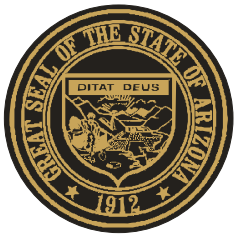
OFFICE OF THE

ARIZONA STATE TREASURER



JEFF DEWIT
TREASURER

DECEMBER 2014

Presented To:

Arizona State Board of Investment

JANUARY 27, 2015

STATE BOARD OF INVESTMENT

A G E N D A

January 27, 2015

1. Call to Order
2. Chairman Remarks
3. Approval of December 22, 2014 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. Endowment Investments and Performance Reports
    G. 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
    A. Approval of Endowment Distributions for FY 2016
8. Call to the Public
9. Notice of Next Meeting
10. Adjournment

REPORT OF THE STATE TREASURER

FOR

January 27, 2015

TABLE OF CONTENTS

Page

Minutes of Board of Investment Meeting .....ii-vii

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 Endowment Funds 35

F. Endowment Investments and Performance Reports..... 36-53

G. Broker Activity Report……54-60

Minutes of
BOARD OF INVESTMENT MEETING

The regular meeting of the State Board of Investment was held on December 22, 2014 in the Office of the State Treasurer, 1700 West Washington, State Capitol, West Wing, Treasurer's Conference Room, Phoenix, Arizona. Treasurer Ducey called the meeting to order at approximately 1:30 p.m.

Members Present:

Doug Ducey, Chair, State Treasurer
Lauren Kingry, Superintendent, Department of Financial Institutions
Beth Ford, Treasurer, Pima County
Harry A. Papp, CFA and Managing Partner, L. Roy Papp & Associate
Kathy Peckardt, Interim Director of Arizona Department of Administration

Others Present:

Mark Swenson, Deputy Treasurer, Arizona State Treasurer's Office
Carlton Woodruff, Deputy Treasurer of Operations, Arizona State Treasurer's Office
Patty Humbert, Chief Investment Officer, Arizona State Treasurer's Office
Tim White, Senior Portfolio Manager, Arizona State Treasurer's Office
Dale Stomberg, Investment Accounting Manager, Arizona State Treasurer's Office
Barb Conley, Executive Consultant II, Arizona State Treasurer's Office
Kevin Donnellan, Director of Communications, Arizona State Treasurer's Office
Jeff DeWit, Arizona State Treasurer Elect
Sean Dollman, Director of Government Affairs, Arizona State Treasurer's Office
Angelie Hawley, Accounting Supervisor, Pima County Treasurer's Office
Robert McCoach, Investment Management Division, Intern

Pursuant to A.R.S. 35-311, the following reports for November, 2014 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

Endowment Investments and Performance Reports

1. **Call to Order:**
   Treasurer Ducey called the December 22, 2014 BOI meeting to order at approximately 1:30 pm.

2. **Treasurers Comments:**
   Treasurer Ducey welcomed the board members and guests and thanked all present for attending the December 22, 2014 meeting.

3. **Approval of Minutes:**
   Mr. Kingry made a motion to approve the November 24, 2014 minutes. Ms. Ford seconded the motion. Motion carried.

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

Earnings Distribution – Investment Pools

Ms. Humbert 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 November, 2014.

Operating Monies Average Invested Balance

Ms. Humbert reported the Operating Monies average invested balance for the month of November, 2014.

Review of Treasurer's Monthly Report – Agency Pools:

Ms. Humbert 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

Ms. Humbert reported the net yields for the State Agency Pools for the month of November, 2014.

Manager Allocation of Invested Monies for the State Agency Pools

Ms. Humbert 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 November 30, 2014.

Investments Outstanding in State Agency Pools

Ms. Humbert 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 November 30, 2014.

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

Ms. Humbert 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

Ms. Humbert reported the net yield for the LGIP and LGIP-Gov Pools and the comparison to the benchmark for the month of November, 2014.

Pool 500 & Pool 700 Portfolio Yield Analysis

Ms. Humbert reported the net yield for the LGIP Medium Term Pools and the comparison to the benchmark for the month of November, 2014.

Manager Allocation of Invested Monies for the LGIP Pools

Ms. Humbert 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 November 30, 2014.

LGIP Pools Investments and Performance Reports

Ms. Humbert 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 November, 2014.

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 November, 2014.

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 November 2014 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 November, 2014.

Equity Funds Purchases & Sales

Mr. White reported the purchases and sales (summary) of the Endowment Equity Pools for the month of November, 2014.

Investments Outstanding in Endowment Funds

Mr. White reported the par, book, market value, and unrealized gains/loss of the Endowment Funds as of November 30, 2014.

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 November 30, 2014.

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 November 30, 2014.

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 November 30, 2014.

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 November 30, 2014.

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 November 30, 2014.

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 November, 2014.

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 November 30, 2014.

Approval of Treasurer's Report

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

5. **Proposed Changes to Investment Policy:**
   No proposed changes.

6. **Review and approval of Proposed/Pending Securities Dealers:**
   a. Approval to add one proposed Broker Dealer Firm to the Approved *Broker Dealer List.*

   Ms. Humbert provided a brief overview regarding the Broker Dealer Firm; Great Pacific Securities Corp. Treasurer Ducey asked for a motion for approval as presented.

   Ms. Peckardt made a motion to approve the Broker Dealer Firm as presented. Ms. Ford seconded the motion. Motion carried.

7. **General Business:**
   There was no general business.

8. **Call to the Public**
   Treasurer Elect, Jeff DeWit made a brief statement congratulating Treasurer Ducey for his successful term as State Treasurer. Mr. DeWit is looking forward to serving as the incoming State Treasurer.

   Treasurer Ducey expressed his gratitude to the board members and the Treasurer's staff for their contributions and dedication.

   Mr. Papp provided the members of the board with a brief economic update.

9. **Notice of Next Meeting:**

   Treasurer Ducey advised the Board that the next regular meeting of the Board of Investment will be Tuesday, January 27, 2015 at 1:30 p.m. at 1700 West Washington, State Capitol, West Wing, Treasurer's Conference Room, Phoenix, Arizona.

10. **Adjournment:**
    Ms. Ford made a motion to adjourn the BOI meeting. Ms. Peckardt seconded the motion. Upon unanimous approval the BOI Meeting was adjourned at 2:07 p.m.

Respectfully Submitted by:

_____
Christine Thurston
Executive Consultant II

Approved by:

_____ _____
Jeff DeWit, Chair Date

EARNINGS DISTRIBUTION - INVESTMENT POOLS
DECEMBER 2014

Recipient	Earnings Distributed DECEMBER 2014	Fiscal YTD 14/15	Fiscal YTD 13/14	Fiscal YTD Investment Management Fees Received
General Fund	$918,387	$5,603,266	$7,358,830	
2 State Agencies - Full Faith & Credit	459,336	2,641,437	3,271,715	$239,367
3 State Agencies - Diversified *(Combined)*	628,321	3,575,142	6,854,441	368,951
4 State Agencies - Gov	483,917	2,916,753	2,746,922	225,338
5 LGIP	121,179	550,160	821,753	330,280
7 LGIP Gov	70,140	283,757	221,658	256,233
10 Restricted Operating	283,670	1,616,360	0	388,147
12 CAWCD Medium-Term	358,071	2,610,263	2,761,622	83,967
15 GADA Long-Term	13,595	83,961	112,056	3,360
16 ECDH Medium-Term	509,179	2,838,925	2,832,334	104,017
Subtotal	**$3,845,796**	**$22,720,023**	**$26,981,332**	**$1,999,662**
NAV POOL				
500 LGIP - Med Term	208,809	1,367,383	1,579,717	70,774
700 LGIP - FF&C Med Term	110,475	723,621	1,038,097	42,750
Total	**$4,165,080**	**$24,811,027**	**$29,599,147**	**$2,113,186**
DECEMBER 2013 TOTALS	$4,866,079			$2,307,850

OPERATING MONIES
AVERAGE INVESTED BALANCE
Through December 31, 2014
(in millions of dollars)

Month	Fiscal Year 2012/2013	Fiscal Year 2013/2014	Fiscal Year 2014/2015
JULY	1,817	1,942	1,876
AUGUST	1,475	1,709	1,369
SEPTEMBER	1,420	1,974	1,638
OCTOBER	1,205	1,824	1,521
NOVEMBER	1,316	1,853	1,535
DECEMBER	1,464	1,895	1,478
JANUARY	1,885	2,234	
FEBRUARY	1,899	2,427	
MARCH	1,815	2,107	
APRIL	2,109	2,100	
MAY	2,428	2,312	
JUNE	2,679	2,462	
Y-T-D Average	**$1,793**	**$2,070**	**$1,570**

Budget Stabilization Average Fund Balance - December 2014 **$456**
Total Average Cash Available - December 2014 **$1,934**

STATE AGENCY POOLS
PORTFOLIO EARNINGS ANALYSIS
December 31, 2014

FUND	DESCRIPTION	Current Month 12/31/14	Prior Month 11/30/14	Prior Year 12/31/13	Net Asset Value Per Share
2	STATE AGENCIES - FULL FAITH & CREDIT	516,731	514,667	752,832	0.9944
3	STATE AGENCIES - DIVERSIFIED				
	INTERNAL MANAGERS	766,834	749,864	1,671,750	0.9960
	EXTERNAL MANAGERS	60,054	60,157	53,483	0.9994
	FUND 3 TOTAL	826,888	810,021	1,725,233	0.9963
4	STATE AGENCIES - GOV	569,662	542,921	781,349	0.9930
10	RESTRICTED OPERATING				
	INTERNAL MANAGERS	776,629	770,152	N/A	0.9966
	EXTERNAL MANAGERS	80,938	68,796	61,327	0.9998
	FUND 10 TOTAL	**857,567**	**838,948**	61,327	0.9973
12	CAWCD MEDIUM-TERM	358,071	581,875	424,428	1.0073
15	GADA LONG-TERM	13,595	13,421	15,976	1.0000
16	ECDH MEDIUM-TERM	509,179	468,057	478,249	0.9958
	TOTAL STATE AGENCIES	**3,651,694**	**3,769,910**	4,239,395	

STATE AGENCY POOLS
PORTFOLIO YIELD ANALYSIS
DECEMBER 31, 2014

FUND	DESCRIPTION	Current Month 12/31/14	Prior Month 11/30/14	Prior Year 12/31/13
2	STATE AGENCIES - FULL FAITH & CREDIT	0.69%	0.71%	0.90%
	75% MERRILL 0-1 US TREAS INDEX / 25% MERRILL US GNMA MORTGAGE BACKED INDEX	0.74%	0.70%	0.91%
3	STATE AGENCIES - DIVERSIFIED			
	INTERNAL MANAGERS	0.79%	0.74%	0.90%
	EXTERNAL MANAGERS	0.70%	0.72%	0.62%
	COMBINED	0.78%	0.74%	0.89%
	50% 3 MONTH LIBOR INDEX / 50% MERRILL 1-3 US BROAD MARKET INDEX	0.61%	0.51%	0.46%
4	STATE AGENCIES - GOV	0.83%	0.82%	0.88%
	50% MERRILL 6 MTH US T-BILL INDEX / 50% MERRILL 1-3 UNSUB. US TREAS / AGY INDEX	0.39%	0.28%	0.25%
10	RESTRICTED OPERATING			
	INTERNAL MANAGERS	0.85%	0.87%	N/A
	EXTERNAL MANAGERS	0.32%	0.28%	0.24%
	COMBINED	0.73%	0.74%	0.24%
	SIFMA MUNICIPAL SWAP INDEX	N/A	N/A	0.06%
	**50% 3 MONTH LIBOR INDEX / 50% MERRILL 1-3 US BROAD MARKET INDEX	0.61%	0.51%	N/A
12	CAWCD MEDIUM-TERM	1.36%	2.31%	1.70%
	*MERRILL 1-5 US D M INDEX	1.46%	1.31%	1.22%
15	GADA LONG-TERM	1.32%	1.35%	1.55%
	MERRILL 3-5 US BROAD MARKET EX CORP	1.77%	1.67%	1.75%
16	ECDH MEDIUM-TERM	1.76%	1.68%	1.72%
	*MERRILL 1-5 US D M INDEX	1.46%	1.31%	1.22%

*Note: Beginning with May 2014, the Benchmark for Pools 12 and 16 were changed from Barclays Capital US AGG Bond Index to Merrill 1-5 US DM Index.

**Note: Beginning with June 2014, the Benchmark for Pool 10 was changed from SIFMA Municipal Swap Index to the Benchmark used for Pool 3.

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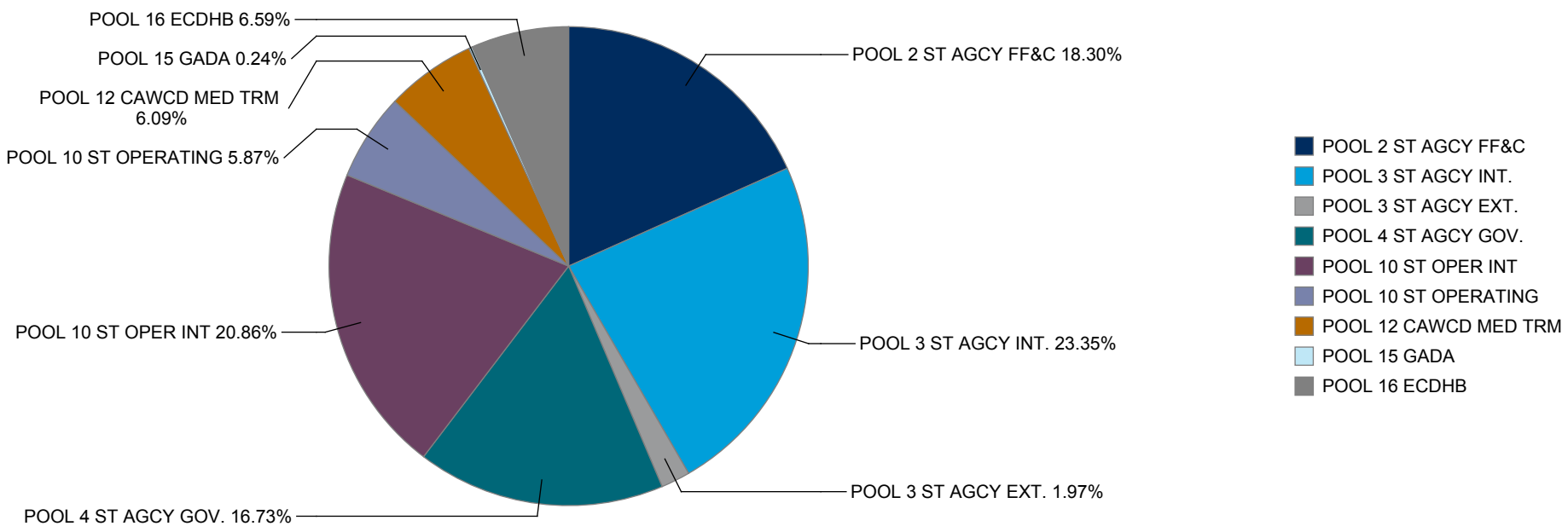
December 31, 2014

STATE AGENCY

STATE STREET.

Manager Allocation



	Market Value	% of Portfolio
POOL 2 ST AGCY FF&C	940,848,319	18.3
POOL 3 ST AGCY INT.	1,200,201,938	23.4
POOL 3 ST AGCY EXT.	101,500,905	2.0
POOL 4 ST AGCY GOV.	859,693,617	16.7
POOL 10 ST OPER INT	1,072,315,657	20.9
POOL 10 ST OPERATING	301,465,031	5.9
POOL 12 CAWCD MED TRM	313,236,374	6.1
POOL 15 GADA	12,108,796	0.2
POOL 16 ECDHB	338,529,007	6.6
TOTAL STATE AGENCY	5,139,899,645	100.0

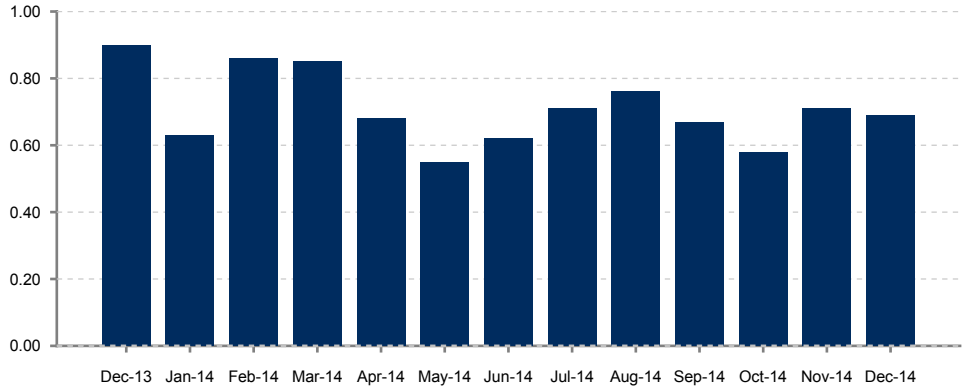
OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2014

POOL 2 ST AGCY FF&C

STATE STREET.

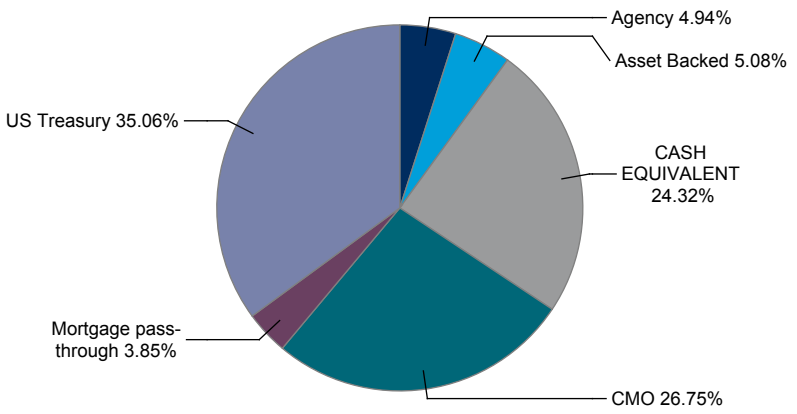
Net Yield



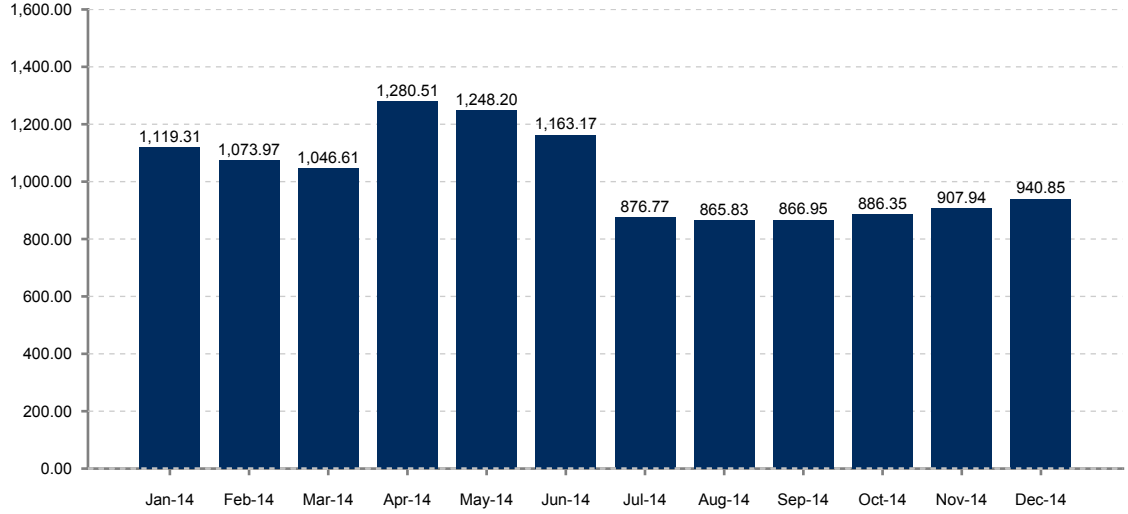
	Current Mth	Prior Mth	1 Year Ago
POOL 2 ST AGCY FF&C	0.69	0.71	0.90

Asset Allocation

	Ending Market Value
POOL 2 ST AGCY FF&C	940,848,319



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 2 ST AGCY FF&C		
GUGGENHEIM SECURITIES REPO	100,000,417	10.63
BANK OF AMERICA REPO	100,000,139	10.63
US TREASURY N/B	71,386,347	7.59
US TREASURY N/B	50,058,974	5.32
GOVERNMENT NATIONAL MORTGAGE A	31,348,381	3.33
US TREASURY N/B	31,274,506	3.32
GOVERNMENT NATIONAL MORTGAGE A	21,593,098	2.30
US TREASURY N/B	20,365,234	2.16
US TREASURY N/B	20,216,994	2.15
US TREASURY N/B	20,172,916	2.14

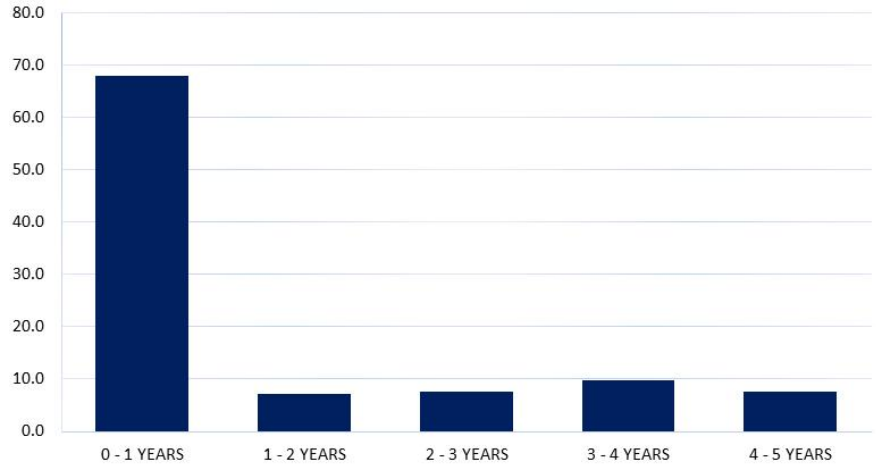
OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2014

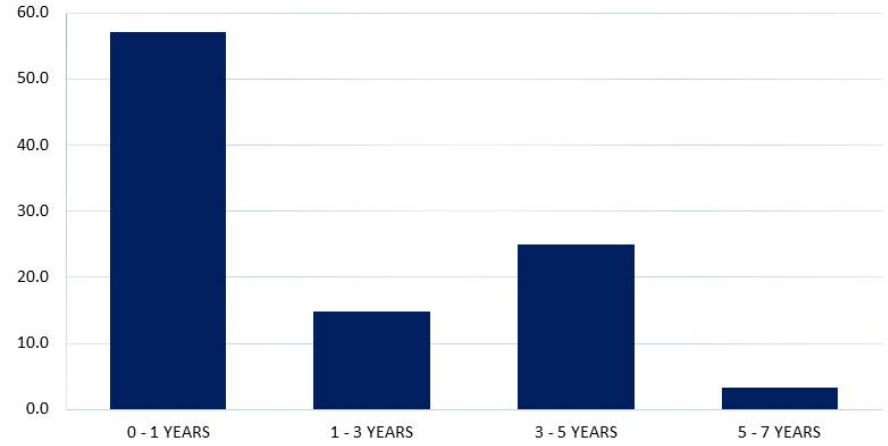
POOL 2 ST AGCY FF&C

STATE STREET.

Duration Distribution



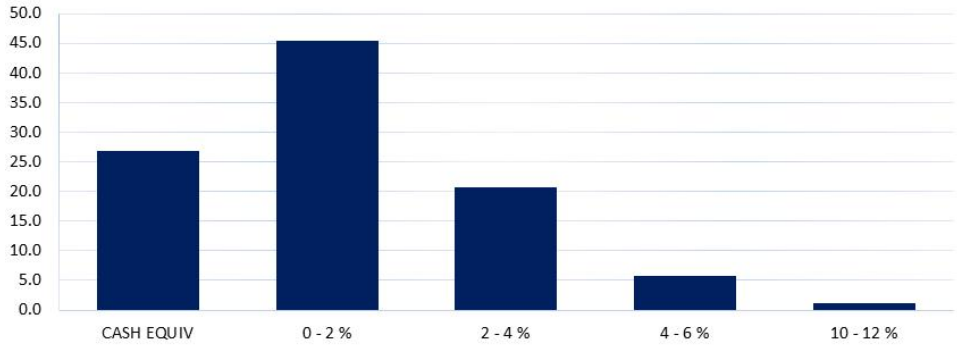
Expected Maturity Distribution



Portfolio Level Characteristics

	POOL 2 ST AGCY FF&C
Weighted Average Life	1.64
Coupon	2.05
Effective Duration	1.14
Quality Rating (Moody's)	AAA

Coupon Distribution



Rating Distribution

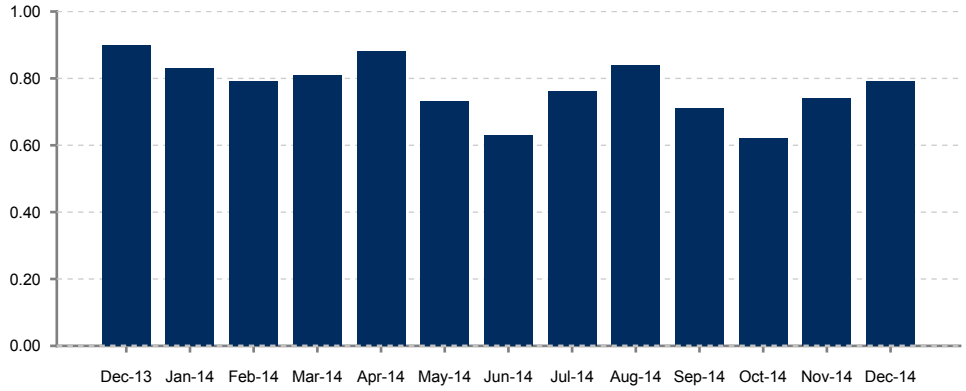
OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2014

POOL 3 ST AGCY INT.

STATE STREET.

