



STATE OF NEW MEXICO  
OFFICE OF THE TREASURER

**THE HONORABLE TIM EICHENBERG**  
State Treasurer

**SAMUEL K. COLLINS, JR.**  
Deputy State Treasurer

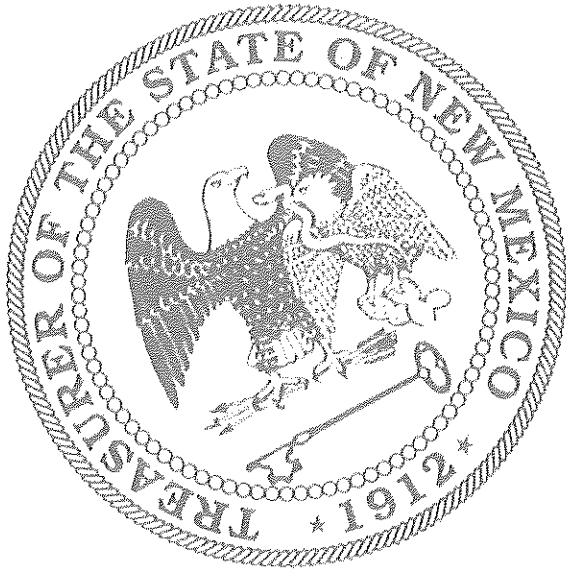
**STATE TREASURER'S  
INVESTMENT COMMITTEE**

State Treasurer's conference room



"Albuquerque, NM" - New Mexico Tourism Department

**Wednesday, December 9, 2015**  
**9:00am**



1. Approval of December 9, 2015 Agenda



STATE OF NEW MEXICO  
OFFICE OF THE TREASURER

**Tim Eichenberg**  
The Honorable State Treasurer

**Samuel K. Collins, Jr.**  
Deputy State Treasurer

**STATE TREASURER'S INVESTMENT COMMITTEE**  
**Treasurer's Conference Room**  
Wednesday, December 9, 2015, 9:00 a.m.

**MEETING AGENDA**

Roll Call

- |  |        |
|--|--------|
| 1. Approval of December 9, 2015 Agenda   | Action |
| 2. Approval of November 10, 2015 Minutes | Action |
| 3. Public Comments                       |        |

**INVESTMENT REPORTS**

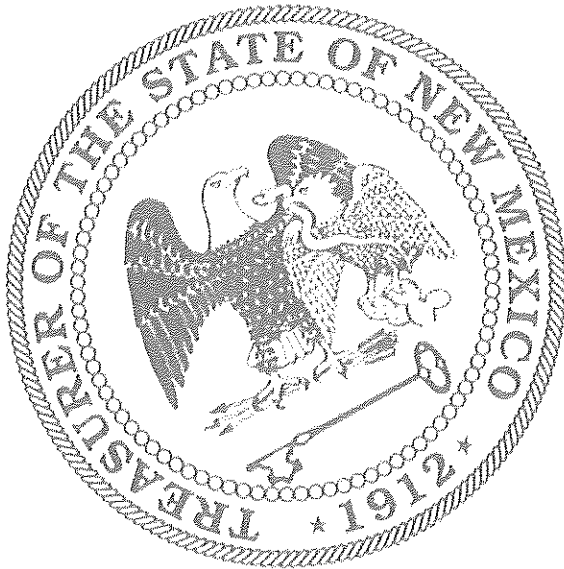
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|--|---------------|
| 4. Executive Summary (Vikki Hanges)  | Informational |
| 5. Investment Accounting Report (Steve Vigil)                                      | Informational |
| 6. Investment Policy Compliance Report (Arsenio Garduño)                           | Informational |
| 7. Cash Projections (Arsenio Garduño)  | Informational |
| 8. Portfolio Summary -- General Fund Investment Pool (Vikki Hanges)                | Informational |
| 9. Portfolio Summary -- Local Government Investment Pool (LGIP) (Jeremy Landrum)   | Informational |
| 10. Portfolio Summary -- Tax-Exempt Bond Proceeds Investment Pool (Jeremy Landrum) | Informational |
| 11. Portfolio Summary -- Taxable Bond Proceeds Investment Pool (Jeremy Landrum)    | Informational |
| 12. Portfolio Summary -- Severance Tax Bonding Fund (Vikki Hanges)                 | Informational |
| 13. Broker Dealer Activities   | Informational |

**CASH MANAGEMENT  
& COLLATERAL REPORTS**

- |  |               |
|--|---------------|
| 14. State Agency Deposit Balances (Edward Gallegos)              | Informational |
| 15. Collateral Report on Agency Deposits & CDs (Arsenio Garduño) | Informational |

**COMMITTEE REPORTS**

- |   |        |
|---|--------|
| 16. Credit Investing                                    | Action |
| 17. Next Meeting --Wednesday, January 13, 2015, 9:00 am |        |
| 18. Adjournment   |        |



## 2. Approval of November 10, 2015 Minutes



**New Mexico State Treasurer's Office**  
**STIC Committee Meeting**  
**Meeting Minutes**  
**Tuesday, November 10, 2015**

**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:**

Treasurer Tim Eichenberg  
Ms. Charmaine Cook, Chief Investment Officer, Chairman  
Ms. Leila Kleats, Board of Finance Director  
Mr. Mark Pike, Public Member  
Mr. Paul Cassidy, Public Member

**Staff Present:**

Mr. Sam Collins, Deputy State Treasurer  
Mr. Edward Gallegos, State Cash Manager  
Mr. Steve Vigil, Investment Accounting Bureau Chief  
Ms. Vikki Hanges, Portfolio Manager  
Mr. Jeremy Landrum, Portfolio Manager  
Mr. Arsenio Garduño, Collateral Manager  
Ms. Victoria Hutchison, STIC Secretary

**Guests Present:**

Ms. Deanne Woodring, Government Portfolio Advisors (via telephone)  
Ms. Sheila Duffy, Public Trust Advisors

**1. Approval of November 10, 2015 Agenda:**

Member Pike moved approval of the Agenda. Motion was seconded by Mr. Cassidy and passed unanimously by voice vote.

**2. Approval of October 14, 2015 Minutes:**

Member Kleats requested the minutes include more of the back and forth discussion. Member Kleats moved approval of the Minutes. Motion was seconded by Member Pike and passed unanimously by voice vote.

**3. Public Comments**

There were no public comments.

**4. Executive Summary**

Ms. Vikki Hanges presented highlights of the Executive Summary. It was noted that inventory at the front end of the yield curve will tighten as Broker-Dealers clean up their balance sheets in preparation for year-end.

**5. Investment Accounting Report**

Mr. Steve Vigil indicated that there were no reconciling items.

**6. Investment Policy Compliance Report**

Mr. Arsenio Garduño presented highlights of the Investment Policy Compliance Report. Discussion was held regarding cash on hand at the end of the year and what problems might occur with collateral.

**7. Cash Projections**

Mr. Arsenio Garduño presented highlights of Cash Projections.

**8. Investment Advisor – September 2015 Quarterly Investment Report**

Ms. Deanne Woodring presented highlights of the Quarterly Investment Report.

**9. Quarterly Investment Review**

Ms. Vikki Hanges presented highlights of the Quarterly Investment Report.

**10. Portfolio Summary - General Fund Investment Pool**

Ms. Vikki Hanges presented highlights of the General Fund Investment Pool Portfolio Summary.

**11. Portfolio Summary – Local Government Investment Pool**

Mr. Jeremy Landrum presented highlights of the Local Government Investment Pool Portfolio Summary. Discussion was held regarding the possibility of a longer term LGIP and the need for an online system that calculates NAV on a daily basis before a longer term pool is implemented. Staff is looking at new investment accounting platforms that can incorporate LGIP participant access to initiate transactions and view reporting on a daily basis.

**12. Portfolio Summary - Tax-Exempt Bond Proceeds Investment Pool**

Mr. Jeremy Landrum presented highlights of the Tax-Exempt Bond Proceeds Investment Pool Portfolio Summary.

**13. Portfolio Summary - Taxable Bond Proceeds Investment Pool**

Mr. Jeremy Landrum presented highlights of the Taxable Bond Proceeds Investment Pool Portfolio Summary. Mr. Landrum indicated that on page 83, the first bullet erroneously states \$722.3mil at the end September; it should read at the end of August.

[The error was corrected and the website was updated on November 24, 2015 with the correction.]

**14. Portfolio Summary - Severance Tax Bonding Fund**

Ms. Vikki Hanges presented highlights of the Severance Tax Bonding Fund Portfolio Summary.

**15. Broker Dealer Activities**

Member Cook presented the Broker-Dealer Activities. Member Cook indicated that September would be the last time some of the broker/dealers would have activity as they are not on the current approved list. They will be identified in the report as such.

Lengthy discussion was held concerning the responsibility Broker-Dealers have regarding compliance of individuals of their firm, and the responsibilities of the investing parties, as well.

[Break from 10:35 to 10:45 a.m.]

**16. State Agency Deposit Balances**

Mr. Edward Gallegos presented highlights of the State Agency Deposit Balances. Member Cook asked that the banks with zero balances be removed from the list of State Fund Balances by Financial Institution.

[The names of banks no longer having balances in State Fund accounts will be removed from the report effective with reporting for October.]

**17. Collateral Report on Agency Deposits & CDs**

Mr. Arsenio Garduño presented highlights of the Collateral Report on Agency Deposits and CDs.

**18. Credit Investing**

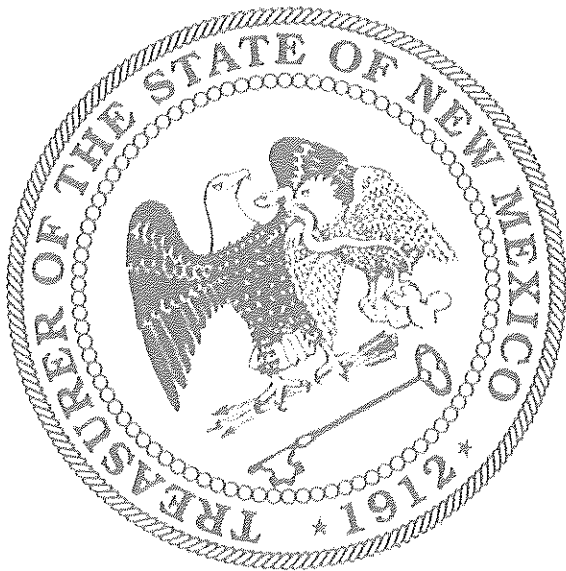
Ms. Hanges provided a presentation on how the Investments Division will implement and administer the use of credit as a tool for investing. This was a follow up to the previous presentations and discussions at the September and October STIC meetings. There was further discussion regarding reporting and how the proposed STOCC (State Treasurer's Office Credit Committee) would function. The decision was made to refine the details and present the process at the STIC meeting in December.

**19. Next Meeting – Wednesday, December 9, 2015, 9:00am**

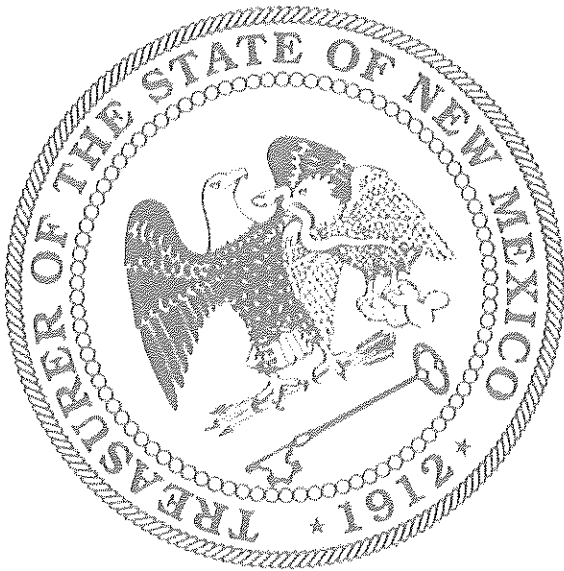
**20. Adjournment**

Meeting adjourned at 11:46 am

Minutes were taken by Ms. Victoria Hutchison.



### 3. Public Comments



## 4. Executive Summary

## Executive Summary

- At the end of October, the State Treasurer managed \$4.2 billion in assets.
- During the month, the office earned approximately \$2.5 million on its investment positions.
- On a mark-to-market basis the portfolios decreased \$4.8 million.
- US equity markets rose in October 2015, up 8.3% for the month.
- US Treasury yields increased across all maturities, prices were lower.
- The unemployment rate held steady at 5.1% as non farm payroll employment came in much lower than expected, adding only 142,000 jobs.
- Weak employment pushed interest rates lower early in October, but the Fed reversed the euphoria, indicating that short term interest rates could still rise in 2015.
- Chinese equity prices rebounded, up almost 11% in October, perhaps giving the Fed more comfort globally and allowing for their more hawkish rhetoric.
- Oil prices rose, up by 3.3% during the month of October.
- The US dollar strengthened by 1.5% vs. the euro.

**Table 1 – Comparative Interest Rates**

*US Treasury Yields*

<i>Maturity</i>	<i>Sept 30 2015</i>	<i>Oct 31 2015</i>	<i>Change</i>
<i>3-Month</i>	<i>(0.02)%</i>	<i>0.07%</i>	<i><b>0.09%</b></i>
<i>6-Month</i>	<i>0.07%</i>	<i>0.23%</i>	<i><b>0.16%</b></i>
<i>2-Year</i>	<i>0.63%</i>	<i>0.73%</i>	<i><b>0.10%</b></i>
<i>3-Year</i>	<i>0.90%</i>	<i>1.02%</i>	<i><b>0.12%</b></i>
<i>5-Year</i>	<i>1.36%</i>	<i>1.52%</i>	<i><b>0.16%</b></i>
<i>10-Year</i>	<i>2.04%</i>	<i>2.14%</i>	<i><b>0.10%</b></i>
<i>30-Year</i>	<i>2.85%</i>	<i>2.92%</i>	<i><b>0.07%</b></i>

*Source: Bloomberg LP*

*Portfolio Mark-to-Market and Monthly Change*

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With higher market yields, the STO portfolios all had negative results on a mark-to-market basis for the month of October.

**Table 2 - Unrealized Gains and Losses**

<u>Fund</u>	<u>Unrealized Gain/Loss<sup>1</sup></u>	<u>Monthly Change in Unrealized Gain/Loss<sup>2</sup></u>
<i>General Funds</i>	\$7.3 million	Decreased \$3.4 million
<i>Bond Proceeds Funds</i>	\$2.2 million	Decreased \$1.5 million
<i>Local Government Investment Pool</i>	Not Material	Not Material
<i>Severance Tax Bonding Fund</i>	Not Material	Not Material

Source: QED

*Portfolio Purchase Yields and Durations*

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

**Table 3 - Portfolio Purchase Yields and Durations**

<u>Fund</u>	<u>Purchase Yield<sup>4</sup></u>	<u>Effective Duration<sup>3</sup></u>		
		<u>Portfolio</u>	<u>Benchmark</u>	<u>Percentage</u>
<i>General Fund Liquidity</i>	0.15%	0.01 Years		
<i>General Fund CORE</i>	1.12%	1.99 Years	2.15 Years	93%
<i>Bond Proceeds – Tax Exempt</i>	0.69%	1.23 Years	1.34 Years	92%
<i>Bond Proceeds – Taxable</i>	0.73%	1.17 Years	1.34 Years	87%
<i>Local Government Investment Pool</i>	0.16%	0.19 Years		
<i>Severance Tax Bonding Fund</i>	0.18%	0.05 Years		

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<sup>1</sup> Calculated Unrealized Gains or Losses represent the “market value” of the portfolios as compared to their “net book value” as of the effective date of calculation. Net book value = original book value less amortization/plus accretion of premium/discount. 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>2</sup> Unaudited. Change in Unrealized Gain/Loss from previous month. Mark-to-market values are calculated using the QED system and weekly securities pricing from IDC. 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>3</sup> Effective Duration. Portfolio durations are calculated as of a moment in time, specifically at month end. Source: JP Morgan.

<sup>4</sup> Portfolio Purchase Yields are calculated at a moment in time, specifically at month end, reflecting the weighted average yield of all portfolio holdings at purchase.



## Benchmark Performance Comparisons

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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>5</sup></i>	
	<i>3 Months</i>	<i>12 Months</i>
<b>General Fund Liquidity</b>	0.04%	0.15%
S&P Government Pools Index (Gross)	<u>0.04%</u>	<u>0.13%</u>
Relative Performance (BPs)	0.00%	0.02%
<b>General Fund CORE</b>	0.24%	1.13%
BAML 0-5 US Treasury	<u>0.24%</u>	<u>1.15%</u>
Relative Performance (BPs)	0.00%	(0.02)%
<b>Bond Proceeds - Tax Exempt</b>	0.12%	0.51%
BAML 0-3 US Treasury	<u>0.13%</u>	<u>0.60%</u>
Relative Performance (BPs)	(0.01)%	(0.09)%
<b>Bond Proceeds - Taxable</b>	0.13%	0.64%
BAML 0-3 US Treasury	<u>0.13%</u>	<u>0.60%</u>
Relative Performance (BPs)	0.00%	0.04%
<b>Local Government Investment Pool</b>	0.04%	0.17%
S&P Government Pools Index (Gross)	<u>0.04%</u>	<u>0.13%</u>
Relative Performance (BPs)	0.00%	0.04%
<b>Severance Tax Bonding Fund</b>	0.05%	0.18%
S&P Government Pools Index (Gross)	<u>0.04%</u>	<u>0.13%</u>
Relative Performance (BPs)	0.01%	0.05%

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.

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<sup>5</sup> Relative performance is periodic total return compared to the return of the portfolio benchmarks.

## Earnings

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

Table 5 - Investment Earnings – Periods ended October, 2015

<i>Fund</i>	<i>Investment Net Earnings<sup>6</sup></i>		
	<i>Oct FY16</i>	<i>FY16 YTD</i>	<i>FY15 YTD</i>
<i>General Funds</i>	\$1,578,957	\$5,810,643	\$4,864,999
<i>Bond Proceeds Funds</i>	\$772,618	\$2,959,890	\$1,990,497
<i>Local Government Investment Pool<sup>7</sup></i>	\$124,805	\$480,672	\$328,341
<i>Severance Tax Bonding Fund</i>	\$14,905	\$35,504	\$23,814

Source: QED

- The General Funds increased investment earnings by almost \$1,000,000 in FY2016 vs. the same period in FY2015 as a result of the increased investment in the Core Fund as a percentage of the total Fund.
- Bond Proceeds funds have increased investment earnings by almost \$1,000,000 as a result of high absolute balances from NM bond issuances.
- The LGIP has maintained longer WAMs in order to capture additional yield in an extremely low interest rate environment. The assets of the Pool have increased as well.
- The STBF has utilized the LGIP and NM fully collateralized deposits to enhance yield as well as opportunistic purchases.

## Compensating Balances at Fiscal Agent Bank

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During October, STO maintained Average Daily Collected Balances at the Fiscal Agent Bank of approximately \$38 million. This balance earned a credit against processing fees assessed by the bank.

Table 6 - Compensating Balances at Fiscal Agent Bank

<i>Average Collected Balance</i>	\$33,791,336
<i>Earnings Credit Rate</i>	0.50%
<i>Estimated Monthly Earnings</i>	\$14,079
<i>Estimated Fiscal YTD Earnings</i>	\$62,054

Source: Wells, Fargo & Co.

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<sup>6</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. Investment Net Earnings = Accrued income + realized gains and losses net of amortization/accretion for premiums/discounts.

<sup>7</sup> Gross Earnings, Participant Earnings reflect 0.05% reduction for management fees.

## *Monthly Investment Outlook*

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US Treasury yields were higher in October retracing some of the price gains experienced in the first quarter of the 2016 fiscal year. The month began with lower interest rates as the employment report was weaker than expected. However, the minutes from the September Federal Open Market Committee meeting and the statement following the October meeting, were more hawkish than the market had expected. The indication was that the December rate hike was still on the table and the fixed income market ran with it, pushing the probability of a Fed move in 2015 to 70% from 35%.

With equity markets stabilizing, especially in China, it seems that the Fed has become more amenable to a possible short term interest rate increase in December. They will probably emphasize the need to move slower thereafter and it appears that the equity markets are pleased with this trajectory. The bond market has priced in an amount of monetary policy tightening in anticipation of higher interest rates in 2015. With a slow pace of rate normalization expected, the spread between the Fed Funds rate and the two year Treasury yield during the tightening cycle might remain narrower than it has historically.

Considering the recent increase in US Treasury yields, STO portfolios have and will continue to utilize opportunities to lengthen durations closer to benchmarks. US Government Agency securities, with maturities longer than one year, have become increasingly unattractive vs. US Treasuries, providing little yield spread advantage. This is also the case with NM municipal securities and as a result investment emphasis will be placed on US Treasuries. As always the investment philosophy employed is to maintain safety, liquidity and yield, in that order.

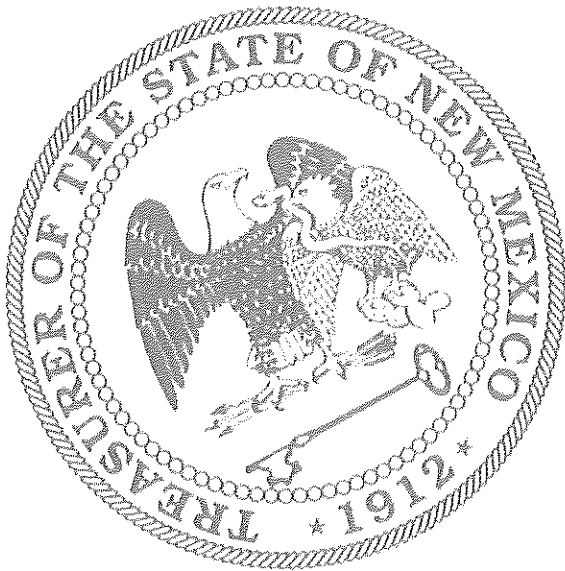
*Vikki Hanges*  
*Portfolio Manager*

**New Mexico State Treasurer**  
**Monthly Fund Summary Report**  
**(Unaudited)**  
As of October 31, 2015

General Fund	Holdings			Performance				Monthly Earnings			YTD Earnings		
	Cost Basis	Market Value	Unrealized Gain/Loss	12-Month Total Return	Benchmark	Index Return	Relative Performance	Earnings	Change in Market Value	Total	Earnings	Change in Market Value	Total
<b>General Fund</b>													
Sub-Account													
Cash Balances	\$ 33,791,336	\$ 33,791,336	\$ -										
Liquidity	474,157,471	474,157,471	-	0.15%	S&P LGIP Gross	0.13%	0.02%	\$ 42,040	\$ -	\$ 42,040	\$ 192,515	\$ -	\$ 192,515
CORE	1,497,359,609	1,504,630,962	7,271,353	1.13%	ML Treasury 0-5	1.15%	-0.02%	1,536,917	(3,374,057)	(1,837,140)	5,618,127	218,811	5,836,938
TRAN	-	-	-	0.00%	All-In Tran TIC	0.00%	0.00%	-	-	-	-	-	-
<b>Totals</b>	<b>\$ 2,005,308,416</b>	<b>\$ 2,012,579,769</b>	<b>\$ 7,271,353</b>	<b>0.90%</b>	<b>Blended</b>	<b>0.91%</b>	<b>-0.01%</b>	<b>\$ 1,578,957</b>	<b>\$ (3,374,057)</b>	<b>\$ (1,795,100)</b>	<b>\$ 5,810,643</b>	<b>\$ 218,811</b>	<b>\$ 6,029,454</b>
<b>Bond Proceeds Investment Pool (BPIP)</b>													
Sub-Account													
Tax-Exempt	\$ 690,851,626	\$ 691,420,562	\$ 568,936	0.51%	ML Treasury 0-3	0.60%	-0.09%	\$ 366,385	\$ (660,436)	\$ (294,051)	\$ 1,307,344	\$ (240,550)	\$ 1,066,794
Taxable	684,824,687	686,449,459	1,624,772	0.64%	ML Treasury 0-3	0.60%	0.04%	406,233	(793,585)	(387,352)	1,652,546	(211,933)	1,440,613
<b>Totals</b>	<b>\$ 1,375,676,313</b>	<b>\$ 1,377,870,021</b>	<b>\$ 2,193,708</b>	<b>0.57%</b>	<b>Blended</b>	<b>0.60%</b>	<b>-0.03%</b>	<b>\$ 772,618</b>	<b>\$ (1,454,021)</b>	<b>\$ (681,403)</b>	<b>\$ 2,959,890</b>	<b>\$ (452,483)</b>	<b>\$ 2,507,407</b>
<b>Local Government Investment Pool (LGIP)</b>													
Sub-Account													
LGIP (See Note 5)	\$ 692,535,284	\$ 692,556,763	\$ 21,479	0.18%	S&P LGIP Gross	0.13%	0.05%	\$ 124,805	\$ (13,940)	\$ 110,865	\$ 480,672	\$ 16,190	\$ 496,862
<b>Severance Tax Bonding Fund</b>													
Sub-Account													
STBF	\$ 141,350,006	\$ 141,360,642	\$ 10,636	0.18%	S&P LGIP Gross	0.13%	0.05%	\$ 14,905	\$ (6,298)	\$ 8,607	\$ 35,504	\$ 8,118	\$ 43,622
<b>Estimated Totals (all funds)</b>		<b>\$ 4,224,367,195</b>	<b>\$ 9,497,176</b>					<b>\$ 2,491,285</b>	<b>\$ (4,848,316)</b>	<b>\$ (2,357,031)</b>	<b>\$ 9,286,708</b>	<b>\$ (209,364)</b>	<b>\$ 9,077,344</b>

**Notes:**

- (1) These figures are generated using a combination of accrued earnings, realized gains and losses and unrealized gains and losses. They are unaudited and may be subject to revision.
- (2) Account balances fluctuate during the month, holdings are calculated as of month-end. Performance includes adjustments for fund flows during the month.
- (3) Holdings are reported on a "Trade Basis".
- (4) Cash Balances are month-end cash balances at Fiscal Agent Bank (Wells Fargo).
- (5) LGIP Conforms to GASB 31, as such accounting and earnings are reported to participants on an amortized basis.
- (6) Source: STO Records, Fiscal Agent Bank Statements, QED Financial Systems, JPMorgan Custody Reporting.



## 5. Investment Accounting Report



STATE OF NEW MEXICO  
OFFICE OF THE TREASURER

THE HONORABLE TIM EICHENBERG  
State Treasurer

RICKY ANTHONY BEJARANO  
Deputy State Treasurer

Memorandum

Date: November 20, 2015  
To: Charmaine Cook, Chief Investment Officer & Investment Division Director  
From: Steve Vigil, Investment Accounting Bureau Chief SV  
CC: STO Investments Division, Leo Marquez II, STO Chief Financial Officer  
Subject: October 2015 Investment Reconciliation

**October 2015 Investments Reconciliation**

The October 2015 investment reconciliation included the following to verify the completeness and accuracy of the JP Morgan reporting:

1. Net asset values of all investment accounts.
2. Change in transaction activity between September 30<sup>th</sup> and October 31<sup>st</sup>.
3. Cash transaction activity proofs.
4. Earned income proofs.
5. Proof of change in cost.
6. Duplicate cash activity.
7. JP Morgan to QED inventory reconciliation.
8. JP Morgan to QED income reconciliation.

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

Earned interest materiality threshold is ½ basis point of the total market value of a JP Morgan account. The JPM-QED income reconciliation had one material difference in the Bond Proceeds Investment Pool – Tax Exempt account. The difference stems from JPM over accruing the interest for one holding. On November 17, 2015 JPM corrected the issue. Please refer to the JPM-QED income reconciliation.

