancement (4)	0	0	0	0.0%	53,572
10 State Agencies Med/Tax-exempt non-AMT	4,313,673	29,496,764	3,464,026	751.5%	613,233
12 CAWCD Medium-Term	1,624,727	14,511,432	5,914,355	145.4%	300,459
16 ECDH Medium-Term	586,256	5,668,710	3,910,556	45.0%	134,694
Subtotal	85,337,203	676,340,687	55,950,819	1108.8%	11,190,742
NAV POOL					
500 LGIP - Med Term	1,861,803	15,697,668	5,113,385	207.0%	325,834
700 LGIP - FF&C Med Term (2)	496,826	3,734,825	796,552	368.9%	145,287
Total	\$87,695,831	\$695,773,181	\$61,860,757	1024.7%	\$11,661,863
MAY 2022 TOTALS	\$14,251,659				\$6,897,511

(1) Pool 15 State Agencies Operating Liquidity operating earnings are reported in General Fund
(2) Earnings are net of operating earnings, which are reported in the General Fund
(3) Pool 15 State Agencies Operating Liquidity operating management fees are reported in Pool 3, State Agencies Diversified (Combined)
(4) Pool 9A represents \$80 million invested in School Funding Obligations; earnings on this investment revert to the General Fund

OPERATING MONIES
AVERAGE INVESTED BALANCE
Through May 31, 2023
(in millions)

<u>Month</u>	<u>Fiscal Year</u> <u>2021/2022</u>	<u>Fiscal Year</u> <u>2021/2022</u>	<u>Fiscal Year</u> <u>2022/2023</u>
JULY	\$3,805	\$7,377	\$11,345
AUGUST	3,661	5,881	10,673
SEPTEMBER	3,834	6,017	10,939
OCTOBER	4,303	6,300	11,491
NOVEMBER	4,382	6,537	11,305
DECEMBER	4,642	7,054	11,223
JANUARY	4,903	7,523	11,466
FEBRUARY	5,135	7,790	10,851
MARCH	5,003	8,155	10,124
APRIL	5,299	8,904	9,890
MAY	6,161	10,027	9,786
JUNE	9,167	11,660	
Y-T-D Average	\$4,648	\$7,415	\$10,827
Full Year Average	\$5,025	\$7,769	\$10,827

**STATE AGENCY POOLS
PORTFOLIO EARNINGS ANALYSIS
MAY 2023**

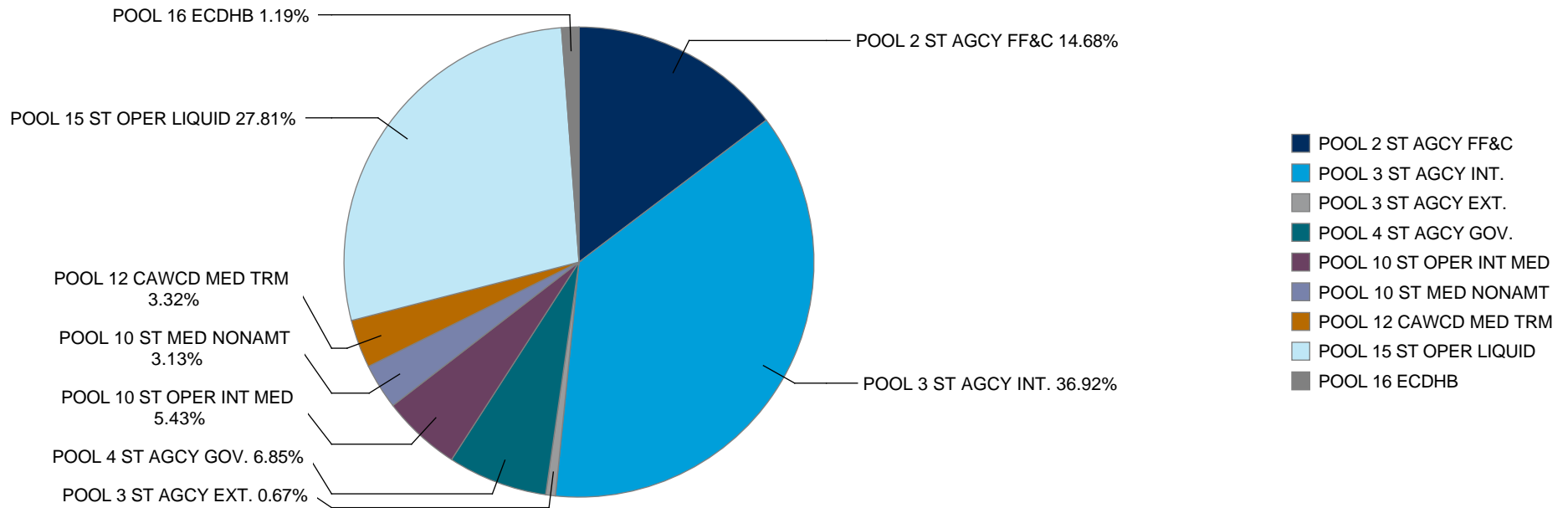
FUND	DESCRIPTION	Current Month 05/31/23	Prior Month 04/30/23	Prior Year 05/31/22	Net Asset Value Per Share
2	STATE AGENCIES - FULL FAITH & CREDIT	\$7,906,745	\$7,011,305	\$763,495	0.989258
3	STATE AGENCIES - DIVERSIFIED				
	INTERNAL MANAGERS	21,975,496	21,985,344	5,821,898	0.982798
	EXTERNAL MANAGERS	322,324	293,129	81,910	0.981642
	FUND 3 TOTAL	22,297,820	22,278,472	5,903,808	0.982877
4	STATE AGENCIES - GOV	3,734,907	3,431,000	767,175	0.977699
9A	PUBLIC SCHOOL CREDIT ENHANCEMENT	364,460	340,151	55,703	0.989258
10	STATE AGENCIES MED-TERM/TAX-EX NON-AMT				
	INTERNAL MANAGERS	3,493,116	3,228,137	366,025	0.993175
	EXTERNAL MANAGERS	1,118,354	1,037,462	489,181	0.992941
	FUND 10 TOTAL	4,611,470	4,265,599	855,206	0.993089
12	CAWCD MEDIUM-TERM	1,624,727	1,526,614	779,493	0.938814
15	STATE AGENCIES OPERATING LIQUIDITY	20,592,079	18,666,686	1,349,584	0.999980
16	ECDH MEDIUM-TERM	586,256	571,670	373,632	0.927261
	TOTAL STATE AGENCIES	\$61,718,464	\$58,091,497	\$10,848,096	

**STATE AGENCY POOLS
PORTFOLIO YIELD ANALYSIS
MAY 2023**

FUND	DESCRIPTION	Current Month 05/31/23	Prior Month 04/30/23	Prior Year 05/31/22
2	STATE AGENCIES - FULL FAITH & CREDIT 50% Trailing 3-mo T-bill / 50% Bloomberg Barclays 1-3 year UST	3.93% 4.60%	3.83% 4.46%	0.62% 1.64%
3	STATE AGENCIES - DIVERSIFIED INTERNAL MANAGERS EXTERNAL MANAGERS COMBINED 50% 1 month T-bill / 50% Bloomberg Barclays 1-3 year US Agg	4.00% 3.29% 3.99% 4.89%	3.94% 3.10% 3.93% 4.07%	0.81% 0.85% 0.81% 1.65%
4	STATE AGENCIES - GOV 50% Trailing 3-mo T-bill / 50% Bloomberg Barclays 1-3 year US Gov	3.71% 4.61%	3.53% 4.36%	0.72% 1.64%
9A	PUBLIC SCHOOL CREDIT ENHANCEMENT	3.93%	3.83%	0.62%
10	STATE AGENCIES MED-TERM/TAX-EXEMPT NON-AMT INTERNAL MANAGERS EXTERNAL MANAGERS COMBINED 50% Trailing 3-mo T-bill / 50% Bloomberg Barclays 1-3 year US Agg	4.51% 2.46% 3.75% 4.76%	4.55% 2.36% 3.72% 4.49%	0.89% 0.99% 0.94% 1.76%
12	CAWCD MEDIUM-TERM 25% S&P LGIP Index / 75% Bloomber Barclays 1-3 year US Agg	3.19% 4.65%	3.10% 4.32%	1.58% 2.22%
15	STATE AGENCIES OPERATING LIQUIDITY Trailing 3-mo T-bill	5.03% 4.96%	4.84% 4.80%	0.62% 0.69%
16	ECDH MEDIUM-TERM 25% S&P LGIP Index / 75% Bloomber Barclays 1-3 year US Agg	3.15% 4.65%	3.07% 4.32%	1.87% 2.22%



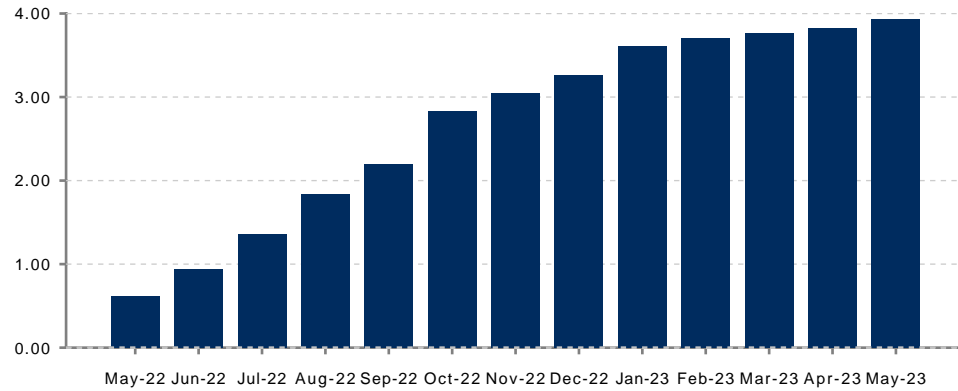
Manager Allocation



	Market Value	% of Portfolio
POOL 2 ST AGCY FF&C	2,488,603,685	14.68
POOL 3 ST AGCY INT.	6,258,352,970	36.92
POOL 3 ST AGCY EXT.	113,360,532	0.67
POOL 4 ST AGCY GOV.	1,161,217,214	6.85
POOL 10 ST OPER INT MED	919,994,080	5.43
POOL 10 ST MED NONAMT	531,132,401	3.13
POOL 12 CAWCD MED TRM	563,307,840	3.32
POOL 15 ST OPER LIQUID	4,715,374,863	27.81
POOL 16 ECDHB	201,973,103	1.19
TOTAL STATE AGENCY	16,953,316,688	100.00



Net Yield

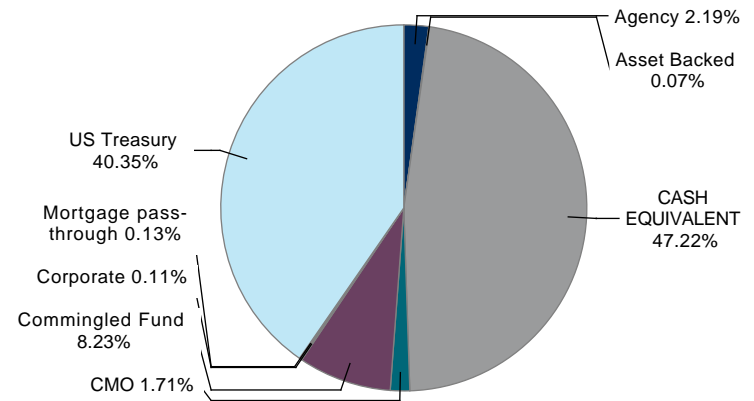


Current Mth **Prior Mth** **1 Year Ago**

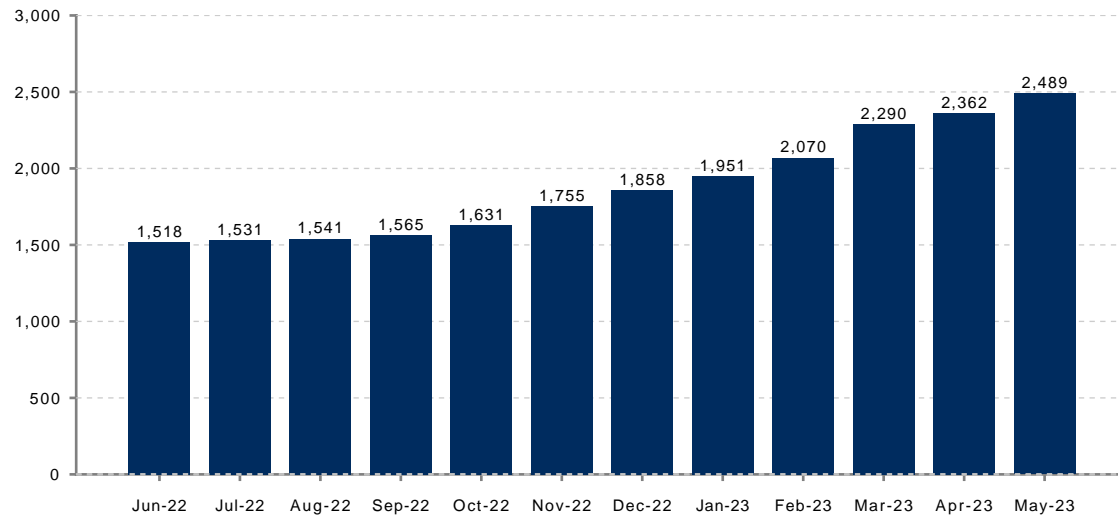
POOL 2 ST AGCY FF&C	3.93	3.83	0.62
---------------------	------	------	------

Asset Allocation

Ending Market Value	
POOL 2 ST AGCY FF&C	2,488,603,685



Net Asset Values over Time (\$MM)

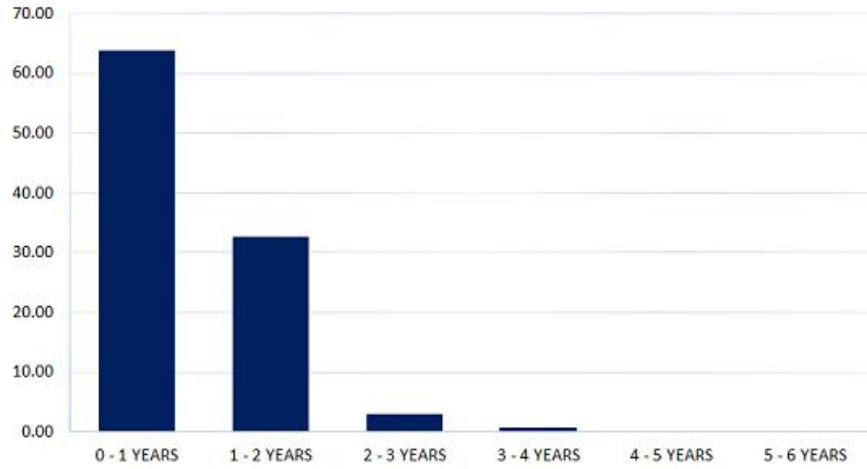


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 2 ST AGCY FF&C		
US TREASURY N/B	222,053,090	8.92
BMO TRIPARTY MTGE	199,862,324	8.03
TREASURY BILL	126,056,315	5.07
MITSUBISHI UFJ REPO	123,017,053	4.94
TREASURY BILL	114,310,806	4.59
JPMORGAN US TREASURY	103,314,846	4.15
GOLDMAN SACHS FINANCI	102,036,437	4.10
MITSUBISHI UFJ REPO	100,391,222	4.03
US TREASURY N/B	87,273,709	3.51
TREASURY BILL	79,640,083	3.20



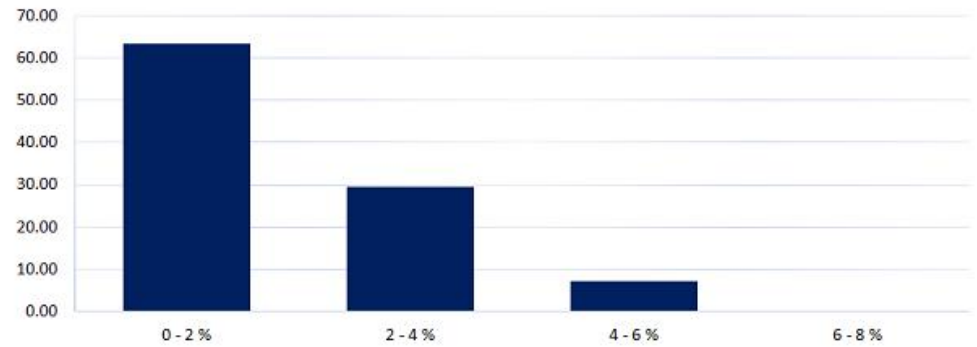
Duration Distribution



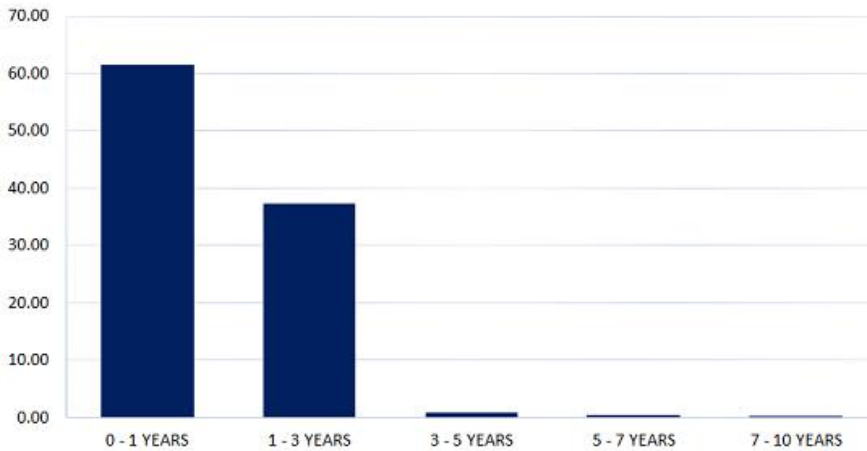
Portfolio Level Characteristics

	POOL 2 ST AGCY FF&C
Effective Maturity	0.79
Coupon	1.64
Effective Duration	0.84
Quality Rating (Moody's)	AAA

Coupon Distribution



Expected Maturity Distribution

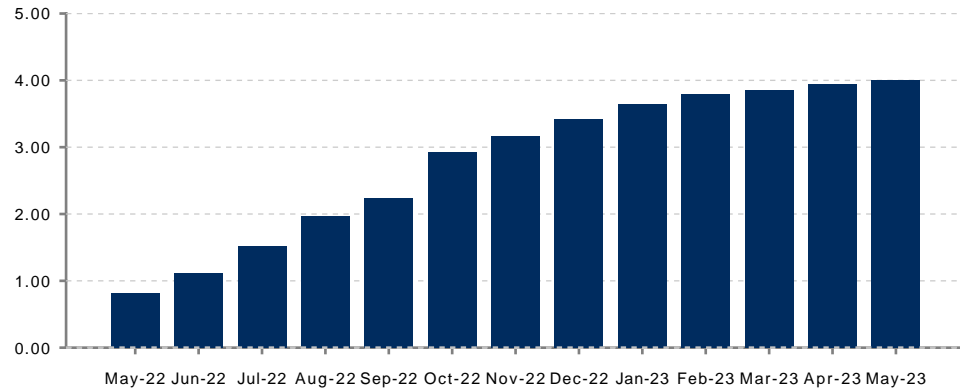


Rating Distribution





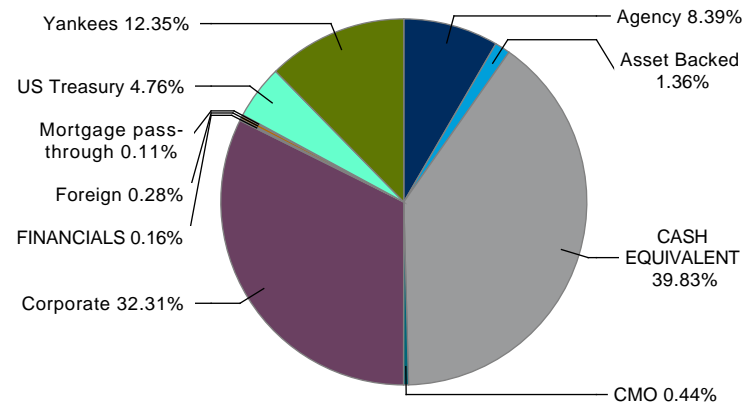
Net Yield



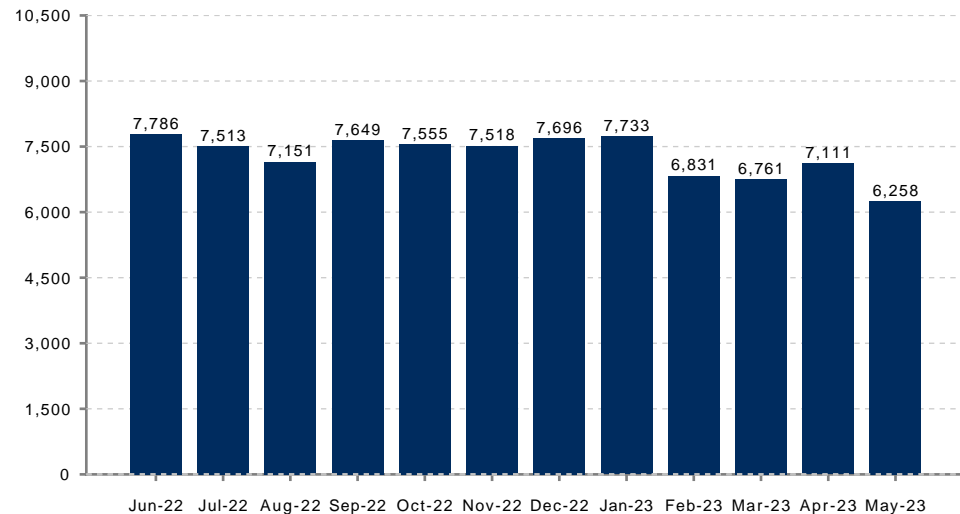
	Current Mth	Prior Mth	1 Year Ago
POOL 3 ST AGCY INT.	4.00	3.94	0.81

Asset Allocation

	Ending Market Value
POOL 3 ST AGCY INT.	6,258,352,970



Net Asset Values over Time (\$MM)

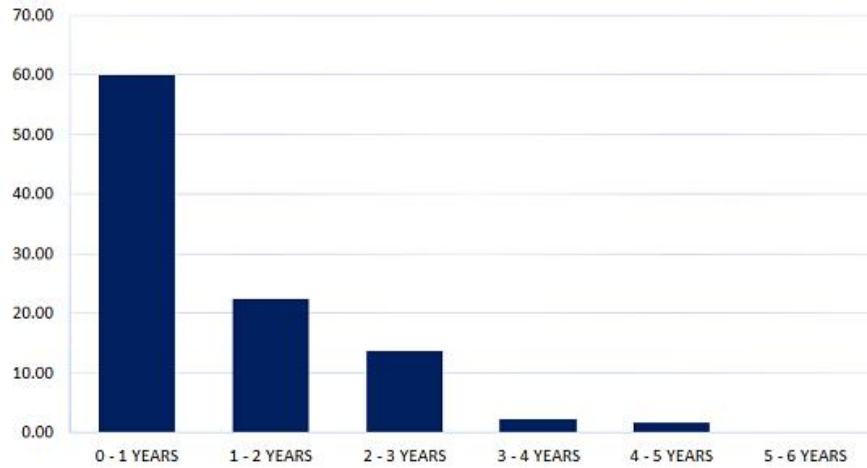


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 3 ST AGCY INT.		
TD SECURITIES	343,308,679	5.49
BMO TRIPARTY MTGE	300,041,917	4.79
SOUTH STREET REPO	212,467,907	3.39
GOLDMAN SACHS FINANCIAL SQUARE	181,894,974	2.91
US TREASURY N/B	162,838,933	2.60
JPMORGAN US GOVERNMENT MONEY M	109,184,275	1.74
MSILF GOVERNMENT PORTFOLIO	102,506,786	1.64
AMHERST PIERPONT	100,280,556	1.60
US TREASURY N/B	79,201,485	1.27
TREASURY BILL	78,283,312	1.25



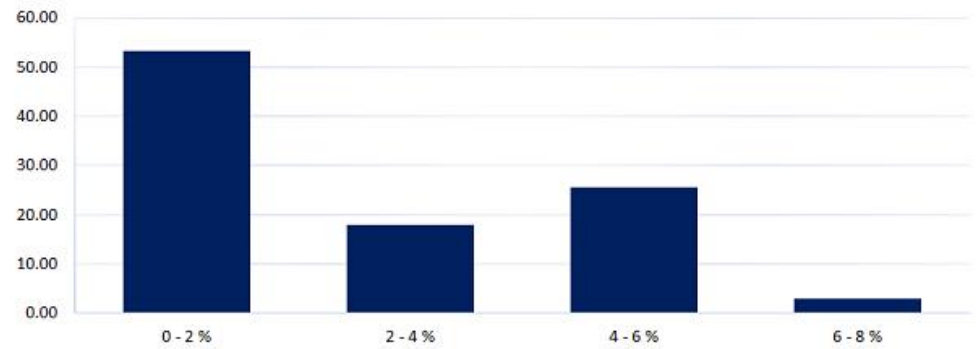
Duration Distribution



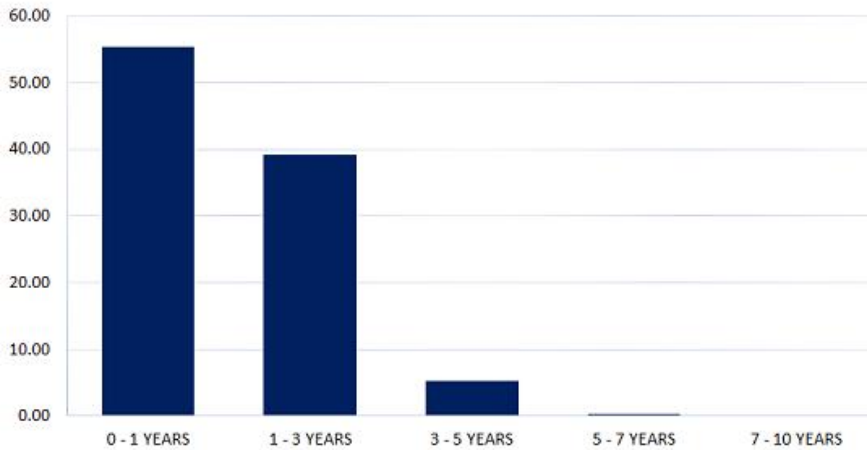
Portfolio Level Characteristics

	POOL 3 ST AGCY INT.
Effective Maturity	1.12
Coupon	3.62
Effective Duration	1.02
Quality Rating (Moody's)	AA-2

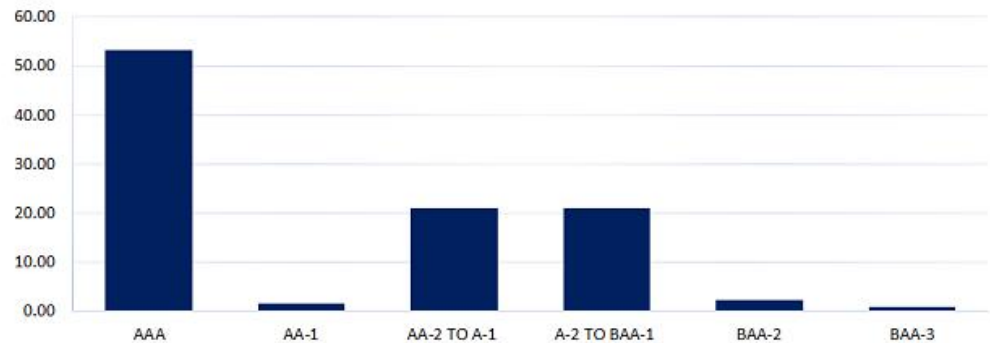
Coupon Distribution



Expected Maturity Distribution

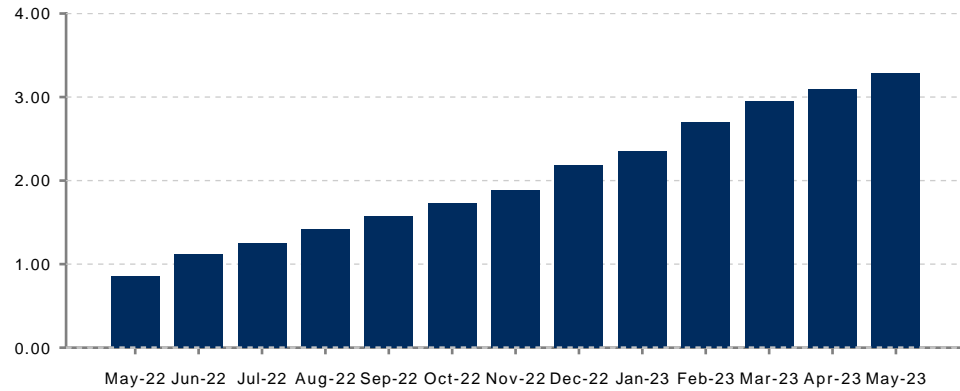


Rating Distribution





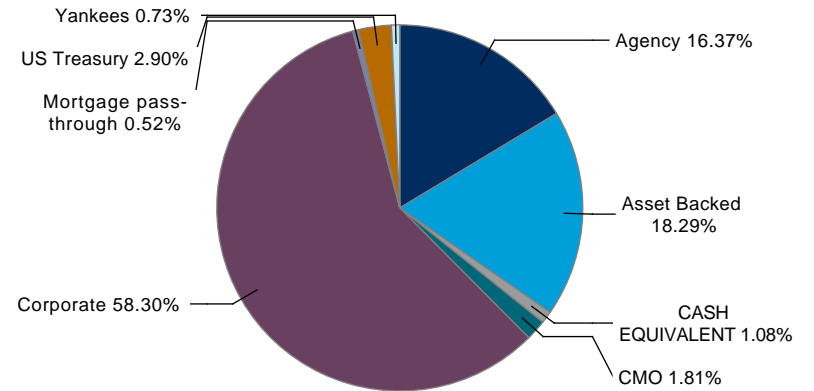
Net Yield



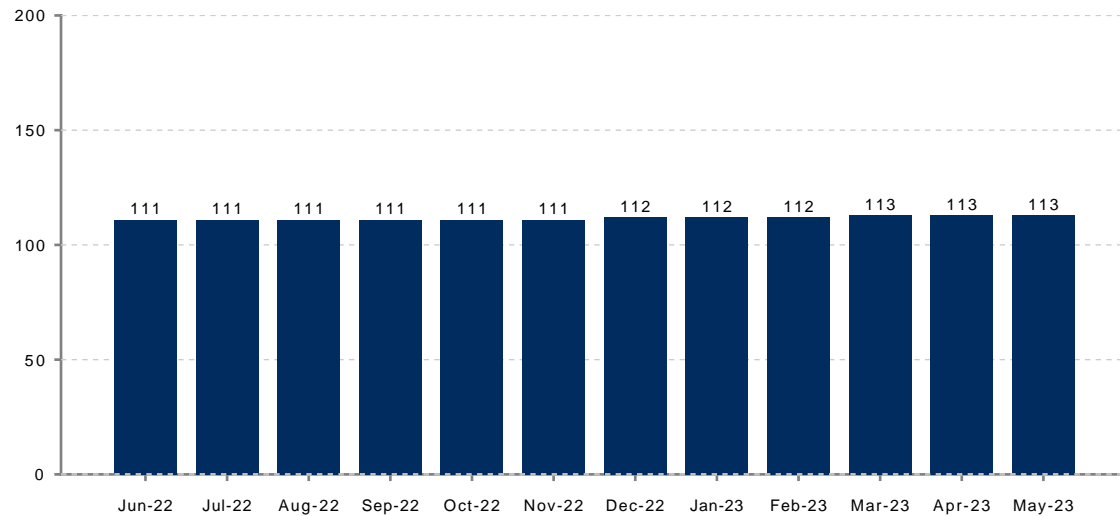
	Current Mth	Prior Mth	1 Year Ago
POOL 3 ST AGCY EXT.	3.29	3.10	0.85