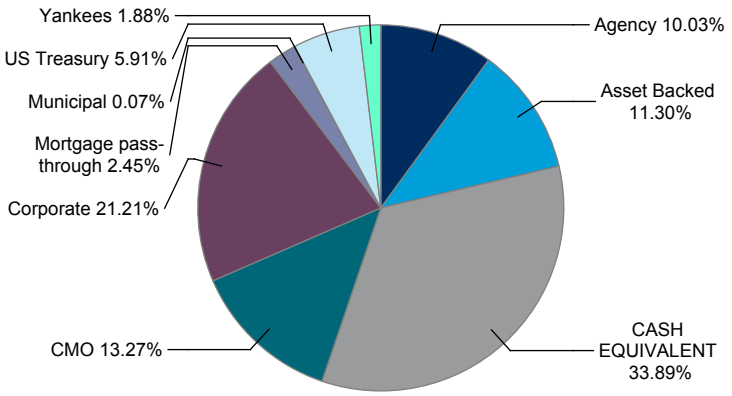
Net Yield



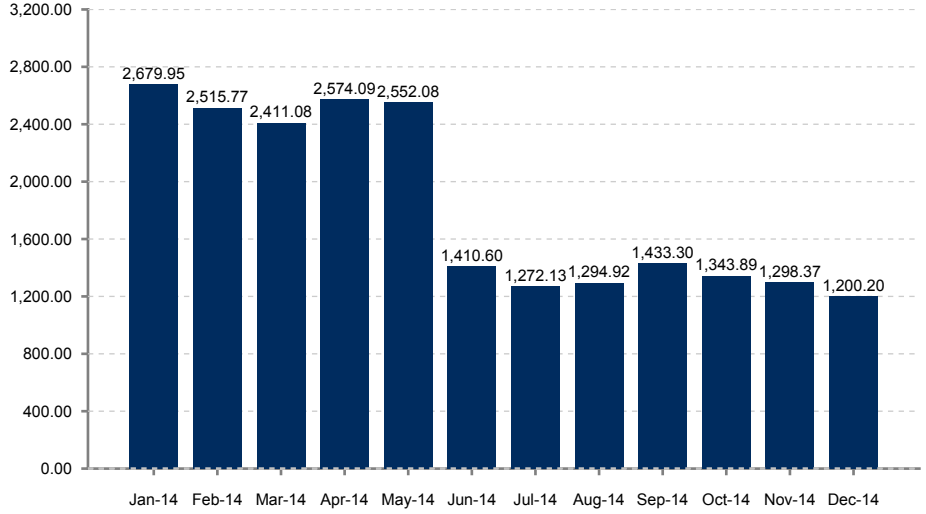
	Current Mth	Prior Mth	1 Year Ago
POOL 3 ST AGCY INT.	0.79	0.74	0.90

Asset Allocation

	Ending Market Value
POOL 3 ST AGCY INT.	1,200,201,938



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 3 ST AGCY INT.		
SOUTH STREET REPO	168,245,757	14.02
SUN TRUST ROBINSON REPO	70,012,133	5.83
WHITE POINT FDG INC	45,694,246	3.81
CEDAR SPRING CPTL CO	29,999,042	2.50
CONCORD MIN CPTL CO	24,999,472	2.08
FEDERAL NATL MTG ASSN	22,427,490	1.87
FANNIE MAE	21,787,865	1.82
SALISBURY RECEIVABLES CO	19,991,822	1.67
FANNIE MAE	14,123,229	1.18
ROYAL BK OF CANADA	13,056,147	1.09

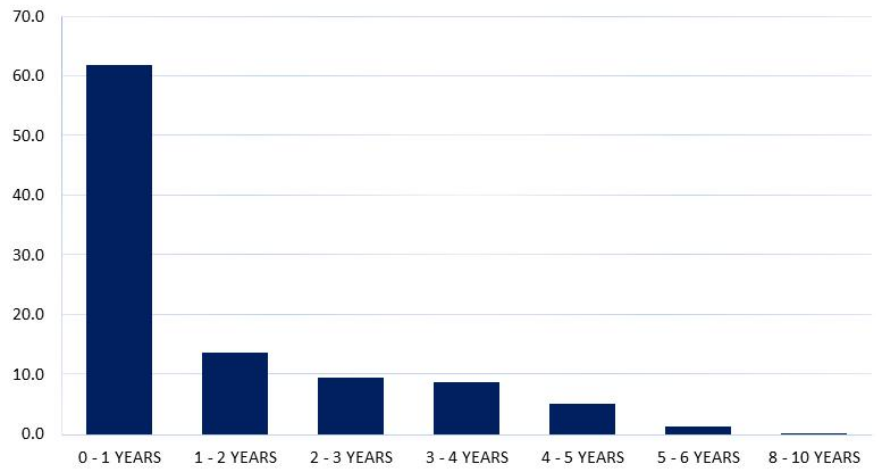
OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2014

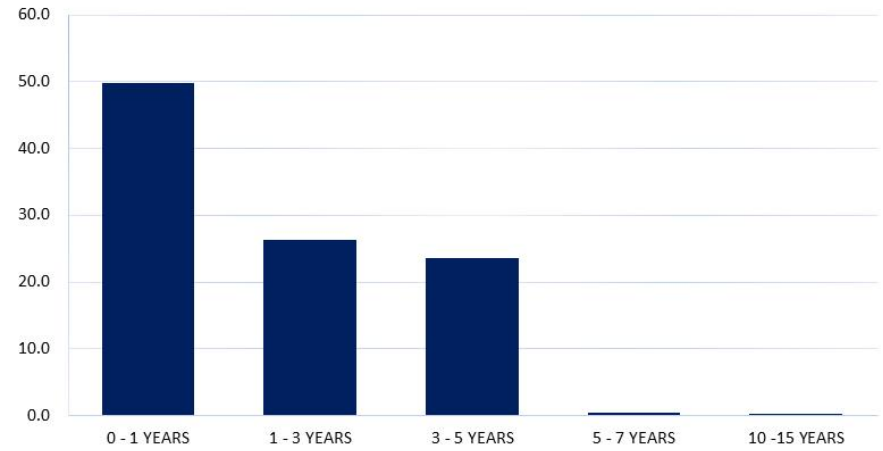
POOL 3 ST AGCY INT

STATE STREET.

Duration Distribution



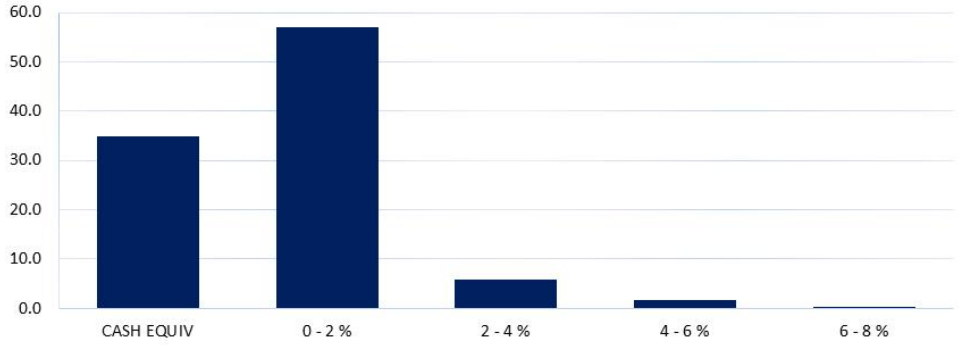
Expected Maturity Distribution



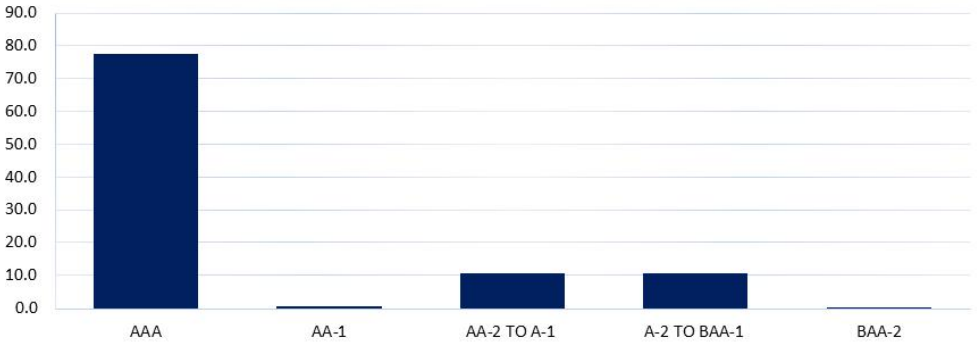
Portfolio Level Characteristics

	POOL 3 ST AGCY INT.
Weighted Average Life	1.50
Coupon	1.22
Effective Duration	1.14
Quality Rating (Moody's)	AA-1

Coupon Distribution



Rating Distribution



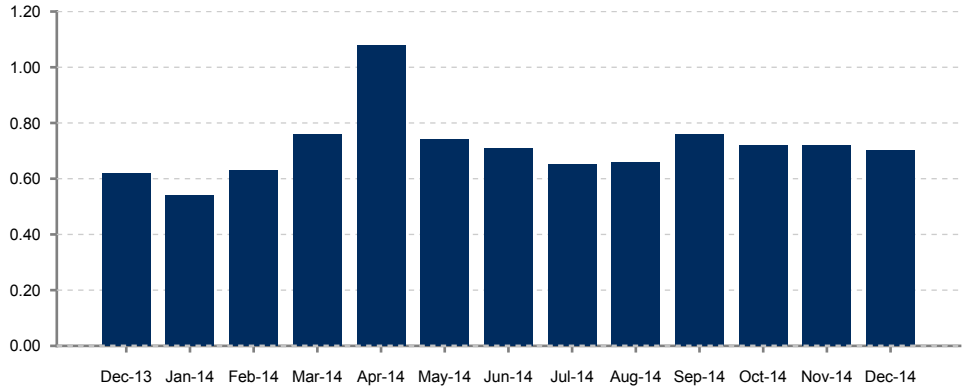
OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2014

POOL 3 ST AGCY EXT.

STATE STREET.

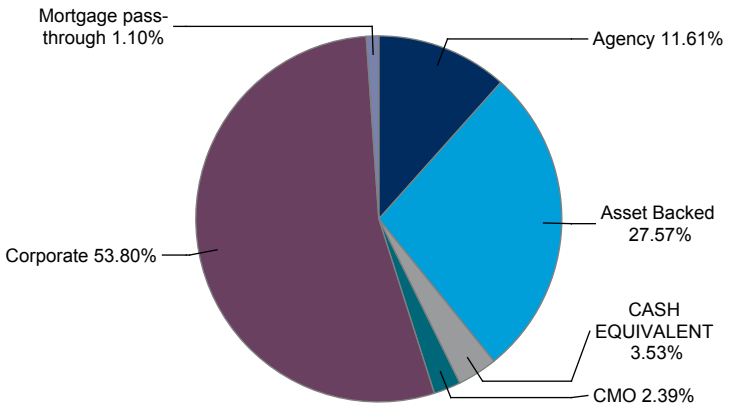
Net Yield



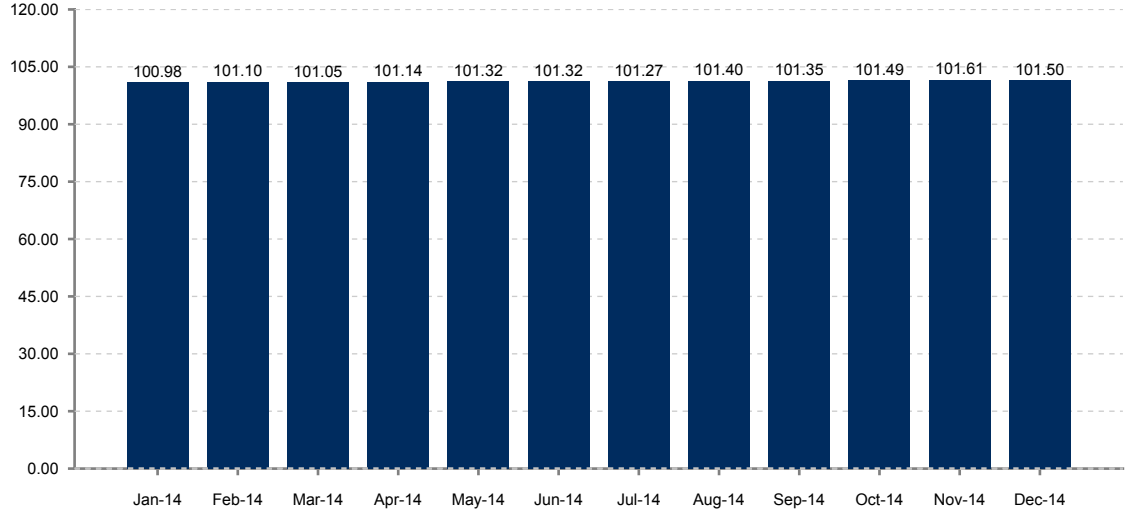
	Current Mth	Prior Mth	1 Year Ago
POOL 3 ST AGCY EXT.	0.70	0.72	0.62

Asset Allocation

	Ending Market Value
POOL 3 ST AGCY EXT.	101,500,905



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 3 ST AGCY EXT.		
WELLS FARGO BANK NA	2,302,578	2.27
ROYAL BK OF CANADA	1,803,011	1.78
MUFG UNION BANK NA	1,646,030	1.62
DISCOVER CARD EXECUTION NOTE T	1,573,523	1.55
FANNIE MAE	1,510,799	1.49
JPMORGAN CHASE + CO	1,509,794	1.49
CITIBANK CREDIT CARD ISSUANCE	1,504,641	1.48
BANK OF AMERICA NA	1,499,999	1.48
FANNIE MAE	1,499,254	1.48
WAL MART STORES INC	1,416,893	1.40

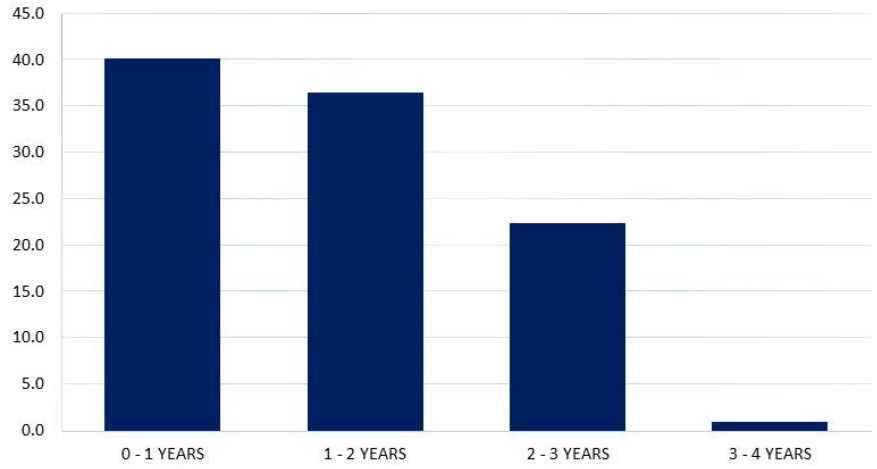
OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2014

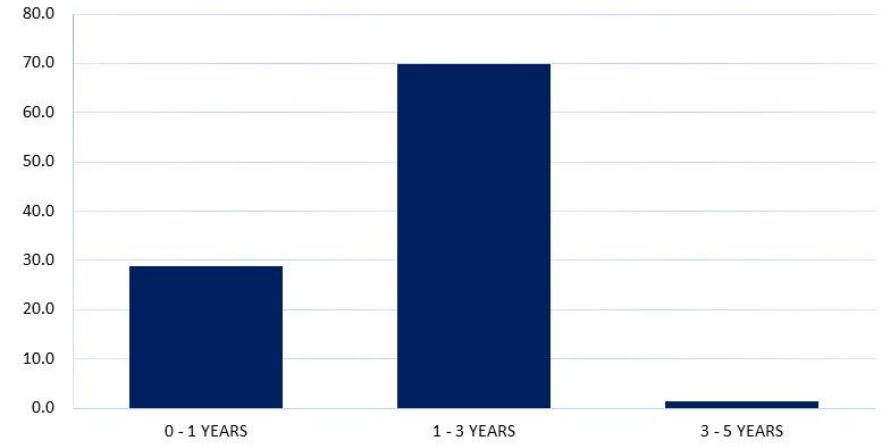
POOL 3 ST AGCY EXT

STATE STREET.

Duration Distribution



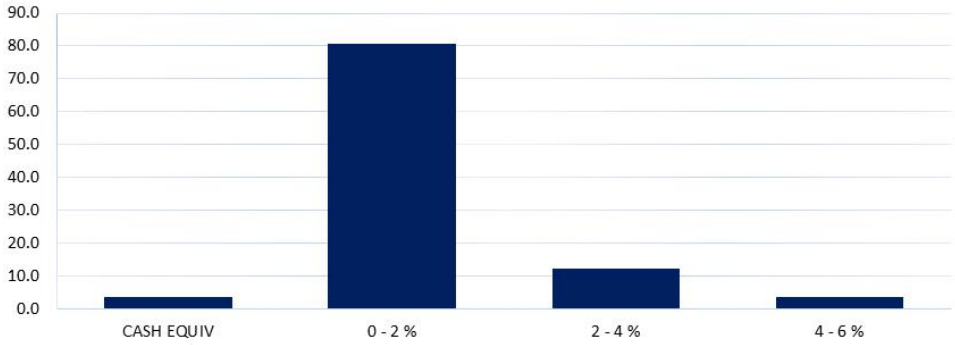
Expected Maturity Distribution



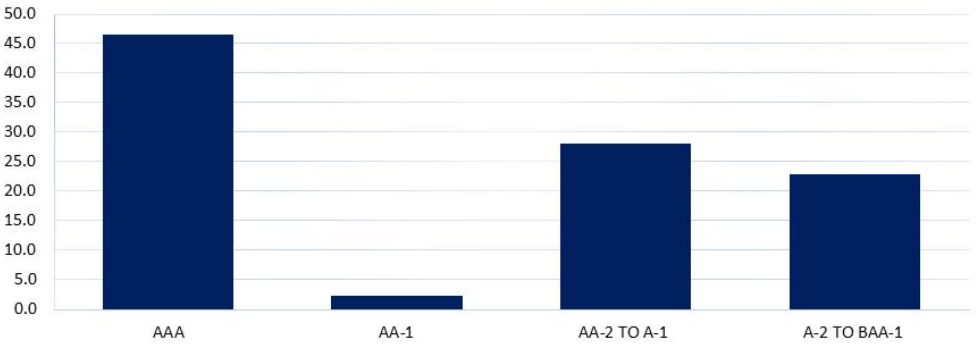
Portfolio Level Characteristics

	POOL 3 ST AGCY EXT.
Weighted Average Life	1.50
Coupon	1.31
Effective Duration	1.23
Quality Rating (Moody's)	AA-2

Coupon Distribution



Rating Distribution



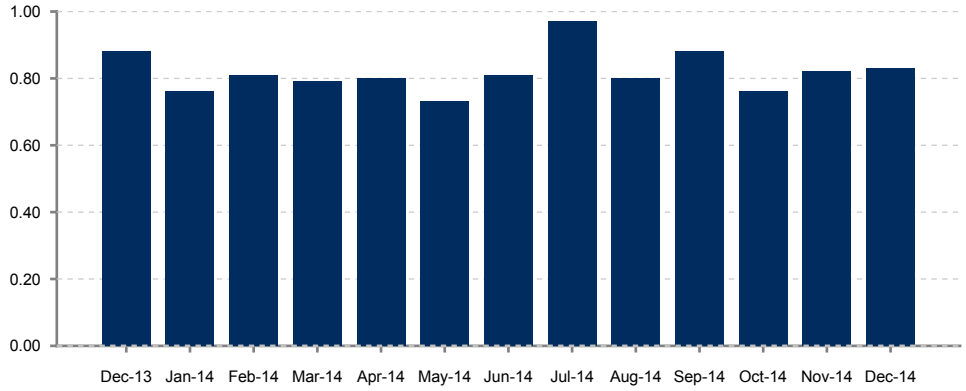
OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2014

POOL 4 ST AGCY GOV.

STATE STREET.

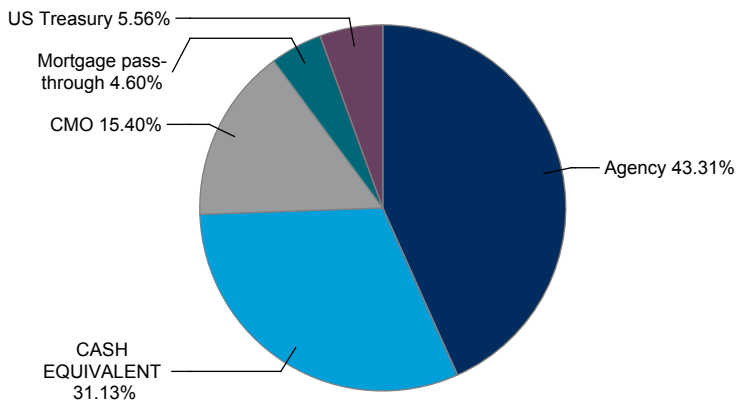
Net Yield



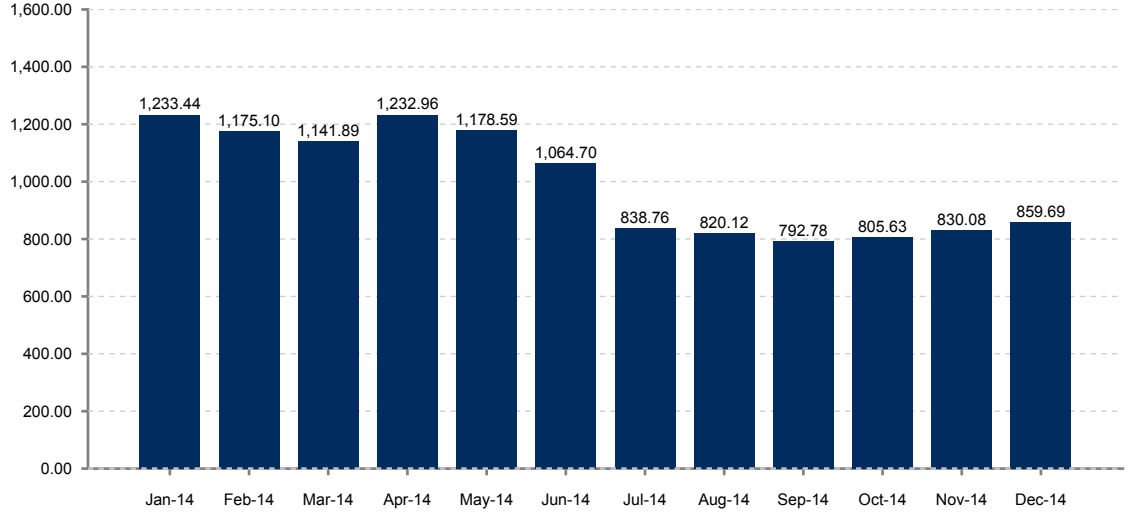
	Current Mth	Prior Mth	1 Year Ago
POOL 4 ST AGCY GOV.	0.83	0.82	0.88

Asset Allocation

	Ending Market Value
POOL 4 ST AGCY GOV.	859,693,617



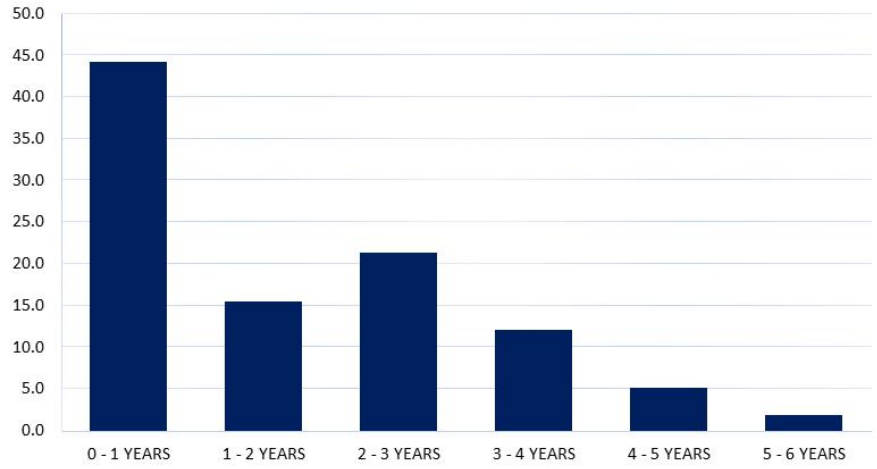
Net Asset Values over Time ($MM)



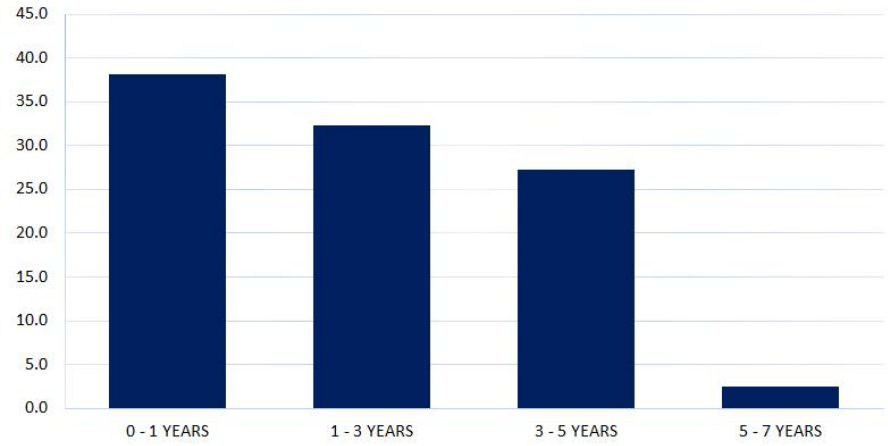
Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 4 ST AGCY GOV.		
WELLS FARGO REPO	100,000,222	11.63
SOUTH STREET REPO	88,989,952	10.35
FED HOME LN DISCOUNT NT	39,998,132	4.65
FANNIE MAE	39,401,898	4.58
GUGGENHEIM SECURITIES REPO	38,792,429	4.51
FEDERAL HOME LOAN BANK	32,233,397	3.75
FEDERAL FARM CREDIT BANK	30,021,027	3.49
FREDDIE MAC	22,881,863	2.66
FEDERAL FARM CREDIT BANK	20,022,064	2.33
FEDERAL FARM CREDIT BANK	20,017,094	2.33

Duration Distribution



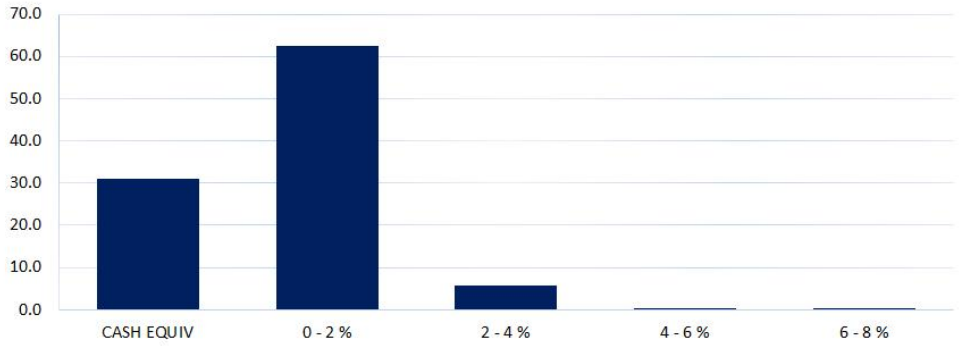
Expected Maturity Distribution



Portfolio Level Characteristics

	POOL 4 ST AGCY GOV.
Weighted Average Life	1.95
Coupon	1.00
Effective Duration	1.56
Quality Rating (Moody's)	AAA

Coupon Distribution



Rating Distribution

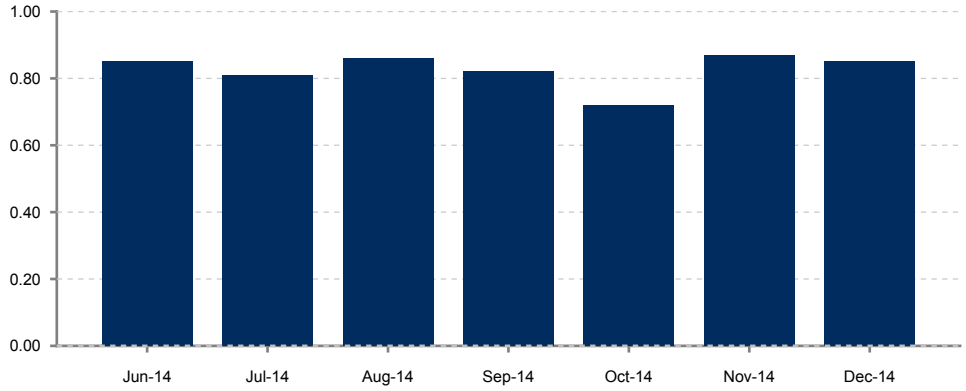
OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2014

POOL 10 ST OPERATING INT

STATE STREET.

