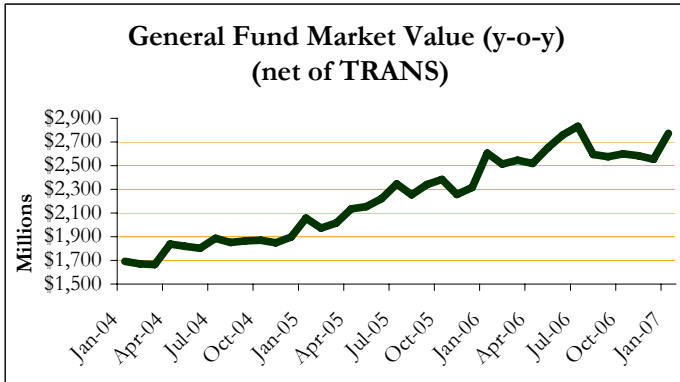


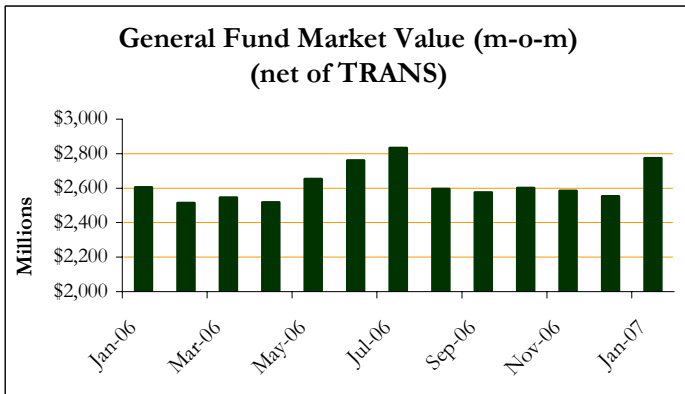
# NEW MEXICO STATE TREASURER'S EXECUTIVE SUMMARY OF INVESTMENT ACTIVITY

As of January 31, 2007

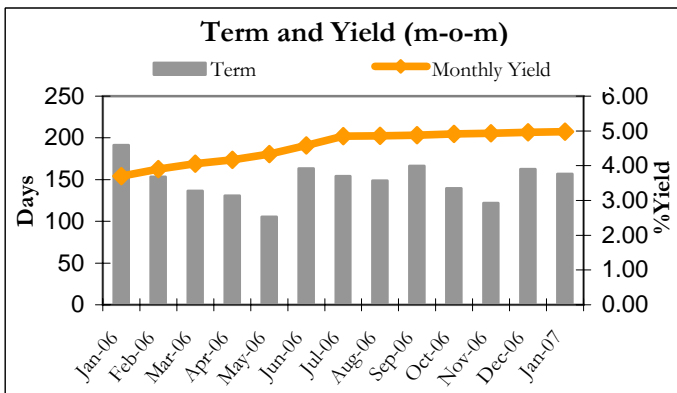
## GENERAL FUND INVESTMENT PORTFOLIO



- The market value, net of TRANS, of the General Fund Investment Portfolio on January 31, 2007, was \$2.77 billion compared to \$2.61 billion at the same point last year and \$2.07 billion at the same point two years ago.



- The market value of the General Fund at month-end was \$2.77 billion, an increase of 8.2% from December's \$2.56 billion and an increase of 7.3% from November's \$2.58 billion.



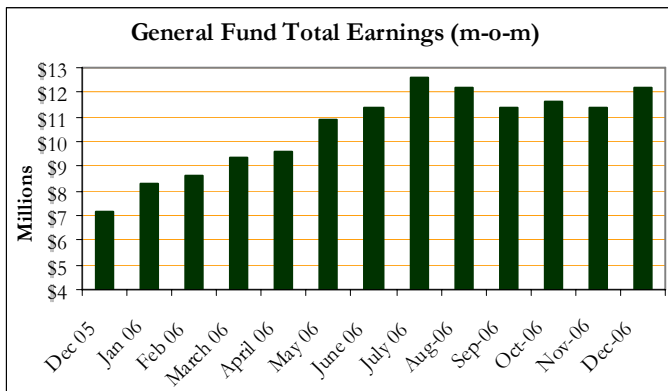
- The yield on the General Fund was 4.98% at month-end, up from 4.96% at the end of December\*. The average term of the portfolio decreased to 133.9 days from 156.8 days in December.