JP Morgan to QED Inventory Reconciliations  
 For Accounting Period Ended October 31, 2015  
 Market Value Reconciliation

W/P Ref  
 503

JPM Account	Market Value	QED Fund #	Name	Market Value	Difference	BPS Dollar Thresold *
P 09336	474,157,444.59	1000	GF Liquidity	474,157,470.59	(26.00)	237,078.72
P 09337	1,504,709,862.10	1001	GF Core	1,504,708,816.87	1,045.23	752,354.93
P 09334	145,179,033.75	1101	ONREPO	145,182,701.43	(3,667.68)	72,589.52
P 89523	141,360,716.99	4001	STB	141,360,641.99	75.00	70,680.36
P 09335	693,529,444.88	4000	BPIP#1	693,526,397.39	3,047.49	346,764.72
P 09339	685,963,972.91	4002	BPIP#2	685,963,705.41	267.50	342,981.99
P 09333	697,232,600.67	4101	LGIP	697,232,502.26	98.41	348,616.30
<b>Total</b>	<b>4,342,133,075.89</b>			<b>4,342,132,235.94</b>	<b>839.95</b>	<b>2,171,066.54</b>

Cost Reconciliation

JPM Account	Cost	QED Fund #	Name	Cost	Difference	BPS Dollar Thresold *
P 09336	474,157,444.59	1000	GF Liquidity	474,157,470.59	(26.00)	237,078.72
P 09337	1,511,592,962.96	1001	GF Core	1,511,592,784.89	178.07	755,796.48
P 09334	145,179,033.75	1101	ONREPO	145,182,701.43	(3,667.68)	72,589.52
P 89523	141,352,048.90	4001	STB	141,352,023.89	25.01	70,676.02
P 09335	698,186,452.47	4000	BPIP#1	698,103,495.67	82,956.80	349,093.23
P 09339	690,311,913.33	4002	BPIP#2	690,311,913.33	-	345,155.96
P 09333	697,507,427.86	4101	LGIP	697,507,427.86	-	348,753.71
<b>Total</b>	<b>4,358,287,283.86</b>			<b>4,358,207,817.66</b>	<b>79,466.20</b>	<b>2,179,143.64</b>

Position Reconciliation

JPM Account	Position Size	QED Fund #	Name	Position Size	Difference	BPS Dollar Thresold *
P 09336	474,157,444.59	1000	GF Liquidity	474,157,470.59	(26.00)	237,078.72
P 09337	1,490,264,122.64	1001	GF Core	1,490,264,122.64	-	745,132.06
P 09334	145,179,033.75	1101	ONREPO	145,182,701.43	(3,667.68)	72,589.52
P 89523	141,358,981.91	4001	STB	141,358,956.91	25.00	70,679.49
P 09335	687,439,722.57	4000	BPIP#1	687,439,722.57	-	343,719.86
P 09339	681,577,010.23	4002	BPIP#2	681,577,010.23	-	340,788.51
P 09333	696,410,217.38	4101	LGIP	696,410,217.38	-	348,205.11
<b>Total</b>	<b>4,316,386,533.07</b>			<b>4,316,390,201.75</b>	<b>(3,668.68)</b>	<b>2,158,193.27</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  
For Accounting Period Ended October 31, 2015

W/P Ref  
504

JPM Account	Earned Interest	QED Fund #	Name	Earned Interest	Difference	BPS Dollar Thresold *
P 09336	42,260.52	1000	GF Liquidity	42,040.05	220.47	23,707.87
P 09337	1,932,921.18	1001	GF Core	1,934,212.83	(1,291.65)	75,235.49
P 09334	6,845.38	1101	ONREPO	5,348.06	1,497.32	7,258.95
P 89523	13,333.39	4001	STB	7,586.01	5,747.38	7,068.04
P 09335	789,247.91	4000	BPIP#1	696,873.44	92,374.47	34,676.47
P 09339	708,251.30	4002	BPIP#2	704,990.29	3,261.01	34,298.20
P 09333	224,414.26	4101	LGIP	221,109.95	3,304.31	34,861.63
<b>Total</b>	<b>3,717,273.94</b>			<b>3,612,160.63</b>	<b>105,113.31</b>	<b>217,106.65</b>

JP Morgan to QED Amortization/Accretion Reconciliation

JPM Account	Amortization/Accretion	QED Fund #	Name	Amortization/Accretion	Difference
P 09336	-	1000	GF Liquidity	-	-
P 09337	(547,883.78)	1001	GF Core	(493,142.73)	(54,741.05)
P 09334	-	1101	ONREPO	-	-
P 89523	7,183.40	4001	STB	7,318.63	(135.23)
P 09335	(321,811.91)	4000	BPIP#1	(330,488.20)	8,676.29
P 09339	(290,037.61)	4002	BPIP#2	(298,757.34)	8,719.73
P 09333	(99,640.14)	4101	LGIP	(96,304.53)	(3,335.61)
<b>Total</b>	<b>(1,252,190.04)</b>			<b>(1,211,374.17)</b>	<b>(40,815.87)</b>

\* BPS Dollar Threshold

JPM 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 -40,815.87 difference stems from the accounting method JP Morgan uses to compute amortization/accretion vs. QED.

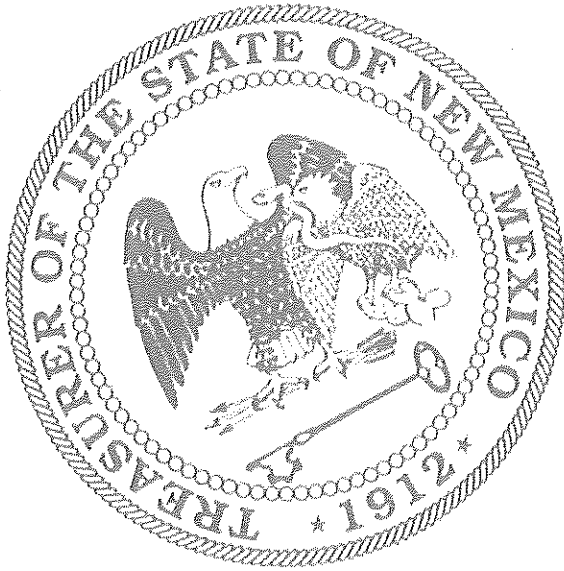
0	No Amortization (System Config Table Default)
1	Straight Line
2	Scientific, Simple Approximation
3	Constant Yield, Iterative with PSI effect
4	Level Yield, Smoothed
5	Cash Basis, Premium Offset by interest-rcvd
6	Sum of Years Digits
7	Straight Line Prem, Disc=Interest
8	Mod'd Cash Basis: Staight-Line-Prem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



**STATE OF NEW MEXICO**  
**Summary of Fixed-Income Purchases and Sales**  
**TRADES During The Period 10/01/15 Through 10/31/15**

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>													
10/29/15	8521016	CERTIFICATES OF	24444	FARMERS & STOCKMENS BAN	.650	4/28/17	.6500	SYSTEM - UNIDEN	1001	2,000,000.00	2,000,000.00		
10/07/15	912828VZ	US TREASURY NOT	24322	UNITED STATES TREASURY	2.000	9/30/20	1.3752	SOC GEN AMERICA	1001	21,000,000.00	21,629,179.69		
10/15/15	912828VV	US TREASURY NOT	24198	UNITED STATES TREASURY	2.125	8/31/20	1.3407	BMO CAPTIAL MAR	1001	15,000,000.00	15,553,125.00		
10/20/15	912828WD	US TREASURY NOT	24386	UNITED STATES TREASURY	1.250	10/31/18	.9443	BARCLAYS	1001	20,000,000.00	20,182,031.25		
10/20/15	912828WD	US TREASURY NOT	24387	UNITED STATES TREASURY	1.250	10/31/18	.9443	BARCLAYS	4000	15,000,000.00	15,136,523.44		
10/20/15	912828WD	US TREASURY NOT	24388	UNITED STATES TREASURY	1.250	10/31/18	.9443	BARCLAYS	4002	15,000,000.00	15,136,523.44		
10/08/15	3130A6LZ	AGENCY US BOND	24343	FEDERAL HOME LOAN BANKS	.625	10/26/17	.7326	WELLS FARGO SEC	4000	5,000,000.00	4,989,150.00		
10/13/15	3130A6BD	AGENCY US BOND	24350	FEDERAL HOME LOAN BANKS	.510	9/09/16	.2986	DEUTSCHE BANK S	4101	5,000,000.00	5,004,250.00		3/09/16
10/15/15	880591EC	AGENCY US BOND	23146	TENNESSEE VALLEY AUTHOR	4.500	4/01/18	.8871	TD SECURITIES	4000	20,000,000.00	21,753,340.00		
10/28/15	880591EC	AGENCY US BOND	24443	TENNESSEE VALLEY AUTHOR	4.500	4/01/18	.9238	KEYBANC CAPITAL	4002	4,447,000.00	4,827,085.09		
10/29/15	3130A2P7	AGENCY US BOND	24452	FEDERAL HOME LOAN BANKS	.320	1/22/16	.1668	BB&T CAPITAL MA	4101	4,670,000.00	4,671,587.80		
10/22/15	313384VV	AGENCY US DISC	24405	FEDERAL HOME LOAN BANKS		4/20/16	.2453	MIZUHO SECURITI	4101	15,000,000.00	14,981,625.00		
10/05/15	31359MEL	AGENCY US BOND	24314	FANNIE MAE		6/01/17	.6427	KEYBANC CAPITAL	4000	6,089,000.00	6,025,004.61		
10/09/15	3134G5RF	AGENCY US NOTES	24342	FEDERAL HOME LOAN MORTG	.400	5/27/16	.2500	WELLS FARGO SEC	4101	5,925,000.00	5,930,522.10		
10/13/15	3135G0AL	AGENCY US NOTES	23413	FEDERAL NATIONAL MORTGA	2.250	3/15/16	.2200	WELLS FARGO SEC	4101	750,000.00	756,378.75		
10/23/15	3135G0BA	AGENCY US NOTES	24413	FEDERAL NATIONAL MORTGA	2.375	4/11/16	.2451	KEYBANC CAPITAL	4101	2,565,000.00	2,590,008.75		
10/27/15	31359MH8	AGENCY US NOTES	23527	FEDERAL NATIONAL MORTGA	5.000	3/15/16	.2080	DEUTSCHE BANK S	4101	13,000,000.00	13,236,821.00		
10/28/15	31359MH8	AGENCY US NOTES	23527	FEDERAL NATIONAL MORTGA	5.000	3/15/16	.2080	DEUTSCHE BANK S	4101	3,000,000.00	3,054,252.00		
10/13/15	3133EFKG	AGENCY US VARIA	24351	FEDERAL FARM CREDIT BAN		10/20/16	.2884	INTL FCSTONE PA	4101	20,000,000.00	19,998,000.00		
10/23/15	742651DS	CORP US NOTE 30	24414	PRIVATE EXPORT FUNDING	1.875	7/15/18	1.3442	BB&T CAPITAL MA	4000	15,770,000.00	15,992,830.10		
10/29/15	742651DU	CORP US NOTE 30	24451	PRIVATE EXPORT FUNDING	2.250	3/15/20	1.8752	BB&T CAPITAL MA	4002	10,000,000.00	10,156,800.00		
10/01/15	013538JD	MUNI US 30/360	24300	ALBUQUERQUE N MEX ARPT	5.000	7/01/16	.4002	FIRST SOUTHWEST	4002	1,000,000.00	1,033,770.00		
10/07/15	798360FC	MUNI US 30/360	24329	SAN JUAN CNTY N MEX JR	2.000	8/15/16	.4401	FIRST SOUTHWEST	4000	2,225,000.00	2,251,433.00		
10/21/15	798359KS	MUNI US 30/360	24396	SAN JUAN CNTY N MEX CEN	1.000	8/01/17	.7505	SOUTHWEST	1001	300,000.00	301,251.00		
10/21/15	798359KT	MUNI US 30/360	24397	SAN JUAN CNTY N MEX CEN	1.000	8/01/18	1.0003	SOUTHWEST	1001	225,000.00	224,997.75		
<b>25 PURCHASES DURING PERIOD TOTAL.....</b>										<b>222,966,000.00</b>	<b>227,416,489.77</b>		
<b>SALE TRANSACTIONS</b>													
10/07/15	3137EAAJ	AGENCY US NOTES	18821	FEDERAL HOME LOAN MORTG	5.125	10/18/16	.4113	WELLS FARGO SEC	1001	20,000,000.00	20,965,900.00	30,132.81	
10/15/15	31359MH8	AGENCY US NOTES	15555	FEDERAL NATIONAL MORTGA	5.000	3/15/16	.2027	DEUTSCHE BANK S	1001	15,000,000.00	15,297,529.50	29,058.22	
10/20/15	31359MH8	AGENCY US NOTES	15555	FEDERAL NATIONAL MORTGA	5.000	3/15/16		MIZUHO SECURITI	1001	20,000,000.00	20,382,600.00	36,655.38	
<b>3 SALES DURING PERIOD TOTAL.....</b>										<b>55,000,000.00</b>	<b>56,646,029.50</b>	<b>95,846.41</b>	
<b>=== GRAND-TOTAL ===&gt;</b>										<b>277,966,000.00</b>	<b>284,062,519.27</b>	<b>95,846.41</b>	

\*\*\* END-OF-REPORT \*\*\*



## 6. 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 2015

Primary Bond Volume	\$4,750,000	2%
Secondary Bond Volume	<u>\$273,216,000</u>	<u>98%</u>
Total	\$277,966,000	100%

Source: QED

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

### Commissions Paid

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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

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At the end of October, total holdings of Variable Rate Notes were \$90,000,000.

Table 8 - Variable Rate Note Holdings - October 2015

General Fund	-
Taxable BPIP	-
Tax Exempt BPIP	-
LGIP	<u>\$90,000,000</u>
Total Holdings	\$90,000,000

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 posed any potential 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.

There were no price discrepancies reported 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***

Realized gains/losses are a result of a difference between amortized cost and the sale proceeds for each position at the time of sale. This amount is booked against investment earnings in the respective accounting period. There were 3 sales which resulted in realized gains/losses.

**Table 1 - Realized Gains and Losses on Securities Sold – October 2015**

<b>Trade Date</b>	<b>Account</b>	<b>Par Amount</b>	<b>Security</b>	<b>Realized G/L</b>
10/7/2015	GF CORE	20,000,000	FHLMC 5.125 10/18/16	30,132.81
10/15/2015	GF CORE	15,000,000	FNMA 5.000 03/15/16	29,058.22
10/20/2015	GF CORE	20,000,000	FNMA 5.000 03/15/16	36,655.38
			<b>Total Realized gain (loss)</b>	<b>95,846.41</b>

### ***Trade Documentation***

#### ***Purchase/Sales Activity<sup>1</sup>***

There were a total of 28 security trades tracked during the month of October by the Trade Compliance Officer in the Investment Division.

**Table 2 – Securities Trades – October 2015**

	<b>Quantity</b>	<b>Par-Value</b>	<b>Cost/Proceeds</b>	<b>Realized Gain/Loss</b>
Purchases	25	222,996,000	227,416,490	0
Sales	3	55,000,000	56,646,030	95,846
<b>Totals:</b>	<b>28</b>	<b>277,996,000</b>	<b>284,062,519</b>	<b>95,846</b>

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 reviewed for complete compliance with internal procedures and policies.

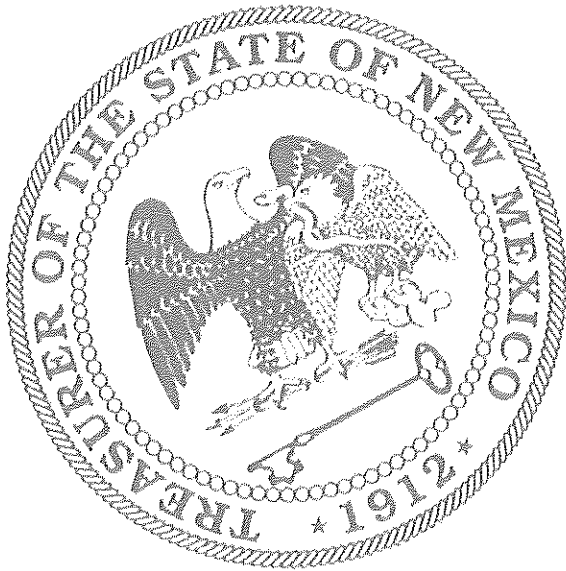
During the month of October, there were no noted violations or breaches.

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

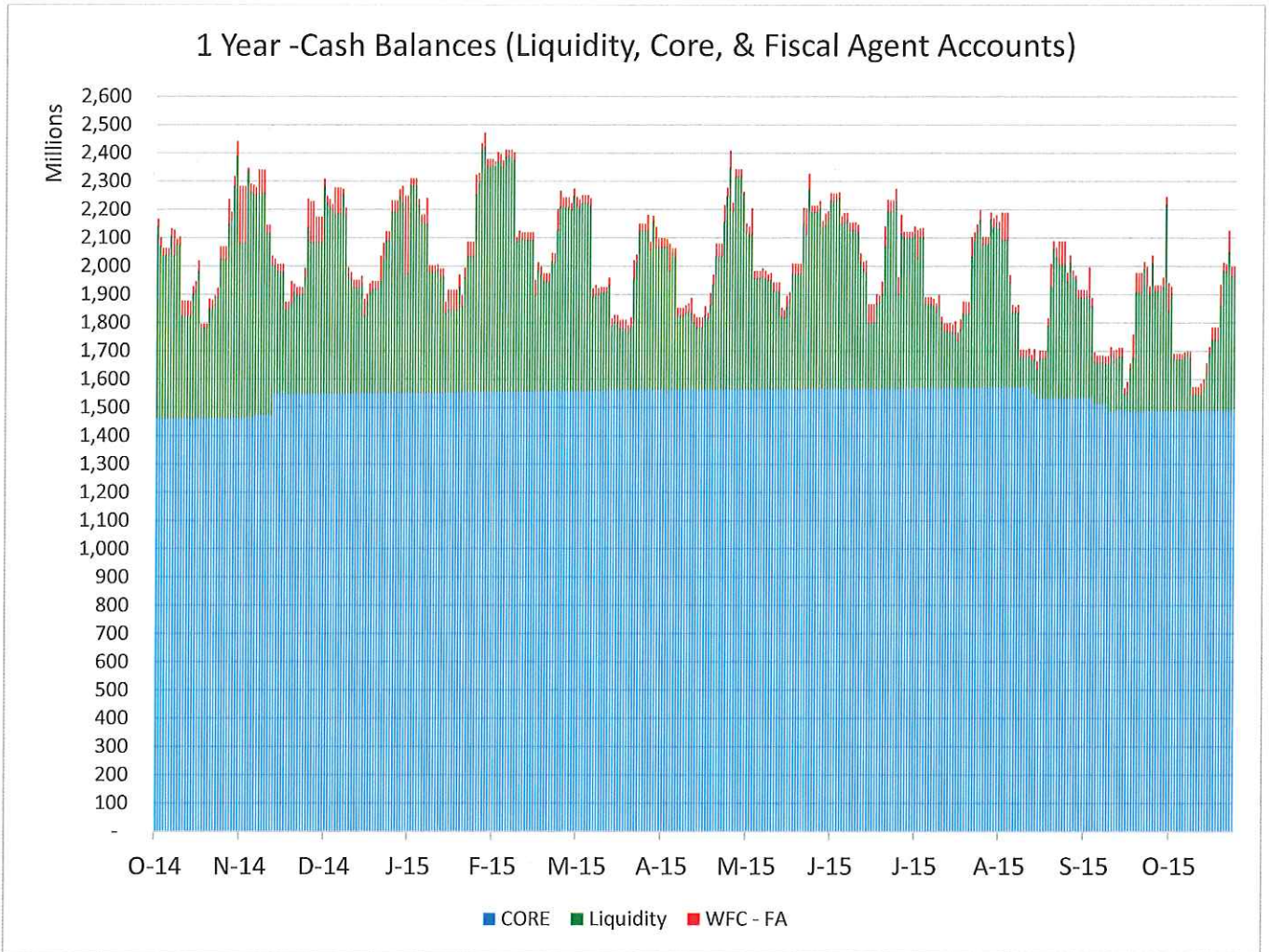
<sup>1</sup> Excludes daily repurchase agreement transactions.

**STATE OF NEW MEXICO**  
**Summary of Fixed-Income Purchases and Sales**  
**TRADES During The Period 10/01/15 Through 10/31/15**

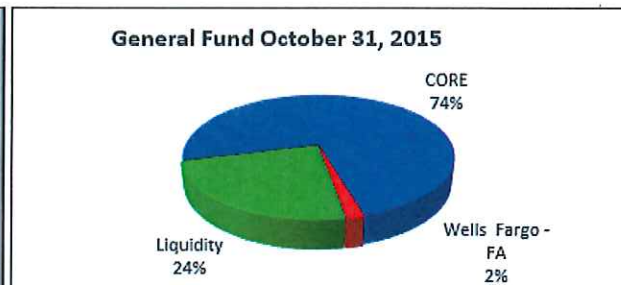
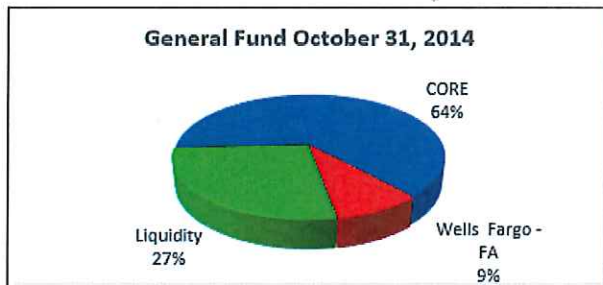
TXN-DATE	CUSIP#	ASSET-TYPE	INVT#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
<b>PURCHASE TRANSACTIONS</b>													
10/29/15	8521016	CERTIFICATES OF	24444	FARMERS & STOCKMENS BAN	.650	4/28/17	.6500	SYSTEM - UNIDEN	1001	2,000,000.00	2,000,000.00		
10/07/15	912828VZ	US TREASURY NOT	24322	UNITED STATES TREASURY	2.000	9/30/20	1.3752	SOC GEN AMERICA	1001	21,000,000.00	21,629,179.69		
10/15/15	912828VV	US TREASURY NOT	24198	UNITED STATES TREASURY	2.125	8/31/20	1.3407	BMO CAPTIAL MAR	1001	15,000,000.00	15,553,125.00		
10/20/15	912828WD	US TREASURY NOT	24386	UNITED STATES TREASURY	1.250	10/31/18	.9443	BARCLAYS	1001	20,000,000.00	20,182,031.25		
10/20/15	912828WD	US TREASURY NOT	24387	UNITED STATES TREASURY	1.250	10/31/18	.9443	BARCLAYS	4000	15,000,000.00	15,136,523.44		
10/20/15	912828WD	US TREASURY NOT	24388	UNITED STATES TREASURY	1.250	10/31/18	.9443	BARCLAYS	4002	15,000,000.00	15,136,523.44		
10/08/15	3130A6LZ	AGENCY US BOND	24343	FEDERAL HOME LOAN BANKS	.625	10/26/17	.7326	WELLS FARGO SEC	4000	5,000,000.00	4,989,150.00		
10/13/15	3130A6BD	AGENCY US BOND	24350	FEDERAL HOME LOAN BANKS	.510	9/09/16	.2986	DEUTSCHE BANK S	4101	5,000,000.00	5,004,250.00		3/09/16
10/15/15	880591EC	AGENCY US BOND	23146	TENNESSEE VALLEY AUTHOR	4.500	4/01/18	.8871	TD SECURITIES	4000	20,000,000.00	21,753,340.00		
10/28/15	880591EC	AGENCY US BOND	24443	TENNESSEE VALLEY AUTHOR	4.500	4/01/18	.9238	KEYBANC CAPITAL	4002	4,447,000.00	4,827,085.09		
10/29/15	3130A2P7	AGENCY US BOND	24452	FEDERAL HOME LOAN BANKS	.320	1/22/16	.1668	BB&T CAPITAL MA	4101	4,670,000.00	4,671,587.80		
10/22/15	313384VV	AGENCY US DISC	24405	FEDERAL HOME LOAN BANKS		4/20/16	.2453	MIZUHO SECURITI	4101	15,000,000.00	14,981,625.00		
10/05/15	31359MEL	AGENCY US BOND	24314	FANNIE MAE		6/01/17	.6427	KEYBANC CAPITAL	4000	6,089,000.00	6,025,004.61		
10/09/15	3134G5RF	AGENCY US NOTES	24342	FEDERAL HOME LOAN MORTG	.400	5/27/16	.2500	WELLS FARGO SEC	4101	5,925,000.00	5,930,522.10		
10/13/15	3135G0AL	AGENCY US NOTES	23413	FEDERAL NATIONAL MORTGA	2.250	3/15/16	.2200	WELLS FARGO SEC	4101	750,000.00	756,378.75		
10/23/15	3135G0BA	AGENCY US NOTES	24413	FEDERAL NATIONAL MORTGA	2.375	4/11/16	.2451	KEYBANC CAPITAL	4101	2,565,000.00	2,590,008.75		
10/27/15	31359MH8	AGENCY US NOTES	23527	FEDERAL NATIONAL MORTGA	5.000	3/15/16	.2080	DEUTSCHE BANK S	4101	13,000,000.00	13,236,821.00		
10/28/15	31359MH8	AGENCY US NOTES	23527	FEDERAL NATIONAL MORTGA	5.000	3/15/16	.2080	DEUTSCHE BANK S	4101	3,000,000.00	3,054,252.00		
10/13/15	3133EFKG	AGENCY US VARIA	24351	FEDERAL FARM CREDIT BAN		10/20/16	.2884	INTL FCSTONE PA	4101	20,000,000.00	19,998,000.00		
10/23/15	742651DS	CORP US NOTE 30	24414	PRIVATE EXPORT FUNDING	1.875	7/15/18	1.3442	BB&T CAPITAL MA	4000	15,770,000.00	15,992,830.10		
10/29/15	742651DU	CORP US NOTE 30	24451	PRIVATE EXPORT FUNDING	2.250	3/15/20	1.8752	BB&T CAPITAL MA	4002	10,000,000.00	10,156,800.00		
10/01/15	013538JD	MUNI US 30/360	24300	ALBUQUERQUE N MEX ARPT	5.000	7/01/16	.4002	FIRST SOUTHWEST	4002	1,000,000.00	1,033,770.00		
10/07/15	798360FC	MUNI US 30/360	24329	SAN JUAN CNTY N MEX JR	2.000	8/15/16	.4401	FIRST SOUTHWEST	4000	2,225,000.00	2,251,433.00		
10/21/15	798359KS	MUNI US 30/360	24396	SAN JUAN CNTY N MEX CEN	1.000	8/01/17	.7505	SOUTHWEST	1001	300,000.00	301,251.00		
10/21/15	798359KT	MUNI US 30/360	24397	SAN JUAN CNTY N MEX CEN	1.000	8/01/18	1.0003	SOUTHWEST	1001	225,000.00	224,997.75		
<b>25 PURCHASES DURING PERIOD TOTAL.....</b>										<b>222,966,000.00</b>	<b>227,416,489.77</b>		
<b>SALE TRANSACTIONS</b>													
10/07/15	3137EAAJ	AGENCY US NOTES	18821	FEDERAL HOME LOAN MORTG	5.125	10/18/16	.4113	WELLS FARGO SEC	1001	20,000,000.00	20,965,900.00	30,132.81	
10/15/15	31359MH8	AGENCY US NOTES	15555	FEDERAL NATIONAL MORTGA	5.000	3/15/16	.2027	DEUTSCHE BANK S	1001	15,000,000.00	15,297,529.50	29,058.22	
10/20/15	31359MH8	AGENCY US NOTES	15555	FEDERAL NATIONAL MORTGA	5.000	3/15/16		MIZUHO SECURITI	1001	20,000,000.00	20,382,600.00	36,655.38	
<b>3 SALES DURING PERIOD TOTAL.....</b>										<b>55,000,000.00</b>	<b>56,646,029.50</b>	<b>95,846.41</b>	
<b>=== GRAND-TOTAL ==&gt;</b>										<b>277,966,000.00</b>	<b>284,062,519.27</b>	<b>95,846.41</b>	
<b>*** END-OF-REPORT ***</b>													



