OFFICE OF THE

ARIZONA STATE TREASURER

EILEEN I. KLEIN
TREASURER

MARCH 2018

Presented To:

Arizona State Board of Investment

April 24, 2018

STATE BOARD OF INVESTMENT

A G E N D A

April 24, 2018

1. Call to Order
2. Chairman Remarks
3. Approval of April 24, 2018 Minutes
4. Review of Treasurer's Monthly Reports
    A. Earnings Distribution; Investment Pools
    B. Operating Monies Invested Balances
    C. State Agency Pools Investments and Performance Reports
    D. LGIP Pools Investments and Performance Reports
    E. Earnings Distributed Endowment Funds
    F. Land Sales Monthly Proceeds Endowment Funds
    G. Endowment Investments and Performance Reports
    H. Broker Activity Report
5. Proposed Changes to the Investment Policy
    A. Review of Proposed Changes
    B. Public Comment on Proposed Changes
    C. Discussion and Action on Proposed Changes
6. Review and Approval of Proposed/Pending Securities Dealers
7. General Business
8. Call to the Public
9. Notice of Next Meeting
10. Adjournment

REPORT OF THE STATE TREASURER

FOR

April 24, 2018

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Minutes of
BOARD OF INVESTMENT MEETING

The regular meeting of the State Board of Investment was held on March 27, 2018 in the Office of the State Treasurer, 1700 West Washington, State Capitol, West Wing, Treasurer's Conference Room, Phoenix, Arizona. Treasurer DeWit called the meeting to order at approximately 1:38 p.m.

Members Present:

Jeff DeWit, Chair, State Treasurer
Harry A. Papp, CFA & Managing Partner, L. Roy Papp & Associate
Beth Ford, Treasurer, Pima County
Clark Partridge, Comptroller, Arizona Department of Administration

Others Present:

Mark Swenson, Deputy Treasurer of Policy & Research, Arizona State Treasurer's Office
Lorraine Jones, Deputy Treasurer of Operations, Arizona State Treasurer's Office
Dennis Stevenson, Chief Investment Officer, Arizona State Treasurer's Office
Tim White, Director of Endowments, Arizona State Treasurer's Office
Jake Richardson, Portfolio Manager, Arizona State Treasurer's Office
Eric Stivers, Investment Analyst, Arizona State Treasurer's Office
Dajana Zlaticanin, Financial Policy Administrator, Arizona State Treasurer's Office
Michael Leslein, Investment Accounting Manager, Arizona State Treasurer's Office
Patrick Quigley, Director of Financial Operations, Arizona State Treasurer's Office
Ken Price, Human Resource Manager, Arizona State Treasurer's Office
Don Peeples, Member of the Public, Tucson, Arizona
Daniel Trozzi, Member of the Public, Phoenix, Arizona

Pursuant to A.R.S. 35-311, the following reports for February 2018 were submitted for the Board's approval:

Review of Treasurer's Monthly Reports:

Earnings Distribution; Investment Pools

Operating Monies Invested Balances

State Agency Pools Investments and Performance Reports

LGIP Pools Investments and Performance Reports

Earnings Distributed Endowment Funds

Land Sales Monthly Proceeds Endowment Funds

Endowment Investments and Performance Reports

1. **Call to Order:**
   Treasurer DeWit called the March 27, 2018 BOI meeting to order at approximately 1:38 p.m.

2. **Treasurers Comments:**
   Treasurer DeWit welcomed the board members and guests and thanked all present for attending the March 27, 2018 meeting.

3. **Approval of Minutes:**
   Mr. Papp made a motion to approve the February 27, 2018 report. Ms. Ford seconded the motion. Motion carried.

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

Earnings Distribution – Investment Pools

Mr. Stevenson 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 February 2018.

Operating Monies Average Invested Balance

Mr. Stevenson reported the Operating Monies average invested balance for the month of February 2018.

Review of Treasurer's Monthly Report – Agency Pools:

Mr. Stevenson 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. Stevenson reported the net yields for the State Agency Pools for the month of February 2018.

Manager Allocation of Invested Monies for the State Agency Pools

Mr. Stevenson 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 February 28, 2018.

Investments Outstanding in State Agency Pools

Mr. Stevenson reported the total net assets, asset allocation, the weighted average life, the weighted average duration and the weighted average rating for the State Agency Investment Pools as of February 28, 2018.

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

Mr. Stevenson 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. Stevenson reported the net yield for the LGIP and LGIP-Gov Pools and the comparison to the benchmark for the month of February 2018.

Pool 500 & Pool 700 Portfolio Yield Analysis

Mr. Stevenson reported the net yield for the LGIP Medium Term Pools and the comparison to the benchmark for the month of February 2018.

Manager Allocation of Invested Monies for the LGIP Pools

Mr. Stevenson 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 February 28, 2018.

LGIP Pools Investments and Performance Reports

Mr. Stevenson reported the total net assets, asset allocation, the weighted average life, the weighted average duration, and the weighted average rating on the LGIP, LGIP-Gov, and LGIP Medium Term pools for the month of February 2018.

Review of Treasurer's Monthly Report – Endowments:

Mr. White presented the endowment portion of the monthly report of the Arizona State Treasurer's Office to the Board of Investment as follows:

Earnings Distributed Endowment Funds

Mr. White reported the earnings distributed for the Endowment Funds for the month of February 2018.

Net Realized Capital Gains/Losses – Endowment Funds

Mr. White reported the net realized capital gains for the Endowment Fixed Income, S&P 500, S&P 400 and S&P 600 pools for the month of February 2018 and fiscal year to date.

Endowment Funds Fixed-Income Pool Purchases & Sales

Mr. White reported the purchases and sales of the Endowment Fixed Income Pool for the month of February 2018.

Equity Funds Purchases & Sales

Mr. White reported the purchases and sales (summary) of the Endowment Equity Pools for the month of February 2018.

Investments Outstanding in Endowment Funds

Mr. White reported the par, book, market value, and unrealized gains/loss of the Endowment Funds as of February 28, 2018.

Performance of Investments in Endowment Funds

Mr. White reported the performance of the Endowment Funds for the current month, the year to date, trailing one year, trailing three years, trailing five years, and since inception for the Endowment Funds as of February 28, 2018.

Manager Allocation of Invested Monies for the Endowment Pools

Mr. White reported the percentage of the total market value of all of the Endowment investments allocated to each of the Endowment Pools, as of February 28, 2018.

Equity Holdings Investments Outstanding S&P 500

Mr. White reported the investments outstanding by portfolio characteristics and industry sector for the S&P 500 Pool as of February 28, 2018.

Equity Holdings Investments Outstanding S&P 400

Mr. White reported the investments outstanding by portfolio characteristics and industry sector for the S&P 400 Pool as of February 28, 2018.

Equity Holdings Investments Outstanding S&P 600

Mr. White reported the investments outstanding by portfolio characteristics and industry sector for the S&P 600 Pool as of February 28, 2018.

Fixed Income Investments and Performance Reports

Mr. White reported the total net assets, asset allocation, the weighted average life, the weighted average duration and the weighted average rating for the Fixed Income Pool for the month of February 2018.

Endowment Investments and Performance Growth by Account Reports

Mr. White reported the performance and growth for each of the Endowment Funds from the inception date of each fund through the end of February 28, 2018.

Approval of Treasurer's Report

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

5. Proposed Changes to Investment Policy:
There were no Proposed Changes to the Investment Policy.

6. **Review and approval of Proposed/Pending Securities Dealers**
   There were no Proposed/Pending Securities Dealers.

7. **General Business:**
   Treasurer DeWit updated the Board Members on Prop 123 litigation.

8. **Call to the Public:**
   Mr. Trozzi and Mr. Peeples congratulated Treasurer DeWit on his NASA CFO confirmation and thanked him for his service to the State of Arizona.

   Mr. Papp provided the Board with a brief economic update.

9. **Notice of Next Meeting:**
   Treasurer DeWit advised the Board that the next regular meeting of the Board of Investment will be Tuesday, April 24, 2018 at 1:30 p.m. at 1700 West Washington, State Capitol, West Wing, Treasurer's Conference Room, Phoenix, Arizona.

10. **Adjournment:**
    Mr. Partridge made a motion to adjourn the BOI meeting. Mr. Papp seconded the motion. Upon unanimous approval the BOI Meeting was adjourned at 2:31 p.m.

Respectfully Submitted by:

Christine Thurston
Executive Consultant II

Approved by:

Eileen I. Klein
Chair

24 April 2018
Date

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EARNINGS DISTRIBUTION - INVESTMENT POOLS
MARCH 2018

Recipient	Earnings Distributed MARCH 2018	Earnings Distributed Fiscal YTD 17/18	Earnings Distributed Fiscal YTD 16/17	Fiscal YTD Investment Management Fees Received
General Fund *	$2,740,490	$17,879,600	$13,483,959	
2 State Agencies - Full Faith & Credit	1,071,610	7,968,225	4,994,236	369,068
3 State Agencies - Diversified (Combined) **	1,404,759	11,058,685	7,607,321	618,612
4 State Agencies - Gov	1,132,761	8,120,963	4,531,320	412,114
5 LGIP	1,881,434	11,863,657	4,760,969	533,262
7 LGIP Gov	1,602,925	10,880,916	3,413,349	546,926
9A Public School Credit Enhancement ***	0	0	0	36,392
10 Restricted Operating	654,801	4,886,707	3,592,343	493,243
12 CAWCD Medium-Term	630,172	4,966,955	3,725,907	154,682
16 ECDH Medium-Term	632,509	5,143,794	4,302,870	160,269
Subtotal	**$11,751,461**	**$82,769,501**	**$50,412,273**	**$3,324,568**
NAV POOL				
500 LGIP - Med Term	612,660	4,513,970	2,840,580	140,502
700 LGIP - FF&C Med Term	204,478	1,714,330	1,184,309	60,813
Total	**$12,568,599**	**$88,997,802**	**$54,437,162**	**$3,525,883**
MARCH 2017 TOTALS	**$7,397,003**			**$3,416,034**

* Note: Pool 15 AHCCCS Operating Earnings are reported in General Fund
** Note: Pool 15 AHCCCS Operating Management Fees are reported in Pool 3 State Agencies Diversified (Combined)
*** Note: 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 March 31, 2018
(in millions)

Month	Fiscal Year 2015/2016	Fiscal Year 2016/2017	Fiscal Year 2017/2018
JULY	$1,795	$2,012	$1,635
AUGUST	1,554	1,504	1,303
SEPTEMBER	1,874	1,694	1,455
OCTOBER	1,701	1,672	1,473
NOVEMBER	1,686	1,633	1,417
DECEMBER	1,734	1,693	1,400
JANUARY	2,140	2,255	2,140
FEBRUARY	2,295	2,306	2,244
MARCH	2,092	1,968	1,937
APRIL	2,407	1,961	
MAY	2,720	2,215	
JUNE	2,590	2,147	
Y-T-D Average	**$2,049**	**$1,922**	**$1,667**

Budget Stabilization Average Fund Balance - March 2018	**$457**
Total Average Cash Available - March 2018	**$2,394**

STATE AGENCY POOLS
PORTFOLIO EARNINGS ANALYSIS
MARCH 2018

FUND	DESCRIPTION	Current Month 03/31/18	Prior Month 02/28/18	Prior Year 03/31/17	Net Asset Value Per Share
2	STATE AGENCIES - FULL FAITH & CREDIT	1,077,741	1,139,540	770,310	0.9712
3	STATE AGENCIES - DIVERSIFIED				
	INTERNAL MANAGERS	2,448,105	2,262,556	1,457,406	1.0000
	EXTERNAL MANAGERS	156,604	136,531	118,142	0.9900
	FUND 3 TOTAL	2,604,710	2,399,087	1,575,548	1.0066
4	STATE AGENCIES - GOV	1,391,418	1,347,128	819,121	0.9944
9A	PUBLIC SCHOOL CREDIT ENHANCEMENT	127,096	138,189	68,468	0.9712
10	RESTRICTED OPERATING				
	INTERNAL MANAGERS	1,511,045	1,246,823	1,074,606	0.9900
	EXTERNAL MANAGERS	167,703	145,638	196,897	1.0000
	FUND 10 TOTAL	1,678,749	1,392,461	1,271,503	0.9938
12	CAWCD MEDIUM-TERM	630,172	538,575	445,989	0.9954
15	AHCCCS OPERATING	47,389	39,473	28,463	N/A
16	ECDH MEDIUM-TERM	632,509	567,245	522,512	0.9907
	TOTAL STATE AGENCIES	8,189,781	7,561,696	5,501,914	

STATE AGENCY POOLS
PORTFOLIO YIELD ANALYSIS
MARCH 2018

FUND	DESCRIPTION	Current Month 03/31/18	Prior Month 02/28/18	Prior Year 03/31/17
2	STATE AGENCIES - FULL FAITH & CREDIT	1.43%	1.56%	0.89%
	75% MERRILL 0-1 US TREAS INDEX / 25% MERRILL US GNMA MORTGAGE BACKED INDEX	2.16%	2.11%	1.43%
3	STATE AGENCIES - DIVERSIFIED			
	INTERNAL MANAGERS	1.72%	1.71%	1.16%
	EXTERNAL MANAGERS	1.75%	1.69%	1.34%
	COMBINED	1.73%	1.71%	1.17%
	50% 3 MONTH LIBOR INDEX / 50% MERRILL 1-3 US BROAD MARKET INDEX	2.33%	2.16%	1.34%
4	STATE AGENCIES - GOV	1.55%	1.54%	0.91%
	50% MERRILL 6 MTH US T-BILL INDEX / 50% MERRILL 1-3 UNSUB. US TREAS / AGY INDEX	2.08%	2.03%	1.09%
9A	PUBLIC SCHOOL CREDIT ENHANCEMENT	1.43%	1.56%	0.89%
10	RESTRICTED OPERATING			
	INTERNAL MANAGERS	1.81%	1.67%	1.36%
	EXTERNAL MANAGERS	1.06%	0.97%	0.76%
	COMBINED	1.69%	1.55%	1.21%
	50% 3 MONTH LIBOR INDEX / 50% MERRILL 1-3 US BROAD MARKET INDEX	2.33%	2.16%	1.34%
12	CAWCD MEDIUM-TERM	1.98%	1.87%	1.54%
	75% MERRILL 1-5 US D M INDEX / 25% S & P LGIP INDEX	2.34%	2.30%	1.54%
15	AHCCCS OPERATING	0.39%	0.36%	0.16%
16	ECDH MEDIUM-TERM	2.12%	2.11%	1.75%
	75% MERRILL 1-5 US D M INDEX / 25% S & P LGIP INDEX	2.34%	2.30%	1.54%

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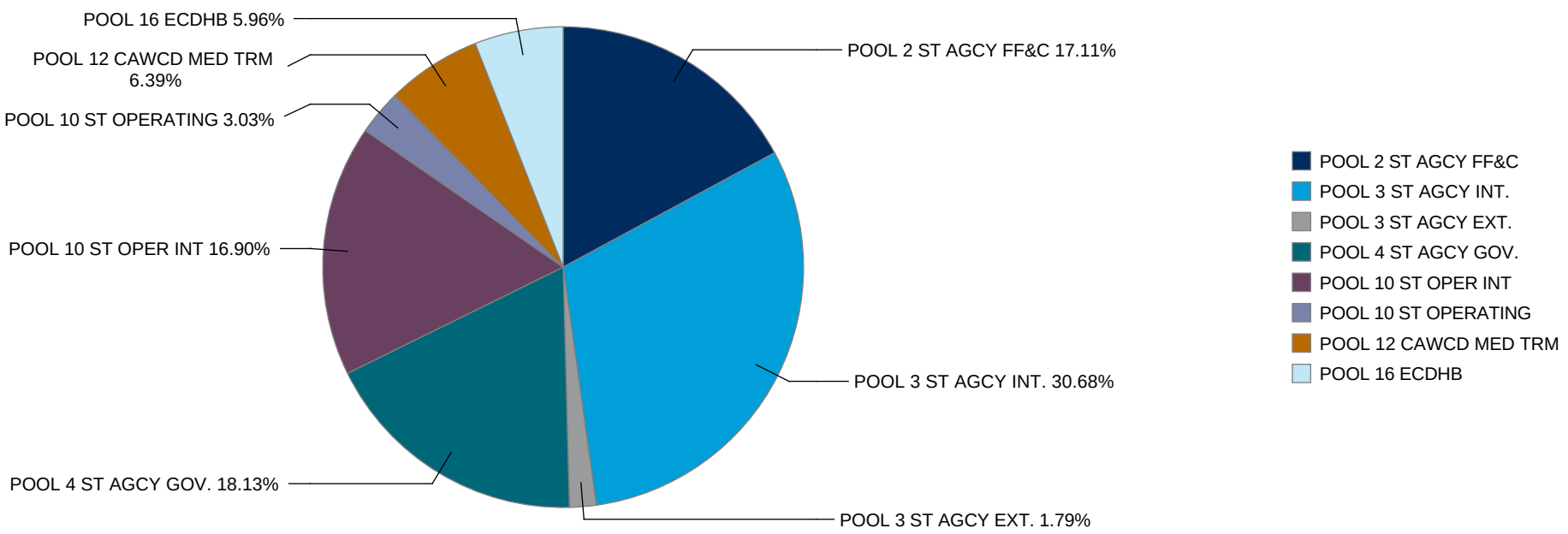
March 31, 2018

STATE AGENCY

Manager Allocation



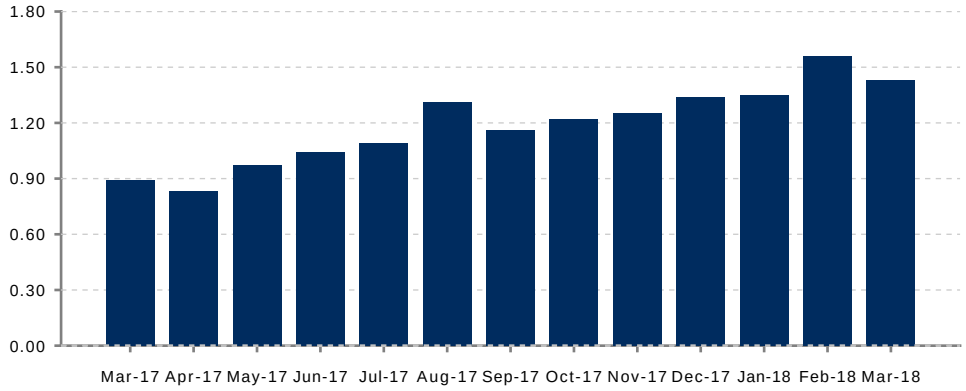
	Market Value	% of Portfolio
POOL 2 ST AGCY FF&C	1,000,832,344	17.1
POOL 3 ST AGCY INT.	1,795,011,330	30.7
POOL 3 ST AGCY EXT.	104,940,528	1.8
POOL 4 ST AGCY GOV.	1,060,802,123	18.1
POOL 10 ST OPER INT	988,747,007	16.9
POOL 10 ST OPERATING	177,061,977	3.0
POOL 12 CAWCD MED TRM	374,124,262	6.4
POOL 16 ECDHB	348,970,163	6.0
TOTAL STATE AGENCY	5,850,489,736	100.0

OFFICE OF THE ARIZONA STATE TREASURER

March 31, 2018

POOL 2 ST AGCY FF&C

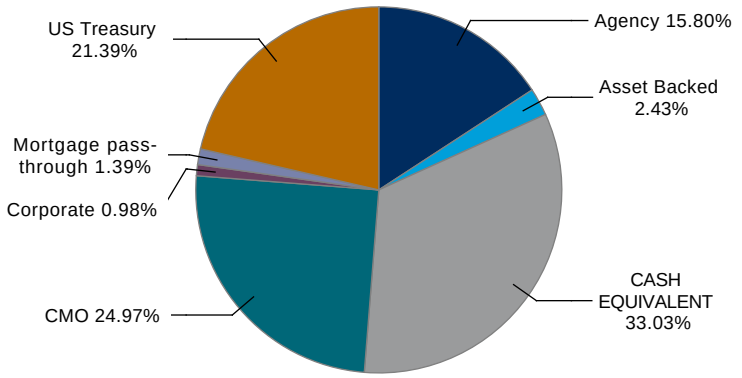
Net Yield



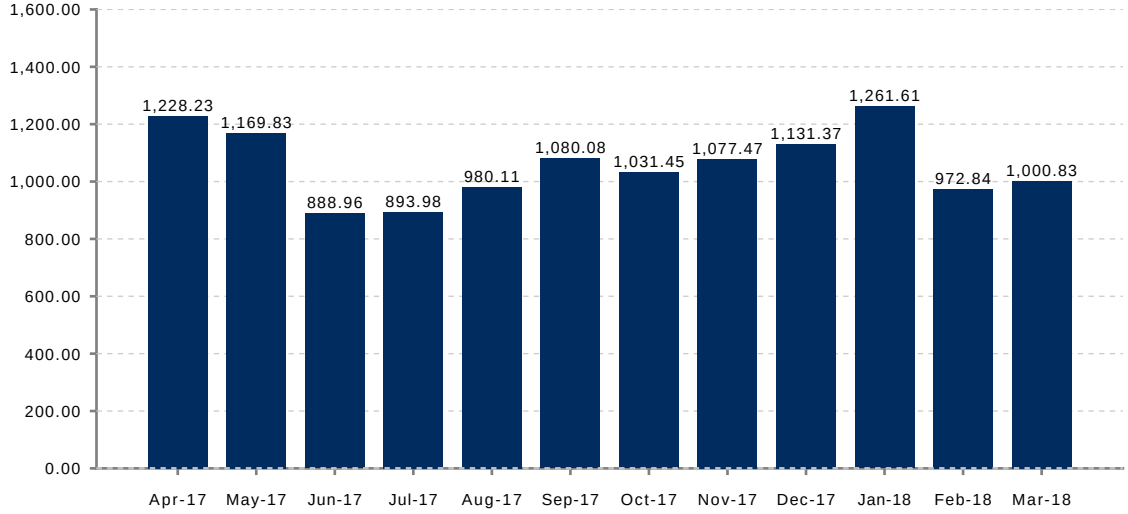
	Current Mth	Prior Mth	1 Year Ago
POOL 2 ST AGCY FF&C	1.43	1.56	0.89

Asset Allocation

	Ending Market Value
POOL 2 ST AGCY FF&C	1,000,832,344



Net Asset Values over Time ($MM)



Top 10 Holdings

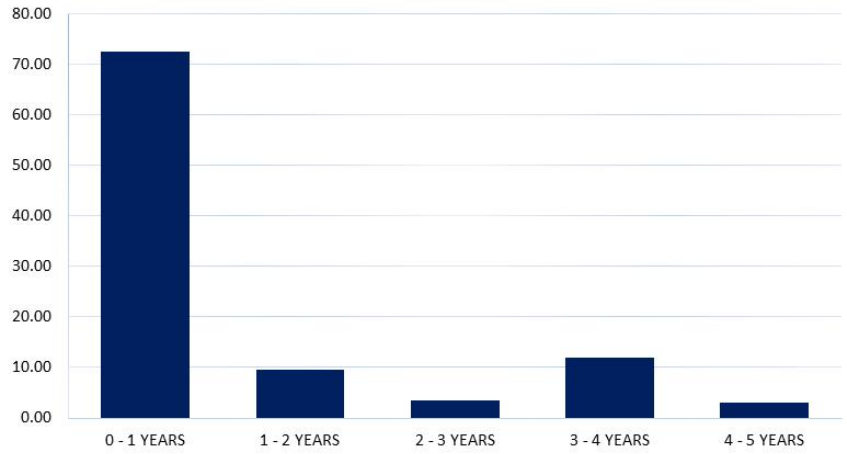
Security Name	Ending Market Value	% of Portfolio
POOL 2 ST AGCY FF&C		
DAIWA CAPITAL MARKETS	170,863,920	17.07
US TREASURY N/B	45,106,932	4.51
TREASURY BILL	29,961,955	2.99
TREASURY BILL	29,904,789	2.99
TREASURY BILL	29,888,729	2.99
TREASURY BILL	29,820,265	2.98
US TREASURY N/B	20,146,530	2.01
US TREASURY N/B	20,075,000	2.01
TREASURY BILL	19,996,564	2.00
US TREASURY N/B	19,973,272	2.00

OFFICE OF THE ARIZONA STATE TREASURER

March 31, 2018

POOL 2 ST AGCY FF&C

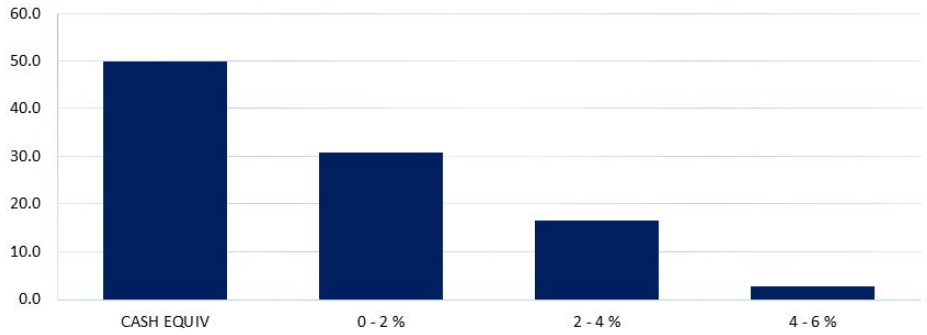
Duration Distribution



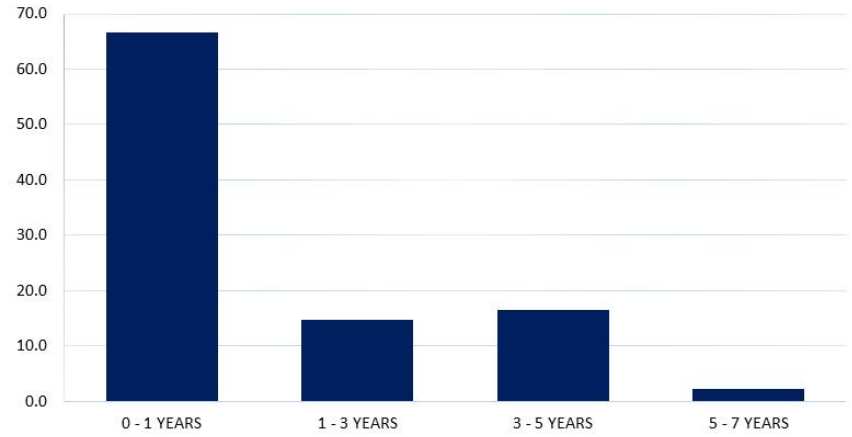
Portfolio Level Characteristics

	POOL 2 ST AGCY FF&C
Weighted Average Life	1.17
Coupon	1.23
Effective Duration	0.93
Quality Rating (Moody's)	AAA

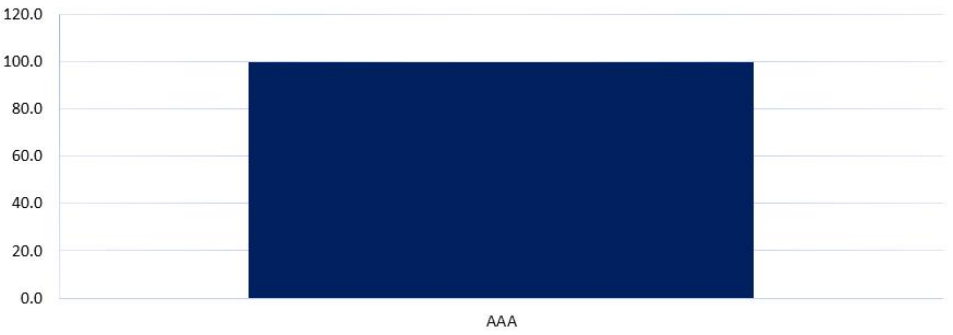
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



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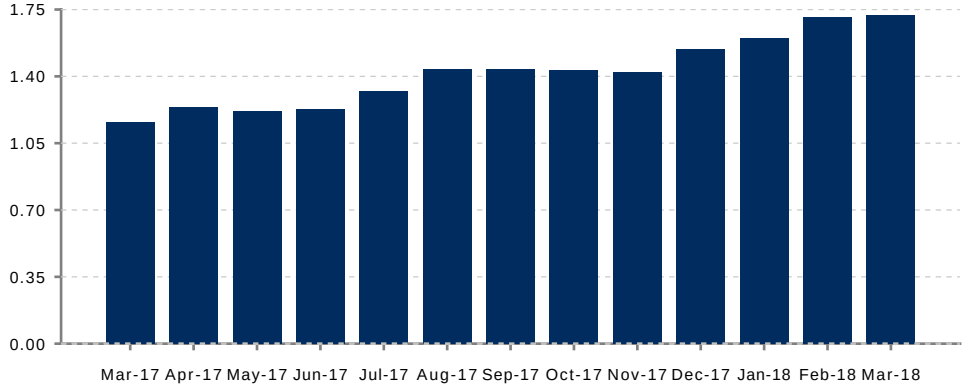
March 31, 2018

POOL 3 ST AGCY INT.