Asset Allocation

	Ending Market Value
POOL 3 ST AGCY EXT.	113,360,532



Net Asset Values over Time (\$MM)

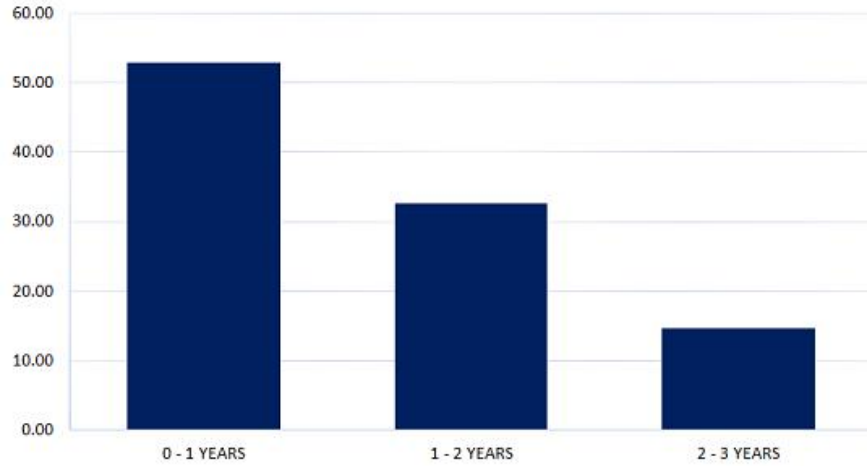


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 3 ST AGCY EXT.		
PUBLIC STORAGE	1,738,227	1.53
KIMBERLY CLARK CORP	1,593,900	1.41
APPLE INC	1,507,564	1.33
CINTAS CORPORATION NO. 2	1,298,771	1.15
ILA FINANCIAL SQUARE GOVT	1,238,542	1.09
LOWE S COS INC	1,207,182	1.06
GM FINANCIAL SECURITIZED TERM	1,195,688	1.05
PEPSICO INC	1,186,991	1.05
AMERICAN EXPRESS CO	1,186,706	1.05
CITIZENS BANK NA/RI	1,134,084	1.00



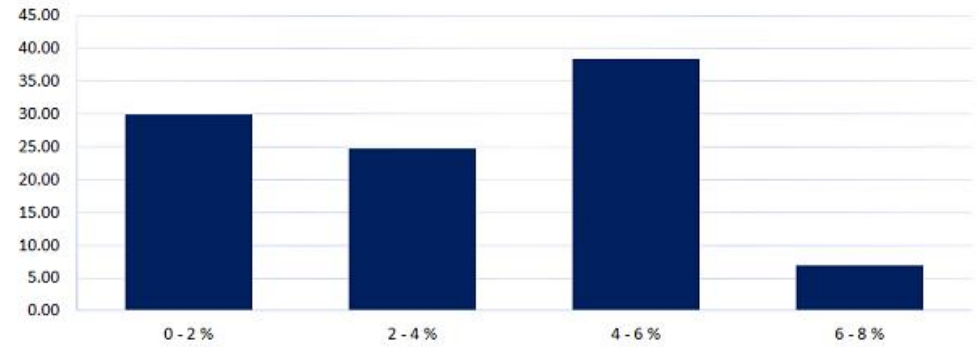
Duration Distribution



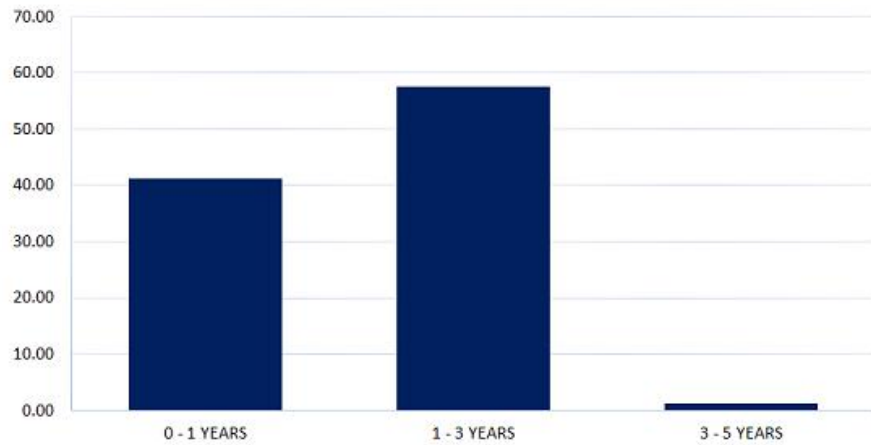
Portfolio Level Characteristics

	POOL 3 ST AGCY EXT.
Effective Maturity	1.38
Coupon	3.48
Effective Duration	1.03
Quality Rating (Moody's)	AA-3

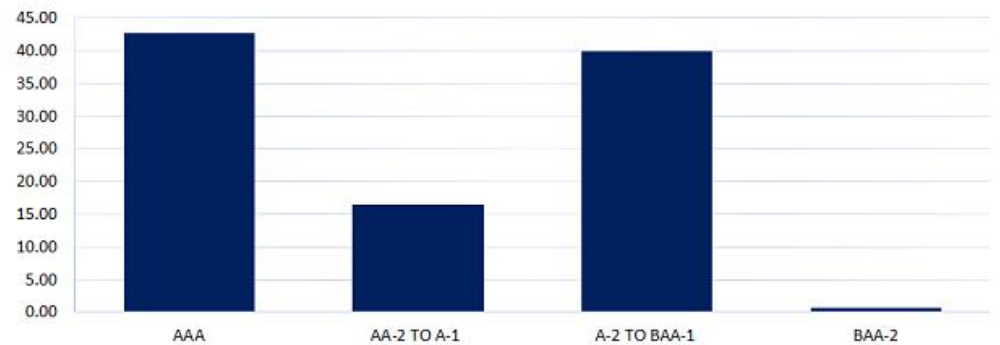
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



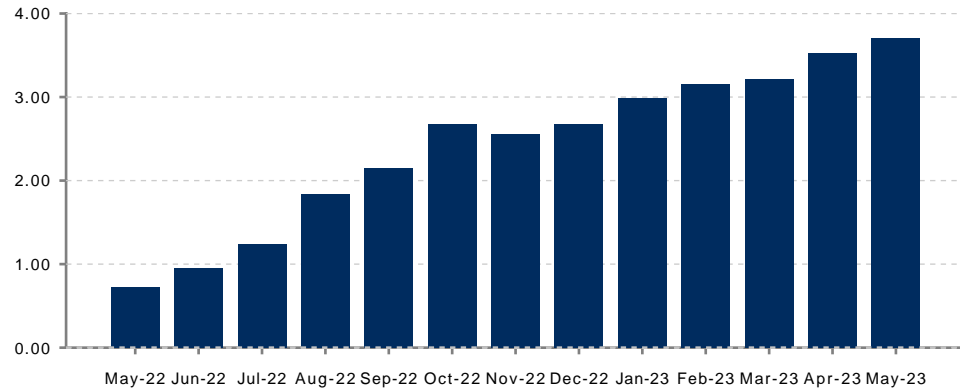
OFFICE OF THE ARIZONA STATE TREASURER

May 31, 2023

POOL 4 ST AGCY GOV.



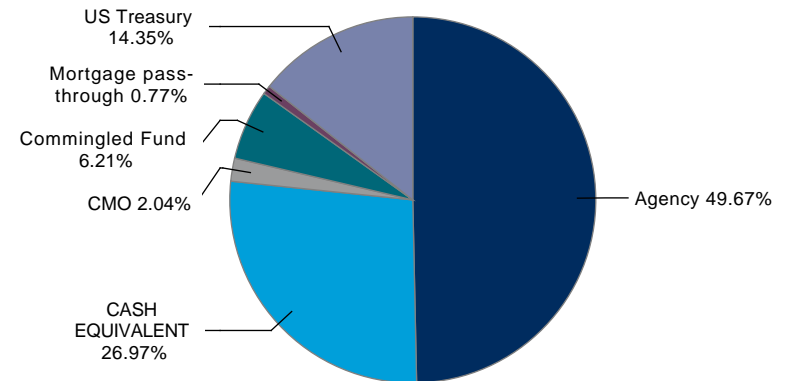
Net Yield



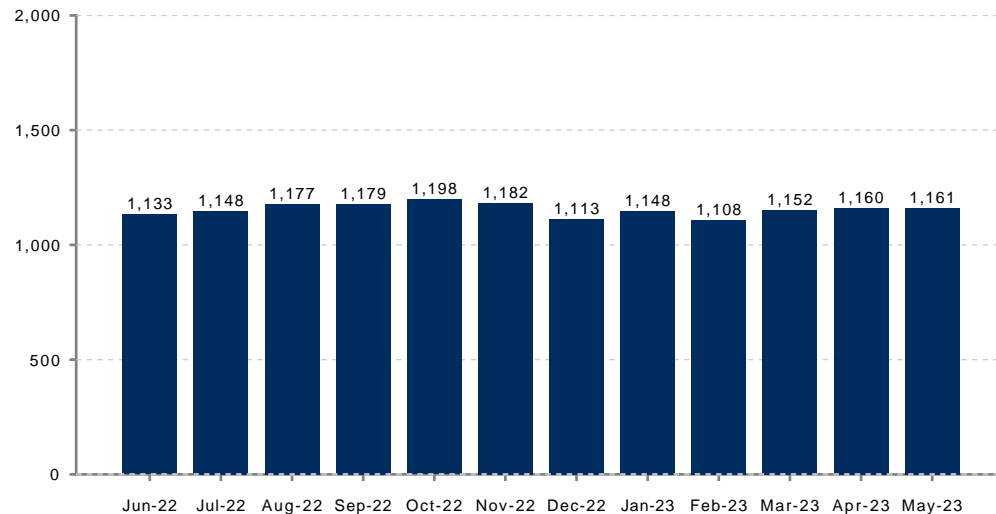
	Current Mth	Prior Mth	1 Year Ago
POOL 4 ST AGCY GOV.	3.71	3.53	0.72

Asset Allocation

	Ending Market Value
POOL 4 ST AGCY GOV.	1,161,217,214



Net Asset Values over Time (\$MM)

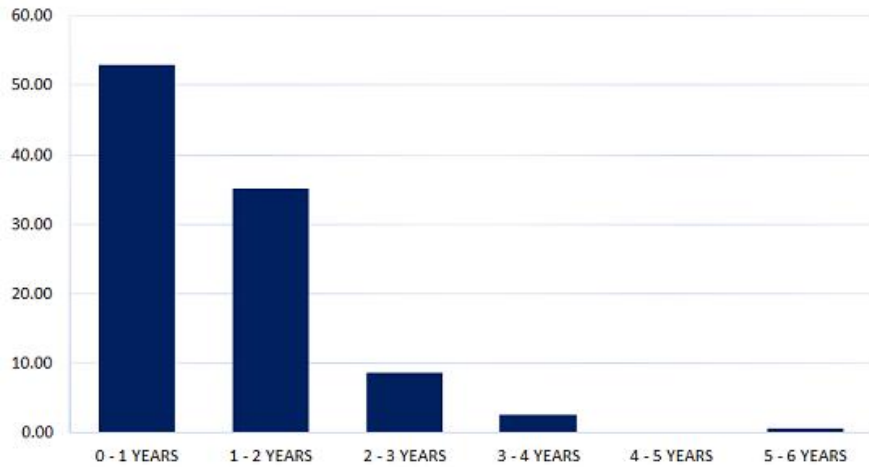


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 4 ST AGCY GOV.		
SOUTH STREET REPO	148,207,316	12.76
JPMORGAN US GOVERNMENT MONEY M	72,355,297	6.23
GOLDMAN SACHS FINANCIAL SQUARE	51,728,746	4.45
US TREASURY N/B	48,973,777	4.22
US TREASURY N/B	34,875,262	3.00
CANTOR FITZGERALD REPO	30,119,000	2.59
FEDERAL HOME LOAN BANK	24,941,346	2.15
US TREASURY N/B	24,935,929	2.15
TREASURY BILL	24,886,979	2.14
TREASURY BILL	24,864,375	2.14



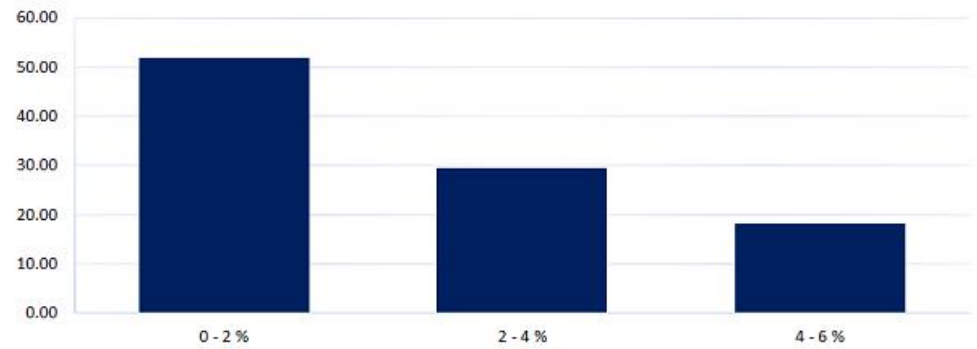
Duration Distribution



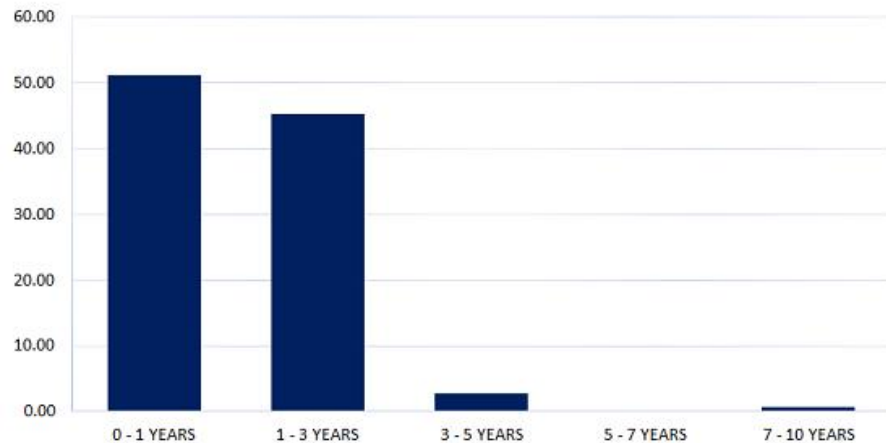
Portfolio Level Characteristics

	POOL 4 ST AGCY GOV.
Effective Maturity	1.07
Coupon	2.57
Effective Duration	1.02
Quality Rating (Moody's)	AAA

Coupon Distribution



Expected Maturity Distribution

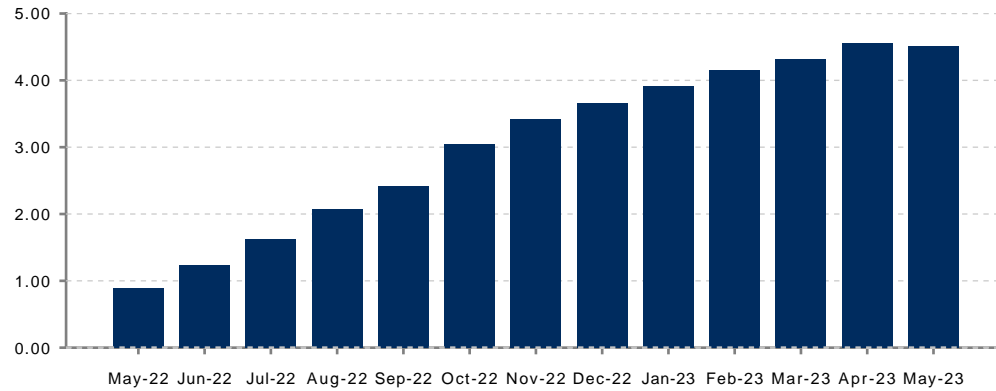


Rating Distribution





Net Yield

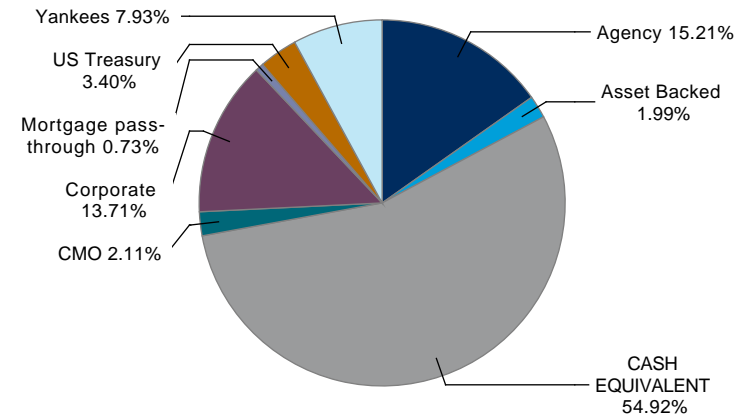


Current Mth Prior Mth 1 Year Ago

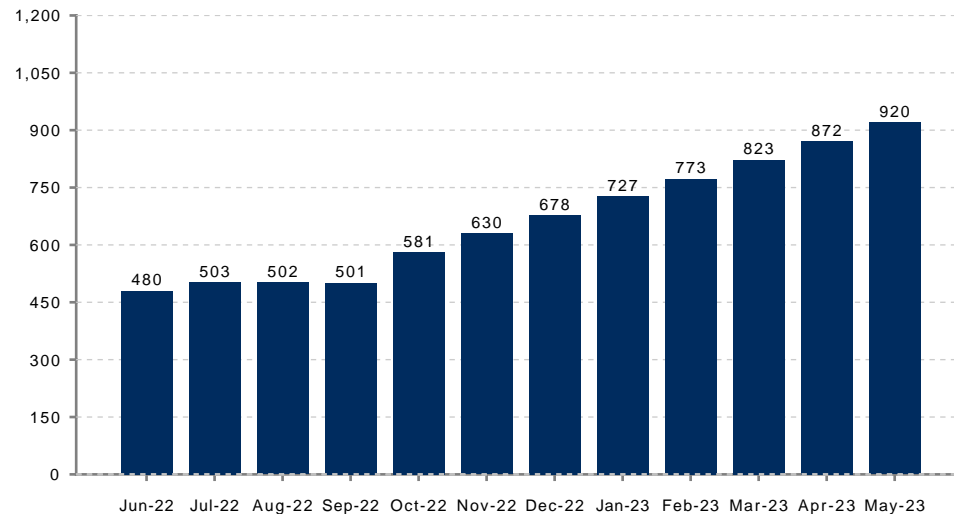
ST OF AZ POOL 10 ST OPER INT MED	4.51	4.55	0.89
----------------------------------	------	------	------

Asset Allocation

	Ending Market Value
POOL 10 ST OPER INT MED	919,994,080



Net Asset Values over Time (\$MM)

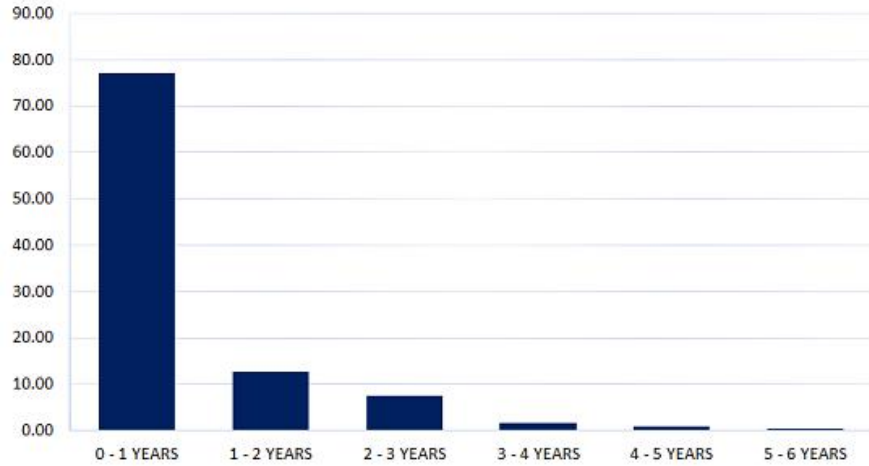


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 10 ST OPER INT MED		
SOUTH STREET REPO	75,830,138	8.24
TREASURY BILL	25,715,831	2.80
FREDDIE MAC	10,012,500	1.09
TREASURY BILL	9,953,640	1.08
WALMART INC	8,106,507	0.88
ORACLE CORPORATION	7,572,133	0.82
US TREASURY N/B	6,834,119	0.74
TORONTO DOMINION BANK	6,062,166	0.66
TREASURY BILL	5,988,856	0.65
CITIGROUP INC	5,128,017	0.56



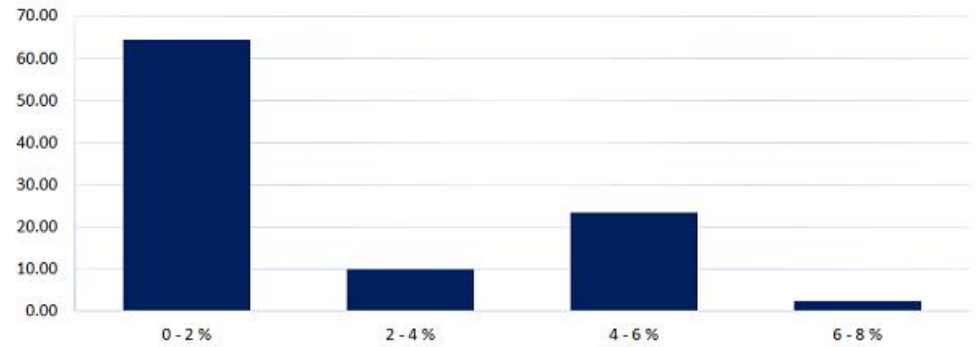
Duration Distribution



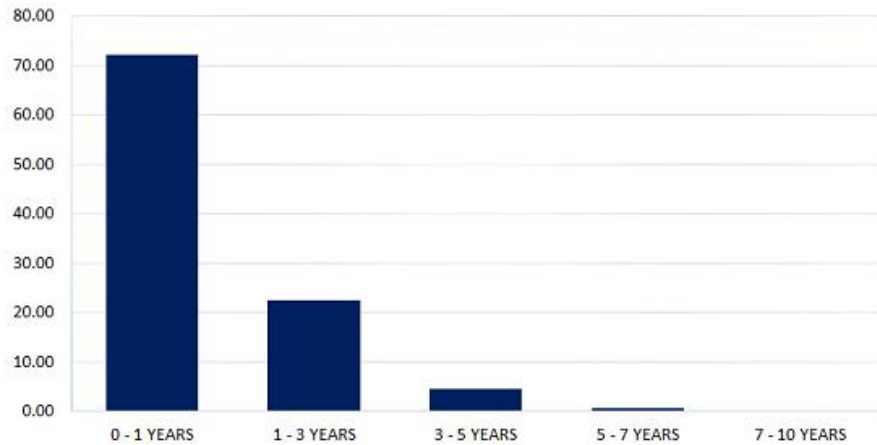
Portfolio Level Characteristics

	POOL 10 ST OPER INT MED
Effective Maturity	0.79
Coupon	3.90
Effective Duration	0.64
Quality Rating (Moody's)	AA-1

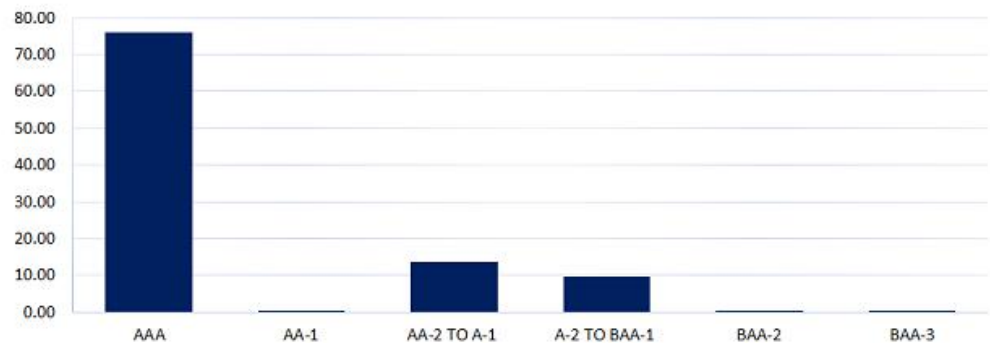
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



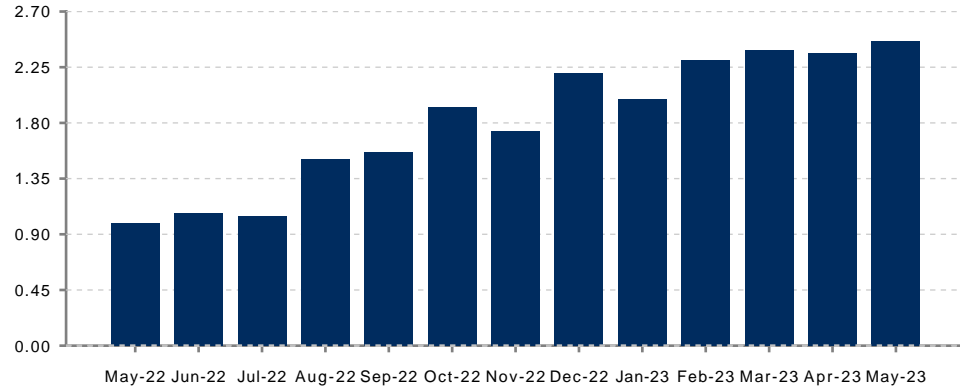
OFFICE OF THE ARIZONA STATE TREASURER

May 31, 2023

POOL 10 ST MED NONAMT



Net Yield



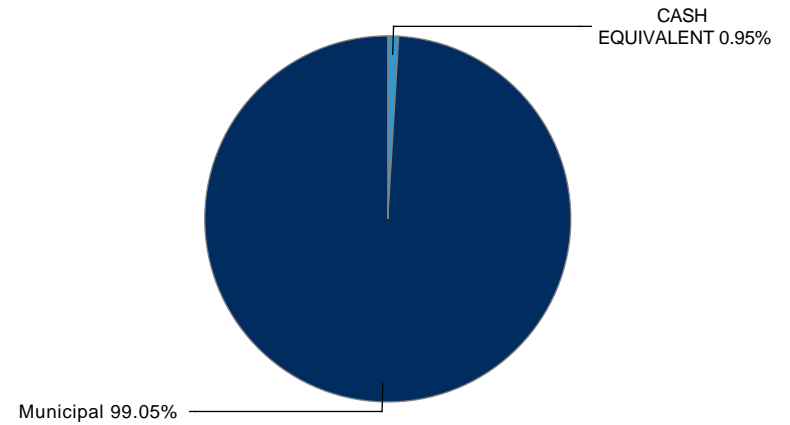
	Current Mth	Prior Mth	1 Year Ago
POOL 10 ST MED NONAMT	2.46	2.36	0.99

