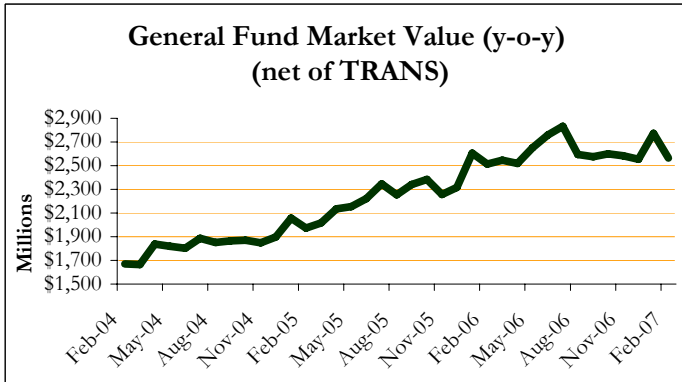


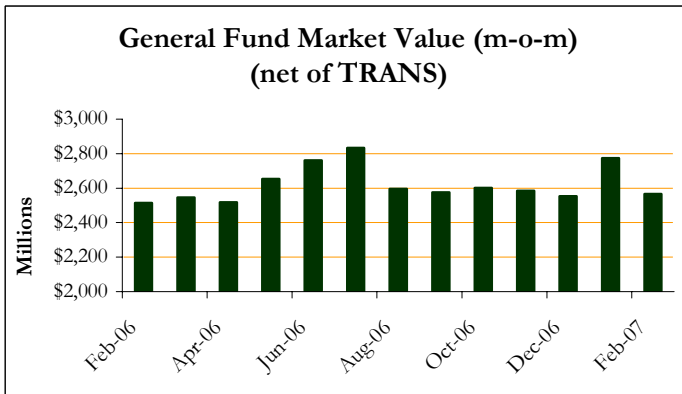
NEW MEXICO STATE TREASURER'S EXECUTIVE SUMMARY OF INVESTMENT ACTIVITY

As of February 28, 2007

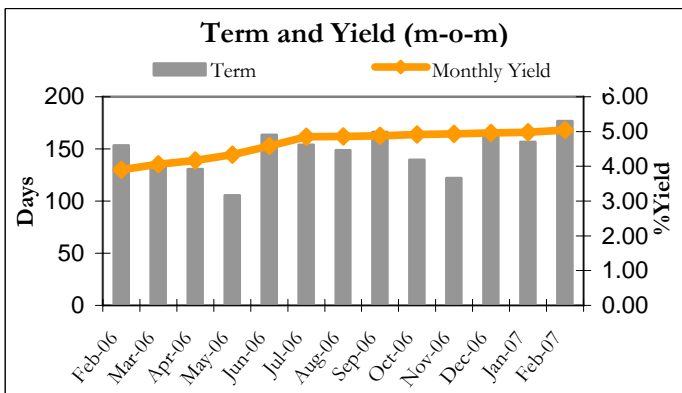
GENERAL FUND INVESTMENT PORTFOLIO



- The market value, net of TRANS, of the General Fund Investment Portfolio on February 28, 2007, was \$2.56 billion compared to \$2.17 billion at the same point last year and \$1.85 billion at the same point two years ago.



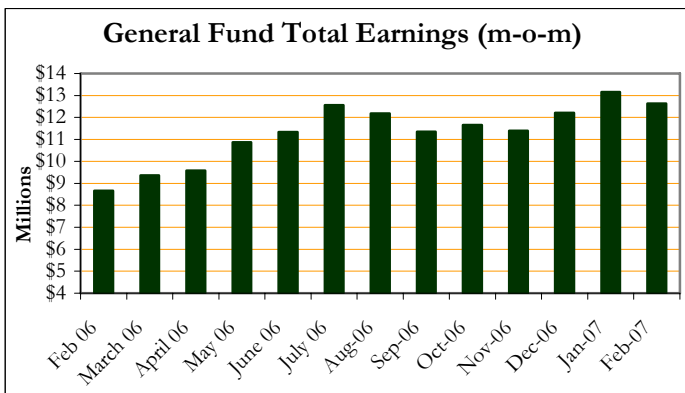
- The \$2.56 billion market value at month-end was a 7.58% decline from January's \$2.77 billion and flat to December's month-end of \$2.56 billion.