\* The December 31 General Fund yield was previously reported at 5.01% and has been restated to reflect the appropriate yield convention for each security type. The previously reported yield was annualized on a non-compounding basis by the investment accounting software. The investment accounting software has been modified to report yields consistent with asset types.

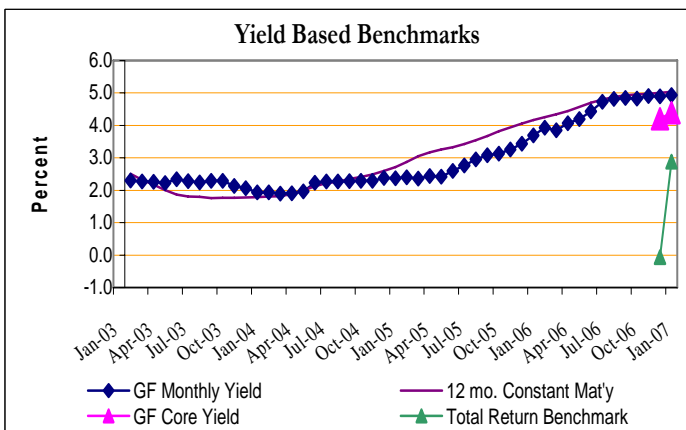
| Asset Type              | Yield        | Market Value           | % of Portfolio | Term (days) |
|-------------------------|--------------|------------------------|----------------|-------------|
| Agencies                | 4.73%        | \$1,734,207,572        | 49.9%          | 253         |
| Repurchase Pool         | 5.27%        | \$1,105,513,390        | 31.8%          | 1           |
| Certificates of Deposit | 4.99%        | \$239,000,000          | 6.9%           | 88          |
| Money Market Fund       | 5.25%        | \$60,000,000           | 1.7%           | 1           |
| Commercial Paper        | 5.30%        | \$335,342,818          | 9.6%           | 7           |
| <b>Total:</b>           | <b>4.98%</b> | <b>\$3,474,063,780</b> | <b>100.0%</b>  | <b>158</b>  |

- The month-end portfolio holdings of the General Fund were 49.9% in U.S. Agency bonds, 31.8% in the overnight repurchase pool, 6.9% in certificates of deposit, 9.6% in commercial paper, and 1.7% in money market mutual funds.

- \$257 million of investments were purchased for the month: \$17.5 million of certificates of deposit were purchased or renewed for the CD portfolio; \$200 million of commercial paper was purchased to cash match disbursements in the Liquidity Portfolio; \$40 million of U.S. Agency securities were purchased for the Core Portfolio with maturities in September and October 2008.



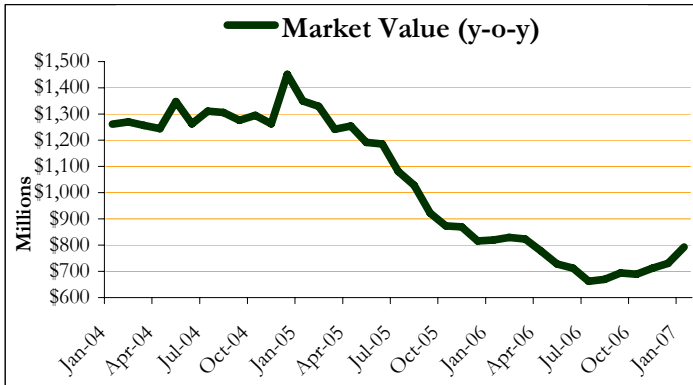
- The General Fund earnings for January were \$13.15 million, an increase of 7.7% over December earnings of \$12.21 million and an increase of 58.6% over January 2006 earnings of \$8.29 million. Fiscal year-to-date earnings totaled \$85.58 million compared to \$47.48 million through the same period last fiscal year.



