



**James B. Lewis**  
State Treasurer

STATE OF NEW MEXICO  
**OFFICE OF THE TREASURER**  
2055 South Pacheco St. Suite 100 & 200  
P.O. Box 5135  
Santa Fe, New Mexico 87505

**Marilyn L. Hill**  
Deputy State Treasurer

Phone: (505) 955-1120  
FAX (505) 955-1195

## STATE TREASURER'S INVESTMENT COMMITTEE

State Treasurer's conference room



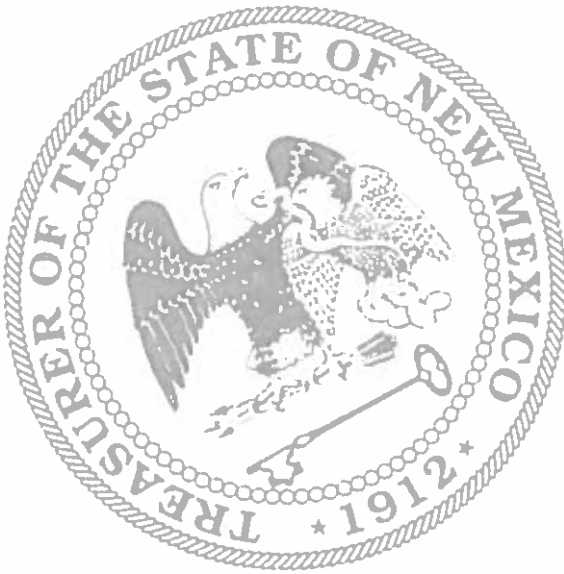
"Taos Ski Valley, Taos NM" New Mexico True

Wednesday, December 10, 2014

9:00am

# Table of Contents

Approval of December 10, 2014  
Approval of November 12, 2014 Minutes  
Executive Summary  
Investment Policy Compliance Report  
Investment Accounting Report  
Cash Projections  
Portfolio Summary- General Fund  
Portfolio Summary- Local Government Investment Pool (LGIP)  
Portfolio Summary- Tax-Exempt Bond Proceeds Investment Pool  
Portfolio Summary- Taxable Bond Proceeds Investment Pool  
Portfolio Summary- Severance Tax Bonding Fund  
Broker Deal Activities  
State Agency Deposit Balances  
Collateral Report on Agency Deposits & CDs



# 1. Approval of December 10, 2014 Agenda



**James B. Lewis**  
State Treasurer

STATE OF NEW MEXICO  
**OFFICE OF THE TREASURER**  
2055 South Pacheco St. Bldg. 100  
Santa Fe, New Mexico 87505

**Marilyn L. Hill**  
Deputy State Treasurer

Phone: (505) 955-1120  
FAX (505) 955-1195

**STATE TREASURER'S INVESTMENT COMMITTEE**  
**Treasurer's Conference Room**  
Wednesday, December 10, 2014, 9:00 a.m.

**MEETING AGENDA (5 Min)**

Roll Call

Introduction of Presenters and Guest

- |  |        |
|--|--------|
| 1. Approval of December 10, 2014 Agenda  | Action |
| 2. Approval of November 12, 2014 Minutes | Action |

**INVESTMENT REPORTS (45 min)**

**Month Ended  
October 31, 2014**

- |  |               |
|--|---------------|
| 3. Executive Summary   | Informational |
| 4. Investment Policy Compliance Report                           | Informational |
| 5. Investment Accounting Report                                  | Informational |
| 6. Cash Projection   | Informational |
| 7. Portfolio Summary -- General Fund                             | Informational |
| 8. Portfolio Summary -- Local Government Investment Pool (LGIP)  | Informational |
| 9. Portfolio Summary -- Tax-Exempt Bond Proceeds Investment Pool | Informational |
| 10. Portfolio Summary -- Taxable Bond Proceeds Investment Pool   | Informational |
| 11. Portfolio Summary -- Severance Tax Bonding Fund              | Informational |
| 12. Broker Dealer Activities                                     | Informational |

**CASH MANAGEMENT**

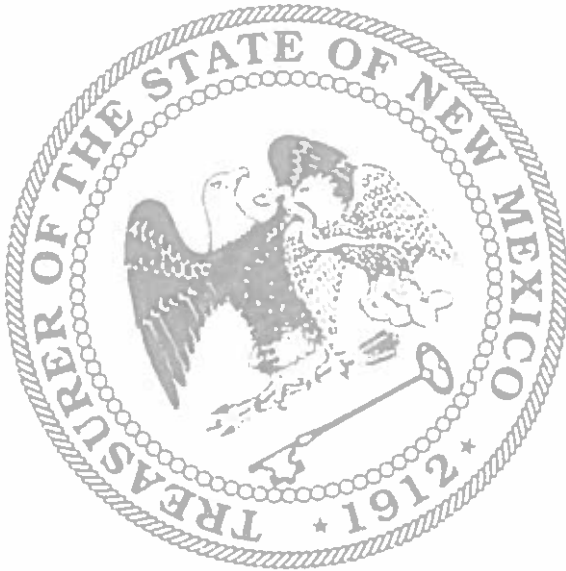
**& COLLATERAL REPORTS (10 Min)**

**Month Ended  
October 31, 2014**

- |  |               |
|--|---------------|
| 13. State Agency Deposit Balances              | Informational |
| 14. Collateral Report on Agency Deposits & CDs | Informational |

**COMMITTEE REPORTS (10 min)**

- |  |               |
|--|---------------|
| 15. Earnings Discussion                                  | Informational |
| 16. Question Period                                      |               |
| 17. Next Meeting -- Wednesday, January 14, 2015, 9:00 am | Pending       |
| 18. Adjournment  | Action        |



## 2. Approval of November 12, 2014 Minutes

**New Mexico State Treasurer's Office**  
**STIC Committee Meeting**  
**Meeting Minutes**  
**Wednesday, November 12, 2014**

**ROLL CALL- QUORUM PRESENT:**

A regular meeting of the New Mexico State Treasurer's Investment Committee (STIC) was called to order this date at 9:00 a.m. in the conference room of The State Treasurer's Office (STO), 2055 South Pacheco Street, Santa Fe, New Mexico 87505.

**Members Present:**

Honorable James B. Lewis, State Treasurer  
Ms. Linda Roseborough, Chair  
Ms. Stephanie Schardin Clarke, Board of Finance Director  
Mr. Paul Cassidy, Public Member (via phone)  
Mr. Mark Pike, Public Member (arrived at 9:03am)

**Staff Present:**

Ms. Marilyn Hill, Deputy Treasurer  
Ms. Cindy Cordova, General Counsel  
Ms. Vikki Hanges, Portfolio Manager  
Mr. Arsenio Garduño, Collateral Manager  
Ms. Kirene Bargas, Investment Bureau Chief and Compliance Officer  
Mr. Steve Vigil, Investment Accounting Bureau Chief  
Mr. Victor Vigil, Interim Cash Manager  
Mr. Derek Dominguez, Investment Accountant  
Ms. Hannah Chavez, STIC Secretary

**Guest Present:**

Mr. Tim Eichenberg, State of NM Treasurer Elect  
Ms. Deanne Woodring, GPA Government Portfolio Advisors (via phone at 9:01am)

**1. Approval of November 12, 2014 Agenda:**

Member Clarke moved approval of the Agenda. Motion was seconded by Treasurer Lewis and passed unanimously by voice vote.

**2. Approval of October 8, 2014 Minutes:**

Member Cassidy moved approval of the Minutes. Motion was seconded by Treasurer Lewis and passed unanimously by voice vote.

### **3. Executive Summary, Ms. Hanges:**

Highlights of the Executive Summary report were presented.

- Correction on page 12 table 4 under Performance - the 3 months Bond Proceeds Tax Exempt should reflect .08 instead of .00 per Ms. Hanges.
- Treasurer Lewis asked when the new state revenue estimations will be available. Member Clarke replied that the report will be released on December 8, 2014.
- Member Clarke stated the Sponge Note spreadsheet will be forwarded to STO within the next few days.

### **4. Investment Compliance Report, Ms. Bargas:**

Highlights of the Investment Compliance Report were presented.

- Discussion was held regarding the sale of two trades that contained realized losses. Mr. Garduño explained that the securities sold occurred to increase liquidity balances that were needed mid-September for about a week. A state agency exhausted their federal funding which lead to timing issues with the cash flows.

### **5. Investment Accounting Report, Mr. Steve Vigil:**

Highlights of the Investment Accounting Report were presented.

- Member Pike asked if JPMorgan has implemented new procedures regarding the private placements transactions to assure that they are reflected correctly on the accounting reports.
- Mr. Vigil discussed an issue between the custody and accounting system which JPMorgan are calling "breaks". STO is now identifying and pointing out the breaks to the JPMorgan accounting group and is working with custody personnel to ensure accurate final reports.
- Treasurer Lewis reminded the committee that the Board of Finance is responsible for the overall custody contract with JPMorgan and that STO should work with the Board of Finance when necessary to resolve any issues with the custody bank.
- Chair Roseborough added that the quarterly meeting held with JPMorgan was productive and that JPMorgan is committed to working with STO staff. Mr. Vigil has created a preliminary reconciliation; so upon receipt of the final monthly custody accounting reports, Mr. Vigil and team will be able to identify discrepancies immediately and prior to the final due date of the STO reconciliations.

### **6. Financial Advisor- September 2014 Quarterly Investment Report, Ms. Woodring:**

Highlights of the Financial Advisor September 2014 Quarterly Investment Report were presented.

- Chair Roseborough informed the committee that excess liquidity in the form of an internal transfer of \$75 million from general fund liquidity to general fund core will take place in the month of November in order to maximize the return on investment.
- Chair Roseborough also reported that Ms. Hanges has taken responsibility for investment of all portfolios until STO's vacant portfolio manager position is filled. Ms. Hanges was asked by the CIO to review all holdings for all portfolios and make recommendations for changes if

necessary. Upon completion of the review, the Puerto Rico sinking fund and Rhode Island municipals have been liquidated at realized losses of approximately \$5K. Ms. Hanges stated that she is comfortable with all remaining security positions.

**7. Quarterly Investment Review, Ms. Hanges**

Highlights of quarterly investment review were presented.

**8. Cash Projection, Mr. Garduño:**

The STIC Cash Projections were presented.

**9. Portfolio Summary- General Fund Investment Pool, Ms. Hanges:**

Highlights of the Portfolio Summary General Fund report were presented.

- Member Clarke thanked the Treasurer's staff for meeting to discuss the STIC binder investment earnings versus the cash that is being distributed to the general fund. She inquired about the status of the issue. Chair Roseborough responded by stating that STO is reviewing the current internal process for the transfer to the general fund; accrual versus cash basis. Member Clarke was also informed that a letter from STO was sent to Dr. Tom Clifford and Mr. Ricky Bejarano for review regarding a proposed process that STO is taking into consideration. Member Clarke explained that the STIC binder is stating \$14 million on accrual basis and the general fund received \$36 million in cash and her concern is a timely closing of the books. She stated that she will speak with Mr. Bejarano or Secretary Clifford about the memo and get a copy.

**10. Portfolio Summary- Local Government Investment Pool (LGIP), Ms. Hanges:**

Highlights of the Portfolio Summary Local Government Investment Pool report were presented.

**11. Portfolio Summary- Tax-Exempt Bond Proceeds Investment Pool, Ms. Hanges:**

Highlights of the Portfolio Summary Tax-exempt Bond Proceeds Investment Pool report were presented.

**12. Portfolio Summary-Taxable Bond Proceeds Investment Pool, Ms. Hanges:**

Highlights of the Portfolio Summary Taxable Bond Proceeds Investment Pool report were presented.

**13. Portfolio Summary- Severance Tax Bonding Fund, Ms. Hanges:**

Highlights of the Portfolio Summary Severance Tax Bonding Fund report were presented.

- Chair Roseborough informed the committee that the counterparty expansion project includes four new counterparties for bilateral DVP repo.

**14. Broker Dealer Activities: Ms. Hanges:**

The Broker Dealer Activities report was presented.

- Discussion was held regarding the process of trading through Bloomberg FIT. Ms. Hanges explained how trades are processed and executed through Bloomberg FIT.
- Ms. Bargas stated that there are 64 broker dealers on the approved broker dealer list.



**15. State Agency Deposit Balances, Mr. Victor Vigil:**

Highlights of the State Agency Deposit Balance report were presented.

**16. Collateral Report on Agency Deposits & CDs, Mr. Garduño:**

Highlights of the Collateral Report on Agency Deposits and CDs were presented.

- Treasurer Lewis commended Mr. Garduño on his reporting.
- Chair Roseborough reminded the committee that STO's collateral is priced weekly and that upon creation of a state wide collateral pool, consideration should be made to change this option to daily pricing which will require additional budget/costs.

**17. Question Period:**

- Treasurer Lewis requested that Member Clarke explain the Sponge Note process to the committee and guests. Member Clarke provided overview.

**18. Next Meeting- Wednesday, December 10, 2014, 9:00am**

Chair Roseborough noted the date and time of next meeting.

**19. Adjournment**

Treasurer Lewis moved approval of the adjournment. Motion was seconded by Member Pike and passed unanimously by voice vote.

Minutes were taken by Ms. Hannah Chavez on November 12, 2014.

Minutes approved by Chair Roseborough on November 17, 2014.



### 3. Executive Summary

## Executive Summary

- At the end of October, the State Treasurer managed \$4.1 billion in assets.
- During the month, the office earned approximately \$1.8 million on its investment positions.
- US Treasury prices rose, with a flattening of the yield curve as five year notes led interest rates lower.
- US Equity markets rose in October, posting year-to-date returns of 9.2%.
- Economic figures released in October were generally neutral, with nonfarm payrolls averaging about 200,000 per month, an unexpected drop in the unemployment rate, sideways housing, weak durable goods and retail sales and an inflation rate below 2%.
- The Fed announced the end of its purchases of MBS and UST Securities, QE3, at the late October FOMC meeting.
- Language from the Federal Reserve statement in October repeats “considerable time” language for forward rate guidance, maintains “lower for longer”, but less dovish on the economy, specifically stating “diminishing” labor market underutilization.
- The equity markets continue to push US Treasuries around, as weakness in stocks in early October from Ebola panic led interest rates considerably lower, only to reverse direction following a strong earnings season and QE programs announced abroad.
- Global easing of monetary policy continues as the ECB and BOJ announced aggressive increases in asset purchases. China steps up in early November cutting its benchmark one-year lending rate by 40 basis points.

Table 1 - Comparative Interest Rates

### *US Treasury Yields*

<i>Maturity</i>	<i>September 30</i>	<i>October 31</i>	<i>Change</i>
<i>3-Month</i>	0.02%	0.01%	-0.01%
<i>6-Month</i>	0.03%	0.05%	0.02%
<i>2-Year</i>	0.57%	0.49%	-0.08%
<i>5-Year</i>	1.76%	1.61%	-0.15%
<i>10-Year</i>	2.49%	2.34%	-0.15%
<i>30-Year</i>	3.20%	3.07%	-0.13%

Source: Bloomberg LP

### *Portfolio Mark-to-Market and Monthly Change*

With the decline in market yields, the STO portfolios<sup>1</sup> all had positive results on a mark-to-market basis. Rates in the longer end of our maturity area strengthened, resulting in a flattening yield curve.

<sup>1</sup> This report does not include balances in or earnings on the Reserve Contingency Fund (“RCF”). The RCF was created in 2009 by the State Treasurer’s Office as a vehicle to hold Reserve Primary Fund (“Primary Fund”) assets of various LGIP participants after the Reserve Primary Fund encountered difficulties in the latter part of 2008 and entered into a process of liquidation.

**Table 2 - Unrealized Gains and Losses**

<u>Fund</u>	<u>Unrealized Gain/Loss<sup>2</sup></u>	<u>Monthly Change in Unrealized Gain/Loss<sup>3</sup></u>
<i>General Funds</i>	\$5.6 million	Increased \$4.0 million
<i>Bond Proceeds Funds</i>	\$2.3 million	Increased \$1.1 million
<i>Local Government Investment Pool</i>	Not Material	Not Material
<i>Severance Tax Bonding Fund</i>	Not Material	Not Material

Source: QED

### Portfolio Yields and Duration

As of the end of October, the portfolios had the following weighted average purchase yields and durations:

**Table 3 - Portfolio Yields and Duration**

<u>Fund</u>	<u>Portfolio Yield<sup>5</sup></u>	<u>Effective Duration<sup>4</sup></u>		
		<u>Portfolio</u>	<u>Benchmark</u>	<u>Percentage</u>
<i>General Fund Liquidity</i>	0.00%	0.00 Years		
<i>General Fund CORE</i>	0.93%	2.13 Years	2.15 Years	99%
<i>Bond Proceeds – Tax Exempt</i>	0.49%	1.30 Years	1.38 Years	94%
<i>Bond Proceeds – Taxable</i>	0.53%	1.34 Years	1.38 Years	97%
<i>Local Government Investment Pool</i>	0.10%	0.16 Years		
<i>Severance Tax Bonding Fund</i>	0.05%	0.11 Years		

Source: QED, JPMorgan

On a “book yield” comparison, each of the STO portfolios exceeds the yield on their respective benchmark portfolios.

<sup>2</sup> Calculated Unrealized Gains or Losses represent the market “value” of the portfolios as compared to their accounting book value as of the effective date of calculation. As such, they approximate the values which could be realized/lost if the positions were to be liquidated at market prices on the day that the calculation was performed. Market conditions change on a daily basis and the resulting calculations will also change with market movements.

<sup>3</sup> Unaudited. Mark-to-market values are calculated using the QED system and weekly securities pricing from IDC. Market values are compared to carrying values which are adjusted for amortization/accretion of premium/discount. Securities, such as Certificates of Deposits, for which there is no quoted market price, are carried at cost basis (amortized through the holding date).

<sup>4</sup> Weighted Average Effective Duration. Portfolio durations are calculated as of moment in time, specifically at month end.

<sup>5</sup> Weighted Average Yield to Maturity. Portfolio yields are calculated at a moment in time, specifically at month end. Each of these funds has considerable inflows and outflows during the month. As such, purchase yields during the month will vary with money flows and short-term investment rates. Monthly earnings as included in this report take these fund flows into consideration.

## Benchmark Performance Comparisons

As of the end of October, the STO portfolios had the following performance numbers relative to their respective benchmarks:

Table 4 - Relative Performance of STO Funds

<i>Fund</i>	<i>Performance<sup>6</sup></i>	
	<i>3 Months</i>	<i>12 Months</i>
<b>General Fund Liquidity</b>	0.04%	0.11%
S&P Government Bond Index (Gross)	<u>0.02%</u>	<u>0.10%</u>
Relative Performance (BPs)	0.02%	0.01%
Relative Performance (%)	200%	110%
<b>General Fund CORE</b>	0.52%	0.93%
BAML 0-5 US Treasury	<u>0.53%</u>	<u>0.73%</u>
Relative Performance (BPs)	(0.01%)	0.20%
Relative Performance (%)	98%	127%
<b>Bond Proceeds - Tax Exempt</b>	0.24%	0.53%
BAML 0-3 US Treasury	<u>0.27%</u>	<u>0.50%</u>
Relative Performance (BPs)	(0.03%)	0.03%
Relative Performance (%)	89%	106%
<b>Bond Proceeds - Taxable</b>	0.24%	0.50%
BAML 0-3 US Treasury	<u>0.27%</u>	<u>0.50%</u>
Relative Performance (BPs)	(0.03%)	0.00%
Relative Performance (%)	200%	100%
<b>Local Government Investment Pool</b>	0.04%	0.16%
S&P Government Bond Index (Gross)	<u>0.02%</u>	<u>0.10%</u>
Relative Performance (BPs)	0.02%	0.06%
Relative Performance (%)	200%	160%
<b>Severance Tax Bonding Fund</b>	0.03%	
S&P Government Bond Index (Gross)	<u>0.02%</u>	<u>0.10%</u>
Relative Performance (BPs)	0.01%	
Relative Performance (%)	150%	

Source: JPMorgan, STO Calculations

In our management of the STO funds, we try and exceed benchmarks on a 3-month and 12-month basis. Monthly market swings will affect our performance more dramatically on a short-term basis than on a longer investment horizon. We feel that longer horizons keep our focus on the investment goal which is to meet or exceed our benchmark levels.

<sup>6</sup> Relative performance is periodic total return compared to the return of the portfolio benchmarks.

## Investment Earnings

Investment net earnings for October are summarized in the table below.

Table 5 - Investment Earnings - September

<u>Fund</u>	<u>Investment Earnings<sup>7</sup></u>		
	<u>MTD</u>	<u>YTD</u>	<u>FY'14 YTD</u>
General Funds	\$1,239,372	\$4,864,999	\$3,629,171
Bond Proceeds Funds	\$486,653	\$1,990,497	\$1,831,229
Local Government Investment Pool <sup>8</sup>	\$79,620	\$328,341	\$297,652
Severance Tax Bonding Fund	\$10,768	\$23,814	\$25,564

Source: QED

An increase in rates has resulted in increased investment income as compared to a year ago, particularly in the shorter end of the curve, except in the case of repo where the Severance Tax Bonding Fund is predominantly invested. Investment net earnings for this STIC report are adjusted for realized gains and losses and amortization and accretion.

## Compensating Balances at Fiscal Agent Bank

During October, STO maintained Average Daily Collected Balances at the Fiscal Agent Bank of approximately \$35 million. This balance earned a credit against processing fees assessed by the bank.

Table 6 - Compensating Balances at Fiscal Agent Bank

Average Collected Balance	\$43,115,954
Earnings Credit Rate	0.50%
Estimated Monthly Earnings	\$17,965
Estimated Fiscal YTD Earnings	\$58,072

Source: Wells, Fargo & Co.

## Reserve Primary Update

The Primary Fund-In Liquidation (formally known as Reserve Primary Fund) announced a fund update on December 1, 2014. "The fund update stated the Federal Court has approved final distributions of assets from the Primary Fund-In Liquidation. In that Fund Update, the Board noted that the final distributions would occur in December 2014."

## Monthly Investment Outlook

The fixed income markets were stronger through the month of October and have been volatile but mostly unchanged through November, with the yield curve flattening. The Federal Reserve reaffirmed its view that monetary policy will remain highly accommodative even after the asset

<sup>7</sup> Each fund is managed using different objectives, as more fully detailed in this report. As such, returns and earnings on the funds will vary on a month to month basis.

<sup>8</sup> Gross Earnings, Participant Earnings reflect 0.05% reduction for management fees.

purchase program ends. The “lower for longer” statement also indicates that the Fed will err on the side of easy monetary policy even if inflation and employment meet expectations.

We continue to believe that rate increases will not happen until the second half of 2015.

*Implications for the Foreseeable Future*

While we believe that interest rates will increase in 2015, we will continue to utilize the curve to our advantage in the interim period. STO will use the opportunity to maintain durations of the portfolios similar to their benchmarks. In the case of the General Fund, STO will use opportunities to deploy cash in a more curve neutral fashion to the benchmark.

We continue to try and add value where and when it becomes available, through selective credit additions as well as active duration management relative to established benchmarks.

*Vikki Hanges*  
*Senior Portfolio Manager*



## 4. Investment Policy Compliance Report



## Investment Compliance Review

### Primary and Secondary Bond Purchases/ Sales

During the month of October, the following were the ratios of primary and secondary bond transactions in the portfolios:

Table 7 - Primary/Secondary Market Volume - October 2014

Primary Bond Volume	\$60,000,000	28%
Secondary Bond Volume	<u>304,447,000</u>	<u>72%</u>
Total	\$364,447,000	100%

Source: QED

The totals above exclude overnight repurchase agreement volume which is approximately \$500MM/day.

### Commissions Paid

As counterparty, the state transacts in purchase or sale sizes sufficient to achieve competitive results in the bidding or offering process. Implied in the market-clearing prices that we are offered is some form of dealer markup.

With regard to specific transactions, we process the bulk of our trades using an electronic trading platform. As such, we understand, and document, the market at the time of transaction. These trade terms are held as a part of our trade documentation as approved by STIC.

### Variable Rate and Structured Note Holdings

At the end of October, total holdings of Variable Rate Notes were \$120,400,000.

Table 8 - Variable Rate Note Holdings - October 2014

General Fund	-
Taxable BPIP	-
Tax Exempt BPIP	-
LGIP	<u>\$120,400,000</u>
Total Holdings	\$120,400,000

Source: QED

The Variable Rate positions are primarily in US Government Agency securities.

We did not hold any structured notes during the month of October.

### Transaction Variances and Inter-Portfolio Transactions

During October, there were no transaction variances which any potential posed compliance issues. All trade information was entered correctly in our internal systems and in the systems used by our custody bank and were promptly reconciled by the Investment Transactions Bureau.

All transactions for the month settled successfully. There were no price discrepancies reported, no late-posted transactions and no balances left at the Custodial Bank.

There were 0 inter-portfolio trades during the month.

### Unrealized Gains and Losses

The STO Investment Policy requires security-by-security reporting of all investment mark to market gains and losses calculated versus book values during the period.

The Executive Summary of this report includes a tabular reference to the aggregate mark-to-market per portfolio. In the section detailing each specific portfolio, a further summary of mark to market calculations are included.

In the listing of the specific portfolio holdings, a position level mark-to market calculation is included.

### ***Realized Gains and Losses***

Sale proceeds are compared to the amortized basis for each position and the differential is booked as a realized gain or loss for the appropriate period. Securities are sold in order to effect changes in the overall fund's duration and liquidity in light of overall changes in rates and economic outlook.

Table 9 - Realized Gains and Losses on Securities Sold - October 2014

<u>Trade Date</u>	<u>Account</u>	<u>Par Amount</u>	<u>Security</u>	<u>Realized Gain/Loss</u>
10/7	GF Core	\$10MM	FNB Santa Fe 0.55% 10/15/14	\$0.00
10/8	GF Core	\$20MM	UST 1.00% 9/30/16	27,344.62
10/15	BPIP1 TE	\$15MM	UST 2.375% 10/31/14	718.65
10/28	BPIP2 TAX	\$15MM	UST 2.625% 12/31/14	2,388.39
10/28	BPIP2 TAX	\$8MM	FHLMC 0.75% 11/25/14	629.76
Total				<u>\$31,081.42</u>

Realized gains/losses are compared to accounting book value at the time of the sale. Gains (and losses) are applied as an adjustment against investment earnings in the respective accounting period.

### ***Trade Documentation<sup>9</sup>***

#### ***Purchase/Sales Activity<sup>10</sup>***

There were a total of 33 security trades tracked during the month of October by the Trade Documentation Compliance Officer in the Investment Transactions Bureau.

Table 10 - Securities Trades - October

	Number	Par-Value	Cost/Proceeds	Recognized Gain/Loss
Securities Purchased	27	\$317,837,000	\$318,229,448	\$ -0-
Securities Sold	<u>6</u>	<u>72,000,000</u>	<u>72,261,342</u>	<u>34,188.67</u>
Total	33	\$389,837,000	\$390,490,790	\$34,188.67

Detail concerning each transaction can be found at the end of this section.

#### ***Trade documentation and Investment Processing Compliance***

All trades have been accounted for by the Investment Transactions Bureau and written documentation has been thoroughly audited for complete compliance with all applicable procedures and policies.

<sup>9</sup> Trade Documentation information is presented on settlement date.

<sup>10</sup> Excludes daily repurchase agreement transactions.

There are no pending items which were not entered in the month. All trades settled successfully and there were no failed trades for the month.

There was no compliance issues associated with any aspect of the investment trade processing function.

All investment activity is in compliance with applicable investment statutes and the STO Investment Policy.