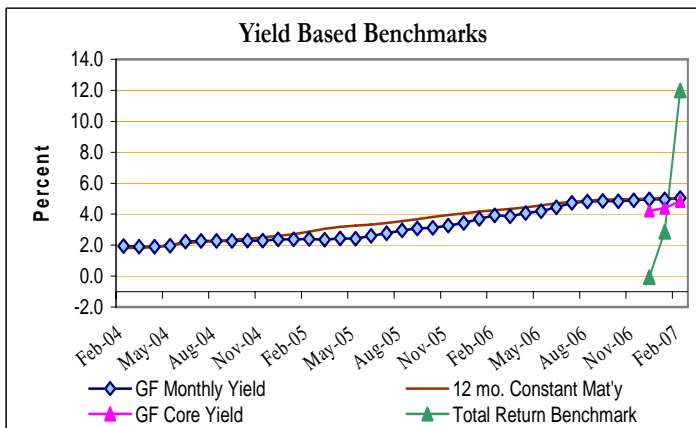
- The yield was 5.04% at month-end, up from 4.98% at the end of January. The average term of the portfolio increased to 176.6 days from 133.9 days at January month-end.

Asset Type	Yield	Market Value	% of Portfolio	Term (days)
Agencies	4.87%	\$1,783,484,520	54.6%	253
Repurchase Pool	5.31%	\$726,852,719	22.3%	1
Certificates of Deposit	5.00%	\$239,000,000	7.3%	108
Money Market Fund	5.27%	\$60,000,000	1.8%	1
Commercial Paper	5.30%	\$456,142,765	13.9%	8
Total:	5.04%	\$3,265,480,004	100.0%	177

- The month-end portfolio holdings were 54.6% in U.S. Agency bonds, 22.3% in the overnight repurchase pool, 7.3% in certificates of deposit, 13.9% in commercial paper, and 1.8% in money market mutual funds.
- \$682.7 million of investments were purchased for the month: \$46 million of certificates of deposit were purchased or renewed for the CD portfolio; \$456.7 million of commercial paper was purchased to cash match disbursements in the Liquidity Portfolio; \$180 million of U.S. Agency securities were purchased for the Core Portfolio with maturities ranging from June 2008 to February 2010.



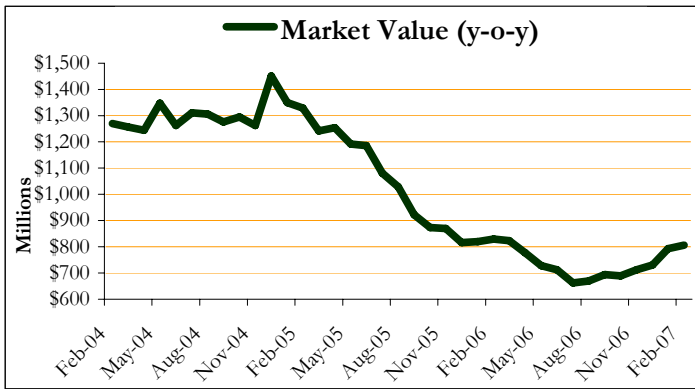
- The earnings for February were \$12.6 million, a decrease of 3.9% from January earnings of \$13.1 million and an increase of 45.8% over February 2006 earnings of \$8.6 million. Fiscal year-to-date earnings totaled \$97.2 million compared to \$56.1 million through the same period last fiscal year.