Asset Allocation

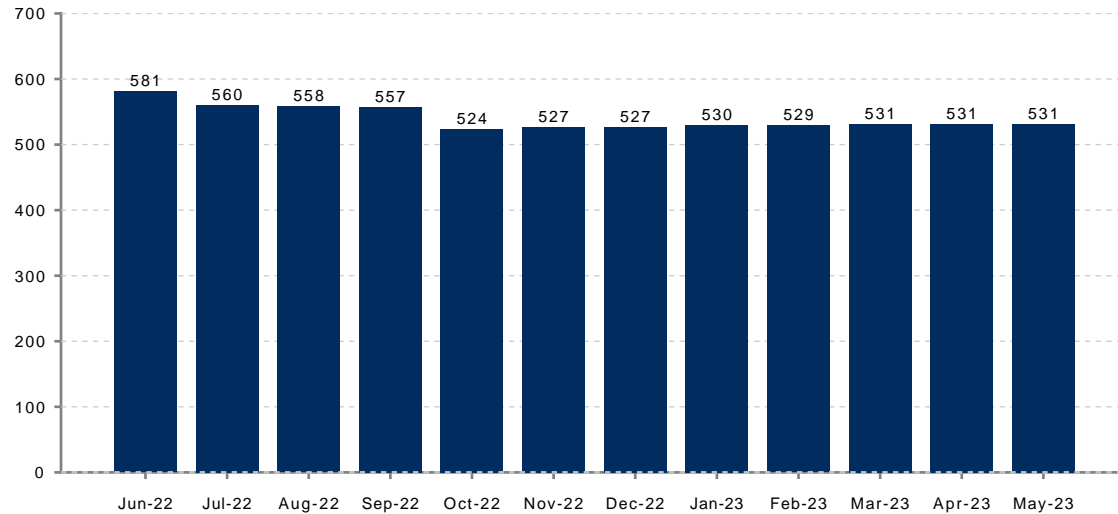
POOL 10 ST MED NONAMT

Ending Market Value

531,132,401



Net Asset Values over Time (\$MM)

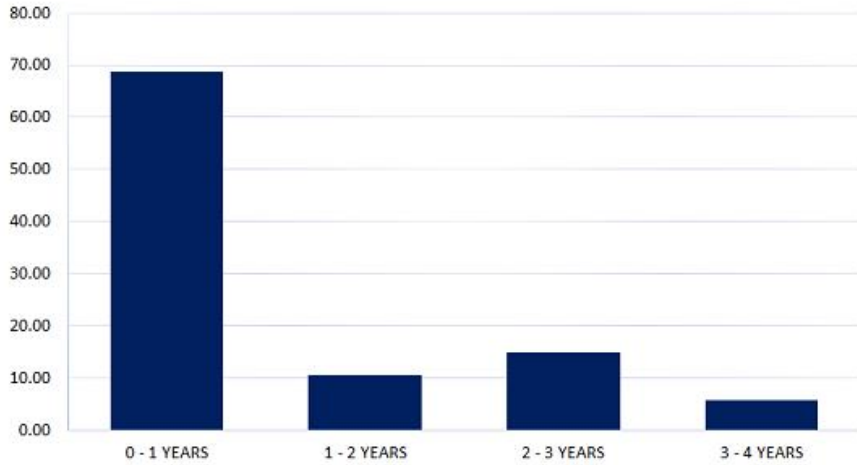


Top 10 Holdings

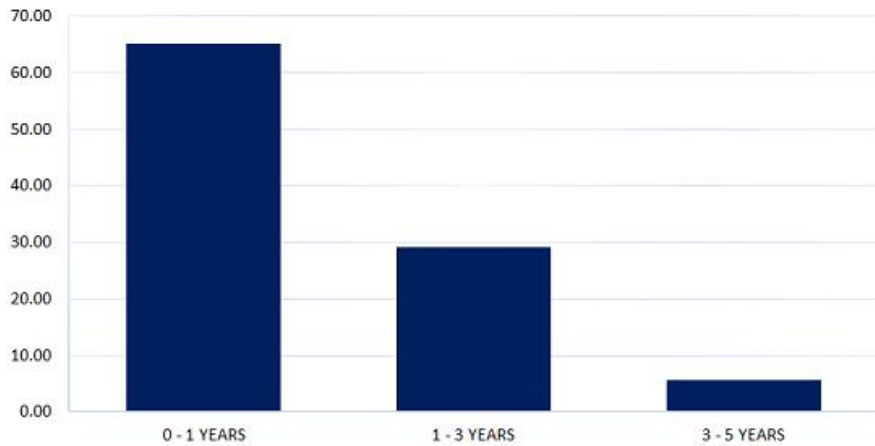
Security Name	Ending Market Value	% of Portfolio
POOL 10 ST MED NONAMT		
PORT TACOMA WA REVEN	25,319,448	4.77
LOUDOUN CNTY VA INDL	24,541,250	4.62
WILLIAMSON CNTY TX	21,097,099	3.97
GEORGIA ST	20,577,913	3.87
DENVER CITY CNTY CO	20,382,992	3.84
INDIANA ST FIN AUTH HOS	20,051,452	3.78
NEW YORK CITY NY TRAN	19,965,803	3.76
BOSTON MA	19,327,742	3.64
WAKE CNTY NC	17,544,382	3.30
ORANGE CNTY FL HLTH F	17,169,173	3.23



Duration Distribution



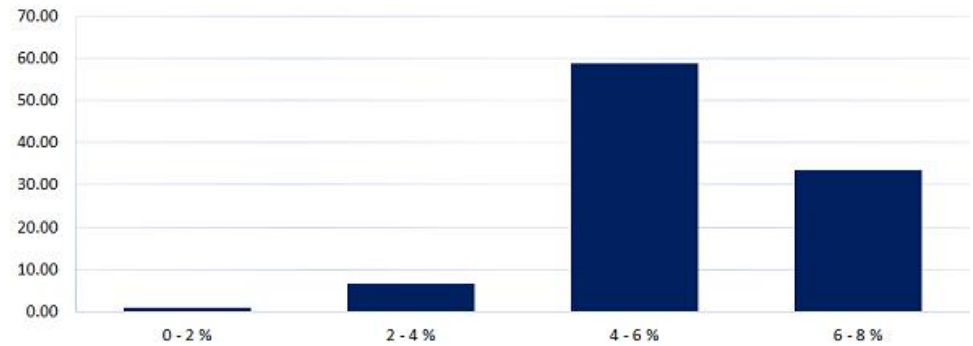
Expected Maturity Distribution



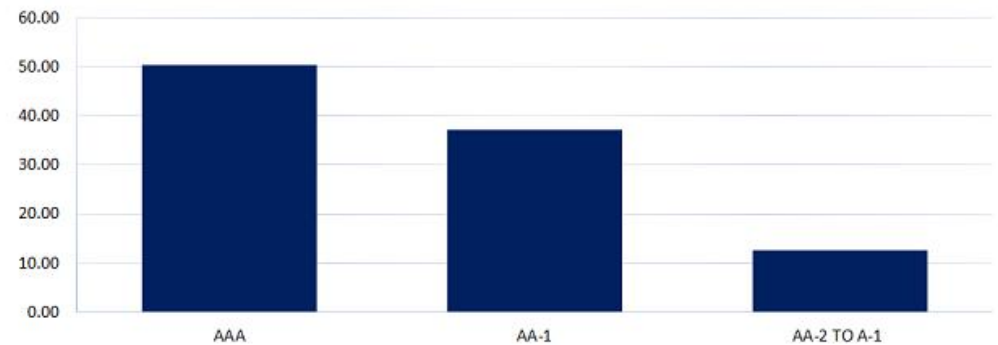
Portfolio Level Characteristics

	POOL 10 ST MED NONAMT
Effective Maturity	0.88
Coupon	5.44
Effective Duration	0.83
Quality Rating (Moody's)	AA-1

Coupon Distribution

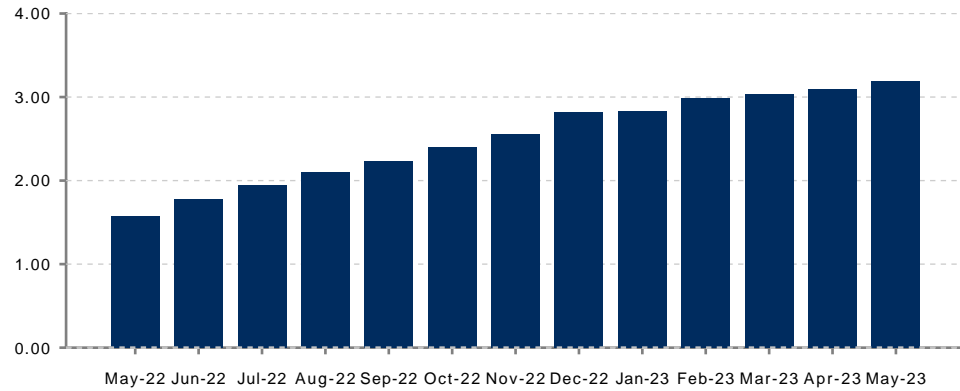


Rating Distribution





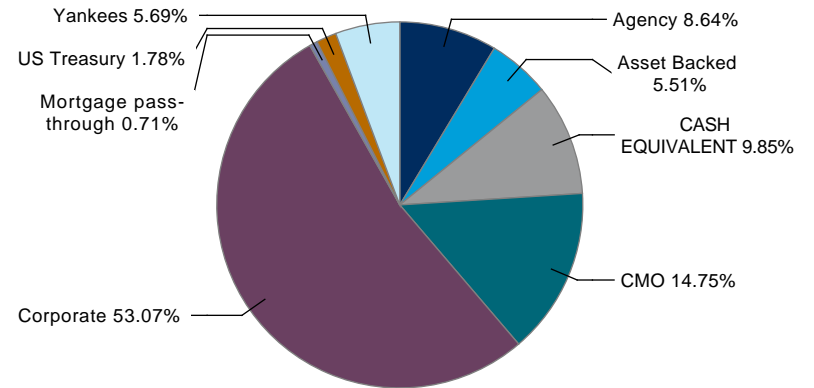
Net Yield



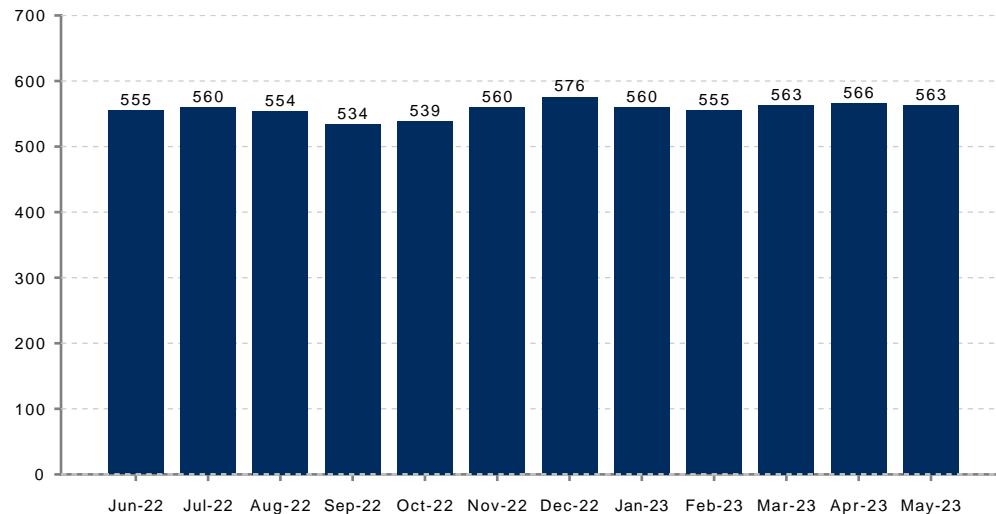
	Current Mth	Prior Mth	1 Year Ago
POOL 12 CAWCD MED TRM	3.19	3.10	1.58

Asset Allocation

	Ending Market Value
POOL 12 CAWCD MED TRM	563,307,840



Net Asset Values over Time (\$MM)

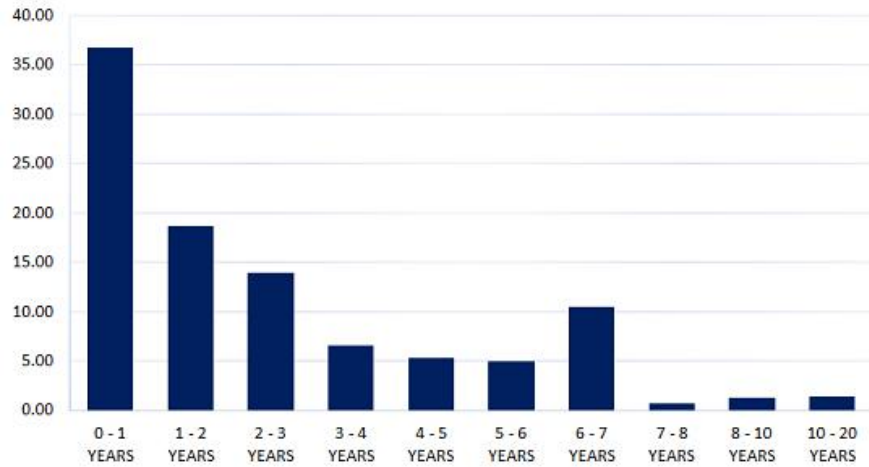


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 12 CAWCD MED TRM		
SOUTH STREET REPO	11,001,564	1.95
NVIDIA CORP	9,996,191	1.77
TREASURY BILL	9,992,581	1.77
PODIUM FUNDING TRUST	9,991,583	1.77
MORGAN STANLEY	9,816,464	1.74
BANK OF AMERICA CORP	9,569,372	1.70
PHILLIPS 66	8,261,538	1.47
FEDERAL FARM CREDIT BANK	8,000,396	1.42
INTERCONTINENTALEXCHANGE	7,032,563	1.25
BREAN ASSET BACKED SECURITIES	6,751,420	1.20



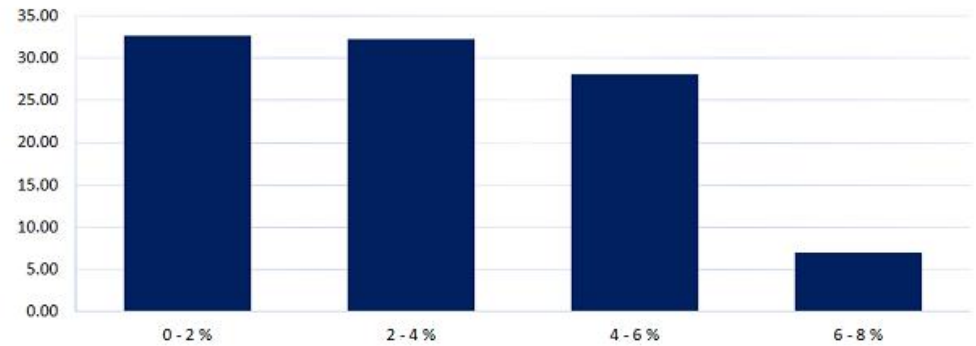
Duration Distribution



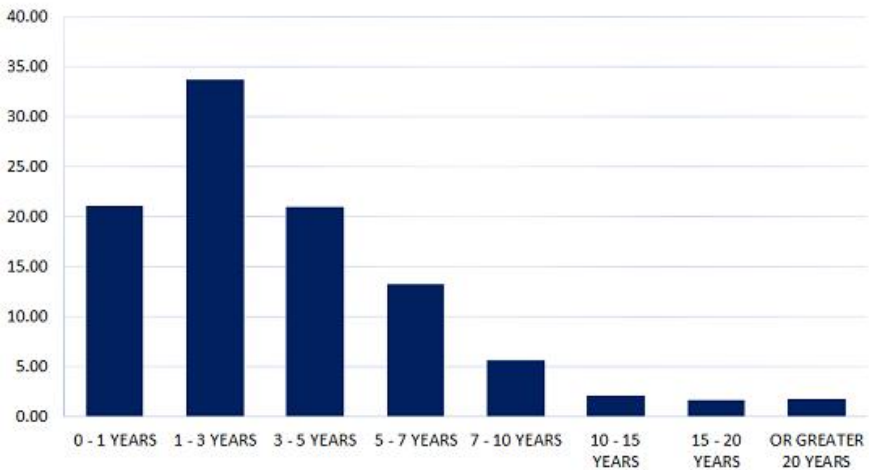
Portfolio Level Characteristics

	POOL 12 CAWCD MED TRM
Effective Maturity	3.87
Coupon	3.30
Effective Duration	2.46
Quality Rating (Moody's)	AA-3

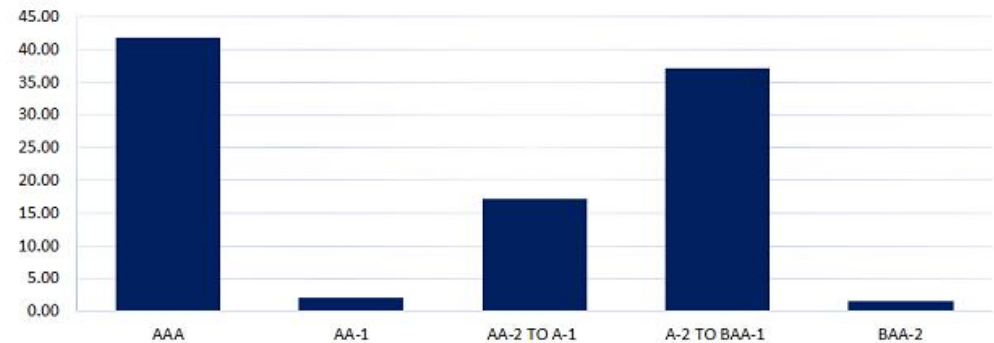
Coupon Distribution



Expected Maturity Distribution

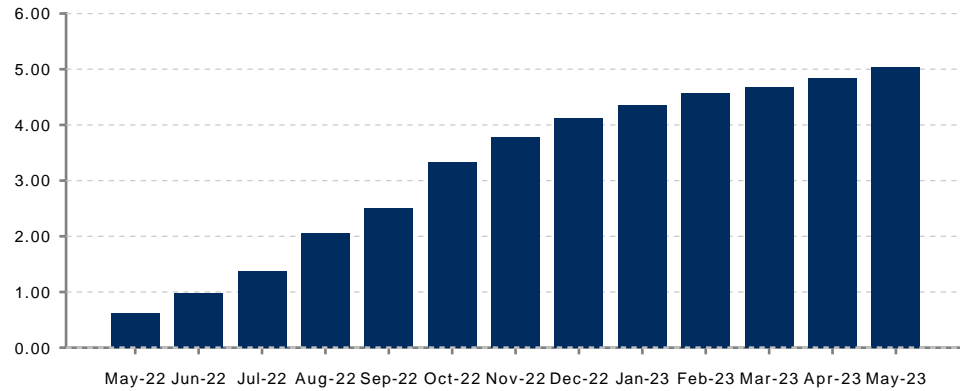


Rating Distribution





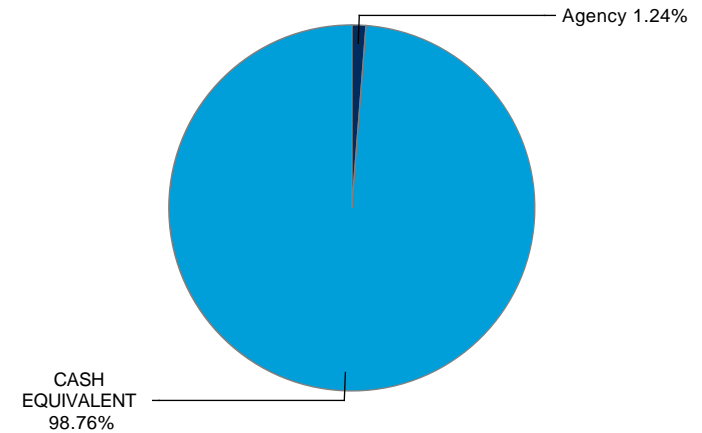
Net Yield



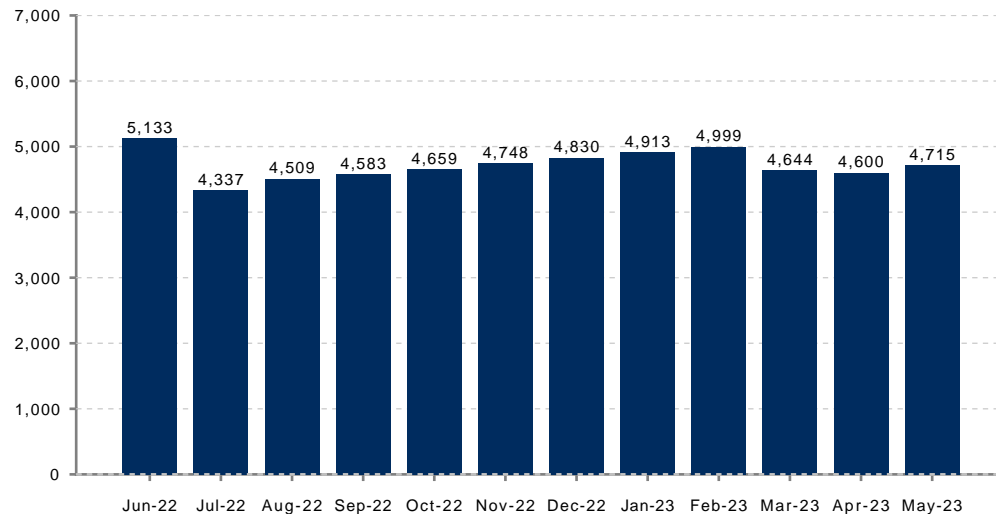
	Current Mth	Prior Mth	1 Year Ago
ST of AZ POOL 15 ST OPER LIQUIDITY	5.03	4.84	0.62

Asset Allocation

	Ending Market Value
POOL 15 ST OPER LIQUID	4,715,374,863



Net Asset Values over Time (\$MM)

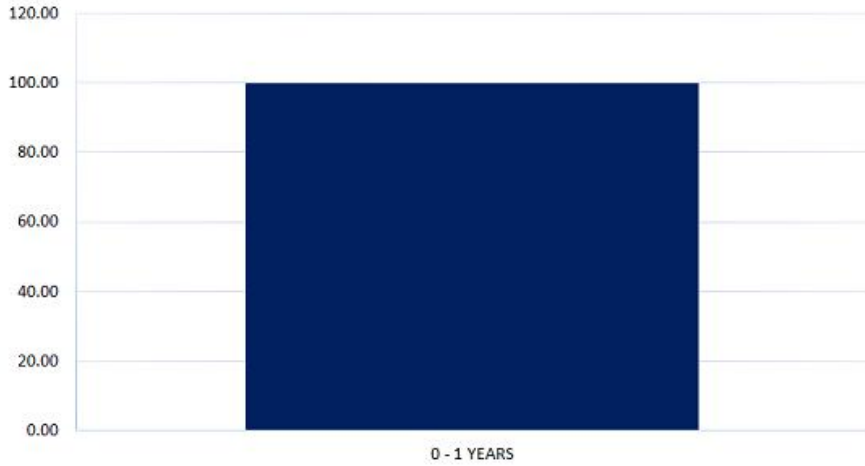


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 15 ST OPER LIQUID		
CANTOR FITZGERALD REPO	700,098,194	14.85
AMHERST PIERPONT	450,063,000	9.54
CREDIT AGRICOLE REPO	450,062,875	9.54
SOUTH STREET REPO	414,615,670	8.79
JPMORGAN US GOVERNMENT MONEY M	205,537,334	4.36
GOLDMAN SACHS FINANCIAL SQUARE	142,054,098	3.01
AMHERST PIERPONT	120,336,667	2.55
MSILF GOVERNMENT PORTFOLIO	108,521,219	2.30
TREASURY BILL	99,638,063	2.11
TREASURY BILL	99,528,108	2.11



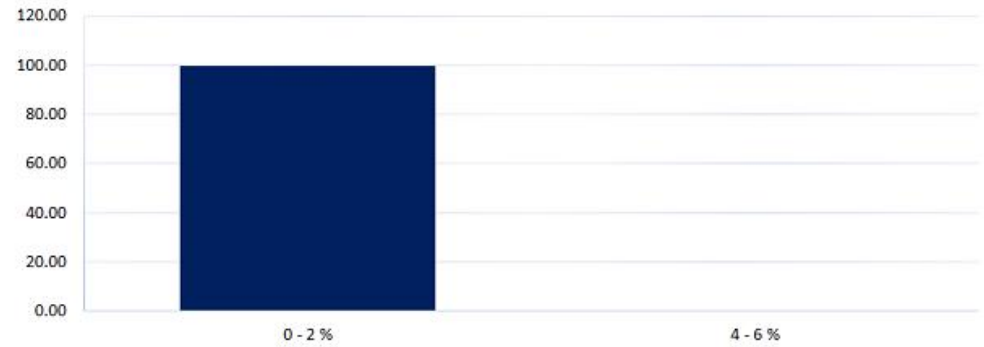
Duration Distribution



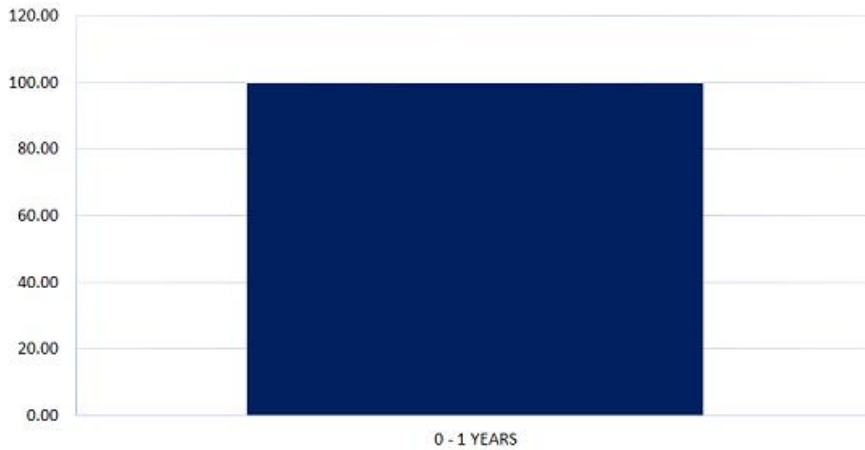
Portfolio Level Characteristics

	POOL 15 ST OPER LIQUID
Effective Maturity	0.10
Coupon	3.87
Effective Duration	0.10
Quality Rating (Moody's)	AAA

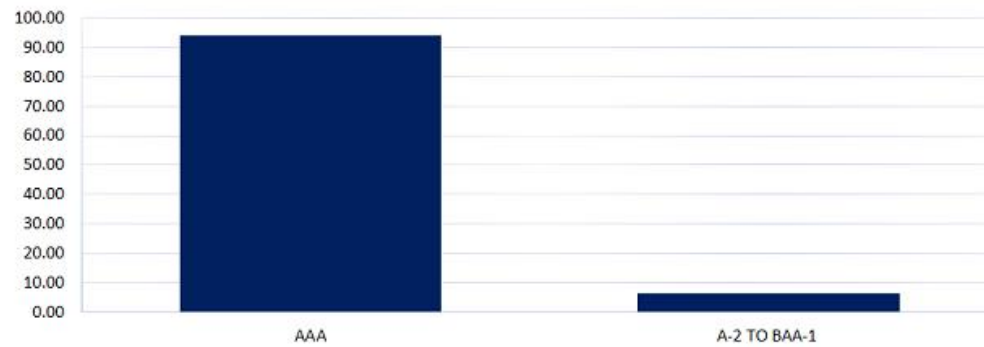
Coupon Distribution



Expected Maturity Distribution

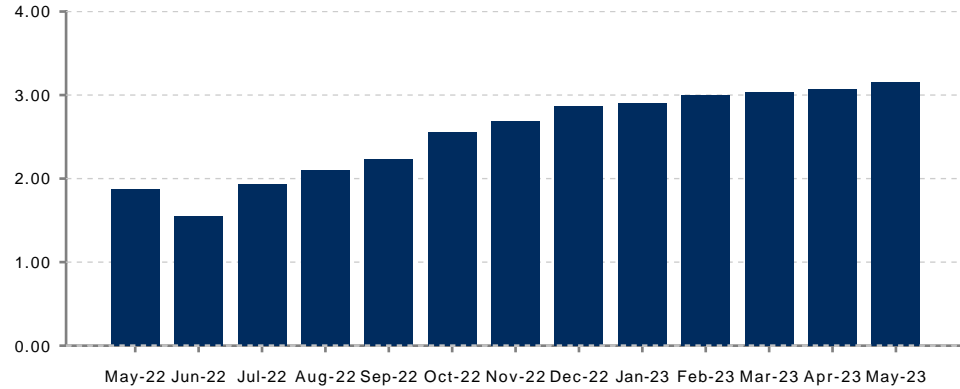


Rating Distribution





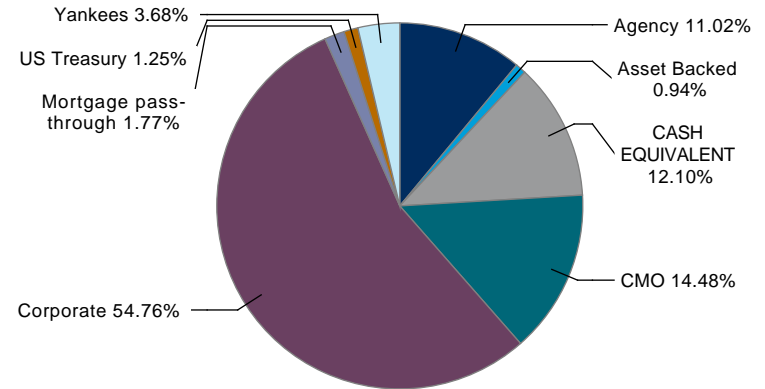
Net Yield



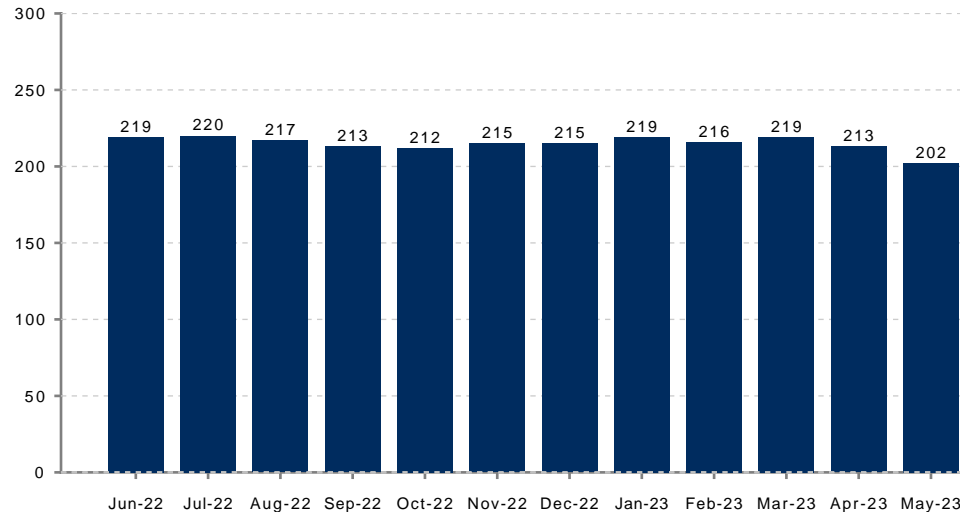
	Current Mth	Prior Mth	1 Year Ago
POOL 16 ECDHB	3.15	3.07	1.87