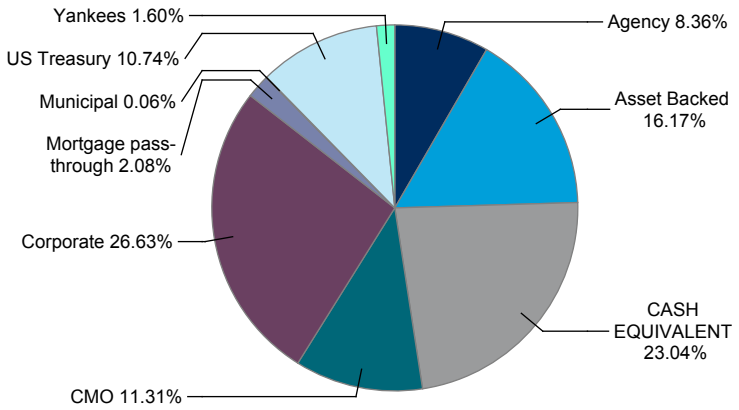
Net Yield



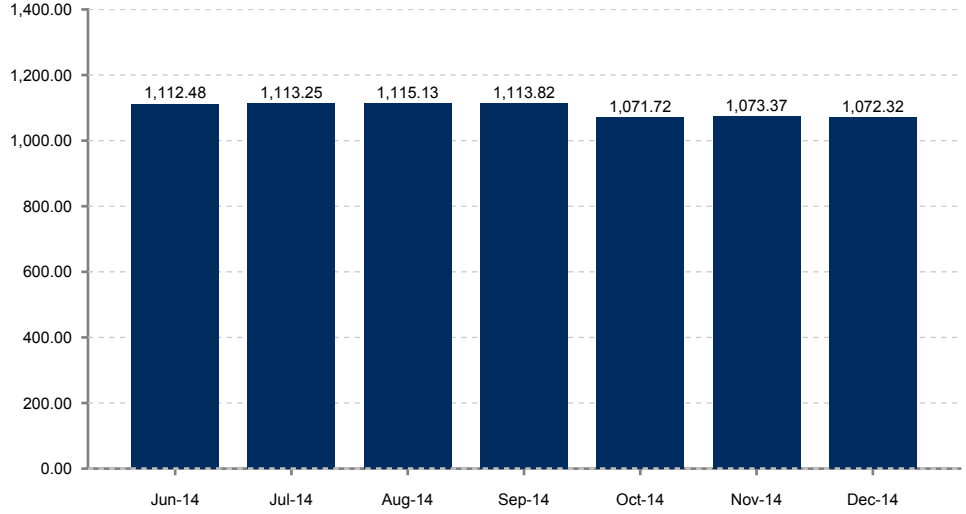
	Current Mth	Prior Mth	1 Year Ago
POOL 10 ST OPER INT	0.85	0.87	

Asset Allocation

	Ending Market Value
POOL 10 ST OPER INT	1,072,315,657



Net Asset Values over Time ($MM)



Top 10 Holdings

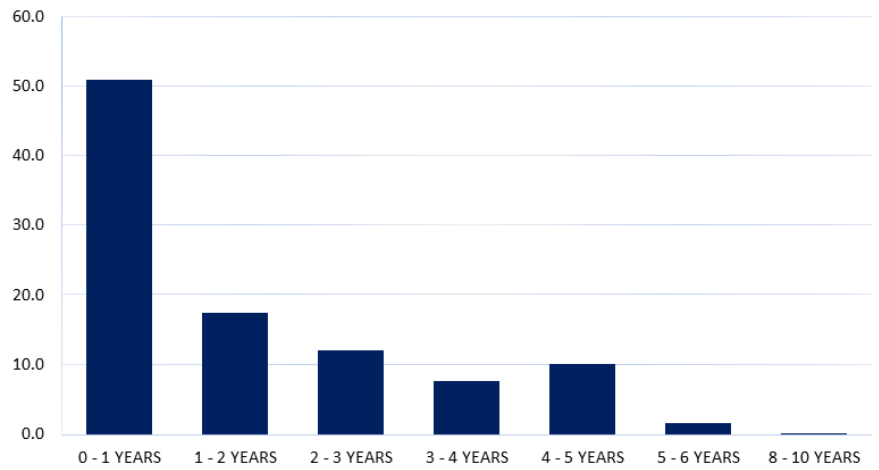
Security Name	Ending Market Value	% of Portfolio
POOL 10 ST OPER INT		
SOUTH STREET REPO	134,000,931	12.50
MATCHPOINT MASTER TR	31,365,745	2.93
CONCORD MIN CPTL CO	24,999,445	2.33
GOLDMAN SACHS GROUP INC	20,261,869	1.89
US TREASURY N/B	20,172,916	1.88
US TREASURY N/B	20,006,516	1.87
US TREASURY N/B	19,994,093	1.86
US TREASURY N/B	19,976,374	1.86
FEDERAL NATL MTG ASSN	17,075,774	1.59
FANNIE MAE	16,588,778	1.55

OFFICE OF THE ARIZONA STATE TREASURER

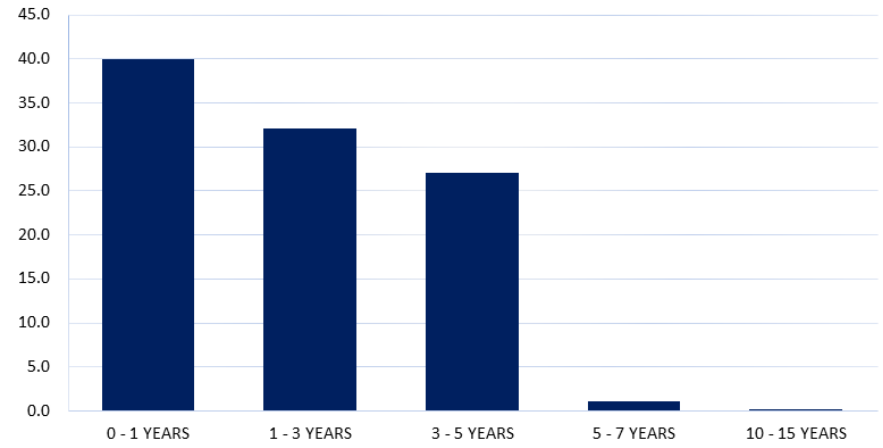
December 31, 2014

POOL 10 ST OPERATING INT

Duration Distribution



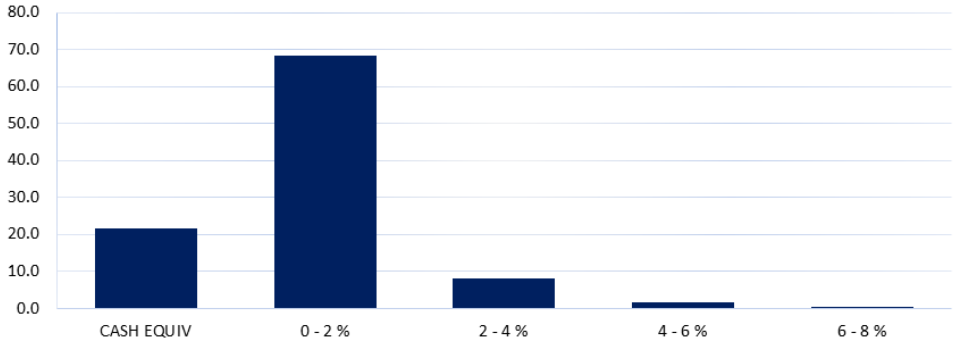
Expected Maturity Distribution



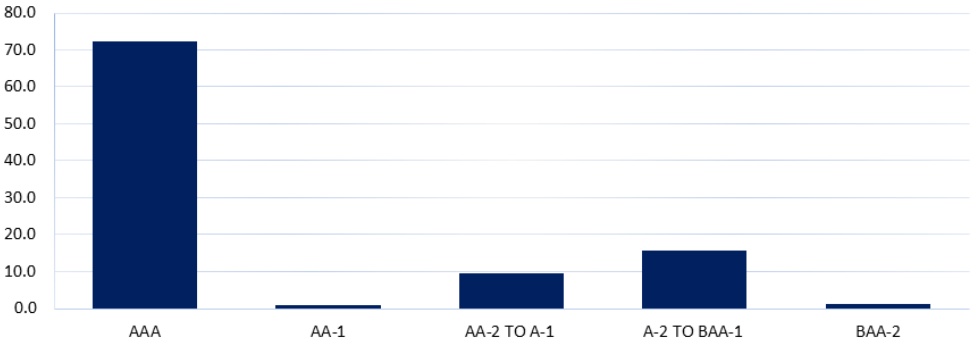
Portfolio Level Characteristics

	POOL 10 ST OPERATING INT
Weighted Average Life	1.79
Coupon	1.29
Effective Duration	1.45
Quality Rating (Moody's)	AA-1

Coupon Distribution



Rating Distribution

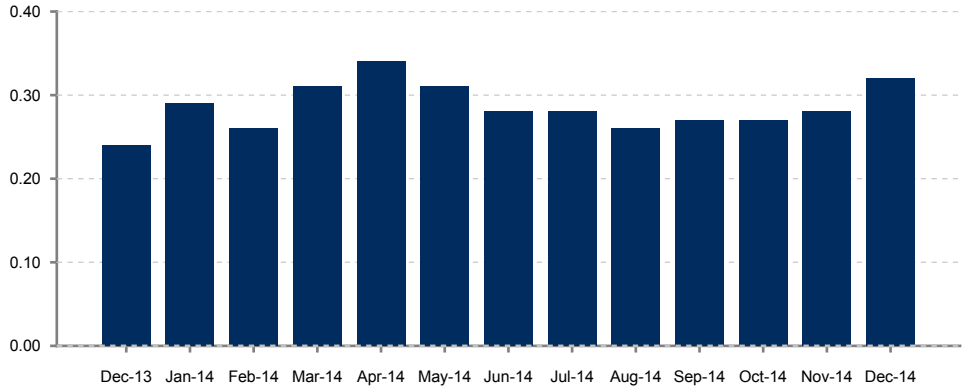


OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2014

POOL 10 ST OPERATING Ext

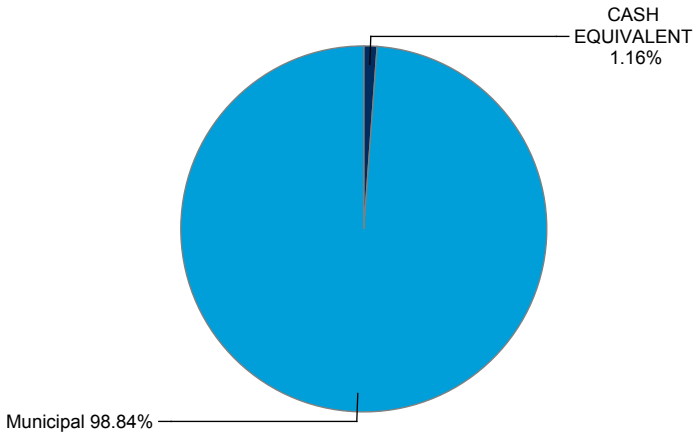
Net Yield



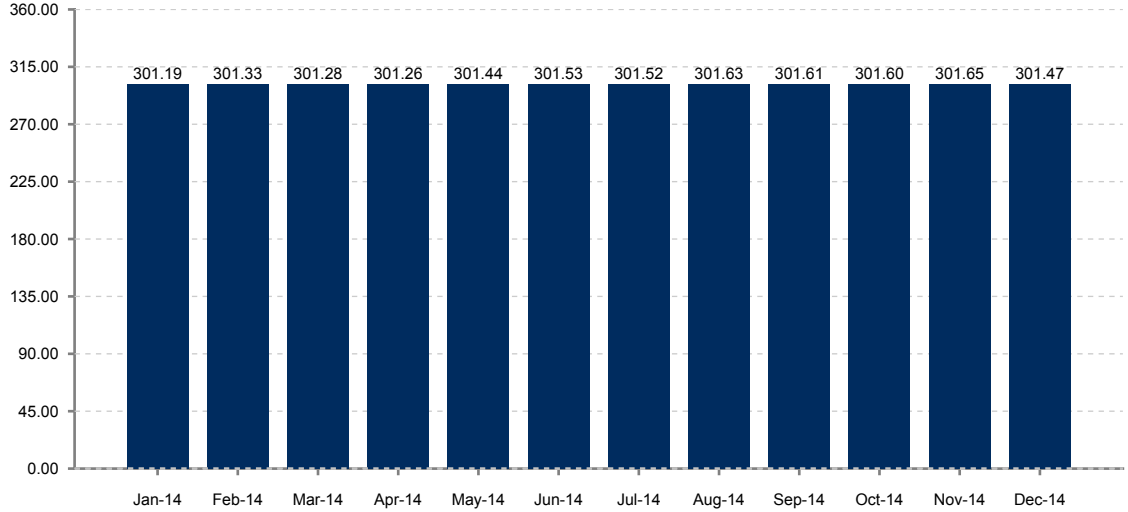
	Current Mth	Prior Mth	1 Year Ago
POOL 10 ST OPERATING	0.32	0.28	0.24

Asset Allocation

	Ending Market Value
POOL 10 ST OPERATING	301,465,031



Net Asset Values over Time ($MM)



Top 10 Holdings

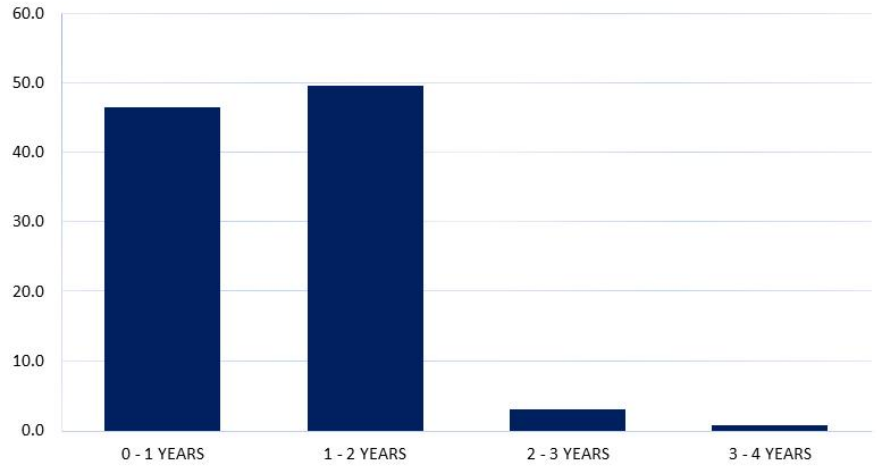
Security Name	Ending Market Value	% of Portfolio
POOL 10 ST OPERATING		
MASSACHUSETTS ST SCH BLDG AUTH	36,651,567	12.16
SAN ANTONIO TX	12,621,622	4.19
TEXAS ST	11,749,478	3.90
MASSACHUSETTS ST SCH BLDG AUTH	10,482,359	3.48
OHIO ST	10,449,177	3.47
ARIZONA ST TRANSPRTN BRD HIGHW	9,765,402	3.24
WISCONSIN ST	9,011,302	2.99
ARIZONA ST WTR INFRASTRUCTURE	8,156,020	2.71
NORTH CAROLINA ST CAPITAL IMPT	8,130,603	2.70
OHIO ST	7,916,272	2.63

OFFICE OF THE ARIZONA STATE TREASURER

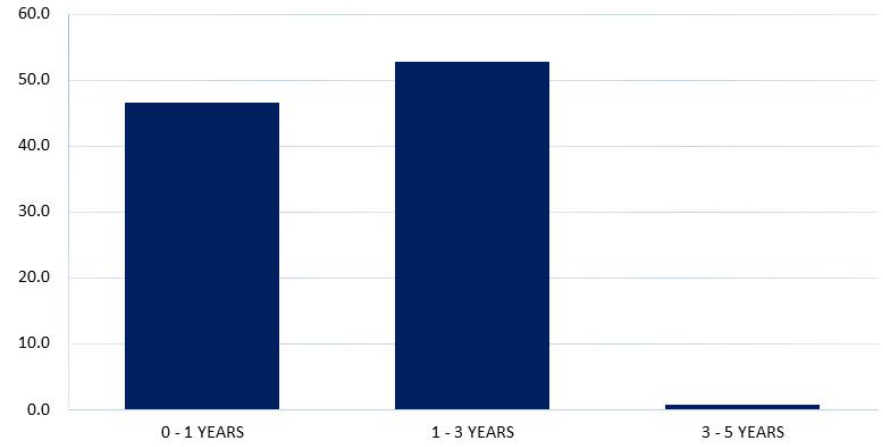
December 31, 2014

POOL 10 ST OPERATING Ext

Duration Distribution



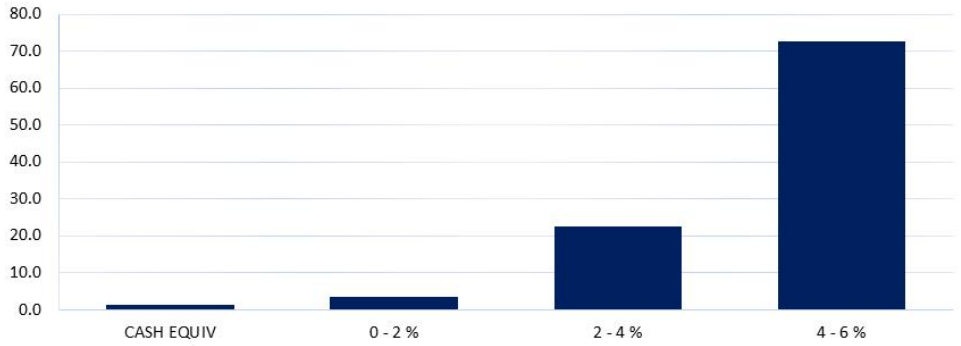
Expected Maturity Distribution



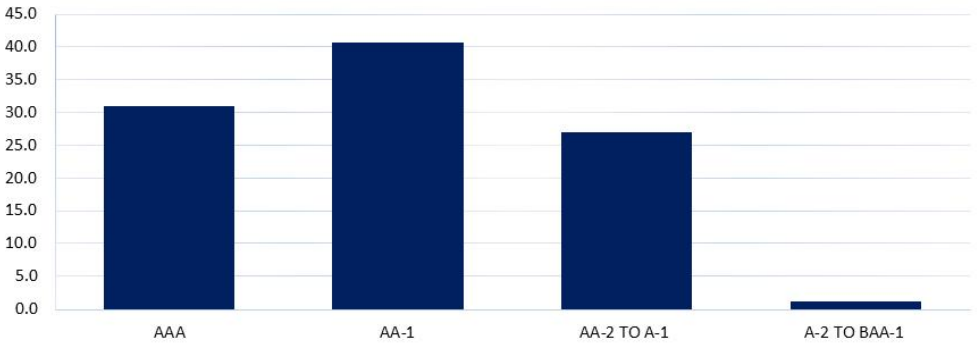
Portfolio Level Characteristics

	POOL 10 ST OPERATING
Weighted Average Life	1.01
Coupon	4.49
Effective Duration	0.98
Quality Rating (Moody's)	AA-1

Coupon Distribution



Rating Distribution



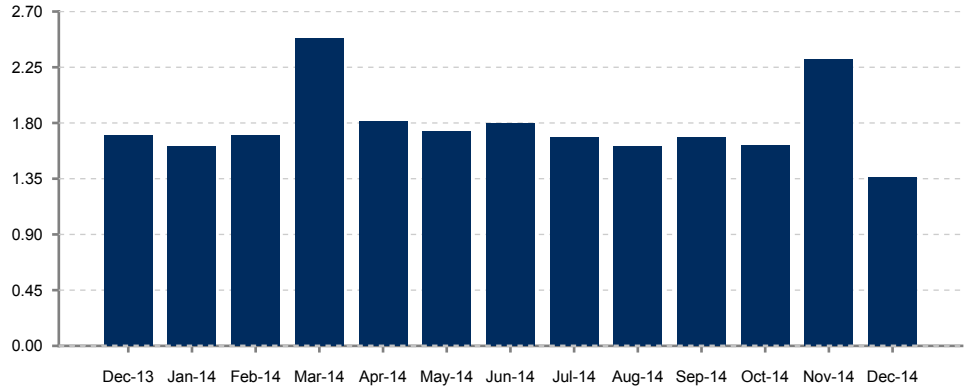
OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2014

POOL 12 CAWCD MED TRM

STATE STREET.

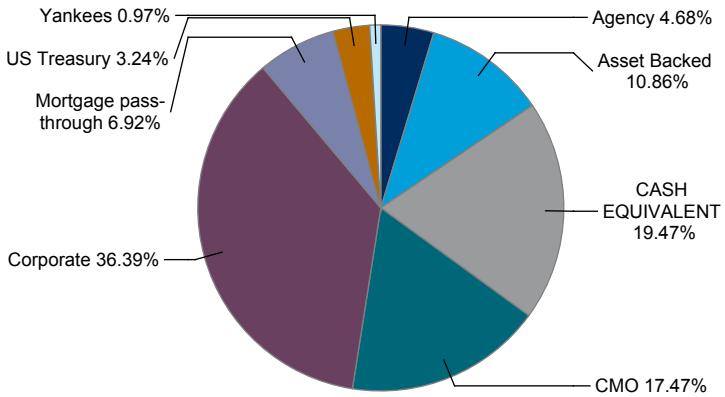
Net Yield



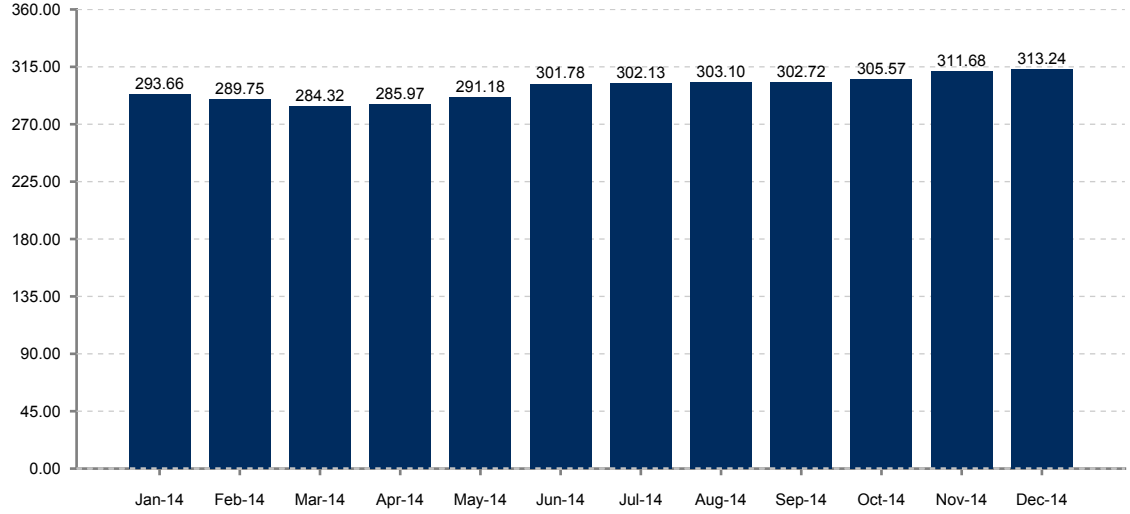
	Current Mth	Prior Mth	1 Year Ago
POOL 12 CAWCD MED TRM	1.36	2.31	1.70

Asset Allocation

	Ending Market Value
POOL 12 CAWCD MED TRM	313,236,374



Net Asset Values over Time ($MM)



Top 10 Holdings

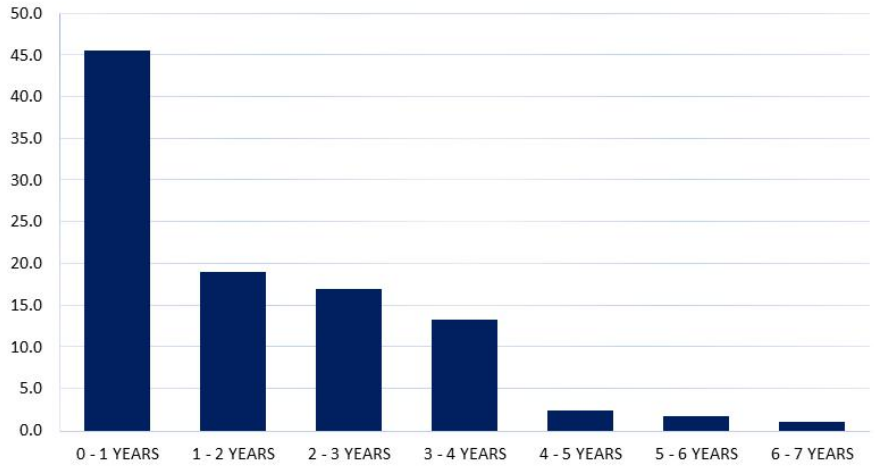
Security Name	Ending Market Value	% of Portfolio
POOL 12 CAWCD MED TRM		
SOUTH STREET REPO	19,838,818	6.33
MOUNTCLIFF	9,997,600	3.19
INSTITUTIONAL SECURED	9,996,208	3.19
CONCORD MIN CPTL CO	9,992,869	3.19
RIDGEFIELD FUNDING CO	9,988,940	3.19
FANNIE MAE	8,082,663	2.58
FNMA POOL AV9175	7,101,727	2.27
FNMA POOL MA1763	6,669,538	2.13
FANNIE MAE	5,673,117	1.81
FANNIE MAE	5,423,890	1.73

OFFICE OF THE ARIZONA STATE TREASURER

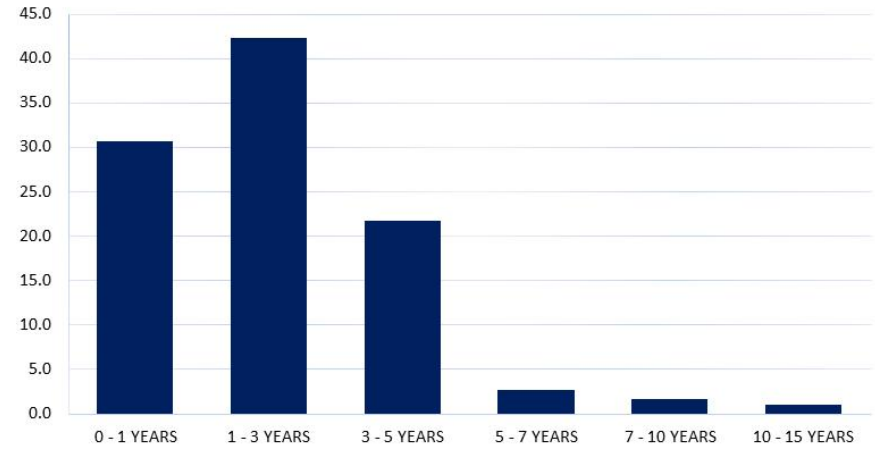
December 31, 2014

POOL 12 CAWCD MED TRM

Duration Distribution



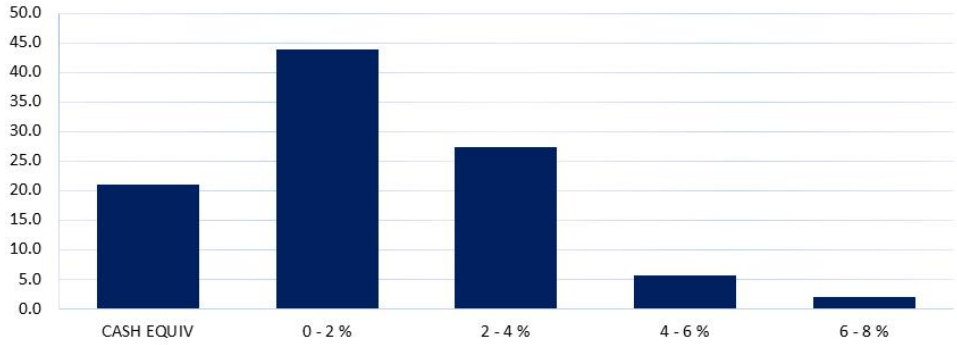
Expected Maturity Distribution



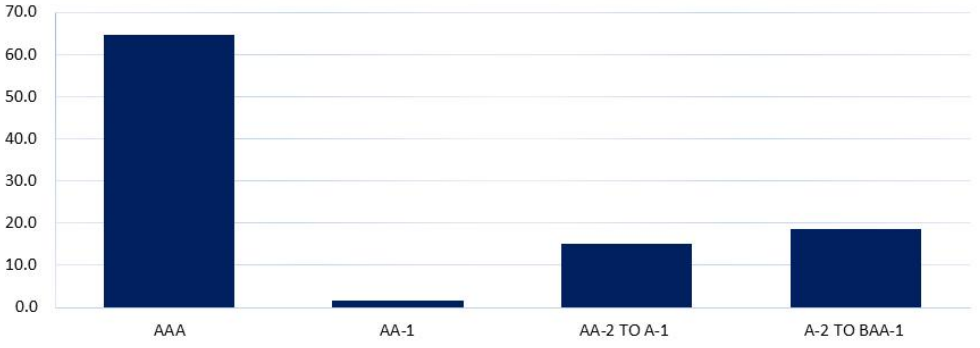
Portfolio Level Characteristics

	POOL 12 CAWCD MED TRM
Weighted Average Life	2.18
Coupon	1.88
Effective Duration	1.53
Quality Rating (Moody's)	AA-2

Coupon Distribution



Rating Distribution



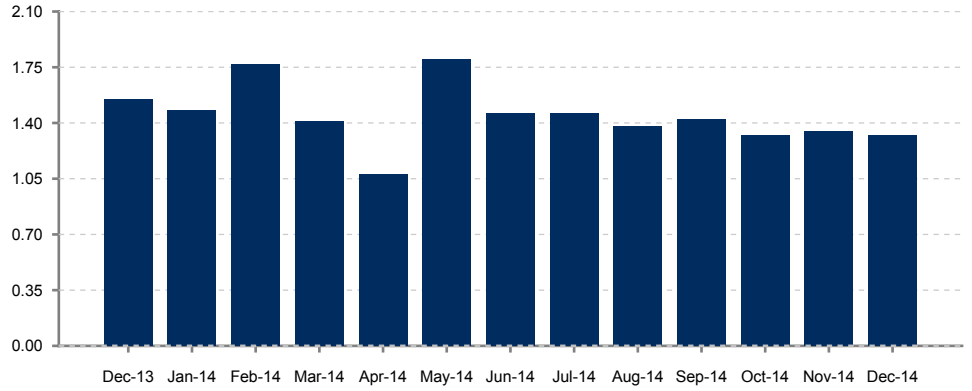
OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2014

POOL 15 GADA

STATE STREET.