**STATE OF NEW MEXICO**  
**Summary of Fixed-Income Purchases and Sales**  
**SETTLEMENTS During The Period 10/01/14 Through 10/31/14**

TXN-DATE	CL/SIP#	ASSET-TYPE	TM/ST#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	CDST/PROCEEDS	GAIN/LOSS	NXT-CALL
<b>PURCHASE TRANSACTIONS</b>													
10/10/14	84000530	CERTIFICATES OF	22295	FIRST NATIONAL SANTA FE	.600	10/10/16	.6000	SYSTEM - UNIDEN	1001	10,000,000.00	10,000,000.00		
10/10/14	84000531	CERTIFICATES OF	22242	FIRST NATIONAL SANTA FE	.850	4/10/17	.8500	SYSTEM - UNIDEN	1001	20,000,000.00	20,000,000.00		
10/01/14	91282809	US TREASURY NOTE	22180	UNITED STATES TREASURY	1.000	9/15/17	1.0578	BMO CAPITAL MAR	1001	10,000,000.00	9,983,203.13		
10/31/14	91282800	US TREASURY NOTE	22335	UNITED STATES TREASURY	.125	12/31/14	.0543	BARCLAYS	1000	10,000,000.00	10,001,171.87		
10/31/14	91282800	US TREASURY NOTE	22335	UNITED STATES TREASURY	.125	12/31/14	.0543	BARCLAYS	1000	50,000,000.00	50,005,859.37		
10/03/14	31337018	AGENCY US BOND	22203	FEDERAL HOME LOAN BANKS	1.750	9/12/15	.2034	WELLS FARGO SEC	4101	4,000,000.00	4,058,000.00		
10/07/14	8805910Y	AGENCY US BOND	22216	TENNESSEE VALLEY AUTHOR	4.375	6/15/15	.1826	WELLS FARGO SEC	4101	5,077,000.00	5,223,471.45		
10/27/14	3130A27D	AGENCY US BOND	22309	FEDERAL HOME LOAN BANKS	.125	6/02/15	.1268	WELLS FARGO SEC	4101	10,000,000.00	9,999,890.00		
10/31/14	313385M9	AGENCY US DISC	22338	FEDERAL HOME LOAN BANKS		11/03/14		RBS	1000	20,000,000.00	20,000,000.00		
10/31/14	313385P2	AGENCY US DISC	22336	FEDERAL HOME LOAN BANKS		11/12/14	.0200	WELLS FARGO SEC	1000	100,000,000.00	99,999,333.33		
10/31/14	313589P7	AGENCY US DISC	22337	FEDERAL NATIONAL MORTGA		11/17/14	.0190	JEFFRIES & CO	1000	9,200,000.00	9,199,830.57		
10/24/14	3130A3CS	FED HOME LOAN B	22302	FEDERAL HOME LOAN BANKS	.070	4/14/15	.1018	WELLS FARGO SEC	4101	12,000,000.00	11,998,200.00		
10/07/14	3134A4HK	AGENCY US BOND	22218	FEDERAL HOME LN MTC COR		7/15/15	.1854	MORGAN STANLEY	4101	2,000,000.00	1,997,140.00		
10/08/14	31358DHD	AGENCY US BOND	22219	FEDERAL NATIONAL MORTGA		10/15/14	.1029	BB&T CAPITAL MA	4101	5,850,000.00	5,849,883.00		
10/02/14	3134G3T4	AGENCY US NOTES	22190	FEDERAL HOME LOAN MORTG	1.500	11/13/17	.4005	BB&T CAPITAL MA	4000	4,320,000.00	4,325,395.68		11/13/14
10/16/14	3136G03Z	FED NATL MORTGA	22263	FEDERAL NATIONAL MORTGA	.750	10/30/17	.2477	PIERPONT SECURI	4000	10,000,000.00	10,001,950.00		10/30/15
10/01/14	3133E4NP	AGENCY US VARIA	20296	FEDERAL FARM CREDIT BAN	.350	5/01/15	.1145	MIZUHO SECURITI	4101	15,000,000.00	15,020,400.00		
10/02/14	3133E4NP	AGENCY US VARIA	20296	FEDERAL FARM CREDIT BAN	.350	5/01/15	.1151	MIZUHO SECURITI	4101	10,000,000.00	10,013,500.00		
10/03/14	613549CY	MUNI US 30/360	22188	MONTGOMERY CNTY OHIO RE	6.250	11/15/33	.1510	SOUTHWEST	1001	2,025,000.00	2,039,397.75		11/15/14
10/03/14	613549CZ	MUNI US 30/360	22189	MONTGOMERY CNTY OHIO RE	6.250	11/15/39	.1510	SOUTHWEST	1001	1,125,000.00	1,133,998.75		11/15/14
10/10/14	64711RNV	MUNI US 30/360	22220	NEW MEXICO FIN AUTH ST	4.000	12/15/14	.1805	SOUTHWEST	4001	300,000.00	302,067.00		
10/14/14	615401J8	MUNI US 30/360	22250	MOON AREA SCH DIST PA	5.000	11/15/19	.1649	SOUTHWEST	4001	1,600,000.00	1,606,656.00		11/15/14
10/16/14	871244AA	MUNI US 30/360	22249	SYLACAUGA ALA HEALTH CA	5.375	8/01/15	.3409	SOUTHWEST	1001	520,000.00	540,675.20		
10/28/14	76717JMS	MUNI US 30/360	22159	RIO RANCHO N MEX PUB SC	1.000	8/01/15	.2510	FTN FINANCIAL S	4000	670,000.00	673,798.50		
10/29/14	362550M8	MUNI US 30/360	22187	GADSDEN N MEX INDOPT SCH	4.000	8/15/15	.3005	FTN FINANCIAL S	4000	3,250,000.00	3,345,322.50		
10/29/14	362550M3	MUNI US 30/360	22234	GADSDEN N MEX INDOPT SCH	2.000	8/15/16	.6501	FTN FINANCIAL S	4000	475,000.00	486,419.00		
10/07/14	505395B8	MUNICIPAL BOND	22217	LABETTE CNTY KANS SINGL		12/01/14		SOUTHWEST	4001	425,000.00	424,885.25		
<b>27 PURCHASES DURING PERIOD TOTAL.....</b>										<b>317,837,000.00</b>	<b>318,229,448.75</b>		
<b>SALE TRANSACTIONS</b>													
10/10/14	01033690	CERTIFICATES OF	17655	FIRST NATIONAL BANK SAN	.550	10/15/14		SYSTEM - UNIDEN	1001	10,000,000.00	10,000,000.00		
10/10/14	912828R3	US TREASURY NOTE	21818	UNITED STATES TREASURY	1.000	9/30/16		BMO CAPITAL MAR	1001	20,000,000.00	20,176,362.50	27,344.62	
10/16/14	912828L5	US TREASURY NOTE	19627	UNITED STATES TREASURY	2.375	10/31/14		BMO CAPITAL MAR	4000	15,000,000.00	15,014,062.50	718.65	
10/30/14	912828ME	US TREASURY NOTE	20626	UNITED STATES TREASURY	2.625	12/31/14		DEUTSCHE BANK S	4002	15,000,000.00	15,064,453.13	2,388.39	
10/01/14	313381YP	AGENCY US NOTES	18357	FEDERAL HOME LOAN BANK		2/20/15		C. X. CLARKE & C	1001	4,000,000.00	4,002,440.00	1,107.25	
10/30/14	3137E4CY	AGENCY US NOTES	20607	FEDERAL HOME LOAN MORTG	.750	11/25/14		SOC GEN AMERICA	4002	8,000,000.00	8,003,824.00	629.76	
<b>6 SALES DURING PERIOD TOTAL.....</b>										<b>72,000,000.00</b>	<b>72,261,342.13</b>	<b>34,188.67</b>	
<b>== GRAND-TOTAL ==&gt;</b>										<b>389,837,000.00</b>	<b>390,490,790.88</b>	<b>34,188.67</b>	

END OF REPORT.



## 5. Investment Accounting Report



**James B. Lewis**  
State Treasurer

STATE OF NEW MEXICO  
OFFICE OF THE TREASURER  
2055 South Pacheco Street, (Suite 100 & 200)  
P.O. Box 5135  
Santa Fe, New Mexico 87505

**Marilyn L. Hill**  
Deputy State  
Treasurer

Phone: (505) 955-1120  
FAX (505) 955-1195

**MEMORANDUM**

DATE: November 24, 2014  
TO: Linda Roseborough, Chief Investment Officer & Investments Division Director  
FROM: Steve Vigil, Investment Accounting Bureau Chief SV  
CC: STO Investments Division  
SUBJECT: Weekly S&P Reconciliation and October 2014 Investments Reconciliation

**Weekly S&P Reconciliation**

All weekly S&P reconciliations were completed timely for October 2014. The reconciliations and accompanying data were submitted to S&P timely in order for the Office of the State Treasurer (STO) to maintain its rating affirmation.

**October 2014 Investments Reconciliation**

The Investment Accounting Bureau (IAB) completed the October 2014 investments reconciliation that included the following:

1. Asset and liabilities proofs to verify accuracy of the net asset value for all investment accounts.
2. Trial balance proofs to validate the change in transaction activity between September 30<sup>th</sup> and October 31<sup>st</sup>.
3. Cash proofs to verify cash transaction activity.
4. Earned income proof to validate the income earned for October 2014.
5. Proof of change in cost to corroborate that the cost of investments rolled forward correctly.
6. Verification that multiple cash transactions of the same investment holding have not been duplicated in error.
7. JP Morgan to QED inventory reconciliation.
8. JP Morgan to QED income reconciliation.

Market value materiality threshold is the total market value of a JP Morgan account times 5 basis points. The JPM – QED investment inventory reconciliation resulted in no material differences. Please refer to the JPM-QED investment inventory reconciliation.

Earned interest materiality threshold is the total market value of a JP Morgan account times 1/2 basis point. The JPM-QED income reconciliation revealed no material differences. Please refer to the JPM-QED income reconciliation.

JP Morgan to QED Inventory Reconciliations  
Oct-14

W/P Ref  
503

Market Value Reconciliation

JPM Account	Market Value	QED Fund #	Name	Market Value	Difference	BPS Dollar Threshold *
P 09336	618,538,939.69	1000	GF Liquidity	618,538,865.50	74.19	309,269.47
P 09337	1,488,708,420.63	1001	GF Core	1,488,722,471.93	(14,051.30)	744,354.21
P 09334	181,853,451.96	1101	ONREPO	181,858,912.92	(5,460.96)	90,926.73
P 89523	228,855,427.94	4001	STB	228,855,427.94	-	114,427.71
P 09335	476,887,145.83	4000	BPIP#1	476,889,763.75	(2,617.92)	238,443.57
P 09339	647,378,220.77	4002	BPIP#2	647,378,520.77	(300.00)	323,689.11
P 09333	583,061,904.92	4101	LGIP	583,061,950.32	(45.40)	291,530.95
<b>Total</b>	<b>4,225,283,511.74</b>			<b>4,225,305,913.13</b>	<b>(22,401.39)</b>	<b>2,112,641.76</b>

Cost Reconciliation

JPM Account	Cost	QED Fund #	Name	Cost	Difference	BPS Dollar Threshold *
P 09336	618,561,103.41	1000	GF Liquidity	618,561,105.06	(1.65)	309,280.55
P 09337	1,501,656,898.32	1001	GF Core	1,501,656,898.33	(0.01)	750,828.45
P 09334	181,853,451.96	1101	ONREPO	181,858,912.92	(5,460.96)	90,926.73
P 89523	229,062,922.60	4001	STB	229,137,314.07	(74,391.47)	114,531.46
P 09335	479,204,353.30	4000	BPIP#1	479,204,353.31	(0.01)	239,602.18
P 09339	651,586,296.82	4002	BPIP#2	651,586,296.82	-	325,793.15
P 09333	583,730,497.79	4101	LGIP	583,730,497.79	-	291,865.25
<b>Total</b>	<b>4,245,655,524.20</b>			<b>4,245,735,378.30</b>	<b>(79,854.10)</b>	<b>2,122,827.76</b>

Position Reconciliation

JPM Account	Position Size	QED Fund #	Name	Position Size	Difference	BPS Dollar Threshold *
P 09336	618,521,386.39	1000	GF Liquidity	618,521,388.07	(1.68)	309,260.69
P 09337	1,462,536,045.08	1001	GF Core	1,462,536,045.08	-	731,268.02
P 09334	181,853,451.96	1101	ONREPO	181,858,912.92	(5,460.96)	90,926.73
P 89523	228,768,043.94	4001	STB	228,768,043.94	-	114,384.02
P 09335	473,054,217.47	4000	BPIP#1	473,054,217.47	-	236,527.11
P 09339	640,548,106.89	4002	BPIP#2	640,548,106.89	-	320,274.05
P 09333	582,379,468.49	4101	LGIP	582,379,468.49	-	291,189.73
<b>Total</b>	<b>4,187,660,720.22</b>			<b>4,187,666,182.86</b>	<b>(5,462.64)</b>	<b>2,093,830.36</b>

\*Basis Point (BPS)Dollar Threshold  
JPM Market Value x 5 BPS  
JPM Cost x 5 BPS  
JPM Postion Size x 5 BPS  
0.0005

JP Morgan to QED Income Reconciliation  
Oct-14

W/P Ref  
504

JPM Account	Earned Interest	QED Fund #	Name	Earned Interest	Difference	BPS Dollar Threshold *
P 09336	67,034.58	1000	GF Liquidity	67,034.66	(0.08)	30,926.95
P 09337	2,180,347.95	1001	GF Core	2,185,727.38	(5,379.43)	74,435.42
P 09334	7,306.86	1101	ONREPO	7,306.85	0.01	9,092.67
P 89523	53,735.78	4001	STB	46,468.12	7,267.66	11,442.77
P 09335	423,049.63	4000	BPIP#1	422,641.81	407.82	23,844.36
P 09339	723,876.55	4002	BPIP#2	723,706.84	169.71	32,368.91
P 09333	314,971.38	4101	LGIP	314,954.46	16.92	29,153.10
<b>Total</b>	<b>3,770,322.73</b>			<b>3,767,840.12</b>	<b>2,482.61</b>	<b>211,264.18</b>

JP Morgan to QED Amortization/Accretion Reconciliation

JPM Account	Amortization/Accretion	QED Fund #	Name	Amortization/Accretion	Difference
P 09336	(5,494.68)	1000	GF Liquidity	(5,436.58)	(58.10)
P 09337	(1,014,904.73)	1001	GF Core	(1,038,405.46)	23,500.73
P 09334	-	1101	ONREPO	-	-
P 89523	(35,807.62)	4001	STB	(229,331.34)	193,523.72
P 09335	(216,485.70)	4000	BPIP#1	(35,700.01)	(180,785.69)
P 09339	(436,058.37)	4002	BPIP#2	(434,100.40)	(1,957.97)
P 09333	(239,328.63)	4101	LGIP	(235,333.56)	(3,995.07)
<b>Total</b>	<b>(1,948,079.73)</b>			<b>(1,978,307.35)</b>	<b>30,227.62</b>

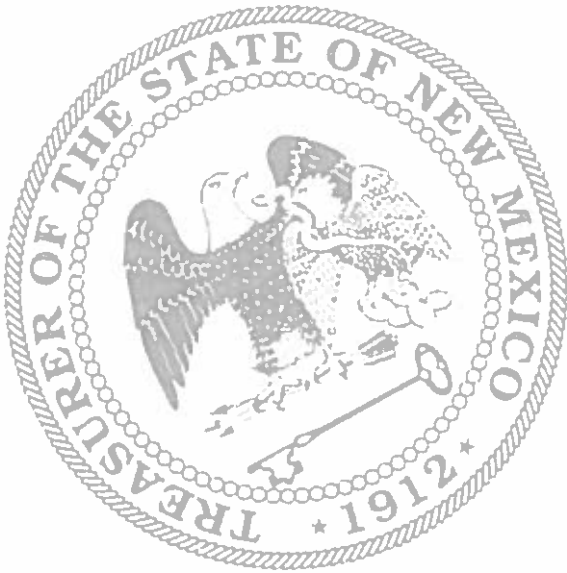
BPS Dollar Threshold \*

JP Morgan Market Value x .5 Basis Points (BPS)  
0.005%

Note: QED uses multiple methods (referenced below) to compute amortization/accretion where the configuration is matched with an asset type. JP Morgan uses, but is not limited to, the pro rata, straight line, and level yield methods for amortization/accretion. Therefore, the 30,227.62 difference stems from the accounting method JP Morgan uses to compute amortization/accretion vs. QED.

- 0 No Amortization (System Config Table Default)
- 1 Straight Line
- 2 Scientific, Simple Approximation
- 3 Constant Yield, Iterative with PSI effect
- 4 Level Yield, Smoothed
- 5 Cash Basis, Premium Offset by interest-rcvd
- 6 Sum of Years Digits
- 7 Straight Line Prem, Disc=Interest
- 8 Mod'd Cash Basis: Staight-Line-Prem up to Int-sold/rcvd
- 9 No Amortization (Explicit)

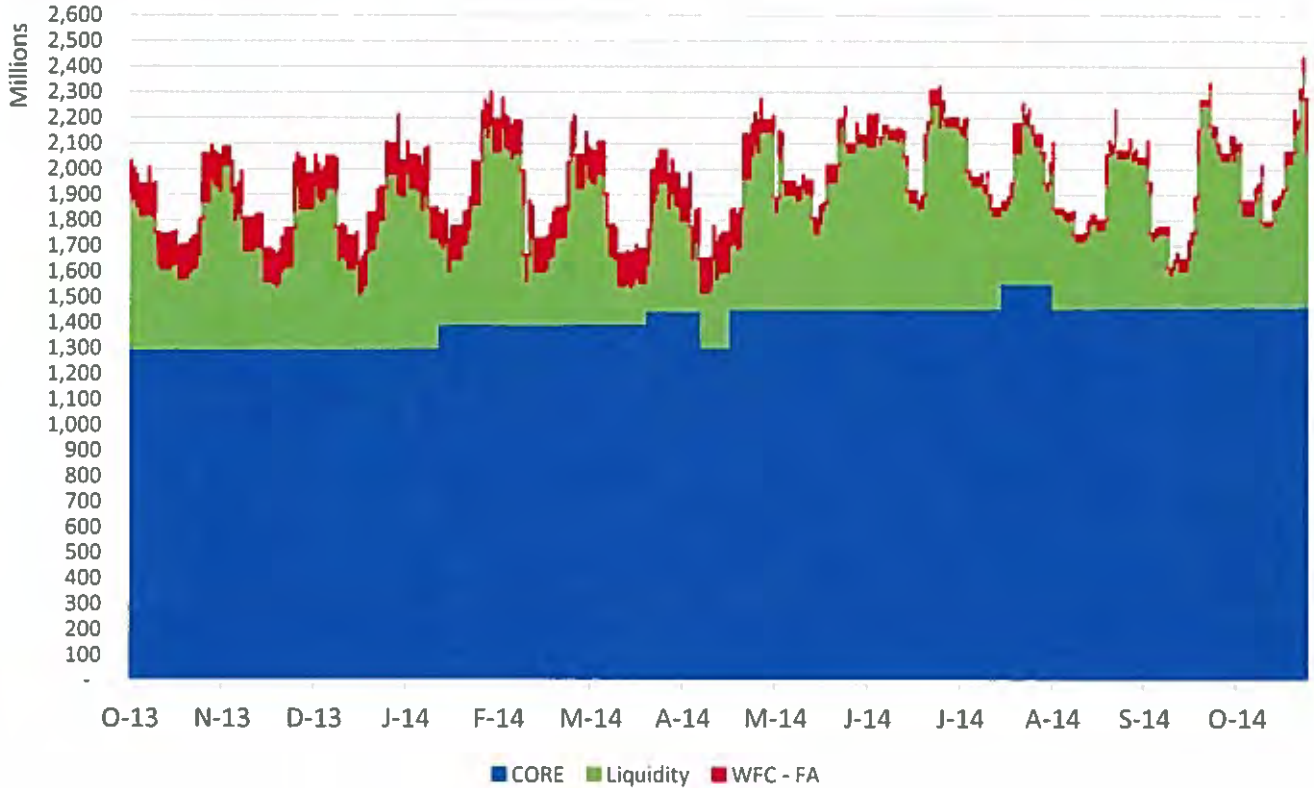




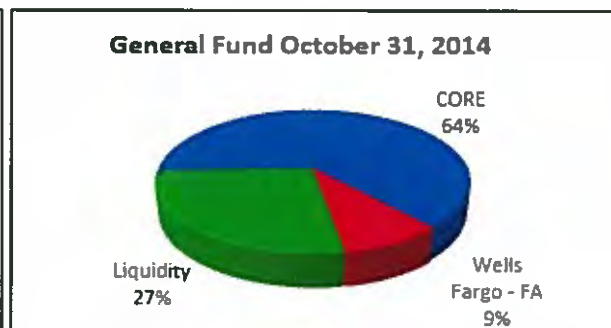
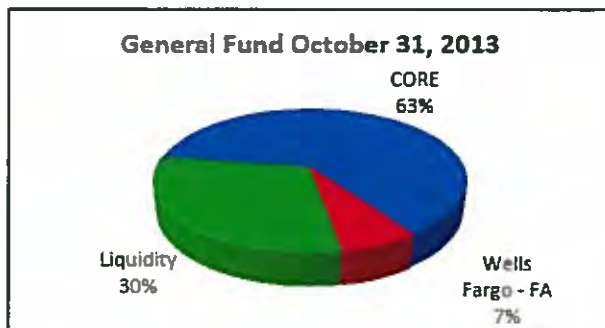
## 6. Cash Projections



## 1 Year -Cash Balances (Liquidity, Core, & Fiscal Agent Accounts)

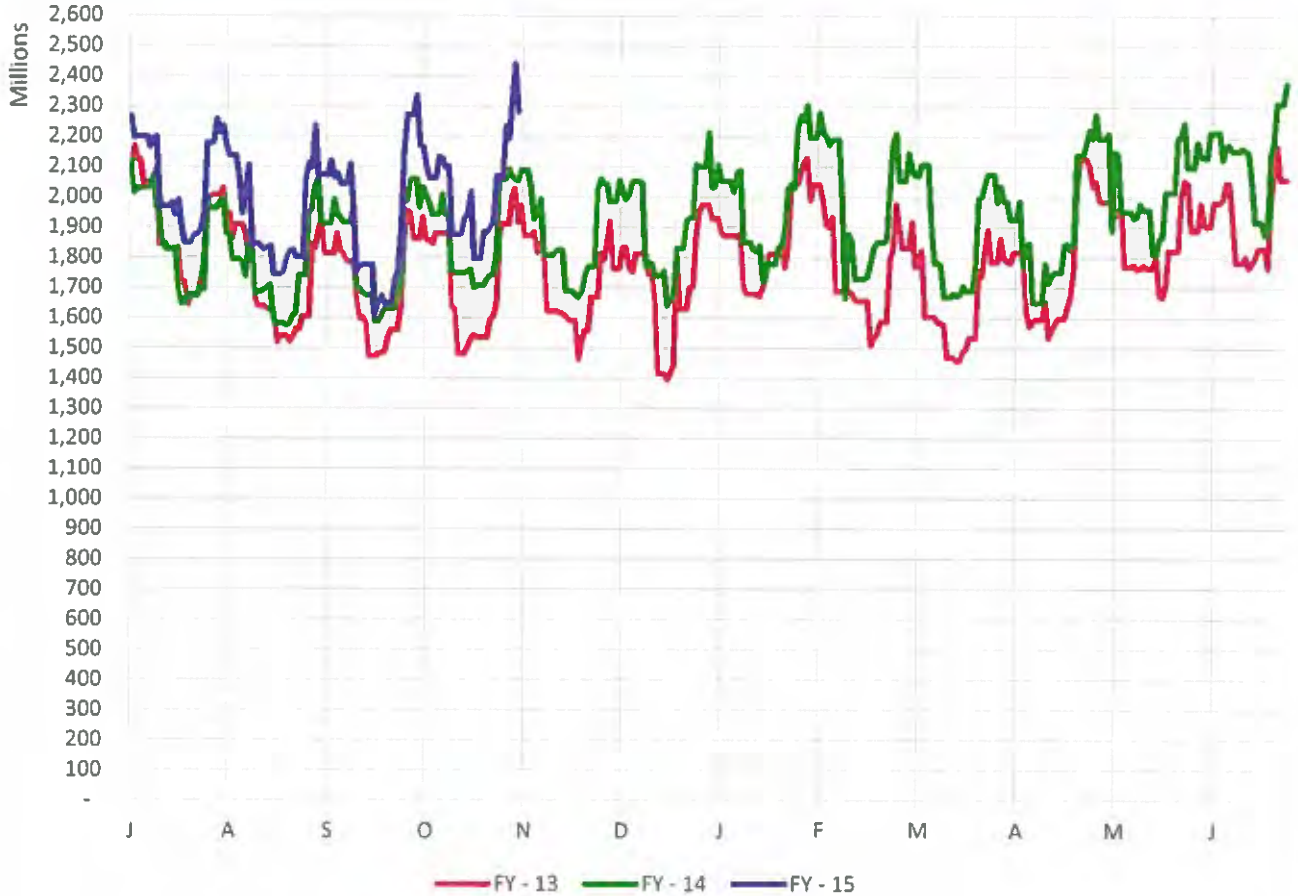


GENERAL FUND	Oct-13	Sep-14	Oct-14	Y-o-Y Change	M-o-M Change
Liquidity	618,430,703	668,911,070	618,521,388	90,685	(50,389,682)
CORE	1,295,085,386	1,461,137,692	1,462,536,045	167,450,659	1,398,353
Wells Fargo - FA	139,781,200	40,575,934	201,524,542	61,743,343	160,948,608
	<b>2,053,297,288</b>	<b>2,170,624,696</b>	<b>2,282,581,976</b>	<b>229,284,687</b>	<b>111,957,280</b>

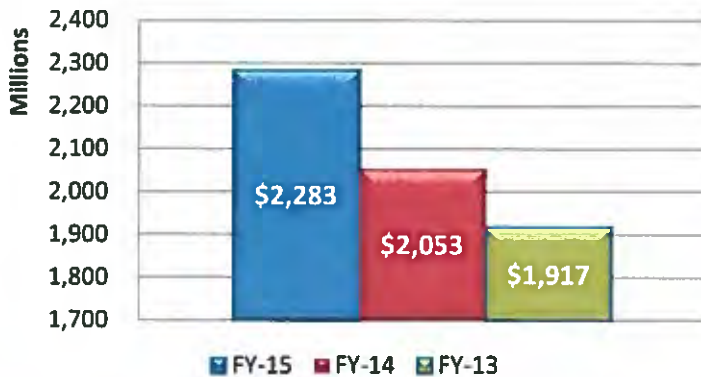




GFIP Y-o-Y



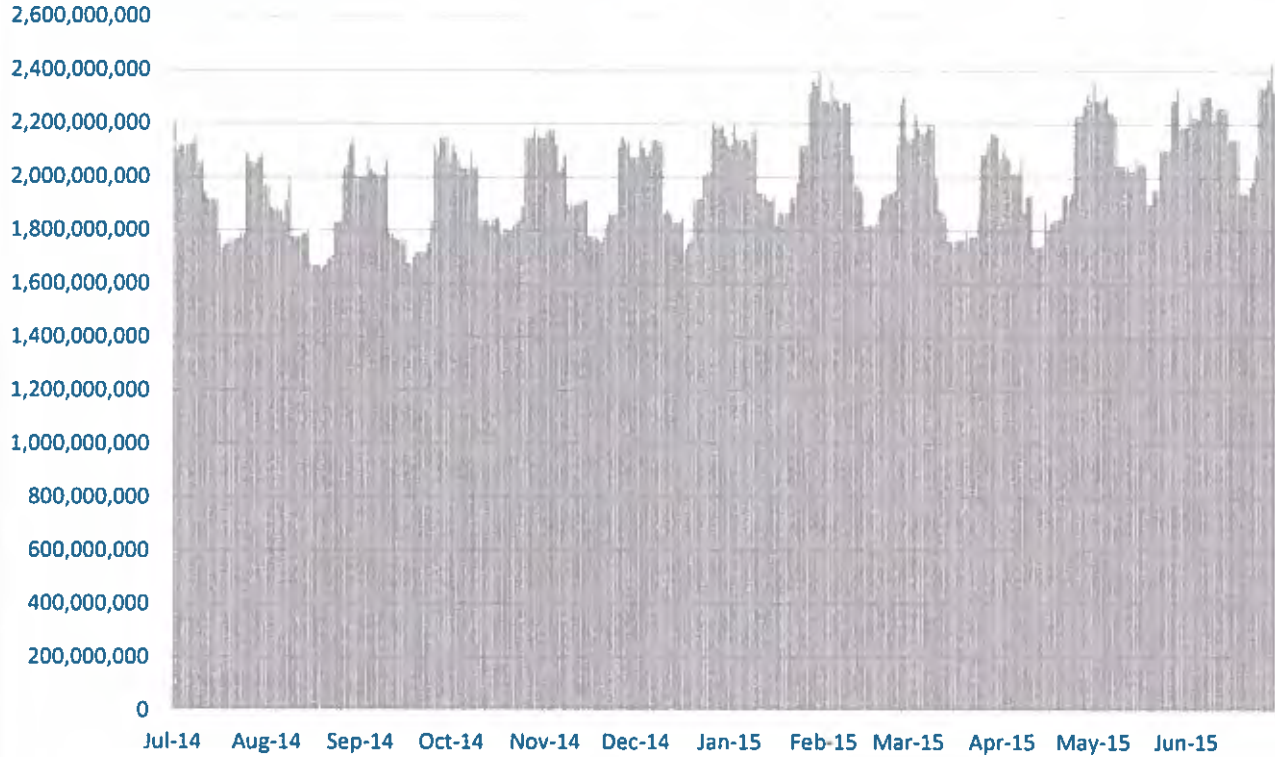
**GFIP October  
Month-end balances Y-o-Y**



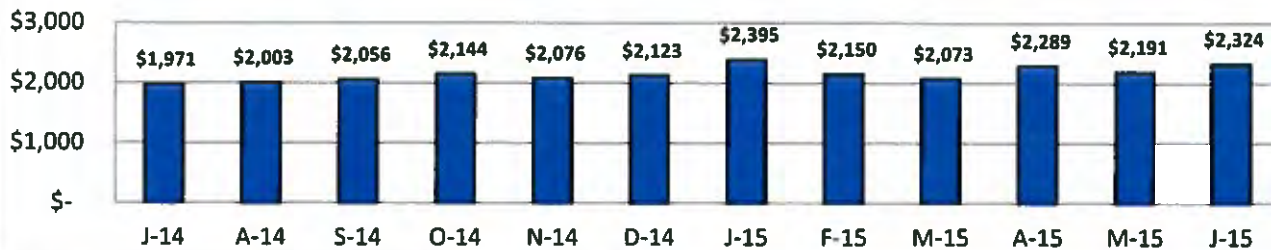
The balance as of October 31, 2014 of the General Fund Investments Pool (GFIP) Y-o-Y has increase 11.2% from October 31, 2013 and 19.1% increase from October 31, 2012 . M-o-M GFIP balances Increased to \$2.283 billion at October 31, 2014 from \$2.171 billion at September 30, 2014 a increase of \$112 million or 5.2%.