Asset Allocation

	Ending Market Value
POOL 16 ECDHB	201,973,103



Net Asset Values over Time (\$MM)

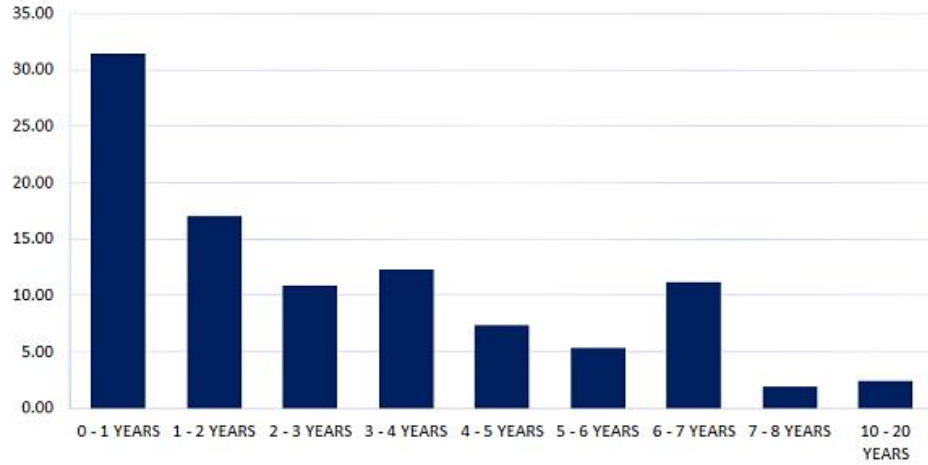


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 16 ECDHB		
SOUTH STREET REPO	24,503,484	12.13
GOLDMAN SACHS GROUP INC	5,041,638	2.50
NVIDIA CORP	4,998,096	2.47
CATERPILLAR FINL SERVICE	4,989,293	2.47
BERKSHIRE HATHAWAY ENERG	4,946,013	2.45
BRISTOL MYERS SQUIBB CO	4,932,387	2.44
BANK OF NOVA SCOTIA	4,931,586	2.44
WELLS FARGO + COMPANY	4,922,817	2.44
CHARLES SCHWAB CORP	4,895,899	2.42
GOLDMAN SACHS GROUP INC	4,893,447	2.42



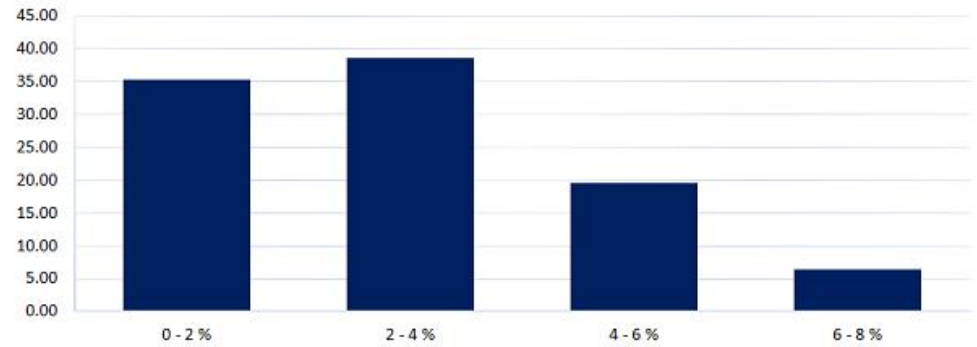
Duration Distribution



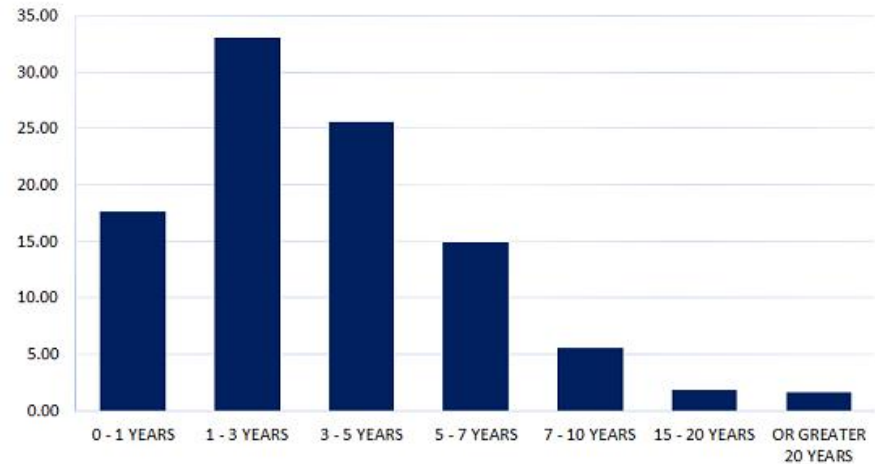
Portfolio Level Characteristics

	POOL 16 ECDHB
Effective Maturity	3.73
Coupon	3.17
Effective Duration	2.86
Quality Rating (Moody's)	AA-3

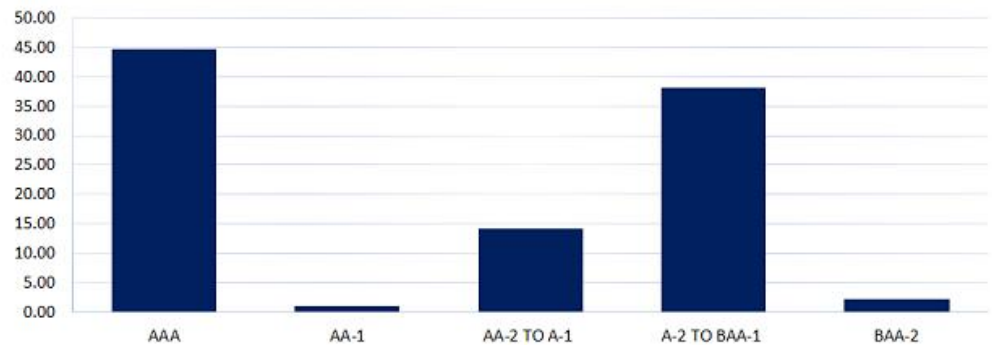
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



**LGIP & LGIP- GOV
 PORTFOLIO YIELD ANALYSIS
 MAY 2023**

NET EARNINGS

FUND	DESCRIPTION	Current Month 05/31/23	Prior Month 04/30/23	Prior Year 05/31/22	Net Asset Value Per Share
5	LGIP	\$12,460,352	\$10,842,018	\$1,574,793	1.000000
7	LGIP - GOV (1)	10,848,673	9,255,767	1,064,775	1.000000
	TOTAL LGIP & LGIP-GOV	\$23,309,025	\$20,097,785	\$2,639,568	

YIELDS

<u>MONTHLY</u>		Current Month 05/31/23	Prior Month 04/30/23	Prior Year 5/31/22
5	LGIP (NET)	5.03%	4.92%	0.75%
	S&P LGIP Index	4.91%	4.76%	0.41%
7	LGIP - GOV (NET) (1)	4.96%	4.68%	0.55%
	Trailing 3-mo T-bill	4.96%	4.80%	0.69%

FISCAL YEAR TO DATE

5	LGIP (NET)	3.74%	3.61%	0.18%
	S&P LGIP Index	3.35%	3.20%	0.09%
7	LGIP - GOV (NET) (1)	3.56%	3.42%	0.09%
	Trailing 3-mo T-bill	3.58%	3.44%	0.17%

(1) The LGIP-GOV Pool consists of only securities explicitly backed by the full faith & credit of the US Government.

**LGIP & LGIP- GOV MEDIUM TERM POOLS
PORTFOLIO YIELD ANALYSIS
MAY 2023**

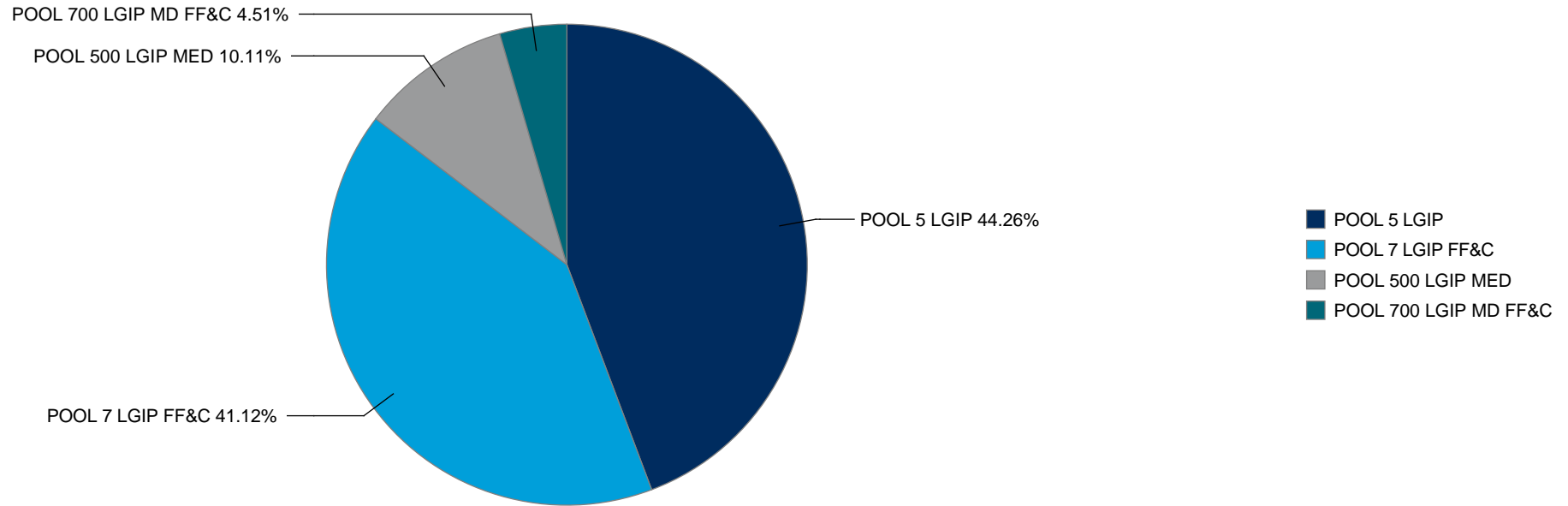
NET EARNINGS

FUND	DESCRIPTION	Current Month 05/31/23	Prior Month 04/30/23	Prior Year 05/31/22	Net Asset Value Per Share
500	LGIP - MED TERM POOL	\$1,861,803	\$1,796,770	\$644,864	1.002765
700	LGIP - FF&C MED TERM POOL	806,544	729,484	119,138	0.988065
	TOTAL LGIP MEDIUM TERM POOLS	\$2,668,347	\$2,526,254	\$764,002	

YIELDS

<u>MONTHLY</u>		Current Month 05/31/23	Prior Month 04/30/23	Prior Year 5/31/22
500	LGIP - MED TERM (NET)	3.34%	3.32%	1.18%
	20% S&P LGIP Index /	4.64%	4.29%	2.34%
	80% Bloomberg Barclays 1-3 year US Agg			
700	LGIP - FF&C MED TERM (NET)	3.25%	3.04%	0.54%
	20% Trailing 3-mo T-bill /	4.38%	4.26%	2.21%
	80% Barclay 1-3 year UST			
<u>FISCAL YEAR TO DATE</u>				
500	LGIP - MED TERM (NET)	2.65%	2.58%	0.86%
	20% S&P LGIP Index /	4.09%	4.03%	0.98%
	80% Bloomberg Barclays 1-3 year US Agg			
700	LGIP - FF&C MED TERM (NET)	2.17%	2.06%	0.32%
	20% Trailing 3-mo T-bill /	4.01%	3.97%	0.89%
	80% Bloomberg Barclays 1-3 year UST			

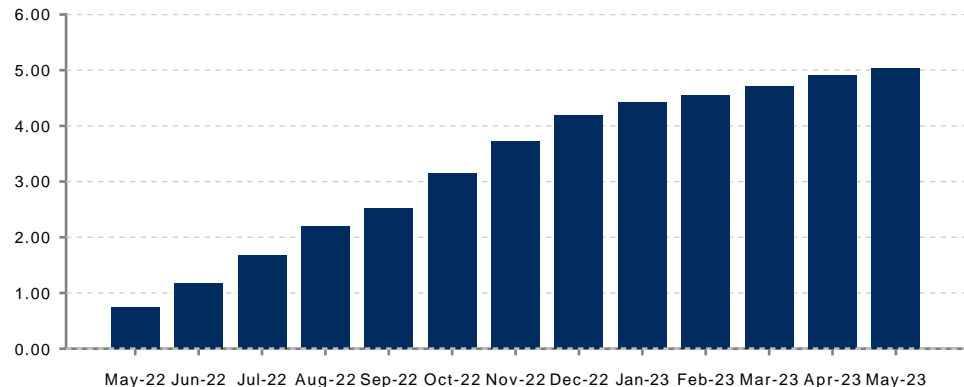
Manager Allocation



	Market Value	% of Portfolio
POOL 5 LGIP	2,865,139,517	44.3
POOL 7 LGIP FF&C	2,661,714,222	41.1
POOL 500 LGIP MED	654,640,165	10.1
POOL 700 LGIP MD FF&C	291,627,999	4.5
TOTAL LGIP	6,473,121,903	100.0



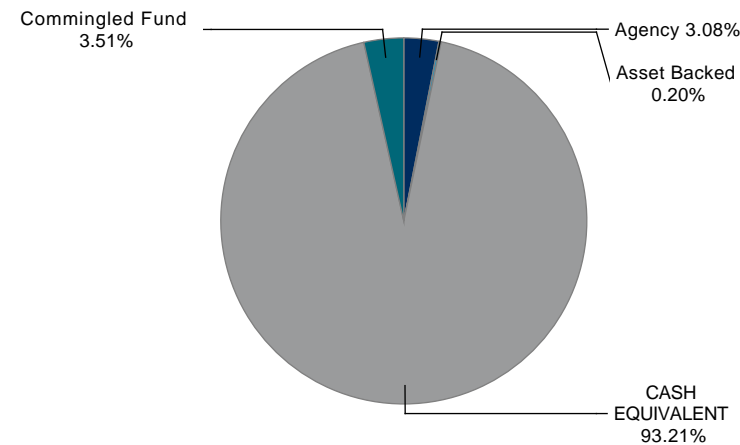
Net Yield



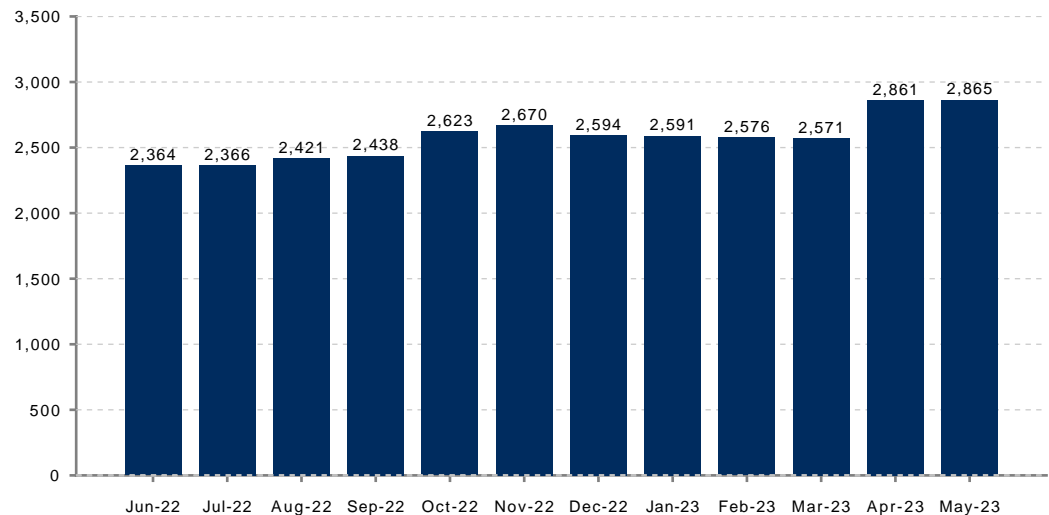
	Current Mth	Prior Mth	1 Year Ago
POOL 5 LGIP	5.03	4.92	0.75

Asset Allocation

	Ending Market Value
POOL 5 LGIP	2,865,139,517



Net Asset Values over Time (\$MM)

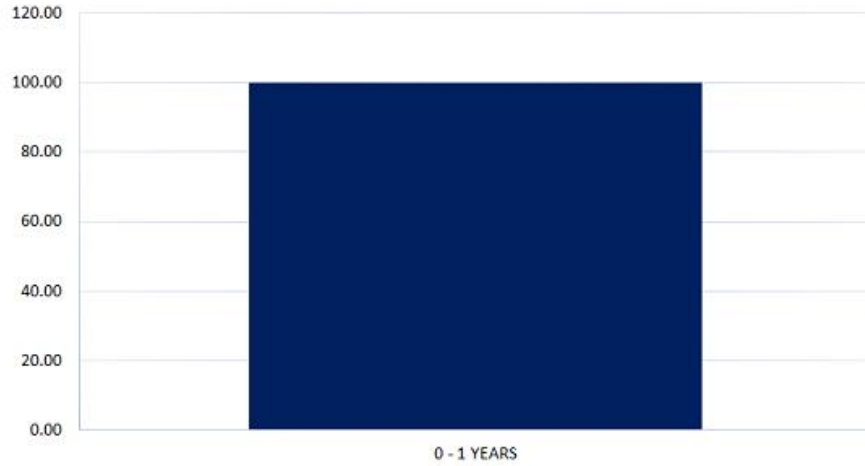


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 5 LGIP		
RBC CAPITAL MARKETS REPO	332,046,203	11.59
TD SECURITIES	156,761,182	5.47
BANK OF AMERICA REPO	150,020,833	5.24
GOLDMAN SACHS FINANCIAL SQUARE	50,797,357	1.77
MSILF GOVERNMENT PORTFOLIO	50,328,512	1.76
TREASURY BILL	39,775,682	1.39
JUPITER SECT CO LLC	29,995,750	1.05
TREASURY BILL	29,969,360	1.05
TREASURY BILL	29,858,432	1.04
TREASURY BILL	29,821,977	1.04



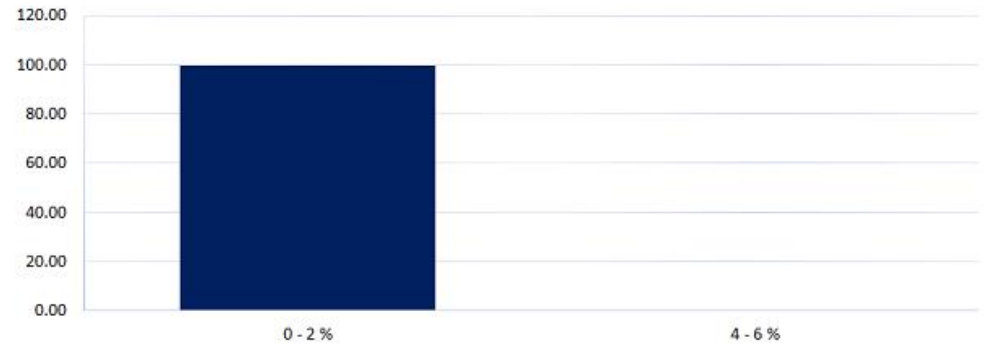
Duration Distribution



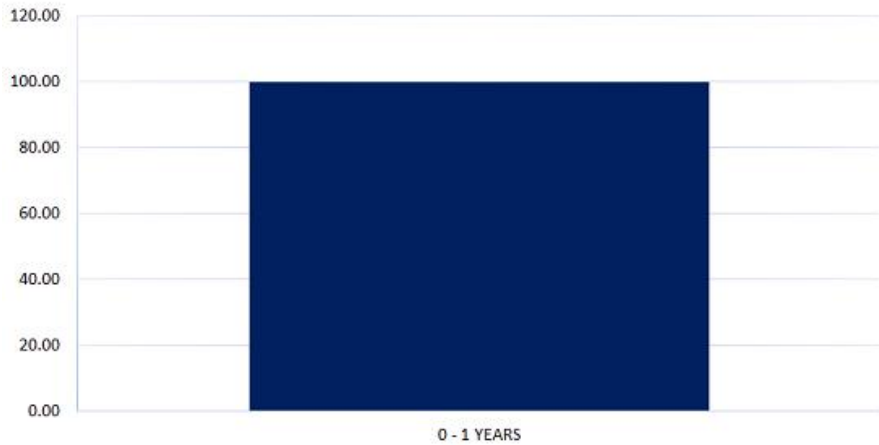
Portfolio Level Characteristics

	POOL 5 LGIP
Effective Maturity	0.11
Coupon	4.18
Effective Duration	0.11
Quality Rating (S&P)	AAAf/S1+

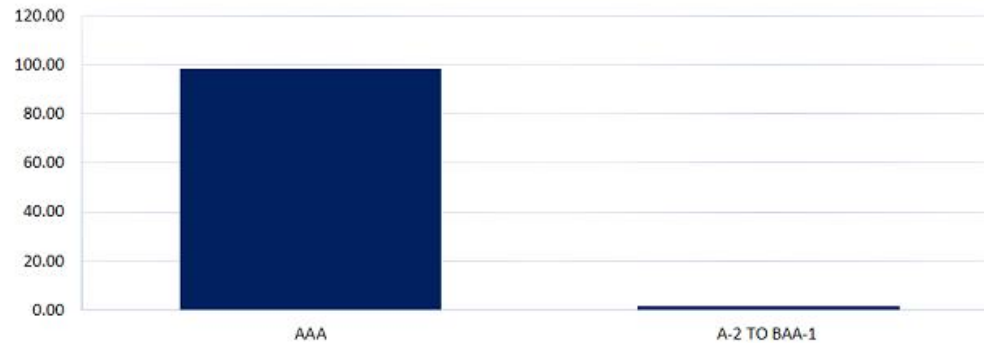
Coupon Distribution



Expected Maturity Distribution

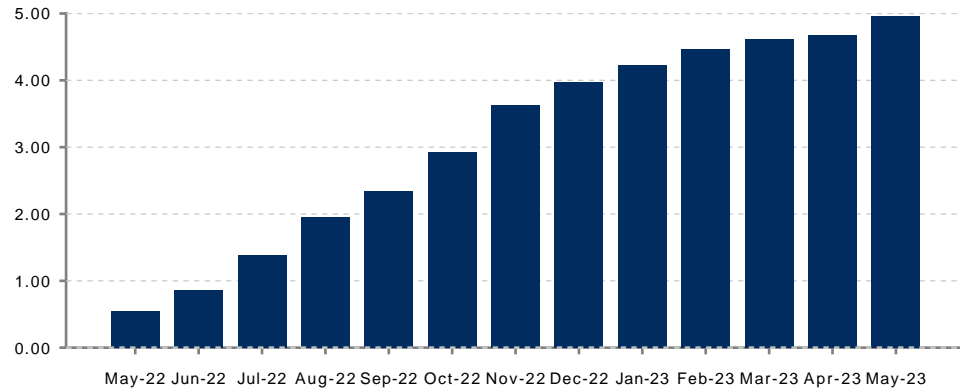


Rating Distribution





Net Yield



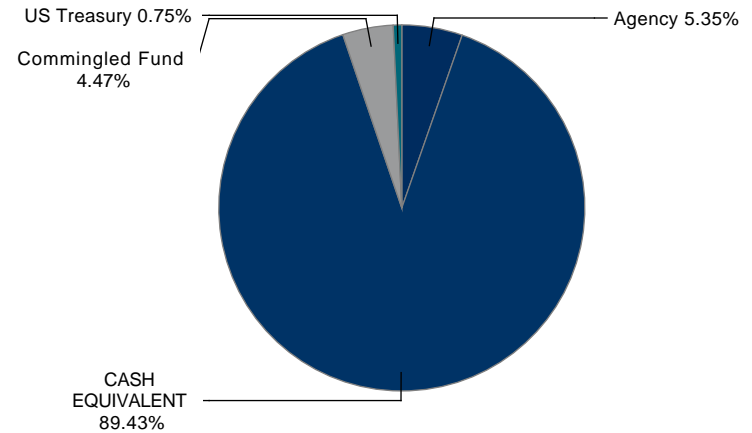
Current Mth **Prior Mth** **1 Year Ago**

POOL 7 LGIP FF&C	4.96	4.68	0.55
------------------	------	------	------

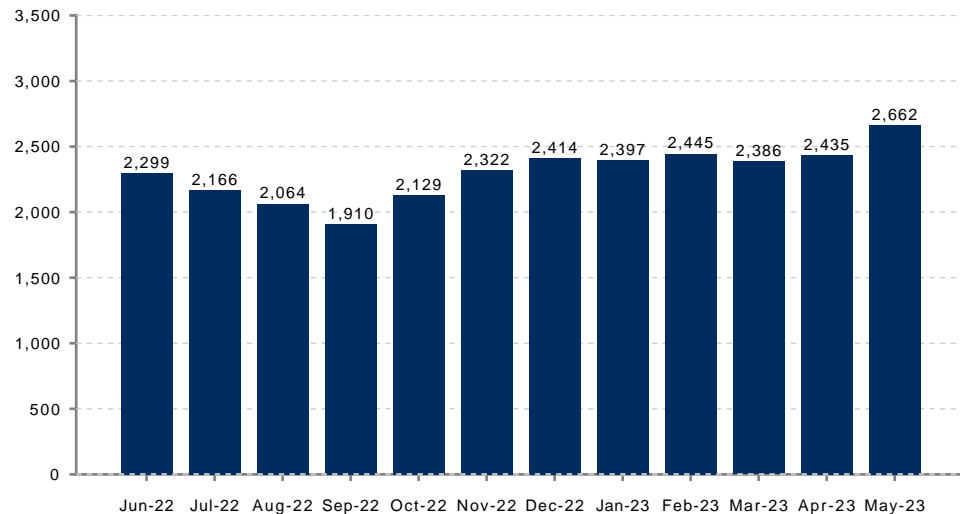
Asset Allocation

Ending Market Value

POOL 7 LGIP FF&C	2,661,714,222
------------------	---------------



Net Asset Values over Time (\$MM)

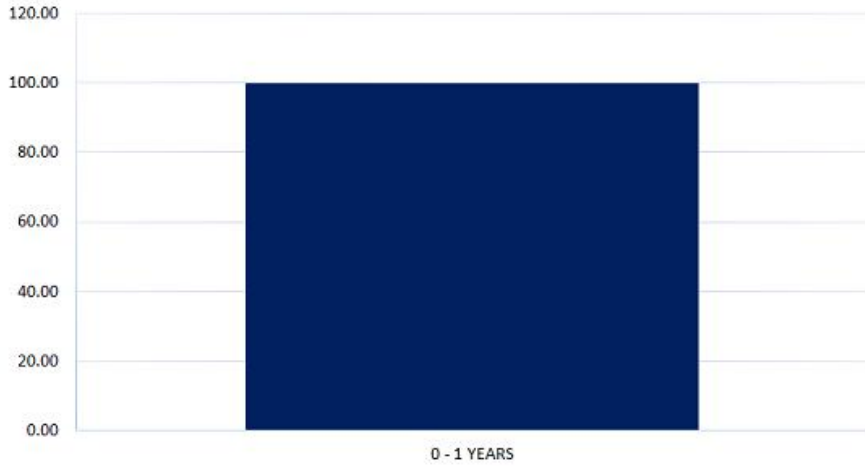


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 7 LGIP FF&C		
DAIWA CAPITAL MARKETS REPO	400,055,556	15.03
MITSUBISHI UFJ REPO	220,291,436	8.28
MITSUBISHI UFJ REPO	200,782,444	7.54
CANTOR FITZGERALD REPO	100,577,417	3.78
AMHERST PIERPONT	100,280,556	3.77
AMHERST PIERPONT	100,182,361	3.76
BMO TRIPARTY MTGE	75,292,250	2.83
WESTERN ALLIANCE CDARS	74,697,941	2.81
GOLDMAN SACHS FINANCIAL SQUARE	67,531,750	2.54
TREASURY BILL	59,895,567	2.25