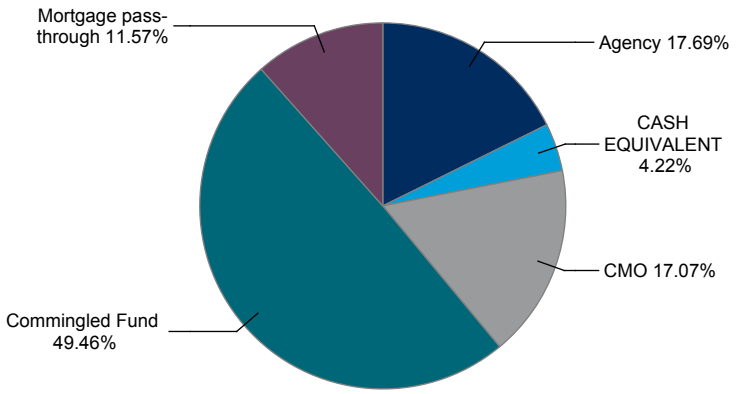
Net Yield



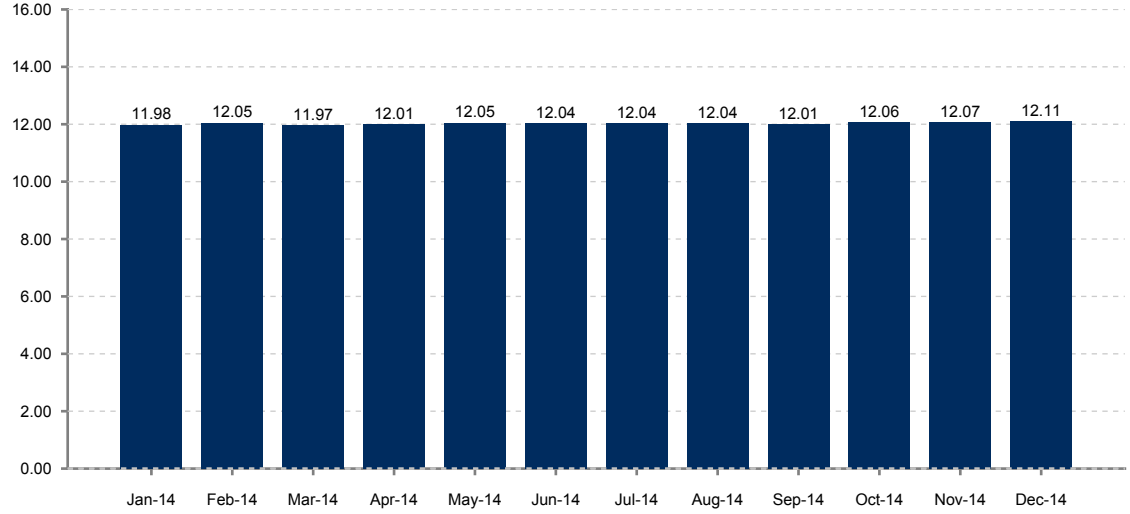
	Current Mth	Prior Mth	1 Year Ago
POOL 15 GADA	1.32	1.35	1.55

Asset Allocation

	Ending Market Value
POOL 15 GADA	12,108,796



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 15 GADA		
LOCAL GOV INVS POOL 4	5,454,222	45.04
FANNIE MAE	1,672,037	13.81
FEDERAL FARM CREDIT BANK	997,656	8.24
FANNIE MAE	751,700	6.21
LOCAL GOV INVS POOL 700	541,810	4.47
SSC GOVERNMENT MM GVXX	510,989	4.22
FREDDIE MAC	472,239	3.90
FEDERAL HOME LOAN BANK	395,683	3.27
FNMA POOL AJ1622	339,914	2.81
GOVERNMENT NATIONAL MORTGAGE A	225,087	1.86

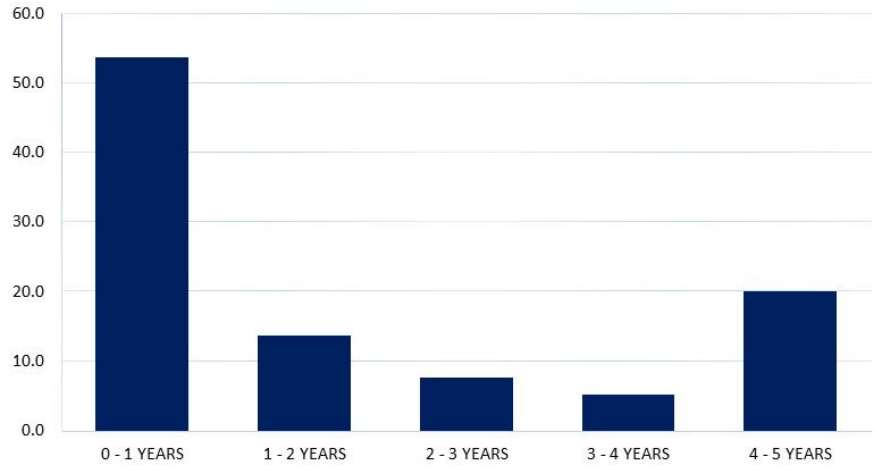
OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2014

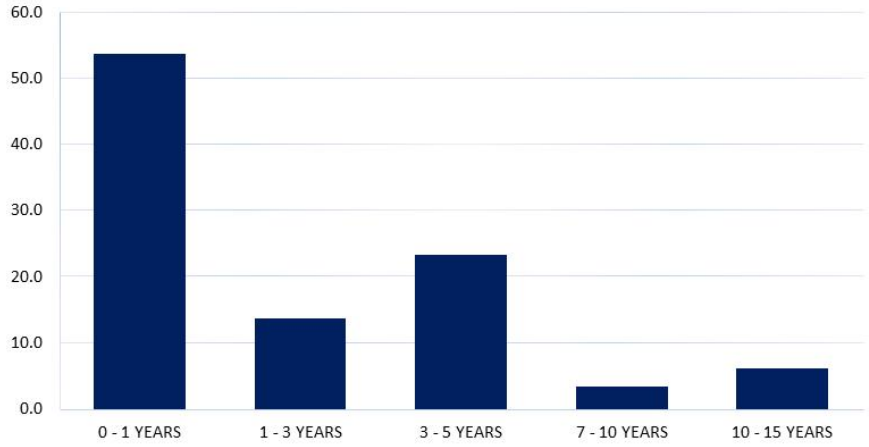
POOL 15 GADA

STATE STREET.

Duration Distribution



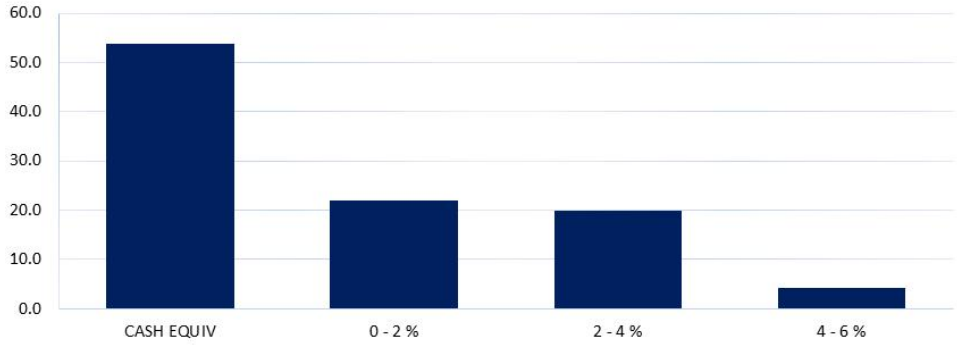
Expected Maturity Distribution



Portfolio Level Characteristics

	POOL 15 GADA
Weighted Average Life	2.17
Coupon	1.11
Effective Duration	1.51
Quality Rating (Moody's)	AAA

Coupon Distribution



Rating Distribution

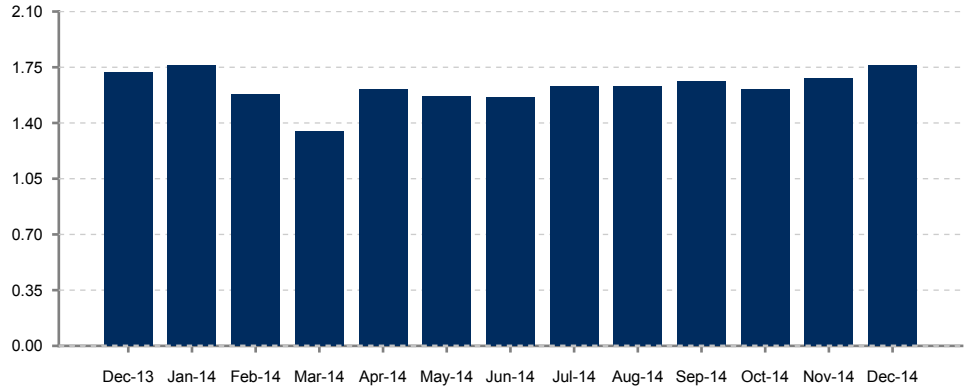
OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2014

POOL 16 ECDHB

STATE STREET.

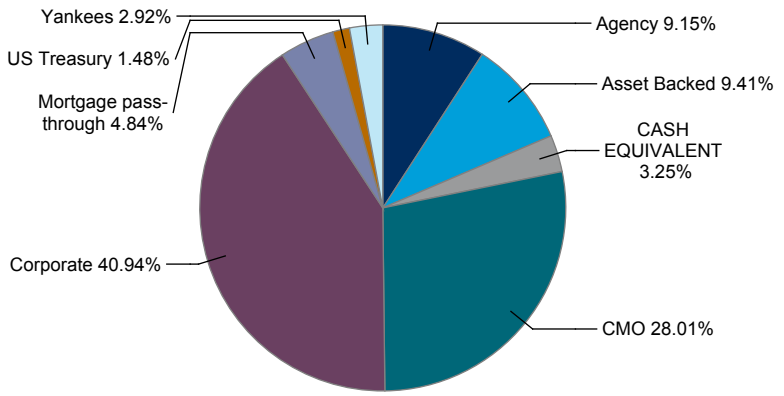
Net Yield



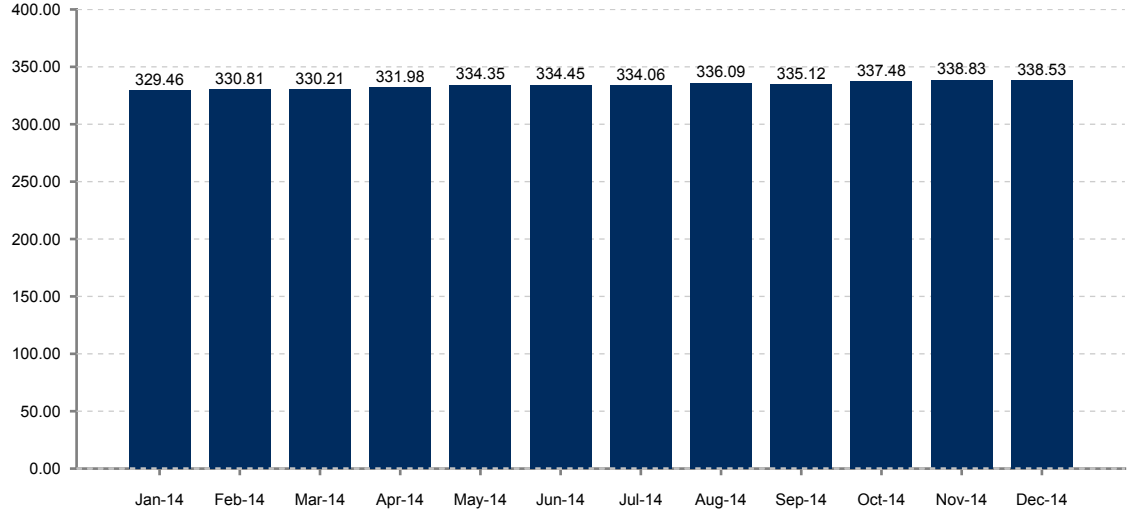
	Current Mth	Prior Mth	1 Year Ago
POOL 16 ECDHB	1.76	1.68	1.72

Asset Allocation

	Ending Market Value
POOL 16 ECDHB	338,529,007



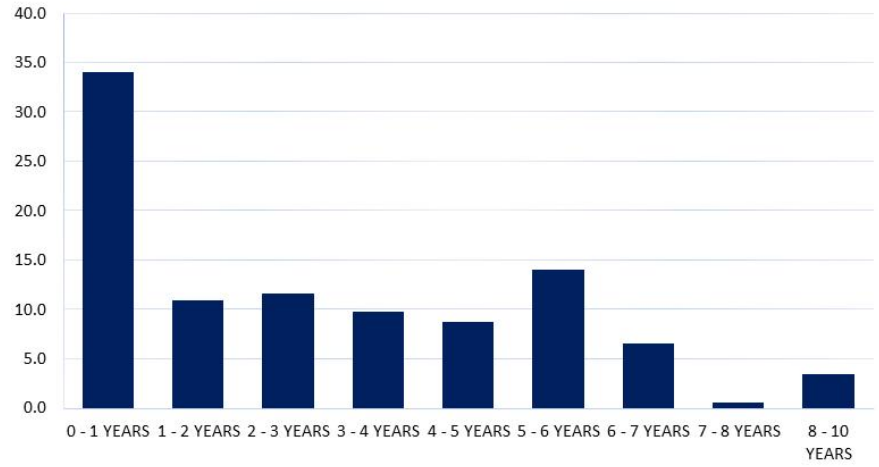
Net Asset Values over Time ($MM)



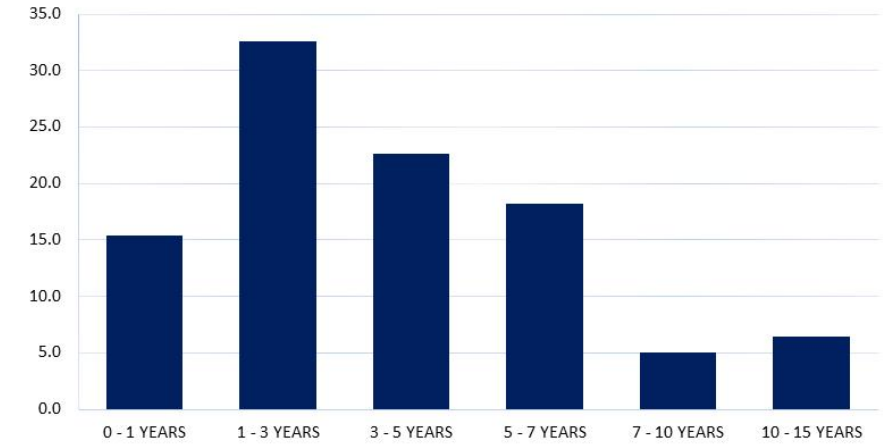
Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 16 ECDHB		
BELLSOUTH CORP	13,505,488	3.99
FREDDIE MAC	9,516,399	2.81
SOUTH STREET REPO	9,000,063	2.66
FREDDIEMAC STRIP	8,958,304	2.65
NATIONAL CITY BANK	6,969,834	2.06
FANNIE MAE	6,483,110	1.92
FREDDIE MAC	5,534,714	1.63
FREDDIE MAC	5,226,893	1.54
GOVERNMENT NATIONAL MORTGAGE A	5,214,643	1.54
FHLMC MULTIFAMILY STRUCTURED P	5,194,585	1.53

Duration Distribution



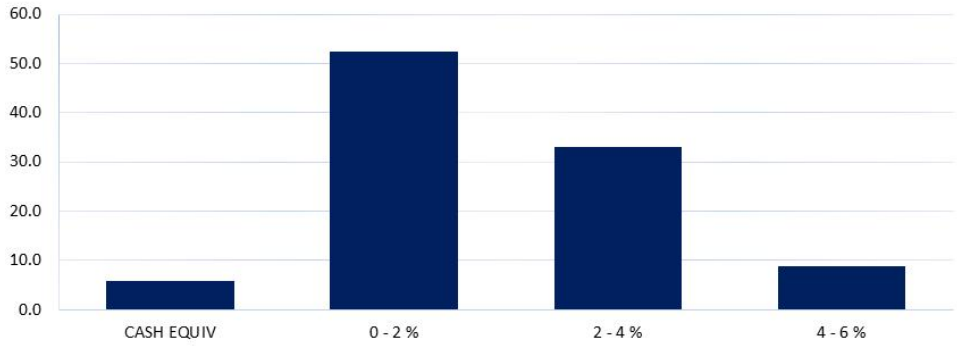
Expected Maturity Distribution



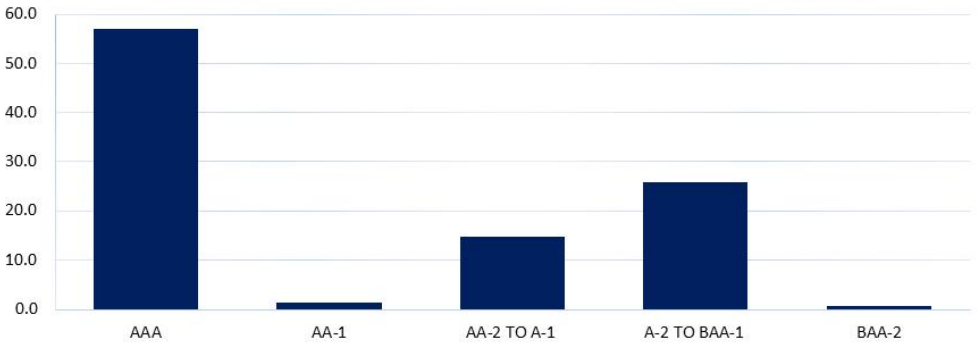
Portfolio Level Characteristics

	POOL 16 ECDHB
Weighted Average Life	4.01
Coupon	2.19
Effective Duration	2.90
Quality Rating (Moody's)	AA-2

Coupon Distribution



Rating Distribution



LGIP & LGIP- GOV
PORTFOLIO YIELD ANALYSIS
DECEMBER 31, 2014

NET EARNINGS

FUND	DESCRIPTION	Current Month 12/31/14	Prior Month 11/30/14	Prior Year 12/31/13	Net Asset Value Per Share
5	LGIP	123,269	105,086	153,990	1.0000
7	LGIP - GOV	70,833	52,987	46,436	1.0000
	TOTAL LGIP & LGIP-GOV	194,103	158,073	200,426	

YIELDS

	MONTHLY	Current Month 12/31/14	Prior Month 11/30/14	Prior Year 12/31/13
5	LGIP (NET)	0.12%	0.10%	0.12%
	S & P LGIP INDEX	0.05%	0.05%	0.05%
7	LGIP - GOV (NET)	0.08%	0.07%	0.05%
	3 MONTH T-BILL	0.01%	0.01%	0.06%
	YEAR TO DATE			
5	LGIP (NET)	0.09%	0.09%	0.12%
	S & P LGIP INDEX	0.05%	0.05%	0.05%
7	LGIP - GOV (NET)	0.06%	0.06%	0.05%
	3 MONTH T-BILL	0.01%	0.01%	0.04%

* 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
DECEMBER 31, 2014

NET EARNINGS

FUND	DESCRIPTION	Current Month 12/31/14	Prior Month 11/30/14	Prior Year 12/31/13	Net Asset Value Per Share
500	LGIP - MED TERM POOL	208,809	196,441	282,100	1.0336
700	LGIP - FF&C MED TERM POOL	110,475	121,994	144,158	1.0093
	TOTAL LGIP MEDIUM TERM POOLS	319,284	318,435	426,258	

YIELDS

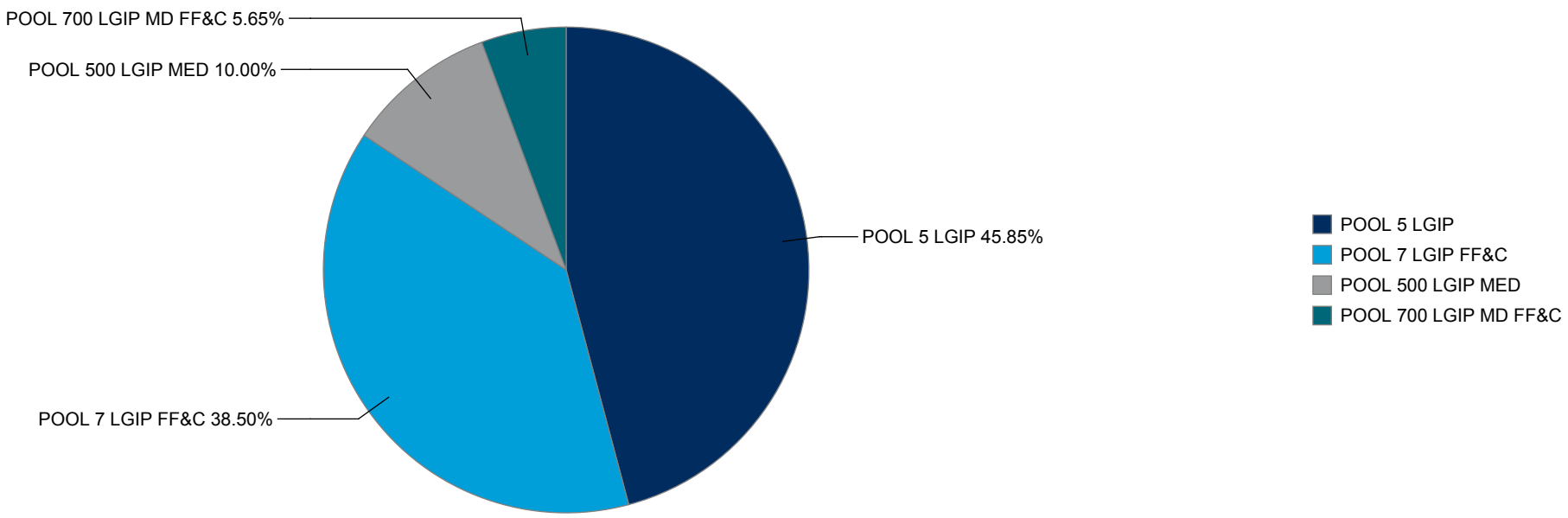
	MONTHLY	Current Month 12/31/14	Prior Month 11/30/14	Prior Year 12/31/13
500	LGIP - MED TERM (NET)	0.96%	0.93%	1.17%
	MERRILL 1-5 US D M INDEX	1.46%	1.31%	1.22%
700	LGIP - FF&C MED TERM (NET)	0.90%	1.02%	0.76%
	75% MERRILL 1-5 US TREAS INDEX / 25% MERRILL US GNMA MORTGAGE BACKED INDEX	1.35%	1.21%	1.39%
	YEAR TO DATE			
500	LGIP - MED TERM (NET)	1.06%	1.08%	1.19%
	MERRILL 1-5 US D M INDEX	1.34%	1.32%	1.23%
700	LGIP - FF&C MED TERM (NET)	0.94%	0.94%	0.90%
	75% MERRILL 1-5 US TREAS INDEX / 25% MERRILL US GNMA MORTGAGE BACKED INDEX	1.33%	1.33%	1.27%

OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2014

LGIP

Manager Allocation



	Market Value	% of Portfolio
POOL 5 LGIP	1,179,774,615	45.8
POOL 7 LGIP FF&C	990,820,021	38.5
POOL 500 LGIP MED	257,278,538	10.0
POOL 700 LGIP MD FF&C	145,368,891	5.6
TOTAL LGIP	2,573,242,064	100.0

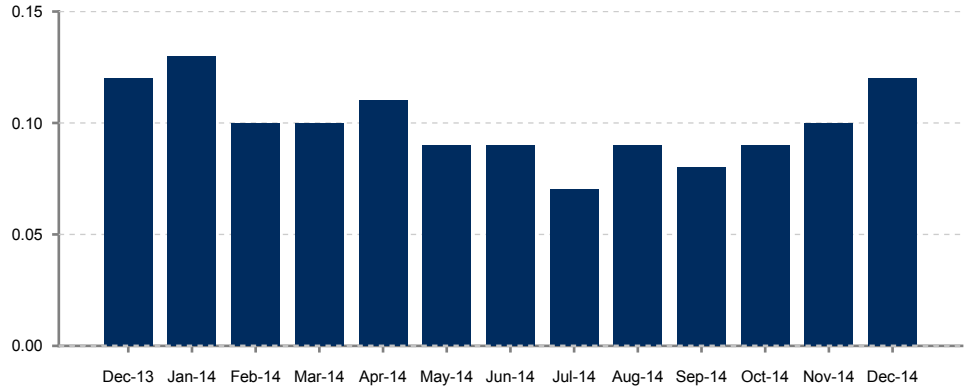
OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2014

POOL 5 LGIP

STATE STREET.