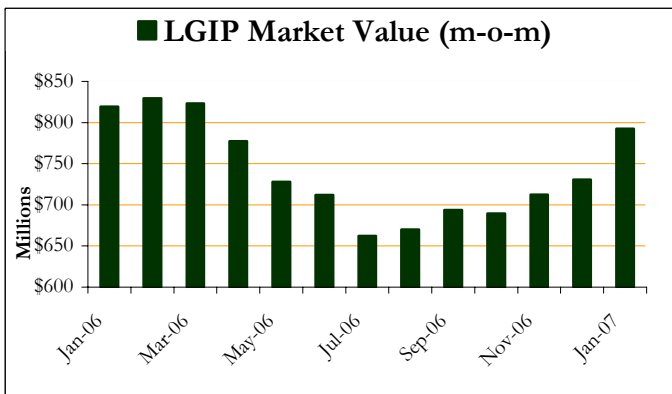
# NEW MEXICO STATE TREASURER'S EXECUTIVE SUMMARY OF INVESTMENT ACTIVITY

As of January 31, 2007

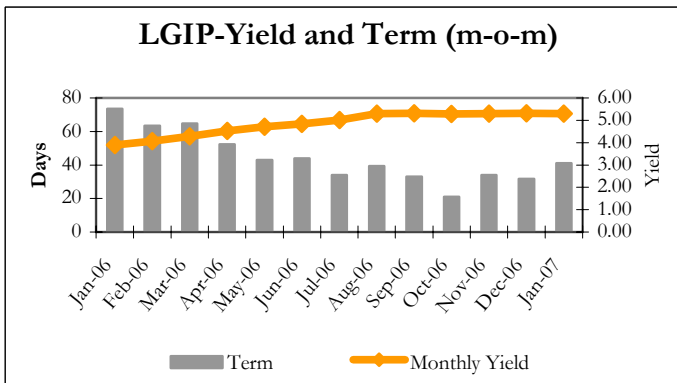
## NEW MEXIGROW LOCAL GOVERNMENT INVESTMENT POOL (LGIP)



- The year-over-year market value of the LGIP portfolio as of January 31 was \$792.35 million, compared to a market value of \$819.3 million at the same period last year and \$1.35 billion at the same period two years ago.



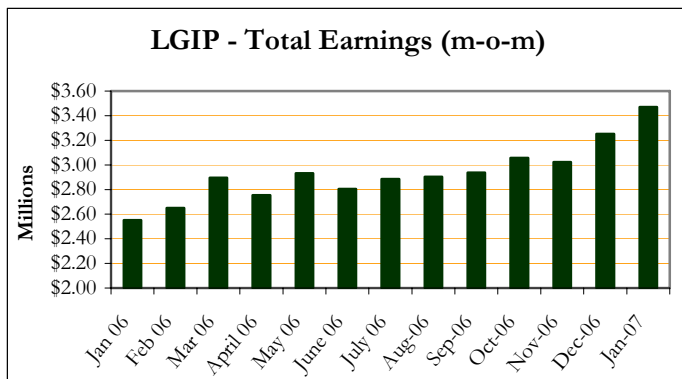
- The month-over-month market value of the portfolio as of January 31 was \$792.35 million, an increase of 8.5% from the \$730.54 million market value at December 31. The increasing pool balance can be attributed to positive reaction by participants to, and confidence in, the new administration of Treasurer Lewis, who took office on December 15, 2006.