## FY - 15 GFIP Balance Projections



## GFIP Projected Month-Ending Balances FY-15 (in millions)



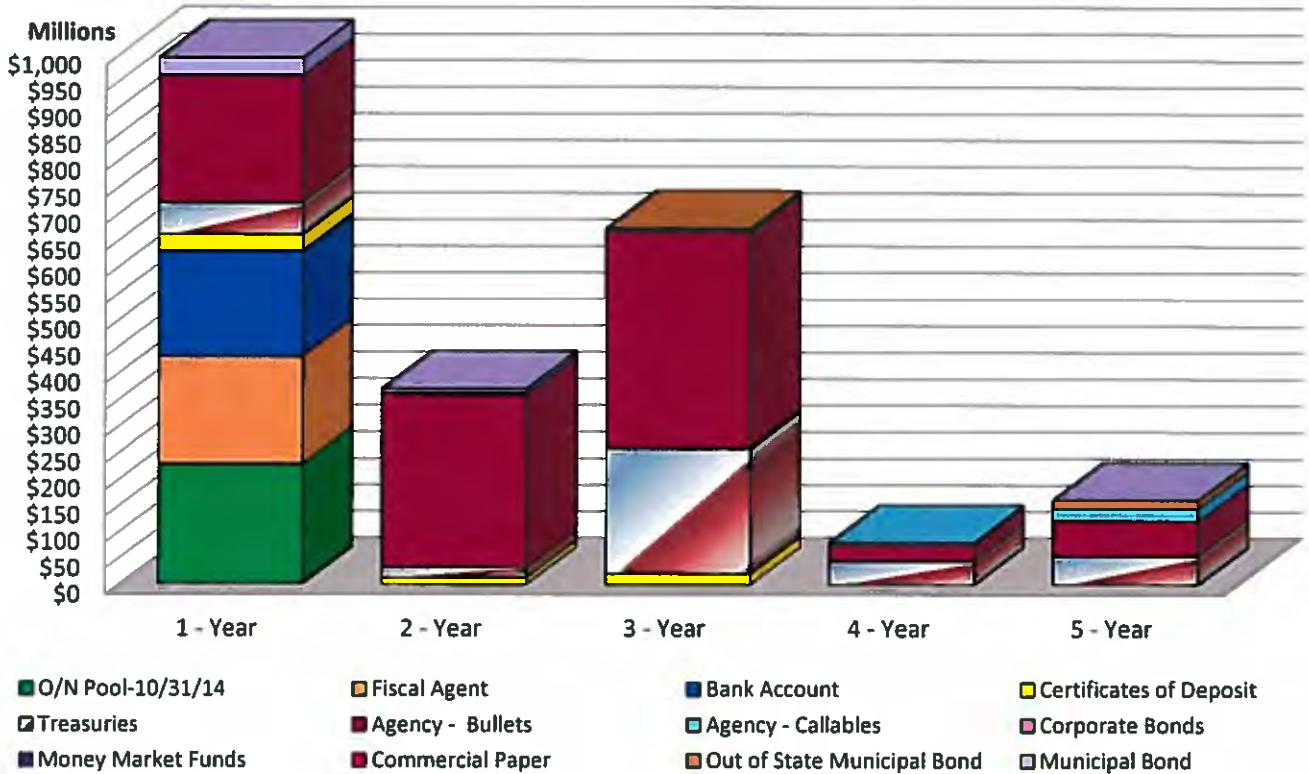
Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
\$ 1,971	\$ 2,003	\$ 2,056	\$ 2,144	\$ 2,076	\$ 2,123

Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15
\$ 2,395	\$ 2,150	\$ 2,073	\$ 2,289	\$ 2,191	\$ 2,324





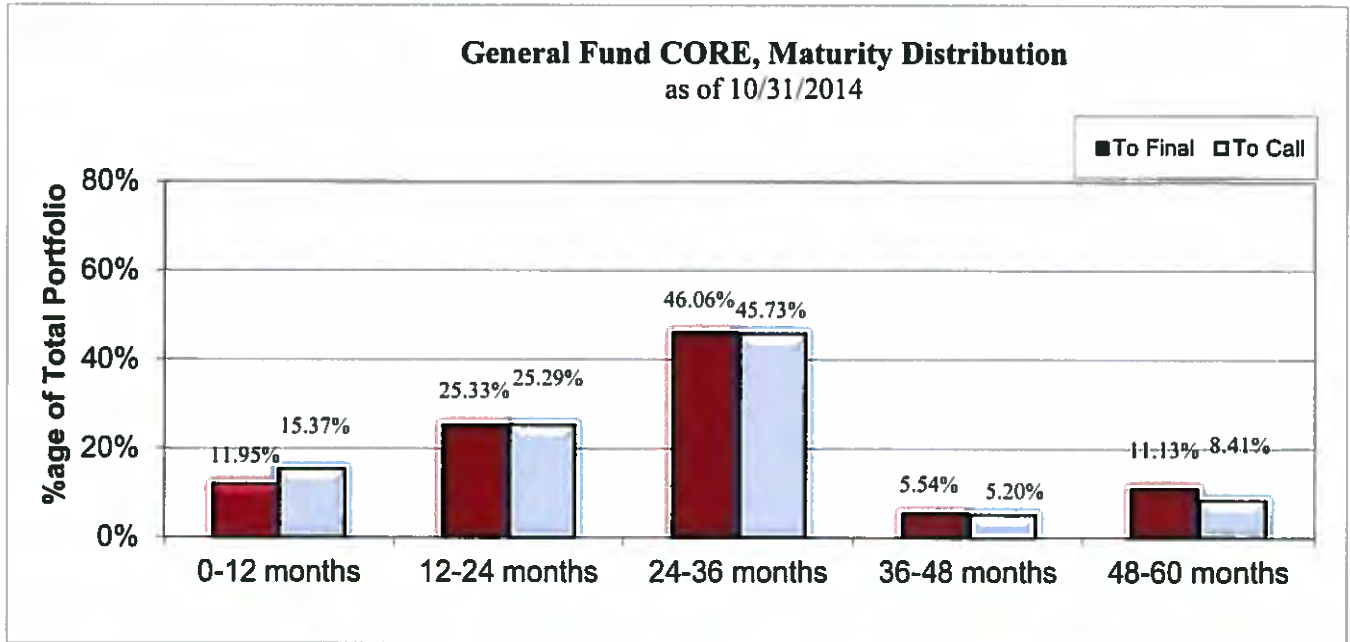
## General Fund Maturity Ladder by Year & Asset Type as of October 31, 2014



Asset Allocation	1 - Year	2 - Year	3 - Year	4 - Year	5 - Year	Total	%
Agency - Bullets	239,200,000	327,627,000	408,000,000	31,000,000	68,000,000	1,073,827,000	47%
Agency - Callables			5,000,000	5,000,000	22,225,000	32,225,000	1%
Corporate Bonds						0	0%
Money Market Funds	1,302					1,302	0%
Certificates of Deposit	29,750,000	13,000,000	20,000,000			62,750,000	3%
Municipal Bond	31,835,000	8,630,000			795,000	41,260,000	2%
Out of State Municipal Bond	2,405,000	1,250,000	2,075,000		16,690,000	22,420,000	1%
Commercial Paper						0	0%
Treasuries	60,000,000	20,000,000	238,500,000	45,000,000	55,000,000	418,500,000	18%
Bank Account	200,128,432					200,128,432	9%
Fiscal Agent	201,524,542					201,524,542	9%
O/N Pool-10/31/14	229,945,699					229,945,699	10%
<b>Total:</b>	<b>994,789,976</b>	<b>370,507,000</b>	<b>673,575,000</b>	<b>81,000,000</b>	<b>162,710,000</b>	<b>2,282,581,976</b>	<b>100%</b>
<b>% of Total:</b>	<b>44%</b>	<b>16%</b>	<b>30%</b>	<b>4%</b>	<b>7%</b>		

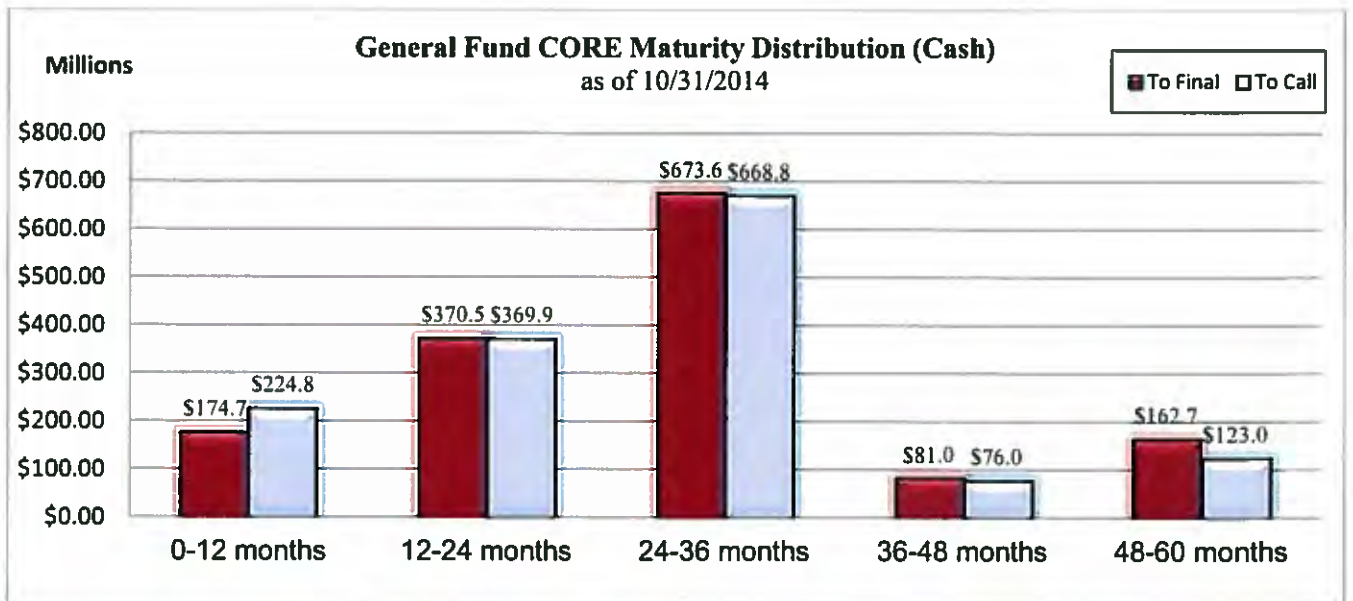


### General Fund CORE, Maturity Distribution as of 10/31/2014



	Oct-14	Sep-14	Change \$	Change%
0-12 months	\$174,744,045.08	\$194,140,691.56	-\$19,396,646.48	-11.1%
12-24 months	\$370,507,000.00	\$332,137,000.00	\$38,370,000.00	10.4%
24-36 months	\$673,575,000.00	\$669,175,000.00	\$4,400,000.00	0.7%
36-48 months	\$81,000,000.00	\$106,000,000.00	-\$25,000,000.00	-30.9%
48-60 months	\$162,710,000.00	\$159,685,000.00	\$3,025,000.00	1.9%

### General Fund CORE Maturity Distribution (Cash) as of 10/31/2014





## 7. Portfolio Summary- General Fund

## **Portfolio Summary – General Fund Investment Pool**

### *Summary*

- The General Fund Investment Pool (Bank balances, Liquidity and Core Portfolios) closed the month of October at \$2.1 Billion.

### *Portfolio Mix*

- At month end, 100% of the General Fund CORE portfolio was invested in fixed income securities; 25% in US Government Securities; 71% in Government Related Securities (Municipal Bonds and Agency Securities), and the balance ~4% in Cash and cash equivalents.
- 15% of the portfolio was invested in securities that mature in one year; 26% in securities that mature from 1-2 years; 53% in 2-4 years and 6% within 5 years.
- The General Fund Core portfolio held positions in 168 securities at the end of October.
- The Weighted Average Life of the CORE portion of the general fund was 2.27 years. The Weighted Average duration was 2.13 years.
- The benchmark duration for the CORE portfolio was 2.15 years.
- The maximum security term for the CORE portfolio is 5 years.

### *Performance*

- For the last 3 months, the general fund underperformed its benchmark. The general fund gained 0.52% while the benchmark gained 0.53%.
- For the last 12-months, the general fund outperformed its benchmark by 20 basis points. The general fund gained 0.93% while the benchmark rose 0.73%.

### *Market Value and Investment Earnings*

- Unrealized gains in the Core Portfolio at the end of October were \$5.6 million.
- Over the month, the unrealized value of the portfolio increased by \$4.0 million due to a decrease in relative interest rates.
- Monthly net earnings for October on the General Fund Portfolios were \$1.2 million.
- Year-to-date net earnings were over \$4.8 million.
- STO projection of those net earnings for FY15 is \$12.0 million.
- Earnings on the General Fund are used to offset General Fund Spending.

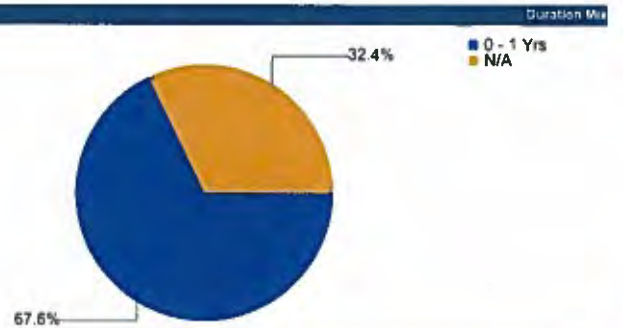
### *Investment Highlights*

- Maturing securities and free cash are invested to the benchmark duration.
- With the yield curve flattening, the portfolio may opportunistically unwind a portion of the bulleted posture.



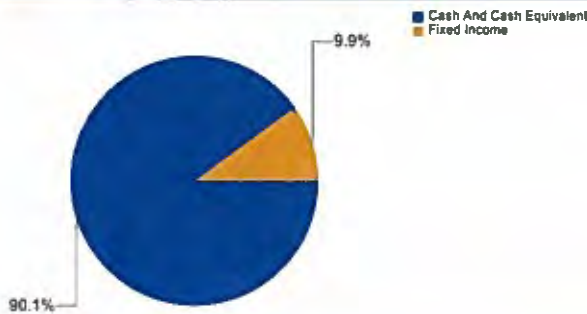
Portfolio Characteristics

Total Net Assets (Millions) **618.6**  
 Weighted Average Life (Years) **0.02**  
 Weighted Avg. Effective Duration (Years) **0.02**  
 Weighted Average Coupon (%) **0.06**  
 Weighted Average Current Yield (%) **0.06**  
 Weighted Average Yield to Maturity (%) **0.06**  
 Weighted Average Rating **AAA**  
 Number of Holdings **12**



Asset Mix

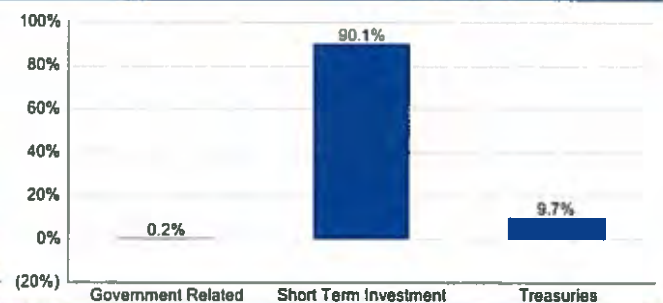
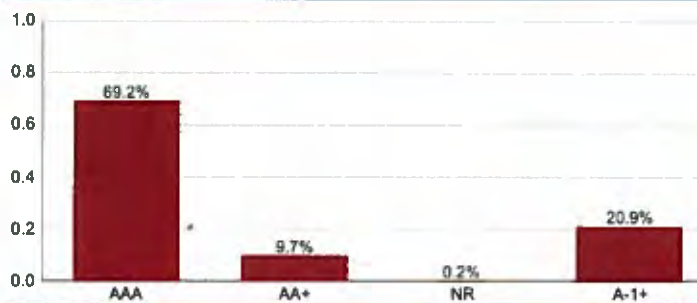
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
8949SLC10	BANK OF THE WEST	32.38%	0.00	3/11/2014
31338SP26	FEDERAL HOME LOAN BANKS DISCOUNT NOTES ZERO CPN	18.17%	0.00	12/11/2014
812826UD0	US 0.12500 '14	9.70%	0.12	3/11/2014
99EU40046	REPO MITSUBISHI UFJ SECURITIES (USA) INC. 103114Q	8.33%	0.11	3/11/2014
99EU40032	REPO MITSUBISHI UFJ SECURITIES (USA) INC. 103114P	8.33%	0.11	3/11/2014
99EU40039	REPO MITSUBISHI UFJ SECURITIES (USA) INC. 103114R	8.30%	0.11	3/11/2014
99EU40037	REPO MIZUHO SECURITIES USA INC 103114B	5.83%	0.05	3/11/2014
31338SM94	FEDERAL HOME LOAN BANKS DISCOUNT NOTES ZERO CPN	3.23%	0.00	3/11/2014
99EU40047	REPO MITSUBISHI UFJ SECURITIES (USA) INC. 103114G	1.92%	0.11	3/11/2014
99EU40034	REPO MITSUBISHI UFJ SECURITIES (USA) INC. 103114N	8.33%	0.11	3/11/2014

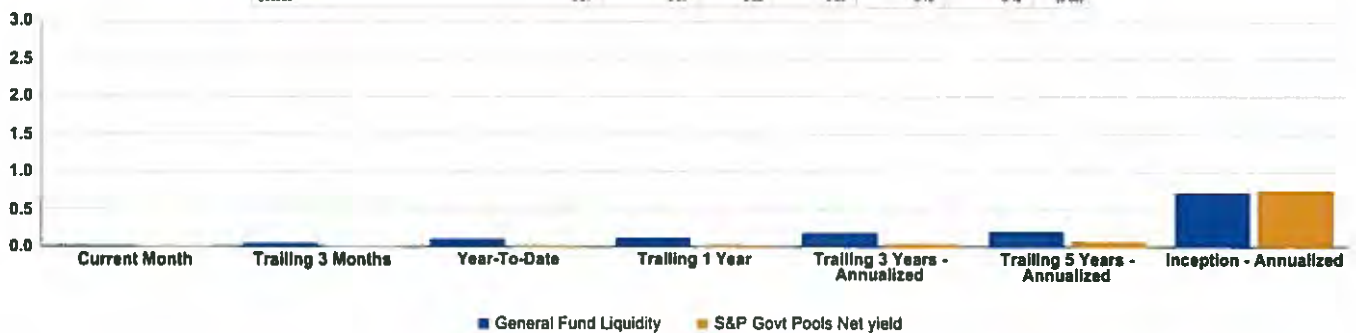
Quality/Rating Weightings

Sector Weightings (as % of Market Value)



Returns Series

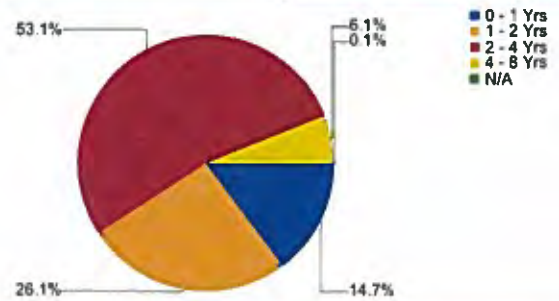
	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years - Annualized	Trailing 5 Years - Annualized	Inception
General Fund Liquidity	0.01	0.04	0.10	0.11	0.18	0.20	0.73
S&P Govt Pools Net yield	0.00	0.01	0.02	0.02	0.04	0.07	0.79
Excess	0.01	0.04	0.08	0.09	0.13	0.12	(0.03)



Portfolio Characteristics

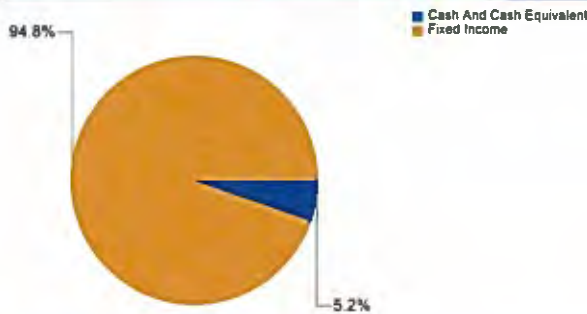
Total Net Assets (Millions)	1,494.6
Weighted Average Life (Years)	2.27
Weighted Avg. Effective Duration (Years)	2.13
Weighted Average Coupon (%)	1.84
Weighted Average Current Yield (%)	0.72
Weighted Average Yield to Maturity (%)	0.75
Weighted Average Rating	AA-
Number of Holdings	168

Duration Mix



Asset Mix

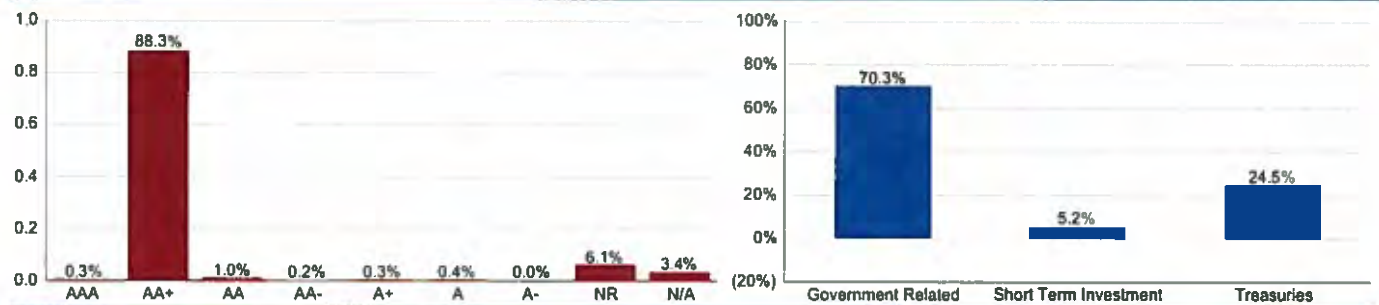
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
31358MH9	FEDERAL NATIONAL MORTGAGE ASSOC 5% BDS 15/MAR/2016	4.30%	5.00	15/3/2016
31358DLN1	FEDERAL NATIONAL MORTGAGE ASSOC 0.5% NTS	4.03%	0.50	2/7/2016
3137EACW7	FEDERAL HOME LOAN MORTGAGE CORP 2% BDS 25/AUG/2016	2.75%	2.00	25/8/2016
31358GV3	FEDERAL NATIONAL MORTGAGE ASSOC 1.25% MTO BDS	2.72%	1.25	30/1/2017
31358DCM3	FEDERAL NATIONAL MORTGAGE ASSOC 1.25% BDS	2.72%	1.25	28/9/2016
3137EADC0	FEDERAL HOME LOAN MORTGAGE CORP 1% BDS 08/MAR/2017	2.70%	1.00	8/3/2017
31359M2D4	FEDERAL NATIONAL MORTGAGE ASSOC 4.875% BDS	2.52%	4.88	15/12/2016
31358DBA0	FEDERAL NATIONAL MORTGAGE ASSOC 2.375% NTS	2.44%	2.38	11/4/2018
912828C65	UNITED STATES OF AMERICA NOTES FIXED 1.625%	2.38%	1.62	31/3/2019
912828S20	UNITED STATES 0.875% 02/17	2.28%	0.88	28/2/2017

Quality/Rating Weightings

Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year To Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
General Fund Core	0.34	0.62	1.53	0.93	0.94	1.28	2.58
General Core Index ML 0-5 Treasury	0.38	0.63	1.01	0.79	0.83	1.41	2.71
2 Stars	(0.05)	(0.01)	0.02	0.20	0.31	(0.13)	(0.18)



**STATE OF NEW MEXICO**  
**GENERAL FUND (1000)**  
**Portfolio Classification Summary**  
**Positions Held as of 10/31/14 (TRADE Basis)**

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	2	.1055	.00820	227,857,956	227,857,956	227,857,956		36.838
US TREASURY NOTE ACT/ACT 2X	1	.0543	.16710	60,000,000	60,006,916	60,000,000	-6,916	9.700
AGENCY US DISC ACT/360 360 DAY	3	.0185	.03005	129,200,000	129,199,164	129,199,241	77	20.888
MUNI US 30/360 2X	1	.2148	.29320	1,335,000	1,353,447	1,353,236	-211	.219
CASH ACCOUNT	1			200,128,432	200,128,432	200,128,432		32.355
	<u>8</u>	<u>.0485</u>	<u>.03864</u>	<u>618,521,388</u>	<u>618,545,915</u>	<u>618,538,865</u>	<u>-7,050</u>	<u>100.000</u>

