OFFICE OF THE

ARIZONA STATE TREASURER

JEFF DEWIT
TREASURER

JUNE 2016

Presented To:

Arizona State Board of Investment

July 28, 2016

STATE BOARD OF INVESTMENT

A G E N D A

July 28, 2016

1. Call to Order
2. Chairman Remarks
3. Approval of June 28, 2016 Minutes
4. Review of Treasurer's Monthly Reports
    A. Earnings Distribution; Investment Pools
    B. Operating Monies Invested Balances
    C. State Agency Pools Investments and Performance Reports
    D. LGIP Pools Investments and Performance Reports
    E. Earnings Distributed Endowment Funds
    F. Endowment Investments and Performance Reports
    G. Broker Activity Report
5. Proposed Changes to the Investment Policy
    A. Review of Proposed Changes
    B. Public Comment on Proposed Changes
    C. Discussion and Action on Proposed Changes
6. Review and Approval of Proposed/Pending Securities Dealers
7. General Business
    A. Designation of the State Servicing Bank and Merchant Card Processor Effective January 1, 2017
8. Call to the Public
9. Notice of Next Meeting
10. Adjournment

REPORT OF THE STATE TREASURER

FOR

July 28, 2016

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Minutes of
BOARD OF INVESTMENT MEETING

The regular meeting of the State Board of Investment was held on June 28, 2016 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 10:03 a.m.

Members Present:

Jeff DeWit, Chair, State Treasurer
Harry A. Papp, CFA and Managing Partner, L. Roy Papp & Associate
Beth Ford, Treasurer, Pima County, Via-Teleconference
Craig Brown, Director, Arizona Department of Administration

Members Absent:

Robert Charlton, Superintendent, Department of Financial Institutions

Others Present:

Mark Swenson, Deputy Treasurer of Policy & Research, Arizona State Treasurer's Office
Lorraine Jones, Deputy Treasurer of Operations, Arizona State Treasurer's Office
Sean Dollman, Deputy Treasurer of Administration, 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
Dale Stomberg, Investment Accounting Manager, Arizona State Treasurer's Office
Pam Kirk, Assistant Investment Accounting Manager, Arizona State Treasurer's Office
Ken Price, Human Resource Manager, Arizona State Treasurer's Office
Paul Ratkay, Portfolio Manager, Maricopa County Treasurer's Office
Clark Partridge, State Comptroller, Arizona Department of Administration
Howard Fischer, Reporter, Capitol Media Services,
John Gilliland, Reporter, Arizona News Radio

Pursuant to A.R.S. 35-311, the following reports for May, 2016 were submitted for the Board's approval:

Review of Treasurer's Monthly Reports:

Earnings Distribution; Investment Pools

Operating Monies Invested Balances

State Agency Pools Investments and Performance Reports

LGIP Pools Investments and Performance Reports

Earnings Distributed Endowment Funds

Endowment Investments and Performance Reports

1. **Call to Order:**
   Treasurer DeWit called the June 28, 2016 BOI meeting to order at approximately 10:03 a.m.

2. **Treasurers Comments:**
   Treasurer DeWit welcomed the board members and guests and thanked all present for attending the June 28, 2016 meeting.

3. **Approval of Minutes:**
   Mr. Papp made a motion to approve the May 24, 2016 regular session and executive session minutes. Mr. Brown 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 May, 2016.

Operating Monies Average Invested Balance

Ms. Humbert reported the Operating Monies average invested balance for the month of May, 2016.

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 May, 2016.

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 May 31, 2016.

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 May 31, 2016.

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 May, 2016.

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 May, 2016.

Mr. Brown inquired in regards to the benchmarks. Mr. Stevenson gave a brief explanation. Discussion ensued. The IRMC will follow up at the next Board Meeting with the results of the benchmark study.

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 May 31, 2016.

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 May, 2016.

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 May, 2016.

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 May, 2016 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 May, 2016.

Mr. White noted an error on page 35 regarding the Chevron Corp maturity date, the correct date is 5/16/2026 not 5/16/2016.

Equity Funds Purchases & Sales

Mr. White reported the purchases and sales (summary) of the Endowment Equity Pools for the month of May, 2016.

Investments Outstanding in Endowment Funds

Mr. White reported the par, book, market value, and unrealized gains/loss of the Endowment Funds as of May 31, 2016.

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 May 31, 2016.

Mr. Brown inquired in regards to the investment strategy moving forward with the passing of Proposition 123. Discussion ensued.

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 May 31, 2016.

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 May 31, 2016.

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 May 31, 2016.

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 May 31, 2016.

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 May, 2016.

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 May 31, 2016.

Treasurer DeWit thanked and congratulated the Staff for an outstanding job on managing the Endowment Fund.

Approval of Treasurer's Report

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

5. **Proposed Changes to Investment Policy:**
   Chief Investment Officer Patty Humbert presented the proposed changes to the Investment Policy. Treasurer DeWit asked for a motion to approve the changes as presented.

   Mr. Papp made a motion to approve the proposed changes to the Investment Policy as presented. Mr. Brown seconded the motion. Motion carried.

6. **Review and approval of Proposed/Pending Securities Dealers:**
   No proposed/pending securities dealers.

7. **General Business:**
   Ms. Humbert presented on the Endowment Distributions for FY 2016 and FY 2017. Treasurer DeWit asked for a motion.

   Mr. Brown made a motion to approve the Endowment Distributions for FY 2016 and FY 2017 as presented. Mr. Papp seconded the motion. Motion carried.

8. **Call to the Public:**
   There was no Public comment.
   Mr. Papp provided the members of the board with a brief economic update.

9. **Notice of Next Meeting:**
   Treasurer DeWit advised the Board that the next regular meeting of the Board of Investment will be Tuesday, July 26, 2016 at 1:30 p.m. at 1700 West Washington, State Capitol, West Wing, Treasurer's Conference Room, Phoenix, Arizona.

10. Adjournment:

Mr. Brown made a motion to adjourn the BOI meeting. Mr. Papp seconded the motion. Upon unanimous approval the BOI Meeting was adjourned at 11:20 a.m.

Respectfully Submitted by:

_____
Christine Thurston
Executive Consultant II

Approved by:

_____ _____
Jeff DeWit, Chair Date

EARNINGS DISTRIBUTION - INVESTMENT POOLS
JUNE 2016

Recipient	Earnings Distributed JUNE 2016	Earnings Distributed Fiscal YTD 15/16	Earnings Distributed Fiscal YTD 14/15	Fiscal YTD Investment Management Fees Received
General Fund	$1,863,688	$15,637,144	$11,993,280	
2 State Agencies - Full Faith & Credit	616,313	5,004,440	4,893,530	$532,367
3 State Agencies - Diversified *(Combined)*	594,589	7,423,241	6,680,201	877,213
4 State Agencies - Gov	479,730	5,013,990	5,138,867	570,911
5 LGIP	399,909	2,974,686	1,346,394	616,391
7 LGIP Gov	393,468	2,383,928	709,974	572,749
10 Restricted Operating	353,733	3,806,849	3,293,525	725,835
12 CAWCD Medium-Term	413,903	4,269,463	5,010,926	175,240
16 ECDH Medium-Term	476,607	5,240,026	5,524,448	210,069
Subtotal	**$5,591,941**	**$51,753,767**	**$44,591,145**	**$4,280,776**
NAV POOL				
500 LGIP - Med Term	292,690	3,142,070	2,787,646	134,605
700 LGIP - FF&C Med Term	132,072	1,494,553	1,316,041	80,562
Total	**$6,016,703**	**$56,390,391**	**$48,694,833**	**$4,495,943**
JUNE 2015 TOTALS	**$4,072,810**			**$4,346,311**

*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)

OPERATING MONIES
AVERAGE INVESTED BALANCE
Through June 30, 2016
(in millions of dollars)

Month	Fiscal Year 2013/2014	Fiscal Year 2014/2015	Fiscal Year 2015/2016
JULY	1,942	1,876	1,795
AUGUST	1,709	1,369	1,554
SEPTEMBER	1,974	1,638	1,874
OCTOBER	1,824	1,521	1,701
NOVEMBER	1,853	1,535	1,686
DECEMBER	1,895	1,478	1,734
JANUARY	2,234	1,754	2,140
FEBRUARY	2,427	1,959	2,295
MARCH	2,107	1,686	2,092
APRIL	2,100	1,879	2,407
MAY	2,312	2,163	2,720
JUNE	2,462	2,307	2,590
Y-T-D Average	**$2,070**	**$1,764**	**$2,049**

Budget Stabilization Average Fund Balance - June 2016 **$461**
Total Average Cash Available - June 2016 **$3,051**

STATE AGENCY POOLS
PORTFOLIO EARNINGS ANALYSIS
JUNE 2016

FUND	DESCRIPTION	Current Month 06/30/16	Prior Month 05/31/16	Prior Year 06/30/15	Net Asset Value Per Share
2	STATE AGENCIES - FULL FAITH & CREDIT	711,502	635,908	486,785	1.0004
3	STATE AGENCIES - DIVERSIFIED				
	INTERNAL MANAGERS	1,337,827	1,405,064	750,274	1.0007
	EXTERNAL MANAGERS	98,659	99,206	71,696	1.0041
	FUND 3 TOTAL	1,436,487	1,504,270	821,970	1.0009
4	STATE AGENCIES - GOV	725,485	737,123	475,903	1.0009
10	RESTRICTED OPERATING				
	INTERNAL MANAGERS	859,923	892,240	731,421	1.0022
	EXTERNAL MANAGERS	146,581	152,669	111,296	1.0005
	FUND 10 TOTAL	1,006,505	1,044,909	842,718	1.0019
12	CAWCD MEDIUM-TERM	413,903	418,129	448,981	1.0077
15	AHCCCS OPERATING	14,829	9,331	N/A	N/A
16	ECDH MEDIUM-TERM	476,607	481,392	457,548	1.0081
	TOTAL STATE AGENCIES	**4,785,318**	**4,831,060**	**3,533,904**	

STATE AGENCY POOLS
PORTFOLIO YIELD ANALYSIS
JUNE 2016

FUND	DESCRIPTION	Current Month 06/30/16	Prior Month 05/31/16	Prior Year 06/30/15
2	STATE AGENCIES - FULL FAITH & CREDIT	0.89%	0.78%	0.55%
	75% MERRILL 0-1 US TREAS INDEX / 25% MERRILL US GNMA MORTGAGE BACKED INDEX	0.82%	1.01%	0.81%
3	STATE AGENCIES - DIVERSIFIED			
	INTERNAL MANAGERS	0.90%	0.83%	0.55%
	EXTERNAL MANAGERS	1.17%	1.14%	0.86%
	COMBINED	0.92%	0.85%	0.57%
	50% 3 MONTH LIBOR INDEX / 50% MERRILL 1-3 US BROAD MARKET INDEX	0.81%	0.93%	0.63%
4	STATE AGENCIES - GOV	0.77%	0.73%	0.58%
	50% MERRILL 6 MTH US T-BILL INDEX / 50% MERRILL 1-3 UNSUB. US TREAS / AGY INDEX	0.48%	0.67%	0.36%
10	RESTRICTED OPERATING			
	INTERNAL MANAGERS	1.04%	1.05%	0.82%
	EXTERNAL MANAGERS	0.59%	0.59%	0.45%
	COMBINED	0.94%	0.94%	0.74%
	50% 3 MONTH LIBOR INDEX / 50% MERRILL 1-3 US BROAD MARKET INDEX	0.81%	0.93%	0.63%
12	CAWCD MEDIUM-TERM	1.49%	1.47%	1.78%
	MERRILL 1-5 US D M INDEX	1.30%	1.53%	1.38%
15	AHCCCS OPERATING	0.36%	0.34%	N/A
16	ECDH MEDIUM-TERM	1.67%	1.64%	1.62%
	MERRILL 1-5 US D M INDEX	1.30%	1.53%	1.38%

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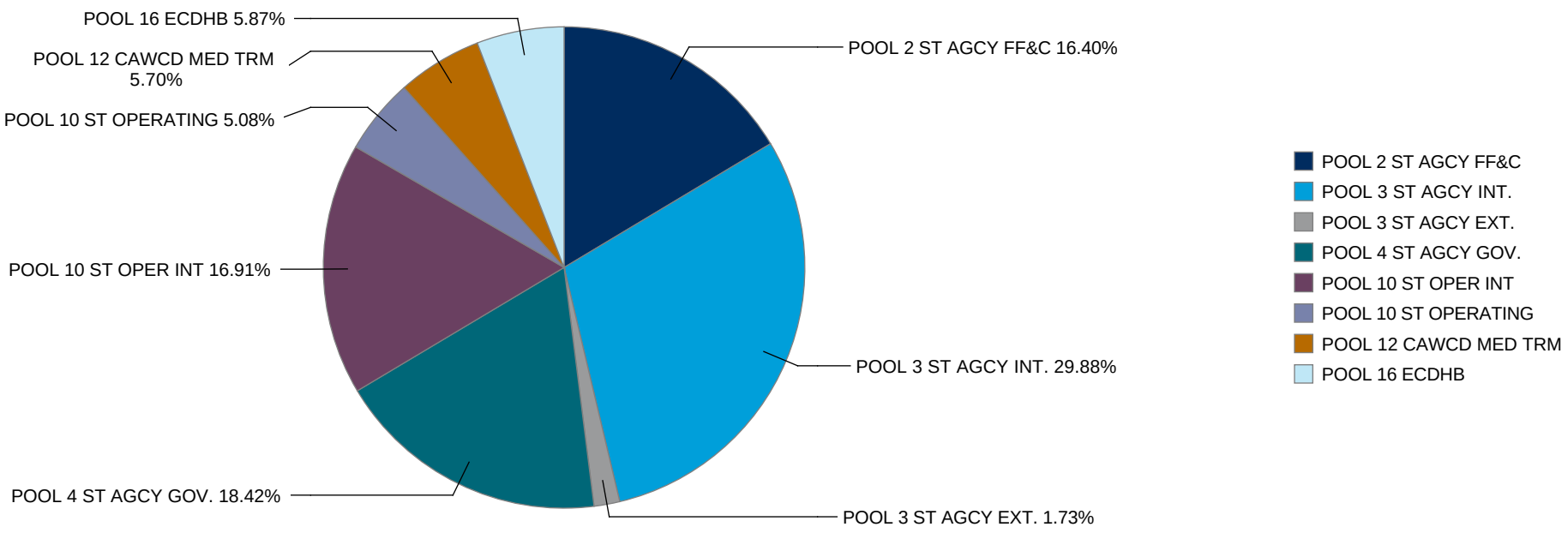
June 30, 2016

STATE AGENCY

Manager Allocation



	Market Value	% of Portfolio
POOL 2 ST AGCY FF&C	979,489,975	16.4
POOL 3 ST AGCY INT.	1,785,001,089	29.9
POOL 3 ST AGCY EXT.	103,399,914	1.7
POOL 4 ST AGCY GOV.	1,100,525,027	18.4
POOL 10 ST OPER INT	1,009,775,278	16.9
POOL 10 ST OPERATING	303,676,912	5.1
POOL 12 CAWCD MED TRM	340,562,751	5.7
POOL 16 ECDHB	350,734,735	5.9
TOTAL STATE AGENCY	5,973,165,685	100.0

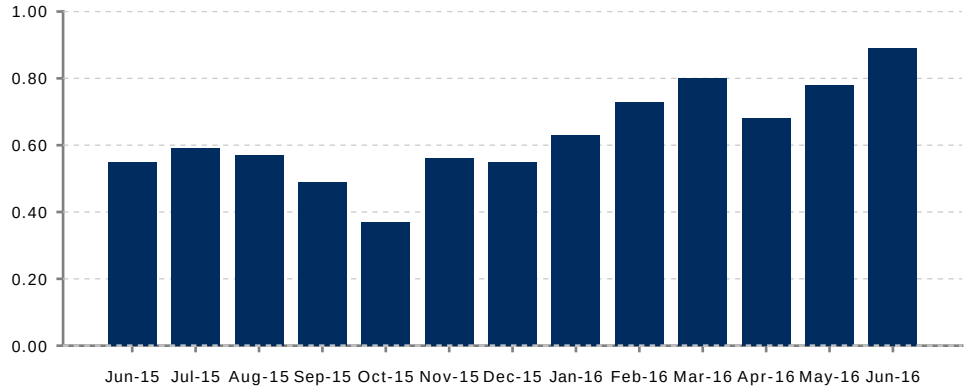
OFFICE OF THE ARIZONA STATE TREASURER

June 30, 2016

POOL 2 ST AGCY FF&C

STATE STREET.

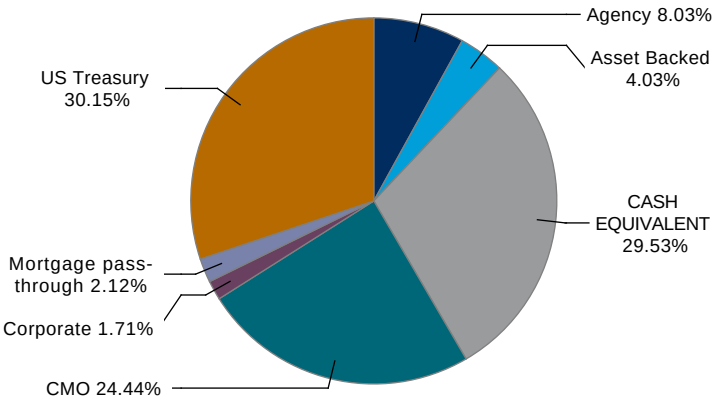
Net Yield



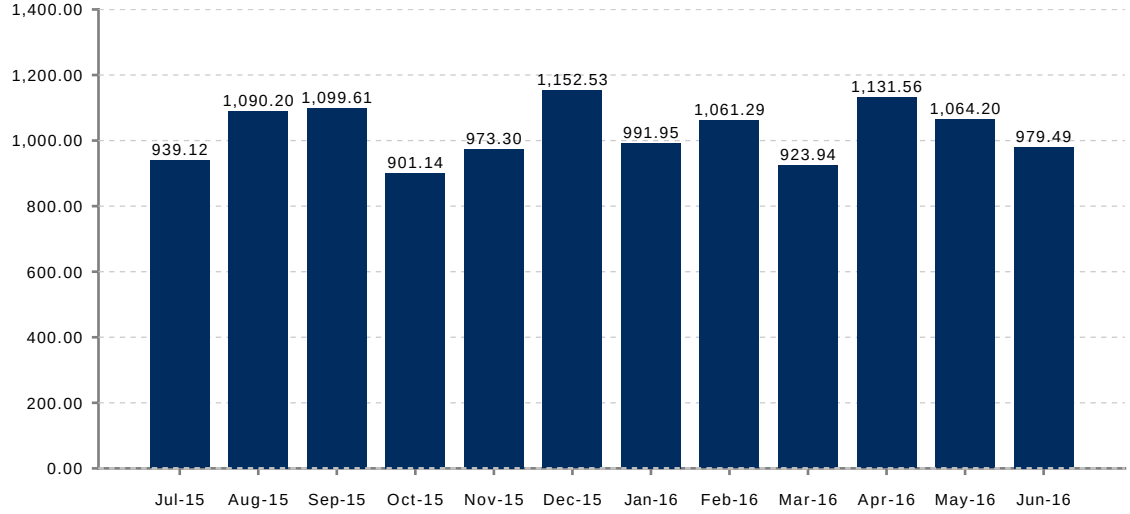
	Current Mth	Prior Mth	1 Year Ago
POOL 2 ST AGCY FF&C	0.89	0.78	0.55

Asset Allocation

	Ending Market Value
POOL 2 ST AGCY FF&C	979,489,975



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 2 ST AGCY FF&C		
SOUTH STREET REPO	139,346,982	14.23
GUGGENHEIM SECURITIES REPO	100,012,500	10.21
US TREASURY N/B	41,603,338	4.25
US TREASURY FRN	40,030,203	4.09
TREASURY BILL	29,972,310	3.06
TREASURY BILL	29,922,630	3.05
GOVERNMENT NATIONAL MORTGAGE A	25,336,765	2.59
US TREASURY N/B	20,092,385	2.05
US TREASURY FRN	20,016,846	2.04
US TREASURY FRN	20,012,178	2.04

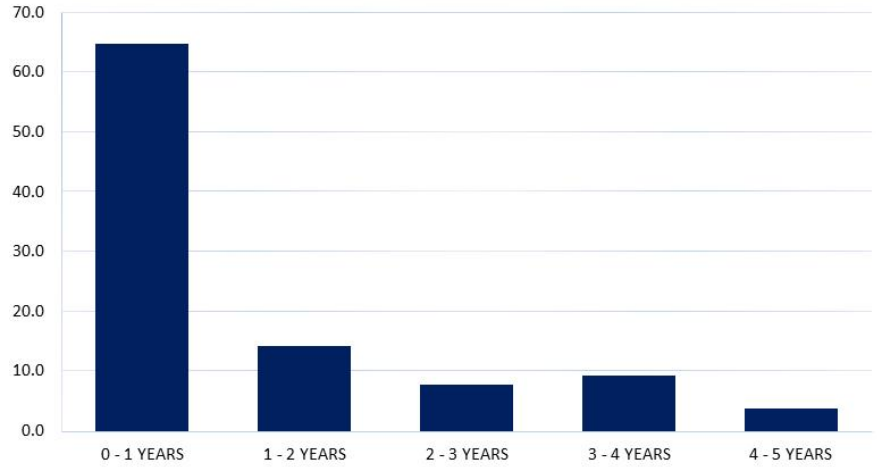
OFFICE OF THE ARIZONA STATE TREASURER

June 30, 2016

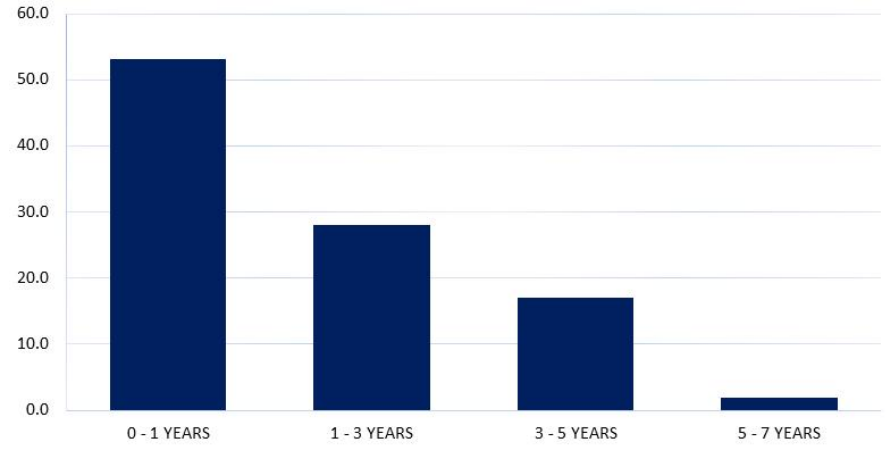
POOL 2 ST AGCY FF&C

STATE STREET.

Duration Distribution



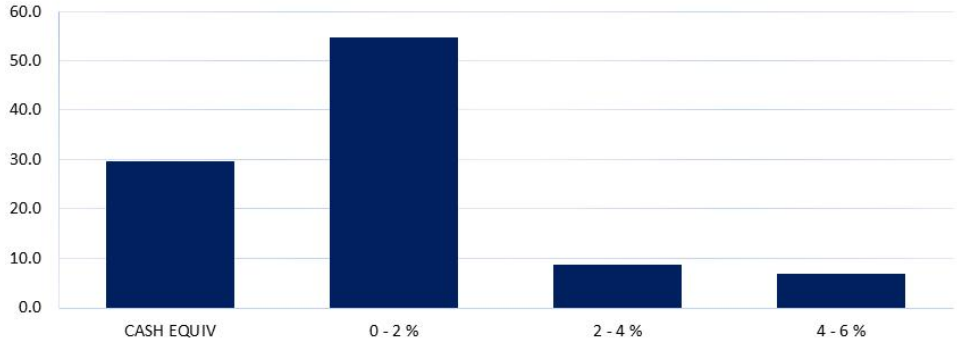
Expected Maturity Distribution



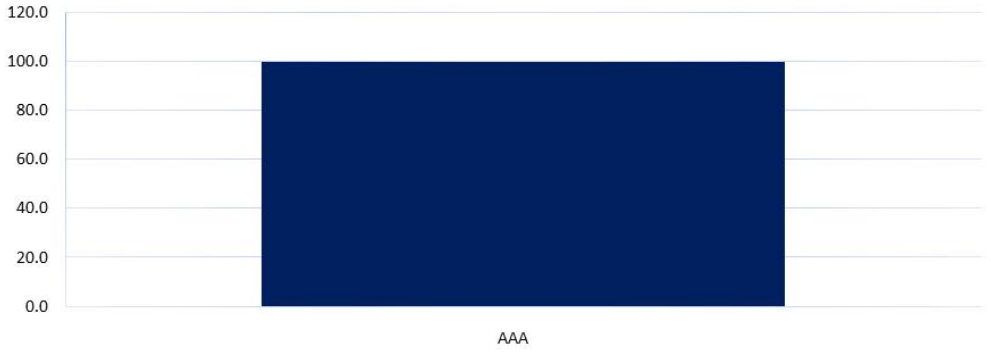
Portfolio Level Characteristics

	POOL 2 ST AGCY FF&C
Weighted Average Life	1.52
Coupon	1.50
Effective Duration	1.06
Quality Rating (Moody's)	AAA

Coupon Distribution



Rating Distribution



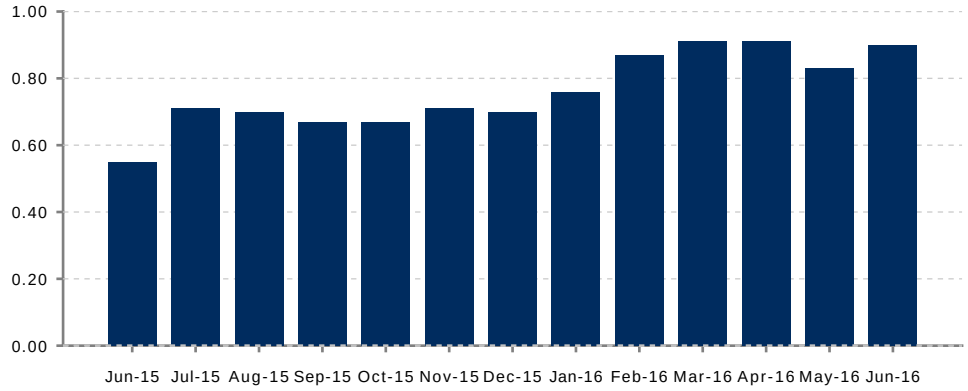
OFFICE OF THE ARIZONA STATE TREASURER

June 30, 2016

POOL 3 ST AGCY INT.

STATE STREET.