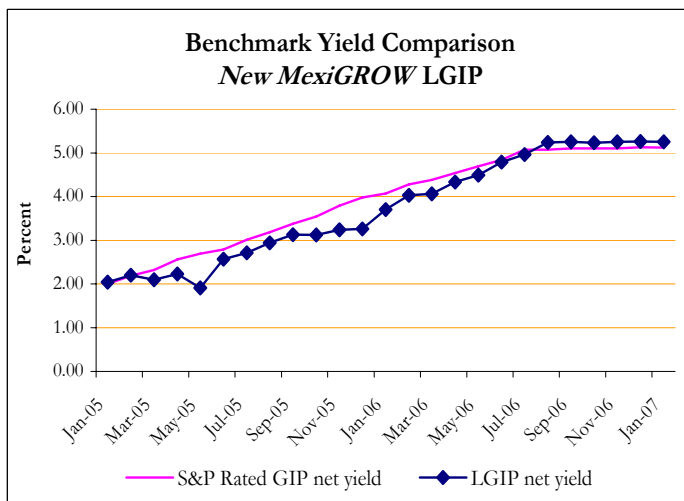
- The gross yield of the LGIP portfolio decreased one basis point to 5.30% at January 31. The weighted average maturity at January 31 was 41 days, up from the December 31 weighted average maturity of 31 days, and still within the allowable limit of 50 days.

| Asset Type         | Yield        | Market Value         | % of Portfolio | Term (days) |
|--------------------|--------------|----------------------|----------------|-------------|
| Agencies           | 5.27%        | \$303,971,267        | 38.4%          | 65          |
| Commercial Paper   | 5.37%        | \$274,669,263        | 34.7%          | 55          |
| Money Market Funds | 5.27%        | \$213,000,000        | 26.8%          | 1           |
| LGIP Bank Account  | 4.98%        | \$ 711,027           | 0.1%           | 1           |
| <b>Total:</b>      | <b>5.30%</b> | <b>\$792,351,557</b> | <b>100.0%</b>  | <b>41</b>   |

- The month-end portfolio holdings were 38.4% in U.S. government agency securities, 34.7% in A-1+ commercial paper, 26.8% in AAA money market funds, and 0.1% in the bank account balance.
- January investment activity in the LGIP portfolio included the purchase of \$178.4 million in A-1+ commercial paper with an annualized yield of 5.37% and average term of 73.4 days. Additionally, \$94.8 million in agency discount notes was purchased with an annualized yield of 5.27% and average term of 101.5 days.



- Total LGIP earnings for January were \$3.47 million, an increase from December earnings of \$3.25 million. Fiscal year-to-date earnings for the LGIP totaled \$21.6 million compared to \$17.8 million through the same period last fiscal year.

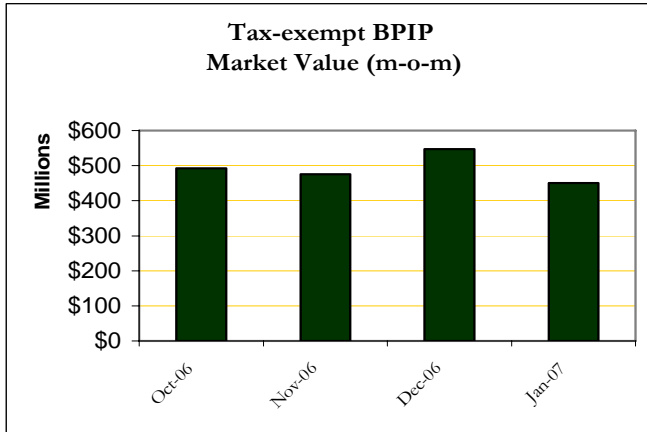


- The 30-day net yield of the LGIP as of January 31 was 5.25%, outperforming the 30-day net S&P Rated Government Investment Pool index (5.12%) by 13 basis points. The 30-day gross yield of the LGIP at month-end, 5.30%, trailed the 30-day gross S&P Rated GIP index of 5.33% by 3 basis points. The administrative fee assessed to participants for January was 4.8 basis points. Participant contributions were \$112.6 million and withdrawals were \$52.5 million. The administrative fee assessed through January 31 was \$224,000.