**STATE OF NEW MEXICO**  
**TREASURERS OFFICE**  
 Position holdings as of 10/31/14 (TRADE)  
 BOOK VALUES AMORTIZED THROUGH 10/31/14

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
200,128,432	BANK OF THE WEST	CASHCASH				1.00000	200,128,432.42	200,128,432.00	- .42
<u>200,128,432</u>							<u>200,128,432.42</u>	<u>200,128,432.00</u>	- .42

====> 0001 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> NO-MEANINGFUL-DATE <====

20,000,000	FEDERAL HOME LOAN BANKS	313385M9		11/03/14		100.00000	20,000,000.00	20,000,000.00	
205,422,000	OVERNIGHT REPO	1103RP	.110	11/03/14	.110	1.00000	205,422,000.00	205,422,000.00	
22,435,956	OVERNIGHT REPO	1103RP	.050	11/03/14	.050	1.00000	22,435,955.65	22,435,955.65	
100,000,000	FEDERAL HOME LOAN BANKS	313385P2		11/12/14	.020	99.99933	99,999,333.33	99,999,333.33	
9,200,000	FEDERAL NATIONAL MORTGAGE ASSOCI	313589P7		11/17/14	.039	99.99816	9,199,830.57	9,199,908.00	77.43
60,000,000	UNITED STATES TREASURY NOTES	912828UD	.125	12/31/14	.054	100.01153	60,006,915.95	60,000,000.00	- 6,915.95
<u>417,057,956</u>							<u>417,064,035.50</u>	<u>417,057,196.98</u>	- 6,838.52

====> 0006 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2014 <====

1,335,000	LANCASTER TEX INDPT SCH DIST	514462C8	5.000	2/15/35	.212	101.38176	1,353,446.46	1,353,236.10	- 210.36
<u>1,335,000</u>							<u>1,353,446.46</u>	<u>1,353,236.10</u>	- 210.36

====> 0001 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2035 <====

<u>618,521,388</u>							<u>618,545,914.38</u>	<u>618,538,865.08</u>	- 7,049.30
--------------------	--	--	--	--	--	--	-----------------------	-----------------------	------------

====> 0008 ITEMS IN SUBTOTAL FOR ====> FUND NAME..... ====> GENERAL FUND <====

**STATE OF NEW MEXICO**  
**GENERAL FUND CORE (1001)**  
Portfolio Classification Summary  
Positions Held as of 10/31/14 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	.0507	.00820	2,087,743	2,087,743	2,087,743		.140
CERTIFICATES OF DEPOSIT	13	.5347	1.40894	62,750,000	62,750,000	62,750,000		4.215
US TREASURY NOTE ACT/ACT 2X	17	1.0635	2.81504	358,500,000	363,255,529	365,089,500	1,833,971	24.524
AGENCY US BOND 30/360 2X	14	.8359	1.91938	159,352,000	160,394,312	160,679,039	284,727	10.793
AGENCY 30/360 2X	3	.9672	1.88211	66,000,000	65,988,870	66,358,220	369,350	4.457
AGENCY US NOTES 30/360 2X	26	1.0093	2.30915	606,500,000	621,717,512	624,398,760	2,681,248	41.942
FED NATL MORTGAGE ASSN DEBS	5	.7702	1.46812	145,000,000	145,178,235	145,605,700	427,465	9.781
MUNI US 30/360 2X	78	.4230	.71587	57,345,000	58,236,136	58,250,010	13,874	3.913
MUNICIPAL BOND REVENUE	4	.5109	.81826	1,015,000	1,029,216	1,029,998	782	.069
MUNICIPAL BOND REVENUE ZERO CPN	6	.8230	1.20929	3,985,000	2,460,162	2,462,841	2,679	.165
UNITS - INVESTMENT POOL 1	1			1,302	1,302	1,302		
	<u>168</u>	<u>.9335</u>	<u>2.17962</u>	<u>1,462,536,045</u>	<u>1,483,099,017</u>	<u>1,488,713,113</u>	<u>5,614,096</u>	<u>100.000</u>

**STATE OF NEW MEXICO**  
**TREASURERS OFFICE**  
**Position holdings as of 10/31/14 (TRADE)**  
**BOOK VALUES AMORTIZED THROUGH 10/31/14**

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
1,302	UNITS - INVESTMENT POOL 1	UNITS001				.99998	1,301.98	1,302.00	.02
<b>1,302</b>							<b>1,301.98</b>	<b>1,302.00</b>	<b>.02</b>

====> 0001 ITEMS IN SUBTOTAL FOR ==>> FINAL-MATURITY.. ==>> NO-MEANINGFUL-DATE <====

2,087,743	OVERNIGHT REPO	1103RP	.050	11/03/14	.050	1.00000	2,087,743.10	2,087,743.10	
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACY	.750	11/25/14	.761	99.99910	9,999,910.28	10,004,200.00	4,289.72
5,000,000	CENTURY BANK SANTA FE	17099243	.350	12/15/14	.350	1.00000	5,000,000.00	5,000,000.00	
500,000	NEW MEXICO FIN AUTH ST TRANSN RE	64711REK	4.000	12/15/14	.181	100.46635	502,331.74	502,285.00	- 46.74
<b>17,587,743</b>							<b>17,589,985.12</b>	<b>17,594,228.10</b>	<b>4,242.98</b>

====> 0004 ITEMS IN SUBTOTAL FOR ==>> FINAL-MATURITY.. ==>> 2014 <====

20,000,000	FED NATL MORTGAGE ASSN DEBS	3135G0HG	.375	3/16/15	.534	99.94047	19,988,093.13	20,019,000.00	30,906.87
5,000,000	CENTURY BANK SANTA FE	17099253	.370	3/18/15	.370	1.00000	5,000,000.00	5,000,000.00	
250,000	GUADALUPE CREDIT UNION	735605	1.000	3/26/15	1.000	1.00000	250,000.00	250,000.00	
540,000	NEW MEXICO ST UNIV REVS	647429V6	.800	4/01/15	.800	100.00000	540,000.00	540,723.60	723.60
155,000	BERNALILLO CNTY N MEX GROSS RCPT	08527NDX	5.125	4/01/15	.271	102.01979	158,130.68	158,030.25	- 100.43
345,000	LOS LUNAS NM GROSS RECPTS TAX RE	54559CT	2.000	4/01/15	.301	100.70690	347,438.82	347,438.82	
3,000,000	FARMERS & STOCKMEN'S BANK	8521510	.400	4/23/15	.400	1.00000	3,000,000.00	3,000,000.00	
1,000,000	FARMERS AND STOCKMENS BANK	8521543	.300	4/29/15	.300	1.00000	1,000,000.00	1,000,000.00	
130,000	VILLAGE OF CORRALES NM	22026TAB	2.000	5/01/15	.450	100.77311	131,005.04	131,116.70	111.66
400,000	NEW MEXICO MILITARY INST AT ROSW	647183BU	.751	6/01/15	.751	100.00000	400,000.00	400,316.00	316.00
200,000	SANTA FE N MEX GROSS RCPTS TAX/W	80207RAJ	5.000	6/01/15	.371	102.69473	205,389.46	204,978.00	- 411.46
650,000	UNIVERSITY N MEX UNIV REVS	914692N4	3.000	6/01/15	.200	101.63126	660,603.22	660,627.50	24.28
1,610,000	SANDOVAL CNTY NM INCENT PAY REV	800051AT	.579	6/01/15	.579	100.00000	1,610,000.00	1,610,853.30	853.30
1,030,000	LAS CRUCES N MEX GROSS RCPTS TAX	51748TGS	2.000	6/01/15	.201	101.04819	1,040,796.35	1,040,330.90	- 465.45
500,000	WESTERN BANK CLOVIS	0.515981	.500	6/03/15	.500	1.00000	500,000.00	500,000.00	
200,000	NEW MEXICO FIN AUTH REV	64711NTU	.950	6/15/15	.950	100.00000	200,000.00	200,382.00	382.00
530,000	NEW MEXICO FIN AUTH REV	64711NVF	2.000	6/15/15	.200	101.11850	535,928.07	535,782.30	- 145.77
3,000,000	CENTURY BANK SANTA FE	17099254	.200	6/17/15	.200	1.00000	3,000,000.00	3,000,000.00	
10,000,000	SOUTHWEST NATIONAL BANK	1623234	.200	6/17/15	.200	1.00000	10,000,000.00	10,000,000.00	
1,500,000	ALBUQUERQUE BERNALILLO CNTY WT J	013493ER	5.000	7/01/15	.461	103.01757	1,545,263.50	1,547,640.00	2,376.50
115,000	CITY OF ALBUQUERQUE NM	01354MEW	2.000	7/01/15	.310	101.12434	116,292.99	116,343.20	50.21
200,000	ALBUQUERQUE BERNALILLO CNTY WT	013493BE	4.250	7/01/15	.270	102.64866	205,297.31	205,370.00	72.69



**STATE OF NEW MEXICO**  
**TREASURERS OFFICE**  
 Position holdings as of 10/31/14 (TRADE)  
 BOOK VALUES AMORTIZED THROUGH 10/31/14

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
300,000	WESTMORELAND CNTY PA MUN AUTH MU	961017BV		7/01/15		99.69200	299,076.00	299,373.00	297.00
100,000	ABQ BERN CNTY WT JT WTR & SWR S	013493DV	3.000	7/01/15	.271	101.81652	101,816.52	101,823.00	6.48
60,000,000	FED NATL MORTGAGE ASSN DEBS	3135G0LN	.500	7/02/15	.504	99.99720	59,998,322.99	60,135,600.00	137,277.01
25,000	SOUTHERN SANDOVAL CNTY N MEX A	843789FH	2.000	8/01/15	.700	100.97016	25,242.54	25,296.25	53.71
500,000	BELEN N MEX CONS SCH DIST NO 2 G	077581NU	2.000	8/01/15	.500	101.12098	505,604.88	506,485.00	880.12
250,000	BERNALILLO NM MUNI SCH DIST #1	85279PF8	3.130	8/01/15	.505	101.96191	254,904.77	254,904.77	
500,000	ALBUQUERQUE N MEX MUN SCH DIST S	013595RX	2.000	8/01/15	.450	101.15878	505,793.92	506,485.00	691.08
150,000	TRUTH OR CONSEQUENCES N MEX MU G	898439EE	2.000	8/01/15	.600	101.04538	151,568.07	151,777.50	209.43
125,000	BERNALILLO N MEX MUN SCH DIST GO	085279RU	2.000	8/01/15	.500	101.12114	126,401.42	126,481.25	79.83
200,000	SANDOVAL CNTY N MEX	80004PDN	2.000	8/01/15	.490	101.12862	202,257.23	202,370.00	112.77
225,000	RUIDOSS MUNICIPAL SCHOOL DISTRIC	781338JL	2.000	8/01/15	.301	101.27184	227,861.65	227,918.25	56.60
9,000,000	SANTA FE PUBLIC SCHOOL ETN 2014	SFPS2015	.350	8/01/15	.350	100.00000	9,000,000.00	9,000,000.00	
3,500,000	ALBUQUERQUE N MEX MUN SCH DISTNO	013595TL	2.000	8/01/15	.220	101.33278	3,546,647.23	3,545,395.00	- 1,252.23
520,000	SYLACAUGA ALA HEALTH CARE AUTHRE	871244AA	5.375	8/01/15	.341	103.76696	539,588.19	539,775.60	187.41
1,000,000	GADSDEN INDEPENDENT SCHOOL DIST	GISD15R2	.800	8/15/15	.800	100.00000	1,000,000.00	1,000,000.00	
5,025,000	GALLUP N MEX POLLUTION CTL REV	364070BE	5.000	8/15/15	.500	103.53771	5,202,770.17	5,204,292.00	1,521.83
1,000,000	GADSDEN IND SCH DIST EDU TECH GO	GISD2015	.800	8/15/15	.800	100.00000	1,000,000.00	1,000,000.00	
235,000	DONA ANA CNTY N MEX	257579CM	2.000	9/01/15	.470	101.27068	237,986.10	238,381.65	395.55
300,000	LOVINGTON N MEX MUN SCH DIST NO	547473DH	2.000	9/01/15	.351	101.37112	304,113.37	304,317.00	203.63
335,000	TAOS N MEX SCH DIST	87601UAK	4.000	9/01/15	.270	103.10239	345,393.00	345,318.00	- 75.00
250,000	MID PENINSULA REGL OPEN SPACE DI	598024AU		9/01/15		99.36600	248,415.00	249,097.50	682.50
165,000	FARMINGTON N MEX MUN SCH DIST NO	311441KV	2.000	9/01/15	.301	101.41311	167,331.63	167,374.35	42.72
865,000	FARMINGTON N MEX MUN SCH DIST NO	311441LJ	2.000	9/01/15	.301	101.41311	877,223.38	877,447.35	223.97
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACM	1.750	9/10/15	1.001	100.63805	20,127,610.13	20,268,600.00	140,989.87
100,000	AZTEC N MEX MUN SCH DIST NO 002	054879GZ	3.250	10/01/15	.330	102.67011	102,670.11	102,570.00	- 100.11
130,000	GRANTS / CIBOLA CNTY N MEX SCHDI	388240GD	2.000	10/01/15	.360	101.49901	131,948.71	131,874.60	- 74.11
2,000,000	FARMERS AND STOCKMENS BANK	8521544	.350	10/29/15	.350	1.00000	2,000,000.00	2,000,000.00	
250,000	GOAT HILL PPTYS WASH LEASE REV	38020YAH	5.000	12/01/15	.250	100.39530	250,988.26	250,887.50	- 100.76
750,000	NEW MEXICO EDL ASSISTANCE FNDTN	647110ET	4.000	12/01/15	.280	104.02072	780,155.40	779,640.00	- 515.40
300,000	NEW MEXICO FIN AUTH ST TRANSN RE	64711RDC	5.000	12/15/15	.360	105.19096	315,572.88	315,759.00	186.12
100,000	NEW MEXICO FIN AUTH ST TRANSN RE	64711RHW	5.000	12/15/15	.330	105.22617	105,226.17	105,325.00	98.83
<b>158,555,000</b>							<b>159,116,728.29</b>	<b>159,433,501.14</b>	<b>316,772.85</b>

====> 0053 ITEMS IN SUBTOTAL FOR =====> FINAL-MATURITY.. =====> 2015 <=====

60,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MH8	5.000	3/15/16	.661	105.91670	63,550,020.98	63,828,000.00	277,979.02
580,000	NEW MEXICO ST UNIV REVS	647429V7	1.000	4/01/16	1.000	100.00000	580,000.00	579,512.80	- 487.20
720,000	LOS LUNAS NM GROSS RECPTS TAX RE	545559CU	2.000	4/01/16	.530	102.07173	734,916.47	734,407.20	- 509.27

**STATE OF NEW MEXICO  
TREASURERS OFFICE**

Position holdings as of 10/31/14 (TRADE)  
BOOK VALUES AMORTIZED THROUGH 10/31/14

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
35,500,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0BA	2.375	4/11/16	.793	102.26810	36,305,175.64	36,483,350.00	178,174.36
1,000,000	FARMERS AND STOCKMENS BANK	8521545	.450	4/29/16	.450	1.00000	1,000,000.00	1,000,000.00	
135,000	VILLAGE OF CORRALES NM	22026TAC	2.000	5/01/16	.750	101.86080	137,512.08	137,490.75	- 21.33
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACT	2.500	5/27/16	1.080	102.20686	20,441,372.14	20,640,400.00	199,027.86
100,000	NEW MEXICO MILITARY INST AT ROSW	647183BV	1.182	6/01/16	1.182	100.00000	100,000.00	100,190.00	190.00
160,000	LOS ALAMOS CNTY N MEX INC GROSS	54423TAM	5.750	6/01/16	.535	108.21037	173,136.59	172,086.40	- 1,050.19
205,000	LAS VEGAS N MEX GROSS RCPTS TAX	51778TBN	2.000	6/01/16	.550	102.28220	209,678.52	209,503.85	- 174.67
100,000	SANTA FE N MEX GROSS RCPTS TAXRE	802072MS	5.000	6/01/16	.500	107.08741	107,087.41	106,477.00	- 610.41
125,000	NEW MEXICO FIN AUTH REV	64711NPZ	2.500	6/01/16	.680	102.86058	128,575.73	127,798.75	- 776.98
25,000,000	FEDERAL AGRICULTURAL MORTG CORP	31315PB7	.900	6/09/16	.900	100.00000	25,000,000.00	25,178,000.00	178,000.00
100,000	NEW MEXICO FIN AUTH REV	64711NTV	1.250	6/15/16	1.250	100.00000	100,000.00	100,143.00	143.00
325,000	NEW MEXICO FIN AUTH REV	64711NVG	3.000	6/15/16	.480	104.06648	338,216.06	338,555.75	339.69
7,500,000	FEDERAL FARM CREDIT BANKS	3133EDDP	.520	6/17/16	.520	100.00000	7,500,000.00	7,495,575.00	- 4,425.00
12,500,000	FEDERAL HOME LOAN BANK	3133834R	.375	6/24/16	.432	99.90628	12,488,285.05	12,480,375.00	- 7,910.05
180,000	NEW MEXICO ST SEVERANCE TAX	647310Q4	5.000	7/01/16	.699	107.11286	192,803.14	193,834.80	1,031.66
1,000,000	ALBUQUERQUE BERNALILLO CNTY WT J	013493ES	5.000	7/01/16	.830	106.88629	1,068,862.90	1,076,690.00	7,827.10
500,000	ALBUQUERQUE BERNALILLO CNTY WT J	013493DW	4.000	7/01/16	.830	105.23481	526,174.04	529,610.00	3,435.96
200,000	RUIDOSO N MEX WASTEWATER REV REF	781324AC	2.000	7/01/16	.800	101.98208	203,964.15	203,750.00	- 214.15
200,000	CITY OF ALBUQUERQUE NM	01354MEX	3.000	7/01/16	.560	104.04138	208,082.75	208,548.00	465.25
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MS6	5.375	7/15/16	1.126	107.15582	21,431,163.07	21,623,600.00	192,436.93
16,000,000	FARMER MAC	31315PR8	.770	8/01/16	.810	99.93044	15,988,870.43	16,006,720.00	17,849.57
500,000	BELEN N MEX CONS SCH DIST NO 2 G	077581NV	2.000	8/01/16	.770	102.13347	510,667.36	513,495.00	2,827.64
125,000	TRUTH OR CONSEQUENCES N MEX MU G	898439EF	2.000	8/01/16	1.000	101.72954	127,161.93	128,088.75	926.82
225,000	SANDOVAL CNTY N MEX	80004PDP	2.000	8/01/16	.710	102.23902	230,037.79	230,481.00	443.21
2,000,000	SANTA FE PUBLIC SCHOOLS ETN 2014	SFPS2016	.750	8/01/16	.750	100.00000	2,000,000.00	2,000,000.00	
400,000	RHODE ISLAND DEPOSITORS ECONOMIC	76218KEN	6.250	8/01/16	1.920	107.41357	429,654.26	428,416.00	- 1,238.26
40,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACW	2.000	8/25/16	.832	102.10123	40,840,490.52	41,025,200.00	184,709.48
1,127,000	FEDERAL FARM CREDIT BANKS	31331V2U	5.125	8/25/16	.590	108.18117	1,219,201.80	1,218,174.30	- 1,027.50
20,000,000	UNITED STATES TREASURY NOTES	912828RF	1.000	8/31/16	.929	100.12732	20,025,463.31	20,200,000.00	174,536.69
2,000,000	Bank 34	01010047	.600	8/31/16	.600	1.00000	2,000,000.00	2,000,000.00	
40,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0CM	1.250	9/28/16	.918	100.62672	40,250,689.15	40,543,600.00	292,910.85
600,000	ATLANTA GA URBAN RESIDENTIAL FIN	047856DL		10/01/16	.200	85.29500	511,770.00	512,106.00	336.00
10,000,000	FIRST NATIONAL SANTA FE	84000530	.600	10/10/16	.600	1.00000	10,000,000.00	10,000,000.00	
30,000,000	FEDERAL HOME LOAN MORTGAGE CORP.	3137EADS	.875	10/14/16	.862	100.02588	30,007,762.53	30,189,000.00	181,237.47
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EAAJ	5.125	10/18/16	.553	108.91743	21,783,486.40	21,751,400.00	- 32,086.40
250,000	GOAT HILL PPTYS WASH LEASE REV	38020YAJ	5.250	12/01/16	.251	100.41605	251,040.12	250,932.50	- 107.62
34,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359M2D	4.875	12/15/16	.582	109.04124	37,074,022.10	37,035,520.00	- 38,502.10
10,000,000	FEDERAL HOME LOAN BANKS	3133XH2K	4.750	12/16/16	.694	108.53959	10,853,959.16	10,850,100.00	- 3,859.16
25,000,000	UNITED STATES TREAS NTS	912828RX	.875	12/31/16	.776	100.21203	25,053,008.56	25,142,500.00	89,491.44
<b>438,357,000</b>							<b>451,682,312.14</b>	<b>453,573,631.85</b>	<b>1,891,319.71</b>

==== 0042 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== 2016 <====



**STATE OF NEW MEXICO**  
**TREASURERS OFFICE**  
Position holdings as of 10/31/14 (TRADE)  
BOOK VALUES AMORTIZED THROUGH 10/31/14

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
800,000	INDIANA BD BK REV	45462TAH	5.120	1/15/17	.281	100.99322	807,945.77	807,376.00	- 569.77
25,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PN8	1.100	1/26/17	1.100	100.00000	25,000,000.00	25,173,500.00	173,500.00
40,000,000	FED NATL MORTGAGE ASSN DEBS	3135G0GY	1.250	1/30/17	1.054	100.43310	40,173,240.43	40,464,800.00	291,559.57
20,000,000	UNITED STATES TREAS NTS	912828SC	.875	1/31/17	.846	100.06500	20,013,000.50	20,109,400.00	96,399.50
20,000,000	FEDERAL HOME LOAN BANK	3133786Q	1.000	2/13/17	1.030	99.93113	19,986,226.21	20,103,400.00	117,173.79
20,000,000	FREDDIE MAC	3137EADT	.875	2/22/17	.928	99.87891	19,975,782.42	20,066,800.00	91,017.58
33,500,000	UNITED STATES TREAS NTS	912828SJ	.875	2/28/17	.872	100.00721	33,502,416.65	33,667,500.00	165,083.35
20,000,000	UNITED STATES TREASURY NOTES	912828MS	3.000	2/28/17	.863	104.91526	20,983,052.47	21,079,600.00	96,547.53
40,000,000	FED HOME LOAN MORTGAGE CORP DBS	3137EADC	1.000	3/08/17	1.019	99.95633	39,982,532.04	40,239,200.00	256,667.96
20,000,000	FEDERAL HOME LOAN BANKS	3133782N	.875	3/10/17	.783	100.21456	20,042,912.72	20,048,200.00	5,287.28
20,000,000	UNITED STATES TREASURY NOTES	912828SM	1.000	3/31/17	.905	100.22503	20,045,005.02	20,142,200.00	97,194.98
9,000,000	FARMER MAC	31315PS2	.980	4/10/17	1.015	99.91568	8,992,411.32	9,045,810.00	53,398.68
20,000,000	FIRST NATIONAL SANTA FE	84000531	.850	4/10/17	.850	1.00000	20,000,000.00	20,000,000.00	
10,000,000	FED NATL MORTGAGE ASSN DEBS	3133G0JA	1.125	4/27/17	1.049	100.18581	10,018,581.36	10,082,300.00	63,718.64
8,000,000	FARMER MAC	31315PY8	.930	5/01/17	.970	99.90145	7,992,115.63	8,020,800.00	28,684.37
20,000,000	UNITED STATES TREASURY NOTES	912828SY	.625	5/31/17	1.009	99.02523	19,805,045.65	19,915,600.00	110,554.35
23,000,000	FEDERAL HOME LOAN BANKS	313379FW	1.000	6/09/17	.928	100.18600	23,042,779.28	23,024,840.00	- 17,939.28
30,000,000	FEDERAL HOME LN MTG CORP	3137EADH	1.000	6/29/17	.981	100.05038	30,015,113.24	30,096,600.00	81,486.76
20,000,000	UNITED STATES TREASURY NOTES	912828TB	.750	6/30/17	1.028	99.27034	19,854,067.41	19,964,000.00	109,932.59
390,000	PUERTO RICO ELEC PWR AUTH PWR RE	745268JV		7/01/17	.103	89.85700	350,442.30	351,647.40	1,205.10
635,000	PUERTO RICO ELEC PWR AUTH PWR RE	745268YF		7/01/17	.103	89.85700	570,591.95	570,242.70	- 349.25
9,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PDT	3.020	7/14/17	1.056	105.21870	9,469,683.07	9,501,570.00	31,886.93
30,000,000	UNITED STATES TREASURY NOTES	912828WT	.875	7/15/17	.966	99.75851	29,927,553.28	30,044,400.00	116,846.72
25,500,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADJ	1.000	7/28/17	.919	100.21928	25,555,917.07	25,543,860.00	- 12,057.07
20,000,000	UNITED STATES TREASURY NOTES	912828NR	2.375	7/31/17	1.122	103.38074	20,676,148.00	20,823,400.00	147,252.00
5,000,000	FEDERAL HOME LOAN BANKS	3130A0QE	1.250	8/14/17	1.246	100.00000	5,000,000.00	5,002,450.00	2,450.00
20,000,000	UNITED STATES TREASURY NOTES	912828HA	4.750	8/15/17	1.027	110.20474	22,040,948.31	22,125,000.00	84,051.69
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EAAY	5.500	8/23/17	1.072	112.22912	11,222,911.81	11,260,000.00	37,088.19
10,000,000	UNITED STATES TREASURY NOTES	912828D9	1.000	9/15/17	1.058	99.83667	9,983,667.41	10,030,500.00	46,832.59
4,500,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315P3K	1.150	9/18/17	1.170	99.94205	4,497,392.24	4,525,110.00	27,717.76
15,000,000	FNMA	3135G0ZL	1.000	9/27/17	1.118	99.66367	14,949,549.87	14,989,950.00	40,400.13
30,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADL	1.000	9/29/17	1.059	99.82990	29,948,970.85	29,962,800.00	13,829.15
25,000,000	FEDERAL NATIONAL MORTGAGE ASSOCT	3135G0PQ	.875	10/26/17	1.164	99.15464	24,788,660.45	24,887,750.00	99,089.55
5,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3T7	2.000	11/06/17	.220	100.02469	5,001,234.61	5,002,200.00	965.39
20,000,000	UNITED STATES TREASURY NOTES	912828HH	4.250	11/15/17	1.085	109.43279	21,886,557.61	21,950,000.00	63,442.39
20,000,000	UNITED STATES TREASURY NOTES	912828UA	.625	11/30/17	1.075	98.63968	19,727,935.94	19,762,600.00	34,664.06
<b>649,325,000</b>							<b>655,830,392.89</b>	<b>658,385,406.10</b>	<b>2,555,013.21</b>

====> 0036 ITEMS IN SUBTOTAL FOR <====> FINAL-MATURITY.. <====> 2017 <====>

**STATE OF NEW MEXICO**  
**TREASURERS OFFICE**  
**Position holdings as of 10/31/14 (TRADE)**  
**BOOK VALUES AMORTIZED THROUGH 10/31/14**

