OFFICE OF THE

ARIZONA STATE TREASURER

JEFF DEWIT
TREASURER

JANUARY 2018

Presented To:

Arizona State Board of Investment

February 27, 2018

STATE BOARD OF INVESTMENT

A G E N D A

February 27, 2018

1. Call to Order
2. Chairman Remarks
3. Approval of January 25, 2018 Minutes
4. Review of Treasurer's Monthly Reports
    A. Earnings Distribution; Investment Pools
    B. Operating Monies Invested Balances
    C. State Agency Pools Investments and Performance Reports
    D. LGIP Pools Investments and Performance Reports
    E. Earnings Distributed Endowment Funds
    F. Land Sales Monthly Proceeds Endowment Funds
    G. Endowment Investments and Performance Reports
5. Proposed Changes to the Investment Policy
    A. Review of Proposed Changes
    B. Public Comment on Proposed Changes
    C. Discussion and Action on Proposed Changes
6. Review and Approval of Proposed/Pending Securities Dealers
7. General Business
8. Call to the Public
9. Notice of Next Meeting
10. Adjournment

REPORT OF THE STATE TREASURER

FOR

February 27, 2018

TABLE OF CONTENTS

Page

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

Review of Treasurer's Monthly Reports:

A. Earnings Distribution; Investment Pools 1

B. Operating Monies Invested Balances 2

C. State Agency Pools Investments and Performance Reports 3-21

D. LGIP Pools Investments and Performance Reports 22-32

E. Earnings Distributed Endowment Funds 33

F. Land Sales Monthly Proceeds Endowment Funds……34

G. Endowment Investments and Performance Reports……....35-54

Minutes of
BOARD OF INVESTMENT MEETING

The regular meeting of the State Board of Investment was held on January 25, 2018 in the Office of the State Treasurer, 1700 West Washington, State Capitol, West Wing, Treasurer's Conference Room, Phoenix, Arizona. Treasurer DeWit called the meeting to order at approximately 1:34 p.m.

Members Present:

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

Others Present:

Mark Swenson, Deputy Treasurer of Policy & Research, Arizona State Treasurer's Office
Patty Humbert, Chief Investment Officer, Arizona State Treasurer's Office
Tim White, Senior Portfolio Manager, Arizona State Treasurer's Office
Dennis Stevenson, Portfolio Manager, Arizona State Treasurer's Office
Jake Richardson, Investment Analyst, Arizona State Treasurer's Office
Eric Stivers, Collateral Analyst, Arizona State Treasurer's Office
Michael Leslein, Investment Accounting Manager, Arizona State Treasurer's Office
Ken Price, Human Resource Manager, Arizona State Treasurer's Office
Dajana Zlaticanin, Communications Director, Arizona State Treasurer's Office

Pursuant to A.R.S. 35-311, the following reports for December 2017 were submitted for the Board's approval:

Review of Treasurer's Monthly Reports:

Earnings Distribution; Investment Pools

Operating Monies Invested Balances

State Agency Pools Investments and Performance Reports

LGIP Pools Investments and Performance Reports

Earnings Distributed Endowment Funds

Land Sales Monthly Proceeds Endowment Funds

Endowment Investments and Performance Reports

1. **Call to Order:**
   Treasurer DeWit called the January 25, 2018 BOI meeting to order at approximately 1:39 p.m.

2. **Treasurers Comments:**
   Treasurer DeWit welcomed the board members and guests and thanked all present for attending the January 25, 2018 meeting.

3. **Approval of Minutes:**
   Mr. Papp made a motion to approve the December 28, 2017 report. Mr. Partridge seconded the motion. Motion carried.

4. Review of Treasurer's Monthly Report

Earnings Distribution – Investment Pools

Ms. Humbert reported the earnings distributed month-to-date, year-to-date, prior year-to-date, and investment management fees deposited in the General Fund for the month of December 2017.

Operating Monies Average Invested Balance

Ms. Humbert reported the Operating Monies average invested balance for the month of December 2017.

Review of Treasurer's Monthly Report – Agency Pools:

Ms. Humbert presented the monthly report for the Agency Pools portion of the Arizona State Treasurer's Office to the Board of Investment as follows:

State Agency Pools Portfolio Yield Analysis

Ms. Humbert reported the net yields for the State Agency Pools for the month of December 2017.

Manager Allocation of Invested Monies for the State Agency Pools

Ms. Humbert reported the total market value of all of the State Agency Pools broken up to show the percent allocated to each individual State Agency Pool as of December 31, 2017.

Investments Outstanding in State Agency Pools

Ms. Humbert reported the total net assets, asset allocation, the weighted average life, the weighted average duration and the weighted average rating for the State Agency Investment Pools as of December 31, 2017.

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

Mr. Stevenson presented the monthly report for the LGIP Investment Pools portion of the Arizona State Treasurer's Office to the Board of Investment as follows:

LGIP (Pool 5) & LGIP GOV (Pool 7) Portfolio Yield Analysis

Mr. Stevenson reported the net yield for the LGIP and LGIP-Gov Pools and the comparison to the benchmark for the month of December 2017.

Pool 500 & Pool 700 Portfolio Yield Analysis

Mr. Stevenson reported the net yield for the LGIP Medium Term Pools and the comparison to the benchmark for the month of December 2017.

Manager Allocation of Invested Monies for the LGIP Pools

Mr. Stevenson reported the total market value invested in all of the LGIP Pools as a percentage of the total that was allocated to each of the LGIP, LGIP-Gov, and LGIP Medium Term Pools as of December 31, 2017.

LGIP Pools Investments and Performance Reports

Mr. Stevenson reported the total net assets, asset allocation, the weighted average life, the weighted average duration, and the weighted average rating on the LGIP, LGIP-Gov, and LGIP Medium Term pools for the month of December 2017.

Review of Treasurer's Monthly Report – Endowments:

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

Earnings Distributed Endowment Funds

Mr. White reported the earnings distributed for the Endowment Funds for the month of December 2017.

Net Realized Capital Gains/Losses – Endowment Funds

Mr. White reported the net realized capital gains for the Endowment Fixed Income, S&P 500, S&P 400 and S&P 600 pools for the month of December 2017 and fiscal year to date.

Endowment Funds Fixed-Income Pool Purchases & Sales

Mr. White reported the purchases and sales of the Endowment Fixed Income Pool for the month of December 2017.

Equity Funds Purchases & Sales

Mr. White reported the purchases and sales (summary) of the Endowment Equity Pools for the month of December 2017.

Investments Outstanding in Endowment Funds

Mr. White reported the par, book, market value, and unrealized gains/loss of the Endowment Funds as of December 31, 2017.

Performance of Investments in Endowment Funds

Mr. White reported the performance of the Endowment Funds for the current month, the year to date, trailing one year, trailing three years, trailing five years, and since inception for the Endowment Funds as of December 31, 2017.

Manager Allocation of Invested Monies for the Endowment Pools

Mr. White reported the percentage of the total market value of all of the Endowment investments allocated to each of the Endowment Pools, as of December 31, 2017.

Equity Holdings Investments Outstanding S&P 500

Mr. White reported the investments outstanding by portfolio characteristics and industry sector for the S&P 500 Pool as of December 31, 2017.

Equity Holdings Investments Outstanding S&P 400

Mr. White reported the investments outstanding by portfolio characteristics and industry sector for the S&P 400 Pool as of December 31, 2017.

Equity Holdings Investments Outstanding S&P 600

Mr. White reported the investments outstanding by portfolio characteristics and industry sector for the S&P 600 Pool as of December 31, 2017.

Fixed Income Investments and Performance Reports

Mr. White reported the total net assets, asset allocation, the weighted average life, the weighted average duration and the weighted average rating for the Fixed Income Pool for the month of December, 2017.

Endowment Investments and Performance Growth by Account Reports

Mr. White reported the performance and growth for each of the Endowment Funds from the inception date of each fund through the end of December 31, 2017.

Broker Activity Report

Mr. White reported the quarterly broker activity for all internally managed pools for the period of October 1, 2017 through December 31, 2017.

State Treasurer's Report
February 27, 2018 Meeting
Minutes of the January 25, 2018 Meeting

Approval of Treasurer's Report

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

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

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

7. **General Business:**
   Ms. Humbert presented the Endowment Distribution for FY 2019.

   Discussion ensued.

   Mr. Papp called for a motion to approve the Endowment Distribution for FY 2019. Mr. Partridge seconded the motion. Motion carried.

8. **Call to the Public:**
   There was no Public comment.

9. **Notice of Next Meeting:**
   Treasurer DeWit advised the Board that the next regular meeting of the Board of Investment will be Tuesday, February 27, 2018 at 1:30 p.m. at 1700 West Washington, State Capitol, West Wing, Treasurer's Conference Room, Phoenix, Arizona.

10. **Adjournment:**
    Mr. Partridge made a motion to adjourn the BOI meeting. Mr. Papp seconded the motion. Upon unanimous approval the BOI Meeting was adjourned at 2:35 p.m.

Respectfully Submitted by:

_____
Christine Thurston
Executive Consultant II

Approved by:

_____ _____
Jeff DeWit, Chair Date

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EARNINGS DISTRIBUTION - INVESTMENT POOLS
JANUARY 2018

Recipient	Earnings Distributed JANUARY 2018	Earnings Distributed Fiscal YTD 17/18	Earnings Distributed Fiscal YTD 16/17	Fiscal YTD Investment Management Fees Received
General Fund *	$2,727,353	$12,375,727	$9,842,615	
2 State Agencies - Full Faith & Credit	968,046	5,873,209	3,846,197	287,735
3 State Agencies - Diversified (Combined) **	1,257,214	8,417,735	5,736,926	454,331
4 State Agencies - Gov	1,011,580	6,029,489	3,417,663	314,654
5 LGIP	1,622,384	8,518,736	3,348,866	409,778
7 LGIP Gov	1,496,047	7,854,363	2,439,506	423,836
9A Public School Credit Enhancement ***	0	0	0	26,667
10 Restricted Operating	612,510	3,689,197	2,707,779	389,168
12 CAWCD Medium-Term	613,753	3,798,209	2,869,846	121,310
16 ECDH Medium-Term	600,404	3,944,040	3,300,810	125,787
Subtotal	**$10,909,291**	**$60,500,703**	**$37,510,207**	**$2,553,265**
NAV POOL				
500 LGIP - Med Term	537,733	3,374,724	2,104,972	108,868
700 LGIP - FF&C Med Term	205,387	1,312,531	910,127	47,527
Total	**$11,652,412**	**$65,187,958**	**$40,525,306**	**$2,709,660**
JANUARY 2017 TOTALS	**$6,566,960**			**$2,631,586**

* Note: Pool 15 AHCCCS Operating Earnings are reported in General Fund

** Note: Pool 15 AHCCCS Operating Management Fees are reported in Pool 3 State Agencies Diversified (Combined)

*** Note: Pool 9A represents $80 million invested in School Funding Obligations; earnings on this investment revert to the General Fund

OPERATING MONIES
AVERAGE INVESTED BALANCE
Through January 31, 2018
(in millions)

Month	Fiscal Year 2015/2016	Fiscal Year 2016/2017	Fiscal Year 2017/2018
JULY	$1,795	$2,012	$1,635
AUGUST	1,554	1,504	1,303
SEPTEMBER	1,874	1,694	1,455
OCTOBER	1,701	1,672	1,473
NOVEMBER	1,686	1,633	1,417
DECEMBER	1,734	1,693	1,400
JANUARY	2,140	2,255	2,140
FEBRUARY	2,295	2,306	
MARCH	2,092	1,968	
APRIL	2,407	1,961	
MAY	2,720	2,215	
JUNE	2,590	2,147	
Y-T-D Average	**$2,049**	**$1,922**	**$1,546**

Budget Stabilization Average Fund Balance - January 2018	**$456**
Total Average Cash Available - January 2018	**$2,596**

STATE AGENCY POOLS
PORTFOLIO EARNINGS ANALYSIS
JANUARY 2018

FUND	DESCRIPTION	Current Month 01/31/18	Prior Month 12/31/17	Prior Year 01/31/17	Net Asset Value Per Share
2	STATE AGENCIES - FULL FAITH & CREDIT	1,226,115	1,040,230	750,676	0.9775
3	STATE AGENCIES - DIVERSIFIED				
	INTERNAL MANAGERS	2,000,020	1,456,646	1,393,365	1.0059
	EXTERNAL MANAGERS	142,639	142,297	112,709	0.9964
	FUND 3 TOTAL	2,142,659	1,598,943	1,506,074	1.0054
4	STATE AGENCIES - GOV	1,406,873	1,242,398	736,065	0.9962
9A	PUBLIC SCHOOL CREDIT ENHANCEMENT	104,199	106,417	N/A	0.9775
10	RESTRICTED OPERATING				
	INTERNAL MANAGERS	1,351,820	1,265,196	963,643	0.9935
	EXTERNAL MANAGERS	218,150	212,898	191,572	0.9989
	FUND 10 TOTAL	1,569,970	1,478,094	1,155,215	0.9982
12	CAWCD MEDIUM-TERM	613,753	577,687	427,021	0.9959
15	AHCCCS OPERATING	90,844	32,865	27,959	N/A
16	ECDH MEDIUM-TERM	600,404	578,919	480,271	0.9921
	TOTAL STATE AGENCIES	7,754,818	6,655,554	5,083,281	

STATE AGENCY POOLS
PORTFOLIO YIELD ANALYSIS
JANUARY 2018

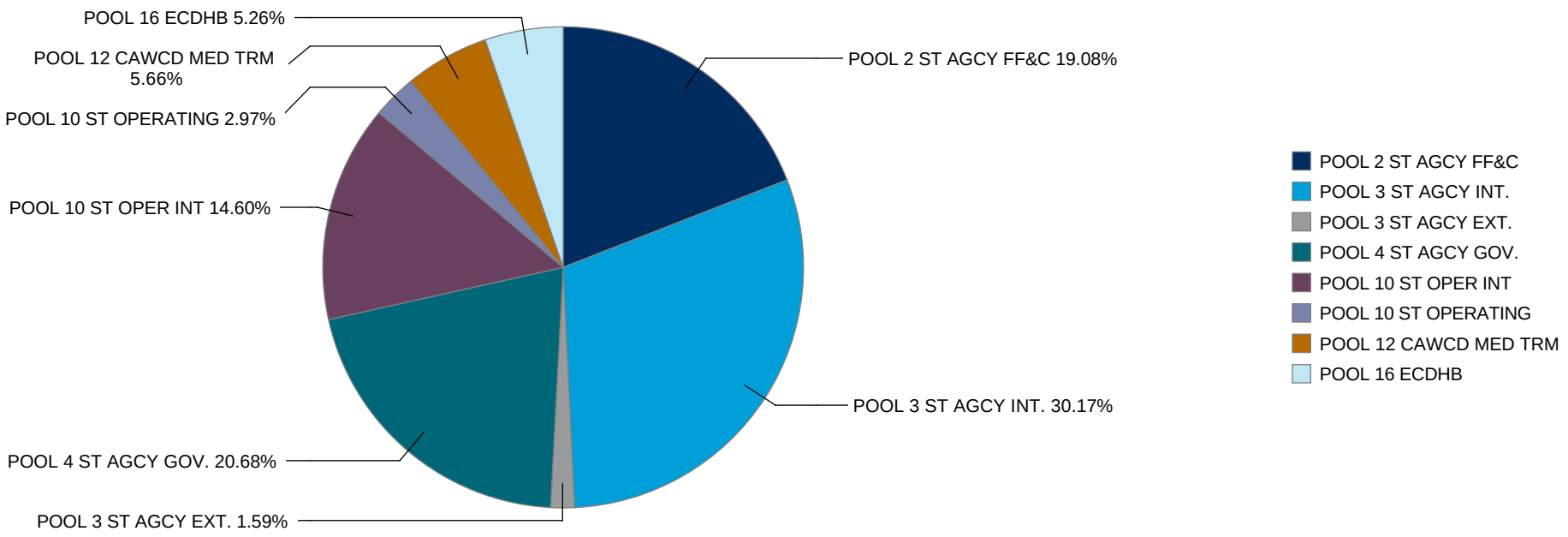
FUND	DESCRIPTION	Current Month 01/31/18	Prior Month 12/31/17	Prior Year 01/31/17
2	STATE AGENCIES - FULL FAITH & CREDIT	1.35%	1.34%	0.82%
	75% MERRILL 0-1 US TREAS INDEX / 25% MERRILL US GNMA MORTGAGE BACKED INDEX	1.94%	1.79%	1.22%
3	STATE AGENCIES - DIVERSIFIED			
	INTERNAL MANAGERS	1.60%	1.54%	1.05%
	EXTERNAL MANAGERS	1.60%	1.60%	1.28%
	COMBINED	1.60%	1.54%	1.07%
	50% 3 MONTH LIBOR INDEX / 50% MERRILL 1-3 US BROAD MARKET INDEX	2.00%	1.82%	1.25%
4	STATE AGENCIES - GOV	1.40%	1.41%	0.78%
	50% MERRILL 6 MTH US T-BILL INDEX / 50% MERRILL 1-3 UNSUB. US TREAS / AGY INDEX	1.86%	1.69%	0.91%
9A	PUBLIC SCHOOL CREDIT ENHANCEMENT	1.35%	1.34%	N/A
10	RESTRICTED OPERATING			
	INTERNAL MANAGERS	1.65%	1.57%	1.22%
	EXTERNAL MANAGERS	1.24%	1.17%	0.74%
	COMBINED	1.58%	1.50%	1.10%
	50% 3 MONTH LIBOR INDEX / 50% MERRILL 1-3 US BROAD MARKET INDEX	2.00%	1.82%	1.25%
12	CAWCD MEDIUM-TERM	1.86%	1.74%	1.41%
	75% MERRILL 1-5 US D M INDEX / 25% S & P LGIP INDEX	2.17%	1.94%	1.49%
15	AHCCCS OPERATING	0.61%	0.30%	0.23%
16	ECDH MEDIUM-TERM	2.02%	1.95%	1.61%
	75% MERRILL 1-5 US D M INDEX / 25% S & P LGIP INDEX	2.17%	1.94%	1.49%

OFFICE OF THE ARIZONA STATE TREASURER

January 31, 2018

STATE AGENCY

Manager Allocation



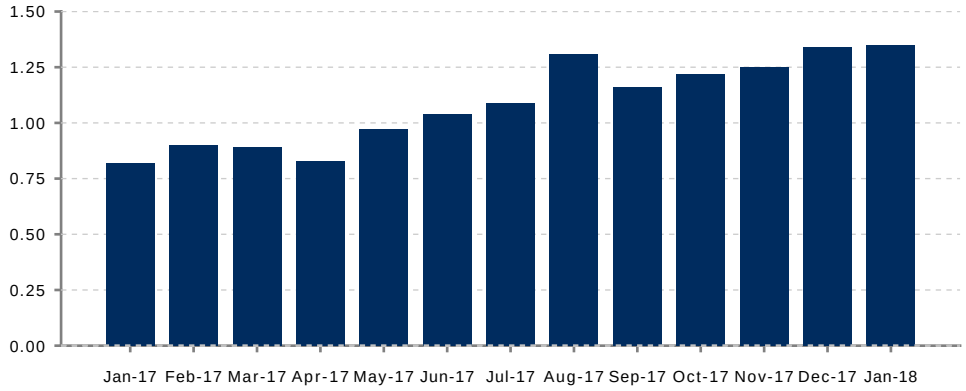
	Market Value	% of Portfolio
POOL 2 ST AGCY FF&C	1,261,609,991	19.1
POOL 3 ST AGCY INT.	1,994,599,041	30.2
POOL 3 ST AGCY EXT.	104,845,801	1.6
POOL 4 ST AGCY GOV.	1,367,378,137	20.7
POOL 10 ST OPER INT	965,404,931	14.6
POOL 10 ST OPERATING	196,460,349	3.0
POOL 12 CAWCD MED TRM	374,269,445	5.7
POOL 16 ECDHB	347,697,995	5.3
TOTAL STATE AGENCY	6,612,265,693	100.0

OFFICE OF THE ARIZONA STATE TREASURER

January 31, 2018

POOL 2 ST AGCY FF&C

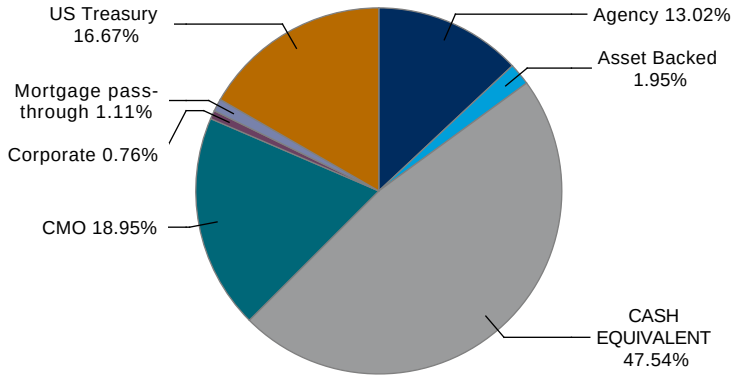
Net Yield



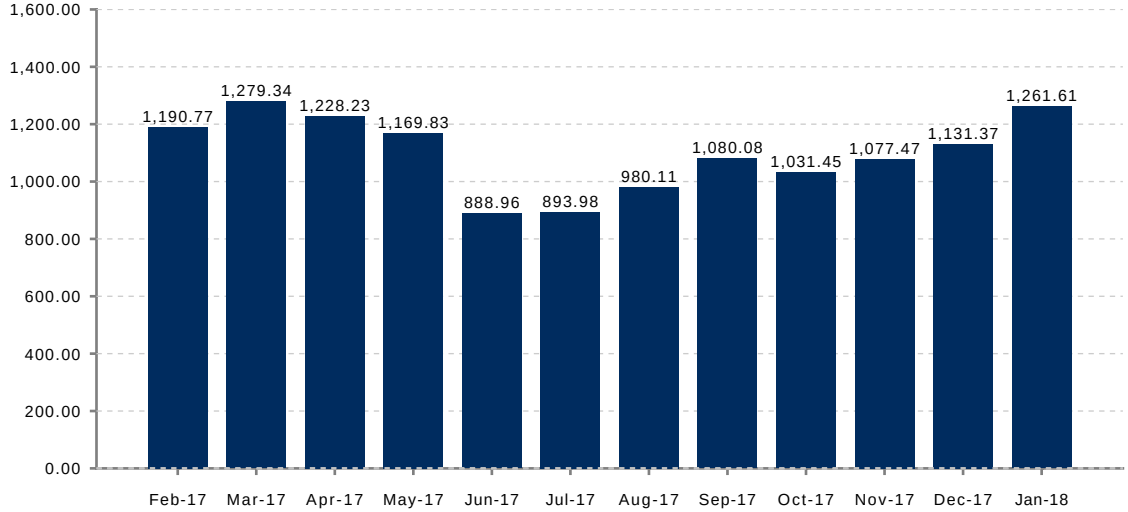
	Current Mth	Prior Mth	1 Year Ago
POOL 2 ST AGCY FF&C	1.35	1.34	0.82

Asset Allocation

	Ending Market Value
POOL 2 ST AGCY FF&C	1,261,609,991



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 2 ST AGCY FF&C		
DAIWA CAPITAL MARKETS	200,007,500	15.85
BMO TRIPARTY MTGE CLA	100,003,611	7.93
TREASURY BILL	59,911,745	4.75
GUGGENHEIM SECURITIE	58,454,085	4.63
US TREASURY N/B	45,019,540	3.57
TREASURY BILL	29,933,960	2.37
TREASURY BILL	29,889,605	2.37
TREASURY BILL	29,825,200	2.36
TREASURY BILL	29,813,012	2.36
TREASURY BILL	29,757,913	2.36

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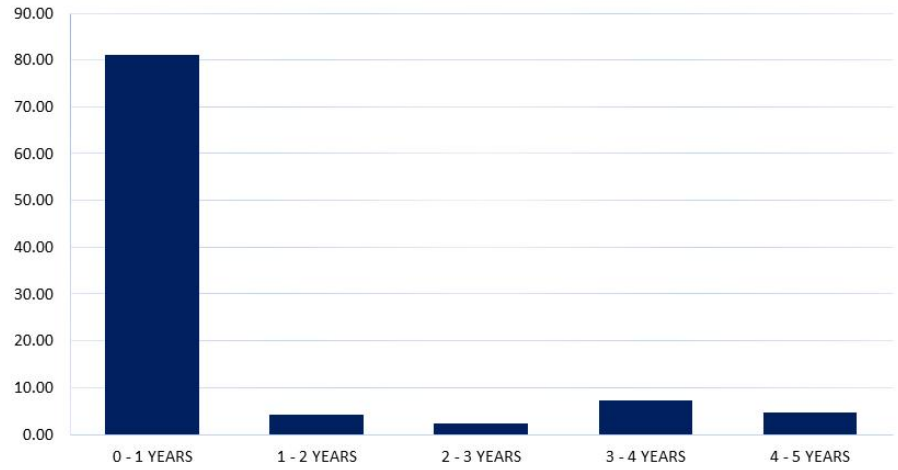
OFFICE OF THE ARIZONA STATE TREASURER

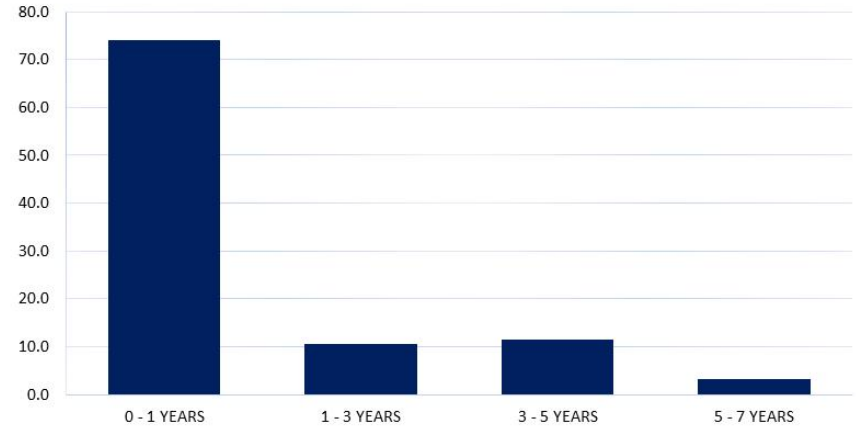
January 31, 2018

POOL 2 ST AGCY FF&C

Duration Distribution



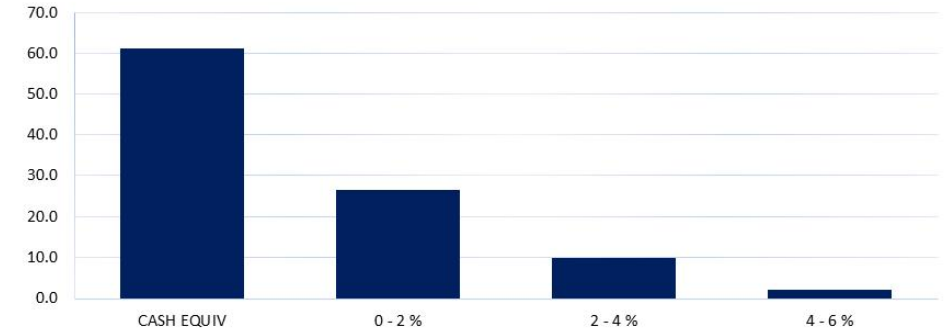
Expected Maturity Distribution



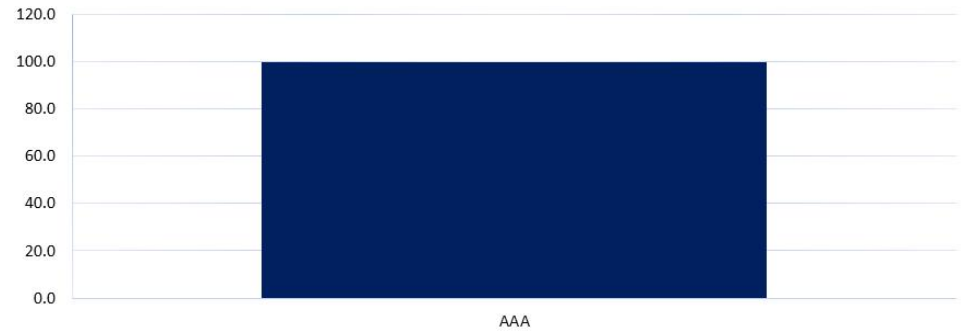
Portfolio Level Characteristics

	POOL 2 ST AGCY FF&C
Weighted Average Life	1.03
Coupon	1.06
Effective Duration	0.79
Quality Rating (Moody's)	AAA

Coupon Distribution



Rating Distribution

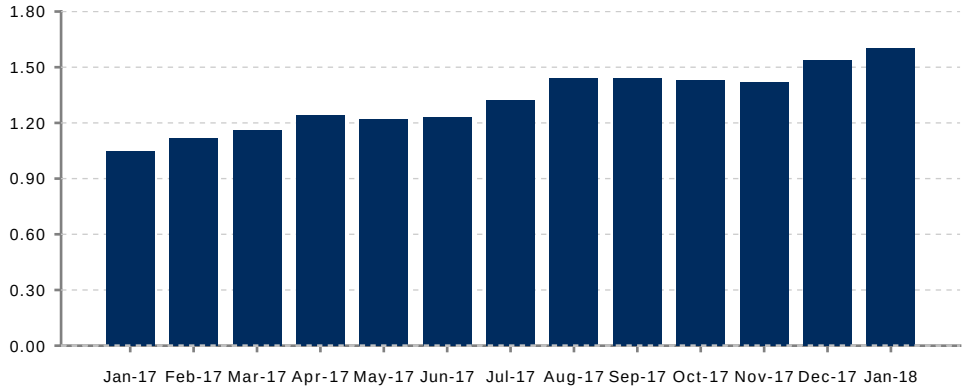


OFFICE OF THE ARIZONA STATE TREASURER

January 31, 2018

POOL 3 ST AGCY INT.