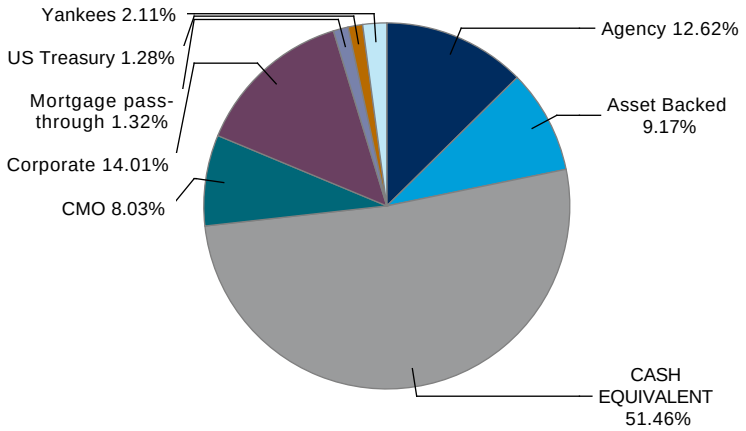
Net Yield



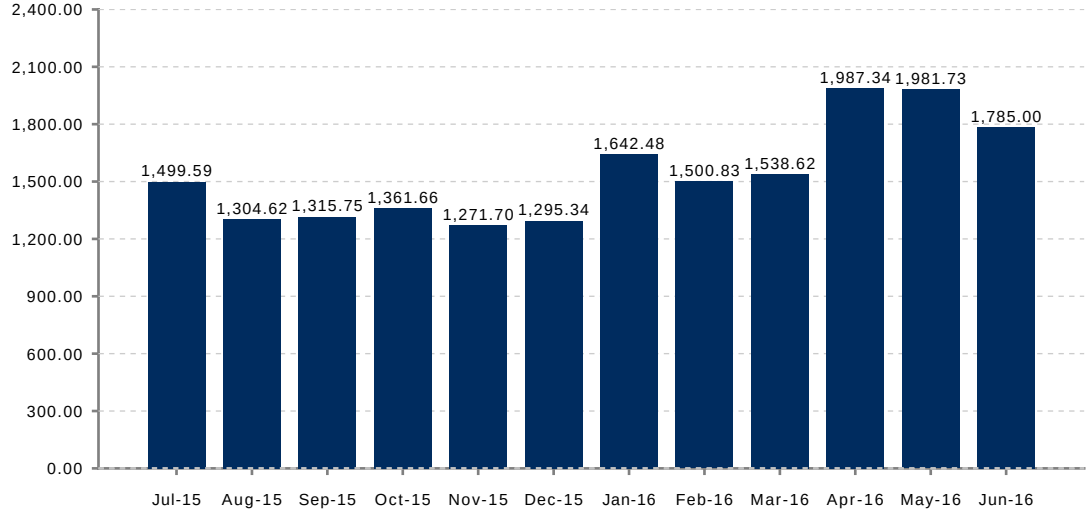
	Current Mth	Prior Mth	1 Year Ago
POOL 3 ST AGCY INT.	0.90	0.83	0.55

Asset Allocation

	Ending Market Value
POOL 3 ST AGCY INT.	1,785,001,089



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 3 ST AGCY INT.		
AMHERST PIERPONT	250,005,417	14.01
GUGGENHEIM SECURITIES REPO	50,005,875	2.80
BANK OF MONTREAL-	40,045,705	2.24
ATLANTIC ASSET SECUR	39,987,756	2.24
BANK TOKYO MIT UFJ NY	39,986,911	2.24
CREDIT AGRICOLE	30,116,100	1.69
SVENSKA HANDLSBNKN A	30,112,873	1.69
FREDDIE MAC	30,090,483	1.69
ANGLESEA FDG PLC & ANG	29,997,567	1.68
CANADIAN IMPERIAL BK	29,993,099	1.68

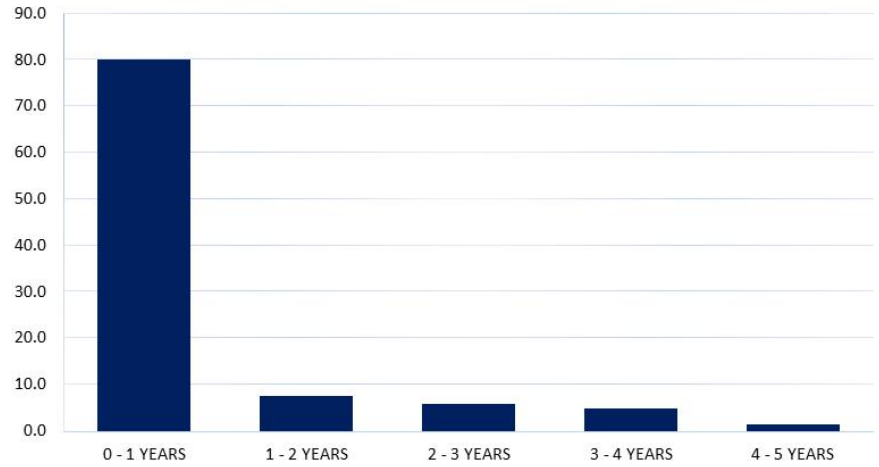
OFFICE OF THE ARIZONA STATE TREASURER

June 30, 2016

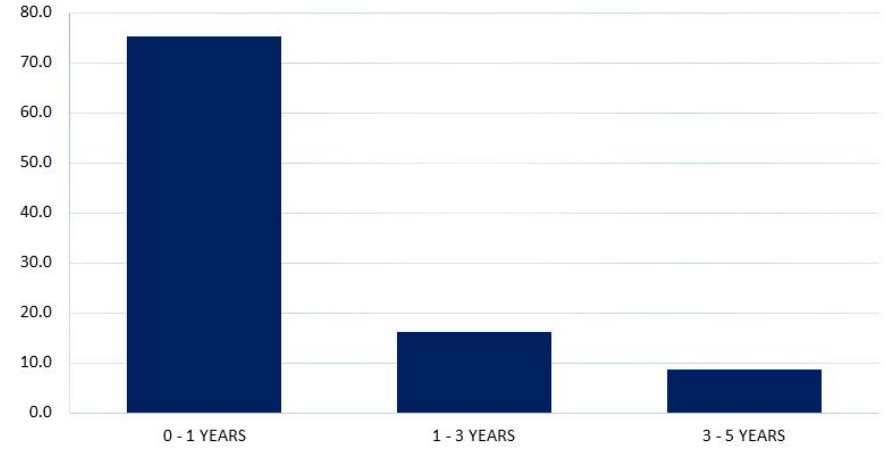
POOL 3 ST AGCY INT

STATE STREET.

Duration Distribution



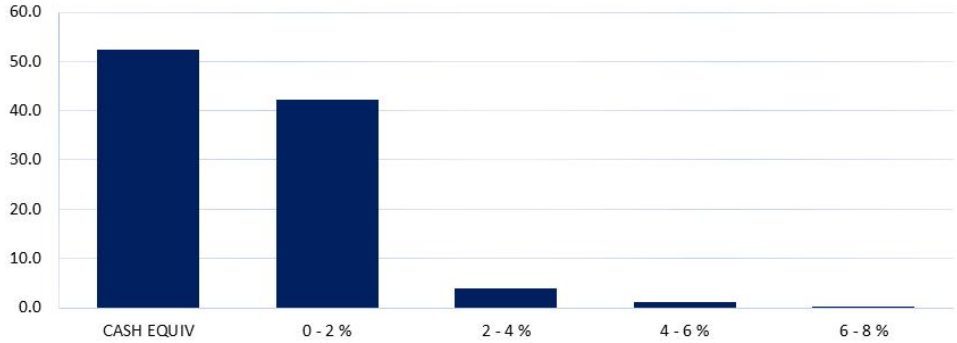
Expected Maturity Distribution



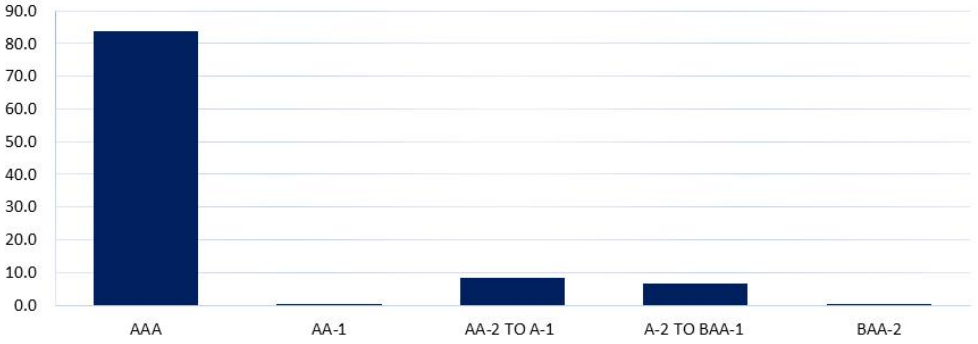
Portfolio Level Characteristics

	POOL 3 ST AGCY INT.
Weighted Average Life	0.83
Coupon	0.92
Effective Duration	0.62
Quality Rating (Moody's)	AA-1

Coupon Distribution



Rating Distribution

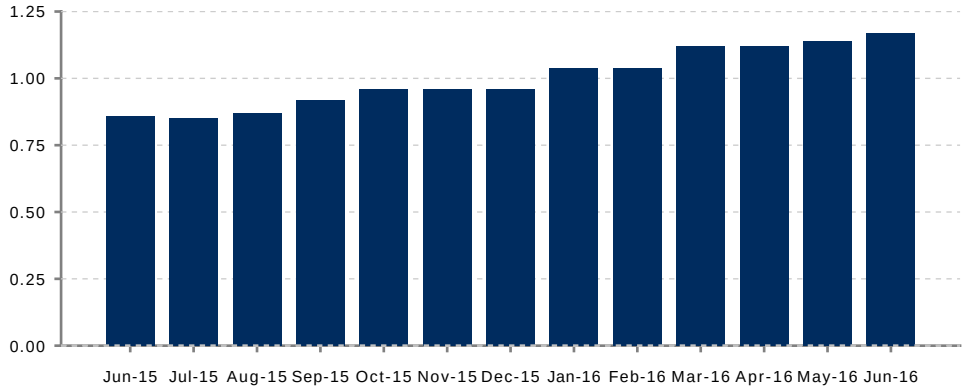


OFFICE OF THE ARIZONA STATE TREASURER

June 30, 2016

POOL 3 ST AGCY EXT.

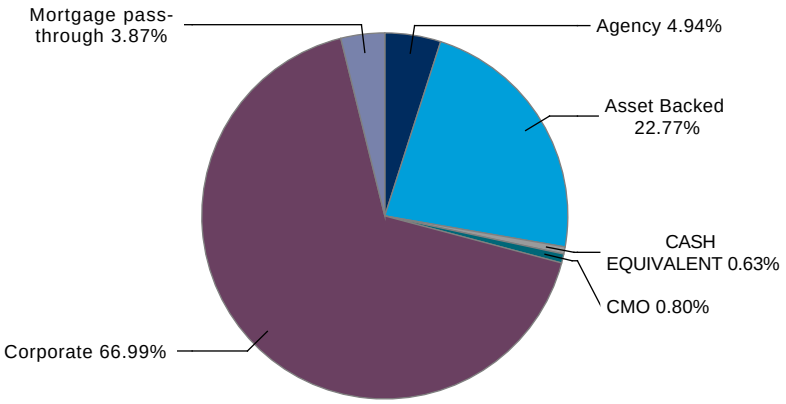
Net Yield



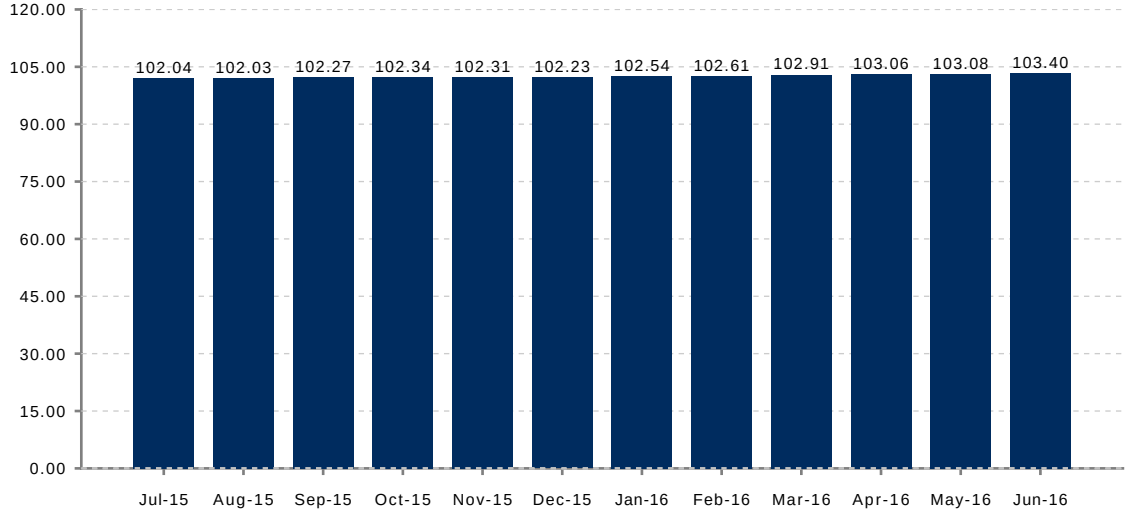
	Current Mth	Prior Mth	1 Year Ago
POOL 3 ST AGCY EXT.	1.17	1.14	0.86

Asset Allocation

	Ending Market Value
POOL 3 ST AGCY EXT.	103,399,914



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 3 ST AGCY EXT.		
FNMA POOL MA1443	2,787,223	2.70
FREDDIE MAC	2,003,794	1.94
CITIBANK CREDIT CARD ISSUANCE	1,738,160	1.68
COSTCO WHOLESALE CORP	1,610,331	1.56
3M COMPANY	1,558,572	1.51
PEPSICO INC	1,511,710	1.46
FEDERAL FARM CREDIT BANK	1,504,902	1.46
APPLE INC	1,405,690	1.36
CISCO SYSTEMS INC	1,402,682	1.36
PNC BANK NA	1,399,258	1.35

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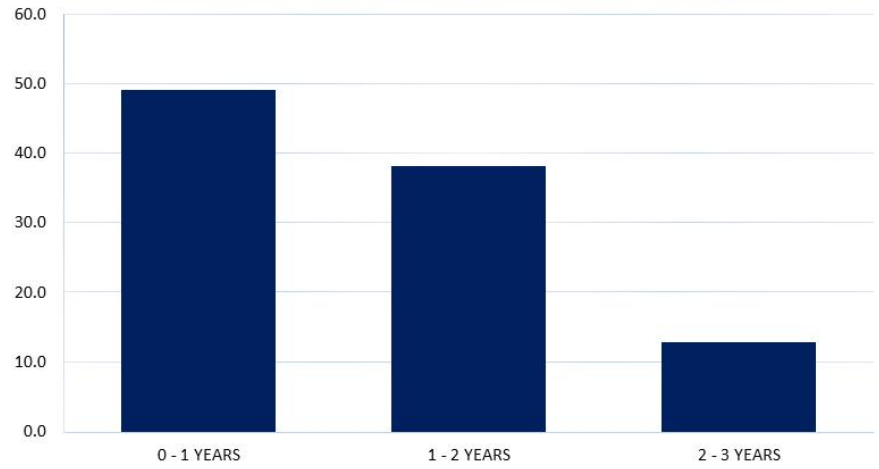
POOL 3 ST AGCY EXT

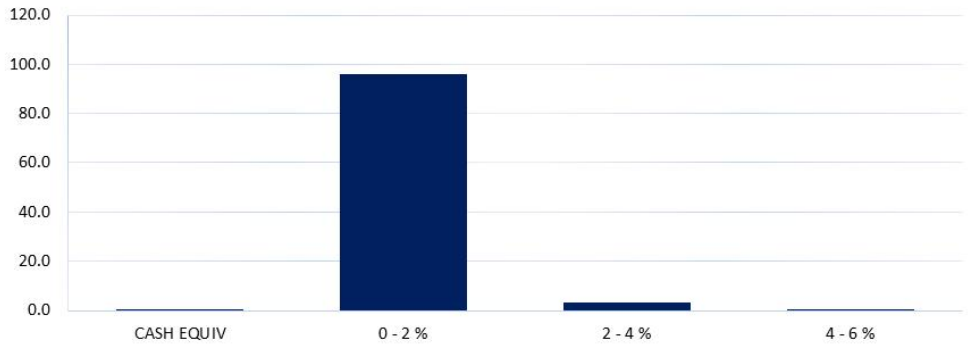
Duration Distribution



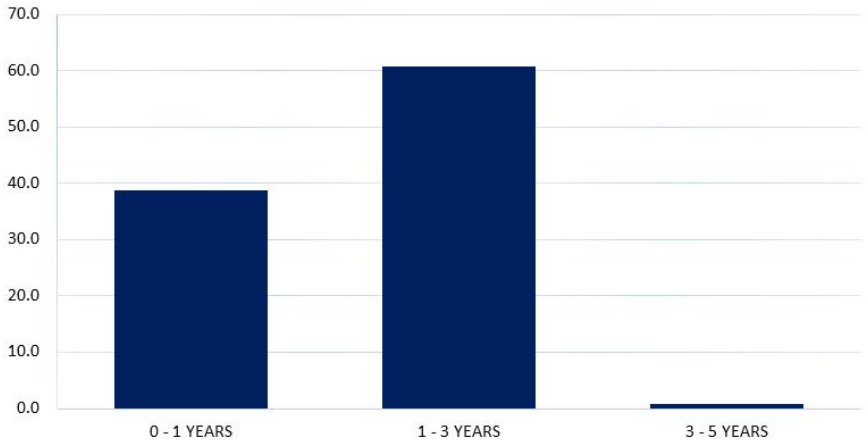
Portfolio Level Characteristics

	POOL 3 ST AGCY EXT.
Weighted Average Life	1.38
Coupon	1.27
Effective Duration	1.08
Quality Rating (Moody's)	AA-3

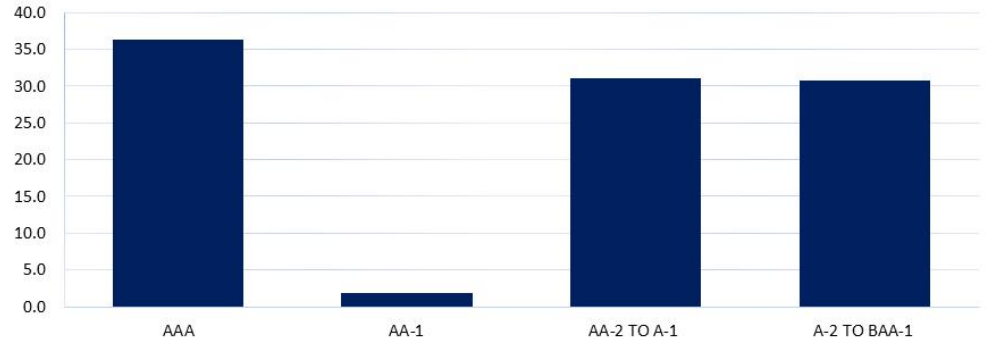
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



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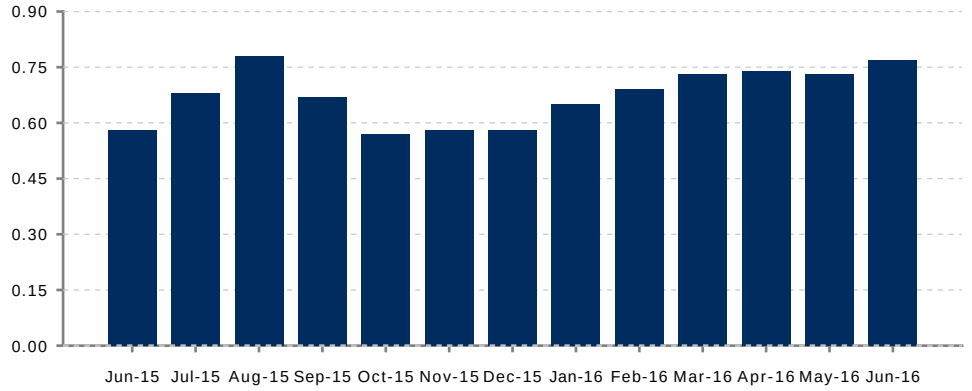
POOL 4 ST AGCY GOV.

STATE STREET.

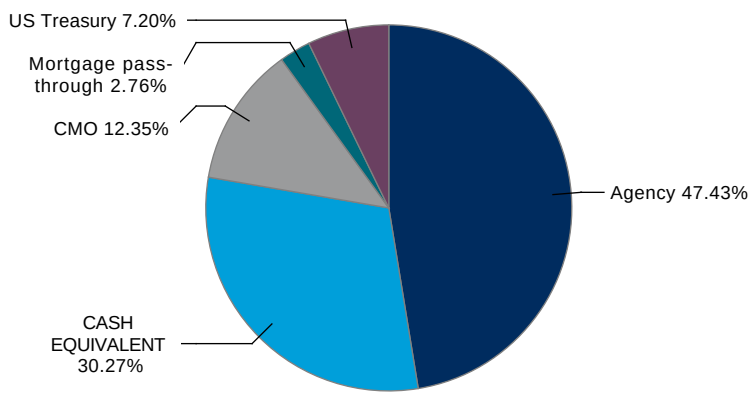
Net Yield



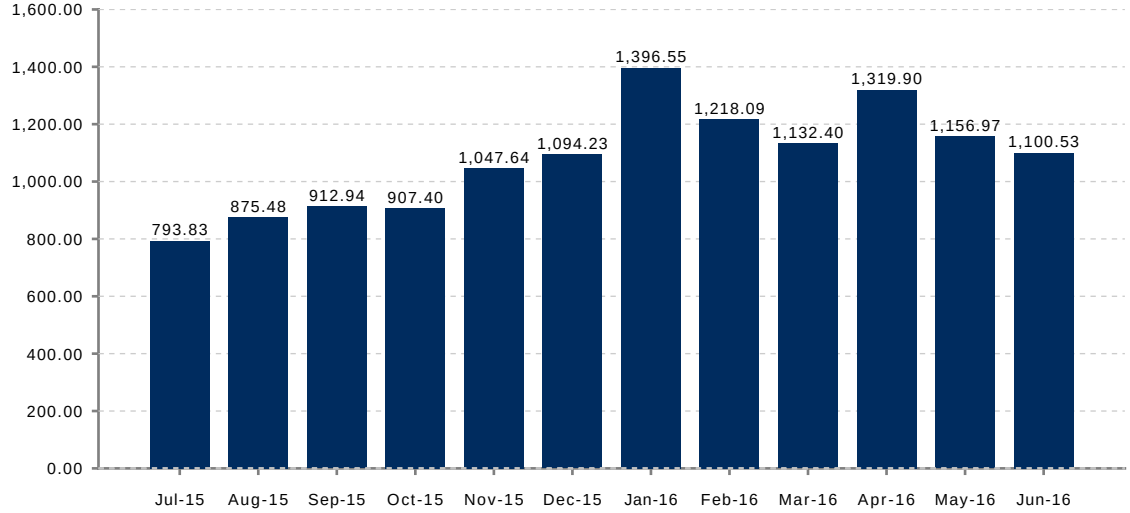
	Current Mth	Prior Mth	1 Year Ago
POOL 4 ST AGCY GOV.	0.77	0.73	0.58

Asset Allocation

	Ending Market Value
POOL 4 ST AGCY GOV.	1,100,525,027



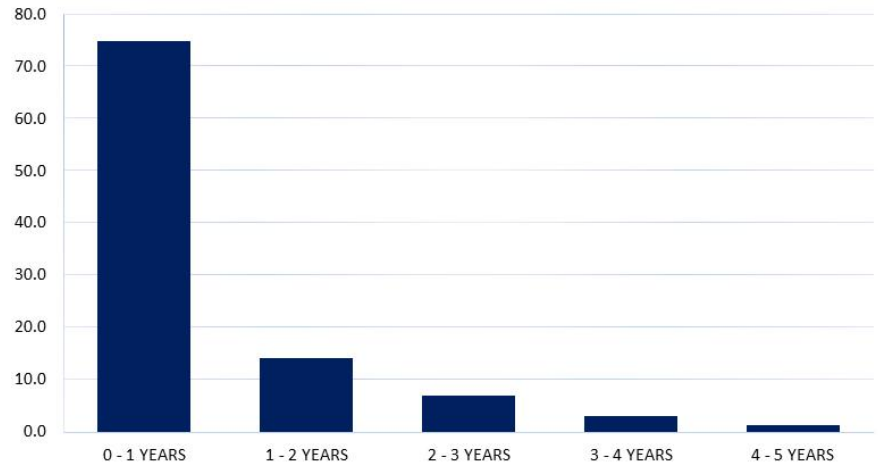
Net Asset Values over Time ($MM)



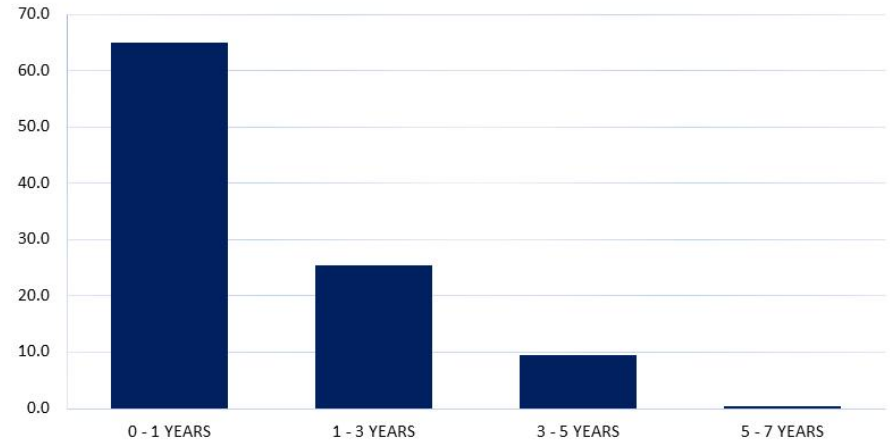
Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 4 ST AGCY GOV.		
SOUTH STREET REPO	148,442,022	13.49
FED HOME LN DISCOUNT NT	49,991,167	4.54
FED HOME LN DISCOUNT NT	29,967,600	2.72
FED HOME LN DISCOUNT NT	24,992,708	2.27
FANNIEMAE ACES	22,575,995	2.05
FREDDIE MAC	20,060,322	1.82
FEDERAL FARM CREDIT BANK	20,052,174	1.82
FREDDIE MAC	20,051,373	1.82
FEDERAL FARM CREDIT BANK	20,046,744	1.82
FARMER MAC	20,012,811	1.82

Duration Distribution



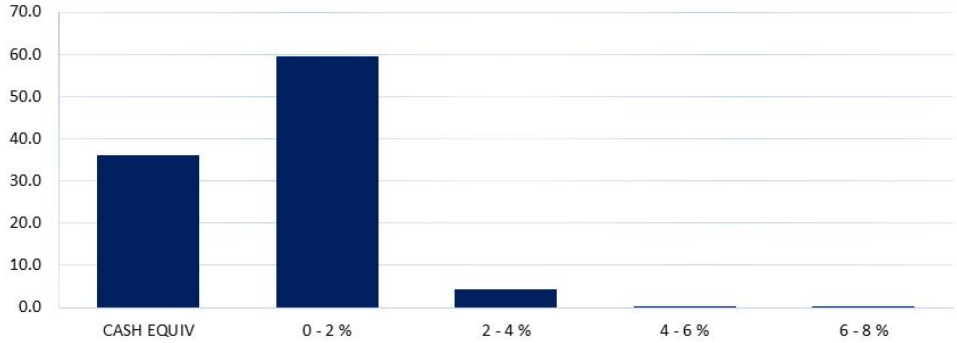
Expected Maturity Distribution



Portfolio Level Characteristics

	POOL 4 ST AGCY GOV.
Weighted Average Life	0.97
Coupon	0.76
Effective Duration	0.73
Quality Rating (Moody's)	AAA

Coupon Distribution



Rating Distribution

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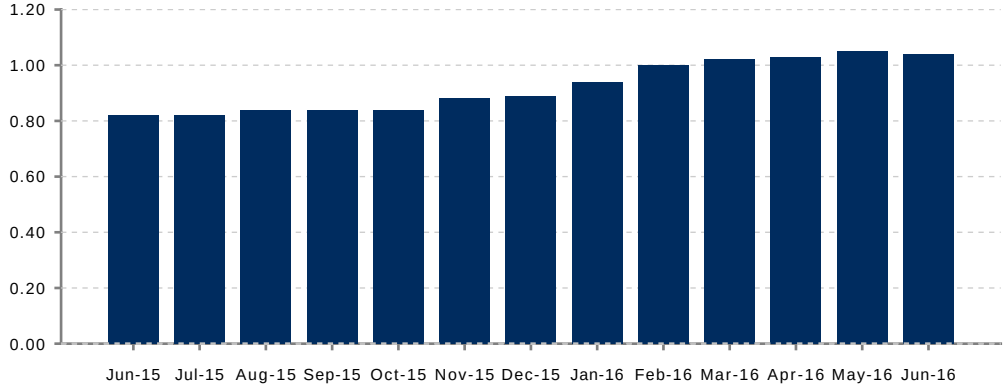
POOL 10 ST OPERATING INT

STATE STREET.

