OFFICE OF THE

ARIZONA STATE TREASURER

Kimberly Yee

TREASURER

DECEMBER 2022

Presented To:

Arizona State Board of Investment

January 31, 2023

STATE BOARD OF INVESTMENT

A G E N D A

January 31, 2023

1. Call to Order; Opening Remarks ……. The Honorable Kimberly Yee, Chair
2. Approval of Minutes of December 29, 2022, BOI Meeting
3. AZ 529 Arizona's Education Savings Plan
   a. Monthly Program and Marketing Review……... Jeffrey Ong, AZ529 Administrator
4. Investment Outlook and Summary Review of Treasurer's Monthly Reports
   a. State Agency Earnings Distributions ……..... Dennis Stevenson, CIO
      State Agency Operating Average Invested Balances
      State Agency Investments and Performance Reports
   b. LGIP Yield Analysis ……..... Jake Richardson, Portfolio Manager
      LGIP Pools Investments and Performance Reports
   c. Endowment Earnings Distributions ……...…...Tim White, Director of Endowments
      Land Sales Monthly Proceeds Endowment Funds
      Endowment Investments and Performance Reports
5. Discussion and Action on the December 2022 Report
6. Adoption of FY2024 PLETF Distributions…… Michael Leslein, Accounting Manager
7. Treasurer's Report ……..…The Honorable Kimberly Yee, Chair
8. Market Outlook…….……... Harry Papp, Board Member
9. Call to the Public
10. Notice of Next Meeting
11. Adjournment

REPORT OF THE STATE TREASURER

FOR

January 31, 2023

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Minutes of
BOARD OF INVESTMENT MEETING
December 29, 2022

The regular meeting of the State Board of Investment was held on December 29, 2022, via WebEx. Treasurer Kimberly Yee called the meeting to order at 1:05 p.m.

Members Present:

The Honorable Kimberly Yee, Chair, State Treasurer – via WebEx
Harry A. Papp, CFA & Managing Partner, L. Roy Papp & Associate – via WebEx
Evans Daniels, Director of Insurance and Financial Services – via WebEx

Members Excused:

Beth Ford, Pima County Treasurer

Designees Present:

Ashley Ruiz, Designee for Andy Tobin, Director of Administration – via WebEx

Others Present:

Mark Swenson, Deputy Treasurer, Arizona State Treasurer's Office
Jackie Harding, Deputy Treasurer, Arizona State Treasurer's Office
Tim White, Director of Endowment, AZ State Treasurer's Office
Jake Richardson, LGIP Portfolio Manager, Arizona State Treasurer's Office
Eric Stivers, Financial Analyst, Arizona State Treasurer's Office
Michael Leslein, Investment Accounting Manager, Arizona State Treasurer's Office
Jeffrey Ong, AZ529 Administrator, Arizona State Treasurer's Office
Nick Barnhiser, IT Director, Arizona State Treasurer's Office
Imee Andrew, Executive Assistant, Arizona State Treasurer's Office
Brett Johnson, Legal Counsel
Ryan Regula, Legal Counsel

1. Call to Order

Treasurer Yee called the December 29, 2022, Board of Investment meeting to order at 1:05 p.m.

Treasurer's Comments

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

2. Approval of Minutes

Mr. Papp moved that the November 29, 2022, meeting minutes be approved as distributed. Seconded by Director Daniels. The motion CARRIED unanimously.

3. AZ529 Arizona's Educational Savings Plan

A. Monthly Program and Marketing Review

Jeffrey Ong, AZ529 Program Administrator & Legislative Liaison, reported that as of November 30, 2022, total AZ529 Plan Assets Under Management were $1.83 billion. Total AZ529 Plan accounts were up 1.8% Year Over Year (YOY) to 99,331. Fidelity is the largest provider with 64.1% of Assets and 64.6% of Accounts. Goldman Sachs is the second largest provider holding 34.1% of Assets and 33.5% of Accounts. College Savings Bank holds the remaining 1.8% of Assets and 2% of Accounts. Arizona residents held 49.7% of total Assets and 55.8% of total Accounts, with the rest held by Non-Residents. See Memo.

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

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

Dennis Stevenson, Chief Financial Officer (covered by Jake Richardson), highlighted the results of the State Agencies performances for the month of November 2022. See memo.

B. LGIP Yield Analysis, Pool Investments and Performance Reports

Jake Richardson, LGIP Portfolio Manager, highlighted the results for the Local Government Investment Pools performance for the month of November 2022. See memo.

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

Tim White, Director of Endowments, reported the results and highlights for the Endowment performances for the month of November 2022. See memo.

5. Discussion and Action: Approval of November 2022 Report

Treasurer Yee requested a motion on the approval of November 2022 report.

Mr. Papp moved the approval of the November 2022 Monthly Report. Seconded by Director Daniels. The motion CARRIED unanimously.

6. Discussion and Action on the Arizona Health Innovation Trust Fund Application

Mark Swenson, Deputy Treasurer, presented the Arizona Health Innovation Trust Fund Application. See memo.

Action: Approval of the Arizona Health Innovation Trust Fund Application

Treasurer Yee requested a motion on the approval of the Arizona Health Innovation Trust Fund Application.

Mr. Papp moved the approval of the Arizona Health Innovation Trust Fund Application. Seconded by Director Daniels. The motion APPROVED unanimously.

7. Approval of Servicing Bank Contract - Jackie Harding, Deputy Treasurer, Operations

Treasurer Yee indicated that it was recommended to table agenda item seven (7) as there was no further information at this time to take action.

8. Treasurer's Report

Treasurer Yee thanked members for their time and gave brief remarks regarding the eye-popping year over year numbers that continue and noted that for the State Agency funds the $170 million in earnings for the first five months of the fiscal year have surpassed the yearly total of any of the past five (5) fiscal years.

The LGIP reached a record high of total assets in November at $5.93 billion, that is $2.55 billion more in assets then when Treasurer Yee took office, a 75.5% increase. November earnings of $16.7 million is an increase of 2,571% from November 2021 earnings.

The Permanent Land Endowment Trust Fund reached a market value of $7.39 billion in October. That is a 33.6% increase since Treasurer Yee took office in January 2019. Tim's short duration strategy along with his selection of bonds continues to pay great dividends with an outperformance of 278 basis points over the benchmark so far this calendar year.

The AZ529 Education Savings Plan continues to grow, with over 23,561 new accounts opened in the last 26 months.

Treasurer Yee shared the pleasure of going to the morning shows on channel 3 covering the AZ529 plan and will be interviewed by channel 15 again to talk about education, savings tips, including the AZ529 opportunities for parents and grandparents to open savings for their children and grandchildren.

Treasurer Yee hoped everyone enjoyed this wonderful Christmas holiday and announced the successful donation drive for the Changing Lives Center, a long-term residential recovery program for women and children run by the Phoenix Rescue Mission with overflowing boxes of various gifts delivered to the Center earlier this month. Treasurer Yee thanked those who also financially contributed to the Center.

In closing, Treasurer Yee noted that Deborah Gomez, who has been in the Treasurer's office for years retired and welcomed Imee Andrew as a Board Secretary for the Board of Investment.

7. Market Outlook

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

8. Call to the Public

There was no public comment.

9. Notice of Next Meeting

Treasurer Yee announced that the next board meeting will be held on Tuesday, January 31, 2023, at 1:00 p.m.

10. Adjournment

With no further business to discuss, Director Daniels moved that the meeting be adjourned. Seconded by Mr. Papp. The motion CARRIED unanimously. Meeting adjourned at 1:38 p.m.

Respectfully Submitted by:

_____
Imee L. Andrew
Executive Assistant

Approved by:

_____ _____
Kimberly Yee Date
Chair

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OFFICE OF THE
ARIZONA STATE TREASURER

KIMBERLY YEE
TREASURER

Investment Summary | December 2022

Overall Performance – Where We Are Now |

- **State Agency Pools:**
  - Total assets: $17,604,481,407
  - December earnings distributed: $52,382,488 (+1400.36% YoY)
  - General Fund earnings distributed: $35,148,670 (+1636.32% YoY)

Outlook |

The Federal Reserve is likely to do another 75 basis points in rate hikes, but we and the debt markets do not know in what increments. Currently conventional thought is +25bps at each of their next meetings. That would bring the terminal rate to 5 or 5.25%. We anticipate they may pause at that rate until they see the repercussions on the inflation rate. Two-year treasuries are over 4.2% (as-of 1/24/2023) and 10-year treasuries are currently 3.45%. This spread is negative. Historically, you are paid more for lending funds for a longer duration. M2 balances continues to decelerate at an accelerating rate. This means consumers are spending savings to make up for the rising cost of goods and services due to inflation. The savings rate is 2.2%, the lowest rate since 2005. Consumer debt in the form of credit cards and auto loans is reaching new highs. Inflation is considerably above what the Federal Reserve board is comfortable with.

The Producer Price Index (+6.2% YoY) and the Consumer Price Index (+6.5% YoY) are significant signs of the inflation the American consumer is facing. The unemployment rate is 3.5% a very low historical rate and helps explain rising wage rates. The labor participation rate remains close to 62%. Fourth quarter real GDP QoQ annualized was +2.9% which was better than the expected +2.6%. The Arizona state general fund revenue for December was up +12.4 % vs last year. Revenue fiscal year to date is up 11.7% vs last year. Corporate income tax revenue was up more than double last year.

The war in Ukraine continues with no serious peace talks taking place. The U.S. and Germany are sending advanced tanks to Ukraine in the very near future.

Strategy: Monthly Commentary |

Our strategy continues to add duration across all pools. Previously we have kept the duration of the pools low to decrease the risk of losing value and yield. We now add duration and will continue to increase it with every successive increase in rates by the Federal Reserve. This strategy has earned over $220 million in the state agency pools for the first six months of the fiscal year; a new record. High-grade corporate bonds are increasing in both rates and issuance so they can avoid higher interest expense in the coming years. We are redeploying to high grade corporate bonds as these new issues become available. I also expect prepayment speeds to decelerate on mortgage bonds as rates increase.

Dennis Stevenson, CIO

Alternative Scenarios |

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

- The war in Ukraine spreads to other countries particularly the Baltics
- A government shutdown occurs because of hitting the debt ceiling
- Inflation increases due to shortages
- Consumer demand evaporates due to exhaustion of federal pandemic subsidies and significant drops in home, equity, and bond portfolio values

State Agency Investment Pool Balances |

	December 31, 2022	December 31, 2021	YoY Change
Pool 2 FF&C	$1,858,004,227	$1,425,577,945	+$432,426,282
Pool 3 Internal	$7,695,652,681	$6,485,386,416	+$1,210,266,265
Pool 3 External	$111,769,639	$112,796,516	-$1,026,877
Pool 4 Gov.	$1,112,632,822	$1,086,575,233	+$26,057,589
Pool 10 Internal	$677,701,854	$484,664,908	+$193,036,946
Pool 10 External	$527,478,990	$580,889,031	-$53,410,041
Pool 12 CAWCD	$576,214,952	$611,346,520	-$35,131,568
Pool 15 Operating	$4,829,542,866	$1,721,827,235	+$3,107,715,631
Pool 16 ECDHB	$215,483,375	$246,874,728	-$31,391,353
TOTAL STATE AGENCY	**$17,604,481,407**	**$12,755,938,532**	**+$4,848,542,875**

Dennis Stevenson, CIO

Local Government Investment Pools (LGIP) Summary

Overall Performance – Where We Are Now |

- **Local Government Investment Pools:**
  - Total assets: $5,952,378,547
  - Total December earnings: $19,737,616; +2850.91% vs. Dec 2021
  - Total fiscal year-to-date yields:
    - Pool 5: 2.91%; +285bps vs. December 2021
    - Pool 7: 2.70%; +269bps vs. December 2021
    - Pool 500: 2.21%; +141bps vs. December 2021
    - Pool 700: 1.58%; +132bps vs. December 2021

Strategy: Short-term Pools 5 & 7 |

The market is expecting the Federal Reserve to raise 25-basis points(bps) at each of the next three meetings, and likely pause after that to see how it effects the economy. The labor market remains tight, and inflation is still elevated, which will be the driver of their decisions heading into the second half of the year. The two short-term pools have benefited from the quick rise in rates with yields increasing quickly. This likely will slow down with smaller rate hikes and the possibility of a pause. The WAM for Pools 5 and 7 remain below the 50- to 60-day target but are working to get both pools in that range. We will maintain the liquidity in Pool 5. Pool 7 has had higher cash balances with overnight securities paying just as well as short-term bills. We now see some value in the 2- to 6-month bills and have been laddering them to start bringing down the liquidity in Pool 7. We will continue to slowly bring these levels down, but we do remain cautious of future debt ceiling issues.

Strategy: Intermediate Pools 500 & 700 |

The yield curve has moderated but is still volatile and could shift quickly as more economic data comes out. It seems the Federal Reserve, along with foreign central banks, will start slowing down the pace of rate increases. We are expecting them to pause after the May meeting. Pool 500 and 700 will continue to shift by adding duration in the coming months. Cash and short-term investments remain elevated in these funds because of the quick nature of the rate hikes but we look to keep extending out along the curve throughout 2023.

LGIP Investment Pool Balances |

	December 31, 2022	December 31, 2021	YoY Change
Pool 5 LGIP	$2,593,544,608	$2,194,807,195	+$398,737,413
Pool 7 LGIP FF&C	$2,413,632,099	$2,200,152,052	+$213,480,047
Pool 500 LGIP Med.	$643,729,002	$672,292,000	-$28,562,998
Pool 700 LGIP Med FF&C	$301,472,838	$315,235,921	-$13,763,083
TOTAL LGIP	**$5,952,378,547**	**$5,382,487,168**	**+$569,891,379**

Jake Richardson, Portfolio Manager

Endowment Summary

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

- **Highlights:**
  - PLETF December total return: -3.52%
  - **PLETF lead aggregate benchmark by +27bps in December; 1-Year outperforming benchmark +292bps**
  - PLETF 10-year annualized total return: +7.98%
  - Prop 123 record high monthly distributions at $36.1MM; Projected $432.8MM in FY23
  - AETF December total return: -3.77%
  - AETF inception-to-date total return: +5.28%
  - **AETF lead aggregate benchmark +4bps in December; outperforming +43bps since inception**

Big Picture:

- PLETF fair market value: $7,141,499,474
- Fair Market Value down -$244.84MM MoM; down -$764.89MM YoY net of distributions
- FYTD2023 distributions $216.38MM; up +$16.47MM vs FY2022
- PLETF 12-Month return -11.65% vs benchmark -14.58%
- Annualized 10-Year total return through December is 7.98% versus November at 8.46%
- PLETF Unrealized Gains: $4.17BN
- December Realized Gains: $15.7MM
- December TRR PLETF -3.52% vs benchmark -3.79%
- **Pool 205 Fixed Income outperformed FTSE Broad Investment Grade Index by +792bps in 2022**
- 2020 January, February, March, April (2), July (2), Sept, Nov, Dec (2), 2021 Jan, May, Sept, 2022 May PLETF & AETF Rebalances Complete

Equity Strategy: Rebalance to Risk Targets | 15 Rebalances/35 Months

Since 2020 the strategy of rebalancing to our risk targets was triggered ten times in the PLETF and five times in the AETF. Our 2020/2021 rebalancing strategy was responsible for generating over $517MM in realized gains in the PLETF and over $155K in the AETF. These profits have benefited in ensuring enough cash to continue to make distributions under Proposition 123. PLETF rebalance triggers were reached in eight months for selling equities and buying fixed income assets, and triggers for selling fixed income and buying equities were reached in two months. These policy actions bring us back to original risk targets (with significant realized gains) as we continue to view our equity strategy as a long-term driver of returns for the PLETF. Exposure to U.S. equities has been a tremendous value-add over time and although markets periodically move through market correction phases, long-term equilibrium has rewarded patient, disciplined investors with positive returns that outpace inflation and build trust value in *real* terms – especially with sound rebalancing disciplines, which we employ. The AETF has similar exposure and has been rebalanced five times realizing gains of $253K with a total return inception-to-date of 5.28%. Will be proposing incremental tactical overlays in large-cap equal-weight and factor-based pools for board consideration with the goal of increasing diversification and return in the PLETF.

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

As a result of strong PLETF investment returns in 2021, the Prop 123 distribution has once again increased significantly and **beginning in July 2022 will pay record distributions of $432.8MM - up from $399.8MM.** We had

taken the opportunity resulting from equity rebalancing to reduce fixed income duration in Pool 205 and bolster necessary liquidity in Pool 123 to continue to make these increased monthly distributions in a timely manner for our K-12 education and other beneficiaries and take advantage of reinvestment at significantly higher rates. Clearly, we were correct in disagreeing with the notion that inflation was "transitory". Appropriately, we maintained this defensive, short duration bias and continued opportunistically adding variable rate fixed income holdings with an eye on reallocating portfolio risk and increasing yield in light of likely interest rate increases by the Federal Reserve. This strategy has proven extremely fortuitous as the Fed has taken a very hawkish tone continuing on a tightening regime. Hence, **Pool 205 has outperformed the FTSE BIG Index benchmark YTD by a massive +792 basis points through December**. However, with risks of a recession scenario having risen somewhat, we may work incrementally to reduce our significant short duration bias. Again, this month we put cash to work in money market cash equivalents and US Agency CMO's (4.30%-5.60%), opportunistically adding incremental duration as the market selloff has made rates more attractive. Existing floating rate securities in the portfolio continue to reset higher as the Fed increases rates and our short cash equivalents offer dry powder to re-deploy at these much higher rates as the Fed has indicated a continued hawkish stance. We continue to look for opportunistic ways to sensibly add convexity and duration to lock in significant outperformance versus the benchmark and hedge against the scenarios of subdued inflation, Russian war/geopolitical developments, and/or an economic downturn. We will become more aggressive with duration as market conditions change. We continue to use other bond ETFs in the PLETF for diversification and in fact already added bond ETF's (BND & SPAB) with the AETF fixed income allocation. Month-end duration on Pool 205 was at 3.22 years (-0.05 MoM), outperforming substantially (+792 bps 1 YR versus benchmark) with higher rates than 12-months ago. Note the forward-looking Bloomberg Bond Yield Forecast compiled by averaging 56 wall street economist's forecasts:

Rate	Mkt Yld	Q1 23	Q2 23	Q3 23	Q4 23	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25
United States											
US 30-Year	3.68	3.81	3.81	3.74	3.63	3.61	3.57	3.57	3.56	3.63	3.58
US 10-Year	3.52	3.68	3.65	3.54	3.40	3.31	3.25	3.25	3.19	3.31	3.26
US 5-Year	3.62	3.87	3.86	3.70	3.52	3.37	3.27	3.21	3.14	3.31	3.24
US 2-Year	4.23	4.36	4.25	4.01	3.73	3.47	3.27	3.13	2.98	3.15	3.08
US 3-Month Term SOFR	4.66	4.89	4.98	4.82	4.54	4.15	3.77	3.44	3.16	3.09	2.97
Fed Funds Rate - Upper Bound	4.50	5.00	5.05	4.95	4.75	4.30	3.85	3.50	3.30	3.10	3.00
Fed Funds Rate - Lower Bound	4.25	4.73	4.80	4.72	4.49	4.04	3.63	3.27	3.07	2.83	2.76
2 Year - 10 Year Spread	-0.71	-0.67	-0.61	-0.47	-0.33	-0.16	-0.01	0.12	0.21	0.16	0.18

*Table presented as-of 1/23/2023.

Endowment Monthly Land Sale Proceeds |

- +$51.1MM in December
- +$49.84MM vs November
- +$44.33MM YoY

Endowment Prop 123 Distributions |

- $36.1MM total/$33.5MM for K-12 successfully distributed on time from Pool 123 in December
- FYTD K-12 distribution $201.22MM; up +$15.22MM YoY
- Pool 123 has laddered liquidity of approximately 11 months taking advantage of rising reinvestment rates

Pool Performance |

Equity/Fixed Income Pools:

- Pool 201 Large Cap Equity outperformed the S&P 500 by +1bps MoM at -5.75%
- Pool 203 Mid Cap Equity outperformed the S&P 400 by +6bps MoM at -5.48%
- Pool 204 Small Cap Equity outperformed the S&P 600 by +5bps MoM at -6.66%
- Pool 205 outperformed the FTSE BIG Index by +74bps MoM at +0.20%
- Pool 123 returned +0.39% for December, outperforming the LGIP benchmark by +4bps

Tim White, Director of Endowments

EARNINGS DISTRIBUTION - INVESTMENT POOLS
DECEMBER 2022

Recipient	DECEMBER 2022	Earnings Distributed Fiscal YTD 22/23	Earnings Distributed Fiscal YTD 21/22	Change from Previous Year	Fiscal YTD Investment Management Fees Received
General Fund (1)	$35,148,670	$149,588,701	$8,615,284	1636.3%	
2 State Agencies - Full Faith & Credit (2)	4,562,510	17,566,282	1,172,792	1397.8%	$418,335
3 State Agencies - Diversified (2) (3)	5,635,948	23,181,260	2,731,417	748.7%	3,404,057
4 State Agencies - Gov (2)	2,215,966	10,961,476	1,570,892	597.8%	330,528
5 LGIP (2)	9,082,920	35,956,973	622,490	5676.3%	695,978
7 LGIP Gov (2)	8,231,767	29,958,189	135,230	22053.4%	605,791
9A Public School Credit Enhancement (4)	0	0	0	0.0%	29,000
10 State Agencies Med/Tax-exempt non-AMT	2,789,334	11,248,089	1,429,468	686.9%	306,684
12 CAWCD Medium-Term	1,464,208	6,985,550	2,886,203	142.0%	163,860
16 ECDH Medium-Term	565,852	2,795,725	2,183,233	28.1%	74,258
Subtotal	**69,697,175**	**288,242,246**	**21,347,008**	**1250.3%**	**6,028,491**
NAV POOL					
500 LGIP - Med Term	1,524,612	7,151,327	2,558,959	179.5%	177,893
700 LGIP - FF&C Med Term (2)	373,934	1,572,924	430,455	265.4%	77,900
Total	**$71,595,720**	**$296,966,497**	**$24,336,423**	**1120.3%**	**$6,284,284**
DECEMBER 2021 TOTALS	**$4,145,989**				**$4,581,806**

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

OPERATING MONIES
AVERAGE INVESTED BALANCE
Through December 31, 2022
(in millions)

Month	Fiscal Year 2021/2022	Fiscal Year 2021/2022	Fiscal Year 2022/2023
JULY	$3,805	$7,377	$11,345
AUGUST	3,661	5,881	10,673
SEPTEMBER	3,834	6,017	10,939
OCTOBER	4,303	6,300	11,491
NOVEMBER	4,382	6,537	11,305
DECEMBER	4,642	7,054	11,223
JANUARY	4,903	7,523	
FEBRUARY	5,135	7,790	
MARCH	5,003	8,155	
APRIL	5,299	8,904	
MAY	6,161	10,027	
JUNE	9,167	11,660	
Y-T-D Average	**$4,105**	**$6,528**	**$11,163**
Full Year Average	**$5,025**	**$7,769**	**$11,163**

STATE AGENCY POOLS
PORTFOLIO EARNINGS ANALYSIS
DECEMBER 2022

FUND	DESCRIPTION	Current Month 12/31/22	Prior Month 11/30/22	Prior Year 12/31/22	Net Asset Value Per Share
2	STATE AGENCIES - FULL FAITH & CREDIT	$4,831,412	$3,922,926	$233,039	0.985228
3	STATE AGENCIES - DIVERSIFIED				
	INTERNAL MANAGERS	21,678,755	19,699,665	1,641,895	0.984574
	EXTERNAL MANAGERS	211,495	176,488	90,851	0.978537
	FUND 3 TOTAL	21,890,250	19,876,153	1,732,746	0.984487
4	STATE AGENCIES - GOV	2,680,766	2,563,212	315,439	0.974808
9A	PUBLIC SCHOOL CREDIT ENHANCEMENT	296,686	255,398	18,741	0.985228
10	STATE AGENCIES MED-TERM/TAX-EX NON-AMT				
	INTERNAL MANAGERS	2,057,354	1,731,806	249,190	0.989919
	EXTERNAL MANAGERS	989,619	750,507	18,366	0.995323
	FUND 10 TOTAL	3,046,973	2,482,312	267,556	0.992277
12	CAWCD MEDIUM-TERM	1,464,208	1,248,888	484,535	0.933700
15	STATE AGENCIES OPERATING LIQUIDITY	17,081,958	15,075,355	71,318	0.999997
16	ECDH MEDIUM-TERM	565,852	512,306	353,751	0.926952
	TOTAL STATE AGENCIES	$51,858,105	$45,936,550	$3,477,125	

STATE AGENCY POOLS
PORTFOLIO YIELD ANALYSIS
DECEMBER 2022

FUND	DESCRIPTION	Current Month 12/31/22	Prior Month 11/30/22	Prior Year 12/31/22
2	**STATE AGENCIES - FULL FAITH & CREDIT**	3.26%	3.05%	**0.21%**
	50% Trailing 3-mo T-bill /	4.09%	3.72%	**0.36%**
	50% Bloomberg Barclays 1-3 year UST			
3	**STATE AGENCIES - DIVERSIFIED**			
	INTERNAL MANAGERS	3.42%	3.17%	**0.32%**
	EXTERNAL MANAGERS	2.18%	1.88%	**0.95%**
	COMBINED	3.40%	3.15%	**0.33%**
	50% 1 month T-bill /	4.14%	4.08%	**0.50%**
	50% Bloomberg Barclays 1-3 year US Agg			
4	**STATE AGENCIES - GOV**	2.68%	2.55%	**0.34%**
	50% Trailing 3-mo T-bill /	4.10%	3.72%	**0.36%**
	50% Bloomberg Barclays 1-3 year US Gov			
9A	**PUBLIC SCHOOL CREDIT ENHANCEMENT**	3.26%	3.05%	**0.21%**
10	**STATE AGENCIES MED-TERM/TAX-EXEMPT NON-AMT**			
	INTERNAL MANAGERS	3.66%	3.42%	**0.61%**
	EXTERNAL MANAGERS	2.20%	1.73%	**0.04%**
	COMBINED	3.01%	2.64%	**0.30%**
	50% Trailing 3-mo T-bill /	4.21%	3.85%	**0.42%**
	50% Bloomberg Barclays 1-3 year US Agg			
12	**CAWCD MEDIUM-TERM**	2.82%	2.55%	**0.97%**
	25% S&P LGIP Index /	4.38%	4.37%	**0.62%**
	75% Bloomber Barclays 1-3 year US Agg			
15	**STATE AGENCIES OPERATING LIQUIDITY**	4.12%	3.78%	**0.05%**
	Trailing 3-mo T-bill	3.82%	2.87%	**0.04%**
16	**ECDH MEDIUM-TERM**	2.87%	2.69%	**1.70%**
	25% S&P LGIP Index /	4.38%	4.37%	**0.62%**
	75% Bloomber Barclays 1-3 year US Agg			

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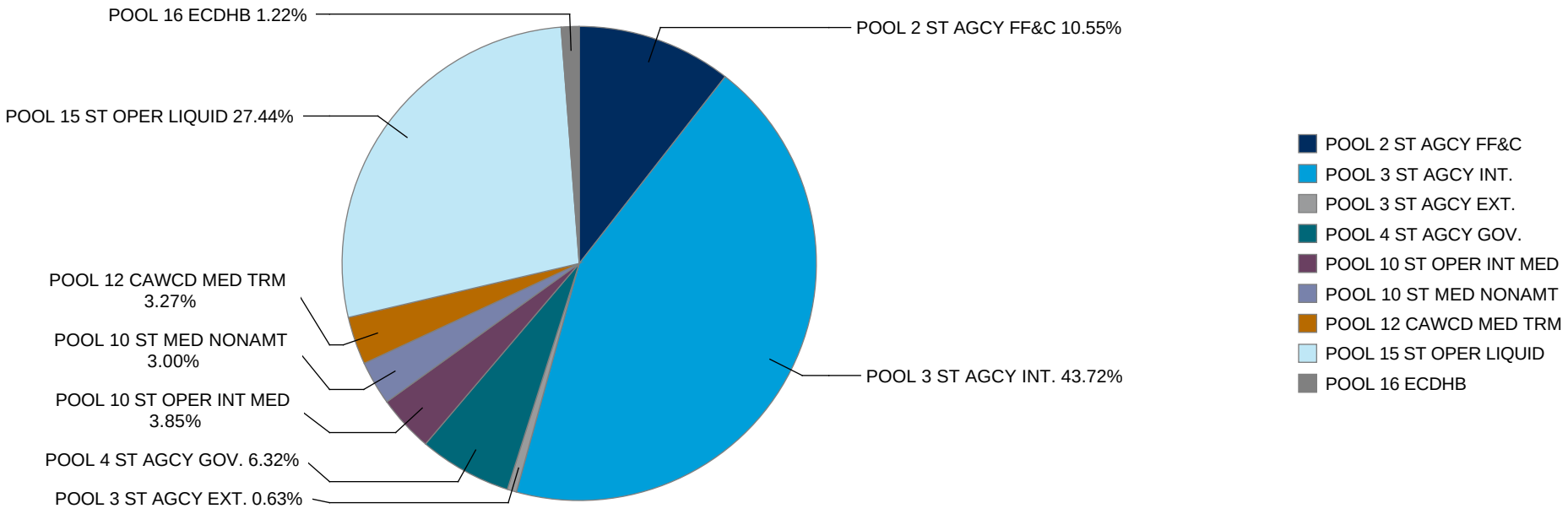
STATE AGENCY

Manager Allocation



	Market Value	% of Portfolio
POOL 2 ST AGCY FF&C	1,858,004,227	10.55
POOL 3 ST AGCY INT.	7,695,652,681	43.71
POOL 3 ST AGCY EXT.	111,769,639	0.63
POOL 4 ST AGCY GOV.	1,112,632,822	6.32
POOL 10 ST OPER INT MED	677,701,854	3.85
POOL 10 ST MED NONAMT	527,478,990	3.00
POOL 12 CAWCD MED TRM	576,214,952	3.27
POOL 15 ST OPER LIQUID	4,829,542,866	27.43
POOL 16 ECDHB	215,483,375	1.22
TOTAL STATE AGENCY	17,604,481,407	100.00

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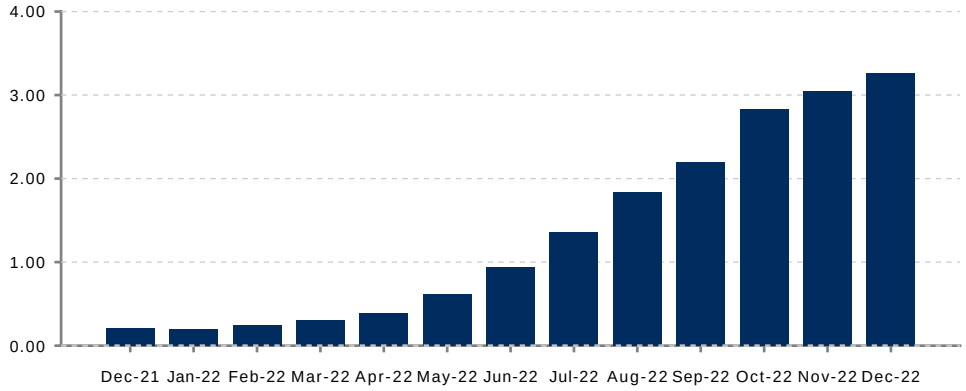
POOL 2 ST AGCY FF&C