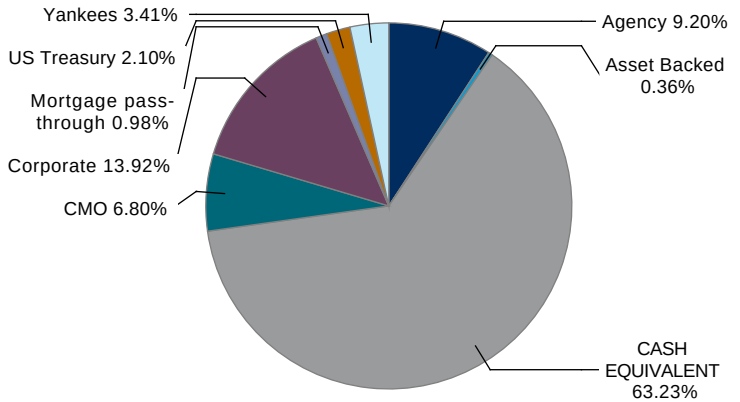
Net Yield



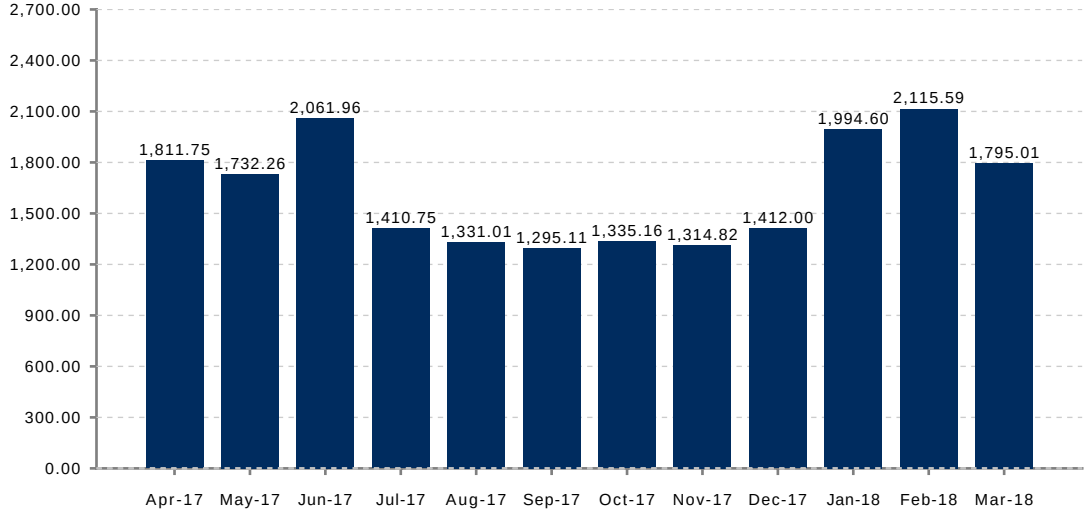
	Current Mth	Prior Mth	1 Year Ago
POOL 3 ST AGCY INT.	1.72	1.71	1.16

Asset Allocation

	Ending Market Value
POOL 3 ST AGCY INT.	1,795,011,330



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 3 ST AGCY INT.		
SOUTH STREET REPO	300,047,500	16.72
SOUTH STREET REPO	134,713,795	7.50
WELLS FARGO REPO	110,026,736	6.13
IBM CORP	30,162,803	1.68
SWEDBANK	29,972,767	1.67
SUMITOMO MTSU BKG CORP	29,817,758	1.66
MOUNTCLIFF	24,960,604	1.39
COCA-COLA COMPANY	24,880,764	1.39
FEDERAL FARM CREDIT BANK	24,713,479	1.38
CONCORD MIN CPTL CO	23,959,184	1.33

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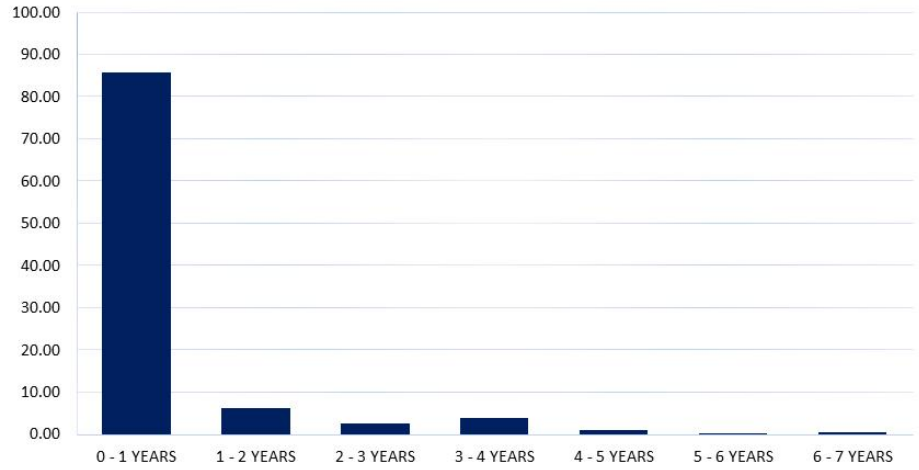
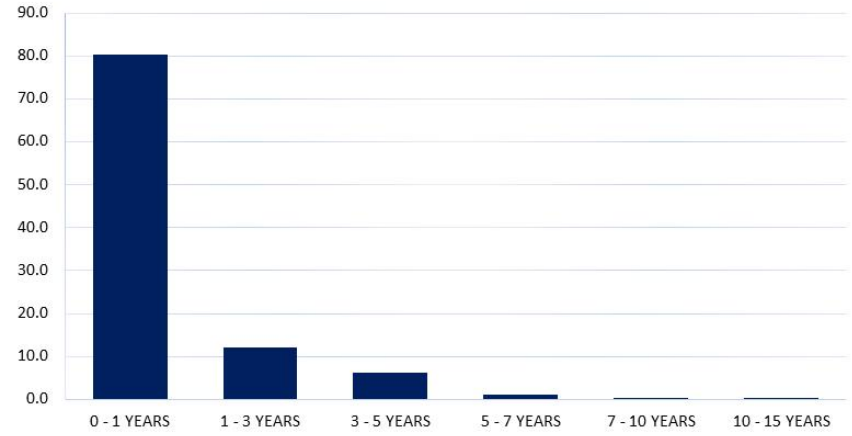
POOL 3 ST AGCY INT

Duration Distribution



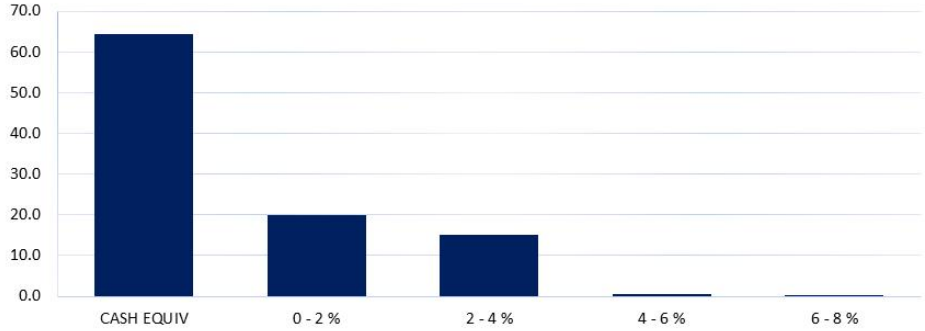
Expected Maturity Distribution



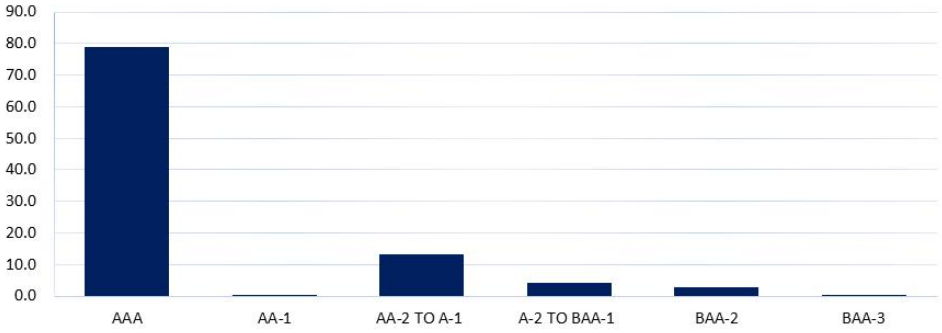
Portfolio Level Characteristics

	POOL 3 ST AGCY INT.
Weighted Average Life	0.67
Coupon	1.51
Effective Duration	0.46
Quality Rating (Moody's)	AA-1

Coupon Distribution



Rating Distribution



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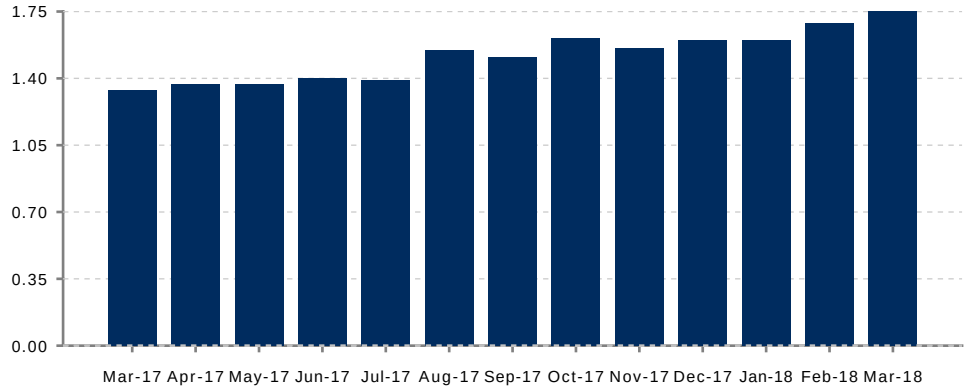
POOL 3 ST AGCY EXT.

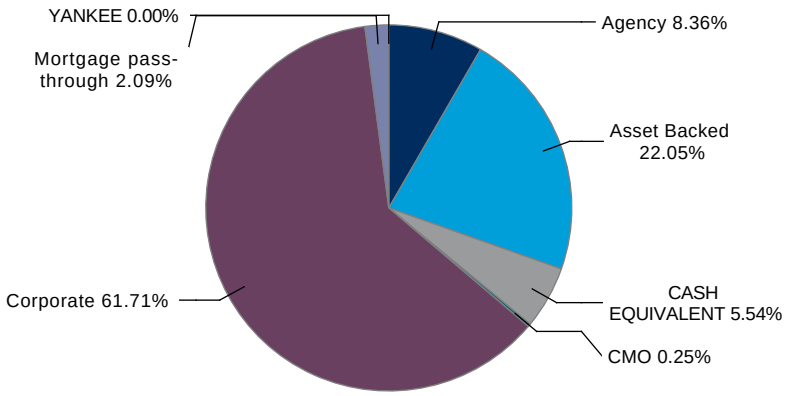
Net Yield



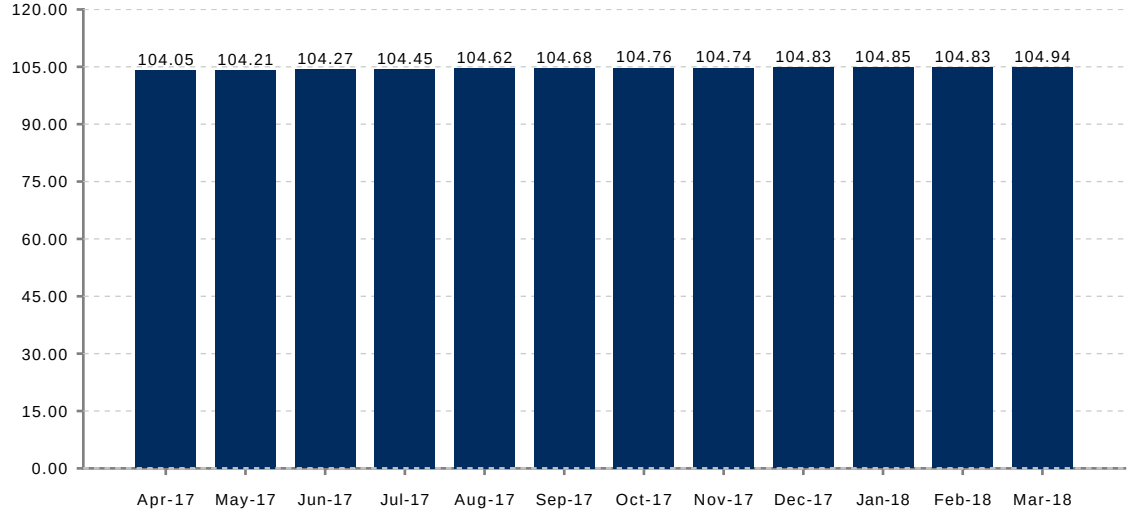
	Current Mth	Prior Mth	1 Year Ago
POOL 3 ST AGCY EXT.	1.75	1.69	1.34

Asset Allocation

	Ending Market Value
POOL 3 ST AGCY EXT.	104,940,528



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 3 ST AGCY EXT.		
FANNIE MAE	2,963,429	2.82
FREDDIE MAC	2,770,876	2.64
DISCOVER CARD EXECUTION NOTE T	2,084,285	1.99
CISCO SYSTEMS INC	2,002,402	1.91
FANNIE MAE	1,975,551	1.88
BRANCH BANKING + TRUST	1,863,131	1.78
MANUF + TRADERS TRUST CO	1,819,205	1.73
CITIBANK NA	1,753,878	1.67
TORONTO-DOMINION	1,602,026	1.53
FNMA POOL MA1443	1,557,098	1.48

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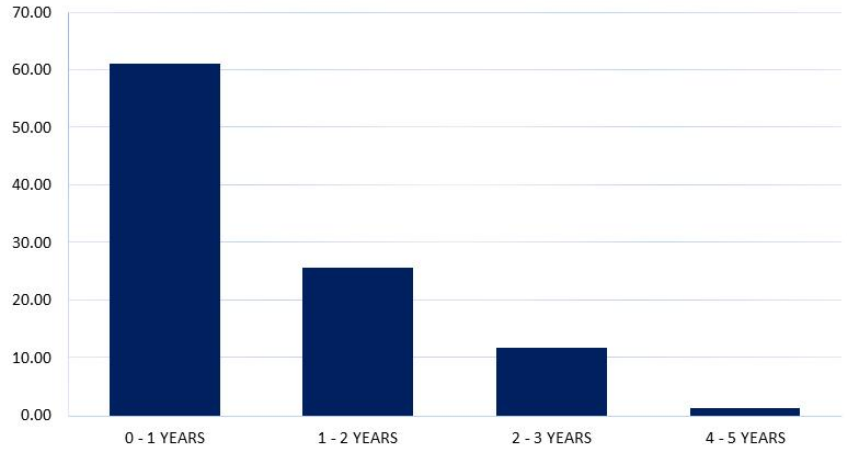
POOL 3 ST AGCY EXT

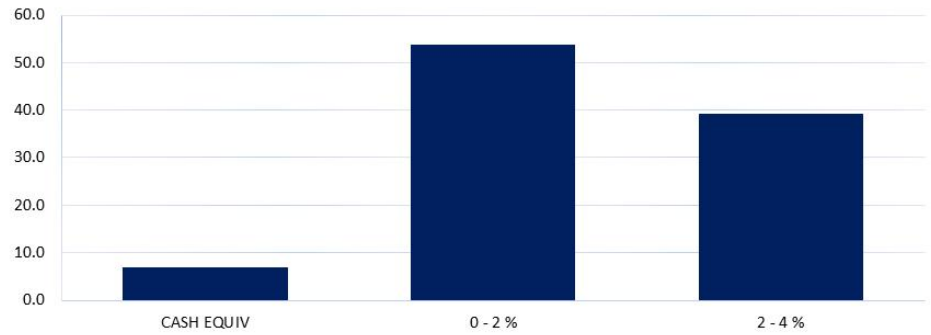
Duration Distribution



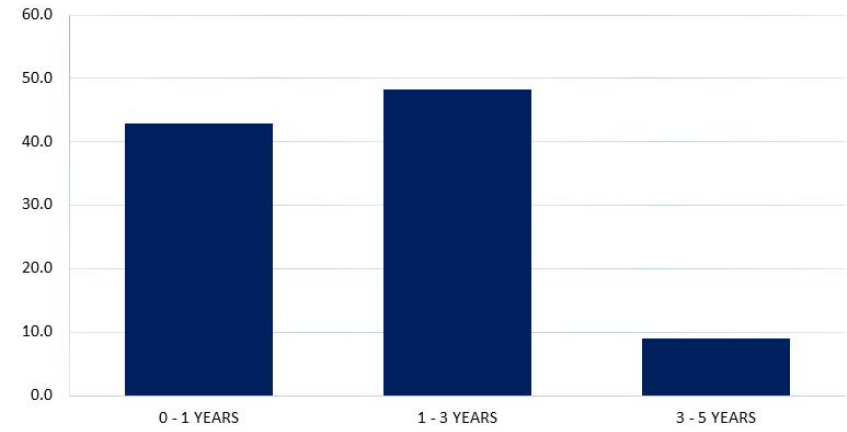
Portfolio Level Characteristics

	POOL 3 ST AGCY EXT.
Weighted Average Life	1.43
Coupon	1.86
Effective Duration	0.90
Quality Rating (Moody's)	AA-3

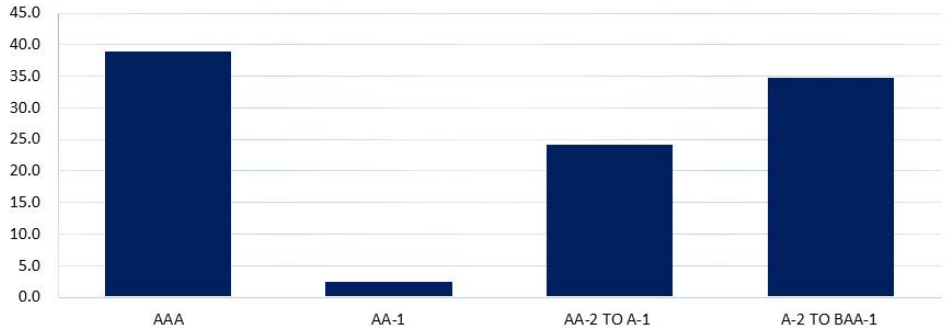
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



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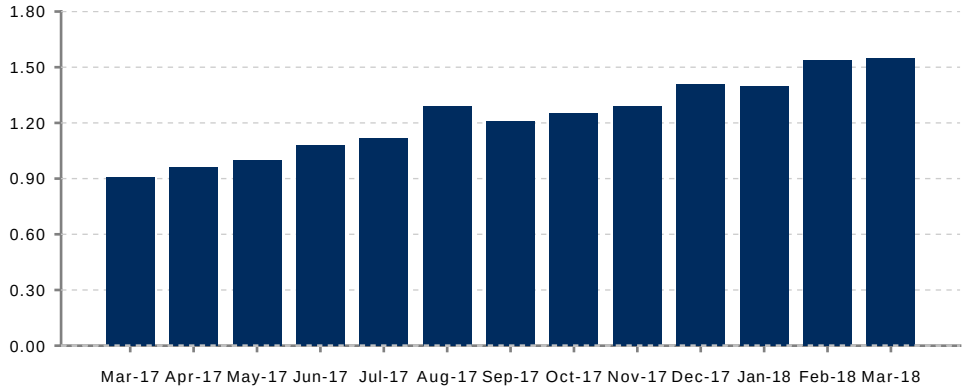
POOL 4 ST AGCY GOV.

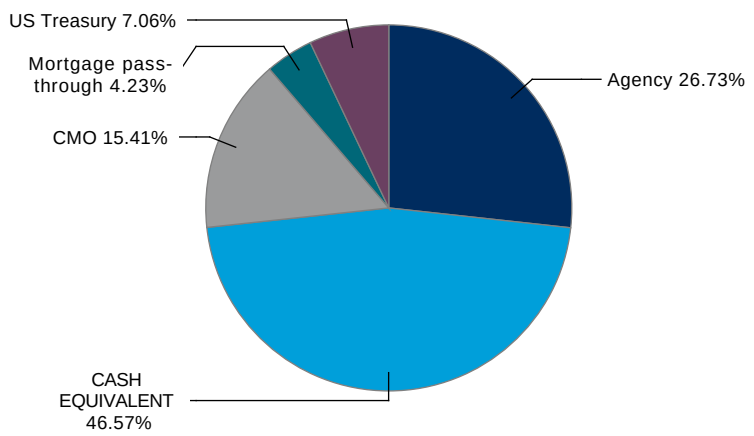
Net Yield



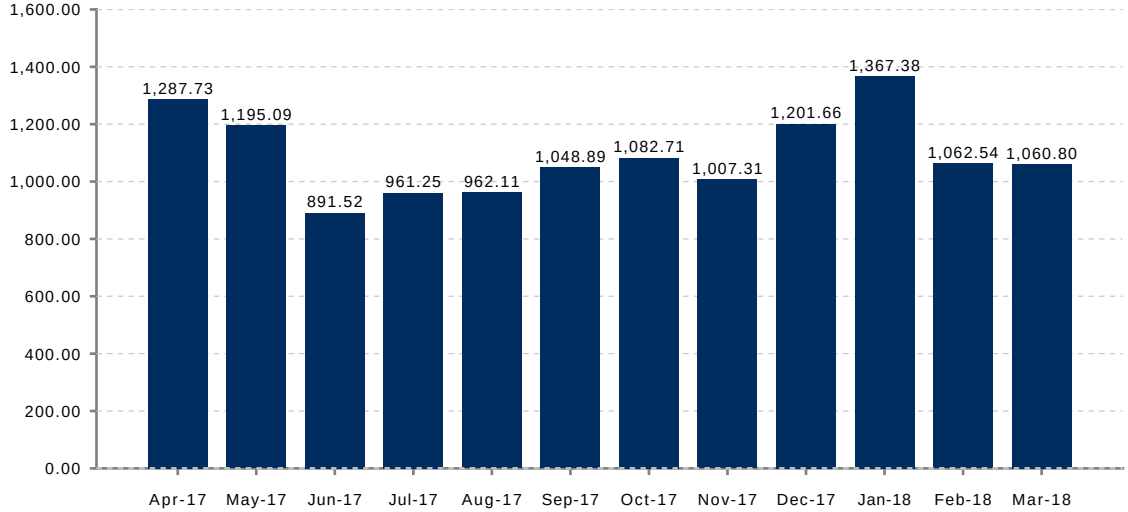
	Current Mth	Prior Mth	1 Year Ago
POOL 4 ST AGCY GOV.	1.55	1.54	0.91

Asset Allocation

	Ending Market Value
POOL 4 ST AGCY GOV.	1,060,802,123



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 4 ST AGCY GOV.		
AMHERST PIERPONT	132,148,164	12.46
FED HOME LN DISCOUNT NT	39,866,667	3.76
US TREASURY N/B	30,071,288	2.83
TREASURY BILL	29,888,729	2.82
SOUTH STREET REPO	25,312,205	2.39
FED HOME LN DISCOUNT NT	20,426,428	1.93
FARMER MAC	20,071,145	1.89
FEDERAL FARM CREDIT BANK	20,030,264	1.89
FEDERAL FARM CREDIT BANK	20,010,918	1.89
TREASURY BILL	19,974,675	1.88

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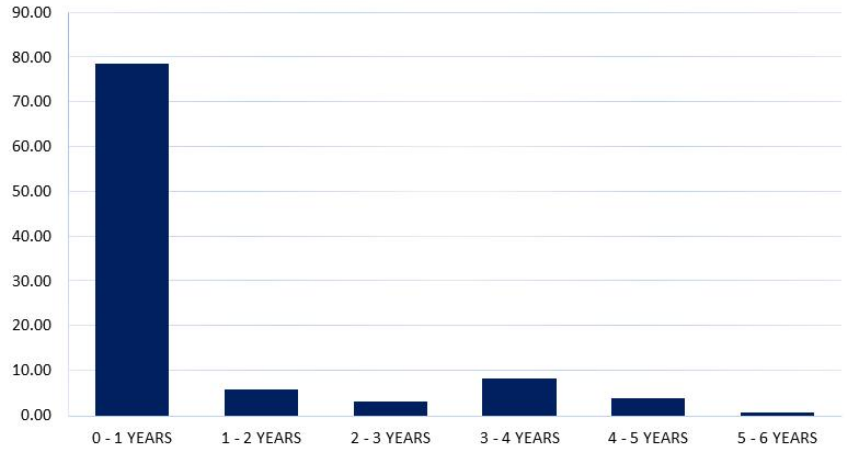
POOL 4 ST AGCY GOV

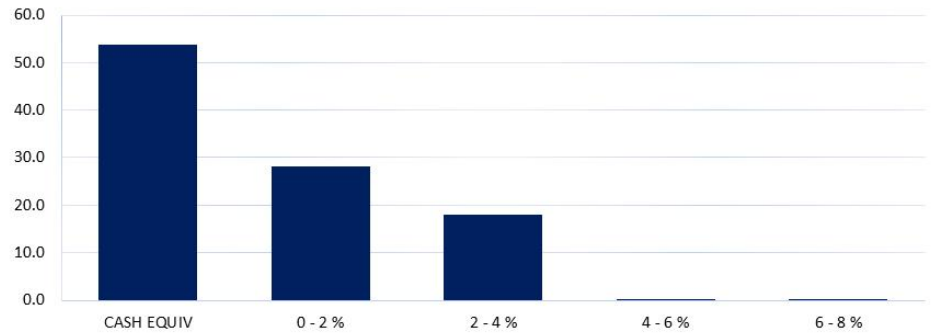
Duration Distribution



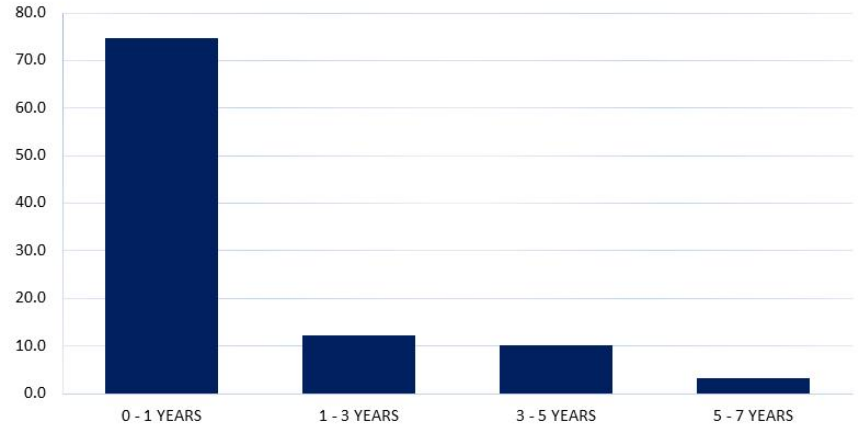
Portfolio Level Characteristics

	POOL 4 ST AGCY GOV.
Weighted Average Life	1.00
Coupon	1.01
Effective Duration	0.79
Quality Rating (Moody's)	AAA

Coupon Distribution



Expected Maturity Distribution



Rating Distribution

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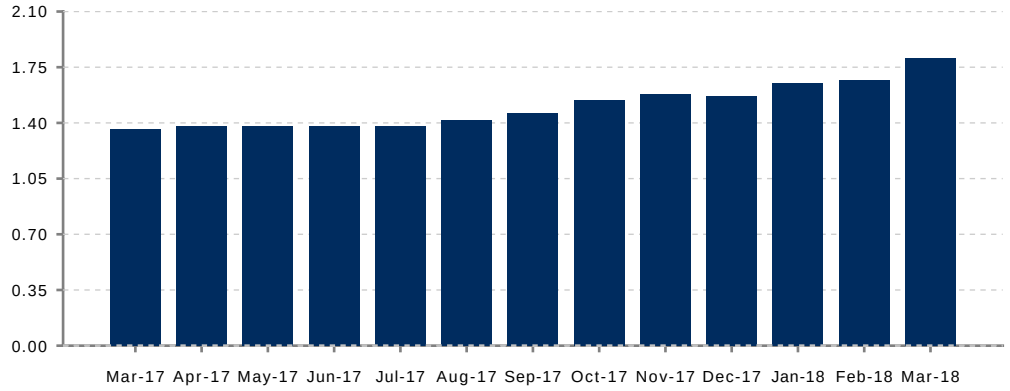
POOL 10 ST OPERATING INT

