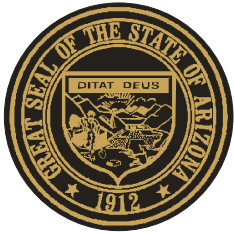


**OFFICE OF THE  
ARIZONA STATE TREASURER**



**Kimberly Yee**

**TREASURER**



**JULY 2023**

**Presented To:**

**Arizona State Board of Investment**

**August 29, 2023**

STATE BOARD OF INVESTMENT

A G E N D A

August 29, 2023

1. Call to Order; Opening Remarks ..... The Honorable Kimberly Yee, Chair
2. Approval of Minutes of July 27, 2023, BOI Meeting
3. AZ 529 Arizona’s Education Savings Plan
  - a. Monthly Program and Marketing Review..... Jeffrey Ong, AZ529 Administrator
  - b. Quarterly Investment Review..... Tiffany Spudich, Chief Client Officer, Capital Cities LLC
  - c. AZ529 Investment Policy Statement revisions and adoption.... Tiffany Spudich, Chief Client Officer, Capital Cities LLC
  - d. Approval: FY24 Account Maximum Contribution Limit.....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 July 2023 Report
6. Treasurer’s Report .....The Honorable Kimberly Yee, Chair
7. Market Outlook..... Harry Papp, Board Member
8. Call to the Public
9. Notice of Next Meeting
10. Adjournment

**REPORT OF THE STATE TREASURER**

**FOR**

**August 29, 2023**

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**Minutes of  
BOARD OF INVESTMENT MEETING  
July 27, 2023**

The regular meeting of the State Board of Investment was held on July 27, 2023, in person in the Treasury's conference room and via WebEx. Treasurer Kimberly Yee called the meeting to order at 1:01 p.m.

**Members Present:**

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

**Designee Excused:**

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

**Others Present:**

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

**1. Call to Order**

Treasurer Yee called the July 27, 2023, Board of Investment meeting to order at 1:01 p.m.

**Treasurer's Comments**

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

**2. Approval of Minutes**

*Director Richardson moved that the June 27, 2023, meeting minutes be approved as distributed. Seconded by Treasurer Ford. The motion CARRIED unanimously.*

**3. AZ529 Arizona's Educational Savings Plan**

**A. Monthly Program and Marketing Review**

**Jeffrey Ong, AZ529 Plan Administrator**, reported that as of June 30, 2023, total AZ529 Plan Assets Under Management were \$1.98 billion. Total AZ529 Plan accounts were up 4.5% Year Over Year (YOY) to 103,690. Fidelity is the largest provider with 66.9% of Assets and 68.3% of Accounts. Goldman Sachs is the second largest provider holding 32.7% of Assets and 31% of Accounts. College Savings Bank holds the remaining 0.4% of Assets and 0.7% of Accounts. Arizona residents held 51% of total Assets and 57% 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 Investment Officer**, highlighted the results of the State Agencies performances for the month of June 2023. See memo.

**B. LGIP Yield Analysis, Pool Investments and Performance Reports**

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

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

**Jake Richardson, LGIP Portfolio Manager for Tim White, Director of Endowments**, reported the results and highlights for the Endowment performances for the month of June 2023. See memo.

**Discussion and Action: Approval of June 2023 Report**

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

*Treasurer Ford moved the approval of the June 2023 Monthly Report. Seconded by Director Richardson. The motion CARRIED unanimously.*

5. **Treasurer's Report**

Treasurer Yee thanked members for their time and thanked the investment team for their continued excellent work. Treasurer Yee gave brief remarks as earnings continue to grow as interest rates rise. For the entire 2023 fiscal year, the office distributed more than \$1.215 billion in earnings, which includes \$783.1 million for our LGIP and State Agency pools and \$432.7 million for the PLETF.

The LGIP total assets in June were \$5.87 billion, that is \$2.5 billion more in assets than when the Treasurer took office, an 74% increase. June earnings of \$24.97 million bring earnings for the fiscal year to \$212.6 million which is an increase of 1,170% from fiscal year 2022, when we earned \$16.7 million. Earnings for FY 23 for the LGIP are more than the past five years combined for the LGIP.

Treasurer Yee noted that State Agency funds were \$17.4 billion in June with total earnings of \$576.2 million for the fiscal year, including \$63 million in June. The total year for FY 23 surpasses the combined total of the past six years. A total of \$369.5 million has been earned for the State General Fund this year.

Treasurer Yee highlighted and wanted members to notice that the average operating cash balance for the state for the month of June was \$10.2 billion, which was \$1.48 billion less than June 2022, the marking the second consecutive month of year over year drop in the balance since the beginning of the pandemic in 2020. July was also going to be a lower balance than a year ago and will mark three consecutive months of declining year-over-year balances indicating a new trend has developed in cash flow.

The Permanent Land Endowment Trust Fund market value was \$7.82 billion at the end of June. That is a 41.5% increase since the Treasurer took office in January 2019. The 10-year annual total return was 8.06% in June. In the past year, the PLETF has outperformed the benchmark by 113 basis points.

For the AZ529 program, since October 2020, after 33-months of operation, the 529 accounts have increased by 30,052 accounts and assets are up 22.5% in that same time frame to \$1.98 billion.

7. **Market Outlook**

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

8. **Call to the Public**

There was no public comment.

**9. Notice of Next Meeting**

Treasurer Yee announced that the next board meeting will be held on Tuesday, August 29, 2023, at 1:00 p.m.

**10. Adjournment**

*With no further business to discuss, Mr. Papp moved that the meeting be adjourned. Seconded by Treasurer Ford. The motion CARRIED unanimously. Meeting adjourned at 1:31 p.m.*

Respectfully Submitted by:

---

Leslie Stone  
Executive Assistant

Approved by:

---

Kimberly Yee  
Chair

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Date

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# OFFICE OF THE ARIZONA STATE TREASURER

KIMBERLY YEE  
TREASURER



## Investment Summary | July 2023

### Overall Performance – Where We Are Now |

#### ➤ State Agency Pools:

- Total assets: \$16,130,404,560
- July earnings distributed: \$61,849,789 (+195.88 YoY)
- General Fund earnings distributed: \$36,677,713 (+163.34% YoY)

### Outlook |

At the Jackson Hole Federal Reserve financial symposium chairman Jerome Powell said inflation remains too high and they are willing to raise rates, if needed, and keep rates higher until inflation reaches the Fed's 2% target. It is likely rates will increase 25bps at its September and/or November 2023 meeting. It is also quite possible rates are near the highs for the current interest rate cycle and for the near future. The Federal Reserve may pause at this rate until they see the repercussions of past rate hikes on inflation. 2-year treasuries are right at 5% and 10-year treasuries are currently at 4.23% as of the time of this writing. This spread is negative. Historically, you are paid more for lending funds for a longer duration. Consumer debt reached seventeen trillion dollars. This is a probable sign that consumers have spent the majority of funds saved during the pandemic and are now using debt for day-to-day expenses. The Consumer Price Index is at 3.2% year-over-year, and 4.7% excluding food and energy, which shows continued inflation. Durable goods orders broke from their healthy pace at -5.2% in July vs +4.6% the prior month. Due to mortgage rates breaching 7%, applications have dropped significantly as more people are priced out of the single-family homeownership market.

The University of Michigan consumer sentiment poll came in at 69.5 vs 71.2 last month. If the trend continues it may be a sign of further economic stress. The same poll showed 1-year inflation expectations at 3.5%, considerably above the Federal Reserve's stated 2% goal. The Arizona state July corporate tax revenue was up 44% vs same month last year. July individual tax revenue was down 11% vs the same month last year. This is due to the personal tax cuts taking full effect.

The war in Ukraine has been ongoing for more than a year now. The U.S. continues to support the Ukrainian government with vast sums of money and weapons. Attacks in Russia by explosive-laden drones have occurred as far east as Moscow. The Biden administration has said we are running low on replacement munitions. There is no sign of Russia withdrawing, and no public expectations for them to do so. Cease fire or peace talks have not begun.

### Strategy: Monthly Commentary |

Our strategy continues to be the same as it has been since the Fed began raising rates. We will continue to add duration after lowering it to extreme levels at near-zero interest rates. We will continue to increase it with every successive increase in rates by the Federal Reserve. This strategy earned over \$580 million in state agency pools last fiscal year. The interest rate spread between US Treasuries and high-grade corporate bonds is extremely small by all historical standards. Until this spread widens, which it will, we are very selectively redeploying small amounts of capital to high-grade corporate bonds as these new issues become available.

Dennis Stevenson, CIO

## Alternative Scenarios |

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

- The war in Ukraine spreads
- The U.S. Government shuts down at the end of September
- China adds countries to the BRIC coalition that are anti-American
- China uses its navy and fishing fleet to blockade the Philippines
- Russia cuts off Ukrainian grain shipments to the world
- The electrical grid shuts down in several parts of the nation
- Food, energy, and debt-cost increases cause economic contraction
- The Federal Reserve raises rates significantly above expectations

## State Agency Investment Pool Balances |

	July 31, 2023	July 31, 2022	YoY Change
Pool 2 FF&C	\$2,401,772,053	\$1,531,187,405	+\$870,584,648
Pool 3 Internal	\$6,067,844,212	\$7,513,409,314	-\$1,445,565,102
Pool 3 External	\$114,251,223	\$111,343,153	+\$2,908,070
Pool 4 Gov.	\$1,151,035,590	\$1,148,089,263	+\$2,946,327
Pool 10 Internal	\$999,563,699	\$503,395,319	+\$496,168,380
Pool 10 External	\$504,320,459	\$560,057,695	-\$55,737,236
Pool 12 CAWCD	\$565,468,117	\$560,463,534	+\$5,004,583
Pool 15 Operating	\$4,128,561,673	\$4,336,719,706	-\$208,158,033
Pool 16 ECDHB	\$197,587,533	\$219,926,788	-\$22,339,255
<b>TOTAL STATE AGENCY</b>	<b>\$16,130,404,560</b>	<b>\$16,484,592,179</b>	<b>-\$354,187,619</b>

# Local Government Investment Pools (LGIP) Summary

## Overall Performance – Where We Are Now |

### ➤ Local Government Investment Pools:

- Total assets: \$5,886,428,849
- Total July earnings: \$24,499,460; +241.51% vs. July 2022
- Total fiscal year-to-date yields:
  - Pool 5: 5.19%; +352bps vs. July 2022
  - Pool 7: 5.11%; +373bps vs. July 2022
  - Pool 500: 3.51%; +192bps vs. July 2022
  - Pool 700: 3.49%; +261bps vs. July 2022

## Strategy: Short-term Pools 5 & 7 |

The FOMC raised interest rates by 25bps at the July meeting. The Federal Reserve members and financial institutions came together at Jackson Hole at the end of August for their annual summit. The market is currently pricing a 50/50 chance of another hike at the November 1<sup>st</sup> FOMC meeting. They are also pricing in cuts starting in the 2<sup>nd</sup> quarter of 2024. This will depend on the data moving forward and if the inflation fight is coming to an end. Pools 5 and 7 have brought down cash balances to a more normalized level after keeping them elevated after the banking issues and fiscal year end. Our WAM target will remain at 50- to 60-days as we will see less risk of larger interest rate hikes.

## Strategy: Intermediate Pools 500 & 700 |

The yields for the 2- and 5-year Treasury notes increased 9.7bps and 25.5bps over the past month, respectively (at the time of this writing). Yields increasing shows us that the market is starting to believe that the Federal Reserve may have to hold interest rates higher than they initially expected. Pools 500 and 700's strategies remain the same. We will continue to patiently add duration throughout the year, extending out along the curve throughout 2023 and into 2024.

## LGIP Investment Pool Balances |

	July 31, 2023	July 31, 2022	YoY Change
Pool 5 LGIP	\$2,628,074,480	\$2,366,298,908	+\$261,775,572
Pool 7 LGIP FF&C	\$2,302,825,197	\$2,228,386,577	+\$74,438,620
Pool 500 LGIP Med.	\$668,317,226	\$645,480,995	+\$22,836,231
Pool 700 LGIP Med FF&C	\$287,211,945	\$254,590,323	+\$32,621,622
<b>TOTAL LGIP</b>	<b>\$5,886,428,849</b>	<b>\$5,494,756,802</b>	<b>+\$391,672,047</b>

# Endowment Summary

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

### ➤ Highlights:

- **New All-time Month-end High Market Value \$7,992,046,006**
- PLETF outperformed aggregate benchmark by +12bps in July; Outperformed benchmark +113bps FY23
- PLETF 10-year annualized total return: +7.94%; +9bps vs benchmark
- Prop 123 record high monthly distributions at \$38.01MM; +\$1.94MM vs FY23
- AETF July total return +2.30%
- AETF trailed aggregate benchmark -6bps in July; Outperforming +34bps since inception
- AETF inception-to-date total return: +7.41%

### **Big Picture:**

- PLETF fair market value: \$7,992,046,006
- Fair Market Value up +\$171.35MM MoM; up +\$479.62MM YoY (net of distributions)
- FYTD2024 distributions \$38.01; up +\$1.94MM vs FY2023
- PLETF 12-Month return +7.29% vs benchmark +5.69%
- Annualized 10-Year total return through July is +7.94% versus June at +8.06%
- PLETF Unrealized Gains: \$4.92BN
- July PLETF Realized Gains: +\$61.96MM
- July TRR PLETF +2.48% vs benchmark +2.37%
- **Pool 205 Fixed Income 1-year return has outperformed FTSE Broad Investment Grade Index by +375bps; Follows FY '22 +527bps outperformance!**
- 2020 January, February, March, April (2), July (2), Sept, Nov, Dec (2), 2021 Jan, May, Sept, 2022 May, July (2)  
PLETF & AETF Rebalances Complete

## Equity Strategy: Rebalance to Risk Targets | 17 Rebalances/42 Months

Since 2020 the strategy of rebalancing to our risk targets was triggered eleven times in the PLETF and six 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 nine 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 six times realizing gains of \$892K with a total return inception-to-date of 7.41%.

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

As a result of strong long-term PLETf investment returns, the Prop 123 distribution has once again increased significantly and **beginning in July 2023 will pay record distributions of \$456.1MM - up from \$432.8MM.** We had taken the opportunity resulting from equity rebalancing to reduce fixed income duration in Pool 205 and bolster necessary liquidity in Pool 123 to continue to make these increased monthly distributions in a timely manner for our K-12 education and other beneficiaries and take advantage of reinvestment at significantly higher rates. Clearly, we were correct in disagreeing with the notion that inflation was “transitory”. Appropriately, we maintained this defensive, short duration bias and continued opportunistically adding variable rate fixed income holdings with an eye on reallocating portfolio risk and increasing yield in light of likely interest rate increases by the Federal Reserve. This strategy has proven extremely fortuitous as the Fed has taken a very hawkish tone continuing on a tightening/higher rates for longer regime. Hence, **Pool 205 has again outperformed the FTSE BIG Index benchmark over the past 12 months, now by a massive +375 basis points through July 2023. Pool 205 outperformed the FTSE BIG Index in fiscal year 2023 by +246 basis points, following record outperformance in fiscal year 2022 of +527 basis points.** However, with risks of a recession scenario having risen somewhat, we are working incrementally to reduce our significant short duration bias. During the month we put cash to work in money market cash equivalents, US Treasuries/Agencies, high-grade corporate notes and Agency MBS (3.86%-6.13%), opportunistically adding incremental duration as the market selloff has made rates more attractive. Focus was on *safety* via US Treasuries, Food & Beverage, US Agency paper and US Agency MBS on spread widening caused by market supply issues. Existing floating rate securities in the portfolio continued to reset/stay higher as the Fed increases rates and our short cash equivalents offer dry powder to re-deploy at these much higher rates as the Fed has indicated a continued hawkish stance. We continue to look for opportunistic ways to sensibly add convexity and duration to lock in significant outperformance versus the benchmark and hedge against the scenarios of subdued inflation, Russian war/geopolitical developments, and/or an economic downturn. We will become more aggressive with duration as market conditions change and it is deemed prudent. We continue to use other bond ETFs in the PLETf for diversification and in fact already added bond ETFs (BND & SPAB) with the AETF fixed income allocation. Month-end duration on Pool 205 was at 3.58 years (-0.05 MoM), outperforming substantially (+375bps 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	Q3 23	Q4 23	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25	Q3 25	Q4 25
<b>United States</b>											
US 30-Year	4.30	4.12	4.04	3.96	3.89	3.88	3.83	3.86	3.82	3.87	3.86
US 10-Year	4.24	3.96	3.86	3.75	3.67	3.62	3.58	3.61	3.56	3.58	3.58
US 5-Year	4.42	4.19	4.03	3.89	3.73	3.63	3.56	3.57	3.50	3.55	3.52
US 2-Year	5.02	4.81	4.56	4.25	3.95	3.73	3.54	3.49	3.37	3.41	3.38
US 3-Month Term SOFR	5.39	5.39	5.39	5.15	4.78	4.41	4.11	3.83	3.67	3.65	3.54
Fed Funds Rate - Upper Bound	5.50	5.50	5.50	5.30	4.90	4.50	4.20	3.85	3.60	3.45	3.30
Fed Funds Rate - Lower Bound	5.25	5.26	5.27	5.07	4.67	4.23	3.93	3.58	3.36	3.20	3.07
2 Year - 10 Year Spread	-0.79	-0.85	-0.70	-0.51	-0.28	-0.11	0.04	0.12	0.19	0.17	0.20

\*Table presented as-of 8/24/2023.

## Endowment Monthly Land Sale Proceeds |

- +\$15.44MM in July
- +\$6.67MM vs June
- +\$1.42MM YoY

## Endowment Prop 123 Distributions |

- \$38.0MM total/\$35.4MM for K-12 successfully distributed on time from Pool 123 in July
- FYTD K-12 distribution \$35.35; up +\$1.82MM YoY
- Pool 123 has laddered liquidity of approximately 8 months taking advantage of rising reinvestment rates

Tim White, Director of Endowments

## Pool Performance |

Equity/Fixed Income Pools:

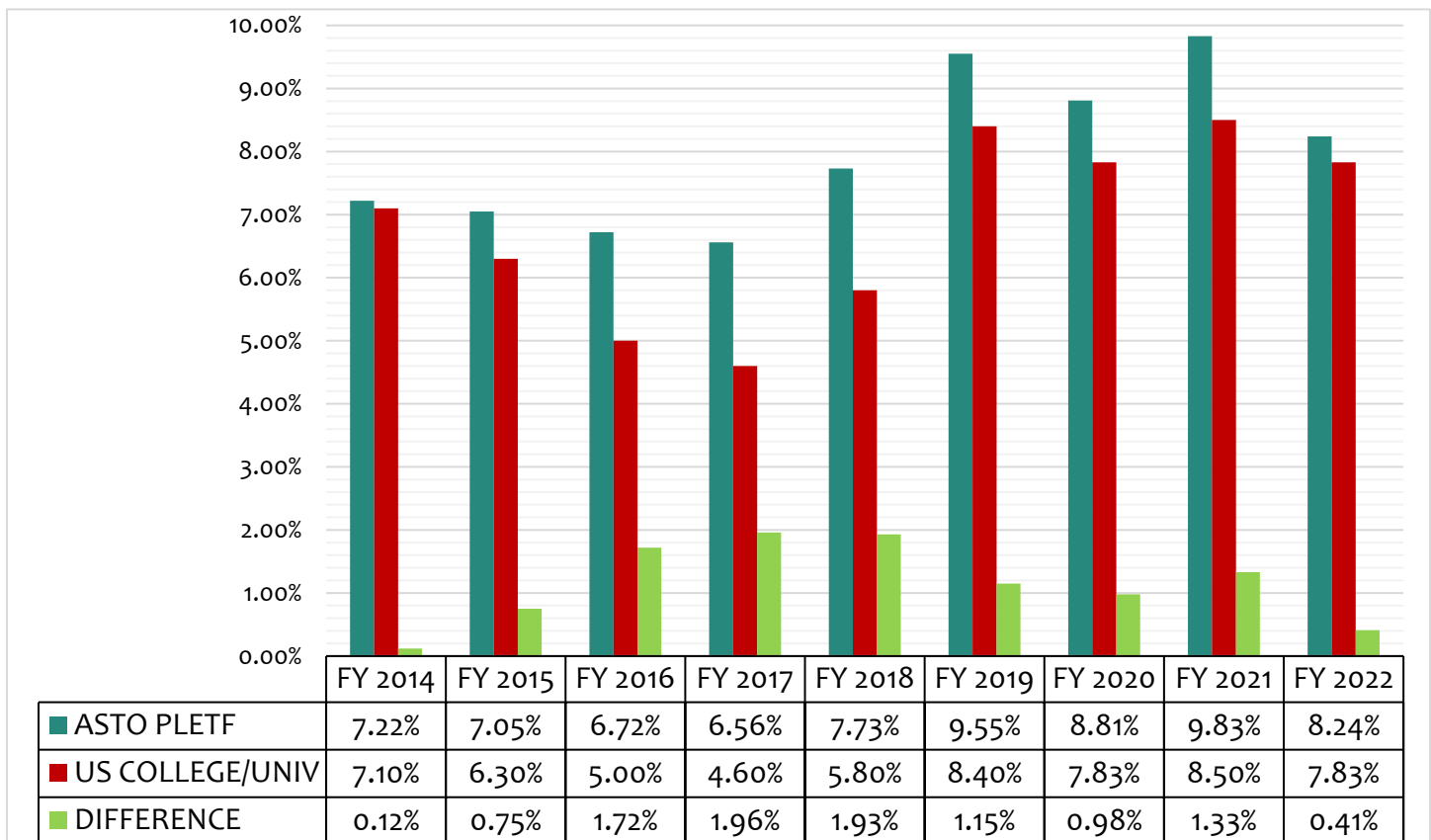
- Pool 201 Large Cap Equity outperformed the S&P 500 by +1bp MoM at +3.22%
- Pool 203 Mid Cap Equity trailed the S&P 400 by -3bps MoM at +4.10%
- Pool 204 Small Cap Equity outperformed the S&P 600 by +6bps MoM at +5.57%
- Pool 205 outperformed the FTSE BIG Index by +35bps MoM at +0.32%
- Pool 123 returned +0.47% for July, outperforming the LGIP benchmark by +3bps

## Long-Term PLETF Performance |

### PLETF VS US COLLEGE/UNIVERSITY ENDOWMENTS

10YR ANNUALIZED AVG RETURN COMPARISON

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



**EARNINGS DISTRIBUTION - INVESTMENT POOLS  
JULY 2023**

Recipient	Earnings Distributed				Fiscal YTD Investment Management Fees Received
	JULY 2023	Fiscal YTD 23/24	Fiscal YTD 22/23	Change from Previous Year	
General Fund (1)	\$36,677,713	\$ 36,677,713	\$ 13,927,697	163.3%	
2 State Agencies - Full Faith & Credit (2)	7,745,901	7,745,901	1,502,749	415.4%	\$106,443
3 State Agencies - Diversified (2) (3)	7,832,107	7,832,107	2,048,550	282.3%	508,796
4 State Agencies - Gov (2)	2,537,232	2,537,232	999,807	153.8%	53,946
5 LGIP (2)	11,190,713	11,190,713	3,332,036	235.9%	122,496
7 LGIP Gov (2)	10,075,882	10,075,882	2,657,793	279.1%	108,193
9A Public School Credit Enhancement (4)	0	0	0	0.0%	5,143
10 State Agencies Med/Tax-exempt non-AMT	4,720,409	4,720,409	1,073,135	339.9%	70,522
12 CAWCD Medium-Term	1,750,797	1,750,797	973,004	79.9%	28,187
16 ECDH Medium-Term	585,630	585,630	378,516	54.7%	11,666
<b>Subtotal</b>	<b>83,116,384</b>	<b>83,116,384</b>	<b>26,893,289</b>	<b>209.1%</b>	<b>1,015,391</b>
<b>NAV POOL</b>					
500 LGIP - Med Term	1,989,423	1,989,423	871,816	128.2%	31,052
700 LGIP - FF&C Med Term (2)	517,293	517,293	156,930	229.6%	13,543
<b>Total</b>	<b>\$85,623,099</b>	<b>\$85,623,099</b>	<b>\$27,922,035</b>	<b>206.7%</b>	<b>\$1,059,986</b>
<b>JULY 2022 TOTALS</b>	<b>\$27,922,035</b>				<b>\$1,049,214</b>

(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 July 31, 2023  
(in millions)

<u>Month</u>	<u>Fiscal Year</u> <u>2021/2022</u>	<u>Fiscal Year</u> <u>2022/2023</u>	<u>Fiscal Year</u> <u>2023/2024</u>
JULY	\$7,377	\$11,345	\$10,673
AUGUST	5,881	10,673	
SEPTEMBER	6,017	10,939	
OCTOBER	6,300	11,491	
NOVEMBER	6,537	11,305	
DECEMBER	7,054	11,223	
JANUARY	7,523	11,466	
FEBRUARY	7,790	10,851	
MARCH	8,155	10,124	
APRIL	8,904	9,890	
MAY	10,027	9,786	
JUNE	11,660	10,178	
<b>Y-T-D Average</b>	<b>\$7,377</b>	<b>\$11,345</b>	<b>\$10,673</b>
<b>Full Year Average</b>	<b>\$7,769</b>	<b>\$10,773</b>	<b>\$10,673</b>



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

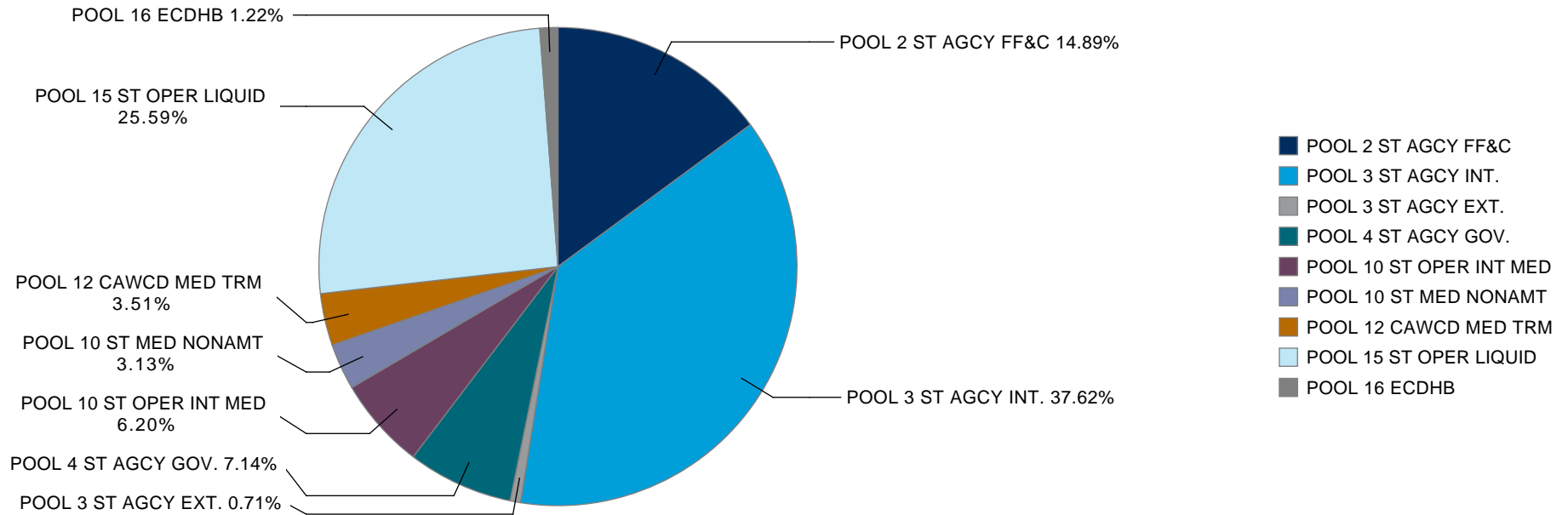
FUND	DESCRIPTION	Current Month 07/31/23	Prior Month 06/30/23	Prior Year 07/31/22	Net Asset Value Per Share
2	STATE AGENCIES - FULL FAITH & CREDIT	\$7,665,851	\$7,789,692	\$1,617,786	0.987745
3	STATE AGENCIES - DIVERSIFIED				
	INTERNAL MANAGERS	21,511,178	20,102,370	9,893,761	0.981856
	EXTERNAL MANAGERS	355,338	329,730	120,546	0.983800
	<b>FUND 3 TOTAL</b>	<b>21,866,516</b>	<b>20,432,100</b>	<b>10,014,306</b>	0.981938
4	STATE AGENCIES - GOV	3,458,076	3,580,688	1,213,634	0.977299
9A	PUBLIC SCHOOL CREDIT ENHANCEMENT	370,421	375,086	119,794	0.987745
10	STATE AGENCIES MED-TERM/TAX-EX NON-AMT				
	INTERNAL MANAGERS	4,092,092	3,732,686	699,196	0.992993
	EXTERNAL MANAGERS	1,031,384	1,197,258	503,350	0.994275
	<b>FUND 10 TOTAL</b>	<b>5,123,476</b>	<b>4,929,944</b>	<b>1,202,546</b>	0.993423
12	CAWCD MEDIUM-TERM	1,750,797	1,637,794	973,004	0.936246
15	STATE AGENCIES OPERATING LIQUIDITY	20,302,400	23,044,845	5,228,591	0.999987
16	ECDH MEDIUM-TERM	585,630	547,208	378,516	0.923520
	<b>TOTAL STATE AGENCIES</b>	<b>\$61,123,166</b>	<b>\$62,337,358</b>	<b>\$20,748,176</b>	

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

<b>FUND</b>	<b>DESCRIPTION</b>	<b>Current Month 07/31/23</b>	<b>Prior Month 06/30/23</b>	<b>Prior Year 07/31/22</b>
2	STATE AGENCIES - FULL FAITH & CREDIT	3.95%	4.00%	1.36%
	50% Trailing 3-mo T-bill /	5.09%	4.93%	2.29%
	50% Bloomberg Barclays 1-3 year UST			
3	STATE AGENCIES - DIVERSIFIED			
	INTERNAL MANAGERS	4.10%	4.05%	1.52%
	EXTERNAL MANAGERS	3.60%	3.46%	1.25%
	COMBINED	4.09%	4.04%	1.52%
	50% 1 month T-bill /	5.21%	5.04%	2.50%
	50% Bloomberg Barclays 1-3 year US Agg			
4	STATE AGENCIES - GOV	3.52%	3.69%	1.24%
	50% Trailing 3-mo T-bill /	5.10%	4.94%	2.29%
	50% Bloomberg Barclays 1-3 year US Gov			
9A	PUBLIC SCHOOL CREDIT ENHANCEMENT	3.95%	4.00%	1.36%
10	STATE AGENCIES MED-TERM/TAX-EXEMPT NON-AMT			
	INTERNAL MANAGERS	4.87%	4.70%	1.63%
	EXTERNAL MANAGERS	2.32%	2.72%	1.05%
	COMBINED	3.98%	3.99%	1.33%
	50% Trailing 3-mo T-bill /	5.22%	5.07%	2.41%
	50% Bloomberg Barclays 1-3 year US Agg			
12	CAWCD MEDIUM-TERM	3.41%	3.30%	1.95%
	25% S&P LGIP Index /	5.15%	5.01%	2.80%
	75% Bloomber Barclays 1-3 year US Agg			
15	STATE AGENCIES OPERATING LIQUIDITY	5.16%	5.05%	1.37%
	Trailing 3-mo T-bill	5.28%	5.14%	1.50%
16	ECDH MEDIUM-TERM	3.22%	3.12%	1.93%
	25% S&P LGIP Index /	5.15%	5.01%	2.80%
	75% Bloomber Barclays 1-3 year US Agg			