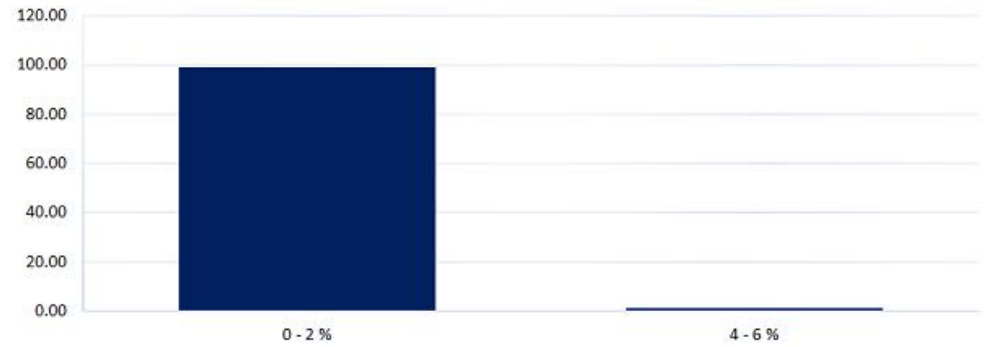
Duration Distribution



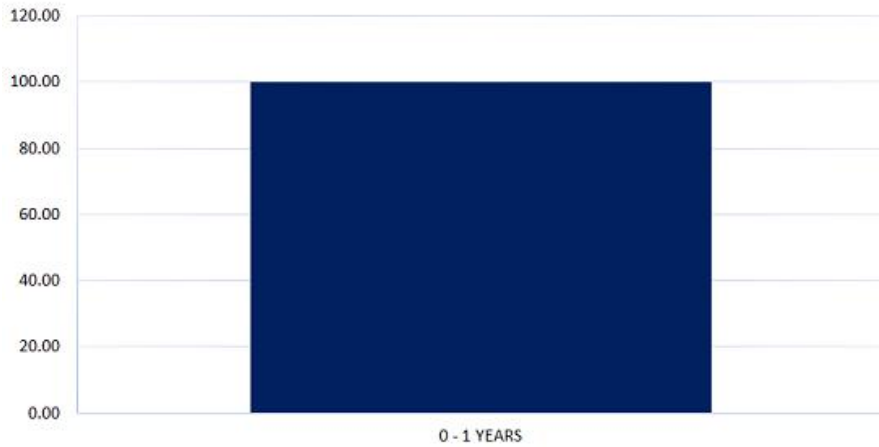
Portfolio Level Characteristics

	POOL 7 LGIP FF&C
Effective Maturity	0.09
Coupon	1.26
Effective Duration	0.09
Quality Rating (Moody's)	AAA

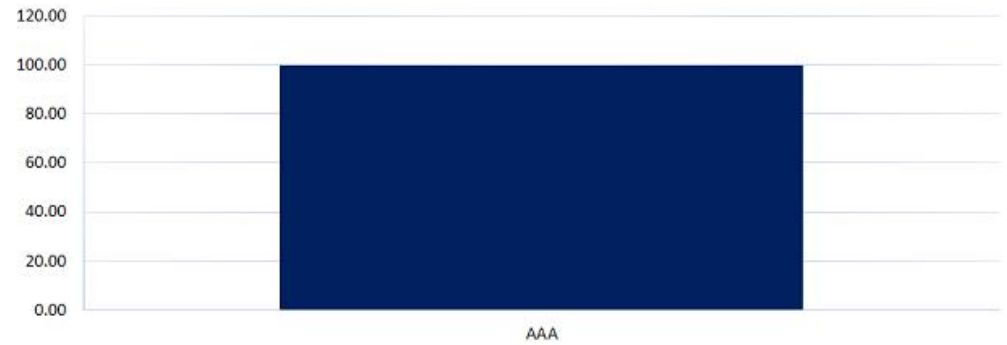
Coupon Distribution



Expected Maturity Distribution

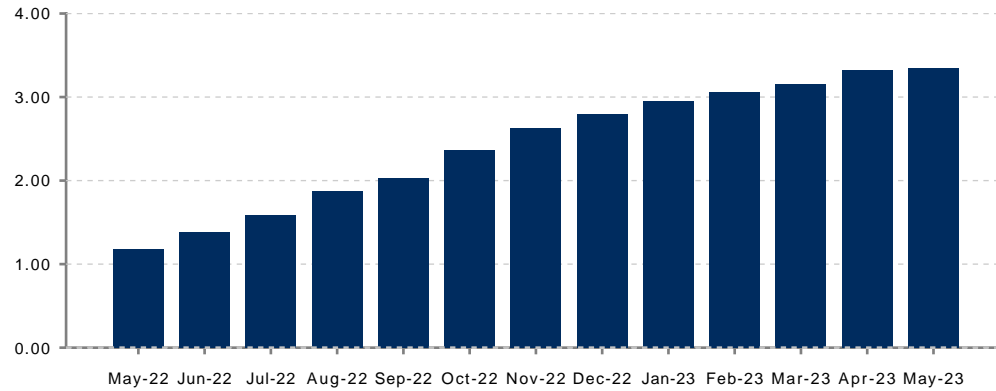


Rating Distribution





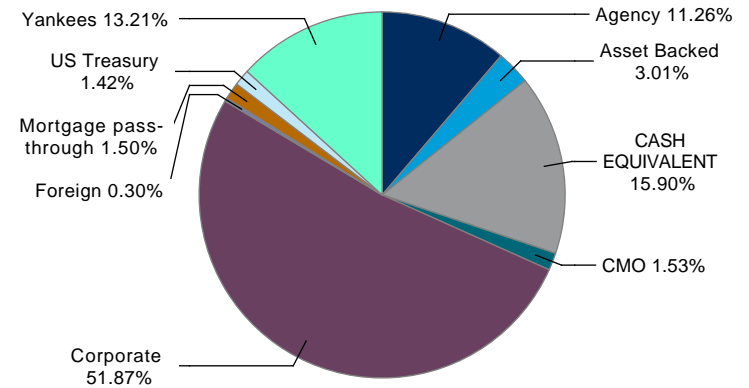
Net Yield



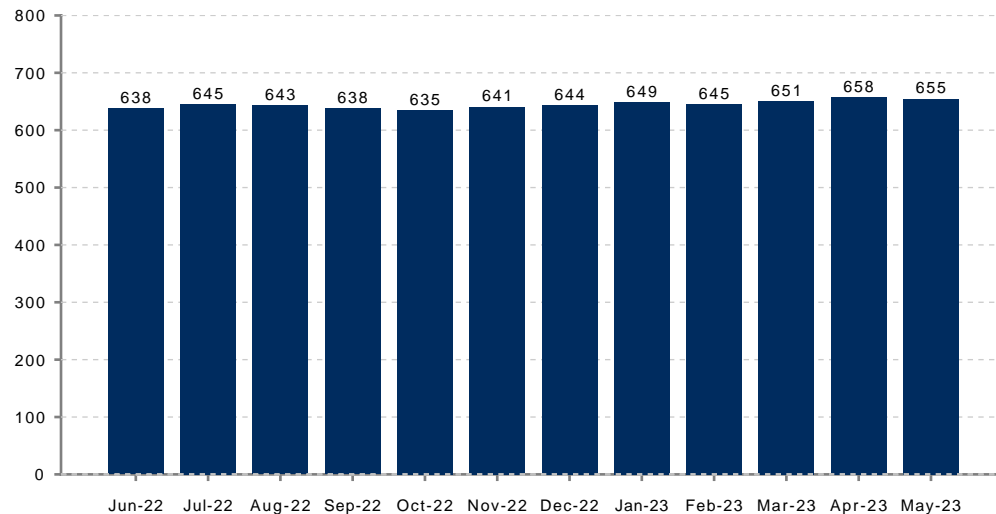
	Current Mth	Prior Mth	1 Year Ago
POOL 500 LGIP MED	3.34	3.32	1.18

Asset Allocation

	Ending Market Value
POOL 500 LGIP MED	654,640,165



Net Asset Values over Time (\$MM)

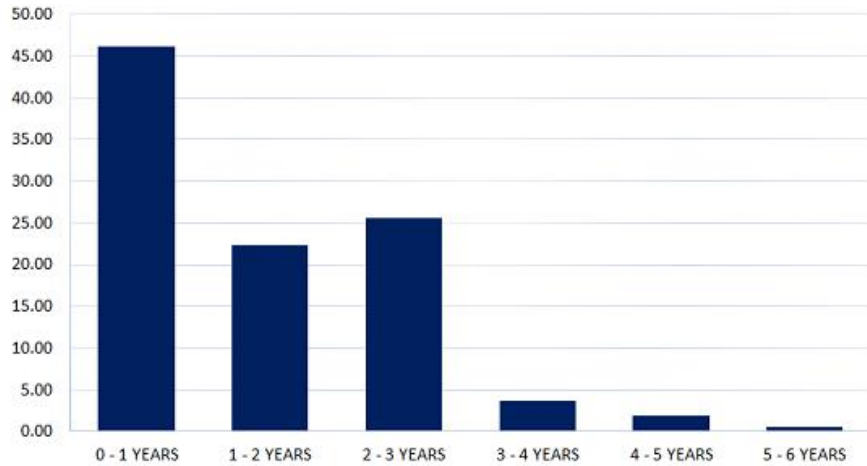


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 500 LGIP MED		
SOUTH STREET REPO	13,501,920	2.06
WESTPAC BKING CORP N	5,125,903	0.78
JPMORGAN CHASE BK N A INSTL CT	5,094,494	0.78
FEDERAL HOME LOAN BANK	5,071,818	0.77
AMERICAN HONDA FINANCE	5,065,578	0.77
ROYAL BANK OF CANADA	5,048,474	0.77
BANK OF NOVA SCOTIA	5,022,629	0.77
FEDERAL FARM CREDIT BANK	5,020,447	0.77
CITIGROUP GLOBAL MARKETS	5,009,851	0.77
FEDERAL HOME LOAN BANK	5,005,517	0.76



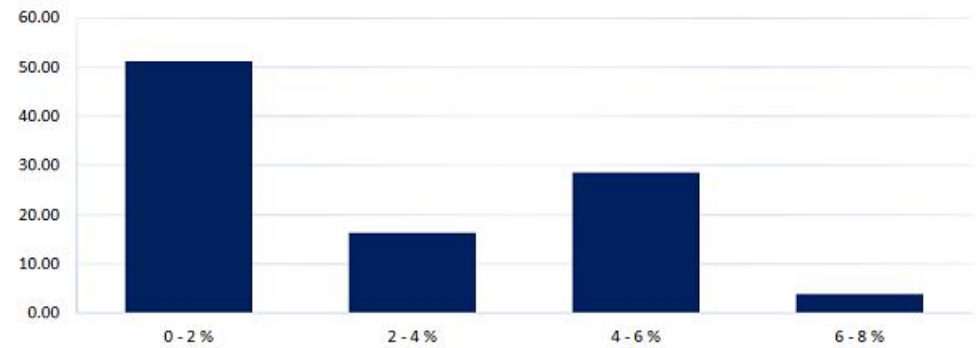
Duration Distribution



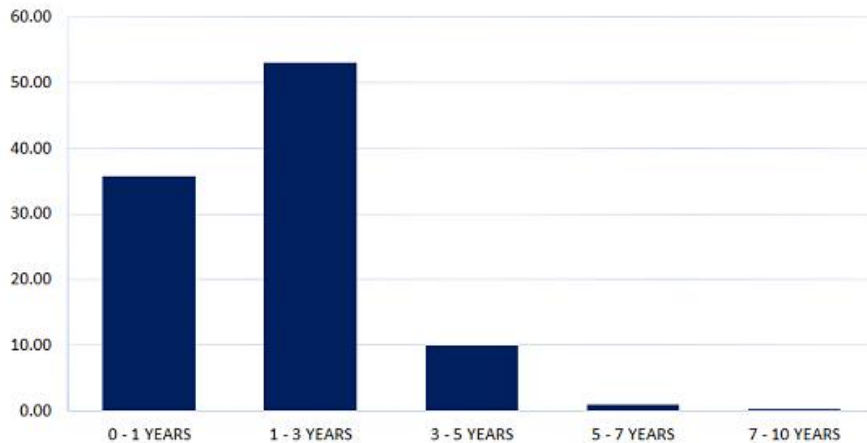
Portfolio Level Characteristics

	POOL 500 LGIP MED
Effective Maturity	1.63
Coupon	3.24
Effective Duration	1.32
Quality Rating (Moody's)	AA-3

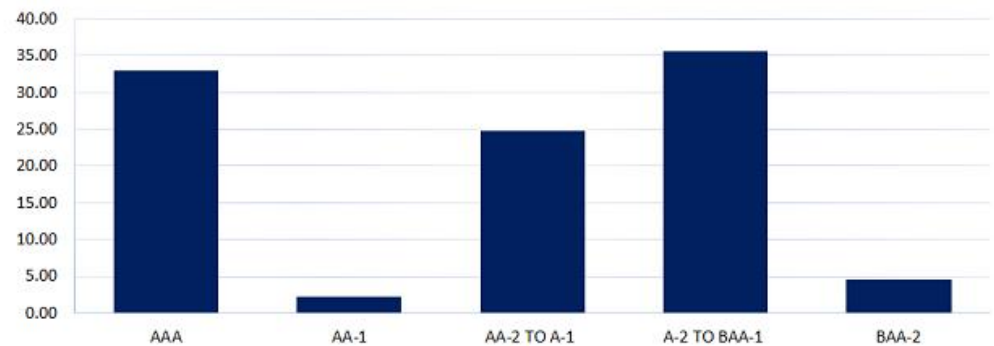
Coupon Distribution



Expected Maturity Distribution

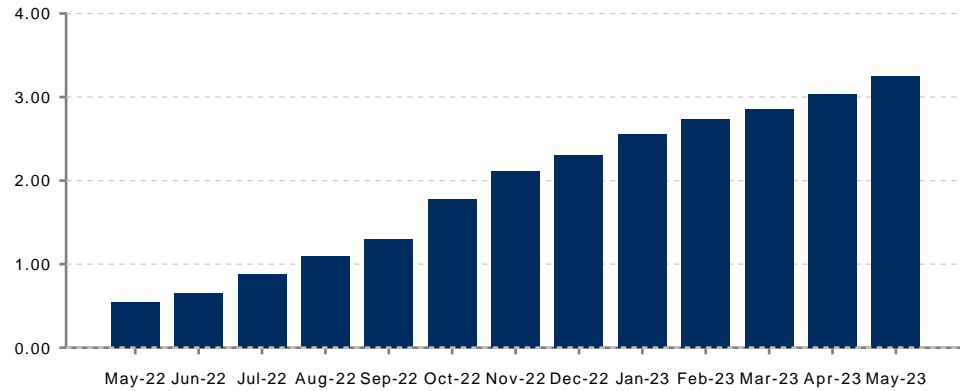


Rating Distribution





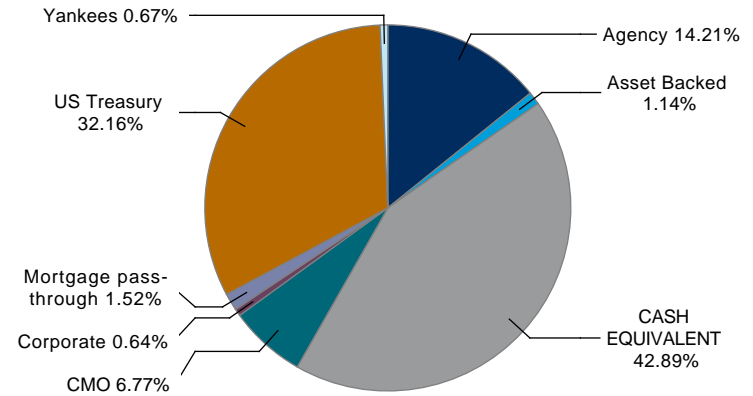
Net Yield



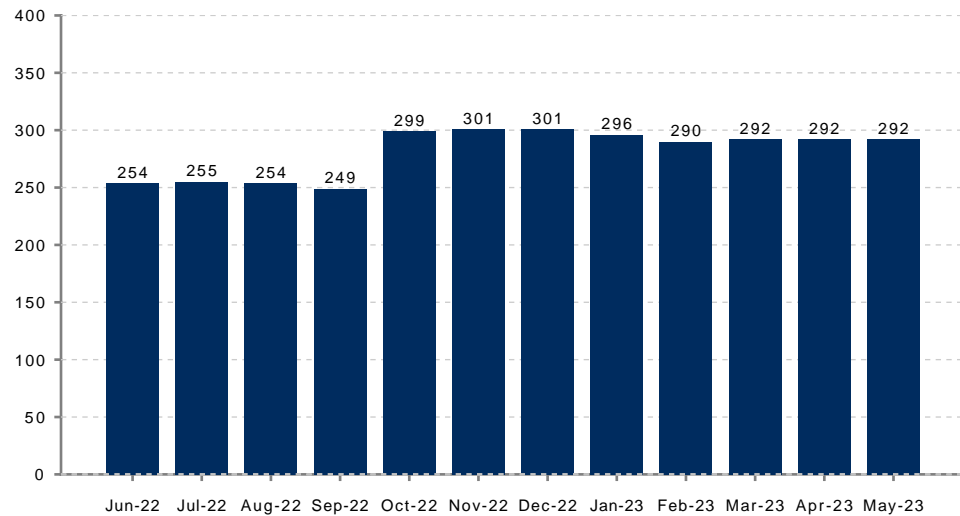
	Current Mth	Prior Mth	1 Year Ago
POOL 700 LGIP MD FF&C	3.25	3.04	0.54

Asset Allocation

	Ending Market Value
POOL 700 LGIP MD FF&C	291,627,999



Net Asset Values over Time (\$MM)

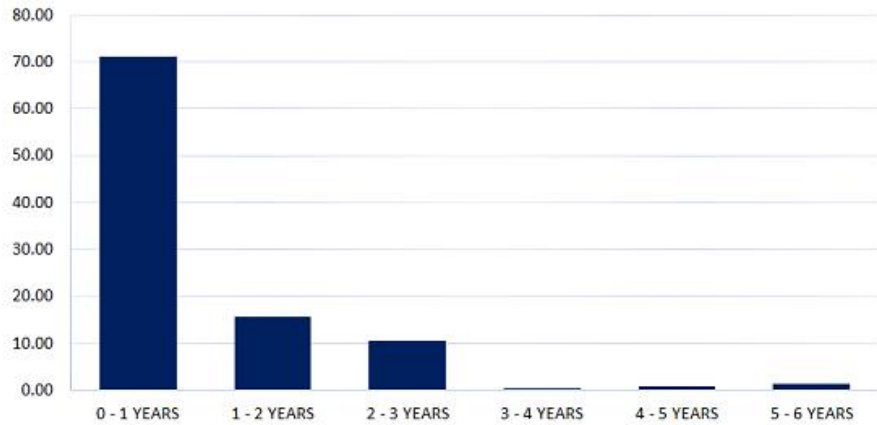


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 700 LGIP MD FF&C		
SOUTH STREET REPO	30,004,292	10.29
RBC CAPITAL MARKETS REPO	18,002,505	6.17
TREASURY BILL	5,000,000	1.71
TREASURY BILL	4,990,713	1.71
TREASURY BILL	4,977,062	1.71
TREASURY BILL	4,971,741	1.70
TREASURY BILL	4,970,906	1.70
TREASURY BILL	4,965,377	1.70
TREASURY BILL	4,958,267	1.70
TREASURY BILL	4,949,712	1.70



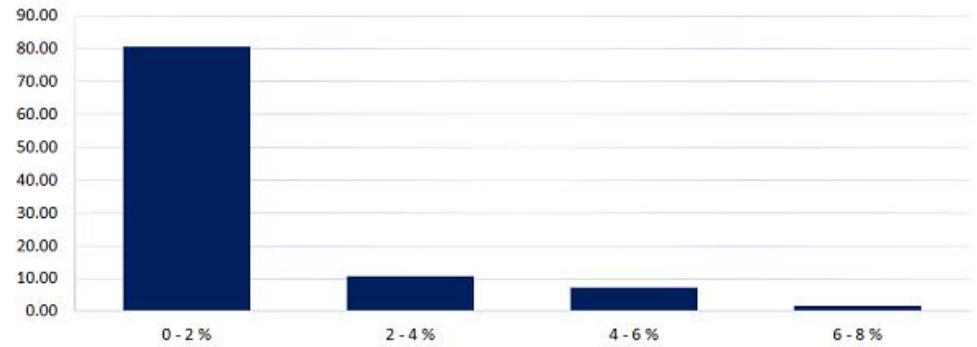
Duration Distribution



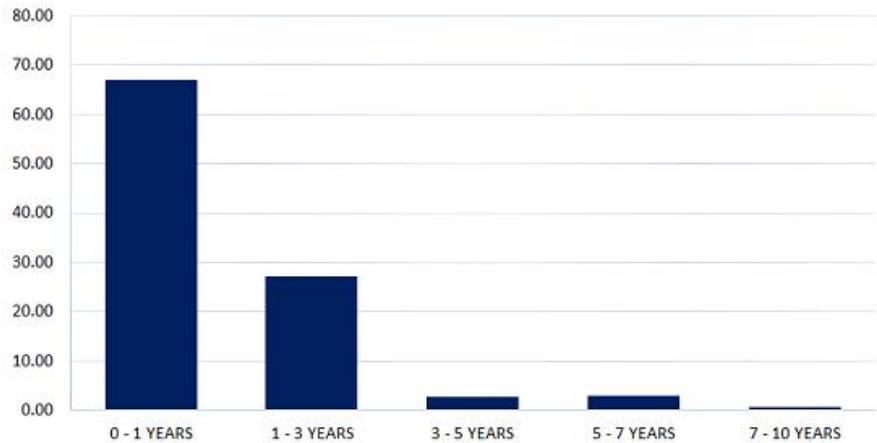
Portfolio Level Characteristics

	POOL 700 LGIP MD FF&C
Effective Maturity	0.93
Coupon	1.57
Effective Duration	0.76
Quality Rating (Moody's)	AAA

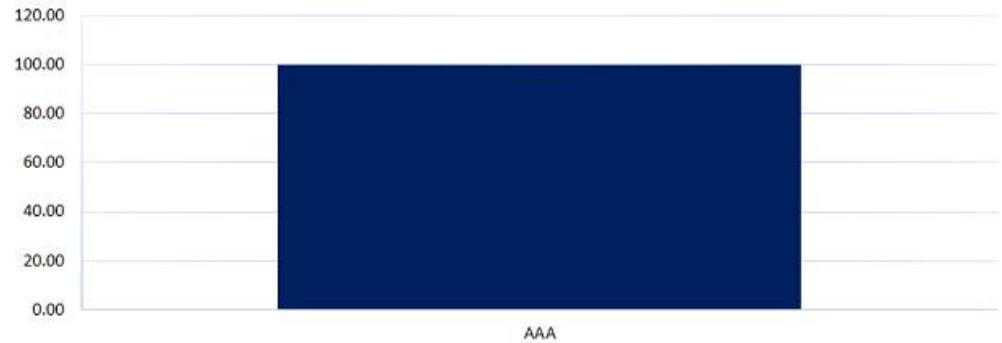
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



**EARNINGS DISTRIBUTED
 PERMANENT LAND ENDOWMENT TRUST FUND
 MAY 2023**

Distributed in Current Month

Recipient	MAY 2023	Fiscal YTD 22/23	Fiscal YTD 21/22	Fiscal YTD Change
101 A & M Colleges	\$78,874	\$867,614	\$829,866	\$37,748
102 State Hospital	64,988	714,865	635,571	79,294
103 Leg., Exec., & Jud.	66,232	728,556	693,960	34,596
104 Military Institute	4,494	49,439	46,811	2,628
105 Miners Hospital	197,693	2,174,628	2,023,709	150,919
107 Normal School ASU/NAU	38,010	418,115	385,791	32,324
108 Penitentiaries	128,768	1,416,451	1,340,385	76,066
109 Permanent Common School	33,537,213	368,909,338	341,002,977	27,906,362
110 School for Deaf & Blind	48,526	533,782	497,311	36,471
111 School of Mines	90,376	994,131	948,487	45,644
112 State Charitable-Pioneers Home	494,453	5,438,985	4,883,933	555,053
112 State Charitable-Corrections	247,227	2,719,493	2,441,966	277,526
112 State Charitable-Youth Treatment	247,227	2,719,493	2,441,966	277,526
113 University Fund	190,133	2,091,464	1,869,114	222,350
114 U of A Land - 1881	629,397	6,923,366	6,471,594	451,772
Total	\$36,063,611	\$396,699,719	\$366,513,442	\$30,186,277

**Land Sales Monthly Proceeds
Permanent Land Endowment Trust Fund**

Month	2017	2018	2019	2020	2021	2022	2023
January	\$2,960,815	\$809,822	\$30,671,107	\$34,028,510	\$77,327,332	\$65,776,496	\$132,875,173
February	1,103,303	744,295	875,823	2,362,463	17,814,405	107,134,375	45,385,295
March	3,045,043	8,296,029	997,479	13,103,761	3,772,571	5,230,088	1,025,196
April	78,134,289	22,707,772	12,816,140	6,837,496	4,099,129	95,870,019	62,406,204
May	27,642,672	16,234,823	590,432	3,656,783	88,763,368	109,978,359	31,423,862
June	2,451,110	6,799,100	3,654,938	3,379,021	2,001,347	105,071,646	
July	13,838,188	27,835,379	4,356,585	19,069,989	37,347,276	14,023,708	
August	5,746,802	6,932,754	10,038,331	6,378,777	12,016,036	707,901	
September	19,937,751	8,293,343	1,201,114	3,851,950	13,865,289	7,754,529	
October	480,710	24,823,636	5,075,858	72,432,497	1,724,181	9,922,724	
November	9,500,048	42,245,892	9,161,341	3,119,856	1,487,524	6,763,639	
December	3,869,818	2,283,305	15,116,940	29,134,954	1,252,026	51,093,211	
Calendar Year	168,710,549	168,006,150	94,556,089	197,356,057	261,470,483	579,326,695	273,115,730
Fiscal Year (July 1st to June 30th)	163,553,318	108,965,158	162,020,229	108,318,203	327,766,175	556,753,315	363,381,442

NET REALIZED CAPITAL GAINS / LOSSES - PERM LAND ENDOW TRUST FUND

<u>Endowment Fund</u>	May 2023 <u>NET GAIN(LOSS)</u>	May 2022 <u>NET GAIN(LOSS)</u>
----- Fixed Income Pool	(275,280)	(\$1,297,540)
500 Large-Cap Fund	-	0
400 Mid-Cap Fund	4,745,662	3,711,569
600 Small-Cap Fund	(598,630)	1,124,033
Totals	\$3,871,752	\$3,538,063

<u>Endowment Fund</u>	2022/2023 <u>FISCAL YEAR TO DATE</u> <u>GAINS(LOSSES)</u>	2021/2022 <u>FISCAL YEAR TO DATE</u> <u>GAINS(LOSSES)</u>
Fixed Income Pool	(\$2,734,541)	(\$6,116,504)
500 Large-Cap Fund	20,741,335	197,215,173
400 Mid-Cap Fund	31,295,090	65,914,910
600 Small-Cap Fund	11,484,120	45,769,022
Totals	\$60,786,004	\$302,782,601

**PERM LAND ENDOWMENT TRUST FUND FIXED-INCOME POOLS
PURCHASES & SALES
MAY 2023**

I. Endowment Funds Purchases

<u>POOL</u>	<u>SECURITY DESCRIPTION</u>	<u>RATE</u>	<u>MATURITY</u>	<u>WAL YEARS (1)</u>	<u>PAR VALUE</u>	<u>PURCHASE COST</u>	<u>YIELD</u>	<u>MOODY'S RATING</u>
205	AEP TEXAS	5.40	06/01/2033	NA	\$7,000,000	\$6,988,660	5.42%	Baa2
205	BANK OF AMERICA	5.50	05/19/2026	NA	10,000,000	10,000,000	5.50%	A-1
205	CANCARA ASSET	5.26	07/31/2023	NA	4,100,000	4,058,066	5.31%	P-1
205	FNMA	5.50	06/25/2053	17.83	4,330,819	4,327,266	5.55%	Aaa
205	FEDERAL FARM CREDIT	5.95	05/30/2030	NA	10,000,000	9,990,000	5.97%	Aaa
205	FHLB	5.35	05/23/2024	NA	5,000,000	5,000,000	5.39%	Aaa
205	GEORGIA POWER	4.65	05/16/2028	NA	5,000,000	4,993,700	4.68%	Baa1
205	GNMA	4.50	12/20/2047	4.86	5,761,582	5,638,248	5.01%	Aaa
205	GNMA	4.50	10/20/2048	3.91	4,773,859	4,688,452	5.00%	Aaa
205	GNMA	6.00	12/20/2049	4.00	10,000,000	10,143,750	5.57%	Aaa
205	HALKIN	5.09	05/31/2023	NA	5,000,000	4,991,517	5.10%	P-1
205	HALKIN	5.11	06/20/2023	NA	5,000,000	4,976,579	5.13%	P-1
205	HARLEY-DAVIDSON	5.70	06/06/2023	NA	15,000,000	14,966,750	5.71%	P-3
205	HONEYWELL	4.25	01/15/2029	NA	15,000,000	14,965,800	4.29%	A-2
205	HONEYWELL	4.50	01/15/2034	NA	10,000,000	9,912,100	4.60%	A-2
205	LOCKHEED MARTIN	4.75	02/15/2034	NA	10,000,000	9,967,400	4.79%	A-3
205	OHIO POWER	5.00	06/01/2033	NA	5,000,000	4,976,400	5.06%	Baa1
205	US TREASURY	5.44	06/13/2023	NA	5,000,000	4,978,864	5.55%	P-1
205	US TREASURY	5.68	06/06/2023	NA	20,000,000	19,911,640	5.80%	P-1
205	US TREASURY	4.13	01/31/2025	NA	5,000,000	4,999,805	4.12%	Aaa
205	US TREASURY	3.88	02/15/2043	NA	10,000,000	9,756,641	4.06%	Aaa
205	US TREASURY	3.75	04/15/2026	NA	10,000,000	10,007,813	3.72%	Aaa
205	VERIZON	5.05	05/09/2033	NA	15,000,000	14,975,550	5.07%	Baa1
123	CHARIOT	5.21	07/27/2023	NA	20,000,000	19,748,183	5.28%	P-1
123	HALKIN	5.09	05/31/2023	NA	10,000,000	9,983,033	5.10%	P-1
123	HALKIN	5.11	06/20/2023	NA	5,000,000	4,976,579	5.13%	P-1
123	US TREASURY	5.44	06/13/2023	NA	5,000,000	4,978,864	5.55%	P-1
123	US TREASURY	5.44	06/13/2023	NA	10,000,000	9,956,661	5.55%	P-1
123	US TREASURY	5.13	06/27/2023	NA	10,000,000	9,924,549	5.25%	P-1
123	US TREASURY	5.41	06/20/2023	NA	10,000,000	9,957,961	5.52%	P-1
123	US TREASURY	5.09	08/03/2023	NA	10,000,000	9,871,463	5.22%	P-1
123	US TREASURY	5.04	09/19/2023	NA	10,000,000	9,833,565	5.21%	P-1
123	WALGREENS BOOTS	5.90	05/26/2023	NA	19,895,000	19,823,267	5.92%	P-3
TOTAL ENDOWMENT FUNDS PURCHASES					\$305,861,260	\$304,269,125		

II. Endowment Funds Sales

<u>POOL</u>	<u>SECURITY DESCRIPTION</u>	<u>MATURITY</u>	<u>PAR VALUE</u>	<u>NET PROCEEDS</u>	<u>SALES AINS/(LOSSE)</u>	<u>MOODY'S RATING</u>
205						
205						
TOTAL ENDOWMENT FUNDS SALES			\$0	\$0	\$0	

(1) 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.