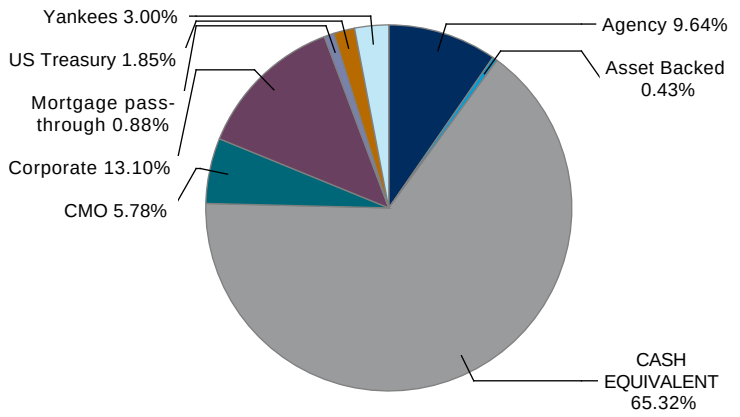
Net Yield



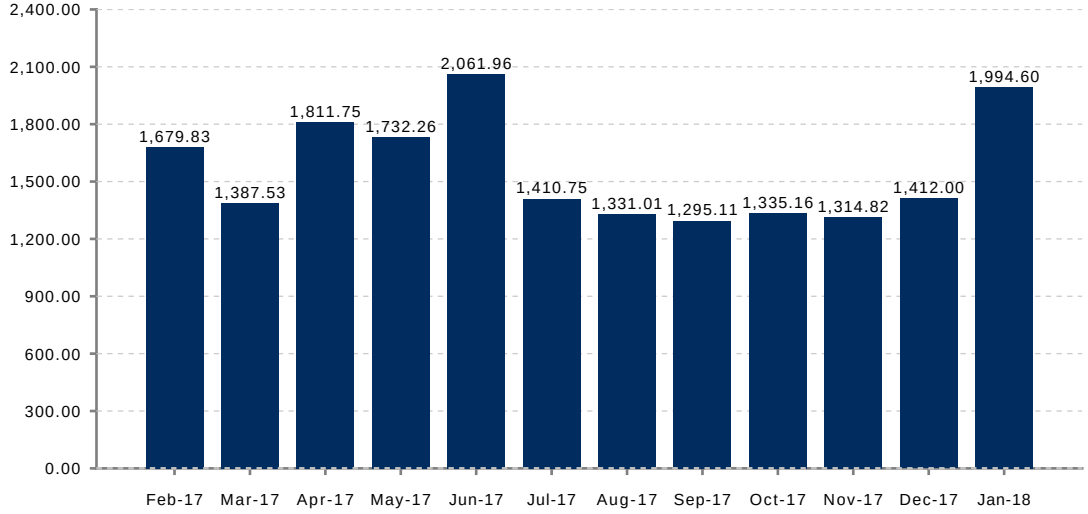
	Current Mth	Prior Mth	1 Year Ago
POOL 3 ST AGCY INT.	1.60	1.54	1.05

Asset Allocation

	Ending Market Value
POOL 3 ST AGCY INT.	1,994,599,041



Net Asset Values over Time ($MM)



Top 10 Holdings

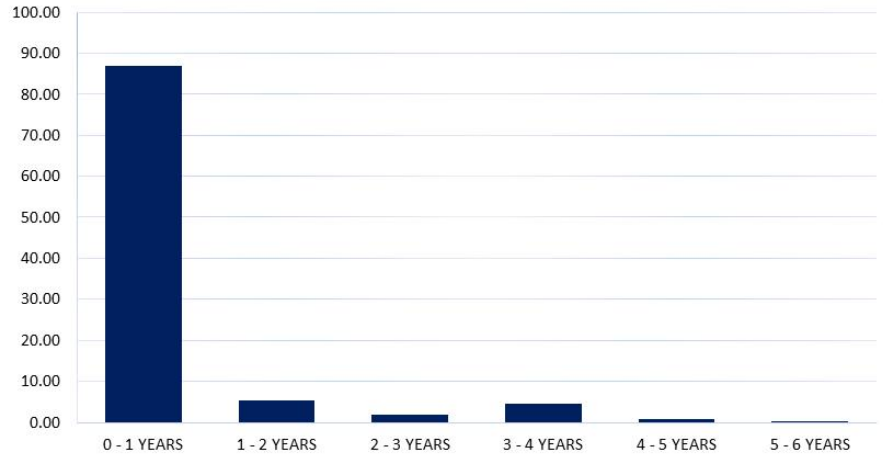
Security Name	Ending Market Value	% of Portfolio
POOL 3 ST AGCY INT.		
SOUTH STREET REPO	520,784,714	26.11
IBM CORP	30,098,823	1.51
LEXINGTN PKR CAP CO LL	29,953,333	1.50
SHEFFIELD RECEIVABLE	29,937,333	1.50
MANHATTAN ASSET FDG.	29,924,400	1.50
CONCORD MIN CPTL CO	29,889,633	1.50
STARBIRD FDG. CORP	29,889,075	1.50
CAN AST & CAN LTD JT	29,887,267	1.50
SWEDBANK	29,878,167	1.50
LEGACY CAPITAL COMPANY	26,930,250	1.35

OFFICE OF THE ARIZONA STATE TREASURER

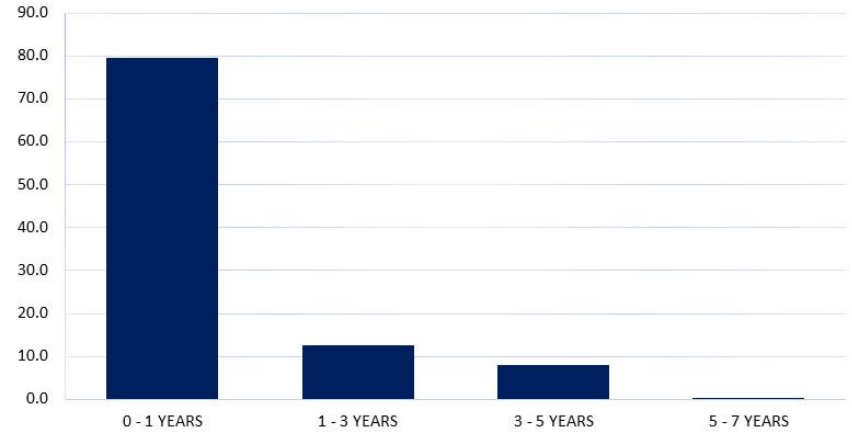
January 31, 2018

POOL 3 ST AGCY INT

Duration Distribution



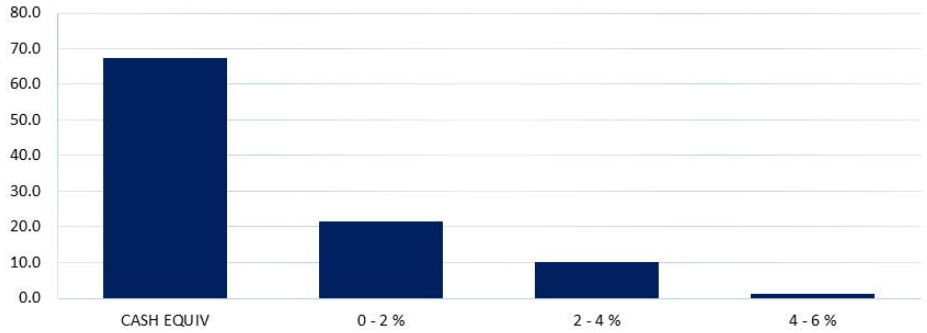
Expected Maturity Distribution



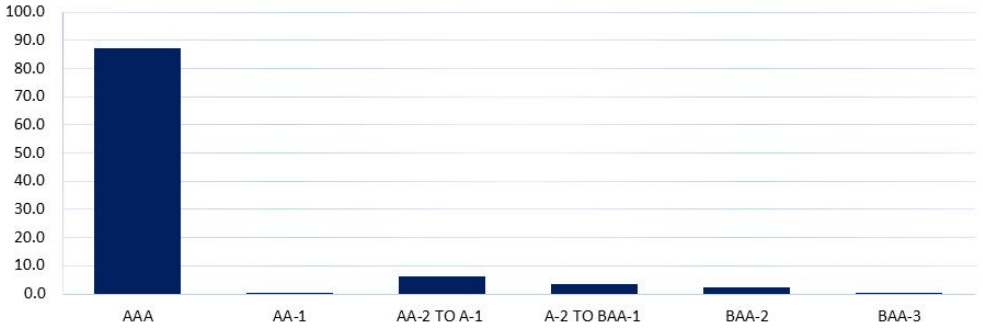
Portfolio Level Characteristics

	POOL 3 ST AGCY INT.
Weighted Average Life	0.68
Coupon	1.54
Effective Duration	0.47
Quality Rating (Moody's)	AA-1

Coupon Distribution



Rating Distribution

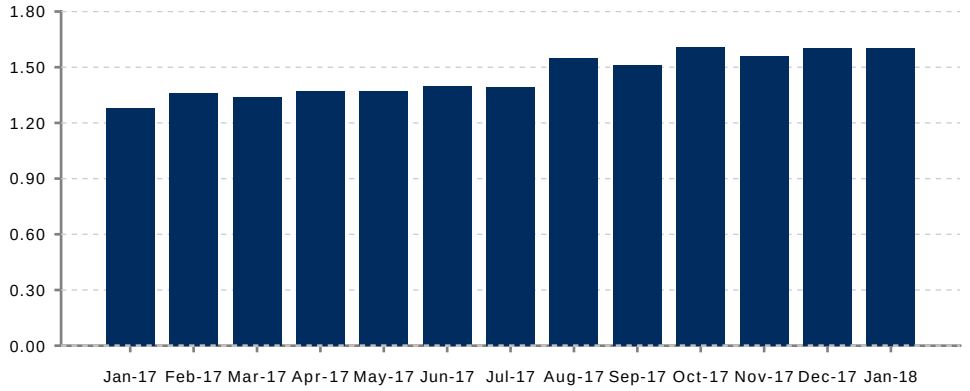


OFFICE OF THE ARIZONA STATE TREASURER

January 31, 2018

POOL 3 ST AGCY EXT.

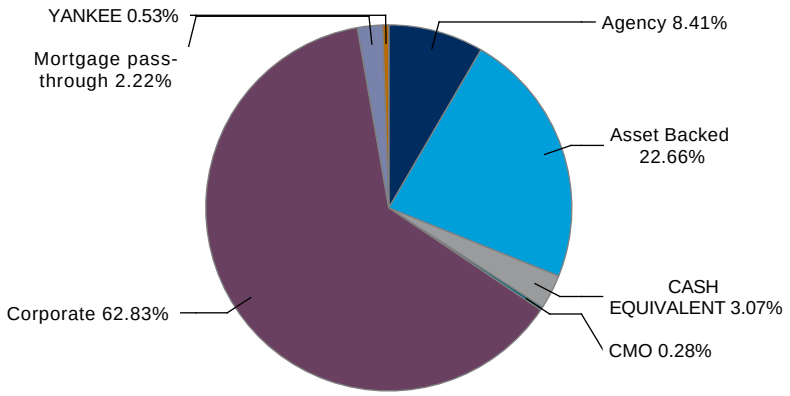
Net Yield



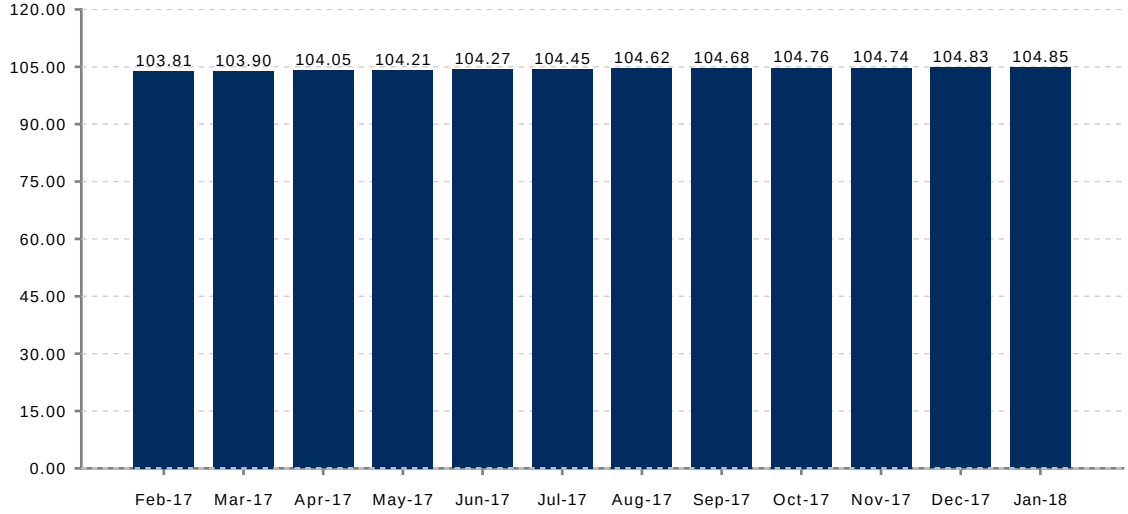
	Current Mth	Prior Mth	1 Year Ago
POOL 3 ST AGCY EXT.	1.60	1.60	1.28

Asset Allocation

	Ending Market Value
POOL 3 ST AGCY EXT.	104,845,801



Net Asset Values over Time ($MM)



Top 10 Holdings

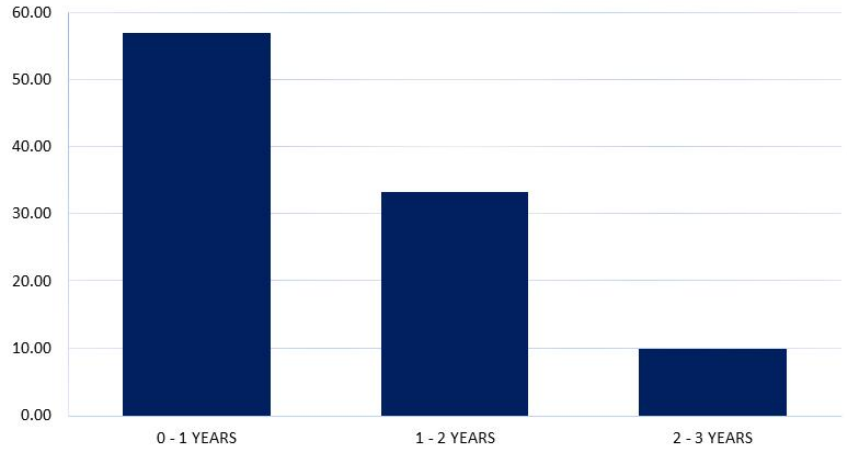
Security Name	Ending Market Value	% of Portfolio
POOL 3 ST AGCY EXT.		
FANNIE MAE	2,971,098	2.83
FREDDIE MAC	2,765,603	2.64
DISCOVER CARD EXECUTION NOTE T	2,090,461	1.99
FANNIE MAE	1,981,537	1.89
BRANCH BANKING + TRUST	1,859,624	1.77
MANUF + TRADERS TRUST CO	1,822,158	1.74
CITIBANK NA	1,752,675	1.67
FNMA POOL MA1443	1,655,514	1.58
3M COMPANY	1,541,249	1.47
INTEL CORP	1,518,181	1.45

OFFICE OF THE ARIZONA STATE TREASURER

January 31, 2018

POOL 3 ST AGCY EXT

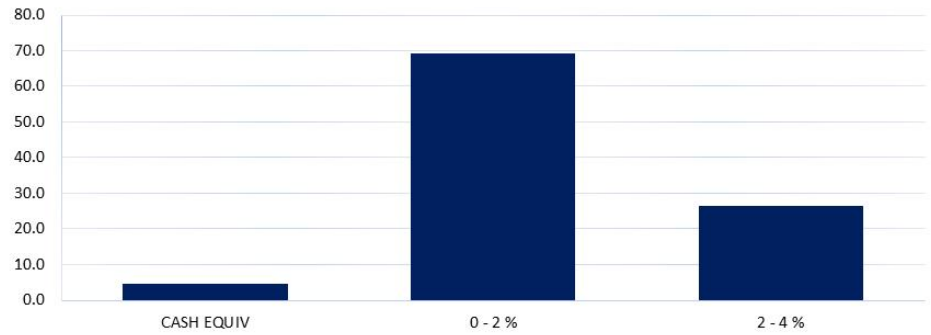
Duration Distribution



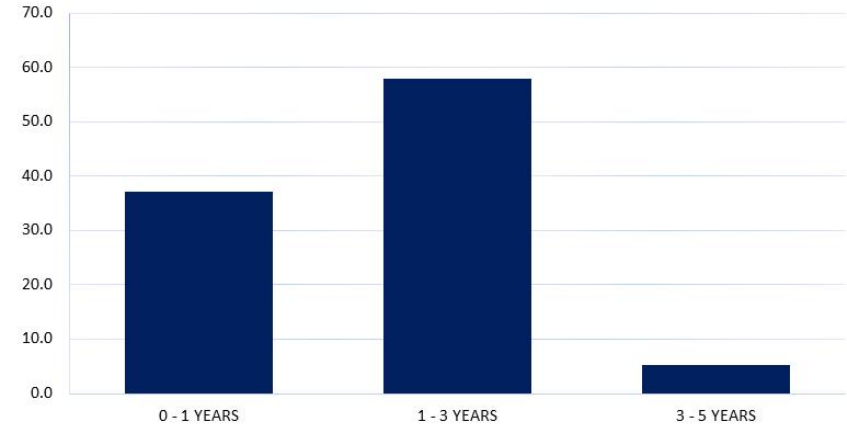
Portfolio Level Characteristics

	POOL 3 ST AGCY EXT.
Weighted Average Life	1.46
Coupon	1.71
Effective Duration	0.89
Quality Rating (Moody's)	AA-2

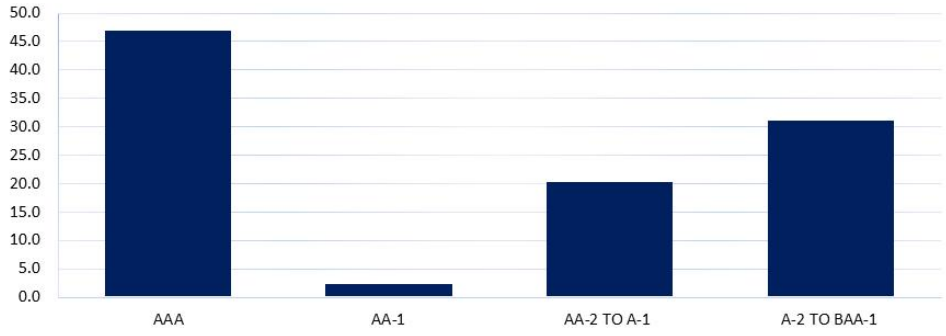
Coupon Distribution



Expected Maturity Distribution



Rating Distribution

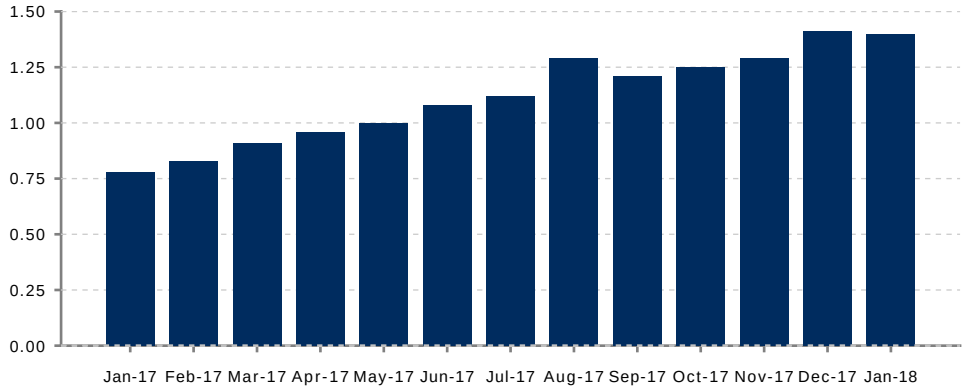


OFFICE OF THE ARIZONA STATE TREASURER

January 31, 2018

POOL 4 ST AGCY GOV.

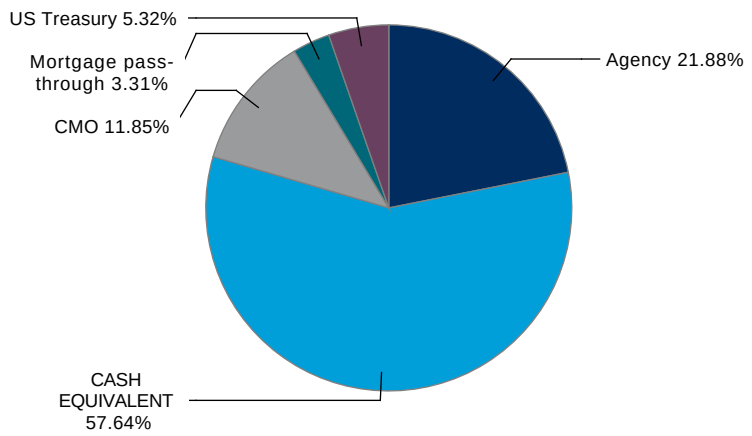
Net Yield



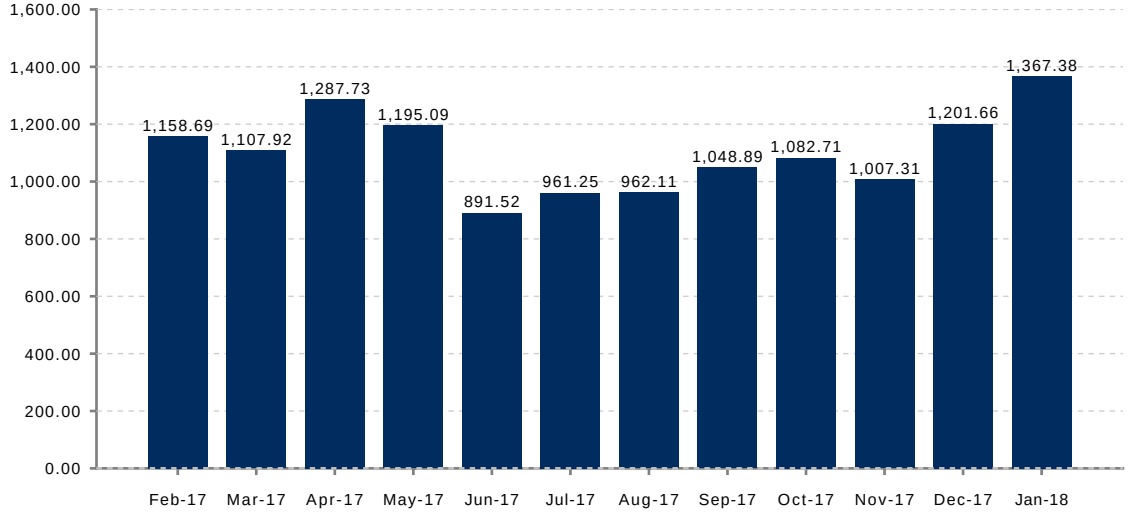
	Current Mth	Prior Mth	1 Year Ago
POOL 4 ST AGCY GOV.	1.40	1.41	0.78

Asset Allocation

	Ending Market Value
POOL 4 ST AGCY GOV.	1,367,378,137



Net Asset Values over Time ($MM)



Top 10 Holdings

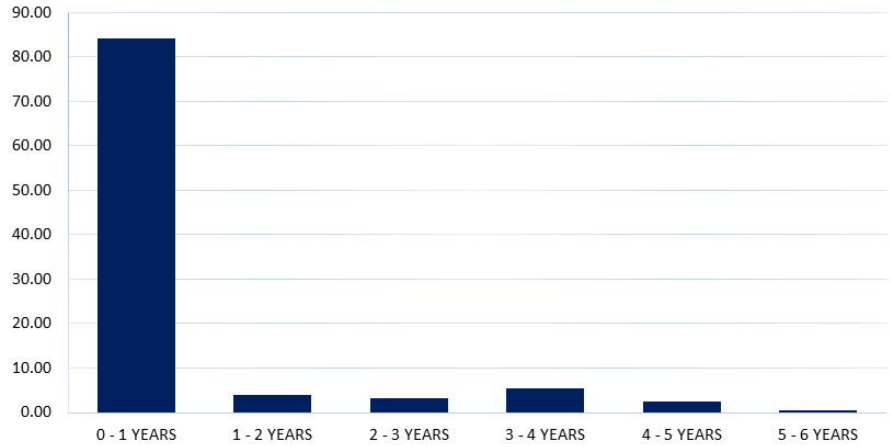
Security Name	Ending Market Value	% of Portfolio
POOL 4 ST AGCY GOV.		
AMHERST PIERPONT	242,509,448	17.74
SOUTH STREET REPO	100,003,472	7.31
TREASURY BILL	49,940,270	3.65
FED HOME LN DISCOUNT NT	39,762,160	2.91
US TREASURY N/B	30,013,027	2.19
TREASURY BILL	29,933,960	2.19
TREASURY BILL	29,813,012	2.18
SOUTH STREET REPO	29,237,592	2.14
FARMER MAC	20,093,498	1.47
FEDERAL FARM CREDIT BANK	20,049,886	1.47