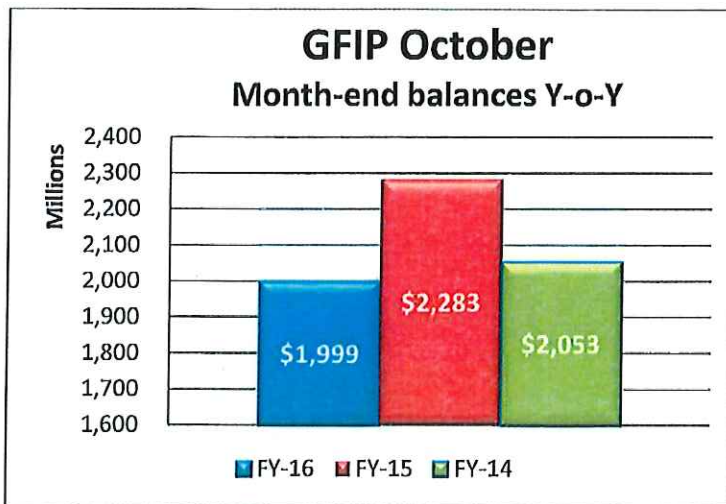
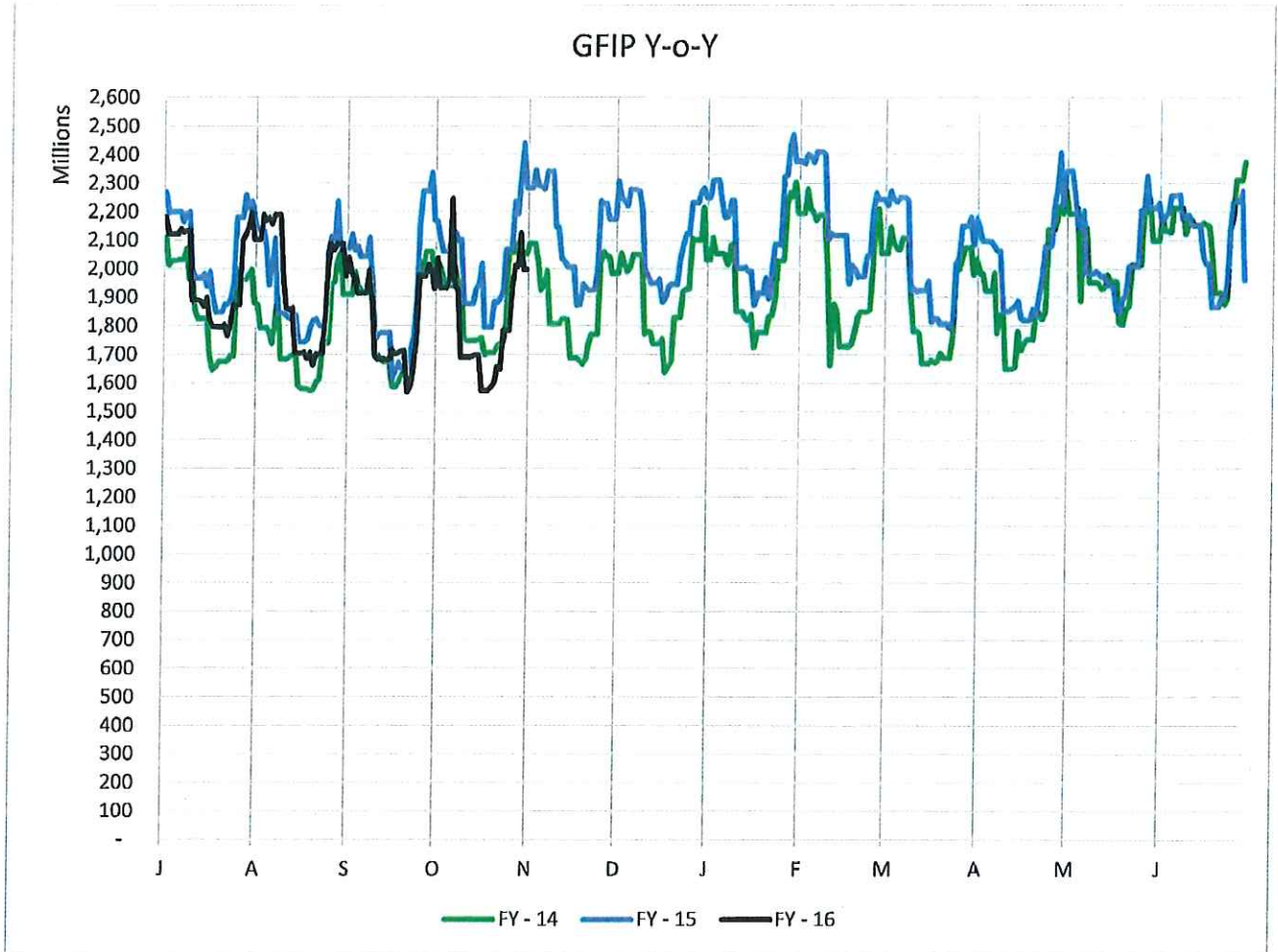
## 7. Cash Projections



GENERAL FUND	Oct-14	Sep-15	Oct-15	Y-o-Y Change	M-o-M Change
Liquidity	618,521,388	414,962,662	474,157,471	(144,363,917)	59,194,809
CORE	1,462,536,045	1,488,187,531	1,489,739,123	27,203,078	1,551,592
Wells Fargo - FA	201,524,542	27,608,063	35,195,356	(166,329,187)	7,587,293
	2,282,581,976	1,930,758,255	1,999,091,949	(283,490,026)	68,333,694





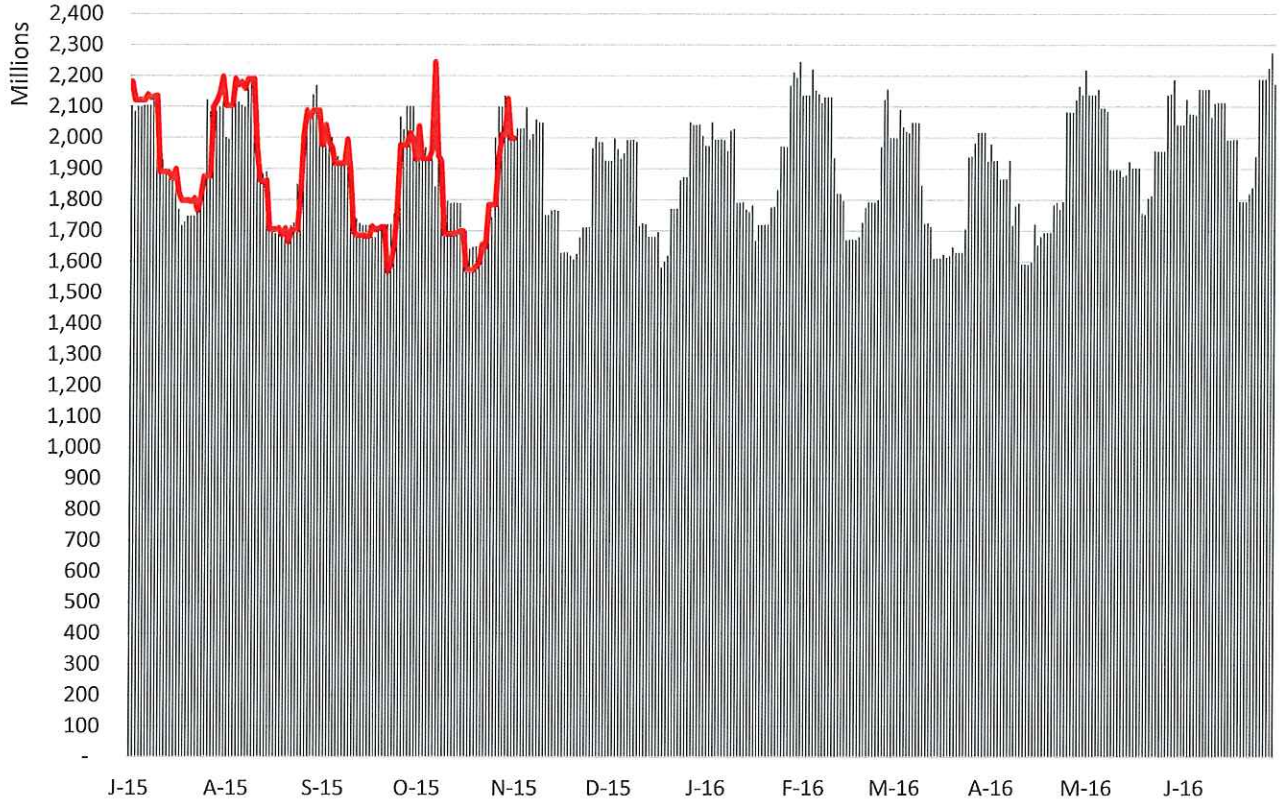


The balance as of October 31, 2015 of the General Fund Investments Pool (GFIP) Y-o-Y has decreased -12.4% from October 31, 2014 and -2.6% decrease from October 31, 2013 . M-o-M GFIP balances increased to \$1.999 billion at October 31, 2015 from \$1.931 billion at September 30, 2015 an increase of \$68 million or 3.5%.

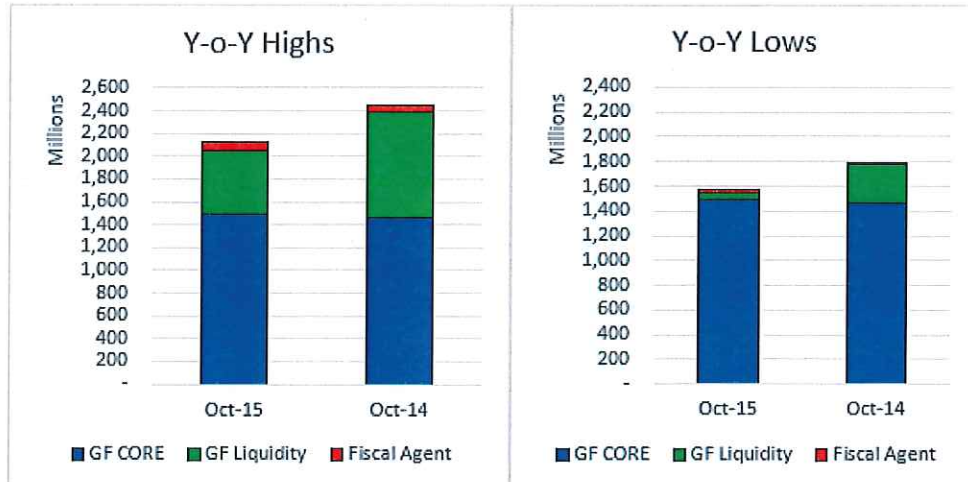




## FY - 16 GFIP Balances Projections

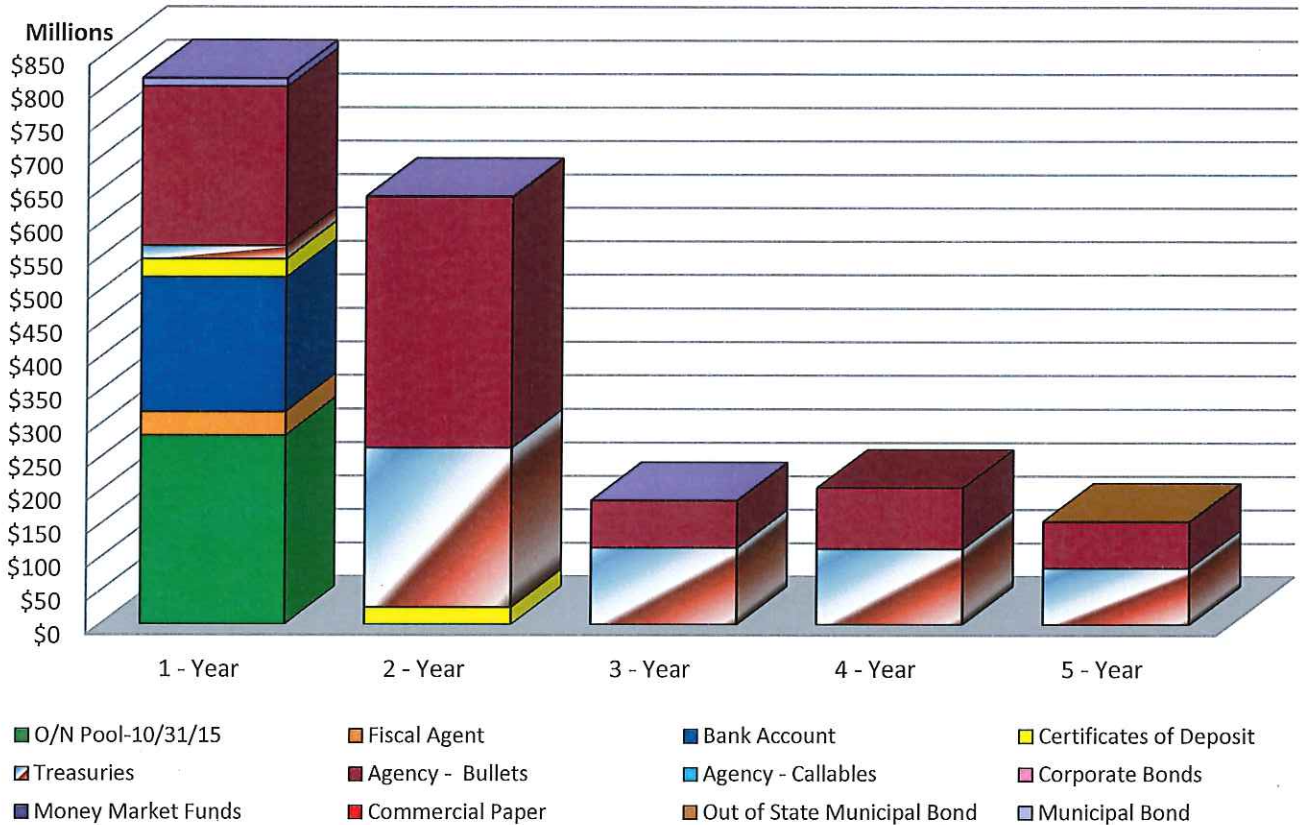


	Oct-15	Oct-14	Change
High	2,125,661,179.81	2,441,036,079.65	-14.84%
Low	1,573,271,736.09	1,795,507,280.11	-14.13%
Average	1,807,603,362.59	2,031,250,324.98	-12.37%



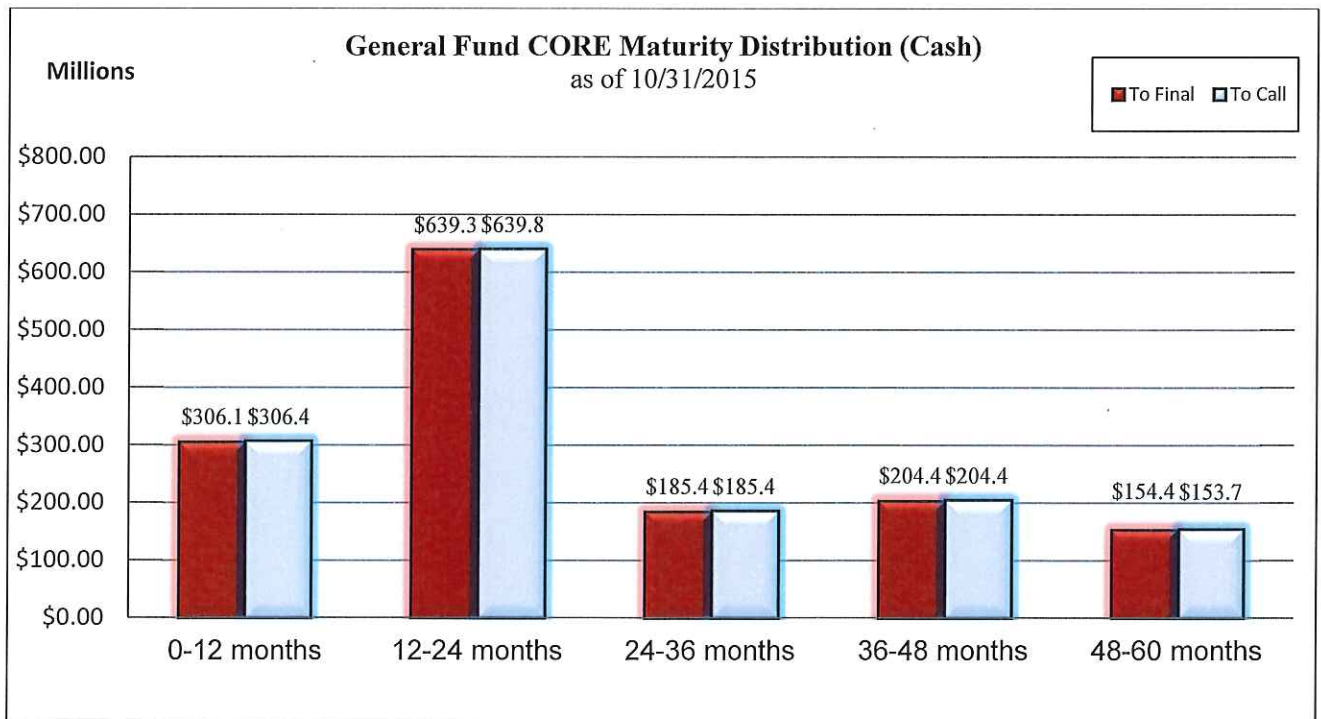
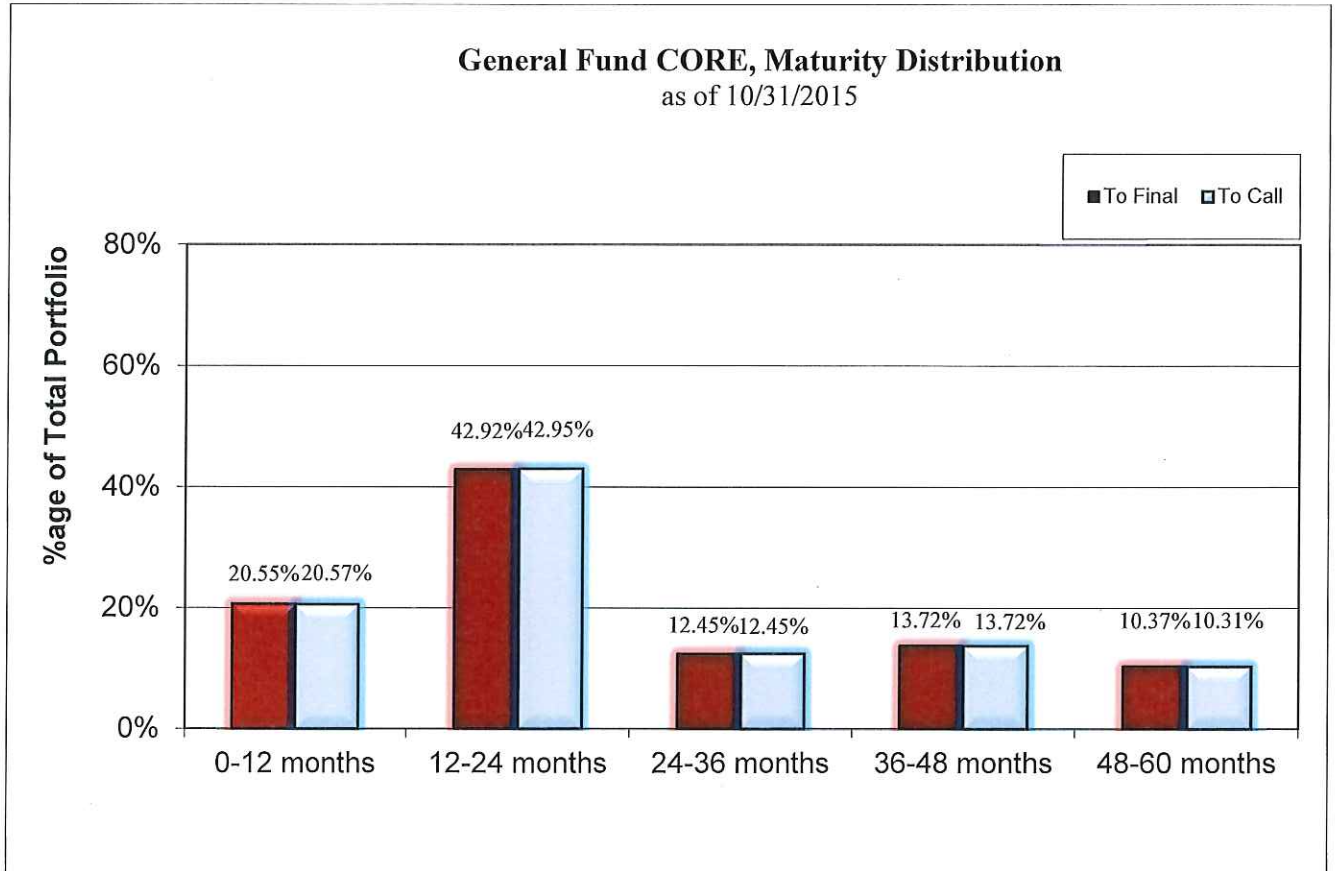


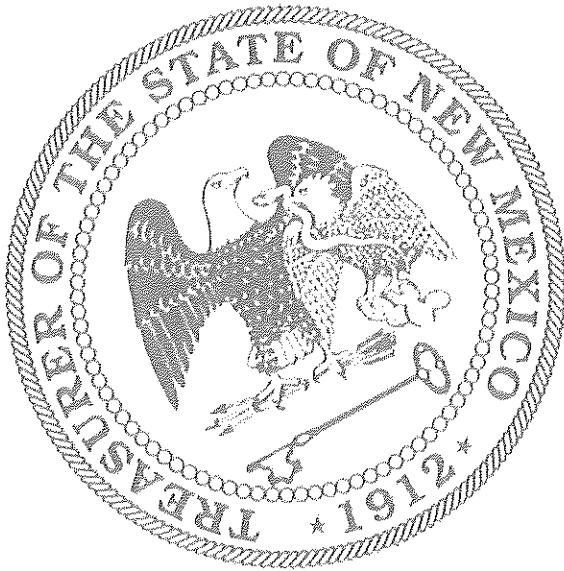
## General Fund Maturity Ladder by Year & Asset Type as of October 31, 2015



Asset Allocation	1 - Year	2 - Year	3 - Year	4 - Year	5 - Year	Total	%
Agency - Bullets	238,127,000	374,000,000	70,000,000	90,941,000	68,900,000	841,968,000	42%
Agency - Callables						0	0%
Corporate Bonds						0	0%
Money Market Funds						0	0%
Certificates of Deposit	27,000,000	25,750,000				52,750,000	3%
Municipal Bond	12,215,000	1,080,000	405,000			13,700,000	1%
Out of State Municipal Bond					770,000	770,000	0%
Commercial Paper						0	0%
Treasuries	20,000,000	238,500,000	115,000,000	113,500,000	84,750,000	571,750,000	29%
Bank Account	200,575,259					200,575,259	10%
Fiscal Agent	35,195,356					35,195,356	2%
O/N Pool-10/31/15	282,383,335					282,383,335	14%
<b>Total:</b>	<b>815,495,949</b>	<b>639,330,000</b>	<b>185,405,000</b>	<b>204,441,000</b>	<b>154,420,000</b>	<b>1,999,091,949</b>	<b>100%</b>
<b>% of Total:</b>	<b>41%</b>	<b>32%</b>	<b>9%</b>	<b>10%</b>	<b>8%</b>		







## 8. Portfolio Summary- General Fund Investment Pool

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

### *Summary*

- The General Fund Investment Pool (Bank balances, Liquidity and Core Portfolios) closed the month of October at \$2.0 Billion.

### *Portfolio Mix*

- At month end, 100% of the General Fund CORE portfolio was invested in fixed income securities; 40% in US Government Securities; 55% in Government Related Securities (Municipal Bonds and Agency Securities), and the balance ~5% in cash and cash equivalents.
- 21% of the portfolio was invested in securities that mature in one year; 44% in securities that mature from 1-2 years; 28% in 2-4 years and 7% within 5 years.
- The General Fund Core portfolio held positions in 118 securities at the end of October.
- The Weighted Average Life of the CORE portion of the General Fund was 2.05 years. The Weighted Average duration was 1.99 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 matched its benchmark, with a gain of 0.24%.
- For the last 12 months, the General Fund underperformed its benchmark. The General Fund gained 1.13% while the benchmark rose 1.15%.

### *Market Value and Investment Earnings*

- Unrealized gains in the Core Portfolio at the end of October were \$7.3 million.
- Over the month, the unrealized value of the portfolio decreased by \$3.4 million due to an increase in relative interest rates.
- Monthly net earnings for October on the General Fund Portfolios were \$1.6 million.
- Total monthly earnings including mark-to-market were (\$1.8) million.
- Year-to-date net earnings were \$5.8 million.
- Total year-to-date earnings including mark-to-market were \$6.0 million.
- STO projection of net earnings for FY16 - \$17.5 million.
- Earnings on the General Fund are used to offset General Fund Spending.

### *Investment Highlights*

- The portfolio remained shorter than the benchmark duration to preserve principal in anticipation of higher short term interest rates .
- The Core portfolio will move closer to the benchmark duration as opportunities arise.

**STATE OF NEW MEXICO**  
**GENERAL FUND (1000)**  
 Portfolio Classification Summary  
 Positions Held as of 10/31/15 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	2	.0647	.00550	273,582,212	273,582,212	273,582,212		57.699
CASH ACCOUNT	1			200,575,259	200,575,259	200,575,259		42.301
	<u>3</u>	<u>.0374</u>	<u>.00550</u>	<u>474,157,471</u>	<u>474,157,471</u>	<u>474,157,471</u>		<u>100.000</u>

**STATE OF NEW MEXICO  
TREASURERS OFFICE**

Position holdings as of 10/31/15 (TRADE)  
BOOK VALUES AMORTIZED THROUGH 10/31/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
255,000	CHOCTAW CNTY MISS HOSP REV	170323AR	7.500	8/01/28	.770	105.02136	267,804.46	267,255.30	- 549.16
<u>255,000</u>							<u>267,804.46</u>	<u>267,255.30</u>	<u>- 549.16</u>
====> 0001 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== 2028 <===									
340,000	KNOX CNTY KY	499422DL	5.875	12/01/36	.780	105.48485	358,648.50	358,815.60	167.10
<u>340,000</u>							<u>358,648.50</u>	<u>358,815.60</u>	<u>167.10</u>
====> 0001 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== 2036 <===									
<u>1,490,186,267</u>							<u>1497359597.75</u>	<u>1504630960.87</u>	<u>7,271,363.12</u>
====> 0118 ITEMS IN SUBTOTAL FOR ==== FUND NAME..... ==== GENERAL FUND CORE <===									

**STATE OF NEW MEXICO**  
**GENERAL FUND CORE (1001)**  
Portfolio Classification Summary  
Positions Held as of 10/31/15 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	.0203	.00550	8,801,123	8,801,123	8,801,123		.585
CERTIFICATES OF DEPOSIT	11	.6289	.99643	52,750,000	52,750,000	52,750,000		3.506
US TREASURY NOTE ACT/ACT 2X	29	1.1583	2.60480	597,650,000	601,920,975	604,223,385	2,302,410	40.158
AGENCY US BOND 30/360 2X	11	.9345	1.47300	129,627,000	130,158,706	130,667,528	508,822	8.684
AGENCY 30/360 2X	3	.9672	.88211	66,000,000	65,995,193	66,250,210	255,017	4.403
AGENCY US BOND 30/360 ZERO CPN	1	2.2015	3.93970	22,941,000	21,006,781	21,339,718	332,937	1.418
AGENCY US NOTES 30/360 2X	24	1.1744	1.85541	532,500,000	536,527,267	540,101,435	3,574,168	35.896
FED NATL MORTGAGE ASSN DEBS	3	1.0788	1.54331	65,000,000	65,107,753	65,388,850	281,097	4.346
MUNI US 30/360 2X	32	.7117	.81178	12,860,000	13,033,826	13,050,589	16,763	.867
MUNICIPAL BOND REVENUE	2	.6179	.77344	2,135,000	2,135,841	2,135,980	139	.142
CASH ACCOUNT	1			-77,856	-77,856	-77,856		-.005
	<u>118</u>	<u>1.1174</u>	<u>2.04616</u>	<u>1,490,186,267</u>	<u>1,497,359,609</u>	<u>1,504,630,962</u>	<u>7,271,353</u>	<u>100.000</u>



**STATE OF NEW MEXICO**  
**TREASURERS OFFICE**  
 Position holdings as of 10/31/15 (TRADE)  
 BOOK VALUES AMORTIZED THROUGH 10/31/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
200,575,259	BANK OF THE WEST	CASHCASH				1.00000	200,575,258.57	200,575,259.00	.43
<u>200,575,259</u>							<u>200,575,258.57</u>	<u>200,575,259.00</u>	<u>.43</u>
====> 0001 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> NO-MEANINGFUL-DATE <====									
200,000,000	OVERNIGHT REPO	1102RP	.080	11/02/15	.080	1.00000	200,000,000.00	200,000,000.00	
73,582,212	OVERNIGHT REPO	1102RP	.020	11/02/15	.020	1.00000	73,582,212.02	73,582,212.02	
<u>273,582,212</u>							<u>273,582,212.02</u>	<u>273,582,212.02</u>	
====> 0002 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2015 <====									
<u>474,157,471</u>							<u>474,157,470.59</u>	<u>474,157,471.02</u>	<u>.43</u>
====> 0003 ITEMS IN SUBTOTAL FOR ====> FUND NAME..... ====> GENERAL FUND <====									

**STATE OF NEW MEXICO  
TREASURERS OFFICE**

Position holdings as of 10/31/15 (TRADE)  
BOOK VALUES AMORTIZED THROUGH 10/31/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
- 77,856	(TD)-CASH KEY	CASHCASH				1.00000	- 77,855.60	- 77,856.00	- .40
- 77,856							- 77,855.60	- 77,856.00	- .40

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

8,801,123	OVERNIGHT REPO	1102RP	.020	11/02/15	.020	1.00000	8,801,122.64	8,801,122.64	
750,000	NEW MEXICO EDL ASSISTANCE FNDTN	647110ET	4.000	12/01/15	.280	100.30953	752,321.44	752,152.50	- 168.94
10,000,000	SOUTHWEST CAPITAL BANK	1623234	.250	12/14/15	.250	1.00000	10,000,000.00	10,000,000.00	
300,000	NEW MEXICO FIN AUTH ST TRANSN RE	64711RDC	5.000	12/15/15	.360	100.56597	301,697.91	301,674.00	- 23.91
100,000	NEW MEXICO FIN AUTH ST TRANSN RE	64711RHW	5.000	12/15/15	.330	100.56976	100,569.76	100,574.00	4.24
<b>19,951,123</b>							<b>19,955,711.75</b>	<b>19,955,523.14</b>	<b>- 188.61</b>