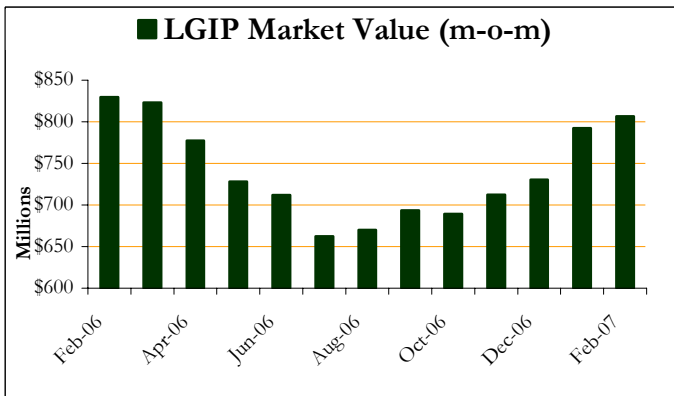
NEW MEXICO STATE TREASURER'S EXECUTIVE SUMMARY OF INVESTMENT ACTIVITY

As of February 28, 2007

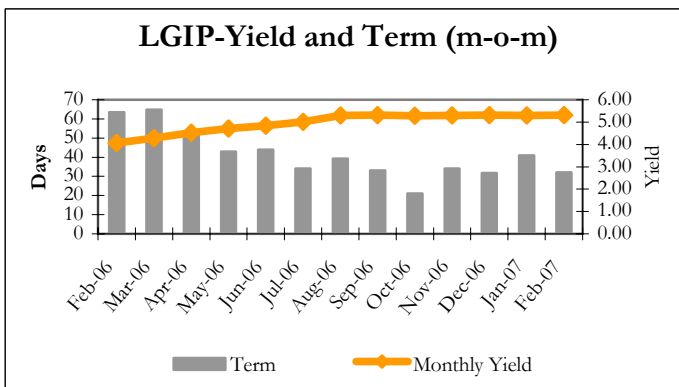
NEW MEXIGROW LOCAL GOVERNMENT INVESTMENT POOL (LGIP)



- The year-over-year market value of the LGIP portfolio as of February 28 was \$806.6 million, compared to a market value of \$829.5 million at the same period last year and \$1.33 billion at the same period two years ago.



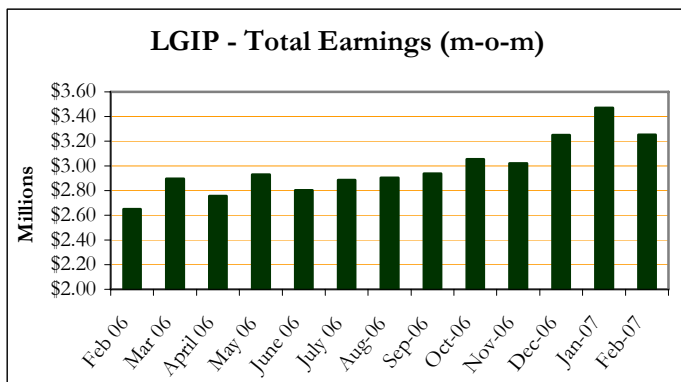
- The \$806.6 million month-over-month market value was an increase of 2% over the \$792.35 million January 31 market value. Participant contributions were \$37.7 million and withdrawals were \$25.2 million.



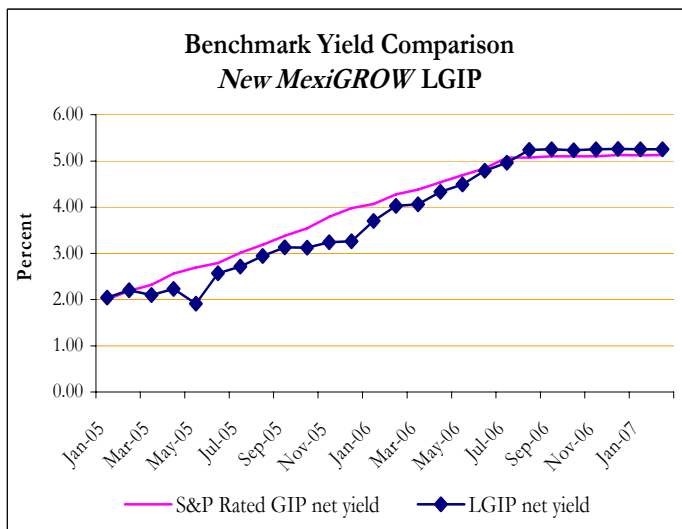
- The gross yield was 5.30% at February 28, as it was on January 31. The weighted average maturity at February 28 was 32 days, down from the January 31 weighted average maturity of 41 days, and still within the allowable limit of 50 days.