OFFICE OF THE ARIZONA STATE TREASURER

January 31, 2018

POOL 4 ST AGCY GOV

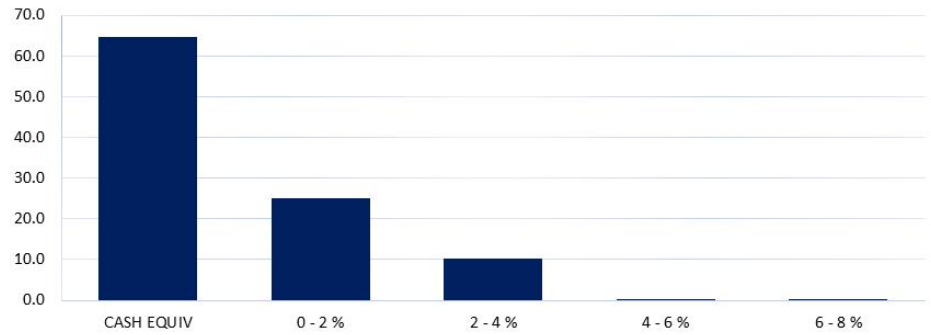
Duration Distribution



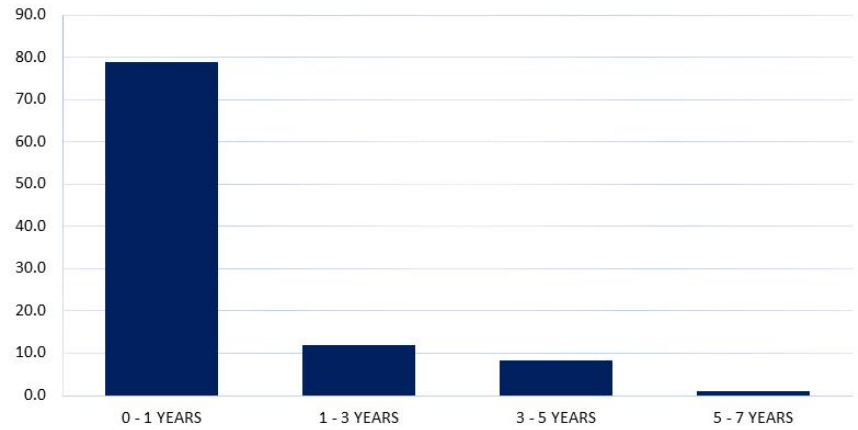
Portfolio Level Characteristics

	POOL 4 ST AGCY GOV.
Weighted Average Life	0.79
Coupon	0.88
Effective Duration	0.64
Quality Rating (Moody's)	AAA

Coupon Distribution



Expected Maturity Distribution



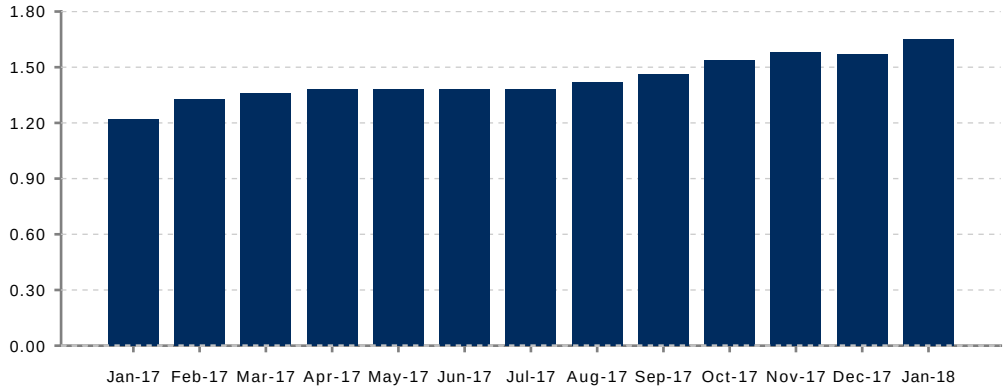
Rating Distribution

OFFICE OF THE ARIZONA STATE TREASURER

January 31, 2018

POOL 10 ST OPERATING INT

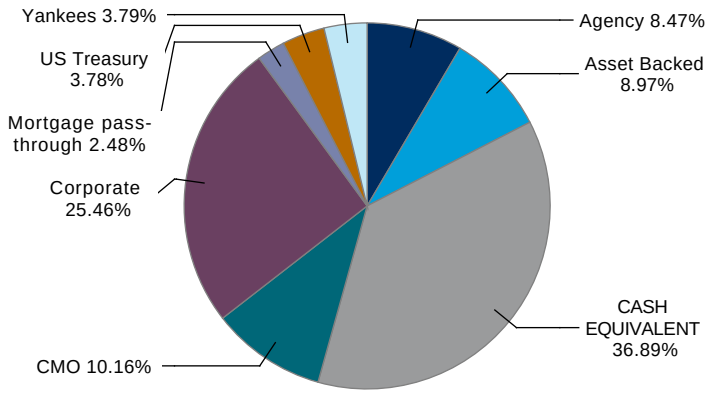
Net Yield



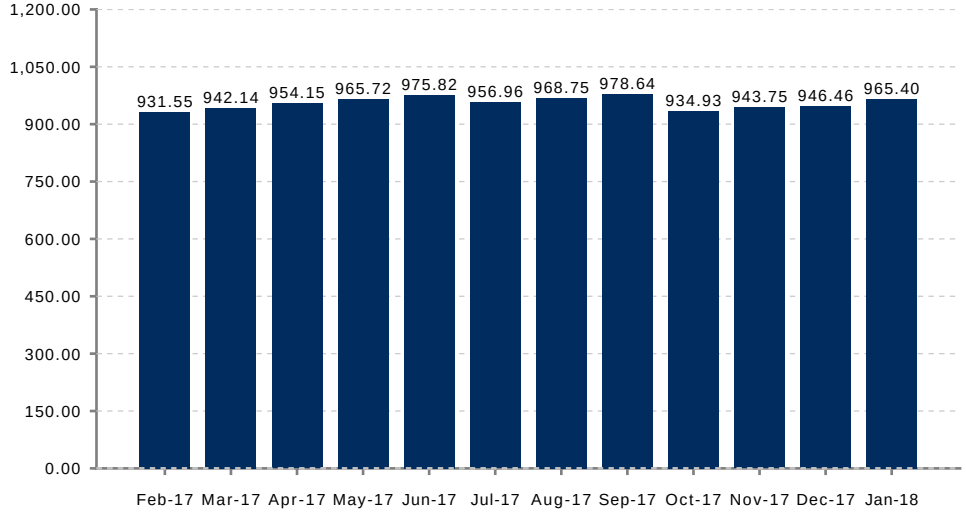
	Current Mth	Prior Mth	1 Year Ago
POOL 10 ST OPER INT	1.65	1.57	1.22

Asset Allocation

	Ending Market Value
POOL 10 ST OPER INT	965,404,931



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 10 ST OPER INT		
AMHERST PIERPONT	33,001,238	3.42
LIBERTY FUNDING LLC	24,971,500	2.59
ROYAL BK OF CANADA	24,943,208	2.58
BANK OF NOVA SCOTIA	20,112,517	2.08
INSTITUTIONAL SECURED	20,000,000	2.07
INSTITUTIONAL SECURED	19,987,250	2.07
MANHATTAN ASSET FDG.	19,978,333	2.07
BANK TOKYO MIT UFJ NY	19,971,200	2.07
MOUNTCLIFF	19,968,889	2.07
MIZUHO BANK LTD	19,962,644	2.07

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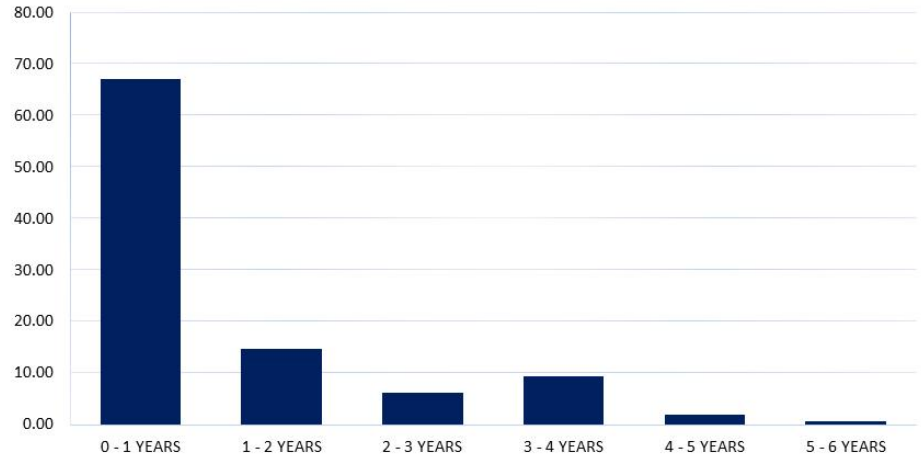
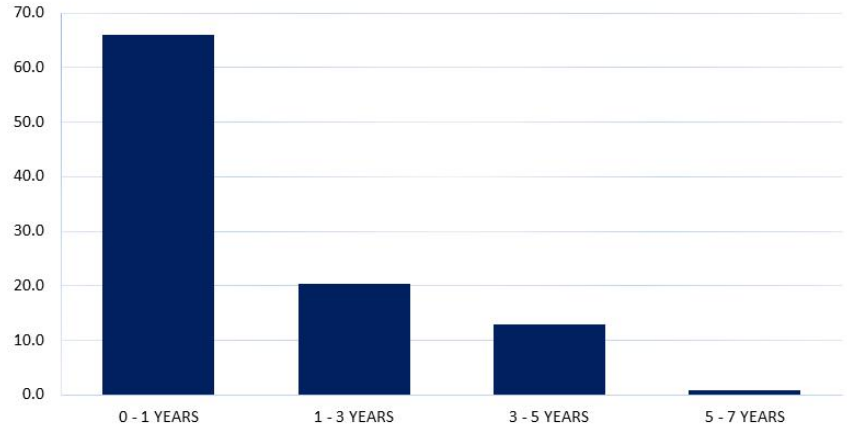
January 31, 2018

POOL 10 ST OPERATING INT

Duration Distribution



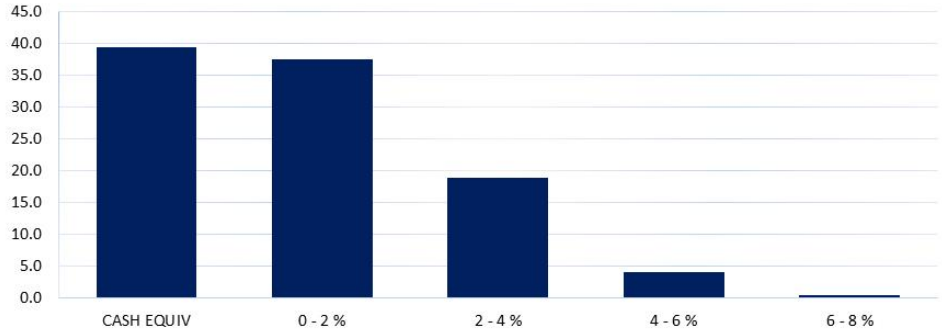
Expected Maturity Distribution



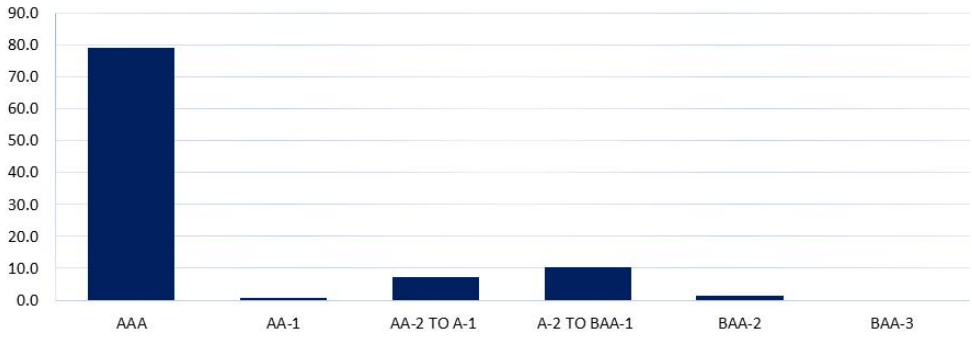
Portfolio Level Characteristics

	POOL 10 ST OPERATING INT
Weighted Average Life	1.10
Coupon	1.75
Effective Duration	1.02
Quality Rating (Moody's)	AA-1

Coupon Distribution



Rating Distribution

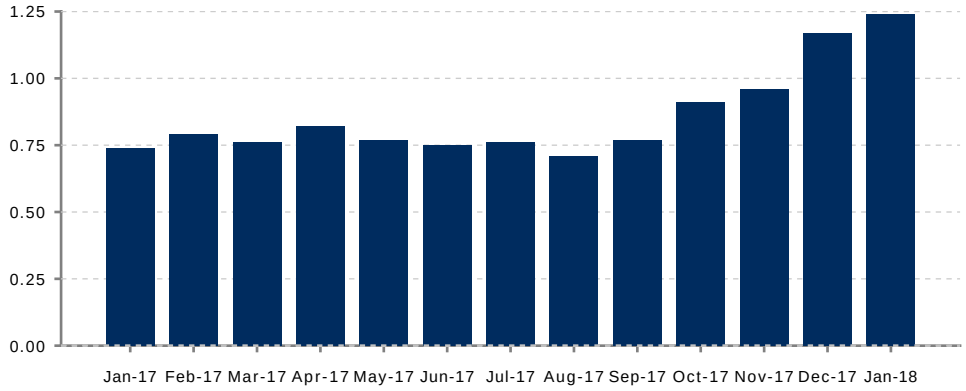


OFFICE OF THE ARIZONA STATE TREASURER

January 31, 2018

POOL 10 ST OPERATING Ext

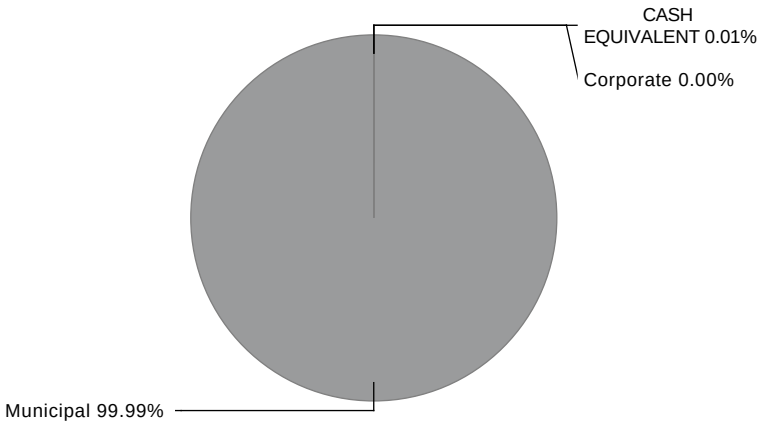
Net Yield



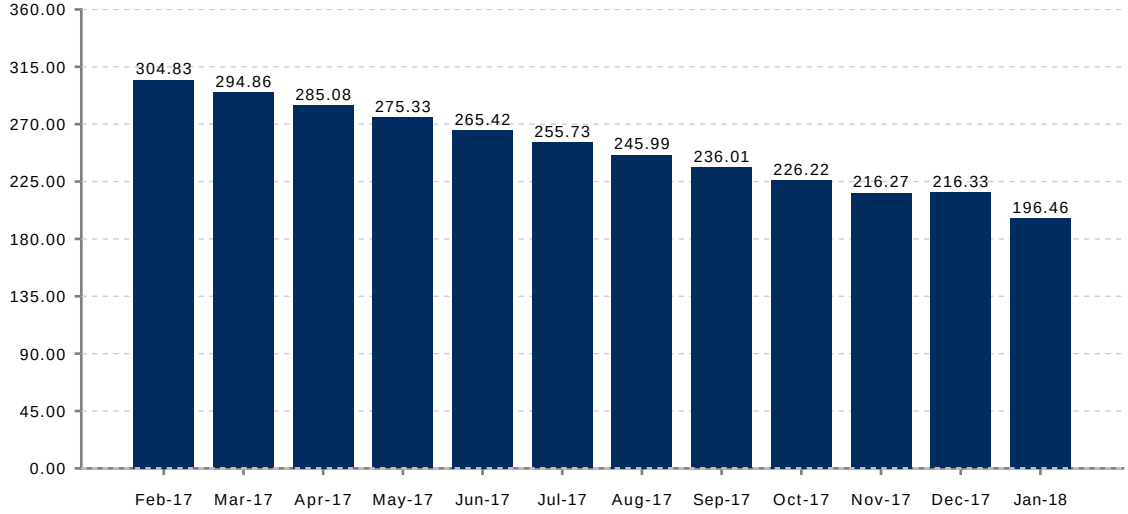
	Current Mth	Prior Mth	1 Year Ago
POOL 10 ST OPERATING	1.24	1.17	0.74

Asset Allocation

	Ending Market Value
POOL 10 ST OPERATING	196,460,349



Net Asset Values over Time ($MM)



Top 10 Holdings

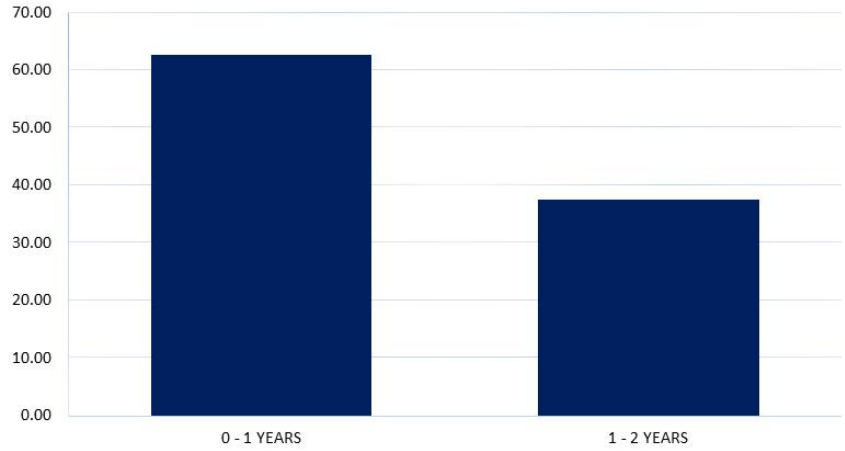
Security Name	Ending Market Value	% of Portfolio
POOL 10 ST OPERATING		
LOUISVILLE JEFFERSON	14,408,138	7.33
BALTIMORE CNTY MD	12,165,294	6.19
ALPINE UT SCH DIST	10,515,125	5.35
PRINCE GEORGES CNTY	10,375,380	5.28
VIRGINIA BEACH VA	10,250,000	5.22
PENNSYLVANIA ST INDL D	10,216,399	5.20
SHELBY CNTY TN	10,025,695	5.10
TEXAS ST	9,289,234	4.73
WISCONSIN ST PETROLEU	8,888,750	4.52
UNIV OF ILLINOIS IL	8,708,943	4.43

OFFICE OF THE ARIZONA STATE TREASURER

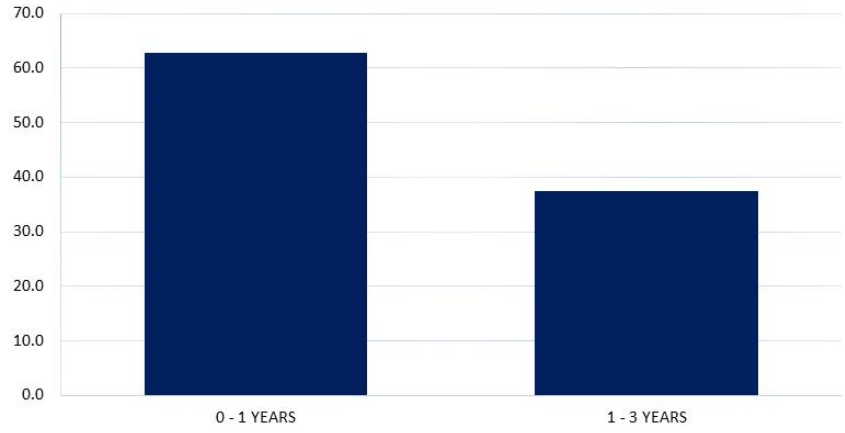
January 31, 2018

POOL 10 ST OPERATING Ext

Duration Distribution



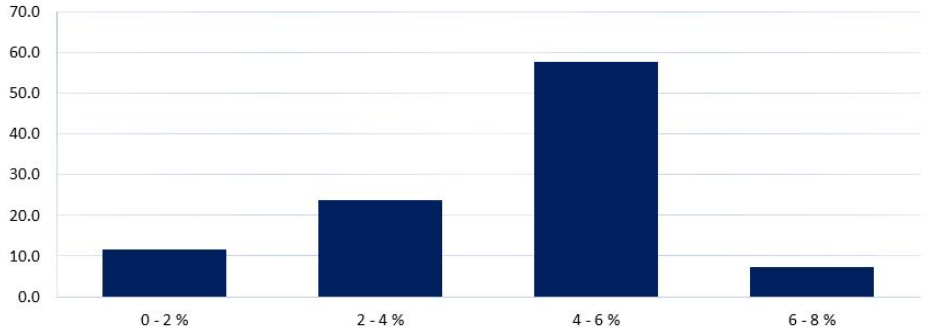
Expected Maturity Distribution



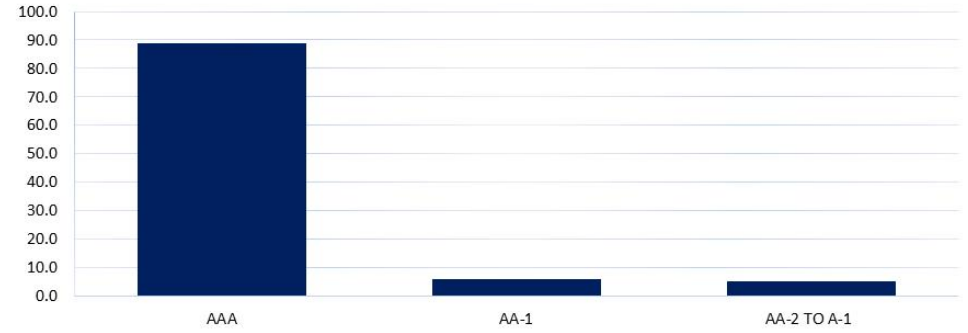
Portfolio Level Characteristics

	POOL 10 ST OPERATING
Weighted Average Life	0.71
Coupon	4.40
Effective Duration	0.69
Quality Rating (Moody's)	AAA

Coupon Distribution



Rating Distribution

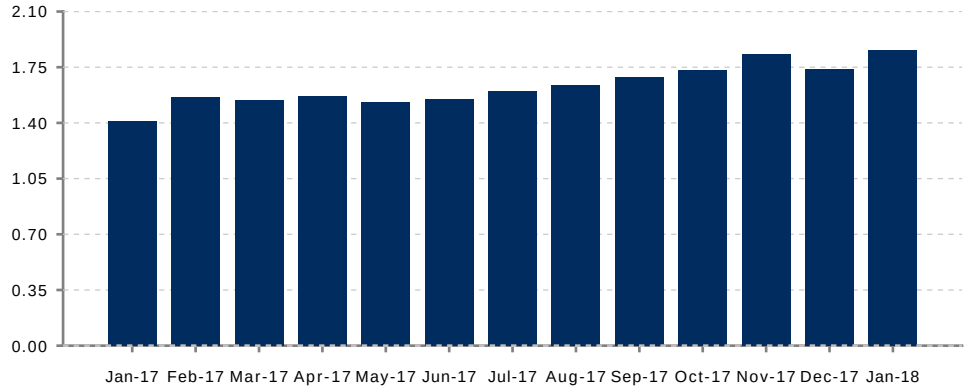


OFFICE OF THE ARIZONA STATE TREASURER

January 31, 2018

POOL 12 CAWCD MED TRM

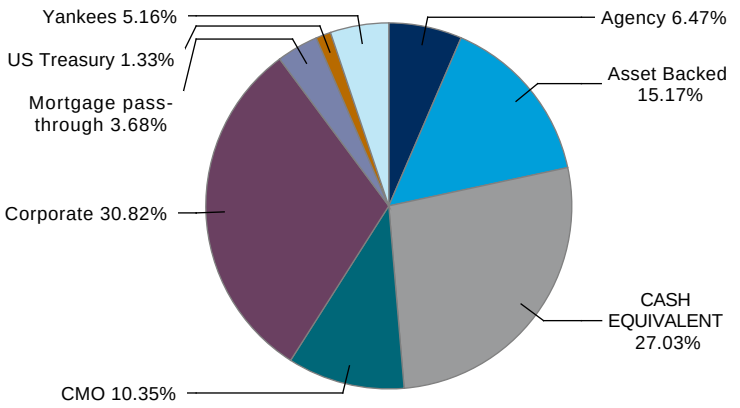
Net Yield



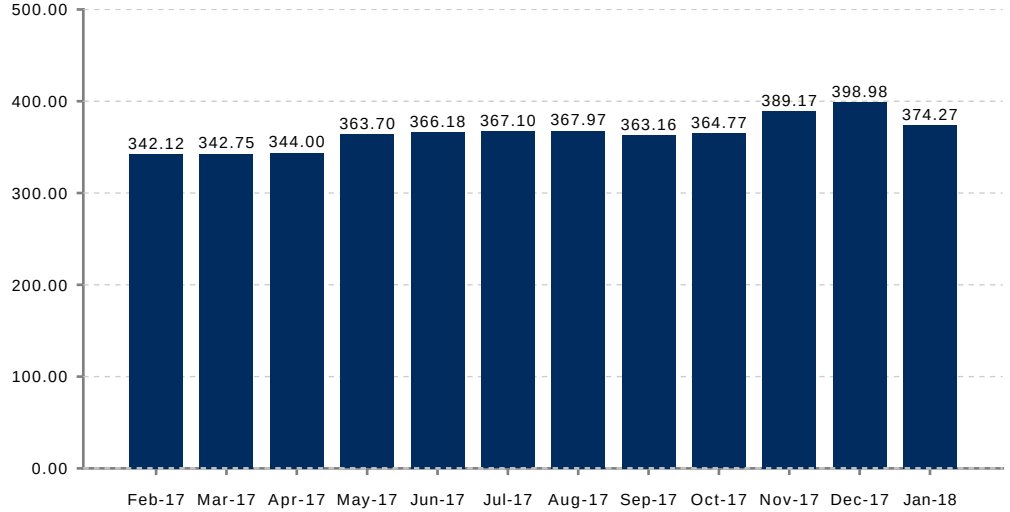
	Current Mth	Prior Mth	1 Year Ago
POOL 12 CAWCD MED TRM	1.86	1.74	1.41