**PERMANENT LAND ENDOWMENT TRUST FUND
 EQUITY FUNDS PURCHASES & SALES
 MAY 2023**

I. Equity Fund Purchases

	<u>SHARES</u>	<u>PURCHASE COST</u>	<u>COMMISSIONS</u>
400 Mid-Cap Fund	\$1,201,710.00	\$47,226,703	\$9,015
500 Large-Cap Fund	73,631	11,086,597	553
600 Small-Cap Fund	73,098	1,358,119	548
TOTAL EQUITY PURCHASES	1,348,439	\$59,671,420	\$10,116

II. Equity Funds Sales

	<u>SHARES</u>	<u>SALES AMOUNT</u>	<u>COMMISSIONS</u>
400 Mid-Cap Fund	65,272	21,041,613	490
500 Large-Cap Fund	-	-	-
600 Small-Cap Fund	6,611	108,995	50
TOTAL EQUITY SALES	71,883	\$21,150,609	\$539

PERMANENT LAND ENDOWMENT TRUST FUND
INVESTMENTS OUTSTANDING
MAY 31, 2023
(In Thousands)

State Treasurer's Report
June 27, 2023
Page 40

FUND NAME OF FUND	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	UNREALIZED GAINS (LOSSES)	Mkt Value/ Book Value
101 A & M Colleges					
<i>Shares in Equity Pools</i>	\$293	\$2,064	\$8,160	\$6,096	
<i>Shares in Fixed Income Pools</i>	2,910	2,083	5,357	3,273	
Total	<u>3,203</u>	<u>4,148</u>	<u>13,517</u>	<u>9,369</u>	3.259
102 State Hospital					
<i>Shares in Equity Pools</i>	294	3,483	8,167	4,684	
<i>Shares in Fixed Income Pools</i>	3,050	3,011	5,614	2,603	
Total	<u>3,343</u>	<u>6,494</u>	<u>13,781</u>	<u>7,287</u>	2.122
103 Leg., Exec., & Jud					
<i>Shares in Equity Pools</i>		1,816	6,667	4,851	
<i>Shares in Fixed Income Pools</i>	2,601	1,867	4,788	2,922	
Total	<u>2,601</u>	<u>3,683</u>	<u>11,455</u>	<u>7,772</u>	3.110
104 Military Institute					
<i>Shares in Equity Pools</i>	16	127	444	317	
<i>Shares in Fixed Income Pools</i>	179	127	329	202	
Total	<u>195</u>	<u>255</u>	<u>773</u>	<u>519</u>	3.037
105 Miners Hospital					
<i>Shares in Equity Pools</i>	794	7,560	22,076	14,516	
<i>Shares in Fixed Income Pools</i>	7,945	7,168	14,626	7,457	
Total	<u>8,739</u>	<u>14,728</u>	<u>36,701</u>	<u>21,973</u>	2.492
107 Normal School ASU/NAU					
<i>Shares in Equity Pools</i>	160	1,601	4,450	2,849	
<i>Shares in Fixed Income Pools</i>	1,653	1,443	3,043	1,601	
Total	<u>1,813</u>	<u>3,043</u>	<u>7,493</u>	<u>4,449</u>	2.462
108 Penitentiaries					
<i>Shares in Equity Pools</i>	484	4,158	13,470	9,312	
<i>Shares in Fixed Income Pools</i>	4,953	4,107	9,117	5,010	
Total	<u>5,437</u>	<u>8,266</u>	<u>22,587</u>	<u>14,321</u>	2.733

PERMANENT LAND ENDOWMENT TRUST FUND
INVESTMENTS OUTSTANDING
MAY 31, 2023
(In Thousands)

State Treasurer's Report
June 27, 2023
Page 41

NAME OF FUND	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	UNREALIZED GAINS (LOSSES)	Mkt Value/ Book Value
109 Permanent Common School					
<i>Shares in Equity Pools</i>	151,583	1,496,315	4,214,918	2,718,603	
<i>Shares in Fixed Income Pools</i>	1,519,649	1,380,894	2,797,361	1,416,467	
Total	<u>1,671,232</u>	<u>2,877,209</u>	<u>7,012,280</u>	<u>4,135,071</u>	2.437
110 School for Deaf & Blind					
<i>Shares in Equity Pools</i>	176	1,533	4,904	3,371	
<i>Shares in Fixed Income Pools</i>	2,032	1,633	3,740	2,107	
Total	<u>2,208</u>	<u>3,166</u>	<u>8,644</u>	<u>5,478</u>	2.730
111 School of Mines					
<i>Shares in Equity Pools</i>	330	2,475	9,167	6,692	
<i>Shares in Fixed Income Pools</i>	3,395	2,521	6,249	3,728	
Total	<u>3,724</u>	<u>4,995</u>	<u>15,416</u>	<u>10,421</u>	3.086
112 State Charitable					
<i>Shares in Equity Pools</i>	4,717	52,631	131,172	78,540	
<i>Shares in Fixed Income Pools</i>	46,091	44,778	84,844	40,066	
Total	<u>50,809</u>	<u>97,410</u>	<u>216,016</u>	<u>118,606</u>	2.218
113 University Fund					
<i>Shares in Equity Pools</i>	935	12,430	25,989	13,559	
<i>Shares in Fixed Income Pools</i>	9,645	9,956	17,755	7,798	
Total	<u>10,580</u>	<u>22,386</u>	<u>43,743</u>	<u>21,357</u>	1.954
114 U Of A Land - 1881					
<i>Shares in Equity Pools</i>	2,366	23,503	65,792	42,289	
<i>Shares in Fixed Income Pools</i>	24,368	21,283	44,856	23,573	
Total	<u>\$26,734</u>	<u>\$44,786</u>	<u>\$110,648</u>	<u>\$65,862</u>	2.471
TOTALS - ALL FUNDS					
<i>Shares in Equity Pools</i>	162,149	1,609,697	4,515,376	2,905,679	
<i>Shares in Fixed Income Pools</i>	1,628,470	1,480,872	2,997,679	1,516,807	
Grand Total	<u>\$1,790,619</u>	<u>\$3,090,569</u>	<u>\$7,513,055</u>	<u>\$4,422,486</u>	
PRIOR YEAR:					
MAY 2022 BALANCES	\$1,782,142	\$2,934,493	\$7,431,416	\$4,496,923	

**PERMANENT LAND ENDOWMENT TRUST FUND
INVESTMENTS OUTSTANDING
MAY 31, 2023**

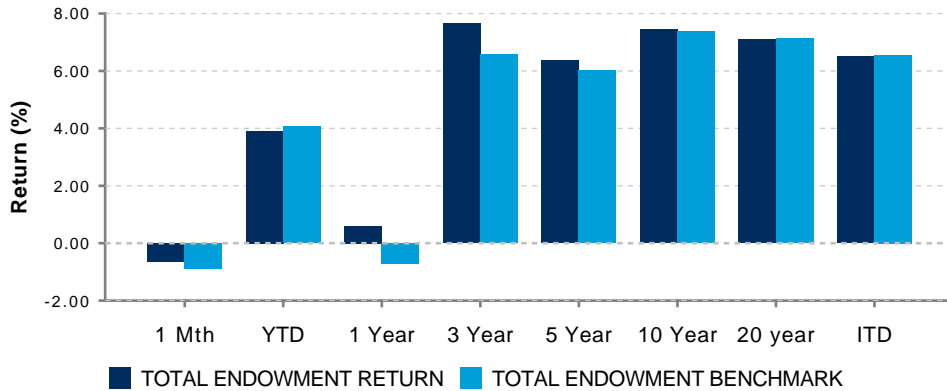
State Treasurer's Report
June 27, 2023
Page 42

ASSET ALLOCATION PERCENTAGE

	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	MAY 2022 MARKET VALUE
<i>Equity Pools</i>	9.06%	52.08%	60.10%	60.17%
<i>Fixed Income Pools</i>	90.94%	47.92%	39.90%	39.83%
Total	100.00%	100.00%	100.00%	100.00%



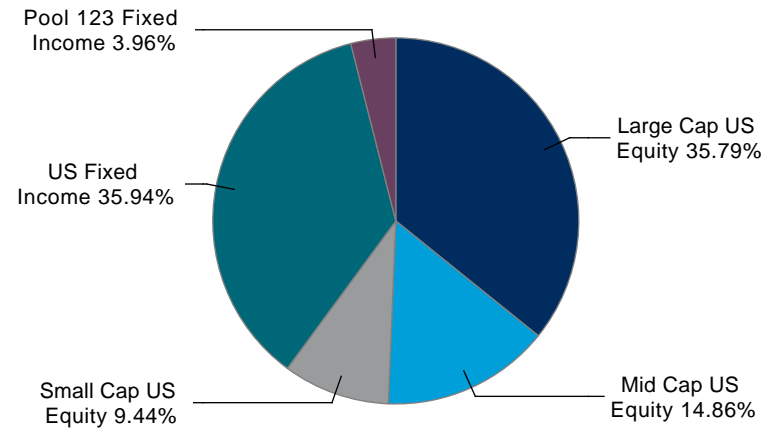
Performance



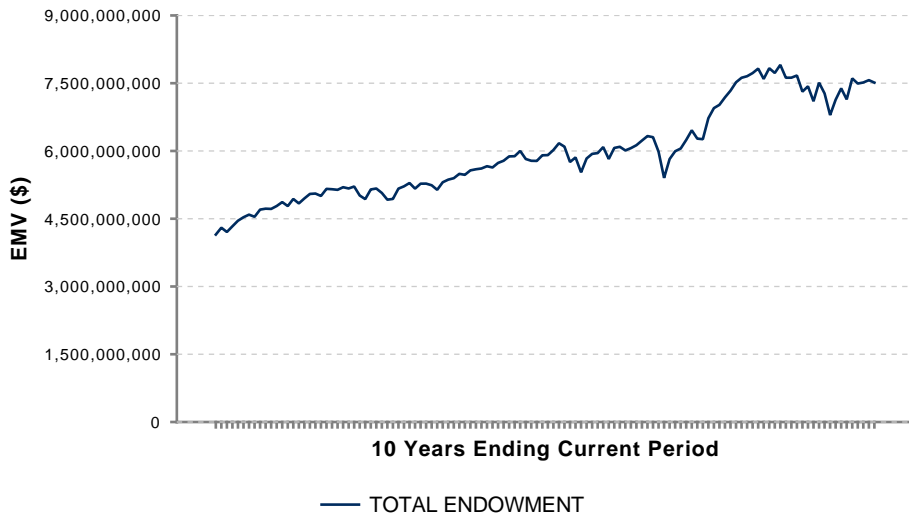
	1 Mth	YTD	1 Year	3 Year	5 Year	10 Year	20 Year	ITD	Incept Date
TOTAL ENDOWMENT RETURN	-0.66	3.91	0.60	7.66	6.37	7.44	7.10	6.50	07/99
TOTAL ENDOWMENT BENCHMARK	-0.89	4.06	-0.70	6.58	6.02	7.37	7.14	6.56	07/99
	0.23	-0.15	1.30	1.08	0.35	0.07	-0.04	-0.06	

Asset Allocation

	Ending Market Value
TOTAL ENDOWMENT RETURN	7,513,055,050

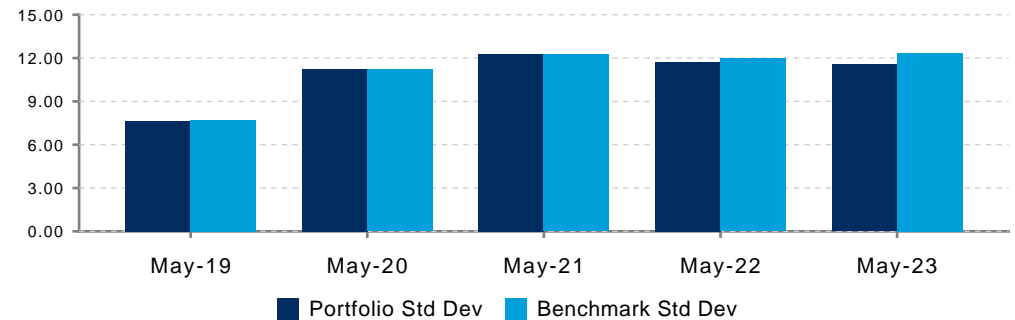


Ending Market Value



3 Year Risk Statistics

	Return	Portfolio Std Dev	Benchmark Std Dev	Sharpe Ratio	Beta	Tracking Error	Information Ratio
TOTAL ENDOWMENT RETURN	7.66	11.56	12.37	0.57	0.93	1.16	0.93



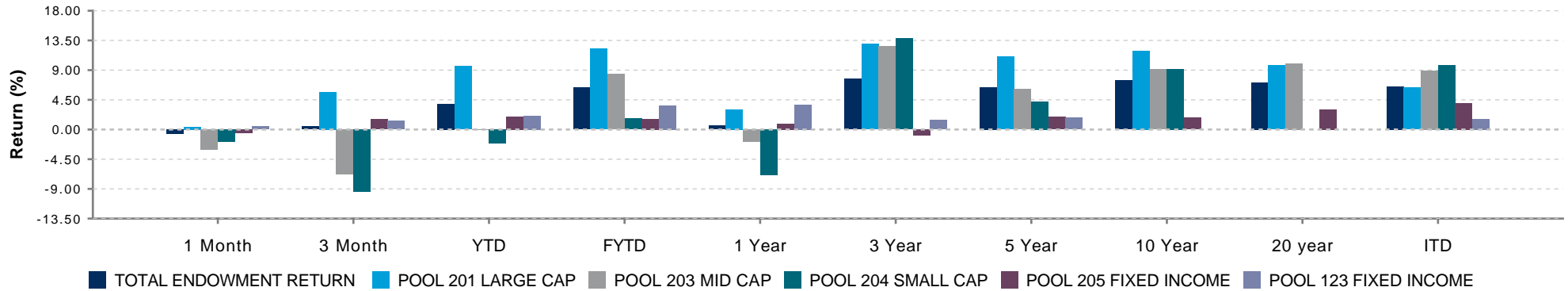
OFFICE OF THE ARIZONA STATE TREASURER

May 31, 2023

Total Returns Net Mgr



Return Comparison



	Market Value	Actual Weight	1 Mth	3 Mth	YTD	FYTD	1 Year	3 Year	5 Year	10 Year	20 Year	ITD	Inc Date
TOTAL ENDOWMENT RETURN	7,513,055,050	100.00	-0.66	0.46	3.91	6.36	0.60	7.66	6.37	7.44	7.10	6.50	Jul-01-99
TOTAL ENDOWMENT BENCHMARK			-0.89	0.56	4.06	5.34	-0.70	6.58	6.02	7.37	7.14	6.56	Jul-01-99
ST OF AZ POOL 201 LARGE CAP	2,689,035,030	35.79	0.40	5.68	9.60	12.24	3.07	12.94	11.04	11.97	9.70	6.36	Jul-01-99
S&P 500 INDEX (DAILY)			0.43	5.75	9.65	12.18	2.92	12.92	11.01	11.99	9.76	6.76	Jul-01-99
ST OF AZ POOL 203 MID CAP	1,116,762,685	14.86	-3.08	-6.78	0.00	8.37	-1.87	12.59	6.12	9.12	10.01	8.94	Aug-01-01
S&P 400 MIDCAP INDEX (DAILY)			-3.19	-7.03	-0.29	7.74	-2.63	12.58	6.00	9.05	10.06	8.92	Aug-01-01
ST OF AZ POOL 204 SMALL CAP	709,578,233	9.44	-1.83	-9.43	-2.10	1.68	-6.89	13.81	4.26	9.17		9.80	Mar-01-11
S&P SM 600 TR			-1.75	-9.41	-2.03	1.41	-7.26	13.57	3.80	8.93		9.60	Mar-01-11
POOL 205 FIXED INCOME	2,699,867,228	35.94	-0.51	1.54	1.98	1.62	0.87	-0.93	1.90	1.77	3.07	4.02	Jul-01-99
FTSE BIG (DAILY)			-1.16	1.96	2.49	-0.64	-2.20	-3.70	0.81	1.40	3.07	4.01	Jul-01-99
POOL 123 FIXED INCOME	297,811,874	3.96	0.44	1.30	2.09	3.67	3.76	1.43	1.77			1.57	Jun-01-16
ASTO-POOL 5 BENCHMARK			0.42	1.23	1.99	3.48	3.58	1.28	1.59			1.41	Jun-01-16

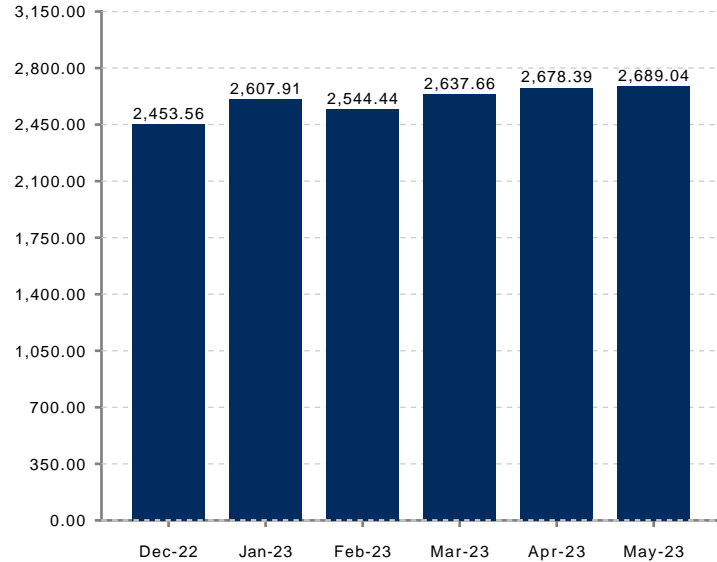
OFFICE OF THE ARIZONA STATE TREASURER

May 31, 2023

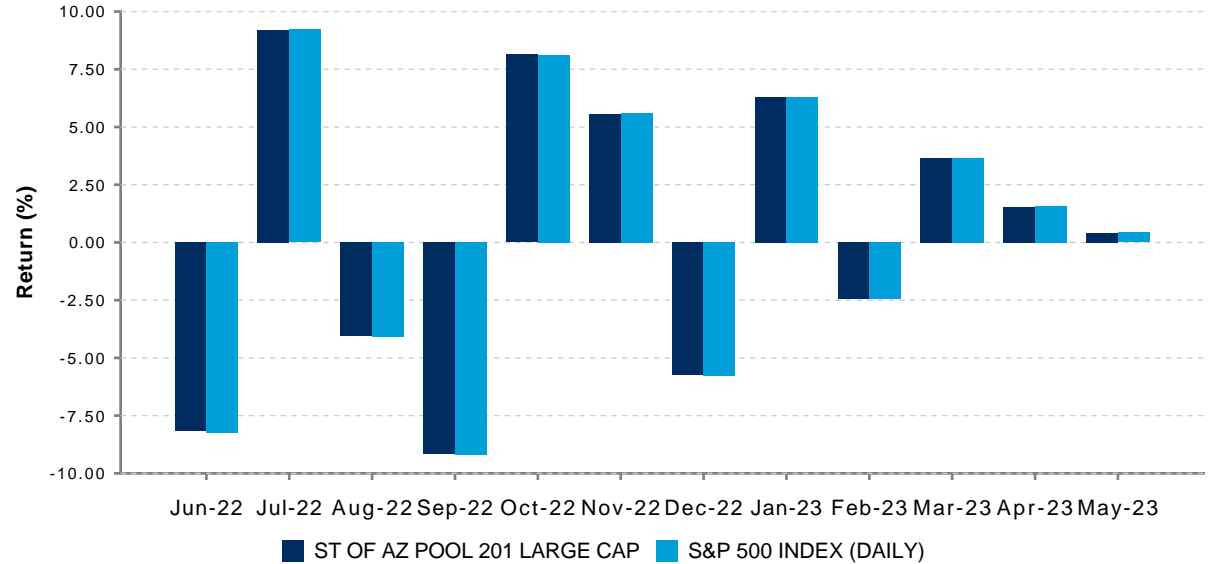
ST OF AZ POOL 201 LARGE CAP



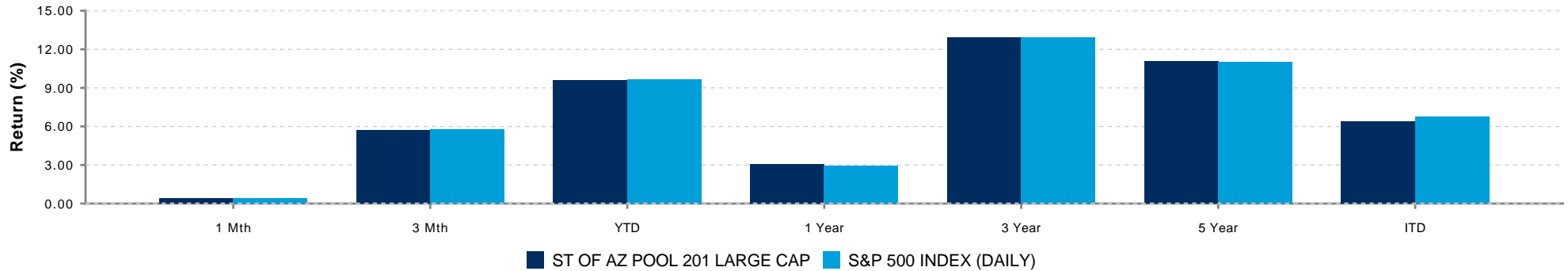
Net Asset Values over Time (\$MM)



Monthly Returns



Rates of Return

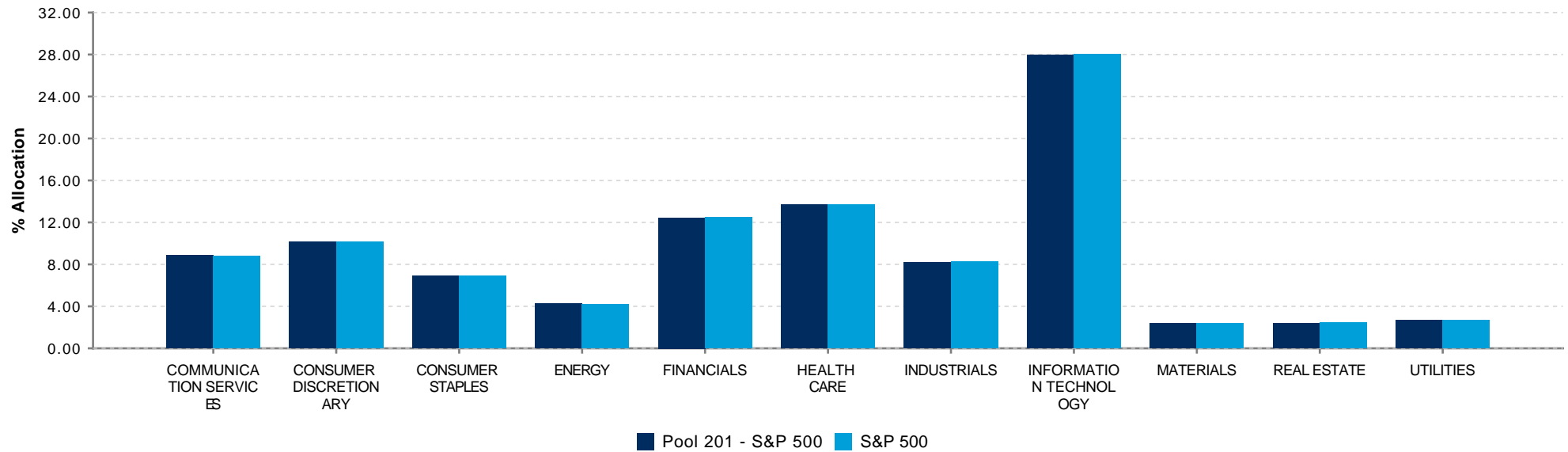


	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	May 31 2021	May 31 2022	May 31 2023
ST OF AZ POOL 201 LARGE CAP	0.40	5.68	9.60	3.07	12.94	11.04	6.36	40.14	-0.26	3.07
S&P 500 INDEX (DAILY)	0.43	5.75	9.65	2.92	12.92	11.01	6.76	40.32	-0.30	2.92
	-0.04	-0.06	-0.05	0.15	0.02	0.02	-0.40	-0.18	0.04	0.15

OFFICE OF THE ARIZONA STATE TREASURER

May 31, 2023

ST OF AZ POOL 201 LARGE CAP
Sector Allocation vs S&P 500



	Fund Weight	Benchmark Weight	Relative Weight
ST OF AZ POOL 201 LARGE CAP	100.00	100.00	0.00
COMMUNICATION SERVICES	8.88	8.76	0.12
CONSUMER DISCRETIONARY	10.15	10.16	-0.01
CONSUMER STAPLES	6.87	6.90	-0.02
ENERGY	4.28	4.18	0.10
FINANCIALS	12.45	12.48	-0.03
HEALTH CARE	13.71	13.72	-0.02
INDUSTRIALS	8.20	8.24	-0.04
INFORMATION TECHNOLOGY	27.96	28.05	-0.09
MATERIALS	2.40	2.41	-0.00
REAL ESTATE	2.41	2.42	-0.01
UTILITIES	2.69	2.68	0.00