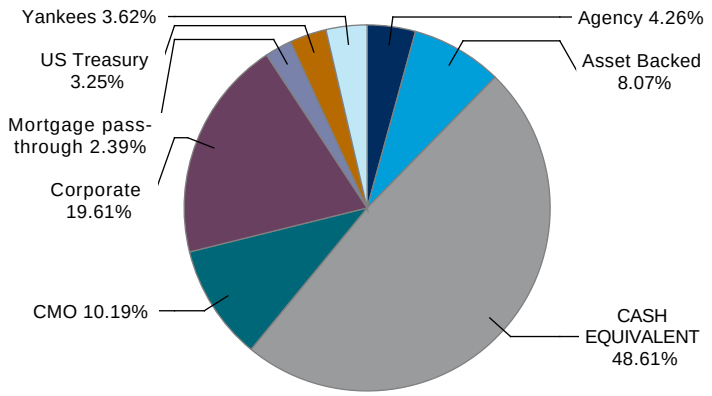
Net Yield



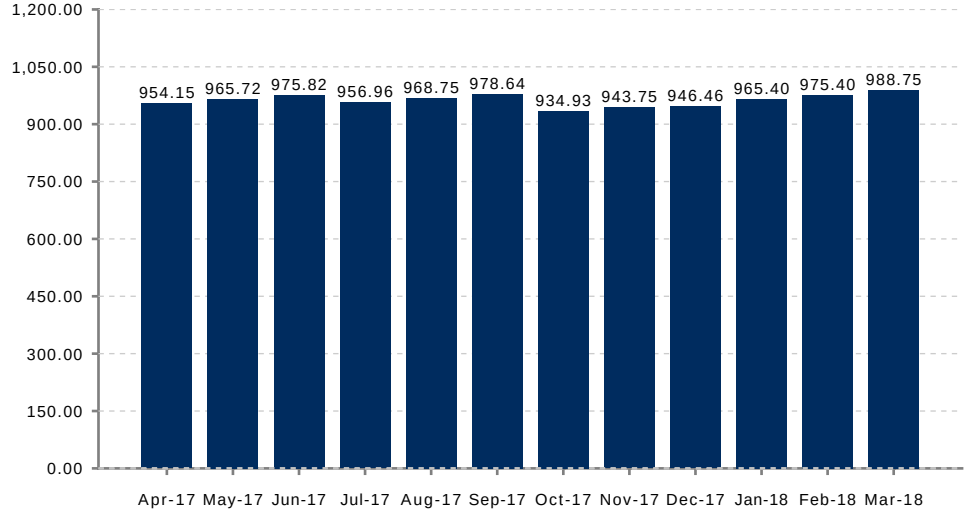
	Current Mth	Prior Mth	1 Year Ago
POOL 10 ST OPER INT	1.81	1.67	1.36

Asset Allocation

	Ending Market Value
POOL 10 ST OPER INT	988,747,007



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 10 ST OPER INT		
AMHERST PIERPONT	67,882,169	6.87
BMO TRIPARTY MTGE CLAS/ISIT/RTRP MATU//20121224	39,133,831	3.96
CHARIOT FNDG LLC	29,852,750	3.02
BANK OF NOVA SCOTIA	20,163,978	2.04
LEXINGTN PKR CAP CO LL	19,984,417	2.02
GOLDEN FUNDING CORP	19,984,000	2.02
SUMITOMO MTSU BKG CORP	19,974,028	2.02
OLD LINE FUNDING LLC	19,970,033	2.02
BEDFORD ROW FDG CORP	19,969,000	2.02
SUMITOMO MTSU BKG CORP	19,968,667	2.02

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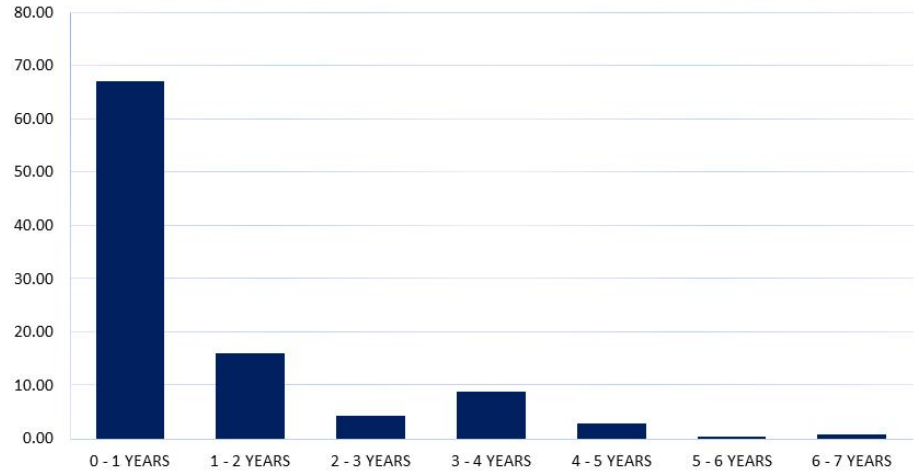
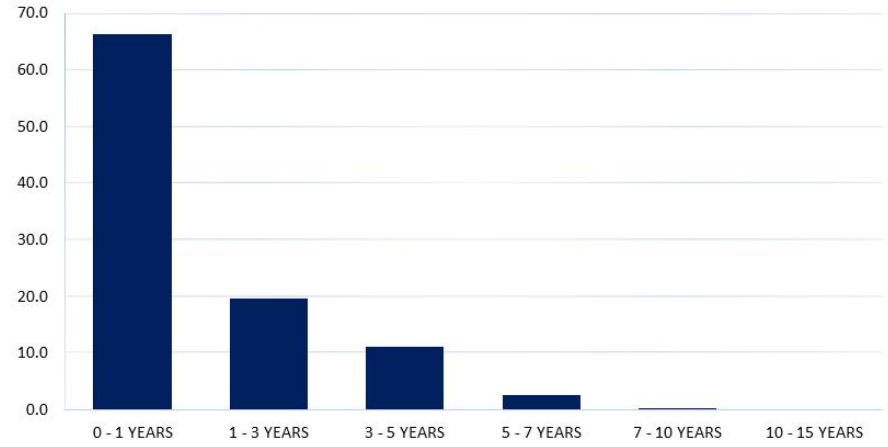
POOL 10 ST OPERATING INT

Duration Distribution



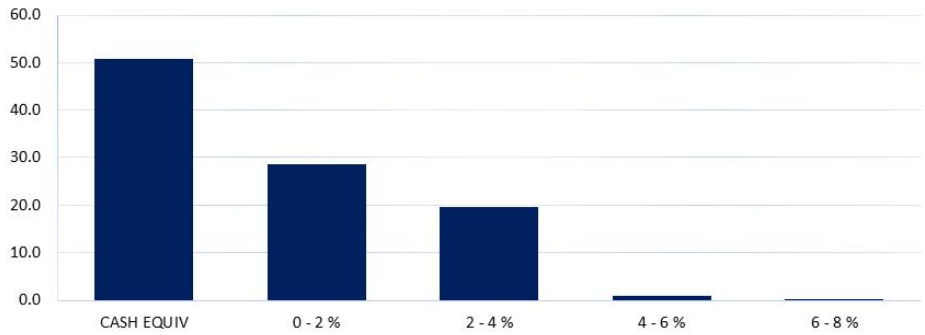
Expected Maturity Distribution



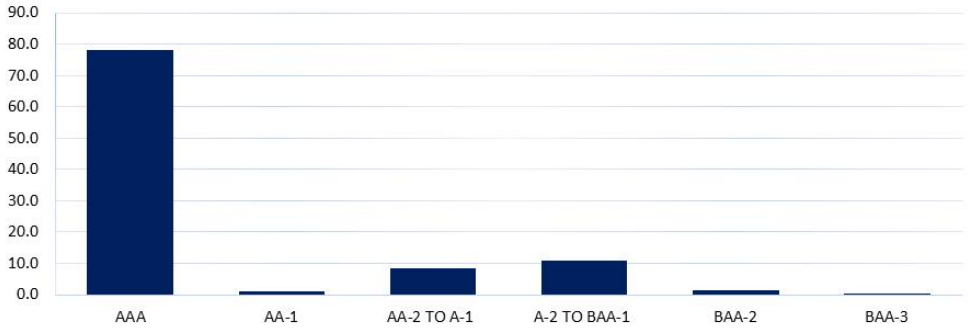
Portfolio Level Characteristics

	POOL 10 ST OPERATING INT
Weighted Average Life	1.06
Coupon	1.66
Effective Duration	0.95
Quality Rating (Moody's)	AA-2

Coupon Distribution



Rating Distribution



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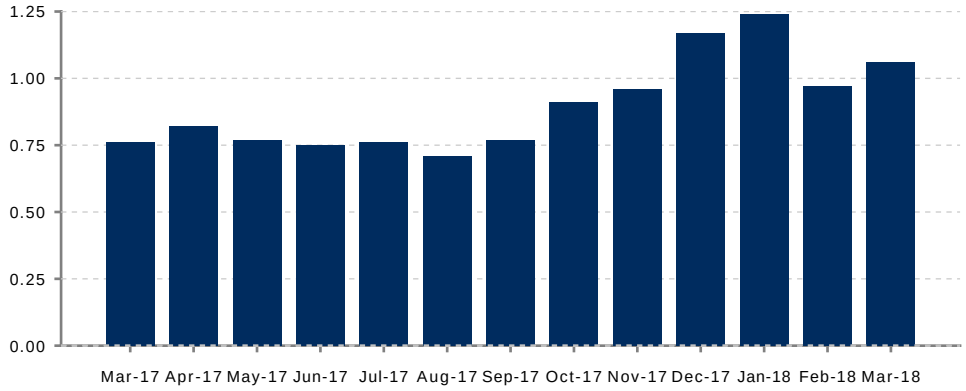
POOL 10 ST OPERATING Ext

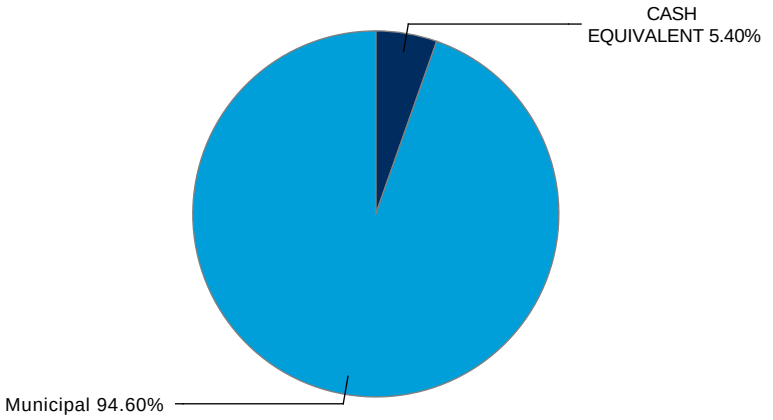
Net Yield



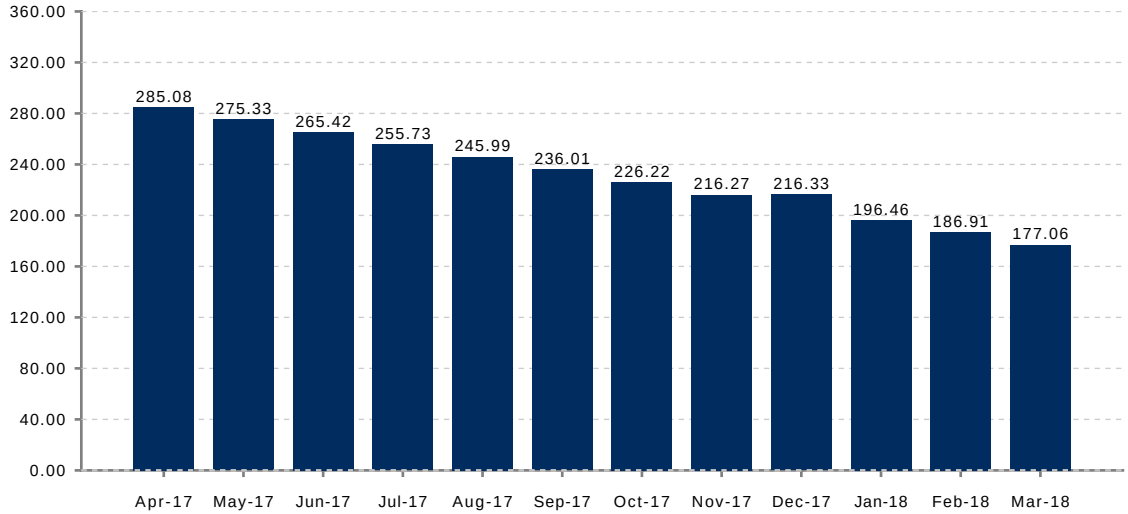
	Current Mth	Prior Mth	1 Year Ago
POOL 10 ST OPERATING	1.06	0.97	0.76

Asset Allocation

	Ending Market Value
POOL 10 ST OPERATING	177,061,977



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 10 ST OPERATING		
ALPINE UT SCH DIST	10,397,929	5.87
PRINCE GEORGES CNTY	10,379,410	5.86
PENNSYLVANIA ST INDL D	10,234,140	5.78
DREYFUS TAX EXEMPT CA	10,104,625	5.71
SHELBY CNTY TN	10,038,467	5.67
TEXAS ST	9,299,726	5.25
INDIANA ST FIN AUTH HOS	9,007,903	5.09
WISCONSIN ST PETROLEU	8,892,768	5.02
GEORGIA ST ROAD TOLL	8,127,042	4.59
ILLINOIS ST FIN AUTH REV	7,941,003	4.48

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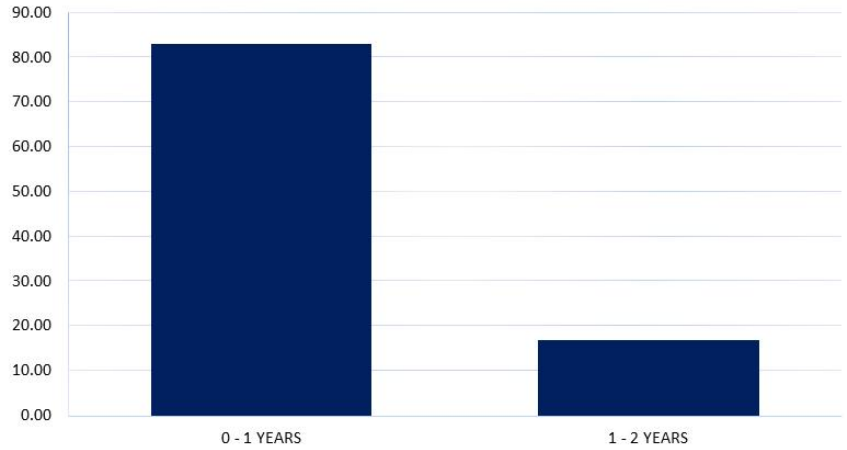
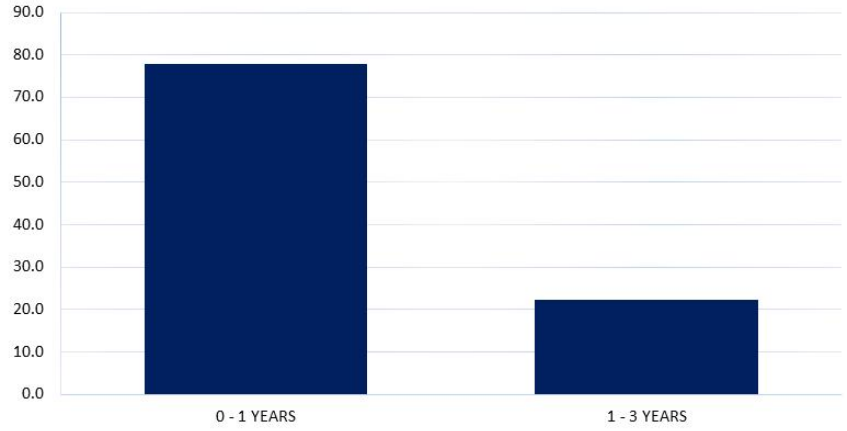
POOL 10 ST OPERATING Ext

Duration Distribution



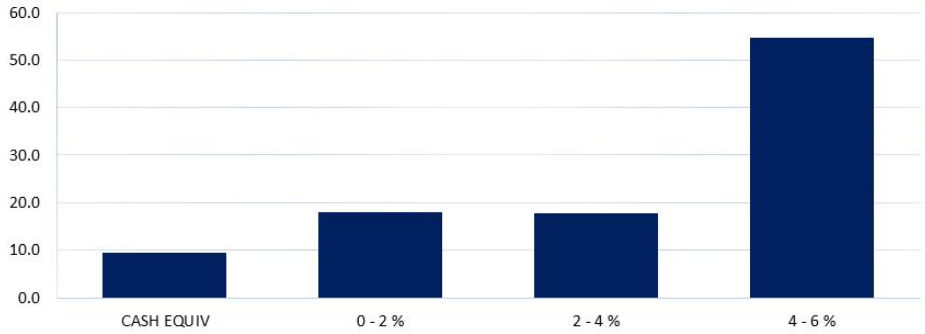
Expected Maturity Distribution



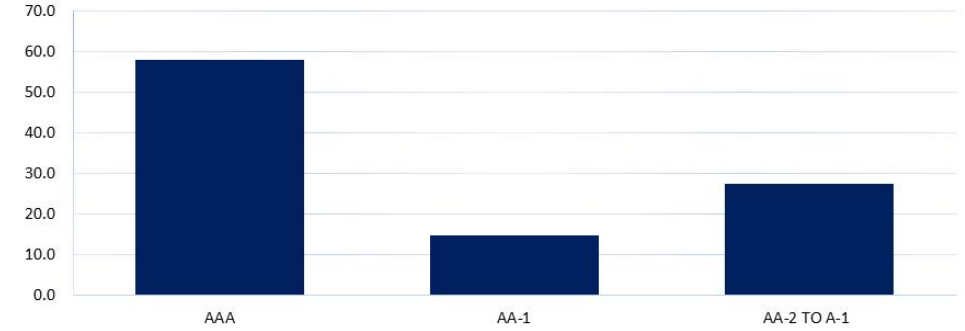
Portfolio Level Characteristics

	POOL 10 ST OPERATING
Weighted Average Life	0.53
Coupon	4.16
Effective Duration	0.52
Quality Rating (Moody's)	AA-1

Coupon Distribution



Rating Distribution



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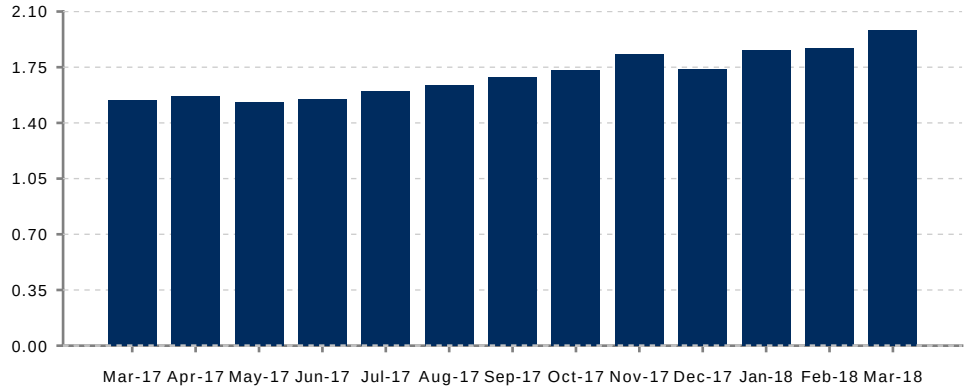
POOL 12 CAWCD MED TRM

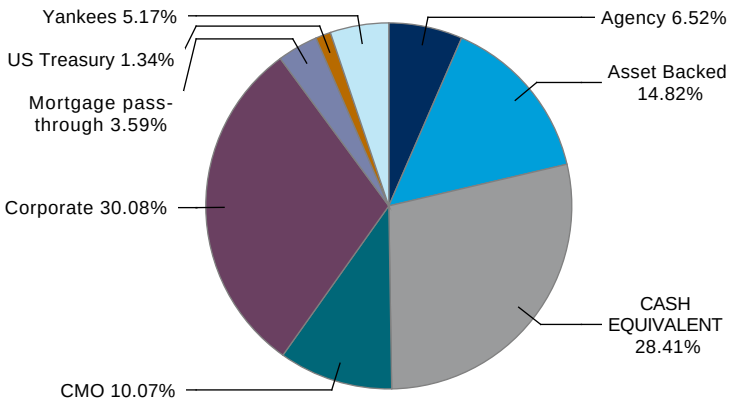
Net Yield



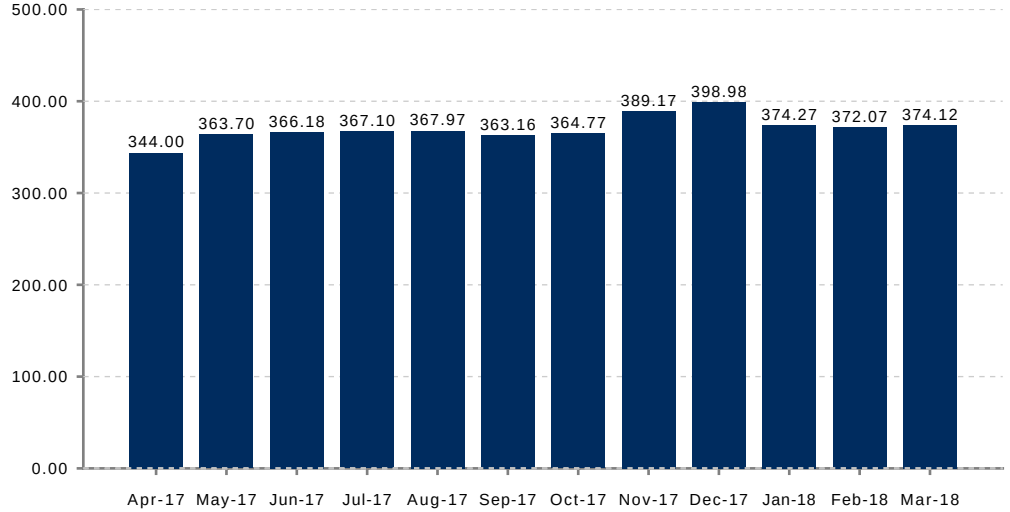
	Current Mth	Prior Mth	1 Year Ago
POOL 12 CAWCD MED TRM	1.98	1.87	1.54

Asset Allocation

	Ending Market Value
POOL 12 CAWCD MED TRM	374,124,262



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 12 CAWCD MED TRM		
GUGGENHEIM SECURITIES REPO	40,005,900	10.69
LEXINGTN PKR CAP CO LL	9,992,208	2.67
OLD LINE FUNDING LLC	9,985,017	2.67
CROWN POINT CAP CO.	9,982,950	2.67
BMO TRIPARTY MTGE CLAS/ISIT/RTRP MATU//20121224	6,187,167	1.65
GM FINANCIAL AUTOMOBILE LEASIN	5,496,930	1.47
FANNIE MAE	5,352,180	1.43
FORD CREDIT AUTO OWNER TRUST	5,057,841	1.35
BANK OF NOVA SCOTIA	5,040,994	1.35
ROYAL BANK OF CANADA	5,040,774	1.35

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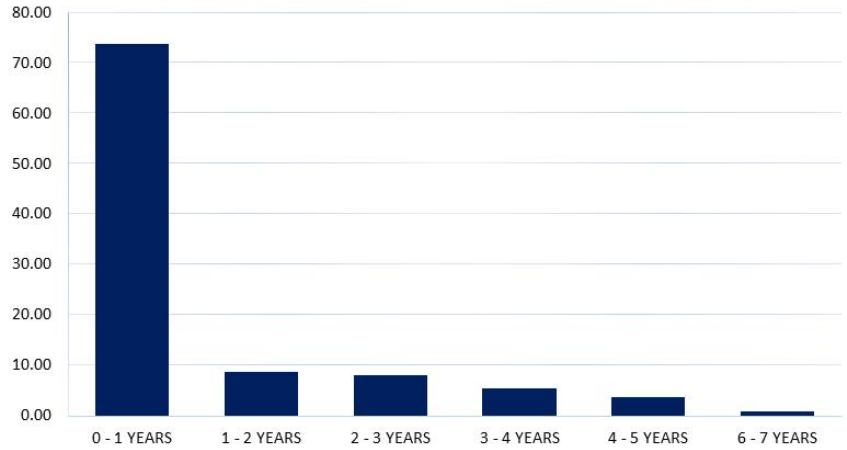
POOL 12 CAWCD MED TRM

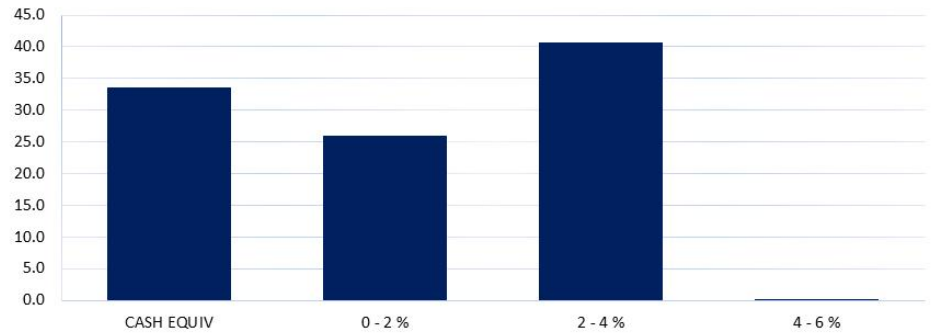
Duration Distribution



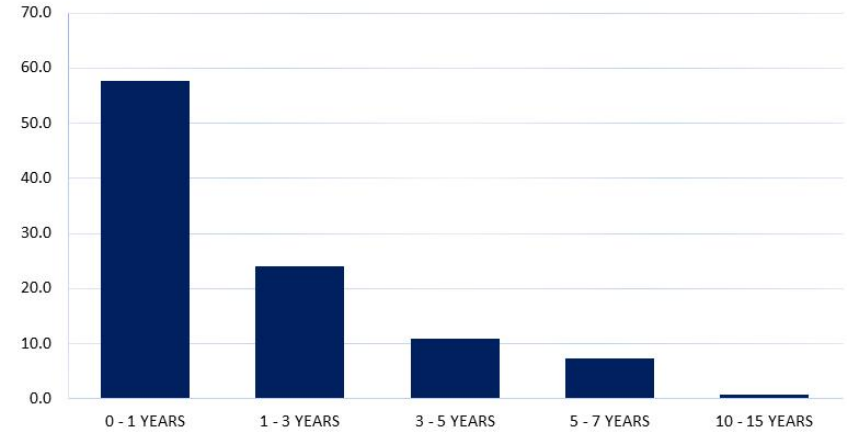
Portfolio Level Characteristics

	POOL 12 CAWCD MED TRM
Weighted Average Life	1.55
Coupon	1.98
Effective Duration	0.87
Quality Rating (Moody's)	AA-2

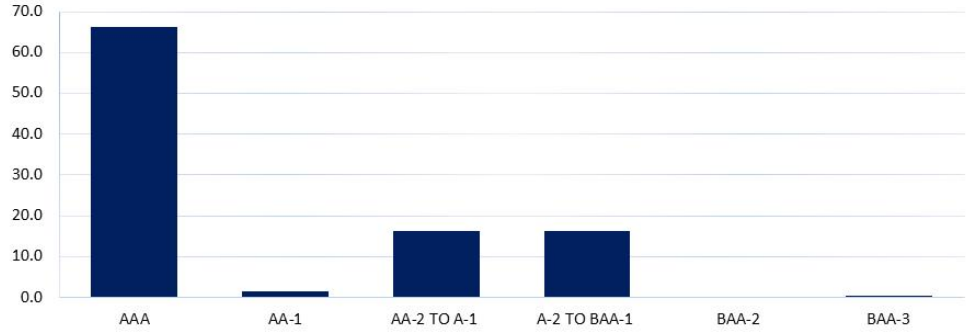
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