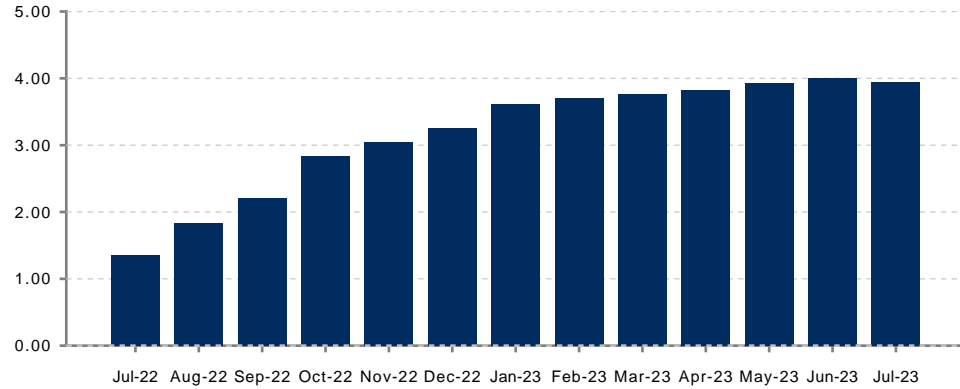
Manager Allocation



	Market Value	% of Portfolio
POOL 2 ST AGCY FF&C	2,401,772,053	14.89
POOL 3 ST AGCY INT.	6,067,844,212	37.62
POOL 3 ST AGCY EXT.	114,251,223	0.71
POOL 4 ST AGCY GOV.	1,151,035,590	7.14
POOL 10 ST OPER INT MED	999,563,699	6.20
POOL 10 ST MED NONAMT	504,320,459	3.13
POOL 12 CAWCD MED TRM	565,468,117	3.51
POOL 15 ST OPER LIQUID	4,128,561,673	25.59
POOL 16 ECDHB	197,587,533	1.22
TOTAL STATE AGENCY	16,130,404,560	100.00



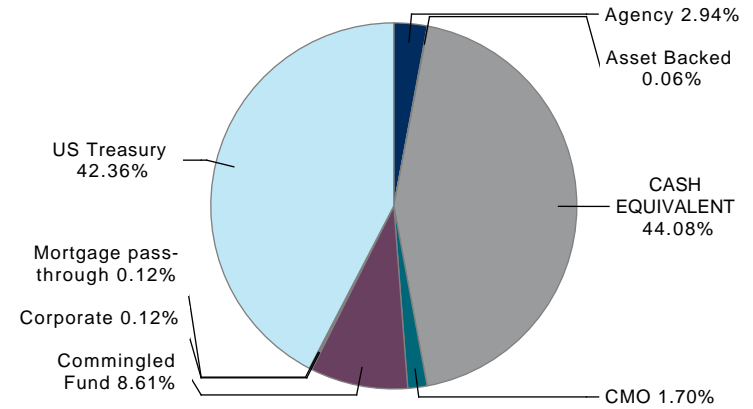
**Net Yield**



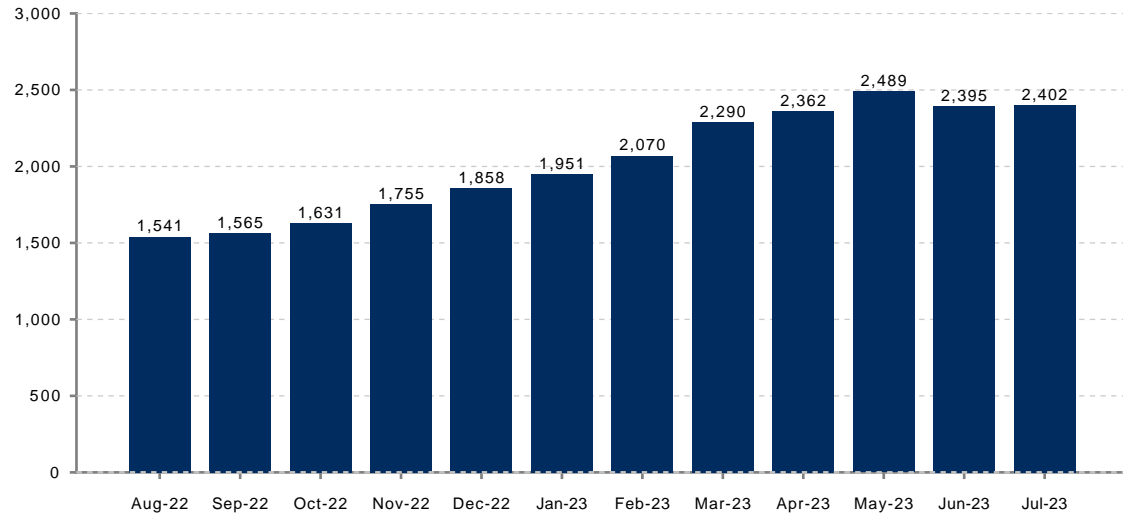
	Current Mth	Prior Mth	1 Year Ago
POOL 2 ST AGCY FF&C	3.95	4.00	1.36

**Asset Allocation**

	Ending Market Value
POOL 2 ST AGCY FF&C	2,401,772,053



**Net Asset Values over Time (\$MM)**

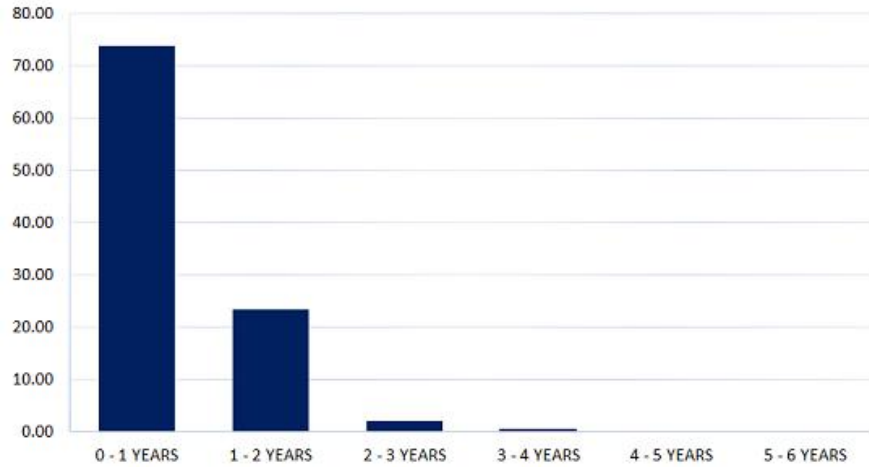


**Top 10 Holdings**

Security Name	Ending Market Value	% of Portfolio
POOL 2 ST AGCY FF&C		
MITSUBISHI UFJ REPO	239,085,143	9.95
US TREASURY N/B	219,859,162	9.15
BMO TRIPARTY MTGE	169,462,077	7.06
TREASURY BILL	151,283,270	6.30
TREASURY BILL	114,911,389	4.78
JPMORGAN US TREASURY	104,185,044	4.34
GOLDMAN SACHS FINANCI	102,891,588	4.28
MITSUBISHI UFJ REPO	100,073,750	4.17
US TREASURY N/B	87,058,187	3.62
US TREASURY N/B	74,043,673	3.08



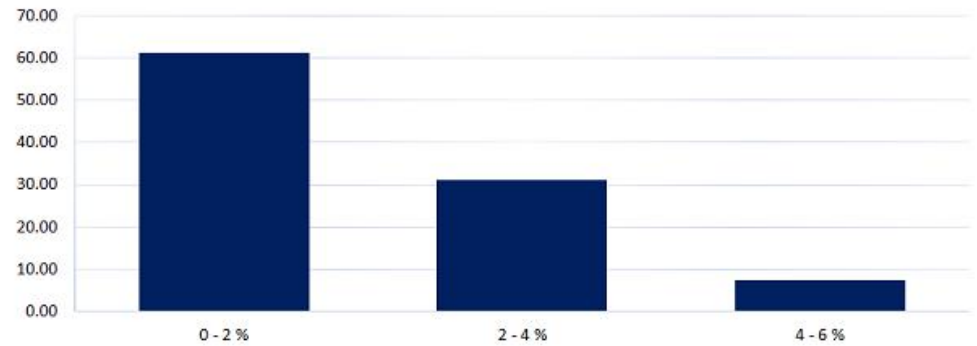
**Duration Distribution**



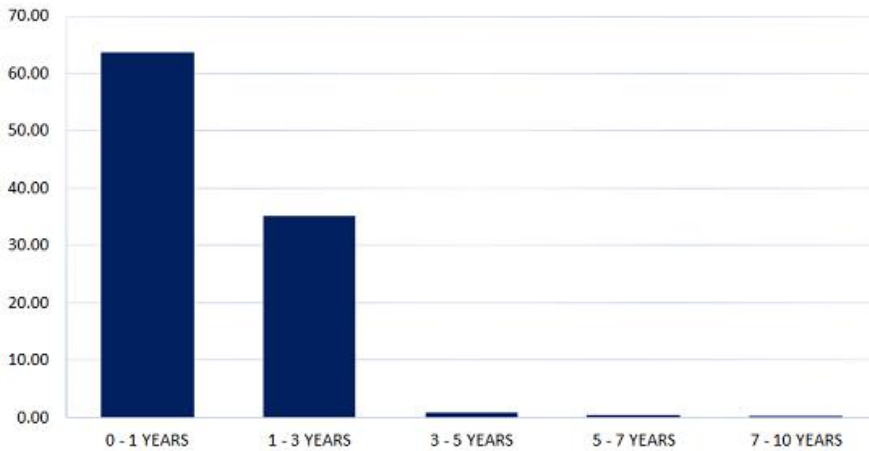
**Portfolio Level Characteristics**

	POOL 2 ST AGCY FF&C
Effective Maturity	0.74
Coupon	1.95
Effective Duration	0.77
Quality Rating (Moody's)	AAA

**Coupon Distribution**



**Expected Maturity Distribution**



**Rating Distribution**



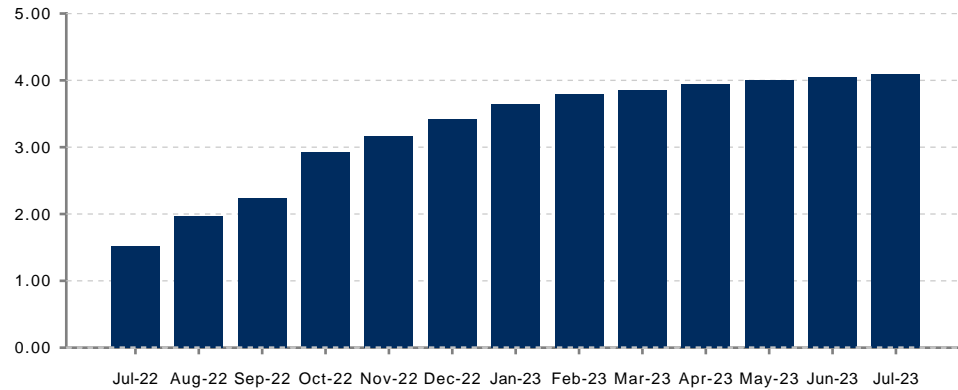
# OFFICE OF THE ARIZONA STATE TREASURER

July 31, 2023

POOL 3 ST AGCY INT.



## Net Yield

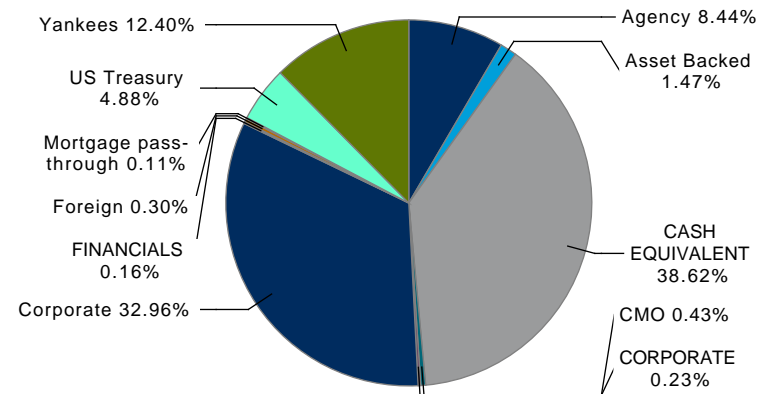


**Current Mth**      **Prior Mth**      **1 Year Ago**

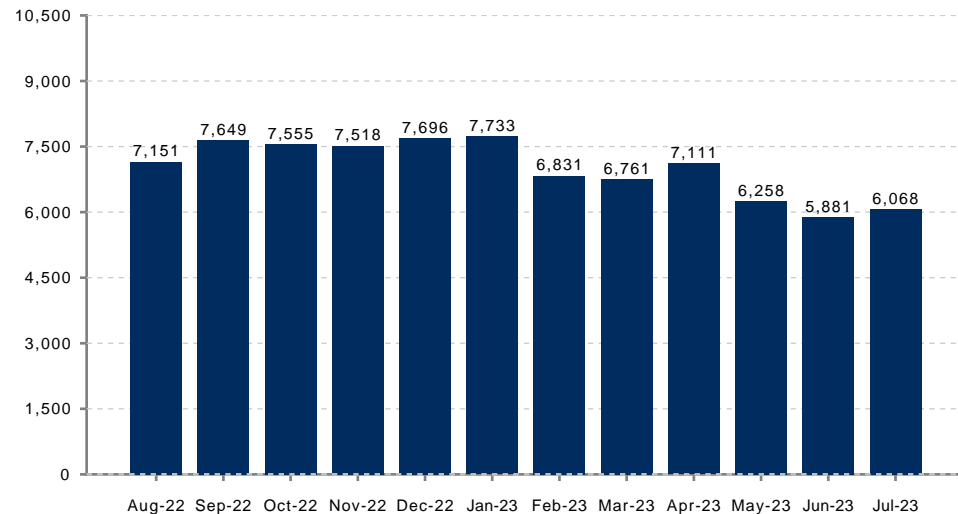
POOL 3 ST AGCY INT.	4.10	4.05	1.52
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## Asset Allocation

<b>Ending Market Value</b>
POOL 3 ST AGCY INT. 6,067,844,212



## Net Asset Values over Time (\$MM)

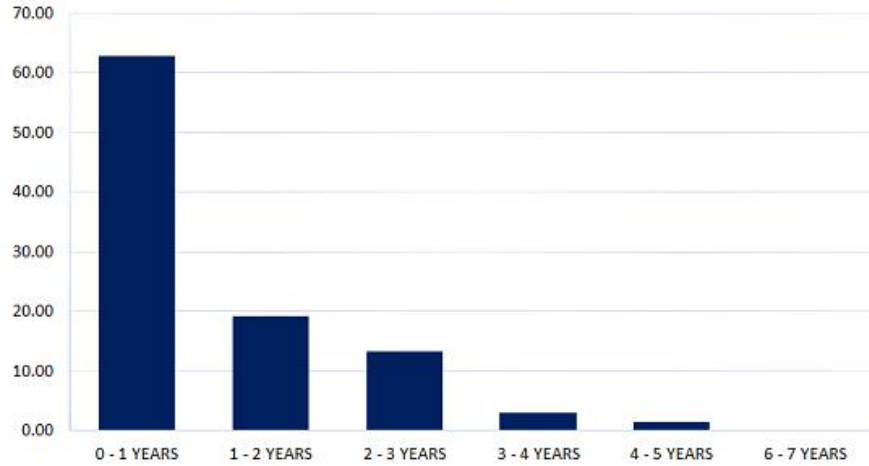


## Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 3 ST AGCY INT.		
CREDIT AGRICOLE REPO	400,058,667	6.59
BMO TRIPARTY MTGE	300,044,000	4.94
US TREASURY N/B	161,230,052	2.66
GOLDMAN SACHS FINANCIAL SQUARE	148,336,862	2.44
MITSUBISHI UFJ REPO	135,019,538	2.23
SOUTH STREET REPO	131,376,172	2.17
JPMORGAN US GOVERNMENT MONEY M	110,102,450	1.81
MSILF GOVERNMENT PORTFOLIO	103,371,125	1.70
TREASURY BILL	79,076,551	1.30
US TREASURY N/B	78,502,446	1.29



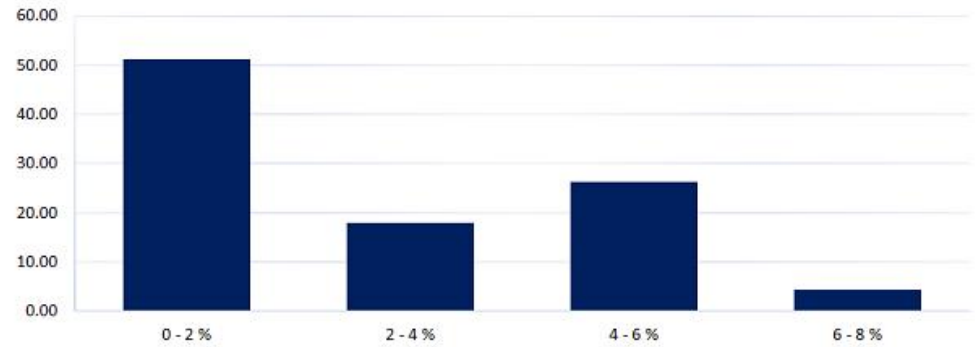
**Duration Distribution**



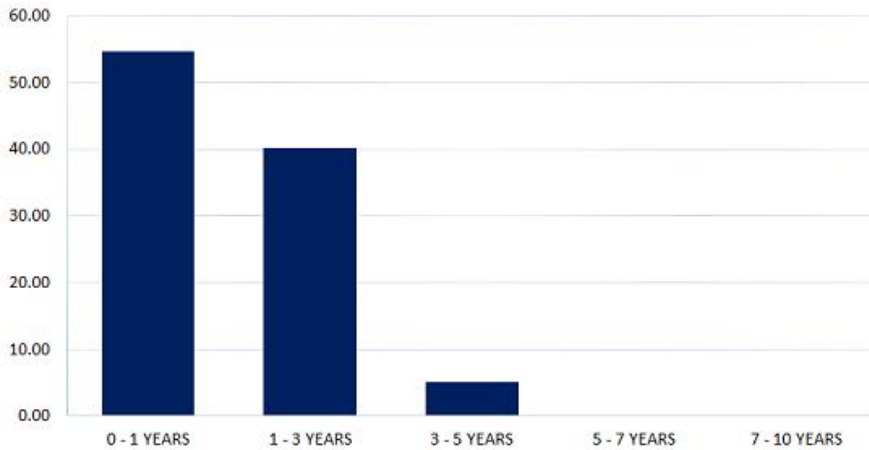
**Portfolio Level Characteristics**

	POOL 3 ST AGCY INT.
Effective Maturity	1.11
Coupon	3.64
Effective Duration	1.01
Quality Rating (Moody's)	AA-2

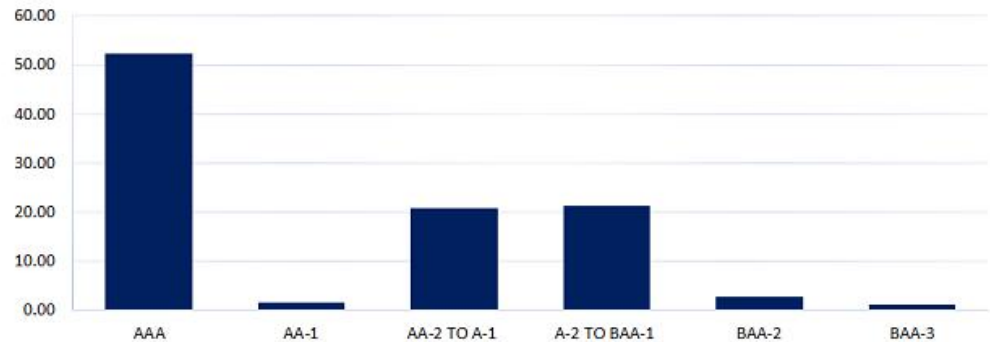
**Coupon Distribution**



**Expected Maturity Distribution**

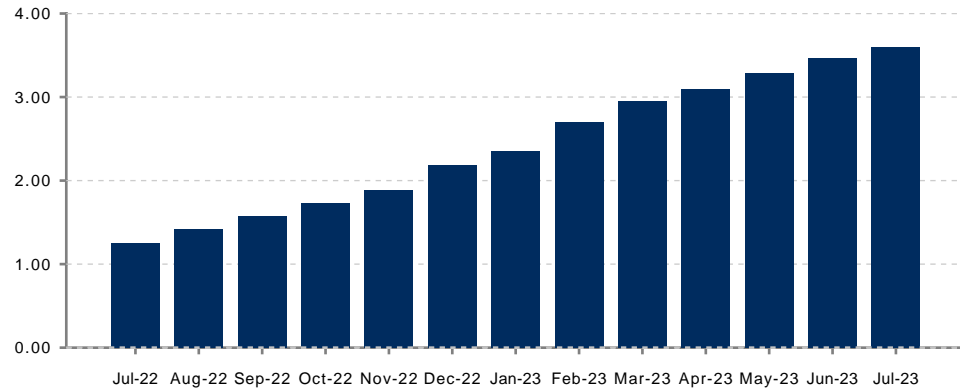


**Rating Distribution**





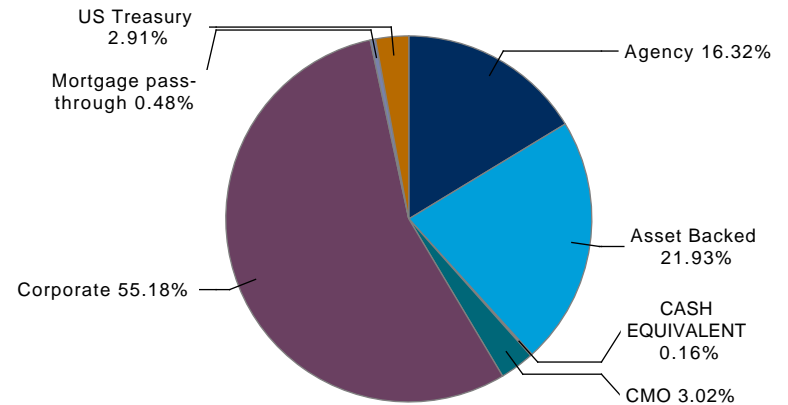
## Net Yield



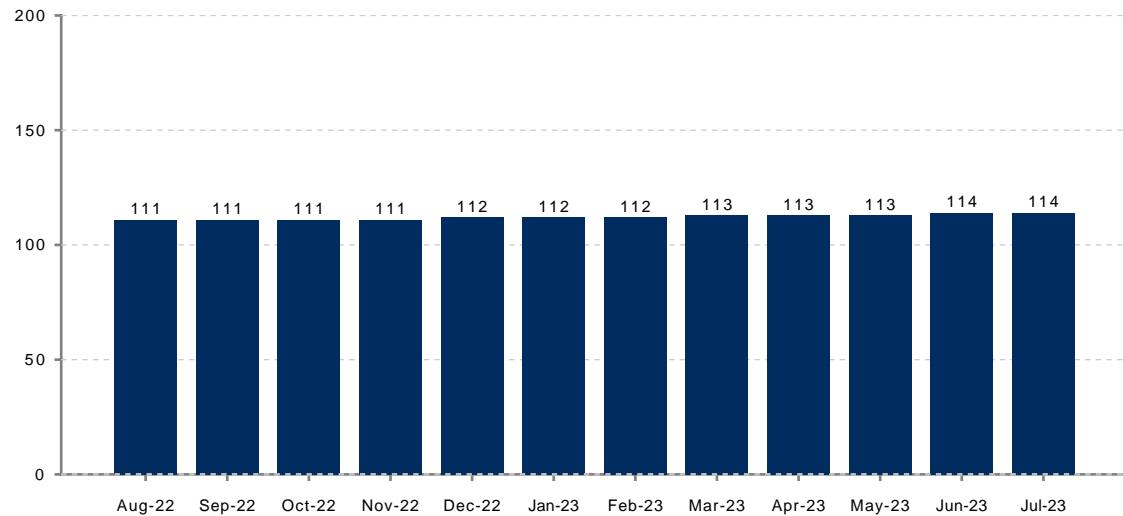
	Current Mth	Prior Mth	1 Year Ago
POOL 3 ST AGCY EXT.	3.60	3.46	1.25

## Asset Allocation

	Ending Market Value
POOL 3 ST AGCY EXT.	114,251,223



## Net Asset Values over Time (\$MM)



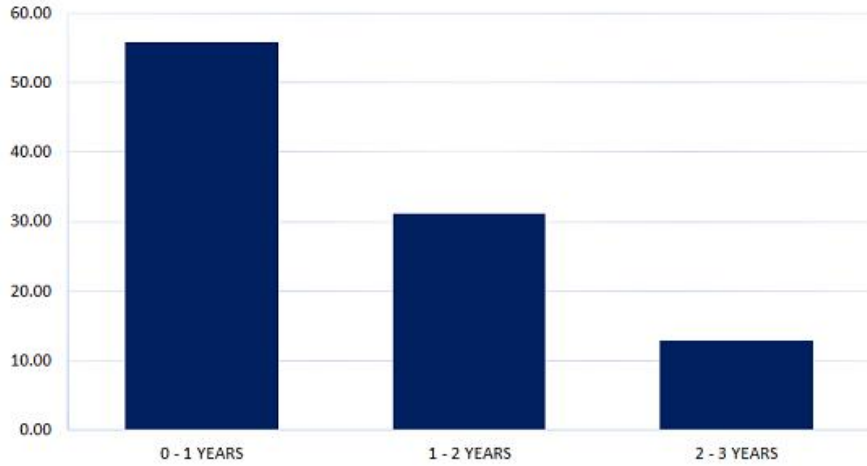
## Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 3 ST AGCY EXT.		
FHLMC MULTIFAMILY STRUCTURED P	2,247,004	1.97
PUBLIC STORAGE OP CO	1,733,202	1.52
APPLE INC	1,501,834	1.31
CINTAS CORPORATION NO. 2	1,298,723	1.14
LOWE S COS INC	1,210,460	1.06
GM FINANCIAL SECURITIZED TERM	1,190,830	1.04
AMERICAN EXPRESS CO	1,188,279	1.04
PEPSICO INC	1,185,132	1.04
CITIZENS BANK NA/RI	1,181,415	1.03
CITIZENS BANK NA/RI	1,166,707	1.02





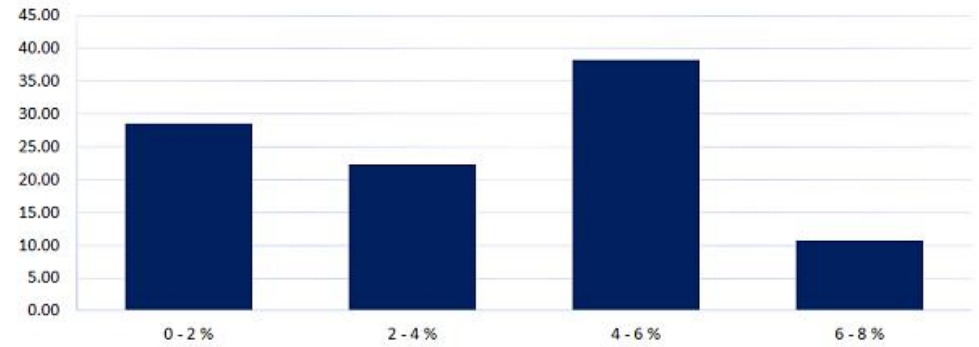
**Duration Distribution**



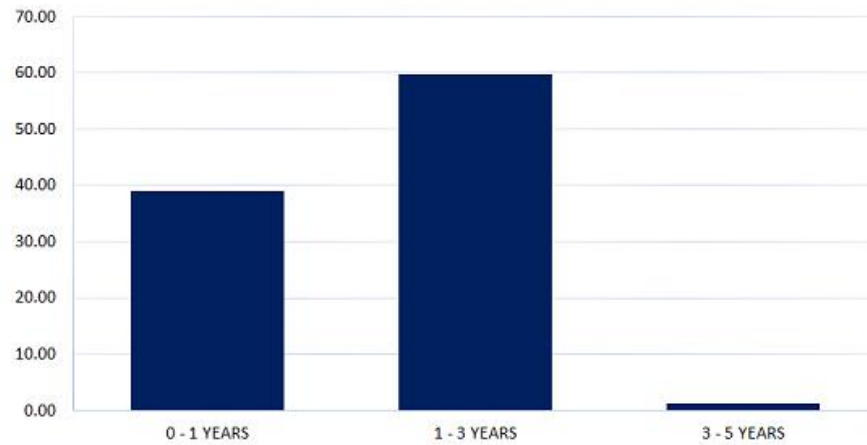
**Portfolio Level Characteristics**

	POOL 3 ST AGCY EXT.
Effective Maturity	1.35
Coupon	3.58
Effective Duration	1.00
Quality Rating (Moody's)	AA-3

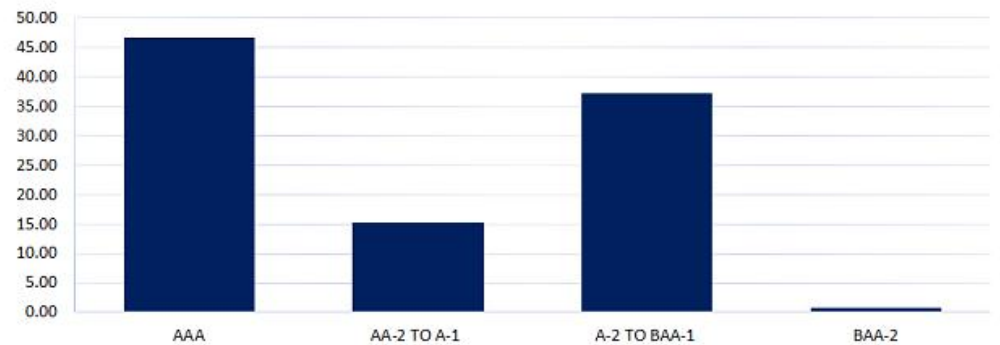
**Coupon Distribution**



**Expected Maturity Distribution**



**Rating Distribution**



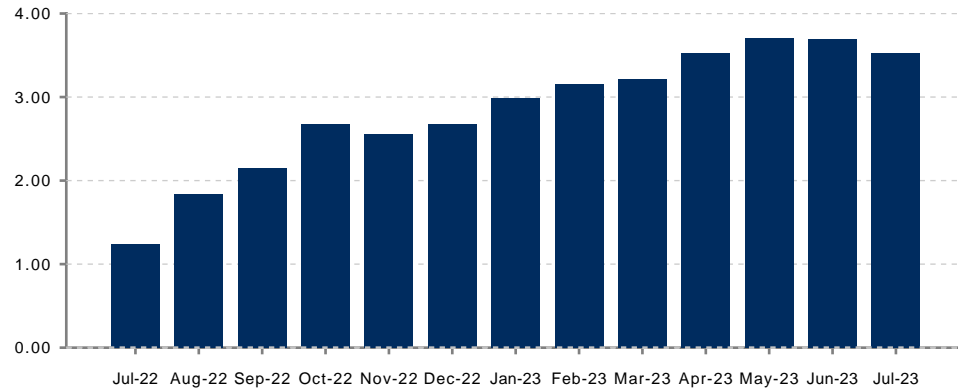
# OFFICE OF THE ARIZONA STATE TREASURER

July 31, 2023

POOL 4 ST AGCY GOV.