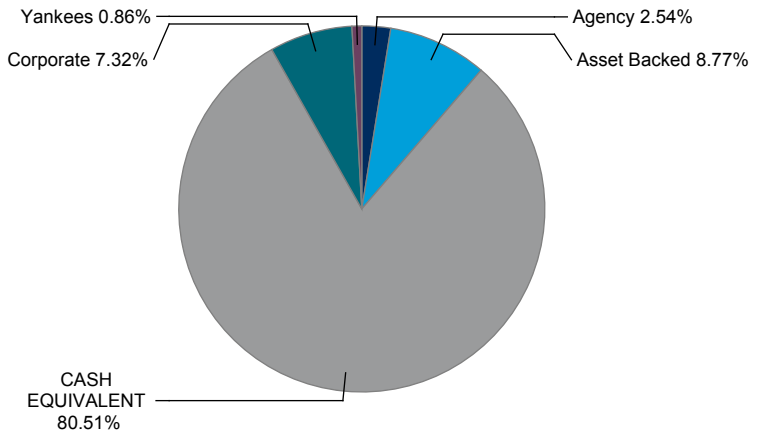
Net Yield



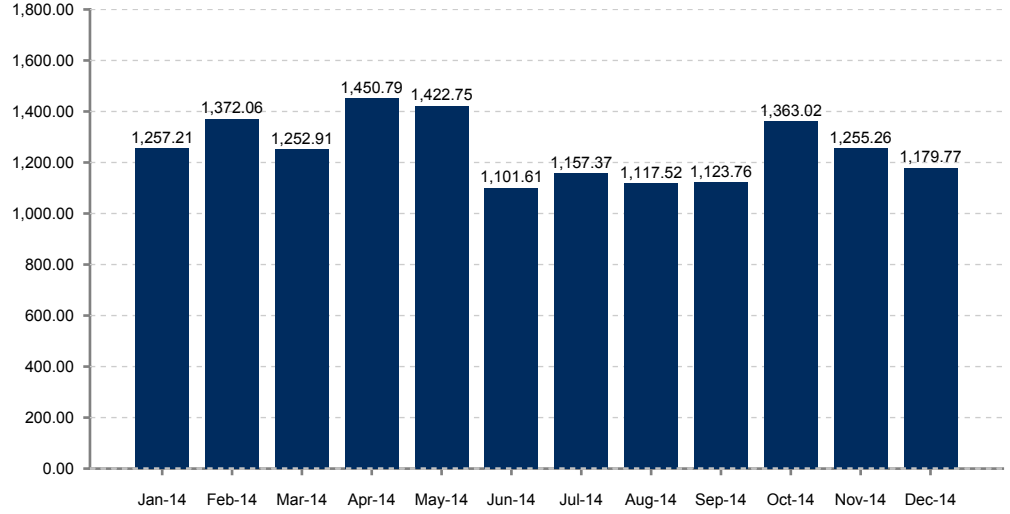
	Current Mth	Prior Mth	1 Year Ago
POOL 5 LGIP	0.12	0.10	0.12

Asset Allocation

	Ending Market Value
POOL 5 LGIP	1,179,774,615



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 5 LGIP		
FED HOME LN DISCOUNT NT	99,999,556	8.48
WELLS FARGO REPO	75,000,625	6.36
FED HOME LN DISCOUNT NT	39,999,511	3.39
FED HOME LN DISCOUNT NT	29,999,175	2.54
FDIC ALLIANCE BANK OF ARIZONA	22,184,416	1.88
SUMITOMO MITSUI BKG CORP	20,014,922	1.70
FED HOME LN DISCOUNT NT	19,998,394	1.70
FED HOME LN DISCOUNT NT	14,999,583	1.27
HANNOVER FDG CO. LLC	14,998,338	1.27
SWEDBANK	14,996,867	1.27

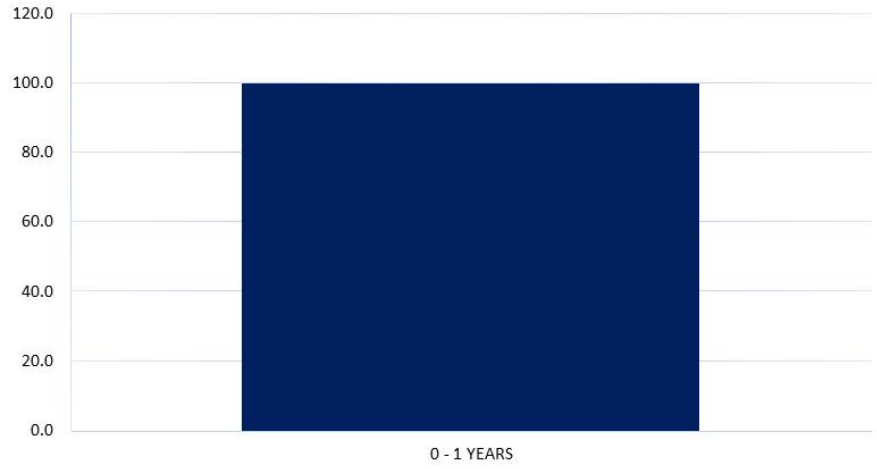
OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2014

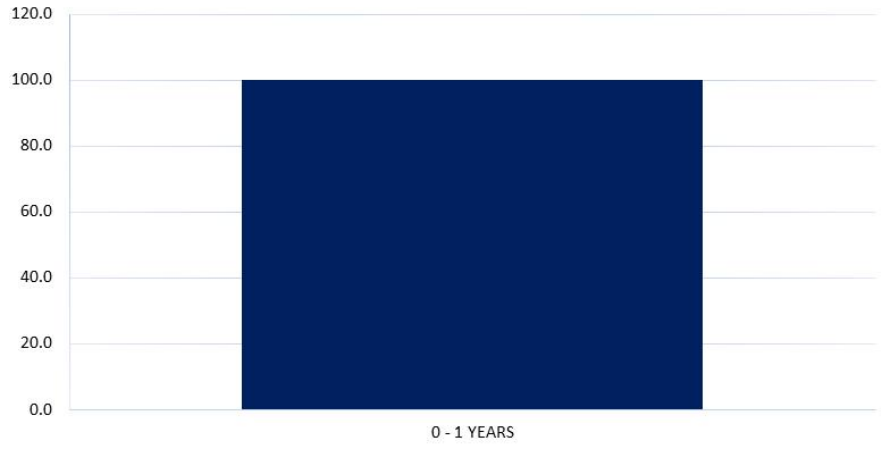
POOL 5 LGIP

STATE STREET.

Duration Distribution



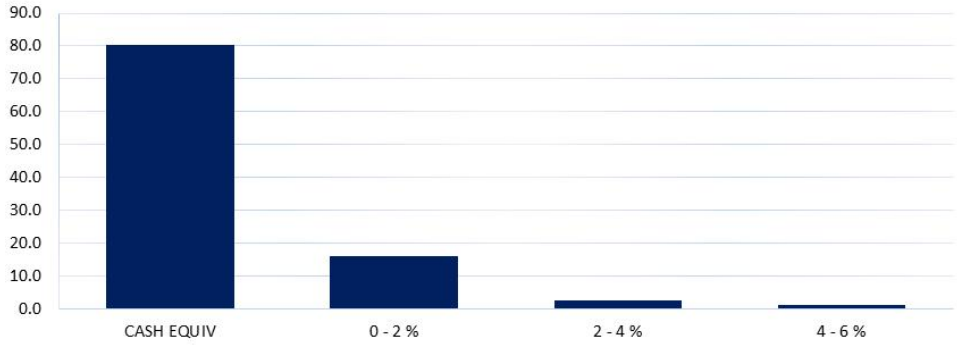
Expected Maturity Distribution



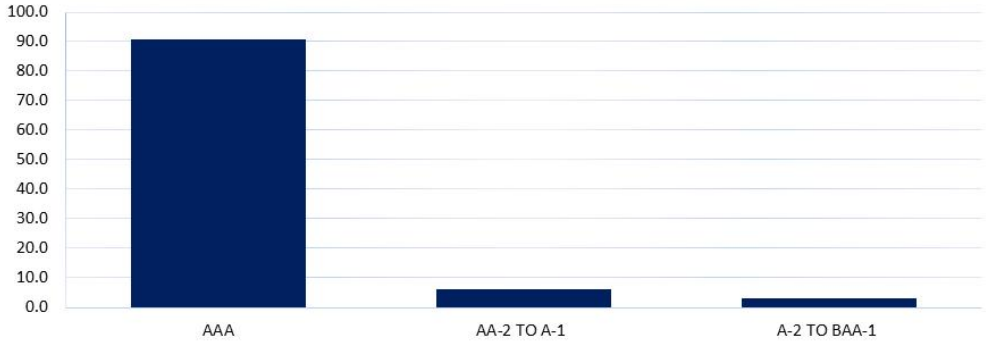
Portfolio Level Characteristics

	POOL 5 LGIP
Weighted Average Life	0.16
Coupon	0.25
Effective Duration	0.14
Quality Rating (Moody's)	AAA

Coupon Distribution



Rating Distribution



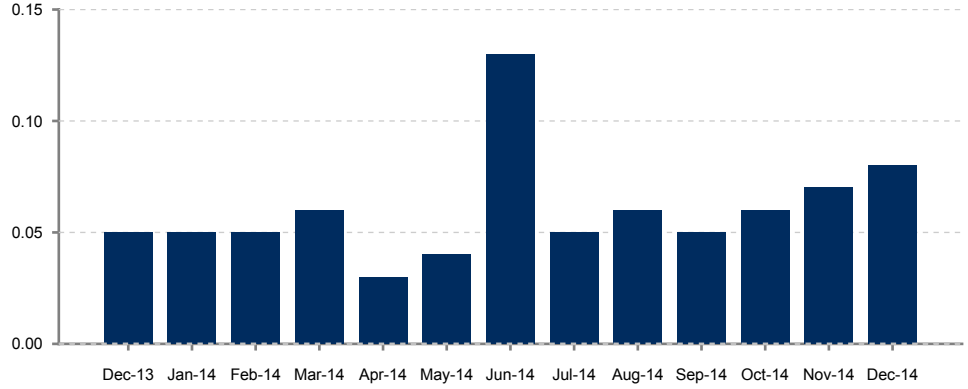
OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2014

POOL 7 LGIP FF&C

STATE STREET.

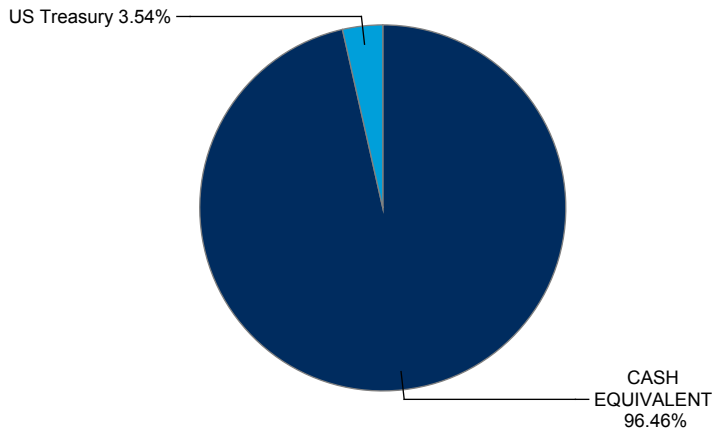
Net Yield



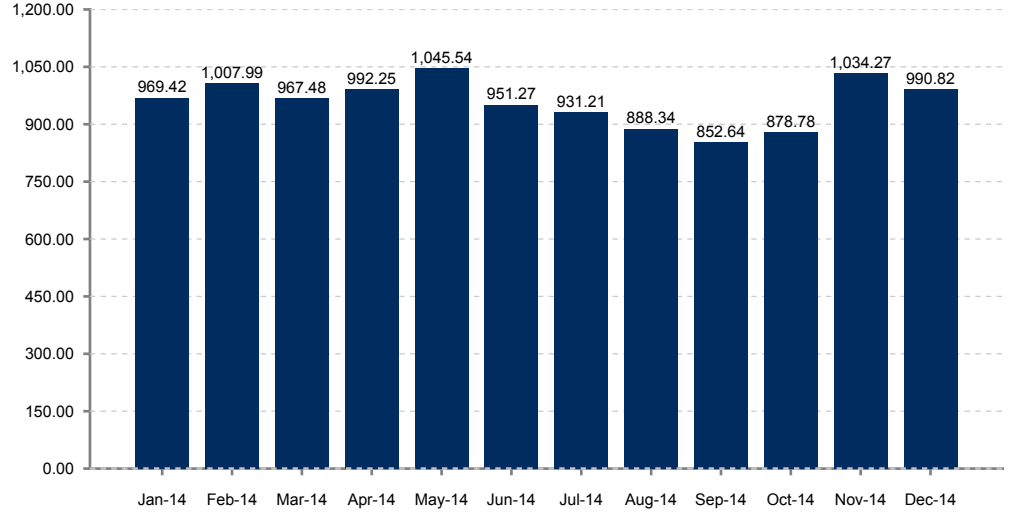
	Current Mth	Prior Mth	1 Year Ago
POOL 7 LGIP FF&C	0.08	0.07	0.05

Asset Allocation

	Ending Market Value
POOL 7 LGIP FF&C	990,820,021



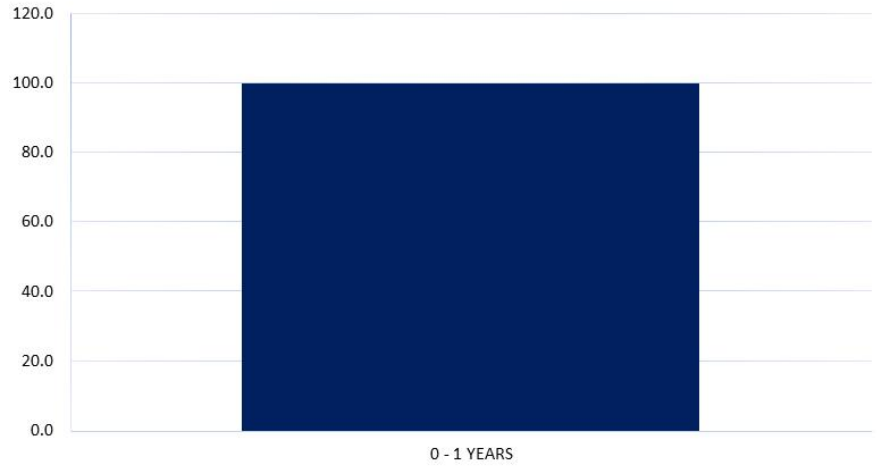
Net Asset Values over Time ($MM)



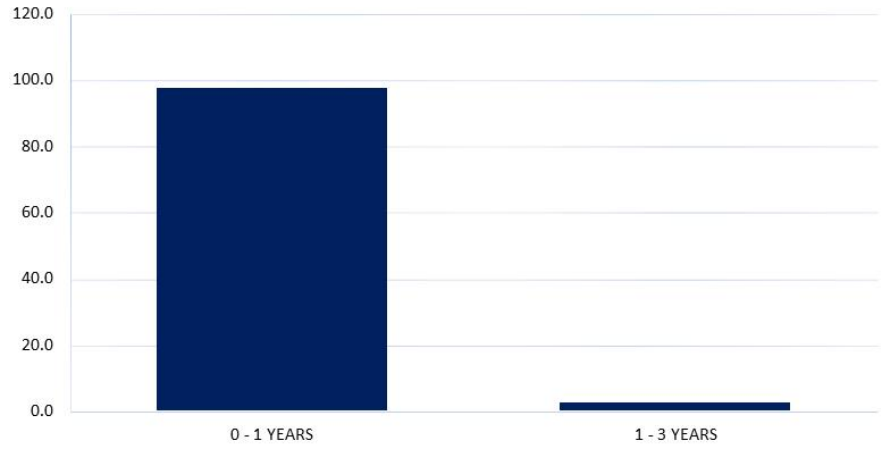
Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 7 LGIP FF&C		
WELLS FARGO REPO	300,004,500	30.28
WELLS FARGO REPO	125,001,042	12.62
DAIWA CAPITAL MARKETS REPO	100,008,333	10.09
DAIWA CAPITAL MARKETS REPO	100,000,972	10.09
ALLIANCE BANK OF ARIZONA MONEY	98,210,434	9.91
SOUTH STREET REPO	67,073,177	6.77
GUGGENHEIM SECURITIES REPO	61,215,127	6.18
TREASURY BILL	44,996,456	4.54
UNITED STATES TREAS BILLS	24,999,554	2.52
US TREASURY FRN	24,996,342	2.52

Duration Distribution



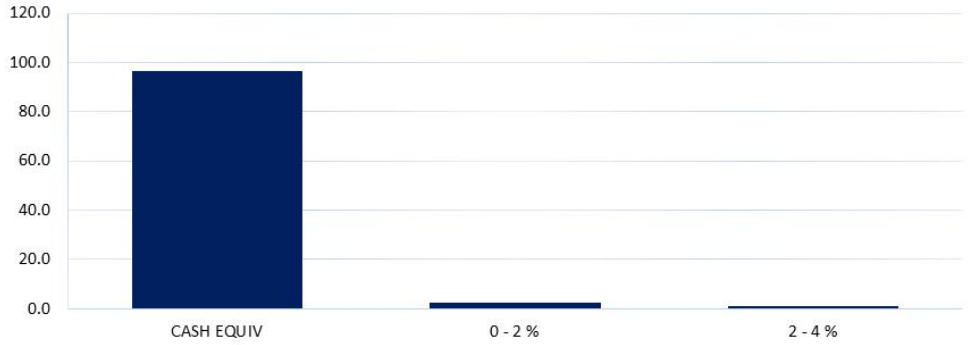
Expected Maturity Distribution



Portfolio Level Characteristics

	POOL 7 LGIP FF&C
Weighted Average Life	0.05
Coupon	0.05
Effective Duration	0.02
Quality Rating (Moody's)	AAA

Coupon Distribution



Rating Distribution

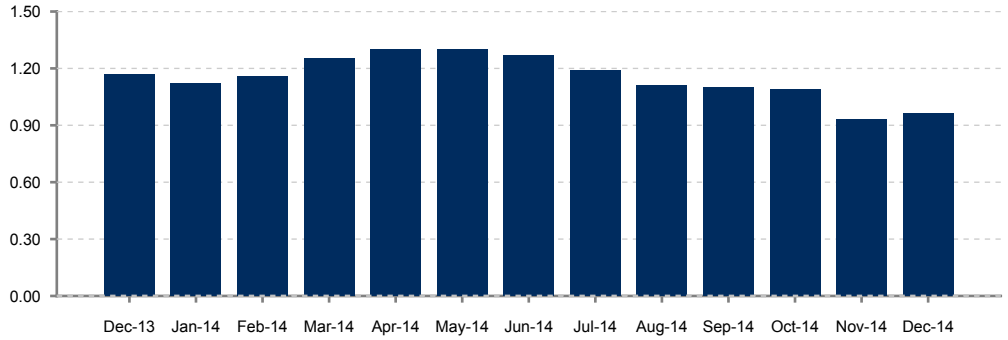
OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2014

POOL 500 LGIP MED

STATE STREET.

Net Yield



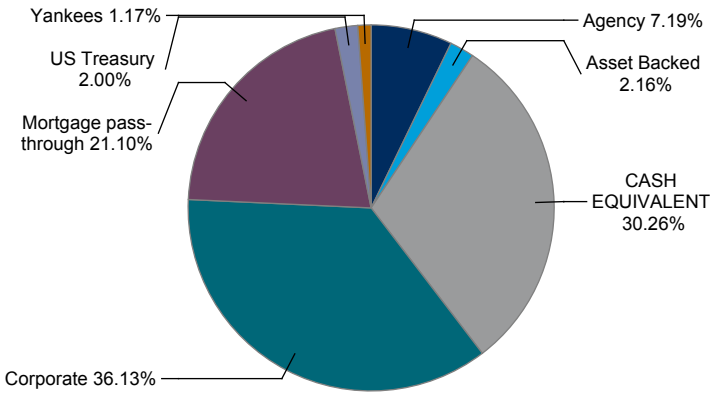
	Current Mth	Prior Mth	1 Year Ago
POOL 500 LGIP MED	0.96	0.93	1.17

Returns

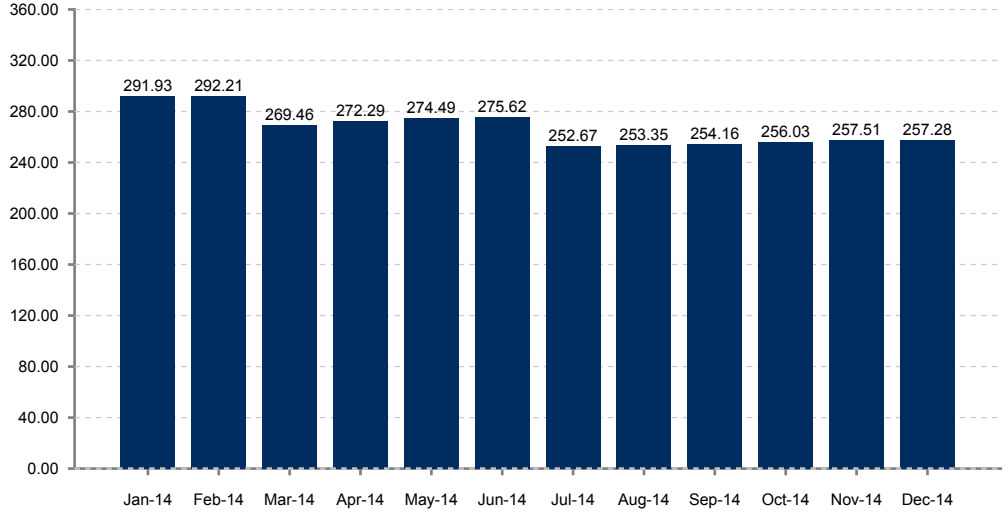
	1 Month	3 Month	YTD	1 Year	3 Year	5 Year	ITD
POOL 500 LGIP MED	-0.06	0.48	1.92	1.92	1.22	1.00	1.41

Asset Allocation

	Ending Market Value
POOL 500 LGIP MED	257,278,538



Net Asset Values over Time ($MM)



Top 10 Holdings

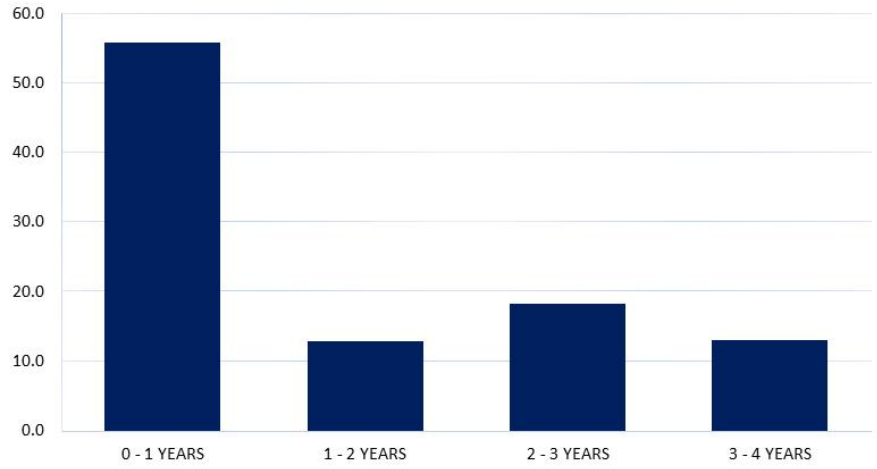
Security Name	Ending Market Value	% of Portfolio
POOL 500 LGIP MED		
SUN TRUST ROBINSON REPO	30,004,767	11.66
SOUTH STREET REPO	20,000,139	7.77
FNMA POOL AB5991	10,980,113	4.27
FNMA POOL AE7578	6,620,266	2.57
FED HOME LN DISCOUNT NT	6,539,708	2.54
FANNIE DISCOUNT NOTE	5,157,033	2.00
SWEDBANK	4,998,956	1.94
AGRICULTURAL BANK CHINA	4,997,833	1.94
CHARIOT FNDG LLC	4,990,622	1.94
FED HM LN PC POOL G18465	4,337,812	1.69

OFFICE OF THE ARIZONA STATE TREASURER

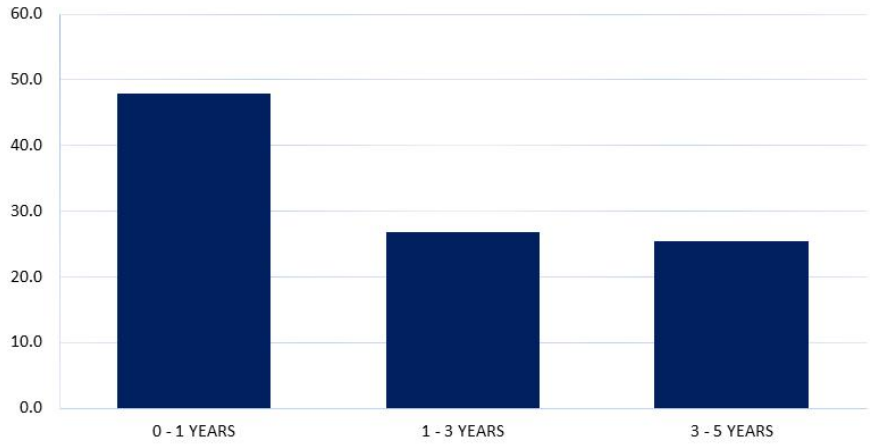
December 31, 2014

POOL 500 LGIP MED

Duration Distribution



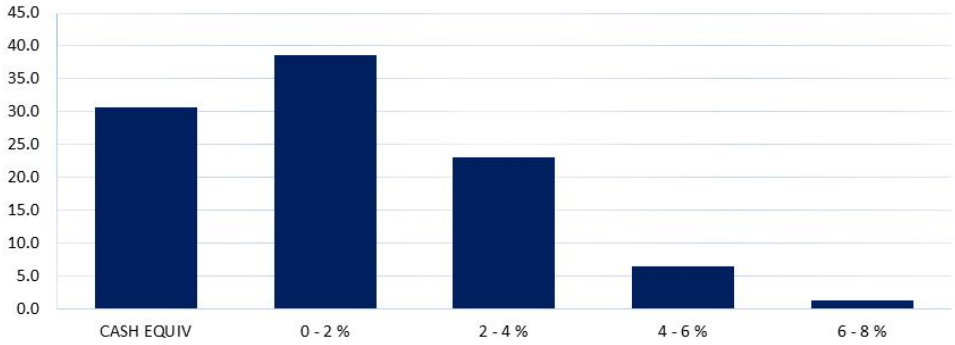
Expected Maturity Distribution



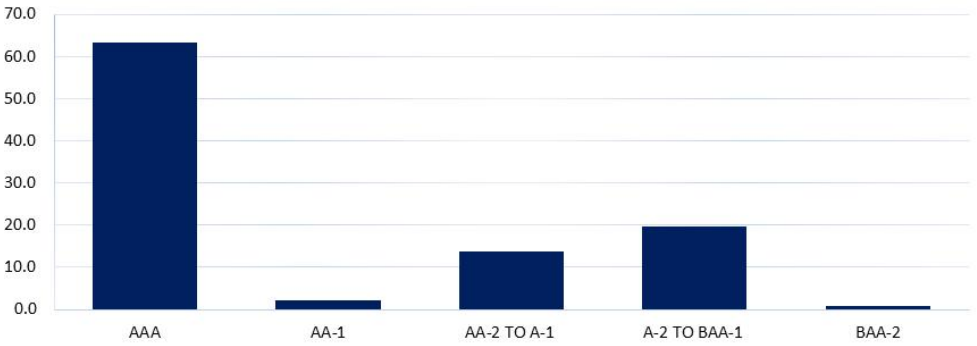
Portfolio Level Characteristics

	POOL 500 LGIP MED
Weighted Average Life	1.61
Coupon	1.83
Effective Duration	1.18
Quality Rating (Moody's)	AA-2

Coupon Distribution



Rating Distribution



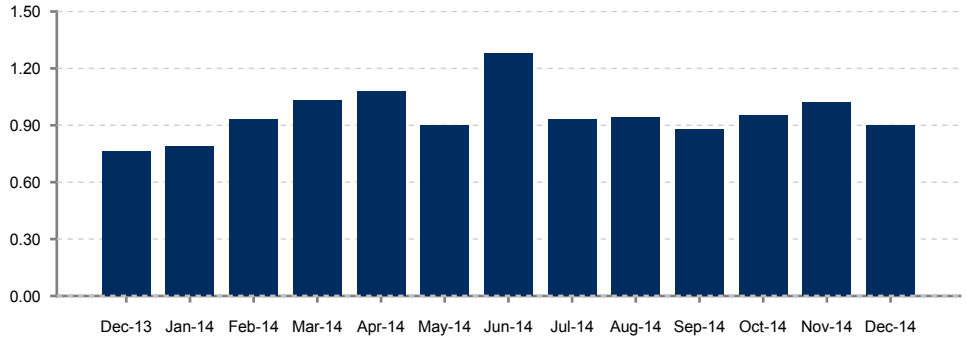
OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2014

POOL 700 LGIP MD FF&C

STATE STREET.