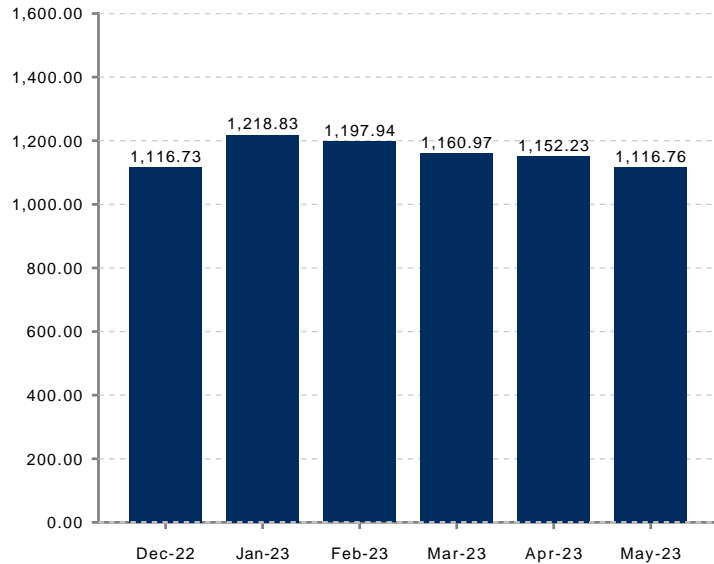
OFFICE OF THE ARIZONA STATE TREASURER

May 31, 2023

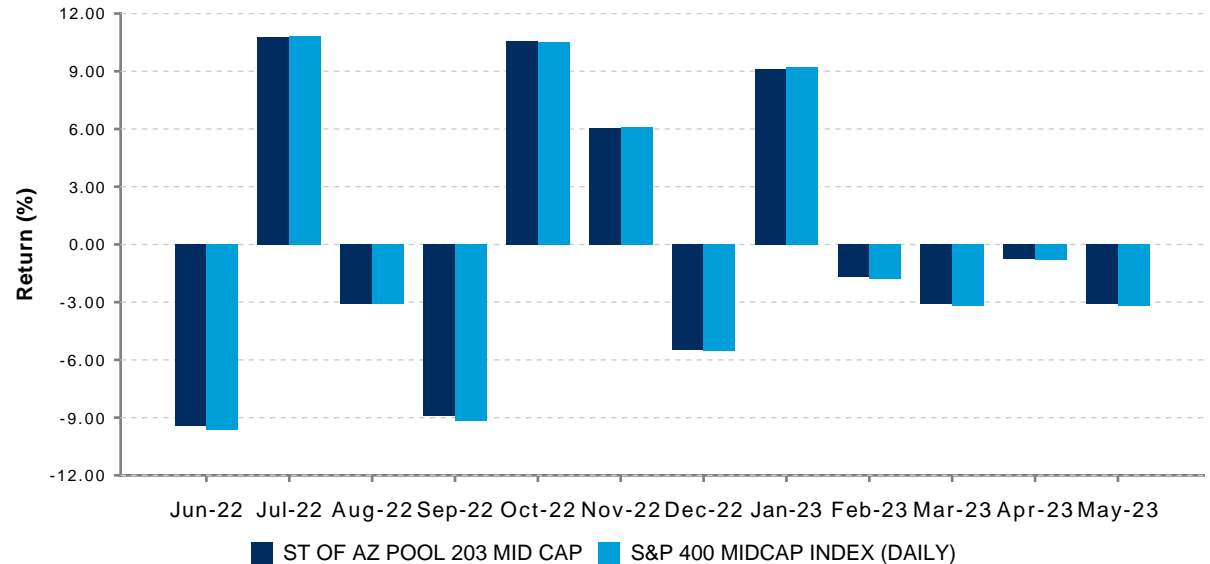
ST OF AZ POOL 203 MID CAP



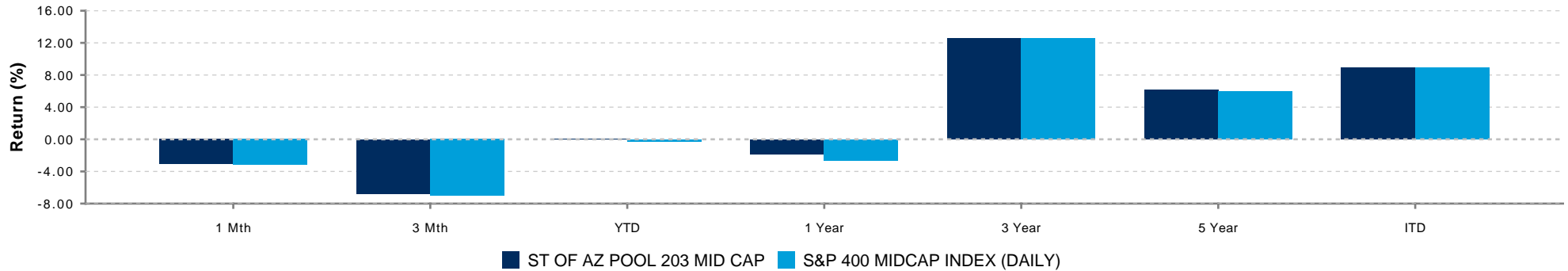
Net Asset Values over Time (\$MM)



Monthly Returns



Rates of Return

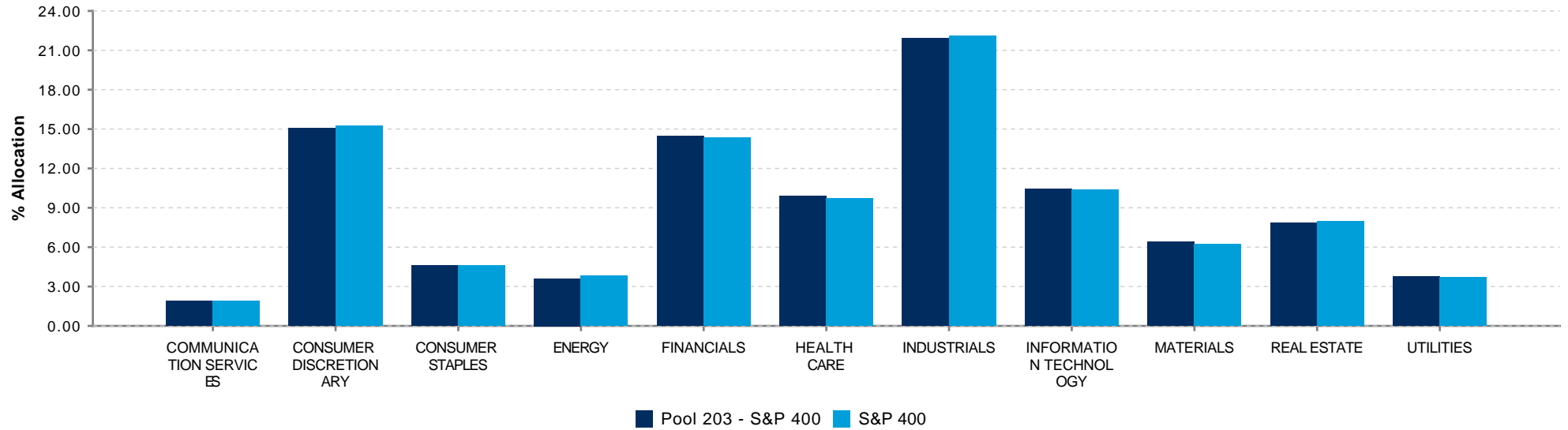


	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	May 31 2021	May 31 2022	May 31 2023
ST OF AZ POOL 203 MID CAP	-3.08	-6.78	0.00	-1.87	12.59	6.12	8.94	55.88	-6.70	-1.87
S&P 400 MIDCAP INDEX (DAILY)	-3.19	-7.03	-0.29	-2.63	12.58	6.00	8.92	56.77	-6.52	-2.63
	0.11	0.25	0.30	0.75	0.00	0.12	0.03	-0.89	-0.18	0.75

OFFICE OF THE ARIZONA STATE TREASURER

May 31, 2023

ST OF AZ POOL 203 MID CAP
Sector Allocation vs S&P MID CAP 400



	Weight Fund	Weight Benchmark	Weight Relative
ST OF AZ POOL 203 MID CAP	100.00	100.00	0.00
COMMUNICATION SERVICES	1.92	1.91	0.01
CONSUMER DISCRETIONARY	15.07	15.26	-0.18
CONSUMER STAPLES	4.62	4.59	0.03
ENERGY	3.61	3.80	-0.18
FINANCIALS	14.48	14.32	0.16
HEALTH CARE	9.91	9.73	0.17
INDUSTRIALS	21.94	22.12	-0.18
INFORMATION TECHNOLOGY	10.42	10.35	0.07
MATERIALS	6.43	6.24	0.19
REAL ESTATE	7.83	7.96	-0.13
UTILITIES	3.76	3.72	0.04

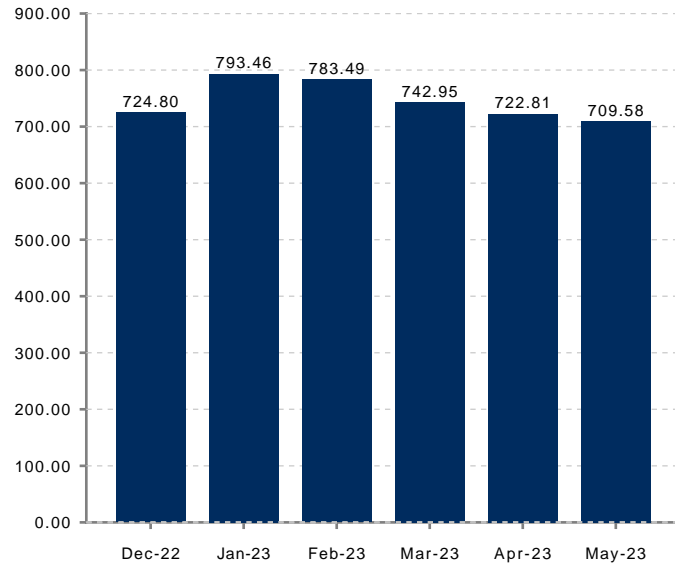
OFFICE OF THE ARIZONA STATE TREASURER

May 31, 2023

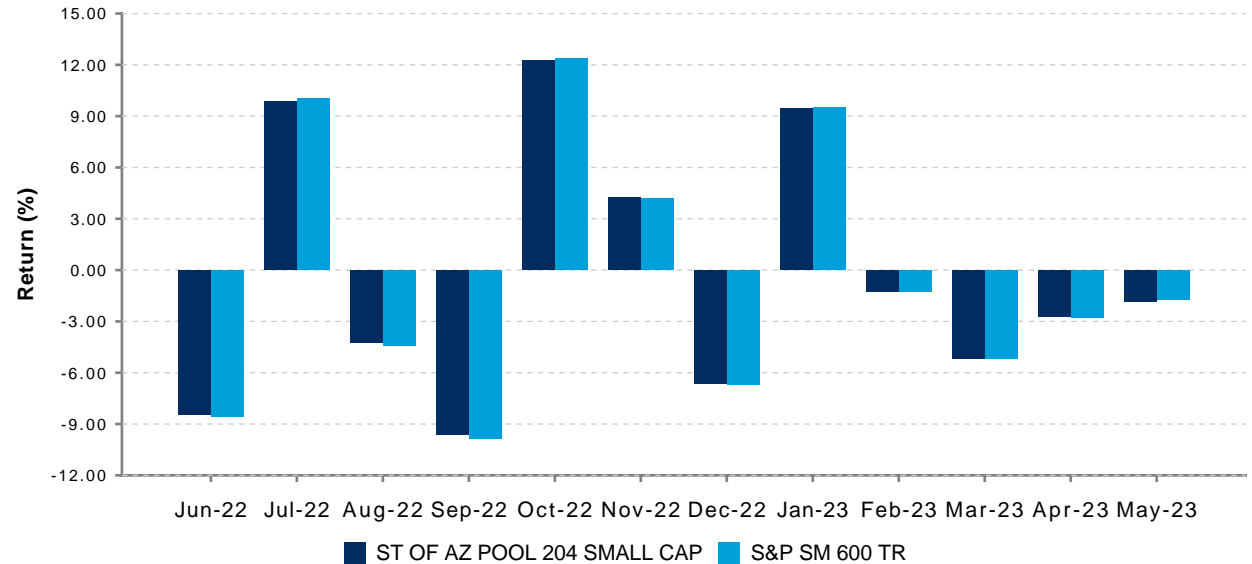
ST OF AZ POOL 204 SMALL CAP



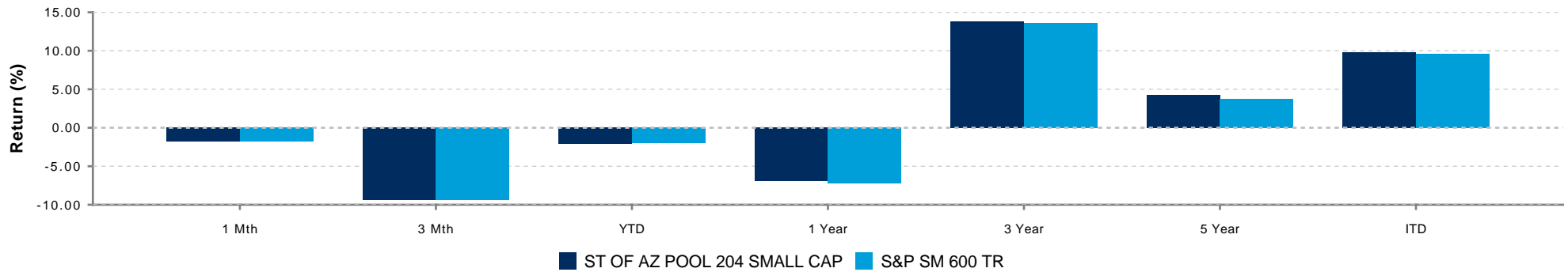
Net Asset Values over Time (\$MM)



Monthly Returns



Rates of Return

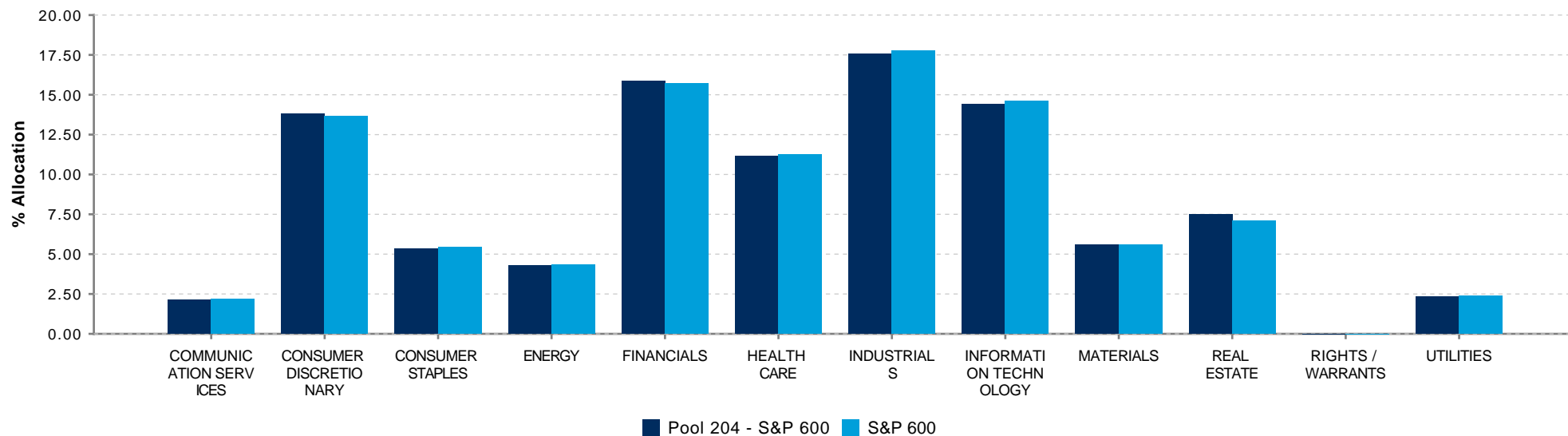


	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	May 31 2021	May 31 2022	May 31 2023
ST OF AZ POOL 204 SMALL CAP	-1.83	-9.43	-2.10	-6.89	13.81	4.26	9.80	72.56	-8.25	-6.89
S&P SM 600 TR	-1.75	-9.41	-2.03	-7.26	13.57	3.80	9.60	73.07	-8.73	-7.26
	-0.08	-0.02	-0.07	0.36	0.23	0.45	0.20	-0.52	0.48	0.36

OFFICE OF THE ARIZONA STATE TREASURER

May 31, 2023

ST OF AZ POOL 204 SMALL CAP
Sector Allocation vs S&P SMALLCAP 600



	Weight Fund	Weight Benchmark	Weight Relative
ST OF AZ POOL 204 SMALL CAP	100.00	100.00	0.00
COMMUNICATION SERVICES	2.15	2.17	-0.02
CONSUMER DISCRETIONARY	13.79	13.67	0.13
CONSUMER STAPLES	5.36	5.43	-0.07
ENERGY	4.29	4.34	-0.05
FINANCIALS	15.88	15.69	0.19
HEALTH CARE	11.15	11.27	-0.11
INDUSTRIALS	17.55	17.77	-0.22
INFORMATION TECHNOLOGY	14.41	14.61	-0.20
MATERIALS	5.59	5.61	-0.03
REAL ESTATE	7.48	7.08	0.41
RIGHTS / WARRANTS	0.00	0.00	0.00
UTILITIES	2.35	2.37	-0.02

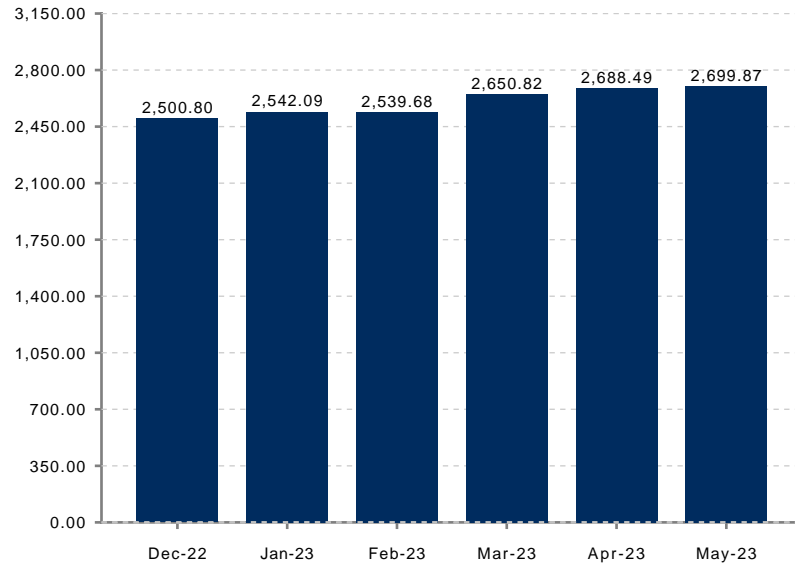
OFFICE OF THE ARIZONA STATE TREASURER

May 31, 2023

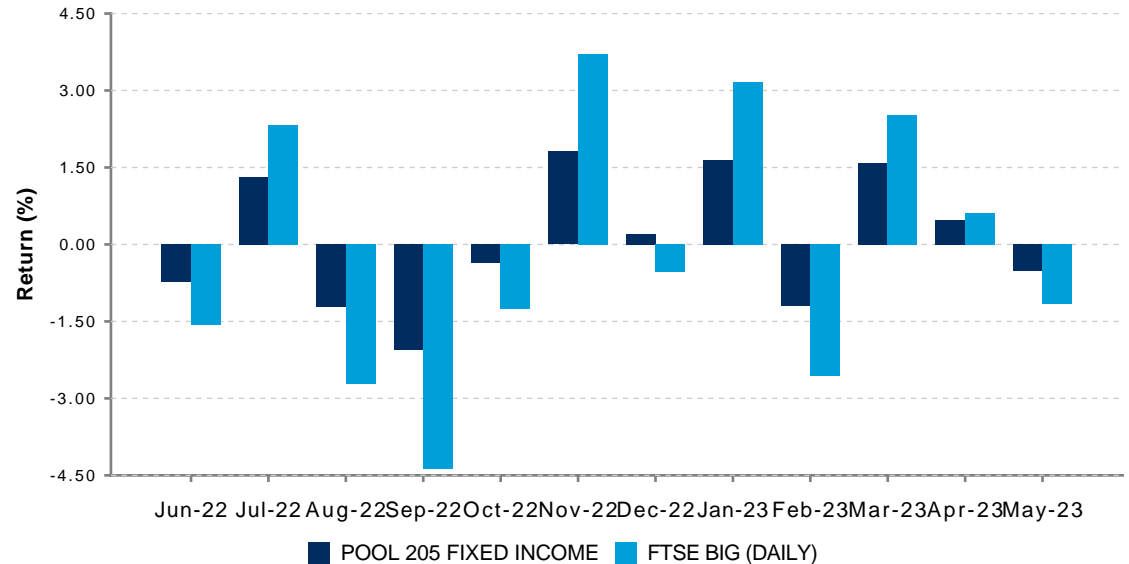
POOL 205 FIXED INCOME



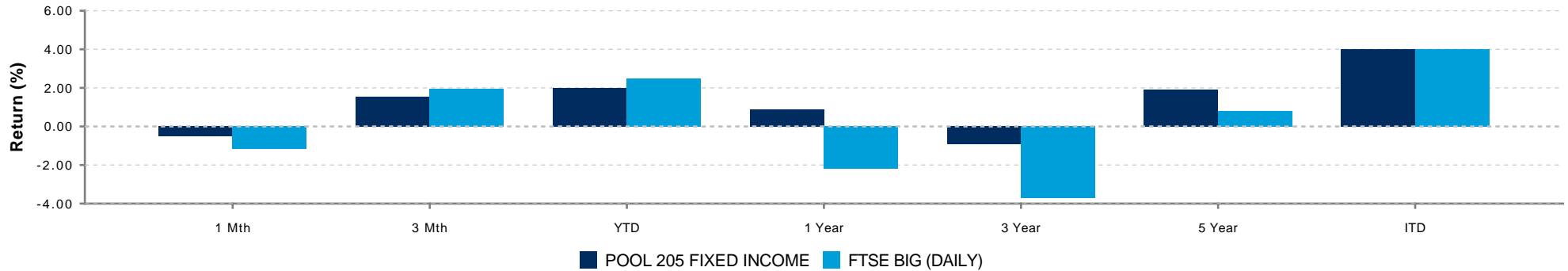
Net Asset Values over Time (\$MM)



Monthly Returns



Rates of Return

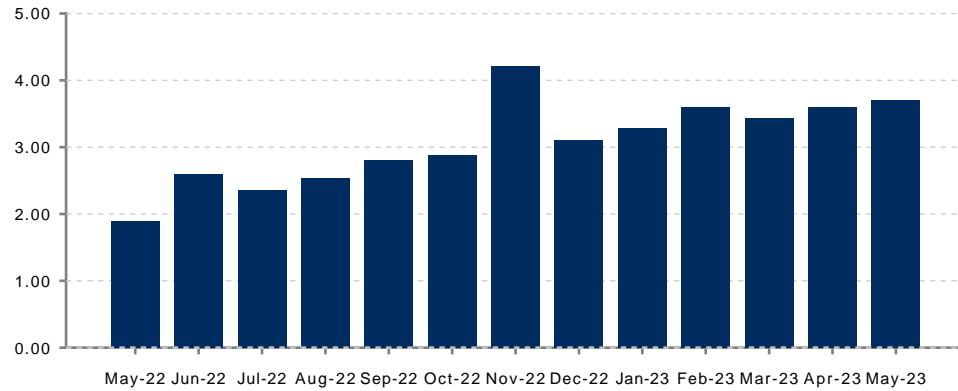


	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	May 31 2023	May 31 2022	May 31 2021
POOL 205 FIXED INCOME	-0.51	1.54	1.98	0.87	-0.93	1.90	4.02	0.87	-4.29	0.71
FTSE BIG (DAILY)	-1.16	1.96	2.49	-2.20	-3.70	0.81	4.01	-2.20	-8.37	-0.36
	0.66	-0.42	-0.51	3.07	2.78	1.09	0.02	3.07	4.08	1.07

(This page intentionally left blank)



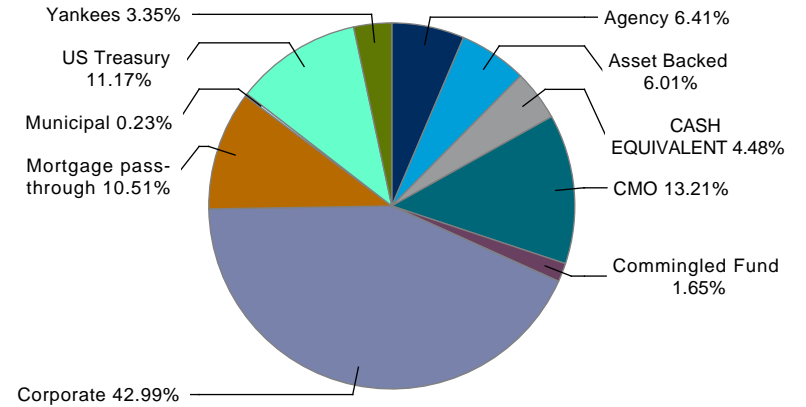
Net Yield



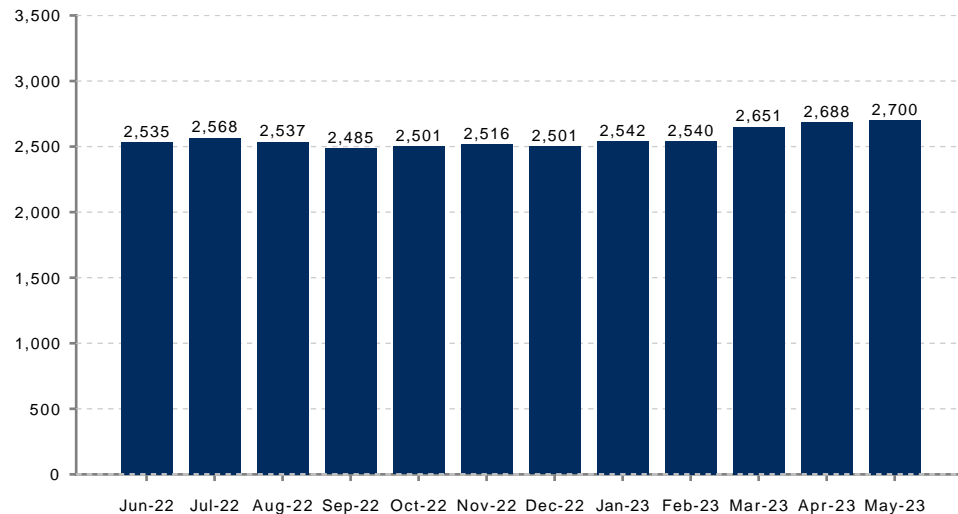
	Current Mth	Prior Mth	1 Year Ago
POOL 205 FIXED INCOME	3.71	3.60	1.89

Asset Allocation

	Ending Market Value
POOL 205 FIXED INCOME	2,699,867,228



Net Asset Values over Time (\$MM)

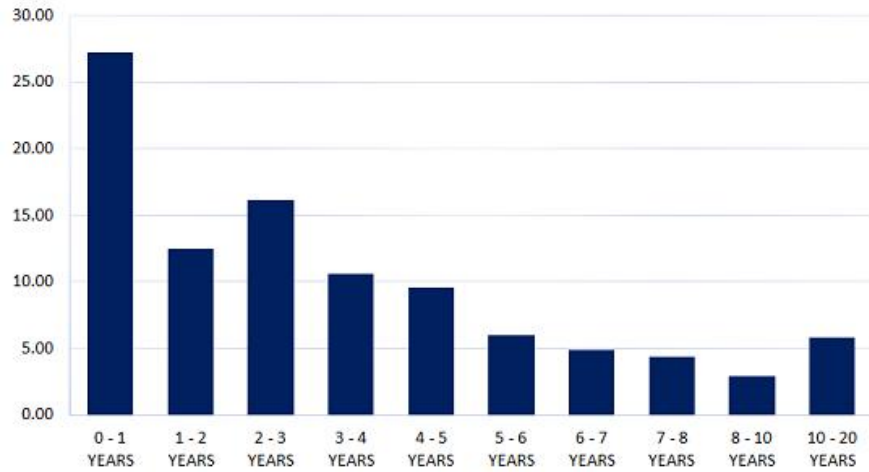


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 205 FIXED INCOME		
NVIDIA CORP	34,986,624	1.30
ILA FINANCIAL SQUARE GOVT	32,722,059	1.21
ISHARES TIPS BOND ETF	30,672,943	1.14
BOEING CO	29,888,783	1.11
VULCAN MATERIALS CO	25,425,280	0.94
GOLDMAN SACHS GROUP INC	25,055,587	0.93
BANK OF MONTREAL	24,824,138	0.92
US TREASURY N/B	24,608,749	0.91
US TREASURY N/B	22,010,929	0.82
UNITEDHEALTH GROUP INC	21,153,540	0.78



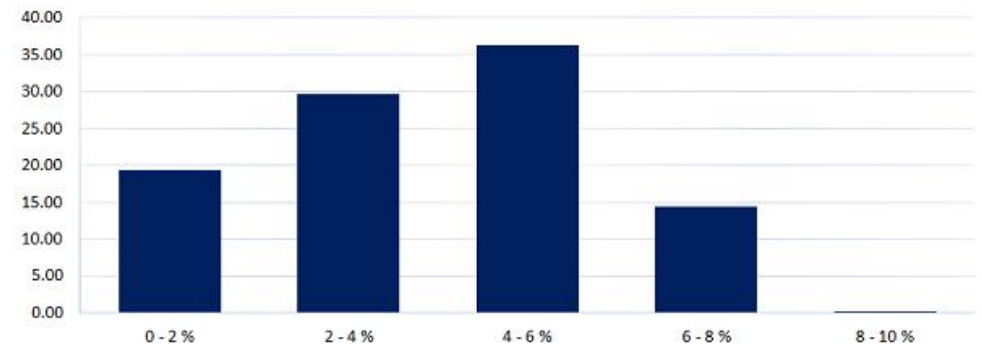
Duration Distribution



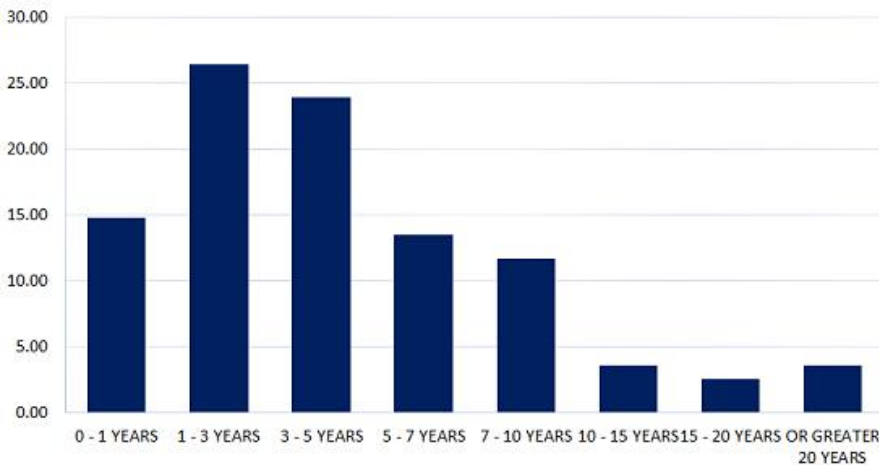
Portfolio Level Characteristics

	POOL 205 FIXED INCOME
Effective Maturity	5.44
Coupon	4.00
Effective Duration	3.47
Quality Rating (Moody's)	AA-2