## Net Yield

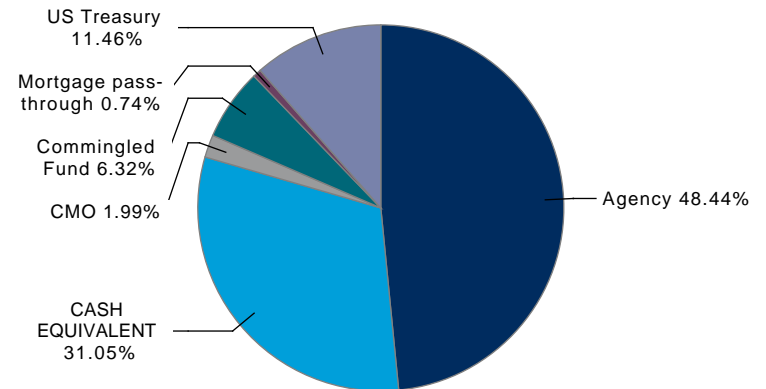


**Current Mth**      **Prior Mth**      **1 Year Ago**

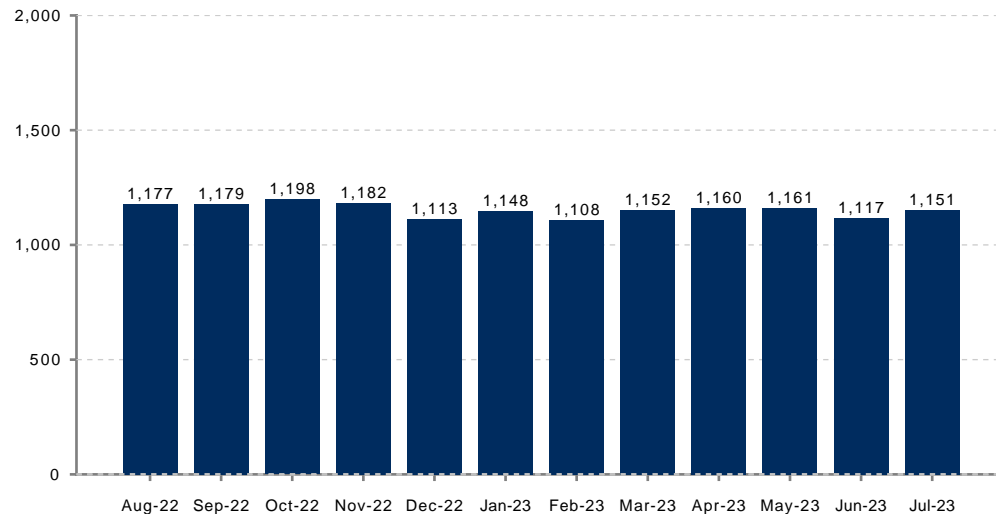
POOL 4 ST AGCY GOV.	3.52	3.69	1.24
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## Asset Allocation

	<b>Ending Market Value</b>
POOL 4 ST AGCY GOV.	1,151,035,590



## Net Asset Values over Time (\$MM)

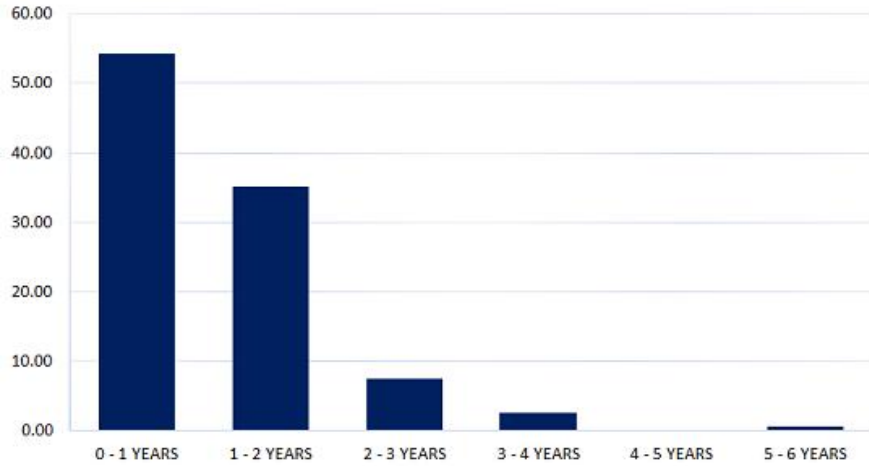


## Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 4 ST AGCY GOV.		
SOUTH STREET REPO	251,589,049	21.86
JPMORGAN US GOVERNMENT MONEY M	72,963,763	6.34
GOLDMAN SACHS FINANCIAL SQUARE	52,164,419	4.53
US TREASURY N/B	49,362,449	4.29
FEDERAL HOME LOAN BANK	25,167,886	2.19
CANTOR FITZGERALD REPO	25,054,896	2.18
US TREASURY N/B	24,998,089	2.17
FEDERAL HOME LOAN BANK	24,849,052	2.16
US TREASURY N/B	24,782,396	2.15
US TREASURY N/B	24,157,728	2.10



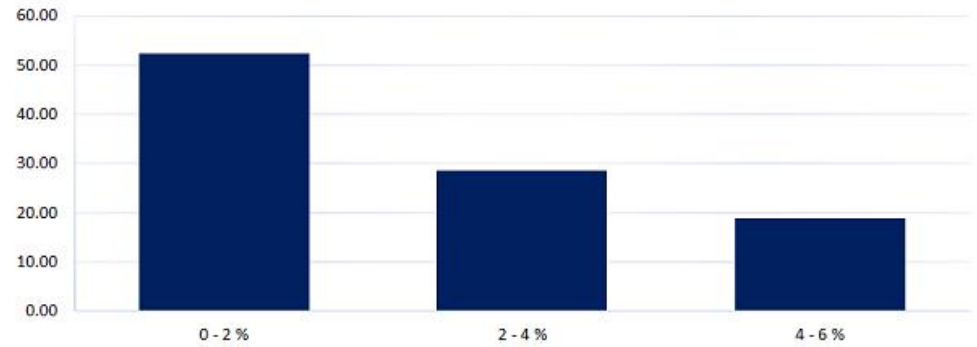
**Duration Distribution**



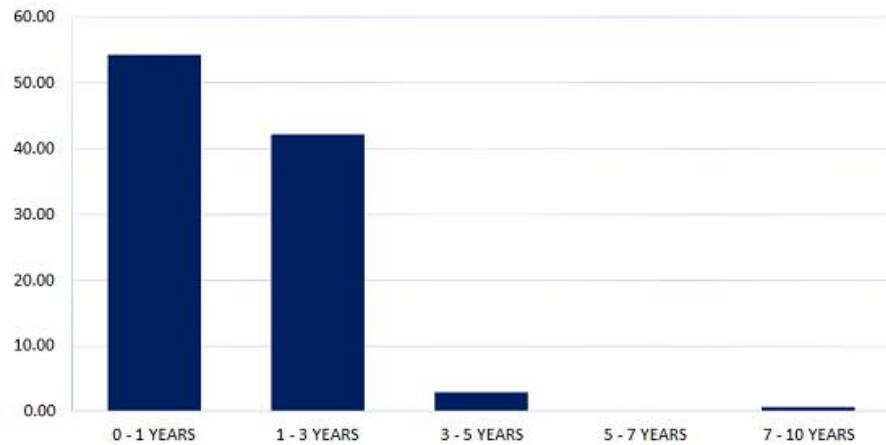
**Portfolio Level Characteristics**

	POOL 4 ST AGCY GOV.
Effective Maturity	1.01
Coupon	2.87
Effective Duration	0.96
Quality Rating (Moody's)	AAA

**Coupon Distribution**



**Expected Maturity Distribution**

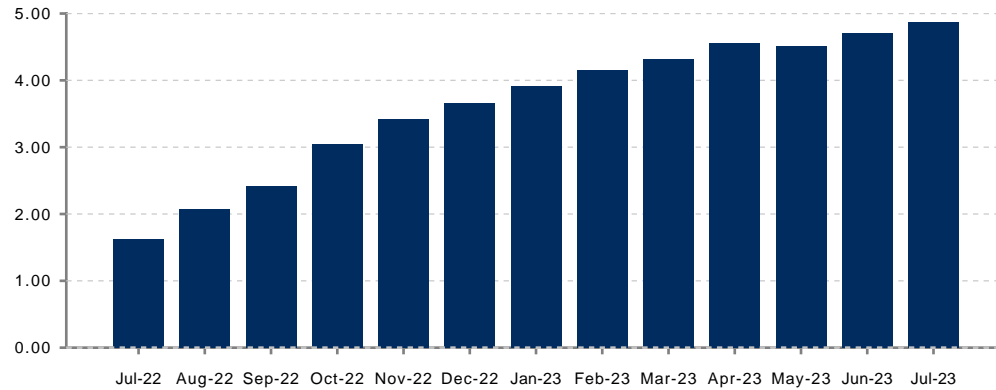


**Rating Distribution**





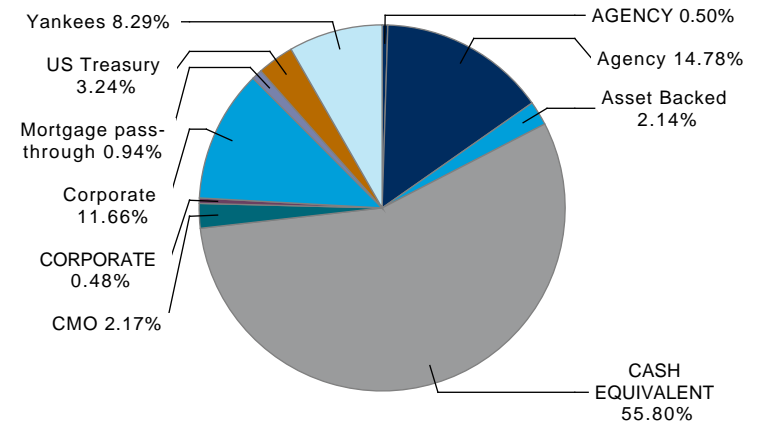
**Net Yield**



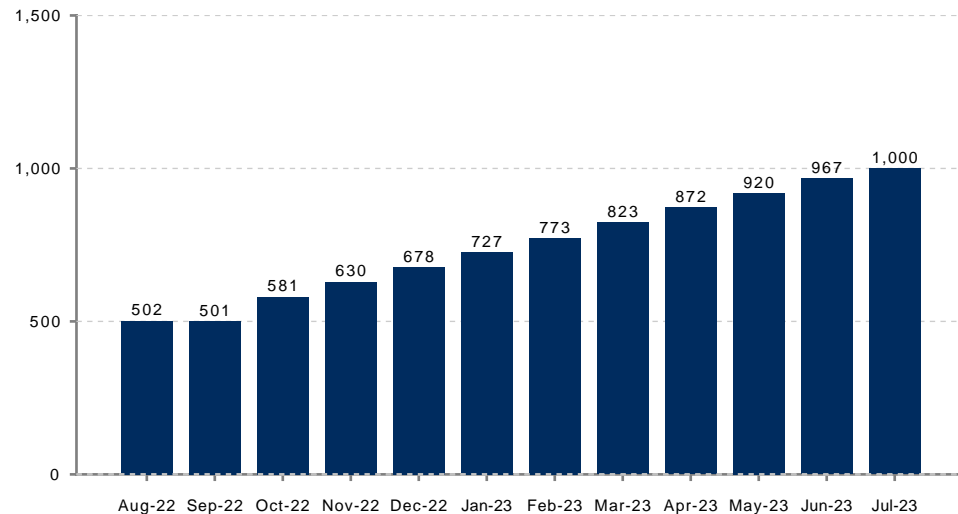
	Current Mth	Prior Mth	1 Year Ago
ST OF AZ POOL 10 ST OPER INT MED	4.87	4.70	1.63

**Asset Allocation**

	Ending Market Value
POOL 10 ST OPER INT MED	999,563,699



**Net Asset Values over Time (\$MM)**

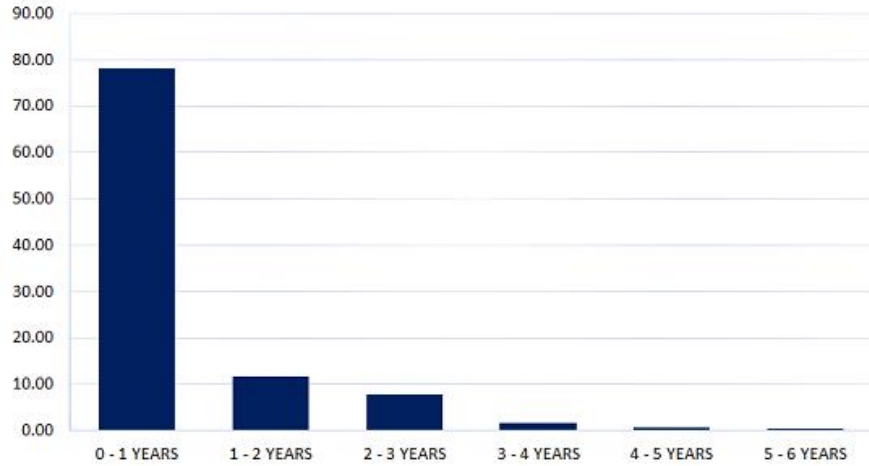


**Top 10 Holdings**

Security Name	Ending Market Value	% of Portfolio
POOL 10 ST OPER INT MED		
SOUTH STREET REPO	132,766,219	13.28
TREASURY BILL	30,875,646	3.09
CANTOR FITZGERALD REPO	15,032,938	1.50
AMHERST PIERPONT	10,021,958	1.00
US TREASURY N/B	6,893,273	0.69
METLIFE SHORT TERM FDG	6,094,879	0.61
TORONTO DOMINION BANK	6,043,452	0.60
J.P. MORGAN SECURITIES	5,129,311	0.51
CITIGROUP INC	5,111,419	0.51
FANNIE MAE	5,093,283	0.51



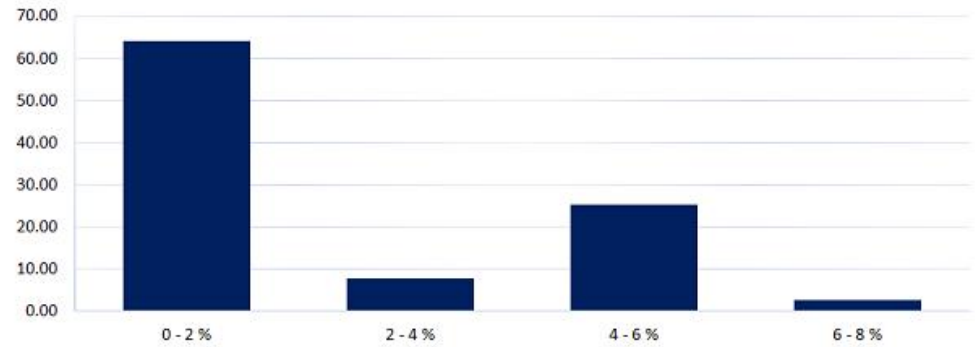
**Duration Distribution**



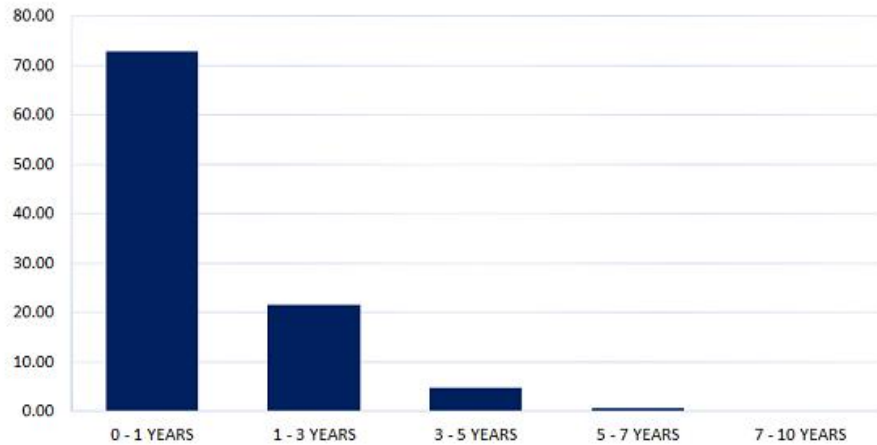
**Portfolio Level Characteristics**

	POOL 10 ST OPER INT MED
Effective Maturity	0.78
Coupon	4.09
Effective Duration	0.63
Quality Rating (Moody's)	AA-1

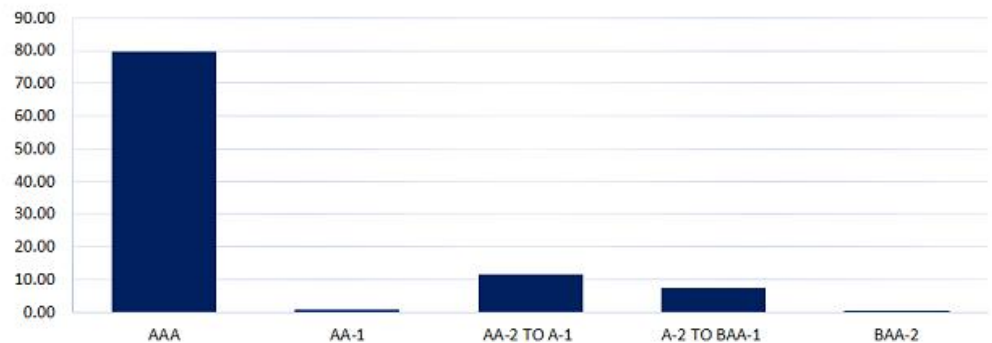
**Coupon Distribution**



**Expected Maturity Distribution**



**Rating Distribution**



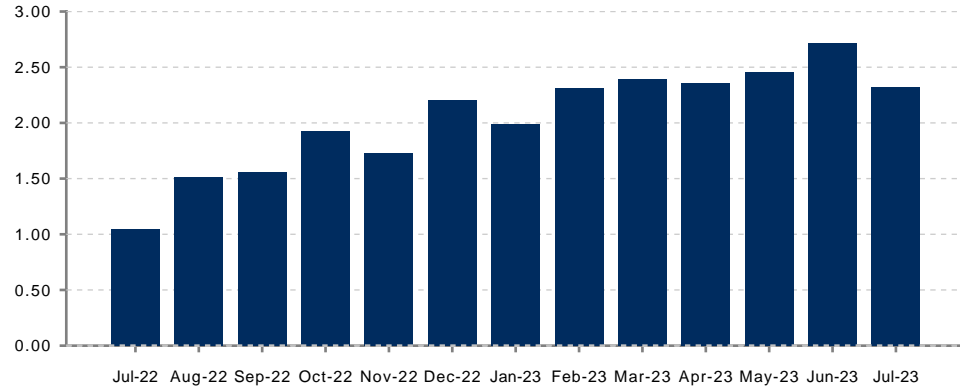
# OFFICE OF THE ARIZONA STATE TREASURER

July 31, 2023

POOL 10 ST MED NONAMT



## Net Yield



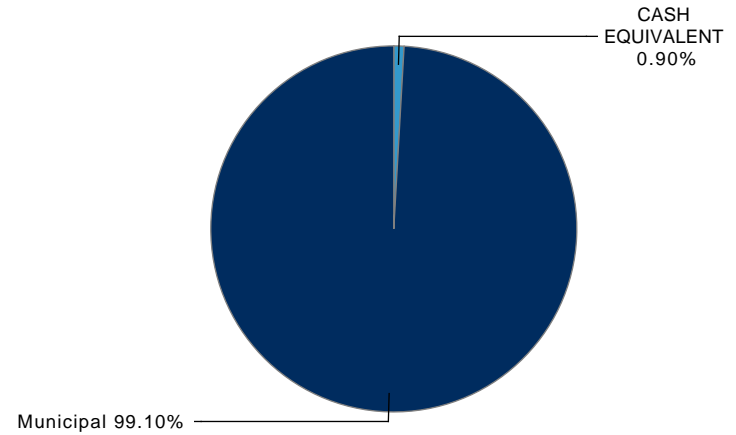
	Current Mth	Prior Mth	1 Year Ago
POOL 10 ST MED NONAMT	2.32	2.72	1.05

## Asset Allocation

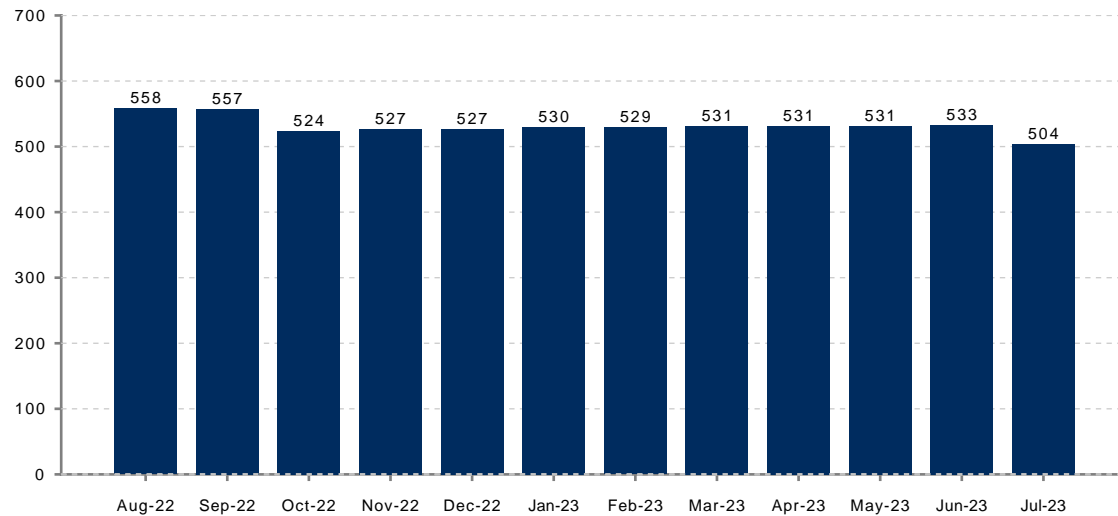
POOL 10 ST MED NONAMT

Ending Market Value

504,320,459



## Net Asset Values over Time (\$MM)

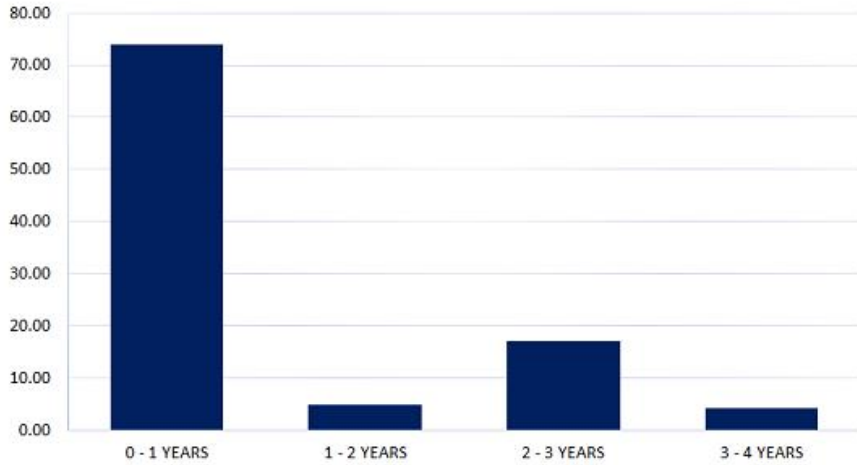


## Top 10 Holdings

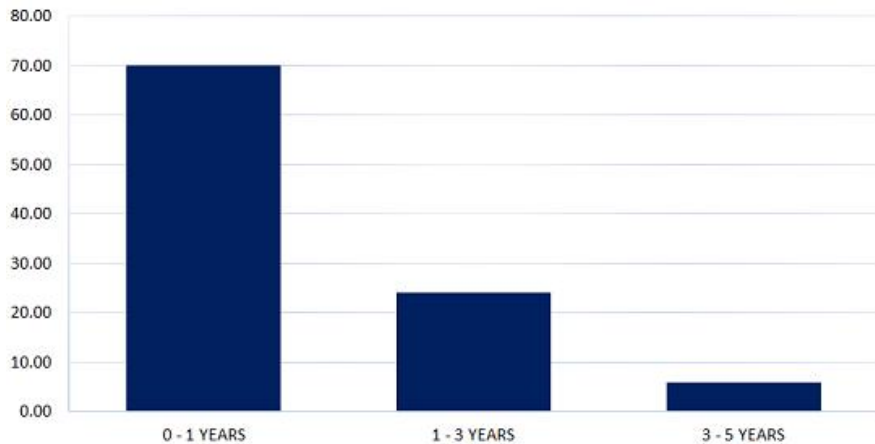
Security Name	Ending Market Value	% of Portfolio
POOL 10 ST MED NONAMT		
PORT TACOMA WA REVEN	25,312,316	5.02
LOUDOUN CNTY VA INDL	24,535,188	4.86
WILLIAMSON CNTY TX	21,230,418	4.21
NEW YORK CITY NY TRAN	20,731,033	4.11
GEORGIA ST	20,707,605	4.11
DENVER CITY CNTY CO	20,500,000	4.06
INDIANA ST FIN AUTH HOS	20,047,101	3.98
BOSTON MA	19,501,318	3.87
WAKE CNTY NC	17,654,865	3.50
WEST VIRGINIA ST HOSP	17,355,000	3.44



**Duration Distribution**



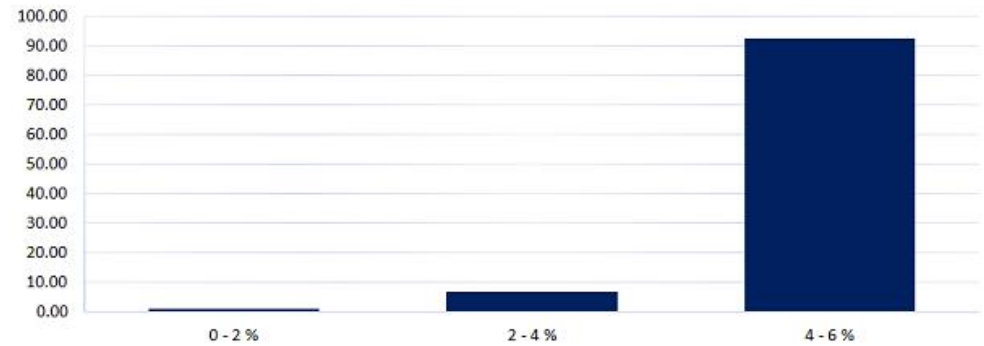
**Expected Maturity Distribution**



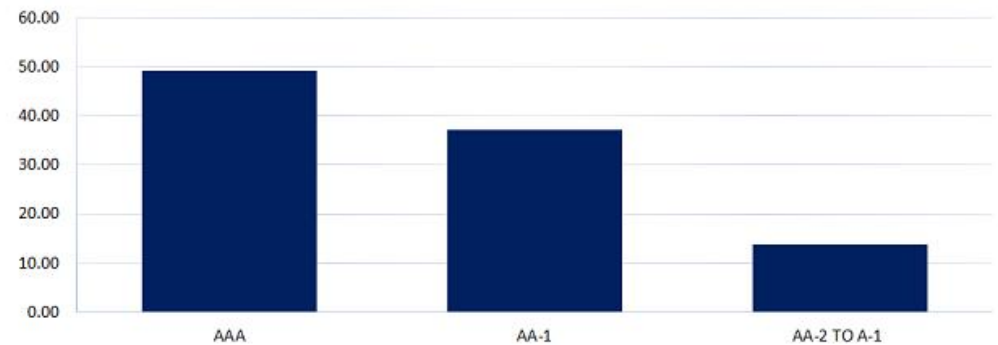
**Portfolio Level Characteristics**

	POOL 10 ST MED NONAMT
Effective Maturity	0.84
Coupon	5.25
Effective Duration	0.79
Quality Rating (Moody's)	AA-1

**Coupon Distribution**

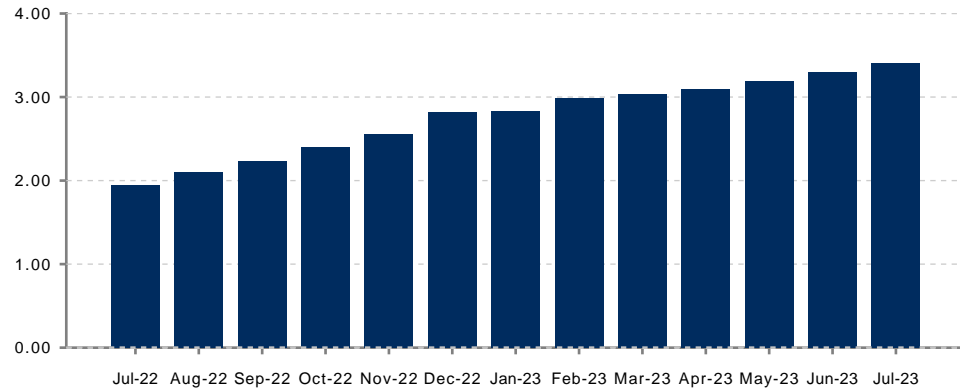


**Rating Distribution**





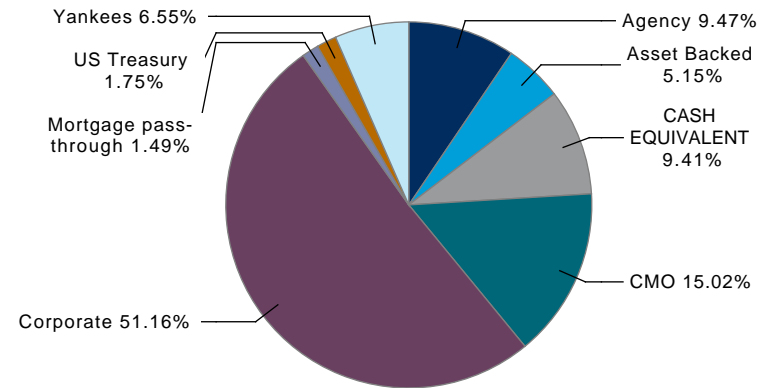
**Net Yield**



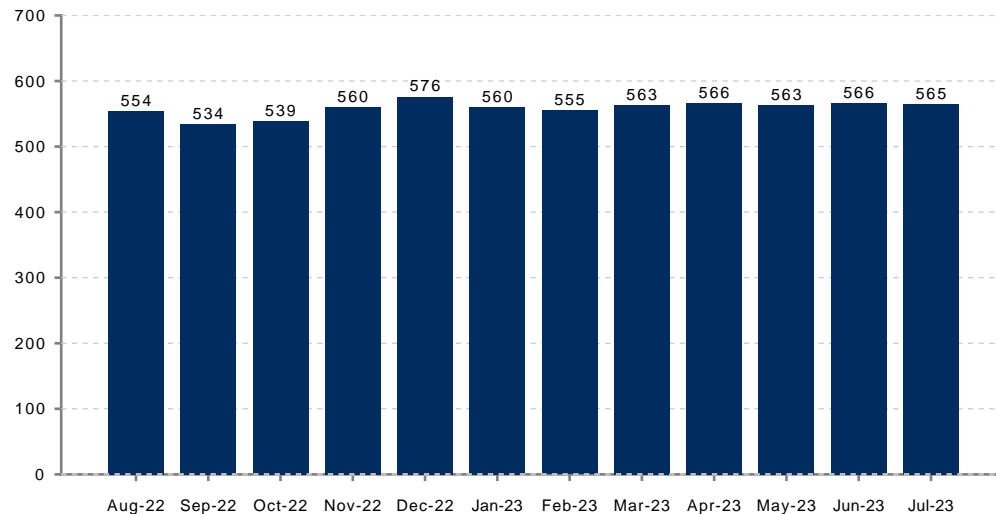
	Current Mth	Prior Mth	1 Year Ago
POOL 12 CAWCD MED TRM	3.41	3.30	1.95

**Asset Allocation**

	Ending Market Value
POOL 12 CAWCD MED TRM	565,468,117



**Net Asset Values over Time (\$MM)**



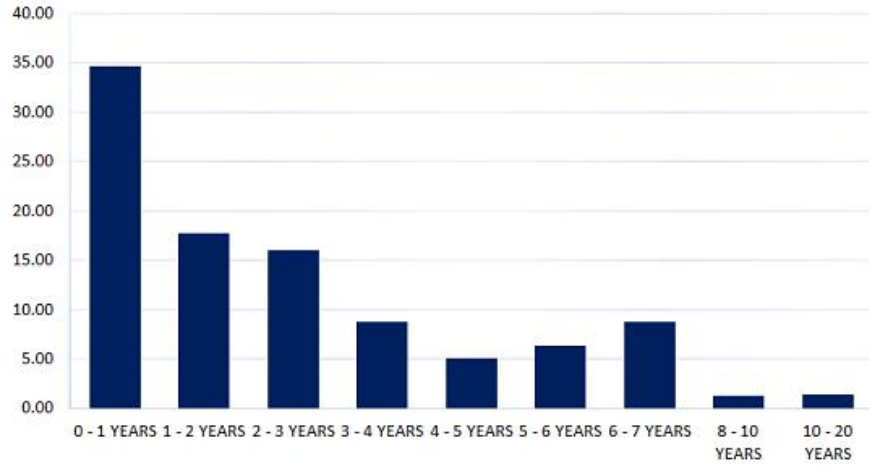
**Top 10 Holdings**

Security Name	Ending Market Value	% of Portfolio
POOL 12 CAWCD MED TRM		
SOUTH STREET REPO	18,502,744	3.27
MORGAN STANLEY	9,878,128	1.75
BANK OF AMERICA CORP	9,621,706	1.70
PHILLIPS 66	8,181,321	1.45
FEDERAL FARM CREDIT BANK	8,042,455	1.42
INTERCONTINENTALEXCHANGE	6,824,464	1.21
BREAN ASSET BACKED SECURITIES	6,636,607	1.17
ALPHABET INC	6,564,402	1.16
AMERICAN EXPRESS CO	6,050,863	1.07
FEDERAL FARM CREDIT BANK	5,976,658	1.06