Asset Type	Yield	Market Value	% of Portfolio	Term (days)
Agencies	5.26%	\$206,591,212	25.6%	46
Commercial Paper	5.37%	\$296,714,923	36.8%	53
Money Market Funds	5.27%	\$301,300,000	37.4%	1
LGIP Bank Account	5.00%	\$1,993,253	0.2%	1
Total:	5.30%	\$806,599,388	100.0%	32

- The month-end portfolio holdings were 26% in U.S. government agency securities, 37% in A-1+ commercial paper, 37% in AAA money market funds, and 0.2% in the bank account balance.
- February investment activity in the LGIP portfolio included the purchase of \$80 million in A-1+ commercial paper with an annualized yield of 5.38% and average term of 114 days.



- Total LGIP earnings for February totaled \$3.3 million, a slight decrease from January earnings of \$3.5 million. Fiscal year-to-date earnings for the LGIP totaled \$24.8 million compared to \$20.4 million through the same period last fiscal year.

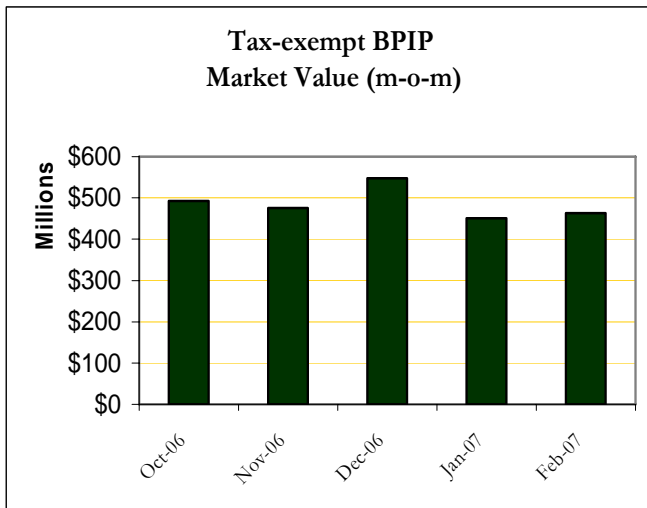


- The 30-day net yield of the LGIP as of February 28 was 5.25%, outperforming the 30-day net S&P Rated Government Investment Pool index (5.13%) by 12 basis points. The 30-day gross yield of the LGIP at month-end, 5.30%, trailed the 30-day gross S&P Rated GIP index of 5.33% by 3 basis points. The administrative fee assessed to participants for February was 5.2 basis points. Administrative fees assessed through February totaled \$256,000.

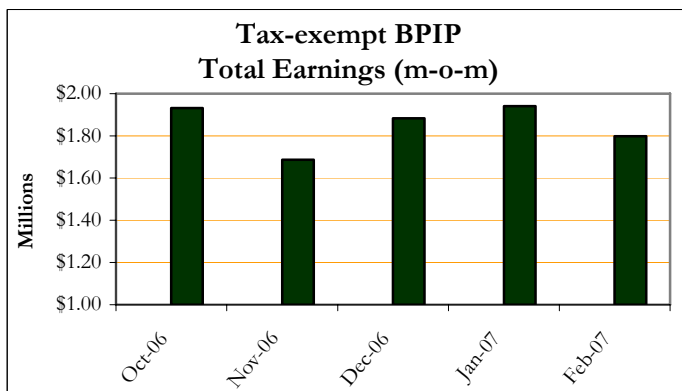
NEW MEXICO STATE TREASURER'S EXECUTIVE SUMMARY OF INVESTMENT ACTIVITY

As of February 28, 2007

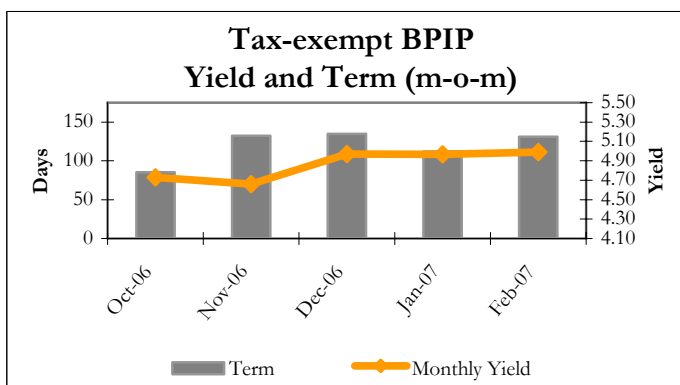
TAX-EXEMPT BOND PROCEEDS INVESTMENT POOL (BPIP)



- The market value of the Tax-exempt BPIP as of February 28, 2007, was \$463.1 million.
- During February the market value of the fund increased 2.7% from \$450.8 million to \$463.1 million.