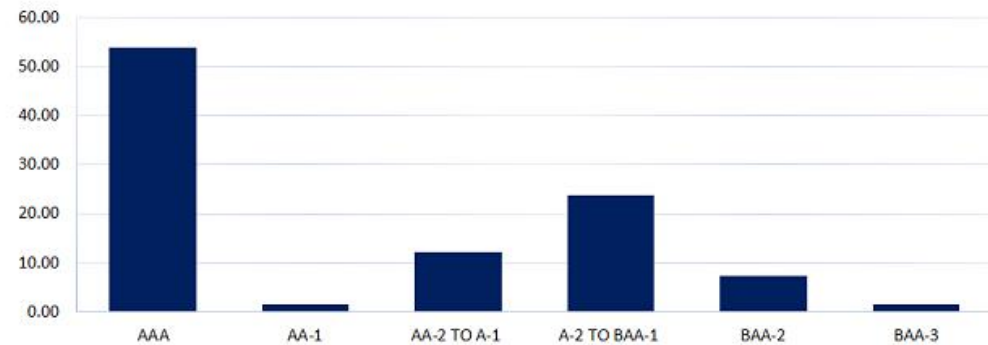
Coupon Distribution



Expected Maturity Distribution

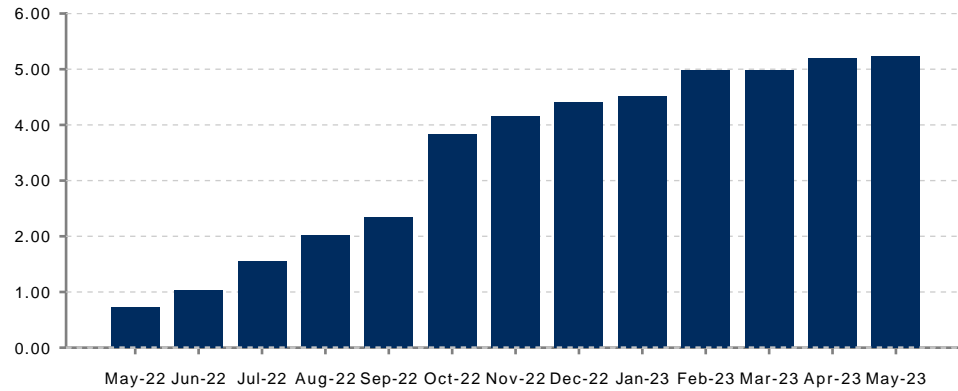


Rating Distribution





Net Yield

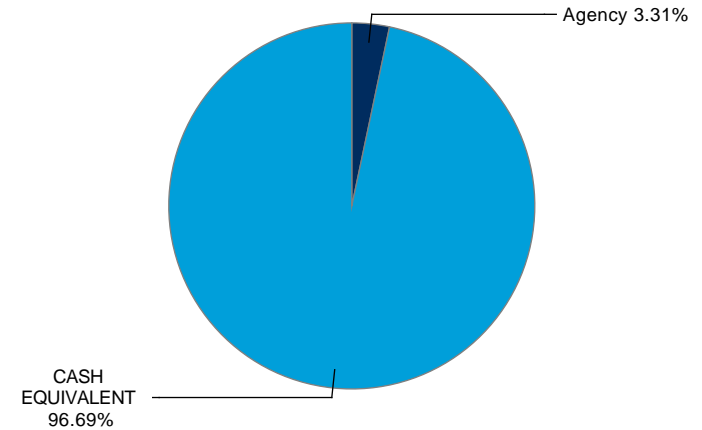


Current Mth **Prior Mth** **1 Year Ago**

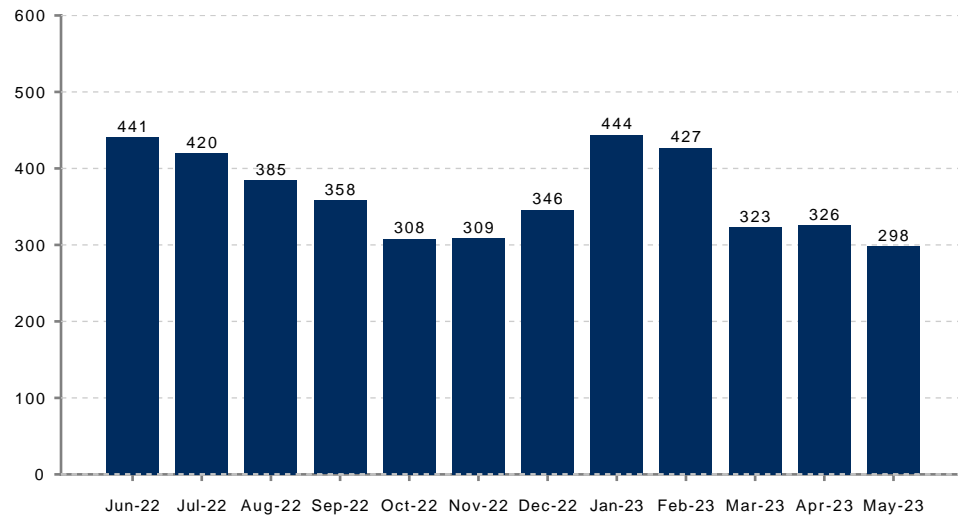
ST OF AZ POOL 123 ST FIXED INC	5.23	5.20	0.73
--------------------------------	------	------	------

Asset Allocation

	Ending Market Value
ST OF AZ POOL 123 ST FIXED INC	297,811,874



Net Asset Values over Time (\$MM)

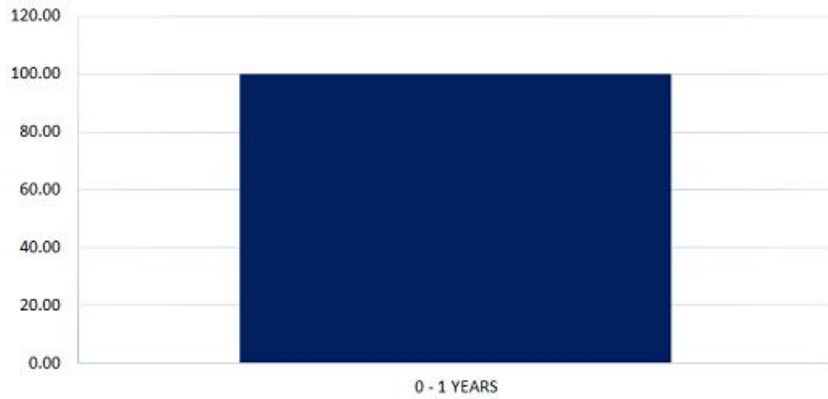


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
ST OF AZ POOL 123 ST FIXED INC		
AT+T INC	19,556,667	6.57
CHARIOT FNDG LLC	19,837,911	6.66
DUKE ENERGY CORP	23,931,467	8.04
GOTHAM FDG CORP	19,897,200	6.68
ILA FINANCIAL SQUARE GOVT	50,923,758	17.10
PARKER-HANNIFIN CORP	24,907,986	8.36
TREASURY BILL	14,919,167	5.01
TREASURY BILL	19,946,029	6.70
TREASURY BILL	14,973,008	5.03
PODIUM FUNDING TRUST	14,987,375	5.03



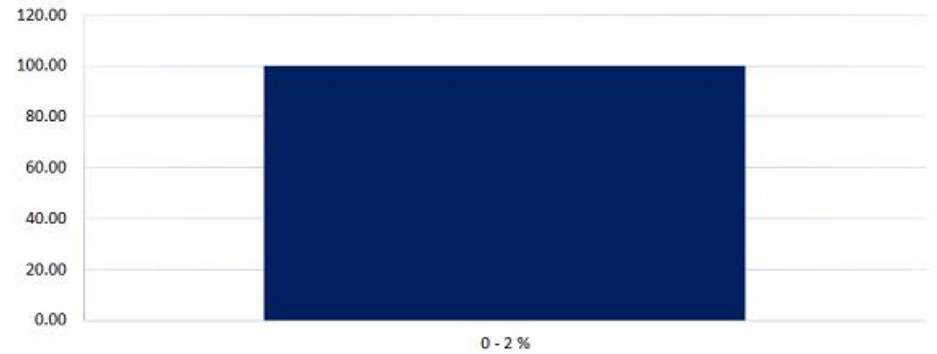
Duration Distribution



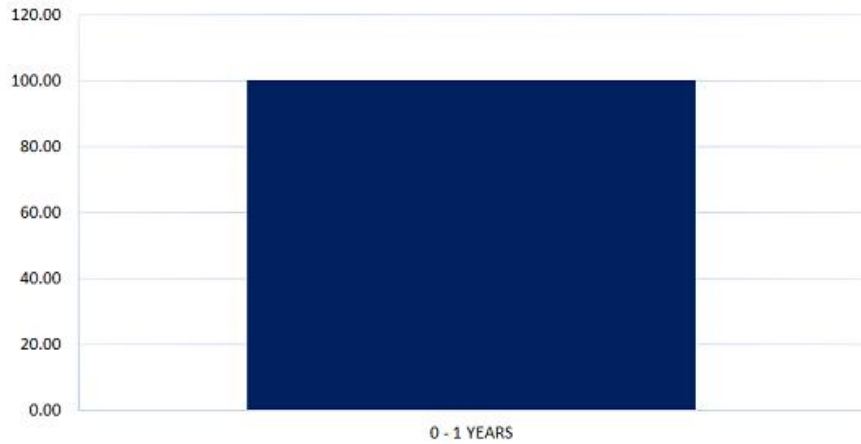
Portfolio Level Characteristics

	POOL 123 ST
Effective Maturity	0.13
Coupon	2.92
Effective Duration	0.13
Quality Rating (Moody's)	AA-1

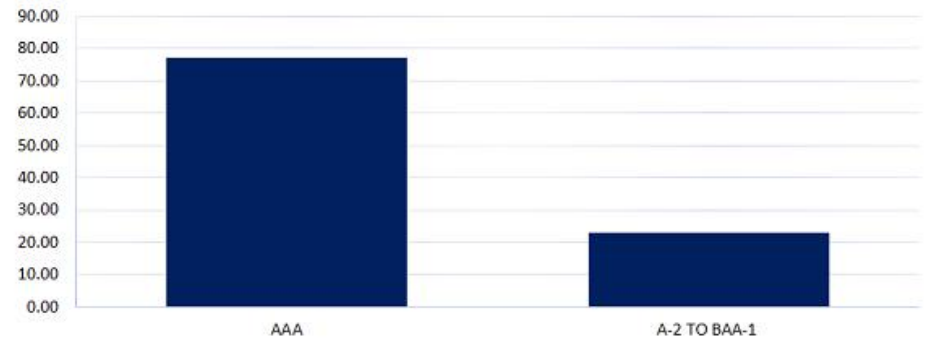
Coupon Distribution



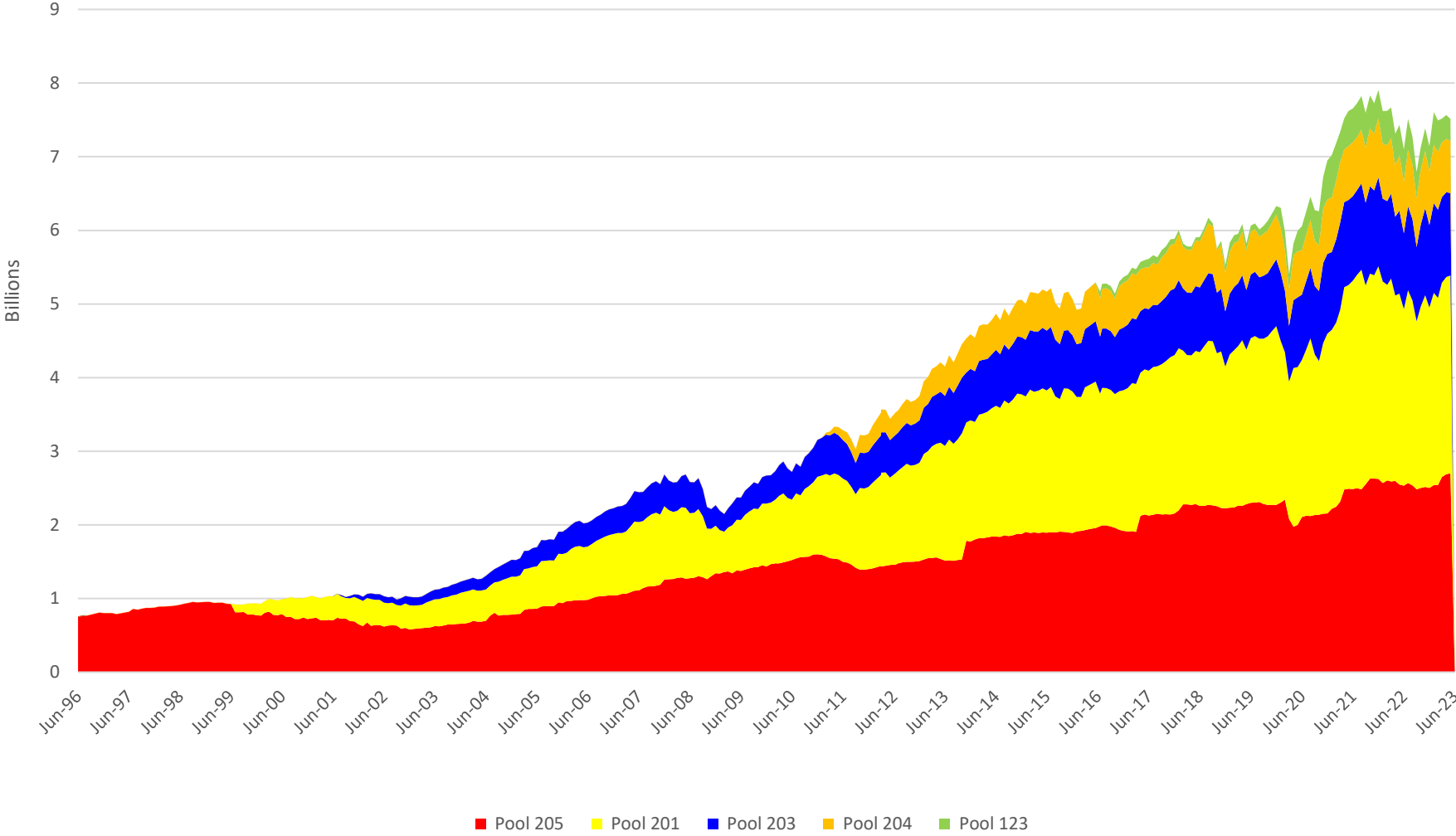
Expected Maturity Distribution



Rating Distribution



Permanent Land Endowment Trust Fund Market Value



ARIZONA ENDOWMENT TRUST FUND

NET REALIZED CAPITAL GAIN/(LOSS)

	<u>May 2023</u>	<u>May 2022</u>
Current Month	\$0	\$0
Year-to-date	75,230	90,819

MONTHLY PROCEEDS

	<u>FY 22/23</u>
July	\$2,890,699
August	456,739
September	536,566
October	718,758
November	780,784
December	1,062,223
January	1,231,046
February	1,394,667
March	1,494,641
April	1,578,303
May	1,904,018
June	
TOTAL	\$14,048,446

ASSET ALLOCATION

	<u>SHARES OUTSTANDING</u>	<u>BOOK VALUE</u>	<u>MARKET VALUE</u>	<u>UNREALIZED GAIN / (LOSS)</u>
<i>Fixed Income Pools</i>	2,014,970	\$25,581,989	\$25,104,071	(\$477,918)
<i>Equity Pools</i>	3,267,856	38,372,984	38,967,304	594,320
TOTAL	5,282,826	\$63,954,973	\$64,071,375	\$116,402

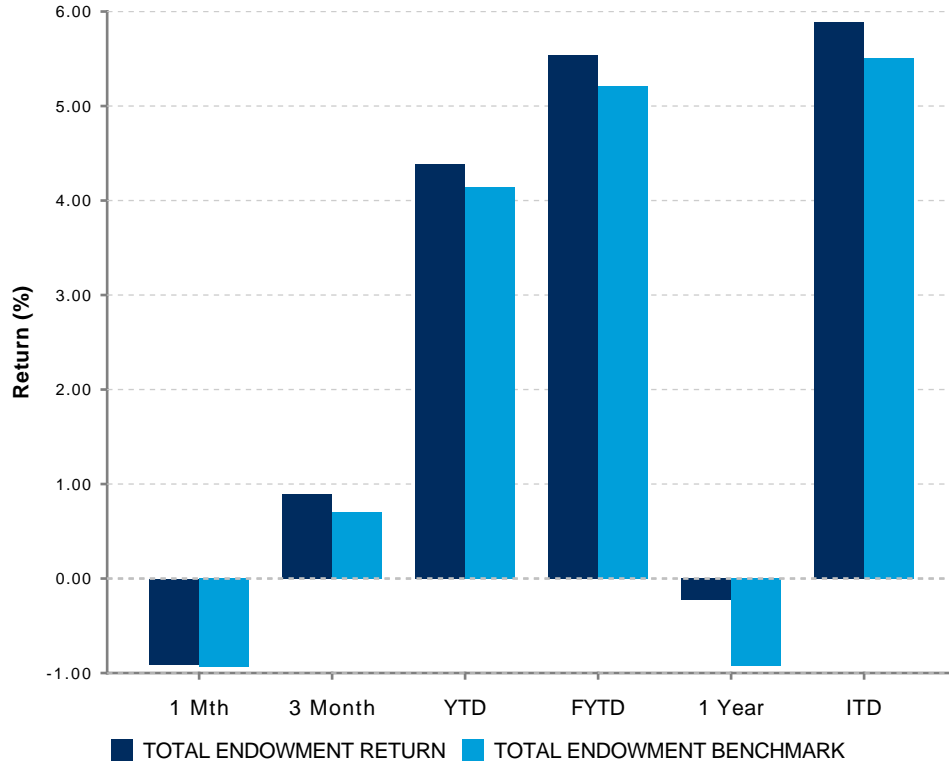
OFFICE OF THE ARIZONA STATE TREASURER

May 31, 2023

Arizona Endowment Trust Fund Summary



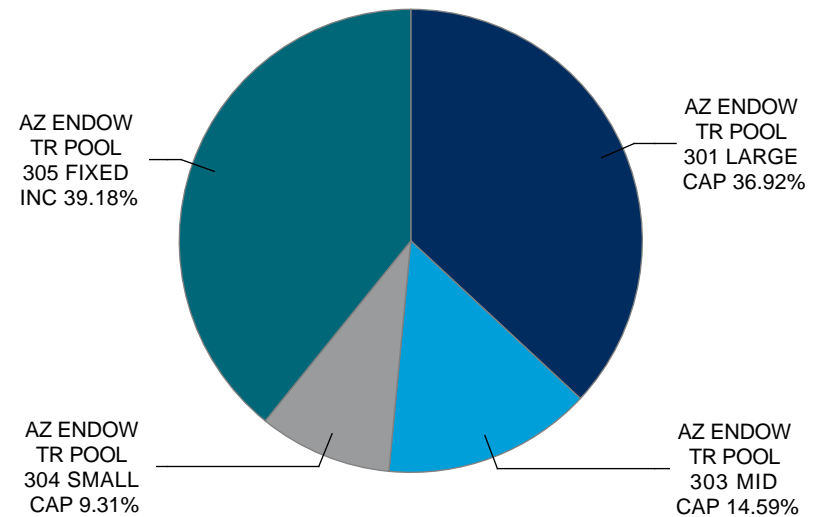
Performance



	1 Mth	3 Mth	YTD	FYTD	1 Year	ITD	Incept Date
TOTAL ENDOWMENT RETURN	-0.91	0.89	4.39	5.54	-0.23	5.89	09/19
TOTAL ENDOWMENT BENCHMARK	-0.94	0.70	4.14	5.21	-0.93	5.51	09/19
	0.03	0.19	0.25	0.33	0.69	0.38	

Asset Allocation

	Ending Market Value
TOTAL ENDOWMENT RETURN	64,071,375



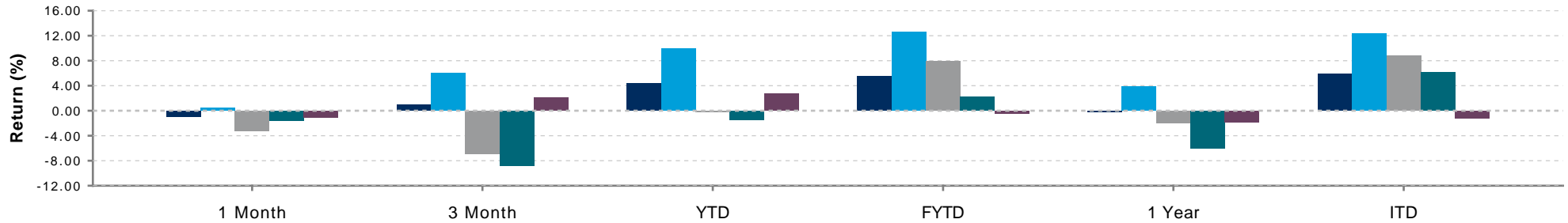
OFFICE OF THE ARIZONA STATE TREASURER

May 31, 2023

Total Returns Net Mgr



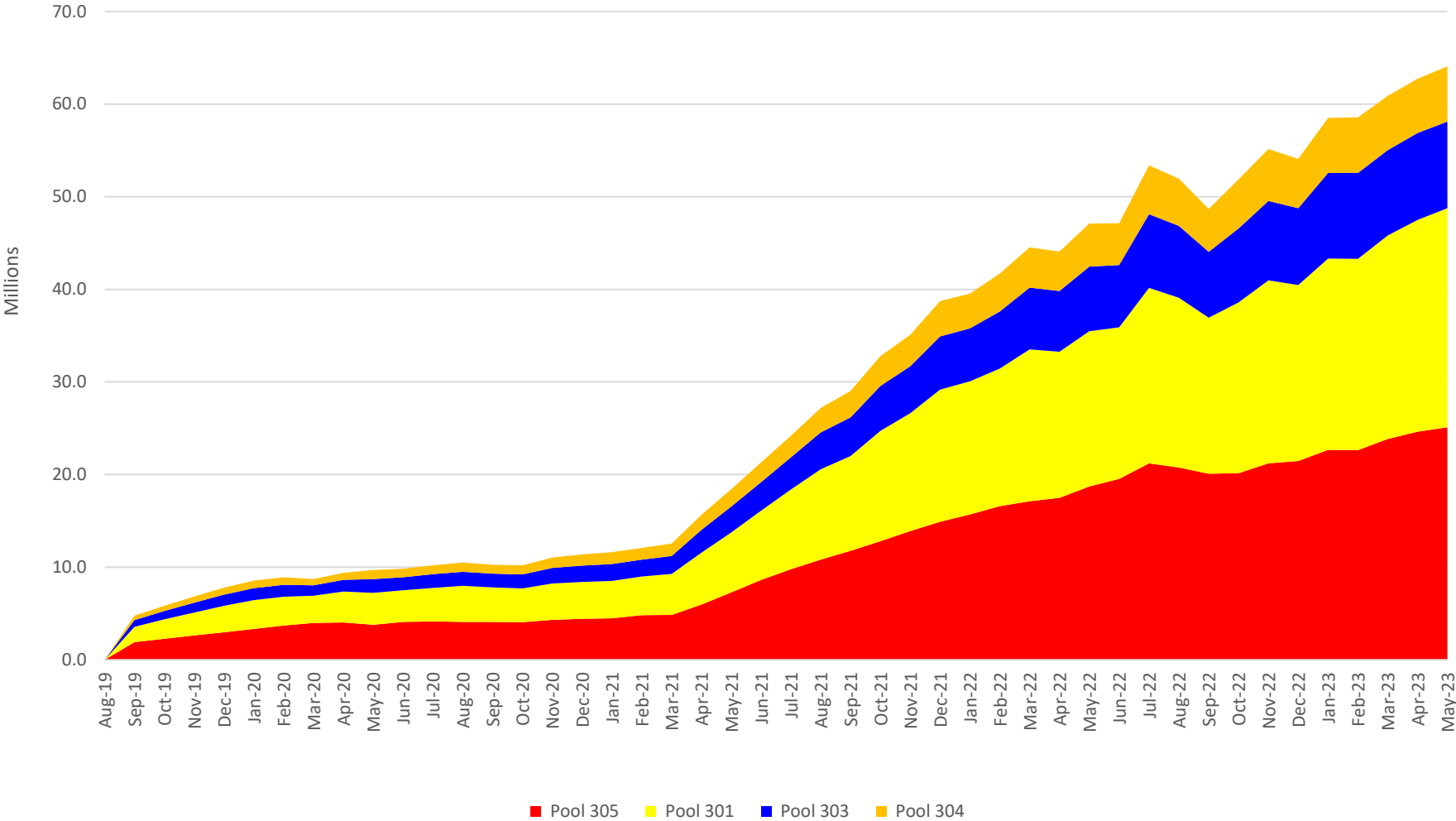
Return Comparison



■ TOTAL ENDOWMENT RETURN
 ■ AZ ENDOW TR POOL 301 LARGE CAP
 ■ AZ ENDOW TR POOL 303 MID CAP
 ■ AZ ENDOW TR POOL 304 SMALL CAP
 ■ AZ ENDOW TR POOL 305 FIXED INC

	Market Value	Actual Weight	1 Mth	3 Mth	YTD	FYTD	1 Year	ITD	Inc Date
TOTAL ENDOWMENT RETURN	64,071,375	100.00	-0.91	0.89	4.39	5.54	-0.23	5.89	Sep-01-19
TOTAL ENDOWMENT BENCHMARK			-0.94	0.70	4.14	5.21	-0.93	5.51	Sep-01-19
			0.03	0.19	0.25	0.33	0.69	0.38	
AZ ENDOW TR POOL 301 LARGE CAP	23,655,011	36.92	0.46	5.96	9.90	12.58	3.83	12.33	Sep-01-19
S&P 500 INDEX (DAILY)			0.43	5.75	9.65	12.18	2.92	11.83	Sep-01-19
			0.03	0.21	0.25	0.39	0.91	0.50	
AZ ENDOW TR POOL 303 MID CAP	9,347,951	14.59	-3.21	-6.91	-0.23	7.96	-1.93	8.85	Sep-01-19
S&P 400 MIDCAP INDEX (DAILY)			-3.19	-7.03	-0.29	7.74	-2.63	8.47	Sep-01-19
			-0.02	0.13	0.06	0.23	0.70	0.37	
AZ ENDOW TR POOL 304 SMALL CAP	5,964,341	9.31	-1.64	-8.82	-1.46	2.20	-6.05	6.09	Sep-01-19
S&P SM 600 TR			-1.75	-9.41	-2.03	1.41	-7.26	7.19	Sep-01-19
			0.11	0.59	0.57	0.79	1.20	-1.10	
AZ ENDOW TR POOL 305 FIXED INC	25,104,071	39.18	-1.13	2.04	2.73	-0.44	-1.82	-1.15	Sep-01-19
FTSE BIG (DAILY)			-1.16	1.96	2.49	-0.64	-2.20	-1.67	Sep-01-19
			0.03	0.09	0.24	0.19	0.38	0.52	

Arizona Endowment Trust Fund Market Value



Arizona's Education Savings Plan (AZ529) May 2023 Summary

Overall Performance – Where We Are Now |

➤ AZ529, Arizona's Education Savings Plan:

- Total assets: \$1,918,249,315 (+2.8% YoY)
 - Total Arizona resident assets: \$975,920,273 (50.9%)
 - Total non-resident assets: \$942,329,042 (49.1%)
- Total accounts: 103,264 (+4.1% YoY)
 - Total Arizona resident accounts: 58,696 (56.8%)
 - Total non-resident accounts: 44,568 (43.2%)

Fidelity AZ529, Arizona's Education Savings Plan | Direct Sold

Fidelity remains the largest AZ529 provider, holding 66.8% of total assets and 68.1% of total accounts. Total Fidelity AZ529, Arizona's Education Savings Plan assets in May were up 9.9% YoY to \$1,281,978,752 with total accounts up 12% YoY to 70,278. Arizona residents held 72.5% of total assets and 79.7% of total accounts, with the rest held by non-residents.

Goldman Sachs 529 Plan | Advisor Sold

Goldman Sachs remains the second largest AZ529 provider, holding 32.8% of total assets and 31.2% of total accounts. Total Goldman Sachs 529 Plan assets in May were down 4.8% YoY to \$628,922,364 with total accounts down 5.8% YoY to 32,205. Arizona residents held 7.1% of total assets and 7.3% of total accounts, with the rest held by non-residents. Ascensus/Goldman Sachs assumed control of Ivy InvestEd accounts on June 13, 2022.

College Savings Bank Plan | Closed Plan

College Savings Bank (CSB) continues to wind down its participation as an AZ529 provider, holding 0.4% of total assets and 0.8% of total accounts. Total CSB Plan assets in May were \$7,348,199 in 781 accounts. Arizona residents held 27.7% of total assets and 43.9% of total accounts, with the rest held by non-residents.

AZ529 Plan Assets |

	May 31, 2023	May 31, 2022	YoY Change
Fidelity AZ529, Arizona's Education Savings Plan	\$1,281,978,752	\$1,166,478,502	+9.9%
Goldman Sachs 529 Plan	\$628,922,364	\$660,567,903	-4.8%
*College Savings Plan	\$7,348,199	\$39,468,484	-81.4%
	\$1,918,249,315	\$1,866,514,889	+2.8%

*3rd quarterly transfer of CSB accounts to Fidelity Investments took place on May 31, 2023.

AZ529 Plan Accounts |

	May 31, 2023	May 31, 2022	YoY Change
Fidelity AZ529, Arizona's Education Savings Plan	70,278	62,776	+12%
Goldman Sachs 529 Plan	32,205	34,198	-5.8%
*College Savings Plan	781	2,223	-64.9%
TOTAL AZ529 ACCOUNTS	103,264	99,197	+4.1%

* 3rd quarterly transfer of CSB accounts to Fidelity Investments took place on May 31, 2023.