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
5,000,000	UNITED STATES TREASURY NOTES	912828UJ	.875	1/31/18	1.309	98.62376	4,931,188.04	4,966,000.00	34,811.96
15,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADP	.875	3/07/18	1.454	98.11351	14,717,025.86	14,820,450.00	103,424.14
15,000,000	FED NAT'L MORTGAGE ASSN DEB	3136G1EN	1.100	3/13/18	1.100	100.00000	15,000,000.00	14,904,000.00	- 96,000.00
1,000,000	FEDERAL FARM CREDIT BANKS	3133EATP	1.500	6/11/18	1.604	99.63569	996,356.94	1,000,070.00	3,713.06
600,000	ULSTER CNTY N Y	9037665M	4.250	11/15/18	.153	100.15920	600,955.19	600,690.00	- 265.19
15,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135GOYT	1.625	11/27/18	1.747	99.52191	14,928,286.54	15,068,550.00	140,263.46
20,000,000	UNITED STATES TREASURY NOTES	912828RT	1.375	11/30/18	1.404	99.88627	19,977,254.59	19,989,000.00	11,745.41
<b>71,600,000</b>							<b>71,151,067.16</b>	<b>71,348,760.00</b>	<b>197,692.84</b>

====> 0007 ITEMS IN SUBTOTAL FOR =====> FINAL-MATURITY.. =====> 2018 <=====

20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135GOZA	1.875	2/19/19	1.678	100.81345	20,162,690.16	20,260,200.00	97,509.84
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACA	3.750	3/27/19	1.762	108.39005	21,678,010.25	21,795,000.00	116,989.75
35,000,000	UNITED STATES TREASURY NOTES	912828C6	1.625	3/31/19	1.744	99.49489	34,823,212.51	35,177,800.00	354,587.49
19,500,000	FEDERAL HOME LOAN BANKS	3130A2A4	2.125	6/26/19	.612	100.23025	19,544,898.46	19,558,695.00	13,796.54
2,725,000	FEDERAL HOME LOAN BANKS	3130A2H8	2.500	7/09/19	.660	101.26178	2,759,383.47	2,763,749.50	4,366.03
13,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315P3R	1.900	9/18/19	1.920	99.90641	12,987,832.97	13,052,650.00	64,817.03
2,500,000	DALLAS FORT WORTH TEX INTL ARPT	235036MK	5.000	11/01/19	.204	100.00000	2,500,000.00	2,500,650.00	650.00
175,000	KNOX CNTY KY	499422DH	5.800	12/01/19	.780	110.35301	193,117.77	192,591.00	- 526.77
<b>112,900,000</b>							<b>114,649,145.59</b>	<b>115,301,335.50</b>	<b>652,189.91</b>

====> 0008 ITEMS IN SUBTOTAL FOR =====> FINAL-MATURITY.. =====> 2019 <=====

635,000	RIO RANCHO NM EVENT	76717PAJ	5.000	6/01/20	.384	102.68700	652,062.44	652,272.00	209.56
<b>635,000</b>							<b>652,062.44</b>	<b>652,272.00</b>	<b>209.56</b>

====> 0001 ITEMS IN SUBTOTAL FOR =====> FINAL-MATURITY.. =====> 2020 <=====

4,000,000	DALLAS FORT WORTH TEX INTL ARPT	235036J5	5.375	11/01/21	.206	100.00000	4,000,000.00	4,001,120.00	1,120.00
<b>4,000,000</b>							<b>4,000,000.00</b>	<b>4,001,120.00</b>	<b>1,120.00</b>

====> 0001 ITEMS IN SUBTOTAL FOR =====> FINAL-MATURITY.. =====> 2021 <=====

**STATE OF NEW MEXICO**  
**TREASURERS OFFICE**  
**Position holdings as of 10/31/14 (TRADE)**  
**BOOK VALUES AMORTIZED THROUGH 10/31/14**

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
250,000	GREENSBURG SALEM PA SCH DIST	395704HS	3.750	1/01/22	.301	100.57400	251,434.99	251,407.50	- 27.49
<u>250,000</u>							<u>251,434.99</u>	<u>251,407.50</u>	<u>- 27.49</u>
====> 0001 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== 2022 <====									
345,000	WILL CNTY ILL SCH DIST NO 122	968852B8	4.500	10/01/24	.370	103.77550	358,025.48	358,351.50	326.02
<u>345,000</u>							<u>358,025.48</u>	<u>358,351.50</u>	<u>326.02</u>
====> 0001 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== 2024 <====									
160,000	ALBUQUERQUE BERNALILLO CNTY WT	013493AV	4.500	7/01/25	.300	102.79464	164,471.43	164,537.60	66.17
<u>160,000</u>							<u>164,471.43</u>	<u>164,537.60</u>	<u>66.17</u>
====> 0001 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== 2025 <====									
750,000	VOLUSIA CNTY FLA SCH BRD CTFS PA 92884EFD	5.000	8/01/27	.281	103.53284	776,496.32	776,737.50	241.18	
<u>750,000</u>						<u>776,496.32</u>	<u>776,737.50</u>	<u>241.18</u>	
====> 0001 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== 2027 <====									
255,000	CHOCTAW CNTY MISS HOSP REV	170323AR	7.500	8/01/28	.770	111.67401	284,768.73	282,486.45	- 2,282.28
<u>255,000</u>							<u>284,768.73</u>	<u>282,486.45</u>	<u>- 2,282.28</u>
====> 0001 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== 2028 <====									
320,000	PASCO CNTY FLA SCH BRD CTFS PART 702528DG	5.000	8/01/30	.281	103.53284	331,305.10	331,408.00	102.90	
<u>320,000</u>						<u>331,305.10</u>	<u>331,408.00</u>	<u>102.90</u>	

**STATE OF NEW MEXICO**  
**TREASURERS OFFICE**  
 Position holdings as of 10/31/14 (TRADE)  
 BOOK VALUES AMORTIZED THROUGH 10/31/14

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
====> 0001 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ====> 2030 <====									
2,025,000	MONTGOMERY CNTY OHIO REV	613549GY	6.250	11/15/33	.151	100.23700	2,029,799.24	2,028,442.50	- 1,356.74
<u>2,025,000</u>							<u>2,029,799.24</u>	<u>2,028,442.50</u>	<u>- 1,356.74</u>
====> 0001 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ====> 2033 <====									
355,000	ATLANTA GA ARPT PASSENGER FAC CH	04780TAJ	5.000	1/01/34	.341	100.77518	357,751.88	357,687.35	- 64.53
375,000	UNIVERSITY MASS BLDG AUTH FACSRE	914438CC	5.125	11/01/34	.221	100.00000	375,000.00	375,105.00	105.00
<u>730,000</u>							<u>732,751.88</u>	<u>732,792.35</u>	<u>40.47</u>
====> 0002 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ====> 2034 <====									
300,000	GUAM GOVT WTRWKS AUTH WTR & WAST	40065FAJ	5.875	7/01/35	.300	103.70954	311,128.63	311,268.00	139.37
790,000	SYLACAUGA ALA HEALTH CARE AUTHRE	871244AC	6.000	8/01/35	.300	104.26618	823,702.81	823,693.50	- 9.31
<u>1,090,000</u>							<u>1,134,831.44</u>	<u>1,134,961.50</u>	<u>130.06</u>
====> 0002 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ====> 2035 <====									
340,000	KNOX CNTY KY	499422DL	5.875	12/01/36	.780	110.50762	375,725.92	374,455.60	- 1,270.32
<u>340,000</u>							<u>375,725.92</u>	<u>374,455.60</u>	<u>- 1,270.32</u>
====> 0001 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ====> 2036 <====									
375,000	GAYLORD MICH HOSP FIN AUTH LTD0B	368177AD	6.500	1/01/37	.290	101.03339	378,875.21	378,682.50	- 192.71
<u>375,000</u>							<u>378,875.21</u>	<u>378,682.50</u>	<u>- 192.71</u>
====> 0001 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ====> 2037 <====									

**STATE OF NEW MEXICO**  
**TREASURERS OFFICE**  
 Position holdings as of 10/31/14 (TRADE)  
 BOOK VALUES AMORTIZED THROUGH 10/31/14

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
1,125,000	MONTGOMERY CNTY OHIO REV	613549GZ	6.250	11/15/39	.151	100.23700	1,127,666.24	1,126,912.50	- 753.74
<u>1,125,000</u>							<u>1,127,666.24</u>	<u>1,126,912.50</u>	<u>- 753.74</u>
====> 0001 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2039 <====									
1,810,000	PROSPER TEX INDPT SCH DIST	743600LB		8/15/40	3.750	26.51200	479,867.20	480,374.00	506.80
<u>1,810,000</u>							<u>479,867.20</u>	<u>480,374.00</u>	<u>506.80</u>
====> 0001 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2040 <====									
<u>1,462,536,045</u>							<u>1483099014.79</u>	<u>1488713106.19</u>	<u>5,614,091.40</u>
====> 0168 ITEMS IN SUBTOTAL FOR ====> FUND NAME..... ====> GENERAL FUND CORE <====									



## 8. Portfolio Summary- Local Government Investment Pool (LGIP)

## **Portfolio Summary – Local Government Investment Pool (LGIP)**

### *Summary*

- Ending October market value for the LGIP was \$568mil, lower than the \$570mil reported at the end of September.
- The LGIP maintains an AAAM rating by Standard & Poor's.
- At the end of October the STO LGIP participant balance was \$52,339,807 or 9.2% of the Pool.
- At the end of October the Judicial District Court LGIP participant balance was \$5,183,007 or 0.9% of the Pool.

### *Portfolio Mix*

- At the end of October 2014 the portfolio was invested as follows: 1% in US Treasuries, 46% in US Government Agencies, 33% in collateralized demand deposit accounts with qualified banking institutions, 20% in floating rate securities, and 0% in overnight repurchase agreements.
- At month-end, the LGIP held positions in 46 securities.

### *Investment Earnings*

- In October, the fund earned \$79,620.
- For Fiscal Year 2015, the fund has earned \$328,341.
- Earnings in the LGIP are retained by participants after a management fee of 0.05% is paid to the General Fund.

### *Performance*

- Gross Yield on the LGIP was 0.163% at the end of October.
- Net yield to participants was 0.113%.

### *Investment Highlights*

- For the LGIP, the WAM(R) of 57 days, and WAM (F) of 110 days, were within their maximums of 60 and 120 days respectively.
- The LGIP experienced net redemptions for the month of October, ~\$2mil.
- Maturities for October totaled \$17.87mil face amount.
- The LGIP purchased \$63.927mil US Government Agency securities maturing out to one year at yields between 0.10% and 0.20%.
- LGIP utilized term investments to reduce exposure to lower yielding overnight investments.
- The LGIP continued to keep WAMs close to the maximum allowable 60 days.

### *Investment Strategy*

- LGIP WAMs are currently 59 and 107 days for WAM(R) and WAM (F) respectively.
- The LGIP has experienced net subscriptions in November so far, ~ \$2mil.
- Maturities will total \$51.806mil in November.

- For the month of November thus far, interest rates have been mixed with the 1, 2, 3 and 5 yr. US Treasury yields +3, 0, +2, and -1 bp respectively.
- The LGIP has purchased \$21mil. US Government Agency securities maturing out to one year at yields of ~0.25%.
- With WAMs tight to the maximums allowable to maintain the AAAM rating, the Pool has been monitoring cash flows carefully.
- As WAMs recede the LGIP will invest in securities that are longer dated and attractive vs. overnight collateralized bank deposits and repo.
- It is expected that the LGIP WAMs will remain close to the allowable maximums.
- LGIP will continue to focus on maximizing safety of principal and providing adequate liquidity through the use of conservative investments.

*Net Asset Value/Share*

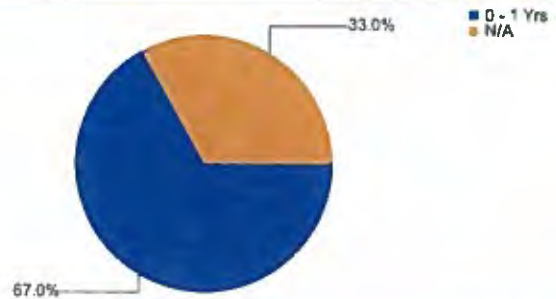
At month-end, the Net Asset Value per Share of the Local Government Investment Pool was \$0.99988.



Portfolio Characteristics

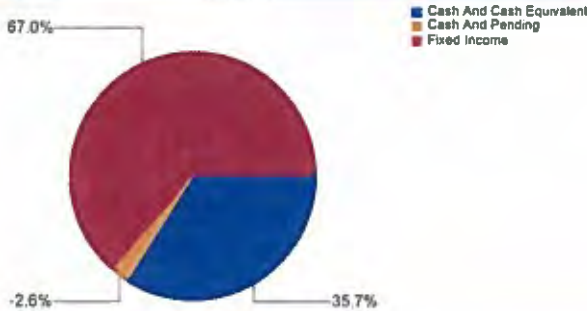
Duration Mix

Total Net Assets (Millions)	568.7
Weighted Average Life (Years)	0.31
Weighted Avg. Effective Duration (Years)	0.16
Weighted Average Coupon (%)	0.61
Weighted Average Current Yield (%)	0.12
Weighted Average Yield to Maturity (%)	0.13
Weighted Average Rating	AA
Number of Holdings	47



Asset Mix

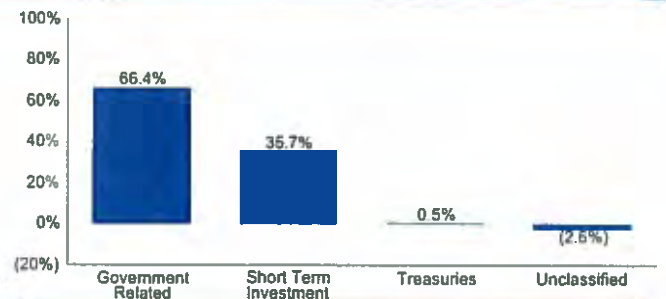
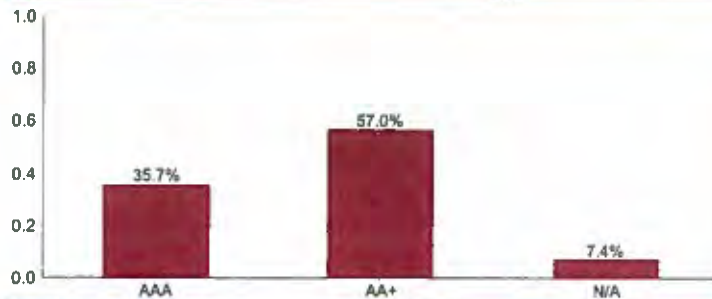
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
00488LC10	BANK OF THE WEST	23.81%	0.00	3/11/2014
004893C02	Wells Fargo Checking	5.37%	0.18	3/11/2014
00489LC38	US BANK	5.18%	0.00	3/11/2014
31331KHV3	FEDERAL FARM CREDIT BANKS 1 625% BOS 18NDV2014	4.62%	1.62	18/11/2014
31360PFY4	FEDERAL NATL MTD ABSN FR 0.75% 15/08/C2014	3.01%	0.75	18/12/2014
31318PH28	FEDERAL AGRICULTURAL MORTGAGE CORP MEDIUM TERM	3.43%	0.18	1/7/2015
31318PV22	FEDERAL AGRICULTURAL MORTGAGE CORP MEDIUM TERM	3.43%	0.11	1/8/2015
3133EDAW2	FEDERAL FARM FLT 13/15	2.87%	0.30	3/12/2015
3133EDG33	FEDERAL FARM CREDIT BANK DISCOUNT NOTES VARIABLE	2.57%	0.21	22/10/2015
3133EANP8	FEDERAL FARM CR BKS CONS BD FLT 15 01/AA/2015	1.49%	0.30	1/8/2015

Quality/Rating Weightings

Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
Local Government Investment Pool	0.01	0.04	0.12	0.18	0.18	0.23	0.33
S&P Govt Pools Net yield	0.00	0.01	0.02	0.02	0.04	0.07	0.78
Excess	0.01	0.03	0.12	0.16	0.15	0.16	0.18



**STATE OF NEW MEXICO**  
**LGIP FUND (4101)**  
**Portfolio Classification Summary**  
**Positions Held as of 10/31/14 (TRADE Basis)**

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
US TREASURY NOTE ACT/ACT 2X	1	.1593	.41370	3,000,000	3,028,915	3,029,400	485	.533
AGENCY US FLOAT ACT/360 12X	1	.1130	.49860	20,000,000	20,000,000	20,003,000	3,000	3.521
AGENCY US BOND 30/360 2X	16	.1522	.39726	120,011,000	120,237,923	120,234,667	-3,256	21.166
AGENCY US DISC ACT/360 360 DAY	1	.2296	.04110	9,000,000	8,981,973	8,999,550	17,577	1.584
FED HOME LOAN BANKS	2	.1078	.31660	27,000,000	26,997,656	26,994,900	-2,756	4.752
FHLB INDEX BOND 12X	1	.1409	.07670	14,476,000	14,564,828	14,558,368	-6,460	2.563
AGENCY US BOND 30/360 ZERO CPN	2	.1129	.26654	17,000,000	16,994,095	16,990,750	-3,345	2.991
AGENCY US NOTES 30/360 2X	8	.1595	.38626	68,682,000	68,983,581	68,982,556	-1,025	12.143
AGENCY US VARIABLE ACT/360 4X	10	.1615	.72833	100,400,000	100,440,773	100,458,290	17,517	17.684
CASH ACCOUNT	4			187,813,513	187,813,513	187,813,513		33.062
	<u>46</u>	<u>.1007</u>	<u>.45605</u>	<u>567,382,513</u>	<u>568,043,257</u>	<u>568,064,994</u>	<u>21,737</u>	<u>100.000</u>

**STATE OF NEW MEXICO  
TREASURERS OFFICE**

Position holdings as of 10/31/14 (TRADE)  
BOOK VALUES AMORTIZED THROUGH 10/31/14

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
16,360,027	(TD)-WELLS FARGO CASH ACCOUNT	CASHCASH	.100			1.00000	16,360,027.48	16,360,027.00	- .48
2,363,137	WELLS FARGO SAVINGS	CASHCASH	.100			1.00000	2,363,137.15	2,363,137.00	- .15
138,952,838	BANK OF THE WEST	CASHCASH	.250			1.00000	138,952,838.24	138,952,838.00	- .24
30,137,511	US BANK	CASHCASH	.200			1.00000	30,137,510.62	30,137,511.00	.38
<b>187,813,513</b>							<b>187,813,513.49</b>	<b>187,813,513.00</b>	<b>- .49</b>

====> 0004 ITEMS IN SUBTOTAL FOR ==>> FINAL-MATURITY.. ==>> NO-MEANINGFUL-DATE <====

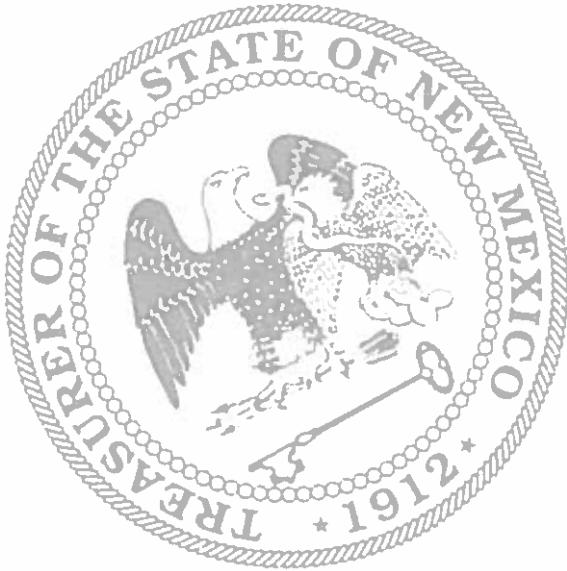
9,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31358C7G		11/15/14	.226	99.79971	8,981,973.45	8,999,550.00	17,576.55
26,154,000	FEDERAL FARM CREDIT BANKS	31331KHW	1.625	11/19/14	.111	100.07566	26,173,787.41	26,171,784.72	- 2,002.69
2,176,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31398AZV	2.625	11/20/14	.177	100.12906	2,178,808.39	2,178,589.44	- 218.95
14,476,000	FEDERAL HOME LOAN MORTGAGE CORPO	3128X6VP	8.322	11/28/14	.139	100.61366	14,564,832.90	14,558,368.44	- 6,464.46
12,925,000	FEDERAL HOME LOAN BANKS	313371PC	.875	12/12/14	.114	100.08661	12,936,194.74	12,936,374.00	179.26
5,000,000	FEDERAL HOME LOAN BANKS	3133XVNU	2.750	12/12/14	.101	100.30148	5,015,073.87	5,014,400.00	- 673.87
21,012,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0FY	.750	12/19/14	.158	100.07887	21,028,573.03	21,030,070.32	1,497.29
9,920,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADA	.625	12/29/14	.102	100.08429	9,928,361.58	9,928,531.20	169.62
<b>100,663,000</b>							<b>100,807,605.37</b>	<b>100,817,668.12</b>	<b>10,062.75</b>

====> 0008 ITEMS IN SUBTOTAL FOR ==>> FINAL-MATURITY.. ==>> 2014 <====

15,000,000	FEDERAL HOME LOAN BANKS	3130A2LD	.090	1/15/15	.110	99.99588	14,999,382.23	14,999,100.00	- 282.23
15,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134A4VX		1/15/15	.102	99.97970	14,996,955.00	14,994,150.00	- 2,805.00
2,000,000	FEDERAL FARM CREDIT BANKS	3133EAYU	.320	1/20/15	.143	100.02448	2,000,489.61	2,000,580.00	90.39
5,000,000	FARMER MAC	31315PZ5	.200	1/20/15	.200	100.00000	5,000,000.00	5,000,800.00	800.00
4,000,000	FEDERAL FARM CREDIT BANKS	3133ECBF	.250	1/26/15	.225	100.00466	4,000,186.59	4,001,600.00	1,413.41
2,500,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACH	2.875	2/09/15	.158	100.73890	2,518,472.42	2,518,350.00	- 122.42
3,600,000	FEDERAL HOME LOAN BANKS	3130A16W	.125	3/04/15	.172	99.98377	3,599,415.88	3,599,784.00	368.12
7,000,000	FED HOME LN BANK FHLB	3130A1DM	.150	3/12/15	.162	99.99553	6,999,687.24	7,000,070.00	382.76
6,000,000	FEDERAL HOME LOAN BANKS	3130A1D3	.130	3/12/15	.152	99.99206	5,999,523.80	6,000,420.00	896.20
2,000,000	FEDERAL FARM CREDIT BANKS	3133ECLM	.230	3/16/15	.199	100.01106	2,000,221.22	2,001,040.00	818.78
5,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G36G	.350	3/18/15	.111	100.09105	5,004,552.52	5,003,950.00	- 602.52
3,000,000	UNITED STATES TREASURY NOTES	912828MW	2.500	3/31/15	.159	100.96381	3,028,914.32	3,029,400.00	485.68
12,000,000	FEDERAL HOME LOAN BANKS	3130A3C5	.070	4/14/15	.102	99.98562	11,998,274.01	11,995,800.00	- 2,474.01
12,074,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADD	.500	4/17/15	.129	100.17093	12,094,638.37	12,091,265.82	- 3,372.55
3,600,000	FEDERAL HOME LOAN BANKS	3130A1QC	.125	4/21/15	.137	99.99437	3,599,797.28	3,599,568.00	- 229.28

**STATE OF NEW MEXICO**  
**TREASURERS OFFICE**  
**Position holdings as of 10/31/14 (TRADE)**  
**BOOK VALUES AMORTIZED THROUGH 10/31/14**

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
32,000,000	FEDERAL FARM CREDIT BANKS	3133EANP	.350	5/01/15	.135	100.10675	32,034,159.93	32,039,040.00	4,880.07
20,000,000	FARMER MAC	31315PV2	.112	5/01/15	.112	100.00000	20,000,000.00	20,003,000.00	3,000.00
5,000,000	FEDERAL FARM CREDIT BANKS	3133EDKV	.130	5/01/15	.132	99.99897	4,999,948.26	4,998,550.00	- 1,398.26
10,000,000	FEDERAL HOME LOAN BANKS	3130A27D	.125	6/02/15	.127	99.99892	9,999,891.77	9,997,400.00	- 2,491.77
5,077,000	TENNESSEE VALLEY AUTHORITY	880591DY	4.375	6/15/15	.183	102.60578	5,209,295.47	5,207,072.74	- 2,222.73
6,655,000	FEDERAL HOME LOAN BANKS	3130A2FT	.125	6/19/15	.172	99.97039	6,653,029.50	6,653,203.15	173.65
4,000,000	FEDERAL FARM CREDIT BANKS	3133EDPH	.100	6/30/15	.120	99.98640	3,999,455.84	3,999,560.00	104.16
20,000,000	FARMER MAC FAMCA FLOAT	31315PH2	.130	7/01/15	.159	100.00000	20,000,000.00	20,002,800.00	2,800.00
2,000,000	FEDERAL HOME LN MTG CORP	3134A4MK		7/15/15	.185	99.85700	1,997,140.00	1,996,600.00	- 540.00
1,400,000	FEDERAL FARM CREDIT BANKS	3133ECTP	.200	8/03/15	.199	100.00000	1,400,000.00	1,400,770.00	770.00
5,000,000	FEDERAL HOME LOAN BANKS	3130A2P9	.200	8/17/15	.198	100.00162	5,000,081.13	4,998,450.00	- 1,631.13
10,000,000	FEDERAL HOME LOAN BANKS	3130A2PZ	.210	8/21/15	.210	100.00000	10,000,000.00	10,003,700.00	3,700.00
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACM	1.750	9/10/15	.224	101.30793	10,130,793.12	10,134,300.00	3,506.88
5,000,000	FEDERAL HOME LOAN BANK	3130A2WZ	.190	9/11/15	.213	99.98000	4,999,000.22	4,999,250.00	249.78
4,000,000	FEDERAL HOME LOAN BANKS	313370JB	1.750	9/11/15	.203	101.32990	4,053,195.89	4,053,840.00	644.11
6,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PGT	2.125	9/15/15	.223	101.65637	6,099,382.48	6,097,500.00	- 1,882.48
15,000,000	FEDERAL FARM CREDIT BANKS	3133EDSG	.210	10/22/15	.155	100.05253	15,007,879.24	15,009,000.00	1,120.76
15,000,000	FEDERAL FARM CREDIT BANK	3133EDAW	.200	12/02/15	.205	99.99401	14,999,100.89	15,006,900.00	7,799.11
<hr/>							<hr/>	<hr/>	<hr/>
273,906,000							274,422,864.23	274,436,813.71	13,949.48
====> 0033 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== 2015 <====									
5,000,000	FEDERAL FARM CREDIT BANK	3133EDMK	.140	3/29/16	.150	99.98560	4,999,280.09	4,997,000.00	- 2,280.09
<hr/>							<hr/>	<hr/>	<hr/>
5,000,000							4,999,280.09	4,997,000.00	- 2,280.09
====> 0001 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== 2016 <====									
<hr/>							<hr/>	<hr/>	<hr/>
567,382,513							568,043,263.18	568,064,994.83	21,731.65
====> 0046 ITEMS IN SUBTOTAL FOR ==== FUND NAME..... ==== LGIP FUND <====									



## 9. Portfolio Summary- Tax-Exempt Bond Proceeds Investment Pool

## **Portfolio Summary – Tax Exempt Bond Proceeds Investment Pool**

### *Summary*

- The Tax Exempt Bond Proceeds Investment Pool closed the month of October at \$476mil vs. \$499mil at the end of September.
- The Pool paid out \$23mil for capital spending in October 2014.

### *Portfolio Mix*

- 100% of the Tax-Exempt BPIP portfolio was invested in fixed income securities and 0% in floating rate notes: 62% in Treasuries, 32% in Agency Securities, 2% in NM municipal securities, and 4% in cash equivalents.
- 35% of the portfolio was invested in securities that mature in one year, 45% in securities that mature from 1-2 years, 20% in securities that mature from 2-4 years and 0% in securities out to 5 years.
- The Tax-Exempt BPIP held positions in 55 securities.
- Weighted Average Life of the Tax Exempt BPIP was 1.33 years. The Weighted Average duration was 1.30 years.
- The maximum security term for the BPIP portfolio is 5 years.