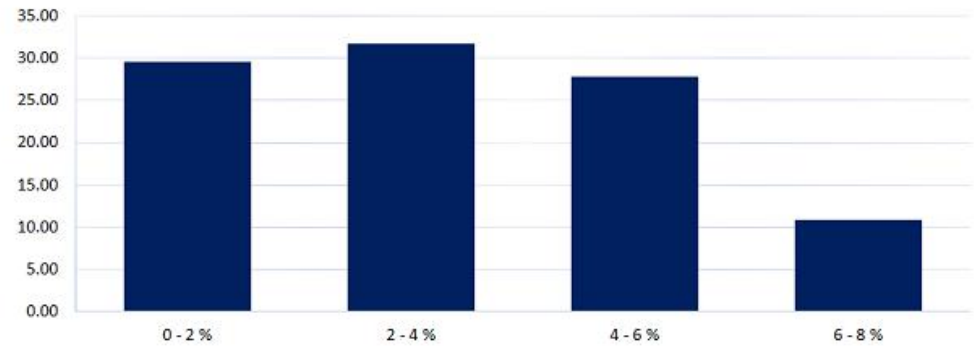
**Duration Distribution**



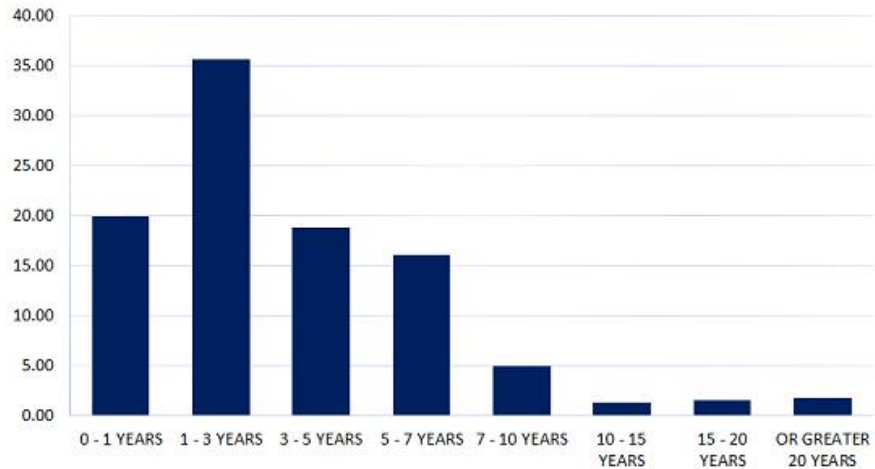
**Portfolio Level Characteristics**

	POOL 12 CAWCD MED TRM
Effective Maturity	3.88
Coupon	3.63
Effective Duration	2.50
Quality Rating (Moody's)	AA-3

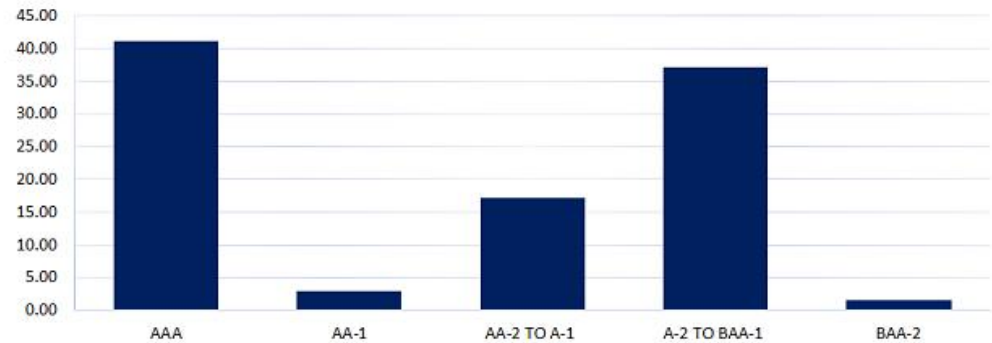
**Coupon Distribution**



**Expected Maturity Distribution**



**Rating Distribution**



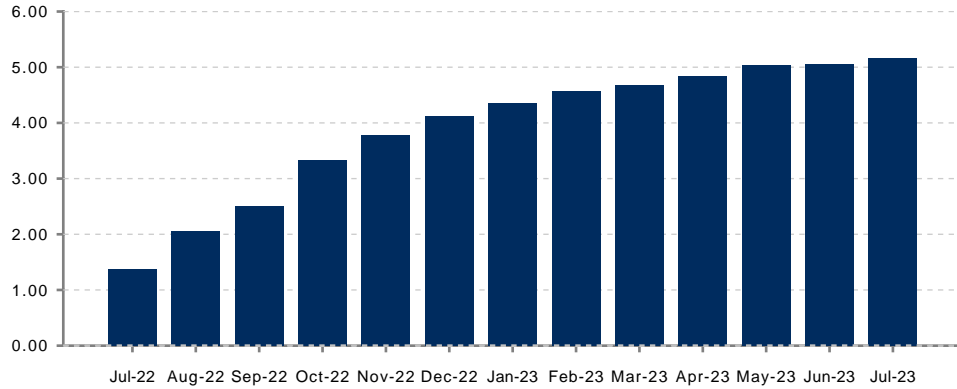
# OFFICE OF THE ARIZONA STATE TREASURER

July 31, 2023

POOL 15 ST OPER LIQUID



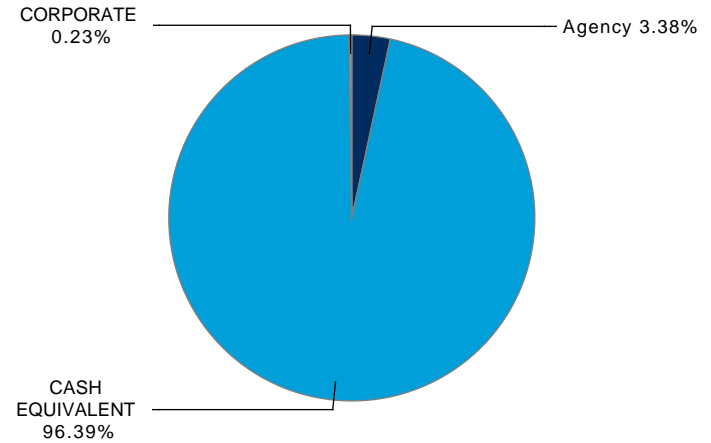
## Net Yield



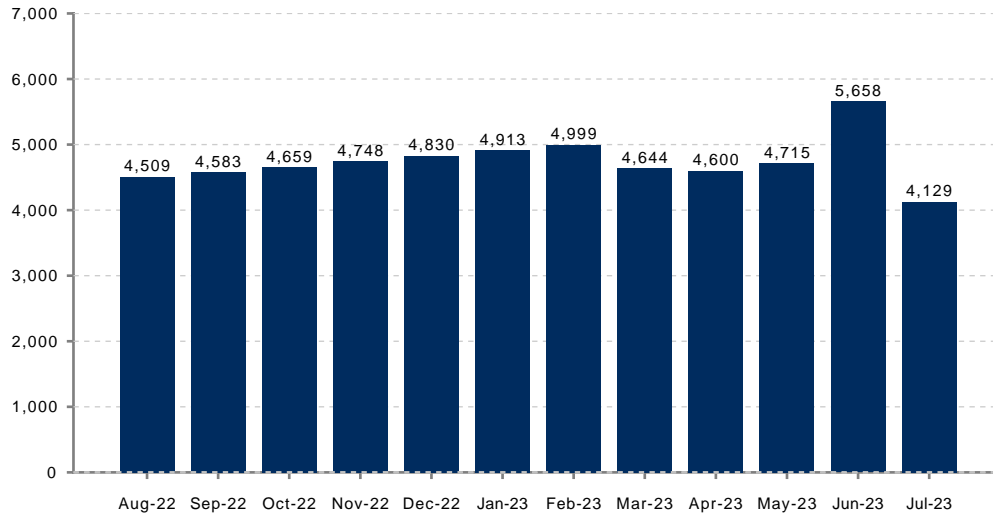
	Current Mth	Prior Mth	1 Year Ago
ST of AZ POOL 15 ST OPER LIQUIDITY	5.16	5.05	1.37

## Asset Allocation

	Ending Market Value
POOL 15 ST OPER LIQUID	4,128,561,673



## Net Asset Values over Time (\$MM)

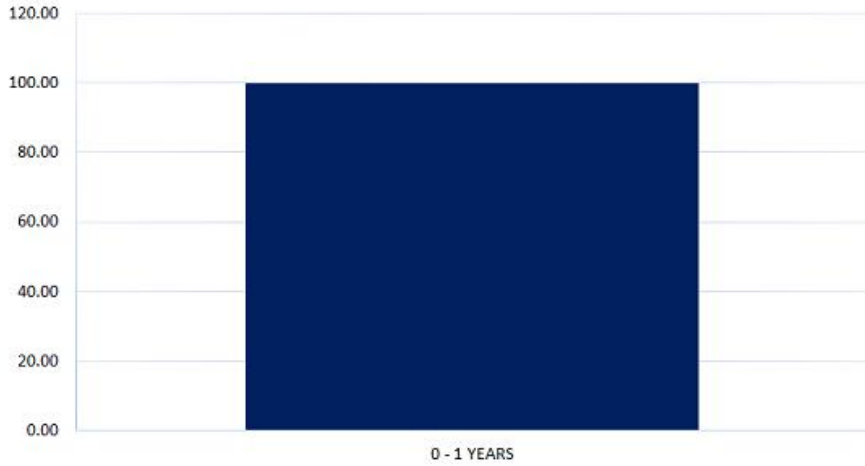


## Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 15 ST OPER LIQUID		
CANTOR FITZGERALD REPO	750,110,000	18.17
AMHERST PIERPONT	550,080,667	13.32
TD SECURITIES	500,073,056	12.11
SOUTH STREET REPO	409,336,876	9.91
MSILF GOVERNMENT PORTFOLIO	139,975,992	3.39
JPMORGAN US GOVERNMENT MONEY M	122,408,565	2.96
TREASURY BILL	79,246,823	1.92
AMHERST PIERPONT	75,131,750	1.82
AMHERST PIERPONT	70,153,708	1.70
TREASURY BILL	64,120,921	1.55



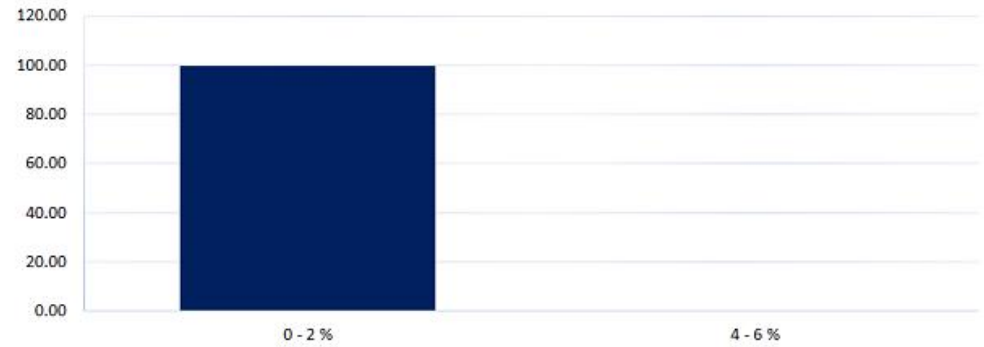
**Duration Distribution**



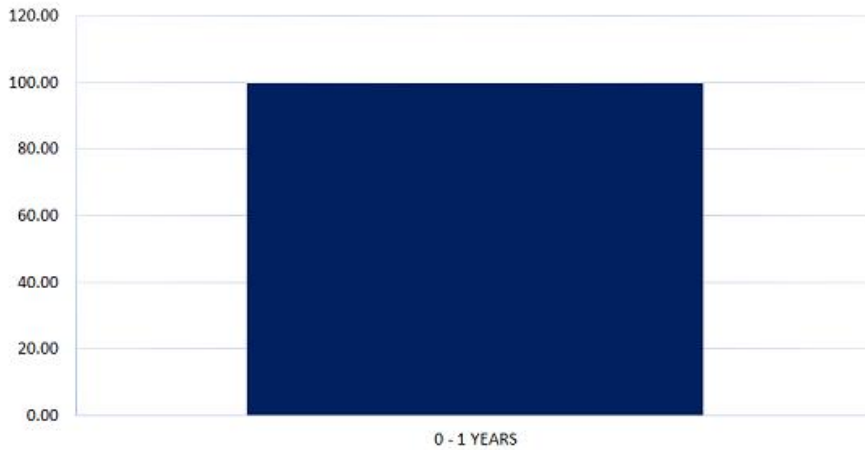
**Portfolio Level Characteristics**

	POOL 15 ST OPER LIQUID
Effective Maturity	0.09
Coupon	4.40
Effective Duration	0.09
Quality Rating (Moody's)	AAA

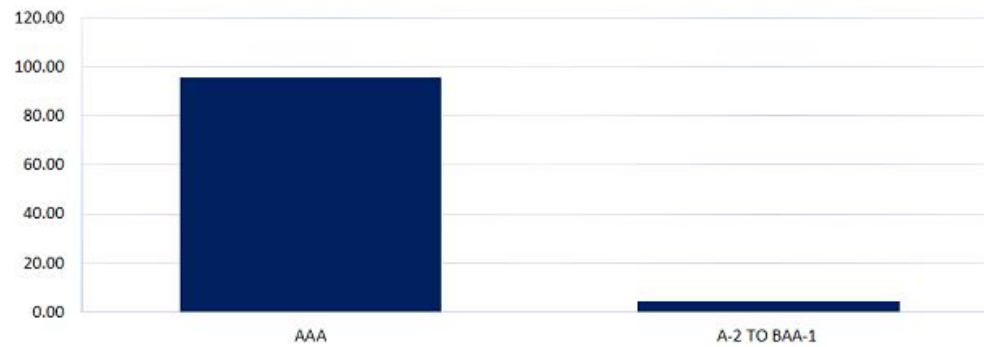
**Coupon Distribution**



**Expected Maturity Distribution**

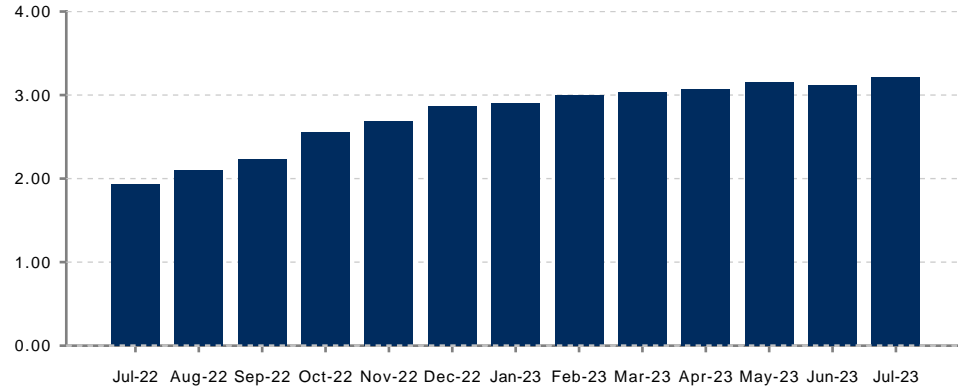


**Rating Distribution**





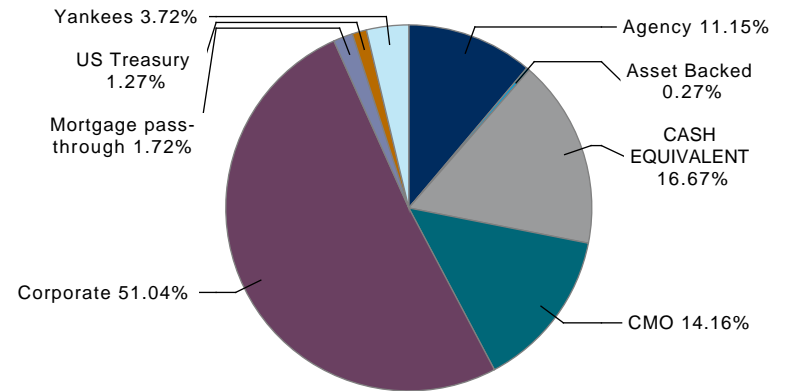
## Net Yield



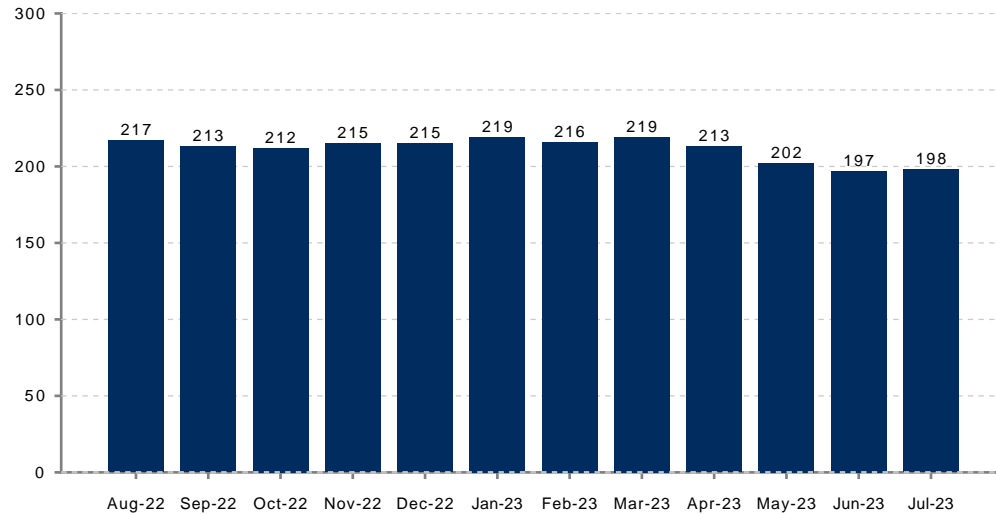
	Current Mth	Prior Mth	1 Year Ago
POOL 16 ECDHB	3.22	3.12	1.93

## Asset Allocation

	Ending Market Value
POOL 16 ECDHB	197,587,533



## Net Asset Values over Time (\$MM)

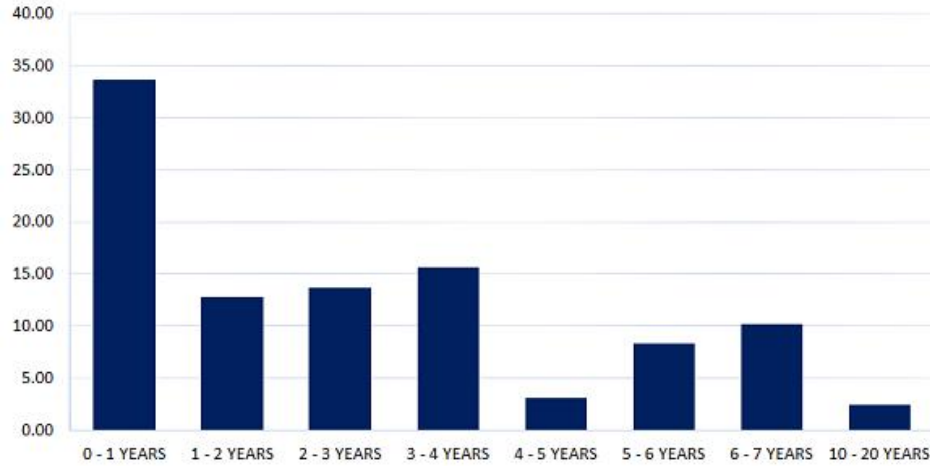


## Top 10 Holdings

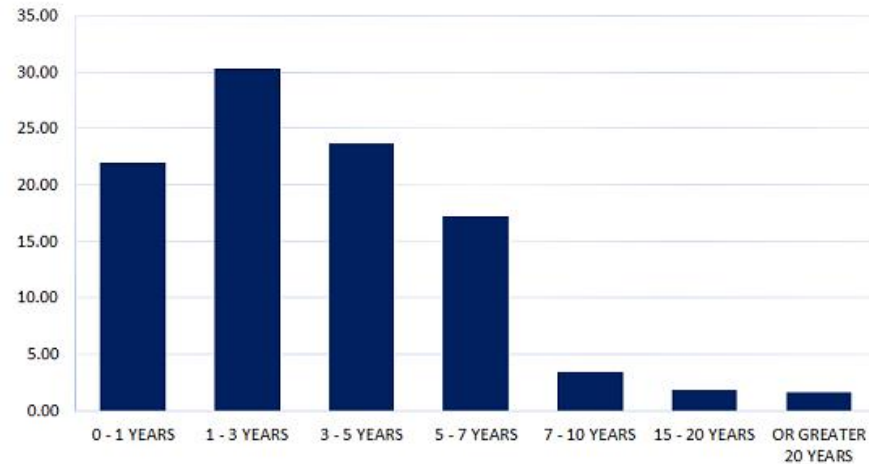
Security Name	Ending Market Value	% of Portfolio
POOL 16 ECDHB		
SOUTH STREET REPO	33,004,895	16.70
GOLDMAN SACHS GROUP INC	5,026,915	2.54
CHARLES SCHWAB CORP	5,009,858	2.54
GOLDMAN SACHS GROUP INC	4,971,547	2.52
BERKSHIRE HATHAWAY ENERG	4,950,664	2.51
BANK OF NOVA SCOTIA	4,928,734	2.49
BRISTOL MYERS SQUIBB CO	4,876,435	2.47
WELLS FARGO + COMPANY	4,828,913	2.44
ANHEUSER BUSCH INBEV WOR	4,642,784	2.35
ALLSTATE CORP	4,504,222	2.28



**Duration Distribution**



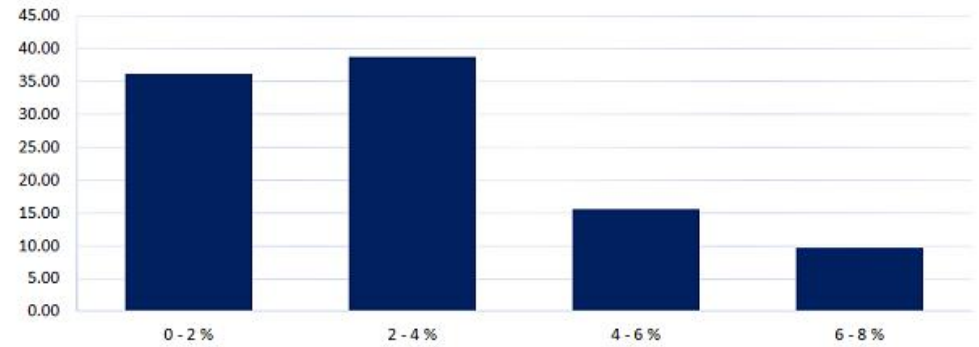
**Expected Maturity Distribution**



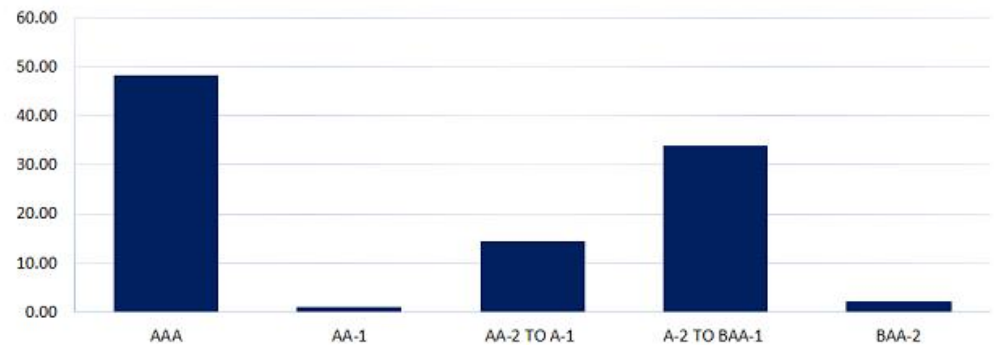
**Portfolio Level Characteristics**

	POOL 16 ECDHB
Effective Maturity	3.68
Coupon	3.30
Effective Duration	2.84
Quality Rating (Moody's)	AA-3

**Coupon Distribution**



**Rating Distribution**



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

**NET EARNINGS**

<b>FUND</b>	<b>DESCRIPTION</b>	<b>Current Month 07/31/23</b>	<b>Prior Month 06/30/23</b>	<b>Prior Year 07/31/22</b>	<b>Net Asset Value Per Share</b>
5	LGIP	\$11,583,278	\$11,911,518	\$3,453,683	1.000000
7	LGIP - GOV (1)	10,075,899	10,454,323	2,657,798	1.000000
	<b>TOTAL LGIP &amp; LGIP-GOV</b>	<b>\$21,659,178</b>	<b>\$22,365,841</b>	<b>\$6,111,481</b>	

**YIELDS**

<b><u>MONTHLY</u></b>		<b>Current Month 07/31/23</b>	<b>Prior Month 06/30/23</b>	<b>Prior Year 7/31/22</b>
5	LGIP (NET)	5.19%	5.10%	1.67%
	S&P LGIP Index	5.11%	5.04%	1.20%
7	LGIP - GOV (NET) (1)	5.11%	5.02%	1.38%
	Trailing 3-mo T-bill	5.28%	5.14%	1.50%

**FISCAL YEAR TO DATE**

5	LGIP (NET)	5.19%	3.85%	1.67%
	S&P LGIP Index	5.11%	3.49%	1.20%
7	LGIP - GOV (NET) (1)	5.11%	3.68%	1.38%
	Trailing 3-mo T-bill	5.28%	3.71%	1.50%

(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  
JULY 2023**

**NET EARNINGS**

<b>FUND</b>	<b>DESCRIPTION</b>	<b>Current Month 07/31/23</b>	<b>Prior Month 06/30/23</b>	<b>Prior Year 07/31/22</b>	<b>Net Asset Value Per Share</b>
500	LGIP - MED TERM POOL	\$1,989,423	\$1,813,336	<b>\$871,816</b>	1.002709
700	LGIP - FF&C MED TERM POOL	850,859	796,436	<b>190,549</b>	0.987927
	<b>TOTAL LGIP MEDIUM TERM POOLS</b>	<b>\$2,840,282</b>	<b>\$2,609,772</b>	<b>\$1,062,365</b>	

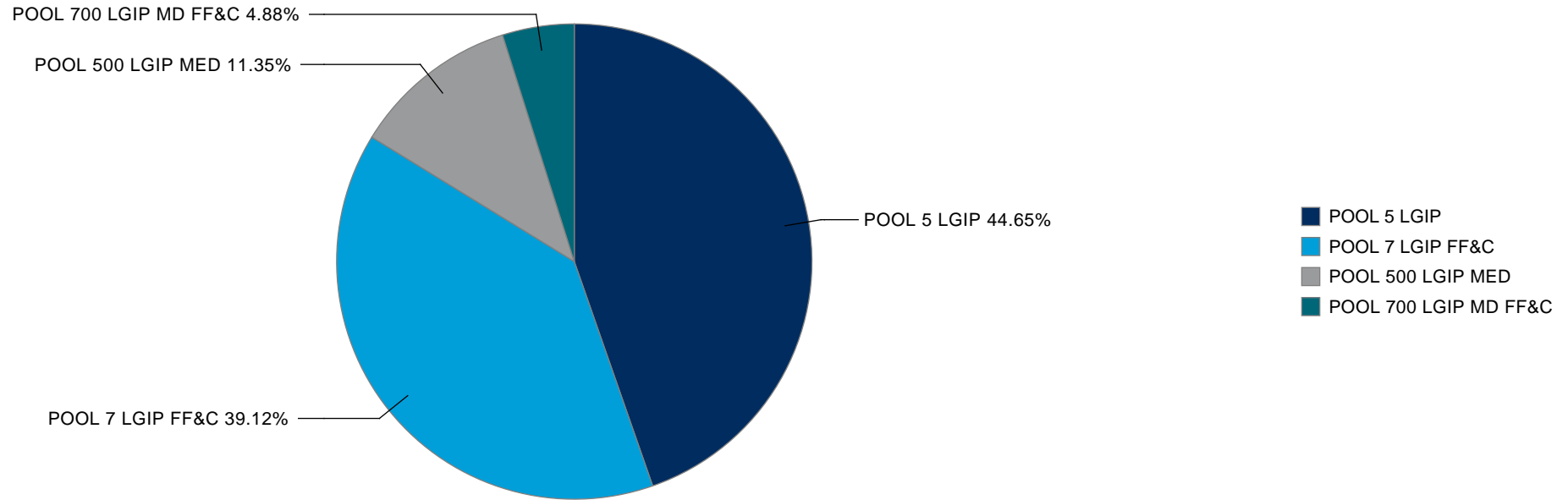
**YIELDS**

<b><u>MONTHLY</u></b>		<b>Current Month 07/31/23</b>	<b>Prior Month 06/30/23</b>	<b>Prior Year 7/31/22</b>
500	LGIP - MED TERM (NET)	3.51%	3.37%	<b>1.59%</b>
	20% S&P LGIP Index /	5.15%	5.01%	<b>2.90%</b>
	80% Bloomberg Barclays 1-3 year US Agg			
700	LGIP - FF&C MED TERM (NET)	3.49%	3.38%	<b>0.88%</b>
	20% Trailing 3-mo T-bill /	4.99%	4.80%	<b>2.76%</b>
	80% Barclay 1-3 year UST			

**FISCAL YEAR TO DATE**

500	LGIP - MED TERM (NET)	3.51%	2.71%	<b>1.59%</b>
	20% S&P LGIP Index /	5.15%	4.16%	<b>2.90%</b>
	80% Bloomberg Barclays 1-3 year US Agg			
700	LGIP - FF&C MED TERM (NET)	3.49%	2.27%	<b>0.88%</b>
	20% Trailing 3-mo T-bill /	4.99%	4.08%	<b>2.76%</b>
	80% Bloomberg Barclays 1-3 year UST			

Manager Allocation

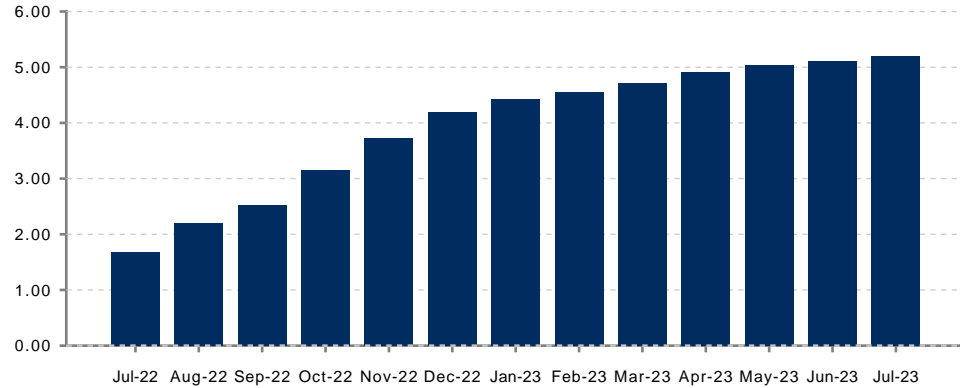


	Market Value	% of Portfolio
POOL 5 LGIP	2,628,074,480	44.6
POOL 7 LGIP FF&C	2,302,825,197	39.1
POOL 500 LGIP MED	668,317,226	11.4
POOL 700 LGIP MD FF&C	287,211,945	4.9
TOTAL LGIP	5,886,428,849	100.0