Net Yield



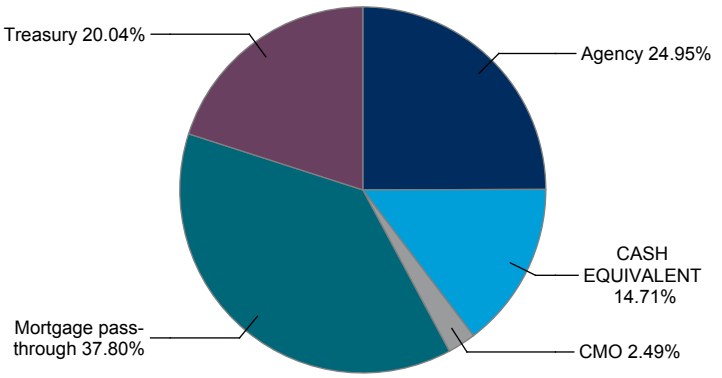
	Current Mth	Prior Mth	1 Year Ago
POOL 700 LGIP MD FF&C	0.90	1.02	0.76

Returns

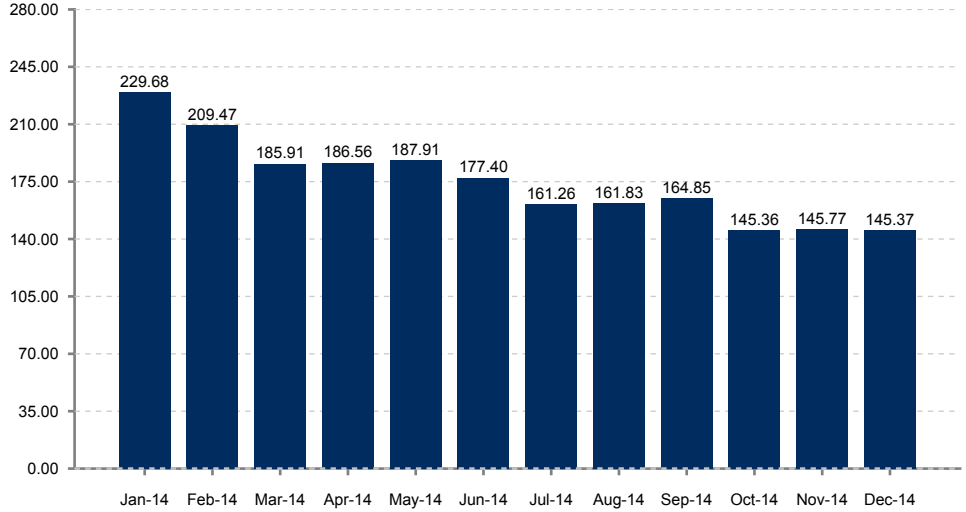
	1 Month	3 Month	YTD	1 Year	3 Year	5 Year	ITD
POOL 700 LGIP MD FF&C	-0.04	0.71	2.27	2.27	0.74	1.23	1.15

Asset Allocation

	Ending Market Value
POOL 700 LGIP MD FF&C	145,368,891



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 700 LGIP MD FF&C		
FDIC US BANK CDARS ACCOUNT	15,155,977	10.43
HOUSING URBAN DEVELOPMNT	9,369,874	6.45
GNMA II POOL MA0213	6,418,081	4.42
GNMA II POOL 004849	5,526,963	3.80
US TREASURY N/B	5,254,092	3.61
US TREASURY N/B	4,966,578	3.42
AID ISRAEL	4,911,740	3.38
NCUA GUARANTEED NOTES	4,053,774	2.79
SOUTH STREET REPO	4,000,028	2.75
AID EGYPT	3,826,080	2.63

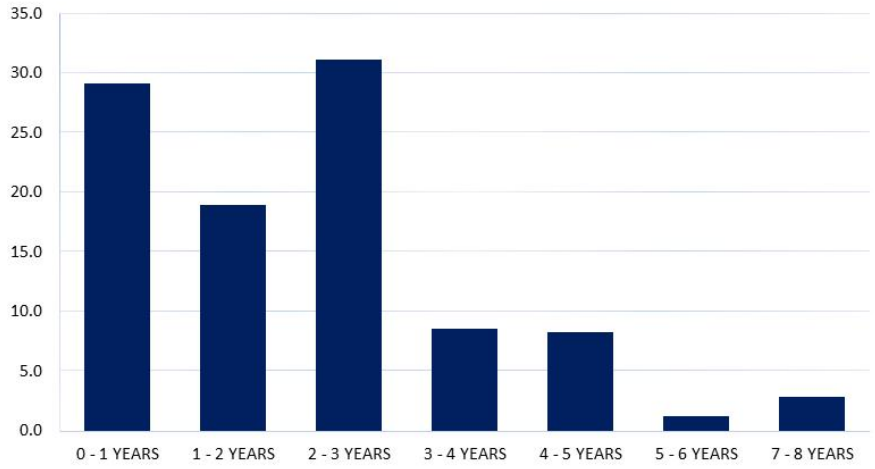
OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2014

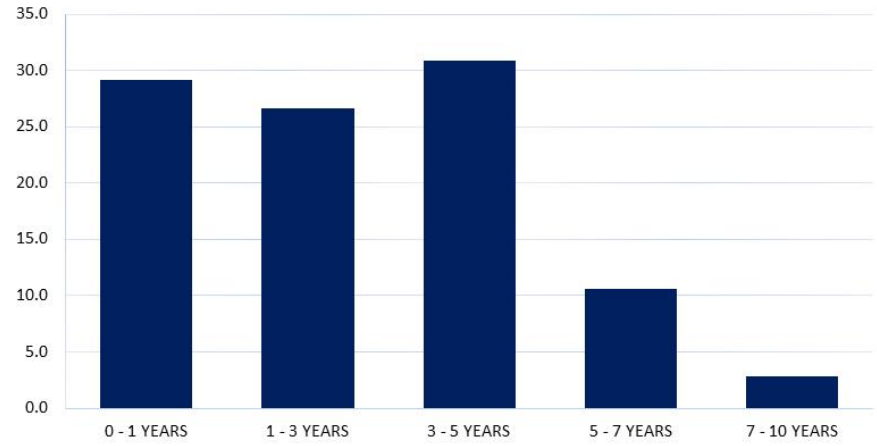
POOL 700 LGIP MD FF&C

STATE STREET.

Duration Distribution



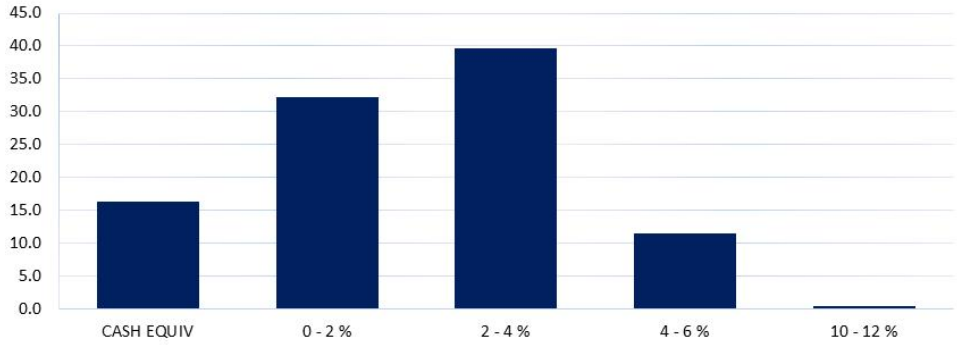
Expected Maturity Distribution



Portfolio Level Characteristics

	POOL 700 LGIP MD FF&C
Weighted Average Life	2.78
Coupon	2.39
Effective Duration	2.20
Quality Rating (Moody's)	AAA

Coupon Distribution



Rating Distribution

EARNINGS DISTRIBUTED
ENDOWMENT FUNDS
DECEMBER 2014

Recipient		Distributed in Current Month DECEMBER 2014	Fiscal YTD 14/15	Fiscal YTD 13/14
101	A & M Colleges	$18,997	$113,981	$106,877
102	State Hospital	$11,534	$69,206	$63,320
103	Leg., Exec., & Jud.	$15,436	$92,615	$86,200
104	Military Institute	$1,065	$6,392	$6,020
105	Miners Hospital	$32,415	$194,489	$166,507
107	Normal School ASU/NAU	$6,839	$41,033	$37,309
108	Penitentiaries	$23,538	$141,228	$123,006
109	Permanent Common School	$6,332,035	$37,992,212	$33,890,904
110	School for Deaf & Blind	$9,692	$58,150	$53,334
111	School of Mines	$21,500	$128,997	$120,827
112	State Charitable-Pioneers Home	$103,941	$623,643	$588,459
112	State Charitable-Corrections	$51,970	$311,822	$294,229
112	State Charitable-Youth Treatment	$51,970	$311,822	$294,229
113	University Fund	$35,752	$214,513	$199,017
114	U of A Land - 1881	$94,102	$564,613	$486,074
	Total	**$6,810,786**	**$40,864,715**	**$36,516,312**

Posted in USAS in current month

NET REALIZED CAPITAL GAINS / LOSSES - ENDOWMENT FUNDS

Endowment Fund	Dec-14 NET GAIN(LOSS)	Dec-13 NET GAIN(LOSS)
Fixed Income Pool	174,570	(182,024)
500 Large-Cap Fund	4,277,939	3,790,428
400 Mid-Cap Fund	4,279,673	7,099,943
600 Small-Cap Fund	5,442,779	1,486,846
Totals	**14,174,961**	**12,195,193**

Endowment Fund	2014/2015 FISCAL YEAR TO DATE GAINS(LOSSES)	2013/ 2014 FISCAL YEAR TO DATE GAINS(LOSSES)
Fixed Income Pool	(1,306,692)	(1,236,193)
500 Large-Cap Fund	14,040,385	41,708,098
400 Mid-Cap Fund	18,925,460	44,042,499
600 Small-Cap Fund	11,768,954	12,916,208
Totals	**43,428,107**	**97,430,612**

ENDOWMENT FUNDS FIXED-INCOME POOL
PURCHASES & SALES
Month of December 2014

I. Endowment Funds Purchases

SECURITY DESCRIPTION	RATE	MATURITY	*WAL YEARS	PAR VALUE	PURCHASE COST	YIELD	MOODY'S / S&P RATING
FNR MTG	4.00	4/25/2023	3.57	$4,672,117	$5,039,012	1.73%	Aaa/AA+
GNR MTG	3.00	11/20/2043	4.89	$4,945,547	$5,108,184	2.31%	Aaa/AA+
US TREASURY	0.50	8/31/2016	N/A	$5,000,000	$5,006,446	0.50%	Aaa/AA+
US TREASURY	0.50	11/30/2016	N/A	$5,000,000	$4,989,026	0.62%	Aaa/AA+
TOTAL ENDOWMENT FUNDS PURCHASES				**$19,617,665**	**$20,142,668**		

II. Endowment Funds Sales

SECURITY DESCRIPTION	RATE	MATURITY	PAR VALUE	AMORTIZED COST/PROCEEDS	SALES GAINS/(LOSSES)	MOODY'S / S&P RATING
NATL RURAL UTIL	5.45	4/10/2017	$2,500,000	$2,760,229	237,103	A1/A
TOTAL ENDOWMENT FUNDS SALES			**$2,500,000**	**$2,760,229**	**$237,103**	

*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.

I. Equity Fund Purchases

	SHARES	PURCHASE COST	COMMISSIONS
400 Mid-Cap Fund	515,906	$15,135,487	$3,512
500 Large-Cap Fund	134,363	$11,446,149	$1,008
600 Small-Cap Fund	225,605	$8,294,611	$1,693
TOTAL EQUITY PURCHASES	**875,874**	**$34,876,246**	**$6,213**

II. Equity Funds Sales

	SHARES	SALES AMOUNT	COMMISSIONS
400 Mid-Cap Fund	404,099	$12,239,364	$1,860
500 Large-Cap Fund	278,200	$16,173,977	$916
600 Small-Cap Fund	278,991	$11,262,036	$1,740
TOTAL EQUITY SALES	**961,289**	**$39,675,377**	**$4,516**

ENDOWMENT FUNDS
INVESTMENTS OUTSTANDING
DECEMBER 31, 2014
(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	490	3,447	7,895	4,448	
	Shares in Fixed Income Pools	4,436	3,103	4,704	1,602	
	Total	4,926	6,550	12,599	6,049	**1.924**
102	State Hospital					
	Shares in Equity Pools	324	2,353	5,223	2,870	
	Shares in Fixed Income Pools	2,821	2,096	2,992	895	
	Total	3,145	4,449	8,215	3,765	**1.846**
103	Leg., Exec, & Jud					
	Shares in Equity Pools	394	2,961	6,346	3,385	
	Shares in Fixed Income Pools	3,788	2,652	4,018	1,366	
	Total	4,182	5,613	10,364	4,751	**1.846**
104	Military Institute					
	Shares in Equity Pools	26	187	415	227	
	Shares in Fixed Income Pools	253	168	269	100	
	Total	279	355	684	327	**1.923**
105	Miners Hospital					
	Shares in Equity Pools	1,115	9,859	17,969	8,110	
	Shares in Fixed Income Pools	9,831	8,378	10,426	2,048	
	Total	10,946	18,237	28,395	10,158	**1.557**
107	Normal School ASU/NAU					
	Shares in Equity Pools	190	1,436	3,054	1,617	
	Shares in Fixed Income Pools	1,730	1,279	1,835	556	
	Total	1,920	2,715	4,889	2,173	**1.800**
108	Penitentiaries					
	Shares in Equity Pools	726	5,849	11,690	5,841	
	Shares in Fixed Income Pools	6,578	5,220	6,977	1,756	
	Total	7,304	11,069	18,667	7,597	**1.686**

ENDOWMENT FUNDS
INVESTMENTS OUTSTANDING
DECEMBER 31, 2014
(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	183,561	1,450,005	2,957,122	1,507,117	
	Shares in Fixed Income Pools	1,642,623	1,302,453	1,742,093	439,640	
	Total	1,826,184	2,752,458	4,699,215	1,946,757	**1.707**
110	School for Deaf & Blind					
	Shares in Equity Pools	260	1,949	4,181	2,231	
	Shares in Fixed Income Pools	2,428	1,733	2,574	842	
	Total	2,688	3,682	6,755	3,073	**1.834**
111	School of Mines					
	Shares in Equity Pools	548	4,098	8,827	4,729	
	Shares in Fixed Income Pools	5,083	3,691	5,391	1,700	
	Total	5,631	7,789	14,218	6,429	**1.825**
112	State Charitable					
	Shares in Equity Pools	5,495	41,141	88,516	47,374	
	Shares in Fixed Income Pools	48,285	37,543	51,210	13,667	
	Total	53,780	78,684	139,726	61,041	**1.776**
113	University Fund					
	Shares in Equity Pools	988	7,776	15,923	8,146	
	Shares in Fixed Income Pools	9,168	6,831	9,723	2,893	
	Total	10,156	14,607	25,646	11,039	**1.756**
114	U Of A Land - 1881					
	Shares in Equity Pools	3,414	31,327	55,005	23,678	
	Shares in Fixed Income Pools	31,332	26,105	33,229	7,124	
	Total	34,746	57,432	88,234	30,802	**1.536**
	TOTALS - ALL FUNDS					
	Shares in Equity Pools	197,531	1,562,390	3,182,164	1,619,774	
	Shares in Fixed Income Pools	1,768,357	1,401,252	1,875,441	474,189	
	Grand Total	**1,965,888**	**2,963,642**	**5,057,605**	**2,093,963**	
	PRIOR YEAR: DECEMBER 2013 BALANCES	1,934,559	2,877,839	4,590,581	1,712,742	

ENDOWMENT FUNDS
INVESTMENTS OUTSTANDING
DECEMBER 31, 2014

ASSET ALLOCATION PERCENTAGE

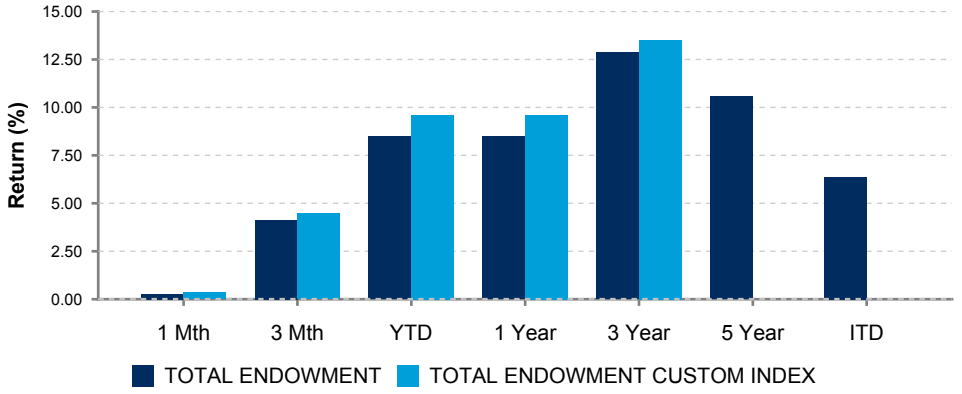
	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	DECEMBER 2013 MARKET VALUE
Shares in Equity Pools	10.05%	**52.72%**	62.92%	61.33%
Shares in Fixed Income Pools	89.95%	**47.28%**	37.08%	38.67%
Total	100.00%	**100.00%**	100.00%	100.00%

OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2014

Total Endowment Summary

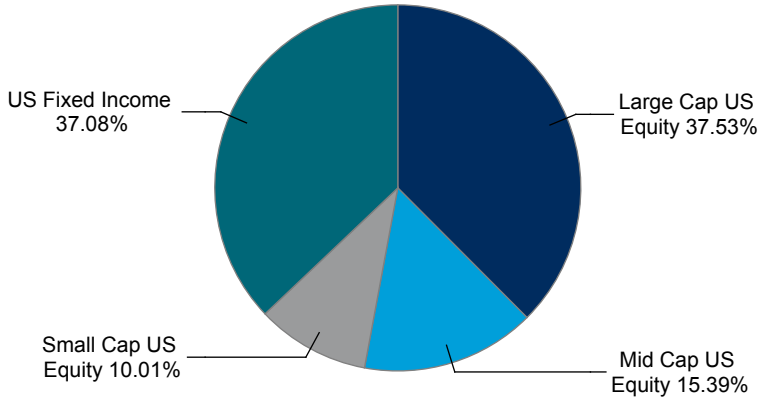
Performance



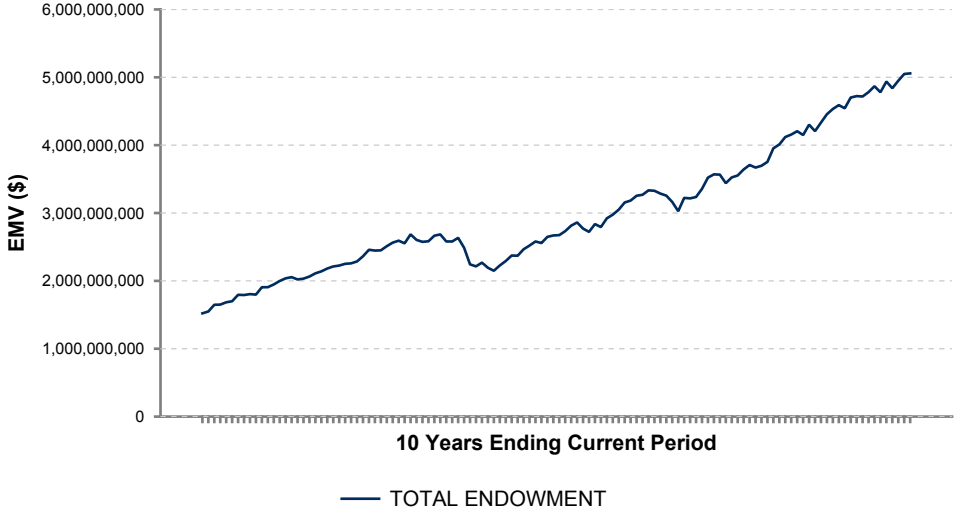
	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Incept Date
TOTAL ENDOWMENT	0.28	4.14	8.47	8.47	12.86	10.57	6.37	07/99
TOTAL ENDOWMENT CUSTOM INDEX	0.34	4.46	9.60	9.60	13.51			07/99
Excess	-0.06	-0.32	-1.12	-1.12	-0.65			

Asset Allocation

	Ending Market Value
TOTAL ENDOWMENT	5,057,604,914

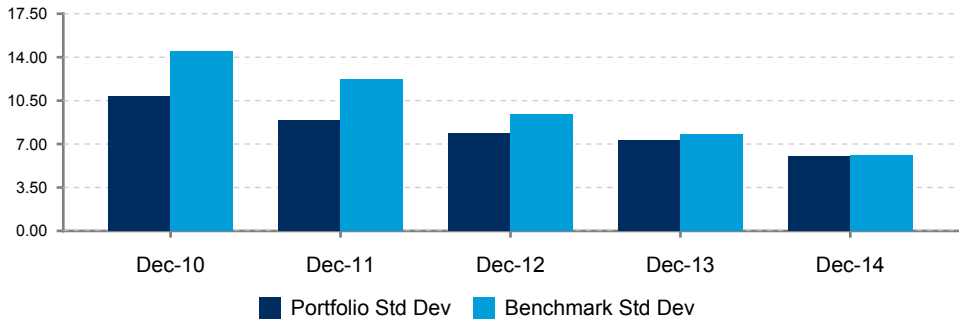


Ending Market Value



3 Year Risk Statistics

	Return	Portfolio Std Dev	Benchmark Std Dev	Sharpe Ratio	Beta	Tracking Error	Information Ratio
TOTAL ENDOWMENT	12.86	6.02	6.06	2.13	0.99	0.28	-2.29



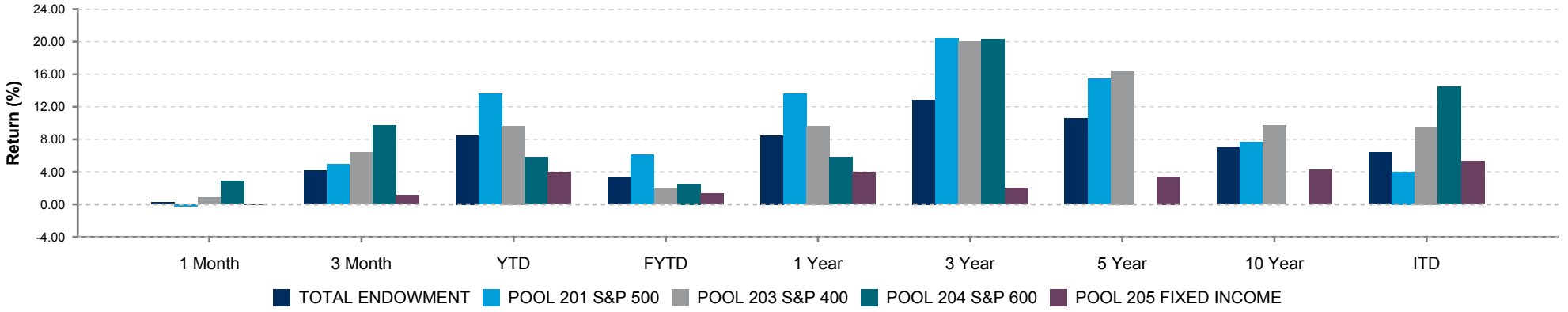
OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2014

Total Returns Net Mgr

STATE STREET.