====> 0005 ITEMS IN SUBTOTAL FOR ===== FINAL-MATURITY.. ===== 2015 <=====

3,000,000	FEDERAL FARM CREDIT BANKS	3133ECTC	.640	1/28/16	.327	100.07550	3,002,264.96	3,003,570.00	1,305.04
580,000	NEW MEXICO ST UNIV REVS	647429V7	1.000	4/01/16	1.000	100.00000	580,000.00	580,968.60	968.60
720,000	LOS LUNAS NM GROSS RCPTTS TAX RE	545559CU	2.000	4/01/16	.530	100.61077	724,397.53	724,730.40	332.87
35,500,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0BA	2.375	4/11/16	.793	100.70040	35,748,642.34	35,824,115.00	75,472.66
1,000,000	FARMERS AND STOCKMENS BANK	8521545	.450	4/29/16	.450	1.00000	1,000,000.00	1,000,000.00	
1,000,000	FARMERS AND STOCKMENS BANK	8521680	.500	4/29/16	.500	1.00000	1,000,000.00	1,000,000.00	
135,000	VILLAGE OF CORRALES NM	22026TAC	2.000	5/01/16	.750	100.62259	135,840.50	135,980.10	139.60
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACT	2.500	5/27/16	1.080	100.80727	20,161,454.00	20,241,600.00	80,146.00
100,000	NEW MEXICO MILITARY INST AT ROSW	647183BV	1.182	6/01/16	1.182	100.00000	100,000.00	100,384.00	384.00
160,000	LOS ALAMOS CNTY N MEX INC GROSS	54423TAM	5.750	6/01/16	.535	103.03263	164,852.20	164,968.00	115.80
205,000	LAS VEGAS N MEX GROSS RCPTTS TAX	51778TBN	2.000	6/01/16	.550	100.84300	206,728.16	206,859.35	131.19
100,000	SANTA FE N MEX GROSS RCPTTS TAXRE	802072MS	5.000	6/01/16	.500	102.61740	102,617.40	102,510.00	- 107.40
125,000	NEW MEXICO FIN AUTH REV	64711NPZ	2.500	6/01/16	.680	101.05730	126,321.62	126,368.75	47.13
1,045,000	LAS CRUCES N MEX JT UTIL REV	517496EK	2.000	6/01/16	.501	100.87194	1,054,111.81	1,054,478.15	366.34
25,000,000	FEDERAL AGRICULTURAL MORTG CORP	31315PB7	.900	6/09/16	.900	100.00000	25,000,000.00	25,098,500.00	98,500.00
100,000	NEW MEXICO FIN AUTH REV	64711NTV	1.250	6/15/16	1.250	100.00000	100,000.00	100,330.00	330.00
325,000	NEW MEXICO FIN AUTH REV	64711NVG	3.000	6/15/16	.480	101.56328	330,080.67	330,625.75	545.08
3,000,000	CENTURY BANK SANTA FE	17099254	.500	6/16/16	.500	1.00000	3,000,000.00	3,000,000.00	
7,500,000	FEDERAL FARM CREDIT BANKS	3133EDDP	.520	6/17/16	.520	100.00000	7,500,000.00	7,503,825.00	3,825.00
180,000	NEW MEXICO ST SEVERANCE TAX	647310Q4	5.000	7/01/16	.699	102.85449	185,138.09	185,657.40	519.31
1,000,000	ALBUQUERQUE BERNALILLO CNTY WT J	013493ES	5.000	7/01/16	.830	102.76524	1,027,652.44	1,031,430.00	3,777.56

**STATE OF NEW MEXICO**  
**TREASURERS OFFICE**  
 Position holdings as of 10/31/15 (TRADE)  
 BOOK VALUES AMORTIZED THROUGH 10/31/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
500,000	ALBUQUERQUE BERNALILLO CNTY WT J	013493DW	4.000	7/01/16	.830	102.10205	510,510.25	512,545.00	2,034.75
200,000	RUIDOSO N MEX WASTEWATER REV REF	781324AC	2.000	7/01/16	.800	100.79573	201,591.46	201,790.00	198.54
200,000	CITY OF ALBUQUERQUE NM	01354MEX	3.000	7/01/16	.560	101.62080	203,241.59	203,568.00	326.41
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MS6	5.375	7/15/16	1.126	102.97579	20,595,157.25	20,692,200.00	97,042.75
16,000,000	FARMER MAC	31315PR8	.770	8/01/16	.810	99.96996	15,995,193.17	16,028,960.00	33,766.83
500,000	BELEN N MEX CONS SCH DIST NO 2 G	077581NV	2.000	8/01/16	.770	100.91759	504,587.93	506,290.00	1,702.07
125,000	TRUTH OR CONSEQUENCES N MEX MU G	898439EF	2.000	8/01/16	1.000	100.74458	125,930.72	126,431.25	500.53
225,000	SANDOVAL CNTY N MEX	80004PDP	2.000	8/01/16	.710	100.96273	227,166.14	227,931.75	765.61
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	
370,000	SANDOVAL CNTY NM	80004PDZ	2.000	8/01/16	.501	101.12076	374,146.80	374,236.50	89.70
2,000,000	GADSDEN INDEPENDENT SCHOOL	GISD15TX	.600	8/15/16	.600	100.00000	2,000,000.00	2,000,000.00	
40,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACW	2.000	8/25/16	.832	100.94825	40,379,298.23	40,503,600.00	124,301.77
1,127,000	FEDERAL FARM CREDIT BANKS	31331V2U	5.125	8/25/16	.590	103.68813	1,168,565.26	1,169,532.98	967.72
20,000,000	UNITED STATES TREASURY NOTES	912828RF	1.000	8/31/16	.929	100.05789	20,011,577.63	20,094,000.00	82,422.37
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	3135GOCM	1.250	9/28/16	.918	100.29956	40,119,825.38	40,276,000.00	156,174.62
170,000	GRANTS / CIBOLA CNTY N MEX SCHDI	388240GW	2.000	10/01/16	.650	101.23139	172,093.36	172,334.10	240.74
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	100.01264	30,003,791.39	30,108,300.00	104,508.61
10,000,000	FEDERAL HOME LOAN BANKS	3133XHJK	4.750	12/16/16	.694	104.53626	10,453,626.37	10,473,500.00	19,873.63
25,000,000	UNITED STATES TREAS NTS	912828RX	.875	12/31/16	.776	100.11436	25,028,591.00	25,108,000.00	79,409.00
<b>321,192,000</b>							<b>323,324,995.65</b>	<b>324,296,120.08</b>	<b>971,124.43</b>

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

25,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PN8	1.100	1/26/17	1.100	100.00000	25,000,000.00	25,122,750.00	122,750.00
40,000,000	FED NATL MORTGAGE ASSN DEBS	3135GOGY	1.250	1/30/17	1.054	100.24146	40,096,582.17	40,332,800.00	236,217.83
20,000,000	UNITED STATES TREAS NTS	912828SC	.875	1/31/17	.846	100.03613	20,007,225.52	20,088,800.00	81,574.48
20,000,000	FEDERAL HOME LOAN BANK	3133786Q	1.000	2/13/17	1.030	99.96096	19,992,191.31	20,084,200.00	92,008.69
20,000,000	FREDDIE MAC	3137EADT	.875	2/22/17	.928	99.93095	19,986,189.66	20,074,600.00	88,410.34
33,500,000	UNITED STATES TREAS NTS	912828SJ	.875	2/28/17	.872	100.00405	33,501,355.45	33,641,705.00	140,349.55
20,000,000	UNITED STATES TREASURY NOTES	912828MS	3.000	2/28/17	.863	102.81830	20,563,660.71	20,645,000.00	81,339.29
40,000,000	FED HOME LOAN MORTGAGE CORP DBS	3137EADC	1.000	3/08/17	1.019	99.97465	39,989,860.90	40,216,800.00	226,939.10
20,000,000	FEDERAL HOME LOAN BANKS	3133782N	.875	3/10/17	.783	100.12399	20,024,798.40	20,069,400.00	44,601.60
250,000	GUADALUPE CREDIT UNION	35605000	1.000	3/26/17	1.000	1.00000	250,000.00	250,000.00	
20,000,000	UNITED STATES TREASURY NOTES	912828SM	1.000	3/31/17	.905	100.13231	20,026,461.45	20,113,800.00	87,338.55
9,000,000	FARMER MAC	31315PS2	.980	4/10/17	1.015	99.94991	8,995,491.97	9,032,850.00	37,358.03
20,000,000	FIRST NATIONAL SANTA FE	84000531	.850	4/10/17	.850	1.00000	20,000,000.00	20,000,000.00	

**STATE OF NEW MEXICO**  
**TREASURERS OFFICE**  
 Position holdings as of 10/31/15 (TRADE)  
 BOOK VALUES AMORTIZED THROUGH 10/31/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
3,000,000	FARMERS AND STOCKMENS	8521625	.700	4/21/17	.700	1.00000	3,000,000.00	3,000,000.00	
10,000,000	FED NATL MORTGAGE ASSN DEBS	3135G0JA	1.125	4/27/17	1.049	100.11172	10,011,172.47	10,065,500.00	54,327.53
2,000,000	FARMERS & STOCKMENS BANK	8521016	.650	4/28/17	.650	1.00000	2,000,000.00	2,000,000.00	
8,000,000	FARMER MAC	31315PY8	.930	5/01/17	.970	99.94058	7,995,246.51	8,018,160.00	22,913.49
20,000,000	UNITED STATES TREASURY NOTES	912828SY	.625	5/31/17	1.009	99.40012	19,880,023.72	19,994,000.00	113,976.28
1,080,000	LAS CRUCES N MEX JT UTIL REV	517496EL	2.000	6/01/17	.750	101.96322	1,101,202.79	1,104,451.20	3,248.41
500,000	WESTERN BANK CLOVIS	15981000	.750	6/02/17	.750	1.00000	500,000.00	500,000.00	
23,000,000	FEDERAL HOME LOAN BANKS	313379FW	1.000	6/09/17	.928	100.11507	23,026,465.76	23,103,730.00	77,264.24
30,000,000	FEDERAL HOME LN MTG CORP	3137EADH	1.000	6/29/17	.981	100.03150	30,009,450.16	30,144,300.00	134,849.84
20,000,000	UNITED STATES TREASURY NOTES	912828TB	.750	6/30/17	1.028	99.54192	19,908,383.98	20,029,400.00	121,016.02
9,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PDT	3.020	7/14/17	1.056	103.30478	9,297,429.84	9,332,100.00	34,670.16
30,000,000	UNITED STATES TREASURY NOTES	912828WT	.875	7/15/17	.966	99.84700	29,954,100.01	30,098,700.00	144,599.99
25,500,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADJ	1.000	7/28/17	.919	100.13984	25,535,658.00	25,606,335.00	70,677.00
20,000,000	UNITED STATES TREASURY NOTES	912828NR	2.375	7/31/17	1.122	102.16187	20,432,374.49	20,583,000.00	150,625.51
300,000	SAN JUAN CNTY N MEX CENT CONS IN	798359KS	1.000	8/01/17	.751	100.41700	301,251.00	301,320.00	69.00
20,000,000	UNITED STATES TREASURY NOTES	912828HA	4.750	8/15/17	1.027	106.57752	21,315,503.08	21,433,600.00	118,096.92
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EAAV	5.500	8/23/17	1.072	107.92027	10,792,027.12	10,847,100.00	55,072.88
10,000,000	UNITED STATES TREASURY NOTES	912828D9	1.000	9/15/17	1.058	99.89289	9,989,289.14	10,049,500.00	60,210.86
4,500,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315P3K	1.150	9/18/17	1.170	99.96184	4,498,282.91	4,527,855.00	29,572.09
15,000,000	FNMA	3135G0ZL	1.000	9/27/17	1.118	99.77812	14,966,718.20	15,058,350.00	91,631.80
30,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADL	1.000	9/29/17	1.059	99.88768	29,966,303.57	30,097,800.00	131,496.43
25,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0PQ	.875	10/26/17	1.164	99.43447	24,858,617.74	25,036,500.00	177,882.26
20,000,000	UNITED STATES TREASURY NOTES	912828HH	4.250	11/15/17	1.085	106.36194	21,272,388.36	21,393,000.00	120,611.64
20,000,000	UNITED STATES TREASURY NOTES	912828UA	.625	11/30/17	1.075	99.07650	19,815,300.07	19,928,600.00	113,299.93
255,000	SILVER CITY N MEX JT UTIL SYS RE	82750RAP	2.000	12/01/17	1.000	102.05539	260,241.25	260,844.60	603.35
<b>644,885,000</b>							<b>649,121,247.71</b>	<b>652,186,850.80</b>	<b>3,065,603.09</b>

====> 0038 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==> 2017 <====

5,000,000	UNITED STATES TREASURY NOTES	912828UJ	.875	1/31/18	1.309	99.04127	4,952,063.40	5,002,750.00	50,686.60
15,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADP	.875	3/07/18	1.454	98.66699	14,800,048.05	14,980,950.00	180,901.95
15,000,000	FED NATL MORTGAGE ASSN DEB	3136G1EN	1.100	3/13/18	1.100	100.00000	15,000,000.00	14,990,550.00	- 9,450.00
25,000,000	UNITED STATES TREASURY NOTES	912828UZ	.625	4/30/18	1.188	98.61974	24,654,935.88	24,807,250.00	152,314.12
25,000,000	UNITED STATES TREASURY NOTES	912828VE	1.000	5/31/18	1.228	99.42286	24,855,714.97	25,025,500.00	169,785.03
150,000	LAS CRUCES N MEX HOLD HARMLESSGR	51748QAY	4.000	6/01/18	1.500	106.31049	159,465.73	159,279.00	- 186.73
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0E3	1.125	7/20/18	1.185	99.83956	19,967,911.72	20,059,600.00	91,688.28
225,000	SAN JUAN CNTY N MEX CENT CONS IN	798359KT	1.000	8/01/18	1.000	99.99900	224,997.75	225,175.50	177.75
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0YM	1.875	9/18/18	1.438	101.22806	20,245,611.11	20,463,200.00	217,588.89

**STATE OF NEW MEXICO**  
**TREASURERS OFFICE**  
Position holdings as of 10/31/15 (TRADE)  
BOOK VALUES AMORTIZED THROUGH 10/31/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
20,000,000	UNITED STATES TREASURY NOTES	912828WD	1.250	10/31/18	.944	100.90135	20,180,270.67	20,114,000.00	- 66,270.67
15,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0YT	1.625	11/27/18	1.747	99.63609	14,945,413.58	15,239,850.00	294,436.42
20,000,000	UNITED STATES TREASURY NOTES	912828RT	1.375	11/30/18	1.404	99.91348	19,982,695.60	20,178,200.00	195,504.40
<b>180,375,000</b>							<b>179,969,128.46</b>	<b>181,246,304.50</b>	<b>1,277,176.04</b>

====> 0012 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2018 <====

20,000,000	UNITED STATES TREASURY NOTES	912828SD	1.250	1/31/19	1.267	99.94597	19,989,193.13	20,066,600.00	77,406.87
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0ZA	1.875	2/19/19	1.678	100.62925	20,125,849.07	20,426,800.00	300,950.93
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACA	3.750	3/27/19	1.762	106.54183	21,308,366.57	21,653,800.00	345,433.43
35,000,000	UNITED STATES TREASURY NOTES	912828C6	1.625	3/31/19	1.744	99.60584	34,862,045.18	35,498,400.00	636,354.82
14,000,000	UNITED STATES TREASURY NOTES	912828WW	1.625	7/31/19	1.203	101.53933	14,215,505.73	14,164,780.00	- 50,725.73
13,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315P3R	1.900	9/18/19	1.920	99.92472	12,990,213.20	13,307,320.00	317,106.80
22,941,000	FEDERAL NATIONAL MORTGAGE ASSOCI	313586RC		10/09/19	2.171	91.56872	21,006,780.93	21,339,718.20	332,937.27
24,500,000	UNITED STATES TREASURY NOTES	912828F6	1.500	10/31/19	1.561	99.76480	24,442,374.83	24,628,135.00	185,760.17
8,000,000	FEDERAL FARM CREDIT BANKS	3133EEBN	1.800	11/12/19	1.755	100.17331	8,013,865.09	8,134,160.00	120,294.91
14,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0ZY	1.750	11/26/19	1.701	100.19117	14,026,764.32	14,156,240.00	129,475.68
175,000	KNOX CNTY KY	499422DH	5.800	12/01/19	.780	105.40414	184,457.25	184,609.25	152.00
25,900,000	UNITED STATES TREASURY NOTES	912828G9	1.625	12/31/19	1.318	101.24104	26,221,429.35	26,129,215.00	- 92,214.35
<b>217,516,000</b>							<b>217,386,844.65</b>	<b>219,689,777.45</b>	<b>2,302,932.80</b>

====> 0012 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2019 <====

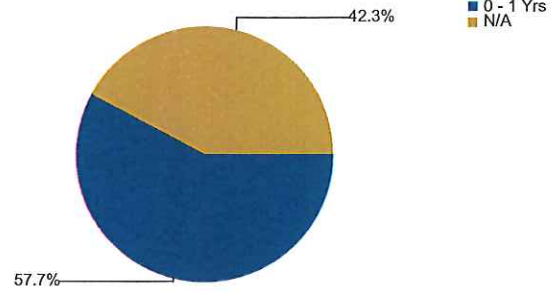
21,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315P5S	1.820	1/08/20	1.590	100.92652	21,194,568.74	21,300,720.00	106,151.26
33,750,000	UNITED STATES TREASURY NOTES	912828UV	1.125	3/31/20	1.387	98.88246	33,372,831.14	33,278,850.00	- 93,981.14
5,000,000	UNITED STATES TREASURY NOTES	912828K5	1.375	4/30/20	1.329	100.20016	5,010,007.78	4,979,400.00	- 30,607.78
21,000,000	UNITED STATES TREASURY NOTES	912828VV	2.125	8/31/20	1.341	103.65517	21,767,585.84	21,578,130.00	- 189,455.84
4,000,000	UNITED STATES TREASURY NOTES	912828VV	2.125	8/31/20	1.654	102.17462	4,086,984.91	4,110,120.00	23,135.09
21,000,000	UNITED STATES TREASURY NOTES	912828VZ	2.000	9/30/20	1.375	102.95759	21,621,093.76	21,460,950.00	- 160,143.76
<b>105,750,000</b>							<b>107,053,072.17</b>	<b>106,708,170.00</b>	<b>- 344,902.17</b>

====> 0006 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2020 <====

Portfolio Characteristics

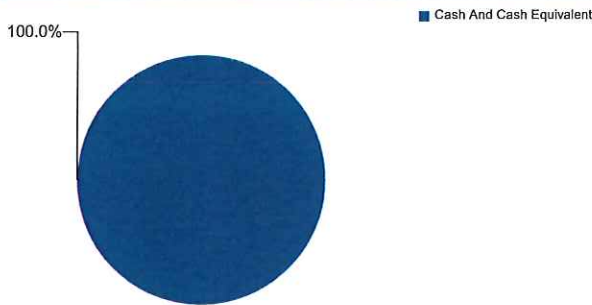
Duration Mix

Total Net Assets (Millions)	474.2
Weighted Average Life (Years)	0.00
Weighted Avg. Effective Duration (Years)	0.00
Weighted Average Coupon (%)	1.23
Weighted Average Current Yield (%)	0.02
Weighted Average Yield to Maturity (%)	0.02
Weighted Average Rating	AAA
Number of Holdings	9



Asset Mix

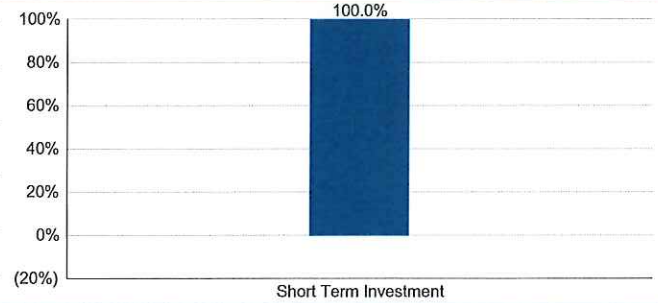
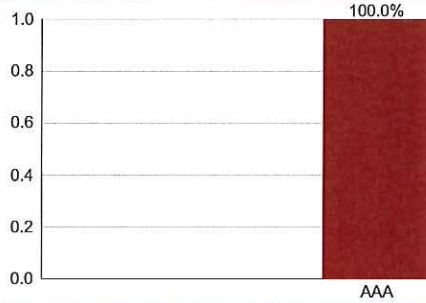
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
89499LC10	BANK OF THE WEST	42.30%		
99FU30033	REPO MITSUBISHI UFJ SECURITIES (USA),INC. 103015N	10.68%	0.02	2/11/2015
99FU30027		10.61%	5.78	3/11/2049
99FU30028	REPO JPMORGAN CHASE BK (GREENWICH) 103015K	10.61%	0.08	2/11/2015
99FU30034	REPO MITSUBISHI UFJ SECURITIES (USA),INC. 103015O	0.48%	0.02	2/11/2015
99FU30026		10.35%	5.74	3/11/2049
99FU30042	REPO MITSUBISHI UFJ SECURITIES (USA),INC. 103015Q	2.68%	0.02	2/11/2015
99FU30044	REPO MITSUBISHI UFJ SECURITIES (USA),INC.	1.68%	0.02	2/11/2015
99FU30029	REPO JPMORGAN CHASE BK (GREENWICH) 103015L	10.61%	0.08	2/11/2015

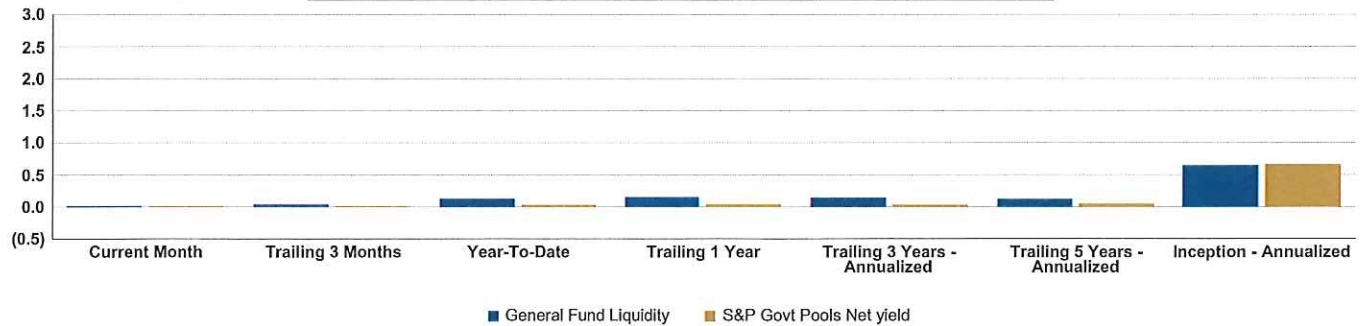
Quality/Rating Weightings

Sector Weightings (as % of Market Value)



Returns Series

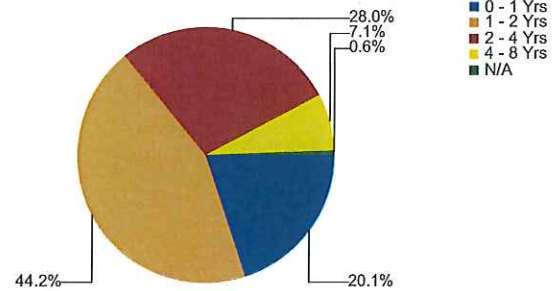
	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
General Fund Liquidity	0.01	0.04	0.13	0.15	0.14	0.12	0.65
S&P Govt Pools Net yield	0.01	0.01	0.03	0.04	0.03	0.05	0.66
Excess	0.01	0.03	0.10	0.12	0.11	0.07	(0.02)



Portfolio Characteristics

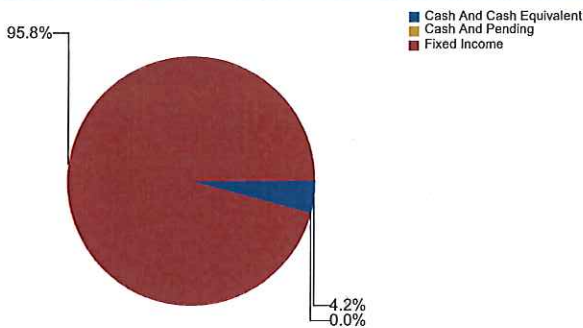
Total Net Assets (Millions)	1,509.4
Weighted Average Life (Years)	2.05
Weighted Avg. Effective Duration (Years)	1.99
Weighted Average Coupon (%)	1.50
Weighted Average Current Yield (%)	0.87
Weighted Average Yield to Maturity (%)	0.87
Weighted Average Rating	AA
Number of Holdings	117

Duration Mix



Asset Mix

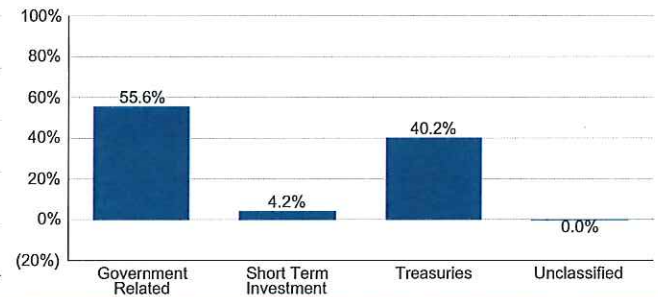
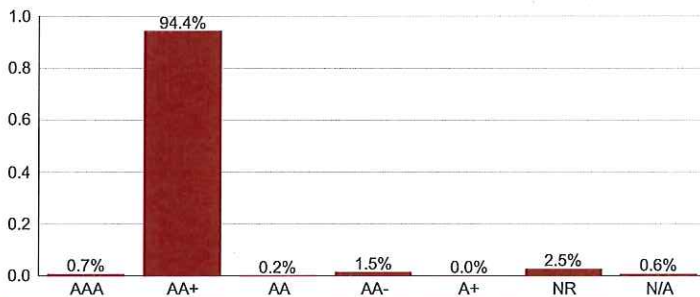
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
3137EADH7	FEDERAL HOME LOAN MORTGAGE CORP 2% BDS 25/AUG/2016	2.69%	2.00	25/8/2016
3135GDCY3	FEDERAL NATIONAL MORTGAGE ASSOC 1.25% MTG BDS	2.68%	1.25	30/1/2017
3135GDCM3	FEDERAL NATIONAL MORTGAGE ASSOC 1.25% MTG BDS	2.67%	1.25	28/9/2016
3137EADC0	FEDERAL HOME LOAN MORTGAGE CORP 1% BDS 08/MAR/2017	2.67%	1.00	8/3/2017
3135GDBA0	FEDERAL NATIONAL MORTGAGE ASSOC 2.375% NTS	2.38%	2.38	11/4/2016
912828C65	UNITED STATES OF AMERICA NOTES FIXED 1.625%	2.35%	1.62	31/3/2019
912828SJ0	UNITED STATES 0.875% 02/17	2.23%	0.88	28/2/2017
912828JV0	US 1.12500 '20	2.21%	1.12	31/3/2020
3137EADH9	FEDERAL HOME LOAN MORTGAGE CORP 1% BDS 27/JUN/2017	2.00%	1.00	29/6/2017
912828WT3	UNITED STATES OF AMERICA NOTES FIXED 0.875%	2.00%	0.88	15/7/2017

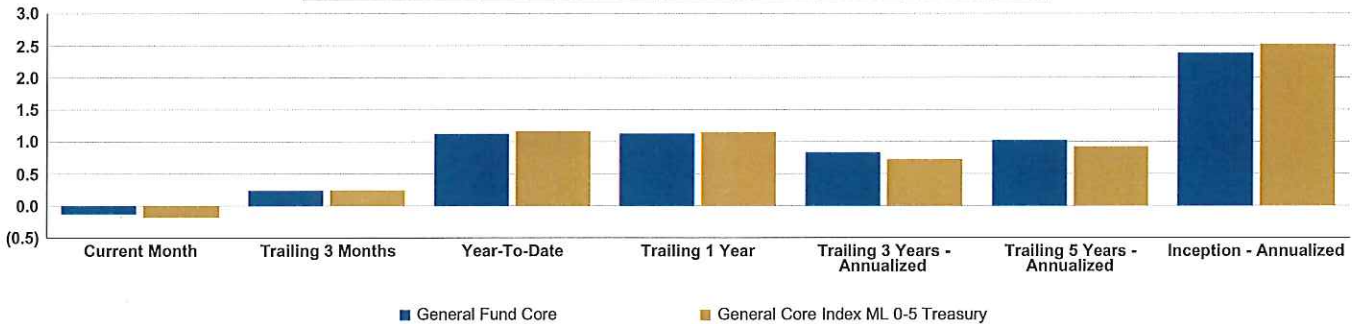
Quality/Rating Weightings

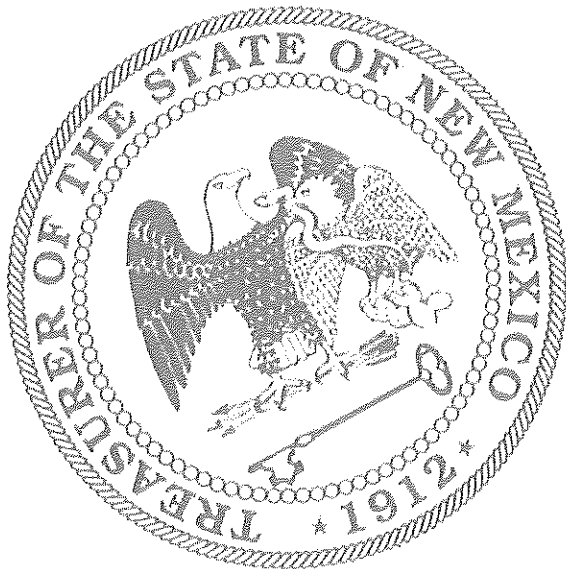
Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
General Fund Core	(0.12)	0.24	1.12	1.13	0.83	1.02	2.38
General Core Index ML 0-5 Treasury	(0.18)	0.24	1.16	1.15	0.73	0.92	2.53
Excess	0.06	(0.01)	(0.04)	(0.02)	0.10	0.10	(0.14)





## 9. Portfolio Summary- Local Government Investment Pool



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

### *Summary*

- Ending October market value for the LGIP was \$693mil, approximately (\$49.8)mil lower than the \$742.8mil 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 \$116.4mil or 17% of the Pool.
- At the end of October the Judicial District Court LGIP participant balance was \$4.9mil or 0.7% of the Pool.
- At the end of October the ERB participant balance was \$75mil or 11% of the Pool.