### *Investment Earnings*

- Unrealized gains in the Tax-Exempt BPIP Portfolio were \$998,214 as of October 31<sup>st</sup>.
- Monthly net earnings on the portfolio for October were \$194,029.
- Net earnings for FY2015 were \$767,036.
- Earnings on the Bond Proceeds Investment Pool are used to offset capital and debt service spending.

### *Investment Highlights*

- The duration of the Tax-Exempt BPIP at the end of October was 1.30 yrs. vs. the Benchmark at 1.38 yrs.
- The Tax-Exempt BPIP had maturities of \$15mil in the month of October.
- A total of \$16.5mil in US Government Agency securities were called in October.
- The Pool paid out \$23mil for capital spending in October 2014.
- The Pool sold \$15mil US Treasury notes maturing 10/31/14 at a small gain to cover capital project withdrawals.
- The Tax-Exempt BPIP purchased \$0.475mil of a new issue NM municipal security maturing in two years at 0.65%.
- The Pool purchased \$10mil of a US Government Agency cushion callable at a yield to call of 0.25%.
- The Pool duration remained relatively stable during the month of October.

### *Performance*

- The purchase yield was 0.49% at the end of October vs. 0.48% reported for the previous month.

- The Tax-Exempt BPIP returned 0.14% for the month of October and 0.24% for the three months ended October 31, 2014, vs. Index returns of 0.18% and 0.27% respectively. For the trailing 12 mos. the Pool returned 0.53% vs. 0.50% for the benchmark.
- The Tax-Exempt BPIP had a duration shorter than the benchmark for the month of October, as well as being underweighted in longer maturities as a result, underperforming as interest rates fell.
- Cash flows (debt service payments, capital project withdrawals, bond sale proceeds) will continue to be the key driver of the portfolio's structure and cash position going forward.

*Investment Strategy*

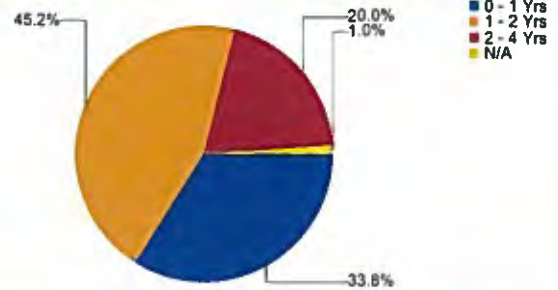
- The option-adjusted duration of the Tax-Exempt BPIP portfolio is currently 1.29 yrs. vs. 1.41 yrs. for the benchmark.
- For the month of November \$10mil maturities are scheduled.
- A total of \$4.32mil in US Government Agency securities were called in November.
- Capital project withdrawals will total approximately ~\$24mil in October.
- The Tax-Exempt BPIP purchased \$0.7mil of new issue NM municipal securities at yields between 0.32% and 1.05%.
- The Pool will continue to purchase 1 to 3 year Treasury and Agency securities as maturities and cash flows allow.
- The Tax-Exempt BPIP has maintained duration shorter than that of the benchmark in order to provide adequate liquidity for project withdrawals while minimizing overnight cash positions.
- Project withdrawals will have the effect of lengthening duration and as they have had a high degree of variability month-to-month, cash flow management will dominate portfolio decisions.



Portfolio Characteristics

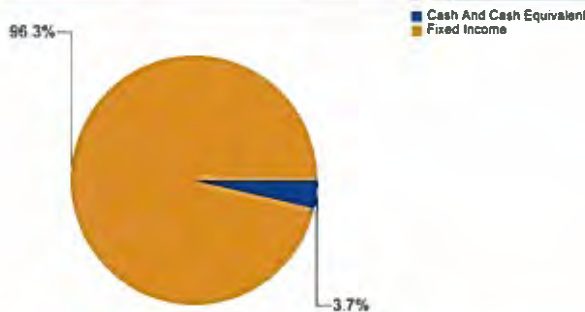
Duration Mix

Total Net Assets (Millions) **478.2**  
 Weighted Average Life (Years) **1.33**  
 Weighted Avg. Effective Duration (Years) **1.30**  
 Weighted Average Coupon (%) **1.04**  
 Weighted Average Current Yield (%) **0.36**  
 Weighted Average Yield to Maturity (%) **0.36**  
 Weighted Average Rating **AA**  
 Number of Holdings **55**



Asset Mix

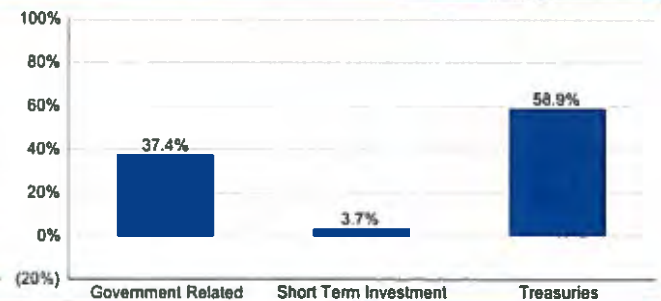
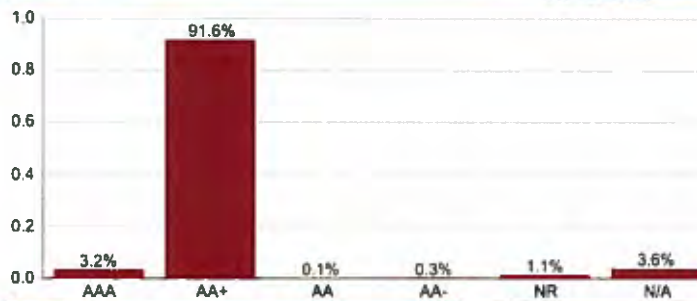
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
3137EACW7	FEDERAL HOME LOAN MORTGAGE CORP 2% BDS 25AUG2018	4.31%	2.00	25/8/2018
912828QP5	UNITED STATES 1.75% 05/16	3.23%	1.75	31/5/2016
912828QR4	UNITED STATES 1.5% 06/16	3.21%	1.50	30/6/2016
912828PJ3	UNITED STATES 1.375% 11/15	3.20%	1.38	30/11/2015
912828SC3	UNITED STATES 0.875% 01/17	3.18%	0.88	31/1/2017
912828S0	UNITED STATES 0.875% 02/17	3.18%	0.88	28/2/2017
912828VL1	US 0 62500 '18	3.18%	0.62	15/7/2018
912828WF3	US 0 62500 '18	3.15%	0.62	15/11/2018
3134G1JA1	FEDERAL HOME LOAN MORTGAGE CORP 0.5% BDS	3.15%	0.50	28/8/2018
912828PM6	UNITED STATES 2.125% 12/15	3.23%	2.12	31/12/2015

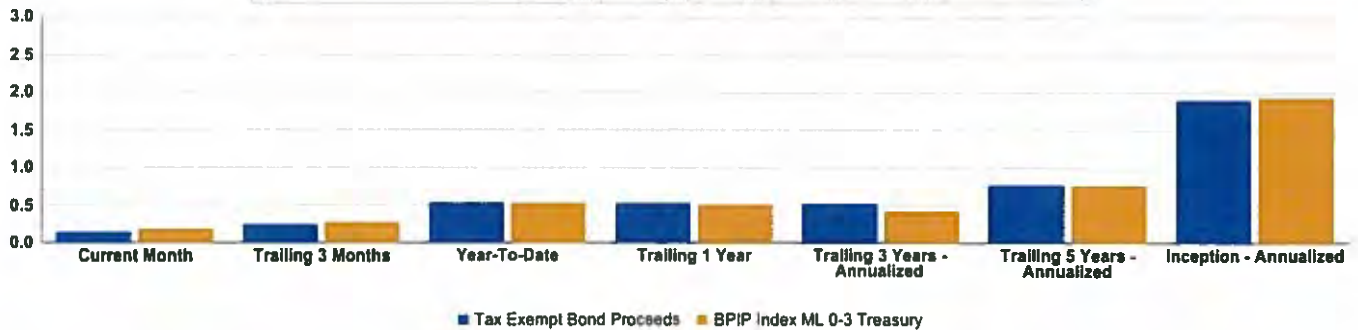
Quality Rating Weightings

Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 2 Years	Trailing 5 Years	Inception
Tax Exempt Bond Proceeds	0.16	0.24	0.83	0.63	0.62	0.77	1.90
BPIP Index ML 0-3 Treasury	0.16	0.27	0.83	0.56	0.42	0.77	1.93
Excess	(0.00)	(0.03)	0.00	0.07	0.20	0.00	(0.04)





**STATE OF NEW MEXICO**  
**BOND PROCEEDS INV POOL1 TAX EX (4000)**  
 Portfolio Classification Summary  
 Positions Held as of 10/31/14 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	.0507	.00820	12,540,289	12,540,289	12,540,289		2.630
CERTIFICATES OF DEPOSIT	2	.7250	2.17945	3,000,000	3,000,000	3,000,000		.629
U.S. TREASURY BONDS	1	.2045	.08220	10,000,000	10,015,200	10,014,800	-400	2.100
US TREASURY NOTE ACT/ACT 2X	21	.4937	1.53750	269,000,000	270,468,043	270,972,020	503,977	56.821
US TREASURY (STRIP/ZERO) 30/360	3	.3740	.52111	16,034,000	15,914,229	16,001,938	87,709	3.355
AGENCY US BOND 30/360 2X	4	.2584	.58173	45,000,000	45,004,725	45,041,050	36,325	9.445
AGENCY US NOTES 30/360 2X	10	.7121	1.54286	86,220,000	87,329,749	87,619,235	289,486	18.373
FED NATL MORTGAGE ASSN DEBS	3	.5326	1.17123	20,000,000	20,153,326	20,225,050	71,724	4.241
MUNI US 30/360 2X	8	.4511	1.10091	8,340,000	8,536,669	8,544,546	7,877	1.792
MUNICIPAL BOND REVENUE	1	.4364	.66580	900,000	909,392	910,908	1,516	.191
UNITS - INVESTMENT POOL 1	1			2,019,929	2,019,929	2,019,929		.424
	<u>55</u>	<u>.4899</u>	<u>1.32010</u>	<u>473,054,218</u>	<u>475,891,551</u>	<u>476,889,765</u>	<u>998,214</u>	<u>100.000</u>

**STATE OF NEW MEXICO**  
**TREASURERS OFFICE**  
 Position holdings as of 10/31/14 (TRADE)  
 BOOK VALUES AMORTIZED THROUGH 10/31/14

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
2,019,929	UNITS - INVESTMENT POOL 1	UNITS001				1.00000	2,019,928.89	2,019,929.00	.11
<b>2,019,929</b>							<b>2,019,928.89</b>	<b>2,019,929.00</b>	<b>.11</b>

====> 0001 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== NO-MEANINGFUL-DATE <====

12,540,289	OVERNIGHT REPO	1103RP	.050	11/03/14	.050	1.00000	12,540,288.58	12,540,288.58	
10,000,000	UNITED STATES TREASURY NOTES	912828LZ	2.125	11/30/14	.205	100.15200	10,015,199.93	10,014,800.00	- 399.93
10,000,000	UNITED STATES TREASURY NOTES	912828ME	2.625	12/31/14	.164	100.40086	10,040,085.53	10,039,800.00	- 285.53
<b>32,540,289</b>							<b>32,595,574.04</b>	<b>32,594,888.58</b>	<b>- 685.46</b>

====> 0003 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== 2014 <====

15,000,000	FEDERAL HOME LOAN BANKS	3130A0JV	.190	1/06/15	.193	99.99951	14,999,926.34	15,002,250.00	2,323.66
10,000,000	UNITED STATES TREASURY NOTES	912828UT	.250	3/31/15	.207	100.01764	10,001,763.66	10,005,500.00	3,736.34
7,306,000	FINANCING-FED BK ENTY CPN STRP	31771JLV		4/06/15	.358	99.30800	7,255,442.48	7,292,703.08	37,260.60
6,400,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PWM	.270	4/17/15	.288	99.99175	6,399,472.00	6,404,224.00	4,752.00
10,000,000	FEDERAL HOME LOAN BANKS	3130A2AM	.125	6/03/15	.152	99.98401	9,998,401.09	9,999,600.00	1,198.91
5,888,000	FINANCING CORP CPN FICO STRIPS	31771CS5		6/06/15	.378	99.20700	5,841,308.16	5,875,340.80	34,032.64
2,840,000	FINANCING CORP CPN FICO STRIPS	31771DKR		6/06/15	.378	99.20700	2,817,478.80	2,833,894.00	16,415.20
10,000,000	FEDERAL HOME LOAN BANKS	313379ER	.500	6/12/15	.255	100.15007	10,015,007.24	10,023,500.00	8,492.76
900,000	ALBUQUERQUE NM GROSS RECPTS.TAX	01354PDX	2.000	7/01/15	.430	101.04353	909,391.80	910,908.00	1,516.20
5,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0LN	.500	7/02/15	.266	100.15640	5,007,819.99	5,011,300.00	3,480.01
15,000,000	UNITED STATES TREASURY NOTES	912828VN	.250	7/31/15	.168	100.06108	15,009,161.47	15,014,100.00	4,938.53
550,000	ALBUQUERQUE N MEX MUN SCH DIST	013595R5	2.000	8/01/15	.590	101.05303	555,791.64	557,133.50	1,341.86
550,000	CLOUDCROFT N MEX MUN SCH DIST	189134EU	2.000	8/01/15	.490	101.12854	556,206.98	556,517.50	310.52
670,000	RIO RANCHO N MEX PUB SCH DIST NO	767171MS	1.000	8/01/15	.251	100.56077	673,757.19	673,752.00	- 5.19
3,250,000	GADSDEN N MEX INDPT SCH DIST NO	362550MH	4.000	8/15/15	.300	102.91251	3,344,656.52	3,340,902.50	- 3,754.02
15,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3ZA	.500	8/28/15	.444	100.04573	15,006,859.93	15,039,300.00	32,440.07
10,000,000	UNITED STATES TREASURY NOTES	912828TP	.250	9/15/15	.278	99.97572	9,997,571.85	10,009,400.00	11,828.15
10,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31398A4M	1.625	10/26/15	.314	101.28934	10,128,933.80	10,138,300.00	9,366.20
15,000,000	UNITED STATES TREASURY NOTES	912828PJ	1.375	11/30/15	.352	101.10113	15,165,170.24	15,190,950.00	25,779.76
10,000,000	FNMA	3135G0S8	.375	12/21/15	.451	99.91390	9,991,390.39	10,015,700.00	24,309.61
15,000,000	UNITED STATES TREAS NTS	912828PM	2.125	12/31/15	.433	101.95999	15,293,998.81	15,332,850.00	38,851.19
<b>168,354,000</b>							<b>168,969,510.38</b>	<b>169,228,125.38</b>	<b>258,615.00</b>

====> 0021 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== 2015 <====

**STATE OF NEW MEXICO**  
**TREASURERS OFFICE**  
**Position holdings as of 10/31/14 (TRADE)**  
**BOOK VALUES AMORTIZED THROUGH 10/31/14**

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
15,000,000	UNITED STATES TREASURY NOTES	912828UG	.375	1/15/16	.320	100.06653	15,009,979.58	15,027,000.00	17,020.42
3,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PMQ	.675	1/19/16	.380	100.35761	3,010,728.41	3,008,940.00	- 1,788.41
10,000,000	UNITED STATES TREASURY NOTES	912828KS	2.625	2/29/16	.395	102.95272	10,295,272.05	10,315,600.00	20,327.95
7,500,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MH8	5.000	3/15/16	.543	106.08446	7,956,334.28	7,978,500.00	22,165.72
15,000,000	UNITED STATES TREASURY NOTES	912828C4	.375	3/31/16	.406	99.95623	14,993,434.05	15,017,550.00	24,115.95
15,000,000	UNITED STATES TREASURY NOTES	912828UW	.250	4/15/16	.491	99.65116	14,947,673.90	14,989,500.00	41,826.10
400,000	TORRANCE ETC CNTYS N MEX MUN S	891400NC	1.000	5/15/16	.552	100.68576	402,743.02	403,728.00	984.98
1,220,000	RIO RANCHO N MEX WTR & WASTEWT	767175GF	3.000	5/15/16	.550	103.74892	1,265,736.83	1,268,507.20	2,770.37
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACT	2.500	5/27/16	.479	103.16191	10,316,191.06	10,320,200.00	4,008.94
15,000,000	UNITED STATES TREASURY NOTES	912828QP	1.750	5/31/16	.522	101.92894	15,289,340.38	15,327,000.00	37,659.62
1,225,000	SANTA FE N MEX GROSS RCPTS TAX	802072RG	2.000	6/01/16	.630	102.15450	1,251,392.67	1,257,058.25	5,665.58
15,000,000	UNITED STATES TREASURY NOTES	912828QR	1.500	6/30/16	.510	101.63678	15,245,516.87	15,274,200.00	28,683.13
1,500,000	FARMERS & STOCKMENS BANK	8521620	.500	7/06/16	.500	1.00000	1,500,000.00	1,500,000.00	
15,000,000	UNITED STATES TREASURY NOTES	912828VL	.625	7/15/16	.531	100.15876	15,023,813.64	15,059,700.00	35,886.36
475,000	GADSDEN N MEX INDPT SCH DIST NO	362550NJ	2.000	8/15/16	.650	102.39660	486,383.83	486,946.25	562.42
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACW	2.000	8/25/16	1.144	101.53362	20,306,724.46	20,512,600.00	205,875.54
14,000,000	UNITED STATES TREASURY NOTES	912828RJ	1.000	9/30/16	.631	100.69918	14,097,884.85	14,133,420.00	35,535.15
10,000,000	UNITED STATES TREASURY NOTES	912828RM	1.000	10/31/16	.428	101.13603	10,113,602.83	10,095,300.00	- 18,302.83
5,000,000	FEDERAL NATL MTG ASSN DEBS	3135GOES	1.375	11/15/16	1.210	100.33144	5,016,572.05	5,075,450.00	58,877.95
15,000,000	UNITED STATES TREASURY NOTES	912828WF	.625	11/15/16	.693	99.86322	14,979,483.69	15,024,600.00	45,116.31
15,000,000	UNITED STATES TREASURY NOTES	912828A5	.625	12/15/16	.727	99.78528	14,967,792.49	15,016,350.00	48,557.51
<b>204,320,000</b>							<b>206,476,600.94</b>	<b>207,092,149.70</b>	<b>615,548.76</b>

====> 0021 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== 2016 <====

15,000,000	UNITED STATES TREASURY NOTES	912828SC	.875	1/31/17	.710	100.36740	15,055,109.45	15,082,050.00	26,940.55
15,000,000	UNITED STATES TREASURY NOTES	912828SJ	.875	2/28/17	.788	100.19973	15,029,959.66	15,075,000.00	45,040.34
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADC	1.000	3/08/17	.756	100.56806	10,056,806.35	10,059,800.00	2,993.65
5,000,000	UNITED STATES TREASURY NOTES	912828TB	.750	6/30/17	1.006	99.32749	4,966,374.51	4,991,000.00	24,625.49
1,500,000	FARMERS & STOCKMENS BANK	8521621	.950	7/05/17	.950	1.00000	1,500,000.00	1,500,000.00	
5,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PZT	.650	7/10/17	.862	99.43741	4,971,870.66	4,977,250.00	5,379.34
5,000,000	UNITED STATES TREASURY NOTES	912828TG	.500	7/31/17	.906	98.90111	4,945,055.69	4,951,150.00	6,094.31
5,000,000	FNMA	3135GOZL	1.000	9/27/17	1.118	99.66367	4,983,183.29	4,996,650.00	13,466.71
4,320,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3T4	1.500	11/13/17	.400	100.03655	4,321,579.04	4,321,771.20	192.16
<b>65,820,000</b>							<b>65,829,938.65</b>	<b>65,954,671.20</b>	<b>124,732.55</b>

====> 0009 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== 2017 <====

**STATE OF NEW MEXICO**  
**TREASURERS OFFICE**  
**Position holdings as of 10/31/14 (TRADE)**  
**BOOK VALUES AMORTIZED THROUGH 10/31/14**

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
<u>473,054,218</u>							<u>475,891,552.90</u>	<u>476,889,763.86</u>	<u>998,210.96</u>
====> 0055 ITEMS IN SUBTOTAL FOR ==== FUND NAME..... ==> BOND PROCEEDS INV POOL1 TAX EX <									



## 10. Portfolio Summary- Taxable Bond Proceeds Investment Pool

## **Portfolio Summary – Taxable Bond Proceeds Investment Pool**

### *Summary*

- The Taxable Bond Proceeds Investment Pool closed the month of October at \$647mil vs. \$678mil at the end of September 2014.
- The Pool paid out approximately \$31mil for capital spending in October 2014.

### *Portfolio Mix*

- 100% of the Taxable BPIP portfolio was invested in fixed income securities and 0% in floating rate securities; 50% in US Treasuries, 46% in Agency securities, 1% in NM municipal securities and the balance, approximately 3%, was held in cash equivalents and collateralized NM bank CDs.
- 34% of the portfolio was invested in securities that mature in one year, 48% in securities that mature from 1-2 years, 18% in securities that mature from 2-4 years and 0% in securities out to 5 years.
- The Taxable BPIP held positions in 69 securities.
- Weighted Average Life of the Taxable BPIP was 1.35 years. The Weighted Average duration was 1.33 years.
- The maximum security term for the BPIP portfolio is 5 years.

### *Investment Earnings*

- The unrealized gains in the Taxable BPIP were \$1,337,289 as of October 31<sup>st</sup>.
- Monthly net earnings on the portfolio for October were \$292,624.
- Year-to-date net earnings were roughly \$1,223,461.
- Earnings on the Bond Proceeds Investment Pool are used to offset capital and debt service spending.

### *Investment Highlights*

- The duration of the Taxable BPIP at the end of October was 1.33 years vs. the Benchmark at 1.38 years.
- Maturities totaled \$0mil in the month of October 2014.
- The Pool paid out ~\$31mil for capital projects in October.
- The Pool sold \$23mil of US Treasury and Agency securities, at small gains, maturing in one to two months at yields of ~0.07% to cover capital project withdrawals.

### *Performance*

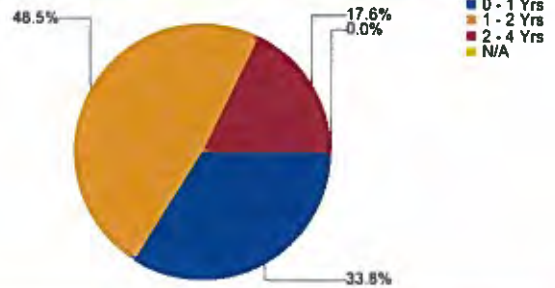
- Purchase Yield at the end of October was 0.53%.
- The Taxable BPIP returned 0.14% for the month of October and 0.24% for the three months ended October 31, 2014, vs. Index returns of 0.18% and 0.27% respectively. For the trailing 12 mos. the Pool returned 0.50% vs. 0.50% for the benchmark.
- The Taxable BPIP had a duration shorter than the benchmark for the month of October, as well as being underweighted in longer maturities as a result, underperforming as interest rates fell.
- Cash flows (debt service payments, capital project withdrawals, bond sale proceeds) will continue to be the key driver of the portfolio's structure and cash position going forward.

### *Investment Strategy*

- The option adjusted duration of the portfolio is currently 1.35 yrs. vs. 1.41 yrs. for the benchmark.
- The Pool has maturities of \$7mil scheduled for November.
- A total of \$5mil US Government Agency securities were called in November.
- Capital project withdrawals will total ~\$28mil in November.
- The Pool will continue to purchase 1 to 3 year Treasury and Agency securities as maturities and cash flows allow.
- The Taxable BPIP has maintained duration shorter than the benchmark in order to provide adequate liquidity for project withdrawals while minimizing overnight cash positions.
- Project withdrawals will have the effect of lengthening duration and as they have had a high degree of variability month-to-month, cash flow management will dominate portfolio decisions.