Return Comparison



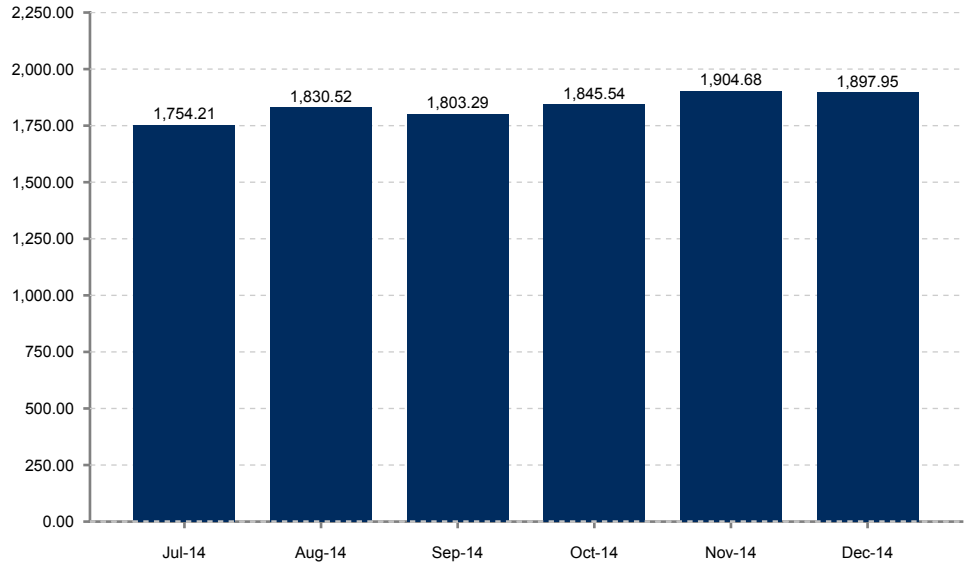
	Market Value	Actual Weight	1 Mth	3 Mth	YTD	FYTD	1 Year	3 Year	5 Year	10 Year	ITD	Inc Date
TOTAL ENDOWMENT	5,057,604,914	100.00	0.28	4.14	8.47	3.29	8.47	12.86	10.57	6.99	6.37	Jul-01-99
TOTAL ENDOWMENT CUSTOM INDEX			0.34	4.46	9.60	3.69	9.60	13.51				Jul-01-99
Excess			-0.06	-0.32	-1.12	-0.40	-1.12	-0.65				
POOL 201 S&P 500	1,897,947,702	37.53	-0.25	4.90	13.60	6.09	13.60	20.38	15.44	7.62	4.01	Jul-01-99
S&P 500 INDEX (DAILY)			-0.25	4.93	13.69	6.12	13.69	20.41	15.45	7.67	4.60	Jul-01-99
Excess			0.00	-0.03	-0.08	-0.02	-0.08	-0.04	-0.01	-0.05	-0.59	
POOL 203 S&P 400	778,202,344	15.39	0.84	6.36	9.64	2.01	9.64	19.98	16.37	9.66	9.54	Aug-01-01
S&P 400 MIDCAP INDEX (DAILY)			0.82	6.35	9.77	2.11	9.77	19.99	16.54	9.71	9.57	Aug-01-01
Excess			0.02	0.01	-0.12	-0.10	-0.12	-0.00	-0.17	-0.04	-0.03	
POOL 204 S&P 600	506,013,994	10.01	2.89	9.68	5.84	2.55	5.84	20.31			14.47	Mar-01-11
S&P SM 600 TR			2.86	9.85	5.76	2.46	5.76	20.24			14.46	Mar-01-11
Excess			0.03	-0.17	0.09	0.09	0.09	0.07			0.01	
POOL 205 FIXED INCOME	1,875,440,873	37.08	-0.08	1.15	3.95	1.30	3.95	2.01	3.42	4.22	5.28	Jul-01-99
CITIGROUP BIG (DAILY)			0.06	1.77	5.91	1.93	5.91	2.64	4.39	4.81	5.62	Jul-01-99
Excess			-0.14	-0.62	-1.96	-0.63	-1.96	-0.63	-0.97	-0.59	-0.34	

OFFICE OF THE ARIZONA STATE TREASURER

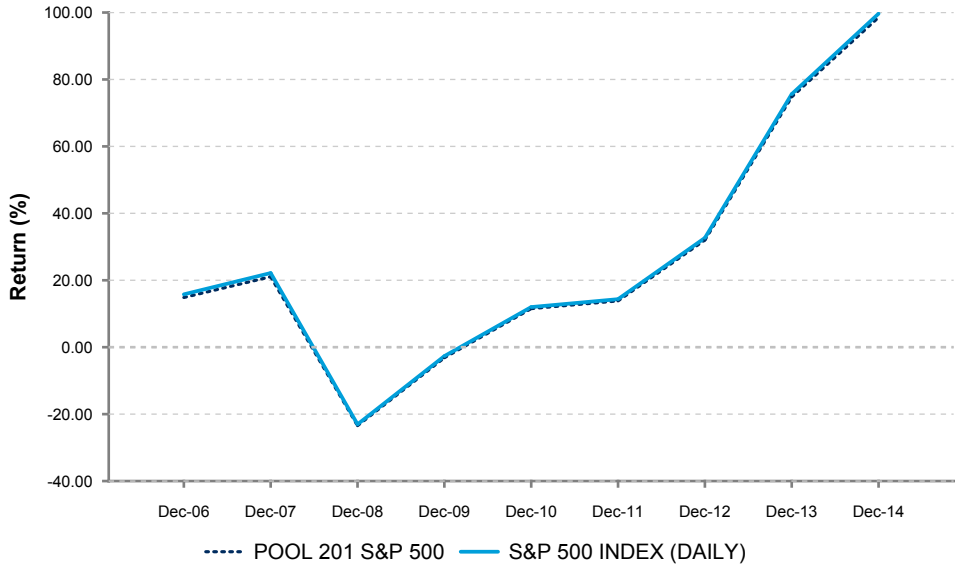
December 31, 2014

POOL 201 S&P 500

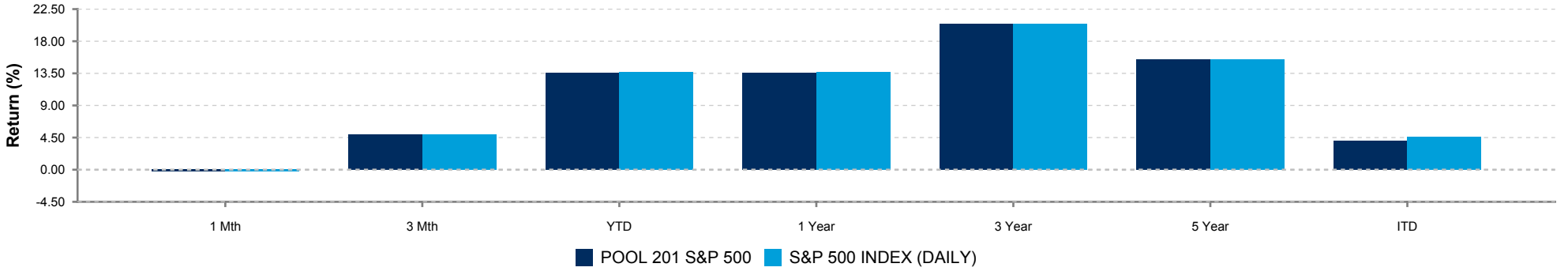
Net Asset Values over Time ($MM)



Cumulative Return (%)



Rates of Return

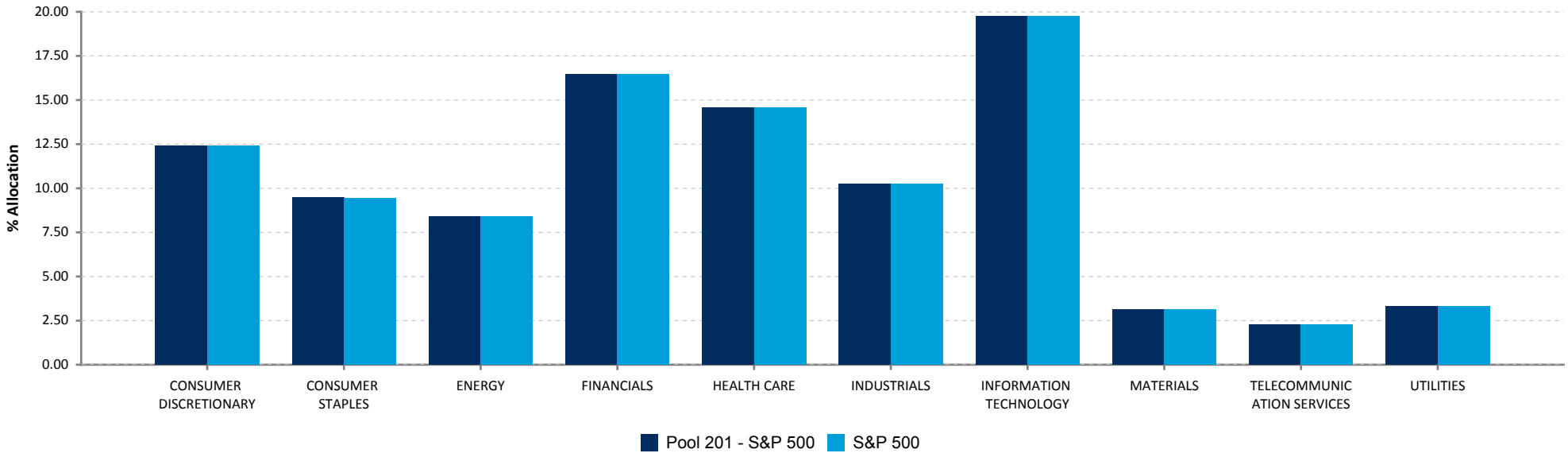


	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Dec 31 2014	Dec 31 2013	Dec 31 2012
POOL 201 S&P 500	-0.25	4.90	13.60	13.60	20.38	15.44	4.01	13.60	32.38	15.98
S&P 500 INDEX (DAILY)	-0.25	4.93	13.69	13.69	20.41	15.45	4.60	13.69	32.39	16.00
Excess	0.00	-0.03	-0.08	-0.08	-0.04	-0.01	-0.59	-0.08	-0.01	-0.02

OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2014

POOL 201 S&P 500
Sector Allocation vs S&P 500



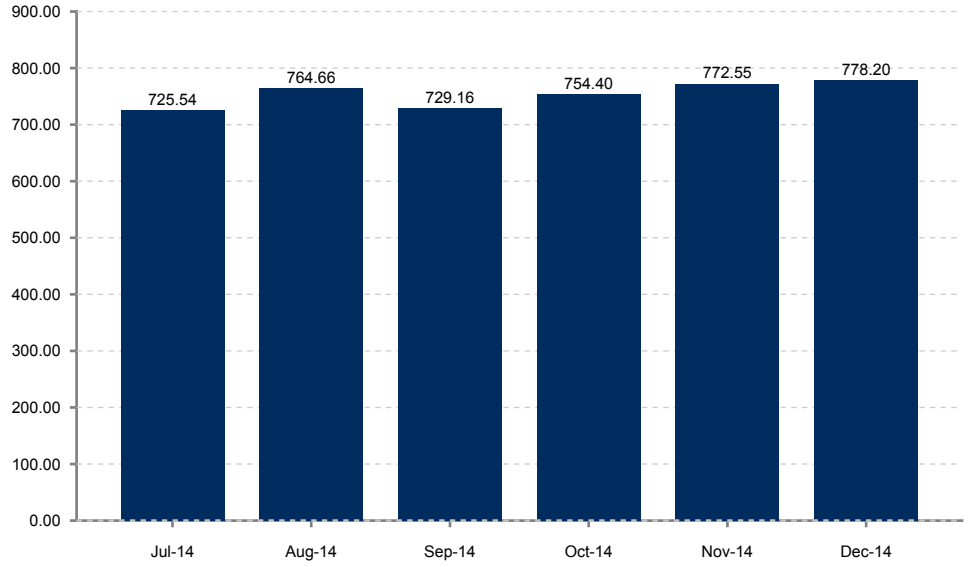
	Fund Weight	Benchmark Weight	Relative Weight
POOL 201 S&P 500	100.00	100.00	0.00
CONSUMER DISCRETIONARY	12.22	12.23	-0.01
CONSUMER STAPLES	9.88	9.88	-0.01
ENERGY	8.35	8.32	0.02
FINANCIALS	15.99	16.01	-0.01
HEALTH CARE	14.30	14.30	-0.01
INDUSTRIALS	10.28	10.28	0.00
INFORMATION TECHNOLOGY	20.06	20.06	0.01
MATERIALS	3.19	3.19	-0.00
TELECOMMUNICATION SERVICES	2.56	2.56	-0.00
UTILITIES	3.17	3.16	0.01

OFFICE OF THE ARIZONA STATE TREASURER

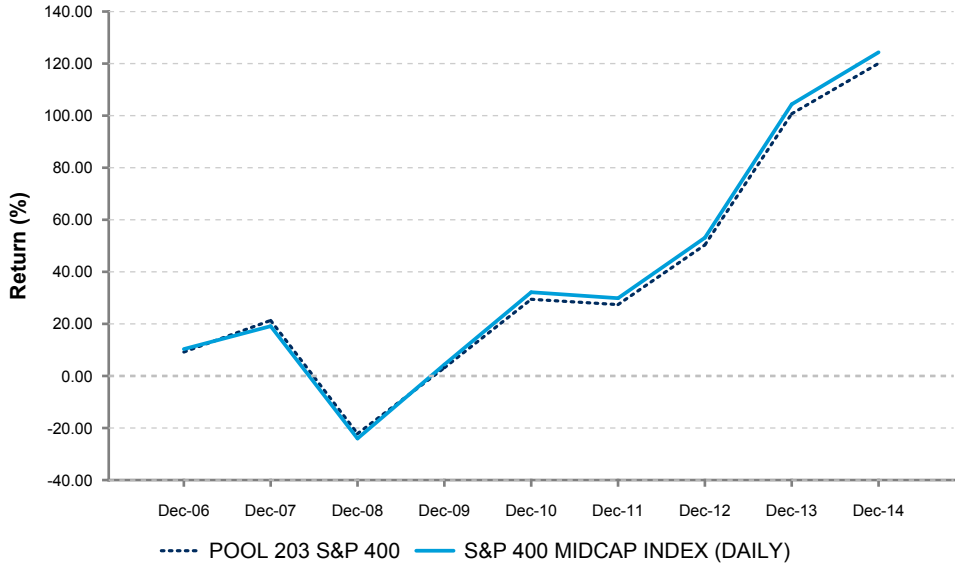
December 31, 2014

POOL 203 S&P 400

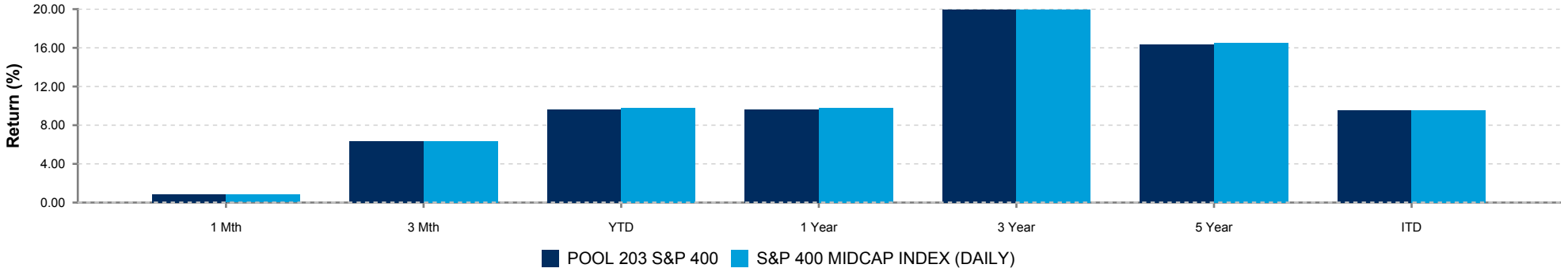
Net Asset Values over Time ($MM)



Cumulative Return (%)



Rates of Return

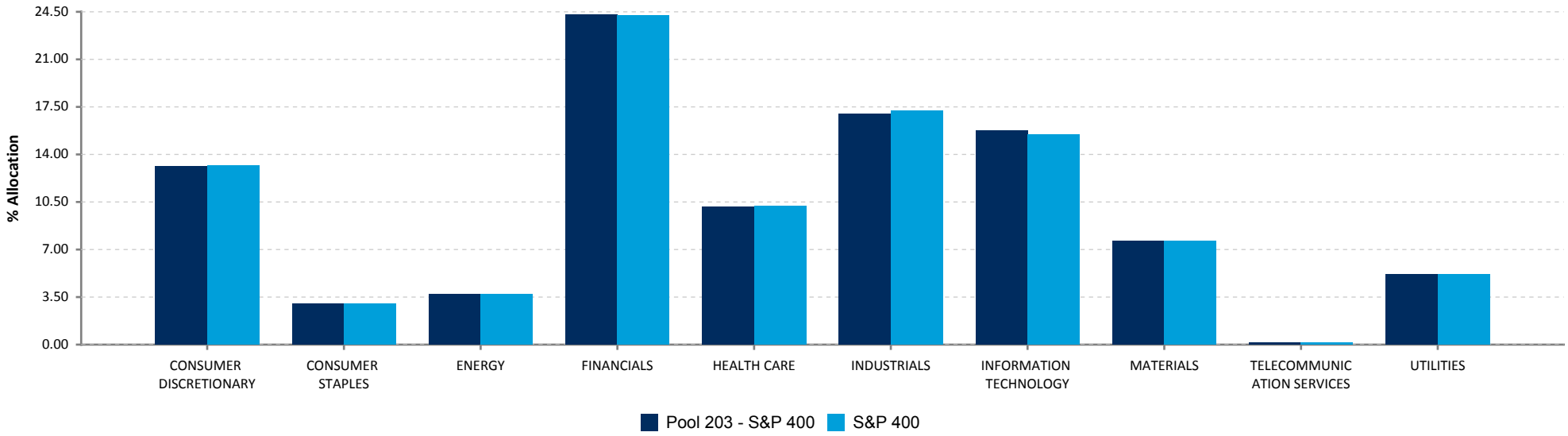


	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Dec 31 2014	Dec 31 2013	Dec 31 2012
POOL 203 S&P 400	0.84	6.36	9.64	9.64	19.98	16.37	9.54	9.64	33.51	18.00
S&P 400 MIDCAP INDEX (DAILY)	0.82	6.35	9.77	9.77	19.99	16.54	9.57	9.77	33.50	17.88
Excess	0.02	0.01	-0.12	-0.12	-0.00	-0.17	-0.03	-0.12	0.01	0.12

OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2014

POOL 203 S&P 400
Sector Allocation vs S&P MID CAP 400



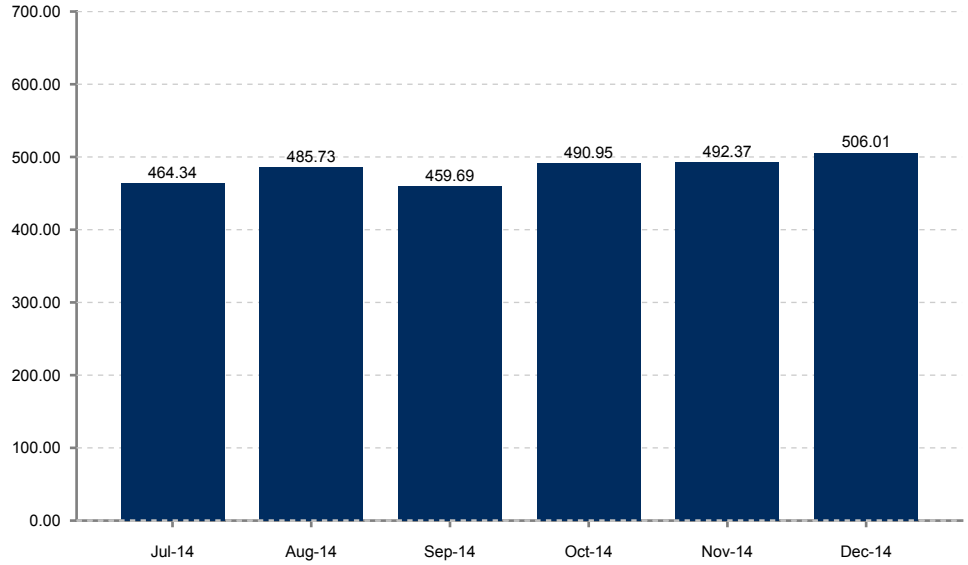
	Weight Fund	Weight Benchmark	Weight Relative
POOL 203 S&P 400	100.00	100.00	0.00
CONSUMER DISCRETIONARY	13.26	13.24	0.01
CONSUMER STAPLES	2.78	2.78	0.00
ENERGY	3.94	3.93	0.01
FINANCIALS	24.15	24.08	0.07
HEALTH CARE	9.92	9.91	0.01
INDUSTRIALS	17.23	17.40	-0.17
INFORMATION TECHNOLOGY	16.05	16.01	0.04
MATERIALS	7.51	7.50	0.01
TELECOMMUNICATION SERVICES	0.16	0.16	0.00
UTILITIES	5.01	5.00	0.02

OFFICE OF THE ARIZONA STATE TREASURER

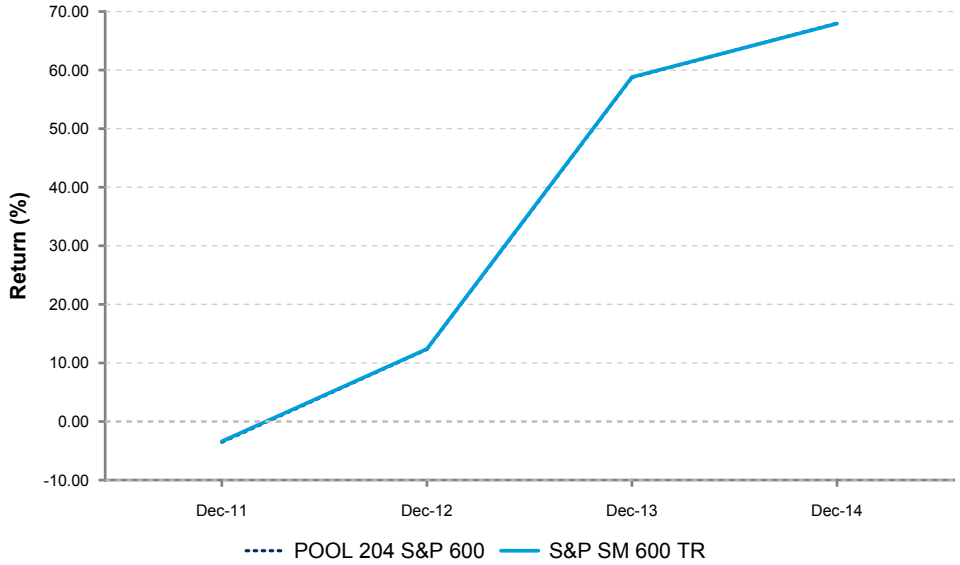
December 31, 2014

POOL 204 S&P 600

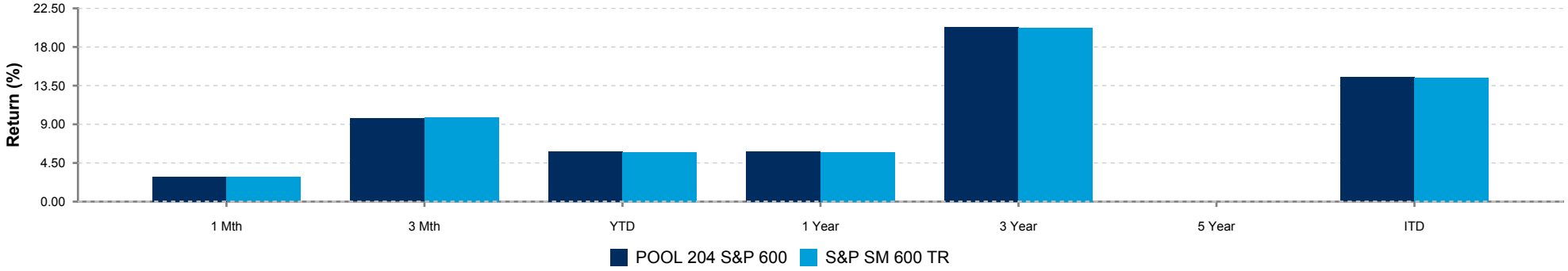
Net Asset Values over Time ($MM)



Cumulative Return (%)



Rates of Return

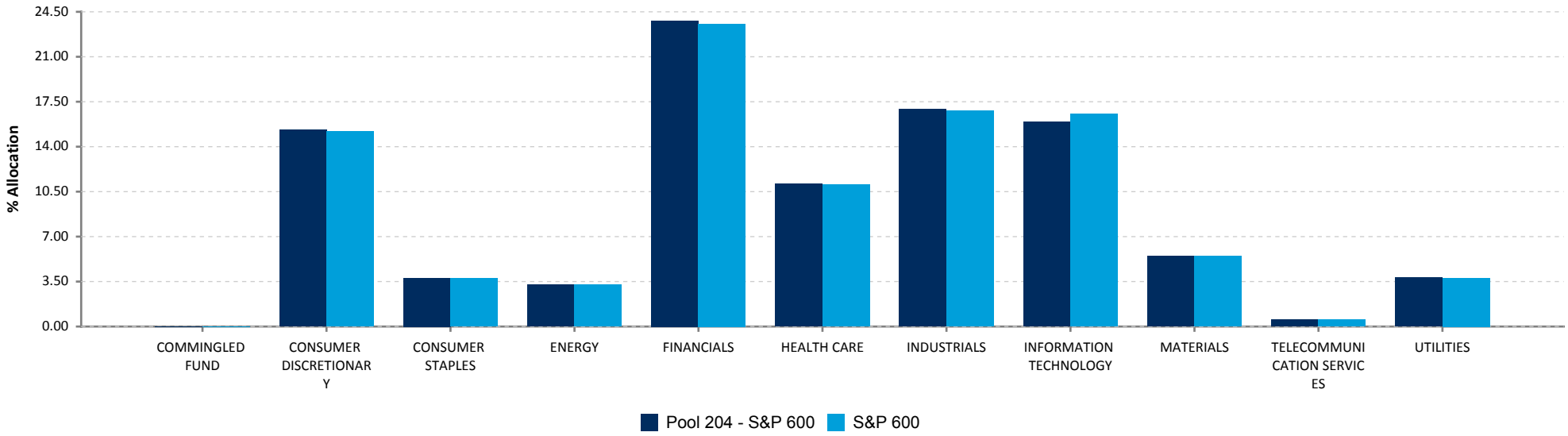


	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Dec 31 2014	Dec 31 2013	Dec 31 2012
POOL 204 S&P 600	2.89	9.68	5.84	5.84	20.31		14.47	5.84	41.32	16.43
S&P SM 600 TR	2.86	9.85	5.76	5.76	20.24		14.46	5.76	41.31	16.33
Excess	0.03	-0.17	0.09	0.09	0.07		0.01	0.09	0.01	0.11

OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2014

POOL 204 S&P 600
Sector Allocation vs S&P SMALLCAP 600



	Weight Fund	Weight Benchmark	Weight Relative
POOL 204 S&P 600	100.00	100.00	0.00
COMMINGLED FUND	0.00	0.00	0.00
CONSUMER DISCRETIONARY	15.52	15.52	0.00
CONSUMER STAPLES	4.16	4.18	-0.02
ENERGY	3.25	3.25	0.00
FINANCIALS	23.05	23.02	0.03
HEALTH CARE	10.74	10.79	-0.05
INDUSTRIALS	16.89	16.87	0.02
INFORMATION TECHNOLOGY	16.75	16.79	-0.04
MATERIALS	5.41	5.35	0.06
TELECOMMUNICATION SERVICES	0.57	0.57	0.00
UTILITIES	3.67	3.66	0.01

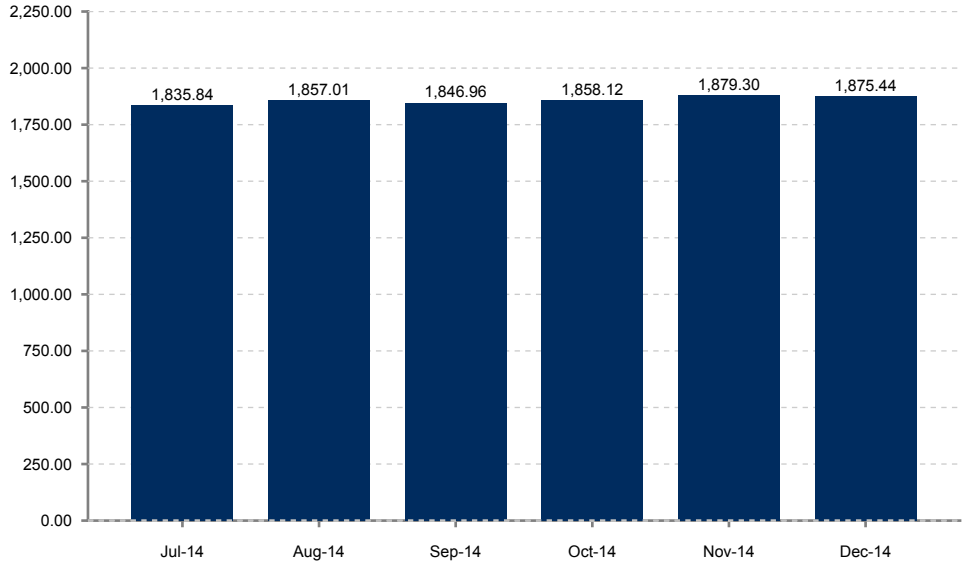
OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2014

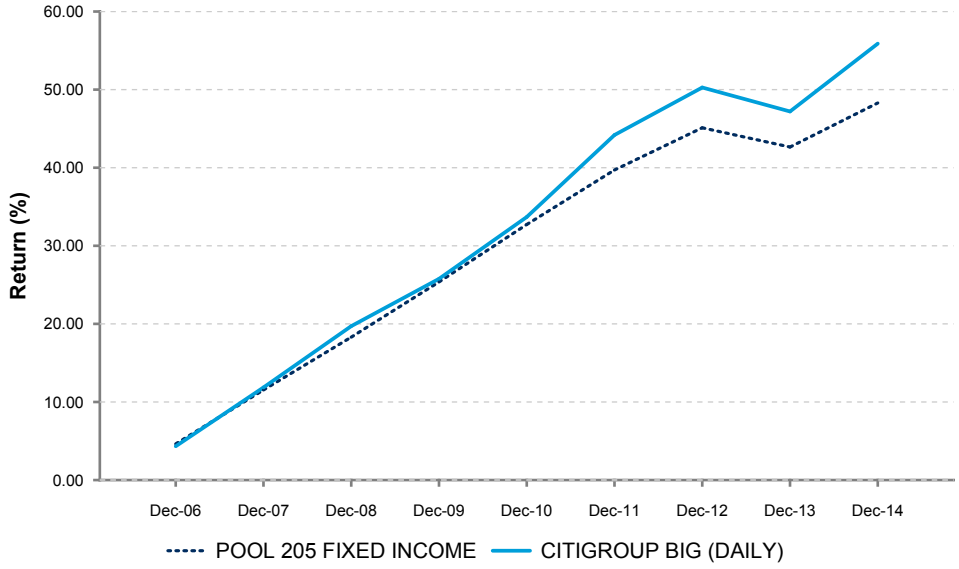
POOL 205 FIXED INCOME

STATE STREET.

