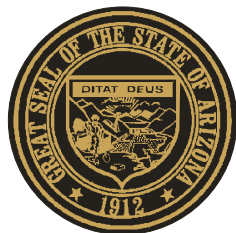


**OFFICE OF THE
ARIZONA STATE TREASURER**



Kimberly Yee

TREASURER



FEBRUARY 2023

Presented To:

Arizona State Board of Investment

March 28, 2023

STATE BOARD OF INVESTMENT

A G E N D A

March 28, 2023

1. Call to Order; Opening Remarks The Honorable Kimberly Yee, Chair
2. Approval of Minutes of February 28, 2023, BOI Meeting
3. AZ 529 Arizona’s Education Savings Plan
 - a. Monthly Program and Marketing Review..... Jeffrey Ong, AZ529 Administrator
 - b. Discussion and action on proxy material related to the Fidelity Series Blue Chip Growth Fund and the Fidelity Series Growth Company Fund.....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 DistributionsTim White, Director of Endowments
Land Sales Monthly Proceeds Endowment Funds
Endowment Investments and Performance Reports
5. Discussion and Action on the February 2023 Report
6. Treasurer’s ReportThe 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

March 28, 2023

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**Minutes of
BOARD OF INVESTMENT MEETING
February 28, 2023**

The regular meeting of the State Board of Investment was held on February 28, 2023, via WebEx. Treasurer Kimberly Yee called the meeting to order at 1:02 p.m.

Members Present:

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

Designees Present:

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

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 Financial Officer, Arizona State Treasurer's Office
Tim White, Director of Endowment, 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 Administrator, Arizona State Treasurer's Office
Nick Barnhiser, IT Director, Arizona State Treasurer's Office
Tiffany Spudich, Capital Cities, LLC
Susan Somers, Capital Cities
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 February 28, 2023, Board of Investment meeting to order at 1:02 p.m.

Treasurer's Comments

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

2. Approval of Minutes

Acting Director Foster moved that the January 31, 2022, meeting minutes be approved as distributed. Seconded by Mr. Papp. The motion CARRIED unanimously.

3. AZ529 Arizona's Educational Savings Plan

A. Monthly Program and Marketing Review

Jeffrey Ong, AZ529 Program Administrator & Legislative Liaison, reported that as of January 31, 2023, total AZ529 Plan Assets Under Management were \$1.87 billion. Total AZ529 Plan accounts were up 3.6% Year Over Year (YOY) to 101,562. Fidelity is the largest provider with 66.3% of Assets and 67.1% of Accounts. Goldman Sachs is the second largest provider holding 33.2% of Assets and 32% of Accounts. College Savings Bank holds the remaining 0.5% of Assets and 0.9% of Accounts. Arizona residents held 50.5% of total Assets and 56.2% of total Accounts, with the rest held by Non-Residents. See Memo.

B. Quarterly Investment Review – Tiffany Spudich/Susan Somers, Capital Cities

Tiffany Spudich, Capital Cities, LLC, also Investment Consultant AZ529 Program, highlighted a summary of the firm's 4Q22 Performance and Evaluation Reports for the AZ529, Arizona's Education Savings Plan (Direct-sold 529 Plan with Fidelity) and Ascensus/GSAM 529 Plan (Advisor-sold 529 Plan). Ms. Spudich noted that the AZ529, Arizona's Education Savings Plan ended the year with \$1,174,676,489 in assets, with 66% of the assets within the Age-Based Portfolios, 11% within the Static Portfolios, and 23% within the Individual Portfolios. The investment options are in good standing per the Investment Policy Statement's qualitative and quantitative factors. The Age-Based Portfolios' fourth quarter returns ranged from +2.5% to +10.0%. The Active and Blend Age-Based and Static Portfolios outperformed their respective benchmarks during the fourth quarter, given manager selection in U.S. equities and an overweight position to non-U.S. equities.

Ms. Spudich reported the Ascensus/GSAM 529 Plan assets were \$595,934,027 as of December 31, 2022, with 40% within the Year of Enrollment Portfolios, 22% within the Target Risk Portfolios, and 38% within the Individual Portfolios. The Year of Enrollment Portfolios' returns ranged from +3.2% to +8.8% in the fourth quarter. The Year of Enrollment and Target Risk Portfolios generally underperformed their respective benchmarks during the fourth quarter, given GSAM's dynamic asset allocation tool. Most of the investment options are in good standing per the Investment Policy Statement.

C. Investment Structure Review & Fee Analysis – Tiffany Spudich/Susan Somers, Capital Cities

Ms. Spudich provided an Investment Structure Review and Fee Analysis for the AZ529, Arizona's Education Savings Plan (Direct sold 529 Plan with Fidelity). Ms. Spudich noted that the Plan offers a diversified investment menu, allowing Account Owners multiple ways to invest based on their varying preferences and investment knowledge. Capital Cities continues to closely monitor the Plan for potential enhancements; however, no changes are currently recommended to the investment menu. The 529 Portfolios are evaluated on an ongoing basis, per the Investment Policy Statement guidelines. There are currently no qualitative and quantitative concerns regarding the 529 Portfolios.

In addition, Ms. Spudich noted that Fidelity is an industry leader in low-cost, passive management, including in its 529 Age-Based, Static and Individual Index Portfolios. The Plan's overall fees have been rated by Morningstar as being Neutral. Negotiations with Fidelity resulted in fee reductions within the Blend Portfolios in 2021 and the Active Portfolios in 2022. Fees will continue to be monitored for reductions, when appropriate.

Harry Papp, BOI Board Member, requested that Fidelity's website be reviewed for ease of navigation.

Ms. Spudich and Mr. Ong indicated that feedback would be provided to Fidelity and taken into consideration during the Annual Provider Review process in March.

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

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

Dennis Stevenson, Chief Financial Officer, highlighted the results of the State Agencies performances for the month of January 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 January 2023. See memo.

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

Tim White, Director of Endowments, reported the results and highlights for the Endowment performances for the month of January 2023. See memo.

Discussion and Action: Approval of January 2023 Report

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

Mr. Papp moved the approval of the January 2023 Monthly Report. Seconded by Acting Director Foster. The motion CARRIED unanimously.

5. Treasurer's Report

Treasurer Yee thanked members for their time and gave brief remarks regarding another month of tremendous year over year earnings numbers. As the investment team pointed out in the first 7 months of this fiscal year, the office distributed more earnings in the non-endowment pools than the previous total three fiscal years. More than \$374 million this fiscal year to date, and when combined with the \$252 million from the PLETF, total distributions for the first 7 months have surpassed \$626 million, more than any other fiscal year on record with five months left on the fiscal year.

Treasurer Yee noted that State Agency totals reached a new record high of \$17.89 billion in January with total earnings of \$279.4 million year to date, including \$57.1 million in January. A total of \$187.8 million has been earned for the State General Fund this year.

The LGIP total assets in January was \$5.93 billion, that is \$2.55 billion more in assets than when the Treasurer took office, a 75.5% increase. January earnings of \$20.79 million bring earnings for the fiscal year to \$97.38 million which is an increase of 2,061% from fiscal year 2022, when we earned \$4.5 million for the first seven months of the fiscal year.

The Permanent Land Endowment Trust Fund market value was up nearly \$465 million in January to \$7.6 billion. That is a 37.6% increase since the Treasurer took office in January 2019. The 10-year annual total return was 8.18% in January and the annual survey of University Endowments was released this month, and the PLETF's 10-year total return of 8.24% as of June 30, 2022, continues to rank well when compared with most endowments which averaged 7.83% for 10-year returns.

For the AZ529 program, since October 2020, after 28-months of operation, the 529 accounts have increased by 25,939 accounts and assets are up 15.5% in that same time frame to \$1.87.

Treasurer Yee announced the final week of the second-annual AZ529 Future Career Art Contest, which is open to K-6th grade students across the state. A total of 14 winners will be selected across the state and receive \$529 towards opening a new or existing AZ529 Education Savings Plan account.

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, March 28, 2023, at 1:00 p.m.

10. **Adjournment**

With no further business to discuss, Mr. Papp moved that the meeting be adjourned. Seconded by Acting Director Foster. The motion CARRIED unanimously. Meeting adjourned at 1:55 p.m.

Respectfully Submitted by:

Imee L. Andrew
Executive Assistant

Approved by:

Kimberly Yee
Chair

Date

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OFFICE OF THE ARIZONA STATE TREASURER



KIMBERLY YEE
TREASURER

Investment Summary | February 2023

Overall Performance – Where We Are Now |

➤ State Agency Pools:

- Total assets: \$17,193,870,251
- February earnings distributed: \$53,541,854 (+1399.82% YoY)
- General Fund earnings distributed: \$34,333,489 (+1755.03% YoY)

Outlook |

The Federal Reserve raised rates 25bps on 3/22/2023 and left open the possibility of further increases if necessary. This means rates are likely at or near the highs in the current interest rate environment for the near future. The bond market has priced in rate cuts in 2024. The Federal Reserve may pause at this rate until they see the repercussions on the inflation rate. Two-year treasuries are over 3.92% (as-of 3/23/2023) and 10-year treasuries are currently 3.47%. This spread is negative. Historically you are paid more for lending funds for a longer duration. M2 balances continue to decelerate at an accelerating rate. Consumers have increased expenses due to the rising cost of goods and services due to inflation. Personal income continues to rise at an accelerating rate also due to inflation. Consumer debt in the form of credit cards and auto loans have reached historical highs. The Federal Reserve has raised the benchmark 4.75% over the past year. That is the steepest move in decades. Several regional banks have gone bankrupt from having too long of a duration in their bond portfolios. Silicon Valley Bank had an average duration of over six years in their treasury portfolio with a yield of 1.5%. Why they continued to add duration after the Fed announced their plan to begin raising rates is unknown. The Federal Government made all deposits over the normal \$250,000 insured level whole at SVB. The average depositor had over \$4 million on deposit at SVB.

The Producer Price Index increased +6.4% YoY. Durable goods orders were -4.5%. This is a clear indication that consumers are starting to decrease large purchases due to higher prices. The labor participation rate increased slightly to 62.5%. GDP continues to grow at a +2.7% annualized rate QoQ. The Arizona state general fund revenue FYTD is up 7.6% vs FY22. The revenue for February was down 11.1% compared to the same month last year due to an overall lower tax rate and seasonal refunds. Still, February revenue from corporate taxes was up vs February 2022.

The war in Ukraine has been ongoing for more than a year now. The U.S. continues to send vast amounts of material, weapons, and money to support the Ukrainians. President Xi visited with Putin and by doing so he has basically endorsed the Russian incursion into Ukraine and broken any chance of a world embargo of the Putin regime. These are not good developments for peace prospects.

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 has earned over \$335 million in state agency pools year to date and that is more than the last three years combined, a new record. This is the exact opposite of the strategy employed by the Silicon Valley Bank investment team. High-grade corporate bonds are increasing in both

rates and issuance so they can avoid higher interest expenses in the coming years. We are redeploying to high grade corporate bonds as these new issues become available.

Alternative Scenarios |

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

- The war in Ukraine spreads as the Russians start a new offensive on the anniversary of the initial incursion
- China becomes more militaristic in the Pacific
- Inflation increases at an accelerating rate
- Consumer demand evaporates due to significant drops in home, equity, and bond portfolios
- Worker strikes for higher wages become more common
- The Federal Reserve raises rates significantly above expectations

State Agency Investment Pool Balances |

	February 28, 2023	February 28, 2022	YoY Change
Pool 2 FF&C	\$2,070,017,642	\$1,450,084,429	+\$619,933,213
Pool 3 Internal	\$6,830,513,631	\$7,081,707,256	-\$251,193,625
Pool 3 External	\$112,348,749	\$112,157,799	+\$190,950
Pool 4 Gov.	\$1,108,186,763	\$1,203,823,801	-\$95,637,038
Pool 10 Internal	\$773,437,428	\$482,993,879	+\$290,443,549
Pool 10 External	\$529,105,010	\$580,767,643	-\$51,662,633
Pool 12 CAWCD	\$555,303,237	\$563,727,639	-\$8,424,402
Pool 15 Operating	\$4,998,582,341	\$1,866,290,439	+\$3,132,291,902
Pool 16 ECDHB	\$216,375,449	\$237,673,041	-\$21,297,592
TOTAL STATE AGENCY	\$17,193,870,251	\$13,579,225,926	+\$3,614,644,325

Local Government Investment Pools (LGIP) Summary

Overall Performance – Where We Are Now |

➤ Local Government Investment Pools:

- Total assets: \$5,955,634,622
- Total February earnings: \$19,385,316; +2375.07% vs. Feb 2022
- Total fiscal year-to-date yields:
 - Pool 5: 3.31%; +323bps vs. February 2022
 - Pool 7: 3.11%; +309bps vs. February 2022
 - Pool 500: 2.41%; +161bps vs. February 2022
 - Pool 700: 1.85%; +158bps vs. February 2022

Strategy: Short-term Pools 5 & 7 |

The FOMC raised interest rates by 25bps at the March meeting, as expected. The outlook on how many more rates is unknown at this point. We saw the fallout in the banking industry earlier this month which has caused a lot of volatility in the bond market. 1-month Treasury bills are trading at 3.93%(at the time of this writing), 82bps below overnight rates, which is now at approximately 4.75%. Markets have seen a large flight to quality during this time. Pools 5 and 7 have increased cash in both funds to make sure we have plenty of liquidity for participants. We will keep this liquidity elevated for the time being. This we will lower the WAM targets from 50- to 60-days to 30- to 40-days. This target is likely to remain at least through the fiscal year end.

Strategy: Intermediate Pools 500 & 700 |

The Federal Reserve now seems to be close to their terminal rate. They will really be driven by economic data and, further, if there is any additional fallout from the recent banking issues. Pools 500 and 700 will continue the shift to add duration throughout the year. Cash and short-term investments remain elevated in these funds because of the rapid pace of the rate hikes but we look to keep extending out along the curve throughout 2023.

LGIP Investment Pool Balances |

	February 28, 2023	February 28, 2022	YoY Change
Pool 5 LGIP	\$2,575,807,635	\$2,225,173,440	+\$350,634,195
Pool 7 LGIP FF&C	\$2,445,095,974	\$2,098,797,412	+\$346,298,562
Pool 500 LGIP Med.	\$645,062,680	\$680,559,619	-\$35,496,939
Pool 700 LGIP Med FF&C	\$289,668,334	\$292,455,120	-\$2,786,786
TOTAL LGIP	\$5,955,634,622	\$5,296,985,591	+\$658,649,031

Endowment Summary

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

➤ Highlights:

- PLETF February total return: -1.62%
- **PLETF lead aggregate benchmark by +47bps in February; 1-Year outperforming benchmark +250bps**
- PLETF 10-year annualized total return: +7.89%
- Prop 123 record high monthly distributions at \$36.1MM; Projected \$432.8MM in FY23
- AETF February total return: -2.21%
- AETF inception-to-date total return: +6.06%
- **AETF lead aggregate benchmark +5bps in February; outperforming +42bps since inception**
- PLETF FY2022 10-year annualized total return 8.24% vs FY2022 NACUBO-TIAA Study of Endowments Average TRR of 7.83%: Marks Ninth Straight Year of Outperformance vs All Institutions

Big Picture:

- PLETF fair market value: \$7,492,343,056
- Fair Market Value down -\$113.76MM MoM; down -\$129.98MM YoY net of distributions
- FYTD2023 distributions \$288.51MM; up +\$21.95MM vs FY2022
- PLETF 12-Month return -3.86% vs benchmark -6.36%
- Annualized 10-Year total return through February is 7.89% versus January at 8.18%
- PLETF Unrealized Gains: \$4.42BN
- February PLETF Realized Gains: \$5.89MM
- February TRR PLETF -1.62% vs benchmark -2.09%
- **Pool 205 Fixed Income 1-year return has outperformed FTSE Broad Investment Grade Index by +637bps**
- 2020 January, February, March, April (2), July (2), Sept, Nov, Dec (2), 2021 Jan, May, Sept, 2022 May PLETF & AETF Rebalances Complete

Equity Strategy: Rebalance to Risk Targets | 15 Rebalances/37 Months

Since 2020 the strategy of rebalancing to our risk targets was triggered ten times in the PLETF and five times in the AETF. Our 2020/2021 rebalancing strategy was responsible for generating over \$517MM in realized gains in the PLETF and over \$155K in the AETF. These profits have benefited in ensuring enough cash to continue to make distributions under Proposition 123. PLETF rebalance triggers were reached in eight months for selling equities and buying fixed income assets, and triggers for selling fixed income and buying equities were reached in two months. These policy actions bring us back to original risk targets (with significant realized gains) as we continue to view our equity strategy as a long-term driver of returns for the PLETF. Exposure to U.S. equities has been a tremendous value-add over time and although markets periodically move through market correction phases, long-term equilibrium has rewarded patient, disciplined investors with positive returns that outpace inflation and build trust value in *real* terms – especially with sound rebalancing disciplines, which we employ. The AETF has similar exposure and has been rebalanced five times realizing gains of \$328K with a total return inception-to-date of 6.06%. Examining incremental tactical overlays in large-cap equal-weight and factor-based pools for board consideration with the goal of increasing diversification and return in the PLETF.

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

As a result of strong 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 regime. Hence, **Pool 205 has outperformed the FTSE BIG Index benchmark over the past 12 months by a massive +637 basis points through February.** However, with risks of a recession scenario having risen somewhat, we may work incrementally to reduce our significant short duration bias. Again, this month we put cash to work in money market cash equivalents, six-month UST bills, high-grade corporate notes, asset-backed securities and US Agencies (4.91%-6.53%), opportunistically adding incremental duration as the market selloff has made rates more attractive. 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 as deemed prudent. We continue to use other bond ETFs in the PLETF for diversification and in fact already added bond ETF’s (BND & SPAB) with the AETF fixed income allocation. Month-end duration on Pool 205 was at 3.20 years (-0.10 MoM), outperforming substantially (+637 bps 1 YR versus benchmark) with higher rates than 12-months ago. Note the forward-looking Bloomberg Bond Yield Forecast compiled by averaging 56 wall street economist’s forecasts:

Rate	Mkt Yld	Q1 23	Q2 23	Q3 23	Q4 23	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25
United States											
US 30-Year	3.76	3.79	3.82	3.78	3.69	3.61	3.54	3.51	3.49	3.54	3.49
US 10-Year	3.64	3.68	3.66	3.60	3.48	3.38	3.30	3.22	3.16	3.25	3.22
US 5-Year	3.78	3.89	3.85	3.73	3.56	3.42	3.30	3.18	3.11	3.19	3.17
US 2-Year	4.24	4.45	4.37	4.16	3.88	3.63	3.39	3.16	2.99	3.03	3.01
US 3-Month Term SOFR	4.88	4.90	5.11	5.04	4.85	4.48	4.01	3.63	3.31	3.10	3.02
Fed Funds Rate - Upper Bound	4.75	4.95	5.35	5.40	5.25	4.90	4.50	4.20	3.85	3.65	3.45
Fed Funds Rate - Lower Bound	4.50	4.72	5.10	5.13	5.01	4.67	4.27	3.93	3.62	3.42	3.22
2 Year - 10 Year Spread	-0.60	-0.77	-0.71	-0.56	-0.40	-0.25	-0.09	0.06	0.17	0.22	0.21

*Table presented as-of 3/22/2023.

Endowment Monthly Land Sale Proceeds |

- +\$45.39MM in February
- +\$87.49MM vs January
- +\$61.75MM YoY

Endowment Prop 123 Distributions |

- \$36.1MM total/\$33.5MM for K-12 successfully distributed on time from Pool 123 in February
- FYTD K-12 distribution \$268.3MM; up +\$20.3MM YoY
- Pool 123 has laddered liquidity of approximately 11 months taking advantage of rising reinvestment rates

Pool Performance |

Equity/Fixed Income Pools:

- Pool 201 Large Cap Equity outperformed the S&P 500 by +1bp MoM at -2.43%

Tim White, Director of Endowments

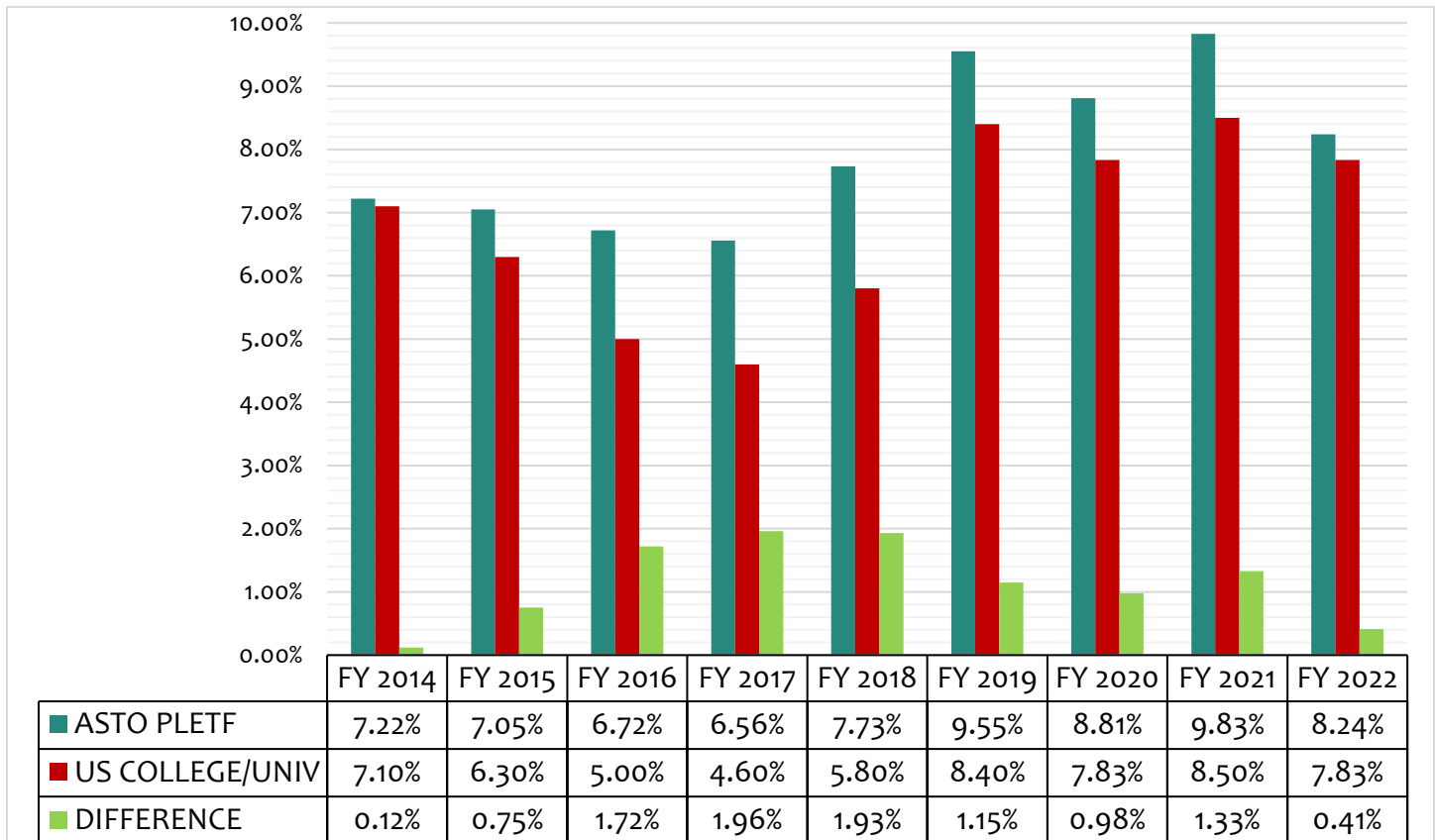
- Pool 203 Mid Cap Equity outperformed the S&P 400 by +10bps MoM at -1.71%
- Pool 204 Small Cap Equity trailing the S&P 600 by -3bps MoM at -1.26%
- Pool 205 outperformed the FTSE BIG Index by +137bps MoM at -1.19%
- Pool 123 returned +0.38% for February, matching the LGIP benchmark

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
 FEBRUARY 2023**

<u>Recipient</u>	Earnings Distributed			<u>Change from Previous Year</u>	<u>Fiscal YTD Investment Management Fees Received</u>
	<u>FEBRUARY 2023</u>	<u>Fiscal YTD 22/23</u>	<u>Fiscal YTD 21/22</u>		
General Fund (1)	\$34,333,489	\$ 222,136,175	\$11,974,813	1755.0%	
2 State Agencies - Full Faith & Credit (2)	5,320,454	28,245,158	1,624,141	1639.1%	\$587,430
3 State Agencies - Diversified (2) (3)	6,461,335	35,687,536	3,605,841	889.7%	4,520,308
4 State Agencies - Gov (2)	2,363,577	15,748,535	2,031,513	675.2%	434,600
5 LGIP (2)	8,678,952	54,043,760	1,020,860	5193.9%	925,161
7 LGIP Gov (2)	8,274,167	47,025,574	232,924	20089.2%	821,885
9A Public School Credit Enhancement (4)	0	0	0	0.0%	38,653
10 State Agencies Med/Tax-exempt non-AMT	3,156,608	17,393,975	1,792,364	870.4%	419,466
12 CAWCD Medium-Term	1,368,611	9,815,105	3,887,059	152.5%	217,394
16 ECDH Medium-Term	537,780	3,906,588	2,849,247	37.1%	98,233
Subtotal	70,494,974	434,002,404	29,018,762	1395.6%	8,063,130
NAV POOL					
500 LGIP - Med Term	1,518,160	10,292,715	3,401,927	202.6%	235,401
700 LGIP - FF&C Med Term (2)	375,908	2,352,816	560,331	319.9%	104,374
Total	\$72,389,043	\$446,647,935	\$32,981,020	1254.3%	\$8,402,905
FEBRUARY 2022 TOTALS	\$4,334,175				\$6,226,377

- (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 February 28, 2023
 (in millions)

<u>Month</u>	<u>Fiscal Year</u> <u>2021/2022</u>	<u>Fiscal Year</u> <u>2021/2022</u>	<u>Fiscal Year</u> <u>2022/2023</u>
JULY	\$3,805	\$7,377	\$11,345
AUGUST	3,661	5,881	10,673
SEPTEMBER	3,834	6,017	10,939
OCTOBER	4,303	6,300	11,491
NOVEMBER	4,382	6,537	11,305
DECEMBER	4,642	7,054	11,223
JANUARY	4,903	7,523	11,466
FEBRUARY	5,135	7,790	10,851
MARCH	5,003	8,155	
APRIL	5,299	8,904	
MAY	6,161	10,027	
JUNE	9,167	11,660	
Y-T-D Average	\$4,333	\$6,810	\$11,162
Full Year Average	\$5,025	\$7,769	\$11,162

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

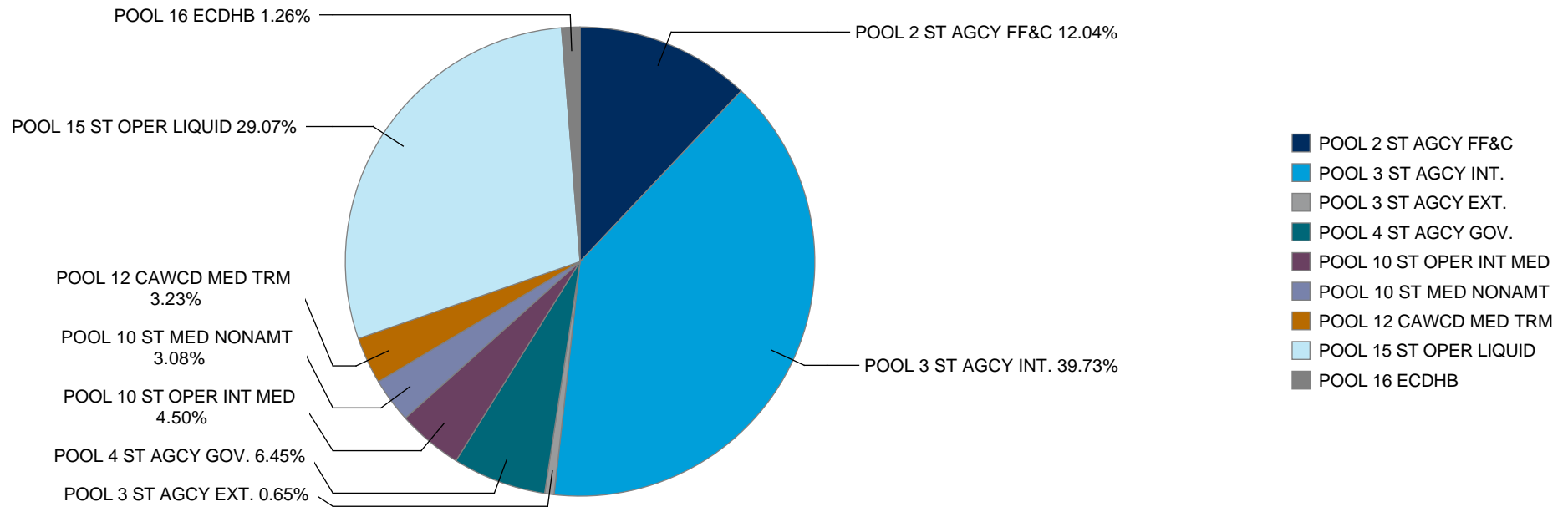
FUND	DESCRIPTION	Current Month 02/28/23	Prior Month 01/31/23	Prior Year 02/28/22	Net Asset Value Per Share
2	STATE AGENCIES - FULL FAITH & CREDIT	\$5,596,444	\$5,654,771	\$258,970	0.984796
3	STATE AGENCIES - DIVERSIFIED				
	INTERNAL MANAGERS	20,931,456	23,544,768	1,749,523	0.981300
	EXTERNAL MANAGERS	237,915	228,745	67,983	0.979830
	FUND 3 TOTAL	21,169,371	23,773,513	1,817,506	0.981410
4	STATE AGENCIES - GOV	2,859,905	2,942,865	259,123	0.972641
9A	PUBLIC SCHOOL CREDIT ENHANCEMENT	309,873	332,184	20,516	0.984796
10	STATE AGENCIES MED-TERM/TAX-EX NON-AMT				
	INTERNAL MANAGERS	2,459,819	2,350,174	156,757	0.990406
	EXTERNAL MANAGERS	943,746	899,268	28,449	0.994845
	FUND 10 TOTAL	3,403,565	3,249,442	185,206	0.992205
12	CAWCD MEDIUM-TERM	1,368,611	1,460,943	492,462	0.931620
15	STATE AGENCIES OPERATING LIQUIDITY	17,758,182	18,509,019	201,678	0.999995
16	ECDH MEDIUM-TERM	537,780	573,082	315,492	0.926252
	TOTAL STATE AGENCIES	\$53,003,732	\$56,495,819	\$3,550,953	

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

FUND	DESCRIPTION	Current Month 02/28/23	Prior Month 01/31/23	Prior Year 02/28/22
2	STATE AGENCIES - FULL FAITH & CREDIT 50% Trailing 3-mo T-bill / 50% Bloomberg Barclays 1-3 year UST	3.71% 4.56%	3.61% 4.33%	0.25% 0.79%
3	STATE AGENCIES - DIVERSIFIED INTERNAL MANAGERS EXTERNAL MANAGERS COMBINED 50% 1 month T-bill / 50% Bloomberg Barclays 1-3 year US Agg	3.79% 2.70% 3.77% 4.67%	3.65% 2.35% 3.63% 3.93%	0.34% 0.78% 0.34% 0.80%
4	STATE AGENCIES - GOV 50% Trailing 3-mo T-bill / 50% Bloomberg Barclays 1-3 year US Gov	3.15% 4.57%	2.99% 4.33%	0.28% 0.80%
9A	PUBLIC SCHOOL CREDIT ENHANCEMENT	3.71%	3.61%	0.25%
10	STATE AGENCIES MED-TERM/TAX-EXEMPT NON-AMT INTERNAL MANAGERS EXTERNAL MANAGERS COMBINED 50% Trailing 3-mo T-bill / 50% Bloomberg Barclays 1-3 year US Agg	4.15% 2.31% 3.40% 4.67%	3.92% 1.99% 3.10% 3.95%	0.42% 0.06% 0.23% 0.86%
12	CAWCD MEDIUM-TERM 25% S&P LGIP Index / 75% Bloomber Barclays 1-3 year US Agg	2.99% 4.68%	2.83% 3.69%	1.12% 1.19%
15	STATE AGENCIES OPERATING LIQUIDITY Trailing 3-mo T-bill	4.57% 4.53%	4.35% 4.35%	0.14% 0.15%
16	ECDH MEDIUM-TERM 25% S&P LGIP Index / 75% Bloomber Barclays 1-3 year US Agg	3.00% 4.68%	2.90% 3.69%	1.70% 1.19%