### *Portfolio Mix*

- At the end of October the portfolio was invested as follows: 0% in US Treasuries, 51% in US Government Agencies, 36% in collateralized demand deposit accounts with qualified banking institutions, 13% in floating rate securities, and 0% in overnight repurchase agreements.
- At month-end, the LGIP held positions in 56 securities.

### *Investment Earnings*

- In October the fund earned \$124,805.
- For FY2016, the fund has earned \$480,672.
- 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 0.205% at the end of October.
- Net yield to participants was 0.155%.

### *Investment Highlights*

- For the LGIP, the WAM(R) of 54 days, and WAM (F) of 96 days, were within their maximums of 60 and 120 days respectively.
- The LGIP experienced net subscriptions of (\$49.8)mil during October.
- Maturities for October totaled \$183.1mil face amount.
- The LGIP purchased \$69.9mil. US government agency securities maturing from 4 to 12 months at yields between 0.17% and 0.30%.
- 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 57 and 109 days for WAM(R) and WAM (F) respectively.
- The LGIP has experienced net subscriptions in November so far of (\$39.2)mil.
- Maturities will total \$111.2mil in November.

- 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 \$0.99990.

**STATE OF NEW MEXICO**  
**LGIP FUND (4101)**  
Portfolio Classification Summary  
Positions Held as of 10/31/15 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
AGENCY US BOND 30/360 2X	10	.2319	.20901	59,810,000	59,831,082	59,830,219	-863	8.639
AGENCY US DISC ACT/360 360 DAY	17	.1974	.13472	140,152,000	140,103,826	140,124,234	20,408	20.233
FED HOME LOAN BANKS	2	.2026	.18630	30,000,000	29,998,466	29,997,900	-566	4.331
AGENCY 30/360 2X	2	.1610	.11967	15,000,000	14,999,373	14,998,600	-773	2.166
AGENCY US BOND 30/360 ZERO CPN	2	.2980	.38841	3,589,000	3,579,698	3,584,224	4,526	.518
AGENCY US NOTES 30/360 2X	13	.3154	.52375	104,657,000	105,501,029	105,488,358	-12,671	15.232
AGENCY US VARIABLE ACT/360 4X	4	.2021	.68938	65,000,000	64,996,523	65,002,250	5,727	9.386
AGENCY US VAR 30/360 4X	1	.2569	1.42740	25,000,000	24,998,809	25,004,500	5,691	3.610
CASH ACCOUNT	4			248,526,478	248,526,478	248,526,478		35.885
	55	.1501	.39591	691,734,478	692,535,284	692,556,763	21,479	100.000

**STATE OF NEW MEXICO  
TREASURERS OFFICE**

Position holdings as of 10/31/15 (TRADE)  
BOOK VALUES AMORTIZED THROUGH 10/31/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
56,697,602	(TD)-WELLS FARGO CASH ACCOUNT	CASHCASH	.100			1.00000	56,697,601.98	56,697,602.00	.02
2,365,501	WELLS FARGO SAVINGS	CASHCASH	.100			1.00000	2,365,501.46	2,365,501.00	-.46
159,295,712	BANK OF THE WEST	CASHCASH	.250			1.00000	159,295,712.00	159,295,712.00	
30,167,663	US BANK	CASHCASH	.200			1.00000	30,167,663.03	30,167,663.00	-.03
<b>248,526,478</b>							<b>248,526,478.47</b>	<b>248,526,478.00</b>	<b>-.47</b>

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

26,152,000	FEDERAL NATIONAL MORTGAGE ASSOCI	313588NU		11/03/15	.160	99.99911	26,151,766.35	26,152,000.00	233.65
8,200,000	FEDERAL NATIONAL MORTGAGE ASSOCI	313588NV		11/04/15	.165	99.99859	8,199,884.54	8,200,000.00	115.46
2,600,000	FEDERAL HOME LOAN MORTGAGE CORPO	313396NV		11/04/15	.160	99.99867	2,599,965.33	2,600,000.00	34.67
1,300,000	FEDERAL HOME LOAN BANKS	313384NV		11/04/15	.185	99.99846	1,299,979.96	1,300,000.00	20.04
2,100,000	FEDERAL HOME LOAN MORTGAGE CORPO	313396NW		11/05/15	.160	99.99822	2,099,962.67	2,100,000.00	37.33
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	313396PB		11/10/15	.220	99.99450	9,999,450.00	9,999,900.00	450.00
4,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315KPD		11/12/15	.120	99.99633	3,999,853.33	3,999,960.00	106.67
5,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	313588PD		11/12/15	.157	99.99520	4,999,760.14	4,999,950.00	189.86
5,000,000	FEDERAL HOME LOAN BANKS	313384PJ		11/13/15	.185	99.99383	4,999,691.67	4,999,950.00	258.33
1,089,000	FANNIEMAE STRIPS	31358C7J		11/15/15	.126	99.98600	1,088,847.54	1,088,923.77	76.23
10,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315KPH		11/16/15	.185	99.99229	9,999,229.17	9,999,900.00	670.83
5,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	313588PJ		11/17/15	.150	99.99333	4,999,666.67	4,999,950.00	283.33
10,000,000	FEDERAL HOME LOAN BANKS	3130A3HV	.125	11/18/15	.213	99.99585	9,999,585.18	10,000,100.00	514.82
10,000,000	FEDERAL HOME LOAN BANKS	3130A5NX	.140	11/18/15	.138	100.00009	10,000,009.42	9,999,900.00	109.42
4,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	313588PK		11/18/15	.180	99.99150	3,999,660.00	3,999,960.00	300.00
10,000,000	FEDERAL HOME LOAN BANK	3130A62Q	.110	11/24/15	.138	99.99818	9,999,817.59	9,999,600.00	217.59
1,800,000	FEDERAL NATIONAL MORTGAGE ASSOCI	313588PS		11/25/15	.165	99.98900	1,799,802.00	1,799,964.00	162.00
7,000,000	FEDERAL HOME LOAN BANKS	3130A3E7	.160	12/01/15	.223	99.99476	6,999,632.87	6,999,930.00	297.13
20,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315KPY		12/01/15	.150	99.98750	19,997,500.00	19,999,400.00	1,900.00
15,000,000	FEDERAL FARM CREDIT BANK	3133EDAW	.200	12/02/15	.205	99.99901	14,999,851.08	14,999,850.00	1.08
5,000,000	FEDERAL HOME LOAN BANKS	3130A22T	.220	12/04/15	.223	99.99971	4,999,985.31	5,000,000.00	14.69
2,500,000	FEDERAL FARM CREDIT BANKS	3133EEAT	.200	12/07/15	.201	99.99989	2,499,997.33	2,499,900.00	97.33
3,130,000	FEDERAL HOME LOAN BANKS	3130A2Y2	.270	12/10/15	.183	100.00943	3,130,295.03	3,130,187.80	107.23
6,260,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0SB	.375	12/21/15	.200	100.02420	6,261,515.17	6,261,502.40	12.77
<b>175,131,000</b>							<b>175,125,708.35</b>	<b>175,130,827.97</b>	<b>5,119.62</b>

====> 0024 ITEMS IN SUBTOTAL FOR ==>> FINAL-MATURITY.. ==>> 2015 <====

**STATE OF NEW MEXICO  
TREASURERS OFFICE**

Position holdings as of 10/31/15 (TRADE)  
BOOK VALUES AMORTIZED THROUGH 10/31/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
5,000,000	FEDERAL HOME LOAN BANKS	3130A5ZC	.160	1/22/16	.200	99.99110	4,999,555.05	4,999,000.00	- 555.05
4,670,000	FEDERAL HOME LOAN BANKS	3130A2P7	.320	1/22/16	.167	100.03400	4,671,587.80	4,670,373.60	- 1,214.20
20,000,000	FEDERAL HOME LOAN BANKS	3130ASRD	.200	2/01/16	.231	99.99228	19,998,455.52	19,998,000.00	- 455.52
10,000,000	FEDERAL HOME LOAN BANK	3130A0SD	.375	2/19/16	.256	100.03549	10,003,548.69	10,005,500.00	1,951.31
15,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	313396TS		2/29/16	.290	99.90333	14,985,500.00	14,994,000.00	8,500.00
1,250,000	FEDERAL FARM CREDIT BANKS	3133EESJ	.280	3/04/16	.255	100.00861	1,250,107.59	1,249,975.00	- 132.59
4,015,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136FPDC	2.000	3/08/16	.275	100.60776	4,039,401.66	4,039,772.55	370.89
8,838,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136FPET	2.000	3/10/16	.286	100.61330	8,892,203.49	8,892,883.98	680.49
10,440,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0AL	2.250	3/15/16	.276	100.73388	10,516,617.59	10,517,569.20	951.61
21,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MH8	5.000	3/15/16	.226	101.77513	21,372,777.77	21,365,610.00	- 7,167.77
6,492,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G4VH	.400	3/15/16	.264	100.05057	6,495,282.75	6,494,531.88	- 750.87
5,000,000	FEDERAL FARM CREDIT BANK	3133EDMK	.140	3/29/16	.150	99.99553	4,999,776.28	4,998,950.00	- 826.28
15,000,000	FANNIE MAE	3135G0VA	.500	3/30/16	.264	100.09749	15,014,624.09	15,016,950.00	2,325.91
2,565,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0BA	2.375	4/11/16	.245	100.94545	2,589,250.81	2,588,418.45	- 832.36
15,000,000	FEDERAL HOME LOAN BANKS	313384VV		4/20/16	.245	99.88363	14,982,543.75	14,986,500.00	3,956.25
4,582,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADQ	.500	5/13/16	.305	100.10377	4,586,754.57	4,586,582.00	- 172.57
2,500,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31358C7K		5/15/16	.367	99.63400	2,490,850.00	2,495,300.00	4,450.00
5,925,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G5RF	.400	5/27/16	.250	100.08570	5,930,077.76	5,926,244.25	- 3,833.51
5,000,000	FEDERAL FARM CREDIT BANKS	313312XW		6/08/16	.341	99.79222	4,989,611.11	4,992,800.00	3,188.89
5,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EAAG	5.500	7/18/16	.421	103.61601	5,180,800.60	5,181,000.00	199.40
7,800,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PA2	2.000	7/27/16	.417	101.16663	7,890,997.36	7,880,496.00	- 10,501.36
5,000,000	FEDERAL HOME LOAN BANKS	3130A6BD	.510	9/09/16	.299	100.07502	5,003,750.98	5,001,300.00	- 2,450.98
25,000,000	FAMCA FLOAT	3132X0BY	.160	9/16/16	.135	99.99559	24,998,896.46	24,997,250.00	- 1,646.46
3,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G5JE	.650	9/29/16	.442	100.18872	3,005,661.59	3,004,200.00	- 1,461.59
15,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	3132X0CG	.440	10/05/16	.457	99.98435	14,997,652.59	15,005,550.00	7,897.41
20,000,000	FEDERAL FARM CREDIT BANK	3133EFKG		10/20/16	.288	99.99000	19,998,000.00	20,006,200.00	8,200.00
<hr/>							243,884,285.86	243,894,956.91	10,671.05
====> 0026 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== 2016 <====									
25,000,000	FARMER MAC	3132X0CE	.250	4/05/17	.253	99.99524	24,998,809.07	25,004,500.00	5,690.93
<hr/>							24,998,809.07	25,004,500.00	5,690.93
====> 0001 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== 2017 <====									
<hr/>							691,734,478	692,535,281.75	21,481.13

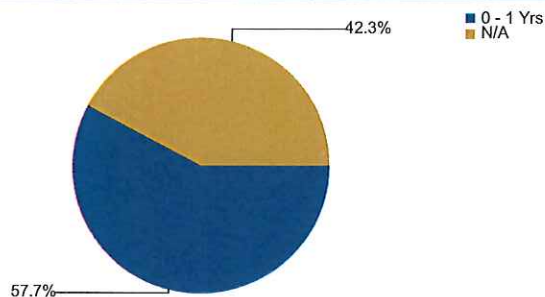
**STATE OF NEW MEXICO**  
**TREASURERS OFFICE**  
 Position holdings as of 10/31/15 (TRADE)  
 BOOK VALUES AMORTIZED THROUGH 10/31/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
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==> 0055 ITEMS IN SUBTOTAL FOR ==> FUND NAME..... ==> LGIP FUND <==

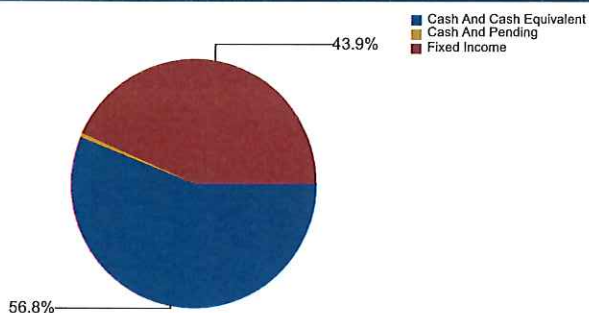
Portfolio Characteristics

Total Net Assets (Millions)	693.0
Weighted Average Life (Years)	0.19
Weighted Avg. Effective Duration (Years)	0.13
Weighted Average Coupon (%)	0.38
Weighted Average Current Yield (%)	0.15
Weighted Average Yield to Maturity	0.15
Weighted Average Rating	A
Number of Holdings	56



Asset Mix

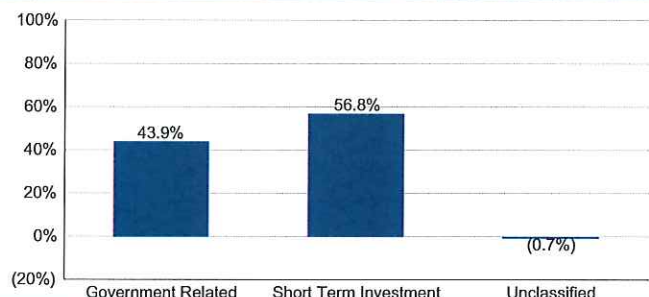
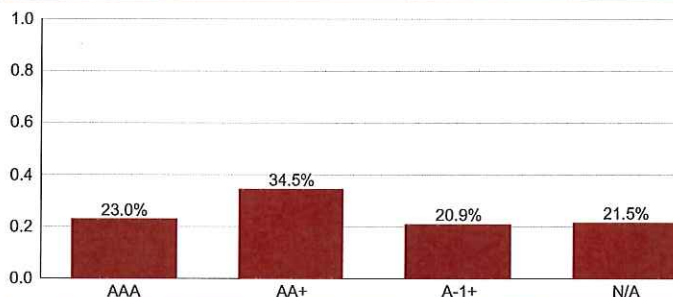
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
89499LC10	BANK OF THE WEST	22.83%		
89499LC36	US BANK	4.32%		
313588NU5	FEDERAL NATIONAL MORTGAGE ASSOCIATION ZERO CPN	3.75%	0.00	3/11/2015
3132X0CE9	FEDERAL AGRICULTURAL MORTGAGE CORP MEDIUM TERM	3.58%		
3132X0BY6	FEDERAL AGRICULTURAL MORTGAGE CORP MEDIUM TERM	3.58%	0.18	16/9/2016
31339MH89	FEDERAL NATIONAL MORTGAGE ASSOC 5% BDS 15/MAR/2016	3.08%	5.00	15/3/2016
3130A5RD3	FEDERAL HOME LOAN BANKS BOND FIXED .2% 01/FEB/2016	2.87%	0.20	1/2/2016
3133EFG1	FEDERAL FARM CREDIT BANK BOND VARIABLE 20/OCT/2016	2.87%	0.28	20/10/2016
31315KP0	FEDERAL AGRICULTURAL MORTGAGE CORP ZERO CPN	2.87%	0.00	1/12/2015
894993C02	Wells Fargo Checking	8.80%		

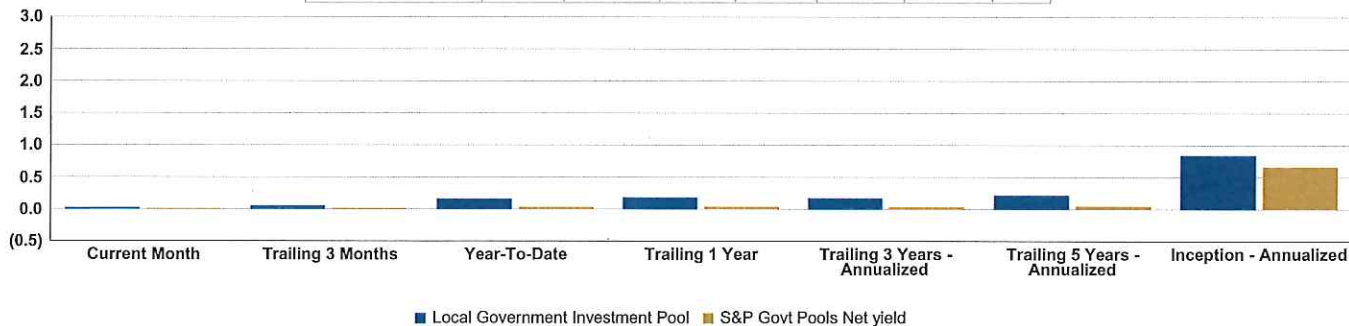
Quality/Rating Weightings

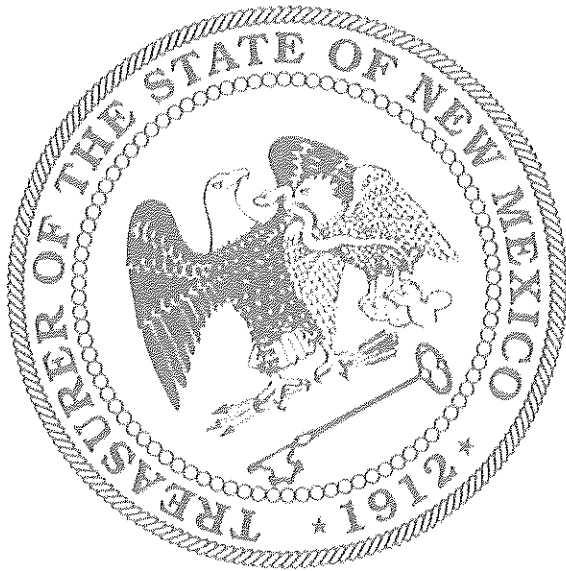
Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
Local Government Investment Pool	0.02	0.05	0.16	0.18	0.17	0.22	0.84
S&P Govt Pools Net yield	0.01	0.01	0.03	0.04	0.03	0.05	0.66
Excess	0.01	0.04	0.13	0.14	0.14	0.17	0.18





## 10. 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 \$693.7mil vs. \$708.3mil at the end of September.
- The Pool received \$9.3mil in draw requests for capital spending during the month and paid out \$15.2mil for capital projects.

### *Portfolio Mix*

- 100% of the Taxable BPIP portfolio was invested in fixed income securities and cash investments: 40% in US Treasuries, 47% in agency securities, 3% in NM municipal securities and the balance, approximately 10%, was held in cash equivalents and collateralized NM bank CDs.
- 34% of the portfolio was invested in securities that mature in one year, 34% in securities that mature from 1-2 years, 23% in securities that mature from 2-4 years and 8% in securities out to 5 years.
- The Tax-Exempt BPIP held positions in 81 securities.
- Weighted Average Life of the Tax Exempt BPIP was 1.33 years. The Weighted Average Duration was 1.23 years.
- The maximum security term for the BPIP portfolio is 5 years.

### *Investment Earnings*

- Unrealized gains in the Tax-Exempt BPIP Portfolio were \$568,936 on October 31<sup>st</sup>.
- Monthly net earnings on the portfolio for October were \$366,385.
- Net earnings for FY2016 were \$1,307,344.
- 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 1.23 yrs. vs. the Benchmark at 1.34 yrs.
- The Tax-Exempt BPIP had \$10mil in maturities during the month of October.
- The Pool duration lengthened from 1.06 to 1.23 during the month.
- The Pool purchased \$15mil of a 3 year US treasury, \$2.2mil of a 10 month municipal bond and ~\$47mil of 2 and 3 year US agency bonds.

### *Performance*

- The purchase yield was 0.69% at the end of October vs. 0.60% reported for the previous month.
- The Tax-Exempt BPIP returned (0.04)% for the month of October and 0.12% for the three months ended October 31, 2015, vs. Index returns of (0.07)% and 0.13% respectively. For the trailing 12 mos. the Pool returned 0.51% vs. 0.60% for the benchmark.
- The Tax-Exempt BPIP had a duration shorter than the benchmark for the month of October and consequently outperformed the index.

- 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 1.34 yrs. vs. 1.35 yrs. for the benchmark.
- For the month of November \$15mil in maturities are scheduled.
- 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.

**STATE OF NEW MEXICO**  
**BOND PROCEEDS INV POOL1 TAX EX (4000)**  
 Portfolio Classification Summary  
 Positions Held as of 10/31/15 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	.0203	.00550	15,198,614	15,198,614	15,198,614		2.198
CERTIFICATES OF DEPOSIT	2	.7250	1.17945	3,000,000	3,000,000	3,000,000		.434
US TREASURY NOTE ACT/ACT 2X	20	.6190	1.07276	279,000,000	279,528,543	279,801,940	273,397	40.468
AGENCY US BOND 30/360 2X	11	.9774	1.65708	101,250,000	104,283,313	104,294,870	11,557	15.084
AGENCY US BOND 30/360 ZERO CPN	1	.6516	1.58360	6,089,000	6,025,005	6,013,984	-11,021	.870
AGENCY US NOTES 30/360 2X	17	.8038	1.51085	191,250,000	192,610,290	192,823,058	212,768	27.888
FED NATL MORTGAGE ASSN DEBS	1	1.2267	1.04380	5,000,000	5,008,492	5,045,250	36,758	.730
CORP US NOTE 30/360 2X	1	1.3628	2.70410	15,770,000	15,991,568	16,011,123	19,555	2.316
MUNI US 30/360 2X	20	.6481	.99340	14,795,000	15,138,953	15,158,178	19,225	2.192
MUNICIPAL BOND REVENUE	5	.7200	1.31008	4,055,000	4,140,576	4,147,273	6,697	.600
UNITS - INVESTMENT POOL 1	1			52,032,108	52,032,108	52,032,108		7.525
CASH ACCOUNT	1			-2,105,836	-2,105,836	-2,105,836		-.305
	<u>81</u>	<u>.6903</u>	<u>1.31753</u>	<u>685,333,886</u>	<u>690,851,626</u>	<u>691,420,562</u>	<u>568,936</u>	<u>100.000</u>

**STATE OF NEW MEXICO  
TREASURERS OFFICE**

Position holdings as of 10/31/15 (TRADE)  
BOOK VALUES AMORTIZED THROUGH 10/31/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
- 2,105,836	(TD)-CASH KEY	CASHCASH				1.00000	- 2,105,835.74	- 2,105,836.00	- .26
52,032,108	UNITS - INVESTMENT POOL 1	UNITS001				1.00000	52,032,108.35	52,032,108.00	- .35
							<u>49,926,272</u>	<u>49,926,272.00</u>	<u>- .61</u>

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

15,198,614	OVERNIGHT REPO	1102RP	.020	11/02/15	.020	1.00000	15,198,614.22	15,198,614.22	
15,000,000	UNITED STATES TREASURY NOTES	912828PJ	1.375	11/30/15	.352	100.08089	15,012,133.44	15,014,100.00	1,966.56
10,000,000	FNMA	3135GOSB	.375	12/21/15	.451	99.98939	9,998,938.87	10,002,400.00	3,461.13
15,000,000	UNITED STATES TREAS NTS	912828PM	2.125	12/31/15	.433	100.27509	15,041,263.68	15,047,250.00	5,986.32
							<u>55,198,614</u>	<u>55,250,950.21</u>	<u>11,414.01</u>

====> 0004 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== 2015 <====

15,000,000	UNITED STATES TREASURY NOTES	912828UG	.375	1/15/16	.320	100.01122	15,001,683.12	15,007,650.00	5,966.88
3,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PWQ	.675	1/19/16	.380	100.06370	3,001,910.90	3,002,460.00	549.10
10,000,000	UNITED STATES TREASURY NOTES	912828KS	2.625	2/29/16	.395	100.73378	10,073,377.88	10,080,600.00	7,222.12
7,500,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MH8	5.000	3/15/16	.543	101.65438	7,624,078.20	7,630,575.00	6,496.80
15,000,000	UNITED STATES TREASURY NOTES	912828C4	.375	3/31/16	.406	99.98714	14,998,070.39	15,008,250.00	10,179.61
15,000,000	UNITED STATES TREASURY NOTES	912828UW	.250	4/15/16	.491	99.89083	14,983,624.63	14,998,950.00	15,325.37
400,000	TORRANCE ETC CNTYS N MEX MUN S	891400NC	1.000	5/15/16	.552	100.24077	400,963.07	401,568.00	604.93
1,220,000	RIO RANCHO N MEX WTR & WASTEW	767175GF	3.000	5/15/16	.550	101.31631	1,236,058.99	1,238,361.00	2,302.01
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACT	2.500	5/27/16	.479	101.15344	10,115,343.67	10,120,800.00	5,456.33
15,000,000	UNITED STATES TREASURY NOTES	912828QP	1.750	5/31/16	.522	100.70925	15,106,387.06	15,122,100.00	15,712.94
1,225,000	SANTA FE N MEX GROSS RCPTS TAX	802072RG	2.000	6/01/16	.630	100.79612	1,234,752.53	1,237,666.50	2,913.97
1,500,000	ARTESIA N MEX GROSS RCPTS TAX RE	043053BT	2.000	6/01/16	.490	100.87808	1,513,171.26	1,513,935.00	763.74
130,000	RUIDOSO N MEX GROSS RCPTS TAX RE	781336AX	2.000	6/01/16	.500	100.87242	131,134.14	131,207.70	73.56
750,000	SAN JUAN CNTY N MEX GROSS RCPTS	79835HGJ	3.000	6/15/16	.461	101.57567	761,817.53	761,992.50	174.97
15,000,000	UNITED STATES TREASURY NOTES	912828QR	1.500	6/30/16	.510	100.65411	15,098,116.38	15,113,100.00	14,983.62
1,120,000	ALBUQUERQUE NM GROSS RCPTS TAX	01354PFQ	.550	7/01/16	.550	100.00000	1,120,000.00	1,120,884.80	884.80
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	100.06569	15,009,854.20	15,025,650.00	15,795.80
45,000	ALAMOGORDO N MEX	011446HA	4.000	8/01/16	1.050	102.19647	45,988.41	46,072.35	83.94
620,000	UNIVERSITY N MEX VALENCIA CNTYBR	914696DJ	2.000	8/01/16	.551	101.08272	626,712.89	627,099.00	386.11
475,000	GADSDEN N MEX INDPT SCH DIST NO	362550MJ	2.000	8/15/16	.650	101.06009	480,035.45	480,700.00	664.55