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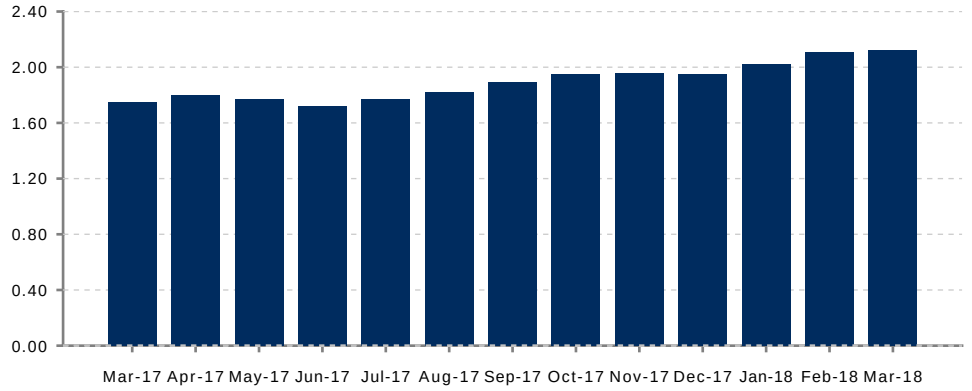
POOL 16 ECDHB

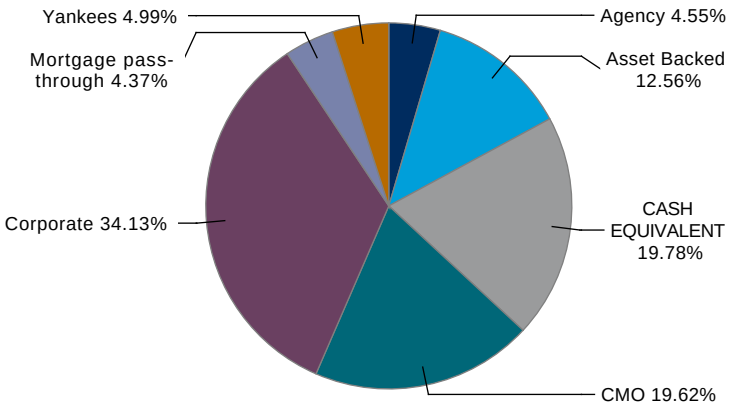
Net Yield



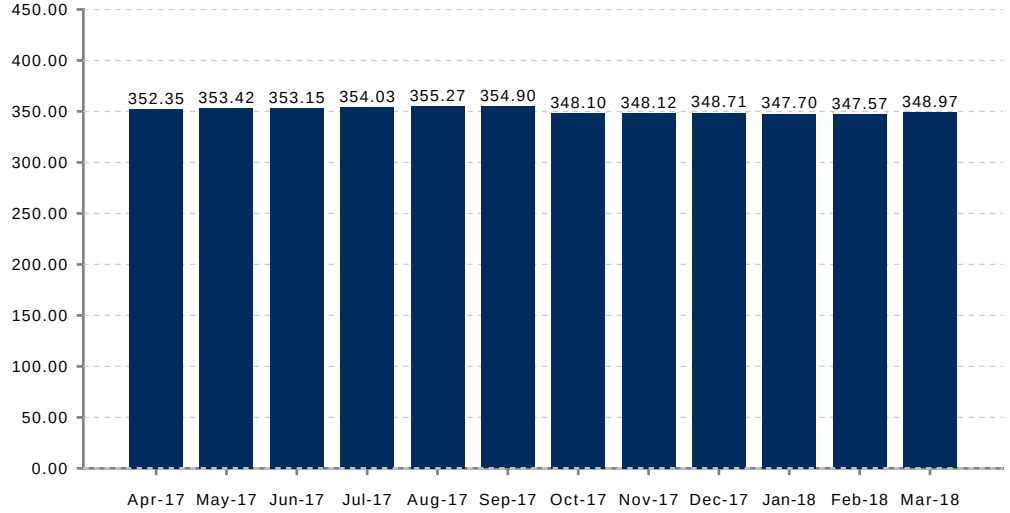
	Current Mth	Prior Mth	1 Year Ago
POOL 16 ECDHB	2.12	2.11	1.75

Asset Allocation

	Ending Market Value
POOL 16 ECDHB	348,970,163



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 16 ECDHB		
GUGGENHEIM SECURITIES REPO	29,004,278	8.31
CROWN POINT CAP CO.	9,982,950	2.86
FANNIE MAE	6,213,427	1.78
FREDDIEMAC STRIP	5,237,933	1.50
ATLANTIC ASSET SECUR	5,109,444	1.46
BANK OF NOVA SCOTIA	5,040,994	1.44
ROYAL BANK OF CANADA	5,040,774	1.44
BRANCH BANKING + TRUST	5,035,490	1.44
FHLMC MULTIFAMILY STRUCTURED P	5,034,306	1.44
CAPITAL ONE MULTI ASSET EXECUT	5,031,395	1.44

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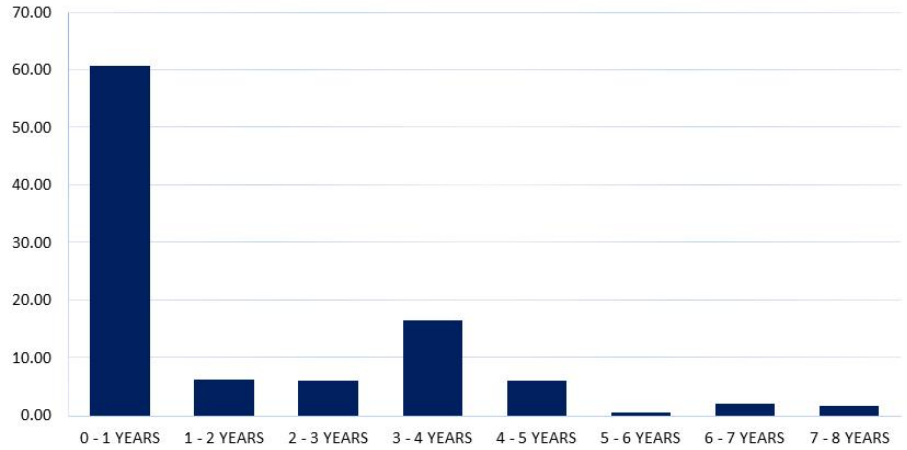
POOL 16 ECDHB

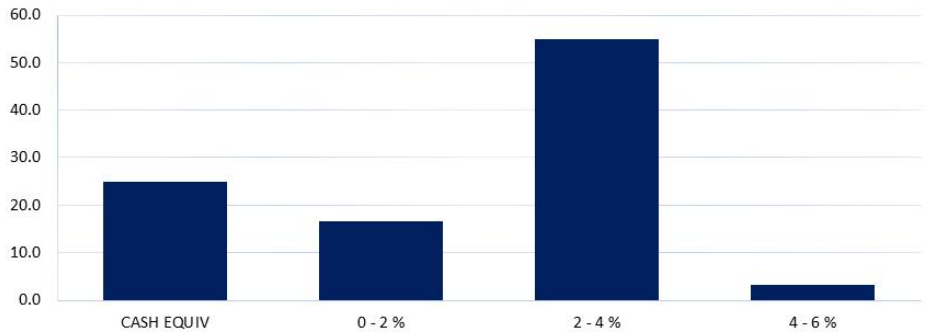
Duration Distribution



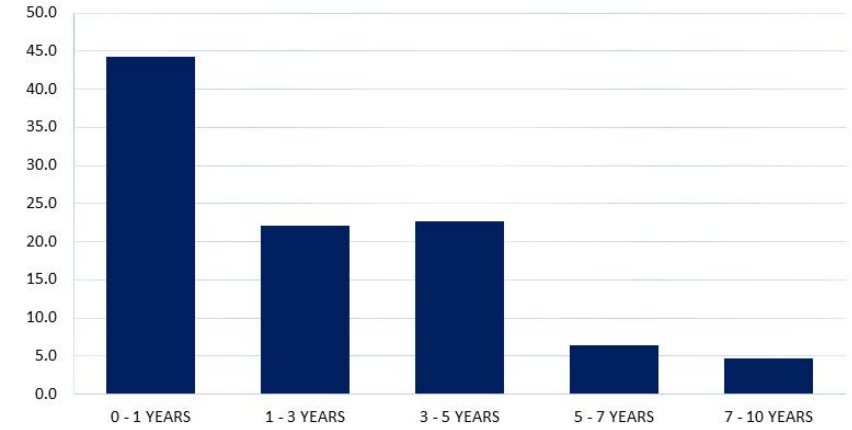
Portfolio Level Characteristics

	POOL 16 ECDHB
Weighted Average Life	2.29
Coupon	2.40
Effective Duration	1.52
Quality Rating (Moody's)	AA-2

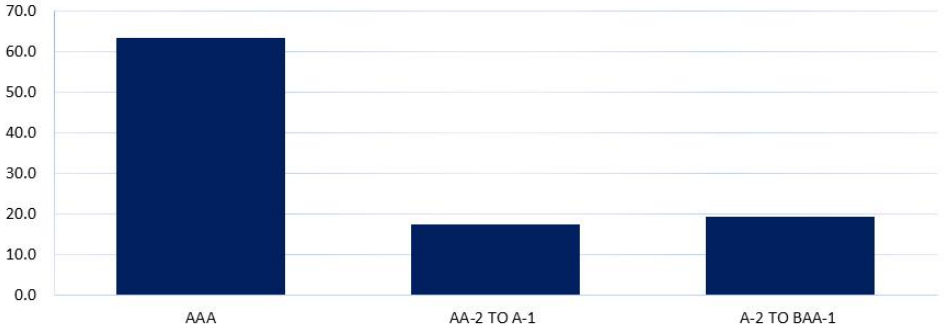
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



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LGIP & LGIP- GOV
PORTFOLIO YIELD ANALYSIS
MARCH 2018

NET EARNINGS

FUND	DESCRIPTION	Current Month 03/31/18	Prior Month 02/28/18	Prior Year 03/31/17	Net Asset Value Per Share
5	LGIP	1,922,515	1,495,874	803,260	1.0000
7	LGIP - GOV	1,639,165	1,459,767	560,990	1.0000
	TOTAL LGIP & LGIP-GOV	3,561,679	2,955,641	1,364,250	

YIELDS

	MONTHLY	Current Month 03/31/18	Prior Month 02/28/18	Prior Year 3/31/17
5	LGIP (NET)	1.61%	1.43%	0.74%
	S & P LGIP INDEX	1.43%	1.34%	0.69%
7	LGIP - GOV (NET)	1.42%	1.35%	0.56%
	3 MONTH T-BILL	1.70%	1.57%	0.73%
	YEAR TO DATE			
5	LGIP (NET)	1.23%	1.18%	0.52%
	S & P LGIP INDEX	1.14%	1.09%	0.52%
7	LGIP - GOV (NET)	1.11%	1.07%	0.41%
	3 MONTH T-BILL	1.27%	1.22%	0.43%

* 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 POOLS
PORTFOLIO YIELD ANALYSIS
MARCH 2018

NET EARNINGS

FUND	DESCRIPTION	Current Month 03/31/18	Prior Month 02/28/18	Prior Year 03/31/17	Net Asset Value Per Share
500	LGIP - MED TERM POOL	612,660	526,586	388,874	1.0226
700	LGIP - FF&C MED TERM POOL	204,478	197,322	141,964	0.9966
	TOTAL LGIP MEDIUM TERM POOLS	817,138	723,908	530,838	

YIELDS

MONTHLY

		Current Month 03/31/18	Prior Month 02/28/18	Prior Year 3/31/17
500	LGIP - MED TERM (NET)	2.03%	1.93%	1.50%
	75% MERRILL 1-5 US D M INDEX / 25% S & P LGIP INDEX	2.34%	2.30%	1.54%
700	LGIP - FF&C MED TERM (NET)	1.64%	1.69%	1.24%
	75% MERRILL 1-5 US TREAS INDEX / 15% MERRILL US GNMA 15 YR INDEX / 10% MERRILL US 3 MO T-BILL INDEX	2.35%	2.37%	1.50%

YEAR TO DATE

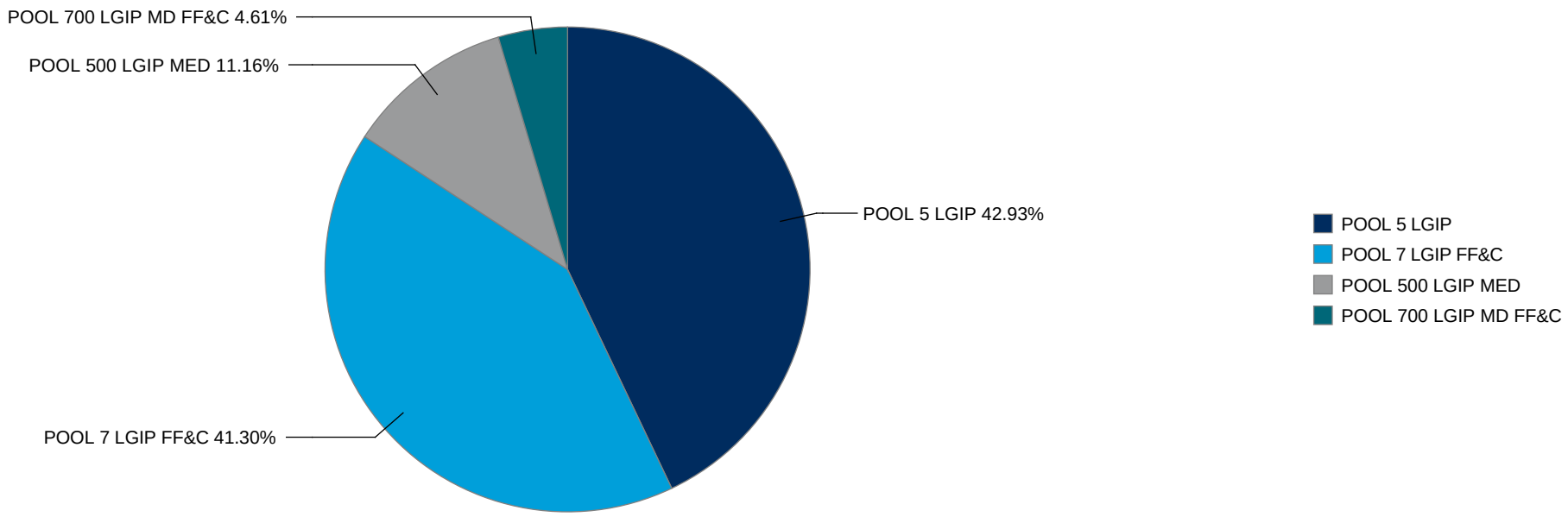
500	LGIP - MED TERM (NET)	1.77%	1.74%	1.37%
	75% MERRILL 1-5 US D M INDEX / 25% S & P LGIP INDEX	1.91%	1.86%	1.34%
700	LGIP - FF&C MED TERM (NET)	1.55%	1.54%	1.11%
	75% MERRILL 1-5 US TREAS INDEX / 15% MERRILL US GNMA 15 YR INDEX / 10% MERRILL US 3 MO T-BILL INDEX	1.91%	1.85%	1.22%

OFFICE OF THE ARIZONA STATE TREASURER

March 31, 2018

LGIP

Manager Allocation



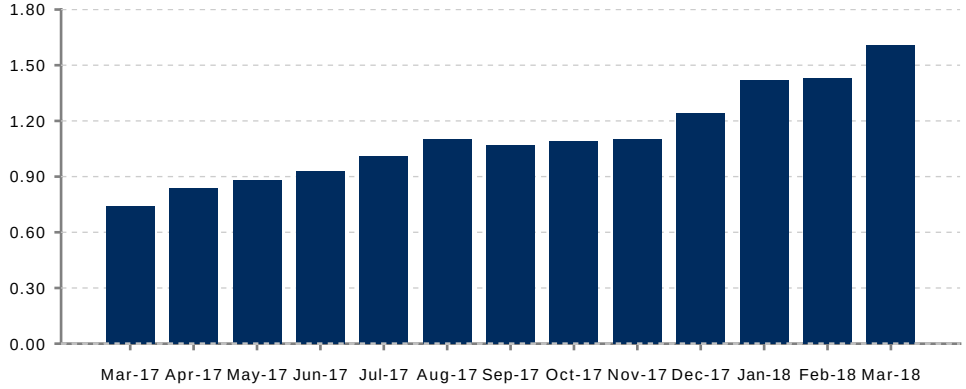
	Market Value	% of Portfolio
POOL 5 LGIP	1,371,261,754	42.9
POOL 7 LGIP FF&C	1,319,360,908	41.3
POOL 500 LGIP MED	356,558,290	11.2
POOL 700 LGIP MD FF&C	147,367,650	4.6
TOTAL LGIP	3,194,548,602	100.0

OFFICE OF THE ARIZONA STATE TREASURER

March 31, 2018

POOL 5 LGIP

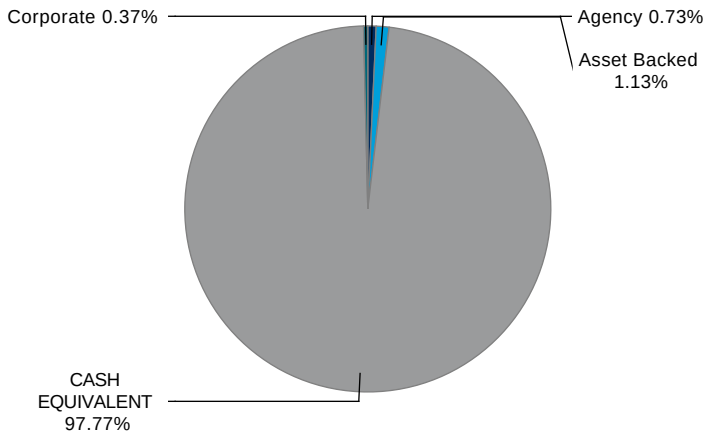
Net Yield



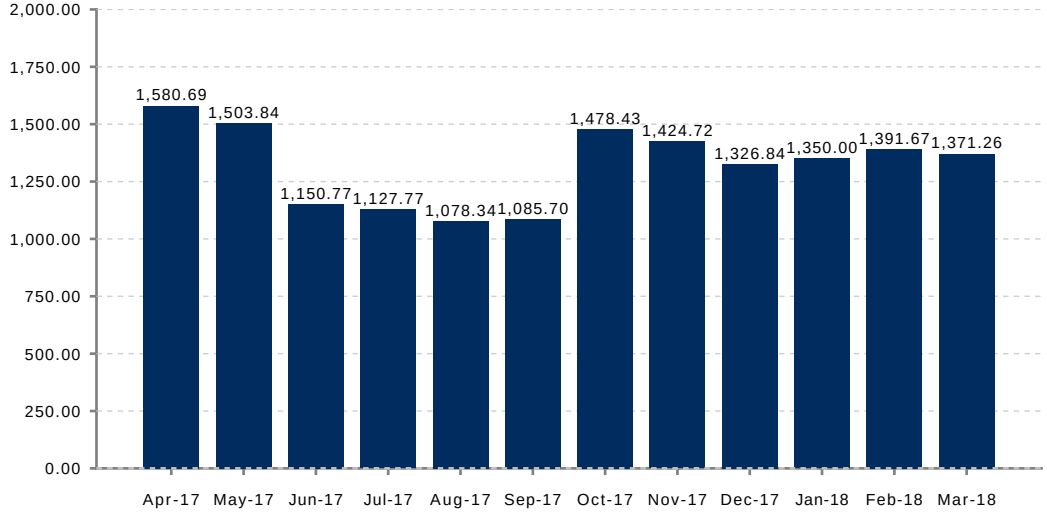
	Current Mth	Prior Mth	1 Year Ago
POOL 5 LGIP	1.61	1.43	0.74

Asset Allocation

	Ending Market Value
POOL 5 LGIP	1,371,261,754



Net Asset Values over Time ($MM)



Top 10 Holdings

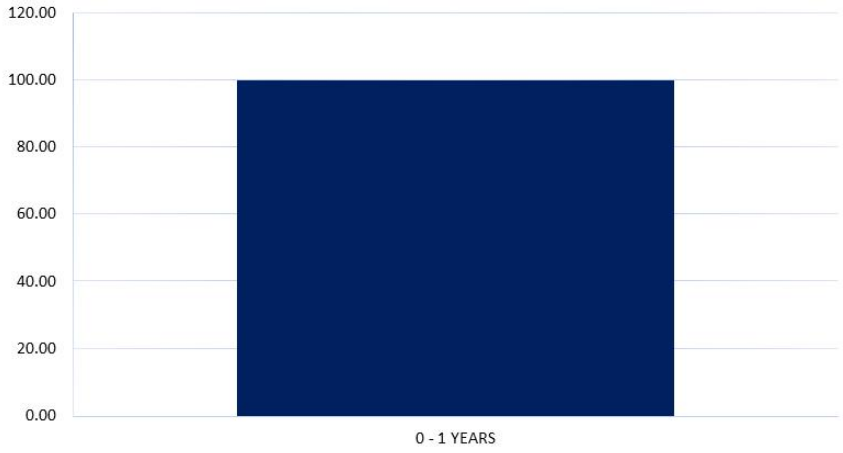
Security Name	Ending Market Value	% of Portfolio
POOL 5 LGIP		
CREDIT AGRICOLE REPO	200,028,667	14.59
BANK OF AMERICA REPO	100,012,917	7.29
FIDELITY INVESTMENTS MONEY	50,935,188	3.71
RBC CAPITAL MARKETS REPO	46,278,173	3.37
TREASURY BILL	39,983,378	2.92
COCA-COLA COMPANY	32,964,360	2.40
NORTHWESTERN UNIVERS	29,953,500	2.18
LIBERTY FUNDING LLC	26,950,320	1.97
EXXON MOBIL CORP	24,998,868	1.82
STARBIRD FDG. CORP	24,996,458	1.82

OFFICE OF THE ARIZONA STATE TREASURER

March 31, 2018

POOL 5 LGIP

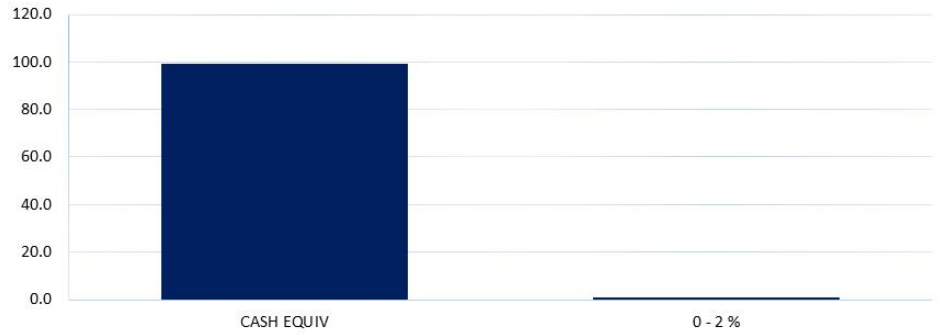
Duration Distribution



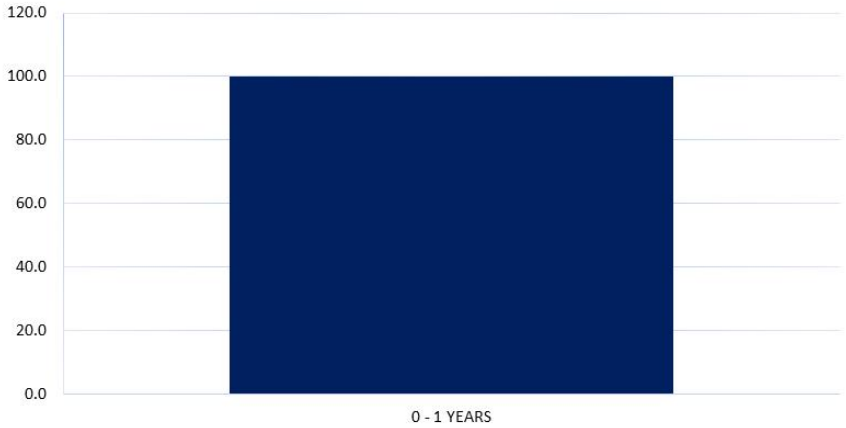
Portfolio Level Characteristics

	POOL 5 LGIP
Weighted Average Life	0.07
Coupon	0.13
Effective Duration	0.06
Quality Rating (Moody's)	AAA

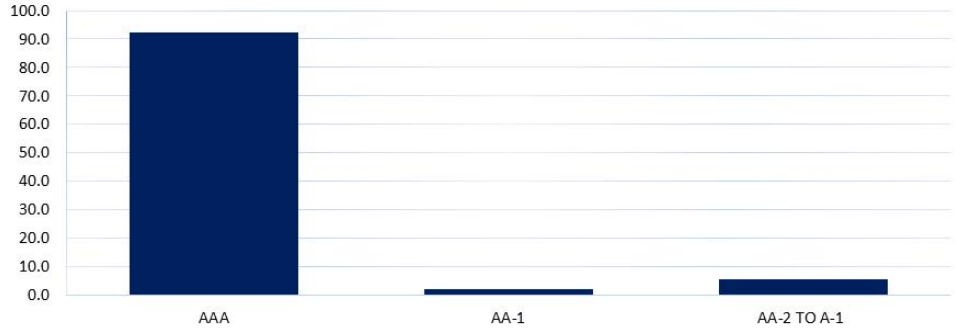
Coupon Distribution



Expected Maturity Distribution



Rating Distribution

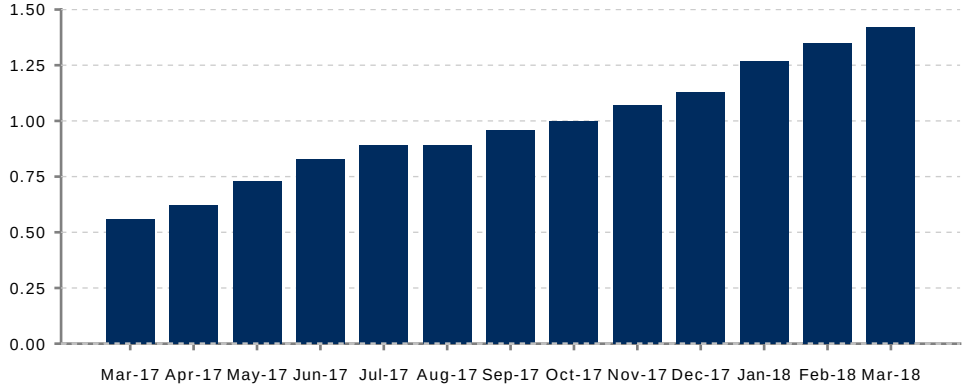


OFFICE OF THE ARIZONA STATE TREASURER

March 31, 2018

POOL 7 LGIP FF&C

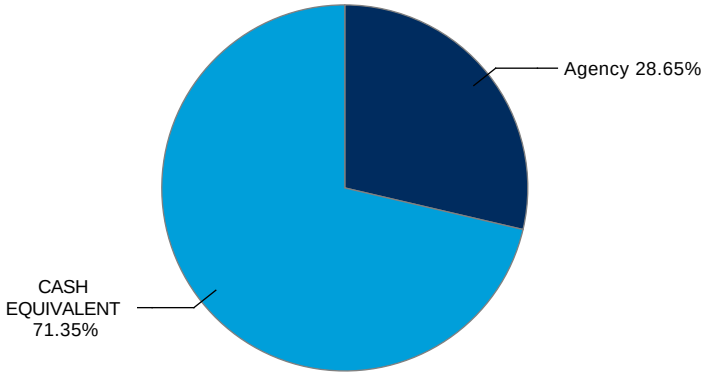
Net Yield



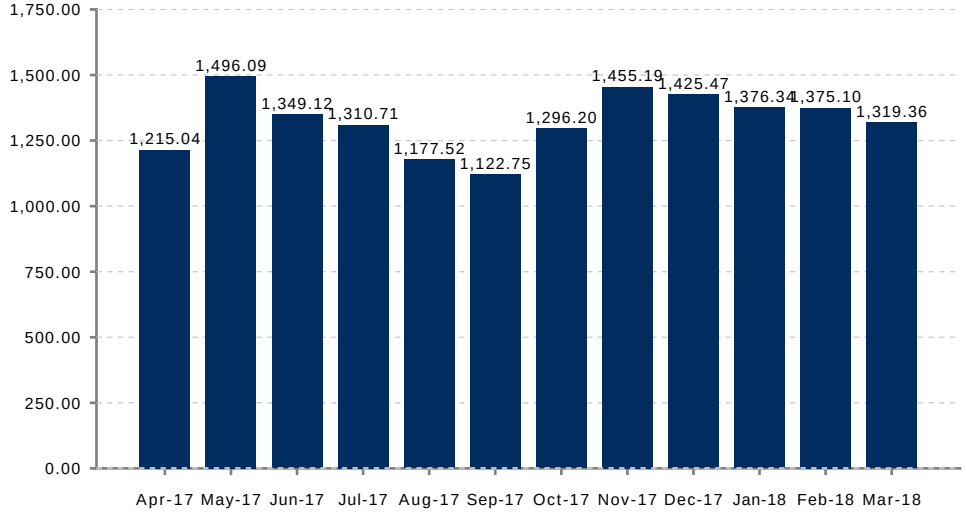
	Current Mth	Prior Mth	1 Year Ago
POOL 7 LGIP FF&C	1.42	1.35	0.56