**Net Yield**

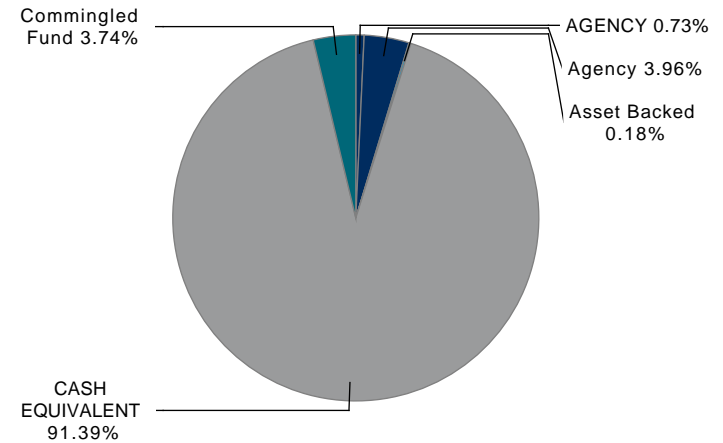


**Current Mth**      **Prior Mth**      **1 Year Ago**

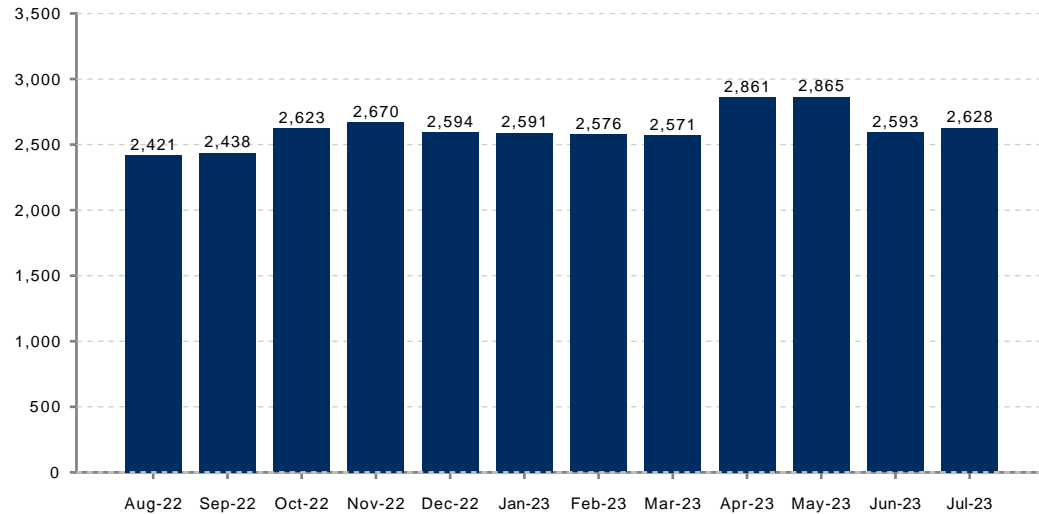
POOL 5 LGIP	5.19	5.10	1.67
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**Asset Allocation**

<b>Ending Market Value</b>	
POOL 5 LGIP	2,628,074,480



**Net Asset Values over Time (\$MM)**

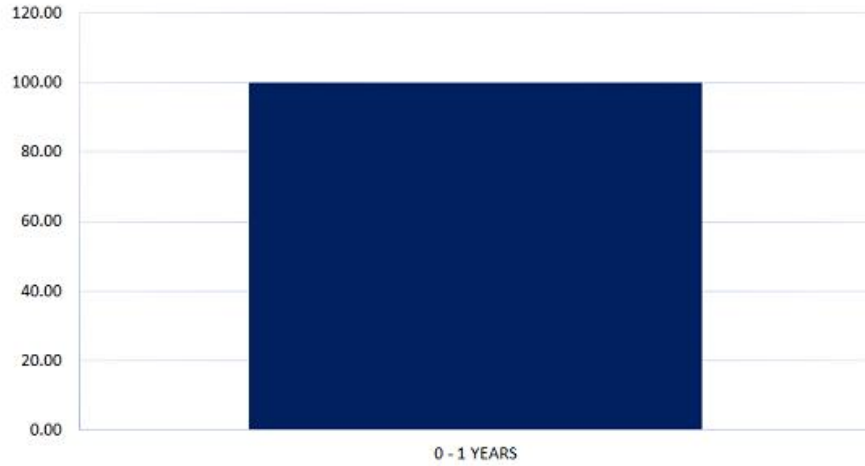


**Top 10 Holdings**

Security Name	Ending Market Value	% of Portfolio
POOL 5 LGIP		
RBC CAPITAL MARKETS REPO	376,520,330	14.33
BANK OF AMERICA REPO	150,021,875	5.71
GOLDMAN SACHS FINANCIAL SQUARE	51,215,975	1.95
MSILF GOVERNMENT PORTFOLIO	50,746,273	1.93
TREASURY BILL	39,960,676	1.52
TREASURY BILL	39,839,871	1.52
TREASURY BILL	29,991,233	1.14
TREASURY BILL	29,938,563	1.14
TREASURY BILL	29,931,555	1.14
LIBERTY FUNDING LLC	29,930,667	1.14



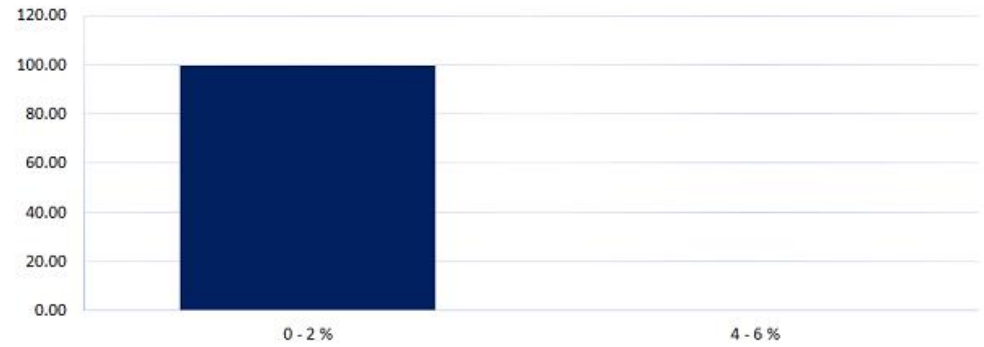
**Duration Distribution**



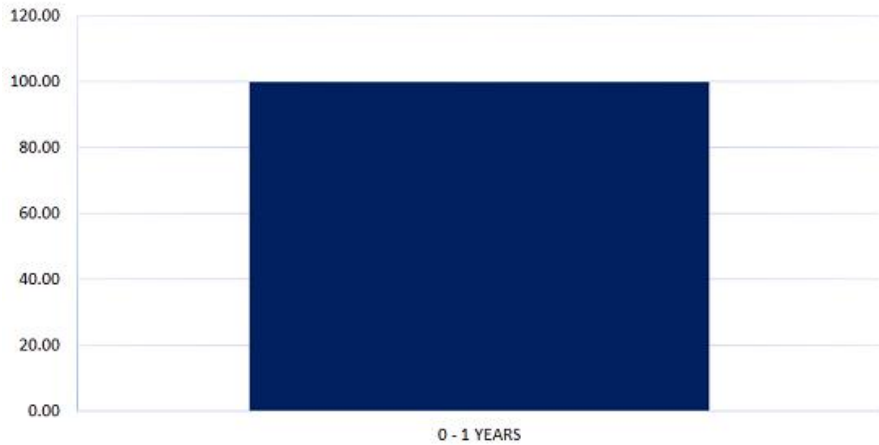
**Portfolio Level Characteristics**

	POOL 5 LGIP
Effective Maturity	0.12
Coupon	4.07
Effective Duration	0.12
Quality Rating (S&P)	AAAt/S1+

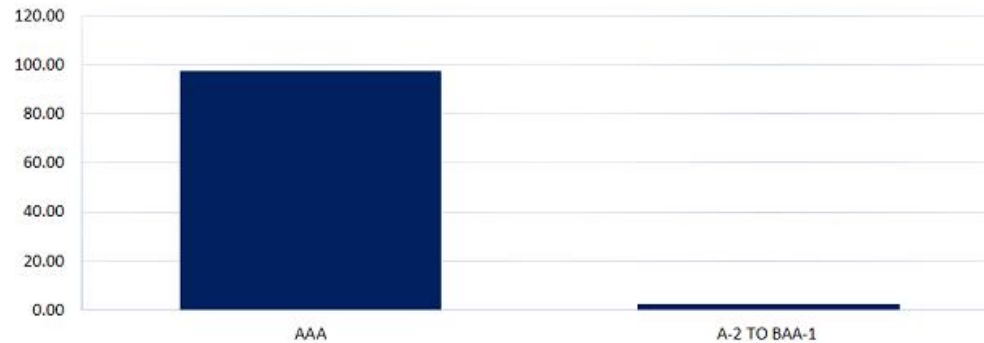
**Coupon Distribution**



**Expected Maturity Distribution**

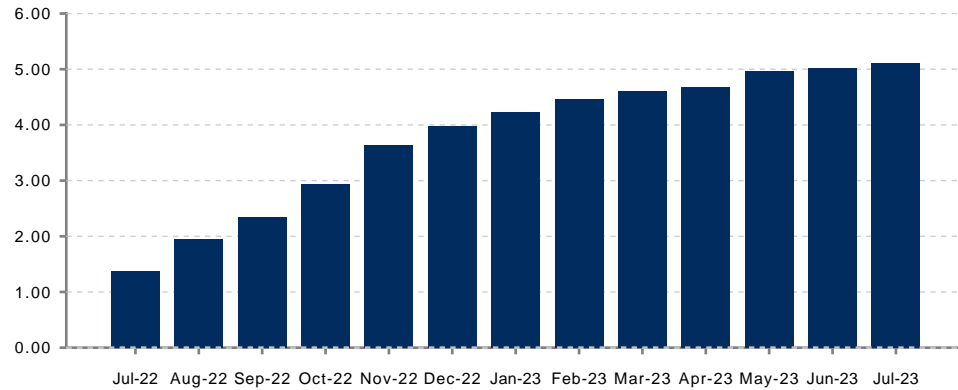


**Rating Distribution**





## Net Yield

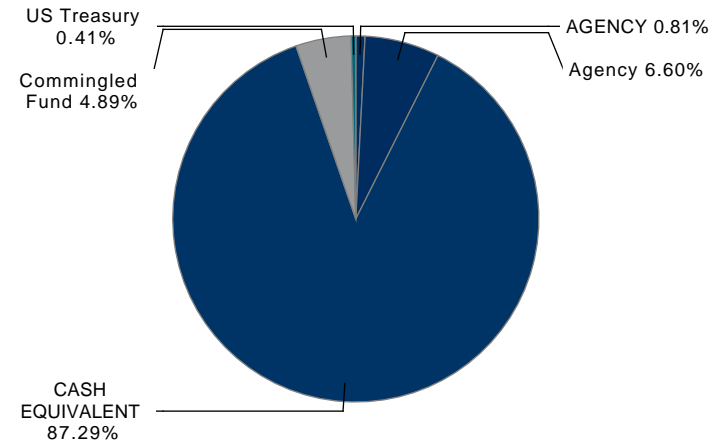


**Current Mth**      **Prior Mth**      **1 Year Ago**

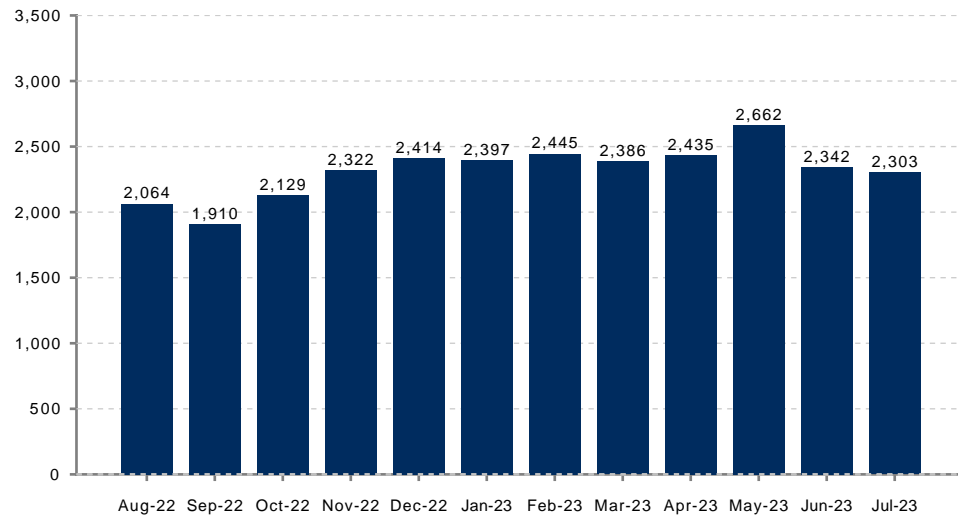
POOL 7 LGIP FF&C	5.11	5.02	1.38
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## Asset Allocation

	Ending Market Value
POOL 7 LGIP FF&C	2,302,825,197



## Net Asset Values over Time (\$MM)

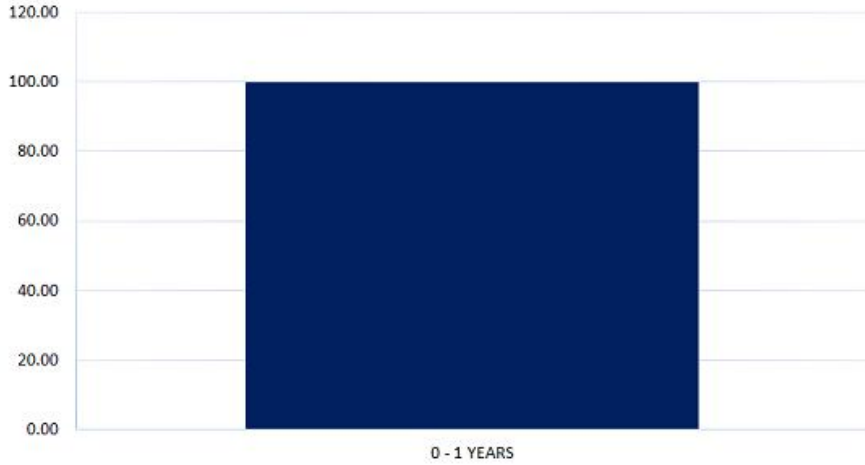


## Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 7 LGIP FF&C		
DAIWA CAPITAL MARKETS REPO	400,058,333	17.37
AMHERST PIERPONT	100,218,750	4.35
AMHERST PIERPONT	100,175,000	4.35
CANTOR FITZGERALD REPO	100,162,556	4.35
BMO TRIPARTY MTGE	100,116,889	4.35
MITSUBISHI UFJ REPO	100,073,750	4.35
MITSUBISHI UFJ REPO	86,462,416	3.75
WESTERN ALLIANCE CDARS	75,354,546	3.27
GOLDMAN SACHS FINANCIAL SQUARE	68,097,722	2.96
TREASURY BILL	59,923,200	2.60



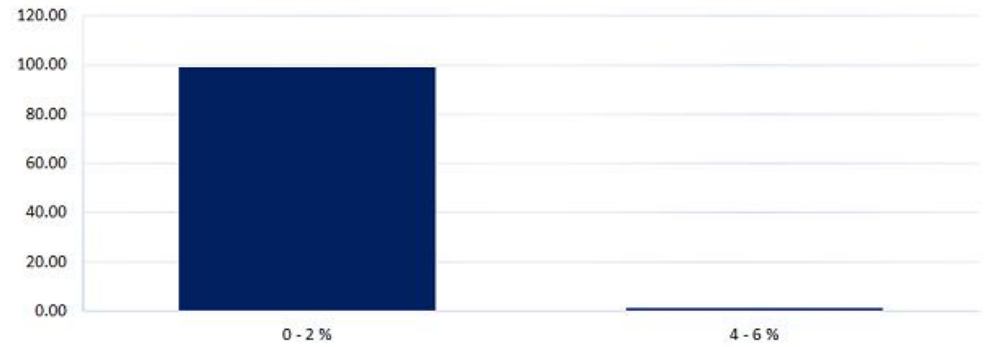
**Duration Distribution**



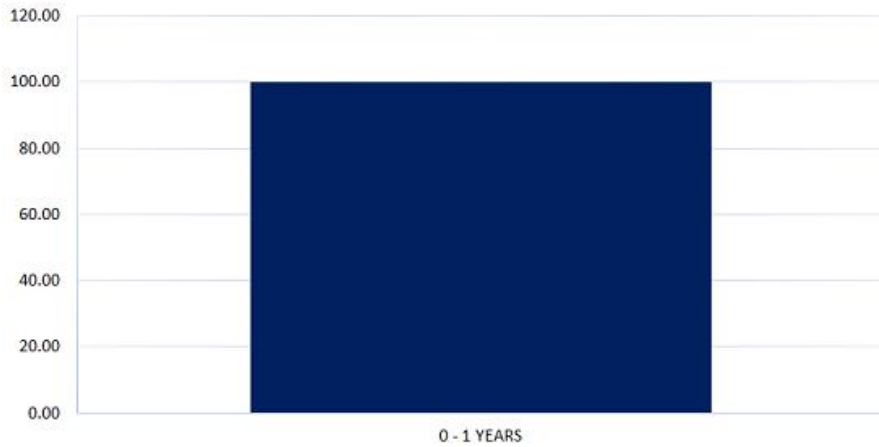
**Portfolio Level Characteristics**

	POOL 7 LGIP FF&C
Effective Maturity	0.10
Coupon	1.31
Effective Duration	0.10
Quality Rating (Moody's)	AAA

**Coupon Distribution**



**Expected Maturity Distribution**

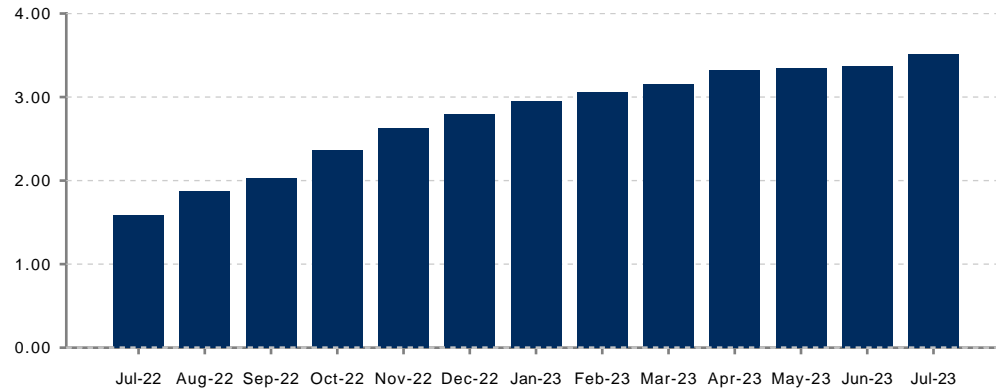


**Rating Distribution**





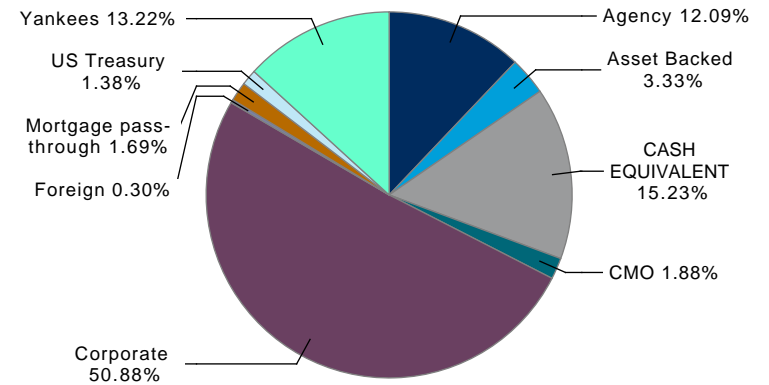
**Net Yield**



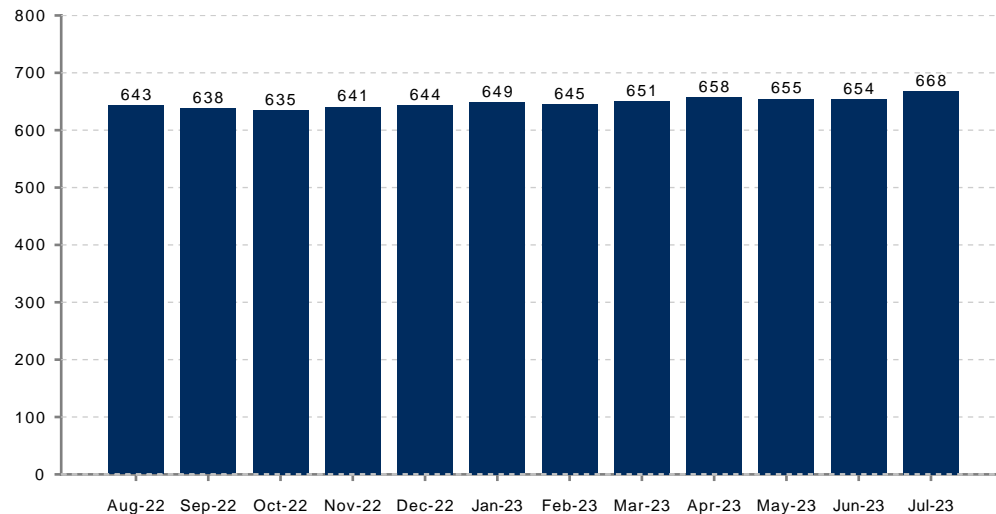
	Current Mth	Prior Mth	1 Year Ago
POOL 500 LGIP MED	3.51	3.37	1.59

**Asset Allocation**

	Ending Market Value
POOL 500 LGIP MED	668,317,226



**Net Asset Values over Time (\$MM)**

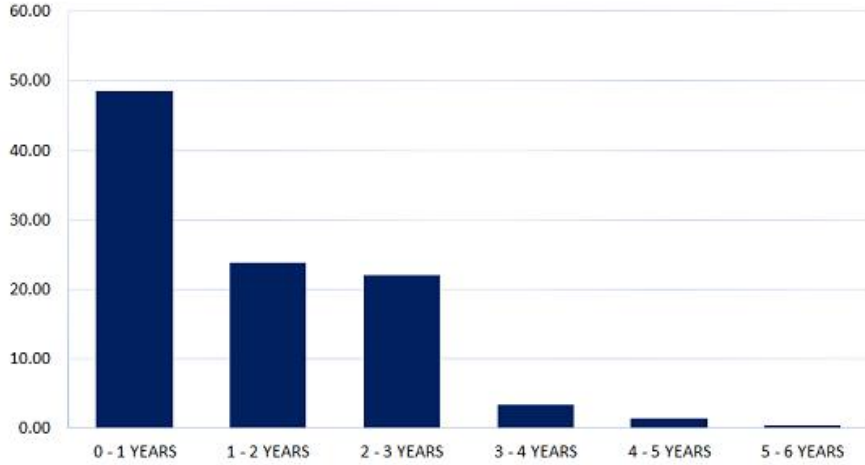


**Top 10 Holdings**

Security Name	Ending Market Value	% of Portfolio
POOL 500 LGIP MED		
SOUTH STREET REPO	23,572,378	3.53
CITIGROUP GLOBAL MARKETS	5,074,129	0.76
FEDERAL FARM CREDIT BANK	5,064,031	0.76
J.P. MORGAN SECURITIES	5,047,365	0.76
FEDERAL HOME LOAN BANK	5,046,620	0.76
AMERICAN HONDA FINANCE	5,046,285	0.76
FEDERAL HOME LOAN BANK	5,016,182	0.75
JPMORGAN CHASE BK N A INSTL CT	5,011,973	0.75
ROYAL BANK OF CANADA	5,002,248	0.75
AMERICAN EXPRESS CO	4,999,842	0.75



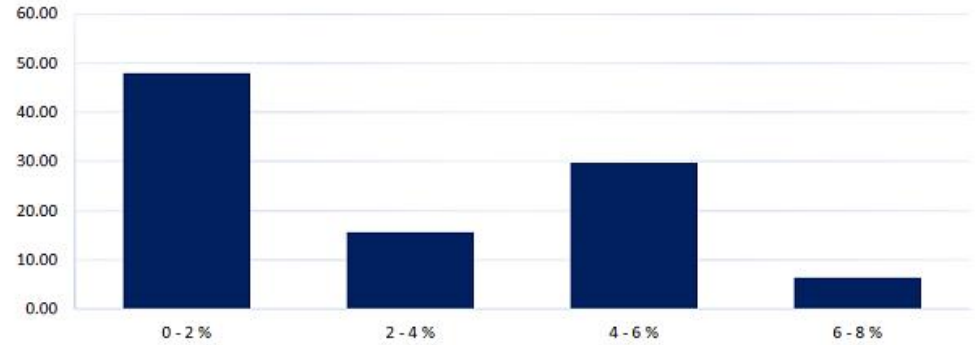
**Duration Distribution**



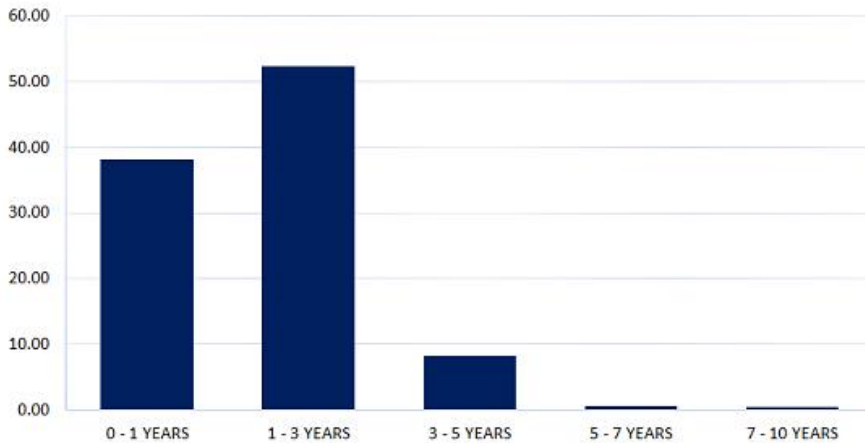
**Portfolio Level Characteristics**

	POOL 500 LGIP MED
Effective Maturity	1.56
Coupon	3.50
Effective Duration	1.27
Quality Rating (Moody's)	AA-3

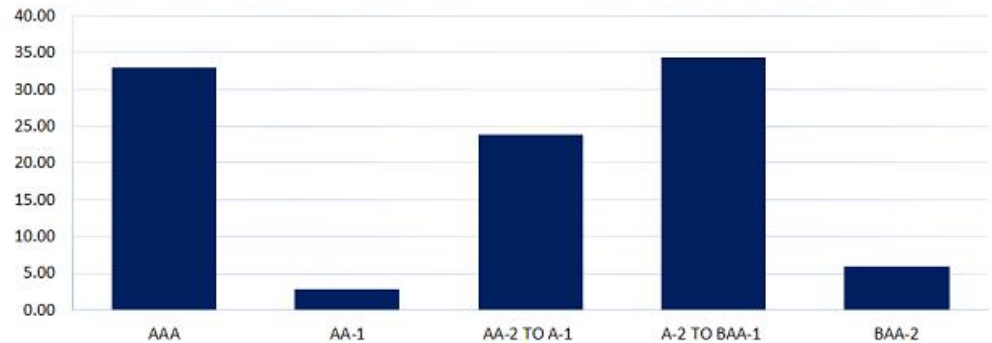
**Coupon Distribution**



**Expected Maturity Distribution**

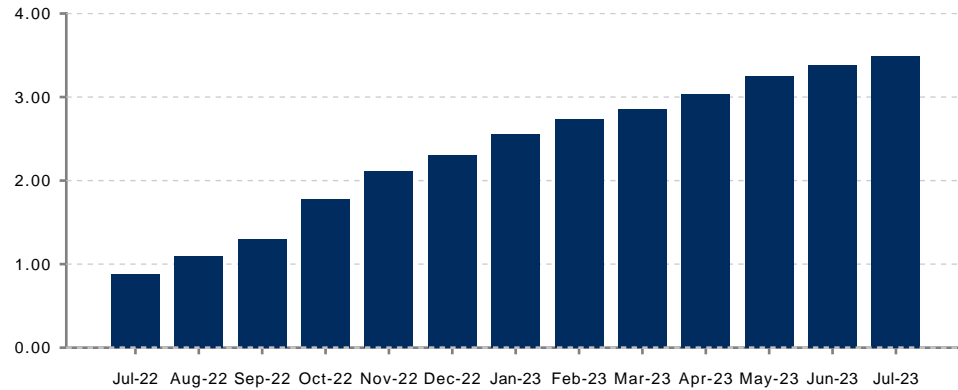


**Rating Distribution**





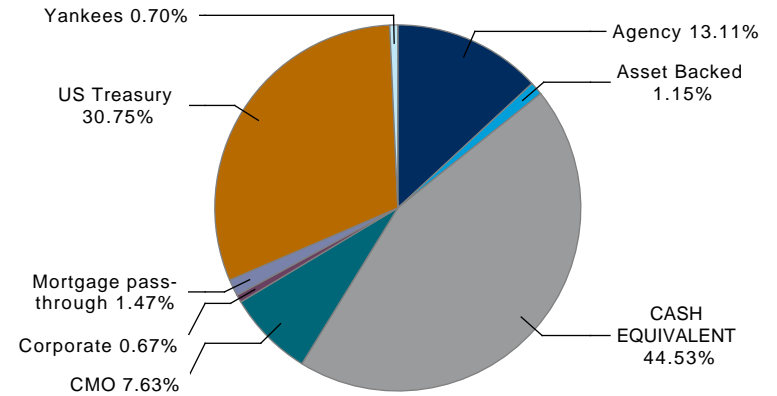
### Net Yield



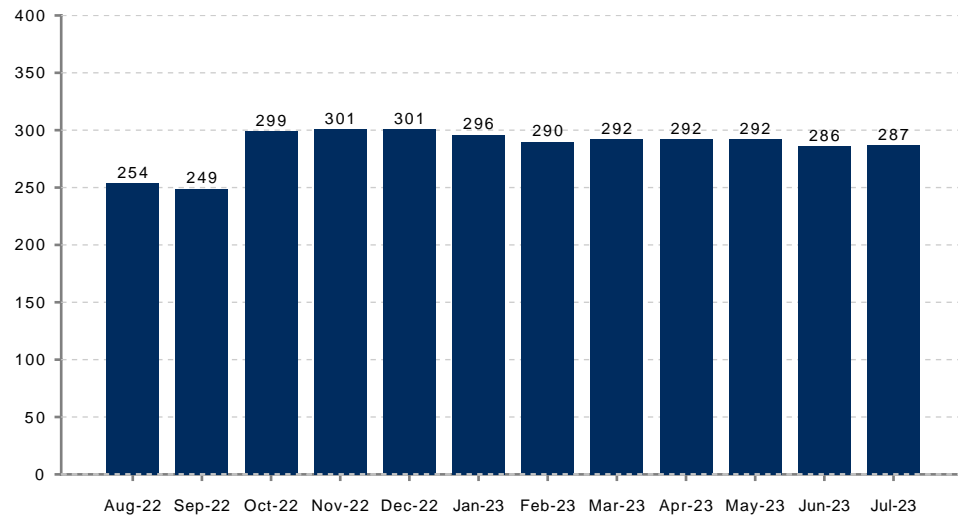
	Current Mth	Prior Mth	1 Year Ago
POOL 700 LGIP MD FF&C	3.49	3.38	0.88

### Asset Allocation

	Ending Market Value
POOL 700 LGIP MD FF&C	287,211,945



### Net Asset Values over Time (\$MM)

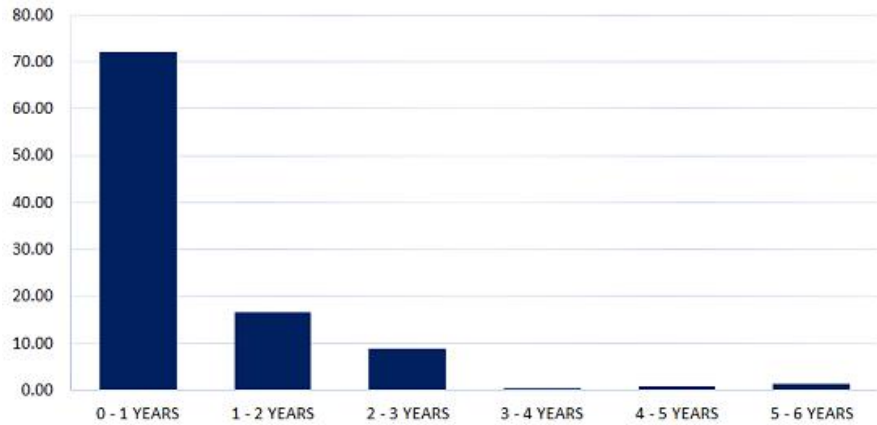


### Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 700 LGIP MD FF&C		
MITSUBISHI UFJ REPO	74,510,885	25.94
TREASURY BILL	5,000,000	1.74
TREASURY BILL	4,994,520	1.74
TREASURY BILL	4,989,928	1.74
TREASURY BILL	4,988,489	1.74
US TREASURY N/B	4,923,766	1.71
TREASURY BILL	4,911,502	1.71
TREASURY BILL	4,906,200	1.71
US TREASURY N/B	4,902,815	1.71
INT DEVELOPMENT FIN CORP	4,251,313	1.48