**STATE OF NEW MEXICO  
TREASURERS OFFICE**

Position holdings as of 10/31/15 (TRADE)  
BOOK VALUES AMORTIZED THROUGH 10/31/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
2,225,000	SAN JUAN CNTY N MEX JR COLLEGE DI	798360FC	2.000	8/15/16	.440	101.18800	2,251,433.00	2,251,166.00	- 267.00
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACW	2.000	8/25/16	1.144	100.69300	20,138,599.62	20,251,800.00	113,200.38
315,000	GRANT CNTY N MEX	387766BY	2.000	9/01/16	.600	101.16132	318,658.16	318,972.15	313.99
200,000	TORRANCE ETC CNTYS N MEX MUN SCH	891400NX	1.500	9/01/16	.500	100.83029	201,660.58	201,948.00	287.42
390,000	HOBBS N MEX MUN SCH DIST NO 16	433866FT	3.000	9/15/16	.530	102.14615	398,369.99	398,993.40	623.41
14,000,000	UNITED STATES TREASURY NOTES	912828RJ	1.000	9/30/16	.631	100.33468	14,046,855.75	14,070,840.00	23,984.25
10,000,000	UNITED STATES TREASURY NOTES	912828RM	1.000	10/31/16	.428	100.56845	10,056,844.87	10,053,400.00	- 3,444.87
5,000,000	FEDERAL NATL MTG ASSN DEBS	3135G0ES	1.375	11/15/16	1.210	100.16983	5,008,491.36	5,045,250.00	36,758.64
15,000,000	UNITED STATES TREASURY NOTES	912828WF	.625	11/15/16	.693	99.93008	14,989,511.45	15,023,700.00	34,188.55
15,000,000	UNITED STATES TREASURY NOTES	912828AS	.625	12/15/16	.727	99.88609	14,982,914.10	15,021,300.00	38,385.90
<b>211,615,000</b>							<b>212,456,419.58</b>	<b>212,806,991.40</b>	<b>350,571.82</b>

====> 0031 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. =====> 2016 <=====

15,000,000	UNITED STATES TREASURY NOTES	912828SC	.875	1/31/17	.710	100.20455	15,030,682.20	15,066,600.00	35,917.80
15,000,000	UNITED STATES TREASURY NOTES	912828SJ	.875	2/28/17	.788	100.11441	15,017,161.39	15,063,450.00	46,288.61
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADC	1.000	3/08/17	.756	100.32777	10,032,776.84	10,054,200.00	21,423.16
24,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0VM	.750	3/14/17	.625	100.16979	24,040,750.55	24,035,040.00	- 5,710.55
15,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359M7X	5.000	5/11/17	.736	106.46593	15,969,889.15	15,981,300.00	11,410.85
1,495,000	ARTESIA N MEX GROSS RCPTS TAX RE	043053BU	2.000	6/01/17	.750	101.96279	1,524,343.68	1,527,725.55	3,381.87
6,089,000	FANNIE MAE	31359MEL		6/01/17	.643	98.94900	6,025,004.61	6,013,983.52	- 11,021.09
2,000,000	FEDERAL HOME LOAN BANKS	313383PD	1.250	6/09/17	.701	100.87411	2,017,482.18	2,014,780.00	- 2,702.18
700,000	SAN JUAN CO NM GROSS RCPTS TAX	79835HGK	4.000	6/15/17	.870	105.02959	735,207.16	736,652.00	1,444.84
1,000,000	FEDERAL FARM CREDIT BANKS	3133EDEB	1.100	6/28/17	.700	100.65794	1,006,579.44	1,005,530.00	- 1,049.44
5,000,000	UNITED STATES TREASURY NOTES	912828TB	.750	6/30/17	1.006	99.57784	4,978,892.08	5,007,350.00	28,457.92
3,750,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G5VV	1.050	6/30/17	.311	100.12087	3,754,532.77	3,754,462.50	- 70.27
600,000	ALBUQUERQUE NM GROSS RECPTS TAX	01354PFR	1.050	7/01/17	1.050	100.00000	600,000.00	598,704.00	- 1,296.00
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	31315P2T	.650	7/10/17	.862	99.64484	4,982,242.20	4,993,300.00	11,057.80
24,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADV	.750	7/14/17	.740	100.01623	24,003,896.17	24,001,440.00	- 2,456.17
5,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADJ	1.000	7/28/17	.791	100.36058	5,018,029.04	5,020,850.00	2,820.96
5,000,000	UNITED STATES TREASURY NOTES	912828TG	.500	7/31/17	.906	99.29790	4,964,894.92	4,984,950.00	20,055.08
375,000	SANDOVAL CNTY N MEX	80004PEA	3.800	8/01/17	.820	103.77866	389,169.98	389,598.75	428.77
300,000	ALBUQUERQUE N MEX MET ARROYO FLO	013572KE	2.000	8/01/17	.750	102.16821	306,504.63	307,815.00	1,310.37
250,000	ROSWELL N MEX INDPT SCH DIST	778550JQ	2.000	8/01/17	.900	101.90484	254,762.10	255,415.00	652.90
2,500,000	T TO 05/01/1976	802088LN	5.000	8/01/17	.900	107.10131	2,677,532.80	2,683,675.00	6,142.20
5,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0PP	1.000	9/20/17	.830	100.31758	5,015,878.91	5,016,350.00	471.09
15,000,000	FEDERAL FARM CREDIT BANKS	3133EEQX	1.000	9/25/17	.860	100.26307	15,039,461.04	15,037,950.00	- 1,511.04

**STATE OF NEW MEXICO  
TREASURERS OFFICE**

Position holdings as of 10/31/15 (TRADE)  
BOOK VALUES AMORTIZED THROUGH 10/31/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
5,000,000	FNMA	3135G0ZL	1.000	9/27/17	1.118	99.77812	4,988,906.07	5,019,450.00	30,543.93
5,000,000	FEDERAL HOME LOAN BANKS	3130A6LZ	.625	10/26/17	.733	99.78828	4,989,413.92	4,982,100.00	- 7,313.92
15,000,000	UNITED STATES TREASURY NOTES	912828UA	.625	11/30/17	.814	99.61175	14,941,762.72	14,946,450.00	4,687.28
6,005,000	TENNESSEE VALLEY AUTHORITY	880591CU	6.250	12/15/17	1.021	110.94831	6,662,446.11	6,672,876.10	10,429.99
<hr/>							<hr/>	<hr/>	<hr/>
194,564,000							196,468,202.66	196,671,997.42	203,794.76

====> 0028 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== 2017 <====

24,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADN	.750	1/12/18	.904	99.66581	23,919,793.60	23,933,280.00	13,486.40
7,480,000	FEDERAL HOME LOAN BANKS	3130A5ZS	1.100	2/12/18	.959	100.10907	7,488,158.27	7,507,526.40	19,368.13
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADP	.875	3/07/18	.928	99.87711	19,975,422.64	19,974,600.00	- 822.64
13,585,000	FEDERAL HOME LOAN BANKS	313378A4	1.375	3/09/18	.966	100.94924	13,713,954.13	13,727,778.35	13,824.22
25,000,000	UNITED STATES TREASURY NOTES	912828J6	1.000	3/15/18	.899	100.23723	25,059,307.84	25,060,750.00	1,442.16
25,000,000	TENNESSEE VALLEY AUTHORITY	880591EC	4.500	4/01/18	.917	108.54249	27,135,623.57	27,063,250.00	- 72,373.57
5,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0WJ	.875	5/21/18	1.024	99.62462	4,981,231.15	4,985,500.00	4,268.85
100,000	SANDOVAL CNTY N MEX INCENTIVE PA	800051AW	1.952	6/01/18	1.460	101.24160	101,241.60	101,079.00	- 162.60
155,000	RUIDOSO N MEX GROSS RCPTS TAX RE	781336BB	2.000	6/01/18	1.100	102.28552	158,542.56	159,298.15	755.59
260,000	ARTESIA N MEX GROSS RCPTS TAX RE	043053BV	2.000	6/01/18	1.000	102.54315	266,612.19	267,880.60	1,268.41
15,770,000	PRIVATE EXPORT FUNDING CORP.	742651DS	1.875	7/15/18	1.344	101.40501	15,991,569.39	16,011,123.30	19,553.91
5,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G2LK	1.750	8/24/18	.590	100.94009	5,047,004.28	5,047,650.00	645.72
15,000,000	UNITED STATES TREASURY NOTES	912828WD	1.250	10/31/18	.944	100.90135	15,135,203.00	15,085,500.00	- 49,703.00
<hr/>							<hr/>	<hr/>	<hr/>
156,350,000							158,973,664.22	158,925,215.80	- 48,448.42

====> 0013 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== 2018 <====

14,780,000	FEDERAL FARM CREDIT BANKS	3133EE4S	1.650	7/29/19	1.650	100.00000	14,780,000.00	14,831,582.20	51,582.20
1,400,000	UNITED STATES DEPARTMENT OF HOUS	9111759JA	5.450	8/01/19	.550	103.66126	1,451,257.66	1,449,098.00	- 2,159.66
<hr/>							<hr/>	<hr/>	<hr/>
16,180,000							16,231,257.66	16,280,680.20	49,422.54

====> 0002 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== 2019 <====

1,500,000	S REV	013493BR	5.000	7/01/26	.500	102.99033	1,544,854.99	1,547,040.00	2,185.01
<hr/>							<hr/>	<hr/>	<hr/>
1,500,000							1,544,854.99	1,547,040.00	2,185.01

**STATE OF NEW MEXICO**  
**TREASURERS OFFICE**  
 Position holdings as of 10/31/15 (TRADE)  
 BOOK VALUES AMORTIZED THROUGH 10/31/15

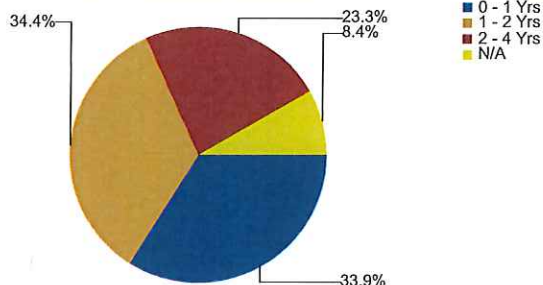
POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
==> 0001 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2026 <==									
							690,851,621.93	691,420,561.04	568,939.11
==> 0081 ITEMS IN SUBTOTAL FOR ==> FUND NAME..... ==> BOND PROCEEDS INV POOL1 TAX EX <									
685,333,886									



Portfolio Characteristics

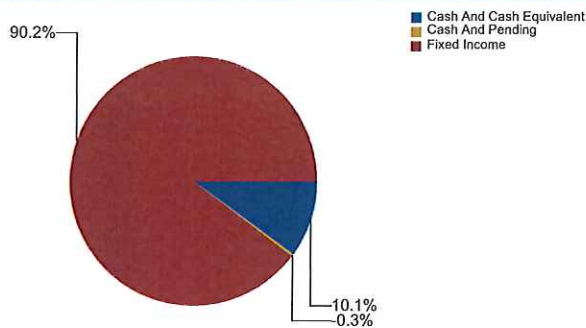
Total Net Assets (Millions) 693.7  
 Weighted Average Life (Years) 1.33  
 Weighted Avg. Effective Duration (Years) 1.23  
 Weighted Average Coupon (%) 1.35  
 Weighted Average Current Yield (%) 0.64  
 Weighted Average Yield to Maturity (%) 0.64  
 Weighted Average Rating AA+  
 Number of Holdings 81

Duration Mix



Asset Mix

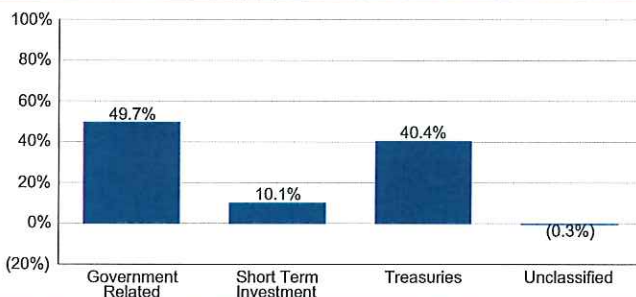
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
892998X00	LGIP POOL PARTICIPANT	7.48%		28/12/2015
880591EC2	TEHRIESSEE VALLEY 4.5% BDS 01/APR/2018 USD1000	3.90%	4.50	1/4/2018
912628J68	UNITED STATES OF AMERICA NOTES FIXED 1%	3.61%	1.00	15/3/2018
3137EADV8	FEDERAL HOME LOAN MORTGAGE CORP NOTES FIXED .75%	3.46%	0.75	1/4/2017
3135G0VM2	FNMA 0.750000 C '17 USD	3.46%	0.75	1/4/2017
3137EADN6	FEDERAL HOME LOAN MORTGAGE CORP 0.75% BDS	3.45%	0.75	12/1/2018
3137EACW7	FEDERAL HOME LOAN MORTGAGE CORP 2% BDS 25/AUG/2016	2.92%	2.00	25/8/2016
3137EADP1	FEDERAL HOME LOAN MORTGAGE CORP 0.875% BDS	2.87%	0.88	7/3/2018
31359M7X5	FEDERAL NATIONAL MORTGAGE ASSOC 5% BDS 11/MAY/2017	2.35%	5.00	11/5/2017
742651DS8	PRIVATE EXPORT FUNDING CORP 1.875% BDS 15/JUL/2018	2.31%	1.88	15/7/2018

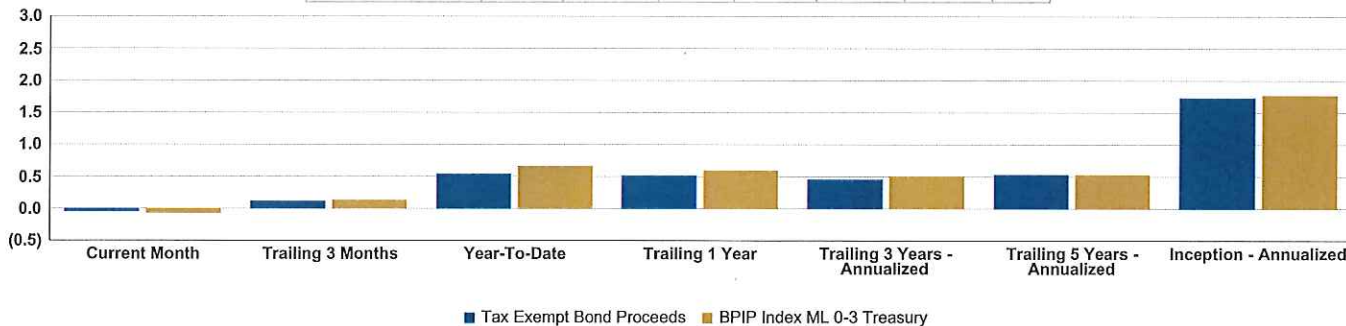
Quality/Rating Weightings

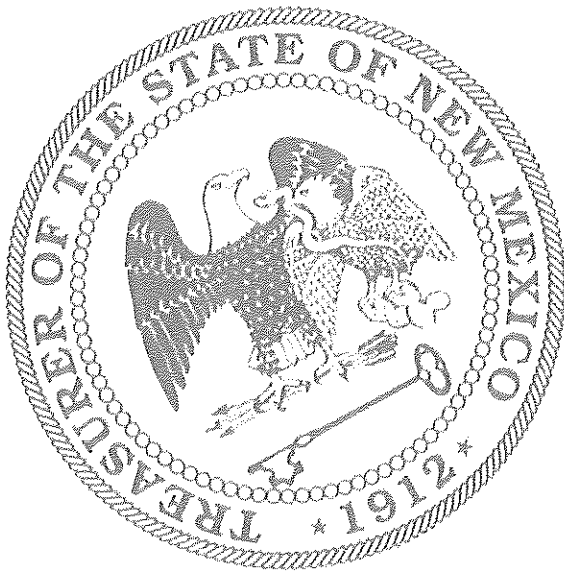
Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
Tax Exempt Bond Proceeds	(0.04)	0.12	0.54	0.51	0.46	0.53	1.73
BPIP Index ML 0-3 Treasury	(0.07)	0.13	0.66	0.60	0.51	0.53	1.77
Excess	0.03	(0.01)	(0.12)	(0.08)	(0.05)	0.00	(0.04)





## 11. 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 \$688.5mil vs. \$712.4mil at the end September.
- The Pool received \$4.9mil in draw requests for capital spending during the month and paid out \$23.3mil for capital projects.

### *Portfolio Mix*

- 100% of the Taxable BPIP portfolio was invested in fixed income securities and cash investments: 51% in US Treasuries, 38% in agency securities, 1% in NM municipal securities and the balance, approximately 10%, was held in cash equivalents and collateralized NM bank CDs.
- 53% of the portfolio was invested in securities that mature in one year, 27% in securities that mature from 1-2 years, 16% in securities that mature from 2-4 years and 5% in securities out to 5 years.
- The Taxable BPIP held positions in 63 securities.
- Weighted Average Life of the Taxable BPIP was 1.25 years. The Weighted Average Duration was 1.17 years.
- The maximum security term for the BPIP portfolio is 5 years.

### *Investment Earnings*

- The unrealized gains in the Taxable BPIP were \$1,624,772 as of October 31<sup>st</sup>.
- Monthly net earnings on the portfolio for October were \$406,233.
- Net earnings for FY2016 were \$1,652,546.
- 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 1.17 years vs. the Benchmark at 1.34 years.
- The Pool duration lengthend from 1.07 to 1.17 during the month.
- Maturities totaled \$20mil during the month.
- The Pool purchased \$15mil of a 3 year US treasury, \$1mil of a 9 month municipal bond and ~\$14mil of 2.5 and 5 year US agency bonds.

### *Performance*

- Purchase Yield at the end of October was 0.73% relative to .68% at the end of the prior month.
- The Taxable BPIP returned (0.06)% for the month of October and 0.13% for the three months ended October 31, 2015, vs. Index returns of (0.07)% and 0.13% respectively. For the trailing 12 mos. the Pool returned 0.64% vs. 0.60% for the benchmark.
- The Taxable BPIP had a duration shorter than the benchmark for the month of October and consequently underperformed the index.

- 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 1.31 yrs. vs. 1.36 yrs. for the benchmark.
- The Pool has maturities of \$15mil scheduled for June.
- The Pool will continue to purchase 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.

**STATE OF NEW MEXICO**  
**BOND PROCEEDS INV POOL2 TAXABL (4002)**  
Portfolio Classification Summary  
Positions Held as of 10/31/15 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	.0203	.00550	37,029,318	37,029,318	37,029,318		5.394
CERTIFICATES OF DEPOSIT	3	.5645	.79394	6,200,000	6,200,000	6,200,000		.903
LINKED-CERTIFICATE OF DEPOSIT	2	.4500	.20820	4,000,000	4,000,000	4,000,000		.583
US TREASURY NOTE ACT/ACT 2X	22	.7122	1.16272	347,550,000	348,273,367	349,095,112	821,745	50.855
AGENCY US BOND 30/360 2X	6	.6198	.70545	77,897,000	78,313,785	78,379,929	66,144	11.418
AGENCY 30/360 2X	1	1.6808	3.86580	20,000,000	20,068,605	20,267,400	198,795	2.952
AGENCY US NOTES 30/360 2X	12	.9211	1.39155	152,209,000	153,493,103	154,037,973	544,870	22.440
CORP US NOTE 30/360 2X	1	1.9013	4.37260	10,000,000	10,156,521	10,141,500	-15,021	1.477
MUNI US 30/360 2X	11	.5796	.85908	6,145,000	6,254,904	6,263,255	8,351	.912
MUNICIPAL BOND REVENUE	1	.4361	.75340	225,000	227,641	227,529	-112	.033
UNITS - INVESTMENT POOL 1	1			20,321,692	20,321,692	20,321,692		2.960
CASH ACCOUNT	1			485,751	485,751	485,751		.071
	<u>62</u>	<u>.7313</u>	<u>1.21483</u>	<u>682,062,761</u>	<u>684,824,687</u>	<u>686,449,459</u>	<u>1,624,772</u>	<u>100.000</u>

**STATE OF NEW MEXICO  
TREASURERS OFFICE**

Position holdings as of 10/31/15 (TRADE)  
BOOK VALUES AMORTIZED THROUGH 10/31/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
485,751	(TD)-CASH KEY	CASHCASH				1.00000	485,751.36	485,751.00	- .36
20,321,692	UNITS - INVESTMENT POOL 1	UNITS001				1.00000	20,321,692.25	20,321,692.00	- .25
<u>20,807,443</u>							<u>20,807,443.61</u>	<u>20,807,443.00</u>	<u>- .61</u>

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

37,029,318	OVERNIGHT REPO	1102RP	.020	11/02/15	.020	1.00000	37,029,317.98	37,029,317.98	
15,000,000	UNITED STATES TREASURY NOTES	912828PJ	1.375	11/30/15	.352	100.08089	15,012,133.44	15,014,100.00	1,966.56
20,000,000	FNMA	3135GOSB	.375	12/21/15	.451	99.98939	19,997,877.74	20,004,800.00	6,922.26
15,000,000	UNITED STATES TREAS NTS	912828PM	2.125	12/31/15	.433	100.27509	15,041,263.68	15,047,250.00	5,986.32
<u>87,029,318</u>							<u>87,080,592.84</u>	<u>87,095,467.98</u>	<u>14,875.14</u>

====> 0004 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== 2015 <====

15,500,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PVS	.430	1/08/16	.464	99.99363	15,499,013.42	15,507,285.00	8,271.58
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	100.55769	15,082,653.37	15,096,150.00	12,496.63
13,450,000	FEDERAL HOME LOAN BANKS	3130A3FM	.300	3/01/16	.293	100.00237	13,450,318.34	13,452,017.50	1,699.16
12,500,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MH8	5.000	3/15/16	.543	101.65438	12,706,797.01	12,717,625.00	10,827.99
8,709,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135GOAL	2.250	3/15/16	.397	100.68826	8,768,940.30	8,773,707.87	4,767.57
15,000,000	FANNIE MAE	3135GOVA	.500	3/30/16	.537	99.98469	14,997,703.91	15,016,950.00	19,246.09
16,550,000	UNITED STATES TREASURY NOTES	912828UW	.250	4/15/16	.435	99.91634	16,536,154.08	16,548,841.50	12,687.42
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACT	2.500	5/27/16	.479	101.15344	10,115,343.67	10,120,800.00	5,456.33
15,000,000	UNITED STATES TREASURY NOTES	912828QP	1.750	5/31/16	.522	100.70925	15,106,387.06	15,122,100.00	15,712.94
1,000,000	NEW MEXICO FIN AUTH REV	64711NSK	4.000	6/01/16	.570	101.99414	1,019,941.44	1,021,830.00	1,888.56
1,115,000	CLOVIS N MEX GROSS RCPTS TAX REV	189387DK	2.000	6/01/16	.381	100.94233	1,125,507.01	1,126,005.05	498.04
30,000,000	UNITED STATES TREAS NTS	912828QR	1.500	6/30/16	.532	100.63972	30,191,917.10	30,226,200.00	34,282.90
1,000,000	ALBUQUERQUE N MEX ARPT REV	013538JD	5.000	7/01/16	.400	103.05885	1,030,588.48	1,028,990.00	- 1,598.48
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	100.06613	15,009,919.36	15,025,650.00	15,730.64
195,000	LOS LUNAS N MEX SCH DIST NO 1	545562RC	2.000	7/15/16	.451	101.08993	197,125.37	197,111.85	- 13.52
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	76717JMF	2.000	8/01/16	.650	101.00800	606,047.98	607,548.00	1,500.02
475,000	LAS CRUCES N MEX SCH DIST NO 002	517534SD	3.000	8/01/16	.650	101.75467	483,334.66	483,953.75	619.09

**STATE OF NEW MEXICO  
TREASURERS OFFICE**

Position holdings as of 10/31/15 (TRADE)  
BOOK VALUES AMORTIZED THROUGH 10/31/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
250,000	GALLUP MC KINLEY CNTY N MEX SCH	364010QJ	2.000	8/01/16	.710	100.96259	252,406.48	252,862.50	456.02
400,000	SAN JUAN CNTY N MEX CENT CONS IN	798359KC	3.000	8/01/16	.650	101.75472	407,018.87	407,992.00	973.13
160,000	BERNALILLO N MEX MUN SCH DIST NO	085279RZ	3.000	8/01/16	.450	101.90643	163,050.29	163,016.00	34.29
225,000	COLFAX CNTY N MEX GROSS TAX RCPT	19407BAC	2.000	8/01/16	.430	101.17396	227,641.41	227,529.00	112.41
25,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACW	2.000	8/25/16	1.277	100.58458	25,146,144.35	25,314,750.00	168,605.65
15,000,000	UNITED STATES TREASURY NOTES	912828RJ	1.000	9/30/16	.677	100.29305	15,043,957.39	15,075,900.00	31,942.61
15,000,000	UNITED STATES TREASURY NOTES	912828RM	1.000	10/31/16	.632	100.36557	15,054,835.70	15,080,100.00	25,264.30
20,000,000	UNITED STATES TREASURY NOTES	912828LU	3.125	10/31/16	.584	102.52288	20,504,575.57	20,525,600.00	21,024.43
20,000,000	UNITED STATES TREASURY NOTES	912828RU	.875	11/30/16	.751	100.13246	20,026,491.00	20,084,800.00	58,309.00
20,000,000	UNITED STATES TREASURY NOTES	912828AS	.625	12/15/16	.665	99.95538	19,991,076.29	20,028,400.00	37,323.71
1,100,000	WESTERN BANK ALAMOGORDO	81186499	.750	12/30/16	.750	1.00000	1,100,000.00	1,100,000.00	
<b>297,329,000</b>							<b>298,945,889.91</b>	<b>299,433,715.02</b>	<b>487,825.11</b>

====> 0032 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2016 <====

15,000,000	UNITED STATES TREASURY NOTES	912828SC	.875	1/31/17	.700	100.21729	15,032,594.12	15,066,600.00	34,005.88
5,000,000	UNITED STATES TREASURY NOTES	912828SJ	.875	2/28/17	.788	100.11441	5,005,720.46	5,021,150.00	15,429.54
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADC	1.000	3/08/17	.756	100.32777	10,032,776.84	10,054,200.00	21,423.16
20,000,000	UNITED STATES TREASURY NOTES	912828SM	1.000	3/31/17	.849	100.21167	20,042,333.16	20,113,800.00	71,466.84
10,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359M7X	5.000	5/11/17	.743	106.45470	10,645,470.14	10,654,200.00	8,729.86
25,000,000	UNITED STATES TREASURY NOTES	912828SY	.625	5/31/17	.916	99.54403	24,886,008.01	24,992,500.00	106,491.99
675,000	CLOVIS N MEX GROSS RCPTS TAX REV	189387DL	2.000	6/01/17	.800	101.88362	687,714.43	689,775.75	2,061.32
15,000,000	FEDERAL HOME LOAN BANKS	313379FW	1.000	6/09/17	.825	100.27806	15,041,709.32	15,067,650.00	25,940.68
5,000,000	UNITED STATES TREASURY NOTES	912828TB	.750	6/30/17	1.006	99.57784	4,978,892.08	5,007,350.00	28,457.92
8,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PZT	.650	7/10/17	.862	99.64484	7,971,587.52	7,989,280.00	17,692.48
5,000,000	UNITED STATES TREASURY NOTES	912828TG	.500	7/31/17	.906	99.29790	4,964,894.92	4,984,950.00	20,055.08
11,000,000	UNITED STATES TREASURY NOTES	912828TM	.625	8/31/17	.975	99.36678	10,930,345.46	10,982,620.00	52,274.54
7,500,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G2AU	1.750	11/24/17	.451	100.73062	7,554,796.66	7,563,825.00	9,028.34
10,000,000	FHLB	3130A5UG	1.000	12/29/17	1.000	100.00000	10,000,000.00	10,024,500.00	24,500.00
<b>147,175,000</b>							<b>147,774,843.12</b>	<b>148,212,400.75</b>	<b>437,557.63</b>

====> 0014 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2017 <====

20,000,000	UNITED STATES TREASURY NOTES	912828UJ	.875	1/31/18	1.205	99.27101	19,854,202.91	20,011,000.00	156,797.09
15,000,000	UNITED STATES TREASURY NOTES	912828UR	.750	2/28/18	1.213	98.93872	14,840,808.33	14,954,550.00	113,741.67

**STATE OF NEW MEXICO  
TREASURERS OFFICE**

Position holdings as of 10/31/15 (TRADE)  
BOOK VALUES AMORTIZED THROUGH 10/31/15