Asset Allocation

	Ending Market Value
POOL 7 LGIP FF&C	1,319,360,908



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 7 LGIP FF&C		
TREASURY BILL	119,982,569	9.09
TREASURY BILL	119,951,534	9.09
TREASURY BILL	119,735,471	9.08
WELLS FARGO REPO	110,026,736	8.34
TREASURY BILL	99,868,789	7.57
TREASURY BILL	79,944,472	6.06
TREASURY BILL	79,855,126	6.05
TREASURY BILL	79,450,250	6.02
BMO TRIPARTY MTGE CLAS/ISIT/RTRP MATU//20121224	54,693,585	4.15
RBC CAPITAL MARKETS REPO	53,736,410	4.07

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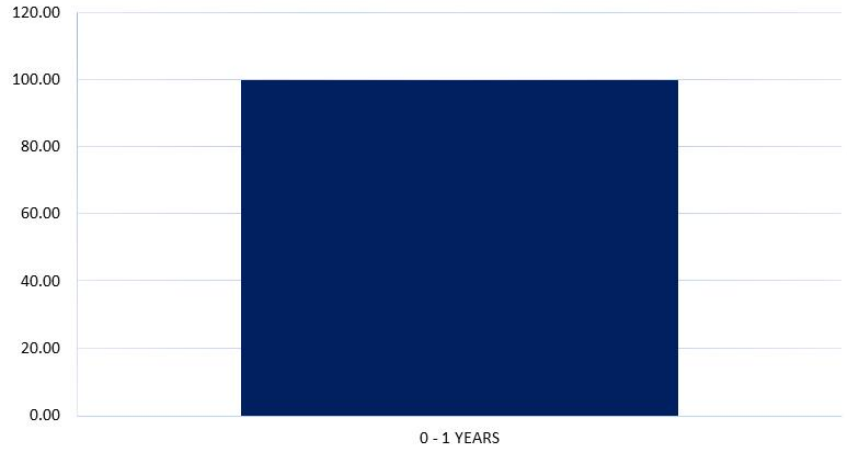
OFFICE OF THE ARIZONA STATE TREASURER

March 31, 2018

POOL 7 LGIP FF&C

Duration Distribution

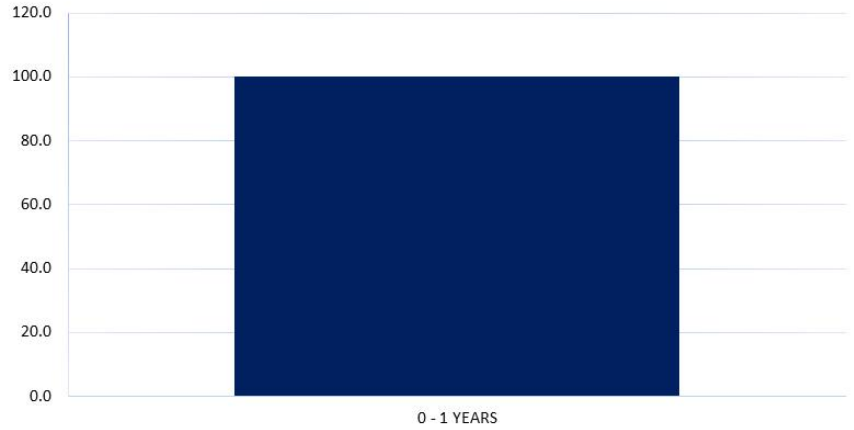


Portfolio Level Characteristics

	POOL 7 LGIP FF&C
Weighted Average Life	0.14
Coupon	0.00
Effective Duration	0.14
Quality Rating (Moody's)	AAA

Coupon Distribution

Expected Maturity Distribution



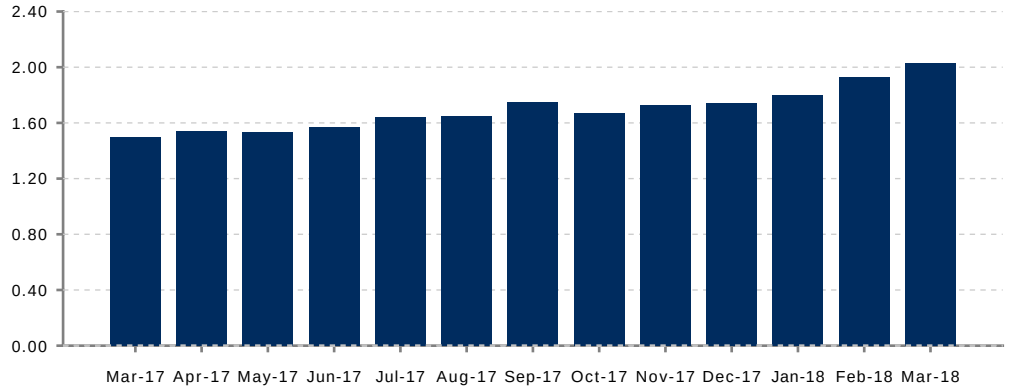
Rating Distribution

OFFICE OF THE ARIZONA STATE TREASURER

March 31, 2018

POOL 500 LGIP MED

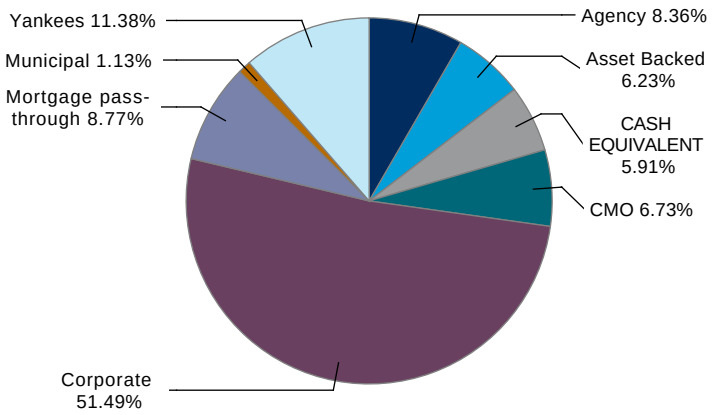
Net Yield



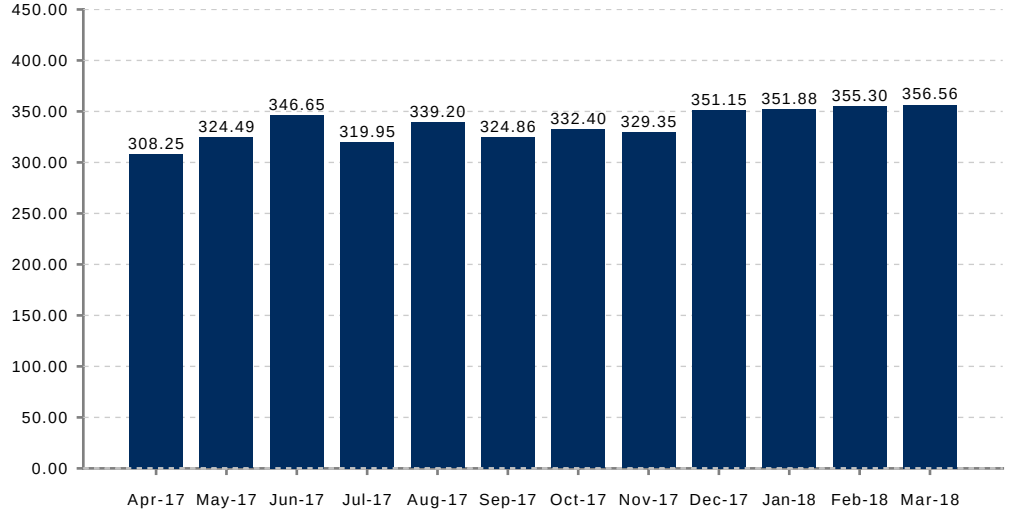
	Current Mth	Prior Mth	1 Year Ago
POOL 500 LGIP MED	2.03	1.93	1.50

Asset Allocation

	Ending Market Value
POOL 500 LGIP MED	356,558,290



Net Asset Values over Time ($MM)



Top 10 Holdings

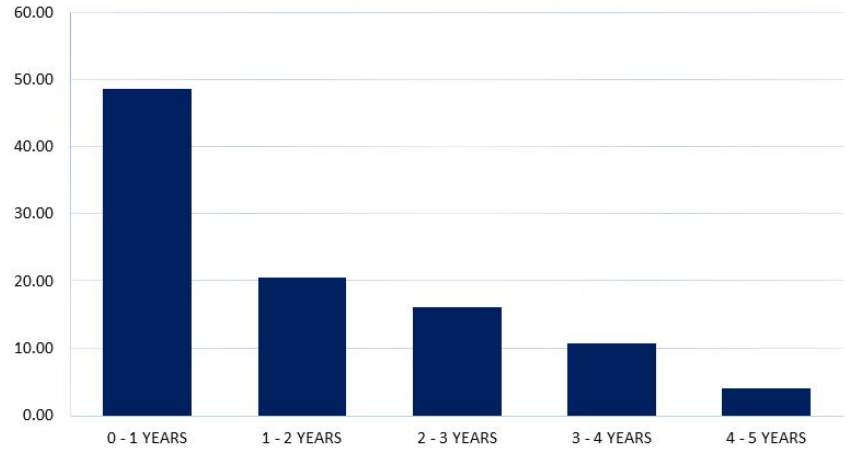
Security Name	Ending Market Value	% of Portfolio
POOL 500 LGIP MED		
GUGGENHEIM SECURITIES REPO	21,003,098	5.89
GOLDMAN SACHS GROUP INC	8,002,689	2.24
MICROSOFT CORP	7,952,205	2.23
APPLE INC	7,064,000	1.98
MANUF + TRADERS TRUST CO	7,027,780	1.97
HERSHEY COMPANY	5,989,499	1.68
BANK OF AMERICA CORP	5,838,512	1.64
FNMA POOL AB5991	5,766,243	1.62
MERCK + CO INC	5,546,865	1.56
FEDERAL HOME LOAN BANK	5,039,636	1.41

OFFICE OF THE ARIZONA STATE TREASURER

March 31, 2018

POOL 500 LGIP MED

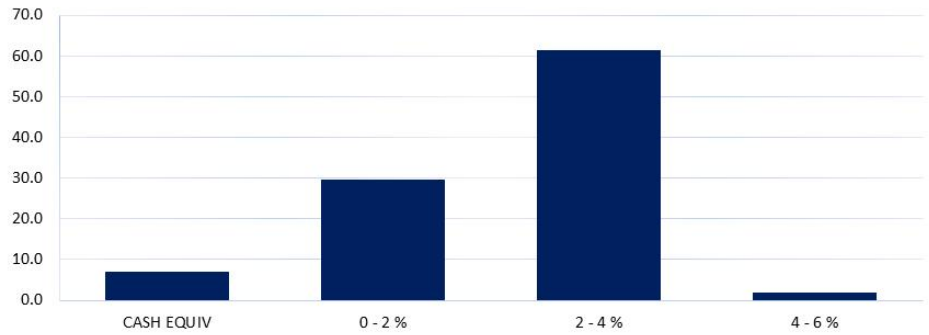
Duration Distribution



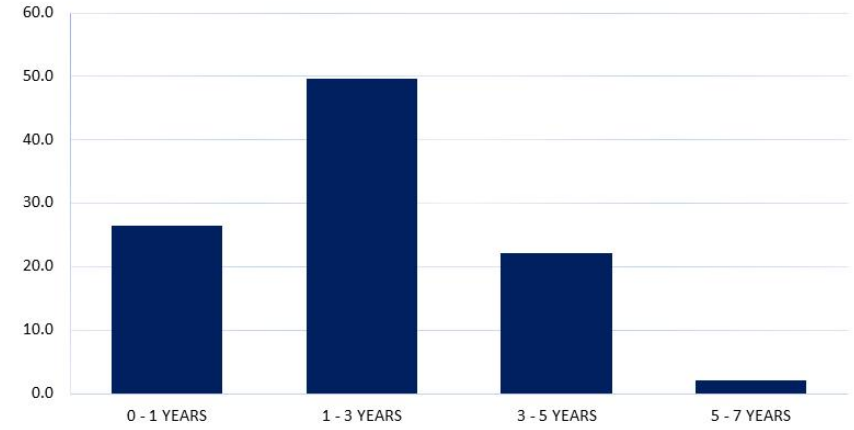
Portfolio Level Characteristics

	POOL 500 LGIP MED
Weighted Average Life	2.08
Coupon	2.23
Effective Duration	1.38
Quality Rating (Moody's)	AA-3

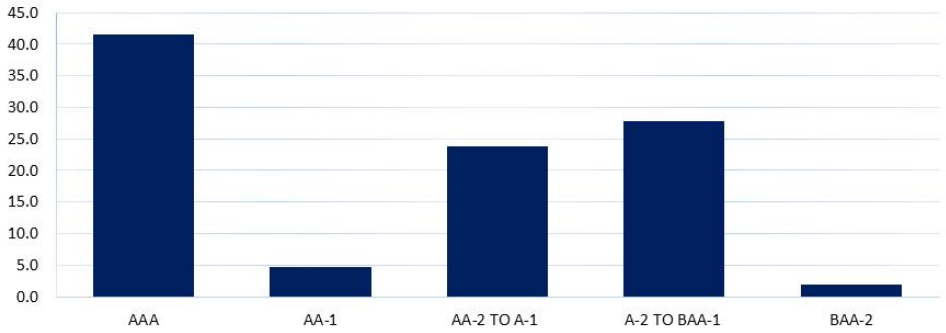
Coupon Distribution



Expected Maturity Distribution



Rating Distribution

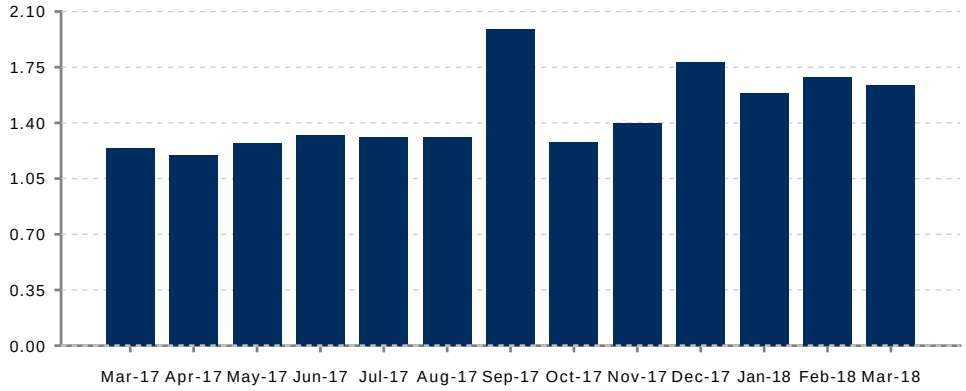


OFFICE OF THE ARIZONA STATE TREASURER

March 31, 2018

POOL 700 LGIP MD FF&C

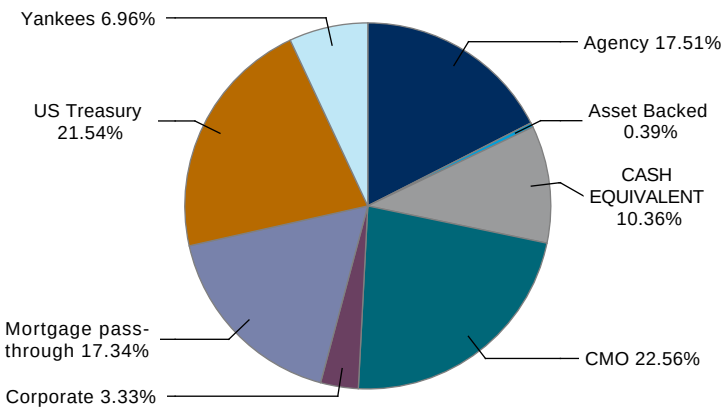
Net Yield



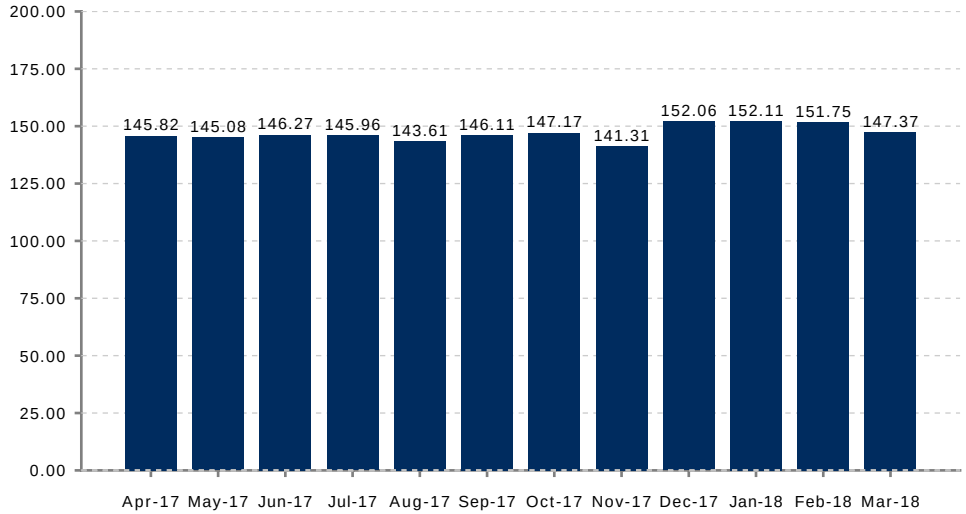
	Current Mth	Prior Mth	1 Year Ago
POOL 700 LGIP MD FF&C	1.64	1.69	1.24

Asset Allocation

	Ending Market Value
POOL 700 LGIP MD FF&C	147,367,650



Net Asset Values over Time ($MM)



Top 10 Holdings

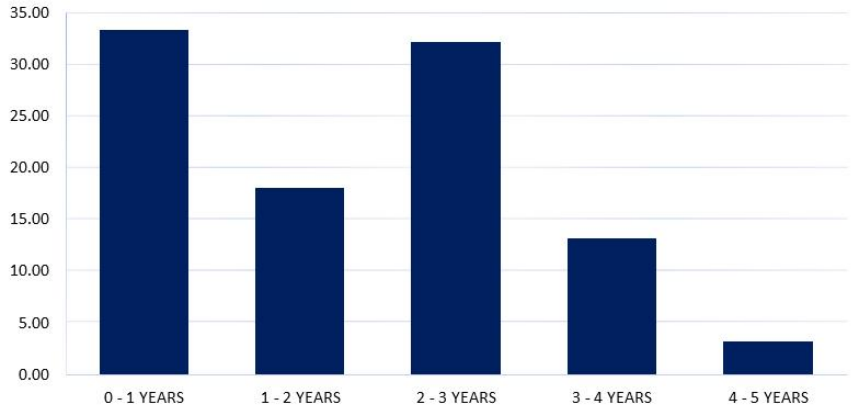
Security Name	Ending Market Value	% of Portfolio
POOL 700 LGIP MD FF&C		
GUGGENHEIM SECURITIES REPO	10,001,475	6.79
GOVERNMENT NATIONAL MORTGAGE A	7,157,250	4.86
AID JORDAN	6,341,490	4.30
OVERSEAS PRIVATE INV COR	4,997,006	3.39
TREASURY BILL	4,996,175	3.39
US TREASURY N/B	4,995,753	3.39
US TREASURY N/B	4,973,093	3.37
US TREASURY N/B	4,955,185	3.36
US TREASURY N/B	4,945,600	3.36
US TREASURY N/B	4,891,525	3.32

OFFICE OF THE ARIZONA STATE TREASURER

March 31, 2018

POOL 700 LGIP MD FF&C

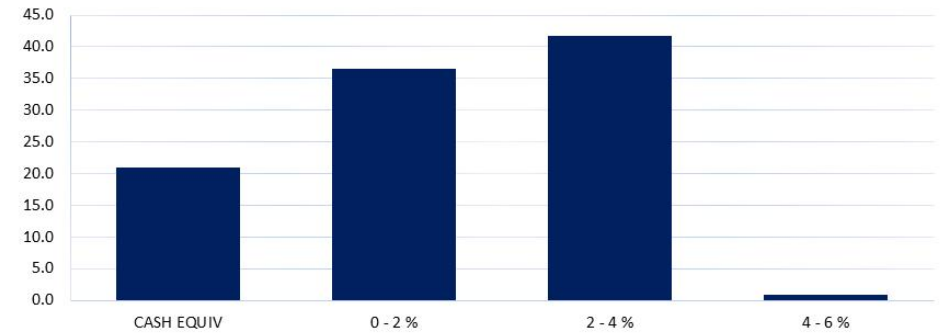
Duration Distribution



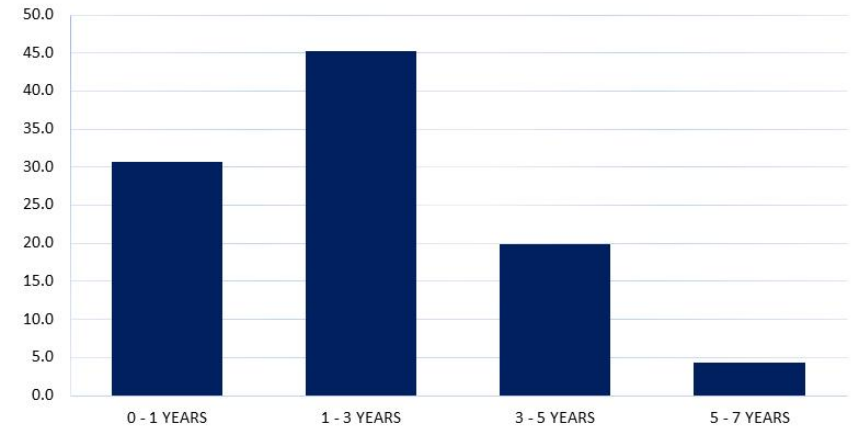
Portfolio Level Characteristics

	POOL 700 LGIP MD FF&C
Weighted Average Life	2.11
Coupon	1.79
Effective Duration	1.80
Quality Rating (Moody's)	AAA

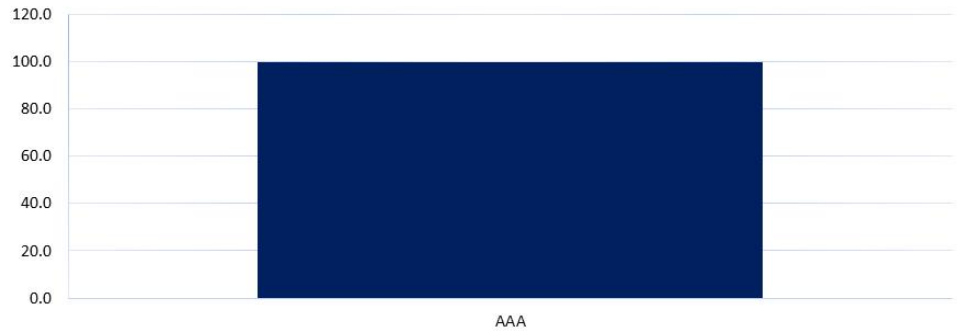
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



EARNINGS DISTRIBUTED
ENDOWMENT FUNDS
MARCH 2018

Recipient		Distributed in Current Month MARCH 2018	Fiscal YTD 17/18	Fiscal YTD 16/17
101	A & M Colleges	$66,488	$598,388	$564,255
102	State Hospital	42,992	386,928	357,228
103	Leg., Exec., & Jud.	54,897	494,073	462,717
104	Military Institute	3,642	32,777	31,104
105	Miners Hospital	143,641	1,292,767	1,142,685
107	Normal School ASU/NAU	26,115	235,033	214,695
108	Penitentiaries	95,352	858,164	769,878
109	Permanent Common School	24,660,436	221,943,928	202,168,891
110	School for Deaf & Blind	35,595	320,354	298,281
111	School of Mines	75,273	677,461	638,226
112	State Charitable-Pioneers Home	370,145	3,331,303	3,118,256
112	State Charitable-Corrections	185,072	1,665,651	1,559,128
112	State Charitable-Youth Treatment	185,072	1,665,651	1,559,128
113	University Fund	132,996	1,196,966	1,106,645
114	U of A Land - 1881	433,184	3,898,652	3,460,278
	Total	**$26,510,900**	**$238,598,098**	**$217,451,396**

Land Sales Monthly Proceeds
Endowment Funds

	Year						
Month	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**
January	21,196,075	85,209,777	29,493,046	7,126,212	5,108,687	2,960,815	809,822
February	92,150,173	24,412,865	33,969,801	2,535,244	1,083,178	1,103,303	744,295
March	1,015,640	13,469,847	1,323,549	1,096,232	1,106,860	3,045,043	8,296,029
April	1,796,774	4,599,024	2,252,527	1,968,281	28,981,969	78,134,289	
May	926,085	12,685,871	1,100,261	19,123,417	20,147,116	27,642,672	
June	22,369,423	6,493,351	4,564,719	33,179,898	31,844,678	2,451,110	
July	823,328	5,694,705	4,196,738	6,092,396	2,469,997	13,838,188	
August	33,621,311	2,304,138	24,838,430	1,038,971	13,094,287	5,746,802	
September	17,307,221	10,399,639	1,960,673	1,967,125	(12,580,728)	19,937,751	
October	1,403,700	1,240,497	3,150,170	2,366,519	10,614,885	480,710	
November	5,131,627	8,995,327	34,193,583	1,358,711	28,490,238	9,500,048	
December	28,846,813	3,574,631	1,136,538	4,264,354	6,127,407	3,869,818	
Calendar Year	226,588,170	179,079,672	142,180,034	82,117,360	136,488,573	168,710,549	9,850,146
Fiscal Year (July 1st to June 30th)	163,898,058	234,004,734	104,912,840	134,505,415	105,360,563	163,553,318	63,223,463

NET REALIZED CAPITAL GAINS / LOSSES - ENDOWMENT FUNDS

Endowment Fund	March 2018 NET GAIN(LOSS)	March 2017 NET GAIN(LOSS)
Fixed Income Pool	($200,611)	**($296,784)**
500 Large-Cap Fund	2,406,923	**176,643**
400 Mid-Cap Fund	11,996,594	**13,090,911**
600 Small-Cap Fund	18,503,410	**12,494,438**
Totals	$32,706,315	**$25,465,208**

Endowment Fund	2017/2018 FISCAL YEAR TO DATE GAINS(LOSSES)	2016/2017 FISCAL YEAR TO DATE GAINS(LOSSES)
Fixed Income Pool	($1,260,372)	**($2,078,674)**
500 Large-Cap Fund	76,562,319	**14,731,082**
400 Mid-Cap Fund	55,226,705	**31,477,021**
600 Small-Cap Fund	50,213,931	**31,172,018**
Totals	$180,742,583	**$75,301,446**