Asset Allocation

	Ending Market Value
POOL 12 CAWCD MED TRM	374,269,445



Net Asset Values over Time ($MM)



Top 10 Holdings

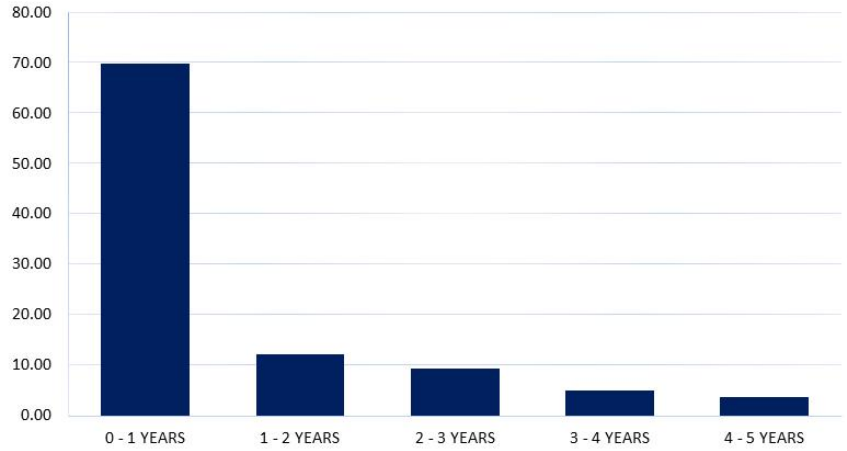
Security Name	Ending Market Value	% of Portfolio
POOL 12 CAWCD MED TRM		
AMHERST PIERPONT	18,475,552	4.94
NIEUW AMSTERDAM RECV	7,420,325	1.98
GM FINANCIAL AUTOMOBILE LEASIN	7,186,547	1.92
JPMORGAN CHASE BANK	6,060,420	1.62
FORD CREDIT AUTO OWNER TRUST	5,988,134	1.60
FANNIE MAE	5,388,088	1.44
AMGEN INC	5,042,363	1.35
GOLDMAN SACHS GROUP INC	5,039,387	1.35
CAPITAL ONE NA	5,037,392	1.35
CISCO SYSTEMS INC	5,035,258	1.35

OFFICE OF THE ARIZONA STATE TREASURER

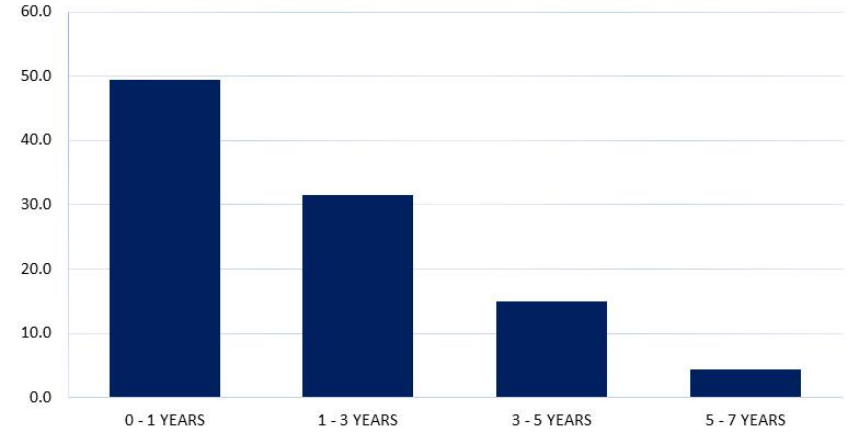
January 31, 2018

POOL 12 CAWCD MED TRM

Duration Distribution



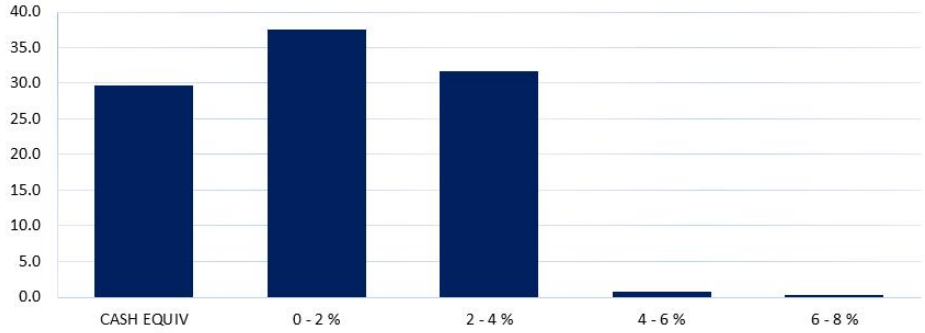
Expected Maturity Distribution



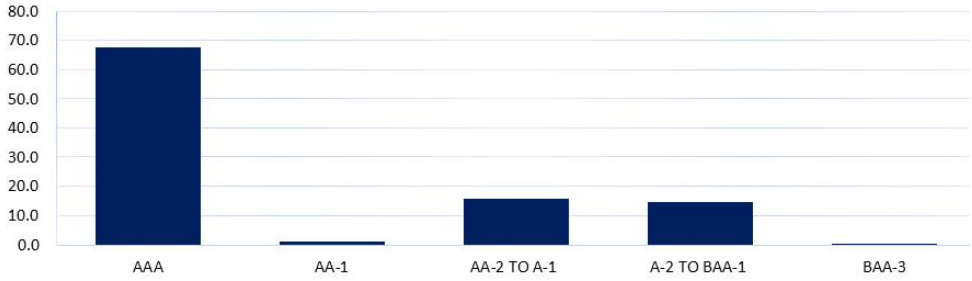
Portfolio Level Characteristics

	POOL 12 CAWCD MED TRM
Weighted Average Life	1.59
Coupon	1.91
Effective Duration	0.91
Quality Rating (Moody's)	AA-1

Coupon Distribution



Rating Distribution

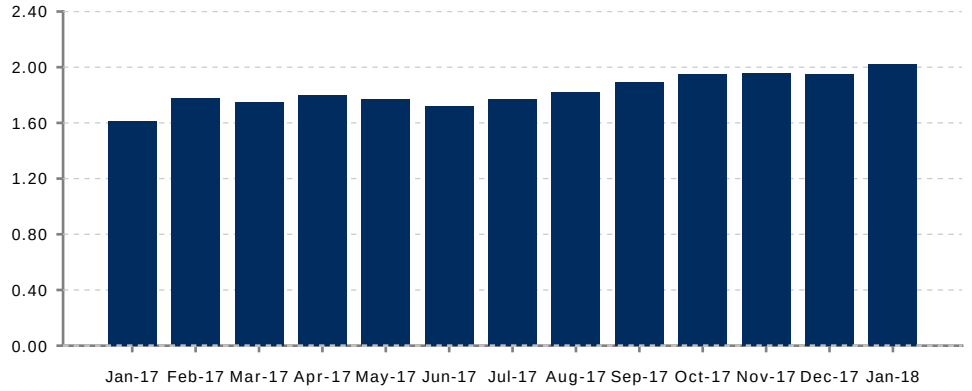


OFFICE OF THE ARIZONA STATE TREASURER

January 31, 2018

POOL 16 ECDHB

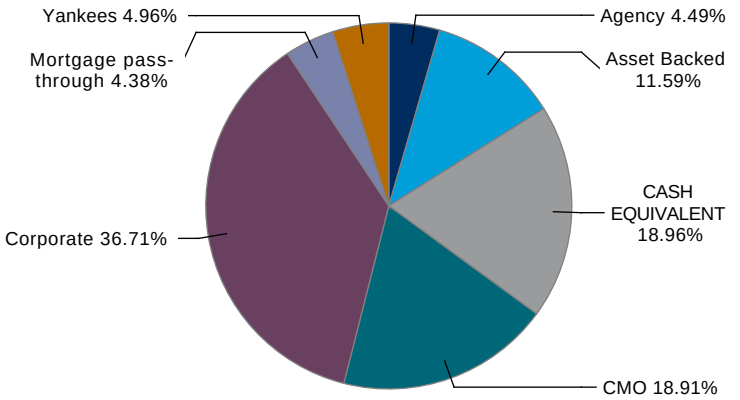
Net Yield



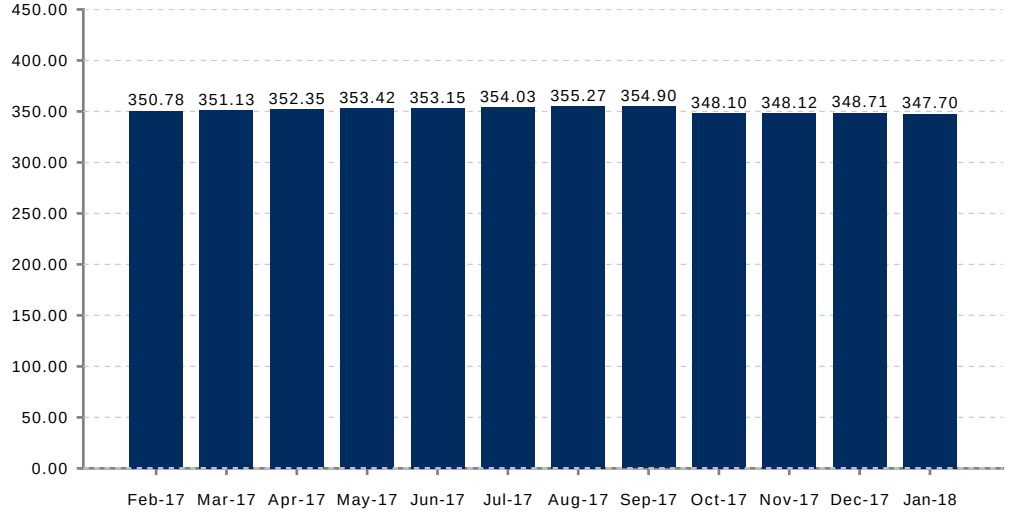
	Current Mth	Prior Mth	1 Year Ago
POOL 16 ECDHB	2.02	1.95	1.61

Asset Allocation

	Ending Market Value
POOL 16 ECDHB	347,697,995



Net Asset Values over Time ($MM)



Top 10 Holdings

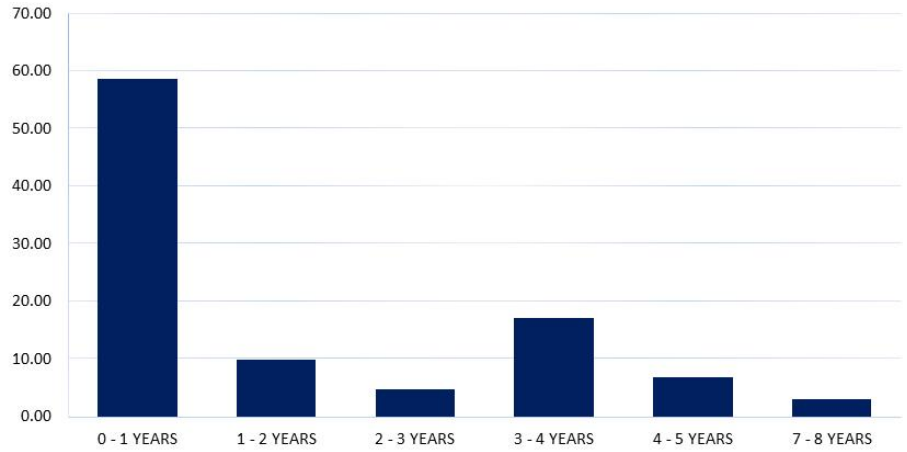
Security Name	Ending Market Value	% of Portfolio
POOL 16 ECDHB		
SOUTH STREET REPO	15,975,746	4.59
FANNIE MAE	6,217,114	1.79
AMHERST PIERPONT	6,025,012	1.73
FREDDIEMAC STRIP	5,405,115	1.55
FHLMC MULTIFAMILY STRUCTURED P	5,060,963	1.46
GOVERNMENT NATIONAL MORTGAGE A	5,043,822	1.45
ANHEUSER BUSCH INBEV FIN	5,041,181	1.45
AMERICAN EXPRESS CREDIT	5,037,647	1.45
CAPITAL ONE NA	5,037,392	1.45
CISCO SYSTEMS INC	5,035,258	1.45

OFFICE OF THE ARIZONA STATE TREASURER

January 31, 2018

POOL 16 ECDHB

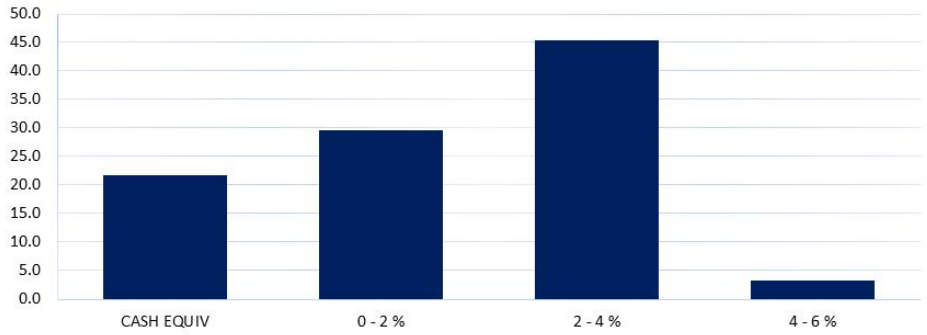
Duration Distribution



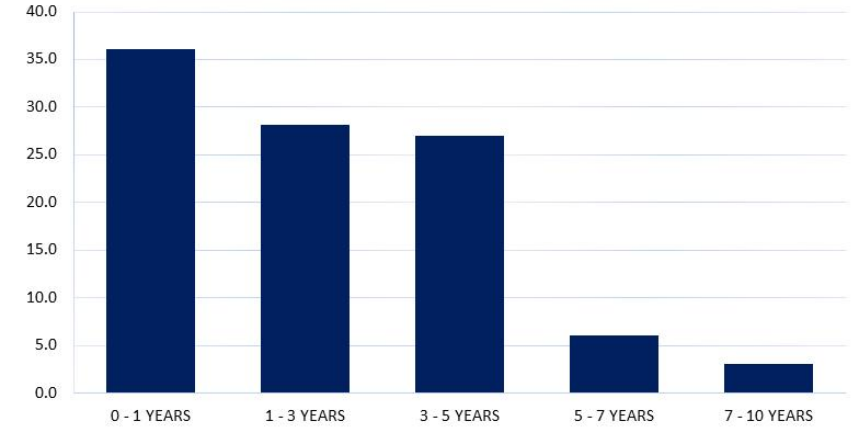
Portfolio Level Characteristics

	POOL 16 ECDHB
Weighted Average Life	2.31
Coupon	2.21
Effective Duration	1.52
Quality Rating (Moody's)	AA-2

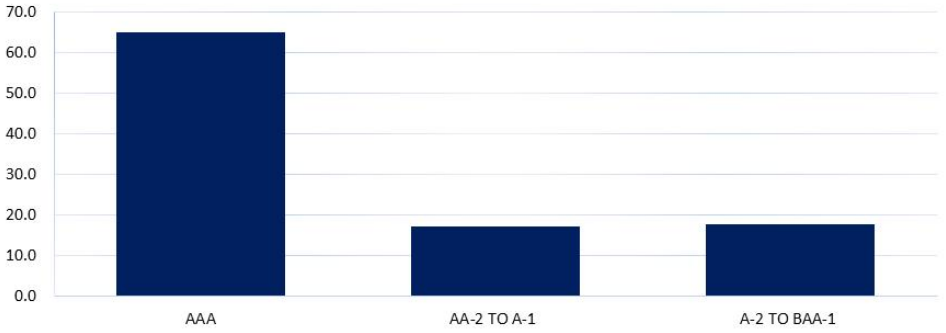
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



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LGIP & LGIP- GOV
PORTFOLIO YIELD ANALYSIS
JANUARY 2018

NET EARNINGS

FUND	DESCRIPTION	Current Month 01/31/18	Prior Month 12/31/17	Prior Year 01/31/17	Net Asset Value Per Share
5	LGIP	1,634,507	1,483,950	613,089	1.0000
7	LGIP - GOV	1,519,965	1,382,881	428,285	1.0000
	TOTAL LGIP & LGIP-GOV	3,154,472	2,866,831	1,041,374	

YIELDS

	MONTHLY	Current Month 01/31/18	Prior Month 12/31/17	Prior Year 1/31/17
5	LGIP (NET)	1.42%	1.24%	0.59%
	S & P LGIP INDEX	1.25%	1.12%	0.61%
7	LGIP - GOV (NET)	1.27%	1.13%	0.43%
	3 MONTH T-BILL	1.42%	1.32%	0.51%
	YEAR TO DATE			
5	LGIP (NET)	1.15%	1.10%	0.48%
	S & P LGIP INDEX	1.06%	1.03%	0.48%
7	LGIP - GOV (NET)	1.03%	0.99%	0.38%
	3 MONTH T-BILL	1.17%	1.12%	0.37%

* Note: The LGIP-GOV Pool consists of only securities explicitly backed by the full faith & credit of the US Government.

LGIP & LGIP- GOV MEDIUM TERM POOLS
PORTFOLIO YIELD ANALYSIS
JANUARY 2018

NET EARNINGS

FUND	DESCRIPTION	Current Month 01/31/18	Prior Month 12/31/17	Prior Year 01/31/17	Net Asset Value Per Share
500	LGIP - MED TERM POOL	537,733	516,529	332,964	1.0251
700	LGIP - FF&C MED TERM POOL	205,387	225,882	109,343	0.9989
	TOTAL LGIP MEDIUM TERM POOLS	743,121	742,411	442,307	

YIELDS

	MONTHLY	Current Month 01/31/18	Prior Month 12/31/17	Prior Year 1/31/17
500	LGIP - MED TERM (NET)	1.80%	1.74%	1.36%
	75% MERRILL 1-5 US D M INDEX / 25% S & P LGIP INDEX	2.17%	1.94%	1.49%
700	LGIP - FF&C MED TERM (NET)	1.59%	1.78%	0.95%
	75% MERRILL 1-5 US TREAS INDEX / 15% MERRILL US GNMA 15 YR INDEX / 10% MERRILL US 3 MO T-BILL INDEX	2.22%	1.96%	1.44%

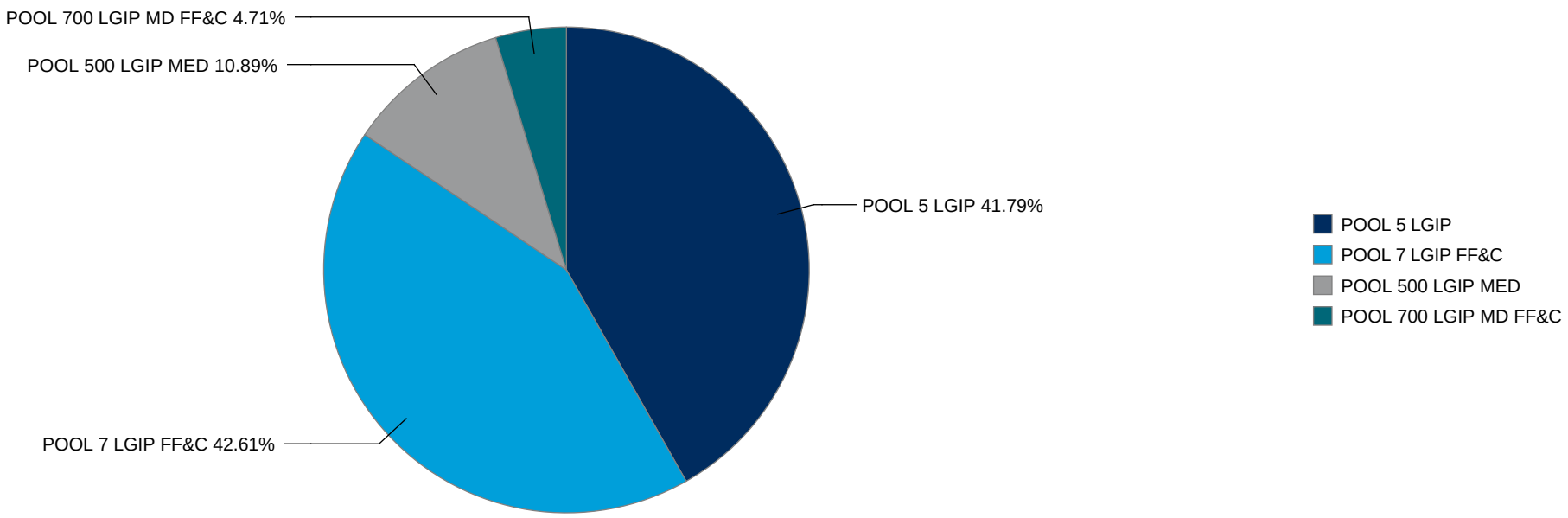
	YEAR TO DATE			
500	LGIP - MED TERM (NET)	1.71%	1.70%	1.33%
	75% MERRILL 1-5 US D M INDEX / 25% S & P LGIP INDEX	1.80%	1.74%	1.29%
700	LGIP - FF&C MED TERM (NET)	1.52%	1.51%	1.07%
	75% MERRILL 1-5 US TREAS INDEX / 15% MERRILL US GNMA 15 YR INDEX / 10% MERRILL US 3 MO T-BILL INDEX	1.78%	1.71%	1.15%

OFFICE OF THE ARIZONA STATE TREASURER

January 31, 2018

LGIP

Manager Allocation



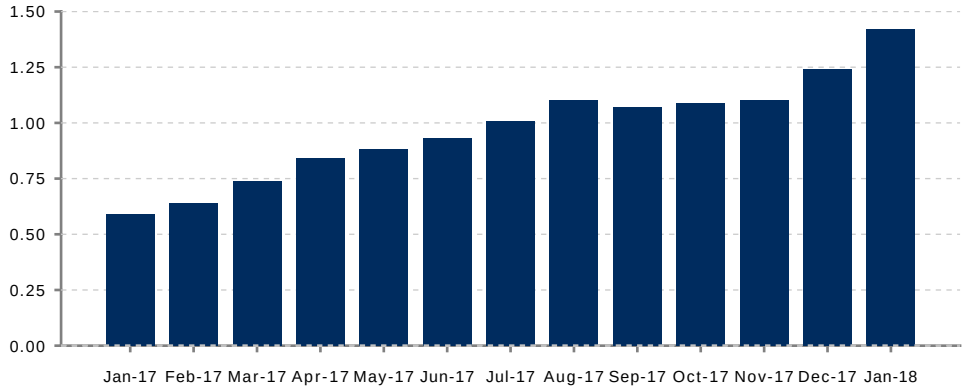
	Market Value	% of Portfolio
POOL 5 LGIP	1,349,996,867	41.8
POOL 7 LGIP FF&C	1,376,337,348	42.6
POOL 500 LGIP MED	351,882,054	10.9
POOL 700 LGIP MD FF&C	152,109,885	4.7
TOTAL LGIP	3,230,326,153	100.0

OFFICE OF THE ARIZONA STATE TREASURER

January 31, 2018

POOL 5 LGIP

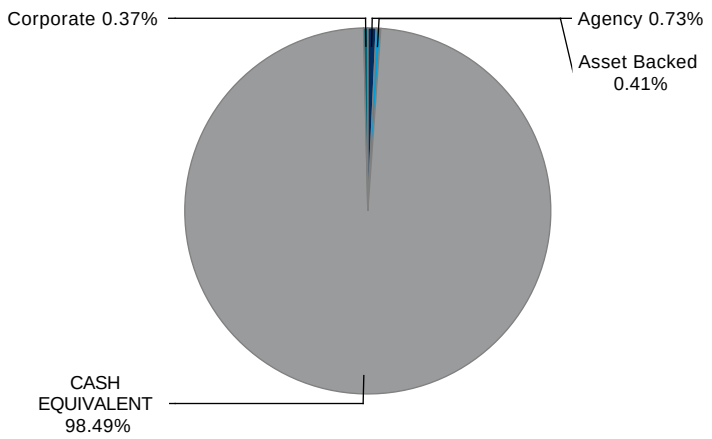
Net Yield



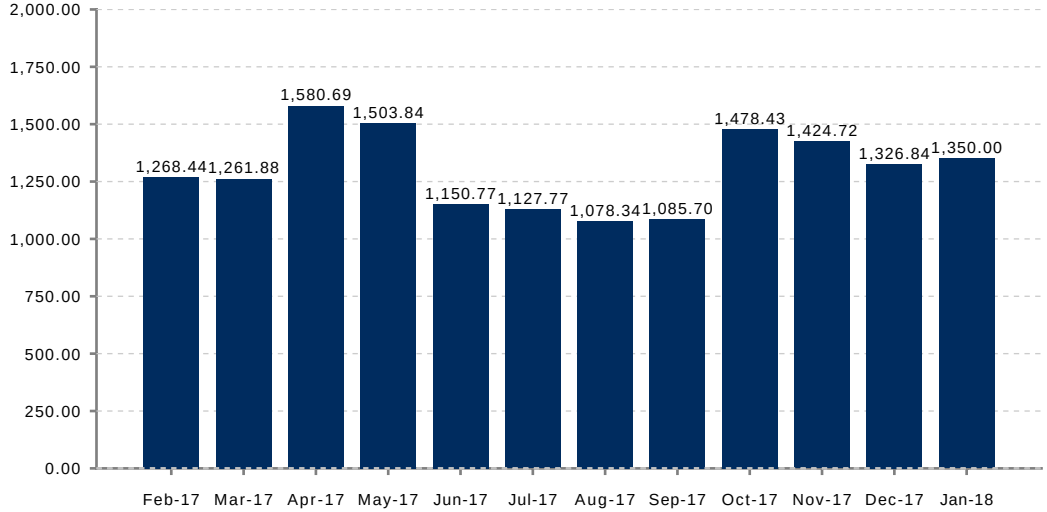
	Current Mth	Prior Mth	1 Year Ago
POOL 5 LGIP	1.42	1.24	0.59

Asset Allocation

	Ending Market Value
POOL 5 LGIP	1,349,996,867



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 5 LGIP		
CREDIT AGRICOLE REPO	179,842,366	13.32
WELLS FARGO REPO	110,007,883	8.15
BANK OF AMERICA REPO	100,003,472	7.41
FIDELITY INVESTMENTS MONEY	50,806,761	3.76
CREDIT AGRICOLE	50,004,000	3.70
INTL BUS MACH CORP	39,862,256	2.95
INSTITUTIONAL SECURED	24,966,250	1.85
PROCTOR GAMBLE AND CO	24,948,146	1.85
WHEELS INC	24,946,167	1.85
MOUNTCLIFF	24,945,813	1.85