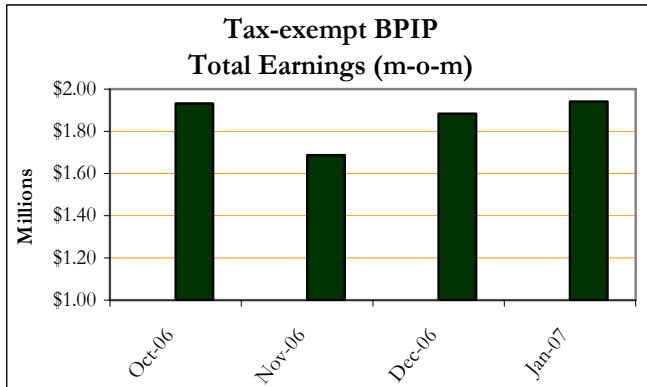
# NEW MEXICO STATE TREASURER'S EXECUTIVE SUMMARY OF INVESTMENT ACTIVITY

As of January 31, 2007

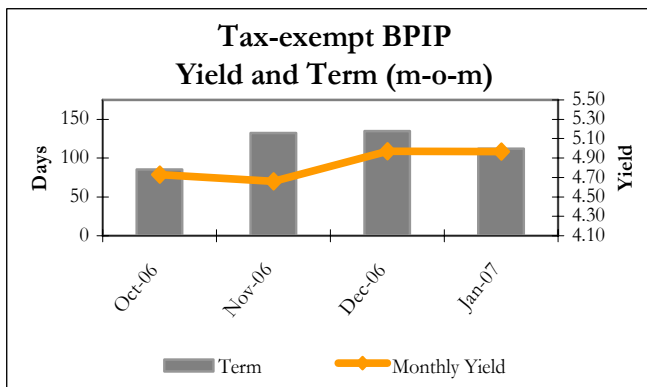
## TAX-EXEMPT BOND PROCEEDS INVESTMENT POOL



- The market value of the Tax-exempt BPIP as of January 31, 2007, was \$450.8 million.
- During January the market value of the fund decreased 1.5% from \$457.6 million to \$450.8 million.



- Earnings for the month were \$1.94 million. The January 31 yield was 4.97% and the term was 111.8 days.
- The Tax-exempt BPIP yield at January 31 was 4.97%, 35 basis points above the highest arbitrage yield limit of any bond issue in the fund, 4.62%, which is also the selected benchmark.



**TAX-EXEMPT BOND PROCEEDS  
INVESTMENT POOL**

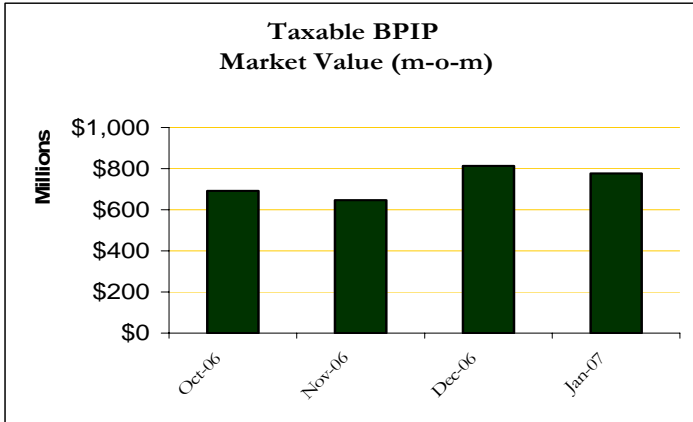
| Asset Type          | Yield        | Market Value          | % of Portfolio | Term (days)  |
|---------------------|--------------|-----------------------|----------------|--------------|
| Overnight Repo Pool | 5.27%        | \$ 119,240,505        | 26.5%          | 1            |
| Flex Repos          | 2.95%        | \$ 31,834,878         | 7.06%          | 135          |
| U.S. Treasuries     | 5.04%        | \$ 245,021,375        | 54.3%          | 145          |
| U.S. Agencies       | 5.18%        | \$ 54,719,100         | 12.1%          | 189          |
| <b>Total:</b>       | <b>4.97%</b> | <b>\$ 450,815,858</b> | <b>100%</b>    | <b>111.8</b> |

- The breakdown of month-end portfolio holdings was 54.3% in U.S. Treasury notes and bills, 12.1% in U.S. Agency securities, 26.5% in the overnight repurchase pool, and 7.0% in flexible repurchase agreements.
- There were no purchases for the Tax-exempt BPIP in January.