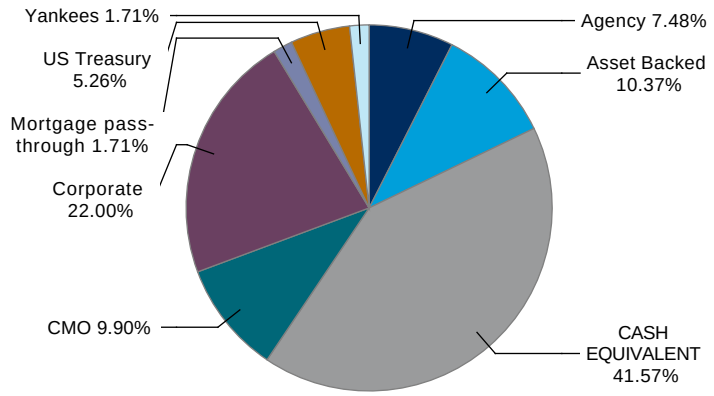
Net Yield



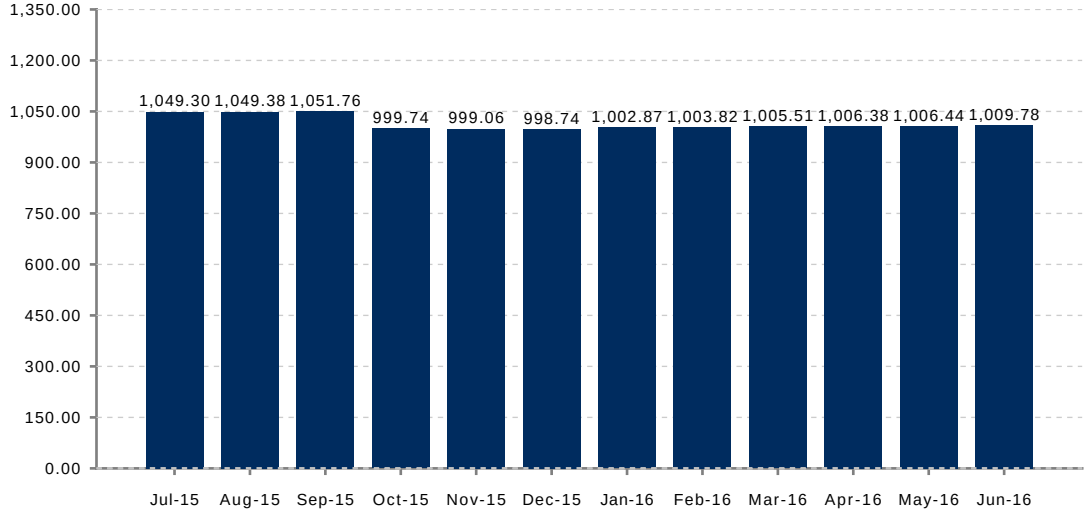
	Current Mth	Prior Mth	1 Year Ago
POOL 10 ST OPER INT	1.04	1.05	0.82

Asset Allocation

	Ending Market Value
POOL 10 ST OPER INT	1,009,775,278



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 10 ST OPER INT		
SOUTH STREET REPO	165,513,470	16.39
CEDAR SPRING CPTL CO	34,996,500	3.47
ANGLESEA FDG PLC & ANG	24,998,611	2.48
BEDFORD ROW FDG CORP	24,997,611	2.48
US TREASURY N/B	20,476,970	2.03
STARBIRD FDG. CORP	19,989,333	1.98
TREASURY BILL	19,981,260	1.98
GUGGENHEIM SECURITIES REPO	19,490,641	1.93
JUPITER SECT CO LLC	18,989,360	1.88
MIZUHO BANK LTD	18,989,049	1.88

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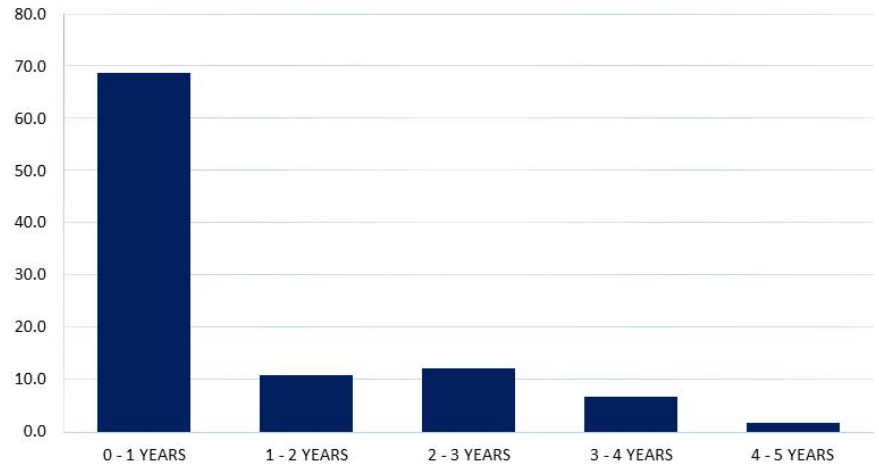
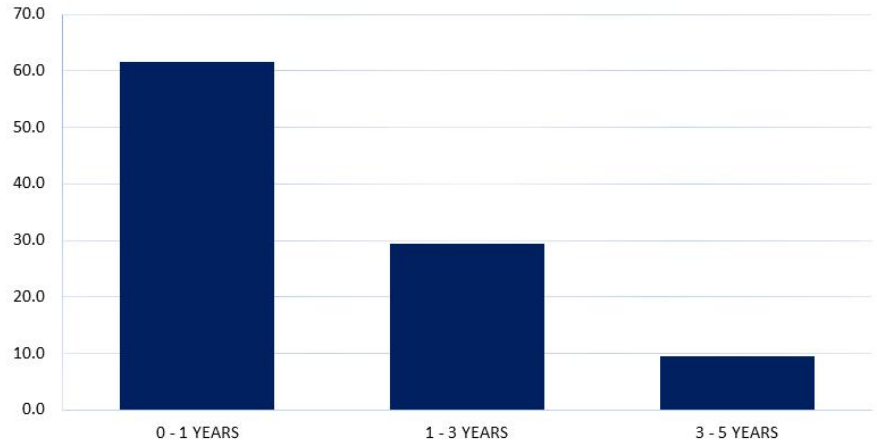
POOL 10 ST OPERATING INT

STATE STREET.

Duration Distribution



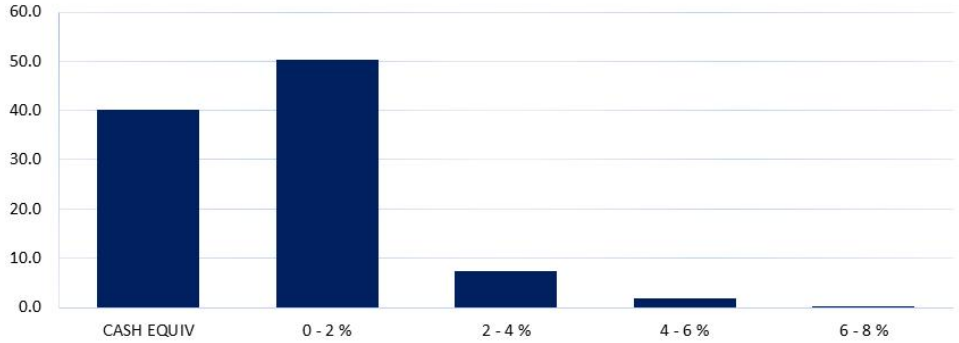
Expected Maturity Distribution



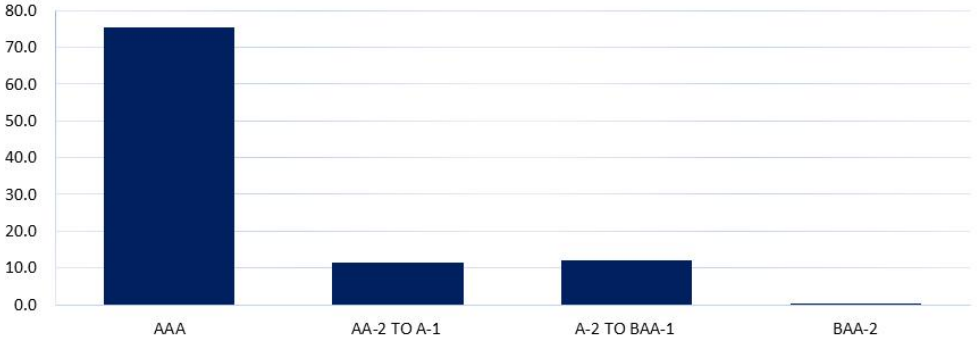
Portfolio Level Characteristics

	POOL 10 ST OPERATING INT
Weighted Average Life	1.06
Coupon	1.15
Effective Duration	0.89
Quality Rating (Moody's)	AA-1

Coupon Distribution



Rating Distribution



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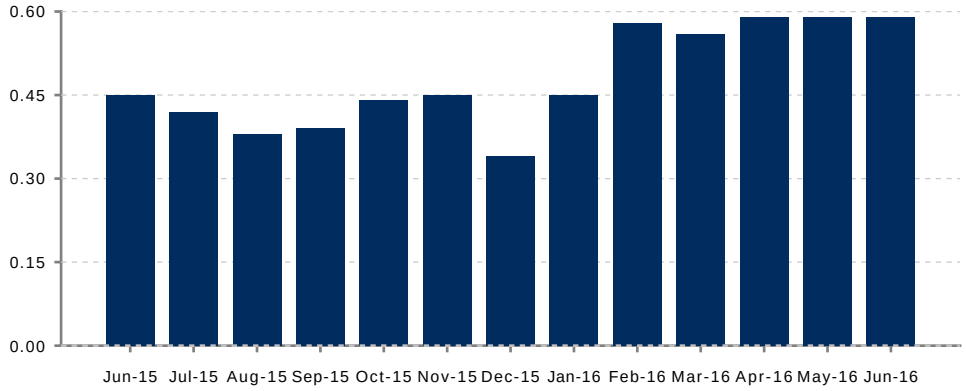
POOL 10 ST OPERATING Ext

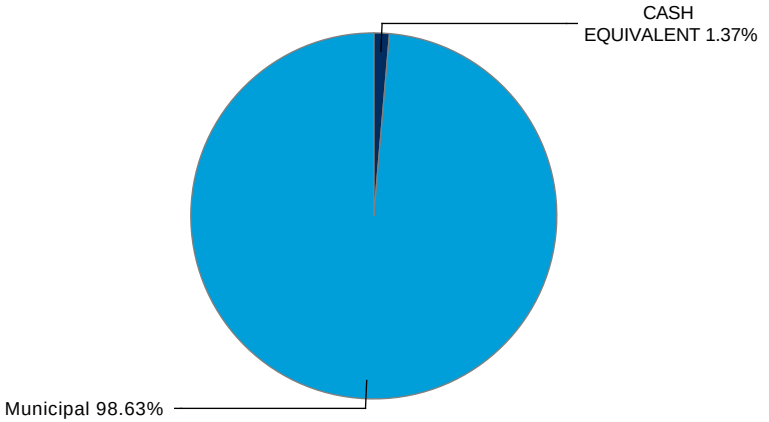
Net Yield



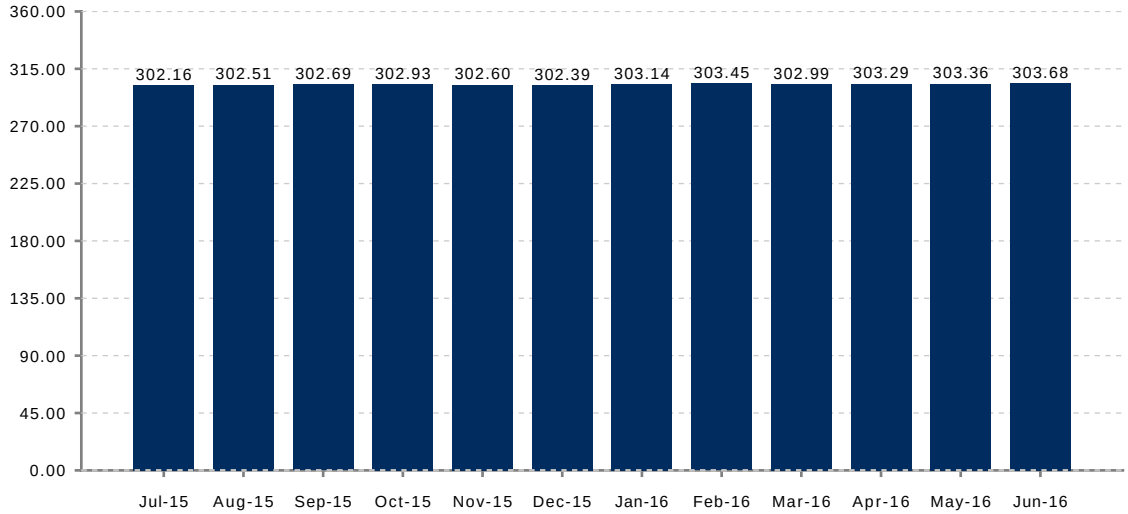
	Current Mth	Prior Mth	1 Year Ago
POOL 10 ST OPERATING	0.59	0.59	0.45

Asset Allocation

	Ending Market Value
POOL 10 ST OPERATING	303,676,912



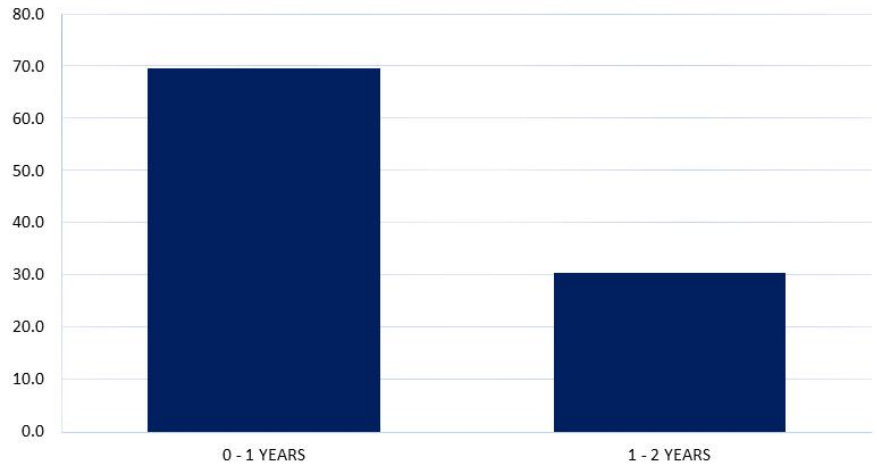
Net Asset Values over Time ($MM)



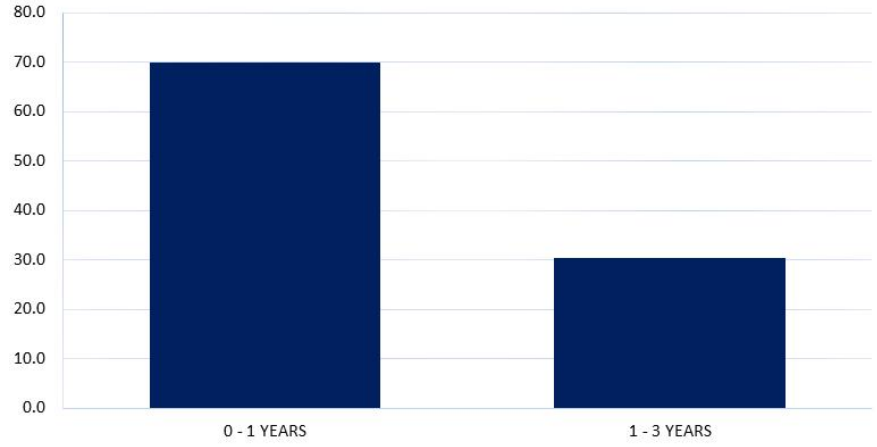
Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 10 ST OPERATING		
PORTLAND OR CMNTY CLG DIST	12,264,953	4.04
HOUSTON TX INDEP SCH DIST	11,783,154	3.88
PORTLAND OR SWR SYS REVENUE	11,483,212	3.78
VIRGINIA BEACH VA	10,884,228	3.58
MULTNOMAH CNTY OR SCH DIST 1J	10,437,258	3.44
MADISON WI	10,405,814	3.43
NORTH SLOPE BORO AK	10,228,820	3.37
SPOKANE CNTY WA SCH DIST 81 S	9,914,681	3.26
BEAUFORT CNTY SC SCH DIST	9,863,109	3.25
OHIO ST	9,804,625	3.23

Duration Distribution



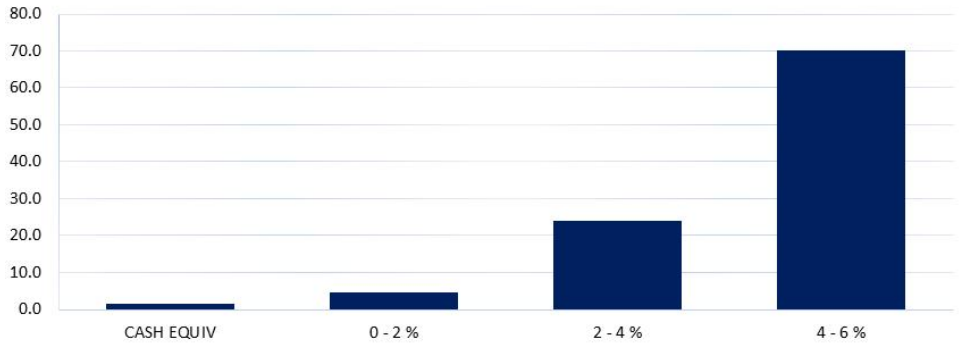
Expected Maturity Distribution



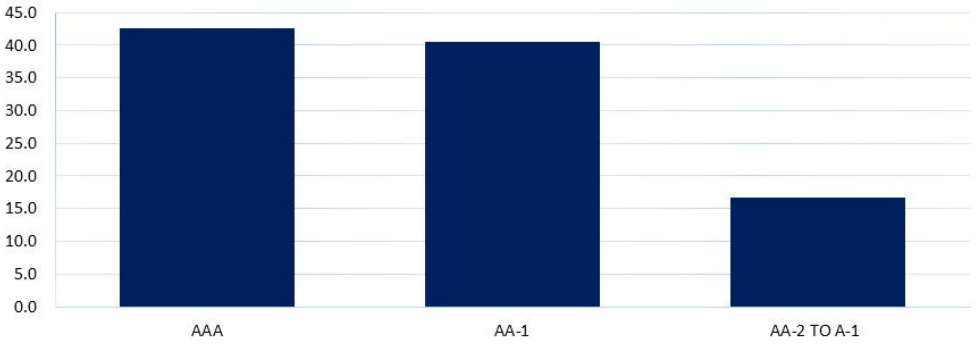
Portfolio Level Characteristics

	POOL 10 ST OPERATING
Weighted Average Life	0.83
Coupon	4.44
Effective Duration	0.80
Quality Rating (Moody's)	AA-1

Coupon Distribution



Rating Distribution



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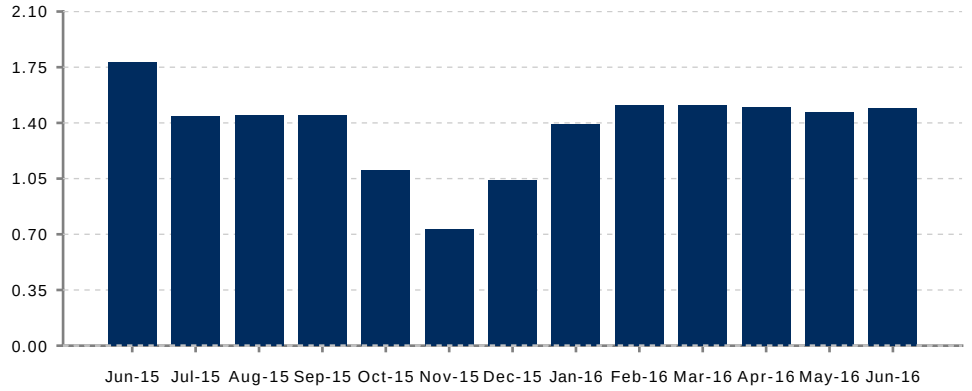
POOL 12 CAWCD MED TRM

STATE STREET.

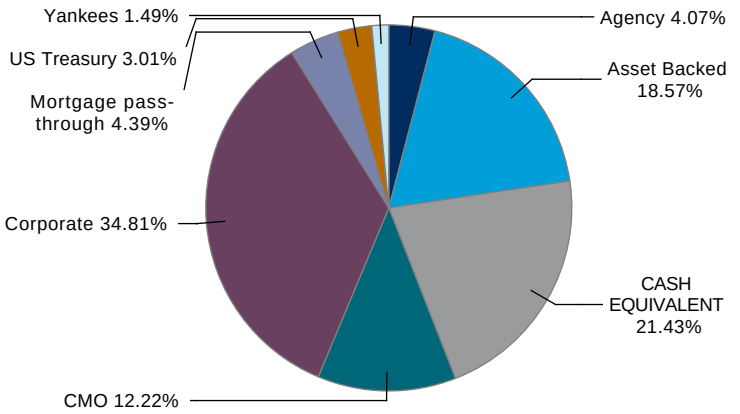
Net Yield



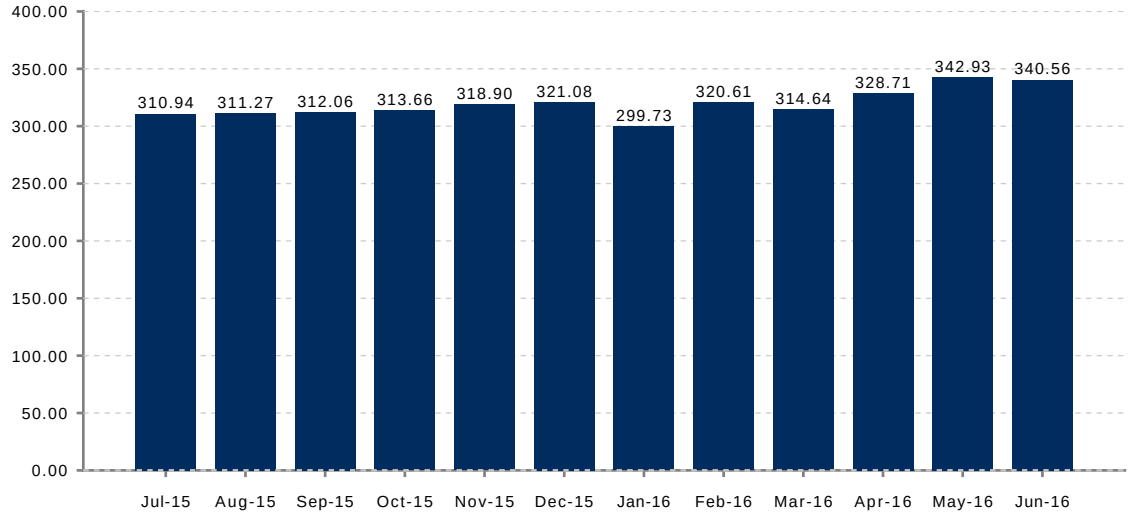
	Current Mth	Prior Mth	1 Year Ago
POOL 12 CAWCD MED TRM	1.49	1.47	1.78

Asset Allocation

	Ending Market Value
POOL 12 CAWCD MED TRM	340,562,751



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 12 CAWCD MED TRM		
GUGGENHEIM SECURITIES REPO	32,510,515	9.55
GM FINANCIAL AUTOMOBILE LEASIN	10,086,172	2.96
HONDA AUTO RECEIVABLES OWNER T	6,020,182	1.77
FNMA POOL AV9175	5,997,068	1.76
FANNIE MAE	5,522,631	1.62
US TREASURY N/B	5,143,387	1.51
APPLE INC	5,114,769	1.50
FANNIE MAE	5,063,791	1.49
US TREASURY N/B	5,042,905	1.48
GOLDMAN SACHS GROUP INC	5,042,051	1.48

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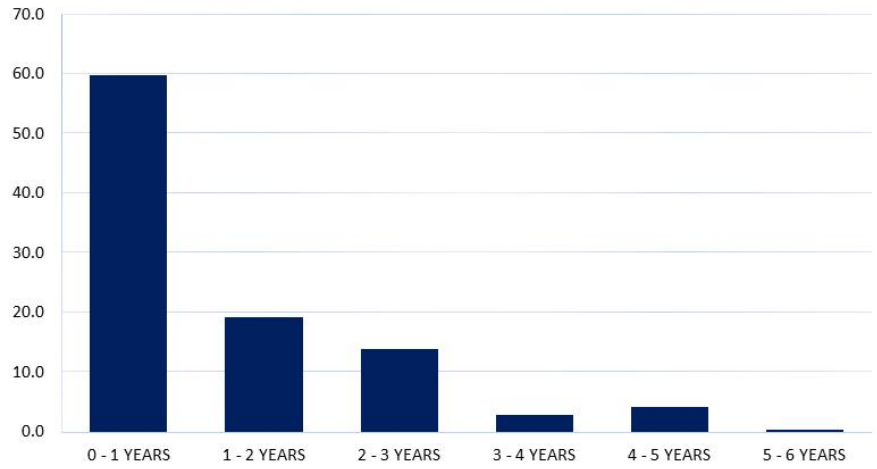
June 30, 2016

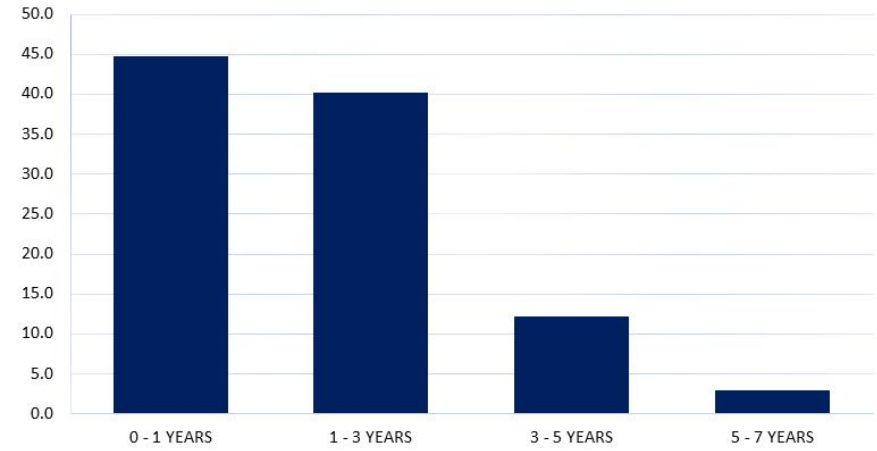
POOL 12 CAWCD MED TRM

STATE STREET.