ENDOWMENT FUNDS FIXED-INCOME POOLS
PURCHASES & SALES
MARCH 2018

I. Endowment Funds Purchases

POOL	SECURITY DESCRIPTION	RATE	MATURITY	*WAL YEARS	PAR VALUE	PURCHASE COST	YIELD	MOODY'S RATING
205	ALLSTATE	2.73	03/29/2021	NA	$5,000,000	$5,000,000	2.73%	A3
205	AMERICAN EXPRESS	2.22	10/15/2025	4.98	4,000,000	4,000,000	2.22%	Aaa
205	COMM MORTGAGE	4.16	05/31/2018	7.53	6,258,000	6,469,167	3.70%	Aa2
205	CVS HEALTH	2.69	03/09/2020	NA	10,000,000	10,000,000	2.69%	Baa1
205	FNMA MTG	4.00	03/01/2033	5.20	4,972,752	5,171,628	3.14%	Aaa
205	FREDDIE MAC	4.00	01/01/2033	5.02	5,936,730	6,179,724	3.11%	Aaa
205	VERIZON	1.97	09/20/2022	2.49	10,500,000	10,500,000	1.97%	Aaa
123	ATLANTIC ASSET	0.00	04/20/2018	NA	2,000,000	1,997,623	1.86%	P-1
123	CEDAR SPRINGS	0.00	04/13/2018	NA	3,500,000	3,493,525	1.80%	P-1
123	CHEVRON	0.00	04/19/2018	NA	2,000,000	1,995,725	1.71%	P-1
123	CONCORD MINUTEMEN	0.00	04/13/2018	NA	3,000,000	2,994,458	1.75%	P-1
123	EMERSON ELECTRIC	0.00	04/19/2018	NA	3,000,000	2,996,850	1.80%	P-1
123	EXXON MOBIL	0.00	04/19/2018	NA	3,000,000	2,996,903	1.77%	P-1
123	HALKIN FINANCE	0.00	04/20/2018	NA	4,000,000	3,995,551	1.82%	P-1
123	HERSHEY FOODS	0.00	04/16/2018	NA	3,000,000	2,994,021	1.75%	P-1
123	INSTITUTIONAL SECURED	0.00	04/02/2018	NA	2,500,000	2,496,539	1.78%	P-1
123	KELLS FUNDING	0.00	04/19/2018	NA	3,000,000	2,997,408	1.83%	P-1
123	MANHATTAN ASSET	0.00	04/20/2018	NA	4,000,000	3,994,639	1.93%	P-1
123	MOUNTCLIFF	0.00	04/23/2018	NA	3,000,000	2,995,357	1.99%	P-1
123	MOUNTCLIFF	0.00	05/21/2018	NA	3,000,000	2,991,711	2.04%	P-1
123	SHEFFIELD	0.00	04/03/2018	NA	3,000,000	2,997,990	2.01%	P-1
	TOTAL ENDOWMENT FUNDS PURCHASES				**$88,667,482**	**$89,258,817**		

II. Endowment Funds Sales

POOL	SECURITY DESCRIPTION	RATE	MATURITY		PAR VALUE	AMORTIZED COST/PROCEEDS	SALES GAINS/(LOSSES)	MOODY'S RATING
205	HALKIN FINANCE	0.00	03/23/2018	NA	10,000,000	9,995,556	139	P-1
205	US TREASURY	4.00	08/15/2018	NA	10,000,000	10,117,000	54,870	Aaa
	TOTAL ENDOWMENT FUNDS SALES				**$20,000,000**	**$20,112,555**	**$55,009**	

* 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
MARCH 2018

I. Equity Fund Purchases

	SHARES	PURCHASE COST	COMMISSIONS
400 Mid-Cap Fund	738,115	$20,770,765	$4,298
500 Large-Cap Fund	120,956	11,757,325	687
600 Small-Cap Fund	565,456	5,425,819	2,144
TOTAL EQUITY PURCHASES	**1,424,527**	**$37,953,909**	**$7,129**

II. Equity Funds Sales

	SHARES	SALES AMOUNT	COMMISSIONS
400 Mid-Cap Fund	413,260	$18,960,767	$890
500 Large-Cap Fund	228,411	9,481,032	1,008
600 Small-Cap Fund	447,152	24,861,042	1,025
TOTAL EQUITY SALES	**1,088,823**	**$53,302,841**	**$2,923**

ENDOWMENT FUNDS
INVESTMENTS OUTSTANDING
MARCH 31, 2018
(In Thousands)

FUND	NAME OF FUND	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	UNREALIZED GAINS (LOSSES)	**Mkt Value/ Book Value**
101	A & M Colleges					
	Shares in Equity Pools	399	$2,808	$7,931	$5,122	
	Shares in Fixed Income Pools	3,994	2,859	5,312	2,453	
	Total	4,393	5,667	13,243	7,576	**2.337**
102	State Hospital					
	Shares in Equity Pools	307	2,620	6,094	3,475	
	Shares in Fixed Income Pools	3,156	2,604	4,198	1,595	
	Total	3,463	5,223	10,293	5,070	**1.971**
103	Leg., Exec, & Jud					
	Shares in Equity Pools	325	2,457	6,463	4,006	
	Shares in Fixed Income Pools	3,477	2,491	4,625	2,133	
	Total	3,802	4,948	11,087	6,139	**2.241**
104	Military Institute					
	Shares in Equity Pools	22	172	437	265	
	Shares in Fixed Income Pools	240	169	319	150	
	Total	262	341	756	415	**2.216**
105	Miners Hospital					
	Shares in Equity Pools	961	8,531	19,091	10,559	
	Shares in Fixed Income Pools	9,665	8,423	12,856	4,433	
	Total	10,626	16,954	31,947	14,992	**1.884**
107	Normal School ASU/NAU					
	Shares in Equity Pools	184	1,579	3,646	2,067	
	Shares in Fixed Income Pools	1,895	1,515	2,520	1,005	
	Total	2,078	3,094	6,166	3,073	**1.993**
108	Penitentiaries					
	Shares in Equity Pools	640	5,423	12,711	7,288	
	Shares in Fixed Income Pools	6,545	5,390	8,706	3,316	
	Total	7,185	10,813	21,417	10,604	**1.981**

ENDOWMENT FUNDS
INVESTMENTS OUTSTANDING
MARCH 31, 2018
(In Thousands)

	NAME OF FUND	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	UNREALIZED GAINS (LOSSES)	**Mkt Value/ Book Value**
109	Permanent Common School					
	Shares in Equity Pools	161,849	1,316,412	3,215,219	1,898,807	
	Shares in Fixed Income Pools	1,629,928	1,333,688	2,168,047	834,359	
	Total	1,791,777	2,650,100	5,383,265	2,733,166	**2.031**
110	School for Deaf & Blind					
	Shares in Equity Pools	232	1,928	4,612	2,684	
	Shares in Fixed Income Pools	2,604	2,047	3,464	1,417	
	Total	2,836	3,975	8,076	4,100	**2.031**
111	School of Mines					
	Shares in Equity Pools	452	3,391	8,973	5,583	
	Shares in Fixed Income Pools	4,645	3,449	6,178	2,729	
	Total	5,096	6,839	15,151	8,312	**2.215**
112	State Charitable					
	Shares in Equity Pools	4,553	34,297	90,443	56,145	
	Shares in Fixed Income Pools	44,211	35,071	58,807	23,736	
	Total	48,764	69,368	149,250	79,882	**2.152**
113	University Fund					
	Shares in Equity Pools	824	6,529	16,363	9,834	
	Shares in Fixed Income Pools	8,482	6,466	11,282	4,816	
	Total	9,305	12,995	27,645	14,650	**2.127**
114	U Of A Land - 1881					
	Shares in Equity Pools	3,112	30,302	61,817	31,515	
	Shares in Fixed Income Pools	31,992	27,625	42,555	14,929	
	Total	35,104	57,927	104,372	46,444	**1.802**
	TOTALS - ALL FUNDS					
	Shares in Equity Pools	173,859	1,416,448	3,453,799	2,037,351	
	Shares in Fixed Income Pools	1,750,833	1,431,798	2,328,869	897,071	
	Grand Total	$1,924,692	$2,848,246	$5,782,667	$2,934,422	
	PRIOR YEAR: MARCH 2017 BALANCES	**$1,972,103**	**$2,887,639**	**$5,472,195**	**$2,584,556**	

ENDOWMENT FUNDS
INVESTMENTS OUTSTANDING
MARCH 31, 2018

ASSET ALLOCATION PERCENTAGE

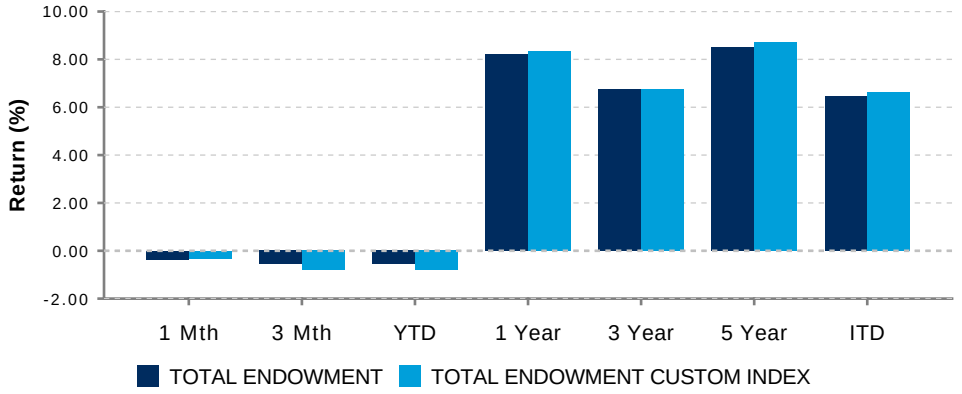
	SHARES OUTSTANDING	**BOOK VALUE**	MARKET VALUE	MARCH 2017 MARKET VALUE
Shares in Equity Pools	9.03%	**49.73%**	59.73%	63.75%
Shares in Fixed Income Pools	90.97%	**50.27%**	40.27%	36.25%
Total	100.00%	**100.00%**	100.00%	100.00%

OFFICE OF THE ARIZONA STATE TREASURER

March 31, 2018

Total Endowment Summary

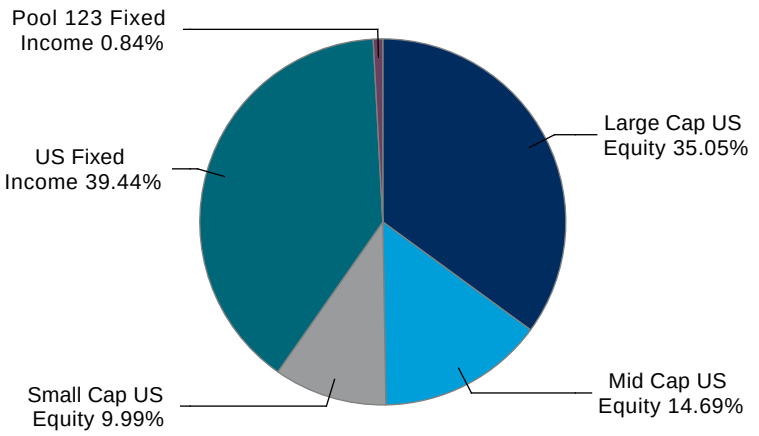
Performance



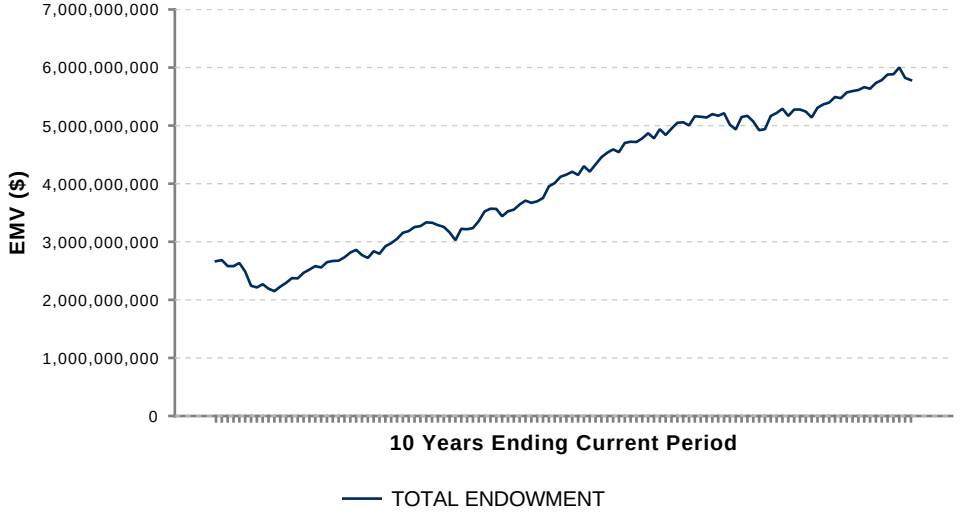
	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Incept Date
TOTAL ENDOWMENT	-0.37	-0.56	-0.56	8.20	6.75	8.49	6.46	07/99
TOTAL ENDOWMENT CUSTOM INDEX	-0.33	-0.80	-0.80	8.34	6.76	8.70	6.63	07/99
Excess	-0.05	0.24	0.24	-0.14	-0.01	-0.21	-0.17	

Asset Allocation

	Ending Market Value
TOTAL ENDOWMENT	5,782,667,285

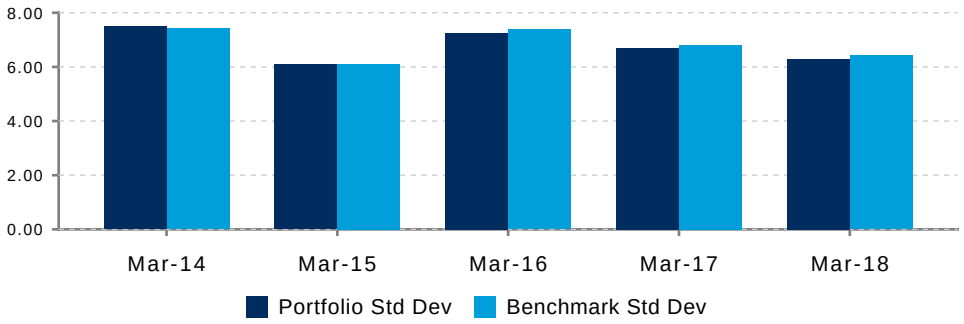


Ending Market Value



3 Year Risk Statistics

	Return	Portfolio Std Dev	Benchmark Std Dev	Sharpe Ratio	Beta	Tracking Error	Information Ratio
TOTAL ENDOWMENT	6.75	6.29	6.42	0.99	0.98	0.36	-0.02



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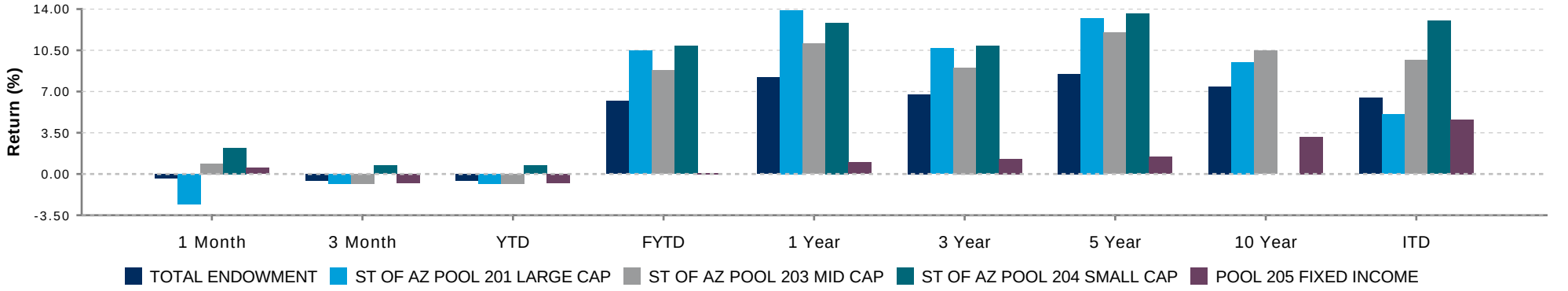
Total Returns Net Mgr

Return Comparison



	Market Value	Actual Weight	1 Mth	3 Mth	YTD	FYTD	1 Year	3 Year	5 Year	10 Year	ITD	Inc Date
TOTAL ENDOWMENT	5,782,667,285	100.00	-0.37	-0.56	-0.56	6.19	8.20	6.75	8.49	7.44	6.46	Jul-01-99
TOTAL ENDOWMENT CUSTOM INDEX			-0.33	-0.80	-0.80	6.09	8.34	6.76	8.70	7.74	6.63	Jul-01-99
Excess			-0.05	0.24	0.24	0.10	-0.14	-0.01	-0.21	-0.31	-0.17	
ST OF AZ POOL 201 LARGE CAP	2,026,830,302	35.05	-2.54	-0.84	-0.84	10.47	13.90	10.67	13.23	9.50	5.05	Jul-01-99
S&P 500 INDEX (DAILY)			-2.54	-0.76	-0.76	10.58	13.99	10.78	13.31	9.49	5.56	Jul-01-99
Excess			0.00	-0.08	-0.08	-0.10	-0.09	-0.11	-0.08	0.01	-0.51	
ST OF AZ POOL 203 MID CAP	849,348,481	14.69	0.88	-0.85	-0.85	8.78	11.08	9.04	12.01	10.46	9.65	Aug-01-01
S&P 400 MIDCAP INDEX (DAILY)			0.93	-0.77	-0.77	8.83	10.97	8.96	11.97	10.90	9.65	Aug-01-01
Excess			-0.05	-0.08	-0.08	-0.05	0.10	0.08	0.04	-0.44	-0.00	
ST OF AZ POOL 204 SMALL CAP	577,619,776	9.99	2.22	0.73	0.73	10.85	12.83	10.87	13.61		13.01	Mar-01-11
S&P SM 600 TR			2.04	0.57	0.57	10.78	12.68	10.76	13.56		12.97	Mar-01-11
Excess			0.19	0.16	0.16	0.07	0.16	0.11	0.06		0.04	
POOL 205 FIXED INCOME	2,280,508,119	39.44	0.50	-0.76	-0.76	0.08	0.98	1.27	1.46	3.14	4.63	Jul-01-99
CITIGROUP BIG (DAILY)			0.64	-1.48	-1.48	-0.27	1.21	1.20	1.83	3.64	4.91	Jul-01-99
Excess			-0.15	0.71	0.71	0.35	-0.23	0.07	-0.37	-0.50	-0.29	
POOL 123 FIXED INCOME	48,360,606	0.84	0.15	0.33	0.33	0.95	1.20				0.99	Jun-01-16
ASTO-POOL 5 BENCHMARK			0.13	0.37	0.37	0.93	1.15				0.86	Jun-01-16
Excess			0.01	-0.04	-0.04	0.03	0.05				0.14	

OFFICE OF THE ARIZONA STATE TREASURER

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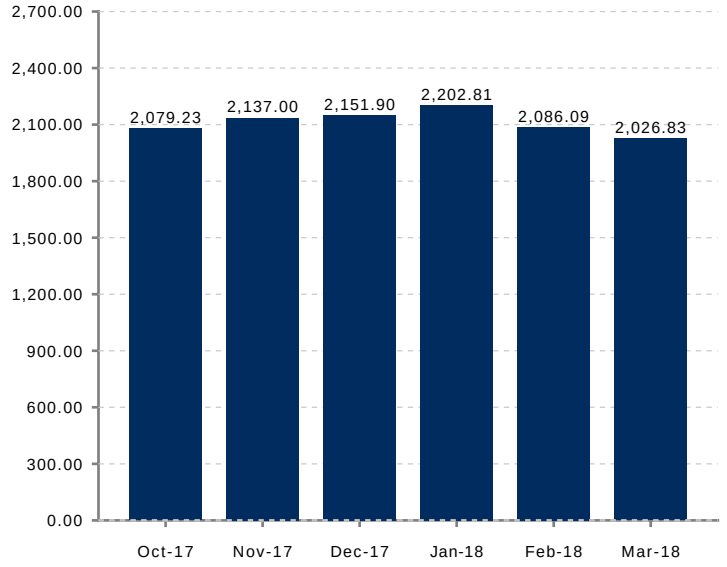
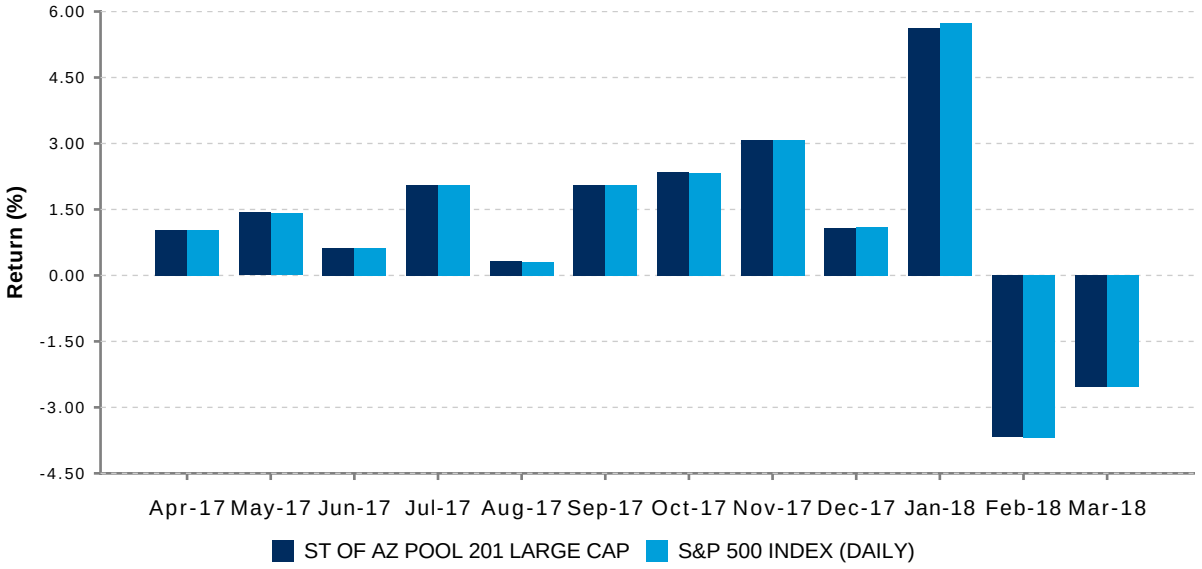
ST OF AZ POOL 201 LARGE CAP

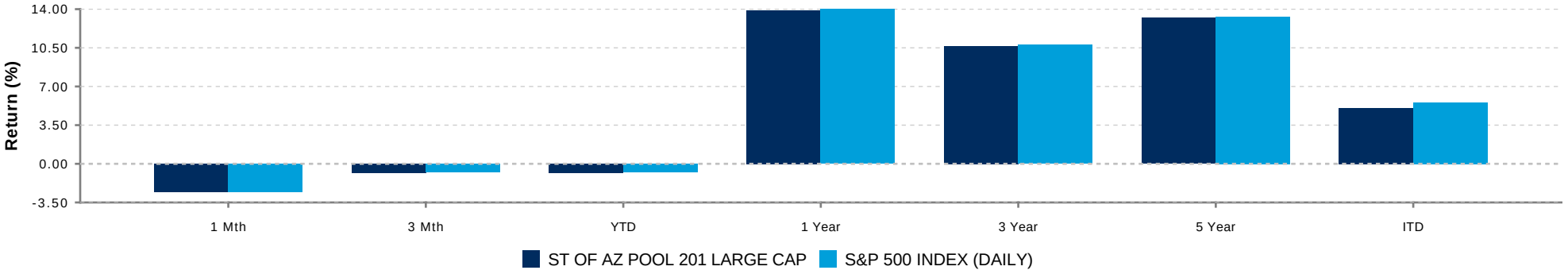
Net Asset Values over Time ($MM)



Monthly Returns



Rates of Return

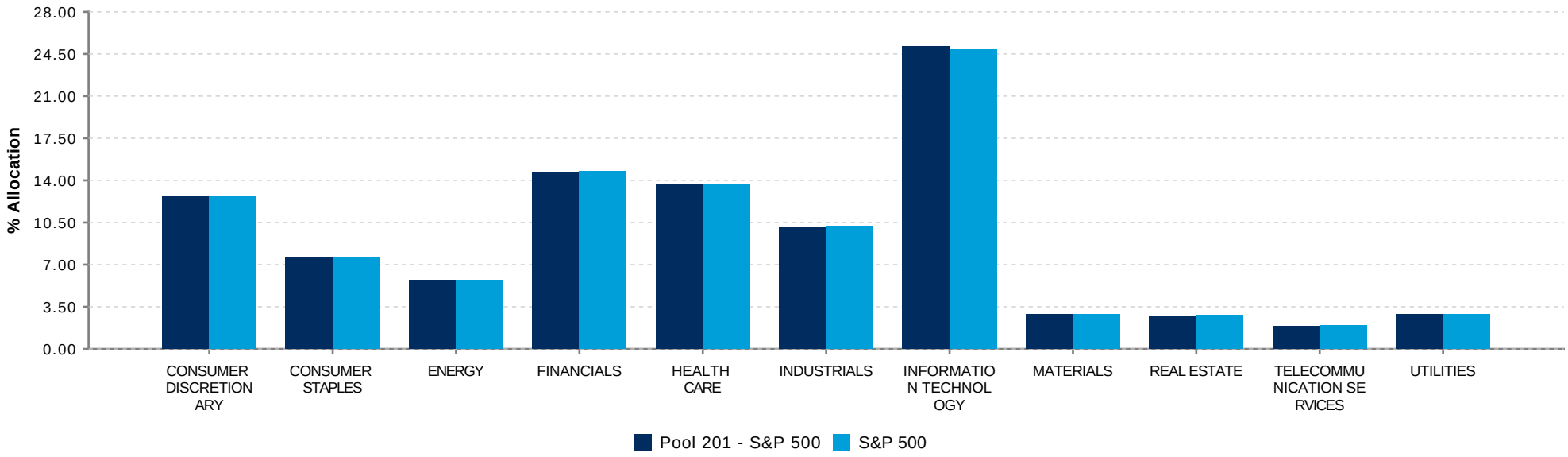


	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Mar 31 2016	Mar 31 2017	Mar 31 2018
ST OF AZ POOL 201 LARGE CAP	-2.54	-0.84	-0.84	13.90	10.67	13.23	5.05	1.74	16.98	13.90
S&P 500 INDEX (DAILY)	-2.54	-0.76	-0.76	13.99	10.78	13.31	5.56	1.78	17.17	13.99
Excess	0.00	-0.08	-0.08	-0.09	-0.11	-0.08	-0.51	-0.04	-0.20	-0.09

OFFICE OF THE ARIZONA STATE TREASURER

March 31, 2018

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
CONSUMER DISCRETIONARY	12.63	12.68	-0.05
CONSUMER STAPLES	7.52	7.55	-0.03
ENERGY	5.51	5.51	0.01
FINANCIALS	14.97	15.03	-0.06
HEALTH CARE	13.74	13.78	-0.05
INDUSTRIALS	10.18	10.23	-0.05
INFORMATION TECHNOLOGY	25.42	25.15	0.27
MATERIALS	2.89	2.90	-0.01
REAL ESTATE	2.59	2.60	-0.01
TELECOMMUNICATION SERVICES	1.87	1.88	-0.01
UTILITIES	2.68	2.68	-0.00

OFFICE OF THE ARIZONA STATE TREASURER

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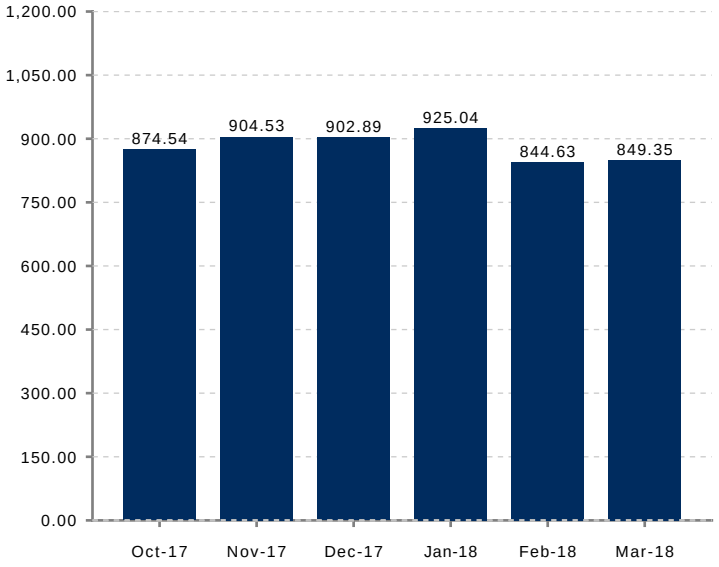
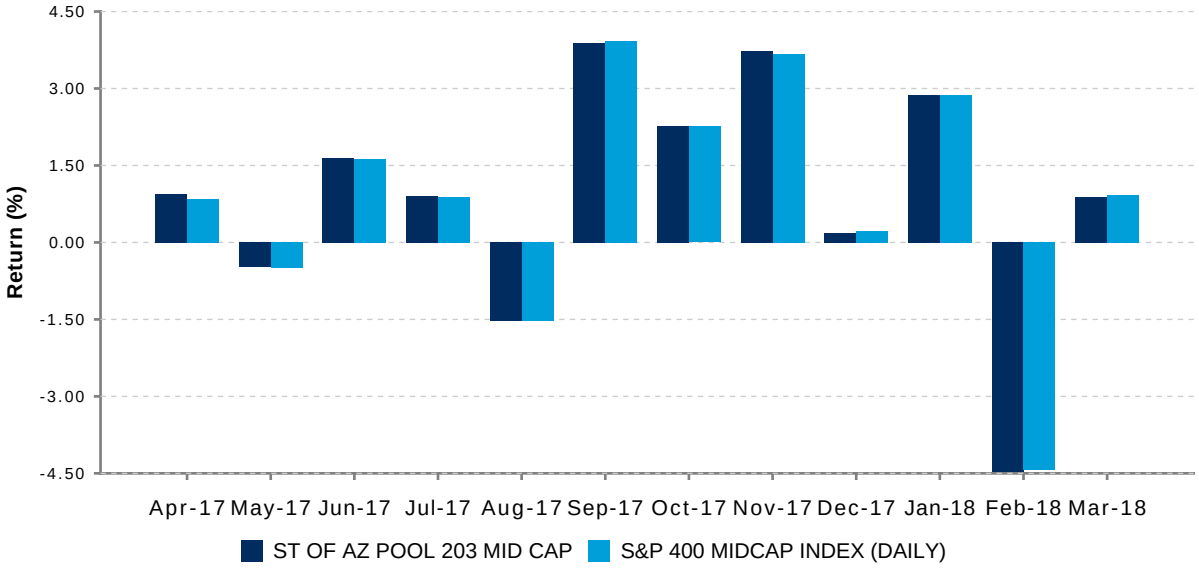
ST OF AZ POOL 203 MID CAP