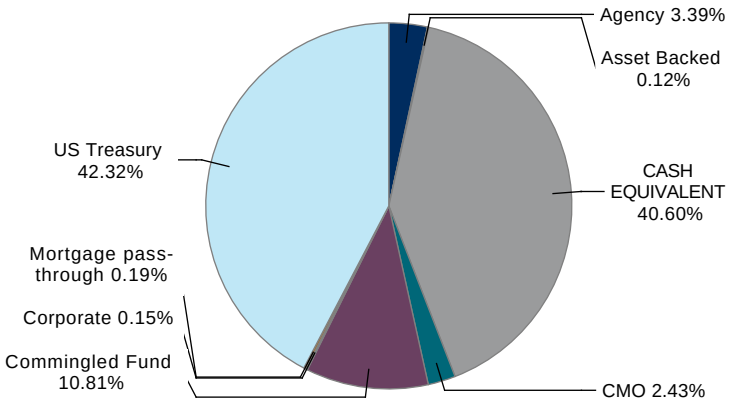
Net Yield



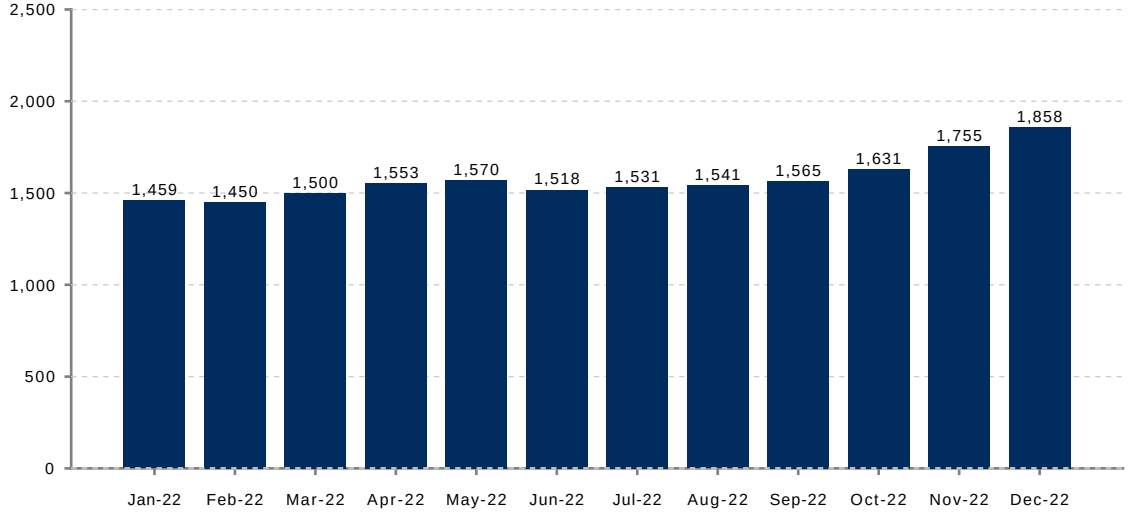
	Current Mth	Prior Mth	1 Year Ago
POOL 2 ST AGCY FF&C	3.26	3.05	0.21

Asset Allocation

	Ending Market Value
POOL 2 ST AGCY FF&C	1,858,004,227



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 2 ST AGCY FF&C		
RBC CAPITAL MARKETS R	311,242,834	16.75
US TREASURY N/B	222,366,721	11.97
TREASURY BILL	112,125,617	6.03
JPMORGAN US TREASURY	101,379,593	5.46
GOLDMAN SACHS FINANCI	100,000,000	5.38
US TREASURY N/B	87,171,340	4.69
US TREASURY N/B	73,222,163	3.94
US TREASURY N/B	69,342,919	3.73
TREASURY BILL	62,352,355	3.36
TREASURY BILL	58,842,600	3.17

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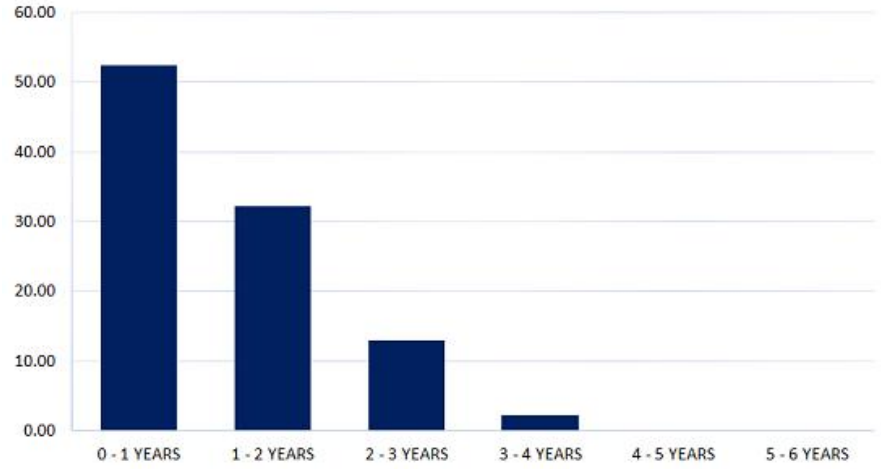
POOL 2 ST AGCY FF&C

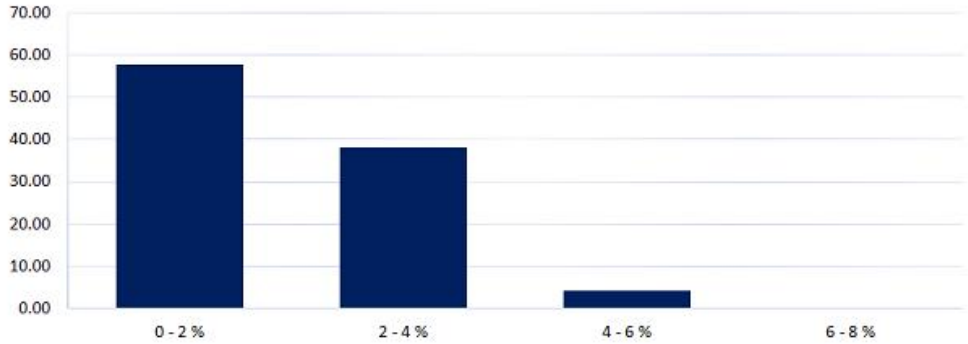
Duration Distribution



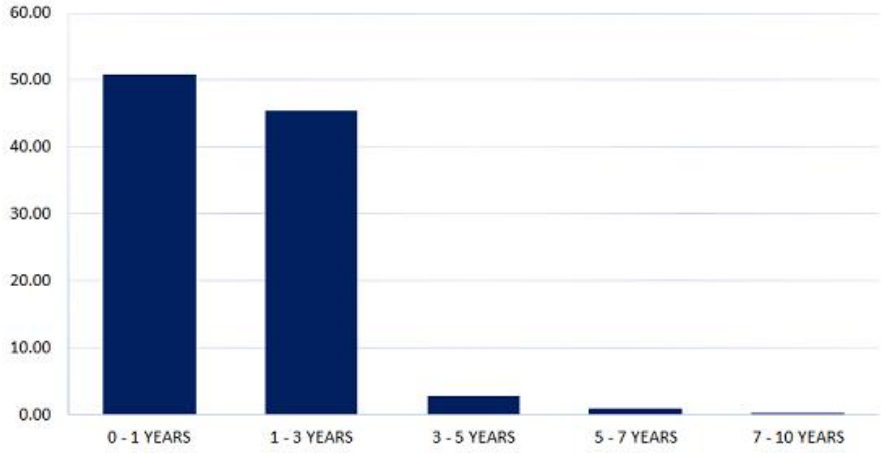
Portfolio Level Characteristics

	POOL 2 ST AGCY FF&C
Effective Maturity	1.12
Coupon	2.31
Effective Duration	1.08
Quality Rating (Moody's)	AAA

Coupon Distribution



Expected Maturity Distribution



Rating Distribution

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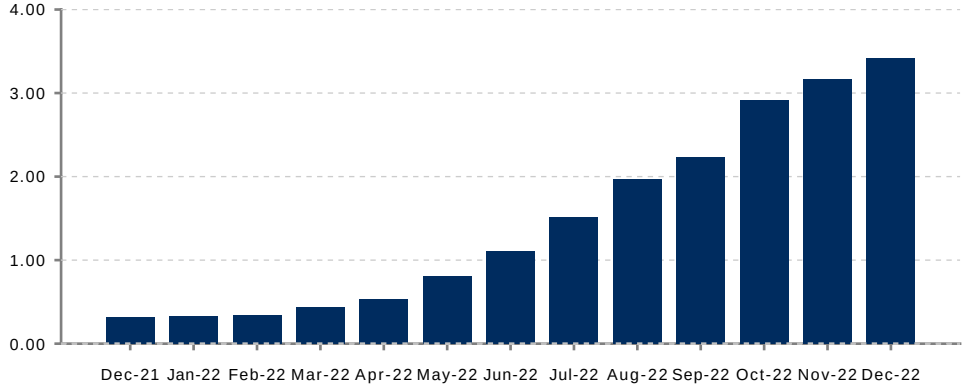
POOL 3 ST AGCY INT.

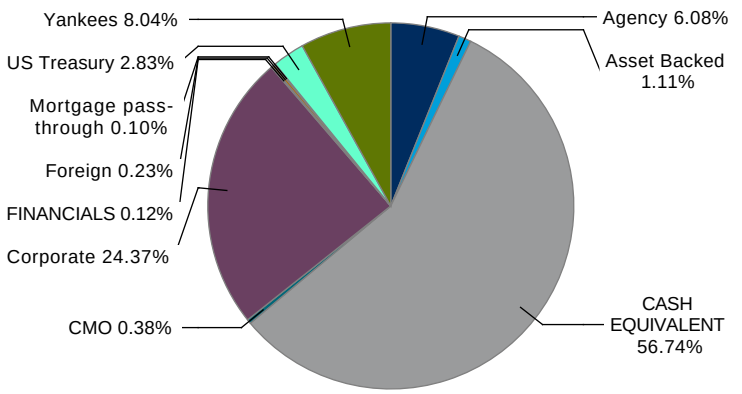
Net Yield



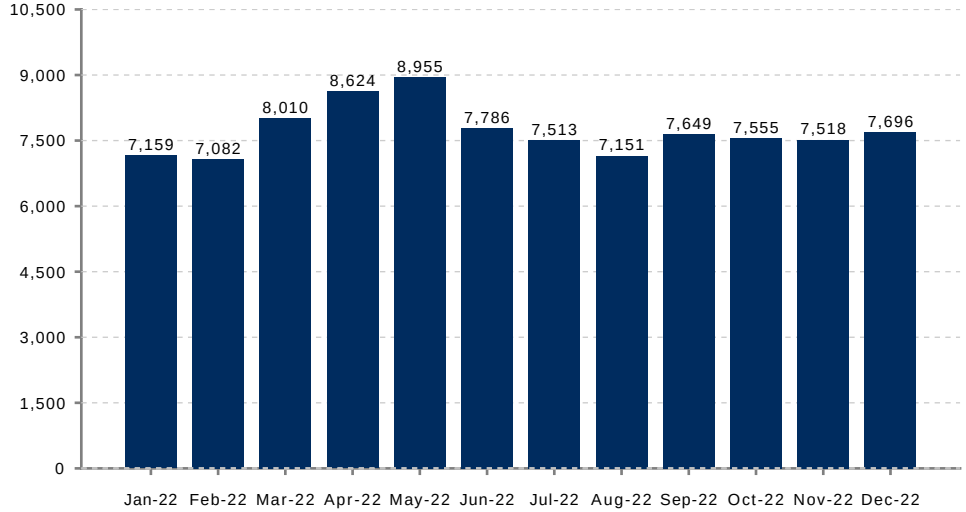
	Current Mth	Prior Mth	1 Year Ago
POOL 3 ST AGCY INT.	3.42	3.17	0.32

Asset Allocation

	Ending Market Value
POOL 3 ST AGCY INT.	7,695,652,681



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 3 ST AGCY INT.		
RBC CAPITAL MARKETS REPO	638,980,416	8.30
SOUTH STREET REPO	579,491,748	7.53
MITSUBISHI UFJ REPO	485,143,990	6.30
GOLDMAN SACHS FINANCIAL SQUARE	313,104,258	4.07
US TREASURY N/B	163,068,929	2.12
DAIWA CAPITAL MARKETS REPO	136,143,956	1.77
JPMORGAN US GOVERNMENT MONEY M	107,159,339	1.39
AMHERST PIERPONT	100,213,500	1.30
CANTOR FITZGERALD REPO	100,023,667	1.30
CANTOR FITZGERALD REPO	75,575,521	0.98

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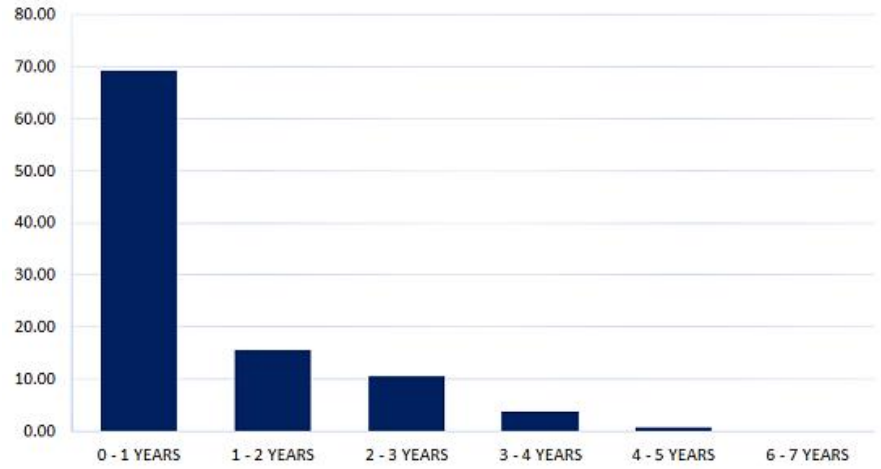
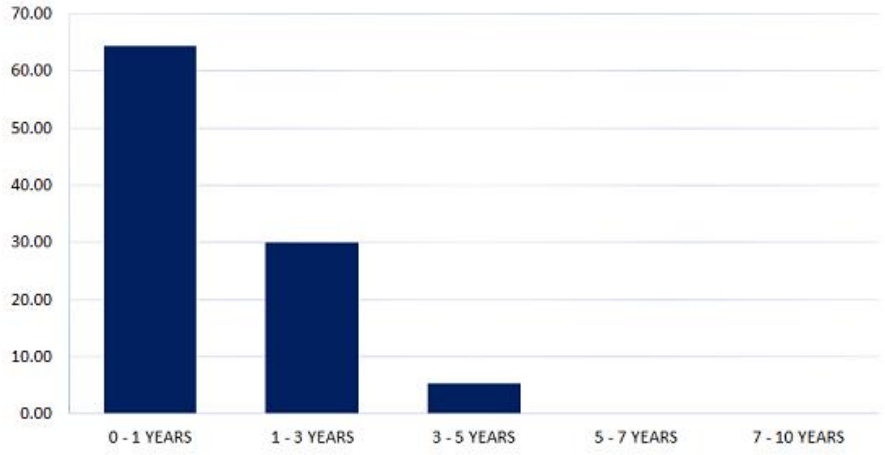
POOL 3 ST AGCY INT

Duration Distribution



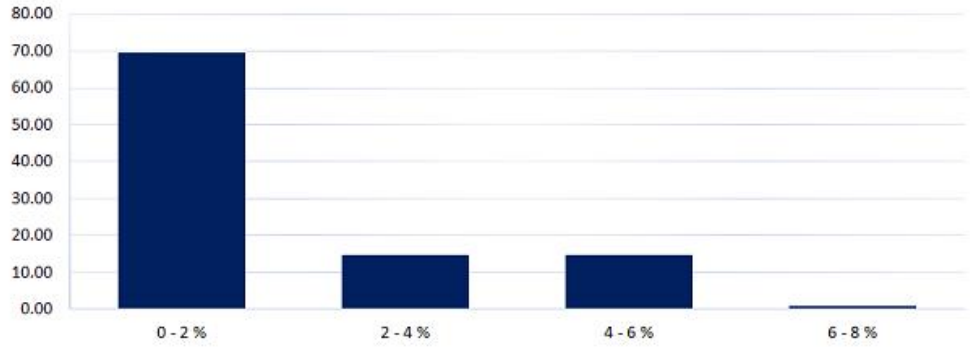
Expected Maturity Distribution



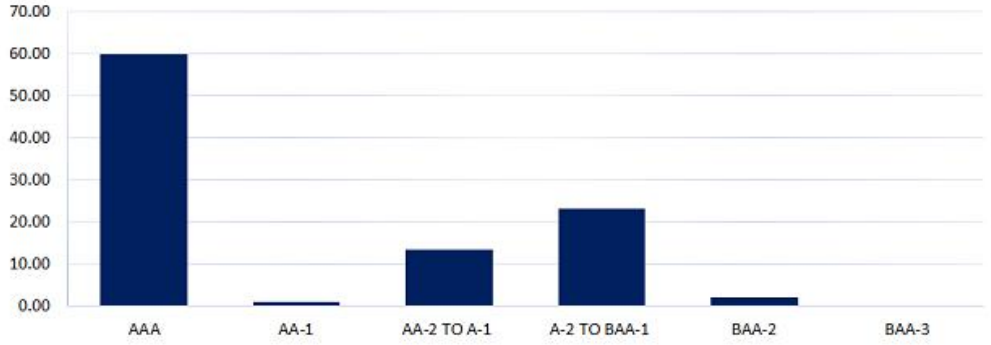
Portfolio Level Characteristics

	POOL 3 ST AGCY INT.
Effective Maturity	0.88
Coupon	3.51
Effective Duration	0.76
Quality Rating (Moody's)	AA-2

Coupon Distribution



Rating Distribution



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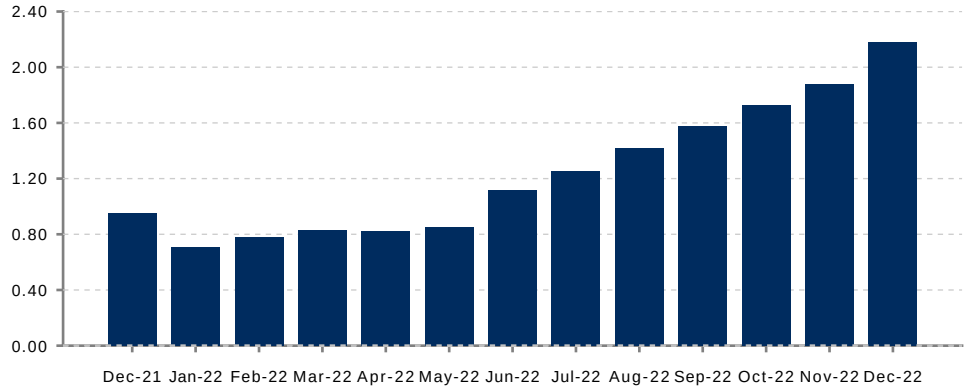
POOL 3 ST AGCY EXT.

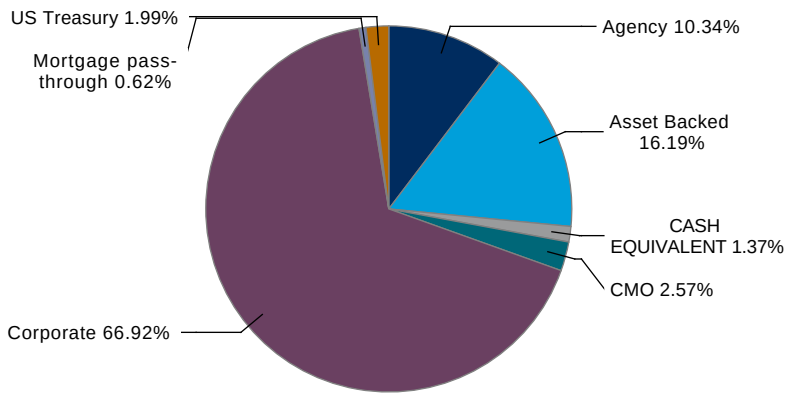
Net Yield



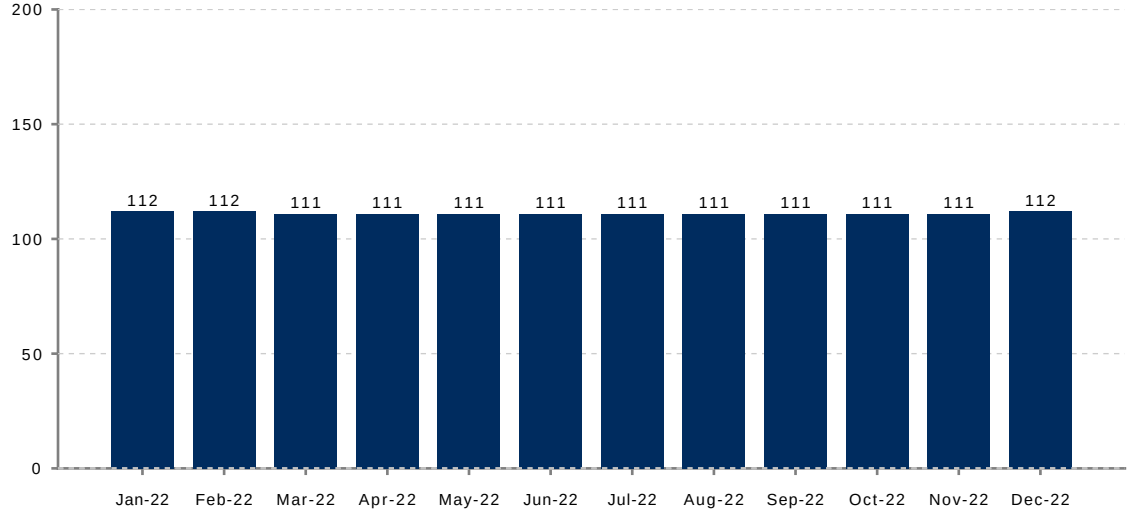
	Current Mth	Prior Mth	1 Year Ago
POOL 3 ST AGCY EXT.	2.18	1.88	0.95

Asset Allocation

	Ending Market Value
POOL 3 ST AGCY EXT.	111,769,639



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 3 ST AGCY EXT.		
PUBLIC STORAGE	1,732,917	1.55
KIMBERLY CLARK CORP	1,562,382	1.40
ILA FINANCIAL SQUARE GOVT	1,539,306	1.38
COLGATE PALMOLIVE CO	1,368,217	1.22
CINTAS CORPORATION NO. 2	1,295,508	1.16
CITIZENS BANK NA/RI	1,227,680	1.10
ADOBE INC	1,225,685	1.10
SALESFORCE INC	1,214,496	1.09
GM FINANCIAL SECURITIZED TERM	1,203,859	1.08
AMERICAN EXPRESS CO	1,195,976	1.07

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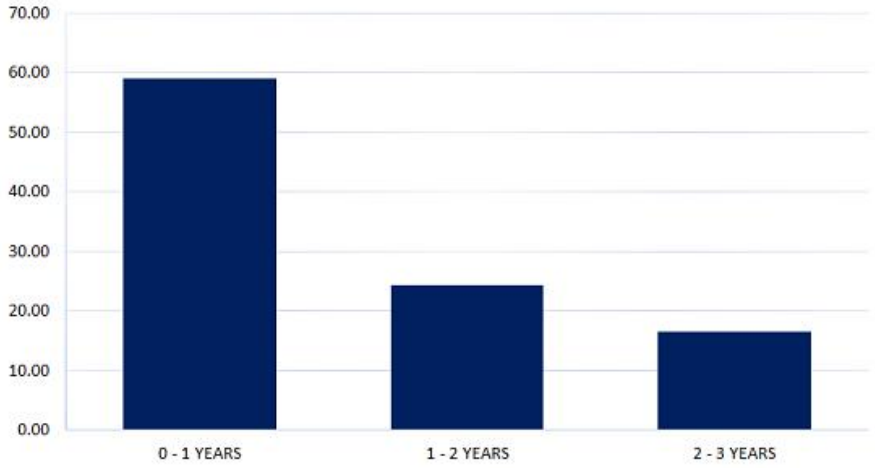
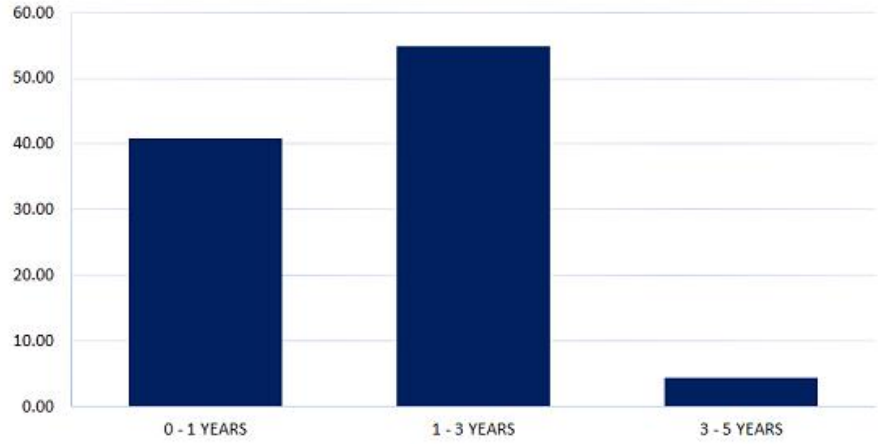
POOL 3 ST AGCY EXT

Duration Distribution



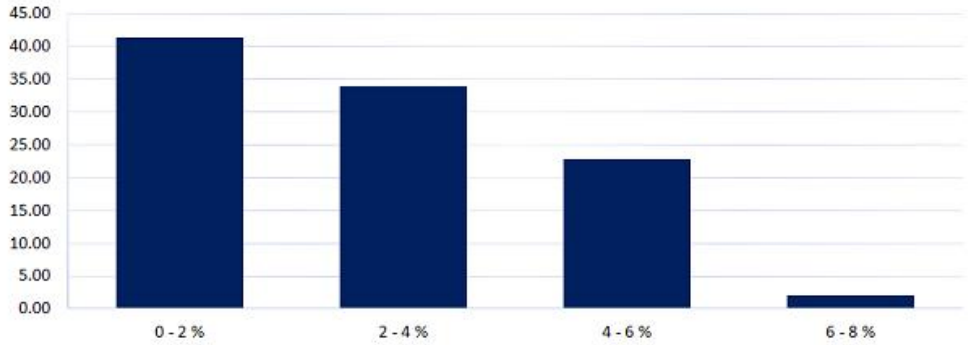
Expected Maturity Distribution



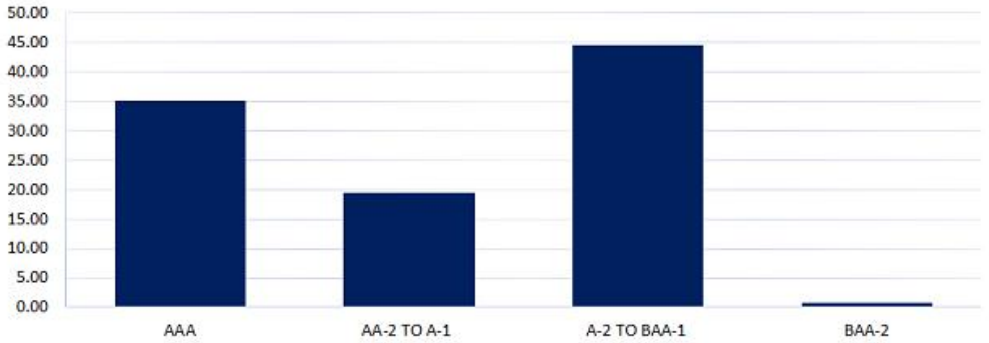
Portfolio Level Characteristics

	POOL 3 ST AGCY EXT.
Effective Maturity	1.32
Coupon	2.71
Effective Duration	0.97
Quality Rating (Moody's)	AA-3

Coupon Distribution



Rating Distribution



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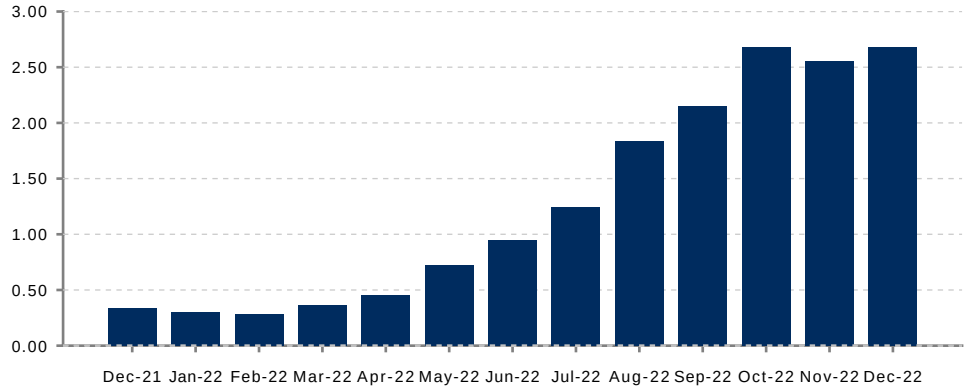
POOL 4 ST AGCY GOV.