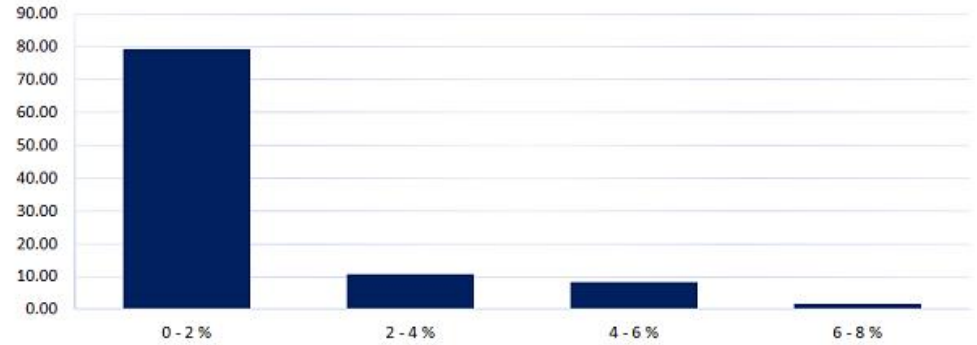
**Duration Distribution**



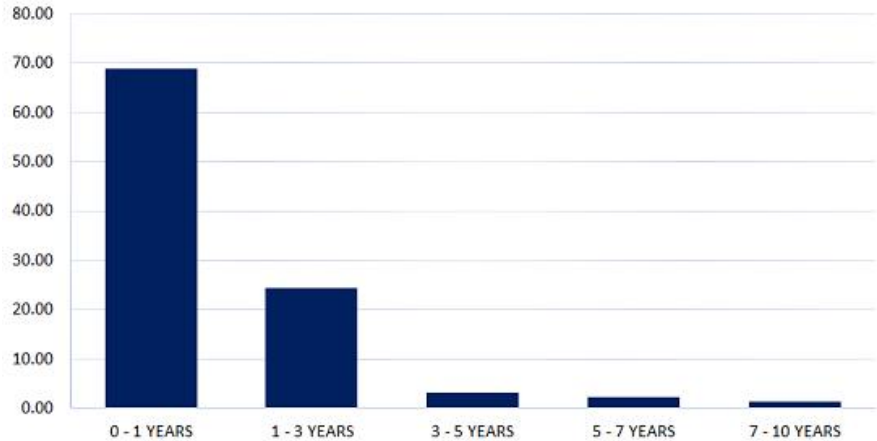
**Portfolio Level Characteristics**

	POOL 700 LGIP MD FF&C
Effective Maturity	0.94
Coupon	1.35
Effective Duration	0.74
Quality Rating (Moody's)	AAA

**Coupon Distribution**



**Expected Maturity Distribution**



**Rating Distribution**





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

**Distributed in Current Month**

Recipient	JULY 2023	Fiscal YTD 23/24	Fiscal YTD 22/23	Fiscal YTD Change
101 A & M Colleges	\$79,952	\$79,952	\$78,874	\$1,078
102 State Hospital	70,195	70,195	64,988	5,208
103 Leg., Exec., & Jud.	67,352	67,352	66,232	1,119
104 Military Institute	4,567	4,567	4,494	72
105 Miners Hospital	205,354	205,354	197,693	7,660
107 Normal School ASU/NAU	39,739	39,739	38,010	1,729
108 Penitentiaries	131,541	131,541	128,768	2,772
109 Permanent Common School	35,353,919	35,353,919	33,537,213	1,816,707
110 School for Deaf & Blind	49,982	49,982	48,526	1,457
111 School of Mines	91,677	91,677	90,376	1,302
112 State Charitable-Pioneers Home	530,419	530,419	494,453	35,966
112 State Charitable-Corrections	265,209	265,209	247,227	17,983
112 State Charitable-Youth Treatment	265,209	265,209	247,227	17,983
113 University Fund	209,269	209,269	190,133	19,136
114 U of A Land - 1881	642,925	642,925	629,397	13,529
<b>Total</b>	<b>\$38,007,310</b>	<b>\$38,007,310</b>	<b>\$36,063,611</b>	<b>\$1,943,699</b>

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

<b>Month</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2023</b>
<b>January</b>	\$2,960,815	\$809,822	\$30,671,107	\$34,028,510	\$77,327,332	\$65,776,496	\$132,875,173	
<b>February</b>	1,103,303	744,295	875,823	2,362,463	17,814,405	107,134,375	45,385,295	
<b>March</b>	3,045,043	8,296,029	997,479	13,103,761	3,772,571	5,230,088	1,025,196	
<b>April</b>	78,134,289	22,707,772	12,816,140	6,837,496	4,099,129	95,870,019	62,406,204	
<b>May</b>	27,642,672	16,234,823	590,432	3,656,783	88,763,368	109,978,359	31,423,862	
<b>June</b>	2,451,110	6,799,100	3,654,938	3,379,021	2,001,347	105,071,646	8,768,483	
<b>July</b>	13,838,188	27,835,379	4,356,585	19,069,989	37,347,276	14,023,708	15,440,780	
<b>August</b>	5,746,802	6,932,754	10,038,331	6,378,777	12,016,036	707,901		
<b>September</b>	19,937,751	8,293,343	1,201,114	3,851,950	13,865,289	7,754,529		
<b>October</b>	480,710	24,823,636	5,075,858	72,432,497	1,724,181	9,922,724		
<b>November</b>	9,500,048	42,245,892	9,161,341	3,119,856	1,487,524	6,763,639		
<b>December</b>	3,869,818	2,283,305	15,116,940	29,134,954	1,252,026	51,093,211		
<b>Calendar Year</b>	168,710,549	168,006,150	94,556,089	197,356,057	261,470,483	579,326,695	297,324,993	-
<b>Fiscal Year (July 1st to June 30th)</b>	163,553,318	108,965,158	162,020,229	108,318,203	327,766,175	556,753,315	372,149,925	15,440,780

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

<u><b>Endowment Fund</b></u>	<b>July 2023</b> <u><b>NET GAIN(LOSS)</b></u>	<b>July 2022</b> <u><b>NET GAIN(LOSS)</b></u>
----- Fixed Income Pool	(208,054)	(\$305,647)
500 Large-Cap Fund	50,272,691	0
400 Mid-Cap Fund	10,794,480	3,505,791
600 Small-Cap Fund	1,104,377	6,027,419
<b>Totals</b>	\$61,963,494	\$9,227,563

<u><b>Endowment Fund</b></u>	<b>2023/2024</b> <u><b>FISCAL YEAR TO DATE</b></u> <u><b>GAINS(LOSSES)</b></u>	<b>2022/2023</b> <u><b>FISCAL YEAR TO DATE</b></u> <u><b>GAINS(LOSSES)</b></u>
Fixed Income Pool	(\$208,054)	(\$305,647)
500 Large-Cap Fund	50,272,691	0
400 Mid-Cap Fund	10,794,480	3,505,791
600 Small-Cap Fund	1,104,377	6,027,419
<b>Totals</b>	\$61,963,494	\$9,227,563

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

**I.**

<u>POOL</u>	<u>SECURITY DESCRIPTION</u>	<u>RATE</u>	<u>MATURITY</u>	<u>WAL YEARS (1)</u>	<u>PAR VALUE</u>	<u>PURCHASE COST</u>	<u>YIELD</u>	<u>MOODY'S RATING</u>
205	CONAGRA	5.30	10/01/2026	NA	\$10,000,000	\$9,985,500	5.34%	Baa3
205	FHLMC	6.00	07/17/2026	NA	10,000,000	10,000,000	6.00%	Aaa
205	FHLMC	6.00	07/13/2028	NA	10,000,000	10,000,000	6.05%	Aaa
205	FHLMC	6.00	07/13/2028	NA	4,100,000	4,100,000	6.04%	Aaa
205	GNMA	5.50	11/20/2045	3.7	9,959,264	9,919,194	5.60%	Aaa
205	GNMA	5.50	06/20/2042	3.7	9,957,378	9,944,931	5.51%	Aaa
205	GNMA	6.00	11/20/2049	4.3	10,000,000	9,981,250	6.04%	Aaa
205	GNMA	6.00	05/20/2034	5.9	5,000,000	5,088,086	5.64%	Aaa
205	HARLEY-DAVIDSON	6.04	10/16/2023	NA	14,000,000	13,793,298	6.13%	P-3
205	HARLEY-DAVIDSON	6.05	09/26/2023	NA	5,000,000	4,931,938	6.13%	P-3
205	HARLEY-DAVIDSON	6.05	09/26/2023	NA	10,000,000	9,870,597	6.13%	P-3
205	SPDR LONG TERM TREASURY			NA	124,000	3,610,676		
205	US TREASURY	3.75	06/30/2030	NA	5,000,000	4,965,234	3.86%	Aaa
123	CAFCO	5.52	11/13/2023	NA	20,000,000	19,647,333	5.62%	P-1
123	CUMMINS	5.31	08/28/2023	NA	10,000,000	9,942,475	5.34%	P-1
123	GOTHAM	5.47	10/18/2023	NA	20,000,000	19,729,539	5.54%	P-1
123	HARLEY-DAVIDSON	6.05	09/26/2023	NA	10,000,000	9,863,875	6.13%	P-3
123	HARLEY-DAVIDSON	6.05	09/26/2023	NA	10,000,000	9,870,597	6.13%	P-3
123	JOHN DEERE	5.23	08/29/2023	NA	14,000,000	13,920,678	5.26%	P-1
123	MANHATTAN ASSET	5.46	11/16/2023	NA	20,000,000	19,611,733	5.57%	P-1
<b>TOTAL ENDOWMENT FUNDS PURCHASES</b>					<b>\$207,140,642</b>	<b>\$208,776,934</b>		

**II.**

<u>POOL</u>	<u>SECURITY DESCRIPTION</u>	<u>MATURITY</u>	<u>PAR VALUE</u>	<u>NET PROCEEDS</u>	<u>SALES GAIN/(LOSS)</u>	<u>MOODY'S RATING</u>
123	CHARIOT	07/27/2023	\$10,000,000	\$9,990,122	\$253	P-1
<b>TOTAL ENDOWMENT FUNDS SALES</b>			<b>\$10,000,000</b>	<b>\$9,990,122</b>	<b>\$253</b>	

(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  
 JULY 2023**

**I. Equity Fund Purchases**

	<u>SHARES</u>	<u>PURCHASE COST</u>	<u>COMMISSIONS</u>
400 Mid-Cap Fund	\$9,125.00	\$4,425,709	\$68
500 Large-Cap Fund	9,136	3,106,751	69
600 Small-Cap Fund	113,122	4,371,138	848
<b>TOTAL EQUITY PURCHASES</b>	<b>131,383</b>	<b>\$11,903,598</b>	<b>\$985</b>

**II. Equity Funds Sales**

	<u>SHARES</u>	<u>SALES AMOUNT</u>	<u>COMMISSIONS</u>
400 Mid-Cap Fund	649,864	33,520,430	4,875
500 Large-Cap Fund	618,442	73,516,921	4,640
600 Small-Cap Fund	60,492	4,039,921	454
<b>TOTAL EQUITY SALES</b>	<b>1,328,798</b>	<b>\$111,077,273</b>	<b>\$9,968</b>

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

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FUND NAME OF FUND	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	UNREALIZED GAINS (LOSSES)	<b>Mkt Value/ Book Value</b>
101 A & M Colleges					
<i>Shares in Equity Pools</i>	\$291	\$2,048	\$8,899	\$6,851	
<i>Shares in Fixed Income Pools</i>	2,885	2,066	5,457	3,391	
Total	<u>3,176</u>	<u>4,114</u>	<u>14,356</u>	<u>10,242</u>	<b>3.490</b>
102 State Hospital					
<i>Shares in Equity Pools</i>	291	3,453	8,898	5,445	
<i>Shares in Fixed Income Pools</i>	3,022	2,984	5,715	2,732	
Total	<u>3,313</u>	<u>6,437</u>	<u>14,613</u>	<u>8,177</u>	<b>2.270</b>
103 Leg., Exec., & Jud					
<i>Shares in Equity Pools</i>		1,803	7,273	5,471	
<i>Shares in Fixed Income Pools</i>	2,582	1,853	4,883	3,030	
Total	<u>2,582</u>	<u>3,656</u>	<u>12,156</u>	<u>8,500</u>	<b>3.325</b>
104 Military Institute					
<i>Shares in Equity Pools</i>	16	126	483	357	
<i>Shares in Fixed Income Pools</i>	177	126	334	209	
Total	<u>193</u>	<u>252</u>	<u>817</u>	<u>565</u>	<b>3.246</b>
105 Miners Hospital					
<i>Shares in Equity Pools</i>	788	7,506	24,091	16,585	
<i>Shares in Fixed Income Pools</i>	7,884	7,113	14,911	7,798	
Total	<u>8,673</u>	<u>14,620</u>	<u>39,003</u>	<u>24,383</u>	<b>2.668</b>
107 Normal School ASU/NAU					
<i>Shares in Equity Pools</i>	159	1,592	4,864	3,272	
<i>Shares in Fixed Income Pools</i>	1,644	1,434	3,108	1,674	
Total	<u>1,803</u>	<u>3,026</u>	<u>7,972</u>	<u>4,946</u>	<b>2.634</b>
108 Penitentiaries					
<i>Shares in Equity Pools</i>	479	4,115	14,649	10,534	
<i>Shares in Fixed Income Pools</i>	4,897	4,061	9,262	5,201	
Total	<u>5,377</u>	<u>8,176</u>	<u>23,911</u>	<u>15,735</u>	<b>2.925</b>

**PERMANENT LAND ENDOWMENT TRUST FUND**  
**INVESTMENTS OUTSTANDING**  
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NAME OF FUND	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	UNREALIZED GAINS (LOSSES)	<b>Mkt Value/ Book Value</b>
109 Permanent Common School					
<i>Shares in Equity Pools</i>	150,621	1,486,821	4,603,174	3,116,353	
<i>Shares in Fixed Income Pools</i>	1,509,212	1,371,410	2,854,253	1,482,843	
<b>Total</b>	<u>1,659,833</u>	<u>2,858,232</u>	<u>7,457,428</u>	<u>4,599,196</u>	<b>2.609</b>
110 School for Deaf & Blind					
<i>Shares in Equity Pools</i>	175	1,520	5,345	3,825	
<i>Shares in Fixed Income Pools</i>	2,016	1,620	3,812	2,192	
<b>Total</b>	<u>2,190</u>	<u>3,140</u>	<u>9,157</u>	<u>6,017</u>	<b>2.916</b>
111 School of Mines					
<i>Shares in Equity Pools</i>	326	2,448	9,965	7,518	
<i>Shares in Fixed Income Pools</i>	3,356	2,492	6,346	3,855	
<b>Total</b>	<u>3,682</u>	<u>4,939</u>	<u>16,311</u>	<u>11,372</u>	<b>3.302</b>
112 State Charitable					
<i>Shares in Equity Pools</i>	4,677	52,178	142,928	90,749	
<i>Shares in Fixed Income Pools</i>	45,651	44,350	86,335	41,985	
<b>Total</b>	<u>50,327</u>	<u>96,529</u>	<u>229,263</u>	<u>132,735</u>	<b>2.375</b>
113 University Fund					
<i>Shares in Equity Pools</i>	931	12,384	28,453	16,068	
<i>Shares in Fixed Income Pools</i>	9,605	9,917	18,166	8,249	
<b>Total</b>	<u>10,537</u>	<u>22,301</u>	<u>46,619</u>	<u>24,318</u>	<b>2.090</b>
114 U Of A Land - 1881					
<i>Shares in Equity Pools</i>	2,406	24,988	73,540	48,552	
<i>Shares in Fixed Income Pools</i>	24,799	22,236	46,900	24,664	
<b>Total</b>	<u>\$27,205</u>	<u>\$47,224</u>	<u>\$120,440</u>	<u>\$73,216</u>	<b>2.550</b>
<b>TOTALS - ALL FUNDS</b>					
<i>Shares in Equity Pools</i>	161,161	1,600,982	4,932,563	3,331,580	
<i>Shares in Fixed Income Pools</i>	1,617,729	1,471,662	3,059,483	1,587,821	
<b>Grand Total</b>	<u>\$1,778,890</u>	<u>\$3,072,644</u>	<u>\$7,992,046</u>	<u>\$4,919,402</u>	
<b>PRIOR YEAR:</b>					
<b>JULY 2022 BALANCES</b>	<b>\$1,794,340</b>	<b>\$2,999,430</b>	<b>\$7,512,426</b>	<b>\$4,512,996</b>	

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

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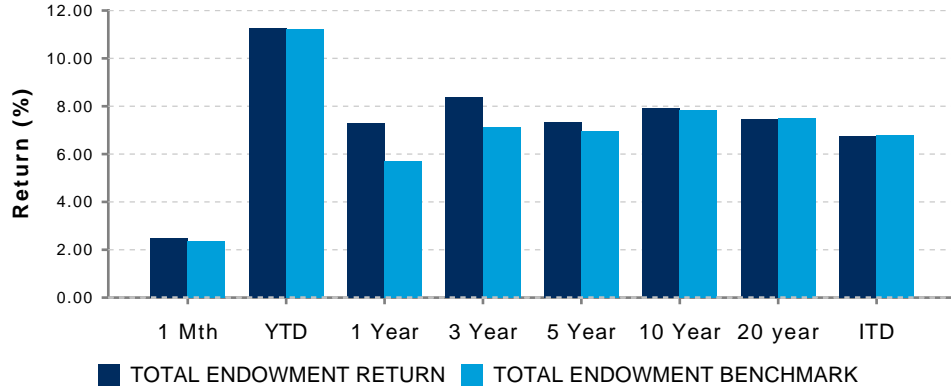
**ASSET ALLOCATION PERCENTAGE**

	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	<b>JULY 2022 MARKET VALUE</b>
<i>Equity Pools</i>	9.06%	52.10%	61.72%	<b>60.23%</b>
<i>Fixed Income Pools</i>	90.94%	47.90%	38.28%	<b>39.77%</b>
<b>Total</b>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u><b>100.00%</b></u>



Total Endowment Summary

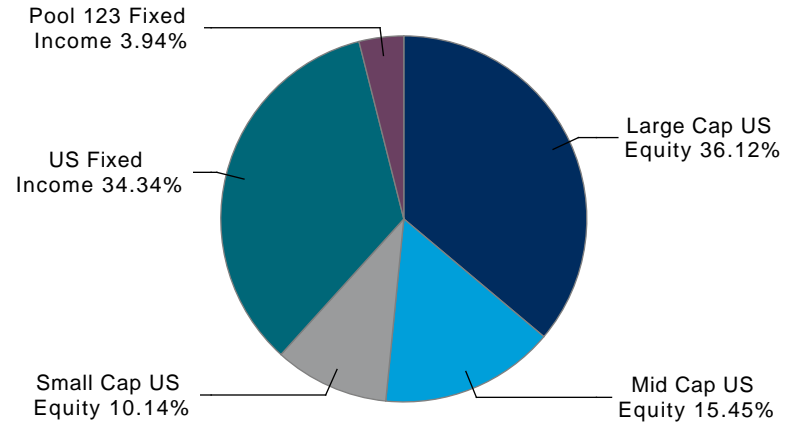
Performance



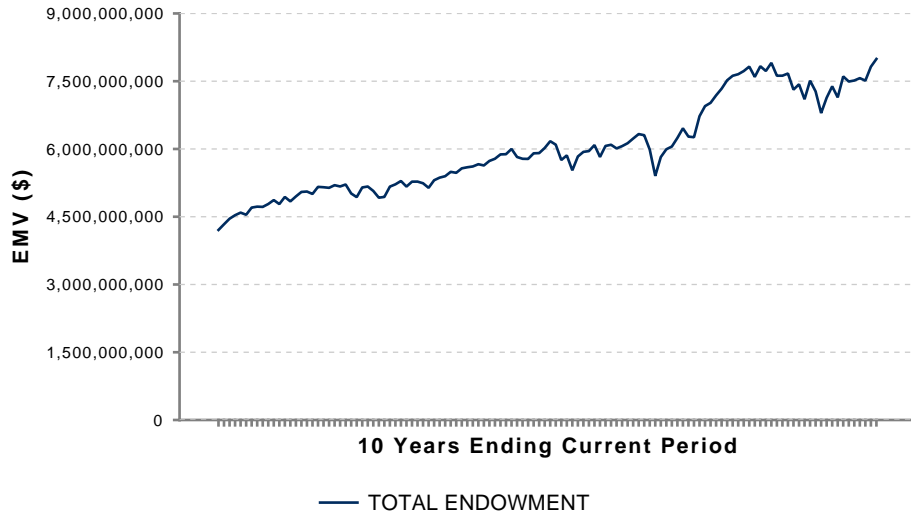
	1 Mth	YTD	1 Year	3 Year	5 Year	10 Year	20 Year	ITD	Incept Date
TOTAL ENDOWMENT RETURN	2.48	11.25	7.29	8.40	7.33	7.94	7.47	6.75	07/99
TOTAL ENDOWMENT BENCHMARK	2.37	11.21	5.69	7.14	6.96	7.85	7.52	6.81	07/99
	0.12	0.04	1.60	1.26	0.38	0.09	-0.06	-0.05	

Asset Allocation

	Ending Market Value
TOTAL ENDOWMENT RETURN	7,992,046,006

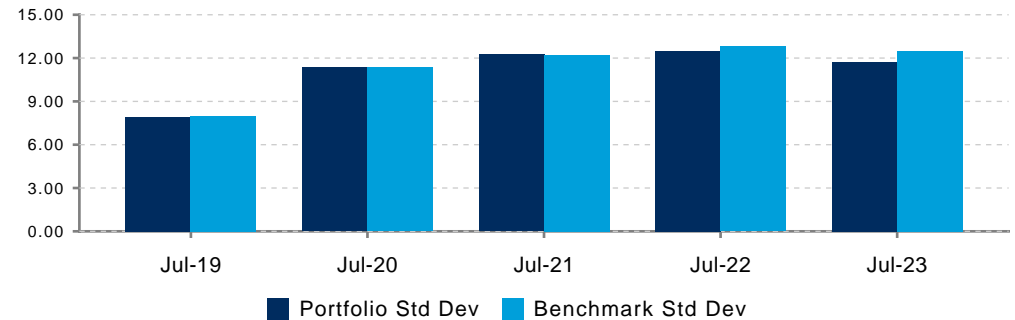


Ending Market Value



3 Year Risk Statistics

	Return	Portfolio Std Dev	Benchmark Std Dev	Sharpe Ratio	Beta	Tracking Error	Information Ratio
TOTAL ENDOWMENT RETURN	8.40	11.71	12.48	0.60	0.94	1.14	1.11



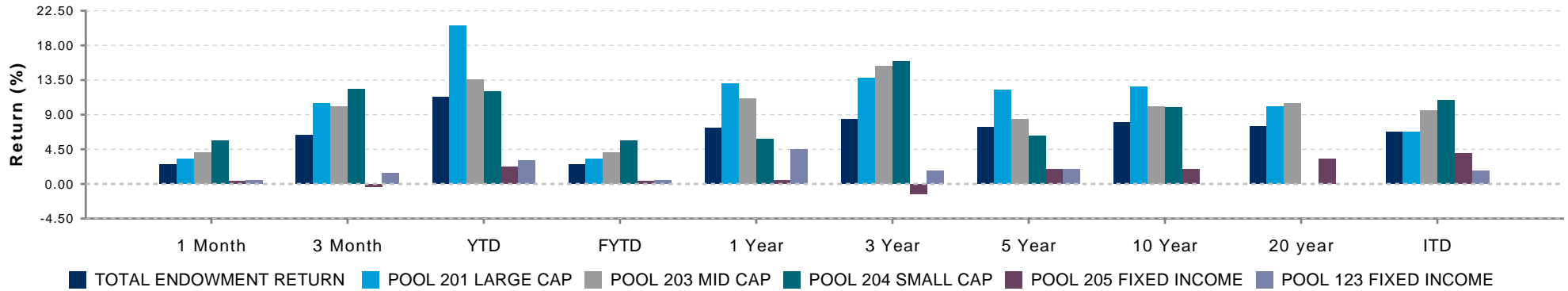
# OFFICE OF THE ARIZONA STATE TREASURER

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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	7,992,046,006	100.00	2.48	6.34	11.25	2.48	7.29	8.40	7.33	7.94	7.47	6.75	Jul-01-99
TOTAL ENDOWMENT BENCHMARK			2.37	5.91	11.21	2.37	5.69	7.14	6.96	7.85	7.52	6.81	Jul-01-99
ST OF AZ POOL 201 LARGE CAP	2,886,786,652	36.12	3.22	10.46	20.58	3.22	13.08	13.73	12.21	12.63	10.06	6.74	Jul-01-99
S&P 500 INDEX (DAILY)			3.21	10.51	20.65	3.21	13.02	13.72	12.20	12.66	10.12	7.13	Jul-01-99
			0.12	0.43	0.04	0.12	1.60	1.26	0.38	0.09	-0.06	-0.05	
ST OF AZ POOL 203 MID CAP	1,235,020,419	15.45	4.10	10.01	13.51	4.10	11.04	15.27	8.35	10.06	10.47	9.50	Aug-01-01
S&P 400 MIDCAP INDEX (DAILY)			4.13	10.04	13.33	4.13	10.47	15.26	8.28	9.99	10.51	9.48	Aug-01-01
			-0.03	-0.03	0.18	-0.03	0.57	0.01	0.07	0.06	-0.04	0.02	
ST OF AZ POOL 204 SMALL CAP	810,755,670	10.14	5.57	12.27	11.97	5.57	5.85	15.93	6.21	9.93		10.85	Mar-01-11
S&P SM 600 TR			5.51	12.19	11.87	5.51	5.26	15.71	5.70	9.67		10.64	Mar-01-11
			0.06	0.08	0.09	0.06	0.59	0.22	0.51	0.26		0.21	
POOL 205 FIXED INCOME	2,744,737,687	34.34	0.32	-0.33	2.17	0.32	0.49	-1.31	1.95	1.91	3.24	4.00	Jul-01-99
FTSE BIG (DAILY)			-0.03	-1.53	2.11	-0.03	-3.26	-4.54	0.76	1.50	3.24	3.96	Jul-01-99
			0.35	1.21	0.06	0.35	3.75	3.22	1.19	0.42	-0.00	0.04	
POOL 123 FIXED INCOME	314,745,577	3.94	0.47	1.35	3.00	0.47	4.46	1.70	1.89			1.66	Jun-01-16
ASTO-POOL 5 BENCHMARK			0.43	1.28	2.86	0.43	4.22	1.56	1.70			1.49	Jun-01-16
			0.03	0.06	0.14	0.03	0.24	0.14	0.19			0.17	

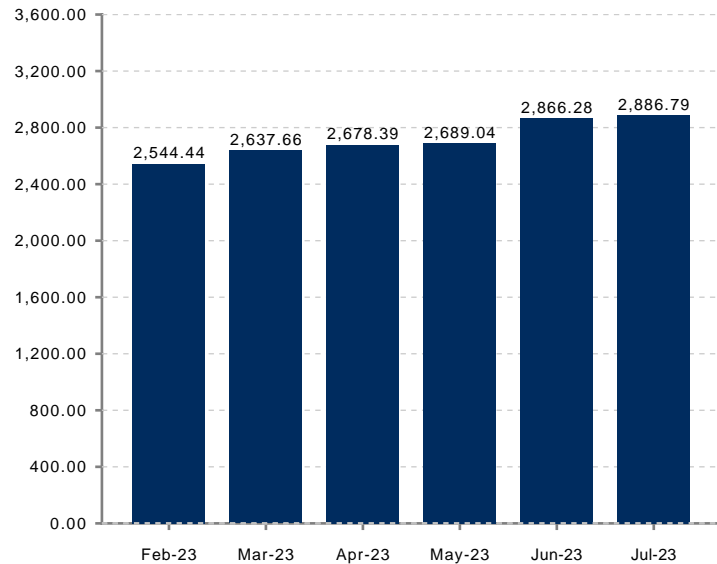
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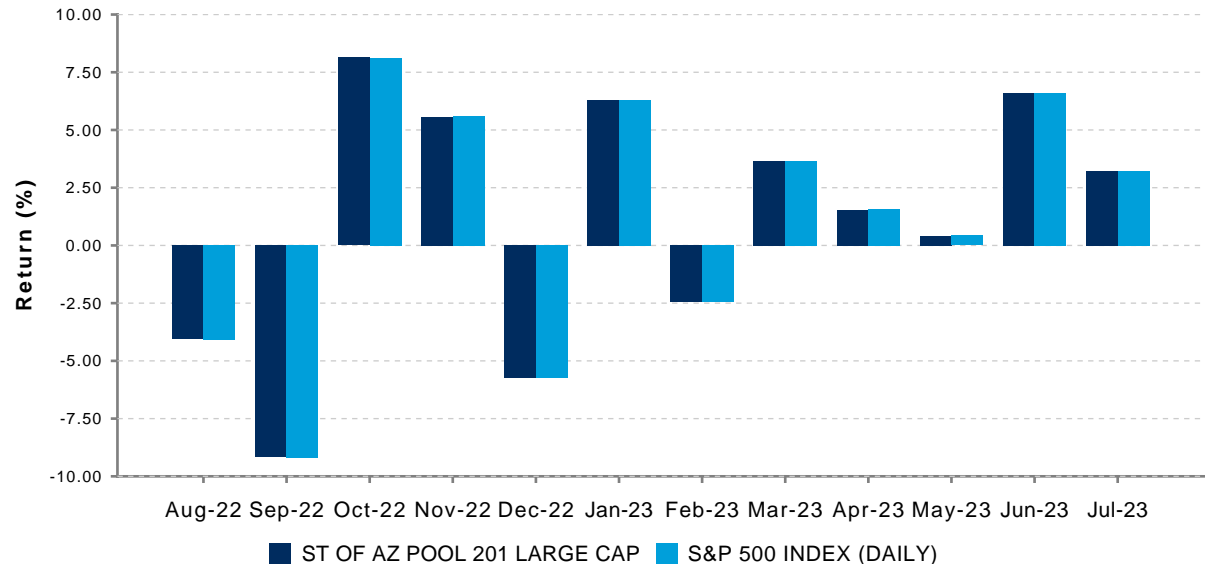
ST OF AZ POOL 201 LARGE CAP



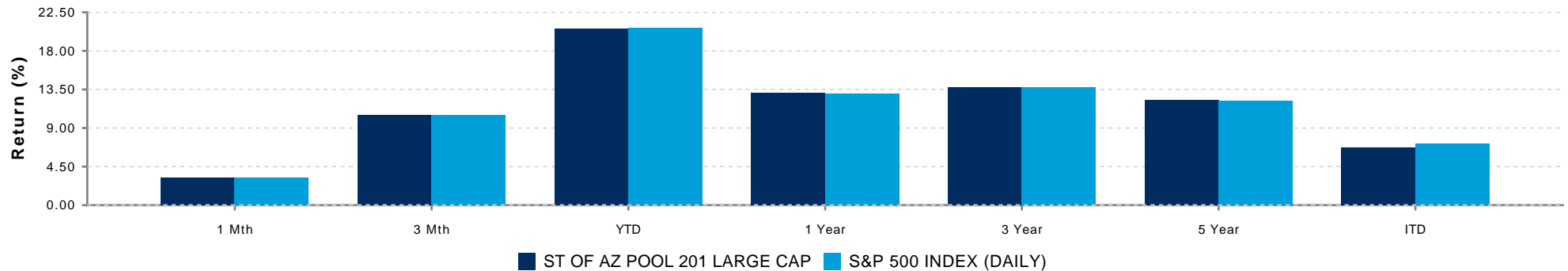
## Net Asset Values over Time (\$MM)