Manager Allocation



	Market Value	% of Portfolio
POOL 2 ST AGCY FF&C	2,070,017,642	12.04
POOL 3 ST AGCY INT.	6,830,513,631	39.73
POOL 3 ST AGCY EXT.	112,348,749	0.65
POOL 4 ST AGCY GOV.	1,108,186,763	6.45
POOL 10 ST OPER INT MED	773,437,428	4.50
POOL 10 ST MED NONAMT	529,105,010	3.08
POOL 12 CAWCD MED TRM	555,303,237	3.23
POOL 15 ST OPER LIQUID	4,998,582,341	29.07
POOL 16 ECDHB	216,375,449	1.26
TOTAL STATE AGENCY	17,193,870,251	100.00

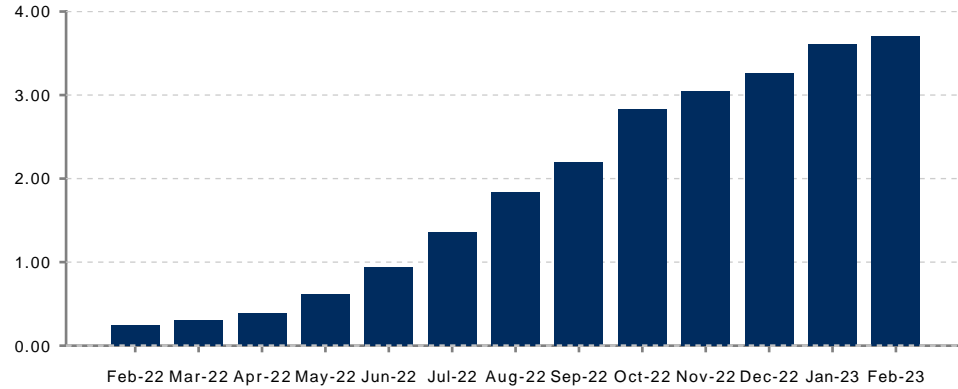
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POOL 2 ST AGCY FF&C



Net Yield



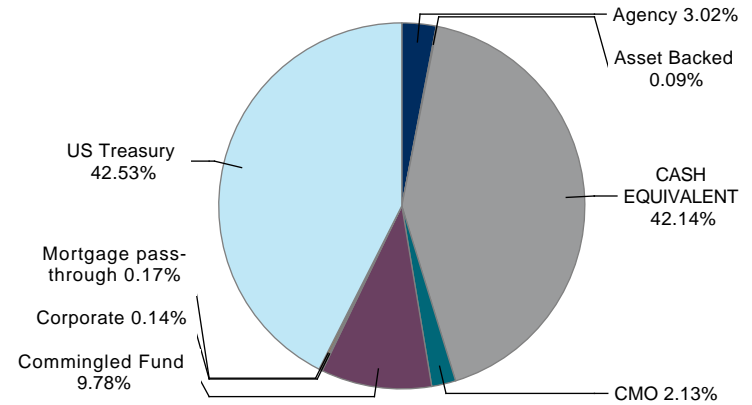
	Current Mth	Prior Mth	1 Year Ago
POOL 2 ST AGCY FF&C	3.71	3.61	0.25

Asset Allocation

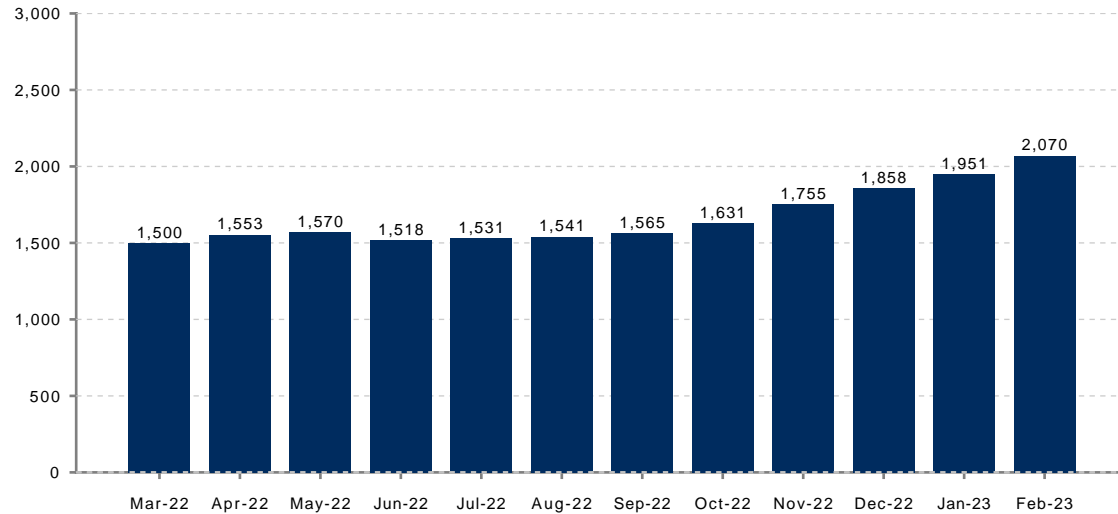
POOL 2 ST AGCY FF&C

Ending Market Value

2,070,017,642



Net Asset Values over Time (\$MM)

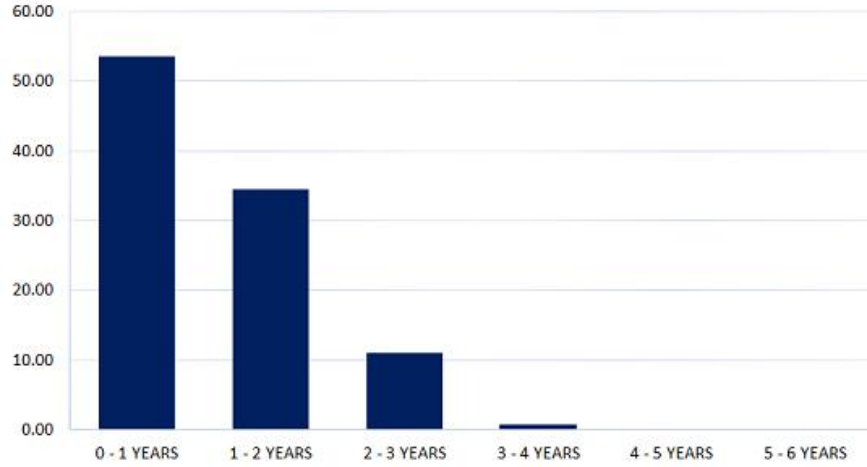


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 2 ST AGCY FF&C		
US TREASURY N/B	219,168,676	10.59
RBC CAPITAL MARKETS R	159,381,809	7.70
TREASURY BILL	112,516,690	5.44
JPMORGAN US TREASURY	102,099,072	4.93
GOLDMAN SACHS FINANCI	100,833,805	4.87
TREASURY BILL	100,457,280	4.85
US TREASURY N/B	86,991,130	4.20
TREASURY BILL	78,662,640	3.80
TREASURY BILL	73,683,150	3.56
US TREASURY N/B	73,413,654	3.55



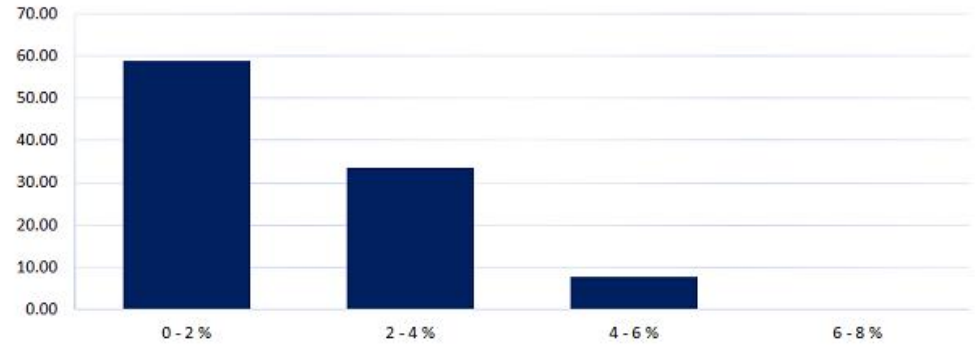
Duration Distribution



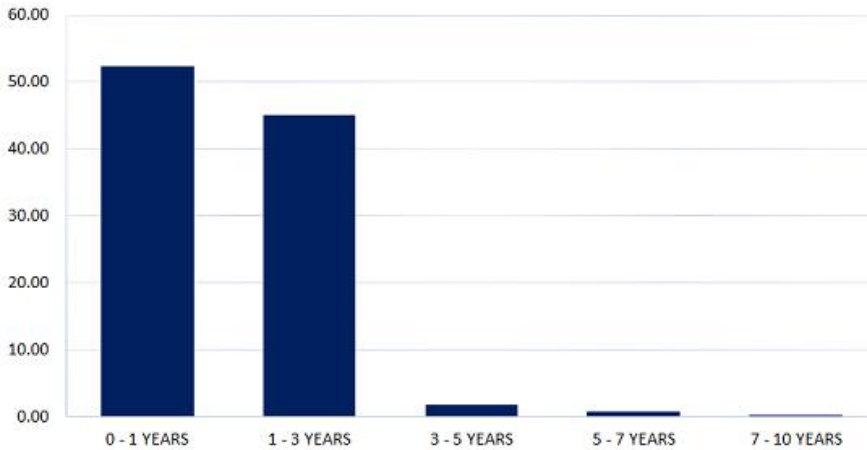
Portfolio Level Characteristics

	POOL 2 ST AGCY FF&C
Effective Maturity	1.05
Coupon	1.92
Effective Duration	1.01
Quality Rating (Moody's)	AAA

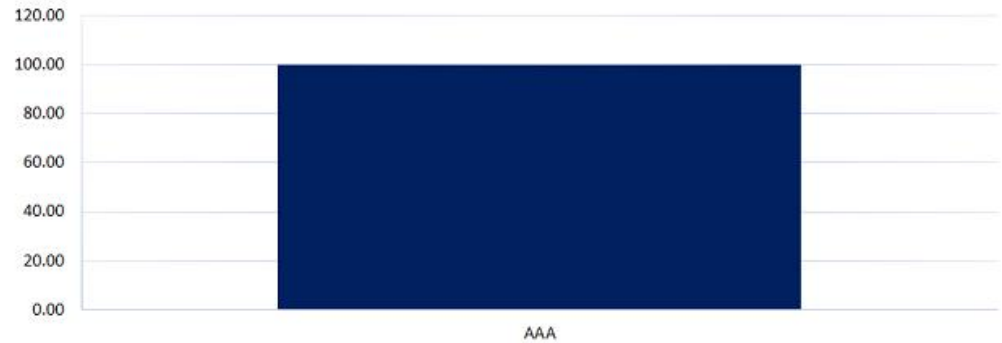
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



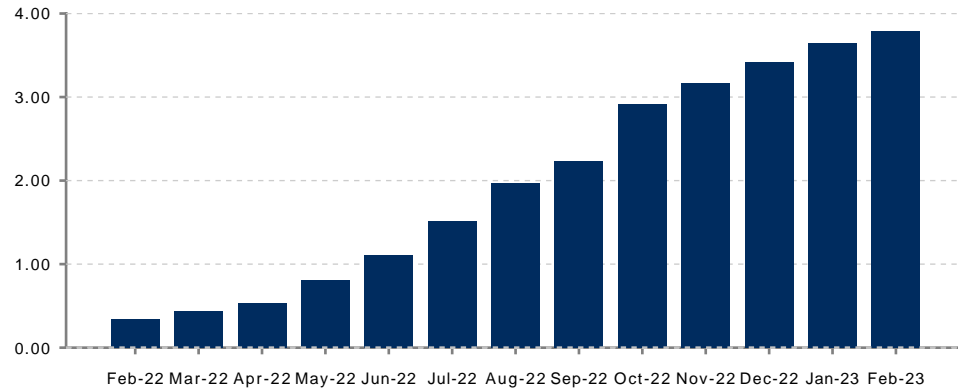
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POOL 3 ST AGCY INT.



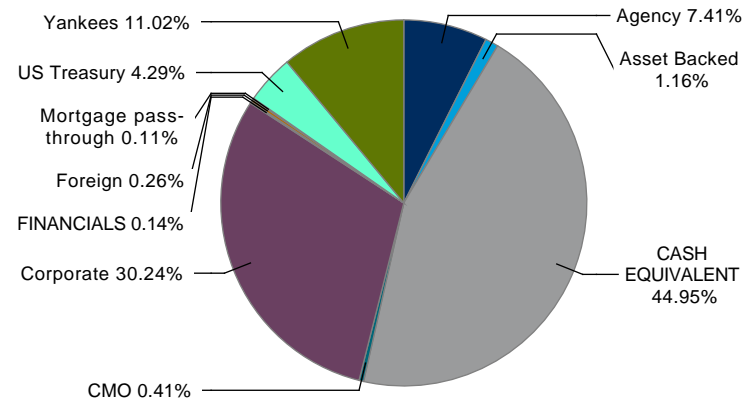
Net Yield



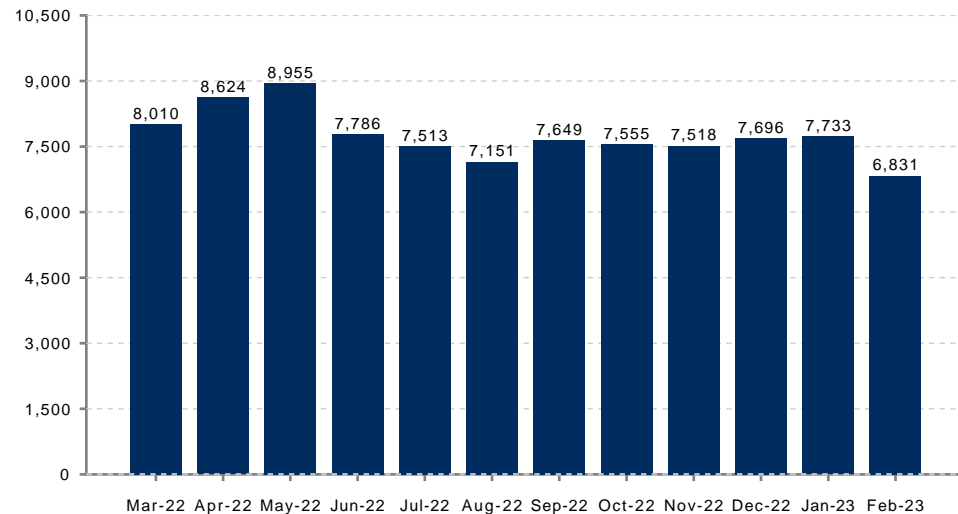
	Current Mth	Prior Mth	1 Year Ago
POOL 3 ST AGCY INT.	3.79	3.65	0.34

Asset Allocation

	Ending Market Value
POOL 3 ST AGCY INT.	6,830,513,631



Net Asset Values over Time (\$MM)

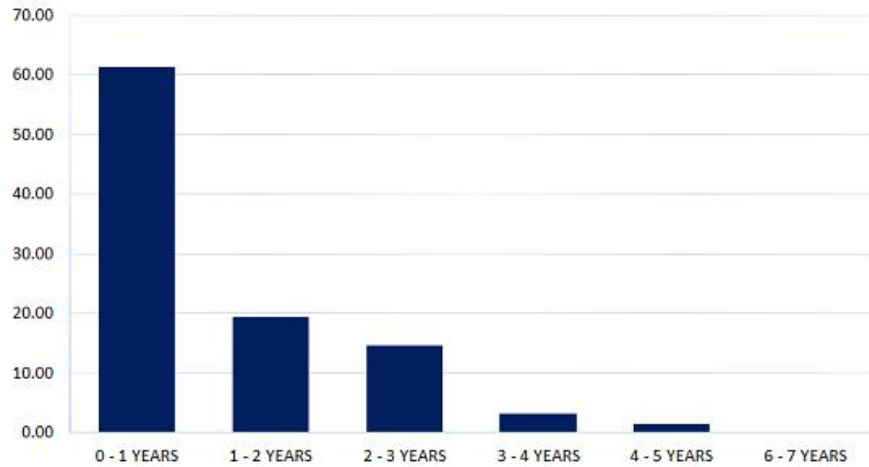


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 3 ST AGCY INT.		
BMO TRIPARTY MTGE	400,050,222	5.86
SOUTH STREET REPO	258,835,773	3.79
CREDIT AGRICOLE REPO	250,031,389	3.66
SOUTH STREET REPO	210,025,667	3.07
GOLDMAN SACHS FINANCIAL SQUARE	174,692,138	2.56
US TREASURY N/B	160,723,696	2.35
JPMORGAN US GOVERNMENT MONEY M	107,870,992	1.58
AMHERST PIERPONT	100,203,556	1.47
US TREASURY N/B	78,232,165	1.15
TREASURY BILL	73,380,450	1.07



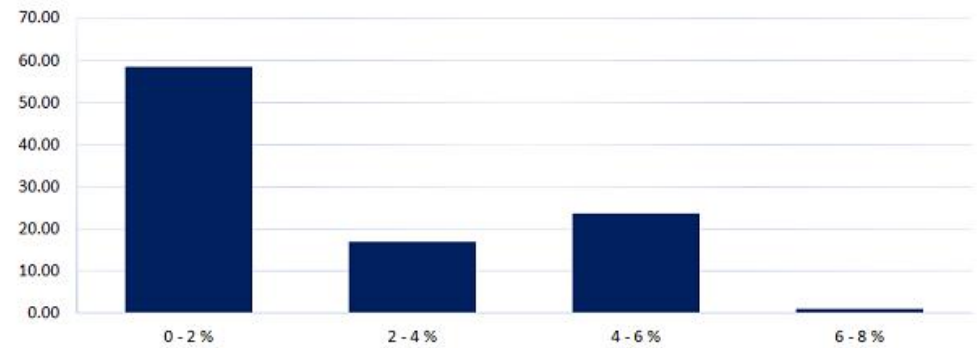
Duration Distribution



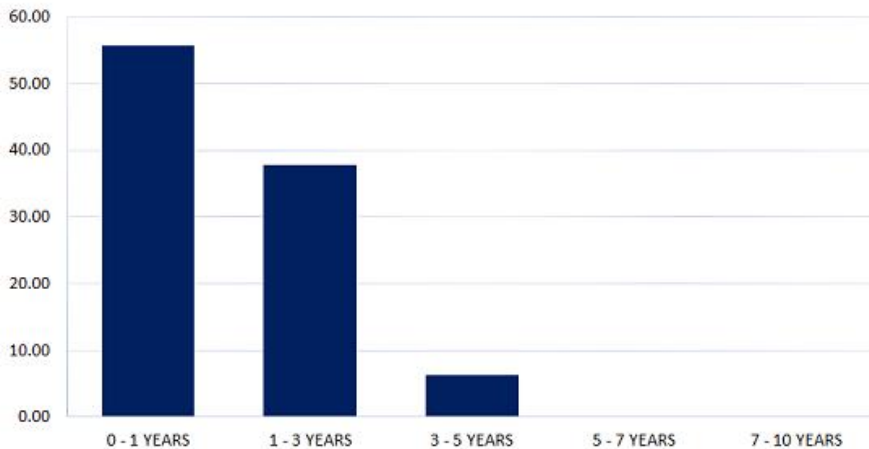
Portfolio Level Characteristics

	POOL 3 ST AGCY INT.
Effective Maturity	1.10
Coupon	3.52
Effective Duration	1.00
Quality Rating (Moody's)	AA-2

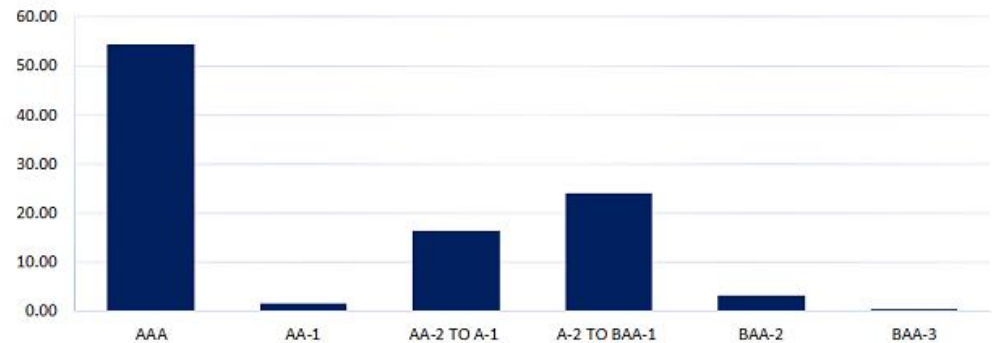
Coupon Distribution



Expected Maturity Distribution

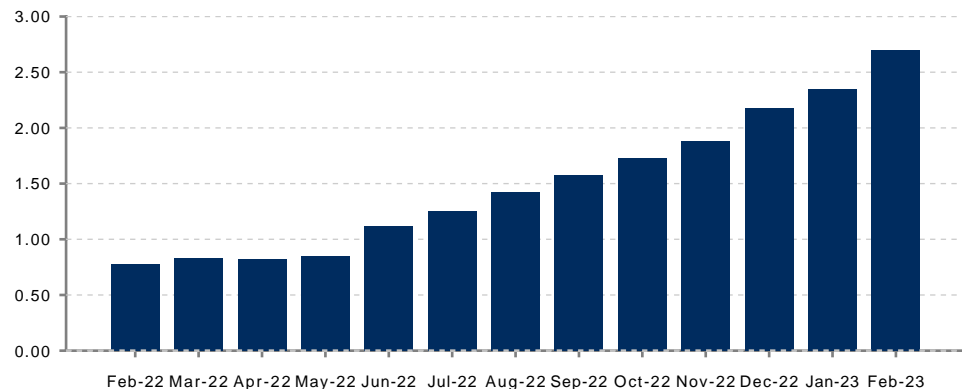


Rating Distribution





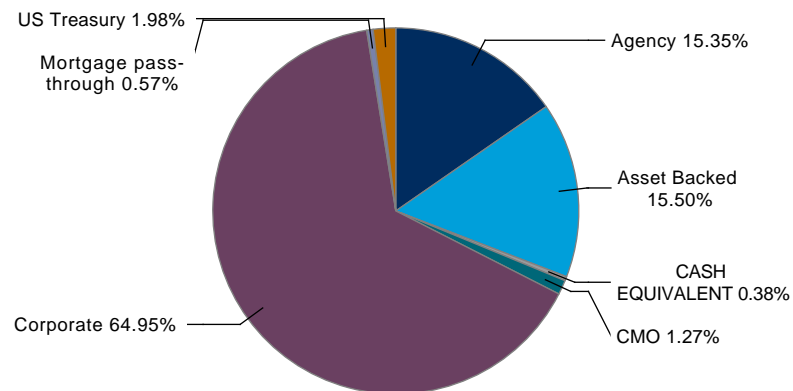
Net Yield



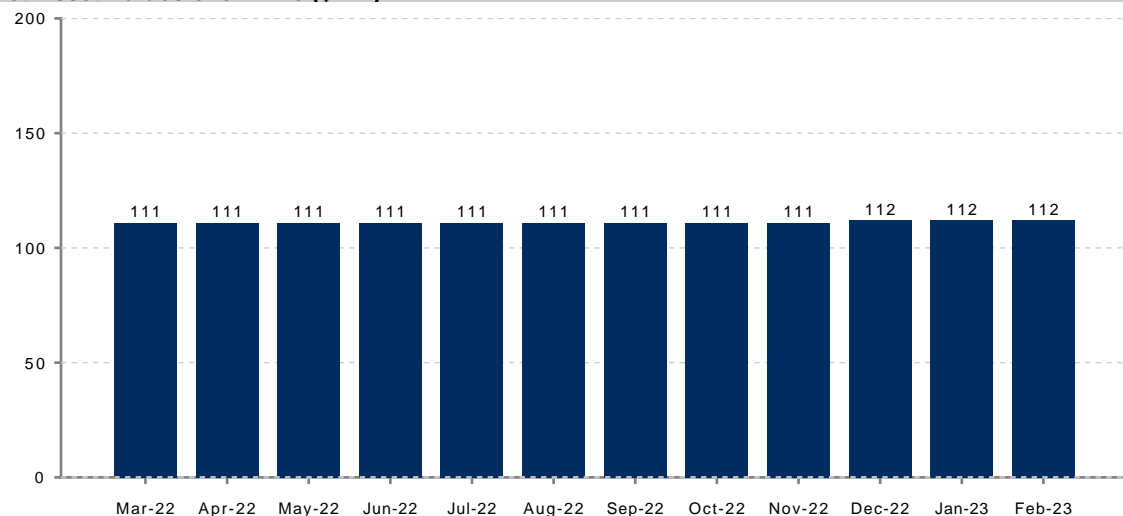
	Current Mth	Prior Mth	1 Year Ago
POOL 3 ST AGCY EXT.	2.70	2.35	0.78

Asset Allocation

	Ending Market Value
POOL 3 ST AGCY EXT.	112,348,749



Net Asset Values over Time (\$MM)

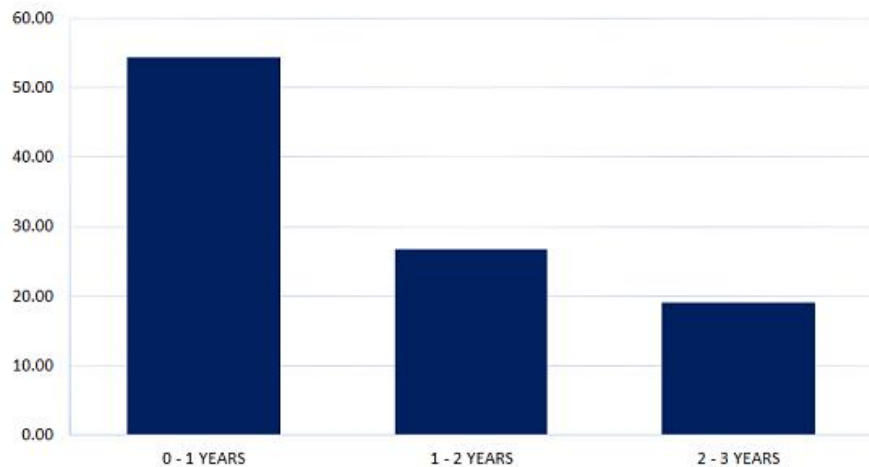


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 3 ST AGCY EXT.		
PUBLIC STORAGE	1,739,977	1.55
KIMBERLY CLARK CORP	1,573,370	1.40
CINTAS CORPORATION NO. 2	1,295,179	1.15
CITIZENS BANK NA/RI	1,231,916	1.10
SALESFORCE INC	1,222,643	1.09
GM FINANCIAL SECURITIZED TERM	1,192,937	1.06
CITIZENS BANK NA/RI	1,184,670	1.05
AMERICAN EXPRESS CO	1,168,259	1.04
PEPSICO INC	1,159,303	1.03
WELLS FARGO + COMPANY	1,116,623	0.99



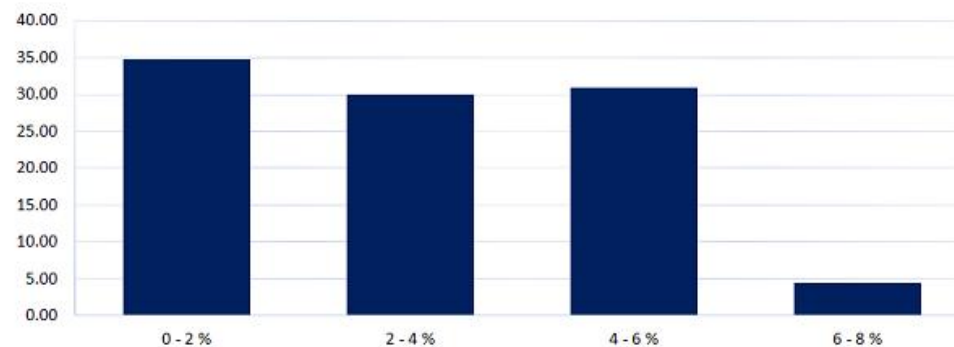
Duration Distribution



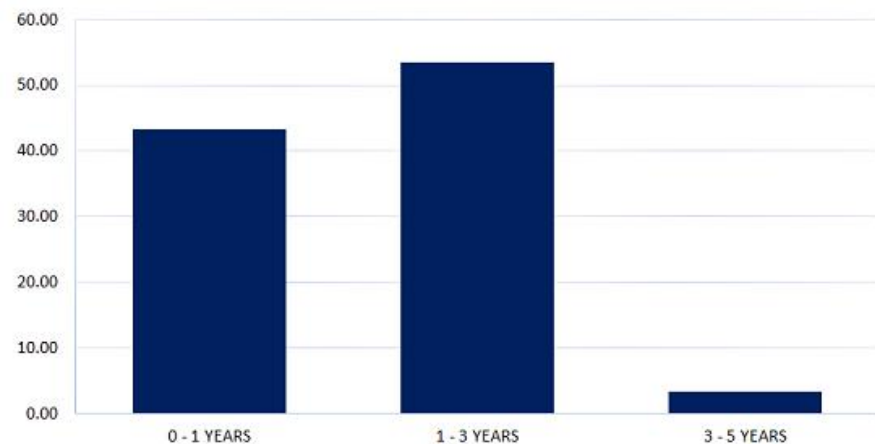
Portfolio Level Characteristics

	POOL 3 ST AGCY EXT.
Effective Maturity	1.29
Coupon	3.07
Effective Duration	1.04
Quality Rating (Moody's)	AA-3

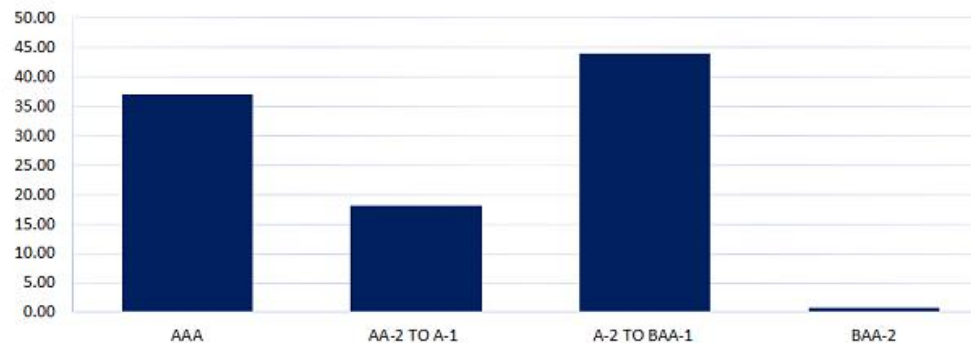
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



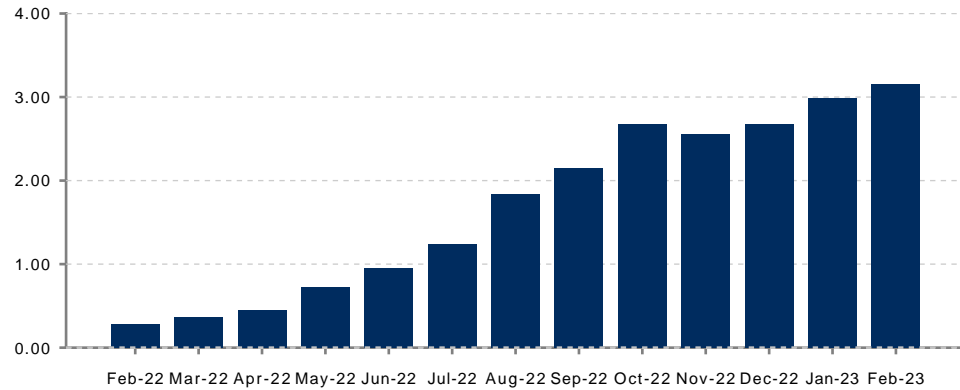
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POOL 4 ST AGCY GOV.