- Earnings for the month were \$1.79 million. The February 28 yield was 4.99% and the term was 131 days.
- The Tax-exempt BPIP yield at February 28, 4.99%, was 37 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**

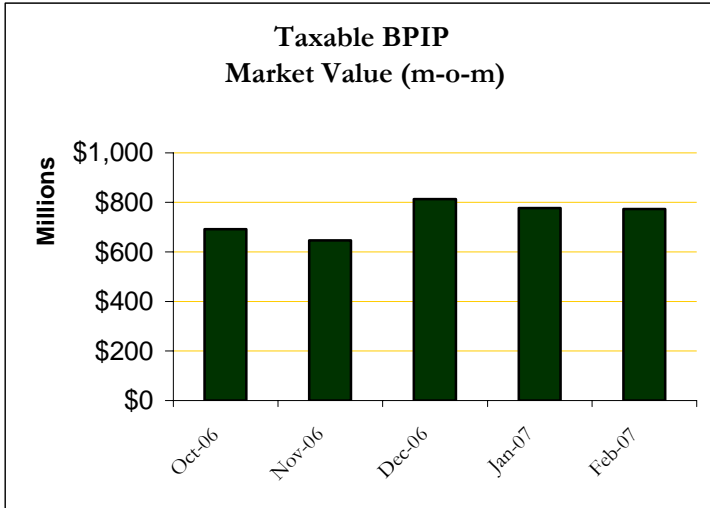
Asset Type	Yield	Market Value	% of Portfolio	Term (days)
Overnight Repo Pool	5.31%	\$ 123,235,066	26.6%	1
Flex Repos	2.99%	\$ 30,570,292	6.6%	107
U.S. Treasuries	5.05%	\$ 279,489,805	60.3%	145
U.S. Agencies	5.21%	\$ 29,807,250	6.4%	30
Total:	4.99%	\$ 463,112,313	100%	131.6

- The breakdown of month-end portfolio holdings was 60.3% in U.S. Treasury notes and bills, 6.4% in U.S. Agency securities, 26.6% in the overnight repurchase pool, and 6.6% in flexible repurchase agreements.
- In February one \$35 million Treasury note with a yield of 5.05% was purchased to match a March 2008 debt service liability.

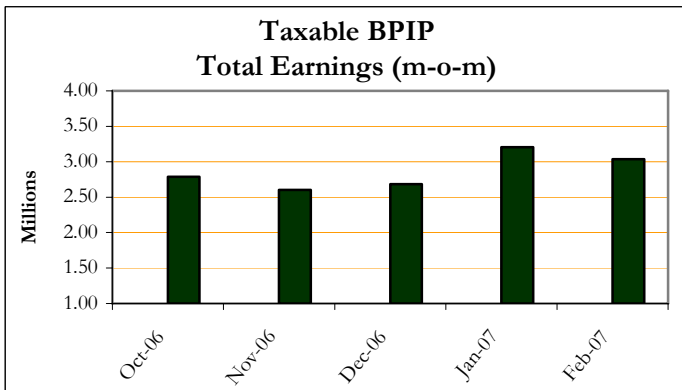
NEW MEXICO STATE TREASURER'S EXECUTIVE SUMMARY OF INVESTMENT ACTIVITY

As of February 28, 2007

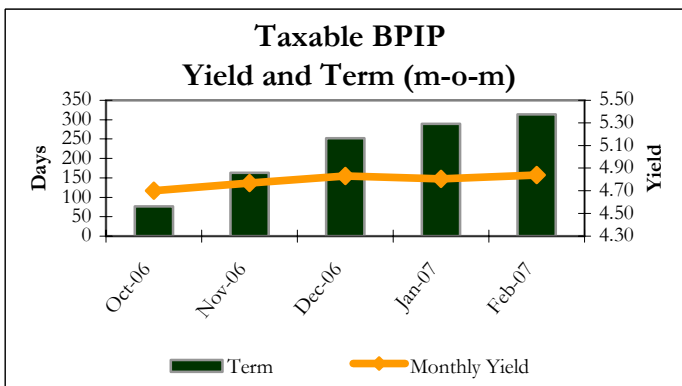
TAXABLE BOND PROCEEDS INVESTMENT POOL (BPIP)



- The market value of the Taxable BPIP as of February 28, 2007, was \$773.3 million.
- In February the market value of the fund decreased 0.46%, from \$776.9 million to \$773.3 million.