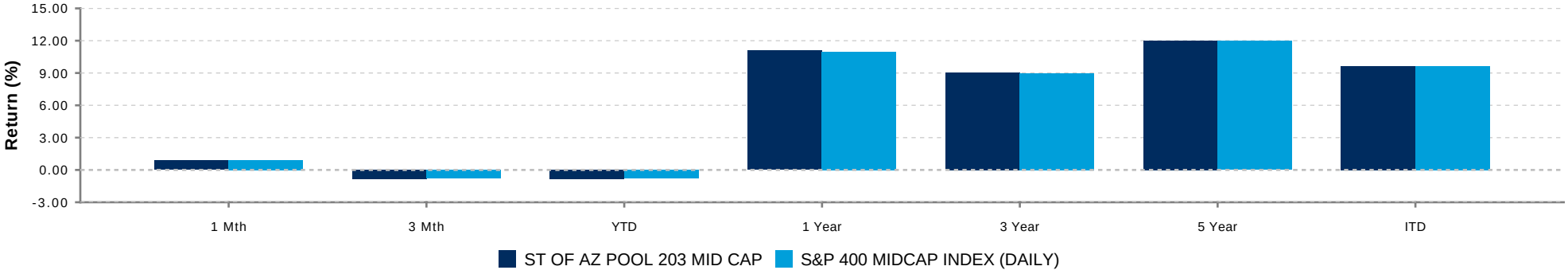
Net Asset Values over Time ($MM)



Monthly Returns



Rates of Return



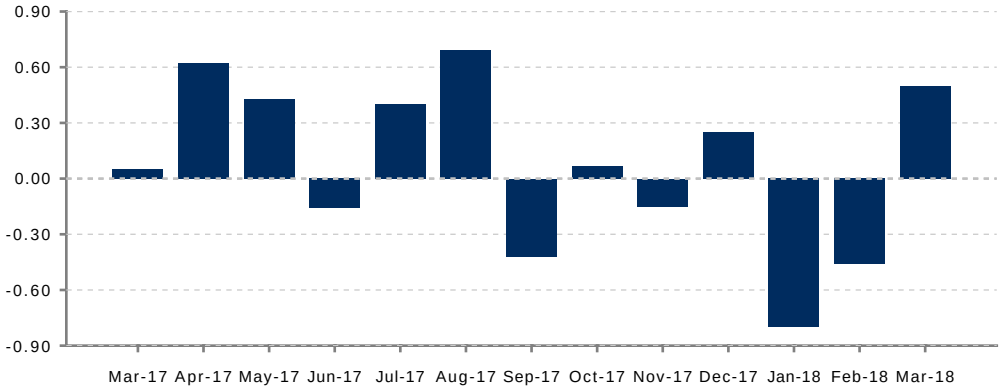
	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Mar 31 2016	Mar 31 2017	Mar 31 2018
ST OF AZ POOL 203 MID CAP	0.88	-0.85	-0.85	11.08	9.04	12.01	9.65	-3.40	20.84	11.08
S&P 400 MIDCAP INDEX (DAILY)	0.93	-0.77	-0.77	10.97	8.96	11.97	9.65	-3.60	20.92	10.97
Excess	-0.05	-0.08	-0.08	0.10	0.08	0.04	-0.00	0.19	-0.08	0.10

OFFICE OF THE ARIZONA STATE TREASURER

March 31, 2018

POOL 205 FIXED INCOME

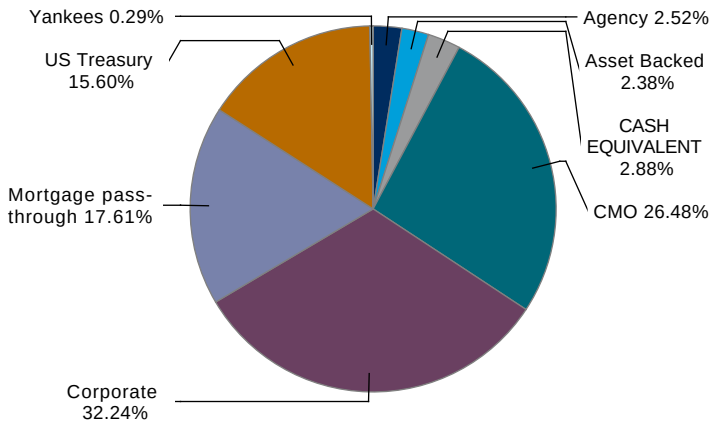
Net Mgr Return



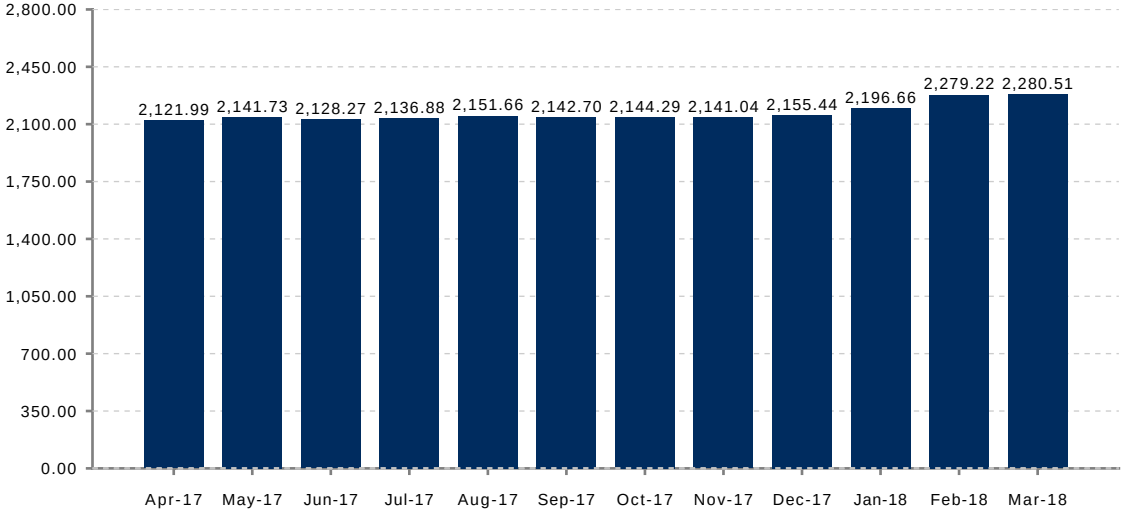
	Current Mth	Prior Mth	1 Year Ago
POOL 205 FIXED INCOME	0.50	-0.46	0.05

Asset Allocation

	Ending Market Value
POOL 205 FIXED INCOME	2,280,508,119



Net Asset Values over Time ($MM)



Top 10 Holdings

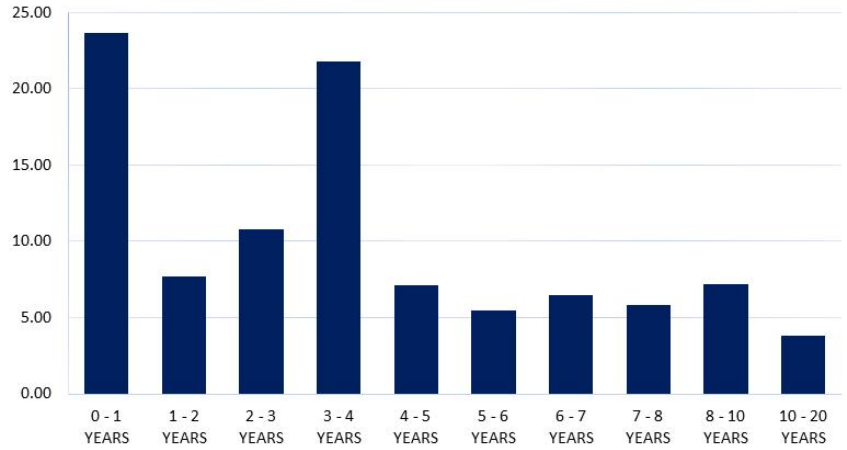
Security Name	Ending Market Value	% of Portfolio
POOL 205 FIXED INCOME		
US TREASURY N/B	34,488,897	1.51
US TREASURY N/B	26,693,685	1.17
US TREASURY N/B	26,239,693	1.15
US TREASURY N/B	24,785,994	1.09
US TREASURY N/B	24,160,558	1.06
US TREASURY N/B	21,848,778	0.96
BLACKROCK PROV TEMP	20,788,436	0.91
PEPSICO INC	20,213,382	0.89
PNC BANK NA	20,095,207	0.88
FORD MOTOR CREDIT CO	20,048,748	0.88

OFFICE OF THE ARIZONA STATE TREASURER

March 31, 2018

POOL 205 FIXED INCOME

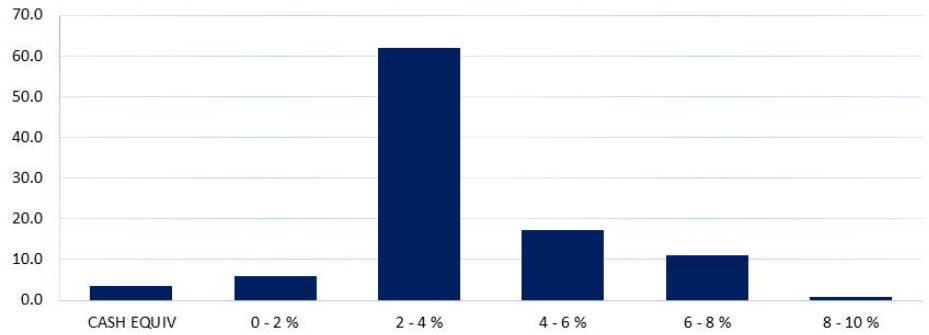
Duration Distribution



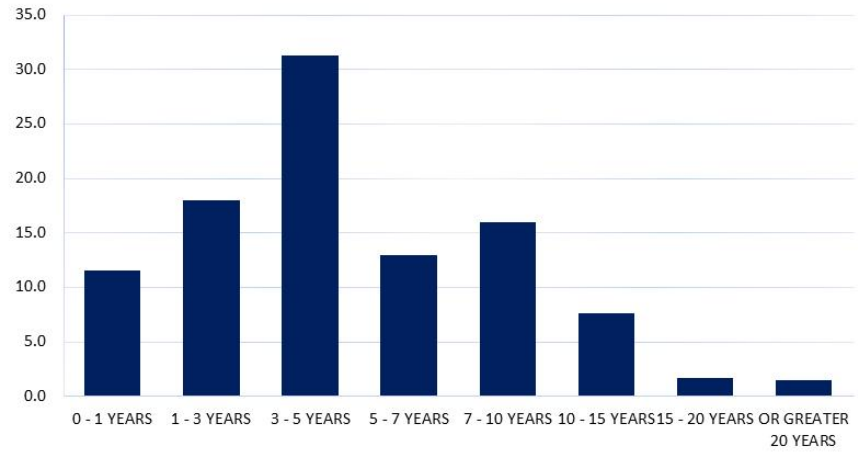
Portfolio Level Characteristics

	POOL 205 FIXED INCOME
Weighted Average Life	5.22
Coupon	3.63
Effective Duration	3.79
Quality Rating (Moody's)	AA-2

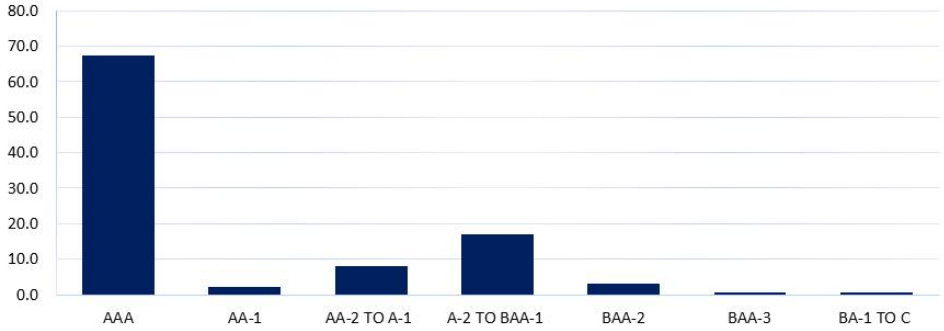
Coupon Distribution



Expected Maturity Distribution



Rating Distribution

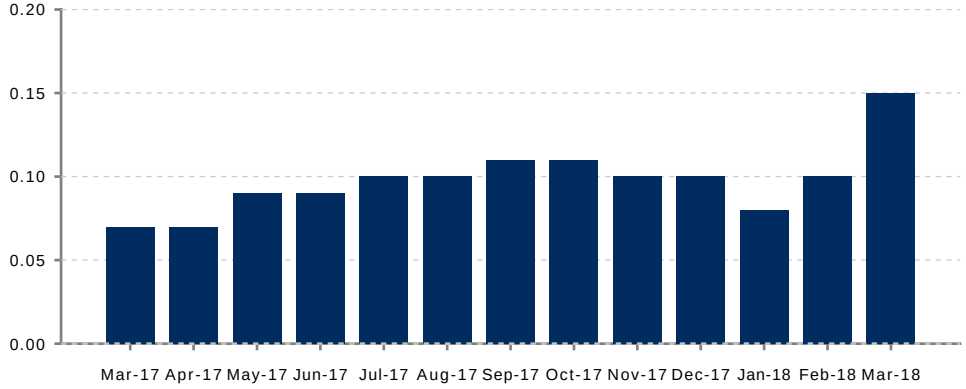


OFFICE OF THE ARIZONA STATE TREASURER

March 31, 2018

POOL 123 ST

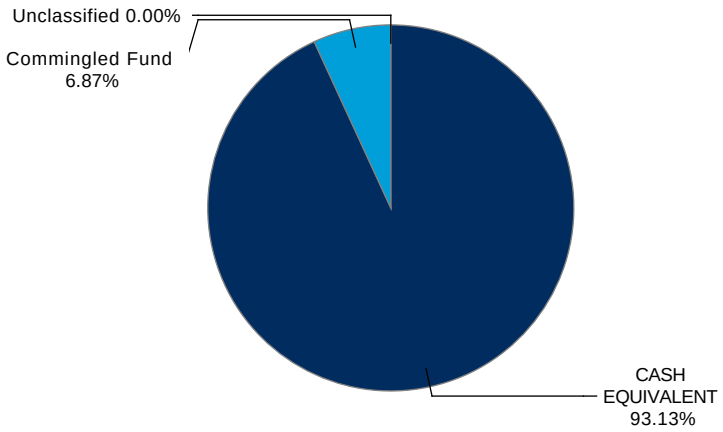
Net Yield



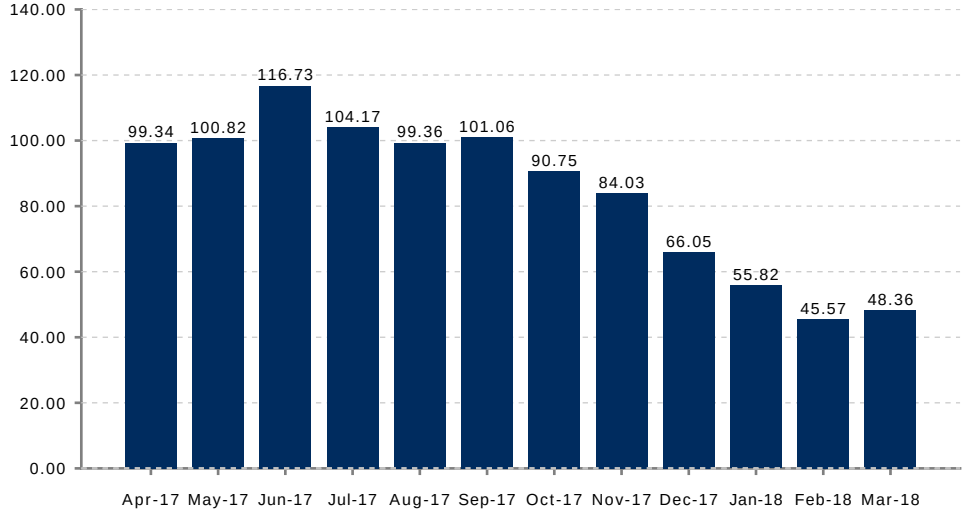
	Current Mth	Prior Mth	1 Year Ago
ST OF AZ POOL 123 ST FIXED INC	0.15	0.10	0.07

Asset Allocation

	Ending Market Value
ST OF AZ POOL 123 ST FIXED INC	48,360,606



Net Asset Values over Time ($MM)



Top 10 Holdings

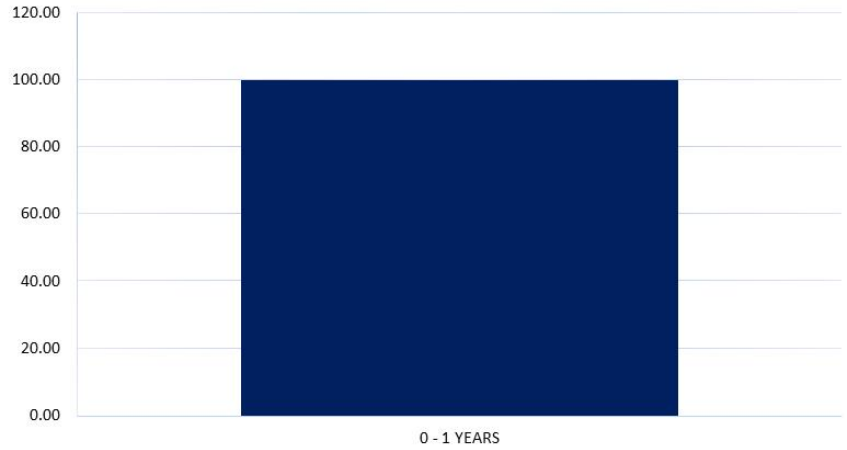
Security Name	Ending Market Value	% of Portfolio
ST OF AZ POOL 123 ST FIXED INC		
BLACKROCK PROV TEMP BLACKROCK PROV TEMP FUND 24	5,654,937	11.69
HALKIN FINANCE LLC USC	3,996,158	8.26
MANHATTAN ASSET FDG.	3,995,926	8.26
LOCAL GOVERNMENT INVEST POOL	3,732,649	7.72
CEDAR SPRING CPTL CO	3,497,900	7.23
SHEFFIELD RECEIVABLE	2,999,665	6.20
CONCORD MIN CPTL CO	2,998,250	6.20
HERSHEY FOODS CORP	2,997,812	6.20
KELLS FDG LLC	2,997,407	6.20
EXXON MOBIL CORP	2,997,345	6.20

OFFICE OF THE ARIZONA STATE TREASURER

March 31, 2018

POOL 123 ST

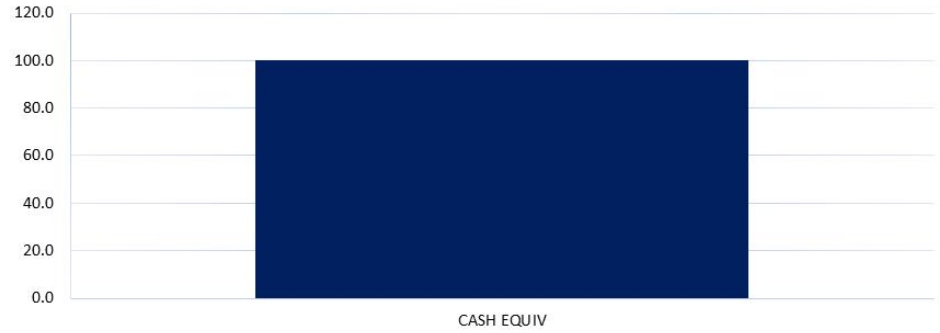
Duration Distribution



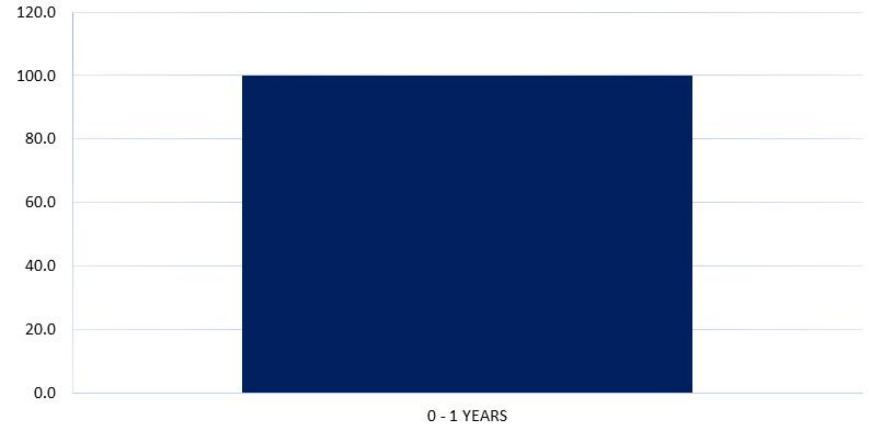
Portfolio Level Characteristics

	POOL 123 ST
Weighted Average Life	0.04
Coupon	0.00
Effective Duration	0.04
Quality Rating (Moody's)	AAA

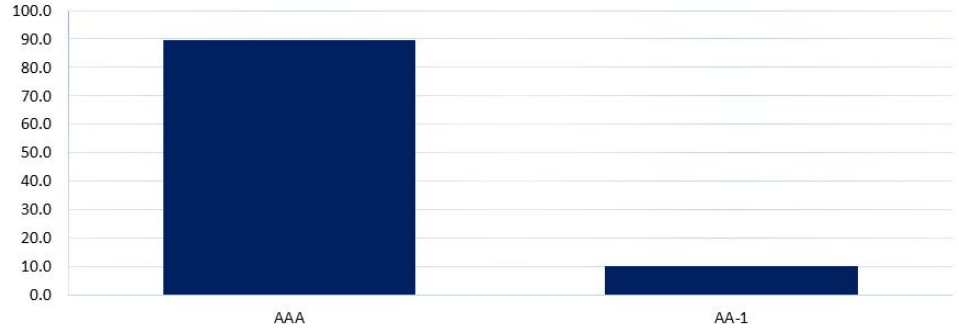
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



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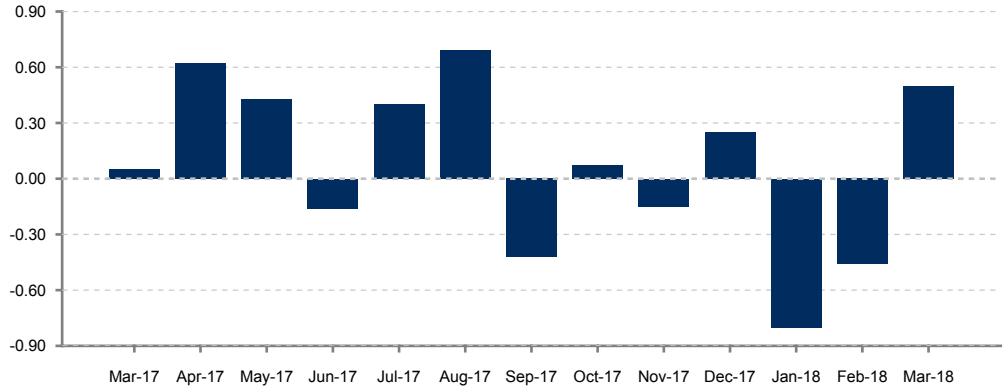
OFFICE OF THE ARIZONA STATE TREASURER

March 31, 2018

POOL 205 FIXED INCOME

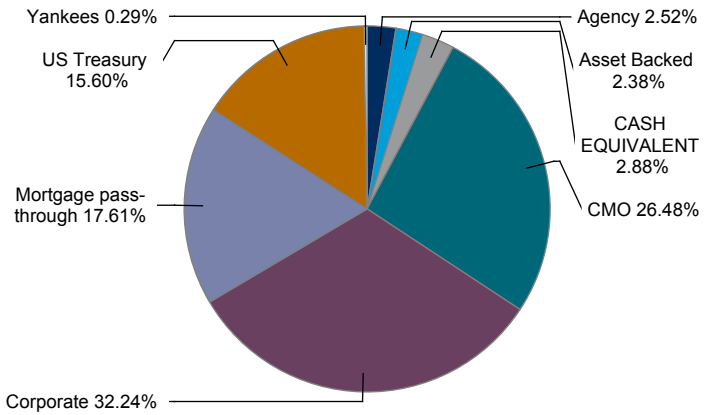
Net Mgr Return



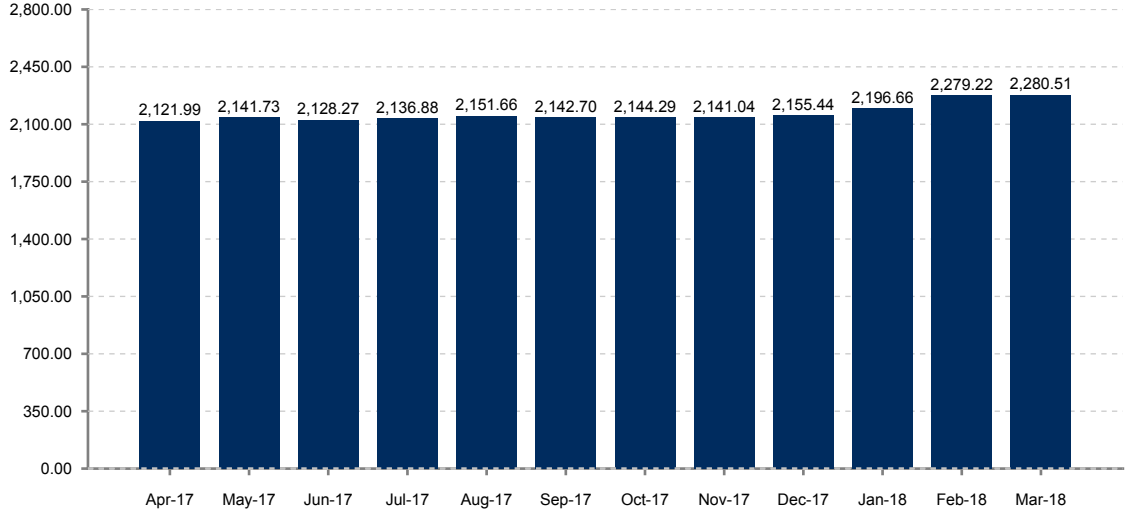
	Current Mth	Prior Mth	1 Year Ago
POOL 205 FIXED INCOME	0.50	-0.46	0.05

Asset Allocation

	Ending Market Value
POOL 205 FIXED INCOME	2,280,508,119



Net Asset Values over Time ($MM)