Net Yield

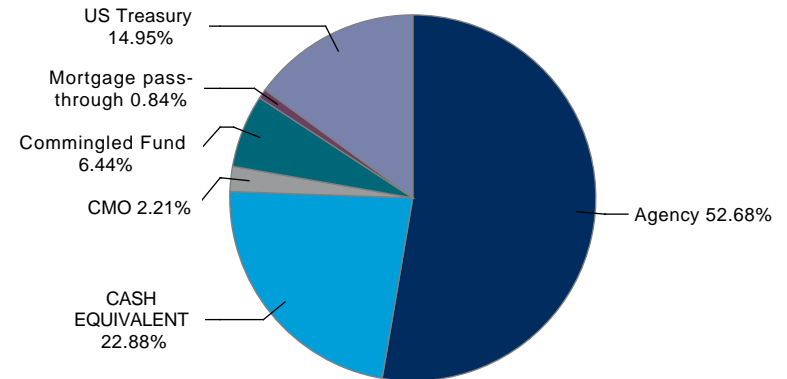


Current Mth **Prior Mth** **1 Year Ago**

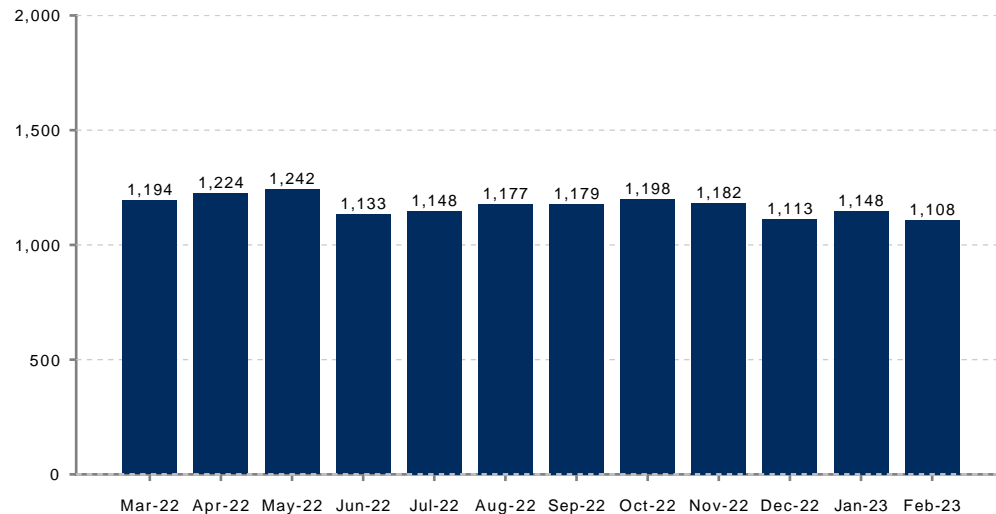
POOL 4 ST AGCY GOV.	3.15	2.99	0.28
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Asset Allocation

	Ending Market Value
POOL 4 ST AGCY GOV.	1,108,186,763



Net Asset Values over Time (\$MM)

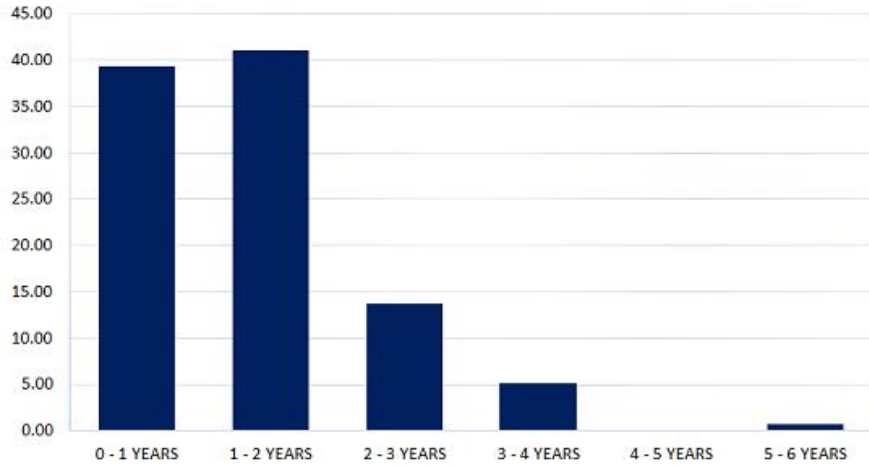


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 4 ST AGCY GOV.		
JPMORGAN US GOVERNMENT MONEY M	71,500,797	6.45
SOUTH STREET REPO	64,587,883	5.83
GOLDMAN SACHS FINANCIAL SQUARE	51,113,999	4.61
US TREASURY N/B	48,942,436	4.42
US TREASURY N/B	34,448,072	3.11
CANTOR FITZGERALD REPO	30,030,667	2.71
US TREASURY N/B	25,129,262	2.27
FEDERAL HOME LOAN BANK	24,816,198	2.24
TREASURY BILL	24,589,896	2.22
TREASURY BILL	24,567,292	2.22



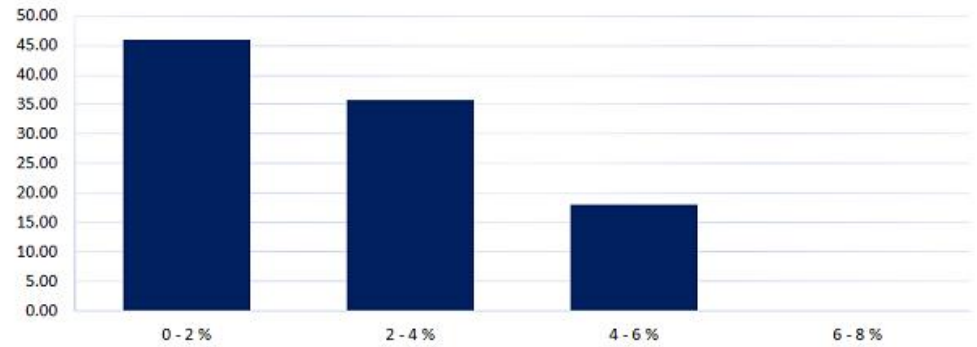
Duration Distribution



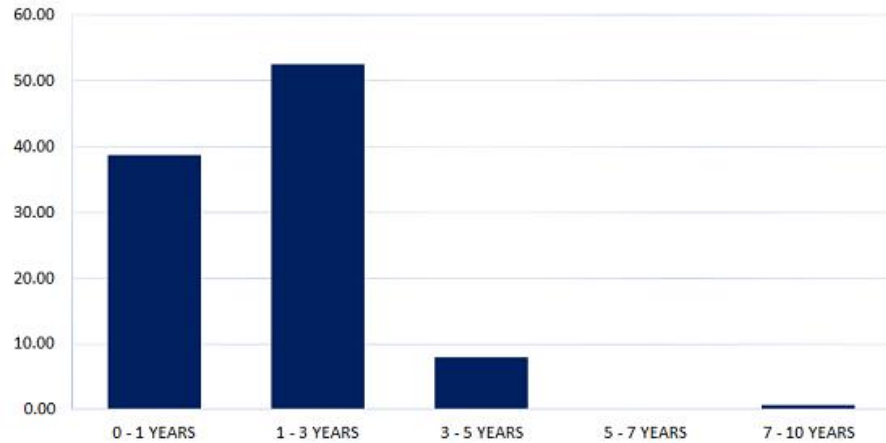
Portfolio Level Characteristics

	POOL 4 ST AGCY GOV.
Effective Maturity	1.34
Coupon	2.47
Effective Duration	1.27
Quality Rating (Moody's)	AAA

Coupon Distribution



Expected Maturity Distribution

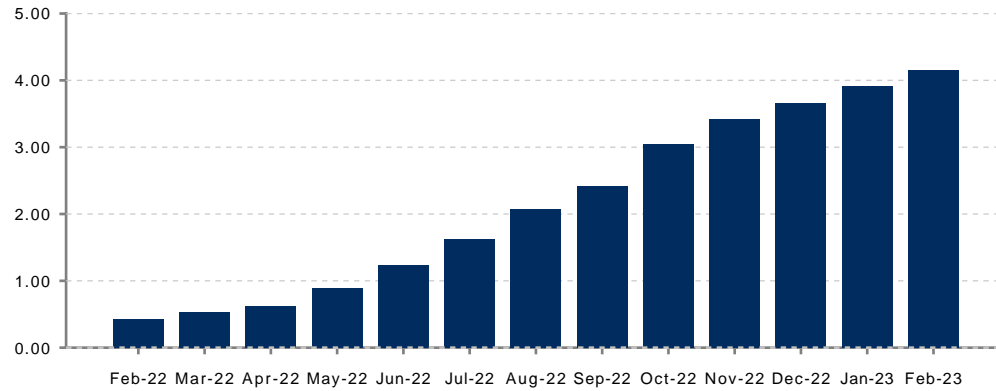


Rating Distribution





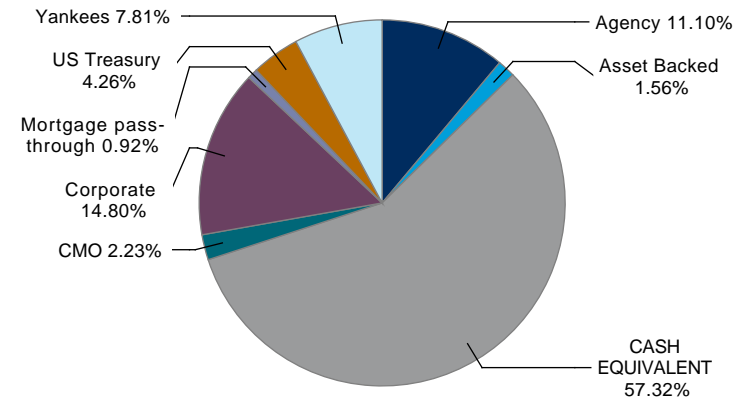
Net Yield



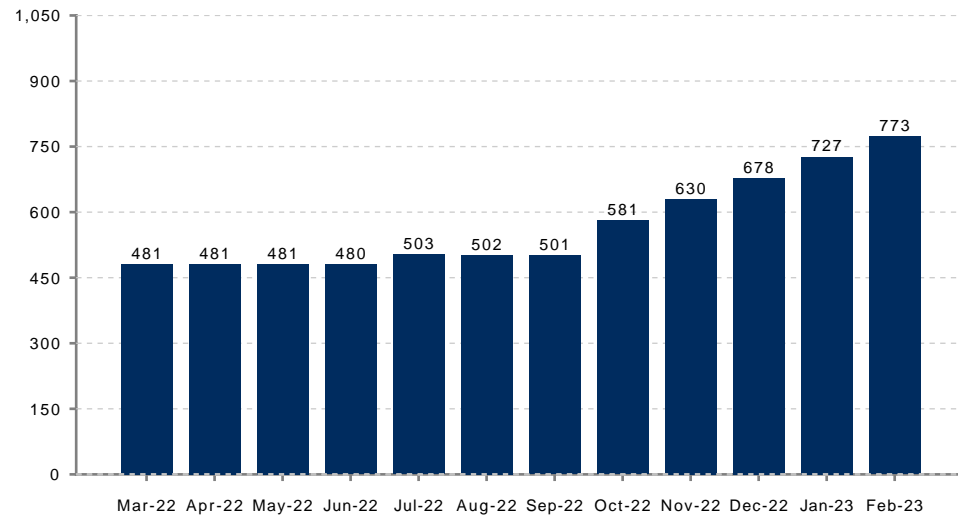
	Current Mth	Prior Mth	1 Year Ago
ST OF AZ POOL 10 ST OPER INT MED	4.15	3.92	0.42

Asset Allocation

	Ending Market Value
POOL 10 ST OPER INT MED	773,437,428



Net Asset Values over Time (\$MM)

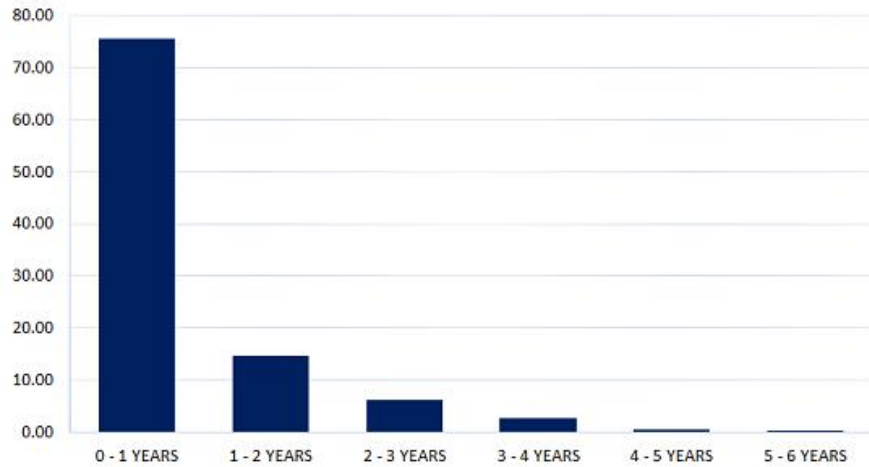


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 10 ST OPER INT MED		
SOUTH STREET REPO	75,808,982	9.80
TREASURY BILL	22,526,219	2.91
FREDDIE MAC	9,888,061	1.28
WALMART INC	8,006,640	1.04
BEDFORD ROW FDG CORP	7,184,951	0.93
US TREASURY N/B	6,773,047	0.88
UNITED HEALTHCARE CO	6,292,755	0.81
TORONTO DOMINION BANK	6,061,180	0.78
AMERICAN HONDA FINAN	5,996,042	0.78
GTA FDG LLC DISC	5,943,120	0.77



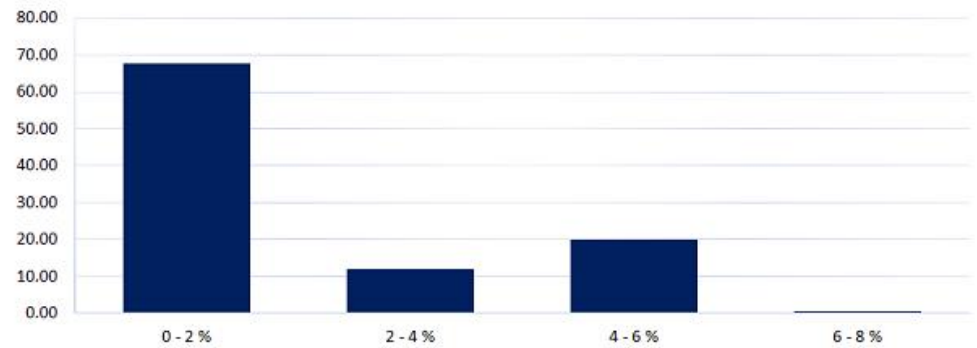
Duration Distribution



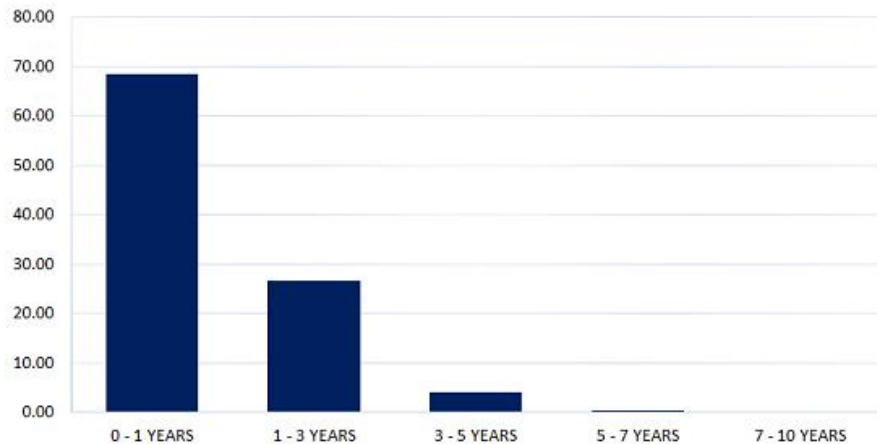
Portfolio Level Characteristics

	POOL 10 ST OPER INT MED
Effective Maturity	0.82
Coupon	3.77
Effective Duration	0.66
Quality Rating (Moody's)	AA-1

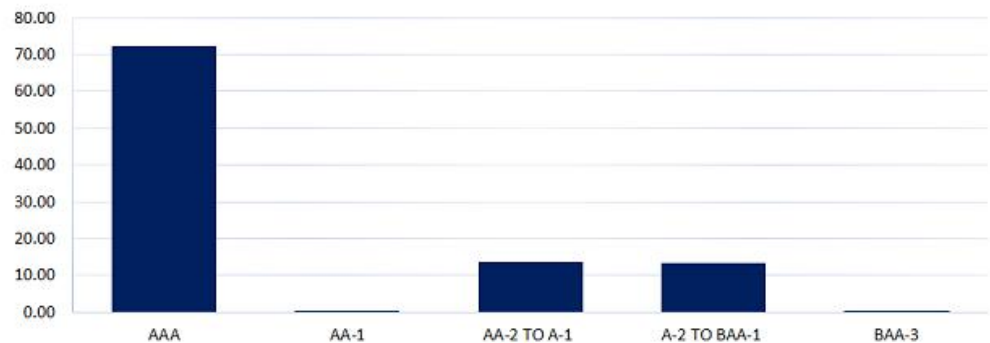
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



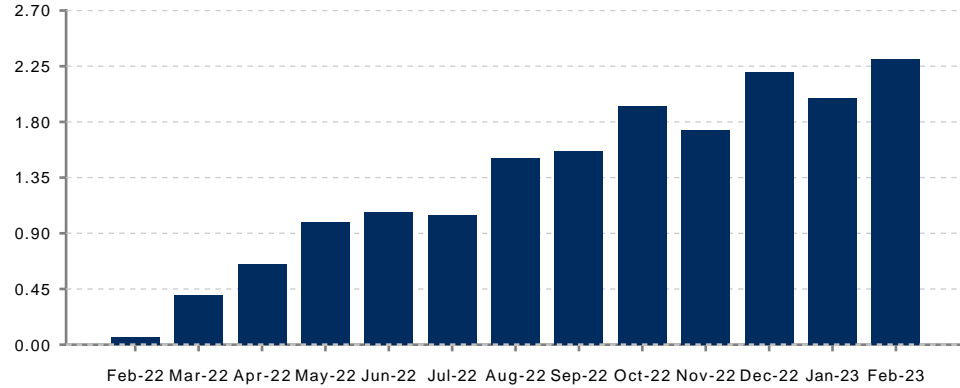
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POOL 10 ST MED NONAMT



Net Yield



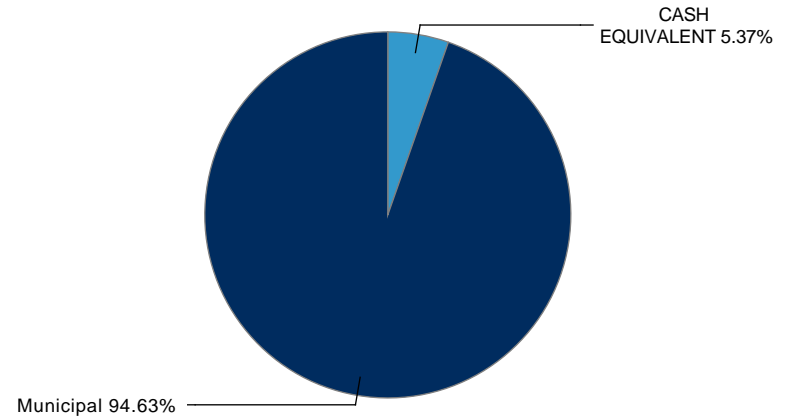
	Current Mth	Prior Mth	1 Year Ago
POOL 10 ST MED NONAMT	2.31	1.99	0.06

Asset Allocation

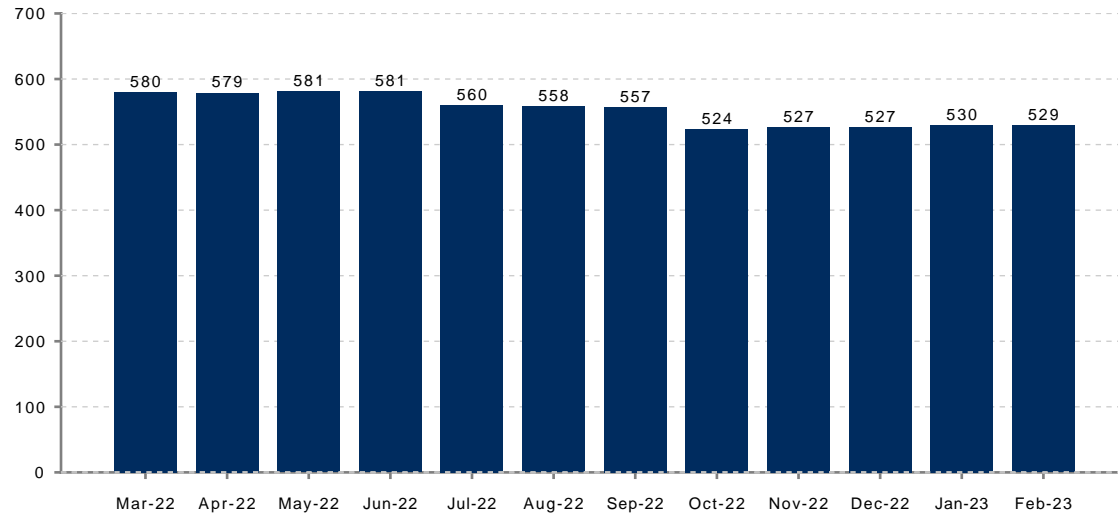
POOL 10 ST MED NONAMT

Ending Market Value

529,105,010



Net Asset Values over Time (\$MM)

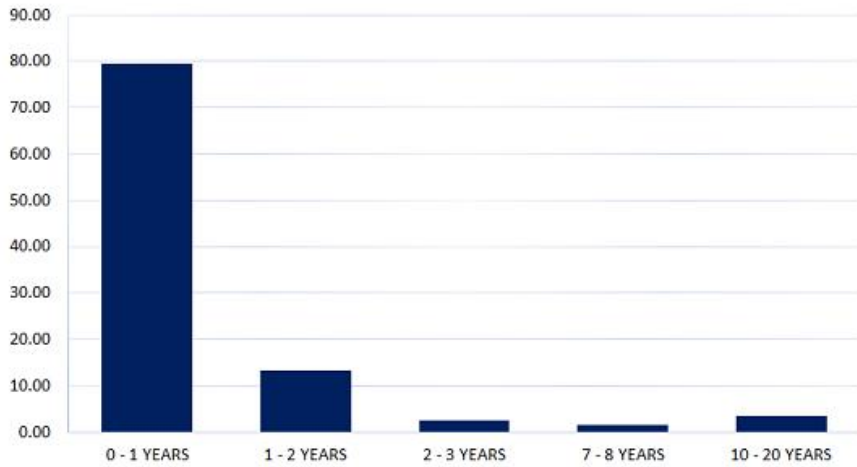


Top 10 Holdings

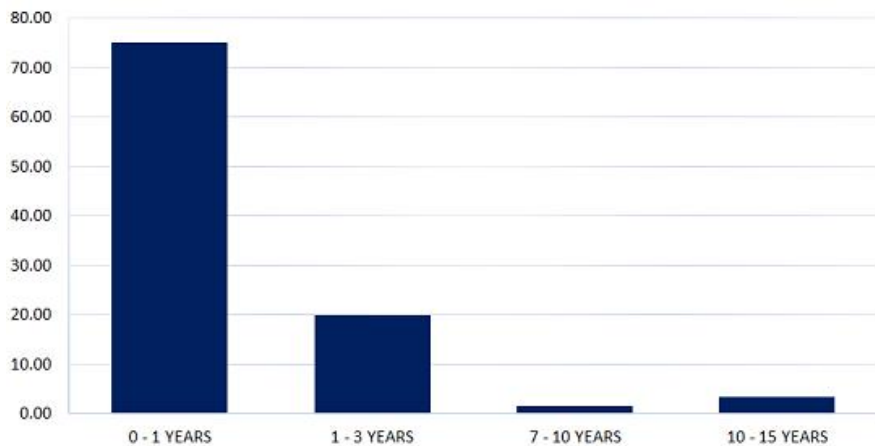
Security Name	Ending Market Value	% of Portfolio
POOL 10 ST MED NONAMT		
MSILF TAX EXEMPT PORT	28,821,598	5.45
PORT TACOMA WA REVEN	25,317,078	4.78
LOUDOUN CNTY VA INDL	24,532,204	4.64
BALTIMORE CNTY MD	23,261,226	4.40
GEORGIA ST	20,455,167	3.87
DENVER CITY CNTY CO	20,231,270	3.82
INDIANA ST FIN AUTH HOS	20,048,230	3.79
SAINT PAUL MN HSG RED	18,629,197	3.52
WISCONSIN ST HLTH ED	17,492,454	3.31
ORANGE CNTY FL HLTH F	17,167,226	3.24



Duration Distribution



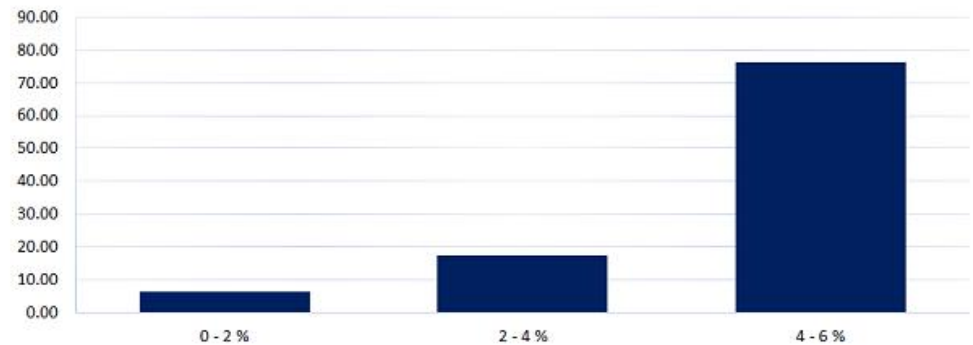
Expected Maturity Distribution



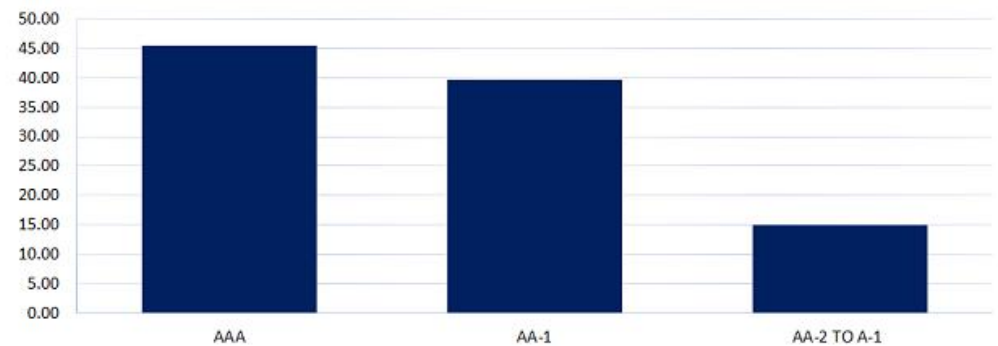
Portfolio Level Characteristics

	POOL 10 ST MED NONAMT
Effective Maturity	1.02
Coupon	4.84
Effective Duration	0.97
Quality Rating (Moody's)	AA-1

Coupon Distribution



Rating Distribution



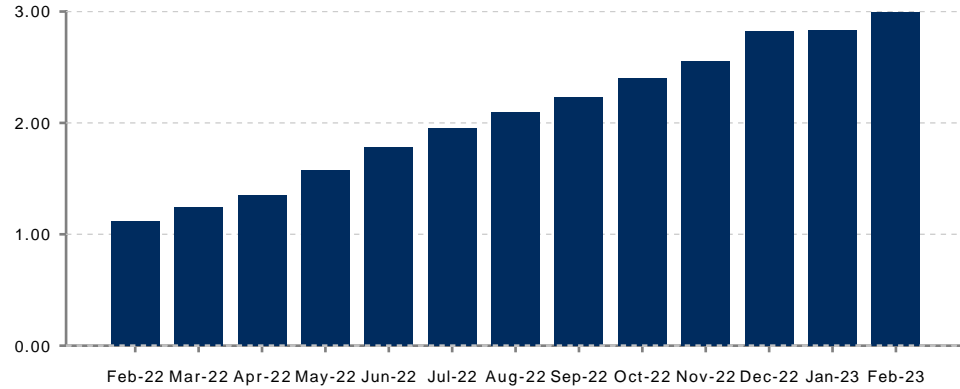
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POOL 12 CAWCD MED TRM



Net Yield



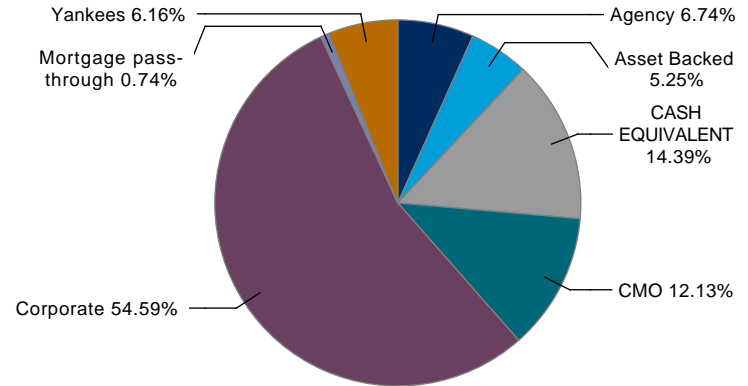
	Current Mth	Prior Mth	1 Year Ago
POOL 12 CAWCD MED TRM	2.99	2.83	1.12

Asset Allocation

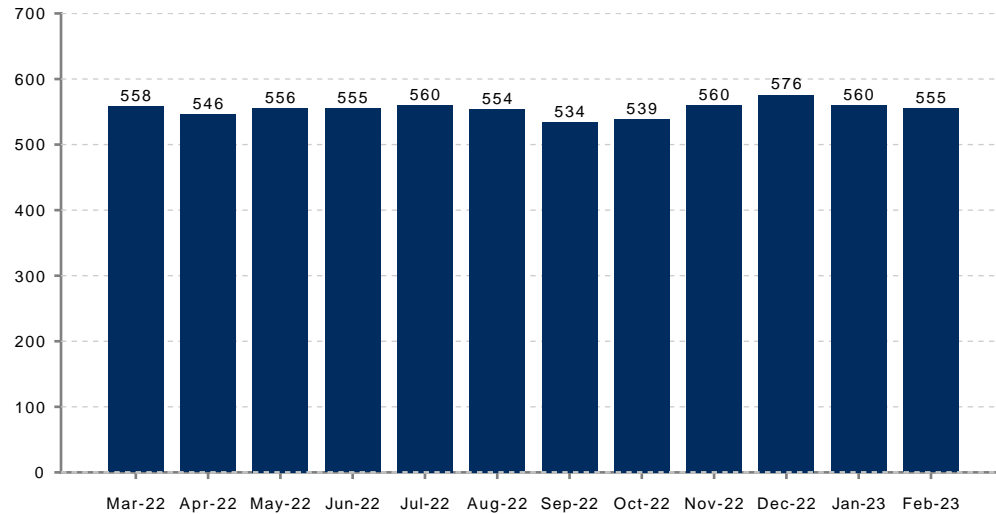
POOL 12 CAWCD MED TRM

Ending Market Value

555,303,237



Net Asset Values over Time (\$MM)