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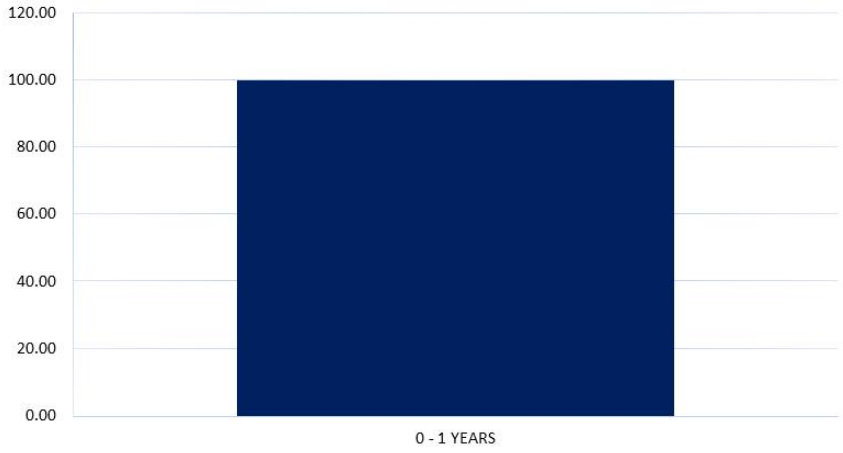
OFFICE OF THE ARIZONA STATE TREASURER

January 31, 2018

POOL 5 LGIP

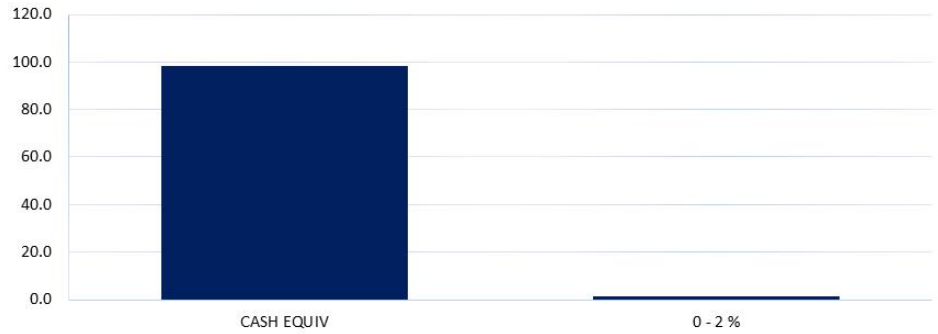
Duration Distribution



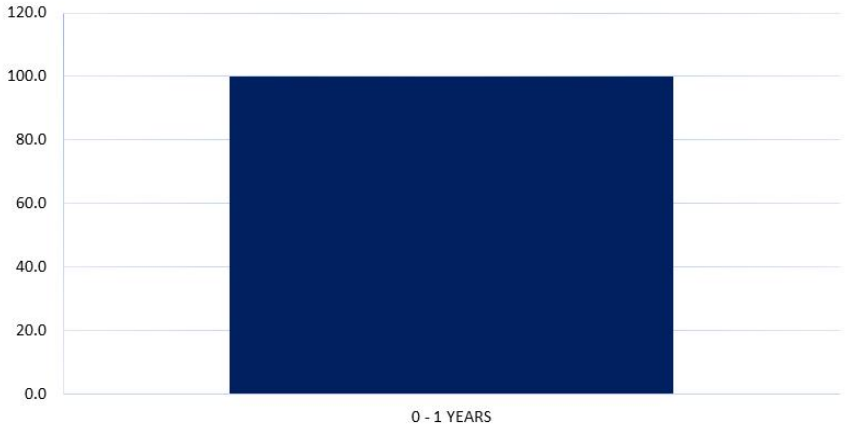
Portfolio Level Characteristics

	POOL 5 LGIP
Weighted Average Life	0.10
Coupon	0.02
Effective Duration	0.10
Quality Rating (Moody's)	AAA

Coupon Distribution



Expected Maturity Distribution



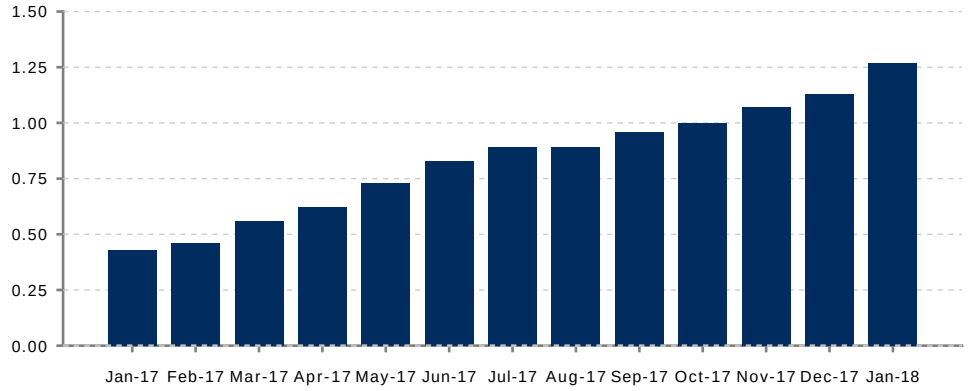
Rating Distribution

OFFICE OF THE ARIZONA STATE TREASURER

January 31, 2018

POOL 7 LGIP FF&C

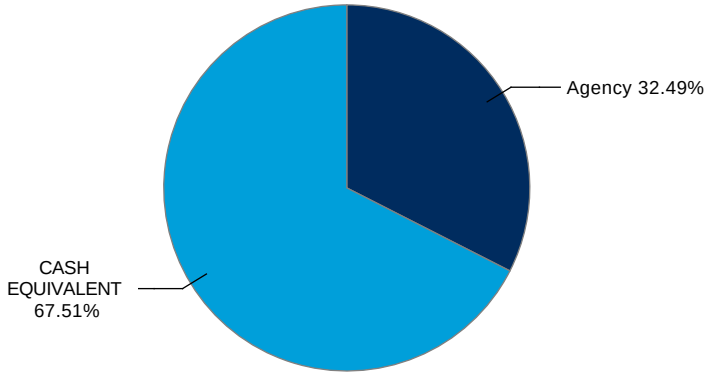
Net Yield



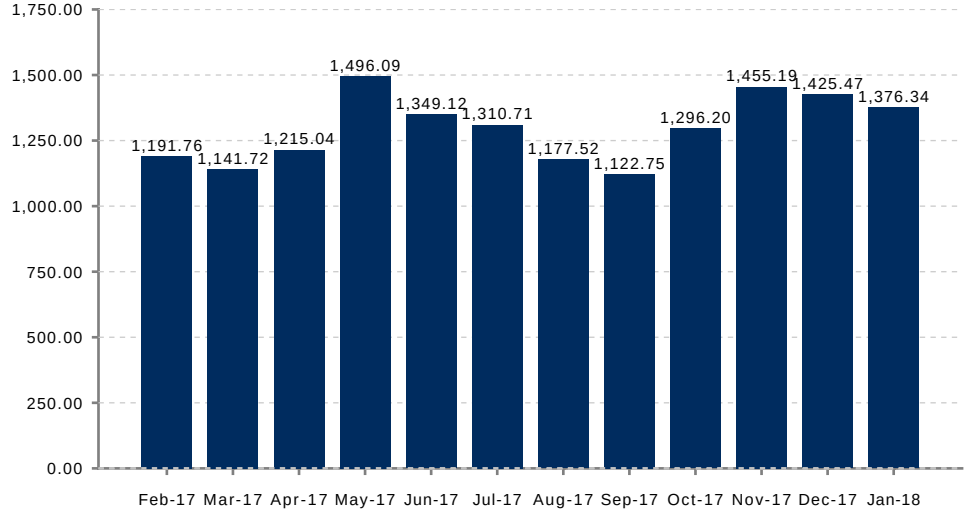
	Current Mth	Prior Mth	1 Year Ago
POOL 7 LGIP FF&C	1.27	1.13	0.43

Asset Allocation

	Ending Market Value
POOL 7 LGIP FF&C	1,376,337,348



Net Asset Values over Time ($MM)



Top 10 Holdings

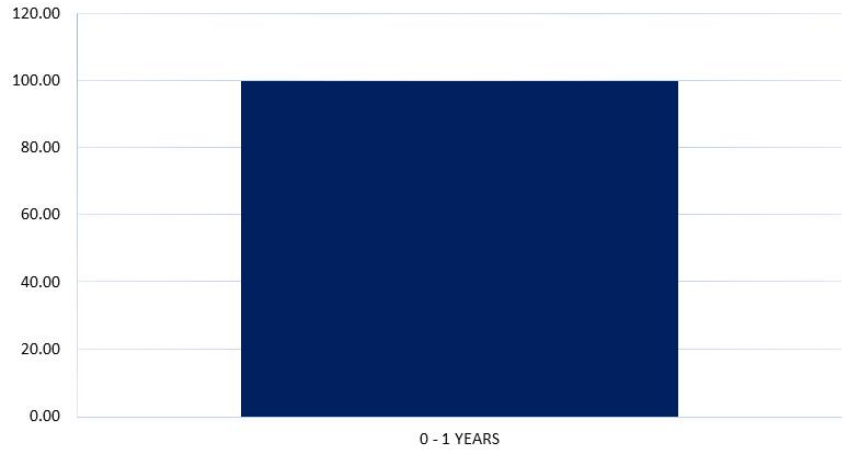
Security Name	Ending Market Value	% of Portfolio
POOL 7 LGIP FF&C		
TREASURY BILL	119,642,380	8.69
TREASURY BILL	119,538,970	8.69
WELLS FARGO REPO	110,007,883	7.99
RBC CAPITAL MARKETS REPO	100,003,611	7.27
TREASURY BILL	79,764,328	5.80
TREASURY BILL	79,687,563	5.79
TREASURY BILL	79,677,718	5.79
TREASURY BILL	79,659,727	5.79
TREASURY BILL	79,646,801	5.79
TREASURY BILL	79,632,022	5.79

OFFICE OF THE ARIZONA STATE TREASURER

January 31, 2018

POOL 7 LGIP FF&C

Duration Distribution

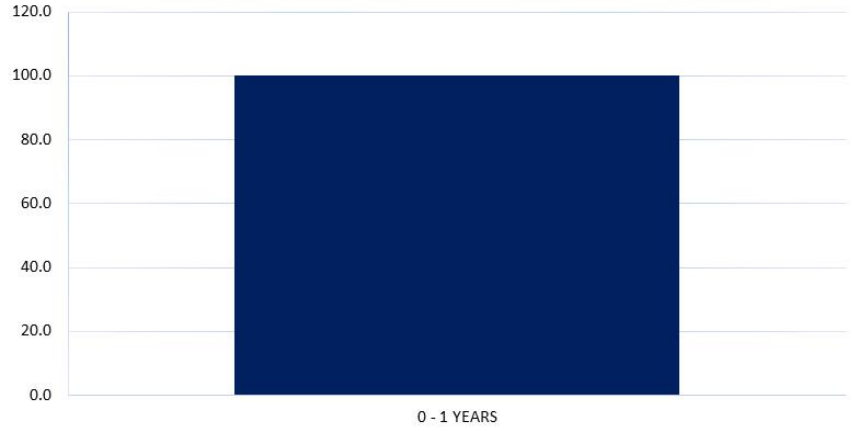


Portfolio Level Characteristics

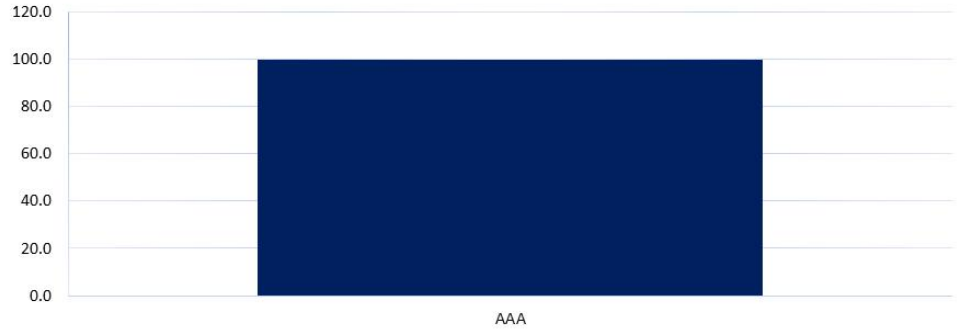
	POOL 7 LGIP FF&C
Weighted Average Life	0.26
Coupon	0.00
Effective Duration	0.26
Quality Rating (Moody's)	AAA

Coupon Distribution

Expected Maturity Distribution



Rating Distribution

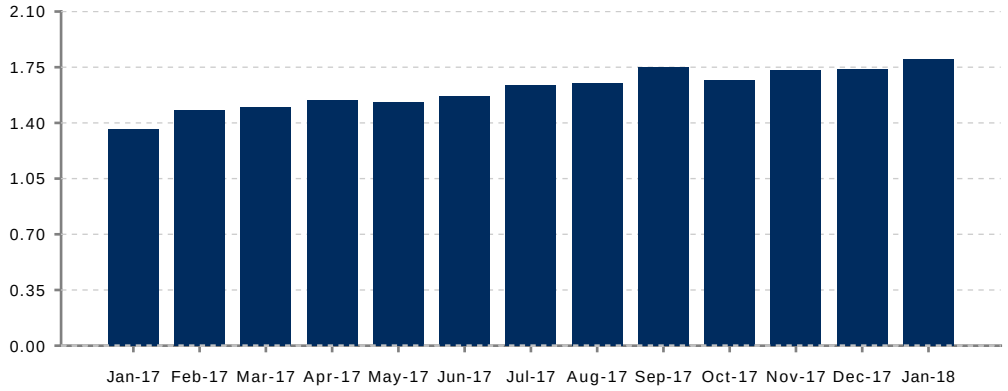


OFFICE OF THE ARIZONA STATE TREASURER

January 31, 2018

POOL 500 LGIP MED

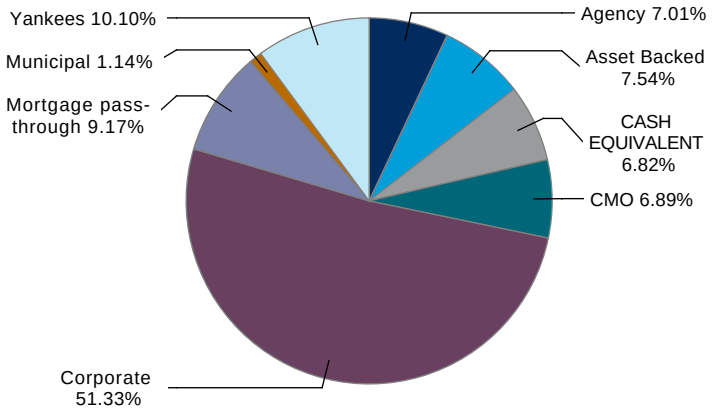
Net Yield



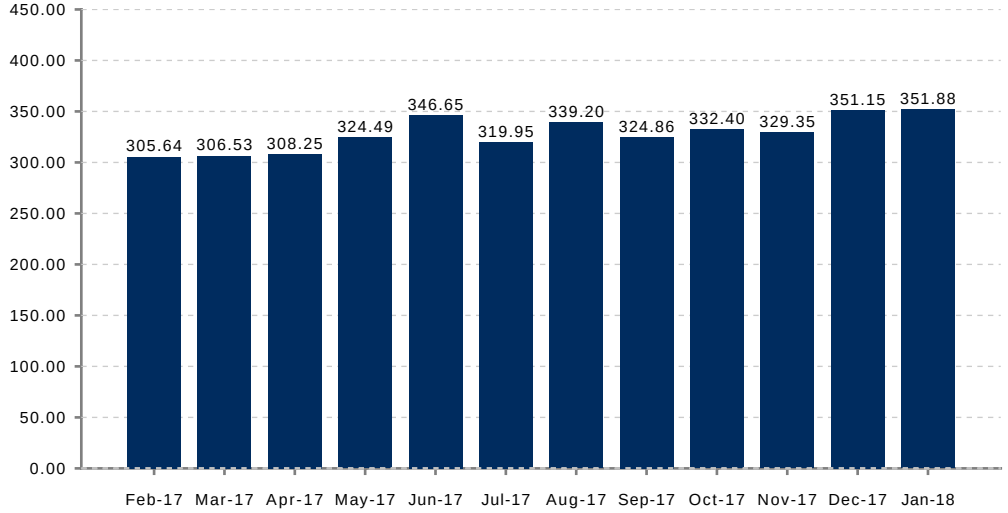
	Current Mth	Prior Mth	1 Year Ago
POOL 500 LGIP MED	1.80	1.74	1.36

Asset Allocation

	Ending Market Value
POOL 500 LGIP MED	351,882,054



Net Asset Values over Time ($MM)



Top 10 Holdings

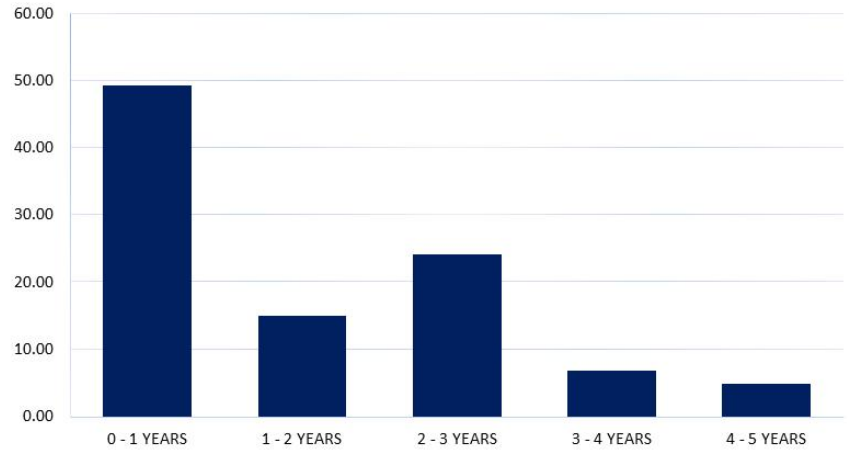
Security Name	Ending Market Value	% of Portfolio
POOL 500 LGIP MED		
SOUTH STREET REPO	24,000,800	6.82
MICROSOFT CORP	8,006,883	2.28
GOLDMAN SACHS GROUP INC	7,975,456	2.27
APPLE INC	7,077,676	2.01
MANUF + TRADERS TRUST CO	7,012,592	1.99
HERSHEY COMPANY	6,031,478	1.71
FNMA POOL AB5991	5,927,923	1.68
BANK OF AMERICA CORP	5,848,673	1.66
MERCK + CO INC	5,558,085	1.58
APPLE INC	5,048,795	1.43

OFFICE OF THE ARIZONA STATE TREASURER

January 31, 2018

POOL 500 LGIP MED

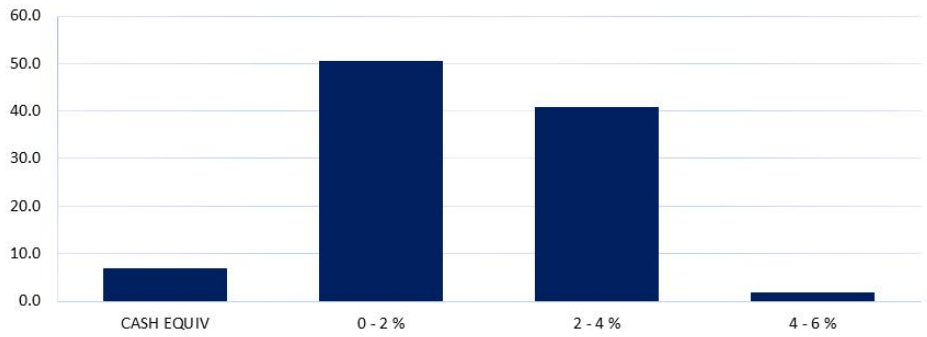
Duration Distribution



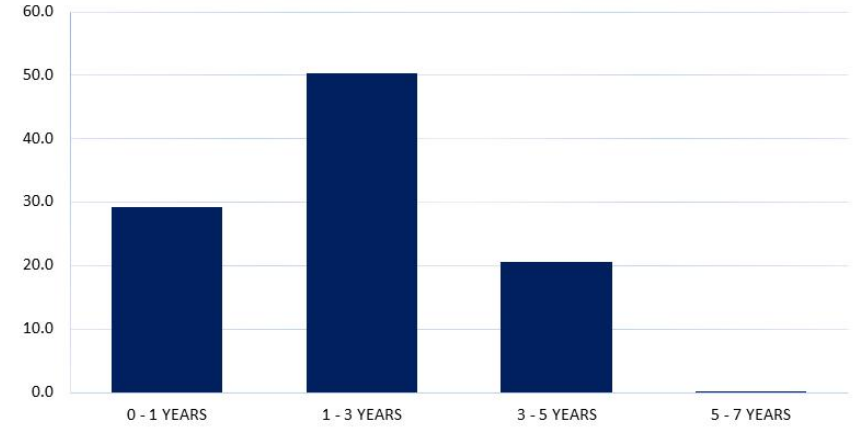
Portfolio Level Characteristics

	POOL 500 LGIP MED
Weighted Average Life	1.92
Coupon	2.06
Effective Duration	1.37
Quality Rating (Moody's)	AA-2

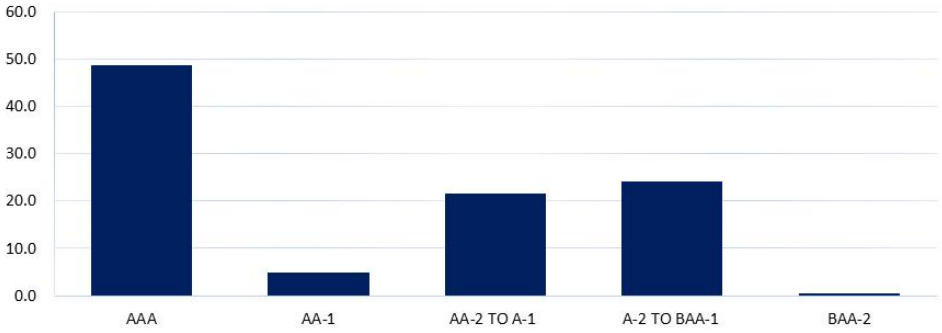
Coupon Distribution



Expected Maturity Distribution



Rating Distribution

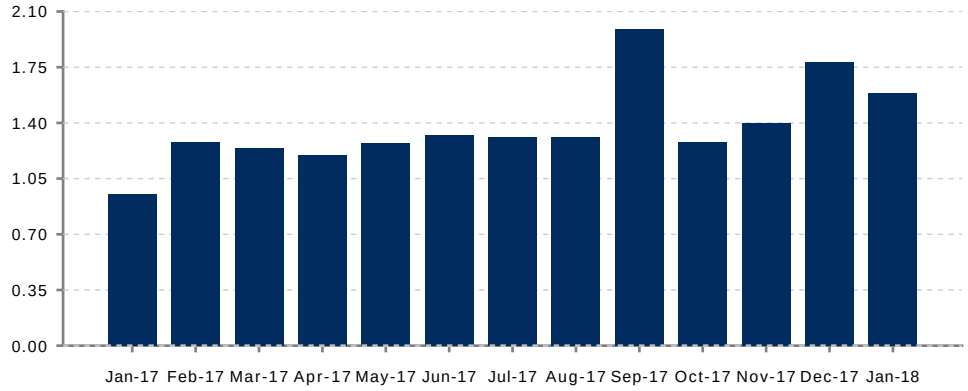


OFFICE OF THE ARIZONA STATE TREASURER

January 31, 2018

POOL 700 LGIP MD FF&C

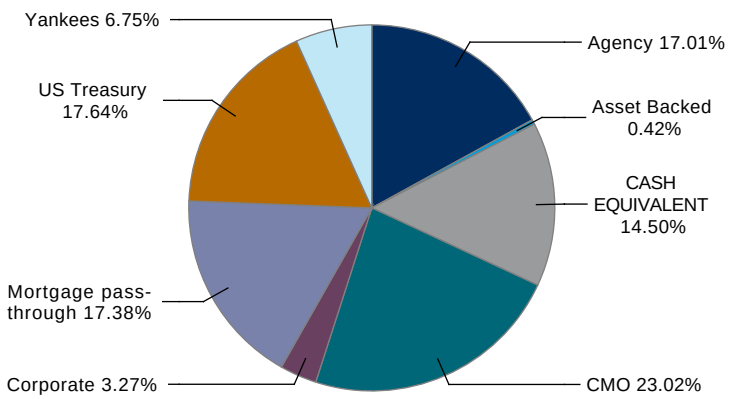
Net Yield



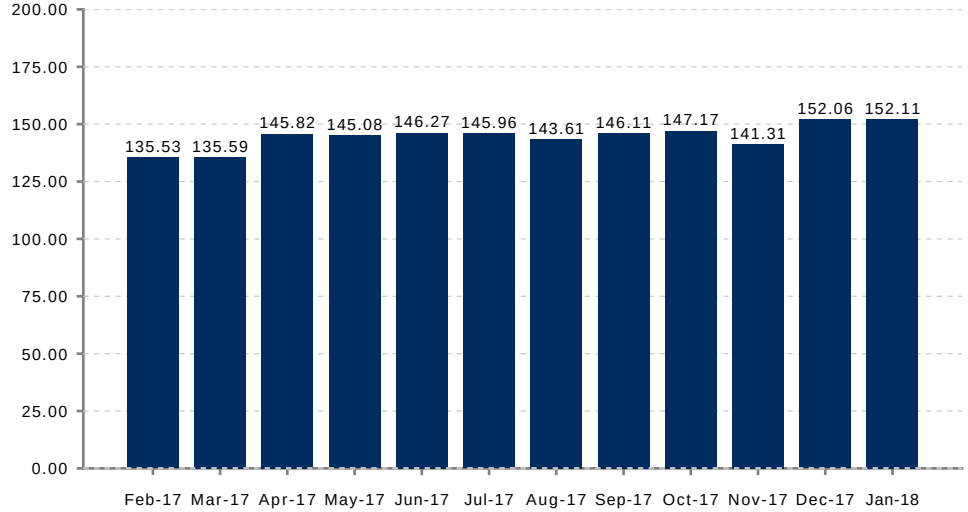
	Current Mth	Prior Mth	1 Year Ago
POOL 700 LGIP MD FF&C	1.59	1.78	0.95

Asset Allocation

	Ending Market Value
POOL 700 LGIP MD FF&C	152,109,885



Net Asset Values over Time ($MM)



Top 10 Holdings

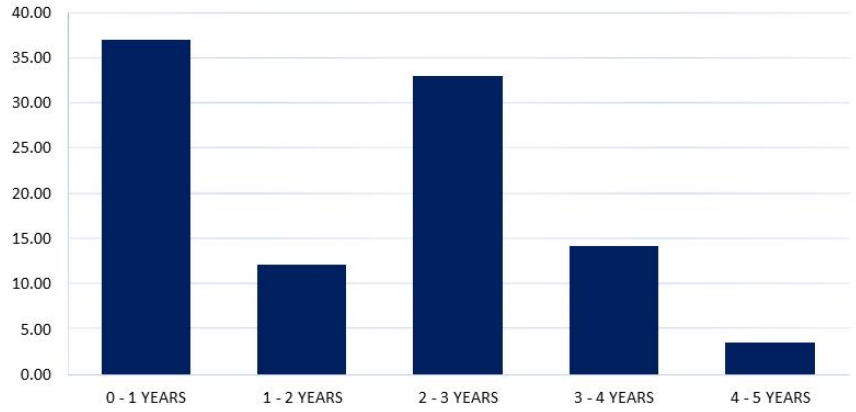
Security Name	Ending Market Value	% of Portfolio
POOL 700 LGIP MD FF&C		
SOUTH STREET REPO	20,000,667	13.15
GOVERNMENT NATIONAL MORTGAGE A	7,213,604	4.74
AID JORDAN	6,336,013	4.17
US TREASURY N/B	4,985,231	3.28
OVERSEAS PRIVATE INV COR	4,976,000	3.27
US TREASURY N/B	4,966,534	3.27
US TREASURY N/B	4,948,541	3.25
US TREASURY N/B	4,940,121	3.25
OVERSEAS PRIVATE INV COR	4,551,300	2.99
GOVERNMENT NATIONAL MORTGAGE A	4,253,255	2.80