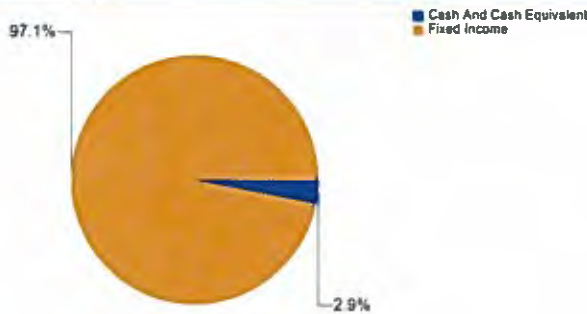
Portfolio Characteristics

Total Net Assets (Millions)	649.1
Weighted Average Life (Years)	1.35
Weighted Avg. Effective Duration (Years)	1.33
Weighted Average Coupon (%)	1.29
Weighted Average Current Yield (%)	0.36
Weighted Average Yield to Maturity (%)	0.36
Weighted Average Rating	AA-
Number of Holdings	69



Asset Mix

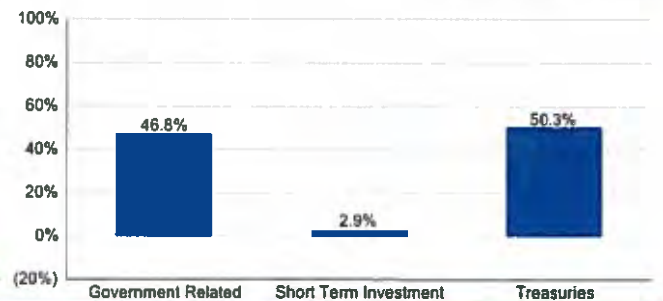
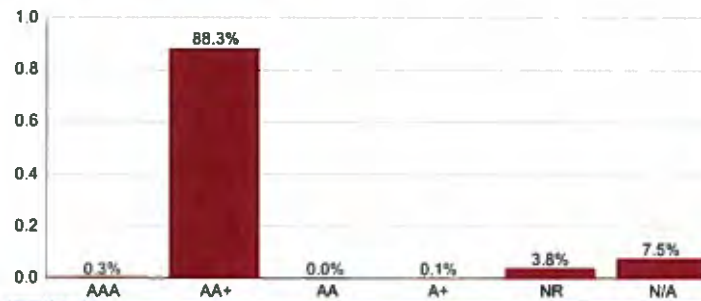
Top Ten Portfolio Holdings



Security ID	Security Name	Total Assets	Coupon Rate	Maturity Date
912828QR4	UNITED STATES 1.5% 06/18	4.73%	1.50	30/6/2018
912828UW6	UNITED STATES 0.25% 04/18	4.62%	0.25	15/4/2018
3137EACW7	FEDERAL HOME LOAN MORTGAGE CORP 2% BDS 25/AUG/2018	3.96%	2.00	25/8/2018
313500KM4	FEDERAL NATIONAL MORTGAGE ASSOC 0.5% BDS	3.23%	0.50	27/8/2015
912828LJ2	US 3 12500 '18	3.24%	3.12	31/10/2018
912828ML0	UNITED STATES 1.875% 08/15	3.14%	1.88	30/8/2015
31396AAM1	FED NATL MORT ASSC 1.825% BDS 26/OCT/2015 USD1000	3.12%	1.82	26/10/2015
912828MW7	UNITED STATES 2.5% 03/15	3.12%	2.50	31/3/2015
912828RU6	UNITED STATES 0.875% 11/16	3.11%	0.88	30/11/2016
912828A59	US 0 62500 '18	3.08%	0.02	15/12/2018

Quality Rating Weightings

Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 2 Years	Trailing 5 Years	Inception
Taxable Bond Proceeds	0.14	0.34	0.86	0.50	0.59	0.51	2.00
BPIP Index ML 0-3 Treasury	0.18	0.27	0.53	0.50	0.42	0.77	1.91
Excess	(0.04)	(0.03)	(0.32)	0.00	0.17	0.04	0.09





**STATE OF NEW MEXICO**  
**BOND PROCEEDS INV POOL2 TAXABL (4002)**  
Portfolio Classification Summary  
Positions Held as of 10/31/14 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	.0507	.00820	526,835	526,835	526,835		.081
CERTIFICATES OF DEPOSIT	5	.4296	.79043	14,200,000	14,200,000	14,200,000		2.193
LINKED-CERTIFICATE OF DEPOSIT	2	.4500	1.20820	4,000,000	4,000,000	4,000,000		.618
US TREASURY NOTE ACT/ACT 2X	21	.5486	1.59620	321,500,000	324,605,366	325,291,335	685,969	50.247
AGENCY US BOND 30/360 2X	7	.4093	1.01055	99,170,000	99,351,962	99,401,518	49,556	15.354
AGENCY US NOTES 30/360 2X	14	.5321	1.15969	171,709,000	173,570,262	174,029,246	458,984	26.882
FED NATL MORTGAGE ASSN DEBS	1	.8704	.98630	20,000,000	20,150,210	20,276,600	126,390	3.132
MUNI US 30/360 2X	17	.5760	.96088	9,130,000	9,324,326	9,340,716	16,390	1.443
UNITS - INVESTMENT POOL 1	1			312,272	312,272	312,272		.048
	<u>69</u>	<u>.5293</u>	<u>1.33870</u>	<u>640,548,107</u>	<u>646,041,233</u>	<u>647,378,522</u>	<u>1,337,289</u>	<u>100.000</u>

**STATE OF NEW MEXICO**  
**TREASURERS OFFICE**  
**Position holdings as of 10/31/14 (TRADE)**  
**BOOK VALUES AMORTIZED THROUGH 10/31/14**

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
312,272	UNITS - INVESTMENT POOL 1	UNITS001				1.00000	312,271.75	312,272.00	.25
<b>312,272</b>							<b>312,271.75</b>	<b>312,272.00</b>	<b>.25</b>

====> 0001 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> NO-MEANINGFUL-DATE <====

526,835	OVERNIGHT REPO	1103RP	.050	11/03/14	.050	1.00000	526,835.14	526,835.14	
7,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACY	.750	11/25/14	.174	100.03833	7,002,683.16	7,002,940.00	256.84
5,500,000	UNITED STATES TREAS NTS	912828RV	.250	12/15/14	.330	99.99039	5,499,471.53	5,501,265.00	1,793.47
4,000,000	CENTURY BANK SANTA FE	17099248	.300	12/30/14	.300	1.00000	4,000,000.00	4,000,000.00	
1,100,000	WESTERN BANK ALAMOGORDO	81185441	.750	12/31/14	.750	1.00000	1,100,000.00	1,100,000.00	
<b>18,126,835</b>							<b>18,128,989.83</b>	<b>18,131,040.14</b>	<b>2,050.31</b>

====> 0005 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2014 <====

10,000,000	FEDERAL HOME LOAN BANKS	3130A0JV	.190	1/06/15	.193	99.99951	9,999,950.89	10,001,500.00	1,549.11
15,000,000	FARMER MAC	31315PZ5	.200	1/20/15	.200	100.00000	15,000,000.00	15,002,400.00	2,400.00
9,170,000	FEDERAL HOME LOAN BANKS	3133XASA	4.500	2/18/15	.200	101.27670	9,287,072.95	9,287,467.70	394.75
9,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G4FJ	.305	2/23/15	.213	100.02858	9,002,572.33	9,005,670.00	3,097.67
650,000	NEW MEXICO ST	647293NQ	5.000	3/01/15	.420	101.52333	659,901.65	660,257.00	355.35
4,000,000	CENTURY BANK SANTA FE	17099249	.350	3/30/15	.350	1.00000	4,000,000.00	4,000,000.00	
20,000,000	UNITED STATES TREASURY NOTES	912828MW	2.500	3/31/15	.316	100.89841	20,179,682.97	20,196,000.00	16,317.03
10,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PX3	.245	4/21/15	.261	99.99243	9,999,242.82	10,005,500.00	6,257.18
225,000	SANTA ROSA N MEX CONS SCH DIST	802751DM	1.000	5/15/15	.650	100.18781	225,422.58	225,738.00	315.42
21,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135GOKM	.500	5/27/15	.147	100.20204	21,042,427.48	21,044,520.00	2,092.52
1,350,000	CLOVIS N MEX GROSS RCPTS TAX R	189387CW	2.000	6/01/15	.750	100.72576	1,359,797.74	1,361,866.50	2,068.76
15,000,000	FEDERAL HOME LOAN BANKS	313379ER	.500	6/12/15	.255	100.15007	15,022,510.86	15,035,250.00	12,739.14
20,000,000	UNITED STATES TREASURY NOTES	912828NL	1.875	6/30/15	.327	101.02407	20,204,813.78	20,228,200.00	23,386.22
500,000	SANTA FE CNTY N MEX	801889KB	5.500	7/01/15	.430	103.37059	516,852.95	517,585.00	732.05
275,000	SANTA FE CNTY N MEX	801889MY	2.000	7/01/15	.400	101.06369	277,925.15	278,176.25	251.10
405,000	RUIDOSO N MEX WASTEWATER REV	781324AB	2.000	7/01/15	.700	100.86269	408,493.88	409,062.15	568.27
10,000,000	UNITED STATES TREAS NTS	912828NP	1.750	7/31/15	.453	100.96620	10,096,620.26	10,119,500.00	22,879.74
400,000	RUIDOSO N MEX MUN SCH DIST NO	781338HY	2.000	8/01/15	.560	101.07572	404,302.87	405,188.00	885.13
200,000	ALBUQUERQUE N MEX MUN SCH DIST	013595QU	5.000	8/01/15	.500	103.36346	206,726.91	207,100.00	373.09
350,000	ALAMOGORDO NM MUNI SCH DIST #1	011464HC	2.000	8/01/15	.550	101.08321	353,791.23	354,539.50	748.27
550,000	LAS CRUCES N MEX SCH DIST NO 002	517534SC	2.000	8/01/15	.450	101.15864	556,372.53	556,517.50	144.97

**STATE OF NEW MEXICO**  
**TREASURERS OFFICE**  
**Position holdings as of 10/31/14 (TRADE)**  
**BOOK VALUES AMORTIZED THROUGH 10/31/14**

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
1,100,000	RIO RANCHO N MEX PUB SCH DIST NO	767171ME	2.000	8/01/15	.450	101.15864	1,112,745.06	1,114,267.00	1,521.94
400,000	SAN JUAN CNTY N MEX CENT CONS IN	798359KB	3.000	8/01/15	.450	101.90670	407,626.78	408,140.00	513.22
15,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3ZA	.500	8/28/15	.444	100.04573	15,006,859.93	15,039,300.00	32,440.07
15,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACM	1.750	9/10/15	.341	101.20661	15,180,991.57	15,201,450.00	20,458.43
20,000,000	FED NATL MORTGAGE ASSN DEBS	31398A4M	1.625	10/26/15	.858	100.75105	20,150,210.08	20,276,600.00	126,389.92
5,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135GORS	.500	11/06/15	.150	100.00485	5,000,242.73	5,000,450.00	207.27
15,000,000	UNITED STATES TREASURY NOTES	912828PJ	1.375	11/30/15	.352	101.10113	15,165,170.24	15,190,950.00	25,779.76
20,000,000	FNMA	3135GOSB	.375	12/21/15	.451	99.91390	19,982,780.77	20,031,400.00	48,619.23
15,000,000	UNITED STATES TREAS NTS	912828PM	2.125	12/31/15	.433	101.95999	15,293,998.81	15,332,850.00	38,851.19
<b>254,575,000</b>							<b>256,105,107.80</b>	<b>256,497,444.60</b>	<b>392,336.80</b>

====> 0030 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2015 <====

15,500,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PVS	.430	1/08/16	.464	99.96024	15,493,837.08	15,523,715.00	29,877.92
2,000,000	WESTERN COMMERCE BANK	2012823	.450	1/15/16	.450	1.00000	2,000,000.00	2,000,000.00	
2,000,000	WESTERN COMMERCE BANK	2010824	.450	1/15/16	.450	1.00000	2,000,000.00	2,000,000.00	
15,000,000	UNITED STATES TREASURY NOTES	912828QJ	2.125	2/29/16	.429	102.24393	15,336,589.26	15,372,600.00	36,010.74
12,500,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MH8	5.000	3/15/16	.543	106.08446	13,260,557.13	13,297,500.00	36,942.87
8,709,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135GOAL	2.250	3/15/16	.397	102.53299	8,929,597.98	8,923,851.03	- 5,746.95
15,000,000	FANNIE MAE	3135GOVA	.500	3/30/16	.537	99.94814	14,992,220.71	15,027,300.00	35,079.29
30,000,000	UNITED STATES TREASURY NOTES	912828UW	.250	4/15/16	.435	99.73260	29,919,779.28	29,979,000.00	59,220.72
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACT	2.500	5/27/16	.479	103.16191	10,316,191.06	10,320,200.00	4,008.94
15,000,000	UNITED STATES TREASURY NOTES	912828QP	1.750	5/31/16	.522	101.92894	15,289,340.38	15,327,000.00	37,659.62
1,000,000	NEW MEXICO FIN AUTH REV	64711NSK	4.000	6/01/16	.570	105.39798	1,053,979.79	1,057,500.00	3,520.21
30,000,000	UNITED STATES TREAS NTS	912828QR	1.500	6/30/16	.532	101.60063	30,480,189.07	30,548,400.00	68,210.93
2,600,000	WESTERN BANK CLOVIS	15985	.500	7/13/16	.500	1.00000	2,600,000.00	2,600,000.00	
15,000,000	UNITED STATES TREASURY NOTES	912828VL	.625	7/15/16	.531	100.15981	15,023,971.02	15,059,700.00	35,728.98
2,500,000	WESTERN BANK ALAMOGORDO	81187124	.550	7/22/16	.550	1.00000	2,500,000.00	2,500,000.00	
600,000	RIO RANCHO N MEX PUB SCH DIST NO	767171MF	2.000	8/01/16	.650	102.34492	614,069.51	616,194.00	2,124.49
475,000	LAS CRUCES N MEX SCH DIST NO 002	5175345D	3.000	8/01/16	.650	104.08178	494,388.44	494,774.25	385.81
250,000	GALLUP MC KINLEY CNTY N MEX SCH	364010QJ	2.000	8/01/16	.710	102.23870	255,596.76	256,090.00	493.24
400,000	SAN JUAN CNTY N MEX CENT CONS IN	798359KC	3.000	8/01/16	.650	104.08190	416,327.60	417,720.00	1,392.40
25,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACW	2.000	8/25/16	1.277	101.29305	25,323,262.98	25,640,750.00	317,487.02
15,000,000	UNITED STATES TREASURY NOTES	912828RJ	1.000	9/30/16	.677	100.61209	15,091,812.78	15,142,950.00	51,137.22
15,000,000	UNITED STATES TREASURY NOTES	912828RM	1.000	10/31/16	.632	100.72985	15,109,477.05	15,142,950.00	33,472.95
20,000,000	UNITED STATES TREASURY NOTES	912828LU	3.125	10/31/16	.584	105.03799	21,007,597.63	21,031,200.00	23,602.37
20,000,000	UNITED STATES TREASURY NOTES	912828RU	.875	11/30/16	.751	100.25433	20,050,866.55	20,132,800.00	81,933.45
20,000,000	UNITED STATES TREASURY NOTES	912828A5	.625	12/15/16	.665	99.91591	19,983,182.91	20,021,800.00	38,617.09
<b>293,534,000</b>							<b>297,542,834.97</b>	<b>298,433,994.28</b>	<b>891,159.31</b>

**STATE OF NEW MEXICO**  
**TREASURERS OFFICE**  
 Position holdings as of 10/31/14 (TRADE)  
 BOOK VALUES AMORTIZED THROUGH 10/31/14

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET	
====> 0025 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2016 <====										
15,000,000	UNITED STATES TREASURY NOTES	912828SC	.875	1/31/17	.700	100.39030	15,058,544.72	15,082,050.00	23,505.28	
5,000,000	UNITED STATES TREASURY NOTES	912828SJ	.875	2/28/17	.788	100.19973	5,009,986.55	5,025,000.00	15,013.45	
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADC	1.000	3/08/17	.756	100.56806	10,056,806.35	10,059,800.00	2,993.65	
15,000,000	FEDERAL HOME LOAN BANKS	313379FW	1.000	6/09/17	.825	100.44951	15,067,425.97	15,016,200.00	- 51,225.97	
5,000,000	UNITED STATES TREASURY NOTES	912828TB	.750	6/30/17	1.006	99.32749	4,966,374.51	4,991,000.00	24,625.49	
8,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PZT	.650	7/10/17	.862	99.43741	7,954,993.05	7,963,600.00	8,606.95	
5,000,000	UNITED STATES TREASURY NOTES	912828TG	.500	7/31/17	.906	98.90111	4,945,055.69	4,951,150.00	6,094.31	
11,000,000	UNITED STATES TREASURY NOTES	912828TM	.625	8/31/17	.975	99.02583	10,892,841.84	10,914,970.00	22,128.16	
<hr/>							<b>74,000,000</b>	<b>73,952,028.68</b>	<b>74,003,770.00</b>	<b>51,741.32</b>
====> 0008 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2017 <====										
<hr/>							<b>640,548,107</b>	<b>646,041,233.03</b>	<b>647,378,521.02</b>	<b>1,337,287.99</b>
====> 0069 ITEMS IN SUBTOTAL FOR ====> FUND NAME..... ====> BOND PROCEEDS INV POOL2 TAXABL <										



## 11. Portfolio Summary- Severance Tax Bonding Fund

## **Portfolio Summary – Severance Tax Bonding Fund**

### *Summary*

- The Severance Tax Bonding Fund<sup>11</sup> closed the month of October at \$229 Million.
- The Severance Tax Bonding Fund net earnings were over \$10,000 during October.
- The Severance Tax Bonding Fund year-to-date net earnings are over \$23,000.

### *Portfolio Mix*

- Severance Tax Bonding Fund Proceeds are primarily invested in the overnight repurchase agreement pool.
- Severance Tax Bonding Fund holdings are pledged and used to pay debt service on Severance Tax and Supplemental Severance Tax Bonds.
- Once debt service needs are met, the balance in the Severance Tax Bonding Fund is transferred to the Severance Tax Permanent Fund.
- Severance Taxes are remitted to the Treasury on a monthly basis and range between \$30MM and \$35MM per month.
- On December 30<sup>th</sup> and June 30<sup>th</sup>, the STBF will transfer available balances, in excess of debt service needs, to the Severance Tax Permanent Fund.

### *Investment Strategy*

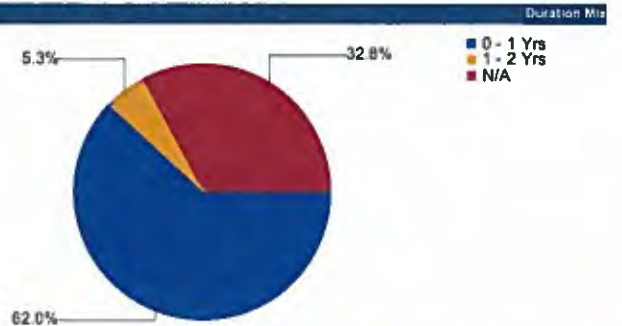
- Due to its short-term nature, investments of three to six month maturities are viable investments for the STBF pool.

---

<sup>11</sup> The Severance Tax Bonding Fund as included in this report excludes debt service fund amounts on outstanding Severance Tax and Supplemental Severance Tax Bonds and Notes. Such debt service balances are included in, and reported on, the Tax-Exempt Bond Purchase Investment Pool.

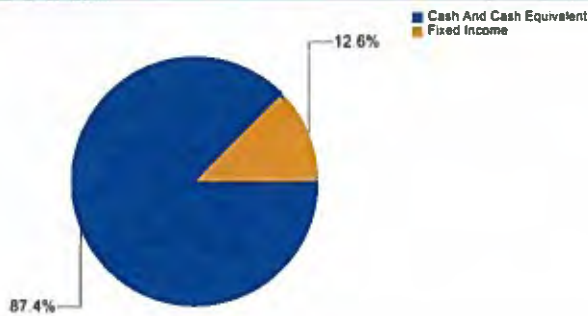
Portfolio Characteristics

Total Net Assets (Millions)	229.0
Weighted Average Life (Years)	0.08
Weighted Avg. Effective Duration (Years)	0.08
Weighted Average Coupon (%)	0.28
Weighted Average Current Yield (%)	0.06
Weighted Average Yield to Maturity (%)	0.08
Weighted Average Rating	AA-
Number of Holdings	12



Asset Mix

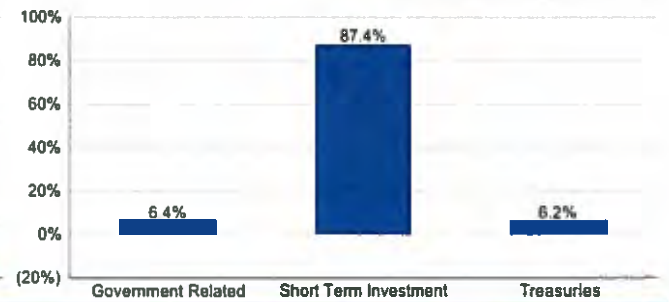
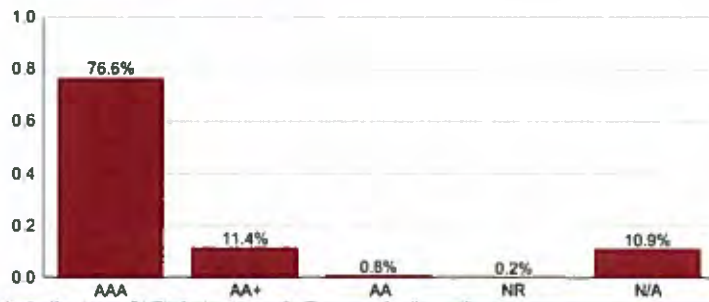
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
99E140049	REPO MIZUHO SECURITIES USA INC 103114A	22.81%	0.05	3/11/2014
992996X00	LGP POOL PARTICIPANT	21.83%	0.09	
99E140050	REPO MIZUHO SECURITIES USA INC 103114C	21.44%	0.05	3/11/2014
091992514	FIRST NATIONAL	10.82%		
99E140043	REPO MIZUHO SECURITIES USA INC 103114D	9.56%	0.05	3/11/2014
313500580	FEDERAL NATIONAL MORTGAGE ASSOC 0.375% BDS	8.25%	0.38	2/17/2015
99E140048	REPO MIZUHO SECURITIES USA INC 103114E	0.83%	0.05	3/11/2014
618401.83	MOON AREA SCH DIST PA 15NOV/2018 05 000	0.72%	8.00	15/11/2018
8053968W2	LABETTE CNTY KANS SINGLE FAMILY MTD REV SER A	0.19%	0.00	1/12/2014
912824ME7	UNITED STATES 2.625% 12/14	0.19%	2.62	2/12/2014

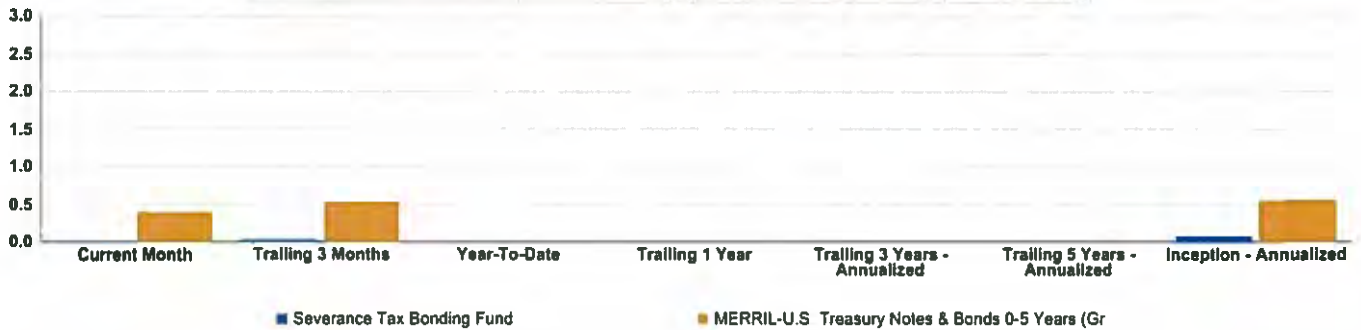
Quality/Rating Weightings

Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years - Annualized	Trailing 5 Years - Annualized	Allocation
Severance Tax Bonding Fund	0.01	0.03					0.07
MERRIL-L.S. Treasury Notes & Bonds 0-5 Years (Gross)	0.39	0.83					0.96
Esxxxx	(0.38)	(0.31)	0.00	0.00	0.00	0.00	(0.48)



**STATE OF NEW MEXICO**  
**STB FUND (4001)**  
**Portfolio Classification Summary**  
**Positions Held as of 10/31/14 (TRADE Basis)**

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	.0507	.00820	125,133,726	125,133,726	125,133,726		54.678
US TREASURY NOTE ACT/ACT 2X	1	.1547	.16710	14,000,000	14,056,343	14,055,720	-623	6.142
AGENCY US BOND 30/360 2X	1	.2786	1.13970	12,000,000	12,013,667	12,018,840	5,173	5.252
MUNI US 30/360 2X	3	.1673	.13151	2,200,000	2,213,916	2,212,909	-1,007	.967
MUNICIPAL BOND REVENUE ZERO CPN	1		.08490	425,000	424,885	424,915	30	.186
UNITS - INVESTMENT POOL 1	1			50,006,305	50,006,305	50,006,305		21.851
CASH ACCOUNT	1			25,003,014	25,003,014	25,003,014		10.925
	9	.0535	.11295	228,768,045	228,851,856	228,855,429	3,573	100.000



**STATE OF NEW MEXICO**  
**TREASURERS OFFICE**  
**Position holdings as of 10/31/14 (TRADE)**  
**BOOK VALUES AMORTIZED THROUGH 10/31/14**

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
50,006,305	UNITS - INVESTMENT POOL 1	UNITS001				1.00000	50,006,304.67	50,006,305.00	.33
25,003,014	FNB MONEY MARKET DEMAND ACCOUNT	FNBCASH				1.00000	25,003,013.70	25,003,014.00	.30
<u>75,009,319</u>							<u>75,009,318.37</u>	<u>75,009,319.00</u>	<u>.63</u>

====> 0002 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> NO-MEANINGFUL-DATE <====

125,133,726	OVERNIGHT REPO	1103RP	.050	11/03/14	.050	1.00000	125,133,725.57	125,133,725.57	
425,000	LABETTE CNTY KANS SINGLE FAMILY	505395BW		12/01/14		99.97300	424,885.25	424,915.00	29.75
300,000	NEW MEXICO FIN AUTH ST TRANSN RE	64711RHV	4.000	12/15/14	.180	100.46640	301,399.19	301,371.00	- 28.19
14,000,000	UNITED STATES TREASURY NOTES	912828ME	2.625	12/31/14	.155	100.40245	14,056,342.94	14,055,720.00	- 622.94
<u>139,858,726</u>							<u>139,916,352.95</u>	<u>139,915,731.57</u>	<u>- 621.38</u>

====> 0004 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2014 <====

300,000	NEW MEXICO FIN AUTH ST TRANSN RE	64711RAY	5.250	6/15/15	.150	103.17043	309,511.30	309,378.00	- 133.30
12,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0SB	.375	12/21/15	.275	100.11389	12,013,666.58	12,018,840.00	5,173.42
<u>12,300,000</u>							<u>12,323,177.88</u>	<u>12,328,218.00</u>	<u>5,040.12</u>

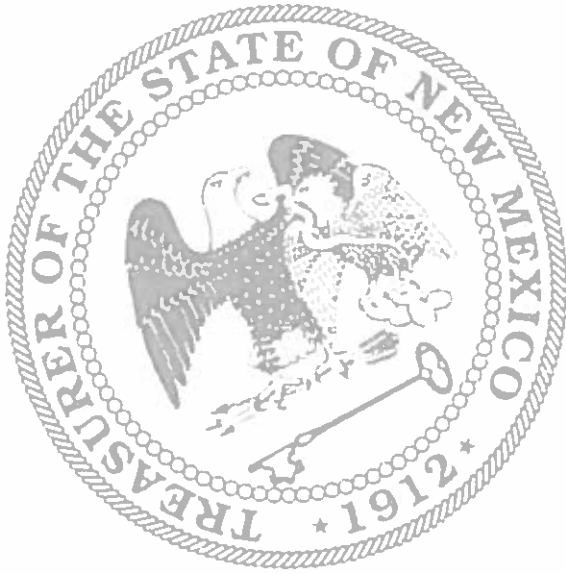
====> 0002 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2015 <====

1,600,000	MOON AREA SCH DIST PA	615401JB	5.000	11/15/19	.165	100.18787	1,603,005.93	1,602,160.00	- 845.93
<u>1,600,000</u>							<u>1,603,005.93</u>	<u>1,602,160.00</u>	<u>- 845.93</u>

====> 0001 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2019 <====

<u>228,768,045</u>							<u>228,851,855.13</u>	<u>228,855,428.57</u>	<u>3,573.44</u>
--------------------	--	--	--	--	--	--	-----------------------	-----------------------	-----------------

====> 0009 ITEMS IN SUBTOTAL FOR ====> FUND NAME..... ====> STB FUND <====



## 12. Broker Dealer Activities

## **Broker-Dealer Activities**

The attached summaries detail activities by STO with our Broker-Dealer counterparties. Activities by dealer and by security type are summarized.