Duration Distribution



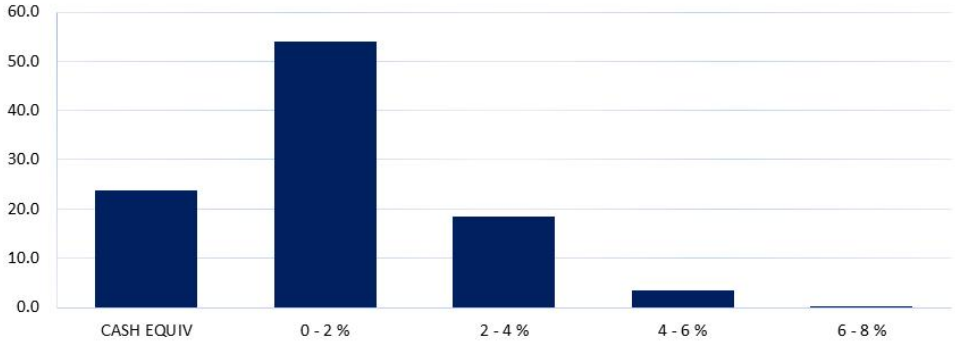
Expected Maturity Distribution



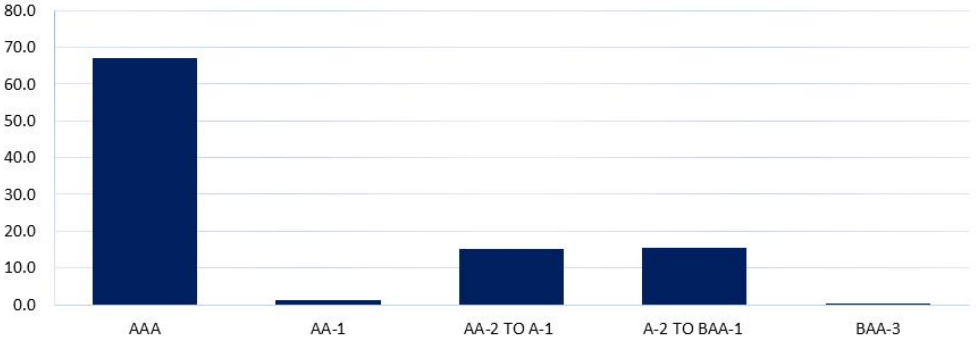
Portfolio Level Characteristics

	POOL 12 CAWCD MED TRM
Weighted Average Life	1.59
Coupon	1.68
Effective Duration	1.08
Quality Rating (Moody's)	AA-1

Coupon Distribution



Rating Distribution



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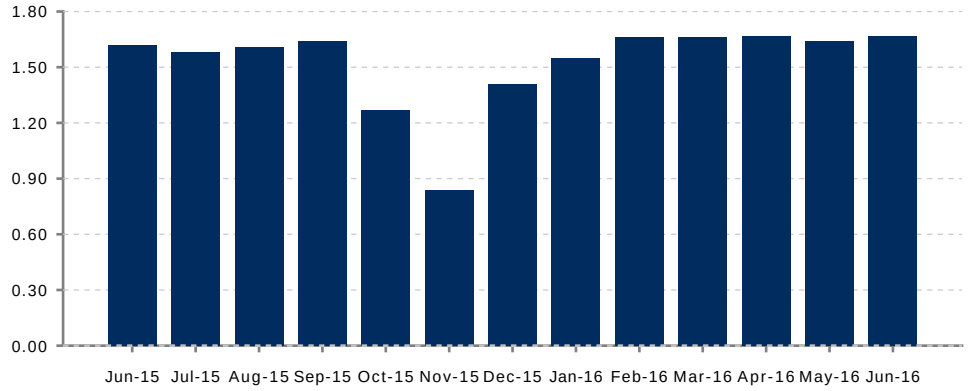
June 30, 2016

POOL 16 ECDHB

STATE STREET.

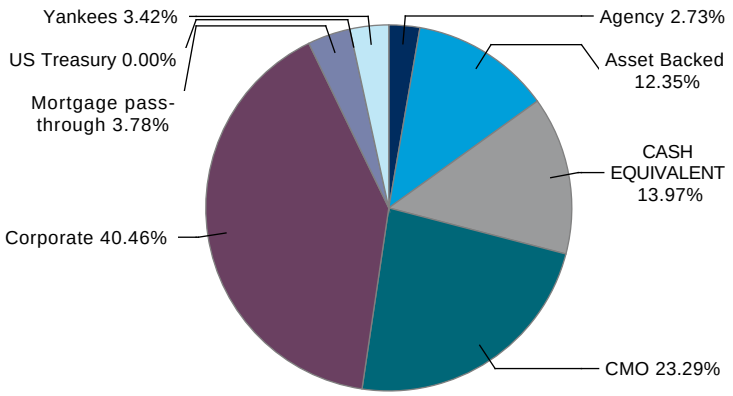
Net Yield



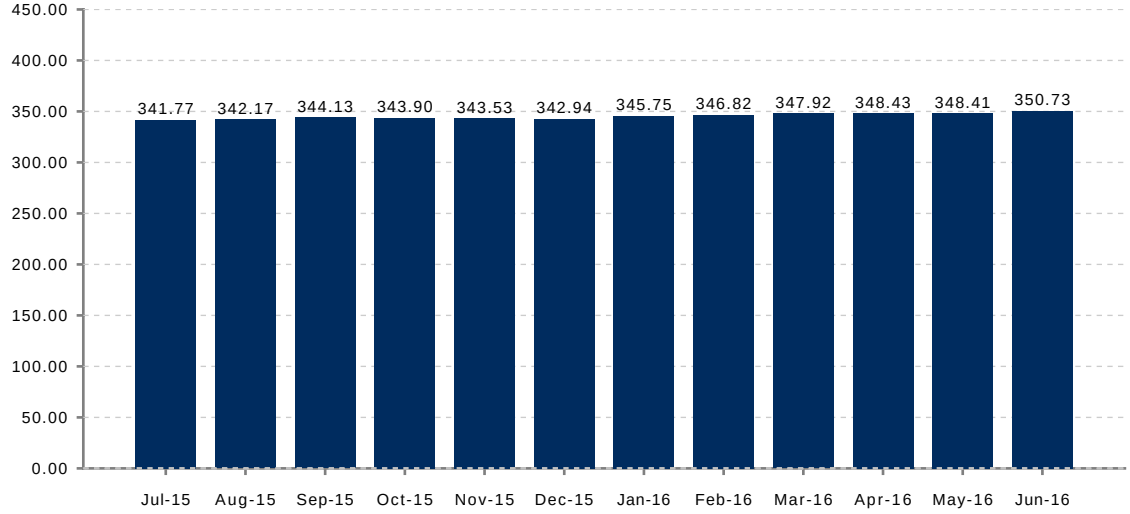
	Current Mth	Prior Mth	1 Year Ago
POOL 16 ECDHB	1.67	1.64	1.62

Asset Allocation

	Ending Market Value
POOL 16 ECDHB	350,734,735



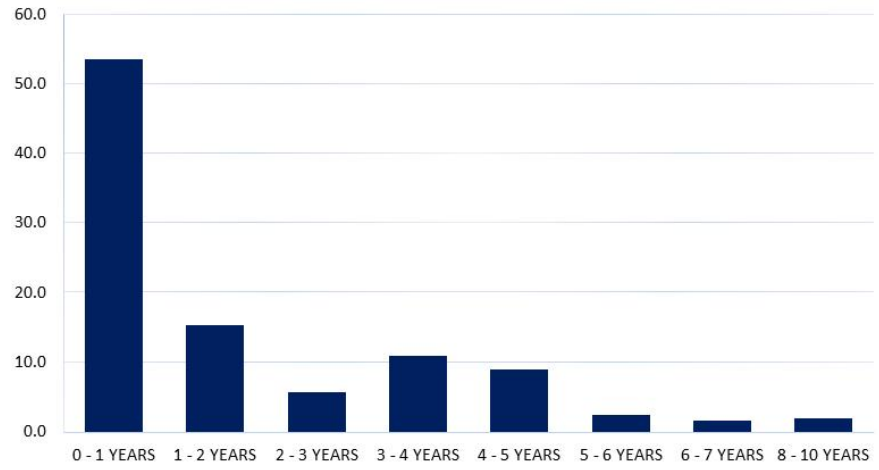
Net Asset Values over Time ($MM)



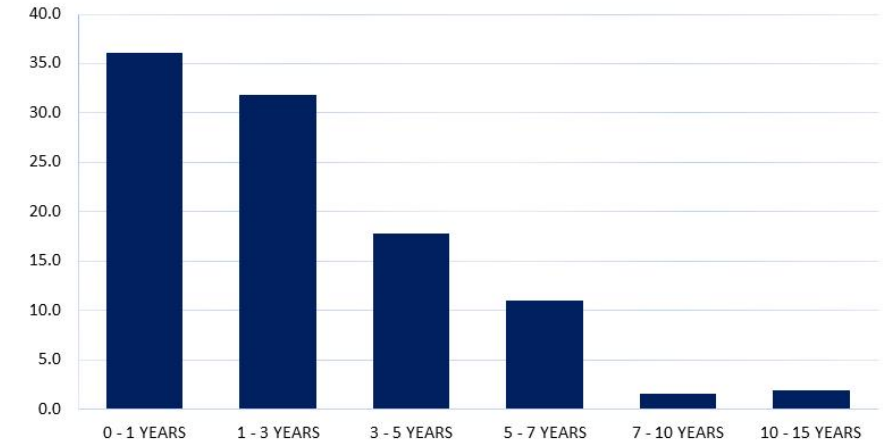
Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 16 ECDHB		
GUGGENHEIM SECURITIES REPO	26,000,578	7.41
FREDDIEMAC STRIP	7,576,162	2.16
NATIONAL CITY BANK	6,994,221	1.99
FANNIE MAE	6,670,666	1.90
FREDDIE MAC	6,332,256	1.81
MIZUHO BANK LTD	5,996,542	1.71
FREDDIE MAC	5,723,262	1.63
FHLMC MULTIFAMILY STRUCTURED P	5,330,845	1.52
FREDDIE MAC	5,315,837	1.52
GOVERNMENT NATIONAL MORTGAGE A	5,252,453	1.50

Duration Distribution



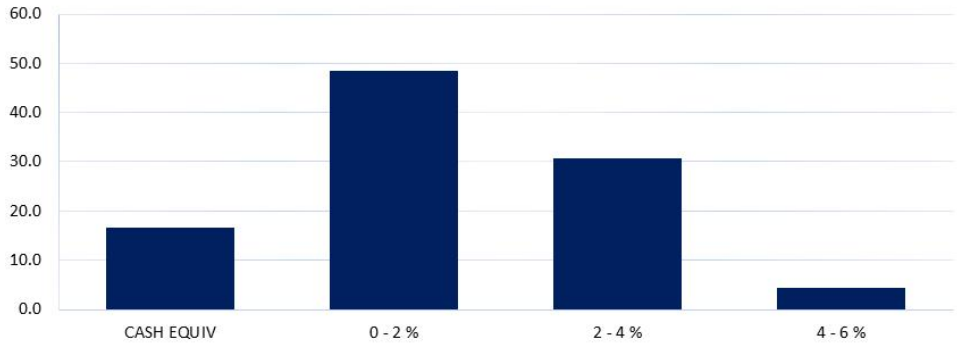
Expected Maturity Distribution



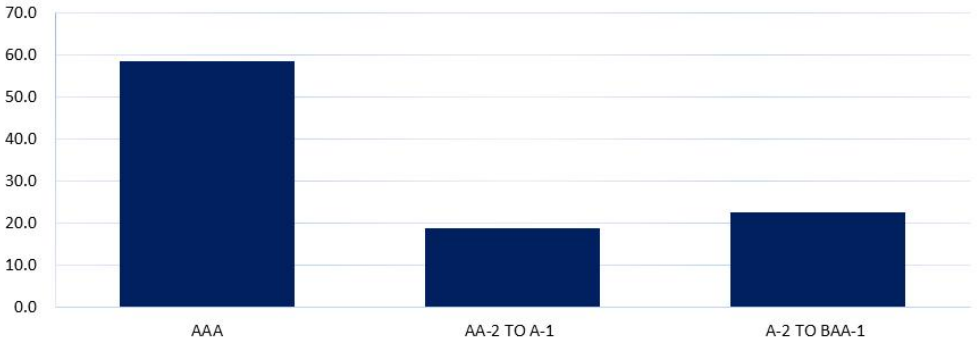
Portfolio Level Characteristics

	POOL 16 ECDHB
Weighted Average Life	2.39
Coupon	1.96
Effective Duration	1.61
Quality Rating (Moody's)	AA-2

Coupon Distribution



Rating Distribution



LGIP & LGIP- GOV
PORTFOLIO YIELD ANALYSIS
JUNE 2016

NET EARNINGS

FUND	DESCRIPTION	Current Month 06/30/16	Prior Month 05/31/16	Prior Year 06/30/15	Net Asset Value Per Share
5	LGIP	406,990	440,265	148,991	1.0000
7	LGIP - GOV	399,633	364,577	81,086	1.0000
	TOTAL LGIP & LGIP-GOV	806,624	804,842	230,077	

YIELDS

	MONTHLY	Current Month 06/30/16	Prior Month 05/31/16	Prior Year 6/30/15
5	LGIP (NET)	0.39%	0.39%	0.14%
	S & P LGIP INDEX	0.38%	0.36%	0.06%
7	LGIP - GOV (NET)	0.37%	0.33%	0.09%
	3 MONTH T-BILL	0.26%	0.26%	0.01%
	YEAR TO DATE			
5	LGIP (NET)	0.27%	0.26%	0.12%
	S & P LGIP INDEX	0.20%	0.19%	0.05%
7	LGIP - GOV (NET)	0.22%	0.21%	0.07%
	3 MONTH T-BILL	0.16%	0.16%	0.01%

* 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
JUNE 2016

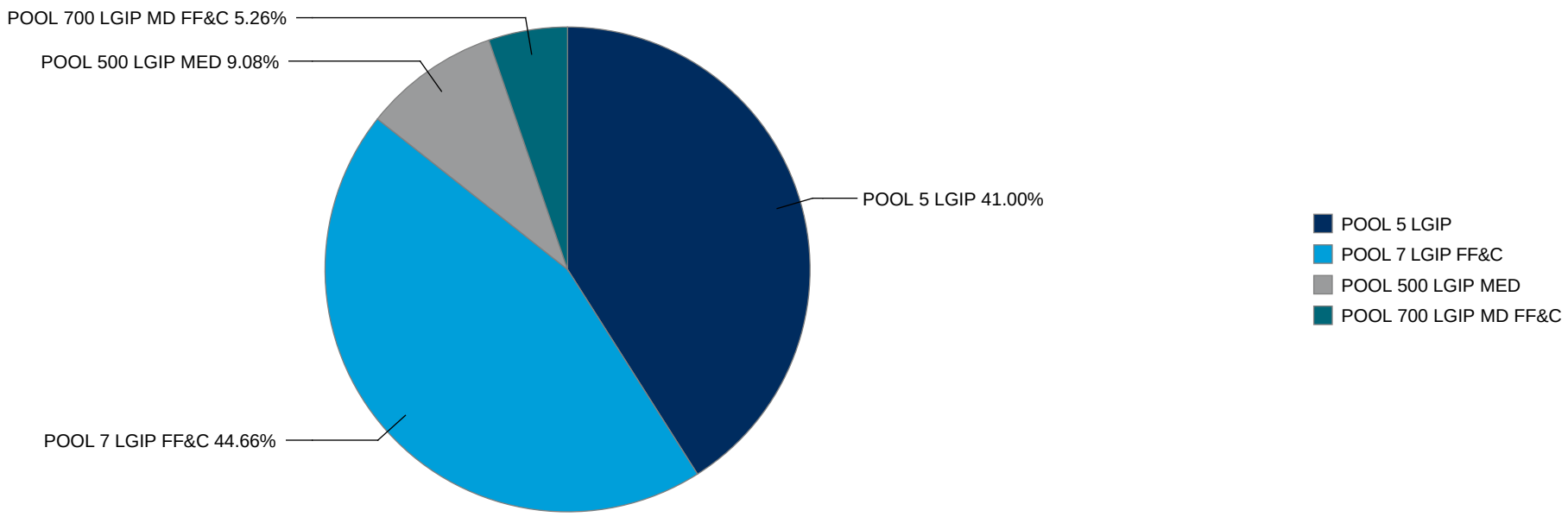
NET EARNINGS

FUND	DESCRIPTION	Current Month 06/30/16	Prior Month 05/31/16	Prior Year 06/30/15	Net Asset Value Per Share
500	LGIP - MED TERM POOL	292,690	285,991	229,810	1.0377
700	LGIP - FF&C MED TERM POOL	132,072	139,367	79,019	1.0153
	TOTAL LGIP MEDIUM TERM POOLS	424,762	425,358	308,829	

YIELDS

	MONTHLY	Current Month 06/30/16	Prior Month 05/31/16	Prior Year 6/30/15
500	LGIP - MED TERM (NET)	1.44%	1.35%	1.11%
	MERRILL 1-5 US D M INDEX	1.30%	1.53%	1.38%
700	LGIP - FF&C MED TERM (NET)	1.12%	1.15%	0.66%
	75% MERRILL 1-5 US TREAS INDEX / 25% MERRILL US GNMA MORTGAGE BACKED INDEX	1.05%	1.36%	1.39%
	YEAR TO DATE			
500	LGIP - MED TERM (NET)	1.28%	1.27%	1.07%
	MERRILL 1-5 US D M INDEX	1.51%	1.52%	1.34%
700	LGIP - FF&C MED TERM (NET)	1.02%	1.01%	0.88%
	75% MERRILL 1-5 US TREAS INDEX / 25% MERRILL US GNMA MORTGAGE BACKED INDEX	1.35%	1.38%	1.29%

Manager Allocation



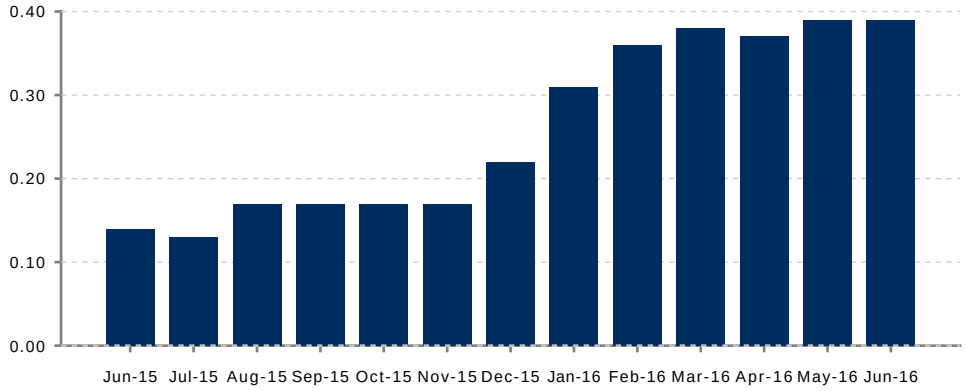
	Market Value	% of Portfolio
POOL 5 LGIP	1,124,064,117	41.0
POOL 7 LGIP FF&C	1,224,485,076	44.7
POOL 500 LGIP MED	248,899,355	9.1
POOL 700 LGIP MD FF&C	144,231,893	5.3
TOTAL LGIP	2,741,680,441	100.0

OFFICE OF THE ARIZONA STATE TREASURER

June 30, 2016

POOL 5 LGIP

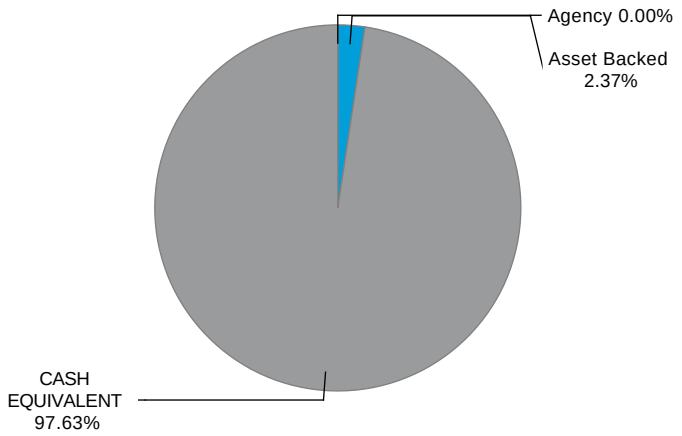
Net Yield



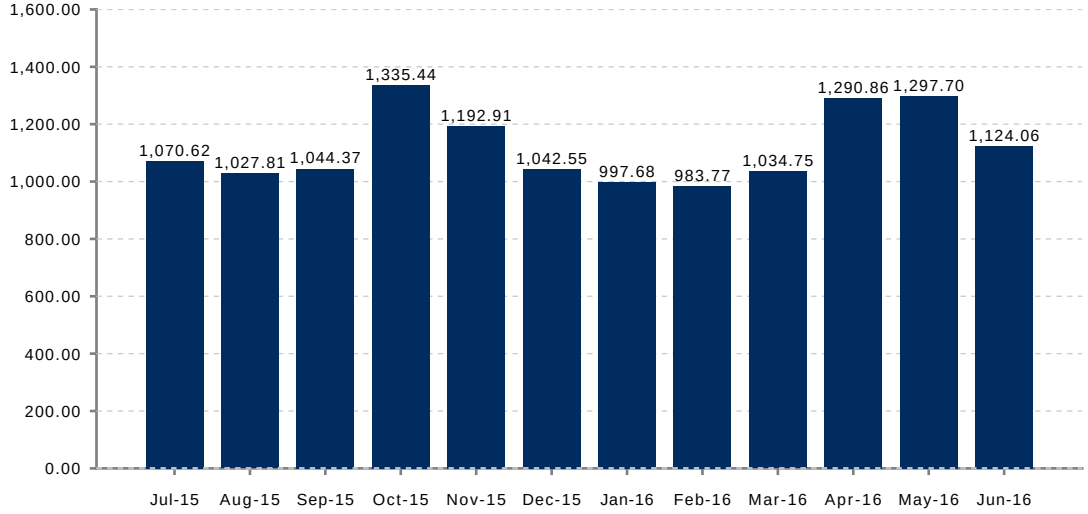
	Current Mth	Prior Mth	1 Year Ago
POOL 5 LGIP	0.39	0.39	0.14

Asset Allocation

	Ending Market Value
POOL 5 LGIP	1,124,064,117



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 5 LGIP		
WELLS FARGO REPO	150,001,750	13.34
BANK OF AMERICA REPO	100,000,972	8.90
RBC CAPITAL MARKETS REPO	95,001,056	8.45
WELLS FARGO REPO	56,217,642	5.00
FIDELITY INVESTMENTS MONEY	50,025,096	4.45
LEXINGTN PKR CAP CO LL	29,994,333	2.67
APPLE INC	29,988,117	2.67
STARBIRD FDG. CORP	29,983,733	2.67
ANGLESEA FDG PLC & ANG	29,979,417	2.67
BANK TOKYO MIT UFJ NY	29,979,333	2.67

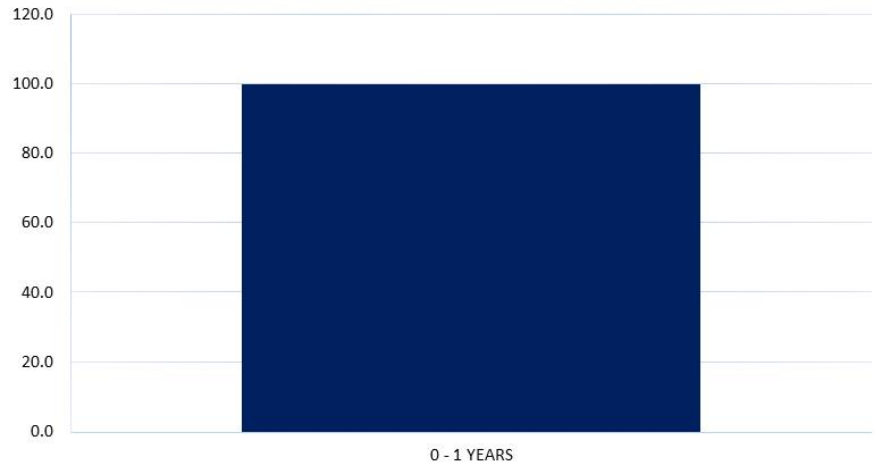
OFFICE OF THE ARIZONA STATE TREASURER

June 30, 2016

POOL 5 LGIP

STATE STREET.

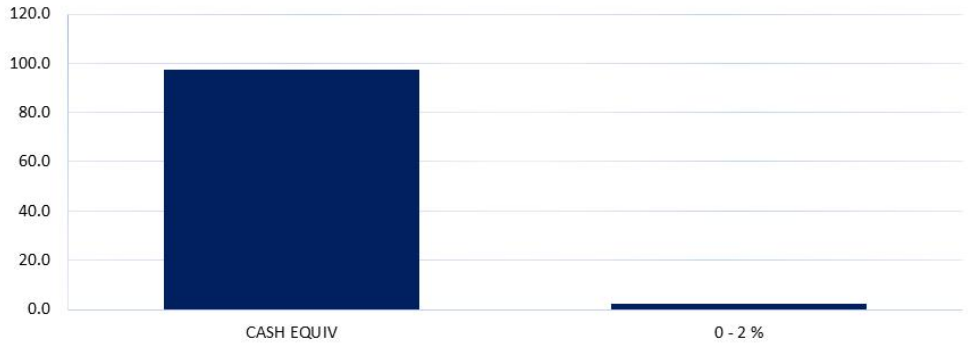
Duration Distribution



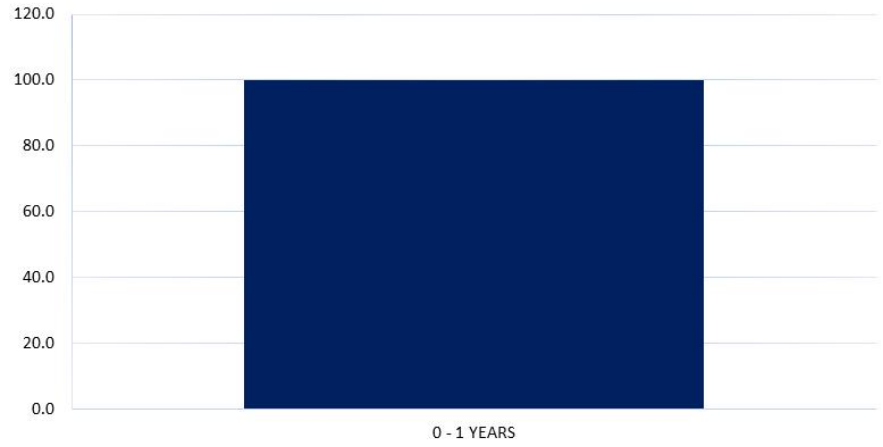
Portfolio Level Characteristics

	POOL 5 LGIP
Weighted Average Life	0.06
Coupon	0.04
Effective Duration	0.05
Quality Rating (Moody's)	AAA

Coupon Distribution



Expected Maturity Distribution



Rating Distribution

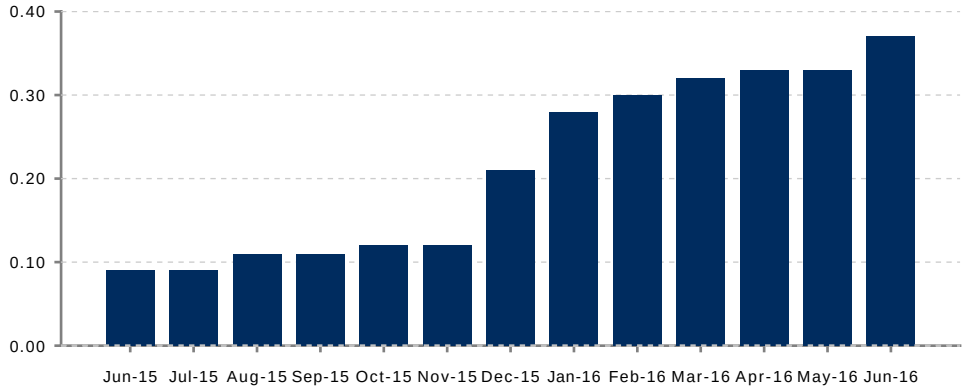
OFFICE OF THE ARIZONA STATE TREASURER

June 30, 2016

POOL 7 LGIP FF&C

STATE STREET.