OFFICE OF THE ARIZONA STATE TREASURER

January 31, 2018

POOL 700 LGIP MD FF&C

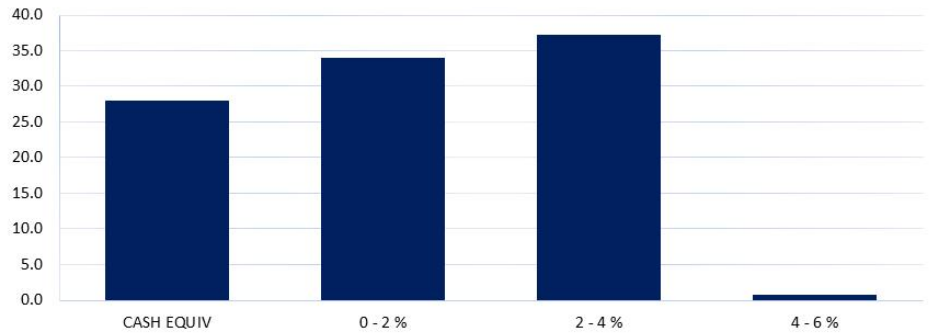
Duration Distribution



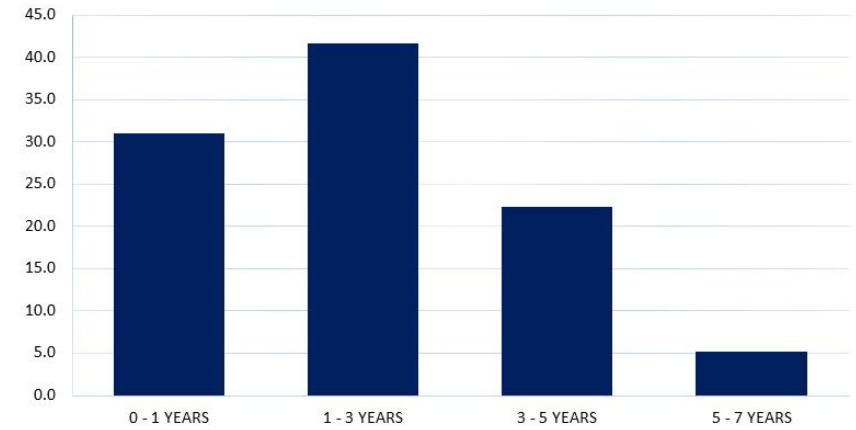
Portfolio Level Characteristics

	POOL 700 LGIP MD FF&C
Weighted Average Life	2.20
Coupon	1.82
Effective Duration	1.82
Quality Rating (Moody's)	AAA

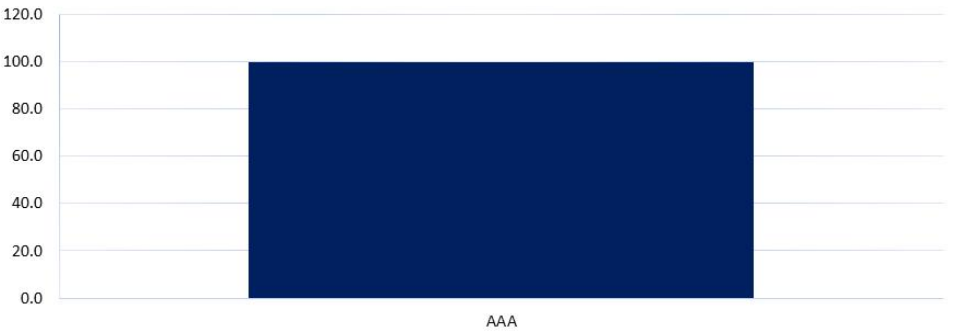
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



EARNINGS DISTRIBUTED
ENDOWMENT FUNDS
JANUARY 2018

Recipient		Distributed in Current Month JANUARY 2018	Fiscal YTD 17/18	Fiscal YTD 16/17
101	A & M Colleges	$66,488	$465,413	$438,865
102	State Hospital	42,992	300,944	277,844
103	Leg., Exec., & Jud.	54,897	384,279	359,891
104	Military Institute	3,642	25,493	24,192
105	Miners Hospital	143,641	1,005,486	888,755
107	Normal School ASU/NAU	26,115	182,804	166,985
108	Penitentiaries	95,352	667,461	598,794
109	Permanent Common School	24,660,436	172,623,055	157,242,471
110	School for Deaf & Blind	35,595	249,164	231,997
111	School of Mines	75,273	526,914	496,398
112	State Charitable-Pioneers Home	370,145	2,591,013	2,425,310
112	State Charitable-Corrections	185,072	1,295,507	1,212,655
112	State Charitable-Youth Treatment	185,072	1,295,507	1,212,655
113	University Fund	132,996	930,974	860,724
114	U of A Land - 1881	433,184	3,032,285	2,691,327
	Total	**$26,510,900**	**$185,576,298**	**$169,128,864**

Land Sales Monthly Proceeds
Endowment Funds

	Year						
Month	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**
January	21,196,075	85,209,777	29,493,046	7,126,212	5,108,687	2,960,815	809,822
February	92,150,173	24,412,865	33,969,801	2,535,244	1,083,178	1,103,303	
March	1,015,640	13,469,847	1,323,549	1,096,232	1,106,860	3,045,043	
April	1,796,774	4,599,024	2,252,527	1,968,281	28,981,969	78,134,289	
May	926,085	12,685,871	1,100,261	19,123,417	20,147,116	27,642,672	
June	22,369,423	6,493,351	4,564,719	33,179,898	31,844,678	2,451,110	
July	823,328	5,694,705	4,196,738	6,092,396	2,469,997	13,838,188	
August	33,621,311	2,304,138	24,838,430	1,038,971	13,094,287	5,746,802	
September	17,307,221	10,399,639	1,960,673	1,967,125	(12,580,728)	19,937,751	
October	1,403,700	1,240,497	3,150,170	2,366,519	10,614,885	480,710	
November	5,131,627	8,995,327	34,193,583	1,358,711	28,490,238	9,500,048	
December	28,846,813	3,574,631	1,136,538	4,264,354	6,127,407	3,869,818	
Calendar Year	226,588,170	179,079,672	142,180,034	82,117,360	136,488,573	168,710,549	809,822
Fiscal Year (July 1st to June 30th)	163,898,058	234,004,734	104,912,840	134,505,415	105,360,563	163,553,318	54,183,139

NET REALIZED CAPITAL GAINS / LOSSES - ENDOWMENT FUNDS

Endowment Fund	January 2018 NET GAIN(LOSS)	January 2017 NET GAIN(LOSS)
Fixed Income Pool	($342,207)	**($387,037)**
500 Large-Cap Fund	19,263,415	**1,880,500**
400 Mid-Cap Fund	18,298,678	**3,465,208**
600 Small-Cap Fund	13,987,192	**2,339,385**
Totals	$51,207,078	**$7,298,056**

Endowment Fund	2017/2018 FISCAL YEAR TO DATE GAINS(LOSSES)	2016/2017 FISCAL YEAR TO DATE GAINS(LOSSES)
Fixed Income Pool	($543,433)	**($1,420,437)**
500 Large-Cap Fund	68,883,126	**12,614,391**
400 Mid-Cap Fund	42,417,369	**17,320,869**
600 Small-Cap Fund	28,173,044	**16,363,865**
Totals	$138,930,106	**$44,878,687**

ENDOWMENT FUNDS FIXED-INCOME POOLS
PURCHASES & SALES
JANUARY 2018

I. Endowment Funds Purchases

POOL	SECURITY DESCRIPTION	RATE	MATURITY	*WAL YEARS	PAR VALUE	PURCHASE COST	YIELD	MOODY'S RATING
205	BONY MELLON	2.10	01/15/2019	NA	$10,000,000	$10,012,487	2.01%	A1
205	FNMA MTG	3.00	01/25/2039	2.04	2,448,440	2,470,291	2.51%	Aaa
205	FNMA MTG	2.93	11/01/2026	8.86	5,617,000	5,605,427	3.01%	Aaa
205	FREDDIE MAC	1.73	07/25/2019	1.38	2,500,000	2,488,206	2.01%	Aaa
205	FREDDIE MAC	6.00	10/15/2047	6.95	10,000,000	11,447,656	3.57%	Aaa
205	FREDDIE MAC	4.00	03/15/2029	5.99	5,870,000	6,233,971	2.89%	Aaa
205	FREDDIE MAC	4.00	03/15/2029	5.99	5,869,000	6,247,581	2.85%	Aaa
205	GNMA MTG	3.00	11/20/2044	3.35	10,000,000	10,072,656	2.81%	Aaa
205	MANHATTAN ASSET	0.00	02/20/2018	NA	5,000,000	4,994,188	1.55%	P-1
205	US TREASURY	5.25	02/15/2029	NA	5,000,000	6,328,490	2.71%	Aaa
205	US TREASURY	5.50	08/15/2028	NA	5,000,000	6,395,041	2.72%	Aaa
123	CEDAR SPRINGS	0.00	02/02/2018	NA	5,000,000	4,998,063	1.55%	P-1
123	CEDAR SPRINGS	0.00	02/09/2018	NA	5,000,000	4,993,661	1.63%	P-1
123	CEDAR SPRINGS	0.00	02/22/2018	NA	5,000,000	4,995,264	1.55%	P-1
123	GOLDEN FUNDING	0.00	02/22/2018	NA	5,709,000	5,701,626	1.55%	P-1
123	HALKIN FINANCE	0.00	02/22/2018	NA	5,000,000	4,993,458	1.57%	P-1
123	MANHATTAN ASSET	0.00	02/20/2018	NA	2,000,000	1,997,675	1.55%	P-1
123	MOUNTCLIFF	0.00	02/20/2018	NA	5,000,000	4,993,856	1.58%	P-1
123	SHEFFIELD RECEIVABLES	0.00	03/15/2018	NA	2,500,000	2,495,312	1.57%	P-1
123	UNITED PARCEL SVC	0.00	03/21/2018	NA	2,000,000	1,996,053	1.45%	P-1
123	VICTORY RECEIVABLES	0.00	03/21/2018	NA	1,500,000	1,496,733	1.60%	P-1
	TOTAL ENDOWMENT FUNDS PURCHASES				**$106,013,440**	**$110,957,693**		

II. Endowment Funds Sales

POOL	SECURITY DESCRIPTION	RATE	MATURITY	PAR VALUE	AMORTIZED COST/PROCEEDS	SALES GAINS/(LOSSES)	MOODY'S RATING
	TOTAL ENDOWMENT FUNDS SALES			**$0**	**$0**	**$0**	

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

EQUITY FUNDS
PURCHASES & SALES
JANUARY 2018

I. Equity Fund Purchases

	SHARES	PURCHASE COST	COMMISSIONS
400 Mid-Cap Fund	79,590	$3,862,866	$155
500 Large-Cap Fund	10,256	1,947,338	46
600 Small-Cap Fund	273,972	5,074,014	2,055
TOTAL EQUITY PURCHASES	**363,818**	**$10,884,218**	**$2,256**

II. Equity Funds Sales

	SHARES	SALES AMOUNT	COMMISSIONS
400 Mid-Cap Fund	864,213	$45,140,592	$6,452
500 Large-Cap Fund	424,243	35,864,473	3,184
600 Small-Cap Fund	1,113,268	35,726,779	7,909
TOTAL EQUITY SALES	**2,401,724**	**$116,731,845**	**$17,544**

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

FUND	NAME OF FUND	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	UNREALIZED GAINS (LOSSES)	**Mkt Value/ Book Value**
101	A & M Colleges					
	Shares in Equity Pools	403	$2,835	$8,625	$5,789	
	Shares in Fixed Income Pools	4,032	2,887	5,149	2,262	
	Total	4,435	5,722	13,773	8,051	**2.407**
102	State Hospital					
	Shares in Equity Pools	309	2,640	6,615	3,975	
	Shares in Fixed Income Pools	3,180	2,623	4,061	1,437	
	Total	3,490	5,263	10,676	5,413	**2.028**
103	Leg., Exec, & Jud					
	Shares in Equity Pools	327	2,469	6,996	4,527	
	Shares in Fixed Income Pools	3,493	2,503	4,460	1,957	
	Total	3,820	4,972	11,456	6,484	**2.304**
104	Military Institute					
	Shares in Equity Pools	22	174	475	301	
	Shares in Fixed Income Pools	242	171	309	139	
	Total	265	345	784	440	**2.277**
105	Miners Hospital					
	Shares in Equity Pools	967	8,587	20,696	12,109	
	Shares in Fixed Income Pools	9,728	8,478	12,421	3,943	
	Total	10,695	17,065	33,117	16,052	**1.941**
107	Normal School ASU/NAU					
	Shares in Equity Pools	185	1,587	3,948	2,361	
	Shares in Fixed Income Pools	1,904	1,522	2,431	909	
	Total	2,089	3,110	6,379	3,269	**2.051**
108	Penitentiaries					
	Shares in Equity Pools	646	5,471	13,813	8,342	
	Shares in Fixed Income Pools	6,603	5,438	8,431	2,993	
	Total	7,248	10,909	22,244	11,335	**2.039**

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

	NAME OF FUND	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	UNREALIZED GAINS (LOSSES)	**Mkt Value/ Book Value**
109	Permanent Common School					
	Shares in Equity Pools	163,066	1,326,306	3,489,036	2,162,730	
	Shares in Fixed Income Pools	1,642,143	1,343,683	2,096,771	753,089	
	Total	1,805,208	2,669,988	5,585,807	2,915,819	**2.092**
110	School for Deaf & Blind					
	Shares in Equity Pools	234	1,946	5,013	3,067	
	Shares in Fixed Income Pools	2,625	2,064	3,352	1,288	
	Total	2,860	4,010	8,365	4,356	**2.086**
111	School of Mines					
	Shares in Equity Pools	456	3,424	9,761	6,337	
	Shares in Fixed Income Pools	4,690	3,482	5,988	2,506	
	Total	5,146	6,907	15,749	8,843	**2.280**
112	State Charitable					
	Shares in Equity Pools	4,596	34,627	98,348	63,721	
	Shares in Fixed Income Pools	44,649	35,418	57,010	21,592	
	Total	49,245	70,045	155,358	85,313	**2.218**
113	University Fund					
	Shares in Equity Pools	832	6,592	17,795	11,203	
	Shares in Fixed Income Pools	8,562	6,527	10,932	4,405	
	Total	9,394	13,119	28,727	15,608	**2.190**
114	U Of A Land - 1881					
	Shares in Equity Pools	3,137	30,548	67,121	36,573	
	Shares in Fixed Income Pools	32,245	27,844	41,172	13,329	
	Total	35,382	58,391	108,293	49,902	**1.855**
	TOTALS - ALL FUNDS					
	Shares in Equity Pools	175,180	1,427,206	3,748,241	2,321,036	
	Shares in Fixed Income Pools	1,764,097	1,442,640	2,252,489	809,849	
	Grand Total	$1,939,277	$2,869,846	$6,000,730	$3,130,884	
	PRIOR YEAR: JANUARY 2017 BALANCES	**$1,989,440**	**$2,911,447**	**$5,397,294**	**$2,485,848**	

ENDOWMENT FUNDS
INVESTMENTS OUTSTANDING
JANUARY 31, 2018

ASSET ALLOCATION PERCENTAGE

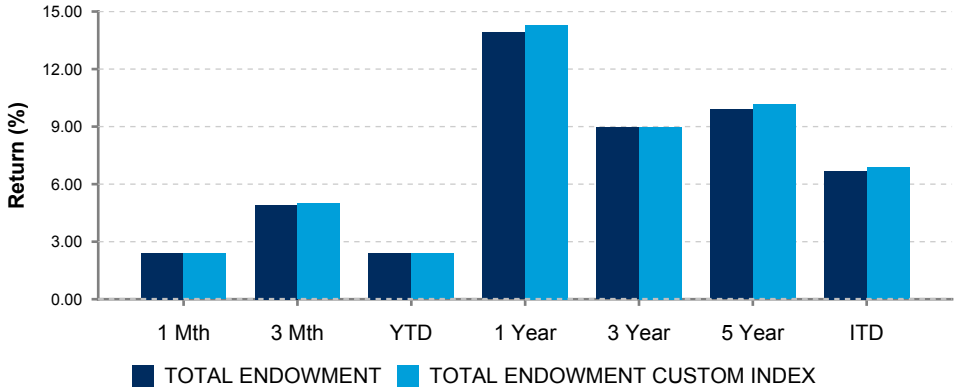
	SHARES OUTSTANDING	**BOOK VALUE**	MARKET VALUE	JANUARY 2017 MARKET VALUE
Shares in Equity Pools	9.03%	**49.73%**	62.46%	63.11%
Shares in Fixed Income Pools	90.97%	**50.27%**	37.54%	36.89%
Total	100.00%	**100.00%**	100.00%	100.00%

OFFICE OF THE ARIZONA STATE TREASURER

January 31, 2018

Total Endowment Summary

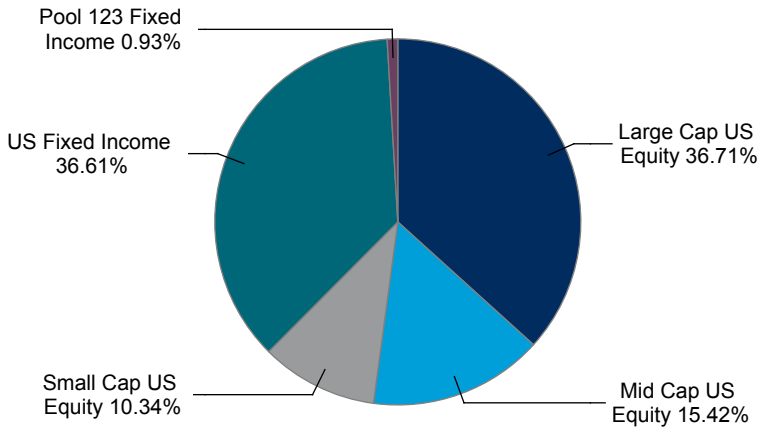
Performance



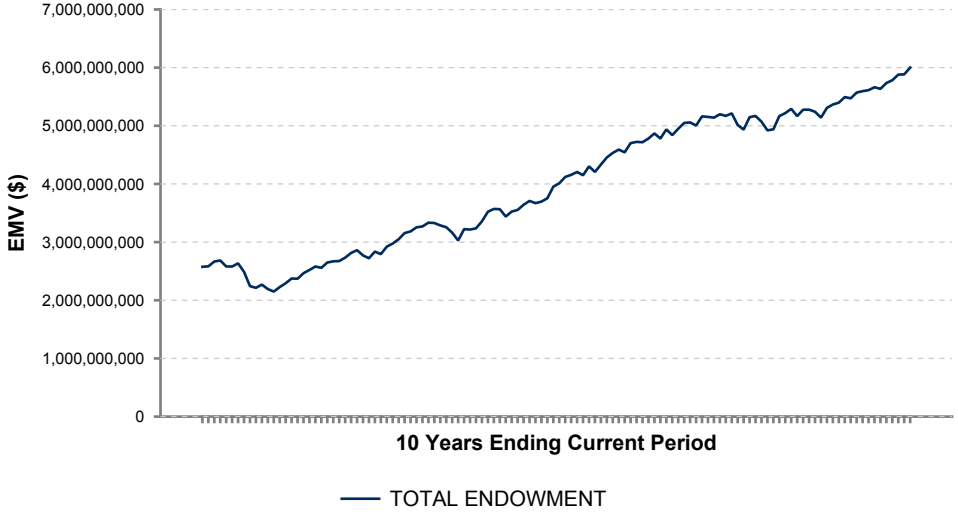
	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Incept Date
TOTAL ENDOWMENT	2.41	4.91	2.41	13.90	8.94	9.90	6.69	07/99
TOTAL ENDOWMENT CUSTOM INDEX	2.37	4.98	2.37	14.29	8.99	10.15	6.87	07/99
Excess	0.04	-0.07	0.04	-0.39	-0.05	-0.25	-0.19	

Asset Allocation

	Ending Market Value
TOTAL ENDOWMENT	6,000,730,254

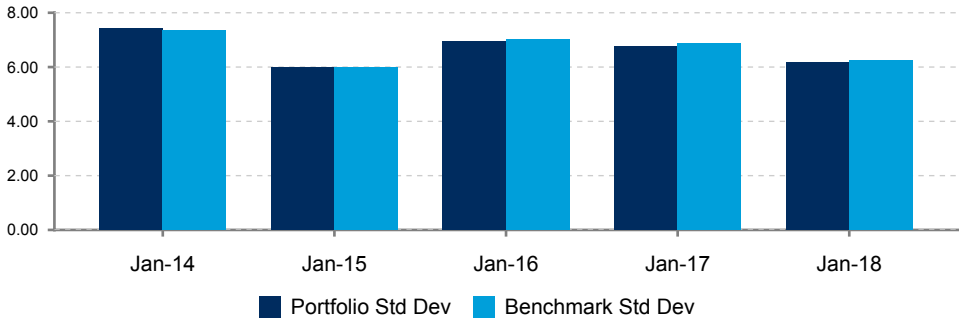


Ending Market Value



3 Year Risk Statistics

	Return	Portfolio Std Dev	Benchmark Std Dev	Sharpe Ratio	Beta	Tracking Error	Information Ratio
TOTAL ENDOWMENT	8.94	6.18	6.25	1.37	0.99	0.33	-0.16

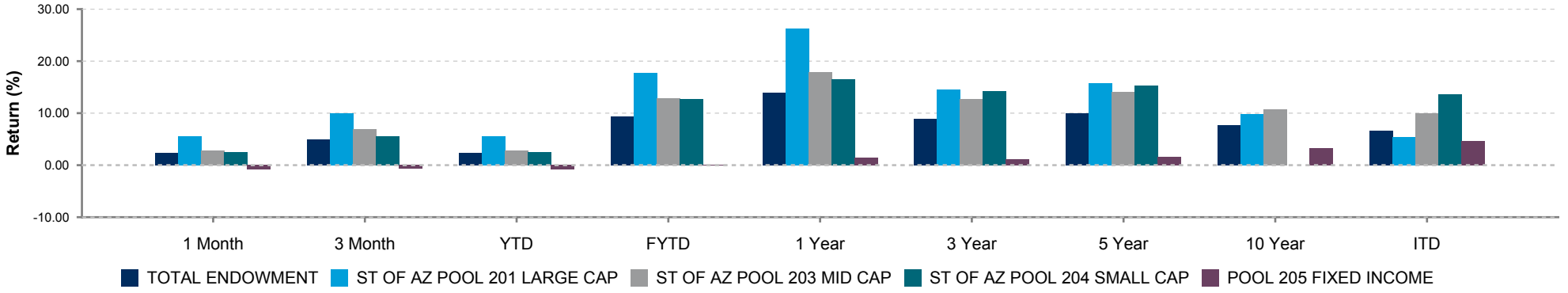


OFFICE OF THE ARIZONA STATE TREASURER

January 31, 2018

Total Returns Net Mgr

Return Comparison



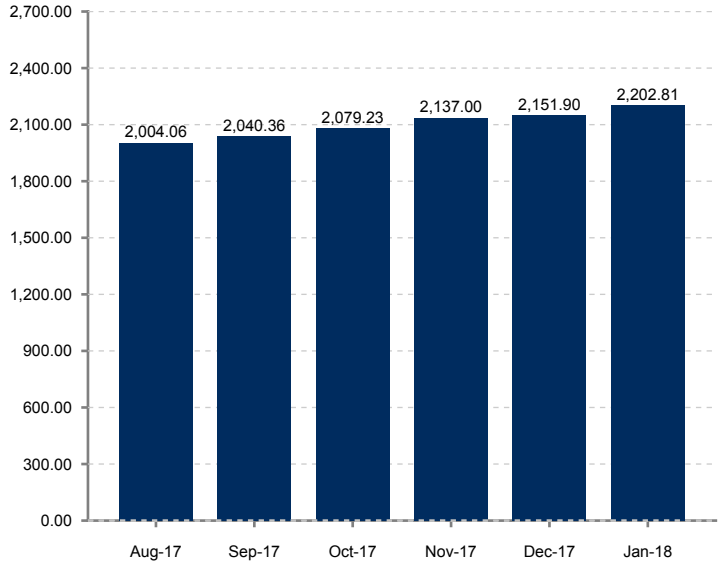
	Market Value	Actual Weight	1 Mth	3 Mth	YTD	FYTD	1 Year	3 Year	5 Year	10 Year	ITD	Inc Date
TOTAL ENDOWMENT	6,000,730,254	100.00	2.41	4.91	2.41	9.37	13.90	8.94	9.90	7.63	6.69	Jul-01-99
TOTAL ENDOWMENT CUSTOM INDEX			2.37	4.98	2.37	9.49	14.29	8.99	10.15	7.93	6.87	Jul-01-99
Excess			0.04	-0.07	0.04	-0.12	-0.39	-0.05	-0.25	-0.30	-0.19	
ST OF AZ POOL 201 LARGE CAP	2,202,813,671	36.71	5.62	10.03	5.62	17.67	26.28	14.55	15.83	9.79	5.45	Jul-01-99
S&P 500 INDEX (DAILY)			5.73	10.18	5.73	17.80	26.41	14.66	15.91	9.78	5.97	Jul-01-99
Excess			-0.10	-0.15	-0.10	-0.13	-0.13	-0.11	-0.08	0.01	-0.51	
ST OF AZ POOL 203 MID CAP	925,044,326	15.42	2.88	6.92	2.88	12.87	17.94	12.73	14.13	10.68	9.99	Aug-01-01
S&P 400 MIDCAP INDEX (DAILY)			2.87	6.89	2.87	12.83	17.61	12.62	14.06	10.98	9.99	Aug-01-01
Excess			0.01	0.03	0.01	0.04	0.33	0.11	0.07	-0.30	0.00	
ST OF AZ POOL 204 SMALL CAP	620,383,381	10.34	2.47	5.49	2.47	12.76	16.48	14.27	15.29		13.62	Mar-01-11
S&P SM 600 TR			2.53	5.59	2.53	12.94	16.56	14.28	15.27		13.61	Mar-01-11
Excess			-0.06	-0.10	-0.06	-0.18	-0.08	-0.01	0.02		0.01	
POOL 205 FIXED INCOME	2,196,664,809	36.61	-0.80	-0.70	-0.80	0.05	1.49	1.19	1.57	3.22	4.67	Jul-01-99
CITIGROUP BIG (DAILY)			-1.16	-0.81	-1.16	0.06	2.18	1.17	2.01	3.75	4.98	Jul-01-99
Excess			0.36	0.11	0.36	-0.01	-0.69	0.02	-0.43	-0.52	-0.31	
POOL 123 FIXED INCOME	55,824,066	0.93	0.08	0.29	0.08	0.71	1.11				0.94	Jun-01-16
ASTO-POOL 5 BENCHMARK			0.12	0.31	0.12	0.67	1.01				0.79	Jun-01-16
Excess			-0.03	-0.03	-0.03	0.04	0.10				0.15	