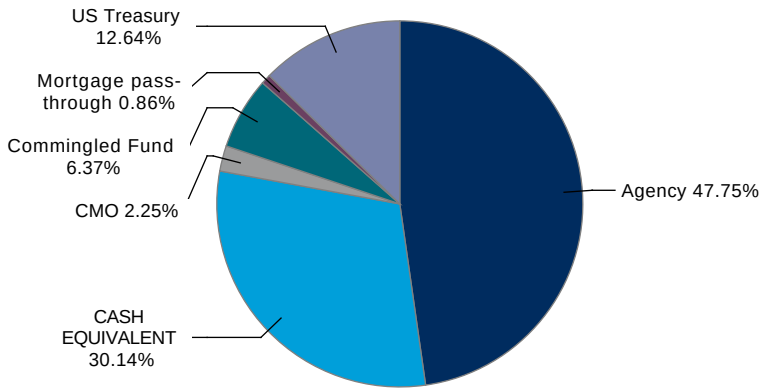
Net Yield



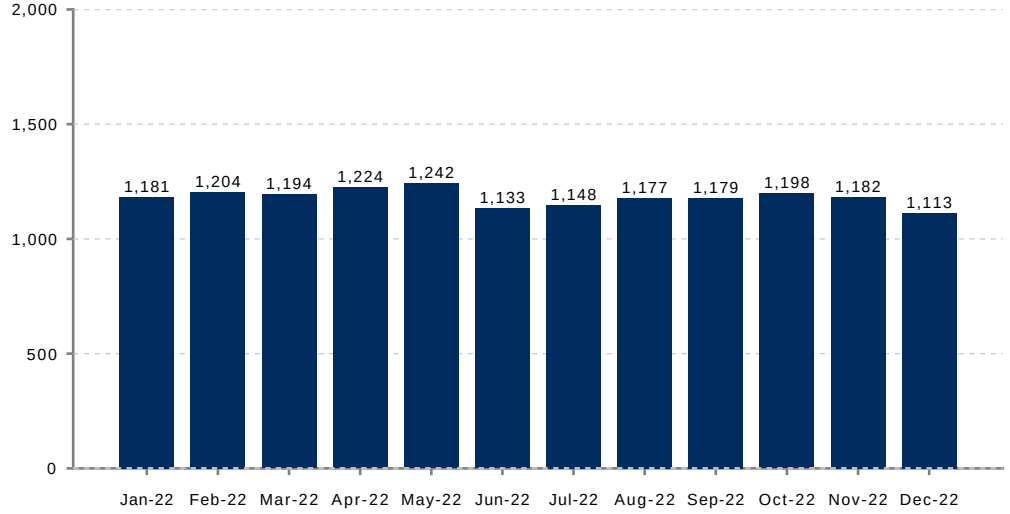
	Current Mth	Prior Mth	1 Year Ago
POOL 4 ST AGCY GOV.	2.68	2.55	0.34

Asset Allocation

	Ending Market Value
POOL 4 ST AGCY GOV.	1,112,632,822



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 4 ST AGCY GOV.		
SOUTH STREET REPO	171,110,918	15.38
JPMORGAN US GOVERNMENT MONEY M	71,013,393	6.38
GOLDMAN SACHS FINANCIAL SQUARE	50,758,059	4.56
US TREASURY N/B	48,814,775	4.39
US TREASURY N/B	34,245,433	3.08
CANTOR FITZGERALD REPO	30,141,792	2.71
CANTOR FITZGERALD REPO	25,191,840	2.26
FEDERAL HOME LOAN BANK	24,894,593	2.24
FEDERAL HOME LOAN BANK	24,835,437	2.23
US TREASURY N/B	24,765,328	2.23

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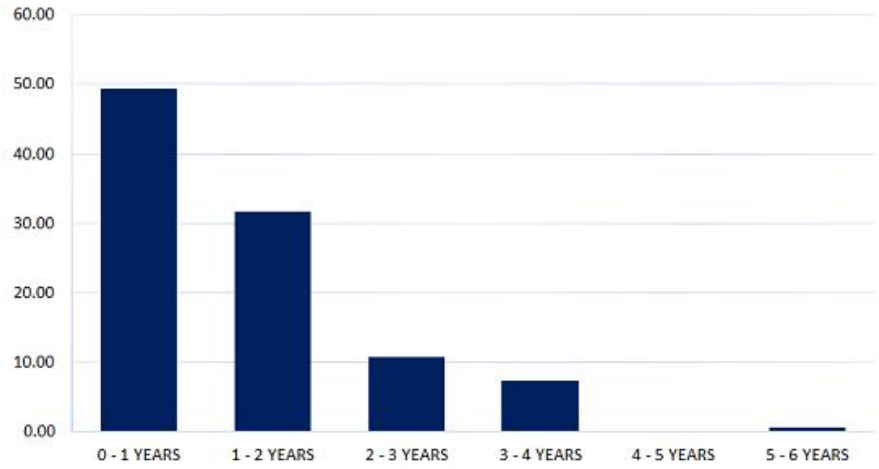
POOL 4 ST AGCY GOV

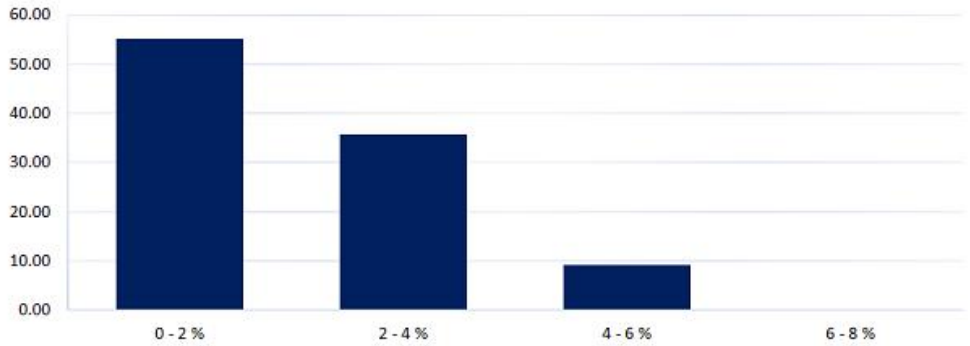
Duration Distribution



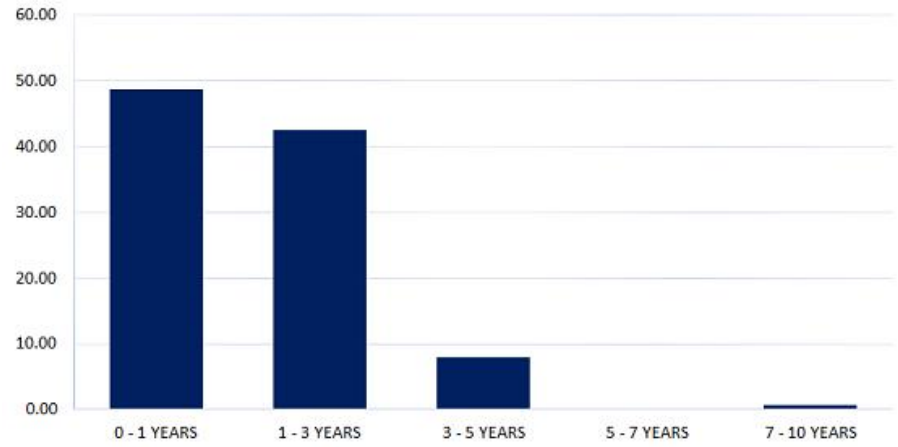
Portfolio Level Characteristics

	POOL 4 ST AGCY GOV.
Effective Maturity	1.19
Coupon	2.37
Effective Duration	1.13
Quality Rating (Moody's)	AAA

Coupon Distribution



Expected Maturity Distribution



Rating Distribution

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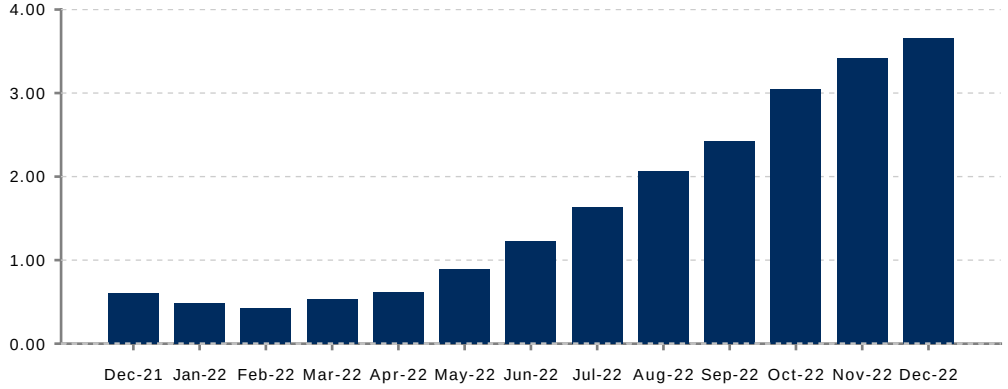
POOL 10 ST OPER INT MED

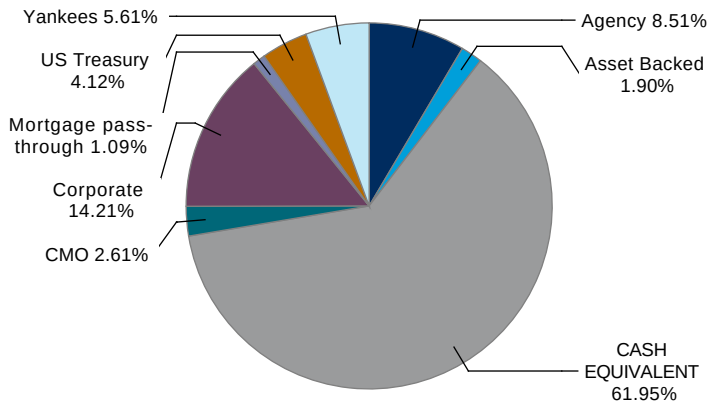
Net Yield



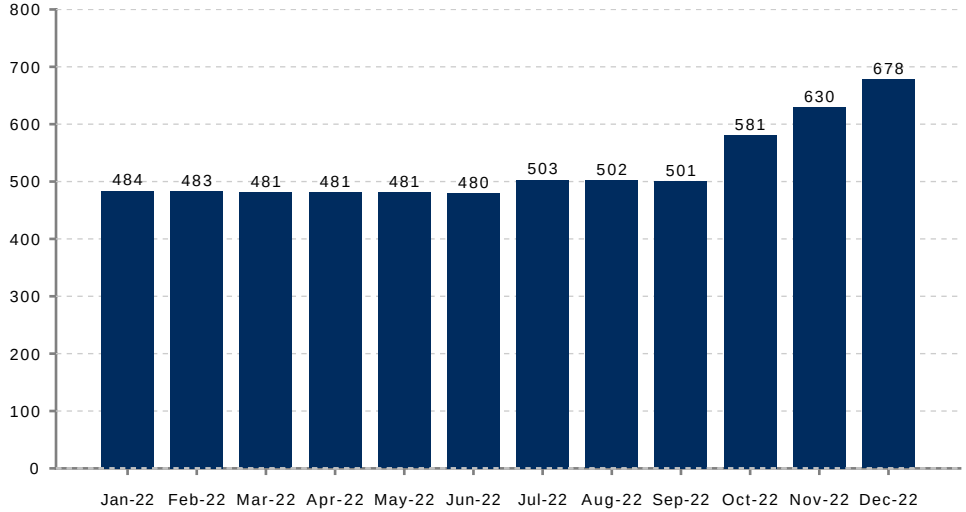
	Current Mth	Prior Mth	1 Year Ago
ST OF AZ POOL 10 ST OPER INT MED	3.66	3.42	0.61

Asset Allocation

	Ending Market Value
POOL 10 ST OPER INT MED	677,701,854



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 10 ST OPER INT MED		
SOUTH STREET REPO	64,070,957	9.45
TREASURY BILL	22,382,787	3.30
CANTOR FITZGERALD REPO	10,076,736	1.49
BERKSHIRE HATHAWAY ENE	9,987,500	1.47
FREDDIE MAC	9,812,931	1.45
WALMART INC	7,951,009	1.17
US TREASURY N/B	6,737,843	0.99
TORONTO DOMINION BANK	5,980,848	0.88
VICTORY RECEIVABLES	5,978,850	0.88
THUNDER BAY FNDNG LLC	5,651,961	0.83

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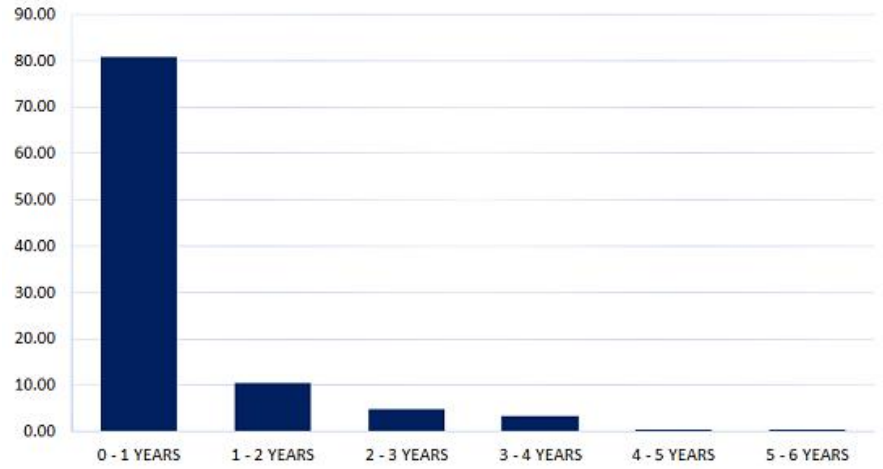
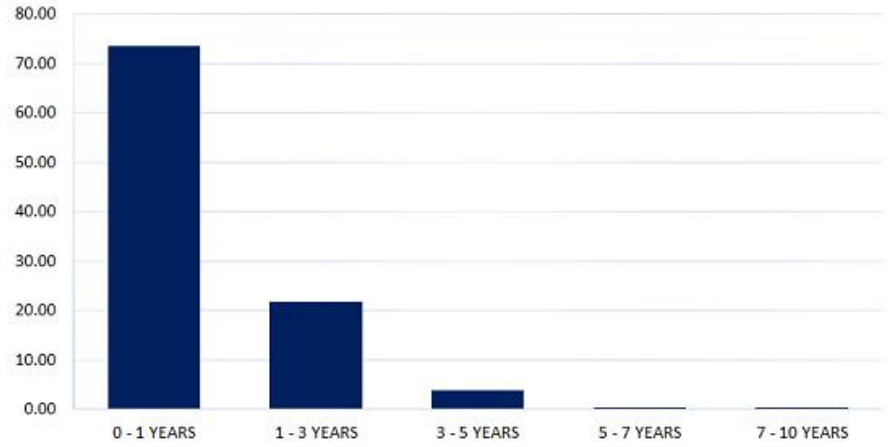
POOL 10 ST OPER INT MED

Duration Distribution



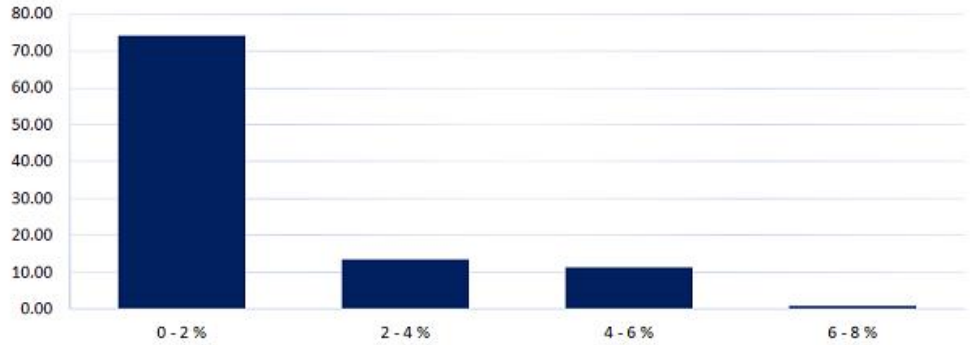
Expected Maturity Distribution



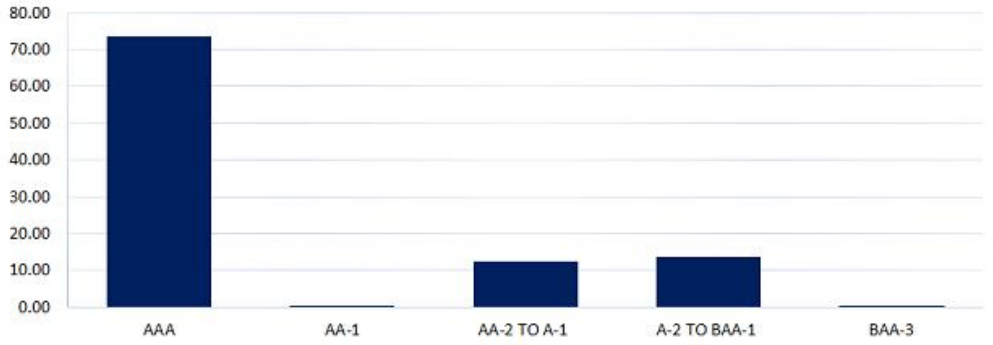
Portfolio Level Characteristics

	POOL 10 ST OPER INT MED
Effective Maturity	0.78
Coupon	3.41
Effective Duration	0.62
Quality Rating (Moody's)	AA-1

Coupon Distribution



Rating Distribution



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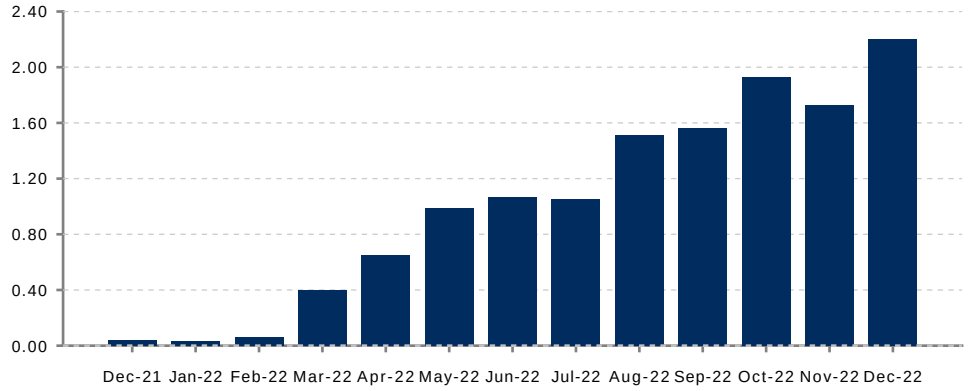
POOL 10 ST MED NONAMT

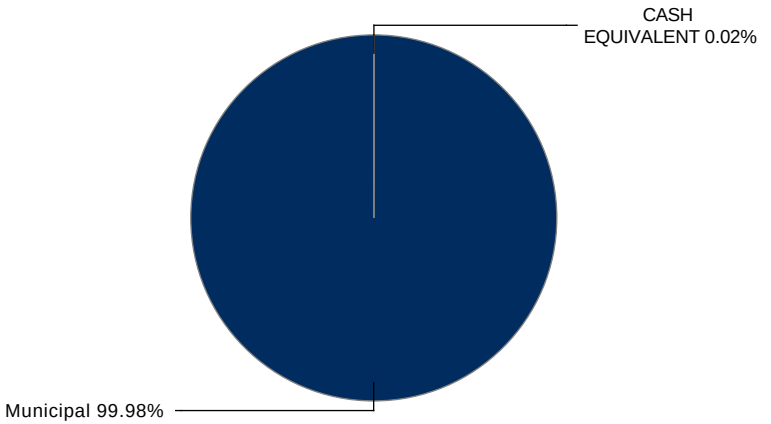
Net Yield



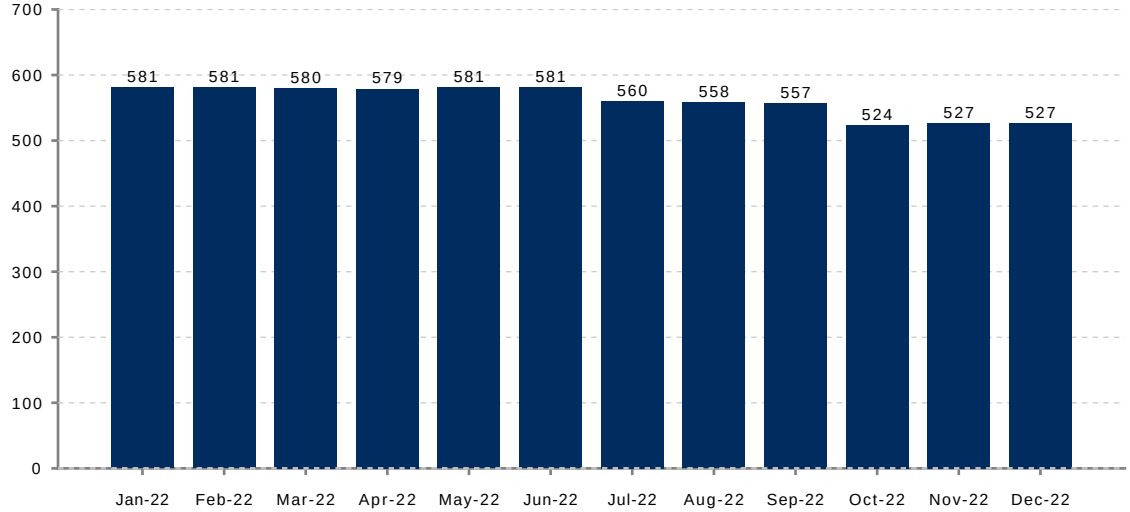
	Current Mth	Prior Mth	1 Year Ago
POOL 10 ST MED NONAMT	2.20	1.73	0.04

Asset Allocation

	Ending Market Value
POOL 10 ST MED NONAMT	527,478,990



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 10 ST MED NONAMT		
PORT TACOMA WA REVEN	25,307,163	4.80
LOUDOUN CNTY VA INDL	24,535,832	4.65
BALTIMORE CNTY MD	23,144,249	4.39
GEORGIA ST	20,964,076	3.97
DENVER CITY CNTY CO	20,657,641	3.92
DELAWARE VLY PA REGL	20,051,775	3.80
INDIANA ST FIN AUTH HOS	20,043,945	3.80
SAINT PAUL MN HSG RED	18,630,470	3.53
WISCONSIN ST HLTH ED	17,493,912	3.32
ORANGE CNTY FL HLTH F	17,162,342	3.25

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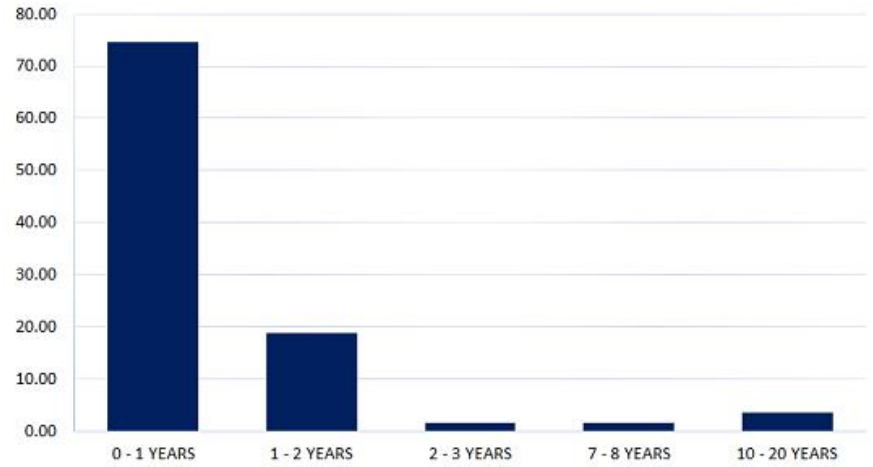
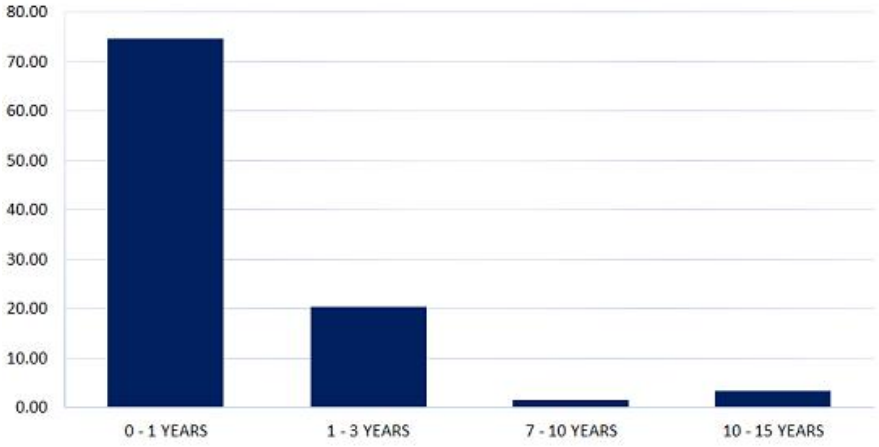
POOL 10 ST MED NONAMT

Duration Distribution



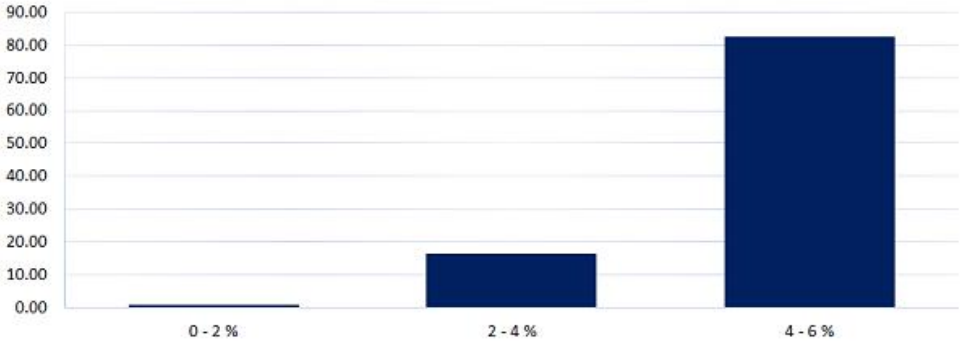
Expected Maturity Distribution



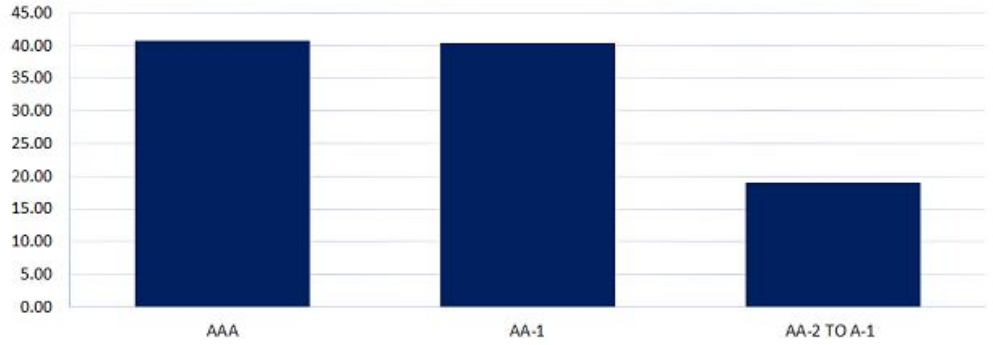
Portfolio Level Characteristics

	POOL 10 ST MED NONAMT
Effective Maturity	1.02
Coupon	4.75
Effective Duration	0.97
Quality Rating (Moody's)	AA-1

Coupon Distribution



Rating Distribution



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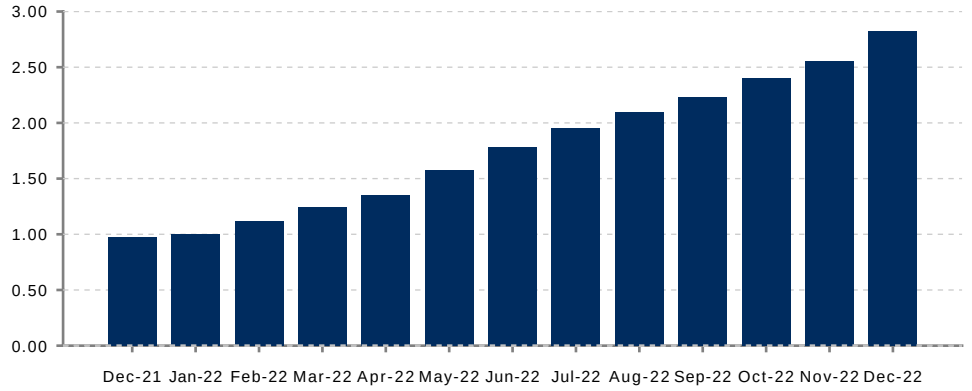
POOL 12 CAWCD MED TRM

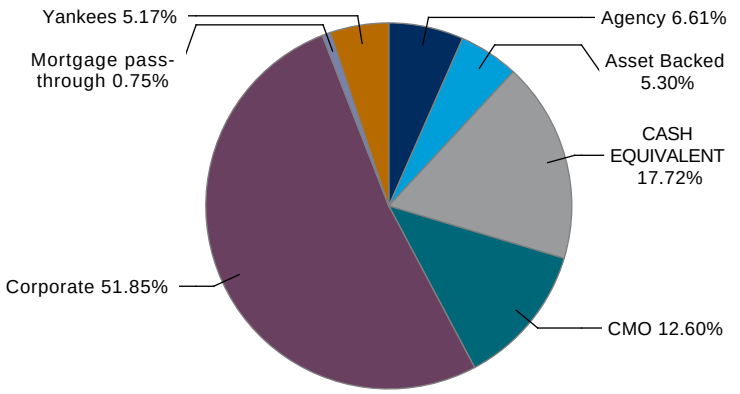
Net Yield



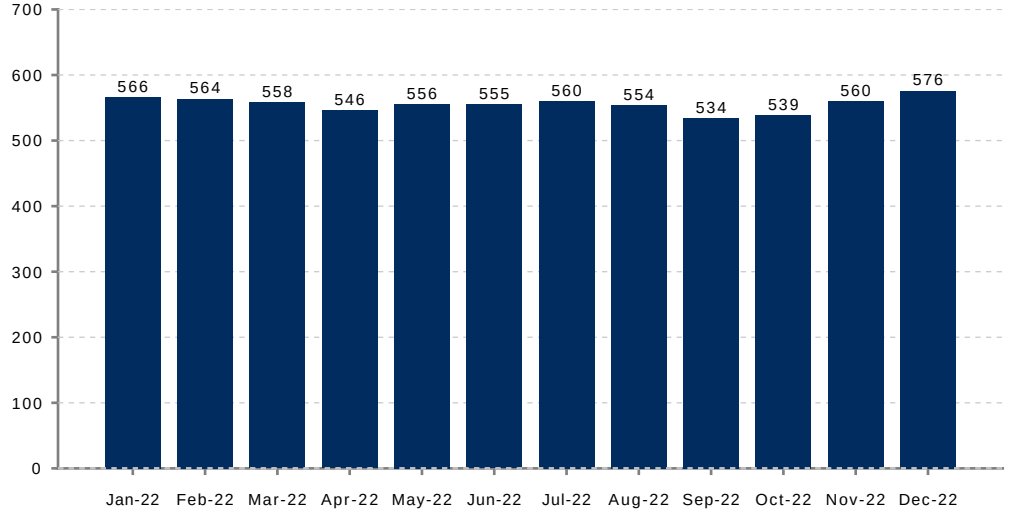
	Current Mth	Prior Mth	1 Year Ago
POOL 12 CAWCD MED TRM	2.82	2.55	0.97

Asset Allocation

	Ending Market Value
POOL 12 CAWCD MED TRM	576,214,952



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 12 CAWCD MED TRM		
SOUTH STREET REPO	17,504,171	3.04
ANGLESEA FDG PLC and ANG	9,997,606	1.74
HALKIN FINANCE LLC USC	9,997,594	1.74
HARLEY-DAVIDSON FND CP	9,997,278	1.73
AUTOZONE INC.	9,993,819	1.73
MORGAN STANLEY	9,836,050	1.71
NVIDIA CORP	9,802,258	1.70
BANK OF AMERICA CORP	9,587,690	1.66
PHILLIPS 66	8,035,076	1.39
INTERCONTINENTALEXCHANGE	6,799,328	1.18

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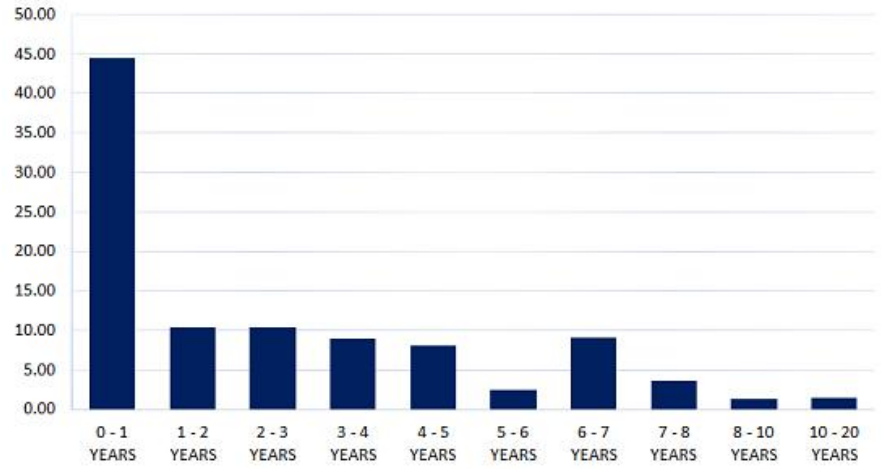
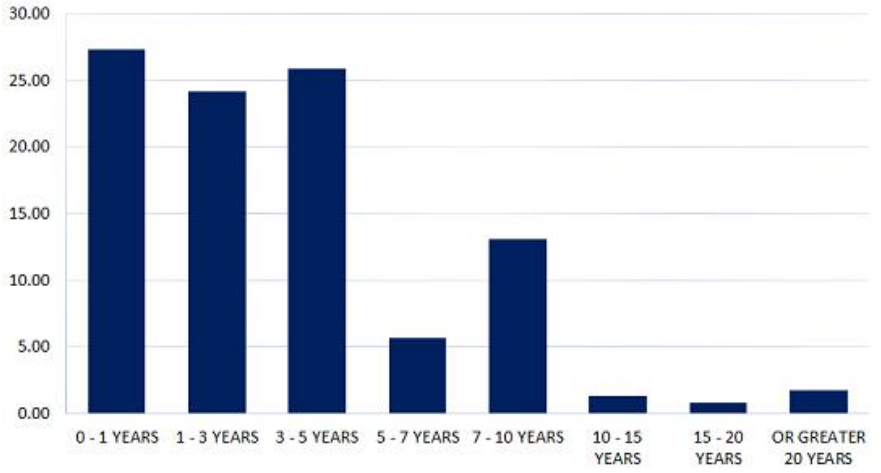
POOL 12 CAWCD MED TRM