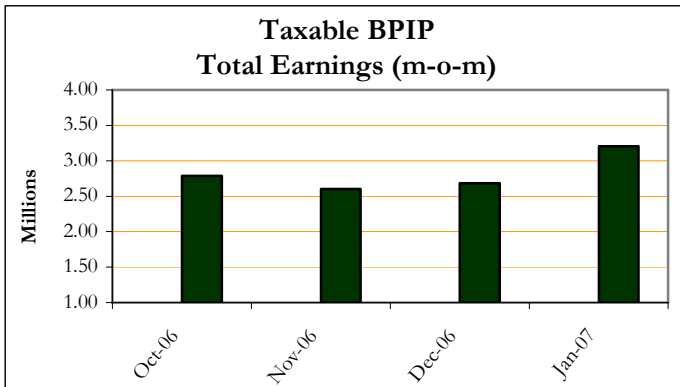
# NEW MEXICO STATE TREASURER'S EXECUTIVE SUMMARY OF INVESTMENT ACTIVITY

As of January 31, 2007

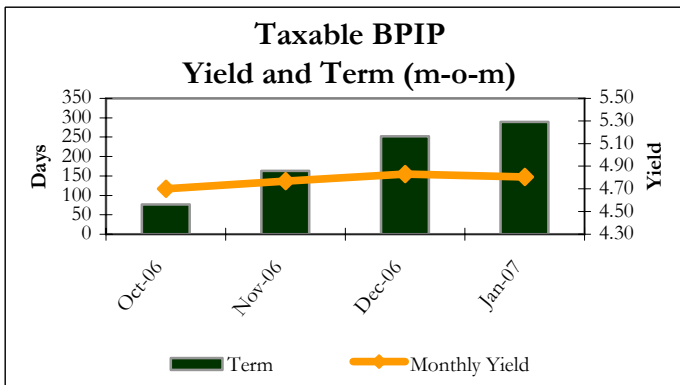
## TAXABLE BOND PROCEEDS INVESTMENT POOL



- The market value of the Taxable BPIP as of January 31, 2007, was \$776.9 million.
- In January the market value of the fund decreased 4.4%, from \$813.0 million to \$776.9 million.



- Interest earnings for January totaled \$3.20 million. The month-end yield was 4.80% and the term was 289.2 days.
- January 31 benchmark yields were:  
5.05%: 2-year Constant Maturity Agency 12-month moving average; and,  
5.01%: Merrill Lynch custom index: 10% of the 0-3 year Treasury and 90% of the 1-3 year Agency.



**TAXABLE BOND PROCEEDS INVESTMENT  
POOL**

| Asset Type            | Yield        | Market Value         | % of Portfolio | Term (days) |
|-----------------------|--------------|----------------------|----------------|-------------|
| Overnight Repo Pool   | 5.27%        | \$109,573,962        | 14.1%          | 1           |
| Flex Repos            | 2.82%        | \$111,289,510        | 14.3%          | 228         |
| US Agency Notes/Bonds | 5.02%        | \$356,053,555        | 45.8%          | 556         |
| Money Market Fund     | 5.29%        | \$200,000,000        | 25.7%          | 1           |
| <b>Total:</b>         | <b>4.80%</b> | <b>\$776,917,027</b> | <b>100%</b>    | <b>289</b>  |

- The breakdown of month-end portfolio holdings was 25.7% in money market mutual fund shares, 45.8% in U.S. Agency bonds, 14.3% in flex repurchase agreements, and 14.1% in the overnight repurchase pool.
- Approximately \$60 million was invested in U.S. Agency bonds in January. Purchases were made to match several missing maturity buckets in the existing ladder. The yield on these investments ranged from 5.05% to 5.29%.