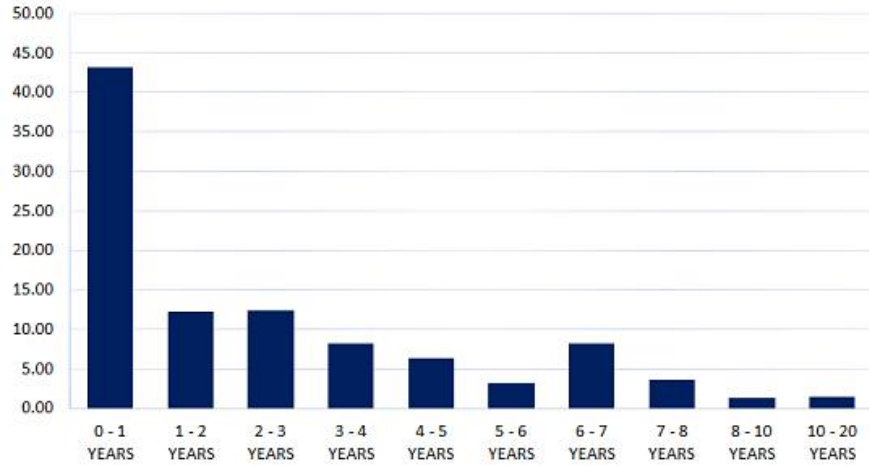


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 12 CAWCD MED TRM		
SOUTH STREET REPO	11,501,463	2.07
NEXTERA ENERGY CAP HLDGS INC	10,000,000	1.80
MONDELEZ INTL INC	9,973,278	1.80
AT&T INC	9,962,278	1.79
NVIDIA CORP	9,889,852	1.78
MORGAN STANLEY	9,873,524	1.78
BANK OF AMERICA CORP	9,567,560	1.72
PHILLIPS 66	8,027,959	1.45
INTERCONTINENTALEXCHANGE	6,819,828	1.23
ALPHABET INC	6,397,837	1.15



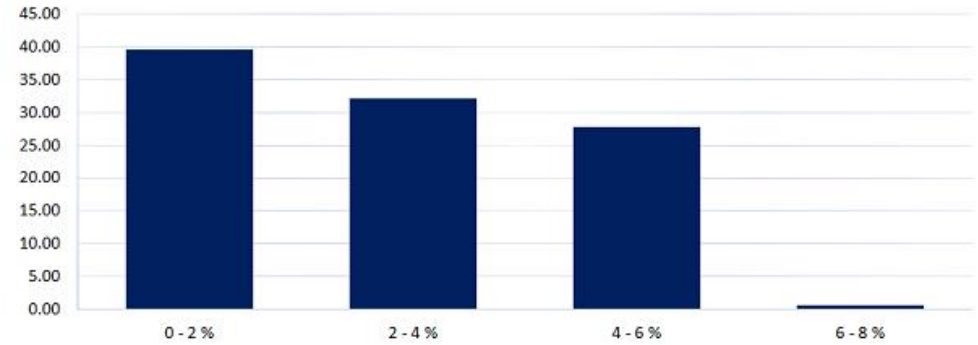
Duration Distribution



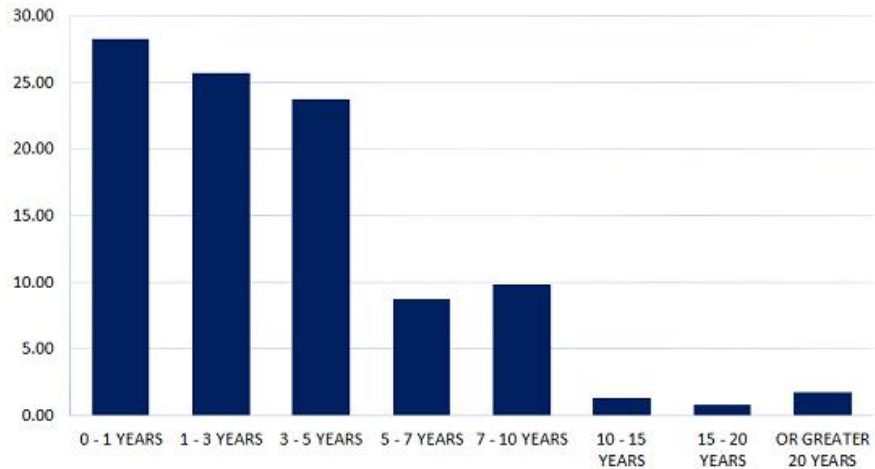
Portfolio Level Characteristics

	POOL 12 CAWCD MED TRM
Effective Maturity	3.68
Coupon	3.19
Effective Duration	2.43
Quality Rating (Moody's)	AA-3

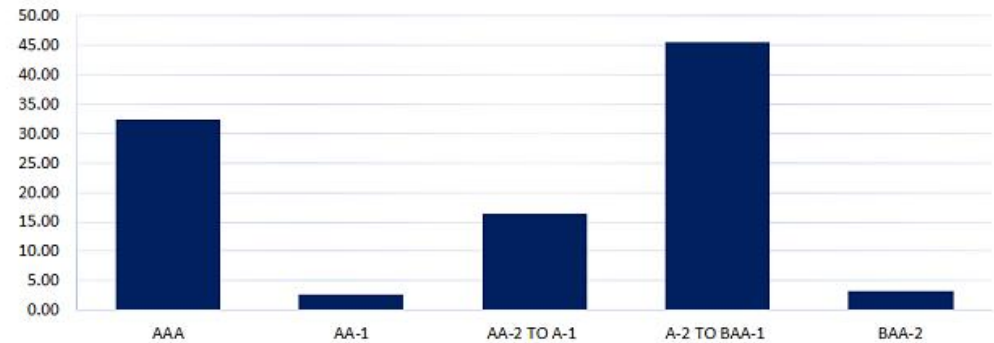
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



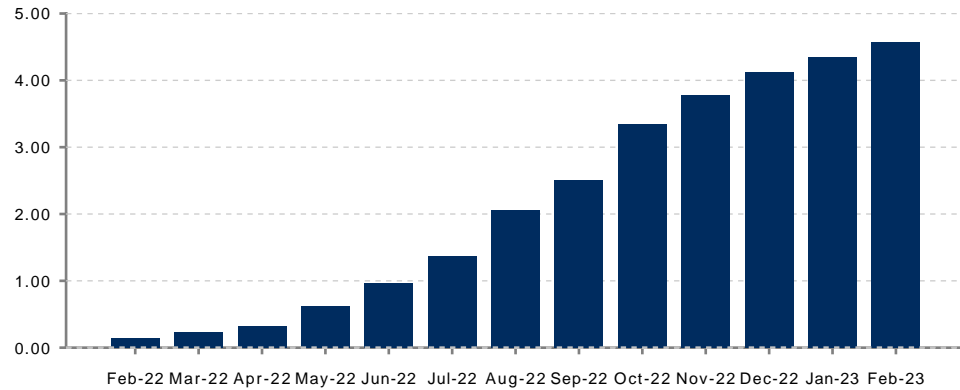
OFFICE OF THE ARIZONA STATE TREASURER

February 28, 2023

POOL 15 ST OPER LIQUID



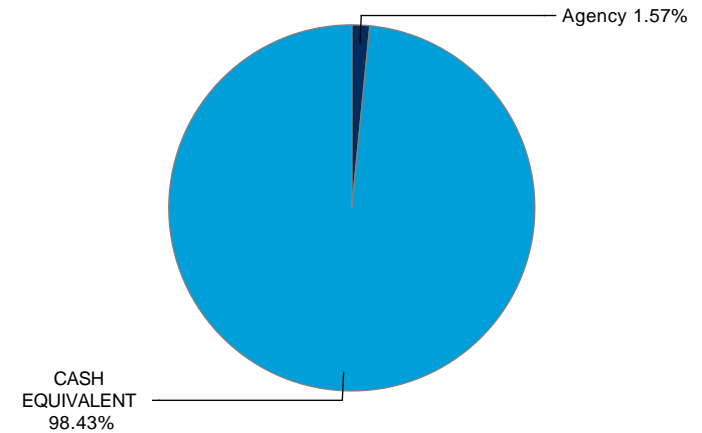
Net Yield



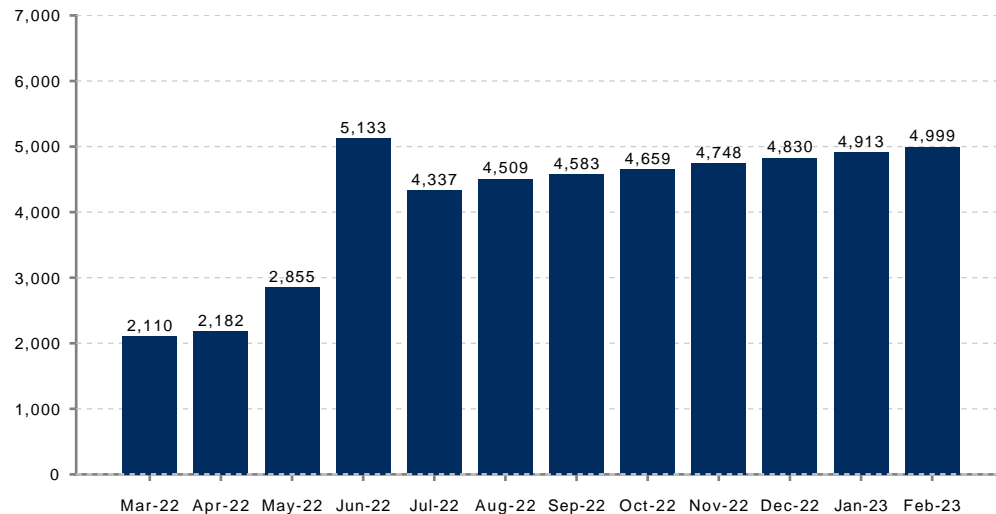
	Current Mth	Prior Mth	1 Year Ago
ST of AZ POOL 15 ST OPER LIQUIDITY	4.57	4.35	0.14

Asset Allocation

	Ending Market Value
POOL 15 ST OPER LIQUID	4,998,582,341



Net Asset Values over Time (\$MM)

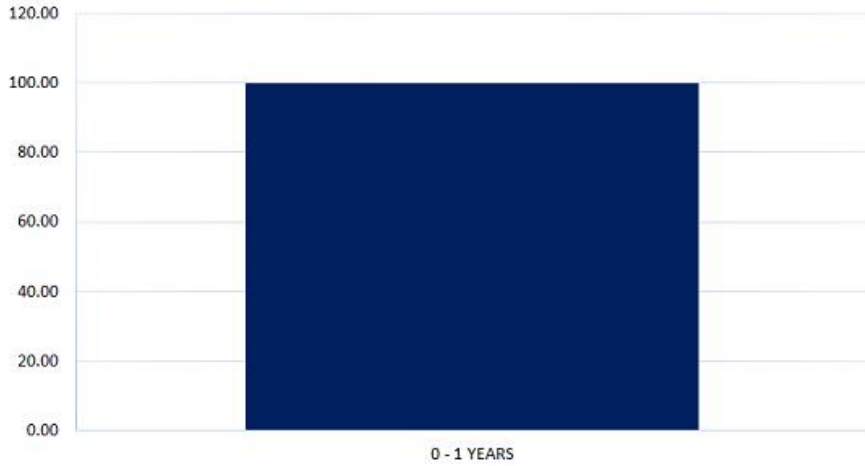


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 15 ST OPER LIQUID		
CANTOR FITZGERALD REPO	900,113,250	18.01
SOUTH STREET REPO	515,883,770	10.32
MITSUBISHI UFJ REPO	300,037,417	6.00
AMHERST PIERPONT	250,031,250	5.00
GOLDMAN SACHS FINANCIAL SQUARE	234,508,700	4.69
SUNTRUST BKS INC DTC CP GENERIC CUSIP	200,025,167	4.00
BMO TRIPARTY MTGE	200,025,056	4.00
RBC CAPITAL MARKETS REPO	157,567,003	3.15
JPMORGAN US GOVERNMENT MONEY M	103,287,512	2.07
TREASURY BILL	88,615,500	1.77



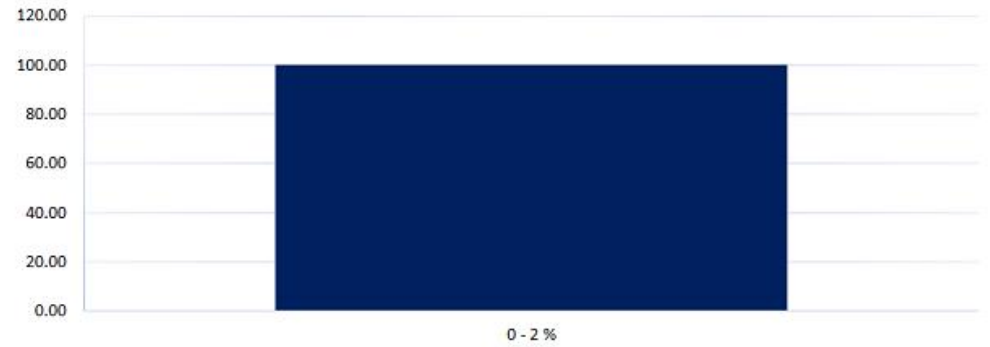
Duration Distribution



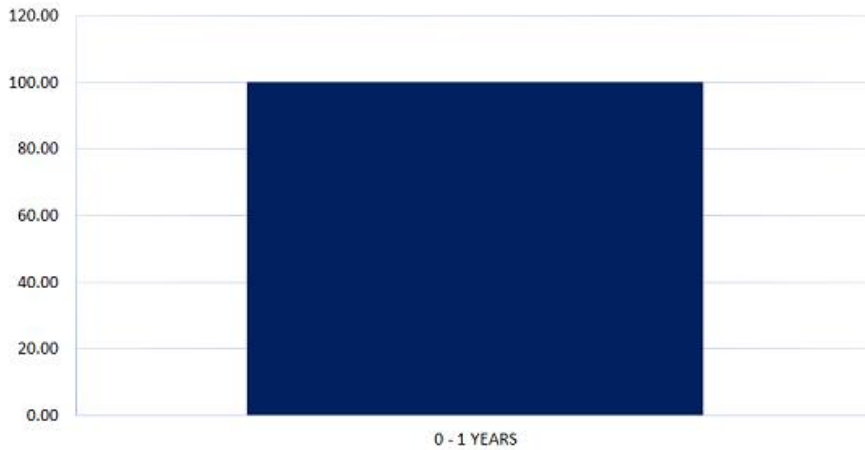
Portfolio Level Characteristics

	POOL 15 ST OPER LIQUID
Effective Maturity	0.09
Coupon	4.26
Effective Duration	0.10
Quality Rating (Moody's)	AAA

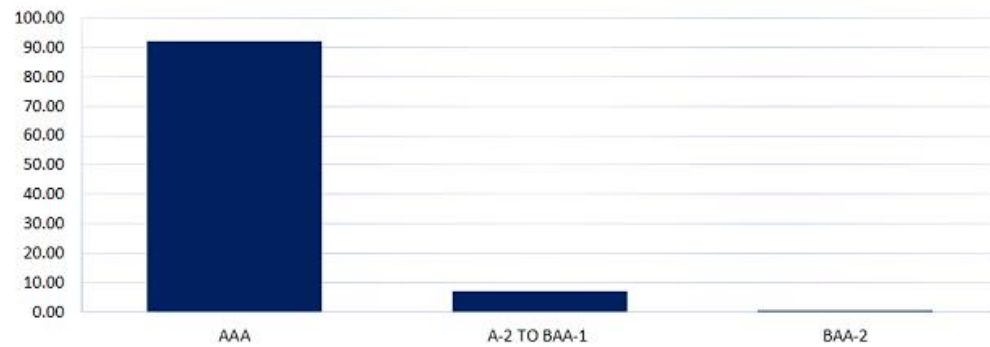
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



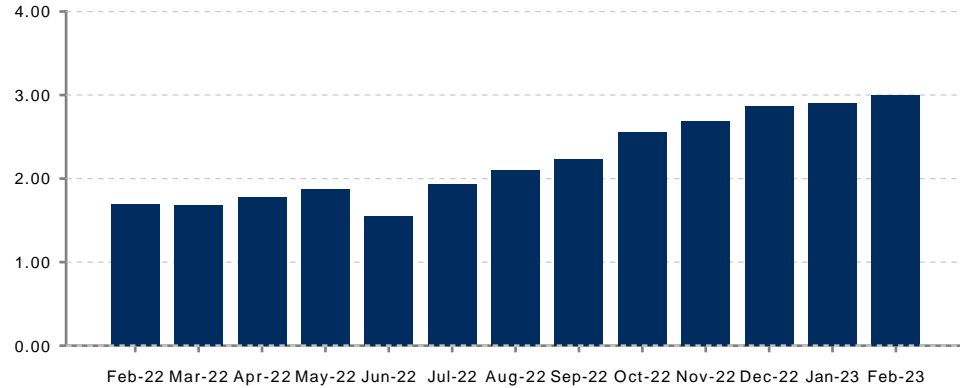
OFFICE OF THE ARIZONA STATE TREASURER

February 28, 2023

POOL 16 ECDHB



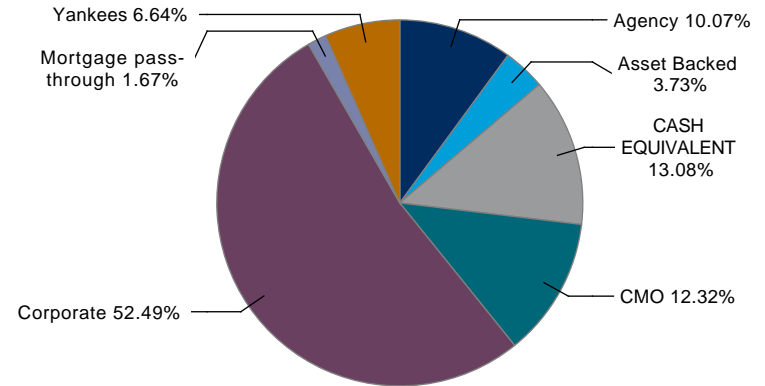
Net Yield



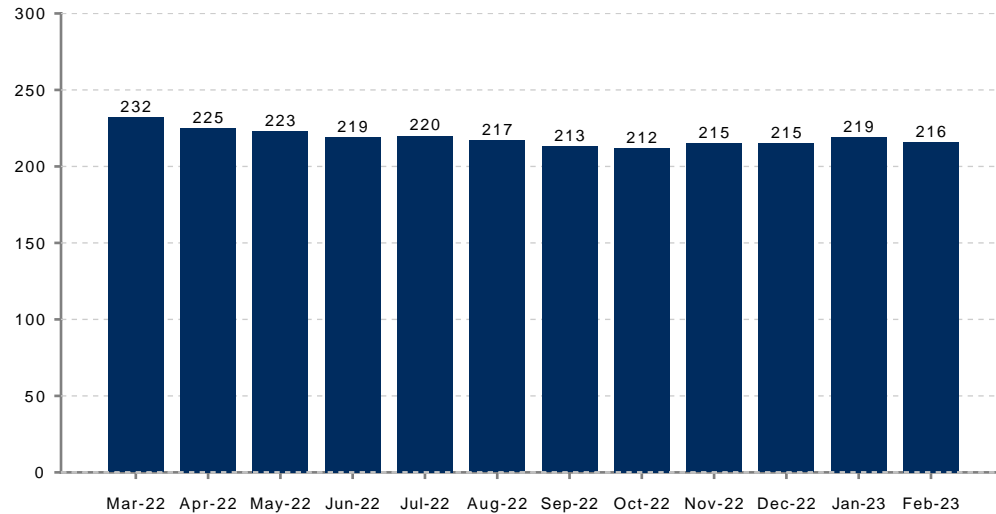
	Current Mth	Prior Mth	1 Year Ago
POOL 16 ECDHB	3.00	2.90	1.70

Asset Allocation

	Ending Market Value
POOL 16 ECDHB	216,375,449



Net Asset Values over Time (\$MM)

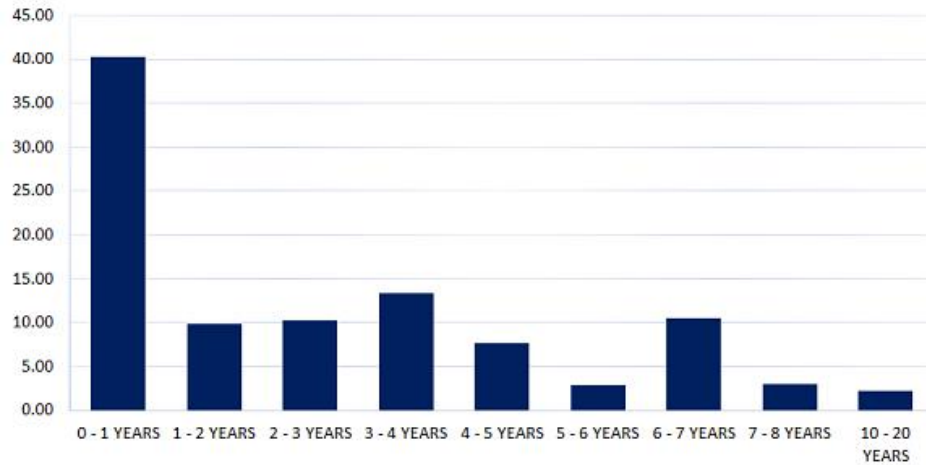


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 16 ECDHB		
SOUTH STREET REPO	14,501,845	6.70
CHARLES SCHWAB CORP	5,073,962	2.34
US TREASURY N/B	5,057,290	2.34
BANK OF MONTREAL	5,055,382	2.34
BANK OF NY MELLON CORP	5,046,793	2.33
GOLDMAN SACHS GROUP INC	5,037,697	2.33
CITIGROUP GLOBAL MKTS INC S	4,989,160	2.31
HARLEY-DAVIDSON FND CP	4,975,250	2.30
BERKSHIRE HATHAWAY ENERG	4,966,701	2.30
NVIDIA CORP	4,944,926	2.29



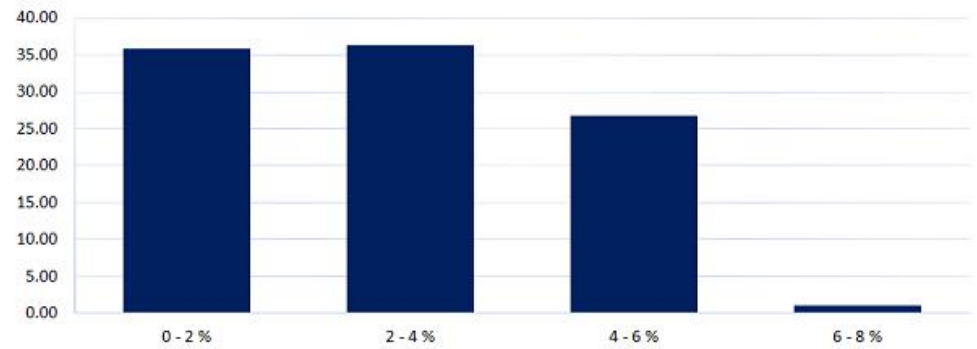
Duration Distribution



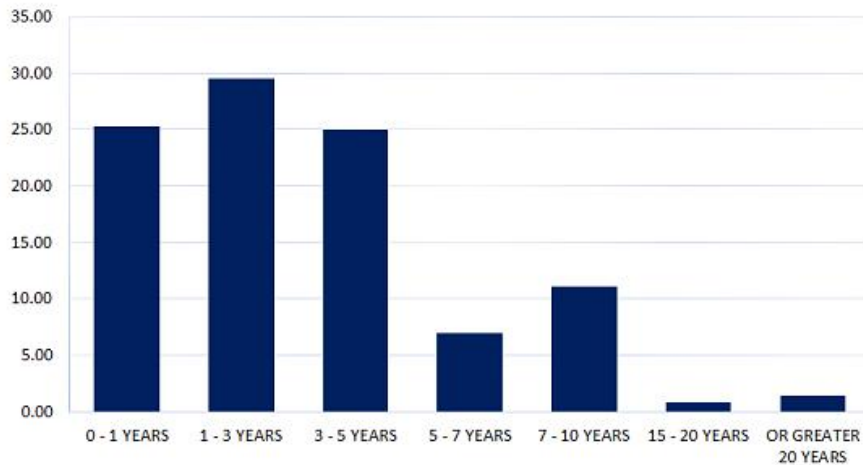
Portfolio Level Characteristics

	POOL 16 ECDHB
Effective Maturity	3.46
Coupon	3.10
Effective Duration	2.71
Quality Rating (Moody's)	AA-3

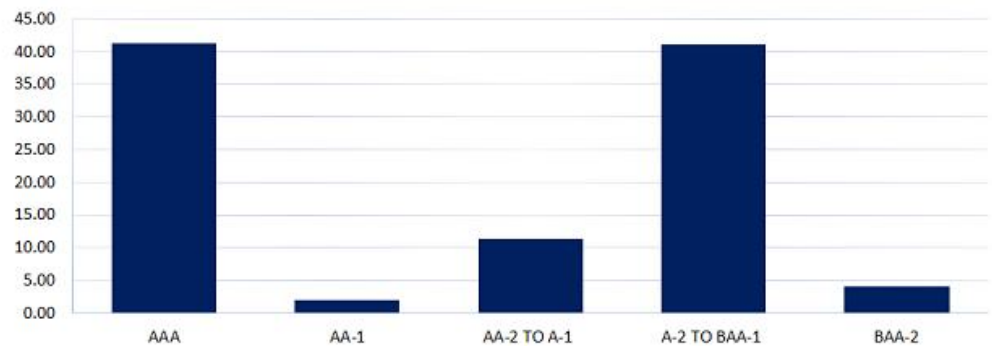
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



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

NET EARNINGS

FUND	DESCRIPTION	Current Month 02/28/23	Prior Month 01/31/23	Prior Year 02/28/22	Net Asset Value Per Share
5	LGIP	\$8,984,717	\$9,735,202	\$229,089	1.000000
7	LGIP - GOV (1)	8,274,181	8,793,233	66,580	1.000000
	TOTAL LGIP & LGIP-GOV	\$17,258,898	\$18,528,435	\$295,669	

YIELDS

<u>MONTHLY</u>		Current Month 02/28/23	Prior Month 01/31/23	Prior Year 2/28/22
5	LGIP (NET)	4.56%	4.43%	0.13%
	S&P LGIP Index	4.28%	4.10%	0.04%
7	LGIP - GOV (NET) (1)	4.47%	4.23%	0.04%
	Trailing 3-mo T-bill	4.53%	4.35%	0.15%

FISCAL YEAR TO DATE

5	LGIP (NET)	3.31%	3.13%	0.08%
	S&P LGIP Index	2.84%	2.64%	0.04%
7	LGIP - GOV (NET) (1)	3.11%	2.92%	0.02%
	Trailing 3-mo T-bill	3.11%	2.91%	0.05%

(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
 FEBRUARY 2023**

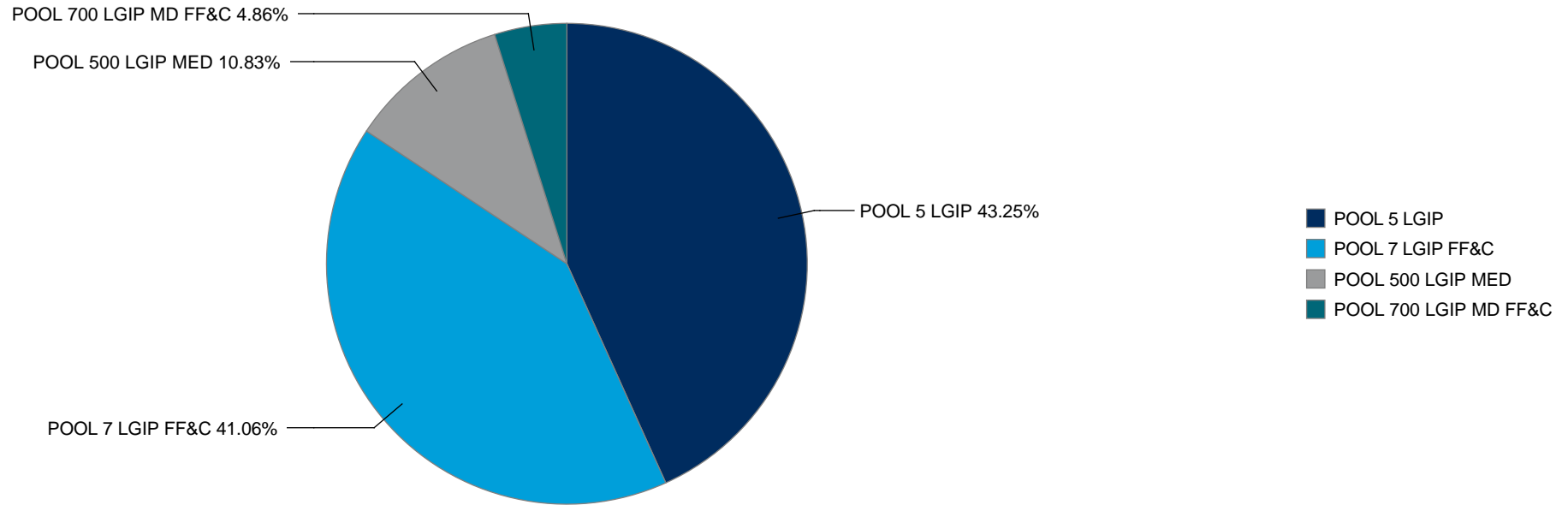
NET EARNINGS

FUND	DESCRIPTION	Current Month 02/28/23	Prior Month 01/31/23	Prior Year 02/28/22	Net Asset Value Per Share
500	LGIP - MED TERM POOL	\$1,518,160	\$1,623,227	\$413,777	0.997586
700	LGIP - FF&C MED TERM POOL	608,257	644,920	73,776	0.983242
	TOTAL LGIP MEDIUM TERM POOLS	\$2,126,418	\$2,268,147	\$487,553	

YIELDS

<u>MONTHLY</u>		Current Month 02/28/23	Prior Month 01/31/23	Prior Year 2/28/22
500	LGIP - MED TERM (NET)	3.06%	2.95%	0.79%
	20% S&P LGIP Index /	4.71%	3.67%	1.27%
	80% Bloomberg Barclays 1-3 year US Agg			
700	LGIP - FF&C MED TERM (NET)	2.73%	2.56%	0.33%
	20% Trailing 3-mo T-bill /	4.58%	4.31%	1.18%
	80% Barclay 1-3 year UST			
<u>FISCAL YEAR TO DATE</u>				
500	LGIP - MED TERM (NET)	2.41%	2.32%	0.80%
	20% S&P LGIP Index /	3.92%	3.81%	0.57%
	80% Bloomberg Barclays 1-3 year US Agg			
700	LGIP - FF&C MED TERM (NET)	1.85%	1.72%	0.27%
	20% Trailing 3-mo T-bill /	3.88%	3.78%	0.49%
	80% Bloomberg Barclays 1-3 year UST			