Duration Distribution



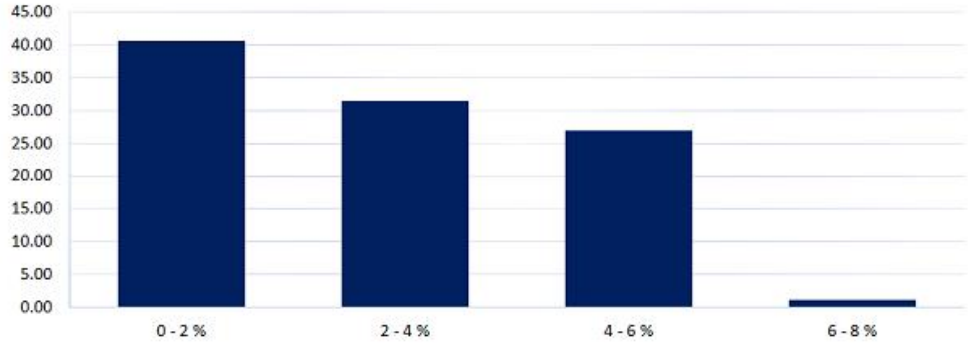
Expected Maturity Distribution



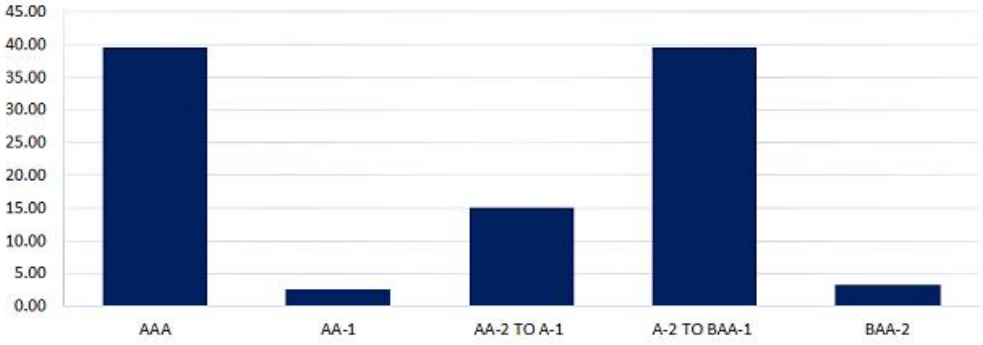
Portfolio Level Characteristics

	POOL 12 CAWCD MED TRM
Effective Maturity	3.70
Coupon	3.18
Effective Duration	2.42
Quality Rating (Moody's)	AA-3

Coupon Distribution



Rating Distribution



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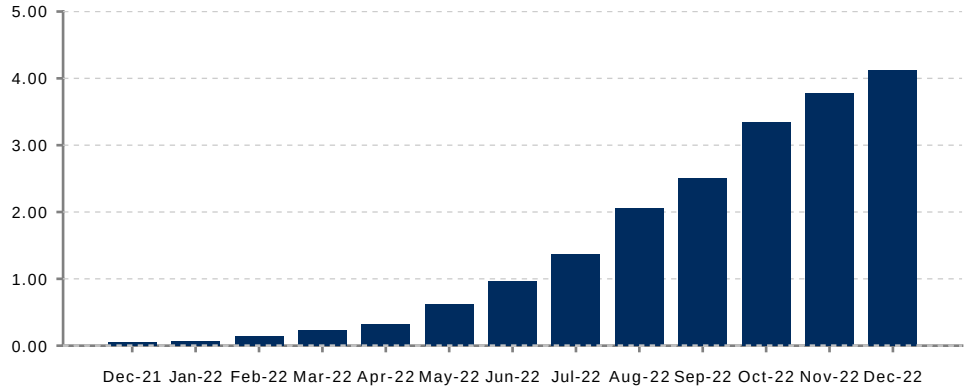
POOL 15 ST OPER LIQUID

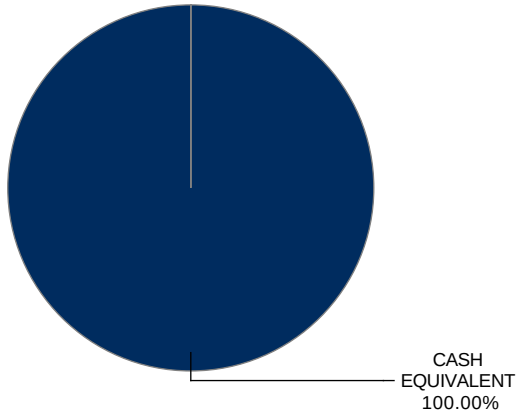
Net Yield



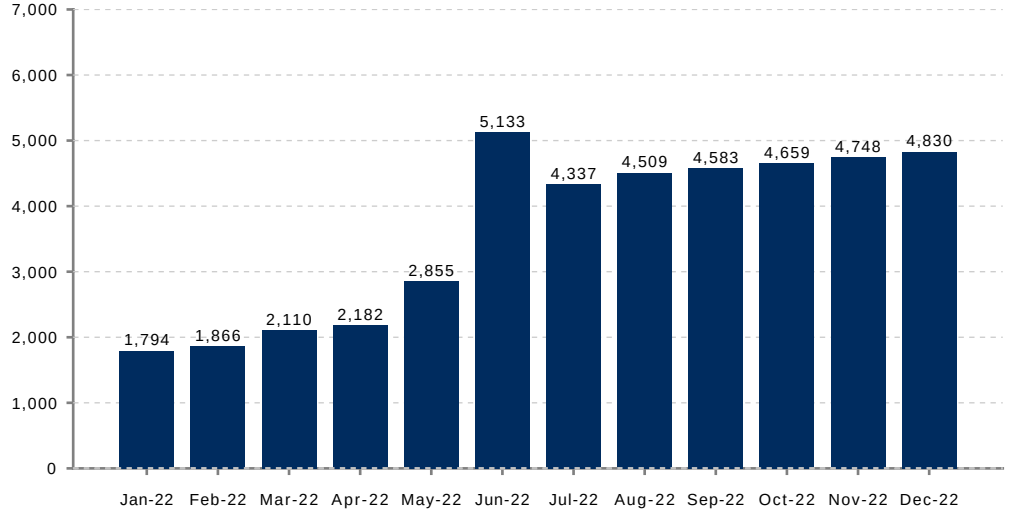
	Current Mth	Prior Mth	1 Year Ago
ST of AZ POOL 15 ST OPER LIQUIDITY	4.12	3.78	0.05

Asset Allocation

	Ending Market Value
POOL 15 ST OPER LIQUID	4,829,542,866



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 15 ST OPER LIQUID		
CANTOR FITZGERALD REPO	700,166,056	14.50
AMHERST PIERPONT	700,164,111	14.50
SOUTH STREET REPO	611,145,622	12.65
GOLDMAN SACHS FINANCIAL SQUARE	352,347,632	7.30
JPMORGAN US GOVERNMENT MONEY M	157,376,299	3.26
MSILF GOVERNMENT PORTFOLIO	106,451,304	2.20
BMO TRIPARTY MTGE	75,456,042	1.56
AMHERST PIERPONT	70,149,450	1.45
AMHERST PIERPONT	50,065,694	1.04
TREASURY BILL	48,873,592	1.01

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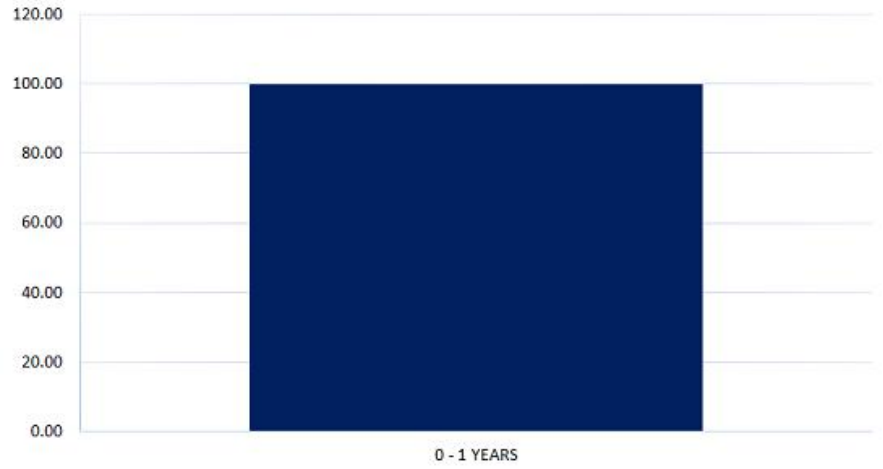
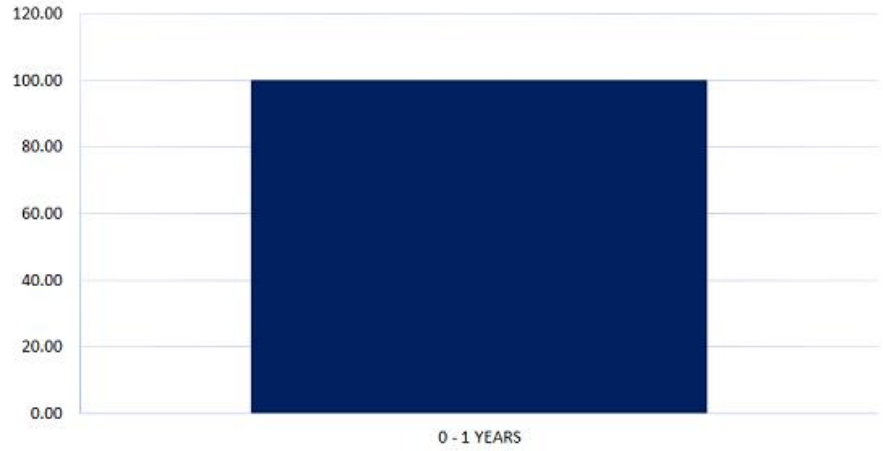
POOL 15 ST OPER LIQUID

Duration Distribution



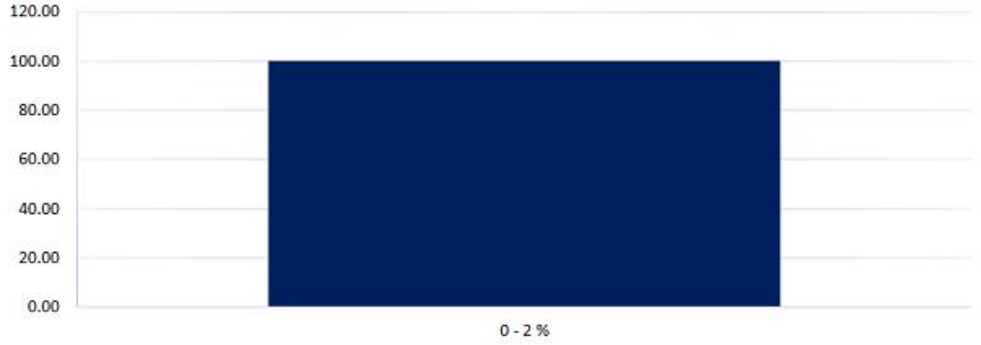
Expected Maturity Distribution



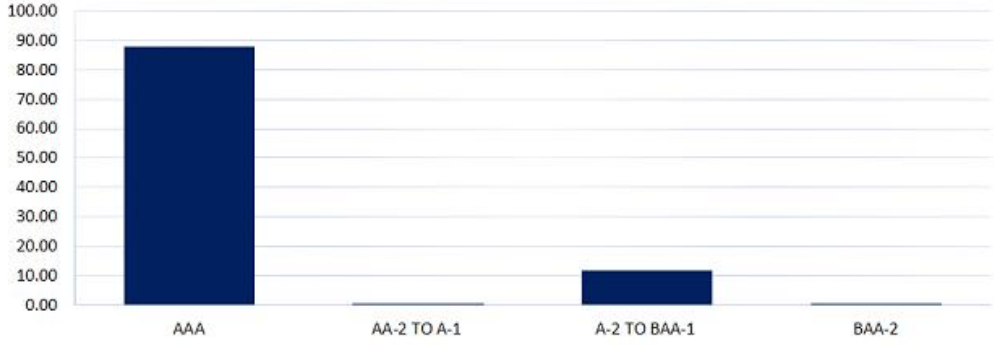
Portfolio Level Characteristics

	POOL 15 ST OPER LIQUID
Effective Maturity	0.08
Coupon	4.34
Effective Duration	0.08
Quality Rating (Moody's)	AA-1

Coupon Distribution



Rating Distribution



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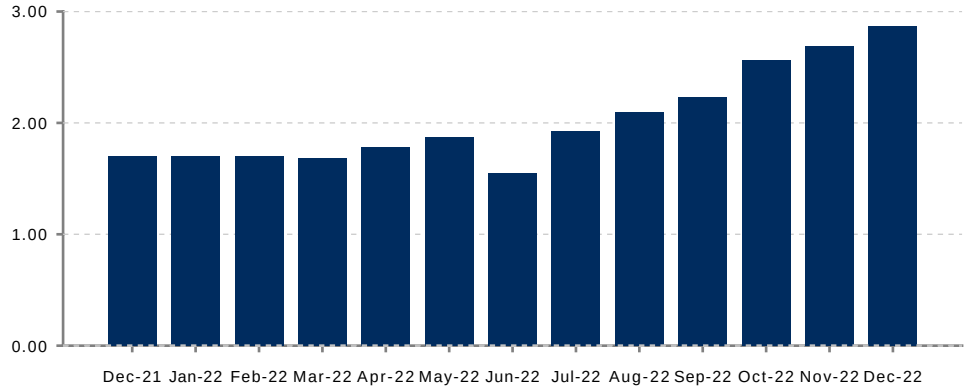
POOL 16 ECDHB

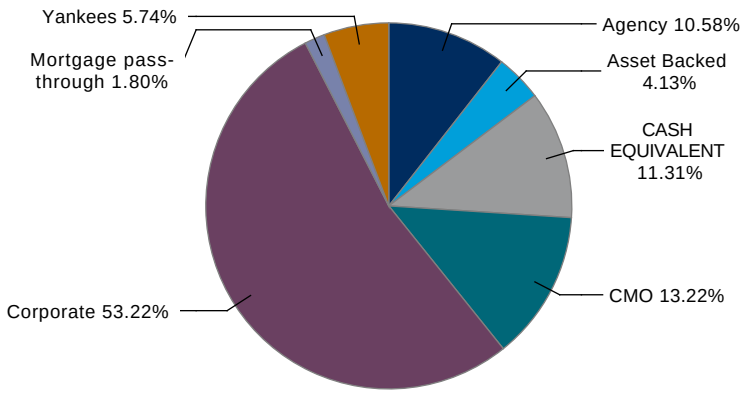
Net Yield



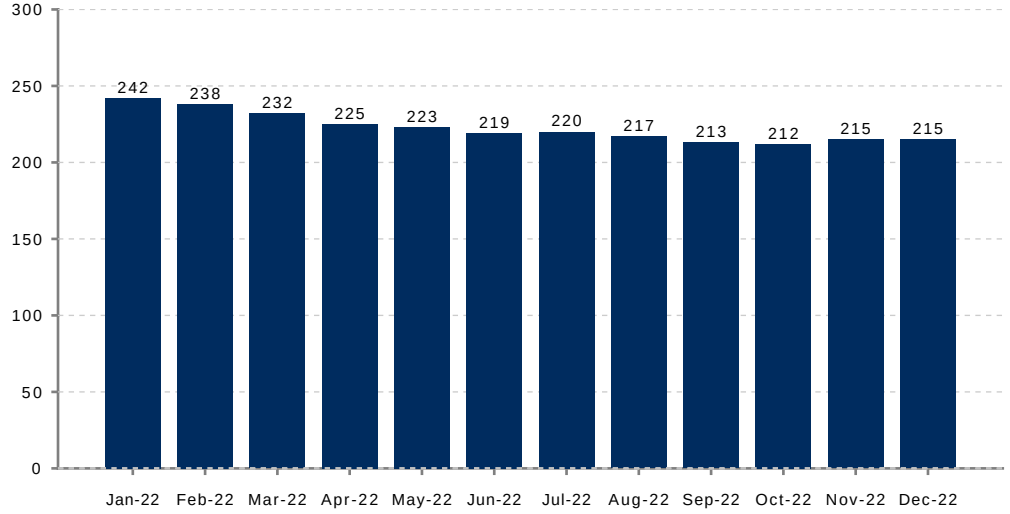
	Current Mth	Prior Mth	1 Year Ago
POOL 16 ECDHB	2.87	2.69	1.70

Asset Allocation

	Ending Market Value
POOL 16 ECDHB	215,483,375



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 16 ECDHB		
GOVERNMENT NATIONAL MORTGAGE A	5,123,063	2.38
US TREASURY N/B	5,063,588	2.35
BANK OF NY MELLON CORP	5,009,545	2.32
ANGLESEA FDG PLC and ANG	4,998,803	2.32
HARLEY-DAVIDSON FND CP	4,998,639	2.32
BANK OF MONTREAL	4,997,006	2.32
CITIGROUP GLOBAL MKTS INC S	4,970,886	2.31
BERKSHIRE HATHAWAY ENERG	4,970,237	2.31
HALKIN FINANCE LLC USC	4,965,050	2.30
GOLDMAN SACHS GROUP INC	4,962,767	2.30

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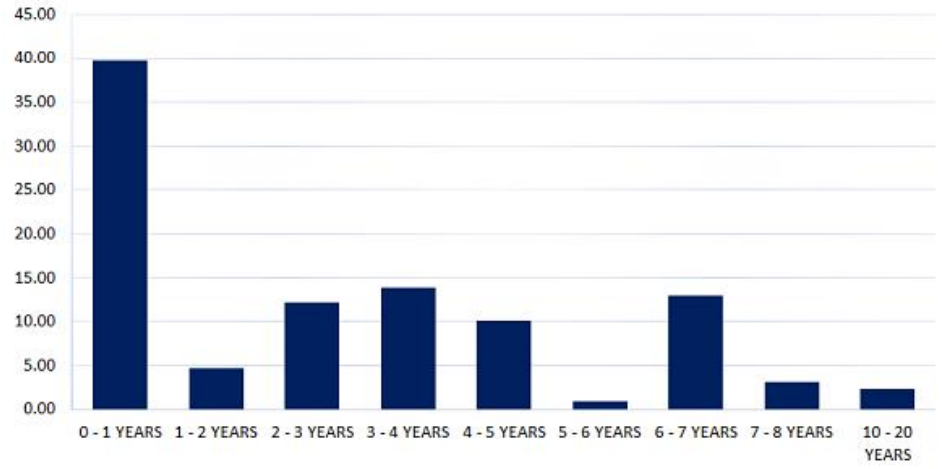
POOL 16 ECDHB

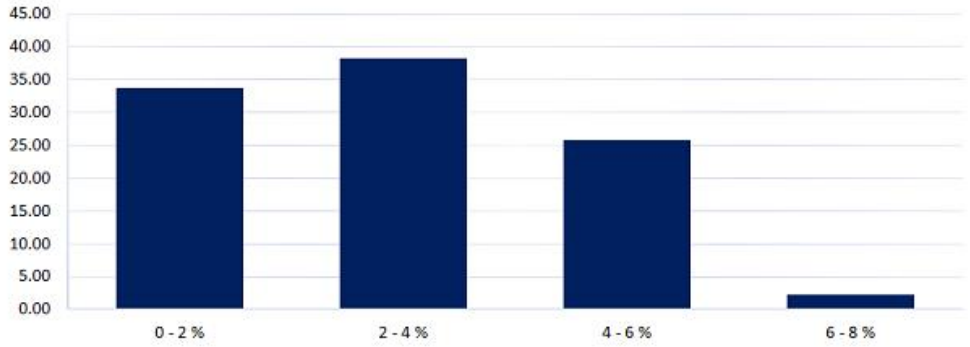
Duration Distribution



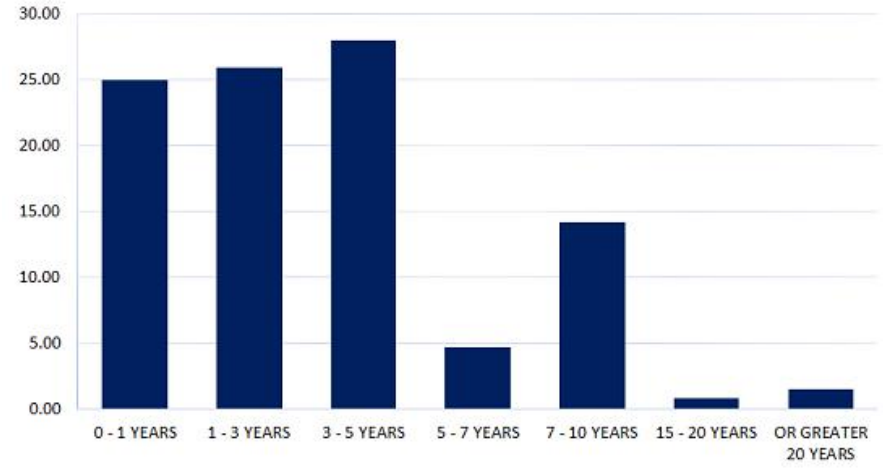
Portfolio Level Characteristics

	POOL 16 ECDHB
Effective Maturity	3.67
Coupon	3.25
Effective Duration	2.86
Quality Rating (Moody's)	AA-3

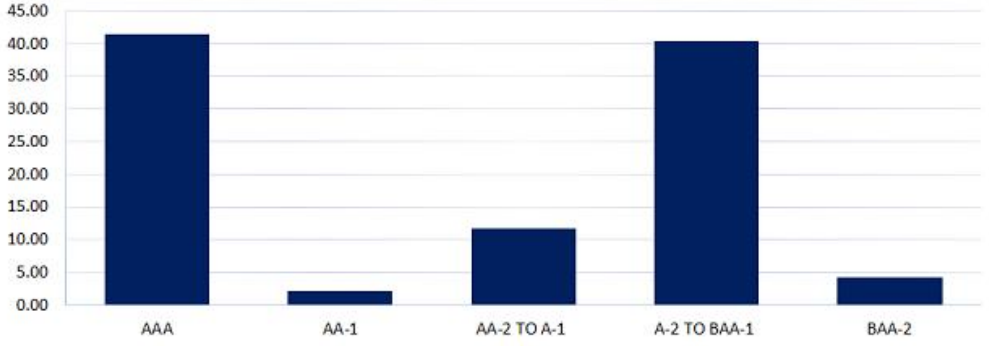
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



LGIP & LGIP- GOV
PORTFOLIO YIELD ANALYSIS
DECEMBER 2022

NET EARNINGS

FUND	DESCRIPTION	Current Month 12/31/22	Prior Month 11/30/22	Prior Year 12/31/22	Net Asset Value Per Share
5	LGIP	$9,392,024	$8,132,739	$148,385	1.000000
7	LGIP - GOV (1)	8,231,781	6,664,892	31,384	1.000000
	TOTAL LGIP & LGIP-GOV	$17,623,805	$14,797,631	$179,769	

YIELDS

	MONTHLY	Current Month 12/31/22	Prior Month 11/30/22	Prior Year 12/31/22
5	LGIP (NET)	4.20%	3.72%	0.08%
	S&P LGIP Index	3.71%	2.98%	0.04%
7	LGIP - GOV (NET) (1)	3.97%	3.63%	0.02%
	Trailing 3-mo T-bill	3.82%	2.87%	0.04%
	FISCAL YEAR TO DATE			
5	LGIP (NET)	2.91%	2.65%	0.06%
	S&P LGIP Index	2.39%	2.13%	0.04%
7	LGIP - GOV (NET) (1)	2.70%	2.44%	0.01%
	Trailing 3-mo T-bill	2.67%	2.44%	0.04%

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

LGIP & LGIP- GOV MEDIUM TERM POOLS
PORTFOLIO YIELD ANALYSIS
DECEMBER 2022

NET EARNINGS

FUND	DESCRIPTION	Current Month 12/31/22	Prior Month 11/30/22	Prior Year 12/31/22	Net Asset Value Per Share
500	LGIP - MED TERM POOL	$1,524,612	$1,381,629	$424,237	0.998036
700	LGIP - FF&C MED TERM POOL	589,200	519,575	64,859	0.982773
	TOTAL LGIP MEDIUM TERM POOLS	$2,113,811	$1,901,204	$489,096	

YIELDS

	MONTHLY	Current Month 12/31/22	Prior Month 11/30/22	Prior Year 12/31/22
500	LGIP - MED TERM (NET)	2.79%	2.63%	0.74%
	20% S&P LGIP Index /	4.42%	4.46%	0.66%
	80% Bloomberg Barclays 1-3 year US Agg			
700	LGIP - FF&C MED TERM (NET)	2.30%	2.11%	0.24%
	20% Trailing 3-mo T-bill /	4.25%	4.23%	0.56%
	80% Barclay 1-3 year UST			
	FISCAL YEAR TO DATE			
500	LGIP - MED TERM (NET)	2.21%	2.10%	0.80%
	20% S&P LGIP Index /	3.83%	3.72%	0.41%
	80% Bloomberg Barclays 1-3 year US Agg			
700	LGIP - FF&C MED TERM (NET)	1.58%	1.43%	0.26%
	20% Trailing 3-mo T-bill /	3.69%	3.58%	0.32%
	80% Bloomberg Barclays 1-3 year UST			

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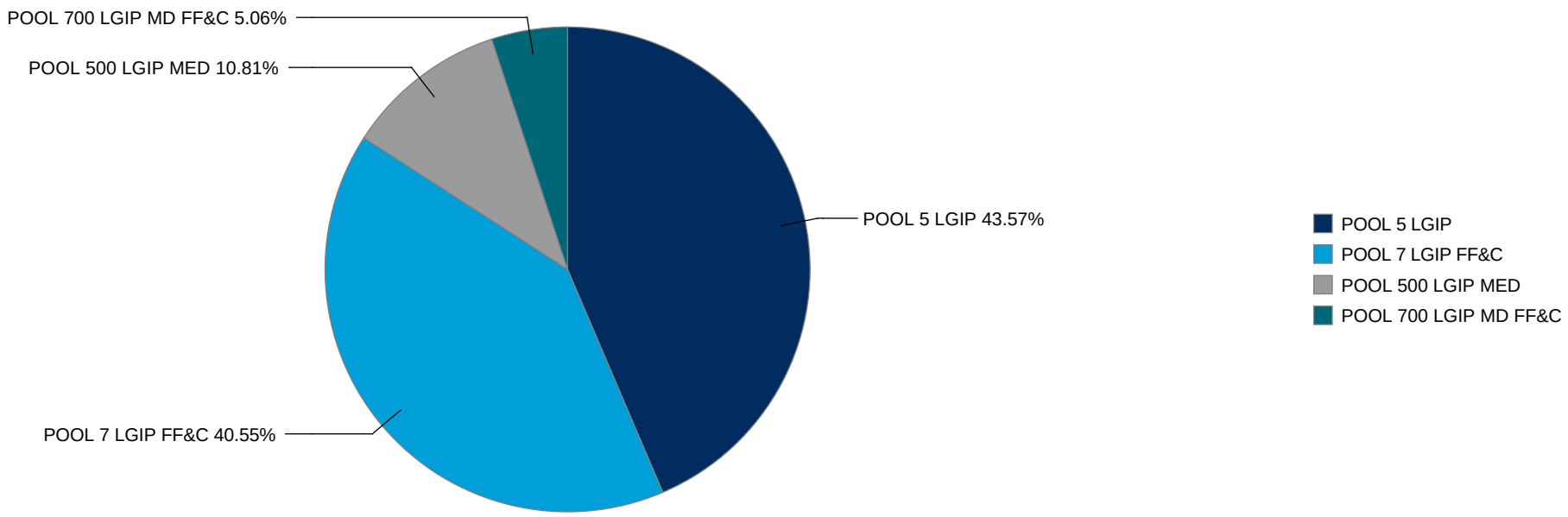
LGIP

Manager Allocation



	Market Value	% of Portfolio
POOL 5 LGIP	2,593,544,608	43.6
POOL 7 LGIP FF&C	2,413,632,099	40.5
POOL 500 LGIP MED	643,729,002	10.8
POOL 700 LGIP MD FF&C	301,472,838	5.1
TOTAL LGIP	5,952,378,547	100.0

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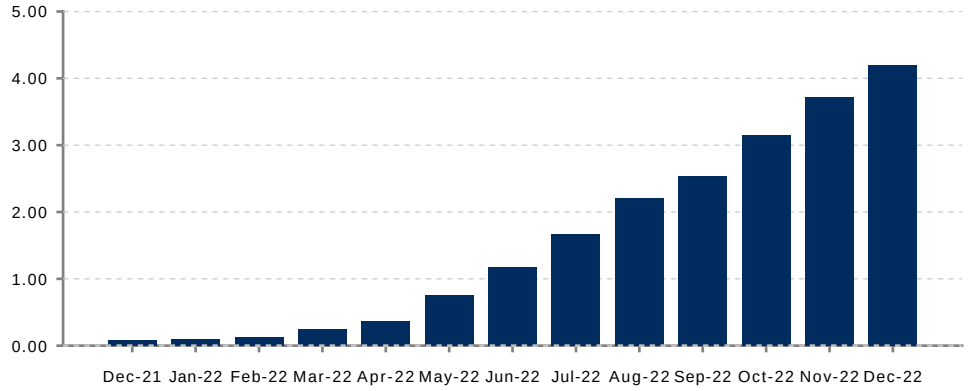
POOL 5 LGIP