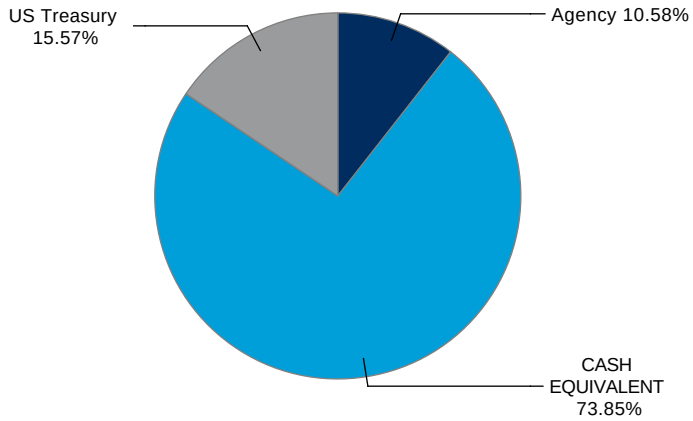
Net Yield



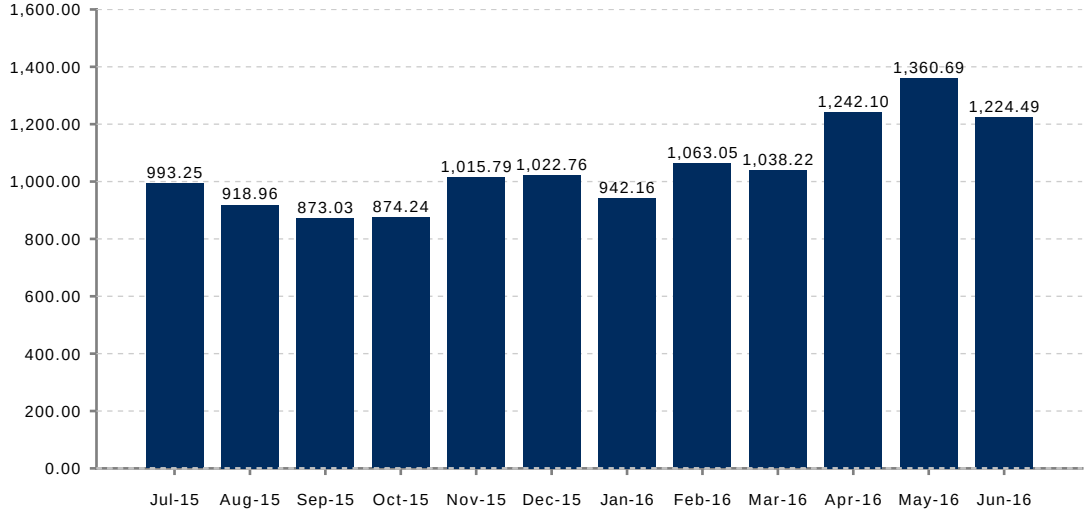
	Current Mth	Prior Mth	1 Year Ago
POOL 7 LGIP FF&C	0.37	0.33	0.09

Asset Allocation

	Ending Market Value
POOL 7 LGIP FF&C	1,224,485,076



Net Asset Values over Time ($MM)



Top 10 Holdings

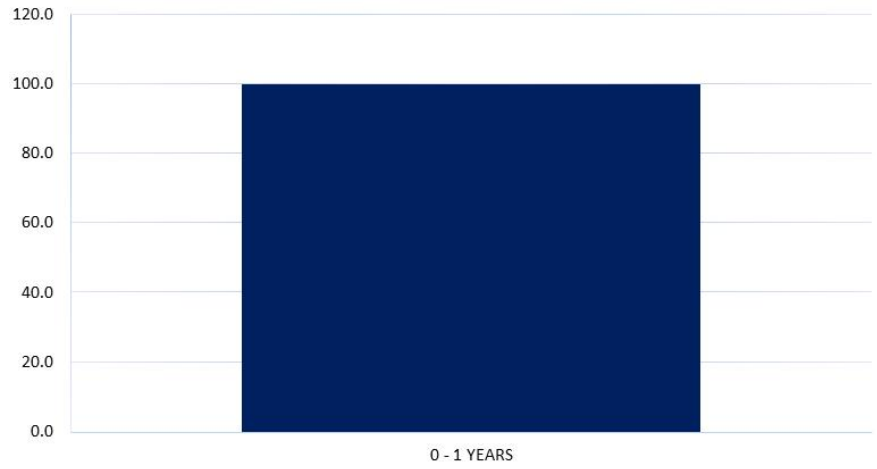
Security Name	Ending Market Value	% of Portfolio
POOL 7 LGIP FF&C		
DAIWA CAPITAL MARKETS REPO	200,002,778	16.33
WELLS FARGO REPO	150,001,750	12.25
ALLIANCE BANK OF ARIZONA MONEY	79,279,831	6.47
TREASURY BILL	69,964,531	5.71
TREASURY BILL	69,766,340	5.70
FIDELITY INVESTMENTS MONEY	50,011,027	4.08
GUGGENHEIM SECURITIES REPO	50,000,694	4.08
TREASURY BILL	49,851,850	4.07
WELLS FARGO REPO	43,783,525	3.58
US TREASURY FRN	40,024,180	3.27

OFFICE OF THE ARIZONA STATE TREASURER

June 30, 2016

POOL 7 LGIP FF&C

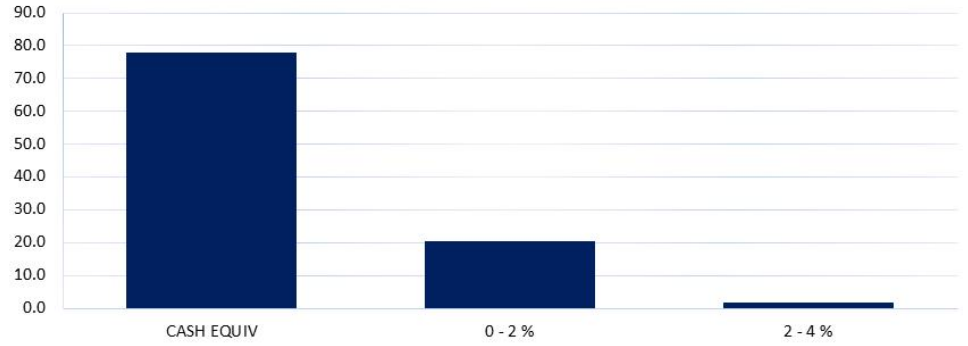
Duration Distribution



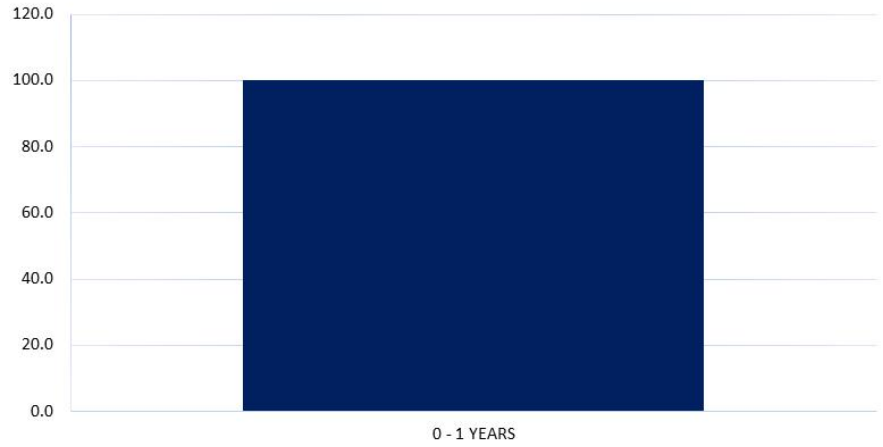
Portfolio Level Characteristics

	POOL 7 LGIP FF&C
Weighted Average Life	0.20
Coupon	0.22
Effective Duration	0.19
Quality Rating (Moody's)	AAA

Coupon Distribution



Expected Maturity Distribution



Rating Distribution

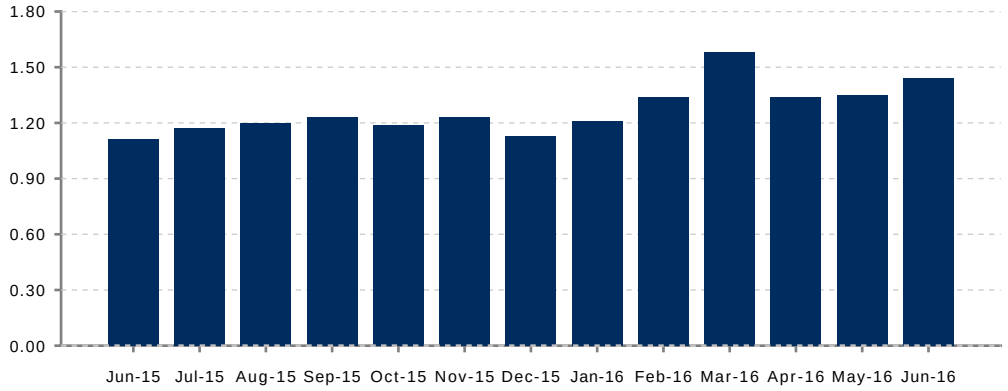
OFFICE OF THE ARIZONA STATE TREASURER

June 30, 2016

POOL 500 LGIP MED

STATE STREET.

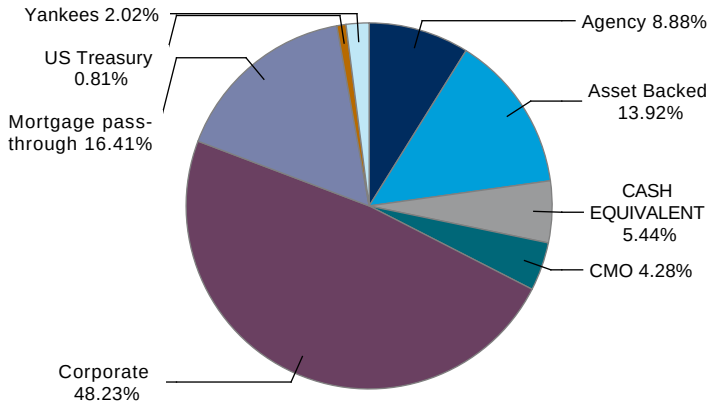
Net Yield



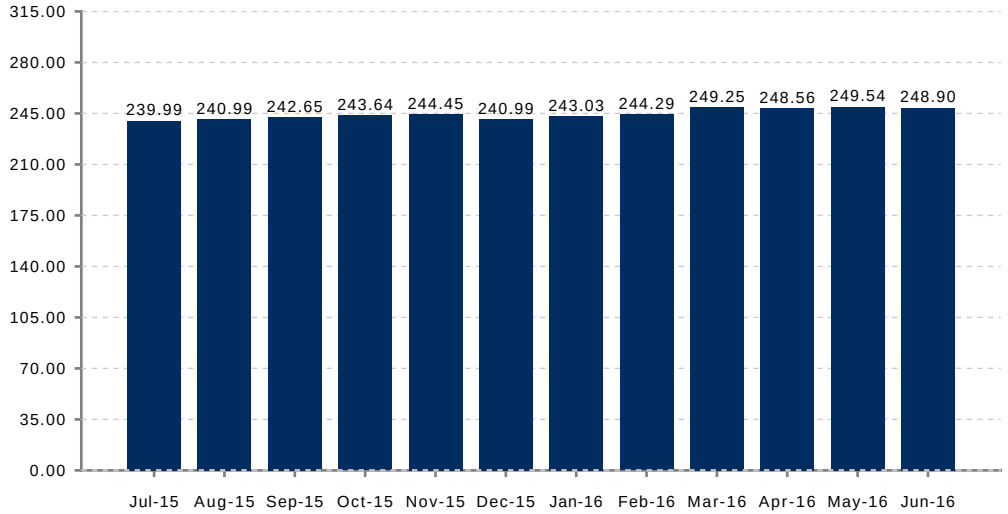
	Current Mth	Prior Mth	1 Year Ago
POOL 500 LGIP MED	1.44	1.35	1.11

Asset Allocation

	Ending Market Value
POOL 500 LGIP MED	248,899,355



Net Asset Values over Time ($MM)



Top 10 Holdings

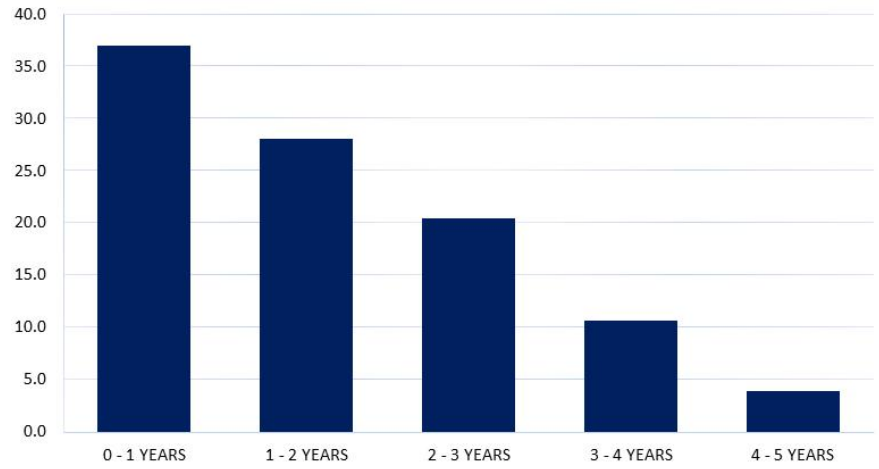
Security Name	Ending Market Value	% of Portfolio
POOL 500 LGIP MED		
GUGGENHEIM SECURITIES REPO	11,000,244	4.42
FNMA POOL AB5991	8,625,902	3.47
MICROSOFT CORP	8,233,275	3.31
MERCK + CO INC	5,509,999	2.21
ELI LILLY + CO	5,058,275	2.03
CHEVRON CORP	5,049,901	2.03
NISSAN MOTOR ACCEPTANCE	5,038,650	2.02
FREDDIE MAC	5,026,550	2.02
FORD CREDIT FLOORPLAN MASTER O	5,012,626	2.01
TOYOTA MOTOR CREDIT CORP	4,961,356	1.99

OFFICE OF THE ARIZONA STATE TREASURER

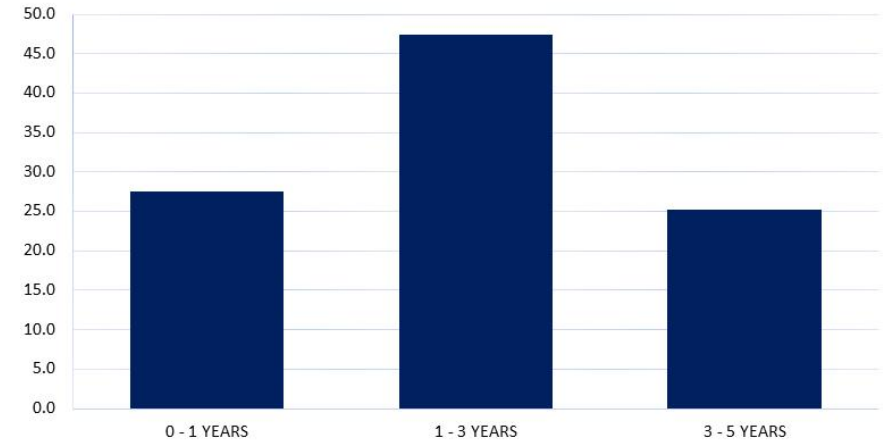
June 30, 2016

POOL 500 LGIP MED

Duration Distribution



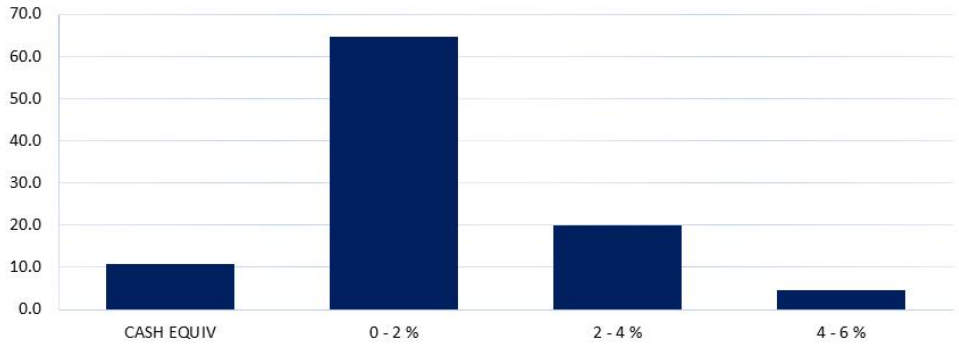
Expected Maturity Distribution



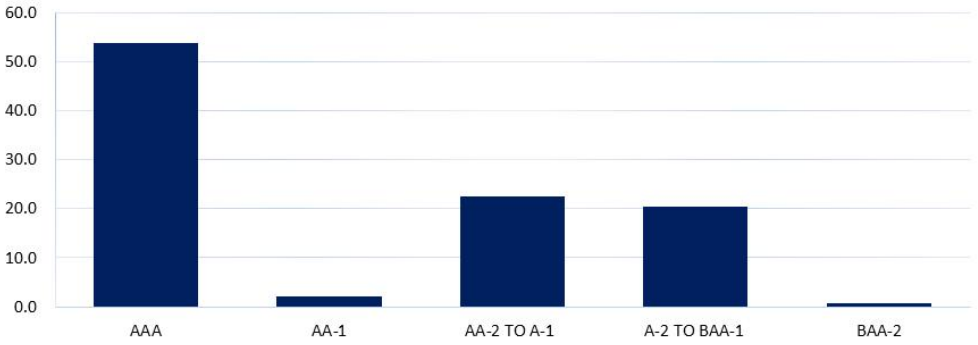
Portfolio Level Characteristics

	POOL 500 LGIP MED
Weighted Average Life	2.05
Coupon	1.85
Effective Duration	1.58
Quality Rating (Moody's)	AA-2

Coupon Distribution



Rating Distribution



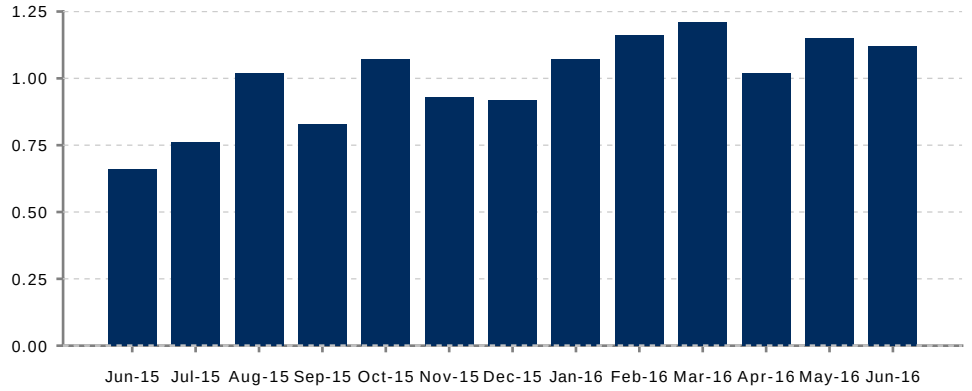
OFFICE OF THE ARIZONA STATE TREASURER

June 30, 2016

POOL 700 LGIP MD FF&C

STATE STREET.

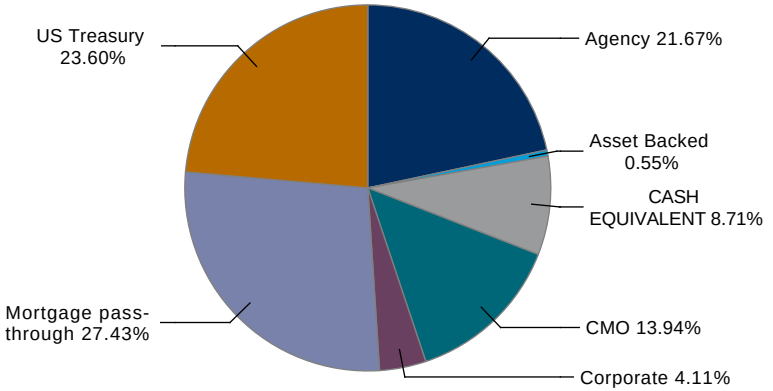
Net Yield



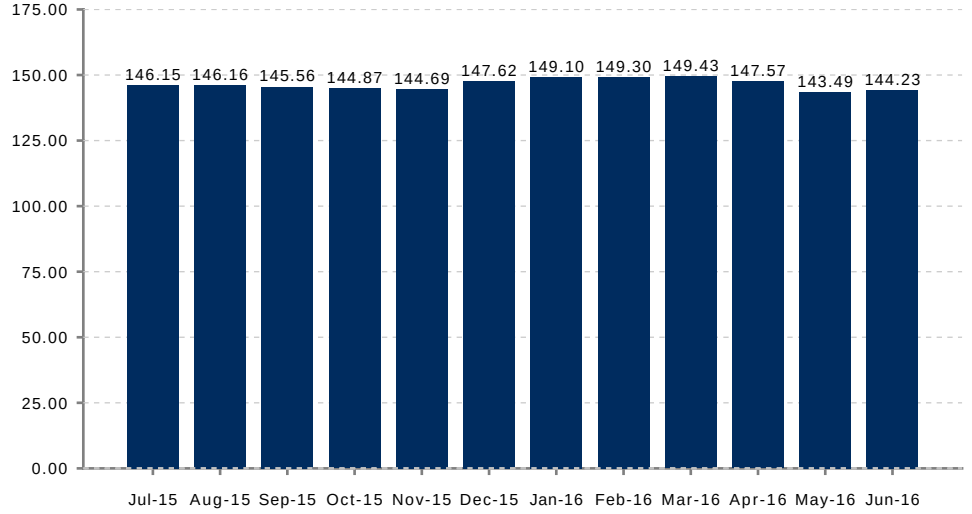
	Current Mth	Prior Mth	1 Year Ago
POOL 700 LGIP MD FF&C	1.12	1.15	0.66

Asset Allocation

	Ending Market Value
POOL 700 LGIP MD FF&C	144,231,893



Net Asset Values over Time ($MM)



Top 10 Holdings

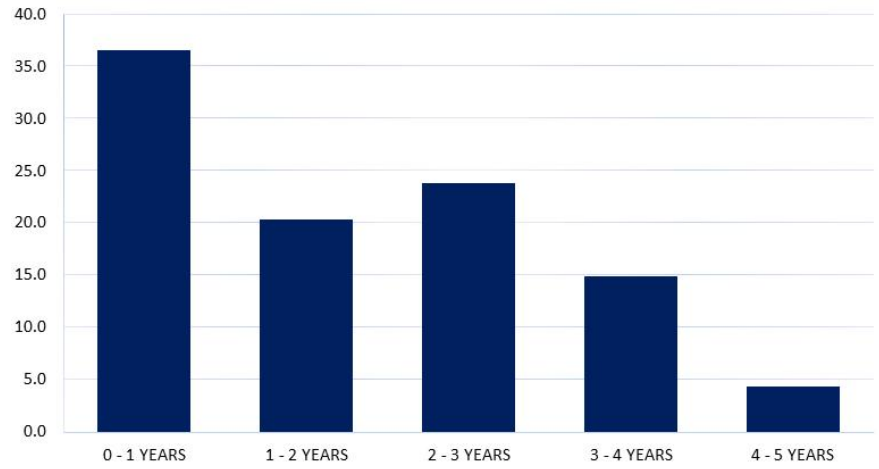
Security Name	Ending Market Value	% of Portfolio
POOL 700 LGIP MD FF&C		
GUGGENHEIM SECURITIES REPO	11,000,244	7.63
OVERSEAS PRIVATE INV COR	5,215,095	3.62
US TREASURY N/B	5,070,716	3.52
US TREASURY N/B	5,018,428	3.48
US TREASURY N/B	5,003,972	3.47
AID ISRAEL	4,992,080	3.46
GNMA II POOL MA0213	4,971,973	3.45
OVERSEAS PRIVATE INV COR	4,481,550	3.11
PRIVATE EXPORT FUNDING	3,571,096	2.48
GNMA POOL 775134	3,031,184	2.10

OFFICE OF THE ARIZONA STATE TREASURER

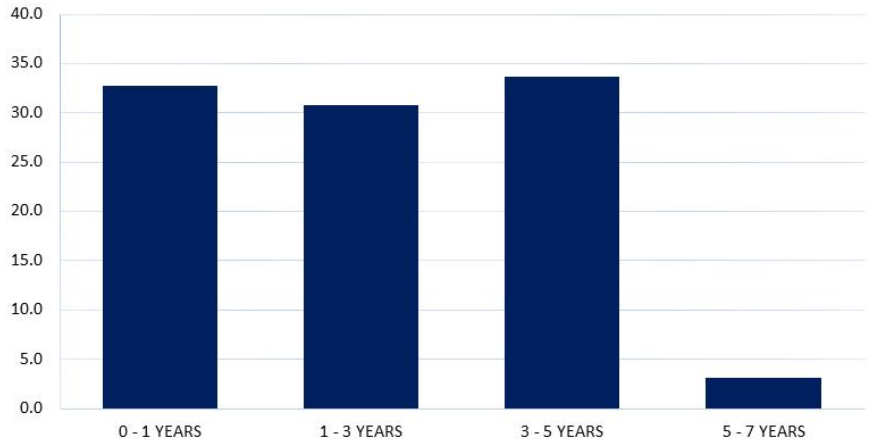
June 30, 2016

POOL 700 LGIP MD FF&C

Duration Distribution



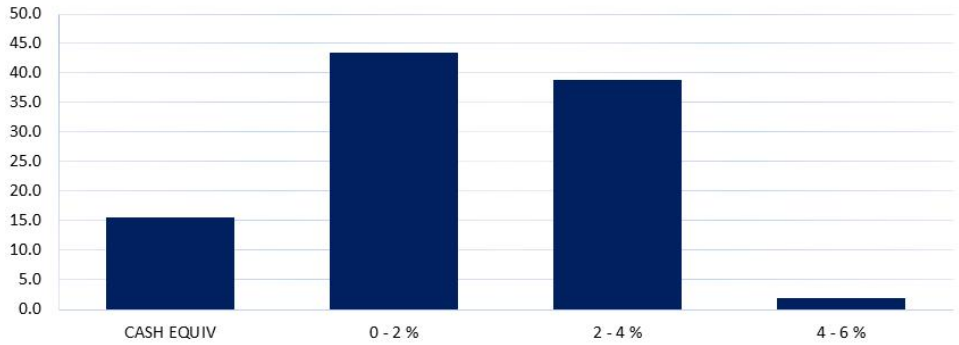
Expected Maturity Distribution



Portfolio Level Characteristics

	POOL 700 LGIP MD FF&C
Weighted Average Life	2.18
Coupon	1.75
Effective Duration	1.69
Quality Rating (Moody's)	AAA