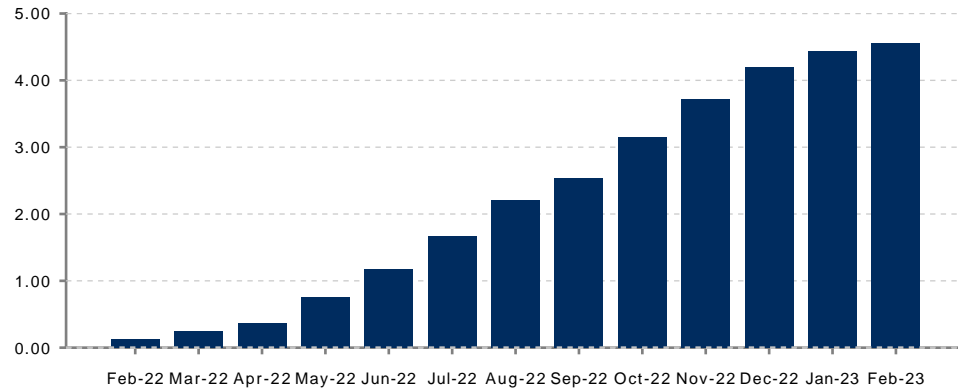
Manager Allocation



	Market Value	% of Portfolio
POOL 5 LGIP	2,575,807,635	43.2
POOL 7 LGIP FF&C	2,445,095,974	41.1
POOL 500 LGIP MED	645,062,680	10.8
POOL 700 LGIP MD FF&C	289,668,334	4.9
TOTAL LGIP	5,955,634,622	100.0



Net Yield

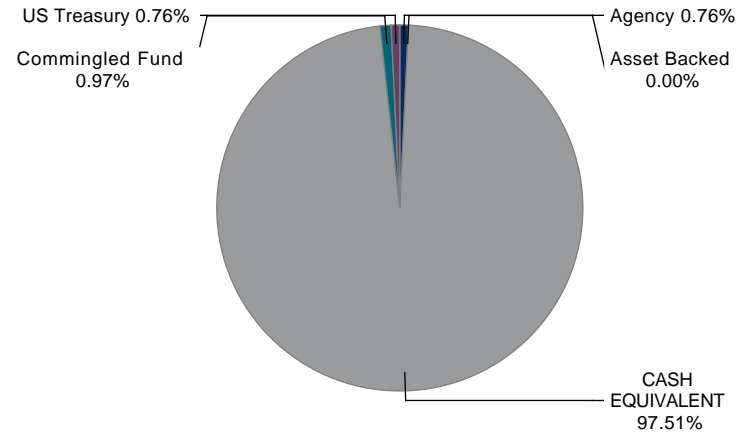


Current Mth **Prior Mth** **1 Year Ago**

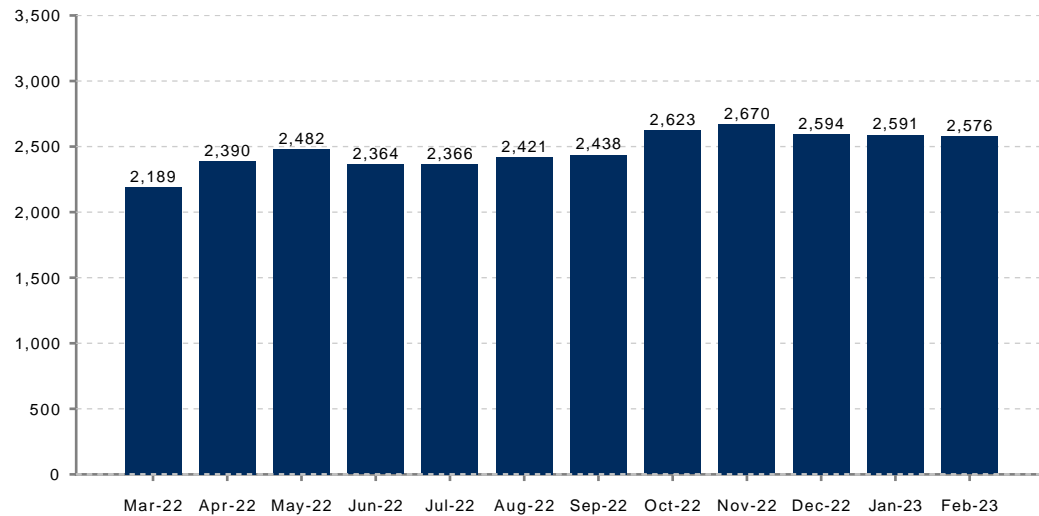
POOL 5 LGIP	4.56	4.43	0.13
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Asset Allocation

Ending Market Value	
POOL 5 LGIP	2,575,807,635



Net Asset Values over Time (\$MM)

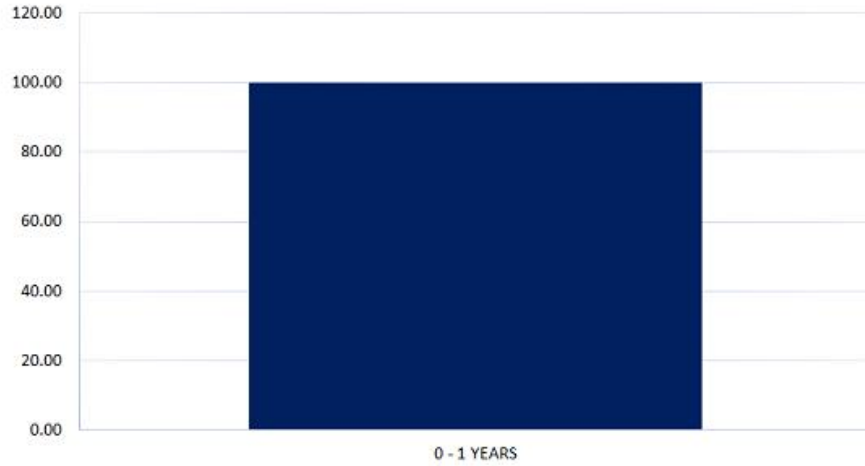


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 5 LGIP		
BANK OF AMERICA REPO	150,018,750	5.82
TD SECURITIES	150,018,625	5.82
RBC CAPITAL MARKETS REPO	105,296,896	4.09
TREASURY BILL	29,970,117	1.16
BERKSHIRE HATHAWAY ENE	29,944,817	1.16
GOLDMAN SACHS FINANCIAL SQUARE	25,197,097	0.98
HALKIN FINANCE LLC USC	25,000,000	0.97
CAN AST + CAN LTD JT	25,000,000	0.97
USAA CAPITAL CORP	25,000,000	0.97
UNITED HEALTHCARE CO	25,000,000	0.97



Duration Distribution



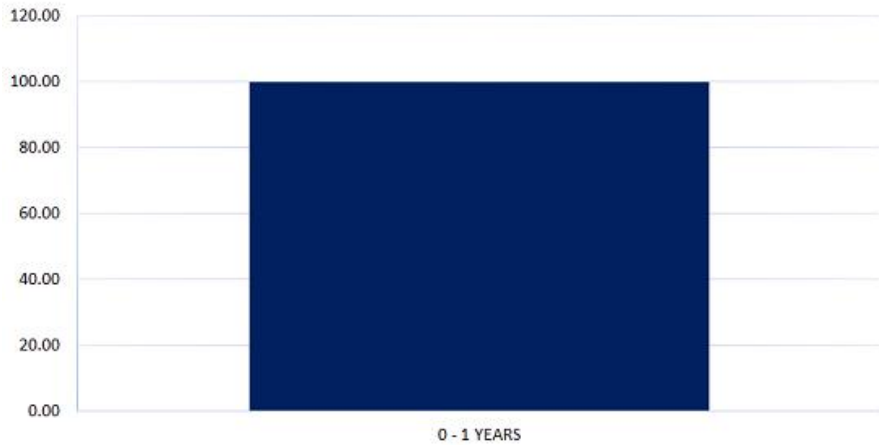
Portfolio Level Characteristics

	POOL 5 LGIP
Effective Maturity	0.10
Coupon	4.13
Effective Duration	0.10
Quality Rating (S&P)	AAAf/S1+

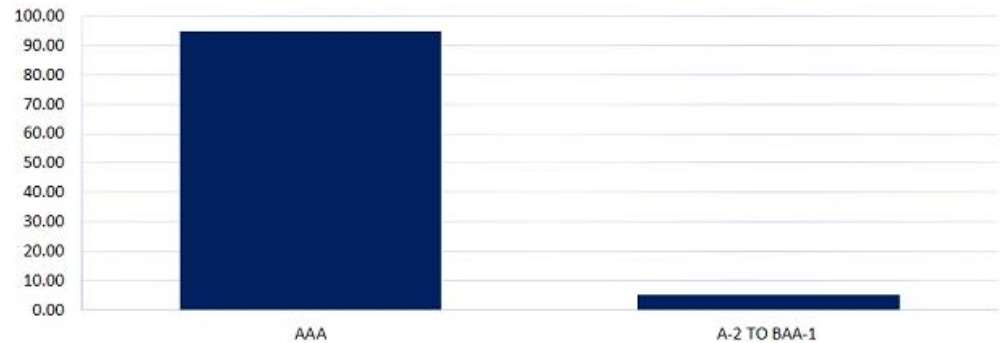
Coupon Distribution



Expected Maturity Distribution

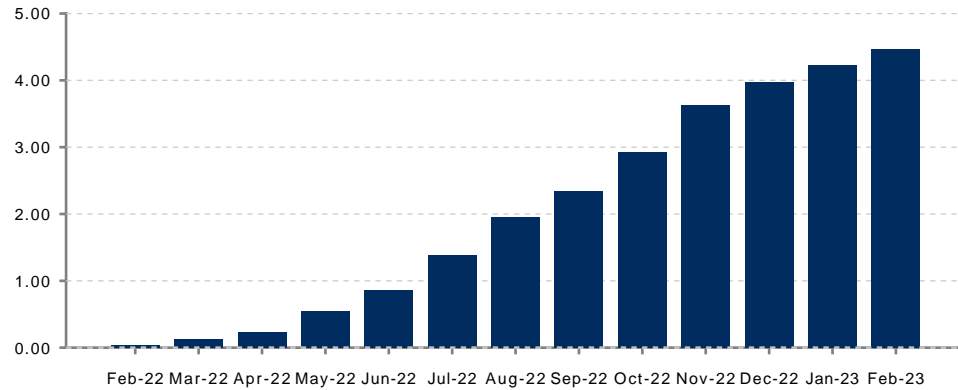


Rating Distribution





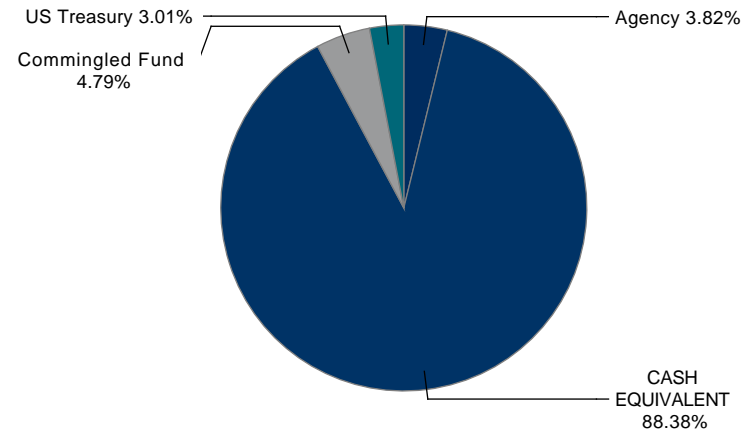
Net Yield



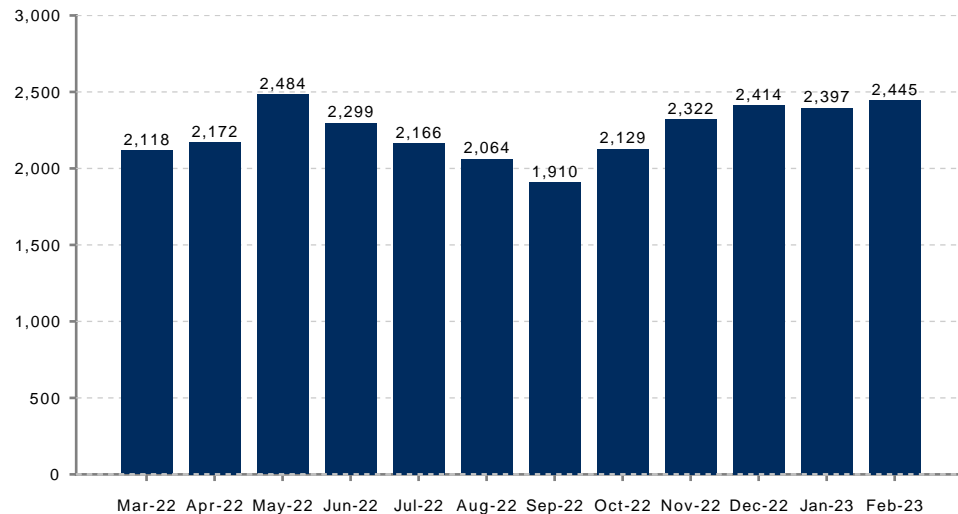
	Current Mth	Prior Mth	1 Year Ago
POOL 7 LGIP FF&C	4.47	4.23	0.04

Asset Allocation

	Ending Market Value
POOL 7 LGIP FF&C	2,445,095,974



Net Asset Values over Time (\$MM)

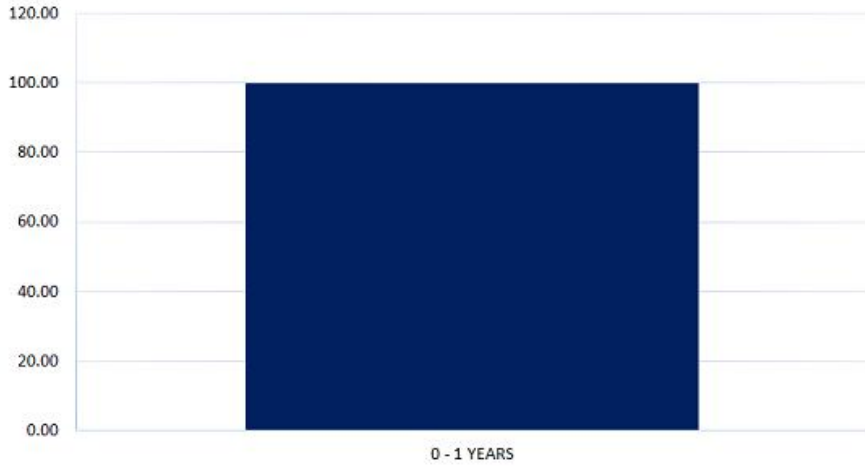


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 7 LGIP FF&C		
DAIWA CAPITAL MARKETS REPO	400,050,000	16.36
MITSUBISHI UFJ REPO	200,327,889	8.19
AMHERST PIERPONT	150,303,333	6.15
CANTOR FITZGERALD REPO	100,511,111	4.11
BMO TRIPARTY MTGE	100,338,250	4.10
AMHERST PIERPONT	100,101,111	4.09
CANTOR FITZGERALD REPO	95,101,333	3.89
RBC CAPITAL MARKETS REPO	77,816,931	3.18
WESTERN ALLIANCE CDARS	73,806,484	3.02
TREASURY BILL	69,825,389	2.86



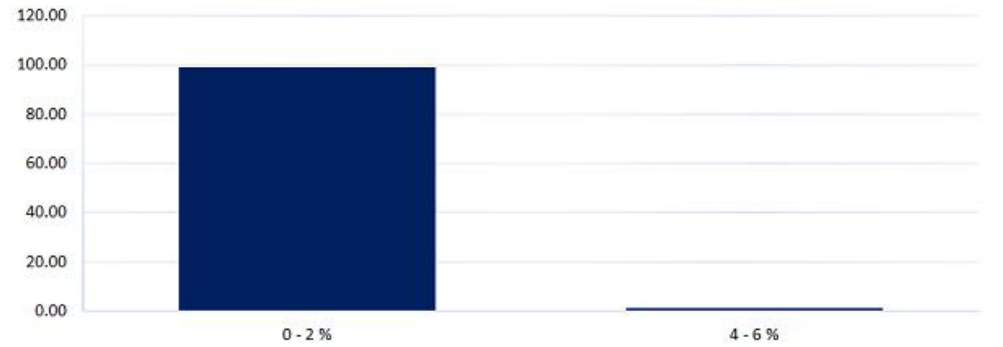
Duration Distribution



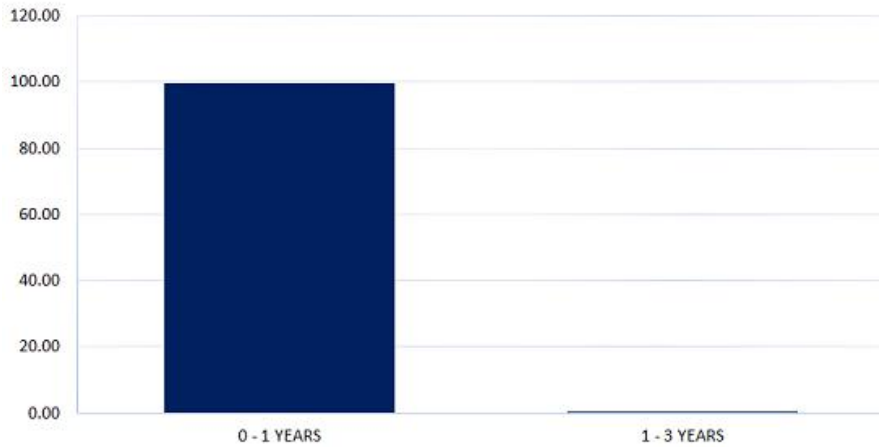
Portfolio Level Characteristics

	POOL 7 LGIP FF&C
Effective Maturity	0.10
Coupon	1.60
Effective Duration	0.09
Quality Rating (Moody's)	AAA

Coupon Distribution



Expected Maturity Distribution



Rating Distribution



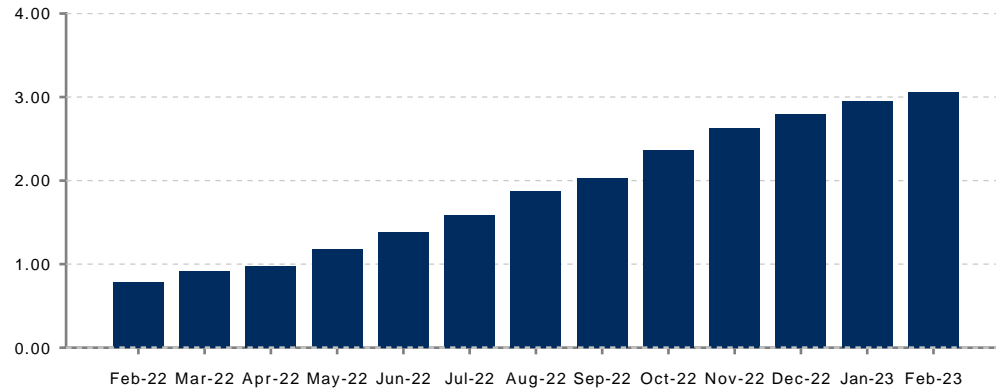
OFFICE OF THE ARIZONA STATE TREASURER

February 28, 2023

POOL 500 LGIP MED



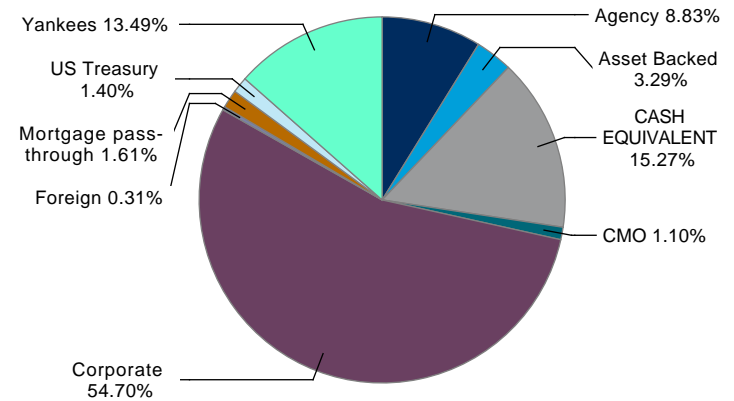
Net Yield



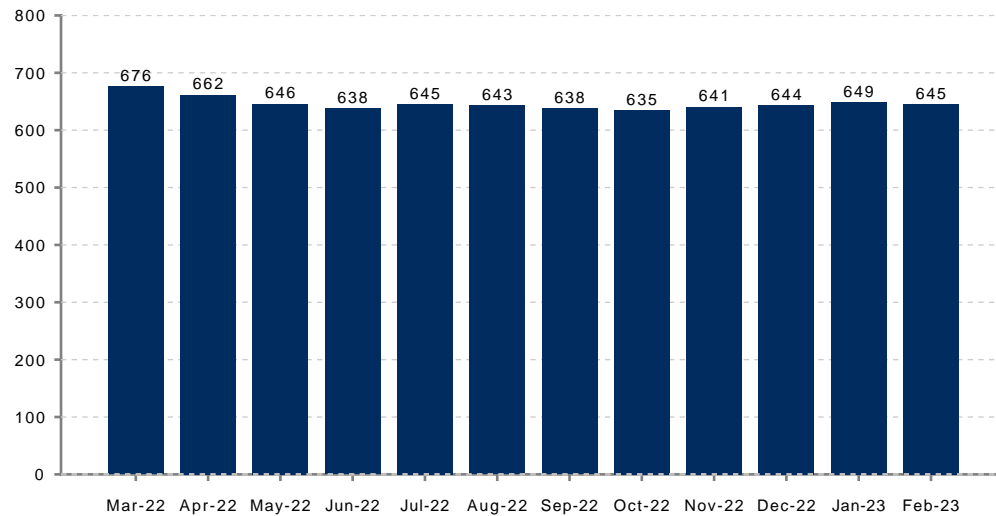
	Current Mth	Prior Mth	1 Year Ago
POOL 500 LGIP MED	3.06	2.95	0.79

Asset Allocation

	Ending Market Value
POOL 500 LGIP MED	645,062,680



Net Asset Values over Time (\$MM)

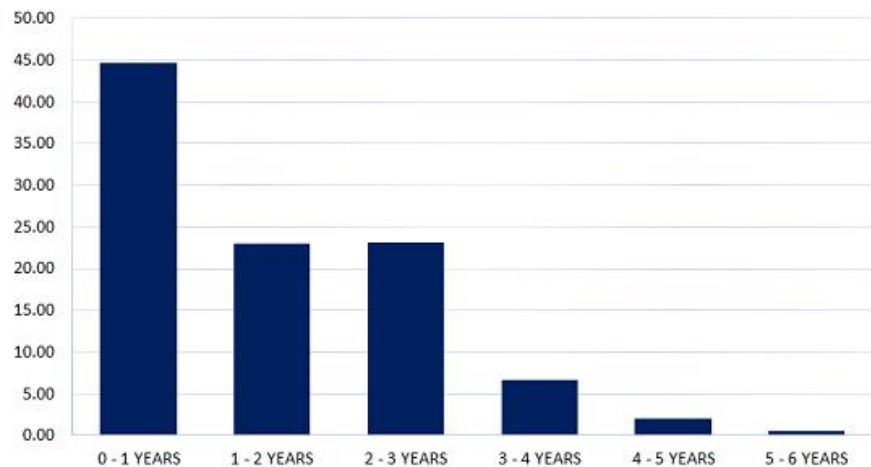


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 500 LGIP MED		
SOUTH STREET REPO	9,001,145	1.40
CITIGROUP GLOBAL MARKETS	5,070,387	0.79
WESTPAC BKING CORP N	5,066,254	0.79
AMERICAN HONDA FINANCE	5,061,038	0.78
ROYAL BANK OF CANADA	5,046,742	0.78
JPMORGAN CHASE BK N A INSTL CT	5,045,770	0.78
ROYAL BANK OF CANADA	5,036,397	0.78
BANK OF NOVA SCOTIA	5,025,679	0.78
FEDERAL FARM CREDIT BANK	5,015,002	0.78
ROYAL BANK OF CANADA	5,006,320	0.78



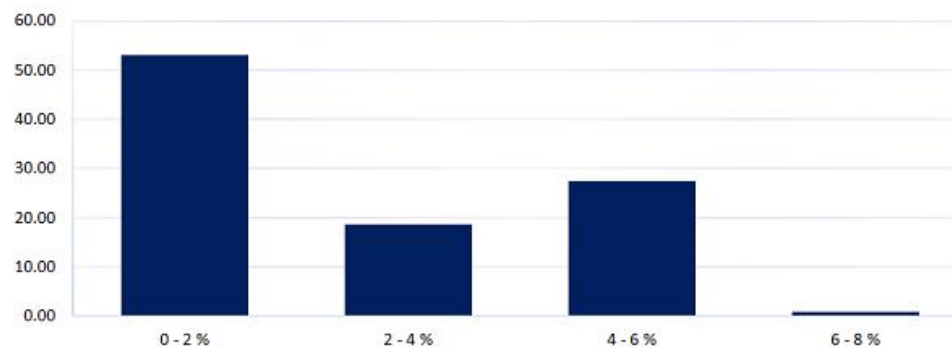
Duration Distribution



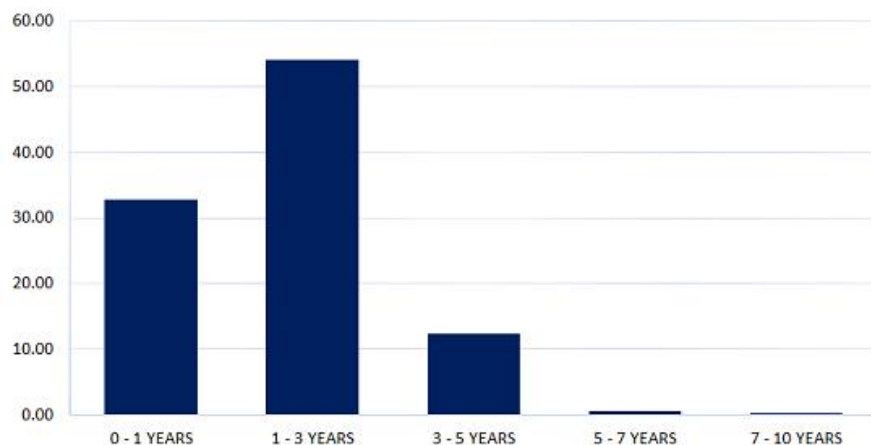
Portfolio Level Characteristics

	POOL 500 LGIP MED
Effective Maturity	1.69
Coupon	3.06
Effective Duration	1.38
Quality Rating (Moody's)	AA-3

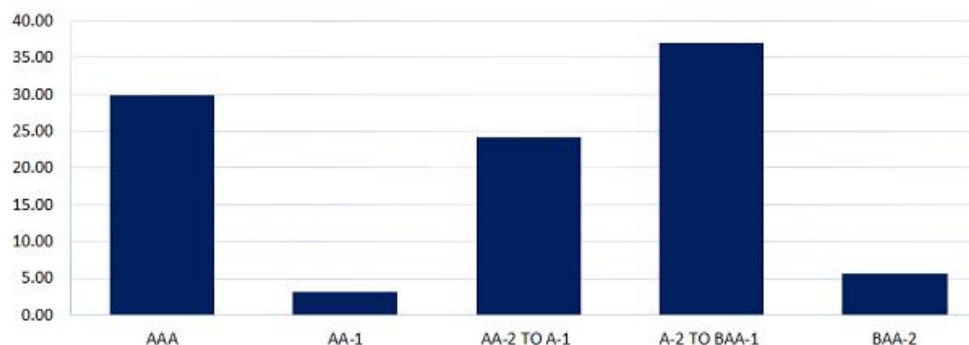
Coupon Distribution



Expected Maturity Distribution

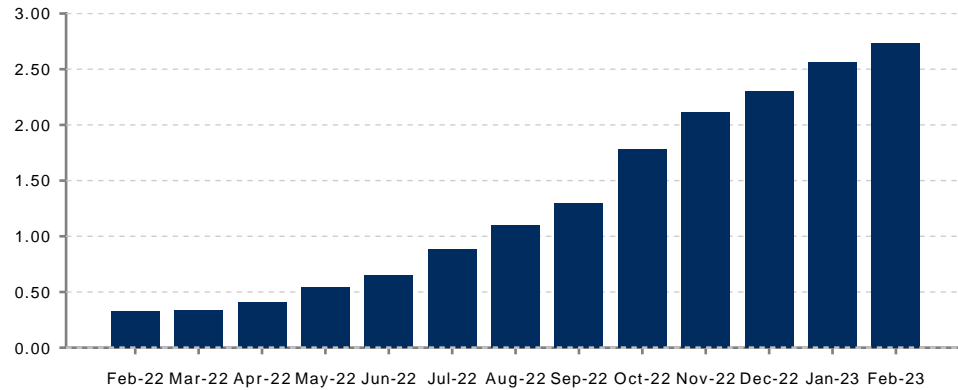


Rating Distribution





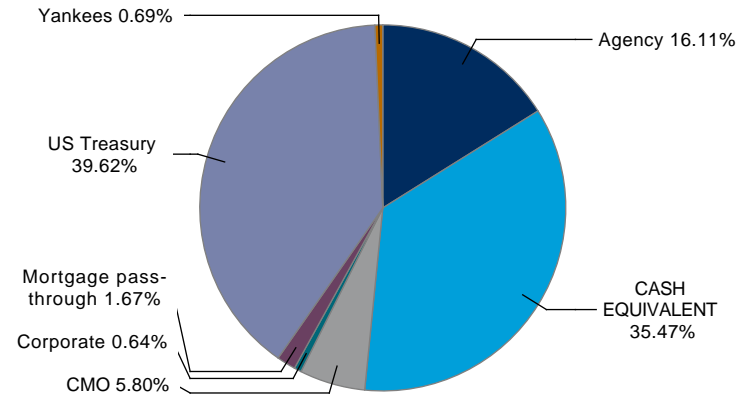
Net Yield



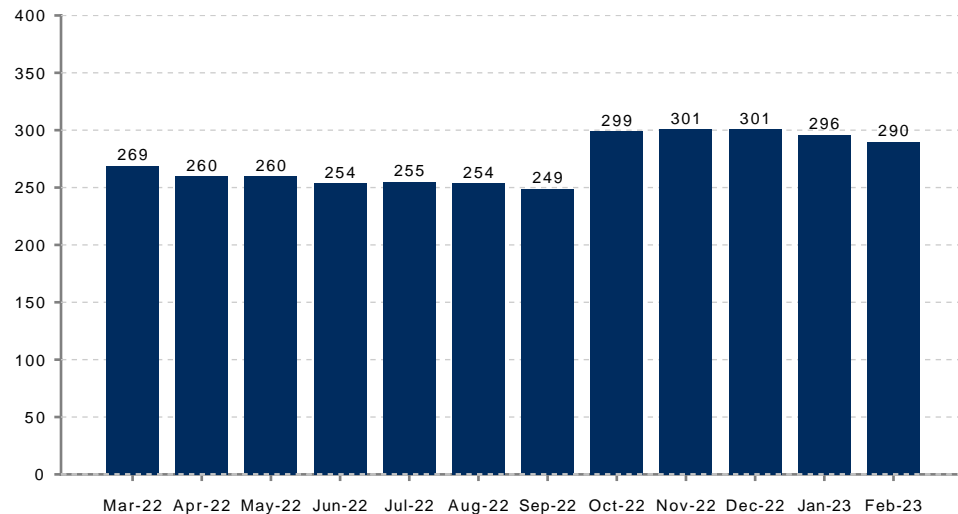
	Current Mth	Prior Mth	1 Year Ago
POOL 700 LGIP MD FF&C	2.73	2.56	0.33

Asset Allocation

	Ending Market Value
POOL 700 LGIP MD FF&C	289,668,334



Net Asset Values over Time (\$MM)