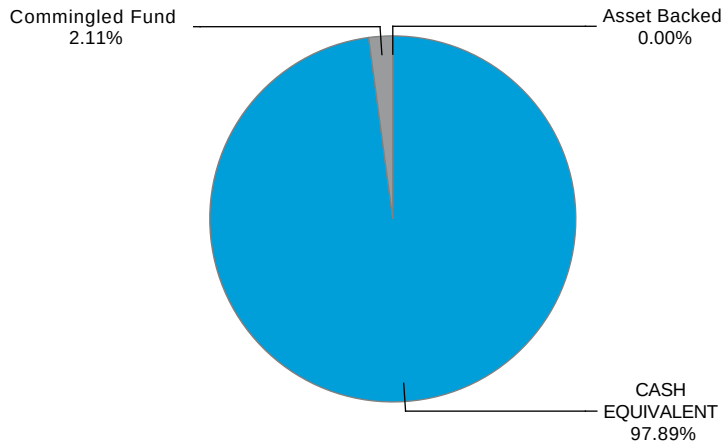
Net Yield



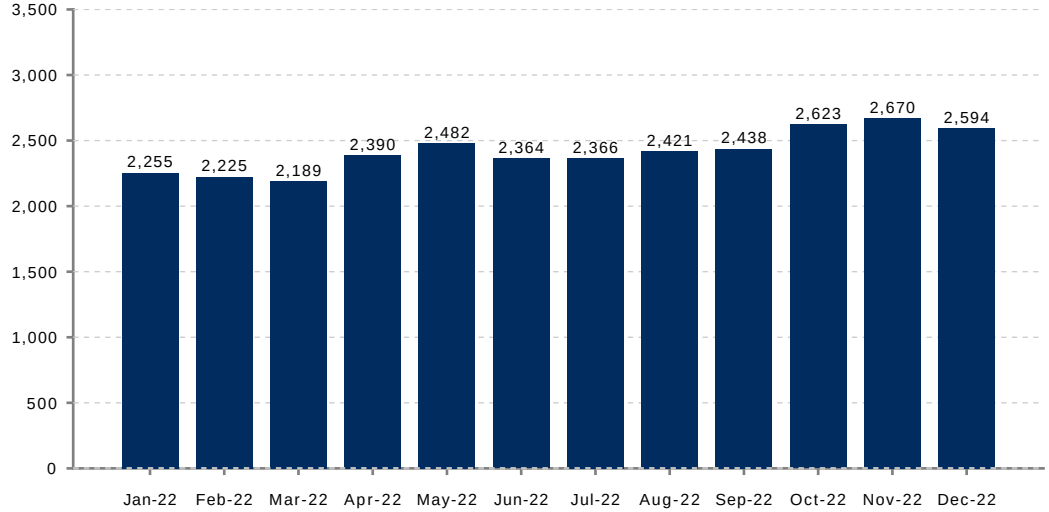
	Current Mth	Prior Mth	1 Year Ago
POOL 5 LGIP	4.20	3.72	0.08

Asset Allocation

	Ending Market Value
POOL 5 LGIP	2,593,544,608



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 5 LGIP		
BANK OF AMERICA REPO	150,088,333	5.79
TD SECURITIES	150,035,167	5.78
MITSUBISHI UFJ REPO	64,985,566	2.51
GOLDMAN SACHS FINANCIAL SQUARE	55,012,477	2.12
NOVARTIS FNC CRP	39,976,167	1.54
BERKSHIRE HATHAWAY ENE	29,962,500	1.16
ROCHE HOLDING INC	29,885,867	1.15
TREASURY BILL	29,770,157	1.15
HERSHEY FOODS CORP	25,475,917	0.98
TRUIST BANK	25,033,840	0.97

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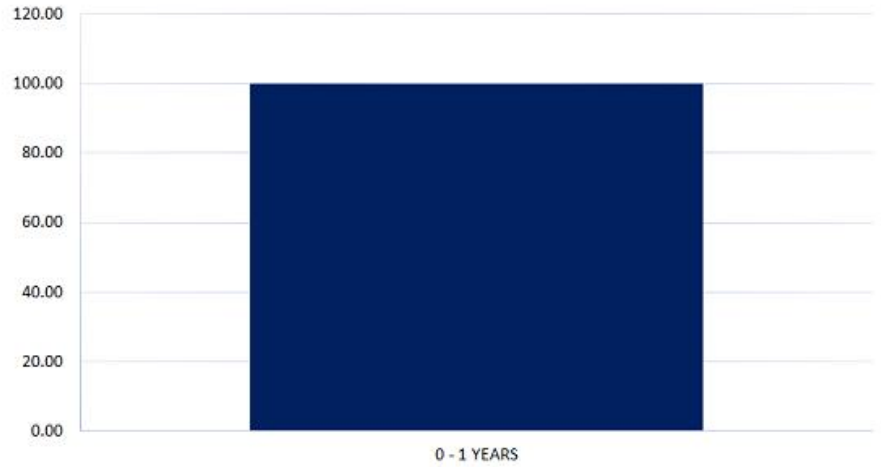
December 31, 2022

POOL 5 LGIP

Duration Distribution

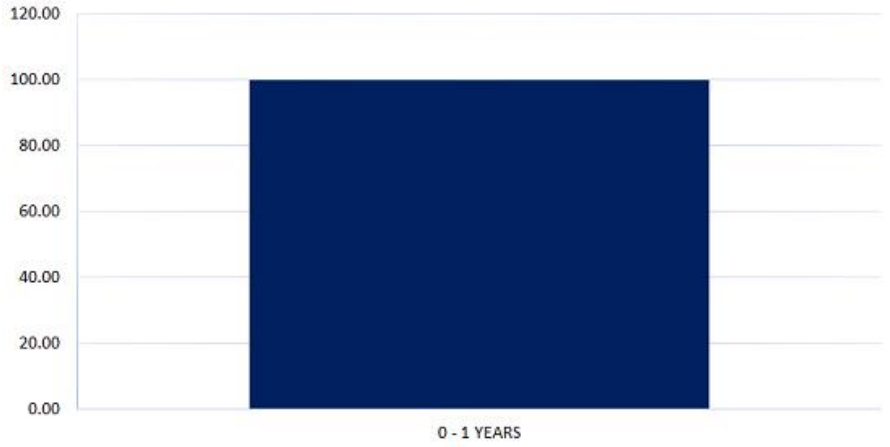


Portfolio Level Characteristics

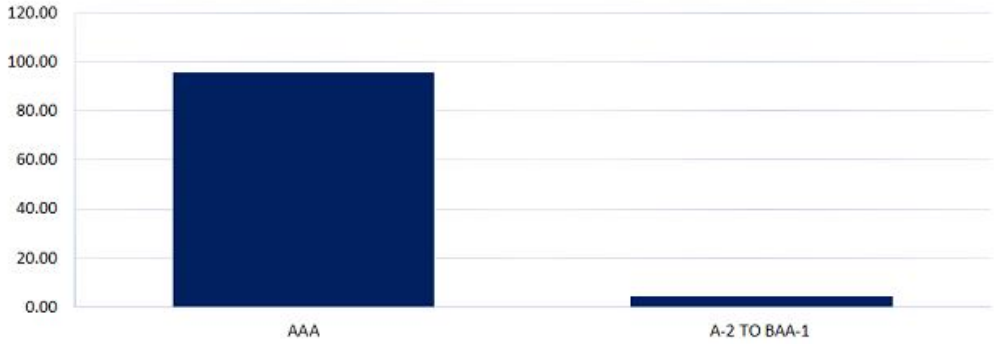
	POOL 5 LGIP
Effective Maturity	0.12
Coupon	3.95
Effective Duration	0.13
Quality Rating (S&P)	AAAf/S1+

Coupon Distribution

Expected Maturity Distribution



Rating Distribution

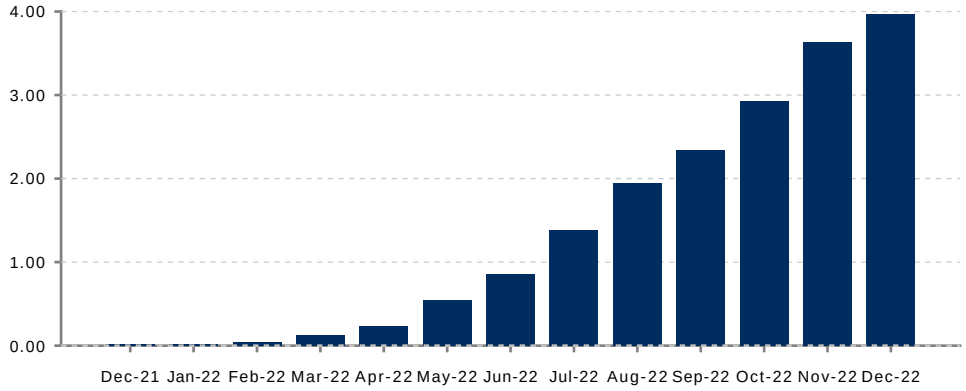


OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2022

POOL 7 LGIP FF&C

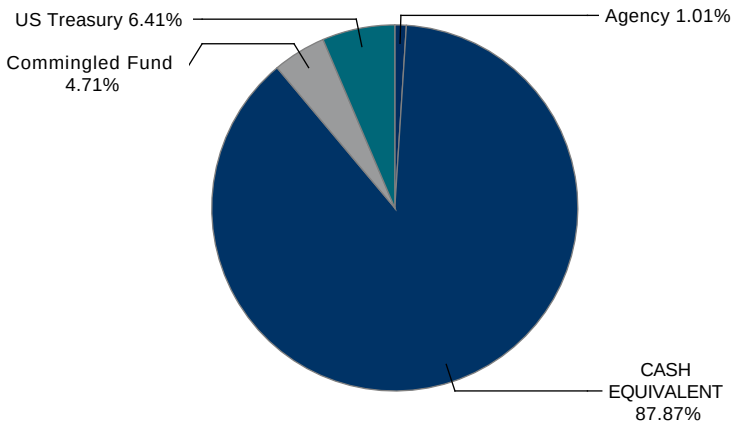
Net Yield



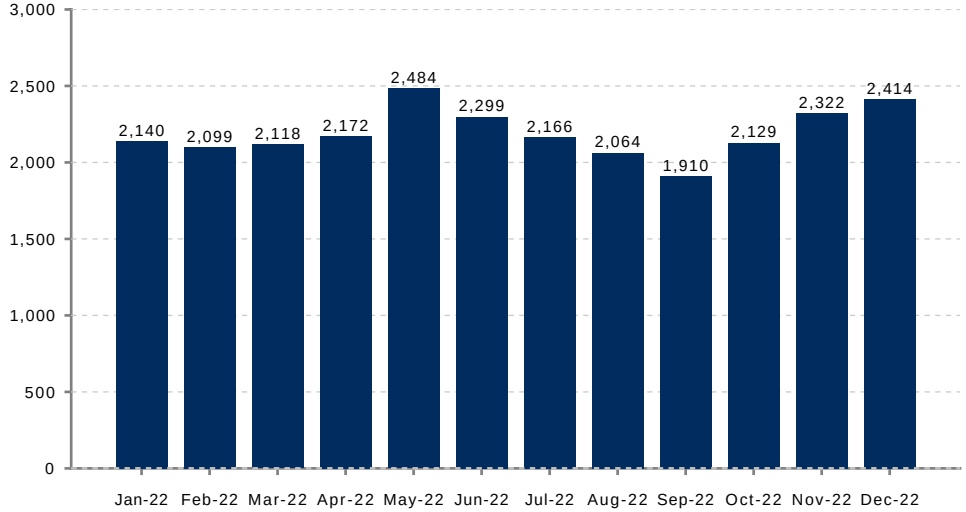
	Current Mth	Prior Mth	1 Year Ago
POOL 7 LGIP FF&C	3.97	3.63	0.02

Asset Allocation

	Ending Market Value
POOL 7 LGIP FF&C	2,413,632,099



Net Asset Values over Time ($MM)



Top 10 Holdings

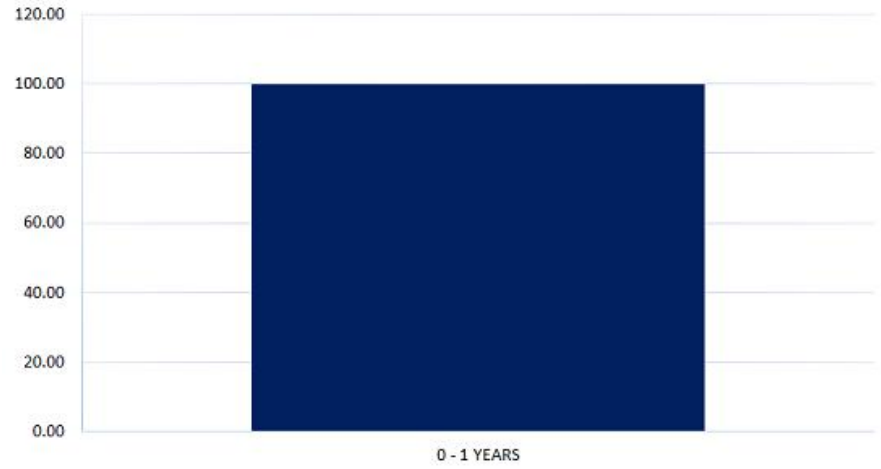
Security Name	Ending Market Value	% of Portfolio
POOL 7 LGIP FF&C		
SUNTRUST BKS INC DTC CP GENERIC CUSIP	446,106,049	18.48
DAIWA CAPITAL MARKETS REPO	263,950,488	10.94
CREDIT AGRICOLE REPO	200,047,000	8.29
AMHERST PIERPONT	150,316,500	6.23
CANTOR FITZGERALD REPO	100,391,944	4.16
CANTOR FITZGERALD REPO	100,370,667	4.16
AMHERST PIERPONT	100,129,861	4.15
WESTERN ALLIANCE CDARS	73,276,543	3.04
GOLDMAN SACHS FINANCIAL SQUARE	66,263,993	2.75
US TREASURY N/B	60,037,500	2.49

OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2022

POOL 7 LGIP FF&C

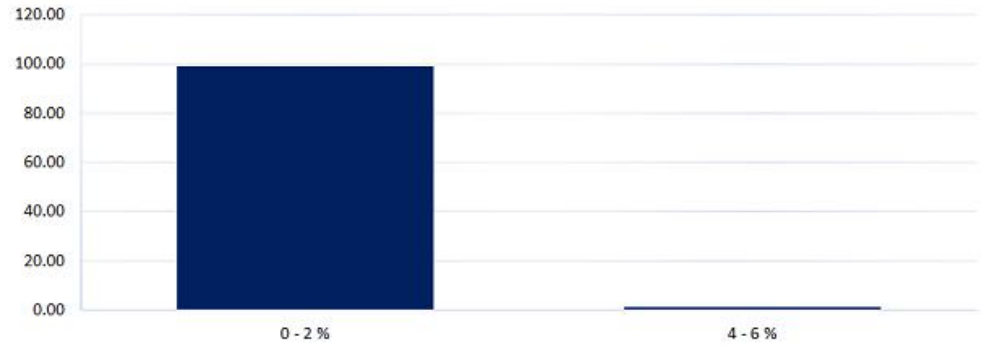
Duration Distribution



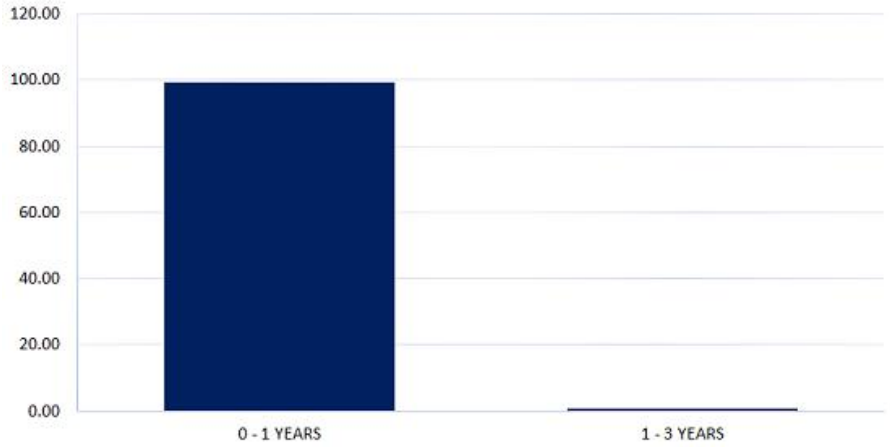
Portfolio Level Characteristics

	POOL 7 LGIP FF&C
Effective Maturity	0.09
Coupon	1.33
Effective Duration	0.10
Quality Rating (Moody's)	AAA

Coupon Distribution



Expected Maturity Distribution



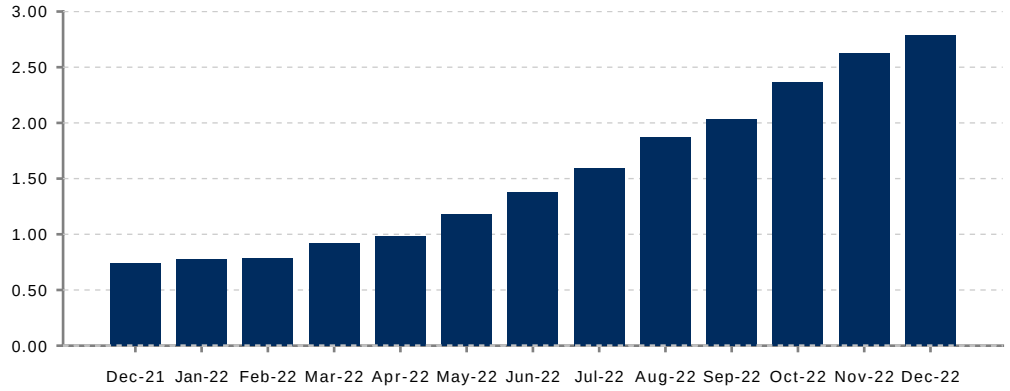
Rating Distribution

OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2022

POOL 500 LGIP MED

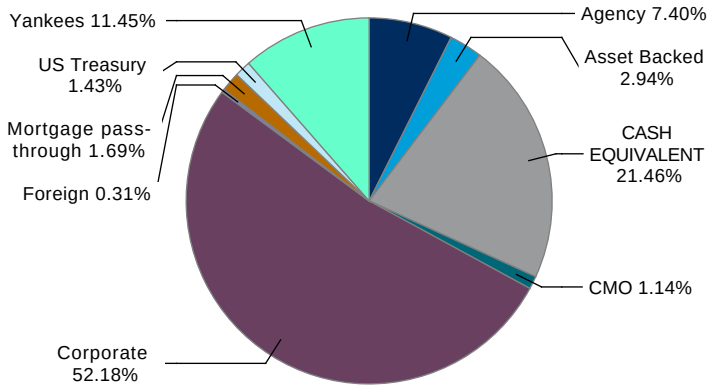
Net Yield



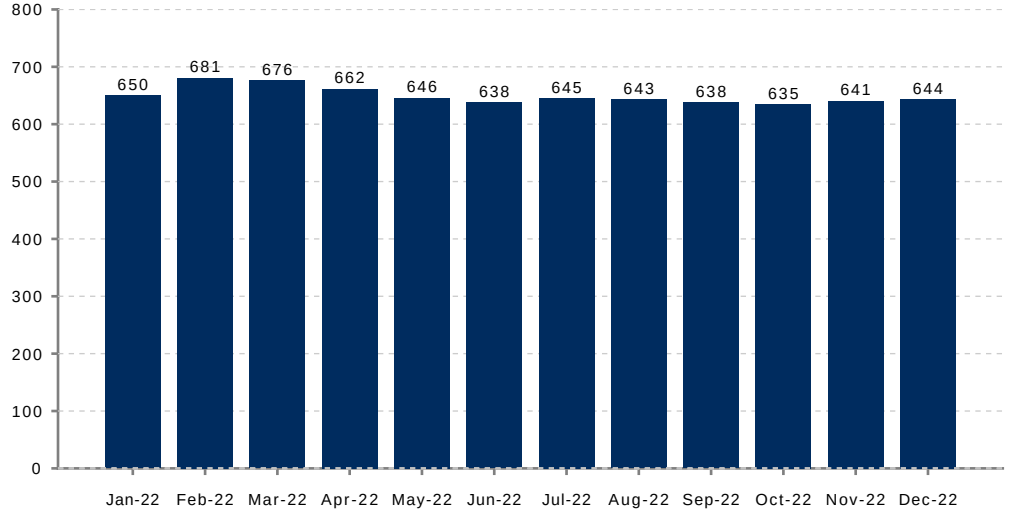
	Current Mth	Prior Mth	1 Year Ago
POOL 500 LGIP MED	2.79	2.63	0.74

Asset Allocation

	Ending Market Value
POOL 500 LGIP MED	643,729,002



Net Asset Values over Time ($MM)



Top 10 Holdings

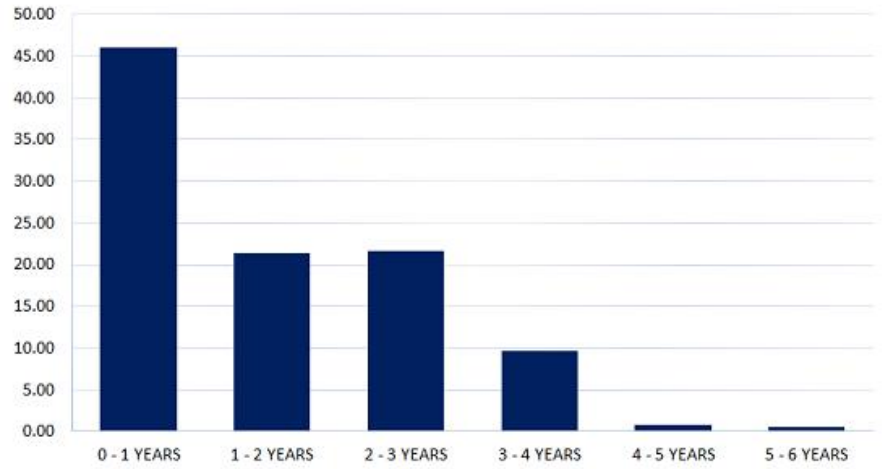
Security Name	Ending Market Value	% of Portfolio
POOL 500 LGIP MED		
WASTE MANAGEMENT INC	5,268,388	0.82
ROYAL BANK OF CANADA	5,049,165	0.78
CITIGROUP GLOBAL MARKETS	5,031,461	0.78
BANK OF NOVA SCOTIA	5,025,894	0.78
WESTPAC BKING CORP N	5,018,917	0.78
JPMORGAN CHASE BK N A INSTL CT	5,018,509	0.78
AMERICAN HONDA FINANCE	5,013,785	0.78
ROYAL BANK OF CANADA	5,013,043	0.78
ROYAL BANK OF CANADA	5,002,712	0.78
BANK OF MONTREAL	5,000,000	0.78

OFFICE OF THE ARIZONA STATE TREASURER

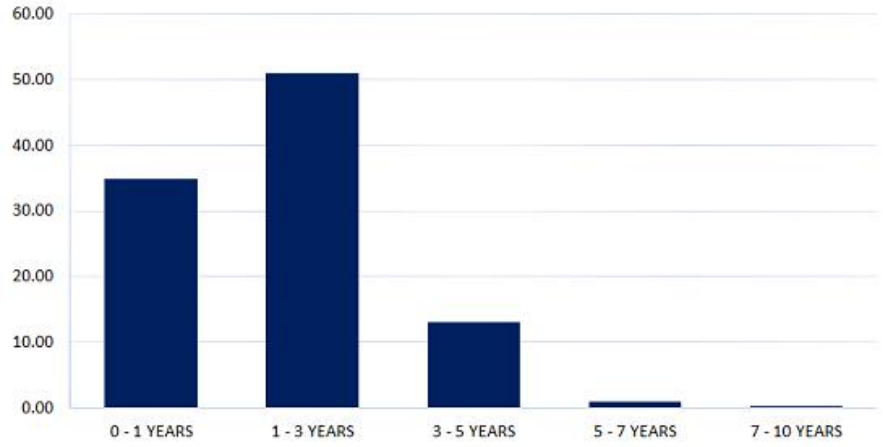
December 31, 2022

POOL 500 LGIP MED

Duration Distribution



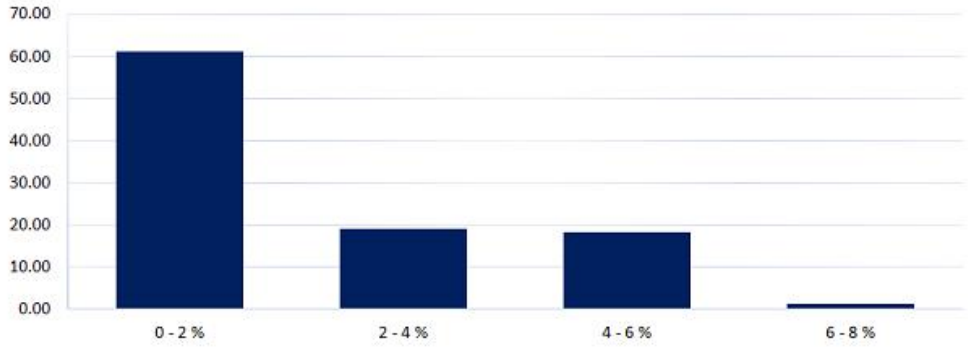
Expected Maturity Distribution



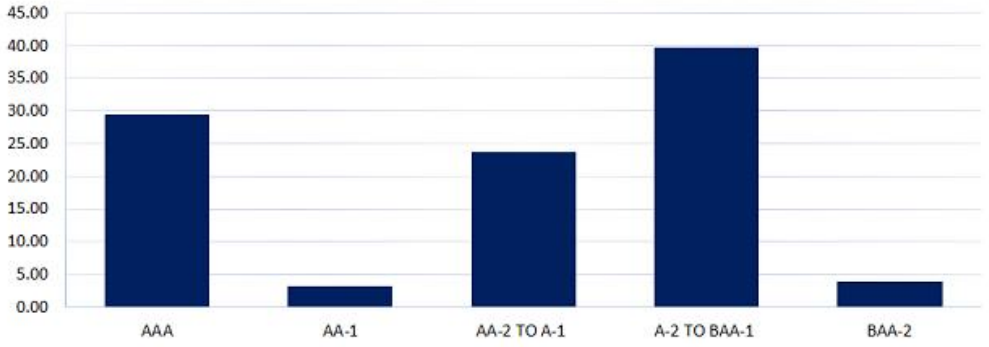
Portfolio Level Characteristics

	POOL 500 LGIP MED
Effective Maturity	1.64
Coupon	2.89
Effective Duration	1.34
Quality Rating (Moody's)	AA-3

Coupon Distribution



Rating Distribution

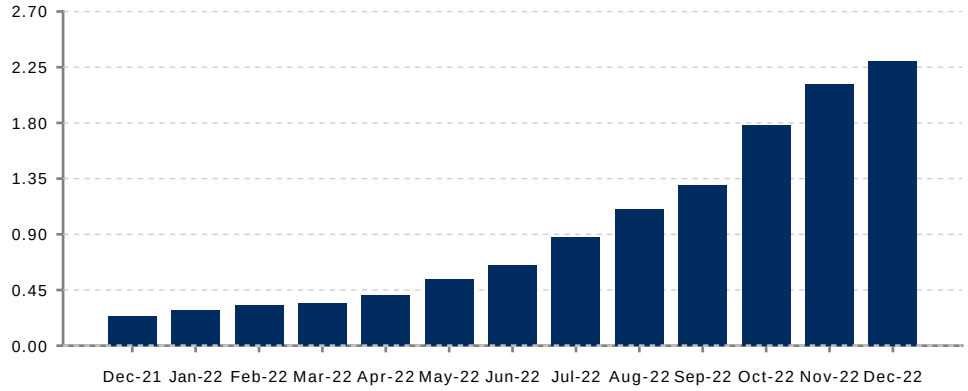


OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2022

POOL 700 LGIP MD FF&C

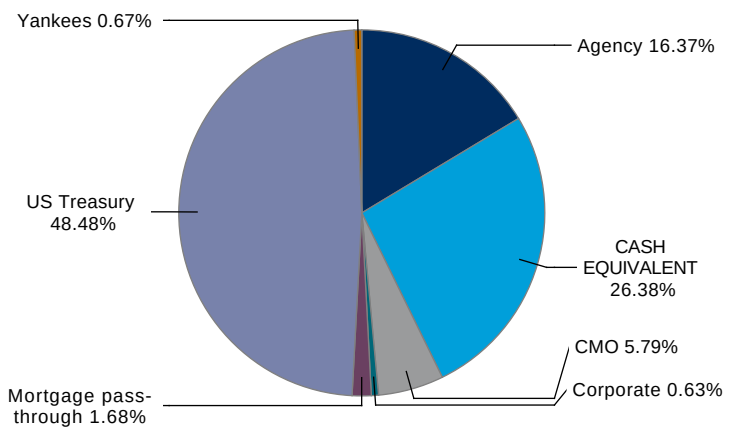
Net Yield



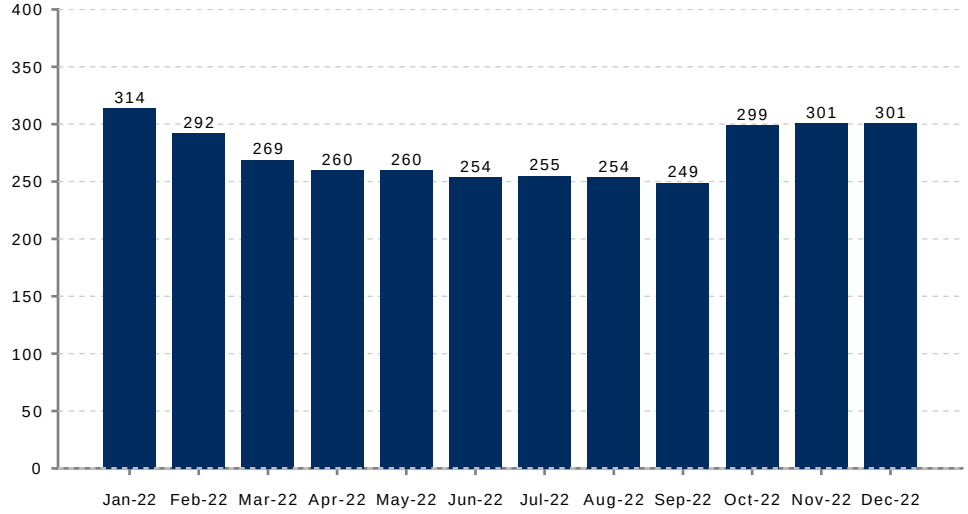
	Current Mth	Prior Mth	1 Year Ago
POOL 700 LGIP MD FF&C	2.30	2.11	0.24

Asset Allocation

	Ending Market Value
POOL 700 LGIP MD FF&C	301,472,838



Net Asset Values over Time ($MM)



Top 10 Holdings

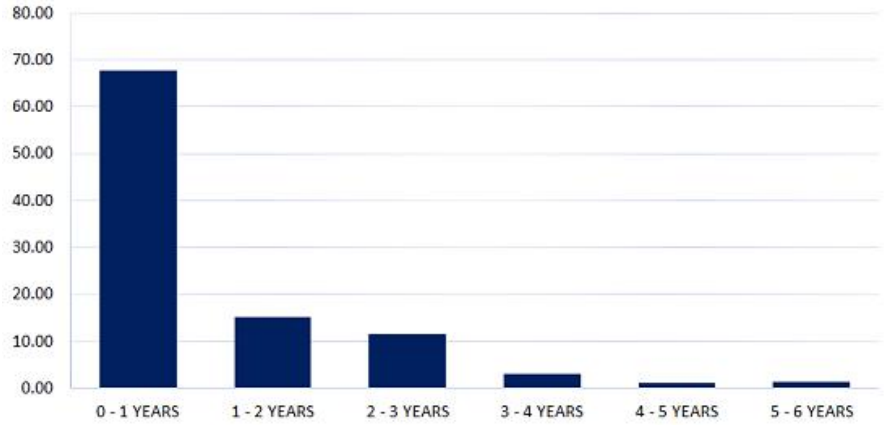
Security Name	Ending Market Value	% of Portfolio
POOL 700 LGIP MD FF&C		
SUNTRUST BKS INC DTC CP GENERIC CUSIP	54,012,868	17.92
US TREASURY N/B	25,015,625	8.30
US TREASURY N/B	6,956,278	2.31
US TREASURY N/B	4,987,547	1.65
INT DEVELOPMENT FIN CORP	4,970,000	1.65
TREASURY BILL	4,906,641	1.63
US TREASURY N/B	4,863,723	1.61
US TREASURY N/B	4,812,745	1.60
INT DEVELOPMENT FIN CORP	4,130,755	1.37
US TREASURY N/B	3,945,856	1.31