OFFICE OF THE ARIZONA STATE TREASURER

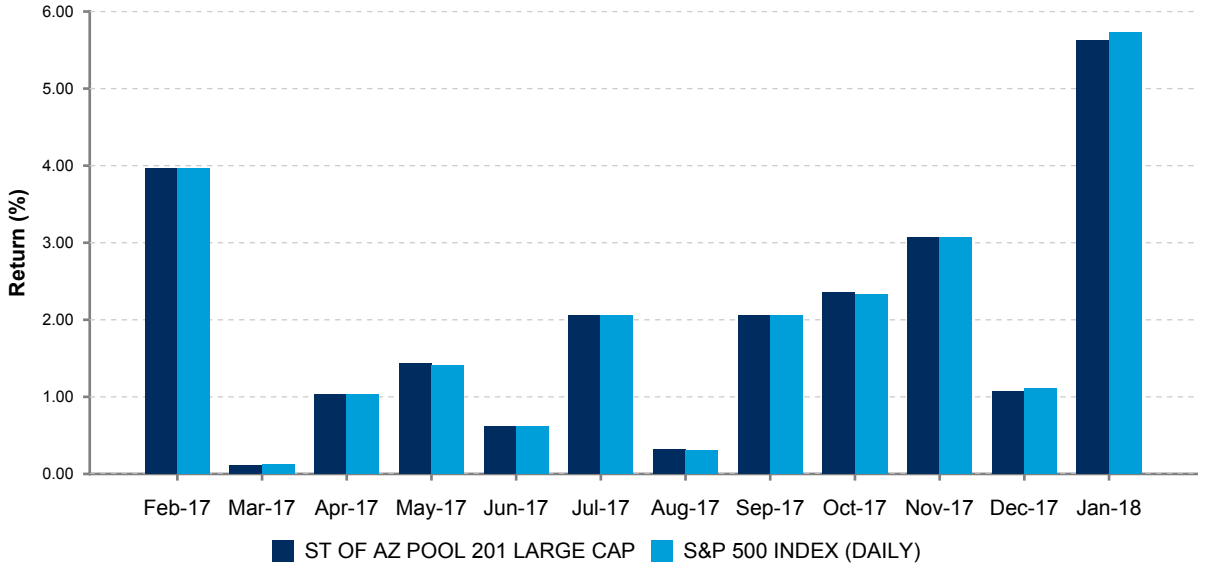
January 31, 2018

ST OF AZ POOL 201 LARGE CAP

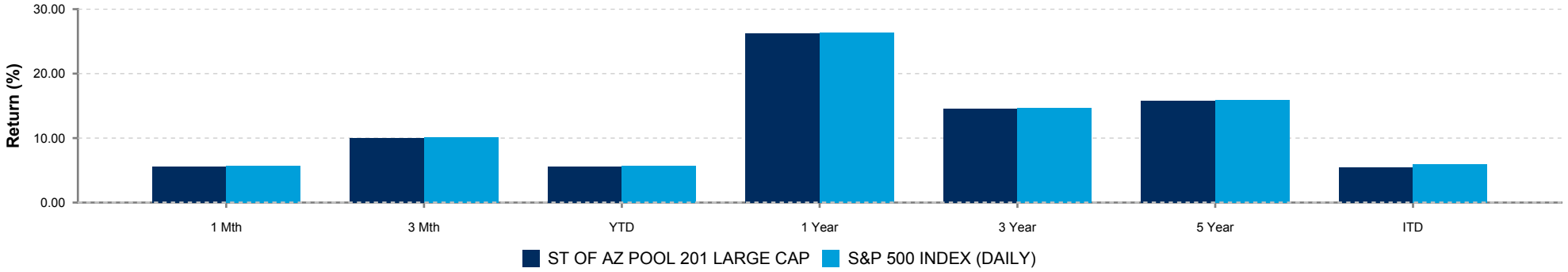
Net Asset Values over Time ($MM)



Monthly Returns



Rates of Return

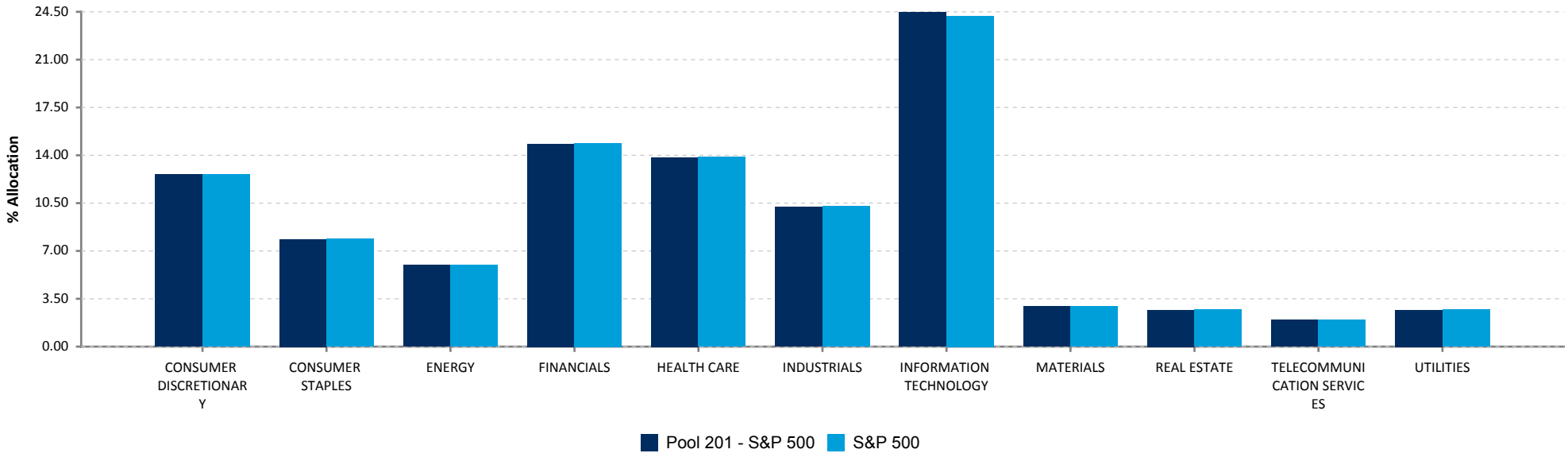


	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Jan 31 2016	Jan 31 2017	Jan 31 2018
ST OF AZ POOL 201 LARGE CAP	5.62	10.03	5.62	26.28	14.55	15.83	5.45	-0.68	19.84	26.28
S&P 500 INDEX (DAILY)	5.73	10.18	5.73	26.41	14.66	15.91	5.97	-0.67	20.04	26.41
Excess	-0.10	-0.15	-0.10	-0.13	-0.11	-0.08	-0.51	-0.02	-0.20	-0.13

OFFICE OF THE ARIZONA STATE TREASURER

January 31, 2018

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



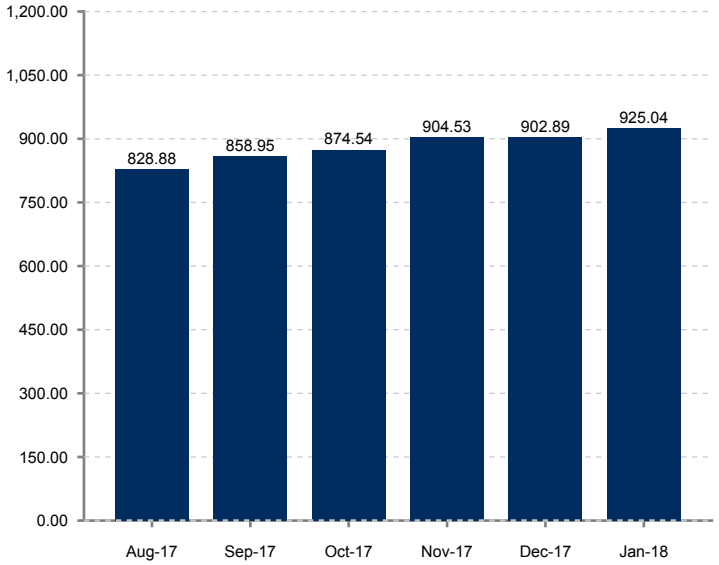
	Fund Weight	Benchmark Weight	Relative Weight
ST OF AZ POOL 201 LARGE CAP	100.00	100.00	0.00
CONSUMER DISCRETIONARY	12.16	12.20	-0.04
CONSUMER STAPLES	8.19	8.20	-0.01
ENERGY	6.05	6.07	-0.02
FINANCIALS	14.74	14.78	-0.05
HEALTH CARE	13.69	13.84	-0.15
INDUSTRIALS	10.20	10.26	-0.06
INFORMATION TECHNOLOGY	24.10	23.76	0.34
MATERIALS	2.99	3.00	-0.01
REAL ESTATE	2.89	2.89	-0.00
TELECOMMUNICATION SERVICES	2.05	2.06	-0.01
UTILITIES	2.93	2.93	-0.01

OFFICE OF THE ARIZONA STATE TREASURER

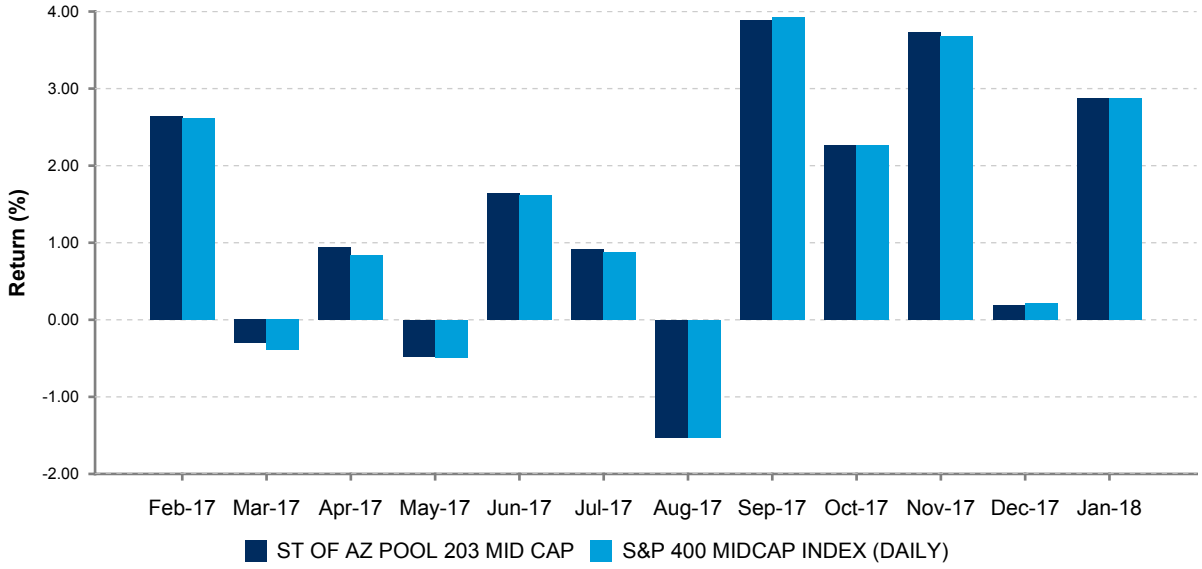
January 31, 2018

ST OF AZ POOL 203 MID CAP

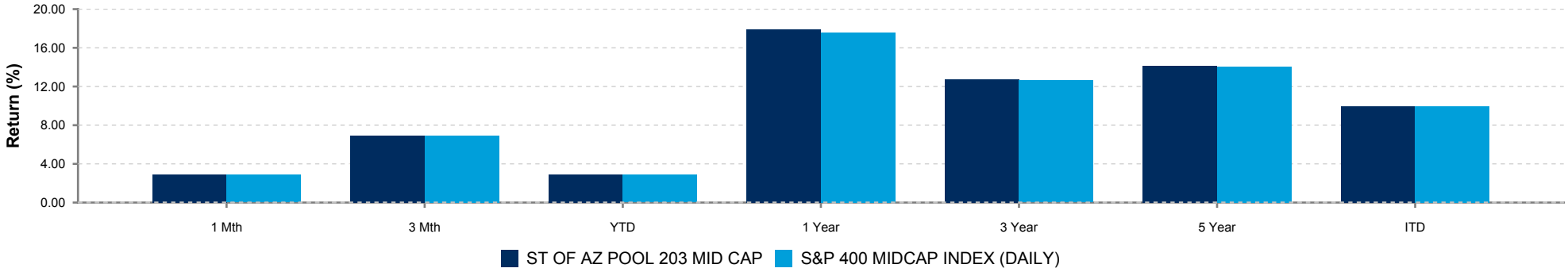
Net Asset Values over Time ($MM)



Monthly Returns



Rates of Return

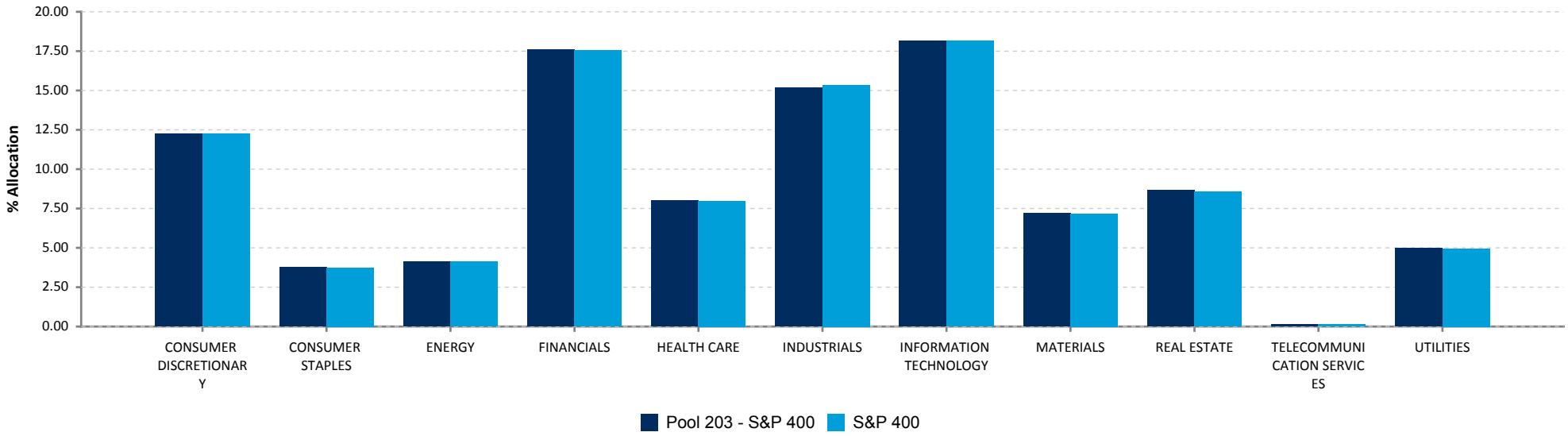


	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Jan 31 2016	Jan 31 2017	Jan 31 2018
ST OF AZ POOL 203 MID CAP	2.88	6.92	2.88	17.94	12.73	14.13	9.99	-6.51	29.95	17.94
S&P 400 MIDCAP INDEX (DAILY)	2.87	6.89	2.87	17.61	12.62	14.06	9.99	-6.70	30.17	17.61
Excess	0.01	0.03	0.01	0.33	0.11	0.07	0.00	0.18	-0.23	0.33

OFFICE OF THE ARIZONA STATE TREASURER

January 31, 2018

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



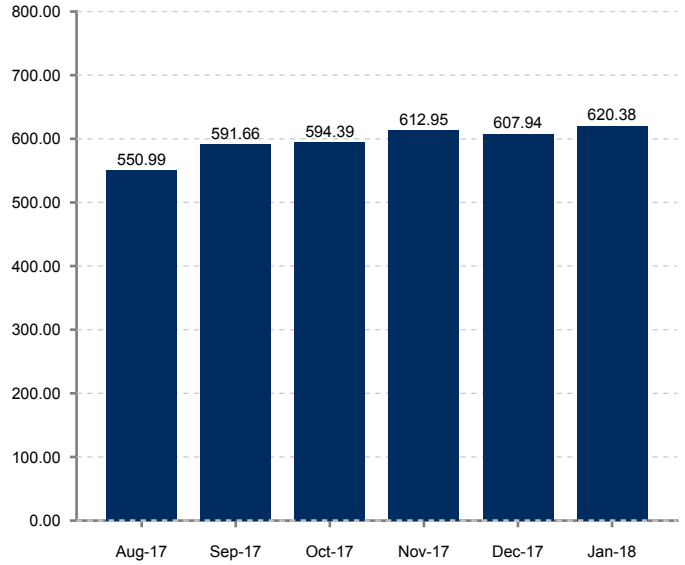
	Weight Fund	Weight Benchmark	Weight Relative
ST OF AZ POOL 203 MID CAP	100.00	100.00	0.00
CONSUMER DISCRETIONARY	12.15	12.20	-0.05
CONSUMER STAPLES	3.81	3.80	0.01
ENERGY	4.29	4.28	0.01
FINANCIALS	17.16	17.12	0.04
HEALTH CARE	7.56	7.56	0.01
INDUSTRIALS	15.66	15.85	-0.19
INFORMATION TECHNOLOGY	17.47	17.44	0.03
MATERIALS	7.18	7.17	0.01
REAL ESTATE	9.25	9.14	0.12
TELECOMMUNICATION SERVICES	0.14	0.14	0.00
UTILITIES	5.32	5.30	0.02

OFFICE OF THE ARIZONA STATE TREASURER

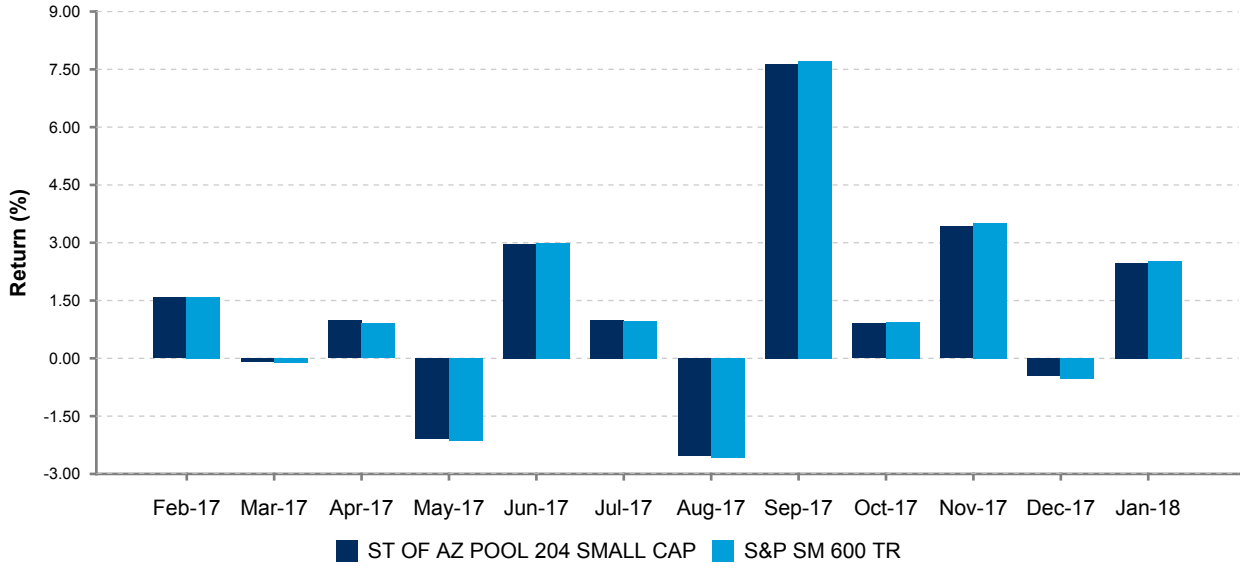
January 31, 2018

ST OF AZ POOL 204 SMALL CAP

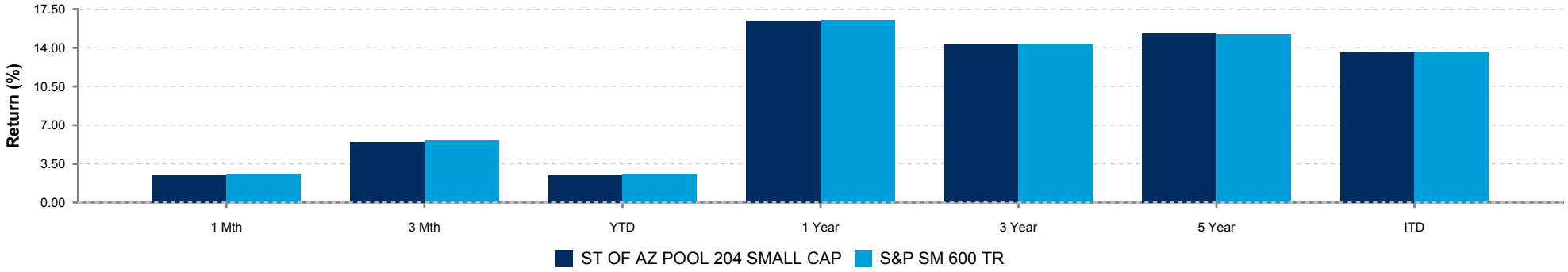
Net Asset Values over Time ($MM)



Monthly Returns



Rates of Return

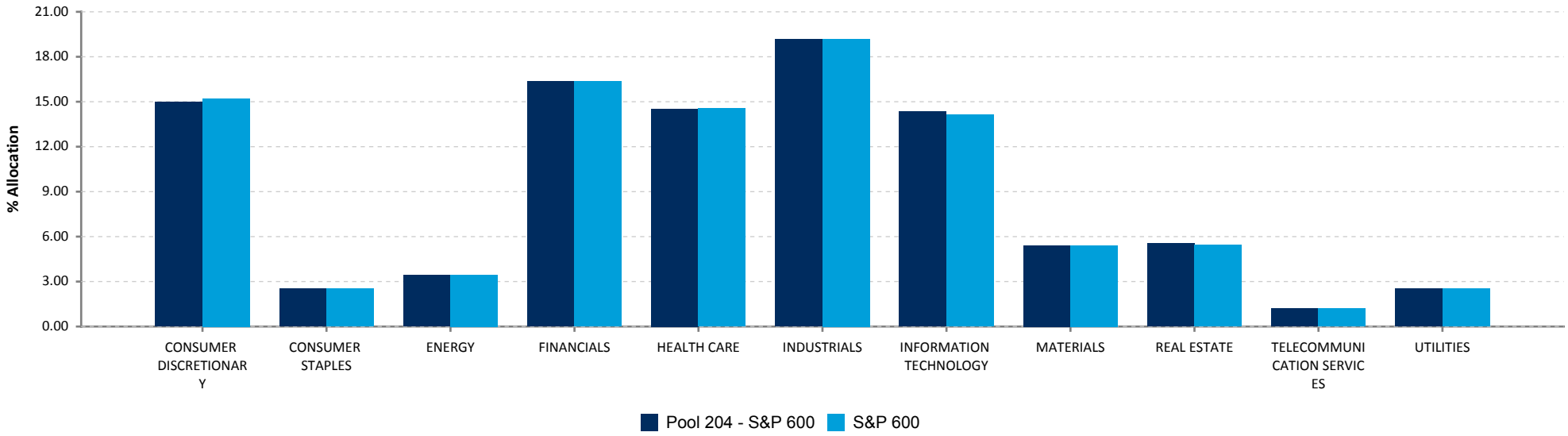


	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Jan 31 2016	Jan 31 2017	Jan 31 2018
ST OF AZ POOL 204 SMALL CAP	2.47	5.49	2.47	16.48	14.27	15.29	13.62	-4.23	33.76	16.48
S&P SM 600 TR	2.53	5.59	2.53	16.56	14.28	15.27	13.61	-4.69	34.34	16.56
Excess	-0.06	-0.10	-0.06	-0.08	-0.01	0.02	0.01	0.45	-0.58	-0.08

OFFICE OF THE ARIZONA STATE TREASURER

January 31, 2018

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



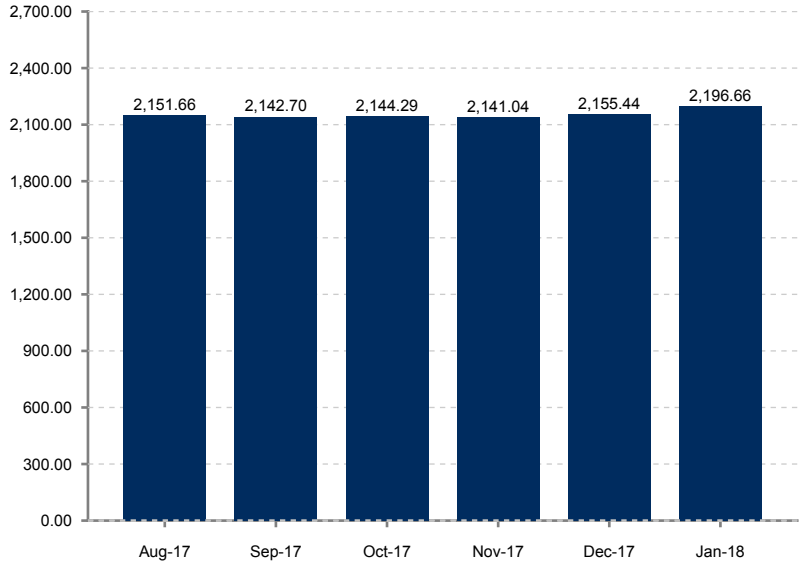
	Weight Fund	Weight Benchmark	Weight Relative
ST OF AZ POOL 204 SMALL CAP	100.00	100.00	0.00
CONSUMER DISCRETIONARY	15.70	15.66	0.03
CONSUMER STAPLES	2.86	2.85	0.01
ENERGY	3.38	3.37	0.01
FINANCIALS	16.65	16.77	-0.12
HEALTH CARE	13.23	13.34	-0.11
INDUSTRIALS	19.26	19.22	0.04
INFORMATION TECHNOLOGY	13.72	13.69	0.03
MATERIALS	5.37	5.36	0.01
REAL ESTATE	5.93	5.84	0.09
TELECOMMUNICATION SERVICES	1.17	1.16	0.00
UTILITIES	2.74	2.74	0.01