New Mexico State Treasurer's  
Executive Summary of Investment Activity  
Summary of Broker Participation  
Purchases and Sales By Broker, Market & Security Type  
All Funds  
2014-2015

Volume of Bid (\$ in thousands)

Broker/Dealer	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	YTD Total	Percent
Arbor Research and Trading	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
BAM	-	20,000	-	-	-	-	-	-	-	-	-	-	20,000	1.8%
Barclays	-	-	-	60,000	-	-	-	-	-	-	-	-	60,000	5.4%
BB and T (Scott & Stringfellow)	32,000	-	18,790	20,850	-	-	-	-	-	-	-	-	71,640	6.4%
BMO Capital Markets	30,000	30,000	10,000	35,000	-	-	-	-	-	-	-	-	105,000	9.4%
BNP Paribas	-	10,000	-	-	-	-	-	-	-	-	-	-	10,000	0.9%
BOSC, Inc	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Carroll, Fitzgerald	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Carolina Capital Markets	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
CastleOak Securities LP	-	61,000	13,635	-	-	-	-	-	-	-	-	-	74,635	6.7%
ClGroup	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
CRT Capital Group	20,000	-	-	-	-	-	-	-	-	-	-	-	20,000	1.8%
DA Davidson & Co	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Dales Capital Markets America	-	-	4,000	-	-	-	-	-	-	-	-	-	4,000	0.4%
Deutsche Bank	-	5,000	-	15,000	-	-	-	-	-	-	-	-	20,000	1.8%
Drexel Hamilton LLC	5,000	-	15,000	-	-	-	-	-	-	-	-	-	20,000	1.8%
First Southwest	-	-	125	-	-	-	-	-	-	-	-	-	125	0.0%
FTM Financial	5,000	-	3,170	475	-	-	-	-	-	-	-	-	8,645	0.8%
DLX, Clarke & Co	35,000	14,800	29,000	-	-	-	-	-	-	-	-	-	78,800	7.1%
George K Baum & Co	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Goldman Sachs	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Government Perspectives, Inc	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Great Pacific Securities	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Guggenheim Securities LLC	-	-	15,000	-	-	-	-	-	-	-	-	-	15,000	1.3%
Harvesters Securities Inc	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
HSBC	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
InCapital LLC	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Jefferies	-	-	-	9,200	-	-	-	-	-	-	-	-	9,200	0.8%
JP Morgan & Co	40,000	-	-	-	-	-	-	-	-	-	-	-	40,000	3.6%
KeyBank Capital Markets	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Lawson Financial	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Loop Capital Markets	-	5,000	-	-	-	-	-	-	-	-	-	-	5,000	0.4%
MBS (Multi-Bank Securities)	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
MFR Securities	-	5,000	-	-	-	-	-	-	-	-	-	-	5,000	0.4%
Mitsubishi UFJ Securities	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Mizuho Securities USA	5,000	-	15,000	10,000	-	-	-	-	-	-	-	-	30,000	2.7%
Morgan Stanley	15,000	5,000	-	2,000	-	-	-	-	-	-	-	-	22,000	2.0%
Muniri Seibert & Co	5,000	-	-	-	-	-	-	-	-	-	-	-	5,000	0.4%
Mutual Securities inc.	-	-	4,500	-	-	-	-	-	-	-	-	-	4,500	0.4%
Nomura	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Northern Trust	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Parpont	-	-	-	10,000	-	-	-	-	-	-	-	-	10,000	0.9%
Piper Jeffrey	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Raymond, James & Associates	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
RBS Securities	20,000	40,000	-	20,000	-	-	-	-	-	-	-	-	80,000	7.2%
Robert W. Baird & Co.	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
RW Pressprich	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
RBC Capital Markets	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Samuel A Ramirez & Co.	-	5,000	-	-	-	-	-	-	-	-	-	-	5,000	0.4%
Sea Port Securities	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Societe General Americas	20,000	18,820	12,000	8,000	-	-	-	-	-	-	-	-	58,820	5.3%
South Street Securities	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Southwest Securities	8,235	8,437	11,950	2,845	-	-	-	-	-	-	-	-	27,467	2.5%
Stornes Agee & Leach, Inc.	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Stifel Nicolaus & Co	5,000	-	-	-	-	-	-	-	-	-	-	-	5,000	0.4%
SunTrust Robinson Humphrey	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
TD Securities	10,000	-	-	-	-	-	-	-	-	-	-	-	10,000	0.9%
Tradition Asset Securities	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
UBS Financial Services	-	1,415	-	-	-	-	-	-	-	-	-	-	1,415	0.1%
Vining Sparks	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Westbush Securities	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Wells Fargo Securities	15,000	5,000	12,855	131,877	-	-	-	-	-	-	-	-	163,732	14.7%
Wilshire Capital Group	-	2,000	4,500	-	-	-	-	-	-	-	-	-	6,500	0.6%
Zions Direct	-	2,000	-	40,000	-	-	-	-	-	-	-	-	42,000	3.8%
Direct Purchase	10,200	2,000	83,500	-	-	-	-	-	-	-	-	-	95,700	8.6%
Interfund	-	-	-	-	-	-	-	-	-	-	-	-	63,500	5.7%
<b>Total</b>	<b>278,436</b>	<b>238,272</b>	<b>232,831</b>	<b>364,447</b>									<b>1,113,986</b>	<b>100.0%</b>

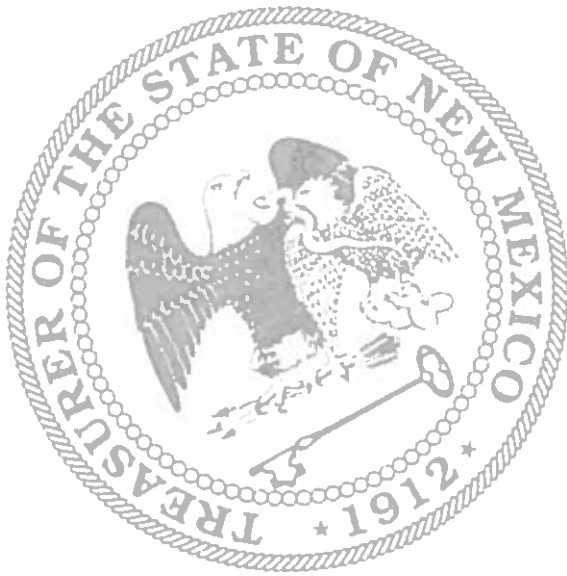
**Volume at Par**

(\$ in thousands)

	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	YTD Total	YTD Percent
<b>Broker/Dealer:</b>														
<b>Market type:</b>														
-	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	YTD Total	YTD %
Primary Market	102,200	45,000	88,881	80,000	-	-	-	-	-	-	-	-	306,081	27.5%
Secondary Market	176,235	191,272	133,950	304,447	-	-	-	-	-	-	-	-	805,904	72.5%
<b>Total</b>	<b>278,435</b>	<b>236,272</b>	<b>232,831</b>	<b>364,447</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,111,985</b>	<b>100.0%</b>
<b>Security type:</b>														
- 2	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	YTD Total	YTD %
ABS	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Agencies	159,725	148,962	108,451	211,127	-	-	-	-	-	-	-	-	628,265	56.5%
Certificates of Deposit/Bank MMDA	8,100	2,000	63,500	40,000	-	-	-	-	-	-	-	-	113,600	10.2%
Commercial Paper	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Corporate Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
MBS	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Municipal/Sponge	5,610	5,310	15,880	3,320	-	-	-	-	-	-	-	-	30,120	2.7%
Treasuries	105,000	80,000	45,000	110,000	-	-	-	-	-	-	-	-	340,000	30.6%
<b>Total</b>	<b>278,435</b>	<b>236,272</b>	<b>232,831</b>	<b>364,447</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,111,985</b>	<b>100.0%</b>

**STATE OF NEW MEXICO**  
**Summary of Fixed-Income Purchases and Sales**  
**TRADES During The Period 10/01/14 Through 10/31/14**

TXN-DATE	CUSIP#	ASSET-TYPE	INVT#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
<b>PURCHASE TRANSACTIONS</b>													
10/10/14	84000530	CERTIFICATES OF	22295	FIRST NATIONAL SANTA FE	.600	10/10/16	.6000	SYSTEM - UNIDEN	1001	10,000,000.00	10,000,000.00		
10/10/14	84000531	CERTIFICATES OF	22242	FIRST NATIONAL SANTA FE	.850	4/10/17	.8500	SYSTEM - UNIDEN	1001	20,000,000.00	20,000,000.00		
10/31/14	912828UD	US TREASURY NOT	22335	UNITED STATES TREASURY	.125	12/31/14	.0543	BARCLAYS	1000	10,000,000.00	10,001,171.87		
10/31/14	912828UD	US TREASURY NOT	22335	UNITED STATES TREASURY	.125	12/31/14	.0543	BARCLAYS	1000	50,000,000.00	50,005,859.37		
10/02/14	313370JB	AGENCY US BOND	22203	FEDERAL HOME LOAN BANKS	1.750	9/11/15	.2034	WELLS FARGO SEC	4101	4,000,000.00	4,058,000.00		
10/06/14	880591DY	AGENCY US BOND	22216	TENNESSEE VALLEY AUTHORITY	4.375	6/15/15	.1826	WELLS FARGO SEC	4101	5,077,000.00	5,223,471.45		
10/24/14	3130A27D	AGENCY US BOND	22309	FEDERAL HOME LOAN BANKS	.125	6/02/15	.1268	WELLS FARGO SEC	4101	10,000,000.00	9,999,890.00		
10/31/14	313385M9	AGENCY US DISC	22338	FEDERAL HOME LOAN BANKS		11/03/14		RBS	1000	20,000,000.00	20,000,000.00		
10/31/14	313385P2	AGENCY US DISC	22336	FEDERAL HOME LOAN BANKS		11/12/14	.0200	WELLS FARGO SEC	1000	100,000,000.00	99,999,333.33		
10/31/14	313589P7	AGENCY US DISC	22337	FEDERAL NATIONAL MORTGAGE		11/17/14	.0390	JEFFRIES & CO	1000	9,200,000.00	9,199,830.57		
10/23/14	3130A3C5	FED HOME LOAN B	22302	FEDERAL HOME LOAN BANKS	.070	4/14/15	.1018	WELLS FARGO SEC	4101	12,000,000.00	11,998,200.00		
10/03/14	31358DHD	AGENCY US BOND	22219	FEDERAL NATIONAL MORTGAGE		10/15/14	.1029	BB&T CAPITAL MA	4101	5,850,000.00	5,849,883.00		
10/06/14	3134A4MK	AGENCY US BOND	22218	FEDERAL HOME LN MTG COR		7/15/15	.1854	MORGAN STANLEY	4101	2,000,000.00	1,997,140.00		
10/30/14	3134A4VX	AGENCY US BOND	22334	FEDERAL HOME LOAN MORTG		1/15/15	.1015	BB&T CAPITAL MA	4101	15,000,000.00	14,996,955.00		
10/15/14	3136G03Z	FED NATL MORTGA	22263	FEDERAL NATIONAL MORTGAGE	.750	10/30/17	.2477	PIERPONT SECURI	4000	10,000,000.00	10,001,950.00		10/30/15
10/01/14	3133EANP	AGENCY US VARIA	20296	FEDERAL FARM CREDIT BAN	.350	5/01/15	.1151	MIZUHO SECURITI	4101	10,000,000.00	10,013,500.00		
10/06/14	362550M3	MUNI US 30/360	22234	GADSDEN N MEX INDPT SCH	2.000	8/15/16	.6501	FTN FINANCIAL S	4000	475,000.00	486,419.00		
10/07/14	64711RHV	MUNI US 30/360	22220	NEW MEXICO FIN AUTH ST	4.000	12/15/14	.1805	SOUTHWEST	4001	300,000.00	302,067.00		
10/10/14	615401JB	MUNI US 30/360	22250	MOON AREA SCH DIST PA	5.000	11/15/19	.1649	SOUTHWEST	4001	1,600,000.00	1,606,656.00		11/15/14
10/10/14	871244AA	MUNI US 30/360	22249	SYLACAUGA ALA HEALTH CA	5.375	8/01/15	.3409	SOUTHWEST	1001	520,000.00	540,675.20		
10/06/14	505395BW	MUNICIPAL BOND	22217	LABETTE CNTY KANS SINGL		12/01/14		SOUTHWEST	4001	425,000.00	424,885.25		
<b>21 PURCHASES DURING PERIOD TOTAL.....</b>										<b>296,447,000.00</b>	<b>296,705,887.04</b>		
<b>SALE TRANSACTIONS</b>													
10/07/14	01033690	CERTIFICATES OF	17655	FIRST NATIONAL BANK SAN	.550	10/15/14		SYSTEM - UNIDEN	1001	10,000,000.00	10,000,000.00		
10/08/14	912828RJ	US TREASURY NOT	21818	UNITED STATES TREASURY	1.000	9/30/16		BMO CAPTIAL MAR	1001	20,000,000.00	20,176,562.50	27,344.62	
10/15/14	912828LS	US TREASURY NOT	19627	UNITED STATES TREASURY	2.375	10/31/14		BMO CAPTIAL MAR	4000	15,000,000.00	15,014,062.50	718.65	
10/28/14	912828ME	US TREASURY NOT	20626	UNITED STATES TREASURY	2.625	12/31/14		DEUTSCHE BANK S	4002	15,000,000.00	15,064,453.13	2,388.39	
10/28/14	3137EACY	AGENCY US NOTES	20607	FEDERAL HOME LOAN MORTG	.750	11/25/14		SOC GEN AMERICA	4002	8,000,000.00	8,003,824.00	629.76	
<b>5 SALES DURING PERIOD TOTAL.....</b>										<b>68,000,000.00</b>	<b>68,258,902.13</b>	<b>31,081.42</b>	
<b>=== GRAND-TOTAL ===&gt;</b>										<b>364,447,000.00</b>	<b>364,964,789.17</b>	<b>31,081.42</b>	
<b>*** END-OF-REPORT ***</b>													



## 13. State Agency Deposit Balances



James B. Lewis  
State Treasurer

STATE OF NEW MEXICO  
OFFICE OF THE TREASURER

Marilyn L. Hill  
Deputy State Treasurer

P. O. Box 5135  
2055 South Pacheco, Suite 100  
Santa Fe, New Mexico 87505  
Phone: (505) 955-1120  
FAX (505) 955-1195

Date: November 25, 2014  
To: James B. Lewis, State Treasurer  
For: Governor Martinez and Members of the State Board of Finance  
From: Victor Vigil, <sup>W</sup>Interim State Cash Manager  
Subject: State Fund Deposit Activity for the month ending October 31, 2014

Pursuant to section 8-6-3.1 NMSA 1978, the State Cash Manager shall submit to the State Board of Finance a report showing state fund balances in each Financial Institution. Attached for your review is a summary of State fund balances in each institution through October 31, 2014.

Additionally, the State Treasurer's Office is required to report to the State Board of Finance any Financial Institution that exceeds certain equity capital and deposit ratios and notify all state agencies who maintain State fund deposits within those institutions of the violation. Agencies are also advised not to make any new deposits until the violations are corrected. Pursuant to section 6-10-24.1 NMSA 1978 there were no Financial Institutions exceeding the statutory limitations on equity capital and deposit ratios for the month ending October 31, 2014.

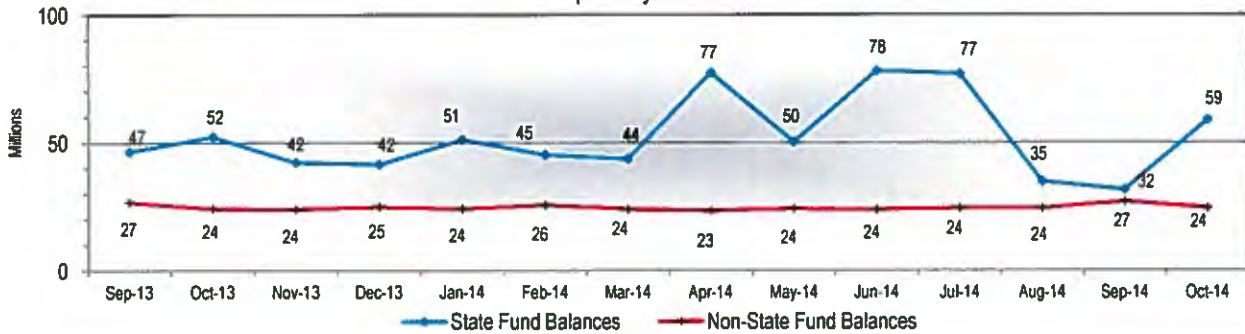
(Attachments)



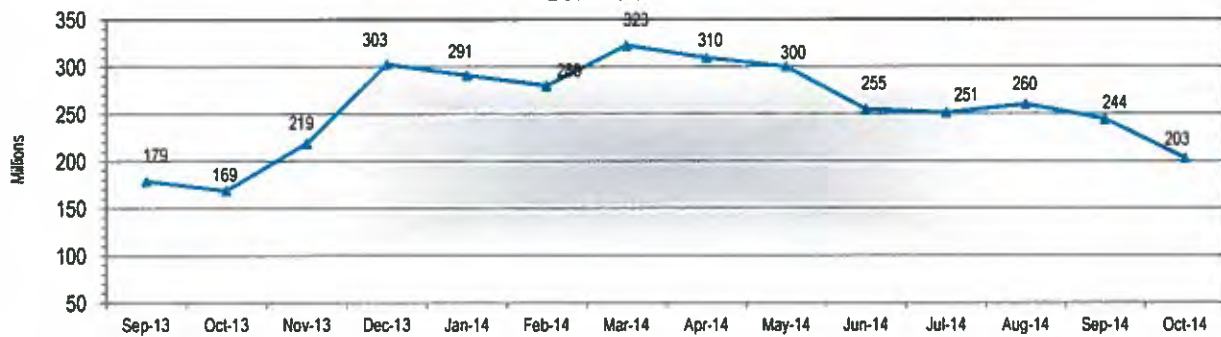


# Depository Account Summary - October 2014

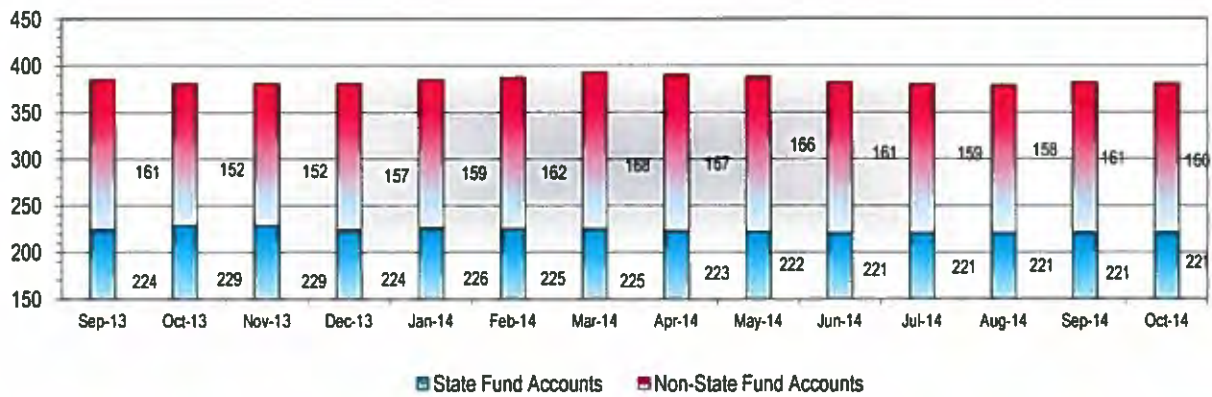
## Depository Balances Y-T-D



## LGIP Balances Y-T-D



## Number of Authorized Depository Accounts



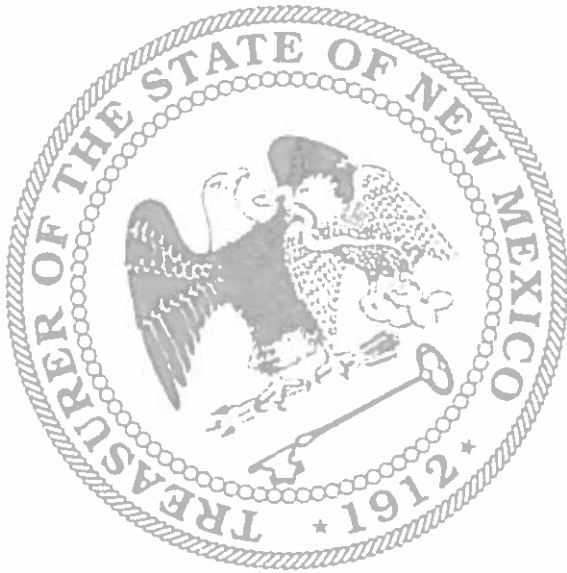
Depository accounts authorized in October 2014 pursuant to Section 6-1-13 NMSA :

Depository accounts opened in October 2014    4    13th Judicial District Court

Depository accounts closed in October 2014    4    13th Judicial District Court  
     1    13th District Attorney

**State Fund Balances by Financial Institution  
October 2014**

Bank 34	\$	-
First National Bank/Alamogordo	\$	149,247
Bank of America/Albuquerque	\$	801,800
Wells Fargo Bank/Albuquerque	\$	37,088,290
Compass Bank/Albuquerque	\$	2,466,891
Bank of the West/Albuquerque	\$	15,545
First American Bank/Artesia	\$	57,040
My Bank/Belen	\$	5,291
Carlsbad National Bank/Carlsbad	\$	800
Western Commerce Bank/Carlsbad	\$	100,643
Farmers and Stockmens Bank/Clayton	\$	18,629
First National Bank/Clayton	\$	16,978,486
Citizens Bank/Clovis	\$	15,118
NM Bank & Trust/Albuquerque	\$	150,691
Community Bank/Santa Fe	\$	4,082
Valley National Bank/Espanola	\$	262
Lea County State Bank/Hobbs	\$	260,941
Southwest Capitol/Las Vegas	\$	182,285
Community 1st Bank/Las Vegas	\$	107,228
Western Bank/Lordsburg	\$	71,878
Los Alamos National Bank/Los Alamos	\$	16,518
International Bank/Raton	\$	47,674
Valley Bank of Commerce/Roswell	\$	89,598
First State Bank/Socorro	\$	3,954
Centinel Bank/Taos	\$	67,253
US Bank/Albuquerque	\$	46,228
Bank of the Southwest/Roswell	\$	174,257
People's Bank	\$	11,803
AmBank	\$	15,211
Washington Federal	\$	14,888
<b>Total:</b>	<b>\$</b>	<b>58,962,531</b>



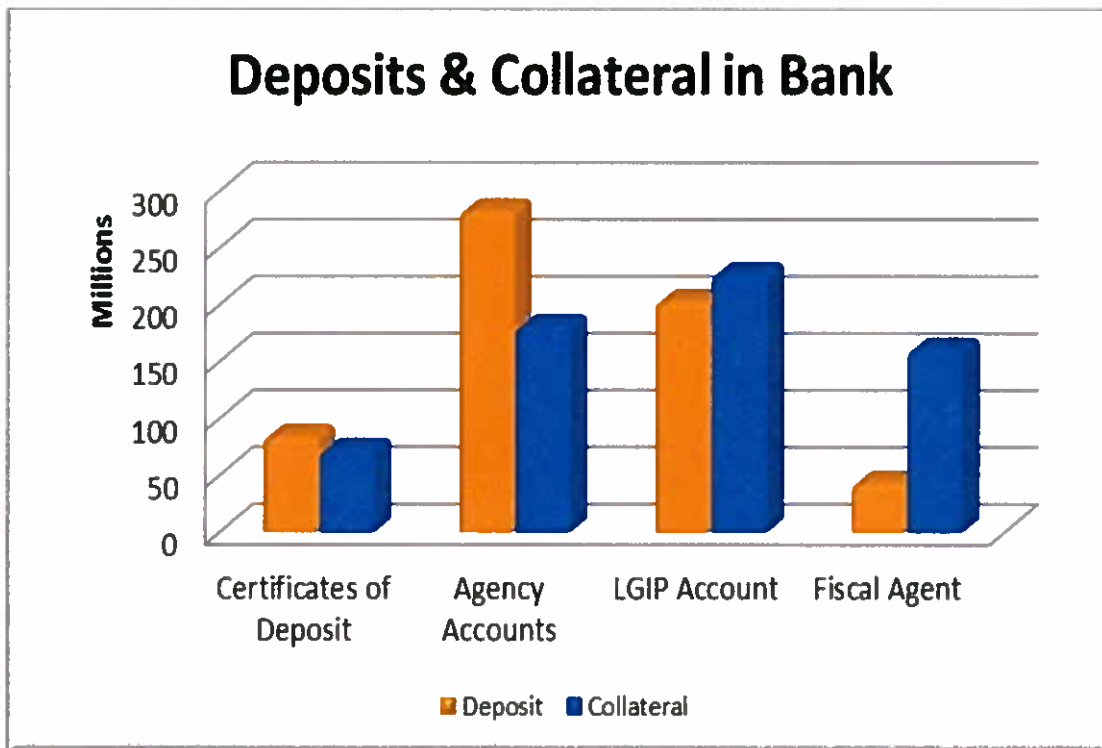
## 14. Collateral Report on Agency Deposits & CDs

# Office of the Treasurer

## Collateral Summary Review

### October 31, 2014

All depository institutions holding public funds for the month ending October 2014 met the minimum collateral requirements. The required ratio of collateral for each depository institution holding public funds is determined by a statutorily defined quarterly risk assessment and is not intended as an opinion as to the financial health of the subject institution.



### Balances

	<u>Deposit</u>	<u>Collateral</u>	<u>Percentage</u>
Certificate of Deposit	\$ 84.0 Million	\$ 71.5 Million	85.1%
Agency Deposit	282.3 Million	180.4 Million	63.9%
LGIP Deposits	202.8 Million	226.3 Million	111.6%
Fiscal Agent	43.1 Million	160.0 Million	371.1%
Totals →	612.2 Million	638.1 Million	104.2%



# Office of the Treasurer

## Collateral Review

### Accumulated Total by Institution

### October 31, 2014

FINANCIAL INSTITUTION	%	TOTAL	FDIC / NCUA	LESS INSURANCE	SUBJECT TO BE	COLLATERAL	EXCESS
		DEPOSITS	INSURANCE	COVERAGE	COLLATERALIZED	PLEGDED	(UNDER)
First National - Alamogordo	50%	149,247	149,247	0	0	1,520,235	1,520,235
Western - Alamogordo	50%	3,600,000	250,000	3,350,000	1,675,000	2,509,923	834,923
Bank of America	50%	1,310,945	250,000	1,060,945	530,472	572,239	41,767
Bank of the West	50%	340,415,236	250,000	340,165,236	170,082,618	248,692,433	78,609,815
BBVA Compass	75%	2,466,892	250,000	2,216,892	1,662,669	6,491,053	4,828,383
US Bank	50%	31,208,793	250,000	30,958,793	15,479,397	40,000,000	24,520,603
Wells Fargo	50%	89,373,475	250,000	89,123,475	44,561,737	61,659,829	17,098,092
First American	50%	57,040	57,040	0	0	0	0
My Bank	75%	178,279	178,279	0	0	0	0
Carlsbad National	50%	800	800	0	0	0	0
Western Commerce	50%	4,101,155	250,000	3,851,155	1,925,578	4,118,918	2,193,340
Farmers & Stockmen	50%	10,043,825	250,000	9,793,825	4,896,912	5,055,837	158,925
First National - Clayton	50%	4,275,255	250,000	4,025,255	2,012,628	2,192,496	179,868
Bank of Clovis	50%	468,999	250,000	218,999	109,499	821,256	711,757
Citizens - Clovis	50%	15,118	15,118	0	0	0	0
NM Bank & Trust	50%	150,691	150,691	0	0	275,963	275,963
Western - Clovis	50%	3,100,000	250,000	2,850,000	1,425,000	1,828,840	403,840
Valley National	102%	262	262	0	0	0	0
Grants State	50%	1,004	1,004	0	0	0	0
Lea County State	50%	260,940	260,940	0	0	100,000	100,000
Citizens - Las Cruces	50%	3,599	3,599	0	0	0	0
Southwest Capital	50%	10,912,816	250,000	10,662,816	5,331,408	5,772,875	441,467
Community 1st - Las Vegas	102%	107,228	107,228	0	0	500,867	500,867
Western - Lordsburg	50%	137,814	137,814	0	0	0	0
Los Alamos National	102%	16,518	16,518	0	0	0	0
James Polk Stone Communi	50%	216,932	216,932	0	0	157,085	157,085
International	50%	96,596	96,596	0	0	0	0
Bank of the Southwest	50%	538,900	250,000	288,900	144,450	314,869	170,418
Valley Commerce	50%	89,598	89,598	0	0	0	0
Century	50%	21,724,419	250,000	21,474,419	10,737,210	15,763,877	5,026,668
Community	102%	156,475	156,475	0	0	0	0
First National - Santa Fe	102%	55,000,000	250,000	54,750,000	55,845,000	56,605,226	760,226
First State	50%	53,530	53,530	0	0	0	0
AM	50%	15,211	15,211	0	0	0	0
Centinel	50%	67,253	67,253	0	0	0	0
Peoples	102%	11,803	11,803	0	0	0	0
BANK'34	50%	2,000,000	250,000	1,750,000	875,000	2,283,373	1,408,373
United Labor Bank	50%	0	0	0	0	4,012,051	4,012,051
Guadalupe Credit	50%	250,000	250,000	0	0	0	0
Washington Federal	50%	34,888	34,888	0	0	0	0
		<b>582,611,539</b>	<b>6,070,828</b>	<b>576,540,710</b>	<b>317,294,578</b>	<b>461,249,244</b>	<b>143,954,665</b>

# LGIP Bank Deposits October 31, 2014

<u>Financial Insitution</u>	<u>Percentage</u>	<u>Deposit</u>	<u>Collateral</u>
Bank of the West	102.5%	138,952,838	142,463,064
US Bank	116.1%	30,137,511	35,000,000
Wells Fargo	144.8%	33,722,619	48,818,246
<b>Totals</b>	<b>111.6%</b>	<b>202,812,968</b>	<b>226,281,310</b>