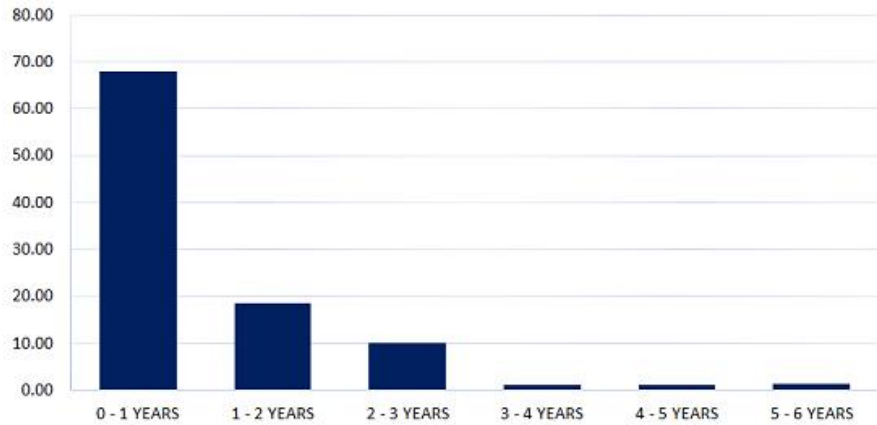


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 700 LGIP MD FF&C		
MITSUBISHI UFJ REPO	30,049,183	10.37
SOUTH STREET REPO	28,503,665	9.84
INT DEVELOPMENT FIN CORP	5,010,450	1.73
CANTOR FITZGERALD REPO	5,005,333	1.73
TREASURY BILL	4,941,656	1.71
TREASURY BILL	4,939,738	1.71
US TREASURY N/B	4,872,852	1.68
US TREASURY N/B	4,837,891	1.67
INT DEVELOPMENT FIN CORP	4,156,566	1.43
US TREASURY N/B	3,970,665	1.37



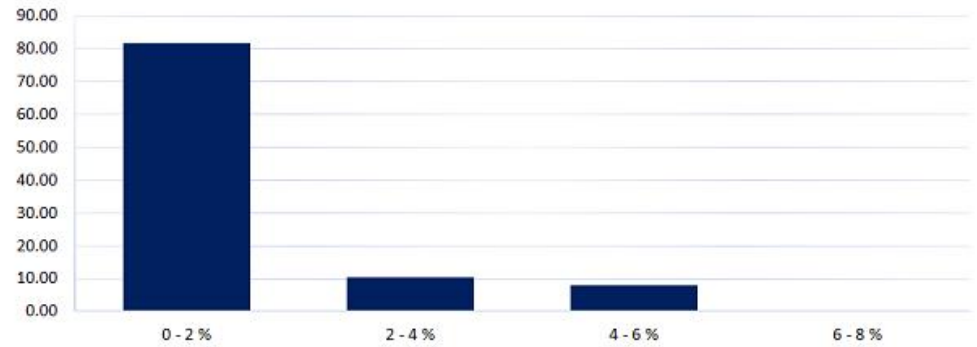
Duration Distribution



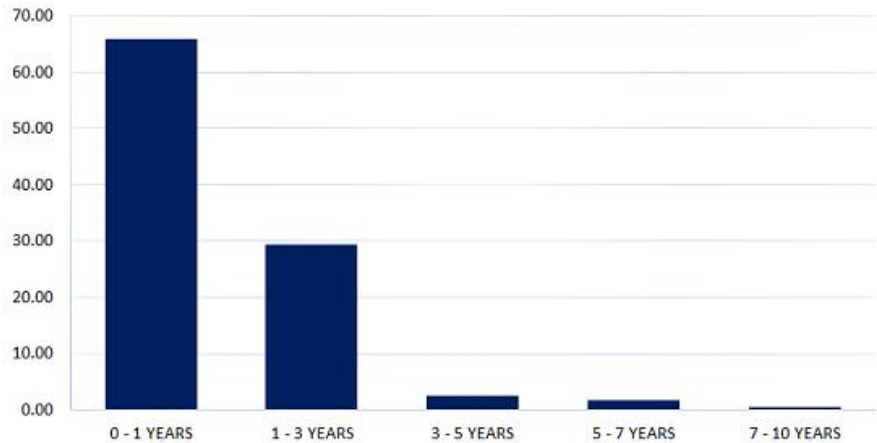
Portfolio Level Characteristics

	POOL 700 LGIP MD FF&C
Effective Maturity	0.96
Coupon	1.12
Effective Duration	0.86
Quality Rating (Moody's)	AAA

Coupon Distribution



Expected Maturity Distribution



Rating Distribution



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

Distributed in Current Month

Recipient	FEBRUARY 2023	Fiscal YTD 22/23	Fiscal YTD 21/22	Fiscal YTD Change
101 A & M Colleges	\$78,874	\$630,992	\$603,539	\$27,453
102 State Hospital	64,988	519,902	462,234	57,668
103 Leg., Exec., & Jud.	66,232	529,859	504,698	25,161
104 Military Institute	4,494	35,956	34,044	1,911
105 Miners Hospital	197,693	1,581,548	1,471,789	109,759
107 Normal School ASU/NAU	38,010	304,084	280,576	23,508
108 Penitentiaries	128,768	1,030,146	974,825	55,321
109 Permanent Common School	33,537,213	268,297,701	248,002,165	20,295,536
110 School for Deaf & Blind	48,526	388,205	361,681	26,524
111 School of Mines	90,376	723,004	689,809	33,195
112 State Charitable-Pioneers Home	494,453	3,955,626	3,551,951	403,675
112 State Charitable-Corrections	247,227	1,977,813	1,775,976	201,837
112 State Charitable-Youth Treatment	247,227	1,977,813	1,775,976	201,837
113 University Fund	190,133	1,521,065	1,359,356	161,709
114 U of A Land - 1881	629,397	5,035,175	4,706,614	328,561
Total	\$36,063,611	\$288,508,887	\$266,555,231	\$21,953,656

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

Month	2017	2018	2019	2020	2021	2022	2023
January	\$2,960,815	\$809,822	\$30,671,107	\$34,028,510	\$77,327,332	\$65,776,496	\$132,875,173
February	1,103,303	744,295	875,823	2,362,463	17,814,405	107,134,375	45,385,295
March	3,045,043	8,296,029	997,479	13,103,761	3,772,571	5,230,088	
April	78,134,289	22,707,772	12,816,140	6,837,496	4,099,129	95,870,019	
May	27,642,672	16,234,823	590,432	3,656,783	88,763,368	109,978,359	
June	2,451,110	6,799,100	3,654,938	3,379,021	2,001,347	105,071,646	
July	13,838,188	27,835,379	4,356,585	19,069,989	37,347,276	14,023,708	
August	5,746,802	6,932,754	10,038,331	6,378,777	12,016,036	707,901	
September	19,937,751	8,293,343	1,201,114	3,851,950	13,865,289	7,754,529	
October	480,710	24,823,636	5,075,858	72,432,497	1,724,181	9,922,724	
November	9,500,048	42,245,892	9,161,341	3,119,856	1,487,524	6,763,639	
December	3,869,818	2,283,305	15,116,940	29,134,954	1,252,026	51,093,211	
Calendar Year	168,710,549	168,006,150	94,556,089	197,356,057	261,470,483	579,326,695	178,260,468
Fiscal Year (July 1st to June 30th)	163,553,318	108,965,158	162,020,229	108,318,203	327,766,175	556,753,315	268,526,180

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

<u>Endowment Fund</u>	February 2023 <u>NET GAIN(LOSS)</u>	February 2022 <u>NET GAIN(LOSS)</u>
----- Fixed Income Pool	(69,146)	(\$284,132)
500 Large-Cap Fund	-	3,556,141
400 Mid-Cap Fund	1,721,154	65,529
600 Small-Cap Fund	4,238,828	973,332
Totals	\$5,890,835	\$4,310,871

<u>Endowment Fund</u>	2022/2023 <u>FISCAL YEAR TO DATE</u> <u>GAINS(LOSSES)</u>	2021/2022 <u>FISCAL YEAR TO DATE</u> <u>GAINS(LOSSES)</u>
Fixed Income Pool	(\$1,874,776)	(\$4,017,697)
500 Large-Cap Fund	14,552,527	191,019,838
400 Mid-Cap Fund	27,680,077	49,263,820
600 Small-Cap Fund	16,218,089	33,036,295
Totals	\$56,575,917	\$269,302,255

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

I. Endowment Funds Purchases

<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	AMERICAN ELECTRIC	5.62	03/01/2023	NA	\$10,000,000.00	\$9,963,000.00	5.67%	P-3
205	BREAN	1.00	01/25/2063	NA	8,035,647	7,649,873	6.53%	Aaa
205	FLORIDA POWER + LIGHT	5.30	04/01/2053	NA	5,000,000	4,975,100	5.33%	Aa2
205	FREDDIE MAC	6.00	02/24/2028	6.00	10,000,000	10,000,000	6.08%	Aaa
205	HALKIN FINANCE	4.85	05/30/2023	NA	10,000,000	9,877,403	4.91%	P-1
205	KELLOGG	5.25	03/01/2023	NA	1,000,000	998,230	5.27%	P-3
205	MERCEDES BENZ	0.46	06/15/2026	NA	18,150,000	17,299,358	5.13%	Aaa
205	ORACLE 09/23 2.4	2.40	09/15/2023	NA	2,250,000	2,236,913	5.39%	P-3
205	ROYAL BANK OF CANADA	5.63	02/14/2025	NA	10,000,000	10,000,000	5.63%	Aa1
205	TORONTO DOMINION	5.63	02/10/2025	NA	10,000,000	10,000,000	5.63%	Aa2
205	US TREASURY	0.01	08/24/2023	NA	10,000,000	9,757,223	5.10%	P-1
205	US TREASURY	0.01	08/31/2023	NA	10,000,000	9,751,252	5.12%	P-1
205	VULCAN MATERIALS	5.80	03/01/2026	NA	25,000,000	24,992,000	5.81%	Baa2
123	ANGLESEA	4.72	04/11/2023	NA	10,000,000	9,944,933	4.74%	P-1
123	AT+T	4.85	03/29/2023	NA	15,000,000	14,886,833	4.88%	P-2
123	BARCLAYS	4.65	04/03/2023	NA	20,000,000	19,912,167	4.67%	P-1
123	HALKIN FINANCE	4.85	05/30/2023	NA	15,000,000	14,816,104	4.91%	P-1
123	HARLEY DAVIDSON	5.44	05/04/2023	NA	20,000,000	19,724,978	5.51%	P-3
123	MONDELEZ	4.81	03/21/2023	NA	15,000,000	14,905,804	4.84%	P-2
TOTAL ENDOWMENT FUNDS PURCHASES					\$224,435,647	\$221,691,170		

II. Endowment Funds Sales

<u>POOL</u>	<u>SECURITY DESCRIPTION</u>	<u>MATURITY</u>	<u>PAR VALUE</u>	<u>NET PROCEEDS</u>	<u>SALES GAINS/(LOSSES)</u>	<u>MOODY'S RATING</u>
205	US TREASURY	07/15/2025	5,000,000.00	\$4,848,047	(\$1,082)	Aaa
205	US TREASURY	08/15/2032	5,000,000.00	\$4,607,422	\$62,078	Aaa
TOTAL ENDOWMENT FUNDS SALES			\$10,000,000	\$9,455,469	\$60,996	

(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
 FEBRUARY 2023**

I. Equity Fund Purchases

	<u>SHARES</u>	<u>PURCHASE COST</u>	<u>COMMISSIONS</u>
400 Mid-Cap Fund	\$53,156.00	\$1,557,165	\$399
500 Large-Cap Fund	-	-	-
600 Small-Cap Fund	235,580	6,915,684	1,767
TOTAL EQUITY PURCHASES	<u>288,736</u>	<u>\$8,472,850</u>	<u>\$2,166</u>

II. Equity Funds Sales

	<u>SHARES</u>	<u>SALES AMOUNT</u>	<u>COMMISSIONS</u>
400 Mid-Cap Fund	-	-	-
500 Large-Cap Fund	-	-	-
600 Small-Cap Fund	41,752	3,300,061	313
TOTAL EQUITY SALES	<u>41,752</u>	<u>\$3,300,061</u>	<u>\$313</u>

PERMANENT LAND ENDOWMENT TRUST FUND
INVESTMENTS OUTSTANDING
FEBRUARY 28, 2023
(In Thousands)

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FUND NAME OF FUND	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	UNREALIZED GAINS (LOSSES)	Mkt Value/ Book Value
101 A & M Colleges					
<i>Shares in Equity Pools</i>	\$298	\$2,096	\$8,289	\$6,193	
<i>Shares in Fixed Income Pools</i>	2,955	2,115	5,373	3,258	
Total	<u>3,253</u>	<u>4,211</u>	<u>13,662</u>	<u>9,450</u>	3.244
102 State Hospital					
<i>Shares in Equity Pools</i>	298	3,533	8,288	4,755	
<i>Shares in Fixed Income Pools</i>	3,092	3,053	5,622	2,569	
Total	<u>3,390</u>	<u>6,586</u>	<u>13,910</u>	<u>7,324</u>	2.112
103 Leg., Exec., & Jud					
<i>Shares in Equity Pools</i>		1,833	6,745	4,912	
<i>Shares in Fixed Income Pools</i>	2,628	1,884	4,779	2,895	
Total	<u>2,628</u>	<u>3,717</u>	<u>11,524</u>	<u>7,807</u>	3.101
104 Military Institute					
<i>Shares in Equity Pools</i>	16	130	453	323	
<i>Shares in Fixed Income Pools</i>	182	129	330	201	
Total	<u>198</u>	<u>259</u>	<u>783</u>	<u>524</u>	3.023
105 Miners Hospital					
<i>Shares in Equity Pools</i>	807	7,681	22,442	14,761	
<i>Shares in Fixed Income Pools</i>	8,074	7,285	14,681	7,397	
Total	<u>8,881</u>	<u>14,965</u>	<u>37,123</u>	<u>22,158</u>	2.481
107 Normal School ASU/NAU					
<i>Shares in Equity Pools</i>	162	1,625	4,520	2,895	
<i>Shares in Fixed Income Pools</i>	1,678	1,464	3,051	1,587	
Total	<u>1,840</u>	<u>3,089</u>	<u>7,571</u>	<u>4,482</u>	2.451
108 Penitentiaries					
<i>Shares in Equity Pools</i>	493	4,230	13,708	9,479	
<i>Shares in Fixed Income Pools</i>	5,037	4,177	9,158	4,981	
Total	<u>5,529</u>	<u>8,406</u>	<u>22,867</u>	<u>14,460</u>	2.720

PERMANENT LAND ENDOWMENT TRUST FUND
INVESTMENTS OUTSTANDING
FEBRUARY 28, 2023
(In Thousands)

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NAME OF FUND	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	UNREALIZED GAINS (LOSSES)	Mkt Value/ Book Value
109 Permanent Common School					
<i>Shares in Equity Pools</i>	151,934	1,489,723	4,227,062	2,737,339	
<i>Shares in Fixed Income Pools</i>	1,523,264	1,378,912	2,769,782	1,390,870	
Total	<u>1,675,198</u>	<u>2,868,635</u>	<u>6,996,844</u>	<u>4,128,209</u>	2.439
110 School for Deaf & Blind					
<i>Shares in Equity Pools</i>	179	1,560	4,994	3,434	
<i>Shares in Fixed Income Pools</i>	2,063	1,659	3,752	2,093	
Total	<u>2,243</u>	<u>3,219</u>	<u>8,745</u>	<u>5,527</u>	2.717
111 School of Mines					
<i>Shares in Equity Pools</i>	335	2,518	9,334	6,815	
<i>Shares in Fixed Income Pools</i>	3,454	2,564	6,280	3,715	
Total	<u>3,789</u>	<u>5,082</u>	<u>15,613</u>	<u>10,531</u>	3.072
112 State Charitable					
<i>Shares in Equity Pools</i>	4,556	47,784	126,764	78,980	
<i>Shares in Fixed Income Pools</i>	44,471	41,600	80,862	39,262	
Total	<u>49,027</u>	<u>89,383</u>	<u>207,625</u>	<u>118,242</u>	2.323
113 University Fund					
<i>Shares in Equity Pools</i>	947	12,592	26,344	13,751	
<i>Shares in Fixed Income Pools</i>	9,769	10,084	17,763	7,679	
Total	<u>10,716</u>	<u>22,677</u>	<u>44,107</u>	<u>21,430</u>	1.945
114 U Of A Land - 1881					
<i>Shares in Equity Pools</i>	2,406	23,897	66,931	43,034	
<i>Shares in Fixed Income Pools</i>	24,769	21,633	45,037	23,404	
Total	<u>\$27,174</u>	<u>\$45,530</u>	<u>\$111,968</u>	<u>\$66,439</u>	2.459
TOTALS - ALL FUNDS					
<i>Shares in Equity Pools</i>	162,432	1,599,200	4,525,872	2,926,672	
<i>Shares in Fixed Income Pools</i>	1,631,435	1,476,559	2,966,471	1,489,912	
Grand Total	<u>\$1,793,867</u>	<u>\$3,075,759</u>	<u>\$7,492,343</u>	<u>\$4,416,584</u>	
PRIOR YEAR:					
FEBRUARY 2022 BALANCES	\$1,755,803	\$2,803,123	\$7,622,319	\$4,819,196	

**PERMANENT LAND ENDOWMENT TRUST FUND
INVESTMENTS OUTSTANDING
FEBRUARY 28, 2023**

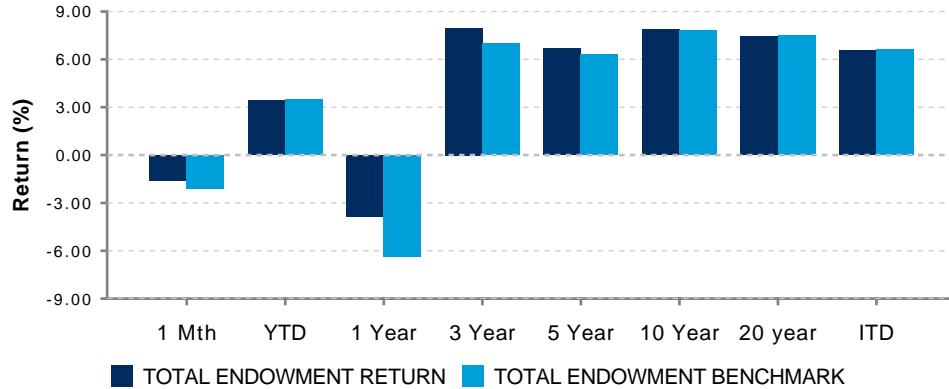
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ASSET ALLOCATION PERCENTAGE

	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	FEBRUARY 2022 MARKET VALUE
<i>Equity Pools</i>	9.05%	51.99%	60.41%	59.71%
<i>Fixed Income Pools</i>	90.95%	48.01%	39.59%	40.29%
Total	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>



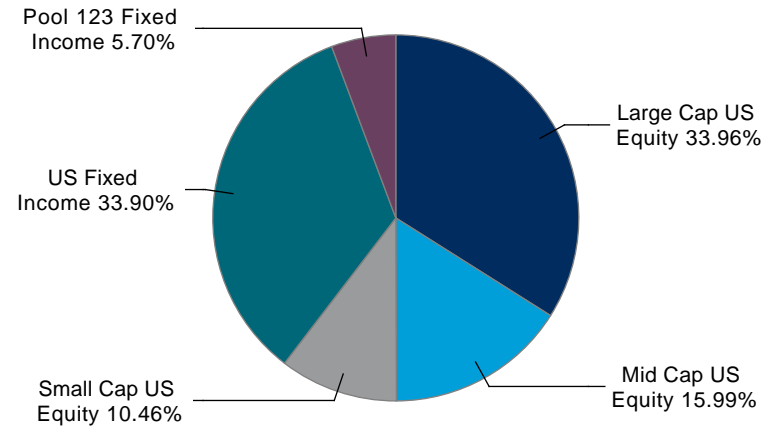
Performance



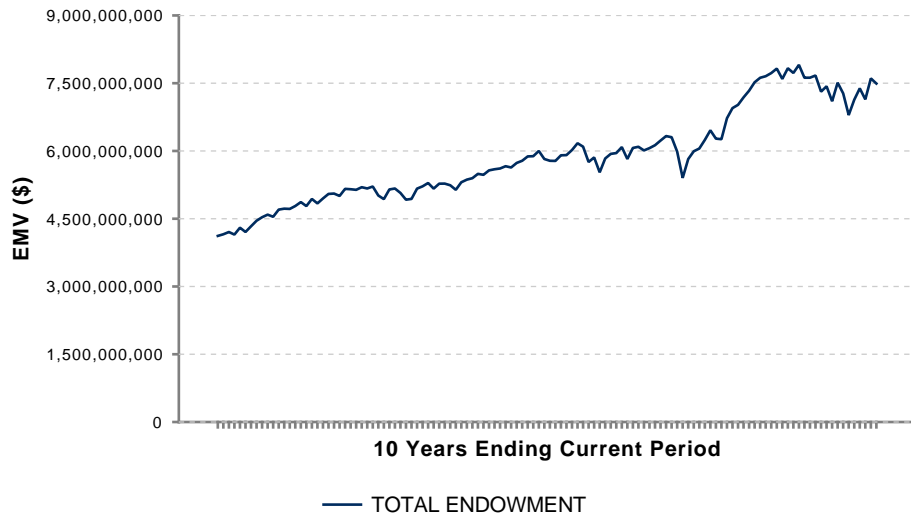
	1 Mth	YTD	1 Year	3 Year	5 Year	10 Year	20 Year	ITD	Incept Date
TOTAL ENDOWMENT RETURN	-1.62	3.44	-3.86	7.97	6.68	7.89	7.45	6.55	07/99
TOTAL ENDOWMENT BENCHMARK	-2.09	3.48	-6.36	6.98	6.30	7.80	7.52	6.60	07/99
	0.47	-0.04	2.50	1.00	0.38	0.10	-0.07	-0.05	

Asset Allocation

	Ending Market Value
TOTAL ENDOWMENT RETURN	7,492,343,056

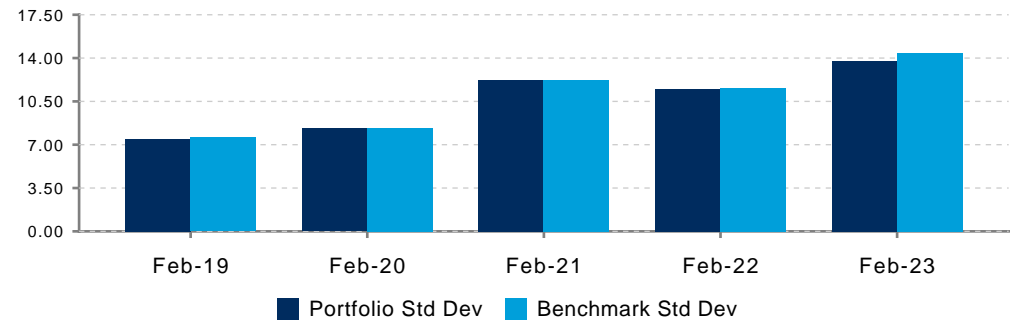


Ending Market Value



3 Year Risk Statistics

	Return	Portfolio Std Dev	Benchmark Std Dev	Sharpe Ratio	Beta	Tracking Error	Information Ratio
TOTAL ENDOWMENT RETURN	7.97	13.78	14.43	0.52	0.95	1.15	0.87



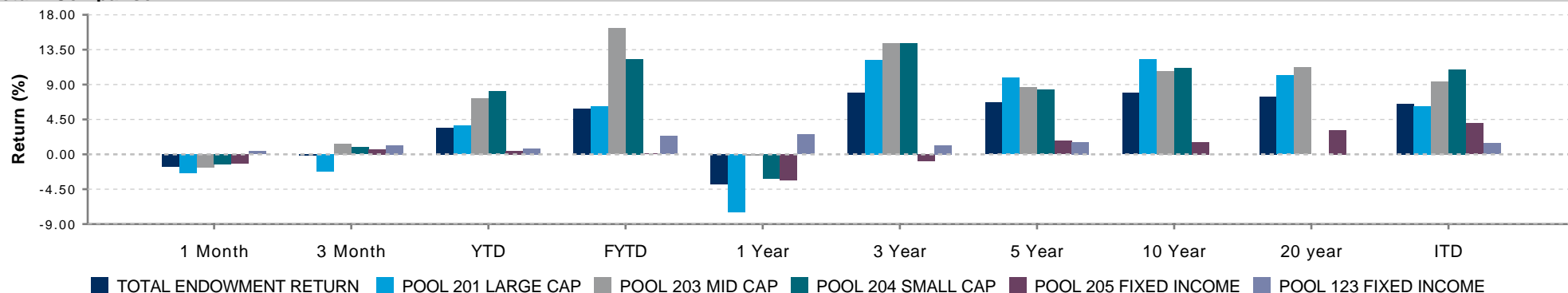
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Total Returns Net Mgr



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	7,492,343,056	100.00	-1.62	-0.20	3.44	5.87	-3.86	7.97	6.68	7.89	7.45	6.55	Jul-01-99
TOTAL ENDOWMENT BENCHMARK			-2.09	-0.44	3.48	4.75	-6.36	6.98	6.30	7.80	7.52	6.60	Jul-01-99
			0.47	0.24	-0.04	1.12	2.50	1.00	0.38	0.10	-0.07	-0.05	
ST OF AZ POOL 201 LARGE CAP	2,544,436,999	33.96	-2.43	-2.26	3.70	6.20	-7.47	12.18	9.86	12.23	10.16	6.18	Jul-01-99
S&P 500 INDEX (DAILY)			-2.44	-2.28	3.69	6.08	-7.69	12.15	9.82	12.25	10.23	6.58	Jul-01-99
			0.01	0.02	0.01	0.12	0.23	0.03	0.04	-0.02	-0.06	-0.40	
ST OF AZ POOL 203 MID CAP	1,197,944,142	15.99	-1.71	1.40	7.27	16.25	-0.15	14.36	8.62	10.72	11.21	9.41	Aug-01-01
S&P 400 MIDCAP INDEX (DAILY)			-1.81	1.31	7.25	15.89	-0.62	14.47	8.58	10.67	11.34	9.39	Aug-01-01
			0.10	0.09	0.02	0.36	0.47	-0.11	0.04	0.05	-0.13	0.01	
ST OF AZ POOL 204 SMALL CAP	783,490,931	10.46	-1.26	0.90	8.10	12.27	-3.17	14.35	8.33	11.16		10.93	Mar-01-11
S&P SM 600 TR			-1.23	0.89	8.15	11.94	-3.50	13.84	7.86	10.91		10.72	Mar-01-11
			-0.03	0.01	-0.05	0.33	0.33	0.52	0.46	0.25		0.21	
POOL 205 FIXED INCOME	2,539,680,587	33.90	-1.19	0.64	0.44	0.08	-3.39	-0.91	1.72	1.55	3.11	4.00	Jul-01-99
FTSE BIG (DAILY)			-2.57	-0.02	0.53	-2.54	-9.75	-3.77	0.55	1.13	3.11	3.97	Jul-01-99
			1.37	0.66	-0.09	2.62	6.37	2.87	1.18	0.42	0.00	0.04	
POOL 123 FIXED INCOME	426,790,398	5.70	0.38	1.16	0.78	2.34	2.56	1.14	1.60			1.44	Jun-01-16
ASTO-POOL 5 BENCHMARK			0.38	1.10	0.75	2.23	2.44	0.95	1.43			1.28	Jun-01-16
			0.00	0.06	0.02	0.11	0.12	0.19	0.17			0.16	

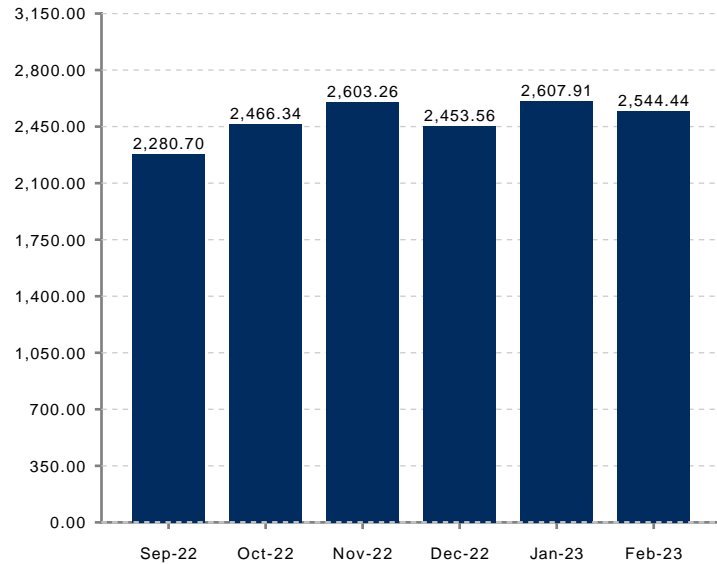
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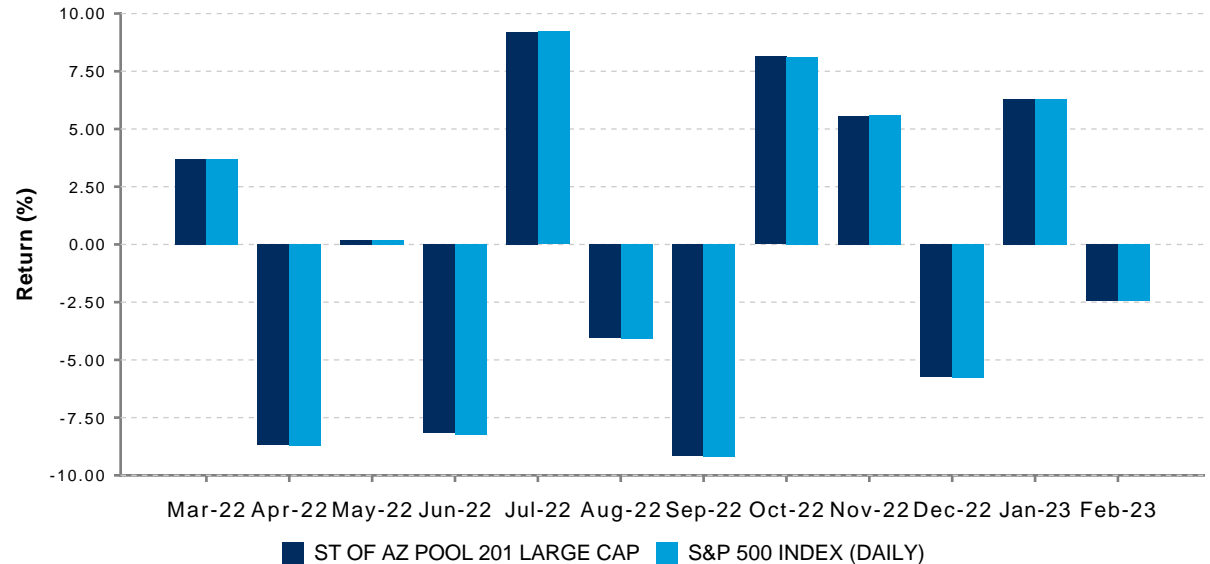
ST OF AZ POOL 201 LARGE CAP



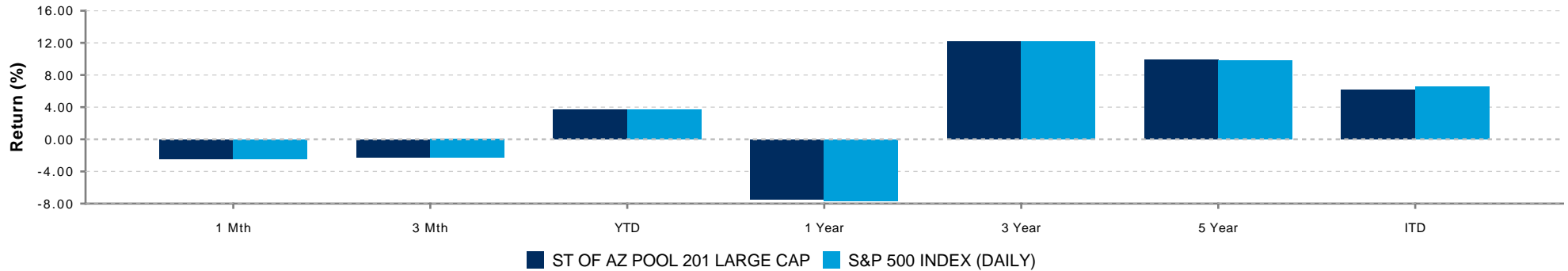
Net Asset Values over Time (\$MM)