OFFICE OF THE ARIZONA STATE TREASURER

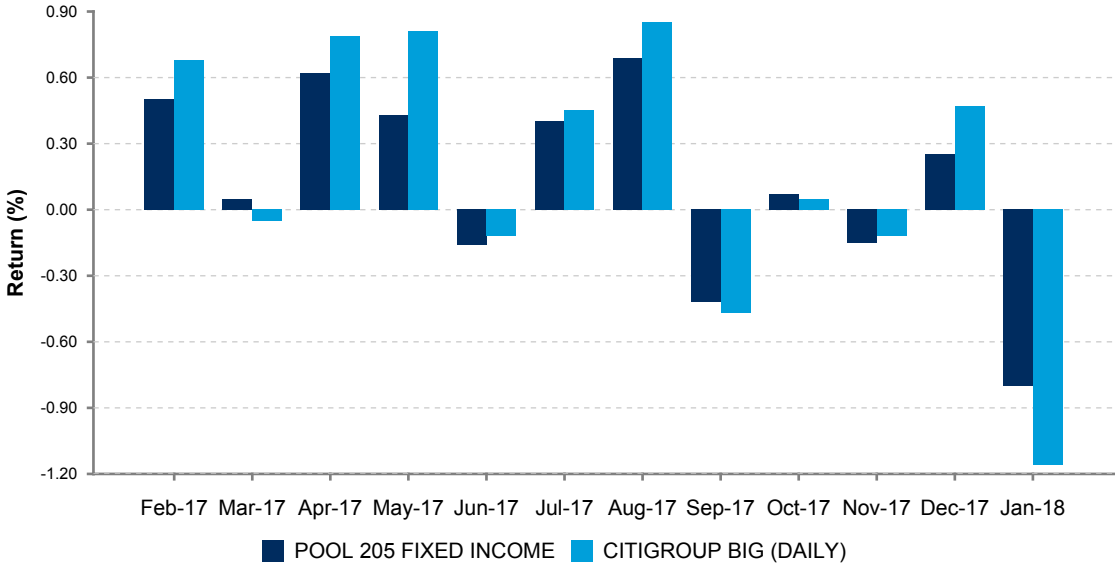
January 31, 2018

POOL 205 FIXED INCOME

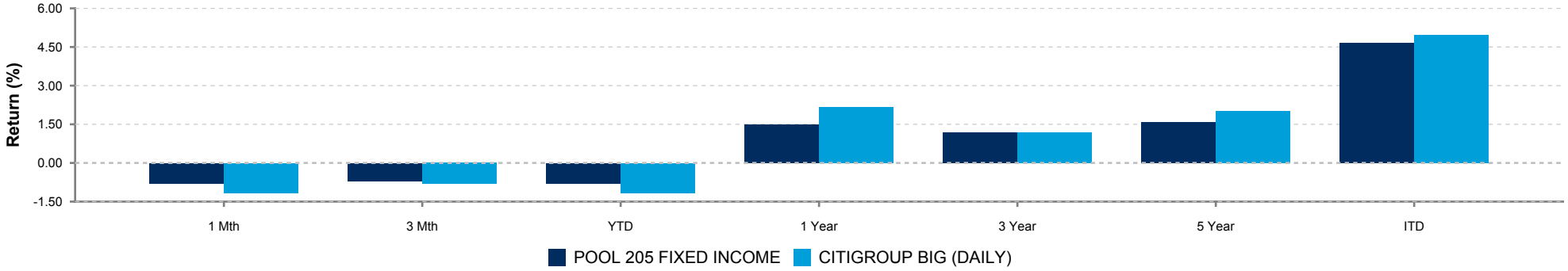
Net Asset Values over Time ($MM)



Monthly Returns



Rates of Return



	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Jan 31 2018	Jan 31 2017	Jan 31 2016
POOL 205 FIXED INCOME	-0.80	-0.70	-0.80	1.49	1.19	1.57	4.67	1.49	1.58	0.49
CITIGROUP BIG (DAILY)	-1.16	-0.81	-1.16	2.18	1.17	2.01	4.98	2.18	1.52	-0.19
Excess	0.36	0.11	0.36	-0.69	0.02	-0.43	-0.31	-0.69	0.06	0.68

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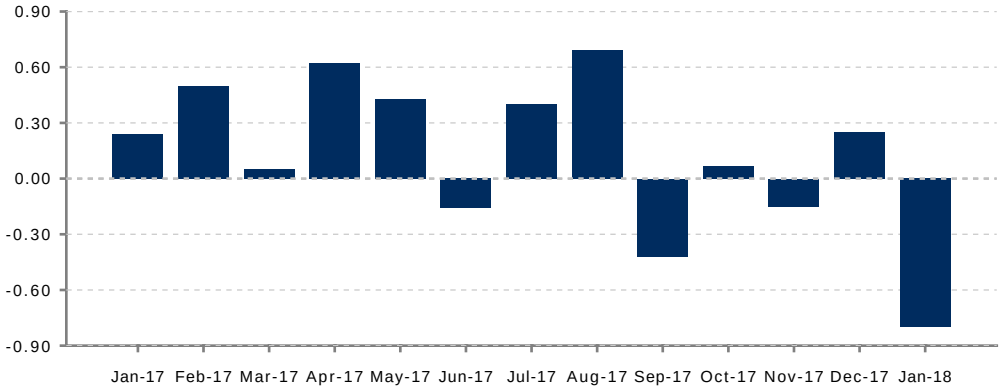
OFFICE OF THE ARIZONA STATE TREASURER

January 31, 2018

POOL 205 FIXED INCOME

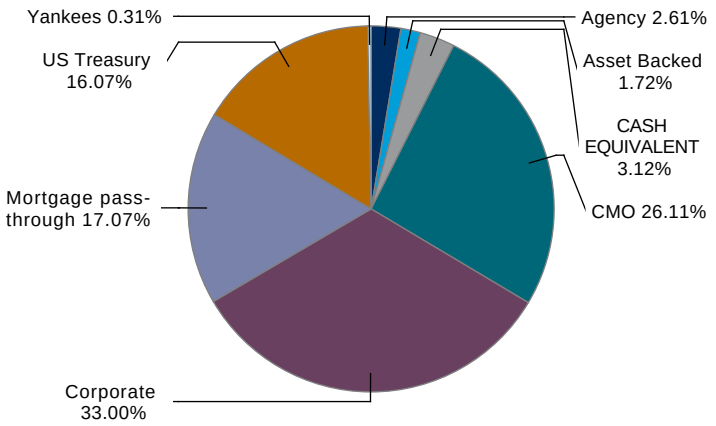
Net Mgr Return



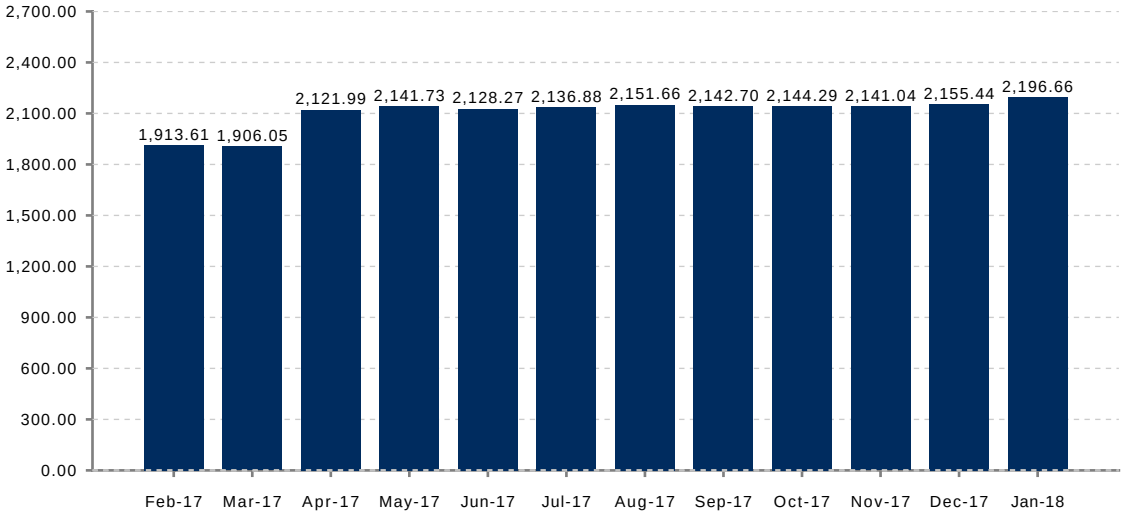
	Current Mth	Prior Mth	1 Year Ago
POOL 205 FIXED INCOME	-0.80	0.25	0.24

Asset Allocation

	Ending Market Value
POOL 205 FIXED INCOME	2,196,664,809



Net Asset Values over Time ($MM)



Top 10 Holdings

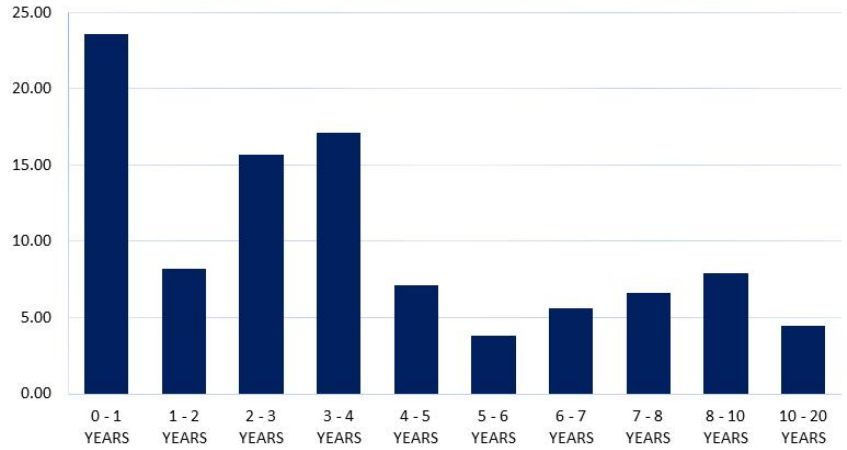
Security Name	Ending Market Value	% of Portfolio
POOL 205 FIXED INCOME		
BLACKROCK PROV TEMP	58,407,666	2.66
US TREASURY N/B	35,178,983	1.60
US TREASURY N/B	27,261,209	1.24
US TREASURY N/B	26,843,173	1.22
US TREASURY N/B	24,129,995	1.10
US TREASURY N/B	21,812,514	0.99
PEPSICO INC	20,188,814	0.92
PNC BANK NA	20,148,341	0.92
US TREASURY N/B	20,069,480	0.91
US TREASURY N/B	19,588,913	0.89

OFFICE OF THE ARIZONA STATE TREASURER

January 31, 2018

POOL 205 FIXED INCOME

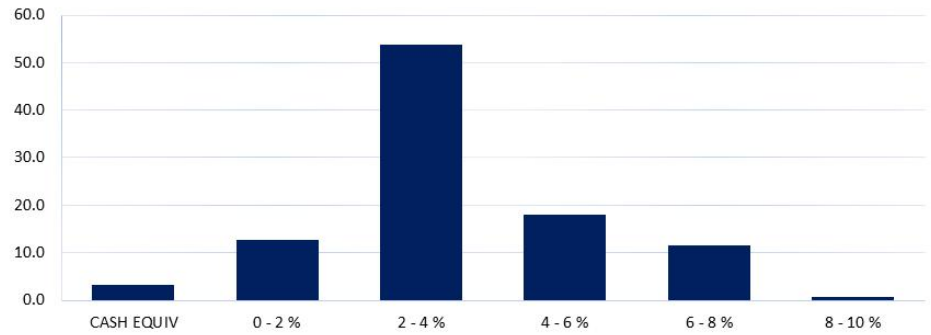
Duration Distribution



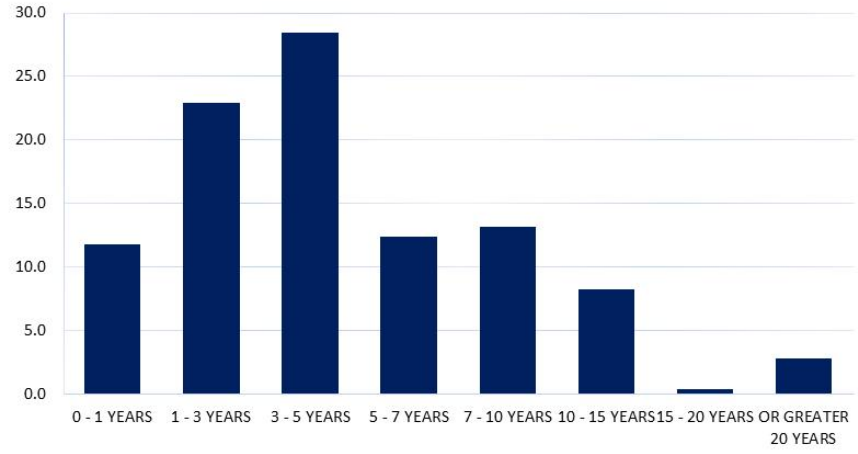
Portfolio Level Characteristics

	POOL 205 FIXED INCOME
Weighted Average Life	5.08
Coupon	3.57
Effective Duration	3.79
Quality Rating (Moody's)	AA-2

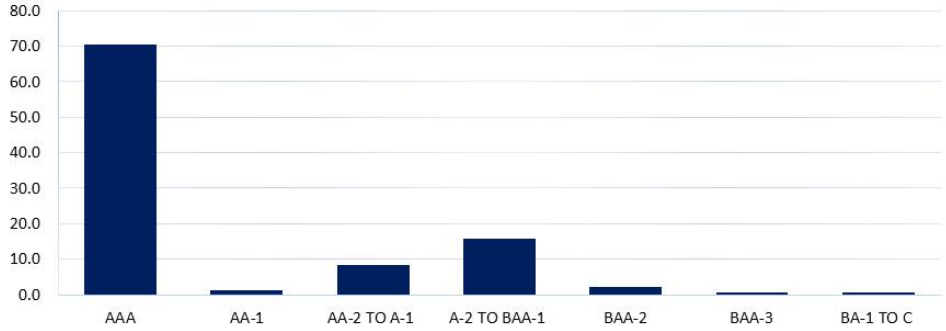
Coupon Distribution



Expected Maturity Distribution



Rating Distribution

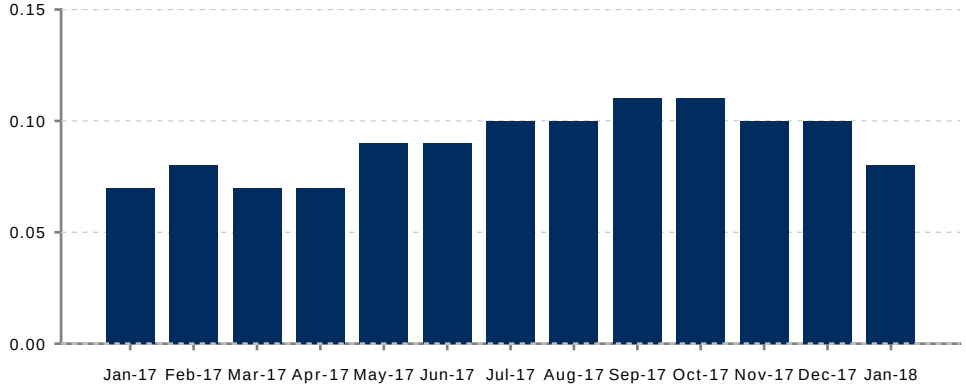


OFFICE OF THE ARIZONA STATE TREASURER

January 31, 2018

POOL 123 ST

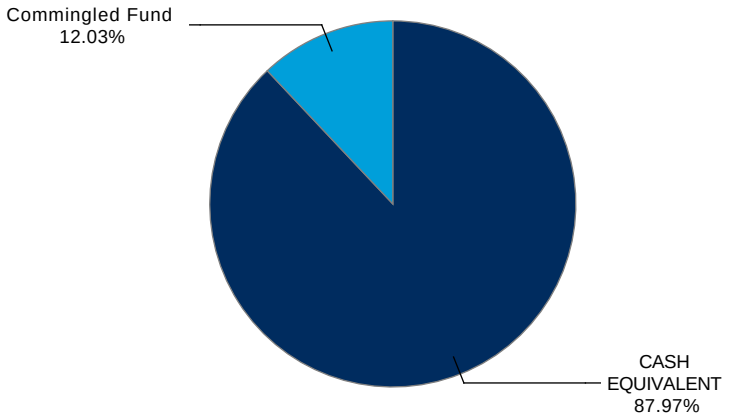
Net Yield



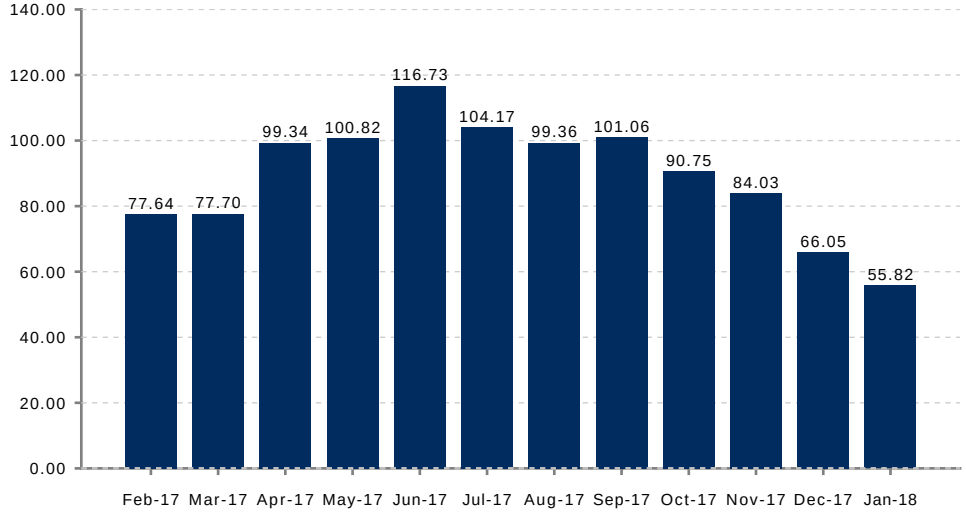
	Current Mth	Prior Mth	1 Year Ago
ST OF AZ POOL 123 ST FIXED INC	0.08	0.10	0.07

Asset Allocation

	Ending Market Value
ST OF AZ POOL 123 ST FIXED INC	55,824,066



Net Asset Values over Time ($MM)



Top 10 Holdings

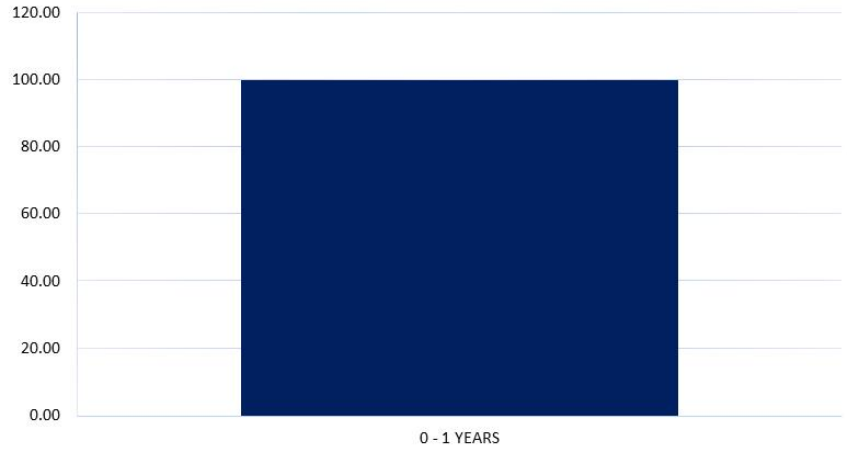
Security Name	Ending Market Value	% of Portfolio
ST OF AZ POOL 123 ST FIXED INC		
BLACKROCK PROV TEMP BLACKROCK PROV TEMP FUND 24	10,441,413	18.70
LOCAL GOVERNMENT INVEST POOL	6,717,110	12.03
GOLDEN FUNDING CORP	5,703,838	10.22
CEDAR SPRING CPTL CO	4,999,785	8.96
CEDAR SPRING CPTL CO	4,998,189	8.95
MOUNTCLIFF	4,995,831	8.95
CEDAR SPRING CPTL CO	4,995,479	8.95
HALKIN FINANCE LLC USC	4,995,421	8.95
SHEFFIELD RECEIVABLE	2,495,421	4.47
MANHATTAN ASSET FDG.	1,998,364	3.58

OFFICE OF THE ARIZONA STATE TREASURER

January 31, 2018

POOL 123 ST

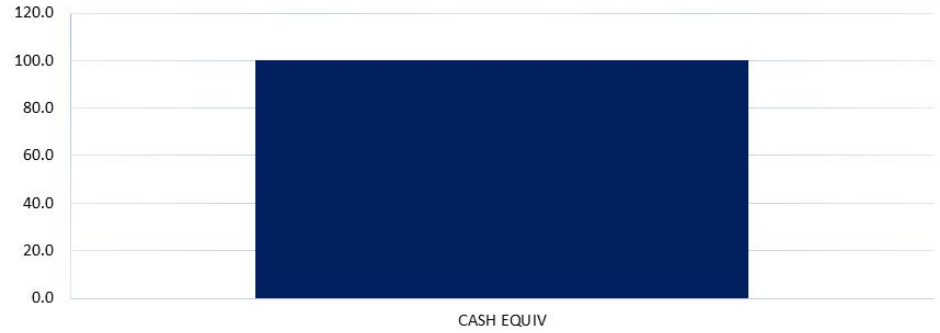
Duration Distribution



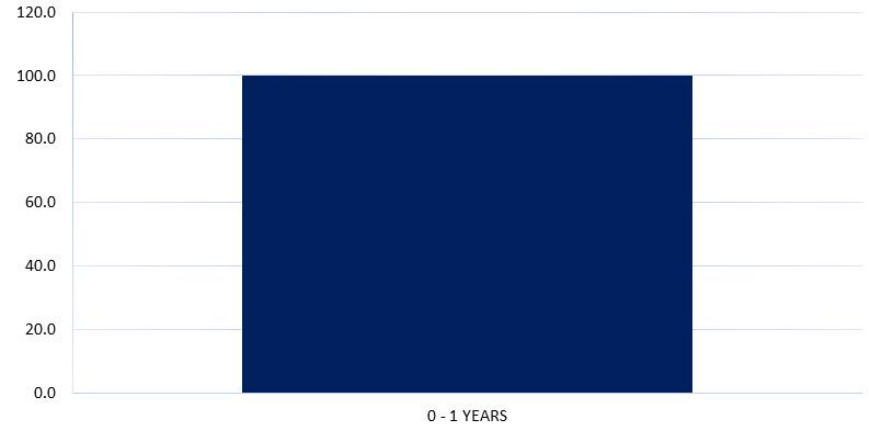
Portfolio Level Characteristics

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

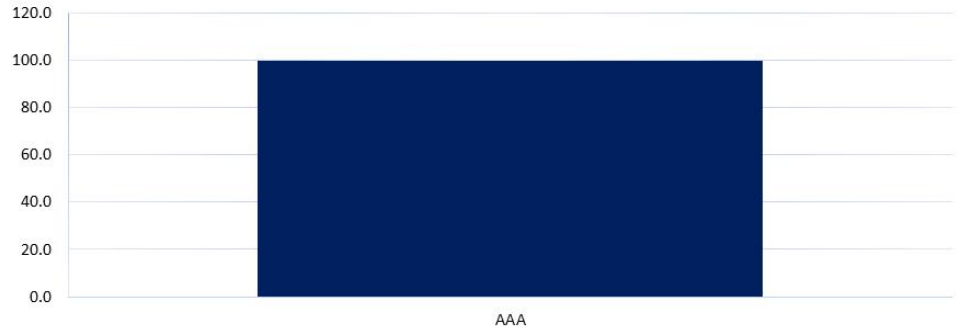
Coupon Distribution

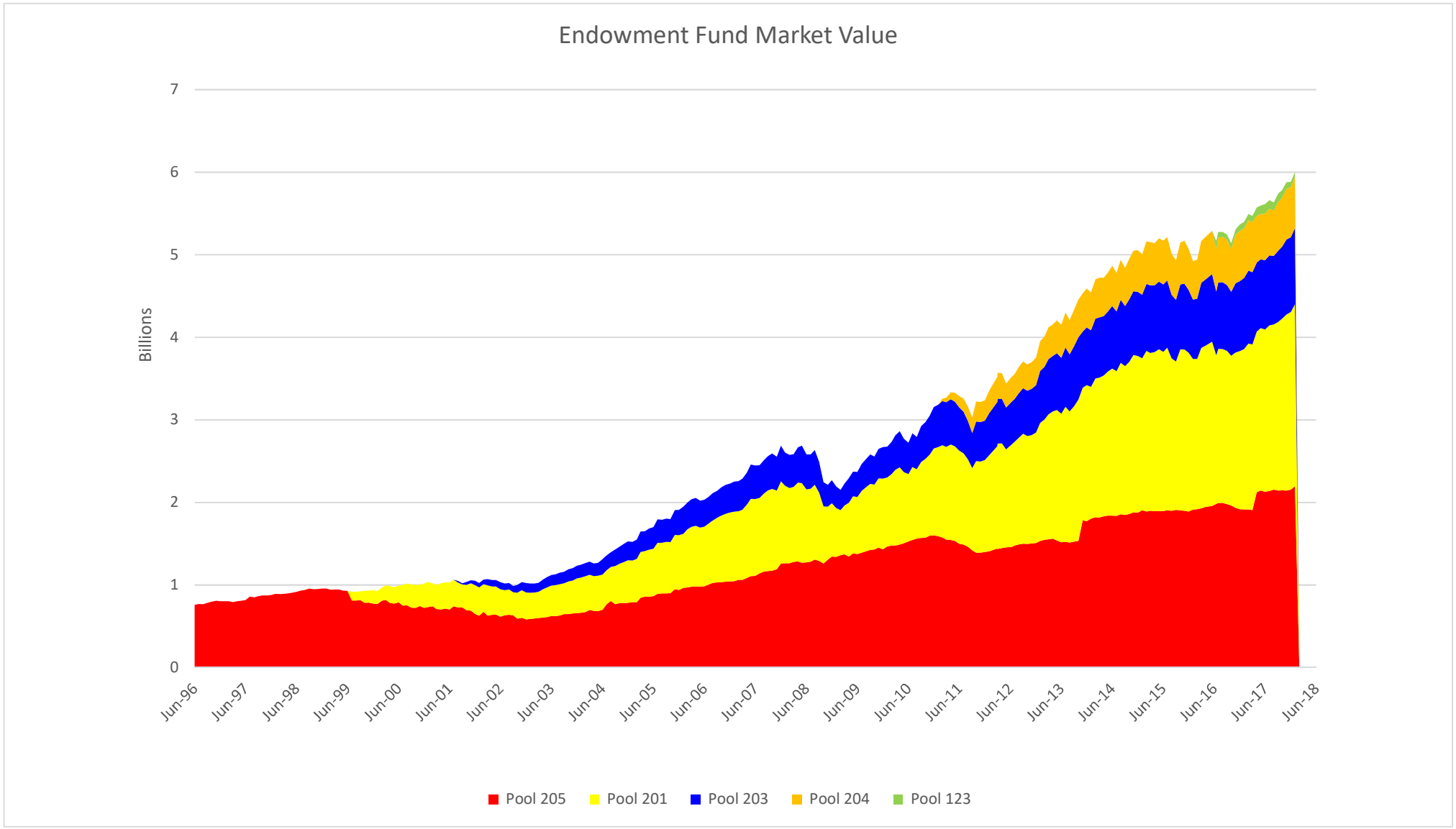


Expected Maturity Distribution



Rating Distribution




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