## Monthly Returns



## Rates of Return

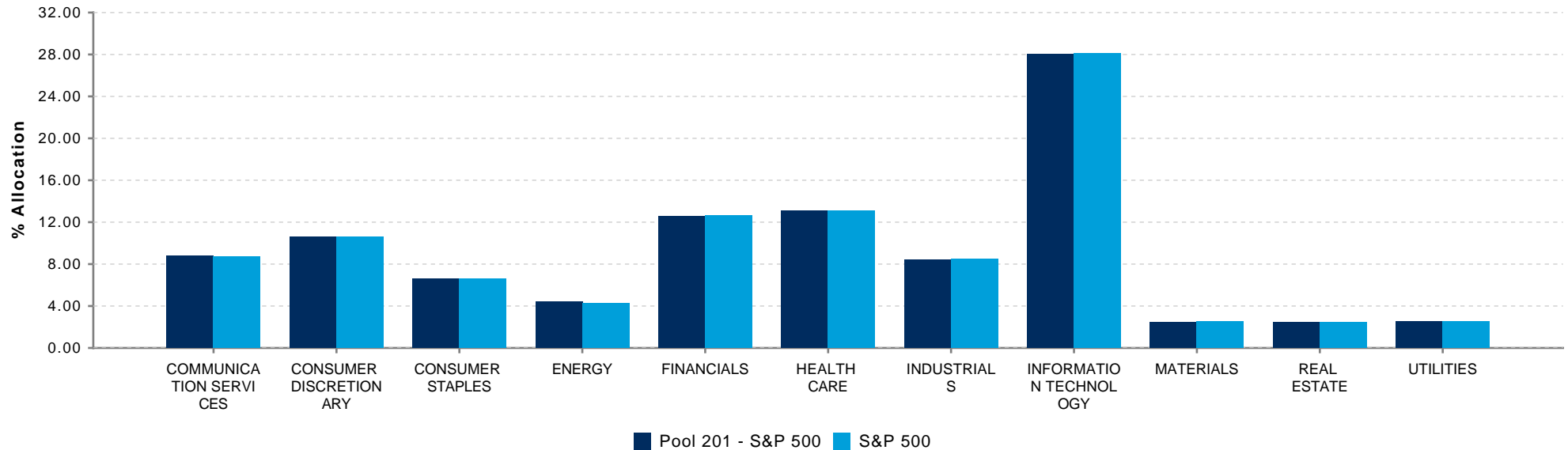


	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Jul 31 2021	Jul 31 2022	Jul 31 2023
ST OF AZ POOL 201 LARGE CAP	3.22	10.46	20.58	13.08	13.73	12.21	6.74	36.20	-4.48	13.08
S&P 500 INDEX (DAILY)	3.21	10.51	20.65	13.02	13.72	12.20	7.13	36.45	-4.64	13.02
	0.01	-0.05	-0.07	0.06	0.02	0.02	-0.40	-0.25	0.16	0.06

# OFFICE OF THE ARIZONA STATE TREASURER

July 31, 2023

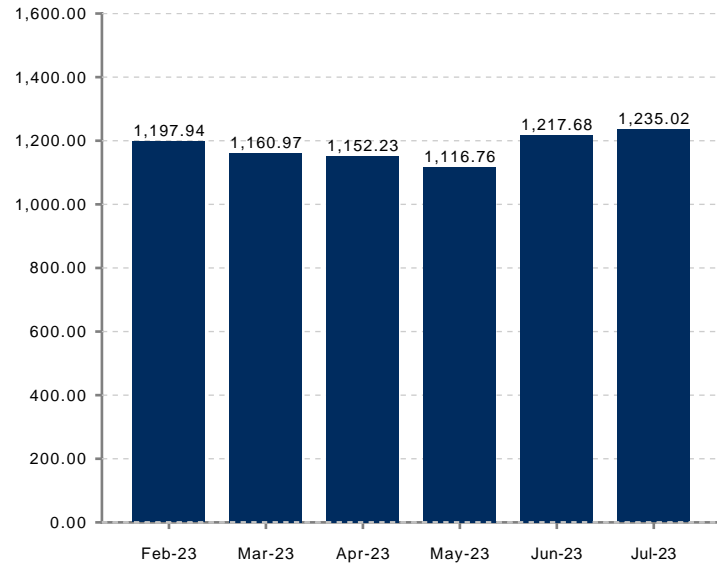
ST OF AZ POOL 201 LARGE CAP  
Sector Allocation vs S&P 500



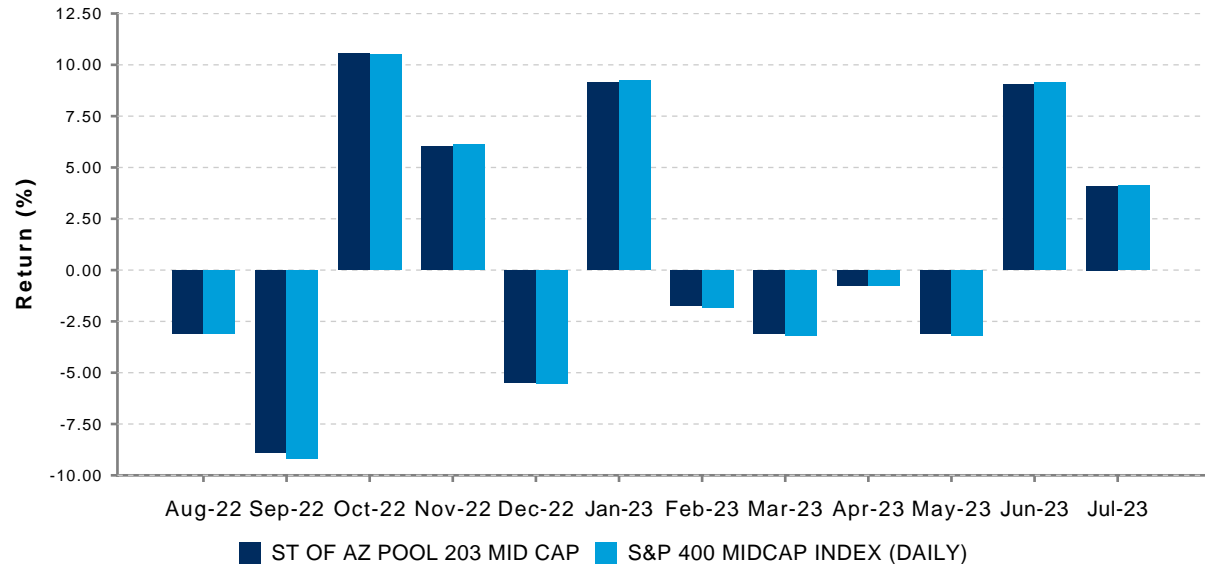
	Fund Weight	Benchmark Weight	Relative Weight
ST OF AZ POOL 201 LARGE CAP	100.00	100.00	0.00
COMMUNICATION SERVICES	8.82	8.69	0.13
CONSUMER DISCRETIONARY	10.57	10.58	-0.00
CONSUMER STAPLES	6.58	6.59	-0.01
ENERGY	4.38	4.28	0.10
FINANCIALS	12.58	12.61	-0.03
HEALTH CARE	13.11	13.12	-0.00
INDUSTRIALS	8.42	8.47	-0.05
INFORMATION TECHNOLOGY	28.05	28.13	-0.08
MATERIALS	2.49	2.51	-0.01
REAL ESTATE	2.44	2.48	-0.03
UTILITIES	2.55	2.56	-0.01



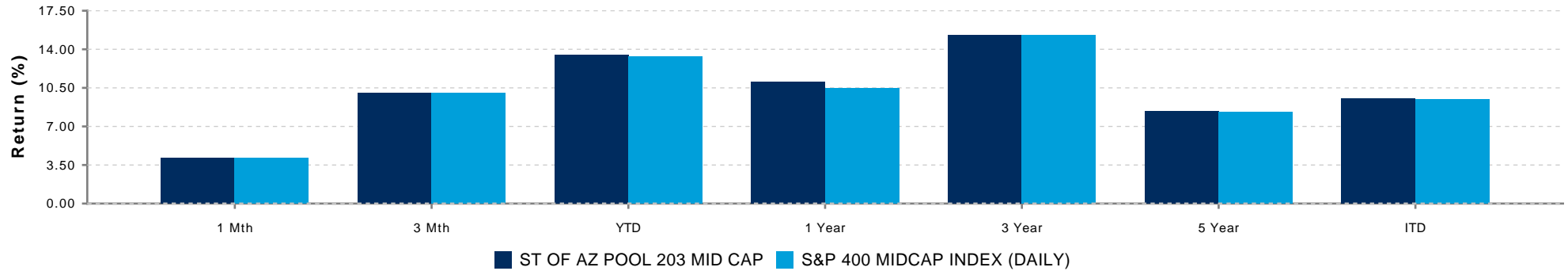
Net Asset Values over Time (\$MM)



Monthly Returns



Rates of Return

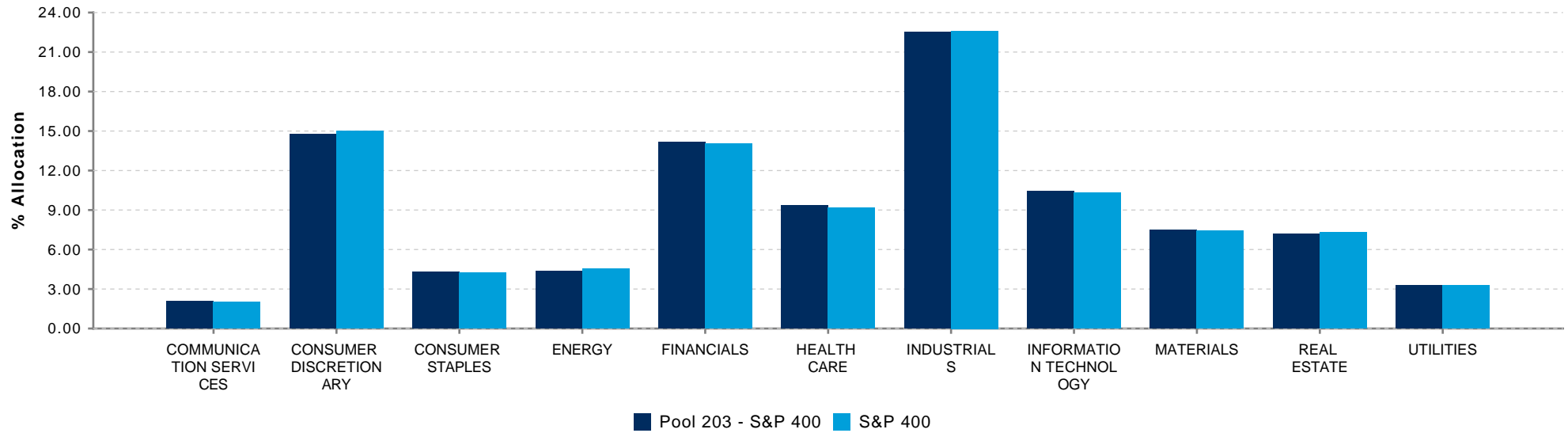


	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Jul 31 2021	Jul 31 2022	Jul 31 2023
ST OF AZ POOL 203 MID CAP	4.10	10.01	13.51	11.04	15.27	8.35	9.50	46.36	-5.75	11.04
S&P 400 MIDCAP INDEX (DAILY)	4.13	10.04	13.33	10.47	15.26	8.28	9.48	46.99	-5.70	10.47
	-0.03	-0.03	0.18	0.57	0.01	0.07	0.02	-0.63	-0.05	0.57

# OFFICE OF THE ARIZONA STATE TREASURER

July 31, 2023

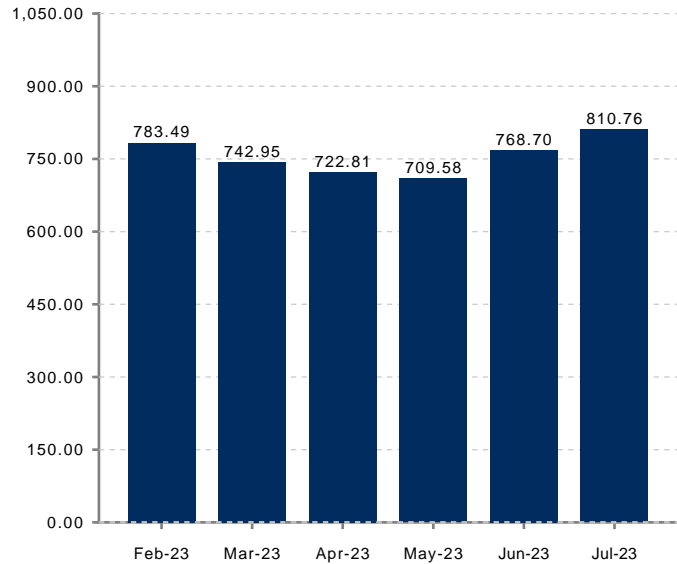
ST OF AZ POOL 203 MID CAP  
Sector Allocation vs S&P MID CAP 400



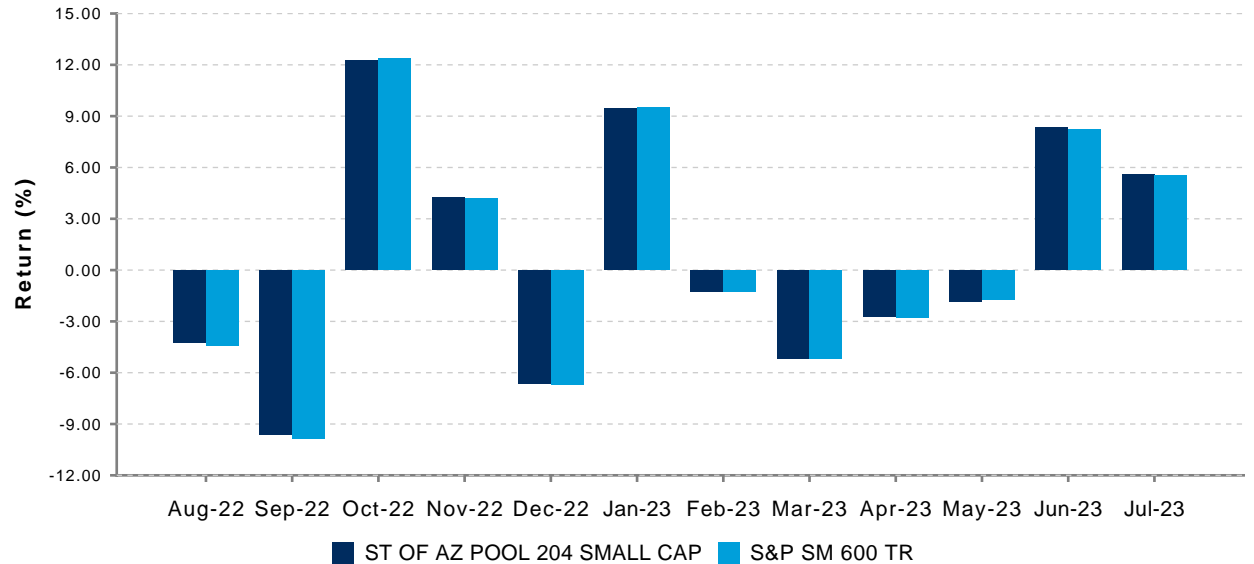
	Weight Fund	Weight Benchmark	Weight Relative
ST OF AZ POOL 203 MID CAP	100.00	100.00	0.00
COMMUNICATION SERVICES	2.05	2.03	0.02
CONSUMER DISCRETIONARY	14.78	15.02	-0.24
CONSUMER STAPLES	4.30	4.25	0.05
ENERGY	4.35	4.54	-0.19
FINANCIALS	14.17	14.05	0.11
HEALTH CARE	9.38	9.16	0.22
INDUSTRIALS	22.53	22.61	-0.08
INFORMATION TECHNOLOGY	10.46	10.34	0.12
MATERIALS	7.49	7.41	0.09
REAL ESTATE	7.19	7.33	-0.14
UTILITIES	3.29	3.25	0.04



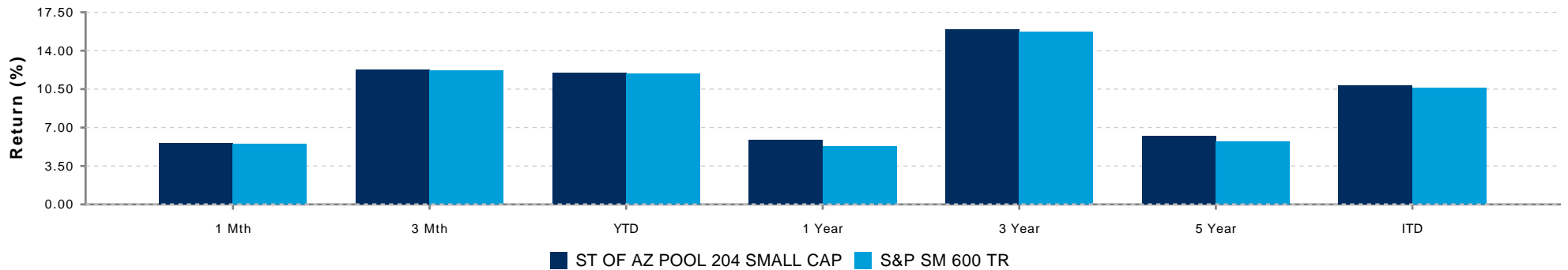
Net Asset Values over Time (\$MM)



Monthly Returns



Rates of Return

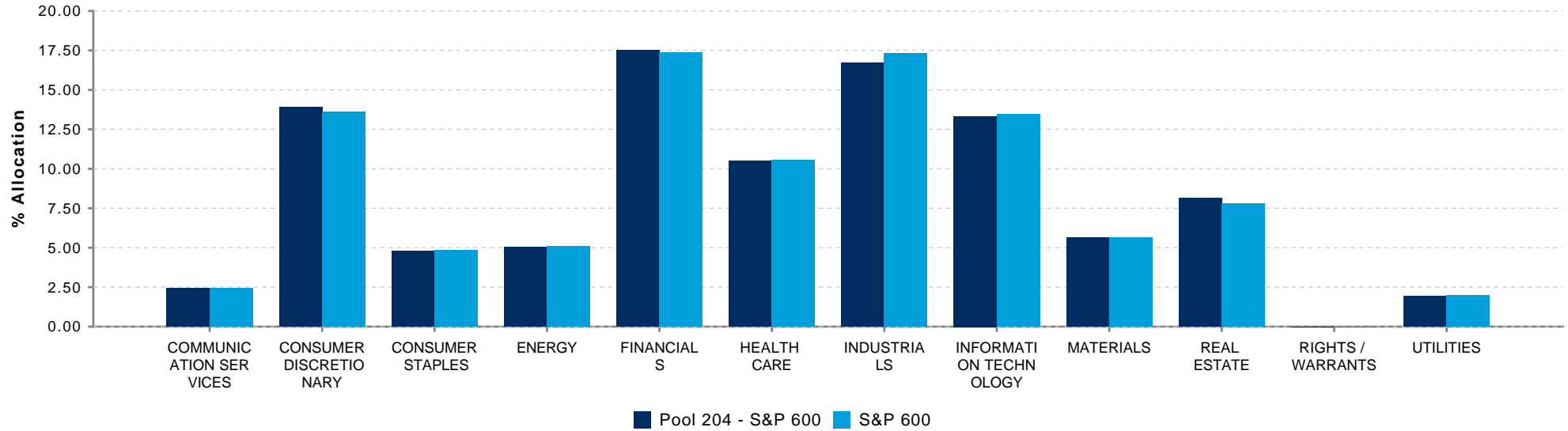


	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Jul 31 2021	Jul 31 2022	Jul 31 2023
ST OF AZ POOL 204 SMALL CAP	5.57	12.27	11.97	5.85	15.93	6.21	10.85	56.80	-6.13	5.85
S&P SM 600 TR	5.51	12.19	11.87	5.26	15.71	5.70	10.64	56.95	-6.24	5.26
	0.06	0.08	0.09	0.59	0.22	0.51	0.21	-0.15	0.11	0.59

# OFFICE OF THE ARIZONA STATE TREASURER

July 31, 2023

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

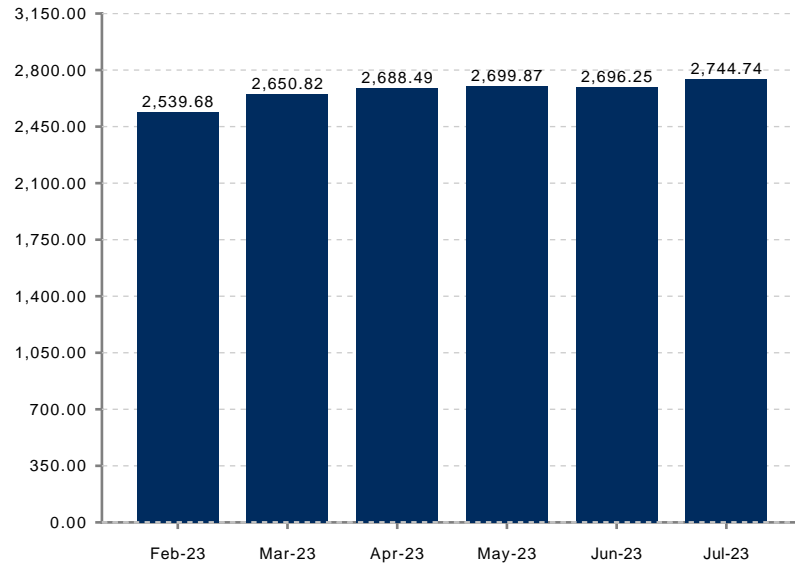


	Weight Fund	Weight Benchmark	Weight Relative
ST OF AZ POOL 204 SMALL CAP	100.00	100.00	0.00
COMMUNICATION SERVICES	2.41	2.43	-0.02
CONSUMER DISCRETIONARY	13.91	13.59	0.32
CONSUMER STAPLES	4.78	4.82	-0.04
ENERGY	5.06	5.10	-0.04
FINANCIALS	17.53	17.35	0.18
HEALTH CARE	10.49	10.54	-0.06
INDUSTRIALS	16.72	17.30	-0.58
INFORMATION TECHNOLOGY	13.33	13.45	-0.13
MATERIALS	5.66	5.66	0.00
REAL ESTATE	8.16	7.79	0.38
RIGHTS / WARRANTS	0.00	0.00	0.00
UTILITIES	1.94	1.96	-0.02

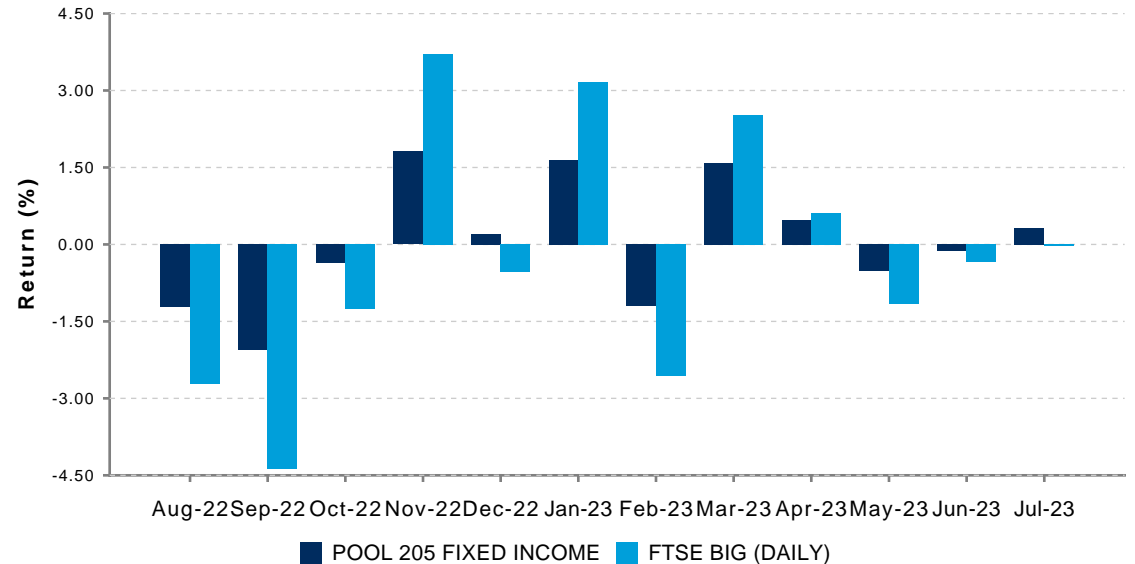




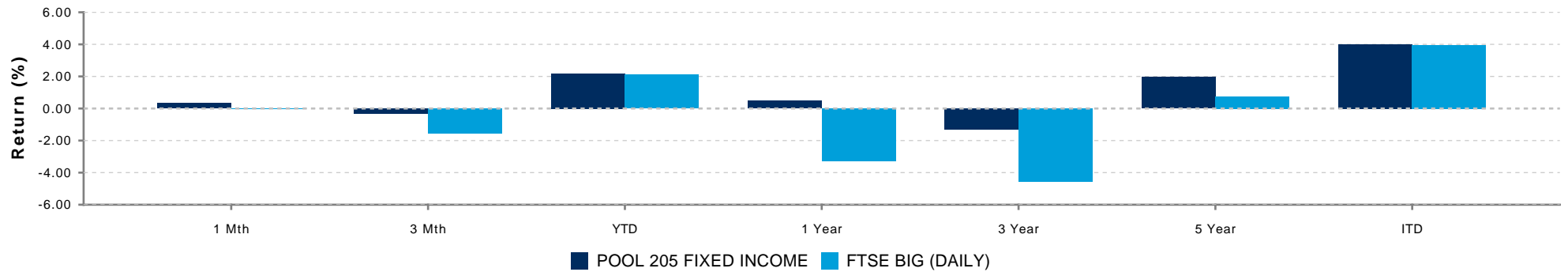
Net Asset Values over Time (\$MM)



Monthly Returns



Rates of Return

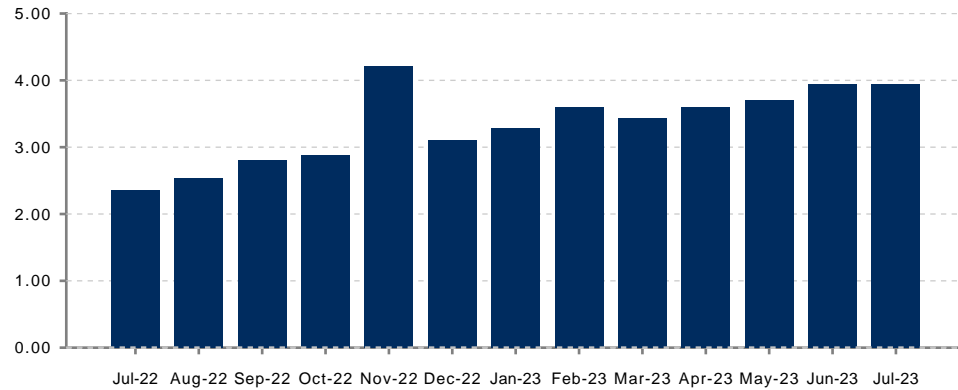


	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Jul 31 2023	Jul 31 2022	Jul 31 2021
POOL 205 FIXED INCOME	0.32	-0.33	2.17	0.49	-1.31	1.95	4.00	0.49	-4.51	0.17
FTSE BIG (DAILY)	-0.03	-1.53	2.11	-3.26	-4.54	0.76	3.96	-3.26	-9.44	-0.69
	0.35	1.21	0.06	3.75	3.22	1.19	0.04	3.75	4.92	0.86

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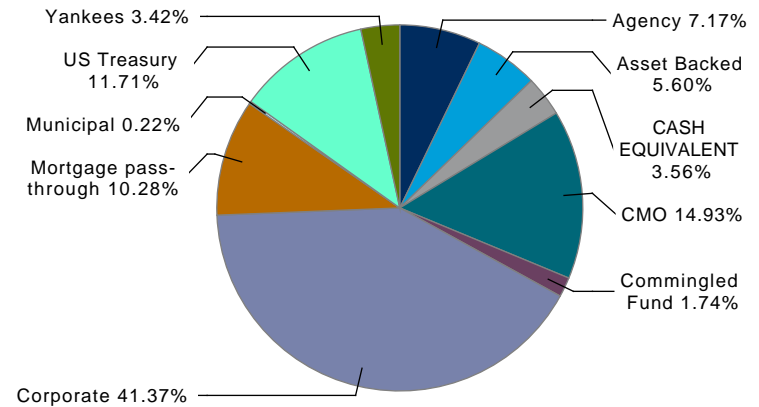
### Net Yield



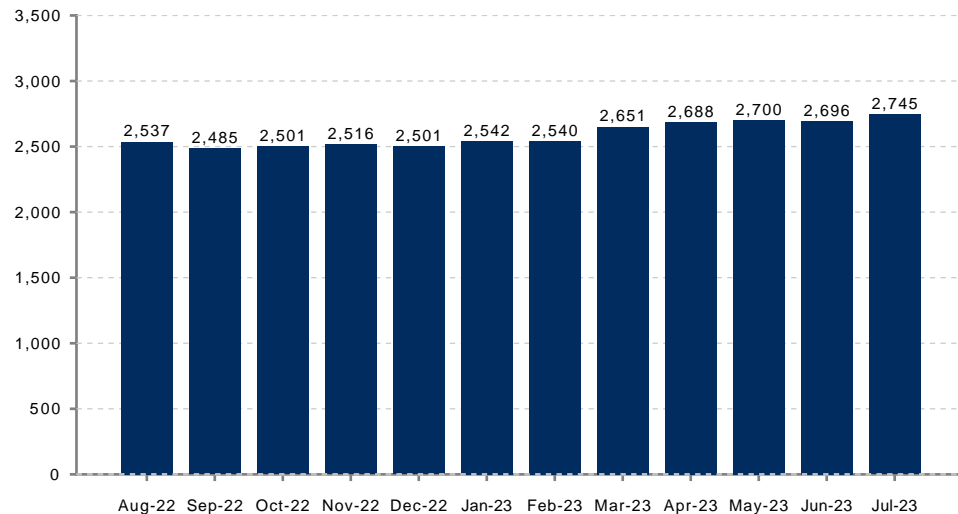
	Current Mth	Prior Mth	1 Year Ago
POOL 205 FIXED INCOME	3.95	3.95	2.36

### Asset Allocation

	Ending Market Value
POOL 205 FIXED INCOME	2,744,737,687



### Net Asset Values over Time (\$MM)

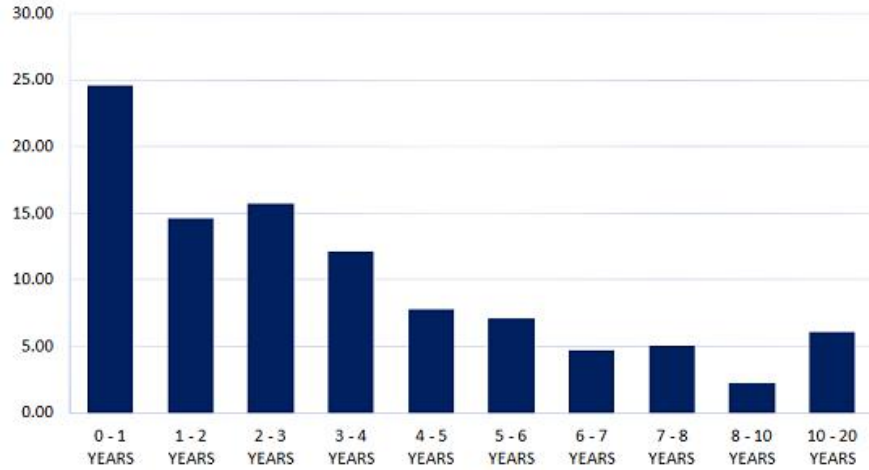


### Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 205 FIXED INCOME		
ISHARES TIPS BOND ETF	30,350,070	1.11
BOEING CO	30,116,330	1.10
VULCAN MATERIALS CO	25,605,685	0.93
GOLDMAN SACHS GROUP INC	25,200,486	0.92
BANK OF MONTREAL	25,037,335	0.91
US TREASURY N/B	24,340,031	0.89
US TREASURY N/B	21,869,665	0.80
UNITEDHEALTH GROUP INC	21,197,782	0.77
UNITEDHEALTH GROUP INC	20,982,275	0.76
HARLEY DAVIDSON FINL SER	20,695,247	0.75