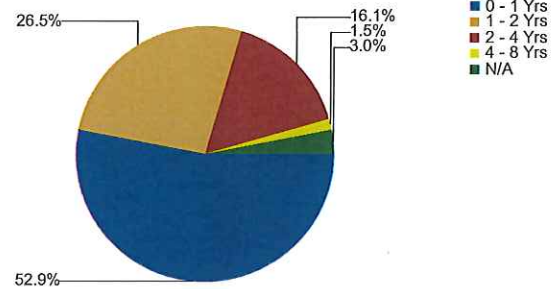
POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET	
4,447,000	TENNESSEE VALLEY AUTHORITY	880591EC	4.500	4/01/18	.924	108.52656	4,826,176.09	4,814,010.91	- 12,165.18	
10,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0E4	1.750	6/08/18	.650	100.66052	10,066,051.60	10,074,400.00	8,348.40	
275,000	LOS LUNAS N MEX SCH DIST NO 1	545562RX	2.000	7/15/18	1.020	102.60708	282,169.48	284,168.50	1,999.02	
15,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0E3	1.125	7/20/18	1.205	99.78632	14,967,948.45	15,044,700.00	76,751.55	
15,000,000	UNITED STATES TREASURY NOTES	912828WD	1.250	10/31/18	.944	100.90135	15,135,203.00	15,085,500.00	- 49,703.00	
<hr/>							79,972,559.86	80,268,329.41	295,769.55	
====> 0007 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2018 <====										
20,000,000	FANNIE MAE	3135G0ZG	1.750	9/12/19	1.658	100.34303	20,068,605.35	20,267,400.00	198,794.65	
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0ZY	1.750	11/26/19	1.727	100.09116	20,018,232.19	20,223,200.00	204,967.81	
<hr/>							40,086,837.54	40,490,600.00	403,762.46	
====> 0002 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2019 <====										
10,000,000	PRIVATE EXPORT FUNDING CORP.	742651DU	2.250	3/15/20	1.875	101.56522	10,156,522.14	10,141,500.00	- 15,022.14	
<hr/>							10,156,522.14	10,141,500.00	- 15,022.14	
====> 0001 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2020 <====										
<hr/>							682,062,761	684,824,689.02	686,449,456.16	1,624,767.14
====> 0062 ITEMS IN SUBTOTAL FOR ====> FUND NAME..... ====> BOND PROCEEDS INV POOL2 TAXABL <										



Portfolio Characteristics

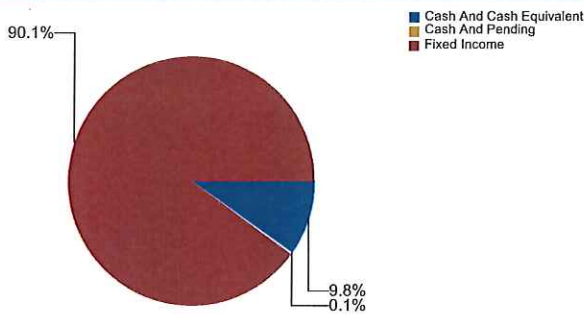
Total Net Assets (Millions) 688.5  
 Weighted Average Life (Years) 1.25  
 Weighted Avg. Effective Duration (Years) 1.17  
 Weighted Average Coupon (%) 1.29  
 Weighted Average Current Yield (%) 0.56  
 Weighted Average Yield to Maturity (%) 0.57  
 Weighted Average Rating AA+  
 Number of Holdings 63

Duration Mix



Asset Mix

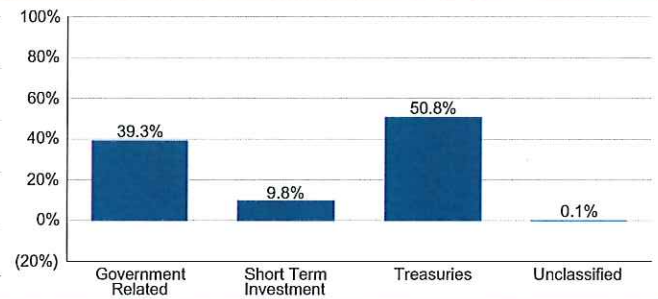
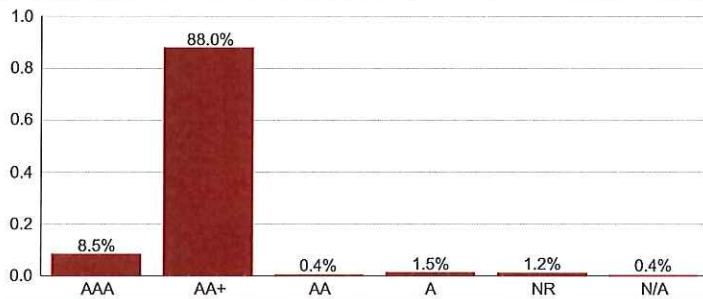
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
912828QR4	UNITED STATES 1.5% 06/16	4.42%	1.50	30/8/2016
3137EACH7	FEDERAL HOME LOAN MORTGAGE CORP 2% BDS 25/AUG/2016	3.69%	2.00	25/8/2016
912828SY7	UNITED STATES 0.625% 05/17	3.64%	0.62	31/5/2017
912828LU2	US 3.12500 '16	2.98%	3.12	31/10/2016
3135G0ZY2	FEDERAL NATIONAL MORTGAGE ASSOCIATION NOTES FIXED	2.96%	1.75	28/11/2019
89299BX00	LGIP POOL PARTICIPANT	2.95%		28/12/2015
3135G0ZG1	FNMA 1.750 '19 USD	2.95%	1.75	12/9/2019
912828RU6	UNITED STATES 0.875% 11/16	2.93%	0.88	30/11/2016
912828SM3	US 1.00000 '17	2.93%	1.00	31/3/2017
99FU30039	REPO MITSUBISHI UFJ SECURITIES (USA),INC. 103015H	4.23%	0.02	2/11/2015

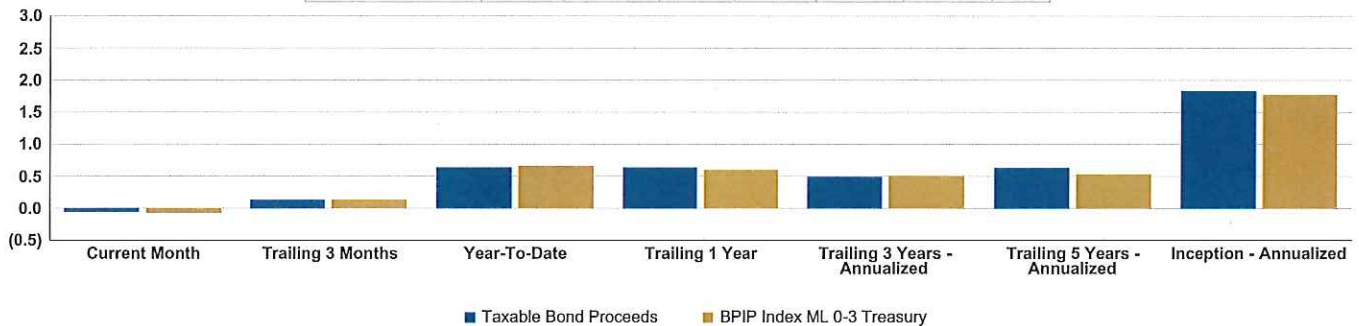
Quality/Rating Weightings

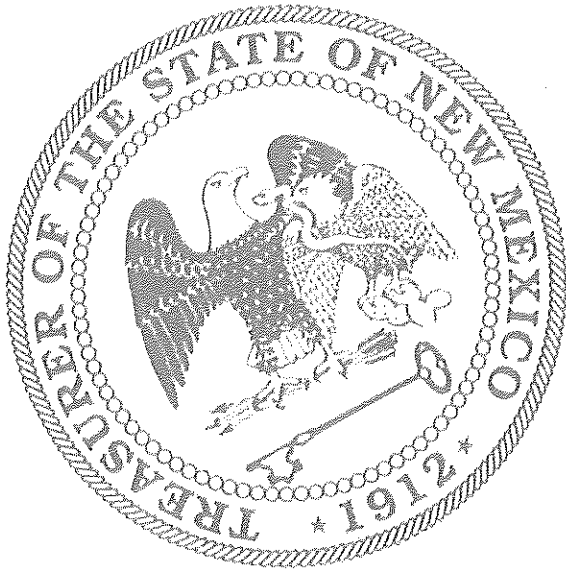
Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
Taxable Bond Proceeds	(0.06)	0.13	0.64	0.64	0.49	0.63	1.83
BPIP Index ML 0-3 Treasury	(0.07)	0.13	0.66	0.60	0.51	0.53	1.77
Excess	0.01	0.00	(0.03)	0.04	(0.01)	0.10	0.06





## 12. Portfolio Summary- Severance Tax Bonding Fund

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

### *Summary*

- The Severance Tax Bonding Fund<sup>9</sup> closed the month of October at \$141.4 Million.
- The Severance Tax Bonding Fund net earnings were \$14,905 during October.

### *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 \$25MM 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*

- The STBF received \$28mil in October 2015.
- Due to its short-term nature, investments of three to six month maturities are viable investments for the STBF pool.

**STATE OF NEW MEXICO**  
**STB FUND (4001)**  
Portfolio Classification Summary  
Positions Held as of 10/31/15 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	.0203	.00550	34,209,699	34,209,699	34,209,699		24.200
AGENCY US BOND 30/360 2X	2	.2701	.14005	14,042,000	14,044,111	14,045,360	1,249	9.936
AGENCY US DISC ACT/360 360 DAY	4	.2640	.11144	38,500,000	38,488,912	38,498,270	9,358	27.234
AGENCY US NOTES 30/360 2X	1	.3042	.05480	500,000	500,026	500,055	29	.354
UNITS - INVESTMENT POOL 1	1			44,059,008	44,059,008	44,059,008		31.168
CASH ACCOUNT	1			10,048,250	10,048,250	10,048,250		7.108
	<u>10</u>	<u>.1047</u>	<u>.07418</u>	<u>141,358,957</u>	<u>141,350,006</u>	<u>141,360,642</u>	<u>10,636</u>	<u>100.000</u>

**STATE OF NEW MEXICO  
TREASURERS OFFICE**

Position holdings as of 10/31/15 (TRADE)  
BOOK VALUES AMORTIZED THROUGH 10/31/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
44,059,008	UNITS - INVESTMENT POOL 1	UNITS001				1.00000	44,059,007.79	44,059,008.00	.21
10,048,250	FNB MONEY MARKET DEMAND ACCOUNT	FNBCASH				1.00000	10,048,249.73	10,048,250.00	.27
<u>54,107,258</u>							<u>54,107,257.52</u>	<u>54,107,258.00</u>	<u>.48</u>

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

34,209,699	OVERNIGHT REPO	1102RP	.020	11/02/15	.020	1.00000	34,209,699.39	34,209,699.39	
500,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PZR	.400	11/20/15	.300	100.00525	500,026.24	500,055.00	28.76
22,000,000	FEDERAL HOME LOAN BANKS	313384PS		11/25/15	.260	99.98267	21,996,186.67	21,999,560.00	3,373.33
13,842,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0SB	.375	12/21/15	.265	100.01525	13,844,110.69	13,845,322.08	1,211.39
12,000,000	FEDERAL HOME LOAN BANKS	313384RB		12/28/15	.250	99.96042	11,995,250.00	11,999,280.00	4,030.00
3,500,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315KRD		12/30/15	.290	99.95247	3,498,336.53	3,499,790.00	1,453.47
200,000	FEDERAL HOME LOAN BANKS	3130A0GK	.375	12/30/15	.375	100.00000	200,000.00	200,038.00	38.00
<u>86,251,699</u>							<u>86,243,609.52</u>	<u>86,253,744.47</u>	<u>10,134.95</u>

====> 0007 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== 2015 <====

1,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315KTF		2/18/16	.285	99.91371	999,137.08	999,640.00	502.92
<u>1,000,000</u>							<u>999,137.08</u>	<u>999,640.00</u>	<u>502.92</u>

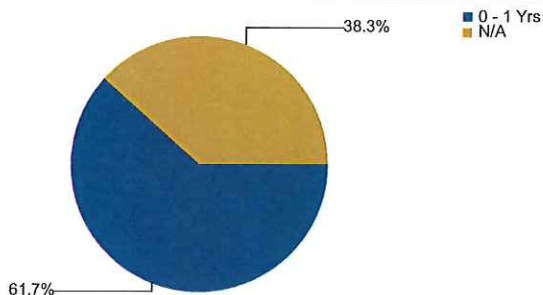
====> 0001 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== 2016 <====

<u>141,358,957</u>							<u>141,350,004.12</u>	<u>141,360,642.47</u>	<u>10,638.35</u>
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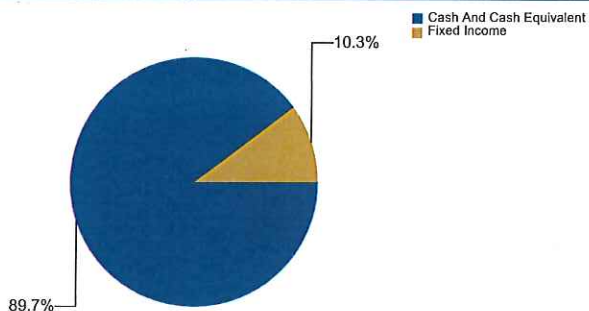
====> 0010 ITEMS IN SUBTOTAL FOR ==== FUND NAME..... ==== STB FUND <====

Portfolio Characteristics Duration Mix

Total Net Assets (Millions)	141.4
Weighted Average Life (Years)	0.05
Weighted Avg. Effective Duration (Years)	0.05
Weighted Average Coupon (%)	0.04
Weighted Average Current Yield (%)	0.09
Weighted Average Yield to Maturity (%)	0.04
Weighted Average Rating	AA
Number of Holdings	10

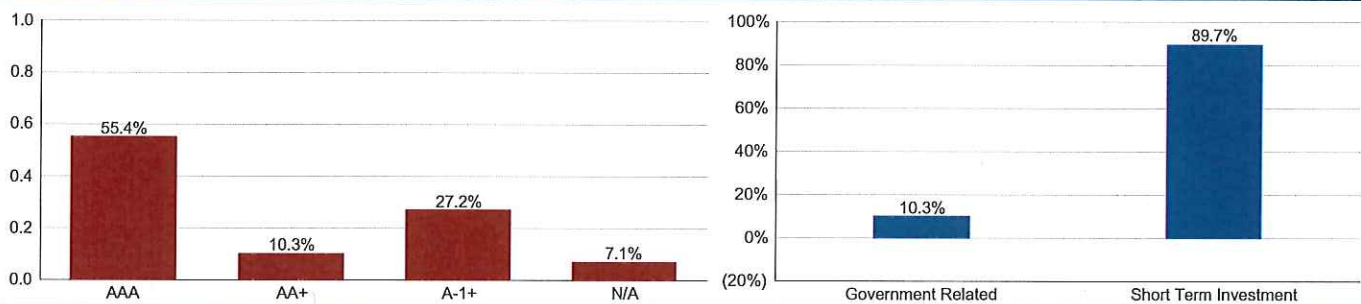


Asset Mix Top Ten Portfolio Holdings



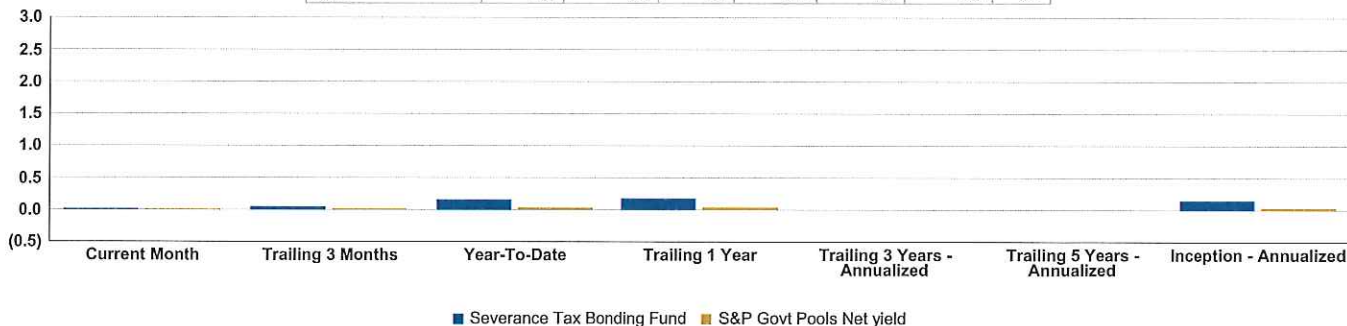
Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
892998X00	LGIP POOL PARTICIPANT	31.17%		28/12/2015
99FUJ0041	REPO MITSUBISHI UFJ SECURITIES (USA),INC. 10J015A	24.20%	0.02	2/11/2015
313384PS2	FEDL HOME LOAN BK CONS DISC HT MATURES 25/NOV/2003	15.55%	0.00	25/11/2015
3135G0SB0	FEDERAL NATIONAL MORTGAGE ASSOC 0.375% BDS	9.81%	0.38	2/11/2015
3130ADGK0	FEDERAL HOME LOAN BANKS CALLABLE BOND FIXED .375%	0.14%	0.38	30/12/2015
89199J5Y4	FIRST NATIONAL	7.11%		
31315KR04	FEDERAL AGRICULTURAL MORTGAGE CORP ZERO CPN	2.48%	0.00	30/12/2015
31315KT77	FEDERAL AGRICULTURAL MORTGAGE CORP DISCOUNT NOTES	0.71%	0.00	18/2/2016
31315PZR3	FEDERAL 0.4% 11/15	0.35%	0.40	20/11/2015
313384RB7	FEDERAL HOME LOAN BANKS ZERO CPN 28/DEC/2011 USD	8.49%	0.00	28/12/2015

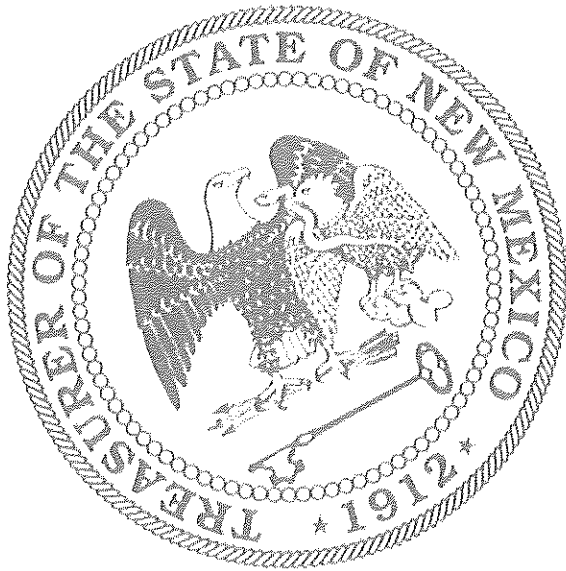
Quality/Rating Weightings Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years - Annualized	Trailing 5 Years - Annualized	Inception
Severance Tax Bonding Fund	0.01	0.05	0.16	0.18			0.15
S&P Govt Pools Net yield	0.01	0.01	0.03	0.04			0.03
Excess	0.01	0.04	0.13	0.14	0.00	0.00	0.12





## 13. 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  
 2015-2016

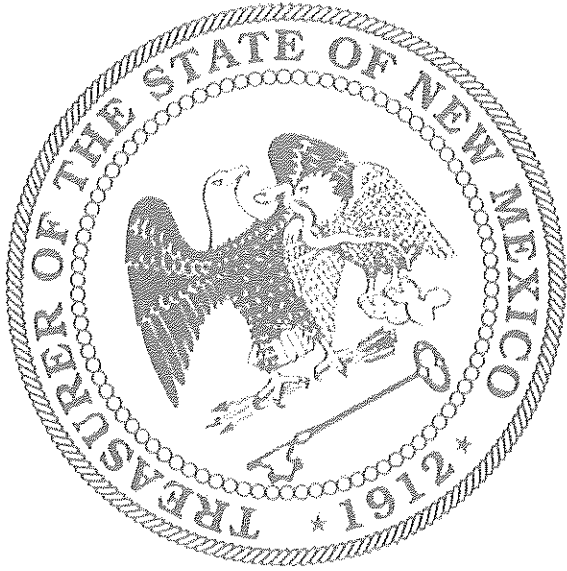
Volume at Par (\$ in thousands)

Broker/Dealer:	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	YTD Total	YTD Percent
Barclays	20,000	10,800	22,000	50,000									102,800	10.7%
BB and T (Scott & Stringfellow)	35,286		1,089	30,440									66,815	6.9%
BMO Capital Markets			2,000	15,000									17,000	1.8%
BNP Paribas		1,800											1,800	0.2%
BOSC, Inc		500	200										700	0.1%
Cantor, Fitzgerald													-	0.0%
CastleOak Securities LP	23,000	5,000	62,000										90,000	9.3%
Daiwa Capital Markets America		8,100	5,000										13,100	1.4%
Deutsche Bank		21,152	150	36,000									57,302	6.0%
Drexel Hamilton LLC													-	0.0%
First Southwest			15,275	3,225									18,500	1.9%
FTN Financial													-	0.0%
George K Baum & Co													-	0.0%
Government Perspectives, Inc													-	0.0%
* Guggenheim Securities LLC	1,000	20,000											21,000	2.2%
HSBC													-	0.0%
Intl FCStone		14,780	3,000	20,000									37,780	3.9%
Jefferies		5,100	1,300										6,400	0.7%
JP Morgan & Co													-	0.0%
KeyBanc Capital Markets	1,700	63,985		13,101									78,786	8.2%
* Loop Capital Markets	5,000												5,000	0.5%
MBS (Multi-Bank Securities)													-	0.0%
MFR Securities													-	0.0%
Mizuho Securities USA	11,441	11,900	14,500	35,000									72,841	7.6%
Morgan Stanley		44,000	26,280										70,280	7.3%
Mutual Securities ninc.													-	0.0%
* Piper Jaffray		285											285	0.0%
Raymond, James & Associates													-	0.0%
RBS Securities		31,000											31,000	3.2%
Robert W. Baird & Co.	1,790	3,255											5,045	0.5%
* Samuel A Ramirez & Co.	19,000	15,000											34,000	3.5%
Societe General Americas			26,842	21,000									47,842	5.0%
Southwest Securities	6,250	3,100	1,250	525									11,125	1.2%
Stifel Nicklaus & Co			255										255	0.0%
TD Securities	10,000			20,000									30,000	3.1%
UBS Financial Services													-	0.0%
Vining Sparks													-	0.0%
Wedbush Securities	17,950	16,230											34,180	3.5%
Wells Fargo Securities	11,856	32,000	26,800	31,675									102,331	10.6%
Direct Purchase			4,800	2,000									6,800	0.7%
Interfund													-	0.0%
<b>Total</b>	<b>164,273</b>	<b>307,987</b>	<b>212,721</b>	<b>277,966</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>962,947</b>	<b>100.0%</b>

\* Broker-Dealers not on Approved Broker-Dealer List as of October 1, 2015

**STATE OF NEW MEXICO**  
**Summary of Fixed-Income Purchases and Sales**  
**TRADES During The Period 10/01/15 Through 10/31/15**

TXN-DATE	CUSIP#	ASSET-TYPE	INVS#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
<b>PURCHASE TRANSACTIONS</b>													
10/29/15	8521016	CERTIFICATES OF	24444	FARMERS & STOCKMENS BAN	.650	4/28/17	.6500	SYSTEM - UNIDEN	1001	2,000,000.00	2,000,000.00		
10/07/15	912828VZ	US TREASURY NOT	24322	UNITED STATES TREASURY	2.000	9/30/20	1.3752	SOC GEN AMERICA	1001	21,000,000.00	21,629,179.69		
10/15/15	912828VV	US TREASURY NOT	24198	UNITED STATES TREASURY	2.125	8/31/20	1.3407	BND CAPTIAL MAR	1001	15,000,000.00	15,553,125.00		
10/20/15	912828WD	US TREASURY NOT	24386	UNITED STATES TREASURY	1.250	10/31/18	.9443	BARCLAYS	3001	20,000,000.00	20,182,031.25		
10/20/15	912828WD	US TREASURY NOT	24387	UNITED STATES TREASURY	1.250	10/31/18	.9443	BARCLAYS	4000	15,000,000.00	15,136,523.44		
10/20/15	912828WD	US TREASURY NOT	24388	UNITED STATES TREASURY	1.250	10/31/18	.9443	BARCLAYS	4002	15,000,000.00	15,136,523.44		
10/08/15	3130A6LZ	AGENCY US BOND	24343	FEDERAL HOME LOAN BANKS	.625	10/26/17	.7326	WELLS FARGO SEC	4000	5,000,000.00	4,989,150.00		
10/13/15	3130A6BD	AGENCY US BOND	24350	FEDERAL HOME LOAN BANKS	.510	9/09/16	.2986	DEUTSCHE BANK S	4101	5,000,000.00	5,004,250.00		3/09/16
10/15/15	880591EC	AGENCY US BOND	23146	TENNESSEE VALLEY AUTHOR	4.500	4/01/18	.8871	TD SECURITIES	4000	20,000,000.00	21,753,340.00		
10/28/15	880591EC	AGENCY US BOND	24443	TENNESSEE VALLEY AUTHOR	4.500	4/01/18	.9238	KEYBANC CAPITAL	4002	4,447,000.00	4,827,085.09		
10/29/15	3130A2P7	AGENCY US BOND	24452	FEDERAL HOME LOAN BANKS	.320	1/22/16	.1668	BB&T CAPITAL MA	4101	4,670,000.00	4,671,587.80		
10/22/15	313384VV	AGENCY US DISC	24405	FEDERAL HOME LOAN BANKS		4/20/16	.2453	MIZUHO SECURITI	4101	15,000,000.00	14,981,625.00		
10/05/15	31359MEL	AGENCY US BOND	24314	FANNIE MAE		6/01/17	.6427	KEYBANC CAPITAL	4000	6,089,000.00	6,025,004.61		
10/09/15	313465RF	AGENCY US NOTES	24342	FEDERAL HOME LOAN MORTG	.400	5/27/16	.2500	WELLS FARGO SEC	4101	5,925,000.00	5,930,522.10		
10/13/15	3135G0AL	AGENCY US NOTES	23413	FEDERAL NATIONAL MORTGA	2.250	3/15/16	.2200	WELLS FARGO SEC	4101	750,000.00	756,378.75		
10/23/15	3135G0BA	AGENCY US NOTES	24413	FEDERAL NATIONAL MORTGA	2.375	4/11/16	.2451	KEYBANC CAPITAL	4101	2,565,000.00	2,590,008.75		
10/27/15	31359MH8	AGENCY US NOTES	23527	FEDERAL NATIONAL MORTGA	5.000	3/15/16	.2080	DEUTSCHE BANK S	4101	13,000,000.00	13,236,821.00		
10/28/15	31359MH8	AGENCY US NOTES	23527	FEDERAL NATIONAL MORTGA	5.000	3/15/16	.2080	DEUTSCHE BANK S	4101	3,000,000.00	3,054,252.00		
10/13/15	3138EFKQ	AGENCY US VARIA	24351	FEDERAL FARM CREDIT BAN		10/20/16	.2884	INTL FCSTONE PA	4101	20,000,000.00	19,998,000.00		
10/23/15	742651DS	CORP US NOTE 30	24414	PRIVATE EXPORT FUNDING	1.875	7/15/18	1.3442	BB&T CAPITAL MA	4000	15,770,000.00	15,992,830.10		
10/29/15	742651DU	CORP US NOTE 30	24451	PRIVATE EXPORT FUNDING	2.250	3/15/20	1.8752	BB&T CAPITAL MA	4002	10,000,000.00	10,156,800.00		
10/01/15	013538JD	MUNI US 30/360	24300	ALBUQUERQUE N MEX ARPT	5.000	7/01/16	.4002	FIRST SOUTHWEST	4002	1,000,000.00	1,033,770.00		
10/07/15	798360FC	MUNI US 30/360	24329	SAN JUAN CNTY N MEX JR	2.000	8/15/16	.4401	FIRST SOUTHWEST	4000	2,225,000.00	2,251,433.00		
10/21/15	798359KS	MUNI US 30/360	24396	SAN JUAN CNTY N MEX CEN	1.000	8/01/17	.7505	SOUTHWEST	1001	300,000.00	301,251.00		
10/21/15	798359KT	MUNI US 30/360	24397	SAN JUAN CNTY N MEX CEN	1.000	8/01/18	1.0003	SOUTHWEST	1001	225,000.00	224,997.75		
<b>25 PURCHASES DURING PERIOD TOTAL.....</b>										<b>222,966,000.00</b>	<b>227,416,489.77</b>		
<b>SALE TRANSACTIONS</b>													
10/07/15	3137EAAJ	AGENCY US NOTES	18821	FEDERAL HOME LOAN MORTG	5.125	10/18/16	.4113	WELLS FARGO SEC	1001	20,000,000.00	20,965,900.00	30,132.81	
10/15/15	31359MH8	AGENCY US NOTES	15555	FEDERAL NATIONAL MORTGA	5.000	3/15/16	.2027	DEUTSCHE BANK S	1001	15,000,000.00	15,297,529.50	29,058.22	
10/20/15	31359MH8	AGENCY US NOTES	15555	FEDERAL NATIONAL MORTGA	5.000	3/15/16		MIZUHO SECURITI	1001	20,000,000.00	20,382,600.00	36,655.38	
<b>3 SALES DURING PERIOD TOTAL.....</b>										<b>55,000,000.00</b>	<b>56,646,029.50</b>	<b>95,846.41</b>	
<b>== GRAND-TOTAL ==&gt;</b>										<b>277,966,000.00</b>	<b>284,062,519.27</b>	<b>95,846.41</b>	
<b>*** END-OF-REPORT ***</b>													