Coupon Distribution



Rating Distribution

EARNINGS DISTRIBUTED
ENDOWMENT FUNDS
JUNE 2016

Recipient		Distributed in Current Month JUNE 2016	Fiscal YTD 15/16	Fiscal YTD 14/15
101	A & M Colleges	$464,320	$695,221	$227,961
102	State Hospital	$287,897	$431,065	$138,412
103	Leg., Exec., & Jud.	$378,610	$566,887	$185,230
104	Military Institute	$25,786	$38,609	$12,784
105	Miners Hospital	$869,549	$1,301,965	$388,978
107	Normal School ASU/NAU	$171,403	$256,640	$82,066
108	Penitentiaries	$605,324	$906,343	$282,456
109	Permanent Common School	$179,346,421	$259,266,200	$75,984,425
110	School for Deaf & Blind	$241,741	$361,956	$116,300
111	School of Mines	$524,923	$785,961	$257,994
112	State Charitable-Pioneers Home	$2,547,361	$3,814,133	$1,247,286
112	State Charitable-Corrections	$1,273,681	$1,907,066	$623,643
112	State Charitable-Youth Treatment	$1,273,681	$1,907,066	$623,643
113	University Fund	$891,589	$1,334,964	$429,026
114	U of A Land - 1881	$2,583,497	$3,868,238	$1,129,225
	Total	**$191,485,783**	**$277,442,315**	**$81,729,431**

NET REALIZED CAPITAL GAINS / LOSSES - ENDOWMENT FUNDS

Endowment Fund	Jun-16 NET GAIN(LOSS)	Jun-15 NET GAIN(LOSS)
Fixed Income Pool	(385,254)	(411,620)
500 Large-Cap Fund	70,512,446	2,483,041
400 Mid-Cap Fund	12,071,516	6,227,354
600 Small-Cap Fund	4,100,190	3,249,416
Totals	**86,298,898**	**11,548,191**

Endowment Fund	2015/2016 FISCAL YEAR TO DATE GAINS(LOSSES)	2014/ 2015 FISCAL YEAR TO DATE GAINS(LOSSES)
Fixed Income Pool	(2,043,400)	(2,915,214)
500 Large-Cap Fund	90,910,605	32,499,117
400 Mid-Cap Fund	65,245,427	58,309,468
600 Small-Cap Fund	38,389,376	28,276,910
Totals	**192,502,009**	**116,170,282**

ENDOWMENT FUNDS FIXED-INCOME POOLS
PURCHASES & SALES
JUNE 2016

I. Endowment Funds Purchases

POOL	SECURITY DESCRIPTION	RATE	MATURITY	*WAL YEARS	PAR VALUE	PURCHASE COST	YIELD	MOODY'S / S&P RATING
205	FHLMC MTG	4.50	9/1/2042	7.03	$5,932,967	$6,650,856	2.52%	Aaa/AA+
205	FNMA MTG	2.70	4/1/2023	6.13	$4,695,331	$4,978,233	1.74%	Aaa/AA+
205	FNMA MTG	2.44	2/1/2023	5.98	$6,282,323	$6,548,469	1.75%	Aaa/AA+
205	US TREASURY	6.13	11/15/2027	NA	$5,000,000	$7,330,825	1.67%	Aaa/AA+
205	US TREASURY	6.25	5/15/2030	NA	$5,000,000	$7,785,632	1.76%	Aaa/AA+
123	ANGLESEA FDG PLC	0.38	6/30/2016	NA	$20,000,000	$19,998,311	0.38%	P1/A1
123	BEDFORD ROW FDG CORP	0.36	6/24/2016	NA	$30,000,000	$29,999,700	0.36%	P1/A1+
123	GOLDEN FUNDING CORP	0.41	6/29/2016	NA	$5,000,000	$4,999,658	0.41%	P1/A1
123	INSTITUTIONAL SECURED	0.44	6/30/2016	NA	$20,000,000	$19,998,289	0.44%	P1/A1
123	MOUNTCLIFF	0.42	6/24/2016	NA	$20,000,000	$19,999,767	0.42%	P1/A1
123	PHILIP MORRIS INTL	0.44	6/29/2016	NA	$20,000,000	$19,998,533	0.44%	P1/A1
123	SHEFFIELD RECEIVABLE	0.50	6/30/2016	NA	$50,000,000	$49,995,833	0.50%	P1/NR
123	SHELL INTNL FNC	0.42	6/27/2016	NA	$20,000,000	$19,999,300	0.42%	P1/A1
123	US TREASURY	0.22	6/23/2016	NA	$20,000,000	$19,999,756	0.22%	Aaa/AA+
123	VICTORY RECEIVABLES	0.40	6/29/2016	NA	$20,000,000	$19,998,889	0.40%	P1/A1
	TOTAL ENDOWMENT FUNDS PURCHASES				**$251,910,621**	**$258,282,051**		

II. Endowment Funds Sales

SECURITY DESCRIPTION	RATE	MATURITY	PAR VALUE	AMORTIZED COST/PROCEEDS	SALES GAINS/(LOSSES)	MOODY'S / S&P 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.

I. Equity Fund Purchases

	SHARES	PURCHASE COST	COMMISSIONS
400 Mid-Cap Fund	393,772	$8,416,161	$2,217
500 Large-Cap Fund	182,110	$11,767,519	$1,251
600 Small-Cap Fund	550,941	$15,495,920	$3,985
TOTAL EQUITY PURCHASES	**1,126,823**	**$35,679,600**	**$7,453**

II. Equity Funds Sales

	SHARES	SALES AMOUNT	COMMISSIONS
400 Mid-Cap Fund	494,369	$35,942,924	$3,444
500 Large-Cap Fund	3,044,938	$184,580,092	$22,842
600 Small-Cap Fund	244,699	$11,190,902	$1,099
TOTAL EQUITY SALES	**3,784,006**	**$231,713,919**	**$27,385**

ENDOWMENT FUNDS
INVESTMENTS OUTSTANDING
JUNE 30, 2016
(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	439	3,089	7,436	4,346	
	Shares in Fixed Income Pools	4,475	3,204	4,987	1,783	
	Total	4,914	6,293	12,422	6,129	**1.974**
102	State Hospital					
	Shares in Equity Pools	296	2,170	5,010	2,840	
	Shares in Fixed Income Pools	3,046	2,365	3,394	1,029	
	Total	3,342	4,535	8,404	3,869	**1.853**
103	Leg., Exec, & Jud					
	Shares in Equity Pools	354	2,660	5,990	3,331	
	Shares in Fixed Income Pools	3,829	2,738	4,267	1,528	
	Total	4,183	5,398	10,257	4,859	**1.900**
104	Military Institute					
	Shares in Equity Pools	23	167	389	222	
	Shares in Fixed Income Pools	254	173	283	111	
	Total	277	340	672	332	**1.976**
105	Miners Hospital					
	Shares in Equity Pools	1,024	9,072	17,341	8,269	
	Shares in Fixed Income Pools	10,444	9,094	11,637	2,543	
	Total	11,468	18,167	28,978	10,812	**1.595**
107	Normal School ASU/NAU					
	Shares in Equity Pools	184	1,474	3,114	1,641	
	Shares in Fixed Income Pools	1,912	1,484	2,131	647	
	Total	2,096	2,958	5,245	2,288	**1.773**
108	Penitentiaries					
	Shares in Equity Pools	693	5,873	11,733	5,860	
	Shares in Fixed Income Pools	7,122	5,866	7,936	2,071	
	Total	7,815	11,738	19,669	7,931	**1.676**

ENDOWMENT FUNDS
INVESTMENTS OUTSTANDING
JUNE 30, 2016
(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	169,724	1,357,826	2,873,667	1,515,841	
	Shares in Fixed Income Pools	1,734,122	1,410,078	1,932,300	522,223	
	Total	1,903,846	2,767,904	4,805,967	2,038,063	**1.736**
110	School for Deaf & Blind					
	Shares in Equity Pools	234	1,762	3,959	2,198	
	Shares in Fixed Income Pools	2,661	2,012	2,965	952	
	Total	2,895	3,774	6,924	3,150	**1.835**
111	School of Mines					
	Shares in Equity Pools	493	3,698	8,355	4,656	
	Shares in Fixed Income Pools	5,155	3,825	5,744	1,919	
	Total	5,649	7,524	14,099	6,575	**1.874**
112	State Charitable					
	Shares in Equity Pools	4,989	37,584	84,470	46,887	
	Shares in Fixed Income Pools	49,493	39,261	55,150	15,888	
	Total	54,482	76,845	139,620	62,775	**1.817**
113	University Fund					
	Shares in Equity Pools	899	7,121	15,220	8,099	
	Shares in Fixed Income Pools	9,399	7,164	10,473	3,309	
	Total	10,298	14,285	25,693	11,408	**1.799**
114	U Of A Land - 1881					
	Shares in Equity Pools	3,120	28,760	52,825	24,065	
	Shares in Fixed Income Pools	32,280	27,375	35,969	8,594	
	Total	35,400	56,135	88,795	32,660	**1.582**
	TOTALS - ALL FUNDS					
	Shares in Equity Pools	182,472	1,461,256	3,089,511	1,628,255	
	Shares in Fixed Income Pools	1,864,193	1,514,640	2,077,236	562,596	
	Grand Total	**2,046,665**	**2,975,896**	**5,166,747**	**2,190,851**	
	PRIOR YEAR: JUNE 2015 BALANCES	**1,975,833**	**2,994,331**	**5,169,839**	**2,175,508**	

ENDOWMENT FUNDS
INVESTMENTS OUTSTANDING
JUNE 30, 2016

ASSET ALLOCATION PERCENTAGE

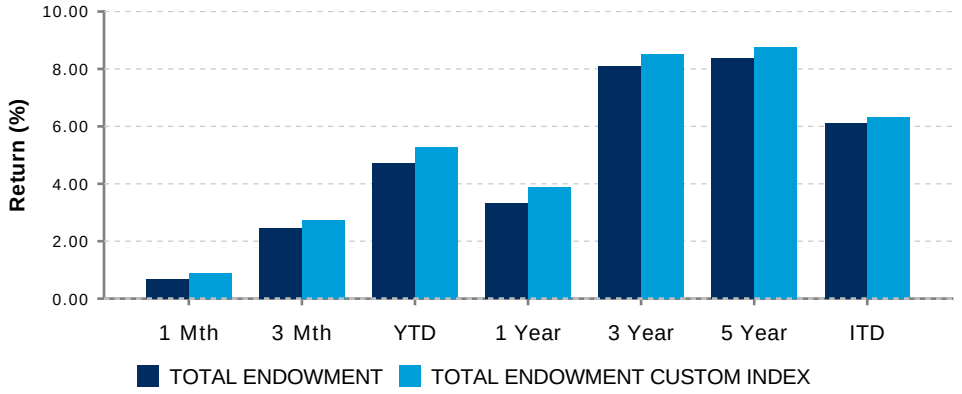
	SHARES OUTSTANDING	**BOOK VALUE**	MARKET VALUE	JUNE 2015 MARKET VALUE
Shares in Equity Pools	8.92%	**49.10%**	59.80%	63.35%
Shares in Fixed Income Pools	91.08%	**50.90%**	40.20%	36.65%
Total	100.00%	**100.00%**	100.00%	100.00%

OFFICE OF THE ARIZONA STATE TREASURER

June 30, 2016

Total Endowment Summary

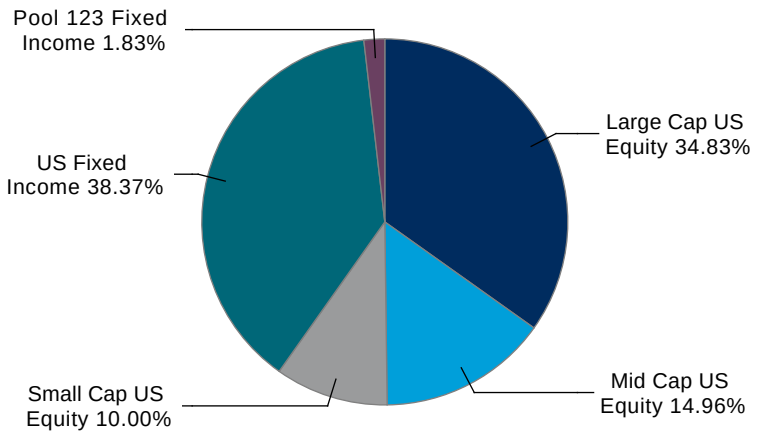
Performance



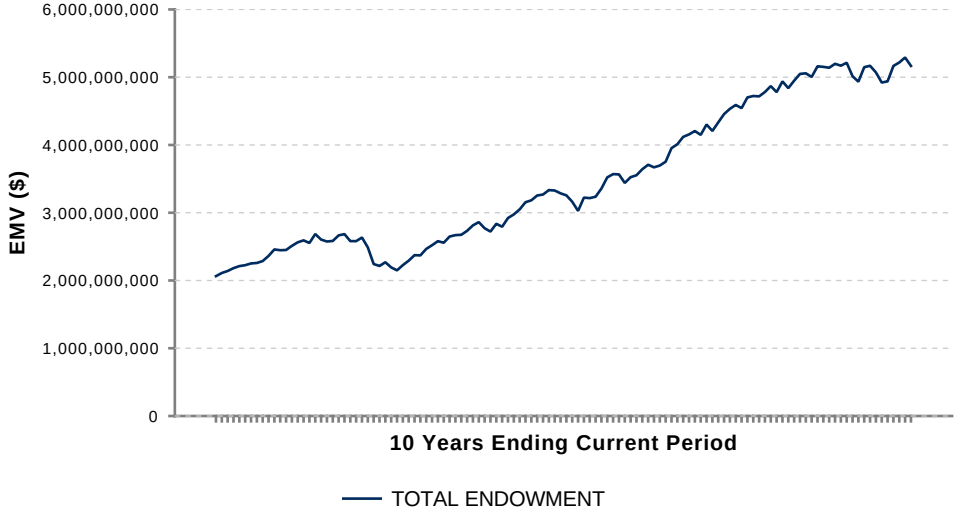
	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Incept Date
TOTAL ENDOWMENT	0.69	2.46	4.73	3.32	8.09	8.39	6.10	07/99
TOTAL ENDOWMENT CUSTOM INDEX	0.89	2.72	5.26	3.90	8.51	8.76	6.31	07/99
Excess	-0.20	-0.25	-0.53	-0.57	-0.43	-0.37	-0.20	

Asset Allocation

	Ending Market Value
TOTAL ENDOWMENT	5,166,747,084

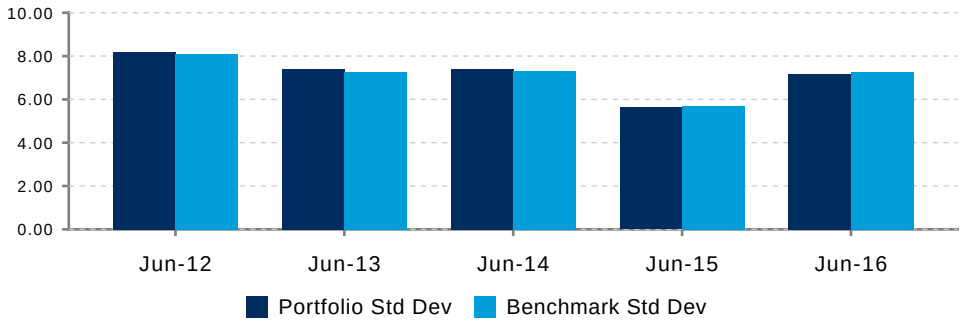


Ending Market Value



3 Year Risk Statistics

	Return	Portfolio Std Dev	Benchmark Std Dev	Sharpe Ratio	Beta	Tracking Error	Information Ratio
TOTAL ENDOWMENT	8.09	7.17	7.28	1.12	0.98	0.31	-1.35



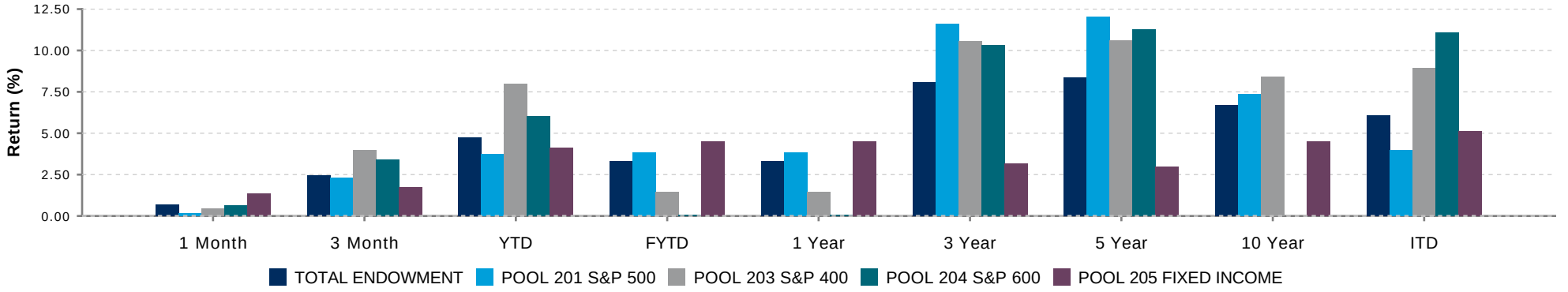
OFFICE OF THE ARIZONA STATE TREASURER

June 30, 2016

Total Returns Net Mgr

STATE STREET.

Return Comparison



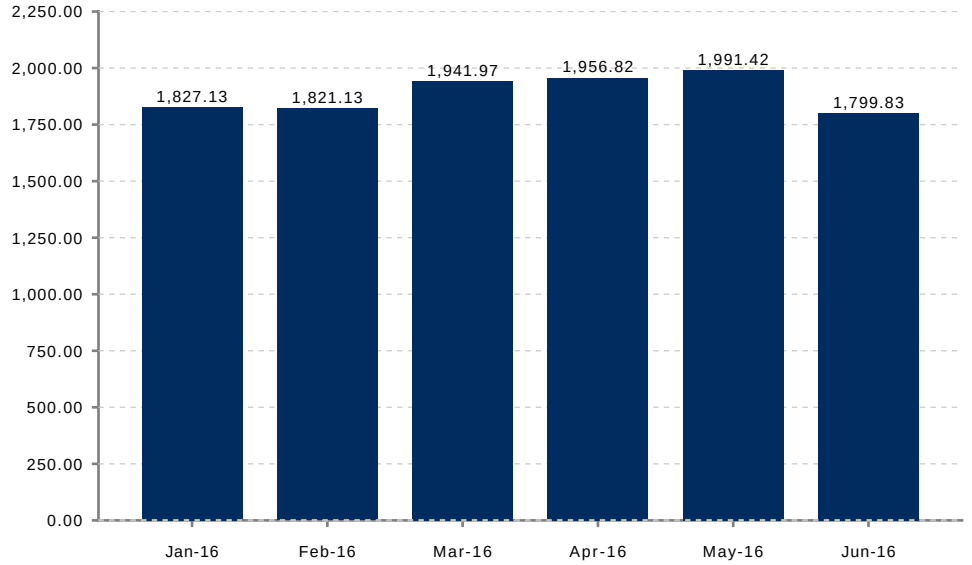
	Market Value	Actual Weight	1 Mth	3 Mth	YTD	FYTD	1 Year	3 Year	5 Year	10 Year	ITD	Inc Date
TOTAL ENDOWMENT	5,166,747,084	100.00	0.69	2.46	4.73	3.32	3.32	8.09	8.39	6.72	6.10	Jul-01-99
TOTAL ENDOWMENT CUSTOM INDEX			0.89	2.72	5.26	3.90	3.90	8.51	8.76	7.09	6.31	Jul-01-99
Excess			-0.20	-0.25	-0.53	-0.57	-0.57	-0.43	-0.37	-0.37	-0.20	
POOL 201 S&P 500	1,799,826,452	34.83	0.16	2.33	3.72	3.83	3.83	11.59	12.04	7.35	3.96	Jul-01-99
S&P 500 INDEX (DAILY)			0.26	2.46	3.84	3.99	3.99	11.66	12.10	7.42	4.50	Jul-01-99
Excess			-0.10	-0.13	-0.12	-0.16	-0.16	-0.07	-0.06	-0.08	-0.55	
POOL 203 S&P 400	773,151,886	14.96	0.44	3.96	8.01	1.46	1.46	10.58	10.62	8.43	8.96	Aug-01-01
S&P 400 MIDCAP INDEX (DAILY)			0.42	3.99	7.93	1.33	1.33	10.53	10.55	8.55	8.96	Aug-01-01
Excess			0.03	-0.04	0.08	0.13	0.13	0.06	0.07	-0.13	-0.01	
POOL 204 S&P 600	516,532,575	10.00	0.64	3.40	6.01	0.09	0.09	10.30	11.28		11.09	Mar-01-11
S&P SM 600 TR			0.61	3.48	6.23	-0.03	-0.03	10.23	11.20		11.05	Mar-01-11
Excess			0.04	-0.08	-0.22	0.12	0.12	0.07	0.07		0.04	
POOL 205 FIXED INCOME	1,982,612,862	38.37	1.35	1.74	4.11	4.51	4.51	3.15	2.99	4.52	5.11	Jul-01-99
CITIGROUP BIG (DAILY)			1.81	2.25	5.36	5.98	5.98	4.05	3.77	5.22	5.47	Jul-01-99
Excess			-0.45	-0.51	-1.25	-1.47	-1.47	-0.90	-0.78	-0.71	-0.36	
POOL 123 FIXED INCOME	94,623,310	1.83	0.03								0.03	Jun-01-16
ASTO - POOL 5 BENCHMARK			0.03								0.03	Jun-01-16
Excess			-0.01								-0.01	

OFFICE OF THE ARIZONA STATE TREASURER

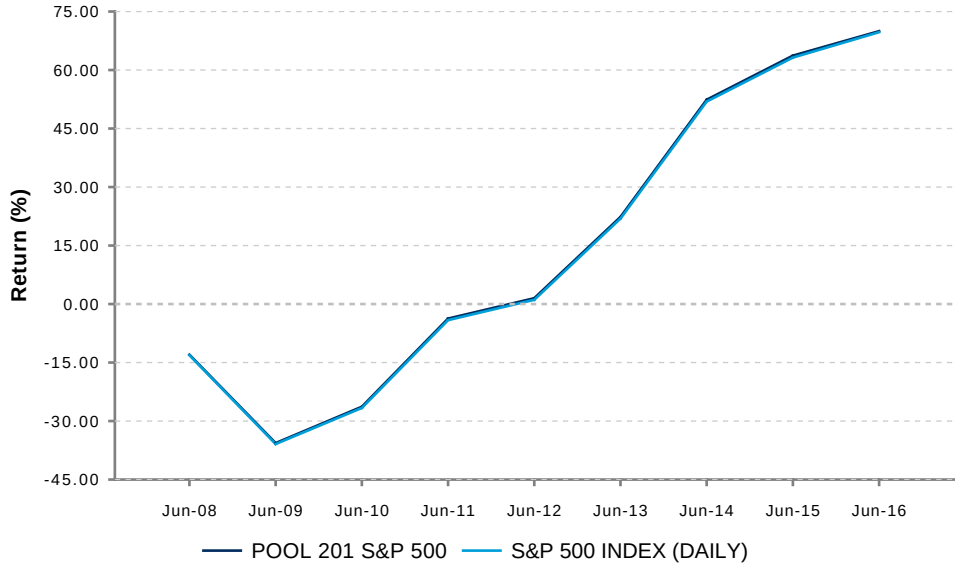
June 30, 2016

POOL 201 S&P 500

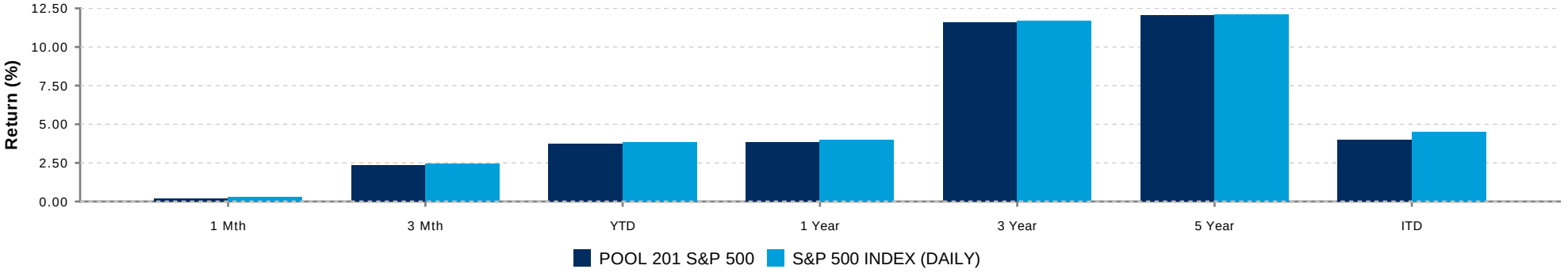
Net Asset Values over Time ($MM)



Cumulative Return (%)



Rates of Return

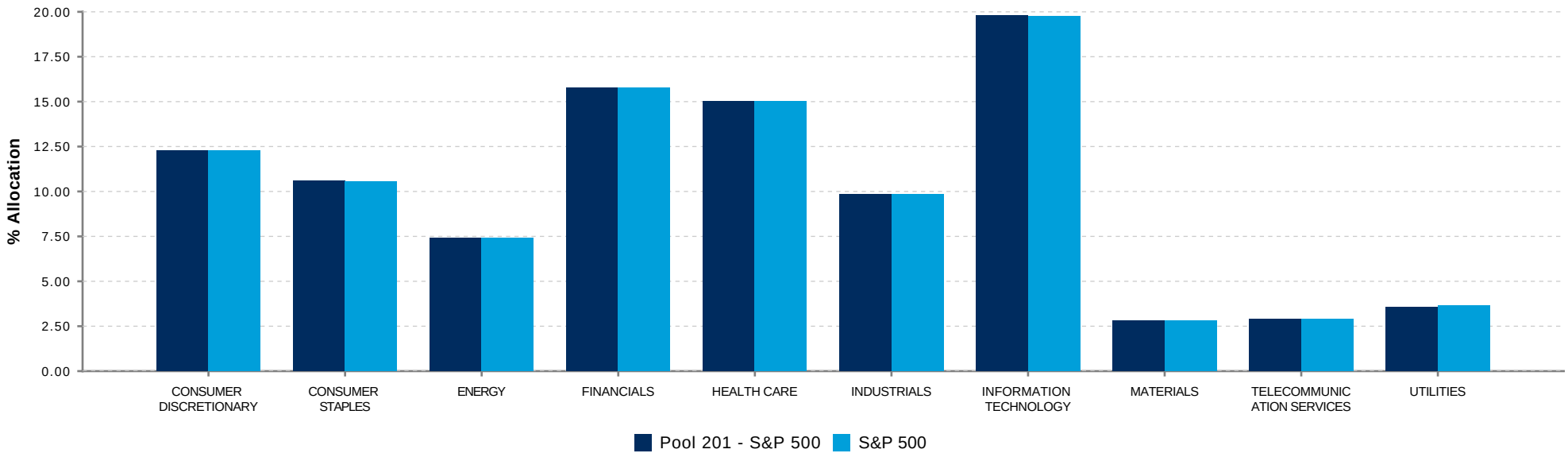


	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Jun 30 2016	Jun 30 2015	Jun 30 2014
POOL 201 S&P 500	0.16	2.33	3.72	3.83	11.59	12.04	3.96	3.83	7.41	24.57
S&P 500 INDEX (DAILY)	0.26	2.46	3.84	3.99	11.66	12.10	4.50	3.99	7.42	24.61
Excess	-0.10	-0.13	-0.12	-0.16	-0.07	-0.06	-0.55	-0.16	-0.01	-0.03