Top 10 Holdings

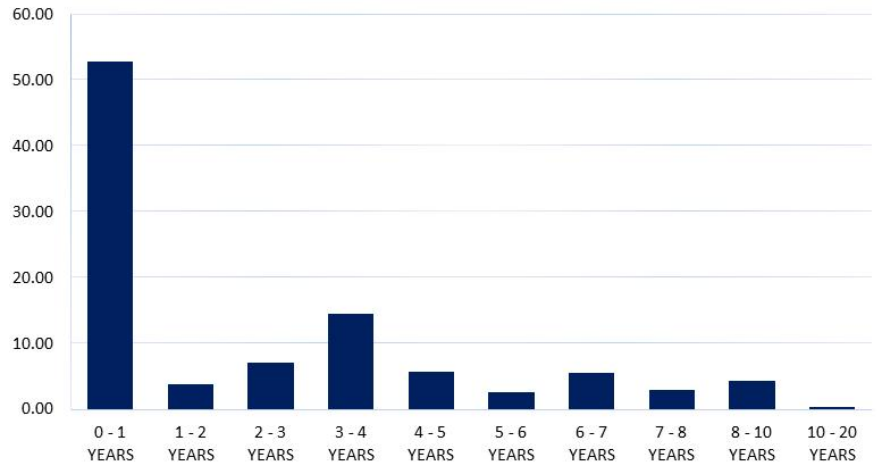
Security Name	Ending Market Value	% of Portfolio
POOL 205 FIXED INCOME		
US TREASURY N/B	34,488,897	1.51
US TREASURY N/B	26,693,685	1.17
US TREASURY N/B	26,239,693	1.15
US TREASURY N/B	24,785,994	1.09
US TREASURY N/B	24,160,558	1.06
US TREASURY N/B	21,848,778	0.96
BLACKROCK PROV TEMP	20,788,436	0.91
PEPSICO INC	20,213,382	0.89
PNC BANK NA	20,095,207	0.88
FORD MOTOR CREDIT CO	20,048,748	0.88

OFFICE OF THE ARIZONA STATE TREASURER

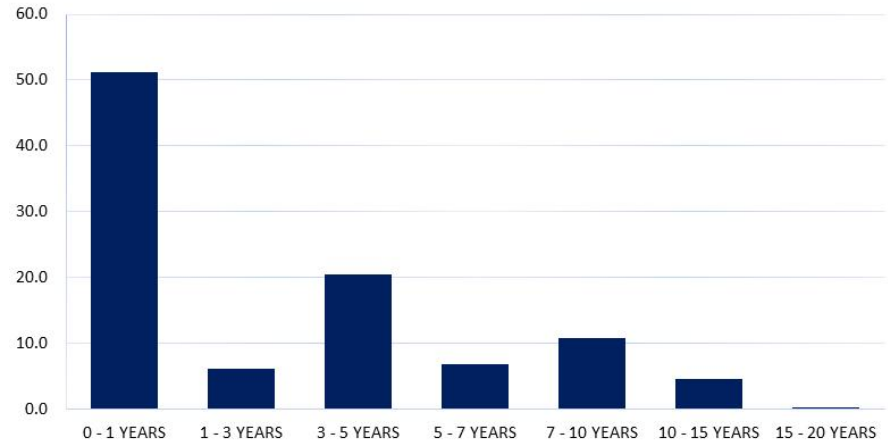
March 31, 2018

POOL 205 FIXED INCOME

Duration Distribution



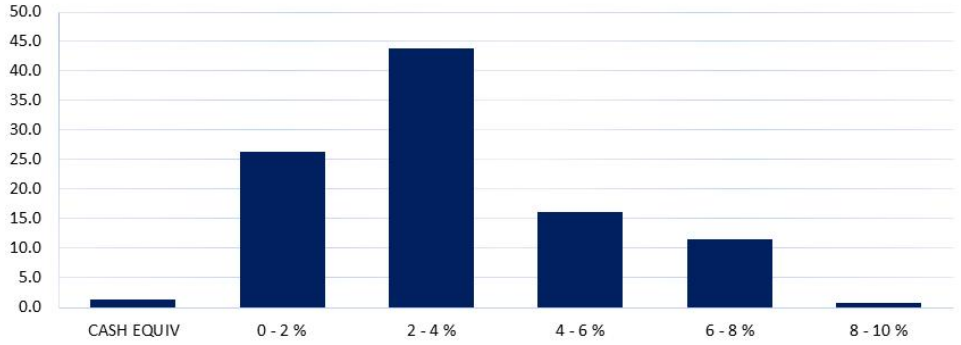
Expected Maturity Distribution



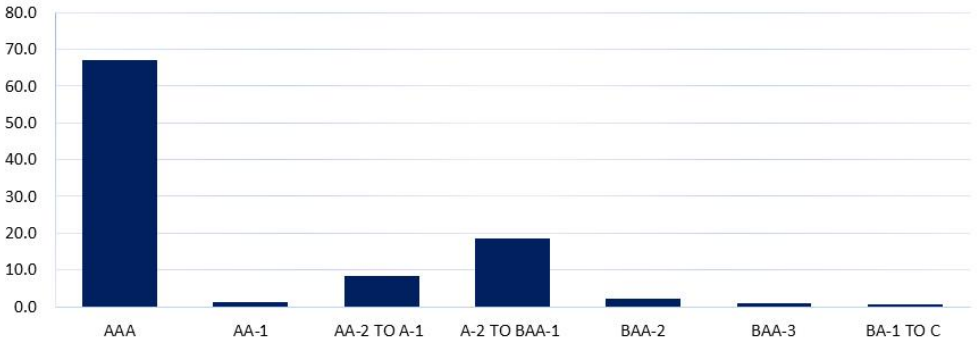
Portfolio Level Characteristics

	POOL 205 FIXED INCOME
Weighted Average Life	5.33
Coupon	3.11
Effective Duration	3.81
Quality Rating (Moody's)	AA-2

Coupon Distribution



Rating Distribution

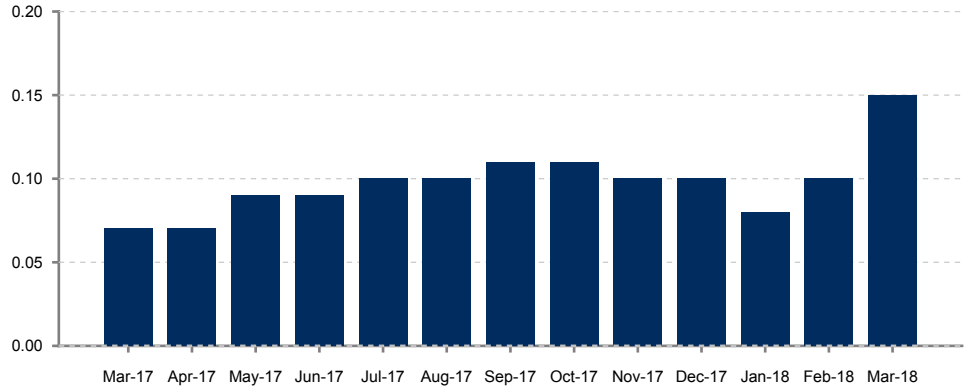


OFFICE OF THE ARIZONA STATE TREASURER

March 31, 2018

POOL 123 ST

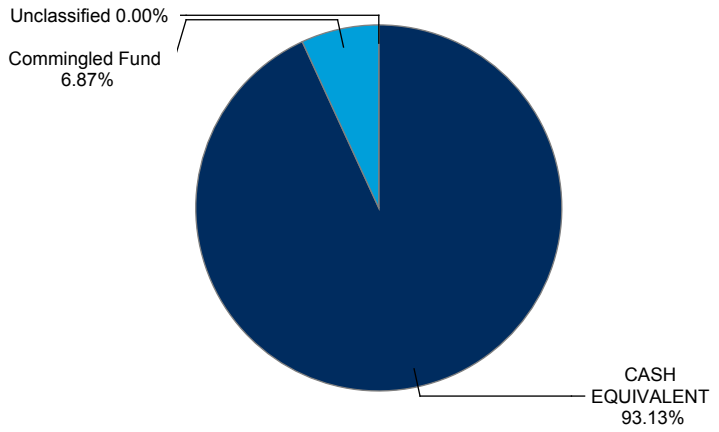
Net Yield



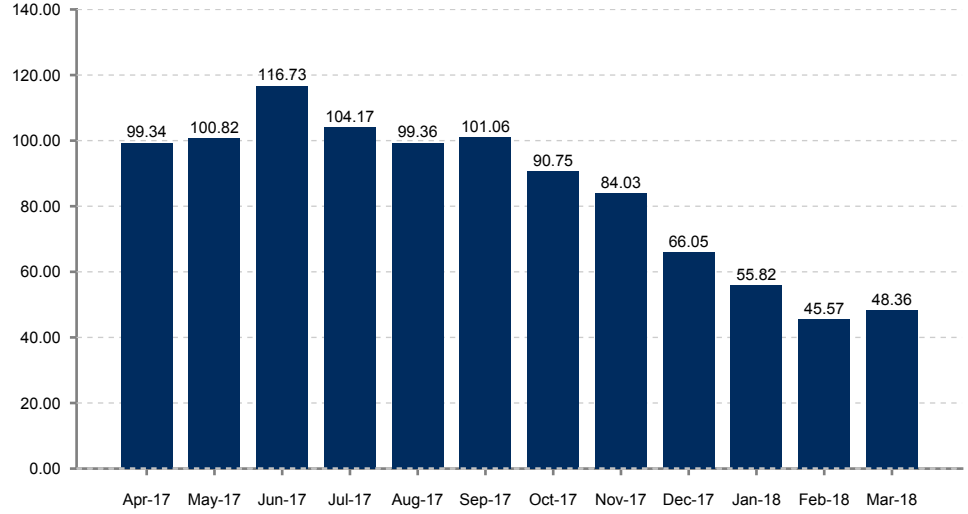
	Current Mth	Prior Mth	1 Year Ago
ST OF AZ POOL 123 ST FIXED INC	0.15	0.10	0.07

Asset Allocation

	Ending Market Value
ST OF AZ POOL 123 ST FIXED INC	48,360,606



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
ST OF AZ POOL 123 ST FIXED INC		
BLACKROCK PROV TEMP BLACKROCK PROV TEMP FUND 24	5,654,937	11.69
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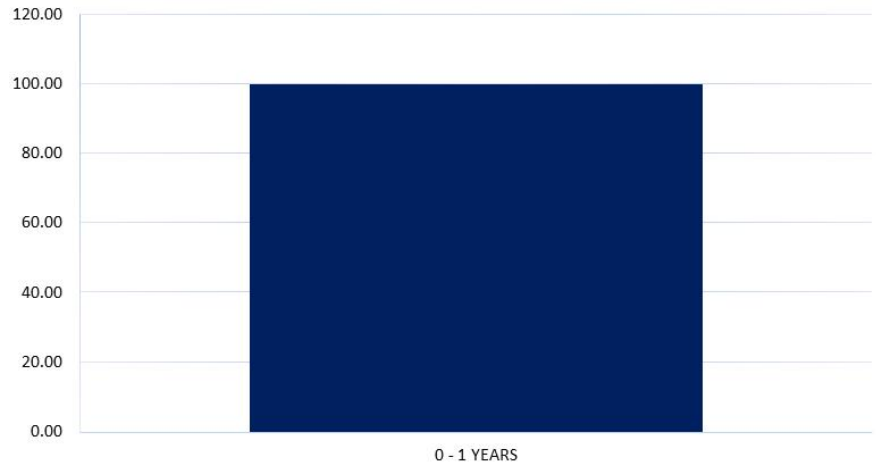
MANHATTAN ASSET FDG.	3,995,926	8.26
LOCAL GOVERNMENT INVEST POOL	3,732,649	7.72
CEDAR SPRING CPTL CO	3,497,900	7.23
SHEFFIELD RECEIVABLE	2,999,665	6.20
CONCORD MIN CPTL CO	2,998,250	6.20
HERSHEY FOODS CORP	2,997,812	6.20
KELLS FDG LLC	2,997,407	6.20
EXXON MOBIL CORP	2,997,345	6.20

OFFICE OF THE ARIZONA STATE TREASURER

March 31, 2018

POOL 123 ST

Duration Distribution

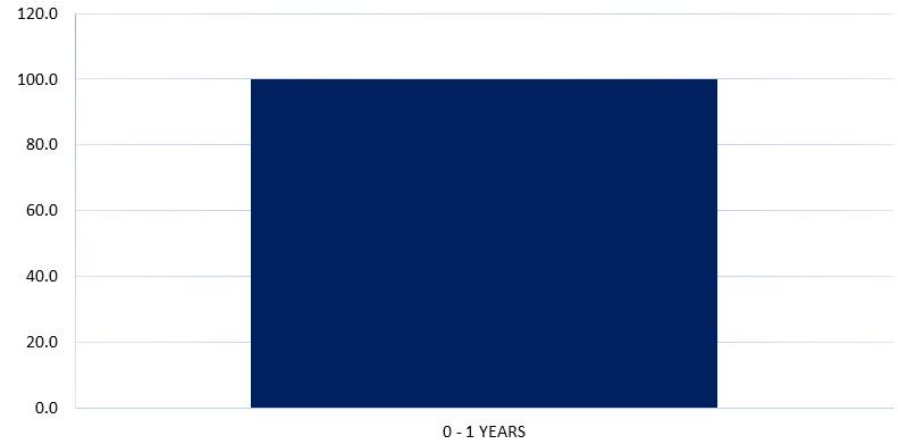


Portfolio Level Characteristics

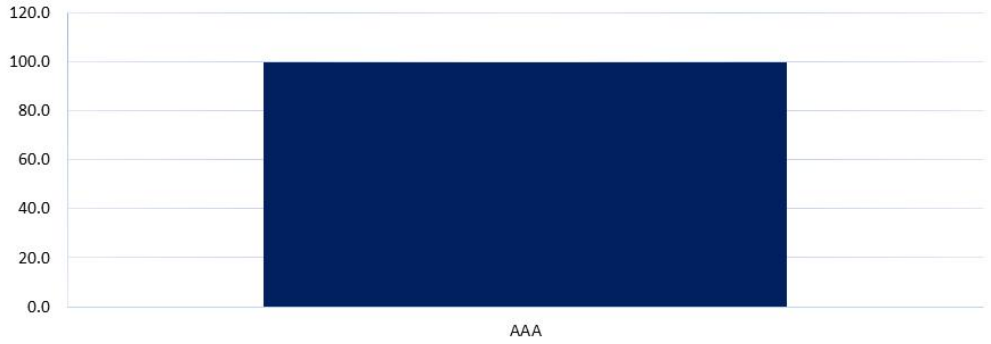
	POOL 123 ST
Weighted Average Life	0.04
Coupon	0.00
Effective Duration	0.04
Quality Rating (Moody's)	AAA

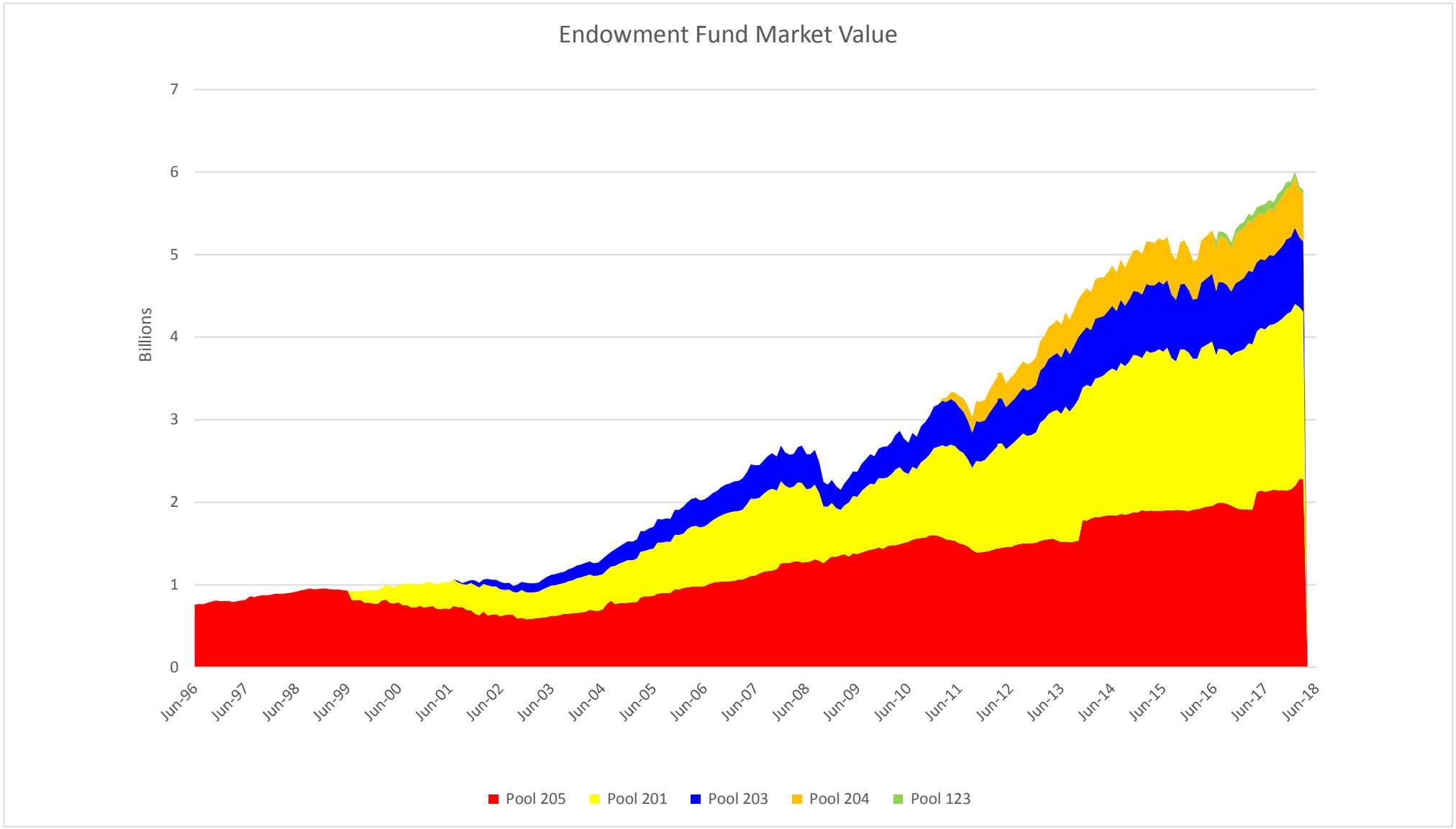
Coupon Distribution

Expected Maturity Distribution



Rating Distribution




Endowment Fund Market Value
Billions
7
6
5
4
3
2
1
0
Jun-96
Jun-97
Jun-98
Jun-99
Jun-00
Jun-01
Jun-02
Jun-03
Jun-04
Jun-05
Jun-06
Jun-07
Jun-08
Jun-09
Jun-10
Jun-11
Jun-12
Jun-13
Jun-14
Jun-15
Jun-16
Jun-17
Jun-18
Pool 205
Pool 201
Pool 203
Pool 204
Pool 123

BROKER ACTIVITY REPORT
STATE AGENCY POOLS 2, 3 Int., 4, 12, 15, 16 & 10 Int.
JANUARY 1 - MARCH 31, 2018

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
AMHERST SECURITIES				
	REPO	7,666,494,245	15.37%	14.61%
	US TREAS	198,737,684	18.77%	0.38%
B OF A SECURITIES INC.				
	COMMERCIAL PAPER	152,216,585	11.10%	0.29%
BARCLAYS CAPITAL INC.				
	COMMERCIAL PAPER	158,946,960	11.59%	0.30%
	US TREAS	89,253,894	8.43%	0.17%
BMO CAPITAL MARKETS				
	REPO	1,684,889,010	3.38%	3.21%
BREAN				
	USA MBS	12,759,395	12.28%	0.02%
CANTOR FITZGERALD				
	COMMERCIAL PAPER	90,492,064	6.60%	0.17%
	USA MBS	14,832,747	14.28%	0.03%
CASTLEOAK				
	COMMERCIAL PAPER	84,606,340	6.17%	0.16%
	US TREAS	45,233,253	4.27%	0.09%
CITIGROUP				
	COMMERCIAL PAPER	130,411,221	9.51%	0.25%
	US TREAS	5,301,650	0.50%	0.01%

BROKER ACTIVITY REPORT
STATE AGENCY POOLS 2, 3 Int., 4, 12, 15, 16 & 10 Int.
JANUARY 1 - MARCH 31, 2018

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
CREDIT AGRICOLE				
	REPO	922,755,387	1.85%	1.76%
CREDIT SUISSE SECURITIES				
	COMMERCIAL PAPER	138,408,154	10.09%	0.26%
DAIWA CAPITAL MARKETS				
	REPO	10,273,410,092	20.60%	19.58%
	US TREAS	19,975,951	1.89%	0.04%
FIRST TENNESSEE				
	CORP NOTES	8,107,820	31.02%	0.02%
	US TREAS	34,447,698	3.25%	0.07%
GUGGENHEIM SECURITIES				
	REPO	1,523,798,338	3.05%	2.90%
	COMMERCIAL PAPER	29,883,586	2.18%	0.06%
	US TREAS	99,557,392	9.40%	0.19%
JP MORGAN CHASE				
	COMMERCIAL PAPER	175,734,932	12.81%	0.33%
MARKETAXESS				
	CORP NOTES	9,985,814	38.20%	0.02%
MITSUBISHI				
	COMMERCIAL PAPER	39,865,767	2.91%	0.08%

BROKER ACTIVITY REPORT
STATE AGENCY POOLS 2, 3 Int., 4, 12, 15, 16 & 10 Int.
JANUARY 1 - MARCH 31, 2018

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
MIZUHO SECURITIES				
	REPO	295,522,813	0.59%	0.56%
	US TREAS	179,215,786	16.93%	0.34%
RAYMOND JAMES				
	USA MBS	65,972,726	63.52%	0.13%
	US TREAS	5,024,371	0.47%	0.01%
RBC CAPITAL MARKETS				
	REPO	1,496,805,323	3.00%	2.85%
	COMMERCIAL PAPER	281,544,481	20.53%	0.54%
SOUTH STREET				
	REPO	25,643,414,899	51.41%	48.87%
STIFEL NICOLAUS				
	CORP NOTES	8,045,900	30.78%	0.02%
SUNTRUST ROBINSON				
	USA MBS	10,299,861	9.92%	0.02%
WELLS FARGO				
	REPO	375,000,000	0.75%	0.71%
	COMMERCIAL PAPER	89,451,961	6.52%	0.17%
	CORP ABS	30,000,000	100.00%	0.06%
	US TREAS	382,119,712	36.09%	0.73%

BROKER ACTIVITY REPORT
LGIP POOLS 5, 7, 500 and 700
JANUARY 1 - MARCH 31, 2018

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
AMHERST PIERPOINT SECURITIES				
	REPO	118,505,755	0.36%	0.34%
B OF A SECURITIES INC.				
	REPO	6,100,000,000	18.77%	17.71%
	COMMERCIAL PAPER	192,641,075	16.03%	0.56%
	US TREAS	89,618,746	14.39%	0.26%
BARCLAYS CAPITAL INC.				
	COMMERCIAL PAPER	24,924,375	2.07%	0.07%
BMO CAPITAL MARKETS				
	REPO	3,115,110,990	9.58%	9.04%
	COMMERCIAL PAPER	24,930,681	2.08%	0.07%
	US TREAS	164,115,872	26.36%	0.48%
CANTOR FITZGERALD				
	COMMERCIAL PAPER	49,938,292	4.16%	0.14%
CASTLEOAK				
	COMMERCIAL PAPER	69,701,465	5.80%	0.20%
	CORP NOTES	5,017,109	10.30%	0.01%
CREDIT AGRICOLE				
	CD's	50,000,000	100.00%	0.15%
	REPO	11,422,244,613	35.14%	33.16%
DAIWA CAPITAL MARKETS				
	REPO	1,926,589,908	5.93%	5.59%
	US TREAS	10,027,252	1.61%	0.03%
FIRST TENNESSEE				
	CORP NOTES	3,804,706	7.81%	0.01%

BROKER ACTIVITY REPORT
LGIP POOLS 5, 7, 500 and 700
JANUARY 1 - MARCH 31, 2018

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
GUGGENHEIM SECURITIES, LLC				
	REPO	1,696,201,662	5.22%	4.92%
	US TREAS	79,747,583	12.81%	0.23%
JP MORGAN CHASE				
	COMMERCIAL PAPER	321,848,331	26.79%	0.93%
	CORP NOTES	5,000,000	10.26%	0.01%
	US TREAS	39,819,600	6.40%	0.12%
MIZUHO SECURITIES				
	REPO	404,477,187	1.24%	1.17%
	COMMERCIAL PAPER	89,713,672	7.47%	0.26%
	CORP NOTES	5,000,000	10.26%	0.01%
	US TREAS	79,855,010	12.82%	0.23%
MORGAN STANLEY CAP				
	CORP NOTES	9,999,040	20.52%	0.03%
	US TREAS	4,989,200	0.80%	0.01%
RBC CAPITAL MARKETS				
	REPO	3,833,194,676	11.79%	11.13%
	COMMERCIAL PAPER	188,353,556	15.68%	0.55%
	CORP NOTES	9,021,912	18.52%	0.03%
SOUTH STREET				
	REPO	1,401,585,101	4.31%	4.07%
WELLS FARGO				
	REPO	2,485,000,000	7.65%	7.21%
	COMMERCIAL PAPER	239,410,019	19.93%	0.69%
	CORP NOTES	10,874,738	22.32%	0.03%
	CORP ABS	24,000,000	100.00%	0.07%
	US TREAS	154,492,458	24.81%	0.45%

BROKER ACTIVITY REPORT
ENDOWMENT FIXED INCOME POOLS 205 and 123
JANUARY 1 - MARCH 31, 2018

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
BARCLAYS CAPITAL INC.				
	COMMERCIAL PAPER	12,190,885	5.32%	2.55%
B OF A SECURITIES INC.				
	COMMERCIAL PAPER	41,474,211	18.09%	8.67%
	CORP NOTES	5,000,000	8.32%	1.04%
	CORP ABS	10,500,000	46.67%	2.19%
	US TREAS	11,217,901	29.04%	2.34%
BNY MELLON				
	CORP NOTES	10,012,487	16.67%	2.09%
BREAN CAPITAL				
	USA MBS	43,619,212	34.05%	9.11%
CANTOR FITZGERALD				
	USA MBS	40,482,102	31.60%	8.46%
CASTLEOAK				
	COMMERCIAL PAPER	32,401,304	14.13%	6.77%
	CORP NOTES	20,068,435	33.40%	4.19%
CITIGROUP				
	COMMERCIAL PAPER	18,478,468	8.06%	3.86%
CREDIT SUISSE				
	COMMERCIAL PAPER	9,988,278	4.36%	2.09%
DEUTSCHE BANC				
	US TREAS	4,705,512	12.18%	0.98%

BROKER ACTIVITY REPORT
ENDOWMENT FIXED INCOME POOLS 205 and 123
JANUARY 1 - MARCH 31, 2018

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
GOLDMAN SACHS				
	CORP NOTES	10,000,000	16.64%	2.09%
GUGGENHEIM				
	COMMERCIAL PAPER	38,919,907	16.97%	8.13%
JP MORGAN CHASE				
	COMMERCIAL PAPER	32,965,053	14.38%	6.89%
	CORP NOTES	15,000,000	24.97%	3.13%
	US TREAS	16,445,490	42.57%	3.44%
PIPER JAFFRAY				
	USA MBS	10,858,442	8.48%	2.27%
RBC CAPITAL MARKETS				
	COMMERCIAL PAPER	40,890,349	17.83%	8.54%
	USA MBS	27,531,708	21.49%	5.75%
ROBERT W BAIRD				
	USA MBS	5,624,544	4.39%	1.18%
WELLS FARGO				
	COMMERCIAL PAPER	1,996,053	0.87%	0.42%
	CORP ABS	12,000,000	53.33%	2.51%
	US TREAS	6,262,390	16.21%	1.31%

BROKER ACTIVITY REPORT
ENDOWMENT EQUITY POOLS 201, 203, & 204
JANUARY 1 - MARCH 31, 2018

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
BLOOMBERG				
	LARGE CAP	59,435,744	86.67%	26.10%
	MID CAP	48,726,756	56.15%	21.40%
	SMALL CAP	40,202,306	55.57%	17.66%
JP MORGAN CHASE				
	SMALL CAP *	226,228	0.31%	0.10%
MKM HOLDINGS				
	LARGE CAP	9,142,260	13.33%	4.02%
	MID CAP	38,056,660	43.85%	16.71%
	SMALL CAP	31,911,990	44.11%	14.01%

* sale of a fixed-income security that was involuntarily received as a result of corporate action