- Interest earnings for February totaled \$3 million. The month-end yield was 4.84% and the term was 314 days.
- February 28 benchmark yields were:
5.07%: 2-year Constant Maturity Agency 12-month moving average; and,
4.86%: 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	5.31%	\$95,907,277	12.4%	1
Flex Repos	2.84%	\$95,552,827	12.3%	193
US Agency Notes/Bonds	5.00%	\$366,902,260	47.4%	539
US Treasury Notes	4.79%	\$14,968,165	1.9%	666
Money Market Fund	5.28%	\$200,000,000	25.8%	1
Total:	4.84%	\$773,330,529	100%	314

- The breakdown of month-end portfolio holdings was 25.8% in money market mutual fund shares, 47.4% in U.S. Agency bonds, 12.3% in flex repurchase agreements, 1.9% in U.S. Treasuries, and 12.4% in the overnight repurchase pool.
- Approximately \$20 million was invested in callable U.S. Agency bonds and \$15 million in U.S. Treasury notes during February. These purchases increased monthly maturity targets from \$10 million to \$15 million increments. Yields on the callable agencies ranged from 5.38% to 5.45%, while yields on the U.S. Treasuries ranged from 4.79% to 4.81%.

New Mexico State Treasurer – Broker Participation 2006 – 2007

Volume at Par

(\$ in thousands)

<u>FY07</u>										
<u>Broker/Dealer</u>	<u>Jul-06</u>	<u>Aug-06</u>	<u>Sep-06</u>	<u>Oct-06</u>	<u>Nov-06</u>	<u>Dec-06</u>	<u>Jan-07</u>	<u>Feb-07</u>	<u>YTD Total</u>	<u>Percent</u>
Bank of America	148,000	50,000	72,000	-	75,000	102,007	39,000	136,733	622,740	9.7%
Citigroup	327,800	93,800	-	47,602	96,000	226,178	26,000	47,476	864,856	13.5%
Merrill Lynch	209,606	106,837	204,775	123,386	158,300	210,580	45,414	121,290	1,180,188	18.5%
Morgan Stanley	155,000	25,000	134,135	20,000	110,569	61,168	33,920	130,000	669,792	10.5%
UBS	-	53,000	-	-	-	40,000	-	25,000	118,000	1.8%
FTN	-	-	87,000	-	55,000	20,000	15,000	-	177,000	2.8%
Lehman	155,000	-	20,000	-	95,000	221,645	80,640	42,500	614,785	9.6%
Bear Stearns	-	-	-	-	60,000	20,000	-	-	80,000	1.3%
Goldman Sachs	108,211	12,000	-	60,000	20,000	143,060	80,000	82,101	505,372	7.9%
CS First Boston	160,082	-	54,700	90,000	85,000	161,671	113,284	65,600	730,337	11.4%
JP Morgan/Chase	-	-	-	-	-	84,418	-	55,997	140,415	2.2%
Vining Sparks	-	-	-	-	-	20,000	-	25,000	45,000	0.7%
Cantor Fitzgerald	-	-	-	-	-	79,660	-	15,000	94,660	1.5%
HSBC	-	-	-	-	-	-	20,000	-	20,000	0.3%
Deutsche Bank	-	-	-	-	-	-	-	40,000	40,000	0.6%
Direct Purchase	20,000	-	-	35,000	9,000	301,211	120,000	-	485,211	7.6%
Total	1,283,699	340,637	572,610	375,988	763,869	1,691,598	573,258	786,697	6,388,356	100.0%
<u>Purchases:</u>										
Primary Market	542,841	110,105	190,090	177,349	180,000	667,377	317,392	212,500	2,397,654	37.5%
Secondary Market	740,858	230,532	382,520	198,639	583,869	1,024,221	255,866	574,197	3,990,702	62.5%
Total	1,283,699	340,637	572,610	375,988	763,869	1,691,598	573,258	786,697	6,388,356	100.0%