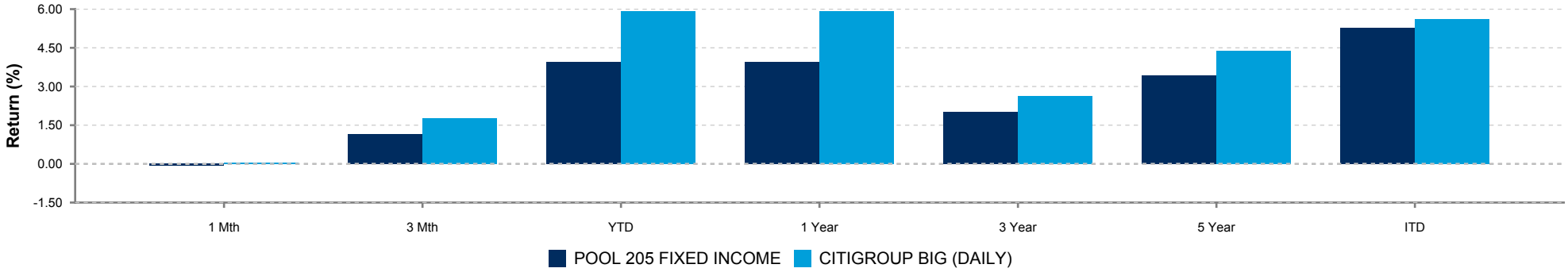
Net Asset Values over Time ($MM)



Cumulative Return (%)



Rates of Return



	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Dec 31 2014	Dec 31 2013	Dec 31 2012
POOL 205 FIXED INCOME	-0.08	1.15	3.95	3.95	2.01	3.42	5.28	3.95	-1.69	3.86
CITIGROUP BIG (DAILY)	0.06	1.77	5.91	5.91	2.64	4.39	5.62	5.91	-2.04	4.22
Excess	-0.14	-0.62	-1.96	-1.96	-0.63	-0.97	-0.34	-1.96	0.35	-0.35

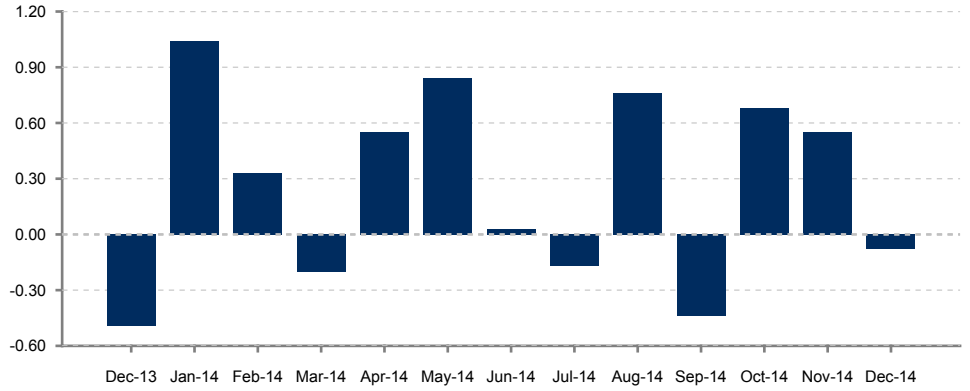
OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2014

POOL 205 FIXED INCOME

STATE STREET.

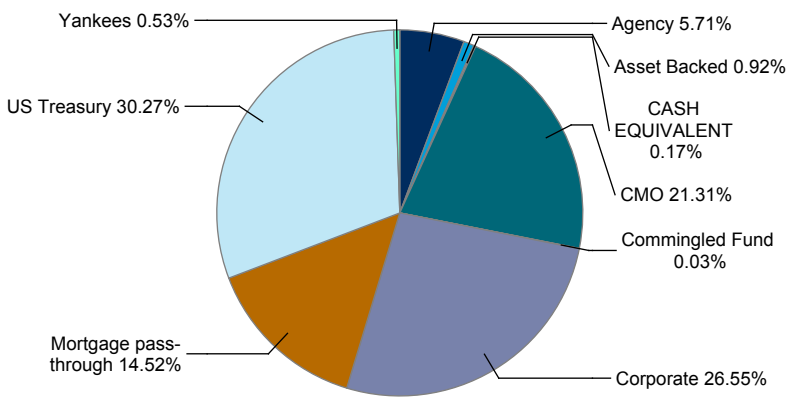
Net Mgr Return



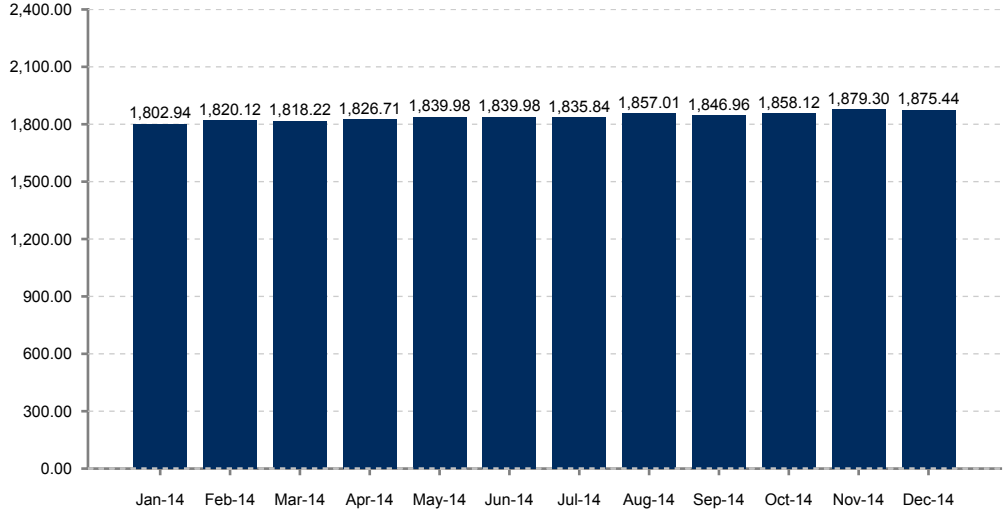
	Current Mth	Prior Mth	1 Year Ago
POOL 205 FIXED INCOME	-0.08	0.55	-0.49

Asset Allocation

	Ending Market Value
POOL 205 FIXED INCOME	1,875,440,873



Net Asset Values over Time ($MM)



Top 10 Holdings

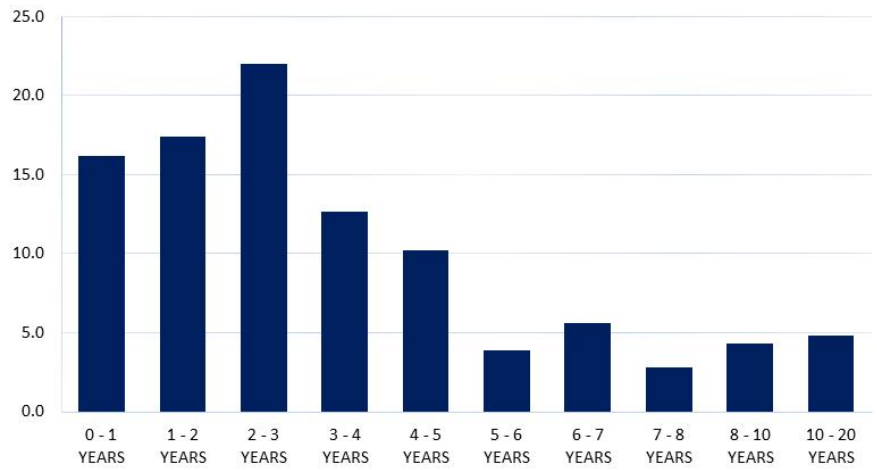
Security Name	Ending Market Value	% of Portfolio
POOL 205 FIXED INCOME		
US TREASURY N/B	17,678,288	0.94
FIFTH THIRD BANK	14,906,088	0.79
US TREASURY N/B	14,686,885	0.78
US TREASURY N/B	13,238,145	0.71
PRES + FELLOWS OF HARVAR	12,853,244	0.69
CONOCOPHILLIPS	12,511,029	0.67
US TREASURY N/B	12,384,444	0.66
FNMA POOL AV6108	11,818,984	0.63
BERKSHIRE HATHAWAY ENERG	11,350,210	0.61
JP MORGAN CHASE COMMERCIAL MOR	11,173,569	0.60

OFFICE OF THE ARIZONA STATE TREASURER

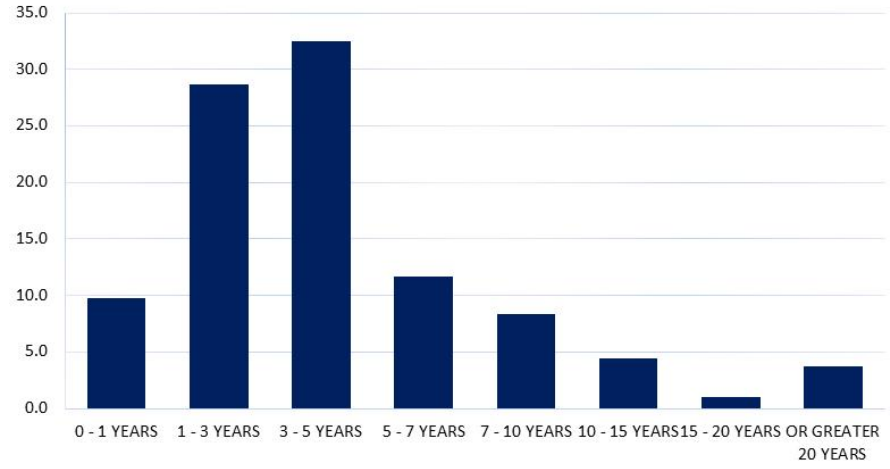
December 31, 2014

POOL 205 FIXED INCOME

Duration Distribution



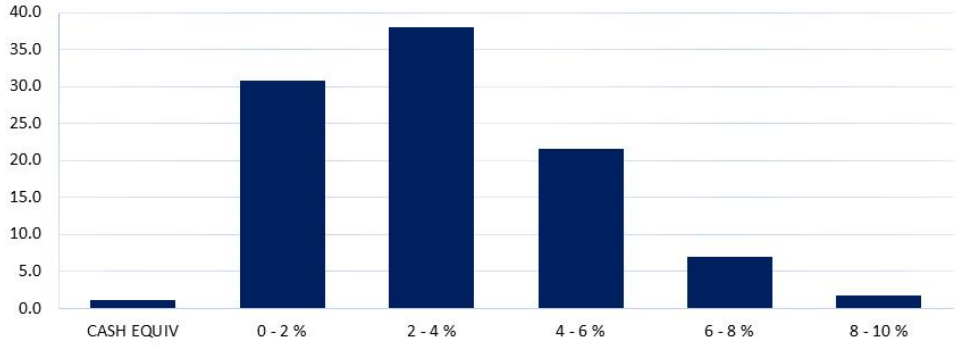
Expected Maturity Distribution



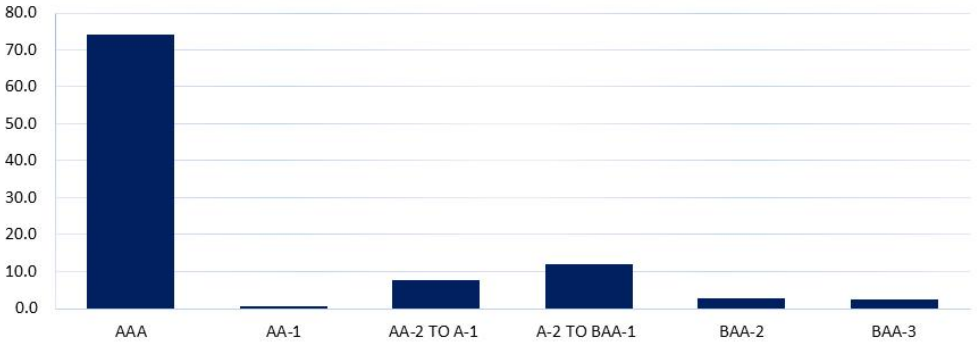
Portfolio Level Characteristics

	POOL 205 FIXED INCOME
Weighted Average Life	4.88
Coupon	3.25
Effective Duration	3.68
Quality Rating (Moody's)	AA-1

Coupon Distribution

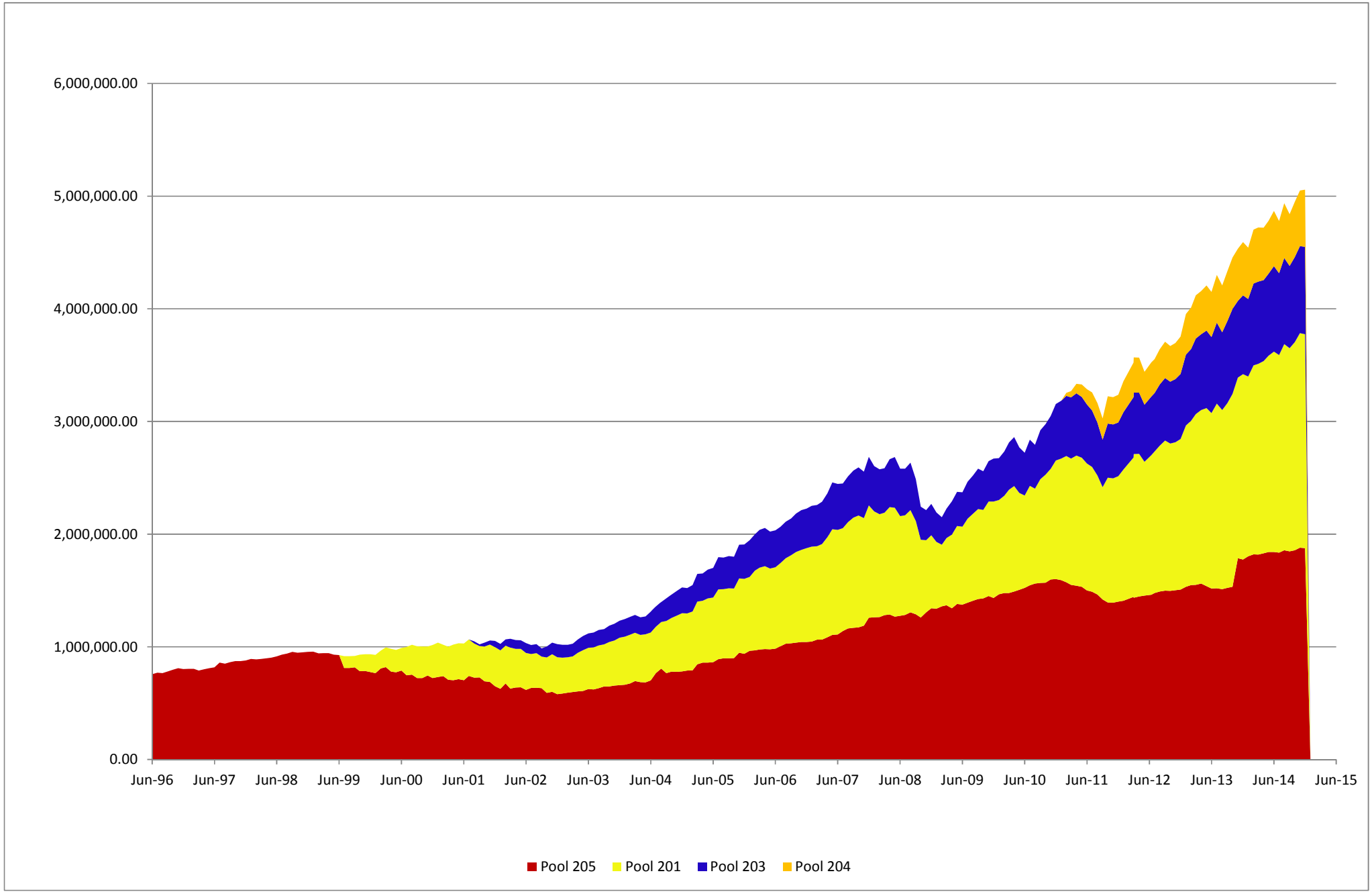


Rating Distribution



Thousands

Endowment Fund Market Value



BROKER ACTIVITY REPORT
STATE AGENCY POOLS 2, 3 Int., 4, 12, 15, 16 & 10 Int.
OCTOBER 1 - DECEMBER 31, 2014

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
BA SECURITIES INC.				
	REPO	709,057,152	1.92%	1.87%
	COMMERCIAL PAPER	165,638,760	24.91%	0.44%
	CORP ABS	24,000,000	100.00%	0.06%
	CORP NOTES	15,000,000	20.21%	0.04%
	US TREAS	40,549,823	26.51%	0.11%
BARCLAYS CAPITAL INC.				
	COMMERCIAL PAPER	54,977,125	8.27%	0.15%
	USA-MBS	1,990,730	8.55%	0.01%
	US TREAS	20,226,880	13.22%	0.05%
CANTOR FITZGERALD				
	COMMERCIAL PAPER	19,987,639	3.01%	0.05%
	CORP NOTES	54,021,216	72.80%	0.14%
CITIGROUP				
	COMMERCIAL PAPER	96,529,734	14.52%	0.25%
DAIWA CAPITAL MARKETS				
	REPO	2,961,906,514	8.04%	7.82%
	US TREAS	21,315,591	13.93%	0.06%
FIRST TENNESSEE				
	CORP NOTES	3,870,038	5.22%	0.01%
	US AGENCY	45,593,096	53.27%	0.12%
GUGGENHEIM SECURITIES, LLC				
	REPO	10,212,545,662	27.72%	26.97%
	COMMERCIAL PAPER	89,988,617	13.53%	0.24%
	CORP NOTES	1,313,005	1.77%	0.00%
	US AGENCY	19,996,900	23.36%	0.05%

BROKER ACTIVITY REPORT
STATE AGENCY POOLS 2, 3 Int., 4, 12, 15, 16 & 10 Int.
OCTOBER 1 - DECEMBER 31, 2014

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
JP MORGAN CHASE				
	COMMERCIAL PAPER	44,985,992	6.77%	0.12%
	US AGENCY	19,996,875	23.36%	0.05%
MIZUHO SECURITIES				
	US TREAS	19,972,170	13.06%	0.05%
MORGAN STANLEY CAP				
	COMMERCIAL PAPER	105,193,721	15.82%	0.28%
RBC CAPITAL MARKETS				
	COMMERCIAL PAPER	75,124,528	11.30%	0.20%
	USA-MBS	10,767,818	46.24%	0.03%
SOUTH STREET				
	REPO	16,774,145,936	45.53%	44.30%
STATE STREET				
	MONEY-MARKET	226,877	100.00%	0.00%
STIFEL NICOLAUS				
	USA-MBS	2,539,736	10.91%	0.01%
SUNTRUST ROBINSON				
	REPO	70,000,000	0.19%	0.18%
UBS				
	COMMERCIAL PAPER	4,995,244	0.75%	0.01%
WELLS FARGO				
	REPO	6,115,171,383	16.60%	16.15%
	COMMERCIAL PAPER	7,453,535	1.12%	0.02%
	USA-MBS	7,988,749	34.31%	0.02%
	US TREAS	50,907,863	33.28%	0.13%

BROKER ACTIVITY REPORT
LGIP POOLS 5, 7, 500 and 700
OCTOBER 1 - DECEMBER 31, 2014

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
BA SECURITIES INC.				
	REPO	5,290,942,849	14.57%	14.04%
	COMMERCIAL PAPER	106,497,742	13.41%	0.28%
	CORP ABS	38,500,000	41.18%	0.10%
BARCLAYS CAPITAL INC.				
	COMMERCIAL PAPER	116,794,404	14.71%	0.31%
	CORP NOTES	6,887,514	7.42%	0.02%
	CORP ABS	28,000,000	29.95%	0.07%
	USA-MBS	7,051,330	62.75%	0.02%
BNP PARIBAS				
	CORP ABS	10,000,000	10.70%	0.03%
	US AGENCY	5,156,223	1.75%	0.01%
CANTOR FITZGERALD				
	CD'S	10,000,000	9.70%	0.03%
	COMMERCIAL PAPER	14,988,111	1.89%	0.04%
	CORP NOTES	5,019,775	5.41%	0.01%
CITIGROUP				
	COMMERCIAL PAPER	200,415,969	25.24%	0.53%
	CORP ABS	7,000,000	7.49%	0.02%
DAIWA CAPITAL MARKETS				
	REPO	4,883,093,486	13.45%	12.96%
DEUTSCHE BANC				
	US AGENCY	999,765	0.34%	0.00%
GOLDMAN SACHS				
	REPO	100,000,000	0.28%	0.27%
	CD'S	6,009,142	5.83%	0.02%
	US AGENCY	14,998,417	5.09%	0.04%

BROKER ACTIVITY REPORT
LGIP POOLS 5, 7, 500 and 700
OCTOBER 1 - DECEMBER 31, 2014

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
GOVERNMENT PERSPECTIVES				
	CORP NOTES	19,067,564	20.54%	0.05%
	US AGENCY	7,275,465	2.47%	0.02%
GUGGENHEIM SECURITIES, LLC				
	REPO	8,467,454,338	23.32%	22.47%
	CD'S	20,000,000	19.40%	0.05%
	CORP NOTES	6,689,396	7.20%	0.02%
	US AGENCY	19,997,072	6.79%	0.05%
JP MORGAN CHASE				
	CD'S	6,804,784	6.60%	0.02%
	COMMERCIAL PAPER	138,097,540	17.39%	0.37%
	US AGENCY	210,288,067	71.42%	0.56%
KEYBANC CAPITAL				
	CORP NOTES	2,004,931	2.16%	0.01%
	USA-MBS	4,186,093	37.25%	0.01%
	US AGENCY	6,250,225	2.12%	0.02%
MIZUHO SECURITIES				
	REPO	300,000,000	0.83%	0.80%
	CD'S	10,000,000	9.70%	0.03%
	COMMERCIAL PAPER	9,994,889	1.26%	0.03%
	CORP NOTES	10,000,000	10.77%	0.03%
MFR INC.				
	COMMERCIAL PAPER	44,987,068	5.66%	0.12%
MORGAN STANLEY CAP				
	COMMERCIAL PAPER	52,483,967	6.61%	0.14%
PIERPONT SECURITIES				
	CORP NOTES	14,706,901	15.84%	0.04%

BROKER ACTIVITY REPORT
LGIP POOLS 5, 7, 500 and 700
OCTOBER 1 - DECEMBER 31, 2014

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
PIPER JAFFRAY				
	US AGENCY	13,224,198	4.49%	0.04%
RBC CAPITAL MARKETS				
	CD'S	30,011,342	29.11%	0.08%
	COMMERCIAL PAPER	54,973,961	6.92%	0.15%
	CORP NOTES	15,596,250	16.80%	0.04%
	CORP ABS	10,000,000	10.70%	0.03%
SOUTH STREET				
	REPO	3,670,854,064	10.11%	9.74%
STIFEL NICOLAUS				
	CORP NOTES	1,015,160	1.09%	0.00%
SUNTRUST ROBINSON				
	REPO	145,000,000	0.40%	0.38%
UBS				
	COMMERCIAL PAPER	14,990,869	1.89%	0.04%
	US AGENCY	16,238,241	5.52%	0.04%
WELLS FARGO				
	REPO	13,444,828,617	37.04%	35.67%
	CD'S	20,262,611	19.66%	0.05%
	COMMERCIAL PAPER	39,935,908	5.03%	0.11%
	CORP NOTES	11,865,224	12.78%	0.03%

BROKER ACTIVITY REPORT
ENDOWMENT FIXED INCOME POOL 205
OCTOBER 1 - DECEMBER 31, 2014

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
BA SECURITIES INC.				
	US TREAS	6,992,436	58.28%	8.58%
CANTOR FITZGERALD				
	USA MBS	22,877,069	40.36%	28.07%
CITIGROUP				
	CORP NOTES	2,760,229	100.00%	3.39%
CRT CAPITAL				
	CORP CMO	10,048,553	100.00%	12.33%
	USA MBS	17,607,929	31.06%	21.61%
DEUTSCHE BANC				
	US TREAS	5,006,446	41.72%	6.14%
PIPER JAFFRAY				
	USA MBS	10,377,763	18.31%	12.73%
SUNTRUST ROBINSON				
	USA MBS	5,821,809	10.27%	7.14%

BROKER ACTIVITY REPORT
ENDOWMENT EQUITY POOLS 201, 203, & 204
OCTOBER 1 - DECEMBER 31, 2014

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
BA SECURITIES INC.				
	LARGE CAP	28,803,589	41.08%	15.88%
	MID CAP	28,331,417	42.43%	15.62%
	SMALL CAP	19,754,671	44.42%	10.89%
BARCLAYS CAPITAL INC.				
	LARGE CAP	24,314,028	34.68%	13.41%
	MID CAP	22,079,390	33.06%	12.17%
	SMALL CAP	10,865,308	24.43%	5.99%
BLOOMBERG				
	LARGE CAP	16,975,222	24.21%	9.36%
	MID CAP	16,000,345	23.96%	8.82%
	SMALL CAP	13,406,307	30.15%	7.39%
CANTOR FITZGERALD				
	LARGE CAP	20,599	0.03%	0.01%
	MID CAP	26,010	0.04%	0.01%
	SMALL CAP	11,019	0.02%	0.01%
MOORS & CABOT				
	MID CAP	339,429	0.51%	0.19%
	SMALL CAP	433,655	0.98%	0.24%