Monthly Returns



Rates of Return

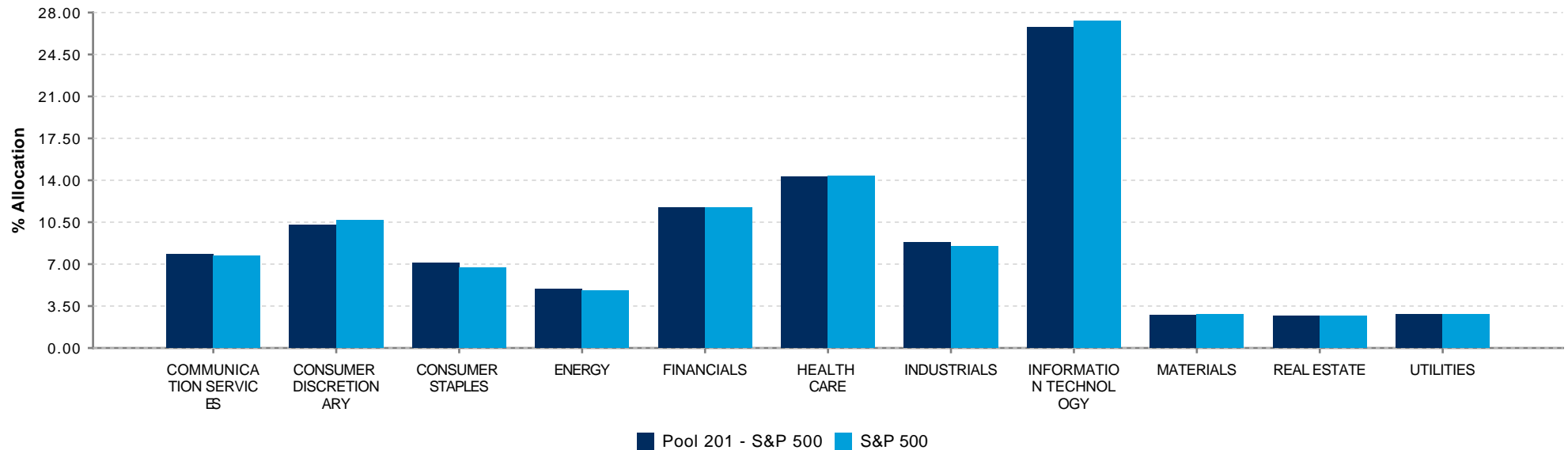


	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Feb 28 2021	Feb 28 2022	Feb 28 2023
ST OF AZ POOL 201 LARGE CAP	-2.43	-2.26	3.70	-7.47	12.18	9.86	6.18	31.21	16.28	-7.47
S&P 500 INDEX (DAILY)	-2.44	-2.28	3.69	-7.69	12.15	9.82	6.58	31.29	16.39	-7.69
	0.01	0.02	0.01	0.23	0.03	0.04	-0.40	-0.08	-0.11	0.23

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



	Fund Weight	Benchmark Weight	Relative Weight
ST OF AZ POOL 201 LARGE CAP	100.00	100.00	0.00
COMMUNICATION SERVICES	7.81	7.67	0.15
CONSUMER DISCRETIONARY	10.27	10.65	-0.38
CONSUMER STAPLES	7.07	6.72	0.35
ENERGY	4.92	4.80	0.12
FINANCIALS	11.70	11.74	-0.04
HEALTH CARE	14.32	14.34	-0.03
INDUSTRIALS	8.83	8.51	0.33
INFORMATION TECHNOLOGY	26.80	27.28	-0.47
MATERIALS	2.77	2.78	-0.01
REAL ESTATE	2.68	2.69	-0.01
UTILITIES	2.83	2.82	0.00

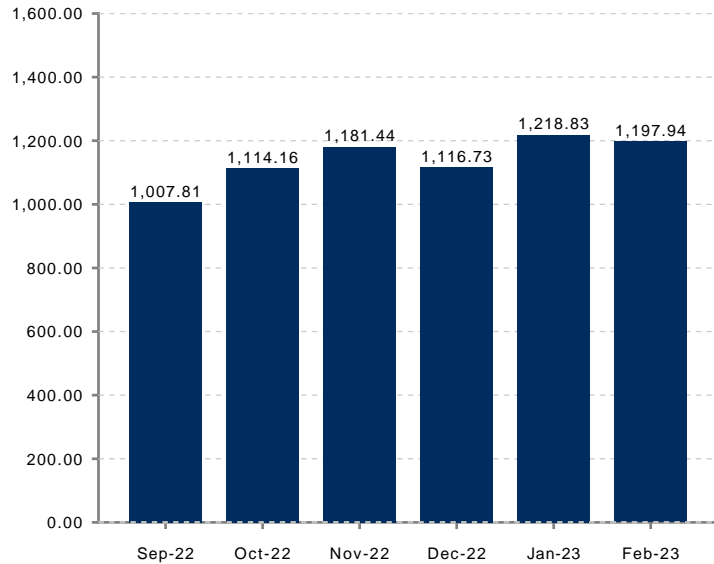
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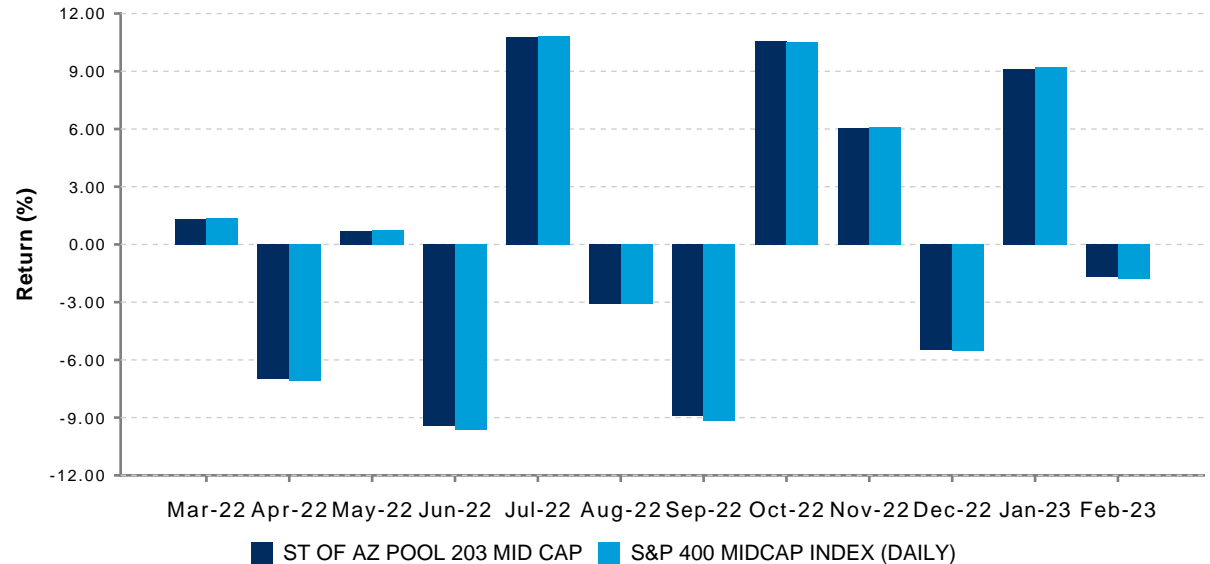
ST OF AZ POOL 203 MID CAP



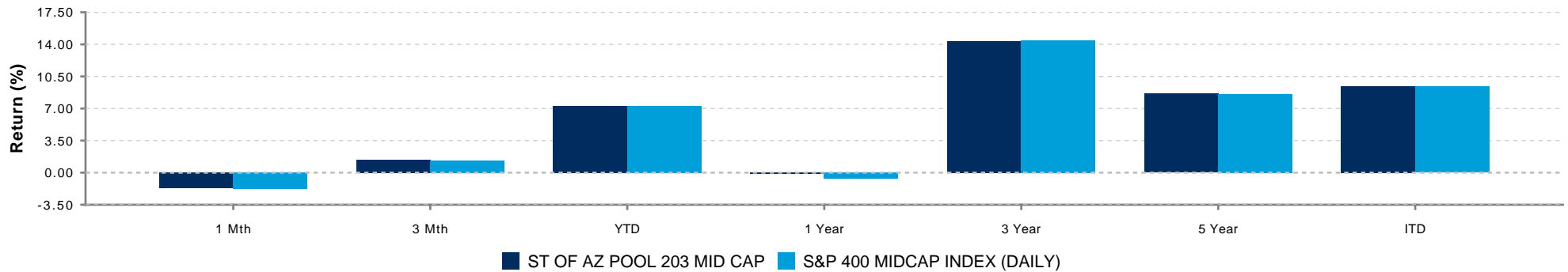
Net Asset Values over Time (\$MM)



Monthly Returns



Rates of Return

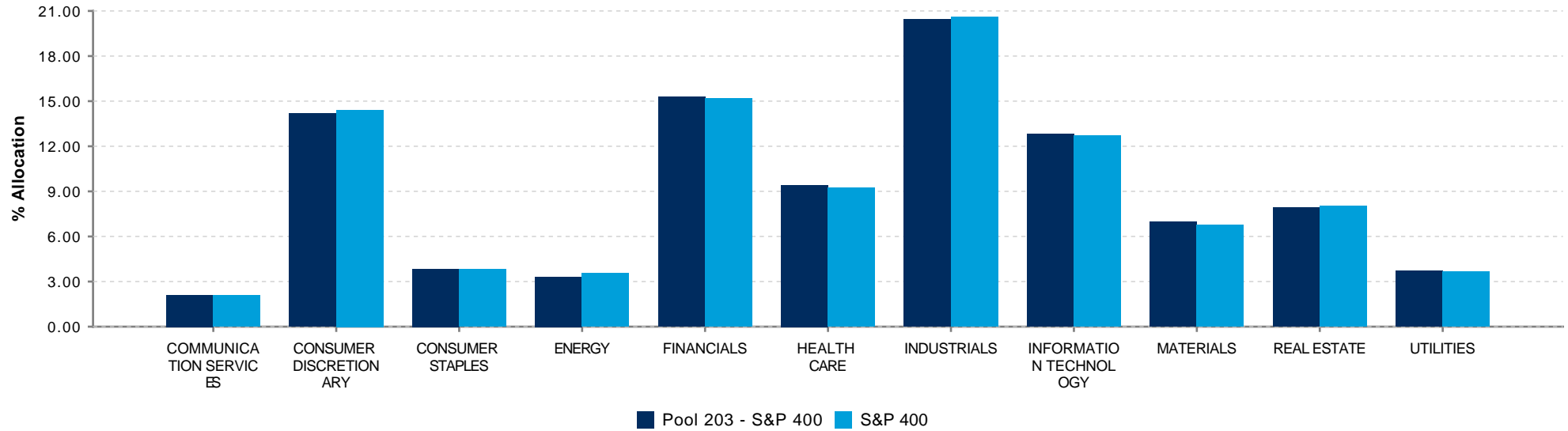


	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Feb 28 2021	Feb 28 2022	Feb 28 2023
ST OF AZ POOL 203 MID CAP	-1.71	1.40	7.27	-0.15	14.36	8.62	9.41	38.97	7.79	-0.15
S&P 400 MIDCAP INDEX (DAILY)	-1.81	1.31	7.25	-0.62	14.47	8.58	9.39	39.79	7.98	-0.62
	0.10	0.09	0.02	0.47	-0.11	0.04	0.01	-0.82	-0.19	0.47

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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	2.11	2.09	0.02
CONSUMER DISCRETIONARY	14.20	14.42	-0.22
CONSUMER STAPLES	3.84	3.81	0.03
ENERGY	3.32	3.54	-0.21
FINANCIALS	15.30	15.17	0.13
HEALTH CARE	9.42	9.24	0.18
INDUSTRIALS	20.42	20.59	-0.17
INFORMATION TECHNOLOGY	12.81	12.70	0.12
MATERIALS	6.98	6.77	0.21
REAL ESTATE	7.91	8.03	-0.12
UTILITIES	3.70	3.66	0.04

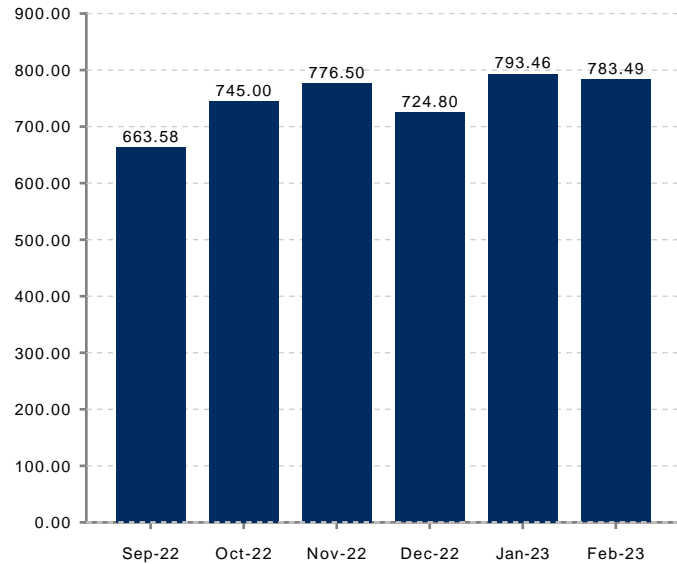
OFFICE OF THE ARIZONA STATE TREASURER

February 28, 2023

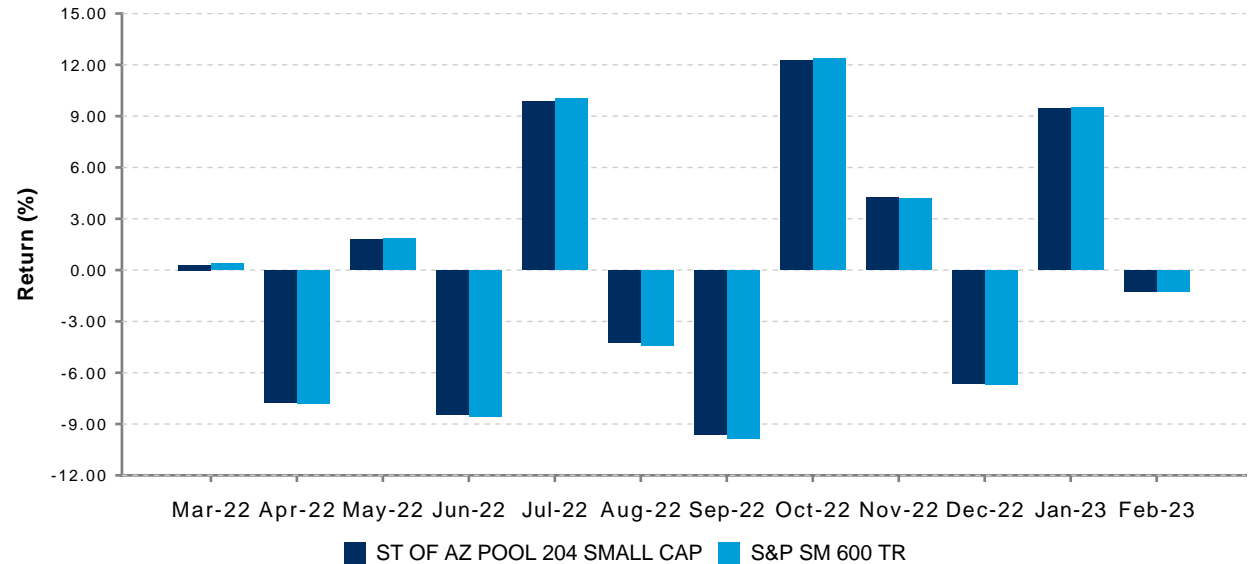
ST OF AZ POOL 204 SMALL CAP



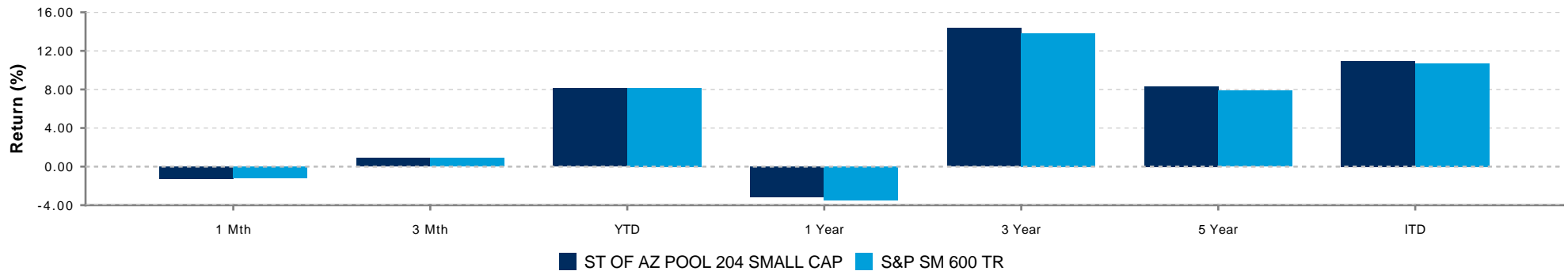
Net Asset Values over Time (\$MM)



Monthly Returns



Rates of Return

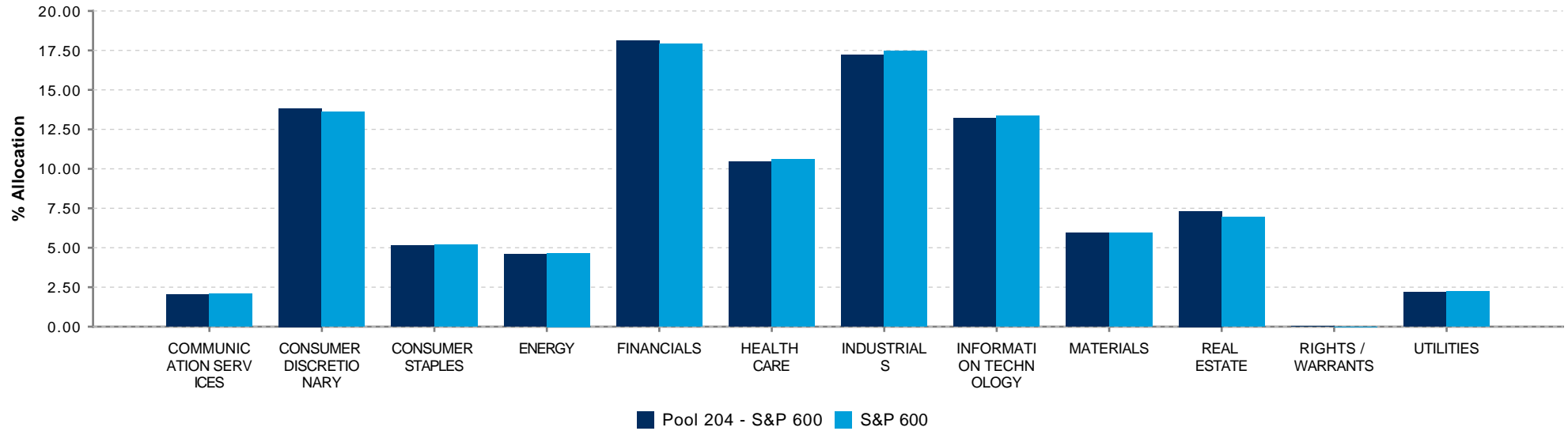


	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Feb 28 2021	Feb 28 2022	Feb 28 2023
ST OF AZ POOL 204 SMALL CAP	-1.26	0.90	8.10	-3.17	14.35	8.33	10.93	47.77	4.51	-3.17
S&P SM 600 TR	-1.23	0.89	8.15	-3.50	13.84	7.86	10.72	46.69	4.22	-3.50
	-0.03	0.01	-0.05	0.33	0.52	0.46	0.21	1.07	0.29	0.33

OFFICE OF THE ARIZONA STATE TREASURER

February 28, 2023

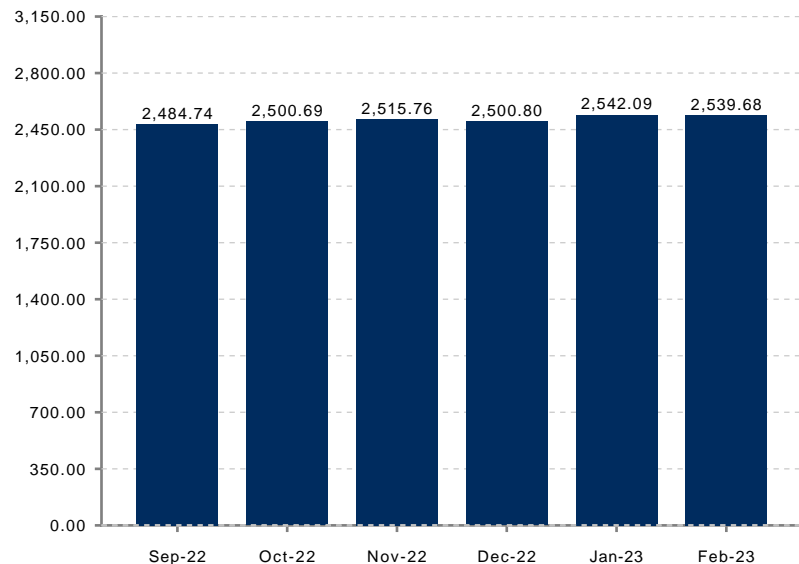
ST OF AZ POOL 204 SMALL CAP
Sector Allocation vs S&P SMALLCAP 600



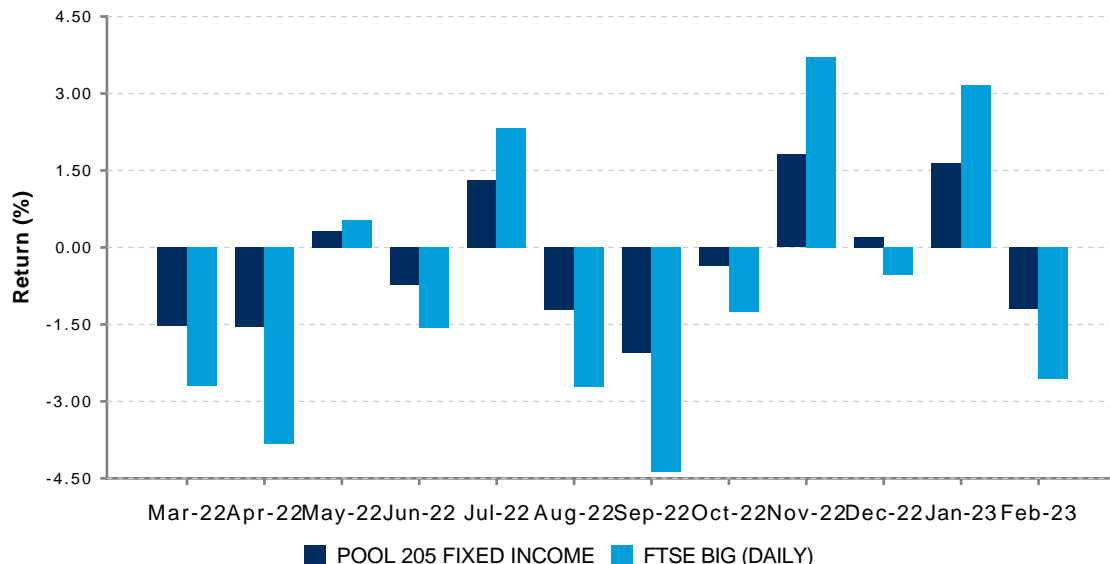
	Weight Fund	Weight Benchmark	Weight Relative
ST OF AZ POOL 204 SMALL CAP	100.00	100.00	0.00
COMMUNICATION SERVICES	2.05	2.08	-0.03
CONSUMER DISCRETIONARY	13.83	13.62	0.21
CONSUMER STAPLES	5.13	5.21	-0.08
ENERGY	4.59	4.66	-0.07
FINANCIALS	18.10	17.92	0.17
HEALTH CARE	10.46	10.59	-0.13
INDUSTRIALS	17.21	17.48	-0.26
INFORMATION TECHNOLOGY	13.19	13.36	-0.17
MATERIALS	5.94	5.95	-0.01
REAL ESTATE	7.32	6.93	0.39
RIGHTS / WARRANTS	0.01	0.00	0.01
UTILITIES	2.18	2.21	-0.03



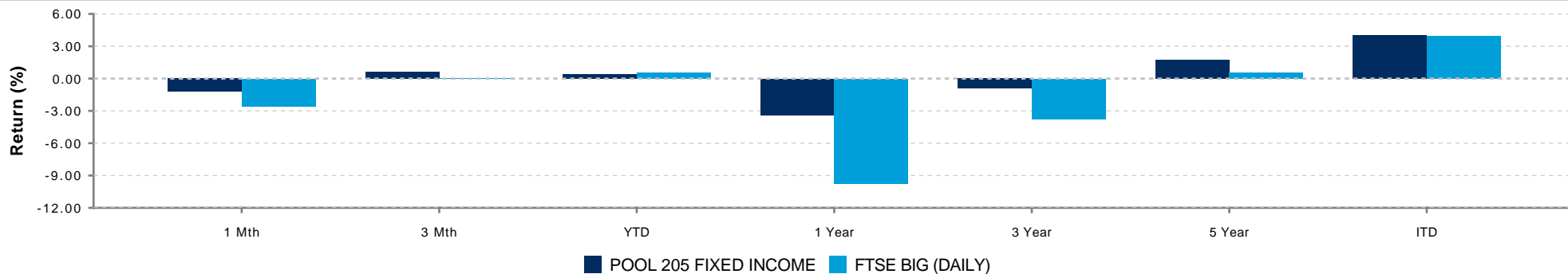
Net Asset Values over Time (\$MM)



Monthly Returns



Rates of Return

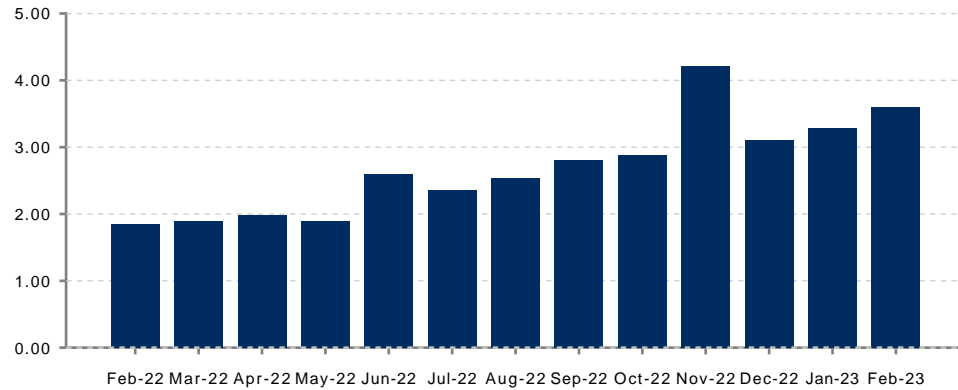


	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Feb 28 2023	Feb 28 2022	Feb 28 2021
POOL 205 FIXED INCOME	-1.19	0.64	0.44	-3.39	-0.91	1.72	4.00	-3.39	-1.35	2.10
FTSE BIG (DAILY)	-2.57	-0.02	0.53	-9.75	-3.77	0.55	3.97	-9.75	-2.64	1.42
	1.37	0.66	-0.09	6.37	2.87	1.18	0.04	6.37	1.29	0.68

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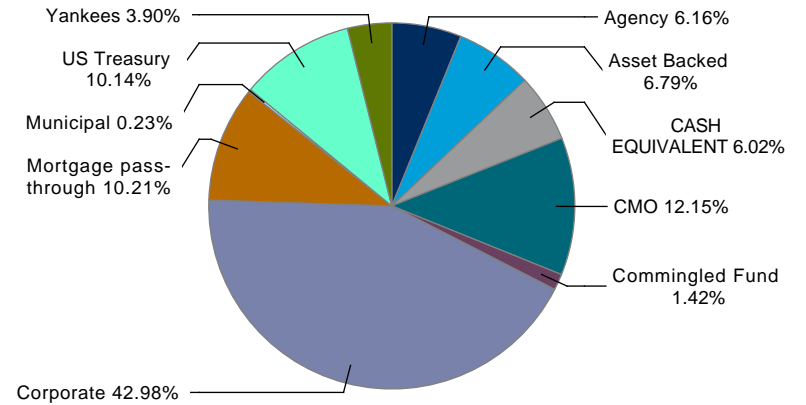
Net Yield



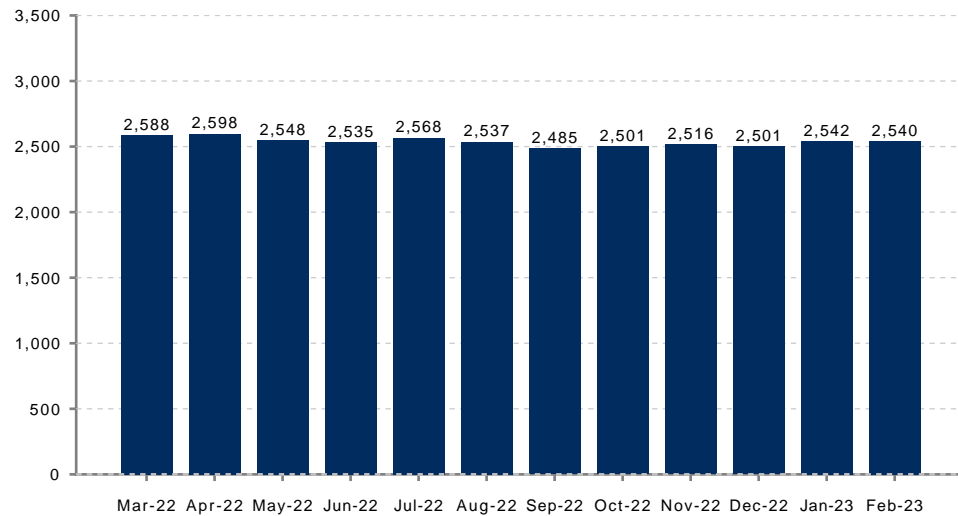
	Current Mth	Prior Mth	1 Year Ago
POOL 205 FIXED INCOME	3.60	3.28	1.85

Asset Allocation

	Ending Market Value
POOL 205 FIXED INCOME	2,539,680,587



Net Asset Values over Time (\$MM)

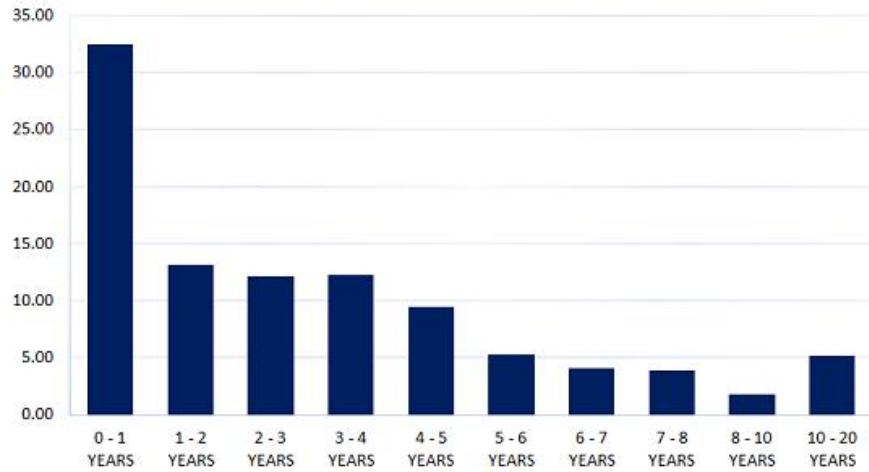


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 205 FIXED INCOME		
ILA FINANCIAL SQUARE GOVT	41,751,635	1.64
NVIDIA CORP	34,614,732	1.36
ISHARES TIPS BOND ETF	30,355,734	1.20
BOEING CO	30,050,756	1.18
BANK OF MONTREAL	25,052,970	0.99
VULCAN MATERIALS CO	25,000,686	0.98
US TREASURY N/B	23,953,230	0.94
US TREASURY N/B	21,533,460	0.85
UNITEDHEALTH GROUP INC	20,485,576	0.81
FED HM LN PC POOL QF6694	20,485,470	0.81