OFFICE OF THE ARIZONA STATE TREASURER

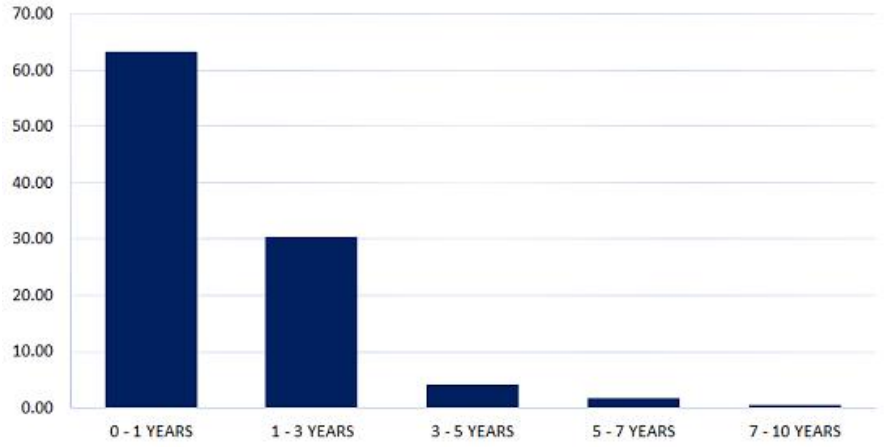
December 31, 2022

POOL 700 LGIP MD FF&C

Duration Distribution



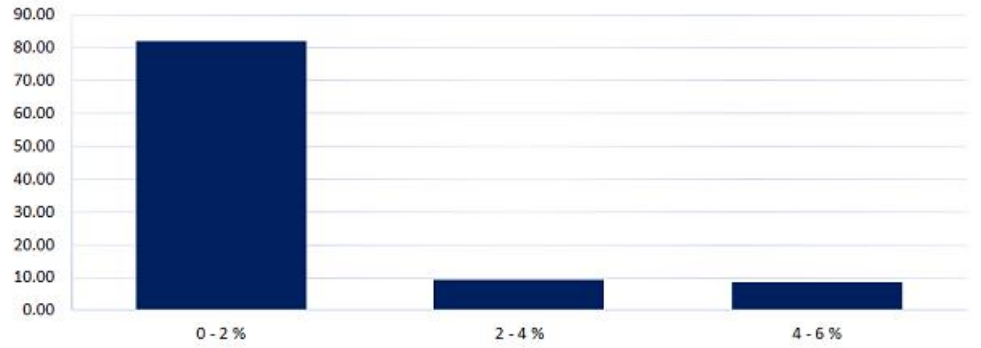
Expected Maturity Distribution



Portfolio Level Characteristics

	POOL 700 LGIP MD FF&C
Effective Maturity	1.00
Coupon	1.09
Effective Duration	1.07
Quality Rating (Moody's)	AAA

Coupon Distribution



Rating Distribution

EARNINGS DISTRIBUTED
PERMANENT LAND ENDOWMENT TRUST FUND
DECEMBER 2022

Recipient		Distributed in Current Month DECEMBER 2022	Fiscal YTD 22/23	Fiscal YTD 21/22	Fiscal YTD Change
101	A & M Colleges	$78,874	$473,244	$452,654	$20,590
102	State Hospital	64,988	389,926	346,675	43,251
103	Leg., Exec., & Jud.	66,232	397,394	378,524	18,871
104	Military Institute	4,494	26,967	25,533	1,434
105	Miners Hospital	197,693	1,186,161	1,103,841	82,319
107	Normal School ASU/NAU	38,010	228,063	210,432	17,631
108	Penitentiaries	128,768	772,609	731,119	41,490
109	Permanent Common School	33,537,213	201,223,275	186,001,624	15,221,652
110	School for Deaf & Blind	48,526	291,154	271,261	19,893
111	School of Mines	90,376	542,253	517,357	24,897
112	State Charitable-Pioneers Home	494,453	2,966,719	2,663,963	302,756
112	State Charitable-Corrections	247,227	1,483,360	1,331,982	151,378
112	State Charitable-Youth Treatment	247,227	1,483,360	1,331,982	151,378
113	University Fund	190,133	1,140,798	1,019,517	121,282
114	U of A Land - 1881	629,397	3,776,381	3,529,960	246,421
	Total	**$36,063,611**	**$216,381,665**	**$199,916,423**	**$16,465,242**

Land Sales Monthly Proceeds
Permanent Land Endowment Trust Fund

Month	2017	2018	2019	2020	2021	2022	2023
January	$2,960,815	$809,822	$30,671,107	$34,028,510	$77,327,332	$65,776,496	
February	1,103,303	744,295	875,823	2,362,463	17,814,405	107,134,375	
March	3,045,043	8,296,029	997,479	13,103,761	3,772,571	5,230,088	
April	78,134,289	22,707,772	12,816,140	6,837,496	4,099,129	95,870,019	
May	27,642,672	16,234,823	590,432	3,656,783	88,763,368	109,978,359	
June	2,451,110	6,799,100	3,654,938	3,379,021	2,001,347	105,071,646	
July	13,838,188	27,835,379	4,356,585	19,069,989	37,347,276	14,023,708	
August	5,746,802	6,932,754	10,038,331	6,378,777	12,016,036	707,901	
September	19,937,751	8,293,343	1,201,114	3,851,950	13,865,289	7,754,529	
October	480,710	24,823,636	5,075,858	72,432,497	1,724,181	9,922,724	
November	9,500,048	42,245,892	9,161,341	3,119,856	1,487,524	6,763,639	
December	3,869,818	2,283,305	15,116,940	29,134,954	1,252,026	51,093,211	
Calendar Year	168,710,549	168,006,150	94,556,089	197,356,057	261,470,483	579,326,695	-
Fiscal Year (July 1st to June 30th)	163,553,318	108,965,158	162,020,229	108,318,203	327,766,175	556,753,315	90,265,712

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

Endowment Fund	December 2022 NET GAIN(LOSS)	December 2021 NET GAIN(LOSS)
Fixed Income Pool	($154,222)	**($485,750)**
500 Large-Cap Fund	4,975,223	**6,465,363**
400 Mid-Cap Fund	9,751,469	**23,011,426**
600 Small-Cap Fund	1,126,815	**10,427,661**
Totals	$15,699,286	**$39,418,700**

Endowment Fund	2022/2023 FISCAL YEAR TO DATE GAINS(LOSSES)	2021/2022 FISCAL YEAR TO DATE GAINS(LOSSES)
Fixed Income Pool	($1,626,348)	**($3,415,466)**
500 Large-Cap Fund	14,993,644	**187,436,419**
400 Mid-Cap Fund	24,191,177	**48,421,103**
600 Small-Cap Fund	12,653,154	**26,309,935**
Totals	$50,211,627	**$258,751,991**

PERM LAND ENDOWMENT TRUST FUND FIXED-INCOME POOLS
PURCHASES & SALES
DECEMBER 2022

I. Endowment Funds Purchases

POOL	SECURITY DESCRIPTION	RATE	MATURITY	WAL YEARS (1)	PAR VALUE	PURCHASE COST	YIELD	MOODY'S RATING
205	AUTOZONE	4.45	01/06/2023	NA	6,550,000	6,538,665	4.46%	P-2
205	CITIBANK	3.00	12/27/2022	NA	10,000,000	9,998,485	4.30%	P-2
205	CONCORD MINUTEMEN	4.35	12/28/2022	NA	15,000,000	14,987,313	4.35%	P-1
205	FANNIE MAE	6.50	01/01/2053	4.75	11,591,129	11,978,707	5.60%	Aaa
205	FREDDIE MAC	4.00	05/25/2052	4.77	9,807,012	9,549,578	4.61%	Aaa
205	HALKIN	4.33	01/03/2023	NA	5,000,000	4,991,581	4.34%	P-1
205	LEXINGTON PARKER	4.66	03/07/2023	NA	6,000,000	5,947,187	4.70%	P-1
123	ANGLESEA	4.31	12/28/2022	NA	20,000,000	19,983,239	4.31%	P-1
123	ANGLESEA	4.65	03/28/2023	NA	20,000,000	19,767,500	4.70%	P-1
123	CONCORD MINUTEMEN	4.51	02/27/2023	NA	20,445,000	20,293,883	4.54%	P-1
123	GTA	4.96	06/20/2023	NA	2,500,000	2,440,067	5.08%	P-1
123	HALKIN	4.70	03/29/2023	NA	15,000,000	14,825,708	4.76%	P-1
123	LEXINGTON PARKER	4.66	03/07/2023	NA	20,000,000	19,823,956	4.70%	P-1
123	VICTORY	4.60	03/31/2023	NA	20,000,000	19,767,444	4.65%	P-1
	TOTAL ENDOWMENT FUNDS PURCHASES				**$181,893,141**	**$180,893,313**		

II. Endowment Funds Sales

POOL	SECURITY DESCRIPTION	MATURITY	PAR VALUE	NET PROCEEDS	SALES GAINS/(LOSSES)	MOODY'S RATING
205	US TREASURY	05/15/2052	$5,000,000	$4,076,255	$176,788	Aaa
	TOTAL ENDOWMENT FUNDS SALES		**$5,000,000**	**$4,076,255**	**$176,788**	

(1) WAL is the weighted average life of the security based on the Bloomberg calculation at the time the trade is executed. The calculation is used only with mortgage-backed pass-through/CMO securities.

PERMANENT LAND ENDOWMENT TRUST FUND
EQUITY FUNDS PURCHASES & SALES
DECEMBER 2022

I. Equity Fund Purchases

	SHARES	PURCHASE COST	COMMISSIONS
400 Mid-Cap Fund	554,558	$22,959,265	$4,160
500 Large-Cap Fund	113,185	10,350,733	849
600 Small-Cap Fund	767,715	12,555,549	5,758
TOTAL EQUITY PURCHASES	**1,435,458**	**$45,865,548**	**$10,767**

II. Equity Funds Sales

	SHARES	SALES AMOUNT	COMMISSIONS
400 Mid-Cap Fund	499,355	$25,826,007	$3,745
500 Large-Cap Fund	98,226	9,341,008	737
600 Small-Cap Fund	806,015	10,635,209	6,046
TOTAL EQUITY SALES	**1,403,596**	**$45,802,224**	**$10,528**

PERMANENT LAND ENDOWMENT TRUST FUND
INVESTMENTS OUTSTANDING
DECEMBER 31, 2022
(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	$301	$2,115	$8,051	$5,936	
	Shares in Fixed Income Pools	2,984	2,136	5,281	3,145	
	Total	3,285	4,252	13,332	9,081	**3.136**
102	State Hospital					
	Shares in Equity Pools	301	3,566	8,050	4,484	
	Shares in Fixed Income Pools	3,120	3,081	5,523	2,442	
	Total	3,421	6,647	13,572	6,926	**2.042**
103	Leg., Exec, & Jud					
	Shares in Equity Pools		1,854	6,566	4,712	
	Shares in Fixed Income Pools	2,657	1,905	4,703	2,798	
	Total	2,657	3,759	11,269	7,510	**2.998**
104	Military Institute					
	Shares in Equity Pools	16	127	435	308	
	Shares in Fixed Income Pools	181	128	321	193	
	Total	198	255	756	501	**2.965**
105	Miners Hospital					
	Shares in Equity Pools	813	7,745	21,775	14,030	
	Shares in Fixed Income Pools	8,143	7,347	14,413	7,066	
	Total	8,957	15,092	36,187	21,096	**2.398**
107	Normal School ASU/NAU					
	Shares in Equity Pools	160	1,554	4,283	2,728	
	Shares in Fixed Income Pools	1,652	1,417	2,924	1,507	
	Total	1,812	2,971	7,207	4,235	**2.426**
108	Penitentiaries					
	Shares in Equity Pools	498	4,277	13,338	9,062	
	Shares in Fixed Income Pools	5,093	4,224	9,014	4,791	
	Total	5,591	8,500	22,353	13,852	**2.630**

PERMANENT LAND ENDOWMENT TRUST FUND
INVESTMENTS OUTSTANDING
DECEMBER 31, 2022
(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	149,592	1,423,281	4,004,920	2,581,638	
	Shares in Fixed Income Pools	1,499,073	1,334,618	2,653,179	1,318,561	
	Total	1,648,665	2,757,900	6,658,098	3,900,199	**2.414**
110	School for Deaf & Blind					
	Shares in Equity Pools	182	1,578	4,861	3,283	
	Shares in Fixed Income Pools	2,085	1,676	3,689	2,014	
	Total	2,266	3,254	8,550	5,297	**2.628**
111	School of Mines					
	Shares in Equity Pools	339	2,542	9,068	6,526	
	Shares in Fixed Income Pools	3,487	2,589	6,171	3,582	
	Total	3,825	5,131	15,239	10,108	**2.970**
112	State Charitable					
	Shares in Equity Pools	4,596	48,204	123,055	74,851	
	Shares in Fixed Income Pools	44,882	41,985	79,436	37,451	
	Total	49,479	90,189	202,491	112,302	**2.245**
113	University Fund					
	Shares in Equity Pools	955	12,699	25,565	12,866	
	Shares in Fixed Income Pools	9,852	10,170	17,436	7,267	
	Total	10,807	22,869	43,002	20,133	**1.880**
114	U Of A Land - 1881					
	Shares in Equity Pools	2,432	24,161	65,120	40,959	
	Shares in Fixed Income Pools	25,042	21,872	44,322	22,450	
	Total	$27,475	$46,033	$109,442	$63,409	**2.377**
	TOTALS - ALL FUNDS					
	Shares in Equity Pools	160,185	1,533,705	4,295,087	2,761,382	
	Shares in Fixed Income Pools	1,608,252	1,433,146	2,846,413	1,413,266	
	Grand Total	$1,768,438	$2,966,851	$7,141,499	$4,174,648	
	PRIOR YEAR: DECEMBER 2021 BALANCES	**$1,731,418**	**$2,694,104**	**$7,906,388**	**$5,212,283**	

PERMANENT LAND ENDOWMENT TRUST FUND
INVESTMENTS OUTSTANDING
DECEMBER 31, 2022

ASSET ALLOCATION PERCENTAGE

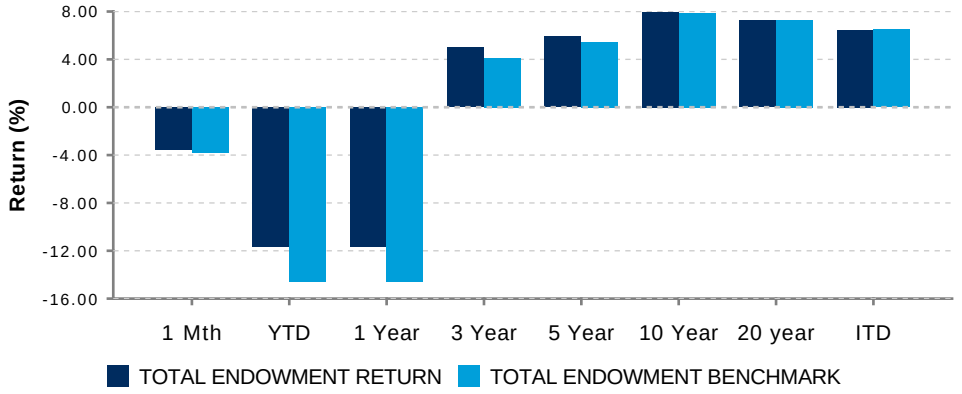
	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	**DECEMBER 2021 MARKET VALUE**
Equity Pools	9.06%	51.69%	60.14%	**61.98%**
Fixed Income Pools	90.94%	48.31%	39.86%	**38.02%**
Total	100.00%	100.00%	100.00%	**100.00%**

OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2022

Total Endowment Summary

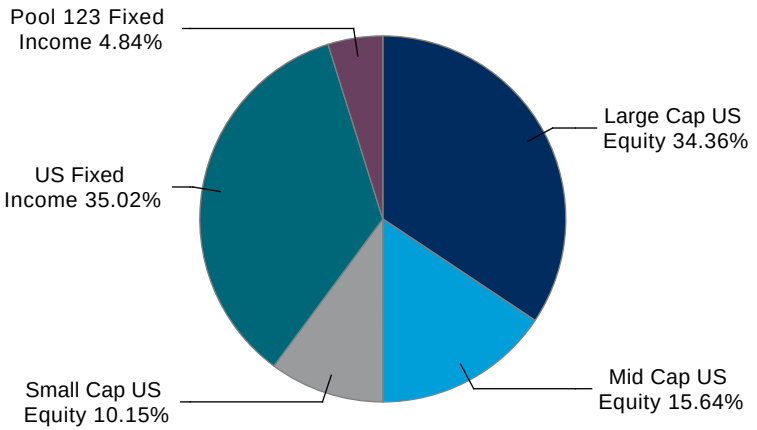
Performance



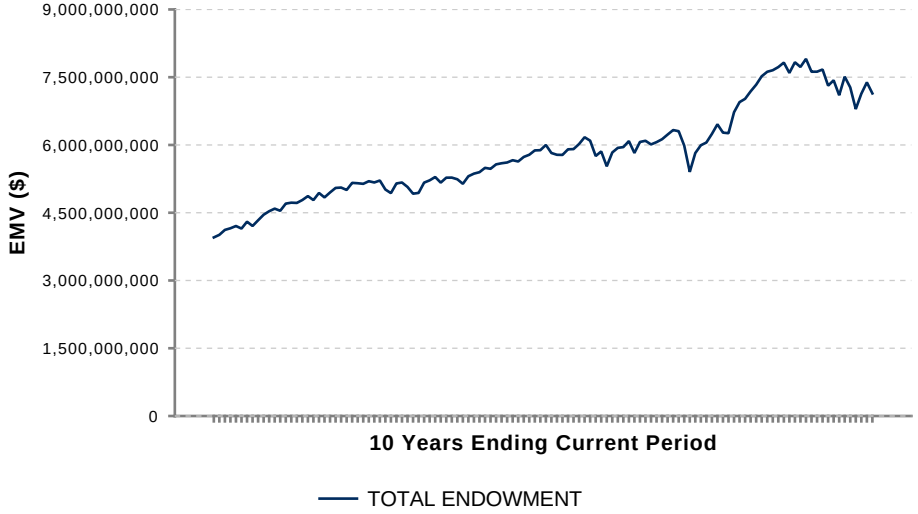
	1 Mth	YTD	1 Year	3 Year	5 Year	10 Year	20 Year	ITD	Incept Date
TOTAL ENDOWMENT RETURN	-3.52	-11.65	-11.65	5.01	5.92	7.98	7.23	6.44	07/99
TOTAL ENDOWMENT BENCHMARK	-3.79	-14.58	-14.58	4.11	5.47	7.87	7.28	6.49	07/99
	0.27	2.92	2.92	0.91	0.45	0.11	-0.05	-0.05	

Asset Allocation

	Ending Market Value
TOTAL ENDOWMENT RETURN	7,141,499,474

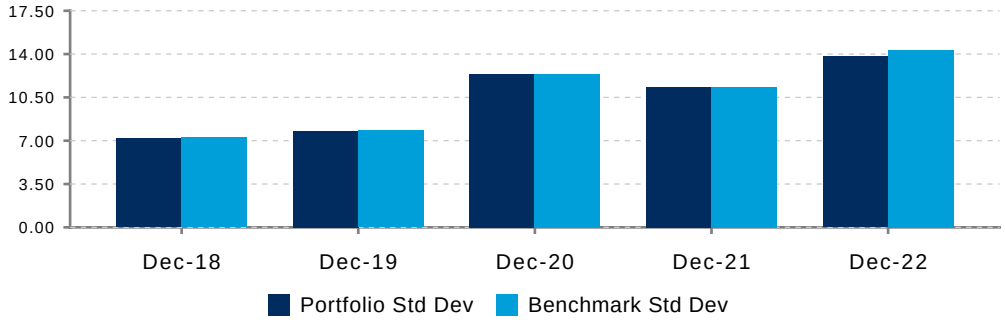


Ending Market Value



3 Year Risk Statistics

	Return	Portfolio Std Dev	Benchmark Std Dev	Sharpe Ratio	Beta	Tracking Error	Information Ratio
TOTAL ENDOWMENT RETURN	5.01	13.81	14.34	0.31	0.96	1.08	0.84



OFFICE OF THE ARIZONA STATE TREASURER

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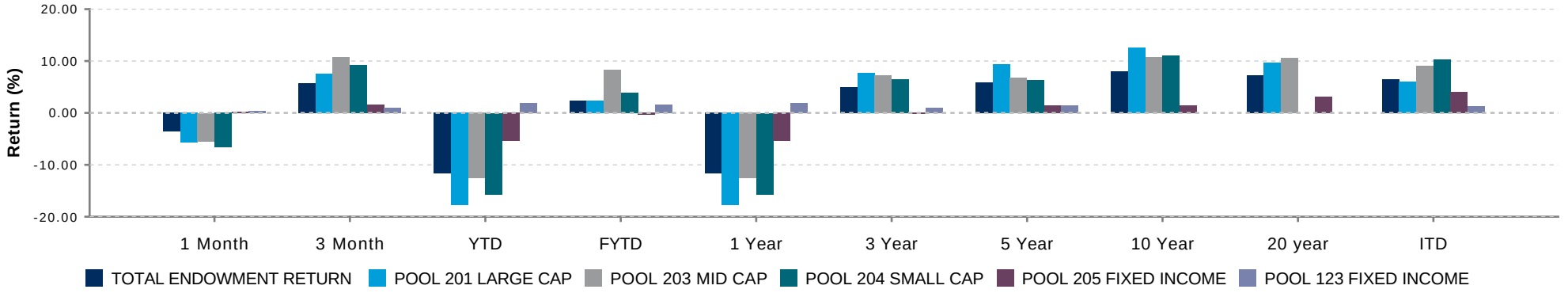
Total Returns Net Mgr

Return Comparison



	Market Value	Actual Weight	1 Mth	3 Mth	YTD	FYTD	1 Year	3 Year	5 Year	10 Year	20 Year	ITD	Inc Date
TOTAL ENDOWMENT RETURN	7,141,499,474	100.00	-3.52	5.70	-11.65	2.35	-11.65	5.01	5.92	7.98	7.23	6.44	Jul-01-99
TOTAL ENDOWMENT BENCHMARK			-3.79	5.74	-14.58	1.23	-14.58	4.11	5.47	7.87	7.28	6.49	Jul-01-99
			0.27	-0.04	2.92	1.12	2.92	0.91	0.45	0.11	-0.05	-0.05	
ST OF AZ POOL 201 LARGE CAP	2,453,560,314	34.36	-5.75	7.58	-17.81	2.41	-17.81	7.72	9.44	12.54	9.74	6.06	Jul-01-99
S&P 500 INDEX (DAILY)			-5.76	7.56	-18.11	2.31	-18.11	7.66	9.42	12.56	9.80	6.46	Jul-01-99
			0.01	0.02	0.30	0.10	0.30	0.06	0.02	-0.02	-0.06	-0.40	
ST OF AZ POOL 203 MID CAP	1,116,727,805	15.64	-5.48	10.81	-12.56	8.37	-12.56	7.18	6.74	10.82	10.55	9.12	Aug-01-01
S&P 400 MIDCAP INDEX (DAILY)			-5.54	10.78	-13.06	8.05	-13.06	7.23	6.71	10.78	10.66	9.11	Aug-01-01
			0.06	0.02	0.50	0.31	0.50	-0.05	0.03	0.05	-0.11	0.01	
ST OF AZ POOL 204 SMALL CAP	724,798,721	10.15	-6.66	9.23	-15.71	3.86	-15.71	6.45	6.34	11.08		10.36	Mar-01-11
S&P SM 600 TR			-6.71	9.19	-16.10	3.51	-16.10	5.80	5.88	10.82		10.15	Mar-01-11
			0.05	0.03	0.39	0.35	0.39	0.66	0.46	0.26		0.21	
POOL 205 FIXED INCOME	2,500,797,019	35.02	0.20	1.64	-5.36	-0.36	-5.36	-0.16	1.38	1.50	3.17	4.01	Jul-01-99
FTSE BIG (DAILY)			-0.54	1.85	-13.28	-3.05	-13.28	-2.76	0.01	1.05	3.16	3.97	Jul-01-99
			0.74	-0.20	7.92	2.69	7.92	2.60	1.36	0.45	0.02	0.04	
POOL 123 FIXED INCOME	345,615,615	4.84	0.39	1.05	1.90	1.55	1.90	0.99	1.48			1.35	Jun-01-16
ASTO-POOL 5 BENCHMARK			0.35	0.92	1.70	1.46	1.70	0.80	1.33			1.19	Jun-01-16
			0.04	0.12	0.20	0.09	0.20	0.19	0.15			0.16	

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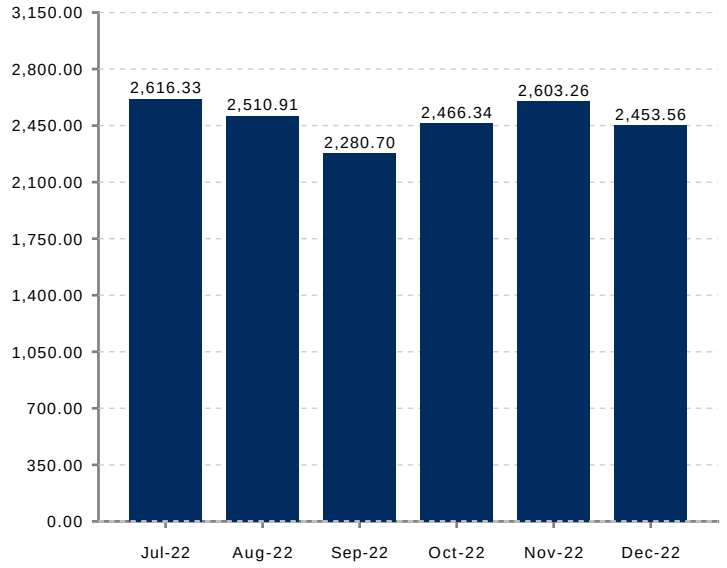
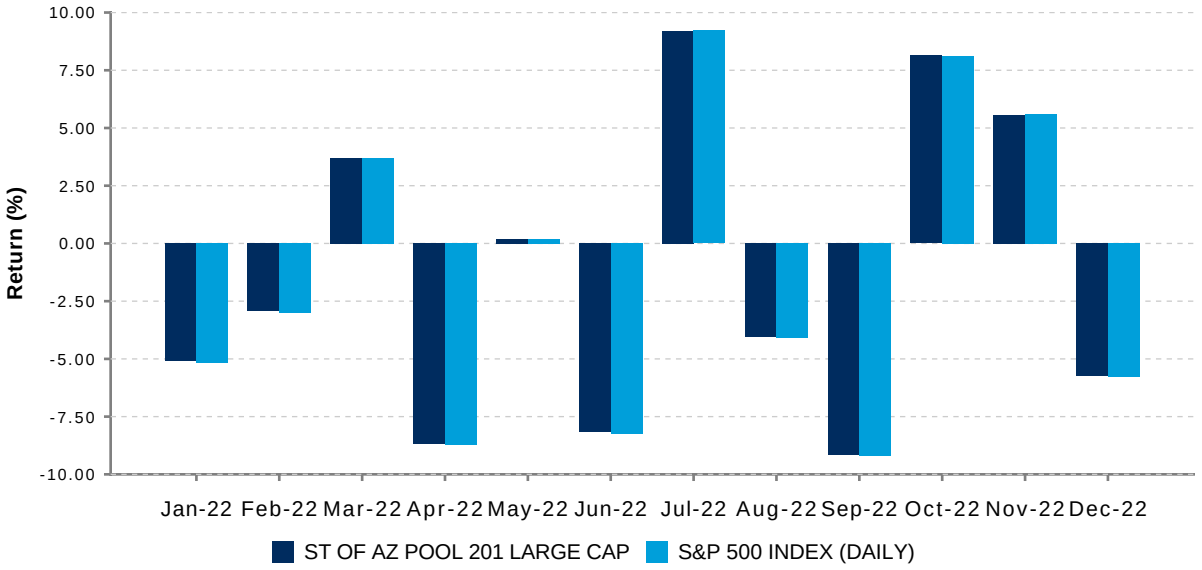
ST OF AZ POOL 201 LARGE CAP

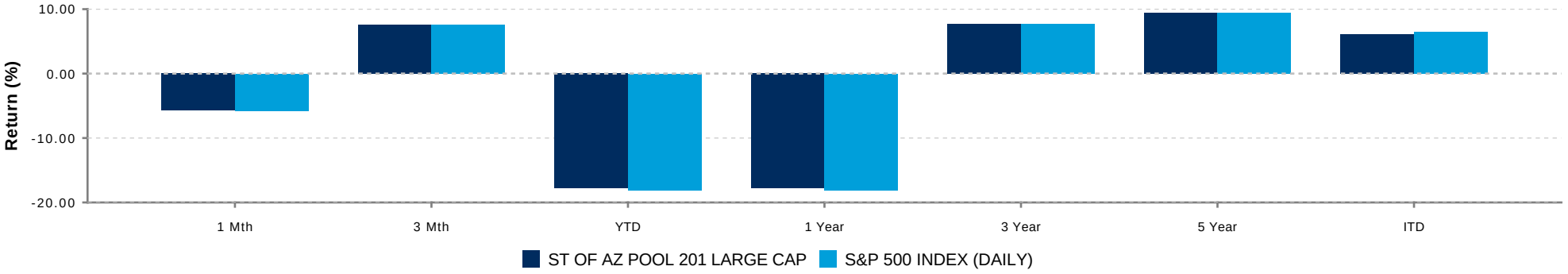
Net Asset Values over Time ($MM)



Monthly Returns



Rates of Return

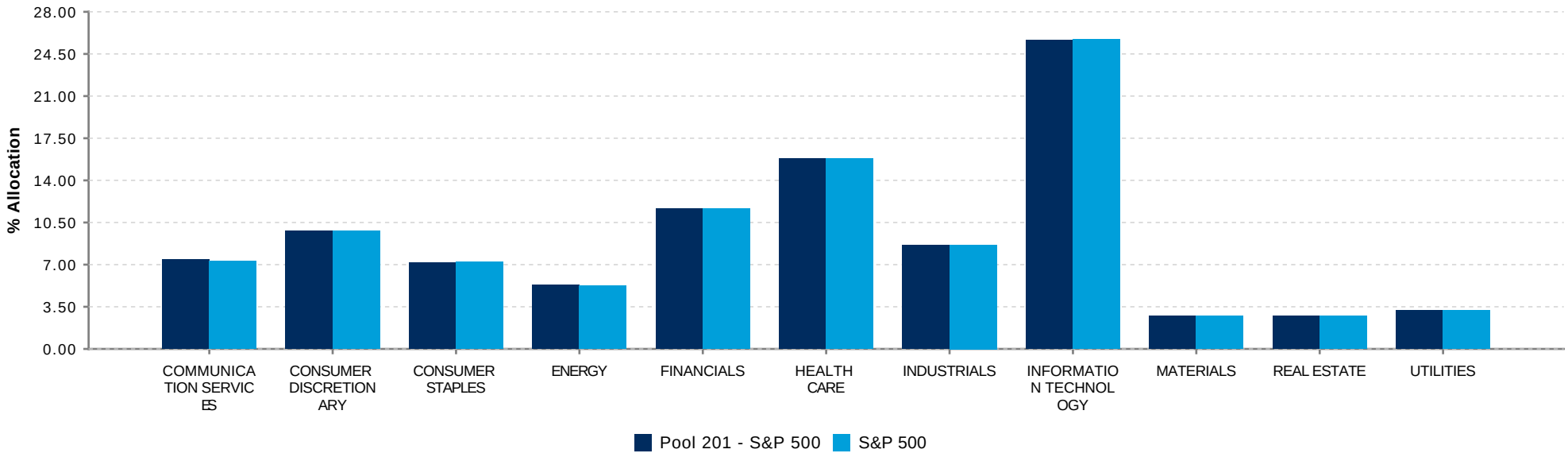


	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Dec 31 2020	Dec 31 2021	Dec 31 2022
ST OF AZ POOL 201 LARGE CAP	-5.75	7.58	-17.81	-17.81	7.72	9.44	6.06	18.41	28.43	-17.81
S&P 500 INDEX (DAILY)	-5.76	7.56	-18.11	-18.11	7.66	9.42	6.46	18.40	28.71	-18.11
	0.01	0.02	0.30	0.30	0.06	0.02	-0.40	0.01	-0.28	0.30

OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2022

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



	Fund Weight	Benchmark Weight	Relative Weight
ST OF AZ POOL 201 LARGE CAP	100.00	100.00	0.00
COMMUNICATION SERVICES	7.42	7.28	0.14
CONSUMER DISCRETIONARY	9.79	9.80	-0.01
CONSUMER STAPLES	7.19	7.20	-0.01
ENERGY	5.33	5.23	0.10
FINANCIALS	11.63	11.66	-0.03
HEALTH CARE	15.79	15.82	-0.03
INDUSTRIALS	8.59	8.65	-0.06
INFORMATION TECHNOLOGY	25.65	25.74	-0.09
MATERIALS	2.73	2.73	-0.01
REAL ESTATE	2.71	2.71	0.00
UTILITIES	3.18	3.18	-0.01

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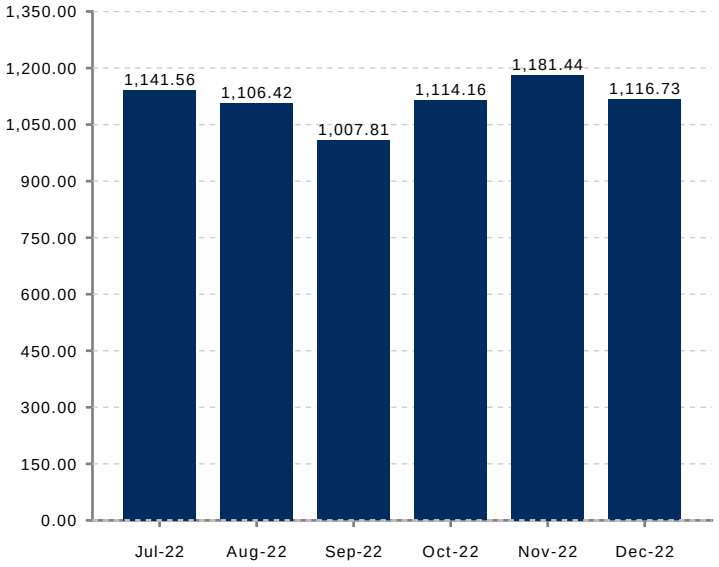
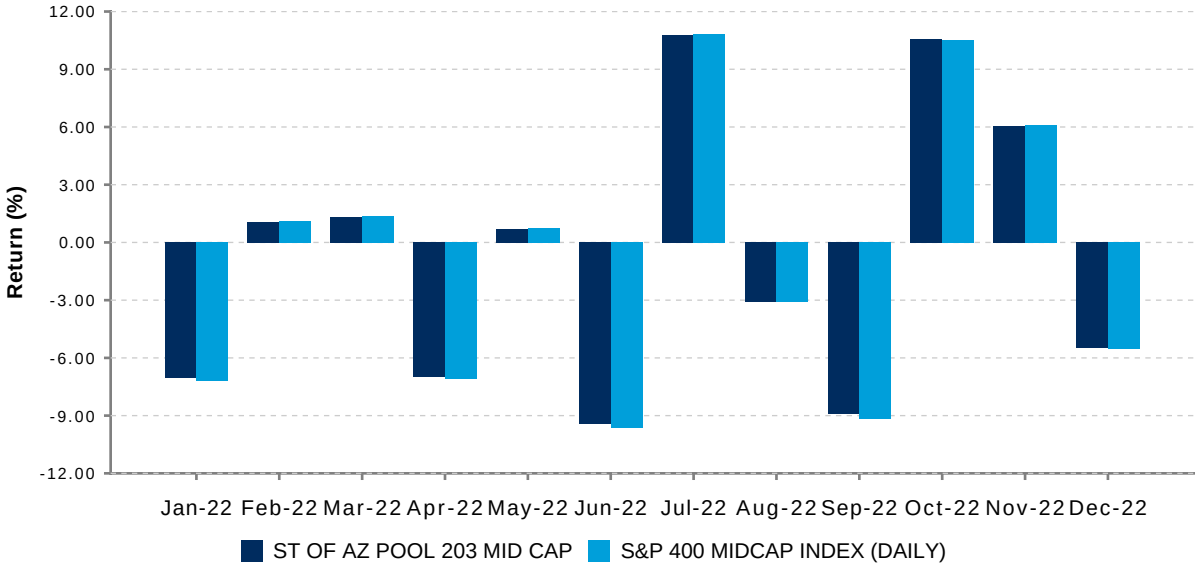
December 31, 2022

ST OF AZ POOL 203 MID CAP

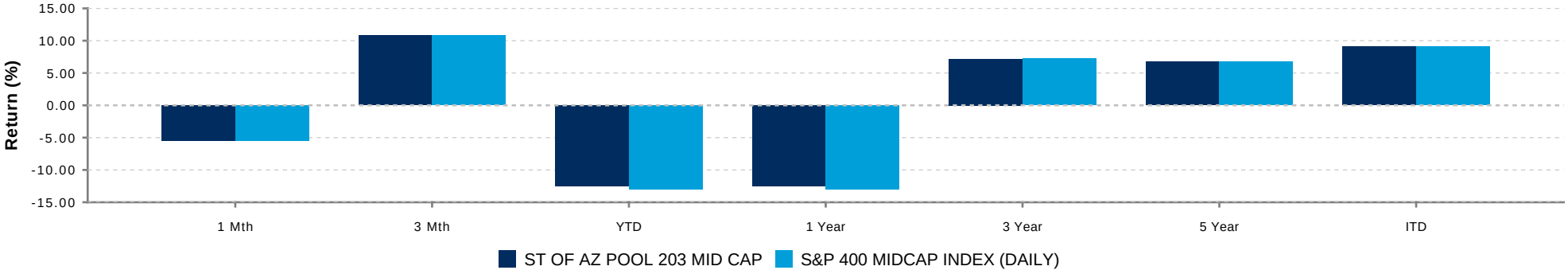
Net Asset Values over Time ($MM)



Monthly Returns



Rates of Return



	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Dec 31 2020	Dec 31 2021	Dec 31 2022
ST OF AZ POOL 203 MID CAP	-5.48	10.81	-12.56	-12.56	7.18	6.74	9.12	13.23	24.36	-12.56
S&P 400 MIDCAP INDEX (DAILY)	-5.54	10.78	-13.06	-13.06	7.23	6.71	9.11	13.66	24.76	-13.06
	0.06	0.02	0.50	0.50	-0.05	0.03	0.01	-0.43	-0.40	0.50

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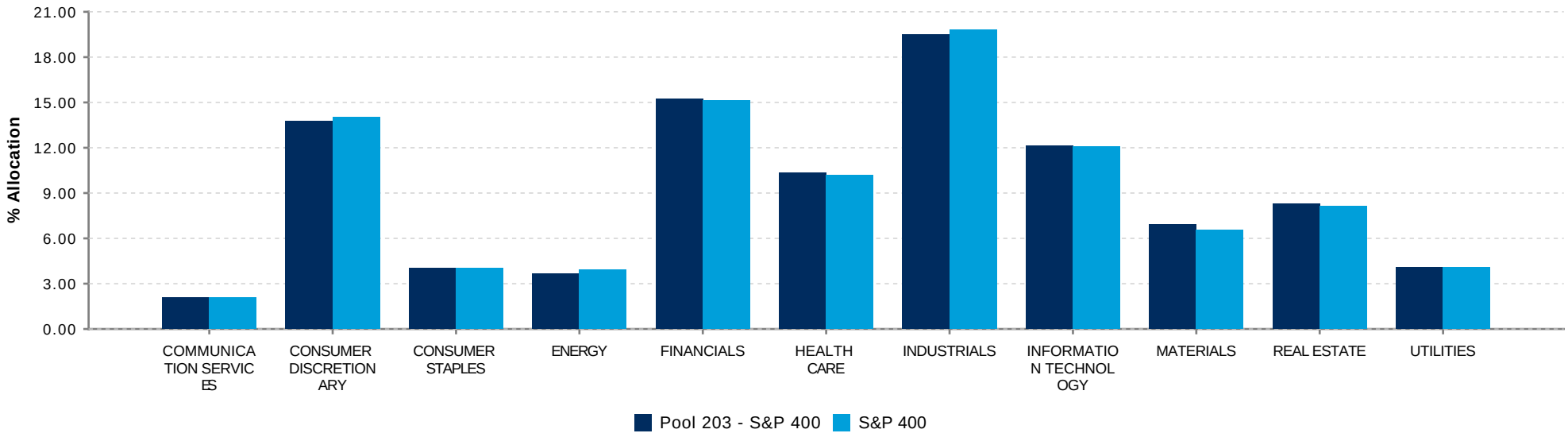
December 31, 2022

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



	Weight Fund	Weight Benchmark	Weight Relative
ST OF AZ POOL 203 MID CAP	100.00	100.00	0.00
COMMUNICATION SERVICES	2.08	2.07	0.01
CONSUMER DISCRETIONARY	13.77	14.03	-0.26
CONSUMER STAPLES	4.05	4.03	0.02
ENERGY	3.65	3.90	-0.26
FINANCIALS	15.23	15.15	0.07
HEALTH CARE	10.33	10.18	0.14
INDUSTRIALS	19.48	19.80	-0.32
INFORMATION TECHNOLOGY	12.13	12.08	0.05
MATERIALS	6.90	6.53	0.36
REAL ESTATE	8.29	8.14	0.15
UTILITIES	4.10	4.08	0.03

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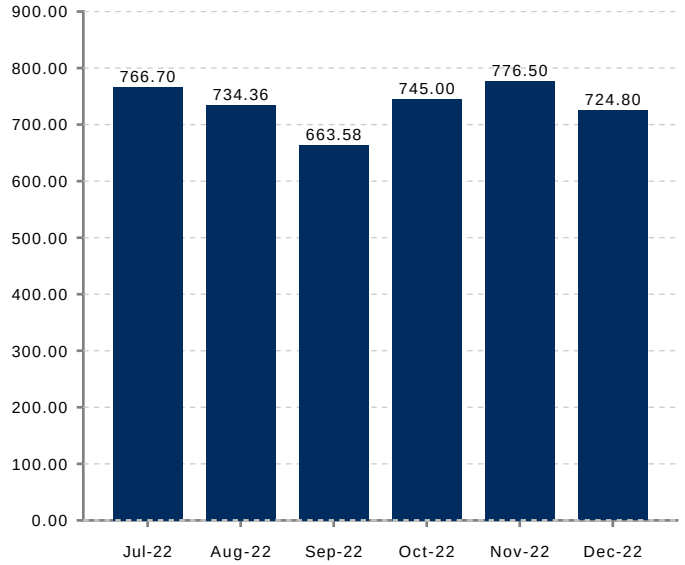
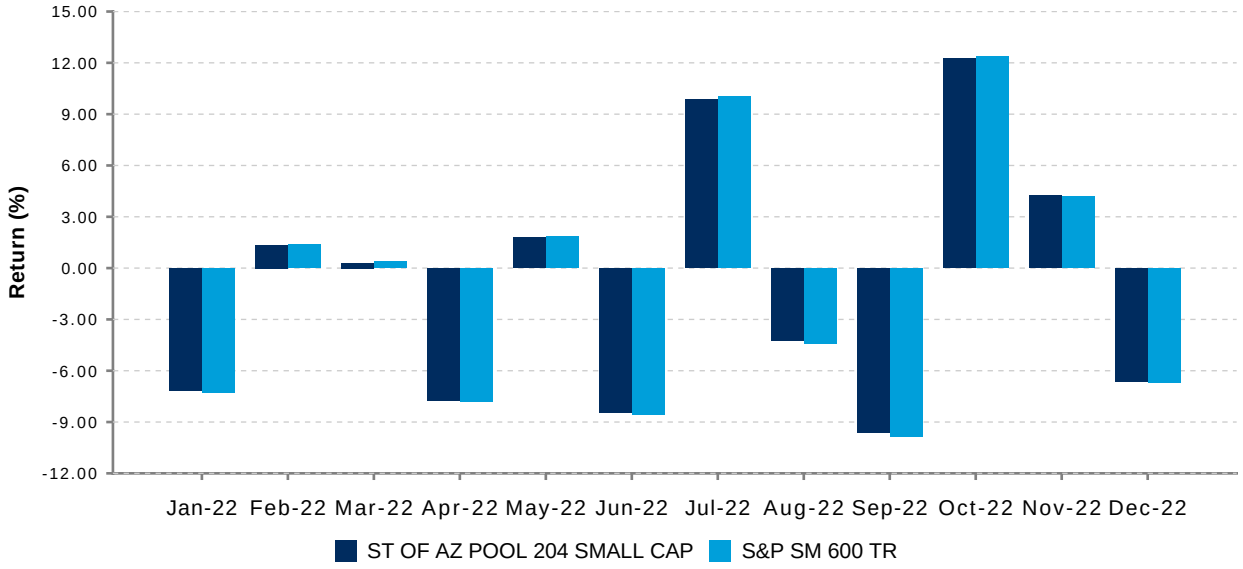
ST OF AZ POOL 204 SMALL CAP

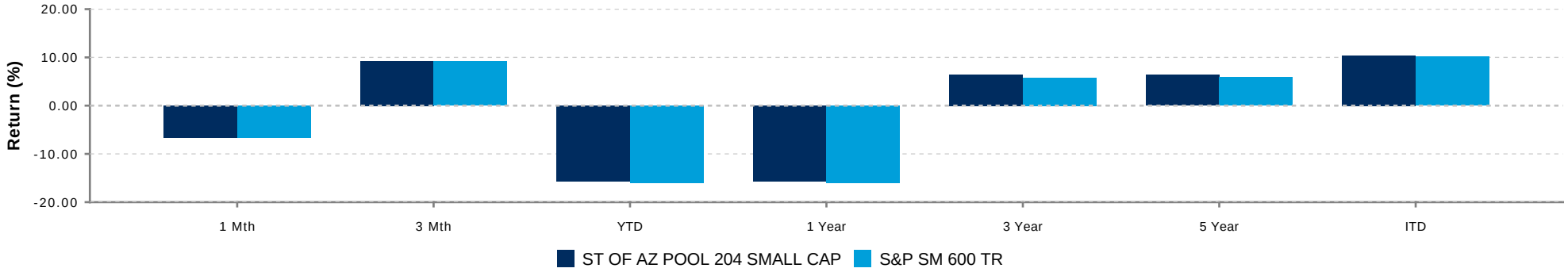
Net Asset Values over Time ($MM)



Monthly Returns



Rates of Return



	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Dec 31 2020	Dec 31 2021	Dec 31 2022
ST OF AZ POOL 204 SMALL CAP	-6.66	9.23	-15.71	-15.71	6.45	6.34	10.36	12.77	26.90	-15.71
S&P SM 600 TR	-6.71	9.19	-16.10	-16.10	5.80	5.88	10.15	11.29	26.82	-16.10
	0.05	0.03	0.39	0.39	0.66	0.46	0.21	1.48	0.09	0.39

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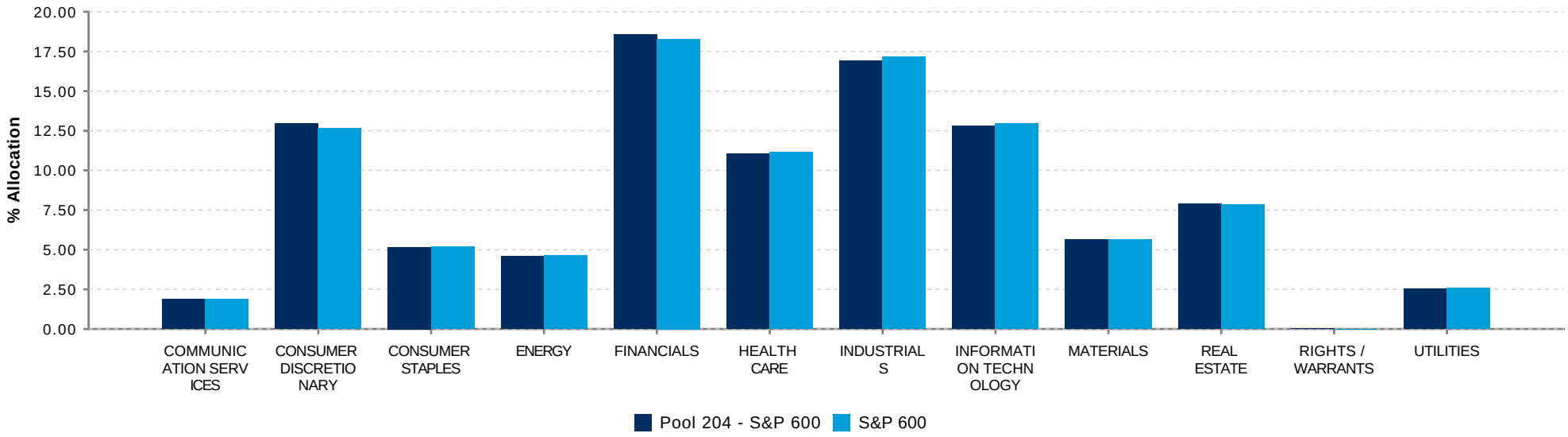
December 31, 2022

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



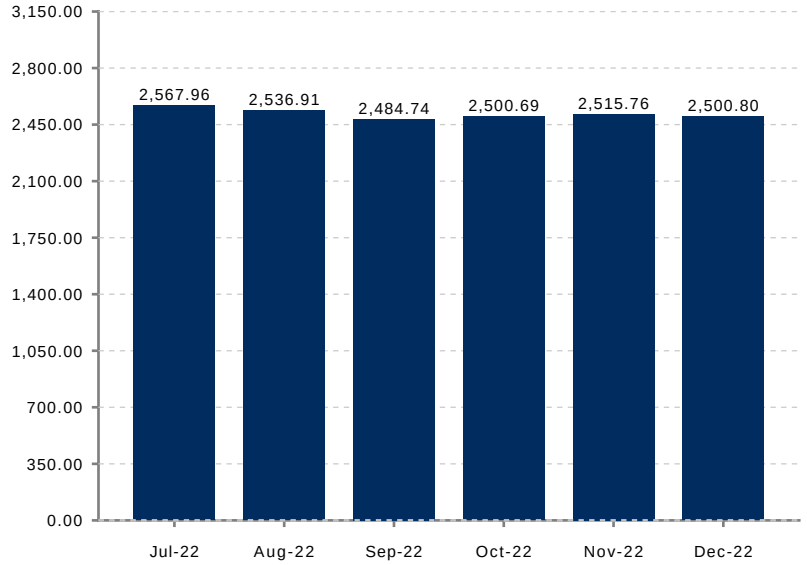
	Weight Fund	Weight Benchmark	Weight Relative
ST OF AZ POOL 204 SMALL CAP	100.00	100.00	0.00
COMMUNICATION SERVICES	1.86	1.89	-0.02
CONSUMER DISCRETIONARY	12.96	12.65	0.31
CONSUMER STAPLES	5.16	5.21	-0.06
ENERGY	4.57	4.62	-0.05
FINANCIALS	18.58	18.29	0.29
HEALTH CARE	11.06	11.16	-0.10
INDUSTRIALS	16.92	17.16	-0.24
INFORMATION TECHNOLOGY	12.80	12.94	-0.14
MATERIALS	5.65	5.63	0.01
REAL ESTATE	7.89	7.86	0.03
RIGHTS / WARRANTS	0.01	0.00	0.01
UTILITIES	2.55	2.58	-0.03

OFFICE OF THE ARIZONA STATE TREASURER

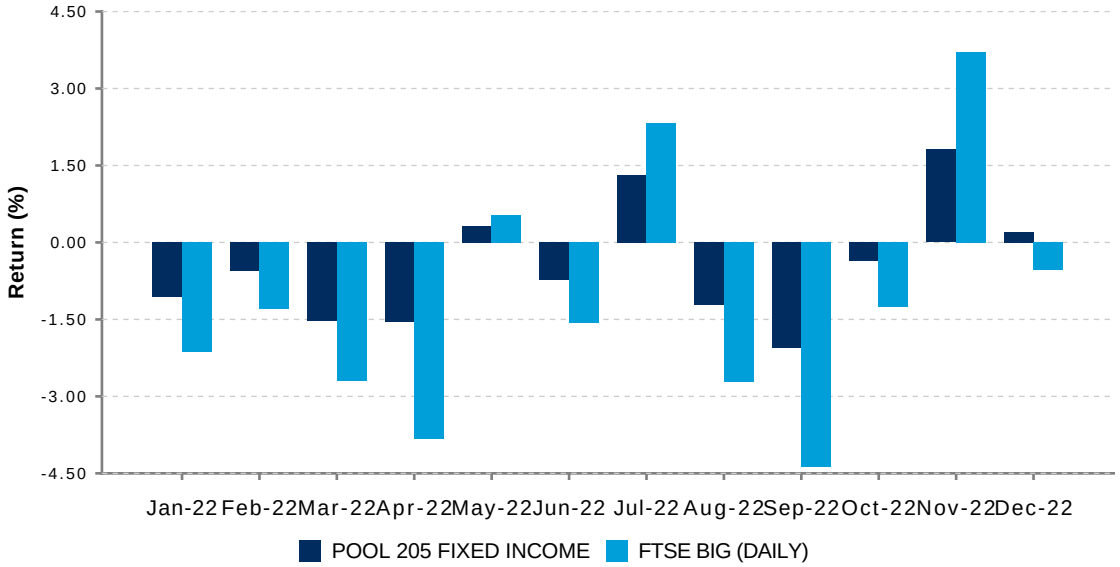
December 31, 2022

POOL 205 FIXED INCOME

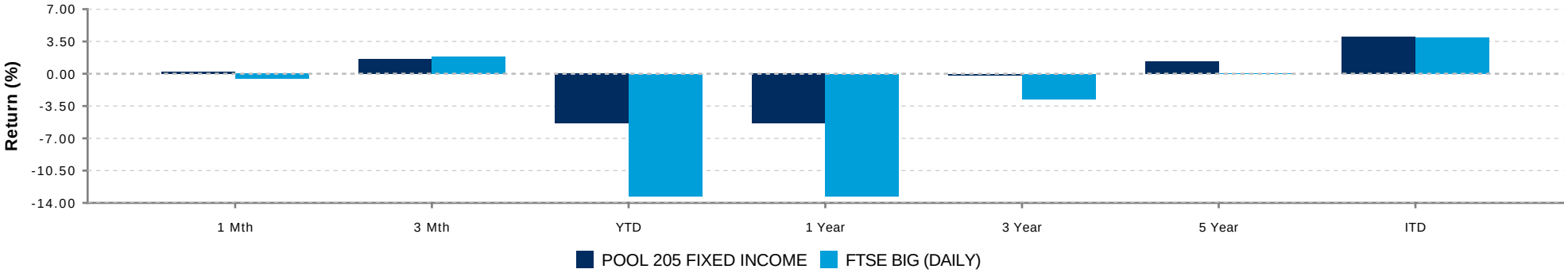
Net Asset Values over Time ($MM)



Monthly Returns



Rates of Return



	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Dec 31 2022	Dec 31 2021	Dec 31 2020
POOL 205 FIXED INCOME	0.20	1.64	-5.36	-5.36	-0.16	1.38	4.01	-5.36	-1.00	6.22
FTSE BIG (DAILY)	-0.54	1.85	-13.28	-13.28	-2.76	0.01	3.97	-13.28	-1.60	7.74
	0.74	-0.20	7.92	7.92	2.60	1.36	0.04	7.92	0.60	-1.52

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OFFICE OF THE ARIZONA STATE TREASURER

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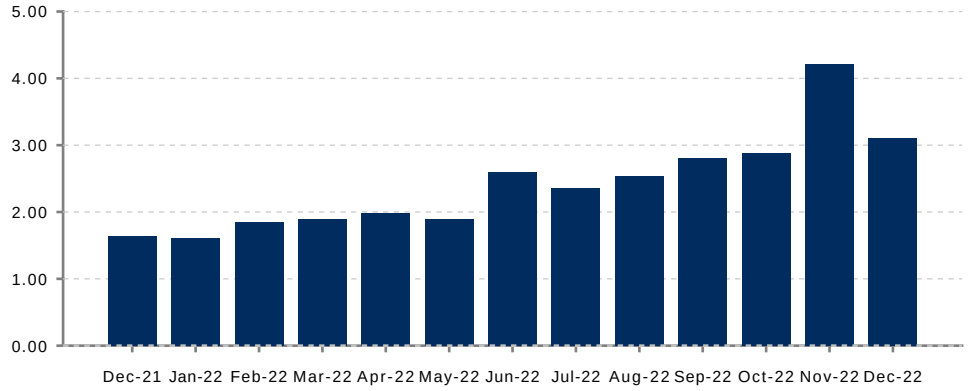
POOL 205 FIXED INCOME

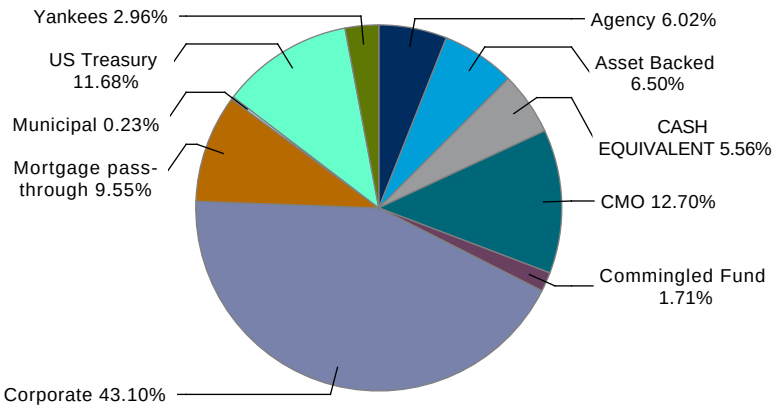
Net Yield



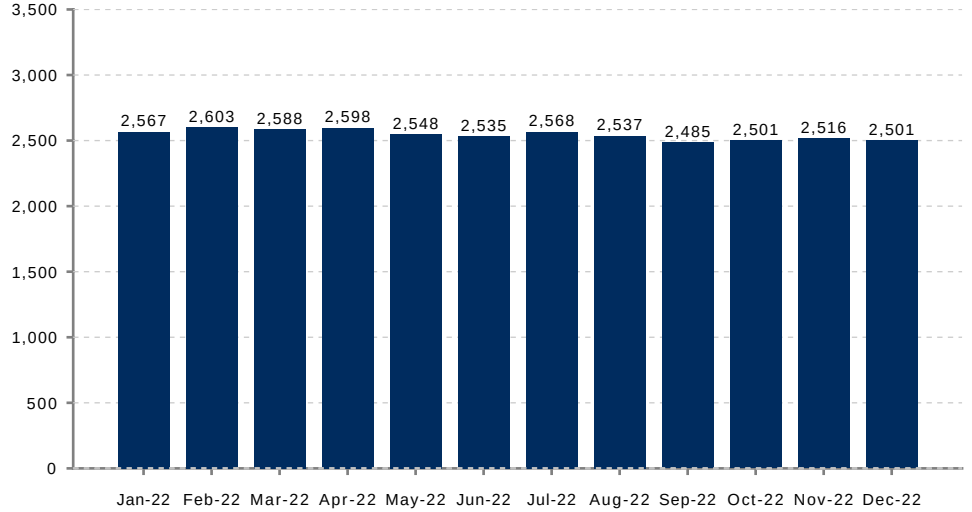
	Current Mth	Prior Mth	1 Year Ago
POOL 205 FIXED INCOME	3.10	4.22	1.64

Asset Allocation

	Ending Market Value
POOL 205 FIXED INCOME	2,500,797,019



Net Asset Values over Time ($MM)



Top 10 Holdings

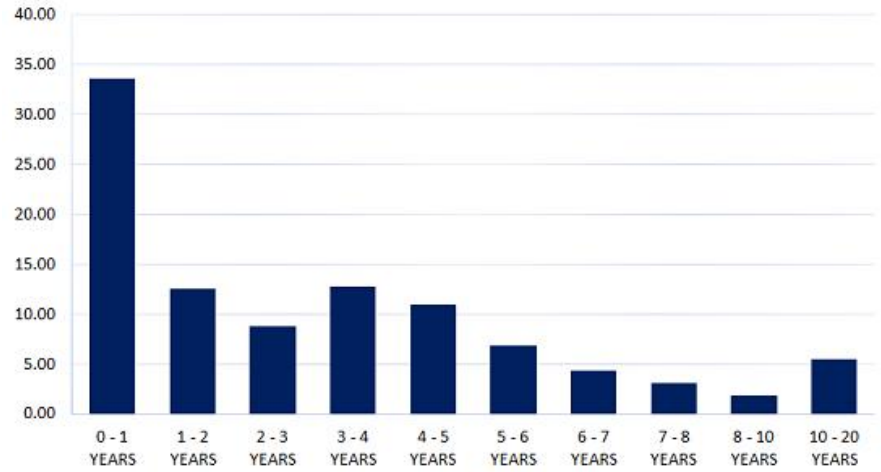
Security Name	Ending Market Value	% of Portfolio
POOL 205 FIXED INCOME		
NVIDIA CORP	34,307,660	1.37
ISHARES TIPS BOND ETF	30,146,150	1.21
BOEING CO	29,954,212	1.20
BANK OF MONTREAL	24,993,953	1.00
US TREASURY N/B	24,581,976	0.98
US TREASURY N/B	22,252,106	0.89
UNITEDHEALTH GROUP INC	20,882,144	0.84
UNITEDHEALTH GROUP INC	20,842,344	0.83
MERCK + CO INC	19,917,531	0.80
FEDERAL HOME LOAN BANK	19,832,225	0.79