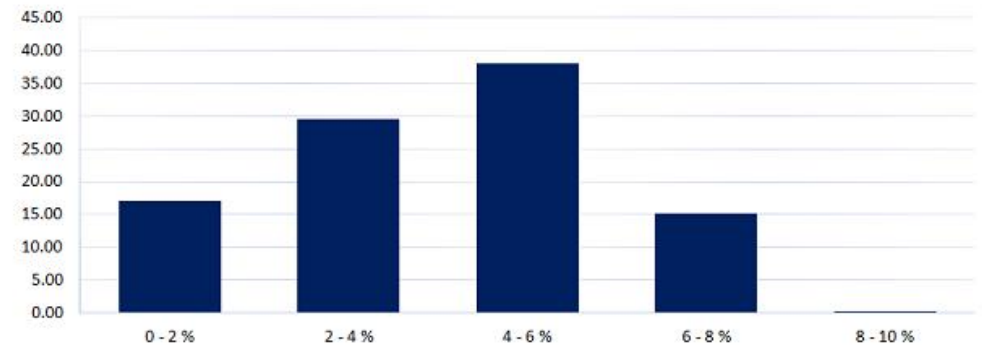
**Duration Distribution**



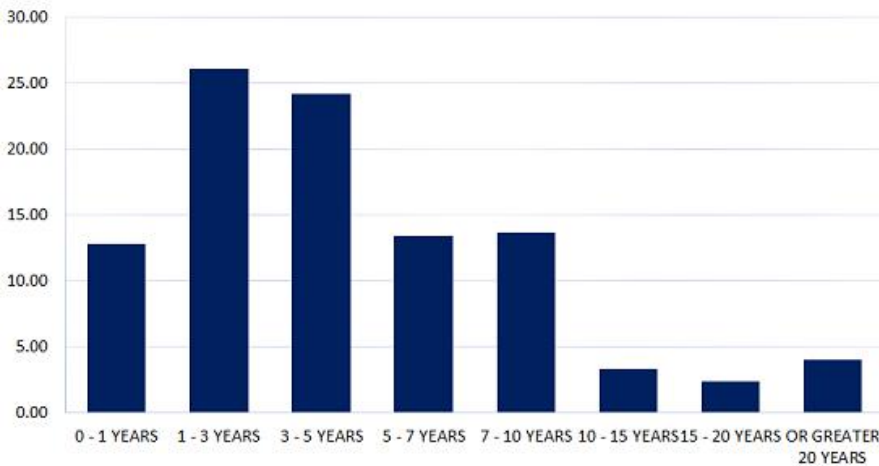
**Portfolio Level Characteristics**

	POOL 205 FIXED INCOME
Effective Maturity	5.58
Coupon	4.20
Effective Duration	3.56
Quality Rating (Moody's)	AA-3

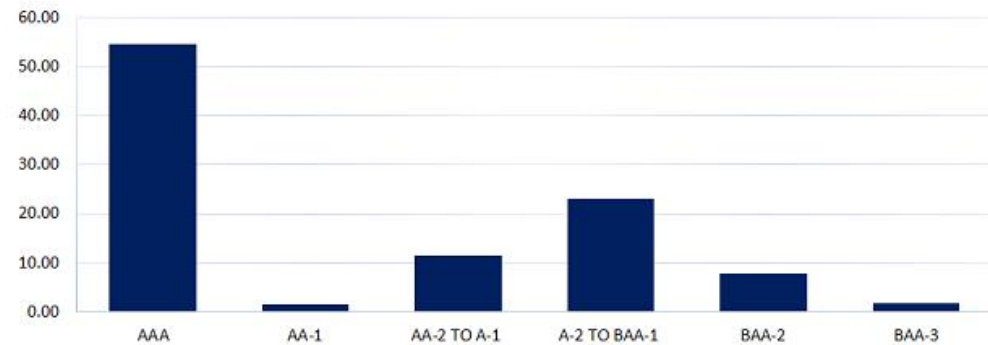
**Coupon Distribution**



**Expected Maturity Distribution**

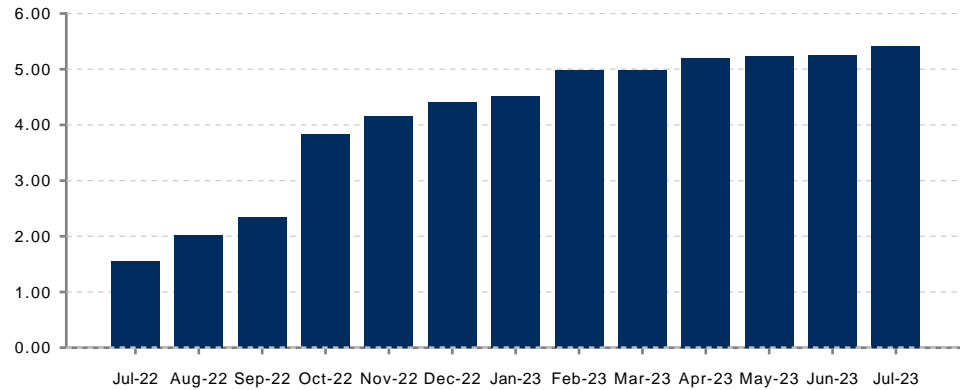


**Rating Distribution**





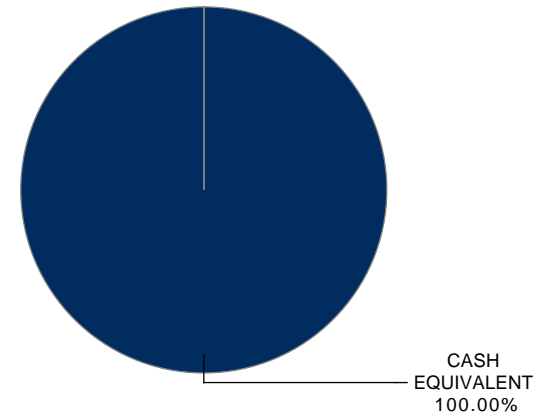
**Net Yield**



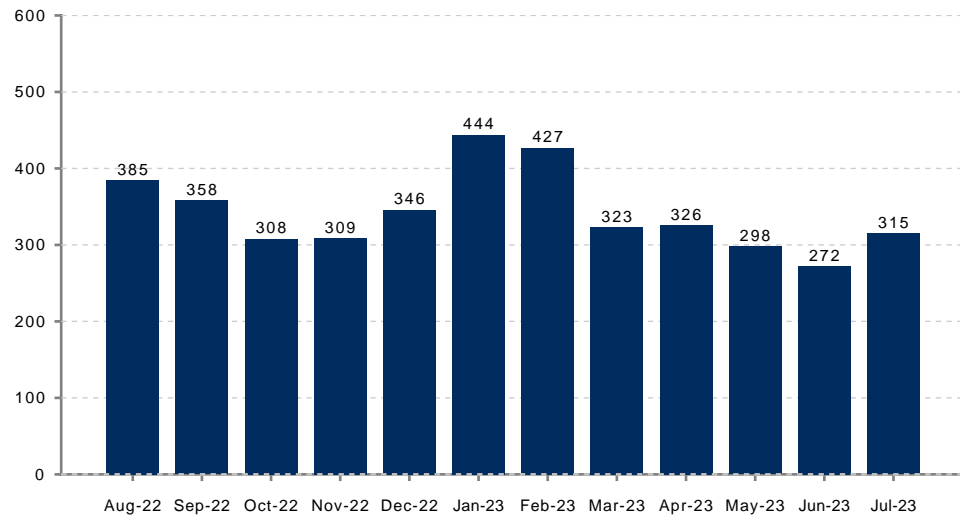
	Current Mth	Prior Mth	1 Year Ago
ST OF AZ POOL 123 ST FIXED INC	5.41	5.25	1.56

**Asset Allocation**

	Ending Market Value
ST OF AZ POOL 123 ST FIXED INC	314,745,577



**Net Asset Values over Time (\$MM)**

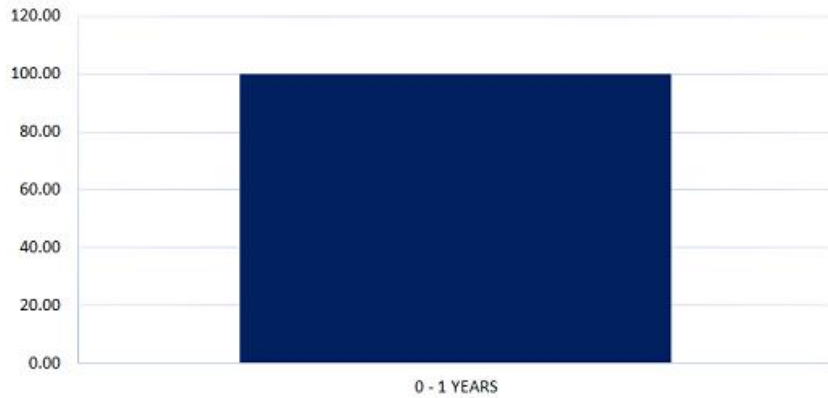


**Top 10 Holdings**

Security Name	Ending Market Value	% of Portfolio
ST OF AZ POOL 123 ST FIXED INC		
ILA FINANCIAL SQUARE GOVT	55,948,361	17.78
TREASURY BILL	29,630,463	9.41
GTA FDG LLC DISC	24,805,000	7.88
HARLEY-DAVIDSON FND CP	19,811,778	6.29
GOTHAM FDG CORP	19,762,967	6.28
AT+T INC	19,749,833	6.27
CAFCO LLC	19,681,067	6.25
MANHATTAN ASSET FDG.	19,675,433	6.25
JOHN DEERE CAPITAL C	13,943,051	4.43
CONCORD MINUTEMEN CAP	10,087,694	3.21



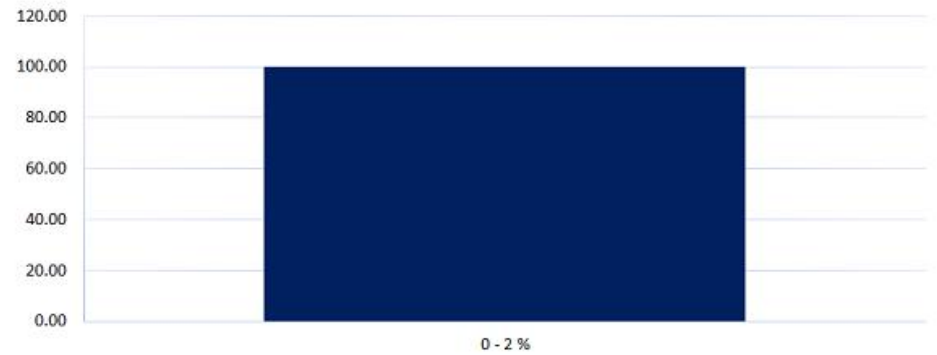
**Duration Distribution**



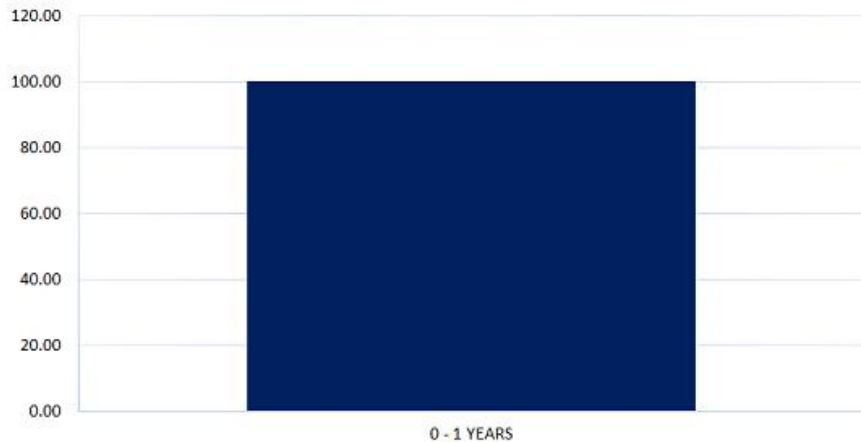
**Portfolio Level Characteristics**

	POOL 123 ST
Effective Maturity	0.17
Coupon	4.03
Effective Duration	0.17
Quality Rating (Moody's)	AA-1

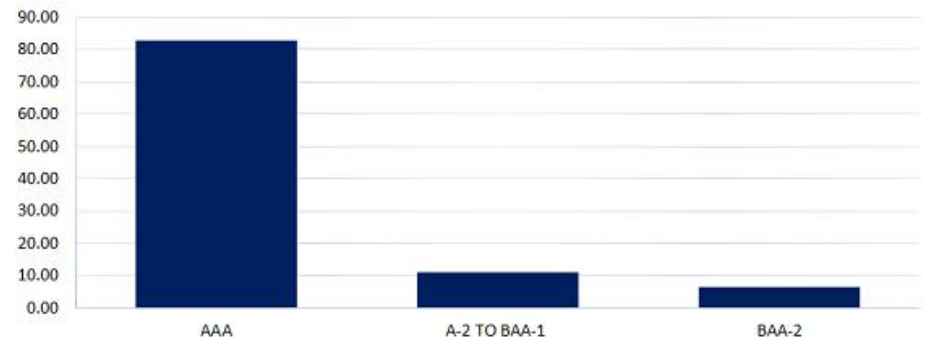
**Coupon Distribution**



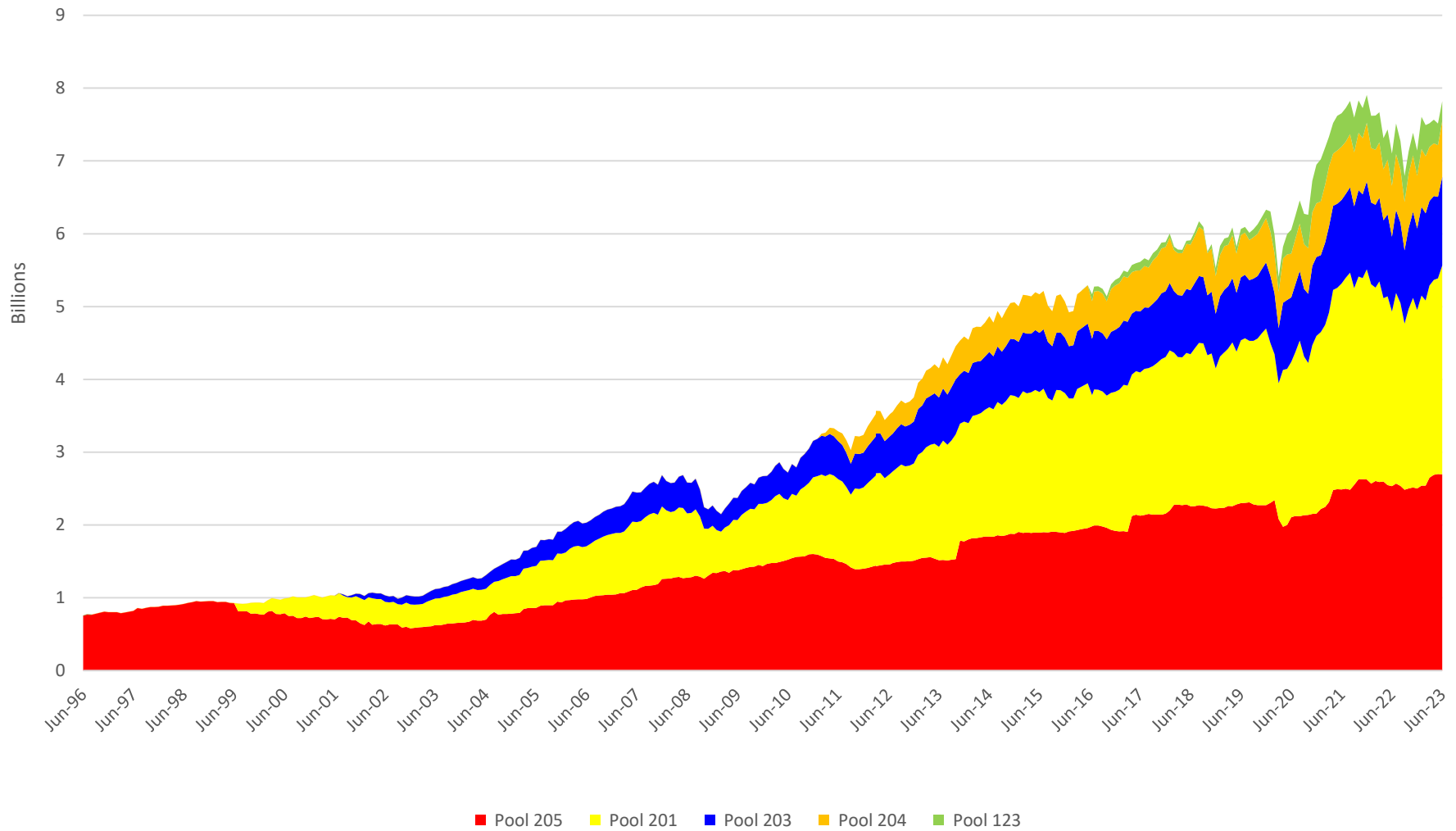
**Expected Maturity Distribution**



**Rating Distribution**



## Permanent Land Endowment Trust Fund Market Value



## ARIZONA ENDOWMENT TRUST FUND

### NET REALIZED CAPITAL GAIN/(LOSS)

	<u>July 2023</u>	<u>July 2022</u>
Current Month	\$564,799	\$0
Year-to-date	564,799	0

### MONTHLY PROCEEDS

	<u>FY 23/24</u>
July	\$2,156,834
August	
September	
October	
November	
December	
January	
February	
March	
April	
May	
June	
<b>TOTAL</b>	<b>\$2,156,834</b>

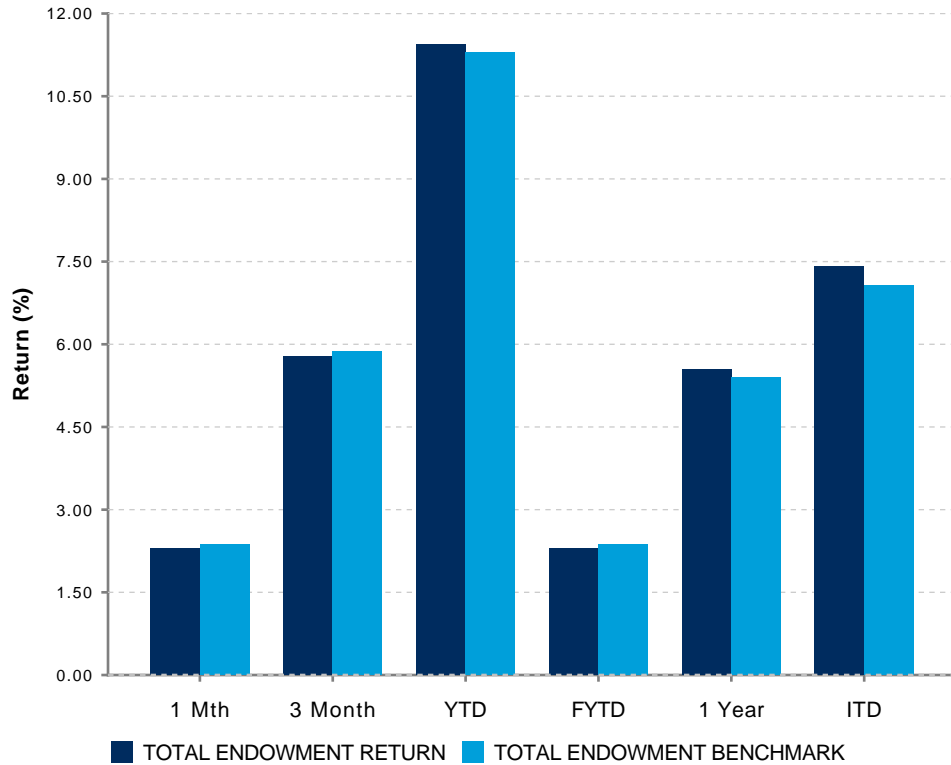
### ASSET ALLOCATION

	<u>SHARES OUTSTANDING</u>	<u>BOOK VALUE</u>	<u>MARKET VALUE</u>	<u>UNREALIZED GAIN / (LOSS)</u>
<i>Fixed Income Pools</i>	2,324,773	\$27,240,937	\$28,870,114	\$1,629,177
<i>Equity Pools</i>	3,307,995	40,861,405	43,845,262	2,983,856
<b>TOTAL</b>	<b>5,632,768</b>	<b>\$68,102,342</b>	<b>\$72,715,375</b>	<b>\$4,613,033</b>





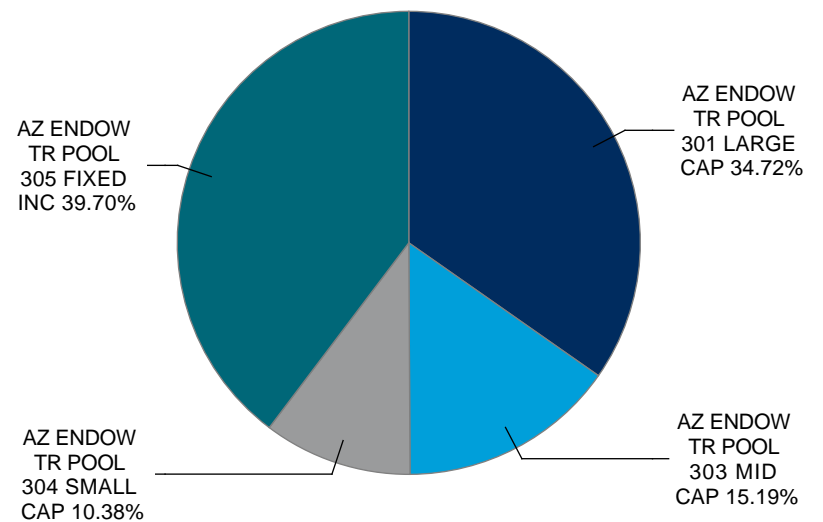
**Performance**



	1 Mth	3 Mth	YTD	FYTD	1 Year	ITD	Incept Date
TOTAL ENDOWMENT RETURN	2.30	5.78	11.44	2.30	5.54	7.41	09/19
TOTAL ENDOWMENT BENCHMARK	2.36	5.87	11.30	2.36	5.40	7.07	09/19
	-0.06	-0.08	0.14	-0.06	0.13	0.34	

**Asset Allocation**

	Ending Market Value
TOTAL ENDOWMENT RETURN	72,715,375



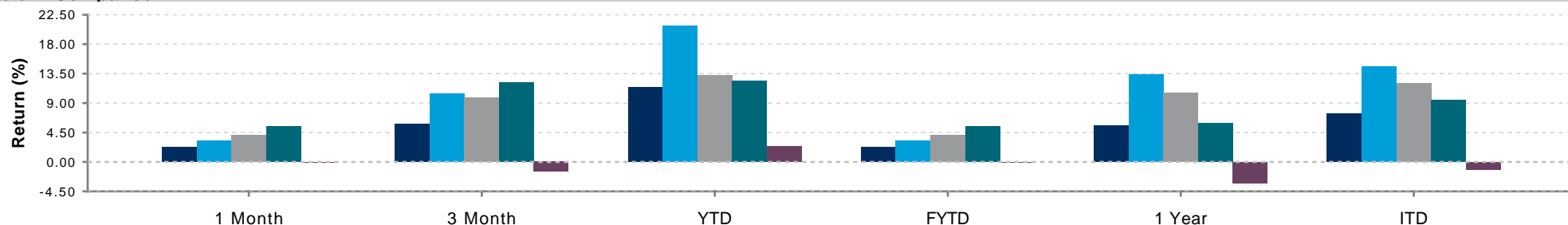
# OFFICE OF THE ARIZONA STATE TREASURER

July 31, 2023

Total Returns Net Mgr



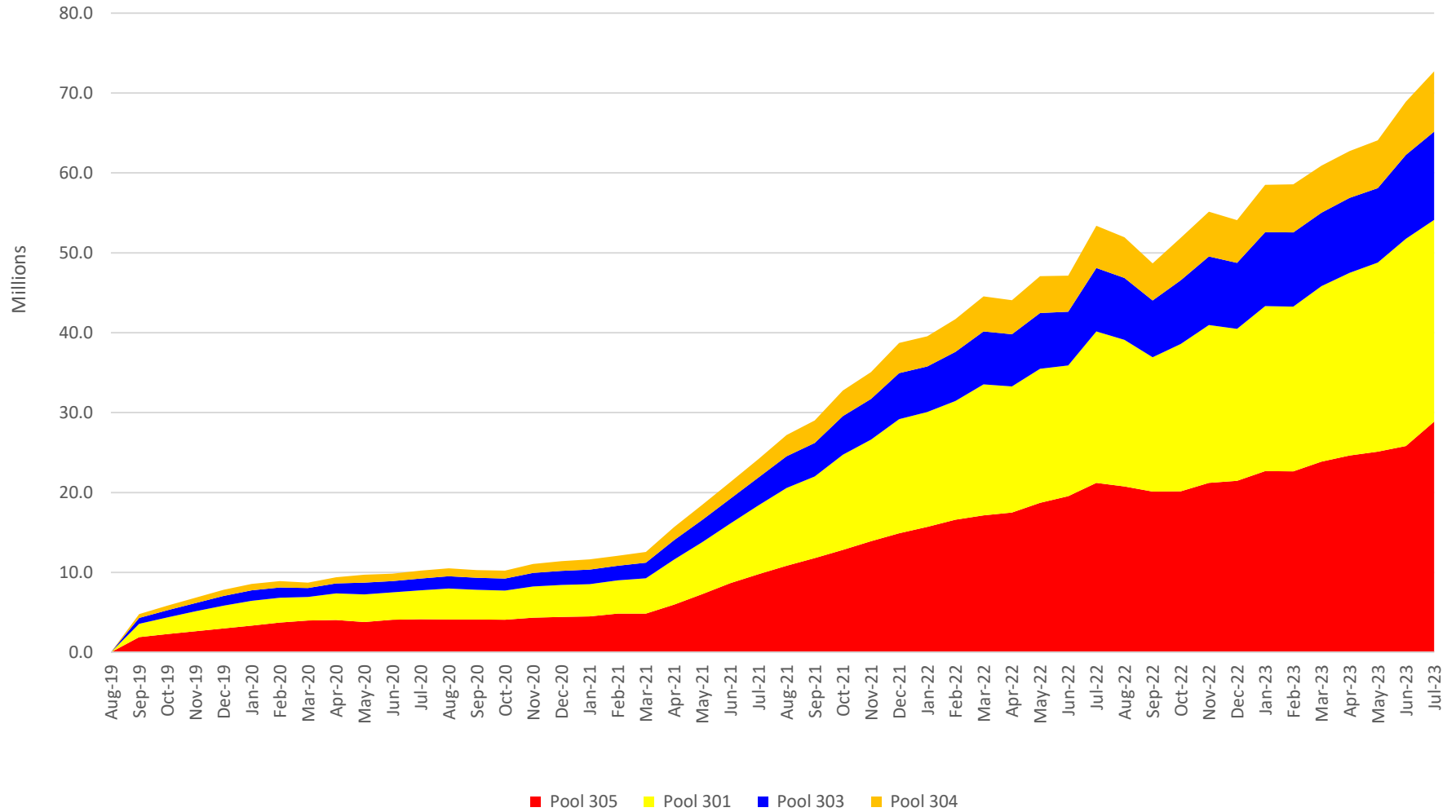
## Return Comparison



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

	Market Value	Actual Weight	1 Mth	3 Mth	YTD	FYTD	1 Year	ITD	Inc Date
TOTAL ENDOWMENT RETURN	72,715,375	100.00	2.30	5.78	11.44	2.30	5.54	7.41	Sep-01-19
TOTAL ENDOWMENT BENCHMARK			2.36	5.87	11.30	2.36	5.40	7.07	Sep-01-19
			-0.06	-0.08	0.14	-0.06	0.13	0.34	
AZ ENDOW TR POOL 301 LARGE CAP	25,246,389	34.72	3.28	10.47	20.84	3.28	13.38	14.52	Sep-01-19
S&P 500 INDEX (DAILY)			3.21	10.51	20.65	3.21	13.02	14.05	Sep-01-19
			0.06	-0.04	0.19	0.06	0.36	0.47	
AZ ENDOW TR POOL 303 MID CAP	11,048,445	15.19	4.04	9.88	13.26	4.04	10.50	12.02	Sep-01-19
S&P 400 MIDCAP INDEX (DAILY)			4.13	10.04	13.33	4.13	10.47	11.69	Sep-01-19
			-0.09	-0.16	-0.07	-0.09	0.03	0.33	
AZ ENDOW TR POOL 304 SMALL CAP	7,550,428	10.38	5.45	12.18	12.39	5.45	5.90	9.44	Sep-01-19
S&P SM 600 TR			5.51	12.19	11.87	5.51	5.26	10.56	Sep-01-19
			-0.06	-0.01	0.51	-0.06	0.63	-1.12	
AZ ENDOW TR POOL 305 FIXED INC	28,870,114	39.70	-0.03	-1.47	2.38	-0.03	-3.21	-1.18	Sep-01-19
FTSE BIG (DAILY)			-0.03	-1.53	2.11	-0.03	-3.26	-1.69	Sep-01-19
			-0.00	0.06	0.27	-0.00	0.05	0.51	

## Arizona Endowment Trust Fund Market Value



# Arizona's Education Savings Plan (AZ529) July 2023 Summary

## Overall Performance – Where We Are Now |

### ➤ AZ529, Arizona's Education Savings Plan:

- Total assets: \$2,022,071,561 (+8.8% YoY)
  - Total Arizona resident assets: \$1,034,895,621 (51.2%)
  - Total non-resident assets: \$987,175,940 (48.8%)
- Total accounts: 103,966 (+4.9% YoY)
  - Total Arizona resident accounts: 59,562 (57.3%)
  - Total non-resident accounts: 44,404 (42.7%)

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

Fidelity remains the largest AZ529 provider, holding 67.1% of total assets and 68.5% of total accounts. Total Fidelity AZ529, Arizona's Education Savings Plan assets in July were up 16.4% YoY to \$1,357,546,038 with total accounts up 12.2% YoY to 71,246. Arizona residents held 72.6% of total assets and 79.8% of total accounts, with the rest held by non-residents.

## Goldman Sachs 529 Plan | Advisor Sold

Goldman Sachs remains the second largest AZ529 provider, holding 32.5% of total assets and 30.7% of total accounts. Total Goldman Sachs 529 Plan assets in July were up 0.5% YoY to \$657,163,296 with total accounts down 4.6 % YoY to 31,945. Arizona residents held 7.2% of total assets and 7.4% of total accounts, with the rest held by non-residents. Ascensus/Goldman Sachs assumed control of Ivy InvestEd accounts on June 13, 2022.

## College Savings Bank Plan | Closed Plan

College Savings Bank (CSB) continues to wind down its participation as an AZ529 provider, holding 0.4% of total assets and 0.7% of total accounts. Total CSB Plan assets in July were \$7,362,227 in 775 accounts. Arizona residents held 27.8% of total assets and 43.9% of total accounts, with the rest held by non-residents.

## AZ529 Plan Assets |

	July 31, 2023	July 29, 2022	YoY Change
<b>Fidelity AZ529, Arizona's Education Savings Plan</b>	\$1,357,546,038	\$1,166,511,843	+16.4%
<b>Goldman Sachs 529 Plan</b>	\$657,163,296	\$653,952,155	+0.5%
<b>*College Savings Plan</b>	\$7,362,227	\$37,895,981	-80.6%
	<b>\$2,022,071,561</b>	<b>\$1,858,359,979</b>	<b>+8.8%</b>

## AZ529 Plan Accounts |

	July 31, 2023	July 29, 2022	YoY Change
<b>Fidelity AZ529, Arizona's Education Savings Plan</b>	71,246	63,471	+12.2%
<b>Goldman Sachs 529 Plan</b>	31,945	33,477	-4.6%
<b>*College Savings Plan</b>	775	2,163	-64.2%
<b>TOTAL AZ529 ACCOUNTS</b>	<b>103,966</b>	<b>99,111</b>	<b>+4.9%</b>