OFFICE OF THE ARIZONA STATE TREASURER

June 30, 2016

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



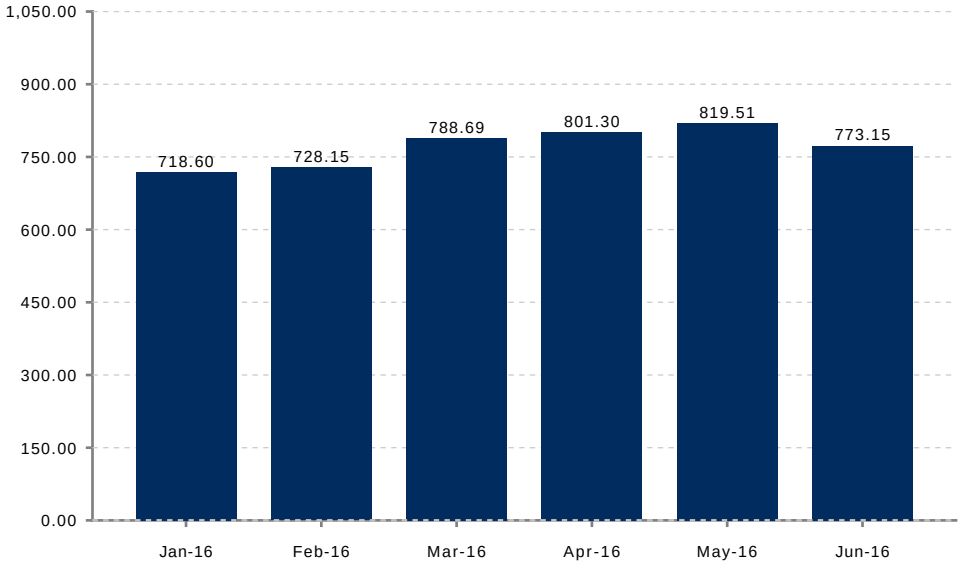
	Fund Weight	Benchmark Weight	Relative Weight
POOL 201 S&P 500	100.00	100.00	0.00
CONSUMER DISCRETIONARY	12.68	12.55	0.13
CONSUMER STAPLES	10.10	10.08	0.01
ENERGY	7.14	7.13	0.01
FINANCIALS	16.25	16.30	-0.05
HEALTH CARE	14.99	15.02	-0.04
INDUSTRIALS	9.69	9.70	-0.01
INFORMATION TECHNOLOGY	20.34	20.37	-0.03
MATERIALS	2.84	2.84	-0.01
TELECOMMUNICATION SERVICES	2.64	2.65	-0.01
UTILITIES	3.34	3.34	0.00

OFFICE OF THE ARIZONA STATE TREASURER

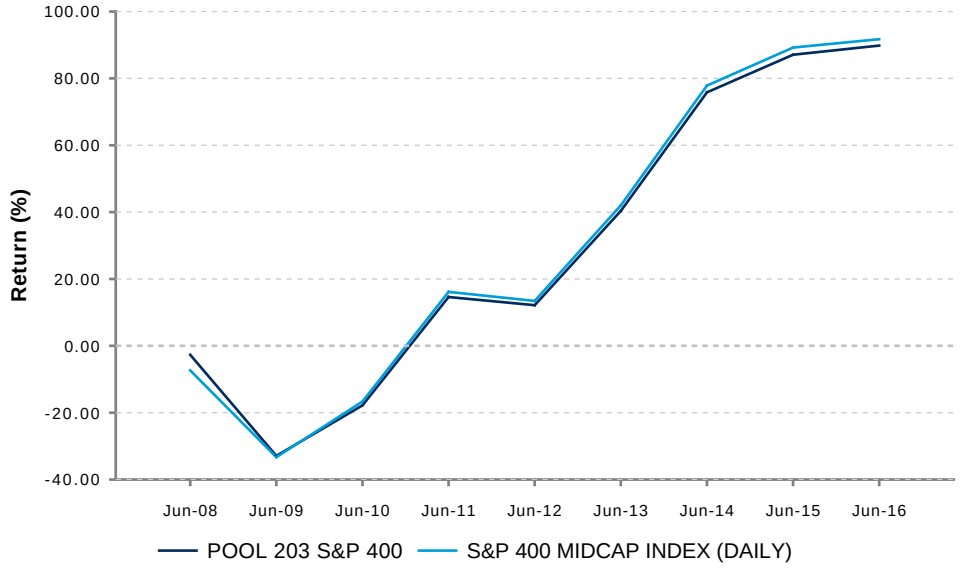
June 30, 2016

POOL 203 S&P 400

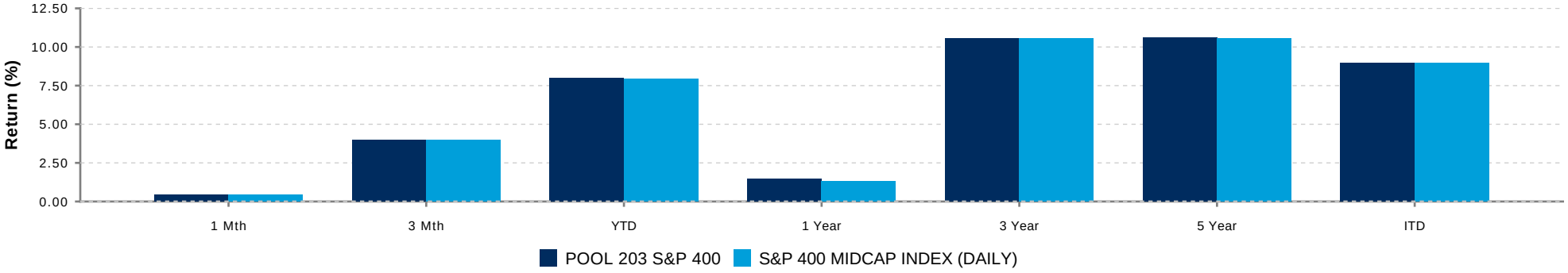
Net Asset Values over Time ($MM)



Cumulative Return (%)



Rates of Return

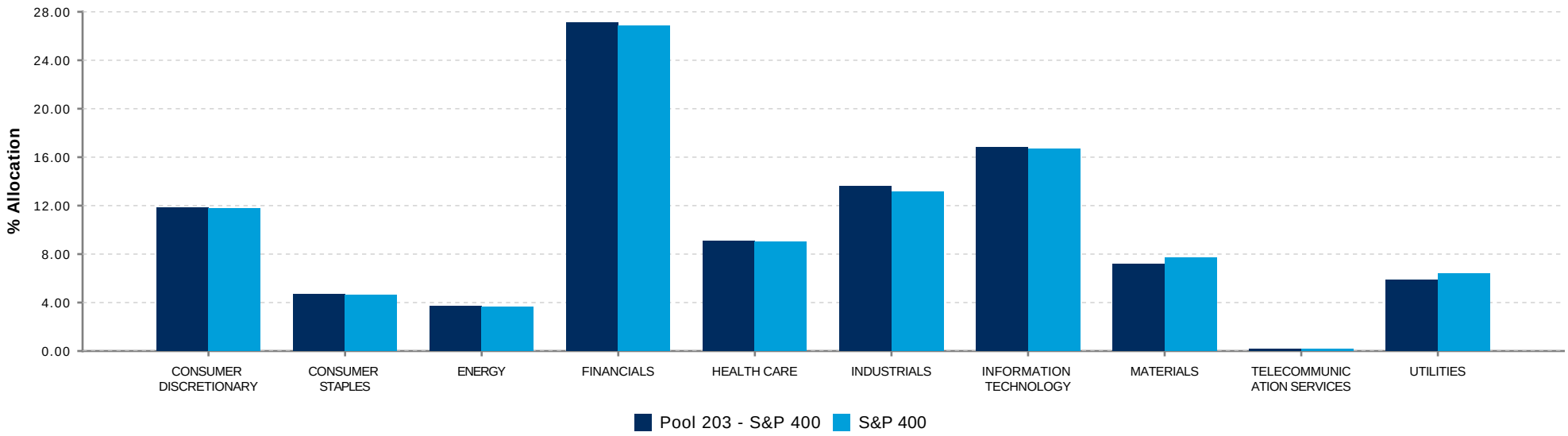


	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Jun 30 2016	Jun 30 2015	Jun 30 2014
POOL 203 S&P 400	0.44	3.96	8.01	1.46	10.58	10.62	8.96	1.46	6.41	25.26
S&P 400 MIDCAP INDEX (DAILY)	0.42	3.99	7.93	1.33	10.53	10.55	8.96	1.33	6.40	25.24
Excess	0.03	-0.04	0.08	0.13	0.06	0.07	-0.01	0.13	0.01	0.02

OFFICE OF THE ARIZONA STATE TREASURER

June 30, 2016

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



	Weight Fund	Weight Benchmark	Weight Relative
POOL 203 S&P 400	100.00	100.00	0.00
CONSUMER DISCRETIONARY	11.57	11.59	-0.03
CONSUMER STAPLES	4.33	4.35	-0.01
ENERGY	3.58	3.59	-0.01
FINANCIALS	27.04	26.67	0.36
HEALTH CARE	8.78	8.80	-0.03
INDUSTRIALS	14.30	14.53	-0.23
INFORMATION TECHNOLOGY	16.74	16.79	-0.05
MATERIALS	7.53	7.54	-0.01
TELECOMMUNICATION SERVICES	0.18	0.18	-0.00
UTILITIES	5.94	5.95	-0.01

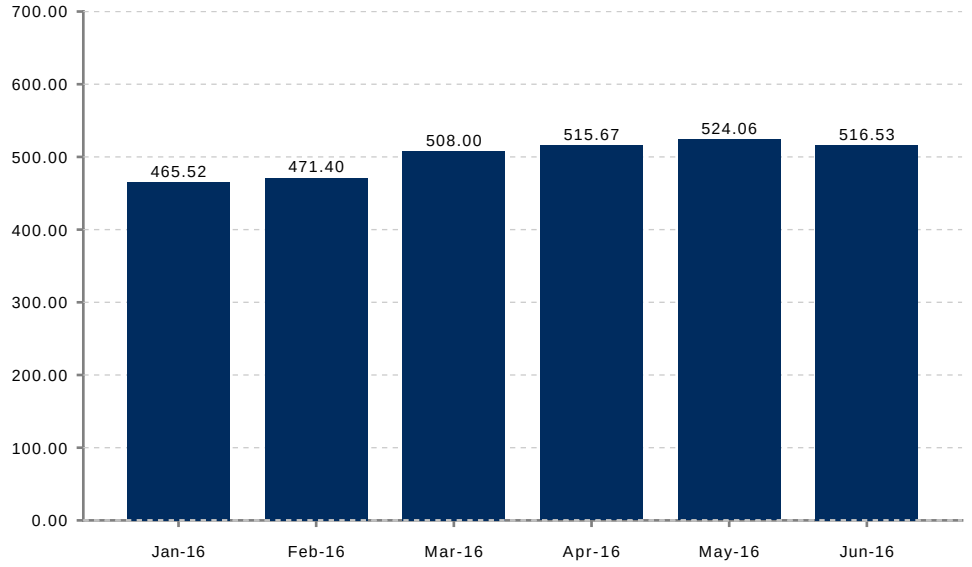
OFFICE OF THE ARIZONA STATE TREASURER

June 30, 2016

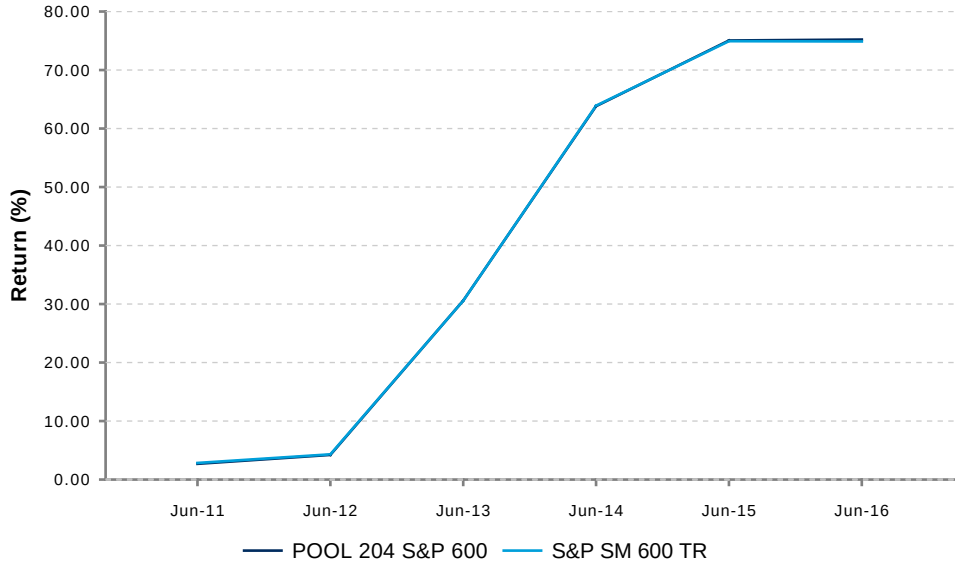
POOL 204 S&P 600

STATE STREET.

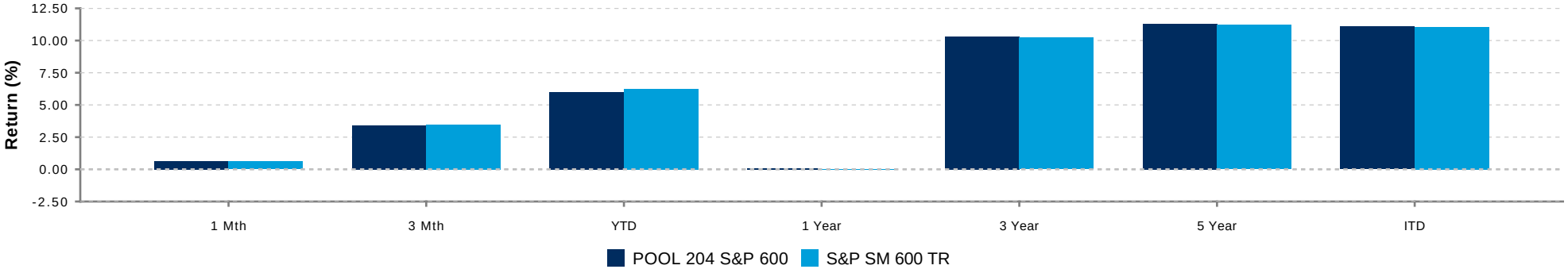
Net Asset Values over Time ($MM)



Cumulative Return (%)



Rates of Return

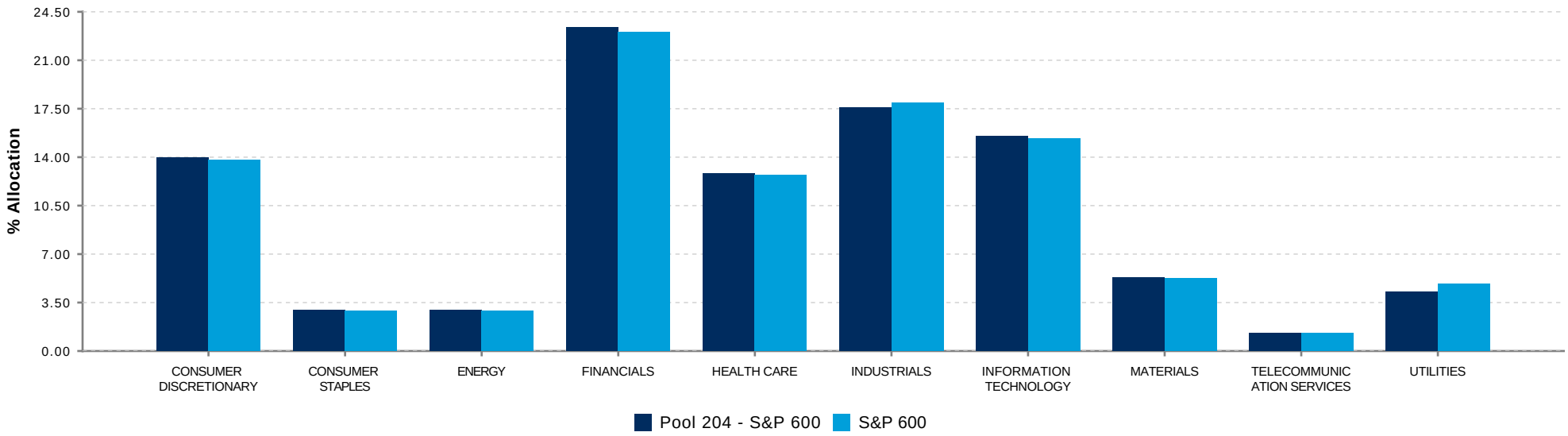


	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Jun 30 2016	Jun 30 2015	Jun 30 2014
POOL 204 S&P 600	0.64	3.40	6.01	0.09	10.30	11.28	11.09	0.09	6.85	25.46
S&P SM 600 TR	0.61	3.48	6.23	-0.03	10.23	11.20	11.05	-0.03	6.72	25.54
Excess	0.04	-0.08	-0.22	0.12	0.07	0.07	0.04	0.12	0.13	-0.08

OFFICE OF THE ARIZONA STATE TREASURER

June 30, 2016

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



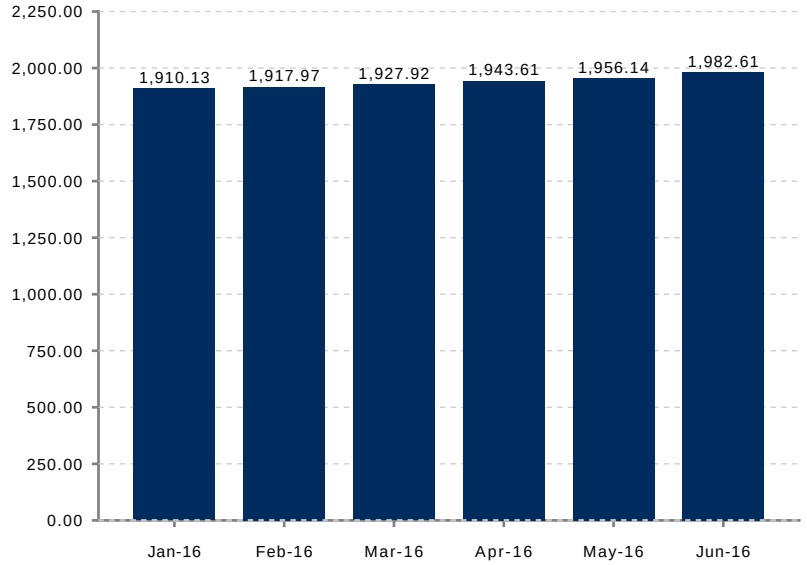
	Weight Fund	Weight Benchmark	Weight Relative
POOL 204 S&P 600	100.00	100.00	0.00
CONSUMER DISCRETIONARY	13.92	14.14	-0.22
CONSUMER STAPLES	2.76	2.77	-0.01
ENERGY	2.77	2.77	-0.01
FINANCIALS	23.70	23.26	0.44
HEALTH CARE	12.51	12.54	-0.03
INDUSTRIALS	17.97	17.99	-0.02
INFORMATION TECHNOLOGY	15.63	15.76	-0.13
MATERIALS	5.18	5.19	-0.01
TELECOMMUNICATION SERVICES	1.19	1.20	-0.01
UTILITIES	4.37	4.39	-0.02

OFFICE OF THE ARIZONA STATE TREASURER

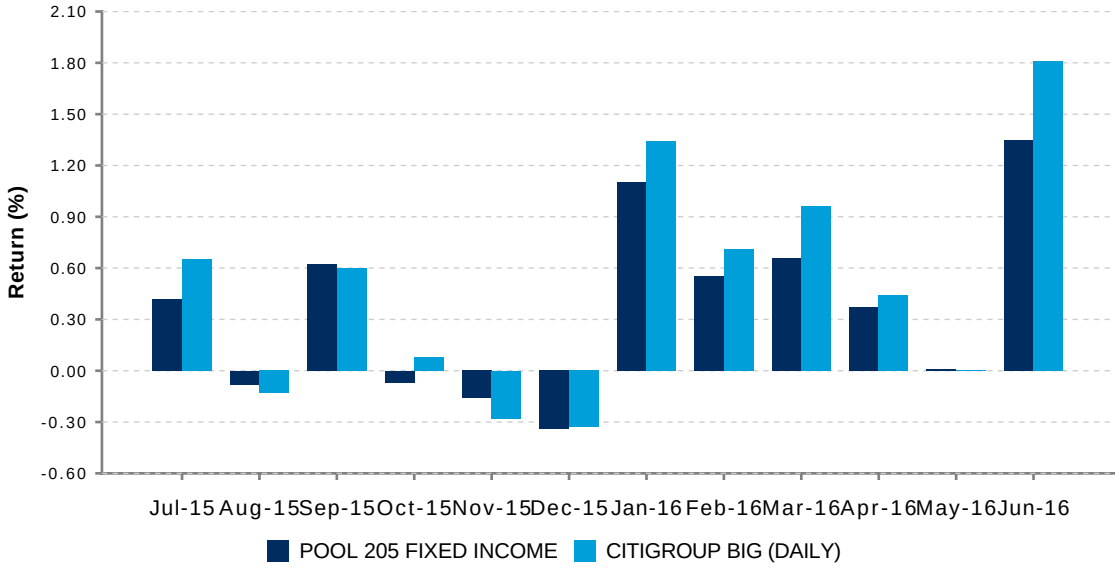
June 30, 2016

POOL 205 FIXED INCOME

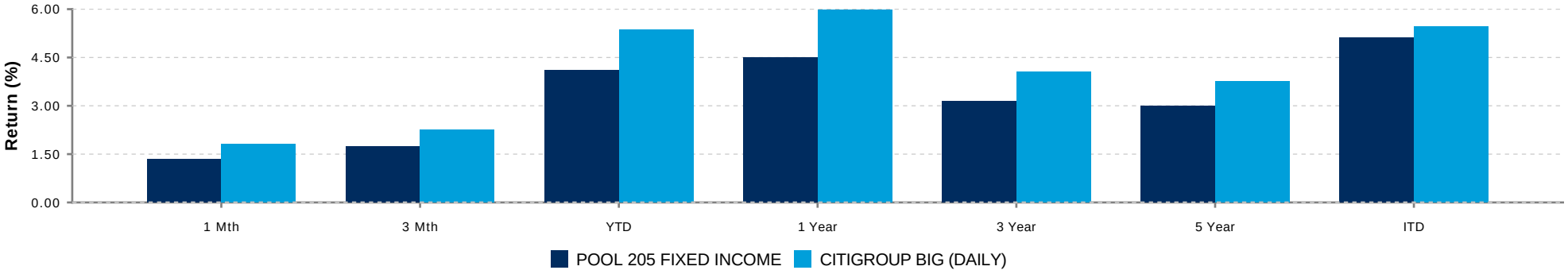
Net Asset Values over Time ($MM)



Monthly Returns



Rates of Return



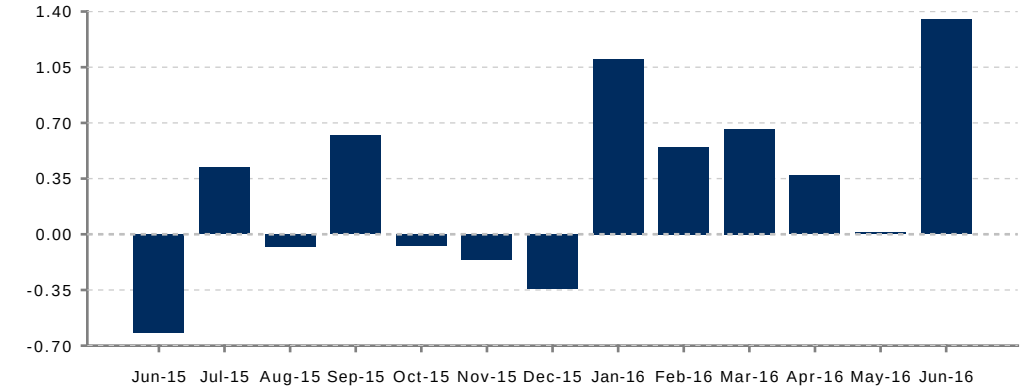
	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Jun 30 2016	Jun 30 2015	Jun 30 2014
POOL 205 FIXED INCOME	1.35	1.74	4.11	4.51	3.15	2.99	5.11	4.51	1.83	3.13
CITIGROUP BIG (DAILY)	1.81	2.25	5.36	5.98	4.05	3.77	5.47	5.98	1.87	4.34
Excess	-0.45	-0.51	-1.25	-1.47	-0.90	-0.78	-0.36	-1.47	-0.04	-1.20

OFFICE OF THE ARIZONA STATE TREASURER

June 30, 2016

POOL 205 FIXED INCOME

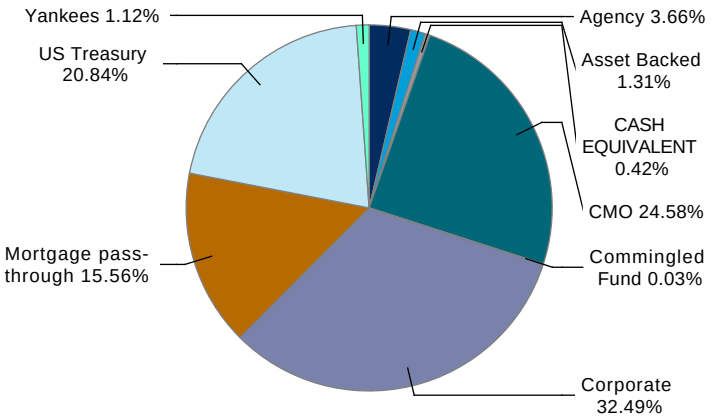
Net Mgr Return



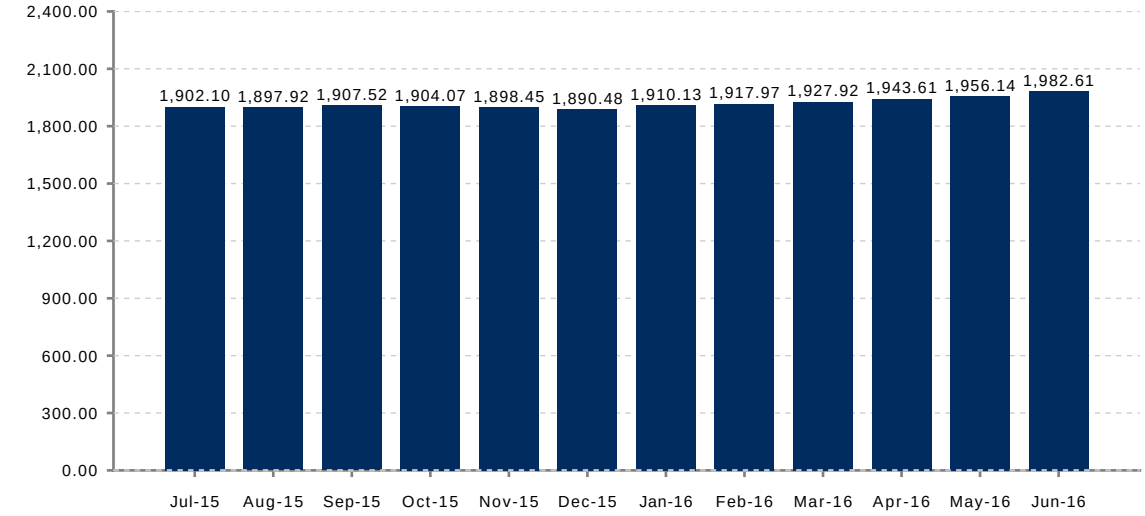
	Current Mth	Prior Mth	1 Year Ago
POOL 205 FIXED INCOME	1.35	0.01	-0.62

Asset Allocation

	Ending Market Value
POOL 205 FIXED INCOME	1,982,612,862



Net Asset Values over Time ($MM)



Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 205 FIXED INCOME		
US TREASURY N/B	17,886,280	0.90
US TREASURY N/B	15,798,223	0.80
US TREASURY N/B	15,529,359	0.78
WELLS FARGO + COMPANY	15,323,135	0.77
USAA CAPITAL CORP	15,240,067	0.77
US TREASURY N/B	15,230,612	0.77
US TREASURY N/B	15,184,468	0.77
FIFTH THIRD BANK	15,148,698	0.76
3M COMPANY	14,059,663	0.71
PRES + FELLOWS OF HARVAR	14,019,601	0.71

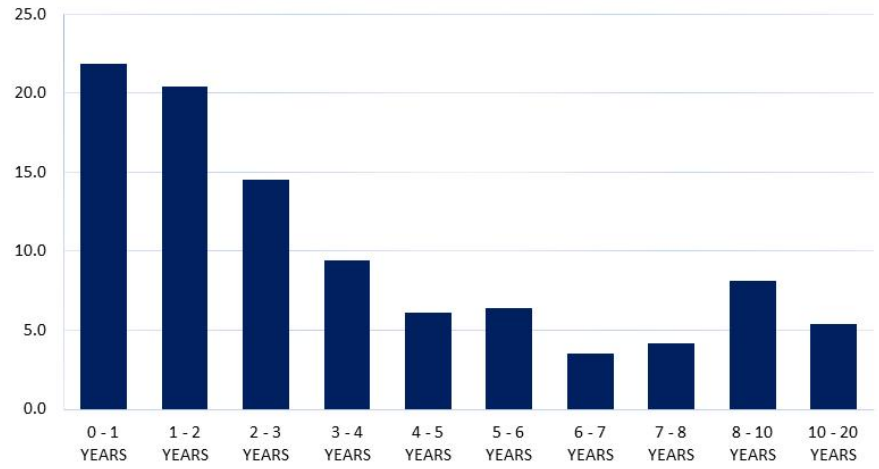
OFFICE OF THE ARIZONA STATE TREASURER

June 30, 2016

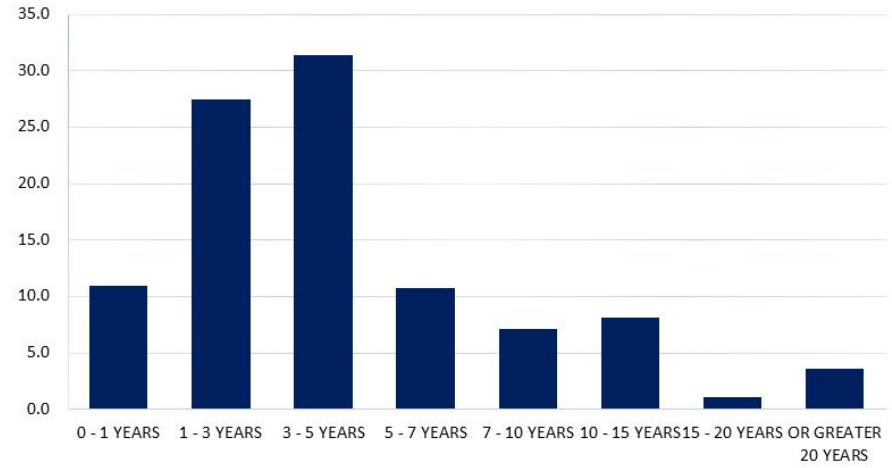
POOL 205 FIXED INCOME

STATE STREET.