OFFICE OF THE ARIZONA STATE TREASURER

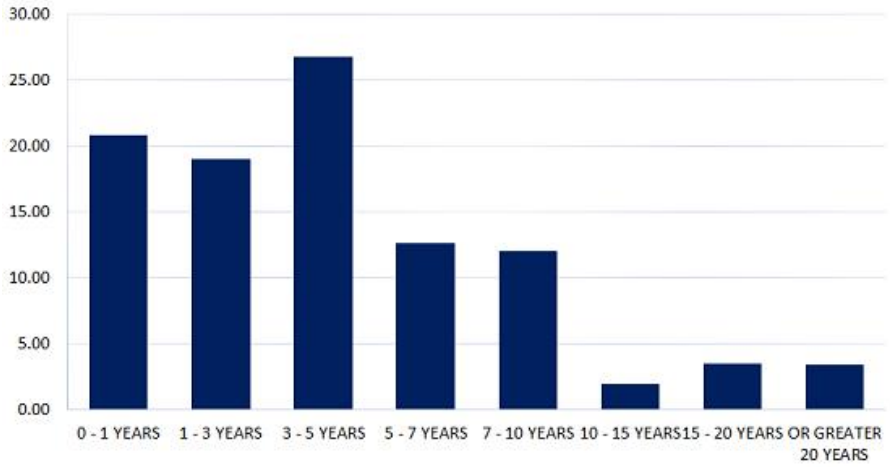
December 31, 2022

POOL 205 FIXED INCOME

Duration Distribution



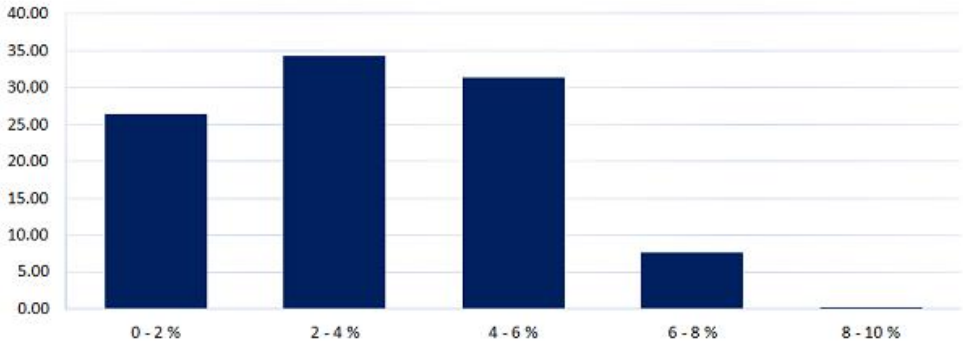
Expected Maturity Distribution



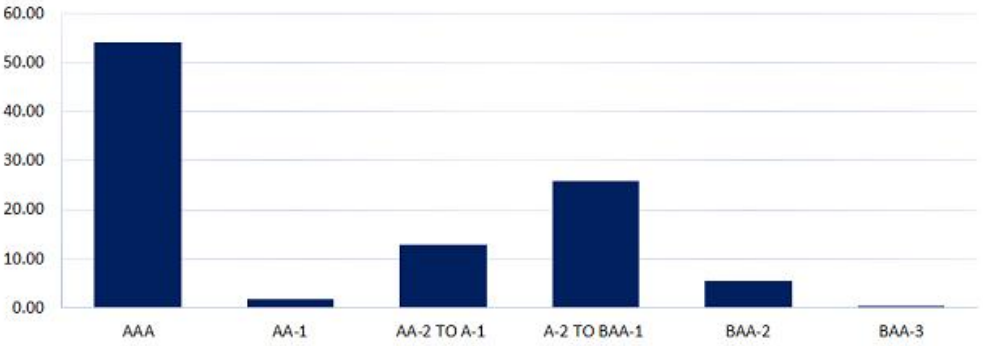
Portfolio Level Characteristics

	POOL 205 FIXED INCOME
Effective Maturity	5.15
Coupon	3.56
Effective Duration	3.22
Quality Rating (Moody's)	AA-2

Coupon Distribution



Rating Distribution



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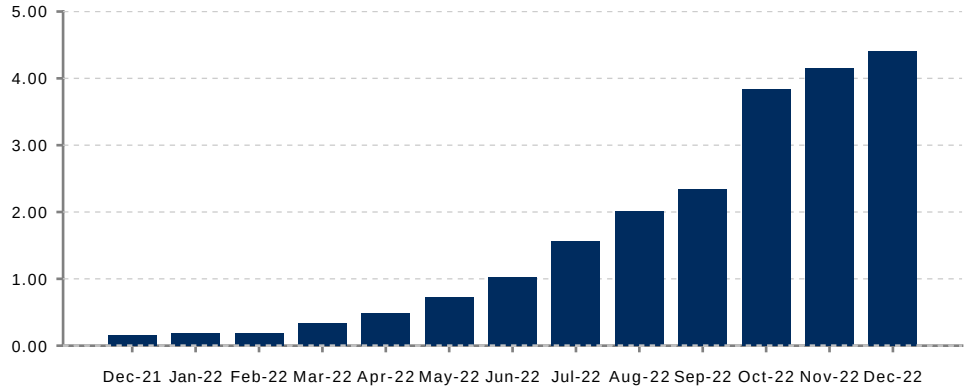
POOL 123 ST

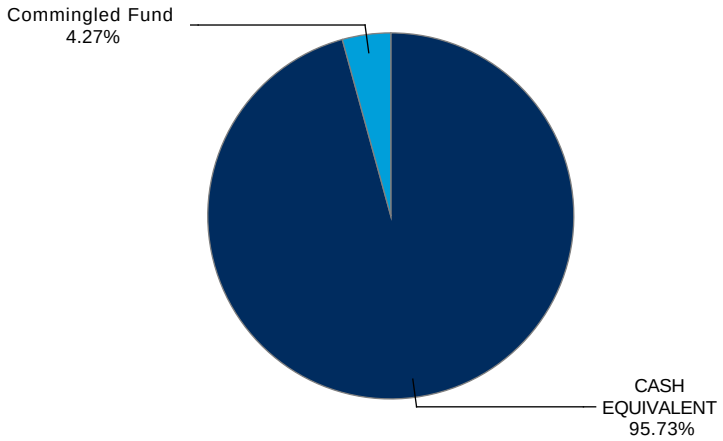
Net Yield



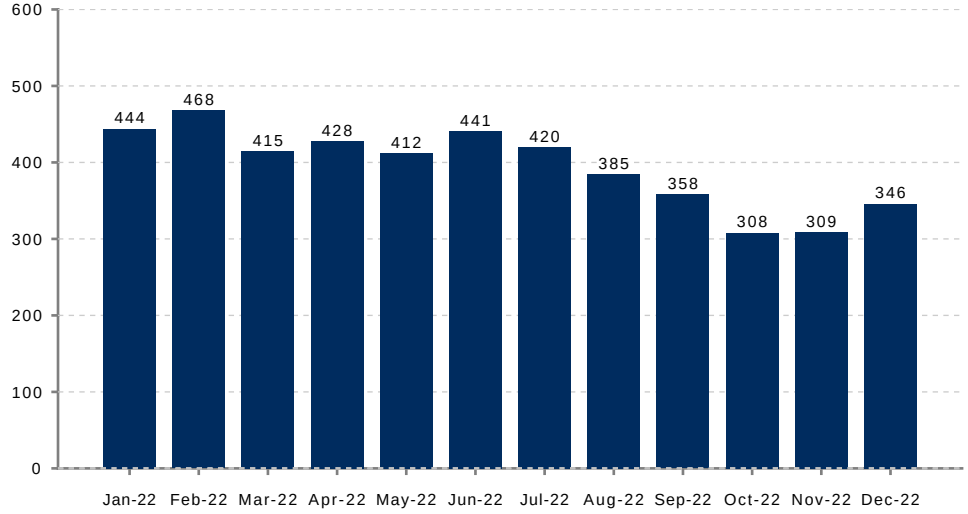
	Current Mth	Prior Mth	1 Year Ago
ST OF AZ POOL 123 ST FIXED INC	4.41	4.16	0.16

Asset Allocation

	Ending Market Value
ST OF AZ POOL 123 ST FIXED INC	345,615,615



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
ST OF AZ POOL 123 ST FIXED INC		
CAFCO LLC	24,757,500	7.16
CONCORD MIN CPTL CO	20,299,006	5.87
GTA FDG LLC DISC	24,947,938	7.22
HALKIN FINANCE LLC USC	24,825,250	7.18
HARLEY-DAVIDSON FND CP	24,909,722	7.21
LEXINGTN PKR CAP CO LL	19,831,722	5.74
OLD LINE FUNDING LLC	14,967,896	4.33
VICTORY RECEIVABLES	19,772,556	5.72
VICTORY RECEIVABLES	24,853,125	7.19
ANGLESEA FDG PLC and ANG	19,777,833	5.72

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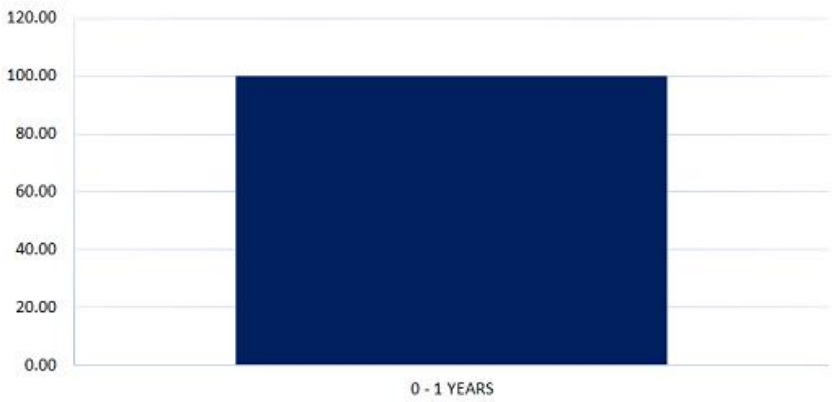
December 31, 2022

POOL 123 ST

Duration Distribution

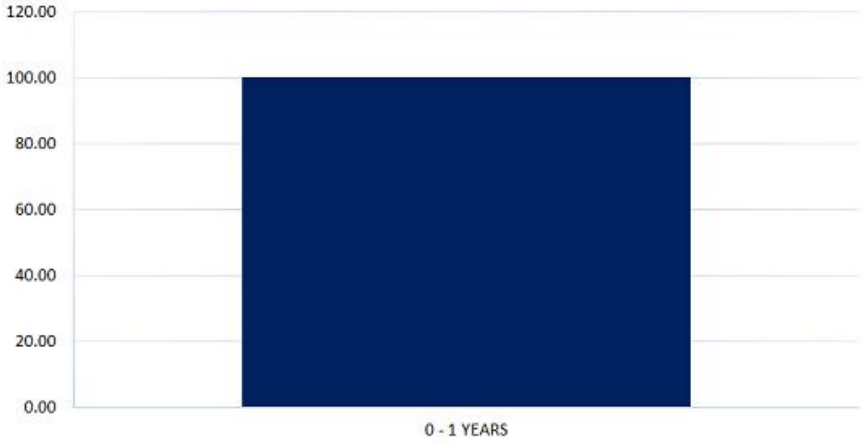


Portfolio Level Characteristics

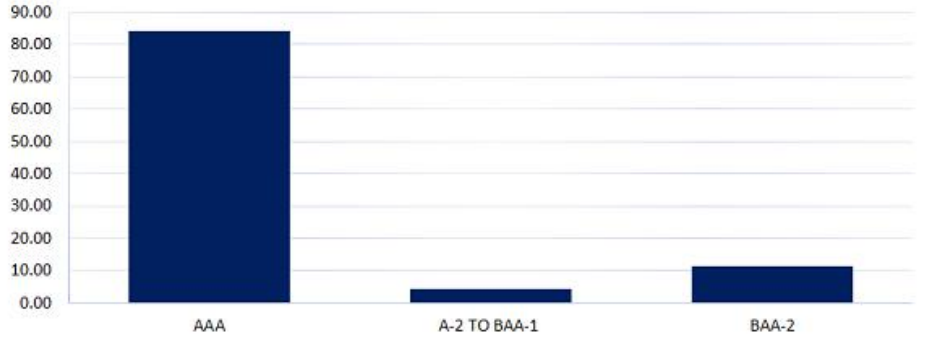
	POOL 123 ST
Effective Maturity	0.17
Coupon	4.31
Effective Duration	0.17
Quality Rating (Moody's)	AA-1

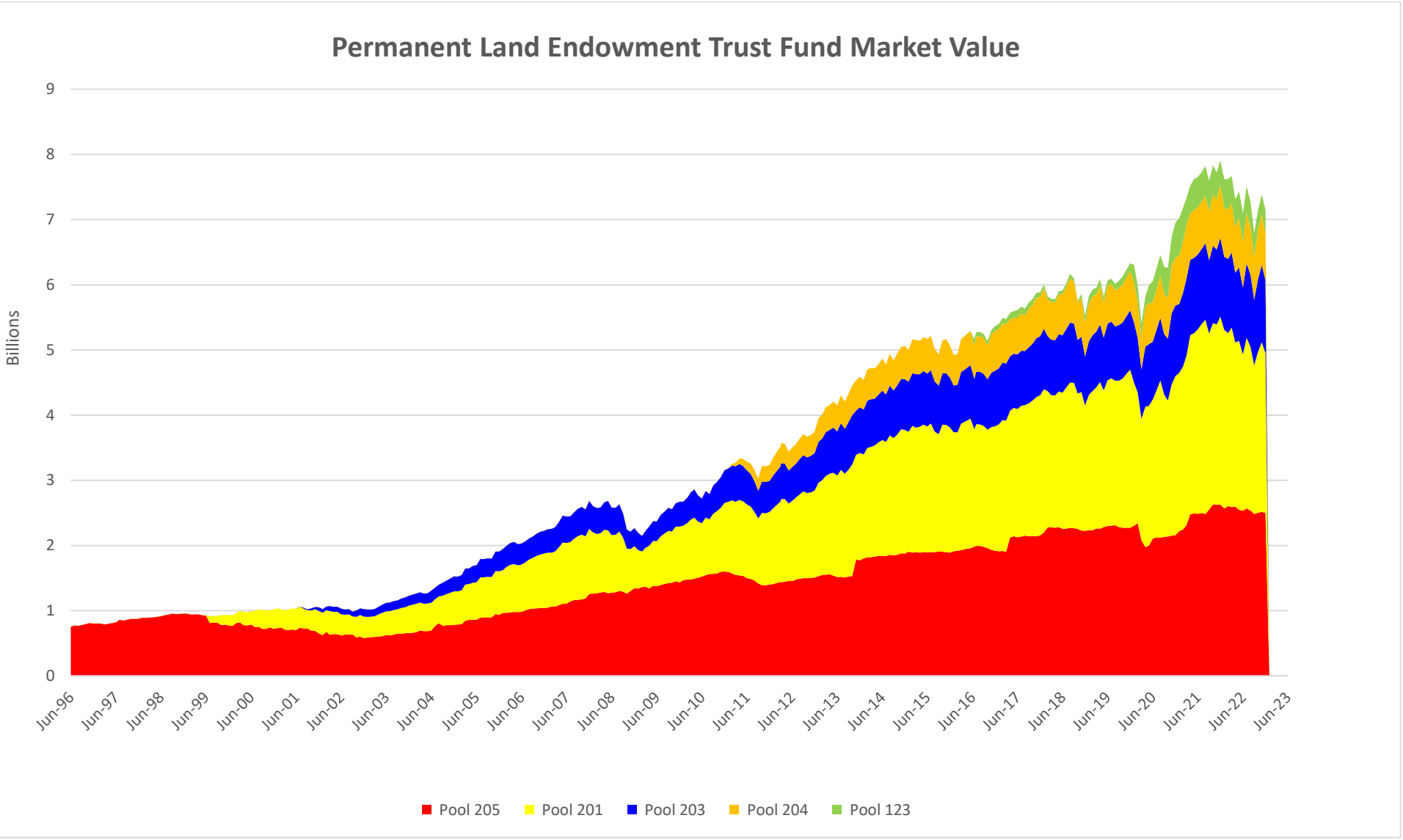
Coupon Distribution

Expected Maturity Distribution



Rating Distribution




Permanent Land Endowment Trust Fund Market Value
Billions
9
8
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
Jun-19
Jun-20
Jun-21
Jun-22
Jun-23
Pool 205
Pool 201
Pool 203
Pool 204
Pool 123

ARIZONA ENDOWMENT TRUST FUND

NET REALIZED CAPITAL GAIN/(LOSS)

	December 2022	December 2021
Current Month	$0	**$0**
Year-to-date	0	**0**

MONTHLY PROCEEDS

	FY 22/23
July	$2,890,699
August	456,739
September	536,566
October	718,758
November	780,784
December	1,062,223
January	
February	
March	
April	
May	
June	
TOTAL	**$6,445,771**

ASSET ALLOCATION

	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	UNREALIZED GAIN / (LOSS)
Fixed Income Pools	1,769,964	$22,540,919	$21,463,762	($1,077,157)
Equity Pools	2,884,003	$33,811,378	32,614,724	($1,196,655)
TOTAL	**4,653,967**	**$56,352,297**	**$54,078,486**	**($2,273,811)**

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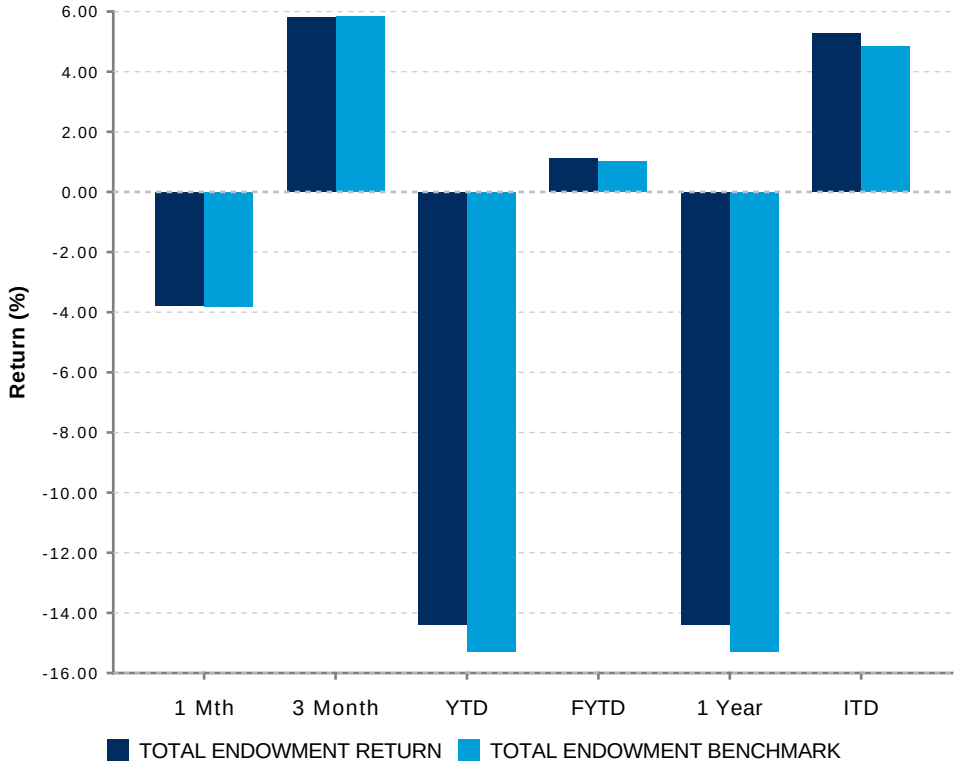
December 31, 2022

Arizona Endowment Trust Fund Summary

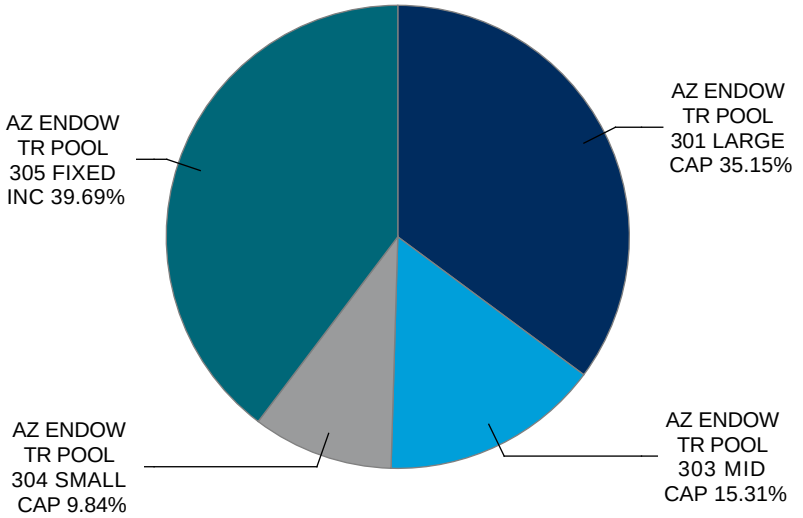
Performance



	1 Mth	3 Mth	YTD	FYTD	1 Year	ITD	Incept Date
TOTAL ENDOWMENT RETURN	-3.77	5.81	-14.38	1.10	-14.38	5.28	09/19
TOTAL ENDOWMENT BENCHMARK	-3.81	5.83	-15.29	1.02	-15.29	4.85	09/19
	0.04	-0.02	0.92	0.08	0.92	0.43	

Asset Allocation

	Ending Market Value
TOTAL ENDOWMENT RETURN	54,078,486



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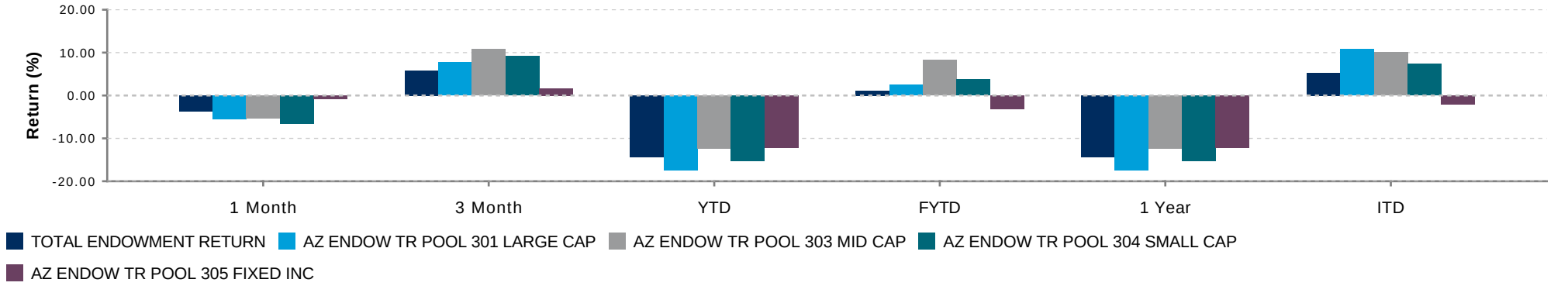
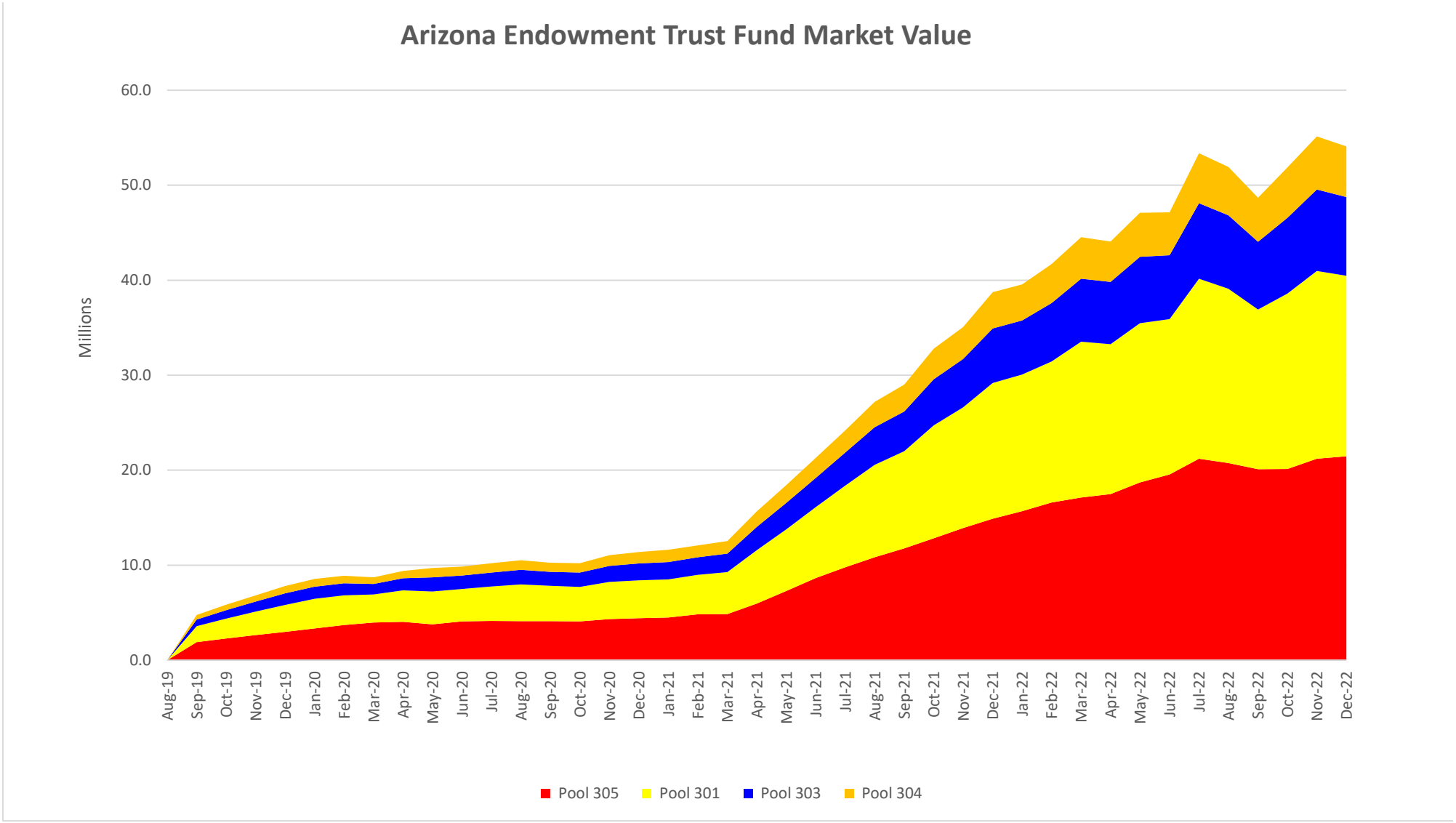
December 31, 2022

Total Returns Net Mgr

Return Comparison



	Market Value	Actual Weight	1 Mth	3 Mth	YTD	FYTD	1 Year	ITD	Inc Date
TOTAL ENDOWMENT RETURN	54,078,486	100.00	-3.77	5.81	-14.38	1.10	-14.38	5.28	Sep-01-19
TOTAL ENDOWMENT BENCHMARK			-3.81	5.83	-15.29	1.02	-15.29	4.85	Sep-01-19
			0.04	-0.02	0.92	0.08	0.92	0.43	
AZ ENDOW TR POOL 301 LARGE CAP	19,010,637	35.15	-5.53	7.70	-17.40	2.44	-17.40	10.78	Sep-01-19
S&P 500 INDEX (DAILY)			-5.76	7.56	-18.11	2.31	-18.11	10.30	Sep-01-19
			0.24	0.14	0.71	0.13	0.71	0.48	
AZ ENDOW TR POOL 303 MID CAP	8,281,283	15.31	-5.30	10.80	-12.34	8.22	-12.34	10.07	Sep-01-19
S&P 400 MIDCAP INDEX (DAILY)			-5.54	10.78	-13.06	8.05	-13.06	9.67	Sep-01-19
			0.24	0.02	0.72	0.16	0.72	0.40	
AZ ENDOW TR POOL 304 SMALL CAP	5,322,804	9.84	-6.52	9.20	-15.20	3.72	-15.20	7.34	Sep-01-19
S&P SM 600 TR			-6.71	9.19	-16.10	3.51	-16.10	8.79	Sep-01-19
			0.19	0.00	0.90	0.21	0.90	-1.44	
AZ ENDOW TR POOL 305 FIXED INC	21,463,762	39.69	-0.80	1.67	-12.13	-3.09	-12.13	-2.08	Sep-01-19
FTSE BIG (DAILY)			-0.54	1.85	-13.28	-3.05	-13.28	-2.60	Sep-01-19
			-0.26	-0.18	1.15	-0.04	1.15	0.51	


Arizona Endowment Trust Fund Market Value
Millions
60.0
50.0
40.0
30.0
20.0
10.0
0.0
Aug-19
Sep-19
Oct-19
Nov-19
Dec-19
Jan-20
Feb-20
Mar-20
Apr-20
May-20
Jun-20
Jul-20
Aug-20
Sep-20
Oct-20
Nov-20
Dec-20
Jan-21
Feb-21
Mar-21
Apr-21
May-21
Jun-21
Jul-21
Aug-21
Sep-21
Oct-21
Nov-21
Dec-21
Jan-22
Feb-22
Mar-22
Apr-22
May-22
Jun-22
Jul-22
Aug-22
Sep-22
Oct-22
Nov-22
Dec-22
Pool 305
Pool 301
Pool 303
Pool 304

Arizona's Education Savings Plan (AZ529) December 2022 Summary

Overall Performance – Where We Are Now |

- **AZ529, Arizona's Education Savings Plan:**
  - Total assets: $1,780,678,397 (-13.6% YoY)
    - Total Arizona resident assets: $893,512,156 (50.2%)
    - Total non-resident assets: $887,166,241(49.8%)
  - Total accounts: 101,176 (+3.6% YoY)
    - Total Arizona resident accounts: 56,488 (55.8%)
    - Total non-resident accounts: 44,688 (44.2%)

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

Fidelity remains the largest AZ529 provider, holding 66% of total assets and 66.8% of total accounts. Total Fidelity AZ529, Arizona's Education Savings Plan assets in December were down 5.4% YoY to $1,176,076,625 with total accounts up 12.4% YoY to 67,541. Arizona residents held 72.2% of total assets and 79.6% of total accounts, with the rest held by non-residents.

Goldman Sachs 529 Plan | Advisor Sold

Goldman Sachs remains the second largest AZ529 provider, holding 33.5% of total assets and 32.4% of total accounts. Total Goldman Sachs 529 Plan assets in December were down 22.8% YoY to $595,934,027 with total accounts down 6.6% YoY to 32,739. Arizona residents held 7% of total assets and 7.1% of total accounts, with the rest held by non-residents. Ascensus/Goldman Sachs assumed control of Ivy InvestEd accounts on June 13, 2022.

College Savings Bank Plan | Closed Plan

College Savings Bank (CSB) remains the smallest AZ529 provider, holding 0.5% of total assets and 0.9% of total accounts. The first scheduled transfer of Honors Savings Accounts to Fidelity Investments occurred on Dec. 1, 2022. As a result, total CSB Plan assets in December were down 80.8% YoY to $8,667,745 with total accounts down 64.3% YoY to 896. Arizona residents held 28.9% of total assets and 43.4% of total accounts, with the rest held by non-residents.

AZ529 Plan Assets |

	December 30, 2022	December 31, 2021	YoY Change
Fidelity AZ529, Arizona's Education Savings Plan	$1,176,076,625	$1,243,838,701	-5.4%
Goldman Sachs 529 Plan	$595,934,027	$771,945,588	-22.8%
***College Savings Plan**	$8,667,745	$45,084,820	-80.8%
	$1,780,678,397	**$2,060,869,109**	**-13.6%**

*1st quarterly transfer of CSB accounts to Fidelity Investments took place on December 1, 2022

AZ529 Plan Accounts |

	December 30, 2022	December 31, 2021	YoY Change
Fidelity AZ529, Arizona's Education Savings Plan	67,541	60,094	+12.4%
***Goldman Sachs 529 Plan**	32,739	35,049	-6.6%
College Savings Plan	896	2,509	-64.3%
TOTAL AZ529 ACCOUNTS	**101,176**	**97,652**	**+3.6%**

* 1st quarterly transfer of CSB accounts to Fidelity Investments took place on December 1, 2022.

Jeffrey Ong, AZ529 Plan Administrator