**New Mexico State Treasurer  
Broker Participation – 2006-2007**

**Volume at Par**  
(\$ in thousands)

| <b><u>FY07</u></b>          |                      |                      |                      |                      |                      |                      |                      |                         |                       |
|-----------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-------------------------|-----------------------|
| <b><u>Broker/Dealer</u></b> | <b><u>Jul-06</u></b> | <b><u>Aug-06</u></b> | <b><u>Sep-06</u></b> | <b><u>Oct-06</u></b> | <b><u>Nov-06</u></b> | <b><u>Dec-06</u></b> | <b><u>Jan-07</u></b> | <b><u>YTD Total</u></b> | <b><u>Percent</u></b> |
| Bank of America             | 148,000              | 50,000               | 72,000               | -                    | 75,000               | 102,007              | 39,000               | 486,007                 | 8.7%                  |
| Citigroup                   | 327,800              | 93,800               | -                    | 47,602               | 96,000               | 226,178              | 26,000               | 817,380                 | 14.6%                 |
| Merrill Lynch               | 209,606              | 106,837              | 204,775              | 123,386              | 158,300              | 210,580              | 45,414               | 1,058,898               | 18.9%                 |
| Morgan Stanley              | 155,000              | 25,000               | 134,135              | 20,000               | 110,569              | 61,168               | 33,920               | 539,792                 | 9.6%                  |
| UBS                         | -                    | 53,000               | -                    | -                    | -                    | 40,000               | -                    | 93,000                  | 1.7%                  |
| FTN                         | -                    | -                    | 87,000               | -                    | 55,000               | 20,000               | 15,000               | 177,000                 | 3.2%                  |
| Lehman                      | 155,000              | -                    | 20,000               | -                    | 95,000               | 221,645              | 80,640               | 572,285                 | 10.2%                 |
| Bear Stearns                | -                    | -                    | -                    | -                    | 60,000               | 20,000               | -                    | 80,000                  | 1.4%                  |
| Goldman Sachs               | 108,211              | 12,000               | -                    | 60,000               | 20,000               | 143,060              | 80,000               | 423,271                 | 7.6%                  |
| CS First Boston             | 160,082              | -                    | 54,700               | 90,000               | 85,000               | 161,671              | 113,284              | 664,737                 | 11.9%                 |
| JP Morgan/Chase             | -                    | -                    | -                    | -                    | -                    | 84,418               | -                    | -                       | 0.0%                  |
| Vining Sparks               | -                    | -                    | -                    | -                    | -                    | 20,000               | -                    | -                       | 0.0%                  |
| Cantor Fitzgerald           | -                    | -                    | -                    | -                    | -                    | 79,660               | -                    | 79,660                  | 1.4%                  |
| HSBC                        | -                    | -                    | -                    | -                    | -                    | -                    | 20,000               | 20,000                  | 0.4%                  |
| Direct Purchase             | 20,000               | -                    | -                    | 35,000               | 9,000                | 301,211              | 120,000              | 485,211                 | 8.7%                  |
| <b>Total</b>                | <b>1,283,699</b>     | <b>340,637</b>       | <b>572,610</b>       | <b>375,988</b>       | <b>763,869</b>       | <b>1,691,598</b>     | <b>573,258</b>       | <b>5,601,659</b>        | <b>98.1%</b>          |

**Purchases:**

|                  |                  |                |                |                |                |                  |                |                  |               |
|------------------|------------------|----------------|----------------|----------------|----------------|------------------|----------------|------------------|---------------|
| Primary Market   | 542,841          | 110,105        | 190,090        | 177,349        | 180,000        | 667,377          | 317,392        | 2,185,154        | 39.0%         |
| Secondary Market | 740,858          | 230,532        | 382,520        | 198,639        | 583,869        | 1,024,221        | 255,866        | 3,416,505        | 61.0%         |
| <b>Total</b>     | <b>1,283,699</b> | <b>340,637</b> | <b>572,610</b> | <b>375,988</b> | <b>763,869</b> | <b>1,691,598</b> | <b>573,258</b> | <b>5,601,659</b> | <b>100.0%</b> |