Duration Distribution



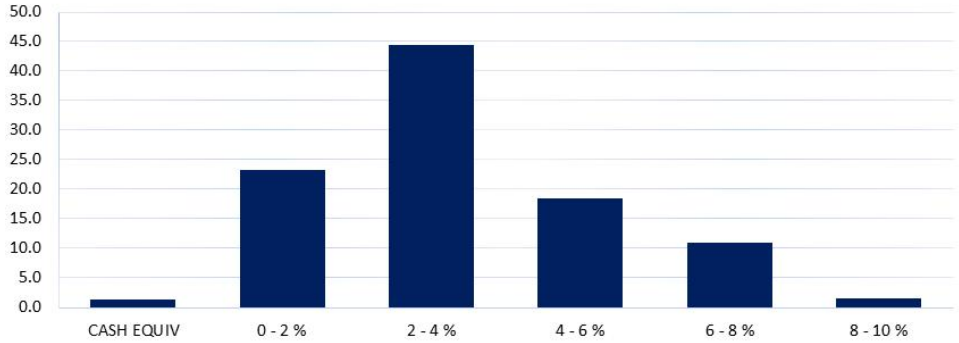
Expected Maturity Distribution



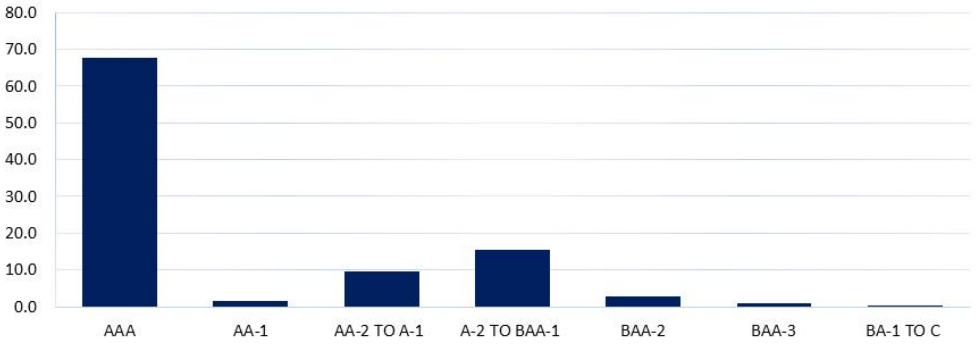
Portfolio Level Characteristics

	POOL 205 FIXED INCOME
Weighted Average Life	5.06
Coupon	3.49
Effective Duration	3.64
Quality Rating (Moody's)	AA-2

Coupon Distribution



Rating Distribution



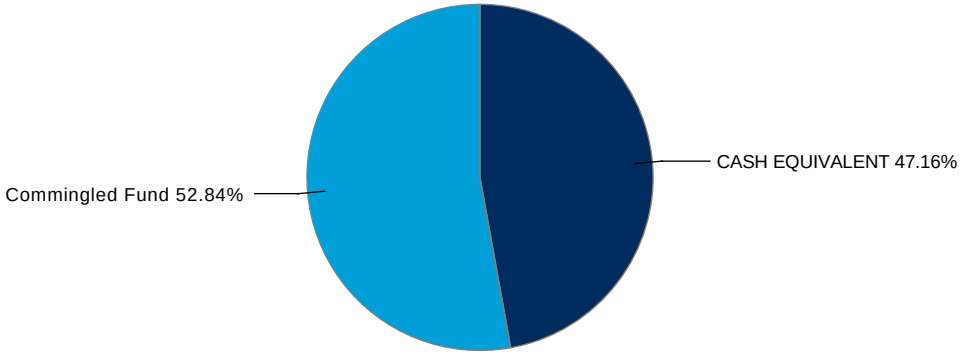
OFFICE OF THE ARIZONA STATE TREASURER

June 30, 2016

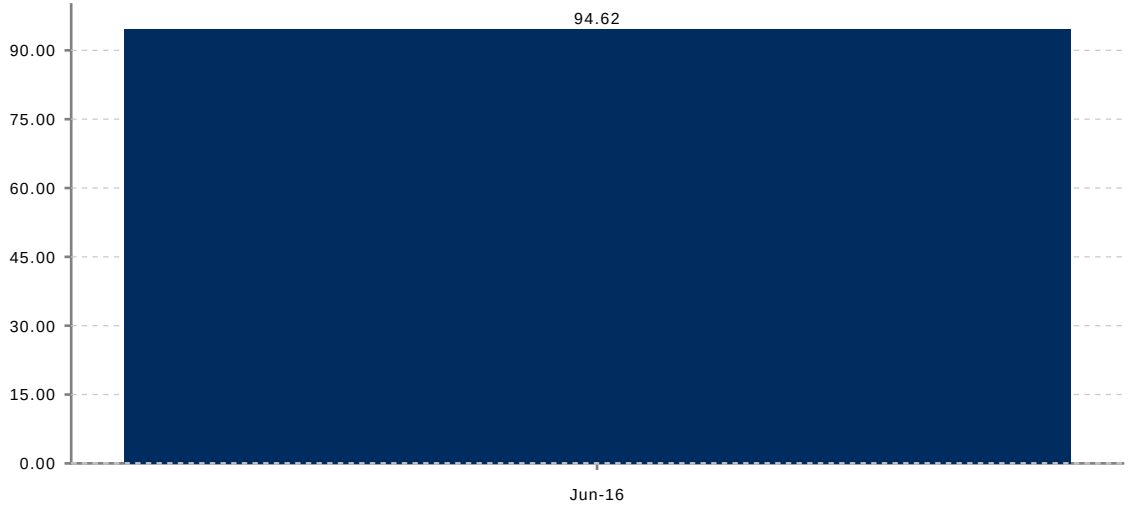
POOL 123 ST

Asset Allocation

	Ending Market Value
POOL 123 ST	94,623,310



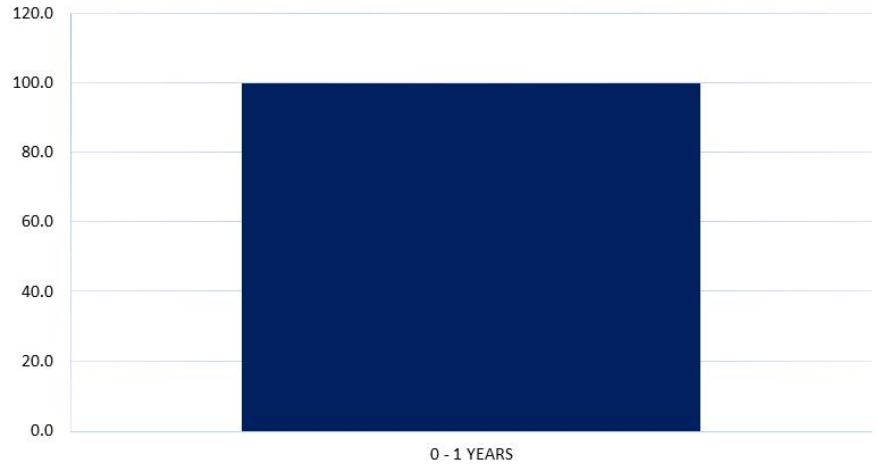
Net Asset Values over Time ($MM)



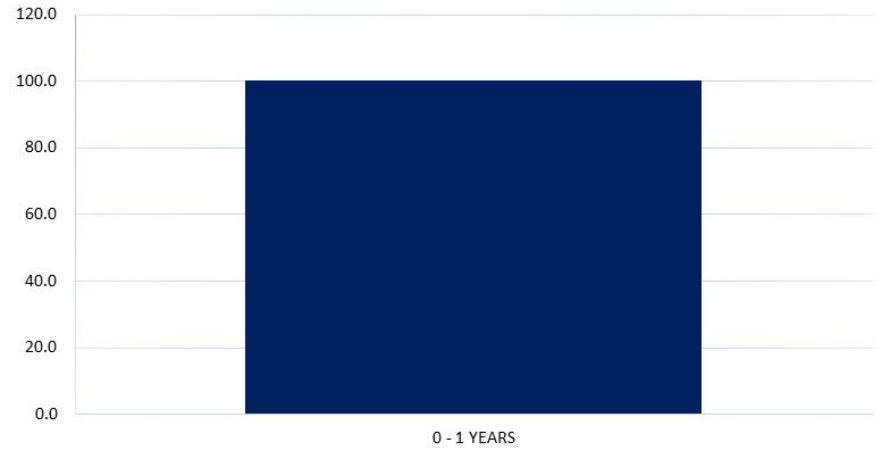
Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 123 ST		
LOCAL GOVERNMENT INVEST POOL	50,000,000	52.84
STATE STR INSTL LIQUID RESVS	44,623,310	47.16

Duration Distribution



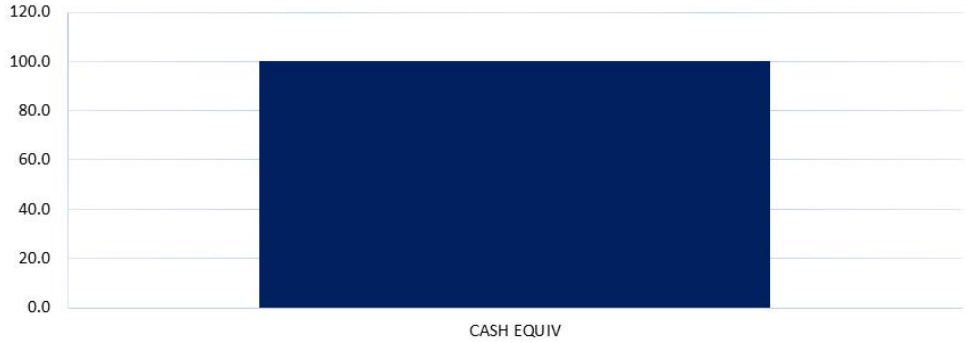
Expected Maturity Distribution



Portfolio Level Characteristics

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

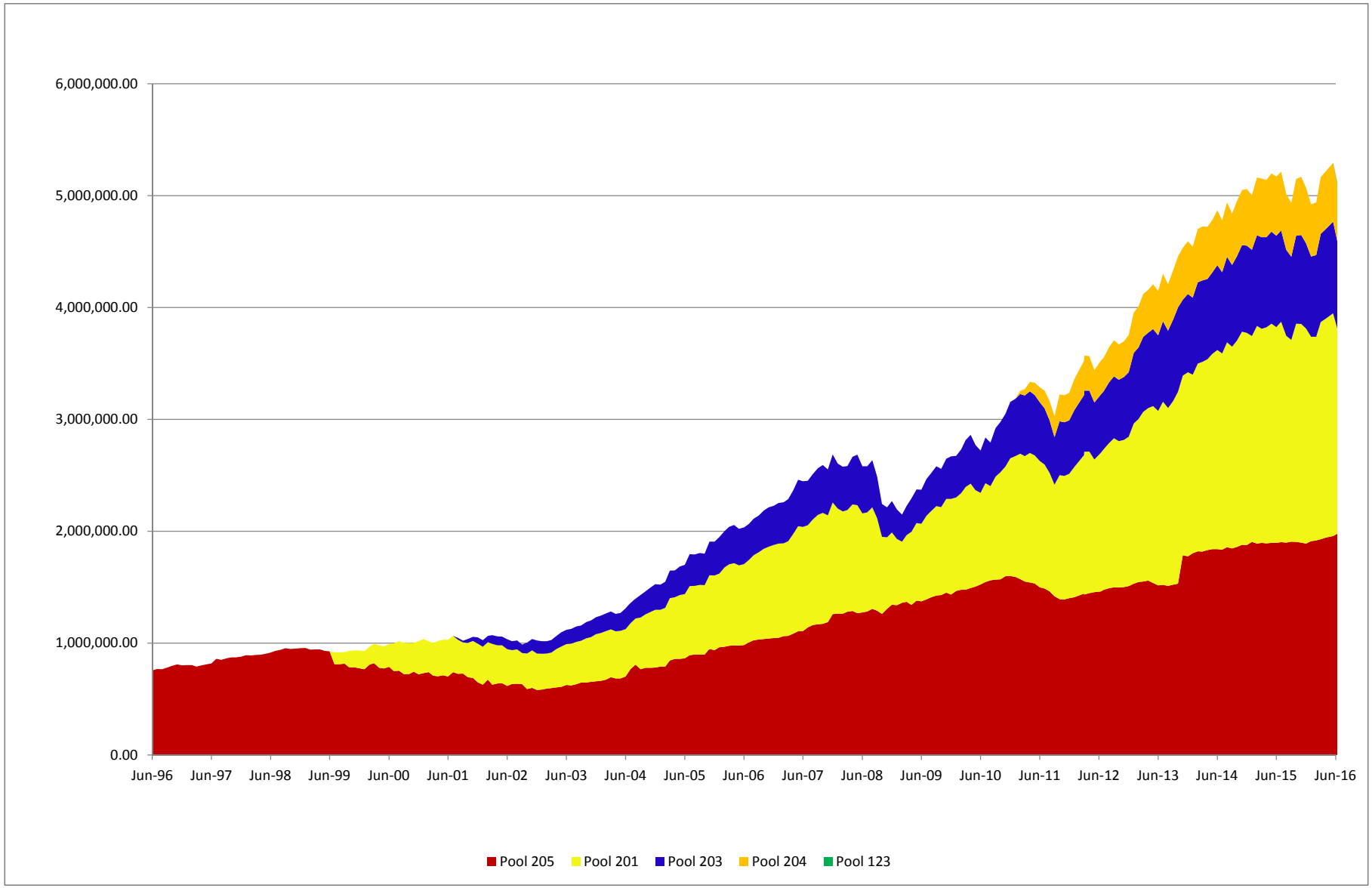
Coupon Distribution



Rating Distribution

Thousands

Endowment Fund Market Value



BROKER ACTIVITY REPORT
STATE AGENCY POOLS 2, 3 Int., 4, 12, 15, 16 & 10 Int.
APRIL 1 - JUNE 30, 2016

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
AMHERST SECURITIES				
	REPO	4,224,592,795	11.83%	11.36%
BA SECURITIES INC.				
	REPO	42,079,489	0.12%	0.11%
	COMMERCIAL PAPER	64,909,869	7.68%	0.17%
	CORP NOTES	2,999,310	3.58%	0.01%
	US TREAS	20,017,467	7.26%	0.05%
BARCLAYS CAPITAL INC.				
	COMMERCIAL PAPER	153,955,790	18.22%	0.41%
	CORP NOTES	29,995,500	35.76%	0.08%
	CORP ABS	17,499,716	37.63%	0.05%
CANTOR FITZGERALD				
	COMMERCIAL PAPER	81,929,987	9.70%	0.22%
	US AGENCY	9,936,147	7.82%	0.03%
	USA-MBS	45,281,403	71.13%	0.12%
CITIGROUP				
	COMMERCIAL PAPER	74,225,719	8.79%	0.20%
	CORP NOTES	9,993,900	11.91%	0.03%
DAIWA CAPITAL MARKETS				
	REPO	1,463,634,964	4.10%	3.94%

BROKER ACTIVITY REPORT
STATE AGENCY POOLS 2, 3 Int., 4, 12, 15, 16 & 10 Int.
APRIL 1 - JUNE 30, 2016

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
DEUTSCHE BANC				
	REPO	1,148,574,375	3.22%	3.09%
	CORP NOTES	3,987,520	4.75%	0.01%
	CORP ABS	11,999,336	25.81%	0.03%
	US AGENCY	29,932,129	23.57%	0.08%
	US TREAS	35,832,916	13.00%	0.10%
FIRST TENNESSEE				
	US AGENCY	29,990,958	23.61%	0.08%
	US TREAS	9,980,095	3.62%	0.03%
GOLDMAN SACHS				
	US TREAS	15,029,569	5.45%	0.04%
GUGGENHEIM SECURITIES, LLC				
	REPO	2,484,488,207	6.96%	6.68%
JP MORGAN CHASE				
	COMMERCIAL PAPER	290,555,893	34.39%	0.78%
	CORP NOTES	2,995,590	3.57%	0.01%
KEYBANC CAPITAL				
	US AGENCY	20,000,000	15.75%	0.05%
	CORP NOTES	21,675,944	25.84%	0.06%
MIZUHO SECURITIES				
	REPO	569,144,283	1.59%	1.53%
	CORP NOTES	8,238,587	9.82%	0.02%
RAYMOND JAMES AND ASSOCIATES INC				
	USA MBS	18,376,614	28.87%	0.05%

BROKER ACTIVITY REPORT
STATE AGENCY POOLS 2, 3 Int., 4, 12, 15, 16 & 10 Int.
APRIL 1 - JUNE 30, 2016

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
RBC CAPITAL MARKETS				
	CD's	40,001,759	100.00%	0.11%
	REPO	690,481,732	1.93%	1.86%
	COMMERCIAL PAPER	84,910,572	10.05%	0.23%
	CORP NOTES	4,000,000	4.77%	0.01%
	US AGENCY	9,999,200	7.87%	0.03%
SG AMERICAS SECURITIES LLC				
	CORP ABS	16,999,690	36.56%	0.05%
SOUTH STREET				
	REPO	23,170,422,059	64.89%	62.31%
STIFEL NICOLAUS				
	US AGENCY	6,000,000	4.72%	0.02%
SUNTRUST ROBINSON				
	REPO	100,000,000	0.28%	0.27%
WELLS FARGO				
	REPO	1,813,518,489	5.08%	4.88%
	COMMERCIAL PAPER	94,302,123	11.16%	0.25%
	US AGENCY	21,156,489	16.66%	0.06%
	US TREAS	194,715,852	70.66%	0.52%

BROKER ACTIVITY REPORT
LGIP POOLS 5, 7, 500 and 700
APRIL 1 - JUNE 30, 2016

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
AMHERST SECURITIES				
	REPO	2,375,407,205	5.99%	5.72%
	US TREAS	20,010,971	11.15%	0.05%
BA SECURITIES INC.				
	REPO	6,257,920,511	15.77%	15.08%
	COMMERCIAL PAPER	210,341,547	13.12%	0.51%
BARCLAYS CAPITAL INC.				
	CORP NOTES	1,994,420	13.22%	0.00%
BNY MELLON CAPITAL MARKETS				
	COMMERCIAL PAPER	69,971,778	4.37%	0.17%
CANTOR FITZGERALD				
	COMMERCIAL PAPER	39,982,383	2.49%	0.10%
	CORP ABS	4,218,450	89.40%	0.01%
	USA-MBS	2,293,870	61.54%	0.01%
DAIWA CAPITAL MARKETS				
	REPO	11,336,365,036	28.57%	27.32%
	CORP NOTES	3,080,762	20.42%	0.01%
	US TREAS	49,761,300	27.73%	0.12%
DEUTSCHE BANC				
	REPO	276,425,625	0.70%	0.67%
GREAT PACIFIC				
	COMMERCIAL PAPER	431,602,019	26.93%	1.04%

BROKER ACTIVITY REPORT
LGIP POOLS 5, 7, 500 and 700
APRIL 1 - JUNE 30, 2016

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
GUGGENHEIM SECURITIES, LLC				
	REPO	2,400,511,793	6.05%	5.78%
	US TREAS	19,891,002	11.08%	0.05%
JEFFERIES&CO				
	CORP NOTES	3,061,812	20.29%	0.01%
JP MORGAN CHASE				
	COMMERCIAL PAPER	123,855,646	7.73%	0.30%
	CORP ABS	499,981	10.60%	0.00%
KEYBANC CAPITAL				
	US AGENCY	2,532,064	26.56%	0.01%
MITSUBISHI				
	COMMERCIAL PAPER	133,279,868	8.32%	0.32%
MIZUHO SECURITIES				
	REPO	1,780,855,717	4.49%	4.29%
	COMMERCIAL PAPER	39,987,200	2.49%	0.10%
	CORP NOTES	2,059,647	13.65%	0.00%
	US TREAS	29,876,219	16.65%	0.07%
RAYMOND JAMES AND ASSOCIATES INC				
	USA MBS	1,433,414	38.46%	0.00%
RBC CAPITAL MARKETS				
	REPO	1,699,518,268	4.28%	4.10%
	COMMERCIAL PAPER	83,126,090	5.19%	0.20%

BROKER ACTIVITY REPORT
LGIP POOLS 5, 7, 500 and 700
APRIL 1 - JUNE 30, 2016

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
ROBERT W. BAIRD				
	CORP NOTES	1,877,485	12.44%	0.00%
SOUTH STREET				
	REPO	3,707,577,941	9.34%	8.93%
SUNTRUST ROBINSON				
	CORP NOTES	3,015,317	19.98%	0.01%
WELLS FARGO				
	REPO	9,851,481,511	24.82%	23.74%
	COMMERCIAL PAPER	470,633,353	29.36%	1.13%
	US AGENCY	7,000,000	73.44%	0.02%
	US TREAS	59,903,707	33.38%	0.14%

BROKER ACTIVITY REPORT
ENDOWMENT FIXED INCOME POOLS 205 and 123
APRIL 1 - JUNE 30, 2016

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
BA SECURITIES INC.				
	COMMERCIAL PAPER	59,996,967	29.27%	14.42%
	CORP-NOTES	4,994,900	6.06%	1.20%
BARCLAYS CAPITAL INC.				
	COMMERCIAL PAPER	24,998,192	12.19%	6.01%
	CORP-NOTES	7,977,680	9.68%	1.92%
	US TREAS	37,365,295	49.33%	8.98%
BREAN CAPITAL				
	CORP CMO	9,973,592	100.00%	2.40%
	USA MBS	18,177,557	48.58%	4.37%
CANTOR FITZGERALD				
	COMMERCIAL PAPER	19,998,289	9.76%	4.81%
	US TREAS	7,785,632	10.28%	1.87%
CITIGROUP				
	COMMERCIAL PAPER	49,995,833	24.39%	12.02%
	CORP-NOTES	11,968,590	14.52%	2.88%
	US AGENCY	5,438,794	100.00%	1.31%
DEUTSCHE BANC				
	CORP-NOTES	18,047,053	21.89%	4.34%
JP MORGAN CHASE				
	COMMERCIAL PAPER	49,999,000	24.39%	12.02%
	CORP-NOTES	19,973,400	24.22%	4.80%
MIZUHO SECURITIES				
	CORP-NOTES	10,298,233	12.49%	2.48%

BROKER ACTIVITY REPORT
ENDOWMENT FIXED INCOME POOLS 205 and 123
APRIL 1 - JUNE 30, 2016

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
PIPER JAFFRAY				
	USA MBS	12,500,268	33.41%	3.00%
ROBERT W BAIRD				
	USA MBS	6,740,855	18.01%	1.62%
WELLS FARGO				
	CORP-NOTES	9,189,901	11.15%	2.21%
	US TREAS	30,594,147	40.39%	7.35%

BROKER ACTIVITY REPORT
ENDOWMENT EQUITY POOLS 201, 203, & 204
APRIL 1 - JUNE 30, 2016

Broker Name	Asset Group	Sum Of Book Value	Pct Of Type	Pct Of Total
BARCLAYS CAPITAL INC.				
	LARGE CAP	64,439,102	31.71%	19.48%
BLOOMBERG				
	LARGE CAP	8,660,531	4.26%	2.62%
	MID CAP	39,907,951	45.93%	12.07%
	SMALL CAP	16,413,071	40.42%	4.96%
LIQUIDNET				
	LARGE CAP	45,555,862	22.42%	13.77%
	MID CAP	16,523,271	19.01%	5.00%
	SMALL CAP	2,039,490	5.02%	0.62%
MKM HOLDINGS				
	LARGE CAP	67,878,356	33.40%	20.52%
	MID CAP	15,677,318	18.04%	4.74%
	SMALL CAP	16,198,243	39.89%	4.90%
SG AMERICAS SECURITIES LLC				
	LARGE CAP	16,684,998	8.21%	5.04%
	MID CAP	14,788,928	17.02%	4.47%
	SMALL CAP	5,958,608	14.67%	1.80%