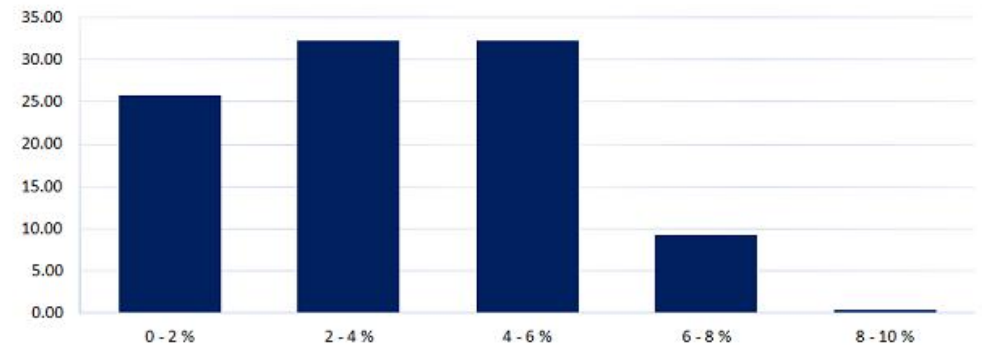
Duration Distribution



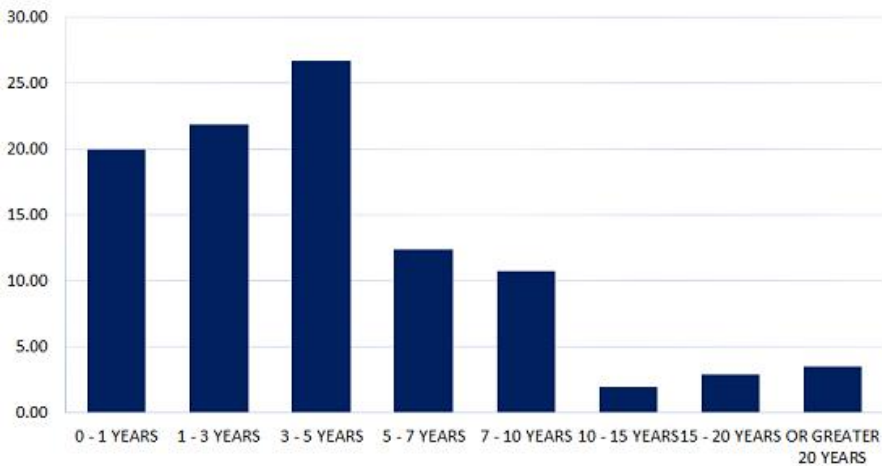
Portfolio Level Characteristics

	POOL 205 FIXED INCOME
Effective Maturity	5.05
Coupon	3.69
Effective Duration	3.17
Quality Rating (Moody's)	AA-3

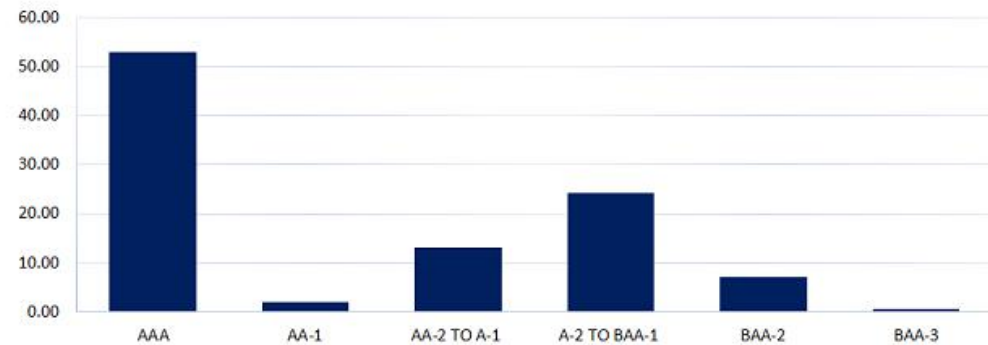
Coupon Distribution



Expected Maturity Distribution

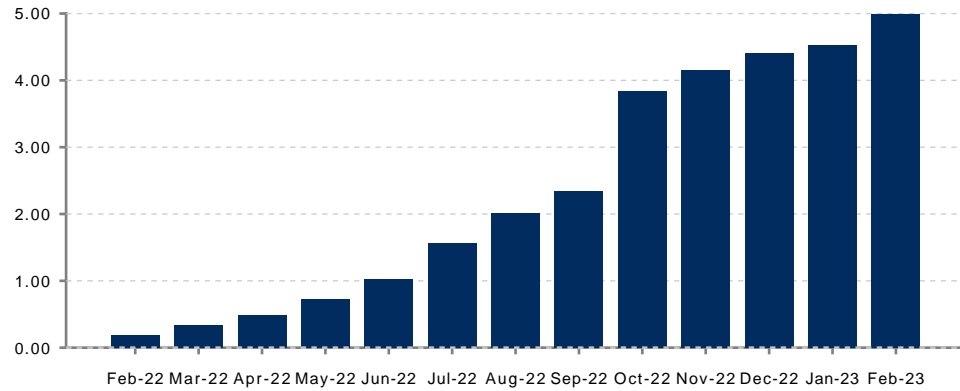


Rating Distribution





Net Yield

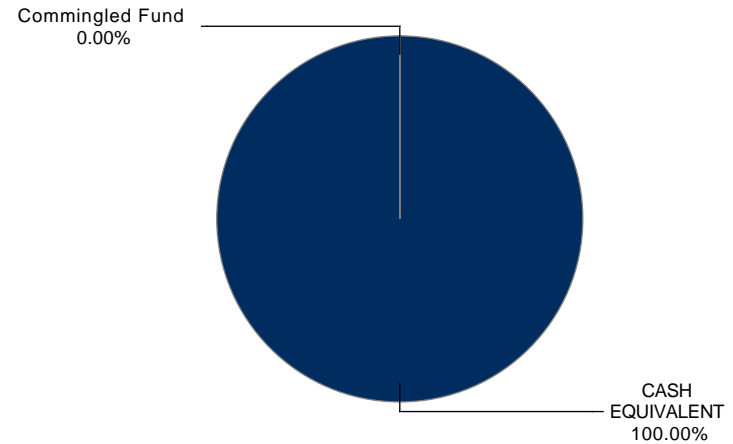


Current Mth **Prior Mth** **1 Year Ago**

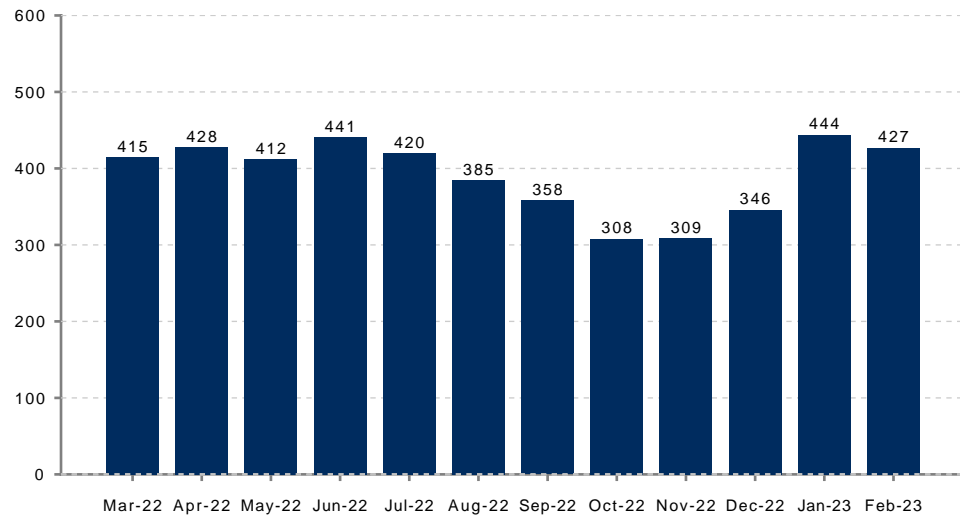
ST OF AZ POOL 123 ST FIXED INC	4.99	4.52	0.18
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Asset Allocation

	Ending Market Value
ST OF AZ POOL 123 ST FIXED INC	426,790,398



Net Asset Values over Time (\$MM)

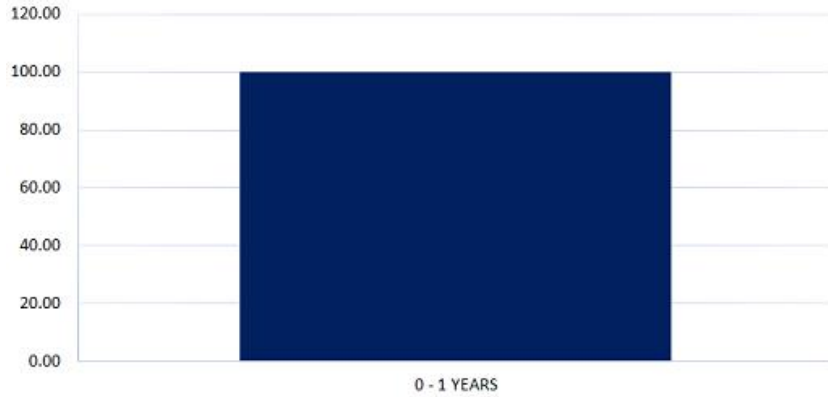


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
ST OF AZ POOL 123 ST FIXED INC		
AT&T INC	39,849,111	9.34
CAFCO LLC	24,956,215	5.85
CUMMINS INC	19,987,500	4.68
CUMMINS INC	19,810,000	4.64
ILA FINANCIAL SQUARE GOVT	56,059,851	13.14
LEXINGTN PKR CAP CO LL	19,984,467	4.68
VICTORY RECEIVABLES	19,923,333	4.67
WALGREENS BOOTS	24,902,972	5.83
ANGLESEA FDG PLC and ANG	19,930,250	4.67
BARCLAYS BK PLC	19,914,750	4.67



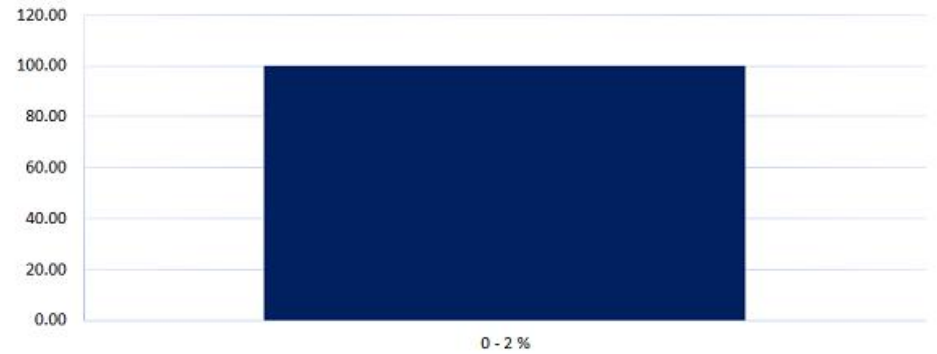
Duration Distribution



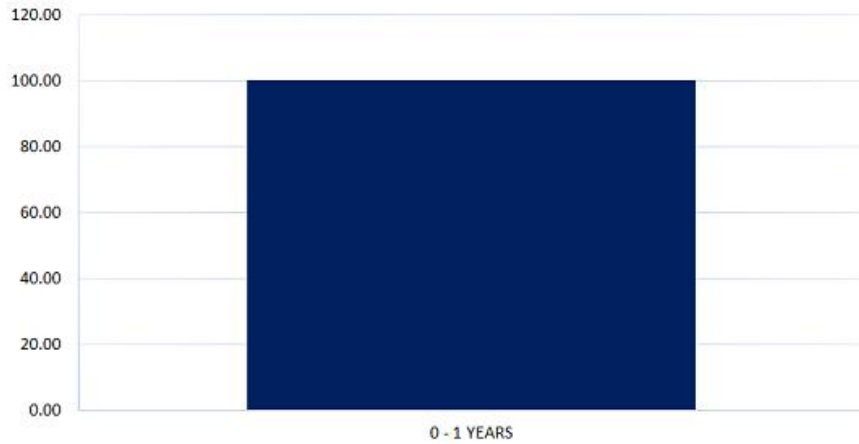
Portfolio Level Characteristics

	POOL 123 ST
Effective Maturity	0.09
Coupon	4.51
Effective Duration	0.09
Quality Rating (Moody's)	AA-2

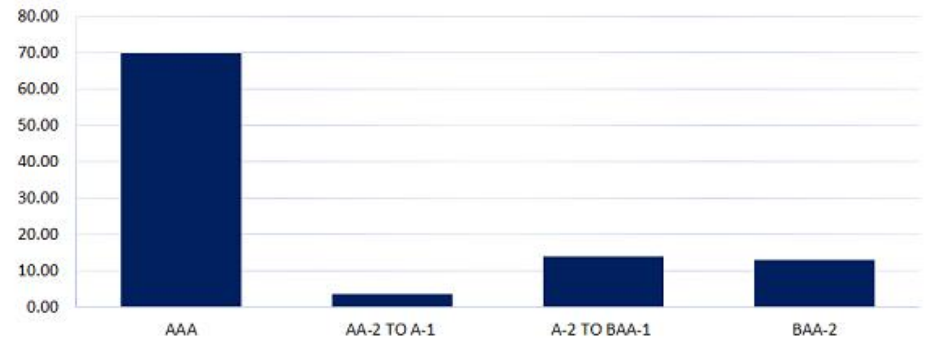
Coupon Distribution



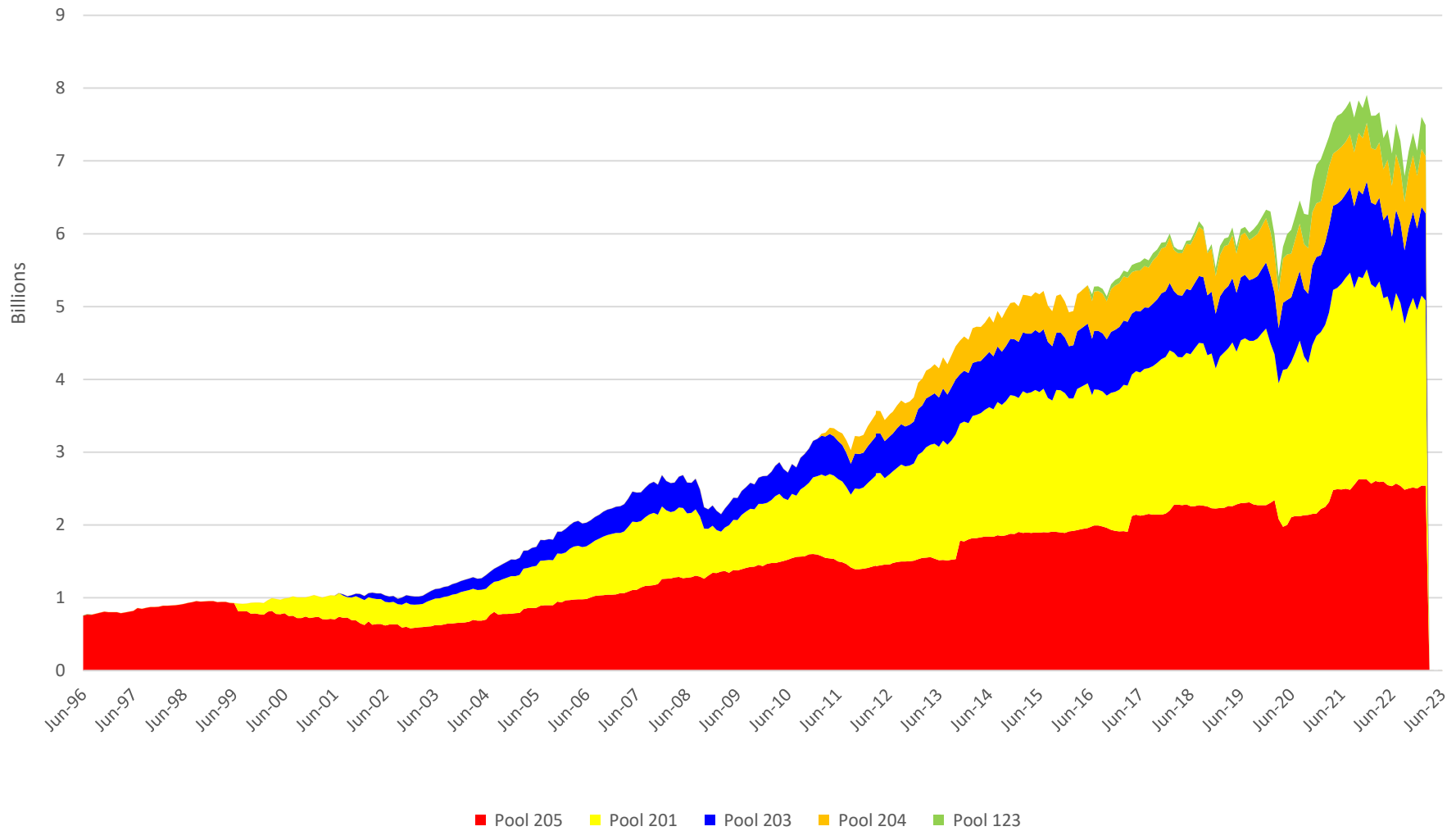
Expected Maturity Distribution



Rating Distribution



Permanent Land Endowment Trust Fund Market Value



ARIZONA ENDOWMENT TRUST FUND

NET REALIZED CAPITAL GAIN/(LOSS)

February 2023 February 2022

Current Month	\$75,230	\$0
Year-to-date	75,230	0

MONTHLY PROCEEDS

FY 22/23

July	\$2,890,699
August	456,739
September	536,566
October	718,758
November	780,784
December	1,062,223
January	1,231,046
February	1,394,667
March	
April	
May	
June	
TOTAL	\$9,071,484

ASSET ALLOCATION

	<u>SHARES</u> <u>OUTSTANDING</u>	<u>BOOK</u> <u>VALUE</u>	<u>MARKET</u> <u>VALUE</u>	<u>UNREALIZED</u> <u>GAIN / (LOSS)</u>
<i>Fixed Income Pools</i>	1,855,125	\$23,591,204	\$22,642,037	(\$949,167)
<i>Equity Pools</i>	3,018,144	\$35,386,806	35,934,351	\$547,545
TOTAL	4,873,269	\$58,978,010	\$58,576,387	(\$401,623)

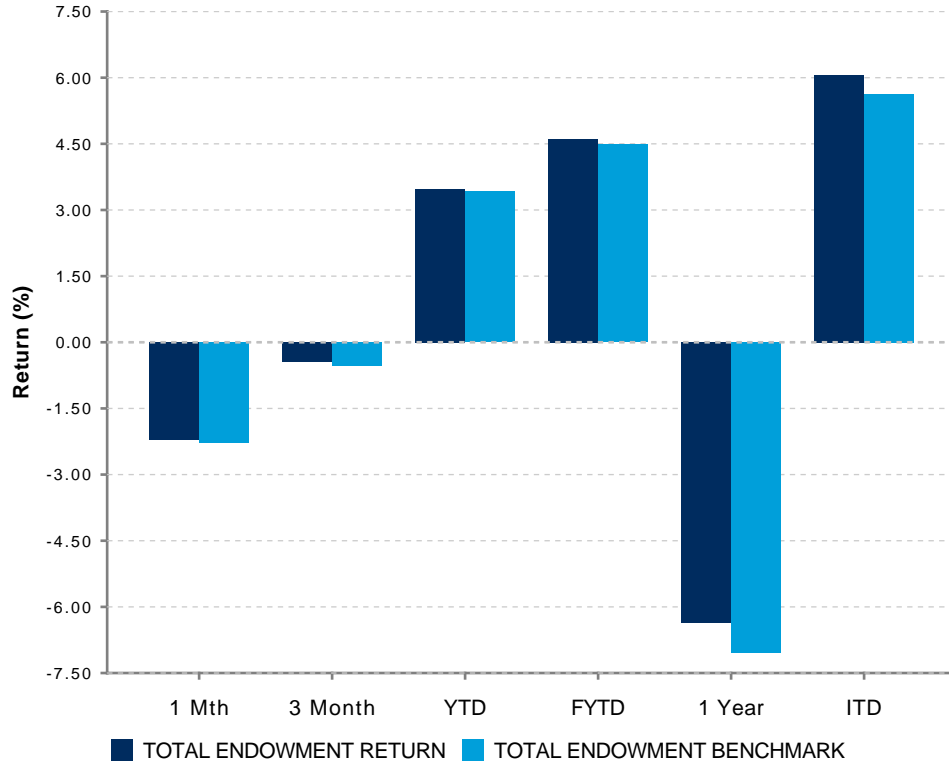
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February 28, 2023

Arizona Endowment Trust Fund Summary



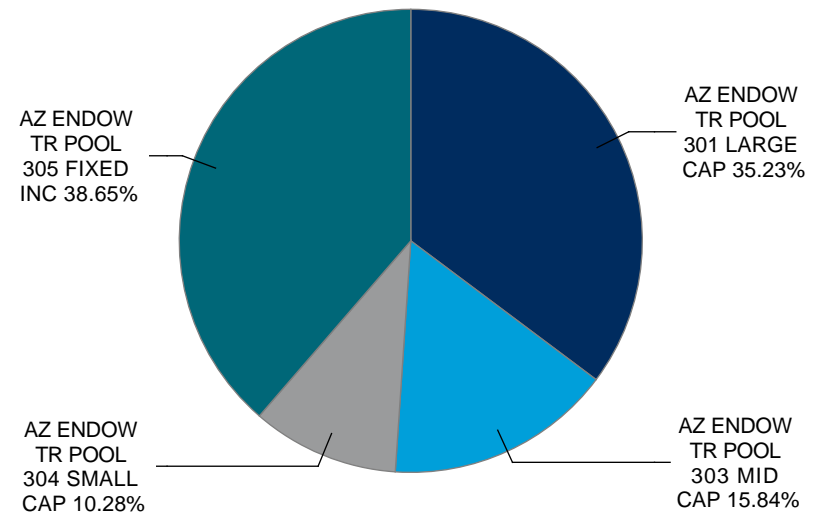
Performance



Asset Allocation

	Ending Market Value
TOTAL ENDOWMENT RETURN	58,576,387

	1 Mth	3 Mth	YTD	FYTD	1 Year	ITD	Incept Date
TOTAL ENDOWMENT RETURN	-2.21	-0.44	3.47	4.61	-6.36	6.06	09/19
TOTAL ENDOWMENT BENCHMARK	-2.27	-0.53	3.42	4.48	-7.04	5.63	09/19
	0.05	0.09	0.05	0.13	0.68	0.42	



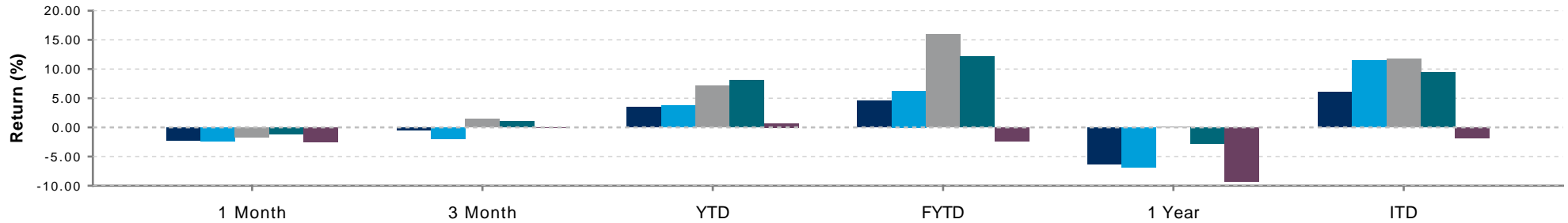
OFFICE OF THE ARIZONA STATE TREASURER

February 28, 2023

Total Returns Net Mgr



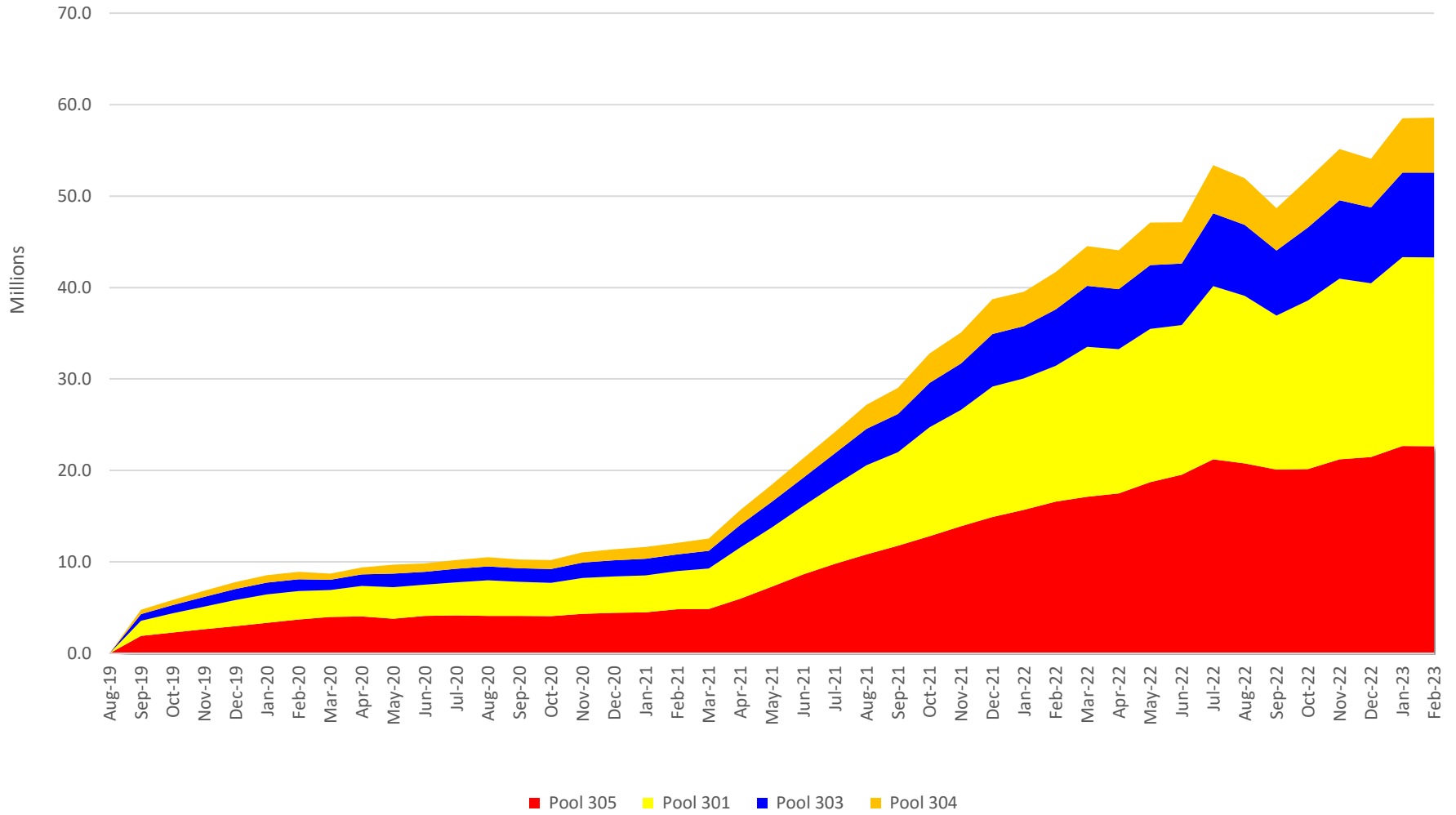
Return Comparison



■ 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	58,576,387	100.00	-2.21	-0.44	3.47	4.61	-6.36	6.06	Sep-01-19
TOTAL ENDOWMENT BENCHMARK			-2.27	-0.53	3.42	4.48	-7.04	5.63	Sep-01-19
AZ ENDOW TR POOL 301 LARGE CAP	20,637,041	35.23	-2.41	-2.02	3.72	6.25	-6.84	11.41	Sep-01-19
S&P 500 INDEX (DAILY)			-2.44	-2.28	3.69	6.08	-7.69	10.94	Sep-01-19
			0.05	0.09	0.05	0.13	0.68	0.42	
AZ ENDOW TR POOL 303 MID CAP	9,275,962	15.84	-1.75	1.48	7.17	15.97	0.07	11.78	Sep-01-19
S&P 400 MIDCAP INDEX (DAILY)			-1.81	1.31	7.25	15.89	-0.62	11.41	Sep-01-19
			0.07	0.18	-0.08	0.09	0.69	0.37	
AZ ENDOW TR POOL 304 SMALL CAP	6,021,347	10.28	-1.13	1.02	8.07	12.09	-2.72	9.39	Sep-01-19
S&P SM 600 TR			-1.23	0.89	8.15	11.94	-3.50	10.82	Sep-01-19
			0.10	0.13	-0.08	0.15	0.78	-1.43	
AZ ENDOW TR POOL 305 FIXED INC	22,642,037	38.65	-2.51	-0.13	0.68	-2.43	-9.27	-1.80	Sep-01-19
FTSE BIG (DAILY)			-2.57	-0.02	0.53	-2.54	-9.75	-2.33	Sep-01-19
			0.06	-0.11	0.15	0.11	0.48	0.53	

Arizona Endowment Trust Fund Market Value



Arizona's Education Savings Plan (AZ529) February 2023 Summary

Overall Performance – Where We Are Now |

➤ AZ529, Arizona's Education Savings Plan:

- Total assets: \$1,837,660,638 (-6.1% YoY)
 - Total Arizona resident assets: \$931,056,962 (50.7%)
 - Total non-resident assets: \$906,603,676 (49.3%)
- Total accounts: 101,896 (+3.6% YoY)
 - Total Arizona resident accounts: 57,406 (56.3%)
 - Total non-resident accounts: 44,490 (43.7%)

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

Fidelity remains the largest AZ529 provider, holding 66.5% of total assets and 67.4% of total accounts. Total Fidelity AZ529, Arizona's Education Savings Plan assets in February were up 1.9% YoY to \$1,222,771,426 with total accounts up 12% YoY to 68,645. Arizona residents held 72.5% of total assets and 79.7% of total accounts, with the rest held by non-residents.

Goldman Sachs 529 Plan | Advisor Sold

Goldman Sachs remains the second largest AZ529 provider, holding 33% of total assets and 31.8% of total accounts. Total Goldman Sachs 529 Plan assets in February were down 14.8% YoY to \$607,148,839 with total accounts down 6.6% YoY to 32,421. Arizona residents held 7% of total assets and 7.2% 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 0.8% of total accounts. The second scheduled transfer of Honors Savings Accounts to Fidelity Investments occurred on February 28, 2023. Total CSB Plan assets in February were \$7,740,373 in 830 accounts. Arizona residents held 29% of total assets and 44.1% of total accounts, with the rest held by non-residents.

AZ529 Plan Assets |

	February 28, 2023	February 28, 2022	YoY Change
Fidelity AZ529, Arizona's Education Savings Plan	\$1,222,771,426	\$1,200,461,329	+1.9%
Goldman Sachs 529 Plan	\$607,148,839	\$712,653,382	-14.8%
*College Savings Plan	\$7,740,373	\$42,905,527	-82%
	\$1,837,660,638	\$1,956,020,238	-6.1%

*2nd quarterly transfer of CSB accounts to Fidelity Investments took place on February 28, 2023.

AZ529 Plan Accounts |

	February 28, 2023	February 28, 2022	YoY Change
Fidelity AZ529, Arizona's Education Savings Plan	68,645	61,300	+12%
*Goldman Sachs 529 Plan	32,421	34,713	-6.6%
College Savings Plan	830	2,374	-65%
TOTAL AZ529 ACCOUNTS	101,896	98,387	+3.6%

*2nd quarterly transfer of CSB accounts to Fidelity Investments took place on February 28, 2023.