## 14. State Agency Deposit Balances




Tim Eichenberg  
State Treasurer

STATE OF NEW MEXICO  
OFFICE OF THE TREASURER

Samuel Collins  
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 24, 2015  
To: Tim Eichenberg, State Treasurer  
For: Governor Martinez and Members of the State Board of Finance  
From: Edward Gallegos, State Cash Manager   
Subject: State Fund Deposit Activity for the month ending October 31, 2015

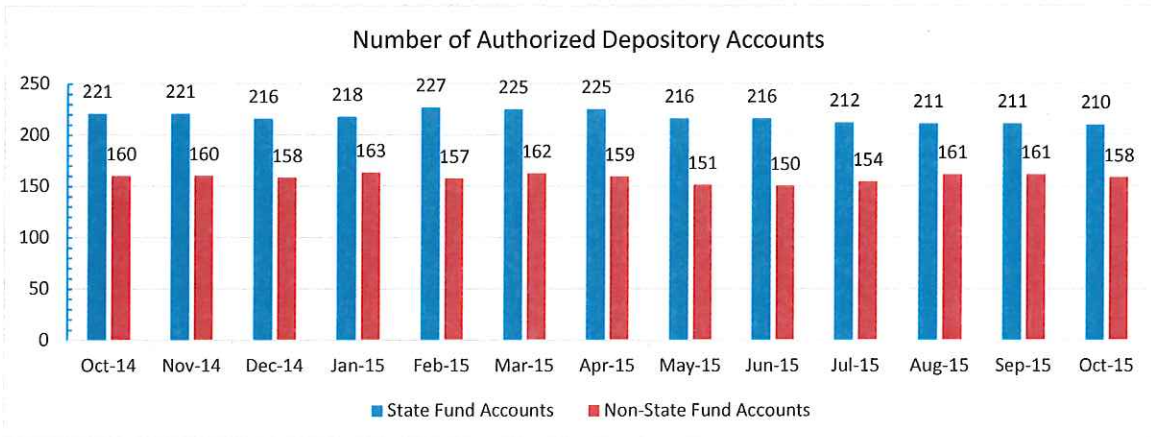
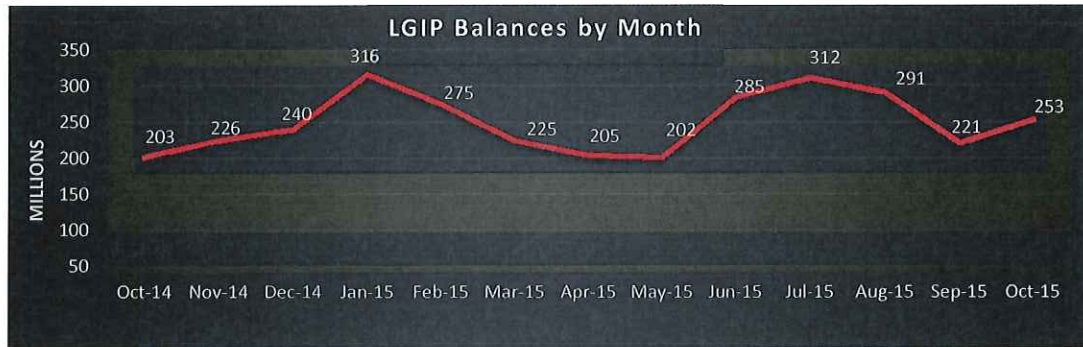
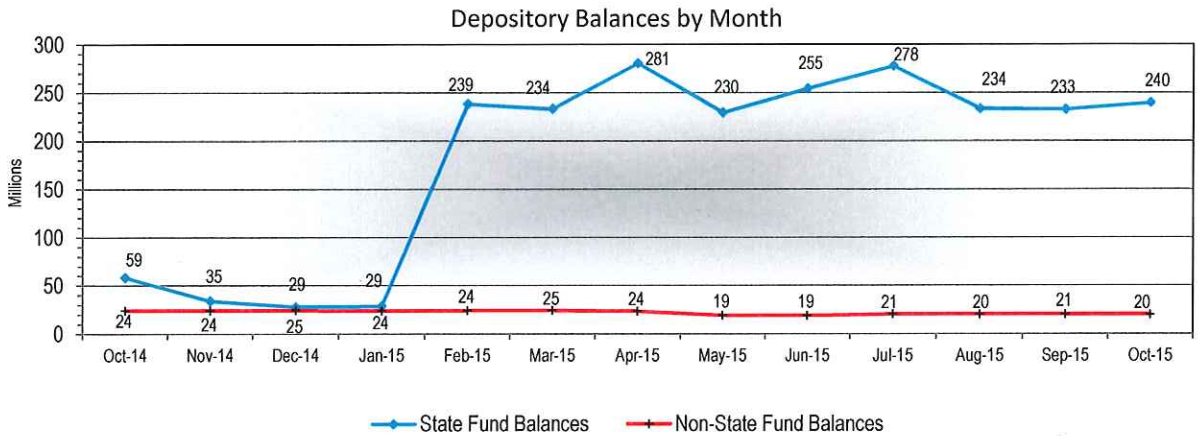
Pursuant to section 8-6-3.1 NMSA 1978, the State Cash Manager shall submit to the State Board of Finance a report showing state fund balances in each Financial Institution. Attached for your review is a summary of State fund balances in each institution through October 31, 2015

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, 2015

(Attachments 3)

# Depository Account Summary for October 2015



**Depository accounts authorized in October 2015 pursuant to Section 6-1-13 NMSA :**

Depository accounts opened in October 2015      0

Depository accounts closed in October 2015      3    13th Judicial District Court

1    AOC

Total closed      4

## Depository Account Summary by Agency

October 2015

### STATE FUNDS

AGENCY	# OF ACCTS.	BALANCE
AOC (fines, fees etc.)	49	\$2,714,575
BERN. CO. METRO COURT	2	\$824,165
1-13 DISTRICT ATTORNEY	5	\$33,244
EDUCATION RETIREMENT BOARD	1	\$395,927
TAXATION & REVENUE DEPT.	28	\$37,450
PUBLIC SCHOOL INS. AUTHORITY	6	\$24,819,375
NMRHCA	1	\$0
PUBLIC DEFENDER	1	\$1,320
SECRETARY OF STATE	1	\$0
STATE TREASURER (JDC)	34	\$25,426
STATE TREASURER (Liq. Reserve)	1	\$200,575,233
NM RACING COMMISSION	6	\$131,405
DEPT. OF GAME & FISH	2	\$116,421
SOUTHWEST REGION ED.	1	\$2,494,852
ENERGY & MINERALS	4	\$71,611
STATE ENGINEER'S OFFICE	4	\$145,043
IRRG WKS CONST	1	\$252,533
HUMAN SERVICES DEPT.	6	\$24,758
WORKFORCE SOLUTIONS	5	\$5,823,493
MINER'S HOSPITAL	1	\$384,915
DEPARTMENT OF HEALTH	37	\$644,390
ENVIRONMENT DEPARTMENT	1	\$0
CHILDREN YOUTH AND FAMILIES	1	\$158
CORRECTIONS DEPARTMENT	5	\$1,058
DEPT. OF PUBLIC SAFETY	2	\$92,065
HIGHWAY & TRANSPORTATION	4	\$1,435
CENTRAL REGIONAL CO-OP	1	\$344,384

### NON-STATE FUNDS

AGENCY	# OF ACCTS.	BALANCE
AOC	50	\$0
AOC	1	\$55,908
1ST JUDICIAL DIST. COURT	3	\$1,316,539
2ND JUDICIAL DIST. COURT	2	\$1,169,514
3RD JUDICIAL DIST. COURT	2	\$1,378,003
4TH JUDICIAL DIST. COURT	3	\$207,797
5TH JUDICIAL DIST. COURT	3	\$1,320,818
6TH JUDICIAL DIST. COURT	3	\$274,316
7TH JUDICIAL DIST. COURT	4	\$159,505
8TH JUDICIAL DIST. COURT	4	\$396,399
9TH JUDICIAL DIST. COURT	2	\$477,944
10TH JUDICIAL DIST. COURT	2	\$720,276
11TH JUDICIAL DIST. COURT	11	\$1,118,043
12TH JUDICIAL DIST. COURT	2	\$697,932
13TH JUDICIAL DIST. COURT	64	\$3,490,118
7TH DISTRICT ATTORNEY	1	\$1,685
10TH DISTRICT ATTORNEY	1	\$340
ATTORNEY GENERAL	1	\$1,761
LGIP	4	\$253,202,217
SUPERINTENDENT OF INSURANCE	7	\$1,492,386
NM STATE FAIR	5	\$2,360,256
SOUTHWEST REGION ED.	1	\$15
MINER'S HOSPITAL	1	\$11,104
DEPARTMENT OF HEALTH	9	\$1,037,252
CHILDREN, YOUTH & FAMILIES	7	\$97,676
CORRECTIONS DEPARTMENT	12	\$2,088,599
DEPT. OF PUBLIC SAFETY	2	\$68,148
CENTRAL REGION CO-OP	1	\$302,800

sub-total: 210      \$239,955,236

sub-total: 158      \$273,447,351

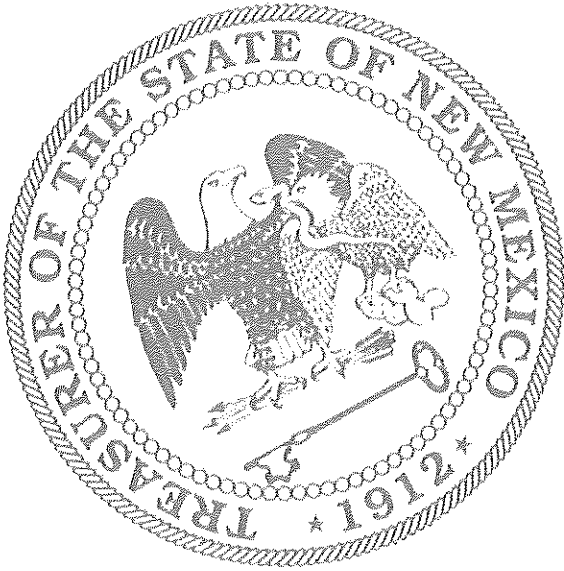
**Total Depository Balance:**      \$513,402,587  
**Total Depository Accounts:**      368



## State Fund Balances by Financial Institution October 2015

First National Bank/Alamogordo	\$ 102,427
Century Bank/Santa Fe	\$ 500
Bank of America/Albuquerque	\$ 584,701
Wells Fargo Bank/Albuquerque	\$ 34,308,999
Compass Bank/Albuquerque	\$ 2,609,178
Bank of the West/Albuquerque	\$ 200,578,814
First American Bank/Artesia	\$ 69,457
Carlsbad National Bank/Carlsbad	\$ 800
Western Commerce Bank/Carlsbad	\$ 113,089
Farmers/Stockmens Bank/Clayton	\$ 14,630
First National Bank/Clayton	\$ 389,901
Citizens Bank/Clovis	\$ 8,955
NM Bank & Trust/Albuquerque	\$ 125,448
Community Bank/Santa Fe	\$ 2,071
Lea County State Bank/Hobbs	\$ 135,827
Southwest Capitol/Las Vegas	\$ 191,872
Community 1st Bank/Las Vegas	\$ 301,385
Western Bank/Lordsburg	\$ 62,233
Los Alamos National Bank/Los Alamos	\$ 12,492
International Bank/Raton	\$ 25,937
Valley Bank of Commerce/Roswell	\$ 112,086
First State Bank/Socorro	\$ 3,888
Centinel Bank/Taos	\$ 85,479
US Bank/Albuquerque	\$ 14,426
Bank of the Southwest/Roswell	\$ 81,992
Washington Federal	\$ 18,649

**Total: \$ 239,955,236**



## 15. Collateral Report on Agency Deposits & CDs

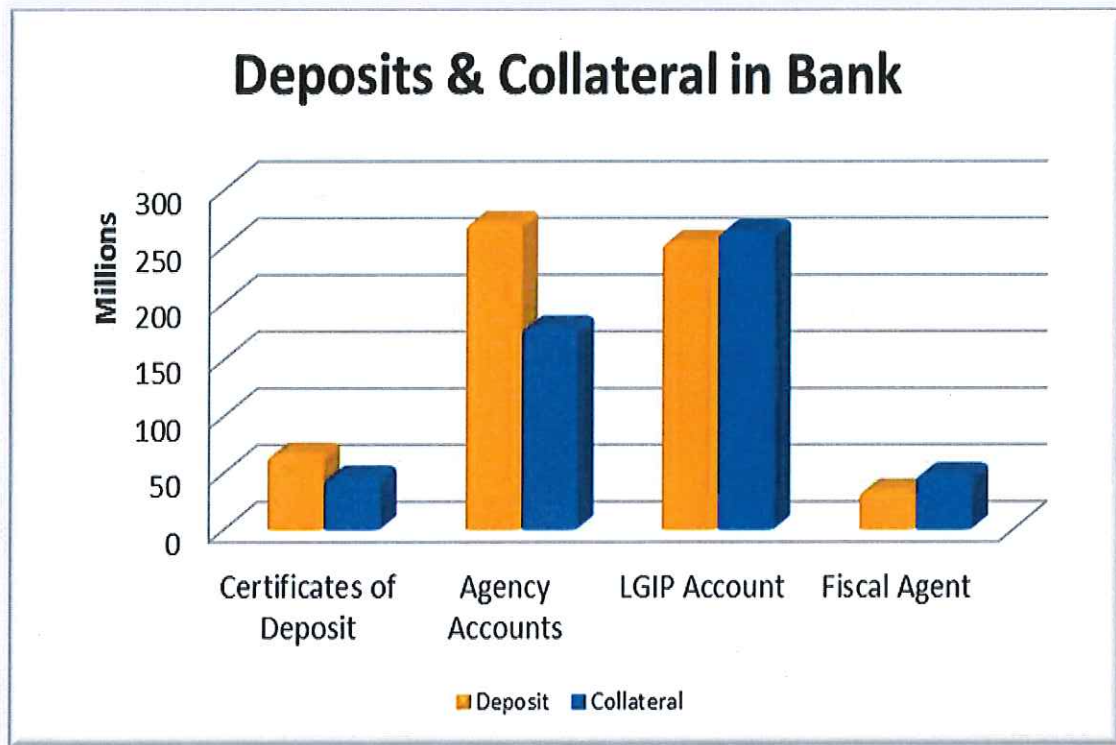


# Office of the Treasurer

## Collateral Summary Review

### October 31, 2015

All depository institutions holding public funds for the month ending October 2015 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	\$ 66.0 Million	\$ 45.5 Million	69.1%
Agency Deposit	270.3 Million	177.7 Million	65.7%
LGIP Deposits	253.2 Million	262.3 Million	103.6%
Fiscal Agent	33.8 Million	47.8 Million	141.6%
Totals →	623.2 Million	533.4 Million	85.6%



# Office of the Treasurer

## Collateral Review

### Accumulated Total by Institution

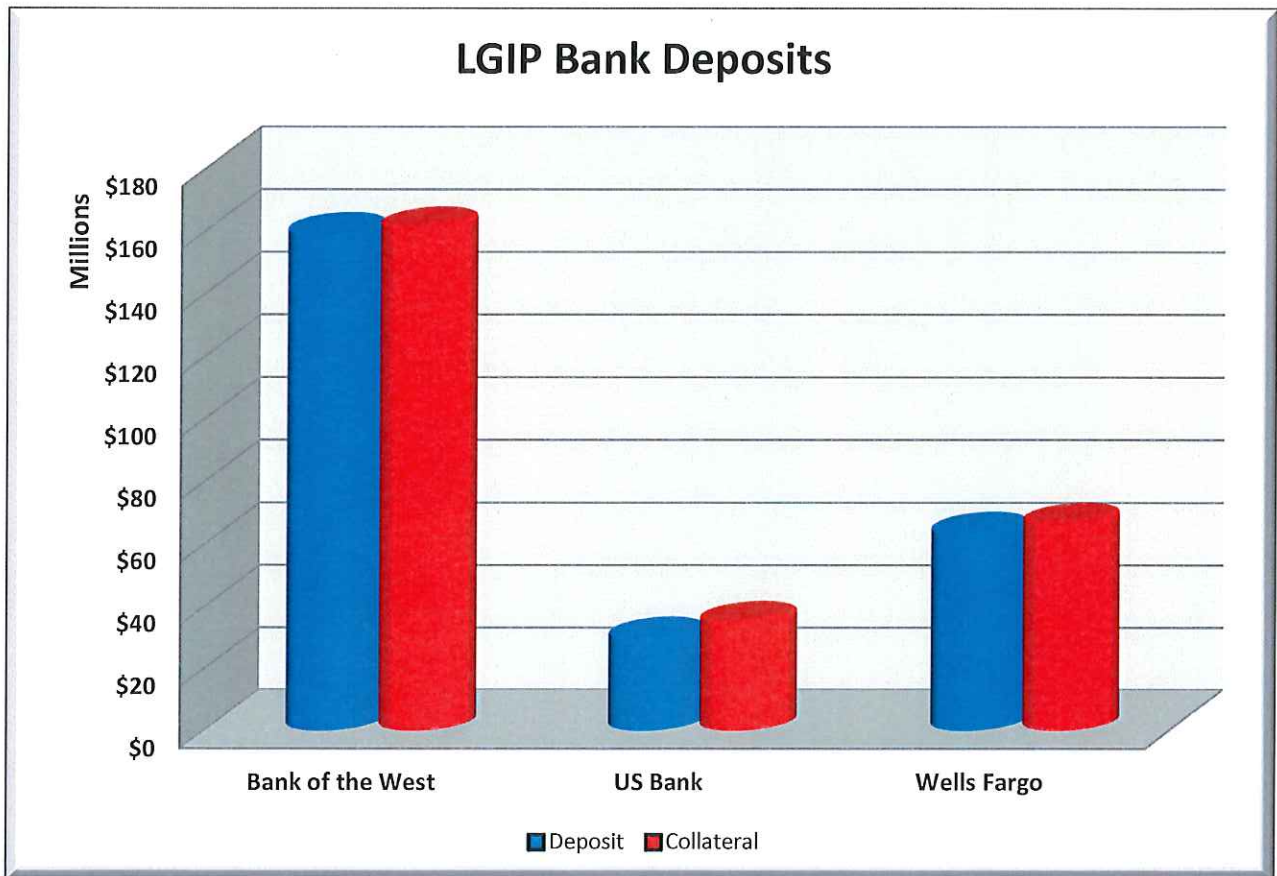
### October 31, 2015

FINANCIAL INSTITUTION	%	TOTAL DEPOSITS	FDIC / NCUA INSURANCE	LESS INSURANCE COVERAGE	SUBJECT TO BE COLLATERALIZED	COLLATERAL PLEDGED	EXCESS (UNDER)
First National - Alamogordo	50%	102,427	102,427	0	0	1,323,317	1,323,317
Western - Alamogordo	50%	3,600,000	250,000	3,350,000	1,675,000	2,582,009	907,009
Bank of America	50%	690,646	250,000	440,646	220,323	673,737	453,414
Bank of the West	50%	361,248,927	250,000	360,998,927	180,499,463	261,401,685	80,902,222
BBVA Compass	50%	2,609,194	250,000	2,359,194	1,179,597	2,500,000	1,320,403
US Bank	50%	31,321,129	250,000	31,071,129	15,535,564	40,000,000	24,464,436
Wells Fargo	50%	111,693,763	250,000	111,443,763	55,721,882	109,885,355	54,163,473
First American	50%	69,457	69,457	0	0	0	0
My Bank	50%	350,120	250,000	100,120	50,060	250,000	199,940
Carlsbad National	50%	800	800	0	0	0	0
Western Commerce	50%	4,113,089	250,000	3,863,089	1,931,544	3,685,814	1,754,270
Farmers & Stockmen	50%	10,017,109	250,000	9,767,109	4,883,554	5,100,000	216,446
First National - Clayton	50%	389,901	389,901	0	0	1,317,858	1,317,858
Bank of Clovis	50%	477,944	250,000	227,944	113,972	805,755	691,783
Citizens - Clovis	50%	8,955	8,955	0	0	0	0
NM Bank & Trust	50%	274,843	274,843	0	0	270,848	270,848
Western - Clovis	75%	3,100,000	250,000	2,850,000	2,137,500	2,672,080	534,580
Lea County State	50%	135,827	135,827	0	0	100,000	100,000
Citizens - Las Cruces	50%	3,603	3,603	0	0	0	0
Southwest Capital	50%	10,663,996	250,000	10,413,996	5,206,998	5,937,962	730,964
Community 1st - Las Vegas	102%	301,385	250,000	51,385	52,412	370,844	318,432
Western - Lordsburg	50%	90,733	90,733	0	0	0	0
Los Alamos National	102%	12,492	12,492	0	0	0	0
James Polk Stone Communi	50%	302,800	250,000	52,800	26,400	153,062	126,661
International	102%	121,915	121,915	0	0	149,515	149,515
Bank of the Southwest	50%	627,329	250,000	377,329	188,664	465,084	276,419
Valley Commerce	50%	112,086	112,086	0	0	0	0
Century	50%	4,492,886	250,000	4,242,886	2,121,443	2,569,901	448,458
Community	102%	0	0	0	0	0	0
First National - Santa Fe	102%	40,048,250	250,000	39,798,250	40,594,215	41,047,010	452,795
First State	50%	64,698	64,698	0	0	0	0
Centinel	50%	85,479	85,479	0	0	0	0
BANK'34	102%	2,000,000	250,000	1,750,000	1,785,000	2,260,625	475,625
Guadalupe Credit	50%	250,000	250,000	0	0	0	0
Washington Federal	50%	38,865	38,865	0	0	0	0
		589,420,645	6,262,079	583,158,566	313,923,593	485,522,460	171,598,867

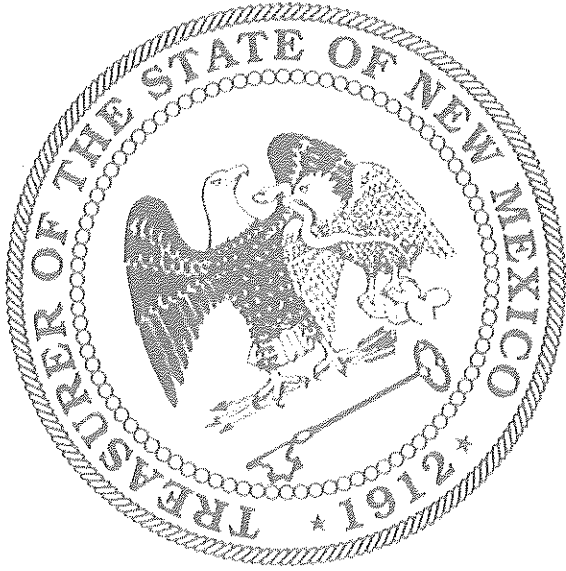


# LGIP Bank Deposits October 31, 2015

<u>Financial Insitution</u>	<u>Percentage</u>	<u>Deposit</u>	<u>Collateral</u>
Bank of the West	101.0%	159,295,712	160,878,966
US Bank	116.0%	30,167,663	35,000,000
Wells Fargo	104.2%	63,738,842	66,428,016
<b>Totals</b>	<b>103.6%</b>	<b>253,202,217</b>	<b>262,306,981</b>



Standards & Poors requires bank deposits to be collateralized @ 100% collateral levels to maintain rating



## 16. Credit Investing



# Credit Investing at STO Current Policies

NM STATE TREASURER'S OFFICE  
THE HONORABLE TIM EICHENBERG

# Presenters

Vikki Hanges

Portfolio Manager

Jeremy Landrum

Portfolio Manager

# NM Statute Credit Eligibility

Eligible investments under NMSA 1978, §6-10-10.

## Deposit and Investment of Funds

M. The state treasurer, with the advice and consent of the state board of finance, may also invest in any of the following investments in an amount not to exceed forty percent of any fund that the state treasurer invests:

- (1) commercial paper rated "prime" quality by a national rating service, issued by corporations organized and operating within the United States;
- (2) medium-term notes and corporate notes with a maturity not exceeding five years that are rated A or its equivalent or better by a nationally recognized rating service and that are issued by a corporation organized and operating in the United States; or
- (3) an asset-backed obligation with a maturity not exceeding five years that is rated AAA or its equivalent by a nationally recognized rating service.

# NM Treasurer's Credit Eligibility

## Treasurer's Investment Policy Allows Credit

### May 20, 2014, VII. A. Eligible Investments

- Commercial Paper rated "prime" quality by a nationally recognized rating service, and issued by corporations that are organized and operating in the United States;
- Corporate Bonds rated "A" or better by a nationally recognized rating service, and issued by corporations that are organized and operating in the United States;
- Asset-Backed Obligations rated "AAA" or better by a nationally recognized rating service, and with a maturity of less than 5 years;



## Treasurer's Investment Policy Further Restrictions

### Diversification

- Commercial Paper, Corporate Bonds, Medium Term Notes and Asset-Backed Obligations
  - 40% in Aggregate
  - 20% Maximum for Each - CP and CB
  - 5% Per Issuer Maximum

### Ratings

- Long Term Debt
  - A/A2/A or better
- Short Term Debt
  - A1/P1/F1 or better

### Maturity

- Commercial Paper
  - 270 Days
- Corporate Bonds
  - LGIP
    - Corporate Bonds and ABS to 397 Days Maximum

# Adopted Current Credit Policies

## Diversification

- Commercial Paper, Corporate Bonds, Medium Term Notes.
- 20% in Aggregate:
  - 10% Maximum for Each - CP and CB;
  - 5% Per Issuer Maximum.

## Ratings

- Long Term Debt:
  - A/A2/A or better;
    - Outlook stable.
- Short Term Debt:
  - A1/P1/F1 or better.

## Maturity

- Commercial Paper:
  - 270 Days.
- Corporate Bonds:
  - AA Rated or Better to 5 Year Maturity Maximum;
  - A Rated to 3 Year Maturity Maximum.
- LGIP not currently eligible for purchasing credit.

# Credit Investing Requirements

- STO Credit Committee:
  - CIO, Treasurer or Designee, Portfolio Managers, Advisor.
- Approved List of Corporate Issuers:
  - Eligible issuers;
  - Maturity maximum per issuer;
  - Percent of portfolio constraints.
- Comprehensive Procedures:
  - Credit file generation;
  - Quarterly updates;
  - Ongoing credit monitoring;
  - Risk mitigation;
  - Sale discipline.

# STOCC Roles and Functions

- Monitor Adherence to Credit Procedures Set Forth
  - Credit as total percentage of portfolio;
  - Issuer maximum percentage of portfolio;
  - Maturity maximums in accordance with credit ratings;
  - Change in outlook/watchlist status and action taken as outlined.
- Monthly Meetings
  - Review approved list:
    - Addition or deletion of issuers;
    - Updates on credit events involving existing issuers/industries;
    - Evaluate initiation of coverage for potential issuers;
  - Discuss procedural changes prior to STIC.
- Ad Hoc Meetings
  - Action required due to credit event;
  - Follow up to determine effect of action;
  - Address potential process violations.

# Approved List Criteria

- Criteria for Issuer Selection:
  - Must meet minimum credit quality ratings:
    - A/A2/A Long Term
    - A1/P1/F1 Short Term
  - A/A2/A issuers must have stable outlook by respective rating agency and not be on watchlist negative.
  - Rated by at least 2 rating agencies – lower rating prevails.
  - Have total assets in excess of \$500 million.
  - Limited to issuers organized and operating within the United States:
    - Includes domestic subsidiaries of foreign entities
  - Publicly traded – Not 144A or 4(2).

# Credit File Procedures

- Credit File Generation;
  - One page write-up on key corporate facts.
  - Most recent credit opinions from rating agencies.
  - Dealer research.
  - Most recent earnings release from issuer.
  - Pertinent financial data obtained from Bloomberg:
    - Key Ratios;
    - Peer group comparisons.
  - Relevant market issuer data:
    - Equity Prices;
    - Corporate Credit Default Swap Spreads.

# Risk Mitigation Procedures

- Risk Mitigation:
  - Utilize larger, systemically important issuers.
  - Restrict issuers rated A to stable outlook and not on watchlist negative.
  - Manage issuers to smaller percentage of portfolio than Investment Policy allows:
    - 3.5% vs. 5% at purchase;
    - Trim positions over 5%.
  - Higher credit quality issuers used for longer duration purchases.
  - Bloomberg alerts for immediate news and rating agency actions.
  - Monitor credit default spreads and equity prices daily.

# Sale Discipline Procedures

- Sale Discipline/Removal from Approved List:
  - Change in outlook or watchlist negative:
    - A rated;
      - Sell
    - AA rated and above;
      - Hold to maturity if:
        - Expected to fall to A with stable outlook;
        - Maturity is less than 7 days.
      - Restrict/suspend new issue purchases.
      - Sell:
        - Expected to fall to A with negative outlook.
  - New corporate developments affecting issuer or the issuer's industry should be evaluated for financial impact.
  - Establish time frame for cure period:
    - 7 business days to execute sale or change standing on the approved list.